

**REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA**

on

STATE FINANCES

for the year ended March 2012

GOVERNMENT OF MADHYA PRADESH

Report No.1 of the year 2012

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Preface

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution.
2. Chapters I and II of this Report contain audit observations on matters arising from examination of the Finance Accounts and the Appropriation Accounts of the Government of Madhya Pradesh for the year ended 31 March 2012.
3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Background

The Report on the Finances of the Government of Madhya Pradesh is brought out with a view to assess the financial performance of the State during 2011-12 based on audit analysis of financial data. In order to give a perspective to the analysis, we have attempted to compare the achievements made by the State Government *vis-à-vis* the targets envisaged in the Fiscal Responsibility and Budget Management Act (FRBM Act), 2005, Budget Documents, norms recommended by the Thirteenth Finance Commission and other financial data obtained from various Government Departments and organisations.

The Report

Based on the audited accounts of the Government of Madhya Pradesh for the year ended March 2012, this Report provides an analytical review of the Annual Accounts of the State Government. The report is structured in three Chapters.

Chapter 1 is based on the audit of the Finance Accounts and makes an assessment of the Madhya Pradesh Government's fiscal position as on 31 March 2012. It provides an insight into the trends in the overall finances of the State, Actual Expenditure *vis-à-vis* Budget Estimates, Salaries and Wages, Pensions, Interest Payments and Subsidies, Expenditure and Borrowing patterns, besides giving a brief account of Central funds transferred directly to the State implementing agencies through the off-budget route. It also makes an assessment of the adequacy of the State's Fiscal priorities to Developmental, Social Sectors and Capital Expenditure.

Chapter 2 is based on audit of Appropriation Accounts and gives a grant-wise description of appropriations and the manner in which the allocated resources were managed by the service delivery departments. Besides, comments arising out of review of two grants i.e. Grant No. 10 and 53 pertaining to Forest and Urban Administration and Development Department respectively have also been made in this Chapter.

Chapter 3 is an inventory of the Madhya Pradesh Government's compliance with various reporting requirements and financial rules.

The Report also compiles the data collated from various Government departments/organisations in support of the findings. At the end of the Report a glossary of abbreviations is given.

Audit findings

Management of Fiscal imbalances and resource mobilisation

- Revenue Surplus, Fiscal Deficit and Primary Deficit showed improvement with reference to the Budget Estimates (BEs).
-

- The State continued to maintain Revenue Surplus during the year 2011-12. The Revenue Surplus as a percentage of Gross State Domestic Product (GSDP) increased from 2.63 *per cent* in 2010-11 to 3.14 *per cent* in 2011-12, which was more than the BE of 1.45 *per cent*.
- The Fiscal Deficit relative to GSDP decreased from 2.02 *per cent* in 2010-11 to 1.83 *per cent* in the current year, thus remaining within the three *per cent* ceiling prescribed in the BE and the norm recommended under the FRBM Act, 2005.
- In 2011-12, Revenue Receipts as a ratio of Total Expenditure stood at 81 *per cent*. The decreasing trend of the Fiscal Liabilities to Revenue Receipts ratio during the period 2007-12 indicated increasing reliance on Revenue Receipts to finance the Total Expenditure and decreasing dependence on borrowed funds.
- Actual realisation under Tax Revenue and Non-Tax Revenue was higher than the assessment made by the Thirteenth Finance Commission (36.81 and 52.37 *per cent*) and Medium Term Fiscal Policy Statement (MTFPS) projections (16.68 and 24.74 *per cent*).

Expenditure Management and Fiscal Priority

- The expenditure pattern of the State revealed that the Revenue Expenditure as a percentage of Total Expenditure continued to be a dominant proportion of the Total Expenditure at 68 *per cent* during 2011-12. Revenue Expenditure increased by 17 *per cent* (Non Plan: 14 *per cent* and Plan: 24 *per cent*) while Capital Expenditure increased by three *per cent*.
- The actual Non Plan Revenue Expenditure (NPRE) at ₹ 36,677 crore in 2011-12 was more than the normatively assessed level of the Thirteenth Finance Commission (36.06 *per cent*) but less than the projection made by the State Government in its MTFPS (four *per cent*).
- The overall expenditure on Salaries and Wages, Pensions, Interest Payments and Subsidies increased by 101 *per cent* during the period 2007-12. This expenditure during 2011-12 constituted 73 *per cent* of the NPRE.
- Operation and Maintenance (O&M) expenses on Water Supply, Sanitation, Housing and Urban Development and Transport sectors were more than the non-tax revenue in these sectors. The State Government should increase the Non-Tax Revenue Receipts and curtail the O&M expenses in respect of these sectors.
- In terms of Plan and Non-Plan Expenditure, the Plan Expenditure increased by ₹ 3,592 crore and Non-Plan Expenditure registered a growth of ₹ 16,390 crore over the previous year.

- The priority given to Social Sector Expenditure (SSE) and expenditure on Education Sector and Health Sector in Madhya Pradesh was not adequate in both 2008-09 and 2011-12 as their ratios to Aggregate Expenditure (AE) were lower than the General Category States' Average. The share of Capital Expenditure to Total Expenditure on Social and Economic Services also registered a fall during the current year. Under the Social Sector greater fiscal priority may be given to Education and Health by the Government.
- It was observed that there was decrease in the proportion of Capital Expenditure on Social and Economic services to Total Expenditure during the current year over the previous year.
- Financial assistance to Local Bodies and other institutions increased by ₹ 1,713.24 crore from ₹ 9,117.06 crore in 2010-11 to ₹ 10,830.30 crore in 2011-12. The increase was mainly on account of financial assistance to Educational Institutions and Panchayati Raj Institutions (PRIs).
- State Government did not devolve funds amounting to ₹ 49.55 crore and ₹ 195.28 crore to Urban Local Bodies (ULBs) and PRIs as compared to the recommendations of the Third State Finance Commission.

Incomplete projects

- An expenditure of ₹ 9,128.68 crore (March 2012) remained unfruitful on 28 incomplete projects and also the initial budgeted cost of 23 projects was revised by the Government involving a cost overrun of ₹ 9,390.04 crore.

Management of Liabilities

- The ratio of total liabilities to GSDP was within the limit of 40 *per cent* fixed under the FRBM Act, 2005. These have to be reduced to 25 *per cent* by the end of 2014-15 as per recommendations of the Thirteenth Finance Commission. Consequently, prudent debt management has to be ensured to keep the growth of liabilities in check to achieve the targets of the Thirteenth Finance Commission.
- Public Debt Receipts decreased by nine *per cent* showing improvement in the State's Debt management. The decrease in Public Debt Receipts was due to decrease in borrowings. Repayment of Public Debt increased by 25 *per cent*.
- During the year 2011-12, internal debt redemption was 106 *per cent* of fresh debt receipts, redemption of GOI loans was 126 *per cent* while in case of other obligations, repayments were 88 *per cent* of fresh receipts. These trends indicated that the debt receipts were mainly utilised for repayment of debt.

- Debt repayments will steadily increase from 10 *per cent* during 2013-15 to 21 *per cent* during 2019-21. It would be prudent to create a Sinking Fund for amortisation of debt.
- In 2011-12, market borrowings by the State Government continued to finance a major portion of Fiscal Deficit though its share in financing Fiscal Deficit decreased from 62 *per cent* in 2010-11 to 55 *per cent* in 2011-12.

Net availability of funds

- During the year 2011-12, repayment of internal debt, GOI loans and other obligations and interest thereon constituted 95 *per cent* of fresh debts, leaving very less funds for asset creation.
- Loans advanced to various State Government institutions were higher than the recovery of loans and advances resulting in an increase in outstanding loans and advances.
- No Ways and Means Advance (Normal/Special) was taken by the State during the years 2010-11 and 2011-12.

Return on investments

- The return (₹ 37.98 crore) on investment of ₹ 13,184 crore made by the Government ending March 2012 in Statutory corporations, Government companies, Co-operative societies, etc. was a mere 0.29 *per cent* against its average borrowing cost of 6.74 *per cent* during 2011-12.
- Twenty Six Government Companies and Statutory Corporations with an aggregate investment of ₹ 11,495.42 crore for the latest year for which accounts were finalised as of 2011-12 were running in losses which accumulated to ₹ 15,931.72 crore.

Funds transferred directly from Government of India to State implementing agencies

- The Central Government transferred ₹ 9,497.91 crore during 2011-12 directly to State Implementing Agencies for implementation of various schemes/programmes. As these are not routed through the State Budget, there is a risk of poor oversight of utilisation of funds by these agencies. Unless uniform accounting practices are diligently followed by all these agencies and there is proper documentation and timely reporting of expenditure, it will be difficult to monitor the end use of these direct transfers.

Financial management and budgetary control

- Against the total provision of ₹ 96,187 crore during 2011-12, an expenditure of ₹ 81,134 crore was incurred leaving an overall saving of ₹ 15,053 crore.
- Major savings were in respect of Finance, Land Revenue, Planning, Economic and Statistic, Water Resources, School Education (Excluding Primary Education), Bundelkhand Package and Law and Legislative Affairs Departments etc.
- In the case of seven grants/appropriations, persistent savings were observed in the last five years.
- There were instances of unnecessary, inadequate or excessive provision of funds and unnecessary or excessive re-appropriations/surrenders.
- In many cases, the anticipated savings were either not surrendered or surrendered on the last day of the financial year, leaving no scope for utilising these funds for other developmental purposes.
- Excess expenditure of ₹ 135.10 crore incurred during 2011-12 and ₹ 2,879.84 crore relating to the period 1997-98 to 2000-2001 and 2002-03 to 2006-07 and 2008-09 to 2010-11 required regularisation under Article 205 of the Constitution.
- Some of the assurances given in the Budget Speech were not fulfilled.
- A sum of ₹ 584.33 crore was transferred to Civil Deposit in Public Account.
- Savings of ₹ 4,872 crore were surrendered on the last day of the financial year.

Budgetary controls should be strictly observed to avoid such deficiencies in financial management.

Financial Reporting

The State Government's compliance with various Financial Rules, procedures and directives was deficient.

- Utilisation certificates in respect of Grants for an aggregate amount of ₹ 31,417.72 crore were awaited from the Grant sanctioning authorities.
- There was delay of nine to 84 months and above, in submission of accounts by 47 autonomous bodies affecting their transparency and accountability.

- The Government's compliance towards disposal of cases of losses, misappropriation, etc. amounting to ₹ 46.25 crore was pending.
- Detailed Contingent bills for an amount of ₹ 19.50 crore against Abstract Contingent bills for the end of 31 March 2012 were awaited including ₹ 19.10 crore for the period prior to 2010-11.
- ₹ 2,007 crore were retained in 886 Personal Deposit accounts as at the end of March 2012 in violation of the provisions of Madhya Pradesh Treasury Code.
- Non-reconciliation of expenditure amounting to ₹ 2,808 crore for 2011-12 in respect of Controlling Officers of five departments and 98.56 *per cent* of the total non-debt receipt of ₹ 71,753 crore was also noticed.
- Non-utilisation and parking of funds relating to Thirteenth Finance Commission in Civil Deposit was noticed in some of the Departments.

All these deficiencies reflected lack of internal controls in the Departments.

Chapter-I

**FINANCES OF THE STATE
GOVERNMENT**



CHAPTER I

Finances of the State Government

Profile of Madhya Pradesh

Madhya Pradesh is the second largest State of India, covering an area of 308 thousand square kilometre. It is located in the central part of the country and is an agrarian landlocked State. It is one of the leading States in the country in mineral production. The composite State of Madhya Pradesh was founded on 1 November 1956. In terms of the Madhya Pradesh Reorganisation Act 2000 (No.28 of 2000), 16 districts¹ of the erstwhile State of Madhya Pradesh were carried out to be formed the new State of Chhattisgarh on 1 November 2000.

As indicated in **Appendix 1.1**, in the last ten years, the density of population in Madhya Pradesh has increased from 196 persons per sq. km to 236 persons per sq. km. Madhya Pradesh has higher poverty levels as compared to the All-India average. The State has shown lower economic growth in the past decade as the Compound Annual Growth Rate of its Gross State Domestic Product (GSDP) for the period 2002-03 to 2011-12 has been 13.77 per cent as compared to 14.46 per cent of General Category States. During this period, its population grew by 16.52 per cent against 13.90 per cent in General Category States. The *Gini Coefficient* shows that the inequality of income distribution in case of rural areas of Madhya Pradesh was less than the All-India average but more in case of urban areas. The *per capita* income in Madhya Pradesh has been lower than that of the General Category States in the current decade.

1.1 Introduction

This chapter provides an audit perspective on the finances of the Government of Madhya Pradesh during 2011-12 and analyses the critical changes observed in the major fiscal aggregates relative to the previous year, keeping in view the overall trends during the last five years. The analysis is based on the Finance Accounts of the Government of Madhya Pradesh and information provided therein. The structure and form of Government Accounts and the layout of the Finance Accounts are depicted in **Appendix 1.2 Part-A**. The methodology adopted for the assessment of the fiscal position and norms/ceilings prescribed by the Fiscal Responsibility and Budgetary Management (FRBM) Act, 2005 and trends in select indicators are depicted in **Appendix 1.3 Part-A, B and C**.

The apportionment of assets and liabilities of the composite State of Madhya Pradesh prior to the date of reorganisation as well as other financial adjustments is carried out in accordance with the provisions of the Madhya Pradesh Reorganisation Act 2000 (No.28 of 2000) The actual progress achieved in this direction is indicated in **Appendix 1.2 Part-B**.

¹ Bastar, Bilaspur, Dantewara, Dhamtari, Durg, Janjgir-Champa, Jashpur, Kanker, Kawardha, Korba, Korla, Mahasamund, Raigarh, Raipur, Rajnandgaon and Surguja.

1.2 Summary of Fiscal Transactions

Table 1.1 presents the summary of the State Government's fiscal transactions during the current year (2011-12) *vis-à-vis* the previous year while Appendix 1.5 Part-A presents abstract of receipts and disbursements as well as the overall fiscal position during the current year.

Table 1.1: Summary of Current Year's Fiscal Transactions

2010-11	Receipts	2011-12	2010-11	Disbursements	2011-12		
Section-A: Revenue							
					Non-Plan	Plan	Total
51,854.18	Revenue Receipts	62,604.07	45,011.59	Revenue expenditure	36,677.16	16,016.55	52,693.71
21,419.34	Tax revenue	26,973.44	14,646.68	General services	16,091.11	137.53	16,228.64
5,719.77	Non-tax revenue	7,482.73	17,345.40	Social services	10,460.00	9,836.94	20,296.94
15,638.51	Share of Union Taxes/ Duties	18,219.13	10,084.48	Economic services	7,499.98	5,464.93	12,964.91
9,076.56	Grants from Government of India	9,928.77	2,935.03	Grants-in-aid and Contributions	2,626.07	577.15	3,203.22
Section-B: Capital							
366.54	Misc. Capital Receipts	22.65	8,799.88	Capital Outlay	32.29	9,022.87	9,055.16
33.65	Recoveries of Loans and Advances	9,122.56	3,714.73	Loans and Advances disbursed	14,681.31	1,079.25	15,760.56
1.64	Inter-State settlement	2.65	1.85	Inter-State settlement			3.70
7,457.94	Public Debt receipts	6,750.25	2,529.23	Repayment of Public Debt			3,149.79
--	Contingency Fund	100.00	--	Contingency Fund			100.00
65,675.10	Public Account receipts	76,315.22	62,344.26	Public Account disbursements			73,279.04
3,912.93	Opening Cash Balance	6,900.44	6,900.44	Closing Cash Balance			7,775.88
1,29,301.98	Total	1,61,817.84	1,29,301.98	Total			1,61,817.84

(Source: State Finance Accounts of the respective years)

The following are the significant changes in fiscal transactions during 2011-12 over the previous year:

- Revenue Receipts increased by ₹ 10,750 crore (21 per cent) over that of the previous year due to increase in the State's own tax revenue (₹ 5,554 crore; 26 per cent), Non-tax revenue (₹ 1,763 crore; 31 per cent), Grants from Government of India (₹ 852 crore; 9.4 per cent) and share of Union Taxes and Duties (₹ 2,581 crore; 16.5 per cent). This has resulted in an increase in the Revenue Surplus from ₹ 6,842 crore in 2010-11 to ₹ 9,910 crore in 2011-12.
- Revenue Expenditure increased by ₹ 7,682 crore (17 per cent) (Non Plan: 14 per cent and Plan: 24 per cent). This increase was mainly in respect of General services sector (₹ 1,582 crore; 11 per cent), Social services sector (₹ 2,952 crore; 17 per cent) and Economic services sector (₹ 2,880 crore; 29 per cent).
- Capital Expenditure increased by ₹ 255 crore (three per cent). This increase was mainly under Social services sector (₹ 67 crore; four per cent) and Economic services sector (₹ 199 crore; three per cent). This was offset by decrease in General services sector (₹ 11 crore; six per cent).
- Public Debt Receipts decreased by ₹ 708 crore (nine per cent) showing improvement in the State's debt management. The decrease in Public Debt Receipts was due to decrease in borrowings (Internal debt: ₹ 646 crore and

Loans and Advances by GOI: ₹ 62 crore). Repayment of Public Debt increased by ₹ 621 crore (25 per cent).

- Public Account Receipts and Disbursements increased by ₹ 10,640 crore (16 per cent) and ₹ 10,935 crore (18 per cent) respectively.
- As a result of inflow/outflow of the funds stated above, the Cash Balances of the State at the close of 2011-12 increased by ₹ 875 crore (13 per cent) over the previous year.

1.3 Review of the Fiscal Position

In response to the Twelfth Finance Commission's recommendation, the Government of Madhya Pradesh enacted the Fiscal Responsibility and Budget Management Act (FRBM), 2005 which came into force from 1 January 2006 with a view to ensuring prudence in fiscal management and fiscal stability by progressive elimination of Revenue Deficit, sustainable debt management consistent with fiscal deficit, greater transparency in fiscal operations of the Government and conduct of fiscal policy within a Medium-term Fiscal Framework. The Thirteenth Finance Commission was constituted on 13 November 2007 for making recommendations, *inter-alia*, on measures needed to augment the resources of the States to supplement the resources of panchayats and municipalities and review the operation of State Debt Consolidation and Relief Facility and suggest measures for maintaining a stable and sustainable fiscal environment with equitable growth. The report was finalised by the Thirteenth Finance Commission in December 2009.

The fiscal performance of the State *vis-à-vis* FRBM targets and those framed in the Medium Term Fiscal Policy Statement (MTFPS) for the year 2011-12 is presented in **Table 1.2** below:

Table 1.2: Fiscal forecasts under FRBM Act and MTFPS

Fiscal forecasts	FRBM targets	Projection as per MTFPS	Actual achievement
Revenue Deficit (-)/ Surplus (+) (₹ in crore)	To be eliminated by 2008-09	(+) 3,867	(+) 9,910
Fiscal Deficit (-)/ Surplus (+) (₹ in crore)	To be reduced to not more than three per cent of GSDP by 31 March 2012	(-) 7,982 (three per cent of GSDP)	(-) 5,760 (1.83 per cent of GSDP)
Total Fiscal Liabilities (including guarantees)	40 per cent of GSDP by 31 March 2015	32.10 per cent of GSDP	27.70 per cent of GSDP
Outstanding Guarantees	Not to exceed 80 per cent of the total Revenue Receipts (RR) of the preceding year	9.47 per cent* of RR of the preceding year	10.81 per cent* of RR of the preceding year

*To the extent information was available in the State Finance Accounts and statement laid before the legislature under FRBM Act during 2011-12

(Source: Statement laid before the legislature under FRBM Act during 2011-12 and State Finance Accounts of the respective years)

- The State had achieved Revenue Surplus in the year 2004-05 and had maintained the Revenue Surplus thereafter. The actual Tax Revenue (₹ 26,973 crore) and Non-tax Revenue (₹ 7,483 crore) was more than both the assessed levels of the Thirteenth Finance Commission (₹ 19,715 crore and ₹ 4,911 crore respectively) and the Budget

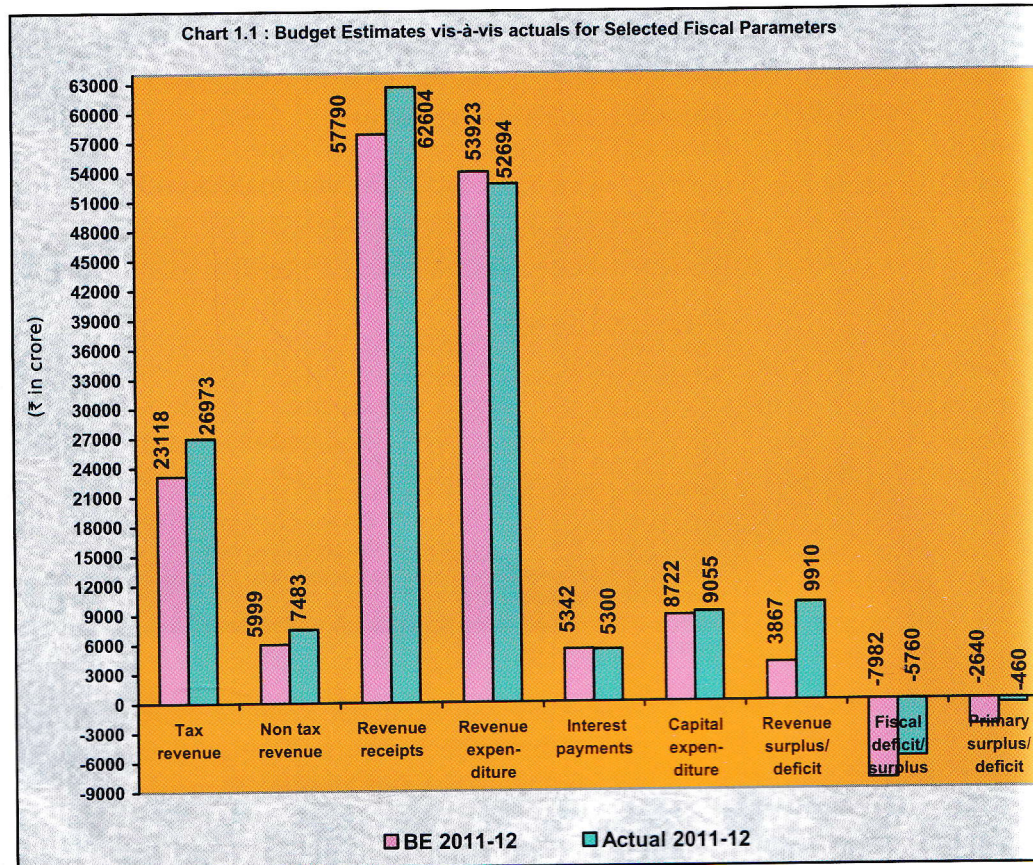
Estimates (₹ 23,118 crore and ₹ 5,999 crore respectively) while the Non-Plan Revenue Expenditure (₹ 36,677 crore) in 2011-12 was more than the normatively assessed level of the Thirteenth Finance Commission (₹ 30,776 crore) but less than the projection made by the State in its MTFPS (₹ 38, 205 crore) [Tables 1.7 and 1.8].

- The Fiscal Deficit was within the amended limit of three *per cent* of GSDP prescribed in the FRBM targets and also within the three *per cent* limit prescribed by the Thirteenth Finance Commission and the projections of MTFPS.
- While the total Fiscal Liabilities (including Guarantees) to GSDP ratio at 27.70 *per cent* was within the FRBM target to be achieved by 31 March 2015, it was less than the projected 32.10 *per cent* in MTFPS.
- The outstanding Guarantees during the year was 10.81 *per cent* of the Revenue Receipts of the preceding year which was well within the limit prescribed in the FRBM targets but slightly more than the projections of MTFPS.

1.4 Budget 2011-12

Actual vis-à-vis Budget Estimates

Chart 1.1 presents the Budget Estimates and Actual for some important fiscal parameters:



(Source: State Finance Accounts and Budget Estimates 2011-12)

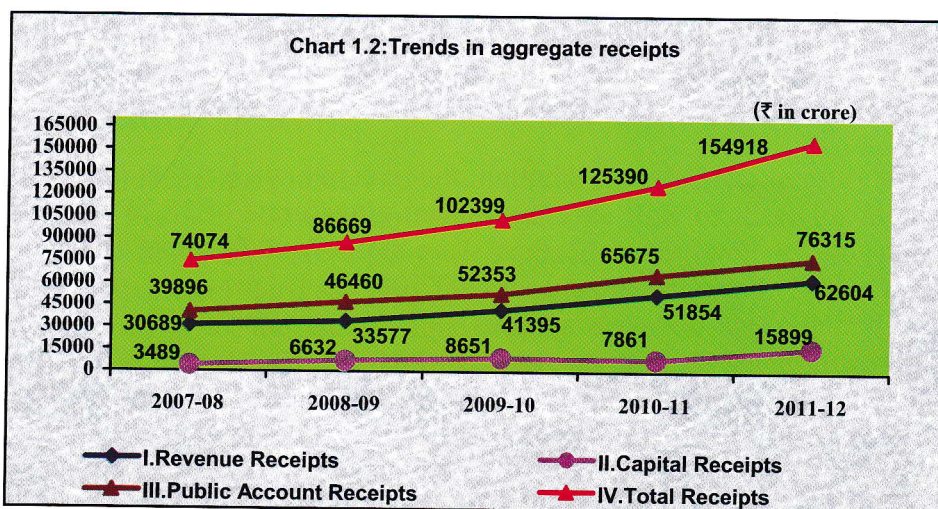
From the Chart above it may be seen that:

- The key fiscal indicators viz., Revenue Surplus, Fiscal Deficit and Primary Deficit showed improvement with reference to the Budget Estimates (BEs).
- Interest Payments and Revenue Expenditure were within the BEs while Capital Expenditure and Non-Tax Revenue were more than the BEs.
- Tax Revenue was more than the BE mainly due to more receipts under Stamps and Registration Fees, Taxes on Sales, Trade etc. and Taxes and Duties on Electricity. Actual receipts under these heads were more than the BEs by ₹ 1,284 crore, ₹ 687 crore and ₹ 403 crore respectively.
- Capital Expenditure was more than the BE mainly due to more expenditure under Power Projects (₹ 236 crore), Minor Irrigation (₹ 180 crore) and Major Irrigation (₹ 92 crore), partly offset by less expenditure under Roads and Bridges (₹ 160 crore) and Medium Irrigation (₹ 62 crore).

1.5 Resources of the State

1.5.1 Resources of the State² as per Annual Finance Accounts

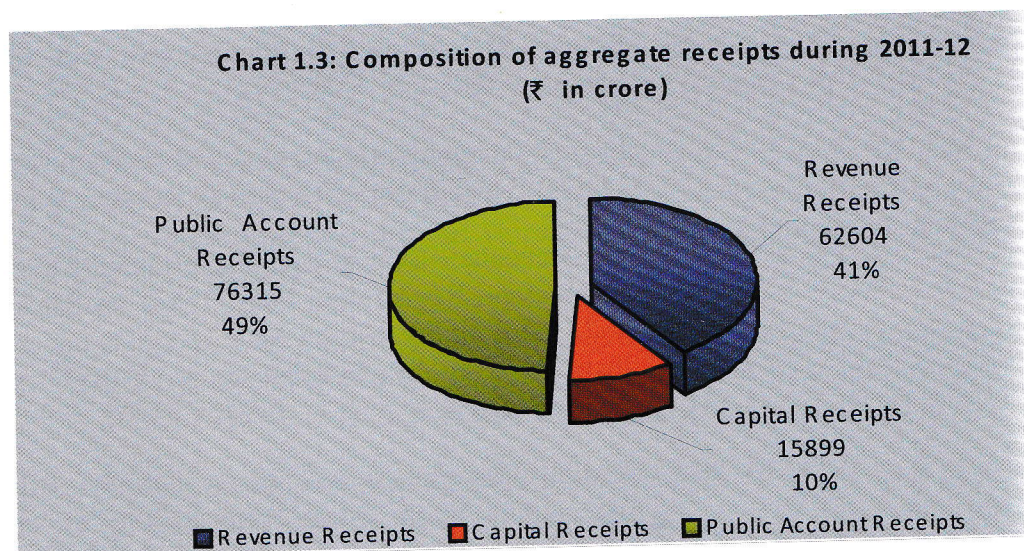
Table 1.1 presents the receipts and disbursements of the State during the year 2011-12 as recorded in the Annual Finance Accounts while **Chart 1.2** depicts the trends of various components of the receipts of the State during the period 2007-12.



(Source: State Finance Accounts of the respective years)

² Revenue and Capital are the two streams of receipts that constitute the resources of the State Government. Revenue Receipts consist of Tax Revenues, Non-Tax Revenues, State's share of Union taxes and duties and grants-in-aid from the GOI. Capital Receipts comprise miscellaneous Capital Receipts such as proceeds from disinvestments, recoveries of Loans and Advances, debt receipts from internal sources (market loans and borrowings from financial institutions/commercial banks) and Loans and Advances from GOI as well as accruals from the Public Account.

Chart 1.3 depicts the composition of resources of the State during the year 2011-12.



(Source: State Finance Accounts of the respective years)

- The Revenue, Capital and Public Account receipts constituted 41, 10 and 49 *per cent* of the Total Receipts respectively during 2011-12. The Total Receipts of the State increased by 109 *per cent* during the period 2007-12, of which Revenue Receipts and Capital Receipts increased by 104 *per cent* and 356 *per cent*.
- The relative share of Revenue Receipts in Total Receipts during 2007-12 ranged between 39 to 41 *per cent*. The share of Capital Receipts in Total Receipts increased from five *per cent* in 2007-08 to 10 *per cent* in 2011-12. The decrease in Public Debt receipts from ₹ 7,458 crore (5.95 *per cent* of Total Receipts) in 2010-11 to ₹ 6,750 crore (4.36 *per cent*) in 2011-12 was due to lesser borrowings under Special Securities issued to National Small Savings Fund of the Central Government.
- Although the receipts under the Public Account increased at an average annual growth rate of 18.26 *per cent* during the period 2007-12, their share in the Total Receipts of the State ranged between 54 *per cent* in 2007-08 to 49 *per cent* during 2011-12 with inter-year variations.

1.5.2 Funds Transferred to State Implementing Agencies outside the State Budget

The Central Government transferred ₹ 9,497.91 crore during 2011-12 directly to State implementing agencies³ for implementation of various Schemes/Programmes in the Social and Economic sectors as against transfer of ₹ 9,002.13 crore during 2010-11. The fund transfers increased by six

³ State implementing agencies include any organizations/institutions including non-Government organizations which are authorized by the State Government to receive funds from the Government of India for implementing specific programmes in the State, e.g. State implementation society for Sarva Shiksha Abhiyan, State Health Mission for National Rural Health Mission etc.

per cent during 2011-12. Details in respect of major Central Plan Schemes are furnished in **Table 1.3**.

Table 1.3: Funds transferred directly to State Implementing Agencies in the State (funds routed outside State Budget)

			(₹ in crore)
Sl. No	Name of the Programme/ Scheme	Implementing Agency/Department in the State	GOI releases 2011-12
1	Mahatma Gandhi National Rural Employment Guarantee Scheme(90:10)	Madhya Pradesh State Employment Guarantee, Bhopal	2,968.51
2	<i>Sarva Shiksha Abhiyan (SSA) (65:35)</i>	M.P. <i>Sarva Shiksha Abhiyan</i> Mission	1,904.27
3	<i>Pradhan Mantri Gram Sadak Yojana (PMGSY)</i>	Madhya Pradesh Rural Road Development Authority, Bhopal	1,138.05
4	National Rural Health Mission (NRHM) Centrally Sponsored (85:15)	State Health Society Madhya Pradesh	620.62
5	Rural Housing-IAY (75:25)	DRDA (All Districts)	426.68
6	National Rural Drinking Water Programme	State Water and Sanitation Mission, Madhya Pradesh, Bhopal	140.09
7	--do--	Public Health Engineering Department, Bhopal	152.69
8	<i>Rashtriya Madhyamik Shiksha Abhiyan (RMSA)</i>	M.P. <i>Madhyamik Shiksha Abhiyan Samiti</i>	242.39
9	Scheme for setting up of 6000 model schools at Block Level as Bench Mark of Excellence	M.P. <i>Madhyamik Shiksha Abhiyan Samiti</i>	202.74
10	Central Rural Sanitation Programme	State Water and Sanitation Mission Madhya Pradesh, Bhopal	150.76
11	National Food Security Mission (100:0)	State Institute of Agriculture Extension and Training	146.82
12	Indian Institute of Science Education and Research, (All 5 IISERs)	Indian Institute of Science Education and Research, Bhopal	142.00
13	MPs Local Area Development Scheme (MPLADS)	District Collector (All Districts)	132.10
14	Integrated Watershed Management Programme (IWMP)	SLNA, Madhya Pradesh	106.53
15	<i>Aajeevika</i>	DRDA (All Districts)	115.39
16	National Mission on Micro Irrigation	Director Horticulture, Madhya Pradesh	109.64

(Source: CPSM Cell of AG (A&E), Madhya Pradesh and State Finance Accounts for the year 2011-12)

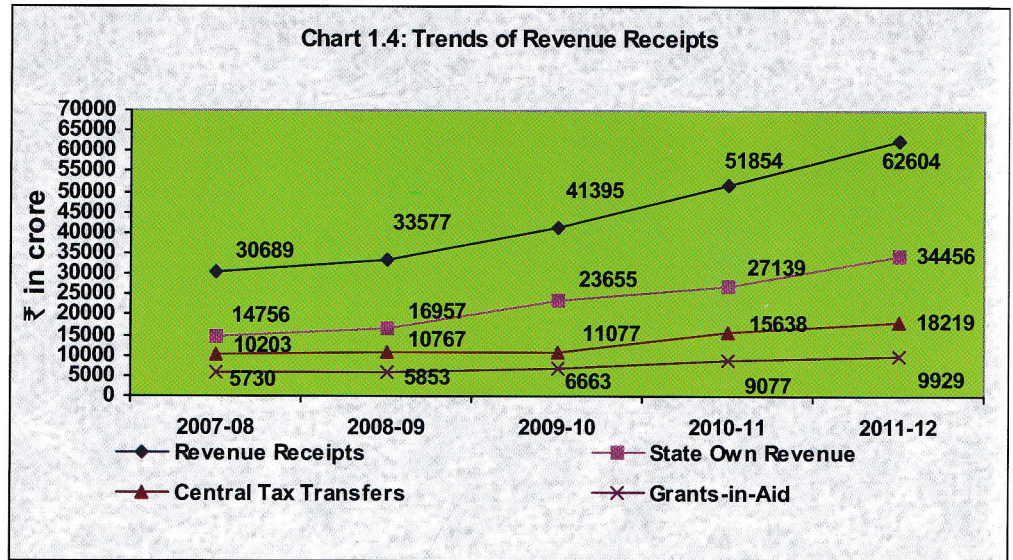
Out of ₹ 9,498 crore transferred by GOI during 2011-12, ₹ 71.47 crore was released to 667 Voluntary Organisations (VOs) /Non-Government Organisations (NGOs). Of these, 25 NGOs/VOs received an amount of ₹ 25 lakh or more each totaling ₹ 46.15 crore during the year (**Appendix 1.7**).

As these funds are not routed through the State Budget/State treasury system, the Annual Finance Accounts do not capture the flow of these funds and to that extent, the State's receipts and expenditure as well as other fiscal variables/parameters derived from them are underestimated. Direct transfer from the Union to the State implementing agencies are required to be accompanied by adequate control mechanisms for effective oversight of utilisation of funds, in the absence of which it could impact and inhibit the FRBM Act's requirement of transparency in fiscal operations and accountability.

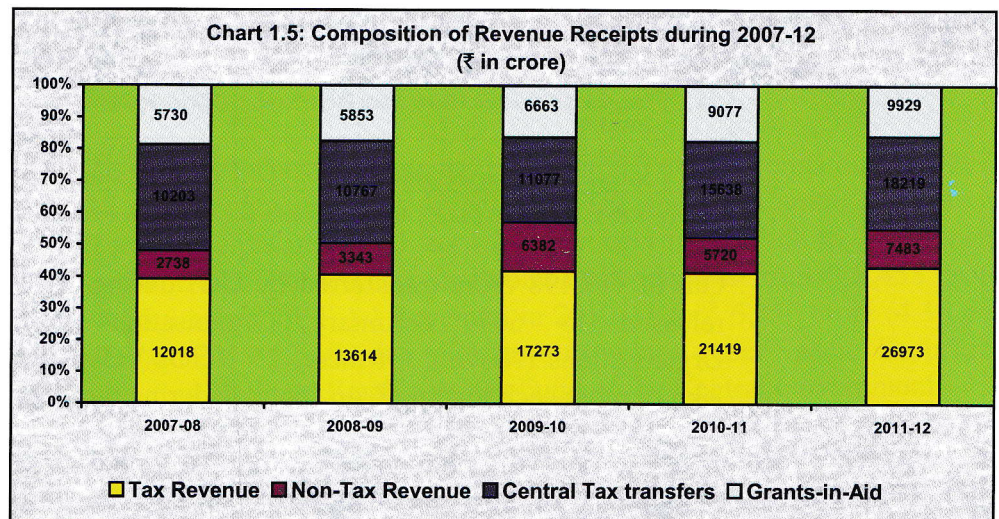
1.6 Revenue Receipts

Revenue Receipts consist of the State's Own Tax and Non-Tax Revenues, Central Tax Transfers and Grants-in-Aid from GOI. Statement-11 of the Finance Accounts of 2011-12 details the Revenue Receipts of the Government.

The trends and composition of Revenue Receipts over the period 2007-12 are presented in **Appendix 1.4** and also depicted in **Charts 1.4** and **1.5** respectively.



(Source: State Finance Accounts of the respective years)



(Source: State Finance Accounts of the respective years)

General trends

- The Revenue Receipts of the State consistently increased at an average annual growth rate of 21 per cent from ₹ 30,689 crore in 2007-08 to ₹ 62,604 crore in 2011-12. While 55 per cent of the Revenue Receipts during 2011-12 had come from the State's own resources comprising Tax Revenue (43 per cent) and Non-Tax Revenue (12 per cent), the balance 45 per cent was contributed by Central Tax Transfers and Grants-in-Aid together.
- The relative share of the State's Own Tax and Non-Tax Revenue exhibited an increasing trend during 2007-12 except in 2010-11, while

that of Central Tax Transfers and Grants-in-Aid showed decreasing trend during 2007-10 and increasing trend from 2010-12.

- Of the total increase of ₹ 10,750 crore in the Revenue Receipts of the State during 2011-12, ₹ 3,433 crore (32 per cent) was contributed by Central Transfers and the remaining ₹ 7,317 crore (68 per cent) by the State's own resources.
- The trends of Revenue Receipts relative to GSDP are presented in **Table 1.4**.

Table 1.4: Trends of Revenue Receipts relative to GSDP

	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue receipts (RR) (₹ in crore)	30,689	33,577	41,395	51,854	62,604
Rate of growth of RR (per cent)	19.44	9.41	23.28	25.27	20.73
GSDP figures (₹ in crore)	1,61,469	1,97,276	2,27,984	2,60,403	3,15,387
Growth rate of GSDP (per cent)	11.69	22.17	15.57	14.22	21.11
RR/GSDP (per cent)	19.00	17.02	18.16	19.91	19.85
Buoyancy Ratios⁴					
Revenue Buoyancy with reference to GSDP	1.66	0.42	1.50	1.78	0.98
State's Own Tax Buoyancy with reference to GSDP	1.26	0.60	1.73	1.69	1.23

(Source: State Finance Accounts of the respective years and information furnished by Directorate of Economics and Statistics, Government of Madhya Pradesh)

Ideally, the growth rate of revenue should be higher than GSDP growth rate so that over time the budget can be better balanced. An analysis of the Table revealed the following:

- The Revenue Receipts relative to GSDP increased consistently from 19 per cent in 2007-08 to 19.91 per cent in 2010-11 but decreased marginally to 19.85 per cent in 2011-12.
- The Revenue Buoyancy as well as State's Own Tax Buoyancy with reference to GSDP decreased in 2011-12 as compared to the previous year due to less growth of Revenue Receipts.

1.6.1 State's Own Resources

As the State's share in Central Taxes and Grants-in-Aid are determined on the basis of recommendations of the Finance Commission, collection of Central Tax Receipts, Central assistance for plan schemes etc., the State's performance in mobilisation of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources.

The gross collection in respect of major taxes and duties *vis-à-vis* Budget Estimates, the expenditure incurred on their collection and the percentage of such expenditure to the gross collection during the year 2011-12 along with the respective All-India Average are given in **Table 1.5**.

⁴ Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, Revenue Buoyancy at 0.6 implies that Revenue Receipts tend to increase by 0.6 percentage points, if the GSDP increases by one per cent.

Table 1.5: Cost of Collection

(₹ in crore)							
Sl. No.	Head of Revenue	Year	BE	Collection	Expenditure on Collection of Revenue	Percentage of Expenditure on Collection	All India Average percentage (2010-11)
Tax Revenue							
1	Taxes on Sales, Trades etc.	2011-12	11,830.00	12,516.73	111.36	0.89	0.75
2	Taxes on Vehicles	2011-12	1,285.00	1,357.12	40.40	2.98	3.71
3	State Excise	2011-12	4,050.00	4,316.49	973.88	22.56	3.05
4	Stamp Duty and Registration Fees	2011-12	2,000.00	3,284.41	63.71	1.94	1.60

(Source: Budget Estimates 2011-12, State Finance Accounts and information furnished by the AG (E&RSA), MP)

During 2011-12, the gross collection was more than the Budget Estimate in respect of Taxes on Vehicles, Taxes on Sales, Trade etc., State Excise and Stamp Duty and Registration Fees.

Tax Revenue

- **Table 1.6** below shows the trends of the composition of Tax Revenue of the State during 2007-12:

Table 1.6: Tax Revenue

(₹ in crore)					
	2007-08	2008-09	2009-10	2010-11	2011-12
Taxes on Sales, Trade etc.	6,045	6,843	7,724	10,257	12,517
State Excise	1,854	2,302	2,952	3,603	4,317
Stamps and Registration Fees	1,532	1,479	1,783	2,514	3,284
Taxes on Vehicles	703	773	919	1,198	1,357
Land Revenue	129	339	180	361	279
Taxes on Goods and Passengers	916	1,333	1,333	1,746	2,047
Other Taxes	839	545	2,382	1,740	3,172*
Total	12,018	13,614	17,273	21,419	26,973

* Other taxes include Taxes and Duties on Electricity (₹ 1,773 crore), Taxes on Immovable Property Other than Agricultural Land (₹ 1,080 crore), Other Taxes on Income and Expenditure (₹ 249 crore), Other Taxes and Duties on Commodities and Services (₹ 52 crore) and Hotel Receipt Tax (₹ 18 crore).
(Source: State Finance Accounts of the respective years)

- Taxes on Sales, Trade etc. were the major contributors (46 per cent) of the State's Own Tax Revenue followed by State Excise (16 per cent), Stamps and Registration Fees (12 per cent), Taxes on Goods and Passengers (eight per cent) and Taxes on Vehicles (five per cent) during 2011-12.
- There was a growth of 22 per cent in Taxes on Sales, Trade etc., 20 per cent in State Excise, 31 per cent in Stamps and Registration Fees, 13 per cent in Taxes on Vehicles, 17 per cent in Taxes on Goods and Passengers and an increase of 20 per cent in Taxes and Duties on Electricity in 2011-12 over the previous year and a decline of 23 per cent on Land Revenue.

- The increase in receipts under Taxes on Sales, Trade etc. (₹ 2,260 crore) was mainly due to increase in receipts under the State Sales Tax Act. The increase in State Excise receipts was mainly due to receipt under Foreign liquors and spirits, Medicinal and toilet preparations containing alcohol, opium etc. The increase under Stamps and Registration Fees was mainly due to increase in receipt of Sale of Stamps-Judicial (₹ 64 crore) and Stamps-non-Judicial (₹ 715 crore). The increase in receipts under Taxes on Vehicles was due to increase in receipt of ₹ 42 crore under the Indian Motor Vehicles Act and other receipts (₹ 103 crore). The decrease under Land Revenue was mainly due to decrease in receipt of Land Revenue/ tax (₹ 72 crore) and under rates and cesses on land (₹ 29 crore). The increase of ₹ 301 crore under Taxes on Goods and Passengers was mainly due to increase in receipt under tax on Entry of goods into local areas. The increase under Taxes and Duties on Electricity (₹ 297 crore) was mainly due to more receipt under Taxes on consumption and sale of electricity and fees under Indian Electricity Rules.

Non-Tax Revenue

Non-Tax Revenue comprises receipts mainly from Interest, Non-Ferrous Mining and Metallurgical Industries, Forestry and Wildlife, Education, Sports, Art and Culture.

- Non-Tax Revenue increased by ₹ 1,763 crore from ₹ 5,720 crore in 2010-11 to ₹ 7,483 crore in 2011-12, mainly due to increase in receipts under Interest Receipts (₹ 1,273 crore) and Education, Sports, Art and Culture (₹ 357 crore).
- Major contributors of Non-Tax Revenue during 2011-12 were Non-Ferrous Mining and Metallurgical Industries (27 per cent), Forestry and Wildlife (12 per cent), Education, Sports, Art and Culture (21 per cent) and Interest Receipts, Dividend and Profits (22 per cent).
- It was observed that during the period 2002-03 to 2011-12, the Compound Annual Growth Rate (CAGR) in case of Madhya Pradesh was higher than that of General Category States (**Appendix 1.1**).

The actual receipts under the State's Tax Revenue and Non-Tax Revenue *vis-à-vis* assessments made by the Thirteenth Finance Commission and the State Government during 2011-12 are given in **Table 1.7** below:

Table 1.7: Tax and Non-Tax Revenue

	Assessments made by the Thirteenth Finance Commission	Projections by State Government in MTFPS	Actual receipts
Tax Revenue	19,715	23,118	26,973
Non-Tax Revenue	4,911	5,999	7,483

(₹ in crore)

(Source: State Finance Accounts of the respective year and Statement laid before the legislature under F.R.B.M. Act during 2011-12 and Thirteenth Finance Commission recommendation 2010-15)

Actual realisation under Tax Revenue and Non-Tax Revenue was higher than the assessment made by the Thirteenth Finance Commission (36.81 and 52.37 per cent) and MTFPS projections (16.68 and 24.74 per cent). The increase in Non-Tax Revenue with respect to MTFPS was mainly due to increase in receipts of Education, Sports, Art and Culture and Power departments.

Recovery of cost of Operations and Maintenance expenses

The cost of Operations and Maintenance (O&M) charges in respect of major components of Non-Tax Revenue is given in **Appendix 1.6**. As may be seen from the Appendix, in 2011-12, the cost recovery of O&M expenses (ratio of Non-Tax Revenue Receipts to O&M expenses) was 190.56 for Education, Sports, Art and Culture; 6.58 for Health and Family Welfare; 0.25 for Water Supply, Sanitation, Housing and Urban Development; 98.71 for Agriculture and Allied activities; 0.01 for Transport; 8.08 for Irrigation and Flood Control and 28.04 for Power. This indicated that O&M expenses on Water Supply, Sanitation, Housing and Urban Development and Transport sectors were more than the Non-Tax Revenue in these sectors. The State Government should increase the Non-Tax Revenue Receipts and curtail the O&M expenses in respect of these two sectors.

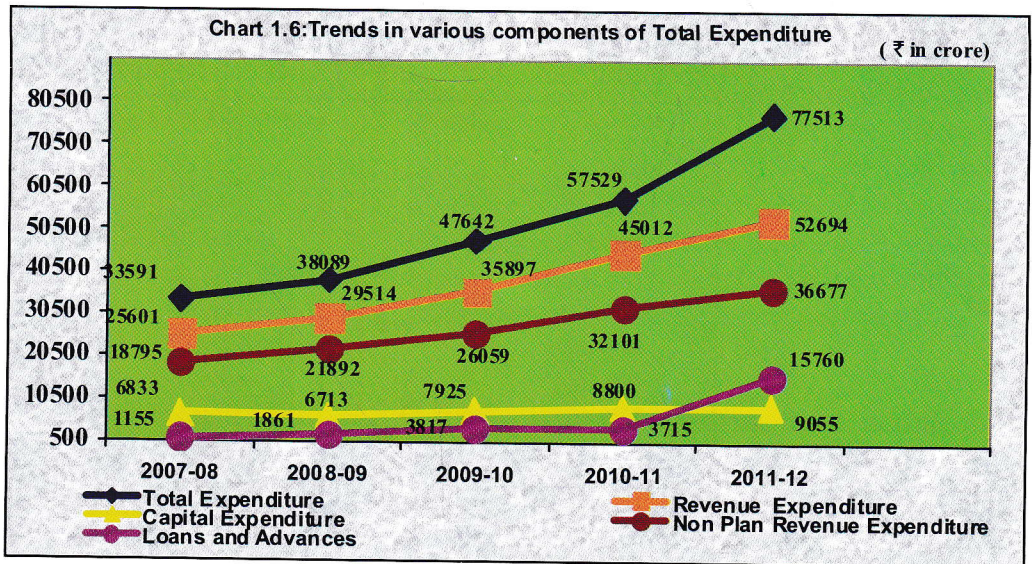
1.7 Application of resources

Analysis of the allocation of expenditure by the State Government's level assumes significance since the responsibility for effective management and application of the resources is to be discharged by them. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is, therefore, important to ensure that the process of fiscal correction and consolidation duly focuses on Social and Developmental Expenditure without ignoring the increasing trend of public expenditure, financed by borrowings. The trends in fiscal indicators (Time series data) are given in **Appendix 1.4**.

1.7.1 Growth and Composition of Expenditure

Total Expenditure includes Revenue Expenditure, Capital Expenditure and Loans and Advances. Revenue Expenditure is incurred to maintain the current level of services and make payments for past obligations and as such does not result in any addition to the State's infrastructure and services network. Capital Expenditure increases the State's infrastructure and services network (tangible assets).

Chart 1.6 presents the trends in Total Expenditure over a period of five years (2007-12). Its composition, both in terms of 'economic classification' and 'expenditure by activities', is depicted respectively in **Charts 1.7 and 1.8**.



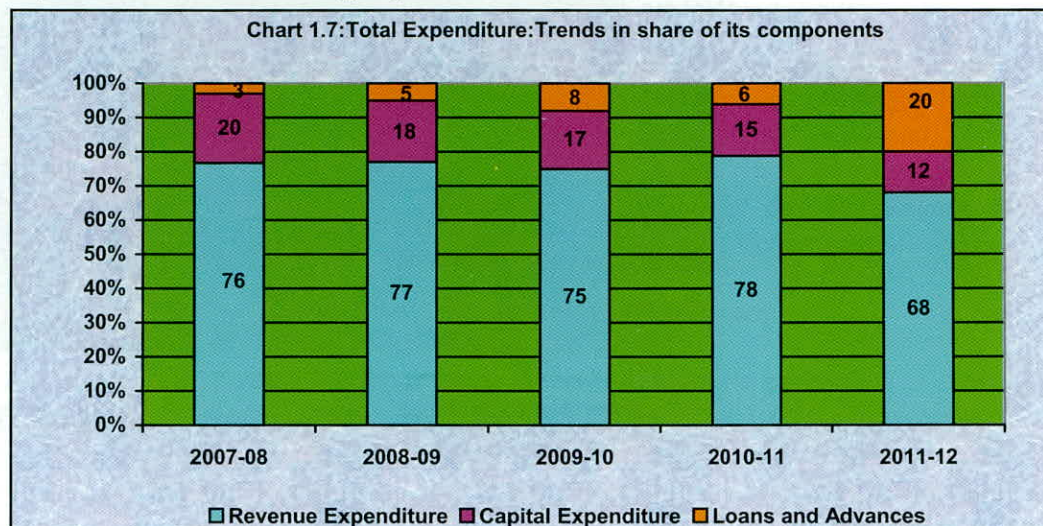
(Source : State Finance Accounts of the respective years)

The Total Expenditure of the State increased from ₹ 33,591 crore to ₹ 77,513 crore at an annual average growth rate of 26 per cent per annum during 2007-12. The Capital and Revenue Expenditure components increased by ₹ 2,222 crore (33 per cent) and ₹ 27,093 crore (106 per cent) respectively during the same period. These trends indicate that the increase in Capital and Revenue Expenditure was in the ratio of 1:12 during this five year period.

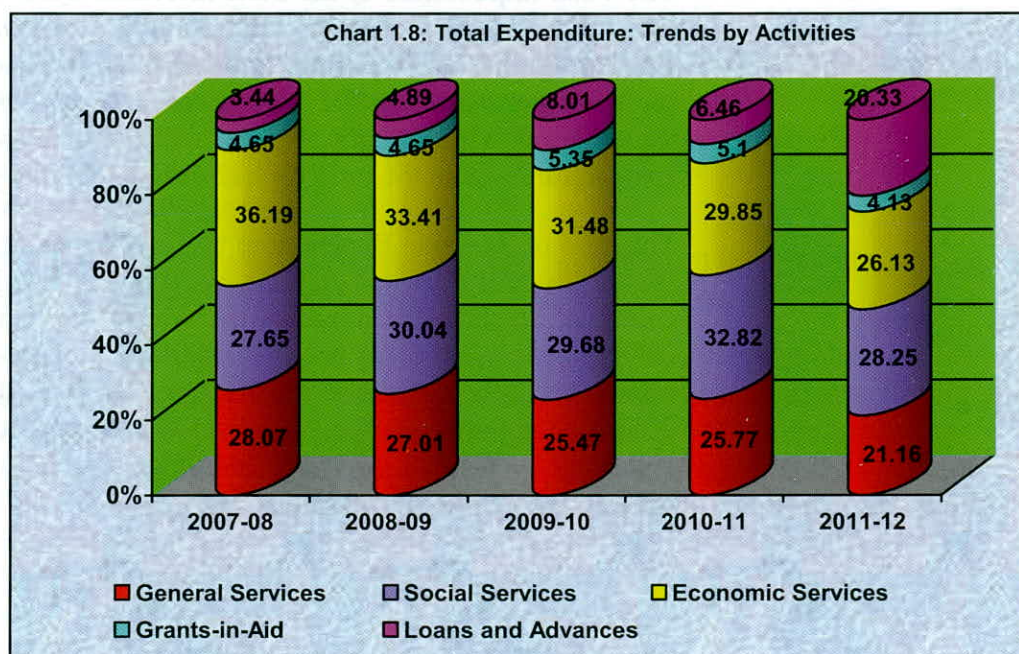
The ratio of Revenue Expenditure to Total Expenditure decreased from 76 per cent in 2007-08 to 68 per cent in 2011-12 with inter-year fluctuation and continued to share the dominant portion of the total expenditure of the State Government. The capital expenditure relative to total expenditure correspondingly decreased from 20 per cent in 2007-08 to 12 per cent in 2011-12. In terms of Plan and Non-Plan expenditure, the Plan expenditure increased by ₹ 3,592 crore and Non-Plan expenditure registered a growth of ₹ 16,390 crore over the previous year.

The significant increase of ₹ 19,984 crore in Total Expenditure (35 per cent) during 2011-12 over 2010-11 was mainly due to increase of ₹ 7,682 crore (17 per cent) in Revenue Expenditure and ₹ 255 crore (three per cent) in Capital Expenditure and ₹ 12,047 crore in disbursement of Loans and Advances including Inter-State Settlement. The increase in Capital Expenditure was mainly due to increase in Capital Outlay on Energy (₹ 616 crore), Water Supply, Sanitation, Housing and Urban Development (₹ 102 crore), Welfare of SC, ST and Other Backward Classes (₹ 77 crore), Rural Development (₹ 53 crore), partly offset by decrease under Transport (₹ 301 crore), Education, Sports, Art and Culture (₹ 99 crore), Agriculture and Allied Activities (₹ 98 crore) and Social Welfare and Nutrition (₹ 51 crore).

In 2011-12, Revenue Receipts (₹ 62,604 crore) as a ratio of Total Expenditure (₹ 77,513 crore) stood at 81 per cent which meant that 81 per cent of the Total Expenditure could be met out of Revenue Receipts. The decreasing trend of the Fiscal Liabilities to Revenue Receipts ratio during the period 2007-12 indicated increasing reliance on Revenue Receipts to finance the Total Expenditure and decreasing dependence on borrowed funds.



(Source: State Finance Accounts of the respective years)



(Source: State Finance Accounts of the respective years)

- The share of Revenue Expenditure in Total Expenditure ranged between 68 to 78 per cent during 2007-12.
- The share of Loans and Advances in Total Expenditure showed an increasing trend during 2007-12, except during 2010-11 when it had decreased.
- Capital Expenditure showed a decreasing trend during the period 2007-12. It was observed that a major portion of the total Capital

Expenditure was Plan Capital Expenditure during the period. During 2011-12, 99.65 per cent of the total Capital Expenditure was Plan Capital Expenditure (₹ 9,023 crore) which increased by ₹ 366 crore from the level of ₹ 8,657 crore in 2010-11.

- The share of General Services (including Interest Payments), considered as non-developmental expenditure declined from 28.07 per cent to 21.16 per cent over the period 2007-12, while the share of Social Services increased from 27.65 per cent in 2007-08 to 32.82 per cent in 2010-11 and decreased to 28.25 per cent in 2011-12. The share of Economic Services indicated a decreasing trend from 36.19 per cent in 2007-08 to 26.13 per cent in 2011-12. The development expenditure comprising Social and Economic Services together decreased from 62.67 per cent in 2010-11 to 54.38 per cent in 2011-12.
- The share of Grants-in-Aid showed an increasing trend during the period 2007-10 and a decreasing trend during 2010-12.

Trends in growth of Revenue Expenditure

- The overall Revenue Expenditure of the State increased from ₹ 25,601 crore in 2007-08 to ₹ 52,694 crore in 2011-12, showing an increase of 106 per cent over the period. Out of the total increase of Revenue Expenditure of ₹ 7,682 crore (17.07 per cent) during 2011-12, Non-Plan Revenue Expenditure (NPRE) amounted to ₹ 4,576 crore (60 per cent) while ₹ 3,106 crore (40 per cent) was incurred under Plan Revenue heads.
- The increase in NPRE during 2011-12 was mainly due to increase in expenditure on General Education (₹ 896 crore), Non-ferrous Mining and Metallurgical Industries (₹ 757 crore), Pension and other retirement benefits (₹ 622 crore), Compensation and assignment to Local Bodies and Panchayati Raj Institutions (₹ 237 crore), Police (₹ 291 crore), Interest Payment (₹ 251 crore), Medical and Public Health (₹ 229 crore) and Other Rural Development Programmes (₹ 271 crore) which was partly offset by decrease under Power (₹ 176 crore).
- The actual NPRE *vis-à-vis* the assessment made by the Thirteenth Finance Commission and the State Government are given in **Table 1.8**.

Table 1.8: Trends in the growth of Non-Plan Revenue Expenditure

(₹ in crore)

Year	Assessments made by Thirteenth Finance Commission	Assessments made by State Government in MTFPS	Actual NPRE
	(1)	(2)	(3)
2011-12	26,957	38,205	36,677

(Source: State Finance Accounts of the respective year and Thirteenth Finance Commission Recommendations and Statement laid under F.R.B.M. Act)

- The actual NPRE at ₹ 36,677 crore in 2011-12 was more than the normatively assessed level of the Thirteenth Finance Commission (36.06 per cent) but less than the projection made by the State Government in its MTFPS (four per cent). Relative to the assessment made by Thirteenth Finance Commission, the increase was mainly under General Services excluding Interest Payments (₹ 6,459 crore), Social Services (₹ 8,467 crore) and Economic Services (₹ 5,761 crore), partly offset by decrease under Interest Payments (₹ 534 crore).
- The Plan Revenue Expenditure (PRE), which consistently increased during the period 2007-12, increased by ₹ 3,106 crore (24.06 per cent) during 2011-12. The increase in PRE in 2011-12 was mainly under General Education (₹ 476 crore), Education, Sports, Art and Culture (₹ 598 crore), Water Supply, Sanitation, Housing and Urban Development (₹ 191 crore), Social Security and Welfare (₹ 788 crore), Crop Husbandry (₹ 107 crore), Welfare of SC, ST and OBC (₹ 181 crore), Health and Family Welfare (₹ 164 crore) and Energy (₹ 594 crore).

1.7.2 Expenditure on Salaries and Wages, Pensions, Interest Payments and Subsidies

The expenditure of the State Government on revenue account mainly consists of Interest Payments, expenditure on Salaries and Wages, pensions and subsidies. **Table 1.9** and **Chart 1.9** present the trends of expenditure on these components during the period 2007-12.

Table-1.9: Components of Expenditure on Salaries and Wages, Pension, Interest Payments and Subsidies

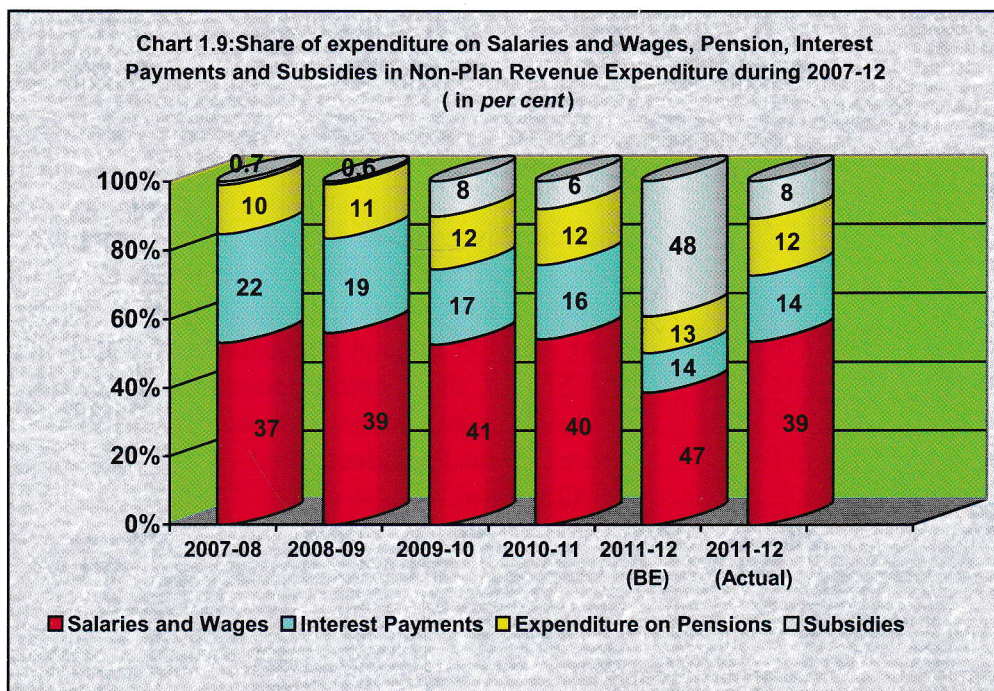
Components of Expenditure	2007-08	2008-09	2009-10	2010-11	2011-12	
					BE	Actual
Salaries and Wages, of which	6,984 (22.76)	8,547 (25.45)	10,678 (25.80)	13,100 (25.26)	17,839 (30.87)	14,113 (22.54)
Non-Plan Head	6,221	7,660	9,406	11,490	--	12,274
Plan Head**	763	887	1,272	1,610	--	1,839
Interest Payments	4,191 (13.66)	4,192 (12.48)	4,454 (10.76)	5,049 (9.74)	5,342 (9.24)	5,300 (8.47)
Expenditure on Pensions	1,964 (6)	2,433 (7)	3,077 (7)	3,767 (7.26)	5,158 (8.93)	4,389 (7.01)
Subsidies	141 [@] (0.46)	132 [@] (0.39)	2,033 [@] (4.91)	1,810 [@] (3.49)	18,328 (31.71)	2,926 [@] (4.67)
Total	13,280 (43)	15,304 (46)	20,242 (49)	23,726 (46)	46,667 (81)	26,728 (43)

Figures in parentheses indicate percentage of Revenue Receipts

** Plan Head also includes the salaries and wages paid under Centrally Sponsored Schemes.

@ To the extent information is available in the Finance Accounts

(Source : State Finance Accounts of the respective years and information furnished by A.G. (A&E), Madhya Pradesh)



(Source : State Finance Accounts of the respective years and information furnished by A.G. (A&E) Madhya Pradesh)

The overall expenditure on Salaries and Wages, Pensions, Interest Payments and Subsidies increased by 101 per cent during the period 2007-12. This expenditure during 2011-12 constituted 73 per cent of the NPRE. As a percentage of Revenue Receipts, it showed an increasing trend during 2007-10 and decreasing trend during 2010-12. During 2011-12, it constituted 43 per cent of the Revenue Receipts and was less than the previous year and the Budget projections. The component-wise analysis is given as under:

Salaries and Wages

- The expenditure on Salaries and Wages increased by 102 per cent from ₹ 6,984 crore in 2007-08 to ₹ 14,113 crore in 2011-12. Expenditure on Salaries and Wages as a percentage of Revenue Receipts showed an increasing trend during the period 2007-10 and a decreasing trend during 2010-12.
- There was an increase of seven per cent in expenditure on Salaries and Wages under the Non-Plan head during 2011-12 over the previous year. Actual expenditure on Salaries and Wages of ₹ 14,113 crore in 2011-12 was less than the projections in the BE (₹ 17,839 crore).

Pension Payments

- Pension Payments increased by 17 per cent from ₹ 3,767 crore during 2010-11 to ₹ 4,389 crore during 2011-12 mainly on account of increase under Superannuation and Retirement Allowances (₹ 443 crore), Family Pension (₹ 171 crore) and Government Contribution for defined Contribution Pension Scheme (₹ 39 crore).

- Actual Pension Payment at ₹ 4,389 crore in 2011-12 was (14.91 per cent) less than the BE of ₹ 5,158 crore and (36.05 per cent) more than ₹ 3,226 crore as projected by the Thirteenth Finance Commission.

Interest Payments

- Interest Payments of ₹ 5,300 crore during 2011-12 accounted for 8.47 per cent of the Revenue Receipts and constituted 10.06 per cent of Revenue Expenditure during 2011-12. Interest Payments during the year were on Special Securities issued to National Small Saving Fund (NSSF) of the Central Government (₹ 1,475 crore), market loans (₹ 1,660 crore), loans borrowed from the Central Government (₹ 667 crore), State Provident Fund (₹ 1,050 crore) and Other Internal Debt (₹ 426 crore).
- The increase of ₹ 251 crore in Interest Payment during 2011-12 over the previous year was the result of increase under State Provident Fund (₹ 458 crore), Interest on Other Internal Debt (₹ 94 crore) and Interest on Special Securities issued to NSSF of Central Government (₹ 48 crore), partly offset by a decrease under Interest on Market Loans (₹ 144 crore), Interest on Other Obligations (₹ 183 crore) and Interest on Loans and Advances from Central Government (₹ 22 crore).
- Interest Payments of ₹ 5,300 crore paid during the year were less than both the BE of ₹ 5,342 crore and the projection (₹ 5,834 crore) made by the Thirteenth Finance Commission for 2011-12.

Subsidies

- Subsidy Payment of ₹ 2,926 crore (Non plan: ₹ 1,543 crore and Plan: ₹ 1,383 crore) accounted for 4.67 per cent of the Revenue Receipts and constituted 5.55 per cent of the Revenue Expenditure during 2011-12. The details of subsidies in Non- Plan and Plan Revenue Expenditure are presented in **Appendix 1.9**.
- During 2011-12, out of the total Subsidies of ₹ 2,926 crore, ₹ 1,551 crore (53 per cent) was mainly for the Energy Department.
- The increase in the amount of Subsidy (₹ 1,116 crore) in 2011-12 over the previous year was mainly due to increase in Subsidy of Co-operation (₹ 238 crore), Farmer Welfare and Agriculture Development (₹ 220 crore) and School Education (₹ 173 crore).

1.7.3 Financial Assistance by State Government to Local Bodies and Other Institutions

The quantum of assistance provided by way of Grants and Loans to Local Bodies and Other Institutions during 2011-12 relative to the previous year is presented in **Table 1.10**:

Table 1.10: Financial Assistance to Local Bodies and Other Institutions

(₹ in crore)		
Financial Assistance to Institutions	2010-11	2011-12
Educational Institutions	1,481.13	2,107.33
Medical Health and Public Health	623.35	753.28
Housing	156.36	201.04
Urban Development	579.60	778.14
Welfare of SC/ST/OBC	277.68	353.58
Social Security and Welfare	644.37	671.01
Rural Development	768.21	711.40
Rural Employment	227.99	336.50
Panchayati Raj	3,966.17	4,446.96
Water Supply and Sanitation	160.08	111.04
Other Institutions	232.12	360.02
Total	9,117.06	10,830.30
Assistance as a percentage of Revenue Expenditure	20.25	20.55

(Source: VLC data of Accountant General (A&E), Madhya Pradesh)

- Financial assistance to Local Bodies and Other Institutions increased by ₹ 1,713.24 crore from ₹ 9,117.06 crore in 2010-11 to ₹ 10,830.30 crore in 2011-12. The increase was mainly on account of financial assistance to Educational Institutions (₹ 626.20 crore; 42 per cent) and Panchayati Raj Institutions (₹ 480.79 crore; 12 per cent).
- The assistance as a percentage of Revenue Expenditure marginally increased from 20.25 per cent in 2010-11 to 20.55 per cent in 2011-12.

1.7.3.1 Devolution of Funds and Auditing Arrangements of Local Bodies

(a) Urban Local Bodies

After the 74th Constitution Amendment Act, 1992, the Urban Local Bodies (ULBs) were made full fledged and vibrant institutions of Local Self Government by vesting them with clearly defined functions and responsibilities. Accordingly, the State Government organised these institutions into three types of ULBs namely Municipal Corporations for larger urban areas, Municipal Councils for smaller urban areas and *Nagar Parishads* for a transitional areas.

There are 377 ULBs (14 Municipal Corporations, 100 Municipal Councils and 263 *Nagar Parishads*) in the State which are governed by elected bodies.

Transfer of Funds, Functions and Functionaries

Visualising ULBs as institutions of self-governance, the 74th Constitutional Amendment Act, 1992 left the extent of devolution to the wisdom of the State Legislatures. Major elements of devolution are transfer of funds, functions and functionaries to ULBs, accompanied by administrative control over staff and freedom to take administrative and financial decisions at local level. Devolution of funds to ULBs should be a natural corollary to implement the

transferred functions. Devolution of powers and functions to the ULBs required availability of qualified and trained personnel at all levels for efficient discharge of these functions.

The State Government devolved all 18 functions⁵ (enshrined in Twelfth schedule of the Constitution) to ULBs. However, no separate funds and functionaries have been transferred (August 2012).

Devolution of Grants

The Third State Finance Commission (SFC) recommended (accepted by State Government in February 2010) that one *per cent* of Divisible Fund⁶ of the State Government should be devolved to ULBs. The Funds to be devolved and those actually devolved by the State Government are given in **Table 1.11**:

Table 1.11: Devolution of Grants to ULBs

(₹ in crore)

Year	Own Tax Revenue of State during the Previous Year	Amount of assigned Tax Revenue of Previous Year	Divisible Fund of State Government	Funds to be devolved as per Third SFC recommendations	Funds devolved to ULBs by State Government	Short release
2010-11	17,272.81	1,266.00	1,3960.22	139.60	122.74	16.86
2011-12	21,419.34	1,520.80	17,410.17	174.10	141.41	32.69
Total	38,692.15	2,786.80	31,370.39	313.70	264.15	49.55

(Source: State Finance Accounts 2009-10 and 2010-11 and information furnished by Commissioner, Urban Administration and Development Department (UADD), MP)

It can be seen from the above table that devolution of funds by the State Government to the Urban Local Bodies was less (₹ 49.55 crore) compared to the norms of the Third SFC.

Revenue generated from Own resources

Details of receipts and expenditure of ULBs from their own sources were sought from Urban Administration and Development Department (UADD) in October 2011 and again in June 2012. The Commissioner (UADD) stated (June 2012) that the same would be collected and furnished to audit. The

⁵ Urban Planning including Town Planning; Regulation of land-use and construction of buildings; Planning for economic and social development; Roads and bridges; Water supply for domestic, industrial and commercial purposes; Public health, sanitation conservancy and solid waste management; Fire services; Urban forestry, protection of the environment and promotion of ecological aspects; Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded; Slum improvement and upgradation; Urban poverty alleviation; Provision of Urban amenities and facilities such as parks, gardens, playgrounds; Promotion of cultural, educational and aesthetic aspects; Burials and burial grounds; cremations, cremation grounds and electric crematoriums; Cattle pounds, prevention of cruelty to animals; Vital Statistics including registration of birth and deaths; Public amenities including street lighting, parking lots, bus stops and public conveniences and Regulation of slaughter houses and tanneries.

⁶ Own Tax Revenue after deducting 10 per cent of expenditure on collection of Tax and amount of assigned Tax Revenue to the Local Bodies during the previous year.

information was again sought in November 2012 but their reply is awaited (November 2012).

Audit arrangement

As per recommendations of the Eleventh Finance Commission (EFC), audit by Director Local Fund Audit (DLFA) has been brought (November 2001) under the Technical Guidance and Supervision (TG&S) of the Comptroller and Auditor General of India (C&AG). According to TGS arrangement, the DLFA would pursue the compliance of paragraphs in the inspection reports of the Accountant General (Audit) in the same manner as if these are his own reports.

The records of 68 ULBs including 10 Municipal Corporations were test checked by the Principal Accountant General⁷ during 2011-12 and inspection reports were sent to DLFA for technical guidance. 5479 observations (including 285 observations issued during 2011-12) were outstanding at the end of 2011-12.

Para 10.121 of the recommendations of the Thirteenth Finance Commission envisages that the State Government must put in place an audit system for all Local Bodies and the C&AG be entrusted with the TG&S of all Local Bodies in the State. Further, the Annual Technical Inspection Report (ATIR) of C&AG as well as the Annual Report of the Director of Local Fund Audit (DLFA) should be placed before the State Legislature. Accordingly, the State Government amended the Madhya Pradesh Municipal Corporation Act, 1956 and Madhya Pradesh Municipalities Act, 1961 in January 2012 comprising the provisions for audit by DLFA at the State level to whom the C&AG shall give technical guidance and supervision over the audit of Municipal Corporations and Municipal Councils and laying of Annual Report of DLFA in the State Legislature. The first Annual Report of DLFA is under preparation (November 2012).

(b) Panchayati Raj Institutions

To promote greater autonomy at the grass root level and to involve people in identification and implementation of development programmes involving Gram Sabhas, the Seventy-third Constitutional Amendment Act, 1992 was promulgated. According to the provisions of Article 243 G of the Constitution, the Legislature of a State may, by law, endow the Panchayats with such powers and authority as may be necessary to enable them to function as institutions of Self-Government and such law may contain provision for the devolution of powers and responsibility upon the Panchayat at the appropriate level.

Consequently, a three-tier system of Panchayati Raj Institutions (PRIs) was established in the State of Madhya Pradesh.

⁷ Re-designated as Principal Accountant General (General and Social Sector Audit) with effect from April 2012.

- Zila Panchayat (ZP) for a district,
- Janpad Panchayat (JP) for a block and
- Gram Panchayat (GP) for a village.

There are 50 ZPs, 313 JPs and 23006 GPs in the State.

Devolution of Grants

The Third State Finance Commission recommended that the four *per cent* of the Divisible Fund⁸ of previous year of State Government should be devolved to PRIs. The funds to be devolved and funds actually devolved by State Government is given in **Table 1.12**:

Table 1.12: Devolution of Grants to PRIs

(₹ in crore)

Year	Own Tax Revenue of State during the Previous Year	Amount of assigned Tax Revenue of Previous Year	Divisible Fund of State Government	Funds to be devolved as per Third SFC recommendations	Funds devolved to PRIs by State Government	Short release
2010-11	17,272.81	319.31	1,3960.22	558.41	490.94	67.47
2011-12	21,419.34	346.44	17,410.17	696.41	568.60	127.81
Total	38,692.15	665.75	31,370.39	1,254.82	1,059.54	195.28

(Source: State Finance Accounts 2009-10 and 2010-11 and information furnished by Commissioner, PRI, MP)

It can be seen from the above table that devolution of funds by the State Government to the PRIs was less (₹ 195.28 crore) compared to the norms of the Third SFC.

Audit arrangements

As per recommendations of the Eleventh Finance Commission (EFC), audit by DLFA has been brought (November 2001) under the TG&S of the C&AG. According to TGS arrangement, the DLFA would pursue the compliance of paragraphs in the inspection reports of the Accountant General (Audit) in the same manner as if these are his own reports. Accordingly, the audit of 47 ZPs, 185 JPs and 917 GPs was conducted during 2011-12 and inspection reports were sent to DLFA. However, 18414 observations (including 4851 observations issued during 2011-12) were outstanding at the end of 2011-12.

Para 10.121 of the recommendations of Thirteenth Finance Commission envisage that State Government must put in place an audit system for all local bodies (all tiers of PRIs). The C&AG must be given TG&S for all the local

⁸ Own Tax Revenue after deducting 10 per cent of expenditure on collection of Tax and amount of assigned Tax Revenue to the Local Bodies during the previous year.

bodies in a State at every tier and his Annual Technical Inspection Report as well as the Annual Report of Director/Commissioner of Local Fund Audit (DLFA) must be placed before the State Legislature. Accordingly, the MP *Panchayat Raj Avam Gram Swaraj Adhiniyam*, 1993 was amended in July 2011 comprising the provisions for audit by DLFA at the State level to whom the C&AG shall give technical guidance and supervision over the audit of Panchayats and laying of Annual Report of DLFA in the State Legislature. The first Annual Report of DLFA is under preparation (November 2012).

The matter was referred to the Government (November 2012); their reply has not been received (November 2012).

1.8 Quality of Expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. Improvement in the quality of expenditure basically involves three aspects, viz., adequacy of the expenditure (i.e. adequate provisions for providing public services); efficiency of expenditure use and effectiveness (assessment of outlay-outcome relationships for select services).

1.8.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to the social sector and economic infrastructure are largely State subjects. Enhancing human development levels require the States to step up their expenditure on key social services like, education, health etc. The low level of spending on any sector by a particular State may be due to the low fiscal priority attached by the State Government. Low fiscal priority (ratio of expenditure category to Aggregate Expenditure) is attached to a particular sector if it is below the respective General Category States' Average.

Table 1.13 analyses the Fiscal Priority of the State with regard to Development Expenditure, Social Sector Expenditure, Education and Health sector Expenditure and Capital Expenditure.

Table 1.13: Fiscal Priority of the State in 2008-09 and 2011-12

Fiscal Priority by the State	(In per cent)					
	AE/ GSDP	DE [#] / AE	SSE/ AE	CE/AE	Expenditure on Education/ AE	Expenditure on Health/ AE
*General Category States Average (Ratio) 2008-09	17.00	67.09	34.28	16.47	15.41	3.97
Madhya Pradesh's Average (Ratio) 2008-09	19.31	68.26	30.65	17.62	13.51	3.61
*General Category States Average (Ratio) 2011-12	16.09	66.44	36.57	13.25	17.18	4.30
Madhya Pradesh Average (Ratio) 2011-12	24.58	74.71	28.43	11.68	12.88	3.32
*General Category States exclude three States i.e. Delhi, Goa and Puducherry AE: Aggregate Expenditure DE: Development Expenditure SSE: Social Sector Expenditure CE: Capital Expenditure # Development Expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed. Source : For GSDP, the information was collected from the State's Directorate of Economics and Statistics.						

Comparative analysis revealed the following:

- Madhya Pradesh spent a higher proportion of its GSDP on Aggregate Expenditure during 2008-09 and 2011-12 as compared to General Category States.
- Development Expenditure as a proportion of Aggregate Expenditure in Madhya Pradesh has also been higher than the General Category States Average.
- Development Expenditure consists of both Economic Services Expenditure and Social Sector Expenditure. However, Social Sector Expenditure (as a proportion of Aggregate Expenditure) in Madhya Pradesh has been lower than that of the average of General Category States. Inadequate priority has been given to health as well as to education sector as smaller proportion of expenditure was incurred on these two sectors as compared to the General Category States Average.
- It was observed that Capital Expenditure as a percentage of Aggregate Expenditure was higher than that of General Category States Average in 2008-09. However, in 2011-12, this was lower than General Category States Average showing inadequate priority given to capital formation.

1.8.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of Social and Economic Development, it is important for the State Governments to take appropriate expenditure rationalisation measures and lay emphasis on provision of Core Public and Merit goods⁹. Apart from improving the allocation towards Development Expenditure¹⁰, particularly in view of the fiscal space being created on account of the decline in debt servicing in the recent years, the efficiency of expenditure use is also reflected by the ratio of Capital Expenditure to Total Expenditure (and/or GSDP) and the proportion of Revenue Expenditure being spent on Operation and Maintenance of the existing Social and Economic Services. The higher the

⁹ Core public goods are goods which all citizens enjoy in common, in the sense that each individual's consumption of such goods leads to no subtractions from any other individual's consumption of those goods, e.g. enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods and road infrastructure etc.

Merit goods are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of some concept of need, rather than the ability and willingness to pay the Government and therefore, wishes to encourage their consumption. Examples of such goods include the provision of free or subsidised food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.

¹⁰ The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorized into Social Services, Economic Services and General Services. Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.

ratio of these components to the Total Expenditure (and/or GSDP), the better would be the quality of expenditure.

Table 1.14 presents the trends in Development Expenditure relative to the Aggregate Expenditure of the State during the year 2011-12 *vis-à-vis* the budgeted figures and those of the previous years.

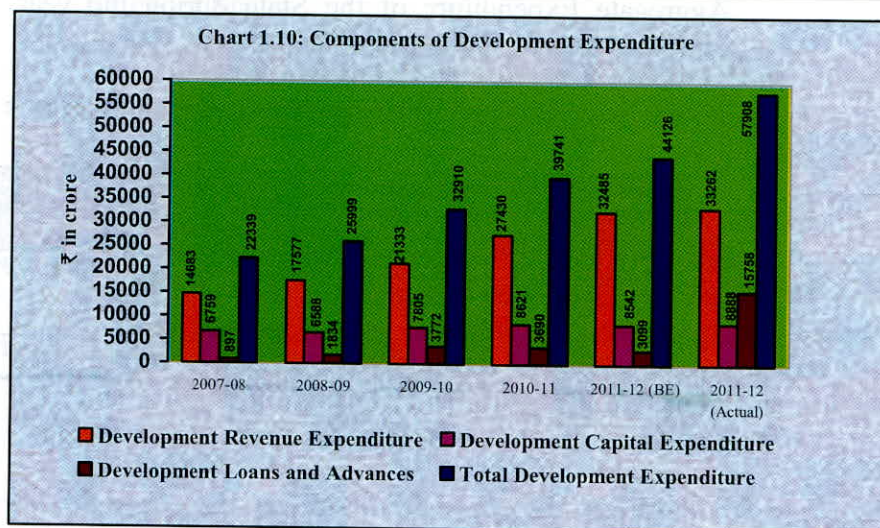
Table 1.14: Development Expenditure

Components of Development Expenditure	2007-08	2008-09	2009-10	2010-11	2011-12	
					BE	Actual
Development Expenditure (a to c)	22,339 (66)	25,999 (68)	32,910 (69)	39,741 (69)	44,126 (67)	57,908 (74)
a. Development Revenue Expenditure	14,683 (44)	17,577 (46)	21,333 (45)	27,430 (48)	32,485 (49)	33,262 (43)
b. Development Capital Expenditure	6,759 (20)	6,588 (17)	7,805 (16)	8,621 (15)	8,542 (13)	8,888 (11)
c. Development Loans and Advances	897 (3)	1,834 (5)	3,772 (8)	3,690 (6)	3,099 (5)	15,758 (20)

Figures in parentheses indicate percentage to aggregate expenditure (Source: State Finance Accounts of the respective years)

- During the period 2007-12 Development Expenditure as a proportion of Aggregate Expenditure ranged between 66 and 74 *per cent*.
- The share of Development Revenue Expenditure to Total Expenditure ranged between 43 to 48 *per cent* during 2007-12 with inter-year variations.
- The share of Development Capital Expenditure showed a decreasing trend during the period 2007-12 with 20 *per cent* in 2007-08 and 11 *per cent* in 2011-12.
- The share of Development Loans and Advances showed an increasing trend during the period 2007-12 (except during the year 2010-11), being three *per cent* in 2007-08 and 20 *per cent* in 2011-12.
- The share of Development Revenue and Capital Expenditure as a proportion of Aggregate Expenditure during 2011-12 was less than both the BEs and as compared to the previous year.
- The share of Loans and Advances as a proportion of Aggregate Expenditure during 2011-12 was higher than the BE and also in comparison to the previous year.

Chart 1.10 presents the component-wise Development Expenditure during the period 2007-12.



(Source: State Finance Accounts of the respective years)

Table 1.15 provides the details of Capital Expenditure and the components of Revenue Expenditure incurred on the maintenance of selected Social and Economic Services.

Table 1.15: Efficiency of Expenditure Use in Selected Social and Economic Services

(in per cent)

Social/Economic Infrastructure	2010-11		2011-12			
	Share of CE to TE	In concerned sector of RE, the share of		Share of CE to TE	In concerned sector of RE, the share of	
		S & W	O&M		S & W	O&M
Social Services (SS)						
Education, Sports, Art and Culture	3.17	55.97	0.06	1.72	53.39	0.08
Health and Family Welfare	5.33	66.67	1.71	5.50	65.09	0.19
Water Supply, Sanitation, Housing and Urban Development	26.47	22.43	9.38	27.71	11.97	9.38
Other Social Services	8.51	10.05	0.06	7.98	10.02	0.06
Total (SS)	8.03	39.78	1.11	7.26	37.75	0.92
Economic Services (ES)						
Agriculture and Allied Activities	5.31	39.97	0.23	2.31	34.21	0.19
Irrigation and Flood Control	84.89	87.11	5.48	83.53	67.61	5.76
Power and Energy	7.40	--	0.66	5.64	0.01	0.79
Transport	76.29	45.41	45.13	65.96	7.43	59.11
Other Economic Services	23.69	11.94	0.28	19.60	9.88	1.41
Total (ES)	34.29	27.73	3.44	20.32	20.48	5.03
Total (SS+ES)	21.69	35.35	1.97	15.35	31.02	2.52

TE: Total Expenditure; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages; O&M: Operations and Maintenance

(Source: State Finance Accounts of the respective years and information furnished by A G (A&E) Madhya Pradesh)

Table 1.15 reveals that the share of Capital Expenditure to Total Expenditure under Social Services decreased from 8.03 *per cent* in 2010-11 to 7.26 *per cent* in 2011-12 and under Economic Services, it declined from 34.29 *per cent* in 2010-11 to 20.32 *per cent* in 2011-12.

- The decrease in share of Capital Expenditure under Social Services was mainly under Education, Sports, Art and Culture while the decline in the share of Capital Expenditure under Economic Services was mainly under the Transport and Agriculture and Allied Activities.
- In Revenue Expenditure, the share of Salaries and Wages under Social and Economic Services decreased from 35.35 *per cent* in 2010-11 to 31.02 *per cent* in 2011-12. In case of O&M, expenditure increased from 1.97 *per cent* in 2010-11 to 2.52 *per cent* in 2011-12, mainly under Transport.
- It was observed that during 2002-03 to 2011-12, the Compound Annual Growth Rate (CAGR) of revenue expenditure on Health sector in case of Madhya Pradesh was less than that of other General Category States, while on Education it was higher than that of General Category States. This indicates that the expenditure on Health sector needed to be increased (**Appendix 1.1**).

1.9 Financial Analysis of Government Expenditure and Investments

In the post-FRBM framework, the Government is expected to keep its Fiscal Deficit (and Borrowings) not only at low levels but also meet its Capital Expenditure/ Investment (including Loans and Advances) requirements. In addition, in a transition to complete dependence on market based resources, the Government should initiate measures to earn adequate returns on its investments and recover its cost of borrowed funds rather than bearing the same on the budget in the form of implicit subsidies and take requisite steps to infuse transparency in financial operations. This section presents a broad financial analysis of Investments and other Capital Expenditure undertaken by the Government during the year 2011-12 *vis-à-vis* the previous years.

1.9.1 Incomplete Projects

From the Finance Account for the years 2008-12 of the State Government, we observed that no information in respect of incomplete projects was received from the State Government for incorporation in the Finance Accounts. However, based on the information collected by us from the Departments of Water Resources (WR) and Narmada Valley Development Authority (NVDA), the position of some incomplete projects, each costing above ₹ one crore as on 31 March 2012, is given in **Table 1.16**.

Table 1.16: Position of Incomplete Projects¹¹ as on 31 March 2012

					(₹ in crore)
Department	Number of Incomplete Projects	Initial Budgeted Cost	Revised Total Cost of Projects	Cost Overrun	Cumulative Actual Expenditure (March 2012)
Water Resources Department, Madhya Pradesh	21	220.87 (21 projects)	770.18 (16 projects)	598.25 (15 projects)	614.88 (21 projects)
Narmada Valley Development Authority (N.V.D.A)	7	4,995.88	13,787.67	8,791.79	8,513.80
Total	28	5,216.75	14,557.85	9,390.04	9,128.68

(Source: Information furnished by the Accountant General (E&RSA) Madhya Pradesh, Bhopal)

Table 1.16 reveals that an expenditure of ₹ 9,128.68 crore (March 2012) remained unfruitful on the aforesaid 28 incomplete projects. Further, out of these 28 incomplete projects, the initial budgeted cost of 23¹² projects (16 WR Department and 07 NVDA) was revised by the Government involving a cost overrun of ₹ 9,390.04 crore (**Appendix 1.10 Part A to C**).

The reasons for non-completion of five projects¹³ of Water Resources Department as observed by audit were mainly late submission of Land Acquisition cases to Land Acquisition Officers, delay in award of balance work, delay in approval of drawing and design, delay in award of canal work, etc. The delays in seven projects under Narmada Valley Development Authority were mainly on account of slow progress by contractors in execution of work. The delays in creation of irrigation potential deprived the cultivators of the benefit of irrigation.

The matter was referred to the Government (November 2012); their reply has not received (November 2012).

1.9.2 Investment and Returns

The Government invested ₹ 13,183.59 crore in Statutory Corporations (24), Government Companies (34), Other Joint Stock Companies and Partnerships (23), Banks (one) and Co-operatives Banks, Societies (127) etc. as of 31 March 2012 (**Table 1.17**). The average return on these investments was 0.33 per cent during the period 2009-2012 while the Government paid an average rate of interest (6.91 per cent) on the borrowings during the same period.

¹¹ Public Works Department has not provided the required information pertaining to Incomplete Projects.

¹² In one project Kaudi Tank, though the initial budgeted cost was revised by the Government there was no cost overrun

¹³ Birhai Tank, Kushalpur Tank, Sanjay Sagar RD (XI), Sanjay Sagar RD (XVII), Rehti, Ganj Basoda

Table 1.17: Return on Investments

Investment/return/cost of borrowings	(₹ in crore)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Investment at the end of the year (₹ in crore)	8,844.99	9,643.35	11,686.28	12,216.04	13,183.59
Return (₹ in crore)	59.23	69.05	49.75	32.20	37.98
Return (<i>per cent</i>)	0.67	0.72	0.43	0.26	0.29
Average rate of interest on Government borrowings (<i>per cent</i>)	7.72	7.24	6.94	7.04	6.74
Difference between interest rate and return (<i>per cent</i>)	7.05	6.52	6.51	6.78	6.45

(Source : State Finance Accounts of the respective years)

- Out of the total investment of ₹ 13,183.59 crore at the end of March 2012, ₹ 1,076.04 crore pertained to the composite State of Madhya Pradesh and was pending allocation between Madhya Pradesh and Chhattisgarh {Statutory Corporations (₹ 411 crore), Government Companies (₹ 180.49 crore), Co-operative Banks and Societies (₹ 483.01 crore) and Joint-Stock Companies and Partnerships (₹ 1.54 crore)}.
- The return on these investments was 0.29 *per cent* in 2011-12, while the Government paid interest at the average rate of 6.74 *per cent* on its borrowings during 2011-12. Thus return on Government investments was meagre as compared to cost of its borrowing.
- Twenty six Government Companies and Statutory Corporations with an aggregate investment of ₹ 11,495.42 crore for the latest year for which accounts were finalised as of 2011-12 were running in losses which accumulated to ₹ 15,931.72 crore (**Appendix 1.8**).

1.9.3 Loans and advances by the State Government

In addition to investments in Co-operative Societies, Corporations and Companies, the Government has also been providing loans and advances to many of these institutions/organisations. **Table 1.18** presents the outstanding Loans and Advances as on 31 March 2012, Interest Receipts *vis-à-vis* Interest Payments during the last three years.

Table 1.18: Average interest received on loans advanced by the State Government

Quantum of loans/interest receipts/ cost of borrowings	2009-10	2010-11	2011-12	
			BE	Actual
Opening Balance	7,630	11,424	---	15,105
Amount advanced during the year	3,817	3,715	3,200	15,760
Amount repaid during the year	23	34	74	9,123
Closing Balance	11,424	15,105		21,742
<i>of which</i> Outstanding balance for which terms and conditions have been settled	---	---	---	---
Net addition	3,794	3,681	3,126	6,637
Interest received	1,102	21	167	1,200
Interest Receipts as percentage of outstanding Loans and Advances	11.57	0.16	---	6.51
Interest Payments as percentage of outstanding Fiscal Liabilities of the State Government	6.94	7.04	---	6.74
Difference between Interest Payments and Interest Receipts (<i>per cent</i>)	-4.63	6.88	---	0.23

(Source : State Finance Accounts of the respective year and Budget Estimate 2011-12)

- The total outstanding Loans and Advances as on 31 March 2012 was ₹ 21,742 crore. The interest received against these loans was ₹ 1,200 crore. Loans advanced to various State Government institutions were higher than the recovery of Loans and Advances resulting in an increase in outstanding Loans and Advances.
- It was observed that 80 *per cent* (₹ 17,360 crore) of outstanding Loans and Advances as on 31 March 2012, pertained to Madhya Pradesh State Electricity Board (MPSEB) and its successor companies and another 10 *per cent* was to be recovered from units engaged in Water Supply, Sanitation, Housing and Urban Development (₹ 2,157 crore), five *per cent* from those under Miscellaneous General Services (₹ 1,034 crore) and three *per cent* from those in Agriculture and Allied Activities (₹ 719 crore).
- The average interest paid on borrowings at the rate of 6.74 *per cent* was more than the interest received at the rate of 6.51 *per cent* on Loans and Advances given by the Government during 2011-12.
- The significant increase in disbursement of Loans and Advances was mainly in respect of loans to power transmission and distribution companies.
- The recovery of Loans and Advances of ₹ 9,123 crore during the year was significantly higher than the BE of ₹ 74 crore mainly due to higher recovery from MPSEB and its successor companies. The increase of ₹ 9,089 crore in actual recoveries over the previous year was mainly under Loans for Power Projects.
- Interest received (₹ 1,200 crore) in 2011-12, was more than the BE (₹ 167 crore) and actual (₹ 21 crore) for 2010-11, mainly due to more receipt of interest from Power Projects.

1.9.4 Cash Balances and Investment of Cash Balances

Table 1.19 depicts the Cash Balances and Investments made by the State Government out of the Cash Balances during the year:

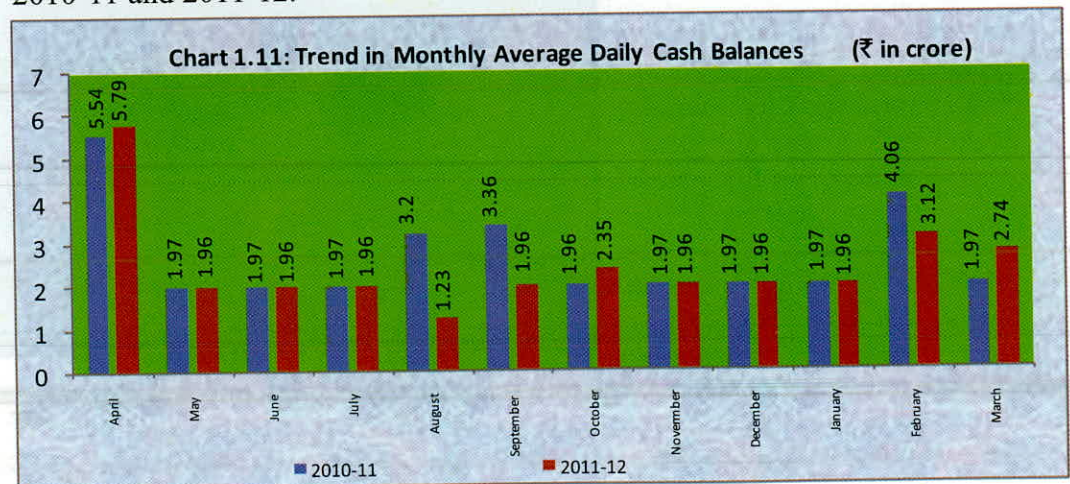
Table 1.19: Cash Balances and Investment of Cash Balances

Particulars	(₹ in crore)		
	As on 1 April 2011	As on 31 March 2012	Increase(+)/ Decrease(-)
Cash Balances	6,900.44	7,775.88	(+)875.44
Investments from Cash Balances (a to d)	9,212.17	6,680.13	(-)2,532.04
a. GOI Treasury Bills	9,208.64	6,676.60	(-)2,532.04
b. GOI Securities	3.53	3.53	--
c. Other Securities	--	--	--
d. Other Investments	--	--	--
Funds-wise Break-up of Investments from earmarked balances (a to e)	379.06	397.30	(+)18.24
a. Famine Relief Fund	0.91	0.51	(-)0.40
b. Revenue Reserve Fund	8.74	8.74	--
c. State Agriculture Credit Relief and Guarantee Fund	0.17	0.17	--
d. Guarantee Redemption Fund	369.23	387.87	(+)18.64
e. Other funds	0.01	0.01	--
Interest Realised	263.41	355.30	(+)91.89

(Source : State Finance Accounts of the respective years)

- The Cash Balances of the Government at the end of the year 2011-12 increased by ₹ 875 crore (13 per cent) from the level of ₹ 6,900 crore in the previous year.
- It was observed that ₹ 6,677 crore was invested in Government of India Treasury Bills, which earned an interest of ₹ 355 crore during the year. Maintaining large Cash Balances is not advisable as these are borrowed at a high cost and invested in low interest-bearing Treasury Bills and Government securities.
- Investment from Earmarked Balances increased by ₹ 19 crore during 2011-12 mainly under the Guarantee Redemption Fund.

Chart 1.11 presents trends on monthly Average Daily Cash Balances during 2010-11 and 2011-12.



(Source: Information furnished by Accountant General (A&E), Madhya Pradesh)

- Under an agreement with the Reserve Bank of India (RBI), the Government of Madhya Pradesh has to maintain with the RBI a minimum Cash Balance of ₹ 1.96 crore. If this 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. No Ways and Means Advance (Normal/Special) was taken by the State during the years 2010-11 and 2011-12.

1.10 Assets and Liabilities

1.10.1 Growth and composition of Assets and Liabilities

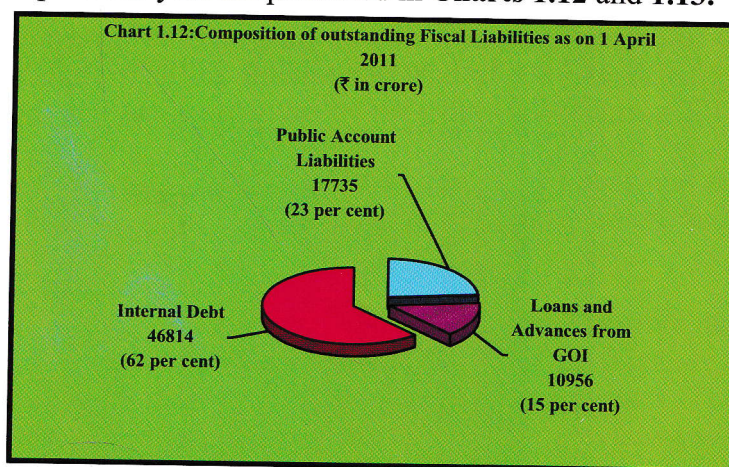
In the existing Government accounting system, comprehensive accounting of Fixed Assets like Land and Buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the Assets created out of the expenditure incurred.

Appendix 1.5 Part-B gives an abstract of such Liabilities and Assets as on 31 March 2012, compared with the corresponding position on 31 March 2011. While the Liabilities in this Appendix consist mainly of Internal Borrowings, Loans and Advances from the GOI, receipts from the Public Account and Reserve Funds, the Assets comprise mainly the Capital Outlay and Loans and Advances given by the Government and Cash Balances.

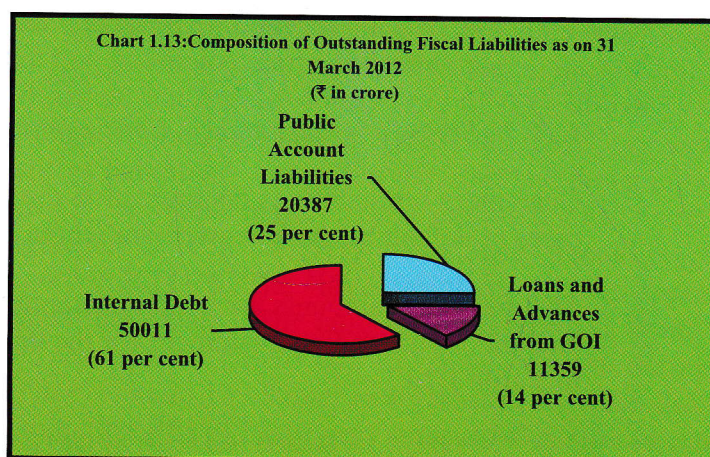
The FRBM Act, 2005, describes ‘Total Liabilities’ as the liabilities under the Consolidated Fund and the Public Account of the State and includes risk weighted guarantee obligations of the State Government where the principal and/or interest are to be serviced out of the State Budget.

1.10.2 Fiscal Liabilities

The trends in outstanding Fiscal Liabilities of the State are presented in **Appendix 1.4**. The composition of Fiscal Liabilities during the year 2011-12 vis-à-vis the previous year are presented in **Charts 1.12** and **1.13**.



(Source : State Finance Accounts of the respective year)



(Source: State Finance Accounts of the respective year)

- The overall Fiscal Liabilities of the State increased from ₹ 55,311 crore in 2007-08 to ₹ 81,757 crore in 2011-12. The growth rate increased by 8.28 *per cent* during 2011-12 as against 11.28 *per cent* in 2010-11. The increase in Borrowings during 2011-12 over the previous year was mainly under Market Loans (₹ 100 crore) and loans from National Bank of Agriculture and Rural Development (NABARD) (₹ 880 crore), partly offset by a decrease mainly under Special Securities issued to National Small Saving Fund (NSSF) (₹ 1,597 crore).
- Fiscal Liabilities of the State comprised Consolidated Fund Liabilities and Public Account Liabilities. As of 31 March 2012, the Consolidated Fund Liabilities (₹ 61,370 crore) comprised Market Loans (₹ 28,044 crore), Special Securities issued to NSSF (₹ 16,081 crore), Compensation and issue of other bonds (₹ 1,773 crore), loans from NABARD (₹ 3,516 crore), Loans and Advances from GOI (₹ 11,359 crore) and other loans (₹ 597 crore). The Public Account Liabilities (₹ 20,387 crore) comprised Small Savings, Provident Funds etc. (₹ 9,916 crore), interest bearing obligations (₹ 295 crore) and non-interest bearing obligations like deposits and other earmarked funds (₹ 10,176 crore).
- These liabilities stood at 25.92 *per cent* of GSDP which was 1.3 times the Revenue Receipts and 2.37 times the State's own resources as at the end of 2011-12. The buoyancy of these liabilities with respect to GSDP decreased from 0.79 in 2010-11 to 0.39 during the year mainly due to decrease in the growth rate of these liabilities and increase in growth rate of GSDP.
- As the State Government is having Revenue Surplus, it would be prudent to create a Sinking Fund for amortisation of all loans, including loans from banks, liabilities on account of National Small Savings Fund etc. The Government was of the view that except where it may be obligatory to do so, provision for amortisation of loans received from GOI should be made out of revenues only where

sufficient revenue resources were available to finance such amortisation arrangements.

1.10.3 Status of Guarantees – Contingent Liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in cases of default by the borrowers for whom guarantees are extended.

The maximum amounts for which guarantees were given by the State and the amount of outstanding guarantees for the three years ending 2011-12 are given in **Table 1.20**.

Table 1.20: Guarantees given by the Government of Madhya Pradesh

Guarantees	2009-10	2010-11	2011-12	
			BE	Actual
Maximum amount guaranteed	11,823.20	8,438.50	9,480.18	11,107.51
Outstanding amount of Guarantees*	1,629.60	5,110.54	4,975.52	5,605.03
Percentage of maximum amount guaranteed to total Revenue Receipts	28.56	16.27	16.40	17.74
Actual figures against criteria as per FRBM Act as under: (Limit the annual incremental guarantees so as to ensure that the guarantees do not exceed 80 per cent of the total Revenue Receipts in the year preceding the current year)	4.85*	12.35*	NA	10.81*

*To the extent information was available in State Finance Accounts

(Source: State Finance Accounts of the respective years and Statement laid before the legislature and projection made under FRBM Act)

- The outstanding amount of Guarantees is in the nature of a Contingent Liability, which was 8.95 per cent of the Revenue Receipts during 2011-12. Guarantees had been given by the State Government for the discharge of certain liabilities like loans raised by Statutory Corporations, Government Companies, Joint Stock Companies, Co-operative Institutions, Local Bodies, Firms etc.
- The maximum amount guaranteed by the Government increased from ₹ 8,439 crore in 2010-11 to ₹ 11,108 crore (including ₹ 1,464 crore still to be allocated between Madhya Pradesh and Chhattisgarh as per the M.P. Reorganisation Act, 2000) in 2011-12, out of which ₹ 5,605 crore were outstanding at the end of the year. No guarantees have been invoked and ₹ 0.44 crore was recovered as Guarantee Fee during the year 2011-12.
- The Government constituted the Guarantee Redemption Fund during the year 2005-06, which had a closing balance of ₹ 387.87 crore at the end of 2011-12. Clause 9(2)(d) of the FRBM Act, 2005 prescribes the fiscal target of limiting annual incremental guarantees so as to ensure that the total Guarantees do not exceed 80 per cent of the total Revenue Receipts in the year preceding the current year. The annual incremental guarantees were within the limit fixed under the FRBM Act.

- As per Clause 9(2)(c) of the FRBM Act 2005, the Government is to ensure that within a period of 10 years, i.e. as on 31 March 2015, Total Liabilities do not exceed 40 per cent of the estimated GSDP for that year. It was observed that this ratio at 27.70 per cent (including guarantees liabilities) was within the limit laid down in the Act for the year 2015. The Thirteenth Finance Commission had recommended that the aggregate debt to GSDP ratios of States should be reduced to 25 per cent by 2014-15. The Government should take appropriate action to reduce the Debt/GSDP ratio to the prescribed limit. The ratio of Total Liabilities to GSDP and Revenue Receipts during the year at 27.70 per cent and 139.55 per cent respectively were also less than the corresponding BEs of 32.10 per cent and 147.80 per cent respectively.

1.11 Debt Sustainability

Apart from the magnitude of debt of the Government, it is important to analyse various indicators that determine the Debt Sustainability¹⁴ of the State. This section assesses the sustainability of debt of the Government in terms of Debt Stabilisation¹⁵; Sufficiency of Non-debt Receipts¹⁶; Net Availability of Borrowed Funds¹⁷; the burden of Interest Payments (measured by the ratio of Interest Payments to Revenue Receipts) and the maturity profile of Government Securities. **Table 1.21** analyses the Debt Sustainability of the State according to these indicators for the period of five years beginning from the year 2007-08.

¹⁴ Debt Sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt, therefore, also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep a balance between costs of additional borrowings with returns from such borrowings. It means that the rise in Fiscal Deficit should match the increase in capacity to service the debt.

¹⁵ A necessary condition for stability states that if the rate of growth of the economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided the primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and Quantum Spread (Debt x rate spread), the Debt Sustainability condition states that if the Quantum Spread, together with the Primary Deficit is zero, the debt-GSDP ratio would be constant or the debt would stabilise eventually. On the other hand, if the Primary Deficit together with the Quantum Spread turns out to be negative, the debt-GSDP ratio would be rising and in case it is positive, the debt-GSDP ratio would eventually be falling.

¹⁶ Adequacy of incremental Non-debt Receipts of the State to cover the incremental interest liabilities and incremental Primary expenditure. The Debt Sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

¹⁷ Defined as the ratio of the Debt Redemption (Principal + Interest Payments) to total Debt Receipts and indicates the extent to which the Debt Receipts are used in Debt Redemption indicating the Net Availability of Borrowed Funds.

Table 1.21: Debt Sustainability: Indicators and Trends

(₹ in crore)					
Indicators of Debt Sustainability	2007-08	2008-09	2009-10	2010-11	2011-12
Debt Stabilisation (Quantum Spread + Primary Deficit)	2,740	3,764	2,117	8,333	10,390
Sufficiency of Non-debt Receipts (Resource Gap)	(-)29	(-)1,649	(-)1,766	927	-488
Net Availability of Borrowed Funds (percentage in bracket)	(-)2,160 (-20)	791 (5)	3,131 (16)	2,606 (13)	955 (5)
Burden of Interest Payments (Interest Payments/Revenue Receipt Ratio)	0.14	0.12	0.11	0.10	0.08

1.11.1 Debt Stabilisation

An important condition for Debt Sustainability is stabilisation in terms of debt/GSDP ratio. When the Quantum Spread and Primary Deficit are negative, the debt-GSDP ratio will be high indicating unsustainable levels of public debt and when the Quantum Spread and Primary Deficit are positive, debt-GSDP ratio will be low indicating sustainable levels of public debt.

Analysis of Primary Deficit together with the Quantum Spread revealed that their sums remained positive during the period 2007-12 indicating that the debt was stabilising.

1.11.2 Sufficiency of Non-Debt Receipts

Another indicator of Debt Sustainability is the sufficiency of incremental Non-debt Receipts of the State to cover the incremental interest liabilities and incremental Primary Expenditure. Debt Sustainability could be facilitated if the incremental Non-debt Receipts could meet the incremental Interest Burden and the incremental Primary Expenditure. A positive resource gap strengthens the capacity of the State to sustain the debt in the medium to long run while a negative resource gap indicates otherwise.

During 2007-08, the incremental Non-debt Receipts were sufficient to meet the additional requirement of Primary Expenditure, which increased sharply during the year but were not enough to meet the incremental interest liability resulting in a moderate negative resource gap. During the year 2010-11, Non-debt Receipts met not only the incremental requirement of the Primary Expenditure but also after meeting the incremental interest liabilities, resulted in a positive resource gap indicating the increasing capacity of the State to sustain its debt. During the period 2008-10 and in 2011-12, the incremental Non-debt Receipts were not enough to meet the incremental requirements of Primary Expenditure resulting in a negative resource gap during the year.

1.11.3 Net Availability of Funds

- The Debt Redemption ratio indicated (**Appendix 1.4**) a fluctuating trend during the period 2007-12. It showed decreasing trend from 1.20 to 0.84 during 2007-08 to 2009-10 and increased to 0.87 in 2010-11 and 0.95 in 2011-12. During the year 2011-12, internal debt

redemption was 106 per cent of fresh debt receipts, redemption of GOI loans was 126 per cent while in case of other obligations, repayments were 88 per cent of fresh receipts. These trends indicated that the debt receipts were mainly utilised for repayment of debt.

- Out of receipts of ₹ 5,718 crore under Internal Debt during the year, the Government raised ₹ 4,000 crore from Market Loans at an average interest rate of 8.92 per cent per annum, ₹ 1,250 crore from NABARD and ₹ 441 crore from NSSF. The Government borrowed ₹ 1,032 crore from GOI. The receipt of Loans and Advances from GOI decreased from ₹ 1,095 crore in 2010-11 to ₹ 1,032 crore in 2011-12 mainly due to decrease in the receipt of Block Loans under 'Loans for State/Union Territories Plan Scheme'.
- Repayments of Internal Debt (₹ 6,087 crore) and Loans and Advances from GOI (₹ 1,297 crore) included ₹ 4,234 crore towards payment of interest (57 per cent) and only ₹ 3,150 crore (43 per cent) for repayment of principal. This indicated that a major portion of repayments were for payment of interest. As on 31 March 2012, 18 per cent of the existing Market Loans of the Government carried an interest rate exceeding 10 per cent.

1.11.4 Maturity Profile of State Debt

Table 1.22: Maturity Profile of State Debt for the years 2010-11 and 2011-12

(₹ in crore)

In Years	FY 2010-11				FY 2011-12			
	6003-Internal Debt Amount	6004-Loans and Advances Amount	Total Amount	Percentage of Repayment due to total debt	6003-Internal Debt Amount	6004-Loans and Advances Amount	Total Amount	Percentage of Repayment due to total debt
0-1	1,442.43	530.65	1,973.08	3.42	1,851.66	536.77	2,388.43	3.89
1-3	4,005.97	1,099.20	5,105.17	8.84	5,013.71	1,108.28	6,121.99	9.98
3-5	5,338.83	1,144.06	6,482.89	11.22	4,901.40	1,146.62	6,048.02	9.85
5-7	5,794.05	1,162.60	6,956.65	12.04	8,159.39	1,164.56	9,323.95	15.19
7-9	11,436.29	1,157.49	12,593.78	21.80	11,510.14	1,164.40	12,674.54	20.65
9-11	5,645.04	1,154.22	6,799.26	11.77	5,789.14	1,164.18	6,953.32	11.33
11-13	1,745.05	1,151.08	2,896.13	5.01	1,789.14	848.46	2,637.60	4.30
13-15	1,708.59	375.31	2,083.90	3.61	1,675.56	231.08	1,906.64	3.11
15 years and above	4,009.71	261.96	4,271.67	7.39	3,434.85	211.06	3,645.91	5.94
Misc.*	5,687.68	2,919.25	8,606.93	14.90	5,886.02	3,783.50	9,669.52	15.76
Total	46,813.64	10,955.82	57,769.46		50,011.01	11,358.91	61,369.92	

(Source : State Finance Accounts of the respective years and information furnished by A.G. (A&E) Madhya Pradesh)

* Information about the maturity of loans not available and awaited from State Government/Reserve Bank of India

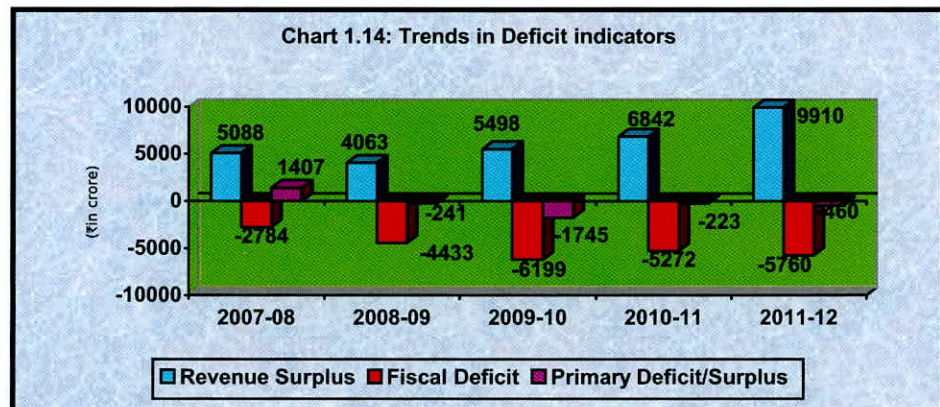
The maturity profile of State debt as given above indicates that the State Government will have to repay 20 per cent of its debt between one and five years, 47 per cent between five and 11 years and 13 per cent after 11 years and above. The maturity profile of repayment of about 16 per cent of State debt was not available as the information had not been received from the Government/Reserve Bank of India.

1.12 Fiscal Imbalances

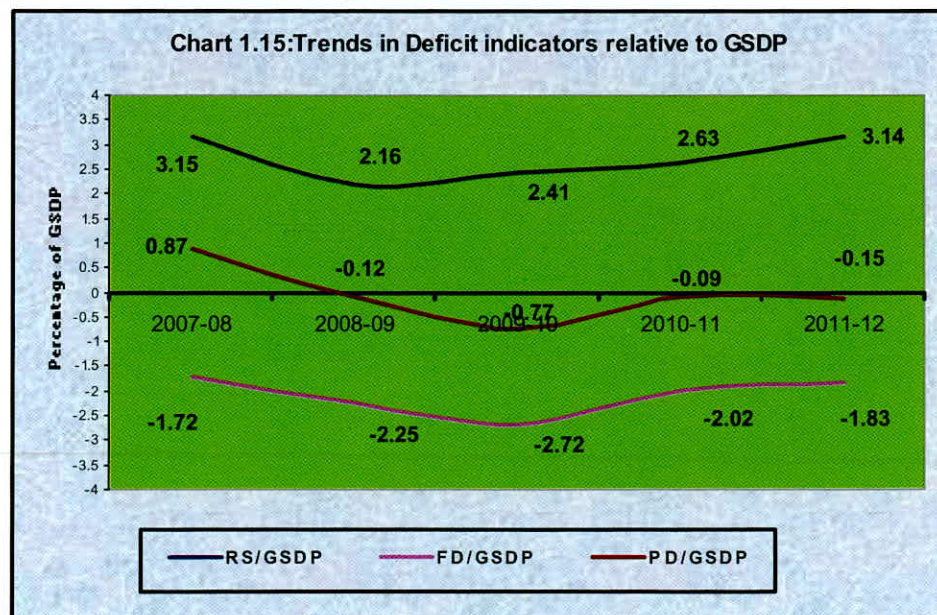
Three key fiscal parameters - Revenue, Fiscal and Primary deficits - indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health. This section presents the trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of Revenue, Primary and Fiscal Deficits vis-à-vis the targets set under FRBM Act/Rules for the financial year 2011-12.

1.12.1 Trends of Deficits

Charts 1.14 and 1.15 present the trends in deficit indicators over the period 2007-12.



(Source : State Finance Accounts of the respective years)



(Source: State Finance Accounts of the respective years and Directorate of Economic and Statistics Government of Madhya Pradesh)

- The fiscal target of eliminating the Revenue Deficit by March 2009 as laid down in the FRBM Act, 2005 was achieved by the State in the year 2004-05. Thereafter, the State maintained a Revenue Surplus which steadily increased from ₹ 5,088 crore in 2007-08 to ₹ 9,910 crore in 2011-12 except in 2008-09 when it decreased to ₹ 4,063 crore. The Revenue Surplus as a percentage of GSDP increased from 2.63 per cent in 2010-11 to 3.14 per cent in 2011-12, which was more than the BE of 1.45 per cent.
- The Fiscal Deficit, which represents the total borrowings of the Government and its total resource gap, increased from ₹ 2,784 crore in 2007-08 to ₹ 6,199 crore in 2009-10 and decreased to ₹ 5,760 crore during 2011-12. The Fiscal Deficit relative to GSDP decreased from 2.02 per cent in 2010-11 to 1.83 per cent in 2011-12, which remained within the three per cent ceiling prescribed in the BE, the norm recommended under the FRBM Act 2005, and also the norm prescribed by the Thirteenth Finance Commission.
- The Primary Surplus of ₹ 1,407 crore in 2007-08 turned into Primary Deficits during the period 2008-09 to 2011-12.

1.12.2 Components of Fiscal Deficit and its Financing Pattern

Fiscal Deficit is the total borrowing requirement of the State and is the excess of the Revenue Expenditure and Capital Expenditure including Loans and Advances over Revenue and Non-debt Capital Receipts. Decomposition of Fiscal Deficit reveals the extent of various borrowings resorted to by the State to meet its requirement of funds over and above Revenue and Non-debt receipts.

The financing pattern of the Fiscal Deficit has undergone a compositional shift as reflected in **Table 1.23**.

Table 1.23: Components of Fiscal Deficit and its Financing Pattern

		(₹ in crore)				
Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	
Decomposition of Fiscal Deficit						
Fiscal Deficit	-2,784	-4,433	-6,199	-5,272	-5,760	
1 Revenue Surplus	5,088	4,063	5,498	6,842	9,910	
2 Net Capital Expenditure	-6,822	-6,689	-7,903	-8,433	-9,032	
3 Net Loans and Advances	-1,050	-1,807	-3,794	-3,681	-6,638	
Financing pattern of Fiscal Deficit						
1 Market Borrowings	1,337	3,957	5,016	3,258	3,166	
2 Loans from GOI	102	709	888	577	403	
3 Special Securities issued to NSSF	128	-126	492	1,582	-167	
4 Loans from Financial Institutions	128	51	-188	-488	198	
5 Reserve Funds	-34	12	324	275	1,191	
6 Small Savings, PF etc.	193	204	412	773	698	
7 Deposits and Advances	274	237	705	1,678	783	
8 Suspense and Miscellaneous	-18	-43	10	86	-28	
9 Remittances	57	62	31	519	391	
10 Cash balances increase(+)/ decrease(-)	-617	+630	+1,491	+2,988	+875	

(Source: State Finance Accounts of the respective years)

In 2011-12, Market Borrowings by the State Government continued to finance a major portion of Fiscal Deficit though its share in financing Fiscal Deficit

decreased from 62 per cent in 2010-11 to 55 per cent in 2011-12. The share of NSSF loans, Deposits and Advances, Small Savings, Provident Funds etc., in financing Fiscal Deficit was lower in 2011-12 than in 2010-11. The share of Reserve Funds increased from ₹ 275 crore (five per cent) in 2010-11 to ₹ 1,191 crore (21 per cent) in 2011-12.

1.12.3 Quality of Deficit/Surplus

The ratio of Revenue Deficit to Fiscal Deficit and the decomposition of Primary Deficit into Primary Revenue Deficit and Capital Expenditure (including Loans and Advances) would indicate the quality of deficit in the State's finances. The ratio of Revenue Deficit to Fiscal Deficit indicates the extent to which borrowed funds were used for current consumption. A persistently high ratio of Revenue Deficit to Fiscal Deficit also indicates that the asset base of the State was continuously shrinking and a part of the Borrowings (Fiscal Liabilities) did not have any asset backup. The bifurcation of the Primary Deficit (Table 1.24) indicates the extent to which the Deficit has been on account of enhancement in Capital Expenditure, which may be desirable to improve the productive capacity of the State's economy.

Table 1.24: Primary Deficit/Surplus – bifurcation of factors

Year	Non-debt Receipts	Primary Revenue Expenditure	Capital Expenditure (CE)	Loans and Advances*	Primary Expenditure (PE)	Non-debt Receipt vis-à-vis Primary Revenue Expenditure	Primary Deficit (-)/ Surplus(+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2007-08	30,807	21,410	6,833	1,157	29,400	9,397	-1,407
2008-09	33,656	25,322	6,713	1,862	33,897	8,334	-241
2009-10	41,443	31,443	7,925	3,820	43,188	10,000	-1,745
2010-11	52,257	39,963	8,800	3,717	52,480	12,294	-223
2011-12	71,753	47,394	9,055	15,764	72,213	24,359	-460

*Including Inter-State settlement

(Source: State Finance Accounts of the respective years)

Bifurcation of the factors resulting in Primary Deficit or Surplus of the State during the period 2007-12 reveals that the Primary Deficit was on account of Capital Expenditure incurred and Loans and Advances disbursed by the State Government. In other words, Non-debt receipts of the State were not only adequate to meet the Primary Revenue Expenditure but also met the whole/part of the Capital Expenditure. Although the surplus Non-debt receipts were enough to meet the Capital Expenditure in all the years, they were not enough to meet the entire Loans and Advances resulting in Primary Deficit during the period 2007-12 except in 2007-08.

1.13 Conclusion

Management of Fiscal Imbalances and Resource Mobilisation

- The State continued to maintain Revenue Surplus during the year 2011-12. Revenue Surplus as a percentage of GSDP increased from

2.63 *per cent* in 2010-11 to 3.14 *per cent* in 2011-12, which was more than the BE of 1.45 *per cent*.

- Fiscal Deficit relative to GSDP decreased from 2.02 *per cent* in 2010-11 to 1.83 *per cent* in the current year and thus remaining within the three *per cent* ceiling prescribed in the BE and norms under the FRBM Act, 2005.
- In 2011-12, Revenue Receipts as a ratio of Total Expenditure stood at 81 *per cent*. The decreasing trend of the Fiscal Liabilities to Revenue Receipts ratio during the period 2007-12 indicated increasing reliance on Revenue Receipts to finance the Total Expenditure and decreasing dependence on borrowed funds.
- Actual realisation under Tax Revenue and Non-Tax Revenue was higher than the assessment made by the Thirteenth Finance Commission (36.81 and 52.37 *per cent*) and MTFPS projections (16.68 and 24.74 *per cent*).

Management of Liabilities

- The ratio of total liabilities to GSDP was within the limit of 40 *per cent* fixed under the FRBM Act, 2005. These have to be reduced to 25 *per cent* by the end of 2014-15 as per recommendations of the Thirteenth Finance Commission. Consequently, prudent debt management has to be ensured to keep the growth of liabilities in check to achieve the targets of the Thirteenth Finance Commission.
- Public Debt Receipts decreased by nine *per cent* showing improvement in the State's Debt management. The decrease in Public Debt Receipts was due to decrease in borrowings. Repayment of Public Debt increased by 25 *per cent*.
- In 2011-12, market borrowings by the State Government continued to finance a major portion of Fiscal Deficit though its share in financing Fiscal Deficit decreased from 62 *per cent* in 2010-11 to 55 *per cent* in 2011-12.

Net Availability of Funds

During the year 2011-12, repayment of internal debt, GOI loans and other obligations and interest thereon constituted 95 *per cent* of fresh debts leaving very less funds for asset creation.

Expenditure Management

- The expenditure pattern of the State revealed that the revenue expenditure as a percentage of total expenditure continued to be a dominant proportion of the total expenditure at 68 *per cent* during 2011-12. Revenue Expenditure increased by 17 *per cent* (Non Plan: 14 *per cent* and Plan: 24 *per cent*) while Capital expenditure increased by three *per cent*.

- The actual NPRE at ₹ 36,677 crore in 2011-12 was more than the normatively assessed level of the Thirteenth Finance Commission (36.06 *per cent*) but less than the projection made by the State Government in its MTFPS (four *per cent*).
- The overall expenditure on Salaries and Wages, Pensions, Interest Payments and Subsidies increased by 101 *per cent* during the period 2007-12. This expenditure during 2011-12 constituted 73 *per cent* of the NPRE.
- In terms of Plan and Non-Plan expenditure, the Plan expenditure increased by ₹ 3,592 crore and Non-Plan expenditure registered a growth of ₹ 16,390 crore over the previous year.
- The priority given to Social Sector Expenditure (SSE) and expenditure on Education Sector and Health Sector in Madhya Pradesh was not adequate in both 2008-09 and 2011-12 as their ratios to Aggregate Expenditure (AE) were lower than the General Category States' Average. The share of Capital Expenditure to Total Expenditure on Social and Economic services also registered a fall during the current year. Under the Social sector greater fiscal priority may be given to Education and Health by the Government.
- It was observed that there was decrease in the proportion of Capital Expenditure on Social and Economic services to Total Expenditure during the current year over the previous year.
- State Government short released ₹ 49.55 crore and ₹ 195.28 crore to ULBs and PRIs respectively compared to the recommendations of the Third State Finance Commission.

Incomplete projects

- An expenditure of ₹ 9,128.68 crore (March 2012) remained unfruitful on 28 incomplete projects out of which the initial budgeted cost of 23 projects was revised by the Government involving a cost overrun of ₹ 9,390.04 crore.

Return on investment

- The return (₹ 37.98 crore) on investment of ₹ 13,184 crore made by the Government ending March 2012 in Statutory Corporations, Government Companies, Co-operative Societies, etc. was a mere 0.29 *per cent* against its average borrowing cost of 6.74 *per cent* during 2011-12.
- Twenty six Government Companies and Statutory Corporations with an aggregate investment of ₹ 11,495.42 crore for the latest year for which accounts were finalised as on 31 March 2012 were running in losses which accumulated to ₹ 15,931.72 crore.

Funds transferred directly from Government of India to State Implementing Agencies

- The Central Government transferred ₹ 9,497.91 crore during 2011-12 directly to State Implementing Agencies for implementation of various schemes/programmes.

1.14 Recommendations

- Trends indicate that the increasing Fiscal Liabilities accompanied with negligible rates of return on Government investments may put fiscal stress on the State in the medium to long run unless suitable measures are initiated to make the investments commercially viable, compress the Non-Plan Revenue Expenditure and mobilise additional resources both through Tax and Non-Tax sources of revenue in the ensuing years.
- Greater fiscal priority may be given to the Education and Health sectors as General Category States are spending a greater proportion of the Aggregate Expenditure on these heads than Madhya Pradesh.
- Direct transfer from the Union to the State Implementing Agencies runs the risk of poor oversight of utilisation of funds by these agencies. Unless uniform accounting practices are diligently followed by all these agencies and there is proper documentation and timely reporting of expenditure, it will be difficult to monitor the end use of these direct transfers.



Chapter-II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

CHAPTER II

Financial Management and Budgetary Control

2.1 Introduction

2.1.1 Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year compared with the amounts of voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Act. These Accounts list the original budget estimates, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act in respect of both charged and voted items of the budget. Appropriation Accounts thus facilitate management of finances and monitoring of budgetary provisions and are therefore, complementary to the Finance Accounts.

2.1.2 Audit of Appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

2.2 Summary of Appropriation Accounts

The summarised position of Actual Expenditure during 2011-2012 against 79 grants/appropriations is as given in **Table 2.1:-**

Table 2.1: Summarised Position of Actual Expenditure vis-à-vis Original/ Supplementary Provisions

						(₹ in crore)
	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Savings (-)/ Excess (+)
<i>Voted</i>	I Revenue	48,801.06	5,252.62	54,053.68	46,471.02	- 7,582.66
	II Capital	8,973.29	1,642.91	10,616.20	8,995.19	- 1,621.01
	III Loans and Advances	3,211.21	14,445.61	17,656.82	15,864.26 ¹	- 1,792.56
Total Voted		60,985.56	21,341.14	82,326.70	71,330.47²	-10,996.23
Charged	IV Revenue	6,538.99	421.70	6,960.69	6,555.62	-405.07
	V Capital	18.67	80.65	99.32	97.70	-1.62
	VI Public Debt- Repayment	6,800.10	-	6,800.10	3,149.79	-3,650.31
Total Charged		13,357.76	502.35	13,860.11	9,803.11	-4,057.00
Grand Total		74,343.32	21,843.49	96,186.81	81,133.58³	-15,053.23

(Source: Appropriation Accounts)

- The overall savings of ₹ 15,053.23 crore was the result of savings of ₹ 15,188.33 crore in 71 grants and 41 appropriations under the Revenue Section and 46 grants and five appropriations under the Capital Section, offset by an excess of ₹ 135.10 crore in one grant and one appropriation under the Revenue Section and three grants and one appropriation under the Capital Section.
- Major savings of more than 20 per cent of the total grant were in respect of Finance, Land Revenue, Planning, Economic and Statistics, Water Resources, School Education (excluding Primary Education) and Law and Legislative Affairs Departments, Bundelkhand Package, etc.
- Against the original provision of ₹ 74,343.32 crore, expenditure of ₹ 81,133.58 crore was incurred, thereby requiring only 31 per cent of supplementary funds.
- Supplementary provision of ₹ 21,843.49 crore obtained during the year constituted 29.4 per cent of the original provision.

¹ Includes ₹ 3.70 crore in respect of Inter-State Settlement and ₹ 100 crore in respect of Appropriation to Contingency Fund.

² Gross figure without taking into account the recoveries adjusted as reduction of expenditure under Revenue Expenditure: ₹ 332.93 crore and Capital Expenditure: ₹ 37.73 crore.

³ The actual expenditure was overstated to the following extent for the reasons mentioned below:

₹ 584.33 crore (Revenue Voted section: ₹ 464.81 crore, Revenue Charged section : ₹ 1.21 crore and Capital Voted section: ₹ 118.31 crore) being the unspent amount transferred to Major Head 8443-Civil Deposit, 800-Other Deposits through NIL payment vouchers on 31 March 2012.

Genuineness of expenditure of ₹ 0.05 crore drawn on Abstract Contingent bills during 2011-12 could not be vouchsafed, as Detailed Contingent bills were not submitted by the Deputy Director, National Cadet Corps, Bhopal.

- The actual savings of ₹ 15,053.23 crore constituted 69 per cent of the supplementary budget of ₹ 21,843.49 crore, indicating inaccurate estimation of funds and lack of control mechanism.

The savings/excesses were intimated from 2 July 2012 to 27 July 2012 to the Controlling Officers asking them to explain the reasons for the significant variations. Reasons for final savings have not been intimated by the concerned Departments (October 2012).

2.3 Financial Accountability and Budget Management

2.3.1 Appropriation vis-à-vis Allocative Priorities

Appropriation Audit conducted by us revealed that in 29 cases there were savings aggregating ₹ 9,407.81 crore. In each case, the savings exceeded ₹ 10 crore and were also more than 20 per cent of the respective budget provisions (**Appendix 2.1**). Out of the total savings of ₹ 15,053.23 crore (**Table 2.1**), savings of ₹ 8,805.64 crore (58.50 per cent)⁴ occurred in 11 cases (exceeding ₹ 100 crore in each case) relating to ten grants and one appropriation as indicated in **Table 2.2**.

Table 2.2 : List of Grants/Appropriations with savings of ₹ 100 crore and above
(₹ in crore)

Sl. No.	Number and Name of the Grant/Appropriation	Original provision	Supplementary provision	Total	Actual expenditure	Savings
Revenue-Voted						
1.	06-Finance	6,503.67	6.14	6,509.81	4,543.60	1,966.21
2.	08-Land Revenue and District Administration	849.64	32.80	882.44	689.30	193.14
3.	29-Law and Legislative Affairs	561.12	125.83	686.95	549.13	137.82
4.	31-Planning, Economics and Statistics	456.97	2.33	459.30	72.92	386.38
5.	40-Expenditure Pertaining to Water Resources Department-Command Area Development	12.42	100.00	112.42	2.78	109.64
6.	77-Other Expenditure Pertaining to School Education Department (Excluding Primary Education)	1,264.20	111.44	1,375.64	1,053.25	322.39
Capital-Voted						
7.	06-Finance	1,518.30	100.00	1,618.30	116.52	1,501.78

⁴ Exceeding ₹ 100 crore and also more than 20 per cent of the total provision in each case.

Sl. No.	Number and Name of the Grant/Appropriation	Original provision	Supplementary provision	Total	Actual expenditure	Savings
8.	42-Public Works Relating to Tribal Area Sub-Plan-Roads and Bridges	339.05	75.01	414.06	276.45	137.61
9.	57-Externally Aided Projects Pertaining to Water Resources Department	358.28	-	358.28	216.22	142.06
10.	61-Expenditure Pertaining to Bundelkhand Package	599.18	20.00	619.18	360.88	258.30
Capital-Charged						
11.	Public Debt	6,800.10	-	6,800.10	3,149.79	3,650.31
Total		19,262.93	573.55	19,836.48	11,030.84	8,805.64

(Source: Appropriation Accounts)

The reasons for the substantial savings in the grants/appropriations shown in the above table, as stated in the Appropriation Accounts, are mentioned below:-

06-Finance (Revenue Voted): Substantial savings occurred under this grant mainly under the following heads:- 2054-Treasury and Accounts Administration- Works Related to Information Technology (₹ 51.03 crore), 2070-Other Administrative Services-Other Expenditure (₹ 1,109.71 crore), 2071-Pension and Other Retirement Benefits-Minor Head 101-Superannuation and Retirement Allowances-Composite State of Madhya Pradesh (₹ 330.30 crore), 104-Gratuities-Composite State of Madhya Pradesh (₹ 257.36 crore), 105-Family Pensions-Composite State of Madhya Pradesh (₹ 200.98 crore) and 115-Leave Encashment Benefits-Composite State of Madhya Pradesh (₹ 62.26 crore), which were partly offset by excesses mainly under 2071-Pension and Other Retirement Benefit-101-Superannuation and Retirement Allowances-Madhya Pradesh (₹ 85.35 crore) and 105-Family Pensions-Madhya Pradesh (₹ 39.47 crore). The reasons for the savings and excesses had not been intimated (October 2012).

08-Land Revenue and District Administration (Revenue Voted): Substantial savings occurred mainly under the following heads:- 2029-Land Revenue-Land Management (₹ 18.48 crore), District Expenses (₹ 93.88 crore) and 2053-District Administration-District Establishment (₹ 28.04 crore). The reasons for the savings had not been intimated (October 2012).

29-Law and Legislative Affairs (Revenue Voted): Savings of ₹ 137.82 crore shown in this grant was understated by ₹ 121.24 crore on account of transfer of funds to 8443-Civil Deposit-800-Other Deposits on 30 March 2012 by exhibiting the same as final expenditure in the Accounts under the scheme "Reforms in Judicial System (Thirteenth Finance Commission)". Substantial savings occurred mainly under the following heads:- 2014-Administration of Justice-General Establishment (₹ 50.33 crore), Reforms in Judicial System

(Thirteenth Finance Commission) (₹ 33.75 crore) and 2015-Elections-Preparation and Printing of Voter Lists (₹ 20.29 crore).

The savings were partly attributed to non-receipt of demand for furniture and office equipment under Major Head 2014 (₹ 60 lakh) and non-payment of honorarium as per prescribed rate, non-utilisation of the entire provision for National Voters Day by some districts and non-receipt of sanction for payment of bills for printing of photo electoral rolls under Major Head 2015 (₹ 16.89 crore). Reasons for other savings had not been intimated (October 2012).

31-Planning, Economics and Statistics (Revenue Voted): Savings of ₹ 386.38 crore shown under this grant was understated by ₹ 16 crore on account of transfer of funds to 8443-Civil Deposits-800-Other Deposits on 31 March 2012 by exhibiting the same as final expenditure under the scheme “*Jila Navachar Kosh* (Thirteenth Finance Commission)” in the Accounts. Substantial savings occurred mainly under 3451-Secretariat-Economic Services- State Plan Schemes (Normal)-Lump Sum Provision for Plan Schemes (₹ 318.40 crore) and 3454-Census Surveys and Statistics-State Plan Schemes (Normal)- Incentive for Unique Number Identification Agency (Thirteenth Finance Commission) (₹ 31.79 crore).

The savings were mainly due to making sufficient provision in the supplementary estimates of 2011-12 in various State Plan Schemes and non-submission of demand by the Food and Civil Supplies Department for *Aadhar* Card Scheme.

40-Expenditure Pertaining to Water Resources Department-Command Area Development (Revenue Voted): Substantial savings occurred mainly under 2705-Command Area Development-Centrally Sponsored Scheme (Normal)-Command Area Development of Major and Medium Projects (₹ 100 crore). The savings were attributed to non-receipt of sanction from the Government of India.

77-Other Expenditure Pertaining to School Education Department (Excluding Primary Education) (Revenue Voted): Substantial savings occurred mainly under 2202-General Education-Higher Secondary Schools (₹ 199.32 crore), 10+2 Education System in Government Higher Secondary Schools and Vocationalisation of Education (₹ 12.56 crore), Centrally Sponsored Schemes Normal-Information and Communication Technology Schools (₹ 25.60 crore), State Plan Schemes Normal-Upgradation of High Schools into Higher Secondary Schools (₹ 15.83 crore) and Strengthening of High Schools and Upgradation of Middle Schools into High Schools (₹ 21.25 crore) and Centrally Sponsored Schemes Normal-Integrated Education for Disabled in Secondary Schools (I.E.D.S.S) (₹ 13.08 crore). The reasons for savings had not been intimated (October 2012).

06-Finance (Capital Voted): Substantial savings occurred mainly under the following heads:- 6075-Loans for Miscellaneous General Services-Provision for Settlement of Guaranteed Loans (₹ 25 crore), Provision for Settlement of SLR (Standing Liquidity Ratio) Bonds issued by Undertakings and Subordinate Institutions of State Government (₹ 25 crore), Loans Assistance

for restructuring of State Government Undertakings (₹ 50 crore) and 6801-Loans for Power Projects-Loan for Infrastructure Development (₹ 1,400 crore) which was partly offset by excess mainly under 7810-Inter State Settlement (₹ 3.70 crore). Reasons for the savings and excesses had not been intimated (October 2012).

42-Public Works Relating to Tribal Areas Sub-Plan-Roads and Bridges (Capital Voted) : Substantial savings occurred mainly under 5054-Capital Outlay on Roads and Bridges-Up-gradation of State Highway-MPRDC (₹ 37.32 crore), Externally Aided Projects-M.P. Road Development Programme (₹ 20.05 crore), Mineral Area Development Fund-Minimum Need Programme including Rural Roads (₹ 42.57 crore) and Construction of Rural Roads (NABARD) (₹ 19.15 crore), which were partly offset by excess expenditure mainly under the heads construction of Bridges (NABARD) (₹ 7.95 crore) and Central Road Fund (₹ 7.33 crore).

The savings, except under Minimum Needs Programme, were mainly attributed to non-issue of sanctions during the current financial year due to technical reasons under general agreement by M.P. Road Development Corporation, belated issue of sanction of tender proposals for M.P. State Road Development Programme-3 by Asian Development Bank and non-receipt of required demand for works. Reasons for the excess expenditure had not been intimated (October 2012).

57-Externally Aided Projects Pertaining to Water Resources Department (Capital Voted): Substantial savings occurred mainly under 4700-Capital outlay on Major Irrigation-Dam Rehabilitation and Improvement Project (₹ 29.60 crore) and Improvement in Productivity of Pre-Constructed Irrigation Schemes of Five Basins-Water Resources Department (₹ 105.02 crore). Savings were partly attributed to non-issue of sanction of schemes under Drip Irrigation (₹ 28.49 crore) and belated receipt of sanction for construction works from the World Bank and slow progress of works (₹ 3.62 crore). Reasons for other savings had not been intimated (October 2012).

61-Expenditure Pertaining to Bundelkhand Package (Capital Voted): Savings of ₹ 258.29 crore shown in this grant was understated by ₹ 29.68 crore on account of transfer of fund to 8443-Civil Deposits-800-Other Deposits on 31 March 2012 by exhibiting the same as final expenditure in the accounts under the Major Head 4701-Capital outlay on Medium Irrigation and 4702-Capital outlay on Minor Irrigation. Substantial savings occurred mainly under the following heads:- 4401-Capital outlay on Crop Husbandry-102-1503-Additional Central Assistance-Scheduled Castes Sub-Plan-Store and Marketing (₹ 47.45 crore), 102-1501-Additional Central Assistance (Normal)-Store and Marketing (₹ 169.24 crore) and 4701-Capital Outlay on Medium Irrigation-Additional Central Assistance (Normal)-Direction and Administration (₹ 18.14 crore), 4702-Capital outlay on Minor Irrigation-Additional Central Assistance (S.C.S.P. and Normal)-Restoration of Canal Capacity (₹ 20.97 crore), which were partly offset by excess expenditure mainly under 4702-Capital Outlay on Minor Irrigation-Additional Central Assistance (Normal)-New Minor Irrigation Scheme (₹ 23.99 crore).

Savings of ₹ 47.45 crore and ₹ 169.24 crore were attributed to non-receipt of release from the Government of India and ₹ 20.97 crore was due to incurring of expenditure from Deposit head instead of provision made under this scheme. The excess expenditure of ₹ 23.99 crore was attributed to rapid progress of construction work. Reasons for savings of ₹ 18.14 crore had not been intimated (October 2012).

Public Debt (Capital Charged): Significant savings occurred mainly under the following heads:- 6003-Internal Debt of the State Government- Ways and Means Advances (₹ 2,000 crore) and Advances to meet shortfalls (₹ 2,000 crore), 11.50 per cent Madhya Pradesh State Development Loan, 2011 (₹ 17.72 crore) and 12 per cent Madhya Pradesh State Development Loan, 2011 (₹ 26.06 crore), which were partly offset by excesses under 6003-Internal Debt of the State Government-Loans from HUDCO (₹ 65.69 crore), Special Securities issued to National Small Savings Fund of the Central Government (₹ 228.21 crore) and 6004-Loans and Advances from the Central Government-Loans for Micro Management (₹ 51.65 crore). Excess of ₹ 65.69 crore was due to lump-sum payment of loan received from HUDCO. Reasons for the savings and other excesses had not been intimated (October 2012).

2.3.2 Persistent Savings

In seven grants/appropriations, during the last five years from 2007-08 to 2011-12, there were persistent savings of more than ₹ one crore in each case and also by 20 per cent or more of the total provision under the relevant grant/appropriation (Table 2.3).

Table 2.3: List of grants/appropriations indicating persistent savings during 2007-12

(₹ in crore)

Sl. No.	Number and name of the grant/appropriation	Amount of Savings (Per cent to total grant in brackets)				
		2007-08	2008-09	2009-10	2010-11	2011-12
Revenue-Voted						
1	06-Finance	611.64 (22.20)	624.61 (20.04)	1,434.33 (31.32)	1,501.85 (27.82)	1,966.21 (30.20)
Savings persistently occurred mainly under the various schemes of Major Head 2052-Secretariat-General Services and 2071-Pension and Other Retirement Benefits.						
2	34-Social Justice	9.34 (20.02)	16.75 (24.88)	17.36 (23.97)	43.60 (33.92)	37.74 (27.63)
Savings persistently occurred mainly under the various schemes related to Major Head 2235-Social Security and Welfare.						
3	63-Minority Welfare	1.83 (30.76)	7.11 (48.93)	26.91 (71.38)	20.90 (40.63)	18.33 (32.61)
Savings persistently occurred mainly under the various schemes related to Major Head 2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes.						

Revenue-Charged						
4	06-Finance	10.44 (98.40)	10.70 (84.05)	9.99 (78.48)	12.41 (97.49)	14.23 (96.28)
Savings persistently occurred mainly under the schemes 2071-Pension and Other Retirement Benefits-01-101 and 102-Composite State of Madhya Pradesh.						
Capital-Voted						
5	57-Externally aided projects pertaining to Water Resources Department	172.85 (54.13)	111.18 (31.74)	89.69 (25.58)	74.90 (20.68)	142.06 (39.65)
Savings persistently occurred mainly under the various schemes related to Major Head 4700-Capital Outlay on Major Irrigation.						
6	58-Expenditure on Relief on account of Natural Calamities and Scarcity	4.30 (100)	2.50 (100)	2.70 (64.29)	2.93 (69.76)	2.50 (85.62)
Savings persistently occurred mainly under the Major Head 6245-Loans for relief on account of Natural Calamities in the Scheme "Loans for Redressal of water scarcity arising out of Natural Calamities".						
Capital-Charged						
7	Public Debt	2,004.48 (54.45)	1,875.55 (48.89)	3,896.40 (61.94)	3,392.77 (57.29)	3,650.31 (53.68)
Savings persistently occurred mainly under the scheme 6003-110-0779-Advances to Meet Shortfall and 0637-Ways and Means Advances.						

(Source: Appropriation Accounts of respective years)

The persistent savings indicated that the budgetary controls in the concerned Departments were not realistic.

2.3.3 Excess expenditure under schemes

In 42 cases, expenditure aggregating ₹ 3,052.08 crore exceeded the approved provision by ₹ 10 crore or more in each case and also by more than 20 per cent of the provisions made for each scheme. The details are given in **Appendix 2.2 (A)**.

2.3.4 Unutilised provisions under schemes

In 59 cases, the entire provision of ₹ five crore or more in each case aggregating to ₹ 6,873.50 crore remained unutilised. The details are given in **Appendix 2.2 (B)**.

2.3.5 Excess over provisions relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. If any money has been spent on a service in excess of the amount granted by the State Legislature for the purpose, the Public Accounts

Committee (PAC) shall examine with reference to the facts of the case, the circumstances leading to such an excess and may make recommendation for its regularisation.

The excess expenditure amounting to ₹ 2,879.84 crore for the years 1997-98 to 2000-2001, 2002-03 to 2006-07 and 2008-09 to 2010-11 is yet to be regularised as detailed in **Appendix 2.3**. The year-wise break-up of the amount of excess expenditure pending regularisation is summarised in **Table 2.4**.

Table 2.4 : Excess over provision relating to previous years requiring regularisation

Year	Number of		Amount of excess over provision (₹ in crore)	Status of Regularisation
	Grants	Appropriations		
1997-1998	10	03	302.79	Explanatory notes submitted by the concerned Department to PAC.
1998-1999	01	-	0.10	Explanatory notes submitted by the concerned Department to PAC.
1999-2000	11	06	1,584.94	Explanatory notes submitted by the concerned Department to PAC.
2000-2001	03	04	265.07	Explanatory notes submitted by the concerned Department to PAC.
2002-2003	03	05	424.79	Explanatory notes submitted by the concerned Department to PAC except ₹ 31,000 in reference of Grant No. 53.
2003-2004	04	03	2.54	Explanatory notes submitted by the concerned Department to PAC except for a sum of ₹ 1.24 crore in respect of Grant No. 68.
2004-2005	13	02	83.66	Explanatory notes submitted by the concerned Department to PAC except for a sum of ₹ 4.09 crore in respect of Grant No. 84 & 86.
2005-2006	04	02	37.58	Explanatory notes submitted by the concerned Department to PAC except for a sum of ₹ 2.27 crore in respect of Grant No. 39.
2006-2007	02	01	35.99	Explanatory notes submitted by the concerned Department to PAC.
2008-2009	02	02	5.80	Explanatory notes submitted by the concerned Department to PAC except ₹ 4.18 crore in respect of Grant No. 62 and 24 (both charged).
2009-2010	04	Nil	123.96	Explanatory notes submitted by the concerned Department to PAC except ₹ 36.35 crore in respect of Grant No. 27 and 49.
2010-2011	Nil	02	12.62	Explanatory notes not submitted by the concerned Department to PAC.
Total	57	30	2,879.84	

2.3.6 Excess over provision during 2011-12 requiring regularisation

Table 2.5 presents the summary of total excesses in four grants and two appropriations amounting to ₹ 135.10 crore and above over authorisation

from the Consolidated Fund of the State during 2011-12, which requires regularisation under Article 205 of the Constitution.

Table 2.5: Excess over provision requiring regularisation during 2011-12

(₹ in crore)

Sl. No.	Number and name of the grant/appropriation		Total grant/ appropriation	Expenditure	Excess
Revenue Voted					
1	33	Tribal Welfare	943.61	954.49	10.88
Capital Voted					
2	15	Financial Assistance to Three Tier Panchayati Raj Institutions under Scheduled Castes Sub-Plan	61.86	84.34	22.48
3	52	Financial Assistance to Tribal Area Sub-Plan-Three Tier Panchayati Raj Institutions	19.57	42.84	23.27
4	74	Financial Assistance to Three Tier Panchayati Raj Institutions	159.65	238.10	78.45
Revenue Charged					
5	23	Water Resources Department	0.20	0.22	0.02
Capital Charged					
6	23	Water Resources Department	1.00	1.0011	0.0011
Total			1,185.89	1,320.9911	135.1011

(Source: Appropriation Accounts)

No reasons for the above excesses had been intimated (October 2012).

Non-regularisation of the excess over provision under the grants/appropriations over the years is a breach of legislative control over grants/appropriations.

2.3.7 Unnecessary/Excessive/Inadequate supplementary provision

Supplementary provision of ₹ 50 lakh or more in each case aggregating ₹ 2,635.93 crore obtained in 51 cases during the year proved unnecessary as the actual expenditure did not come up to the level of even the original provision as detailed in **Appendix 2.4**. In 41 cases, against the additional requirement of ₹ 16,805.12 crore, supplementary provision of ₹ 18,896.23 crore proved excessive, resulting in savings exceeding ₹ 20 lakh in each case, aggregating ₹ 2,091.11 crore (**Appendix 2.5**). In one case, the supplementary provision proved insufficient leaving uncovered excess expenditure of ₹ 10.88 crore as detailed in **Appendix 2.6**.

2.3.8 Excessive/unnecessary re-appropriation/surrender of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Injudicious re-appropriations/surrenders (25 per cent and above) in respect of 40 cases resulted in savings/excess of more than ₹ one crore in each scheme as detailed in **Appendix 2.7**.

2.3.9 Defective sanctions to re-appropriation/surrender of funds

As per instructions (November 2006 and February 2012) of the State Government and its financial rules, (i) all sanctions for re-appropriations/surrenders should be issued before the end of the financial year and should be received in Accountant General (A&E)'s office well in time for incorporation in the accounts, (ii) proper detail of schemes should be furnished and total of sanctions should be correct, (iii) re-appropriation from Capital Head to Revenue Head and vice versa is not permissible, (iv) re-appropriation to new service heads in which no budget provision is provided is not permissible, (v) provision in the concerned heads should be available from which surrenders/re-appropriations are sanctioned, (vi) double issue of sanction is not permissible and (vii) re-appropriation of more than 10 per cent of the provision under the object heads salary, wages and office expenses are not permissible without the consent of the Finance Department etc. A total of 28 sanctions for re-appropriation or surrender of ₹ 604.71 crore issued during the year in violation of these instructions were not accepted by the Accountant General (A&E) for inclusion in the accounts. The details are given in **Appendix 2.8.**

2.3.10 Substantial surrenders

Substantial surrenders (more than 50 per cent of the total provision) were made in 150 schemes. Out of a total provision ₹ 3,796.07 crore in these schemes, ₹ 3,350.90 crore (88.27 per cent) was surrendered. These included 100 per cent surrender of ₹ one crore or more in each of the 51 schemes (₹ 2,524.27 crore) (**Appendix 2.9**). The main reasons for the substantial surrenders were attributed to non-receipt of Central share/funds from the Government of India, non-receipt of proposals from Co-operative Bank for conversion of Loans of Farmers, making of sufficient provision in the supplementary estimates of 2011-12 in various State Plan Schemes, non-receipt of allotment from the Finance Department and non-compliance of Government instructions by Urban Bodies. The reasons for surrenders in 18 cases were not intimated (October 2012).

2.3.11 Unrealistic and injudicious surrenders

(A) Surrender in excess of actual savings

In five cases, the amounts surrendered (₹ one crore or more in each case) were in excess of the actual savings indicating lack of or inadequate budgetary control in these Departments. As against savings of ₹ 207.10 crore, the amount surrendered was ₹ 212.01 crore, resulting in excess surrender of ₹ 4.91 crore. The details are given in **Appendix 2.10.**

(B) Surrender even after excess expenditure

In the Tribal Welfare Department an amount of ₹ 0.76 crore was surrendered even though there was already excess expenditure of ₹ 10.87 crore indicating inadequate budgetary control in the Department. The details are given in **Appendix 2.10.**

2.3.12 Anticipated savings not surrendered

According to para 26.9 of the Madhya Pradesh Budget Manual (M) statements of anticipated savings in expenditure are required to be submitted by the Budget Controlling Officers to the Finance Department by 15th .

At the close of the year 2011-12, there were 18 grants and nine appropriations in which savings of more than ₹ 20 lakh in each case occurred but none of these were surrendered by the concerned Departments. The amount in these cases were ₹ 4,228.13 crore (28.09 per cent of the total savings of ₹ 15,053.23 crore) (**Appendix 2.11**).

Similarly, out of the total savings of ₹ 9,752.19 crore under 50 grants/appropriations having saving of ₹ one crore and above per grant/appropriation, an amount aggregating ₹ 4,752.15 crore (48.73 per cent of the total savings in these schemes) was not surrendered, details of which are given in **Appendix 2.12**. Besides, in 72 Major Heads, (surrender of savings in excess of ₹ 10 crore in each case), savings aggregating ₹ 4,871.77 crore (**Appendix 2.13**) were surrendered on the last date of the financial year, indicating inadequate financial control as a result of which these funds could not be utilised for development purposes.

2.3.13 Rush of expenditure

According to para 26.13 of the Madhya Pradesh Budget Manual (M) a rush of expenditure particularly in the closing months of the financial year is ordinarily be regarded as a financial irregularity.

We noticed that in respect of 60 schemes listed in **Appendix 2.14**, expenditure exceeding ₹ 10 crore and also more than 50 per cent of the total expenditure in each case, aggregating ₹ 15,888.68 crore (93.61 per cent of the total expenditure in these cases) was incurred in March 2012.

As per the provisions of the Madhya Pradesh Treasury Code (MPTC) Sub-Rule 284, no money should be drawn from the treasury unless it is required for immediate disbursement.

During 2011-12, a sum of ₹ 584.33 crore was drawn on 31 March 2012 and transferred to 8443-Civil Deposits-800-Other Deposits by exhibiting it as expenditure under the relevant scheme in the accounts. This included a sum of ₹ 446.02 crore transferred from the Central Schemes as per details given in **Appendix 2.15**. Thus, funds were drawn to avoid lapse of Central funds, which was contrary to the codal provision.

Table 2.6 presents the Major Heads where more than 50 per cent expenditure was incurred either during the last quarter or during the last month of the financial year.

Table 2.6 : Cases of Rush of Expenditure towards the end of the Financial Year 2011-12
(₹ in crore)

Sl. No.	Major Head	Total Expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2012	
			Amount	Percentage of Total Expenditure	Amount	Percentage of Total Expenditure
1	3451	42.78	28.52	66.67	26.54	62.04
2	5452	72.00	43.60	60.56	43.24	60.06
3	2045	320.59	308.07	96.09	306.00	95.45
4	4202	171.72	100.58	58.57	93.44	54.41
5	2425	512.63	307.60	60.00	298.44	58.22
6	2853	887.79	818.49	92.19	796.15	89.68
7	4210	141.57	89.55	63.25	84.52	59.70
8	4250	14.43	11.81	81.84	10.69	74.08
9	6801	15,100.22	13,481.95	89.28	12,747.81	84.42
10	4055	40.94	23.36	57.06	21.68	52.96
11	6856	150.00	150.00	100	150.00	100
	Total	17,454.67	15,363.53	88.02	14,578.51	83.52

(Source: Information provided by the A.G. (A&E))

The percentage of expenditure spent in the month of March to Total Expenditure in respect of 11 Major Heads ranged between 52.96 per cent to 100 per cent against the proportionate percentage of 8.33 per month indicating deficient financial management and non-maintenance of uniform flow of expenditure which is the primary requirement of budgetary control.

2.3.14 Expenditure incurred without provision

An expenditure of ₹ 358.31 crore was incurred in six cases under two appropriations without provision, the reasons for which have not been intimated (October 2012). The details are given in **Appendix 2.16**.

2.3.15 Non utilisation of Provision for New items of expenditure provided in the Budget

As per schedule of new expenditure, during 2011-12, ₹ 124.20 crore (Scheduled Caste Sub Plan: ₹ 22.58 crore, Tribal Area Sub Plan: ₹ 22.68 crore and Normal : ₹ 78.94 crore) was provided in Grant nos. 15, 52 and 74 under the Major Head 2501-Special Programme for Rural Development for the scheme "Infrastructure Development in Rural Habitat" as new items of expenditure. The same was however neither utilised nor surrendered during the financial year 2011-12, the reasons for which have not been intimated (October 2012).

2.4 Errors in budgeting

2.4.1 Misclassification of budget provisions in demand for grant

During audit of grants statement in the budget, we noticed that under the object heads 45-Grants for Creation of Capital assets, 63-Machines and 64-Major Construction Works in 23 schemes subordinate to Major Heads 2039, 2054, 2055, 2210, 2215, 2225, 2230, 2401, 2402, 2403 and 2801, provision of

₹ three crore or more in each case aggregating ₹ 324.32 crore was misclassified under Revenue Expenditure. In three other schemes subordinate to Major Heads 4515 and 4701 provision of ₹ three crore or more in each case aggregating ₹ 80.32 crore under the Object Head 42-Grants-in-aid was misclassified under Capital Outlay. The details are given in **Appendix 2.17**.

2.4.2 Charged provision

In Grant no. 38-Ayoush, provision of ₹ five lakh (Charged) on account of decretal amount was misclassified under Voted Section in the scheme 2210-02-101-0101-4286-Director of Ayurved and Administration.

The matter was reported to the Director Budget, Finance Department (May 2012); a reply has not been received (October 2012).

2.5 Non-fulfillment of the assurances made in the Budget Speech

The Finance Minister, Government of Madhya Pradesh, while presenting the Budget for the years 2008-09 and 2011-12 before the Legislature announced various schemes and programmes to be implemented for the benefit of the public during the year.

We scrutinised the Budget Speeches for these years and found that in the following cases, the assurances given by the Finance Minister were not fulfilled.

- In the Budget Speech 2011-12, the Finance Minister declared that one of the priority areas of the State Government was arrangement of Drinking Water in Urban Areas. Accordingly, a new scheme for Improvement of Drinking Water in Urban Areas was proposed and budget provision of ₹ 50 crore was made under Grant No. 75 in the head 2217-80-191-0101-6607-Grant for Water Supply Scheme in Urban Areas during 2011-12. We observed that the entire amount remained unutilised and was surrendered on 31 March 2012 due to non- receipt of allotment from the Finance Department.
- The Finance Minister declared provision of ₹ 45 crore during 2011-12 for Development of *Buddhist Paripath, Jain Paripath*, Religious Tourism, Heritage Tourism, Upgradation of Link Roads and internal roads, development of Statistical Cell, fair and festival and work related to information technology etc. Out of these funds, an amount of ₹ 14.50 crore (32 per cent) relating to Thirteenth Finance Commission Award under the Major Head 5452-Capital Outlay on Tourism in Grant No. 37 was transferred to 8443-Civil Deposits-800-Other Deposits on 31 March 2012, by exhibiting it as final expenditure in the Accounts. Thus, funds to the extent of ₹ 14.50 crore was drawn without requirement and transferred to Deposit Head to avoid lapse of provision.
- Establishment of *Atal Bal Arogya Mission* for the purpose of relieving children from malnutrition and its adverse effects was declared in

Budget Speech 2011-12. A provision of ₹ 88 crore was made for the activities of the Mission under Major Head 2235-Social Security and Welfare in Grant Nos. 55, 41 and 64 against which expenditure of ₹ 83 crore was incurred. Further, Supplementary Provision of ₹ 111 crore was also made for the activities of the Mission under these grants, which however remained unutilised. Thus there was overall savings of ₹ 116 crore under the scheme “*Atal Bal Arogya Mission*”, of which ₹ 47 crore was surrendered and ₹ 66 crore was re-appropriated to the scheme “*Ladli Laxmi Yojna*”.

- In the Budget Speech for 2008-09 *Kushabhau Thakre* Contributory Pension Scheme was introduced by the Government to encourage Small Saving Schemes. For this purpose, budget provision of ₹ 51 crore was made in Grants No. 34, 41 and 64 during 2009-10 (₹ one crore), 2010-11 (₹ 40 crore) and 2011-12 (₹ 10 crore), but the same remained unutilised and the entire amount was surrendered. During the previous years 2009-10 and 2010-11, the reasons for non-utilisation and surrender were stated to be due to non-commencement of the scheme. No reasons had been intimated for the year 2011-12 (October 2012).
- Test check (August 2012) of the records of Chief Executive Officer M.P. Rural Road Development Authority Bhopal revealed that as per the Budget Speech of 2011-12, the target for construction of roads during 2011-12 under “*Pradhan Mantri Gramin Sadak Yojna*” was stated to be 9350 Kilometer (Km). However, the actual target fixed for construction was 6815 Km length of roads, against which only 2926 Km length of roads were constructed. The Madhya Pradesh Rural Road Development Authority, Bhopal stated (September 2012) that the target for construction of 9350 Km length was fixed on the basis of achievements in 2009-10 and 2010-11 but the GOI sanctioned grants for only 2852.96 Km length of road and accordingly a target of 2926 Km was achieved. The fact remains that the target announced in the Budget Speech was much higher than the target achieved. The matter was referred to the Government (August 2012); their reply had not been received (October 2012).

2.6 Outcome of Review of Selected Grants

After the voting on Demands for grants has been completed in the Legislative Assembly, an Appropriation Bill is introduced for appropriation out of the Consolidated Fund of the State of all moneys required to meet (a) the grants made by the Assembly and (b) the expenditure charged on the Consolidated Fund. After the Governor’s assent to the Bill is obtained, the amounts shown in the Appropriation Act and the schedules thereof become the sanctioned grants for expenditure under the various Demands.

We reviewed (July/August 2012) the budgetary procedure and control over expenditure pertaining to two grants viz., Grant No. 10- Forests and Grant No. 53- Financial Assistance to Urban Bodies under Scheduled Caste Sub-Plan.

The Principal Chief Conservator of Forest (PCCF), Bhopal is the Budget Controlling Officer (BCO) of Grant No.10 and the Commissioner, Urban Administration and Development, Bhopal and Development Commissioner Bhopal are the Budget Controlling Officers (BCOs) of Grant No.53. The details of amount budgeted for, expenditure and savings under these two Grants are summarised in **Table 2.7**.

Table 2.7: Summary of the reviewed

(₹ in crore)

Particular of Grants	Section	Total Grant	Actual Expenditure	Savings
Grant No.10	Revenue (Voted)	1,283.04	1,088.52	194.52
	Revenue (Charged)	12.53	0.44	12.09
	Capital (Voted)	34.00	33.82	0.18
Grant No.53	Revenue (Voted)	72.75	59.72	13.03
	Capital (Voted)	37.30	26.07	11.23

On reviewing these Grants the following points were noticed:

- A review of these Grants for the year 2011-12 revealed that the Budget Estimates were unrealistic. This led to net savings totaling ₹ 230.87 crore (₹ 194.52 crore and ₹ 13.03 crore in Grants No.10 and 53 respectively under the Revenue Voted Section, ₹ 12.09 crore in Grant No.10 under Revenue Charged Section and ₹ 11.23 crore in Grant No. 53 under Capital Voted Section).
- Substantial savings of ₹ two crore or more and also more than 20 per cent of the provision occurred in each case aggregating ₹ 165.60 crore under nine schemes of the test-checked grants during 2011-12 as per details given in **Appendix 2.18**. Under three schemes in Grant No.10, substantial excess expenditure totaling ₹ 3.92 crore during 2011-12 was noticed as per details given in **Appendix 2.19**.
- In three schemes, the supplementary provisions were excess by ₹ 43.82 crore. The details are given in **Appendix 2.20**.
- In Grant No.10, in the following schemes augmentation of funds by re-appropriation was not required. This indicated ineffective monitoring by the Department.

Under the scheme 2406-02-110-2899-National Parks, against the available savings of ₹ four crore, an amount of ₹ 0.97 crore was unnecessarily augmented by re-appropriation which resulted in final savings of ₹ 4.97 crore. Similarly, under the scheme 2406-01-001-3555 Headquarters, against the available savings of ₹ 3.10 crore, an amount of ₹ 2.27 crore was unnecessarily augmented by re-appropriation which resulted in final savings of ₹ 5.37 crore. The BCO stated (July

2012) that the main reasons for savings under the above schemes were delays in selection and appointment of forest guards.

- As per Para 8.3.5(vi) of MPBM, since most of the Government activities are well defined in the List of Major and Minor Heads of Accounts of the Union and States, issued by the Controller General of Accounts, operation of the Minor Head 800-Other Receipts/Expenditure should be minimised. It was observed in Grant No. 10 that under the head 2406-01-800-Other expenditure (voted) expenditure of ₹ 5.69 crore, ₹ 9.36 crore and ₹ 13.18 crore were incurred during the year 2009-10, 2010-11 and 2011-12 respectively which indicate increasing trend during the last three years.

2.7 Conclusion

Against the total provision of ₹ 96,187 crore during 2011-12, an expenditure of ₹ 81,134 crore was incurred. Supplementary provision of ₹ 21,843 crore during 2011-12 proved excessive as there was an overall saving of ₹ 15,053 crore. Major savings were in respect of Finance, Land Revenue, Planning, Economics and Statistics, Water Resources, School Education (excluding Primary Education), Bundelkhand Package and Law and Legislative Affairs Departments, etc. A sum of ₹ 584.33 crore was transferred to Civil Deposit in Public Account and ₹ 4,872 crore was surrendered on the last day of the financial year. Expenditure of ₹ 358 crore was incurred without making necessary provision in the Appropriation Act. There was also rush of expenditure towards the end of the financial year. Re-appropriation/surrender of funds in 40 cases was made injudiciously which resulted in savings/excess in each scheme. Excess expenditure of ₹ 135.10 crore incurred during 2011-12 and ₹ 2,880 crore relating to the period 1997-98 to 2010-2011 was pending regularisation under Article 205 of the Constitution.

2.8 Recommendations

- Budgetary control mechanism should be strengthened in all the Government Departments by proper monitoring of expenditure, timely surrender of funds and avoiding rush of expenditure in the closing months of the financial year.
- Excessive/unnecessary supplementary provision and re-appropriation of funds should be avoided.
- The practice of transfer of funds to Civil Deposit head at the fag end of the financial year after exhibiting it as final expenditure in the Accounts should be reviewed by the State Government.
- Regularisation of excess expenditure pending since 1997-98 may be done on priority basis.

Chapter III

FINANCIAL REPORTING

Chapter-III
FINANCIAL REPORTING

CHAPTER III

Financial Reporting

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliances is one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the State Government in meeting its basic stewardship responsibilities, including strategic planning and decision-making. This Chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the year 2011-12.

3.1 Delay in furnishing Utilisation Certificates

As per Rule 182 of the Madhya Pradesh Financial Code Vol. I, in case of an annual or a non-recurring conditional grant, the Departmental Officer on whose signature or counter signature the Grant-in-aid bill was drawn, shall furnish the Utilisation Certificates (UCs) to the Accountant General on or before 30 September of the year following that to which the grant related.

The position of outstanding UCs against Grants-in-aid sanctioned to various Departments up to 2011-12 is given in **Table 3.1**.

Table 3.1: Year-wise position of outstanding Utilisation Certificates

Year	Number of UCs awaited	Amount involved (₹ in crore)
Up to 2009-10	35761	17,733.88
2010-11	2888	6,760.54
2011-12	1756	6,923.30
Total	40405	31,417.72

(Source : Finance Accounts 2011-12)

Thus, as on 31 March 2012, 40405 UCs for an aggregate amount of ₹ 31,417.72 crore were outstanding in respect of 37 Departments involving 47 Major Heads. The details are given in **Appendix 3.1**. The large pendency in submission of UCs were mainly in respect of Urban Administration (₹ 10,406 crore), Rural Development (₹ 5,985 crore), Food and Civil Supplies (₹ 4,430 crore), School Education (₹ 3,189 crore) and Housing and Environment (₹ 2,468 crore) Departments.

Non-submission of UCs in time indicates lack of monitoring of utilisation of grants by the Departments and could result in misutilisation of the Grants.

3.2 Delay in Submission of Accounts/Audit Reports of Autonomous Bodies

The State Government has set up several autonomous bodies (ABs) in the fields of Agriculture, Housing, Labour Welfare, Urban Development, etc. The audit of accounts of 48 ABs in the State has been entrusted to the Comptroller and Auditor General of India. The status of entrustment of audit, rendering of accounts to Audit, issuance of Separate Audit Reports and their placement in the Legislature is indicated in **Appendix 3.2**. Separate Audit Reports of three ABs were yet to be placed before the State Legislature as detailed in **Table 3.2**.

Table 3.2: Delays in tabling of Separate Audit Reports

Name of the Autonomous Body	Year(s) for which Separate Audit Reports are yet to be placed before the State Legislature
M.P. Housing Board, Bhopal	2004-05 to 2006-07
M.P. Khadi and Village Industries Board, Bhopal	2005-06 and 2006-07
M.P. Human Rights Commission, Bhopal	2009-10

Out of 48 ABs, 44 ABs (serial no. 5 to 48 of **Appendix 3.2**) did not submit their accounts since the inception of the AB (1997-98 to 2006-07) even after lapse of five to 13 years and three ABs (serial no. 2 to 4 of **Appendix 3.2**) submitted their accounts for the years 2003-04 to 2010-11 with a delay of nine to 84 months. Correspondence with the units and the Administrative Departments is going on for submission of accounts.

The inordinate delay in submission of accounts and presentation of the reports to the State Legislature results in delayed scrutiny of the functioning of these bodies, where Government investments are made. This is fraught with the risk of fraud and leakage of funds. Further, it also delays the initiation of necessary remedial action.

3.3 Misappropriation, Losses, Defalcations etc.

Rule 22(1) of the Madhya Pradesh Financial Code Vol. I states that any loss of public money, caused by defalcation or otherwise, should be immediately reported to the Accountant General, even when such loss has been made good by the party responsible for it.

The State Government reported 3111 cases of misappropriation, losses, defalcation, etc., involving Government money amounting to ₹ 46.25 crore up to the period March 2012 on which final action was pending. A large number of cases amounting to ₹ 27.78 crore and ₹ 13.79 crore were pending for recovery/regularisation against the School Education and Forestry and Wild Life Departments respectively. The Department-wise break up of pending cases of misappropriation, losses, defalcations etc. and write-offs for 2011-12 and their age-wise analysis is given in **Appendix 3.3** and **Appendix 3.4**.

Department/category-wise details of nature of these cases are given in **Appendix 3.5**. The age-profile of the pending cases and the number of cases pending in each category- theft and misappropriation/loss- as emerging from these Appendices are summarised in **Table 3.3**.

Table 3.3: Profile of Misappropriation, Losses, Defalcations, etc.

Age-profile of the pending cases			Details of the pending cases		
Range in years	Number of cases	Amount involved (₹ in crore)	Nature of the case	Number of cases	Amount involved (₹ in crore)
0 – 5	457	32.63	Theft	214	2.03
5 – 10	468	3.71			
10 – 15	464	4.70	Misappropriation/ Loss of material	2897	44.22
15 – 20	422	2.03			
20 – 25	695	1.67			
25 & above	605	1.51			
Total	3111	46.25	Total	3111	46.25

Further analysis indicated that the cases were outstanding owing to reasons listed in **Table 3.4**.

Table 3.4: Reasons for Outstanding Cases of Misappropriation, Losses, Defalcations etc.

Reasons for the delay/outstanding cases		Number of cases	Amount (₹ in crore)
(i)	Awaiting departmental and criminal investigation	3	0.0038
(ii)	Awaiting orders for recovery or write off	3108	46.2498
	Total	3111	46.25

Thus, out of 3111 cases involving ₹ 46.25 crore, 2186 cases (70.2 per cent) involving ₹ 9.91 crore were pending for more than 10 years.

55 cases of losses involving an amount of ₹ 10.84 lakh were written off during 2011-12 as detailed in **Appendix-3.4**.

3.4 Pendency in submission of DCC Bills, Non-reconciliation of Departmental figures and Non-adjustment of Temporary Advances

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

As per Rule 313 of the Madhya Pradesh Treasury Code (MPTC), every Drawing and Disbursing Officer (DDO) has to certify in each Abstract Contingent (AC) bill that Detailed Countersigned Contingent (DCC) bills for all contingent charges drawn by him prior to the first of the current month have been forwarded to the respective Controlling Officers for countersignature and transmission to the Accountant General (A&E). However, the drawal of amounts by way of AC bills has been prohibited by the Finance Department, Government of Madhya Pradesh instructions (September 1999) for all the Departments except Sports and Youth Welfare Department (only for N.C.C.).

870 DCC bills aggregating to ₹ 19.50 crore were pending at the end of 31 March 2012. The age-wise details in pendency in submission of DCC bills against AC bills are given in **Table 3.5**.

Table 3.5: AC bills outstanding for want of DCC bills for the year ending March 2012

(₹ in crore)		
Year	No. of AC bills outstanding	Amount outstanding
Up to 2009-10	792	19.10
2010-11	70	0.35
2011-12	8	0.05
Total	870	19.50

(Source : Finance Accounts 2011-12)

Department-wise pending DCC bills for the years up to 2011-12 is detailed in **Appendix 3.6**.

3.4.2 Reconciliation of Receipts and Expenditure

According to Para 24.9.3 of the Madhya Pradesh Budget Manual (MPBM), Budget Controlling Officers (BCOs) are responsible for reconciliation of accounts maintained by them with those appearing in the Accountant General (A&E)'s books and for identifying and correcting misclassifications. Even though non-reconciliation of departmental figures is pointed out regularly in our Audit Reports, lapses on the part of Controlling Officers in this regard continued to persist during 2011-12.

We observed that against the total expenditure of ₹ 77,513 crore during 2011-12, reconciliation was carried out by the Controlling Officers for ₹ 74,704.65 crore (96.38 per cent). Controlling Officers of five Departments did not reconcile expenditure amounting to ₹ 2,808.35 crore as of March 2012. Out of these, Controlling Officers of two Departments viz., Education (Public Instructions) and Social Welfare had not reconciled expenditure aggregating ₹ 2,802.45 crore (99.8 per cent of the total unreconciled expenditure) as detailed in **Table 3.6**.

Table 3.6: List of Controlling Officers under whom amounts exceeding ₹ 10 crore in each case remained un-reconciled during 2011-2012

(₹ in crore)

Sl. No.	Controlling Officers	Amount not reconciled
1	Commissioner, Public Instructions, M.P. Bhopal	1,918.45
2	Director, Social Welfare	884.00
Total		2,802.45

(Source: Information furnished by AG (A&E)-I, M.P.)

All DDOs are required to reconcile the receipts of the Government with the figures accounted for by the Accountant General. Such reconciliation had been completed for ₹ 1,036 crore (1.44 per cent only) against the total non-debt receipt of ₹ 71,753 crore of the Government during the year 2011-12. Non-reconciliation of expenditure and receipts by the controlling officers indicated deficient financial management.

3.4.3 Non-adjustment of Temporary Advances

Drawing and Disbursing Officers (DDOs) draw temporary advances for the purpose of meeting contingent expenditure either on the authority of standing orders or specific sanctions of the State Government. According to the Finance Department's instruction (October 2001), temporary advances taken by Government employees for tours or contingent expenditure should be adjusted within three months from the date of drawal of advance or by the end of the financial year, whichever is earlier, failing which interest as per the interest rate on fixed deposits of State Bank of India should be charged from the responsible employee/officer.

Information available in our Inspection Reports of audited units of DDOs and data furnished by various Departments (to the extent available) revealed that as of 31 March 2012, 5239 cases of advances aggregating ₹ 498.90 crore were pending for adjustment by 138 DDOs in their records. Reasons for non-adjustment of temporary advances had not been intimated by the concerned Departments. Age-wise analysis of advances pending is given in **Table 3.7**.

Table 3.7: Age-wise analysis of cases of advances pending

Sl. No.	Pendency	No. of cases	Amount (₹ in crore)
1	More than 10 years	1448	1.88
2	More than five years upto 10 years	1261	11.90
3	More than one year but less than five years	1472	105.19
4	Less than one year	1058	379.93
Total		5239	498.90

As may be seen from the above Table, more than 27 per cent of the cases are more than 10 years old and thus, the possibility of their recovery appears to be remote. Non-recovery of advances indicated absence of effective internal controls in the concerned Departments.

3.4.4 Delay in Rendition of Accounts

As per Sub Rule 36 of MPTC, monthly accounts should be submitted by the Treasury Officer/Department to the Accountant General (A&E) on the first day of the next month (fifth day of the next month for March).

We observed that there was an average delay of six to ten days in rendition of accounts by the Treasury, Public Works Divisions and Forest Divisions to the Accountant General (A&E). Timely rendition of accounts may be ensured by the Treasury as well as the concerned departments to avoid delay in compilation of accounts.

3.5 Personal Deposit Accounts

As per provisions of the MPTC Part I Sub-Rule 543, Personal Deposit (PD) accounts can be created in the Public Account by debit to the Consolidated Fund of the State and should be closed at the end of the financial year by minus debit to the relevant service heads. No PD account is to be continued without the approval of the Finance Department.

- As on 1 April 2011, there were 765 PD accounts having balance of ₹ 2,003.45 crore. During the year 2011-12, 128 PD accounts (involving ₹ 3.93 crore) were opened and seven PD accounts (involving ₹ 0.08 crore) were closed. Thus, there were 886 PD accounts having closing balance aggregating ₹ 2,007.30 crore as on 31 March 2012. The closing balance in the PD accounts indicated that the administrators had not followed the aforesaid provisions of MPTC Part I.
- Our test check of records (July 2012) of the Director, Medicine Cell (*Aushadhi Prakosth*), Bhopal under the Public Health and Family Welfare Department revealed that PD Account no.37 was opened (January 2008) in favour of the Director, Medicine Cell under the New Medicine Purchase Policy for the purpose of purchasing medicines and continued up to 2012-13. The PD account having balances of ₹ 17.91 crore as on 31 March 2012 was not closed at the end of the financial year by minus debit to the relevant service heads. The Department stated (July 2012) that permission for continuance of PD account up to 2012-13 was given on 30 June 2012. The fact remains that permission for continuance of PD account should have been obtained before closing of the financial year (31 March 2012) and thus, the provisions of rule 543 of MPTC Volume I were not adhered to.

The matter was referred to the Government (August 2012 and November 2012); their reply had not been received (November 2012).

3.6 Non-utilisation of Grants-in-Aid for State Specific needs recommended by the Thirteenth Finance Commission and parking of funds in Civil Deposit

During 2011-12 Grants-in-aid amounting to ₹ 102.87 crore¹ on account of Thirteenth Finance Commission Award was received by the Public Health and Family Welfare (₹ 68.00 crore) and Culture (₹ 34.87 crore) Departments.

As per Madhya Pradesh Treasury Code (MPTC) Part 1 Sub Rule 284, no money should be drawn from the Treasury unless it is required for immediate disbursement. During test check of records of the following Departments we noticed that the grants received were not utilised/parked in Civil Deposits.

- (i) **Public Health and Family Welfare Department:** Our test check (July 2012) of records of the Director, Health Services, Bhopal and Appropriation Accounts for the year 2011-12 revealed that under the scheme 4210-01-110-1301 to 1303 Central Finance Commission (General/TSP/SCSP)-6453 Strengthening of Health Infrastructure, budget provision of ₹ 62.50 crore was made under Grant no.19 (General: ₹ 40.65 crore), Grant no.41 (Tribal Area Sub Plan: ₹ 12.50 crore) and Grant no. 64 (Scheduled Caste Sub Plan: ₹ 9.35 crore), approval for which was received on 2 March 2012 from the GOI. Out of this, an expenditure of only ₹ 13.42 crore was incurred, which included ₹ 4.06 crore transferred to 8443-Civil Deposits-800-Other Deposits on 31 March 2012 by exhibiting it as final expenditure in the accounts, ₹ 48.17 crore was surrendered during the year and ₹ 0.91 lakh lapsed. This resulted in actual utilisation of only ₹ 9.36 crore (15 per cent of the provision) during the year indicating lack of control over expenditure by the Department.

The matter was referred to the Government (August 2012 and November 2012); their reply had not been received (November 2012).

- (ii) **Culture Department:** Our test check (July 2012) of records of the Commissioner, Archaeological Records and Museum, Bhopal and Appropriation Accounts for 2011-12 revealed that the GOI approved (30 March 2012) Grants-in-aid of ₹ 34.87 crore for Conservation, Development and management of heritage sites for the year 2011-12. In Grant no.26- Culture under the scheme 2205-800-1301-Central Finance Commission (General)-6464-Development and maintenance works etc. of monuments and museums, an expenditure of ₹ 36.69 crore was incurred which included ₹ 34.87 crore received from GOI and transferred to 8443-Civil Deposits-800-Other Deposits on 31 March 2012 by exhibiting the same as final expenditure in the accounts, which was still lying unutilised (July 2012).

¹ Health Infrastructure: ₹ 62.50 crore and Conservation, Development, Management of Heritage sites: ₹ 34.87 crore and Upgradation of MTH Hospital, Indore: ₹ 5.50 crore

The Department stated (July 2012) that funds were received on the last day of the financial year and could not be utilised during 2011-12. A proposal for release of fund from the Civil Deposit head as per work plan for 2011-12 was sent to the Finance Department (July 2012). The fact remains that the provisions of sub rule 284 of MPTC Part I which states that no money should be drawn from the treasury unless it is required for immediate disbursement were not adhered to as the funds were drawn without immediate requirement and were lying unutilised up to July 2012.

The matter was referred to the Government (August 2012 and November 2012); their reply had not been received (November 2012).

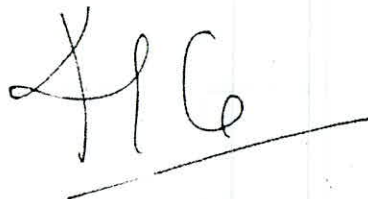
3.7 Conclusion

The Government compliance with various rules and Financial Procedures was deficient. 40405 Utilisation Certificates in respect of grants for an aggregate amount of ₹ 31,418 crore were awaited from the grant sanctioning authorities, indicating lack of proper monitoring by the Departments in the utilisation of grants. There were delays of nine months and above in submission of accounts by 47 autonomous bodies, affecting their transparency and accountability. The Government's compliance towards disposal of cases of losses, misappropriation, etc. amounting to ₹ 46.25 crore was pending. Detailed Countersigned Contingent bills for an amount of ₹ 19.50 crore against Abstract Contingent bills were awaited including ₹ 19.10 crore for the period prior to 2010-11. ₹ 2,007 crore was retained in 886 Personal Deposit Account as at the end of March 2012 in violation of the provisions of Madhya Pradesh Treasury Code. Non-reconciliation of expenditure amounting to ₹ 2,808 crore in respect of Controlling Officers of five Departments was also noticed. All these deficiencies reflected lack of internal controls and ineffective governance in the Departments.

3.8 Recommendations

- The Departments should ensure timely submission of Utilisation Certificates in respect of the grants released to the grantee institutions.
- Timely submission of accounts by Autonomous Bodies should be ensured.
- Departmental enquiries in all cases of misappropriations, losses, etc., should be expedited to bring the defaulters to book. Internal controls should be strengthened to prevent recurrence of such cases.

- Closing of PD Accounts having huge balances as of 31 March 2012 may be taken up on priority and funds transferred to the Consolidated Fund.
- Temporary advances lying outstanding at the end of 2011-12 should be recovered/adjusted forthwith.



GWALIOR
The

(K.K. SRIVASTAVA)
Principal Accountant General
(General and Social Sector Audit)
Madhya Pradesh

COUNTERSIGNED



NEW DELHI
The

(VINOD RAI)
Comptroller and Auditor General of India

APPENDICES

APPENDIX-1.1
STATE PROFILE (MADHYA PRADESH)
(REFERENCE PARAGRAPH PROFILE OF MADHYA PRADESH, 1.6.1, 1.8.2; PAGE 1, 11, 27)

A		General Data ¹		Figures	
Sl.N	Particulars				
1	Area		3,08,245 sq km		
2	Population		6.03 crore		
	a.	As per 2001 Census	7.26 crore		
	b.	As per 2011 Census	196 persons per sq km		
3	a.	Density of Population (2001 Census) (All India Density = 325 persons per sq.km)	236 persons per sq km		
	b.	Density of Population (2011 Census) (All India Density = 382 persons per sq.km)	38.30 per cent		
4	Population below poverty line ¹ (All India Average = 27.5%)		69.69 per cent		
5	a.	Literacy (as per 2001 Census) (All India Average = 64.8%)	70.63 per cent		
	b.	Literacy (2011 Census) (All India Average = 74.0%)	67		
6	Infant mortality ² (per 1000 live births) (All India Average = 47 per 1000 live births)		58 years		
7	Life Expectancy at birth ³ (All India Average = 63.5 years)		0.27		
8	Gini Coefficient ⁴		0.39		
	a.	Rural (All India=0.30)			
	b.	Urban (All India=0.37)	₹ 315387 crore		
9	Gross State Domestic Product (GSDP) 2011-12 at current price		12.04 per cent		
10	Per Capita GSDP CAGR (2002-03 to 2011-12)		Madhya Pradesh	13.09 per cent	
			General Category States ⁵	13.77 per cent	
11	GSDP CAGR (2002-03 to 2011-12)		Madhya Pradesh	14.46 per cent	
			General Category States ⁵	16.52 per cent	
12	Population Growth (2002-03 to 2011-12)		Madhya Pradesh	13.90 per cent	
			General Category States ⁵		
B		Financial Data		Figures (in per cent)	
		Particulars		2002-03 to 2010-11	
		CAGR		2002-03 to 2011-12	
				General Category States ⁵	Madhya Pradesh
	a.	of Revenue Receipt	16.86	16.23	18.69
	b.	of Own Tax Revenue	16.74	14.84	17.82
	c.	of Non Tax Revenue	12.84	14.92	18.41
	d.	of Total Expenditure	14.58	14.44	18.29
	e.	of Capital Expenditure	21.25	15.24	15.61
	f.	of Revenue Expenditure on Education	15.41	15.33	17.51
	g.	of Revenue Expenditure on Health	14.00	11.58	13.78
	h.	of Salary and Wages	13.43	10.67	11.59
	i.	of Pension	16.89	14.68	16.82

¹ Source of General Data: BPL (Planning Commission and NSSO data, 61st round)

² Infant mortality rate (SRS Bulletin December 2011), Financial data is based on the Finance Accounts of the State Government

³ Life expectancy at birth (Office of the Registrar General of India, Ministry of Home Affairs), Economic Review 2010-11

⁴ Gini Coefficient (Unofficial estimates of Planning Commission and NSSO data, 61st Round 2004-05 MRP)

⁵ Gini Coefficient is a measure of inequality of income among the population. Value rate is from zero to one, closer to zero inequality is less; closer to one inequality is higher

Excluding of three General Category States i.e. Delhi, Goa and Puducherry

General Category States are States other than 11 States termed as Special Category States (Arunachal Pradesh, Assam, Jammu and Kashmir, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttarakhand)

APPENDIX-1.2

PART A STRUCTURE OF GOVERNMENT ACCOUNTS (REFERENCE PARAGRAPH 1.1; PAGE 1)

The accounts of the State Government are kept in three parts viz., Consolidated Fund, Contingency Fund and Public Account.

Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal loans and all moneys received by the Government in repayment of loans shall form one Consolidated Fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of the State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the fund.

Part III: Public Account: Receipt and Disbursement of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc., which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature

Layout of Finance Accounts

Finance Accounts is prepared in two Volumes with Volume 1 presenting the summarized financial statements of Government and Volume 2 presenting the detailed statements. The layout is detailed below. Further, Volume 2 contains details such as comparative expenditure on salaries and subsidies by major head, grants-in-aid and assistance given by the State Government, externally aided projects, expenditure on plan scheme, direct transfer of Central schemes funds to implementing agencies, summary of balances, financial results of irrigation schemes and maintenance expenditure which are brought out in various appendices.

Statement No.	Layout
1	Summarised Financial position of the State giving cumulative figures of Assets and Liabilities of the Government as at the end of 2011-12
2	Summary of Receipts and Disbursements during the year in all the three parts of accounts of Government.
3	Summary of receipts under Consolidated Fund, grants from Government of India and Capital, Public Debt and Other receipts.
4	Summary of expenditure for the current year under various sectors of Consolidated Fund of State.
5	Details of Capital Expenditure major head wise incurred during and to the end of 2011-12.
6	Summary of debt position of the State including borrowing from Internal debt, Government of India, other obligations and servicing of debt.
7	Summary of Loans and Advances given by the State Government during the year and repayments made, recoveries in arrears etc.
8	Summarized statement of Grants-in-Aid given by Government both in cash and in kind and also grants released for creation of capital assets.
9	Summary of guarantees given by the Government for repayment of loans etc., raised by Statutory Corporations, Local Bodies and Other Institutions.
10	Distribution of expenditure between Charged and voted.
11	Detailed account of Revenue and Capital Receipts by minor heads.
12	Detailed account of Revenue Expenditure by minor heads under Non-Plan, Plan and Centrally Sponsored scheme separately.
13	Detailed accounts of Capital Expenditure by minor heads under Non-Plan, Plan and Centrally Sponsored scheme separately during the year and Total Expenditure up to the end of 2011-12
14	Details of investments of the State Government in Statutory Corporations, Government Companies, other Joint Stock Companies, Co-operative Banks, Societies etc., up to the end of 2011-12 and also giving the comparative summary of investment between the share capital and debentures.
15	Detailed account on borrowings and other liabilities showing Public Debt and other interest bearing obligation during and up to the end of 2011-12, maturity profile, repayment schedule and interest rate profile.
16	Detailed account of Loans and Advances given by the Government of Madhya Pradesh, the amount of loan repaid during the year, the balance as on 31 st March 2012 and also loans advanced during the year for plan purpose and Centrally Sponsored schemes.
17	Detailed account on sources and application of funds other than on revenue account.
18	Detailed account on contingency fund and public account transactions.
19	Details of earmarked balance of reserve funds.

APPENDIX- 1.2 CONCLD...

PART B

**STATEMENT SHOWING APPORTIONMENT OF ASSETS AND LIABILITIES OF
THE ERSTWHILE STATE OF MADHYA PRADESH AS ON 31ST MARCH 2012
BETWEEN SUCCESSOR STATES OF MADHYA PRADESH AND CHHATTISGARH
(REFERENCE PARAGRAPH 1.1; PAGE 1)**

(₹ in crore)

Items	Balance as on 31 st October 2000	Apportioned to		Balance retained in MP accounts pending apportionment	Reference to Finance Accounts Statements Nos.
		Madhya Pradesh	Chhattisgarh		
I-Liabilities-					
1.Small Savings, Provident Funds, etc.	7371.51	5570.57	1239.45	561.49	17 and 18
2.Deposits	1872.19	1516.52	358.05	(-)2.38	17 and 18
3.Reserve Funds	657.94 ^(a)	45.49	11.55	102.47 ^(b)	17 and 18
4.Suspense and Miscellaneous Balances	39.58	25.46	5.93	8.18 ^(c)	18
II-Assets-					
1.Gross Capital Outlay	15760.57	4993.86	1499.12	8788.75 ^(d)	5 and 13
2.Loans and Advances	2883.18	559.83	135.91	2186.26 ^(e)	7 and 16
3.Guarantees	9709.60	--	--	1464.33	9

N.B.: For further details, see Finance Accounts.

- (a) Dropped ₹ 498.44 crore out of total of ₹ 657.94 crore, in terms of second proviso to Section 42(1) of M.P. Re-organisation Act, 2000.
- (b) Retained in M.P. pending decision of GOI
- (c) Retained in M.P. for want of details.
- (d) Differs from the figures of ₹ 9,267.59 crore due to proforma reduction of ₹ 478.85 crore.
- (e) Retained in M.P. due to non-receipt of decisions/details from successor States.

APPENDIX - 1.3

PART A

**METHODOLOGY ADOPTED FOR THE ASSESSMENT OF FISCAL POSITION
(REFERENCE PARAGRAPH 1.1; PAGE 1)**

The norms/ceilings prescribed by the TFC for selected fiscal variable along with its projections for a set of fiscal aggregates and the commitments/projections made by the State Governments in their Fiscal Responsibility Acts and in other Statements required to be laid in the legislature under the Act (**Part B of Appendix 1.3**) are used to make qualitative assessment of the trends and pattern of major fiscal aggregates. Assuming that GSDP is the good indicator of the performance of the State's economy, major fiscal aggregates like Tax and Non-Tax Revenue, Revenue and Capital Expenditure, Internal Debt and Revenue and Fiscal Deficits have been presented as percentage to the Gross State Domestic Product (GSDP) at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilization of resources, pattern of expenditure etc, are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP.

The trends in GSDP for the last five years are indicated below:

Trends in Gross State Domestic Product (GSDP)

	2007-08	2008-09	2009-10	2010-11	2011-12
Gross State Domestic Product (₹ in crore)	161479	197276	227984	260403	315387
Growth rate of GSDP* (in per cent)	11.69	22.17	15.57	14.22	21.11

Source: The Directorate of Economics and Statistics, Government of Madhya Pradesh

**GSDP estimates for the period 2007-08 to 2010-11 are revised, therefore, percentage ratio/buoyancies of various parameters with reference to GSDP for 2007-08 to 2010-11 have also been revised.*

APPENDIX - 1.3 CONTD...

PART B

**FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT (FRBM) ACT, 2005
(REFERENCE PARAGRAPH 1.1; PAGE 1)**

The State Government has enacted the Madhya Pradesh Rajkoshiya Uttardayitva Avam Budget Prabandhan Adhiniyam, 2005 (Fiscal Responsibility and Budget Management (FRBM) Act 2005) which came into force from 1st January 2006 to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, reduction in fiscal deficit, prudent debt management consistent with fiscal sustainability, greater transparency in fiscal operations of the Government and conduct of Fiscal Policy in a Medium Term Framework and for matters connected therewith or incidental thereto. To give effect to the fiscal management objectives as laid down in the Act, and/or the rules framed (30 January 2006) thereunder the following fiscal targets were prescribed for the State Government:

- Reduce Revenue Deficit in each financial year so as to eliminate it by 31st March 2009 and generate Revenue Surplus thereafter;
- Reduce Fiscal Deficit so as to bring it down to not more than three *per cent* of GSDP by 31st March 2012 and maintain it thereafter⁶;
- Ensure that within a period of 10 years, i.e. as on the 31st March 2015, Total Liabilities do not exceed 40 *per cent* of the estimated GSDP for that year; and
- Limit the annual incremental guarantees so as to ensure that the guarantees do not exceed 80 *per cent* of the total Revenue Receipts in the year preceding the current year.

Provided that Revenue Deficit and Fiscal Deficit may exceed the limits specified under this section due to ground(s) of shortfall in the Central Tax devolutions in relation to the budgetary estimates of the Union of India and/or unforeseen demands on the finances of the State Government arising out of internal disturbance or natural calamity or such other exceptional grounds as the State Government may specify.

Roadmap to achieve the Fiscal Targets as laid down in FRBM Act/Rules

In accordance with the provisions of the FRBM Act 2005, the State Government has placed the (a) Macro-Economic framework Statement, (b) Medium Term Fiscal Policy Statement (MTFPS) and (c) Fiscal policy strategy statement along with the Budget for 2011-12. The actual for 2009-10, RE for 2010-11 and BE for 2011-12 for select indicators are presented in MTFPS (*Appendix 1.3 Part-C*).

⁶ As amended by Madhya Pradesh Rajkoshiya Uttardayitva Avam Budget Prabandhan (Sanshodhan) Adhiniyam, 2011

The definitions of some of the selected terms used in assessing the trends and pattern of fiscal aggregates are given below:

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth
Buoyancy of a parameter (X) With respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth (ROG)	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	$\text{Interest payment} / [(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$
Interest spread	GSDP growth – Average Interest Rate
Quantum spread	Debt stock * Interest spread
Interest received as <i>per cent</i> to Loans Outstanding	$\text{Interest Received} / [(\text{Opening balance} + \text{Closing balance of Loans and Advances}) / 2] * 100$
Revenue Deficit	Revenue Receipt - Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Balance from Current Revenue (BCR)	Revenue Receipts minus all Plan grants and Non-plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt

APPENDIX-1.3 CONCLD...
PART C
TRENDS IN SELECT FISCAL INDICATORS
(REFERENCE PARAGRAPH 1.1; PAGE 1)

(₹ in crore)

Sl. No..	Fiscal Indicators	2009-10 A/C	Previous Year		Percentage change in previous year over 2009-10	Percentage change in current year over previous year
			2010-11 R.E.	2011-12 B.E.		
1	2	3	4	5	6	7
1	Revenue Receipts (2+3+4)	41394.70	52514.56	57789.99	26.86	10.05
2	Tax Revenue (2.1+2.2)	28349.79	35284.05	40147.00	24.46	13.78
2.1	State Tax	17272.80	20379.83	23118.31	17.99	13.44
2.2	Share in Central Taxes	11076.99	14904.22	17028.69	34.55	14.25
3	Non-Tax Revenue	6382.04	5997.45	5999.44	-6.03	0.03
4	Grant-in-aid from Central Government	6662.87	11233.65	11643.55	68.59	3.65
5	Capital Receipts (6+7+8)	5043.88	10620.47	8141.25	110.56	-23.34
6	Recovery of loans and advances	47.82	418.67	73.86	775.51	-82.36
7	Net public debt	6208.46	6072.00	7657.19	-2.20	26.11
8	Net Receipts from Public Account	-1212.40	4129.80	410.20	-440.63	-90.07
9	Total Receipts (1+5)	46438.58	63135.03	65931.24	35.95	4.43
10	Revenue Expenditure (10.1+10.2)	35896.90	47788.48	53923.49	33.13	12.84
10.1	Non-Plan Revenue Expenditure	26059.22	33201.36	38205.40	27.41	15.07
10.2	Plan Revenue Expenditure	9837.68	14587.12	15718.09	48.28	7.75
10.3	Revenue Expenditure Of which					
10.3.1	Interest payments	4454.30	5083.08	5342.18	14.12	5.10
10.3.2	Subsidies	12391.63	17175.52	18328.12	38.61	6.71
10.3.3	Wages & Salaries	10178.17	14674.35	17839.32	44.17	21.57
10.3.4	Pension Payments	3077.18	4569.83	5158.05	48.51	12.87
11	Capital Expenditure (11.1+11.2)	7924.88	9545.78	8721.93	20.45	-8.63
11.1	Non-Plan Capital Expenditure	61.05	141.06	39.89	131.06	-71.72
11.2	Plan Capital Expenditure	7863.83	9404.72	8682.04	19.59	-7.68
12	Loans and Advances (12.1+12.2)	3819.66	3924.05	3200.21	2.73	-18.45
12.1	Non Plan Loans and Advances	3142.76	2804.25	2021.55	-10.77	-27.91
12.2	Plan Loans and Advances	676.90	1119.80	1178.66	65.43	5.26
13	Total Expenditure (13.1+13.2)	47641.44	61258.31	65845.63	28.58	7.49
13.1	Non-Plan Expenditure (10.1+11.1+12.1)	29263.03	36146.67	40266.84	23.52	11.40
13.2	Plan Expenditure (10.2+11.2+12.2)	18378.41	25111.64	25578.79	36.64	1.86
14	Revenue Deficit /Surplus (1-10)	5497.80	4726.08	3866.50	-14.04	-18.19
15	Fiscal Deficit (1+6-13)	-6198.92	-8325.08	-7981.78	34.30	-4.12
16	Primary Deficit [1+6-(13-10.3.1)]	-1744.62	-3242.00	-2639.60	85.83	-18.58

APPENDIX-1.4

TIME SERIES DATA ON THE STATE GOVERNMENT FINANCES
(REFERENCE PARAGRAPH 1.6, 1.7, 1.10.2, 1.11.3; PAGE 8, 12, 32, 36)

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Part A. Receipts					
1. Revenue Receipts	30689(41)	33577(39)	41395(40)	51854(41)	62604(41)
(i) Tax Revenue	12018(39)	13614(41)	17273(42)	21419(41)	26973(43)
Taxes on Agricultural Income	--	--	--	--	--
Taxes on Sales, Trade, etc	6045(50)	6843(50)	7724 (45)	10257(48)	12517(46)
State Excise	1854(15)	2302(17)	2952 (17)	3603(17)	4317(16)
Taxes on Vehicles	703(6)	773(6)	919 (5)	1198(6)	1357(5)
Stamps and Registration fees	1532(13)	1479(11)	1783 (10)	2514(12)	3284(12)
Land Revenue	129(1)	339(2)	180 (1)	361(2)	279(1)
Taxes on Goods and Passengers	916(8)	1333(10)	1333 (8)	1746(8)	2047(8)
Other Taxes	839(7)	545(4)	2382 (14)	1740(8)	3172(12)
(ii) Non-Tax Revenue	2738(9)	3343(10)	6382 (15)	5720(11)	7483(12)
(iii) State's share of Union taxes and duties	10203(33)	10767(32)	11077(27)	15638(30)	18219(29)
(iv) Grants-in-Aid from Government of India	5730(19)	5853(17)	6663 (16)	9077(18)	9929(16)
2. Miscellaneous Capital Receipts	11	24	22	367	23
2A. Inter-State settlement	2	1	3	2	3
3. Recoveries of Loans and Advances	105	54	23	34	9123
4. Total Revenue and Non-debt capital receipts (1+2+2A+3)	30807	33656	41443	52257	71753
5. Public Debt Receipts	3371(5)	6553(8)	8603(8)	7458(6)	6750(4)
Internal Debt (excluding Ways and Means Advances and Overdrafts)	2832(84)	5399(82)	7258 (84)	6363(85)	5718(85)
Net transactions under Ways and Means Advances and Overdrafts	--	--	--	--	--
Loans and Advances from Government of India	539(16)	1154(18)	1345 (16)	1095(15)	1032(15)
6. Total Receipts in the Consolidated Fund (4+5)	34178	40209	50046	59715	78503
7. Contingency Fund Receipts	--	--	--	--	100
8. Public Account Receipts	39896(54)	46460(54)	52353(51)	65675(52)	76315(49)
9. Total Receipts of the State (6+7+8)	74074	86669	102399	125390	154918
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	25601(76)	29514(77)	35897(75)	45012(78)	52694(68)
Plan	6806(27)	7622(26)	9838 (27)	12911(29)	16017(30)
Non Plan	18795(73)	21892(74)	26059(73)	32101(71)	36677(70)
General Services (including Interest Payments)	9354(37)	10162(34)	12014(34)	14647(33)	16229(31)
Social Services	8146(32)	10146(34)	1296 (36)	17345(39)	20297(38)
Economic Services	6537(25)	7431(25)	8371 (23)	10084(22)	12965(25)
Grants-in-Aid and Contributions	1564(6)	1775(6)	2550 (7)	2935(7)	3203(6)
11. Capital Expenditure	6833(20)	6713(18)	7925 (17)	8800(15)	9055(12)
Plan	6511(95)	6503(97)	7864 (99)	8657(98)	9023(100)
Non-Plan	322(5)	210(3)	61 (1)	143(2)	32(0)
General Services	74(1)	125(2)	119 (1)	179(2)	167(2)
Social Services	1141(17)	1295(19)	1178 (15)	1532(17)	1599(18)
Economic Services	5618(82)	5293(79)	6628 (84)	7089(81)	7289(80)

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
12. Disbursement of Loans and Advances	1155(3)	1861(5)	3817 (8)	3715(6)	15760(20)
12A. Inter-state settlement	2	1	3	2	4
13. Total (10+11+12+12A)	33591	38089	47642	57529	77513
14. Repayments of Public Debt	1677	1961	2394	2529	3150
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1240	1516	1938	2012	2520
Net transactions under Ways and Means Advances and Overdraft	--	--	--	--	--
Loans and Advances from Government of India	437	445	456	517	630
15. Appropriation to Contingency Fund	--	--	--	--	100
16. Total disbursement out of Consolidated Fund (13+14+15)	35268	40050	50036	60058	80763
17. Contingency Fund disbursements	--	--	--	--	--
18. Public Account disbursements	39423	45989	50872	62344	73279
19. Total disbursement by the State (16+17+18)	74691	86039	100908	122402	154042
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	5088	4063	5498	6842	9910
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	-2784	-4433	-6199	-5272	-5760
22. Primary Deficit(-)/Surplus(+) (21+23)	1407	-241	-1745	-223	-460
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	4191	4192	4454	5049	5300
24. Financial Assistance to local bodies etc.	898	1087	1434	9117	10830
25. Ways and Means Advances/Overdraft availed (days)	--	--	--	--	--
Ways and Means Advances availed (days)	--	2	--	--	--
Overdraft availed (days)	--	--	--	--	--
26. Interest on Ways and Means Advances/ Overdraft	--	0.01/00	--	--	--
27 Gross State Domestic Product (GSDP) ⁷	161479	197276	227984	260403	315387
28 Outstanding Fiscal Liabilities (year end)	55311	60432	67853	75504	81757
29. Outstanding Guarantees (year end) (including interest)	856	1930	1630	5111	5605
30. Maximum amount guaranteed (year end)	12086	11991	11823	8439	11108
31. Number of incomplete projects	3 ⁸	NA	NA	NA	28 ⁹
32. Capital blocked in incomplete projects	13 ⁸	NA	NA	NA	9128.68 ⁹
Part E: Fiscal Health Indicators					
I Resource Mobilization					
Own Tax revenue/GSDP (per cent)	7.44	6.90	7.58	8.23	8.55
Own Non-Tax Revenue/GSDP (per cent)	1.70	1.69	2.80	2.20	2.37
Central Transfers ¹⁰ /GSDP (per cent)	9.87	8.42	7.78	9.49	8.92
Revenue Buoyancy with reference to State's own taxes	1.32	0.70	0.87	1.05	0.80

NA: Not Available

⁷ Revised GSDP figures as communicated by the Government adopted.

⁸ To the extent information available in the Finance Accounts.

⁹ To the extent information made available by AG (E&RSA) Madhya Pradesh, Bhopal

¹⁰ Central Transfers comprising of Share of Union Taxes/Duties and Grants from GOI.

	(₹ in crore)				
	2007-08	2008-09	2009-10	2010-11	2011-12
II Expenditure Management					
Total Expenditure/GSDP (<i>per cent</i>)	20.80	19.31	20.90	22.09	24.58
Total Expenditure/Revenue Receipts (<i>per cent</i>)	109.46	113.44	115.09	110.94	123.81
Revenue Expenditure/Total Expenditure (<i>per cent</i>)	76.21	77.49	75.35	78.24	67.98
Expenditure on Social Services/Total Expenditure (<i>per cent</i>)	28.65	30.65	30.10	33.14	28.43
Expenditure on Economic Services/Total Expenditure (<i>per cent</i>)	37.85	37.61	38.98	35.93	46.28
Capital Expenditure/Total Expenditure (<i>per cent</i>)	20.34	17.62	16.63	15.30	11.68
Capital Expenditure on Social and Economic Services/Total Expenditure (<i>per cent</i>)	20.12	17.29	16.38	14.99	11.47
III Management of Fiscal Imbalances					
Revenue Deficit(-)/Surplus(+)/GSDP	+3.15	+2.16	+2.41	+2.63	+3.14
Fiscal Deficit(-)/GSDP (<i>per cent</i>)	-1.72	-2.25	-2.72	-2.02	-1.83
Primary Deficit(-)/Surplus(+)/GSDP	+0.87	-0.12	-0.77	-0.09	-0.15
Revenue Deficit/Fiscal Deficit	NA	NA	NA	NA	NA
Primary Revenue Balance/GSDP (<i>per cent</i>)	13.26	12.84	13.79	15.35	15.03
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	34.25	30.63	29.76	29.00	25.92
Fiscal Liabilities/RR	180.23	179.98	163.92	145.61	130.59
Primary Deficit <i>vis-à-vis</i> Quantum Spread	(+)2740	(+)3764	(+)2117	(+)8333	(+)10390
Debt Redemption (Principal +Interest)/ Total Debt Receipts (Ratio)	1.20	0.95	0.84	0.87	0.95
V Other Fiscal Health Indicators					
Return on Investment (₹ in crore and <i>per cent</i> in bracket)	59.23 (0.67)	69.05 (0.72)	49.75 (0.43)	32.20 (0.26)	37.98 (0.29)
Balance from Current Revenue (₹ in crore)	7275	6846	10206	12313	18112
Financial Assets/Liabilities	0.94	1.01	0.91	0.82	0.72

Figures in brackets represent percentages (rounded) to total of each sub-heading

Explanatory Notes for Appendices 1.4 and 1.5

- The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis the deficit on Government account as shown in Appendix 1.5 indicates the position on cash basis as opposed to accrual basis in commercial accounting. Consequently items payable or receivable or items like depreciation or variation in stock figures etc. do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid payments made on behalf of the State and other pending settlements etc.
- At the close of March 2012 accounts, there remained a difference of ₹ 81.58 crore (Debit) between the figures of ₹ 692.55 crore (Debit) reflected in accounts and those intimated by RBI ₹ 610.97 crore (Credit) under "Deposits with Reserve Bank". After close of April 2012 accounts, the net difference to be reconciled was ₹ 74.62 crore (Debit). The difference under Deposits with Reserve Bank is due to misreporting of transactions by Agency Bank to RBI and Treasury Officers in the accounts.
- NA-Not Applicable as the State has maintained Revenue Surplus since 2004-05 to the current year.

APPENDIX-1.5
PART A
ABSTRACT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR 2011-12
(REFERENCE PARAGRAPH 1.2; PAGE 2)

(₹ in crore)

Receipts				Disbursements				
						2011-12		
2010-11		2011-12	2010-11		Non-Plan	Plan	Total	
Section-A: Revenue								
51854.18	I.	Revenue Receipts	62604.07	45011.59	Revenue Expenditure	36677.16	16016.55	52693.71
21419.34		- Tax Revenue	26973.44	14646.68	General Services	16091.11	137.53	16228.64
				17345.40	Social Services	10460.00	9836.94	20296.94
5719.77		- Non-Tax Revenue	7482.73	8285.99	-Education, Sports, Art and Culture	6800.15	3008.74	9808.89
				2039.33	-Health and Family Welfare	1730.75	700.63	2431.38
15638.51		-State's Share of Union Taxes	18219.13	1595.84	-Water Supply, Sanitation Housing and Urban Development	657.69	1146.14	1803.83
1636.13		-Non Plan Grants	2113.47	77.92	- Information and Broadcasting	87.34	5.14	92.48
				1590.32	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	319.19	1490.49	1809.68
4520.92		-Grants for State Plan Schemes	4215.28	145.20	-Labour and Labour Welfare	115.76	51.84	167.60
				3582.79	-Social Welfare and Nutrition	717.93	3433.96	4151.89
2919.51		-Grants for Central and Centrally Sponsored Plan Schemes	3600.02	28.01	-Others	31.19	--	31.19
				10084.48	Economic Services	7499.98	5464.93	12964.91
				3994.62	-Agriculture and Allied Activities	2900.84	2129.06	5029.90
				2641.09	-Rural Development	866.82	2055.40	2922.22
				610.86	-Irrigation and Flood Control	477.24	176.85	654.09
				1653.25	-Energy	1344.71	726.15	2070.86
				391.78	-Industries and Minerals	955.16	252.34	1207.50
				630.76	-Transport	891.88	--	891.88
				45.39	-Science, Technology and Environment	5.29	41.55	46.84
				116.73	-General Economic Services	58.04	83.58	141.62
				2935.03	Grants-in-aid and Contributions	2626.07	577.15	3203.22
	II.	Revenue Deficit carried over to Section B		6842.59	Revenue Surplus carried over to Section B			9910.36
51854.18		Total	62604.07	51854.18	Total			62604.07

Section B								
3912.93	III	Opening Cash Balance including Permanent Advances and Cash Balance Investment	6900.44	--	Opening Overdraft from RBI			
366.54	IV	Miscellaneous Capital Receipts	22.65	8799.88	Capital Outlay	32.29	9022.87	9055.16
				178.65	General Services	11.07	156.09	167.16
				1532.03	Social Services	14.46	1584.66	1599.12
				271.16	-Education, Sports, Art and Culture	0.50	171.22	171.72
				114.87	-Health and Family Welfare	9.52	132.05	141.57
				641.55	-Water Supply, Sanitation, Housing and Urban Development	--	743.38	743.38
				--	- Information and Broadcasting	--	--	--
				344.23	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	--	420.74	420.74
				158.46	-Social Welfare and Nutrition	4.44	102.84	107.28
				1.76	-Other Social Services	--	14.43	14.43
				7089.20	Economic Services	6.77	7282.11	7288.88
				225.50	-Agriculture and Allied Activities	-2.80	130.28	127.48
				921.52	-Rural Development	--	974.37	974.37
				3433.07	-Irrigation and Flood control	--	3317.73	3317.73
				409.63	-Energy	--	1025.83	1025.83
				28.02	-Industries and Minerals	9.55	29.64	39.19
				2029.35	-Transport	--	1728.41	1728.41
				9.25	-Science, Technology and Environment	--	3.85	3.85
				32.86	-General Economic Services	0.02	72.00	72.02
33.65	V	Recoveries of Loans and Advances	9122.56	3714.73	Loans and Advances disbursed	14681.31	1079.25	15760.56
---		-From Power Projects	9084.67	3475.45	-For Power Projects	14445.76	654.46	15100.22
0.49		-From Government Servants	-0.10	0.34	-To Government Servants	0.04	--	0.04
33.16		-From Others	37.99	238.94	-To Others	235.51	424.79	660.30
1.64	VI	Inter-State Settlement	2.65	1.85	Inter State Settlement			3.70
6842.59	VII	Revenue Surplus brought down	9910.36	--	Revenue Deficit brought down			

7457.94	VIII	Public Debt Receipt	6750.25	2529.23	Repayment of Public Debt		3149.79
6363.46		-Internal Debt other than Ways and Means Advances and Overdraft	5717.65	2011.62	-Internal Debt other than Ways and Means Advances and Overdraft		2520.28
		Net transactions under Ways and Means Advances			Net transactions under Ways and Means Advances		--
		Net transactions under Overdraft					
1094.48		-Loans and Advances from Central Government	1032.60	517.61	-Repayment of Loans and Advances to Central Government		629.51
--	IX	Appropriation to the Contingency Fund		--	Appropriation to the Contingency Fund		100.00
--	X	Amount transferred to Contingency Fund	100.00		Expenditure from Contingency Fund		
65675.10	XI	Public Account Receipts	76315.22	62344.26	Public Account Disbursements		73279.04
1737.35		-Small Savings and Provident Funds	2033.07	964.42	-Small Savings and Provident Funds		1335.10
1190.83		-Reserve Funds	1534.55	916.16	-Reserve Funds		342.74
41810.23		-Suspense and Miscellaneous	50619.85	41724.38	-Suspense and Miscellaneous		50648.06
11212.55		-Remittances	12256.15	10693.36	-Remittances		11865.16
9724.14		-Deposits and Advances	9871.60	8045.94	-Deposits and Advances		9087.98
	XII	Closing Overdraft from Reserve Bank of India		6900.44	Cash Balance at the end of the year		7775.88
				2.61	-Cash in Treasuries and Local Remittances		2.61
				-2707.88	-Deposits with Reserve Bank		692.55 ¹¹
				14.48	-Departmental Cash Balance including Permanent Advances		3.29
				9591.23	-Cash Balance Investment and Investment of Earmarked Funds		7077.43
136144.57		Total	171728.20	136144.57	Total		171728.20

¹¹ At the close of March 2012 accounts, there remained a difference of ₹81.58 crore (Debit) between the figures of ₹692.55 crore (Debit) reflected in accounts and those intimated by RBI ₹610.97 crore (Credit) under "Deposits with Reserve Bank". After close of April 2012 accounts, net difference to be reconciled was ₹74.62 crore (Debit). The difference under Deposits with Reserve Bank is due to misreporting of transactions by Agency Banks to RBI and Treasury Officers in the accounts.

APPENDIX-1.5 CONTD...
PART B
SUMMARISED FINANCIAL POSITION OF THE GOVERNMENT OF MADHYA
PRADESH AS ON 31 MARCH 2012
(REFERENCE PARAGRAPH 1.10.1; PAGE 32)

As on 31.03.2011	Liabilities	As on 31.03.2012
46813.64	Internal Debt -	50011.01
24877.38	Market Loans bearing interest	28043.60
0.38	Market Loans not bearing interest	0.38
116.72	Loans from Life Insurance Corporation of India	105.48
5570.96	Loans from other Institutions	5780.53
16248.20	Special Securities issued to NSS Fund of Central Government	16081.02
--	Ways and Means Advances (including interest paid)	--
--	Overdrafts from Reserve Bank of India	--
10955.82	Loans and Advances from Central Government -	11358.91
1.88	Pre 1984-85 Loans	1.88
57.58	Non-Plan Loans	53.87
10788.74	Loans for State Plan Schemes	11303.16
16.85	Loans for Central Plan Schemes	--
90.77	Loans for Centrally Sponsored Plan Schemes	--
100.00	Contingency Fund	200.00
9219.87	Small Savings Provident Funds etc.	9916.31
6518.51	Deposits	7300.27
2375.56	Reserve Funds	3567.37
191.59	Suspense and Miscellaneous balances	166.06
289.33	Remittance Balance	680.39
76464.32	Total	83200.32
	Assets	
67884.70	Gross Capital Outlay on Fixed Assets -	76917.21
12216.04	Investments in shares of Companies Corporations etc.	13183.59
55668.66	Other Capital Outlay	63733.62
15104.75	Loans and Advances -	21742.39
11344.30	Loans for Power Projects	17359.84
3731.20	Other Development Loans	4353.52
29.25	Loans to Government servants and Miscellaneous loans	29.03
--	Transfer to Contingency Fund	100.00
12.85	Advances	11.00

(₹ in crore)		
As on 31.03.2011	Assets	As on 31.03.2012
--	Remittance Balances	--
6900.44	Cash -	7775.88
2.61	Cash in Treasuries and Local Remittances	2.61
-2707.88	Deposits with Reserve Bank	692.55 ¹²
14.48	Departmental Cash Balance including Permanent Advances	3.29
9212.17	Cash Balance Investments	6680.13
379.06	Reserve Fund Investments	397.30
-13438.42	Deficit on Government Account -	-23346.16
-6842.59	(i) Less Revenue Surplus of the current year	-9910.36
0.2	(a) Inter-State Settlement	1.05
1.05	(b) Amount closed to Government account	2.68
-3.68	(c) Proforma adjustment during the year	-1.11
-329.66	(d) Misc. Cap. Receipt-Other Deposits	--
-6263.75	Accumulated deficit at the beginning of the year	-13438.42
76464.32		83200.32

¹² At the close of March 2012 accounts there remained a difference of ₹ 81.58 crore (Debit) between the figures of ₹ 692.55 crore (Debit)-reflected in accounts and those intimated by RBI ₹ 610.97 crore (Credit) under "Deposits with Reserve Bank". After close of April 2012 Accounts net difference to be reconciled was ₹ 74.62 crore (Debit). The difference under Deposits with Reserve Bank is due to mis-reporting of transactions by Agency Banks to RBI and Treasury Officers in the accounts.

APPENDIX-1.6

DETAILS SHOWING THE COST OF OPERATIONS AND MAINTENANCE CHARGES (O&M) IN RESPECT OF MAJOR COMPONENTS INCURRED IN NON-TAX REVENUE

(REFERENCE PARAGRAPH 1.6.1; PAGE 12)

(₹ in crore)

Sl. No.	Department	Non-Tax Revenue Receipts	O&M expenses	Ratio of Non-Tax Revenue Receipts to O&M expenses
1	2	3	4	5
1	Education, Sports, Art and Culture	1551.15	8.14	190.56
2	Health and Family Welfare	30.25	4.60	6.58
3	Water Supply, Sanitation, Housing and Urban Development	42.84	169.28	0.25
4	Agriculture and Allied Activities	922.96	9.35	98.71
5	Irrigation and Flood Control	304.47	37.69	8.08
6	Power and Energy	455.95	16.26	28.04
7	Transport	7.44	527.15	0.01

APPENDIX-1.7

**FUNDS TRANSFERRED DIRECTLY FROM GOVERNMENT OF INDIA TO NON-GOVERNMENT ORGANISATIONS/VOLUNTARY ORGANISATIONS FOR ₹ 25 LAKH OR MORE EACH DURING 2011-12
(REFERENCE PARAGRAPH 1.5.2; PAGE 7)**

(₹ in lakh)			
Sl.No.	GOI Scheme	Name of NGO/VO	GOI releases (2011-12)
1	2	3	4
1	Educational Institutions	Arogyadham, Deendayal Research Institute	36.95
2	Strengthening of Education ST Girls in low literacy districts	Rajendra Ashram Trust Agency	51.21
3	Strengthening of Education ST Girls in low literacy districts	Bandhewal Shiksha Samiti	29.54
4	Strengthening of Education ST Girls in low literacy districts	Adarsh Lok Kalyan (ALOK) Sansthan Agency	66.55
5	Strengthening of Education ST Girls in low literacy districts	Madhya Pradesh Adivasi Sevak Sangh	42.32
6	Strengthening of Education ST Girls in low literacy districts	Keshav Gramotthan Sikshan Samiti	46.11
7	Support to NGOs/Institution/SRCs for Adult Education and Skill Development	Resource Centre for Adult and Continuing Education Bhopal	31.56
8	Support to NGOs/Institution/SRCs for Adult Education and Skill Development	State Resource Centre for AE, Indore	60.60
9	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Bina	250.00
10	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Khaknar	250.00
11	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Women Singhana, Manawar	250.00
12	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Niwali	250.00
13	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Prithvipur	250.00
14	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI Shahpura	250.00
15	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Keolari	250.00
16	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Chhapara	250.00
17	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Barghat	250.00
18	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Maihar	250.00
19	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Damoh	250.00
20	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Orchha	250.00

1	2	3	4
21	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Mauganj	250.00
22	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Bamnia	250.00
23	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Sitamau	250.00
24	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Narsingharh	250.00
25	Upgradation of 1396 Govt. ITIs through Public Private Partnership	IMC Society of ITI, Manasa	250.00
TOTAL			4614.84

APPENDIX-1.8

**FINANCIAL POSITION OF GOVERNMENT COMPANIES AND STATUTORY
CORPORATIONS AS ON 31 MARCH 2012 RUNNING IN LOSS FOR THE LATEST
YEAR FOR WHICH ACCOUNTS WERE FINALISED**

(REFERENCE PARAGRAPH 1.9.2; PAGE 29)

(₹ in crore)

Sl. No	Name of the Companies/ Corporations	Years up to which accounts furnished	Amount invested (paid-up-capital) at the end of the year				Accumulated loss(-) at the end of 31 March of the year	Sector
			State	Central	Others	Total		
1	2	3	4	5	6	7	8	9
1	M.P. State Agro Industries Development Corporation, Limited	2009-10	2.10	1.20	--	3.30	2.96	Agriculture and Allied
2	M.P. State Industries Development Corporation Limited	2010-11	81.09	--	--	81.09	601.54	Finance
3	Pithampur Auto Cluster Private Limited	2011-12			11.98	11.98	7.89	Manufacturing
4	M.P. A.M.R.L. (Semaria) Coal Company Limited	2011-12	--	--	1.00	1.00	0.37	Manufacturing
5	M.P. A.M.R.L. (Morga) Coal Company Limited	2011-12	--	--	1.00	1.00	0.29	Manufacturing
6	M.P. A.M.R.L. (Bicharpur) Coal Company Limited	2011-12	--	--	1.00	1.00	0.33	Manufacturing
7	M.P. A.M.R.L. (Marki Bakra) Coal Company Limited	2011-12	--	--	1.00	1.00	0.31	Manufacturing
8	M.P. Jaypee Coal Limited	2011-12	--	--	10.00	10.00	0.08	Manufacturing
9	M.P. Monnet Mining Company Limited	2011-12	--	--	2.00	2.00	0.34	Manufacturing
10	M.P. Jaypee Minerals Limited	2011-12	--	--	21.43	21.43	1.23	Manufacturing
11	M.P. Jaypee Coal Fields Limited	2011-12	--	--	1.00	1.00	0.38	Manufacturing
12	M.P. Sainik Coal Mining Company Limited	2011-12	--	--	29.98	29.98	0.68	Manufacturing
13	M.P. Power Transmission Company Limited	2011-12	2184.44	--	--	2184.44	138.62	Power

1	2	3	4	5	6	7	8	9
14	M.P. Poorv Kshetra Vidyut Vitaran Company Limited	2011-12	1391.44	--	--	1391.44	4552.33	Power
15	M.P. Paschim Kshetra Vidyut Vitaran Company Limited	2011-12	1630.91	--	--	1630.91	4497.61	Power
16	M.P. Madhya Kshetra Vidyut Vitaran Company Limited	2010-11	1436.39	--	--	1436.39	3219.11	Power
17	M.P. Power Generating Company Limited	2011-12	3924.50	--	185.00	4109.50	1348.57	Power
18	Madhya Pradesh State Tourism Development Corporation Limited	2009-10	24.97	--	--	24.97	4.34	Service
19	Katni City Transport Services Limited	2010-11	--	--	0.15	0.15	0.01	Service
20	Madhya Pradesh Financial Corporation	2011-12	333.70	--	22.44	356.14	233.66	Finance
21	Madhya Pradesh Road Transport Corporation	2007-08	109.96	31.85	--	141.81	1024.52	Service
22	Madhya Pradesh Lift Irrigation Corporation Limited*	2009-10	5.92	--	--	5.92	6.33	Agriculture and Allied
23	Madhya Pradesh State Industries Corporation Limited*	2007-08	13.14	--	--	13.14	48.41	Infrastructure
24	Madhya Pradesh Rajya Setu Nirman Nigam Limited*	1989-90	5.00	--	--	5.00	2.15	Infrastructure
25	Optel Telecommunication Limited*	2009-10	--	--	23.97	23.97	131.76	Manufacturing
26	Madhya Pradesh State Textile Corporation Limited*	2006-07	6.86	--	--	6.86	107.90	Manufacturing
	Total		11150.42	33.05	311.95	11495.42	15931.72	

*Non working Government Companies

APPENDIX-1.9
DETAILS OF SUBSIDIES PAYMENT DURING 2010-11 AND 2011-12
(REFERENCE PARAGRAPH 1.7.2; PAGE 18)

(₹ in crore)

Sl. No.	Department	Description and Head of Account	2010-11			2011-12		
			Non Plan	Plan (including CSS and CP)	Total	Non Plan	Plan (including CSS and CP)	Total
1	2	3	4	5	6	7	8	9
1	Animal Husbandry	2403-Animal Husbandry	--	--	--	--	4.72	4.72
2	Commerce, Industries and Employment	2230-Labour and Employment	--	--	--	1.84	--	1.84
3	Commerce, Industries and Employment	2851-Village and Small Industries	--	--	--	--	35.02	35.02
4	Commerce, Industries and Employment	2852-Industries	--	--	--	0.08	113.94	114.02
5	Home	2235-Social Security and Welfare	--	--	--	0.80	--	0.80
6	General Administration	2235-Social Security and Welfare	--	--	--	1.80	--	1.80
7	Home	2055-Police	--	--	--	0.60	--	0.60
8	Horticulture and food Processing	2401-Crop Husbandry	--	31.09	31.09	--	69.75	69.75
9	Farmers Welfare and Agriculture Development	2401-Crop Husbandry	3.00	182.18	185.18	3.73	401.21	404.94
10	Finance	2052-Secretariat General Service	--	--	--	--	25.38	25.38
11	Man power Planning	2203-Technical Education	--	--	--	0.50	3.29	3.79
12	Man power Planning	2230-Labour and Employment	--	--	--	--	0.15	0.15
13	New and Renewal Energy	2810-Non-Conventional Sources of Energy	--	--	--	--	6.01	6.01
14	Planning Economics and Statistics	2515-Other Rural Development Programmes	6.85	--	6.85	18.34	--	18.34
15	Public Health and Family Welfare	2210-Medical and Public health	--	--	--	65.00	--	65.00
16	Public Relation	2220-Information and Publicity	--	--	--	0.35	--	0.35

1	2	3	4	5	6	7	8	9
17	Religious Trust and Endowment	2250-Other Social Service	--	--	--	0.03	--	0.03
18	Revenue	2245-Relief on account of Natural Calamity	--	--	--	12.81	--	12.81
19	Schedule Tribes Welfare	2202-General Education	--	--	--	--	39.52	39.52
20	Schedule Castes Welfare	2202-General Education	--	--	--	--	36.99	36.99
21	School Education	2202-General Education	--	--	--	--	172.52	172.52
22	Higher Education	2202-General Education	--	--	--	--	1.01	1.01
23	Social Justice	2235-Social Security and Welfare	--	0.70	0.70	--	0.47	0.47
24	Urban Administration and Development	2217-Urban Development	--	--	--	--	14.00	14.00
25	Village Industries	2851-Village and Small Industries	--	--	--	--	11.17	11.17
26	Welfare of Backward Class and Minorities	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	--	--	--	--	0.24	0.24
27	Food and Civil Supplies	2408-Food Storage and Warehousing	49.05	--	49.05	40.00	--	40.00
28	Forest	2406-Forestry and Wild Life	--	--	--	0.06	--	0.06
29	General Administration	2012-President, Vice-President/ Governor, Administrator of Union Territories	--	--	--	0.24	--	0.24
30	General Administration	2013-Council of Ministers	--	--	--	52.91	--	52.91
31	Co-operation	2425-Co-operation	2.56	--	2.56	--	240.34	240.34
32	Energy	2801-Power	1,519.86	15.00	1,534.86	1,344.45	207.00	1,551.45
Total			1,581.32	228.97	1,810.29	1,543.54	1,382.73	2,926.27

APPENDIX-1.10

PART A

DETAILS OF INCOMPLETE PROJECTS IN WHICH INITIAL BUDGETED COST
HAVE BEEN REVISED-

WATER RESOURCES DEPARTMENT, MADHYA PRADESH

(REFERENCE PARAGRAPH 1.9.1; PAGE 28)

(₹ in lakh)

Department	S.No.	Name of Incomplete Projects	Initial Budgeted Cost (Col.4)	Revised Total Cost of Projects (Col.5)	Cost Overrun (Col.5-Col.4)	Cumulative Actual Expenditure (March 2012)
Water Resources Division, Sohagpur	1	Tawa Project (Modernisation and Renovation of Tawa R.B.C System)	1306.10	2039.74	733.64	1749.91
Water Resources Division No.II, Betul	2	Godhna Tank	826.00	1399.57	573.57	926.65
	3	Bakud Tank	1096.00	1567.78	471.78	1414.60
	4	Pachdhar Tank	298.46	717.99	419.53	595.55
	5	Rabariya Tank	159.96	368.42	208.46	276.37
	6	Motidhana Tank	188.33	429.18	240.85	355.28
	7	Kaudi Tank	527.08	518.64	0.00*	82.11
	8	Ghunghati Tank	495.11	1063.17	568.06	814.20
	9	Siwanpat Tank	396.08	657.02	260.94	512.73
Chief Engineer, Yamuna Basin, Gwalior	10	Kanera L I S	397.59	4695.39	4297.80	2302.00
	11	Bardha Nala Tank	125.57	950.00	824.43	997.29
Chief Engineer, Chambal Betwa Basin	12	Birhai Tank	838.41	2004.14	1165.73	1483.21
	13	Kushalpara Tank	5250.62	8188.13	2937.51	6402.00
	14	Sanjay Sagar RD(XI)	1398.20	25033.00	23634.80	19244.16
	15	Sagad RD (XVII)	1063.11	22676.51	21613.40	16917.10
	16	Rehti, Ganj Basoda	2835.25	4709.75	1874.50	3740.64
Total	16		17201.87	77018.43	59825.00	57813.80

Col.: Column

Note: As per information furnished by the Accountant General (E&RSA), Madhya Pradesh, Bhopal

*There was no cost overrun.

APPENDIX-1.10

PART B

DETAILS OF INCOMPLETE PROJECTS IN WHICH INITIAL BUDGETED COST HAVE NOT BEEN REVISED –WATER RESOURCES DEPARTMENT, MADHYA PRADESH

(REFERENCE PARAGRAPH 1.9.1; PAGE 28)

(₹ in Lakh)

Department	S.No.	Name of Incomplete Project	Initial Budgeted Cost	Revised Total Cost of Projects	Cost Overrun	Cumulative Actual Expenditure (March 2012)
Chief Engineer Yamuna Basin, Gwalior	1	Sindh Ramauwa	1951.62	--	--	1380.00
	2	Sabargarh Tank	147.00	--	--	179.38
Water Resources Division No. 2, Betul	3	Dhangaon Tank	343.66	--	--	330.09
Water Resources Division, Rehti, Distt. Sehore	4	Mardanpur L I S	1628.00	--	--	1107.31
	5	Strengthening of canal of Kolar project	815.00	--	--	677.67
Total	5		4885.28	--	--	3674.45

Note: As per information furnished by the Accountant General (E&RSA), Madhya Pradesh, Bhopal

Total initial cost of (16 + 5) 21 projects = (17201.87 + 4885.28) = 22087.15

Total cumulative actual expenditure of (16+5) 21 projects as on 31.03.2012= (57813.80 + 3674.45) = 61488.25

APPENDIX 1.10

PART C

**DETAILS OF INCOMPLETE PROJECTS IN WHICH INITIAL BUDGETED COST
HAVE BEEN REVISED-NARMADA VALLEY DEVELOPMENT DEPARTMENT,
MADHYA PRADESH**

(REFERENCE PARAGRAPH 1.9.1; PAGE 28)

(₹ in crore)

Department	S.No.	Name of Incomplete Project	Initial Budgeted Cost (Col.4)	Revised Total Cost of Projects (Col.5)	Cost Overrun (Col.5-Col.4)	Cumulative Actual Expenditure (March 2012)
Narmada Valley Development Department	1	Bargi Diversion Project	1101.23	5127.22	4025.99	1572.49
	2	Indira Sagar Project (Unit-II)	2167.67	3151.18	983.51	3327.87
	3	Omkareshwar (Unit-II)	788.00	2921.54	2133.54	1176.36
	4	Rani Avanti Bai Lodhi Sagar Pariyojna (RABLS)	566.34	1514.89	948.55	1562.48
	5	Upper Beda	89.51	224.41	134.90	214.94
	6	Punasa LIS	185.04	488.06	303.02	436.70
	7	Lower Goi	98.09	360.37	262.28	222.96
Total			4995.88	13787.67	8791.79	8513.80

Col.: Column

APPENDIX 2.1

**STATEMENT OF VARIOUS GRANTS/APPROPRIATIONS WHERE SAVINGS WERE MORE THAN ₹ 10 CRORE AND ALSO MORE THAN 20 PER CENT OF THE TOTAL PROVISION
(REFERENCE PARAGRAPH 2.3.1; PAGE 47)**

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Total Grant/ Appropriation	Savings	Percentage
1	2	3	4	5	6
1	PD	Public Debt (Capital Charged)	6800.10	3650.31	53.68
2	03	Police (Capital Voted)	72.34	37.47	51.80
3	06	Finance (Revenue Voted)	6509.81	1966.21	30.20
4	06	Finance (Revenue Charged)	14.78	14.23	96.28
5	06	Finance (Capital Voted)	1618.30	1501.78	92.80
6	08	Land Revenue and District Administration (Revenue Voted)	882.44	193.14	21.88
7	09	Expenditure pertaining to Revenue Department (Revenue Voted)	49.51	16.18	32.68
8	10	Forest (Revenue Charged)	12.53	12.09	96.49
9	16	Fisheries (Revenue Voted)	60.58	13.04	21.52
10	19	Public Health and Family Welfare (Capital Voted)	113.15	91.25	80.64
11	22	Urban Administration and Development-Urban Bodies (Capital Voted)	154.20	44.23	28.68
12	29	Law and Legislative Affairs (Revenue Voted)	686.95	137.82	20.06
13	29	Law and Legislative Affairs (Revenue Charged)	65.04	14.69	22.59
14	31	Planning, Economics and Statistics (Revenue Voted)	459.30	386.38	84.12
15	34	Social Justice (Revenue Voted)	136.58	37.74	27.63
16	38	Ayoush (Revenue Voted)	245.53	76.08	30.99
17	40	Expenditure pertaining to Water Resources Department Command Area Development (Revenue Voted)	112.42	109.64	97.53
18	42	Public Works relating to Tribal Areas Sub-Plan Roads and Bridges (Capital Voted)	416.06	137.61	33.07
19	53	Financial Assistance to Urban Bodies under Scheduled Castes Sub-Plan (Capital Voted)	37.30	11.23	30.11
20	57	Externally Aided Projects pertaining to Water Resources Department (Capital Voted)	358.28	142.06	39.65
21	61	Expenditure Pertaining to Bundelkhand Package (Revenue Voted)	148.81	70.36	47.28
22	61	Expenditure Pertaining to Bundelkhand Package (Capital Voted)	619.18	258.30	41.72

1	2	3	4	5	6
23	63	Minority Welfare (Revenue Voted)	56.21	18.33	32.61
24	67	Public Works-Buildings (Capital Voted)	108.61	41.39	38.11
25	68	Financial Assistance to Tribal Area Sub-Plan-Urban Bodies (Revenue Voted)	64.68	16.69	25.80
26	69	Information Technology (Revenue Voted)	31.32	10.76	34.35
27	75	Financial Assistance to Urban Bodies (Revenue Charged)	200.80	60.65	30.20
28	76	New and Renewable Energy Sources (Revenue Voted)	28.39	15.76	55.51
29	77	Other Expenditure Pertaining to School Education Department (Excluding Primary Education) (Revenue Voted)	1375.64	322.39	23.43
Total			21438.84	9407.81	43.88

APPENDIX 2.2 (A)

**STATEMENT OF VARIOUS SCHEMES UNDER GRANTS/APPROPRIATIONS
WHERE EXPENDITURE WAS MORE THAN ₹ 10 CRORE EACH AND ALSO
MORE THAN 20 PER CENT OF THE TOTAL PROVISION
(REFERENCE PARAGRAPH 2.3.3; PAGE 52)**

(₹ in crore)

Sl. No.	Grant/ Appropriation No. and Name	Name of the scheme under Grant/ Appropriation	Total Provisi on (Orig. + Supp.)	Expenditure	Excess	Percentage of excess expenditure
1	2	3	4	5	6	7
1	Interest Payments and Servicing of Debt	2049-01-101-5849-6.00% Madhya Pradesh State Development Loan, 2019	54.00	86.98	32.98	61.07
2	Interest Payments and Servicing of Debt	2049-03-104-4487-Interest on General Provident Fund	650.00	1043.53	393.53	60.54
3	Public Debt	6003-111-6835-Special Securities issued to National Small Savings Fund of Central Government	380.00	608.21	228.21	60.05
4	Public Debt	6004-03-800-8437-Loan for Immediate Benefit Programme	2.71	16.24	13.53	499.26
5	Public Debt	6004-04-102-3128-Loans for Soil and Water Conservation	1.76	15.68	13.92	790.91
6	Public Debt	6004-04-800-6420-Loans for Micro Management	2.02	53.67	51.65	2556.93
7	01-General Administration	2013-105-5839-Discretionary Grant of Chief Minister	30.00	41.04	11.04	36.80
8	02-Other Expenditure Pertaining to General Administration Department	2235-60-107-4674-Allowances and Gratuities to Freedom Fighters	7.00	18.07	11.07	158.14
9	06-Finance	2071-01-101-9998-Madhya Pradesh	260.00	345.35	85.35	32.83
10	06-Finance	2071-01-105-9998-Madhya Pradesh	75.00	114.47	39.47	52.63
11	06-Finance	2071-01-117-6854-Contributory Pension Scheme	75.00	90.46	15.46	20.61

1	2	3	4	5	6	7
12	06-Finance	2075-797-6857-Transfer to Guarantee Redemption Fund	1.00	18.64	17.64	1764.00
13	07-Commercial Tax	2030-02-102-2455-Expenses on sale of Non-Judicial Stamps	30.00	40.22	10.22	34.07
14	07-Commercial Tax	2039-104-4173-Purchase of Spirit	15.00	59.21	44.21	294.73
15	12-Energy	2801-80-101-5855-Reimbursement by Madhya Pradesh Electricity Board for free Supply of Electricity to 5 HP Agriculture pumps/Threshers and one point connection	262.00	1046.70	784.70	299.50
16	12-Energy	6801-205-1201-Externally Aided Projects (Normal)-5523-Arrangement of Independent Feeder for Agriculture use	Negligible	103.82	103.82	Excess against negligible Provision
17	12-Energy	6801-204-0101-State Plan Scheme (Normal)-6869-Rajiv Gandhi Rural Electrification Scheme	28.81	61.05	32.24	111.90
18	13-Farmers Welfare and Agriculture Development	2401-108-0701-Centrally Sponsored Scheme (Normal)-0927-National Oil Seed Development	35.69	45.88	10.19	28.55
19	15-Financial Assistance to three tier Panchayati Raj Institutions under Scheduled Castes Sub-Plan	58-Rural Development Department 4515-789-800-0420-Mineral Area Development Fund-6084-Mukhya Mantri Gram Sadak Yojna	61.86	84.34	22.48	36.34
20	19-Public Health and Family Welfare	2210-01-110-0101-State Plan Scheme (Normal)-6229-Strengthening of Hospitals	3.00	14.33	11.33	377.67
21	20-Public Health Engineering	4215-01-102-0701-Centrally Sponsored Scheme Normal 4379-Drinking Water Supply Scheme in Problem Villages	124.40	162.91	38.51	30.96
22	23-Water Resources Department	4700-13-800-1501-Additional Central Assistance (Normal)-2884-Canal and Appurtenant Works	100.00	120.45	20.45	20.45
23	24-Public Works-Roads and Bridges	5054-03-101-0101-State Plan Schemes (Normal)-6651-Construction of Railway Over bridges	21.00	35.02	14.02	66.76

1	2	3	4	5	6	7
24	24-Public Works-Roads and Bridges	5054-03-337-1501-Additional Central Assistance (Normal)-0948-Central Road Fund	189.00	246.32	57.32	30.33
25	24-Public Works-Roads and Bridges	5054-80-800-0101-State Plan Schemes (Normal)-5701-Development and Supervision of B.O.T. Roads	7.00	37.00	30.00	428.57
26	27-School Education (Primary Education)	2202-01-101-0101-State Plan Schemes (Normal)-6484-Reimbursement of Tuition fees to Non-Government Schools Under "Right to Education"	0.50	14.42	13.92	2784.00
27	27-School Education (Primary Education)	2202-01-108-0101-State Plan Schemes (Normal)-6813-Supply of Cycles	31.09	56.24	25.15	80.89
28	41-Tribal Areas Sub-Plan	15-Co-operation Department 2425-796-800-0102-Tribal Area Sub-Plan-7895-Daam Dupat Yojna	0.02	32.31	32.29	161450.00
29	41-Tribal Areas Sub-Plan	27-Narmada Valley Development Department 4700-43-796-800-1502-Additional Central Assistance (T.S.P.)-2884-Canal and Appurtenant Works	72.31	92.62	20.31	28.09
30	41-Tribal Areas Sub-Plan	27-Narmada Valley Development Department 4700-45-796-800-1502-Additional Central Assistance (T.S.P.)-9091-Omkareshwar Project	213.79	266.54	52.75	24.67
31	48-Narmada Valley Development	4700-43-800-1501-Additional Central Assistance (Normal)-2884-Canal and Appurtenant Works	85.73	245.60	159.87	186.48
32	48-Narmada Valley Development	4700-45-800-1501-Additional Central Assistance (Normal)-9091-Omkareshwar Project	3.93	47.77	43.84	1115.52
33	52-Financial Assistance to Tribal Area Sub-Plan-Three Tier Panchayati Raj Institutions	58-Rural Development Department 2216-03-796-198-0702-Centrally Sponsored Schemes T.S.P.-5198-Indira Awas Yojna	28.88	42.73	13.85	47.96

1	2	3	4	5	6	7
34	52-Financial Assistance to Tribal Area Sub-Plan-Three Tier Panchayati Raj Institutions	58-Rural Development Department 4515-796-800-0420-Mineral Area Development Fund-6084-Mukhya Mantri Gram Sadak Yojna	19.57	42.84	23.27	118.90
35	58-Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-80-800-8030-Assistance and Other Works for restoration	104.38	443.61	339.23	324.99
36	61-Expenditure Pertaining to Bundelkhand Package	4702-101-1501-Additional Central Assistance (Normal)-6077-New Minor Irrigation Scheme	42.52	66.51	23.99	56.42
37	64-Scheduled Castes Sub-Plan	15-Co-operation Department 2425-789-800-0103-Scheduled Castes Sub-Plan-7895-Daam Dupat Yojna	0.02	13.39	13.37	66850.00
38	64-Scheduled Castes Sub-Plan	20-School Education Department 2202-01-789-101-0103-Scheduled Castes Sub-Plan-6484-Reimbursement of Tuition Fee to Non-Government Schools under R.T.E.	0.20	14.12	13.92	6960.00
39	64-Scheduled Castes Sub-Plan	20-School Education Department 2202-02-789-109-0703-Centrally Sponsored Schemes S.C.S.P.-6007-Establishment and Operation of Model Schools	1.60	14.56	12.96	810.00
40	74-Financial Assistance to Three Tier Panchayati Raj Institutions	2216-03-198-0701-Centrally Sponsored Schemes (Normal)-5198-Indira Awas Yojna	35.22	55.25	20.03	56.87
41	74-Financial Assistance to Three Tier Panchayati Raj Institutions	4515-800-0420-Mineral Area Development Fund-6084-Mukhya Mantri Gram Sadak Yojna	159.15	237.60	78.45	49.29
42	75-Financial Assistance to Urban-Bodies	2217-05-192-0101-State Plan Schemes (Normal)-6221-Infrastructure Development Scheme for Small and Medium Towns	33.57	105.11	71.54	213.11
Total			3248.73	6300.81	3052.08	93.95

APPENDIX 2.2 (B)

**CASES OF SCHEMES IN WHICH ENTIRE PROVISION OF ₹ FIVE CRORE OR MORE REMAINED UNUTILISED
(REFERENCE PARAGRAPH 2.3.4; PAGE 52)**

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Name of the Scheme	Total Provision (Orig. + Supp.)	Expenditure	Amount of Saving	Percentage
1	2	3	4	5	6	7	8
1	IP	Interest Payments and Servicing of Debt	2049-01-101-6804-6.35%-Madhya Pradesh State Development Loan, 2013	25.45	Nil	25.45	100
2	IP	Interest Payments and Servicing of Debt	2049-01-101-7887-5.85%-Madhya Pradesh State Development Loan, 2017	46.80	Nil	46.80	100
3	IP	Interest Payments and Servicing of Debt	2049-01-200-3089-Interest on Ways and Means Advances to meet shortfall in cash balance received from the Reserve Bank of India	50.00	Nil	50.00	100
4	IP	Interest Payments and Servicing of Debt	2049-01-200-6973-Interest on Local Fund Deposit Account	10.00	Nil	10.00	100
5	IP	Interest Payments and Servicing of Debt	2049-03-104-6854-Contributory Pension Scheme	5.50	Nil	5.50	100
6	IP	Interest Payments and Servicing of Debt	2049-03-108-0117-Interest on Defined Pension Scheme	5.00	Nil	5.00	100
7	IP	Interest Payments and Servicing of Debt	2049-60-701-4209-Interest on Government Servants Family Welfare Fund	8.01	Nil	8.01	100
8	IP	Interest Payments and Servicing of Debt	2049-60-701-6971-Government Employees Group Insurance Schemes-2003 (Interest on Saving Fund)	22.46	Nil	22.46	100

1	2	3	4	5	6	7	8
9	IP	Interest Payments and Servicing of Debt	2049-60-701-6972-Government Employees Group Insurance Scheme-1985 (Interest on Saving Fund)	55.92	Nil	55.92	100
10	PD	Public Debt	6003-110-0637-Ways and Means Advances	2000.00	Nil	2000.00	100
11	PD	Public Debt	6003-110-0779-Advances to meet shortfall	2000.00	Nil	2000.00	100
12	06	Finance	2052-091-0101-State Plan Schemes (Normal)-5652-Madhya Pradesh Project Development Fund Scheme	5.00	Nil	5.00	100
13	06	Finance	2054-095-6217-Recommendations of Central Finance Commission	7.50	Nil	7.50	100
14	06	Finance	2070-800-0101-State Plan Schemes (Normal)-0224-Other Expenditure	1109.71	Nil	1109.71	100
15	06	Finance	2071-01-200-5653-Pension Payment to All India Services Officers	34.00	Nil	34.00	100
16	10	Forest	2406-01-797-3885-Transfer to Forest Development Fund (Charged)	12.00	Nil	12.00	100
17	11	Commerce, Industry and Employment	4851-101-0101-State Plan Schemes (Normal)-5380-Land Acquisition Compensation for Auto Testing Track	38.98	Nil	38.98	100
18	15	Financial Assistance to Three Tier Panchayati Raj Institutions under Scheduled Castes Sub-Plan	58-Rural Development Department 2501-06-789-198-0103-Scheduled Castes Sub-Plan-6487-Infrastructure Development in Rural Habitat	22.58	Nil	22.58	100

1	2	3	4	5	6	7	8
19	17	Co-operation	6425-106-0101-State Plan Schemes (Normal)-7827- Contribution of State Government for Conversion of Short Term Loans into Mid Term Loans of M.P. State Co-operative Banks	22.15	Nil	22.15	100
20	20	Public Health Engineering	4215-01-800-0801-Central Sector Schemes (Normal)-6034-Swajal Dhara Programmes	25.00	Nil	25.00	100
21	23	Water Resources Department	4700-21-800-1501-Additional Central Assistance (Normal)-6596-Reforms Reinforcement and Reestablishment	34.15	Nil	34.15	100
22	23	Water Resources Department	4701-80-001-1401-NABARD (Normal)-2304-Direction and Administration	5.00	Nil	5.00	100
23	24	Public Works-Roads and Bridges	5054-04-800-0101-State Plan Schemes (Normal)-1222-Construction of Rural Roads under Basic Minimum Services	10.00	Nil	10.00	100
24	31	Planning, Economics and Statistics	3451-101-0101-State Plan Schemes (Normal)-6577-Lump-sum Provision for Plan Schemes	318.40	Nil	318.40	100
25	31	Planning, Economics and Statistics	3454-02-206-0101-State Plan Schemes (Normal)-6268-Incentive for Unique Number Identification Agency (13 th Finance Commission)	31.79	Nil	31.79	100
26	34	Social Justice	2235-02-001-0101-State Plan Schemes (Normal)-5758-Kushabhau Contributory Pension Scheme	5.50	Nil	5.50	100

1	2	3	4	5	6	7	8
27	40	Expenditure Pertaining to Water Resources Department-Command Area Development	2705-800-0701-Centrally Sponsored Schemes (Normal)-6648-Command Area Development of Major and Medium Projects	100.00	Nil	100.00	100
28	41	Tribal Area Sub-Plan	20-School Education Department 2202-02-796-109-0702-Centrally Sponsored Schemes (T.S.P.)-6918-Information and Communication Technology Schools	8.00	Nil	8.00	100
29	41	Tribal Area Sub-Plan	23-Planning, Economics and Statistics Department 3451-796-101-0102-Tribal Area Sub-Plan-6577-Lump-Sum Provision for Plan Schemes	51.26	Nil	51.26	100
30	41	Tribal Area Sub-Plan	23-Planning, Economics and Statistics Department 3454-02-796-206-1302-Central Finance Commission (Tribal Area Sub-Plan)-6268-Incentive for U.I.D.A. (13 th Finance Commission)	10.60	Nil	10.60	100
31	41	Tribal Area Sub-Plan	15-Co-operation Department 6425-796-106-0102-Tribal Area Sub-Plan-7827-Contribution of State Government through M.P. State Co-operative Bank for Conversion of Short Term Loans into Mid Term Loans	15.95	Nil	15.95	100
32	42	Public Works Relating to Tribal Areas Sub-Plan-Roads and Bridges	5054-03-796-337-1502-Additional Central Assistance (Tribal Area Sub-Plan)-0948-Central Road Fund	10.00	Nil	10.00	100

1	2	3	4	5	6	7	8
33	45	Minor Irrigation Works	4702-800-0101-State Plan Schemes (Normal)-6708-A.I.B.P. Schemes	20.00	Nil	20.00	100
34	48	Narmada Valley Development	4700-80-800-0101-State Plan Schemes (Normal)-6399-Indira Sagar Project (Unit-I)	25.00	Nil	25.00	100
35	48	Narmada Valley Development	4801-01-203-0101-State Plan Schemes (Normal)-6403-Payment of share of Indira Sagar Project Unit- I to N.H.D.C.	27.00	Nil	27.00	100
36	48	Narmada Valley Development	4801-01-203-0101-State Plan Schemes (Normal)-6942-Omkareshwar Canal Terminal Power House	5.00	Nil	5.00	100
37	52	Financial Assistance to Tribal Area Sub-Plan Three Tier Panchayati Raj Institutions	58-Rural Development Department 2501-06-796-198-0102-Tribal Area Sub-Plan-6487-Infrastructure Development in Rural Habitat	22.68	Nil	22.68	100
38	55	Women and Child Development	4235-02-102-0101-State Plan Schemes (Normal)-6442-Atal Bal Arogya Mission	15.00	Nil	15.00	100
39	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-01-102-8874-Additional Provision for Drought Relief and Employment	50.00	Nil	50.00	100
40	61	Expenditure Pertaining to Bundelkhand Package	2515-102-1503-Additional Central Assistance (S.C.S.P.)-6109-Improvement, Renovation and Refilling of Water Structure	6.30	Nil	6.30	100
41	61	Expenditure Pertaining to Bundelkhand Package	2515-102-1501-Additional Central Assistance (Normal)-6109-Improvement, Renovation and Refilling of Water Structure	24.48	Nil	24.48	100

1	2	3	4	5
28.	41-आदिवासी क्षेत्र उपयोजना	287.16	239.00	48.16
29.	44-उच्च शिक्षा सहायतशासी निकायों के लेखों की स्थिति दर्शाने वाला विवरण-पत्रक			28.63
30.	45-लघु सिंचाई निर्माण कार्य (संदर्भ कंडिका 3.2: पृष्ठ 68)	5.63	4.53	1.10
31.	47- तकनीकी शिक्षा एवं कौशल विकास	29.81	27.49	2.32
32.	आदिवासी क्षेत्र उपयोजनाओं के अंतर्गत वर्ष जब तक त्रिस्तरीय पंचायती राज संस्थाओं को वित्तीय सहायता प्रस्तुत किए गए	241.00	242.94	67.26
33.	55-महिला एवं बाल विकास	40.50	36.08	4.42
34.	64-अनुसूचित जाति उपयोजना	255.06	245.59	9.47
35.	66-पिंपळा, वामी फल्ल्याण तक	6.29	2.77	3.52
36.	74-सि.प. खादी तथा त्रिस्तरीय पंचायती राज संस्थाओं को वित्तीय सहायता सामोद्योग बोर्ड, भोपाल	541.67	225.26	2007-08: (45) 2008-09: (39) 2009-10: (27)
37.	75-नगरीय निकायों को वित्तीय सहायता	295.90	263.17	32.73
38.	77-सू.श. शिक्षा विभाग से संबंधित अन्य व्यय (प्रारंभिक शिक्षा को छोड़कर) अधिनियम द्वारा सौंपा	322.39	101.99	2008-09: (15) 2009-10: (16) 2010-11: (09)
39.	01-समान्य प्रशासनिक निर्माण कार्यकर्ता	8.28	1.50	2003-04 से 2007-08 तक 6.78 (84)
40.	06-कमलयाण मण्डल, भोपाल	1501.78	1404.68	2008-09 से आगे 97.10 (36)
41.	11-वाणिज्य उद्योग एवं रोजगार	39.18	0.0011	39.179
42.	12-उच्च विधिक सेवा,	185.30	184.08	1.22
43.	19-लोकप्रिय एवं परिवार कल्याण	91.25	79.25	12.00
44.	20-लोक स्वास्थ्य यांत्रिकी	58.92	3.90	55.02
45.	23-जिला विधिक सेवा प्राधिकरण,	105.76	2.90	102.86
46.	24-लघु निर्माण कार्य-सड़कें और पुल	283.70	281.93	1.77
47.	41-आदिवासी क्षेत्र उपयोजना	170.65	140.96	29.69
48.	42-आदिवासी क्षेत्र उपयोजना से संबंधित निर्माण कार्य-सड़कें और पुल	137.61	133.78	3.83
49.	45-लघु सिंचाई निर्माण कार्य	62.84	1.91	60.93
50.	48-नमदा घाटी विकास सेवा प्राधिकरण	64.17	28.74	35.43
51.	57-ज्वरदासाधन विभाग से संबंधित विदेशों से	142.06	36.08	105.98
52.	61-बुंदेलखण्ड विकास से संबंधित व्यय	258.29	229.29	29.00
53.	64-अनुसूचित जाति उपयोजना	233.31	207.42	25.89
10.	जिला विधिक योग सेवा प्राधिकरण, श्योपुर	9752.19	5000.04	4752.15

Sl. No.	Particulars	Budgeted	Actual	Difference	%	Budgeted	Actual	Difference	%	Budgeted	Actual	Difference	%
58.	पी.डी.-लोक ऋण		6962	91.11	88.52	167.69	54.33	52.79					
59.	पी.डी. लोक ऋण												
60.	27-Schools	1700	1700	100.00	100.00	100.00	100.00	100.00					
CASES WHERE SUPPLEMENTARY PROVISION ₹ 50 LAKE OR MORE IN EACH CASE PROVED UNNECESSARY													
(REFERENCE PARAGRAPH 23.7; PAGE 54)													
24	29-Law and Legislative Affairs		16973.40	97.64	94.14	93.61							
34.	प्र.सू. विनियोग की संख्या	कुल	बचत	समाप्त राशि	अधिक								
(₹ in crore)													
1	13	2202-स्कूल शिक्षा											
2	14	2203-तक											
3	15	2204-खेल											
4	16	2505-ग्रामीण											
5	17	2280-श्रम											
6	18	2402-मृदा											
7	19	2406-वारिकी तथा											
8	20	2501-ग्रामीण कार्यक्रम											
9	21	2505-ग्रामीण											
10	22	2515-अन्य											
11	23	2851-ग्रामीण											
12	24	2852-उद्योग											
13	25	जला संसाधन											
14	26	लोक निर्माण विभाग											
15	27	नमदा घाटी											

31 मार्च, 2012 का समाप्त वर्ष के लिये राज्य वित्त पर लेखा परीक्षा प्रतिवेदन

परिशिष्ट - 2.15

केन्द्रीय योजनाओं से संबंधित लिखित अग्रिमों के प्रवृत्ति पर अनुक्रमित व्ययों में अंतरण दिखाये

क्र.सं.	विवरण	प्रस्तावित व्यय	अनुसूचित जाति व्यय	अनुसूचित जाति व्यय	अनुसूचित जाति व्यय	अनुसूचित जाति व्यय	अनुसूचित जाति व्यय	अनुसूचित जाति व्यय
27	Expenditure Pertaining to Basicband Package	(संवर्धन काड़िका) (संवर्धन काड़िका) 2.3.13; मुष्ट 61	4055.00	270.44	4.37	1.69	21.08	4055.00
28	Minority Welfare	Welfare	44.46	37.88	6.58	11.75	44.46	37.88
29	Public Health Centres Sub-Plan	Depart	455.07	1434.99	120.08	134.87	455.07	1434.99
30	Public Health Centres		2210.00	15.02			2210.00	15.02
31	Assistance to Tribal		103.00	47.99			103.00	47.99
32	Assistance to Tribal		558.00		50.00		558.00	50.00
33	Rural Medical Institutions	Rural Medical Institutions	270.44				270.44	
34	Medical Education Department		4055.00	270.44	4.37	1.69	21.08	4055.00
35	Financial Assistance to Panchayat Raj Institutions		440.30	4198.90		266.46	275.31	440.30
36	Financial Assistance to Urban Bodies		3470.95	2400.64	6.10		278.32	3470.95
37	Other Expenditure pertaining to Public Health Centres		264.20	1053.24		210.96	111.44	264.20
38	Financial Assistance to Panchayat Raj Institutions		4055.00	270.44	4.37	1.69	21.08	4055.00
39	Public Health Centres		2210.00	15.02			2210.00	15.02
40	Assistance to Tribal		103.00	47.99			103.00	47.99
41	Assistance to Tribal		558.00		50.00		558.00	50.00
42	Rural Medical Institutions	Rural Medical Institutions	270.44				270.44	
43	Medical Education Department		4055.00	270.44	4.37	1.69	21.08	4055.00
44	Financial Assistance to Panchayat Raj Institutions		440.30	4198.90		266.46	275.31	440.30
45	Financial Assistance to Urban Bodies		3470.95	2400.64	6.10		278.32	3470.95
46	Other Expenditure pertaining to Public Health Centres		264.20	1053.24		210.96	111.44	264.20
47	Financial Assistance to Panchayat Raj Institutions		4055.00	270.44	4.37	1.69	21.08	4055.00
48	Public Health Centres		2210.00	15.02			2210.00	15.02
49	Assistance to Tribal		103.00	47.99			103.00	47.99
50	Assistance to Tribal		558.00		50.00		558.00	50.00
51	Rural Medical Institutions	Rural Medical Institutions	270.44				270.44	
52	Medical Education Department		4055.00	270.44	4.37	1.69	21.08	4055.00
53	Financial Assistance to Panchayat Raj Institutions		440.30	4198.90		266.46	275.31	440.30
54	Financial Assistance to Urban Bodies		3470.95	2400.64	6.10		278.32	3470.95
55	Other Expenditure pertaining to Public Health Centres		264.20	1053.24		210.96	111.44	264.20
56	Financial Assistance to Panchayat Raj Institutions		4055.00	270.44	4.37	1.69	21.08	4055.00
57	Public Health Centres		2210.00	15.02			2210.00	15.02
58	Assistance to Tribal		103.00	47.99			103.00	47.99
59	Assistance to Tribal		558.00		50.00		558.00	50.00
60	Rural Medical Institutions	Rural Medical Institutions	270.44				270.44	
61	Medical Education Department		4055.00	270.44	4.37	1.69	21.08	4055.00
62	Financial Assistance to Panchayat Raj Institutions		440.30	4198.90		266.46	275.31	440.30
63	Financial Assistance to Urban Bodies		3470.95	2400.64	6.10		278.32	3470.95
64	Other Expenditure pertaining to Public Health Centres		264.20	1053.24		210.96	111.44	264.20
65	Financial Assistance to Panchayat Raj Institutions		4055.00	270.44	4.37	1.69	21.08	4055.00
66	Public Health Centres		2210.00	15.02			2210.00	15.02
67	Assistance to Tribal		103.00	47.99			103.00	47.99
68	Assistance to Tribal		558.00		50.00		558.00	50.00
69	Rural Medical Institutions	Rural Medical Institutions	270.44				270.44	
70	Medical Education Department		4055.00	270.44	4.37	1.69	21.08	4055.00
71	Financial Assistance to Panchayat Raj Institutions		440.30	4198.90		266.46	275.31	440.30
72	Financial Assistance to Urban Bodies		3470.95	2400.64	6.10		278.32	3470.95
73	Other Expenditure pertaining to Public Health Centres		264.20	1053.24		210.96	111.44	264.20
74	Financial Assistance to Panchayat Raj Institutions		4055.00	270.44	4.37	1.69	21.08	4055.00
75	Public Health Centres		2210.00	15.02			2210.00	15.02
76	Assistance to Tribal		103.00	47.99			103.00	47.99
77	Assistance to Tribal		558.00		50.00		558.00	50.00
78	Rural Medical Institutions	Rural Medical Institutions	270.44				270.44	
79	Medical Education Department		4055.00	270.44	4.37	1.69	21.08	4055.00
80	Financial Assistance to Panchayat Raj Institutions		440.30	4198.90		266.46	275.31	440.30
81	Financial Assistance to Urban Bodies		3470.95	2400.64	6.10		278.32	3470.95
82	Other Expenditure pertaining to Public Health Centres		264.20	1053.24		210.96	111.44	264.20
83	Financial Assistance to Panchayat Raj Institutions		4055.00	270.44	4.37	1.69	21.08	4055.00
84	Public Health Centres		2210.00	15.02			2210.00	15.02
85	Assistance to Tribal		103.00	47.99			103.00	47.99
86	Assistance to Tribal		558.00		50.00		558.00	50.00
87	Rural Medical Institutions	Rural Medical Institutions	270.44				270.44	
88	Medical Education Department		4055.00	270.44	4.37	1.69	21.08	4055.00
89	Financial Assistance to Panchayat Raj Institutions		440.30	4198.90		266.46	275.31	440.30
90	Financial Assistance to Urban Bodies		3470.95	2400.64	6.10		278.32	3470.95
91	Other Expenditure pertaining to Public Health Centres		264.20	1053.24		210.96	111.44	264.20
92	Financial Assistance to Panchayat Raj Institutions		4055.00	270.44	4.37	1.69	21.08	4055.00
93	Public Health Centres		2210.00	15.02			2210.00	15.02
94	Assistance to Tribal		103.00	47.99			103.00	47.99
95	Assistance to Tribal		558.00		50.00		558.00	50.00
96	Rural Medical Institutions	Rural Medical Institutions	270.44				270.44	
97	Medical Education Department		4055.00	270.44	4.37	1.69	21.08	4055.00
98	Financial Assistance to Panchayat Raj Institutions		440.30	4198.90		266.46	275.31	440.30
99	Financial Assistance to Urban Bodies		3470.95	2400.64	6.10		278.32	3470.95
100	Other Expenditure pertaining to Public Health Centres		264.20	1053.24		210.96	111.44	264.20

1	2	3	4	5	6		
18	47-तकनीकी शिक्षा एवं कौशल विकास	2203-105-0701-2667- पोलीटेक्निक संस्थाएं	22.38	18.05	15.20		
19	47-तकनीकी शिक्षा एवं कौशल विकास	2230-03-003-0701-6640- विश्व बैंक सहायता से व्होकेशनल ट्रेनिंग इम्पूवमेंट प्रोजेक्ट के अंतर्गत इंस्ट्रक्टर ट्रेनिंग विंग की स्थापना	0.65	0.65	0.65		
20	47-तकनीकी शिक्षा एवं कौशल विकास	4202-02-104-0701-2667- पोलीटेक्निक संस्थाएं	19.56	19.56	6.90		
21	47-तकनीकी शिक्षा एवं कौशल विकास	4202-03-003-0701-6640- विश्व बैंक सहायता से व्होकेशनल ट्रेनिंग इम्पूवमेंट प्रोजेक्ट के अंतर्गत इंस्ट्रक्टर ट्रेनिंग विंग की स्थापना	0.65	0.65	0.65		
1	2	3	4	5	6	7	8
22	55-महिला एवं बाल विकास	2235-02-102-0701-0658- एकीकृत बाल विकास सेवा योजना	16.68	611.36	611.64	182.25	81.58
23	55-महिला एवं बाल विकास	2235-02-102-0701-6392- राजीव गांधी किशोरी बालिका सशक्तिकरण योजना (सबला)	0.00	4.13	4.09	3.06	5.31
24	55-महिला एवं बाल विकास	2236-02-101-0701-9050- न्यूनतम आवश्यकता कार्यक्रम विशेष पोषण आहार योजना	0.61	566.70	564.93	2.18	48.86
25	2014-न्याय प्रशासन	4701-80-001-1501-5584- सिंहपुर बैराज	0.39	30.00	30.00	24.68	0.81
26	2058-लेखन सामग्री एवं संबंधित व्यय	702-1010-1501-6077- नवीन लघु सिंचाई योजना	0.00	42.52	66.51	5.00	0.67
27	2055-प्रशिक्षण	2055-789-109-0703-5172- अनुसूचित उपयोजना	32.93	422.86	137.56	0.34	170.49
28	2225-अनुसूचित कल्याण	2225-789-105-0703-2667- पोलीटेक्निक संस्थाएं	0.00	35	20.95	38	21.06
29	2235-पुनर्वास विभाग - महिला	2235-789-101-0703-9050- न्यूनतम आवश्यकता कार्यक्रम विशेष पोषण आहार योजना	0.00	134.60	133.21	0.37	0.19
30	64-अनुसूचित उपयोजना एवं बाल कल्याण (योजना, आर्थिक एवं विकास)	3451-789-101-1303-6267- जिला नवाचार कोष	2.26	3.75	3.75	3.75	3.57
31	2403-परिशु मिसम	4210-01-789-110-1303-6458- स्वास्थ्य अधीनस्थानों का सुदृढीकरण (13 वॉ वित्त आयोग)	10.47	14	8.82	21	13.55
32	2203-तकनीकी शिक्षा	4210-03-105-0701-6460- चिकित्सा महाविद्यालयों में पी.बी.ए. कार्यक्रम का सुदृढीकरण	0.45	8.97	8.97	4.00	0.45
33	2505-ग्रामीण रोजगार	2230-03-003-0701-6640- विश्व बैंक सहायता से व्होकेशनल ट्रेनिंग इम्पूवमेंट प्रोजेक्ट के अंतर्गत इंस्ट्रक्टर ट्रेनिंग विंग की स्थापना	4.51	2024.37	1946.38	446.02	11.51
18	2402-मृदा तथा जल संरक्षण	4210-01-789-110-1303-6458- स्वास्थ्य अधीनस्थानों का सुदृढीकरण (13 वॉ वित्त आयोग)	1.11	1	0.31	4	1.42
19	2406-वानिकी एवं वन्य जीवन	4210-03-105-0701-6460- चिकित्सा महाविद्यालयों में पी.बी.ए. कार्यक्रम का सुदृढीकरण	10.00	2258	1369.38	2296	1379.38
20	2501-ग्रामीण विकास के लिए विशेष कार्यक्रम	4210-03-105-0701-6460- चिकित्सा महाविद्यालयों में पी.बी.ए. कार्यक्रम का सुदृढीकरण	3.39	5	46.40	11	49.79
21	2505-ग्रामीण रोजगार	4210-03-105-0701-6460- चिकित्सा महाविद्यालयों में पी.बी.ए. कार्यक्रम का सुदृढीकरण	0.00	1	0.00	1	0.00
22	2515-अन्य ग्रामीण विकास कार्यक्रम	4210-03-105-0701-6460- चिकित्सा महाविद्यालयों में पी.बी.ए. कार्यक्रम का सुदृढीकरण	1.25	2	0.22	3	1.47

1	2	3	4	5	6
B-Capital (Voted)					
25	01-General Administration	10.40	9.39	11.52	8.27
26	05-Jail	0.25	9.65	9.08	0.82
27	08-Land Revenue and District Administration	25.91	4.13	29.51	0.53
28	12-Energy	1743.44	13947.26	15505.40	185.30
29	17-Co-operation	46.25	305.05	329.15	22.15
30	20-Public Health Engineering	403.44	60.08	404.60	58.92
31	23-Water Resources Department	722.78	245.15	862.17	105.76
32	40-Expenditure Pertaining to Water Resources Department-Command Area Development	22.57	10.51	31.60	1.48
33	41-Tribal Areas Sub-Plan	1489.25	268.43	1587.02	170.66
34	43-Sports and Youth Welfare	15.31	12.81	26.85	1.27
35	45-Minor Irrigation Works	308.79	245.00	490.95	62.84
36	55-Women and Child Development	66.30	15.04	66.34	15.00
37	64-Scheduled Castes Sub-Plan	927.79	277.38	971.87	233.30
38	72-Bhopal Gas Tragedy Relief and Rehabilitation	4.30	4.36	6.42	2.24
39	73-Medical Education Department	18.93	12.86	30.98	0.81
	Total (B)	5805.71	15427.10	20363.46	869.35
C-Revenue (Charged)					
40	75-Financial Assistance to Urban Bodies	74.15	126.65	140.15	60.65
	Total (C)	74.15	126.65	140.15	60.65
D-Capital (Charged)					
41	48-Narmada Valley Development	0.40	0.65	0.74	0.31
	Total (D)	0.40	0.65	0.74	0.31
	Total (A+B+C+D)	19080.63	18896.23	35885.75	2091.11

Additional requirement : Actual expenditure - Original provision = 35885.75 - 19080.63 = 16805.12

APPENDIX 2.6

STATEMENT OF VARIOUS GRANT/APPROPRIATION WHERE
SUPPLEMENTARY PROVISION PROVED INSUFFICIENT
(REFERENCE PARAGRAPH 2.3.7; PAGE 54)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Original provision	Supplementary provision	Total	Expenditure	Excess
1	2	3	4	5	6	7	8
Revenue (Voted)							
1	33	Tribal Welfare	939.48	4.13	943.61	954.49	10.88
Total			939.48	4.13	943.61	954.49	10.88

APPENDIX 2.7

EXCESSIVE/UNNECESSARY RE-APPROPRIATION/SURRENDER OF FUNDS
(REFERENCE PARAGRAPH 2.3.8; PAGE 54)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant	Head of account	Re-appropriation	Final excess (+) saving (-)	Percentage
1	2	3	4	5	6	7
1	IP	Interest Payment and Servicing of Debt	2049-01-200-6904-Interest Payable on Loans taken from HUDCO	(+) 1.68	(-) 4.92	100
2	IP	Interest Payment and Servicing of Debt	2049-01-200-3752-Interest on loan from the National Co-operative Development Corporation	(+) 0.39	(-) 7.88	100
3	03	Police	2055-114-4155-Wireless Office Bhopal /Gwalior	(+) 0.34	(-) 7.05	100
4	03	Police	2055-001-3680-State Headquarters	(+) 4.75	(-) 3.25	68.42
5	10	Forest	2406-01-001-3555-Headquarters	(+) 2.27	(-) 5.37	100
6	10	Forest	2406-02-110-2899-National Parks	(+) 0.97	(-) 4.97	100
7	13	Farmers Welfare and Agriculture Development	2401-001-0119-Subordinate and Expert Staff (District and Subordinate Level Staff)	(-) 0.50	(+) 8.43	100
8	19	Public Health and Family Welfare	2210-01-110-0101-State Plan Schemes (Normal)-6036-Grant for Operational expenditure of Ambulance for Emergency Medical Services	(-) 1.04	(+) 1.07	100
9	20	Public Health Engineering	2215-01-102-2219-Maintenance of Tube Wells (Hand Pumps)	(+) 9.49	(-) 2.50	26.34

1	2	3	4	5	6	7
10	20	Public Health Engineering	2215-02-107-1249-Establishment and Maintenance of Sewerage Schemes of the State	(+) 3.46	(-) 1.26	36.42
11	20	Public Health Engineering	2215-01-001-2294-Direction	(+) 0.45	(-) 4.05	100
12	23	Water Resources Department	4700-26-800-1501-2884-Canal and Appurtenant Works	(+) 2.96	(-) 9.85	100
13	23	Water Resources Department	4701-40-800-0101-2897-Dam and Appurtenant Works	(+) 5.00	(-) 5.00	100
14	23	Water Resources Department	4701-80-0101-3368-Medium Irrigation Construction work	(+) 13.65	(-) 14.65	100
15	23	Water Resources Department	4701-80-0101-5583-Semery Tank	(+) 8.80	(-) 8.80	100
16	23	Water Resources Department	4701-80-001-0101-5594-Four Aqueducts of Tawa left Canal System	(+) 1.00	(-) 1.98	100
17	23	Water Resources Department	4701-80-001-0101-State Plan Schemes (Normal)-5595-Upper Kaketo Dam Project	(+) 12.02	(-) 8.02	66.72
18	24	Public Works-Roads and Bridges	5054-04-800-0420-Mineral Area Development Fund-1222-Construction of Rural Roads under Basic Minimum Services	(-) 2.74	(+) 12.39	100
19	28	State Legislature	2011-02-103-4009-Vidhan Sabha Secretariat	(+) 1.39	(-) 1.62	100

1	2	3	4	5	6	7
20	33	Tribal Welfare	2202-01-101-2773-Primary Schools	(-) 0.06	(+) 12.44	100
21	38	Ayoush	2210-02-101-0101-State Plan Schemes (Normal)-0461-Strengthening of Ayurved Administration	(+) 0.10	(-) 3.80	100
22	39	Food, Civil Supplies and Consumer Protection	2408-01-102-5624-Incentive for Procurement of Food Grain under Public Distribution System	(+) 17.95	(-) 17.95	100
23	39	Food, Civil Supplies and Consumer Protection	2408-01-102-5645-Antodyay Food Scheme	(-) 17.95	(+) 17.95	100
24	41	Tribal Area Sub-Plan	25-Tribal Welfare Department 2225-02-794-0602-5211-Local Development Programme in Integrated Tribal Development Projects	(+) 5.77	(-) 5.42	93.93
25	41	Tribal Area Sub-Plan	27-Narmada Valley Development Department 4700-65-796-800-1502-Additional Central Assistance (T.S.P.)-5090-Upper Veda Project	(+) 6.75	(-) 1.86	27.56
26	42	Public Work Relating to Tribal Areas Sub-Plan Road and Bridges	19-Public Works Department 5054-03-796-337-0102-Tribal Sub-Plan-0948-Central Road Fund	(-) 0.56	(+) 7.89	100

1	2	3	4	5	6	7
27	48	Narmada Valley Development	4700-43-800-0101-State Plan Schemes (Normal)-7444-Garlanding Scheme	(-) 2.93	(+) 2.48	84.64
28	48	Narmada Valley Development	4700-51-001-0101-State Plan Schemes (Normal)-2428-Executive Establishment (Unit I and Unit II)	(+) 2.91	(-) 5.22	100
29	48	Narmada Valley Development	4700-51-001-0101-State Plan Schemes (Normal)-8191-Executive Establishment (Unit II)	(+) 1.03	(-) 3.47	100
30	55	Women and Child Development	2235-02-001-0101-State Plan Schemes (Normal)-9041-Directorate of Women and Child Welfare	(-) 0.31	(+) 1.95	100
31	55	Women and Child Development	2235-02-102-0701-0658-Integrated Child Development Service Scheme	(-) 2.44	(+) 2.73	100
32	57	Externally Aided Projects Pertaining to Water Resources Department	4700-64-001-1201-6831-Improvement in productivity of Pre-constructed Irrigation Schemes of Five Basins-Water Resources Department	(+) 1.25	(-) 1.39	100
33	61	Expenditure Pertaining to Bundelkhand Package	4702-101-1503-Additional Central Assistance (S.C.S.P.)-6077-New Minor Irrigation Schemes	(+) 16.18	(-) 8.89	54.94

1	2	3	4	5	6	7
34	64	Scheduled Castes Sub-Plan	17-Public Health and Family Welfare Department 2210-03-789-103-0103-S.C.S.P.-7317- Upgradation of Rural Medical Institutions	(+) 3.00	(-) 1.58	52.67
35	64	Scheduled Castes Sub-Plan	19-Public Works Department 5054-03-789-337-0103-S.C.S.P.-5139- Upgradation of Main District Roads	(-) 4.01	(+) 5.90	100
36	64	Scheduled Castes Sub-Plan	55-Scheduled Castes Welfare Department 2225-01-277-0103-4717- Scheduled Castes Hostel	(-) 4.07	(+) 2.79	68.55
37	74	Financial Assistance to Three Tier Panchayati Raj Institutions	2235-60-196-0101-State Plan Schemes (Normal)-9142- Social Security and Welfare	(-) 0.31	(+) 2.24	100
38	74	Financial Assistance to Three Tier Panchayati Raj Institutions	2235-60-197-0101-State Plan Schemes (Normal)-5859- Indira Gandhi National Disabled Pension	(-) 0.05	(+) 0.73	100
39	75	Financial Assistance to Urban Bodies	2235-02-191-0101-State Plan Schemes (Normal)-5859- Indira Gandhi National Disabled Pension	(-) 0.06	(+) 2.36	100
40	75	Financial Assistance to Urban Bodies	2235-02-191-0101-State Plan Schemes (Normal)-9142- Social Security and Welfare	(-) 1.30	(+) 1.40	100

APPENDIX 2.8

**DEFECTIVE SANCTIONS FOR RE-APPROPRIATIONS/SURRENDERS
(REFERENCE PARAGRAPH 2.3.9; PAGE 55)**

(₹ in crore)

Sl. No.	Number of sanction	Grant number	Amount	Particulars of irregularities
1	2	3	4	5
1	8	11,17,20,21,31,51,53,58	250.90	Sanction were issued after closure of financial year-2011-12.
2	8	1,2,8,23,36,41,55,	49.72	Non availability of Budget Provision from which Re-appropriation/Surrenders Sanctioned.
3	3	15,52,74	124.20	Irregular Re-appropriation from Capital Head to Revenue Head and vice-versa.
4	2	06	0.35	Non Receipt of complete details of Re-appropriation.
5	2	5,34	1.17	Incorrect totals of Surrender/Re-appropriation.
6	2	13,64	7.58	Double issue of sanction for surrender amount.
7	2	41,03	170.73	Non issue of separate sanction of Re-appropriation for excess items, appearing in Surrender Sanction.
8	1	26	0.06	Re-appropriation from salary without consent of Finance Department.
Total	28	26	604.71	

APPENDIX 2.9

**RESULTS OF REVIEW OF SUBSTANTIAL SURRENDERS MADE DURING
THE YEAR
(REFERENCE PARAGRAPH 2.3.10; PAGE 55)**

(₹ in crore)

Sl. No.	Number and name of Grant	Name of the scheme (Head of Account)	Amount of surrender (₹ in Crore)	Percentage of surrender
1	2	3	4	5
1	06-Finance	2052-091-0101-State Plan Schemes (Normal)-5631-Infrastructure Development for Financial Incorporation	2.00	100
Reasons for surrender have not been intimated. (August 2012)				
2	06-Finance	2052-091-0101-State Plan Schemes (Normal)-5652-Madhya Pradesh Project Development Fund Scheme	5.00	100
Reasons for surrender have not been intimated. (August 2012)				
3	06-Finance	6801-800-6443-Loan for Infrastructure Development	1400.00	100
Reasons for surrender have not been intimated. (August 2012)				
4	07-Commercial Tax	2045-101-5886-Disposal of Cinema Units	1.60	100
Surrender of entire provision was due to non-receipt of sanction.				
5	17-Co-operation	6425-106-0101-State Plan Schemes (Normal)-7827-Contribution of State Government for conversion of Short Term Loans into Mid Term Loans of M.P. State Co-operative Banks	22.15	100
Surrender of entire provision was due to non-receipt of proposals from Co-operative Bank for Conversion of Loans of Farmers.				
6	19-Public Health and Family Welfare	2210-01-110-6623-Beti Bachao Abhiyan	1.72	100
Reasons for surrender have not been intimated. (August 2012)				
7	20-Public Health Engineering	4215-01-102-0701-Centrally Sponsored Schemes (Normal)-6636-Drinking Water Arrangement for Saline Water affected villages	2.50	100
Reasons for surrender have not been intimated. (August 2012)				
8	22-Urban Administration and Development-Urban Bodies	2217-05-191-6583-Grant to Urban Bodies for Fire Brigade Services	1.00	100
Entire provision was surrendered due to non-payment of pay, allowances and honorarium.				
9	31-Planning, Economics and Statistics	3451-101-0101-State Plan Schemes (Normal)-6577-Lump-Sum Provision for Plan Schemes	318.40	100
Entire provision was reportedly surrendered due to providing of sufficient provision in First, Second and Third Supplementary estimates of 2011-12 in various State Plan Scheme.				

1	2	3	4	5
10	31-Planning Economics and Statistics	3454-02-206-0101-State Plan Schemes (Normal)-6268-Incentive for Unique Number Identification Agency (13 th Finance Commission)	31.79	100
Entire provision was surrendered due to non-submission of demand by Food and Civil Supplies Department for Aadhar Card Scheme.				
11	34-Social Justice	2235-02-001-0101-State Plan Schemes (Normal)-5758-Kushabhau Contributory Pension Scheme	5.50	100
Reasons for surrender have not been intimated. (August 2012)				
12	40-Expenditure Pertaining to Water Resources Department Command Area Development	2705-205-0701-Centrally Sponsored Schemes (Normal)-6544-Grant to Irrigation Societies	1.44	100
Entire provision was surrendered due to non-deposit of Contribution by Farmers.				
13	40-Expenditure Pertaining to Water Resources Department Command Area Development	2705-207-0701-Centrally Sponsored Schemes (Normal)-6305-Grant to Irrigation Participatory Management Societies	1.26	100
Reasons for saving have not been intimated. (August 2012)				
14	40-Expenditure Pertaining to Water Resources Department Command Area Development	2705-800-0701-Centrally Sponsored Schemes (Normal)-6648-Command Area Development of Major and Medium Projects	100.00	100
Entire provision was surrendered due to non-receipt of sanction from the Government of India.				
15	41-Tribal Area Sub-Plan	20-School Education Department 2202-02-796-109-0702-Centrally Sponsored Schemes-T.S.P.-6918-Information and Communication Technology Schools	8.00	100
Entire provision was surrendered due to non-receipt of Central Share from the Government of India.				
16	41-Tribal Area Sub-Plan	23-Planning, Economics and Statistics Department 3451-796-101-0102-Tribal Area Sub-Plan-6577-Lump-Sum Provision for Plan Schemes	51.26	100
Reasons have not been intimated. (August 2012)				
17	41-Tribal Area Sub-Plan	23-Planning, Economics and Statistics Department 3454-02-796-206-1302-Central Finance Commission (Tribal Area Sub-Plan)-6268-Incentive for U.I.D.A. (13 th Finance Commission)	10.60	100
Reasons have not been intimated. (August 2012)				
18	41-Tribal Area Sub-Plan	25-Tribal Welfare Department 2225-02-796-800-0802-Central Sector Schemes (T.S.P.)-6902-Janshri Life Insurance Scheme	2.00	100
Reasons have not been intimated. (August 2012)				

1	2	3	4	5
19	41-Tribal Area Sub-Plan	26-Social Justice Department 2235-60-796-800-0102-Tribal Area Sub-Plan-5758-Kushabhau Contributory Pension Scheme	2.00	100
Reasons have not been intimated. (August 2012)				
20	41-Tribal Area Sub-Plan	15-Co-operation Department 6425-796-106-0102-Tribal Area Sub-Plan-7827-Contribution of the State Government through M.P. State Co-operative Bank for conversion of Short Term Loans into Mid Term Loans	15.95	100
Entire provision was surrendered due to non-receipt of proposal from Co-operative Bank for conversion of farmers loans.				
21	47-Technical Education and Skill Development	2230-03-003-0701-Centrally Sponsored Schemes (Normal)-6412-Establishment of I.T.I. and Skill Development Center in Vampanthi Terrorists Affected District	1.90	100
Reasons have not been intimated. (August 2012)				
22	50-Horticulture and Food Processing	2401-119-0101-State Plan Schemes (Normal)-4326-Intensive Fruit Garden Development Scheme	1.00	100
Entire provision was surrendered due to non-approval of the scheme.				
23	50-Horticulture and Food Processing	2401-119-0101-State Plan Schemes (Normal)-6498-Scheme for Encouragement of Mechanisation for Horticulture Development	1.00	100
Reasons have not been intimated. (August 2012)				
24	55-Women and Child Development	4235-02-102-0101-State Plan Schemes (Normal)-6442-Atal Bal Arogya Mission	15.00	100
Entire provision was surrendered due to provide funds for "Ladli Laxmi Yojna" in second supplementary budget.				
25	61-Expenditure Pertaining to Bundelkhand package	2515-102-1503-Additional Central Assistance (S.C.S.P.)-6109-Improvement, Renovation and Refilling of Water Structure	6.30	100
Entire provision was surrendered due to non-receipt of Central Share from the Government of India.				
26	61-Expenditure Pertaining to Bundelkhand package	2515-102-1503-Additional Central Assistance (S.C.S.P.)-9186-Farm Pond Scheme	2.20	100
Entire provision was surrendered due to non-receipt of Central Share from the Government of India.				
27	61-Expenditure Pertaining to Bundelkhand package	2515-102-1501-Additional Central Assistance (Normal)-6109-Improvement, Renovation and Refilling of Water Structure	24.48	100
Entire provision was surrendered due to non-receipt of Central Share from the Government of India.				
28	61-Expenditure Pertaining to Bundelkhand package	2515-102-1501-Additional Central Assistance (Normal)-9186-Farm Pond Scheme	6.02	100
Entire provision was surrendered due to non-receipt of Central Share from the Government of India.				

1	2	3	4	5
29	61-Expenditure Pertaining to Bundelkhand package	4401-102-1503-Additional Central Assistance (S.C.S.P.)-6080-Store and Marketing	47.45	100
Entire provision was surrendered due to non-receipt of release from the Government of India.				
30	61-Expenditure Pertaining to Bundelkhand package	4401-102-1501-Additional Central Assistance (Normal)-6080-Store and Marketing	169.24	100
Entire provision was surrendered due to non-receipt of release from the Government of India.				
31	63-Minority Welfare	2225-03-800-0801-Central Sector Schemes (Normal)-5617- Development Programmes in Mass Minority District	8.00	100
Entire provision was surrendered due to non-receipt of funds from the Government of India.				
32	64-Scheduled Castes Sub-Plan	20-School Education Department 2202-02-789-109-0703-Centrally Sponsored Schemes-S.C.S.P.-6918- Information and Communication Technology Schools	6.40	100
Entire provision was surrendered due to non-receipt of Central Share.				
33	64-Scheduled Castes Sub-Plan	23-Planning, Economic and Statistics Department 3451-789-101-0103-Scheduled Castes Sub-Plan-6577-Lump-Sum Provision for Plan Schemes	84.95	100
Entire provision was surrendered due to making of sufficient provision under various State Plan Scheme in Supplementary Budget.				
34	64-Scheduled Castes Sub-Plan	23-Planning, Economic and Statistics Department 3454-02-789-206-1303-Central Finance Commission (Scheduled Castes Sub-Plan)-6268-Incentive for U.I.D.A. (13 th Finance Commission)	7.55	100
Entire provision was surrendered due to making of sufficient provision under various State Plan Scheme in Supplementary Budget.				
35	64-Scheduled Castes Sub-Plan	26-Social Justice Department 2235-60-789-800-0103-Scheduled Castes Sub-Plan-5758-Kushabhau Contributory Pension Scheme	2.50	100
Reasons have not been intimated. (August 2012)				
36	64-Scheduled Castes Sub-Plan	15-Co-operation Department 6425-789-106-0103-Scheduled Castes Sub-Plan-7827-States Contribution for Conversion of Short Term Loan Mid Term Loan, M.P. State Co-operative Bank	11.90	100
Entire provision was surrendered due to non-receipt of proposals from Co-operative Bank for conversion of Farmer's Loan.				
37	64-Scheduled Castes Sub-Plan	55-Scheduled Castes Welfare Department 4225-01-789-800-0703-Centrally Sponsored Schemes (S.C.S.P.)-1400- Hostels and Ashrams Buildings	3.56	100
Entire provision was surrendered due to non-receipt of funds from the Government of India.				

1	2	3	4	5
38	64-Scheduled Castes Sub-Plan	17-Public Health and Family Welfare Department 2210-06-789-003-0103-Scheduled Castes Sub-Plan-4224-Education and Training	1.00	100
Entire provision was surrendered due to non-receipt of funds from the Government of India.				
39	64-Scheduled Castes Sub-Plan	55-Scheduled Castes Welfare Department 4225-01-789-800-0803-Central Sector Schemes (S.C.S.P.)-5635-Babu Jagjewan Ram Hostel Scheme	3.56	100
Reasons have not been intimated. (August 2012)				
40	67-Public Works-Buildings	4059-80-800-0101-State Plan Schemes (Normal)-5534-Transportation	5.90	100
Entire provision was surrendered due to non-sanctioning of work by the concerned department.				
41	68-Financial Assistance to Tribal Area Sub-Plan-Urban Bodies	2217-05-796-192-0102-Tribal Area Sub-Plan-6982-Integrated Urban and Slum Area Development Programme	2.30	100
Entire provision was surrendered due to non-receipt of Financial sanction from the Government of India.				
42	69-Information Technology	3425-60-600-0701-Centrally Sponsored Schemes (Normal)-6873-National e-Governance Plan	10.76	100
Entire provision was surrendered due to non-receipt of sanction from the Government of India.				
43	74-Financial Assistance to Three Tier Panchayati Raj Institutions	2215-01-102-2219-Maintenance of Tube Wells (Hand Pumps)	1.06	100
Reasons for surrender have not been intimated. (August 2012)				
44	74-Financial Assistance to Three Tier Panchayati Raj Institutions	2515-800-0801-Central Sector Schemes (Normal)-6364-B.P.L. Survey	12.00	100
Entire provision was surrendered due to non-receipt of Central Share from the Government of India.				
45	75-Financial Assistance to Urban Bodies	2217-05-191-0101-State Plan Schemes (Normal)-6982-Integrated Urban and Slum Area Development Programme	6.00	100
Entire provision was surrendered due to non-receipt of financial sanction from the Government of India.				
46	75-Financial Assistance to Urban Bodies	2217-05-192-6552-Special Area Compliance Grant Under Recommendations of 13 th Finance Commission	1.32	100
Entire provision was surrendered due to drawal of funds as per release by the Government of India.				
47	75-Financial Assistance to Urban Bodies	2217-80-191-0101-State Plan Schemes (Normal)-6607-Grant for Water Supply Scheme in Urban Areas	50.00	100
Entire provision was surrendered due to non-receipt of allotment from Finance Department.				

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1	2	3	4	5
48	75-Financial Assistance to Urban Bodies	3604-191-6062-Reimbursement of Electric Charges for Drinking Water Scheme Under the Recommendations of State Finance Commission	10.00	100
Entire provision was surrendered due to non-compliance of Government instructions by Urban Bodies.				
49	75-Financial Assistance to Urban Bodies	3604-191-6063-Specific Grant under the Recommendations of State Finance Commission	10.00	100
Entire provision was surrendered due to non-compliance of Government instructions by Urban Bodies.				
50	76-New and Renewable Energy Sources	2810-60-600-0101-State Plan Schemes (Normal)-3220-Grant-in-aid-to M.P. Energy Development Corporation	1.15	100
Reason for surrender have not been intimated. (August 2012)				
51	77-Other Expenditure Pertaining to School Education Department (Excluding Primary Education)	2202-02-109-0701-Centrally Sponsored Schemes (Normal)-6918-Information and Communication Technology Schools	25.60	100
Reasons have not been intimated. (August 2012)				
Total			2524.27	

APPENDIX 2.10

**(A) SURRENDERS (₹ ONE CRORE OR MORE) IN EXCESS OF ACTUAL SAVINGS
(REFERENCE PARAGRAPH 2.3.11; PAGE 55)**

(₹ in crore)

Sl. No.	Number and name of the Grant/ Appropriation	Total Grant/ Appropriation	Saving	Amount surrendered	Amount surrendered in excess
1	2	3	4	5	6
Revenue (Voted)					
1	01-General Administration	252.77	38.03	39.90	1.87
2	12-Energy	1970.92	6.62	7.26	0.64
3	40-Expenditure Pertaining to Water Resources Department Commend Area Development	112.43	109.64	109.69	0.05
4	67-Public Works Buildings	108.61	41.39	43.62	2.23
5	72-Bhopal Gas Tragedy Relief and Rehabilitation	63.70	11.42	11.54	0.12
Total		2508.43	207.10	212.01	4.91

(B) SURRENDERS EVEN AFTER EXCESS OVER PROVISION

(₹ in crore)

Sl. No.	Number and name of the Grant/ Appropriation	Total Grant/ Appropriation	Excess	Amount surrendered
1	2	3	4	5
Revenue (Voted)				
1	33-Tribal Welfare	943.61	10.87	0.76
Total		943.61	10.87	0.76

APPENDIX 2.11

STATEMENT OF VARIOUS GRANTS/APPROPRIATIONS IN WHICH SAVINGS OCCURRED BUT NO PART OF WHICH HAD BEEN SURRENDERED
(REFERENCE PARAGRAPH 2.3.12; PAGE 56)

(₹ in crore)			
Sl. No.	Grant/ Appropriation No.	Name of the Grant/ Appropriation	Saving
1	2	3	4
I-Grant			
Revenue (Voted)			
1	20	Public Health Engineering	62.13
2	21	Housing and Environment	9.42
3	24	Public Works-Roads and Bridges	106.69
4	26	Culture	12.63
5	38	Ayoush	76.08
6	39	Food, Civil Supplies and Consumer Protection	13.47
7	43	Sports and Youth Welfare	5.00
8	49	Scheduled Castes Welfare	1.08
9	51	Religious Trusts and Endowments	3.28
10	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	161.51
11	62	Panchayat	12.54
12	67	Public Works-Buildings	56.14
13	73	Medical Education Department	22.77
Capital (Voted)			
14	26	Culture	2.50
15	39	Food, Civil Supplies and Consumer Protection	2.69
16	43	Sports and Youth Welfare	1.27
17	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2.50
18	73	Medical Education Department	0.81
II-Appropriation			
Revenue (Charged)			
19	10	Forest	12.09
20	19	Public Health and Family Welfare	0.24
21	20	Public Health Engineering	0.30
22	24	Public Works-Roads and Bridges	9.81
23	27	School Education (Primary Education)	0.24
24	67	Public Works-Buildings	2.05
25	77	Other Expenditure Pertaining to School Education Department (Excluding Primary Education)	0.26
Capital (Charged)			
26	PD	Public Debt	3650.31
27	48	Narmada Valley Development	0.32
Total			4228.13

APPENDIX 2.12

**DETAILS OF SAVING OF ₹ ONE CRORE AND ABOVE NOT SURRENDERED
(EXCLUDING THE CASES GIVEN IN APPENDIX 2.11)
(REFERENCE PARAGRAPH 2.3.12; PAGE 56)**

(₹ in crore)

Sl. No.	Number and name of the Grant/ Appropriation	Saving	Surrender	Saving which remained to be surrendered
1	2	3	4	5
Revenue (Charged)				
1	IP-Interest Payments and Servicing of Debt	283.72	0.06	283.66
2	01-General Administration	5.14	0.73	4.41
3	06-Finance	14.23	0.003	14.227
4	29-Law and Legislative Affairs	14.69	12.22	2.47
Revenue (Voted)				
5	02-Other Expenditure Pertaining to General Administration Department	1.79	0.79	1.00
6	03-Police	193.02	32.20	160.82
7	04-Other Expenditure Pertaining to Home Department	4.78	2.57	2.21
8	05-Jail	3.06	2.02	1.04
9	06-Finance	1966.21	53.66	1912.55
10	07-Commercial Tax	110.95	76.71	34.24
11	08-Land Revenue and District Administration	193.14	189.47	3.67
12	10-Forest	194.52	8.05	186.47
13	11-Commerce, Industry and Employment	9.07	0.69	8.38
14	14-Animal Husbandry	44.30	43.18	1.12
15	15-Financial Assistance to Three Tier Panchayati Raj Institutions Under Scheduled Castes Sub-Plan	176.45	144.19	32.26
16	16-Fisheries	13.04	1.43	11.61
17	18-Labour	8.42	6.72	1.70
18	19-Public Health and Family Welfare	75.84	68.88	6.96
19	23-Water Resources Department	78.39	4.67	73.72
20	25-Mineral Resources	4.44	3.22	1.22
21	27-School Education (Primary Education)	594.12	13.18	580.94
22	28-State Legislature	6.68	2.45	4.23
23	29-Law and Legislative Affairs	137.82	98.78	39.04
24	30-Rural Development	34.93	1.95	32.98
25	32-Public Relations	2.58	1.03	1.55
26	34-Social Justice	37.74	32.40	5.34

1	2	3	4	5
27	36-Transport	11.00	8.07	2.93
28	41-Tribal Areas Sub-Plan	287.16	239.00	48.16
29	44-Higher Education	163.11	134.48	28.63
30	45-Minor Irrigation Works	5.63	4.53	1.10
31	47-Technical Education and Skill Development	29.81	27.49	2.32
32	52-Financial Assistance to Tribal Area Sub-Plan-Three Tier Panchayati Raj Institutions	241.50	173.94	67.56
33	55-Women and Child Development	40.50	36.08	4.42
34	64-Scheduled Castes Sub-Plan	255.06	245.59	9.47
35	66-Welfare of Backward Classes	6.29	2.77	3.52
36	74-Financial Assistance to Three Tier Panchayati Raj Institutions	541.67	225.26	316.41
37	75-Financial Assistance to Urban Bodies	295.90	263.17	32.73
38	77-Other Expenditure Pertaining to School Education Department (Excluding Primary Education)	322.39	101.99	220.40
Capital (Voted)				
39	01-General Administration	8.28	1.50	6.78
40	06-Finance	1501.78	1404.68	97.10
41	11-Commerce, Industry and Employment	39.18	0.0011	39.179
42	12-Energy	185.30	184.08	1.22
43	19-Public Health and Family Welfare	91.25	79.25	12.00
44	20-Public Health Engineering	58.92	3.90	55.02
45	23-Water Resources Department	105.76	2.90	102.86
46	24-Public Works-Roads and Bridges	283.70	281.93	1.77
47	41-Tribal Areas Sub-Plan	170.65	140.96	29.69
48	42-Public Works Relating to Tribal Areas Sub-Plan Roads and Bridges	137.61	133.78	3.83
49	45-Minor Irrigation Works	62.84	1.91	60.93
50	48-Narmada Valley Development	64.17	28.74	35.43
51	57-Externally Aided Projects Pertaining to Water Resources Department	142.06	36.08	105.98
52	61-Expenditure Pertaining to Bundelkhand Package	258.29	229.29	29.00
53	64-Scheduled Castes Sub-Plan	233.31	207.42	25.89
Total		9752.19	5000.04	4752.15

APPENDIX 2.13

**CASES OF SURRENDER OF FUNDS IN EXCESS OF ₹ 10 CRORE ON
30 AND 31 MARCH 2012
(REFERENCE PARAGRAPH 2.3.12; PAGE 56)**

(₹ in crore)

Sl. No.	Grant No.	Major Head	Budget provision	Amount of surrender	Percentage of total provision
1	2	3	4	5	6
1	03	2055	2435.90	19.06	0.78
2	03	2070	120.60	13.15	10.90
3	03	4055	67.84	34.77	51.25
4	06	2052	56.08	10.49	18.71
5	06	2075	39.45	28.78	72.95
6	06	6801	1400.00	1400.00	100.00
7	07	2039	1082.18	50.03	4.62
8	07	2040	150.26	24.82	16.52
9	08	2029	503.21	132.59	26.35
10	08	2053	376.28	56.85	15.11
11	12	6801	15151.12	184.08	1.21
12	13	2401	994.28	116.27	11.69
13	14	2403	505.79	43.18	8.54
14	15	2501	211.87	55.33	26.12
15	15	2505	115.42	29.46	25.52
16	15	2515	301.51	39.93	13.24
17	17	2425	457.49	35.20	7.69
18	19	2210	1445.28	30.60	2.12
19	19	2211	352.08	38.28	10.87
20	19	4210	113.15	79.25	70.04
21	24	5054	1568.17	277.65	17.71
22	27	2202	4450.66	13.18	0.30
23	29	2014	545.91	83.28	15.26
24	29	2015	87.43	27.27	31.19
25	31	3451	348.01	10.27	2.95
26	31	3454	111.31	57.62	51.77
27	40	2705	112.43	109.69	97.56
28	41	2202	655.02	12.03	1.84
29	41	2225	385.84	36.59	9.48
30	41	2235	259.56	29.06	11.20
31	41	2401	230.08	33.73	14.66
32	41	3454	10.60	10.60	100.00
33	41	4210	82.23	45.00	54.72
34	41	4215	126.96	30.12	23.72
35	41	4701	254.52	31.58	12.41
36	42	5054	414.07	133.78	32.31
37	52	2501	270.73	39.95	14.76
38	52	2505	200.18	49.50	24.73
39	52	2515	369.61	62.43	16.89
40	53	2215	72.75	10.93	15.02
41	55	2235	1401.78	34.80	2.48
42	55	4235	81.34	15.00	18.44

1	2	3	4	5	6
43	57	4700	358.28	36.08	10.07
44	61	2403	61.18	31.36	51.26
45	61	2515	39.00	39.00	100
46	61	4702	146.24	10.72	7.33
47	67	4059	65.46	18.83	28.77
48	67	4210	15.65	11.41	72.91
49	77	2202	1336.01	97.47	7.30
50	76	2810	28.39	15.16	53.40
51	09	2058	49.49	16.00	32.33
52	34	2235	136.61	16.99	12.44
53	44	2202	880.50	134.48	15.27
54	47	2230	133.78	19.50	14.58
55	48	4700	543.10	13.64	2.51
56	48	4801	213.02	15.10	7.09
57	50	2401	196.65	19.19	9.76
58	63	2225	56.21	18.33	32.61
59	68	2215	64.69	16.69	25.80
60	69	3425	31.32	10.76	34.36
61	74	2501	483.61	57.06	11.80
62	74	2202	1696.63	44.21	2.61
63	74	2515	991.57	57.84	5.83
64	74	2505	179.40	37.68	21.00
65	75	2217	872.28	214.80	24.63
66	75	3604	2494.98	89.95	3.61
67	64	2225	341.08	24.53	7.19
68	64	2401	179.73	36.06	20.06
69	64	4210	87.74	36.25	41.32
70	64	4215	153.56	28.65	18.66
71	64	5054	252.86	115.89	45.83
72	64	6425	11.90	11.90	100
Total			50019.90	4871.71	9.74

APPENDIX 2.14

RUSH OF EXPENDITURE
(REFERENCE PARAGRAPH 2.3.13; PAGE 56)

(₹ in crore)

Sl. No.	Grant number and name	Scheme No.	Expenditure incurred during Jan-March 2012	Expenditure incurred in March 2012	Total expenditure	Percentage of total expenditure incurred during	
						Jan-March 2012	March 2012
1	2	3	4	5	6	7	8
1	03-Police	2643	35.24	33.19	37.00	95.24	89.70
2	03-Police	6065	11.75	11.21	13.16	89.28	85.18
3	06-Finance	5614	20.00	20.00	20.00	100	100
4	11-Commerce, Industry and Employment	7880	164.72	150.79	209.00	78.81	72.15
5	12-Energy	3218	305.00	305.00	305.00	100	100
6	12-Energy	5607	134.10	134.10	207.00	64.78	64.78
7	12-Energy	6326	20.00	20.00	20.00	100	100
8	12-Energy	6659	10256.93	10256.93	10256.93	100	100
9	12-Energy	6660	1300.17	1300.17	1300.17	100	100
10	12-Energy	6661	454.28	454.28	454.28	100	100
11	12-Energy	7900	190.86	176.56	273.78	69.71	64.49
12	13-Farmers Welfare and Agriculture Development	6366	35.01	35.01	35.01	100	100
13	14-Animal Husbandry	6295	13.24	13.24	13.58	97.50	97.50
14	14-Animal Husbandry	7155	13.08	13.08	18.51	70.66	70.66
15	17-Co-operation	6934	103.17	103.17	103.46	99.72	99.72
16	17-Co-operation	9254	140.67	140.67	240.34	58.53	58.53
17	19-Public Health and Family Welfare	6229	12.16	12.16	14.33	84.86	84.86
18	19-Public Health and Family Welfare	6624	22.50	22.50	22.50	100	100
19	20-Public Health Engineering	6032	25.33	20.32	29.67	85.37	68.49
20	23-Water Resources Department	5595	67.00	55.69	69.00	97.10	80.71
21	25-Mineral Resources	6606	607.55	607.55	607.55	100	100
22	26-Culture	6464	34.87	34.87	36.69	95.04	95.04

1	2	3	4	5	6	7	8
23	27-School Education (Primary Education)	6344	10.41	10.35	10.41	100	99.42
24	29-Law and Legislative Affairs	6269	121.36	121.29	124.29	97.64	97.59
25	30-Rural Development	6613	60.00	60.00	60.00	100	100
26	31-Planning, Economics and Statistics	6267	16.00	16.00	16.00	100	100
27	32-Public Relations	3956	26.83	24.67	48.45	55.38	50.92
28	39-Food, Civil Supplies and Consumer Protection	3229	11.59	11.59	11.59	100	100
29	39-Food, Civil Supplies and Consumer Protection	3248	13.38	13.38	13.38	100	100
30	39-Food, Civil Supplies and Consumer Protection	5290	15.18	15.18	15.18	100	100
31	39-Food, Civil Supplies and Consumer Protection	0570	11.00	10.75	11.00	100	97.73
32	41-Tribal Areas Sub-Plan	5056	12.95	12.87	19.61	66.04	65.63
33	41-Tribal Area Sub-Plan	5211	72.92	72.70	134.07	54.39	54.22
34	41-Tribal Areas Sub-Plan	5523	63.15	63.15	100.00	63.15	63.15
35	41-Tribal Areas Sub-Plan	6005	16.35	16.35	16.35	100	100
36	41-Tribal Areas Sub-Plan	7895	32.29	32.29	32.31	99.94	99.94
37	41-Tribal Areas Sub-Plan	8799	12.73	11.57	21.00	60.62	55.10
38	47-Technical Education and Skill Development	5885	10.70	10.70	10.70	100	100
39	48-Narmda Valley Development	9091	50.44	46.14	60.62	83.21	76.11
40	50-Horticulture and Food Processing	5626	14.05	14.05	24.86	56.52	56.52

1	2	3	4	5	6	7	8
41	52-Financial Assistance to Tribal Area Sub-Plan-Three Tier Panchayati Raj Institutions	6084	29.14	26.18	42.84	68.02	61.11
42	61-Expenditure pertaining to Bundelkhand Package	5584	43.68	43.61	50.00	87.36	87.22
43	61-Expenditure pertaining to Bundelkhand Package	6080	63.70	63.70	63.70	100	100
44	64-Scheduled Castes Sub-Plan	5056	23.94	23.34	30.42	78.70	76.72
45	64-Scheduled Castes Sub-Plan	5523	124.10	124.10	165.20	75.12	75.12
46	64-Scheduled Castes Sub-Plan	6007	12.96	12.96	14.56	89.01	89.01
47	64-Scheduled Castes Sub-Plan	6484	14.12	14.12	14.12	100	100
48	64-Scheduled Castes Sub-Plan	7895	13.37	13.37	13.39	99.85	99.85
49	74-Financial Assistance to Three Tier Panchayati Raj Institutions	4610	107.36	102.19	124.76	86.05	81.91
50	74-Financial Assistance to Three Tier Panchayati Raj Institutions	6226	19.23	19.23	30.51	63.03	63.03
51	74-Financial Assistance to Three Tier Panchayati Raj Institutions	6244	319.68	319.68	557.56	57.33	57.33
52	74-Financial Assistance to Three Tier Panchayati Raj Institutions	6299	206.91	186.79	262.25	78.90	71.23
53	75-Financial Assistance to Urban Bodies	5126	25.42	21.33	42.20	60.24	50.54
54	75-Financial Assistance to Urban Bodies	6221	65.75	65.75	94.03	69.92	69.92

1	2	3	4	5	6	7	8
55	75-Financial Assistance to Urban Bodies	6297	71.30	71.30	71.30	100	100
56	75-Financial Assistance to Urban Bodies	6551	30.03	30.03	30.03	100	100
57	77-Other Expenditure pertaining to School Education Department (Excluding Primary Education)	6007	20.21	20.21	23.31	86.70	86.70
58	PD-Public Debt	6962	91.11	88.52	167.69	54.33	52.79
59	PD-Public Debt	7105	129.07	129.07	129.07	100	100
60	IP-Interest Payment and Servicing of Debt	6880	29.68	29.68	29.68	100	100
Total			15979.72	15888.68	16973.40	94.14	93.61

APPENDIX 2.15

**STATEMENT SHOWING TRANSFER OF FUNDS TO 8443-CIVIL DEPOSIT-
800-OTHER DEPOSIT IN RESPECT OF CENTRAL SCHEME
(REFERENCE PARAGRAPH 2.3.13; PAGE 56)**

(₹ in crore)

Sl. No.	Grant No. and name	Head of account up to detailed head and name of scheme	Total budget provision (Original + Supplementary)	Expenditure incurred	Amount transferred to 8443-Civil Deposit-800-Other Deposit
1	2	3	4	5	6
1	03-Police	4055-800-0701-6631-Construction/Strengthening Police Stations in Naxal Affected Area	4.45	4.45	4.45
2	19-Public Health and Family Welfare	4210-01-110-1301-6453-Strengthening of Health Infrastructure (13 th Finance Commission)	40.65	6.10	1.22
3	26-Culture	2205-800-1301-6464-Development and Maintenance Works etc. of Monuments/Museums	43.75	36.69	34.87
4	29-Law and Legislative Affairs	2014-105-1301-6269-Reforms in Judicial System (13 th Finance Commission)	158.04	124.29	121.24
5	37-Tourism	5452-01-101-0701-7630-Construction of Tourism Infrastructure (Central Share)	25.00	25.00	3.09
6	37-Tourism	5452-01-190-1301-6559-Development of Buddhist Paripath in the State	1.00	1.00	1.00
7	37-Tourism	5452-01-190-1301-6560-Development of Religious Tourism	3.00	3.00	2.00
8	37-Tourism	5452-01-190-1301-6561-Development of Jain Paripath	3.00	3.00	1.00
9	37-Tourism	5452-01-190-1301-6563-Development of Heritage Tourism	4.00	4.00	4.00
10	37-Tourism	5452-01-190-1301-6567-Up-gradation of Link Roads and Internal Roads	7.00	7.00	4.00
11	37-Tourism	5452-01-190-1301-6570-Development of Statistical Cell	0.50	0.50	0.50
12	37-Tourism	5452-01-190-1301-6571-Fair and Festival	1.50	1.50	1.50
13	37-Tourism	5452-01-190-1301-8808-Works Related to Information Technology	1.00	1.00	0.50

1	2	3	4	5	6
14	41-Tribal Area Sub-Plan (Man Power Planning Department)	2203-796-105-0702-2667-Polytechnic Institutes	3.12	2.96	2.94
15	41-Tribal Area Sub-Plan (Women and Child Development Department)	2236-02-796-101-0702-9050-Minimum Need Programme for Special Nutrition Food Scheme	200.70	198.94	0.89
16	41-Tribal Area Sub-Plan (Planning, Economic and Statistic Department)	3451-796-101-1302-6267-District Renewal Fund	5.25	5.25	5.25
17	41-Tribal Area Sub-Plan (Public Health and Family Welfare Department)	4210-01-796-110-1302-6453-Strengthening of Health Infrastructure (13 th Finance Commission)	12.50	4.93	2.53
18	47-Technical Education and Skill Development	2203-105-0701-2667-Polytechnic Institutes	22.38	18.05	15.20
19	47-Technical Education and Skill Development	2230-03-003-0701-6640-Establishment of Instructor Training Wing Under World Bank Aided Vocational Training Improvement Project	0.65	0.65	0.65
20	47-Technical Education and Skill Development	4202-02-104-0701-2667-Polytechnic Institutes	19.56	19.56	6.30
21	47-Technical Education and Skill Development	4202-03-003-0701-6640-Establishment of Instructor Training Wing Under World Bank Aided Vocational Training Improvement Project	0.65	0.65	0.65
22	55-Women and Child Development	2235-02-102-0701-0658-Integrated Child Development Service Scheme	611.36	611.64	182.25
23	55-Women and Child Development	2235-02-102-0701-6392-Rajiv Gandhi Kishori Balika Sashaktikaran Yojna (Sabla)	4.13	4.09	3.06

1	2	3	4	5	6
24	55-Women and Child Development	2236-02-101-0701-9050-Minimum Needs Programme for Special Nutritious Food Scheme	566.70	564.93	2.18
25	61-Expenditure Pertaining to Bundelkhand Package	4701-80-001-1501-5584-Singhpur Barrage	50.00	50.00	24.68
26	61-Expenditure Pertaining to Bundelkhand Package	4702-101-1501-6077-New Minor Irrigation Schemes	42.52	66.51	5.00
27	64-Scheduled Castes Sub-Plan (Scheduled Castes Welfare Department)	2055-789-109-0703-5172-Establishment of Scheduled Caste/Scheduled Tribe Police Stations	28.61	26.07	0.34
28	64-Scheduled Castes Sub-Plan (Man Power Planning Department)	2203-789-105-0703-2667-Polytechnic Institutions	6.68	6.30	6.30
29	64-Scheduled Castes Sub-Plan (Women and Child Development Department)	2236-02-789-101-0703-9050-Minimum Need Programme Special Nutrition Food Scheme	134.60	133.21	0.37
30	64-Scheduled Castes Sub-Plan (Planning, Economic and Statistics Department)	3451-789-101-1303-6267-District Navachar Fund	3.75	3.75	3.75
31	64-Scheduled Castes Sub-Plan (Public Health and Family Welfare)	4210-01-789-110-1303-6453-Strengthening of Health Infrastructure (13 th Finance Commission)	9.35	2.39	0.31
32	73-Medical Education Department	4210-03-105-0701-6460-Strengthening of P.G. Course in Medical Colleges	8.97	8.97	4.00
Total			2024.37	1946.38	446.02

APPENDIX 2.16

**EXPENDITURE INCURRED WITHOUT PROVISION
(REFERENCE PARAGRAPH 2.3.14; PAGE 57)**

(₹ in crore)

Sl. No.	Grant No.	Head of Account	Expenditure	Reasons
1	2	3	4	5
1	IP-Interest Payment and Servicing of Debt	2049-04-109-5691-Interest on State Plan Loan Consolidated in terms of recommendations of 12 th Finance Commission	357.55	Reasons for which have not been intimated (August 2012)
2	PD-Public Debt	6003-101-5049-13.05%-Madhya Pradesh State Development Loan, 2007	0.0049	Reasons for which have not been intimated (August 2012)
3	PD-Public Debt	6003-106-5044-Compensation	0.0013	Reasons for which have not been intimated (August 2012)
4	PD-Public Debt	6004-03-800-0002-Rehabilitation of Displaced Persons	0.03	Reasons for which have not been intimated (August 2012)
5	PD-Public Debt	6004-03-800-0003-Loans for Re-settlement of Migrants from erstwhile East Pakistan	0.49	Reasons for which have not been intimated (August 2012)
6	PD-Public Debt	6004-04-800-2253-Loans for Civil Supply Scheme	0.23	Reasons for which have not been intimated (August 2012)
Total			358.31	

APPENDIX 2.17

**(A) THE AMOUNT OF PROVISION OF MORE THAN ₹ THREE CRORE
AND ABOVE IN EACH CASE UNDER OBJECT HEADS 63-MACHINES,
64-MAJOR CONSTRUCTION WORKS AND 45-GRANTS FOR
CREATION OF CAPITAL ASSETS RELATING TO CAPITAL SECTION
CLASSIFIED IN REVENUE SECTION
(REFERENCE PARAGRAPH 2.4.1; PAGE 58)**

(₹ in crore)				
Sl.No.	Grant No. and Name	Name of Scheme	Amount	Classified in Object Head
1	2	3	4	5
1	03- Police	2055-101-0270- Criminal Investigation Department	18.36	63
2	03- Police	2055-109-1301-6463- Upgradation of Police Training institutions (13 th Finance Commission)	4.18	63
3	03- Police	2055-114-4155- Wireless office Bhopal /Gwalior	6.25	63
4	06-Finance	2054-095-8808- Work Related to Information Technology	47.66	63
5	07- Commercial Tax	2039-0101-8808-Work Related to Information Technology	14.00	63
6	12-Energy	2801-05-052-1201-5114- Grant for D.F.I.D. Under Electricity Area Improvement Programme	11.87	45
7	12-Energy	2801-80-800-0101-7400- Arrangement for Singhastha Mela	5.25	45
8	13-Farmer Welfare and Agriculture Development	2401-113-0101-5626-National Agriculture Development Scheme	28.53	63
9	14-Animal Husbandry	2403-800-0801-1501-5626- National Agriculture Development Scheme	36.93	45
10	19-Public Health and Family Welfare	2210-01-110-6051- Generator for Hospitals	9.00	63
11	19-Public Health and Family Welfare	2210-01-196-1473-District Hospitals	3.80	63
12	19-Public Health and Family Welfare	2210-01-103-2777-Primary Health Centers	5.00	63
13	19-Public Health and Family Welfare	2210-03-103-0101-6624- Establishment of Solar Photovoltaic Machine	22.50	63
14	41-Tribal Area Sub-Plan (Man Power Planning Department)	2230-03-796-003-6477-Strengthening and Extension of Vocational Training	3.63	63
15	41-Tribal Area Sub-Plan (Public Health and Family Welfare Department)	2210-06-796-003-0102-4224- Education and Training	5.00	63

1	2	3	4	5
16	41-Tribal Area Sub-Plan (Public Health and Engineering Department)	2215-01-102-0702-2580-Rural Piped Water Supply Scheme	52.50	64
17	47-Technical Education and Skill Development	2230-03-003-0101-6472-Strengthening of I.T.I	3.14	63
18	47-Technical Education and Skill Development	2230-03-003-0701-6951-Development of Government Industrial Training Institute into excellent Institute	9.00	63
19	48-Narmada Valley Development	2402-102-0701-1580-Macro Management Scheme	12.00	64
20	64-Scheduled Castes Sub-Plan	2210-01-800-0103-6974-Sagar Medical College	4.51	63
21	66-Welfare of Backward Classes	2225-03-800-0101-5512-Construction of Boys Hostels Buildings at District Level	5.60	64
22	73-Medical Education Department	2210-01-110-0101-1353-Medical College and Attached Hospitals	10.97	63
23	73-Medical Education Department	2210-05-105-0101-4968-Medical College	4.64	63
Total			324.32	

(B) STATEMENT SHOWING PROVISION MORE THAN ₹ THREE CRORE UNDER 42- GRANT-IN-AID AND RELATING TO REVENUE SECTION CLASSIFIED IN CAPITAL SECTION

(₹ in crore)				
Sl. No.	Grant No. and Name	Name of Scheme	Amount	Classified in Object Head
1	2	3	4	5
1	30-Rural Development	4515-800-0101-5853-D.P.I.P. Scheme	5.00	42
2	30-Rural Development	4515-800-0701-6655- Grant in Madhya Pradesh Rural Road Development Authority	70.00	42
3	48-Narmada Valley Development	4701-80-001-0101-6617- Narmada Basin Project Company Ltd.	5.32	42
Total			80.32	

APPENDIX 2.18

**SUBSTANTIAL SAVINGS UNDER SCHEMES OF SELECTED GRANTS
(REFERENCE PARAGRAPH 2.6; PAGE 60)**

(₹ in crore)

Sl. No.	Grant number and name of scheme	Saving (Percentage)
1	2	3
		2011-12
10-Forest		
1	2406-01-102-7680-Distribution of dividend to Joint Forest Management Committees	8.05 (21.76)
2	2406-01-102-0701-5317-Intensive Forest Management	4.13 (25.18)
3	2406-01-204-2901-Bamboos	7.53 (27.09)
4	2406-02-110-0701-1594-Development of National Park and Sanctuary Bandhavgarh, Kanha National Park and Tiger Project	110.56 (74.21)
5	2406-02-110-0701-6539-Development of National Park and Sanctuaries	3.54 (40.41)
6	2406-01-797-3885-Transfer to Forest Development Fund (Charged)	12.00 (100)
53-Financial Assistance to Urban Bodies Under Scheduled Castes Sub-Plan		
7	18-Urban Administration and Development Department 2217-05-789-191-0103-6981-Jawahar Lal Nehru National Urban Renewal Mission	4.77 (23.28)
8	18-Urban Administration and Development Department 2217-80-789-191-0703-6931-Mid-Day Meal Programme	4.82 (21.75)
9	18-Urban Administration and Development Department 6217-60-789-800-1203-7905-Development of Basic Facilities in Municipal Corporations	10.20 (33.63)
Total		165.60

APPENDIX 2.19

**SUBSTANTIAL EXCESS UNDER SCHEMES OF SELECTED GRANTS
(REFERENCE PARAGRAPH 2.6; PAGE 60)**

(₹ in crore)

Sl. No.	Grant number and name of scheme	Excess (Percentage)
		2011-12
1	2	3
10-Forest		
1	2406-01-001-0101-2723-Strengthening of Administration	3.02 (33.97)
2	2406- 01-101-0101-5830-Grant to Eco Tourism Development Board	0.50 (50.00)
3	3054-04-337-4349-Construction of Roads and repairing of Roads and Bridges (13 th Finance Commission) .	0.40 (20.00)
	Total	3.92

APPENDIX 2.20

**CASES WHERE SUPPLEMENTARY PROVISION PROVED EXCESSIVE
UNDER SCHEMES OF SELECTED GRANTS
(REFERENCE PARAGRAPH 2.6; PAGE 60)**

(₹ in crore)

Sl. No.	Description of Grants and schemes	Original	Supplementary	Expenditure	Saving (-)
1	2	3	4	5	6
10-Forest					
1	2406-02-110-2899-National Parks	45.01	9.85	50.86	4.00
2	2406-01-001-3555-Headquarters	23.71	8.66	29.27	3.10
3	2406-01-101-0812-Establishment of Executive Planning Organisation and Executive Forest Circles	575.44	53.24	591.96	36.72
Total		644.16	71.75	672.09	43.82

APPENDIX 3.1

**DEPARTMENT-WISE POSITION OF PENDING UTILISATION
CERTIFICATES UP TO MARCH 2012**

(REFERENCE PARAGRAPH 3.1; PAGE 63)

Sl. No	Name of Departments	Major Head	Number of Utilisation Certificates	Amount (₹ in crore)
1	2	3	4	5
1.	Revenue	2029	30	1.20
2.	Social Welfare	2235	388	660.37
3.	Urban Administration	3604	13056	10406.02
4.	Vidhan Sabha Secretariat	2011	24	1.29
5.	Public Relations	2220	19	1.50
6.	Rural Development	4515,2515, 2505,2501	6061	5984.63
7.	Co-operation	6425,2425	1764	264.65
8.	Irrigation	2702	1301	18.65
9.	Energy	2801,2810	1686	874.14
10.	Animal Husbandary	2403	1253	227.25
11.	Excise	2039	56	1.87
12.	Jail	2056	19	0.02
13.	Women and Child Development	2236	849	86.43
14.	Police	2055	190	1.91
15.	Religious Trusts & Endowments	2250	234	17.85
16.	Public Health Engineering	2215,6215	2454	27.46
17.	Industry	2851,2852	1410	445.22
18.	Law & Legislative Affairs	2014	67	1.53
19.	Housing and Environment	2217	989	2467.92
20.	Food And Civil Supplies	2408	1607	4429.71
21.	Public works Department(Housing)	2216	150	214.14
22.	Mining and Meteorology	2853	100	214.75
23.	Fisheries	2405	98	10.83
24.	Tourism	3452	40	65.22
25.	Agriculture	2401,4402	425	464.40
26.	Labour	2230	548	51.56
27.	General Administration	2075,2052	122	86.80
28.	Commercial Tax	2045	10	0.17
29.	Economics and Statistics	3454	241	58.04
30.	Institutional Finance	2047	4	0.02
31.	Science and Technology	3425	35	4.48
32.	Public Health and Family Welfare	2211	12	0.93
33.	Medical Services	2210	608	635.32
34.	SC, ST and Other Welfare Department	2225	424	389.10
35.	Education Department	2202,4202	3137	3188.67
36.	Sports and Youth welfare	2204	6	7.89
37.	Forest	2406	988	105.79
	Total	47 Major Heads	40405	31417.72

APPENDIX 3.2

**STATEMENT SHOWING STATUS OF ACCOUNTS OF THE AUTONOMOUS BODIES
(REFERENCE PARAGRAPH 3.2; PAGE 64)**

Sl. No	Name of body	Period of entrustment	Year up to which accounts were rendered	Period up to which Separate Audit Report was issued	Placement of SAR in the Legislature	Period of Delay in submission/non-submission of accounts (in Months)
1	2	3	4	5	6	7
1	M.P. Housing Board Bhopal	Up to 2006-07	2006-07	Up to 2006-07	2003-04	-
2	M.P. Khadi and Village Industries Board, Bhopal	Up to 2009-10	2007-08	2006-07	2004-05	2007-08 (45) 2008-09 (39) 2009-10 (27)
3	M.P. Human Right Commission, Bhopal	Entrustment vide act of Parliament	2010-11	2009-10	2008-09	2008-09 (15) 2009-10 (16) 2010-11 (09)
4	M.P. Building and Construction Workers Welfare Board, Bhopal	Entrustment vide act of Parliament (2003-04)	2003-04 to 2007-08	Nil	Nil	2003-04 to 2007-08 (84) From 2008-09 onward (36)
5	M.P. State Legal Service Authority, Jabalpur	Entrustment vide act of Parliament	Accounts not rendered since inception (1997-98)	-	-	168
6	District Legal Services Authority (DLSA) Jabalpur	-do-	Accounts not rendered since inception (1998-99)	-	-	156
7	DLSA, Badwani	-do-	Accounts not rendered since inception (2006-07)	-	-	60
8	DLSA, Harda	-do-	-do-	-	-	-do-
9	DLSA, Neemuch	-do-	-do-	-	-	-do-
10	DLSA, Sheopur	-do-	-do-	-	-	-do-
11	DLSA, Balaghat	-do-	Accounts not rendered since inception (1998-99)	-	-	156
12	DLSA, Betul	-do-	-do	-	-	-do-

1	2	3	4	5	6	7
13	DLSA, Bhind	-do-	-do	-	-	-do-
14	DLSA, Bhopal	-do-	-do	-	-	-do-
15	DLSA, Chatarpur	-do-	-do	-	-	-do-
16	DLSA, Chindwara	-do-	-do	-	-	-do-
17	DLSA, Damoh	-do-	-do	-	-	-do-
18	DLSA, Datiya	-do-	-do	-	-	-do-
19	DLSA, Dewas	-do-	-do	-	-	-do-
20	DLSA, Dhar	-do-	-do	-	-	-do-
21	DLSA, Guna	-do-	-do	-	-	-do-
22	DLSA, Gwalior	-do-	-do	-	-	-do-
23	DLSA, Hosangabad	-do-	-do	-	-	-do-
24	DLSA, Indore	-do-	-do	-	-	-do-
25	DLSA, Jhabua	-do-	-do	-	-	-do-
26	DLSA, Khandwa	-do-	-do	-	-	-do-
27	DLSA, Mandla	-do-	-do	-	-	-do-
28	DLSA, Mandsaur	-do-	-do	-	-	-do-
29	DLSA, Morena	-do-	-do	-	-	-do-
30	DLSA, Narsinghpur	-do-	-do	-	-	-do-
31	DLSA, Panna	-do-	-do	-	-	-do-
32	DLSA, Raisen	-do-	-do	-	-	-do-
33	DLSA, Rajgarh	-do-	-do	-	-	-do-
34	DLSA, Ratlam	-do-	-do	-	-	-do-
35	DLSA, Rewa	-do-	-do	-	-	-do-
36	DLSA, Sagar	-do-	-do	-	-	-do-
37	DLSA, Sehore	-do-	-do	-	-	-do-
38	DLSA, Seoni	-do-	-do	-	-	-do-
39	DLSA, Shahdol	-do-	-do	-	-	-do-
40	DLSA, Shajapur	-do-	-do	-	-	-do-
41	DLSA, Shivpuri	-do-	-do	-	-	-do-
42	DLSA, Sidhi	-do-	-do	-	-	-do-
43	DLSA, Tikamgarh	-do-	-do	-	-	-do-
44	DLSA, Ujjain	-do-	-do	-	-	-do-
45	DLSA, Vidisa	-do-	-do	-	-	-do-
46	DLSA, Mandleshwar	-do-	-do	-	-	-do-
47	DLSA, Satna	-do-	-do	-	-	-do-

1	2	3	4	5	6	7
48	DLSA, Katni	-do-	Accounts not rendered since inception (2002-03)	-	-	108

Period of delay taken from the due date of receipt of accounts i.e. 30th June of the ensuing Financial year till 30th June 2012.

APPENDIX 3.3

DEPARTMENT-WISE/DURATION-WISE BREAK-UP OF THE CASES OF MISAPPROPRIATION, DEFALCATION ETC.
(REFERENCE PARAGRAPH 3.3; PAGE 64)

Sl.No.	Name of the Department	Up to 5 Years		5 to 10 Years		10 to 15 Years		15 to 20 Years		20 to 25 Years		25 Years and more		Total no. of cases	
		No. of cases	Amount (in lakh)	No. of cases	Amount (in lakh)	No. of cases	Amount (in lakh)	No. of cases	Amount (in lakh)	No. of cases	Amount (in lakh)	No. of cases	Amount (in lakh)	No. of cases	Amount (in lakh)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	2210-Medical & Public Health	4	21.09	1	4.44	6	26.35	1	3.08	15	15.21	21	11.41	48	81.58
2	2211- Family Welfare	0	0.00	0	0.00	0	0.00	0	0.00	1	0.20	11	5.11	12	5.31
3	2054- Treasury & Accounts	3	15.82	0	0.00	2	19.78	0	0.00	3	1.16	5	12.10	13	48.86
4	2014- Admin & Justice	0	0.00	2	1.28	1	3.69	1	0.44	0	0.00	2	0.29	6	5.70
5	2053-Distt. Administration	1	0.01	0	0.00	0	0.00	0	0.00	1	0.40	1	0.40	3	0.81
6	2058- Stationery & Printing	0	0.00	0	0.00	0	0.00	1	0.67	0	0.00	0	0.00	1	0.67
7	2055- Police	193	65.69	194	66.90	35	27.52	16	9.30	4	1.08	0	0.00	442	170.49
8	2225- Welfare of SC/ST/OBC	0	0.00	0	0.00	4	1.78	16	10.21	6	6.53	12	2.54	38	21.06
9	2235- Panchayat	0	0.00	0	0.00	1	4.04	1	0.14	1	0.10	2	2.83	5	7.11
10	2235- Rehabilitation	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.19	1	0.19
11	2235- Women & Child Welfare	0	0.00	1	1.31	0	0.00	2	1.20	2	1.06	0	0.00	5	3.57
12	2403- Animal Husbandry	0	0.59	7	1.82	4	4.35	1	0.24	3	0.92	3	5.63	21	13.55
13	2202- School Education	59	2699.81	25	37.35	8	4.40	15	8.79	21	12.98	34	14.68	162	2778.01
14	2203- Tech. Education	12	16.62	5	9.41	0	0.00	0	0.00	0	0.00	0	0.00	17	26.03
15	2204- Sport & Youth Services	1	0.45	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.45
16	2505- Rural Employment	0	0.00	1	0.25	0	0.00	1	13.12	0	0.00	0	0.00	2	13.37
17	2230- Labour & Employment	7	4.13	3	0.62	1	6.76	0	0.00	0	0.00	0	0.00	11	11.51

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
18	2402- Soil & Water Conservation	0	0.00	2	0.95	0	0.00	0	0.00	0	0.00	2	0.47	4	1.42
19	2406-Forestry and Wild Life	163	392.33	225	244.34	398	366.59	365	153.39	636	127.33	509	95.40	2296	1379.38
20	2501- Special Programmes for Rural Development	2	43.56	1	1.33	3	1.54	2	2.99	2	0.35	1	0.02	11	49.79
21	2505- Rural Employment	1	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.00
22	2515- Other Rural Development Programmes	3	1.47	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	3	1.47
23	2851- Village & Small Industries	2	0.80	0	0.00	1	2.75	0	0.00	0	0.00	1	0.07	4	3.62
24	2852- Industries	0	0.00	1	1.03	0	0.00	0	0.00	0	0.00	0	0.00	1	1.03
25	Water Resources Department	1	0.30	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.30
26	Public Works Department	1	0.08	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.08
27	Narmada Valley Development Department	1	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.00
Total		457	3262.75	468	371.03	464	469.55	422	203.57	695	167.32	605	151.14	3111	4625.36

APPENDIX 3.4

**DEPARTMENT-WISE DETAILS OF CASES OF WRITE-OFF FOR 2011-12
(REFERENCE PARAGRAPH 3.3; PAGE 64 & 65)**

Sl. No.	Department	Authority sanctioning write off	Brief particulars	No. of cases	Amount (in ₹)
1	2	3	4	5	6
1	2210-Medical & Pub. Health	Joint Director, Gwalior	Theft of A D Forms in J A Hospital, Gwalior	1	19,960.00
2	2210-Medical & Pub. Health	Civil Surgeon, Mandsaur	Forgery by Sri K L Sharma in Civil Surgeon Office Mandsaur	1	35,326.00
3	2210-Medical & Pub. Health	CMHO Sehore	Theft of medicines and double withdrawal in 1989-90	1	27,022.00
4	2210-Medical & Pub. Health	Superintendent, Sultania Janana Hospital, Bhopal	Defalcation of Government money	1	6,642.96
5	2210-Medical & Pub. Health	Principal, Medical College, Jabalpur	Medicines found short in store	1	95,815.10
6	2055- Police	Director General, Police MP, Bhopal	Loss due to theft of wireless sets, accidents of vehicles etc.	19	5,68,401.00
7	2203- Tech. Education	Director, Technical Education, MP, Bhopal	Loss due to theft	1	46,700.00
8	2401- Crop Husbandry	Director Agriculture MP, Bhopal	Loss due to theft	1	31,671.44
9	2402-Soil & Water Conservation	Director Agriculture MP, Bhopal	Loss due to theft	1	40,487.00
10	2406-Forestry and Wild Life	Add. P.C.C.F. Finance and Budget M.P. Bhopal and Sr DAG	Due to non-recovery of loss	26	1,00,655.00
11	2425- Co-operation	Commissioner, Co-operation MP, Bhopal	Loss due to theft	2	1,11,774.00
Total				55	10,84,454.50

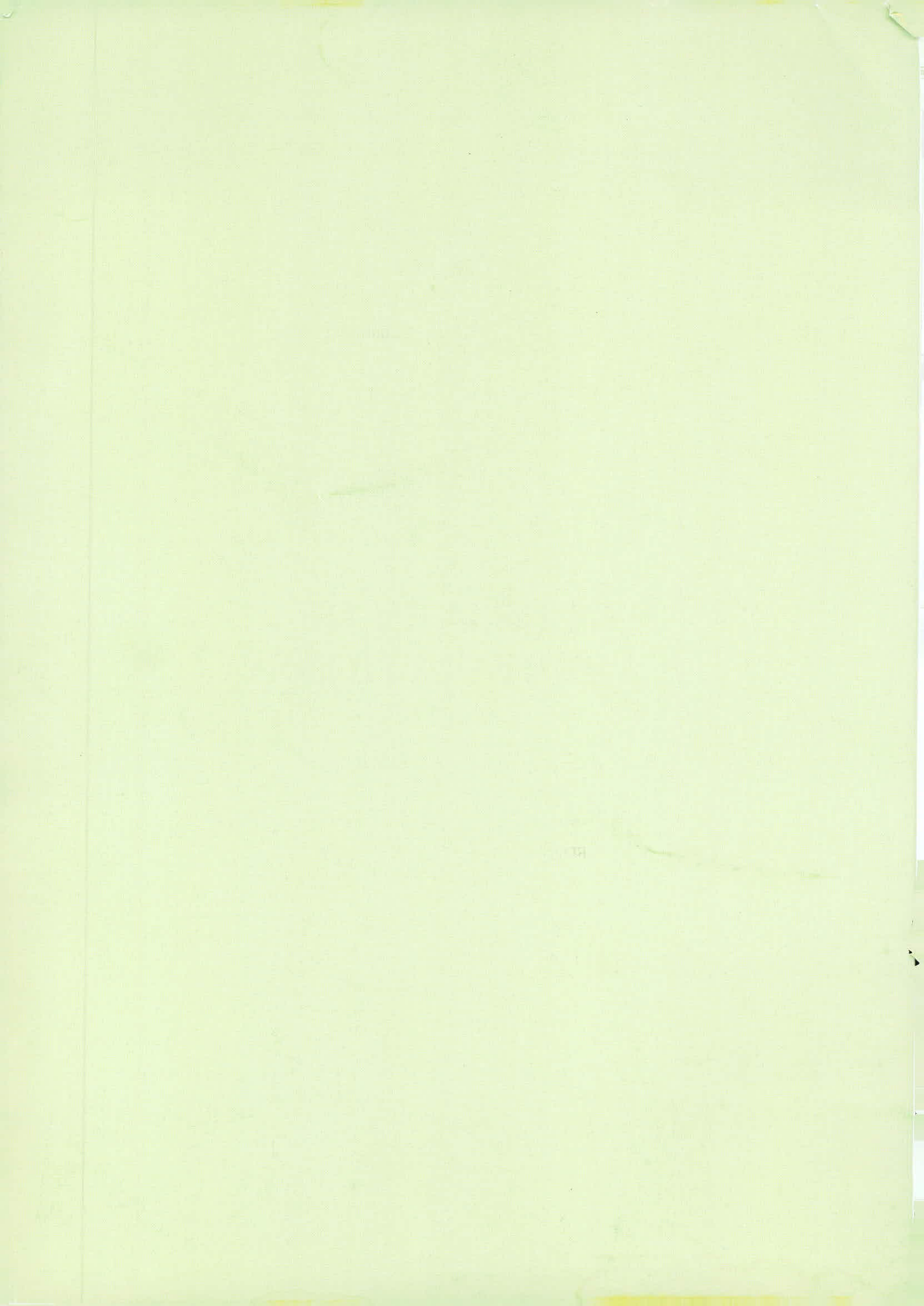
APPENDIX 3.5

**DEPARTMENT/CATEGORY-WISE DETAILS IN RESPECT OF CASES OF
LOSS TO GOVERNMENT DUE TO THEFT, MISAPPROPRIATION/LOSS OF
GOVERNMENT MATERIAL
(REFERENCE PARAGRAPH 3.3; PAGE 65)**

Sl. No.	Name of Department	Theft Cases		Misappropriation/ Loss of Government Material		Total	
		Number of Cases	Amount (₹ in lakh)	Number of Cases	Amount (₹ in lakh)	Number of Cases	Amount (₹ in lakh)
1	2	3	4	5	6	7	8
1	2210- Medical & Public Health	21	16.68	27	64.90	48	81.58
2	2211- Family Welfare	0	0.00	12	5.31	12	5.31
3	2054- Treasury & Accounts	4	15.93	9	32.93	13	48.86
4	2014- Admin. & Justice	3	0.61	3	5.09	6	5.70
5	2053-Distt. Administration	1	0.39	2	0.42	3	0.81
6	2058- Stationary & Printing	0	0.00	1	0.67	1	0.67
7	2055- Police	20	32.93	422	137.56	442	170.49
8	2225- Welfare of SC/ST/OBC	3	0.11	35	20.95	38	21.06
9	2235- Panchayat	1	1.23	4	5.88	5	7.11
10	2235- Rehabilitation	0	0.00	1	0.19	1	0.19
11	2235- Women & Child Welfare	4	2.26	1	1.31	5	3.57
12	2403- Animal Husbandry	7	4.73	14	8.82	21	13.55
13	2202- School Education	76	83.30	86	2694.71	162	2778.01
14	2203- Tech. Education	10	10.47	7	15.56	17	26.03
15	2204- Sports & Youth Services	1	0.45	0	0.00	1	0.45
16	2505-Rural Employment	2	13.37	0	0.00	2	13.37
17	2230-Labour & Employment	9	4.51	2	7.00	11	11.51
18	2402- Soil & water Conservation	3	1.11	1	0.31	4	1.42
19	2406-Forestry and Wild Life	38	10.00	2258	1369.38	2296	1379.38
20	2501- Special Programmes for Rural Development	6	3.39	5	46.40	11	49.79
21	2505-Rural Employment	0	0.00	1	0.00	1	0.00
22	2515- Other Rural Development Programmes	1	1.25	2	0.22	3	1.47



**GLOSSARY OF
ABBREVIATIONS**



Glossary of Abbreviations

Sl. No.	Abbreviation	Full Form
1.	A&E	Accounts & Entitlement
2.	AC	Abstract Contingency
3.	AE	Aggregate Expenditure
4.	AIA	All India Average
5.	BCO	Budget Controlling Officer
6.	BE	Budget Estimates
7.	CAG	Comptroller and Auditor General of India
8.	CAGR	Compound Annual Growth Rate
9.	CE	Capital Expenditure
10.	CFS	Consolidated Fund of State
11.	CO	Capital Outlay
12.	CRSP	Central Rural Sanitation Programme
13.	CWC	Central Water Commission
14.	DCC	Detailed Countersigned Contingency
15.	DCRF	Debt Consolidation and Relief Facility
16.	DDO	Drawing and Disbursing Officer
17.	DE	Development Expenditure
18.	DHE	Department of Higher Education
19.	DRDA	District Rural Development Agency
20.	FDR	Fixed Deposit Receipt
21.	GBC	General Basic Grant
22.	GOI	Government of India
23.	GSDP	Gross State Domestic Product
24.	HLC	High Level Committee
25.	IP	Interest Payment
26.	ITI	Industrial Training Institute
27.	IAY	Indira Awaas Yojana
28.	JP	Janpad Panchayat

29.	LAO	Land Acquisition Officer
30.	MH	Major Head
31.	MP	Madhya Pradesh
32.	MPBM	Madhya Pradesh Budget Manual
33.	MPFC	Madhya Pradesh Financial Code
34.	MPFRBM	Madhya Pradesh Fiscal Responsibility and Budget Management Act, 2005
35.	MPLADS	Madhya Pradesh Local Area Development Scheme
36.	MPRRDA	Madhya Pradesh Rural Road Development Authority
37.	MPSEB	Madhya Pradesh State Electricity Board
38.	MPTC	Madhya Pradesh Treasury Code
39.	MTFPS	Medium Term Fiscal Policy Statement
40.	NABARD	National Bank for Agriculture and Rural Development
41.	NCC	National Cadet Corp
42.	NIT	National Institute of Technology
43.	NGO	Non-Government Organisation
44.	NPRE	Non-Plan Revenue Expenditure
45.	NPCB	National Programme for Control of Blindness
46.	NRHM	National Rural Health Mission
47.	NSS	National Small Saving
48.	NSSF	National Small Saving Fund
49.	NTR	Non-Tax Revenue
50.	O&M	Operation and Maintenance
51.	PAC	Public Accounts Committee
52.	PCCE	Per Capita Capital Expenditure
53.	PCDE	Per Capita Development Expenditure
54.	PCSSE	Per Capita Social Sector Expenditure
55.	PD	Personal Deposit
56.	PMGSY	Pradhan Mantri Gram Sadak Yojana

57.	PPP	Public Private Partnership
58.	PR	Panchayati Raj
59.	RBI	Reserve Bank of India
60.	RE	Revenue Expenditure
61.	RMSA	Rashtriya Madhyamik Shiksha Abhiyan
62.	RR	Revenue Receipts
63.	S&W	Salary and Wages
64.	SABG	Special Areas Basic Grant
65.	SAR	Separate Audit Report
66.	SBI	State Bank of India
67.	SCSP	Scheduled Caste Sub-Plan
68.	SDO	Sub Divisional Officer
69.	SGSY	Swaranjayanti Gram Swarozgar Yojana
70.	SJSRY	Swarn Jayanti Shahari Rojgar Yojana
71.	SSA	Sarva Shiksha Abhiyan
72.	SSE	Social Sector Expenditure
73.	SRC	State Resource Centre
74.	ST	Scheduled Tribe
75.	SWSM	State Water and Sanitation Mission
76.	TB	Tuberculosis
77.	TE	Total Expenditure
78.	TFC	Twelfth Finance Commission
79.	UADD	Urban Administration and Development Department
80.	UC	Utilisation Certificate
81.	UID	Unique Identification
82.	VAT	Value Added Tax
83.	VO	Voluntary Organisation
84.	WMA	Ways and Means Advances
85.	ZP	Zila Panchayat

