



GOVERNMENT OF PUNJAB

FINANCE ACCOUNTS Volume - I

2011-2012

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Certificate of the Comptroller and Auditor General of India

This compilation containing the Finance Accounts of the Government of Punjab for the year ending 31st March 2012 presents the financial position alongwith accounts of the receipts and disbursements of the Government for the year. These accounts are presented in two Volumes, Volume-I contains the consolidated position of the state of finances and Volume-II depicts the accounts in detail. The Appropriation Accounts of the Government for the year for Grants and Charged Appropriations are presented in a separate compilation.

The Finance Accounts have been prepared under my supervision in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and have been compiled from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for the keeping of such accounts functioning under the control of the Government of Punjab and the statements received from the Reserve Bank of India. Statements 7(ii) (b), 9, 14 and Appendices V, VII and X in this compilation have been prepared directly from the information received from the Government of Punjab/Corporations/Companies/ Societies who are responsible to ensure the correctness of such information.

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

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

On the basis of the information and explanations that my officers required and have obtained and according to the best of my information as a result of test audit of the accounts and on consideration of explanations given, I certify that, to the best of my knowledge and belief, the Finance Accounts read with the explanatory 'Notes to Accounts' give a true and fair view of the financial position and the receipts and disbursements of the Government of Punjab for the year 2011-2012.

Points of interest arising from study of these accounts as well as test audit conducted during the year or earlier years are contained in my Reports on the Government of Punjab being presented separately for the year ended 31st March 2012.

Date:
Place: New Delhi

(Vinod Rai)
Comptroller and Auditor General of India

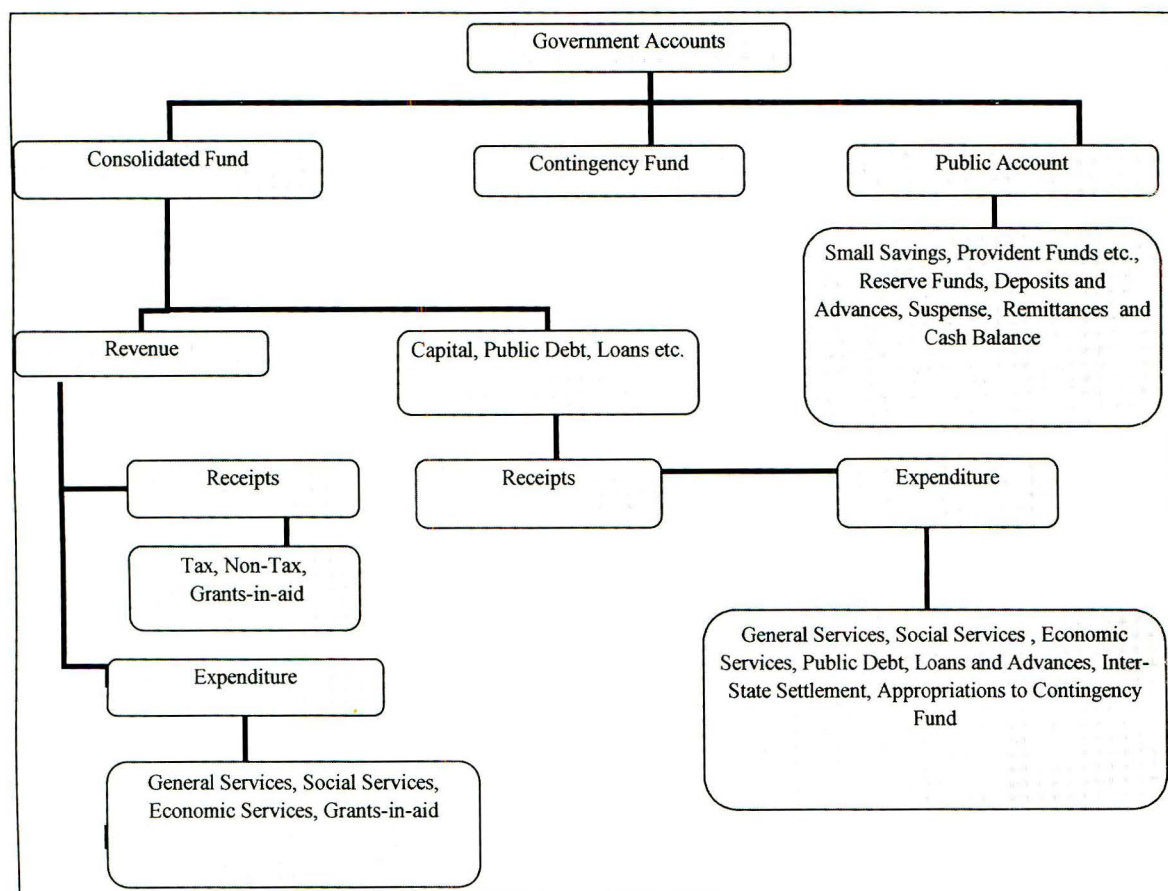
GUIDE TO THE FINANCE ACCOUNTS

A. BROAD OVERVIEW OF THE GOVERNMENT ACCOUNTS**1. The Accounts of the Government are kept in three parts:**

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

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

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

A.1.1 Pictorial representation of Structure of Government Accounts

2. Divisions, Sections, Sectors etc.

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

B. WHAT DO THE STATEMENTS CONTAIN

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

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

- 1. Statement of Financial Position:** Cumulative figures of assets and liabilities of the Government, as they stand at the end of the year, are depicted in the statement. The assets are largely financial assets with the figures for progressive capital expenditure denoting physical assets of the Government. Assets, as per the accounting policy, are depicted at historical cost.
- 2. Statement of Receipts and Disbursements:** This is a summarised statement showing all receipts and disbursements of the Government during the year in all the three parts in which Government account is kept, namely, the consolidated fund, contingency fund and public account. Further within the consolidated fund, receipts and expenditure on revenue and capital account are depicted distinctly.
The fiscal parameters of the Government, i.e. the primary, revenue and fiscal deficit are calculated on the operations of the consolidated fund of the State. Hence, the following two statements give the operations of the consolidated fund in a summarised form.
- 3. Statement of Receipts (Consolidated Fund):** This statement comprises revenue and capital receipts and receipts from borrowings of the Government consisting of loans from the Government of India, other institutions and market loans raised by the Government and recoveries on account of loans and advances made by the Government.
- 4. Statement of Expenditure (Consolidated Fund):** This statement not only gives expenditure by function (activity) but also summarises expenditure by nature of activity (objects of expenditure).
In addition, the volume comprises Appendix I relating to Cash Balances and Investments of Cash Balances.

Volume-II contains three parts:

Part I - Volume II: This part contains six summarised statements.

- 5. Statement of Progressive Capital Expenditure:** This statement details progressive capital expenditure by functions, the aggregate of which is depicted in Statement No. 1.
- 6. Statement of Borrowings and Other Liabilities:** Borrowings of the Government comprise market loans raised by it (Internal Debt) and Loans and Advances received from the Government of India. Both these together form the Public Debt of the State Government. In addition, this summary statement depicts 'Other Liabilities' which are the balances under various sectors in the Public Account. In respect of the later, the Government acts as a Trustee or custodian of the funds, hence these constitute liabilities of the Government. The statement also contains a note on service of debt i.e. a note on the quantum of net interest charges met from Revenue Receipts.
- 7. Statement of Loans given by the Government:** The loans and advances given by the State Government are depicted in Statement No. 1 and recoveries, disbursements feature in Statement No. 2, 3 and 4. Here, loans and advances are summarised sector and loanee group wise. This is followed by a note on the recoveries in arrear in respect of loans, the details of which are maintained by the Accountant General office and the State Government departments.
- 8. Statement of Grants-in-aid given by the State Government:** The Statement presents details of Grants-in-aid given by State Government, organised by grantee institutions group wise. It includes a note on grants given in kind also.
- 9. Statement of Guarantees given by the Government:** Guarantees given by the State Government for repayment of loans etc. raised by Statutory Corporations, Government Companies, Local Bodies and Other Institutions during the year and sums guaranteed outstanding as at the end of the year are presented in this statement.
- 10. Statement of Voted and Charged Expenditure:** This statement presents details of voted and charged expenditure of the Government.

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

GUIDE TO THE FINANCE ACCOUNTS - contd.

- 11. Detailed Statement of Revenue and Capital Receipts by minor heads:** This statement presents the Revenue and Capital Receipts of the Government in detail.
- 12. Detailed Statement of Revenue Expenditure by minor heads:** This statement presents the details of Revenue Expenditure of the Government in detail. Non-Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available.
- 13. Detailed Statement of Capital Expenditure :** This statement presents the details of Capital Expenditure of the Government in detail. Non-Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available. Cumulative Capital Expenditure upto the end of the year is also depicted.
- 14. Detailed Statement of Investments of the Government :** The position of Government Investment in the share capital and debentures of different concerns is depicted in this statement for the current and previous year. Details include type of shares held, face value, dividend received etc.
- 15. Detailed Statement of Borrowings and Other Liabilities:** Details of borrowings (market loans raised by the Government and Loans etc. from Government of India) by minor heads, the maturity and repayment profile of all loans is provided in this statement. This is the detailed statement corresponding to Statement No. 6 in Part I-Volume II.
- 16. Detailed Statement on Loans and Advances given by the Government:** The details of loans and advances given by the Government, the changes in loan balances, loans written off, interest received on loans etc. is presented in this statement. It also presents plan loans separately. This is the detailed statement corresponding to Statement No. 7 in Part I-Volume II.
- 17. Detailed Statement on Sources and Application of funds for Expenditure other than on Revenue Account:** The Capital and Other Expenditure (other than on revenue account) and the sources of fund for the expenditure is depicted in this statement.
- 18. Detailed Statement on Contingency Fund and Other Public Account transactions:** The statement shows changes in Contingency Fund during the year, the appropriations to the fund, expenditure, amount recouped etc. It also depicts the transactions in Public Account in detail.
- 19. Statement showing details of Earmarked Balances:** This statement shows the details of Investment out of Reserve Funds in Public Account.

Part III-Volume II contains Appendices on Salaries, Subsidies, Grants-in-aid scheme wise and institution wise, details of Externally Aided Projects, scheme wise expenditure in respect of Major Central schemes and State Plan schemes etc. These details are present in the accounts at sub head level or below (i.e. below minor head levels) and so are not depicted in the Finance Accounts. For a detail list please refer to the index in Volume I or II. The Statements read with the appendices give a complete picture of the state of finances prevailing in the State Government.

C. READY RECKONER

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

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

GUIDE TO THE FINANCE ACCOUNTS - conclud.

D. PERIODICAL ADJUSTMENTS AND BOOK ADJUSTMENTS:

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

- (i) Adjustment of all deductions (State Provident Funds, recoveries of advances given etc.) from salaries by debiting functional major heads (department concerned) by book adjustment to Revenue Receipt (e.g. deduction other than State Provident Funds), Public Account (e.g. State Provident Funds).
- (ii) Creation of funds/adjustment of contribution to Funds in Public Account by debit to Consolidated Fund e.g. State Disaster Response Fund, Reserve Funds, Sinking Fund etc.
- (iii) Crediting of deposit heads of accounts in Public Account by debit to Consolidated Fund.
- (iv) Annual adjustment of interest on State Provident Funds and State Government Group Insurance Scheme where interest on State Provident Funds of State Government is adjusted by debiting 2049-Interest Payments and crediting 8009-State Provident Funds.
- (v) Certain adjustments such as adjustment of Debt waiver scheme granted by the Government of India in accordance with the recommendations of Finance commission. It affects both Revenue Receipts and Public Debt heads where Central loans are written off by crediting 0075-Miscellaneous General Services by contra entry in the Major Head 6004-Loans and Advances from the Central Government.

1. STATEMENT OF FINANCIAL POSITION

1. STATEMENT OF FINANCIAL POSITION

(₹ in crore)

Assets (a)	Reference		As on 31 st March 2012	As on 31 st March 2011
	Notes to Accounts (Sr. No.)	Statement No.		
Cash		18	-1,78.30	-1,18.16
(i) Cash in Treasuries and Local Remittances			..	..
(ii) Departmental Balances	2 (c)		4,48.57	4,73.17
(iii) Permanent Cash Imprest			0.22	0.22
(iv) Cash Balance Investments			1,02.03	1,02.03
(v) Deposits with Reserve Bank of India	8		-7,29.82	-6,94.28
(vi) Investments from Earmarked Funds (b)			0.70	0.70
Capital Expenditure			2,86,87.51	2,70,82.89
(i) Investments in shares of Companies, Corporations etc.		14	38,31.70	38,31.94
(ii) Other Capital Expenditure		13	2,48,55.81	2,32,50.95
Contingency Fund (un-recouped)			..	..
Loans and Advances	20	16	24,05.95	23,23.84
Advances with departmental officers		18	0.68	0.76
Suspense and Miscellaneous Balances (c)	21	18	..	14.95
Remittance Balances			..	..
Cumulative excess of Expenditure over Receipts (d)			5,24,06.51	4,55,95.58
Total			8,33,22.35	7,48,99.86

- (a) The figures of assets and liabilities are cumulative figures. Please also see Note 1 (ii) in the section 'Notes to Accounts' at page no. 16.
- (b) Investment out of earmarked funds in shares of companies etc. are excluded under capital expenditure and included under 'Investments from Earmarked Funds'.
- (c) In this statement the line item 'Suspense and Miscellaneous Balances' does not include 'Cash Balance Investment Account', which is included separately above, though the later forms part of this sector elsewhere in these Accounts.
- (d) The cumulative excess of receipts over expenditure or expenditure over receipts is different from and not the fiscal/revenue deficit for the current year.

1. STATEMENT OF FINANCIAL POSITION -concl'd.

(₹ in crore)

Liabilities	Reference		As on 31 st March 2012	As on 31 st March 2011
	Notes to Accounts (Sr. No.)	Statement No.		
Borrowings (Public Debt)			6,41,60.94	5,82,37.29
(i) Internal Debt		6	6,09,01.85	5,49,40.33
(ii) Loans and Advances from Central Government		6	32,59.09	32,96.96
Non-Plan Loans			37.33	40.17
Loans for State Plan Schemes			31,86.59	32,15.39
Loans for Central Plan Schemes			..	..
Loans for Centrally Sponsored Plan Schemes			34.85	41.08
Other Loans			0.32	0.32
Contingency Fund (balance)		18	25.00	25.00
Liabilities on Public Account		18	1,91,36.41	1,66,37.57
(i) Small Savings, Provident Funds, etc.			1,29,97.26	1,13,57.09
(ii) Reserve Funds	6		26,16.00	23,00.87
(iii) Deposits	11		33,25.12	28,82.35
(iv) Suspense and Miscellaneous Balances			90.12	..
(v) Remittance Balances	21		1,07.91	97.26
Cumulative excess of Receipts over Expenditure			..	..
Total			8,33,22.35	7,48,99.86

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

(₹ in crore)

Receipts			Disbursements		
	2011-12	2010-11		2011-12	2010-11
Part-I Consolidated Fund					
Section-A: Revenue					
Revenue Receipts	2,62,34.41	2,76,08.47	Revenue Expenditure	3,30,45.32	3,28,97.18
Tax Revenue (Raised by the State)	1,88,41.01	1,68,28.18	Salaries (a)	1,22,03.99	95,89.28
Non-Tax Revenue	13,98.45	53,30.17	Subsidies (a)	32,15.47	34,79.94
			Grants-in-aid (b)	14,12.66	13,69.78
Interest Receipts	1,70.16	1,69.37	General Services	1,26,70.18	1,53,73.83
Others	12,28.29	51,60.80	Interest Payment and Servicing of Debt	62,80.02	55,15.11
			Pensions	56,57.20	53,09.32
Share of Union Taxes/Duties	35,54.31	30,50.87	Others	7,32.96	45,49.40
			Social Services	19,09.06	17,66.25
			Economic Services	8,87.16	6,78.45
Grants from Central Government	24,40.64	23,99.25	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	7,46.80	6,39.65
Revenue Deficit	68,10.91	52,88.71	Revenue Surplus	..	..
Section-B: Capital					
Capital Receipts	0.24	0.44	Capital Expenditure (c)	15,98.12	23,84.09
			General Services	1,96.04	1,84.76
			Social Services	3,98.35	6,63.46
			Economic Services	10,03.73	15,35.87
Recoveries of Loans and Advances	94.50	5,97.45	Loans and Advances disbursed	1,76.61	68.40
General Services	..	..	General Services	..	..
Social Services	0.12	0.21	Social Services	..	..
Economic Services	15.68	5,27.72	Economic Services	1,29.00	31.00
Loans to Government Servants	78.70	69.52	Loans to Government Servants	47.61	37.40
Public Debt Receipts	1,48,70.87	1,09,34.37	Repayment of Public Debt	89,47.24	59,52.88
Internal Debt (Market Loans etc.)	1,47,21.37	1,07,41.44	Internal Debt (Market Loans etc.)	87,59.86	57,67.57
Loans from Government of India	1,49.50	1,92.93	Loans from Government of India	1,87.38	1,85.31
Net of Inter-State Settlement	..	..	Net of Inter-State Settlement	..	..
Total Receipts Consolidated Fund	4,12,00.02	3,91,40.73	Total Expenditure Consolidated Fund	4,37,67.29	4,13,02.55
Deficit in Consolidated Fund	25,67.27	21,61.82	Surplus in Consolidated Fund	..	..

- (a) Salary, Subsidy and Grants-in-aid figures pertaining to Revenue Expenditure have been summed up across all sectors to present a consolidated figure. The expenditure in this statement under the sectors 'General', 'Social' and 'Economic' Services does not include expenditure on Salaries, Subsidies and Grants-in-aid explained in footnote (b) below.
- (b) Grants-in-aid are given to statutory corporations, companies, autonomous bodies, local bodies etc. by the Government which is included as a line item above. These grants are distinct from compensation and assignments of taxes, duties to the Local Bodies which is depicted as a separate line item 'Compensation and Assignments to Local Bodies and Panchayati Raj Institutions'.
- (c) Includes an expenditure of ₹ 2,36.44 crore pertaining to Salary (₹ 69.81 crore) and Grants-in-aid (₹ 1,66.63 crore).

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS - conclud.

(₹ in crore)

Receipts			Disbursements		
	2011-12	2010-11		2011-12	2010-11
Part - II Contingency Fund					
Contingency Fund	..	..	Contingency Fund	..	..
Part - III Public Account (d)					
Small Savings, Provident Funds, etc.	31,05.72	25,33.12	Small Savings, Provident Funds, etc.	14,65.55	13,58.47
Reserve Funds	4,75.61	1,99.68	Reserve Funds	1,60.47	1,88.02
Deposits	42,42.73	38,42.68	Deposits	38,06.71	32,00.08
Advances	39.06	33.60	Advances	38.99	33.59
Suspense and Miscellaneous (e)	3,19,03.11	3,25,71.89	Suspense and Miscellaneous (e)	3,17,73.44	3,26,39.41
Remittances	13,76.04	15,96.19	Remittances	13,65.38	16,14.86
Total Receipts-Public Account	4,11,42.27	4,07,77.16	Total Disbursements-Public Account	3,86,10.54	3,90,34.43
Deficit in Public Account	..	..	Surplus in Public Account	25,31.73	17,42.73
Opening Cash Balance	-6,94.28	-2,75.19	Closing Cash Balance	-7,29.82	-6,94.28
Increase in Cash Balance	..	..	Decrease in Cash Balance	-35.54	-4,19.09

(d) For details please refer to Statement No. 18 in Volume II.

(e) 'Suspense and Miscellaneous' includes 'other accounts' such as Cash Balance Investment Account (Major Head 8673) etc. The figures may appear huge on account of these other accounts. Details may please be seen in Statement No.18 in Volume II.

3. STATEMENT OF RECEIPTS - CONSOLIDATED FUND

REVENUE RECEIPTS**I - TAX AND NON-TAX REVENUE**

(₹ in crore)

Description		Actuals	
		2011-12	2010-11
A.	Tax Revenue		
A.1	Own Tax Revenue	1,88,41.01	1,68,28.18
	Land Revenue	24.65	19.24
	Stamps and Registration Fees	30,79.13	23,18.46
	State Excise	27,54.60	23,73.07
	Taxes on Sales , Trade etc.	1,11,71.67	1,00,16.91
	Taxes on Vehicles	8,50.06	6,53.91
	Others	9,60.90	14,46.59
A.2	State's share of Union Taxes/Duties	35,54.31	30,50.87
	Corporation Tax	13,99.00	11,92.47
	Taxes on Income other than Corporation Tax	7,10.64	6,30.15
	Taxes on Wealth	5.40	2.45
	Customs	6,16.25	5,33.48
	Union Excise Duties	3,98.77	3,88.09
	Service Tax	4,24.25	3,04.23
	Total - A	2,23,95.32	1,98,79.05
B.	Non-Tax Revenue		
	Interest Receipts	1,70.16	1,69.37
	Miscellaneous General Services	3,23.72	42,77.23
	Road Transport	1,83.35	1,50.39
	Urban Development	1,49.79	74.60
	Others	5,71.43	6,58.58
	Total - B	13,98.45	53,30.17

3. STATEMENT OF RECEIPTS - CONSOLIDATED FUND - conclud.

REVENUE RECEIPTS - conclud.**II - GRANTS FROM GOVERNMENT OF INDIA**

(₹ in crore)

Description		Actuals	
		2011-12	2010-11
C.	Grants-in-aid and Contributions		
	Grants-in-aid from Central Government		
C.1	Non - Plan Grants	8,74.11	7,20.81
		8,74.11	7,20.81
C.2	Grants for State/Union Territory Plan Schemes	6,94.06	9,54.65
	Block Grants	5,03.18	6,76.96
	Other Grants	1,90.88	2,77.69
C.3	Grants for Central Plan Schemes	5.68	64.40
C.4	Grants for Centrally Sponsored Plan Schemes	8,66.79	6,59.39
	Total - C	24,40.64	23,99.25
	Total Revenue Receipts (A+B+C)	2,62,34.41	2,76,08.47

III - CAPITAL, PUBLIC DEBT AND OTHER RECEIPTS

(₹ in crore)

Description		Actuals	
		2011-12	2010-11
D.	Capital Receipts		
	Disinvestment proceeds	0.24	0.44
	Total - D	0.24	0.44
E.	Public Debt Receipts		
	Internal Debt	1,47,21.37	1,07,41.44
	Market Loans	82,00.00	49,28.00
	Ways and Means Advance from R.B.I.	60,10.94	39,80.84
	Loans from Financial Institutions	5,10.43	3,85.37
	Special Securities issued to National Small Savings Fund of the Central Government	..	14,47.23
	Loans and Advances from Central Government	1,49.50	1,92.93
	Non-Plan Loans	..	1.92
	Loans for State/Union Territory Plan Schemes	1,49.50	1,91.01
	Total - E	1,48,70.87	1,09,34.37
F.	Loans and Advances by State Government (a)	94.50	5,97.45
G.	Inter-State Settlements	..	..
	Total Receipts in Consolidated Fund (A+B+C+D+E+F+G)	4,12,00.02	3,91,40.73

(a) Details are in Statement No.7 and 16 in Volume II.

4. STATEMENT OF EXPENDITURE - CONSOLIDATED FUND

A. EXPENDITURE BY FUNCTION

(₹ in crore)

Description		Revenue	Capital	Loans and Advances	Total
1		2	3	4	5
A.	General Services				
A.1	Organs of State	4,94.12	..	..	4,94.12
	Parliament/State/Union Territory Legislatures	25.89	..	..	25.89
	President, Vice President/Governor/Administrator of Union Territories	5.38	..	..	5.38
	Council of Ministers	34.13	..	..	34.13
	Administration of Justice	3,27.28	..	..	3,27.28
	Elections	1,01.44	..	..	1,01.44
A.2	Fiscal Services	66,58.67	..	..	66,58.67
	Land Revenue	1,82.19	..	..	1,82.19
	Stamps and Registration	27.56	..	..	27.56
	State Excise	30.16	..	..	30.16
	Taxes on Sales, Trade etc.	99.73	..	..	99.73
	Taxes on Vehicles	15.85	..	..	15.85
	Other Taxes and Duties on Commodities and Services	3.73	..	..	3.73
	Other Fiscal Services	19.43	..	..	19.43
	Interest Payments	62,80.02	..	..	62,80.02
A.3	Administrative Services	39,22.86	1,96.04	..	41,18.90
	Public Service Commission	8.37	..	..	8.37
	Secretariat-General Services	1,22.76	..	..	1,22.76
	District Administration	1,95.60	..	..	1,95.60
	Treasury and Accounts Administration	46.45	..	..	46.45
	Police	28,54.21	61.83	..	29,16.04
	Jails	1,27.70	..	..	1,27.70
	Supplies and Disposals	2.08	..	..	2.08
	Stationery and Printing	33.67	0.06	..	33.73
	Public Works	3,01.08	1,29.90	..	4,30.98
	Other Administrative Services	2,30.94	4.25	..	2,35.19
A.4	Pensions and Miscellaneous General Services	57,12.30	..	..	57,12.30
	Pensions and other Retirement Benefits	56,57.20	..	..	56,57.20
	Miscellaneous General Services	55.10	..	..	55.10
	Total - A. General Services	1,67,87.95	1,96.04	..	1,69,83.99
B.	Social Services				
B.1	Education, Sports, Art and Culture (a)	52,89.57	1,46.83	..	54,36.40
	General Education	50,82.20	1,46.83	..	52,29.03
	Technical Education	76.01	..	..	76.01
	Sports and Youth Services	59.38	..	..	59.38
	Art and Culture	71.98	..	..	71.98
B.2	Health and Family Welfare	15,50.78	47.59	..	15,98.37
	Medical and Public health	13,98.10	47.59	..	14,45.69
	Family Welfare	1,52.68	..	..	1,52.68
B.3	Water Supply, Sanitation, Housing and Urban Development	4,21.67	1,95.04	..	6,16.71
	Water Supply and Sanitation	3,98.04	1,59.18	..	5,57.22
	Housing	..	0.20	..	0.20
	Urban Development	23.63	35.66	..	59.29
B.4	Information and Broadcasting	31.03	0.39	..	31.42
	Information and Publicity	31.03	0.39	..	31.42
B.5	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2,85.79	..	..	2,85.79
	Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes	2,85.79	..	..	2,85.79

(a) B.1 includes Major Head 2202-General Education, 2203- Technical Education, 2204-Sports and Youth Services, 2205-Art and Culture. Corresponding one Capital Major Head in respect of four Revenue Major Heads is 4202-Capital Outlay on Education, Sports, Art and Culture.

4. STATEMENT OF EXPENDITURE - CONSOLIDATED FUND - contd.

A. EXPENDITURE BY FUNCTION - contd.

(₹ in crore)

Description		Revenue	Capital	Loans and Advances	Total
1		2	3	4	5
B.6	Labour and Labour Welfare	1,43.44	..	..	1,43.44
	Labour and Employment	1,43.44	..	..	1,43.44
B.7	Social Welfare and Nutrition	15,04.01	2.87	..	15,06.88
	Social Security and Welfare	10,10.05	2.87	..	10,12.92
	Nutrition	1,28.72	..	..	1,28.72
	Relief on account of Natural Calamities	3,65.24	..	..	3,65.24
B.8	Others	20.21	5.63	..	25.84
	Other Social Services	0.28	5.63	..	5.91
	Secretariat- Social Services	19.93	..	..	19.93
	Total - B. Social Services	92,46.50	3,98.35	..	96,44.85
C.	Economic Services				
C.1	Agriculture and Allied Activities	8,63.86	0.94	1,29.00	9,93.80
	Crop Husbandry	2,17.92	-0.03	1.00	2,18.89
	Soil and Water Conservation	48.55	1.30	..	49.85
	Animal Husbandry	2,61.28	0.10	..	2,61.38
	Dairy Development	12.45	-0.40	..	12.05
	Fisheries	13.41	..	..	13.41
	Forestry and Wild Life	73.19	..	..	73.19
	Food Storage and Warehousing	..	0.02	..	0.02
	Agricultural Research and Education	1,45.65	..	..	1,45.65
	Co-operation	86.32	-0.05	1,28.00	2,14.27
	Other Agricultural Programmes	5.09	..	..	5.09
C.2	Rural Development	1,38.96	1,90.17	..	3,29.13
	Special Programmes for Rural Development	7.89	..	..	7.89
	Other Rural Development Programmes	1,31.07	1,90.17	..	3,21.24
C.3	Irrigation and Flood Control	9,90.04	3,01.83	..	12,91.87
	Major Irrigation	6,96.79	1,03.89	..	8,00.68
	Medium Irrigation	63.46	1,24.81	..	1,88.27
	Minor Irrigation	1,31.25	16.46	..	1,47.71
	Command Area Development	..	..	..	..
	Flood Control and Drainage	98.54	56.67	..	1,55.21
C.4	Energy	32,00.90	..	..	32,00.90
	Power	32,00.07	..	..	32,00.07
	New and Renewable Energy	0.83	..	..	0.83
C.5	Industry and Minerals	52.87	2.68	..	55.55
	Village and Small Industries	48.77	2.68	..	51.45
	Industries	..	..	..	..
	Non-ferrous Mining and Metallurgical Industries	4.10	..	..	4.10
C.6	Transport	6,93.06	3,95.90	..	10,88.96
	Civil Aviation	18.62	3.10	..	21.72
	Roads and Bridges	3,85.40	3,86.30	..	7,71.70
	Road Transport	2,89.04	6.50	..	2,95.54
C.7	Science, Technology and Environment	4.86	..	..	4.86
	Other Scientific Research	2.70	..	..	2.70
	Ecology and Environment	2.16	..	..	2.16
C.8	General Economic Services	3,19.52	1,12.21	..	4,31.73
	Secretariat- Economic Services	43.45	..	..	43.45
	Tourism	1.33	0.66	..	1.99
	Census Surveys and Statistics	21.71	..	..	21.71
	Civil Supplies	2,50.83	..	..	2,50.83
	Other General Economic Services	2.20	1,11.55	..	1,13.75
	Total - C. Economic Services	62,64.07	10,03.73	1,29.00	73,96.80

4. STATEMENT OF EXPENDITURE - CONSOLIDATED FUND - contd.

A. EXPENDITURE BY FUNCTION - conclud.

(₹ in crore)

Description		Revenue	Capital	Loans and Advances	Total
1		2	3	4	5
D.	Grants-in-aid and Contributions				
	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	7,46.80	..	..	7,46.80
	Total - D. Grants-in-aid and Contributions	7,46.80			7,46.80
E.	Public Debt				
	Internal Debt of the State Government	..	..	..	87,59.86
	Loans and Advances from the Central Government	..	..	..	1,87.38
	Total - E. Public Debt	..	..	..	89,47.24
F.	Loans and Advances				
	Loans to Government Servants etc.	..	..	47.61	47.61
G.	Inter-State Settlement				
	Total-G. Inter-State Settlement	..	..	..	..
	Total - Consolidated Fund Expenditure (a)	3,30,45.32	15,98.12	1,76.61	4,37,67.29

(a) An amount of ₹ 89,47.24 crore pertaining to E. Public Debt is included in Total-Consolidated Fund.

4. STATEMENT OF EXPENDITURE - CONSOLIDATED FUND - conold.
B. EXPENDITURE BY NATURE

(₹ in crore)

Object of Expenditure	2011-12			2010-11			2009-10		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
1	2	3	4	5	6	7	8	9	10
Salaries	1,22,03.99	69.81	1,22,73.80	95,89.28	45.91	96,35.19	80,95.43	35.87	81,31.30
Interest	64,00.36	..	64,00.36	55,99.37	..	55,99.37	50,94.63	..	50,94.63
Pensionary Charges	61,52.47	..	61,52.47	59,02.53	..	59,02.53	37,84.57	..	37,84.57
Subsidies	32,15.47	..	32,15.47	34,79.94	..	34,79.94	29,18.91	..	29,18.91
Other Charges	16,91.79	3,42.89	20,34.68	51,43.30	4,09.39	55,52.69	47,44.85	2,69.28	50,14.13
Grants-in-aid (Salary)	18,11.01	1,02.82	19,13.83	18,40.92	1,76.96	20,17.88	13,58.72	1,26.11	14,84.83
Major Works	..	4,78.62	4,78.62	..	6,57.77	6,57.77	..	5,38.17	5,38.17
Minor Works	2,15.17	2,03.46	4,18.63	2,08.47	4,50.38	6,58.85	1,87.29	5,19.69	7,06.98
Grants-in-aid (Non-Salary)	3,48.45	63.81	4,12.26	1,68.53	..	1,68.53	..	..	..
Lumpsum Provisions	75.27	2,84.04	3,59.31	1,69.87	5,97.94	7,67.81	6,00.97	7,38.82	13,39.79
Wages	1,98.65	3.69	2,02.34	1,61.17	0.75	1,61.92	1,29.08	0.43	1,29.51
Scholarships/ Stipends	1,69.63	..	1,69.63	41.56	..	41.56	40.24	..	40.24
Petrol, Oil and Lubricant	1,55.61	0.37	1,55.98	1,07.78	0.46	1,08.24	1,03.10	0.31	1,03.41
Cost of Ration	1,44.22	..	1,44.22	95.40	..	95.40	17.35	..	17.35
Medical Reimbursement	1,22.86	0.60	1,23.46	1,32.76	0.26	1,33.02	90.97	0.33	91.30
Office Expenses	96.62	1.42	98.04	1,05.48	0.52	1,06.00	73.28	1.08	74.36
Electricity Charges	65.75	0.06	65.81	63.62	0.08	63.70	99.05	0.11	99.16
Supplies and Materials	42.92	5.77	48.69	42.10	8.69	50.79	37.67	6.52	44.19
Rent, Rates and Taxes	46.57	0.23	46.80	32.52	0.16	32.68	29.66	0.14	29.80
Domestic Travel Expenses	44.26	0.32	44.58	43.17	0.49	43.66	38.35	0.57	38.92
Machinery and Equipments	1.32	15.84	17.16	8.40	31.65	40.05	0.98	24.75	25.73
Advertising and Publicity	16.86	0.04	16.90	11.17	0.03	11.20	17.01	0.03	17.04
Contributions	15.22	..	15.22	11.93	..	11.93	..	..	..
Publications	12.60	..	12.60	..	..	..	..	..	..
Secret Service Expenditure	12.43	..	12.43	..	..	..	10.18	..	10.18
Rewards	12.02	..	12.02	..	..	..	..	..	..
Motor Vehicles	7.52	3.65	11.17	..	..	..	4.08	8.95	13.03
Others	78.87	23.13	1,02.00	63.30	12.22	75.52	38.53	38.41	76.94
Professional Services	..	..	..	30.15	..	30.15	35.75	..	35.75
Clothing and Tentage	..	..	..	..	..	..	0.03	10.70	10.73
Deduct-Recoveries	-2,04.22	-2.45	-2,06.67	-2,30.67	-9.57	-2,40.24	-68.02	-1,53.86	-2,21.88
Inter-Account Transfer	-1,08.37	..	-1,08.37	75.13	..	75.13	-74.72	..	-74.72
Total	3,30,45.32	15,98.12	3,46,43.44	3,28,97.18	23,84.09	3,52,81.27	2,74,07.94	21,66.41	2,95,74.35

NOTES TO ACCOUNTS

1. Summary of Significant Accounting Policies:

- (i) **Entity and Accounting Period:** These accounts present the transactions of the Government of Punjab for the period from 1st April 2011 to 31st March 2012.
- (ii) **Basis of Accounting:** With the exception of periodical adjustments and book adjustments, the accounts represent the actual cash receipts and disbursements during the account period. Assets are valued at historical cost and Government investment etc. is shown at historical cost. Physical assets are not depreciated or amortised. The losses of physical assets at the end of its life is also not expensed or recognised.
- The Pension liability of the Government i.e. the liability towards payment of retirement benefits for the past and the present service of its employees is not included in the accounts. However, the retirement benefits disbursed during the accounting period have been reflected in the accounts.
- The expenditure on "Pension and other Retirement Benefits" to State Government Employees during the year was ₹ 56,57.20 crore (17.12 percent of Total Revenue Expenditure). However, the State Government employees recruited with effect from 1st January 2004 are eligible for New Pension Scheme. An amount of ₹ 1,86.64 crore towards employee's contribution and employer's share has been deposited under the head '8342-Other Deposits' '117 - Defined Contribution Pension Scheme for Government Employees' during the year. The State Government liability on this account as on 31st March 2012 was ₹ 4,44.81 crore.
- (iii) **Currency in which Accounts are kept:** The accounts of Government are maintained in Indian Rupees.
- (iv) **Form of Accounts:** Under Article 150 of the Constitution, the accounts of the Union and of the States are kept in such form as the President may on the advice of the Comptroller and Auditor General, prescribe. The word "Form" used in Article 150 has a comprehensive meaning so as to include the prescription not only of the broad form in which the accounts are to be kept but also the basis for selecting appropriate heads under which the transactions are to be classified.
- (v) **Classification between Revenue and Capital:** Revenue Expenditure is recurring in nature and is supposed to be met from Revenue Receipts. Capital Expenditure is defined as expenditure incurred with the object of increasing concrete assets of a material and permanent character. Expenditure on Grants-in-aid is recorded as Revenue Expenditure in the books of the grantor. In the books of the recipient it is taken as Revenue Receipt.
2. (a) **Financial Status:** Revenue Deficit, Fiscal Deficit and Primary Deficit during 2011-12 were ₹ 68,10.91 crore, ₹ 84,90.90 crore and ₹ 22,10.88 crore, respectively.
- (b) **Parking of Funds outside the Consolidated Fund:** (i) ₹ 69.30 crore were drawn by the Directorate of Welfare of Scheduled Castes and Backward Classes at the close of the year and were deposited in the Bank Accounts, as such the amount was kept outside the Consolidated Fund of the State.
- (ii) To compensate the municipalities due to abolition of octroi in September 2006, the Government decided to provide 10 percent funds to the municipalities out of total VAT collection. The accounting was designed in such a way that 90 percent of VAT collection goes to the treasury whereas the remaining 10 percent goes direct to the designated Bank wherefrom this money goes direct to the municipalities. This way, 10 percent of VAT collection is kept outside the Consolidated Fund of the State every year. During 2011-12, an amount of ₹ 11,94.97 crore, representing 10 percent of VAT collection, went outside the Consolidated Fund of the State.
- (c) **Cash with Departmental Officers (PWD and Irrigation):** An amount of ₹ 4,48.57 crore as on 31st March 2012 pertaining to Major Head 8671-Departmental Balances was lying with Departmental Officers as idle cash outside the Government Accounts.
3. **Grants-in-aid forming part of Capital Expenditure:** Budgetary allocation of Grants-in-aid under Capital Heads violates the provisions of the Indian Government Accounting Standards - 2 notified on 19th May 2011 by Government of India, Ministry of Finance (Department of Economic Affairs), New Delhi. Grants-in-aid amounting to ₹ 1,66.63 crore was disbursed from the Capital Heads comprising 7.16 percent of total amount of Grants-in-aid i.e. ₹ 23,26.09 crore.
4. **Booking under Minor Head '800-Other Receipts and Other Expenditure':** ₹ 22,43.66 crore under 47 Major Heads of Receipts were classified under the Minor Head '800-Other Receipts' in the account constituting 8.55 percent of the Total Revenue Receipts. An illustrative list containing 7 Major Heads with substantial receipts under Minor Head '800-Other Receipts' amounting to ₹ 8,61.38 crore is given in **Annexure 'A'**.
- ₹ 46,17.32 crore under 62 Major Heads of Expenditure (Revenue and Capital) were classified under the Minor Head '800-Other Expenditure' in the accounts constituting 13.97 percent of the Total Expenditure. An illustrative list containing 11 Major Heads with substantial expenditure amounting to ₹ 41,66.07 crore is given in **Annexure 'B'**.

NOTES TO ACCOUNTS - contd.

5. **Status of Reserve Funds:** Closing balance in the Reserve Funds as on 31st March 2012 was ₹ 26,16.00 crore. Analysis reveals that Reserve Funds bearing interest are operative, whereas the entire amount of ₹ 8.90 crore is static since 1982-83 under Reserve Funds not bearing interest. The facts were brought to the notice of the State Government. Details are as follows:

(₹ in crore)

Sr. No.	Head of Account	Amount
1	2	3
1	8229 Development and Welfare Funds	
	103 Development Funds for Agricultural Purposes	0.04
	106 Industrial Development Funds	6.15
	200 Other Development and Welfare Funds	2.31
2	8235 General and other Reserve Funds	
	110 Food Grains - Reserve Fund	0.40
	Total	8.90

6. **Reconciliation of Receipts and Expenditure:** All the Controlling Officers/Chief Controlling Officers (COs/CCOs) are required to reconcile the Receipts and Expenditure of the Government with the figures accounted for by the Accountant General. Reconciliation was completed by all the 208 and 160 CCOs in respect of Expenditure and Receipt Heads respectively in the State.
7. **Cash Balance (Deposit with Reserve Bank of India):** The Cash Balance worked out by the Accountant General was ₹ 7,29.82 crore (Credit). The cash balance reported by the Reserve Bank of India as on 31st March 2012 was ₹ 7,26.78 crore (Debit). Thus, there was a difference of ₹ 3.04 crore (Credit). The difference was mainly because of wrong closing of Government Account and wrong reporting of balances to the Reserve Bank of India, Central Accounts Section, Nagpur by the agency bank branches. The outstanding net difference of ₹ 0.23 crore (Credit) as on 30th June 2012 is under reconciliation.
8. **Utilisation Certificates:** Sums released as Grants-in-aid to the beneficiaries have to be followed by submission of Utilisation Certificates within specified period. 202 Utilisation Certificates for ₹ 5,06.82 crore as per details given below were awaited as on 31st March 2012. The position of awaited Utilization Certificates was as under:

(₹ in crore)

Year	Number of Utilisation Certificates awaited	Amount
1	2	3
Upto 2009-10	13	55.37
2010-11	16	1,01.42
2011-12	173	3,50.03
Total	202	5,06.82

9. **Guarantees:** Guarantees reported in Statement No. 9 were based on the information received from various Statutory Corporations/Boards, Government Companies and Co-operative Societies/Banks etc. In violation of the Indian Government Accounting Standards-1, the State Government has not observed the provisions relating to Guarantee Ceiling Limit as detailed in the Punjab Fiscal Responsibility and Budget Management (FRBM) Act, 2003. ₹ 51.39 crore were received as Guarantee fee whereas an amount of ₹ 1,01.68 crore were receivable as Guarantee Fee. No amount was transferred to the Guarantee Redemption Fund during 2011-12.
10. **Personal Deposits:** Personal Deposit Accounts created by debit to the Consolidated Fund should be closed at the end of the financial year by minus debit of the balance to the relevant service heads in the Consolidated Fund. Details of Personal Deposit Accounts at the close of the year is as under:

(₹ in crore)

Item	Number of Accounts	Amount
1	2	3
Personal Deposit Accounts as on 1 st April 2011	188	62.58
(i) Personal Deposit Accounts opened during 2011-12	42	5,65.08
(ii) Ongoing Personal Deposit Accounts (Addition)	..	94.49
(i) Personal Deposit Accounts closed on 31 st March 2012	47	5,65.06
(ii) Ongoing Personal Deposit Accounts (Discharge)	..	88.21
Balance	183	68.38

NOTES TO ACCOUNTS - contd.

- 11. Unspent balance in Centrally Sponsored Scheme (State share) and State Scheme:** The State Government provides funds to State/District level autonomous bodies and authorities, societies, non-government organisations, etc. for implementation of centrally sponsored schemes (State Share) and State schemes. Since the funds are generally not being spent fully by the implementing agencies in the same financial year, there remain unspent balances in the bank accounts of these implementing agencies.

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

- 12. Submission of Accounts by treasuries and divisions:** 252 Treasury Accounts rendered by 21 District Treasuries were received and accounted for during the year. The delay ranging from 1 to 21 days was noticed in rendition of monthly accounts by the treasuries. Irrigation, B&R, Public Health and Forest Divisions rendered 3185 accounts during the year. There was delay ranging from 1 to 17 days in rendition of monthly accounts by the Divisional Authorities .

- 13. Abstract Contingent Bills:** The Drawing and Disbursing Officer who has drawn an Abstract Contingent (AC) Bill must submit a Detailed Contingent (DC) Bill to his Controlling Officer for counter signature and onward transmission to Accountant General within the prescribed time period. However, Drawing and Disbursing officers are authorised to draw sums of money by preparing Abstract Contingent Bills by debiting Service heads. They are required to present Detailed Contingent Bills (Vouchers in support of final expenditure) in all these cases within a specific period. Details as are under:

(₹ in crore)

Year	Abstract Contingent Bills Drawn		Detailed Contingent Bills Received		Outstanding Abstract Contingent Bills	
	Number	Amount	Number	Amount	Number	Amount
2010-11	1106	8,28.80	..	..	1106	8,28.80
2011-12	703	4,85.68	148	26.50	555	4,59.18
Total	1809	13,14.48	148	26.50	1661	12,87.98

- 14. Periodical Adjustments:** These are annual, regular, non-cash book adjustments carried out before the accounts of the financial year are closed. Significant illustrations are given in **Annexure 'C'**.
- 15. Other Book Adjustments:** These are non-cash transactions having direct impact on Revenue Surplus/ Deficit, Fiscal Surplus/Deficit and Assets and Liabilities. Details are given in **Annexure 'D'**.
- 16. Major Policy Decisions and their impact on the finances of the State:** To uplift the socio-economic health of the masses and to rejuvenate the core segments of the State economy, Major Policy Decisions were taken by the State Government. For Details, refer to **Appendix XIII in Vol.II**.
- 17 Central Plan / Centrally Sponsored Schemes:** The Government of India releases funds for implementation of schemes/projects by way of grants-in-aid to State Government. The State Government is required to release the funds in toto received from Government of India with its own share as per sharing pattern for implementation of schemes/projects. Macro analysis revealed that Government of India released a sum of ₹ 8,09.58 crore pertaining to 32 schemes to the State Government. However, State Government incurred an expenditure of ₹ 6,24.73 crore only against sum released by the Government of India and contribution made by the State Government in accordance with the sharing pattern. Details are given in **Annexure 'E'**.
- 18. The Punjab Fiscal Responsibility and Budget Management (FRBM) Act, 2003:** Section 5(2) of the Act states that in particular, and without prejudice to the generality of the foregoing provision, the State Government shall, at the time of presentation of the annual budget, disclose in a statement, in the form as may be prescribed,- (a) the significant changes in the accounting standards, policies and practices affecting or likely to affect the computation of the prescribed fiscal indicators; (b) as far as practicable and consistent with the protection of public interest, the contingent liabilities created by way of guarantees, all claims and commitments made by the State Government, having potential budgetary implications, including revenue demands raised, but not realised and tax arrears, and liability incurred, but not paid. However, annual budget was presented without foregoing disclosures.

In order to formulate Fiscal correction path to meet the targets set by the Thirteenth Finance Commission/ Government of India and to avail the benefit of interest relief of ₹ 7,03.34 crore and release of State Specific Grants of ₹ 14,50.00 crore, Government of Punjab amended the FRBM Act, 2003 in March 2011. Performance chart of the Government of Punjab for the year 2011-12 vis-à-vis targets fixed by the Thirteenth Finance Commission is as follows:

NOTES TO ACCOUNTS - contd.

Sr. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP*	
			Target	Achievement
1	2	3	4	5
1	Revenue Deficit	68,10.91	1.80	2.74
2	Fiscal Deficit	84,90.90	3.50	3.42
3	Debt	8,30,99.32	41.80	33.47

* Advance figure of GSDP: ₹ 24,83,00.95 crore.

19 Loans and Advances given by the State Government: Total amount of outstanding loan as on 31st March 2012 stood at ₹ 24,05.95 crore in comparison to an amount of ₹ 23,23.84 as on 1st April 2011 registering an increase of ₹ 82.11 crore. However, analysis has revealed that repayments in respect of most of the loans are not forthcoming.

Confirmation of balances at the close of the year is required to be done by the departmental authorities maintaining detailed account of loans and advances. The loan-wise figures have been supplied to the departmental authorities for confirmation. Response from the State Government is awaited. The information regarding loans for which terms and conditions are yet to be settled is also awaited from the State Government.

20. Suspense and Remittance Heads: The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. The position of gross figures under Major Suspense and Remittance Heads for three years is given below:

(₹ in crore)

Head of Account		2011-12		2010-11		2009-10	
		Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
1		2	3	4	5	6	7
8658	Suspense Account -						
101	Pay and Accounts Office-Suspense	12.08	4.47	22.87	0.32	17.66	0.76
102	Suspense Account-(Civil)	3.50	..	3.27	..	5.54	11.22
109	Reserve Bank Suspense-(Headquarter)	..	0.12	..	0.10	..	0.50
110	Reserve Bank Suspense- (Central Accounts Office)	3.83	..	8.59	..	23.11	..
112	Tax Deducted at Source (TDS) Suspense	..	1,05.50	..	20.56	..	12.58
123	A.I.S. Officers' Group Insurance Scheme	..	0.11	..	0.10	..	0.08
134	Cash Settlement between Accountant General, Jammu and Kashmir and other State Accountants General	..	..	0.63	..	74.58	..
8782	Cash Remittance and adjustments between officers rendering account to the same Accounts Officer-						
102	Public Works Remittances	8.68	1,16.08	12.07	1,19.85	17.76	1,31.56
103	Forest Remittances	..	2.65	..	2.14	..	1.07
8793	Inter-State Suspense Account-	2.14	..	12.65	..	..	1.05

Constant efforts are underway to clear the balances under these heads. However, clearance of suspense and remittance items depends on the details furnished by the Government Departments, Works and Forest Divisions, Central Ministries/PAOs/RBI, etc.

NOTES TO ACCOUNTS -contd.

Annexure 'A'
Component of '800-Other Receipts' in Revenue Receipts
(Refer para 4 at page no.16)

(₹ in crore)				
Sr. No.	Head of Account	Total Receipts	Amount under 'Other Receipts'	Percentage
1	2	3	4	5
1	0029 Land Revenue	24.65	24.08	97.69
2	0043 Taxes and Duties on Electricity	9,28.28	4,32.85	46.63
3	0075 Miscellaneous General Services	3,23.72	1,84.22	56.91
4	0217 Urban Development	1,49.79	1,48.34	99.03
5	0230 Labour and Employment	9.43	5.12	54.29
6	0401 Crop Husbandry	31.59	25.11	79.49
7	0435 Other Agricultural Programme	42.11	41.66	98.93
	Total	15,09.57	8,61.38	57.06

NOTES TO ACCOUNTS -contd.

Annexure 'B'**Component of '800-Other Expenditure' in Revenue and Capital Expenditure**

(Refer para 4 at page no.17)

(₹ in crore)

Sr. No.	Head of Account	Total Expenditure	Amount under 'Other Expenditure'	Percentage
1	2	3	4	5
1	2013 Council of Ministers	34.13	29.82	87.37
2	2215 Water Supply and Sanitation	3,98.04	1,56.88	39.41
3	2245 Relief on account of Natural Calamities	3,65.24	1,36.62	37.41
4	2801 Power	32,00.07	32,00.07	100.00
5	3053 Civil Aviation	18.62	16.64	89.37
6	3456 Civil Supplies	2,50.83	1,59.27	63.50
7	4217 Capital Outlay on Urban Development	35.66	31.58	88.56
8	4250 Capital Outlay on Other Social Services	5.63	5.63	100.00
9	4515 Capital Outlay on Other Rural Development Programme	1,90.17	1,56.29	82.18
10	4702 Capital Outlay on Minor Irrigation	16.46	16.45	99.94
11	5054 Capital Outlay on Roads and Bridges	3,86.31	2,56.82	66.48
	Total	49,01.16	41,66.07	85.00

NOTES TO ACCOUNTS - contd.

Annexure 'C'
Periodical Adjustments
(Refer para 14 at page no.18)

(₹ in crore)

Sr.No.	Adjustment	Head of Account		Amount	Remarks
		From	To		
1	2	3	4	5	6
1	Interest (Sr. No. 1 to 6)	Dr. 2049	Cr. 8009	9,28.11	Interest on State Provident Funds.
2		Dr. 2049	Cr. 8011	31.20	Interest on Insurance and Pension Funds.
3		Dr. 2049	Cr. 8115	3.93	Interest on Depreciation/Renewal Reserve Funds in respect of Commercial Departments.
4		Dr. 2049	Cr. 8115	0.99	Interest on Depreciation/Renewal Reserve Funds in respect of Non-Commercial Departments.
5		Dr. 2049	Cr. 8121	2,39.85	Interest on Unspent State Disaster Response Fund.
6		Dr. 2049	Cr. 8342	22.43	Interest on Contribution made on New Pension Scheme by the State Government.
7	Depreciation/Renewal Reserve Funds	Dr. 2058	Cr. 8115	0.06	Contra adjustment on Depreciation/Renewal Reserve Funds of Non-Commercial Departments.
8	Contribution by State Government	Dr. 2071	Cr. 8342	48.13	State Government share for Defined Contribution Pension Scheme.
9	Interest	Dr. 3055	Cr. 0049	2.78	On account of Interest due from Government Commercial Departments/Undertakings.
10	Contra Adjustment (Sr. No. 10 and 11)	Dr. 3055	Cr. 8115	0.36	Contribution to Depreciation/ Renewal Reserve Funds of Commercial Departments/ Undertakings.
11		Dr. 3055	Cr. 8121	1.91	Contribution to General and Other Reserve Funds of Commercial Departments/ Undertakings.
12	Contribution by State Government	Dr. 5054	Cr. 8449	29.51	On account of contribution to Central Road Fund.
13	Contra Adjustment	Dr. 8121	D/Dr. 2245	1,58.56	Recoupment of expenditure on account of 'State Disaster Response Fund'
	Total			14,67.82	

NOTES TO ACCOUNTS - contd.

Annexure 'D'
Other Book Adjustments
 (Refer para 15 at page no.18)

(₹ in crore)

Sr.No.	Adjustment	Head of Account		Amount	Remarks
		From	To		
1	2	3	4	5	6
1	Adjustment	Dr. 2245	Cr. 8121	2,28.49	Contribution to State Disaster Response Fund under Natural Calamities Unspent Marginal Money Fund
2	Adjustment	Dr. 8443	Cr. 0070	0.66	Contra entry as per advice of the State Government
3	Lapsed Deposits	Dr. 8443	Cr. 0075	74.15	Contra entry as per advice of the State Government
4	Personal Deposits	Dr. 8443	D/Dr. 2235	42.43	To adjust the unspent balance of Personal Deposit Accounts.
	Total			3,45.73	

NOTES TO ACCOUNTS -concl.

Annexure 'E'**Funds released and utilisation thereof under Central Plan/ Centrally Sponsored Schemes**

(Refer para 17 at page no.18)

(a) Detail of Government of India Schemes wherein State Government incurred 'Nil' expenditure

(₹ in crore)

Sr. No.	Government of India Scheme	Amount
1	2	3
1	Project for Diary Development	2.68
2	Implementation of Protection of Civil Rights Act, 1955 and Scheduled Castes and Scheduled Tribes (Prevention of Atrocities Act, 1989)	1.53
3	Swaran Jayanti Shahari Rozgar Yojna	22.75
4	Integrated Child Protection Scheme	5.75
5	National Service Scheme	2.40
6	Indira Gandhi Matritva Sahyog Yojna	9.82
	Total	44.93

(b) Detail of Government of India Schemes wherein State Government released 'Nil' amount

(₹ in crore)

Sr. No.	Government of India Scheme	Amount
1	2	3
1	Mid day Meal Scheme	1,25.61
2	Integrated Scheme of Oil Seeds, Pulses, Oil, Palm and Maize	1.40
	Total	1,27.40

(c) Detail of Government of India Schemes wherein State Government diverted the Funds

(₹ in crore)

Sr. No.	Government of India Scheme	Amount
1	2	3
1	Post-Matric Scholarship and Book Banks for Scheduled Caste Students	50.96
	Total	50.96

APPENDIX I. CASH BALANCES AND INVESTMENTS OF CASH BALANCES

(₹ in crore)

Overall Cash Position of the Government		As on	As on
		31 st March 2012	31 st March 2011
1		2	3
(a) General Cash Balances -			
1	Deposits with Reserve Bank of India *	-7,29.82	-6,94.28
2	Investments held in the Cash Balance Investment Account	1,02.03	1,02.03
Total (a)		-6,27.79	-5,92.25
(b) Other Cash Balances and Investments-			
1	Cash with departmental officers viz; Forest and Public Works	4,48.57	4,73.17
2	Permanent advances for contingent expenditure with departmental officers	0.22	0.22
3	Investments of earmarked funds	0.70	0.70
Total (b)		4,49.49	4,74.09
Total		-1,78.30	-1,18.16

EXPLANATORY NOTES

(a) **Daily Cash Balance:** Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum cash balance of ₹ 1.56 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary and special ways and means advances / overdrafts from time to time.

For arriving at the daily cash balance ** for the purpose of grant of ways and means advances/overdrafts, the Reserve Bank of India evaluates the holdings of the 14 days Treasury Bills along with the transactions reported (at Reserve Bank of India counters, Inter-Government transactions and Treasury transactions reported by the agency banks) for the day. To the cash balance so arrived, the maturity of 14 days Treasury Bills if any, is added and excess balance, if any, after maintaining the minimum cash balance is reinvested in Treasury Bills. **If the net cash balance arrived at results in less than the minimum cash balance** or a credit balance and if there are no 14 days Treasury Bills maturing on that day, Reserve Bank of India rediscounts the holdings of the 14 days Treasury Bills and makes good the shortfall. If there is no holding of 14 days Treasury Bills on that day the State Government applies for ways and means advances/special ways and means advances/ overdrafts.

(b) The limit for ordinary ways and means advances to the State Government was ₹ 3,60.00 crore during 2011-12. The Bank has also agreed to give special ways and means advances against the pledge of Government Securities. The limit of special ways and means advances was ₹ 7.81 crore with effect from 1st April 2011, ₹ 7.70 crore with effect from 2nd July 2011, ₹ 7.69 crore with effect from 1st October 2011 and ₹ 7.67 crore with effect from 2nd January 2012.

The extent to which the Government maintained the minimum cash balance with the Reserve Bank during 2011-12 is given below:-

Sr.No.	Particulars	No. of Days
1	2	3
(i)	Number of days on which the minimum balance was maintained without taking any advance	188
(ii)	Number of days on which the minimum balance was maintained by taking ordinary ways and means advances	152
(iii)	Number of days on which the minimum balance was maintained by taking special ways and means advances	..
(iv)	Number of days on which there was shortfall in minimum balance even after taking the above advances, but no overdraft was taken	1
(v)	Number of days on which overdrafts were taken	25

* The balance under the head 'Deposits with Reserve Bank' is arrived at after taking into account the Inter-Government Monetary Settlements pertaining to transactions of the financial year 2011-12 advised to the Reserve Bank of India till 16th April 2012.

** The cash balance ('Deposits with Reserve Bank of India') given above is the closing cash balance of the year as on 31st March 2012 but worked out by 16th April 2012 and not simply the daily balance on 31st March 2012.

APPENDIX I. CASH BALANCES AND INVESTMENTS OF CASH BALANCES - conclud.

EXPLANATORY NOTES - conclud.**(c) The details of investments held in the Cash Balance Investment Account**

(₹ in crore)

Sr. No.	Particulars	Amount
1	2	3
(i)	Government of India Securities	1,01.99
(ii)	Punjab State Power Corporation Limited Bonds	0.04
	Total	1,02.03

Interest realised during the year on these investments was ₹ 9.95 crore.