



सत्यमेव जयते

**State Finances Audit Report
of
the Comptroller and Auditor General of India**

for the year ended 31 March 2019



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Himachal Pradesh
Report No. 1 of the year 2020

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PREFACE

This Report is prepared for submission to the Governor of the State of Himachal Pradesh under Article 151 of the Constitution of India.

Chapters I and II of this Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts, respectively, of the State Government for the year ended 31 March 2019. Information has been obtained from the Government of Himachal Pradesh wherever necessary.

Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives relating to Financial Reporting during the current year.

The Report containing the findings of performance audit and audit of transactions in various departments, Report containing observations on audit of Statutory Corporations, Boards and Government Companies, and Report on State Revenues are presented separately.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Background

This Report on the finances of the Government of Himachal Pradesh presents an assessment of the financial performance of the State during the year 2018-19 *vis-à-vis* the Budget Estimates and targets prescribed under the Fiscal Responsibility and Budget Management (FRBM) Act, 2005 amended further by Act No. 25 of 2011; and analysis of the dominant trends and structural profile of State Government's receipts and disbursements.

Based on the audited accounts of the Government of Himachal Pradesh for the year ended 31 March 2019 and additional data collated from several sources such as the Economic Survey (brought out by the State government) and Census, this Report provides an analytical review of the Annual Accounts of the State Government in three Chapters.

Chapter-I is based on the audit of Finance Accounts and makes an assessment of the Himachal Pradesh Government's fiscal position as of 31 March 2019. It provides an account of receipts and disbursements, market borrowings, quality of expenditure, financial analysis of government expenditure and investment, debt sustainability and fiscal imbalances.

Chapter-II is based on the audit of Appropriation Accounts and gives a grant-wise description of appropriations. It contains observations on financial accountability and budget management, deficiencies in working of treasuries and results of review of selected grants.

Chapter-III presents a description of the State Government's compliance with various reporting requirements and financial rules.

Audit findings

Chapter I: Finances of the State Government

The State has not yet amended the FRBM Act as recommended by Fourteenth Finance Commission.

(Paragraph 1.1.2)

During 2018-19, the State's revenue receipts (₹ 30,950 crore) increased by 13 per cent over the previous year (₹ 27,367 crore). Only 33 per cent of the

revenue receipts came from the State's own resources comprising taxes and non-taxes, while the remaining 67 per cent was contributed by central transfers comprising the State's share in central taxes and duties (18 per cent) and grants-in-aid from GoI (49 per cent).

(Paragraph 1.3)

During 2018-19, total expenditure (₹ 34,493 crore) of the State increased by ₹ 3,181 crore (10 per cent) over the previous year. Revenue expenditure constituted 85.3 per cent of total expenditure. Total expenditure on four components i.e. salary and wages, pension liabilities, interest payments and subsidies constituted 73 per cent of the revenue expenditure during 2018-19.

(Paragraphs 1.6.1 and 1.6.2)

During 2018-19, capital expenditure (₹ 4,583 crore) increased by ₹ 827 crore (22 per cent) over the previous year (₹ 3,756 crore). The share of capital expenditure to total expenditure increased from 12 per cent in 2017-18 to 13.29 per cent in 2018-19.

(Paragraph 1.6.1.2)

Overall fiscal liabilities at the end of the year 2018-19 were ₹ 54,299 crore with growth of 6.41 per cent over the previous year. Fiscal liabilities were 36 per cent of GSDP and 1.75 times the revenue receipts.

(Paragraph 1.9.2)

Total Public debt increased from ₹ 25,729 crore in 2014-15 to ₹ 36,425 crore in 2018-19 registering annual average growth rate of 9.60 per cent. The share of market borrowings in total public debt went up from 59 per cent in 2014-15 to 65 per cent in 2018-19. During the current year (2018-19), total public debt increased by five per cent over the previous year.

(Paragraph 1.10)

In the next ten years, out of total outstanding market loans and UDAY bonds of ₹ 26,573 crore, the State has to repay principal of market loans and UDAY bonds of ₹ 25,005 crore (94.10 per cent) and interest amounting to ₹ 12,521 crore.

(Paragraph 1.10)

Revenue surplus represents the difference between revenue receipts and revenue expenditure. Revenue surplus of ₹ 314 crore during 2017-18 increased to ₹ 1,508 crore in 2018-19.

(Paragraph 1.11.1)

During 2018-19, fiscal deficit (₹ 3,512 crore) decreased by ₹ 358 crore over the previous year (₹ 3,870 crore). Primary deficit of ₹ 82 crore in 2017-18 turned into primary surplus of ₹ 510 crore in 2018-19.

(Paragraph 1.11.1)

Chapter II: Financial management and budgetary control

During 2018-19, expenditure of ₹ 42,469.10 crore (90.38 per cent) was incurred against total grants and appropriations of ₹ 46,984.68 crore. Overall savings of ₹ 4,515.58 crore were the result of savings of ₹ 5,336.95 crore minus excess expenditure of ₹ 821.37 crore in various grants/appropriations, which, in addition to excess expenditure of ₹ 8,333.35 crore for the period 2013-14 to 2017-18 required regularisation of the State Legislature under Article 205 of the Constitution of India.

(Paragraphs 2.2, 2.2.1 and 2.3.1)

Supplementary provision of ₹ 1,916.49 crore in 12 sub-heads proved unnecessary/ inadequate as expenditure either did not come up to the level of original provision or exceeded the total provision leaving an aggregate uncovered excess expenditure. Re-appropriations made proved injudicious in view of excessive surrenders or insufficient augmentation and resulted in excess expenditure of over ₹ 617.17 crore in 18 sub-heads and savings of over ₹ 196.22 crore under 12 sub-heads (₹ one crore or more in each case). In 155 sub-heads, out of the total provision (₹ 2,951.82 crore) (₹ 50 lakh or more in each case) an amount of ₹ 2,328.25 crore (78.87 per cent) was surrendered at the end of the financial year. In 60 heads of account/schemes, 100 per cent grant (amounting to ₹ 801.05 crore) were surrendered.

(Paragraphs 2.3.1.1, 2.3.2 and 2.3.4.2)

Chapter III: Financial reporting

Out of 5,758 Utilisation Certificates (UCs) due in respect of grants aggregating ₹ 5,128.42 crore, 2,407 UCs (42 *per cent*) aggregating ₹ 1,898.80 crore (37 *per cent*) were pending as of March 2019. High pendency of UCs is fraught with risk of misappropriation of fund and fraud. The State Government may ensure timely submission of utilisation certificates in respect of the grants released to grantee institutions, and may also review whether grants should continue to be given to a grantee with high pendency in submission of UCs.

(Paragraph 3.1)

Out of 14 Autonomous Bodies, only three Autonomous Bodies had submitted their accounts for 2018-19. The remaining 11 entities had not submitted their accounts despite delay of one year as of September 2019.

(Paragraph 3.2)

State Government reported 44 cases of misappropriation/loss, theft, etc., of government money amounting to ₹ 93.79 lakh upto March 2019 on which final action was still pending. Forty one out of 44 cases were more than five years old.

(Paragraph 3.4)

The drawing of advances through Abstract Contingent Bills (AC Bills) by departments without a mechanism for their identification/distinction and subsequent lack of monitoring entailed risk of misappropriation/malfeasance, and parking of funds in bank accounts outside the Consolidated Fund of the State with the resultant effect of overstatement of expenditure.

(Paragraph 3.5)

CHAPTER-I
FINANCES OF THE STATE GOVERNMENT

CHAPTER – I

FINANCES OF THE STATE GOVERNMENT

1.1 Introduction

This chapter provides a broad overview of the finances of the State Government during the current year (2018-19) and analyses critical changes in the major fiscal aggregates relative to the previous year and the overall trend during the last five years. Himachal Pradesh is a Special Category State (SCS). The special privileges given to Himachal Pradesh include financial assistance from Government of India (GoI) in the ratio of 90 *per cent* grant and 10 *per cent* loan unlike Non-Special Category States which get central aid in the ratio of 30 *per cent* grant and 70 *per cent* loan.

Profile of State

Himachal Pradesh is the 17th largest State in terms of geographical area (55,673 sq. km.) and the 20th largest by population. As shown in **Appendix 1**, the State's population increased from 0.61 crore in 2001 to 0.74 crore in 2019 (projected) recording a growth of 21 *per cent*. The percentage of population (as per census 2011) below the poverty line was eight *per cent* (all-India average being 22 *per cent*).

Gross State Domestic Product (GSDP)

GSDP is the market value of all officially recognised final goods and services produced within the State in a given period of time. The growth of GSDP is an important indicator of standard of living in the State. The trends in the annual growth of the State's GSDP and India's GDP at current and constant prices are shown in **Table 1.1**.

Table 1.1: Trends in Annual growth of India's GDP and GSDP of Himachal Pradesh (Current and Constant Prices)

Year	2014-15	2015-16	2016-17 [@]	2017-18 [#]	2018-19 ^{\$}
Current Prices (Base year – 2011-12)					
India's GDP (₹ in crore)	1,24,67,959	1,37,71,874	1,53,62,386	1,70,95,005	1,90,10,164
Growth rate (<i>per cent</i>)	10.99	10.46	11.55	11.28	11.20
State's GSDP (₹ in crore)	1,03,772	1,14,239	1,25,122	1,36,542	1,51,835
Growth rate (<i>per cent</i>)	9.51	10.09	9.53	9.13	11.20
Growth Rate of Neighbouring States					
Uttarakhand	8.29	9.74	10.14	14.20	10.35
Jammu & Kashmir	2.87	19.11	7.00	10.46	11.52
Constant Prices (Base year – 2011-12)					
India's GDP (₹ in crore)	1,05,27,674	1,13,69,493	1,22,98,327	1,31,79,857	1,40,77,586
Growth rate (<i>per cent</i>)	7.41	8.00	8.17	7.17	6.81
State's GSDP (₹ in crore)	89,060	96,274	1,03,038	1,09,748	1,17,751
Growth rate (<i>per cent</i>)	7.5	8.1	7.0	6.5	7.3

Source: Economics and Statistics Department, Himachal Pradesh and Central Statistics Office.

[@] Provisional [#] Quick ^{\$} Advance estimates.

In 2018-19, the growth rate of GSDP of Himachal Pradesh at current prices was higher than that of Uttarakhand but lower than that of Jammu & Kashmir, while being equal to the growth rate of India's GDP. At constant prices, the growth rate of the GSDP of Himachal Pradesh was slightly higher than that of India's GDP.

1.1.1 Summary of Financial Transactions

Government finances comprise the following:

Chart 1.1: Structure of Government Accounts

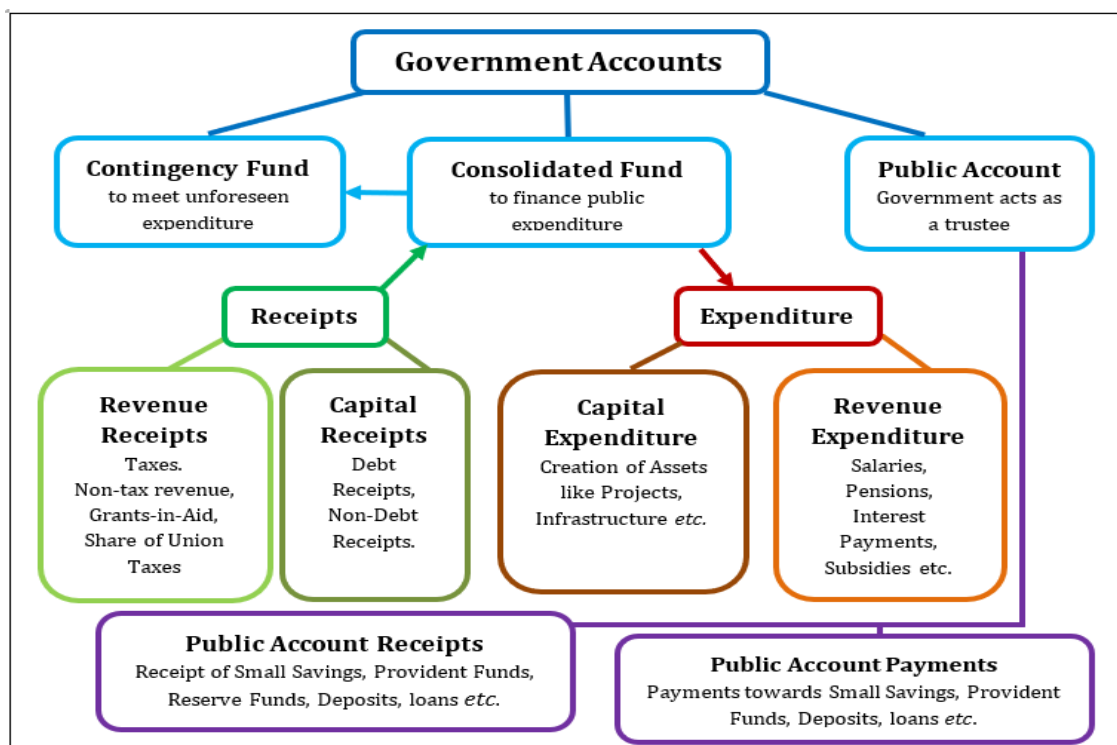


Table 1.2 presents the summary of the State Government’s fiscal transactions during the current year (2018-19) *vis-à-vis* the previous year (2017-18).

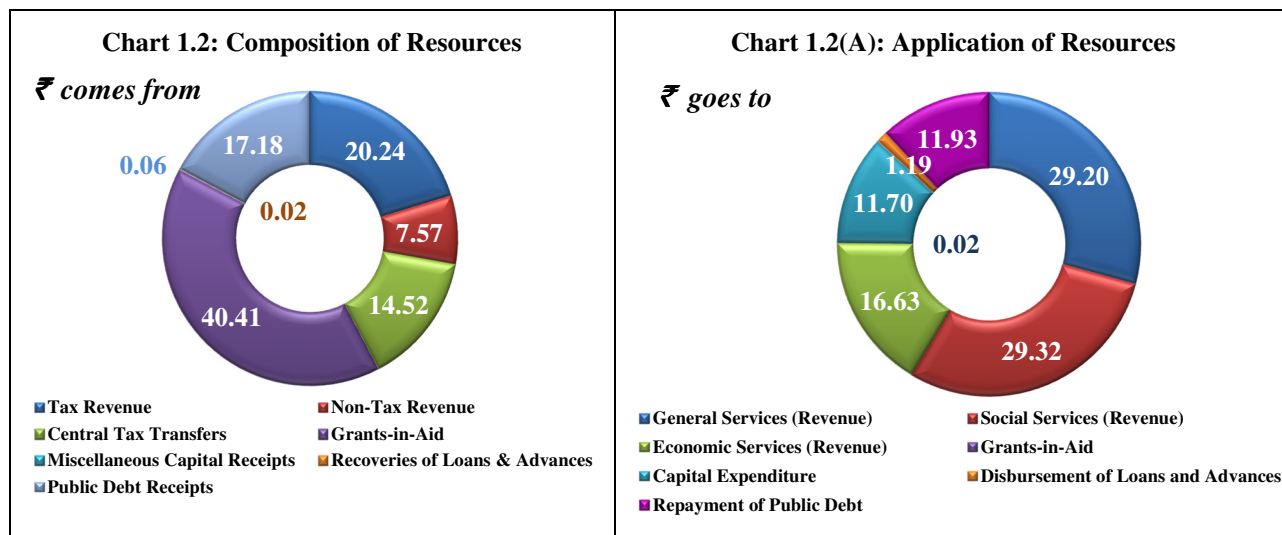
Table 1.2: Summary of Fiscal operations in 2018-19

(₹ in crore)					
Receipts	2017-18	2018-19	Disbursements	2017-18	2018-19
Section-A: Revenue					
Revenue receipts	27,367	30,950	Revenue expenditure	27,053	29,442
Tax revenue	7,108	7,573	General Services	11,009	11,438
Non-tax revenue	2,364	2,830	Social Services	10,337	11,482
Share of union Taxes/Duties	4,801	5,430	Economic Services	5,697	6,512
Grants from Government of India	13,094	15,117	Grants-in-aid and Contributions	10	10
Section-B: Capital and others					
Misc. Capital Receipts	35	9	Capital outlay	3,756	4,583
Recoveries of Loans and Advances	40	22	Loans and advances disbursed	503	468
Public Debt receipts	5,600	6,427	Repayment of Public Debt	3,500	4,673
Contingency Fund	Nil	Nil	Contingency Fund	Nil	Nil
Public account receipts	14,680	16,121	Public account disbursements	13,043	14,493
Opening Cash Balance	316	183	Closing cash balance	183	53
Total	48,038	53,712	Total	48,038	53,712

Source: Finance Accounts

Appendix 1.4 (Part-A) provides details of receipts and disbursements as well as the overall fiscal position during the current year in comparison with the previous year.

Percentage composition of sources and application of funds in the Consolidated Fund of the State during 2018-19 is given in **Chart 1.2 and 1.2 (A)**.



1.1.2 Review of the fiscal situation

Fiscal Responsibility and Budget Management (FRBM) Act, 2005

The Government of Himachal Pradesh enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005 in April 2005 which was amended by Act No. 25 of 2011 to ensure prudence in fiscal management and fiscal stability (**Appendix-1.2-Part B**). The FRBM Act was required to be further amended as per recommendation of 14th Finance Commission (2015-20)¹. However, the State Government had not yet amended the FRBM Act.

Performance of the State Government on major fiscal variables provided in the budget/Medium Term Fiscal Plan Statement (MTFPS), based on the recommendations of 14th Finance Commission (14th FC) and against the targets of the FRBM Act is depicted in **Table 1.3**.

Table 1.3: Major Fiscal Variables

Fiscal variables	2018-19				
	Targets as prescribed by the 14 th FC and FRBM Act	Targets proposed in the Budget/ MTFPS [#]	Actual	Percentage variation of actual over	
				Targets of 14 th FC and FRBM Act	Targets proposed in the Budget/MTFPS [#]
Revenue Surplus(+)/ Deficit(-) (₹ in crore)	Maintain revenue surplus	(-) 3,167.75	1,508.21	Target achieved	(+)147.61
Fiscal Deficit/GSDP (in per cent)	(-) 3.00 or less	(-) 5.16	(-)2.31	Target achieved	(+)2.85
Ratio of total outstanding debt* of the Government to GSDP (in per cent)	31.99	35.00	35.76	(-) 3.77	(-)0.76

Source: Finance Department and Finance Accounts

Medium Term Fiscal Plan Statement

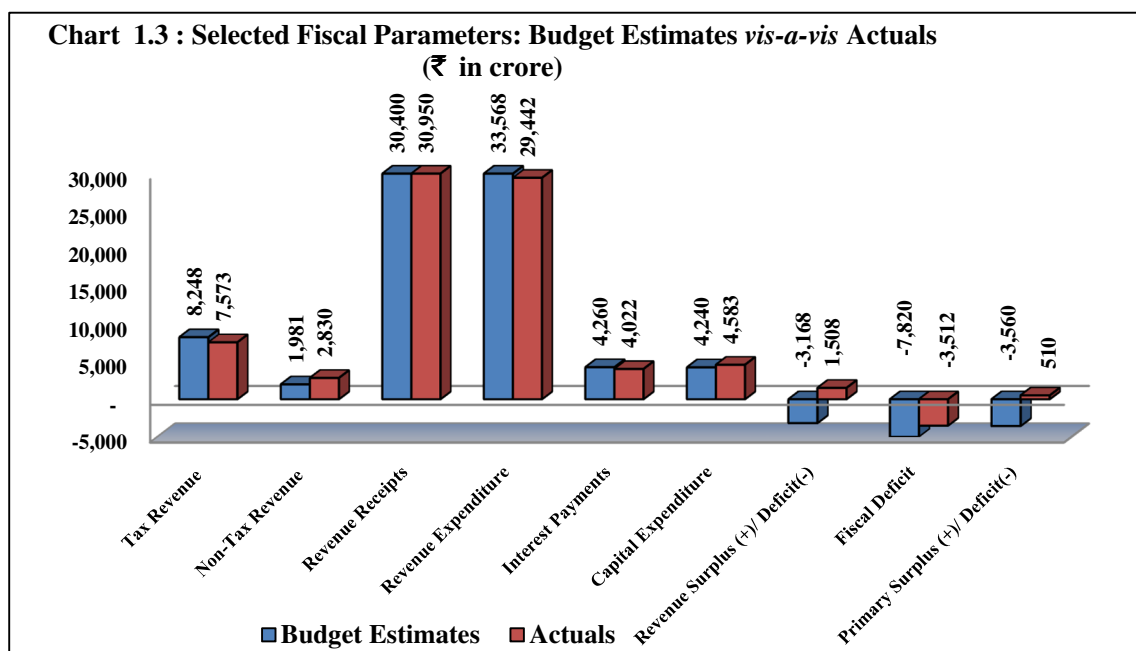
* This includes public debt and other obligations of the State Government

¹ (i) To provide for the statutory flexible limits on fiscal deficit; (ii) To provide a statutory ceiling on the sanction of new capital works to an appropriate multiple of the annual budget provision

- The State achieved the targets of eliminating the revenue deficit and maintained surplus as prescribed in the FRBM Act/14th FC due to increase in central devolutions on the recommendations of 14th Finance Commission.
- Fiscal Deficit was 2.31 *per cent* of the GSDP which was within the targets.
- There was a significant variation between the targets projected in the Budget/MTFPS and the actual figures for revenue deficit/surplus and fiscal deficit: revenue surplus of ₹ 1,508 crore against projected revenue deficit of ₹ 3,168 crore in Budget/MTFPS; fiscal deficit of 2.31 *per cent* against projected fiscal deficit of 5.16 *per cent* in the Budget/MTFPS. The large difference between projected and actual figures for revenue deficit/surplus was due to incurring of substantially less amount of development revenue expenditure than the budget estimates (discussed in detail in paragraph 1.7.2). This indicated either that the State Government had not properly assessed the estimated expenditure at the time of budget preparation, or that the State Government lacked the capacity to spend.
- The ratio of outstanding liabilities to GSDP at 35.76 *per cent* was higher than the recommendations of the 14th FC / FRBM Act as well as projections made in the Budget and MTFPS.

1.1.3 Budget estimates and actuals

The budget estimates and actuals for some important fiscal parameters for 2018-19 are given in **Chart 1.3**.



Source: MTFPS (March 2018) and Finance Accounts 2018-19

- The collection under revenue receipts was ₹ 550 crore (two *per cent*) more than the budget estimate (₹ 30,400 crore).
- The collection under tax revenue was ₹ 7,573 crore against the anticipated receipts of ₹ 8,248 crore. The shortfall of ₹ 675 crore (eight *per cent*) was mainly due to lesser receipts under VAT (₹ 1,185 crore against ₹ 1,320 crore) and GST (₹ 3,343 crore against ₹ 4,064 crore).

- Collection under non-tax revenue was above the budget estimate by ₹ 849 crore (43 per cent).
- Revenue expenditure (₹ 29,442 crore) was less than the budget estimate (₹ 33,568 crore) by ₹ 4,126 crore (12 per cent).
- Capital expenditure exceeded budget estimates by ₹ 343 crore (eight per cent) mainly due to higher expenditure under Economic Services.
- Against the estimated revenue deficit of ₹ 3,168 crore the State generated a revenue surplus of ₹ 1,508 crore. This was mainly due to less expenditure under development revenue expenditure *i.e.* Social and Economic services (discussed in detail in paragraph 1.7.2).
- Fiscal deficit at ₹ 3,512 crore was lower than the budget estimate (₹ 7,820 crore) by ₹ 4,308 crore. Primary surplus (₹ 510 crore) was more than the budget estimate of primary deficit of ₹ 3,560 crore by ₹ 4,070 crore.

It is evident from the above that there were large variations between the budget estimates prepared by the State Government and the actuals indicating that the State Government had not properly assessed the estimated receipts/ expenditures at the time of budget preparation.

1.1.4 Buoyancy Ratios

Buoyancy Ratios indicate the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. The buoyancy ratios of revenue receipts, State's own tax receipts, total expenditure and fiscal liabilities with respect to GSDP are given in **Table 1.4**.

Table 1.4: Buoyancy Ratios of Receipts, Expenditure and Fiscal Liabilities with respect to GSDP

	2014-15	2015-16	2016-17	2017-18	2018-19
GSDP (₹ in crore)	103,772	114,239	125,122	136,542	151,835
Rate of Growth of GSDP (in per cent)	9.51	10.09	9.53	9.13	11.20
Revenue Receipts (RR)					
Revenue Receipts (RR) (₹ in crore)	17,843	23,440	26,264	27,367	30,950
Rate of growth of RR (per cent)	13.57	31.36	12.05	4.20	13.09
Buoyancy of RR with respect to GSDP	1.43	3.11	1.26	0.46	1.17
State's Own Tax Revenue (SOTR)					
SOTR during the year (₹ in crore)	5,940	6,696	7,039	7,108	7,573
Rate of Growth of SOTR (in per cent)	15.99	12.73	5.12	0.98	6.54
Buoyancy of SOTR with respect to GSDP	1.68	1.26	0.54	0.11	0.58
Total Expenditure (TE)					
TE during the year (₹ in crore)	22,734	25,630	32,133	31,312	34,493
Rate of Growth of TE (in per cent)	15.17	12.74	25.37	(-)-2.56	10.16
Buoyancy of TE with respect to GSDP	1.60	1.26	2.66	(-)-0.28	0.91
Fiscal Liabilities (FL)					
FL at the end of the year (₹ in crore)	38,192	41,197	47,244	51,030	54,299
Rate of Growth of FL (in per cent)	12.71	7.87	14.68	8.01	6.41
Buoyancy of FL with respect to GSDP	1.34	0.78	1.54	0.88	0.57

Source: Finance Accounts of respective years

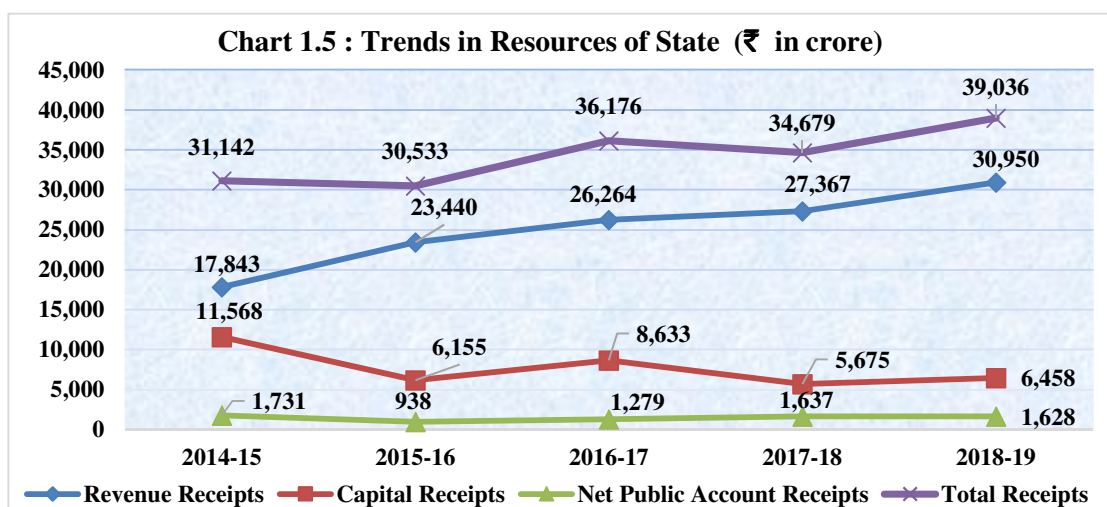
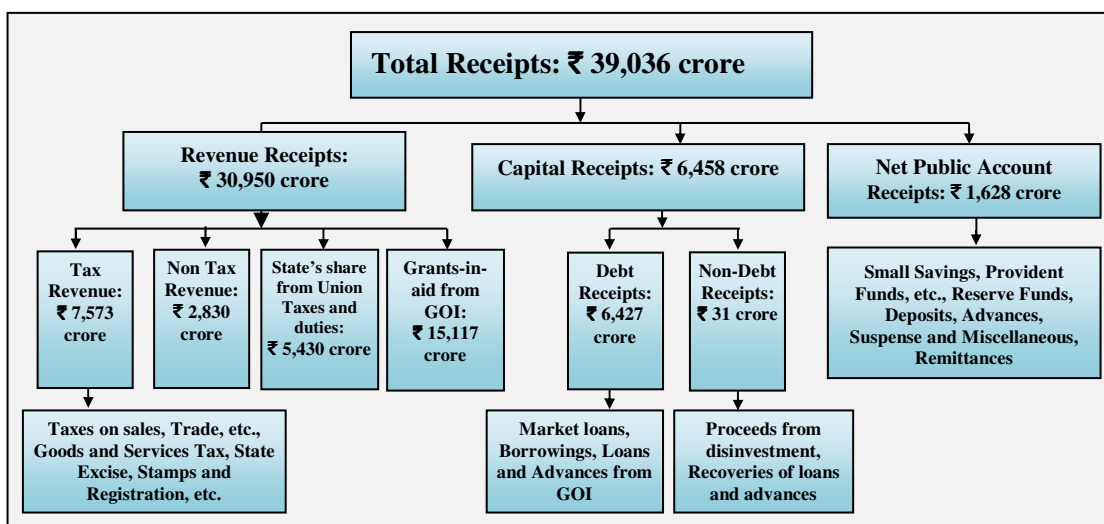
After implementation of Goods and Services Tax (GST) Act which became effective from 1 July 2017, the rate of growth of SOTR decreased from 5.12 per cent to 0.98 per cent and recorded lowest increase of ₹ 69 crore during 2017-18 over the previous year. However, during 2018-19, SOTR increased by ₹ 465 crore

(6.54 per cent). On the other hand during 2016-19, the rate of growth of GSDP *i.e.* 9.53, 9.13 and 11.20 per cent respectively was higher than the rate of growth of SOTR. The low buoyancy of SOTR with reference to GSDP, is a matter of concern. The rate of growth of total expenditure and fiscal liabilities was also less than the rate of growth of GSDP during 2018-19.

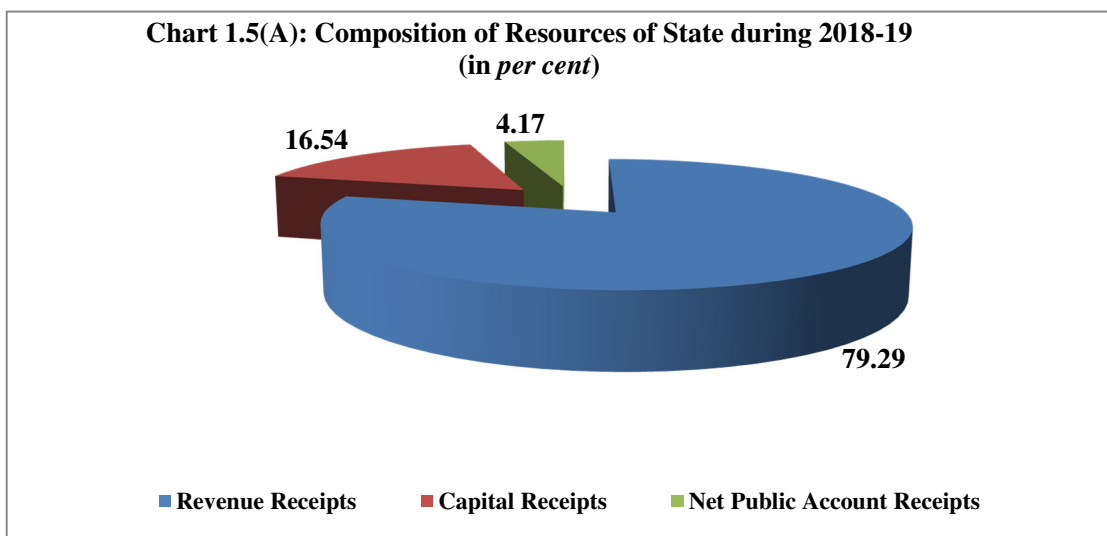
1.2 Resources of the State

Revenue receipts consist of tax revenues, non-tax revenues, State's share of union taxes and duties and grants-in-aid from GoI. Capital receipts consist of miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowing from financial institutions/commercial banks) and loans and advances from GoI as well as accruals from Public Account. **Table 1.2** presents the receipts and disbursements of the State during the year 2018-19 as recorded in its Annual Finance Accounts. **Chart 1.5** depicts the trends in various components of the receipts of the State during 2014-19. **Charts 1.4 and 1.5(A)** depict the composition of resources of the State during the current year.

Chart 1.4: Components and sub-components of State's resources during 2018-19



(Source: State Finance Accounts of the respective years)



The total receipts of the State increased by ₹ 7,894 crore (25.35 per cent) during 2014-19. Revenue receipts increased by ₹ 13,107 crore (73.46 per cent), Capital receipts which includes recovery of loans and advances and public debt decreased by ₹ 5,110 crore (44.17 per cent) and Net Public Account receipts decreased by ₹ 103 crore (5.95 per cent) during the same period.

Total receipts increased from ₹ 34,679 crore (2017-18) to ₹ 39,036 crore in 2018-19. This was primarily due to increase in revenue receipts on account of central transfers (State's share from Union taxes and duties and Grant-in-aid from GoI) over the previous year.

Over the five year period 2014-19, the share of revenue receipts in the total receipts increased from 57.30 per cent to 79.29 per cent, the share of net Public Account receipts decreased from 5.56 to 4.17 per cent and the share of capital receipts (including debt) decreased from 37.15 per cent to 16.54 per cent.

1.2.1 Funds transferred by GoI directly to State Implementing Agencies outside the State Budget

GoI has been transferring large amounts of funds directly to State implementing agencies for implementation of various schemes/programs in the social and economic sectors without routing the same through the State budget/treasury.

Despite GoI's decision to route these funds through State budget from 2014-15, funds were still transferred directly to State implementing agencies during 2014-19. During 2018-19 these direct fund transfers increased to ₹ 962.08 crore from ₹ 901.83 crore during the previous year (**Appendix 1.5**).

With the transfer of funds of ₹ 962.08 crore during 2018-19 by GoI directly to the State implementing agencies, the total availability of State resources was understated to that extent.

1.2.2 Building and Other Construction Workers' Welfare Cess

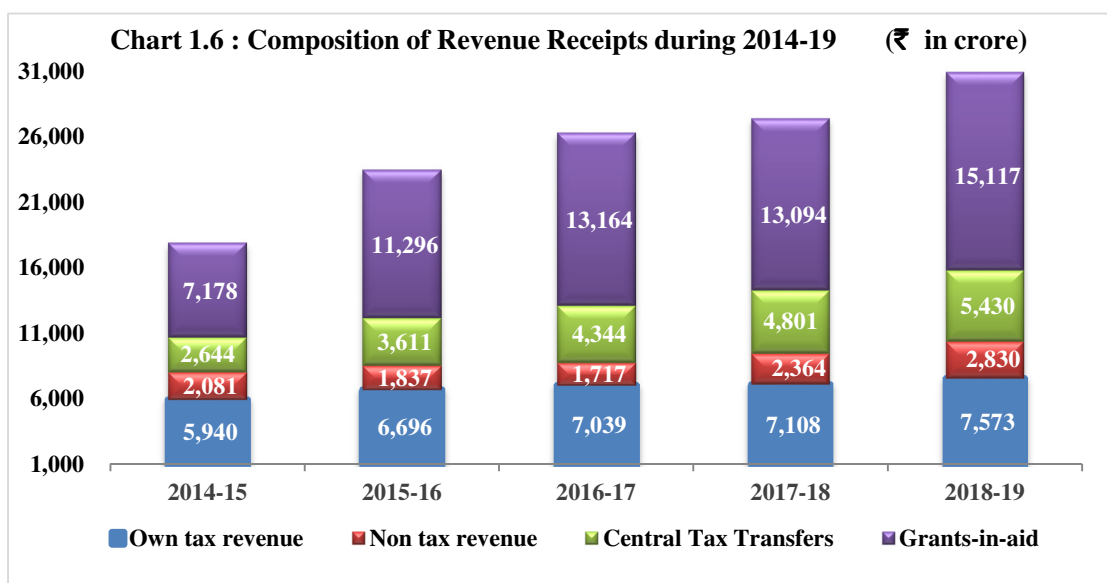
The State Government collects cess on the cost of construction incurred by employers under the Building and other Construction Workers Welfare's Cess Act, 1966. The

collected cess is to be spent on welfare schemes for construction workers. For this purpose, Building and Other Construction Workers' Welfare Board has been constituted. The accounts of the Board showed that the total funds available with the Board as on 31 March 2018 were ₹ 515.76 crore. The Board received ₹ 102.24 crore during 2018-19 as labour cess, interest, etc., and spent only ₹ 27.03 crore including ₹ 24.36 crore on labour welfare schemes during the year. As of 31 March 2019, the Board had funds of ₹ 590.97 crore.

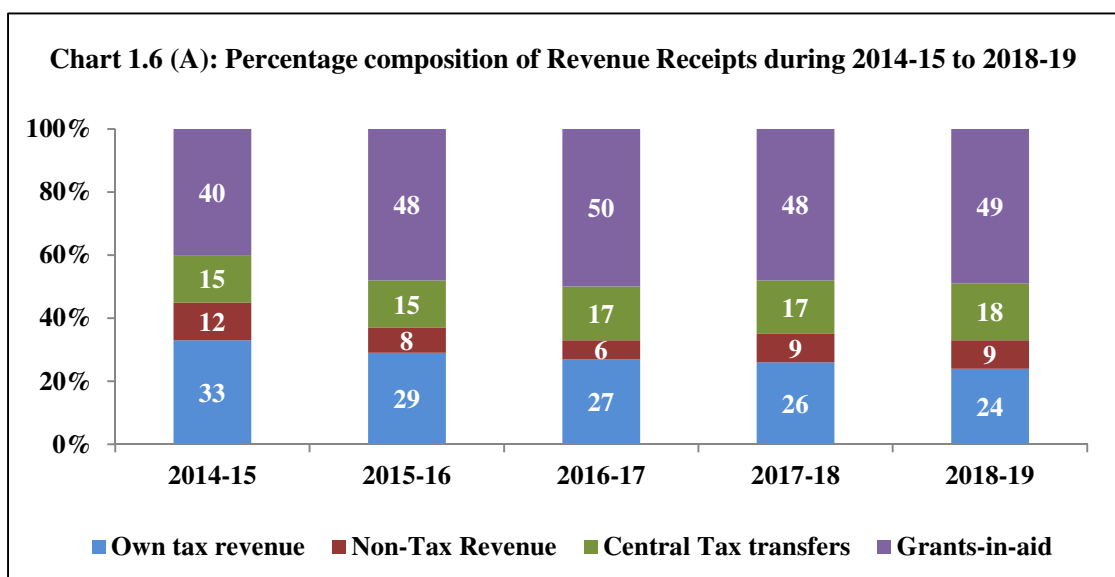
The huge amount of unutilised funds and low percentage of utilisation indicated either that the Board was not spending enough on existing welfare schemes or that the Board had not conceptualised new welfare schemes for the benefit of construction workers.

1.3 Revenue Receipts

The trends and composition of revenue receipts over the period 2014-19 are presented in **Appendix 1.3** and also depicted in **Charts 1.6** and **1.6 (A)**:



(Source: State Finance Accounts of respective years)



Revenue receipts of the State increased by ₹ 3,583 crore (13.09 per cent) from ₹ 27,367 crore in 2017-18 to ₹ 30,950 crore in 2018-19. During 2018-19, only 33 per cent of the Revenue receipts came from the State's own resources comprising taxes and non-taxes, while the remaining 67 per cent were contributed by central transfers comprising the State's share in central taxes and duties (18 per cent) and grants-in-aid from GoI (49 per cent). The trends in revenue receipts relative to GSDP are presented in **Table 1.5**.

Table 1.5: Trends in Revenue Receipts relative to GSDP

	(₹ in crore)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue Receipts (RR) (₹ in crore)	17,843	23,440	26,264	27,367	30,950
Rate of growth of RR (per cent)	13.57	31.36	12.05	4.20	13.09
State's Own Taxes (₹ in crore)	5,940	6,696	7,039	7,108	7,573
Rate of growth of Own Taxes (per cent)	15.99	12.73	5.12	0.98	6.54
State's GSDP (₹ in crore)	103,772	114,239	125,122	136,542	151,835
Growth rate of GSDP (per cent)	9.51	10.09	9.53	9.13	11.20
RR/GSDP (per cent)	17.19	20.52	20.99	20.04	20.38
Buoyancy Ratios²					
Revenue Buoyancy w.r.t. GSDP	1.43	3.11	1.26	0.46	1.17
State's Own Taxes Buoyancy w.r.t. GSDP	1.68	1.26	0.54	0.11	0.58
Revenue buoyancy w.r.t. State's own taxes	0.85	2.46	2.35	4.29	2.00

Revenue receipts increased from ₹ 17,843 crore in 2014-15 to ₹ 30,950 crore in 2018-19 at an annual average growth rate of 14.85 per cent. The ratio of revenue receipts to GSDP remained around 20 per cent during 2015-19. Revenue buoyancy with reference to GSDP varied between 0.46 and 3.11 during 2014-19, and the improvement (1.17) in 2018-19 over the previous year (0.46) was primarily due to increase in non-tax revenue of the State and enhanced devolution of central funds. Despite high devolution of central funds during 2016-19, the effect on Revenue buoyancy was not commensurate due to the considerably low buoyancy in State's own taxes during the same period, which came down from 1.68 in 2014-15 to 0.58 in 2018-19.

1.3.1 State's Own Resources

As the State's share in Central taxes and grants-in-aid is determined on the basis of recommendations of the Finance Commission, the State's performance in mobilization of resources was assessed in terms of its own resources comprising own tax and non-tax sources.

The State's actual tax and non-tax receipts for the year 2018-19 *vis-à-vis* projections made by 14th FC and in MTFPS are given in **Table 1.6**.

² Refer glossary in Appendix 4.

Table 1.6: Percentage variation of actual over projections/estimates for the year 2018-19
(₹ in crore)

	14 th FC projections	Budget estimates/ MTFPS projection	Actual	Percentage variation of actual over	
				14 th FC projections	Budget estimates/ MTFPS projection
Tax revenue	13,747	8,248	7,573	(-) 44.91	(-) 8.18
Non tax revenue	2,373	1,981	2,830	Target Achieved	Target Achieved

Source: Finance Department and Finance Accounts

The actual collection under tax revenue fell short of the projections made by 14th Finance Commission in the budget estimates/MTFPS by ₹ 6,174 crore (44.91 per cent) and ₹ 675 crore (8.18 per cent). Projections made for non-tax revenue in 14th Finance Commission's and budget estimates/MTFPS were achieved during 2018-19.

1.3.1.1 Tax revenue

The gross collections in respect of major taxes and duties are given in **Table 1.7**, which also depicts the trends in various components of own tax revenue of the State during 2014-19.

Table 1.7: Components of Tax Revenue

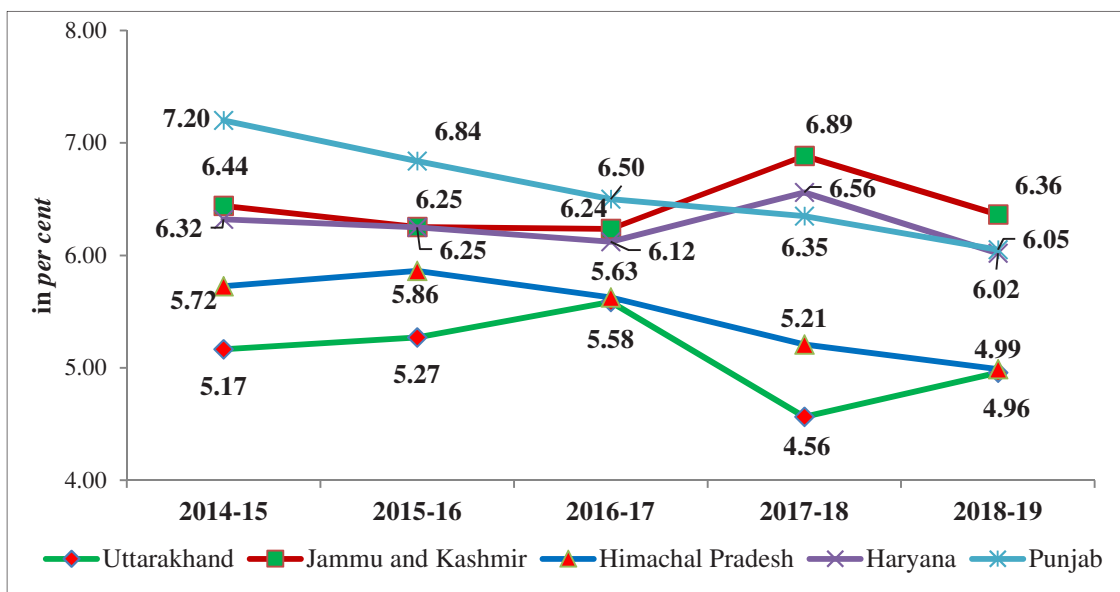
Revenue Head	2014-15	2015-16	2016-17	2017-18	2018-19	
					BE	Actual
State Goods and Services Tax (SGST)	-	-	-	1,833	4,065	3,343(82)
Taxes on sales, trades, etc.	3,661(17)	3,993(9)	4,382(10)	2,526(-42)	1,320	1,185(-53)
State excise	1,044(10)	1,131(8)	1,308(16)	1,311(-)	1,426	1,482(13)
Taxes on vehicles	220 (6)	317(44)	280(-12)	367(31)	300	408(11)
Stamp duty and registration fees	190(1)	206(8)	209(1)	229(10)	270	251(10)
Taxes and duties on electricity	333 (74)	551(65)	372 (-32)	361(-3)	350	487(35)
Land revenue	17(70)	7(-59)	8 (14)	17(112.5)	21	8(-53)
Taxes on goods and passengers	110(5)	115(5)	121(5)	112(-24)	145	104(-7)
Other taxes	365(12)	376(3)	359 (-5)	352(-2)	351	305(-13)
Total Tax Revenue	5,940 (16)	6,696(13)	7,039(5)	7,108(1)	8,248	7,573(7)

Figures in the parenthesis indicate the percentage growth over the previous year

Tax revenue increased by ₹ 1,633 crore (27.49 per cent) during 2014-19. During 2018-19, tax revenue registered an increase of ₹ 465 crore (6.54 per cent) over 2017-18 primarily due to the large increase in collections under SGST. The State Government stated that increase in receipts under State Excise (₹ 171 crore) was due to better enforcement of excise policy, quarterly monitoring of licence fee, manufacturing cost and keeping strict watch on fees by manufacturing plants; increase in collections under taxes on vehicles (₹ 41 crore) was due to registration of more vehicles, issuance of more choice numbers, and revision of composite fee; and increase in receipts under taxes and duties on electricity ₹ 126 crore was due to deposit of arrears of electricity duty by HP State Electricity Board.

In comparison with the budget estimates, the actual collections under Tax revenue during 2018-19 fell short by eight per cent (₹ 675 crore), with substantial shortfall under SGST and taxes on sales, trades, etc.

Chart 1.7: Comparison of Own Tax Revenue to GSDP (*per cent*) of Himachal Pradesh w.r.t. Uttarakhand, Haryana, Jammu & Kashmir and Punjab



The Own Tax Revenue to GSDP ratio of Himachal Pradesh showed a declining trend from 2015-16 onwards. In 2018-19, the ratio for Himachal Pradesh was higher than the ratio for Uttarakhand and lower than the ratio for Haryana, Jammu and Kashmir and Punjab.

Goods and Services Tax

State Government implemented the Goods and Services Tax (GST) Act which became effective from 1 July 2017. According to GST (Compensation to the States) Act 2017, Central Government will compensate States for loss of revenue arising on account of implementation of GST for a period of five years. The compensation payable to the States shall be calculated for every financial year after the receipt of final revenue figures, as audited by the CAG of India. A base year (2015-16) revenue figure was finalised under GST Act. For Himachal Pradesh, the base year revenue figure was ₹ 3,634 crore (2015-16). The projected revenue for any year in a State shall be calculated by applying the projected growth rate (14 *per cent* per annum) cumulatively over the base year revenue of that State. The projected revenue for the year 2018-19 in accordance with the base year figure was ₹ 5,388 crore. Revenue figure under GST for the year 2018-19 has been depicted in Finance Accounts as per nature of receipts *i.e.* State Goods and Services Tax (SGST), Input Tax Credit, Cross Utilization of SGST and Integrated Goods & Services Tax (IGST), Apportionment of IGST-transfer-in of Tax component to SGST and Advance Apportionment from IGST. Against the projected revenue of ₹ 5,388 crore, the revenue receipts of the State Government under GST during the year 2018-19 remained at ₹ 2,806 crore and compensation of ₹ 2,037 crore was received as detailed in **Table 1.8**. Thus, there was a shortfall of ₹ 544.82 crore in receipt of compensation as on 31 March 2019.

Table 1.8: Month-wise (April 2018 to March 2019) impact of GST and compensation received

(₹ in crore)

Month	Monthly revenue to be protected*	Pre-GST taxes collected**	SGST collected	Provisional apportionment of IGST	Total amount received	Compensation received	Surplus (+)/ Deficit (-)
	1	2	3	4	5=(2+3+4)	6	7={1-(5+6)}
April-18	449	2.19	134.88	100.02	237.09	--	211.91
May-18	449	2.18	117.30	117.63	237.11	184	27.89
June-18	449	2.27	127.98	120.38	250.63	336	-137.63
July-18	449	1.68	130.74	108.30	240.72	225	-16.72
August-18	449	2.45	121.64	103.99	228.08	--	220.92
September-18	449	1.78	117.38	102.99	222.15	354	-127.15
October-18	449	1.50	124.54	94.86	220.90	--	228.10
November-18	449	0.57	142.58	124.64	267.79	315	-133.79
December-18	449	1.65	139.43	115.79	256.87	--	192.13
January-19	449	2.00	142.96	104.64	249.60	330	-130.60
February-19	449	2.45	132.58	100.18	235.21	--	213.79
March-19	449	2.02	158.94	91.05	252.01	293	-96.01
	--	--	- 91.98#	--	-91.98	--	91.98
Total	5388	22.74	1498.97	1284.47	2806.18	2037	544.82

* Revenue is to be calculated considering the revenue figures of 2015-16 as base year by adding 14 per cent per annum

** Includes VAT & CST (net of refund) and revenue from the taxes subsumed in GST by excluding VAT and CST on petroleum products and liquor.

An amount of ₹91.98 crore refunded during 2018-19.

Advance Apportionment from IGST

GoI is to apportion IGST to State Government under section 17 of the IGST Act, 2017. State Tax Division, Department of Revenue, Ministry of Finance (GoI) sanctioned ₹ 559.24 crore on account of 'Advance Apportionment of IGST' and an amount of ₹ 107 crore was devolved during 2018-19 to the State Government on the basis of the recommendations of the Fourteenth Finance Commission.

Audit of GST Receipts

With automation of the collection of Goods and Services Tax (GST) having taken place, it is essential for Audit to transition from sample checks to a comprehensive check of all transactions, to fulfil the CAG's Constitutional mandate of certifying the Accounts. The required access to data is yet to be provided. Not having access to the data pertaining to all GST transactions has come in the way of comprehensively auditing the GST receipts. The accounts for the year 2018-19 are, therefore, certified on the basis of test audit, as was done when records were manually maintained, as a one-time exception.

1.3.1.2 Non-tax revenue

Table 1.9 and Chart 1.8 depict the trends in various components of non-tax revenue (NTR) of the State during the past five years (2014-19).

Table 1.9: Components of Non-Tax Revenue (NTR)

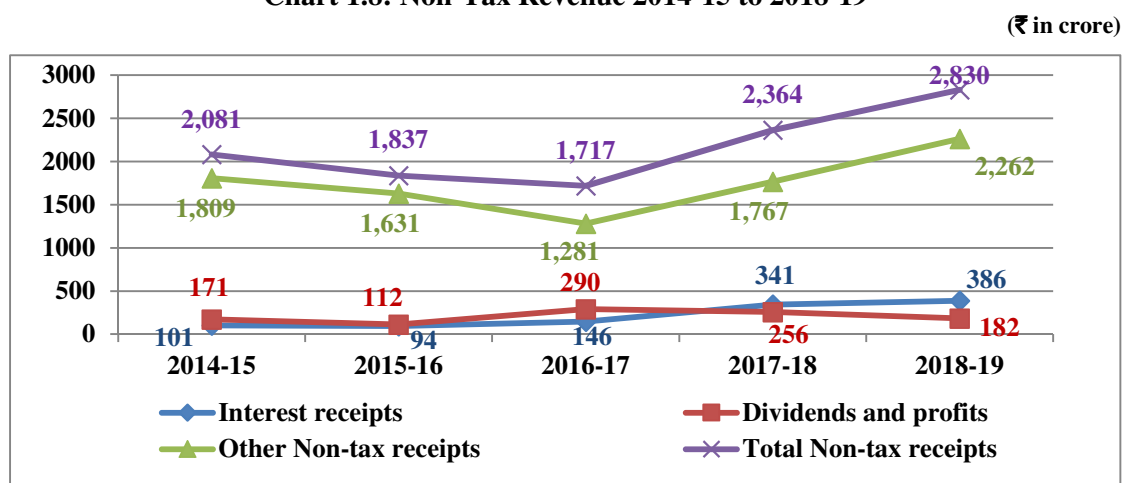
Revenue Head	2014-15	2015-16	2016-17	2017-18	2018-19	
					BE	Actual
Interest receipts	101(-15)	94(-7)	146(55)	341(134)	313	386(13)
Dividends and profits	171(66)	112(-35)	290(159)	256(-12)	117	182(-29)
Other non-tax receipts, of which-	1,809(16)	1,631(-10)	1,281(-21)	1,767(38)	1,551	2,262(28)
Misc. General Services	3(-50)	19(533)	2(-89)	5(150)	--	21(320)
Education, Sports, Arts and Culture	161(3)	206(28)	112(-46)	181(62)	--	215(19)
Forestry and Wildlife	116(-68)	34(-71)	19(-44)	47(147)	46	76(62)
Other Administrative Services	36(38)	33(-8)	43(30)	40(-7)	--	51(28)
Non-ferrous Mining and Metallurgical Industries	162(46)	155(-4)	176(14)	441(151)	175	221(-50)
Power	1,122(61)	924(-18)	651(-30)	688(6)	725	1,134(65)
Others	209 (-)	260(24)	278(7)	365(32)	605	544 (49)
Total	2,081(17)	1,837(-12)	1,717(-7)	2,364(38)	1,981	2,830(20)

Figures in the parenthesis indicate percentage growth/deficit over the previous year.

BE: Budget estimates

(Source: Finance Accounts for the respective years)

Chart 1.8: Non-Tax Revenue 2014-15 to 2018-19



The receipts under non-tax revenue increased by ₹ 749 crore (35.99 per cent) during 2014-19. Non-tax revenue constituted 9.14 per cent of the revenue receipts during 2018-19. The overall increase of ₹ 466 crore (19.7 per cent) over the previous year was mainly on account of increase in receipts under power (₹ 446 crore) due to receipt of arrears of free power royalty and electricity duty. Increase under Forestry and Wildlife was on account of increased sale of timber and other produce to consumers/buyers by State Forest Development Corporation. Increase under Non-ferrous Mining and Metallurgical Industries during 2017-18 was due to upfront payment of ₹ 194.20 crore on account of transfer of mining leases and interest of ₹ 14.72 crore on delayed payment of royalty.

1.3.2 Grants- in-aid from GoI

GoI discontinued Plan and Non-Plan classification and operated new Sub-Major Heads under Major Head-1601-Grants-in-aid (GIA) for providing GIA to States from 2017-18. The position of grants-in-aid from GoI is given in **Table 1.10**.

Table 1.10: Grants-in-aid from GoI

Particulars	(₹ in crore)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Non-Plan Grants	1,199	8,524	8,877	--	--
Grants for State Plan Schemes	4,333	756	1,188	--	--
Grants for Central Plan Schemes	31	38	44	--	--
Grants for Centrally Sponsored Plan Schemes	1,615	1,978	3,055	--	--
Centrally Sponsored Schemes	--	--	--	3,590	4,010
Finance Commission Grants*	--	--	--	8,889	8,831
Other Transfer/Grants to State/ Union Territories with Legislatures	--	--	--	615	2,276
Total	7,178	11,296	13,164	13,094	15,117
Percentage increase over previous year	13.68	57.37	16.54	(-) 0.53	15.45
Percentage of Revenue Receipts	40	48	50	48	49

(Source: Finance Accounts for the respective years)

* Finance Commission Grants includes post devolution revenue deficit grant, grants for local bodies and SDRF which was earlier depicted as Non-plan grants in State Accounts.

In 2018-19, grants-in-aid from GoI increased over the previous year by ₹ 2,023 crore which included compensation of ₹ 2,037 crore in lieu of loss of revenue arising out of implementation of GST. Share of GIA in State's revenue receipts ranged between 40 and 50 per cent during 2014-19.

1.3.3 Central tax transfers

In 2018-19, Central tax transfers (CTT) increased by ₹ 628.46 crore (13.09 per cent) over the previous year as given in **Table 1.11**. CTT constituted 18 per cent of State's revenue in 2018-19.

Table 1.11: Central tax transfers during 2017-18 and 2018-19

Name of Tax	Recommendation of 14 th FC	(₹ in crore)			
		Actual for 2017-18	Actual for 2018-19	Variation	
Integrated Goods and Services Tax (IGST)	42 per cent of the shareable amount of Central Taxes to States.	484.84	107.00	-377.84	
Central Goods and Services Tax (CGST)		68.36	1,340.15	1,271.79	
Corporation Tax		1,470.67	1,888.31	417.64	
Income Tax		1,241.88	1,390.66	148.78	
Wealth Tax		(-)0.04	0.69	0.73	
Customs		484.70	384.89	-99.81	
Union Excise Duty		506.50	255.78	-250.72	
Other Taxes on Income and Expenditure		-	9.83	9.83	
Other Taxes and Duties on Commodities and Services		-	2.80	2.8	
Service Tax		544.40	49.66	-494.74	
Total			4,801.31	5,429.77	628.46

The 14th FC recommended increasing the States' share of Central taxes from 32 to 42 *per cent*. Accordingly, the State's share in the net proceeds of Central Taxes (excluding Service Tax) and net proceeds of Service Tax was fixed at 0.713 *per cent* and 0.722 *per cent*, respectively.

Increase of CTT in 2018-19 over the previous year was mainly under CGST (₹ 1,271.79 crore), Corporation Tax (₹ 417.64 crore) and Income tax (₹ 148.78 crore).

1.4 Capital Receipts

Capital receipts include recoveries of loans and advances, receipts through debt (internal and from GoI) and miscellaneous capital receipts. The trends in growth and composition of capital receipts during the past five years (2014-19) are presented in Table 1.12.

Table 1.12: Trends in growth and composition of capital receipts

Sources of State's Receipts	2014-15	2015-16	2016-17	2017-18	2018-19
Capital Receipts (CR)	11,568	6,155	8,633	5,675	6,458
Rate of growth of CR (per cent)	184.44	(-) 46.79	40.26	(-)34.26	13.80
Miscellaneous Capital Receipts	650*	Nil	Nil	35	9
Recoveries of Loans and Advances	41	26	30	40	22
Rate of growth of non-debt capital receipts (in per cent)	3,964.71	(-) 96.23	15.38	150.00	(-)58.67
Public Debt Receipts	10,877	6,129	8,603	5,600	6,427
Debt Receipts from internal sources	10,752	6,079	8,502	5,518	6,360
Loans and Advances from GoI	125	50	101	82	67
Rate of growth of debt capital receipts	168.57	(-) 43.65	40.37	(-)34.91	(-)14.77

* Proceeds from capital disinvestment of Himachal Pradesh Power Corporation.

Capital receipts decreased from ₹ 11,568 crore in 2014-15 (high amount due to more ways and means advances and overdrafts (₹ 6,860 crore) taken to maintain minimum cash balances with RBI) to ₹ 6,155 crore in 2015-16. In 2016-17, there was an increase due to inclusion of loan of ₹ 2,890.50 crore given to DISCOM on account of UDAY scheme. In 2018-19, capital receipts (₹ 6,458 crore) increased by ₹ 783 crore over the previous year (₹ 5,675 crore). Details of sources of capital receipts are discussed in following paragraphs:

1.4.1 Recoveries of loans and advances

The State Government had provided loans and advances to various institutions/organizations such as Himachal Pradesh Private Educational Institutions Regulatory Commission, Himachal Pradesh State Co-operative Bank, Himachal Pradesh Marketing and Consumer Federation Corporation Ltd. (HIMFED), Himachal Pradesh Horticulture Produce Marketing and Processing Corporation Ltd., Himachal Pradesh Power Corporation Ltd., Himachal Pradesh Power Transmission Corporation Ltd., Himachal Pradesh Financial Corporation, etc. The State Government recovered loans and advances of ₹ 22 crore during 2018-19. Besides, ₹ 272 crore was received as interest on loans and advances. As of 31 March 2019, the total outstanding loans

and advances amounted to ₹ 6,953 crore. The detailed status of loans and advances has been discussed in Paragraph 1.8.3.

1.4.2 Debt receipts from internal sources

Debt receipts from internal sources *i.e.* market loans/borrowings from different financial institutions and banks over the period 2014-15 to 2018-19 continued to be a major source of receipts for the State Government.

Table 1.13: Details of debt receipts from internal sources

	(₹ in crore)				
	2014-15	2015-16	2016-17	2017-18	2018-19
i) Market Loans	2,345 (22)	2,450 (40)	3,400 (40)	4,600 (84)	4,210 (66)
ii) Special Securities issued to National Small Savings fund of the Central Government (NSSF)	1,102 (10)	1,307 (22)	Nil	Nil	Nil
iii) Ways and means advances (including overdrafts) (WMA including OD)	6,860 (64)	1,785 (29)	1,671 (20)	400 (7)	1,496 (24)
iv) Loans from National Bank for Agricultural and Rural Development (NABARD)	400 (4)	500 (8)	500 (6)	500 (9)	626 (10)
v) Loans from Other Financial Institutions	45 (*)	37 (1)	2,931 [#] (34)	18 (*)	28 (*)
Internal Debt Receipts (Total (i to v))	10,752	6,079	8,502[#]	5,518	6,360
Internal Debt Repayment	8,193 (76)	3,876 (64)	3,869 (46)	3,421 (62)	4,588 (72)

Figures in brackets indicate the percentage of internal debt receipts

* Less than one per cent.

Includes ₹2,890.50 crore on account of loans raised for disbursement to DISCOM under UDAY Scheme.

Over the last five years, market loans were the major component of internal debt. During 2018-19, market loans decreased by ₹ 390 crore over the previous year as the State Government accessed more loans from NABARD and other financial institutions. Trends in market borrowings are detailed in paragraph 1.10.

1.4.3 Loans and advances from GoI

Loans of ₹ 67 crore were received from GoI and repayment of ₹ 85 crore was made during 2018-19. Total outstanding loans and advances from GoI decreased by ₹ 17 crore during 2018-19 (₹ 1,062 crore) over the previous year (₹ 1,079 crore).

1.5 Public Account Receipts

Receipts and disbursements in respect 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. Here the government acts as a banker. The balance after disbursements is the fund available with the government for use. The trends in public account receipts and disbursements during the year 2017-18 and 2018-19 are given in **Table 1.14**.

Table 1.14: Trends in Public Accounts Receipts and Disbursements during 2017-18 and 2018-19

(₹ in crore)

State's resources under various heads	Public Account Receipts		Public Account Disbursements		Excess of Receipts over Disbursements	
	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
(a) Small Savings, Provident Fund, etc.	3,768	3,754*	2,376	2,640	1,392	1,114
(b) Reserve fund	420	500	315	508	105	-8
(c) Deposits and Advances	2,874	3,580	2,685	3,172	189	408
(d) Suspense and Miscellaneous	763	839	882	838	(-) 119	1
(e) Remittances	6,854	7,448	6,785	7,336	69	112
Total	14,679	16,121	13,043	14,494	1,636	1,627

Net Public Account Receipts=Public Account Receipts-Public Account Disbursements

Actual figure: * ₹3,753.46 crore

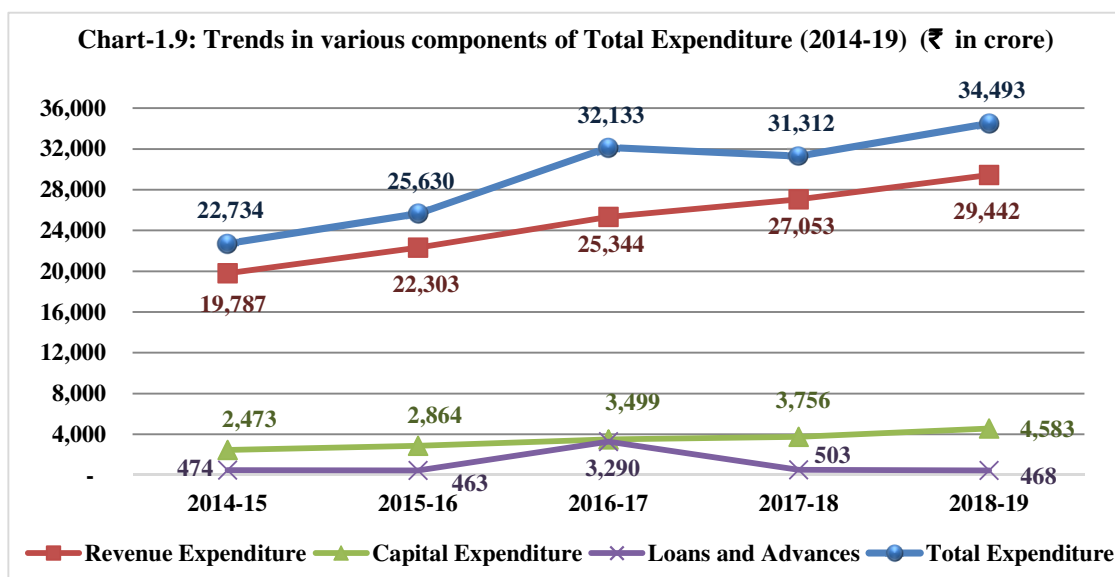
Net public account receipts (excess of receipts over disbursements) decreased by ₹ 9 crore from ₹ 1,636 crore in 2017-18 to ₹ 1,627 crore in 2018-19. Net availability of funds under these heads had a major share in financing the fiscal deficit.

1.6 Application of Resources

The application of resources is analysed under various headings, viz. growth and composition of expenditure, revenue expenditure, capital expenditure, committed expenditure (expenditure on salaries, interest payments, subsidies, pension payments) and financial assistance to local bodies and other institutions, in the succeeding paragraphs.

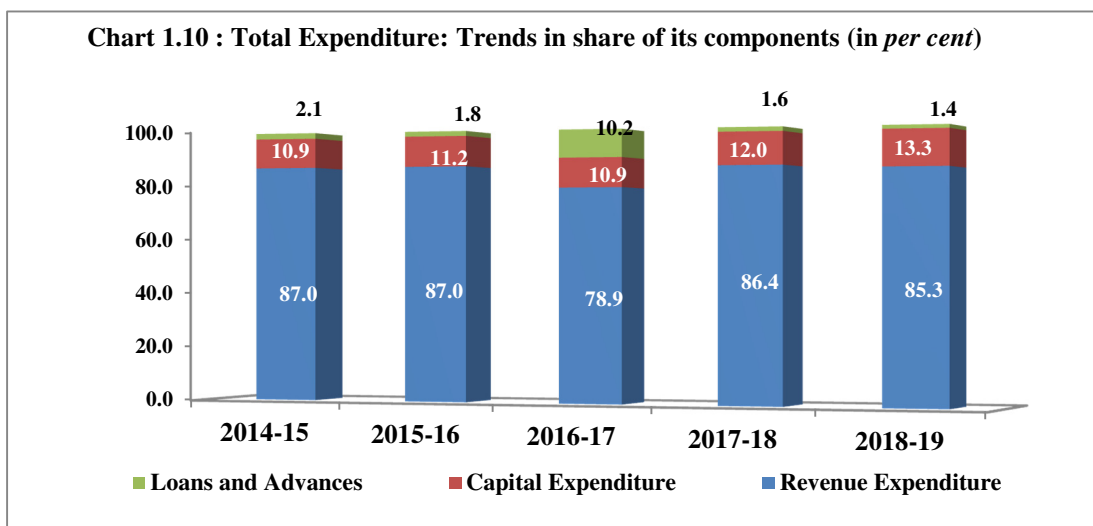
1.6.1 Growth and Composition of Expenditure

Charts 1.9 to 1.11 present the trends and composition of total expenditure over the last five years (2014-19):

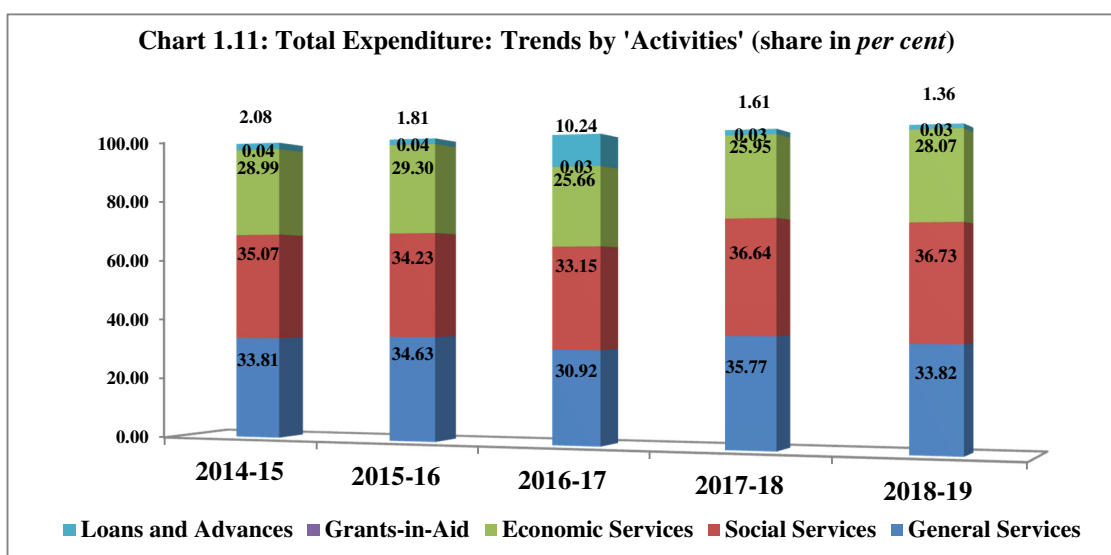


Total expenditure

Total expenditure of the State increased from ₹ 22,734 crore in 2014-15 to ₹ 34,493 crore in 2018-19 at an annual average rate of 12 *per cent*. During 2018-19, it increased by ₹ 3,181 crore (10 *per cent*) over the previous year. The increase in total expenditure was mainly on account of increase in revenue expenditure by ₹ 2,389 crore and capital expenditure by ₹ 827 crore with decrease in loans and advances by ₹ 35 crore over the previous year.



The share of revenue expenditure in total expenditure during 2018-19 was 85.3 *per cent* which was less than the previous year (2017-18), while the share of capital expenditure (13.3 *per cent*) in total expenditure increased by more than one *per cent* over the previous year (12 *per cent*). The share of loans and advances disbursed remained almost static during the same period.



The movement of relative share of these components of expenditure indicated that major components of expenditure had inter-year variations. Expenditure on General Services (including interest payments) which forms part of non-development expenditure, decreased from 35.77 *per cent* in 2017-18 to 33.82 *per cent* as a percentage of total expenditure in 2018-19. Expenditure under General Services was

mainly on account of Interest Payments (34 *per cent*) and Pension and Other Retirement Benefits (43 *per cent*). Development expenditure³ *i.e.* expenditure on Social and Economic Services together accounted for 64.80 *per cent* in 2018-19 against 62.59 *per cent* in 2017-18. The share of loans and advances remained almost static over the past five years except in 2016-17 (10.24 *per cent*) when loan amounting to ₹ 2,890.50 crore was disbursed to DISCOM under UDAY Scheme. During 2018-19, the share of loans and advances was 1.36 *per cent* of total expenditure.

1.6.1.1 Revenue Expenditure

Table 1.15 presents the growth of revenue expenditure over five years (2014-19).

Table 1.15: Growth of Revenue expenditure

	(₹ in crore)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue Expenditure	19,787	22,303	25,344	27,053	29,442
Growth rate (<i>per cent</i>)	14.03	12.72	13.63	6.74	8.83
Revenue Expenditure as percentage to GSDP	19.07	19.52	20.26	19.81	19.39

Revenue expenditure during 2014-19 increased by ₹ 9,655 crore (48.79 *per cent*) at an annual growth rate ranging from 7 to 14 *per cent*, and its percentage to GSDP increased at an annual average rate of 19.61 *per cent*. Revenue expenditure in 2018-19 (₹ 29,442 crore) increased by ₹ 2,389 crore (nine *per cent*) over 2017-18 (₹ 27,053 crore) (**Chart-1.9**). The increase in expenditure was mainly under Social Services (by ₹ 1,145 crore or 11 *per cent*) and Economic Services (by ₹ 815 crore or 14 *per cent*). The overall increase in revenue expenditure was primarily on account of increase under Interest payments (₹ 234 crore) in General Services; Water Supply, Sanitation, Housing and Urban Development (₹ 378 crore); Education, Sports, Art and Culture (₹ 172 crore) and Health and Family Welfare (₹ 149 crore) in Social Services; and Agriculture and Allied Activities (₹ 386 crore) and Energy (₹ 211 crore) in Economic Services.

Chart-1.10 shows that revenue expenditure continued to consume a dominant proportion (79 to 87 *per cent*) of total expenditure during the years 2014-19 and increased at an annual average rate of 11 *per cent*. During 2018-19, the revenue expenditure consumed 85.3 *per cent* of the total expenditure.

The percentage of State's revenue receipts and revenue expenditure to GSDP stood at 20.38 and 19.39 *per cent* respectively during 2018-19. The State had revenue surplus of ₹ 1,508 crore during 2018-19 which was one *per cent* of GSDP.

1.6.1.2 Capital Expenditure

There was a trend of sustained growth in capital expenditure for the last five years (**Chart-1.10**), increasing by ₹ 2,110 crore (85 *per cent*) during 2014-19. During 2018-19, capital expenditure (₹ 4,583 crore) increased by ₹ 827 crore (22 *per cent*)

³ Refer to Glossary in Appendix 4.

over the previous year 2017-18 (₹ 3,756 crore). The share of capital expenditure in total expenditure increased from 12 per cent in 2017-18 to 13.29 per cent in 2018-19.

The major sectors where capital expenditure was made during 2018-19 were under Social Services: Water Supply, Sanitation, Housing and Urban Development (₹ 492 crore), Health and Family Welfare (₹ 346 crore), Education, Sports, Arts and Culture (₹ 327 crore); and under Economic Services: Transport (₹ 2,085 crore), Irrigation and Flood Control (₹ 465 crore), Power Projects (₹ 250 crore).

1.6.2 Committed Expenditure

The committed expenditure of the State Government on revenue account consists primarily of interest payments, expenditure on salaries and wages, pensions and subsidies. **Table 1.16** present the trends in the expenditure on these components during 2014-19.

Table 1.16: Components of Committed Expenditure

(₹ in crore)

Components of Committed Expenditure	2014-15	2015-16	2016-17	2017-18	2018-19	
					BE	Actual
Salaries and Wages, of which	8,418 (47)	8,174 (35)	9,682(37)	10,766 (39)	11,264	11,210* (36)
Non-Plan Head	8,159	7,826	9,345	10,462	-	10,869
Plan Head	259	348	337	304	-	341
Interest Payments	2,849 (16)	3,155 (13)	3,359(13)	3,788(14)	4,260	4,022(13)
Pensions	2,914 (16)	3,836 (16)	4,114(16)	4,709(17)	5,893	4,975(16)
Subsidies	801 (4)	1,346 (6)	764(3)	907(3)	1,085	1,283 (4)
Total	14,982	16,511	17,919	20,170		21,490
Percentage to RE	76	74	71	75		73
Percentage to RR	83	70	69	73		69

Figures in brackets indicate per cent to Revenue Receipts

* Salary: ₹10,956 crore; wages: ₹ 254 crore. BE: Budget estimates

There was a consistent rise in committed expenditure of the State. The increase in committed expenditure during 2018-19 over the previous year was ₹ 1,320 crore (seven per cent). It consumed a dominant share of revenue expenditure and ranged between 71 and 76 per cent during 2014-19 leaving little scope for the Government to spend on developmental activities.

Salaries and Wages

The expenditure on salaries and wages increased from ₹ 8,418 crore in 2014-15 to ₹ 11,210 crore in 2018-19. It increased by ₹ 444 crore (four per cent) during 2018-19 over the previous year, and consumed 36 per cent of revenue receipts of the State during 2018-19. The expenditure on salaries in the current year (₹ 10,956 crore) was within the projections made in Medium Term Fiscal Plan Statement (MTFPS) (₹ 11,264 crore).

Pension Payments

The expenditure on pension payments increased from ₹ 2,914 crore in 2014-15 to ₹ 4,975 crore in 2018-19 and by ₹ 266 crore (six per cent) during the current year over

the previous year. Salary and pension payments together accounted for 55 *per cent* of revenue expenditure. It was noticed that there was significant variation (by ₹ 918 crore or 16 *per cent*) between the pension payments projected in the Budget/MTFPS (₹ 5,893 crore) and the actual expenditure (₹ 4,975 crore).

New Pension Scheme

State Government employees recruited with effect from 15 May 2003 are covered under the New Pension Scheme, which is a defined contribution scheme. As per prescribed procedure, both employer and employee contributions are to be initially credited to the Public Account under Major Head 8342-Other Deposits-117 Defined Contribution Pension Scheme for Government Employees. Thereafter, the entire amount is to be transferred to the National Securities Depository Limited (NSDL)/Trustee Bank through the designated fund manager in the same year.

During 2018-19, the State Government received ₹ 301.95 crore towards employees' contribution. Considering a matching share of ₹ 301.95 crore as State Government share and taking into account opening balance ₹ 0.89 crore (Dr.), a total amount of ₹ 603.01 crore was to be transferred to NSDL. As per information received from NSDL, a total amount of ₹ 606 crore (including legacy amount) was credited during the year. Out of ₹ 606 crore transferred to NSDL on account of Pension contribution, only ₹ 525.43 crore had been routed through the Government account following the prescribed accounting procedure. The adverse balance of ₹ 0.89 crore during 2017-18 increased to ₹ 1.41 crore during 2018-19.

Interest Payments

Interest payments increased by 41 *per cent* from ₹ 2,849 crore in 2014-15 to ₹ 4,022 crore in 2018-19. The increase in 2018-19 over the previous year was of ₹ 234 crore (six *per cent*). Interest payments consumed 13 *per cent* share of revenue receipts. Interest payments were lower than the normative assessment made by 14th FC (₹ 4,129 crore) and projections made in Budget/MTFPS (₹ 4,260 crore) by ₹ 107 crore and ₹ 238 crore respectively. The increased outgo on account of interest payments was due to increased commercial borrowing as detailed in Para 1.9.2.

Subsidies

The State Government has been paying subsidies to various institutions/bodies/corporations. Inter-year variation in subsidies is shown in **Table 1.16**. Subsidies increased by 60 *per cent* from ₹ 801 crore in 2014-15 to ₹ 1,283 crore in 2018-19. Subsidies increased by ₹ 376 crore during 2018-19 and consumed about four *per cent* of the revenue receipts. The major components of subsidies were Energy (₹ 574 crore), Food and Supply (₹ 300 crore), Transport (₹ 160 crore) and Agriculture (₹ 87 crore).

The overestimation of pension and interest payments in the Budget/MTFPS was difficult to justify, as these are committed liabilities and can be accurately assessed in advance. This led to overestimation of Revenue expenditure and resulted in overestimation of fiscal variables *i.e.* revenue and fiscal deficits.

1.6.3 Financial Assistance to Local bodies and other institutions

The detailed position of grants-in-aid released to various institutions by the State Government during the period 2014-15 to 2018-19 is given in **Table 1.17**.

Table 1.17: Detail of Grants-in-aid released to Local Bodies and other institutions
(₹ in crore)

Name of Institution	2014-15	2015-16	2016-17	2017-18	2018-19
Panchayati Raj Institutions	780.89(139)	427.34(-45)	696.64(63)	567.75(-19)	746.91(31.56)
Urban Local Bodies	202.24(-28)	319.54(58)	544.66(70)	257.78(-53)	488.52(89.51)
Public Sector Undertakings	53.81(-16)	125.63(133)	150.84(20)	164.01(9)	184.40(12.43)
Autonomous Bodies	502.17(41)	641.87(28)	759.23(18)	799.08(5)	930.45(16.44)
Education	341.89(54)	341.40(-)	479.47(40)	492.21(3)	561.56(14.09)
Other Institutions	275.18(48)	756.50(175)	726.14(-4)	614.62(-15)	722.11(17.49)
Total	2,156.18 (50)	2,612.28 (21)	3,356.98(29)	2,895.46(-14)	3,633.95(26)
Assistance as percentage of Revenue Expenditure	10.90	11.71	13.25	10.70	12.35
Assistance as percentage of Revenue Receipts	12.08	11.14	12.78	10.58	11.74

Source: Finance Accounts of respective years.

Figures in brackets indicate the per cent increase/decrease over previous year

The grants extended to local bodies and other institutions consistently showed an increasing trend in all the years of comparison except during 2017-18 where it decreased by ₹ 461.52 crore (14 per cent) over 2016-17 mainly under plan grants. During 2018-19 it increased by ₹ 738.49 crore (26 per cent) over the previous year. The increase in grants-in-aid during 2018-19 was mainly due to more grants to Urban Local Bodies (₹ 230.74 crore), Panchayati Raj Institutions (₹ 179.16 crore), Autonomous Bodies (₹ 131.37 crore) and other Development Agencies (₹ 107.49 crore), etc. Grants to local bodies and other institutions consumed 11 to 13 per cent of Revenue expenditure of the State during 2014-19.

1.7 Quality of Expenditure

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

1.7.1 Adequacy of Public Expenditure

To enhance human development levels, the State should increase expenditure on key social services like education, health, etc. Low fiscal priority (ratio of expenditure category to aggregate expenditure) can be stated to have been attached to a particular sector if the priority given to that particular head of expenditure is below the Special Category States' average for that year.

The fiscal priorities of the State Government with regard to development expenditure (DE), social sector expenditure (SSE) and capital expenditure (CE) relative to Special Category States (SCS) during the current year 2018-19 taking 2014-15 as the base year is analysed in **Table 1.18** and **Chart 1.12**.

Table-1.18: Fiscal Priority of the State during 2014-15, 2017-18 and 2018-19

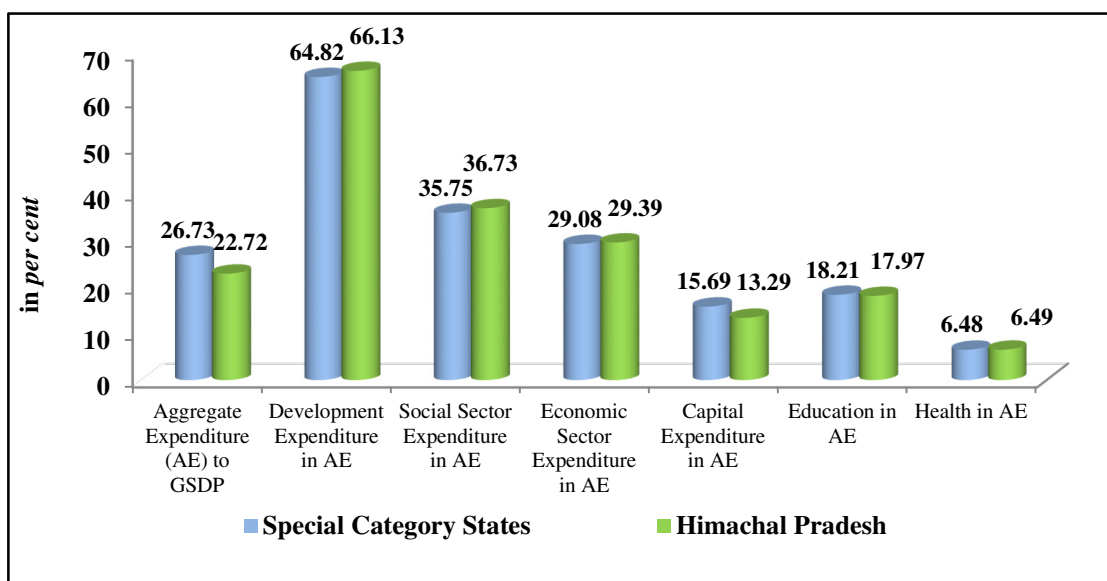
Priority Indicator	2014-15		2017-18		2018-19	
	SCS	HP	SCS	HP	SCS	HP
Aggregate expenditure/GSDP	26.00	22.48	25.86	22.93	26.73	22.72
Development expenditure#/Aggregate expenditure	66.76	66.15	64.17	64.18	64.82	66.13
Social Sector expenditure/Aggregate expenditure	36.27	35.08	34.99	36.66	35.75	36.73
Economic Sector expenditure/Aggregate expenditure	30.49	31.07	29.18	27.52	29.08	29.39
Capital expenditure/Aggregate expenditure	14.46	10.88	15.73	12.00	15.69	13.29
Education/Aggregate expenditure	18.52	18.81	18.04	19.29	18.21	17.97
Health/Aggregate expenditure	5.60	5.71	6.22	6.41	6.48	6.49

SCS: Special Category States, HP: Himachal Pradesh

Development expenditure includes Revenue Expenditure, Capital Expenditure and Loans and Advances disbursed under Social and Economic sectors.

Source: For GSDP, the information as available on CSO website as on 1 August 2019 and supplied by the States.

Chart 1.12: Prioritisation in public expenditure in percentage during 2018-19



- Aggregate expenditure of the State as a ratio of GSDP was less in all years (2014-15, 2017-18 and 2018-19) as compared to Special Category States (SCS).
- The State had not given adequate fiscal priority to education in 2018-19 (17.97 per cent) as its percentage to aggregate expenditure decreased by 1.32 percentage points over the previous year (19.29 per cent).
- The ratio of capital expenditure to aggregate expenditure of the State slightly increased (1.29 percentage points) during 2018-19 (13.29 per cent) over the previous year (12 per cent) but was less (2.40 percentage points) than the ratio for SCS (15.69 per cent).

The State Government needs to give more priority to Education and Capital Expenditure to give stimulus to development.

1.7.2 Efficiency of expenditure use

Table 1.19 presents the trends in development expenditure relative to the aggregate (total) expenditure of the State during the current year and previous years' expenditure.

Table-1.19: Development Expenditure

(₹ in crore)

Components of Development Expenditure	2014-15	2015-16	2016-17	2017-18	2018-19	
					BE	Actual
Aggregate (Total) Expenditure	22,734	25,630	32,133*	31,312	--	34,493
Development Expenditure	15,038 (66)	16,729 (65)	22,180* (69)	20,097 (64)	27,134	22,810 (66)
(a) Development Revenue Expenditure	12,174(54)	13,505 (53)	15,606 (49)	16,034 (51)	22,571	17,994 (52)
(b) Development Capital Expenditure	2,390 (11)	2,776 (11)	3,291 (10)	3,564 (11)	4,128	4,356 (13)
(c) Development Loans and Advances	474 (2)	448 (2)	3,283* (10)	499 (2)	435	460 (1)

Figures in parentheses indicate percentage to aggregate expenditure. BE: Budget estimates
*includes loans of ₹2,890.50 crore given to DISCOM on account of UDAY scheme.

The overall Development Expenditure (DE) increased by 51.68 per cent over the period 2014-15 to 2018-19 and its share in TE increased by two per cent in 2018-19 over the previous year. The share of Development Revenue Expenditure (DRE) in the Total Expenditure (TE) averaged 52 per cent during the period 2014-15 to 2018-19. During 2018-19, DRE increased by 12.22 per cent and its share in TE increased by one per cent over the previous year. However, in comparison with the projections made in the budget, the actual expenditure on DE fell short by ₹ 4,324 crore (16 per cent). This was primarily due to incurring less expenditure under DRE by ₹ 4,577 crore (Social: ₹ 2,006 crore and Economic services: ₹ 2,571 crore).

Development Capital Expenditure showed an increasing trend from 2014-15 to 2018-19 and increased by ₹ 1,966 crore from ₹ 2,390 crore in 2014-15 to ₹ 4,356 crore in 2018-19; its share in TE increased by two per cent during 2018-19 over the previous year.

Table 1.20: Expenditure incurred in various sectors

(₹ in crore)

Year	Total Expenditure	Sector	Revenue Expenditure	Capital Expenditure	Ratio of Capital expenditure to Total expenditure	Revenue expenditure	
						Salaries and wages	Operation and maintenance
2017-18	31,312	Social Services	10,337	1,135	3.62	6,439 (62)	1,125 (11)
		Economic Services	5,697	2,429	7.76	2,325 (41)	1,529 (27)
		Total (SS+ES):	16,034	3,564		8,764	2,654
2018-19	34,493	Social Services	11,482	1,187	3.44	6,750(59)	1,063(9)
		Economic Services	6,512	3,169	9.19	2,392(37)	1,495(23)
		Total (SS+ES):	17,994	4,356		9,142	2,558

Figures in parentheses indicate percentage to revenue expenditure in the service.

Source: Finance Accounts and voucher level computerization data of respective years.

Expenditure on salary and wages increased by ₹ 311 crore (five per cent) and ₹ 67 crore (three per cent) in social services and economic services respectively during the current year 2018-19 as compared to previous year, whereas expenditure on operation and maintenance decreased by ₹ 62 crore (six per cent) in social services and increased by ₹ 34 crore (two per cent) in economic services.

It was further seen that the percentage ratio of capital expenditure to total expenditure in Social services and economic services was restricted to three and nine per cent respectively during 2018-19. However, during 2018-19, it increased by 1.43 per cent in Economic services over the previous year.

The share of salaries and wages to revenue expenditure (₹ 9,142 crore) in both the services (social and economic) increased by ₹ 378 crore in 2018-19 as compared with 2017-18 (₹ 8,764 crore). The increase in salaries and wages was 4.82 per cent in social services and 2.88 per cent in economic services.

The share of operation and maintenance expenditure to revenue expenditure in both the services (social and economic) decreased by ₹ 96 crore in 2018-19 (₹ 2,558 crore) as compared with 2017-18 (₹ 2,654 crore).

1.8 Financial analysis of Government expenditure and investments

In the post-FRBM framework, States are expected to keep fiscal deficit (and borrowings) not only at low levels but also meet capital expenditure/investment (including loans and advances) requirements. During the transition to complete dependence on market based resources, the States need to initiate measures to earn adequate return on investments and recover cost of borrowed funds rather than bearing the same on their budget in the form of implicit subsidy. States are also required to take steps to infuse transparency in financial operations. This section presents the broad financial analysis of investments and other capital expenditures undertaken by the State Government during the current year *vis-à-vis* previous years.

1.8.1 Incomplete capital works

The department-wise information pertaining to incomplete capital works depicted in **Appendix-IX** of Finance Account as on 31 March 2019 is given in **Table 1.21**.

Table 1.21: Department-wise profile of incomplete capital works

(₹ in crore)				
Department	Number of incomplete works	Initial budgeted cost	Revised total cost of works	Total expenditure as on 31 March 2019
Irrigation and Public Health	06	88.90	16.36*	83.52
Public Works (Building and Roads)	04	185.41	NA	97.03
Total	10	274.31		180.55

Source: Finance Accounts.

* Revised cost of one capital work only.

NA: Not Available

An expenditure of ₹ 180.55 crore (March 2019) incurred on 10 incomplete capital works did not deliver envisaged benefits. These works were to be completed between March 2017 and March 2019.

Delays in completion of works not only affected the quality of expenditure but also deprived the State of intended benefits and economic growth.

The State Government should formulate guidelines for timely completion of incomplete works and monitor the physical and financial progress of execution of works in order to minimize slippages, time and cost overruns.

1.8.2 Investment and returns

The State Government had invested ₹ 3,849 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operative Societies as of 31 March 2019 (Table 1.22). The average return on investment during 2014-19 was 6.14 per cent while the State Government paid an average rate of interest as 7.76 per cent on its borrowings during 2014-19.

Table 1.22: Return on Investments

Investment/ Return/ cost of Borrowing	2014-15	2015-16	2016-17	2017-18	2018-19
Opening balance (₹ in crore)	3,025	2,732	3,041	3,294	3,533
Investments during the year (₹ in crore)	(-) 293	309	253	239	316
Investments at the end of the year (₹ in crore)	2,732	3,041	3,294	3,533	3,849
Return* (Dividend, interest) (₹ in crore)	171.00	111.94	289.63	255.58	181.91
Return (per cent)	6.26	3.68	8.79	7.23	4.73
Average rate of interest on government borrowings (IP/average of fiscal liabilities of last 2 years) (per cent)	7.91	7.95	7.60	7.71	7.64
Difference between interest rate and return (per cent)	1.65	4.27	(-)1.19	0.48	2.91
Difference in cost (between interest rate on Government borrowings and return on investments) (₹ in crore)	45.08	129.85	NA	16.96	112.01

Source: Finance Accounts

NA: Not applicable

* Return is based on historical cost and not on net present value basis.

Over the past five years, the difference in cost of State Government borrowings and return on investments in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operative Societies was to the tune of ₹ 303.90 crore.

While State Government investments increased by 8.94 per cent in 2018-19 (₹ 3,849 crore) over the previous year 2017-18 (₹ 3,533 crore), the return from investments decreased by 28.82 per cent in 2018-19 (₹ 181.91 crore) from 2017-18 (₹ 255.58 crore). The main contributor to dividend over the last five years was Satluj Jal Vidyut Nigam Limited. Out of total dividend of ₹ 181.91 crore received during 2018-19, ₹ 179.35 crore (99 per cent) came from Satluj Jal Vidyut Nigam Limited.

During 2018-19, nearly 85 per cent investments were made in Himachal Pradesh Power Corporation Limited (₹ 160 crore), Himachal Road Transport Corporation

(₹ 59 crore), Himachal Pradesh State Electricity Board Limited (₹ 50 crore). These PSUs had accumulated losses as per latest finalised accounts - Himachal Pradesh Power Corporation Limited: ₹ 36.87 crore upto 2016-17, Himachal Road Transport Corporation: ₹ 1,232.48 crore upto 2017-18 and Himachal Pradesh State Electricity Board Limited: ₹ 2,043.84 crore upto 2016-17.

1.8.2.1 Investment in Public Sector Undertakings

(i) Investment in State Public Sector Undertakings (SPSUs)

As on 31 March 2019, the investment (paid up capital and long-term loans) in 27 PSUs was ₹ 14,375.71 crore as given in **Table 1.23** and **Appendix 1.6**.

Table 1.23: Investment in State PSUs in paid up share Capital

Type of PSUs	Government companies			Statutory corporations*			Grand Total
	Paid up capital	Long Term Loans	Total	Paid up capital	Long Term Loans	Total	
Working	3,562.41	9,609.62	13,172.03	879.06	244.83	1,123.89	14,295.92
Non- working	19.64	60.15	79.79	0	0	0	79.79
Total	3,582.05	9,669.77	13,251.82	879.06	244.83	1,123.89	14,375.71

*Himachal Pradesh Financial Corporation and Himachal Road Transport Corporation

There were differences between the investment figures maintained by PSUs and the figures reported by the State Government appearing in the Finance Accounts as detailed in **Appendix 1.7**. The differences between the figures were persisting for several years. The State Government and the PSUs should undertake periodic reconciliation to rectify such discrepancies.

As on 31 March 2019, 99.44 per cent of the total investments were in working PSUs while the remaining 0.56 per cent were in non-working PSUs. The investment in the form of paid-up capital was 31.03 per cent of the total investment, while 68.97 per cent was in the form of long-term loans.

As per dividend policy (April 2011) of State Government, all profit-making PSUs (except those in welfare and utility sectors) are required to pay a minimum return of five per cent on the paid-up capital contributed by the State Government subject to a ceiling of 50 per cent of profit after tax. As per their latest accounts finalised during 2018-19, seven PSUs earned an aggregate profit of ₹ 34.24 crore. Out of minimum dividend due (as per policy of State Government) of ₹ 3.72 crore, only three PSUs (Himachal Pradesh State Industrial Development Corporation Limited, Himachal Pradesh General Industries Corporation Limited and Himachal Pradesh State Civil Supplies Corporation Limited) declared/paid dividend of ₹ 2.25 crore during 2018-19. The remaining four companies had not paid any dividend to the State Government (**Appendix 1.8**).

(ii) Investments made/budgetary support provided by the State Government to PSUs/loss making PSUs whose accounts are in arrears

The State Government had invested ₹ 4,328 crore in 22 PSUs (including six loss making PSUs detailed in **Appendix 1.10**) whose accounts were in arrears, as detailed in **Appendix 1.9**. In the absence of final accounts and its audit, it could not be ensured whether the investments and expenditure incurred have been properly accounted for and whether the purpose for which the amount was invested had been achieved or not. Thus, State Government's investments in such PSUs has remained outside the scrutiny of the State Legislature.

The State Government may consider reviewing the working of State PSUs which are incurring huge losses and formulate a strategic plan for their revival or closure, as the case may be.

1.8.2.2 Investments in Public Private Partnership projects

Public Private Partnership (PPP) projects offer a unique and innovative method of involving the private sector in delivery of public goods and services of high quality through joint enterprises. As of March 2019, out of 27 PPP projects undertaken, nine PPP projects (cost ₹ 176.50 crore) had been completed and were under operation while 18 projects (estimated cost ₹ 1,339.50 crore) had been awarded and were under implementation as detailed in **Appendix 1.11**.

1.8.3 Loans and advances by State Government

In addition to investments in co-operative societies, corporations and companies, the State Government has also been providing loans and advances to institutions/ organizations working in sectors such as Education, Sports, Art and Culture, Animal Husbandry, etc. The details of outstanding loans and advances and interest receipts *vis-à-vis* interest payments during the last five years are given in **Table 1.24**.

Table 1.24: Average interest received on loans advanced by the State Government

	(₹ in crore)				
Quantum of loans/interest receipts/ cost of borrowings	2014-15	2015-16	2016-17	2017-18	2018-19
Opening Balance *	1,913	2,346	2,784	6,044	6,507
Amount advanced during the year	474	463	3,290*	503	468
Amount recovered during the year	41	25	30	40	22
Closing Balance *	2,346	2,784	6,044	6,507	6,953
Net addition	433	438	3,260	463	446
Interest Receipts	65	53	80	256	272
Interest receipts as <i>per cent</i> to outstanding loans and advances	2.77	1.90	1.32	3.93	3.91
Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the previous year	8.41	8.26	8.15	8.02	7.88
Difference between percentage of interest received and interest paid (<i>per cent</i>)	(-) 5.64	(-) 6.36	(-) 6.83	(-)4.09	(-)3.97

Source: Finance Accounts

* From 2016-17, opening and closing balance includes ₹ 2,890.50 crore as loan to DISCOM under UDAY Scheme.

During 2018-19, a total of ₹ 468 crore was advanced, of which a major portion (₹ 415.93 crore) was given to power projects. Only ₹ 22 crore was recovered during the year. The total amount of loans and advances outstanding as of 31 March 2019 was ₹ 6,953 crore. There was a large difference between the percentage of interest paid by the Government on borrowings and the percentage of interest received on outstanding loans and advances. The decline during 2017-18 and 2018-19 (4.09 and 3.97 *per cent* respectively) in “difference between percentage of interest received and interest paid” from the previous years was due to increase in interest receipts received on account of loans extended (2016-17) to DISCOM (Himachal Pradesh State Electricity Board Limited) under UDAY Scheme.

1.8.4 Ujwal DISCOM Assurance Yojna (UDAY)

With the objective of ensuring financial turnaround of Power Distribution Companies (DISCOM), the Ministry of Power, Government of India (GoI) introduced (November 2015) the Ujwal DISCOM Assurance Yojna (UDAY) to improve the operational and financial efficiency of the State DISCOM. States were to take over 75 *per cent* of DISCOM debt as on 30 September 2015 over two years *i.e.* 50 *per cent* of DISCOM debt shall be taken over in 2015-16 and 25 *per cent* in 2016-17.

The DISCOM shall be under obligation to discharge the liability of interest as well as repayment of principal amount to the Government of Himachal Pradesh (GoHP) (15 days before the date of payment of interest and principal by the GoHP to the bond holders under UDAY) as per repayment schedule. In case the DISCOM fails to make payment of interest/principal on due dates, then the DISCOM shall be liable to pay penal interest @ 2 *per cent* per annum on the defaulted amount for the period of delay.

The UDAY bonds carried an interest element of an average rate of 7.88 *per cent* per annum. These Bonds have a moratorium period of 5 years for repayment of Principal and repayment shall start from the 2022-23. The Principal has to be redeemed in 10 equal installments of ₹ 289.05 crore per annum till 2031-32. Annual interest liability is ₹ 227.78 crore, payable on half yearly basis on 28 August and 28 February of every year beginning from year 2017-18.

Himachal Pradesh entered into a tripartite Memorandum of Understanding (MoU) between GoI, GoHP and Himachal Pradesh State Electricity Board Limited (DISCOM) on 8 December 2016 to take over the entire 75 *per cent* (₹ 2,890.50 crore) of the outstanding debt of Himachal Pradesh DISCOM (₹ 3,854 crore) as on 30 September 2015 in the year 2016-17. After signing of the Tripartite Agreement, the GoHP raised funds amounting to ₹ 2,890.50 crore through issuing of UDAY Bonds (7.88 *per cent*) and transferred these funds to the DISCOM during 2016-17. This outstanding debt of ₹ 2,890.50 crore given to the DISCOM, is to be converted into Grants (₹ 2,167.50 crore) and Equity (₹ 723 crore) in the year 2020-21.

During 2018-19, State Government recovered ₹ 227.78 crore towards interest from Himachal Pradesh State Electricity Board Limited and disbursed ₹ 227.78 crore to bond holders.

1.8.5 Cash Balances and Investment of Cash Balances

Comparative figures of cash balances and investments made by the State Government out of cash balances for the years 2017-18 and 2018-19 are given in **Table 1.25**.

Table 1.25: Details of cash balances and investment of cash balances

(₹ in crore)			
Particulars	As on 31 March 2018	As on 31 March 2019	Increase (+)/ Decrease (-)
(a) General cash balance			
Cash in treasuries	Nil	Nil	Nil
Remittance in transit-Local	Nil	Nil	Nil
Deposits with RBI	(-) 540.68	(-) 49.58	491.10
Total	(-) 540.68	(-) 49.58	
Investments held in cash balance Investment account	723.72	102.09	(-) 621.63
Total (a)	183.04	52.51	(-) 130.53
(b) Other cash balances and investments			
Cash with departmental officers viz., Public Works Department Officers, Forest Department Officers, District Collectors	0.16	0.16	Nil
Permanent advances for contingent expenditure with departmental officers	0.03	0.03	Nil
Investment of earmarked funds	Nil	Nil	Nil
Total (b)	0.19	0.19	Nil
Total (a+b)	183.23	52.70	(-) 130.53

Cash balance of the State Government at the year-end decreased by ₹ 130.53 crore from ₹ 183.23 crore in 2017-18 to ₹ 52.70 crore in 2018-19. The investments made out of cash balances decreased from ₹ 723.72 crore to ₹ 102.09 crore. Interest of ₹ 66.90 crore realised from cash balance investments during 2018-19 decreased by ₹ 14.23 crore in comparison with the interest of ₹ 81.13 crore realised during 2017-18.

The State Government has to maintain a minimum Cash balance of ₹ 0.55 crore with the Reserve Bank of India. 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. The limit for ordinary ways and means advances to the State Government is ₹ 550 crore with effect from 1 February 2016. RBI also gives special ways and means advances against the pledge of government securities.

During 2018-19, State Government could maintain minimum daily cash balance for 346 days. The Government had to take ₹ 1,495.93 crore in ways and means advances from RBI on 19 occasions which was repaid and there were no outstanding ways and means advances and overdrafts at the end of the year 2018-19.

1.9 Assets and Liabilities

1.9.1 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 1.4 (Part B)** gives an abstract of such liabilities and assets as on 31 March 2019, compared with the corresponding position as on 31 March 2018. While the liabilities in this Appendix consist mainly of internal borrowings, loans and advances from GoI, receipts from Public Account and Reserve Funds, the assets consist mainly of capital outlay and loans and advances given by the State Government and cash balances.

During 2018-19, assets grew by ₹ 4,899.03 crore (11.93 per cent) whereas liabilities increased by ₹ 3,382 crore (6.57 per cent) over the previous year. The ratio of financial assets to liabilities increased to 84 per cent in 2018-19 from 80 per cent in 2017-18.

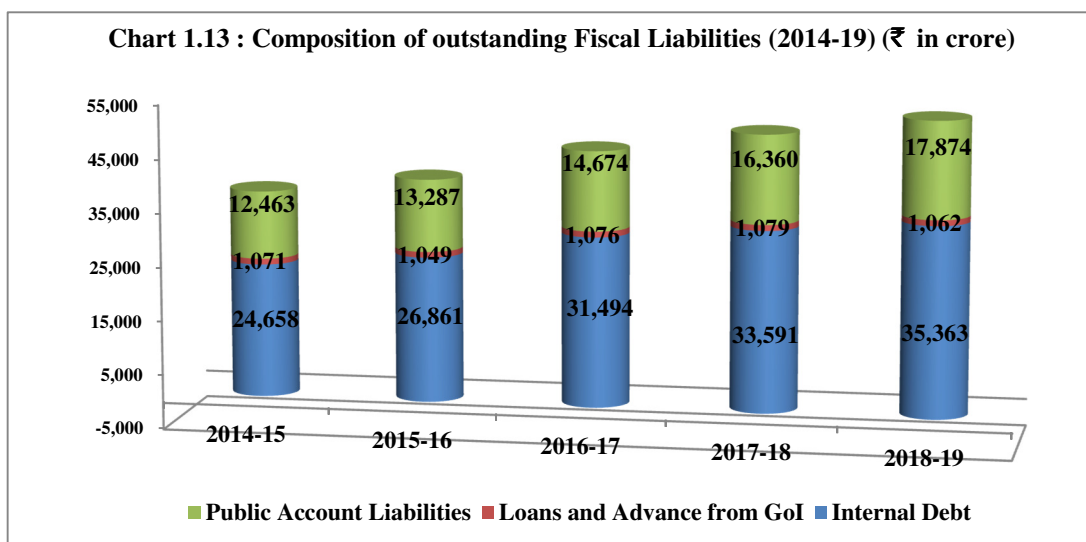
1.9.2 Fiscal Liabilities

Fiscal liabilities of the State consist of Consolidated Fund liabilities (consisting mainly of internal borrowings, loans and advances from GoI) and Public Account liabilities (balances in the Public Account).

The composition of fiscal liabilities during the current year 2018-19 *vis-à-vis* the previous years is presented in **Table 1.26** and **Chart 1.13**.

Table 1.26: Trends in Total Fiscal Liabilities from 2014-15 to 2018-19

Components of fiscal liabilities	2014-15	2015-16	2016-17	2017-18	2018-19
Internal debt (₹ in crore)	24,658	26,861	31,494	33,591	35,363
Loans from Central Government (₹ in crore)	1,071	1,049	1,076	1,079	1,062
Public Account Liabilities (₹ in crore)	12,463	13,287	14,674	16,360	17,874
Total	38,192	41,197	47,244	51,030	54,299
Rate of Growth (<i>per cent</i>)	12.71	7.87	14.68	8.01	6.41
Ratio of Fiscal Liabilities to					
GSDP	0.37	0.36	0.38	0.37	0.36
Revenue Receipts	2.14	1.76	1.80	1.86	1.75
Own resources	4.76	4.83	5.40	5.39	5.22
Buoyancy of Fiscal Liabilities to					
GSDP (ratio)	1.34	0.78	1.54	0.88	0.57
Revenue receipts (ratio)	0.94	0.25	1.22	1.91	0.49
Own resources (ratio)	0.79	1.23	5.62	0.98	0.65



During 2018-19 (**Chart 1.13**), the Consolidated Fund liabilities (₹ 36,425 crore) included market loans (₹ 23,682 crore), loans from GoI (₹ 1,062 crore) and other loans (₹ 11,681 crore including ₹ 6,097 crore on special security issued to NSSF of GoI); and Public Account liabilities (₹ 17,874 crore) included Small Savings and Provident Funds, etc. (₹ 14,349 crore), interest bearing obligations and non-interest bearing obligations like deposits (₹ 3,207 crore) and reserve funds (₹ 318 crore).

The overall fiscal liabilities of the State increased by ₹ 16,107 crore from ₹ 38,192 crore in 2014-15 to ₹ 54,299 crore in 2018-19 registering an increase of 42 per cent mainly due to increase in internal debt (₹ 10,705 crore) and public account liabilities (₹ 5,411 crore). These liabilities stood at 1.75 times the revenue receipts and 5.22 times the own revenue resources at the end of 2018-19. The growth rate of fiscal liabilities consistently declined from 14.68 per cent in 2016-17 to 6.41 per cent in 2018-19. The ratio of fiscal liabilities to GSDP also showed a decreasing trend, from 38 per cent in 2016-17 to 36 per cent in 2018-19, but was still higher than the norms recommended by 14th FC (31.99 per cent) and projected in the MTFPS (35 per cent).

1.9.3 Transactions under Reserve fund

At the beginning of 2018-19, Reserve Fund stood at ₹ 325.03 crore. During the year 2018-19, there was addition of ₹ 500.34 crore and disbursement of ₹ 507.77 crore leaving closing balance of ₹ 317.60 crore (Credit) as of 31 March 2019. Out of this, reserve fund bearing interest held ₹ one crore (credit) and reserve fund not bearing interest held ₹ 316.60 crore (credit).

In terms of the recommendations of the Twelfth Finance Commission, State Governments were required to create two significant reserve funds *i.e.* (i) Consolidated Sinking Fund, to be administered by the Reserve Bank of India (RBI), for redemption of outstanding liabilities and amortization of open market loans availed of by them, and (ii) Guarantee Redemption Fund, to meet the contingent liabilities arising from the guarantees given. The position of these funds is depicted as under:

1.9.3.1 Consolidated Sinking Fund

The State Government was required to make minimum annual contribution to Consolidated Sinking Fund at 0.5 *per cent* of the outstanding liabilities at the end of the previous financial year. The State Government, however, had not created a Consolidated Sinking Fund. As of 31 March 2018, the outstanding liabilities of the State Government were ₹ 51,030 crore. Had there been a Consolidated Sinking Fund, the liability of the State Government towards the fund would have been ₹ 255.15 crore (0.5 *per cent* of outstanding liabilities in previous year) in 2018-19, indicating that the revenue surplus is overstated and the fiscal deficit is understated to that extent.

1.9.3.2 Guarantee Redemption Fund

The Government was required to set up a Guarantee Redemption Fund, with minimum annual contribution at 0.5 *per cent* of the outstanding guarantees at the end of the previous financial year. The State Government, however, had not set up a Guarantee Redemption Fund. Consequently, the revenue surplus was overstated and fiscal deficit was understated to the extent of ₹ 21.97 crore as of 31 March 2019.

1.9.3.3 State Disaster Response Fund/National Disaster Response Fund

The Thirteenth Finance Commission (TFC) had made provision for a State Disaster Response Fund (SDRF) in its recommendations. As per the guidelines, the Centre and State Governments are required to contribute to the Fund in the proportion of 90:10. Ministry of Home Affairs, GoI guidelines stipulate that fund balances are required to be invested in specified instruments. As per RBI guidelines, the State Government is also required to pay interest on unspent balances at the rate applicable to overdraft.

During 2018-19, the State Government received ₹ 245.70 crore towards Central Government (90 *per cent*) contribution to SDRF. The State Government released ₹ 26 crore against its own share of ₹ 27.35 crore. Out of total corpus of ₹ 281.53 crore (opening balance of ₹ 8.48 crore plus ₹ 273.05 crore transferred from Major Head 2245-Relief), the State Government adjusted ₹ 280.53 crore towards expenditure on account of natural calamities leaving a balance of ₹ one crore in the fund as of 31 March 2019.

As per guidelines (July 2015), certain natural calamities require expenditure in excess of the balance available under SDRF, which will qualify for immediate relief assistance from NDRF. The State Government received ₹ 227.29 crore under NDRF, and an expenditure of ₹ 227.24 crore had been incurred, leaving unspent balance of ₹ 0.92 crore (opening balance of ₹ 0.87 crore + ₹ 227.29 crore – ₹ 227.24 crore) in the fund as of 31 March 2019.

As of 31 March 2019, ₹ 1.92 crore (₹ 1.00 crore + ₹ 0.92 crore) on account of NDRF/SDRF balances were not invested by the State Government. Interest of ₹ 0.15 crore would have been earned had these funds been invested.

1.9.4 Contingent Liabilities

1.9.4.1 Status of Guarantees

Guarantees⁴ are liabilities contingent on the security of the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended.

As per **Statement-20** of the Finance Accounts, the outstanding guarantees and their percentage to revenue receipts for the last five years are given in **Chart 1.14** and **1.15**.

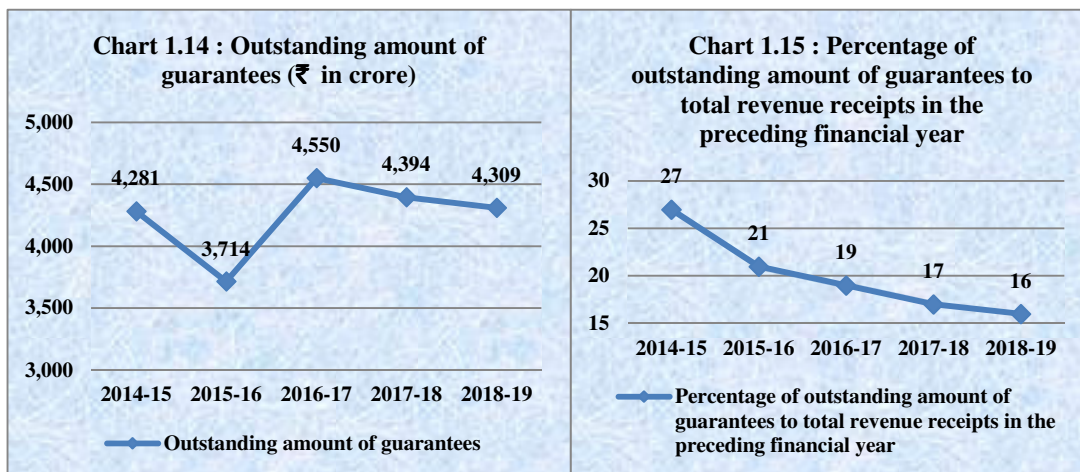
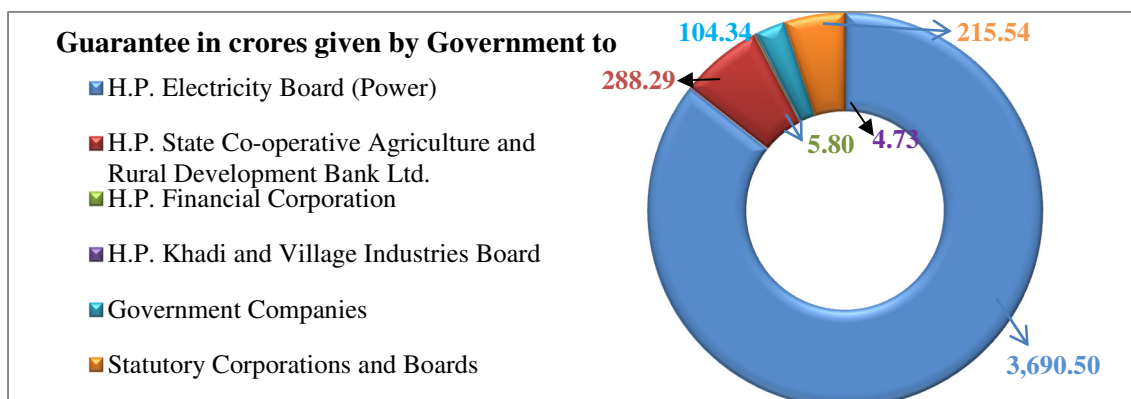


Chart 1.16: Bodies in receipt of guarantees at the end of 31 March 2019



Source: Finance Accounts

No guarantee was invoked during the year (2018-19). The outstanding amount of guarantees as of 31 March 2019 was ₹ 4,309 crore as per the Finance Accounts. However, as the accounts of most PSUs were not current and the PSUs and State Government had not reconciled the figures, there was a difference of ₹ 9.24 crore between the figures appearing in the Finance Accounts and the figures maintained by the PSUs (**Appendix 1.7**). The main recipients to whom guarantees given by the State Government were Power (₹ 3,690.50 crore), Co-operative Banks (₹ 288.29 crore), Himachal Pradesh Road Transport Corporation (₹ 187.29 crore), etc. The maximum amount of guarantee (₹ 4,309 crore) at the close of 2018-19 accounted for 15.7 per cent of total revenue receipts of previous year of the State, which was well within the target of 40 per cent prescribed in the FRBM Act.

⁴ Refer Glossary in Appendix 4.

1.10 Debt Management

Table 1.27 gives a time series analysis of debt profile of the State Government for the last five years.

Table 1.27: Growth rate and maturity profile of public debt as on 31 March 2019
(₹ in crore)

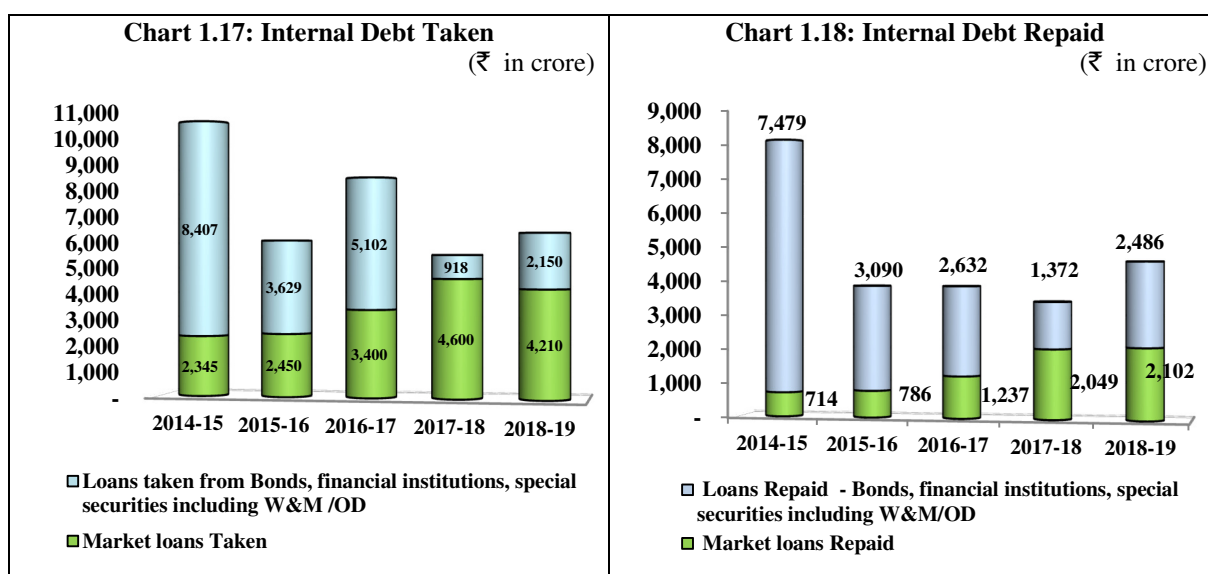
Sr. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
1.	Internal Debt	24,658 (96)	26,861(96)	31,494(97)	33,591(97)	35,363(97)
	(i) Market Loans	15,196 (59)	16,860(60)	19,023(59)	21,574(62)	23,682(65)
	(ii) Ways and Means Advances from RBI	285 (1)	--	--	--	--
	(iii) Overdrafts	249 (1)	--	--	--	--
	(iv) Loans from Financial Institutions	2,252 (9)	2,350(8)	5,321(16)	5,382(16)	5,584(15)
	(v) Special Securities issued to NSSF	6,676 (26)	7,651(28)	7,150(22)	6,635(19)	6,097(17)
2.	Loans from Government of India	1,071 (4)	1,049(4)	1,076(3)	1,079(3)	1,062(3)
Total Public Debt:		25,729	27,910	32,570	34,671*	36,425
Maturity Profile of State Debt (In Years)						
0 – 1		2,046 (8)	2,268(8)	3,096(9)	3,181(9)	3,257 (9)
1 – 3		4,837(19)	6,236(22)	5,729(18)	4,644(13)	5,726(16)
3 – 5		4,929(19)	4,331(16)	4,279(13)	5,043(15)	6,415(17)
5 – 7		3,192(12)	4,339(16)	4,952(15)	6,469(19)	6,586(18)
7 and above		10,725(42)	10,736(38)	14,514(45)	15,334(44)	14,441(40)

* ₹34,671 crore = ₹33591.47 crore (Internal Debt) + ₹1,079.43 crore (Loans and Advances from GOI)

Figures in brackets indicate the percentage of total public debt

Total Public debt increased from ₹ 25,729 crore in 2014-15 to ₹ 36,425 crore in 2018-19 registering annual average growth rate of 9.60 per cent. The share of market borrowings in total public debt went up from 59 per cent in 2014-15 to 65 per cent in 2018-19. During the current year (2018-19), total public debt increased by five per cent over the previous year.

Composition of market loans taken and repaid during 2014-15 to 2018-19 is given in Charts 1.17 and 1.18:



Debt sustainability

Debt sustainability refers to the State's ability to service its debt. Apart from the magnitude of debt, it is important to analyse various other indicators that determine the debt sustainability⁵ of the State. The analysis of variations in debt sustainability indicators of the State for the five-year period from 2014-15 to 2018-19 is given in Table 1.28.

Table 1.28: Debt Sustainability: Indicators and Trends

Indicators of Debt Sustainability	2014-15	2015-16	2016-17	2017-18	2018-19
Outstanding Public Debt (₹ in crore)	25,729	27,910	32,570	34,671	36,425
Rate of Growth of Outstanding Public Debt (in per cent)	11.33	8.48	16.70	6.45	5.06
GSDP (₹ in crore)	103,772	114,239	125,122	136,542	151,835
Rate of Growth of GSDP (in per cent)	9.51	10.09	9.53	9.13	11.20
Public Debt/GSDP (in per cent)	24.79	24.43	26.03	25.39	23.99
Interest payments (₹ in crore)	2,029	2,244	2,459	2,829	2,958
Average Interest Rate of Outstanding Public Debt (Interest paid/OB of Public Debt + CB of Public Debt/2) (in per cent)	8.31	8.37	8.13	8.41	8.32
Revenue Receipts (₹ in crore)	17,843	23,440	26,264	27,367	30,950
Percentage of Interest Payments to Revenue Receipts	11.37	9.57	9.36	10.34	9.56
Public Debt repayments (incl. WMA) (₹ in crore)	8,260	3,948	3,943	3,500	4,673
Public Debt Receipts (₹ in crore)	10,877	6,129	8,603	5,600	6,427
Percentage of Public Debt repayments to Public Debt Receipts	75.94	64.42	45.83	62.50	72.71
Net Public Debt Available to the State *(₹ in crore)	588	(-) 63	2,201	(-)729	(-)1,204

Source: State Finance Accounts of the respective years.

*Net Debt available to the State Government is calculated as excess of Public Debt receipts over Public Debt repayment and Interest payment on Public Debt.

An analysis on debt sustainability was carried out based on a study by E.D Domar⁶ [Domar, 1944]. The Domar model states that the necessary premise for ensuring stability of public indebtedness is that the interest rates for government loans should not exceed the growth rate of GDP.

The dynamics of public debt depending on the interest rate, growth rate of GDP and the primary budget balance are as follows:

g-r (g - real economic growth rate; r- real interest rate)	s<0 (primary deficit)	s> 0 (primary surplus)
g-r> 0 (strong economic growth)	Public debt as percentage of GSDP should converge to a stable level greater than zero.	Public debt as percentage of GSDP should converge to a stable level less than zero leading to public savings.
g-r<0 (slow economic growth)	Public debt as percentage of GSDP should increase indefinitely, without converging to a stable level.	Undefined situation.

⁵ Refer glossary in Appendix 4.

⁶ Domar model does not take into account maturity profile, composition, cost and risk characteristics of debt stock.

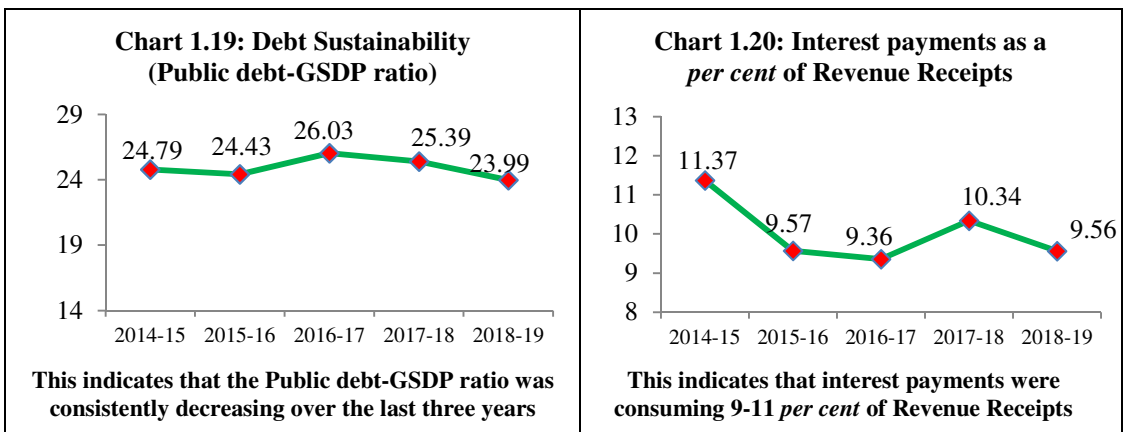
The results of applying the analysis to Himachal Pradesh is shown in the table below:

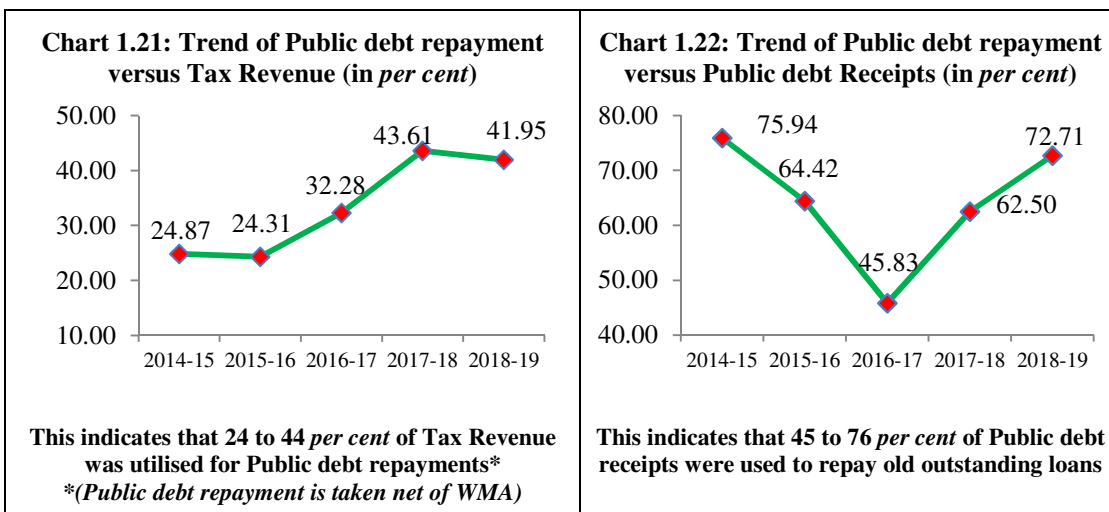
Year	Real Growth Rate (g)	Real Interest Rate (r)	g-r	Primary Deficit(-)/ Surplus (+) (₹ in crore)	Remarks
2014-15	7.48	2.86	4.62	(-) 1,351	g-r>0 and s<0: Public Debt will converge to a stable level greater than zero.
2015-16	8.10	5.74	2.36	990	g-r>0 and s>0; Public debt will converge to a stable level less than zero leading to savings.
2016-17	7.03	2.21	4.82	441	
2017-18	6.51	4.11	2.40	(-) 82	g-r>0 and s<0; Public debt will converge to a stable level greater than zero.
2018-19	7.29	9.69	(-) 2.40	510	g-r<0 and s>0; undefined situation.
Real growth rate calculated for Real GDP					
Real interest rate is the nominal interest rate adjusted for inflation.					

The Fourteenth Finance Commission (FFC) target of debt limit was 31.99 *per cent* of GSDP and fiscal deficit ceiling was three *per cent* of GSDP. The ratio of State's debt to GSDP was higher and fiscal deficit-GSDP ratio was lower than normative targets.

Except during 2018-19, the Domar gap (g-r) was positive in all the years from 2014-15 to 2017-18. However, the State had primary surplus during the year. Thus, the necessary condition for ensuring stability of public debt as per the Domar model was satisfied during the period 2014-18. This is borne out by the fact that the debt to GSDP ratio was around 24 to 26 *per cent* in the last five years and has remained stable.

However, other factors such as public account liabilities and *force majeure* events like current Corona virus crisis and its effect on GSDP and/or any other un-inventoried losses of revenue also have to be reckoned in assessing the debt sustainability/stability of the State as these cannot be anticipated or determined statistically; they have not been factored in the analysis.



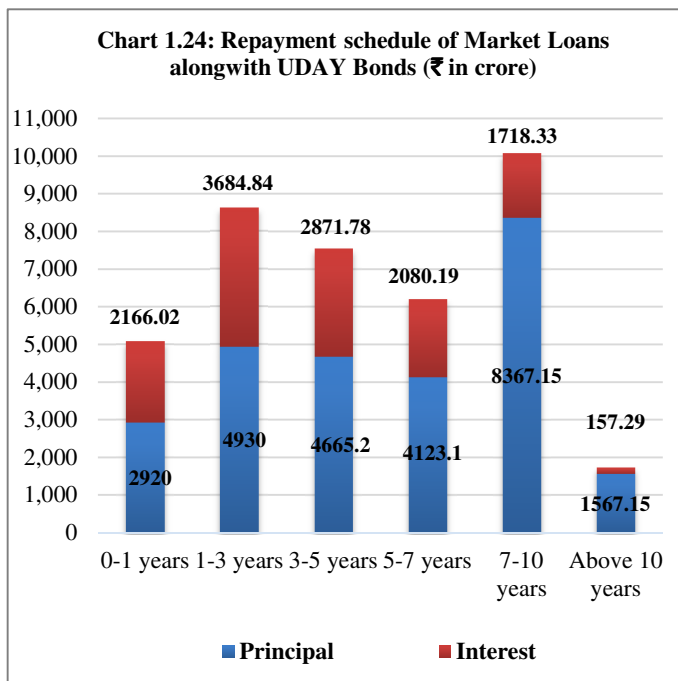
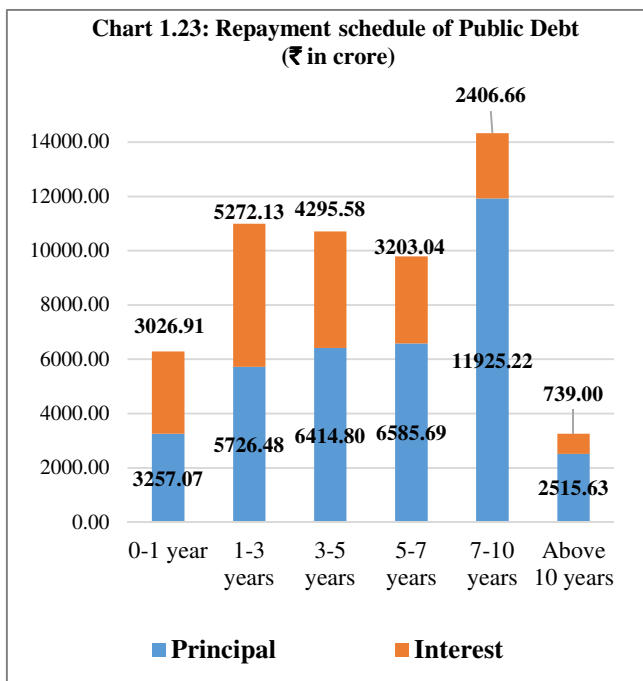


- The growth rate of outstanding public debt and GSDP showed inter-year variation during 2014-19. During 2018-19 the rate of growth of outstanding debt decreased by 1.39 percentage points whereas the rate of growth of GSDP increased by 2.07 percentage points over the previous year. During 2014-15 and 2016-17, the public debt increased annually at higher rate than annual growth rate of GSDP.
- Average interest rate of outstanding debt remained almost static during 2014-19 and was 8.32 per cent during 2018-19.
- Interest payments as percentage of Revenue Receipts decreased from 10.34 per cent in 2017-18 to 9.56 per cent in 2018-19.
- 45.83 to 75.94 per cent of debt receipts were used for making repayments during 2014-19. During 2018-19, 72.71 per cent of borrowed funds were used for discharging existing liabilities.
- The net funds available on account of internal debt and loans and advances from GoI and other obligations after providing for interest and repayments varied between minus ₹ 63 crore and ₹ 2,201 crore during 2014-19. The net debt available to the State during the year 2018-19 was minus ₹ 1,204 crore.

Debt repayment schedule (principal and interest)

Repayment schedule of Public Debt and Market Loans alongwith UDAY Bonds

The repayment schedules (principal and interest) of public debt and market loans alongwith UDAY Bonds of the State have been given in **Charts 1.23 and 1.24:**



Note: (i) The maturity profile has been depicted for outstanding public debt as of 31 March 2019 and interest has been calculated at a rate of 8.31 *per cent* (average interest rate of outstanding public debt during 2014-19) upto the financial year in which the loans are going to retire.

(ii) The maturity profile has been evolved for outstanding market loans as on 31 March 2019 and interest has been calculated upto the financial year in which the loans are going to retire.

The maturity profile of public debt liabilities (**Chart 1.23**) indicates that the State will have to repay ₹ 27,992.97 crore of public debt (principal: ₹ 15,398.35 crore and interest: ₹ 12,594.62 crore) in the next five financial years *i.e.* upto 2023-24. Out of this, ₹ 21,237.84 crore (principal: ₹ 12,515.20 crore and interest: ₹ 8,722.64 crore) *i.e.* 75.87 *per cent* will be repayable towards market loans and UDAY bonds (**Chart 1.24**). In the following five financial years *i.e.* upto 2028-29, public debt liabilities of ₹ 24,120.62 crore (principal: ₹ 18,510.91 crore and interest: ₹ 5,609.71 crore) and market loans and UDAY bonds of ₹ 16,288.77 crore (principal: ₹ 12,490.25 crore and interest: ₹ 3,798.52 crore) will be repayable. Thus, in the next ten years, out of total outstanding market loans and UDAY bonds of ₹ 26,573 crore, the State has to repay principal of market loans and UDAY bonds of ₹ 25,005 crore (94.10 *per cent*) and interest amounting to ₹ 12,521 crore.

Analysis of the State's receipt and expenditure figures shows that the revenue receipts of the State have grown at an annual average rate of 14.85 *per cent* and revenue expenditure at 11.19 *per cent* in the past five years. Applying these growth rates, the State is projected to have a revenue surplus of ₹ 4,424.89 crore in 2020-21. As the State is committed to convert UDAY Bonds of ₹ 2,167.50 crore into grants-in-aid in 2020-21, the revenue surplus would decline to ₹ 2,257.39 crore. Further, during the

same year (2020-21), the State would have public debt liabilities of ₹ 5,648.65 crore (principal and interest). Thus, the State would have to resort to additional borrowings to meet its liabilities.

The above analysis assumes that the State will have a revenue surplus as per projections based on actual figures for the past five years. However, in four out of the past five years, the State Government had projected revenue deficits in its budget estimates whereas it ended up with revenue surplus. As per the projections in the State's Medium Term Fiscal Policy/Plan Statement, the State Government has projected revenue deficits⁷ for the period 2019-20 to 2023-24. In 2020-21 the State has projected a revenue deficit of ₹ 684 crore. In case the revenue deficit projected in the State's Medium Term Fiscal Plan Statement is realised, the revenue deficit would increase to ₹ 2,851.50 crore after meeting the committed conversion of UDAY Bonds of ₹ 2,167.50 crore into grants-in-aid. The State would have to resort to additional borrowings to meet its public debt liabilities of ₹ 5,648.65 crore (principal and interest) in 2020-21.

Utilization of borrowed funds

The details of utilisation of borrowed funds for repayment of earlier borrowings, capital expenditure and revenue expenditure for the period 2014-15 to 2018-19 is given in **Table 1.29**.

Table 1.29: Utilization of borrowed funds

(₹ in crore)					
Year	Total Borrowings	Repayment of earlier borrowings (Principal)	Net capital expenditure*	Net Loans and Advances disbursed	Portion of total borrowings utilised towards Revenue expenditure
1.	2.	3.	4.	5	6 {2-(3+4+5)}
2014-15	10,877	8,260(76)	1,823(17)	433(04)	361(3)
2015-16	6,129	3,948(64)	2,181(36)	NA	NA
2016-17	8,603	3,943(46)	3,499(41)	1,161(13)	NA
2017-18	5,600	3,500(63)	2,100(37)	NA	NA
2018-19	6,427	4,673(73)	1,754(27)	NA	NA

*Net Capital Expenditure = Total Capital Expenditure-Misc. Capital Receipts
 Figures in brackets indicate percentage utilisation of borrowed funds NA: Not applicable

Except during 2014-15, no portion of debt receipts was used for meeting revenue expenditure. During 2014-15, revenue receipts of the State Government were not sufficient and an amount of ₹ 361 crore was utilised from borrowings for meeting revenue expenditure.

⁷ 2019-20: ₹4,007 crore; 2020-21: ₹684 crore; 2021-22: ₹824 crore; 2022-23: ₹5,163 crore; 2023-24: ₹6,443 crore

1.11 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. A 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 by 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 trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of revenue and fiscal deficits *vis-à-vis* targets set under FRBM Act/Rules for the financial year 2018-19.

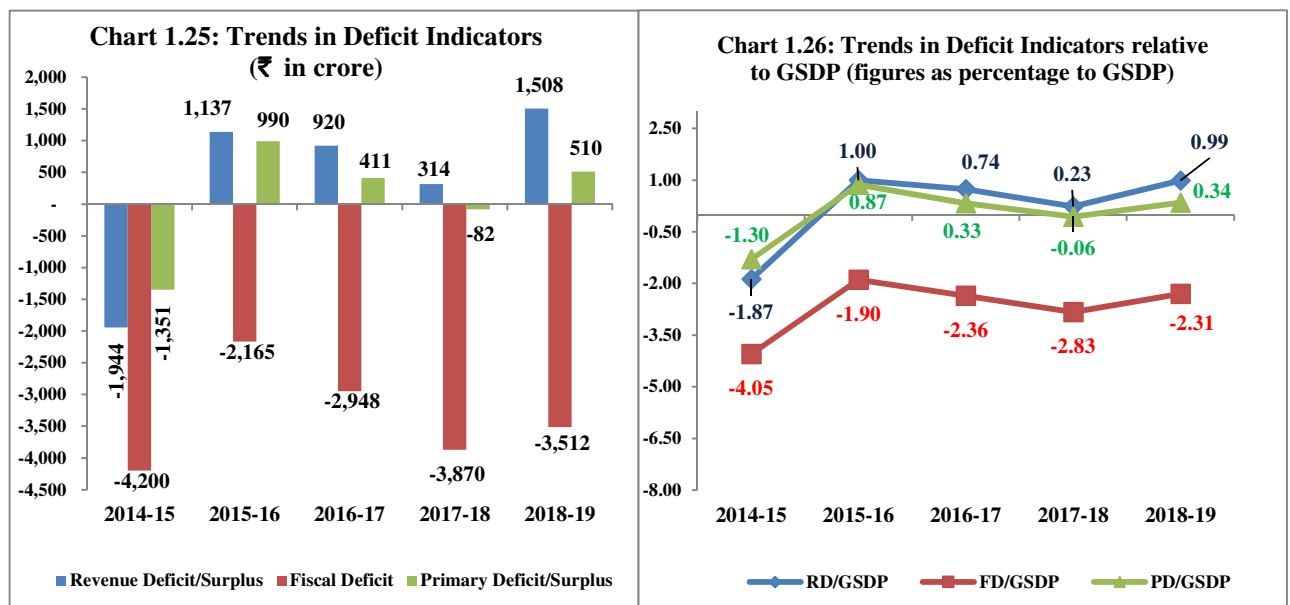
1.11.1 Trends in Deficits

Table 1.30 and Charts 1.25 and 1.26 present the trends in deficit indicators (revenue, fiscal and primary) over the period 2014-19:

Table 1.30: Trends in deficits

	2014-15	2015-16	2016-17	2017-18	2018-19
(₹ in crore)					
Deficits					
Revenue Deficit(-) or Surplus (+)	(-)1,944	1,137	920	314	1,508
Fiscal Deficit	4,200	2,165	2,948*	3,870	3,512
Primary Deficit (-) or Surplus (+)	(-) 1,351	990	411	(-) 82	510
Management of Fiscal Imbalances (In per cent)					
Revenue deficit (surplus)/GSDP	(-)1.87	1.00	0.74	0.23	0.99
Fiscal deficit/GSDP	4.05	1.90	2.36	2.83	2.31
Primary Deficit (surplus) /GSDP	(-)1.30	0.87	0.33	(-)0.06	0.34

* Debt in respect of the State DISCOM taken over by the State under the UDAY scheme is not to be taken into account for arriving at the fiscal deficit of the State from the FY 2016-17 onwards.



Revenue Surplus

Revenue surplus represents the difference between revenue receipts and revenue expenditure. Revenue surplus helps to decrease the borrowings. Revenue surplus of ₹ 314 crore during 2017-18 increased to ₹ 1,508 crore in 2018-19. The high percentage of committed revenue expenditure reduces maneuverability around expenditure decisions by the State and indicates that the State has limited revenue space available after accounting for its committed expenditure needs. Hence, the State Government needs to make medium term corrections on the expenditure side to moderate such committed expenditures and streamline revenue collections.

Fiscal Deficit

Fiscal deficit represents the net incremental liabilities of the Government or its additional borrowings. The shortfall could be met either by additional public debt (internal or external) or by the use of surplus funds from Public Account. During 2018-19, fiscal deficit (₹ 3,512 crore) decreased by ₹ 358 crore over the previous year (₹ 3,870 crore).

Primary Deficit

While fiscal deficit represents the need for additional resources in general, a part of such resources may be needed to finance interest payments in respect of States having deficit on revenue account. Interest payments represent the expenditure of past obligations and are independent of ongoing expenditure. To look at the imbalances of current nature, these payments need to be separated and deducted from the total imbalances. The primary deficit is thus an important parameter that reflects a State's current financial position. If there is primary deficit it means that the State has a deficit even after netting out interest, and it will have to borrow even to pay interest on its borrowings. This parameter showed inter-year variations: primary deficit during 2014-15 and 2017-18 (₹ 1,351 crore and ₹ 82 crore) turned to primary surplus in 2015-16 (₹ 990 crore), 2016-17 (₹ 411 crore) and 2018-19 (₹ 510 crore).

Impact on Revenue and Fiscal deficit

Audit observed that the Revenue surplus was overstated by ₹ 277.76 crore and fiscal deficit understated by ₹ 277.76 crore on account of non-contribution to Consolidated Sinking Fund and Guarantee Redemption Fund, non-payment of interest on State Disaster Response Fund /National Disaster Response Fund, expenditure/disbursement of GIA from Capital Head as shown in **Table 1.31**:

Table 1.31: Effective Revenue Surplus (RS) and Fiscal Deficit (FD)

(₹ in crore)

Details of short transfer/contribution	Impact on Revenue Surplus	Impact on Fiscal Deficit	Ratio before taking the net impact (in per cent)		Ratio after taking the net impact (in per cent)	
	Overstatement	Understatement	RS/GSDP	FD/GSDP	RS/GSDP	FD/GSDP
Non-contribution to Consolidated Sinking Fund	255.15	255.15	0.99	2.31	0.81	2.50
Non-contribution to Guarantee Redemption Fund	21.97	21.97				
Non-payment of interest on State Disaster Response Fund /National Disaster Response Fund	0.15	0.15				
Misclassification of disbursement of Grant-in-Aid (Grant No. 31 – Tribal Development) from Capital Heads instead of Revenue Heads	0.49	0.49				
Total	277.76	277.76				

Revenue surplus has been overstated by 0.18 percentage points and fiscal deficit understated by 0.19 percentage points as compared to GSDP.

1.11.2 Composition of Fiscal Deficit and its Financing Pattern

The financing pattern for fiscal deficit has undergone a compositional shift as reflected in the Table 1.32.

Table 1.32: Components of Fiscal Deficit and its Financing Pattern

(₹ in crore)

	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Components of Fiscal Deficit						
1	Revenue Deficit/surplus	(-)1,944	1,137	920	314	1,508
2	Net Capital Expenditure	(-)1,823	(-)2,865	(-)3,499	(-)3,721	(-)4,574
3	Net Loans and Advances	(-)433	(-)437	(-)3,260	(-)463	(-)446
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	1,631	1,664	2,163	2,551	2,108
2	Loans from GoI	59	(-) 22	27	3	(-)18
3	Special Securities Issued to NSSF	904	975	(-) 500	(-)515	(-)538
4	Loans from Financial Institutions	24	(-) 436	80 [#]	61	202
5	Small Savings, PF, etc.	1,185	718	1,205	1,392	1,113
6	Deposits and Advances	504	115	181	189	409
7	Suspense and Misc.	28	(-) 590	(-) 274	(-)119	1
8	Remittances	12	148	(-)35	69	112
9	Others	(-) 147	(-) 407	101	239	123
10	Overall Surplus (+)/ Deficit (-)	(-) 4,200	(-) 2,165	(-) 2,948 [#]	(-) 3,870	(-)3,512

*All these figures are net of disbursements/outflows during the year

Source: Finance Accounts

₹ 2,890.50 crore excluded on account of UDAY Scheme

The fiscal deficit (₹ 3,512 crore) in 2018-19 was largely managed by market borrowings (60 per cent) and State Small Savings, Provident Fund, etc. (32 per cent).

1.11.3 Quality of Deficit/Surplus

The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Further, persistently high ratio of revenue deficit to fiscal deficit indicates that the asset base of the State is continuously shrinking and a part of borrowings (fiscal liabilities) do not have asset backup. The ratio of revenue deficit to fiscal deficit was 0.46 during 2014-15, whereas during 2015-19, the State experienced revenue surplus of ₹ 1,137 crore (2015-16), ₹ 920 crore (2016-17), ₹ 314 crore (2017-18) and ₹ 1,508 crore (2018-19) (Appendix 1.3).

Disaggregation of factors of the primary deficit shows the extent to which the deficit is impacted on account of enhancement in capital expenditure (which may be desirable to improve the productive capacity of the State's economy). The disaggregation of factors resulting in primary deficit or surplus of the State Government during the period 2014-19 is indicated in Table 1.33.

Table 1.33: Primary deficit/Surplus – Disaggregation of factors

(₹ in crore)								
Year	Non-debt receipts	Revenue receipts	Primary Revenue Expenditure (PRE)	Capital Expenditure	Loans and Advances	Total Primary Expenditure	Primary revenue surplus	Primary deficit (-)/ surplus (+)
1.	2.	3.	4.	5.	6.	7. (4+5+6)	8. (3-4)	9. (2-7)
2014-15	18,534	17,843	16,938	2,473	474	19,885	905	(-) 1,351
2015-16	23,466	23,440	19,149	2,864	463	22,476	4,291	990
2016-17	26,294	26,264	21,985	3,499	399	25,883	4,279	411
2017-18	27,442	27,367	23,265	3,756	503	27,524	4,102	(-) 82
2018-19	30,981	30,950	25,420	4,583	468	30,471	5,530	510

- Non-debt receipts of the State mainly included Revenue Receipts and recoveries of loans and advances which increased by 67.16 per cent from ₹ 18,534 crore in 2014-15 to ₹ 30,981 crore in 2018-19, which was sufficient to meet the primary revenue expenditure.
- The primary revenue surplus during 2014-15 (₹ 905 crore) and 2017-18 (₹ 4,102 crore) was not enough to meet the expenditure under capital account, resulting in primary deficit during these periods.
- During 2015-16, 2016-17 and 2018-19, there was primary surplus mainly on account of increase in receipts of the State due to heavy devolution in the form of

central transfers on the recommendation of the 14th FC, which was sufficient to meet primary expenditure.

Table: 1.34: Components of fiscal deficit during 2014-19

(₹ in crore)						
	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
	Components of Fiscal Deficit	(-) 4,200	(-) 2,165	(-) 2,948	(-) 3,870	(-) 3,512
1	Revenue Deficit	(-) 1,944 (46.29)	NA	NA	NA	NA
2	Net Capital Expenditure	(-) 1,823 (43.40)	(-) 1,728 (79.81)	(-) 2,579 (87.48)	(-) 3,407 (88.04)	(-) 3,066 (87.30)
3	Net Loans and Advances	(-) 433 (10.31)	(-) 437 (20.19)	(-) 369 (12.52)	(-) 463 (11.96)	(-) 446 (12.70)

Figures in brackets indicate contribution to fiscal deficit

NA: Not applicable

During 2018-19, 87 per cent of fiscal deficit was on account of net capital expenditure. Contribution of net CE to FD showed an increasing trend from 43.40 per cent in 2014-15 to 88.04 per cent in 2017-18 but decreased marginally by one per cent during 2018-19, whereas contribution of loans and advances increased from 10.31 per cent in 2014-15 to 12.70 per cent in 2018-19.

1.12 Salient features

Comparison of key elements of State Finances in 2018-19 is summarised below:

Table 1.35: Key parameters

Positive Indicators	Parameters requiring close watch
↑ Increase in Non-Tax Revenue by 20 per cent.	↑ Increase in Own tax revenue by only 7 per cent
↑ Increase in Capital Expenditure by 22 per cent.	↓ Decrease in recovery of Loans and Advances by 45 per cent.
↑ Revenue surplus increased by ₹ 1,194 crore.	↑ Increase in borrowings. 60 per cent Public debt (Principal) required to pay within 7 years
↑ Primary Deficit of ₹ 82 crore turned into primary surplus ₹ 510 crore.	↑ 72.71 per cent of borrowed funds were used for discharging existing liabilities.
↓ Fiscal deficit decreased by ₹ 358 crore.	↓ The actual expenditure on Development Expenditure fell short by ₹ 4,324 crore (16 per cent) from the budget estimates.

1.13 Follow up on Audit Reports on State Finances

The State Finances Audit Report is being prepared and presented to the State Legislature from the year 2008-09 onwards. The State Government had submitted action taken notes (ATNs)/suo-motu replies upto Audit Report 2016-17.

1.14 Conclusion

The State has not yet amended the FRBM Act as recommended by 14th FC. The State had a revenue deficit during 2014-15; thereafter, the State continuously experienced revenue surplus due to increase in central devolutions on the recommendations of 14th Finance Commission. While the revenue surplus consistently declined from 2015-18: ₹ 1,137 crore (2015-16), ₹ 920 crore (2016-17), and ₹ 314 crore (2017-18); during 2018-19, the revenue surplus increased to ₹ 1,508 crore. The fiscal deficit (₹ 3,512 crore) was 2.31 *per cent* of GSDP during the current year. Primary deficit of ₹ 82 crore in 2017-18 turned into primary surplus of ₹ 510 crore in 2018-19. There was a significant variation between the targets projected in the Budget/MTFPS and the actual figures for revenue deficit/surplus and fiscal deficit.

During 2018-19, the State's revenue receipts (₹ 30,950 crore) increased by 13 *per cent* over the previous year (₹ 27,367 crore). Only 33 *per cent* of the revenue receipts came from the State's own resources comprising taxes and non-taxes, while the remaining 67 *per cent* was contributed by central transfers comprising the State's share in central taxes and duties (18 *per cent*) and grants-in-aid from GoI (49 *per cent*).

During 2018-19, total expenditure (₹ 34,493 crore) of the State increased by ₹ 3,181 crore (10 *per cent*) over the previous year. Revenue expenditure constituted 85.3 *per cent* of total expenditure. Total expenditure on four components *i.e.* salary and wages, pension liabilities, interest payments and subsidies constituted 73 *per cent* of the revenue expenditure during 2018-19.

During 2018-19, capital expenditure (₹ 4,583 crore) increased by ₹ 827 crore (22 *per cent*) over the previous year (₹ 3,756 crore). The share of capital expenditure to total expenditure increased from 12 *per cent* in 2017-18 to 13.29 *per cent* in 2018-19.

During 2018-19, public debt repayments (₹ 4,673 crore) including interest payments on public debt (₹ 2,958 crore) exceeded public debt receipts (₹ 6,427 crore) by ₹ 1,204 crore. Total interest payments were ₹ 4,022 crore, which was 13 *per cent* of the revenue receipts.

Overall fiscal liabilities at the end of the year were ₹ 54,299 crore with growth of six *per cent* over the previous year. Fiscal liabilities were 36 *per cent* of GSDP and 1.75 times the revenue receipts. Internal debt of the Government increased to ₹ 35,363 crore (5.28 *per cent*) during 2018-19 from ₹ 33,591 crore in 2017-18.

In the next 10 years, out of total outstanding market loans and UDAY bonds of ₹ 26,573 crore, the State has to repay principal of market loans and UDAY bonds of ₹ 25,005 crore (94.10 *per cent*) and interest amounting to ₹ 12,521 crore.

CHAPTER-II
FINANCIAL MANAGEMENT AND
BUDGETARY CONTROL

CHAPTER-II

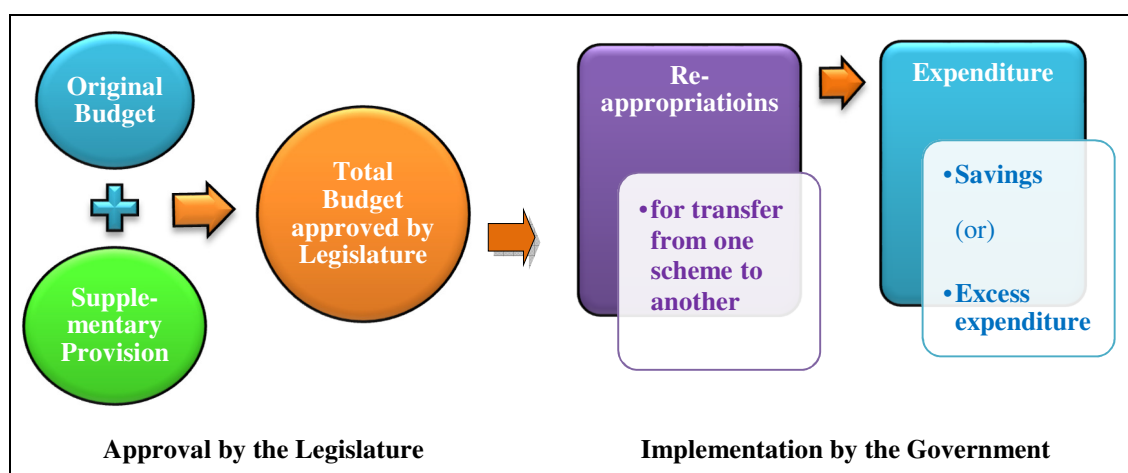
FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

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 the grants and appropriations, voted and charged, for different purposes as specified in the schedules appended to the Appropriation Acts. 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 voted and charged items of the budget. Appropriation Accounts, thus, facilitate management of finances and monitoring of expenditure against budgetary provision, and are complementary to Finance Accounts.

Appropriation Accounts capture data along the entire process of budget formulation and implementation (**Chart 2.1**).

Chart 2.1: Flow chart of budget implementation



Source: Based on the procedure prescribed in Budget Manual and Appropriation Accounts

2.1.2 Audit of Appropriation Accounts 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 provision 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.

Deficiencies in management of budget and expenditure and non-adherence to provisions of budget manual as observed in audit have been discussed in the succeeding paragraphs.

2.2 Summary of Appropriation Accounts

The total provision for expenditure in 2018-19 was ₹ 46,984.68 crore. The actual gross expenditure during the year was ₹ 42,469.10 crore (90.38 per cent). This resulted in savings of ₹ 4,515.58 crore. Supplementary provision of ₹ 3,142.66 crore

constituted 7.2 per cent of original provision. The summarized position of actual expenditure vis-à-vis budgetary provisions during 2018-19 for the total 32 grants/appropriations is given in Table 2.1.

Table 2.1: Position of actual expenditure vis-à-vis original/supplementary provisions for the year 2018-19

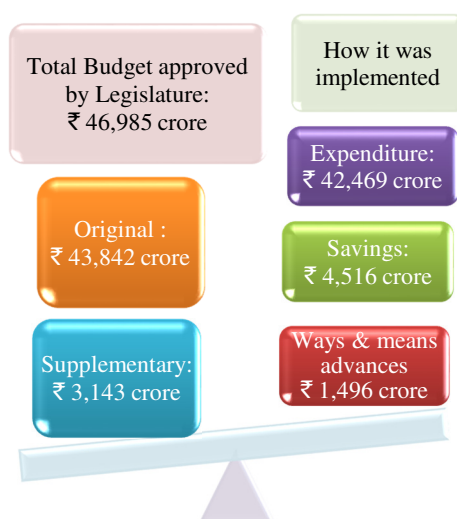
(₹ in crore)						
	Nature of expenditure	Original grant/ Appropriation	Supplementary grant/ Appropriation	Total	Actual expenditure	Saving ⁸ (-)/ Excess (+)
	1	2	3	4	5	6
Voted	I Revenue	31,588.81	701.29	32,290.10	28,522.49	-3,767.61
	II Capital	4,297.63	641.07	4,938.70	4,629.70	-309.00
	III Loans and Advances	448.13	259.81	707.94	467.98	-239.96
Total Voted		36,334.57	1,602.17	37,936.74	33,620.17	-4,316.57
Charged	IV Revenue	4,323.25	91.08	4,414.33	4,164.65	-249.68
	V Capital	0	10.71	10.71	10.93	0.22
	VI Public Debt Repayment	3,184.20	1,438.70	4,622.90	4,673.35	50.45
Total Charged		7,507.45	1,540.49	9,047.94	8,848.93	-199.01
Appropriation to Contingency Fund (if any)		<i>Nil</i>				
Grand Total		43,842.02	3,142.66	46,984.68	42,469.10	-4,515.58

Source: Appropriation Accounts

Note: The expenditure shown above are gross figures without taking into account the recoveries adjusted in the accounts as reduction of expenditure under revenue and capital heads.

2.2.1 Analysis of Appropriation Accounts: 2018-19

Chart 2.2: Summarised position of provision vis-à-vis Actual Expenditure



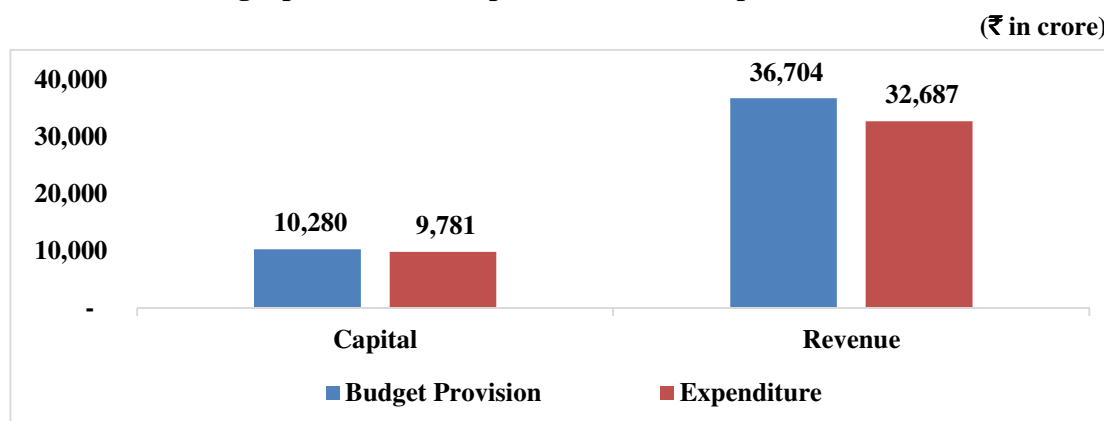
The overall savings of ₹ 4,515.58 crore registered under grants/appropriations during 2018-19 was the result of savings of ₹ 5,336.95 crore in 29 grants and eight appropriations under Revenue section and 23 grants and one appropriation under Capital section, and excess of ₹ 821.37 crore in three grants and three appropriations under Revenue section and three grants and two appropriations under Capital section. Savings of ₹ 4,515.58 crore was surrendered during this period. Further, the total expenditure of ₹ 42,469.10 crore was inclusive of repayment of ways and means advances of ₹ 1,496 crore taken by Government from Reserve Bank of India for temporary cash balance. Hence, the net expenditure during the year was ₹ 40,973.10 crore i.e. 87.21 per cent of the total budget provision. The excess expenditure of ₹ 821.37 crore requires regularization under Article 205 of the Constitution.

⁸ Shortfall in utilisation of funds

2.2.2 Capital and Revenue

Savings were observed in both Capital and Revenue sections (**Chart 2.3**). In Capital section, the savings (₹ 499 crore) constituted 4.8 per cent of budget provision. Substantial savings occurred in Scheduled Caste Sub Plan (₹ 154.08 crore), Irrigation, Water Supply and Sanitation (₹ 151.79 crore), Power (₹ 131.45 crore) and Tribal Development (₹ 82.25 crore).

Chart 2.3: Budget provision and expenditure under Capital and Revenue sections



Source: Appropriation Accounts

In Revenue section, the savings (₹ 4,017 crore) constituted 10.94 per cent of budget provision. Substantial savings were observed in Education (₹ 955.16 crore), Scheduled Caste Sub Plan (₹ 390.87 crore), Rural Development (₹ 383.93 crore), Health and Family Welfare (₹ 330.87 crore), Public Works, Roads, Bridges and Buildings (₹ 282.96 crore).

Grant-wise analysis

The expenditure of the State Government is incurred by various departments under 32 grants. The net saving of ₹ 4,515.58 crore was the result of savings and excesses under different grants (**Table 2.2**).

Table 2.2: Total excess or savings under different grants

Description	Revenue		Capital		Amount (₹ in crore)
	Number of grants ⁹	Number of appropriations ¹⁰	Number of grants	Number of appropriations	
Savings occurred in	29	08	23	01	5,336.95
Excess expenditure occurred in	03	03	03	02	821.37

Source: Appropriation Accounts

The grants in which high savings and high excess expenditure occurred are listed in **Appendices 2.1 and 2.8**.

⁹ Grants are the provisions voted by the Legislature for incurring voted expenditure

¹⁰ Appropriation is the provision made in the budget for incurring expenditure which is directly charged and not subject to the voting of the Legislature

Audit observed that excess expenditures were under grants that provide funds for day-to-day administration whereas savings were under grants that provide funds for major schemes.

State Government may regularly monitor the progress of expenditure against the sanctioned budget in order to ensure utilisation of allotted funds as per requirement.

2.3 Financial Accountability and Budget Management

2.3.1 Excess over provisions requiring regularization

As per Article 204 (3) of the Constitution of India, no money shall be withdrawn from Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of the article.

Notwithstanding the above, excess expenditure of ₹ 821.37 crore over budget provision was incurred in 2018-19 indicating that budgetary estimates were not reviewed properly. Details of various grants/appropriations where aggregate expenditure (totaling ₹ 10,541.41 crore) exceeded the approved provisions, including in seven cases by ₹ one crore or more (totaling ₹ 820.96 crore), are given in **Appendix 2.1**.

Firm measures need to be taken against defaulting departments to avoid excess expenditure. There does not appear to be any convincing reason for incurring of excess expenditure when the Government gets opportunities to present Supplementary Demands for Grants during the three sessions of Legislature in a year.

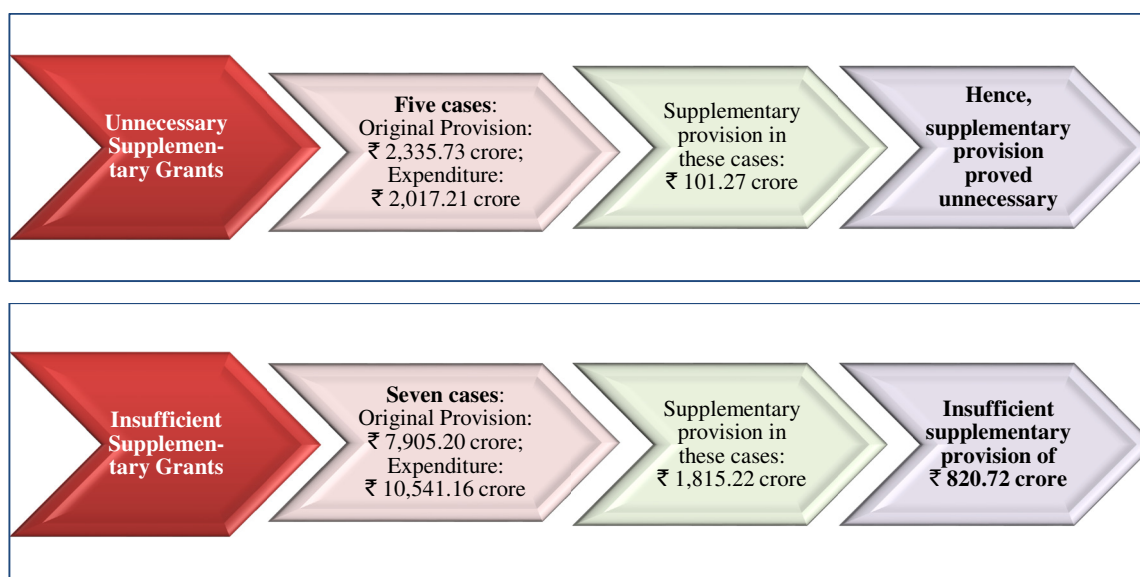
Further, as per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess expenditure over a grant/appropriation regularized by the State Legislature. Although no time limit for regularization of expenditure has been prescribed, the regularization of excess expenditure is done after the conclusion of discussions on the Appropriation Accounts by the Public Accounts Committee (PAC). However, the excess expenditure of ₹ 8,333.35 crore under 21 Grants and 11 Appropriations (**Appendix 2.2**) for the years 2013-14 to 2017-18 was yet to be regularized as of February 2019. The excess expenditure of ₹ 821.37 crore (**Appendix 2.3**) over authorisation made by the State Legislature under six Voted Grants and five appropriations during the financial year 2018-19 also requires regularization.

Excess expenditure remaining unregularised for such long periods is in violation of Article 204 and 205 of the Constitution and vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

2.3.1.1 Unnecessary/Insufficient supplementary provisions resulting in saving/excess expenditure

As per Paragraph 1.20 of Himachal Pradesh Budget Manual, Supplementary grant refers to a provision included in an appropriation during the course of a financial year to meet expenditure in excess of the amount previously included in an Appropriation Act for that year.

Chart 2.4: Unnecessary, Insufficient Supplementary Provisions



Source: Appropriation Accounts

- In five cases (₹ one crore or more in each case) supplementary provision of ₹ 101.27 crore proved unnecessary as the expenditure did not come up to the level of original provision (**Appendix 2.4**).
- In seven cases (₹ one crore or more in each case) supplementary provision of ₹ 1,815.22 crore proved insufficient leaving an aggregate uncovered excess expenditure of ₹ 820.72 crore (**Appendix 2.5**). Of this uncovered excess, ₹ 564.88 crore (68.83 per cent) was incurred under grant number 05-Land Revenue and District Administration (Revenue-Voted) and ₹ 106.33 crore under 13-Irrigation and Water Supply and Sanitation (Revenue-Voted).

This indicates that the Administrative Departments could not realistically assess/estimate the actual requirement of funds for the remaining period of financial year due to poor monitoring of expenditure through the monthly expenditure control mechanism.

2.3.2 Excessive/unnecessary/insufficient re-appropriation of funds

Re-appropriation refers to transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Re-appropriations made during the year proved injudicious in view of excessive surrenders or insufficient augmentation and resulted in excess expenditure of over ₹ 617.17 crore in 18 sub-heads and savings of over ₹ 196.22 crore under 12 sub-heads (₹ one crore or more in each case) as detailed in **Appendix 2.6**. Savings/excesses were under 16 sub-heads (₹ 10 crore or more in each case).

2.3.3 Rush of expenditure

According to the Himachal Pradesh Financial Rules, 2009, rush of expenditure, particularly in the closing month of the financial year should be avoided.

Contrary to the above rule, in respect of 57 sub-heads under 16 grants/appropriations listed in **Appendix 2.7**, expenditure constituting 50 per cent or more of the total expenditure for the year (and exceeding ₹ 10 crore in each case) was incurred during the last quarter of the year (₹ 3,267.46 crore). Further, out of the total expenditure of ₹ 3,886.79 crore incurred under these sub-heads during 2018-19, expenditure of ₹ 3,005.45 crore (77 per cent) was incurred during the month of March 2019. Rush of expenditure during the last quarter, especially during the month of March, showed non-adherence to financial rules.

The details of some major heads where more than ₹ 10 crore or 50 per cent of total expenditure was incurred either during the last quarter or during the last month of the financial year are given in **Table 2.3**.

Table 2.3: Cases of Rush of Expenditure towards the end of the financial year 2018-19

(₹ in crore)

Sr. No.	Major Head (Voted/Charged)	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2019	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
1.	2216-Housing	103.31	69.00	66.79	56.18	54.38
2.	2711- Flood Control and Drainage	44.23	24.63	55.69	22.35	50.54
3.	4059-Capital outlay on Public Works	139.06	102.18	73.48	91.08	65.50
4.	4070-Capital outlay on other Administrative	21.99	17.35	78.90	13.46	61.21
5.	4210- Capital outlay on Medical and Public Health	345.61	264.21	76.45	223.20	64.58
6.	4216- Capital outlay on Housing	73.31	61.70	84.16	50.47	68.84
7.	4702- Capital outlay on Minor Irrigation	226.6	156.32	68.99	133.91	59.10
8.	4705-Capital outlay on Command Area Development	42.02	30.38	72.30	26.28	62.54
9.	4801-Capital outlay on Power Projects	250.00	130.73	52.28	130.73	52.29
10.	4851- Capital outlay on Village and Small Industries	46.43	360.69	79.02	26.11	56.24
11.	5452- Capital outlay on Tourism	53.86	30.09	55.33	28.18	52.33
Total		1,346.42	1,247.28		801.95	

Source: Appropriation Accounts/VLC

Rush of expenditure at the close of the year can lead to infructuous, wasteful or ill-planned expenditure. The department should ensure that funds are expended uniformly throughout the year according to the prescribed norms as far as practicable to avoid rush of expenditure at the end of the financial year.

2.3.4 Appropriation vis-à-vis Allocative Priorities

The audit of appropriations showed that in 46 cases savings exceeded ₹ one crore or more in each case or by more than 20 per cent of the total provision (**Appendix 2.8**). Against the total provision of ₹ 36,758.07 crore, actual expenditure was ₹ 31,423.91 crore, leaving ₹ 5,334.16 crore as savings.

In 12 grants, out of the total savings of ₹ 5,334.16 crore, substantial savings (₹ 100 crore and more in each case) in 14 cases amounting to ₹ 4,663.77 crore (87 per cent) are detailed in **Table 2.4**.

Table 2.4: List of grants with savings of more than ₹ 100 crore

(₹ in crore)				
Sr. No.	Number and name of the Grant	Total Grant	Expenditure	Savings (percentage)
Revenue- Voted				
1.	07 Police and Allied Organisations	1,312.64	1,168.81	143.83(11)
2.	08 Education	6,124.09	5,168.92	955.16(15)
3.	09 Health and Family Welfare	1,994.23	1,663.40	330.83(16)
4.	10 Public Works - Roads, Bridges and Buildings	3,308.06	3,039.02	269.04(8)
5.	16 Forest and Wildlife	543.36	413.04	130.31(24)
6.	20 Rural Development	1,546.35	1,162.42	383.93(25)
7.	28 Urban Development, Town and Country Planning and Housing	558.47	440.12	118.35(21)
8.	29 Finance	5,994.83	5,054.90	939.93(16)
9.	31 Tribal Development	1,264.92	939.20	325.72(26)
10.	32 Scheduled Caste Sub Plan	1,349.89	959.02	390.87(29)
Revenue- Charged				
11.	29 Finance	4,260.00	4,021.52	238.48(6)
Capital- Voted				
12.	13 Irrigation, Water Supply and Sanitation	777.83	626.04	151.79(19)
13.	23 Power Development	635.08	503.63	131.45 (21)
14.	32 Scheduled Caste Sub Plan	1,077.08	923.00	154.08(14)
Total		30,746.83	26,083.04	4,663.77(15)

Source: Appropriation Accounts

The reasons furnished by the departments for savings under a few major heads of account (as reported in Appropriation Accounts) are given below:

Education

- Savings of ₹ 312.29 crore under head 2202-01-101-01 (in primary schools), ₹ 165.13 crore under 2202-01-101-03 and ₹ 195.80 crore under head 2202-02-109-01 (in middle schools) were due to non-filling of vacant posts, less engagement of daily wagers, less expenditure on furniture, less entitlement of students for scholarship and less receipt of medical reimbursement bills.

Health and Family Welfare

- Savings of ₹ 109.99 crore (2210-03-110-01 Rural Health) and ₹ 66.51 crore (2210-01-110-03 Urban Health) were due to non-filling of vacant posts.

Rural Development

- Savings of ₹ 75 crore (2501-06-101-09), ₹ 74 crore (2501-06-101-10) and ₹ 163.24 crore (2505-02-101-01) were on account of non-implementation or slow implementation of schemes/programmes due to non-completion of codal formalities, transfer of some schemes to Industry Department and less release of grants.

Finance

- Savings of ₹ 201.47 crore (2049-01-101-89), ₹ 136.03 crore (2071-01-101-03), ₹ 483.78 crore (2071-01-102-02) and ₹ 179.10 crore (2071-01-102-02) were due to less payment of interest as per schedule and less receipt of pension cases.

Large savings under these grants implied that the State Government had made budget provisions without realistic estimation of fund requirement.

2.3.4.1 Persistent savings

During the last five years, in 20 grants there were 24 cases (₹ one crore or more in each case) where persistent savings occurred (details given in **Appendix 2.9**) out of which three cases (₹ 100 crore or more in each case) are depicted below in the **Table 2.5**:

Table 2.5: List of grants with substantial persistent savings during 2014-19

(₹ in crore)

Sr. No.	Grant number and name	Amount of Savings				
		2014-15	2015-16	2016-17	2017-18	2018-19
Revenue-Voted						
1.	08-Education	385.37	1,076.22	864.96	665.02	955.16
2.	9-Health and Family Welfare	151.89	366.81	295.90	211.66	330.85
3.	20-Rural Development	109.86	208.74	121.61	402.93	383.93

Source: Appropriation Accounts of respective years

The substantial persistent savings indicated that budgetary controls in the departments were not effective and previous years' trends were not taken into account while allocating funds for the year. This had been pointed out in earlier State Finances Reports, but no action had been taken by the State Government.

2.3.4.2 Substantial surrenders

Substantial surrenders (cases where 50 per cent or more of the total provision was surrendered) were made in respect of 155 sub-heads (**Appendix 2.10**) on account of either non-implementation or slow implementation of schemes/programmes due to non-completion of codal formalities, less receipt of funds from GoI, matching State share, less expenditure under various schemes, non-filling of vacant posts, etc. Out of the total provision of ₹ 2,951.82 crore under these 155 sub-heads, amount of ₹ 2,328.25 crore (78.87 per cent) was surrendered, which included 100 per cent

surrender under 60 schemes (₹ 801.05 crore) (**Appendix 2.11**). Of these 60 schemes, details of some schemes where substantial surrenders were made is as under:

Table 2.6: List of grants and schemes with substantial surrenders

Sr. No.	Grant No	Grant Name	Scheme Name	Amount (₹ in crore)
1	23	Power Development	Loan to Himachal Pradesh Power Corporation	181.72
2	08	Education	Vocationalisation of Secondary Education	78.50
3	20	Rural Development	Mukhyamantri Rural Livelihood Scheme	75.00
4	32	Scheduled Caste Sub Plan	Loan to Himachal Pradesh Power Corporation	61.17
5	10	Public Works - Roads, Bridges and Buildings	Himachal Road Improvement Scheme	50.00
6	31	Tribal Development	Loan for HP Power Corporation Projects	46.11
7	23	Power Development	Sutlej Jal Vidhyut Nigam Limited	40.00
8	32	Scheduled Caste Sub Plan	Vocationalisation of Secondary Education	30.05
9	08	Education	Mukhyamantri Aadarsh Vidya Kendra	25.00
10	32	Scheduled Caste Sub Plan	Command Area Development	22.17

Further, in 53 heads, there was surrender of ₹ 5,500.69 crore (₹ 10 crore or more in each case) on 31 March 2019 (**Appendix 2.12**).

Surrender of funds on the last working day (31 March 2019) indicated weak financial controls and resulted in non-utilisation of funds for other developmental purposes.

2.3.4.3 Anticipated savings not surrendered

According to Himachal Pradesh Budget Manual (Paragraph 11.2 of Chapter 11), all savings as and when anticipated, must be surrendered to the Finance Department by the spending department latest by 15 January. It was, however, noticed that out of savings of ₹ 690.08 crore in the following grants as detailed in **Table 2.7**, ₹ 99.94 crore was not surrendered by different departments.

Table 2.7: Cases of savings of ₹ one crore and above not surrendered

Sr. No.	Number and name of Grant	Saving	Surrender	Saving which were not surrendered
(₹ in crore)				
Revenue-Voted				
1.	9- Health and Family Welfare	330.83	327.89	2.95
2.	14- Animal Husbandry, Dairy Development and Fisheries	68.34	58.40	9.94
Revenue-Charged				
3	4- Central Administration	2.46	1.28	1.19
4	29- Finance	238.48	159.99	78.49
Capital-Voted				
5.	20-Rural Development	5.70	1.70	4.00
6.	29 - Finance	8.22	6.30	1.92
7.	31- Tribal Development	36.05	34.60	1.45
	Total	690.08	590.16	99.94

Despite large amount of savings, sufficient surrenders were not made mainly under grant numbers: 29- Finance: ₹ 78.49 crore (Revenue-Voted), 14- Animal Husbandry, Dairy Development and Fisheries: ₹ 9.94 crore (Revenue-Voted), 20-Rural Development: ₹ 4 crore (Capital-Voted), 9-Health and Family Welfare: ₹ 2.95 crore (Revenue-Voted).

Efforts should be made by all departments to submit realistic budget estimates keeping in view the past trend of expenditure in order to avoid large savings/excesses, re-appropriations and surrenders at the end of the year so that public money can be utilised in other areas/schemes.

2.4 Operation of Personal Deposit Accounts

Personal Deposit Accounts (PDAs) are created by debit to the Consolidated Fund and the same 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. Information obtained from the office of the Principal Accountant General (A&E), Himachal Pradesh showed that there were 112 PDAs in operation in 15 District Treasuries. The position of balances of ₹ 2.56 crore lying in these 112 accounts as of 31 March 2019 (**Appendix 2.13**) is given as under:

- 68 PDAs having balance of ₹ 2.43 crore were in operation during the year.
- 10 PDAs involving an amount of ₹ 0.13 crore remained inoperative since 2010-11.
- 34 PDAs had nil balances.

Non-transfer of unspent balances lying in PD accounts to Consolidated Fund before the closure of the financial year entails the risk of non-utilisation of public funds for intended purposes.

2.5 Misclassification in accounts

During the audit of Finance and Appropriation Accounts for the year 2018-19, the following cases of misclassification of expenditure were observed:

2.5.1 Classification of 'Grants-in-Aid' under Capital Expenditure head

Disbursement of Grants-in-Aid under Capital head of expenditure is against the Indian Government Accounting Standard-2 issued by GoI in May 2011.

It was noticed that an amount of ₹ 49 lakh as Grants-in-Aid (Grant No. 31 – Tribal Development) under head 4225-02-796-01-00-42 was disbursed by the State Government from Capital head instead of Revenue head.

2.5.2 Operation of omnibus Minor Head-800

Booking under Minor Head '800-Other Receipts' and '800-Other Expenditure' should be done only when the appropriate minor head has not been provided in the accounts.

Routine operation of Minor Head-800 is to be discouraged since it renders the accounts opaque.

During the scrutiny of Finance and Appropriation Accounts for 2018-19, it was observed that:

- Under 44 major heads, revenue receipts aggregating ₹ 1,911 crore (6.17 per cent of total revenue receipts) (₹ 1,315 crore during 2017-18) were classified under omnibus minor head-800-other receipts (**Appendix 2.14**). Out of these, there were 23 major heads where a substantial proportion (50 per cent or more) of the receipts were classified under the minor head 800-other receipts.
- Expenditure aggregating ₹ 1,298.28 crore (₹ 961 crore during 2017-18) constituting 3.06 per cent of total expenditure (revenue and capital) was classified under major head 800-other expenditure under 42 major heads (revenue and capital) as detailed in **Appendix 2.15**.
- Grants amounting to ₹ 1,165 crore (₹ 77 crore during 2017-18) received for different schemes operated for improvement of Irrigation, Agriculture, etc., were booked under Minor Head 800; instances are given in **Appendix 2.16**.

This issue had also been highlighted in the previous CAG's Audit Report on State Finances. Despite admitting the facts and giving an assurance that the existing practice will be stopped, the State Government continued this practice. In fact, booking of receipts/ expenditure under Minor Head 800 increased during 2018-19 over the previous year. Booking of substantial amounts under omnibus Minor Head '800-Other Expenditure/Receipts' adversely affects transparency in financial reporting.

2.6 Review of Selected Grants

A review of budgetary procedure and control over expenditure in respect of two grants (Grant No. 10 'Public Works - Roads, Bridges and Buildings' and Grant No. 11 'Agriculture') was conducted (July-September 2019). Issues such as variation in original grants, supplementary demands and actual expenditure were analysed.

2.6.1 Grant No. 10- Public Works - Roads, Bridges and Buildings

Important points noticed during review of the grant for 2018-19 are detailed below:

- (i) The overall position of funds allotted, expenditure incurred and savings/excesses under Revenue and Capital (Voted) for the last five years (2014-15 to 2018-19) is given in **Table 2.8**:

Table 2.8: Position of funds allocated, expenditure incurred and saving/excess during 2014-19

(₹ in crore)

Year	Section	Original provision	Supplementary	Total	Expenditure	Saving (-)/ Excess (+) (in per cent)
2014-15	Revenue	2,445.80	0.18	2,445.98	2,439.95	-6.03 (-)
	Capital	514.91	108.82	623.73	611.90	-11.83 (2)
2015-16	Revenue	2,446.71	52.79	2,499.50	2,421.86	-77.64 (3)
	Capital	890.26	70.69	960.95	1,024.04	63.09 (7)
2016-17	Revenue	2,794.30	10.48	2,804.78	2,790.89	-13.89 (-)
	Capital	875.87	119.39	995.26	1,103.26	108.00 (11)
2017-18	Revenue	2,839.12	155.70	2,994.82	3,131.78	136.96 (5)
	Capital	1,062.12	135.42	1,197.54	1,155.27	-42.27 (4)
2018-19	Revenue	3,308.06	0	3,308.06	3,039.02	-269.04 (8)
	Capital	1,216.28	219.60	1,435.88	1,485.58	49.70 (3)

- There were persistent savings under Revenue section (except 2017-18) during 2014-19 indicating repeated non-achievement of projected budget provision.
 - Excess expenditure of ₹ 375.75 crore – Revenue: ₹ 136.96 crore (2017-18) and Capital: ₹ 220.79 crore (2015-16, 2016-17 and 2018-19) requires regularisation from Legislature.
 - Supplementary provision of ₹ 63.45 crore (2014-15: ₹ 0.18 crore, 2015-16: ₹ 52.79 crore and 2016-17: ₹ 10.48 crore) proved unnecessary as the expenditure did not come up even to the level of the original provision.
- (ii) During 2018-19, against the total budget provision of ₹ 3,308.06 crore under Revenue section, expenditure of ₹ 3,039.02 crore was incurred resulting in savings of ₹ 269.04 crore. On the other hand, under Capital section supplementary provision of ₹ 219.60 crore proved insufficient leaving an aggregate uncovered excess expenditure of ₹ 49.70 crore.
- (iii) During 2018-19, substantial surrenders were made in 17 sub-heads ranging between 19 and 100 per cent amounting to ₹ 685.65 crore of the original provision (₹ 2,610.19 crore) as per details given in **Appendix 2.17**.

2.6.2 Grant No. 11- Agriculture

Important points noticed during review of the grant for 2018-19 are detailed below:

- (i) The overall position of funds allotted, expenditure incurred and savings/excesses under Revenue and Capital (Voted) for the last five years (2014-15 to 2018-19) is given in **Table 2.9**:

Table 2.9: Details of budget provision, actual expenditure and savings/excess
(₹ in crore)

Year	Section	Original provision	Supplementary	Total	Expenditure	Saving(-)/ Excess(+)
2014-15	Revenue	244.90	1.02	245.92	256.80	10.88 (4)
	Capital	52.26	0.00	52.26	52.26	0.00 (-)
2015-16	Revenue	344.14	0	344.14	305.67	-38.47 (11)
	Capital	61.53	5.00	66.53	66.53	0.00 (-)
2016-17	Revenue	351.38	8.06	359.44	332.40	-27.04 (8)
	Capital	56.82	3.00	59.82	59.78	-0.04 (-)
2017-18	Revenue	349.51	31.72	381.24	369.94	-11.30 (3)
	Capital	61.95	0.00	61.95	61.76	-0.19 (-)
2018-19	Revenue	482.27	0	482.27	409.60	-72.67 (15)
	Capital	73.84	0.00	73.84	71.01	-2.83 (4)

Source: Appropriation Accounts (figure in bracket represents per cent)

- (ii) There were persistent saving ranging between three and 15 per cent under Revenue (Voted) section of the total provision indicating non-achievement of the projected budget provision during 2015-19.
- (iii) Against the budget provision of ₹ 556.11 crore under the grant (Revenue section: ₹ 482.27 crore and Capital section: ₹ 73.84 crore) an expenditure of ₹ 480.61 crore (Revenue Section: ₹ 409.60 crore and Capital Section: ₹ 71.01 crore) was incurred during 2018-19 resulting in savings of ₹ 75.50 crore (19 per cent), which indicated that budget estimates were not prepared on a realistic basis.
- (iv) In five sub-heads, there was excess expenditure (₹ 15 lakh and more or 20 per cent and above in each case) amounting to ₹ 30.48 crore ranging between 13 and 100 per cent of the original provision as per detail given in **Appendix 2.18**.
- (v) Budget provision of ₹ 100.12 crore made under 17 sub-heads (₹ 20 lakh and more or 20 per cent) remained unutilized at the end of financial year 2018-19 as per detail given in **Appendix 2.19**.
- (vi) Entire budget provision of ₹ 4.91 crore under two schemes/heads (2401-00-105-03: ₹ 3 crore and 2401-00-800-14: ₹ 1.91 crore) remained unutilized and whole provision amounting to ₹ 4.91 crore was withdrawn through re-appropriation at the end of financial year 2018-19.

2.7 Outcome of Inspection of Treasuries

During inspections of District Treasuries/Treasuries conducted by the Office of the Principal Accountant General (A&E) in 2018-19 for the year 2017-18, the following points emerged:

2.7.1 Excess payment of pensionary benefits

Test-check of pension payment records showed that two District Treasury Officers had made overpayment to the extent of ₹ 2.66 lakh to eight family pensioners as per

details given in **Table 2.10**. The excess payment had occurred due to non-deduction of commuted portion and authorization of family pension after attaining the age of 25 years.

Table 2.10: Excess payment of pensionary benefits (on account of family pension)

Sr. No.	Name of District Treasury (DT)	Nature of overpayment	Number of cases	Payment		
				Through Bank	Through Treasury	Treasury-wise total (₹ in lakh)
1.	DT, Kaza	Non deduction of Commutation portion	02	---	By Treasury	1.83
2.	DT, Shimla	Payment of family pension after attaining the age of 25 years	06	---	By Treasury	0.83
Total			08			2.66

2.7.2 Irregular payment of pensionary benefits

During test-check of pension payment records of eight District Treasuries/Treasuries for the year 2017-18, it was noticed that in 60 cases excess payment of pension/family pension of ₹ 16.42 lakh was made even after death of pensioners/family pensioners by eight District Treasury Officers as detailed in **Table 2.11**.

Table 2.11: Irregular payment of pension after death of pensioners

Sr. No.	Name of District Treasury	Nature of Over payment	No. of cases	Treasury-wise total (₹ in lakh)
1.	Bilaspur	Family pension	03	0.17
2.	Kangra at Dharamshala	--do--	18	5.93
3.	Kinnaur at Reckong Peo	-do-	03	0.23
4.	Kullu	-do-	03	0.58
5.	Keylong	-do-	01	0.16
6.	Mandi	-do-	07	0.78
7.	Shimla	-do-	05	0.75
8.	Sirmour at Nahan	-do-	20	7.82
Total			60	16.42

2.7.3 Authorization of bills/payment in excess of sanction and without budget

During test-check of records of District Treasuries/ Treasuries for the year 2017-18, it was noticed that:

- (i) In 34 cases, 04 District Treasury Officers and 08 Treasury Officers had authorized an amount of ₹ 2.53 crore in respect of 32 Drawing and Disbursing Officers (DDOs) where budget was not available as per details given in **Appendix 2.20**.

- (ii) Similarly, 12 District Treasury Officers and 61 Treasury Officers authorized excess amount of ₹ 55.19 crore over the available budget to 242 DDOs as per details given in **Appendix 2.21**.

This unauthorised drawal of funds was not only a violation of appropriation granted by the Legislature but also constituted financial indiscipline.

2.7.4 Non-adjustment of advances

During inspection of Treasuries for the year 2017-18, it was noticed that in seven cases advances amounting to ₹ 13.30 lakh were neither entered in advance register nor adjusted in the same financial year by one District Treasury and four Sub-Treasuries as detailed in **Table 2.12**.

Table 2.12: Non-adjustment of advances

Sr. No.	Name of District Treasury(DT)/ Sub-Treasury (ST)	No. of cases	Amount (₹ in lakh)
1.	ST, Chowari	01	0.05
2.	ST, Tissa	01	0.20
3.	DT, Kullu	01	12.00
4.	ST, Rampur	03	0.30
5.	ST, Rohru	01	0.75
Total		07	13.30

2.8 Conclusion

During 2018-19, expenditure of ₹ 42,469.10 crore (90.38 per cent) was incurred against total grants and appropriations of ₹ 46,984.68 crore. Overall savings of ₹ 4,515.58 crore were the result of savings of ₹ 5,336.95 crore minus excess expenditure of ₹ 821.37 crore in various grants/appropriations, which, in addition to excess expenditure of ₹ 8,333.35 crore for the period 2013-14 to 2017-18 required regularisation of the State Legislature under Article 205 of the Constitution of India.

Supplementary provision of ₹ 1,916.49 crore in 12 sub-heads proved unnecessary/inadequate as expenditure either did not come up to the level of original provision or exceeded the total provision leaving an aggregate uncovered excess expenditure. Re-appropriation of funds in 18 sub-heads (₹ one crore or more in each case) was made injudiciously which resulted in excess/savings. In 155 sub-heads, out of the total provision (₹ 2,951.82 crore) (₹ 50 lakh or more in each case) an amount of 74.35 per cent (₹ 2,328.25 crore) was surrendered at the end of the financial year. In 60 heads of account, 100 per cent grant (amounting to ₹ 801.05 crore) was surrendered.

In 11 heads of account, the expenditure incurred during the last quarter of the year ranged between 52 and 84 *per cent*, and the expenditure incurred during the month of March 2019 alone under these heads of accounts constituted 51 to 69 *per cent* of the total expenditure.

CHAPTER-III
FINANCIAL REPORTING

CHAPTER - III

FINANCIAL REPORTING

A sound financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance. Compliance with financial rules, procedures and directives; and timeliness and quality of reporting on the status of such compliance, are important aspects of good governance, enabling the State Government to discharge its basic duties including strategic planning and decision-making. This Chapter provides an overview and status in respect of the State Government's compliance with various financial rules, procedures and directives; and timeliness and quality of reporting on the status of such compliance, during the current year.

3.1 Delay in furnishing Utilisation Certificates

Financial Rules provide that utilisation certificates (UCs) should be obtained for specific purpose grants by the departmental officers from the grantees and after verification, these should be forwarded to the Principal Accountant General (Accounts and Entitlements), Himachal Pradesh within the dates specified in the sanction. However, out of 5,758 UCs due in respect of grants aggregating ₹ 5,128.42 crore, 2,407 UCs (42 per cent) aggregating ₹ 1,898.80 crore (37 per cent) were pending as of March 2019. The department-wise break-up of pending UCs is given in **Appendix 3.1**; age-wise delays in submission of UCs are summarised in **Table 3.1**.

Table 3.1: Age-wise arrears of Utilisation Certificates as on 31 March 2019

Sr. No.	Year*	Total grants paid		Utilisation certificates outstanding	
		Number of cases	Amount (₹ in crore)	Number of cases	Amount (₹ in crore)
1.	Upto 2016-17	1,151	1,001.81	669	368.35
2.	2017-18	1,559	1,797.95	450	408.73
3.	2018-19	3,048	2,328.66	1,288	1,121.72
	Total	5,758	5,128.42	2,407	1,898.80

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

77 per cent of pending UCs pertained to four heads of account viz. Panchayati Raj (1,165 UCs: ₹ 990 crore), Social Security and Welfare (390 UCs: ₹ 20 crore), Industries (156 UCs: ₹ 59 crore) and Rural Development (152 UCs: ₹ 281 crore).

During the year 2018-19, 1,288 UCs amounting to ₹ 1,121.72 crore, which had become due were not submitted by the bodies and authorities of the State against the grants-in-aid provided by 23 departments. In addition to this, 1,119 UCs amounting to ₹ 777.08 crore due for submission up to 2017-18 were also outstanding as on 31 March 2019. Thus, a total of 2,407 UCs amounting to ₹ 1,898.80 crore were due for submission as on 31 March 2019. Therefore, there is no assurance that the amount

of ₹ 1,898.80 crore has actually been incurred for the purpose for which it was sanctioned/authorized by the Legislature. High pendency of UCs is fraught with risk of misappropriation of fund and fraud.

The State Government may ensure timely submission of utilisation certificates in respect of the grants released to grantee institutions, and may also review whether grants should continue to be given to a grantee with high pendency in submission of UCs.

3.2 Non-submission of Accounts/Separate Audit Reports (SARs) of Autonomous Bodies and placement of SARs before the State Legislature

Several Autonomous Bodies have been set up by the State Government in the fields of Education, Urban Development, Welfare, Health, etc. Audit of accounts in respect of 14 Autonomous Bodies in the State has been entrusted to the Comptroller and Auditor General of India. Out of 14 Autonomous Bodies, only three - Himachal Pradesh Legal Services Authority, Shimla; District Legal Services Authority, Shimla; and District Legal Services Authority, Solan had submitted their accounts for 2018-19. The remaining 11 entities had not submitted their accounts despite delay of one year as of September 2019. Details of the period upto which accounts were rendered, issuance of Separate Audit Reports and their placement in the Legislature are given in **Appendix 3.2**.

Non-submission of accounts indicates weak financial controls and entails the risk of financial irregularities going undetected. The accounts may be finalised and submitted at the earliest.

3.3 Non-submission of details of grants/loans extended to bodies/authorities

In order to identify bodies/authorities that are to be audited as per Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) (CAG's (DPC)) Act, 1971, the State Government/heads of departments are to furnish every year to Audit detailed information about grants and loans given to various bodies/authorities, purpose for which such grants and loans were extended, and total expenditure of such bodies/authorities.

However, detailed information had not been submitted in respect of any body/authority. In the absence of such information, the bodies/authorities to be audited as per Sections 14 and 15 of the C&AG (DPC) Act could not be identified. Correspondingly, the correctness and regularity/propriety of expenditure from the grants and loans given out of the Consolidated Fund of the State could not be examined in audit.

The State Government may ensure submission of detailed information and accounts in respect of bodies/authorities substantially financed through grants and loans within the

prescribed timeframe in order to safeguard against the risk of financial irregularities in such bodies/authorities.

3.4 Misappropriation/loss, theft, etc.

Cases of misappropriation, losses, theft, etc. were reported in previous years' Audit Reports.

State Government reported 44 cases of misappropriation/loss, theft, etc. involving government money amounting to ₹ 93.79 lakh upto March 2019 on which final action was pending. In all these cases, First Information Report (FIR) had been filed by the departments concerned. Forty one out of 44 cases were more than five years old. The department-wise break up of pending cases and age-wise analysis is given in **Appendix 3.3** and nature of these cases is given in **Appendix 3.4**. The age-profile of pending cases and the number of cases pending in each category is summarised in **Table 3.2**.

Table 3.2: Profile of misappropriations/losses and theft

Age-Profile of the Pending Cases			Nature of the Pending Cases		
Range in years	Number of cases	Amount involved (₹ in lakh)	Nature/characteristics of the cases	Number of cases	Amount involved (₹ in lakh)
0 – 5	03	4.81	Theft	09	8.48
5 – 10	08	12.51			
10 – 15	05	12.03			
15 – 20	12	41.39	Misappropriation/loss of material	35	85.31
20 – 25	03	4.91			
25 and above	13	18.14			
Total	44	93.79	Total	44	93.79

Reasons for pendency of action in these cases of misappropriation/loss, theft, etc., are summarised in **Table 3.3**.

Table 3.3: Reasons for pendency of action in cases of misappropriation/loss, theft, etc.

Reasons for the delay/outstanding cases		Number of cases	Amount (₹ in lakh)
(i)	Awaiting departmental and criminal investigation	26	31.38
(ii)	Awaiting orders for recovery or write off	12	35.23
(iii)	Pending in the courts of law	04	26.36
(iv)	Others	02	0.82
	Total	44	93.79

The State Government may devise an effective mechanism to ensure speedy and time-bound settlement of cases relating to misappropriation/loss, theft, etc.

3.5 Non-adjustment/irregular drawal of advances on abstract contingent bills

Advances for countersigned contingencies are required to be drawn on Abstract Contingent Bills (AC Bills) by the Drawing and Disbursing Officers (DDOs) subject to presentation of Detailed Contingent Bills (DC Bills) to the Controlling Officers (COs) for countersignature and onward transmission to the Accountant General (A&E). State Government instructed (June 2017) that all advances shall be authorized by the Treasuries through AC bills only. Further, second AC Bill shall be allowed only if DC Bill for the first AC Bill has been submitted. Drawals through AC Bills shall be monitored by the Accountant General (A&E) separately.

Notwithstanding the above rules and instructions, the State Government (Finance Department) had not developed any mechanism to distinguish and monitor withdrawals on account of AC Bills and subsequent adjustment of such expenditure against DC Bills. In the Integrated Financial Management System (IFMS) used by Treasuries and DDOs, advances on account of AC Bills were being drawn in Form HPTR-5 which was the same Form used for drawal of ordinary bills. Therefore, neither the State Government (Finance Department) nor the Principal Accountant General (A&E) could distinguish AC Bills and monitor their adjustment through DC Bills.

Test-check of records of DDOs of five departments (Ayurveda, Health and Family Welfare, Youth Services and Sports, Horticulture and Agriculture) revealed that an amount of ₹ 32.03 crore was drawn as advances through 306 AC bills during 2014-19. Out of this, 75 AC bills amounting to ₹ 28.68 crore (Ayurveda: 62: ₹ 14.70 crore, Health and Family Welfare: 13: ₹ 13.98 crore) were still pending for adjustment as of August 2019 as detailed in **Appendix 3.5**.

This drawing of advances through AC Bills without a mechanism for their identification / distinction and subsequent lack of monitoring entails risk of misappropriation/ malfeasance, and parking of funds in bank accounts outside the Consolidated Fund of the State with the resultant effect of overstatement of expenditure. The State Government may conduct a review of all departments to ascertain the number and amount of AC bills pending for adjustment.

3.6 Important factors affecting accuracy of accounts

3.6.1 Outstanding balances under major suspense accounts

The accounts of the Government are kept on cash basis. Certain transactions that arise in Government Accounts, the receipts and payments of which cannot at once be taken to a final head of receipt or expenditure owing to lack of information as to the nature or for any other reasons, are to be booked temporarily under the 'Suspense Head'. Upon receipt of relevant details/information, these heads of accounts are finally cleared by minus debit or minus credit and the amounts under them are booked to their respective final heads of accounts. If these amounts remain un-cleared, balances

under suspense heads would accumulate and would not reflect Government's receipts and expenditures accurately. Debt, Deposit and Remittances heads account for such transactions where the Government, as a custodian of public money, receives and holds such money in trust.

The accuracy of the Finance Accounts 2018-19 of the State Government was adversely affected by a large number of transactions under suspense heads awaiting final classification. The balances under certain significant suspense heads of accounts, as recorded in the ledger maintained by Principal Accountant General (A&E), are indicated in **Table 3.4**.

Table 3.4: Suspense Head (8658 – Suspense Accounts)

(₹ in crore)

Name of Minor Head	2016-17		2017-18		2018-19	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101-Pay and Accounts Office-Suspense	77.13	29.96	86.03	36.55	96.21	35.55
Net	47.17 Dr.		49.48 Dr.		60.66 Dr.	
102-Suspense Account (Civil)	275.05	275.24	171.47	164.12	149.77	131.53
Net	0.19 Cr.		7.35 Dr.		18.24 Dr.	
129-Material Purchase Settlement Suspense Account	175.64	399.29	270.59	347.59	164.43	305.64
Net	223.65 Cr.		77.00 Cr.		141.21 Cr.	

The Finance Accounts reflect the net balances under these heads. The outstanding balances are worked out by aggregating the outstanding debit and credit separately. The implications of the balances under these heads are discussed in the succeeding paragraphs:

➤ **Pay and Accounts Office (PAO) Suspense– (Minor Head 101)**

This head is intended for settlement of transactions between the Accountant General (AG) and the various separate Pay and Accounts Officers (PAOs). The transactions initially recorded under this head in the books of the AG are cleared on receipt of the Cheques/Demand Drafts from the PAO and on the issue of Cheque/Demand Draft in respect of amounts received in the State Treasuries on behalf of the PAO. Outstanding debit balance under this head would mean that payments have been made by the AG on behalf of a PAO which are yet to be recovered. Outstanding credit balance would mean that payments have been received by the AG on behalf of a PAO which are yet to be paid. The net debit balance under this head showed increasing trend during 2016-19 - from ₹ 47.17 crore in 2016-17 to ₹ 60.66 crore in 2018-19. On clearance/settlement of this, the cash balance of the State Government will increase.

➤ **Suspense Account – Civil (Minor Head 102)**

This Minor Head is operated by the Accountants General to accommodate provisionally the differences noticed in the transactions which cannot be taken to the final head of expenditure/receipt accounts for want of certain information/documents

viz., challans, vouchers, etc. Receipts are credited and expenditure is debited to this account and cleared on receipt of required information by minus credit and minus debit respectively. Outstanding debit balance under this head implies 'payment made' but could not be debited to the final head of expenditure for want of certain particulars and outstanding credit balance represents the 'receipts' which could not be credited to final receipt head of account for want of details. There was outstanding debit balance of ₹ 18.24 crore under this head as of 31 March 2019.

➤ Similarly, under Minor Head 129 – Material Purchase Settlement Suspense Account, there was outstanding credit balance of ₹ 141.21 crore as of 31 March 2019.

3.7 Compliance with Accounting Standards

As per Article 150 of the Constitution of India, the President of India may, on the advice of the Comptroller and Auditor General of India, prescribe the form of accounts of the Union and of the States. In accordance with this provision, the President of India has so far notified three Indian Government Accounting Standards (IGAS). Status of compliance with these Accounting Standards by Government of Himachal Pradesh in 2018-19 and deficiencies therein is detailed in **Table 3.5:**

Table 3.5: Compliance to Accounting Standards

Sr. No.	Accounting Standard	Compliance by State Government	Deficiencies noticed in compliance
1	IGAS 1: Guarantees given by the Government	Not complied (Statements 9 and 20 of Finance Accounts)	Due to non-reconciliation of figures between State Government and PSUs, there was a difference of ₹ 9.24 crore in the Finance Account.
2	IGAS 2: Accounting and classification of grants-in-aid	Not complied (Statement 10 of Finance Accounts)	Grants-in-aid amounting to ₹ 0.49 crore were booked by State Government under capital expenditure heads which is in contravention of IGAS 2.
3	IGAS 3: Loans and advances made by Governments	Complied (Statement 18 of Finance Accounts)	--

Source: Indian Government Accounting Standards and Finance Accounts


3.8 Conclusion

Non-submission of Utilisation Certificates indicated lack of monitoring as regards utilisation of grants released by the departments to the grantees, and entailed risk of non-utilisation, misutilisation or diversion of funds released for various works/schemes/programmes. Non-submission of accounts by autonomous bodies and non-providing of detailed information as regards bodies/authorities substantially financed through grants and loans entailed risk of financial irregularities in such autonomous bodies/bodies/authorities going undetected. The drawing of advances

through Abstract Contingent Bills without a mechanism for their identification / distinction and subsequent lack of monitoring entailed risk of misappropriation/malfeasance, and parking of funds in bank accounts outside the Consolidated Fund of the State with the resultant effect of overstatement of expenditure. Further, there were cases of theft, misappropriation/loss of Government material and defalcation, in respect of which departmental action was pending for long periods.


The above issues of non-compliance with financial rules, procedures and directives; and timeliness and reporting requirements compromised the robustness of the financial reporting system.

Shimla
The 30 July 2020


(RITU DHILLON)
Principal Accountant General (Audit)
Himachal Pradesh

Countersigned

New Delhi
The 31 July 2020


(RAJIV MEHRISHI)
Comptroller and Auditor General of India

APPENDICES

Appendix-1

State Profile

A General Data

Sr. No.	Particulars	Figures
1.	Area	55,673 Sq km
2.	Population	
	A As per Census (2001)	0.61 crore
	B As per Census (2011) 2019 (Projected)	0.69 crore 0.74 crore
3.	(a) Density of Population (2001) (All India density= 325 persons/sq km) (b) Density of Population (2011) (All India average= 382 persons/sq km)	109 persons/sq km 123 persons/sq km
4.	Population below poverty line (2011-12) (All India average= 21.90 %)	8.06%
5.	(a) Literacy (2001) (All India average= 64.8%) (b) Literacy (2011) (All India average= 73%)	76.50% 82.80%
6.	(a) Infant Mortality Rate (IMR) (2017) (All India IMR = 33) (b) Life Expectancy at Birth (2012-16) (All India average= 68.7)	22 72.3
7.	Human Development Index (2007-08) (All India HDI = 0.467)	0.652
8.	Gini Co-efficient (2009-10) (URP) (a) Rural (All India average= 0.29) (b) Urban (All India average= 0.38)	0.31 0.40
9.	Gross State Domestic Product (GSDP) 2018-19 (₹ in crore)	1,51,835
10.	GSDP Compound Annual Growth Rate (CAGR) (2009-10 to 2018-19)	13.60 (SCS: 12.5)

B Financial Data

Compound Annual Growth Rate (CAGR)							
		2009-10 to 2017-18		2013-14 to 2017-18		2017-18 to 2018-19	
		SCS*	HP**	SCS*	HP**	SCS*	HP**
A	of Revenue Receipts	13.41	12.93	13.77	14.88	11.64	13.09
B	of Tax Revenue	17.65	13.54	13.08	8.54	23.22	6.54
C	of Non-Tax Revenue	8.57	3.58	8.88	7.28	19.16	19.71
D	of Total Expenditure	11.95	11.44	13.53	12.23	13.97	10.16
E	of Capital Expenditure	9.64	8.59	16.47	19.27	13.68	22.02
F	of Revenue Expenditure on Education	13.97	13.48	12.59	12.04	16.16	3.02
G	of Revenue Expenditure on Health	15.37	14.02	18.84	14.87	17.91	8.55
H	of Salary and wages	12.81	10.66	11.22	9.29	14.70	4.12
I	of Pension	19.15	16.92	16.53	13.33	13.33	5.65

Source: Finance Accounts and Audit Reports, Census info of India (2011), Economics and Statistics Department of Himachal Pradesh and Central Statistical office.

* Special Category States

** Himachal Pradesh

Appendix-1.1

Part-A: Structure and Form of Government Accounts

Structure of Government Accounts: The accounts of the State Government are kept in three parts (i) Consolidated Fund; (ii) Contingency Fund; and (iii) Public Account.

Part I: Consolidated Fund : All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund titled '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: Receipts and disbursements in respect 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.

Appendix-1.1

Part-B: Layout of Finance Accounts

The Finance Accounts for the year 2018-19 have been divided into two Volumes – Volume I and II. Volume I represents the financial statements of the Government in summarized form while Volume II represents detailed financial statement. The layout of the Finance Accounts is chalked out in the following manner:

Layout	
<i>VOLUME- I</i>	
<i>Statement 1</i>	Statement of Financial Position
<i>Statement 2</i>	Statement of Receipts and Disbursements Annexure- A: Cash balances and investment of Cash balances
<i>Statement 3</i>	Statement of Receipts (Consolidated Fund)
<i>Statement 4</i>	Statement of Expenditure (Consolidated Fund)
<i>Statement 5</i>	Statement of Progressive Capital Expenditure
<i>Statement 6</i>	Statement of Borrowings and Other Liabilities
<i>Statement 7</i>	Statement of Loans and Advances given by the Government
<i>Statement 8</i>	Statement of Investments of the Government
<i>Statement 9</i>	Statement of Guarantees given by the Government
<i>Statement 10</i>	Statement of Grants-in-Aid given by the Government
<i>Statement 11</i>	Statement of Voted and Charged Expenditure
<i>Statement 12</i>	Statement on Sources and Application of funds for expenditure other than Revenue Account
<i>Statement 13</i>	Summary of balances under Consolidated Fund, Contingency Fund and Public Account
	Notes to Accounts
<i>VOLUME- II</i>	
<i>Part I: Detailed Statements</i>	
<i>Statement 14</i>	Detailed Statement of Revenue and Capital Receipts by Minor Heads
<i>Statement 15</i>	Detailed Statement of Revenue Expenditure by Minor Heads
<i>Statement 16</i>	Detailed Statement of Capital Expenditure by Minor Heads and Sub heads
<i>Statement 17</i>	Detailed Statement of Borrowings and Other Liabilities
<i>Statement 18</i>	Detailed Statement of Loans and Advances given by the State Government
<i>Statement 19</i>	Detailed Statement of Investments
<i>Statement 20</i>	Detailed Statement of Guarantees given by the Government
<i>Statement 21</i>	Detailed Statement on Contingency Fund and other Public Account transactions
<i>Statement 22</i>	Detailed Statement on Investment of Earmarked Funds

Part II: Appendices	
<i>I</i>	Comparative Expenditure on Salary
<i>II</i>	Comparative Expenditure on Subsidy
<i>III</i>	Grants-in-aid given by the State Government (Institution-wise and Scheme-wise)
<i>IV</i>	Details of Externally Aided Projects
<i>V</i>	Plan Scheme expenditure A-Central Schemes (Centrally Sponsored Schemes and Central Plan Schemes) B- State Plan Schemes
<i>VI</i>	Direct transfer of Central Scheme funds to implementing agencies in the State (Funds routed outside the State budget) (Unaudited figures)
<i>VII</i>	Acceptance and Reconciliation of Balances
<i>VIII</i>	Financial results of Irrigation Works
<i>IX</i>	Statement of Commitments -List of Incomplete Capital Works
<i>X</i>	Statement on Maintenance expenditure with segregation of salary and non-salary portion
<i>XI</i>	Major policy decisions during the year or new schemes proposed in the budget
<i>XII</i>	Statement on Committed liabilities of the State in future

Appendix-1.2

Part A: Methodology adopted for the Assessment of Fiscal Position

The trends in the major fiscal aggregates of receipts and expenditure as emerging from the Statements of Finance Accounts have been analyzed wherever necessary over the period 2014-19 and observations have been made on their behavior. In its Restructuring Plan of State finances, the Th FC recommended the norms/ceiling for some fiscal aggregates and also made normative projections for others. In addition, Th FC also recommended that all States amend the Fiscal Responsibility (FR) Acts so that the fiscal position of State could be improved as committed in their respective FR Acts/Rules covering medium to long term. The norms/ceilings prescribed by the Th FC as well as its projections for fiscal aggregates along with the commitments/projections made by the State Government in their FR Acts and in other Statements required to be laid in the legislature under the Act, have been used to make qualitative assessment of the trends and pattern of major fiscal aggregates during the current year. Assuming that GSDP is a good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue (NTR), revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the GSDP at current market prices. The buoyancy coefficients for tax revenues, NTRs, revenue expenditure etc., 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 new GSDP series with 2011-12 as base as published by the Director of Economics and Statistics of the State Government have been used in estimating these percentages and buoyancy ratios.

Trends in Gross State Domestic Product (GSDP)

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

	2014-15	2015-16	2016-17	2017-18	2018-19
Gross State Domestic Product (₹ in crore)	103,772	114,239	125,122	136,542	151,835
Growth rate of GSDP (in per cent)	9.51	10.09	9.53	9.13	11.20

Source: Economic and Statistics Department, Himachal Pradesh

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 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-1.2

Part-B: Fiscal Responsibility and Budgetary Management (FRBM) Act, 2005 (Amended vide Act No. 25 of 2011)

The Government of Himachal Pradesh enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005 in April 2005 which was further amended by Act No. 25 of 2011 to ensure prudence in fiscal management and fiscal stability, by progressive reduction in revenue 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. To give effect to the fiscal management principles as laid down in the Act and the rules framed thereunder, the Act prescribed the following fiscal targets for the State Government:

- Eliminate revenue deficit and maintain revenue surplus;
- Reduce fiscal deficit to three *per cent* or less of Gross State Domestic Product;
- Reduce outstanding debt to 35 *per cent* of GSDP by the financial year 2018-19.
- Maintain outstanding risk weighted guarantees on long term debt below 40 *per cent* of total revenue receipt in the preceding financial year for which actuals are available as per Finance Accounts.

Further, Section 7 of the Act also amended which envisages that an independent mechanism shall be set up by the State Government to review and monitor the fiscal reform path set out under this Act.

Appendix-1.3

(Reference: Paragraphs 1.3 and 1.11.3; Pages 8 and 44)

Time Series Data on the State Government Finances

(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19
Part-A: Receipts					
1. Revenue Receipts	17,843	23,440	26,264	27,367	30,950
(i) Tax Revenue	5,940(33)	6,696 (29)	7,039 (27)	7,108(26)	7,573(24)
States Goods and Services Tax (SGST)	-	-	-	1,833(26)	3,343(44)
Taxes on Sales, Trade, etc.	3,661(62)	3,993 (60)	4,382 (63)	2,526(36)	1,185(16)
State Excise	1,044(18)	1,131 (17)	1,308 (19)	1,311(18)	1,482(20)
Taxes on Vehicles	220(4)	317 (05)	280 (4)	367(5)	408(5)
Stamps and Registration fees	190(3)	206 (03)	209 (3)	229(3)	251(3)
Taxes and Duties on electricity	333(5)	551(8)	372(5)	361(5)	487(7)
Land Revenue	17(-)	7(-)	8(-)	17(-)	8(-)
Taxes on Goods and Passengers	110(2)	115 (02)	121(2)	112(2)	104(1)
Other Taxes	365(6)	376(5)	359(4)	352(5)	305(4)
(ii) Non Tax Revenue	2,081(12)	1,837 (08)	1,717 (6)	2,364(9)	2,830(9)
(iii) State's share of Union taxes and duties	2,644(15)	3,611 (15)	4,344 (17)	4,801(17)	5,430(18)
(iv) Grants-in-aid from Government of India	7,178(40)	11,296 (48)	13,164 (50)	13,094(48)	15,117(49)
2. Miscellaneous Capital Receipts	650	-	-	35	9
3. Recoveries of Loans and Advances	41	26	30	40	22
4. Total Revenue and Non debt capital receipts (1+2+3)	18,534	23,466	26,294	27,442	30,981
5. Public Debt Receipts	10,877	6,129	8,603	5,600	6,427
Internal Debt (excluding Ways and Means Advances and Overdrafts)	3,892 (36)	4,294 (70)	6,831*(79)	5,118(91)	4,864(76)
Ways and Means Advances and Overdrafts	6,860 (63)	1,785 (29)	1,671 (20)	400(7)	1,496(23)
Loans and Advances from Government of India	125(1)	50 (01)	101 (01)	82(2)	67(1)
6. Total Receipts in the Consolidated Fund (4+5)	29,411	29,595	34,897	33,042	37,408
7. Contingency Fund Receipts	-	-	-	-	-
8. Public Account Receipts	10,575	11,515	13,630	14,680	16,121
9. Total Receipts of the State (6+7+8)	39,986	41,110	48,527	47,722	53,529
Part-B: Expenditure/disbursement					
10. Revenue Expenditure	19,787	22,303	25,344	27,053	29,442
Plan	3,204(16)	3,493(16)	4,520(18)	3,772(14)	4,263(14)
Non-Plan	16,583(84)	18,810(84)	20,824(82)	23,281(86)	25,179(86)
General Services (including interest payments)	7,604(38)	8,788(39)	9,728 (38)	11,009(41)	11,438(39)
Social Services	7,451(38)	7,980 (36)	9,610 (38)	10,337(38)	11,482(39)
Economic Services	4,723(24)	5,525 (25)	5,996 (24)	5,697(21)	6,512(22)
Grants-in-aid and contributions	9(-)	10 (-)	10 (-)	10(-)	10(-)
11. Capital Expenditure	2,473	2,864	3,499	3,756	4,583
Plan	2,431(98)	2,568(90)	3,115(89)	3416(91)	4,102(90)
Non-Plan	42(2)	296(10)	384(11)	340(9)	481(10)
General Services	83(3)	88(3)	208 (6)	192(5)	227(5)
Social Services	522(21)	792(28)	1,041 (30)	1,135(30)	1,187(26)
Economic Services	1,868(76)	1,984(69)	2,250 (64)	2,429(65)	3,169(69)
12. Disbursement of Loans and Advances	474	463	3,290[®]	503	468
13. Total (10+11+12)	22,734	25,630	32,133	31,312	34,493

	2014-15	2015-16	2016-17	2017-18	2018-19
14. Repayments of Public Debt	8,260	3,948	3,943	3,500	4,673
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1,410	1,557	2,198	3,021	3,092
Ways and Means Advances and Overdrafts	6,783	2,320	1,671	400	1,496
Loans and Advances from Government of India	67	71	74	79	85
15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	30,994	29,578	36,076	34,812	39,166
17. Contingency Fund disbursements	-	-	-	-	-
18. Public Account disbursements	8,844	10,577	12,351	13,043	14,493
19. Total disbursement by the State (16+17+18)	39,838	40,155	48,427	47,855	53,659
Part-C: Deficit/ Surplus					
20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	(-),944	1,137	920	314	1,508
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	(-) 4,200	(-) 2,165	(-) 2,948 [#]	(-) 3,870	-3,512
22. Primary Deficit (-)/Surplus (+) (21+23)	(-) 1,351	990	411 [#]	(-) 82	510
Part-D: Other data					
23. Interest Payments (included in revenue expenditure)	2,849	3,155	3,359	3,788	4,022
24. Financial Assistance to local Bodies etc.	2,156	2,612	3,357	2,895	3,634
25. Ways and Means Advances/Overdraft availed (days)	125	31	23	2	19
Ways and Means Advances availed (days)	77	25	23	2	19
Overdrafts availed (days)	48	06	-	-	-
26. Interest on Ways and Means Advances/Overdrafts	14.80	6.40	16.17	-	(0.96)
27. Gross State Domestic Product (GSDP)	103,772 (9.51)	114,239 (10.09)	125,122 (9.53)	136,542 (9.13)	151,835 (11.20)
28. Outstanding Fiscal liabilities (year end)	38,192	41,197	47,244 ^{##}	51,030	54,299
29. Outstanding guarantees (yearend) (including interest)	4,281	3,714	4,550	4,394	4,309
30. Maximum amount guaranteed (year end)	9,316	9,658	12,320	8,848	5,181
31. Number of incomplete projects	13	12	12	11	10
32. Capital blocked in incomplete projects	141	143	188	176	181
Part- E: Fiscal Health Indicators					
I. Resource Mobilization (ratio)					
Own Tax revenue/GSDP	0.06	0.06	0.06	0.05	0.05
Own Non-Tax Revenue/GSDP	0.02	0.02	0.01	0.02	0.02
Central Transfers/GSDP	0.09	0.13	0.14	0.13	0.14
II. Expenditure Management(ratio)					
Total Expenditure/GSDP	0.22	0.22	0.26	0.23	0.23
Total Expenditure/Revenue Receipts	1.27	1.09	1.22	1.14	1.11
Revenue Expenditure/Total Expenditure	0.87	0.87	0.79	0.86	0.85
Expenditure on Social Services/Total Expenditure	0.35	0.34	0.33	0.37	0.37
Expenditure on Economic Services/Total Expenditure	0.29	0.29	0.26	0.26	0.28
Capital Expenditure/Total Expenditure	0.11	0.11	0.11	0.12	0.13
Capital Expenditure on Social and Economic Services/Total Expenditure	0.11	0.11	0.10	0.11	0.13

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	2014-15	2015-16	2016-17	2017-18	2018-19
III. Management of Fiscal Liabilities(ratio)					
Fiscal Liabilities/GSDP	0.37	0.36	0.38	0.37	0.36
Fiscal Liabilities/RR	2.14	1.76	1.80	1.86	1.75
IV. Other Fiscal Health Indicators					
Return on Investment (₹ in crore)	170.99	111.94	289.63	255.58	181.92
Balance from Current Revenue (₹ in crore)	(-) 4,719	1,858	1,153	(-)119	(-)515
Financial Assets/Liabilities (ratio)	0.67	0.72	0.77	0.80	0.84
Revenue Deficit/Fiscal Deficit (ratio)	0.46	*	*	*	*
Primary Revenue Balance/GSDP (ratio)	0.01	0.04	0.03	0.03	0.03
Revenue Expenditure: Basic Parameters					
Total Expenditure (TE) (₹ in crore)	22,734	25,630	32,133	31,312	34,493
Rate of Growth TE (<i>per cent</i>)	15.17	12.74	25.37	(-) 2.56	10.16
Revenue Expenditure (RE) (₹ in crore)	19,787	22,303	25,344	27,053	29,442
Rate of Growth RE (<i>per cent</i>)	14.03	12.72	13.63	6.74	8.83
Non-Plan Revenue Expenditure (NPRE) (₹ in crore)	16,583	18,810	20,824	23,281	25,179
Rate of Growth NPRE (<i>per cent</i>)	10.81	13.43	10.70	11.80	8.15
Plan Revenue Expenditure (₹ in crore)	3,204	3,493	4,520	3,772	4,263
Rate of Growth PRE (<i>per cent</i>)	34.23	9.02	29.40	(-)16.55	13.02
NPRE/GSDP (<i>per cent</i>)	15.98	16.47	16.64	17.05	16.58
RE/TE (<i>per cent</i>)	87.04	87.02	78.87	86.40	85.36
NPRE as <i>per cent</i> of TE	72.94	73.39	64.81	74.35	73.00
PRE as <i>per cent</i> of TE	14.09	13.63	14.07	12.05	12.36
NPRE as <i>per cent</i> of RR	92.94	80.25	79.29	85.07	81.35
Percentage of NPRE to RE	83.81	84.34	82.17	86.06	85.52
PRE to RE	16.19	15.66	17.83	13.94	14.48
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	1.48	1.26	1.43	0.74	0.79
RRs (ratio)	1.03	0.41	1.13	1.61	0.67
NPRE (ratio)	1.30	0.95	1.27	0.57	1.08
PRE (ratio)	0.41	1.41	0.46	-0.41	0.68

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

@ Includes ₹2,890.50 crore on account of UDAY Scheme

Excludes ₹2,890.50 crore on account of UDAY Scheme

Includes ₹2,890.50 crore on account of UDAY Scheme from the FY 2016-17 onwards

* Revenue Surplus hence, figures not calculated.

Appendix-1.4

(Reference: Paragraph 1.1.1; Page 2)

Part-A: Abstract of Receipts and Disbursements for the year 2018-19

(₹ in crore)

Receipts					Disbursements					
2017-18		2018-19			2017-18	2018-19				
						Non-Plan	Plan	Total		
1	2	3	4	5	6	7	8	9	10	11
Section-A: Revenue										
I-Revenue Receipts		27,367.06		30,950.32	I-Revenue Expenditure	27,053.16	25,178.86	4,263.25	29,442.11	29,442.11
(i) Tax revenue	7,107.67		7,572.81		General Services	11,009.54	11,343.21	95.12	11,438.33	
(ii) Non-tax revenue	2,363.85		2,830.07		Social Services	10,336.55	8,918.43	2,563.77	11,482.2	
(iii) State's share of Union Taxes and Duties	4,801.31		5,429.77		Education, Sports, Art and Culture	5,699.11	4,878.54	992.28	5,870.82	
(iv) Non-Plan Grants	3,590.26		4,010.49		Health and Family Welfare	1,742.97	1,329.76	562.53	1,892.29	
(v) Grants for State Plan Schemes	8,888.58		8,831.25		Water Supply, Sanitation, Housing and Urban Development	1,338.97	1,371.64	345.35	1,716.99	
(vi) Grants for Central Plan and Centrally Sponsored Plan Schemes	615.39		2,275.93		Information and Broadcasting	47.45	51.99	0.31	52.3	
(v) Centrally Sponsored Schemes					Welfare of Scheduled Castes, Scheduled Tribes and Other backward Classes	56.15	13.25	38.41	51.66	
(vi) Finance commission Grants					Labour and Labour Welfare	155.89	150.57	89.26	239.83	
(vii) Other transfer/Grants to State/Union territories with legislatures					Social Welfare and Nutrition	1,272.04	1107.95	523.32	1,631.27	
					Others	23.97	14.73	12.31	27.04	
					Economic Services	5,696.77	4,907.83	1,604.36	6,512.19	
					Agriculture and Allied Activities	1,799.55	1,261.24	923.97	2,185.21	
					Rural Development	921.79	739.47	437.42	1,176.89	
					Irrigation and Flood Control	450.49	405.15	15.62	420.77	
					Energy	372.6	583.68	0.2	583.88	
					Industry and Minerals	105.81	65.49	49.4	114.89	
					Transport	1,814.41	1783.08	46.94	1,830.02	
					Science, Technology and Environment	12.23	3.54	9.78	13.32	
					General Economic Services	219.89	66.18	121.03	187.21	
					Grants-in-aid and Contributions	10.3	9.39	-	9.39	
Total		27,367.06		30,950.32	Total	27053.16	25,178.86	4,263.25	29,442.11	
II-Revenue Deficit carried over to Section -B					II-Revenue surplus carried over to Section-B	313.9			1,508.21	
Total:		27,367.06		30,950.32	Total:	27,367.06			30,950.32	

Receipts					Disbursements					
2017-18		2018-19			2017-18	2018-19				
						Non-Plan	Plan	Total		
1	2	3	4	5	6	7	8	9	10	11
Section-B: Capital										
III-Opening cash balance including Permanent Advances and Cash Balance Investment		316.35		183.23	III- Opening overdraft from Reserve Bank of India					
IV- Misc. Capital Receipts		34.82		8.82	IV- Capital Outlay	3,755.67	480.89	4,102.52	4,583.41	4,583.41
					General Services	191.78	24.56	202.57	227.13	
					Social Services	1,134.96	78.08	1,109.14	1,187.22	
					Education, Sports, Art and Culture	341.56	31.36	295.54	326.9	
					Health and Family Welfare	262.86	10.27	335.34	345.61	
					Water Supply, Sanitation, Housing and Urban Development	516.43	36.11	456.26	492.37	
					Information and Broadcasting	0.16	0.34	0.15	0.49	
					Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	5.29	-	10.15	10.15	
					Social Welfare and Nutrition	7.91	-	9.71	9.71	
					Others	0.75	-	1.99	1.99	
					Economics Services	2,428.93	378.25	2,790.81	3,169.06	
					Agriculture and Allied Activities	59.83	2.04	72.41	74.45	
					Other Rural Development Programmes	2.26	10.3	5.71	16.01	
					Irrigation and Flood Control	251.46	29.69	434.95	464.64	
					Energy	187.11	-	250	250	
					Industry and Minerals	72.83	5.21	41.22	46.43	
					Transport	1,694.47	280.98	1803.72	2084.7	
					General Economic Services	160.97	50.03	182.8	232.83	
					Total	3,755.67	480.89	4,102.52	4,583.41	
V-Recoveries of Loans and Advances		39.61		21.83	V- Loans and Advances disbursed	502.53				467.98
From Power Projects	-		-		To Power Projects	417.59			415.93	
From Government Servants	8.58		8.07		To Government Servants	3.17			7.6	
From Co-operations	28.98		13.2		To Co-operations	56.33			28.35	
From Others	2.05		0.56		To Others	25.44			16.1	
VI-Revenue surplus brought down		313.9		1,508.21	VI-Revenue deficit brought down					

Receipts					Disbursements					
2017-18		2018-19			2017-18		2018-19			
							Non-Plan	Plan	Total	
1	2	3	4	5	6	7	8	9	10	11
VII-Public Debt Receipts		5600.29		6427.4	VII-Repayment of Public Debt	3,499.85				4,673.35
Internal Debt other than Ways and Means Advances and Overdrafts	5118.26		4,864.06		Internal debt other than Ways and Means Advances and Overdrafts	3020.82			3,092.35	
Ways and Means Advances including Overdrafts	400.14		1,495.93		Ways and Means Advances and Overdrafts	400.14			1,495.93	
Loans and Advances from the Central Government	81.89		67.41		Repayment of Loans and Advances to Central Government	78.89			85.07	
VIII-Appropriation to Contingent Fund		-		-	VIII-Appropriation to Contingent Fund	-				-
IX- Amount transferred to Contingent Fund		-		-	IX-Expenditure from Contingent Fund	-				-
X- Public Account Receipts		14,679.52		16,121.24	X- Public Account disbursements	13,043.21				14,493.29
Small Savings and Provident Funds	3768.05		3,753.46		Small Savings and Provident Funds	2376.07			2,640.31	
Reserve Funds	420.27		500.34		Reserve Funds	314.83			507.77	
Deposits and Advances	2873.88		3,580.44		Deposits and Advances	2685.26			3,171.53	
Suspense and Miscellaneous	763.06		839.24		Suspense and Miscellaneous	881.82			838.16	
Remittances	6854.26		7,447.76		Remittances	6785.23			7,335.52	
XI- Closing overdraft from Reserve Bank of India					XI-Cash Balance at end	183.23				52.7
					Cash in Treasuries and Local Remittances	-			-	
					Departmental Cash Balance including Permanent Advances	0.19			0.19	
					Deposits with Reserve Bank	(-) 540.68			-49.58	
					Cash Balance investment	723.72			102.09	
Total:		20984.49		24,270.73	Total:	20984.49				24,270.73

Appendix-1.4

(Reference: Paragraph 1.9.1; Page 31)

Part-B: Summarised financial position of the Government of Himachal Pradesh as on 31 March 2019

(₹ in crore)

Assets	As on 31 March 2018	As on 31 March 2019	
Gross Capital Outlay on Fixed Assets -	34,363.57		38,946.98
Investments in shares of Companies, Corporations, etc.	3,532.97	3,848.83	
Other Capital Outlay	30,830.60	35,098.15	
Loans and Advances -	6,507.18		6,953.33
Loans for Power Projects	6,181.14	5,697.07	
Other Development Loans	292.48	1,223.17	
Loans to Government servants and Miscellaneous loans	33.56	33.09	
Reserve Fund Investments			
Cash -	183.23		52.70
Cash in Treasuries and Local Remittances			
Deposits with Reserve Bank of India	(-) 540.68	(-)49.58	
Departmental Cash Balance	0.16	0.16	
Permanent Imprest	0.03	0.03	
Cash Balance Investments	723.72	102.09	
Cumulative excess of expenditure over receipts*	10,451.65		8,934.62
Total	51,505.63		54,887.63

* The Cumulative excess of expenditure over receipts is different from, and not the fiscal/revenue deficit for the current year

Liabilities	As on 31 March 2018	As on 31 March 2019	
Internal Debt	33,591.47		35,363.18
Market Loans bearing interest	21,574.06	23,682.16	
Market Loans not bearing interest	-	-	
Loans from Life and General Insurance Corporation of India	51.38	34.86	
Loans from the NABARD	2,251.10	2,485.76	
Loans from National Co-operative Development Corporation	75.03	86.10	
Special securities issued to NSSF of the Central Government	6,635.31	6097.05	
Compensation and other bonds	2,890.50	2,890.50	
Loans from other Institutions	114.09	86.75	
Loans and Advances from Central Government -	1,079.43		1,061.77
Non-Plan Loans	3.69	3.22	
Loans for State Plan Schemes	1,075.61	1,058.42	
Loans for Central Plan Schemes	-	-	
Loans for Centrally Sponsored Plan Schemes	-	-	
Other Loans	0.13	0.13	
Contingency Fund	5.00		5.00
Small Savings, Provident Funds, etc.	13,236.38		14,349.52
Deposits and Advances	2,797.67		3,206.58
Reserve Funds	325.02		317.60
Suspense and Miscellaneous Balances	73.41		74.49
Remittance Balances	397.25		509.49
Total	51,505.63		54,887.63

Appendix-1.5

(Reference: Paragraph 1.2.1; Page 7)

Statement showing the funds transferred directly to the State Implementing Agencies by the GoI under Programme/Schemes during 2017-18 and 2018-19

(₹ in crore)

Direct transfer of Central Scheme Fund to implementing agencies in the State(Funds routed outside State Budget) (unaudited figures)			
Government of India Scheme	Implementing Agency	GoI releases	
		2018-19	2017-18
1	2	3	4
Assistance to voluntary org for programme relating to aged	Ministry of Social Justice and Empowerment	23.18	--
Total		23.18	--
Assistance to voluntary org for welfare of SCs	Ministry of Social Justice and Empowerment	63.04	0.07
Total		63.04	0.07
Panchayat Sashaktikaran Abhiyan	HP Panchayati Raj Training & Capacity Building Society	18.62	1.00
Total		18.62	1.00
Capacity Building for Service Providers	Food Craft Institute, Dharamshala	0.10	0.47
	Institute of Hotel Management, Kufri	0.91	0.54
	Institute of Hotel Management, Hamirpur	141.50	0.04
Total		142.51	1.05
Assistance to the State for Developing Export	HP State Industrial Development Corporation Ltd.	28.07	--
Total		28.07	--
Disha Programme for Women in Science	Department of Science and Technology	--	--
	CSK Himachal Pradesh Krishi Vishvavidyalaya	3.70	0.06
	Dr. Y.S. Parmar University of Horticulture and Forestry	1.92	0.07
	Indian Institute of Technology, Mandi	82.58	0.24
	Institute of Himalayan Bio-resource	1.82	0.06
Total		90.01	0.43
MPs Local Area Development	Deputy Commissioners	--	32.50
Total		--	32.50
Agriculture	Live Stock Health and Disease Control CASP	7.46	--
	Mission for Horticulture Development	23.75	--
	National Project on Management of Soil Health	3.38	--
	National Rain Fed area Authority	8.00	--
	Submission on Agriculture Extension	12.49	--
	Submission on Agriculture Mechanisation	14.62	--
	Submission on Seed and Planting Material	8.16	--
	Helicopter Services in North East	2.50	--
India Reserve BNS Non plan	4.37	--	--

Direct transfer of Central Scheme Fund to implementing agencies in the State(Funds routed outside State Budget) (unaudited figures)			
Government of India Scheme	Implementing Agency	GoI releases	
		2018-19	2017-18
	Scheme for safety of Women	3.59	--
	Total	88.33	--
Labour and Employment	Organs of Election	23.07	--
	Total	23.07	--
Rural Development	Indira Gandhi National Old age pension	36.31	--
	National Nutrition Mission	41.53	--
	Total	77.84	--
Agriculture	Rashtriya Gokul Mission	17.29	--
	Total	17.29	--
HP Power Transmission Corporation	Green Energy Corridors-Grid	51.47	--
	Total	51.47	--
Indian Institute of Management Sirmour	Setting up of new IIMS	28.23	--
	Total	28.23	--
GIA to NGOs for STs including Coaching and Allied Scheme and Award for exemplary	Rinchen Zangpo Society for Spiti Development	--	0.92
	Buddhist Culture Society of Dey Gompa	0.17	0.29
	The Institute of Studies in Buddhist Philosophy and Tribal Cultural Society, TABO	0.20	0.40
	Ramdha Buddhist Society	0.18	0.27
	Himalayan Buddhist Cultural Association, Manali, Himachal Pradesh	0.67	0.63
	Total	1.22	2.51
Grid Interactive Renewable Power MNRE	Sai Engineering Foundation	--	1.00
	Himachal Pradesh Energy Development Agency	29.48	--
	Indian Institute of Technology, Mandi	0.75	--
	UCO Bank	--	2.14
	Punjab National Bank	--	1.50
	SBI Shimla	2.50	--
	Total	32.73	4.64
Integrated Scheme on Agricultural Census and Statistics	Himachal Pradesh University, Shimla	--	3.53
	Himachal Pradesh Krishi Vishwavidhyalay	--	0.04
	Dr. YS Parmar University of Horticulture and Forestry	--	0.07
	Total	--	3.64
Industrial Infrastructure Upgradation Scheme IIUS DIPP	HP State Industrial Development Corporation	--	8.93
	Total	--	8.93
Transport Subsidy Scheme	HP State Industrial Development Corporation Ltd.	94.67	17.12

Direct transfer of Central Scheme Fund to implementing agencies in the State(Funds routed outside State Budget) (unaudited figures)			
Government of India Scheme	Implementing Agency	GoI releases	
		2018-19	2017-18
Total		94.67	17.12
Development of Automobile Industry	HP Road Transport Corporation	--	19.62
Total		--	19.62
Higher Education Scheme	Indian Institute of Advance Study	15.06	0.71
	Government Polytechnic, Sundernagar	--	0.09
Total		15.06	0.80
National Mission on Food Processing (SAMPDA)	Ministry of Food Processing Industries	--	--
	Himalayan Cotton Yarn Limited	--	0.92
	Fresh Produce Impex	--	0.96
	Pulkit Fresh and Healthy	--	5.00
	Paonta Sahib Food Corporation	--	4.39
Total		--	11.27
National Aids Control Programme Including STD Control	HP State Aids Control Society	--	10.11
Total		--	10.11
Schemes arising out of the implementation of the person with disabilities SJE	Composite Regional Centre for PWD's	--	6.94
Total		--	6.94
National Rural Employment Guarantee Scheme (MGNREGA)	Social Audit Unit Himachal Pradesh	--	--
	Himachal Pradesh Rural Development and Employment Guarantee Society	--	436.20
Total		--	436.20
Package for Special Category State	HP State Industrial Development Corporation	--	40.37
Total		--	40.37
Renewable Energy for Urban, Industrial and Commercial Application	HP Energy Development Agency	--	13.39
Total		--	13.39
Others	--	158.16	291.24
Total		166.74	291.24
Grand Total		962.08	901.83

Source: Finance Accounts

Appendix-1.6

(Reference: Paragraph 1.8.2.1; Page 27)

Sector-wise Investment in SPSUs

(₹ in crore)

Sr. No.	Name of Company	Capital	Long term loans	Investment
Power				
1	Himachal Pradesh Power Corporation Limited	2015.57	2531.42	4546.99
2	Himachal Pradesh Power Transmission Corporation Limited	326.45	1145.8	1472.25
3	Himachal Pradesh State Electricity Board Limited	720.57	4926.32	5646.89
4	Beas Valley Power Corporation Limited	300	933.4	1233.4
AGRICULTURE AND ALLIED				
5	Himachal Pradesh Agro Industries Corporation Limited	18.85	6.53	25.38
6	Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited	38.77	62.63	101.4
7	Himachal Pradesh State Forest Development Corporation Limited	11.71	0	11.71
FINANCE				
8	Himachal Backward Classes Finance and Development Corporation	13	0	13
9	Himachal Pradesh Mahila Vikas Nigam	12.51	0	12.51
10	Himachal Pradesh Minorities Finance and Development Corporation	13.02	0	13.02
INFRASTRUCTURE				
11	Himachal Pradesh Road and Other Infrastructure Development Corporation Limited	25	0	25
12	Himachal Pradesh State Industrial Development Corporation Limited	30.82	0	30.82
13	Dharamshala Smart City Limited	0.0003	0	0.0003
14	Shimla Smart City Limited	0	0	0
15	Sri Naina Devi Ji and Sri Anandpur Sahib Ji Ropeway Company Limited	0	0	0
MANUFACTURE				
16	Himachal Pradesh General Industries Corporation Limited	7.16	2.97	10.13
SERVICE				
17	Himachal Pradesh State Civil Supplies Corporation Limited	3.52	0	3.52
18	HP State Electronics Development corporation Limited	3.72	0.55	4.27
19	HP State Handicrafts and Handloom Corporation Limited	9.25	0	9.25
20	Himachal Pradesh Tourism Development Corporation Limited	12.3	0	12.3
21	Himachal Pradesh Kaushal Vikas Nigam	0.007	0	0.007
22	Himachal Consultancy Organisation Limited	0.18	0	0.18
FINANCING				
23	Himachal Pradesh Financial Corporation	99.57	111.96	211.53
SERVICE				
24	Himachal Road Transport Corporation	779.49	132.87	912.36
AGRICULTURE & ALLIED				
25	Agro Industrial Packaging India Limited	17.72	60.15	77.87
MANUFACTURE				
26	Himachal Worsted Mills Limited	0.92	0	0.92
SERVICE				
27	Himachal Pradesh Beverages Limited	1	0	1
Total		4461.11	9914.60	14375.71

Appendix-1.7

(Reference: Paragraphs 1.8.2.1 and 1.9.4.1; Pages 27 and 34)

Statement showing difference in figures (as per records of PSUs and figures in Finance Accounts as reported by the State Government)

(₹ in crore)

Sr. No.	Name of PSU	As per records of State PSUs			As per Finance Accounts			Difference		
		Paid-up Capital	Loans outstanding	Guarantee committed	Paid-up Capital	Loans outstanding	Guarantee committed	Paid-up Capital	Loans outstanding	Guarantee committed
1	Himachal Pradesh Agro Industries Corporation Limited	18.85	12.98	-	9.84	0	1.49	9.01	12.98	-1.49
2	Himachal Pradesh Backward Classes Finance and Development Corporation	13	-	21.59	15.88	-	8.83	-2.88	0	12.76
3	Himachal Pradesh Minorities Finance and Development Corporation	13.02	-	5	11.27	-	14.5	1.75	0	-9.5
4	Himachal Pradesh General Industries Corporation Limited	7.15	2.97	-	9.89	-	-	-2.74	2.97	0
5	Himachal Pradesh Financial Corporation	99.57	111.96	-	21.98	4.1	5.8	77.59	107.86	-5.8
6	Himachal Pradesh Kaushal Vikas Nigam	0.0007	-	-	0	-	-	0.0007	0	0
7	Himachal Pradesh Beverages Limited	1	-	-	0	-	-	1	0	0
8	Himachal Road Transport Corporation	779.49	-	187.3	764.05	-	187.29	15.44	0	0.01
9	Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited	-	62.63	2.53	-	30	8	0	32.63	-5.47
10	Mahila Vikas Nigam	12.51	10.64	-	12.41	0	-	0.1	10.64	0
11	Himachal Pradesh State Handicrafts and Handloom Corporation Limited	-	-	0.42	-	-	0.17	0	0	0.25
12	Himachal Pradesh State Electronics Development Corporation	-	0.55	-	-	-	-	0	0.55	0
13	Himachal Pradesh Power Transmission Corporation Limited	326.45	1145.8	-	209.75	262.28	-	116.7	883.52	0
14	Himachal Pradesh State Electricity Board Limited	720.57	4926.31	-	707.96	2970.25	-	12.61	1956.06	0
15	Himachal Pradesh Power Corporation Limited	2015.56	2531.42	-	697.64	154.9	-	1317.92	2376.52	0
16	Beas Valley Power Corporation	300	-	-	0	-	-	300	0	0
Total		4307.17	8805.26	216.84	2460.67	3421.53	226.08	1846.50	5383.73	-9.24

Appendix-1.8

(Reference: Paragraph 1.8.2.1; Page 27)

Details of working PSUs registering profit as on 30th September 2019

Sr. No.	Name of the company	Period of accounts	Year in which accounts finalised	Net Profit	Minimum dividend due as per State Govt. Policy		Dividend Paid
					₹ in crore		
1.	Himachal Pradesh State Industrial Development Corporation Ltd	2017-18	2018-19	13.9	1.54	1.54	1.54
2.	Himachal Pradesh General Industries Corporation Ltd	2017-18	2018-19	5.65	0.36	0.36	0.36
3.	Himachal Pradesh State Civil Supplies Corporation Ltd	2017-18	2018-19	1.28	0.18	0.35	0.35
4.	Himachal Pradesh State Handicrafts and Handloom Corporation Ltd	2017-18	2018-19	0.08	0.46	0	0
5.	Himachal Pradesh Agro Industries Corporation Limited	2017-18	2018-19	3.05	0.94	0	0
6.	Himachal Pradesh State Electronics Development Corporation Limited	2017-18	2018-19	0.79	0.19	0	0
7.	Himachal Pradesh Beverages Limited	2016-17	2018-19	9.49	0.05	0	0
Total				34.24	3.72	2.25	

Appendix-1.9

(Reference: Paragraph 1.8.2.1; Page 28)

Statement showing investments made by State Government in PSUs whose accounts are in arrears

(Figures in column 4 & 6 to 8 are ₹ in crore)

Sl. No.	Name of the PSU	Year up to which accounts finalised	Paid up capital	Period of accounts pending finalisation	Investment made by State Government during the year of which accounts are in arrears		
					Equity	Loans	Grants
1	2	3	4	5	6	7	8
A. WORKING GOVERNMENT COMPANIES							
1	Himachal Backward Classes Finance and Development Corporation	2013-14	13.00	2014-15	0.80	-	-
				2015-16	0.67	-	-
				2016-17	0.75	-	-
				2017-18	-	-	-
				2018-19	-	-	-
2	Himachal Pradesh Mahila Vikas Nigam	2014-15	12.51	2015-16	0.75	-	-
				2016-17	0.75	-	0.61
				2017-18	0.80	-	-
				2018-19	1.77	-	-
3	Himachal Pradesh Minorities Finance and Development Corporation	2013-14	13.02	2014-15	1.30	-	0.11
				2015-16	0.66	-	0.12
				2016-17	0.75	-	0.13
				2017-18	-	-	0.15
4	Himachal Pradesh State Handicrafts and Handloom Corporation Limited	2017-18	9.25	2018-19	-	-	-
				2017-18	-	-	7.40
				2018-19	-	-	71.35
				2016-17	-	-	0.60
6	Himachal Pradesh Tourism Development Corporation Limited	2015-16	12.30	2017-18	-	-	1.72
				2018-19	-	-	5.74
				2016-17	-	-	-
				2017-18	-	-	-
7	Himachal Pradesh State Forest Development Corporation Limited	2015-16	11.71	2017-18	-	-	-
				2018-19	-	-	-
				2017-18	-	-	-
8	Himachal Pradesh Agro Industries Corporation Limited	2017-18	18.85	2018-19	-	-	-
9	Himachal Pradesh State Civil Supplies Corporation Limited	2017-18	3.51	2018-19	-	-	-
10	Himachal Pradesh State Industrial Development Corporation Limited	2017-18	30.82	2018-19	-	-	-
11	Himachal Pradesh General Industries Corporation Limited	2017-18	7.16	2018-19	-	-	-
12	Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited	2017-18	38.77	2018-19	-	8.99	-
13	Himachal Pradesh State Electronics Development Corporation Limited	2017-18	3.72	2018-19	-	-	-
14	Dharamshala Smart City Limited	2016-17	0.0003	2017-18	-	-	-
				2018-19	-	-	-
15	Himachal Pradesh Beverage Limited	2016-17	1.00	2017-18	-	-	-
				2018-19	-	-	-
17	Himachal Pradesh Power Corporation Limited	2016-17	1670.90	2017-18	137.13	-	-
				2018-19	160.00	-	-
18	Himachal Pradesh Power Transmission Corporation Limited	2017-18	286.45	2018-19	40.00	-	-
19	Himachal Pradesh State Electricity Board Limited	2016-17	653.28	2017-18	17.27	-	0.70
				2018-19	50.00	-	24.00
20	Beas Valley Power Corporation Limited	2017-18	300.00	2018-19	-	-	-
Total A : (Working Government Companies)			3086.50		413.42	8.99	113.26
B. WORKING STATUTORY CORPORATIONS							
1	Himachal Road Transport Corporation	2017-18	670.49	2018-19	50.00	-	305.00
2	Himachal Pradesh Financial Corporation	2017-18	99.57	2018-19	-	-	-
Total B : (Working Statutory Corporations)			770.06		50.00	-	305.00
Grand Total A and B			3856.56		463.42	8.99	418.26

Appendix-1.10

(Reference: Paragraph 1.8.2.1; Page 28)

Details of investments made by State Government in loss making PSUs whose accounts are in arrears

(Figures in column 4, 6, 7, 8 and 9 are ₹ in crore)

Sr. No.	Name of the PSU	Year up to which accounts finalised	Paid up capital	Period of accounts pending finalisation	Investment made by State Government during the year of which accounts are in arrears			Loss as per mentioned in final Accounts
					Equity	Loans	Grants	
1	2	3	4	5	6	7	8	9
WORKING GOVERNMENT COMPANIES								
1	Himachal Pradesh State Forest Development Corporation Limited	2015-16	11.71	2016-17	-	-	-	10.27
				2017-18	-	-	-	
				2018-19	-	-	-	
2	Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited	2017-18	38.77	2018-19	-	8.99	-	3.35
3	Himachal Consultancy Organisation Limited	2017-18	0.18	2018-19	-	-	-	0.82
4	Himachal Pradesh Power Corporation Limited	2016-17	1670.90	2017-18	137.13	-	-	32.35
				2018-19	160.00	-	-	
5	Himachal Pradesh Power Transmission Corporation Limited	2017-18	286.45	2018-19	40.00	-	-	6.72
6	Himachal Pradesh State Electricity Board Limited	2016-17	653.28	2017-18	17.27	-	0.70	44.21
				2018-19	50.00	-	24.00	
Grand Total			2661.29		404.40	8.99	24.70	83.28

Appendix-1.11

(Reference: Paragraph 1.8.2.2; Page 28)

Status of PPP Projects of different departments in Himachal Pradesh

Sr. No.	Name of the Project	Project Cost (₹ in crore)	Date of commencement of work	Stipulated date of completion	Status
Projects – Awarded, Completed and Under Operation					
Transport Department					
1.	Kangra Bus Stand	4.50	-	-	Functional since 26.09.2007
2.	ISBT, Shimla	16.00	-	-	Functional since 29.08.2011
Urban Development Department					
3.	Parking Complex, Bilaspur	15.00	19.12.2015	31.03.2017	Operational
Tourism & Civil Aviation Department					
4.	Ropeway-cum-Ski Centre, Solang Nallah (Kullu)	36.57		January 2011	Commercially Operational
5.	Hotel Shivalik to Jakhoo Ropeway (Shimla)	15.00		April 2017	Commercially Operational
Health Department/National Rural Health Mission					
6.	Emergency Medical Transport Service in HP	25.00	2009-10	Ongoing/continue	Operational
7.	Mobile Diagnostic Units in HP	NA	Since 2015	2018	All 13 units are functional
8.	Haemodialysis Units in HP	2.00	Since 2015	Ongoing/continue	Operational
9.	Operation and Maintenance of JSSK Ambulances	No initial Cost	Sept. 2014	NA	In force
Projects – Awarded and Under Implementation					
Transport Department					
10.	Mcleodganj Bus Stand	5.00	23.12.2004	Construction Period 20 months	The Project is in dispute and matter is sub-judice before Hon'ble Supreme Court & H.P. High Court.
11.	Chintpurni Bus Stand and Parking-cum-commercial complex	No Project cost fixed in RFP	29.11.2016	Completed	Operational
12.	Kullu Bus Stand and Parking-cum-commercial complex	No Project cost fixed in RFP	16.08.2017	Construction Period three years. The stipulated date of completion is 16.08.2020	Project is under construction phase.
13.	Una Bus Stand and Parking-cum-commercial complex	No Project cost fixed in RFP	19.07.2017	Completed	Operational
14.	Dhramshala Bus Stand and Parking-cum-commercial complex	No Project cost fixed in RFP	25.08.2017	Construction Period three years. The stipulated date of completion is 25.08.2020	Project is under construction phase.

Sr. No.	Name of the Project	Project Cost (₹ in crore)	Date of commencement of work	Stipulated date of completion	Status
Tourism and Civil Aviation Department					
15.	Dharamshala Mcleodganj Ropeway	150.00	Construction Work started	-	Construction Work started
16.	Himani Chamunda Ropeway	289.24	Process of completion of conditions precedent (CP) is in process	-	-
17.	Palchan Rohtang Ropeway	340.00	completion of conditions precedent (CP) is in process	-	--
18.	Kullu bypass to Bijli Mahadev Passenger Ropeway	94.19	completion of conditions precedent (CP) is in process	-	-
Urban Development Department					
19.	Tourist Information Centre, Lift, The Mall Shimla Ropeway	296.00	completion of conditions precedent (CP) is in process	-	-
20.	Solid Waste Management System, Baddi, Solan	-	08.02.2019	31.03.2021	In progress
21.	Bio-methanation system, Kufri, Shimla	2.50			
22.	Parking Complex, Sanjauli	24.70	08.10.2012	-	-
23.	Parking Complex, Chhotta Shimla	11.68	15.12.2012	Complete	The parking has been completed and completion certificate has been submitted.
24.	Parking Complex, Lift	46.11	25.10.2013	30.06.2018	The parking has been completed and completion certificate has been submitted.
25.	Parking Complex, Vikasnagar	15.00	26.02.2016	-	Termination Notice has been issued to the concessionaire on dated 14.06.2018
26.	Parking Complex, Rohru	10.00	19.11.2016	31.03.2021	Work in progress.
Revenue Department					
27.	Parking Complex, Mandi	75	---	--	--

Source: HP Infrastructure Development Board

Appendix-2.1

(Reference: Paragraphs 2.2.2 and 2.3.1; Pages 49 and 50)

**Statement of various grants/ appropriations where excess expenditure was more than
₹ one crore or more than 20 per cent of the total provision**

(₹ in crore)

Sr. No.	Grant No.	Name of the Grant/ Appropriation	Total Grant/ Appropriation	Expenditure	Excess Expenditure	Percentage of Excess Expenditure
Revenue-Voted						
1.	05	LAND REVENUE AND DISTRICT ADMINISTRATION	792.98	1,357.87	564.88	71.24
2.	13	IRRIGATION, WATER SUPPLY AND SANITATION	2,530.56	2,636.89	106.33	4.20
3.	22	FOOD AND CIVIL SUPPLIES	293.11	328.40	35.29	12.04
Revenue- Charged						
4.	20	RURAL DEVELOPMENT	0.01	0.25	0.24	2148
Capital- Voted						
5.	03	ADMINISTRATION OF JUSTICE	27.36	31.44	4.08	14.93
6.	10	PUBLIC WORKS - ROADS, BRIDGES AND BUILDINGS	1,435.88	1,485.58	49.70	3.46
7.	12	HORTICULTURE	17.63	27.63	10.00	56.72
Capital-Charged						
8.	29	FINANCE	4,622.90	4,673.35	50.44	1.09
Total			9,720.43	10,541.41	820.96	

Source: Appropriation Accounts/VLC

Appendix-2.2

(Reference: Paragraph 2.3.1; Page 50)

Excess over provisions relating to previous years requiring regularisation

Year	Number of Grants/ Appropriations	Grant/Appropriation numbers	Amount of excess (₹ in crore)	Stage of consideration by Public Accounts Committee (PAC)
2013-14	10 Grants 3 Appropriations	2, 3, 4, 5, 10, 13, 16, 17, 21 and 28 2, 7 and 9	474.86	<p><i>Suo-motu</i> replies from the Finance Department has been received and Audit comments sent to Finance Department/Himachal Pradesh Vidhan Sabha. Reports are yet to be discussed and excesses over provisions regularised by PAC.</p>
2014-15	10 Grants 6 Appropriations	1,2,6,11,12,13,18,19, 23 (Revenue) and 23 (Capital) 1, 10, 19, 29 (Revenue), 29 (Capital) and 31	1,585.69	
2015-16	7 Grants 4 Appropriations	5, 8, 10, 13, 19, 23, 28 13, 16, 29 (Revenue) and 29 (Capital)	2,848.43	
2016-17	5 Grants 3 Appropriations	2, 13 (Revenue) and 3,10 and 23 (Capital) 1, 16 (Revenue) and 29 (Capital)	3,037.61	
2017-18	2 Grants 1 Appropriation	5, 10 (Revenue) 10 (Capital)	386.76	
Total			8,333.35	

Appendix-2.3

(Reference: Paragraph 2.3.1; Page 50)

Excess over provision during 2018-19 requiring regularisation

(in ₹)

Sr. No.	Number and title of Grant/ Appropriation	Total Grant	Expenditure	Excess
Revenue-Voted				
1.	05-LAND REVENUE AND DISTRICT ADMINISTRATION	7,92,98,29,300	13,57,86,52,649	5,64,88,23,349
2.	13-IRRIGATION, WATER SUPPLY AND SANITATION	25,30,55,93,000	26,36,88,76,708	1,06,32,83,708
3.	22-FOOD AND CIVIL SUPPLIES	2,93,10,94,027	3,28,40,39,429	35,29,45,402
Revenue- Charged				
4.	07-POLICE AND ALLIED ORGANISATIONS	22,44,861	26,49,861	4,05,000
5.	20-RURAL DEVELOPMENT	1,11,321	25,02,629	23,91,308
6.	25-ROAD AND WATER TRANSPORT	0	13,57,907	13,57,907
Capital-Voted				
7.	03-ADMINISTRATION OF JUSTICE	27,35,55,000	31,43,91,300	4,08,36,300
8.	10-PUBLIC WORKS - ROADS, BRIDGES AND BUILDINGS	14,35,88,02,000	14,85,58,26,067	49,70,24,067
9.	12-HORTICULTURE	17,63,13,000	27,63,09,475	9,99,96,475
Capital- Charged				
10.	10-PUBLIC WORKS - ROADS, BRIDGES AND BUILDINGS	10,51,26,032	1073,,69,160	22,43,128
11.	29-FINANCE	46,22,90,44,000	4673,,34,54,196	50,44,10,196
Total		97,31,17,12,541	105,52,54,29,381	821,37,16,840

Source: Appropriation Accounts/VLC

Appendix-2.4

(Reference: Paragraph 2.3.1.1; Page 51)

Cases where supplementary provisions proved unnecessary

(₹ in crore)

Sr. No.	Number and Name of the Grant	Original Provision	Actual Expenditure	Savings out of Original provision	Supplementary provision
Revenue- Voted					
1.	12- HORTICULTURE	344.96	342.76	2.19	16.89
2.	14- ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES	385.97	352.00	33.97	34.37
3.	18- INDUSTRIES, MINERALS, SUPPLIES AND INFORMATION TECHNOLOGY	188.27	100.01	88.26	7.78
Capital- Voted					
4.	31- TRIBAL DEVELOPMENT	354.98	299.43	55.55	26.70
5.	32- SCHEDULED CASTE SUB PLAN	1,061.55	923.00	138.55	15.53
Total		2,335.73	2,017.21	318.52	101.27

Source: Appropriation Accounts/VLC

Appendix-2.5

(Reference: Paragraph 2.3.1.1 ; Page 51)

Statement of various grants where supplementary provision proved insufficient by more than ₹ one crore in each case

(₹ in crore)

Sr. No.	Grant Number	Name of the Grants	Original Provision	Supplementary provision	Total	Expenditure	Excess
Revenue- Voted							
1.	5	LAND REVENUE AND DISTRICT ADMINISTRATION	680.62	112.36	792.98	1357.87	564.88
2.	13	IRRIGATION, WATER SUPPLY AND SANITATION	2,530.56	0.00	2,530.56	2,636.89	106.33
3.	22	FOOD AND CIVIL SUPPLIES	261.52	31.59	293.11	328.40	35.29
Capital - Voted							
4.	03	ADMINISTRATION OF JUSTICE	15.09	12.27	27.36	31.44	4.08
5.	10	PUBLIC WORKS - ROADS, BRIDGES AND BUILDINGS	1,216.28	219.60	1,435.88	1,485.58	49.70
6.	12	HORTICULTURE	16.93	0.70	17.63	27.63	10.00
Capital- Charged							
7.	29	FINANCE	3,184.20	1,438.70	4,622.90	4,673.35	50.44
Total			7,905.20	1,815.22	9,720.42	10,541.16	820.72

Source: Appropriation Accounts/VLC

Appendix-2.6

(Reference: Paragraph 2.3.2 ; Page 51)

Excessive/unnecessary/insufficient re-appropriation of funds

(₹ in crore)

Sr. No.	Grant No.	Description	Head of Account				Original	Supplementary	Re-appropriation	Final Excess(+)/ Saving (-)
1.	03	ADMINISTRATION OF JUSTICE	4059	01	051	15	3.63	2.27	0.10	4.09
2.	05	LAND REVENUE AND DISTRICT ADMINISTRATION	2053	00	093	01	147.87	4.42	- 25.06	2.13
3.			2245	02	106	01	273.00	36.00	-199.00	50.00
4.			2245	02	109	01	0	25.00	43.09	10.58
5.			2245	05	101	02	0	84.13	0.00	143.16
6.	10	PUBLIC WORKS - ROADS, BRIDGES AND BUILDINGS	3054	04	105	02	274.12	0.21	51.72	14.48
7.			3054	04	105	19	158.03	0	0.05	22.47
8.			3054	04	105	21	81.24	0	0.06	9.99
9.			3054	04	105	22	83.82	0	0.06	10.14
10.			3054	04	105	23	126.90	0	0.04	15.81
11.			5054	04	337	09	394.86	58.00	36.32	52.93
12.	13	IRRIGATION, WATER SUPPLY AND SANITATION	2215	01	799	03	47.15	0	202.22	106.42
13.	22	FOOD AND CIVIL SUPPLIES	2408	01	102	13	5.24	20.82	2.54	29.46
14.			2408	01	800	02	12.00	10.75	1.75	5.84
15.	29	FINANCE	2049	01	116	01	4.00	0	2.09	3.70
16.			2071	01	101	03	2,983.14	0	-0.32	83.17
17.			6003	00	110	01	0	1,438.70	5.89	51.34
18.	31	TRIBAL DEVELOPMENT	2215	01	796	01	4.29	0	0.32	1.46
19.	09	HEALTH AND FAMILY WELFARE	2210	01	110	03	282.66	0	-21.35	-2.71
20.	10	PUBLIC WORKS - ROADS, BRIDGES AND BUILDINGS	2059	80	053	05	115.88	0	0.10	- 3.36
21.			3054	04	105	07	685.11	0	0.42	- 1.42
22.			5054	04	337	19	266.32	0	-0.66	-2.00
23.	14	ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES	2403	00	101	01	272.31	0.04	0.17	- 9.96
24.	20	RURAL DEVELOPMENT	4515	00	101	01	5.71	0	4.00	- 4.00
25.	29	FINANCE	2049	01	101	12	0	0	38.90	-38.90
26.			2049	01	101	13	0	0	23.37	-23.37
27.			2049	01	101	96	0	0	32.72	-32.72
28.			2049	03	104	01	1,061.73	0	49.18	-71.17
29.			2049	03	104	03	4.08	0	5.55	-5.49
30.	32	SCHEDULED CASTE SUB PLAN	5054	04	789	01	106.08	5.50	5.89	-1.12

Source: Appropriation Accounts/VLC

Appendix-2.7

(Reference: Paragraph 2.3.3 ; Page 51)

Rush of expenditure

(₹ in crore)

Sr. No.	Grant Number and Name	Head of account Scheme/Service				Expenditure incurred during Jan-March 2019	Expenditure incurred in March 2019	Total expenditure during 2018-19	Percentage of total expenditure incurred during	
									Jan-March 2019	March 2019
1.	05- LAND REVENUE AND DISTRICT ADMINISTRATION	2245	02	113	01	27.15	26.09	48.03	56.53	54.32
2.		2245	05	101	02	143.16	143.16	227.29	62.99	62.99
3.	08- EDUCATION	2202	02	109	06	83.26	53.88	88.37	94.22	60.97
4.	09- HEALTH AND FAMILY WELFARE	2211	00	800	07	11.92	11.92	13.62	87.51	87.51
5.		4210	03	105	05	39.72	39.62	39.81	99.78	99.52
6.		4210	03	105	06	53.92	53.92	54.25	99.40	99.40
7.		4210	03	105	07	49.50	49.50	49.50	100.00	100.00
8.	10- PUBLIC WORKS - ROADS, BRIDGES AND BUILDINGS	2216	05	053	01	18.72	14.88	24.38	76.76	61.01
9.		3054	04	105	20	133.35	100.20	194.96	68.40	51.40
10.		4059	80	051	03	17.52	15.79	25.18	69.59	62.69
11.		4059	80	051	05	24.69	22.52	27.45	89.96	82.04
12.		4216	01	106	01	53.03	46.13	61.94	85.62	74.48
13.		5054	04	101	01	29.03	28.92	33.33	87.10	86.76
14.		5054	04	337	11	44.46	42.49	49.22	90.33	86.33
15.		5054	04	337	16	17.41	13.71	17.41	100.00	78.72
16.		5054	04	337	23	44.32	36.48	49.07	90.33	74.34
17.	12- HORTICULTURE	2401	00	119	74	24.00	17.03	24.00	100.00	70.94
18.	13-IRRIGATION, WATER SUPPLY AND SANITATION	2215	01	101	04	43.62	39.68	73.73	59.16	53.82
19.		2215	01	102	12	213.54	166.32	302.43	70.61	54.99
20.		2702	80	001	06	137.51	119.50	193.89	70.92	61.63
21.		2711	01	799	01	19.49	19.34	11.46	170.04	168.75
22.		4701	20	800	02	12.33	10.24	15.83	77.90	64.67
23.		4702	00	101	03	26.59	23.80	39.66	67.06	60.02
24.		4702	00	101	04	24.97	21.73	28.83	86.61	75.38
25.		4702	00	101	10	15.00	15.00	15.00	100.00	100.00
26.		4705	00	313	01	30.55	26.46	42.02	72.71	62.97
27.	18- INDUSTRIES, MINERALS, SUPPLIES AND INFORMATION TECHNOLOGY	4851	00	101	02	10.24	10.24	10.24	100.00	100.00
28.	19- SOCIAL JUSTICE AND EMPOWERMENT	2235	02	103	22	42.86	38.75	42.86	100.00	90.42
29.	20- RURAL DEVELOPMENT	2216	03	102	01	18.56	18.56	18.62	99.67	99.67
30.	22- FOOD AND CIVIL SUPPLIES	2408	01	102	13	55.05	31.43	58.05	94.83	54.14
31.	23- POWER DEVELOPMENT	4801	01	190	06	56.77	56.77	91.70	61.91	61.91
32.		4801	01	190	09	32.73	32.73	32.73	100.00	100.00
33.	26-TOURISM AND CIVIL AVIATION	5452	01	800	03	28.28	27.62	50.00	56.56	55.23
34.	27-LABOUR EMPLOYMENT AND TRAINING	4202	02	105	03	14.26	11.01	18.88	75.55	58.29

Sr. No.	Grant Number and Name	Head of account Scheme/Service				Expenditure incurred during Jan-March 2019	Expenditure incurred in March 2019	Total expenditure during 2018-19	Percentage of total expenditure incurred during	
									Jan-March 2019	March 2019
35.	29-FINANCE	2049	01	101	29	39.75	39.75	39.75	100.00	100.00
36.		2049	01	101	B6	38.90	38.90	38.90	100.00	100.00
37.		2049	01	101	B7	23.37	23.37	23.37	100.00	100.00
38.		2049	01	101	B8	32.72	32.72	32.72	100.00	100.00
39.		2049	03	104	01	1022.53	1022.51	1039.74	98.35	98.34
40.		2071	01	101	02	16.48	16.48	16.48	100.00	100.00
41.		3451	00	091	01	18.69	17.20	19.11	97.79	90.01
42.	31- TRIBAL DEVELOPMENT	2215	01	796	09	15.57	15.57	15.57	100.00	100.00
43.		3054	04	796	05	29.93	29.75	39.01	76.73	76.27
44.	32- SCHEDULED CASTE SUB PLAN	2202	03	789	04	63.25	63.25	63.25	100.00	100.00
45.		2217	80	789	02	25.00	25.00	27.50	90.91	90.91
46.		2401	00	789	42	25.19	25.19	25.19	100.00	100.00
47.		2408	01	789	01	20.84	20.84	20.84	100.00	100.00
48.		4210	03	789	03	14.06	14.06	14.06	100.00	100.00
49.		4210	03	789	04	14.06	14.06	14.06	100.00	100.00
50.		4210	03	789	05	14.06	14.06	14.06	100.00	100.00
51.		4215	01	789	04	26.01	22.01	34.94	74.43	63.00
52.		4215	01	789	08	23.16	18.23	35.18	65.82	51.80
53.		4702	00	789	04	15.44	12.72	16.41	94.14	77.54
54.		4801	01	789	01	22.02	22.02	42.70	51.58	51.58
55.		5054	03	789	02	60.68	44.84	86.77	69.93	51.68
56.		5054	04	789	01	76.45	60.33	115.92	65.95	52.05
57.	5054	04	789	04	31.79	27.17	37.52	84.74	72.41	
Total						3267.46	3005.45	3886.79		

Source: Appropriation Accounts/VLC

Appendix-2.8

(Reference: Paragraphs 2.2.2 and 2.3.4; Pages 49 and 53)

Statement of various grants where saving was more than ₹ one crore each or more than 20 per cent of the total provision

(₹ in crore)

Sr. No.	Grant No.	Name of the Grant	Total Grant	Savings	Percentage (more than 20 per cent)
Revenue-Voted					
1.	01	VIDHAN SABHA	42.46	1.06	
2.	02	GOVERNOR AND COUNCIL OF MINISTERS	19.94	1.61	
3.	03	ADMINISTRATION OF JUSTICE	184.90	25.20	
4.	04	GENERAL ADMINISTRATION	209.49	18.83	
5.	06	EXCISE AND TAXATION	76.07	13.79	
6.	07	POLICE AND ALLIED ORGANISATIONS	1312.64	143.83	
7.	08	EDUCATION	6124.09	955.16	
8.	09	HEALTH AND FAMILY WELFARE	1994.23	330.83	
9.	10	PUBLIC WORKS - ROADS, BRIDGES AND BUILDINGS	3308.06	282.96	
10.	11	AGRICULTURE	482.27	72.67	
11.	12	HORTICULTURE	361.85	19.09	
12.	14	ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES	420.34	68.34	
13.	15	PLANNING AND BACKWARD AREA SUB PLAN	78.16	30.57	39
14.	16	FOREST AND WILDLIFE	543.36	130.31	24
15.	18	INDUSTRIES, MINERALS, SUPPLIES AND INFORMATION TECHNOLOGY	196.05	96.03	49
16.	19	SOCIAL JUSTICE AND EMPOWERMENT	987.40	28.84	
17.	20	RURAL DEVELOPMENT	1546.35	383.93	25
18.	21	CO-OPERATION	44.76	3.61	
19.	23	POWER DEVELOPMENT	636.26	53.45	
20.	24	PRINTING AND STATIONERY	30.52	1.19	
21.	25	ROAD AND WATER TRANSPORT	321.20	2.25	
22.	27	LABOUR EMPLOYMENT AND TRAINING	335.05	39.93	
23.	28	URBAN DEVELOPMENT, TOWN AND COUNTRY PLANNING AND HOUSING	558.47	118.35	21
24.	29	FINANCE	5994.83	939.93	
25.	30	MISCELLANEOUS GENERAL SERVICES	107.29	8.97	
26.	31	TRIBAL DEVELOPMENT	1264.92	325.72	26
27.	32	SCHEDULED CASTE SUB PLAN	1349.89	390.87	29
Revenue - Charged					
28.	03	ADMINISTRATION OF JUSTICE	46.50	7.94	
29.	04	GENERAL ADMINISTRATION	17.30	2.46	
30.	29	FINANCE	4260.00	238.48	
Capital-Voted					
31.	01	VIDHAN SABHA	7.51	1.46	
32.	07	POLICE AND ALLIED ORGANISATIONS	77.27	2.91	
33.	08	EDUCATION	139.05	26.17	
34.	09	HEALTH AND FAMILY WELFARE	265.35	8.94	
35.	11	AGRICULTURE	73.84	2.83	
36.	13	IRRIGATION, WATER SUPPLY AND SANITATION	777.83	151.79	20
37.	14	ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES	17.74	5.79	33
38.	15	PLANNING AND BACKWARD AREA SUB PLAN	284.64	1.33	
39.	18	INDUSTRIES, MINERALS, SUPPLIES AND INFORMATION TECHNOLOGY	62.38	23.38	37
40.	19	SOCIAL JUSTICE AND EMPOWERMENT	17.37	3.48	20
41.	20	RURAL DEVELOPMENT	23.17	5.70	25
42.	23	POWER DEVELOPMENT	635.08	131.45	21
43.	29	FINANCE	12.78	6.27	49
44.	30	MISCELLANEOUS GENERAL SERVICES	50.66	4.05	
45.	31	TRIBAL DEVELOPMENT	381.68	82.25	22
46.	32	SCHEDULED CASTE SUB PLAN	1077.08	154.08	
Total			36758.07	5334.16	

Appendix-2.9

(Reference: Paragraph 2.3.4.1; Page 54)

Statement of various grants where persistent saving (more than ₹ one crore or more in each case) occurred during 2014-19

(₹ in crore)

Sr. No.	Grant Number	Name of Grant/Appropriation	Persistent savings				
			2014-15	2015-16	2016-17	2017-18	2018-19
Revenue (VOTED)							
1.	03	ADMINISTRATION OF JUSTICE	4.52	12.53	9.82	10.14	25.20
2.	04	GENERAL ADMINISTRATION	10.12	17.03	11.62	13.13	18.83
3.	07	POLICE AND ALLIED ORGANISATIONS	9.14	73.42	37.08	81.89	143.83
4.	08	EDUCATION	385.37	1076.22	864.96	665.02	955.16
5.	09	HEALTH AND FAMILY WELFARE	151.89	366.81	295.90	211.66	330.85
6.	14	ANIMAL HUSBANDARY, DAIRY DEVELOPMENT AND FISHERIES	6.72	35.36	35.18	43.67	68.34
7.	15	PLANNING AND BACKWARD AREA SUB PLAN	11.64	31.40	28.40	16.81	30.57
8.	16	FOREST AND WILDLIFE	3.39	33.23	57.50	85.36	130.31
9.	18	INDUSTRIES, MINERALS, SUPPLIES AND INFORMATION TECHNOLOGY	5.20	12.23	8.46	11.45	96.03
10.	19	SOCIAL JUSTICE AND EMPOWERMENT	1.06	47.43	20.78	55.55	28.84
11.	20	RURAL DEVELOPMENT	109.86	228.23	121.61	402.93	383.93
12.	21	CO-OPERATION	5.26	8.45	10.23	3.54	3.61
13.	24	PRINTING AND STATIONERY	1.45	2.21	6.02	2.81	1.19
14.	25	ROAD AND WATER TRANSPORT	1.41	1.43	1.06	2.10	2.25
15.	27	LABOUR EMPLOYMENT AND TRAINING	61.81	63.72	71.98	199.27	39.93
16.	29	FINANCE	581.48	228.94	97.70	266.88	956.41
17.	30	MISCELLANEOUS GENERAL SERVICES	4.80	13.99	13.00	7.51	8.97
18.	31	TRIBAL DEVELOPMENT	14.36	129.65	177.85	242.88	325.72
19.	32	SCHEDULED CASTE SUB PLAN	17.15	32.62	321.15	405.83	390.87
Capital (VOTED)							
20.	09	HEALTH AND FAMILY WELFARE	6.44	6.01	2.93	4.77	8.94
21.	13	IRRIGATION, WATER SUPPLY AND SANITATION	8.96	270.58	185.72	88.76	151.79
22.	29	FINANCE	5.49	5.20	1.51	7.98	6.27
23.	31	TRIBAL DEVELOPMENT	7.17	17.38	20.88	58.21	82.25
24.	32	SCHEDULED CASTE SUB PLAN	9.27	108.95	99.31	132.87	154.08

Source: Appropriation Accounts of respective years

Appendix-2.10

(Reference: Paragraph 2.3.4.2; Page 54)

A: Statement showing substantial surrenders made during the year 2018-19

Sr. No.	Grant No.	Head of Account				Total Provision (₹ in lakh)	Amount of surrender (₹ 50 lakh and above)	Percentage of surrender with respect to total provision
1.	04	2235	60	200	26	1000.00	1000.00	100.00
2.	06	2040	00	101	01	362.68	200.84	55.38
3.	06	2235	60	110	02	100.00	100.00	100.00
4.	08	2202	01	101	12	1639.00	1639.00	100.00
5.	08	2202	01	102	03	200.00	200.00	100.00
6.	08	2202	02	109	05	3948.00	1974.00	50.00
7.	08	2202	02	109	10	7850.00	7850.00	100.00
8.	08	2202	02	109	14	106.00	106.00	100.00
9.	08	2202	02	109	15	1185.00	1185.00	100.00
10.	08	2202	02	109	21	300.00	300.00	100.00
11.	08	2202	02	109	22	856.01	856.01	100.00
12.	08	2202	02	109	25	132.00	132.00	100.00
13.	08	2202	02	109	27	500.00	465.00	93.00
14.	08	2225	03	277	06	100.00	100.00	100.00
15.	08	4202	01	202	05	59.00	52.67	89.27
16.	08	4202	01	202	09	2500.00	2500.00	100.00
17.	09	2210	05	105	08	100.00	100.00	100.00
18.	09	2210	06	200	05	1500.00	1382.38	92.16
19.	09	2211	00	800	07	1702.00	1532.00	90.01
20.	10	3054	04	105	26	5000.00	5000.00	100.00
21.	11	2401	00	800	18	300.00	267.44	89.15
22.	13	4215	01	102	24	658.00	629.68	95.70
23.	13	4701	20	800	02	3853.95	2270.95	58.93
24.	13	4701	23	800	01	75.81	75.81	100.00
25.	13	4701	24	800	01	75.81	75.81	100.00
26.	13	4701	25	800	01	75.81	75.81	100.00
27.	13	4701	26	800	01	75.81	75.81	100.00
28.	13	4701	27	800	01	75.81	75.81	100.00
29.	13	4702	00	101	07	2994.00	1500.34	50.11
30.	13	4705	00	313	01	9991.00	5791.00	57.96
31.	13	4711	01	800	10	200.40	200.40	100.00
32.	13	4711	01	800	12	297.00	297.00	100.00
33.	13	4711	01	800	17	333.00	333.00	100.00
34.	14	2404	00	191	04	300.00	195.58	65.19
35.	15	2202	01	101	01	158.98	113.34	71.29
36.	15	2202	01	101	03	784.95	736.01	93.77
37.	15	2202	01	101	12	510.00	510.00	100.00
38.	15	3451	00	101	20	220.00	197.26	89.66
39.	15	3451	00	101	22	200.00	200.00	100.00
40.	15	5475	00	800	05	150.00	88.95	59.30
41.	16	2406	01	101	01	67.18	66.99	99.71
42.	16	2406	01	101	03	419.39	291.08	69.40
43.	16	2406	01	101	09	3291.00	3015.23	91.62
44.	16	2406	01	102	35	187.00	93.56	50.03
45.	16	2406	01	800	08	70.00	60.53	86.47
46.	18	2851	00	102	10	100.00	63.27	63.27
47.	18	2851	00	102	25	100.00	100.00	100.00
48.	18	2851	00	102	26	100.00	100.00	100.00
49.	18	2851	00	103	22	66.00	66.00	100.00
50.	18	2851	00	800	10	8000.00	6872.75	85.91
51.	18	2852	80	800	02	801.88	702.33	87.59
52.	18	4851	00	800	05	1613.00	1335.00	82.77
53.	19	2235	02	102	20	90.00	90.00	100.00
54.	19	2235	02	102	21	345.50	250.04	72.37
55.	19	4225	80	800	03	153.50	153.50	100.00
56.	20	2501	06	101	07	5068.00	4423.40	87.28

Sr. No.	Grant No.	Head of Account				Total Provision (₹ in lakh)	Amount of surrender (₹ 50 lakh and above)	Percentage of surrender with respect to total provision
57.	20	2501	06	101	09	7500.00	7500.00	100.00
58.	20	2501	06	101	10	7500.00	6187.25	82.50
59.	20	2515	00	102	10	1448.00	1316.00	90.88
60.	23	2801	01	101	01	4000.00	4000.00	100.00
61.	23	2801	80	101	09	1000.00	1000.00	100.00
62.	23	6801	00	190	01	18172.01	18172.01	100.00
63.	23	6801	00	190	04	66.00	66.00	100.00
64.	28	2217	80	191	45	1367.76	835.28	61.07
65.	28	2217	80	191	47	223.00	173.00	77.58
66.	28	2217	80	191	50	667.00	667.00	100.00
67.	28	2217	80	192	12	200.00	200.00	100.00
68.	28	2217	80	192	14	2655.87	1590.60	59.89
69.	28	2217	80	192	18	2222.00	1604.66	72.22
70.	28	2217	80	193	13	577.37	352.87	61.12
71.	28	2217	80	193	14	385.00	297.00	77.14
72.	29	2049	01	101	89	20146.74	14039.99	69.69
73.	29	2071	01	102	02	74708.00	48378.39	64.76
74.	29	2235	60	102	05	1000.00	624.53	62.45
75.	29	7610	00	800	04	300.00	291.46	97.15
76.	30	4202	04	106	01	110.00	95.86	87.15
77.	31	2202	01	796	11	912.00	555.38	60.90
78.	31	2202	02	796	16	1073.00	966.00	90.03
79.	31	2202	02	796	18	118.01	67.09	56.85
80.	31	2202	03	796	08	594.00	318.36	53.60
81.	31	2210	04	796	06	78.00	78.00	100.00
82.	31	2210	06	796	15	90.00	81.00	90.00
83.	31	2211	00	796	08	3441.00	1804.00	52.43
84.	31	2211	00	796	09	131.00	101.48	77.47
85.	31	2211	00	796	10	233.00	210.00	90.13
86.	31	2215	01	796	09	2577.78	1415.21	54.90
87.	31	2216	03	796	01	356.00	224.00	62.92
88.	31	2230	03	796	06	103.37	78.35	75.80
89.	31	2235	02	796	03	2483.00	1606.57	64.70
90.	31	2251	00	796	03	945.00	673.24	71.24
91.	31	2401	00	796	01	94.69	52.78	55.74
92.	31	2401	00	796	22	162.00	132.52	81.80
93.	31	2401	00	796	23	72.00	58.70	81.53
94.	31	2401	00	796	45	198.00	139.07	70.24
95.	31	2401	00	796	46	149.00	96.60	64.83
96.	31	2401	00	796	48	396.01	234.31	59.17
97.	31	2401	00	796	53	900.00	671.93	74.66
98.	31	2401	00	796	54	110.01	63.00	57.27
99.	31	2402	00	796	10	108.00	74.88	69.33
100.	31	2402	00	796	11	198.00	148.85	75.18
101.	31	2403	00	796	10	126.00	95.89	76.10
102.	31	2406	01	796	28	450.00	431.61	95.91
103.	31	2406	01	796	29	135.00	81.38	60.28
104.	31	2406	02	796	07	110.00	101.10	91.91
105.	31	2501	06	796	05	68.00	63.00	92.65
106.	31	2501	06	796	07	693.00	630.00	90.91
107.	31	2501	06	796	08	297.00	270.00	90.91
108.	31	2505	01	796	07	5850.00	5265.00	90.00
109.	31	2515	00	796	10	198.00	180.00	90.91
110.	31	4215	01	796	16	90.00	60.08	66.76
111.	31	4701	02	796	01	675.00	675.00	100.00
112.	31	4702	00	796	08	1022.00	748.77	73.27
113.	31	4705	00	796	01	792.00	792.00	100.00
114.	31	4711	01	796	01	551.00	450.00	81.67
115.	31	5054	03	796	03	644.00	644.00	100.00
116.	31	6801	00	796	10	4611.00	4611.00	100.00
117.	32	2202	01	789	11	1793.00	1052.75	58.71

Sr. No.	Grant No.	Head of Account				Total Provision (₹ in lakh)	Amount of surrender (₹ 50 lakh and above)	Percentage of surrender with respect to total provision
118.	32	2202	01	789	12	627.00	333.93	53.26
119.	32	2202	02	789	14	3005.00	3005.00	100.00
120.	32	2202	02	789	16	639.00	639.00	100.00
121.	32	2202	03	789	05	1662.00	1169.48	70.37
122.	32	2205	00	789	02	63.00	50.35	79.92
123.	32	2210	03	789	03	365.00	243.73	66.78
124.	32	2217	80	789	03	503.00	446.70	88.81
125.	32	2225	01	789	10	1165.00	1165.00	100.00
126.	32	2235	02	789	20	518.00	274.90	53.07
127.	32	2401	00	789	25	453.00	328.52	72.52
128.	32	2401	00	789	35	554.00	320.06	57.77
129.	32	2406	01	789	09	113.00	113.00	100.00
130.	32	2406	01	789	15	1260.00	682.01	54.13
131.	32	2406	01	789	16	378.00	290.00	76.72
132.	32	2406	01	789	17	881.00	822.48	93.36
133.	32	2406	02	789	02	248.00	200.00	80.65
134.	32	2435	01	789	01	272.00	272.00	100.00
135.	32	2501	06	789	03	554.00	303.73	54.82
136.	32	2501	06	789	07	1939.00	1461.00	75.35
137.	32	2501	06	789	08	832.00	832.00	100.00
138.	32	2505	01	789	02	16374.00	14737.00	90.00
139.	32	2851	00	789	17	176.00	176.00	100.00
140.	32	2851	00	789	30	126.00	112.84	89.56
141.	32	4059	01	789	02	77.00	77.00	100.00
142.	32	4216	01	789	01	150.00	150.00	100.00
143.	32	4225	01	789	02	100.00	100.00	100.00
144.	32	4225	80	789	01	352.50	252.53	71.64
145.	32	4235	02	789	01	212.00	212.00	100.00
146.	32	4402	00	789	03	302.00	245.42	81.26
147.	32	4701	20	789	04	999.73	882.73	88.30
148.	32	4701	21	789	01	999.00	999.00	100.00
149.	32	4705	00	789	01	2217.00	2217.00	100.00
150.	32	4711	01	789	07	76.00	76.00	100.00
151.	32	4711	01	789	09	126.00	126.00	100.00
152.	32	4711	01	789	15	126.00	126.00	100.00
153.	32	4851	00	789	05	542.00	542.00	100.00
154.	32	5054	03	789	03	1260.00	1260.00	100.00
155.	32	6801	00	789	02	6117.00	6117.00	100.00
Total						2,95,182.32	2,32,824.77	

Source: Appropriation Accounts/VLC

Appendix-2.11

(Reference: Paragraph 2.3.4.2; Page 55)

B: Statement showing cent *per cent* surrenders during the year

Sr. No.	Number and Title of Grants	Heads of Accounts				Name of scheme	Amount in Surrender (₹ in lakh)	Reason	
1.	04-GENERAL ADMINISTRATION	2235	60	200	26	Mukhya Mantri Chikitsa Sahayata Kosh	1000	Non-operationalisation of the scheme.	
2.	06-EXCISE AND TAXATION	2235	60	110	02	Group accidental insurance cover for small dealers	100	Non-completion of codal formalities.	
3.	08-EDUCATION	4202	01	202	09	Mukhya Mantri Aadarsh Vidya Kendra	2500		
4.		2225	03	277	06	Scholarships to minority communities	100		
5.		2202	02	109	25	Hiring of CC TV during board examination	132		
6.		2202	01	102	03	Reimbursement of fee of weaker section students in private schools	200		
7.		2202	02	109	21	Mukhya Mantri Gian Deep Yojna	300		Receiving less demand for subsidy on education loan.
8.		2202	02	109	22	Chief Minister Uniform Yojna	856.01		Non-completion of codal formalities.
9.		2202	01	101	12	Mahatma Gandhi Vardi Yojna	1639		
10.		2202	02	109	10	Vocationalisation of Secondary Education	7850		Amount surrendered due to change in scheme.
11.		2202	02	109	14	Expenditure on inclusive education for disabled at secondary stage	106		
12.		2202	02	109	15	Rajiv Gandhi Digital Yojna (laptop/tablet)	1185		
13.		09-HEALTH AND FAMILY WELFARE	2210	05	105	08	Pradhan Mantri Swasthya Suraksha Yojna -II		
14.	10-PUBLIC WORKS - ROADS, BRIDGES AND BUILDINGS	3054	04	105	26	Himachal Road Improvement Scheme	5000	Shifting of the scheme to Capital section for works.	
15.		4701	26	800	01	Construction of Medium Irrigation Project Prini (District Kullu)	75.81	State share remained unutilized due to non-release of matching share from Government of India.	
16.		4701	25	800	01	C/o Medium Irrigation Project, Sukka Har in Distt. Kangra	75.81		
17.		13-IRRIGATION, WATER SUPPLY AND SANITATION	4701	23	800	01	Expenditure on Koncil Jharera Mandap Project		75.81
18.	4701		24	800	01	Construction of rain harvesting structure on left and right banks of Parchu khad	75.81		
19.	4701		27	800	01	Medium Irrigation Project Jawalamukhi District Kangra	75.81		
20.	4711		01	800	17	Channelization of Pabbar river in Distt. Shimla	333		

Sr. No.	Number and Title of Grants	Heads of Accounts				Name of scheme	Amount in Surrender (₹ in lakh)	Reason
21.		4711	01	800	10	Chanalization of seer khad from Barshawad to Jahu in Mandi and Hamirpur. Under Flood Management Programme	200.40	
22.		4711	01	800	12	Chanalization of Swan Down Stream to Punjab boundary phase-III under Flood Management Programme	297	
23.	15-PLANNING AND BACKWARD AREA SUB PLAN	3451	00	101	22	HP State Skill Development Corporation	200	Transfer of scheme from Planning Department to Technical Education Department.
24.		2202	01	101	12	Mahatma Gandhi Vardi Yojna	510	Less purchase of school uniform, etc.
25.	18-INDUSTRIES, MINERALS, SUPPLIES AND INFORMATION TECHNOLOGY	2851	00	103	22	Integrated Handloom Development Scheme	66	Non-finalization of scheme.
26.		2851	00	102	25	Interest subvention to micro industries	100	Non-receipt of demand from the beneficiaries.
27.		2851	00	102	26	Incubation centres	100	
28.	19-SOCIAL JUSTICE AND EMPOWERMENT	4225	80	800	03	Construction of OBC boys/ girls hostels	153.50	Non-receipt of proposals.
29.		2235	02	102	20	Beti Bachao Beti Padhao	90	Direct funds to Deputy Commissioner by the Govt. of India.
30.	20-RURAL DEVELOPMENT	2501	06	101	09	Mukhya Mantri Rural Livelihood Scheme	7500	Non-completion of codal formalities.
31.	23-POWER DEVELOPMENT	2801	80	101	09	UDAI Dishanirdeshon Ke Antargat Nuksan Ki Bharpai Karnay Hetu DISCOM Ko Vitiye Sahayata	1000	Amount surrendered as the company has shown profit for the year 2017-18.
32.		2801	01	101	01	S.J.V.N.L.	4000	Non-receipt of proposals.
33.		6801	00	190	04	KFW share to power projects	66	Availing direct loan through letter of credit by HPPCL.
34.		6801	00	190	01	Loan to H.P. Power Corporation	18172.01	Non-disbursement of loan.
35.	28-URBAN DEVELOPMENT, TOWN AND COUNTRY PLANNING AND HOUSING	2217	80	192	12	Specific State Finance Commission award for creation/upgradation	200	Non-creation/upgradation of Municipal Council/ Nagar Panchayats in the State.
36.		2217	80	191	50	Housing for all Sardar Patel Urban Housing Scheme	667	State Share surrendered due to non-receipt of Central Share from Govt. of India.
37.	31-TRIBAL DEVELOPMENT	4701	02	796	01	Major irrigation scheme(AIBP)	675	Due to non-release of funds by Government of India.
38.		4705	00	796	01	Expenditure on Command Area Development	792	Due to non-completion of codal formalities.
39.		5054	03	796	03	Construction of roads under C.R.F	644	Less release of funds from Government of

Sr. No.	Number and Title of Grants	Heads of Accounts				Name of scheme	Amount in Surrender (₹ in lakh)	Reason	
							India.		
40.		2210	04	796	06	AYUSH	78	Non-release of funds by Government of India.	
41.		6801	00	796	10	Loan for HP Power Corporation Projects	4611	Less release of loan.	
42.	32-SCHEDULED CASTE SUB PLAN	4701	21	789	01	Nadaun Area Medium Irrigation Project	999	State Share remained unutilized due to non-receipt of funds from GoI.	
43.		4705	00	789	01	Command Area Development	2217		
44.		4711	01	789	07	Channelisation of Seer khad from Barshawad to Jahu in Mandi and Hamirpur District (FMP)	76		
45.		4711	01	789	09	Channelisation of Swan downstream to Punjab boundary (phase-III)	126		
46.		4711	01	789	15	Channelisation of Pabbar river, District Shimla	126		
47.		4851	00	789	05	Industrial Infrastructure Upgradation Scheme	542		
48.		6801	00	789	02	Loans to H.P. Power Corporation	6117		
49.		2435	01	789	01	Grant to Marketing Board for construction of marketing yards	272		
50.		2501	06	789	08	National Rurban Mission	832		
51.		2851	00	789	17	Computerisation of online departments (NE GAP)	176		Due to non-receipt of funds from GoI.
52.		2225	01	789	10	Mukhyamantri Adarsh Gram Yojna	1165		Due to non-completion of codal formalities.
53.		2202	02	789	16	Pre-matric scholarship to Scheduled Caste students	639		Due to non-receipt of funds from GoI.
54.		2202	02	789	14	Vocationalization of Secondary Education	3005		Due to merger of scheme into Samagra Shiksha Abhiyan.
55.		5054	03	789	03	Rural Road World Bank	1260		Due to non-approval of works under World Bank Project.
56.	4059	01	789	02	Upgradation of Judiciary infrastructure	77	State Share remained unutilized due to non-receipt of funds from GoI.		
57.	4216	01	789	01	Government residential buildings	150	Due to non-execution of works.		
58.	4225	01	789	02	Construction of departmental / other buildings for welfare of Scheduled Castes	100	Due to non-receipt of proposals under the scheme.		
59.	4235	02	789	01	Multipurpose community/ Anganwari Centre	212	State Share remained unutilized due to non-receipt of funds from GoI.		
60.	2406	01	789	09	National Afforestation Programme (NAP)	113			
Total							80105.97		

Source: Appropriation Accounts/VLC

Appendix-2.12

(Reference: Paragraph 2.3.4.2; Page 55)

Statement showing surrender of funds in excess of ₹ 10 crore on 31 March 2019

(₹ in crore)

Sr. No.	Grant No.	Major Head	Name of the Grant	Total Provision	Amount of Surrender	Percentage of Total Provision
1	03	2014	Administration of Justice	226.68	31.77	14.02
2	07	2055	Police	1175.47	134.40	11.43
3	08	2202	General Education	6100.79	953.91	15.64
4	08	4202	Capital outlay on Education, Sports, Art and Culture	137.05	26.17	19.10
5	09	2210	Medical and Public Health	1543.34	180.79	11.71
6	09	2211	Family Welfare	444.39	147.07	33.09
7	10	2059	Public Works	602.81	83.03	13.77
8	10	3054	Roads and Bridges	2681.32	610.62	22.77
9	11	2401	Crop Husbandry	343.19	59.66	17.39
10	11	2402	Soil and Water Conservation	52.50	11.45	21.80
11	12	2401	Crop Husbandry	294.15	19.18	6.52
12	13	4701	Capital outlay on Medium Irrigation	110.86	53.03	47.84
13	13	4702	Capital outlay on Minor Irrigation	183.85	22.54	12.26
14	13	4705	Capital outlay on Command Area Development	99.91	57.91	57.96
15	14	2403	Animal Husbandry	369.81	51.21	13.85
16	15	2202	General Education	18.69	14.31	76.58
17	16	2406	Forestry and Wildlife	523.19	128.09	24.48
18	18	2851	Village and Small Industries	169.43	85.91	50.71
19	18	4851	Capital outlay on Village and Small Industries	56.93	22.47	39.47
20	19	2235	Social Security and Welfare	902.04	26.49	2.94
21	20	2501	Special Programmes for Rural Development	246.76	184.62	74.82
22	20	2505	Rural Employment	429.77	116.12	27.02
23	20	2515	Other Rural Development Programmes	801.94	83.20	10.38
24	23	2801	Power	631.88	52.69	8.34
25	23	6801	Loans for Power Projects	490.17	182.38	37.21
26	27	2230	Labour, Employment and Skill Development	268.20	36.18	13.49
27	28	2217	Urban Development	537.55	118.35	22.02
28	29	2049	Interest Payments	4260.00	159.99	3.76
29	29	2054	Treasury and Accounts Administration	58.20	12.45	21.38
30	29	2071	Pensions and other Retirement Benefits	5892.93	1019.08	17.29
31	31	2055	Police	70.38	10.69	15.18
32	31	2202	General Education	340.53	74.63	21.92
33	31	2211	Family Welfare	44.30	21.38	48.25
34	31	2215	Water Supply and Sanitation	58.83	15.58	26.48
35	31	2235	Social Security and Welfare	40.50	16.72	41.30

Sr. No.	Grant No.	Major Head	Name of the Grant	Total Provision	Amount of Surrender	Percentage of Total Provision
36	31	2251	Secretariat-Social Services	26.07	12.65	48.52
37	31	2401	Crop Husbandry	46.43	20.49	44.13
38	31	2406	Forestry and Wildlife	32.87	11.38	34.63
39	31	2505	Rural Employment	58.50	52.65	90.00
40	31	3054	Roads and Bridges	214.55	45.17	21.06
41	31	6801	Loans for Power Projects	74.20	46.20	62.26
42	32	2202	General Education	395.85	95.19	24.05
43	32	2210	Medical and Public Health	136.42	12.50	9.16
44	32	2225	Welfare of Scheduled Castes, Scheduled Tribes, other Backward Classes and Minorities	40.52	14.58	35.99
45	32	2235	Social Security and Welfare	156.59	28.37	18.11
46	32	2401	Crop Husbandry	102.83	17.30	16.82
47	32	2406	Forestry and Wildlife	46.59	22.33	47.93
48	32	2501	Special programmes for Rural Development	36.69	25.97	70.77
49	32	2505	Rural Employment	163.74	147.37	90.00
50	32	4701	Capital outlay on Medium Irrigation	21.38	20.21	94.53
51	32	4705	Capital outlay on Command Area Development	22.17	22.17	100.00
52	32	5054	Capital outlay on Roads and Bridges	439.97	20.67	4.70
53	32	6801	Loans for Power Projects	90.63	61.42	67.77
			Total	32314.34	5500.69	

Source: Appropriation Accounts/VLC

Appendix-2.13

(Reference: Paragraph 2.4; Page 56)

Statement showing unspent balances in PDAs as on 31 March 2019

(In ₹)

Sr. No.	Major Head	Name of Head	Treasury/DDO's Name	Unspent balances
1.	8443	106	O/o THE CIVIL JUDGE SR. DIVISON, BILASPUR	87477.17
2.	8443	106	O/o THE CIVIL JUDGE (JR. DIV. COURT NO.1), GHUMARWIN	321218.45
3.	8443	106	O/o THE CIVIL JUDGE (JR. DIV. COURT NO.2), GHUMARWIN	299680.00
4.	8443	106	O/o THE CIVIL JUDGE (JR. DIV. COURT NO.3), GHUMARWIN	122080.00
5.	8443	106	O/o THE CIVIL JUDGE JR.DIVISION, BILASPUR	123960.00
6.	8443	106	O/o THE DISTT & SESSION JUDGE, BILASPUR	435931.00
7.	8443	106	O/o THE CJM, CHAMBA	544006.62
8.	8443	106	O/o THE CJM, DALHOUSIE	67735.00
9.	8443	106	O/o THE H.P HIGH COURT, SHIMLA (SHIMLA CAPITAL)	1939475.00
10.	8443	106	O/o THE IGMCI, SHIMLA CAPITAL	1539049.00
11.	8443	106	O/o THE IG YOUTH & SPORTS COMPLEX SHIMLA (SHIMLA CAPITAL)	4261910.00
12.	8443	106	O/o THE SUB JUDGE, HAMIRPUR	892120.00
13.	8443	106	O/o THE SUB JUDGE, BARSAR	249140.00
14.	8443	106	O/o THE SUB JUDGE, NADAUN	144520.00
15.	8443	106	O/o THE CJM, KULLU	653091.00
16.	8443	106	O/o THE CJM JUDGE, ANNI	44494.00
17.	8443	106	O/o THE SUB JUDGE, MANALI	173573.00
18.	8443	106	O/o THE SUB JUDGE IST CLASS KANGRA	170639.00
19.	8443	106	O/o THE SUB JUDGE, NURPUR	299513.00
20.	8443	106	O/o THE SUB JUDGE, PALAMPUR	292355.00
21.	8443	106	O/o THE SUB JUDGE, DEHRA	222037.60
22.	8443	106	O/o THE DISTT SESSION JUDGE KANGRA AT DHARAMSHALA	124175.00
23.	8443	106	O/o THE SUB JUDGE, JAWALI	113070.00
24.	8443	106	O/o THE SUB JUDGE 2ND DIVISION, KANGRA	163941.00
25.	8443	106	O/o THE SUB JUDGE, DEHRA -II	114431.00
26.	8443	106	O/o THE SUB JUDGE, BAIJNATH	158841.00
27.	8443	106	O/o THE AC TO DC, DHARAMSHALA	31510.00
28.	8443	106	O/o THE CJM, DHARAMSHALA	701557.00
29.	8443	106	O/o THE SUB JUDGE, INDORA	76930.00
30.	8443	106	O/o THE SR.SUB JUDGE, KALPA	181634.00
31.	8443	106	O/o THE SR.SUB JUDGE, SUNDERNAGAR	222613.00
32.	8443	106	O/o THE SR.SUB JUDGE, MANDI	762400.00
33.	8443	106	O/o THE SR.SUB JUDGE, SARKAGHAT	272746.00
34.	8443	106	O/o THE SR.SUB JUDGE, JOGINDERNAGAR	167775.20
35.	8443	106	O/o THE SR.SUB JUDGE, KARSOG	95684.00
36.	8443	106	O/o THE DIRECTOR, TECHNICAL EDUCATION, VOCATIONAL AND INDUSTRIAL TRAINING , HP, SUNDERNAGAR	5000.00

Sr. No.	Major Head	Name of Head	Treasury/DDO's Name	Unspent balances
37.	8443	106	O/o THE SR.SUB JUDGE, GOHAR	165438.00
38.	8443	106	O/o THE DISTT SESSION JUDGE, SHIMLA	432942.00
39.	8443	106	O/o THE DISTT & SESSION JUDGE KINNAUR AT RAMPUR	171049.00
40.	8443	106	O/o THE SUB JUDGE, RAMPUR	222679.00
41.	8443	106	O/o THE SUB JUDGE, THEOG	201325.00
42.	8443	106	O/o THE SDO (C), DODRA KAWAR	0.10
43.	8443	106	O/o THE SUB JUDGE, ROHRU	462993.00
44.	8443	106	O/o THE SR.SUB JUDGE, SHIMLA	1078666.00
45.	8443	106	O/o THE SUB JUDGE, CHOPAL	53121.00
46.	8443	106	O/o THE SUB JUDGE JUBBAL, SHIMLA	125234.00
47.	8443	106	O/o THE ADDL. DISTT. & SESSION JUDGE KINNAUR AT RAMPUR	98700.86
48.	8443	106	O/o THE DISTT SESSION JUDGE, NAHAN	120292.00
49.	8443	106	O/o THE ADDL.SESSION JUDGE, NAHAN	161734.00
50.	8443	106	O/o THE SR.SUB JUDGE, NAHAN (SR. DIVISION)	382910.00
51.	8443	106	O/o THE CIVIL JUDGE (JR.DIVISION), PONTA	209175.00
52.	8443	106	O/o THE CIVIL JUDGE (JR.DIVISION), RAJGARH	104247.00
53.	8443	106	O/o THE CIVIL JUDGE, KANDAGHAT	61981.00
54.	8443	106	O/o THE ADDL. DISTT & SESSION JUDGE, SOLAN	345750.00
55.	8443	106	O/o THE CIVIL JUDGE, NALAGARH	432964.00
56.	8443	106	O/o THE CIVIL JUDGE SR. DIVISION, SOLAN	211148.00
57.	8443	106	O/o THE CIVIL JUDGE, ARKI	142925.00
58.	8443	106	O/o THE CIVIL JUDGE JR. DIV., SOLAN	336623.00
59.	8443	106	O/o THE DISTT AND SESSION JUDGE, SOLAN	101103.00
60.	8443	106	O/o THE CIVIL JUDGE JUNIOR DIV., KASAULI	91280.00
61.	8443	106	O/o THE CIVIL JUDGE SR. DIV., KASAULI	189892.00
62.	8443	106	O/o THE SR SUB JUDGE, UNA	938835.00
63.	8443	106	O/o THE JR.SUB JUDGE, AMB	462834.00
64.	8448	106	O/o THE FUNDS OF ICAR	925789.00
65.	8448	109	O/o THE P.S. JHANDUTTA	97798.00
66.	8448	109	O/o THE P.S. KALPA	572525.33
67.	8448	109	O/o THE P.S. DRANG	0.17
68.	8448	109	O/o THE P.S. CHAUNTRA	304667.17
69.	8448	109	O/o THE P.S. ROHRU	16514.00
70.	8448	109	O/o THE P.S. DODRA KWAR	9500.10
71.	8448	109	O/o THE P.S. SOLAN	0.32
72.	8448	109	O/o THE P.S. KANDAGHAT	231578.00
73.	8448	109	O/o THE P.S. GAGRET	0.88
74.	8448	109	O/o THE P.S. AMB	0.38
75.	8448	109	O/o THE NAGAR PANCHAYAT, MEHATPUR	481.00
76.	8448	109	O/o THE NAGAR PANCHAYAT, SANTOKHGARH	5506.17
77.	8448	109	O/o THE P.S. NADAUN	41264.00
78.	8448	109	O/o THE P.S. BHORANJ	23480.00
.Total				25611257.52 or ₹ 2.56 crore

Appendix-2.14

(Reference: Paragraph 2.5.2; Page 57)

Revenue Receipts booked under Minor Head 800- Other Receipts

(₹ in crore)

Sr. No.	Major Head	Receipt under Minor Head 800	Total Receipt under the Head	Percentage
1.	0006	0.33	3342.68	0.01
2.	0029	6.33	8.39	75.42
3.	0030	3.58	250.55	1.43
4.	0039	36.62	1481.63	2.47
5.	0041	35.68	408.01	8.74
6.	0042	1.25	104.38	1.19
7.	0043	0.38	487.08	0.08
8.	0045	214.27	307.46	69.69
9.	0049	74.26	385.88	19.24
10.	0051	0.05	13.86	0.39
11.	0055	11.11	72.89	15.24
12.	0056	0.09	0.29	29.78
13.	0057	0.11	0.11	100.00
14.	0059	32.36	69.92	46.28
15.	0070	33.89	51.34	66.00
16.	0075	1.60	20.76	7.72
17.	0202	1.72	214.59	0.80
18.	0210	5.38	12.02	44.73
19.	0211	0.03	0.03	100.00
20.	0215	1.47	62.13	2.37
21.	0217	4.29	4.29	100.00
22.	0220	0.97	2.08	46.69
23.	0230	4.49	7.99	56.20
24.	0235	7.54	9.61	78.39
25.	0250	0.01	0.01	100.00
26.	0401	7.69	10.94	70.26
27.	0403	0.57	1.18	48.79
28.	0405	0.39	3.38	11.61
29.	0406	22.89	76.32	30.00
30.	0407	0.01	0.01	100.00
31.	0408	98.37	98.37	100.00
32.	0425	21.83	24.65	88.55
33.	0515	4.07	5.18	78.62
34.	0575	0.18	0.18	100.00
35.	0700	0.11	0.12	90.06
36.	0801	1134.34	1134.34	100.00
37.	0851	0.59	0.93	63.55
38.	0852	8.75	8.69	100.61
39.	0853	51.38	221.05	23.25
40.	1054	78.03	80.72	96.66
41.	1055	0.38	0.38	100.00
42.	1452	1.25	1.33	94.15
43.	1456	0.07	0.07	100.00
44.	1475	2.16	8.52	25.40
	Total:	1910.87	8994.34	

Appendix-2.15

(Reference: Paragraph 2.5.2; Page 57)

Revenue Expenditure booked under Minor Head 800-Other Expenditure

(₹ in crore)

Sr. No.	Major Head	Expenditure under Minor Head 800	Total Expenditure under the Head	Percentage
1.	2012	0.09	8.15	1.17
2.	2014	4.95	197.62	2.50
3.	2043	1.29	1.29	100.00
4.	2053	1.63	197.13	0.83
5.	2075	27.97	28.22	99.11
6.	2202	116.36	5691.76	2.04
7.	2204	0.19	22.54	0.83
8.	2211	204.40	362.93	56.32
9.	2216	1.21	103.31	1.17
10.	2230	100.77	239.83	42.02
11.	2235	74.33	1048.37	7.09
12.	2401	100.05	644.84	15.52
13.	2402	11.49	66.33	17.31
14.	2403	28.55	358.10	7.97
15.	2406	1.93	440.06	0.44
16.	2407	1.26	1.31	96.18
17.	2408	30.34	340.14	8.92
18.	2501	22.58	84.88	26.61
19.	2702	3.14	616.89	0.51
20.	2711	0.88	44.23	1.98
21.	2801	0.95	579.19	0.16
22.	2851	8.50	96.54	8.81
23.	2852	2.14	8.93	23.97
24.	3054	24.34	2234.26	1.09
25.	3452	0.15	116.45	0.13
26.	4070	18.49	21.99	84.08
27.	4202	20.78	326.90	6.36
28.	4215	0.60	417.69	0.14
29.	4216	1.45	73.47	1.97
30.	4225	1.42	10.15	14.01
31.	4235	8.49	9.71	87.38
32.	4401	1.45	65.98	2.19
33.	4402	0.88	34.92	2.51
34.	4406	0.50	11.16	4.48
35.	4701	57.83	59.00	98.02
36.	4711	124.63	137.02	90.96
37.	4851	23.46	46.43	50.54
38.	5054	36.85	1940.98	1.90
39.	5452	52.50	53.86	97.47
40.	5475	178.94	178.97	99.98
41.	6004	0.43	85.06	0.50
42.	7610	0.09	7.60	1.12
	Total	1,298.28	17,014.19	

Appendix-2.16

(Reference: Paragraph 2.5.2; Page 57)

Flagship schemes booked under Minor Head 800- Other Expenditure

Sr. No.	Name of Scheme	Grant No.	Heads of Account				Amount (₹ in crore)
1.	Flow Irrigation Scheme	11	2401	00	800	22	150
2.	Jal Se Krishi Ko Bal	11	2401	00	800	21	250
3.	Flow Irrigation Scheme	13	2702	01	800	02	150
4.	Jal Se Krishi Ko Bal	13	2702	01	800	01	250
5.	Medium Irrigation Schemes	13	4701	27	800	01	85
6.	Saur Sinchai Yojna	13	2702	01	800	03	200
7.	Mukhyamantri Swavlamban Yojna	18	2851	00	800	10	80
Total							1,165

Appendix-2.17

(Reference: Paragraph 2.6.1; Page 58)

List of cases where substantial surrenders were made during 2018-19

(₹ in crore)

Sr. No.	Heads of Accounts	Original Provision	Surrender (Per cent)
1.	2059-80-001-01	19.88	4.70 (24)
2.	2059-80-001-03	5.61	2.09 (37)
3.	2059-80-053-03	129.11	31.51 (24)
4.	2059-80-053-05	115.10	21.85 (19)
5.	2059-80-053-06	115.88	21.75 (19)
6.	3054-04-105-02	11.27	2.77 (25)
7.	3054-04-105-05	0.38	0.12 (33)
8.	3054-04-105-06	685.11	145.54 (21)
9.	3054-04-105-07	683.66	145.96 (21)
10.	3054-04-105-19	153.70	59.06 (38)
11.	3054-04-105-20	291.96	92.96 (32)
12.	3054-04-105-21	80.96	28.78 (36)
13.	3054-04-105-22	83.56	23.22 (28)
14.	3054-04-105-23	126.58	41.11 (32)
15.	3054-04-105-26	50.00	50.00 (100)
16.	3054-80-001-01	51.93	12.55 (24)
17.	3054-80-001-05	5.50	1.68 (31)
	Total:	2,610.19	685.65 (21)

Appendix-2.18

(Reference: Paragraph 2.6.2; Page 59)

List of cases where excess expenditure (₹ 15 lakh and more or 20 per cent and above in each) over the original provision were made during 2018-19

(₹ in crore)

Sr. No.	Head of accounts	Original Budget	Actual expenditure	Excess (per cent)
1.	2401-00-104-00 -Agriculture Farms (State Plan)	19.74	20.01	0.27 (13)
2.	2401-00-109-27-C00N- Agriculture Extension	0	0.60	0.60 (100)
3.	2401-00-109-27-C90N - Agriculture Extension	17.77	21.69	3.92 (22)
4.	2401-00-109-27-S10N -Agriculture Extension	1.97	2.66	0.69 (35)
5.	2415-01-004-02-GIA to HPKVV for Research (State Plan)	39.09	64.09	25.00 (64)
Total		78.57	109.04	30.48

Appendix-2.19

(Reference: Paragraph 2.6.2 ; Page 59)

Details of savings/unutilized budget provision (₹ 20 lakh and more or 20 per cent and above in each case)

(₹ in crore)

Sr. No.	Head of accounts	Original Budget	Savings	Percentage of Saving
1.	2401-00-001- Direction and Administration	36.45	6.52	17.89
2.	2401-00-103-Seeds	17.09	3.79	22.19
3.	2401-00-105 Manures and Fertilisers	28.68	7.58	26.43
4.	2401-00-107- Plant Protection	0.22	0.05	23.52
5.	2401-00-109- Extension and Farmers Training	48.16	0.71	1.48
6.	2401-00-111- Agriculture Economics and Statistics	2.20	0.74	33.48
7.	2401-00-113-Agriculture Engineering	21.40	0.78	3.62
8.	2401-00-115- Scheme of Small Marginal Farmers and Agriculture Labour	0.40	0.34	84.74
9.	2401-00-800- Other Expenditure	157.82	57.91	36.69
10.	2402-00-101-Soil and Water Conservation	2.70	0.85	31.58
11.	2402-00-102-Soil Conservation	27.42	5.64	20.58
12.	2402-00-800- Other Expenditure	22.38	10.89	48.68
13.	2403-00-107-Fodder and Feed Development	8.00	0.22	2.72
14.	2407-00-800-Other Expenditure	1.60	0.35	21.59
15.	2810-00-103-Biomass	5.45	0.97	17.74
16.	4401-00-103 Seeds	39.98	1.10	2.76
17.	4402-00-102-Soil Conservation	27.45	1.68	6.13
	Total	447.40	100.12	

Appendix-2.20

(Reference: Paragraph 2.7.3 ; Page 60)

Authorization of bills without budget

Sr. No.	Name of District/Sub- Treasury	No of DDOs	No. of cases	Amount Authorized without budget (₹ in lakh)
1.	D.T. Bilaspur	02	04	34.74
2.	S.T. Sihunta	01	01	1.21
3.	D.T. Hamirpur	04	04	2.37
4.	S.T. Jawali	02	02	12.37
5.	S.T. Fatehpur	01	01	36.87
6.	S.T. Sangla	02	02	1.38
7.	D.T. Kullu	09	09	131.96
8.	S.T. Anni	05	05	17.22
9.	Try. Kaza	03	03	0.80
10.	D.T. Shimla	01	01	5.42
11.	S.T. Kumarsain	01	01	2.03
12.	S.T. Arki	01	01	6.35
Total		32	34	252.72

Appendix-2.21

(Reference: Paragraph 2.7.3; Page 61)

Authorization of funds in excess of sanctioned budget

Sr. No.	Name of District/Sub Treasury	No of DDO's	No. of cases	Excess amount authorized (₹ in lakh)
1.	D.T. Bilaspur	05	07	90.70
2.	D.T. Chamba	07	10	25.04
3.	S.T. Dalhousie	06	06	19.29
4.	S.T. Bharmour	04	08	53.55
5.	S.T. Salooni	03	04	47.13
6.	S.T. Holi	03	03	15.48
7.	S.T. Shillai	06	07	20.71
8.	S.T. Bhalei	03	03	17.08
9.	D.T. Hamirpur	04	05	131.00
10.	S.T. Nadaun	04	05	40.52
11.	D.T. Kangra at Dharamshala	03	06	195.40
12.	S.T. Kangra	10	10	390.80
13.	S.T. Dehra	03	04	12.74
14.	S.T. Indora	02	02	0.33
15.	S.T. Nurpur	07	09	465.13
16.	S.T. Palampur	04	07	174.63
17.	S.T. Jawali	03	05	152.74
18.	S.T. Fatehpur	02	06	235.98
19.	S.T. Khundian	01	01	14.10
20.	S.T. Rakkar	02	02	0.82
21.	S.T. Baijnath	02	02	6.33
22.	S.T. Kasba-Kotla	03	04	23.51
23.	S.T. Dheera	01	01	3.01
24.	D.T. Kinnaur at Reckong Peo	01	12	122.09
25.	S.T. Moorang	07	07	12.81
26.	S.T. Nichar	05	05	20.08
27.	D.T. Kullu	06	07	83.67
28.	S.T. Anni	02	02	6.80
29.	S.T. Banjar	03	03	146.35
30.	S.T. Nirmand	01	02	1.72
31.	D.T. Keylong	03	05	656.71
32.	S.T. Udaipur	02	02	11.49
33.	Try. Kaza	07	08	114.45
34.	D.T. Mandi	05	10	646.70
35.	S.T. Karsog	02	02	0.56
36.	S.T. Sarkaghat	02	02	2.25
37.	S.T. Chachiot	03	04	8.46
38.	S.T. Nihri	01	01	0.55
39.	S.T. Lad Bharol	01	02	36.56
40.	S.T. Bali Chowki	01	01	0.08
41.	S.T. Kotli	01	04	45.62
42.	S.T. Padhar	03	05	112.67

Sr. No.	Name of District/Sub Treasury	No of DDO's	No. of cases	Excess amount authorized (₹ in lakh)
43.	Capital Treasury, Shimla	03	04	110.15
44.	D.T. Shimla	13	15	315.27
45.	S.T. Sunni	03	04	48.32
46.	S.T. Chopal	01	01	5.23
47.	S.T. Jubbal	02	03	7.29
48.	S.T. Kotkhai	01	01	7.05
49.	S.T. Rampur	05	05	33.55
50.	S.T. Rohru	09	09	316.22
51.	S.T. Theog	07	07	42.87
52.	S.T. Kumarsain	03	04	25.01
53.	S.T. Nankhari	02	02	3.27
54.	S.T. Nerwa	02	03	50.97
55.	S.T. Chirgaon	04	04	9.38
56.	D.T.Sirmour at Nahan	06	09	53.92
57.	S.T. Pachhad	02	03	33.05
58.	S.T. Paonta Sahib	02	02	3.16
59.	S.T. Rajgarh	02	02	53.73
60.	S.T. Shillai	02	02	8.95
61.	S.T. Sangrah	02	05	11.63
62.	S.T. Kamrau	01	01	2.27
63.	S.T. Dadahu	02	02	1.52
64.	S.T. Nohradhar	02	02	12.01
65.	D.T. Solan	04	06	79.56
66.	S.T. Arki	01	01	0.84
67.	S.T. Kasauli	02	04	8.32
68.	S.T. Krishangarh	04	04	5.88
69.	S.T. Mamleeg	01	01	1.86
70.	D.T. Una	03	05	12.03
71.	S.T. Haroli	03	04	51.00
72.	S.T. Bangana	02	03	12.98
73.	S.T. Amb	02	04	26.07
Total		242	323	5519.00

Appendix-3.1

(Reference: Paragraph 3.1; Page 63)

Utilisation Certificates outstanding as on 31 March 2019

(₹ in lakh)

Sr. No.	Head of Account	Year	Utilisation certificates due		Utilisation certificates outstanding	
			No. of Items	Amount	No. of Items	Amount
1	2	3.	4.	5.	6	7
1.	Rural Development					
	Housing	2014-15	38	869.58	4	40.08
		2015-16	50	2,120.23	3	9.22
		2016-17	65	3,038.20	10	677.05
		2017-18	123	8,649.79	89	7,661.07
			276	14,677.80	106	83,87.42
	Rural employment	2011-12	1	8.08	-	-
		2015-16	15	6,790.88	6	1,136.95
		2016-17	34	34,301.61	12	1,000.00
		2017-18	28	17,575.18	28	17,575.18
			78	58,675.75	46	197,12.13
	Total (Rural Development)		354	73,353.55	152	280,99.55
2.	Education					
	General Education	2015-16	1	100.00	1	100.00
		2016-17	6	442.00	1	1.02
		2017-18	27	7,445.76	27	7,445.76
				34	79,87.76	29
	Sports and Youth Services	2016-17	1	300.00	-	-
		2017-18	18	213.39	-	-
				19	513.39	-
	Art and Culture	2016-17	132	525.24	-	-
		2017-18	108	820.53	106	650.53
			240	1,345.77	106	650.53
	Total (Education)		293	9,846.92	135	81,97.31
3.	Urban Development					
	Urban Development	2014-15	5	212.58	1	15.23
		2015-16	17	7,016.94	13	230.08
		2016-17	104	38,296.73	37	8,895.49
		2017-18	63	22,268.71	47	17,529.51
			189	67,794.96	98	266,70.31
	Road and Bridges	2016-17	1	191.34	1	191.34
		2017-18	1	600.00	1	600.00
				2	791.34	2
	Total (Urban Development)		191	68,586.63	100	27,461.65
4.	Animal Husbandry					
	Animal Husbandry	2014-15	11	344.37	-	-
		2015-16	28	2,805.30	1	1,000.00
		2017-18	28	1,591.03	28	825.44
	Total (Animal Husbandry)		67	4,740.70	29	18,25.44

Sr. No.	Head of Account	Year	Utilisation certificates due		Utilisation certificates outstanding	
			No. of Items	Amount	No. of Items	Amount
5.	Co-operation					
	Food Storage and Warehousing	2016-17	8	14.81	1	8.00
		2017-18	27	71.20	5	13.00
			35	86.01	6	21.00
	Co-operation	2014-15	2	2.15	-	-
		2015-16	3	4.30	-	-
		2016-17	18	15.87	2	4.73
		2017-18	43	109.32	6	14.20
			66	131.64	8	18.93
	Total (Co-operation)		101	217.65	14	39.93
6.	Tourism					
	Tourism	2014-15	2	3.30	1	0.75
		2015-16	2	4.15	1	2.90
		2016-17	3	2,655.00	1	5.00
		2017-18	10	12,507.40	3	107.40
	Total (Tourism)		17	15,169.85	6	116.05
7.	Industries					
	Village and Small Scale Industries	2012-13	1	7.21	1	7.21
		2014-15	2	24.09	2	24.09
		2015-16	20	143.60	4	33.67
		2016-17	71	3,505.66	34	1,339.75
		2017-18	142	5,319.41	115	4,508.93
	Total (Industries)		236	8,999.97	156	5,913.65
8.	Agriculture					
	Crop Husbandry	2016-17	12	8,635.00	-	-
		2017-18	17	5,280.74	5	3,680.00
			29	13,915.74	5	3,680.00
	Soil conservation	2017-18	5	60.50	5	60.50
			5	60.50	5	60.50
	Agriculture Research and Education	2017-18	48	25,138.96	7	558.46
				48	25,138.96	7
	Special programmes	2014-15	15	851.27	-	-
		2015-16	22	3,277.39	-	-
		2016-17	36	11,471.76	3	955.00
		2017-18	53	7,543.66	15	3,094.23
			126	23,144.09	18	4,049.23
	Dairy Development	2015-16	21	1,666.16	-	-
		2016-17	21	1,661.88	-	-
		2017-18	21	1,666.05	-	-
			63	4,994.09	-	-
	Other Agriculture Programme	2016-17	2	1,000.00	-	-
		2017-18	2	1,000.00	-	-
				4	2,000.00	-
	Total (Agriculture)		275	69,253.38	35	8,348.19

Sr. No.	Head of Account	Year	Utilisation certificates due		Utilisation certificates outstanding	
			No. of Items	Amount	No. of Items	Amount
9.	Forests					
	Forestry and Wildlife	2014-15	10	51.06	-	-
		2015-16	21	160.53	11	95.99
		2016-17	100	458.96	23	8.16
		2017-18	30	602.95	9	47.20
	Total (Forests)		161	1,273.50	43	151.35
10.	Medical and Public Health					
	Medical and Public Health	2016-17	77	70,12.62	13	615.23
		2017-18	1,109	139,16.89	33	2,855.26
			1,186	209,29.51	46	3,470.50
	Family Health	2016-17	36	115,91.52	-	-
		2017-18	56	204,21.07	-	-
			92	320,12.59	-	-
	Total (Medical and Public Health)		1,278	529,42.10	46	3,470.50
11.	Social Justice and Empowerment					
	Welfare of SC, ST and Other Backward Classes	2012-13	7	254.26	7	254.26
		2013-14	3	8.60	3	8.60
		2015-16	4	235.00	-	-
		2016-17	5	237.00	4	235.00
		2017-18	5	229.07	3	203.00
			24	963.93	17	700.86
	Capital outlay on Welfare of SC, ST and OBC	2016-17	1	49.00	1	49.00
		2017-18	1	49.00	1	49.00
			2	98.00	2	98.00
	Total (Social Justice and Empowerment)		26	1,061.93	19	798.86
12.	Fisheries					
	Fisheries	2016-17	10	15.07	10	15.07
		2017-18	18	75.18	18	75.18
	Total (Fisheries)		28	90.25	28	90.25
13.	Planning					
	Secretariat Economic Services	2014-15	5	55.54	-	-
		2015-16	2	67.01	-	-
		2016-17	2	1,091.36	-	-
		2017-18	8	2,903.08	8	2,903.08
	Total (Planning)		17	4,116.99	8	2,903.08
14.	Revenue Department					
	Land Revenue	2015-16	1	1.00	-	-
		2016-17	14	70.00	13	65.00
		2017-18	33	214	31	206.40
			48	285.00	44	271.40
	Miscellaneous General Services	2015-16	1	49.74	-	-
		2016-17	16	207.93	-	-
		2017-18	39	390.04	-	-
			56	647.71	-	-
	Total (Revenue Department)		104	932.71	44	271.40

Sr. No.	Head of Account	Year	Utilisation certificates due		Utilisation certificates outstanding	
			No. of Items	Amount	No. of Items	Amount
15.	Transport Department					
	Capital outlay on Transport	2017-18	1	36.00	1	36.00
	Road Transport	2016-17	2	559.48	-	-
		2017-18	-	14,500	-	-
			2	150,59.48	-	-
	Total (Transport Department)		3	150,95.48	1	36.00
16.	Labour and Employment					
	Labour and Employment	2017-18	1	5.00	1	5.00
	Total (Labour and Employment)		1	5.00	1	5.00
17.	Irrigation and Public Health					
	Water Supply and Sanitation	2016-17	2	399.20	-	-
		2017-18	7	1,033.08	7	683.08
	Total (Irrigation and Public Health)		9	1,432.28	7	683.08
18.	Social Security and Welfare					
	Social Security and Welfare	2015-16	26	125.79	3	18.47
		2016-17	137	2,616.55	5	77.19
		2017-18	416	5,351.82	374	1,896.88
			579	8,094.15	382	1,992.54
	Other Social Community	2017-18	3	300.69	1	0.27
				3	300.69	1
	Secretariat Social Services	2016-17	4	23.50	4	23.50
		2017-18	3	23.03	3	23.03
			7	46.53	7	46.53
	Total (Social Security and Welfare)		589	8,441.37	390	2,039.34
19.	Energy Department					
	Power	2017-18	5	311.00	-	-
				5	311.00	-
	Non-Conventional Source of Energy	2017-18	4	20.00	3	16.00
				4	20.00	3
	Total (Energy Department)		9	331.00	3	16.00
20.	Panchayati Raj Department					
	Rural Development Programmes	2011-12	156	4,882.35	149	3,291.62
		2012-13	150	4,925.90	109	2,171.38
		2013-14	156	10,371.62	112	4,318.54
		2014-15	195	23,316.95	141	15,066.52
		2015-16	150	29,117.58	96	9,009.82
		2016-17	375	47,480.89	272	26,674.47
		2017-18	394	51,836.50	283	38,454.98
			1,576	1719,31.80	1,162	989,87.32
	Capital Outlay on Housing	2016-17	3	35.00	3	33.00
				3	35.00	3
	Capital Outlay on Other Rural Development Programme	2016-17	1	149.00	-	-
	Total (Panchayati Raj Department)		1,580	1721,15.80	1,165	990,20.32

Sr. No.	Head of Account	Year	Utilisation certificates due		Utilisation certificates outstanding	
			No. of Items	Amount	No. of Items	Amount
21.	Excise and Taxation Department					
	Compensation and assignments to Local Bodies	2015-16	8	306.85	-	-
		2016-17	250	688.65	-	-
		2017-18	31	1,029.48	7	64.57
			289	2,024.99	7	64.57
	Other Taxes	2017-18	1	60.00	-	-
			1	60.00	-	-
	Total (Excise and Taxation Department)		290	2,084.99	7	64.57
22.	Science and Technology					
	Other Scientific Research	2016-17	6	28.42	-	-
		2017-18	71	811.18	9	161.12
			77	839.60	9	161.12
	Ecology Environment	2017-18	20	185.50	8	147.80
			20	185.50	8	147.80
	Total (Science and Technology)		97	1,025.10	17	308.92
23.	HIPA					
	Other Administrative Services	2017-18	19	530.00	1	20.00
	Total (HIPA)		19	530.00	1	20.00
24.	Organs of State					
	Parliament/State/ Union Territory Legislature	2017-18	1	8.23	-	-
	Total (Organs of State)		1	8.23	-	-
25.	Administrative Services					
	Secretariat General Services	2017-18	7	151.72	-	-
	Total (Administrative Services)		7	151.72	-	-
26.	Police					
	Police	2016-17	4	1,025.51	-	-
		2017-18	1	10.00	-	-
	Total (Police)		5	103,5.51	-	-
	Grand Total		5,758	5128,42.29	2,407	1898,80.45

Appendix-3.2

(Reference: Paragraph 3.2; Page 64)

Statement showing submission of accounts by Autonomous Bodies and placement of SAR in the State Legislature

Sr. No.	Name of the body	Period of entrustment	Year upto which Accounts were rendered	Delay in Submission of Accounts	Period upto which Separate Audit Report is issued	Period upto which SAR placed in the Legislature	Years for which accounts are due and delay in submission of accounts
1	Himachal Pradesh State Veterinary Council, Shimla	2005-06 onwards	2017-18	2 months 17 days	2017-18 (17.10.2018)	2015-16 (15.03.2017)	2018-19
2	Himachal Pradesh Legal Service Authority, Shimla	-	2018-19	-	2013-14	2013-14	--
3	District Legal Service Authority, Hamirpur	-	2017-18	-	2013-14	2013-14	2018-19
4	District Legal Service Authority, Una	-	2017-18	-	2013-14	2013-14	-do-
5	District Legal Service Authority, Nahan	-	2017-18	-	2013-14	2013-14	-do-
6	District Legal Service Authority, Chamba	-	2017-18	-	2013-14	2013-14	-do-
7	District Legal Service Authority, Bilaspur	-	2017-18	-	2013-14	2013-14	-do-
8	District Legal Service Authority, Shimla	-	2018-19	-	2013-14	2013-14	--
9	District Legal Service Authority, Solan	-	2018-19	-	2013-14	2013-14	--
10	District Legal Service Authority, Kullu	-	2017-18	-	2013-14	2013-14	2018-19
11	District Legal Service Authority, Kinnaur at Rampur	-	2017-18	-	2013-14	2013-14	-do-
12	District Legal Service Authority, Dharmshala at Kangra	-	2017-18	-	2013-14	2013-14	-do-
13	District Legal Service Authority, Mandi	-	2017-18	-	2013-14	2013-14	-do-
14	Himachal Pradesh Building and Other Construction Workers Welfare Board, Shimla	2009-10	2015-16 to 2017-18	2015-16 (2 years) 2016-17 (1 year)	2014-15	2014-15	-do-

Appendix - 3.3

(Reference: Paragraph 3.4; Page 65)

Department wise and duration wise break-up of the cases of theft, misappropriation/losses, etc.

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 or more		Total No. of Cases	
		C	A	C	A	C	A	C	A	C	A	C	A	C	A
1.	Education	01	0.40	02	2.55	01	0.93	-	-	-	-	-	-	04	3.88
2.	Rural Development	-	-	02	4.68	-	-	-	-	-	-	-	-	02	4.68
3.	Agriculture	-	-	-	-	01	9.20	01	0.26	-	-	-	-	02	9.46
4.	Horticulture	-	-	01	1.54	01	0.06	-	-	01	1.29	-	-	03	2.89
5.	Land Revenue	-	-	-	-	-	-	-	-	01	2.57	-	-	01	2.57
6.	Police	-	-	01	0.08	-	-	-	-	-	-	-	-	01	0.08
7.	Fisheries	-	-	01	1.28	-	-	-	-	-	-	-	-	01	1.28
8.	Municipal Council, Chamba	01	0.42	-	-	-	-	-	-	-	-	-	-	01	0.42
9.	Home Guard	-	-	-	-	-	-	02	25.37	-	-	-	-	02	25.37
10.	Health (Medical Department)	-	-	-	-	01	0.95	-	-	-	-	-	-	01	0.95
11.	Forest	01	3.99	01	2.38	-	-	01	0.63	-	-	03	15.14	06	22.14
12.	Public Works	-	-	-	-	-	-	06	7.42	01	1.05	08	2.69	15	11.16
13.	Irrigation and Public Health	-	-	-	-	01	0.89	02	7.71	-	-	02	0.31	05	8.91
	Total:	3	4.81	8	12.51	5	12.03	12	41.39	3	4.91	13	18.14	44	93.79

C: Number of Cases

A: Amount (₹ in lakh)

Appendix-3.4

(Reference: Paragraph 3.4; Page 65)

Department/category-wise details in respect of cases of loss to Government due to theft, misappropriation/loss of Government material

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)
Education	03	2.00	01	1.88	04	3.88
Rural Development	02	4.68	-	-	02	4.68
Agriculture	-	-	02	9.46	02	9.46
Horticulture	01	0.06	02	2.83	03	2.89
Land Revenue	-	-	01	2.57	01	2.57
Police	-	-	01	0.08	01	0.08
Fisheries	01	1.28	-	-	01	1.28
Municipal Council, Chamba	-	-	01	0.42	01	0.42
Home Guard	-	-	02	25.37	02	25.37
Health (Medical Department)	-	-	01	0.95	01	0.95
Forest	-	-	06	22.14	06	22.14
Public Works	01	0.21	14	10.95	15	11.16
Irrigation and Public Health	01	0.25	04	8.66	05	8.91
Total	09	8.48	35	85.31	44	93.79

Appendix-3.5

(Reference: Paragraph 3.5; Page 66)

Details of outstanding advances drawn as AC bill and their adjustments (DC bill)

(₹ in lakh)

Name of Department	Year	No. of AC bills	Amount of AC bills	No. of DC bills	Amount of DC bills	Outstanding AC bills	
						Number	Amount
Director, Ayurveda, Kasumpti, Shimla	2014-15	18	348.13	14	292.63	4	55.50
	2015-16	16	312.50	0	0	16	312.50
	2016-17	10	368.71	0	0	10	368.71
	2017-18	13	339.47	0	0	13	339.47
	2018-19	19	393.32	0	0	19	393.32
	Total		76	1,762.13	14	292.63	62
Director, Health and Family Welfare, Kasumpti, Shimla	2014-15	13	1,398.33	0	0	13	1,398.33
	Total	13	1,398.33	0	0	13	1,398.33
Director, Agriculture, Boileauganj, Shimla	2014-15	19	1.82	19	1.82	0	0
	2015-16	14	1.40	14	1.40	0	0
	2016-17	12	1.20	12	1.20	0	0
	2017-18	1	0.10	1	0.10	0	0
	2018-19	12	1.60	12	1.60	0	0
	Total		58	6.12	58	6.12	0
Director, Horticulture, Navbahar, Shimla	2014-15	24	4.04	24	4.04	0	0
	2015-16	39	5.33	39	5.33	0	0
	2016-17	30	4.29	30	4.29	0	0
	2017-18	39	17.43	39	17.43	0	0
	2018-19	27	5.38	27	5.38	0	0
	Total		159	36.47	159	36.47	0
Director, Youth Services and Sports, Shimla		0	0	0	0	0	0
Grand Total		306	3,203.05	231	335.22	75	2,867.83 or ₹ 28.68 crore

Appendix-4

Glossary of terms

Sr. No.	Terms	Description
1.	State Implementing Agency	State Implementing Agency includes any Organisations/Institutions including Non-Governmental Organisation which is authorized by the State Government to receive the funds from the Government of India for implementing specific programmes in the State, e.g. State Implementation Society for SSA and State Health Mission for NRHM etc.
2.	GSDP	GSDP is defined as the total income of the State or the market value of goods and services produced using labour and all other factors of production at current prices.
3.	Buoyancy ratio	Buoyancy ratio indicates the elasticity or degree of responsiveness of 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 <i>per cent</i> .
4.	Development Expenditure	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.
5.	Consolidated Fund and Public Account liabilities	Consolidated Fund liabilities: Consisting mainly of internal borrowings i.e. market loans, bonds, loans from other financial institutions, special security issued to NSSF of GoI and loans & advances from GoI; and Public Account liabilities: Balances in the Public Account (Small Savings and Provident Funds, Deposits, Reserve Funds, etc.)
6.	Debt sustainability	The Debt sustainability is defined as the ability of the State to maintain a constant debt-GDP 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 balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.
7.	Sufficiency of Non-debt receipts (Resource Gap)	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.
8.	Net Debt available	Net Debt available to the State Government is calculated as excess of Public Debt receipts over Public Debt repayment and Interest payment on Public Debt.
9.	Non debt receipts	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.
10.	Guarantees	Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended.

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