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

**on**

**STATE FINANCES**

**for the year ended 31 March 2014**

**GOVERNMENT OF MADHYA PRADESH**



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## Preface

1. This Report has been prepared for submission to the Governor of Madhya Pradesh under Article 151 of the Constitution.
2. Chapters 1 and 2 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 2014. Information has been obtained from the Government of Madhya Pradesh wherever necessary.
3. Chapter 3 on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.
4. The Report containing the findings of performance audit and audit of transactions in various departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.





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## **EXECUTIVE SUMMARY**

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## EXECUTIVE SUMMARY

### Background

The Report on the Finances of the Government of Madhya Pradesh is brought out with a view to assess the financial performance of the State during the year 2013-14 based on audit analysis of financial data. In order to give a perspective to the analysis, we have attempted to compare the achievements made by the State Government *vis-a-vis* the targets envisaged in the Fiscal Responsibility and Budget Management Act (FRBM Act), 2005, State budget documents, norms recommended by the Thirteenth Finance Commission and other financial data obtained from various Government Departments and organisations.

### The Report

Based on the audited accounts of the Government of Madhya Pradesh for the year ended 31 March 2014, this Report provides an analytical review of the Annual Accounts of the State Government. The report is structured in three Chapters.

**Chapter 1** is based on audit of the Finance Accounts and makes an assessment of the Madhya Pradesh Government's fiscal position as on 31 March 2014. It provides an insight into the trends in the overall finances of the State, actual expenditure *vis-à-vis* budget estimates, salaries and wages, pensions, interest payments and subsidies, expenditure and Borrowing patterns, besides giving a brief account of Central funds transferred directly to the State implementing agencies through off-budget route. It also makes an assessment of the adequacy of the State's fiscal priorities to developmental, social sectors and capital expenditure.

**Chapter 2** is based on audit of Appropriation Accounts and gives a grant-wise description of appropriations and the manner in which the allocated resources were managed by the service delivery departments. Besides, comments arising out of review of selected grants have also been made in this Chapter.

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

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

### Audit findings

#### Chapter-1: Finances of the State Government

##### *Management of fiscal imbalances and resource mobilisation*

- The State maintained Revenue Surplus during the year 2013-14 at ₹ 5,879 crore. However, it decreased by ₹ 1,580 crore over the previous year. Though the Fiscal Deficit of the State (₹ 9,882 crore) was within the limits prescribed by XIII FC, FRBM Act and Budget estimates, the Fiscal Deficit increased from the previous year by ₹ 462 crore. However, Fiscal Deficit relative to GSDP has improved from



2.53 per cent in 2012-13 to 2.19 per cent in the current year, mainly because of higher growth of GSDP during 2013-14 (21.15 per cent) compared to the previous year (19.41 per cent).

**(Paragraph 1.1.2 and Profile of State)**

- Revenue Receipts (₹ 75,749 crore) grew by 7.56 per cent in 2013-14 compared to growth of 12.50 per cent in the previous year. The decrease was mainly due to decline in grants from GoI (2 per cent) and lesser growth in State's own Tax Revenue. During 2013-14, 54 per cent of Revenue Receipts came from State's own resources and 46 per cent contributed by Central tax transfers and Grants-in-aid from GoI.

**(Paragraph 1.3)**

**Expenditure management and fiscal priority**

- During 2013-14, the Revenue Expenditure (RE) of the State (₹ 69,870 crore) increased by 10.96 per cent. The Non-Plan Revenue Expenditure (NPRE) increased by 13.05 per cent and constituted 72 per cent of RE. Actual NPRE was 46.88 per cent more than the XIII FC projection, but almost equal to the projection made in the MTFPS of the State.

**(Paragraph 1.6.3)**

- Capital Expenditure in 2013-14 decreased by seven per cent over the previous year. The decrease was mainly under Rural Development, Energy and Agriculture & Allied Activities partly offset by increase in Irrigation & Flood Control and Transport.

**(Paragraph 1.6.2)**

- Expenditure on salaries & wages, pension payments, interest payments and subsidies together constituted 53 per cent of Revenue Expenditure and 49 per cent of Revenue Receipts. Out of total subsidy payments of ₹ 6,567 crore, 46 per cent pertained to Energy Department.

**(Paragraph 1.6.4)**

- The priority given to Social Sector Expenditure and expenditure on Education and Health Sectors in Madhya Pradesh was not adequate during 2013-14, when compared with General Category States' Average.

**(Paragraph 1.7.1)**

**Funds transferred to State Implementing Agencies outside the State Budget**

- A total amount of ₹ 9,280.05 crore was directly transferred to the State agencies during 2013-14 for implementing various schemes. These funds were not routed through State Budget.

**(Paragraph 1.2.2)**



**Return on investment**

- During 2013-14, return (₹ 378.72 crore) on investment of ₹ 15,275.10 crore made by the Government up to 2013-14 in Statutory corporations, companies, Co-operative societies etc. was only 2.48 *per cent* against the average borrowing cost of 6.84 *per cent* during the year.

*(Paragraph 1.8.1)*

- Twenty two Government Companies and Statutory Corporations with an aggregate investment of ₹ 12,695.31 crore for the latest year for which accounts were finalised as of 2013-14 were running in losses which accumulated to ₹ 22,071.34 crore.

*(Paragraph 1.8.1)***Incomplete projects**

- Expenditure of ₹ 34,465 crore incurred on 201 incomplete projects in the Departments of Energy, Water Resources, Public Works and Narmada Valley Development Authority remained unfruitful as of 31 March 2014. Of these initial estimated cost of 50 projects was revised involving cost over-run of ₹ 12,701 crore.

*(Paragraph 1.8.2)***Management of liabilities**

- At the end of the year 2013-14, total liabilities (TL) of the State was ₹ 96,826 crore. The ratio of TL to GSDP at 21.47 *per cent* was within the limit prescribed in FRBM target and XIII FC (36 *per cent*). The buoyancy of TL with respect to GSDP also decreased from 0.53 in 2012-13 to 0.35 during 2013-14.

*(Paragraph 1.9.2)***Chapter-2: Financial Management and Budgetary Control****Inflated provision under original and supplementary grants**

- Against the total budget provision of ₹ 1,13,550 crore during 2013-14, total expenditure incurred was ₹ 90,432 crore, resulting in overall savings of ₹ 23,118 crore. Therefore, entire supplementary provision of ₹ 11,088 crore (10.82 *per cent* of original provision) proved unnecessary. In 21 grants, there were savings of more than ₹ 100 crore in each of 27 items, which aggregated to ₹ 12,427 crore.

*(Paragraphs 2.2 and 2.3.1)***Non-surrender/delayed surrender of savings**

- Only 54.24 *per cent* (₹ 12,538.75 crore) of total savings were surrendered during the year. In 59 cases, savings of ₹ 7,558 crore (more than ₹ 10 crore in each) was surrendered on the last day of the financial year, leaving no scope for utilising the funds for other works.

*(Paragraph 2.3.9)*



***Excess expenditure requiring regularisation***

- Excess expenditure of ₹ 34.32 crore was incurred during 2013-14, which requires regularisation under Article 205 of the Constitution. Besides, ₹ 740 crore pertaining to previous years also remained unregularised.

*(Paragraphs 2.3.5 and 2.3.6)*

***Central funds parked in Civil Deposit***

- Central funds of ₹ 12.25 crore drawn on 29 March 2014 was transferred to Civil Deposit in Public Account to avoid lapse of funds, which inflated the expenditure of the year under the Consolidated Fund of the State.

*(Paragraph 2.3.11)*

**Chapter-3: Financial Reporting**

***Submission of Utilisation Certificate***

- Large number of Utilisation Certificates (36,414) in respect of grants given for by State Government amounting to ₹ 27,372.73 crore were awaited from the grantee institutions, indicating lack of proper monitoring by the concerned Departments of utilisation of grants.

*(Paragraph 3.1)*

***Submission of Accounts by Autonomous Bodies***

- There were significant delays (up to 69 months) in submission of accounts by six Autonomous Bodies to the Accountant General, resulting in delays in scrutiny of functioning of the Autonomous Bodies.

*(Paragraph 3.2)*

***Reporting of misappropriations and losses***

- Government's compliance towards disposal of 2989 cases of losses, misappropriation etc. amounting to ₹ 28.17 crore was pending.

*(Paragraph 3.3)*

***Submission of DCC bills against AC bills***

- Detailed Countersigned Contingent (DCC) bills against ₹ 14.96 crore drawn on Abstract Contingent (AC) bills were awaited as of March 2014.

*(Paragraph 3.4.1)*

***Reconciliation of departmental expenditure***

- Controlling Officers of 13 Departments did not reconcile expenditure amounting to ₹ 50,546.04 crore as on 31 March 2014.

*(Paragraph 3.5)*

***Maintenance of Personal Deposit Accounts***

- Personal Deposit (PD) Accounts were continued even after close of the financial year without approval of Finance Department, in violation of the provisions of Madhya Pradesh Treasury Code. There was significant amount of closing balance aggregating to ₹ 1,784.77 crore in the PD Accounts as of ended March 2014.

***(Paragraph 3.9)***





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**Chapter-1**

**FINANCES OF THE STATE  
GOVERNMENT**

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## CHAPTER 1

### Finances of the State Government

#### Profile of State

The State of Madhya Pradesh is located in the central part of India. It is the second largest State in terms of geographical area (308 thousand square kilometre) and the sixth largest by population (7.26 crore as per 2011 census). The composite State of Madhya Pradesh was founded on 1 November 1956. In terms of the Madhya Pradesh Reorganisation Act 2000 (No. 28 of 2000), 16 districts of the erstwhile State of Madhya Pradesh were carved out to form the new State of Chhattisgarh on 1 November 2000.

As indicated in Appendix 1.1 the State's population increased from 196 persons per sq.km in 2001 to 236 persons in 2011 (provisional figure). The State recorded a decadal population growth of 16.12 *per cent* during 2004-05 to 2013-14. In the State, percentage of population below poverty line (38.30 *per cent*) was higher than that of the All-India average (21.92 *per cent*). The Gross State Domestic Product (GSDP) of the State in 2013-14 at current prices was ₹ 4,50,900 crore, which grew at 21.15 *per cent* over the previous year. The State's literacy rate marginally increased from 69.69 *per cent* in 2001 to 70.63 *per cent* as per 2011 census, which was lower than the All India average of 74.04 *per cent* (2011 census). The decadal growth of *per capita* income in Madhya Pradesh (14.93 *per cent*) was marginally higher than that of the General Category States (14.88 *per cent*) during 2004-05 to 2013-14.

The general data (including development indicators) relating to the State is given in Appendix 1.1.

#### 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 of the State is an important indicator of the State's economy as it indicates the standard of living of the State's population. The trend in the annual growth of India's GDP and that of the State's GSDP at current prices are indicated below:

Annual growth rate of GDP of India and GSDP of Madhya Pradesh at current prices

Year	(₹ in crore)				
	2009-10	2010-11	2011-12 (PE)*	2012-13 (QE)*	2013-14 (AE)*
India's GDP at current price	61,08,903	72,48,860	83,91,691	93,88,876	1,04,72,807
Growth rate of GDP ( <i>per cent</i> )	15.18	18.66	15.77	11.88	11.54
GSDP of MP at current price	2,27,557	2,63,396	3,11,670	3,72,171	4,50,900
Growth rate of GSDP® ( <i>per cent</i> )	15.35	15.75	18.33	19.41	21.15

(Source: Planning Commission Data tables and Directorate of Economic and Statistics, Government of Madhya Pradesh)

\*PE-Provisional Estimates, QE-Quick Estimates, AE-Advance Estimates

® GSDP at current prices for the years 2009-10 to 2012-13 are revised by the State Government, hence, percentage ratio/buoyancies of various parameters with reference to GSDP for 2009-10 to 2012-13 indicated in earlier Reports have also been revised.

Sector-wise performance of GSDP during the period 2011-14 is given below:

(₹ in crore)			
Name of Sector	2011-12 (P)	2012-13 (Q)	2013-14(A)
Primary Sector <sup>1</sup>	84,069 (27)	1,10,275 (30)	1,54,405 (34)
Secondary Sector <sup>2</sup>	85,924 (28)	95,344 (25)	1,03,321 (23)
Tertiary Sector <sup>3</sup>	1,41,677 (45)	1,66,552 (45)	1,93,174 (43)
<b>Total</b>	<b>3,11,670</b>	<b>3,72,171</b>	<b>4,50,900</b>

(P)- Provisional, (Q)-Quick, (A)- Advance

Figures in brackets indicates contribution of sectors in total GSDP

## 1.1 Introduction

This Chapter provides an audit perspective on the finances of the Government of Madhya Pradesh during 2013-14 and analyses the critical changes observed in the major fiscal aggregates relative to the previous year, keeping in view the overall trends during the last five years. The analysis is based on the Finance Accounts of the Government of Madhya Pradesh and information provided therein. The structure and form of Government Accounts and the layout of the Finance Accounts are depicted in **Appendix 1.2 Part-A**.

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

The methodology adopted for assessment of the fiscal position and norms/ceilings prescribed under the Fiscal Responsibility and Budgetary Management (FRBM) Act, 2005, trends in select fiscal indicators and the time series data of State Finances are depicted in **Appendix 1.3** and **Appendix 1.4**.

### 1.1.1 Summary of fiscal transactions in 2013-14

**Table 1.1** presents the summary of the State Government's fiscal transactions during the current year (2013-14) *vis-à-vis* the previous year (2012-13), while **Appendix 1.5 Part-A** provides details of receipts and disbursements as well as overall fiscal position during the current year.

**Table 1.1: Summary of Fiscal operations in 2013-14**

(₹ in crore)							
Receipts	2012-13	2013-14	Disbursements	2012-13	2013-14		
Section-A: Revenue					Non-Plan	Plan	Total
Revenue Receipts	70,427.28	75,749.24	Revenue Expenditure	62,968.53	50,443.49	19,426.27	69,869.76
Tax revenue	30,581.70	33,552.16	General Services	17,705.14	20,479.36	111.57	20,590.99
Non-Tax revenue	7,000.22	7,704.99	Social Services	24,375.47	15,465.83	12,302.38	27,768.28
Share of Union Taxes/Duties	20,805.16	22,715.27	Economic Services	16,823.35	10,720.64	6,250.69	16,971.38
Grants from GoI	12,040.20	11,776.82	Grants-in-aid & Contributions	4,064.57	3,777.66	761.63	4,539.26
Section-B: Capital & others							
Misc. Capital Receipts	31.45	35.98	Capital Outlay	11,566.89	42.56	10,769.96	10,812.51
			General Services	204.89	27.61	168.70	196.30

<sup>1</sup> includes Agriculture (including Animal Husbandry), Forestry, Fishing etc.

<sup>2</sup> includes Mining and Quarrying, Manufacturing, Electricity, Gas and Water Supply, Construction etc.

<sup>3</sup> includes Trade, Hotels and Restaurants, Transport, Storage, Communication, Financing, Insurance, Real Estate and Business Services, Community, Social & Personal Services etc.

			Social Services	1,620.99	4.95	1,894.35	1,899.30
			Economic Services	9,741.01	10.00	8,706.91	8,716.91
Recoveries of Loans and Advances	32.53	93.22	Loans and Advances disbursed	5,378.25	2,906.33	2,171.19	5,077.52
Inter-State settlement	9.14	2.44	Inter-State settlement	7.02			2.36
Public Debt receipts	8,791.16	9,540.82*	Repayment of Public Debt	3,583.94			4,004.65*
Contingency Fund	-	-	Contingency Fund	-			Nil
Public Account receipts	86,247.57	94,811.32	Public Account disbursements	82,735.57			93,063.99
Opening Cash Balance	7,775.88	7,074.81	Closing Cash Balance	7,074.81			4,477.03
<b>Total</b>	<b>1,73,315.01</b>	<b>1,87,307.83</b>	<b>Total</b>	<b>1,73,315.01</b>			<b>1,87,307.83</b>

\*No Ways & Means advances were drawn during the year.

(Source: Finance Accounts)

The significant changes during 2013-14 over the previous year are as under:

- Revenue Receipts grew by ₹ 5,321.96 crore (eight *per cent*) due to increase in Own Tax Revenue (by ₹ 2,970.46 crore), Non-Tax Revenue (by ₹ 704.77 crore) and share of Union Taxes/Duties (by ₹ 1,910.11 crore). Revenue Receipts for 2013-14 decreased by ₹ 3,854.23 crore over the projection made in the Medium Term Fiscal Policy Statement (MTFPS).
- Revenue Expenditure increased by ₹ 6,901.23 crore (11 *per cent*). The increase was under social services sector (by ₹ 3,392.74 crore), general services sector (by ₹ 2,885.79 crore), grants-in-aid and contributions (by ₹ 474.72 crore) and economic services sector (by ₹ 147.98 crore).
- Capital Expenditure decreased by ₹ 754.37 crore (seven *per cent*); decrease was mainly under economic services sector (by ₹ 1,024.10 crore) partly offset by increase under social services sector by ₹ 278.31 crore.
- Public Debt receipts increased by ₹ 749.66 crore (8.53 *per cent*) and repayment increased by ₹ 420.71 crore (12 *per cent*). No ways and means advance was drawn.
- Public Account receipts and disbursements increased by ₹ 8,563.75 crore (10 *per cent*) and ₹ 10,328.42 crore (12 *per cent*) respectively.
- Cash balances of the State Government decreased by ₹ 2,597.78 crore.

### 1.1.2 Review of the fiscal situation

In response to the Twelfth Finance Commission's recommendation, the State Government enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005, which came into force from 1 January 2006 with a view to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, sustainable debt management consistent with fiscal deficit, greater transparency in fiscal operations of the Government and conduct of fiscal policy within a Medium Term Fiscal Framework.



In accordance with the provisions of FRBM Act, 2005, the State Government has placed (a) Macro-Economic Framework Statement, (b) Medium Term Fiscal Policy Statement (MTFPS) and (c) Fiscal Policy Strategy Statement along with the Budget for 2013-14. The actuals for 2011-12, Revised Estimates for 2012-13 and Budget Estimates for 2013-14 for select indicators as presented in the MTFPS are given in Appendix 1.3 Part-C.

The fiscal forecasts as prescribed by Thirteenth Finance Commission (XIII FC), FRBM Act and those framed in Medium Term Fiscal Policy Statement (MTFPS) for the year 2013-14 as well as actuals for 2013-14 are presented in Table 1.2.

Table 1.2: Fiscal forecasts under FRBM Act, MTFPS and XIII FC for 2013-14

Fiscal forecasts	XIII FC targets for the State	Targets prescribed in FRBM Act/MTFPS	Targets proposed in the budget 2013-14	(₹ in crore) Actual achievement
Revenue Deficit (-)/ Surplus (+)	0.0 per cent	Reduce Revenue Deficit in each financial year so as to eliminate it by 31.3.2009 and generate Revenue Surplus thereafter	1.27 per cent of GSDP (as per BE (+) 5,215 crore)	(+ ) 5,879 (1.30 per cent of GSDP)
Fiscal Deficit / GSDP	3.0 per cent	To be reduced to not more than three per cent of GSDP by 31 March, 2012	2.98 per cent of GSDP ( as per BE (-)12,219 crore)	(-) 9,882 (2.19 per cent of GSDP)
Ratio of total outstanding debt to GSDP	36.00 per cent	Not to exceed 36.0 per cent of the estimated GSDP for that year	25.78 per cent of GSDP	21.47 per cent of GSDP
Outstanding Guarantees	--	Not to exceed 80 per cent of the total Revenue Receipts (RR) of the preceding year	No projection made. During 2012-13, it was 12.33 per cent of RR of preceding year	14.17 per cent of RR of the preceding year

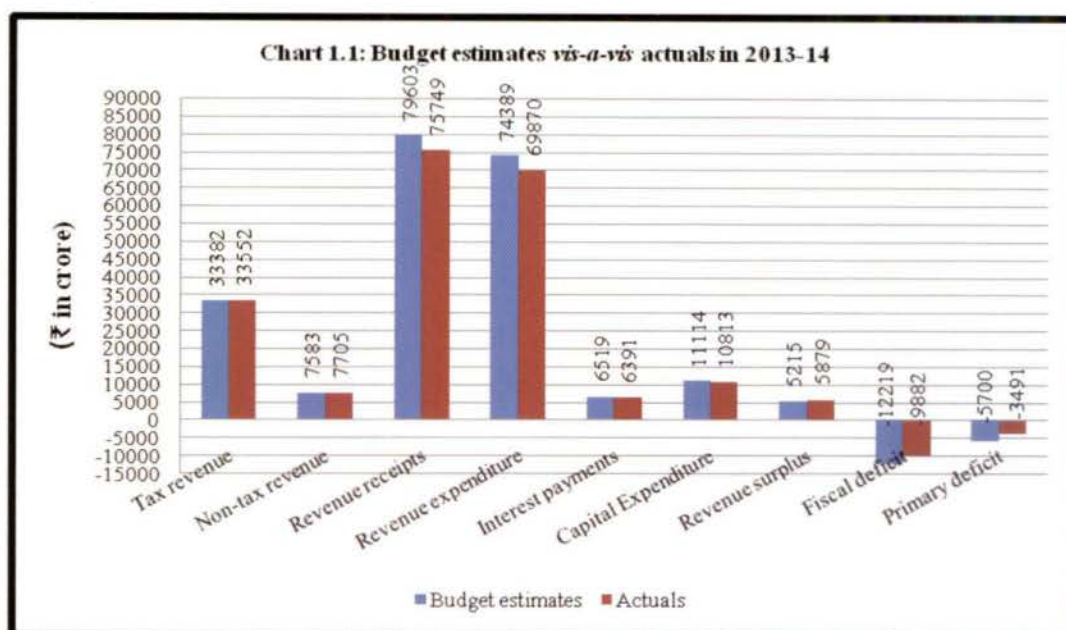
(Source: XIII FC recommendations 2010-15, MPFRBM Act, 2005, Statement laid before the Legislature along with the Budget, under FRBM Act during 2013-14 and Finance Accounts 2013-14)

- The State had achieved Revenue Surplus in the year 2004-05 and maintained the surplus thereafter, though decreased by ₹ 1,580 crore during 2013-14 over the previous year.
- The Fiscal Deficit at 2.19 per cent of GSDP during 2013-14 was within the limits prescribed (3 per cent) in FRBM targets, XIII FC and projections of MTFPS. The ratio was lower than that in 2012-13 (2.53 per cent). During 2013-14, it decreased by ₹ 462 crore over 2012-13.
- The total outstanding debt to GSDP ratio at 21.47 per cent was within the limit of 36 per cent prescribed in the FRBM target and XIII FC. It was also less than the projection made (25.78 per cent) in MTFPS.
- The outstanding guarantees during the year was 14.17 per cent of the Revenue Receipts of the preceding year, which was well within the limit prescribed in the FRBM targets (80 per cent), however, the ratio marginally increased over the previous year.

### 1.1.3 Budget Estimates and Actuals

The importance of accuracy in the budget estimates of revenue receipts and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from the Budget Estimates are indicative of non-attainment and non-optimisation of the desired fiscal objectives.

**Chart 1.1** represents the budget estimates and actuals for some important fiscal parameters for 2013-14.



(Source: Finance Accounts and Budget Estimates 2013-14)

- The State's Revenue Receipts (₹ 75,749 crore) were lower than the budget estimates by ₹ 3,854 crore (4.84 per cent).
- The State's Tax Revenue (₹ 33,552 crore) was marginally higher than the budget estimates by ₹ 170 crore. Further, Non-Tax Revenue was higher than the budget estimates by ₹ 122 crore (1.61 per cent).
- Revenue Expenditure and Capital Expenditure were less than the budget estimate by ₹ 4,519 crore (6.07 per cent) and ₹ 301 crore (2.71 per cent) respectively.
- Interest payments were less than the budget estimates by ₹ 128 crore (1.96 per cent) mainly due to decrease in interest on Market Loans and interest on Loans for State/Union Territory Plan.
- The key fiscal indicators viz., Revenue Surplus, Fiscal Deficit and Primary Deficit showed improvement with reference to budget estimates.

#### 1.1.4 Gender Budgeting

Gender Budget of the State discloses the expenditure proposed to be incurred within the overall budget on schemes which are designed to benefit women fully or partially. Gender budgeting was introduced in 2007-08 and separate volume of gender budget was submitted along with the budget to make available the details of budget provisions relating to women and girls. Schemes relating to gender budget were bifurcated in two categories (1) Schemes in which 100 per cent budget provisions were related to women and (2) Schemes in which atleast 30 per cent of budget provisions were related to women.

During 2013-14, budget provisions were made in 25 departments<sup>4</sup> (category-1: 51 schemes and category-2: 390 schemes) for benefit of women.

As per the information furnished (August 2014) by Finance Department (FD), the year-wise allocation and expenditure in respect of categories 1 and 2 for the years from 2009-10 to 2013-14 are given in **Table 1.3**.

**Table 1.3: Gender Budgetary Allocations during 2009-14**

(₹ in crore)

Year	Category 1			Category 2		
	Outlay	Expenditure	Percentage of Expenditure to outlay	Outlay	Expenditure	Percentage of Expenditure to outlay
2009-10	638.68	868.67	136.01	11,977.79	1,510.02	12.61
2010-11	858.27	780.56	90.95	12,809.86	1,467.60	11.46
2011-12	1,510.02	1,245.41	82.48	20,500.64	6,908.51	33.70
2012-13	1,745.00	1,473.08	84.42	23,038.77	19,195.10	83.32
2013-14	1,768.19	1,688.93	95.52	24,464.97	24,229.29	99.04
<b>Total</b>	<b>6,520.16</b>	<b>6,056.65</b>	<b>92.89</b>	<b>92,792.03</b>	<b>53,310.52</b>	<b>57.45</b>

(Source: Information provided by Finance Department, GoMP)

On being asked regarding impact analysis on social and economic conditions of women after introduction of Gender Budgeting, no reply was furnished by the Finance Department (July 2014). As per information obtained (July 2014) from two selected Departments, there were significant savings in Tribal Welfare Department as shown in **Table 1.4**.

**Table 1.4: Showing category-wise Provision and Expenditure during 2013-14**

(₹ in crore)

Name of Department	Category-1 (100 per cent)				Category-2 (30 per cent)			
	No. of schemes	Total Provision	Total Expenditure	Saving (per cent)	No. of schemes	Total Provision	Total Expenditure	Saving (per cent)
Sports and Youth Welfare Department	3	1.45	1.34	0.11 (7.59)	16	87.61	80.53	7.08 (8.08)
Tribal Welfare Department	4	83.50	41.29	42.21 (50.55)	47	1,305.30	1,127.64	177.67 (13.61)

- (i) No specific reason for non-utilisation of funds under TWD was intimated by the Commissioner (September 2014).
- (ii) Reasons attributed by the Director, SYWD for the savings were under-utilisation of funds under salaries and wages, competition organization, incentives to trainers and procurement of sports equipment.

In 21 schemes of SYWD (3) and TWD (18) under Category 2, expenditure incurred during 2013-14 was much less than the amount prescribed for Category 2. Cases where savings exceeded ₹ one crore in each schemes are shown in **Appendix 1.6**.

<sup>4</sup> 1. Home Department, 2. Sports and Youth Welfare, 3. Commerce, Industry & Employment, 4. Farmer Welfare & Agriculture Development, 5. Cooperation Department, 6. Public Health and Family Welfare, 7. Urban Administration & Development, 8. School Education, 9. Panchayat, 10. Tribal Welfare, 11. Social Justice, 12. Food and Civil Supplies, 13. Water Resources Department, 14. Animal Husbandry, 15. Higher Education, 16. Man Power Planning, 17. Aviation, 18. Women & Child Development, 19. Rural Industry, 20. Welfare of Backward Classes, 21. Scheduled Castes Welfare, 22. Rural Development, 23. Horticulture & Food Processing, 24. Ayush Department, 25. Vimuktta, Ghumakkad evam Ardthaghumakkad Castes Welfare



It is evident from Appendix that the provision earmarked for women remained unutilised. The savings ranged between six and 97 per cent. This indicated that women oriented schemes, particularly for tribal people, were not implemented properly.

## 1.2 Resources of the State

### 1.2.1 Resources of the State as per Annual Finance Accounts

Revenue and Capital are the two streams of receipts that constitute the resources of the State Government. Revenue Receipts consist of tax revenues, non-tax revenues, State's share of Union Taxes and Duties and grants-in-aid from the Government of India (GoI). Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and Loans and Advances from GoI as well as net accruals from Public Account.

The components of the State's receipts during 2013-14 have been categorised in Chart 1.2.

Chart 1.2: Components and sub-components of Resources

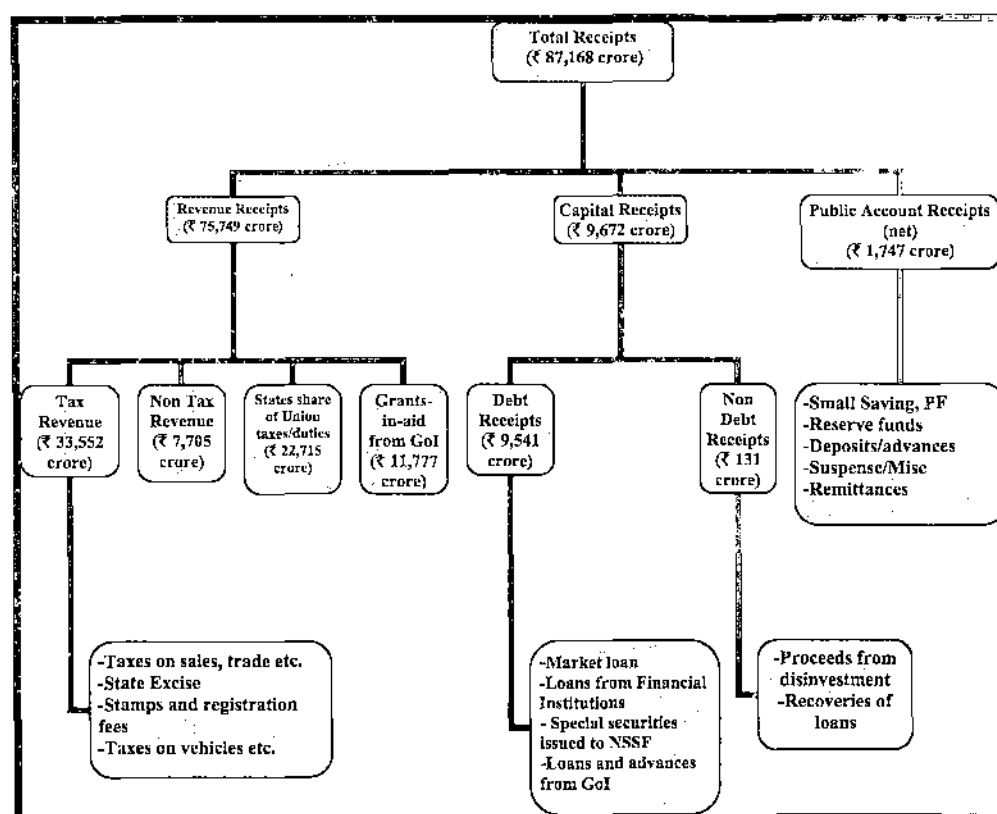
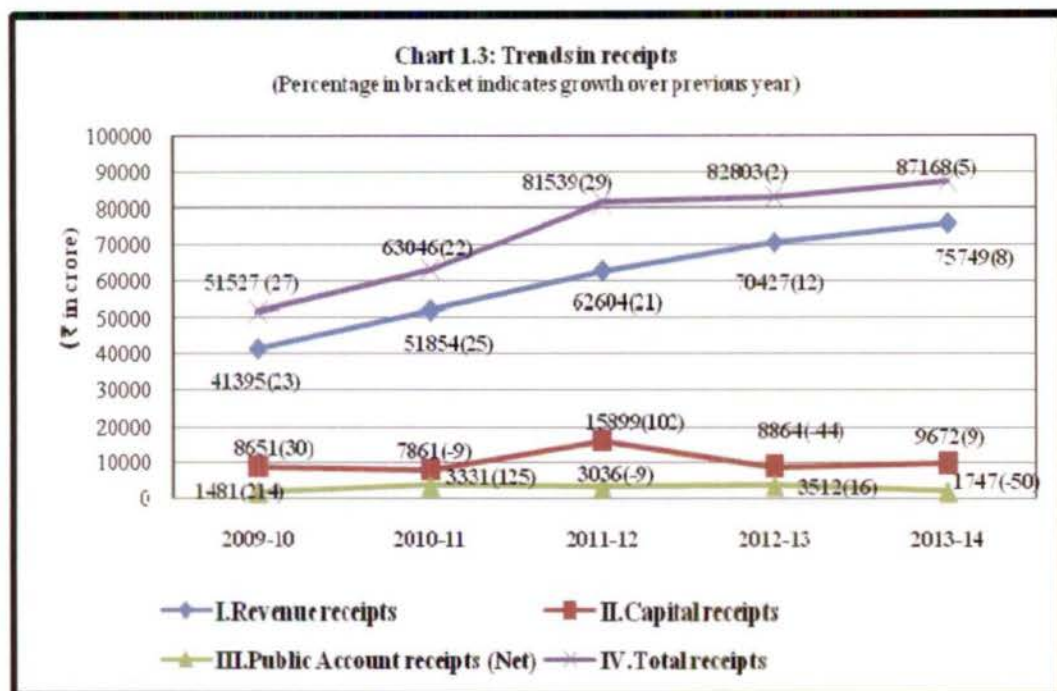
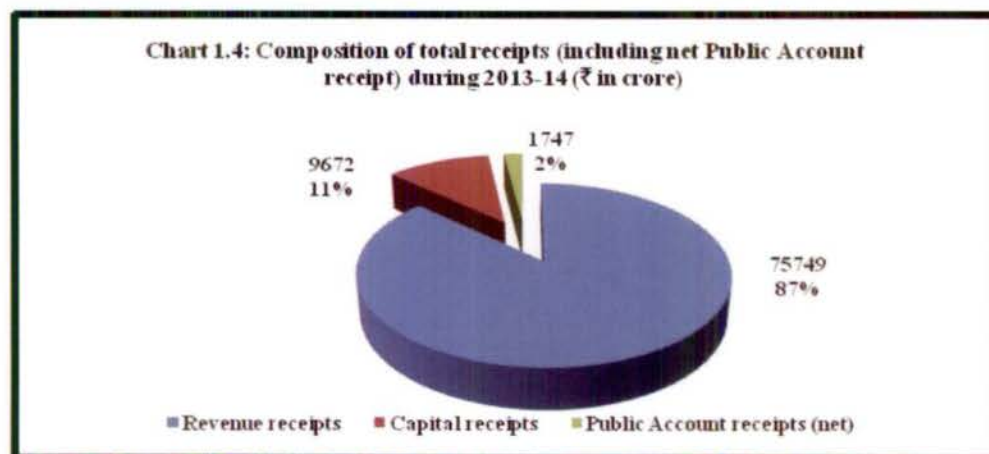


Table 1.1 presents the receipts and disbursements of the State during the current year as recorded in its Annual Finance Accounts, while Chart 1.3 depicts the trends in various components of the receipts of the State during the period 2009-14 and Chart 1.4 depicts the composition of receipts during 2013-14.



(Source: Finance Accounts)



(Source: Finance Accounts)

- The Revenue, Capital and Public Account receipts (net) constituted 87 per cent, 11 per cent and two per cent respectively of the total receipts during 2013-14.
- The total receipts (including net Public Accounts receipts) of the State increased by 69 per cent during the period 2009-14. Increase in Revenue Receipts, Capital Receipts and net Public Account Receipts was 83 per cent, 12 per cent and 18 per cent respectively during the period 2009-14.
- Growth rate of the total receipts was only five per cent in 2013-14 over the year 2012-13.
- The relative share of Revenue Receipts in total receipts during the years 2009-10 to 2013-14 ranged between 77 per cent and 87 per cent. The share of Capital Receipts in total receipts during the years 2009-10 to 2013-14 ranged between 11 per cent and 20 per cent.

- During 2013-14, Revenue Receipts increased by ₹ 5,322 crore (7.56 per cent) and Capital Receipts increased by ₹ 808 crore (9 per cent) mainly due to increase in Public Debt receipts (by ₹ 750 crore). Net receipts under Public Account, however, decreased by ₹ 1,765 crore (50 per cent).
- The Public Debt Receipts increased due to more borrowings under Special Securities issued to National Small Savings Fund of the Central Government, Market Loans and Loans from National Co-operative Development Corporations.

### 1.2.2 Funds directly transferred to State Implementing Agencies outside State Budget

The GoI transfers a sizeable quantum of funds directly to the State implementing agencies for implementation of various schemes/programmes in social and economic sectors, which are recognised as critical. In the present mechanism, these funds are not routed through the State Budget/State Treasury System and hence do not find mention in the Finance Accounts of the State. As such, the Annual Finance Accounts of the State does not provide a complete picture of the resources under the control of the State Government.

Details of funds transferred directly to State implementing agencies in respect of the Central Plan Schemes during the years 2012-13 and 2013-14 are furnished in Table 1.5.

Table 1.5: Funds transferred directly to State Implementing Agencies in the State

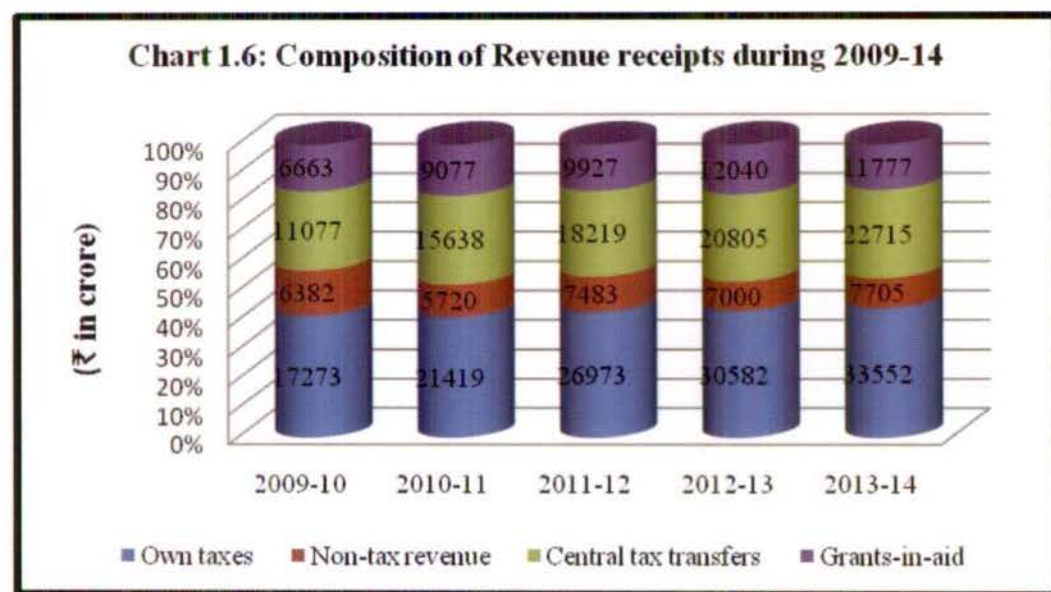
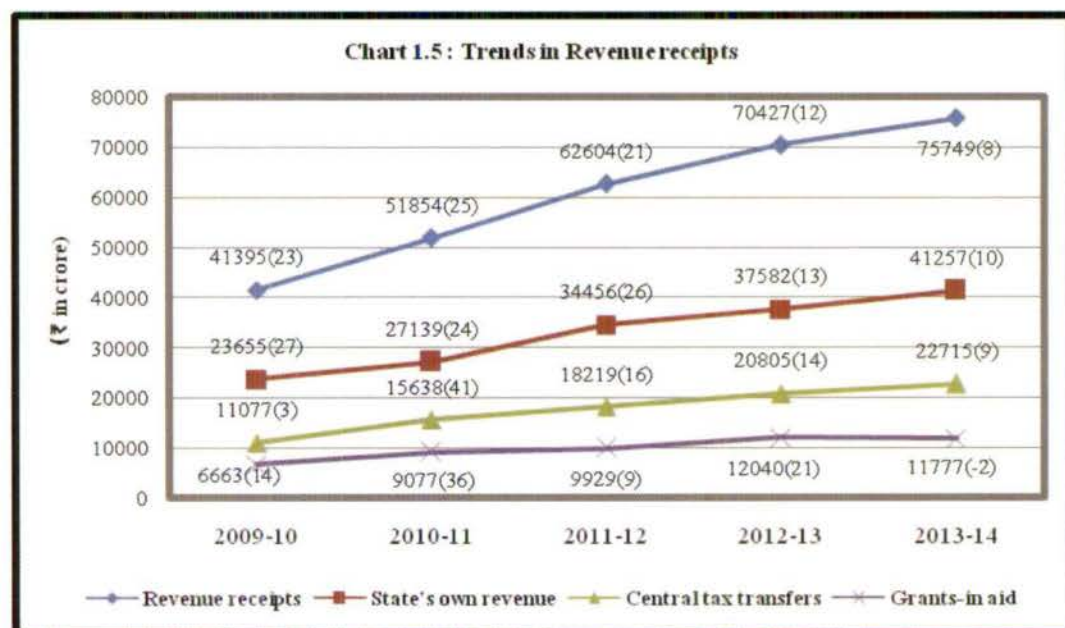
Sl. No.	Name of the Programme/ Scheme	Implementing Agency/Department	GoI releases (₹ in crore)	
			2012-13	2013-14
1	Mahatma Gandhi National Rural Employment Guarantee Scheme(90:10)	Madhya Pradesh State Employment Guarantee, Bhopal	1,610.15	1,839.82
2	Sarva Shiksha Abhiyan (SSA) (65:35)	M.P. Sarva Shiksha Abhiyan Mission	1,353.43	2,004.09
3	Pradhan Mantri Gram Sadak Yojana (PMGSY) (100:0)	Madhya Pradesh Rural Roads Development Authority, Bhopal	242.88	615.00
4	National Rural Health Mission (NRHM) Centrally Sponsored (85:15)	State Health Society, Madhya Pradesh	14.96	657.53
5	Rural Housing-IAY (75:25)	DRDA (All Districts)	237.89	472.69
6	National Rural Drinking Water Programme	State Water and Sanitation Mission, Madhya Pradesh, Bhopal	550.37	474.95
7	Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	M.P. Madhyamik Shiksha Abhiyan Samiti	461.22	524.56
8	Scheme for setting up of 6000 model schools at Block Level as Benchmark of Excellence	M.P. Madhyamik Shiksha Abhiyan Samiti	22.93	133.23
9	Central Rural Sanitation Programme	State Water and Sanitation Mission, Madhya Pradesh, Bhopal	257.80	660.39
10	National Food Security Mission (100:0)	State Institute of Agriculture Extension and Training	247.15	366.07
11	MPs Local Area Development Scheme (MPLADS)	District Collector (All Districts)	223.00	207.50
12	Integrated Watershed Management Programme (IWMP)	State Level Nodal Agency, MP	128.30	142.63
13	Aajeevika-Swaran Jayanti Gram Swarajgar Yojna	Madhya Pradesh Rajya Aajeevika Forum (MPRAF)	142.71	102.03
14	National Mission on Micro Irrigation	Director Horticulture, Madhya Pradesh	63.84	106.52
15	National Horticulture Mission	Mission Director, State Horticulture Mission, Bhopal	30.67	75.37
16	Others		636.03	897.67
<b>Total</b>			<b>6,223.33</b>	<b>9,280.05</b>

(Source: Finance Accounts)

During 2013-14, the total receipts of the State (₹ 1,80,232 crore)<sup>5</sup> did not include the amount received on direct transfers (₹ 9,280.05 crore).

### 1.3 Revenue Receipts

Statement-11 of the Finance Accounts details the Revenue Receipts of the Government. The Revenue Receipts consist of own tax and non-tax revenues, Central tax transfers and grants-in-aid from GoI. The trends and composition of Revenue Receipts over the period 2009-14 are presented in **Appendix 1.4** and also depicted in **Charts 1.5** and **1.6** respectively.



<sup>5</sup> Includes gross Public Accounts Receipts

**General trends**

- The Revenue Receipts of the State increased by 83 *per cent* from ₹ 41,395 crore in 2009-10 to ₹ 75,749 crore in 2013-14 at an average annual growth rate of 16.60 *per cent*. Growth rate during 2013-14 was 7.56 *per cent* against 12.50 *per cent* in 2012-13. While 54 *per cent* of the Revenue Receipts during 2013-14 had come from the State's own resources comprising Tax Revenue (44 *per cent*) and Non-Tax Revenue (10 *per cent*), the balance 46 *per cent* was contributed by Central tax transfers and grants-in-aid together.
- The relative share of the State's own tax revenue in total Revenue Receipts ranged between 41 *per cent* and 44 *per cent* during the years 2009-10 to 2013-14, while share of other components of Revenue Receipts, viz. Non-Tax Revenue, Central Tax Transfers and Grants-in-aid together ranged between 56 *per cent* and 59 *per cent* during the years 2009-10 to 2013-14.

The trends of Revenue Receipts relative to GSDP are presented in Table 1.6.

**Table 1.6: Trends of Revenue Receipts relative to GSDP**

	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue Receipts (RR) (₹ in crore)	41,395	51,854	62,604	70,427	75,749
Rate of growth of RR ( <i>per cent</i> )	23.28	25.27	20.73	12.50	7.56
Rate of growth of GSDP ( <i>per cent</i> )	15.35	15.75	18.33	19.41	21.15
Rate of growth of Fiscal liabilities ( <i>per cent</i> )	12.28	11.28	8.28	10.29	7.38
Rate of growth of State's own Taxes ( <i>per cent</i> )	26.88	24.00	25.93	13.38	9.71
R R/GSDP ( <i>per cent</i> )	18.19	19.69	20.09	18.92	16.80
<b>Buoyancy Ratios<sup>6</sup></b>					
Revenue Buoyancy w.r.t GSDP	1.52	1.60	1.13	0.64	0.36
State's Own Tax Buoyancy w.r.t GSDP	1.75	1.52	1.41	0.69	0.46
Revenue Buoyancy with reference to State's own taxes	0.87	1.05	0.80	0.93	0.78
Fiscal liabilities w.r.t GSDP	0.80	0.72	0.45	0.53	0.35

(Source: Finance Accounts and information furnished by Directorate of Economics and Statistics, Government of Madhya Pradesh) GSDP estimates at current prices for the years 2009-10 to 2012-13 are revised, hence, percentage ratio/buoyancies of various parameters with reference to GSDP for 2009-10 to 2012-13 indicated in earlier Reports have also been revised.

Ideally, the growth rate of revenue receipts should be higher than GSDP growth rate so that over the time the budget can be better balanced. An analysis of the Table 1.6 revealed the following:

- The Revenue Receipts relative to GSDP increased consistently from 18.19 *per cent* in 2009-10 to 20.09 *per cent* in 2011-12 but decreased to 16.80 *per cent* in 2013-14.
- Growth of Revenue Receipts increased from 23.28 *per cent* in 2009-10 to 25.27 *per cent* in 2010-11, and then decreased to 7.56 *per cent* in 2013-14 over the previous year, mainly due to decline in receipt of GoI grants (2 *per cent*) and lesser growth in own Tax Revenue.
- The Revenue buoyancy as well as State's Own Tax Buoyancy with reference to GSDP decreased in 2013-14 (0.36 and 0.46 respectively) as compared to the previous year (0.64 and 0.69 respectively) owing

<sup>6</sup> Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance revenue buoyancy at 0.6 implies that revenue receipts tend to increase by 0.6 percentage points if the GSDP increases by one per cent.



to decrease in growth rate of Revenue Receipts and increase in growth rate of GSDP during the year 2013-14.

### 1.3.1 State's Own Resources

As the State's share in Central taxes and grants-in-aid from GoI are determined on the basis of recommendations of the Finance Commission, the State's performance in mobilisation of resources is 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 2013-14 *vis-a-vis* assessment made by XIII FC, in RE and in MTFPS are given in Table 1.7.

Table 1.7: Tax Revenue and Non-Tax Revenue

(₹ in crore)

	XIII FC projections	Revised Budget Estimates (RE) 2013-14	MTFPS projection	Actual
Tax Revenue	24,510	33,929	33,382	33,552
Non-Tax Revenue	5,480	8,139	7,583	7,705

(Source: Finance Accounts and Statement laid before the legislature under FRBM Act along with State Budgets 2013-14 and 2014-15 and the recommendations of XIII FC)

It would be seen that the actual realisation under tax revenue and non-tax revenue was significantly higher than the assessment made by the XIII FC (by 36.89 per cent and 40.60 per cent respectively). Actual realisation under tax revenue as well as non-tax revenue was marginally higher in comparison to MTFPS projections and lower than the revised budget estimates.

#### 1.3.1.1 Tax Revenue

The gross collection in respect of major taxes and duties are given in Table 1.8.

Table 1.8: Components of Tax Revenue of the State

(₹ in crore)

Revenue Head	2009-10	2010-11	2011-12	2012-13	2013-14	Increase(+)/ decrease (-) over previous year (in per cent)
Taxes on Sales, Trades etc.	7,724	10,257	12,517	14,856	16,650	(+) 12.08
State Excise	2,952	3,603	4,317	5,078	5,907	(+) 16.33
Taxes on Vehicles	919	1,198	1,357	1,531	1,599	(+) 4.44
Stamps and Registration Fees	1,783	2,514	3,284	3,944	3,400	(-) 13.79
Land Revenue	180	361	279	444	366	(-) 17.57
Taxes on Goods and Passengers	1,333	1,746	2,047	2,395	2,579	(+) 7.68
Taxes and Duties on Electricity			1,773	1,478	1,972	(+) 33.42
Other Taxes*	2,382	1,740	1,399	856	1,079*	(+) 26.05
<b>Total Tax Revenue</b>	<b>17,273</b>	<b>21,419</b>	<b>26,973</b>	<b>30,582</b>	<b>33,552</b>	<b>(+) 9.71</b>

\* Other taxes include Taxes on Immovable Property other than Agricultural Land (₹ 667 crore), Other Taxes on Income and Expenditure (₹ 275 crore), Other Taxes and Duties on Commodities and Services (₹ 137 crore).

(Source: Finance Accounts)

- Taxes on Sales, Trades etc. were the major contributors (49.62 per cent) of the State's own tax revenue followed by State Excise (17.61 per cent), Stamps and Registration Fees (10.13 per cent), Taxes on Goods and Passengers (7.69 per cent) and Taxes on Vehicles (4.77 per cent) during 2013-14.

- The increase in receipts under Taxes on Sales, Trades etc. (by ₹ 1,794 crore) was mainly due to more receipts under the sub-head 102- State Sales Tax Act. The increase in State Excise receipts (by ₹ 829 crore) was mainly under '800-Other receipts', '106-Commercial and Denatured spirits and medicated wines' and '107- Medicinal and toilet preparation containing alcohol opium' etc. The decrease under Stamps and Registration Fees (by ₹ 544 crore) was mainly due to decrease in fees for registering documents due to change in the taxation policy of the State.
- The increase under Taxes on Immovable property other than Agricultural Land (by ₹ 254 crore) was mainly due to more receipts under the sub head '800-Other receipts'. The increase under Taxes and duties on Electricity (by ₹ 494 crore) was mainly due to increase in receipt under sub-head '101-Taxes on consumption and sale of electricity and other receipts'.

#### *Cost of collection of Revenues*

The gross collection of Taxes on Sales, Trade etc., Taxes on Vehicles, State Excise and Stamps and Registration Fees, expenditure incurred on their collection and its percentage to gross collection during the years 2012-13 and 2013-14 along with their All India average cost of collection for the respective previous years are indicated in Table 1.9.

**Table 1.9: Cost of collection of Revenue Receipts**

Sl.No.	Head of Revenue	Year	BE (Budget Estimates) (₹ in crore)	Actual collection (₹ in crore)	Expenditure on collection of Revenue (₹ in crore)	Percentage of Expenditure on collection	All-India Average (in per cent)
1.	Taxes on Sales, Trades etc.	2012-13	14,000.00	14,856.30	129.32	0.87	0.83
		2013-14	16,500.00	16,649.85	136.63	0.82	0.73
2	Taxes on Vehicles	2012-13	1,400.00	1,531.25	40.07	2.62	2.96
		2013-14	1,650.00	1,598.93	50.67	3.17	4.17
3.	State Excise	2012-13	4,800.00	5,078.06	1,188.87	23.41	2.98
		2013-14	5,750.00	5,907.39	1,320.37	22.35	2.96
4.	Stamps and Registration Fees	2012-13	3,200.00	3,944.24	79.00	2.00	1.89
		2013-14	4,000.00	3,400.00	85.93	2.53	3.25

(Source: Finance Accounts and information compiled by AG (E&RSA), MP)

During 2013-14, the gross collection was more than the Budget Estimates in respect of Taxes on Sales, Trade etc., and State Excise. Collection of Taxes on Vehicles and Stamps & Registration Fees was less than Budget Estimates. Cost of collection under these increased compared to the previous year.

#### **1.3.1.2 Non-Tax Revenue**

Non-Tax Revenue comprises receipts mainly from Interest, Non-Ferrous Mining and Metallurgical Industries, Forestry and Wildlife, Education, Sports, Art and Culture etc. as indicated in Table 1.10.

Table 1.10: Growth rate of Non-Tax Revenue

(₹ in crore)

Revenue Head	2009-10	2010-11	2011-12	2012-13	2013-14	Percentage increase (+)/ decrease (-) during 2013-14
Interest receipts	1,284	299	1,571	301	318	(+) 5.65
Non-Ferrous Mining and Metallurgical Industries	1,590	2,121	2,038	2,443	2,306	(-) 5.61
Forestry and Wildlife	80	837	879	910	1,037	(+) 13.96
Education, Sports, Art and Culture	745	1,194	1,551	1,682	2,008	(+) 19.38
Dividends and Profits	50	32	38	18	379	(+) 2006
Other non-tax receipts	2,633	1,237	1,406	1,646	1,657	(+)0.67
<b>Total</b>	<b>6,382</b>	<b>5,720</b>	<b>7,483</b>	<b>7,000</b>	<b>7,705</b>	<b>(+)10.07</b>

(Source- Finance Accounts)

- Non-tax revenue increased by ₹ 705 crore from ₹ 7,000 crore in 2012-13 to ₹ 7,705 crore in 2013-14, mainly due to increase in receipts under Dividends and Profits (by ₹ 361 crore) and Education, Sports, Art and Culture (by ₹ 326 crore).
- Major contributors of non-tax revenue during 2013-14 were Non-Ferrous Mining and Metallurgical Industries (29.93 per cent), Education, Sports, Art and Culture (26.06 per cent) and Forestry and Wildlife (13.46 per cent).
- No funds, as debt waivers under Debt Consolidation and Relief Facilities (DCRF) schemes, were received by the State Government.

### 1.3.2 Grants-in-aid from GoI

Grants-in-aid from GoI increased from ₹ 6,663 crore in 2009-10 to ₹ 11,777 crore in 2013-14 as shown in Table 1.11.

Table 1.11: Grants-in-aid from GoI

(₹ in crore)

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Non-Plan Grants	1,533	1,636	2,114	333	3,540
Grants for State Plan Schemes	3,102	4,522	4,215	7,099	5,536
Grants for Central Plan Schemes	393	649	364	500	153
Grants for Centrally Sponsored Schemes	1,635	2,270	3,236	4,108	2,548
Grants for Special Plan Schemes	--	--	--	--	--
<b>Total</b>	<b>6,663</b>	<b>9,077</b>	<b>9,929</b>	<b>12,040</b>	<b>11,777</b>
Percentage of increase(+)/decrease(-) over previous year	13.84	36.23	9.39	21.26	(-) 2.18
Total Grants as a percentage of Revenue Receipts	16.10	17.50	15.86	17.10	15.55

(Source: Finance Accounts)

The net decrease of ₹ 263 crore under GoI grants during 2013-14 over the previous year was due to decrease in State Plan Schemes (by ₹ 1,563 crore), Centrally Sponsored Plan Schemes (by ₹ 1,560 crore) and Central Plan Schemes (by ₹ 347 crore), offset by increase in non-plan grants (by ₹ 3,207 crore).

Decrease in grants for State Plan Schemes was mainly under Panchayati Raj (by ₹ 1,203 crore) and Block Grants (by ₹ 219 crore). The decrease under grants for Centrally Sponsored Schemes was mainly on account of decrease under Elementary Education- Other Grants (by ₹ 639 crore), Urban Family Welfare Services (by ₹ 265 crore) and Special Central Assistance for



Scheduled Castes Component Plan (by ₹ 101 crore). The decrease in grants for Central Plan Schemes was mainly under Agricultural Economics and Statistics (by ₹ 182 crore), Technical Education- Polytechnics (by ₹ 54 crore) and Forest Conservation Development and Regeneration (by ₹ 32 crore). Increase in non-plan grant was mainly under Grants under the provision of Article 275 (1) of the Constitution.

### 1.3.3 Central Tax transfers

The Central tax devolutions are determined by the Finance Commission award. The Central tax transfer of ₹ 22,715 crore during 2013-14 was marginally less than the estimated amount of ₹ 23,694 crore as given in Macro Economic Framework Statement. However, it increased by ₹ 1,910 crore from ₹ 20,805 crore in 2012-13. Increase was mainly under Taxes on Income other than Corporation Tax (by ₹ 556.15 crore) and Service Tax (by ₹ 662.65 crore).

### 1.3.4 Optimisation of the XIII Finance Commission Grants

During 2013-14, the XIII Finance Commission recommended ₹ 3,205.16 crore as Grants-in-aid including specific grants to the State. Against these, the State Government received grants aggregating ₹ 2,589.35 crore. Details are given in Table 1.12.

Table 1.12: Transfers recommended and actual release of Grants-in-aid  
(₹ in crore)

Sl. No.	Transfers	Recommendation of the XIII FC	Actual release by GoI
1.	<b>Local Bodies</b>	<b>1,464.41</b>	<b>1,101.10</b>
	<b>Grants to PRIs</b>	<b>1,080.52</b>	<b>868.35</b>
	General Basic Grants	615.10	629.26
	General performance grants to PRI	420.30	214.85*
	Special Area Basic Grant	22.56	24.24
	Special Area Performance Grant	22.56	Nil
	<b>Grants to ULBs</b>	<b>383.89</b>	<b>232.75</b>
	General Basic Grants	223.40	228.51
	General performance grants to ULBs	152.60	Nil
	Special Area Basic Grant	3.95	4.24
	Special Area Performance Grant	3.94	Nil
2.	<b>(a) Disaster Relief Fund-Central Share</b>	<b>341.00</b>	<b>341.00</b>
	<b>(b) Capacity Building</b>	<b>5.00</b>	<b>Nil</b>
3.	<b>Improving outcome grants</b>	<b>141.42</b>	<b>Nil</b>
	(i) Improvement in Supply of Justice	81.48	Nil
	(ii) Incentive for issuing UIDs	49.94	Nil
	(iii) Improvement of Statistical Systems at State	10.00	Nil
4.	<b>Protection of Forests</b>	<b>122.58</b>	<b>122.58</b>
5.	<b>Water Sector Management</b>	<b>37.00</b>	<b>Nil</b>
6.	<b>Reduction in Infant Mortality Rates</b>	<b>0.00</b>	<b>4.92</b>
7.	<b>Elementary education</b>	<b>523.00</b>	<b>523.00</b>
8.	<b>Roads and bridges</b>	<b>263.00</b>	<b>263.00</b>
9.	<b>State specific grants</b>	<b>307.75</b>	<b>233.75</b>
	(i) Anganwadi Centres	100.00	100.00
	(ii) Police Training	45.00	45.00
	(iii) Development of Tourism	45.00	45.00
	(iv) Health Infrastructure	62.50	Nil
	(v) Conservation of Heritage	43.75	43.75
	(vi) Establishment of virology Laboratory at Gandhi Medical College	6.00	Nil
	(vii) Upgradation of MTH Hospital, Indore	5.50	Nil
	<b>Total</b>	<b>3,205.16</b>	<b>2,589.35</b>

\*Excluding ₹ 173.23 crore received to State from forfeited amount of other State  
(Source: Information obtained from Finance Department, Madhya Pradesh)

During test check of records of Police Department (July 2014) and collection of information from Finance Department (October 2014), we noticed submission of excess/inaccurate Utilisation Certificates (UCs), non-utilisation of XIII FC grant and parking of funds in Deposit Account as discussed below:

For the award period 2011-15 of the XIII FC, the GoI sanctioned (September 2010) FC grant of ₹ 180 crore (in four annual instalments of ₹ 45 crore each) for upgrading five Police Training Centres in Madhya Pradesh and to establish a new basic constable school at Sagar. As per guidelines, the third instalment was to be released only when entire amount of first instalment and two-third of the second instalment had been utilised. Similarly, for release of fourth instalment, 100 *per cent* of the first and second instalments and two-third of the third instalment was to be utilised.

Against ₹ 90 crore released during 2011-12 and 2012-13, the State Government (Finance Department) submitted (March 2014) progressive utilisation certificate (UC) for ₹ 74.45 crore, i.e. unspent balance reported as ₹ 15.55 crore. We observed that actual amount of unspent balance was ₹ 31.34 crore (₹ 27.16 crore was kept unutilised by the Police Housing Corporation and ₹ 4.18 crore was kept in K-Deposit by ADG (Training)). Thus, the amount of UC was inflated to the extent of ₹ 15.79 crore. Based on this UC, GoI released (May 2014) the third instalment of ₹ 45 crore for 2013-14. While the ADG (Training) utilised ₹ 4.18 crore during 2014-15, the Corporation still retained the unspent amount in bank.

We further observed (October 2014) that the State Finance Department submitted in September 2014 a progressive UC of ₹ 123.11 crore, i.e. having an unspent balance of ₹ 11.89 crore, against total grant of ₹ 135 crore for three instalments, despite having an unspent balance of ₹ 45.44 crore in the bank account of the Police Housing Corporation (₹ 27.16 crore up to 2012-13 plus ₹ 18.28 crore for 2013-14). Thus, the UC was inflated to the tune of ₹ 33.55 crore.

On this being pointed out, the Additional Director General of MP Police Housing Corporation Ltd. stated (July 2014) that the UC issued earlier was on the basis of assessed value of work done but the expenditure shown to Audit was on the basis of actual payments made to the contractor.

The reply was not acceptable since issue of UCs based on assessed value of work was not correct and contrary to the relevant rules.

### ***1.3.5 Foregone Revenue***

The details of evasion of revenue as on 31 March 2014 as reported by two departments are given in Table 1.13. The information has not been provided by four other revenue departments.

Table 1.13 Evasion of Tax

Nature of Revenue	No. of cases pending as on 31.03.2013	No. of cases detected during 2013-14	Total no. of cases	No. of cases in which investigation completed and additional demand including penalty raised		No. of pending cases as on 31.03.2014
				No. of cases	Amount (₹ in crore)	
Taxes on Sales, Trade etc.	253	263	516	239	44.19	277
Stamps and Registration fees	16,394	9,876	26,270	12,694	49.43	13,576
<b>Total</b>	<b>16,647</b>	<b>10,139</b>	<b>26,786</b>	<b>12,933</b>	<b>93.62</b>	<b>13,853</b>

(Source: Information maintained by AG (E&amp;RSA), MP)

## 1.4 Capital Receipts

Table 1.14 shows the trends in growth and composition of Capital Receipts.

Table 1.14: Trends in growth and composition of Receipts

(₹ in crore)

Sources of State's Receipts	2009-10	2010-11	2011-12	2012-13	2013-14
Capital Receipts (CR)	8,651	7,861	15,899	8,864	9,672
Non Debt Capital Receipts	48	403	9,149	73	131
Miscellaneous Capital Receipts	22	367	23	31	36
Inter-State Settlement	3	2	3	9	2
Recovery of Loans and Advances	23	34	9,123	33	93
Debt Capital Receipts	8,603	7,458	6,750	8,791	9,541
Rate of growth of CR ( <i>per cent</i> )	30.44	-9.13	102.25	-44.25	9.12
Rate of growth of non-debt Capital Receipts ( <i>per cent</i> )	-39.24	739.58	2,170.22	-99.20	79.45
Rate of growth of debt Capital Receipts ( <i>per cent</i> )	31.28	-13.31	-9.49	30.24	8.53
Rate of growth of GSDP ( <i>per cent</i> )	15.35	15.75	18.33	19.41	21.15

(Source: Finance Accounts)

### 1.4.1 Proceeds from disinvestment

As per Finance Account 2013-14, disinvestment of Co-operative Societies/Banks under Miscellaneous Capital Receipts marginally increased from ₹ 21.45 crore in 2012-13 to ₹ 25.53 crore in 2013-14.

### 1.4.2 Recoveries of loans and advances

The recovery of Loans and Advances of ₹ 93 crore during the year was lower than the Budget Estimates (₹ 125 crore). During 2013-14, increase of ₹ 60 crore in actual recovery over the previous year was mainly due to more recovery of loans from Water Supply, Sanitation, Housing and Urban Development (by ₹ 56.75 crore).

### 1.4.3 Public Debt Receipts

Public Debt Receipts consisted of Internal Debts and Loans from Govt. During 2013-14, Public Debt Receipts increased mainly under Internal Debt.

- Internal Debt receipts increased by ₹ 1,094 crore from ₹ 7,234 crore in 2012-13 to ₹ 8,328 crore in 2013-14, mainly due to increase under Market Loans and special securities issued to NSSF of Central Government.

- Loans and Advances from GoI decreased by ₹ 345 crore from ₹ 1,557 crore in 2012-13 to ₹ 1,212 crore in 2013-14. Entire decrease was under Loans for State/Union Territory Plan Schemes.

## 1.5 Public Accounts 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 available fund with the Government for its use.

The trends in respect of Public Account Receipts during 2009-14 are presented in Table 1.15.

Table 1.15: Trends in Public Account Receipts

	(₹ in crore)				
Resources under various heads	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Public Account Receipts (Gross)</b>	<b>52,353</b>	<b>65,675</b>	<b>76,315</b>	<b>86,248</b>	<b>94,811</b>
a. Small Savings, Provident Fund etc.	1,512	1,737	2,033	2,319	2,784
b. Reserve Fund	764	1,191	1,534	2,441	1,612
c. Deposits and Advances	9,334	9,724	9,872	6,502	10,369
d. Suspense and Miscellaneous	31,457	41,810	50,620	59,819	64,444
e. Remittances	9,286	11,213	12,256	15,167	15,602

(Source: Finance Accounts)

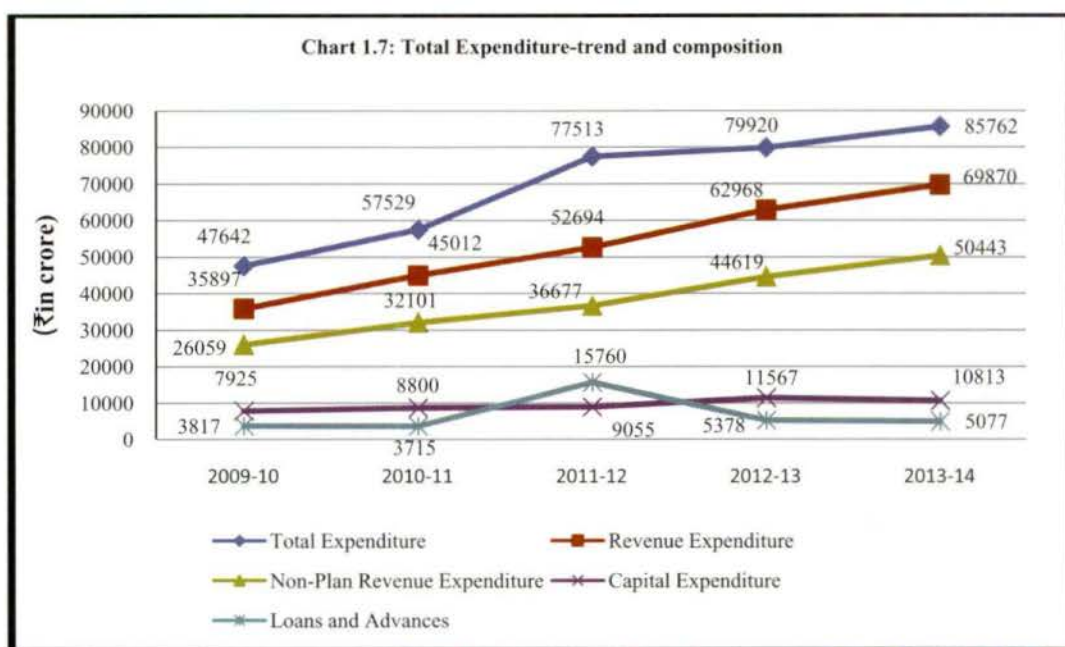
Public Account Receipts (Gross) increased by ₹ 8,563 crore (10 per cent) from ₹ 86,248 crore in 2012-13 to ₹ 94,811 crore in 2013-14. The increase was mainly under Deposits and Advances (by ₹ 3,867 crore) and Suspense & Miscellaneous (by ₹ 4,625 crore).

## 1.6 Application of Resources

Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with them. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is, however, important to ensure that the ongoing fiscal correction and consolidation process at the State level is not at the cost of the expenditure directed towards development of social sector.

### 1.6.1 Growth and composition of expenditure

Chart 1.7 presents the trend in Total Expenditure (excluding Public Debt repayments) over a period of the last five years (2009-14). Expenditure under various components is depicted in Chart 1.8 and the trend of expenditure by activities/services is shown in Chart 1.9.



(Source : Finance Accounts)

During the period 2009-14, the Total Expenditure of the State increased by ₹ 38,120 crore (80 *per cent*). The Revenue Expenditure and Capital Expenditure increased by ₹ 33,973 crore (95 *per cent*) and ₹ 2,888 crore (36 *per cent*) respectively during the same period.

During 2013-14, the increase of ₹ 5,842 crore in Total Expenditure (by seven *per cent*) over 2012-13 was mainly due to increase of ₹ 6,902 crore (11 *per cent*) in Revenue Expenditure partly offset by decrease of ₹ 754 crore (seven *per cent*) in Capital Expenditure and ₹ 301 crore (six *per cent*) under Loans and Advances.

The total Plan expenditure<sup>7</sup> and the total Non-Plan expenditure<sup>8</sup> during 2013-14 increased by ₹ 940 crore and ₹ 4,907 crore over the previous year respectively. The total Plan expenditure and Non-Plan expenditure during 2013-14 consisted 38 *per cent* and 62 *per cent* respectively of Total Expenditure.

As seen from the **Chart 1.8**, the share of Revenue Expenditure in Total Expenditure continuously increased from 75 *per cent* in 2009-10 to 81 *per cent* in 2013-14, except during the year 2011-12. The share of Capital expenditure in Total Expenditure continuously decreased from 17 *per cent* in 2009-10 to 13 *per cent* in 2013-14 except during the year 2012-13.

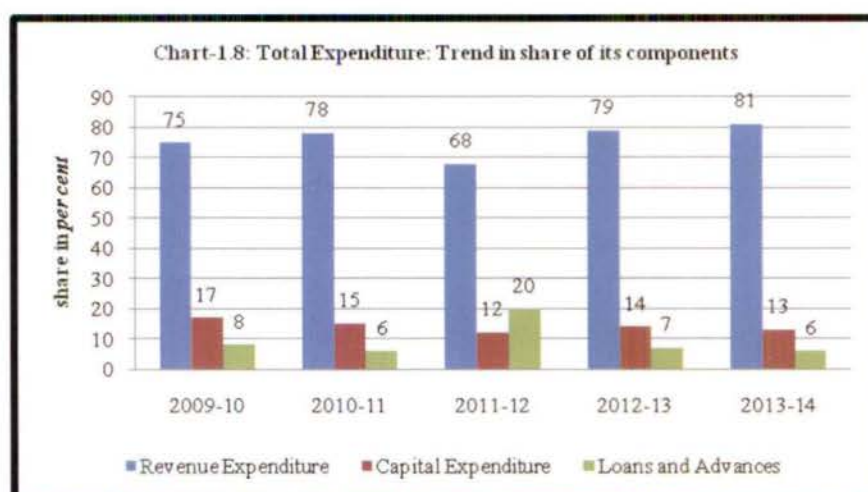
During 2013-14, the Non-Plan Revenue Expenditure increased by ₹ 5,824 crore (13 *per cent*) over the previous year.

In 2013-14, 88 *per cent* of the Total Expenditure (₹ 85,762 crore) could be met out of Revenue Receipts (₹ 75,749 crore).

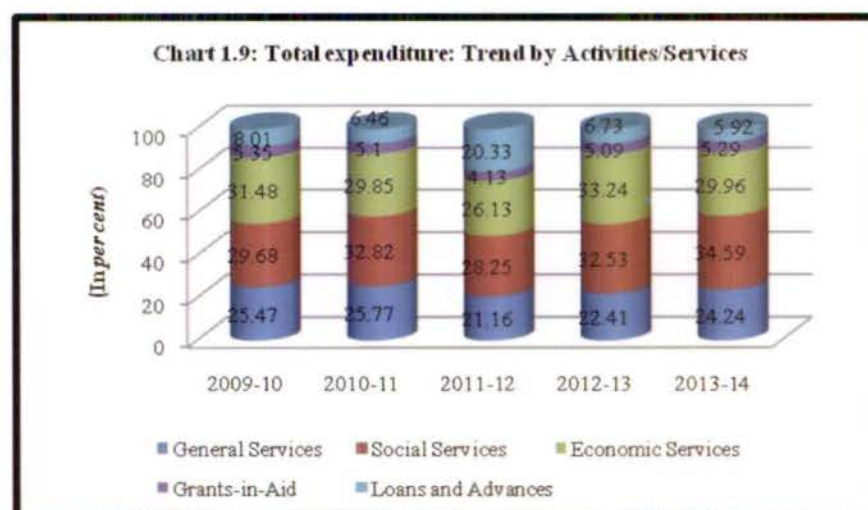
<sup>7</sup> Includes Plan Expenditure under Revenue, Capital and Loans & Advances

<sup>8</sup> Includes Non-Plan Expenditure under Revenue, Capital and Loans & Advances





The increase in Revenue Expenditure was mainly due to increase in Education, Sports, Art & Culture (by ₹ 2,801 crore), Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (by ₹ 138 crore), Health and Family Welfare (by ₹ 155 crore), Social Welfare and Nutrition (by ₹ 116 crore) and Water Supply, Sanitation, Housing and Urban Development (by ₹ 100 crore).



(Source: Finance Accounts)

- As shown in **Chart 1.9**, the share of expenditure under General Services (including Interest Payments) to Total Expenditure declined from 25.47 per cent in 2009-10 to 24.24 per cent in 2013-14, while the share of expenditure under Social Services increased from 29.68 per cent in 2009-10 to 34.59 per cent in 2013-14 with inter-year variations. The share of expenditure under Economic Services indicated a decreasing trend from 31.48 per cent in 2009-10 to 29.96 per cent in 2013-14. The development expenditure comprising Social and Economic Services together increased from 61.16 per cent in 2009-10 to 64.55 per cent in 2013-14 with inter-year variation.
- The share of Grants-in-aid in Total Expenditure marginally decreased from 5.35 per cent in 2009-10 to 5.29 per cent in 2013-14 with inter-year fluctuation.

- The share of Loans and Advances in Total Expenditure continuously decreased from 8.01 *per cent* in 2009-10 to 5.92 *per cent* in 2013-14 except during 2011-12 (20.33 *per cent*).

#### 1.6.2 Capital Expenditure (CE)

- Capital Expenditure increased from ₹ 7,925 crore in 2009-10 to ₹ 11,567 crore in 2012-13 then again decreased to ₹ 10,813 crore in 2013-14 (by 7 *per cent*). The decrease of ₹ 754 crore in Capital Expenditure over the previous year was mainly under Rural Development (by ₹ 749 crore), Energy (by ₹ 595 crore) and Agriculture and Allied Activities (by ₹ 159 crore) partly offset by increase in Irrigation and Flood Control (by ₹ 268 crore) and Transport (by ₹ 267 crore). The total CE during 2013-14 was less (by ₹ 301 crore) than the BE of ₹ 11,114 crore.

#### 1.6.3 Trends in growth of Revenue Expenditure

- The Revenue Expenditure of the State increased from ₹ 35,897 crore in 2009-10 to ₹ 69,870 crore in 2013-14, showing an average annual growth of 18.93 *per cent* over the period. Total increase of Revenue Expenditure during 2013-14 was ₹ 6,902 crore (10.96 *per cent*) over the previous year. During 2013-14, the Non-Plan Revenue Expenditure (NPRE) at ₹ 50,443 crore constituted 72 *per cent* of total Revenue Expenditure.
- The actual NPRE was much higher (by ₹ 16,100 crore: 46.88 *per cent*) than the assessment made by XIII FC. It was almost equal to MTFPS assessment made by State Government, as shown in Table 1.16.

Table 1.16: Trends in the growth of Non-Plan Revenue Expenditure (NPRE)

(₹ in crore)			
Year	Assessments made by XIII FC	Assessments made by State Government in MTFPS	Actual NPRE
2013-14	34,343	50,827	50,443

(Source : Finance Accounts and XIII FC Recommendations and Statement laid under FRBM Act)

- NPRE increased from ₹ 26,059 crore in 2009-10 to ₹ 50,443 crore in 2013-14 showing an average annual growth of 18.71 *per cent* over the period. NPRE increased by 13.05 *per cent* over the previous year.
- The increase in NPRE by ₹ 5,824 crore during 2013-14 was mainly due to increase in expenditure on Education, Sports, Art and Culture (by ₹ 2,004 crore), Social Welfare and Nutrition (by ₹ 409 crore), Health & Family Welfare (by ₹ 306 crore) and Power (by ₹ 304 crore).
- The Plan Revenue Expenditure (PRE), which consistently increased during the period 2009-14, increased by ₹ 1,078 crore (5.87 *per cent*) during 2013-14 over previous year. The increase in PRE in 2013-14 was mainly under Education, Sports, Art and Culture (by ₹ 796 crore) and Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (by ₹ 165 crore).

#### 1.6.4 Expenditure on salaries, interest payments, pension payments and subsidies

The expenditures of the State Government on interest payments, expenditure on salaries and wages, pensions and subsidies are considered as committed expenditure. **Table 1.17** and **Chart 1.10** present the trends of expenditure on these components during the period 2009-14.

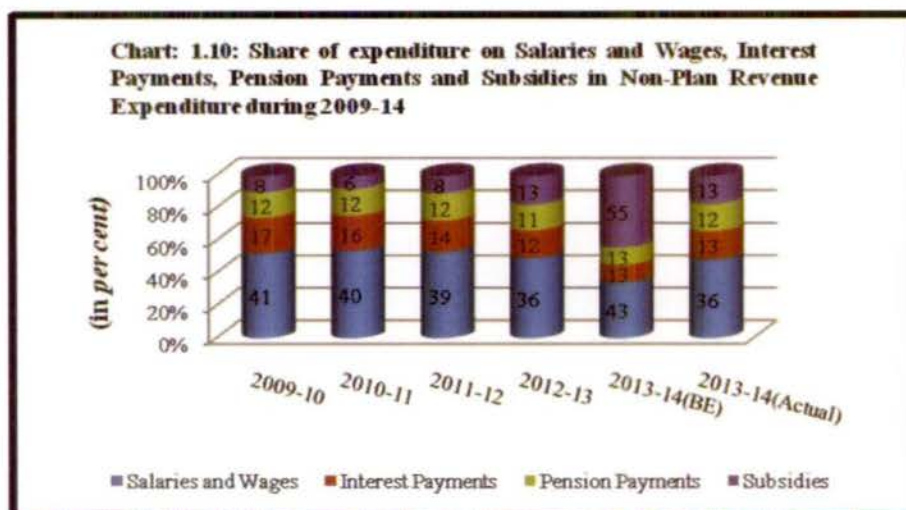
**Table 1.17: Components of committed expenditure**

Components of committed expenditure	2009-10	2010-11	2011-12	2012-13	(₹ in crore)	
					2013-14	
					BE	Actuals
Salaries and Wages, of which	10,678 (25.80)	13,100 (25.26)	14,113 (22.54)	16,026 (22.76)	21,831	18,361 (24.24)
Non-Plan Head	9,406	11,490	12,274	14,133	--	1,6081
Plan Head**	1,272	1,610	1,839	1,893	--	2,280
Interest Payments	4,454 (10.76)	5,049 (9.74)	5,300 (8.47)	5,574 (7.91)	6,519	6,391 (8.44)
Pension Payments	3,077 (7)	3,767 (7.26)	4,389 (7.01)	4,947 (7.02)	6,531	5,932 (7.83)
Subsidies	2,033 (4.91)	1,810 (3.49)	2,926 (4.67)	5,697 (8.09)	27,776	6,567 (8.67)
<b>Total</b>	<b>20,242 (49)</b>	<b>23,726 (46)</b>	<b>26,728 (43)</b>	<b>32,244 (46)</b>	<b>62,657 (79)</b>	<b>37,251 (49)</b>

Note: Figures in parentheses indicate percentage of Revenue Receipts

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

(Source: Finance Accounts and VLC data compiled by AG (A&E) MP)



(Source: Finance Accounts, data compiled by AG (A&E) Madhya Pradesh and Budget documents)

During 2013-14, total expenditure on salaries and wages, pension payments, interest payments and subsidies (₹ 37,251 crore) was 53 per cent of revenue expenditure and 74 per cent of NPRE. The overall expenditure on salaries and wages, interest payments, pension payments and subsidies increased by 84 per cent during the period 2009-14, at an average annual growth of 16.81 per cent. The increase was 15.53 per cent during 2013-14 as compared to 20.64 per cent during 2012-13. As a percentage of revenue receipts, it ranged between 43 and 49 per cent during the period 2009-14. During 2013-14, it constituted 49 per cent of the revenue receipts and was less than the budget estimates of revenue receipts (79 per cent). The component-wise analysis is given as under:



**1.6.4.1 Salaries and Wages**

The expenditure on salaries and wages increased by 72 *per cent* from ₹ 10,678 crore in 2009-10 to ₹ 18,361 crore in 2013-14. Actual expenditure on salaries and wages in 2013-14 was less than the projections in the BE (₹ 21,831 crore). Such expenditure as a percentage of revenue receipts ranged between 22.54 *per cent* and 25.80 *per cent* during the period 2009-14. During 2013-14, it was 24.24 *per cent* of revenue receipts.

There was an increase of 14 *per cent* in expenditure on salaries and wages under the Non-Plan head during 2013-14 over the previous year.

**1.6.4.2 Pension Payments**

Expenditure on pension payments increased from ₹ 3,077 crore in 2009-10 to ₹ 5,932 crore in 2013-14. The increase during 2013-14 over the previous year was ₹ 985 crore (by 20 *per cent*) mainly on account of increase under superannuation and retirement allowances (by ₹ 652 crore), family pensions (by ₹ 121 crore) and gratuities (by ₹ 108 crore).

Actual pension payment at ₹ 5,932 crore in 2013-14 was 9.17 *per cent* less than the BE of ₹ 6,531 crore and 51.95 *per cent* more than ₹ 3,904 crore as projected by the XIII FC.

**Contribution Pension Scheme**

State Government employees recruited on or after 1 January 2005 are covered under the New Pension Scheme, which is a defined contributory pension scheme. In terms of the Scheme, the employees' contribution along with matching share of the State Government is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank. However, actual amount of employees' contribution and the matching contribution of State Government has not been estimated. The State Government follows the method of budgeting and booking employees' contributions in the New Pension Scheme under the Receipt Major Head "0071-Contributions and Recoveries towards Pension and Other Retirement Benefits". These contributions are subsequently transferred to the Fund by operating the minor head "900-Deduct Refunds" under the same Major Head. Since the Consolidated Fund is closed to Government at the end of the year, any shortfall in the remittance of the contributions to the Fund in any year is not available in the accounts of subsequent years.

During 2013-14, against employees' contribution of ₹ 158.66 crore, Government contributed ₹ 176.78 crore. Under the present accounting methodology, it cannot be ascertained whether the Government contribution in excess of employees' contribution for 2013-14 was against the shortfalls of earlier years. We observed that out of total contribution of ₹ 335.44 crore credited under Major Head 0071, the State Government transferred only ₹ 323.10 crore to NSDL/Trustee Bank as of March 2014. Since this amount was not retained in a Fund, it got lapsed to Government account at the end of the financial year. Uncollected, unmatched and non-transferred amounts, with accrued interest, represent outstanding liabilities under the Scheme.

**1.6.4.3 Interest Payments**

Interest payments made during the years 2009-10 to 2013-14 are given in Table 1.18.

Table 1.18: Interest Payments

	(₹ in crore)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Interest Payments	4,454	5,049	5,300	5,574	6,391

Interest Payments of ₹ 6,391 crore during 2013-14 accounted for 8.44 *per cent* of the revenue receipts and constituted 9.15 *per cent* of revenue expenditure. Interest payments were mainly on market loans (₹ 2,580 crore), Special Securities issued to National Small Saving Fund (NSSF) of the Central Government (₹ 1,639 crore), State Provident Fund (₹ 843 crore), loans borrowed from the Central Government (₹ 638 crore) and other internal debt (₹ 436 crore).

The increase of ₹ 817 crore (14.66 *per cent*) in interest payment during 2013-14 over the previous year was the result of increase under interest on market loans (by ₹ 886 crore), interest on other obligations (by ₹ 146 crore), interest on other internal debts (by ₹ 41 crore) partly offset by decrease mainly under interest on special securities issued to National Small Savings Fund of the Central Government by State Government (by ₹ 131 crore) and State Provident Funds (by ₹ 104 crore).

Interest payments of ₹ 6,391 crore during the year were less than the BE of ₹ 6,519 crore and the projection made by the XIII FC (₹ 6,960 crore) for 2013-14.

**1.6.4.4 Subsidies**

Subsidy payment of ₹ 6,567 crore (Non-plan: ₹ 4,596 crore and Plan: ₹ 1,971 crore) accounted for 8.67 *per cent* of the revenue receipts and constituted 9.40 *per cent* of the revenue expenditure during 2013-14. The details of subsidies in non-plan and plan revenue expenditure are presented in Appendix 1.7.

During 2013-14, out of the total subsidies of ₹ 6,567 crore, ₹ 3,041 crore (46 *per cent*) was under the Energy Department. Actual subsidies in 2013-14 was 23.64 *per cent* of BE of ₹ 27,776 crore.

The increase in the amount of subsidy (by ₹ 870 crore) in 2013-14 over the previous year was mainly due to increase in subsidy of Energy (by ₹ 368 crore), Industry (by ₹ 124 crore), Food Subsidies (by ₹ 102 crore) and Crop Husbandry (by ₹ 94 crore).

**1.6.5 Financial assistance by State Government to Local Bodies and other institutions**

The quantum of assistance provided by way of Grants and Loans to Local Bodies and other institutions during the period 2012-13 to 2013-14 is presented in Table 1.19.

Table 1.19: Financial Assistance to Local Bodies and other Institutions

(₹ in crore)		
Financial Assistance to Institutions	2012-13	2013-14
Educational Institutions	2,520.24	3,862.98
Medical and Public Health	564.11	743.05
Housing	267.98	225.02
Urban Development	1,034.50	1,170.22
Welfare of SC/ST/OBC	404.78	387.91
Social Security and Welfare	880.75	649.67
Rural Development	3,017.70	2,650.05
Panchayati Raj	3,932.57	4,314.29
Water Supply and Sanitation	178.57	237.94
Other Institutions	685.84	712.21
<b>Total</b>	<b>13,487.04</b>	<b>14,953.34</b>
Assistance as a percentage of Revenue Expenditure	21.42	21.40

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

- Financial assistance to Local Bodies and other Institutions increased by ₹ 1,466.30 crore from ₹ 13,487.04 crore in 2012-13 to ₹ 14,953.34 crore in 2013-14. The increase was mainly on account of Financial Assistance to Educational Institutions (by ₹ 1,342.74 crore: 53 per cent).
- The assistance as a percentage of Revenue Expenditure marginally decreased from 21.42 per cent in 2012-13 to 21.40 per cent in 2013-14.

#### 1.6.6 Devolution of funds and auditing arrangements of Local Bodies

After enactment of the 73<sup>rd</sup> and 74<sup>th</sup> Constitution (Amendment) Act, 1992, the Urban Local Bodies (ULBs) and Panchayati Raj Institution (PRIs) were made full fledged and vibrant institutions of Local Self Government by vesting them with clearly defined functions and responsibilities. Accordingly, the State Government organised ULBs and PRIs into three types<sup>9</sup>. At present, there are 377 ULBs<sup>10</sup> and 23,369 PRIs<sup>11</sup> in the state.

##### 1.6.6.1 Transfer of Funds, Functions and Functionaries

According to amendment (Eleventh and Twelfth schedules of the Constitution), 29 and 18 functions were to be devolved in PRIs and ULBs by the State Government as detailed in Appendix-1.8. Though the State Government devolved all functions in ULBs, no separate funds and functionaries have been transferred by the Government (July 2014). However, no function was devolved in PRIs.

##### 1.6.6.2 Devolution of Grants to ULBs and PRIs

As recommended by the Third State Finance Commission (SFC) and accepted by State Government in February 2010, one per cent and four per cent of divisible fund<sup>12</sup> of the State Government should be devolved to ULBs and

<sup>9</sup> ULBs: Municipal Corporations (MC) for larger urban areas, Municipal Councils for smaller urban areas and Nagar Parishads (NP) for a transitional areas. PRIs: Zila Panchayat (ZP) at district level, Janpad Panchayat (JP) at block level and Gram Panchayat (GP) at village level.

<sup>10</sup> ULBs: 14 MC, 100 Municipal Councils, 263 NP

<sup>11</sup> PRIs: 50 ZP, 313 JP, 23,006 GP

<sup>12</sup> Divisible fund means net of State tax revenue of previous year after deduction of ten per cent towards expenditure for collection of taxes, minus assigned revenue to PRIs and ULBs.

PRIs respectively. During the year 2013-14, the devolution of SFC grants was made by Finance Department in ULBs and PRIs, as shown in Table 1.20.

Table 1.20: Devolution of Grants to ULBs and PRIs

Year	ULBs		Short released	PRIs		Short released
	Fund was to be devolved	Fund actually devolved		Fund was to be devolved	Fund actually devolved	
1	2	3	(2-3)	4	5	(4-5)
2013-14	239.40	170.81	68.59	957.60	809.63	147.97

It can be seen from above that the Finance Department short released ₹ 68.59 crore in ULBs and ₹ 147.97 crore in PRIs during 2013-14. Reasons stated by Finance Department (November 2014) that the fund, were being transferred.

#### 1.6.6.3 Audit arrangements

According to TGS arrangements, the Director Local Fund Audit would pursue the compliance of paragraphs in the inspection reports of the Accountant General (Audit) in the same manner as if these are his own reports. A total number of 5671 observations (including 732 observations issued during 2013-14) were outstanding in ULBs and 22,347 observations (including 3749 observations issued during 2013-14) were outstanding in PRIs at the end of 2013-14 for compliance.

#### 1.6.6.4 Placement of report

As per amendment to the MP Panchayat Raj Avam Gram Swaraj Adhiniyam, 1993 in PRIs (July 2011) and the Madhya Pradesh Municipal Corporation Act, 1956 and Madhya Pradesh Municipalities Act, 1961 in ULBs (January 2012), the Annual Technical Inspection Report (ATIR) of C&AG as well as the Annual Report of the Director of Local Fund Audit (DLFA) should be placed before the State Legislature. DLFA intimated (February 2014) that proposal was sent to Finance Department for preparation of first annual report for the year 2011-12. Status of the same was again sought in September 2014 from DLFA. Reply was awaited (November 2014).

### 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

The expenditure responsibilities relating to the social and economic infrastructure assigned to the State Government are largely State subjects. Enhancing human development levels require the States to step up their 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 General Category States' average for that year.

Table 1.21 analyses the fiscal priority of the State Government with regard to development expenditure, social expenditure and capital expenditure relative to General Category States' average in 2010-11 and the current year 2013-14.

Table 1.21: Fiscal priority of the State in 2010-11 and 2013-14

Fiscal Priority by the State	(in per cent)					
	AE/GSDP	DE/AE	SSE/AE	CE/AE	Expenditure on Education/AE	Expenditure on Health/AE
*General Category States Average (Ratio) 2010-11	15.78	65.09	35.88	13.49	17.48	4.37
Madhya Pradesh's Average (Ratio) 2010-11	21.84	69.07	33.14	15.30	14.88	3.74
*General Category States Average (Ratio) 2013-14	15.92	66.45	37.56	13.62	17.20	4.51
Madhya Pradesh's Average (Ratio) 2013-14	19.02	70.46	34.67	12.61	16.14	4.02
* General Category States excluding Delhi, Goa and Puducherry AE: Aggregate Expenditure, DE: Development Expenditure, SSE: Social Sector Expenditure, CE: Capital Expenditure # Development Expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed Source: For GSDP, the information as available on CSO website as on 1 August, 2014 except in case of Kerala where the figure was provided by PAG and Gujarat where figure taken from budget document for 2013-14. For GSDP, the information for M.P was collected from the State's Directorate of Economics and Statistics						

Comparative analysis revealed the following:

- Madhya Pradesh spent a higher proportion of its GSDP on Aggregate Expenditure during 2010-11 and 2013-14 as compared to General Category States.
- Development Expenditure as a proportion of Aggregate Expenditure in Madhya Pradesh during 2010-11 and 2013-14 has also been higher than the General Category States Average.
- Development Expenditure consists of expenditure under both Economic Services and Social Services. However, Social Services Expenditure (as a proportion of Aggregate Expenditure) in Madhya Pradesh during 2010-11 and 2013-14 has been lower than that of the average of General Category States. Further, during both the years priority given to Health as well as to Education sectors was not adequate, since smaller proportion of expenditure was incurred on these two sectors as compared to General Category States' Average.
- It was observed that Capital Expenditure as a percentage of Aggregate Expenditure in Madhya Pradesh was higher than that of General Category States' Average during the year 2010-11 but lower during the year 2013-14.

### 1.7.2 Efficiency of Expenditure use

In view of the importance of public expenditure on development heads from the point of view of Social and Economic Development, it is important for the State Governments to take appropriate expenditure rationalisation measures



and lay emphasis on provision of Core Public and Merit goods<sup>13</sup>. Apart from improving the allocation towards Development Expenditure<sup>14</sup>, the efficiency of expenditure use is also reflected by the ratio of Capital Expenditure (CE) to Total Expenditure (TE) and the proportion of Revenue Expenditure being spent on Operation and Maintenance of the existing Social and Economic Services. The higher the ratio of these components to the TE, the better would be the quality of expenditure.

**Table 1.22** provides the details of CE and the components of Revenue Expenditure incurred on maintenance of selected Social and Economic Services.

**Table 1.22: Efficiency of Expenditure use in Selected Social and Economic Services**

Social/Economic Infrastructure	(in per cent)					
	2012-13			2013-14		
	Share of CE to TE	In concerned sector of RE, the share of		Share of CE to TE	In concerned sector of RE, the share of	
		S & W	O&M		S & W	O&M
<b>Social Services (SS)</b>						
Education, Sports, Art and Culture	1.33	53.57	0.16	0.95	48.85	0.05
Health and Family Welfare	5.36	57.02	0.22	4.81	63.89	0.18
Water Supply, Sanitation, Housing and Urban Development	22.44	8.76	6.37	24.30	3.34	2.09
Other Social Services	5.81	9.29	0.08	7.83	28.55	0.10
<b>Total (SS)</b>	<b>6.20</b>	<b>35.15</b>	<b>0.84</b>	<b>6.39</b>	<b>35.53</b>	<b>0.65</b>
<b>Economic Services (ES)</b>						
Agriculture and Allied Activities	5.18	30.50	0.17	2.78	35.24	0.19
Irrigation and Flood Control	85.57	68.19	4.79	85.28	63.93	6.36
Power and Energy	14.29	0.01	0.28	7.59	0.01	0.21
Transport	62.35	5.95	69.42	62.79	2.57	29.87
Other Economic Services	12.61	3.96	1.39	14.95	38.09	18.70
<b>Total (ES)</b>	<b>30.66</b>	<b>17.12</b>	<b>6.58</b>	<b>28.40</b>	<b>19.53</b>	<b>7.86</b>
<b>Total (SS+ES)</b>	<b>19.63</b>	<b>27.79</b>	<b>2.19</b>	<b>17.57</b>	<b>29.46</b>	<b>3.38</b>

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

(Source: Finance Accounts and information furnished by A G (A&E), Madhya Pradesh)

**Table 1.22** reveals that under Social Services, share of CE to TE marginally increased from 6.20 per cent in 2012-13 to 6.39 per cent in 2013-14. However, under Economic Services, the share of CE to TE decreased from 30.66 per cent in 2012-13 to 28.40 per cent in 2013-14.

- The increase in share of Capital Expenditure under Social Services was mainly under the sectors, Water supply, Sanitation, Housing and Urban Development while the decrease in the share of Capital Expenditure under Economic Services was mainly under the sectors Energy and Agriculture & Allied Activities. This indicated that priority for Capital Expenditure under economic services needs to be improved.

<sup>13</sup> Core public goods are goods which all citizens enjoy in common, in the sense that each individual's consumption of such goods leads to no subtractions from any other individual's consumption of those goods, e.g. enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods and road infrastructure etc.

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

<sup>14</sup> 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.

- In Revenue Expenditure, the share of salaries & wages under Social and Economic Services together increased from 27.79 *per cent* in 2012-13 to 29.46 *per cent* in 2013-14. In case of O&M also, expenditure increased from 2.19 *per cent* in 2012-13 to 3.38 *per cent* in 2013-14, mainly under Irrigation and Flood Control. This indicated that fiscal situation needs improvement.

As shown in Appendix 1.1, during the period 2004-13, the Compound Annual Growth Rate (CAGR) of revenue expenditure on Health sector in case of Madhya Pradesh was marginally lower than that of other General Category States, while on Education it was higher than that of General Category States. This indicated that the expenditure on Health sector needed to be increased.

## 1.8 Financial analysis of Government Expenditure and Investments

In the post-FRBM framework, the Government is expected to keep its fiscal deficit (borrowing) not only at low levels but also to initiate measures to earn adequate return on its investments and recover cost of borrowed funds rather than bearing the same in the form of implicit subsidy and take requisite steps to infuse transparency in financial operations. This section presents the broad financial analysis of investments and other capital expenditure undertaken by the Government during the 2013-14 *vis-à-vis* previous years.

### 1.8.1 Investment and Returns

The Government invested ₹ 15,275.10 crore in Statutory Corporations (26), Government Companies (35), Joint Stock Companies and Partnerships (23), Banks (one) and Co-operative Societies (130) etc. as of 31 March 2014 (Table 1.23). The average return on these investments was 0.72 *per cent* during the period 2009-14 while the Government paid an average rate of interest (6.81 *per cent*) on the borrowings during the same period.

Table 1.23: Return on Investments

	(₹ in crore)				
Investment/Return/Cost of Borrowings	2009-10	2010-11	2011-12	2012-13	2013-14
Investment at the end of the year	11,686.28	12,216.04	13,183.59	14,656.50	15,275.10
Return	49.75	32.20	37.98	18.38	378.72
Return ( <i>per cent</i> )	0.43	0.26	0.29	0.13	2.48
Average rate of Interest on Government Borrowings ( <i>per cent</i> )	6.94	7.04	6.74	6.48	6.84
Difference between Interest rate and Return ( <i>per cent</i> )	6.51	6.78	6.45	6.35	4.36

(Source: Finance Accounts)

- Out of the total investment of ₹ 15,275.10 crore at the end of March 2014, ₹ 1,076.04 crore pertained to the composite State of Madhya Pradesh and was pending allocation between Madhya Pradesh and Chhattisgarh (Statutory Corporations: ₹ 411 crore; Government Companies: ₹ 180.49 crore; Co-operative Banks and Societies: ₹ 483.01 crore and Joint-Stock Companies and Partnerships: ₹ 1.54 crore).
- During 2013-14, the return on these investments was 2.48 *per cent* while the Government paid interest at an average rate of 6.84 *per cent* on its borrowings during the year. Thus, return on Government investments was meagre as compared to cost of its borrowing.



- Twenty two Government Companies and Statutory Corporations with an aggregate investment of ₹ 12,695.31 crore for the latest year for which accounts were finalised as of 2013-14 were running in losses which accumulated to ₹ 22,071.34 crore. Details are given in Appendix 1.9.

### 1.8.2 Incomplete Projects

We observed that information for the years 2008-09 to 2013-14 in respect of Incomplete Projects was not received from the State Government for incorporation in the Finance Accounts. However, information as on 31 March 2014 was collected from the Departments of Energy, Water Resources, Public Works and Narmada Valley Development Authority. The position of the incomplete projects, each costing above ₹ one crore is given in Table 1.24.

Table 1.24: Position of Incomplete Projects as on 31 March 2014

Particulars	Number of Incomplete Projects	Initial budgeted cost	Revised total cost of Projects	(₹ in crore)	
				Cumulative actual Expenditure	Cost overrun
Energy Department	92	62,374.21	11,611.64	24,246.53	3,125.52
Water Resources Department	49	418.81	283.41	366.53	89.06
Public Works Department	47	248.78	187.11	211.80	64.00
Narmada Valley Development Authority	13	5,546.15	12,460.60	9,639.89	9,422.26
<b>Total</b>	<b>201</b>	<b>68,587.95</b>	<b>24,542.76</b>	<b>34,464.75</b>	<b>12,700.84</b>

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

- We observed that in 50 cases, initial cost of the projects (aggregating ₹ 11,842.84 crore) was revised (aggregating ₹ 24,542.76 crore). In 146 cases the initial cost (aggregating ₹ 56,718.16 crore) was not revised. In all these cases the progressive expenditure of the projects did not exceed the revised initial estimates. Though in five cases, the progressive expenditure (₹ 27.87 crore) of the projects exceeded the initial project cost (₹ 26.95 crore), no revision of the project cost was made. Department wise details are given in Appendix 1.10.
- The concerned departments attributed the delay in completion of these projects to lack of manpower and material, delay in development of application, slow progress of work by Turn Key Contractors due to mismanagement in procurement of material and financial crisis, land problems due to public resistance, dense population and hinderance in forest clearance, lack of fund, revision in type and design in bridge, delay in completion of approach road and lining of system by crossing railway line etc.

### Public Private Partnership (PPP) Projects

Recourse to the PPP mode for project financing is encouraged because it provides valuable fiscal space for the provision of public goods in areas where such financing may not be forthcoming. Government of Madhya Pradesh have been implementing PPP projects in the areas of Road, Transport, Urban Infrastructure, Health, Energy, Tourism, Sports, Education and Dairy, etc.

We observed that out of 207 PPP projects (cost: ₹ 26,173.10 crore) initiated under various sectors as of March 2014, only 41 projects (19.81 per cent) were completed at a cost of ₹ 5,342.80 crore. While 113 projects costing

₹ 13,559.00 crore were in progress, 53 others (cost: ₹ 7,271.30 crore) were not taken up. The details are given in Appendix 1.11.

### 1.8.3 Loans and Advances by the State Government

In addition to investments in Co-operative societies, Corporations and Companies, the Government has also provided Loans and Advances to many of these institutions/organisations. Table 1.25 presents the outstanding loans and advances as on 31 March 2014, interest receipts *vis-à-vis* interest payments during the last three years.

Table 1.25: Average Interest Received on Loans and Advances given by the State Government  
(₹ in crore)

Quantum of Loans/Interest Receipts/cost of Borrowings	2011-12	2012-13	2013-14	
			BE	Actual
Opening Balance of Loans given	15,105	21,742	--	27,088
Amount advanced during the year	15,760	5,378	6,445	5,077
Amount repaid during the year	9,123	32	125	93
Closing Balance	21,742	27,088	--	32,072
Net addition	6,637	5,346	6,570	4,984
Interest received	1,200	42	204	12
Interest Receipts as percentage of outstanding Loans and Advances	6.51	0.17	--	0.04
Interest payments as percentage of outstanding fiscal liabilities of the State Government	6.74	6.48	--	6.84
Difference between interest payments and interest receipts ( <i>per cent</i> )	0.23	6.31	--	6.80

(Source: Finance Accounts and Budget Estimate 2013-14)

- The total outstanding loans and advances as on 31 March 2014 was ₹ 32,072 crore<sup>15</sup>. The interest received against these loans was ₹ 12 crore. Loans advanced to various State Government institutions were higher than the amount of loans recovered resulting in an increase in outstanding loans and advances.
- It was observed that 82 *per cent* (₹ 26,268 crore) of outstanding loans and advances as on 31 March 2014, pertained to Madhya Pradesh State Electricity Board (MPSEB) and its successor companies and seven *per cent* was to be recovered from units engaged in Water Supply, Sanitation, Housing and Urban Development (₹ 2,227 crore).
- Considering the average interest paid on borrowings at the rate of 6.84 *per cent* during 2013-14, the rate of interest received was very low at 0.04 *per cent* on Loans and Advances given by the Government.
- During 2013-14, interest received (₹ 12 crore) was less than the BE for 2013-14 (₹ 204 crore) and actuals for 2012-13 (₹ 42 crore), mainly due to non-receipt of interest from power projects.

### 1.8.4 Cash Balances and Investment of Cash Balances

Table 1.26 depicts the Cash Balances and Investments made by the State Government out of the Cash Balances during the year.

<sup>15</sup> Including ₹ 2,186 crore pertaining to Chattisgarh which has not been finalised/transferred.

Table 1.26: Cash Balances and Investment of Cash Balances

(₹ in crore)

	Opening balance on 1 April 2013	Closing balance on 31 March 2014	Increase (+)/ Decrease(-)
(1) General Cash Balance [(i) to (iv)+2]	6,543.70	4,072.36	(-)2,471.34
(i) Cash in Treasuries	—	—	—
(ii) Deposits with Reserve Bank	(-)262.75	173.22	(+) 435.97
(iii) Deposits with other Banks	—	—	—
(iv) Remittances in transit - Local	—	—	—
Total (i) to (iv)	(-)262.75	173.22	(+) 435.97
(2) Investments held in Cash Balance Investment account	6,806.45	3,899.14	(-)2,907.31
(3) Other Cash Balances and Investments [(i) to (iii)]	531.11	404.67	(-)126.44
(i) Departmental cash balances	132.24	2.57	(-) 129.67
(ii) Permanent Imprest	0.81	0.83	(+)0.02
(iii) Investment out of earmarked funds	398.06	401.27	(+) 3.21
Overall Cash position (1)+(3)	7,074.81	4,477.03	(-)2,597.78

(Source: Finance Accounts)

- The Cash Balances of the Government at the end of 2013-14 decreased by ₹ 2,597.78 crore from ₹ 7,074.81 crore in the previous year.
- As per Finance Accounts 2013-14, ₹ 3,899.14 crore was invested in Government of India Treasury Bills, which earned an interest of ₹ 241 crore during the year. Maintaining large cash balances is not advisable as these are invested in low interest-bearing 14 days Treasury Bills.
- Under an agreement with the Reserve Bank of India (RBI), the Government of Madhya Pradesh has to maintain with the RBI a minimum Cash Balance of ₹ 1.96 crore. If this balance falls below the agreed minimum on any day, the deficiency is made good by taking Ordinary and Special Ways and Means Advances/Overdrafts from time to time. No Ways and Means Advance (Normal/Special) was taken by the State during the years 2012-13 and 2013-14.
- Outstanding balances under the major head 8670-Cheques and Bills represents the amount of unencashed cheques. As per Finance Accounts 2013-14, outstanding balance at the end of the year under this Head was ₹ 56.69 crore in 2013-14 as compared to ₹ 27.27 crore in 2012-13. The cash balances were overstated to the extent of outstanding cheques.

## 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 building 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.

Total liabilities, as defined in the FRBM Act, 2005 are the liabilities under the Consolidated fund and the Public Account of the State. Consolidated Fund liabilities consist of Internal Debt and Loans and Advances from GoI.

Further, the internal debt includes market loans, special securities issued to NSSF of Central Government, Compensation and other Bonds and Loans from Financial Institutions. The Constitution of India provides that States may

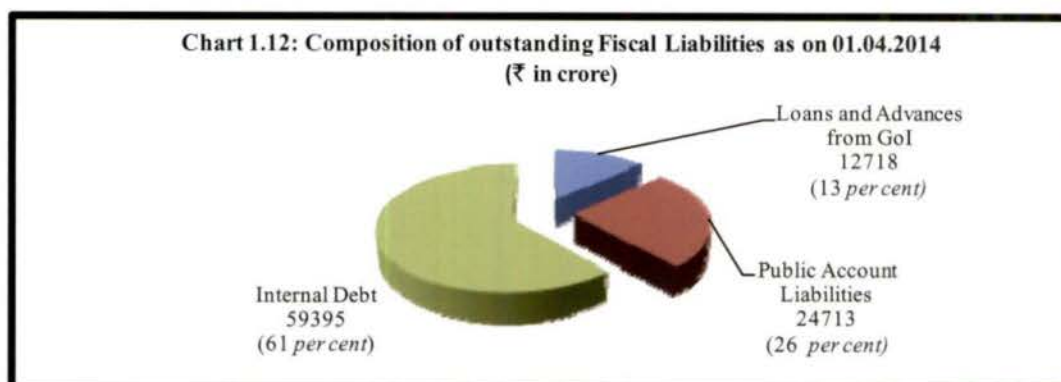
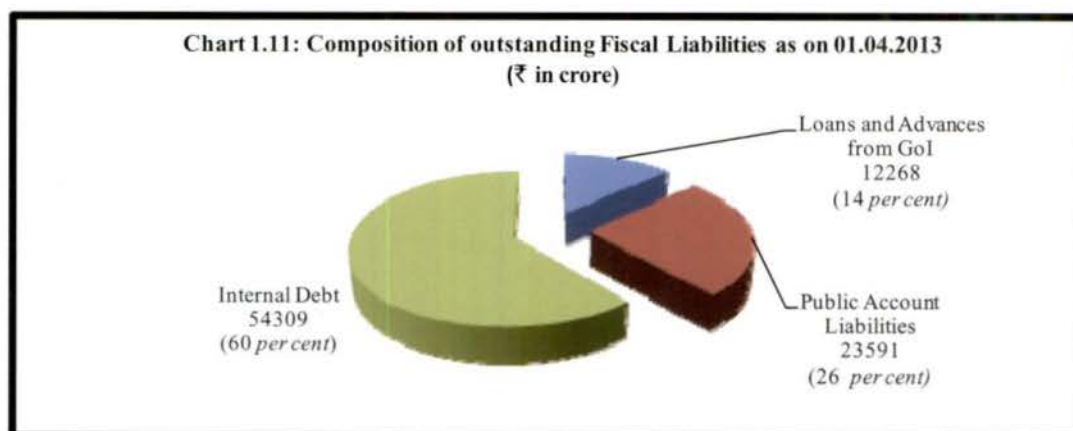
borrow within the territory of India upon the security of their Consolidated Funds, within such limits, as may from time to time be fixed by an Act of the Legislature and give guarantees within such limits as may be fixed. The public Accounts liability includes small savings, provident fund etc., reserve funds and other deposits.

Government Assets comprise assets under Consolidated Fund and cash. The assets under Consolidated Fund consist of capital outlay on fixed assets-investments in shares of companies and corporations and loans and advances, which in turn consist of loans for power projects and other development loans.

**Appendix 1.5 Part B** gives an abstract of such liabilities and assets as on 31 March 2014 compared with the corresponding position as on 31 March 2013.

### 1.9.2 Fiscal liabilities

The trends in outstanding fiscal liabilities of the State are presented in **Appendix 1.4**. The composition of fiscal liabilities during the year 2013-14 *vis-a-vis* the previous year is presented in **Charts 1.11** and **1.12**.



The overall Fiscal Liabilities of the State increased from ₹ 67,853 crore in 2009-10 to ₹ 96,826 crore in 2013-14.

These liabilities increased by 7.38 *per cent* during 2013-14 as against 10.29 *per cent* in 2012-13. The increase in Fiscal Liabilities during 2013-14 over the previous year was mainly under Market Loans (by ₹ 3,572 crore), Special Securities issued to National Small Saving Fund (NSSF) (by ₹ 1,270 crore),



Loans from NABARD (by ₹ 667 crore) and Loans and Advances from Government of India (by ₹ 450 crore).

**Table 1.27** depicts the details of Fiscal Liabilities of the State at the end of the years 2012-13 and 2013-14.

**Table 1.27: Components of Fiscal Liabilities of the State**

(₹ in crore)			
S.No.	Name	2012-13	2013-14
<b>1.</b>	<b>Consolidated Fund Liabilities (Public Debt)</b>	<b>66,577</b>	<b>72,113</b>
(i)	Market loans	31,407	34,979
(ii)	Special Securities issued to NSSF	16,806	18,076
(iii)	Compensation and issue of other bonds	1,413	1,052
(iv)	Loans from NABARD	4,172	4,839
(v)	Other Loans	511	449
<b>(vi)</b>	<b>Total (i) to (v)</b>	<b>54,309</b>	<b>59,395</b>
<b>(vii)</b>	<b>Loans and Advances from GoI</b>	<b>12,268</b>	<b>12,718</b>
<b>2.</b>	<b>Public Account liabilities</b>	<b>23,591</b>	<b>24,713</b>
(i)	Small Savings, Provident Funds etc.	10,752	11,699
(ii)	Interest bearing obligations	490	189
(iii)	Non- interest bearing obligations	12,349	12,825

(Source: Finance Accounts)

Fiscal liabilities at the end of 2013-14 were 21.47 *per cent* of GSDP against the limit of 36 *per cent* prescribed by XIII Finance Commission. These were 1.28 times of the Revenue Receipts and 2.35 times of the State's Own Resources. The buoyancy of these liabilities with respect to GSDP decreased from 0.53 in 2012-13 to 0.35 during the year mainly due to decrease in the growth rate of these liabilities (**Table 1.6**).

### 1.9.3 Setting-up of Sinking Fund for amortisation of all loans

As per Para No.12.59 of the Twelfth Finance Commission Report (2005-10), all States should set-up Sinking Fund for amortisation of all loans including loans from bank, liabilities on account of NSSF etc. The Fund should be maintained outside the Consolidated Fund of the State and should not be used for any other purpose, except for redemption of loans. We observed that the Sinking Fund was not set-up in the State as of September 2014.

Finance Department stated (September 2014) that action was under process to set-up Sinking Fund of the State.

### 1.9.4 Status of Guarantees – contingent liabilities

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

Madhya Pradesh State Government Guarantee Rules (MPSGGR), 2009 (amended) came into force from 20 November 2009 and apply in all cases where State Government stands guarantee for repayment of loans and interest thereon under article 293 of the Constitution of India. Sanction orders of the guarantees are issued by the Finance Department.

Clause 9(2)(d) of the MPFRBM Act, 2005 prescribes the fiscal target of limiting annual incremental guarantees so as to ensure that the total guarantees do not exceed 80 *per cent* of the total revenue receipts in the year preceding



the current year. During the years 2011-12 to 2013-14 the annual incremental guarantees were within the ceiling limit fixed under the MPFRBM Act.

As per Statement 9 of the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last three years are given in Table 1.28.

Table 1.28: Guarantees given by the Government of MP

Particulars of Guarantees	₹ in crore)		
	2011-12	2012-13	2013-14
Maximum amount Guaranteed	11,107.51	14,751.71	21,472.12
Outstanding amount of Guarantees	5,605.03	7,719.54	9,977.62
80 per cent of the total Revenue Receipts in the year preceding the current year ( criterion as per FRBM Act)	41,483.20	50,083.20	56,341.60
Percentage of maximum amount of Guarantee to total Revenue Receipts	17.74	20.95	28.35
Percentage of outstanding Guarantee to total Revenue Receipts of preceding year	10.81	12.33	14.17
Guarantee or fee receivable	NA	NA	102.86
Guarantee or fee received	0.44	4.81	2.50

NA- Not Available

(Source: Finance Accounts)

During the year 2013-14, guarantees were given in respect of Power Sector (61), Co-operative Sector (5), State Financial Corporation Sector (22), Urban Development and Housing Sector (91) and other infrastructure (62). Maximum amount guaranteed increased substantially by ₹ 6,720 crore (29.25 per cent) over the previous year during 2013-14 as can be seen from Table 1.28 above.

#### Guarantees given to loss-making PSUs

An analysis of the information obtained from four selected Public Sector Undertakings (PSUs), revealed that the outstanding amount of guarantees included ₹ 3,449 crore, as detailed in Table 1.29.

Table 1.29: Accumulated Losses and Guarantees given in respect of the PSUs

Sl. No.	Name	₹ in crore)			
		Outstanding Guarantee at the end of the year		Accumulated Profit(+) or Loss(-)	
		2012-13	2013-14	2012-13	2013-14
1.	MP Power Generating Company Limited	1,994.89	1,646.85	(-)1,418.71	(-) 2,002.75
2.	MP Poorva Kshetra Vidyut Vitran Co. Ltd.	759.48	611.16	(-)6,937.29	(-) 8,824.43
3.	MP Paschim Kshetra Vidyut Vitran Co. Ltd.	761.52	543.87	(-)5,922.60	(-) 7,733.55
4.	MP Madhya Kshetra Vidyut Vitran Co. Ltd.	1,122.89	646.84	(-)6,001.03	(-) 8,673.05
	<b>Total</b>	<b>4,638.78</b>	<b>3,448.72</b>		

Since the PSUs have been incurring losses and their repayment capacity of large amount of loans is doubtful, there is a possibility of the contingent liabilities becoming real liabilities of the Government.

#### Guarantee Redemption Fund

The Government constituted the Guarantee Redemption Fund during the year 2005-06, which had a closing balance of ₹ 389.87 crore at the end of 2013-14. The whole amount stood invested.

Guarantee Fee at the rate of one per cent is charged from the principal debtors unless exempted specially. The proceeds of the fees so realised are credited to

the revenue of the Government. During the year 2013-14, a sum of ₹ 2.50 crore (2.43 per cent) out of ₹ 102.86 crore receivable, was recovered as Guarantee Fees and credited to the Government Account. No Guarantee was invoked during 2013-14.

Along with matching share ₹ 9.62 crore was to be remitted into the Fund, against which only ₹ one crore was deposited.

### 1.9.5 In-operative Reserve Funds

We observed that Reserve Fund under the Major Head 8229-200-Compensatory Forestation Fund have credit balance of ₹ 31.81 crore as on 31 March 2014 which were neither utilised nor invested for last six years.

## 1.10 Debt Management

### 1.10.1 Debt Sustainability

Apart from the magnitude of debt of the Government, it is important to analyse various indicators that determine the Debt Sustainability<sup>16</sup> of the State. This section assesses the sustainability of debt of the Government in terms of Debt Stabilisation<sup>17</sup>; Sufficiency of Non-debt Receipts<sup>18</sup>; Net Availability of Borrowed Funds<sup>19</sup>; the burden of Interest Payments (measured by the ratio of Interest Payments to Revenue Receipts) and the maturity profile of Government Securities. **Table 1.30** analyses the debt sustainability of the State according to these indicators for the period 2009-14.

**Table 1.30: Debt Sustainability: Indicators and Trend**

Indicators of Debt Sustainability	(₹ in crore)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Debt Stabilisation (Quantum Spread + Primary Deficit)	2,117	8,333	10,390	4,632	9,412
Sufficiency of Non-debt Receipts (Resource Gap)	(-)1,766	927	(-)488	(-)3,660	(-)462
Net availability of Borrowed Funds (percentage in bracket)	3,131 (16)	2,606 (13)	955 (5)	2,838 (15)	569 (2)
Burden of Interest Payments (Interest Payments/Revenue Receipt Ratio)	0.11	0.10	0.08	0.08	0.08

<sup>16</sup> Debt Sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt, therefore, also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep a balance between costs of additional borrowings with returns from such borrowings. It means that the rise in fiscal deficit should match the increase in capacity to service the debt.

<sup>17</sup> A necessary condition for stability states that if the rate of growth of the economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided the primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and Quantum Spread (Debt X rate spread), the debt sustainability condition states that if the Quantum Spread, together with the Primary Deficit is zero, the debt-GSDP ratio would be constant or the debt would stabilise eventually. On the other hand, if the Primary Deficit together with the Quantum Spread turns out to be negative, the debt-GSDP ratio would be rising and in case it is positive, the debt-GSDP ratio would eventually be falling.

<sup>18</sup> 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.

<sup>19</sup> Defined as the ratio of the Debt Redemption (Principal + Interest Payments) to total Debt Receipts and indicates the extent to which the debt receipts are used in Debt Redemption indicating the Net Availability of Borrowed Funds.

**1.10.2 Debt Stabilisation**

An important condition for debt sustainability is stabilisation in terms of debt to GSDP ratio. When the quantum spread and primary deficit together are negative, the debt-GSDP ratio will be high indicating unsustainable levels of public debt and when the quantum spread and primary deficit are positive, debt-GSDP ratio will be low indicating sustainable levels of public debt.

Analysis of Primary Deficit together with the quantum spread revealed that their sums remained positive during the period 2009-14 indicating that the debt was at sustainable level.

**1.10.3 Sufficiency of Non-Debt Receipts**

Another indicator of debt sustainability is the sufficiency of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure. A positive resource gap strengthens the capacity of the State to sustain the debt in the medium to long run while a negative resource gap indicates otherwise.

During the year 2010-11, Non-debt receipts met not only the incremental requirement of the primary expenditure but also after meeting the incremental interest liabilities, resulted in a positive resource gap indicating the increasing capacity of the State to sustain its debt. During the periods 2009-10 and 2011-12 to 2013-14, incremental Non-debt receipts were not enough to meet the incremental primary expenditure resulting in a negative resource gap. No significant recovery of loans were noticed during the period 2009-10 and 2011-14.

**1.10.4 Net availability of borrowed funds**

Debt Redemption ratio indicated a fluctuating trend during the period 2009-14 (Appendix 1.4). It increased from 0.84 in 2009-10 to 0.95 in 2011-12 and then decreased to 0.86 in 2012-13. It again increased to 0.98 during 2013-14, leaving very less funds for asset creation. During the year 2013-14, internal debt repayment (₹ 3,243 crore) was 39 per cent of fresh internal debt receipts (₹ 8,328 crore); repayment of GoI loans (₹ 762 crore) was 63 per cent of fresh debt receipts of ₹ 1,212 crore while in case of other obligations (₹ 12,735 crore), repayments were 90 per cent of fresh receipts of ₹ 14,161 crore. This indicated that fresh debt receipts were partly utilised for repayment of debt.

Out of receipts of ₹ 8,328 crore under internal debt during the year, the Government raised ₹ 5,000 crore from market loans at an average interest rate of 9.42 per cent per annum, ₹ 1,250 crore from NABARD, ₹ 1,996 crore from NSSF and ₹ 82 crore from National Co-operative Development Corporation.

The receipt of Loans and Advances from GoI decreased from ₹ 1,557 crore in 2012-13 to ₹ 1,212 crore in 2013-14 mainly due to decrease in the receipt of Block Loans under 'Loans for State/Union Territories Plan Scheme'. Market loans constituted the major part of the Internal Debt.

**1.10.5 Maturity Profile of State Debt**

Table 1.31: Maturity Profile of State Debt for the years 2012-13 and 2013-14

(₹ in crore)

In Years	FY 2012-13				FY 2013-14			
	6003-Internal Debt Amount	6004-Loans and Advances Amount	Total Amount	Percentage of Repayment due to Debt	6003-Internal Debt Amount	6004-Loans and Advances Amount	Total Amount	Percentage of Repayment due to Debt
0-1	2,155.17	1,116.55	3,271.72	4.91	2,859.37	1,148.62	4,007.99	5.56
1-3	5,338.84	1,154.89	6,493.73	9.75	4,901.40	1,176.90	6,078.30	8.41
3-5	5,816.11	1,178.33	6,994.44	10.51	8,231.36	1,199.59	9,430.95	13.01
5-7	11,624.32	1,183.68	12,808.00	19.24	11,853.71	1,205.75	13,059.46	18.11
7-9	9,833.07	1,183.46	11,016.53	16.55	10,632.71	1,205.50	11,838.21	16.41
9-11	6,433.07	867.75	7,300.82	10.97	7,132.71	432.36	7,565.07	10.41
11-13	1,896.61	250.37	2,146.98	3.22	2,019.12	228.88	2,248.00	3.11
13-15	1,738.67	161.58	1,900.25	2.85	1,818.72	140.15	1,958.87	2.71
above 15	3,377.15	107.32	3,484.47	5.23	3,605.54	104.81	3,710.35	5.11
Misc.*	6,096.32	5,063.88	1,1160.20	16.76	6,340.45	5,875.67	12,216.12	16.91
<b>Total</b>	<b>54,309.33</b>	<b>12,267.81</b>	<b>66,577.14</b>		<b>59,395.09</b>	<b>12,718.23</b>	<b>72,113.32</b>	

(Source: Finance Accounts)

\* Information about the maturity of loans awaited from State Government/Reserve Bank of India

The maturity profile of State debt as given above indicates that the State Government will have to repay 27 per cent of its debt between one and five years, 45 per cent between five and 11 years, 11 per cent between 11 and 15 years above. The maturity profile of repayment of about 17 per cent of State debt was not available as the information had not been received from the Government/Reserve Bank of India.

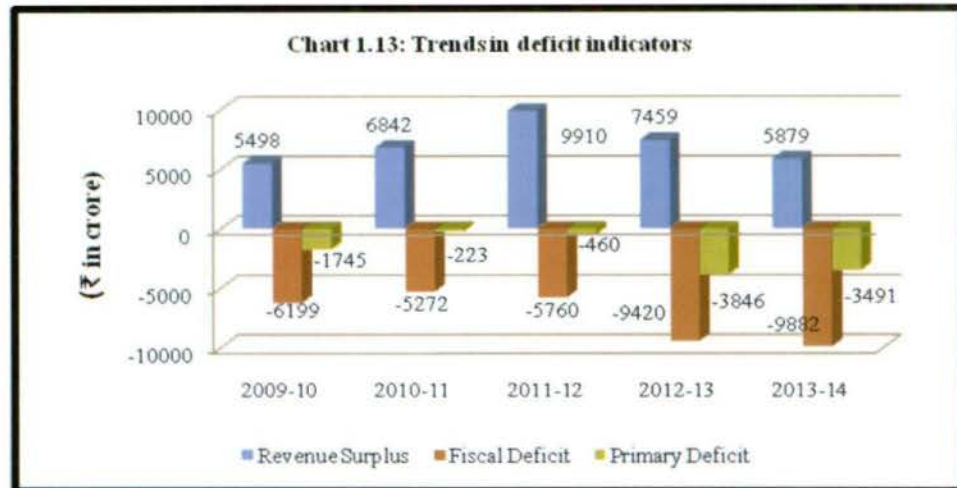
**1.11 Fiscal Imbalances**

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. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health. This section presents the trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of Revenue, Primary and Fiscal Deficits vis-a-vis the targets set under FRBM Act/Rules for the financial year 2013-14.

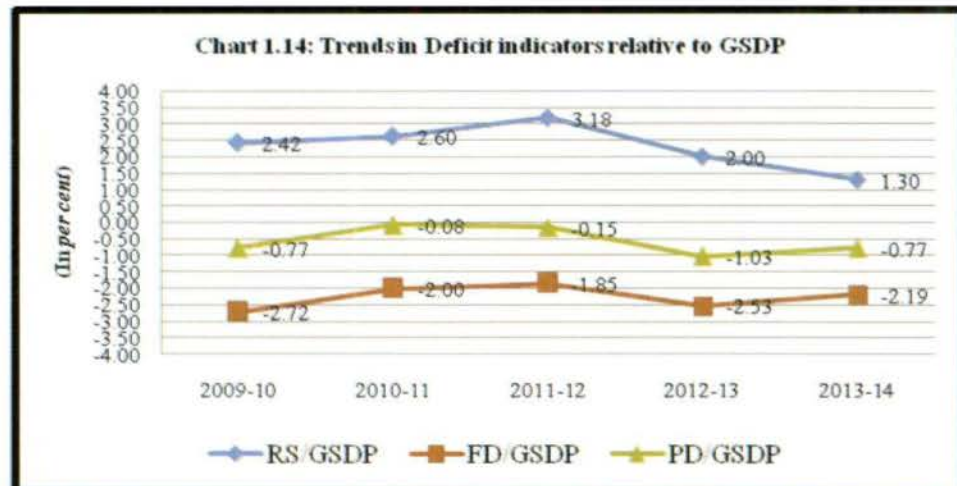
**Trends of Deficits**

Chart 1.13 and 1.14 present the trends in deficit indicators over the period 2009-14.





(Source: Finance Accounts)



(Source: Finance Accounts and Directorate of Economic and Statistics, Government of Madhya Pradesh)

- The fiscal target of eliminating the Revenue Deficit by March 2009 as laid down in the FRBM Act, 2005 was achieved by the State in the year 2004-05. Thereafter, the State maintained a Revenue Surplus which increased from ₹ 5,498 crore in 2009-10 to ₹ 9,910 crore in 2011-12, then decreased to ₹ 5,879 crore in 2013-14. It decreased by ₹ 1,580 crore over the previous year. The Revenue Surplus as a percentage of GSDP increased from 2.42 *per cent* in 2009-10 to 3.18 *per cent* in 2011-12, then decreased to 1.30 *per cent* in 2013-14 due to decrease in growth rate of Revenue Receipts compared to the growth rate of GSDP during 2013-14. It was more than the BE of 1.27 *per cent* during 2013-14.
- The Fiscal Deficit, which represents the total borrowings of the Government and its total resource gap, increased from ₹ 6,199 crore in 2009-10 to ₹ 9,882 crore in 2013-14 with inter-year fluctuations. During the current year, Fiscal Deficit increased by ₹ 462 crore over the previous year. The Fiscal Deficit relative to GSDP decreased from 2.53 *per cent* in 2012-13 to 2.19 *per cent* in 2013-14, which remained within the BE (2.98 *per cent*) and also within the limit of three *per cent* recommended by the XIII FC as well as prescribed under the FRBM Act 2005.



- The Primary Deficit of ₹ 1,745 crore in 2009-10 increased to ₹ 3,491 crore during 2013-14 with inter-year fluctuations.

### 1.11.1 Components of Fiscal Deficit and its Financing Pattern

Fiscal Deficit is the total borrowing requirement of the State and is the excess of the Revenue and Capital Expenditure including Loans and Advances over Revenue and Non-debt Capital Receipts. Decomposition of Fiscal Deficit reveals the extent of various borrowings resorted to by the State to meet its requirement of funds over and above Revenue and Non-debt receipts. The financing pattern of the Fiscal Deficit is reflected in Table 1.32.

Table 1.32: Components of Fiscal Deficit and its Financing Pattern

Particulars		(₹ in crore)				
		2009-10	2010-11	2011-12	2012-13	2013-14
<b>Decomposition of Fiscal Deficit</b>						
<b>Fiscal Deficit</b>		<b>-6,199</b>	<b>-5,272</b>	<b>-5,760</b>	<b>-9,420</b>	<b>-9,882</b>
1	Revenue Surplus	5,498	6,842	9,910	7,459	5,879
2	Net Capital Expenditure	-7,903	-8,433	-9,032	-11,534	-10,777
3	Net Loans and Advances	-3,794	-3,681	-6,638	-5,345	-4,984
<b>Financing pattern of Fiscal Deficit*</b>						
1	Market Borrowings	5,016	3,258	3,166	3,363	3,572
2	Loans from GoI	888	577	403	909	450
3	Special Securities issued to NSSF	492	1,582	-167	725	1,270
4	Loans from Financial Institutions	-188	-488	198	210	245
5	Reserve Funds	324	275	1,191	2,020	971
6	Small Savings, PF etc.	412	773	698	837	948
7	Deposits and Advances	705	1,678	783	348	-490
8	Suspense and Miscellaneous	10	86	-28	-93	32
9	Remittances	31	519	391	400	286
10	Cash balances increase(+)/ decrease(-)	+1,491	+2,988	+875	-701	-2,598

\* Figures are net of disbursements/ outflows during the year  
(Source: Finance Accounts)

It would be seen that during 2013-14, Market Borrowings raised by the State Government continued to finance a major portion of Fiscal Deficit. Its share in financing Fiscal Deficit was 36.15 per cent in 2013-14. The amount of NSSF loans, Small Savings and Provident Funds etc., in financing Fiscal Deficit was higher in 2013-14 than in 2012-13 indicating increase of interest burden in future.

### 1.12 Quality of Deficit/Surplus

The ratio of Revenue Deficit to Fiscal Deficit and the decomposition of Primary Deficit into Primary Revenue Deficit and Capital Expenditure (including Loans and Advances) would indicate the quality of deficit in the State's finances. In case of Madhya Pradesh there has been a Revenue Surplus since 2004-05. The bifurcation of the Primary Deficit (Table 1.33) indicates the extent to which the Deficit has been on account of enhancement in Capital Expenditure, which may be desirable to improve the productive capacity of the State's economy.

Table 1.33: Primary Deficit/Surplus – bifurcation of factors

(₹ in crore)

Year	Non-debt Receipts	Primary Revenue Expenditure (PRE)	Capital Expenditure (CE)	Loans and Advances*	Primary Expenditure (PE)	Non-debt Receipt vis-a-vis PRE	Primary Deficit (-)/ Surplus(+)	CE as per cent of PE
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)	9
2009-10	41,443	31,443	7,925	3,820	43,188	10,000	-1,745	18.35
2010-11	52,257	39,963	8,800	3,717	52,480	12,294	-223	16.77
2011-12	71,753	47,394	9,055	15,764	72,213	24,359	-460	12.54
2012-13	70,500	57,394	11,567	5,385	74,346	13,106	-3,846	15.56
2013-14	75,880	63,479	10,813	5,079	79,371	12,401	-3,491	13.62

\*Including Inter-State settlement

(Source: Finance Accounts)

Bifurcation of the factors resulting in Primary Deficits during the period 2009-14 reveals that the Primary Deficits were on account of Capital Expenditure incurred and Loans and Advances disbursed by the State Government. In other words, Non-debt receipts of the State were not only adequate to meet the Primary Revenue Expenditure but also met the whole/part of the Capital Expenditure. Although the surplus Non-debt receipts were enough to meet the Capital Expenditure in all the years, they were not enough to meet the entire Loans and Advances resulting in Primary Deficit during the period 2009-14.

### 1.13 Conclusion and Recommendations

#### *Management of fiscal imbalances and resource mobilisation*

- The State maintained Revenue Surplus during the year 2013-14 at ₹ 5,879 crore. However, it decreased by ₹ 1,580 crore over the previous year. Though the Fiscal Deficit of the State (₹ 9,882 crore) was within the limits prescribed by XIII FC, FRBM Act and Budget estimates, the Fiscal Deficit increased from the previous year by ₹ 462 crore. However, Fiscal Deficit relative to GSDP has improved from 2.53 per cent in 2012-13 to 2.19 per cent in the current year, mainly because of higher growth of GSDP during 2013-14 (21.15 per cent) compared to the previous year (19.41 per cent).
- Revenue Receipts (₹ 75,749 crore) grew by 7.56 per cent in 2013-14 compared to growth of 12.50 per cent in the previous year. The decrease was mainly due to decline in grants from GoI (2 per cent) and lesser growth in State's own Tax Revenue. During 2013-14, 54 per cent of Revenue Receipts came from State's own resources and 46 per cent contributed by Central tax transfers and Grants-in-aid from GoI.

*Government should mobilise additional resources through Tax and Non-Tax Revenue by expanding the tax base.*

#### *Expenditure management and fiscal priority*

- During 2013-14, the Revenue Expenditure (RE) of the State (₹ 69,870 crore) increased by 10.96 per cent. The Non-Plan Revenue Expenditure (NPRE) increased by 13.05 per cent and constituted 72 per cent of RE. Actual NPRE was 46.88 per cent more than the XIII FC projection, but almost equal to the projection made in the MTFPS of the State.

- Capital Expenditure in 2013-14 decreased by seven *per cent* over the previous year. The decrease was mainly under Rural Development, Energy and Agriculture & Allied Activities partly offset by increase in Irrigation & Flood Control and Transport.

*Government may initiate suitable measures to reduce the NPRE so that more funds are available for Capital Expenditure for asset creation.*

- Expenditure on salaries & wages, pension payments, interest payments and subsidies together constituted 53 *per cent* of Revenue Expenditure and 49 *per cent* of Revenue Receipts. Out of total subsidy payments of ₹ 6,567 crore, 46 *per cent* pertained to Energy Department.

*Since the costs of salary, pension and interest payments are inflexible, the expenditure on subsidies which is increasing steadily requires utmost attention by the Government.*

- The priority given to Social Sector Expenditure and expenditure on Education and Health Sectors in Madhya Pradesh was not adequate during 2013-14, when compared with General Category States' Average.

*Government should give greater fiscal priority to Social Services particularly to the Education Sector and Health Sector in the State.*

#### **Funds transferred to State Implementing Agencies outside the State Budget**

- A total amount of ₹ 9,280.05 crore was directly transferred to the State agencies during 2013-14 for implementing various schemes. These funds were not routed through State Budget.

*For better monitoring of the funds directly transferred by GoI, the State Agencies should follow uniform accounting practice and ensure proper documentation and timely reporting of expenditure.*

#### **Return on investment**

- During 2013-14, return (₹ 378.72 crore) on investment of ₹ 15,275.10 crore made by the Government up to 2013-14 in Statutory corporations, companies, Co-operative societies etc. was only 2.48 *per cent* against the average borrowing cost of 6.84 *per cent* during the year.

*Government should ensure better value for its investments.*

- Twenty two Government Companies and Statutory Corporations with an aggregate investment of ₹ 12,695.31 crore for the latest year for which accounts were finalised as of 2013-14 were running in losses which accumulated to ₹ 22,071.34 crore.

*Government should review the working of State PSUs which are incurring huge losses and work out either a revival strategy or closure policy.*

***Incomplete projects***

- Expenditure of ₹ 34,465 crore incurred on 201 incomplete projects in the Departments of Energy, Water Resources, Public Works and Narmada Valley Development Authority remained unfruitful as of 31 March 2014. Of these initial estimated cost of 50 projects was revised involving cost over-run of ₹ 12,701 crore.

*Government should take initiative to get the incomplete projects completed to avoid time and cost over runs.*

***Management of liabilities***

- At the end of the year 2013-14, total liabilities (TL) of the State was ₹ 96,826 crore. The ratio of TL to GSDP at 21.47 *per cent* was within the limit prescribed in FRBM target and XIII FC (36 *per cent*). The buoyancy of TL with respect to GSDP also decreased from 0.53 in 2012-13 to 0.35 during 2013-14.

*Maintaining the ratio of total liabilities to GSDP at prescribed level in future is essential for sound financial health of the State.*

During the exit conference held in November 2014, the Secretary, Finance Department, stated that action would be taken on the recommendations made by Audit.

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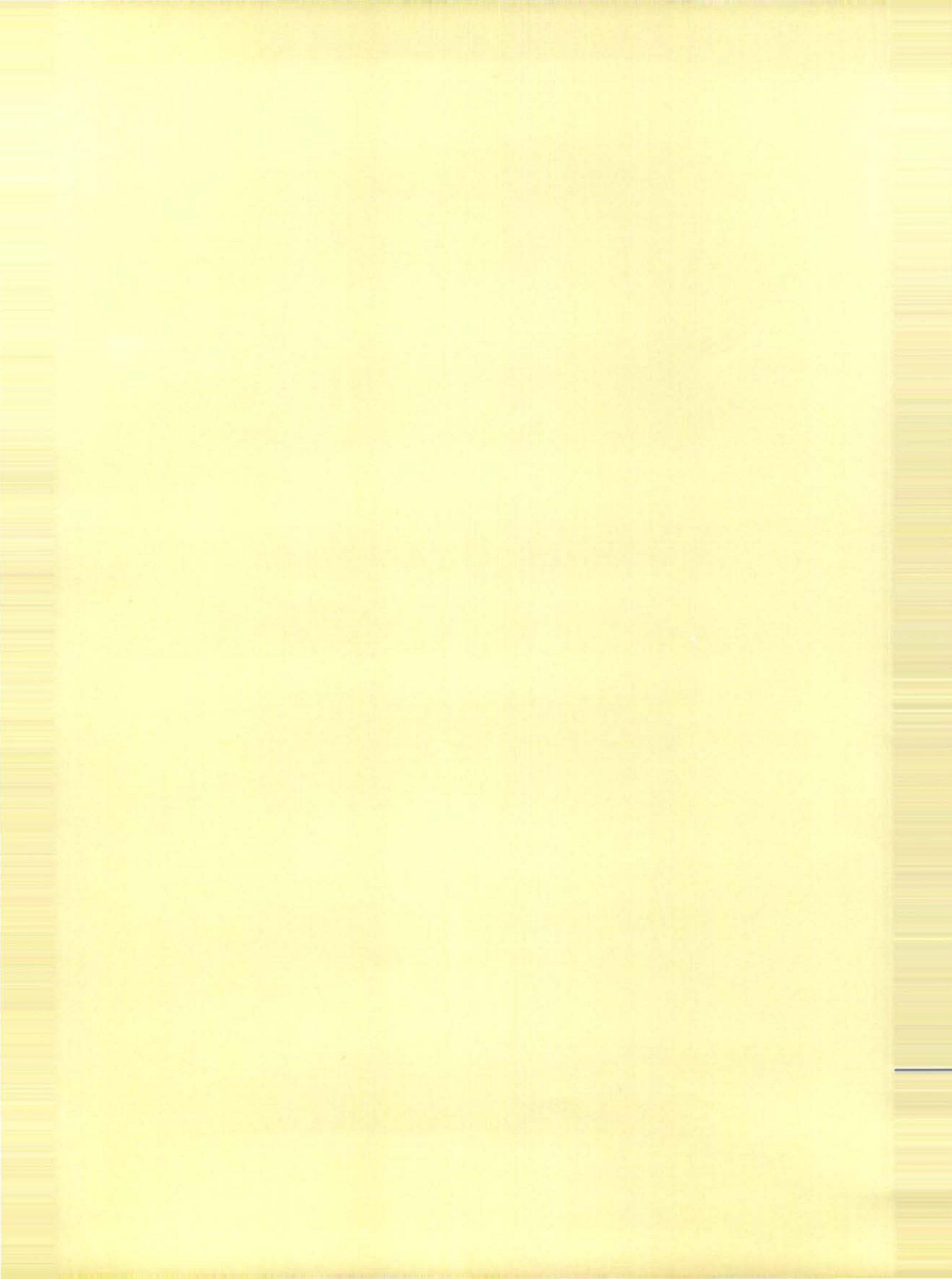


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## **Chapter-2**

# **FINANCIAL MANAGEMENT AND BUDGETARY CONTROL**

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## CHAPTER 2

### Financial Management and Budgetary Control

#### 2.1 Introduction

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

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

#### 2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2013-14 against 80 grants and appropriations is as given in Table 2.1.

Table 2.1: Summarised position of actual expenditure *vis-à-vis* Original/ Supplementary provisions

(₹ in crore)						
	Nature of expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total	Actual expenditure	Savings (-)/ Excess (+)
1	2	3	4	5	6	7
Voted	I Revenue	69,059.33	7,481.74	76,541.07	63,028.13	(-)13,512.94
	II Capital	11,431.69	2,518.61	13,950.30	10,951.03 <sup>1</sup>	(-)2,999.27
	III Loans and Advances	6,455.60	376.58	6,832.18	5,078.56	(-)1,753.62
Total Voted		86,946.62	10,376.93	97,323.55	79,057.72 <sup>2</sup>	(-)18,265.83
Charged	IV Revenue	7,475.99	700.56	8,176.55	7,352.50	(-)824.05
	V Capital	21.79	5.00	26.79	17.19	(-)9.60
	VI Public Debt- Repayment	8,017.43	5.26	8,022.69	4,004.64	(-)4,018.05
Total Charged		15,515.21	710.82	16,226.03	11,374.33	(-)4,851.70
Grand Total		1,02,461.83	11,087.75	1,13,549.58	90,432.05	(-)23,117.53

(Source: Appropriation Accounts)

- 1 Includes ₹ 2.36 crore in respect of Inter-State Settlement.  
The actual expenditure was overstated to the extent of ₹ 12.25 crore being the unspent amount Capital section transferred to Major Head 8443-Civil Deposits through NIL payment vouchers on 29 March 2014.
- 2 Gross figure without taking into account the recoveries adjusted as reduction of expenditure under Revenue Expenditure: ₹ 510.87 crore and Capital Expenditure: ₹ 154.38 crore.

- Supplementary provision of ₹ 11,087.75 crore obtained during the year constituted 10.82 per cent of the original provision.
- Considering the total savings of ₹ 23,117.53 crore, entire supplementary budget of ₹ 11,087.75 crore proved unnecessary.
- The overall savings of ₹ 23,117.53 crore was the result of savings of ₹ 23,151.84 crore in 73 grants and 46 appropriations under the Revenue Section and 51 grants and seven appropriations under the Capital Section, offset by an excess of ₹ 34.31 crore in one grant in the Revenue Section (₹ 18.18 crore) and two grant/appropriation (₹ 16.13 crore) under the Capital Section.

The savings/excesses were intimated (June-July 2014) to the Controlling Officers asking them to explain the reasons for the significant variations. Reasons for final savings have not been intimated by the concerned Departments (August 2014).

## 2.3 Financial Accountability and Budget Management

### 2.3.1 Appropriation vis-à-vis Allocative Priorities-significant savings

Appropriation audit conducted by us revealed that in 60 cases there were significant savings aggregating ₹ 13,804.26 crore. In each case, the savings exceeded ₹ 10 crore and were also more than 20 per cent of the respective budget provisions (**Appendix 2.1**). Out of the total savings of ₹ 23,117.53 crore, significant savings of ₹ 100 crore and above occurred in 27 cases aggregating ₹ 12,427.18 crore (53.76 per cent), as indicated in **Table 2.2**.

**Table 2.2: List of Grants/Appropriations with savings of ₹ 100 crore and above and more than 20 per cent of total provision**

(₹ in crore)							
Sl. No.	Number and Name of the Grant/Appropriation	Original provision	Supplementary provision	Total	Actual expenditure	Savings	Percentage of saving
1	2	3	4	5	6	7	8
<b>Revenue-Voted</b>							
1	08-Land Revenue and District Administration	1,070.37	17.42	1,087.79	835.64	252.14	23.18
2	12-Energy	2,355.10	1,486.40	3,841.50	3,061.24	780.26	20.31
3	13-Farmers Welfare and Agriculture Development	1,107.99	69.78	1,177.77	842.82	334.95	28.44
4	15-Financial Assistance to Three Tier Panchayati Raj Institutions Under Scheduled Castes Sub-Plan	987.26	40.13	1,027.39	794.56	232.83	22.66
5	17-Co-operation	470.59	1.24	471.83	355.38	116.45	24.68
6	20-Public Health Engineering	523.36	1.60	524.96	397.69	127.27	24.24
7	23-Water Resources Department	842.83	--	842.83	672.62	170.21	20.20
8	29-Law and Legislative Affairs	871.75	68.47	940.22	606.75	333.47	35.47
9	30-Rural Development	686.01	--	686.01	486.81	199.20	29.04
10	31-Planning, Economics and Statistics	238.74	2.46	241.20	119.57	121.63	50.43
11	38-Ayush	380.26	--	380.26	210.87	169.39	44.55
12	50-Horticulture and Food Processing	301.30	53.29	354.59	197.48	157.11	44.31

Sl. No.	Number and Name of the Grant/Appropriation	Original provision	Supplementary provision	Total	Actual expenditure	Savings	Percentage of saving
1	2	3	4	5	6	7	8
13	55-Women and Child Development	2,776.05	66.69	2,842.74	2,250.70	592.04	20.83
14	61-Expenditure Pertaining to Bundelkhand Package	100.00	100.00	200.00	19.44	180.56	90.28
15	64-Scheduled Castes Sub-Plan	2,294.32	103.91	2,398.23	1,809.66	588.57	24.54
16	66-Welfare of Backward Classes	671.94	140.89	812.83	636.42	176.41	21.70
17	77-Other Expenditure pertaining to School Education	1,512.06	134.17	1,646.23	1,263.43	382.80	23.25
<b>Capital-Voted</b>							
18	03-Police	93.47	83.40	176.87	71.02	105.85	59.85
19	06-Finance	238.80	47.54	286.34	51.60	234.74	81.98
20	12-Energy	5,283.30	193.93	5,477.23	4,357.79	1,119.44	20.44
21	20-Public Health Engineering	466.39	155.84	622.23	400.26	221.97	35.67
22	30-Rural Development	577.34	--	577.34	200.81	376.53	65.22
23	41-Tribal Areas Sub-Plan	1,991.11	131.94	2,123.05	1,602.72	520.33	24.51
24	61-Expenditure Pertaining to Bundelkhand Package	100.00	308.71	408.71	197.71	211.00	51.63
25	64-Scheduled Castes Sub-Plan	1,926.68	230.41	2,157.09	1,634.35	522.74	24.23
<b>Revenue-Charged</b>							
26	12-Energy	155.00	26.23	181.23	--	181.23	100
<b>Capital-Charged</b>							
27	PD-Public Debt	8,017.43	5.26	8,022.69	4,004.64	4,018.05	50.08
<b>Total</b>		<b>36,039.45</b>	<b>3,469.71</b>	<b>39,509.16</b>	<b>27,081.98</b>	<b>12,427.18</b>	<b>31.45</b>

(Source: Appropriation Accounts)

Besides, significant savings (more than ₹ 20 crore in each case) were noticed in 81 schemes under the grants/appropriations pertaining to the above grants, which ranged up to ₹ 2,000 crore. Details are given in the Appendix 2.2 (A).

### 2.3.2 Persistent savings

In six cases, during the last five years from 2009-10 to 2013-14, there were persistent savings of more than ₹ one crore and also more than 20 per cent of the total provision in each case as shown in Table 2.3.

Table 2.3: Grants/Appropriations under which persistent savings occurred during 2009-14

		(₹ in crore)				
Sl. No.	Number and name of the Grant/Appropriation	Amount of Savings (per cent to total Grant in brackets)				
		2009-10	2010-11	2011-12	2012-13	2013-14
<b>Revenue-Charged</b>						
1	06-Finance	9.99 (78.48)	12.41 (97.49)	14.23 (96.28)	12.93 (52.18)	13.24 (89.64)
Savings occurred mainly under the Major Head 2071-Pensions and other Retirement Benefits.						
<b>Capital-Voted</b>						
2	06-Finance	113.33 (68.34)	74.94 (70.18)	1,501.78 (92.80)	1,374.53 (95.53)	234.74 (81.98)
Savings occurred mainly under the Major Head 6075-Loans for Miscellaneous General Services.						



Sl. No.	Number and name of the Grant/Appropriation	Amount of Savings (per cent to total Grant in brackets)				
		2009-10	2010-11	2011-12	2012-13	2013-14
3	22-Urban Administration and Development—Urban Bodies	174.67 (52.34)	95.08 (38.50)	44.23 (28.68)	61.21 (37.99)	39.80 (46.33)
Savings occurred mainly in various schemes under the Major Heads 4217-Capital Outlay on Urban Development and 6217-Loans for Urban Development.						
4	53-Financial Assistance to Urban Bodies under Scheduled Castes Sub-Plan	8.61 (21.04)	25.43 (41.56)	11.23 (30.11)	15.39 (41.06)	9.88 (74.29)
Savings occurred mainly under the various schemes under Major Heads 4217-Capital Outlay on Urban Development and 6217-Loans for Urban Development.						
5	58-Expenditure on Relief on account of Natural Calamities and Scarcity	2.70 (64.29)	2.93 (69.76)	2.50 (85.62)	2.50 (76.69)	2.50 (100)
Savings occurred mainly under the various schemes under Major Head 6245-Loans for relief on account of Natural Calamities.						
<b>Capital-Charged</b>						
6	Public Debt	3,896.40 (61.94)	3,392.77 (57.29)	3,650.31 (53.68)	3,903.17 (52.13)	4,018.05 (50.08)
Savings occurred mainly under the Major Head 6003-110-0637-Ways and Means Advances and 0779-Advances to meet Shortfall.						

(Source: Appropriation Accounts of respective years)

The persistent savings indicated that the budget estimates were not prepared in a realistic manner and budgetary controls in the concerned Departments were not effective.

### 2.3.3 Excess expenditure under schemes

In 37 cases, expenditure aggregating ₹ 2,253.78 crore under various schemes exceeded the approved provision by ₹ 10 crore or more in each case and also by more than 20 per cent of the provisions made for each scheme. The details are given in **Appendix 2.2 (B)**.

### 2.3.4 Unutilised provisions under schemes

In 59 cases, the entire provision made under various schemes (₹ 10 crore or more in each case) aggregating to ₹ 6,540.84 crore remained unutilised. The details are given in **Appendix 2.2 (C)**.

### 2.3.5 Excess over provision during 2013-14 requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. If any money has been spent on a service in excess of the amount granted by the State Legislature for the purpose, the Public Accounts Committee (PAC) shall examine with reference to the facts of the case, the circumstances leading to such an excess and may make recommendation for its regularisation.

**Table 2.4** presents the summary of total excess expenditure in three cases amounting to ₹ 34.32 crore over the authorisation from the Consolidated Fund of the State during 2013-14, which require regularisation under Article 205 of the Constitution. Reasons for the above excesses have not been intimated (August 2014).

Table 2.4: Excess over provision requiring regularisation during 2013-14

(₹ in crore)

Number and name of the Grants/Appropriation	Original Provision	Supplementary Provision	Total Grants/Appropriation	Expenditure	Excess
02-Other Expenditure pertaining to General Administration Department (Revenue Voted)	37.39	2.51	39.90	58.09	18.19
10-Forest (Capital Voted)	77.00	Nil	77.00	92.93	15.93
21-Housing and Environment (Capital Charged)	0.23	Nil	0.23	0.43	0.20
<b>Total</b>	<b>114.62</b>	<b>2.51</b>	<b>117.13</b>	<b>151.45</b>	<b>34.32</b>

(Source: Appropriation Accounts)

**2.3.6 Excess over provisions relating to previous years requiring regularisation**

The excess expenditure amounting to ₹ 740.38 crore pertaining to the years 1997-98 to 1998-99, 2003-04 to 2006-07 and 2008-09 to 2012-13 is yet to be regularised as detailed in Appendix 2.3. The year-wise break-up of the amount of excess expenditure pending regularisation is summarised in Table 2.5.

Table 2.5: Excess over provision relating to previous years requiring regularisation

Year	Number of		Excess expenditure (₹ in crore)	Status of regularisation (as on 31 <sup>st</sup> October 2014)
	Grants	Appropriations		
1	2	3	4	5
1997-98	10	03	302.79	Explanatory notes submitted by the concerned Department to PAC.
1998-99	01	Nil	0.10	Explanatory notes submitted by the concerned Department to PAC.
2003-04	04	03	2.54	Explanatory notes submitted by the concerned Department to PAC, except for a sum of ₹ 1.24 crore in respect of Grant No. 68 (Revenue Voted).
2004-05	13	02	83.66	Explanatory notes submitted by the concerned Department to PAC.
2005-06	04	02	37.58	Explanatory notes submitted by the concerned Department to PAC, except for a sum of ₹ 2.27 crore in respect of Grant No. 39 (Capital Voted).
2006-07	02	01	35.99	Explanatory notes submitted by the concerned Department to PAC.
2008-09	02	02	5.80	Explanatory notes submitted by the concerned Department to PAC, except for ₹ 3.68 crore in respect of Grant No. 62 (Revenue Voted).
2009-10	04	Nil	123.96	Explanatory notes submitted by the concerned Department to PAC except for ₹ 4.65 crore in respect of Grant No. 49 (Revenue Voted).
2010-11	Nil	02	12.62	Explanatory notes not submitted by the concerned Department to PAC.
2011-12	04	02	135.10	Explanatory notes not submitted by the concerned Department to PAC.
2012-13	Nil	02	0.24	Report (State Finances) 2012-13 laid on State Legislature dated 22 <sup>nd</sup> July 2014.
<b>Total</b>	<b>44</b>	<b>19</b>	<b>740.38</b>	

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

### **2.3.7 Unnecessary/excessive/inadequate Supplementary provision**

In 58 cases of grants/appropriations, Supplementary provision of ₹ one crore or more in each case aggregating ₹ 4,269.16 crore obtained during the year proved entirely unnecessary as the actual expenditure was less than the original provision. Details are shown in **Appendix 2.4**. In 31 cases, against the additional requirement of ₹ 2,714.18 crore, supplementary provision of ₹ 6,502.97 crore proved excessive. The resultant savings exceeding ₹ one crore in each case, aggregating ₹ 3,788.79 crore are shown in **Appendix 2.5**.

### **2.3.8 Excessive/unnecessary re-appropriation/surrender of funds**

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. We observed injudicious re-appropriations or surrenders in 26 cases (Re-appropriation amount of ₹ one crore or more in each case), which resulted in savings/excess of more than ₹ one crore in each case as detailed in **Appendix 2.6**.

### **2.3.9 Anticipated savings not surrendered**

According to para 26.9 of the Madhya Pradesh Budget Manual (MPBM), statements of anticipated savings in expenditure are required to be submitted by the Budget Controlling Officers to the Finance Department by 15<sup>th</sup> January.

At the close of the year 2013-14, out of total savings of ₹ 23,117.53 crore under all the grants/appropriations a sum of ₹ 12,538.75 crore was surrendered resulting in non-surrender of savings aggregating ₹ 10,578.78 crore (45.76 per cent of total savings) by the concerned Departments. These included 59 cases of significant savings (₹ one crore and above and also more than 20 per cent of saving in each case) aggregating ₹ 10,191.42 crore which were not surrendered. Details are shown in **Appendix 2.7**.

Besides, in 59 cases, (surrender of funds in excess of ₹ 10 crore in each case), savings aggregating ₹ 7,558.39 crore (**Appendix 2.8**) were surrendered on the last date of the financial year, leaving no scope for utilising the funds for other development purposes.

### **2.3.10 Rush of expenditure**

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

We noticed that in respect of 45 cases<sup>3</sup> of 26 grants/appropriations ₹ 2,924.65 crore (84 per cent of total expenditure) was incurred during the last quarter of the financial year. Of these, expenditure of ₹ 2,688.01 crore was incurred in the month of March. Percentage of expenditure incurred during the month of March to total expenditure in each case ranged between 55 and 100. Details are given in **Appendix 2.9**. These indicated deficient financial management and non-maintenance of uniform flow of expenditure which is a primary requirement of budgetary control.

3 where expenditure during last quarter exceeded ₹10 crore.

**2.3.11 Drawal of funds and parking in Civil Deposit**

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

We observed that Tourism Department had drawn a sum of ₹ 12.25 crore on 29 March 2014 under the Centrally Sponsored Scheme Construction of Tourism Infrastructure (Central Share) (grant no. 37) and transferred the amount to 8443-Civil Deposits-800-Other Deposits by showing the amount as final expenditure under the relevant scheme. Thus, funds were drawn in advance of requirement and to avoid lapse of Central funds, which was contrary to the codal provision.

**2.3.12 Non-utilisation of provision for New items of expenditure in the Budget**

Scrutiny of the schedule of new expenditure in the Budget during 2013-14 revealed that ₹ 107.54 crore in 21 schemes relating to 13 grants were provided as new items of expenditure (provision ₹ one crore and above in each case). Entire provision remained unutilised during the year 2013-14, reasons for which have not been intimated (August 2014). The details are given in Appendix 2.10.

**2.3.13 Unrealistic Budget Estimates**

As per para B-7 and 8 of MP Government Budget Manual Vol-I (Part-B), all Budget Controlling Officers (BCOs) are responsible for collating estimates of expenditure and receipts prepared by the Drawing and Disbursement Officer (DDOs) under them as well as for preparing estimates of off budget funds likely to be received for departmental schemes during the ensuing financial year and for finalisation of estimates of expenditure and receipts, BCOs should collate all estimates prepared by DDOs and review the same.

During scrutiny of Appropriation Accounts we observed that in the year 2012-13, budget provision of ₹ 5,232.56 crore was made for 39 schemes (more than ₹ one crore in each case) which remained entirely unutilised. In the year 2013-14, budget provision of ₹ 4,850.21 crore was again made for the same 39 schemes which also remained entirely unutilised. It indicates that budget provisions were prepared on *ad hoc* basis that is without assessing the actual requirement. The details are given in Appendix 2.11.

**2.4 Outcome of Review of Selected Grants**

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

We reviewed (July-September 2014) the budgetary procedure and control over expenditure pertaining to two grants viz., grant No. 39- Food, Civil Supplies and Consumer Protection and grant No. 55-Women and Child Development.

The Commissioner, Food, Civil Supplies and Consumer Protection, the Registrar, Consumer Protection and Dispute Redressal Forum and the Controller, Weights and Measurement, Bhopal are the Budget Controlling Officers (BCOs) of grant No. 39. The Commissioner, Integrated Child Development Services and the Commissioner, Women Empowerment, Bhopal are the Budget Controlling Officers of grant no. 55.

As per instruction issued (22 August 2012) by the Finance Department regarding time schedule for submission of budget estimates for the year 2013-14, estimates for non-plan and plan expenditure are to be submitted by the Administrative Department to the Finance Department within 14 October 2012 and 26 October 2012 respectively. As per information furnished by the Budget Controlling Officers, the budget estimates for Departments (grant nos. 39 and 55) were submitted to the Finance Department within the stipulated date.

#### 2.4.1 Summarised position

The details of amount budgeted for, expenditure incurred and savings under the grant No. 39 and 55 are summarised in Table 2.6.

Table 2.6: Summarised Appropriation

₹ in crore							
Particular of Grants	Section	Original Budget	Supplementary Budget	Total Grant	Actual expenditure	Savings	Percentage of saving to total Grant
1	2	3	4	5	6	7	8
Grant No. 39	Revenue (Voted)	1,595.84	535.75	2,131.59	1,739.84	391.75	18.4
	Capital (Voted)	44.50	156.00	200.50	130.48	70.02	34.9
Grant No. 55	Revenue (Voted)	2,776.05	66.69	2,842.74	2,250.70	592.04	20.8
	Capital (Voted)	89.80	240.40	330.20	233.97	96.23	29.4
<b>Total</b>		<b>4,506.19</b>	<b>998.84</b>	<b>5,505.03</b>	<b>4,354.99</b>	<b>1,150.04</b>	<b>20.9</b>

(Source: Appropriation Accounts)

Review of these grants revealed the following points:

#### 2.4.2 Preparation of Budget Estimates on *ad hoc* basis

As per para B-7 and 8 of MP Government Budget Manual Vol-I (Part-B), all BCOs are responsible for collating estimates of expenditure and receipts prepared by the DDOs under them as well as for preparing estimates of off budget funds likely to be received for departmental schemes during the ensuing financial year and for finalisation of estimates of expenditure and receipts, BCOs should collate all estimates prepared by DDOs and review the same.

Scrutiny revealed that provision of ₹ 127.80 crore was made for implementation of eight schemes under grant no. 39 in Revenue (Voted) section and ₹ 16.17 crore under five schemes under grant no. 55 in Revenue (Voted) and Capital (Voted) section during the financial year 2013-14, as detailed in Appendix 2.12. We observed that no expenditure was incurred under the schemes. Thus, entire provision was unnecessary indicating that demands for budget estimate were prepared on *ad hoc* basis.



### 2.4.3 *Rush of expenditure*

Uniform flow of expenditure is the primary requirement of proper budgetary control. Rush of expenditure particularly in closing month of the financial year should be avoided.

We observed that during the last quarter of the year 2013-14, expenditure incurred in four schemes under grant no. 39 was 73 *per cent* to 100 *per cent* of total expenditure under each scheme. Similarly, in 11 schemes under grant no. 55, expenditure incurred was 44 *per cent* to 100 *per cent* of total expenditure under each scheme. Details are given in Appendix 2.13.

On being pointed out Budget Controlling Officers stated that expenditure of last quarter included savings of previous three quarters.

The reply was not acceptable since rush of expenditure at the end of the year indicated deficient financial management.

### 2.4.4 *Delay/Non-surrender of saving*

As per instructions laid down in Para 8.3.10 of budget manual, BCOs are required to surrender appropriations or portions of grants placed at their disposal which are not likely to be required during the year as soon as lapses on savings are foreseen. All the savings anticipated by the BCO should be reported with full details along with reasons to the Finance Department immediately as soon as they are foreseen, unless these are required to meet the anticipated additional requirements of funds under some other head of same grant. We observed the following:

- (i) Under the grant no. 39, savings of ₹ 461.77 crore was not surrendered and allowed to lapse, which was 20 *per cent* of total allotment of ₹ 2,332.09 crore. This led to non-utilisation of the amount during the financial year.
- (ii) Under the grant no. 55, out of total savings of ₹ 688.39 crore, an amount of ₹ 686.36 crore was surrendered in the last month of financial year, out of which ₹ 276.00 crore was surrendered on the last day of financial year. Balance amount was allowed to lapse.

On being pointed out Budget Controlling Officers stated that the amount was released in last quarter after consent of Finance Department. This amount was not utilised due to notification of election code of conduct. The reply is not acceptable as the savings should have been reported to Finance Department as soon as they are foreseen.

### 2.4.5 *Unnecessary supplementary budget provision*

In four schemes, the supplementary provisions proved excessive by ₹ 162.58 crore, as shown in Table 2.7.

Table 2.7: Cases where supplementary provision proved excessive

(₹ in crore)

SL No.	Name of Scheme	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Actual expenditure	Saving
1	2	3	4	5	6
<b>Grant No. 39- Food, Civil Supplies &amp; Consumer Protection Department</b>					
1	2408-01-102-6645-Antyoday Food Scheme	35.00	67.75	34.94	67.81
2	3475-106-6112-Head Quarter and Divisional Office	17.25	0.10	11.33	6.02
<b>Grant No. 55- Women and Child Development Department</b>					
3	2235-02-103-701-6103-Integrated Child Protection Scheme (I.C.P.S.)	6.82	9.23	1.68	14.37
4	4235-02-102-1301-5360-Construction of Buildings for Anganwadi Centres	64.75	64.00	54.37	74.38
<b>Total</b>		<b>123.82</b>	<b>141.08</b>	<b>102.32</b>	<b>162.58</b>

(Source: Appropriation Accounts)

An analysis of the above table revealed that entire supplementary provision (₹ 141.08 crore) made under the two grants remained unutilised.

#### 2.4.6 Inaccurate budgeting

As per Para 20.3.2 of M.P. Budget Manual, the department should review estimates under non-plan expenditure including salary object head and if necessary modify these figures on account of probable savings or actuals of previous year. The Department should also ensure that actual number of posts filled rather than total sanctioned posts have been considered for estimation of salary and wages expenditure.

An analysis of the reasons for significant savings indicated in the Appropriation Accounts and Detailed Accounts under the Grant No. 39, revealed that the Department prepared budget estimates for the year 2013-14 for non-plan expenditure including pay and allowances on the basis of sanctioned strength. This resulted in savings of ₹ 15.62 crore. The amounts were lapsed without surrender as detailed in Table 2.8.

Table 2.8: Details of inaccurate budgeting

(₹ in crore)

SL No.	Heads	Total Provision	Expenditure	Savings
1	39-2408-01-001-0629-Consumer Protection Cell	17.46	13.17	4.29
2	39-2408-01-001-1471-District Offices	35.46	31.16	4.30
3	39-2408-01-001-3537-Head Office	3.88	2.87	1.01
4	39-3475-106-6112-Head Quarter and Divisional Office	17.35	11.33	6.02
<b>Total</b>		<b>74.15</b>	<b>58.53</b>	<b>15.62</b>

(Source: Appropriation Accounts)

On this being pointed out, the BCOs stated that savings was due to vacant posts in the Departments. The reply was not acceptable since provision of Manual was not adhered to.

## 2.5 Conclusion and Recommendations

### *Inflated provision under original and supplementary grants*

- Against the total budget provision of ₹ 1,13,550 crore during 2013-14, total expenditure incurred was ₹ 90,432 crore, resulting in overall savings of ₹ 23,118 crore. Therefore, entire supplementary provision of ₹ 11,088 crore (10.82 per cent of original provision) proved unnecessary. In 21 grants, there were savings of more than ₹ 100 crore in each of 27 items, which aggregated to ₹ 12,427 crore.

*Budgetary control mechanism should be strengthened in the Government Departments by proper monitoring of expenditure. Unnecessary provision of Supplementary grant should be avoided.*

### *Non-surrender/delayed surrender of savings*

- Only 54.24 per cent (₹ 12,538.75 crore) of total savings were surrendered during the year. In 59 cases, savings of ₹ 7,558 crore (more than ₹ 10 crore in each) was surrendered on the last day of the financial year, leaving no scope for utilising the funds for other works.

*All anticipated savings should be surrendered on time so that the funds can be utilised for other development purposes.*

### *Excess expenditure requiring regularisation*

- Excess expenditure of ₹ 34.32 crore was incurred during 2013-14, which requires regularisation under Article 205 of the Constitution. Besides, ₹ 740 crore pertaining to previous years also remained unregularised.

*Regularisation of excess expenditure pending since 1997-98 may be done on priority basis.*

### *Central funds parked in Civil Deposit*

- Central funds of ₹ 12.25 crore drawn on 29 March 2014 was transferred to Civil Deposit in Public Account to avoid lapse of funds, which inflated the expenditure of the year under the Consolidated Fund of the State.

*Transfer of funds to Civil Deposit at the end of financial year but not utilised, results in overstatement of State expenditure and should be avoided.*

During the exit conference held in November 2014, the Secretary, Finance Department, stated that action would be taken on the recommendations made by Audit.



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**Chapter-3**

**FINANCIAL REPORTING**

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## CHAPTER 3

### Financial Reporting

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the State Government in meeting its basic stewardship responsibilities, including strategic planning and decision-making. This Chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the year 2013-14.

#### 3.1 Delay in furnishing Utilisation Certificates

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

The position of outstanding UCs against grants-in-aid sanctioned to various Departments up to 2013-14 is given in Table 3.1.

Table 3.1: Year-wise position of outstanding Utilisation Certificates

Year	Opening balance		Utilisation Certificate due during the current year		Total		UCs received during the year		Outstanding Utilisation Certificate at the end of the year	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	(₹ in crore)									
Up to 2011-12	36,150	18,127.79	4551	15,020.76	40,701	33,148.55	296	1,730.83	40,405	31,417.72
2012-13	40,405	31,417.72	687	3,708.83	41,092	35,126.55	2469	6,885.64	38,623	28,240.91
2013-14	38,623	28,240.91	428	926.94	39,051	29,167.85	2637	1,795.12	36,414	27,372.73*

(Source: Finance Accounts 2013-14)

\*Except where the sanction orders state otherwise, Utilisation Certificate in respect of grants disbursed during 2013-14 will be due on or before 30 September 2014

As seen from the above, 36,414 UCs for an aggregate amount of ₹ 27,372.73 crore were outstanding as on 31 March 2014 in respect of 36 Departments. Details are given in Appendix 3.1. Large pendency in submission of UCs was mainly in respect of Urban Administration (₹ 9,548 crore), Food, Civil Supplies (₹ 5,210 crore), Rural Development (₹ 4,937 crore), School Education (₹ 2,784 crore) and Energy (₹ 998 crore) Departments.

### 3.2 Delay in submission of Accounts/Separate Audit Reports (SARs) of Autonomous Bodies

The State Government has set up several Autonomous Bodies (ABs) in the fields of Agriculture, Housing, Labour Welfare, Urban Development, etc. The audit of accounts of six ABs in the State has been entrusted to the Comptroller and Auditor General of India. The status of entrustment of audit, rendering of accounts to Audit, issuance of Separate Audit Reports (SAR) and their placement in the Legislature as on 30 June 2014 is given in Table 3.2.

Table 3.2 : Status of rendering Accounts of the Autonomous Bodies

Sl. No.	Name of body	Period of entrustment	Year up to which accounts were rendered	Period up to which SARs were issued	Placement of SAR in the Legislature	Delay in submission/non-submission of accounts (in months)
1	Madhya Pradesh (MP) Khadi and Village Industries Board, Bhopal	Up to 2013-14	2008-09	2008-09	2005-06	2009-10 (48) 2010-11 (36) 2011-12 (24) 2012-13 (12) 2013-14 (Nil)
2	MP Human Rights Commission, Bhopal	Up to 2013-14	2012-13	2011-12	2011-12	2012-13 (08)
3	MP Building and Other Construction Workers Welfare Board, Bhopal	Entrustment vide Act of Parliament	2010-11	2005-06	Information awaited	2006-07 (69) 2007-08 (57) 2008-09 (45) 2009-10 (55) 2010-11 (31) 2011-12 (24) 2012-13 (12) 2013-14 (Nil)
4	MP Electricity Regulatory Commission	Up to 2012-13	2012-13	2012-13	2012-13	-
5	MP State Legal Services Authority, Jabalpur	Entrustment vide Act of Parliament	Not rendered since inception (1997-98)	-	-	1997-98 (192)
6	MP Housing and Infrastructure Development Board, Bhopal	Up to 2013-14	2011-12	2011-12	Information awaited	2007-08 (50) 2008-09 (40) 2009-10 (34) 2010-11 (22) 2011-12 (12) 2012-13 (12) 2013-14 (Nil)

*Note-Period of delay taken from the due date of receipt of accounts i.e. 30 June of the ensuing Financial year till 30 June 2014.*

Out of six ABs, Madhya Pradesh State Legal Services Authority, Jabalpur did not submit their accounts since inception of the AB in 1997-98. Correspondence was made (September 2014) with the Member Secretary, MP State Legal Services Authority, Jabalpur for submission of the accounts. As seen from the Table 3.2, there were significant delays of up to 69 months in submission of accounts by three ABs (Serial No. 1, 3 and 6 above).

Inordinate delays in submission of accounts and presentation of the SARs to the State Legislature result in delays in scrutiny of the functioning of these bodies, where Government investments are made, beside delays in initiating necessary remedial action on financial irregularities in the ABs.

### 3.3 Reporting of Misappropriation, Losses, Defalcations etc.

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

The State Government reported 2989 cases of misappropriation, losses, defalcations etc., involving ₹ 28.17 crore up to 31 March 2014 on which final action was pending as of June 2014. The amount included ₹ 1.32 crore (349 cases) for the year 2013-14. A large number of cases (2353) involving ₹ 14.47 crore and ₹ 4.83 crore were pending for recovery/regularization against the Forestry & Wild Life Department and General Education Department. Department-wise details of pending cases of misappropriation, losses, defalcations etc. at the end of 2013-14 and their age-wise analysis is given in Appendix 3.2. Department-wise and nature of irregularity-wise details of these cases are given in Appendix 3.3. The age-profile of the pending cases with nature of irregularities emerging from these Appendices are summarized in Table 3.3.

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

Age-profile of the pending cases			Details of the pending cases		
Range in years	Number of cases	Amount involved (₹ in crore)	Nature of the case	Number of cases	Amount involved (₹ in crore)
0 – 5	544	11.30	Theft	186	2.01
5 – 10	385	7.26			
10 – 15	463	4.20	Misappropriation/ Loss of material	2803	26.16
15 – 20	380	2.21			
20 – 25	664	1.76			
25 & above	553	1.44			
Total	2989	28.17	Total	2989	28.17

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

Table 3.4: Reasons for outstanding cases of Misappropriation, Losses, Defalcations etc.

Reasons for the delay/outstanding cases		Number of cases	Amount (₹ in crore)
(i)	Awaiting departmental and criminal investigation	20	0.35
(ii)	Departmental action initiated but not finalised	07	0.53
(iii)	Criminal proceedings finalised but execution of certificate cases for the recovery of the amount pending	06	0.19
(iv)	Awaiting orders for recovery or write off	2839	23.03

Reasons for the delay/outstanding cases		Number of cases	Amount (₹ in crore)
(v)	Pending in the Courts of law	117	04.07
Total		2989	28.17

Thus, out of 2989 cases involving ₹ 28.17 crore, 2060 cases (69 per cent) involving ₹ 9.61 crore were pending for more than 10 years. In 2839 cases (95 per cent), orders for recovery or write off were awaited.

Further, 163 cases of losses involving an amount of ₹ 17.89 lakh were written off during the year 2013-14, as detailed in Appendix 3.4.

### 3.4 Pendency in submission of DCC bills

#### 3.4.1 Pendency in submission of Detailed Countersigned Contingent (DCC) bills against Abstract Contingent (AC) bills

As per Rule 313 of the Madhya Pradesh Treasury Code (MPTC) Part-1, every Drawing and Disbursing Officer (DDO) has to certify in each AC bill that DCC bills for all contingent charges drawn by him prior to the first of the current month have been forwarded to the concerned Controlling Officers (CO) for countersignature and transmission to the Accountant General (A&E). As per MPTC Subsidiary Rule 327, DDOs should submit monthly DCC bills along with necessary certificate to the CO within 5<sup>th</sup> of the following month. The CO is required to submit the passed DCC bills to AG, so that these may be received in AG's office till 25<sup>th</sup> of the same month. However, drawal of amounts by way of AC bills has been prohibited by the Finance Department instructions (September 1999) for all the Departments except for Sports and Youth Welfare Department (only for expenditure on NCC).

We observed that 599 DCC bills aggregating to ₹ 14.96 crore were pending at the end of March 2014. Of these, only 55 bills (₹ 52 lakh) related to National Cadet Corps (NCC). Year-wise pendency in submission of DCC bills are given in Table 3.5.

Table 3.5: AC bills outstanding for want of DCC bills for the year ending March 2014

(₹ in crore)										
Year	Opening balance		AC bills drawn during the year		Total		DC bills received during the year		Outstanding DC bills at the end of the year	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 2011-12	1339	21.43	8**	0.05	1347	21.48	477	1.98	870	19.50
2012-13	870	19.50	300	1.66	1170	21.16	497	5.92	673	15.24
2013-14	673	15.24	255	1.64	928	16.88	329	1.92	599†	14.96

(Source: Finance Accounts 2013-14)

\*\* 8 bills drawn during 2011-12. † include 5 AC bills amounting to ₹ 0.96 lakh drawn in March 2014, for which DC bills were not received as of April 2014.

Details of department-wise pending DCC bills at the end of 2013-14 are in Table 3.6.



Table 3.6: Pending DCC bills for the year up to 2013-14

Sl. No.	Name of Departments/Controlling Officers	Number of AC bills	Amount (₹ in crore)
1	General Administration Department, State Protocol Officer, Mantralaya, Bhopal	19	7.59
2	Director, Farmers Welfare and Agriculture Development, Bhopal	07	0.07
3	Director (Soil Conservation), Farmers Welfare and Agriculture Development, Bhopal	481	6.41
4	Commissioner, Tribal Welfare and Backward class Department, Bhopal	37	0.37
5	Sport and Youth welfare Department, Deputy Director, (NCC) State, Bhopal	55	0.52
Total		599	14.96

Thus, nearly 91 *per cent* of outstanding AC bills relates to the purposes other than for expenditure on NCC.

### 3.5 Reconciliation of Departmental receipts and expenditure

According to Para 24.9.3 of the Madhya Pradesh Budget Manual (MPBM), Budget Controlling Officers (BCOs) are responsible for reconciliation of accounts maintained by them with those appearing in the Accountant General (A&E)'s books and for identifying and correcting misclassifications. Even though non-reconciliation of departmental figures is pointed out regularly in our Audit Reports, lapses on the part of Controlling Officers (COs) in this regard continued to persist during 2013-14.

We observed that against the total expenditure of ₹ 85,762.16 crore during 2013-14, reconciliation was carried out by 104 out of 117 Controlling Officers for ₹ 35,216.12 crore (41 *per cent*). Controlling Officers of 13 Departments did not reconcile expenditure amounting to ₹ 50,546.04 crore (59 *per cent*) as on 31 March 2014.

Further, all BCOs are required to reconcile the receipts of the Government with the figures accounted for by the Principal Accountant General (A&E). Such reconciliation had been completed only for ₹ 23,158.46 crore (31 *per cent*) against the total non-debt receipt of ₹ 75,880.88 crore of the Government during the year 2013-14. Non-reconciliation of expenditure and receipts by the controlling officers indicated deficient financial management.

### 3.6 Non-adjustment of temporary advances

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

rate on fixed deposits of State Bank of India should be charged from the erring employee/officer.

Information furnished by various Departments (to the extent available) revealed that as on 31 March 2014, 1834 cases aggregating ₹ 6.63 crore were pending for adjustment by 18 Departments<sup>1</sup> in their records. Reasons for non-adjustment of temporary advances have not been intimated by the concerned Departments. Age-wise analysis of advances pending is given in Table 3.7.

Table 3.7: Age-wise analysis of cases of advances pending as of March 2014

Sl. No.	Pendency	No. of cases	Amount (₹ in crore)
1	More than 10 years	952	0.37
2	More than five years upto 10 years	291	0.28
3	More than one year but less than five years	258	0.94
4	Less than one year	333	5.04
	<b>Total</b>	<b>1834</b>	<b>6.63</b>

(Source: Data Furnished by the Departments)

It would be seen from the above that 52 per cent of the cases (952 nos.) are more than 10 years old and thus, possibility of their recovery appears to be remote. Non-recovery of advances indicated absence of effective internal controls in the concerned Departments.

### 3.7 Booking under Minor Heads '800-Other Receipts' and '800-Other Expenditure'

Since most of the government activities are well defined in the list of Major and Minor Heads of Accounts of Union and States, issued by the Controller General of Accounts, and also provided in para 8.3.5(vi) of MP Budget Manual, the Budget Controlling Officers are to ensure that operation of the minor head '800-Other Receipts/ Expenditure' should be minimised.

Scrutiny of Finance Accounts 2013-14 disclosed that expenditure of ₹ 9,532.67 crore, consisting 12 per cent of total expenditure (revenue and capital) recorded under the major heads, was classified under the minor head '800-Other Expenditure'.

We also observed that under 18 major heads of accounts (revenue and capital), an amount of ₹ 6,075.78 crore, which constituted 75 per cent of total expenditure of ₹ 8,074.00 crore under these major heads, were classified under the minor head of accounts '800-Other Expenditure'. Such expenditure ranged between 53 per cent and 100 per cent of total expenditure under the respective major heads, as shown in Appendix 3.5.

<sup>1</sup> (1) Housing and Environment: ₹ 0.04 lakh, (2) Fisheries: ₹ 0.09 lakh, (3) Election Commission: ₹ 304.35 lakh, (4) Police: ₹ 3.98 lakh, (5) Education: ₹ 14.08 lakh, (6) Tourism: ₹ 11.31 lakh, (7) Horticulture: ₹ 274.43 lakh, (8) Culture: ₹ 4.68 lakh, (9) Archaeology Archives and museum: ₹ 31.21 lakh, (10) Scheduled Tribe Welfare: ₹ 1.88 lakh, (11) Industries: ₹ 0.36 lakh, (12) Narmada Valley Development: ₹ 2.91 lakh, (13) Backward Classes Minorities Welfare: ₹ 2.67 lakh, (14) Water Resources Department: ₹ 7.78 lakh, (15) Land Acquisition and Rehabilitation: ₹ 0.03 lakh, (16) Social Justice and Disability Welfare: ₹ 0.26 lakh, (17) Public Works Department: ₹ 1.37 lakh, (18) Excise: ₹ 1.24 lakh

Similarly, revenue receipts of ₹ 15,411.85 crore, constituting 20 *per cent* of the total revenue receipts (₹ 75,749.24 crore) recorded under the respective major head, were classified under the minor head '800-Other Receipts'. Under 26 major head of accounts (revenue receipts) ₹ 10,191.49 crore (83 *per cent*) out of total receipts under these major heads amounting to ₹ 12,236.45 crore were classified under '800-Other Receipts'. Receipts under the minor head ranged between 51 and 100 *per cent* of total revenue receipts under the respective major heads. Details are given in Appendix 3.6.

Large amounts booked under the minor head '800-Other Receipts' and '800-Other Expenditure' affects the transparency in financial reporting as it fails to indicate disaggregated information on different activities of the Government separately in the accounts.

### **3.8 Non-submission of the details of grants or loans paid to bodies and authorities**

In order to identify institutions/organizations, which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971 (C&AG'S DPC Act), the Government/Heads of the Departments are required to furnish to Audit every year the detailed information about the financial assistance given to various institutions, the purpose for which the assistance is granted and the total expenditure of the institutions. Further, Regulation on Audit and Accounts 2007 provides that Governments and heads of departments which sanction grants and /or loans to bodies or authorities shall furnish to the Audit Office by the end of July every year a statement of such bodies and authorities to which grants and/or loans aggregating ₹ 10 lakh or more were paid during the preceding year indicating (a) the amount of assistance (b) the purpose for which the assistance was sanctioned and (c) the total expenditure of the body or authority.

As of September 2014, none of the Departments of the Government of Madhya Pradesh furnished such details to the Audit office for the year 2013-14. The matter was taken up with the Finance Department in September 2014 and with the Chief Secretary of the Government in October 2014; their replies are still awaited (October 2014).

### **3.9 Maintenance of Personal Deposit Accounts**

The Personal Deposit (PD) Accounts are Deposit Accounts kept in Treasuries in the name of the Administrators of the Accounts. The moneys are placed under 8443-Civil deposits 106 Personal Deposit. These accounts can be opened with the approval of the Finance Department. AG's consent is not required as per the existing rules. In terms of provisions made for maintenance of PD Accounts in Subsidiary Rules 543 and 584 to 590 of Madhya Pradesh Treasury Code (MPTC) Part-1, the PD Accounts which are opened by debit to

the Consolidated Fund of the State should be closed at the end of the financial year by minus debit to relevant service heads. As per Finance Department instructions of February 2010, if it is necessary to open a PD Account in the next year, the same may be opened in the usual manner. The PD Accounts which remained inoperative for continuous three years, should be closed by the Treasury Officer by giving notice to the Administrator of the PD Account and action for transfer of balance amount as Revenue deposit credit to Government Account should be initiated. Periodical reconciliation of PD Accounts with treasury accounts is the responsibility of the Administrator concerned. Subsidiary Rule 558 also stipulates that plus minus memorandum indicating the details of opening balance, receipts, disbursements and closing balance of the PD Accounts, are required to be submitted to AG every month.

### Overall position of PD Accounts

The transactions relating to PD accounts of Government and Semi-Government institutions which are opened by debit to the consolidated fund of the State for the period 2011-14 are detailed in Table 3.8.

Table 3.8: Status of balance under the PD accounts

Year	PD Accounts balance as on 1 April		Balance of PD Accounts opened during the year		PD Accounts closed during the year		PD Accounts balance as on 31 March	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
2011-12	765	2,003.45	128	3.93	07	0.08	886	2,007.30
2012-13	886	2,007.30	27	80.96	09	25.24	904	2,063.02
2013-14	904	2,063.02	19	94.75	43	18.70	880*	1,784.77#

(Source: Notes to Accounts in Finance Accounts)

\*Government: 877, Semi Government: 3, of these 414 PD Accounts as of March 2014 were inoperative

# As per actual balance shown in Finance Accounts. The difference of ₹ 354.30 crore was due to non-depiction of receipts and disbursements under old PD Accounts in the above table.

The closing balance in PD accounts indicated that the administrators did not close the PD accounts by minus debit to the relevant service head at the close of financial year, as required under the rules. Since the amounts transferred to PD Accounts are shown as final expenditure from the Consolidated Fund of the State, non-closing of the PD accounts at the close of the year resulted in overstatement of expenditure under Consolidated Fund during the year.

Records relating to the Administrators (May to August 2014) of seven PD accounts were test checked in audit who had balances under PD Accounts, aggregating to ₹ 93.45 crore<sup>2</sup> as on 31 March 2014. The following observations were made:

<sup>2</sup> (1) Commissioner, Food, Civil Supplies and Consumer Protection Department, Bhopal: ₹ 50.85 crore, (2) Land Acquisition Officer (LAO) Onkaveshwar/Maheshwar Project, Badwah, District Khargone: ₹ 18.03 crore, (3) LAO and Rehabilitation Officer, Sardar Sarovar Project, Manawar, District Dhar: ₹ 5.04 crore, (4) LAO and Sub Divisional Officer (SDO) (Revenue), Badwah, District Khargone: ₹ 12.25 crore, (5) LAO and SDO (Revenue), Barod District Agar (Malwa): ₹ 1.25 crore, (6) Deputy Director, Farmer Welfare and Agriculture, Sagar: ₹ 1.04 crore, (7) Commissioner, Directorate of Silk Satpura Bhawan, Bhopal: ₹ 4.99 crore

- There were differences of PD Account balances, aggregating to ₹ 3.37 crore, between the treasury figures and the cash book figures of the departments, mainly due to non-reconciliation of such transactions with the treasury by four Administrators, as shown in Table 3.9. The plus-minus memorandum and each month's accounts were also not submitted by the Treasury Officers to the Accountant General.

Table 3.9: Discrepancies in Closing Balances between Treasury and Cash Book

Sl. No.	Name of PD accounts	Closing balance as on 31 March 2014 (₹ in crore)		
		Treasury	Cash Book	Discrepancy
1	Land Acquisition Officer (LAO) and Rehabilitation Officer, Sardar Sarovar Project, Manawar, District Dhar	5.07	5.04	0.03
2	Land Acquisition Officer (LAO), Onkareshwar/Maheshwar Project, Badwah, District Khargone	20.77	18.03	2.74
3	Land Acquisition Officer (LAO) and Sub Divisional Officer (SDO) (Revenue), Badwah, District Khargone	12.92	12.25	0.67
4	Land Acquisition Officer (LAO) and SDO (Revenue) Barod District Agar (Malwa)	1.18	1.25	(-) 0.07
	<b>Total</b>	<b>39.94</b>	<b>36.57</b>	<b>3.37</b>

(Source: Data furnished by the Departments)

- Two out of seven Administrators did not obtain approval of the Finance Department for continuation of the PD Account at the end of each financial year. The details are given in Table 3.10.

Table 3.10: Personal Deposit Accounts continued without permission

Sl. No.	Name of PD accounts	During the Financial year
1	Land Acquisition Officer (LAO), Onkareshwar/Maheshwar Project, Badwah, District Khargone	2011-12 to 2014-15
2	Deputy Director, Farmer Welfare and Agriculture, Sagar	2012-13 and 2013-14

(Source: Data Furnished by the Departments)

- We observed that there was a closing balance of ₹ 4.99 crore as on 31 March 2014 in the PD Account No.38, in respect of Commissioner, Directorate of Silk Satpura Bhawan, Bhopal, which included ₹ 2.28 crore transferred during 2006-07. This indicated that the PD Account was neither closed at the end of each financial year, nor the amount remaining unspent for more than three years was deposited in Revenue head.
- Commissioner, Food, Civil Supplies and Consumer Protection Department, Bhopal had a closing balance of ₹ 50.85 crore as on 31 March 2014 in the PD Account No.41, opened for keeping the seed money of Consumers Welfare Fund. We observed that an amount of ₹ 0.32 crore was found deposited in Treasury on 06 January 2014 by three District authorities<sup>3</sup>. But the amount was not found entered in PD account register of the Commissioner, indicating that reconciliation of PD Account balance was not done by the Commissioner. Further, transactions

<sup>3</sup> Ratlam (₹ 0.24 crore); Dewas (₹ 0.03 crore); Hoshangabad (₹ 0.05 crore).



relating to other purpose/scheme i.e. Food Coupon scheme (₹ 25.74 crore) and 13<sup>th</sup> Finance Commission (₹ 24.71 crore) were found deposited in the above PD account.

Regarding transactions relating to other purpose/scheme in PD account, Directorate stated that in future only such funds will be kept for which scheme/purpose PD account has been opened. Fact remains that separate PD account was not opened for each purpose/scheme as required under the provisions of MPTC.

The above matter was referred to Government (September 2014); their reply had not been received (October 2014).

### **3.10 Conclusion and Recommendations**

#### ***Submission of Utilisation Certificate***

- Large number of Utilisation Certificates (36,414) in respect of grants given for by State Government amounting to ₹ 27,372.73 crore were awaited from the grantee institutions, indicating lack of proper monitoring by the concerned Departments of utilisation of grants.

*Departments should ensure timely submission of Utilisation Certificates by the grantee institutions in respect of the grants released to them.*

#### ***Submission of Accounts by Autonomous Bodies***

- There were significant delays (up to 69 months) in submission of accounts by six Autonomous Bodies to the Accountant General, resulting in delays in scrutiny of functioning of the Autonomous Bodies.

*Government should ensure timely submission of accounts by Autonomous Bodies to the Accountant General.*

#### ***Reporting of misappropriations and losses***

- Government's compliance towards disposal of 2989 cases of losses, misappropriation etc. amounting to ₹ 28.17 crore was pending.

*Departmental enquiries in all cases of misappropriations, losses etc. should be expedited to bring the defaulters to book.*

#### ***Submission of DCC bills against AC bills***

- Detailed Countersigned Contingent (DCC) bills against ₹ 14.96 crore drawn on Abstract Contingent (AC) bills were awaited as of March 2014.

*A monitoring mechanism should be in place for timely adjustment of outstanding Abstract Contingency Bills.*

#### ***Reconciliation of departmental expenditure***

- Controlling Officers of 13 Departments did not reconcile expenditure amounting to ₹ 50,546.04 crore as on 31 March 2014.

*The Departments should ensure timely reconciliation of figures of expenditure with those appearing in AG (A&E)'s books.*

***Maintenance of Personal Deposit Accounts***

- Personal Deposit (PD) Accounts were continued even after close of the financial year without approval of Finance Department, in violation of the provisions of Madhya Pradesh Treasury Code. There was significant amount of closing balance aggregating to ₹ 1,784.77 crore in the PD Accounts as of ended March 2014.

*The Departments should ensure closing of PD Accounts at the end of the financial year and the balance should be transferred to the Consolidated Fund of the State.*

During exit conference held in November 2014, the Secretary, Finance Department stated that action would be taken on the recommendations made by Audit.



(SAURABH K. MALLICK)  
Accountant General  
(General and Social Sector Audit)  
Madhya Pradesh

Gwalior  
The

30 JAN 2015

Countersigned



New Delhi  
The

18 FEB 2015

(SHASHI KANT SHARMA)  
Comptroller and Auditor General of India



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## **APPENDICES**

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**APPENDIX 1.1**  
**STATE PROFILE (MADHYA PRADESH)**  
**(REFERENCE: PARAGRAPH PROFILE OF STATE AND 1.7.2; PAGE 1, 29)**

<b>A</b>		<b>General Data*</b>	
Sl.No	Particulars	Figures	
1	Area	3,08,245 sq km	
2	Population		
	a. As per 2001 Census	6.03 crore	
	b. As per 2011 Census	7.26 crore	
3	a. Density of Population (2001 Census) (All India Density = 325 persons per sq.km)	196 persons per sq km	
	b. Density of Population (2011 Census) (All India Density = 382 persons per sq.km)	236 persons per sq km	
4	Population below poverty line (All India Average = 21.92%)	38.30 per cent	
5	a. Literacy ( as per 2001 Census) (All India Average = 64.8%)	69.69 per cent	
	b. Literacy (2011 Census) (All India Average = 74.04%)	70.63 per cent	
6	Infant mortality (per 1000 live births) (All India Average = 40 per 1000 live births)	67	
7	Life Expectancy at birth** (All India Average = 65.8 years)	58 years	
8	Gini Coefficient***		
	a. Rural (All India=0.29)	0.29	
	b. Urban (All India=0.38)	0.36	
9	Gross State Domestic Product (GSDP) 2013-14 at current price	₹ 4,50,900 crore	
10	Per Capita GSDP CAGR (2004-05 to 2013-14)	Madhya Pradesh	14.93 per cent
		General Category States	14.88 per cent
11	GSDP CAGR (2004-05 to 2013-14)	Madhya Pradesh	16.63 per cent
		General Category States	15.49 per cent
12	Population Growth (2004-05 to 2013-14)	Madhya Pradesh	16.12 per cent
		General Category States	12.94 per cent
<b>B</b>		<b>Financial Data</b>	
		<b>Figures (in per cent)</b>	
		<b>2004-05 to 2012-13</b>	
		<b>General Category States</b>	<b>Madhya Pradesh</b>
			<b>2004-05 to 2013-14</b>
			<b>Madhya Pradesh</b>
a.	of Revenue Receipt	16.93	15.18
b.	of Own Tax Revenue	16.42	16.44
c.	of Non Tax Revenue	12.49	5.13
d.	of Total Expenditure	15.37	13.15
e.	of Capital Expenditure	17.01	9.89
f.	of Revenue Expenditure on Education	17.44	17.50
g.	of Revenue Expenditure on Health	16.50	15.49
h.	of Salary and Wages	14.73	11.18
i.	of Pension	18.34	15.71

Source: Financial data is based on Finance Accounts

\* General data: BPL (Planning Commission & NSSO data, 61<sup>st</sup> round).

\*\* Life Expectancy at birth (Office of the Registrar General of India, Ministry of Home Affairs), Economic survey indicators for 2010-11 as shown in Economic survey of 2012-13.

\*\*\* Gini Coefficient is a measure of inequality of income among the population. Value rate is from zero to one, closer to zero inequality is less, closer to one inequality is higher, Planning Commission data for 2009-10.

Note: All India average of General States has been calculated on the basis of figures provided by 16 General Category States (excluding Delhi, Goa and Puducherry).

**APPENDIX 1.2**  
**PART-A**  
**STRUCTURE OF GOVERNMENT ACCOUNTS**  
**(REFERENCE: PARAGRAPH 1.1; PAGE 2)**

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

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

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

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

**Layout of Finance Accounts 2013-14**

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

Statement No.	Summarised and Detailed Statements
1	Statement of Financial Position
2	Statement of Receipts and Disbursements
3	Statement of Receipts (Consolidated Fund)
4	Statement of Expenditure (Consolidated Fund)
5	Statement of Progressive Capital Expenditure
6	Statement of Borrowings and other Liabilities
7	Statement of Loans and Advances given by the Government
8	Statement of Grants-in-Aid given by the Government
9	Statement of Guarantees given by the Government
10	Statement of Voted and Charged Expenditure
11	Detailed Statement of Revenue and Capital Receipts by Minor Heads
12	Detailed Statement of Revenue Expenditure by Minor Heads
13	Detailed Statement of Capital Expenditure by Minor Heads and Sub Heads
14	Details Statement of investments of the Government
15	Detailed Statement of Borrowings and Other Liabilities
16	Detailed Statement of Loans and Advances given by the Government
17	Statement on Sources and Application of Funds for Expenditure other than on Revenue Account
18	Detailed Statement on Contingency Fund and Other Public Account transactions
19	Detailed Statement on Investment of Earmarked Balances

## APPENDIX 1.2 (CONCLUDED)

## PART-B

STATEMENT SHOWING APPORTIONMENT OF ASSETS AND LIABILITIES OF  
THE ERSTWHILE STATE OF MADHYA PRADESH AS ON 31 MARCH 2014  
BETWEEN SUCCESSOR STATES OF MADHYA PRADESH AND  
CHHATTISGARH  
(REFERENCE: PARAGRAPH 1.1; PAGE 2)

(₹ in crore)

Items	Balance as on 31 October 2000	Apportioned to		Balance retained in MP accounts pending apportionment	Reference to Finance Accounts Statements Nos.
		Madhya Pradesh	Chhattisgarh		
I-Liabilities-					
1.Small savings, provident funds etc.	7371.51	5570.57	1239.45	561.49	17 and 18
2.Deposits	1872.19	1516.52	358.05	(-).2.38	17 and 18
3.Reserve Funds	657.94	45.49	11.55	102.47	17 and 18
4.Suspense and Miscellaneous Balances	39.58	25.46	5.93	8.18	18
II-Assets-					
1.Gross Capital Outlay	15760.57	4993.86	1499.12	8788.75	5 and 13
2.Loans and Advances	2883.18	559.83	135.91	2186.26	7 and 16
3.Guarantees	9709.60	---	--	1185.46	9

Note: Please see Finance Accounts for further details

# APPENDIX 1.3

## PART-A

### METHODOLOGY ADOPTED FOR THE ASSESSMENT OF FISCAL POSITION

(REFERENCE: PARAGRAPH 1.1; PAGE 2)

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

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

**Trends in Gross State Domestic Product (GSDP)**

	2009-10	2010-11	2011-12	2012-13	2013-14
Gross State Domestic Product (₹ in crore)	227557	263396	311670	372171	450900
Growth rate of GSDP* (in per cent)	15.35	15.75	18.33	19.41	21.15

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

\* GSDP estimates for the period 2009-10 to 2012-13 are revised, therefore, percentage ratio/buoyancies of various parameters with reference to GSDP for 2009-10 to 2012-13 indicated in earlier Reports have also been revised.

## APPENDIX 1.3 CONTD...

## PART-B

FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT (FRBM) ACT, 2005  
(REFERENCE: PARAGRAPH 1.1; PAGE 2)

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

- Reduce revenue deficit in each financial year so as to eliminate it by 31 March 2009 and generate revenue surplus thereafter;
- As per amendment to FRBM Act, 2005 in respect of fiscal deficit shall be, reduce fiscal deficit so as to bring it down to not more than 3 *per cent* of GSDP by 31<sup>st</sup> March 2012 and maintain it thereafter;
- As per amendment to FRBM Act 2005, ensure that total outstanding debt do not exceed 37.6 *per cent*, 36.8 *per cent*, 36.0 *per cent* and 35.3 *per cent* for the financial year 2011-12, 2012-13, 2013-14 and 2014-15 respectively of the estimated GSDP for that year; and
- Limit the annual incremental guarantees so as to ensure that the guarantees do not exceed 80 *per cent* of the total revenue receipts in the year preceding the current year.

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

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

In accordance with the provisions of the FRBM Act 2005, the State Government has placed the (a) Macro-Economic framework Statement, (b) Medium Term Fiscal Policy Statement (MTFPS) and (c) Fiscal policy strategy statement along with the Budget for 2013-14. The actuals for 2011-12, RE for 2012-13 and BE for 2013-14 for select indicators are presented in MTFPS (*Appendix 1.3 Part-C*).

Definitions of the selected terms used in assessing the trends and patterns of fiscal aggregates are also given below:



**DEFINITIONS OF SELECTED TERMS USED IN ASSESSING THE TRENDS AND  
PATTERN OF FISCAL AGGREGATES**

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	Interest payment/[(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2]*100
Interest spread	GSDP growth – Average Interest Rate
Quantum spread	Debt stock *Interest spread
Interest received as <i>per cent</i> to Loans Outstanding	Interest Received/[(Opening balance + 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 <u>minus</u> all Plan grants and Non-plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt
Sufficiency of Non-debt receipts (Resource Gap)	Incremental Non-debt Receipts-(Incremental Primary Expenditure + Incremental Interest Payment)

**APPENDIX 1.3 (CONCLUDED)**  
**PART-C**  
**TREND IN SELECT FISCAL INDICATORS**  
**(REFERENCE: PARAGRAPH 1.1 AND 1.1.2; Page 2, 4)**

(₹ in crore)

Sl. No.	Fiscal Indicators	2011-12 Account	Previous Year	Current Year	Percentage change in previous year over 2011-12	Percentage change in current year over previous year
			2012-13 R.E.	2013-14 B.E.		
1	2	3	4	5	6	7
1	Revenue Receipts (2+3+4)	62604.08	71728.51	79603.47	14.57	10.98
2	Tax Revenue (2.1+2.2)	45192.58	51110.31	57075.29	13.09	11.67
2.1	State Tax	26973.44	29570.68	33381.68	9.63	12.89
2.2	Share in Central Taxes	18219.14	21539.63	23693.61	18.23	10.00
3	Non-Tax Revenue	7482.73	7516.55	7583.39	0.45	0.89
4	Grants-in-aid from Central Government	9928.77	13101.65	14944.79	31.96	14.07
5	Capital Receipts (6+7+8)	18309.52	9643.59	12415.63	-47.33	28.74
6	Recovery of loans and advances	9147.86	98.63	124.86	-98.92	26.59
7	Net public debt	3600.46	7993.46	11841.07	122.01	48.13
8	Net Receipts from Public Account	5561.20	1551.50	449.70	-72.10	-71.02
9	Total Receipts (1+5)	80913.60	81372.10	92019.10	0.57	13.08
10	Revenue Expenditure (10.1+10.2)	52693.71	65308.39	74388.64	23.94	13.90
10.1	Non-Plan Revenue Expenditure	36677.17	44840.54	50826.95	22.26	13.35
10.2	Plan Revenue Expenditure	16016.54	20467.85	23561.69	27.79	15.12
10.3	Revenue Expenditure Of which					
10.3.1	Interest payments	5299.77	5950.54	6518.52	12.28	9.55
10.3.2	Subsidies	19488.54	25684.75	27775.56	31.79	8.14
10.3.3	Wages & Salaries	14331.99	18148.97	21830.59	26.63	20.29
10.3.4	Pension Payments	4388.91	5325.85	6530.85	21.35	22.63
11	Capital Expenditure (11.1+11.2)	9055.16	11079.42	11113.62	22.35	0.31
11.1	Non-Plan Capital Expenditure	32.29	51.30	78.89	58.87	53.78
11.2	Plan Capital Expenditure	9022.87	11028.12	11034.73	22.22	0.06
12	Loans and Advances (12.1+12.2)	15864.25	5874.83	6444.60	-62.97	9.70
12.1	Non- Plan Loans and Advances	14635.00	3829.95	3432.85	-73.83	-10.37
12.2	Plan Loans and Advances	1229.25	2044.88	3011.75	66.35	47.28
13	Total Expenditure (13.1+13.2)	77613.12	82262.64	91946.86	5.99	11.77
13.1	Non-Plan Expenditure (10.1+11.1+12.1)	51344.46	48721.79	54338.69	-5.11	11.53
13.2	Plan Expenditure (10.2+11.2+12.2)	26268.66	33540.85	37608.17	27.68	12.13
14	Revenue Surplus (1-10)	9910.37	6420.12	5214.83	-35.22	-18.77
15	Fiscal Deficit (1+6-13)	5861.18	10435.50	12218.53	78.04	17.09
16	Primary Deficit [1+6-(13-10.3.1)]	561.41	4484.96	5700.01	698.87	27.09

**APPENDIX 1.4**  
**TIME SERIES DATA ON THE STATE GOVERNMENT FINANCES**  
**(REFERENCE: PARAGRAPHS 1.1, 1.3, 1.9.2 AND 1.10.4; PAGE 2, 10, 33, 37)**

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Part A. Receipts</b>					
<b>1. Revenue Receipts</b>	<b>41395(40)</b>	<b>51854(41)</b>	<b>62604(42)</b>	<b>70427(43)</b>	<b>75749(41)</b>
<b>(i) Tax Revenue</b>	<b>17273(42)</b>	<b>21419(41)</b>	<b>26973(43)</b>	<b>30582(43)</b>	<b>33552(44)</b>
Taxes on Agricultural Income	--	--	--	--	--
Taxes on Sales, Trade, etc	7724 (45)	10257(48)	12517(46)	14856(49)	16650(50)
State Excise	2952 (17)	3603(17)	4317(16)	5078(17)	5907(18)
Taxes on Vehicles	919 (5)	1198(6)	1357(5)	1531(5)	1599(5)
Stamps and Registration fees	1783 (10)	2514(12)	3284(12)	3944(13)	3400(10)
Land Revenue	180 (1)	361(2)	279(1)	444(1)	366(1)
Taxes on Goods and Passengers	1333 (8)	1746(8)	2047(8)	2395(8)	2579(8)
Other Taxes	2382 (14)	1740(8)	3172(12)	2334(8)	3051(9)
<b>(ii) Non-Tax Revenue</b>	<b>6382 (15)</b>	<b>5720(11)</b>	<b>7483(12)</b>	<b>7030(10)</b>	<b>7705(10)</b>
<b>(iii) State's share of Union taxes and duties</b>	<b>12077(27)</b>	<b>15638(30)</b>	<b>18219(29)</b>	<b>20805(30)</b>	<b>22715(30)</b>
<b>(iv) Grants-in-Aid from Government of India</b>	<b>6663 (16)</b>	<b>9077(18)</b>	<b>9929(16)</b>	<b>12040(17)</b>	<b>11777(16)</b>
<b>2. Miscellaneous Capital Receipts</b>	<b>22</b>	<b>367</b>	<b>23</b>	<b>31</b>	<b>36</b>
<b>2A. Inter-State settlement</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>9</b>	<b>2</b>
<b>3. Recoveries of Loans and Advances</b>	<b>23</b>	<b>34</b>	<b>9123</b>	<b>33</b>	<b>93</b>
<b>4. Total Revenue and Non-debt capital receipts (1+2+2A+3)</b>	<b>41443</b>	<b>52257</b>	<b>71753</b>	<b>70500</b>	<b>75880</b>
<b>5. Public Debt Receipts</b>	<b>8603(8)</b>	<b>7458(6)</b>	<b>6750(4)</b>	<b>8791(5)</b>	<b>9541(5)</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	7258 (84)	6363(85)	5718(85)	7234(82)	8328(87)
Net transactions under Ways and Means Advances and Overdrafts	--	--	--	--	--
Loans and Advances from Government of India	1345 (16)	1095(15)	1032(15)	1557(18)	1212(13)
<b>6. Total Receipts in the Consolidated Fund (4+5)</b>	<b>50046</b>	<b>59715</b>	<b>78503</b>	<b>79291</b>	<b>85421</b>
<b>7. Contingency Fund Receipts</b>	<b>--</b>	<b>--</b>	<b>100</b>	<b>--</b>	<b>--</b>
<b>8. Public Account Receipts</b>	<b>52353(51)</b>	<b>65675(52)</b>	<b>76315(49)</b>	<b>86248(52)</b>	<b>94811(53)</b>
<b>9. Total Receipts of the State (6+7+8)</b>	<b>102399</b>	<b>125390</b>	<b>154918</b>	<b>165539</b>	<b>180232</b>
<b>Part B. Expenditure/Disbursement</b>					
<b>10. Revenue Expenditure</b>	<b>35897(75)</b>	<b>45012(78)</b>	<b>52694(68)</b>	<b>62968(79)</b>	<b>69870(81)</b>
Plan	9838 (27)	12911(29)	16017(30)	18349(29)	19427(28)
Non-Plan	26059(73)	32101(71)	36677(70)	44619(71)	50443(72)
General Services (including interest payments)	12014(34)	14647(33)	16229(31)	17705(28)	20591(29)
Social Services	12962 (36)	17345(39)	20297(38)	24375(39)	27768(40)
Economic Services	8371 (23)	10084(22)	12965(25)	16823(27)	16972(24)
Grants-in-Aid and Contributions	2550 (7)	2935(7)	3203(6)	4065(6)	4539(7)
<b>11. Capital Expenditure</b>	<b>7925 (17)</b>	<b>8800(15)</b>	<b>9055(12)</b>	<b>11567(14)</b>	<b>10813(13)</b>
Plan	7864 (99)	8657(98)	9023(100)	11543(100)	10770(100)
Non-Plan	61 (1)	143(2)	32(0)	24(0)	43(0)
General Services	119 (1)	179(2)	167(2)	205(2)	197(2)
Social Services	1178 (15)	1532(17)	1599(18)	1621(14)	1899(17)
Economic Services	6628 (84)	7089(81)	7289(80)	9741(84)	8717(81)

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
<b>12. Disbursement of Loans and Advances</b>	<b>3817 (8)</b>	<b>3715(6)</b>	<b>15760(20)</b>	<b>5378(7)</b>	<b>5077(6)</b>
<b>13. Inter-state settlement</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>7</b>	<b>2</b>
<b>14. Total (10+11+12+13)</b>	<b>47642</b>	<b>57529</b>	<b>77513</b>	<b>79920</b>	<b>85762</b>
<b>15. Repayments of Public Debt</b>	<b>2394</b>	<b>2529</b>	<b>3150</b>	<b>3584</b>	<b>4005</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1938	2012	2520	2936	3243
Net transactions under Ways and Means Advances and Overdraft	--	--	--	--	--
Loans and Advances from Government of India	456	517	630	648	762
<b>16. Appropriation to Contingency Fund</b>	<b>--</b>	<b>--</b>	<b>100</b>	<b>--</b>	<b>--</b>
<b>17. Total disbursement out of Consolidated Fund (14+15+16)</b>	<b>50036</b>	<b>60058</b>	<b>80763</b>	<b>83504</b>	<b>89767</b>
<b>18. Contingency Fund disbursements</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>19. Public Account disbursements</b>	<b>50872</b>	<b>62344</b>	<b>73279</b>	<b>82736</b>	<b>93064</b>
<b>20. Total disbursement by the State (17+18+19)</b>	<b>100908</b>	<b>122402</b>	<b>154042</b>	<b>166240</b>	<b>182831</b>
<b>Part C. Deficits</b>					
21. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	5498	6842	9910	7459	5879
22. Fiscal Deficit (-)/Fiscal Surplus (+) (4-14)	-6199	-5272	-5760	-9420	-9882
23. Primary Deficit(-)/Surplus(+) (22+24)	-1745	-223	-460	-3846	-3491
<b>Part D. Other data</b>					
24. Interest Payments (included in revenue expenditure)	4454	5049	5300	5574	6391
25. Financial Assistance to local bodies etc.	1434	9117	10830	13487	14953
26. Ways and Means Advances/Overdraft availed (days)	--	--	--	--	--
Ways and Means Advances availed (days)	--	--	--	--	--
Overdraft availed (days)	--	--	--	--	--
27. Interest on Ways and Means Advances/ Overdraft	--	--	--	--	--
28. Gross State Domestic Product (GSDP) <sup>1</sup>	227557	263396	311670	372171	450900
29. Outstanding Fiscal liabilities (year end)	67853	75504	81757	90168	96826
30. Outstanding guarantees (year end) (including interest)	1630	5111	5605	7720	9978
31. Maximum amount guaranteed (year end)	11823	8439	11108	14752	21472
32. Number of incomplete projects	NA	NA	45	55	201 <sup>2</sup>
33. Capital blocked in incomplete projects	NA	NA	9356	2413	34465 <sup>2</sup>
<b>Part E: Fiscal Health Indicators</b>					
<b>I. Resource Mobilization</b>					
Own Tax revenue/GSDP (per cent)	7.59	8.13	8.65	8.22	7.44
Own Non-Tax Revenue/GSDP (per cent)	2.80	2.17	2.40	1.88	1.71
Central Transfers <sup>3</sup> /GSDP (per cent)	7.80	9.38	9.03	8.83	7.65
Revenue Buoyancy with reference to State's own taxes	0.87	1.05	0.80	0.93	0.78

NA: Not Available

<sup>1</sup> Revised GSDP figures as communicated by the Government adopted.<sup>2</sup> Information made available by the Accountant General (E&RSA), Madhya Pradesh, Bhopal.<sup>3</sup> Central Transfers comprising of Share of Union Taxes/Duties and Grants from Govt.

	(₹ in crore)				
	2009-10	2010-11	2011-12	2012-13	2013-14
<b>II Expenditure Management</b>					
Total Expenditure/GSDP (per cent)	20.94	21.84	24.87	21.47	19.02
Total Expenditure/Revenue Receipts (per cent)	115.09	110.94	123.81	113.48	113.22
Revenue Expenditure/Total Expenditure (per cent)	75.35	78.24	67.98	78.79	81.47
Expenditure on General Services/Total Expenditure (per cent)	25.56	25.81	21.16	22.47	24.24
Expenditure on Social Services/Total Expenditure (per cent)	30.10	33.14	28.43	32.69	34.67
Expenditure on Economic Services/Total Expenditure (per cent)	38.98	35.93	46.28	39.75	35.79
Capital Expenditure/Total Expenditure (per cent)	16.63	15.30	11.68	14.47	12.61
Capital Expenditure on Social and Economic Services/Total Expenditure (per cent)	16.38	14.99	11.47	14.22	12.37
<b>III Management of Fiscal Imbalances</b>					
Revenue Deficit(-)/Surplus(+)/GSDP (per cent)	+2.42	+2.60	+3.18	+2.00	+1.30
Fiscal Deficit(-)/GSDP (per cent)	-2.72	-2.00	-1.85	-2.53	-2.19
Primary Deficit(-)/Surplus(+)/GSDP (per cent)	-0.77	-0.08	-0.15	-1.03	-0.77
Revenue Deficit/Fiscal Deficit	NA	NA	NA	NA	NA
Primary Revenue Balance/GSDP (per cent)	13.82	15.17	15.21	15.42	14.08
<b>IV Management of Fiscal Liabilities</b>					
Fiscal Liabilities/GSDP (per cent)	29.82	28.67	26.23	24.23	21.47
Fiscal Liabilities/RR (per cent)	163.92	145.61	130.59	128.03	127.82
Primary Deficit vis-a-vis Quantum Spread	(+)2117	(+)8333	(+)10390	(+)4632	(+)9412
Debt Redemption (Principal + Interest)/ Total Debt Receipts (Ratio)	0.84	0.87	0.95	0.86	0.98
<b>V Other Fiscal Health Indicators</b>					
Return on Investment (₹ in crore and per cent in bracket)	49.75 (0.43)	32.20 (0.26)	37.98 (0.29)	18.38 (0.13)	378.72 (2.48)
Balance from Current Revenue (₹ in crore)	10206	12313	18112	14101	17069
Financial Assets/Liabilities	0.91	0.82	0.72	0.67	0.63

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

**Explanatory Notes for Appendices 1.4 and 1.5**

- The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis the deficit on Government account as shown in Appendix 1.5 indicates the position on cash basis as opposed to accrual basis in commercial accounting. Consequently items payable or receivable or items like depreciation or variation in stock figures etc. do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid payments made on behalf of the State and other pending settlements etc.
- At the close of March 2014 accounts, there remained a difference of ₹ 39.25 crore (Debit) between the figures of ₹ 173.22 crore (Debit) reflected in accounts and those intimated by RBI ₹ 133.97 crore (Credit) under "Deposits with Reserve Bank". After close of April 2014 accounts, the net difference to be reconciled was ₹ 49.29 crore (Debit). The difference under Deposits with Reserve Bank is due to misreporting of transactions by Agency Bank to RBI and Treasury Officers in the accounts.
- NA-Not Applicable as the State has maintained Revenue Surplus since 2004-05 to the current year.

**APPENDIX 1.5**  
**PART-A**  
**ABSTRACT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR 2013-14**  
**(REFERENCE: PARAGRAPH 1.1.1; PAGE 2)**

(₹ in crore)

Receipts				Disbursements			
2012-13	2013-14			2012-13	2013-14		
Total		Total		Total	Non-plan	Plan	Total
<b>Section-A: Revenue</b>							
70427.28 I	Revenue Receipts	75749.24	62968.53	Revenue Expenditure	50443.49	19426.27	69869.76
30581.70	- Tax Revenue	33552.16	17705.14	General Services	20479.36	111.57	20590.93
			24375.47	Social Services	15465.83	17302.38	27768.21
7000.22	- Non-Tax Revenue	7704.99	10896.42	Education, Sports, Art and Culture	10138.64	3558.49	13697.13
			3128.22	Health and Family Welfare	2320.52	963.08	3283.60
20805.16	-State's Share of Union Taxes	22715.27	2741.49	-Water Supply, Sanitation Housing and Urban Development	923.33	1918.12	2841.45
332.93	-Non Plan Grants	3540.25	149.25	- Information and Broadcasting	164.54	10.96	175.50
			2277.93	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	330.88	2085.10	2415.98
7099.43	-Grants for State Plan Schemes	5535.77	189.72	-Labour and Labour Welfare	164.37	57.26	221.63
			4901.77	-Social Welfare and Nutrition	1308.78	3709.37	5018.15
4607.84	-Grants for Central and Centrally Sponsored Plan Schemes	2700.80	90.67	-Others	114.77	Nil	114.77
			16823.35	Economic Services	10720.64	6250.69	16971.33
			6021.08	-Agriculture and Allied Activities	3811.56	2402.39	6213.95
			3740.28	-Rural Development	1124.11	2281.45	3405.56
			720.12	-Irrigation and Flood Control	552.23	230.74	782.97
			2799.61	-Energy	2745.90	594.57	3340.47
			2060.57	-Industries and Minerals	994.63	474.68	1469.31
			1277.81	-Transport	1411.58	0.63	1412.21
			63.33	-Science, Technology and Environment	6.63	113.98	120.61
			140.55	-General Economic Services	74.00	152.25	226.25
			4064.57	Grants-in-aid and Contributions	3777.66	761.63	4539.29
	II Revenue Deficit carried over to Section B		7458.75	Revenue Surplus carried over to Section B			5879.48
70427.28	Total	75749.24	70427.28	Total			75749.24



Section B							
Receipts				Disbursements			
2012-13		2013-14		2012-13	2013-14		
Total		Total		Total	Non-plan	Plan	Total
7775.88	III	Opening Cash Balance including Permanent Advances and Cash Balance Investment	7074.81	--	Opening Overdraft from RBI		
31.45	IV	Miscellaneous Capital Receipts	35.98	11566.89	Capital Outlay	42.56	10769.96
				204.89	General Services	27.61	168.70
				1620.99	Social Services	4.95	1894.35
				147.02	-Education, Sports, Art and Culture	--	131.60
				176.80	-Health and Family Welfare	1.94	164.07
				827.32	-Water Supply, Sanitation, Housing and Urban Development	--	925.13
				--	-Information and Broadcasting	--	--
				440.60	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	--	343.38
				8.45	-Social Welfare and Nutrition	3.01	324.98
				20.80	-Other Social Services	--	5.19
				9741.01	Economic Services	10.00	8706.91
				345.60	-Agriculture and Allied Activities	--	186.52
				1451.76	-Rural Development	--	702.69
				4268.95	-Irrigation and Flood control	--	4537.31
				1226.49	-Energy	--	631.64
				213.47	-Industries and Minerals	10.00	184.92
				2115.75	-Transport		2382.55
				29.00	-Science, Technology and Environment	--	22.65
				89.99	-General Economic Services	--	58.63
32.53	V	Recoveries of Loans and Advances	93.22	5378.25	Loans and Advances disbursed	2906.33	2171.19
				4557.27	-For Power Projects	2878.64	1472.72
				310.33	-For Agriculture and Allied Activities	--	--
				336.08	-For Industries and Minerals	--	--
0.17		-From Government Servants	0.13	0.01	-To Government Servants	--	--
32.36		-From Others	93.09	174.56	-To Others	27.69	698.47

Section B								
Receipts				Disbursements				
2012-13		2013-14		2012-13		2013-14		
Total		Total		Total		Non-plan	Plan	Total
9.14	VI	Inter-State Settlement	2.44	7.02	Inter- State Settlement	--	--	2.36
7458.75	VII	Revenue Surplus brought down	5879.48	--	Revenue Deficit brought down	--	--	--
8791.16	VIII	Public Debt Receipt	9540.82	3583.94	Repayment of Public Debt	--	--	4004.65
7233.85		-Internal Debt other than Ways and Means Advances and Overdraft	8328.38	2935.53	-Internal Debt other than Ways and Means Advances and Overdraft	--	--	3242.63
--		Net transactions under Ways and Means Advances			-Net transactions under Ways and Means Advances			
--		Net transactions under Overdraft						
1557.31		-Loans and Advances from Central Government	1212.44	648.41	-Repayment of Loans and Advances to Central Government			762.02
--	IX	Appropriation to the Contingency Fund			-Appropriation to the Contingency Fund			Nil
--	X	Amount transferred to Contingency Fund			-Expenditure from Contingency Fund			Nil
86247.57	XI	Public Account Receipts	94811.32	82735.57	Public Account Disbursements			93063.99
2319.03		-Small Savings and Provident Funds	2784.03	1481.96	-Small Savings and Provident Funds			1836.27
2441.27		-Reserve Funds	1612.01	421.48	-Reserve Funds			640.74
59818.65		-Suspense and Miscellaneous	64444.26	59911.79	-Suspense and Miscellaneous			64412.85
15167.15		-Remittances	15602.17	14766.89	-Remittances			15316.54
6501.47		-Deposits and Advances	10368.85	6153.45	-Deposits and Advances			10857.59

Section B								
Receipts				Disbursements				
2012-13		2013-14		2012-13	2013-14			
Total			Total	Total		Non-plan	Plan	Total
	-- XII	Closing Overdraft from Reserve Bank of India		7074.81	Cash Balance at the end of the year			4477.03
					--Cash in Treasuries and Local Remittances			
				(-)262.75	-Deposits with Reserve Bank			173.22 <sup>4</sup>
				133.05	-Departmental Cash Balance including Permanent Advances			3.40
				7204.51	-Cash Balance Investment and Investment of Earmarked Funds			4300.41
180773.76		Total	193187.31	180773.76	Total			193187.31

<sup>4</sup> At the close of March 2014 accounts, there remained a difference of ₹ 39.25 crore (Debit) between the figures of ₹ 173.22 crore (Debit) reflected in accounts and those intimated by RBI ₹ 133.97 crore (Credit) under "Deposits with Reserve Bank". After close of April 2014 accounts, the net difference to be reconciled was ₹ 49.29 crore (Debit). The difference under Deposits with Reserve Bank is due to misreporting of transactions by Agency Bank to RBI and Treasury Officers in the accounts.

**APPENDIX 1.5 (CONCLUDED)**  
**PART-B**  
**SUMMARISED FINANCIAL POSITION OF THE GOVERNMENT OF MADHYA**  
**PRADESH AS ON 31 MARCH 2014**  
**(REFERENCE: PARAGRAPH 1.9.1; PAGE 33)**

(₹ in crore)

As on 31.03.2013	Liabilities	As on 31.03.2014
54309.33	Internal Debt -	59395.09
31406.58	Market Loans bearing interest	34978.40
0.43	Market Loans not bearing interest	0.39
94.37	Loans from Life Insurance Corporation of India	83.61
6001.52	Loans from other Institutions	6256.85
16806.00	Special Securities issued to NSS Fund of Central Government	18075.84
Nil	Ways and Means Advances (including interest paid)	Nil
Nil	Overdrafts from Reserve Bank of India	Nil
12267.81	Loans and Advances from Central Government -	12718.23
1.88	Pre 1984-85 Loans	1.88
50.17	Non-Plan Loans	46.49
12215.76	Loans for State Plan Schemes	12669.86
--	Loans for Central Plan Schemes	--
--	Loans for Centrally Sponsored Plan Schemes	--
200.00	Contingency Fund	200.00
10752.33	Small Savings Provident Funds etc.	11698.46
7649.77	Deposits	7160.15
5587.16	Reserve Funds	6255.19
87.81	Suspense and Miscellaneous balances	119.87
1080.65	Remittance Balance	1366.27
91934.86	<b>Total</b>	<b>98913.26</b>
	<b>Assets</b>	
88452.66	Gross Capital Outlay on Fixed Assets -	99229.20
14656.50	Investments in shares of Companies, Corporations etc.	15275.10
73796.16	Other Capital Outlay	83954.10
27088.10	Loans and Advances -	32072.34
21917.11	Loans for Power Projects	26268.48
5142.12	Other Development Loans	5775.05
28.87	Loans to Government servants and Miscellaneous loans	28.81
12.49	Advances	11.61

		(₹ in crore)
As on 31.03.2013	Assets	As on 31.03.2014
--	<b>Remittance Balances</b>	--
<b>7074.81</b>	<b>Cash -</b>	<b>4477.03</b>
--	Cash in Treasuries and Local Remittances	--
(-)262.75	Deposits with Reserve Bank	173.22 <sup>5</sup>
133.05	Departmental Cash Balance including Permanent Advances	3.40
6806.45	Cash Balance Investments	3899.14
398.06	Reserve Fund Investments	401.27
<b>-30693.20</b>	<b>Deficit on Government Account -</b>	<b>-36876.92</b>
-7458.75	(i) Less Revenue Surplus of the current year	-5879.48
-2.14	(a) Inter-State Settlement	-0.07
14.89	(b) Amount closed to Government account	0.65
-1.04	(c) Proforma adjustment during the year	-304.82
--	(d) Contingency Fund	--
-23246.16	Accumulated deficit at the beginning of the year	-30693.20
<b>91934.86</b>	<b>Total</b>	<b>98913.26</b>

<sup>5</sup> At the close of March 2014 accounts, there remained a difference of ₹ 39.25 crore (Debit) between the figures of ₹ 173.22 crore (Debit) reflected in accounts and those intimated by RBI ₹ 133.97 crore (Credit) under "Deposits with Reserve Bank". After close of April 2014 accounts, the net difference to be reconciled was ₹ 49.29 crore (Debit). The difference under Deposits with Reserve Bank is due to misreporting of transactions by Agency Bank to RBI and Treasury Officers in the accounts.

## APPENDIX 1.6

**DETAILS OF SAVINGS UNDER CATEGORY-2 OF SPORTS AND YOUTH  
WELFARE DEPARTMENT AND TRIBAL WELFARE DEPARTMENT  
(REFERENCE: PARAGRAPH 1.1.4; PAGE 6)**

(₹ in crore)

S.No.	No. & Name of schemes	Total provision	Total expenditure	Savings	Percentage of savings with provision
<b>Sports and Youth Welfare Department</b>					
1	5159-Establishment of Sports Academy	13.40	11.19	2.21	16.49
2	6725-Establishment of Feeder centre (Teerandazi)	2.96	1.59	1.37	46.28
3	7265-Olympic 2020	2.21	0.17	2.04	92.31
<b>Tribal Welfare Department</b>					
4	2773-Primary School pay allowance	381.39	355.39	26.00	6.82
5	364-Adarsh Higher Secondary school pay allowance	5.80	4.67	1.13	19.48
6	581-Higher Secondary School pay allowance	131.25	112.73	18.52	14.11
7	5216- High School pay allowance	27.95	26.08	1.87	6.69
8	494-Ashram Shala pay allowance	40.19	37.04	3.15	7.84
9	1398- Hostel pay allowance	49.97	43.52	6.45	12.91
10	2676 -Post matric scholarship	47.59	37.00	10.59	22.25
11	8832- Strengthening of ashram hostel	22.47	20.26	2.21	9.84
12	7851-Employment oriented professional training scheme for youth	5.10	1.07	4.03	79.02
13	5204-Upgradation in dexterity of SC/ST students	16.28	12.54	3.74	22.97
14	8799-Construction of hostel	19.48	9.84	9.64	49.49
15	8828-Construction of Asharam Shala Bhawan	21.20	8.90	12.30	58.02
16	1392-Scholarship and other benefits	18.92	0.80	18.12	95.77
17	2949-Supply of uniform	9.47	7.43	2.04	21.54
18	8805-Scholarship to students of primary level	13.84	1.74	12.10	87.43
19	495-Asharam and schools	29.02	23.64	5.38	18.54
20	6175-State Scholarship	7.92	0.20	7.72	97.47
21	9416-Grant to urban bodies for primary education	164.24	153.86	10.38	6.32

(Source: Information given by concerned department)



**APPENDIX 1.7**  
**DETAILS OF SUBSIDIES PAYMENT DURING 2012-13 AND 2013-14**  
**(REFERENCE: PARAGRAPH 1.6.4.4; PAGE 24)**

(₹ in crore)

Sl. No.	Department	Description and Head of Account	2012-13			2013-14		
			Non-Plan	Plan (including CSS and CP)	Total	Non- Plan	Plan (including CSS and CP)	Total
1	2	3	4	5	6	7	8	9
1	Animal Husbandry	2403-Animal Husbandry	--	6.75	6.75	-	13.00	13.00
2	Ayush	2210-Medical and Public Health	0.02	--	0.02	0.02	--	0.02
3	Bio-Diversity and Bio-Technology	3425-Other Scientific Research	--	0.54	0.54	--	0.70	0.70
4	Commerce, Industries and Employment	2230-Labour and Employment	2.06	--	2.06	1.47	--	1.47
5	Commerce, Industries and Employment	2851-Village and Small Industries	--	40.10	40.10	--	57.26	57.26
6	Commerce, Industries and Employment	2852-Industries	0.31	102.26	102.57	--	227.03	227.03
7	Co-operation	2425-Co-operation	--	250.82	250.82	--	247.87	247.87
8	Culture	2205-Art and Culture	--	0.02	0.02	--	0.01	0.01
9	Energy	2801-Power	2440.90	232.00	2672.90	2744.52	296.83	3041.35
10	Farmers Welfare and Agriculture Development	2401-Crop Husbandry	--	275.75	275.75	--	369.95	369.95
11	Finance	2052-Secretariat General Services	--	--	--	--	--	--
12	Fisheries	2405-Fisheries	0.10	5.31	5.41	--	5.52	5.52
13	Food and Civil Supplies	2408-Food Storage and Warehousing	1470.22	22.80	1493.02	1579.73	15.00	1594.73
14	Forest	2406-Forestry and Wild Life	0.06	--	0.06	--	--	--
15	General Administration	2012-President, Vice-President/ Governor, Administrator of Union Territories	0.26	--	0.26	0.38	--	0.38
16	General Administration	2013-Council of Ministers	60.73	--	60.73	70.22	--	70.22
17	General Administration	2235-Social Security and Welfare	1.89	--	1.89	1.54	--	1.54
18	Higher Education	2202-General Education	--	4.54	4.54	--	4.09	4.09
19	Home	2235-Social Security and Welfare	--	--	--	--	--	--
20	Home	2055-Police	0.60	--	0.60	1.08	--	1.08
21	Horticulture and food Processing	2401-Crop Husbandry	--	21.71	21.71	--	36.13	36.13

1	2	3	4	5	6	7	8	9
22	Information Technology	3425-Other Scientific Research	--	10.98	10.98	--	46.55	46.55
23	Man power Planning	2203-Technical Education	--	5.19	5.19	--	9.26	9.26
24	Man power Planning	2230-Labour and Employment	--	0.44	0.44	Negligible	0.43	0.43
25	New and Renewal Energy	2810-Non-Conventional Sources of Energy	--	16.15	16.15	--	34.89	34.89
26	Planning Economics and Statistics	2515-Other Rural Development Programmes	18.47	--	18.47	18.46	--	18.46
27	Public Health and Family Welfare	2210-Medical and Public health	77.87	--	77.87	65.99	--	65.99
28	Public Relation	2220-Information and Publicity	1.00	--	1.00	0.58	--	0.58
29	Religious Trust and Endowment	2250-Other Social Service	59.50	--	59.50	71.96	--	71.96
30	Revenue	2245-Relief on account of Natural Calamity	14.00	--	14.00	9.77	--	9.77
31	Rural Development	2216-Housing	--	71.49	71.49	--	30.40	30.40
32	Schedule Tribes Welfare	2202-General Education	--	--	--	--	--	--
33	Schedule Tribes Welfare	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	--	3.30	3.30	--	10.14	10.14
34	Schedule Caste Welfare	2202-General Education	--	--	--	--	--	--
35	Schedule Caste Welfare	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	--	17.33	17.33	--	31.67	31.67
36	School Education	2202-General Education	--	283.39	283.39	--	296.34	296.34
37	Science And Technology	3425-Other Scientific Research	--	7.95	7.95	--	8.79	8.79
38	Social Justice	2052-Secretariat General Services	--	20.29	20.29	--	15.99	15.99
39	Social Justice	2235-Social Security and Welfare	--	78.96	78.96	--	89.56	89.56
40	Sports and Youth Services	2204-Sports and Youth Services	0.22	25.59	25.81	0.15	49.44	49.59
41	Urban Administration and Development	2217-Urban Development	--	10.10	10.10	--	25.10	25.10

1	2	3	4	5	6	7	8	9
42	Urban Administration and Development	3604-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	--	--	--	30.00	--	30.00
43	Village Industries	2851-Village and Small Industries	--	20.24	20.24	--	31.12	31.12
44	Welfare Of Backward Class And Minorities	2225- Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	--	0.10	0.10	--	0.27	0.27
45	Women and Child Welfare	2235-Social Security and Welfare	--	15.10	15.10	--	18.00	18.00
<b>Total</b>			<b>4148.21</b>	<b>1549.20</b>	<b>5697.41</b>	<b>4595.87</b>	<b>1971.34</b>	<b>6567.21</b>

## APPENDIX 1.8

## A: DEVOLUTION OF FUNCTIONS BY STATE GOVERNMENT TO URBAN LOCAL BODIES

(REFERENCE: PARAGRAPH 1.6.6.1; PAGE 25)

Sl.No.	Name of Function
1	Urban Planning including Town Planning
2	Regulation of land-use and construction of buildings
3	Planning for economic and social development
4	Roads and bridges
5	Water supply for domestic, industrial and commercial purposes
6	Public health, sanitation conservancy and solid waste management
7	Fire services
8	Urban forestry, protection of the environment and promotion of ecological aspects
9	Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded
10	Slum improvement and upgradation
11	Urban poverty alleviation
12	Provision of Urban amenities and facilities such as parks, gardens, playgrounds
13	Promotion of cultural, educational and aesthetic aspects
14	Burials and burial grounds; cremations, cremation grounds and electric crematoriums
15	Cattle pounds, prevention of cruelty to animals
16	Vital Statistics including registration of birth and deaths
17	Public amenities including street lighting, parking lots, bus stops and public conveniences
18	Regulation of slaughter houses and tanneries

## B: DEVOLUTION OF FUNCTIONS BY STATE GOVERNMENT TO PANCHAYATI RAJ INSTITUTIONS

Sl.No.	Name of Function
1	Agriculture, including agricultural extension
2	Land improvement, implementation of land reforms, land consolidation and soil conservation
3	Minor irrigation, water management and watershed development
4	Animal husbandry, dairying and poultry
5	Fisheries
6	Social forestry and farm forestry
7	Minor forest produce
8	Small scale industries, including food processing industries
9	Khadi, village and cottage industries
10	Rural housing
11	Drinking water
12	Fuel and fodder
13	Roads, culverts, bridges, ferries, waterways and other means of communication
14	Rural electrification, including distribution of electricity
15	Non-conventional energy sources
16	Poverty alleviation programme
17	Education, including primary and secondary schools
18	Technical training and vocational education
19	Adult and non-formal education
20	Libraries
21	Cultural activities
22	Markets and fairs
23	Health and sanitation, including hospitals, primary health centres and dispensaries
24	Family welfare
25	Women and child development
26	Social welfare, including welfare of the handicapped and mentally retarded
27	Welfare of the weaker sections, and in particular of the Scheduled Castes and Scheduled Tribes
28	Public distribution system
29	Maintenance of community assets

## APPENDIX 1.9

**FINANCIAL POSITION OF STATUTORY CORPORATIONS/GOVERNMENT  
COMPANIES RUNNING IN LOSS AS ON 31 MARCH 2014 FOR THE LATEST  
YEAR FOR WHICH ACCOUNTS WERE FINALISED**

(REFERENCE: PARAGRAPH 1.8.1; PAGE 30)

Sl. No.	Name of the Companies/ Corporations	Years up to which accounts furnished	Amount invested (paid-up-capital) at the end of the year				Accumulated loss(-) at the end of 31 March of the year	Sector
			State	Central	Others	Total		
1.	2.	3.	4.	5.	6.	7.	8.	9.
1.	Industrial Infrastructure Development Corporation Limited, Gwalior	2012-13	0.00	0.00	0.75	0.75	5.02	Finance
2.	Madhya Pradesh State Industrial Development Corporation Limited, Bhopal	2011-12	81.09	0.00	0.00	81.09	593.50	Finance
3.	Crystal IT Park Ltd Indore	2012-13	0.00	0.00	0.05	0.05	0.07	Manufacturing
4.	MPAMRL Semaria Coal Company Limited	2012-13	0.00	0.00	1.00	1.00	0.46	Manufacturing
5.	MPAMRL Morga Coal Company Limited	2012-13	0.00	0.00	1.00	1.00	0.32	Manufacturing
6.	MPAMRL Bicharpur Coal Company Limited	2012-13	0.00	0.00	1.00	1.00	0.44	Manufacturing
7.	MPAMRL Markibarka Coal Company Limited	2012-13	0.00	0.00	1.00	1.00	0.37	Manufacturing
8.	Madhya Pradesh Jaypee Coal Limited	2012-13	0.00	0.00	10.00	10.00	0.09	Manufacturing
9.	Madhya Pradesh Jaypee Minerals Limited	2012-13	0.00	0.00	61.22	61.22	1.27	Manufacturing

1.	2.	3.	4.	5.	6.	7.	8.	9.
10.	Madhya Pradesh Jaypee Coalfields Limited	2012-13	0.00	0.00	10.00	10.00	0.39	Manufacturing
11.	Madhya Pradesh Sainik Mining Private Limited	2012-13	0.00	0.00	39.98	39.98	0.70	Manufacturing
12.	Madhya Pradesh Monnet Mining Company Limited	2012-13	0.00	0.00	2.00	2.00	0.35	Manufacturing
13.	Madhya Pradesh Power Transmission Company Limited	2012-13	2375.64	0.00	0.00	2375.64	143.75	Power
14.	Madhya Pradesh Poorv Kshetra Vidyut Vitran Company Limited	2012-13	0.00	0.00	1598.08	1598.08	6937.29	Power
15.	Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Limited	2012-13	1770.33	0.00	0.00	1770.33	6001.03	Power
16.	Madhya Pradesh Pashchim Kshetra Vidyut Vitran Company Limited	2012-13	1825.96	0.00	0.00	1825.96	5922.60	Power
17.	Madhya Pradesh Power Generating Company Limited	2012-13	4527.49	0.00	185.00	4712.49	1418.71	Power
18.	Bansagar Thermal Power Project Limited	2012-13	0.00	0.00	0.05	0.05	0.55	Power
19.	Pithampur Auto Clustuer Private Limited	2012-13	-	-	11.98	11.98	7.98	Manufacturing



1	2	3	4	5	6	7	8	9
20.	Madhya Pradesh State Electronics Development Corporation Limited	2011-12	21.91	-	-	21.91	8.57	Manufacturing
21.	Madhya Pradesh State Tourism Development Corporation Limited	2011-12	27.97	-	-	27.97	3.36	Services
22.	Madhya Pradesh Road Transport Corporation	2007-08	109.96	31.85	-	141.81	1024.52	Services
	<b>Total</b>		<b>10740.35</b>	<b>31.85</b>	<b>1923.11</b>	<b>12695.31</b>	<b>22071.34</b>	

## APPENDIX 1.10

**A. DETAILS OF INCOMPLETE PROJECTS IN WHICH INITIAL BUDGETED COST HAVE BEEN REVISED- ENERGY DEPARTMENT, WATER RESOURCES DEPARTMENT, PUBLIC WORKS DEPARTMENT AND NARMADA VALLEY DEVELOPMENT AUTHORITY**

(REFERENCE: PARAGRAPH 1.8.2; PAGE 30)

(₹ in crore)

Department	No.	Initial Budgeted Cost (Col.3)	Revised Total Cost of Projects (Col.4)	Cost Overrun (Col.4-Col.3)	Cumulative Actual Expenditure (31 March 2014)
Energy Department	17	8486.12	11611.64	3125.52	9182.49
Public Works Department	19	123.92	187.11	63.19	130.43
Narmada Valley Development Authority	11	3038.34	12460.6	9422.26	7825.75
Water Resources Department	3	194.46	283.41	88.95	226.26
<b>Total</b>	<b>50</b>	<b>11842.84</b>	<b>24542.76</b>	<b>12699.92</b>	<b>17364.93</b>

**B. DETAILS OF INCOMPLETE PROJECTS IN WHICH INITIAL BUDGETED COST HAVE NOT BEEN REVISED - ENERGY DEPARTMENT, WATER RESOURCES DEPARTMENT, PUBLIC WORKS DEPARTMENT AND NARMADA VALLEY DEVELOPMENT AUTHORITY**

(₹ in crore)

Division/Zone	No.	Initial Budgeted Cost	Revised Total Cost of Projects	Cost Overrun	Cumulative Actual Expenditure (31 March 2014)
Energy Department	75	53888.09	Nil	Nil	15064.04
Public Works Department	26	107.09	Nil	Nil	62.79
Narmada Valley Development Authority	2	2507.81	Nil	Nil	1814.14
Water Resources Department	43	215.17	Nil	Nil	130.98
<b>Total</b>	<b>146</b>	<b>56718.16</b>	<b>Nil</b>	<b>Nil</b>	<b>17071.95</b>

**C. DETAILS OF INCOMPLETE PROJECTS IN WHICH THE ACTUAL EXPENDITURE IS MORE THAN THE INITIAL BUDGET BUT COST OF PROJECTS HAS NOT BEEN REVISED-WATER RESOURCES DEPARTMENT AND PUBLIC WORKS DEPARTMENT**

(₹ in crore)

Division/Zone	No.	Initial Budgeted Cost	Revised Total Cost of Projects	Cost Overrun	Cumulative Actual Expenditure (March 2014)
Water Resources Department	3	9.18	Nil	0.11	9.29
Public Works Department	2	17.77	Nil	0.81	18.58
<b>Total</b>	<b>5</b>	<b>26.95</b>	<b>Nil</b>	<b>0.92</b>	<b>27.87</b>

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

Total initial cost of (50+146+5) 201 Projects= (11842.84+56718.16+26.95) = 68587.95

Total cumulative actual expenditure of (50+146+5) 201 projects as on 31.03.2014= (17364.93+17071.95+27.87) =34464.75

**APPENDIX 1.11**  
**STATUS OF PPP PROJECTS UNDER VARIOUS SECTORS AS ON**  
**MAY 2014**  
**(REFERENCE: PARAGRAPH 1.8.2; PAGE 31)**

(₹ in crore)

S.No.	Sector	Total Projects		Under planning / Pipeline		Under Bidding		Under Implementation/ construction		Completed	
		No.	Cost	No.	Cost	No.	Cost	No.	Cost	No.	Cost
1	Animal Husbandry	2	80.00	2	80.00	0	0	0	0	0	0
2	School Education	2	496.20	2	496.20	0	0	0	0	0	0
3	Urban Administration and Development	22	846.70	11	393.10	2	24.90	6	281.60	3	147.10
4	Housing and Environment	7	2133.10	5	2131.10	0	0	0	0	2	2.00
5	Biodiversity and Biotechnology	1	130.00	1	130.00	0	0	0	0	0	0
6	Commerce, Industry and Employment	4	647.10	1	351.00	1	78.50	2	217.60	0	0
7	Forest	3	146.70	1	130.00	0	0	1	15.70	1	1.00
8	Public Works	147	17926.90	1	40.90	17	2556.40	96	10233.90	33	5095.70
9	Sports and Youth Welfare	1	900.00	0	0	0	0	1	900.00	0	0
10	Tourism	3	35.00	1	15.00	2	20.00	0	0	0	0
11	Horticulture and Food Processing	4	398.00	1	223.20	3	174.80	0	0	0	0
12	Technical Education and Skill Development	3	331.30	1	176.30	0	0	2	155.00	0	0
13	Energy	4	552.70	0	0	0	0	3	522.70	1	30.00
14	Transport	1	1094.00	0	0	0	0	1	1094.00	0	0
15	Farmer Welfare and Agriculture Development	1	138.50	0	0	0	0	1	138.50	0	0
16	Public Health and Family Welfare	1	67.00	0	0	0	0	0	0	1	67.00
17	Food, Civil Supplies and Consumer Protection	1	249.90	0	0	1	249.90	0	0	0	0
	<b>Total</b>	<b>207</b>	<b>26173.10</b>	<b>27</b>	<b>4166.80</b>	<b>26</b>	<b>3104.50</b>	<b>113</b>	<b>13559.00</b>	<b>41</b>	<b>5342.80</b>

## APPENDIX 2.1

STATEMENT OF VARIOUS GRANTS/APPROPRIATIONS WHERE SAVINGS  
WERE MORE THAN ₹ 10 CRORE AND ALSO MORE THAN 20 PER CENT OF  
THE TOTAL PROVISION

(REFERENCE : PARAGRAPH 2.3.1; PAGE 46)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Total Grant/ Appropriation	Savings	Percentage
1	2	3	4	5	6
1	PD	Public Debt (Capital Charged)	8022.69	4018.05	50.08
2	03	Police (Capital Voted)	176.87	105.85	59.85
3	06	Finance (Revenue Charged)	14.77	13.24	89.64
4	06	Finance (Capital Voted)	286.34	234.74	81.98
5	08	Land Revenue and District Administration (Revenue Voted)	1087.79	252.14	23.18
6	08	Land Revenue and District Administration (Capital Voted)	77.97	71.36	91.52
7	09	Expenditure pertaining to Revenue Department (Revenue Voted)	60.75	18.22	29.99
8	12	Energy (Revenue Voted)	3841.50	780.26	20.31
9	12	Energy (Revenue Charged)	181.23	181.23	100
10	12	Energy (Capital Voted)	5477.23	1119.44	20.44
11	13	Farmers Welfare and Agriculture Development (Revenue Voted)	1177.77	334.95	28.44
12	15	Financial Assistance to Three tier Panchayati Raj Institutions under Scheduled Caste Sub-Plan (Revenue Voted)	1027.39	232.83	22.66
13	15	Financial Assistance to Three tier Panchayati Raj Institutions under Scheduled Caste Sub-Plan (Capital Voted)	81.84	53.46	65.32
14	16	Fisheries (Revenue Voted)	66.36	17.77	26.78
15	17	Co-operation (Revenue Voted)	471.83	116.45	24.68
16	19	Public Health and Family Welfare (Capital Voted)	98.65	22.00	22.30
17	20	Public Health Engineering (Revenue Voted)	524.96	127.27	24.24
18	20	Public Health Engineering (Capital Voted)	622.23	221.97	35.67
19	22	Urban Administration and Development-Urban Bodies (Revenue Voted)	312.22	74.03	23.71
20	22	Urban Administration and Development-Urban Bodies (Capital Voted)	85.91	39.80	46.33
21	23	Water Resources Department (Revenue Voted)	842.83	170.21	20.20
22	26	Culture (Capital Voted)	192.38	68.25	35.48
23	27	School Education (Primary Education) (Capital Voted)	48.80	34.85	71.41
24	28	State Legislature (Revenue Voted)	60.92	13.26	21.77
25	29	Law and Legislative Affairs (Revenue Voted)	940.22	333.47	35.47
26	29	Law and Legislative Affairs (Revenue Charged)	93.41	27.66	29.61
27	30	Rural Development (Revenue Voted)	686.01	199.20	29.04
28	30	Rural Development (Capital Voted)	577.34	376.53	65.22
29	31	Planning, Economics and Statistics (Revenue Voted)	241.20	121.63	50.43
30	33	Tribal Welfare (Revenue Charged)	21.79	13.85	63.56

1	2	3	4	5	6
31	34	Social Justice (Revenue Voted)	245.07	78.17	31.90
32	36	Transport (Revenue Voted)	83.73	18.85	22.51
33	36	Transport (Capital Voted)	25.00	15.07	60.28
34	37	Tourism (Capital Voted)	134.66	76.28	56.65
35	38	Ayush (Revenue Voted)	380.26	169.39	44.55
36	38	Ayush (Capital Voted)	26.41	12.74	48.24
37	39	Food, Civil Supplies and Consumer Protection (Capital Voted)	200.50	70.02	34.92
38	40	Expenditure pertaining to Water Resources Department- Command Area Development (Capital Voted)	152.46	58.75	38.53
39	41	Tribal Areas Sub-Plan (Capital Voted)	2123.05	520.33	24.51
40	44	Higher Education (Capital Voted)	40.55	19.62	48.38
41	47	Technical Education and Skill Development (Capital Voted)	103.93	56.74	54.59
42	50	Horticulture and Food Processing (Revenue Voted)	354.59	157.11	44.31
43	52	Financial Assistance to Tribal Area Sub-Plan Three Tier Panchayati Raj Institutions (Capital Voted)	109.51	69.14	63.14
44	53	Financial Assistance to Urban Bodies Under Scheduled Castes Sub-Plan (Revenue Voted)	283.15	86.95	30.71
45	55	Women and Child Development (Revenue Voted)	2842.74	592.04	20.83
46	55	Women and Child Development (Capital Voted)	330.20	96.23	29.14
47	59	Externally Aided Projects pertaining to Rural Development Department (Revenue Voted)	91.70	39.73	43.33
48	61	Expenditure pertaining to Bundelkhand Package (Revenue Voted)	200.00	180.56	90.28
49	61	Expenditure pertaining to Bundelkhand Package (Capital Voted)	408.71	211.00	51.63
50	63	Minority Welfare (Revenue Voted)	67.42	35.81	53.11
51	64	Scheduled Castes Sub-Plan (Revenue Voted)	2398.23	588.57	24.54
52	64	Scheduled Castes Sub-Plan (Capital Voted)	2157.09	522.74	24.23
53	66	Welfare of Backward Classes (Revenue Voted)	812.83	176.41	21.70
54	67	Public Works-Buildings (Capital Voted)	182.67	91.29	49.98
55	68	Financial Assistance to Tribal Area Sub-Plan-Urban Bodies (Revenue Voted)	46.00	13.97	30.37
56	73	Medical Education Department (Capital Voted)	33.16	14.31	43.15
57	75	Financial Assistance to Urban Bodies (Capital Voted)	25.00	21.36	85.44
58	76	New and Renewable Energy Sources (Revenue Voted)	66.57	22.60	33.95
59	77	Other Expenditure Pertaining to School Education Department (Excluding Primary Education) (Revenue Voted)	1646.23	382.80	23.25
60	77	Other Expenditure Pertaining to School Education Department (Excluding Primary Education) (Capital Voted)	11.71	11.71	100.00
<b>Total</b>			<b>42984.33</b>	<b>13804.26</b>	<b>32.11</b>

(Source: Appropriation Accounts)

## APPENDIX 2.2 (A)

**CASES OF SCHEMES IN WHICH SUBSTANTIAL SAVINGS OCCURRED  
(MORE THAN ₹ 20 CRORE IN EACH CASE) IN RESPECT OF  
GRANTS/APPROPRIATIONS GIVEN IN TABLE 2.2**

(REFERENCE: PARAGRAPH 2.3.1; PAGE 47)

(₹ in crore)

Sl. No.	Head concerned	Name of the scheme	Savings	Reasons for savings
1	2	3	4	5
<b>08-Land Revenue and District Administration (Revenue Voted)</b>				
1	2029-Land Revenue	District Expenses	89.20	Not intimated (August 2014).
2	2053-District Administration	District Establishment	50.02	Not intimated (August 2014).
3	2053-District Administration	Sub-Divisional Establishment	28.48	Saving was attributed to lesser expenditure and non-requirement of funds in current financial year as the equipments were made available in Tehsil office during previous year.
<b>12-Energy</b>				
4	2801-Power	Tariff Grant	600.00	Saving was attributed to reducing the revised budget estimate.
5	2801-Power	Grant for Prosperous Farmer Scheme	107.96	Saving was attributed to non-receipt of sanction from Finance Department.
<b>13-Farmers Welfare and Agriculture Development</b>				
6	2401-Crop Husbandry	Interest Grant on Fertilizer Storage	31.88	Not intimated (August 2014).
7	2401- Crop Husbandry	National Oilseed Development scheme	62.67	Saving was mainly attributed to less receipt of release, non-receipt of demand under State Plan Schemes from districts, non- utilisation of funds, non-receipt of full release under National Oilseed Development Scheme, non-receipt of release as per provision and non-sanction of re-appropriation of State share from Government of India.
8	2401-Crop Husbandry-113	National Agriculture Development Scheme	25.04	Not intimated (August 2014).
9	2401-Crop Husbandry-800	National Agriculture Development Scheme	135.69	Saving was partly attributed to non utilisation of cent percent provision due to non-receipt of full release under National Agriculture Development Scheme from Government of India (₹ 134.45 crore).
<b>15- Financial Assistance to three tier Panchayati Raj Institutions under Scheduled Castes Sub-Plan</b>				
10	2501-Special Programmes for Rural Development	Backward Region Grand Fund Scheme	20.60	Not intimated (August 2014).
11	2225-Welfare of Scheduled Castes, Scheduled Tribe and Other Backward Classes	Hostels for Scheduled Caste	24.26	Saving was attributed to lesser requirement of funds under the demand based scheme.
12	2225-Welfare of Scheduled Castes, Scheduled Tribe and Other Backward Classes	Other Scholarships	39.68	Saving was attributed to lesser requirement of funds under the demand based scheme.
13	2505-Rural Employment	National Rural Employment Guarantee Scheme	27.82	Saving was partly attributed to receipt of less amount of Central Share from Government of India and advance release of State share amount.



1	2	3	4	5
<b>17-Co-operation</b>				
14	2425-Co-operation	Audit Board	20.31	Saving was mainly attributed to t percent economy cut and exce provision in pay and allowances.
15	2425-Co-operation	Interest Grant on Short Term Loan to Fishermen through Co-operative Banks	80.62	Saving was attributed to non- rece of sanction from Finance Department
<b>20-Public Health Engineering</b>				
16	2215-Water Supply and Sanitation	Administration	51.79	Saving was partly attributed to pc remaining vacant.
17	2215-Water Supply and Sanitation	Maintenance of Tube Wells (Hand Pumps)	32.94	Saving was partly attributed to pc remaining vacant.
<b>23-Water Resources Department</b>				
18	2701-Medium Irrigation	Executive Establishment	82.21	Saving was mainly attributed to no utilisation of funds due discontinuation of post and draw against actual working posts.
19	2701-Medium Irrigation	Canals and Tanks	38.06	Saving was partly attributed to no utilisation of funds due discontinuation of posts.
<b>29-Law and Legislative Affairs</b>				
20	2014-Administration of Justice	General Establishment	76.45	Not intimated (August 2014).
21	2014- Administration of Justice	Reforms in Judicial System (13 <sup>th</sup> Finance Commission)	57.48	Saving was partly attributed to po remaining vacant and non-preparatic of project reports on Courts Tomorrow Scheme, E-courts Proje and Gap analysis.
22	2015-Election	Preparation and printing of Voter Lists	30.94	Not intimated (August 2014).
23	2015-Election	Charges for Conduct of Elections of State Legislature	72.78	Not intimated (August 2014).
<b>30-Rural Development</b>				
24	2216-Housing	Chief Minister Housing Mission	45.40	Saving was attributed to lesser recei of demand.
25	2515-Other Rural Development Programmes	Block Development Offices	25.26	Saving was mainly attributed to no receipt of demand.
26	2515-Other Rural Development Programmes	Renovation and Upgradation of Roads Constructed under Pradhan Mantri Sadak Yojna	106.60	Saving was attributed to receipt lesser demand and due to restriction drawal imposed by Finan Department.
<b>31- Planning, Economics and Statistics</b>				
27	3454-Census, Surveys and Statistics	Incentive for U.I.D.A. (13th Finance Commission)	49.94	Not intimated (August 2014).
<b>38-Ayush</b>				
28	2210-Medical and Public Health	Ayurvedic Hospitals and Dispensaries	111.83	Not intimated (August 2014).
<b>50-Horticulture and Food Processing</b>				
29	2401-Crop Husbandry	Nursery Garden	22.67	Saving was partly attributed conversion of this scheme in scheme-0655 'Directorate ar Subordinate offices' under new setu sanctioned by Government.
30	2401-Crop Husbandry	National Agriculture Development scheme	24.27	Not intimated (August 2014).
31	2401-Crop Husbandry	Centrally Sponsored Scheme of Micro Irrigation	70.34	Not intimated (August 2014).

1	2	3	4	5
<b>55-Women and Child Development</b>				
32	2235-Social Security and Welfare	Integrated Child Development Service Scheme	310.17	Saving was partly attributed to change in criteria under ICDS Mission by Government of India and excess budget provision in comparison to estimated expenditure.
33	2235-Social Security and Welfare	Madhya Pradesh Health Area Improvement Programme (Foreign Aid)	21.10	Not intimated (August 2014).
34	2236-Nutrition	Minimum Needs Programme for Special Nutrition Scheme	185.06	Saving was partly attributed to change in criteria under ICDS Mission by Government of India.
<b>61-Expenditure pertaining to Bundelkhand Package</b>				
35	2700-Major Irrigation	Disposal of waste	200.00	Not intimated (August 2014).
<b>64-Schedule Castes Sub-Plan</b>				
36	2401-Crop Husbandry	National Agriculture Development Scheme	43.22	Saving was partly attributed to non-utilisation of cent percent provision due to non-receipt of full release of funds under National Oilseed Development Scheme from Government of India.
37	2425-Co-operation	Interest grant to Farmers on Short Term Loan through Co-operation Banks	43.60	Saving was mainly attributed to drawal of funds on the basis of short term Crop Loan distributed to Scheduled Caste farmers.
38	2210-Medical and Public Health	National Rural Health Mission	30.78	Not intimated (August 2014).
39	2202-General Education	Sarva Shiksha Abhiyan	64.85	Saving was partly attributed to non-receipt of central share from Government of India.
40	2236-Nutrition	Minimum Need Programme Special Nutrition Scheme	35.88	Not intimated (August 2014).
41	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes-0103	Post Matric Scholarships	38.01	Not intimated (August 2014).
42	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes-0803	Post Matric Scholarships	25.23	Not intimated(August 2014)
43	2515-Other Rural Development Programmes	Renewal and Upgradation of Constructed Roads under Prime Minister Road	24.60	Saving was attributed to ban on drawal by Finance Department.
<b>66- Welfare of Backward Classes</b>				
44	2225-Welfare of Scheduled Caste, Scheduled Tribe and Other Backward Classes	Post Matric Scholarships	30.95	Saving was attributed to non-receipt of proposal from Schools in time.
45	2225-Welfare of Scheduled Caste, Scheduled Tribe and Other Backward Classes	State Scholarships	128.47	Not intimated (August 2014).
<b>77-Other Expenditure Pertaining to School Education Department (Excluding Primary Education)</b>				
46	2202-General Education	Higher Secondary Schools	145.82	Saving was mainly attributed to post remaining vacant.
47	2202-General Education	Implementation of National Secondary Education Expedition	119.50	Saving was mainly attributed to late receipt of permission of drawal.
48	2202-General Education	Upgradation of High Schools into Higher Secondary Schools	40.50	Saving was mainly attributed to post remaining vacant.



1	2	3	4	5
<b>03-Police (Capital Voted)</b>				
49	4055-Capital Outlay on Police	Modernisation of Police Force	83.95	Saving was attributed to non-filling posts against the sanctioned posts, non-payment of arrears and time scale pay, ban on drawal, non-receipt of permission under modernisation Scheme against the budget provision from Government of India and non-receipt of permission to release the deposited amount in the public deposit account from Government while the order issued of that amount for purchasing of office furniture and equipments.
<b>06-Finance</b>				
50	6075-Loans for Miscellaneous General Services	Provision for Settlement of Guaranteed Loans	100.00	Not intimated (August 2014).
51	6075-Loans for Miscellaneous General Services	Loan Assistance for restructuring of State Government Undertakings	93.72	Not intimated (August 2014).
<b>12-Energy</b>				
52	4801-Capital Outlay on Power Projects	2 Times 660 Megawatt Shri Singaji Thermal Power Project	92.80	Saving was attributed to non-receipt of consent for sanction from Finance Department to redeem the amount.
53	6801-Loans for Power Projects	Loans to Electricity Distribution Companies for Working Capital	200.00	Saving was attributed to reduction revised budget estimate.
54	6801-Loans for Power Projects	Conversion of Liabilities of Trading Company for Electricity bills of Electricity Project into Constant Loan up to 2013-14	146.35	Not intimated (August 2014).
55	6801-Loans for Power Projects	Other loans to Electricity Board (Generating Company)	100.00	Saving was partly attributed to non-receipt of consent of Finance Department on Generating Company proposal.
56	6801-Loans for Power Projects	Working Capital Loans to Electricity Generating Companies	50.00	Saving was attributed to reduction revised budget estimate.
57	6801-Loans for Power Projects	Arrangement of Independent Feeder for Agricultural use	320.62	Saving was mainly attributed to delay in work by some key-contractors.
58	6801-Loans for Power Projects	Strengthening of Transmission System	113.83	Saving was mainly attributed to delay in checking and certification of bills works.
<b>20-Public Health Engineering</b>				
59	4215-Capital Outlay on Water Supply and Sanitation	Rural Piped Water Supply Schemes	40.91	Saving was partly attributed to non-receipt of tender rates for work of the schemes and proposed works.
60	4215-Capital Outlay on Water Supply and Sanitation	Implementation of Water Supply Schemes through Water Corporations	150.00	Saving was attributed to non-receipt of tender rates for work of the schemes.
<b>30-Rural Development</b>				
61	4515-Capital Outlay on Other Rural Development Programmes	Grant to Madhya Pradesh Rural Road Development Authority	125.30	Saving was attributed to receipt of lesser demand and restrictions on drawal imposed by Finance Department.

1	2	3	4	5
62	4515-Capital Outlay on Other Rural Development Programmes	Mukhya Mantri Rural Road Infrastructure scheme	198.22	Saving was mainly attributed to receipt of lesser demand and restrictions on drawal imposed by Finance Department.
63	4515-Capital Outlay on Other Rural Development Programmes	State Rural Roads Connectivity	49.50	Saving was attributed to receipt of lesser demand and restrictions on drawal imposed by Finance Department.
<b>41-Tribal Areas Sub-Plan</b>				
64	6801-Loans for Power Projects	Arrangement of Independent Feeder for Agriculture use	155.58	Saving was attributed to non-utilisation of full amount due to delay in works by some key contractors
65	6801-Loans for Power Projects	Strengthening of Sub Transmission and Distribution System	26.70	Saving was attributed to delay in checking and certification of bills of physically completed works.
66	4202-Capital Outlay on Education, Sports, Art and Culture	Higher Secondary Schools	26.19	Not intimated (August 2014).
67	4225- Capital Outlay on Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	Miscellaneous Development works in Tribal Sub-Plan Area Article 275 (1)	79.21	Not intimated (August 2014).
68	4701-Capital Outlay on Medium Irrigation	Construction Work of Medium Projects	51.91	Saving was attributed to delay in shifting of High tension electric line from Dam Site and non-commencement of work.
69	4702-Capital Outlay on Minor Irrigation	A.I.B.P. Schemes	31.96	Saving was attributed to lesser number of AIBP sanctioned schemes under Tribal Sub Plan.
<b>61-Expenditure pertaining to Bundelkhand Package</b>				
70	4215-Capital Outlay on Water Supply and Sanitation	Scheme for Rural Water Supply through Pipes	70.03	Saving was mainly attributed to enforcement of Code of Conduct for assembly and parliament elections and non-sanction of tender rates for works.
71	4700-Capital Outlay on Major Irrigation -1501	Disposal of Waste	100.00	Saving was attributed to no plan in this scheme.
72	4700-Capital Outlay on Major Irrigation -800	Disposal of Waste	100.00	Not intimated (August 2014).
<b>64-Scheduled Castes Sub-Plan</b>				
73	6801-Loans for Power Project	Arrangement of Independent Feeder for Agriculture use	136.64	Saving was attributed to non-utilisation of funds due to delay in work by Turn-key contractors in some contracts.
74	6801-Loans for Power Project	Strengthening of Transmission System	40.15	Saving was partly attributed to non-adjustment of fund due to delay in checking and certification of bills.
75	6801-Loans for Power Project	Strengthening of Sub-Transmission and Distribution System	55.10	Saving was attributed to non-adjustment of fund due to delay in checking and certification of bills.
76	5054-Capital Outlay on Roads and Bridges	M.P. Road Development Programme	50.00	Not intimated (August 2014).
77	5054-Capital Outlay on Roads and Bridges	Minimum Need Programme (Including Rural Roads)	40.24	Not intimated (August 2014).
78	4700-Capital Outlay on Major Irrigation	Canal and Appurtenant Construction Works	45.08	Saving was partly attributed to slow progress in some construction work and non-finalisation of land acquisition case.

1	2	3	4	5
<b>12-Energy (Revenue Charged)</b>				
79	2045-Other Taxes and Duties on Commodities and Services	Transfer of energy development cess to energy development fund levied under M.P. Upkar Adhiniyam 1982	181.23	Saving was attributed to non-transfer of funds from Finance Department.
<b>Public Debt (Capital Charged)</b>				
80	6003-Internal Debt of the State Government	Ways and Means Advances	2000.00	Not intimated (August 2014).
81	6003-Internal Debt of the State Government	Advances to Meet Short Fall	2000.00	Not intimated (August 2014).

(Source: Appropriation Accounts)

## APPENDIX 2.2 (B)

STATEMENT OF VARIOUS SCHEMES UNDER GRANTS/APPROPRIATIONS  
WHERE EXCESS EXPENDITURE WAS MORE THAN ₹ 10 CRORE EACH AND  
ALSO MORE THAN 20 PER CENT OF THE TOTAL PROVISION  
(REFERENCE : PARAGRAPH 2.3.3; PAGE 48)

(₹ in crore)

Sl. No.	Grant/ Appropriation No. and Name	Name of the scheme under Grant/ Appropriation	Total Provision (Orig. + Supp.)	Expenditure	Excess	Percentage of excess expenditure
1	2	3	4	5	6	7
1	Public Debt	6004-02-101-9086-Back to Back Loan for Externally Aided Projects	3.50	210.68	207.18	5919.43
2	02-Other Expenditure Pertaining to General Administration Department	2235-60-107-4674-Allowance and Gratuities to Freedom Fighters	14.00	42.88	28.88	206.29
3	06-Finance	2071-01-101-9998-Madhya Pradesh	383.00	487.56	104.56	27.30
4	06-Finance	2071-01-104-9998-Madhya Pradesh	168.00	399.58	231.58	137.85
5	06-Finance	2071-01-105-9998-Madhya Pradesh	78.75	145.73	66.98	85.05
6	06-Finance	2071-01-115-9998-Madhya Pradesh	42.56	138.09	95.53	224.46
7	06-Finance	2071-01-117-6854-Contributory Pension Scheme	75.00	176.78	101.78	135.71
8	10-Forest	4406-01-070-0101-State Plan Schemes (Normal)-4342-Strengthening of Forest Infrastructure	77.00	92.93	15.93	20.69
9	11-Commerce, Industry and Employment	4851-800-0101-State Plan Schemes (Normal)-7341-Annuity of D.M.I.C. Loan	Negligible	20.00	20.00	100
10	19-Public Health and Family Welfare	4210-02-103-0101-State Plan Schemes (Normal)-7871-Construction of Primary Health Centres, Sub-Health Centres and Community Health Centres-For Basic Services	11.60	24.81	13.21	113.88
11	23-Water Resources Department	2701-80-001-0101-State Plan Schemes (Normal)-3300-Circle Establishment	36.82	88.93	52.11	141.53
12	23-Water Resources Department	4700-13-800-1501-Additional Central Assistance (Normal)-2884-Canal and Appurtenant Works	74.93	91.88	16.95	22.62



1	2	3	4	5	6	7
13	23-Water Resources Department	4701-80-800-0101-State Plan Schemes (Normal)-6598-Datuni Medium Irrigation Scheme	12.50	47.17	34.67	277.36
14	24-Public Works- Roads and Bridges	3054-04-800-7081-Renovation, Upgradation and Bitumenisation of Highway/Main District Roads	350.00	568.54	218.54	62.44
15	24-Public Works- Roads and Bridges	5053-02-102-0101-State Plan Schemes (Normal)-3115-Compensation for Land Acquisition	40.39	60.17	19.78	48.97
16	24-Public Works- Roads and Bridges	5053-02-102-0101-State Plan Schemes (Normal)-4727-Construction and Extension of Air Strips	9.00	20.98	11.98	133.11
17	24-Public Works- Roads and Bridges	5054-03-101-0101-State Plan Schemes(Normal)-4149-Construction Work of Major Bridges	65.00	78.86	13.86	21.32
18	24-Public Works- Roads and Bridges	5054-04-800-1401-NABARD (Normal)-5226-Construction of Rural Roads (NABARD)	200.00	265.89	65.89	32.95
19	24-Public Works- Roads and Bridges	5054-04-800-0101-State Plan Schemes (Normal)-2457-Minimum Need Programme (Including Rural Road)	210.38	502.71	292.33	138.95
20	27-School Education (Primary Education)	2202-01-001-3930-Establishment of Block Development Level Office for Basic Minimum Services	32.70	46.31	13.61	41.62
21	41-Tribal Areas Sub-Plan	13-Energy Department 6801-796-190-1202-Externally Aided Projects (T.A.S.P.)-6929-Strengthening of Transmission System	50.10	116.30	66.20	132.14
22	41-Tribal Areas Sub-Plan	20-School Education Department 2202-01-796-101-0102-Tribal Area Sub-Plan-6484-Reimbursement of Tuition Fee to Non-Government Schools under R.T.E.	34.30	113.00	78.70	229.45
23	41-Tribal Areas Sub-Plan	25-Tribal Welfare Department 2801-06-796-800-0102-Tribal Area Sub-Plan-7211-Electrification Scheme for Scheduled Castes/Scheduled Tribe	140.00	182.84	42.84	30.60

1	2	3	4	5	6	7
24	41-Tribal Areas Sub-Plan	31-Water Resources Department 4700-64-796-800-1202-Externally Aided Project (T.A.S.P.)-6831-Improvement in production of Pre-Constructed Schemes of five basins Water Resources Department	Token	12.52	12.52	100
25	42-Public Works Relating to Tribal Areas Sub-Plan-Roads and Bridges	5054-03-796-101-0102-Tribal Area Sub Plan-4149-Construction of Major Bridges	23.00	42.10	19.10	83.04
26	45-Minor Irrigation Works	4702-101-1501-Additional Central Assistance (Normal)-6079-Reform, Re-enforcement, Re-establishment (R.R.R.)	73.00	99.41	26.41	36.18
27	45-Minor Irrigation Works	4702-101-0420-Mineral Area Development Fund-3803-Minor and Microminor Irrigation Schemes	90.00	191.07	101.07	112.30
28	52-Financial Assistance to Tribal Area Sub-Plan Three Tier Panchayati Raj Institutions	58-Rural Development Department 2215-02-796-198-0702-Centrally Sponsored Schemes T.S.P.-5206-Nirmal Bharat Abhiyan	17.91	28.73	10.82	60.41
29	57-Externally Aided Project pertaining to Water Resources Department	4700-64-001-1201-Externally Aided Project (Normal)- 6831-Improvement in productivity of Pre-constructed Irrigation Schemes of Five Basins-Water Resources Department	0.74	16.53	15.79	2133.78
30	61-Expenditure pertaining to Bundelkhand Package	4701-80-001-1501-Additional Central Assistance (Normal)-5584-Singhpur Bairaj	Negligible	43.84	43.84	100
31	64-Scheduled Castes Sub-Plan	20-School Education Department 2202-01-789-101-0103-Scheduled Caste Sub-Plan-6484-Reimbursement of Tuition Fee to non-Government Schools under R.T.E.	25.70	79.88	54.18	210.82

1	2	3	4	5	6	7
32	64-Scheduled Castes Sub-Plan	19-Public Works Department 5054-03-789-101-0103-NABARD (Scheduled Caste Sub Plan)-4149-Construction of Major Bridges	7.00	33.71	26.71	381.57
33	64-Scheduled Castes Sub-Plan	19-Public Works Department 5054-04-789-800-1403-NABARD (Scheduled Caste Sub Plan)-5226-Construction of Rural Roads (NABARD)	65.55	87.37	21.82	33.29
34	64-Scheduled Castes Sub-Plan	27-Narmada Valley Development Department 4700-41-789-800-1503-Additional Central Assistance (S.C.S.P.)-2872-Bargi Canal Diversion Project	35.43	47.32	11.89	33.56
35	74-Financial Assistance to Three Tier Panchayati Raj Institutions	2215-02-198-0701-Centrally Sponsored Schemes Normal-5206-Total Cleanliness Programme	46.86	74.60	27.74	59.20
36	75-Financial Assistance to Urban Bodies	2217-05-193-0101-State Plan Schemes (Normal)-6221-Infrastructure Development Scheme for Small and Medium Towns	9.33	54.14	44.81	480.28
37	75-Financial Assistance to Urban Bodies	3604-193-9436-Special Grant to Urban Bodies in lieu of abolishing of Passenger Tax	27.82	51.81	23.99	86.23
<b>Total</b>			<b>2531.87</b>	<b>4785.65</b>	<b>2253.78</b>	<b>89.02</b>

(Source: Appropriation Accounts)

## APPENDIX 2.2 (C)

**CASES OF SCHEMES IN WHICH ENTIRE PROVISION OF ₹ 10  
CRORE OR MORE REMAINED UNUTILISED  
(REFERENCE : PARAGRAPH 2.3.4; PAGE 48)**

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Name of the Scheme	Total Provision (Orig. + Supp.)	Expenditure	Amount of Saving	Percentage
1	2	3	4	5	6	7	8
1	IP	Interest Payments and Servicing of Debt	2049-01-101-5025-Madhya Pradesh State Development Loan	100.00	Nil	100.00	100
2	IP	Interest Payments and Servicing of Debt	2049-01-200-3089-Interest on Ways and Means Advances and to meet short fall in Cash balance received from the Reserve Bank of India	50.00	Nil	50.00	100
3	IP	Interest Payments and Servicing of Debt	2049-01-200-6973-Interest on Local Fund Account	10.00	Nil	10.00	100
4	IP	Interest Payments and Servicing of Debt	2049-03-104-4033-Interest on Departmental Provident Fund	30.00	Nil	30.00	100
5	PD	Public Debt	6003-110-0637-Ways and Means Advances	2000.00	Nil	2000.00	100
6	PD	Public Debt	6003-110-0779-Advances to Meet Short Fall	2000.00	Nil	2000.00	100
7	03	Police	4055-211-2643-Modernisation of Police Force	83.95	Nil	83.95	100
8	06	Finance	2071-01-200-5653-Pension Payment to All India Services Officers	34.00	Nil	34.00	100
9	06	Finance	2701-01-101-9999-Composite State of Madhya Pradesh	12.00	Nil	12.00	100
10	06	Finance	6075-800-6787-Provision for Settlement of Guaranteed Loans	100.00	Nil	100.00	100
11	06	Finance	6075-800-6788-Provision for Settlement of S.L.R. Bonds issued by Undertakings and Subordinate Institutions of State Government	25.00	Nil	25.00	100
12	07	Commercial Tax	2030-01-001-6002-Transfer of the Additional Stamp Duty levied under M.P. Panchayat Adhiniyam to Panchayat Land Revenue and Stamp Duty Fund	51.12	Nil	51.12	100

1	2	3	4	5	6	7	8
13	10	Forest	2406-01-101-1501-Additional Central Assistance (Normal)-4342-Strengthening of Forest Infrastructure	16.11	Nil	16.11	100
14	10	Forest	2406-01-102-1501-Additional Central Assistance (Normal)-9027- Strengthening of Nursery Infrastructure	26.00	Nil	26.00	100
15	11	Commerce, Industry and Employment	6860-60-600-0101-State Plan Schemes (Normal)-6396- Land Acquisition Compensation Loan to TRIFEC for D.M.I.C. Project	20.00	Nil	20.00	100
16	12	Energy	2045-103-3218-Transfer of energy development cess to energy development fund levied under M.P. Upkar Adhiniyam 1982-	181.23	Nil	181.23	100
17	12	Energy	4801-02-190-0101-State Plan Schemes (Normal)-6323-2 Times 660 Megawatt Shri Singaji Thermal Power Project	92.80	Nil	92.80	100
18	12	Energy	6801-190-0101-State Plan Schemes (Normal)-2967- Other loans to Electricity Board (Generating Company)	100.00	Nil	100.00	100
19	12	Energy	6801-190-0101-State Plan Schemes (Normal)-7161-Working Capital Loans to Electricity Generating Companies	50.00	Nil	50.00	100
20	12	Energy	6801-204-0101-State Plan Schemes (Normal)-6869-Rajiv Gandhi Rural Electrification Scheme	47.60	Nil	47.60	100
21	17	Co-operation	6425-106-0101-State Plan Schemes (Normal)-7827-Contribution of State Government for Conversion of Short Term Loans into Mid Term Loans of M.P. State Co-operative Banks	11.98	Nil	11.98	100
22	20	Public Health Engineering	4215-01-102-0101-State Plan Schemes (Normal)-6643-Capital Investment in State Corporation	15.00	Nil	15.00	100
23	20	Public Health Engineering	4215-01-800-1401-Nabard (Normal)-7301-Implementation of Water Supply Schemes through Water Corporations	150.00	Nil	150.00	100

1	2	3	4	5	6	7	8
24	23	Water Resources Department	4700-19-800-0101-State Plan Schemes (Normal)-6596-Reforms Reinforcement and Re-establishment	25.00	Nil	25.00	100
25	23	Water Resources Department	4700-80-001-0101-State Plan Schemes (Normal)-2304-Direction and Administration	37.80	Nil	37.80	100
26	23	Water Resources Department	4700-84-800-0101-State Plan Schemes (Normal)-2884-Canal and Appurtenant Works	21.00	Nil	21.00	100
27	23	Water Resources Department	4701-80-001-1401-NABARD (Normal)-2304-Direction and Administration	20.00	Nil	20.00	100
28	24	Public Works-Roads and Bridges	3054-03-337-7403-Grant to Madhya Pradesh Highway Fund	124.74	Nil	124.74	100
29	29	Law and Legislative Affairs	2014-105-7225-Grant to M.P. Legal Aid and Legal Advice Board (13 <sup>th</sup> Finance Commission)	18.23	Nil	18.23	100
30	31	Planning, Economics and Statistics	3451-101-1301-Central Finance Commission (Normal)- 6267- Jila Navachar Kosh (13 <sup>th</sup> Finance Commission)	16.00	Nil	16.00	100
31	31	Planning, Economics and Statistics	3454-02-206-1301-Central Finance Commission (Normal)-6268- Incentive for U.I.D.A. (13 <sup>th</sup> Finance Commission)	49.94	Nil	49.94	100
32	37	Tourism	5452-01-101-1501-Additional Central Assistance (Normal)-7404-Construction of International Convention Centre, Bhopal	31.00	Nil	31.00	100
33	37	Tourism	5452-01-190-1301-Central Finance Commission (Normal)-6565-Development of Eco and Adventure Tourism	13.00	Nil	13.00	100
34	39	Food, Civil Supplies and Consumer Protection	2408-01-102-0570-Recoupment of Losses to Co-operative Societies for Sale of food grains under Public Distribution System	15.00	Nil	15.00	100
35	39	Food, Civil Supplies and Consumer Protection	2408-01-102-3248-Reimbursement of Loss to M.P. State Co-operative Marketing Federation in Procurement of Food	30.20	Nil	30.20	100
36	39	Food, Civil Supplies and Consumer Protection	2408-01-102-6933-Compensation of Loss in Construction of Temporary CAP	45.00	Nil	45.00	100



1	2	3	4	5	6	7	8
37	39	Food, Civil Supplies and Consumer Protection	2408-01-102-0101-State Plan Schemes (Normal)-9214-Distribution of Iodised Salt	30.00	Nil	30.00	100
38	40	Expenditure pertaining to Water Resources Department-Command Area Development	4705-207-0701-Centrally Sponsored Schemes (Normal)-2304-Direction and Administration	10.00	Nil	10.00	100
39	41	Tribal Areas Sub-Plan	07-Revenue Department 2029-796-103-0702-Centrally Sponsored Scheme T.A.S.P. - 6337-Updation of Land Records (NLRMP)	10.00	Nil	10.00	100
40	41	Tribal Areas Sub-Plan	13-Energy Department 4801-05-796-190-0102-Tribal Area Sub Plan-6323- 2 Times 660 Megawatt Shri Singaji Thermal Power Project	15.40	Nil	15.40	100
41	41	Tribal Areas Sub-Plan	25-Tribal Welfare Department 4225-02-796-277-0102-Tribal Area Sub Plan-0978-Sports Complex	10.00	Nil	10.00	100
42	45	Minor Irrigation Works	4702-800-0101-State Plan Schemes (Normal)-2304-Direction and Administration	30.22	Nil	30.22	100
43	47	Technical Education and Skill Development	2230-03-001-0701-Centrally Sponsored Schemes (Normal)-6951-Development of Government Industrial Training Institutes into Excellent Institutes	13.50	Nil	13.50	100
44	48	Narmada Valley Development	4402-800-0701-Centrally Sponsored Schemes (Normal)-1580-Macro Management Scheme	13.45	Nil	13.45	100
45	53	Financial Assistance to Urban Bodies under Scheduled Castes Sub-Plan	2217-05-789-193-0103-Scheduled Castes Sub-Plan- 6982-Integrated Urban and Slum Development Programme	11.00	Nil	11.00	100
46	55	Women and Child Development	4235-02-102-1501-Additional Central Assistance (Normal)-7449- Construction of Sector Level Office Buildings Cum Training Centre	13.52	Nil	13.52	100
47	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-01-101-6422-Grant Assistance for Loss of Crops due to drought	50.00	Nil	50.00	100

1	2	3	4	5	6	7	8
48	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-01-101-8874-Additional Provision for Drought Relief and Employment	50.00	Nil	50.00	100
49	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-02-193-5498-Assistance to Local Bodies and Other Non Government Bodies/Institutions in Flood Affected Areas	18.00	Nil	18.00	100
50	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-80-800-7249-Loss of Crops from Insect Disease	51.10	Nil	51.10	100
51	61	Expenditure to Bundelkhand Package	2700-80-800-1501-Additional Central Assistance (Normal)-8000-Disposal of Waste	200.00	Nil	200.00	100
52	61	Expenditure to Bundelkhand Package	4700-80-001-1501-Additional Central Assistance (Normal)-8000-Disposal of Waste	100.00	Nil	100.00	100
53	61	Expenditure to Bundelkhand Package	4700-80-800-1501-Additional Central Assistance (Normal)-8000-Disposal of Waste	100.00	Nil	100.00	100
54	64	Scheduled Castes Sub-Plan	13-Energy Department 4801-05-789-190-0103-Scheduled Castes Sub-Plan 6323-Two times 660 Megawatt Shri Singhaji Thermal Power Project	16.80	Nil	16.80	100
55	64	Scheduled Castes Sub-Plan	13-Energy Department 6801-789-190-1203-Externally Aided Projects (S.C.S.P.) 6929-Strengthening of Transmission System	40.15	Nil	40.15	100
56	64	Scheduled Castes Sub-Plan	13-Energy Department 6801-789-190-1203-Externally Aided Projects (S.C.S.P.) 7900-Strengthening of Sub-Transmission and Distribution System	55.10	Nil	55.10	100
57	74	Financial Assistance to Three Tier Panchayati Raj Institutions	2853-02-198-6299-Transfer of Revenue Received from Subsidiary Minerals of Rural Areas to Panchayats	28.90	Nil	28.90	100

1	2	3	4	5	6	7	8
58	75	Financial Assistance to Urban Bodies	3604-191-6062-Re-imbursment of Electric Charges for Drinking Water Scheme under the Recommendations of State Finance Commission	10.00	Nil	10.00	100
59	75	Financial Assistance to Urban Bodies	3604-191-6063-Specific Grant under the Recommendations of State Finance Commission	10.00	Nil	10.00	100
<b>Total</b>				<b>6540.84</b>		<b>6540.84</b>	

(Source: Appropriation Accounts)

## APPENDIX 2.3

**EXCESS OVER PROVISION OF PREVIOUS YEARS REQUIRING  
REGULARISATION  
(REFERENCE : PARAGRAPH 2.3.6; PAGE 49)**

(₹ in crore)			
Year	Number of Grants/ Appropriation	Grants/Appropriation number	Amount of excess
1	2	3	4
1997-98	10 Grant 03 Appropriation	Revenue (Voted) : 7, 20, 24, 27, 58, 67 Capital (Voted) : 20, 21, 61, 69 Revenue (Charged) : Interest Payment and Servicing of debt, 31, 67	302.79
1998-99	01 Grant	Revenue (Voted) : 62	0.10
2003-04	04 Grant 03 Appropriation	Revenue (Voted) : 68, 84 Capital (Voted) : 35, 94  Revenue (Charged) : 20, 67 Capital (Charged) : 23	2.54
2004-05	13 Grant 02 Appropriation	Revenue (Voted) : 24, 59, 67, 92, 94 Capital (Voted) : 6, 19, 30, 59, 66, 78, 84, 86  Revenue (Charged) : 67 Capital (Charged) : 45	83.66
2005-06	04 Grant 02 Appropriation	Revenue (Voted) : 24, 67 Capital (Voted) : 6, 39  Capital (Charged) : 21, 45	37.58
2006-07	02 Grant 01 Appropriation	Revenue (Voted) : 24, 67  Capital (Charged) : 24	35.99
2008-09	02 Grant 02 Appropriation	Revenue (Voted) : 62 Capital (Voted) : 43  Revenue (Charged) : 24 Capital (Charged) : 24	5.80
2009-10	04 Grant	Revenue (Voted) : 3, 27, 32, 49	123.96
2010-11	02 Appropriation	Revenue (Charged) : 23 Capital (Charged) : 24	12.62
2011-12	04 Grant 02 Appropriation	Revenue (Voted) : 33 Capital (Voted) : 15, 52, 74  Revenue (Charged) : 23 Capital (Charged) : 23	135.10
2012-13	02 Appropriation	Revenue (Charged) : 10 Capital (Charged) : 24	0.24
<b>Total</b>	<b>44 Grant and 19 Appropriation</b>		<b>740.38</b>

## APPENDIX 2.4

**CASES WHERE SUPPLEMENTARY PROVISION (₹ ONE CRORE OR MORE IN EACH CASE) PROVED UNNECESSARY  
(REFERENCE : PARAGRAPH 2.3.7; PAGE 50)**

(₹ in crore)

Sl. No.	Number and name of the Grant/ Appropriation	Original provision	Actual expenditure	Savings out of original provision	Supplementary provision
1	2	3	4	5	6
<b>A-Revenue (Voted)</b>					
1	01-General Administration & Lok Seva Prabandhan	318.07	316.27	1.80	60.85
2	03-Police	3977.48	3427.10	550.38	306.07
3	04-Other Expenditure pertaining to Home Department	23.53	21.41	2.12	2.04
4	07-Commercial Tax	2252.05	2055.95	196.10	71.20
5	08-Land Revenue and District Administration	1070.36	835.64	234.72	17.42
6	10-Forest	1855.99	1710.98	145.01	83.14
7	13-Farmers Welfare and Agriculture Development	1107.98	842.82	265.16	69.78
8	14-Animal Husbandry	622.25	520.65	101.60	11.26
9	15-Financial Assistance to Three Tier Panchayati Raj Institutions under Scheduled Castes Sub-Plan	987.26	794.56	192.70	40.13
10	16-Fisheries	64.15	48.58	15.57	2.20
11	17-Co-operation	470.59	355.38	115.21	1.24
12	18-Labour	132.61	121.42	11.19	8.15
13	19-Public Health and Family Welfare	2710.52	2330.83	379.69	66.55
14	20-Public Health Engineering	523.36	397.69	125.67	1.60
15	21-Housing and Environment	151.40	145.51	5.89	8.24
16	22-Urban Administration and Development-Urban Bodies	263.19	238.19	25.00	49.03
17	26-Culture	131.04	124.13	6.91	61.34
18	27-School Education (Primary Education)	5476.94	4793.73	683.21	89.03
19	29-Law and Legislative Affairs	871.75	606.75	265.00	68.47
20	31-Planning, Economics and Statistics	238.74	119.57	119.17	2.46
21	33-Tribal Welfare	1382.09	1191.77	190.32	6.84
22	34-Social Justice	219.42	166.90	52.52	25.65
23	36-Transport	79.79	64.88	14.91	3.94
24	41-Tribal Areas Sub-Plan	3348.74	2783.81	564.93	119.44
25	47-Technical Education and Skill Development	376.79	351.28	25.51	29.05
26	50-Horticulture and Food Processing	301.31	197.48	103.83	53.29
27	52-Financial Assistance to Tribal Area Sub-Plan Three Tier Panchayati Raj Institutions	1711.27	1483.89	227.38	114.85
28	55-Women and Child Development	2776.05	2250.70	525.35	66.69
29	56-Rural Industry	143.03	133.63	9.40	10.42
30	61-Expenditure Pertaining to Bundelkhand Package	100.00	19.44	80.56	100.00

1	2	3	4	5	6
31	63-Minority Welfare	65.05	31.62	33.43	2.37
32	64-Scheduled Castes Sub-Plan	2294.32	1809.66	484.66	103.91
33	66-Welfare of Backward Classes	671.94	636.42	35.52	140.89
34	67-Public Works-Buildings	425.74	373.23	52.51	25.00
35	72-Bhopal Gas Tragedy Relief and Rehabilitation	72.43	71.40	1.03	8.53
36	75-Financial Assistance to Urban Bodies	5060.10	4744.12	315.98	621.45
37	77-Other Expenditure pertaining to School Education Department (Excluding Primary Education)	1512.06	1263.43	248.63	134.17
<b>Total (A)</b>		<b>43789.39</b>	<b>37380.82</b>	<b>6408.57</b>	<b>2586.69</b>
<b>B-Capital (Voted)</b>					
38	03-Police	93.47	71.02	22.45	83.40
39	06-Finance	238.80	51.60	187.20	47.54
40	08-Land Revenue and District Administration	52.97	6.61	46.36	25.00
41	12-Energy	5283.30	4357.79	925.51	193.93
42	14-Animal Husbandry	24.18	22.06	2.12	6.30
43	15-Financial Assistance to Three Tier Panchayati Raj Institutions under Scheduled Castes Sub-Plan	76.20	28.38	47.82	5.64
44	17-Co-operation	199.96	191.63	8.33	6.98
45	20-Public Health Engineering	466.39	400.26	66.13	155.84
46	23-Water Resources Department	1049.36	1043.97	5.39	200.00
47	37-Tourism	89.00	58.38	30.62	45.66
48	40-Expenditure pertaining to Water Resources Department-Command Area Development	102.46	93.71	8.75	50.00
49	41-Tribal Areas Sub-Plan	1991.11	1602.72	388.39	131.94
50	44-Higher Education	34.55	20.93	13.62	6.00
51	52-Financial Assistance to Tribal Area Sub-Plan Three Tier Panchayati Raj Institutions	101.75	40.36	61.39	7.76
52	64-Scheduled Castes Sub-Plan	1926.68	1634.35	292.33	230.41
53	67-Public Works-Buildings	174.22	91.37	82.85	8.45
54	73-Medical Education Department	32.06	18.85	13.21	1.10
<b>Total (B)</b>		<b>11936.46</b>	<b>9733.99</b>	<b>2202.47</b>	<b>1205.95</b>
<b>C-Revenue (Charged)</b>					
55	IP-Interest Payments and Servicing of Debt	6518.52	6391.32	127.20	439.79
56	12-Energy	155.00	Nil	155.00	26.23
57	29-Law and Legislative Affairs	88.17	65.75	22.42	5.24
<b>Total (C)</b>		<b>6761.69</b>	<b>6457.07</b>	<b>304.62</b>	<b>471.26</b>
<b>D-Capital (Charged)</b>					
58	PD-Public Debt	8017.43	4004.64	4012.79	5.26
<b>Total (D)</b>		<b>8017.43</b>	<b>4004.64</b>	<b>4012.79</b>	<b>5.26</b>
<b>Total (A+B+C+D)</b>		<b>70504.97</b>	<b>57576.52</b>	<b>12928.45</b>	<b>4269.16</b>

(Source: Appropriation Accounts)



## APPENDIX 2.5

**CASES WHERE SUPPLEMENTARY PROVISION PROVED EXCESSIVE**  
**(REFERENCE : PARAGRAPH 2.3.7; PAGE 50)**

(₹ in crore)

Sl. No.	Number and name of Grant/ Appropriation	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Actual expenditure	Saving
1	2	3	4	5	6
<b>A-Revenue (Voted)</b>					
1	05-Jail	211.72	4.36	213.45	2.63
2	11-Commerce, Industry and Employment	339.05	74.66	350.66	63.05
3	12-Energy	2355.10	1486.40	3061.24	780.26
4	24-Public Works-Roads and Bridges	1123.04	435.34	1312.57	245.81
5	32-Public Relations	180.90	39.00	210.34	9.56
6	37-Tourism	65.40	11.34	70.17	6.57
7	39-Food, Civil Supplies and Consumer Protection	1595.84	535.75	1739.84	391.75
8	43-Sports and Youth Welfare	64.60	21.09	76.86	8.83
9	44-Higher Education	1073.72	181.18	1099.71	155.19
10	45-Minor Irrigation Works	108.12	14.72	108.60	14.24
11	48-Narmada Valley Development	15.14	8.62	17.52	6.24
12	51-Religious Trusts and Endowments	87.11	9.00	90.17	5.94
13	58-Expenditure on Relief on account of Natural Calamities and Scarcity	1023.67	883.53	1631.81	275.39
14	73-Medical Education Department	373.32	76.57	414.98	34.91
15	74-Financial Assistance to Three Tier Panchayati Raj Institution	6707.57	1041.53	6746.90	1002.20
16	76-New and Renewable Energy Sources	42.32	24.25	43.97	22.60
<b>Total (A)</b>		<b>15366.62</b>	<b>4847.34</b>	<b>17188.79</b>	<b>3025.17</b>
<b>B-Capital (Voted)</b>					
17	01-General Administration & Lok Seva Prabandhan	36.16	7.00	37.50	5.66
18	11-Commerce, Industry and Employment	523.11	7.95	527.16	3.90
19	21-Housing and Environment	54.67	28.35	81.74	1.28
20	24-Public Works-Roads and Bridges	1400.38	31.39	1408.37	23.40
21	27-School Education (Primary Education)	13.51	35.29	13.95	34.85
22	36-Transport	8.00	17.00	9.93	15.07
23	39-Food, Civil Supplies and Consumer Protection	44.50	156.00	130.48	70.02
24	45-Minor Irrigation Works	458.61	473.00	879.49	52.12
25	47-Technical Education and Skill Development	21.01	82.92	47.19	56.74
26	48-Narmada Valley Development	1088.55	227.80	1135.06	181.29
27	55-Women and Child Development	89.80	240.40	233.97	96.23
28	57-Externally Aided Project pertaining to Water Resources Department	276.58	20.00	292.63	3.95

1	2	3	4	5	6
29	61-Expenditure Pertaining to Bundelkhand Package	100.00	308.71	197.71	211.00
30	66-Welfare of Backward Classes	12.50	17.82	23.45	6.87
<b>Total (B)</b>		<b>4127.38</b>	<b>1653.63</b>	<b>5018.63</b>	<b>762.38</b>
<b>C-Revenue (Charged)</b>					
31	20-Public Health Engineering	0.50	2.00	1.26	1.24
<b>Total (C)</b>		<b>0.50</b>	<b>2.00</b>	<b>1.26</b>	<b>1.24</b>
<b>Total (A+B+C)</b>		<b>19494.50</b>	<b>6502.97</b>	<b>22208.68</b>	<b>3788.79</b>

**Additional requirement: Actual expenditure - Original provision = 22208.68 – 19494.50= 2714.18**

**(Source: Appropriation Accounts)**

## APPENDIX 2.6

EXCESSIVE/UNNECESSARY RE-APPROPRIATION/SURRENDER OF FUNDS  
(REFERENCE : PARAGRAPH 2.3.8; PAGE 50)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant	Head of account	Re-appropriation	Final excess (+)/ saving (-)	Percentage
1	2	3	4	5	6	7
1	03	Police	2055-114-4155-Wireless office Bhopal and Gwalior	(-) 30.24	(+) 9.11	30.13
2	19	Public Health and Family Welfare	2210-01-110-0101-State Plan Schemes (Normal)-8798-Upgradation of Hospitals	(+) 6.95	(-) 5.42	77.99
3	23	Water Resources Department	2700-32-101-2894-Barrage and Canals	(-)3.54	(+)1.42	40.11
4	23	Water Resources Department	2701-80-001-0101-State Plan Schemes (Normal)-3300-Circle Establishment	(-)7.41	(+)59.53	100
5	37	Tourism	5452-01-190-1301-Central Finance Commission (Normal)-6560-Development of Religious Tourism	(+)8.00	(-)11.00	100
6	37	Tourism	5452-01-190-1301-Central Finance Commission (Normal)-6566-Upgradation and Extension of Existing Tourist Facilities	(+) 8.00	(-) 12.00	100
7	41	Tribal Area Sub-Plan	13-Energy Department 6801-796-190-1202-Externally Aided Projects (T.A.S.P.)-6929-Strengthening of Transmission System	(-) 4.99	(+) 71.19	100
8	41	Tribal Area Sub-Plan	25-Tribal Welfare Department 4225-02-796-277-0102-Tribal Area Sub Plan-8799-Construction of Hostel Buildings	(+) 2.25	(-) 6.30	100
9	41	Tribal Area Sub-Plan	25-Tribal Welfare Department 4225-02-796-277-0102-Tribal Area Sub Plan-8828-Construction of Ashrams/Schools Buildings	(+) 8.76	(-) 11.20	100
10	41	Tribal Area Sub-Plan	20-School Education Department 2202-02-796-109-0702-Centrally Sponsored Schemes (T.A.S.P.)-6005-Implementation of National Secondary Education Expedition	(-) 12.00	(+) 6.00	50.00

1	2	3	4	5	6	7
11	41	Tribal Area Sub-Plan	31-Water Resources Department 4701-54-796-800-0102-Tribal Area Sub Plan-3366-Construction work of Medium Projects	(-) 74.86	(+) 22.94	30.64
12	41	Tribal Area Sub-Plan	31-Water Resources Department 4702-796-800-0102-Tribal Area Sub Plan-6079-Reform, Re-strengthening, Rehabilitation (R.R.R.)	(-) 11.90	(+) 5.47	45.97
13	45	Minor Irrigation Works	4702-101-0101-State Plan Schemes (Normal)-3803-Minor and Microminor Irrigation schemes	(+)14.54	(-)99.81	100
14	48	Narmada Valley Development	4701-80-001-0101-State Plan Schemes (Normal)-5869-Medium and Minor Irrigation Projects for Development of Narmada Basin	(-)3.94	(+) 1.36	34.52
15	48	Narmada Valley Development	4700-45-800-1501-Additional Central Assistance (Normal)-9091-Omkareshwar Project	(-)2.02	(+)7.79	100
16	50	Horticulture and Food Processing	2401-119-0701-Centrally Sponsored Schemes (Normal)-7142- National Mission of Food Processing	(+) 20.48	(-) 22.35	100
17	50	Horticulture and Food Processing	2401-119-0655-Directorate and Subordinate Offices	(+) 4.43	(-) 3.12	70.43
18	57	Externally Aided Project pertaining to Water Resources Department	4700-64-001-1201-Externally Aided Project (Normal)- 6825-Services Providing Irrigation and Water Drainage Institutions-Water Resources Department	(+)8.12	(-)3.67	45.20
19	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-02-101-0747-Relief to Hailstorm Sufferers	(+)457.20	(-)182.64	39.95
20	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-02-101-2018-Cash Donation	(+)100.00	(-)35.38	35.38
21	60	Expenditure pertaining to District Plan Schemes	4515-800-0101-State Plan Schemes (Normal)-8284-Madhya Pradesh Assembly Constituency Area Development Scheme	(-) 5.68	(+) 3.03	53.35

1	2	3	4	5	6	7
22	64	Scheduled Castes Sub-Plan	19-Public Works Department 5054-03-789-337-0103-Scheduled Castes Sub Plan- 5139-Upgradation of Main District Roads	(-) 11.00	(+) 6.50	59.09
23	64	Scheduled Castes Sub-Plan	31-Water Resources Department 4700-64-789-800-1203-Externally Aided Projects (S.C.S.P.)- 6831- Improvement in Productivity of Pre-constructed Irrigation Schemes of Five Basins-Water Resources Department	(+) 1.49	(-) 7.66	100
24	64	Scheduled Castes Sub-Plan	31-Water Resources Department 4700-13-789-800-1503-Additional Central Assistance (S.C.S.P.)- 2824-Canal and Appurtenant Works	(+) 9.75	(-) 3.38	34.67
25	67	Public Works-Buildings	4059-01-051-0101-State Plan Schemes (Normal)- 7094-Construction Works under Jail Improvement Scheme	(+)7.95	(-)8.41	100
26	67	Public Works-Buildings	4210-03-105-0101-State Plan Schemes (Normal)- 6335-Upgradation in Medical Colleges	(+)7.80	(-)8.75	100

(Source: Appropriation Accounts)

## APPENDIX 2.7

**DETAILS OF SAVING OF ₹ ONE CRORE AND ABOVE AND 20 PER CENT OF  
SAVINGS NOT SURRENDERED  
(REFERENCE : PARAGRAPH 2.3.9; PAGE 50)**

(₹ in crore)

Sl. No.	Number and name of the Grant/ Appropriation	Saving.	Surrender	Saving which remained to be surrendered	Per cent of amount not surrendered
1	2	3	4	5	6
<b>Revenue (Charged)</b>					
1	IP-Interest Payments and Servicing of Debt	566.99	9.62	557.37	98.30
2	PD-Public Debt	2.00	Nil	2.00	100
3	06-Finance	13.24	Nil	13.24	100
4	24-Public Works-Roads and Bridges	4.80	Nil	4.80	100
5	67-Public Works-Buildings	1.91	Nil	1.91	100
<b>Revenue (Voted)</b>					
6	06-Finance	725.39	22.85	702.54	96.85
7	07-Commercial Tax	267.31	32.85	234.46	87.71
8	14-Animal Husbandry	112.86	0.06	112.80	99.95
9	15-Financial Assistance to Three Tier Panchayati Raj Institutions under Scheduled Castes Sub-Plan	232.83	158.71	74.12	31.83
10	16-Fisheries	17.77	0.18	17.59	98.99
11	18-Labour	19.34	15.42	3.92	20.27
12	19-Public Health and Family Welfare	446.25	Nil	446.25	100
13	21-Housing and Environment	14.14	Negligible	14.14	100
14	24-Public Works-Roads and Bridges	245.81	Nil	245.81	100
15	26-Culture	68.25	18.70	49.55	72.60
16	28-State Legislature	13.26	4.15	9.11	68.70
17	37-Tourism	6.57	Nil	6.57	100
18	38-Ayush	169.39	0.15	169.24	99.91
19	39-Food, Civil Supplies and Consumer Protection	391.75	Nil	391.75	100
20	41-Tribal Areas Sub-Plan	684.37	433.28	251.09	36.69
21	47-Technical Education and Skill Development	54.55	Nil	54.55	100
22	49-Scheduled Caste Welfare & Vimukta, Ghumakkad Evam Ardha Ghumakkad Caste Welfare	16.56	10.52	6.04	36.47
23	50-Horticulture and Food Processing	157.11	Nil	157.11	100
24	52-Financial Assistance to Tribal Area Sub-Plan-Three Tier Panchayati Raj Institutions	342.22	169.82	172.40	50.38
25	58-Expenditure on Relief on Account of Natural Calamities and Scarcity	275.39	Nil	275.39	100
26	61-Expenditure pertaining to Bundekhand Package	180.56	Negligible	180.56	100



1	2	3	4	5	6
27	62-Panchayat	24.18	Nil	24.18	100
28	64-Scheduled Castes Sub-Plan	588.57	424.16	164.41	27.93
29	66-Welfare of Backward Classes	176.41	46.35	130.06	73.73
30	67-Public Works-Buildings	77.51	Nil	77.51	100
31	73-Medical Education Department	34.91	Nil	34.91	100
32	74-Financial Assistance to Three Tier Panchayati Raj Institutions	1002.20	426.48	575.72	57.45
<b>Capital (Voted)</b>					
33	01-General Administration & Lok Seva Prabandhan	5.65	1.53	4.12	72.92
34	06-Finance	234.74	Nil	234.74	100
35	08-Land Revenue and District Administration	71.36	0.10	71.26	99.86
36	11-Commerce, Industry and Employment	3.91	2.38	1.53	39.13
37	14-Animal Husbandry	8.42	1.89	6.53	77.55
38	19-Public Health and Family Welfare	22.00	Nil	22.00	100
39	21-Housing and Environment	1.28	0.01	1.27	99.22
40	23-Water Resources Department	205.39	88.85	116.54	56.74
41	24-Public Works-Roads and Bridges	23.40	Nil	23.40	100
42	27-School Education (Primary Education)	34.85	Nil	34.85	100
43	36-Transport	15.07	Nil	15.07	100
44	37-Tourism	76.28	Nil	76.28	100
45	38-Ayush	12.74	Nil	12.74	100
46	39-Food, Civil Supplies and Consumer Protection	70.02	Nil	70.02	100
47	42-Public Works relating to Tribal Areas Sub-plan-Roads and Bridges	70.35	50.50	19.85	28.22
48	43-Sports and Youth Welfare	1.02	Nil	1.02	100
49	44-Higher Education	19.62	1.47	18.15	92.51
50	45-Minor Irrigation Works	52.12	3.88	48.24	92.56
51	47-Technical Education and Skill Development	56.74	Nil	56.74	100
52	57-Externally Aided Project pertaining to Water Resources Department	3.95	2.18	1.77	44.81
53	58-Expenditure on Relief on Account of Natural Calamities and Scarcity	2.50	Nil	2.50	100
54	61-Expenditure pertaining to Bundeckhand Package	211.00	93.11	117.89	55.87
55	67-Public Works-Buildings	91.29	62.40	28.89	31.65
56	73-Medical Education Department	14.31	Nil	14.31	100

1	2	3	4	5	6
57	77-Other Expenditure Pertaining to School Education Department (Excluding Primary Education)	11.71	6.11	5.60	47.82
<b>Capital (Charged)</b>					
58	PD-Public Debt	4018.05	2.17	4015.88	99.95
59	24-Public Works-Roads and Bridges	9.13	Nil	9.13	100
<b>Total</b>		<b>12281.30</b>	<b>2089.88</b>	<b>10191.42</b>	

(Source: Appropriation Accounts)

## APPENDIX 2.8

CASES OF SURRENDER OF FUNDS IN EXCESS OF ₹ 10 CRORE ON  
31 MARCH 2014

(REFERENCE : PARAGRAPH 2.3.9; PAGE 50)

(₹ in crore)

Sl. No.	Grant No.	Major Head	Budget provision	Amount of surrender	Percentage of total provision
1	2	3	4	5	6
1	01	2052	90.85	15.90	17.50
2	01	2053	30.29	10.22	33.74
3	03	2055	4048.33	797.21	19.69
4	03	2070	224.79	33.40	14.86
5	03	4055	146.10	101.43	69.43
6	08	2053	503.78	104.74	20.79
7	10	2406	1931.42	88.19	4.57
8	12	2045	206.62	186.61	90.32
9	12	2801	3816.11	774.71	20.30
10	12	4801	541.48	102.20	18.87
11	12	6801	4935.75	965.45	19.56
12	13	2401	1108.97	73.67	6.64
13	15	2216	71.33	26.40	37.01
14	15	2505	64.08	18.45	28.79
15	15	2515	221.97	26.50	11.94
16	15	4515	81.84	52.08	63.64
17	17	2425	471.85	116.61	24.71
18	17	6425	171.81	15.30	8.91
19	22	2217	299.93	37.17	12.39
20	27	2202	5566.02	382.63	6.87
21	29	2014	706.57	206.68	29.25
22	29	2015	284.74	131.42	46.15
23	30	2216	75.80	45.40	59.89
24	30	2515	526.20	148.70	28.26
25	30	4515	577.34	376.51	65.21
26	31	3454	205.03	93.16	45.44
27	41	2202	905.89	12.80	1.41
28	41	2235	357.26	19.60	5.49
29	41	2515	118.76	13.13	11.06
30	41	4801	94.95	18.40	19.38
31	41	6801	423.87	187.27	44.18
32	52	2216	104.07	36.86	35.42
33	52	2505	117.75	38.72	32.88
34	52	2515	255.76	24.54	9.59
35	52	4515	109.51	70.53	64.41
36	55	2235	1884.76	148.46	7.88
37	55	2236	941.12	30.07	3.20
38	55	4235	330.20	96.23	29.14
39	56	2851	153.45	14.28	9.31
40	59	2515	91.70	39.73	43.33
41	63	2225	67.42	34.91	51.78
42	64	2425	76.82	36.50	47.51
43	64	2515	85.15	34.25	40.22
44	64	4235	67.35	21.65	32.15
45	64	4515	102.55	11.87	11.57
46	64	4801	91.02	19.40	21.31
47	64	6801	356.95	202.58	56.75
48	66	2225	812.83	46.35	5.70

1	2	3	4	5	6
49	68	2217	46.00	13.97	30.37
50	74	2202	2821.42	17.11	0.61
51	74	2216	153.37	68.81	44.87
52	74	2501	48.12	21.63	44.95
53	74	2505	250.01	53.77	21.51
54	74	2515	2389.42	109.69	4.59
55	75	2217	1555.58	590.84	37.98
56	75	3604	3422.93	191.63	5.60
57	75	6217	25.00	21.36	85.44
58	77	2202	1596.85	368.72	23.09
59	78	2217	125.00	11.99	9.59
<b>Total</b>			<b>46891.84</b>	<b>7558.39</b>	<b>16.12</b>

(Source: Appropriation Accounts)

## APPENDIX 2.9

RUSH OF EXPENDITURE  
(REFERENCE : PARAGRAPH 2.3.10; PAGE 50)

(₹ in crore)

Sl. No.	Grant number and name	Scheme No.	Expenditure incurred during Jan-March 2014	Expenditure incurred in March 2014	Total expenditure	Percentage of total expenditure incurred during	
						Jan-March 2014	March 2014
1	2	3	4	5	6	7	8
1	01-General Administration & Lok Seva Prabandhan	6757	51.61	51.43	52.03	99.19	98.85
2	03-Police	3059	13.00	13.00	21.00	61.90	61.90
3	06-Finance	1005	14.54	14.54	14.54	100	100
4	10-Forest	3885	43.76	43.76	43.76	100	100
5	11-Commerce, Industry and Employment	6749	50.52	48.71	74.26	68.03	65.59
6	11-Commerce, Industry and Employment	9053	23.56	23.56	23.56	100	100
7	12-Energy	7414	90.00	90.00	90.00	100	100
8	15-Financial assistance to Three Tier Panchayati Raj Institutions under Scheduled Castes Sub-Plan	6923	22.50	22.50	36.26	62.05	62.05
9	19-Public Health and Family Welfare	7892	24.31	19.72	34.05	71.40	57.91
10	21-Housing and Environment	5244	21.03	21.03	21.03	100	100
11	23-Water Resources Department	4146	10.94	10.88	13.00	84.15	83.69
12	25-Mineral Resources	6606	591.34	591.34	591.34	100	100
13	26-Culture	6464	46.67	45.68	48.28	96.67	94.61
14	39-Food, Civil Supplies and Consumer Protection	3229	54.08	54.08	59.00	91.66	91.66
15	39-Food, Civil Supplies and Consumer Protection	7272	89.00	89.00	121.50	73.25	73.25
16	39-Food, Civil Supplies and Consumer Protection	9087	18.00	18.00	32.71	55.03	55.03

1	2	3	4	5	6	7	8
17	41-Tribal Areas Sub-Plan	5152	32.10	29.68	44.39	72.31	66.86
18	41-Tribal Areas Sub-Plan	6005	31.00	31.00	33.00	93.94	93.94
19	41-Tribal Areas Sub-Plan	6484	78.70	78.70	113.00	69.65	69.65
20	41-Tribal Areas Sub-Plan	6655	16.80	16.80	24.00	70.00	70.00
21	41-Tribal Areas Sub-Plan	6831	12.52	12.52	12.52	100	100
22	41-Tribal Areas Sub-Plan	6929	98.37	98.37	142.05	69.25	69.25
23	43-Sports and Youth Welfare	5834	19.25	19.25	28.96	66.47	66.47
24	48-Narmada Valley Development	9133	44.62	44.62	44.62	100	100
25	52-Financial Assistance to Tribal Area Sub-Plan-Three Tier Panchayati Raj Institutions	6923	40.50	40.50	65.26	62.06	62.06
26	53-Financial Assistance to Urban bodies under Scheduled Castes Sub-Plan	6981	49.97	48.57	87.32	57.23	55.62
27	55-Women and Child Development	6741	27.10	20.91	34.57	78.39	60.49
28	58-Expenditure on Relief on account of Natural Calamities and Scarcity	2018	577.40	377.53	658.62	87.67	57.32
29	61-Expenditure pertaining to Bundelkhand Package	2884	30.00	19.65	30.00	100	65.50
30	61-Expenditure pertaining to Bundelkhand Package	6078	10.90	10.90	10.90	100	100
31	61-Expenditure pertaining to Bundelkhand Package	6080	21.56	21.56	21.56	100	100
32	64-Scheduled Castes Sub-Plan	0658	25.99	21.00	25.99	100	80.80
33	64-Scheduled Castes Sub-Plan	5139	13.00	11.66	15.50	83.87	75.23
34	64-Scheduled Castes Sub-Plan	6005	24.33	24.33	25.83	94.19	94.19
35	64-Scheduled Castes Sub-Plan	6484	54.18	54.18	79.88	67.83	67.83
36	64-Scheduled Castes Sub-Plan	6655	15.40	15.40	22.00	70.00	70.00



1	2	3	4	5	6	7	8
37	74-Financial Assistance to Three Tier Panchayati Raj Institutions	6099	21.86	21.86	21.86	100	100
38	74-Financial Assistance to Three Tier Panchayati Raj Institutions	6923	87.00	87.00	140.19	62.06	62.06
39	75-Financial Assistance to Urban Bodies	6981	88.19	85.74	154.75	56.99	55.41
40	76-New and Renewable Energy Sources	3220	25.90	25.90	42.59	60.81	60.81
41	IP-Interest Payment and Servicing of Debt	4209	33.55	33.55	33.55	100	100
42	IP-Interest Payment and Servicing of Debt	6959	43.65	43.65	45.53	95.87	95.87
43	IP-Interest Payment and Servicing of Debt	6971	71.16	71.16	71.16	100	100
44	IP-Interest Payment and Servicing of Debt	6972	140.59	140.59	140.59	100	100
45	IP-Interest Payment and Servicing of Debt	7421	24.20	24.20	24.20	100	100
<b>Total</b>			<b>2924.65</b>	<b>2688.01</b>	<b>3470.71</b>	<b>84.27</b>	<b>77.45</b>

(Source: Appropriation Accounts)

## APPENDIX 2.10

**STATEMENT SHOWING NON-UTILISATION OF PROVISION MORE THAN  
₹ ONE CRORE FOR NEW ITEMS OF EXPENDITURE PROVIDED IN THE  
BUDGET**

**(REFERENCE : PARAGRAPH 2.3.12; PAGE 51)**

**(₹ in crore)**

Sl. No.	Grant number and name	Name of Scheme	Total Provision	Expenditure
1	2	3	4	5
1	03-Police	2055-800-0101-7348-Crime and Criminal tracking mechanism and arrangement	7.00	Nil
2	03-Police	2055-800-0101-7353-Police Health infrastructure	1.15	Nil
3	03-Police	4055-800-0101-7352-Construction of Administrative Building	1.25	Nil
4	03-Police	4055-800-0101-7355-Construction of Police Transit Building	1.25	Nil
5	03-Police	4055-800-0101-7356-Upgradation of Police lines	1.25	Nil
6	03-Police	4070-800-0101-7326-Nagar sena infrastructure and Development	1.25	Nil
7	12-Energy	6801-205-0101-7256-Baan Sagar Taap Vidyut Pariyojna 2*800 megawatt	5.00	Nil
8	12-Energy	6801-205-1201-7255-For Renewal and modernization of 33/11 K.V. substations and D.T.R. metering	3.00	Nil
9	19-Public Health and Family Welfare	2210-06-101-0101-6840-National Old age Health care programme Scheme	2.00	Nil
10	20-Public Health Engineering	4215-01-800-0701-7299-Group Water Supply Scheme	2.20	Nil
11	29-Law and Legislative Affairs	2052-090-7388-Formation of Advocates Welfare Fund	5.00	Nil
12	30-Rural Development	4515-800-0101-7251-Vikas Bhawan	3.00	Nil
13	41-Tribal Areas Sub-Plan	2225-02-796-277-0102-7204-Supply of Laptop	5.00	Nil
14	43-Sports and Youth Welfare	2204-800-0101-7380-Establishment of Vivekanand youth centres	1.00	Nil
15	43-Sports and Youth Welfare	2204-800-0101-7269-Hockey synthetic turf	2.40	Nil
16	46-Science and Technology	3425-60-200-0101-7270-Use of Land Local Technology for Village demarcation and residence map of State and residencing of State	1.59	Nil
17	58-Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-80-800-7249-Crop damage by insects	51.10	Nil
18	64-Scheduled Castes Sub-Plan	2225-01-789-277-0103-7204-Supply of Laptop	8.75	Nil
19	75-Financial Assistance to Urban Bodies	3604-191-7398-Cleanliness award to Urban Bodies	1.10	Nil
20	76-New and Renewable Energy Sources	2810-02-101-0101-7312-Extension of Solar Energy Park	2.00	Nil
21	76-New and Renewable Energy Sources	2810-03-101-0101-7318-Extension of Wind Energy Park	1.25	Nil
<b>Total</b>			<b>107.54</b>	

(Source: Appropriation Accounts)

## APPENDIX 2.11

CASES IN WHICH THE ENTIRE PROVISION MORE THAN ₹ ONE  
CRORE REMAINED UNUTILISED DURING THE LAST TWO YEARS

(REFERENCE : PARAGRAPH 2.3.13; PAGE 51)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Name of the Scheme	Year			
				2012-13		2013-14	
				Total Provision (Orig+Supp.)	Unutilised Provision	Total Provision (Orig+Supp.)	Unutilised Provision
1	2	3	4	5	6	7	8
1	IP	Interest Payments and Servicing of Debt	2049-03-104-0807-Interest on Workmen's Contributory Provident Fund	7.00	7.00	7.00	7.00
2	IP	Interest Payments and Servicing of Debt	2049-03-104-4033-Interest on Departmental Provident Fund	30.00	30.00	30.00	30.00
3	IP	Interest Payments and Servicing of Debt	2049-03-104-6854-Contributory Pension Scheme	6.00	6.00	6.00	6.00
4	IP	Interest Payments and Servicing of Debt	2049-03-108-0117-Interest on Defined Pension Scheme	5.00	5.00	5.00	5.00
5	IP	Interest Payments and Servicing of Debt	2049-04-102-0930-Interest on Loans for Central Plan Schemes	2.83	2.83	2.50	2.50
6	IP	Interest Payments and Servicing of Debt	2049-04-103-0925-Interest on Loans for Centrally Sponsored Schemes	12.00	12.00	7.25	7.25
7	PD	Public Debt	6003-110-0637-Ways and Means Advances	2000.00	2000.00	2000.00	2000.00
8	PD	Public Debt	6003-110-0779-Advances to Meet Short Fall	2000.00	2000.00	2000.00	2000.00
9	PD	Public Debt	6004-03-800-8437-Loan for Immediate Benefit Programme	2.71	2.71	2.71	2.71
10	PD	Public Debt	6004-04-102-3128-Loans for Soil and Water Conservation	1.54	1.54	1.54	1.54
11	PD	Public Debt	6004-04-800-5236-Loans for National Watershed Area Development	1.55	1.55	1.21	1.21
12	PD	Public Debt	6004-04-800-6420-Loans for Micro Management	2.02	2.02	2.02	2.02
13	03	Police	4055-211-2643-Modernisation of Police Force	25.00	25.00	83.95	83.95

1	2	3	4	5	6	7	8
14	06	Finance	2052-091-0101-State Plan Schemes (Normal)- 5631-Infrastructure Development for Financial Incorporation	5.00	5.00	3.00	3.00
15	06	Finance	6075-800-6787-Provision for Settlement of Guaranteed Loans	300.00	300.00	100.00	100.00
16	06	Finance	6075-800-6788-Provision for Settlement of S.L.R. Bonds issued by Undertakings and Subordinate Institutions of State Government	25.00	25.00	25.00	25.00
17	08	Land Revenue and District Administration	2029-103-0801-Central Sector Schemes (Normal)- 5917-Extension of Land Records Computerisation Scheme	6.31	6.31	5.98	5.98
18	08	Land Revenue and District Administration	2029-103-0701-Centrally Sponsored Schemes (Normal)-6337-Update of Land Records (N.L.R.M.P.)	3.00	3.00	9.40	9.40
19	17	Co-operation	6425-106-0101-State Plan Schemes (Normal)- 7827-Contribution of State Government for Conversion of Short Term Loans into Mid Term Loans of M.P. State Co-operative Banks	5.00	5.00	11.98	11.98
20	19	Public Health and Family Welfare	2210-01-110-0701-Centrally Sponsored Schemes (Normal)-5613-National Health Insurance Scheme	15.00	15.00	3.25	3.25
21	23	Water Resources Department	4700-21-800-1501-Additional Central Assistance (Normal)- 6596-Reforms, Reinforcement and Re-establishment	8.50	8.50	2.00	2.00
22	23	Water Resources Department	4700-80-001-0101-State Plan Schemes (Normal)- 2304-Direction and Administration	37.80	37.80	37.80	37.80
23	23	Water Resources Department	4701-66-800-0101-State Plan Schemes (Normal)- 2884-Canal and Appurtenant Construction Works	20.00	20.00	5.00	5.00
24	31	Planning, Economics and Statistics	3454-02-206-1301-Central Finance Commission (Normal)- 6268-Incentive for U.I.D.A. (13 <sup>th</sup> Finance Commission)	49.94	49.94	49.94	49.94

1	2	3	4	5	6	7	8
25	37	Tourism	5452-01-190-1301-Central Finance Commission (Normal)-6558-Development of M.I.C.E. Facilities	5.00	5.00	5.00	5.00
26	37	Tourism	5452-01-190-1301-Central Finance Commission (Normal)-6573-Development of Air Services	2.00	2.00	2.00	2.00
27	40	Expenditure pertaining to Water Resources Department-Command Area Development	4705-207-0701-Centrally Sponsored Schemes (Normal)-2304-Direction and Administration	10.00	10.00	10.00	10.00
28	41	Tribal Areas Sub-Plan	13-Energy Department 4801-05-796-190-0102-Tribal Area Sub-Plan-6323- 2 Times 660 Megawatt Shri Singaji Thermal Power Project	3.08	3.08	15.40	15.40
29	45	Minor Irrigation Works	4702-800-0101-State Plan Schemes (Normal)-2304-Direction and Administration	35.40	35.40	30.22	30.22
30	48	Narmada Valley Development	4801-01-203-0101-State Plan Schemes (Normal)-6942-Omkareshwar Canal Terminal Power House	7.00	7.00	3.00	3.00
31	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-01-101-8874-Additional Provision for Drought Relief and Employment	50.00	50.00	50.00	50.00
32	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-01-103-5496-Nutritions in Drought Affected Areas	3.00	3.00	3.00	3.00
33	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	2245-80-102-1301-Central Finance Commission (Normal)-6370-Capacity Construction under 13 <sup>th</sup> Finance Commission	5.00	5.00	5.00	5.00
34	58	Expenditure on Relief on Account of Natural Calamities and Scarcity	6245-01-800-2750-Loans for redressal of Water Scarcity caused due to Natural Calamities	2.50	2.50	2.50	2.50
35	61	Expenditure pertaining to Bundelkhand Package	2700-80-800-1501-Additional Central Assistance (Normal)-8000-Disposal of Waste	99.00	99.00	200.00	200.00

1	2	3	4	5	6	7	8
36	61	Expenditure pertaining to Bundelkhand Package	4700-80-001-1501-Additional Central Assistance (Normal)-8000-Disposal of Waste	400.00	400.00	100.00	100.00
37	64	Scheduled Castes Sub-Plan	13-Energy Department 4801-05-789-190-0103-Scheduled Castes Sub Plan-6323-Two times 660 Megawatt Shri Singaji Thermal Power Project	7.02	7.02	16.80	16.80
38	64	Scheduled Castes Sub-Plan	55-Scheduled Caste Welfare Department 4225-01-789-800-0703-Centrally Sponsored Schemes (S.C.S.P.)-1400-Ashram and Hostel Buildings	3.56	3.56	3.56	3.56
39	77	Other Expenditure pertaining to School Education Department (Excluding Primary Education)	2202-02-109-0701-Centrally Sponsored Schemes (Normal)-6918-Information and Communication Technology Schools	28.80	28.80	1.20	1.20
<b>Total</b>				<b>5232.56</b>	<b>5232.56</b>	<b>4850.21</b>	<b>4850.21</b>

(Source: Appropriation Accounts)



## APPENDIX 2.12

## UNUTILISED PROVISION UNDER VARIOUS SCHEMES IN SELECTED GRANT

(REFERENCE : PARAGRAPH 2.4.2; PAGE 52)

(₹ in crore)

Sl. No.	Grant No.	Name of Scheme	Total Budget	Expenditure	Saving
1	2	3	4	5	6
<b>(A) 39-Food, Civil Supplies &amp; Consumer Protection</b>					
1	39	2408-01-001-6387-Award scheme	0.06	Nil	0.06
2	39	2408-01-102-0570-Recoupment of Losses to Cooperative Societies for sale of food grains Under Public Distribution System	15.00	Nil	15.00
3	39	2408-01-102-3248-Reimbursement of Loss to M.P. State Co-operative Marketing Federation in Procurement of Food Grains	30.20	Nil	30.20
4	39	2408-01-102-6933-Compensation of Loss in Construction of Temporary Camp	45.00	Nil	45.00
5	39	2408-01-102-0101-6627-Computerisation Project of Food Acquisition	6.50	Nil	6.50
6	39	2408-01-102-0101-7241-G. P. S. Tracking Project to Control Food Transportation	0.98	Nil	0.98
7	39	2408-01-102-0101-9214-Distribution of Iodised Salt	30.00	Nil	30.00
8	39	3475-106-0801-6113-Strengthening of Divisional Office	0.06	Nil	0.06
<b>Total (A)</b>			<b>127.80</b>		<b>127.80</b>
<b>(B) 55-Women and Child Development</b>					
9	55	2235-02-103-0801-9028-Purna Shakti Kendra Yojna	0.40	Nil	0.40
10	55	2235-02-103-0101-7063-Uplifting Skill in Adolescent Girls	1.00	Nil	1.00
11	55	4235-02-102-1501-7449-Construction of Sector level Office Buildings Cum Training Centre	13.52	Nil	13.52
12	55	4235-02-800-0701-6103-Integrated Child Protection Scheme (I.C.P.S.)	0.75	Nil	0.75
13	55	4235-02-800-0101-6791-Construction of Building for Directorate of Women and Child Development	0.50	Nil	0.50
<b>Total (B)</b>			<b>16.17</b>		<b>16.17</b>
<b>Total (A) + (B)</b>			<b>143.97</b>		<b>143.97</b>

(Source: Appropriation Accounts &amp; Detailed Account)

## APPENDIX 2.13

**RUSH OF EXPENDITURE IN SELECTED GRANT**  
**(REFERENCE : PARAGRAPH 2.4.3; PAGE 53)**

(₹ in crore)

Sl. No.	Grant No.	Head	Total Provision (After Re-appropriation)	Total Expenditure	Expenditure in last quarter (Jan-March 2014)	Percentage of Expenditure in last quarter
1	2	3	4	5	6	7
<b>(A) 39-Food, Civil Supplies &amp; Consumer Protection</b>						
1	39	2408-01-102-0101-7165-Guarantee Scheme for Food Storage	5.00	2.86	2.86	100.00
2	39	3475-106-0101-6113-Strengthening of Divisional Office	0.50	0.50	0.50	100.00
3	39	3475-106-0101-8808-Works related to Information Technology	0.10	0.09	0.09	100.00
4	39	6408-02-190-1401-7272-Construction of Godowns	188.50	121.50	88.99	73.24
<b>Total (A)</b>			<b>194.10</b>	<b>124.95</b>	<b>92.44</b>	<b>73.98</b>
<b>(B) 55-Women and Child Development</b>						
5	55	2235-02-102-0701-0658-Integrated Child Development Service Scheme	689.83	689.33	337.11	48.90
6	55	2235-02-102-0101-5643-Additional Honorarium to Anganwadi Workers and Assistants	170.29	170.01	111.31	65.47
7	55	2235-02-102-0101-6442-Atal Bal Arogya Mission	2.10	2.10	2.10	100.00
8	55	2235-02-102-0101-8808-Work related to Information Technology	0.26	0.25	0.19	76.00
9	55	2235-02-103-0801-5285-State Women Resources Centre	0.33	0.33	0.33	100
10	55	2235-02-103-0701-6103-Integrated Child Protection Scheme (I.C.P.S.)	1.82	1.68	1.34	79.76
11	55	2235-02-103-0101-6104-Monitoring and Valuation of Schemes	0.31	0.31	0.16	51.61
12	55	2236-02-101-0701-6392-Rajeev Gandhi Kishori Balika Sashaktikaran Yojna (Sabla)	140.04	140.04	61.64	44.02
13	55	4235-02-102-1301-5360-Construction of Buildings for Anganwadi Centres	54.37	54.37	31.16	57.31

1	2	3	4	5	6	7
14	55	4235-02-800-1201-6741- Madhya Pradesh Health Area Improvement Programme (Externally Aided)	33.62	33.62	27.10	80.61
15	55	4235-02-800-0101-5871-Investment in Share Capital of Madhya Pradesh Women Finance Development Corporation	1.00	1.00	1.00	100.00
<b>Total (B)</b>			<b>1093.97</b>	<b>1093.04</b>	<b>573.44</b>	<b>52.46</b>
<b>Total (A)+ (B)</b>			<b>1288.07</b>	<b>1217.99</b>	<b>665.88</b>	<b>54.67</b>

(Source: Appropriation Accounts and Departments)

## APPENDIX 3.1

DEPARTMENT-WISE POSITION OF PENDING UTILISATION CERTIFICATES  
UP TO MARCH 2014

(REFERENCE: PARAGRAPH 3.1; PAGE 57)

Sl.No	Name of Departments	Major Head	Amount (₹ in crore)
1	2	3	4
1.	Revenue	2029	1.20
2.	Social Welfare	2235	748.03
3.	Urban Administration	3604	9547.82
4.	Vidhan Sabha Secretariat	2011	1.29
5.	Public Relation	2220	1.50
6.	Rural Development	2501,2505, 2515,4515	4937.02
7.	Co-operation	6425,2425	368.66
8.	Irrigation	2702	18.69
9.	Energy	2801,2810	998.40
10.	Animal Husbandry	2403	249.31
11.	Excise	2039,2045	2.04
12.	Jail	2056	0.02
13.	Women and Child Development	2236	86.44
14.	Police	2055	2.06
15.	Religious Trusts and Endowments	2250	24.67
16.	Public Health Engineering	2215	22.76
17.	Industries	2851,2852	423.56
18.	Law and Legislative Affairs	2014	1.55
19.	Housing and Environment	2217	321.34
20.	Food and Civil Supplies	2408	5209.50
21.	Public Works Department	2216	246.81
22.	Mining and Meteorology	2853	233.42
23.	Fisheries	2405	11.12
24.	Tourism	3452	81.05
25.	Agriculture	2401,4402	464.40
26.	Labour	2230	51.42
27.	General Administration	2075,2052	93.54
28.	Economics and Statistics	3454	57.45
29.	Institutional Finance	2047	0.02
30.	Science and Technology	3425	12.26
31.	Medical Services	2210	56.78
32.	Welfare of Schedule Caste, Schedule Tribe and Other Backward Classes	2225	301.82
33.	Education Department	2202,4202	2784.41
34.	Sports and Youth Welfare	2204	10.78
35.	Rajbhasha and Culture Department	2205	0.15
36.	District Administration	2053	1.44
<b>Total</b>		<b>46 Major Heads</b>	<b>27372.73</b>

(Source: Information furnished by PAG (A&amp;E) Madhya Pradesh)

APPENDIX 3.2

DEPARTMENT-WISE/DURATION-WISE BREAK-UP OF THE CASES OF MISAPPROPRIATION, DEFALCATION ETC.  
(REFERENCE: PARAGRAPH 3.3; PAGE 59)

Sl.No.	Name of the Department	Up to 5 Years		5 to 10 Years		10 to 15 Years		15 to 20 Years		20 to 25 Years		25 Years and more		Total no. of cases	
		No. of cases	Amount (₹ in lakh)	No. of cases	Amount (₹ in lakh)	No. of cases	Amount (₹ in lakh)	No. of cases	Amount (₹ in lakh)	No. of cases	Amount (₹ in lakh)	No. of cases	Amount (₹ in lakh)	No. of cases	Amount (₹ in lakh)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	2210-Medical and Public Health	03	10.41	02	10.55	03	5.13	04	26.67	03	7.32	06	4.46	21	64.54
2	2211- Family Welfare	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	02	3.65	02	3.65
3	2054- Treasury and Accounts Administration	06	375.60	0	0.00	0	0.00	01	18.25	0	0.00	05	12.97	12	406.82
4	2215-Water Supply and Sanitation	01	0.58	03	3.85	01	0.48	0	0.00	0	0.00	0	0.00	05	4.91
5	2014- Administration of Justice	04	18.77	02	3.64	0	0.00	0	0.00	01	0.44	0	0.00	07	22.85
6	2015- Elections	0	0.00	01	5.98	0	0.00	0	0.00	01	3.77	0	0.00	02	9.75
7	2052-Secretariat General Services	0	0.00	01	26.00	0	0.00	0	0.00	0	0.00	0	0.00	01	26.00
8	2058- Stationary and Printing	0	0.00	0	0.00	0	0.00	01	0.17	0	0.00	0	0.00	01	0.17
9	2013- Council of Ministers	01	0.32	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	01	0.32
10	2055- Police	148	60.75	124	26.85	56	45.22	22	15.78	09	4.71	04	0.72	363	154.03
11	2225- Welfare of Schedule Caste, Schedule Tribe and Other Backward Classes	0	0.00	0	0.00	0	0.00	04	5.65	08	7.14	05	3.17	17	15.96
12	2235-Social Security and Welfare	0	0.00	01	1.31	01	4.04	01	0.14	02	1.24	01	1.23	06	7.96
13	2202- General Education	26	92.05	30	336.94	12	20.17	04	3.04	12	8.14	34	23.00	118	483.34
14	2203- Technical Education	04	2.57	08	17.16	03	7.64	0	0.00	0	0.00	0	0.00	15	27.37
15	2204- Sports and Youth Services	02	2.94	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	02	2.94
16	2205-Art and Culture	0	0.00	0	0.00	0	0.00	0	0.00	01	13.12	0	0.00	01	13.12
17	2230- Labour and Employment	07	4.52	01	0.36	03	6.94	0	0.00	0	0.00	0	0.00	11	11.82

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
18	2501-Special Programmes for Rural Development	0	0.00	01	42.31	0	0.00	02	1.34	01	2.90	0	0.00	04	46.55
19	2505- Rural Employment*	01	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	01	0.00
20	2403- Animal Husbandry	05	4.98	03	0.74	04	8.73	02	3.11	02	0.15	03	0.24	19	17.95
21	2401- Crop Husbandry	04	7.07	07	12.41	0	0.00	0	0.00	03	0.48	0	0.00	14	19.96
22	2406- Forestry and Wild Life	319	519.37	201	238.28	380	321.64	339	146.39	621	126.36	493	95.00	2353	1447.04
23	Public Works Department	05	23.09	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	05	23.09
24	Water Resources Department	06	6.56	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	06	6.56
25	Narmada Valley Development Department	02	0.25	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	02	0.25
<b>Total</b>		<b>544</b>	<b>1129.83</b>	<b>385</b>	<b>726.38</b>	<b>463</b>	<b>419.99</b>	<b>380</b>	<b>220.54</b>	<b>664</b>	<b>175.77</b>	<b>553</b>	<b>144.44</b>	<b>2989</b>	<b>2816.95</b>

(Source: Information maintained in AG (G&SSA) and (E&RSA), Madhya Pradesh)

\*Note: Department has not intimated the amount yet.



APPENDIX 3.3

DEPARTMENT/CATEGORY-WISE DETAILS IN RESPECT OF CASES OF  
THEFT, MISAPPROPRIATION/LOSS OF GOVERNMENT MATERIAL  
(REFERENCE: PARAGRAPH 3.3; PAGE 59)

Sl. No.	Name of Departments	Theft Cases		Misappropriation/ Loss of Government Material		Total	
		Number of Cases	Amount (₹ in lakh)	Number of Cases	Amount (₹ in lakh)	Number of Cases	Amount (₹ in lakh)
1	2	3	4	5	6	7	8
1	2210- Medical and Public Health	06	7.47	15	57.07	21	64.54
2	2211- Family Welfare	0	0.00	02	3.65	02	3.65
3	2054- Treasury and Accounts Administration	05	23.98	07	382.84	12	406.82
4	2215- Water Supply and Sanitation	03	2.71	02	2.20	05	4.91
5	2014- Administration of Justice	04	4.11	03	18.74	07	22.85
6	2015- Elections	0	0.00	02	9.75	02	9.75
7	2052-Secretariat General Services	0	0.00	01	26.00	01	26.00
8	2058- Stationary and Printing	0	0.00	01	0.17	01	0.17
9	2013- Council of Ministers	0	0.00	01	0.32	01	0.32
10	2055- Police	27	6.02	336	148.00	363	154.02
11	2225- Welfare of Schedule Caste, Schedule Tribe and Other Backward Classes	02	0.38	15	15.58	17	15.96
12	2235- Social Security and Welfare	04	2.47	02	5.50	06	7.97
13	2202- General Education	44	71.46	74	411.88	118	483.34
14	2203- Technical Education	09	12.09	06	15.28	15	27.37
15	2204- Sports and Youth Services	01	0.44	01	2.50	02	2.94
16	2205- Art and Culture	01	13.12	0	0.00	01	13.12
17	2230-Labour and Employment	09	4.83	02	6.99	11	11.82
18	2501- Special Programmes for Rural Development	01	0.43	03	46.12	04	46.55
19	2505-Rural Employment *	01	0.00	0	0.00	01	0.00
20	2406- Forestry and Wild Life	40	12.04	2313	1435.00	2353	1447.04
21	2403- Animal Husbandry	07	6.70	12	11.25	19	17.95

1	2	3	4	5	6	7	8
22	2401- Crop Husbandry	11	13.36	03	6.60	14	19.96
23	Public Works Department	03	12.59	02	10.50	05	23.09
24	Water Resources Department	06	6.56	0	0.00	06	6.56
25	Narmada Valley Development	02	0.25	0	0.00	02	0.25
Total		186	201.01	2803	2615.94	2989	2816.95

(Source: Information maintained in AG (G&SSA) and (E&RSA), Madhya Pradesh)

\*Note: Department had not intimated the amount yet.

# APPENDIX 3.4

## DEPARTMENT-WISE DETAILS OF CASES OF WRITE-OFF DURING 2013-14 (REFERENCE: PARAGRAPH 3.3; PAGE 60)

Sl. No.	Departments	Authority sanctioning write off	Brief particulars	No. of cases	Amount (in ₹)
1	2	3	4	5	6
1	2210-Medical and Public Health	Regional Director, Medical Services, Sagar	Loss due to theft of medicine in two cases, Loss due to loot in one case, Damage of Motor Vehicle due to storm	04	270829.00
2	2055-Police	Director General of Police, Police Headquarter, Bhopal	Loss due to theft of wireless sets and accidents of Motor vehicles etc.	27	502668.00
3	2225- Welfare of Schedule Caste, Schedule Tribe and Other Backward Classes	Director of Schedule Caste, Schedule Tribe and Other Backward Classes	Defalcation and Loss due to accident of Motor vehicle	02	33493.00
4	2202- General Education	Director, Public Education, MP Bhopal	Loss due to theft of four fans	01	4968.00
5	2403- Animal Husbandry	Deputy Director, Animal Husbandry, Sagar and Sidhi	Instrument/unserviceable articles/spare parts etc.	06	26329.00
6	2406- Forestry and Wild Life	Addl. P.C.C.F. Finance and Budget, M.P., Bhopal	Due to non-recovery of losses	123	950853.00
<b>Total</b>				<b>163</b>	<b>1789140.00</b>

(Source: Information maintained in AG (G&SSA) and (E&RSA), Madhya Pradesh)

## APPENDIX 3.5

**BOOKING UNDER MINOR HEAD '800-OTHER EXPENDITURE'  
(REFERENCE: PARAGRAPH 3.7; PAGE 62)**

Sl. No.	Major Head		Total Expenditure under the Major Head (₹ in crore)	Expenditure under Minor Head 800-Other Expenditure (₹ in crore)	Percentage
1	2250	Other Social Services	90.34	90.34	100
2	4875	COL on Other Industries	3.65	3.65	100
3	4070	Capital Outlay on other Administrative Services	23.35	23.35	100
4	4853	COL on Non-ferrous Mining and Metallurgical Industries	1.37	1.37	100
5	5475	Capital Outlay on other General Economic Services	0.25	0.25	100
6	2852	Industries	270.55	258.45	96
7	4701	Capital Outlay on Medium Irrigation	686.47	632.16	92
8	2702	Minor Irrigation	120.08	108.60	90
9	4700	Capital Outlay on Major Irrigation (Onkareshwar Project and canal and appurtenant works etc.)	2556.48	2280.53	89
10	2075	Miscellaneous General Services	12.82	11.42	89
11	2204	Sports and Youth Welfare Services	134.32	71.22	53
12	4515	COL on other Rural Development Programmes (M.P. Assembly Constituency Area Development Scheme, grant to MPRRDA etc.)	702.69	395.73	56
13	3454	Census Surveys and Statistics	112.09	73.25	65
14	2853	Non-ferrous Mining and Metallurgical Industries	911.36	591.34	65
15	5054	COL on Roads and Bridges	2301.40	1456.12	63
16	2705	Command Area Development	3.71	2.16	58
17	4711	COL on Flood Control Projects	6.78	3.77	56
18	2205	Art and Culture	136.29	72.07	53
		<b>Total</b>	<b>8074.00</b>	<b>6075.78</b>	

(Source: Finance Accounts 2013-14)

### APPENDIX 3.6

#### BOOKING UNDER MINOR HEAD '800-OTHER RECEIPTS' (REFERENCE: PARAGRAPH 3.7; PAGE 63)

Sl. No.	Major Head		Total Receipt under the Major Head (₹ in crore)	Receipt under Minor Head 800-Other Receipts (₹ in crore)	Percentage
1	0852	Industries	49.21	49.21	100
2	0853	Non-ferrous Mining and Metallurgical Industries	2306.17	2306.17	100
3	0801	Power	378.66	378.66	100
4	0702	Minor Irrigation	219.37	219.37	100
5	0220	Information and Publicity	0.11	0.11	100
6	0058	Stationary and Printing	22.25	22.25	100
7	0035	Taxes on Immovable Property other than Agricultural Land	666.95	666.95	100
8	0047	Other Fiscal Services	0.04	0.04	100
9	0404	Dairy Development	0.01	0.01	100
10	0211	Family Welfare	0.16	0.16	100
11	0202	Education, Sports, Art and Culture	2008.49	2005.20	100
12	0408	Food Storage And Warehousing	1.83	1.83	100
13	0235	Social Security and Welfare	8.23	8.18	99
14	0059	Public Works	46.92	46.01	98
15	0403	Animal Husbandry	4.90	4.62	94
16	0217	Urban Development	35.72	32.85	92
17	0700	Major Irrigation	27.12	21.62	80
18	0435	Other Agricultural Programmes	3.41	2.54	74
19	0075	Miscellaneous General Services	33.69	23.66	70
20	0039	State Excise	5907.39	4071.64	69
21	0515	Other Rural Development Programmes	6.05	4.08	67
22	0210	Medical and Public Health	57.76	37.69	65
23	0029	Land Revenue	366.23	237.89	65
24	0055	Police	71.92	43.47	60
25	0056	Jail	3.53	2.04	58
26	0215	Water Supply and Sanitation	10.33	5.24	51
		<b>Total</b>	<b>12236.45</b>	<b>10191.49</b>	

(Source: Finance Accounts 2013-14)

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## **GLOSSARY OF ABBREVIATIONS**

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## Glossary of Abbreviations

Sl. No.	Abbreviation	Full Form
1.	A&E	Accounts & Entitlement
2.	AB	Autonomous Bodies
3.	AC	Abstract Contingency
4.	AE	Aggregate Expenditure
5.	AG(E&RSA)	Accountant General (Economic & Revenue Sector Audit)
6.	ATIR	Annual Technical Inspection Report
7.	BCO	Budget Controlling Officer
8.	BE	Budget Estimates
9.	CAG	Comptroller and Auditor General of India
10.	CAGR	Compound Annual Growth Rate
11.	CE	Capital Expenditure
12.	CO	Controlling Officer
13.	CR	Capital Receipt
14.	DCC	Detailed Countersigned Contingency
15.	DCRF	Debt Consolidation and Relief Facility
16.	DDO	Drawing and Disbursing Officer
17.	DE	Development Expenditure
18.	DLFA	Director Local Fund Audit
19.	FD	Finance Department
20.	FRBM	Fiscal Responsibility and Budget Management
21.	GDP	Gross Domestic Product
22.	GoI	Government of India
23.	GSDP	Gross State Domestic Product
24.	IAY	Indira Awas Yojna
25.	JP	Janpad Panchayat
26.	LAO	Land Acquisition Officer
27.	MH	Major Head

28.	MP	Madhya Pradesh
29.	MPBM	Madhya Pradesh Budget Manual
30.	MPFC	Madhya Pradesh Financial Code
31.	MPFRBM	Madhya Pradesh Fiscal Responsibility and Budget Management Act, 2005
32.	MPTC	Madhya Pradesh Treasury Code
33.	MTFPS	Medium Term Fiscal Policy Statement
34.	NABARD	National Bank for Agriculture and Rural Development
35.	NCC	National Cadet Corps
36.	NPRE	Non-Plan Revenue Expenditure
37.	NSDL	National Securities Depository Limited
38.	NSSF	National Small Saving Fund
39.	NTR	Non-Tax Revenue
40.	OBC	Other Backward Classes
41.	O&M	Operation and Maintenance
42.	PAC	Public Accounts Committee
43.	PCCE	Per Capita Capital Expenditure
44.	PCDE	Per Capita Development Expenditure
45.	PCSSE	Per Capita Social Sector Expenditure
46.	PD	Personal Deposit
47.	PPP	Public Private Partnership
48.	PRE	Plan Revenue Expenditure
49.	PRI	Panchayati Raj Institutions
50.	PSUs	Public Sector Undertakings
51.	RBI	Reserve Bank of India
52.	RE	Revenue Expenditure
53.	RR	Revenue Receipts
54.	S&W	Salary and Wages
55.	SAR	Separate Audit Report
56.	SBI	State Bank of India

57.	SC	Scheduled Castes
58.	SCSP	Scheduled Caste Sub-Plan
59.	SDO	Sub Divisional Officer
60.	SFC	State Finance Commission
61.	SSA	Sarva Shiksha Abhiyan
62.	SSE	Social Sector Expenditure
63.	ST	Scheduled Tribe
64.	SYWD	Sports and Youth Welfare Department
65.	TE	Total Expenditure
66.	TFC	Twelfth Finance Commission
67.	TWD	Tribal Welfare Department
68.	UADD	Urban Administration and Development Department
69.	UC	Utilisation Certificate
70.	ULB	Urban Local Bodies
71.	VAT	Value Added Tax
72.	ZP	Zila Panchayat

