

## TABLE OF CONTENTS

Sl. No.	Contents	Paragraph	Page No.
1.	Preface		vii
2.	Executive Summary		ix
<b>CHAPTER-1: OVERVIEW</b>			
3.	Profile of the National Capital Territory of Delhi	1.1	1
4.	Gross State Domestic Product of the NCT of Delhi	1.1.1	1
5.	Basis and Approach to State Finances Audit Report	1.2	4
6.	Overview of Government Accounts Structure and Budgetary Processes	1.3	4
7.	Snapshot of Finances	1.3.1	7
8.	Snapshot of Assets and Liabilities of the Government	1.3.2	8
9.	Trends in surplus/deficit	1.4	9
<b>CHAPTER-2: FINANCES OF THE GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI</b>			
10.	Major changes in key fiscal aggregates in FY 2022-23 <i>vis-à-vis</i> FY 2021-22	2.1	11
11.	Sources and Application of Funds	2.2	12
12.	Resources of the Government of NCT of Delhi	2.3	13
13.	Receipts of the Government of NCT of Delhi	2.3.1	13
14.	Government of NCT of Delhi's Revenue Receipts	2.3.2	14
15.	Trends and growth of Revenue Receipts	2.3.2.1	14
16.	Government of NCT of Delhi's Own Resources	2.3.2.2	16
17.	Grants-in-Aid from Government of India	2.3.2.3	22
18.	Centrally Sponsored Schemes	2.3.2.4	23
19.	Single Nodal Agency	2.3.2.5	27
20.	Capital Receipts	2.3.3	27
21.	Application of Resources	2.4	28
22.	Growth and Composition of Expenditure	2.4.1	28
23.	Revenue Expenditure	2.4.2	32
24.	Major changes in Revenue Expenditure	2.4.2.1	33
25.	Committed Expenditure	2.4.2.2	34
26.	Subsidies	2.4.2.3	37
27.	Financial Assistance by GNCTD to local bodies and other Institutions	2.4.2.4	39
28.	Capital Expenditure	2.4.3	41
29.	Major Changes in Capital Expenditure	2.4.3.1	41
30.	Investment and Returns	2.4.3.2	42
31.	Reconciliation of Equity and Loans Outstanding of State Public Sector Enterprises (SPSEs), GNCTD with figures in Finance Accounts	2.4.3.3	43
32.	Adequacy of Public Expenditure	2.4.4	44
33.	Public Liability Management	2.5	45

Sl. No.	Contents	Paragraph	Page No.
34.	Funds outside Government Accounts	2.5.1	45
35.	Debt Profile: Components	2.5.2	47
36.	Maturity and Repayment of debt profile	2.5.3	47
37.	Debt Sustainability	2.6	48
38.	Conclusion	2.7	52
<b>CHAPTER-3: BUDGETARY MANAGEMENT</b>			
39.	Budget Process	3.1	53
40.	Summary of total provisions, actual disbursements and savings during the financial year 2022-23	3.1.1	54
41.	Charged and voted disbursements	3.1.2	55
42.	Appropriation Accounts	3.2	56
43.	Budget Marksmanship	3.2.1	57
44.	Integrity of budgetary and accounting process	3.3	58
45.	Unnecessary or excessive supplementary grants	3.3.1	58
46.	Unnecessary or excessive re-appropriation	3.3.2	58
47.	Unspent amount and surrendered appropriations and/or large savings/surrenders	3.3.3	59
48.	Comments on transparency of budgetary and accounting process	3.4	60
49.	Lump-sum budgetary provisions	3.4.1	60
50.	Comments on effectiveness of budgetary and accounting process	3.5	60
51.	Budget projection and gap between expectation and actual	3.5.1	60
52.	Major policy pronouncements in the budget and their actual funding for ensuring implementation	3.5.2	63
53.	Rush of expenditure	3.5.3	64
54.	Lack of utilisation of Grant under Centrally Sponsored Schemes (CSS)	3.5.4	66
55.	Review of selected Grant (“Grant No. 06-Education”)	3.6	66
56.	Recommendations	3.7	71
<b>CHAPTER 4: QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES</b>			
57.	Funds transferred directly to State implementing agencies	4.1	73
58.	Delay in submission of Utilisation Certificates	4.2	73
59.	Directorate of Social Welfare	4.2.1	75
60.	Directorate General of Health Services (DGHS)	4.2.2	75
61.	Delhi Tourism & Transportation Development Corporation Ltd (DTTDC)	4.2.3	76
62.	New Delhi Municipal Council (NDMC)	4.2.4	77
63.	Delhi Cantonment Board (DCB)	4.2.5	78
64.	Abstract Contingent bills	4.3	78

Sl. No.	Contents	Paragraph	Page No.
65.	Department of Art, Culture and Languages (DACL)	4.3.1	81
66.	Chief Electoral Office	4.3.2	82
67.	Department of Information Technology (DIT)	4.3.3	83
68.	Department of Trade and Taxes (DTT)	4.3.4	84
69.	Transport Department	4.3.5	85
70.	Personal Deposit Accounts	4.4	86
71.	District & Session Judge (DJ-4), South Court, Saket	4.4.1	87
72.	Land and Building Department	4.4.2	88
73.	Indiscriminate use of Minor Head 800	4.5	88
74.	Submission of Accounts/Separate Audit Reports of Autonomous Bodies	4.6	91
75.	Other inaccuracies in the statements of Finance Accounts	4.7	92
76.	Delhi State Finance Commission	4.8	96
<b>CHAPTER 5: STATE PUBLIC SECTOR ENTERPRISES</b>			
77.	Definition of Government Companies	5.1	97
78.	Mandate of Audit	5.2	97
79.	State Public Sector Enterprises and their contribution to the GSDP of the State	5.3	97
80.	Investment in SPSEs and Budgetary support	5.4	99
81.	Equity holding and Loans in SPSEs	5.4.1	99
82.	Market Capitalisation of Equity Investment in SPSEs	5.4.2	99
83.	Disinvestment, Restructuring and Privatisation	5.4.3	99
84.	Returns from SPSEs	5.5	99
85.	Profit earned by SPSEs	5.5.1	99
86.	Dividend paid by SPSEs	5.5.2	100
87.	Debt Servicing	5.6	101
88.	Interest Coverage Ratio	5.6.1	101
89.	Financial Performance of SPSEs	5.7	102
90.	Return on Capital Employed	5.7.1	102
91.	Return on Equity by SPSEs	5.7.2	102
92.	Return on Investment	5.7.3	103
93.	Rate of Real Return (RORR) on Government Investments	5.7.4	103
94.	SPSEs incurring losses	5.8	105
95.	Losses incurred	5.8.1	105
96.	Erosion of Capital in SPSEs	5.8.2	105
97.	Audit of State Public Sector Enterprises	5.9	106
98.	Appointment of statutory auditors of Government Companies by CAG	5.10	106
99.	Submission of accounts by the State Public Sector Enterprises	5.11	106

<b>Sl. No.</b>	<b>Contents</b>	<b>Paragraph</b>	<b>Page No.</b>
100.	Need for timely submission of Annual Report and Accounts	5.11.1	106
101.	Timeliness in preparation of accounts by Government Companies	5.11.2	107
102.	Timeliness in preparation of accounts by Statutory Corporations	5.11.3	108
103.	CAG's oversight – Audit of accounts and supplementary audit	5.12	108
104.	Financial reporting framework	5.12.1	108
105.	Audit of accounts of Government Companies by Statutory Auditors	5.12.2	108
106.	Supplementary Audit of accounts of Government Companies	5.12.3	109
107.	Result of CAG's oversight role	5.13	109
108.	Audit of accounts of Government Companies under Section 143 of the Companies Act, 2013	5.13.1	109
109.	Statutory Corporations where CAG is the sole/ supplementary auditor	5.13.2	110
110.	Conclusion	5.14	110
111.	Recommendations	5.15	110
112.	<i>List of Appendices</i>		<i>v</i>
113.	<i>Glossary of terms</i>		157

APPENDICES		
<b>Appendix 1.1</b>	Demographic Profile of the National Capital Territory of Delhi	113
<b>Appendix 1.2</b>	Time series data on the Government of NCT of Delhi finances	114
<b>Appendix 3.1</b>	Details of cases where supplementary provision (₹ one crore or more) proved unnecessary	116
<b>Appendix 3.2</b>	Excess/unnecessary re-appropriation of funds where final savings were more than ₹ 15 crore	117
<b>Appendix 3.3</b>	Details of grants having large savings (savings above ₹ 500 crore) during the year 2022-23	120
<b>Appendix 3.4</b>	Details of savings (in excess of ₹ 10 crore) that lapsed at the end of March 2023	121
<b>Appendix 3.5</b>	Details of lump sum provisions made during the year 2022-23	123
<b>Appendix 3.6</b>	Schemes for which Revised outlay (₹ one crore and above) was made but no expenditure was incurred	124
<b>Appendix 3.7</b>	Schemes for which provision (₹ one crore and above) was made but were withdrawn in revised outlay	129
<b>Appendix 3.8</b>	Grants with more than 50 <i>per cent</i> of expenditure in March alone	134
<b>Appendix 3.9</b>	Centrally Sponsored Schemes for which provision (₹ one crore and above) was made but no expenditure was incurred	135
<b>Appendix 3.10</b>	Excess/unnecessary re-appropriation of funds where final savings were more than ₹ one crore in Grant No.06-Education during the period 2020-21 to 2022-23	136
<b>Appendix 3.11</b>	Revised outlay (₹ one crore or more) remained unutilised under Grant No. 06-Education	140
<b>Appendix 3.12</b>	Rush of expenditure under Grant No. 06-Education	144
<b>Appendix 5.1</b>	List of SPSEs	146
<b>Appendix 5.2</b>	Statement showing position of equity and outstanding loans relating to State PSEs as on 31 March 2023	147
<b>Appendix 5.3</b>	Summarised financial results of State Public Sector Enterprises for the latest year for which accounts are received	149
<b>Appendix 5.4</b>	Impact of the Comments on the Profitability of Government Companies	151
<b>Appendix 5.5</b>	Impact of the Comments on Financial Position of Government Companies	153
<b>Appendix 5.6</b>	Impact of the Comments on the profitability and financial position of Statutory Corporations	155

