

**State Finances Audit Report
of the
Comptroller and Auditor General of India
for the year ended 31 March 2023**



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

**Government of National Capital
Territory of Delhi**
Report No. 2 of the year 2024

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PREFACE

PREFACE

1. This Report of the Comptroller and Auditor General of India has been prepared for submission to the Lieutenant Governor of National Capital Territory of Delhi under Section 48 of the Government of National Capital Territory of Delhi Act, 1991.
2. Chapter-1 describes the basis and approach to the Report and the underlying data, provides an overview of structure of government accounts, budgetary processes, macro-fiscal analysis of key indices and GNCT of Delhi's fiscal position including the deficits/surplus.
3. Chapters 2 and 3 of the Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively, of GNCTD for the year ended 31 March 2023. Information has been obtained from GNCTD wherever necessary.
4. Chapter-4 comments on GNCTD's compliance with various financial rules, procedure and directives during the current year.
5. Chapter-5 discusses the financial performance of Government Companies, Government controlled other company and Statutory Corporations and impact of significant comments issued as a result of supplementary audit of the financial statements of State Public Sector Enterprises (SPSEs).
6. 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.

EXECUTIVE SUMMARY

Executive Summary

About the Report

This Report of the CAG of India is on the Finances of the Government of National Capital Territory of Delhi for the year 2022-23. It provides an overview of the finances, budgetary management and quality of accounts, financial reporting practices and other matters relevant to State Finances.

This executive summary highlights the contents of this report and through snapshots of the important figures and aspects, provides insight into fiscal sustainability, performance against the budget intent, revenue and expenditure projection, the reasons for variations and its impact.

Gross State Domestic Product (GSDP) (at current prices) grew at an average growth rate of 9.29 *per cent* from ₹ 7,38,389 crore in 2018-19 to ₹ 10,43,759 crore in 2022-23. Budget Outlay of the State grew at an average growth rate of 10.08 *per cent* from ₹ 58,177.14 crore in 2018-19 to ₹ 79,128.28 crore in 2022-23.

There was 15.38 *per cent* growth in GSDP over 2021-22. The revenue receipts grew at 27.15 *per cent* and the percentage of revenue receipts over GSDP improved from 5.45 *per cent* in 2021-22 to 6.01 *per cent* in 2022-23. State's own tax revenue increased by 18.35 *per cent*. The total expenditure (revenue expenditure, capital expenditure and loans and advances) of Government of National Capital Territory of Delhi (GNCTD) increased from ₹ 56,957 crore in 2021-22 to ₹ 59,395 crore in 2022-23 increasing by 4.28 *per cent*. Of this, revenue expenditure showed 4.78 *per cent* increase from 2021-22. Revenue surplus increased from ₹ 3,270 crore to ₹ 14,457 crore registering 342.11 *per cent* increase over 2021-22, while there was a fiscal surplus of ₹ 4,566 crore in 2022-23 against a fiscal deficit of ₹ 7,021 crore in 2021-22 thereby registering an increase by 165.03 *per cent*.

Receipt-Expenditure Mismatch

The continuous mismatch between receipts and expenditure indicates rising fiscal stress. The State has different sources of receipts such as State Own Tax Revenue, Non-tax Revenue, Grants-in-aid and non-debt capital receipts. The State Government's expenditure includes expenditure on revenue account as well as capital expenditure (assets creation, loans and advances, investments, etc.).

From 2018-19 to 2022-23, revenue receipts grew from ₹ 43,113 crore to ₹ 62,703 crore, with an average annual growth rate of 11 *per cent*. Capital receipts decreased from ₹ 4,524 crore to ₹ 4,509 crore during this period. The share of Grants-in-aid in revenue receipts rose from 13.56 *per cent* in 2018-19 to 23.54 *per cent* in 2022-23, indicating increased reliance on support from the Government of India. The State Government received ₹ 981.79 crore as Central share for the Centrally Sponsored Schemes (CSSs) in the year.

Revenue expenditure is incurred to maintain the current level of services and payment for the past obligation. As such, it does not result in any addition to the State's infrastructure and service network. Between 2018-19 and 2022-23, revenue expenditure increased from ₹ 36,852 crore (4.99 *per cent* of GSDP) to ₹ 48,246 crore (4.62 *per cent* of GSDP). It consistently made up a significant portion 81 *per cent* (2022-23) to 87 *per cent* (2018-19) of the total expenditure during this period, growing at an average annual rate of 7.48 *per cent*.

Result of expenditure beyond means

The gap between the revenue receipt and revenue expenditure results in revenue surplus/ deficit. The revenue surplus of the State increased to ₹ 14,457 crore (1.39 *per cent* of GSDP) in the current year from ₹ 6,261 crore (0.85 *per cent* of GSDP) in the year 2018-19. Revenue surplus has to be seen keeping in view of the fact that, unlike other States, pension liability of ₹ 1,867 crore of GNCTD employees was borne by the Government of India during 2022-23. In addition, expenditure of ₹ 11,240 crore of Delhi Police was also borne by Ministry of Home Affairs, Government of India.

The State Government spent ₹ 8,065 crore only on capital account. This was 13.58 *per cent* of the total expenditure in the year 2022-23.

The gap between the total expenditure and total non-debt receipt of the State results in fiscal surplus/deficit. The fiscal surplus of the State increased to ₹ 4,566 crore (0.44 *per cent* of GSDP) in 2022-23 from ₹ 2,237 crore (0.30 *per cent* of GSDP) in 2018-19.

Under the revenue expenditure, the quantum of committed expenditure constitutes the largest share. Committed expenditure has the first charge on the resources and consists of interest payments, expenditure on salaries and wages and pensions. Committed expenditure on interest payments, salaries and pensions constituted around 36 *per cent* of revenue expenditure during 2018-19 to 2022-23. The Committed expenditure increased at an average rate of 7.90 *per cent* i.e. from ₹ 13,195.08 crore in 2018-19 to ₹ 17,484.05 crore in 2022-23 {an increase of 8.22 *per cent* over 2021-22 (₹ 16,155.86 crore)}.

In addition to the committed expenditure, inflexible expenditure decreased from 31.22 *per cent* to 30.4 *per cent* of revenue expenditure during 2018-19 to 2022-23, indicating a declining trend. The inflexible expenditure increased from ₹ 12,056.84 crore in 2021-22 to ₹ 14,667.45 crore in 2022-23 registering an increase of 21.65 *per cent*. The average growth of inflexible expenditure during

the period from 2018-19 (₹ 11,505.71 crore) to 2022-23 (₹ 14,667.45 crore) was 5.50 per cent.

Taken together, the committed and inflexible expenditure in 2022-23 was ₹ 32,151.50 crore; 67 per cent of the revenue expenditure. Upward trend on committed and inflexible expenditure leaves the Government with lesser flexibility for other priority sectors and capital creation.

Subsidies constitute major portion of the non-committed expenditure

Within the non-committed expenditure, there is an increasing trend of subsidies, which increased from ₹ 2,533 crore in 2018 -2019 to ₹ 4,633 crore in 2022-23 i.e., from 6.87 per cent of the total revenue expenditure in 2018-19 to 9.60 per cent in 2022-23. Power subsidies constituted a significant portion, ranging from 66.95 per cent (2019-20) to 70.39 per cent (2020-21) of the total subsidies during this period.

Fiscal sustainability

Fiscal sustainability is examined in terms of macro-fiscal parameters such as deficits, level of debt and liabilities, commitments on account of off-budget borrowings, guarantees, subsidies, etc. So far as revenue and expenditure mismatch is concerned, one of the important constraints is committed and inflexible expenditure, which includes salaries and wages, pension payments, interests, etc. and also other inflexible expenditure such as those arising out of commitment for centrally sponsored schemes, transfer to reserve funds, transfer to local bodies, etc.

Compliance with fiscal parameters

As per the debt stabilisation analysis, the outstanding public debt of GNCTD has grown on an average rate of 4.01 per cent annually from 2018-19 to 2022-23. Public debt-GSDP ratio of GNCTD has decreased from 4.44 per cent in 2018-19 to 3.86 per cent in 2022-23, which indicates that debt stabilisation may be possible in near future.

During the years 2021-22 and 2022-23, though the Domar gap (expressed as $g-r$) was positive and its value also increased from the preceding years, the primary balance was not stable displaying inter-year fluctuations till 2022-23. Therefore, the trends of strong economic growth (expressed as $g-r>0$) by only observing the Domar gap in 2021-22 and 2022-23 cannot be conclusively generalised. However, the real growth rate of GSDP (g) and Domar gap ($g-r$) during post Covid-19 year (i.e., 2021-22 and 2022-23) should be read with negative GSDP growth rate during 2020-21 resulting in low base for computation of GSDP growth rates during subsequent years. The entire proportion of public debt receipts was used for repayment for borrowings in the years 2018-19 and 2022-23 whereas during 2019-20 to 2021-22, repayment ranged from 34 per cent to 84 per cent. Thus, it becomes evident that depending solely on economic growth (expressed as $g-r>0$ from 2021-2023) would not suffice to cover the debt obligations of the State.

Budget performance

Aggregate expenditure outturn

Budget performance in terms of budgetary intent and budget implementation is examined to assess extent to which the aggregate expenditure outturn reflects the amount originally approved both in terms of excess and saving. In the Revenue section, deviation in outturn compared with Original Approved Budget (BE) was (-) 9.41 per cent. This was due to deviation up to +25 per cent in nine grants, between +25 per cent and +50 per cent in three grants; and between +50 per cent and +100 per cent in one grant. In the Capital section, deviation in outturn compared with BE was (-) 26.07 per cent. This was due to deviation up to +25 per cent in two grants, between +25 per cent and +50 per cent in five grants; and between +50 per cent and + 100 per cent in four grants. No provision was made in respect of four grants of the Capital section.

Expenditure composition outturn

Budget performance also looks at the extent to which the re-allocation between the main budget categories during the execution have contributed to variance in expenditure composition. This measure indicates the extent of variation between the sanctioned budget and the actual expenditure. In the Revenue section, deviation in outturn compared with Sanctioned Budget (SB) was (-) 12.71 per cent. This was due to deviation up to + 25 per cent in nine grants, between + 25 per cent and +50 per cent in three grants and between + 50 per cent and + 100 per cent in one grant. In the Capital section, deviation in outturn compared with SB was (-) 30.08 per cent. This was due to deviation up to + 25 per cent in two grants, between + 25 per cent and + 50 per cent in three grants, between + 50 per cent to + 100 per cent in six grants.

It was noticed that supplementary provisions of ₹ 1,999.30 crore during the year 2022-23 in eight cases (more than ₹ one crore in each case) proved unnecessary, as the expenditure did not come up even to the level of original provisions.

Overall Budget reliability assessment indicates that though the deviations between the actual expenditure and the sanctioned budget was nearly 17.84 per cent, there were deviations up to 25 per cent and even above in different grants. Moreover, it was also noticed that in several cases, there were supplementary grants where expenditure was not even up to the original grant. A reliable budget practice should be in vogue to deal with such deviations.

Quality of Accounts and Financial Reporting

Quality of accounts and financial reporting covers items, transactions and events which relate to gaps in compliance, regularity weaknesses and issues relating to delay in receipt of those accounting records or adjustment records which evidence the actual expenditure. It also highlights issues pertaining to the accounts and financial reporting such as parking of funds outside the

Government accounts, non- or short – discharging of liabilities and misclassification of transactions and data gaps.

Operation of PD Accounts

There was a closing balance of ₹ 28.80 crore in 11 Personal Deposit Accounts as of 31 March 2023.

Funds to Single Nodal Agency

The Government of India and the State Government have introduced system of Single Nodal Agency (SNA) for implementation and fund flow for each Centrally Sponsored Scheme (CSS). The share of the Government of India and the State Government is transferred to the Bank Account of the SNA lying outside the Government Account. As per information available on the PFMS portal, ₹ 2,673.03 crore (₹ 1,335.36 crore share of the Government of India and ₹ 1,337.67 crore share of the State Government) was transferred to the SNAs during 2022-23. As per data available on PFMS Portal, ₹ 902.89 crore¹ was lying unspent in the bank accounts of SNAs as on 31 March 2023.

Utilisation Certificates against conditional grants

Despite the requirement of submitting Utilisation Certificates (UCs) against conditional grants within a stipulated time period, 1,339 outstanding UCs of ₹ 9,314.85 crore were pending as on 31st March 2023.

DC bills against AC bills

Similarly, despite the requirement of submitting Detailed Contingent (DC) Bills against the advance money withdrawn through Abstract Contingent (AC) Bills, 4,818 AC bills of ₹ 574.89 crore were pending for submission of DC bills as on 31st March 2023, out of which 4,068 AC Bills amounting to ₹ 283.63 crore pertained to the period upto 2021-22.

Compliance with prevailing rules and codal provisions are meant to ensure control and accountability in accounting and financial reporting. Non-compliance and deviations impact the quality of accounting and financial reporting adversely. Non-timely submission of UCs against conditional grants; non-submission of DC bills against AC bills; non-compliance with IGAS-3; have impacted the quality of accounts adversely.

Working of State Public Sector Enterprises

As on 31 March 2023, there were 18 State Public Sector Enterprises (SPSEs) in Delhi, including two Statutory Corporations and 15 Government Companies (including four inactive Government Companies) and one Government Controlled Other Companies under the audit jurisdiction of the Comptroller and Auditor General of India (CAG). Audit noticed that the prescribed timelines

¹ The unspent balance as on 31 March 2023 updated to ₹ 822.93 crore on PFMS portal (29 February 2024).

regarding submission of Financial Statements were not adhered to by 16 SPSEs whose 23 accounts were in arrears. Out of the total profit of ₹ 1,873.65 crore earned by eight working SPSEs, 98.46 *per cent* was contributed by five SPSEs only. Out of total loss of ₹ 8,531.24 crore incurred by nine SPSEs, loss of ₹ 8,498.35 crore (99.61 *per cent*) was contributed by Delhi Transport Corporation alone. During 2022-23, the impact of CAG's comments on the financial statements of the SPSEs amounted to ₹ 180.76 crore on profitability as well as on assets/liabilities.

The State Government may impress upon the managements of SPSEs to ensure timely submission of their financial statements. In the absence of finalised accounts, Government investments in such SPSEs remain outside the oversight of the State Legislature. State Government may analyse the reasons for losses in those SPSEs whose net worth had been fully eroded and take decision about continuance of operation of these SPSEs.

CHAPTER-1
OVERVIEW

Chapter-1

Overview

1.1 Profile of the National Capital Territory of Delhi

Delhi was declared as the National Capital Territory (NCT) through the Government of National Capital Territory of Delhi Act, 1991. Delhi has an administrative structure having dual jurisdiction, i.e., of the Union Government and the State Government. There are 11 districts and 33 sub-divisions in Delhi. The NCT of Delhi covers an area of 1,483 sq. km of which 1,114 sq. km is designated as urban and 369 sq. km as rural.

As per Population Projections by National Commission on Population, Ministry of Health & Family Welfare, the State's population was 2.14 crore, which accounts for 1.54 *per cent* of the country's population and ranks 19th among States in terms of population. The population density of the State at 14,402.56 persons per sq. km. was higher than the national average of 422.26 persons per sq. km. The State's literacy rate is 86.20 *per cent* as per 2011 Census (**Appendix 1.1**).

1.1.1 Gross State Domestic Product of the NCT of Delhi

Gross State Domestic Product (GSDP) is the value of all goods and services produced within the boundaries of the State in a given period of time. Growth of GSDP is an important indicator of the State's economy, as it denotes the extent of changes in the level of economic development of the State over a period of time.

Changes in sectoral contribution to the GSDP is also important to understand the changing structure of economy. The economic activity is generally divided into Primary, Secondary and Tertiary sectors, which correspond to the agriculture, Industry and Service sectors. Trends in GSDP¹ of NCT of Delhi, are shown in **Table 1.1**; changes in sectoral contribution to GSDP and sectoral growth in GSDP are given in **Chart 1.1** and **Chart 1.2**, respectively.

¹ At current prices

Table 1.1: Trends in GSDP compared to the GDP

	(₹ in crore)				
Year	2018-19	2019-20	2020-21	2021-22	2022-23
INDIA					
GDP at current prices (2011-12 Series)	1,88,99,668	2,01,03,593	1,98,29,927	2,34,71,012	2,72,40,712
GVA	1,71,75,128	1,83,81,117	1,81,88,780	2,14,38,883	2,47,42,871
Growth rate of GDP over previous year (in per cent)	10.59	6.37	(-)-1.36	18.36	16.06
Growth rate of GVA over previous year (in per cent)	10.77	7.02	-1.05	17.87	15.41
Per capita GDP (in ₹)	1,42,424	1,49,915	1,46,301	1,71,498	1,96,983
STATE/UNION TERRITORY					
GSDP at current prices (2011-12 Series)	7,38,389	7,92,911	7,63,435	9,04,642	10,43,759
GSVA	6,47,839	7,04,369	6,74,551	7,92,859	9,16,792
Growth rate of GSDP over previous year (in per cent)	8.92	7.38	-3.72	18.50	15.38
Growth rate of GSVA over previous year (in per cent)	10.38	8.73	-4.23	17.54	15.63
Per capita GSDP (in ₹)	3,75,656	3,95,763	3,73,976	4,34,903	4,92,455

Source: MoSPI website and Directorate of Economics and Statistics, GNCTD.

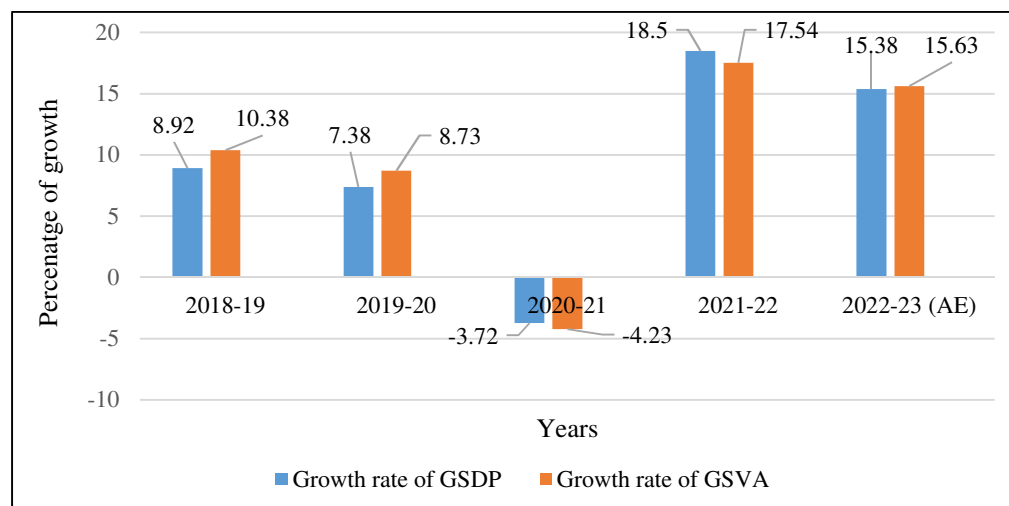
The Gross State Domestic Product (GSDP) in 2022-23 at current prices was ₹10,43,759 crore and the GDP in 2022-23 at current prices was ₹ 2,72,40,712 crore. Further, the per capita GSDP of the State for the year 2022-23 was ₹ 4,92,455 crore while that of the country was ₹ 1,96,983 crore. However, the growth in per capita GSDP of the State (31.09 per cent) during the period 2018-19 to 2022-23 could not keep pace with the growth in per capita GDP of the country (38.31 per cent) during the same period. This is evidenced from the fact that per capita GSDP of the State, which was 263.76 per cent of the per capita GDP of the country (2018-19) had decreased to 250 per cent of the per capita GDP as at the end of 2022-23.

Gross Value Added (GVA) is being used for economic analysis by Gol and international organisations like IMF and World Bank as GVA is considered better indicator of economic growth compared to GDP, as it ignores the impact of taxes and subsidies. While GDP can be and is also computed as the sum-total of the various expenditures incurred in the economy including private consumption spending, government consumption spending and gross fixed capital formation or investment spending reflecting essentially on the demand conditions in the economy. Both measures have difference in treatment of net taxes, which results in the inclusion of taxes in GDP, may differ from the real output situation. From a policymaker's perspective it is, therefore, vital to have

a comparison of the GVA and GSVA data for better analysis and making policy interventions.

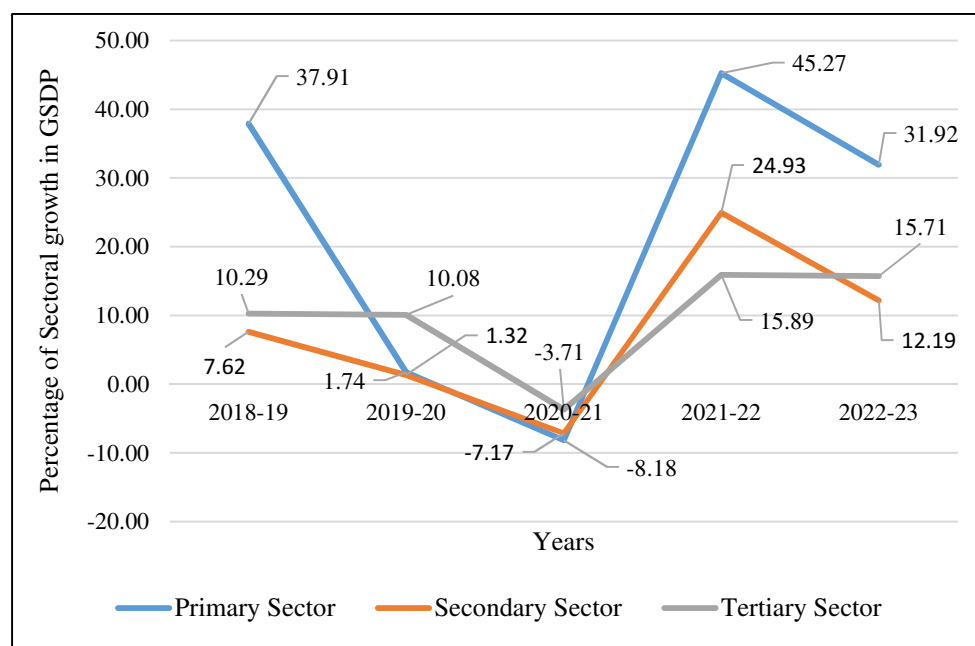
The trends of GSDP and GSVA for the period from 2018-19 to 2022-23 is indicated in the **Chart 1.1** below:

Chart 1.1: Growth rate of GSDP vs GVA during the period 2018-19 to 2022-23



Changes in sectoral contribution to the GSDP are also important to understand the changing structure of the economy. Economic activity is generally divided into primary, secondary and tertiary sectors, which correspond to the agriculture, industry and service sectors.

Chart 1.2: Sectoral growth in GSDP



Source: Estimates of State Domestic Product of Delhi 2022-23, Directorate of Economics and Statistics, GNCTD.

It is evident from **Chart 1.2** there was a decrease in the growth rate in all sectors in 2022-23 compared to previous year. Revenue surplus of GNCT of Delhi increased by ₹ 11,187 crore (342.11 *per cent*) over the previous year as detailed in **Paragraph 1.4** and **Chapter 2** of this report.

1.2 Basis and Approach to State Finances Audit Report

This Report of the Comptroller and Auditor General of India has been prepared for submission to the Lieutenant Governor of National Capital Territory of Delhi under Section 48 of the Government of National Capital Territory of Delhi Act, 1991, for being laid before the Legislative Assembly of National Capital Territory of Delhi.

Finance Accounts and Appropriation Accounts of the Government of NCT of Delhi constitute the core data for this report. Controller of Accounts, GNCTD prepare the Finance and Appropriation Accounts of the State annually. Other sources include the following:

- Budget of the Government of NCT of Delhi: for assessing the fiscal parameters and allocative priorities *vis-à-vis* projections, as well as for evaluating the effectiveness of its implementation and compliance with the relevant rules and prescribed procedures.
- GSDP and State related other statistics, Directorate of Economics and Statistics, GNCTD.
- Results of audit carried out by the office of the Principal Accountant General (Audit), Delhi.
- Various audit reports of the CAG of India have been used for analysis/commentary, as appropriate.

The Draft State Finances Audit Report was sent to the Government of NCT of Delhi in January 2024 for comments. Principal Secretary (Finance), GNCTD has been requested to intimate a convenient date for conducting the exit conference. Replies received from the State Government have been suitably incorporated in the Report.

1.3 Overview of Government Accounts Structure and Budgetary Processes

The accounts of the Government of the NCT of Delhi (GNCTD) are kept in two parts:

1. Consolidated Fund of the Government of National Capital Territory of Delhi (Section 46 of the GNCTD Act, 1991)

The fund comprises all revenues received by GNCTD, loans received from the Government of India, all grants made and all moneys received by GNCTD in

repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and in the manner provided in the Act.

2. Contingency Fund of the Government of National Capital Territory of Delhi (Section 47 of the GNCTD Act, 1991)

This Fund is in the nature of an imprest which is established by the State Legislature by law, and is placed at the disposal of the Lieutenant Governor to enable advances to be made for meeting unforeseen expenditure, pending authorisation of such expenditure by the State Legislature.

Besides, all other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. As there is no Public Account separately for the Government of NCT of Delhi, transactions related to Public Account (Deposits, Advances, Reserve Funds, Remittances and Suspense) are merged in the Public Account of the Union Government. The closing balance of the GNCTD is merged with and forms part of the general cash balance of the Union Government and is treated as lying in deposit with the Union Government. The fiscal liabilities of the Government of NCT of Delhi comprise largely of share of small savings collections.

Delhi is not covered under the recommendations of the Central Finance Commission, and it gets grants-in-aid in lieu of State's share of Union taxes and duties.

Budget Document

Revenue receipts consist of GNCTD's tax revenue, non-tax revenue and grants-in-aid from Government of India (GoI).

Revenue expenditure consists of all those expenditures of the government, which do not result in creation of physical or financial assets. It relates to those expenses incurred for the normal functioning of the government departments and providing various services, interest payments on debt incurred by the government, and grants-in-aid given to various institutions (even though some of the grants may be meant for creation of assets).

Capital receipts of GNCTD include recoveries of loans and advances, receipts through loan from GoI and miscellaneous capital receipts. GNCTD is not empowered to raise loans in the open market. All loans required are advanced to it from the Consolidated Fund of India.

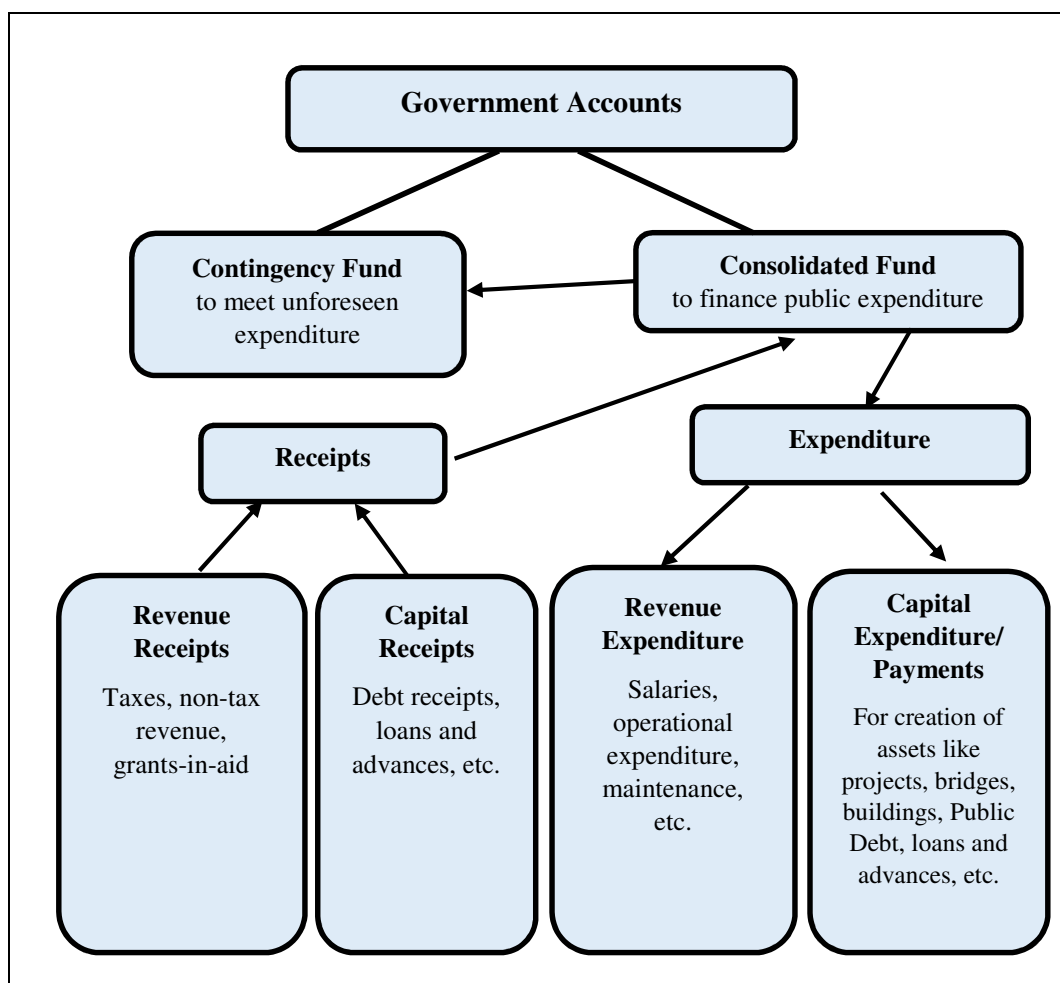
Capital expenditure broadly defined as expenditure incurred with the object of increasing concrete assets of a material and permanent character. It includes expenditure on the acquisition of land, building, machinery, equipment, investment in PSUs.

At present we have an accounting classification system in Government that is both functional and economic.

	Attribute of transaction	Classification
Standardised in List of Major and Minor Heads by CGA	Function-Education, Health etc./Department	Major Head (4-digit)
	Sub-Function	Sub-Major Head (2-digit)
	Programme	Minor Head (3-digit)
Flexibility left for States	Scheme	Sub-Head(2-digit)
	Sub-Scheme	Detailed-Head(2-digit)
	Economic nature/Activity	Object-Head-Salary, Minor works etc.(2-digit)

The functional classification let us know the department, function, scheme or program, and object of the expenditure. Economic classification helps organize these payments as revenue, capital, debt etc. Economic classification is achieved by the numbering logic embedded in the first digit of 4-digit Major Heads. For instance, 0 and 1 is for revenue receipts, 2 and 3 for revenue expenditure etc. Economic classification is also achieved by an inherent definition and distribution of some object heads. For instance, generally “Salary” object head is revenue expenditure, “Construction” object head is capital expenditure. Object head is the primary unit of appropriation in the budget documents.

Chart 1.3: Structure of Government Accounts of GNCTD



Budgetary Processes

In terms of Section 27 of the GNCTD Act, 1991, the Lieutenant Governor of NCTD, in respect of every financial year shall cause to be laid before the Legislative Assembly, a statement of the estimated receipts and expenditure of the Capital for that year, in the form of an Annual Financial Statement.

In terms of Section 28 of the above Act, the statement is submitted to the State Legislature in the form of Demands for Grants/Appropriation and after approval of these, the Appropriation bill is passed by the State Legislature under Section 29 of the Act to provide for appropriation of the required moneys out of the Consolidated Fund.

Results of audit scrutiny of the budget and implementation of other budgetary initiatives of the GNCTD are detailed in **Chapter 3** of this Report.

1.3.1 Snapshot of Finances

Table 1.2 provides the details of actual financial results *vis-à-vis* budget estimates and actuals for the year 2022-23 and actuals of 2021-22.

The details of receipts and disbursements as well as the overall fiscal position during the last five years are given in **Appendix 1.2**.

Table 1.2: Actual financial results *vis-à-vis* budget estimates

(₹ in crore)

Sl. No.	Components	2021-22 Actuals	2022-23			
			Budget Estimates	Actuals	Percentage of actuals to BE	Percentage of actuals to GSDP
1.	Tax Revenue	40,019	47,700	47,363	99.29	4.54
2.	Non-tax Revenue	827	1,000	581	58.10	0.06
3.	Grants-in-aid and Contributions	8,467	12,589	14,759	117.24	1.41
4.	Revenue Receipts (1+2+3)	49,313	61,289	62,703	102.31	6.01
5.	Recovery of Loans and Advances	623	602	1,258	208.97	0.12
6.	Borrowings and other Liabilities ^(a)	7,021	10,200	(-)4,566	(-)44.76	(-)0.44
7.	Capital Receipts (5+6)	7,644	10,802	(-)3,308	(-)30.62	(-)0.32
8.	Total Receipts (4+7)	56,957	72,091	59,395	82.39	5.69
9.	Revenue Expenditure, of which	46,043	53,688	48,246	89.86	4.62
10.	Interest payments	3,274	3,271	3,266	99.85	0.31
11.	Capital Expenditure	8,311	12,385	8,065	65.12	0.77
12.	Loans and advances	2,603	9,727	3,084	31.71	0.30
13.	Total Expenditure (9+11+12)	56,957	75,800	59,395	78.36	5.69
14.	Revenue Surplus/ (4-9)	3,270	7,601	14,457	190.20	1.39
15.	Fiscal Deficit (-)/Surplus(+) {(4+5)-13}	(-) 7,021	(-)13,909	4,566	(-)32.83	0.44
16.	Primary Deficit (-)/Surplus (+) (15+10)	(-) 3,747	(-)10,638	7,832	(-)73.62	0.75

- (a) Borrowings and other liabilities: Net (Receipts - Disbursements) of Public Debt and Net of Opening and Closing Cash Balance merged with General Cash Balance of GoI. For the year 2021-22, the Effective Borrowing and other Liabilities would be ₹ 828 crore as the Department of Expenditure, GoI had decided that GST compensation of ₹ 6,193 crore given to State as back to back loan under debt receipts would not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. No such back to back loan was received during 2022-23.

GST compensation is the revenue of the State Government under GST (Compensation to States) Act, 2017. It received GST compensation of ₹ 12,817 crore during 2022-23 as revenue receipts towards ‘Compensation for Loss of Revenue arising out of implementation of GST’.

Government of NCT of Delhi registered revenue surplus during 2018-19 to 2022-23. Pension liabilities of GNCTD employees of ₹ 1,867 crore was borne by GoI, unlike other States. In addition, expenditure of Delhi Police of ₹ 11,240 crore was also borne by Ministry of Home Affairs, GoI. If both the expenditure are taken in account the revenue surplus of ₹ 14,457 crore would have reduced to revenue surplus of ₹ 1,350 crore.

1.3.2 Snapshot of Assets and Liabilities of the Government

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. The assets comprise mainly the capital expenditure, loans and advances given by the GNCTD and cash balances. The liabilities consist only of loans and advances from the GoI. The summarised position of assets and liabilities is given in **Table 1.3:**

Table 1.3: Summarised position of Assets and Liabilities

(₹ in crore)

Liabilities					Assets				
		2021-22	2022-23	Per cent increase			2021-22	2022-23	Per cent increase
Consolidated Fund									
A	Loans and Advances from Central Government	53,844*	52,380	-2.72	a	Gross Capital Expenditure	83,294	91,359	9.68
B	Balance of capital outlay adopted from CGA during 1994-95	1,588	1,588	0	b	Loans and Advances	72,454	74,280	2.52
C	Balance of loans and advances adopted from CGA during 1994-95	3,356	3,356	0	c	Closing balance merged with the general cash balance of Government of India	11,349	14,451	27.32
D	Cumulative Surplus in Revenue Account	1,08,309	1,22,766	13.35					
Total		1,67,097	1,80,090		Total		1,67,097	180,090	

Note: The assets amounting to ₹ 83,294 crore and ₹ 91,359 crore as on 31 March 2022 and 31 March 2023, respectively under the head ‘Gross Capital Outlay’ include an amount of ₹ 1,588 crore which were adopted during 1994-95 from the Office of Controller General of Accounts. Similarly, Loans and Advances depicted on assets side amounting to ₹ 72,454 crore and ₹ 74,280 crore as on 31 March 2022 and 31 March 2023, respectively include ₹ 3,356 crore adopted during 1994-95 from the Office of Controller General of Accounts.

*This includes an amount of ₹ 5,865 crore and ₹ 6,193 crore of back to back loans in lieu of GST compensation shortfall from GoI during 2020-21 and 2021-22, respectively with no repayment liability for the State.

1.4 Trends in surplus/deficit

Charts 1.4 and 1.5 give trends in surplus/deficit indicators and the surplus/deficit/ trends relative to GSDP during the period 2018-19 to 2022-23.

Chart 1.4: Trends in surplus/deficit indicators over the period 2018-19 to 2022-23

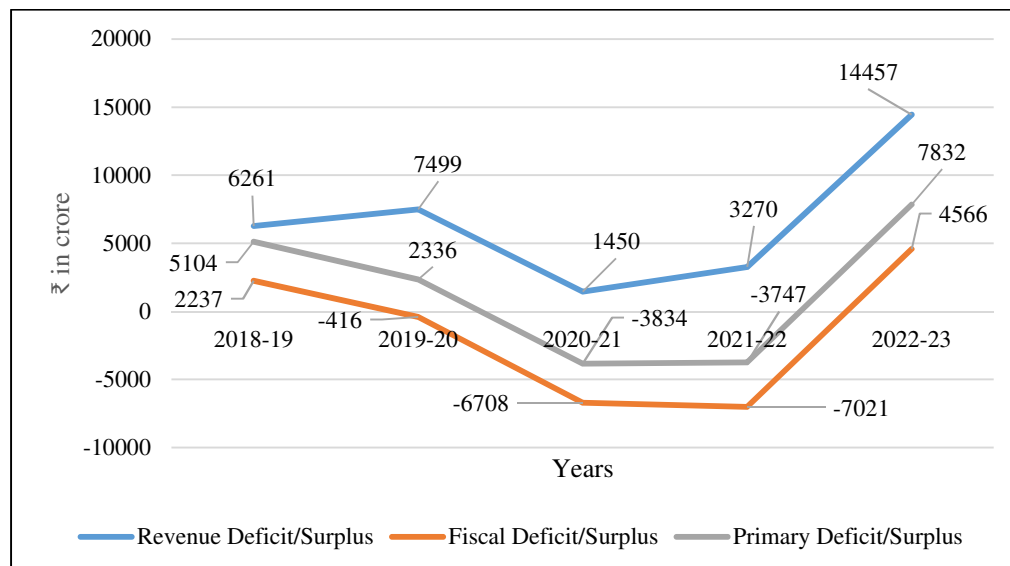
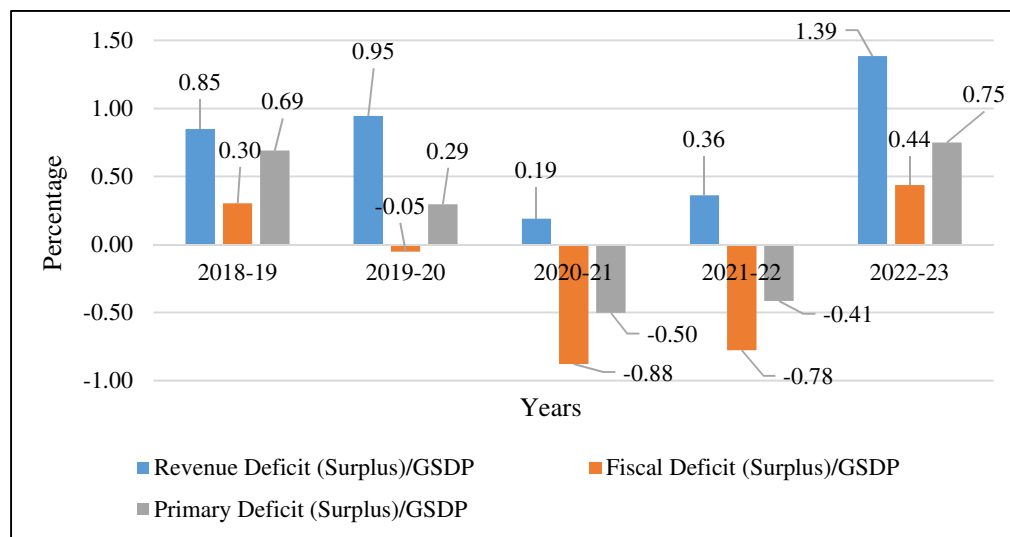


Chart 1.5: Trends in deficit indicators relative to GSDP over the period 2018-19 to 2022-23



It can be seen from **Chart 1.4**, fiscal surplus of ₹ 2,237 crore during 2018-19, which turned to deficit of ₹ 416 crore during 2019-20 and deficit of ₹ 6,708 crore during 2020-21, which further dipped to a deficit of ₹ 7,021 crore during 2021-22. However, during 2022-23 there was a fiscal surplus of ₹ 4,566 crore, which was mainly due to increase in revenue receipts by 27.15 per cent in 2022-23 over the previous year. Further, as per **Chart 1.5**, Fiscal surplus stood at 0.44 per cent of GSDP in 2022-23 as against fiscal deficit of (-) 0.78 per cent of GSDP in 2021-22

CHAPTER-2

**FINANCES OF THE GOVERNMENT
OF NATIONAL CAPITAL
TERRITORY OF DELHI**

Chapter-2

Finances of the Government of National Capital Territory of Delhi

This chapter provides a broad perspective of the finances of the Government of National Capital Territory of Delhi (GNCTD) during FY 2022-23 and analyses changes in the key fiscal aggregates as compared to the previous year, keeping in view the overall trends during the last five years.

2.1 Major changes in key fiscal aggregates in FY 2022-23 vis-à-vis FY 2021-22

This section gives a bird's eye view of the major changes in key fiscal aggregates of the GNCTD during the financial year, compared to the previous year. Each of these indicators have been analysed in the succeeding paragraphs. Major changes in key fiscal aggregates in FY 2022-23 compared to FY 2021-22 are given in **Table 2.1**:

Table 2.1: Changes in key fiscal aggregates of GNCTD in FY 2022-23 compared to FY 2021-22

Revenue Receipts	<ul style="list-style-type: none">✓ Revenue receipts increased by 27.15 per cent.✓ Own Tax receipts increased by 18.35 per cent.✓ Non-tax receipts decreased by 29.75 per cent.✓ Grants-in-Aid from Government of India increased by 74.31 per cent.
Revenue Expenditure	<ul style="list-style-type: none">✓ Revenue expenditure increased by 4.78 per cent.✓ Revenue expenditure on General Services increased by 5.31 per cent.✓ Revenue expenditure on Social Services increased by 3.36 per cent.✓ Revenue expenditure on Economic Services increased by 1.02 per cent.✓ Expenditure on Grants-in-Aid increased by 24.66 per cent.
Capital Receipts	<ul style="list-style-type: none">✓ Debt Capital Receipts decreased by 70.95 per cent.✓ Non-debt Capital Receipts increased by 101.94 per cent.
Capital Expenditure	<ul style="list-style-type: none">✓ Capital expenditure decreased by 2.95 per cent.✓ Capital expenditure on General Services increased by 67.32 per cent.✓ Capital expenditure on Social Services decreased by 9.79 per cent.✓ Capital expenditure on Economic Services decreased by 0.05 per cent.
Loans and Advances	<ul style="list-style-type: none">✓ Disbursement of Loans and Advances increased by 18.46 per cent.✓ Recoveries of Loans and Advances increased by 101.94 per cent.
Public Debt	<ul style="list-style-type: none">✓ Public Debt Receipts decreased by 34.97¹ per cent.✓ Repayment of Public Debt increased by 11.86 per cent.

¹ Arrived after exclusion of ₹ 6,193 crore received as back to back loans under debt receipts for the year 2021-22.

2.2 Sources and Application of Funds

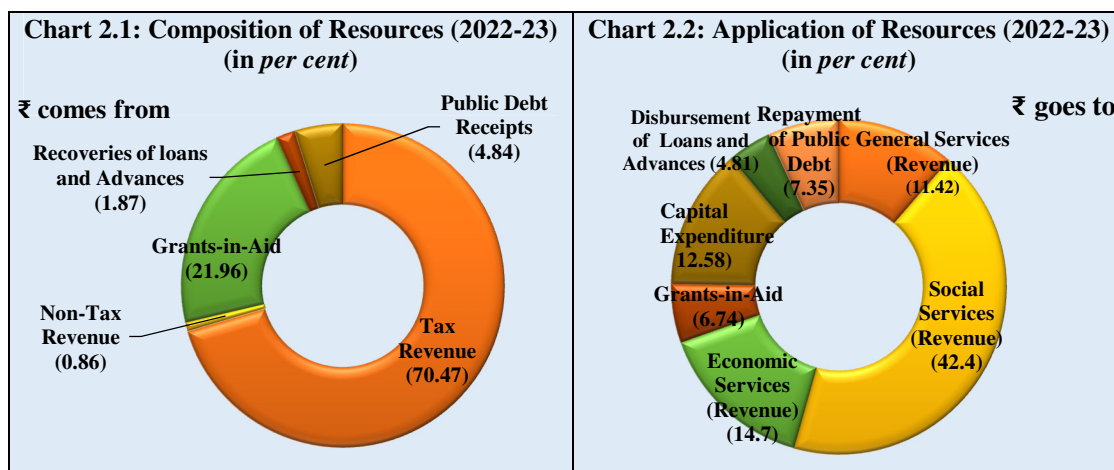
This section compares the components of the sources and application of funds of the Government of NCT of Delhi during the financial year compared to the previous year. Details of sources and application of funds during 2021-22 and 2022-23 are shown in **Table 2.2**, **Chart 2.1** and **Chart 2.2**.

Table 2.2: Details of Sources and Application of funds during 2021-22 and 2022-23

(₹ in crore)				
	Particulars	2021-22	2022-23	Increase/Decrease (in per cent)
Sources	Opening Balance	11,393	11,349	(-) 0.39
	Revenue Receipts	49,313	62,703	27.15
	Recoveries of Loans and Advances	623	1,258	101.93
	Public Debt Receipts (Net)	6,977	(-) 1,464 ²	(-) 286.73 ³
	Total	68,306	73,846	8.11
Application	Revenue Expenditure	46,043	48,246	4.78
	Capital expenditure	8,311	8,065	(-)2.96
	Disbursement of Loans and Advances	2,603	3,084	18.48
	Closing Balance ⁴	11,349	14,451	27.33
	Total	68,306	73,846	8.11

Source: Finance Accounts of respective years

Composition and application of resources in the Consolidated Fund of the State during 2022-23 is given in **Chart 2.1** and **Chart 2.2**.



² Due to reduction in the public debt receipt by ₹7,941.45 crore (70.95 per cent) 2022-23 as compared to the previous year.

³ Arrived at after exclusion of ₹ 6,193 crore received as back to back loans under debt receipts for the years 2021-22 with no repayment liability of the State. There was no back to back loan from GoI during 2022-23.

⁴ The closing balance of National Capital Territory of Delhi of ₹ 14,451 crore is depicted under the major head '8450: Balance Account of Union Territories' which gets merged in the Union cash balance.

2.3 Resources of the Government of NCT of Delhi

The resources of the Government of NCT of Delhi are described below:

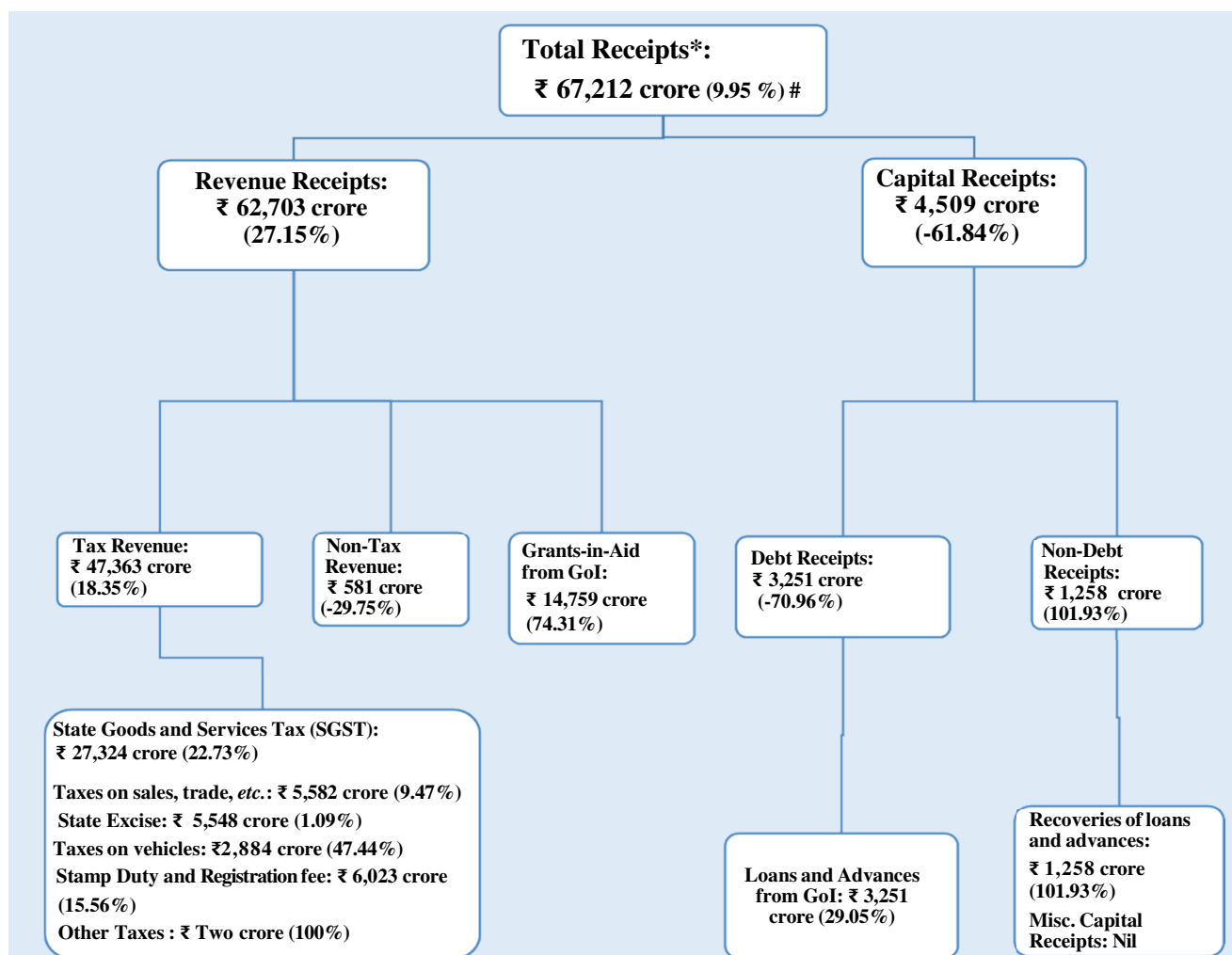
1. **Revenue receipts** consist of tax revenue, non-tax revenue and grants-in-aid from the Government of India (GoI).
2. **Capital receipts** (debt and non-debt receipts) of Government of NCT of Delhi include recoveries of loans and advances disbursed to PSUs etc., receipts through loan from GoI and miscellaneous capital receipts.

Both revenue and capital receipts form part of the Consolidated Fund of the Government of NCT of Delhi.

2.3.1 Receipts of the Government of NCT of Delhi

The composition of overall receipts is given in **Chart 2.3**.

Chart 2.3: Composition of receipts of the Government of NCT of Delhi during 2022-23



*excluding Opening balance and Contingency Fund

#figures in parenthesis indicate the growth rate over the previous year

2.3.2 Government of NCT of Delhi's Revenue Receipts

Revenue receipts consist of the Government of NCT of Delhi's tax and non-tax revenues and grants-in-aid from GoI.

2.3.2.1 Trends and growth of Revenue Receipts

The trends in growth of revenue receipts, revenue receipts relative to GSDP, buoyancy ratio and composition of revenue receipts are given in **Table 2.3** and **Chart 2.4**.

Table 2.3: Trends in Revenue Receipts

Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Receipts (RR)	43,113	47,136	41,864	49,313 ⁵	62,703
Rate of growth of RR (per cent)	11.50	9.33	(-)11.18	17.79	27.15
Own Tax Revenue (a)	36,625	36,566	29,425	40,019	47,363
Own Non-Tax Revenue (b)	644	1,097	980	827	581
Own revenue (a + b)	37,269	37,663	30,405	40,846	47,944
Rate of growth of Own Revenue (per cent)	2.15	1.06	(-)19.27	34.34	17.38
Grants-in-Aid from GoI	5,844	9,473	11,459	8,467	14,759
Rate of growth of Grants-in-Aid from GoI (per cent)	167.58	62.10	20.96	(-) 26.11	74.31
Gross State Domestic Product (GSDP) (2011-12 Series)	7,38,389	7,92,911	7,63,435	9,04,642	10,43,759
Rate of growth of GSDP (per cent)	8.92	7.38	(-) 3.72	18.50	15.38
RR/GSDP (per cent)	5.84	5.94	5.48	5.45	6.01
Buoyancy Ratios⁶					
Revenue Buoyancy w.r.t GSDP	1.29	1.26	*	0.96	1.77
Government of NCT of Delhi's Own Revenue Buoyancy w.r.t GSDP	0.24	0.14	*	1.86	1.13

Source: Directorate of Economics and Statistics GNCTD.

* Since growth rate of GSDP was negative hence buoyancy was not calculated.

⁵ GST compensation is the revenue of the State Government under GST (Compensation to States) Act, 2017. Delhi also received back to back loan of ₹5,865 crore and ₹ 6,193 crore during 2020-21 and 2021-22, respectively under debt receipts of GNCTD with no repayment liability for the State. Due to this arrangement, revenue may be read in conjunction with debt receipt in lieu of GST compensation.

⁶ 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 with respect to GSDP at 1.77 implies that revenue receipts tend to increase by 1.77 percentage points, if the GSDP increases by one *per cent*.

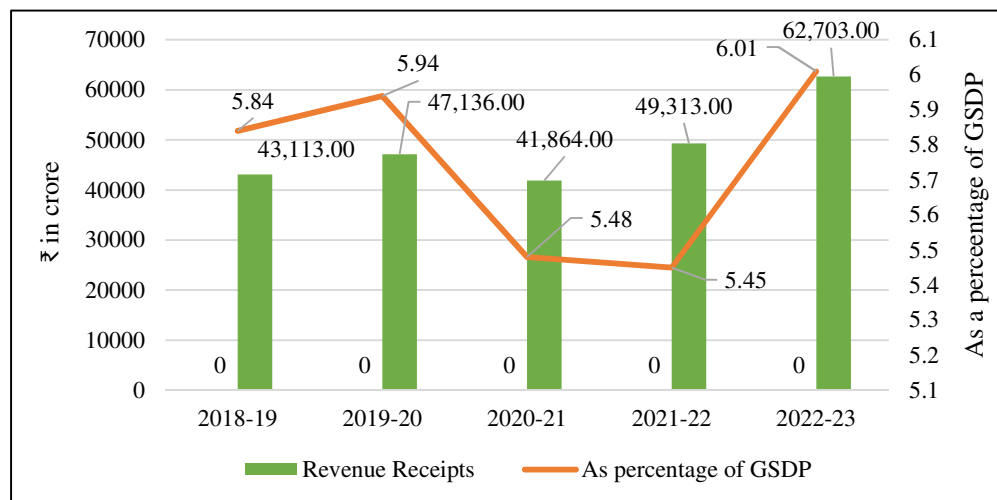
Revenue receipts increased by 45.44 *per cent* from ₹ 43,113 crore in 2018-19 to ₹ 62,703 crore in 2022-23 at an annual average growth rate of 11 *per cent*. The increase in revenue receipts was mainly attributable to the growth in own tax revenue by ₹10,738 crore (29.32 *per cent*) from 2018-19 to 2022-23.

Grants-in-aid from GoI, on the other hand, increased by ₹ 8,915 crore (152.55 *per cent*) during the period 2018-19 to 2022-23. It however, increased by ₹ 6,292 crore (74.31 *per cent*) in the year 2022-23 as compared to 2021-22 mainly due to enhanced compensation of ₹ 6,371.06 crore (98.84 *per cent*) over the previous year for loss of revenue arising out of implementation of GST.

During 2022-23, revenue receipts increased by ₹ 13,390 crore (27.15 *per cent*) over the previous year, mainly due to increase in own tax revenue by ₹ 7,344 crore (18.35 *per cent*) and Grants in aid from Central Government by ₹ 6,292 crore (74.31 *per cent*).

The share of GNCTD's own tax revenue to total revenue receipts decreased from 84.95 *per cent* in 2018-19 to 75.54 *per cent* in 2022-23. This is attributable to increase in growth rate of revenue receipts (45.44 *per cent*) as compared to the growth of own tax revenue (29.32 *per cent*) during the said period. During 2018-19, about 86.44 *per cent* of revenue receipts came from GNCTD's own resources while Grants-in-aid contributed 13.56 *per cent*. In the year 2022-23, about 76.46 *per cent* of revenue receipts came from GNCTD's own resources while grants-in-aid contributed 23.54 *per cent*.

Chart 2.4: Trends in Revenue Receipts relative to GSDP during 2018-2023



NCT of Delhi's GSDP increased from ₹ 7,38,389 crore in 2018-19 to ₹ 10,43,759 crore (41.36 *per cent*) in 2022-23. As compared to 2021-22, GSDP (₹ 9,04,642 crore) increased to ₹ 10,43,759 crore (15.38 *per cent*) in 2022-23. As evident from **Chart 2.4**, Revenue receipts as percentage of GSDP increased from 5.84 *per cent* in 2018-19 to 6.01 *per cent* in 2022-23. Revenue receipts as a percentage of GSDP showed increasing trend from 2018-19 to

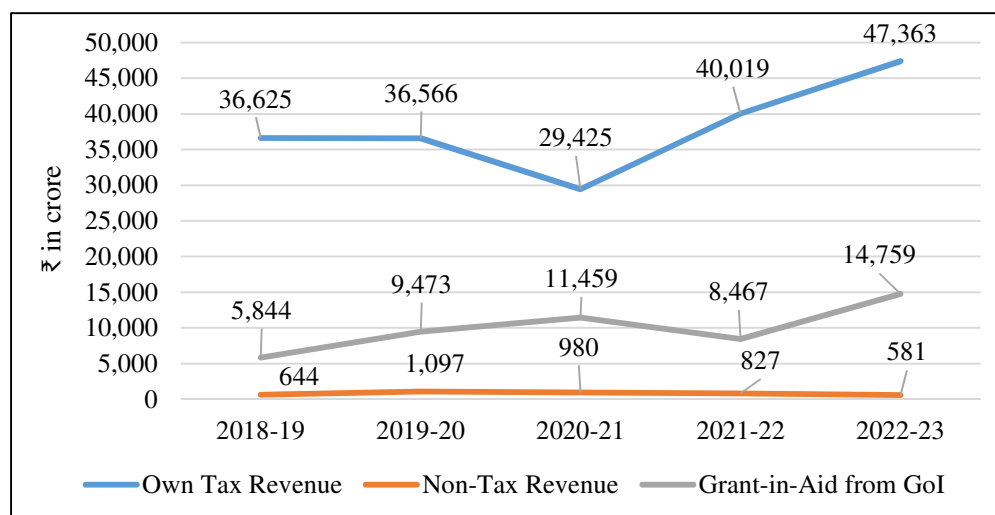
2019-20 but decreased in 2020-21. It remained almost static during 2021-22 and then increased in 2022-23. The sharp rise in Revenue receipts as a percentage of GSDP in 2022-23 is attributable to increase in own tax revenue by 18.35 per cent and Grants in aid from Central Government by 74.31 per cent over the previous year.

Revenue buoyancy with respect to GSDP increased from 1.29 in 2018-19 to 1.77 in 2022-23. The State's own revenue buoyancy with respect to GSDP increased from 0.24 in 2018-19 to 1.13 in 2022-23.

The increase in GIA during the current year 2022-23 over the previous year was mainly due to substantial increase in GST compensation from ₹ 6,445.95 crore (2021-22) to ₹ 12,817.01 crore (2022-23) .

Trends of components of revenue receipts are shown in **Chart 2.5**.

Chart 2.5: Trends of components in State's Revenue Receipts



Source: Finance Accounts

Own tax revenue remained almost same for the FY 2018-19 to 2019-20 but decreased in 2020-21 and increased significantly by ₹ 7,344 crore (18.35 per cent) in 2022-23 as compared to 2021-22 due to increased receipts of SGST (₹ 5,061 crore) and enhanced receipts under State Motor Vehicle Taxation Act (₹ 842.50 crore).

Non-tax revenue increased from ₹ 644 crore in 2018-19 to ₹ 1,097 crore in 2019-20 but showed decreasing trend from ₹ 980 crore in 2020-21 to ₹ 581 crore in 2022-23 mainly due to decrease in interest receipts by ₹ 297.67 crore (83.71 per cent).

2.3.2.2 Government of NCT of Delhi's own resources

Government of NCT of Delhi's performance in mobilisation of resources is assessed in terms of its own resources comprising revenue from its own tax and non-tax sources.

Own Tax Revenue

Own tax revenues of the Government of NCT of Delhi consist of State GST, State excise, Taxes on vehicles, Stamp duty and Registration fee, Land revenue, etc. The trend of components of own tax revenue of the Government of NCT of Delhi during the period 2018-19 to 2022-23 is presented in **Table 2.4** and **Chart 2.6**.

Chart 2.6: Trend of own Tax Revenue during the period 2018-19 to 2022-23

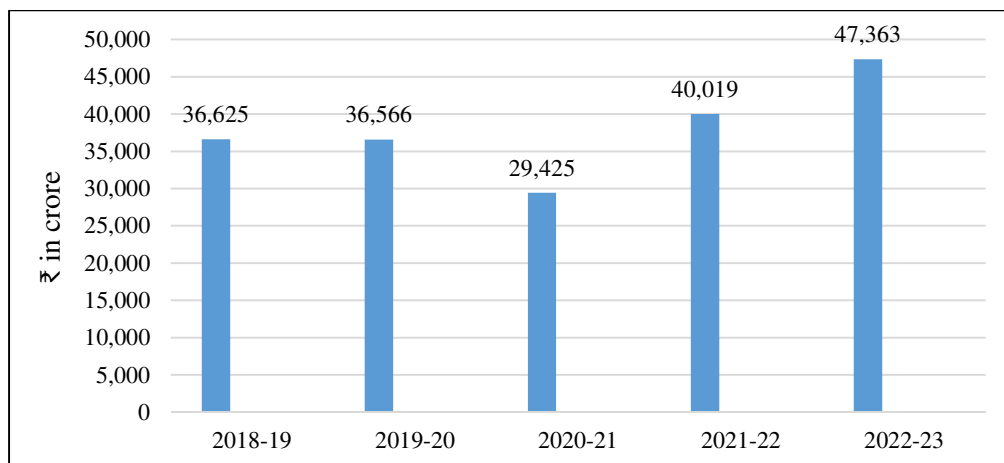


Table 2.4: Components of Government of NCT of Delhi's own tax revenue

						(₹ in crore)
Revenue Head	2018-19	2019-20	2020-21	2021-22	2022-23	Spark line
State Goods and Services Tax (SGST)	19,187	19,465	15,676	22,263	27,324	
Taxes on Sales, Trade, etc.	5,886	5,475	4,411	5,099	5,582	
State Excise	5,028	5,068	4,108	5,488	5,548	
Taxes on Vehicles	2,055	1,948	1,676	1,956	2,884	
Stamp duty and Registration fee	4,459	4,606	3,549	5,212	6,023	
Land Revenue	0	3	4	0	0	
Other Taxes ⁷	10	1	1	1	2	
Tax Revenue	36,625	36,566	29,425	40,019	47,363	

Source: Finance Accounts of the respective years

⁷ Other taxes include Entertainment tax, Betting tax, Luxury tax and Cable tax.

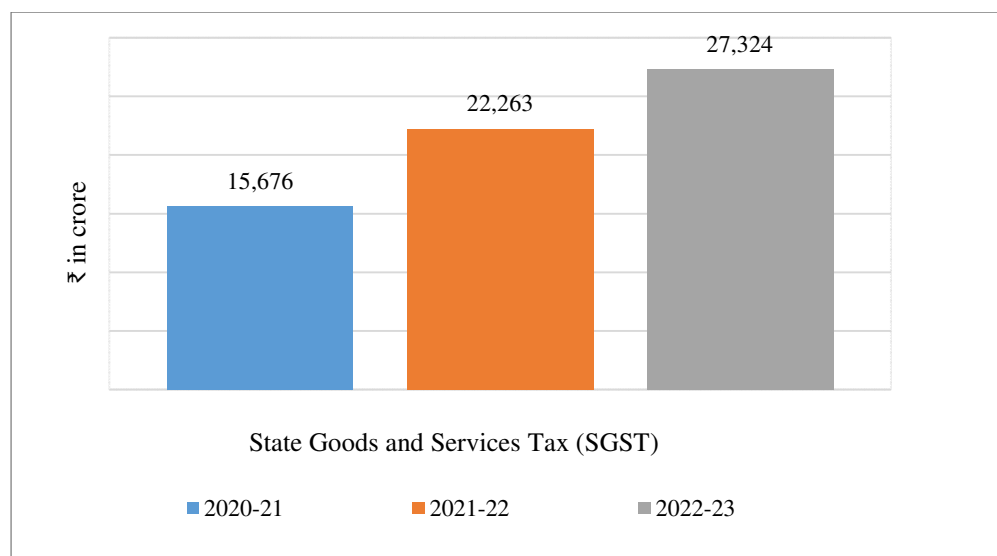
Table 2.5: GNCTD's actual own tax revenue vis-à-vis BE/RE for the year 2022-23

Revenue head	BE (as per Receipts Budget 2022-23) (₹ in crore)	RE (as per Receipts Budget 2023-24) (₹ in crore)	Actuals (₹ in crore)	Difference between BE and Actuals (₹ in crore)	Difference between RE and Actuals (₹ in crore)	Percentage vis-à-vis BE (+) Excess (-) Shortfall	Percentage vis-à-vis RE (+) Excess (-) Shortfall
State Goods and Services Tax (SGST)	26,000	28,000	27,324	1,324	(-676)	5.09	(-)2.41
Taxes on Sales, Trade, etc.	5,200	5,200	5,582	382	382	7.35	7.35
State Excise	9,500	6,500	5,548	(-)3,952	(-)952	(-)41.6	(-)14.65
Taxes on Vehicles	2,000	2,750	2,884	884	134	44.2	4.87
Stamp duty and Registration fee	4,997	5,998	6,023	1,026	25	20.53	0.42
Land Revenue	3	2	0	(-)3	(-)2	(-)100	(-)100
Other taxes	0	0	2	2	2	-	-
Total	47,700	48,450	47,363⁸	(-) 337	(-)1,087	(-)0.71	(-)2.24

Other taxes include Entertainment tax, Betting tax, Luxury tax and Cable tax.

During 2022-23, there was shortfall in State Excise and Land Revenue vis-à-vis the Budget Estimates.

Chart 2.7: Trends in SGST Collection



SGST collection increased by ₹ 5,061 crore (22.73 per cent) from ₹ 22,263 crore in 2021-22 to ₹ 27,324 crore in 2022-23. This was mainly attributable to increase in the input tax credit cross utilisation of SGST and IGST by ₹ 2,628 crore coupled with increase in apportionment of IGST by ₹ 483 crore over the previous year.

⁸ Actual Tax buoyancy during 2022-23 was 1.19 as against estimate of 0.71. (Growth rate in BE / growth rate in GSDP).

As per the books of RBI the amount of SGST is ₹ 27,324.11 crore, which matched the depiction in GNCTD Finance Accounts.

Integrated Goods and Services Tax (IGST)

GNCTD receives funds towards settlement of IGST collected by the Centre on the basis of cross utilisation of Input Tax Credit of IGST and SGST/UTGST and apportionment from Government of India, which is accounted for under SGST. Out of ₹ 27,324 crore received under SGST during 2022-23, ₹ 14,665 crore was received as IGST. The details of funds received during the years 2020-21, 2021-22 and 2022-23 are given in **Table 2.6**:

Table 2.6: IGST trends for the period 2020-21 to 2022-23

(₹ in crore)			
Head	2020-21	2021-22	2022-23
Input Tax Credit	2,626	3,761	6,389
Apportionment of IGST (Tax)	3,454	6,820	7,289
Apportionment of IGST (Interest)	0	5	19
Advance Apportionment of IGST	1,593	1,413	968
Total	7,673	11,999	14,665

Arrears of revenue

Arrears of revenue indicate delayed realisation of revenue due/payable to the Government. The details of arrears of revenue as on 31 March 2023 under the Major Head '0040-Taxes on Sales, Trade', etc., as per information furnished by the Department of Trade and Taxes, GNCTD amounted to ₹ 70,410 crore, of which ₹ 46,037 crore was outstanding for more than five years.

Arrears of assessment

Arrears of assessment indicate potential revenue which is blocked due to delayed assessment. The details of cases pending at the beginning of the year, cases becoming due for assessment, cases disposed of during the year and number of cases pending for finalisation at the end of the year are depicted in **Table 2.7**.

Table 2.7: Arrears of assessment

Head of Revenue	Opening Balances of cases	New cases due for assessment during 2022-23	Total assessments due	Cases disposed of during 2022-23	Balance at the end of the year	Percentage of Disposal
0040 'Taxes on Sales, Trade' etc.	-	91,601	91,601	91,601	0	100

Source: Department of Trade and Taxes, GNCTD

Details of evasion of tax detected by Department, refund cases, etc.

The cases of evasion of tax detected by the Excise and Taxation Department, cases finalised and the demands for additional tax raised are important indicators of revenue collection efforts of the State Government. Promptness in disposal of refund cases is an important indicator of performance of the Department.

As per the information provided by GNCTD, cases of evasion of tax detected and details of refund cases for the year 2022-23 are depicted in **Table 2.8** and **Table 2.9**.

Table 2.8: Evasion of tax detected

Head of revenue	Cases pending as on 31 March 2022	Cases detected during 2022-23	Total	No. of cases in which assessment / investigation completed and additional demand with penalty, etc. raised		No. of cases pending under appeal as on 31 March 2023
				No. of cases	Amount of demand (₹ in crore)	
GST	238	237	475	237	119.37	238

Source: Department of Trade and Taxes, GNCTD

Table 2.9: Details of refund cases for the year 2022-23

Sl. No.	Particulars	GST		Sales tax/VAT	
		No. of cases	Amount (₹ in crore)	No. of cases	Amount (₹ in crore)
1	Claims outstanding at the beginning of the year	5507	1109.82	11292	1150.99
2	Claims received during the year	27915	4926.45	3	0.09
3	Refunds made during the year	21020*	2391.57	6607	256.52
4	Refunds rejected/set-off/adjusted during the year		880.39	2705	40
5	Balance outstanding at the end of year#	4,631#	1,493.18	4,688	854.56

*No separate column for number of cases (refund made/rejected) available with department.

The Department of GST & Trade and Taxes stated (October 2023) that there was a difference in the balance outstanding claims as depicted in GSTN portal and that arithmetically calculated for which a clarification had been sought from GSTN.

Non-Tax Revenue

Non-tax revenue consists of interest receipts, dividends and profits, departmental receipts, etc. Components of Government of NCT of Delhi's non-tax revenue and trends are given in **Table 2.10** and **Chart 2.8**.

Table 2.10 Components of Government of NCT of Delhi’s non-tax revenue

(₹ in crore)

Revenue Head	2018-19	2019-20	2020-21	2021-22	2022-23
Interest Receipts	113	404	468	356	58
Dividends and profits	15	16	10	90	104
Other Non-tax revenue receipts	516	677	502	381	419
a) Public Works	18	13	43	23	43
b) Education	29	27	79	10	8
c) Medical & Public health	103	112	95	97	116
d) Power	53	87	33	52	61
e) Others etc.	313	438	252	199	191
Total Non-tax Revenue	644	1,097	980	827	581

Source: Finance Accounts of respective years

Non-tax revenue decreased by 9.78 per cent from ₹ 644 crore in 2018-19 to ₹ 581 crore in 2022-23. Non-tax revenue, which constituted 0.93 per cent of revenue receipts (₹ 62,703 crore) during 2022-23, decreased by ₹ 246 crore (29.75 per cent) over the previous year mainly on account of decrease in interest receipts by ₹ 298 crore (83.71 per cent).

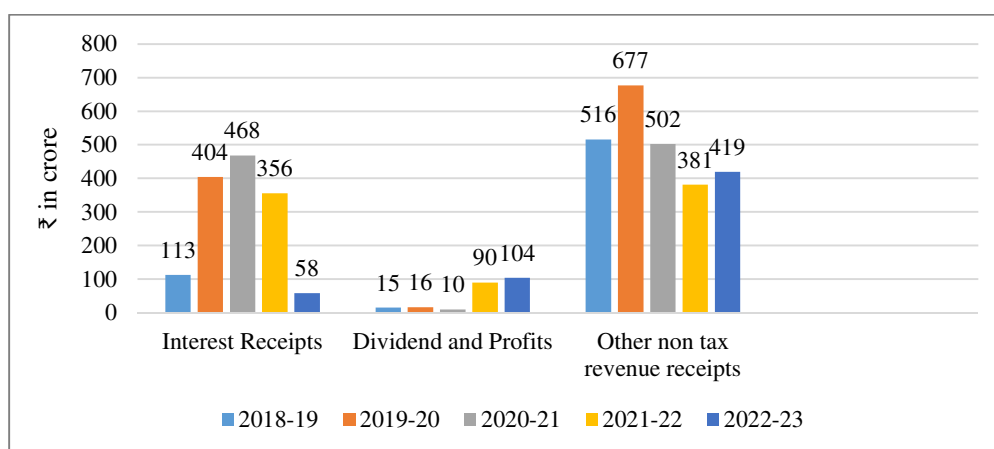
GNCTD’s actual own non-tax revenue vis-à-vis RE for the year 2022-23 is shown in **Table 2.11**.

Table 2.11: GNCTD’s actual own non-tax revenue vis-à-vis RE for the year 2022-23

(₹ in crore)

Non-tax revenue head	RE (as per Receipts Budget 2023-24)	Actuals	Difference between RE and Actuals	Percentage of (+) Excess/ (-) Shortfall to RE
Interest Receipts	163	58	(-) 105	(-) 64.42
Dividends and profits	40	104	(+)64	(+)160
Other non-tax revenue receipts	398	419	(+) 21	(+)5.28
Total	601	581	(-) 20	(-)3.33

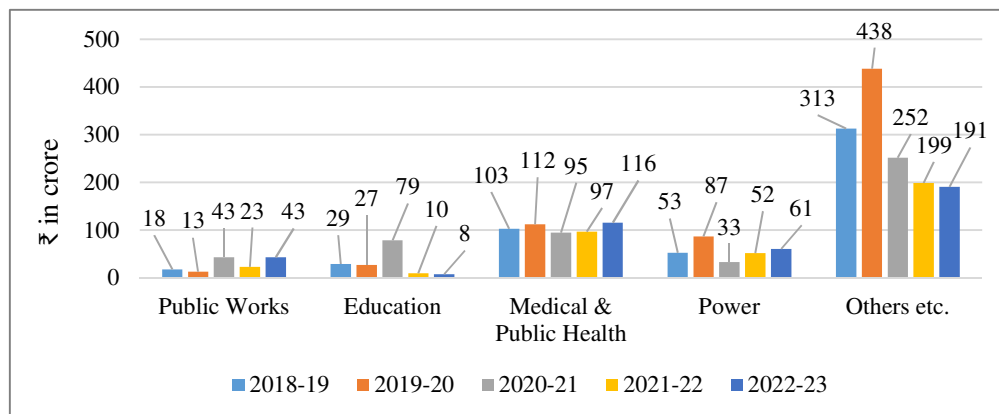
Chart 2.8: Trends in Non-Tax Revenue Heads



As evident from **Chart 2.8**, other non-tax revenue receipts decreased by ₹ 97 crore (18.8 per cent) during 2018-19 to 2022-23. However, during 2022-23, there was a slight increase by ₹ 38 crore, which was mainly

attributable to enhanced receipts (₹ 18.27 crore) from ‘Medical and Public Health’. The trends in some heads of other non-tax revenue receipts are shown in **Chart 2.9**.

Chart 2.9: Trends in heads of ‘Other Non-Tax revenue’



2.3.2.3 Grants-in-Aid from Government of India

Government of India discontinued Plan and Non-plan classification for providing Grants-in-Aid (GIA) to States during 2018-19. During 2022-23, GNCTD received Grant-in-Aid (GIA) from GOI amounting to ₹ 14,759 crore (117.24 per cent) against the BE of ₹ 12,589 crore. The details of GIA from GoI are in **Table 2.12**:

Table 2.12: Grants-in-aid from Government of India

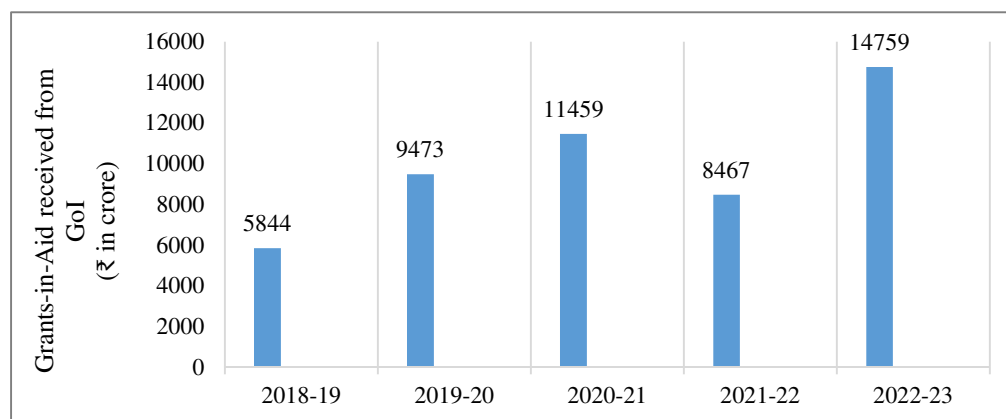
Head	2018-19	2019-20	2020-21	2021-22	2022-23
Centrally Sponsored Schemes (CSS)	807.03	1,169.48	1,441.46	991.93	981.79
Normal Central Plan Assistance (block grants)	449.99	472.00	626.00	626.00	626.00
Other Grants	79.75	70.56	Nil	3.43	9.49
Grants in lieu of Share in Central Taxes	325.00	325.00	325.00	325.00	325.00
Compensation of loss of revenue arising out of implementation of GST	4,182.00	7,436.00	5,521.65	6,445.96	12817.02
National Social Assistance Programme (NSAP)	NSAP scheme merged in CSS w.e.f 2018-19				
Central Road Fund (CRF)	Nil	Nil	Nil	Nil	Nil
Other Grants (Plan)	Nil	Nil	Nil	Nil	Nil
Contribution to the Delhi Disaster Response Fund	Nil	Nil	161.49	Nil	Nil
Grants to meet Revenue Deficit	Nil	Nil	3,383.00	Nil	Nil
Grants as advance assistance for relief on account of Natural Calamities	Nil	Nil	Nil	75.00	Nil
Total	5,843.77	9,473.04	11,458.60	8,467.32	14759.30
Percentage of GIA to Revenue Receipts	13.55	20.10	27.37	17.17	23.54

Source: Finance Accounts of respective years

GIA from GoI increased from ₹ 5,843.77 crore in 2018-19 to ₹ 14,759.30 crore (152.56 per cent) in 2022-23. GIA from GoI increased by ₹ 6,291.98 crore (74.31 per cent) in 2022-23 over the previous year mainly due to enhanced compensation of ₹ 6,371.06 crore (98.84 per cent) for loss of revenue arising out of implementation of GST.

Delhi is not covered under the recommendations of the Central Finance Commission and gets grant-in-aid in lieu of State's share of Union taxes and duties, which has remained stagnant at ₹ 325 crore since 2001-02. The trends in GIA for the period 2018-19 to 2022-23 is shown in **Chart 2.10**.

Chart 2.10: Trends in Grants-in-Aid



2.3.2.4 Centrally Sponsored Schemes

To verify the utilisation of grants-in-aid received from GoI, under Centrally Sponsored Schemes five schemes were selected for detailed study.

As per GFR 230 (8), all interests or other earnings against Grants in aid or advances (other than reimbursement) released to any Grantee institution should be mandatorily remitted to the Consolidated Fund of India immediately after finalisation of the accounts.

As per Rule 239 *ibid* Central Grants received by the State Government for implementation of Central Scheme, the Utilisation Certificate (UC) in format GFR-12C is to be submitted by the State Government in respect of the scheme. The UC should be counter-signed by the administrative secretary of the division regulating the Scheme/Finance Secretary”.

The audit observations are as under:

a) Pradhan Mantri Poshan Shakti Nirman (PM-POSHAN)

The Directorate of Education (DoE) received Grants-in-Aid of ₹ 140.98 crore during 2022-23 from Government of India (GoI) for the implementation of Centrally Sponsored Scheme of Pradhan Mantri Poshan Shakti Nirman (PM-POSHAN). Further, there was a total unspent balance of previous year (2021-22) of ₹ 33.47 crore and also a committed liability ₹ 74.29 crore of the year 2022-23 against the Centre's share under the said scheme.

The audit findings are as under:

- i. Against the total Centre's share of ₹ 248.74 crore (including committed liability and last year's unspent balance), an expenditure of ₹ 235.48 crore was incurred for which Utilisation Certificate (UCs) was furnished by DoE. An amount of ₹ 13.26 crore (5.33 *per cent*) remained unspent against the Centre's share as on 31 March 2023 (does not include ₹ 1.36 crore interest received during 2022-23).
- ii. Further, the Statement of Expenditure furnished to Audit revealed that against the total funds of ₹ 134.22 crore received against State's share (₹ 82.80 crore for the year 2022-23 and ₹ 46.57 crore as committed liability of the year 2020-21 & unspent balance of ₹ 4.85 crore), DoE incurred an expenditure of ₹ 143.53 crore resulting in an excess expenditure of ₹ 9.31 crore against State share under the said scheme.
- iii. As per the Single Nodal Account (SNA)-05 report depicting the Centre and State share deficit, GoI transferred an excess share of ₹ 50.33 crore as Central Share transfer from treasury to SNA while GNCTD released less funds of ₹ 1.52 crore.
- iv. The interest accrued for the year 2022-23 as per the SNA account as on June 2023 was ₹ 1.36 crore. The Department stated (September 2023) that the interest deposited into the government account by the Department for the year 2022-23 as on June 2023 (date of deposit of the interest into the government account) was ₹ 1.18 crore for which copy of deposit slip for ₹ 70.71 lakh was furnished to Audit.

Nevertheless, there a short deposit of ₹ 0.18 crore in contravention of Rule 230(8) of GFR 2017, for which the reasons were awaited.

b) Samagra Shiksha (Elementary, Secondary and Teacher Education)

Directorate of Education (DoE) received Grants-in-Aid of ₹ 225.09 crore during from GoI for the implementation of Centrally Sponsored Scheme of 'Samagra Shiksha (Elementary, Secondary and Teacher Education)'. There was also an unspent balance of ₹ 28.04 crore of the previous year (2021-22) under the said scheme.

The audit findings are as under:

- (i) Against the total funds of ₹ 403.20 crore (including State's share of ₹ 150.07 crore), an expenditure of ₹ 370.60 crore was incurred by DoE and there was an unspent balance of ₹ 32.60 crore as on 31 March 2023 (does not include interest amounting to ₹ 2.36 crore accrued during the year).
- (ii) Audit observed that total interest amounting to ₹ 2.36 crore accrued during 2022-23 was not remitted to Consolidated fund in contravention of 230(8) of GFR, 2017.

- (iii) As per the SNA-05 report depicting the Centre and State share deficit, GoI transferred an excess share of ₹ 11.79 crore as Central Share transfer from treasury to SNA while GNCTD released excess funds of ₹ 86.91 crore.
- (iv) The UC on record was not in prescribed format as mandated under Rule 239 of GFR and only provisional utilisation certificate was issued to Government of India (GoI) by DoE. The reasons for not issuing UC in prescribed format are awaited.

c) Delhi State Health Mission (DSHM)

Department of Health and Family Welfare (DHFV) received nil Grants-in-Aid during 2022-23, from GoI for implementation of Centrally Sponsored Scheme of Delhi State Health Mission (DSHM). Further, there was a total unspent balance of previous year (2021-22) of ₹ 398.72 crore under the said scheme.

The audit findings are as under:

- (i) Audit noted that, against the total funds of ₹ 432.56 crore (including State's share of ₹ 33.84 crore), an expenditure of ₹ 242.79 crore was incurred for which DHFW had furnished UCs to GoI. An amount of ₹ 189.78 crore remained unspent as on 31 March 2023 (does not include interest of ₹ 6.43 crore accrued during the year).
- (ii) Out of the total interest of ₹ 11.89 crore accrued during the year from the grants received from GoI, DHFW refunded interest of ₹ 5.46 crore to the GoI account. However the balance interest of ₹ 6.43 crore still remained to be remitted to the GoI account, which was in contravention of Rule 230 (8) of GFR, 2017.
- (iii) Audit noted that, the figures reflected in the statement of the expenditure as reflected in the IDIGIPAY bank account (SNA account) and the expenditure reflected in the UC for the CSS scheme for the year 2022-23 did not match. The total expenditure booked as per the Consolidated UC for the year 2022-23 is ₹ 242.79 crore, whereas the figure of expenditure reflected in the IDIGIPAY was ₹ 180.35 crore.

DSHM stated (September 2023) that the State Health Society Delhi had opted Model-I on PFMS as payment dashboard provided by ICICI Bank. As per mandate of the Bank, all transactions held through payment dashboard of ICICI gets reflected on PFMS, as ICICI Bank is integrated with PFMS for the CSS payment. However, as of now, the expenditure incurred through IDIGIPAY software on Model-I are not fully reflected on PFMS due to the technical issues between ICICI Bank and PFMS.

DSHM is requested to take up the matter, under intimation to audit, with ICICI Bank and CGA (which administers PFMS) to ensure that the technical issues cited above are resolved at the earliest and expenditure incurred through IDIGIPAY software on Model-I fully match with those reflected on PFMS.

d) Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0

Department of UD (DUD) received Grants-in-Aid of ₹ 211.41 crore for the year 2022-23 from GoI for implementation of projects of State Water Action Plan (SWAP) under the Centrally Sponsored Scheme of AMRUT 2.0.

The audit findings are as under:

(i) The details of expenditure were not furnished and the records furnished by DUD suggest that the GIA of ₹ 211.41 crore remained unspent as of 31 March 2023.

(ii) Further, ₹ 0.90 crore was released (January 2022) as central assistance by GoI to DUD for the purpose of preparation of city water balance plan (CWBP) under AMRUT 2.0. This amount was required to be released to the account of local Nodal Agencies (SNA) i.e. the mission Director within one month from the date of release of Central Assistance. The amount was transferred to designated SNA account only on 29 August 2022 i.e. after a delay of 7 months. The same is lying unspent, which was attributed by the department (September 2023) to an error in authorisation issued by the Finance Department.

The reply of the department is not tenable as the delay hampered the very purpose of central assistance.

e) Assistance to State Agencies for inter-state movement of food grains and FPS dealers margin under NFSA (CSS)

Department of Food, Supplies & Consumer Affairs (DFCA) received Grants-in-Aid of ₹ 23.99 crore during 2022-23 from GoI for implementation of Centrally Sponsored Scheme of 'Assistance to State Agencies for inter-state movement of food grains and FPS dealers margin under NFSA (CSS)'. The scheme started in 2022-23.

The audit findings are as under:

DFCA stated (September 2023) that there was outstanding balance of ₹ 47.98 crore (including State's share of ₹ 23.99 crore) as on 31 March 2023, which suggests that no expenditure was incurred on the scheme during the year 2022-23. It added that Centre's share was sanctioned on 20 March 2023 and the entire amount along with the matching state share was transferred into the SNA bank account on 31 March 2023.

However, as per the Utilisation Certificate (UCs) submitted by DFCA to GoI, the entire Central share of ₹ 23.99 crore was shown as utilised during the year 2022-23 and there was 'Nil' unspent balance as on 31 March 2023.

Audit is of the view that either the Department furnished misleading information to the audit or false information was furnished by the DFCA in the UC submitted to GOI by reporting full utilisation of entire amount of Central Share. A clarification was sought (September 2023) in audit on the matter for which reply is awaited.

2.3.2.5 Single Nodal Agency

The Government of India, Ministry of Finance, Department of Expenditure, New Delhi vide Office Memorandum No. (13)PFMS/FCD/2020 dated 8 December 2021 provided that every State Government is required to designate a Single Nodal Agency (SNA) for implementing each Centrally Sponsored Scheme (CSS). The Single Nodal Agency will open Single Nodal Account for each CSS at the State level in a Scheduled Commercial Bank authorised to conduct business by the State Government. Further, as per the new procedure, it is the responsibility of the State Government concerned to ensure that the entire unspent amount is returned by all the Implementing Agencies (IAs) to the Single Nodal Account of the Single Nodal Agency. As per information available on the PFMS portal, ₹ 2,673.03 crore (₹ 1,335.36 crore share of the Government of India and ₹ 1,337.67 crore share of the State Government) was transferred to the SNAs during 2022-23. As per data available on PFMS Portal, ₹ 902.89 crore⁹ was lying unspent in the bank accounts of SNAs as on 31 March 2023.

During examination of the reports of the PFMS Portal for the year 2022-23, audit noted the following:

- (i) In 6 CSS, GoI transferred ₹ 28.09 crore to the GNCTD against which it had released only ₹ 16.19 crore as Central Government share to SNA's account resulting in less transfer of ₹ 11.90 crore.
- (ii) There were unspent balances of ₹ 711.92 crore in 31 State linked schemes during 2022-23.
- (iii) GNCTD released funds of ₹ 903.88 crore in excess of its proportionate state share in 13 CSS.
- (iv) GNCTD released less funds of ₹ 64.55 crore in four centrally sponsored schemes with respect to its proportionate state share.
- (v) There were adverse balances of ₹ 26.40 crore in 13 State linked schemes, which showed that excess expenditure was incurred in these schemes

2.3.3 Capital Receipts

Capital receipts of Government of NCT of Delhi comprise recoveries of loans and advances advanced by GNCTD (non-debt) and receipts of loan and advances (debt) from GoI. Capital receipts during five years (2018-19 to 2022-23) are detailed in **Table 2.13**.

Table 2.13: Trends in growth and composition of Capital Receipts

(₹ in crore)					
Sources of GNCTD's Receipts	2018-19	2019-20	2020-21	2021-22	2022-23
Capital Receipts (debt and non-debt)	4,524	5,588	15,996	11,816	4,509
Loans and advances from GoI (debt) #	2,880	4,765	15,365	11,193	3,251
Recoveries of Loans and Advances (non-debt)	1,644	823	631	623	1,258

⁹ The unspent balance as on 31 March 2023 updated to ₹ 822.93 crore on PFMS portal (29 February 2024).

(₹ in crore)

Sources of GNCTD's Receipts	2018-19	2019-20	2020-21	2021-22	2022-23
Internal Debt ¹⁰	NA	NA	NA	NA	NA
Growth rate	NA	NA	NA	NA	NA
Rate of growth of debt Capital Receipts ##	51.10	65.45	99.37	(-) 47.37	(-) 34.98
Rate of growth of non-debt capital receipts	137.92	(-)49.94	(-)23.33	(-)1.27	101.93
Rate of growth of GSDP	8.92	7.38	(-)3.72	18.50	15.38
Rate of growth of Capital Receipts (per cent)	74.20	23.52	186.26	(-)26.13	(-)61.84

Source: Directorate of Economic and Statistics and Finance Accounts of respective years

During the year 2020-21 and 2021-22, it includes ₹ 5,865 crore and ₹ 6,193 crore respectively as back to back loan from GoI in lieu of GST compensation shortfall, which are not to be repaid by the State from its sources.

Rate of growth of debt capital receipts for the years 2020-21, 2021-22 and 2022-23 has been calculated after exclusion of GST compensation of ₹ 5,865 crore and ₹ 6,193 crore received from GoI during 2020-21 and 2021-22, respectively.

During the current year, after excluding back to back loan given by GoI during 2021-22 in lieu of GST compensation shortfall, which is not to be repaid by the State from its sources, debt capital receipts decreased by (-) 34.98 per cent from ₹ 5,000 crore in 2021-22 to ₹ 3,251 crore in 2022-23. Non-debt capital receipts i.e. recoveries of loans and advances increased by 101.93 per cent from ₹ 623 crore in 2021-22 to ₹ 1,258 crore in 2022-23.

2.4 Application of Resources

The State Government is vested with the responsibility of incurring expenditure within the framework of fiscal responsibility legislations, while at the same time ensuring that the ongoing fiscal correction and consolidation process of the State is not at the cost of expenditure directed towards development of capital infrastructure and social sector. This paragraph along with sub-paragraphs gives the analysis of allocation of expenditure in the State.

2.4.1 Growth and Composition of Expenditure

Revenue Expenditure: Charges on maintenance, repair, upkeep and working expenses, which are required to maintain the assets in a running order as also all other expenses incurred for the day to-day running of the organisation, including establishment and administrative expenses shall be classified as revenue expenditure.

Capital Expenditure: All charges for the first construction of a project as well as charges for intermediate maintenance of the work while not opened for service and also charges for such further additions and improvements as may be sanctioned under the rules made by competent authority shall be classified as capital expenditure.

¹⁰ There is no internal debt of Government of NCT of Delhi.

Loans and Advances: Loans and advances by the Government to Public Sector Enterprises (PSE) and other parties.

Trends and composition of total expenditure over the last five years (2018-19 to 2022-23) are shown in **Table 2.14** and **Chart 2.11**.

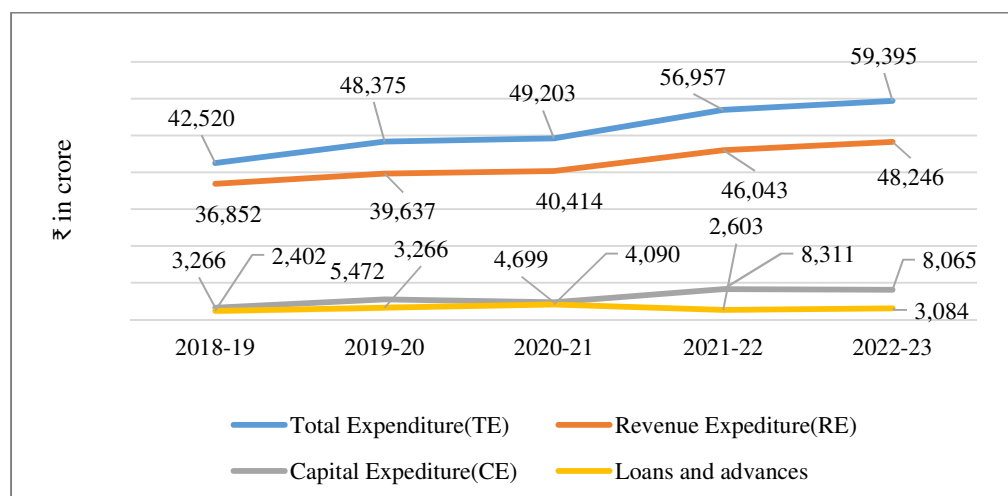
Table 2.14: Total expenditure and its composition

(₹ in crore)

Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
Total Expenditure (TE)¹¹	42,520	48,375	49,203	56,957	59,395
Revenue Expenditure (RE)	36,852	39,637	40,414	46,043	48,246
Capital Expenditure (CE)	3,266	5,472	4,699	8,311	8,065
Loans and Advances (L&A)	2,402	3,266	4,090	2,603	3,084
As a percentage of GSDP					
TE/GSDP	5.76	6.10	6.44	6.30	5.69
RE/GSDP	4.99	5.00	5.29	5.09	4.62
CE/GSDP	0.44	0.69	0.62	0.92	0.77
L&A /GSDP	0.33	0.41	0.54	0.29	0.30

Source: Finance Accounts of respective years

Chart 2.11: Total Expenditure: Trends and Composition



It can be seen from **Chart 2.11** that the total expenditure continuously increased from ₹ 42,520 crore (2018-19) to ₹ 59,395 crore (2022-23) at a Compound Annual Growth rate (CAGR) of 6.91 per cent¹².

Similarly, the revenue expenditure continuously increased from ₹ 36,852 crore (2018-19) to ₹ 48,246 crore (2022-23) at a CAGR of 5.54 per cent¹³. Capital expenditure displayed inter-year fluctuation ranged from ₹ 3,266 crore (2018-19) to ₹ 8,065 crore (2022-23). In the current financial year (2022-23), the capital expenditure marginally decreased by 3 per cent over the previous year.

¹¹ Excluding repayment of public debt.

¹² $\left(\left[\frac{59395}{42520}\right]^{1/5}-1\right)*100$

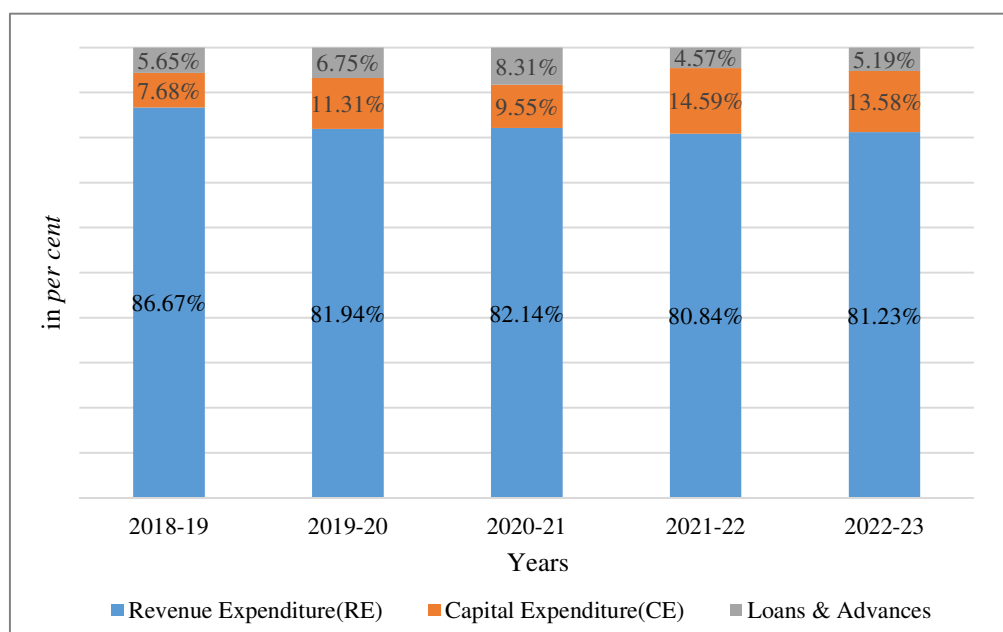
¹³ $\left(\left[\frac{48246}{36852}\right]^{1/5}-1\right)*100$

Further, disbursement of loans and advances increased during 2018-19 to 2020-21 from ₹ 2,402 crore to ₹ 4,090 crore but decreased significantly by ₹ 1,487 crore (36 per cent) in 2021-22 to ₹ 2,603 crore and then increased to ₹ 3,084 crore in 2022-23. The increase in the current year was mainly attributable to increase in disbursements of loans for water and sanitation (₹ 899.16 crore) over the previous year.

Trends in share of components of expenditure

Trends in share of components of total expenditure (excluding public debt repayment) are shown in **Chart 2.12**. Revenue expenditure was 81.23 per cent of the total expenditure whereas capital expenditure and disbursement of loans and advances were 13.58 per cent and 5.19 per cent, respectively for the year 2022-23.

Chart 2.12: Total Expenditure: Trends in share of its components



Source: Finance Accounts of respective years

Relative share of various sectors of expenditure

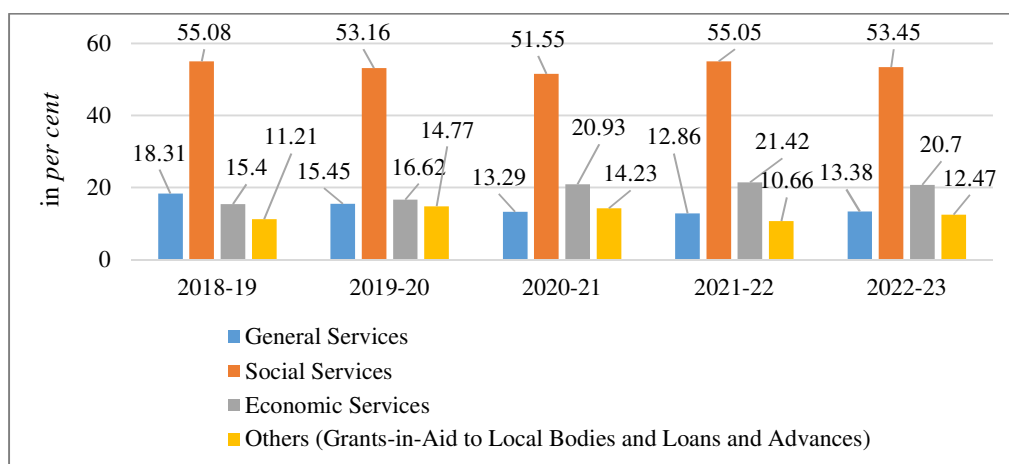
Relative shares of various sectors of expenditure are shown in **Table 2.15**. The share of general services in total expenditure (excluding public debt) increased from 12.86 per cent in 2021-22 to 13.38 per cent in 2022-23.

Table 2.15: Relative share of various sectors of expenditure out of total expenditure (excluding public debt repayment)

(₹ in crore)

Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
General Services ¹⁴	7,785	7,472	6,541	7,326	7,947
Social Services ¹⁵	23,418	25,717	25,363	31,356	31,744
Economic Services ¹⁶	6,550	8,041	10,297	12,203	12,297
Others (Grants-in-aid and contribution to local bodies and Loans and Advances to Institutions, Departments, etc., of GNCTD)	4,767	7,145	7,002	6,072	7,407

Share of social services decreased from 55.05 *per cent* in 2021-22 to 53.45 *per cent* in 2022-23 mainly due to the decrease in expenditure on medical and public health by ₹ 847 crore (9.42 *per cent*) in the current year over the previous year. Also the share of economic services decreased marginally from 21.42 *per cent* in 2021-22 to 20.70 *per cent* in 2022-23 mainly due to decrease in capital expenditure on road transport by ₹ 252 crore (19.72 *per cent*) in the current year over the previous year. Total expenditure on disbursement of loans and advances and grants to local bodies increased from 10.66 *per cent* in 2021-22 to 12.47 *per cent* in 2022-23, mainly attributable to increased disbursements of loans for water supply and sanitation (₹ 899.16 crore) over the previous year. Total expenditure by activities is shown in **Chart 2.13**.

Chart 2.13: Total expenditure (excluding public debt) - Expenditure by activities

¹⁴ Includes Administration and Fiscal services such as Land revenue, Excise & GST, Jails, Public works, etc.

¹⁵ Includes Education, Health and family welfare, Water supply, Sanitation, Housing, Urban development, Labour welfare, Social welfare etc.

¹⁶ Includes Agriculture and allied activities, Rural Development, Irrigation & Flood control, etc.

2.4.2 Revenue Expenditure

Revenue expenditure is incurred to maintain the current level of services and payment for past obligations. As such, it does not result in any addition to the State's infrastructure and service network. **Table 2.16** presents the revenue expenditure over five years (2018-19 to 2022-23). Revenue expenditure increased by 30.92 *per cent* from ₹ 36,852 crore in 2018-19 to ₹ 48,246 crore in 2022-23. It increased at an annual average growth rate of 7.48 *per cent* whereas as percentage of GSDP it decreased from 4.99 *per cent* (2018-19) to 4.62 *per cent* (2022-23). Revenue expenditure increased by 4.78 *per cent* from ₹ 46,043 crore in 2021-22 to ₹ 48,246 crore in 2022-23 mainly due to increase in expenditure on general education by ₹ 1,927.48 crore (18.74 *per cent*) in the current year over the previous year.

Table 2.16: Revenue Expenditure – Basic Parameters

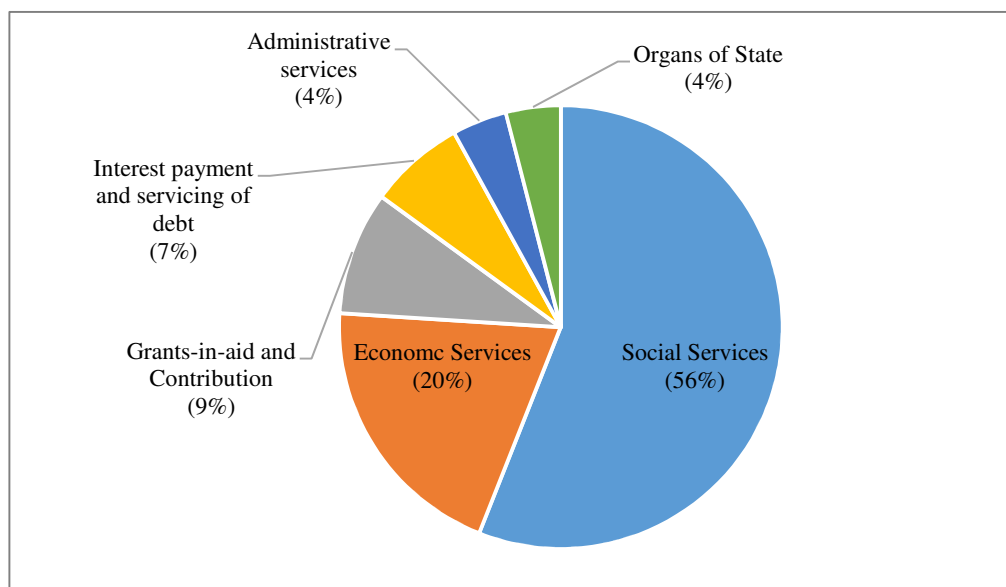
Parameters	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Total Expenditure (TE)	42,520	48,375	49,203	56,957	59,395
Revenue Expenditure (RE)	36,852	39,637	40,414	46,043	48,246
Rate of Growth of RE from previous year (per cent)	9.18	7.56	1.96	13.93	4.78
Revenue Expenditure as percentage of TE	86.67	81.94	82.14	80.84	81.23
GSDP (2011-12 Series)	7,38,389	7,92,911	7,63,435	9,04,642	10,43,759
Rate of growth of GSDP (per cent)	8.92	7.38	(-)3.72	18.50	15.38
RE/GSDP (per cent)	4.99	5.00	5.29	5.09	4.62
RE as percentage of Revenue Receipt	85.48	84.09	96.54	93.37	76.94
Revenue expenditure buoyancy w.r.t GSDP (ratio)	1.03	1.02	*	0.75	0.31
Revenue expenditure buoyancy w.r.t Revenue Receipts (ratio)	0.80	0.81	*	0.78	0.18

Source: Finance Accounts of respective years.

* Since growth rate of GSDP was negative hence buoyancy was not calculated.

Sector-wise distribution of revenue expenditure for the period 2022-23 is shown in **Chart 2.14**.

Chart 2.14: Sector-wise distribution of revenue expenditure (in per cent) for 2022-23



2.4.2.1 Major changes in Revenue Expenditure

Variation in revenue expenditure during 2022-23 compared to 2021-22 under major heads of account are shown in **Table 2.17**:

Table 2.17: Variation in revenue expenditure over major heads during 2022-23 compared to 2021-22

Major Heads of Account	2021-22	2022-23	Variation	(₹ in crore)
				Increase (+)/ Decrease (-) (in per cent)
2202-General Education	10,283.93	12,211.41	1,927.48	18.74
2210-Medical & Public Health	7,537.26	6,401.32	(-)1135.94	(-)15.07
2215-Water Supply and Sanitation	1,136.53	1,747.43	610.90	53.75
3055-Road Transport	4,355.88	4,601.40	245.52	5.64
2801-Power	3,266.97	3,182.48	(-)84.49	(-)2.59

The percentage change in major heads of revenue expenditure shows variations over the period of two years. Revenue expenditure under the head:

- (i) '2202-General Education' increased by ₹ 1,927.48 crore (18.74 per cent) mainly due to increase in expenditure on 'Assistance to Local Bodies for Primary Education by ₹ 430.54 crore (38.32 per cent), Government Secondary Schools by ₹ 848.43 crore (13.02 per cent).
- (ii) '2210-Medical & Public Health' decreased by ₹ 1,135.94 crore (15.07 per cent) mainly due to decrease in expenditure on 'Other health Schemes' by ₹ 1,866 crore (111.54 per cent)

(iii) '2215- Water supply and Sanitation' increased by ₹ 610.90 crore (53.75 per cent) mainly due to increase in expenditure on 'Assistance to Local Bodies, Municipalities etc' by ₹ 726 crore (137.24 per cent) for water supply, sewerage & sanitation.

(iv) '3055-Road Transport' increased due to enhanced assistance to public sector and other undertakings of ₹ 245.52 crore (5.64 per cent).

(v) '2801-Power' decreased by ₹ 84.49 crore (2.59 per cent) mainly due to decrease in expenditure on transmission and distribution by ₹ 86.34 crore (2.59 per cent).

2.4.2.2 Committed Expenditure

The committed expenditure of GNCTD on revenue account consists of expenditure on salaries and wages, pensions and interest payments. It is first charge on Government resources. Upward trend on committed expenditure leaves the Government with lesser flexibility for the development sector.

Apart from the above, there are certain inflexible items of expenditure which cannot be ordinarily altered or varied or are statutorily required on an annual basis, unlike for variable transactions such as capital expenditure, etc. For example, the following items may be considered as inflexible expenditure:

- (i) Recoupment to Contingency fund.
- (ii) State Share contribution of CSS against the central fund received.
- (iii) Payment of interest on public debt as charged expenditure.
- (iv) Statutory Contribution to Reserve Funds
- (v) Transfer of cess to Reserve Funds
- (vi) Devolution to local bodies- statutory devolutions to local bodies for pay and allowances (devolution/transfer for capital expenditure)

The components of committed and inflexible expenditure are given in **Table 2.18:**

Table 2.18: Components of Committed and Inflexible Expenditure

(₹ in crore)					
Components of Committed Expenditure	2018-19	2019-20	2020-21	2021-22	2022-23
Salaries and Wages	10,324.66	11,070.04	11,810.19	12,878.34	14,214.93
Expenditure on Pensions*	3.31	3.56	2.67	3.28	2.76
Interest Payments	2,867.11	2,751.87	2,873.83	3,274.24	3,266.36
Total	13,195.08	13,825.47	14,686.69	16,155.86	17484.05
Components of Inflexible Expenditure					
Recoupment to Contingency fund	5.35	143.41	79.08	74.18	52.13
State Share contribution of CSS against the central fund received	2,273.25	2,772.52	2,868.04	3,207.42	3,768.96
Payment of interest on public debt as charged expenditure	2,867.11	2,751.87	2,873.83	3,274.24	3,266.36
Statutory devolution to local bodies	6360.00	6237.00	5515.00	5501.00	7580.00
Total	11,505.71	11,904.80	11,335.95	12,056.84	14,667.45
As a percentage of Revenue Receipt (RR)					
Committed expenditure					
Salaries and Wages	23.95	23.49	28.21	26.12	22.67
Expenditure on Pensions	0.01	0.01	0.01	0.01	0.00
Interest Payments	6.65	5.84	6.86	6.64	5.21
Total	30.61	29.34	35.08	32.77	27.88
As percentage of Revenue Expenditure (RE)					
Salaries and Wages	28.02	27.93	29.22	27.97	29.46
Expenditure on Pensions	0.01	0.01	0.01	0.01	0.01
Interest Payments	7.78	6.94	7.11	7.11	6.77
Total	35.81	34.88	36.34	35.09	36.24
Revenue Expenditure	36,852	39,637	40,414	46,043	48,246
Percentage of inflexible expenditure to revenue expenditure	31.22	30.03	28.05	26.19	30.40
Non-committed RE**	23,656.92	25,811.53	25,727.31	29,887.14	30,761.95
Percentage of RE	64.19	65.12	63.66	64.91	63.76
Percentage of TE***	55.92	53.36	52.29	52.47	51.79
Subsidies	2,532.88	3,592.94	4,176.87	4,690.20	4,632.92
Subsidies as percentage of Non-committed RE	10.71	13.92	16.24	15.69	15.06

* Including pension of Ex-MLAs and freedom fighters in Delhi only. Pension liability of GNCTD employees are borne by Government of India.

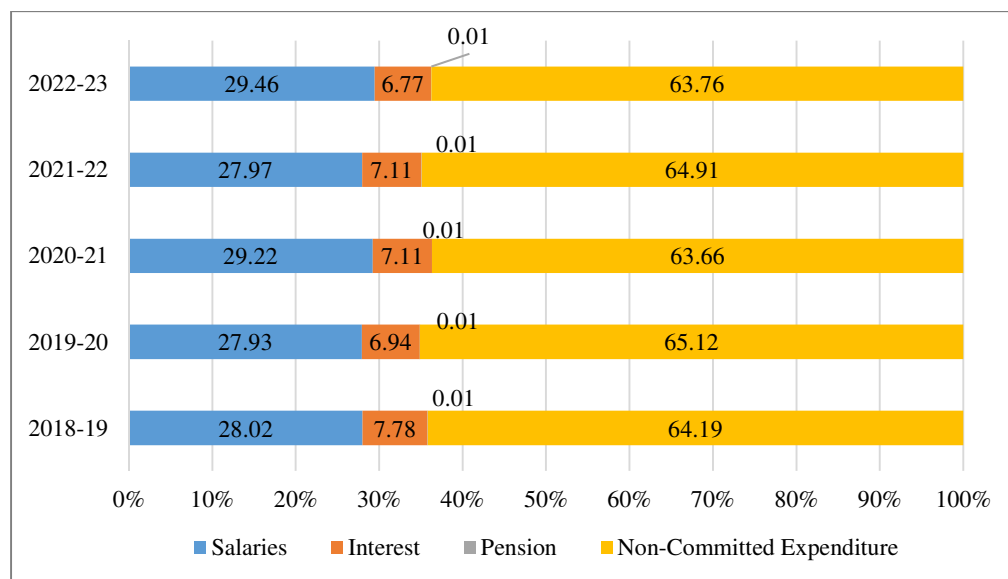
** Non-committed RE = Revenue Expenditure minus Revenue Committed Expenditure

*** Excluding Public Debt

Table 2.18 shows that percentage of non-committed expenditure to revenue expenditure decreased from 64.19 *per cent* in 2018-19 to 63.76 *per cent* in 2022-23 to which subsidies constituted proportion ranging from 10.17 *per cent* (2018-19) to 15.06 *per cent* (2022-23).

The share of committed expenditure in total revenue expenditure is given in **Chart 2.15**.

Chart 2.15: Share of component of committed expenditure in total revenue expenditure (in percentage)



Salaries and wages

Salaries and wages increased by 37.68 *per cent* from ₹ 10,324.66 crore in 2018-19 to ₹ 14,214.93 crore in 2022-23.

Interest payment

Similarly, interest payment increased by 13.93 *per cent* from ₹ 2,867.11 crore in 2018-19 to ₹ 3,266.36 crore in 2022-23.

Pension

State Government employees recruited on or after 1 January 2004 are eligible for the National Pension System (NPS). In terms of the scheme, employees contribute 10 *per cent* of basic pay and dearness allowance, however employer contribution was raised from 10 *per cent* to 14 *per cent* w.e.f. 1 April 2019. The entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

The pension liabilities of GNCTD are borne by GoI and the yearly budget towards employers' contribution under NPS and other retirement benefits is allotted by the Central Pension Accounting Office to GNCTD under the Major head '2071- Pensions and Retirement Benefits', which subsequently deposits the requisite funds with the NSDL/Trustee Bank.

As per information provided by the Principal Accounts Office, during 2022-23, the Government of NCT of Delhi deposited ₹ 1,045.54 crore with the NSDL/Trustee Bank against employee's contribution of ₹ 437.29 crore and employer's share of ₹ 608.25 crore. Hence, there was nothing outstanding

against the employee as well as employers' contribution during 2022-23 under NPS.

Inflexible expenditure

The components of inflexible expenditure, which include among others recoupment to Contingency fund, State Share contribution of CSS against the central fund received, payment of interest on public debt as charged expenditure etc., showed a continued increase during the period 2018-19 to 2022-23. As a percentage of revenue expenditure, the inflexible expenditure decreased from 31.22 per cent to 30.40 per cent.

2.4.2.3 Subsidies

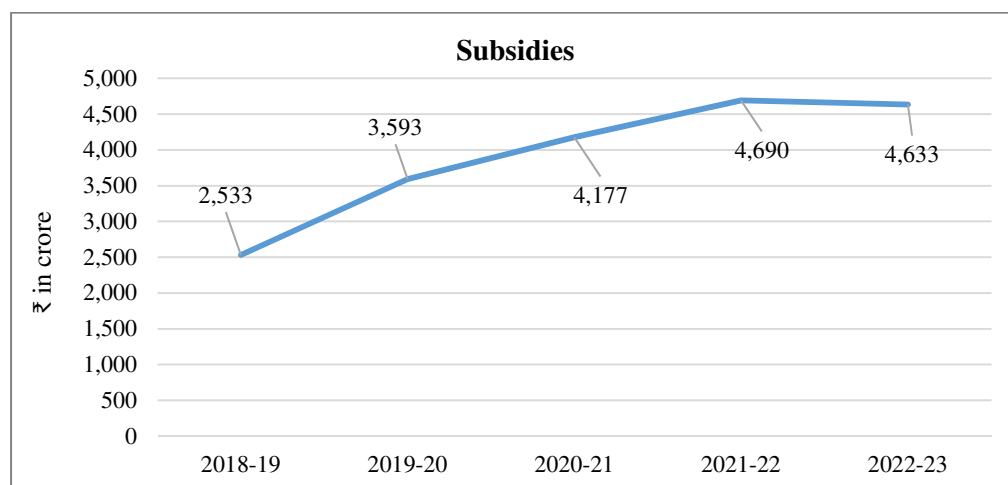
GNCTD gives subsidy for female bus commuters (through DTC/Cluster buses), to consumers of Delhi Jal Board and DISCOMs, for implementation of Right to Education Act, etc. Expenditure on subsidies by GNCTD are shown in **Table 2.19**. Expenditure on subsidies increased from ₹ 2,533 crore in 2018-19 to ₹ 4,633 crore in 2022-23 (82.91 per cent). In 2022-23, expenditure on subsidies decreased by 1.22 per cent over the previous year.

Table 2.19: Expenditure on subsidies during 2018-19 to 2022-23

(₹ in crore)

Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
Subsidies	2,533	3,593	4,177	4,690	4,633
Revenue receipts	43,113	47,136	41,864	49,313	62,703
Revenue expenditure	36,852	39,637	40,414	46,043	48,246
Subsidies as a percentage of revenue receipts (in per cent)	5.88	7.62	9.98	9.51	7.39
Subsidies as a percentage of revenue expenditure (in per cent)	6.87	9.06	10.34	10.19	9.60

Chart 2.16: Trend of Subsidies



Subsidies as a percentage of revenue receipts marginally decreased from 9.51 per cent in 2021-22 to 7.39 per cent in 2022-23. Subsidies as a percentage of revenue expenditure marginally decreased from 10.19 per cent in 2021-22 to 9.60 per cent in 2022-23. The Principal Accounts Office, GNCTD stated (September 2023) that reasons for variation over the years were awaited from the concerned departments.

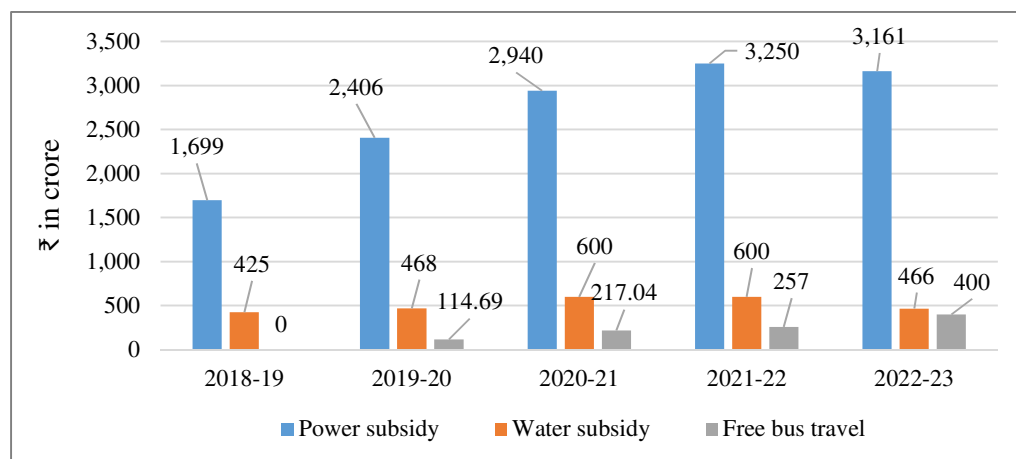
Subsidies given by GNCTD to consumers through DISCOMS (Power subsidy), Delhi Jal Board (DJB) (Water subsidy) and Female bus commuters (Free bus travel through DTC/Cluster buses) during the period 2018-19 to 2022-23 are given in **Table 2.20**.

Table 2.20 Trend of subsidy given by the GNCTD for power, water and free bus travel during 2018-19 to 2022-23

(₹ in crore)

Year	Power subsidy	Water Subsidy	Free bus travel
2018-19	1,699.29	425.00	Not applicable
2019-20	2,405.59	467.50	114.69
2020-21	2,939.99	600.00	217.04
2021-22	3,250.00	600.00	257.38
2022-23	3,161.22	466.41	400.00

Chart 2.17: Trend of subsidy given by the GNCTD for power, water and free bus travel



Power subsidy given to the DISCOMS consumers increased by 86.03 per cent from ₹ 1,699.29 crore in 2018-19 to ₹ 3,161.22 crore in 2022-23. Water Subsidy given to DJB consumers increased by 9.74 per cent from ₹ 425 crore in 2018-19 to ₹ 466.41 crore in 2022-23. Subsidy given to DTC/Cluster buses for Female bus commuters increased by 248.77 per cent from ₹ 114.69 crore in 2019-20 to ₹ 400 crore in 2022-23. The Principal Accounts Office, GNCTD stated (September 2023) that reasons for variation over the years were awaited from the concerned departments.

2.4.2.4 Financial Assistance by GNCTD to local bodies and other Institutions

Financial assistance is provided by GNCTD to local bodies and other institutions by way of grants and loans. Details are shown in **Table 2.21** and trends in financial assistance are shown in **Chart 2.18**.

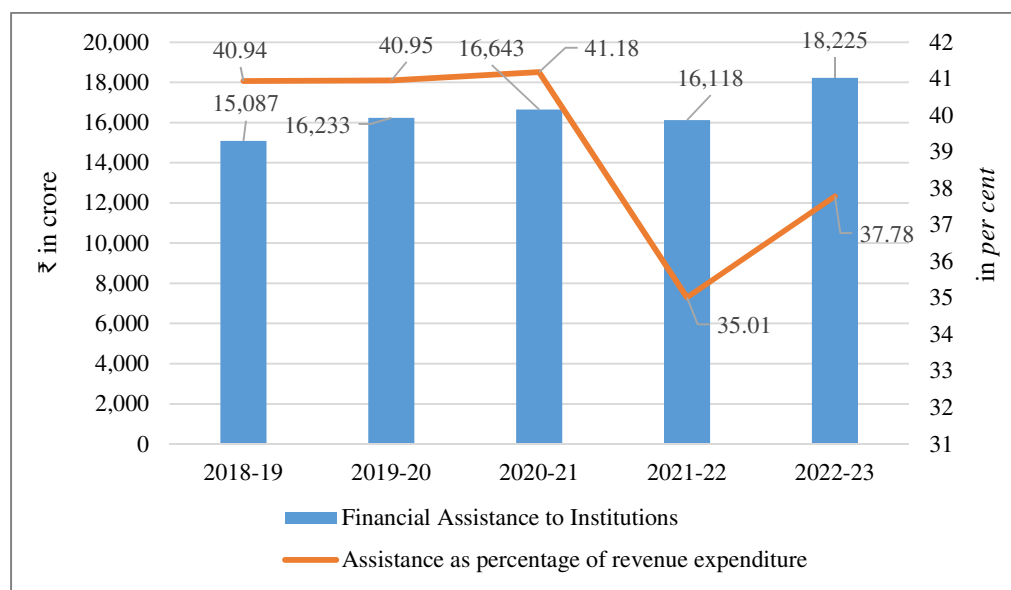
Table 2.21: Financial Assistance to Local Bodies, etc.

(₹ in crore)

Financial Assistance to Institutions	2018-19	2019-20	2020-21	2021-22	2022-23
(A) Local Bodies					
Municipal Corporations and Municipalities (Include GIA and compensation and Assignment)	6,337	6,222	5,500	5,490	7564
Total (A)	6,337	6,222	5,500	5,490	7,564
(B) Others					
Delhi Cantonment Board	23	15	15	11	16
Delhi Jal Board	2,316	2,855	4,319	2,462	4,106
Delhi Transport Corporation	1,825	2,030	2,475	2,320	2,350
Delhi Urban Shelter Improvement Board	507	379	833	384	262
Others (including Delhi Metro Rail Corporation, Higher Education Institutions, Technical Education Institutions, Hospitals, Road Safety Cell, etc.)	4,079	4,732	3,501	5,451	3,927
Total (B)	8,750	10,011	11,143	10,628	10,661
Total (A+B)	15,087	16,233	16,643	16,118	18,225
GIA on Salary	4,267	4,467	4,598	4,628	5,298
Grants for creation of capital assets	1,806	1,563	1,121	804	2,031
GIA- General	4,247	4,703	6,834	8,083	7,813
GIA given in kind	0.00	0.00	0.00	0.00	0.00
Revenue expenditure	36,852	39,637	40,414	46,043	48,246
Assistance as percentage of revenue expenditure	40.94	40.95	41.18	35.01	37.78

Source: Information received from Principal Accounts Office, GNCTD

Chart 2.18: Trends in financial assistance

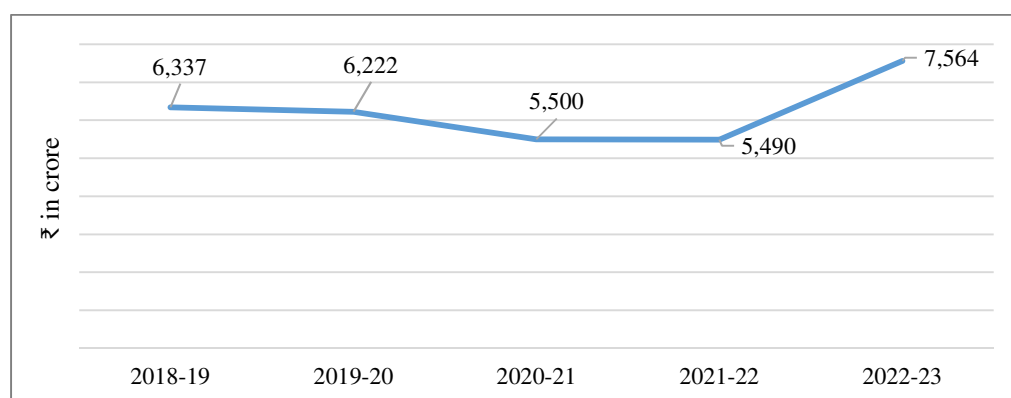


Financial assistance to local bodies and others increased by 13.07 *per cent* from ₹ 16,118 crore in 2021-22 to ₹ 18,225 crore in 2022-23. As a percentage of revenue expenditure, financial assistance also increased from 35.01 *per cent* in 2021-22 to 37.78 *per cent* in 2022-23.

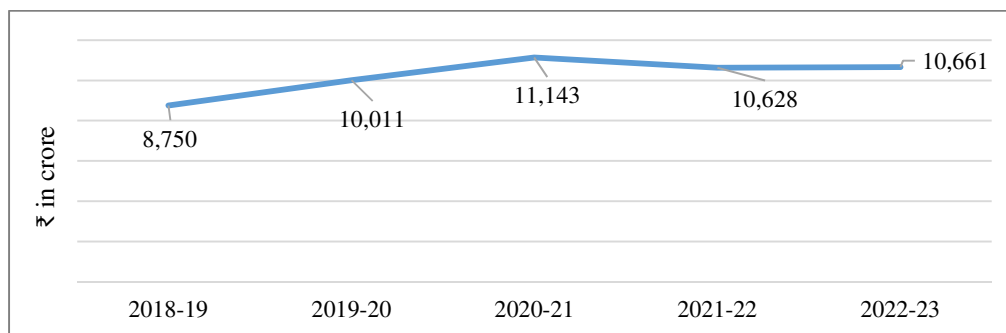
It was further noted that assistance on salary component had continuously showed an increasing trend during the period 2018-19 to 2022-23.

However, financial Assistance to Local bodies showed a declining trend during 2018-19 to 2021-22 and increased by 38 *per cent* in 2022-23 compared to previous year as depicted in **Chart 2.19 (a)**:

Chart 2.19 (a) Trend in Financial Assistance to Local Bodies



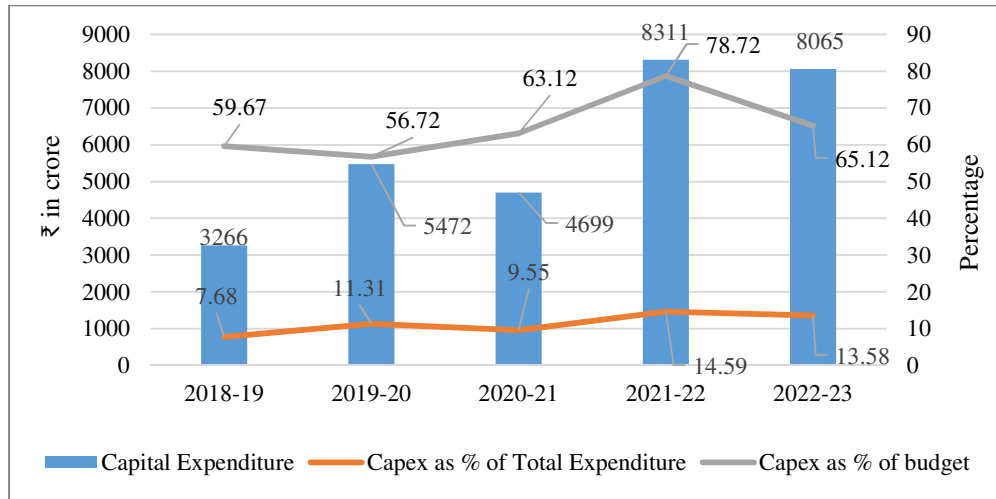
Similarly, financial Assistance to others showed a fluctuating trend during 2018-19 to 2021-22 and increased marginally by 0.31 *per cent* in 2022-23 compared to previous year as depicted in the **Chart 2.19 (b)**:

Chart 2.19 (b) Trend in Financial Assistance to others**Revenue deficit grants:**

Two entities viz. Delhi Jal Board (DJB) and Delhi Transport Corporation (DTC) were dependent on GNCTD for funding its viability gap through revenue grants as their revenue was not sufficient to cover the operational cost. During the period 2018-19 to 2022-23, GNCTD had disbursed ₹ 3,200 crore and ₹ 11,000 crore to DJB and DTC respectively.

2.4.3 Capital Expenditure

Capital expenditure includes expenditure on creation of fixed infrastructure assets such as roads, buildings, etc. Trends in capital expenditure are presented in **Chart 2.20**.

Chart 2.20: Capital expenditure in the Government of NCT of Delhi

It can be seen from the **Chart 2.20** that capital expenditure during 2018-19 to 2022-23 displayed inter-year fluctuations ranging from ₹ 3,266 crore to ₹ 8,065 crore. Capital expenditure decreased from ₹ 8,311 crore to ₹ 8,065 crore (2.96 per cent) in 2022-23 over the previous year. Moreover, during 2018-19 to 2022-23, the capital expenditure has consistently fallen short of the capital budget. The capital expenditure was consistently less than 1 per cent of GSDP during the said period.

2.4.3.1 Major Changes in Capital Expenditure

Changes in major heads of capital expenditure are shown in **Table 2.22**.

Table 2.22: Capital expenditure under major heads of account during 2022-23 compared to 2021-22

(₹ in crore)			
Major Heads (MH) of Account	2021-22	2022-23	Increase (+)/ Decrease (-) in percentage
4202- Capital Outlay on Education, Sports, Art and Culture	1,999.78	1,249.51	(-)37.52
4210-Capital Outlay on Medical and Public Health	1,457.20	1,745.71	(+) 19.80
5054-Capital Outlay on Roads and Bridges	1,270.42	1,556.12	(+) 22.49
5055-Capital Outlay on Road Transport	1,277.68	1,026.07	(-)19.69

Source: Finance Accounts of respective years.

Capital outlay on Education, Sports, Art & Culture (MH-4202) decreased by 37.52 per cent (₹ 750.27 crore) over the previous year mainly due to decrease in expenditure on Engineering/Technical Colleges and Institutes by ₹ 460 crore (82.22 per cent) and on Secondary education by ₹ 223.81 crore (23.85 per cent). Capital outlay on Roads and Bridges (MH-5054) increased by ₹ 285.70 crore (22.49 per cent) over the previous year due to increase in expenditure on construction of bridges and road works by ₹ 330.72 crore (36.51 per cent). Capital outlay on Medical and Public Health (MH-4210) increased by ₹ 288.51 crore (19.80 per cent) over the previous year due to increase in expenditure on hospitals and dispensaries by ₹ 277.99 crore (19.37 per cent). Capital outlay on Road Transport (MH-5055) decreased by 19.69 per cent (₹ 251.61 crore) over the previous year mainly due to decrease in investment in PSUs and other undertakings by ₹ 463.05 crore (56.50 per cent)

2.4.3.2 Investment and Returns

As of 31 March 2023, the Government had invested ₹ 21,054 crore in Government companies and co-operative institutions. The increase in investment in 2022-23 over the previous year by ₹ 343 crore was on account of investment made in Delhi Metro Rail Corporation Ltd. The return on investment was 0.49 per cent in 2022-23 whereas Government paid interest at the average rate of 6.15 per cent on its borrowings during 2022-23. The details are given below in Table 2.23.

Table 2.23: Return on Investment

Investment/return/cost of borrowings	2018-19	2019-20	2020-21	2021-22	2022-23
Investment at the end of the year (₹ in crore) (a)	19,261	19,411	19,911	20,711	21,054
Return (₹ in crore)	14.31	15.84	9.80	89.58	103.79
Return (per cent) (b)	0.07	0.08	0.05	0.43	0.49
Average rate of interest on Government borrowings (per cent) (c)	8.64	8.14	7.04	6.50	6.15
Difference between interest rate and return (per cent) (c-b)	8.57	8.06	6.99	6.07	5.66
Difference between interest on Government borrowings and return on investment at the end of the year (₹ in crore) [(c-b)*a]	1,651	1,565	1,392	1,257	1,192

Source: Finance Accounts of respective years

Government investments increased by 9.31 *per cent* over a period of five years from 2018-19 to 2022-23. GNCTD paid interest rate ranging from 6.15 *per cent* to 8.64 *per cent* on its borrowings during the period 2018-19 to 2022-23, whereas the percentage of return from investments ranged from 0.05 *per cent* to 0.49 *per cent* (at historical cost) during the same period. The loans disbursed and recovered during five years are given in **Table 2.24**.

Table 2.24: Quantum of loans disbursed and recovered during five years

	(₹ in crore)				
Quantum of loans disbursed and recovered	2018-19	2019-20	2020-21	2021-22	2022-23
Opening Balance of loans outstanding	63,812	64,570	67,014	70,473	72,454
Amount advanced during the year	2,402	3,266	4,090	2,604	3,084
Amount recovered during the year	1,644	823	631	623	1,258
Closing balance of the loans Outstanding	64,570	67,014	70,473	72,454	74,280
Net addition	758	2,444	3,459	1,981	1,826
Interest received	113	404	468	336	46
Interest receipts as percentage of outstanding loans and advances	0.18	0.60	0.66	0.46	0.06
Average rate of interest paid on the outstanding borrowings of the Government (<i>per cent</i>)	8.64	8.14	7.04	6.50	6.15
Difference between the rate of interest paid and interest received (<i>per cent</i>)	8.46	7.54	6.38	6.04	6.09

During 2022-23, amount of ₹ 3,084 crore was advanced as loans against ₹ 2,604 crore during the previous year. Loans amounting to ₹ 39,334.02 crore were outstanding at the beginning of the year against Delhi Jal Board (₹ 3,261.19 crore), Delhi Urban Shelter Improvement Board (₹ 1,545.17 crore) and Khadi & village Industries Board (₹ 2.15 crore). Further loans of ₹ 2,983.55 crore were disbursed to these loanee entities without recovery of earlier loans.

The total loans outstanding loans advanced by the State Government increased by ₹ 1,826 crore from ₹ 72,454 crore in 2021-22 to ₹ 74,280 crore in the year 2022-23. Recovery of loans increased by ₹ 635 crore (101.93 *per cent*) and interest receipts decreased by ₹ 290 crore (86.31 *per cent*) respectively in 2022-23 as compared to 2021-22. The interest received was only 0.06 *per cent* of the outstanding loans and advances during 2022-23.

Further, loans amounting to ₹17.93 crore advanced to Delhi State Civil Supplies Corporation and Delhi Scheduled Castes Financial Corporation pertained to the period 1997-98 to 1998-99.

2.4.3.3 Reconciliation of Equity and Loans Outstanding of State Public Sector Enterprises (SPSEs), GNCTD with figures in Finance Accounts

The figures in respect of equity and loans outstanding as per records of State PSEs should agree with the figures appearing in the Finance Accounts of GNCTD. In case the figures do not agree, the concerned SPSEs and the Finance Department should carry out reconciliation of the differences. The differences

in figures of equity and loans as on 31 March 2023 is given in **Table-2.25** below:

Table 2.25: Equity and Loans outstanding as per Finance Accounts vis-à-vis records of State PSEs

Particulars	Equity and Loans outstanding		Difference
	As per Finance Accounts	As per records of SPSEs	
Total Equity	9297.91	9191.73	95.42*
Total Loans	15601.30	15597.89	3.41

Source: records from SPSEs and Finance Accounts, GNCTD

*The difference of ₹ 10.76 crore, is attributable to investment in equity of GSDL, which is depicted in Finance Accounts but the related information from GSDL is awaited.

The differences between the figures in equity relates to DTIDC (₹ 95.42 crore) and in loans relates to DSFDC (₹ 1.58 crore), DSCSC (₹ 2.22 crore), DTTDC (₹ 3.15 crore) and PPCL (₹ 3.54 crore).

It is recommended that the State Government and the SPSEs reconcile the differences in a time-bound manner.

2.4.4 Adequacy of Public Expenditure

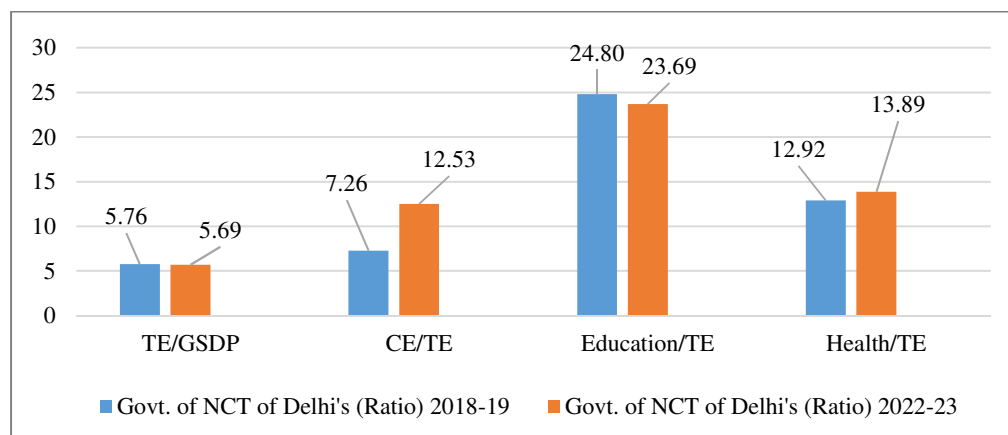
Table 2.26 and **Chart 2.21** shows the fiscal priority of the Government of NCT of Delhi with regard to capital expenditure, expenditure on education and on health during the year 2018-19 and 2022-23.

Table 2.26: Fiscal priority of GNCTD in 2018-19 and 2022-23

Fiscal Priority by the State	TE/GSDP	CE/TE	Education/TE	Health/TE
Government of NCT of Delhi's (Ratio) 2018-19	5.76	7.26	24.80	12.92
Government of NCT of Delhi's (Ratio) 2022-23	5.69	12.53	23.69	13.89

AE: Revenue Expenditure +Capital Expenditure +Loans and Advances;
CE: Capital Expenditure (on Social and Economic Services)
Source: GNCTD Finance Accounts

Chart 2.21: Prioritisation in public expenditure (in percentage) during 2018-19 and 2022-23



Total expenditure as a proportion of GSDP increased to 5.69 *per cent* in 2022-23 from 5.76 *per cent* in 2018-19. Share of capital expenditure on social services and economic services in total expenditure has also registered increase during this period from 7.26 *per cent* to 12.53 *per cent*. Share of expenditure on health in total expenditure has also registered increase during this period from 12.92 *per cent* to 13.89 *per cent*. However, share of expenditure on education in total expenditure decreased from 24.80 *per cent* to 23.69 *per cent* over the same period.

2.5 Public Liability Management

The Government of NCT of Delhi is not empowered to raise loans from the open market. All loans required are advanced to it from the Consolidated Fund of India. Loans and advances received from Government of India comprise debt receipts of Government of NCT of Delhi.

2.5.1 Funds outside Government Accounts

a) Building and Other Construction Workers Welfare Cess

The Building and Other Construction Workers (BOCW) Welfare Cess Act, 1996 and the BOCW (Regulation of Employment and Conditions of Service) Act, 1996 covers establishments employing ten or more building workers on any day of the preceding twelve months in any building or other construction work. The Acts, inter alia, provide for constitution of Welfare Board with the aim of improving the working conditions of workers and to provide financial aid to them, and to augment the resources of the Welfare Board through the levy and collection of cess on the cost of construction works.

GNCTD notified (September 2002) “Delhi Building & Other Construction Workers Welfare Board” under Section 18 (1) of the BOCW (Regulation of Employment and Conditions of Service) Act, 1996 and levies cess at the rate not exceeding two *per cent* but not less than one *per cent*.

The Delhi BOCW Rules, 2002, as amended from time to time provide for collection of registration fee of ₹ 25 from registered workers. After deducting cess from the contractors' bills, Government Departments and private entities pass on the same to the notified Cess Collectors (Labour Officer and Inspector) of the Labour Department through cheques. After receipt of the cheques, Cess Collectors hand these over to the Board staff posted at the district offices, who in turn deposit the cheques in the bank. Audit findings are discussed below:

Funds kept outside Government Accounts

The details of receipts and utilisation of cess during the period 2018-19 to 2022-23, is given in **Table 2.27** below:

Table 2.27: Details of receipts and utilisation of cess during the period 2018-19 to 2022-23

(₹ in crore)

Year	Receipts				Expenditure			
	Cess Collected	Beneficiaries contribution	Interest earned	Total	Expenditure on schemes	Administrative expenditure	Total expenditure	Net receipts
1	2	3	4	5 (2+3+4)	6	7	8 (6+7)	9 (5-8)
Opening Balance								2385.80
2018-19	215.51	0.08	155.13	370.72	3.12	3.28	6.40	364.32
2019-20	215.47	0.22	215.97	431.66	48.89	3.79	52.68	378.98
2020-21	221.35	0.74	165.47	387.56	36.95	4.57	41.52	346.04
2021-22	244.69	3.34	109.54	357.57	458.08	7.05	465.13	-107.56
2022-23	374.46	1.19	221.98	597.63	60.95	5.08	66.03	531.60
Total	1271.48	5.57	868.09	2,145.14	607.99	23.77	626.76	3,899.18
Less: Income deducted/deposited as of March 2023								-319.98
Net Amount available								3,579.20

Source: Records from Delhi Building and Other Construction Workers Welfare Board

As per the above details shared by the Board, ₹ 3,579.20 crore was available with the Board as on 31 March 2023. It was observed that:

(i) Office of Labour Commissioner, GNCTD on 16 August 2005 directed all Government Departments, Public Undertakings and other Government Bodies to remit one *per cent* of the amount of cost approved as per the tender notification from the bills as Labour Cess at the time of making payment to the contractors by way of A/c Payee Cheque, in favour of the Delhi Building and Other Construction Workers Welfare Board (Board) within 30 days of making such payment. Later, Board issued (November 2017) instructions to transfer the collected cess directly through RTGS/NEFT into its bank account of concerned district.

The mechanism adopted for accounting of the cess is not in conformity with the BOCW Cess Rules, 1998, which provides that the cess collected shall be transferred to the Board in the head of account of the Board under the accounting procedures of the State. Accordingly, the collected cess should be depicted in Public Account and from there it may be transferred to Board Account.

The matter was communicated to the Labour Department (August 2023 and December 2023) and the reply is awaited.

b) Non-operation of Delhi Electricity Regulatory Commission Fund

Section 103 of the Electricity Act, 2003 provides that State Government shall constitute a Fund to be called the State Electricity Regulatory Commission Fund (SERCF) and there shall be credited thereto any grants and loans made to the State Commission by the State Government, all fees received by the State Commission under the Act and all sums received by the Commission from such

other sources as may be decided upon by the State Government. Accordingly, Delhi Electricity Regulatory Commission (DERC) had requested (July 2003) GNCTD for creation of DERCF in accordance with Electricity Act, 2003.

Audit noted that the GNCTD did not constitute fund despite a lapse of nearly two decades and an amount of ₹ 10.31 crore (during 2022-23) was received by the DERC on account of license /processing fees. In response to the observation included in the SFAR for the period ended 31 March, 2022, Department of Power stated (May 2023) that the process of creating DERC Fund was under process.

2.5.2 Debt Profile: Components

Table 2.28 gives a time series analysis of the debt profile of the Government of NCT of Delhi for the last five years.

Table 2.28: Profile of loans from GoI and debt of GNCTD

(₹ in crore)						
Year	Opening Balance	Debt Receipts	Repayment during the Year	Closing Balance	Increase/ Decrease	Percentage of increase/ decrease over previous year
2018-19	33,568.69	2,880.00	3,636.35	32,812.34	(-)756.35	(-)2.25
2019-20	32,812.34	4,765.60	2,811.10	34,766.84	1,954.50	5.96
2020-21	34,766.84	15,365.00	3,265.17	46,866.67	12,099.83	34.80
2021-22	46,866.67	11192.67	4,215.16	53,844.18	6,977.51	14.89
2022-23	53844.18	3251.22	4,715.16	52,380.24	(-)1463.94	(-)2.72

The effective outstanding debt at the end of 2022-23 would be ₹ 40,322 crore (₹ 52,380 crore (-) ₹ 6,193 crore (-) ₹ 5,865 crore) as the Department of Expenditure, GoI had decided that GST compensation of ₹ 5,865 crore (2020-21) and ₹ 6,193 crore (2021-22) given to State as back to back loan under debt receipts would not be treated as debt of the State. Thus, the effective debt of the Government increased by ₹ 7,510 crore (22.89 per cent) from ₹ 32,812 crore at the end of 2018-19 to ₹ 40,322 crore at the end of 2022-23.

2.5.3 Maturity and Repayment of debt profile

Debt maturity and repayment profile indicates commitment on the part of the Government for debt repayment or debt servicing. The maturity profile of public debt (₹ 5,23,80.21 crore) is shown in Table 2.29 and Chart 2.22.

Table 2.29: Debt Maturity profile of repayment of State debt

Repayment of debt				
Period of repayment	Loans and Advances from GoI# (Principal) (₹ in crore)	Interest (₹ in crore)	Total (₹ in crore)	Percentage to debt (Principal indicated at (ii))
(i)	(ii)	(iii)	(iv)	(v)
			[(ii) + (iii)]	[(ii)*100/52380.94]
2023-24	4,993.69	3094.31	8,088.00	9.53
2024-25	4,914.32	2666.08	7,580.40	9.38
2025-26	4,641.66	2246.19	6,887.85	8.86

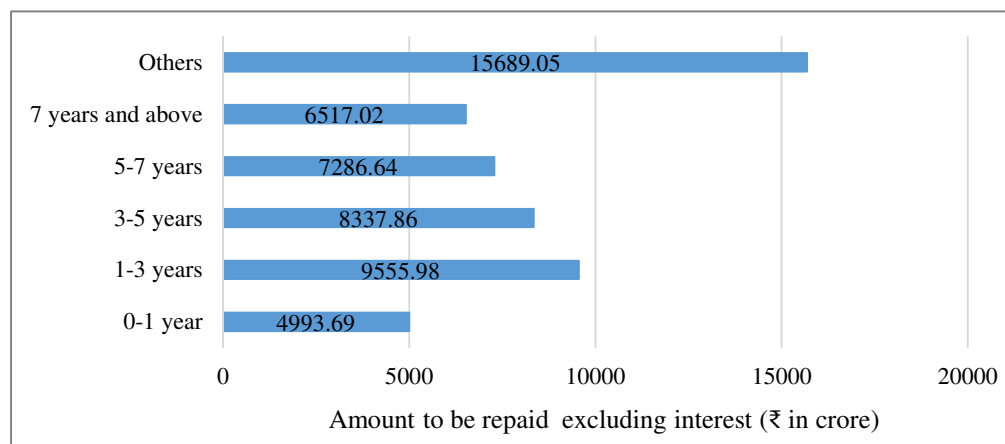
Repayment of debt				
Period of repayment	Loans and Advances from GoI# (Principal) (₹ in crore)	Interest (₹ in crore)	Total (₹ in crore)	Percentage to debt (Principal indicated at (ii))
2026-27	4,253.71	1853.16	6,106.87	8.12
2027-28	4,084.15	1498.63	5,582.78	7.80
2028-29	3,893.52	1159.01	5,052.53	7.43
2029-30	3,393.12	835.41	4,228.53	6.48
2030-31	2,752.44	555.71	3,308.15	5.25
2031-32	1,507.61	332.33	1,839.94	2.88
2032-33	807.51	207.26	1,014.77	1.54
2033-34	445.08	137.70	582.78	0.85
2034-35	423.65	95.41	519.06	0.81
2035-36	335.20	55.17	390.37	0.64
2036-37	115.75	23.32	139.07	0.22
2037-38	87.95	12.33	100.28	0.17
2038-39	41.83	3.97	45.80	0.08
Total	36,691.16*	14775.99	51467.15**	70.05
Others	15,689.05***			29.95
Grand Total	52,380.21			100.00

Note: *& ** This pertains only to the repayment of NSSF loan. There is a difference of ₹ 0.03 crore, which is attributable to rounding off of figures.

***This include back-to-back loan from GoI in lieu of GST compensation amounting to ₹ 12,058 crore, loans received from GoI for settlement of DESU's dues during 2013-14, rehabilitation of WTP at Chandrawal (2018-19), etc.

All loans are advanced to GNCTD from Consolidated Fund of India.

Chart 2.22: Debt Maturity profile



The maturity profile of public debt indicates that the liability of the State to repay the debt (excluding interest) during the periods 2023-24, 2024-26, 2026-28 and 2028-30 would be ₹ 4,993.69 crore (9.53 per cent), ₹ 9,555.98 crore (18.24 per cent), ₹ 8,337.86 crore (15.92 per cent) and ₹ 7,286.64 (13.91 per cent) respectively. Further, ₹ 6,517.02 crore (12.45 per cent) of the total public debt would be repayable after seven years.

2.6 Debt Sustainability

Debt sustainability analysis has been carried out on the basis of fiscal and debt parameters; Domar approach and compliance of macro-fiscal parameters to the respective FRBM (Fiscal Responsibility and Budget Management Act) targets.

The results of the analysis are given in the following paragraphs:

Apart from the magnitude of debt of the Government of NCT of Delhi, it is important to analyse the various indicators that determine debt sustainability. FRBM is not applicable to Delhi.

A. Debt sustainability refers to the ability of a State to service its debt in future. This section assesses the sustainability of debt of the Government of NCT of Delhi in terms of rate of growth, outstanding debt, ratio of interest payment and revenue receipts, debt repayment and debt receipts and net debt available to the Government of NCT of Delhi. **Table 2.30** analyses the debt sustainability of the Government of NCT of Delhi according to these indicators for the period of five years from 2018-19 to 2022-23.

Table 2.30: Debt Sustainability: Indicators and Trends

(₹ in crore)					
Debt Sustainability Indicators	2018-19	2019-20	2020-21	2021-22	2022-23
Outstanding overall debt* (as on 31 st March of the year)	32,812	34,767	41,002	41,786	40,322
Rate of growth of outstanding overall debt	-2.25	5.96	17.93	1.91	-3.5
GSDP	7,38,389	7,92,911	7,63,435	9,04,642	10,43,759
Rate of growth of GSDP	8.92	7.38	-3.72	18.50	15.38
Overall debt/GSDP	4.44	4.38	5.37	4.62	3.86
Debt maturity profile of repayment of State Debt	3,636	2,811	3,265	4,215	4,715
Average interest rate of outstanding public debt (per cent)**	8.64	8.14	7.04	6.50	6.15
Interest payment on Public Debt	2,867	2,752	2,874	3,274	3,266
Revenue deficit (-) / surplus (+) without interest payment	9,128	10,251	4,324	6,544	17,723
Revenue surplus due to interest payments	6,261	7,499	1,450	3,270	14,457
Percentage of interest payment to revenue receipts	6.65	5.84	6.87	6.64	5.21
Percentage of debt repayment to debt receipts	126.25	58.99	34.37	84.3	145.03
Net debt available to the State [§]	-3,623	-798	3,361	-2,489	-4,766
Net debt available as per cent to Debt Receipts	-125.8	-16.75	35.38	-49.78	-148.24
Primary Deficit(-) / Surplus(+)	5,104	2,336	-3,834	-3,747	7,832
Debt Stabilisation (Quantum Spread [#] + Primary Deficit)	5,196	2,072	-8,246	1,267	11,554

Source: Finance Accounts of respective years.

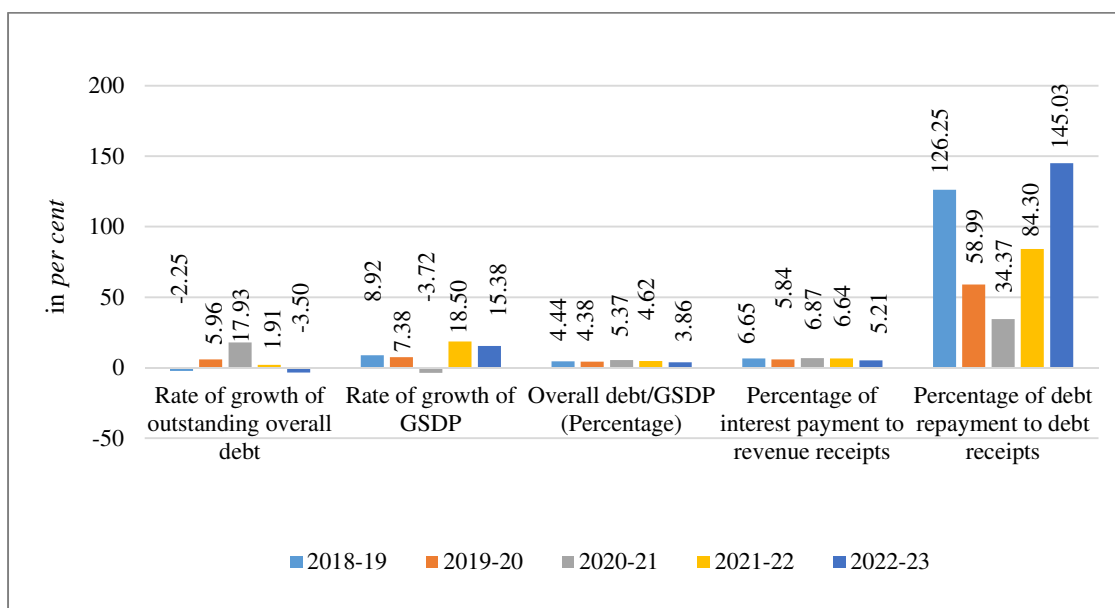
*Outstanding Public Debt is the sum of outstanding balances under the heads '6003-Internal Debt' and '6004-Loans and Advances' from the Central Government. During 2020-21 and 2021-22, it excluded ₹ 5,865 crore and ₹ 12,058 crore (₹ 5,865 crore + ₹ 6,193 crore) respectively as back to back loans from GoI in lieu of GST compensation shortfall which are not to be repaid by the State from its resources. After excluding these back to back loans, the overall effective debt for GNCTD at the end of the years 2020-21, 2021-22 and 2022-23 was 41,002 crore, ₹ 41,786 crore and ₹ 40,322 crore, respectively.

** Interest paid/ (OB of Public Debt+ CB of Public Debt)/2 (in per cent)

§ Net debt available to State Government is calculated as excess of Public debt receipts over Public debt repayment and interest payment on public debt.

Quantum spread = Outstanding debt x (GSDP growth rate – Average interest rate of outstanding debt)

Chart 2.23: Debt Sustainability: Indicators and Trends



- A falling debt-GSDP ratio can be considered as leading towards stability. Debt GSDP ratio declined from 4.44 *per cent* in 2018-19 to 3.86 *per cent* in 2022-23.
- The ratio of interest payments to revenue receipts decreased from 6.65 *per cent* (2018-19) to 5.21 *per cent* (2022-23) during the period 2018-19 to 2022-23.
- Repayment of public debt (₹ 4,715 crore) was more than the public debt receipts (₹ 3,251 crore) during 2022-23.
- Higher the percentage of public debt repayments to public debt receipts, the greater the proportion of debt utilised for debt servicing rather than productively. Ratio of public debt repayments to public debt receipts ranged from 34.37 *per cent* to 145.03 *per cent* during the period 2018-2023, which means most of the public borrowings were used for repayment of earlier borrowings leaving less space to use productively. Resultantly, the capital expenditure in the current year has gone down by 2.96 *per cent* over the previous year.

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

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

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

The results of applying the above parameters in the case of Delhi are shown in **Table 2.31**

Table 2.31: Debt sustainability analysis based on Domar model

Year	Real growth (g)¹⁷	Real Interest (r)¹⁸	g-r (Domar gap)	Primary deficit (-)/ Surplus(+) (₹ in crore)	Remarks
2018-19	4.30	5.98	-1.68	5,104	Undefined situation
2019-20	3.69	4.40	-0.71	2,336	Undefined situation
2020-21	-6.57	4.00	-10.57	-3,834	Public debt as a percentage of GSDP should increase indefinitely, without converging to a stable level
2021-22	9.14	0.50	8.64	-3,747	Public debt as a percentage of GSDP should converge to a stable level greater than zero
2022-23	9.18	2.15	7.03	7,832	Public debt as a percentage of GSDP should converging to a stable level less than zero leading to public savings.

In the initial two years of the subject period i.e. 2018-19 to 2019-20, the State had primary surplus but the Domar gap remained negative. This is indicative of an undefined situation. In the year 2020-21, the Domar gap remained negative while there was primary deficit indicating that public debt as a percentage of GSDP should increase indefinitely, without converging to a stable level. During the year 2021-22¹⁹, the Domar gap turned positive and the primary deficit continued from the previous year at a reduced level. This showed that public debt as a percentage of GSDP should converge to a stable level greater than zero. In the current year 2022-23, while the Domar gap remained positive, the State reported primary surplus, which showed that public debt as a percentage

¹⁷ Growth rate of GSDP at constant prices (Base year 2011-12)

¹⁸ Real Interest = Nominal interest rate (as per Table 2.30) *minus* Annual inflation Rate (As per website of MOSPI)

¹⁹ The real growth rate of GSDP (g) and Domar gap (g-r) during post Covid – 19 year (i.e., 2021-22 and 2022-23) should be read with negative GSDP growth rate during 2020-21 resulting in low base for computation of GSDP growth rates during subsequent years.

of GSDP should converging to a stable level less than zero leading to public savings. Thus, it becomes evident that depending solely on economic growth (expressed as $g-r>0$ from 2021-2023) would not suffice to cover the debt obligations of the State.

2.7 Conclusion

A snapshot of some positive indicators and those requiring close watch are given in **Table 2.32**

Table 2.32: Key parameters

Positive indicators	Parameters requiring close watch
<ul style="list-style-type: none">• Revenue receipts increased by 27.15 <i>per cent</i>.• Own Tax receipts increased by 18.35 <i>per cent</i>.• Repayment of Public Debt increased by 11.86 <i>per cent</i>	<ul style="list-style-type: none">• Non-tax receipts decreased by 29.75 <i>per cent</i>.• Disbursement of Loans and Advances increased by 18.48 <i>per cent</i>.• Capital expenditure decreased by 2.96 <i>per cent</i>

CHAPTER-3
BUDGETARY MANAGEMENT

Chapter-3

Budgetary Management

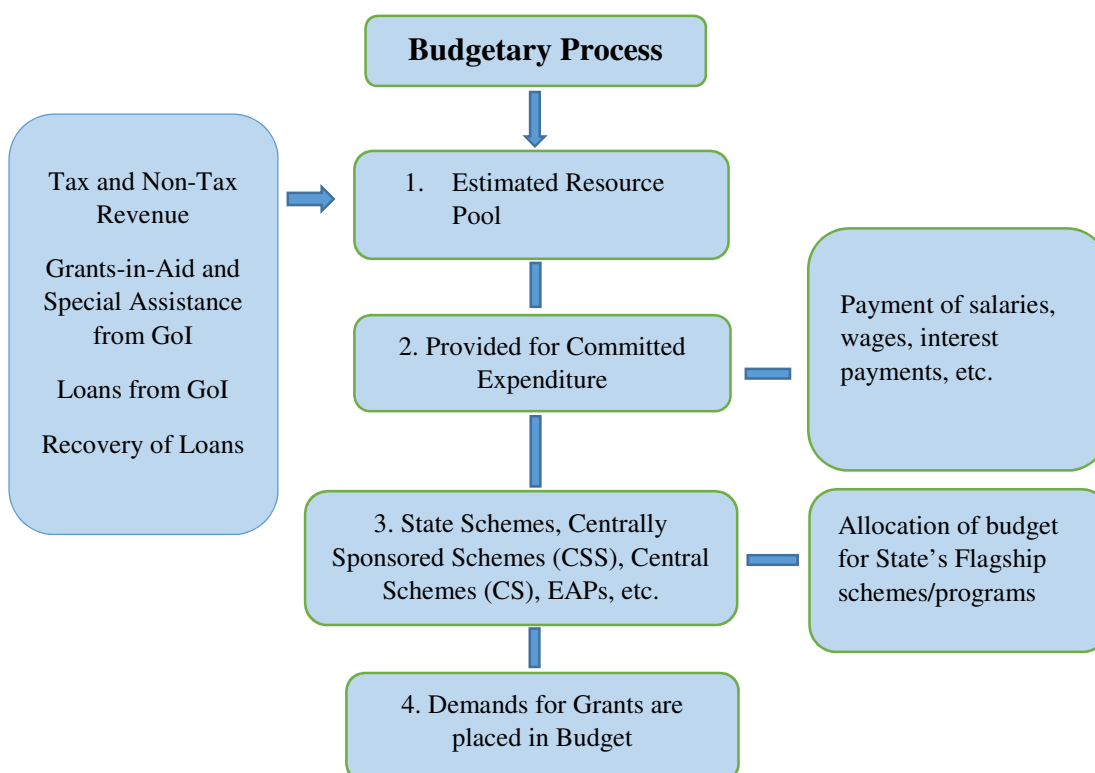
3.1 Budget Process

In terms of Section 27 of GNCTD Act, 1991, the Lieutenant Governor shall in respect of every financial year cause to be laid before the Legislative Assembly, a statement of the estimated receipts and expenditure of GNCTD in respect of every financial year.

The estimates of the expenditure show ‘charged’ and ‘voted’ items of expenditure separately and distinguish expenditure on revenue account from other expenditure. Legislative authorisation is necessary before incurring any expenditure by GNCTD.

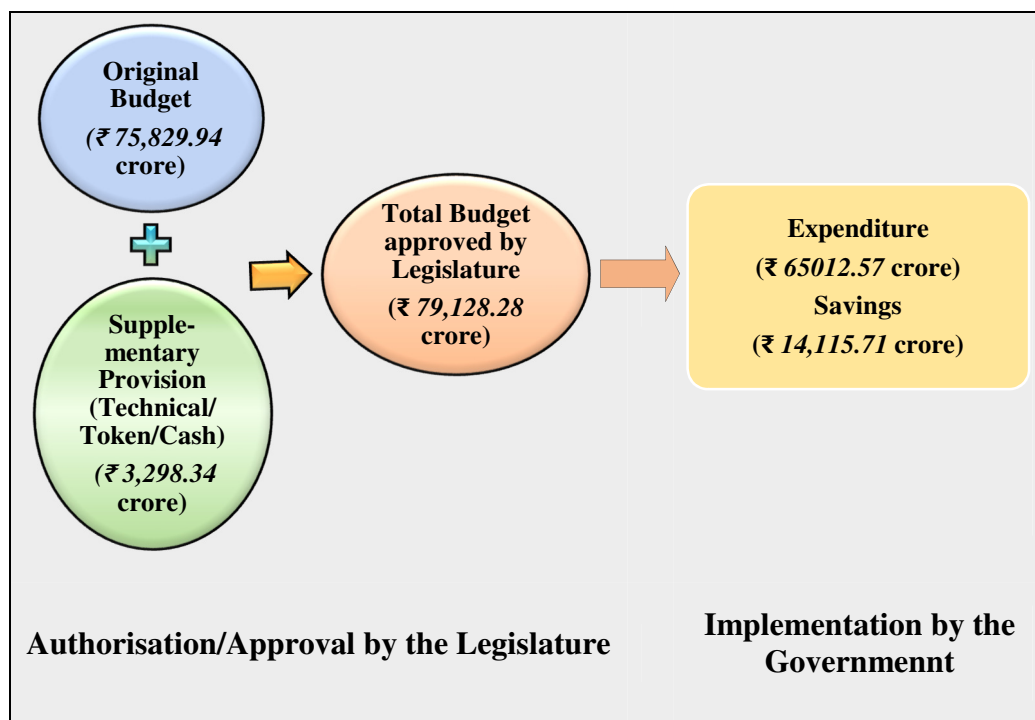
The annual exercise of budgeting is a means for detailing the roadmap for efficient use of public resources. The budget process commences with the issue of the Budget Circular, normally in August each year, providing guidance to different Departments in framing their estimates, for the next financial year. A typical budget preparation process in GNCTD is given in **Chart 3.1**:

Chart 3.1: Flow chart of budget preparation process



The various components of Budget are depicted in **Chart 3.2**

Chart 3.2: Flow chart of budget implementation for the Financial Year 2022-23



Source: Appropriation Accounts for the year 2022-23

3.1.1 Summary of total provisions, actual disbursements and savings during the financial year 2022-23

A summarised position of total budget provision, disbursement and savings/excess for the financial year 2022-23 with its further bifurcation into voted/charged is given in **Table 3.1 (a)**:

Table 3.1 (a): Budget provision, disbursements and savings/excess during 2022-23

(₹ in crore)

Nature of expenditure	Total Budget provision		Disbursements		Savings	
	Voted	Charged	Voted	Charged	Voted	Charged
Revenue	51,963.61	3,785.05	44,925.78	3,738.72	7,037.83	46.33
Capital	12,831.28	60.10	8,509.24	39.61	4,322.04	20.49
Public Debt	0.00	4,715.17	0.00	4,715.16	0.00	0.01
Loans and Advances	5,772.07	1.00	3,084.06	0.00	2,688.01	1.00
Total	70,566.96	8,561.32	56,519.08	8,493.49	1,4047.88	67.83

GNCTD had envisaged ₹ 79,128.28 crore for spending on its activities/scheme against which the net disbursement/expenditure was ₹ 64,110.35¹ crore, resulting in savings of ₹ 15,017.93 crore. Moreover, disbursement/expenditure nearly matched the total receipts of ₹ 67,211.72 crore, which was nearly 85 *per cent* of sanctioned budget. Estimating expenditure more than actual requirement was indicative of deficient budgeting exercise.

Table 3.1 (b): Trend of budget utilisation *vis-à-vis* total receipts and total expenditure

(₹ in crore)

Year	Budget	Percentage of expenditure ² to total budget	Percentage of receipt ³ to total budget
2018-19	58177.14	79.49	81.88
2019-20	64180.68	79.75	82.15
2020-21	65891.87	79.63	87.81
2021-22	72081.08	85.00	85.00
2022-23	79128.28	81.02	84.94

It can be seen from **Table 3.1 (b)** that percentage of receipt *vis-à-vis* the total budget varied between 82-88 *per cent* and the corresponding expenditure *vis-à-vis* the total budget varied between 80-85 *per cent*. Estimating expenditure more than actual requirement was indicative of deficient budgeting exercise.

3.1.2 Charged and voted disbursements

Break-up of total disbursements into charged and voted for the years 2018-19 to 2022-23 is given in **Table 3.2**:

¹ ₹ 65,012.57 crore - ₹ 902.22 crore (recoveries)

² Include repayment of public debt

³ Include debt receipts

Table 3.2: Disbursements and savings/excess during 2018-19 to 2022-23

(₹ in crore)

Year	Provisions			Disbursements			Savings/Excess	
	Voted	Charged	Total	Voted	Charged	Total	Voted (in percentage)	Charged (in percentage)
2018-19	51,230.42	6,946.72	58,177.14	39,550.58	6,793.98	46,344.56	11,679.84 (22.80)	152.74 (2.20)
2019-20	57,305.74	6,874.94	64,180.68	45,632.91	5,877.12	51,510.03	11,672.83 (20.37)	997.82 (14.51)
2020-21	58,932.64	6,959.23	65,891.87	46,442.27	6,453.49	52,895.76	12,490.37 (21.19)	505.74 (7.27)
2021-22	63,998.48	8,082.60	72,081.08	53,660.30	7,881.70	61,542.00	10,338.18 (16.15)	200.90 (2.49)
2022-23	70,566.96	8,561.32	79,128.28	56,519.08	8,493.49	65,012.57	14,047.88 (19.91)	67.83 (0.79)

It can be seen from **Table 3.2** that during the period 2018-19 to 2022-23, the savings under the ‘Voted’ portion of the budget ranged from 16.15 to 22.80 *per cent* whereas the savings under the ‘Charged’ portion of budget ranged from 0.79 to 14.51 *per cent*.

3.2 Appropriation Accounts

Appropriation Accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of grants (voted and charged) for different purposes as specified in the schedules appended to the Appropriation Act passed under Article 204 and 205 of the Constitution of India. Appropriation Accounts are on *gross basis*. These Accounts distinctly depict the original budget provision, supplementary grants, surrenders and re-appropriations 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 budget. Appropriation Accounts thus, facilitate understanding of utilisation of funds, the management of finances and monitoring of budgetary provisions and, therefore, complement Finance Accounts.

Audit of Appropriation Accounts by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants are within the authorisation given under the Appropriation Act. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions. This chapter contains audit observations in respect of the Appropriation Accounts prepared by the Controller of Accounts, GNCTD for the year 2022-23.

Scrutiny of the Appropriation Accounts revealed that there was total savings of ₹ 14,115.71 crore (17.84 per cent of total budget of ₹ 79,128.28 crore) in which ₹ 6,538.24 crore (46.32 per cent of total savings) was surrendered on or before close of financial year 2022-23 and ₹ 7,577.47 crore (53.68 per cent of total savings) lapsed due to not surrendering the savings in time.

3.2.1 Budget Marksmanship

Aggregate Budget Outturn

Aggregate Budget Outturn measures the extent to which the aggregate budget expenditure outturn/actual expenditure reflects the amount original approved both in the terms of less than approved and in excess of approved.

(₹ in crore)

Description	Original Approved Budget (BE)	Actual Outturn	Difference between Actual And BE
Revenue	53,717.29	48664.50	(-)5,052.79
Capital	22,112.65	16,348.07	(-)5,764.58
Total	75,829.94	65,012.57	(-)10,817.37

In Revenue section, deviation in outturn compared with BE was (-) 9.41 per cent. This was due to deviation ranging from (-) 7.83 to 25 per cent in nine grants, from + 25 per cent to 50 per cent in three grants and from + 50 to 100 per cent in one grant.

In Capital Section, deviation in actual expenditure compared with BE was (-) 26.07 per cent. This was due to deviation ranging from (-) 857.83 to 25 per cent in two grants, from + 25 per cent to 50 per cent in five grants and from + 50 to +100 per cent in four grants. No provision was, however, made in respect of four grants in capital section.

Expenditure Composition Outturn

Expenditure Composition Outturn measures the extent to which re-allocations between the main budget categories during execution have contributed to variance in expenditure composition.

(₹ in crore)

Description	Original Approved Budget (BE)	Sanctioned Budget (SB) (O+S)	Actual Outturn	Difference between BE and Total Budget	Difference between Actual and Total Budget*
Revenue	53,717.29	55,748.66	48,664.50	(-)2,031.37	(-)7,084.16
Capital	22,112.65	23,379.62	16,348.07	(-)1,266.97	(-)7,031.55
Total	75,829.94	79,128.28	65,012.57	(-)3,298.34	(-)14,115.71

*Excess of actuals over revised estimate is denoted as (+) figure and shortage of actuals over revised provision is denoted as (-) figure.

In Revenue section, deviation in outturn compared with sanctioned budget was (-) 12.71 *per cent*. This was due to deviation ranging from 0 to 25 *per cent* in nine grants, between + 25 *per cent* to 50 *per cent* in three grants, between + 50 to 100 *per cent* in one grant.

In Capital Section, deviation in outturn compared with sanctioned budget was (-) 30.08 *per cent*. This was due to deviation between 0 and 25 *per cent* in two grants, between + 25 *per cent* to 50 *per cent* in three grants, between + 50 to 100 *per cent* in six grants. No provision was, however, made in respect of four grants in capital section.

3.3 Integrity of budgetary and accounting process

Brief

Of the 46 cases of savings exceeding ₹ 100 crore across all the grants, 20 cases were checked with respect to departmental records and the reasons for savings in respect of these cases were found to be matching.

Further, Grant No. 6-Education was selected for detailed examination for the last three years. Under this grant, the reasons for injudicious re-appropriation, persistent savings and rush of expenditure were also checked with reference to departmental records and found to be matching

3.3.1 Unnecessary or excessive supplementary grants

Supplementary demand should be resorted to only in exceptional and urgent cases. While obtaining a supplementary grant, the Department has to keep in view the resources available or likely to be available during the year and exercise due caution while forecasting its additional budgetary requirement of funds.

Scrutiny of Appropriation Accounts for the year 2022-23 revealed that supplementary grants amounting to ₹ 1,999.30 crore in eight cases, as detailed in **Appendix 3.1**, were obtained in anticipation of higher/additional expenditure. However, the final expenditure was even less than the original grant, thereby defeating the intended purpose of the supplementary grant.

3.3.2 Unnecessary or excessive re-appropriation

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.

Scrutiny of Appropriation Accounts for the year 2022-23 revealed that under 11 sub-heads spread across six grants, there were final savings of more than ₹ 15 crore in each case, as detailed in **Appendix 3.2**.

Re-appropriations to these 11 sub heads were made unnecessarily, as the departments were not able to utilise even their existing grants (original + Supplementary) fully and there was a cumulative non-utilisation (savings) of ₹ 714 crore against the re-appropriation of ₹ 492.58 crore, which was indicative of deficient budgeting exercise. The detailed reasons for the savings are indicated in **Appendix 3.2**.

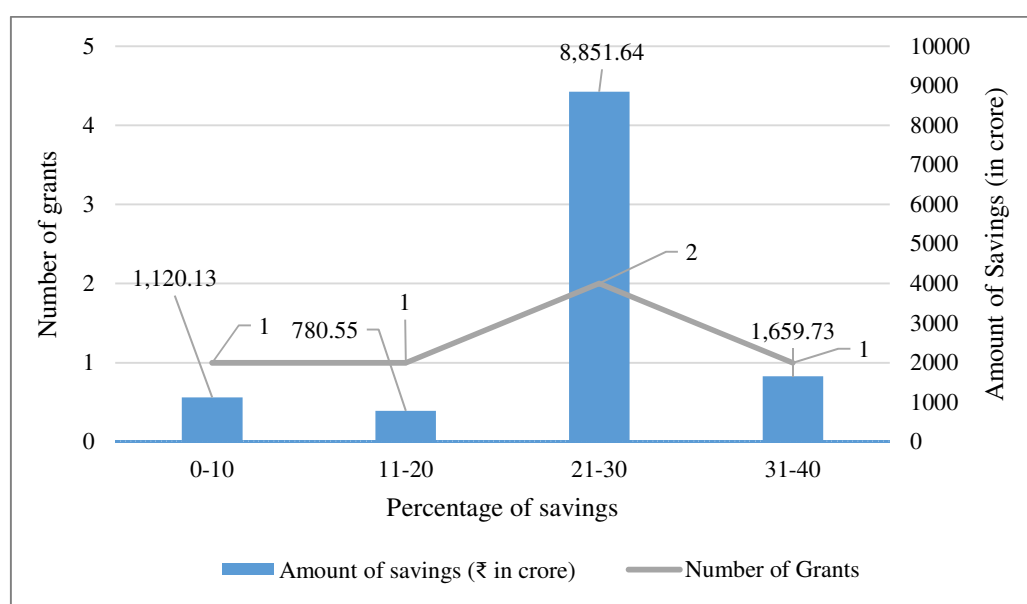
3.3.3 Unspent amount and surrendered appropriations and/or large savings/ surrenders.

As per Rule 62(2) of General Financial Rules 2017, savings as well as provisions that cannot be profitably utilised should be surrendered immediately when they are foreseen without waiting till the end of the year. No savings should be held in reserve for possible future excesses.

There were overall savings of ₹ 14,115.71 crore, which was 17.84 per cent of total budget of ₹ 79,128.28 crore. Out of this, in eight cases (**Appendix 3.3**), there were savings of more than ₹ 500 crore in each case. Against the total provision of ₹ 64,877.38 crore, the actual expenditure was ₹ 52,465.33 crore and savings was ₹ 12,412.05 crore. Further, despite significant savings of more than ₹ 500 crore and above out of original budget provision, supplementary provisions were obtained (**Appendix 3.3**).

The distribution of the number of grants/appropriations (**Appendix 3.3**) grouped by the percentage of savings shows (**Chart 3.3**) that in four grants (Grant No. 6, 7, 8 and 11) savings amounting to ₹ 10,752.32 crore ranged from 8 to 30 per cent of the total provisions. However, in one grant (Grant No. 10) there was savings of ₹ 1,659.73 crore (30.84 per cent).

Chart 3.3: Number of Grants/Appropriations grouped by the percentage of savings along with total savings in each group



Audit further noted that in 10 grants there were total savings of ₹ 13,166.11 crore in which an amount of ₹ 6,470.63 crore was surrendered and ₹ 6,695.48 crore (more than ₹ 10 crore in each case) of total savings lapsed at the end of March 2023, as detailed in **Appendix 3.4**. The reasons for savings as mentioned in appropriation accounts and surrender statement are given in **Appendix 3.4**.

3.4 Comments on transparency of budgetary and accounting process

3.4.1 Lump-sum budgetary provisions

The financial rules/budget manual prohibit lump-sum provision in estimates except in cases where urgent measures are to be provided for meeting emergent situations or for meeting preliminary expenses on a project/scheme which has been accepted in principle for being taken up in the financial year. Detailed explanations justifying provision proposed are required to be given in the budget note accompanying the lump-sum estimates.

Audit noted that GNCTD made total lump-sum budgetary provision of ₹ 260.88 crore under three grants (**Appendix 3.5**) against which expenditure of ₹ 205.39 crore was made. Lump-sum provisions without identifying the exact object of expenditure vitiates transparency. Further, as per sub rule 6 of Rule 3 of Delegation of Financial Powers Rules, 1978 no lump-sum provision shall ordinarily be made in the budget except for works costing less than ₹ 10 lakh. However, Audit noted that in 12 cases under three Grants, as detailed in **Appendix 3.5**, the amount had exceeded the prescribed limit of ₹10 lakh. Moreover, it has also been noticed that similar lump-sum provisions under sub-heads of Grant No. 7, 10 and Grant No. 11 were also made in previous year.

3.5 Comments on effectiveness of budgetary and accounting process

3.5.1 Budget projection and gap between expectation and actual

Efficient management of tax administration/other receipts and public expenditure holds the balance for achievement of various fiscal indicators. Budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities and weak internal controls lead to sub-optimal allocation among various developmental needs. Excessive savings in some departments deprive other departments of the funds which they could have utilised.

Scrutiny of Appropriation Accounts for the year 2022-23 revealed that the departments could utilise ₹ 65,012.57 crore against the total provision of ₹ 79,128.28 crore and out of total savings of ₹ 14,115.71 crore, savings of ₹ 7,577.47 crore (53.68 per cent) lapsed on 31 March, 2023.

The details are given in **Table 3.3**:

Table 3.3: Summarised position of actual expenditure vis-à-vis original/ supplementary provisions

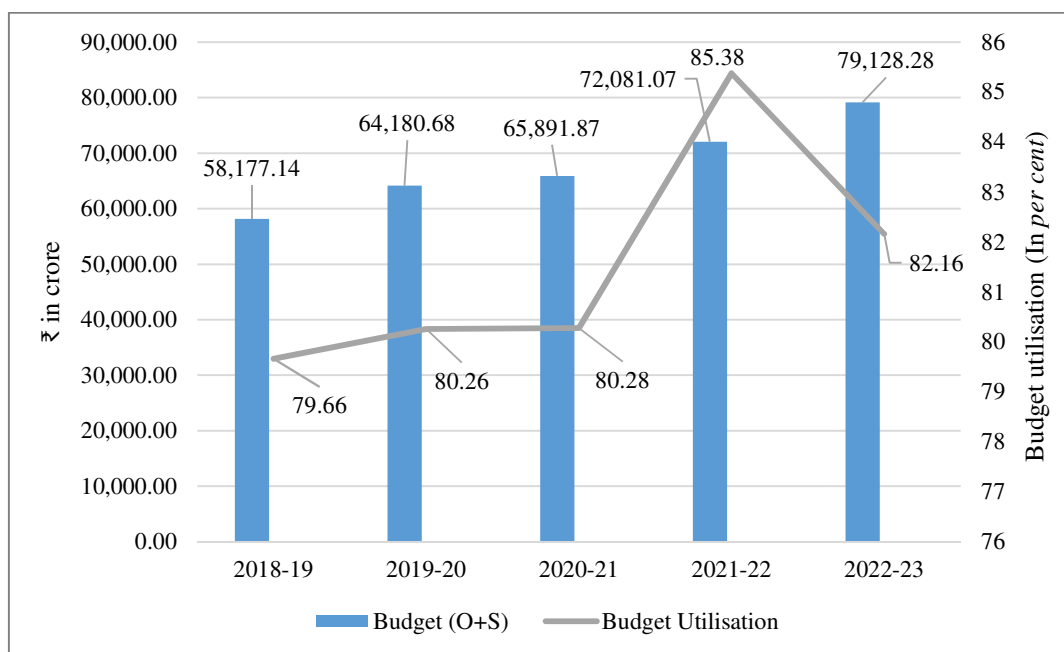
(₹ in crore)

Segment	Nature of expenditure	Original grant/ appropriation	Supplem-entary Grant/ Appropri-iation	Total	Actual expendit-ure	Savings(-) Excess(+)	Lapsed on 31 March23	
							Amount	in per cent
Voted	I. Revenue	49,990.01	1,973.60	51,963.61	4,4925.78	(-)7,037.83	4,689.73	66.64
	II. Capital	12,325.47	505.81	12,831.28	8,509.24	(-)4322.04	1,496.38	34.62
	III. Loans and Advances	5,010.91	761.16	5,772.07	3,084.06	(-)2688.01	1,344.07	50.00
Total voted		67,326.39	3,240.57	70,566.96	56,519.08	(-)14,047.88	7,530.18	53.60
Charged	I. Revenue	3,727.28	57.77	3,785.05	3,738.72	(-)46.33	31.79	68.62
	II. Capital	60.10	0.00	60.10	39.61	(-)20.49	15.5	75.61
	Public Debt	4,715.17	0.00	4715.17	4,715.16	(-)0.01	0.00	0.00
	III. Loans and Advances	1.00	0.00	1.00	0.00	(-)1.00	0.00	0.00
Total charged		8,503.55	57.77	8,561.32	8,493.49	(-)67.83	47.29	69.72
Appropriation to Contingency Fund (if any)		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total		75,829.94	3,298.34	79,128.28	65,012.57	(-)14,115.71	7,577.47	53.68

Source: Appropriation Account

The position of budget utilisation during the previous five year is given in **Chart 3.4.**

Chart 3.4: Budget utilisation during 2018-19 to 2022-23

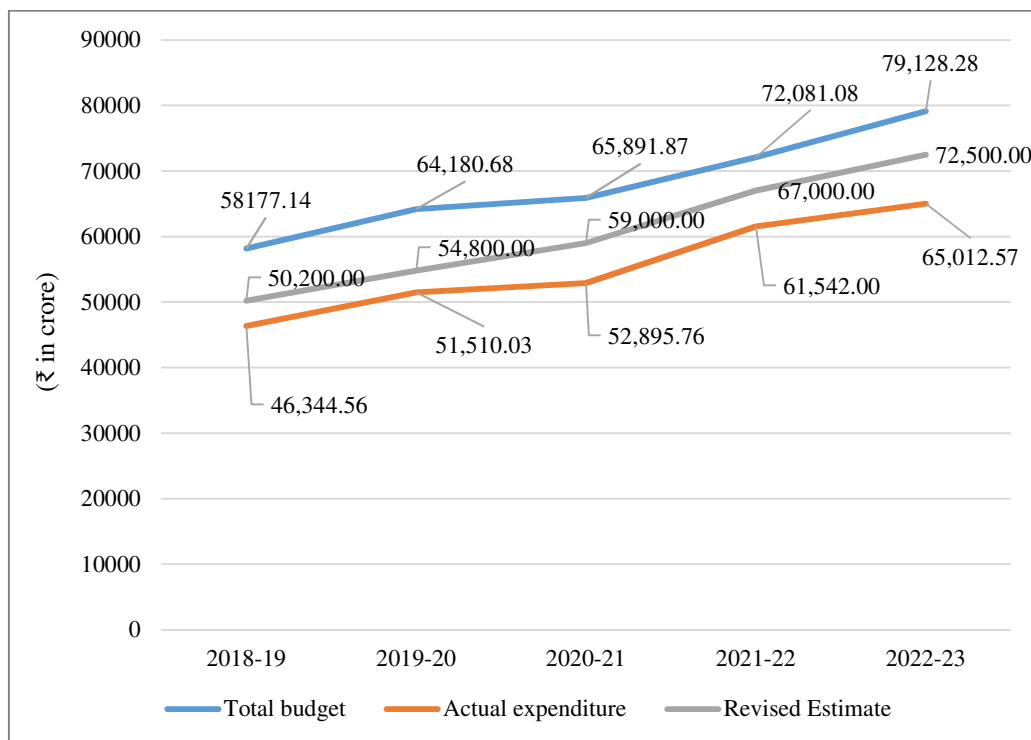


Details of original budget, revised budget estimates and actual expenditure for the period 2018-19 to 2022-23 are given in **Table 3.4:**

Table 3.4: Original budget, revised estimates and actual expenditure during the period 2018-19 to 2022-23

	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Original Budget	53,000.01	60,000.00	65,000.00	69,000.00	75,829.94
Supplementary Budget	5,177.13	4,180.68	891.87	3,081.08	3,298.34
Total Budget (TB)	58,177.14	64,180.68	65,891.87	72,081.08	79,128.28
Revised Estimate (RE)	50,200.00	54,800.00	59,000.00	67,000.00	72,500.00
Actual Expenditure (AE)	46,344.56	51,510.03	52,895.76	61,542.00	65,012.57
Savings/excess	11,832.58	12,670.65	12,996.11	10,539.08	14,115.71
Percentage of supplementary to the Original provision	9.77	6.97	1.37	4.47	4.35
Percentage of Savings/ Excess to the overall Provision	20.34	19.74	19.72	14.62	17.84
TB-RE	7,977.14	9,380.68	6,891.87	5,081.08	6,628.28
RE-AE	3,855.44	3,289.97	6,104.24	5,458.00	7,487.43
(TB-RE) as % of TB	13.71	14.62	10.46	7.05	8.38
(RE-AE) as % of TB	6.63	5.13	9.26	7.57	9.46

Source: Budget at glance and Appropriation Accounts of the respective years.

Chart 3.5: Trend showing Total Budget and Actual expenditure and Revised estimates

It can be seen from **Table 3.4** that during the period 2018-19 to 2022-23 the percentage of total savings vis-à-vis total provision ranged from 14.62 *per cent* (2021-22) to 20.34 *per cent* (2018-19).

3.5.2 Major policy pronouncements in the budget and their actual funding for ensuring implementation

Several policy initiatives taken up by the Government were partially or fully not executed due to non-approval of scheme guidelines/modalities, non-commencement of works for want of administrative sanction, non-release of budget, etc. This deprives the beneficiaries of intended benefits. Savings in such schemes deprives other departments of the funds which they could have utilised.

It was observed that in 87 sub-heads under seven grants, there was revised outlay of ₹ 1175.41 crore (₹ one crore or more in each scheme) but no expenditure was incurred resulting in non-implementation of schemes as shown in **Appendix 3.6**.

Savings of the entire provision was indicative of the fact that the estimates were not prepared after adequate scrutiny of the projects/schemes. Schemes which did not take off due to non-utilisation of the entire provision were –Samagra Shiksha (Top up) - Elementary Education (₹ 145.95 crore), Grants in Aid to School of Specialised Excellence (₹ 19 crore), Pradhan Mantri Kausal Vikas Yojna (CSS) (₹ 21.50 crore), Grant in aid for Covid-19 Emergency Response and health system preparedness package (NRHM) (₹ 244 crore), Delhi Disaster Response Fund (Centre Share) (₹ 15 crore) and Subordinate Debts for land acquisition for MRTS (312.0 crore).

Further, it was observed that in 78 sub-heads under nine grants, provision of ₹ 1,316.21 crore (₹ one crore or above in each case) was made in the original budget (**Appendix 3.7**) but the amount was completely withdrawn in the revised outlay for the financial year 2022-23.

3.5.3 Rush of expenditure

i) Rule 62(3) of GFR, 2017 provides that rush of expenditure particularly in the closing months of the financial year is regarded as a breach of financial propriety and should be avoided. As per the guidelines of the Ministry of Finance, GoI dated 24 January 2020, expenditure in the last quarter and last month i.e. March of the financial year should be restricted to 25 per cent and 10 per cent of the budget, respectively.

It was noticed that out of the net total expenditure of ₹ 64,110.35 crore during 2022-23, expenditure of ₹ 22,409.72 crore (28.32 per cent of budget) was incurred in the last quarter, whereas ₹ 10,389.30 crore (13.13 per cent of budget) was incurred during the month of March, 2023. Besides, Audit noted that in 28 sub-heads under seven grants, expenditure ranging from 51.53 to 100 per cent, was incurred in March, 2023.

Rush of expenditure during the last quarter, especially during the month of March, indicates non-adherence to financial rules besides adversely affecting quality of expenditure.

ii) Sub-heads where entire expenditure was incurred in March 2023

Audit noted that in 6 sub-heads under four grants, the entire expenditure of ₹ 367.06 crore was incurred in March 2023 as detailed in **Table 3.5**:

Table 3.5: Heads where entire expenditure was incurred in March 2023

Sl. No.	Grant No. and name	Head of Account (upto Sub-Head)	100 per cent expenditure during March (₹ in crore)
1.	6-Education	2202.01.112.85.00.31 Grants-in-aid to Municipal Corporation of Delhi for Mid-Day Meal Programme (CSS)	45.54
2.		2202.03.001.95.00.31 Grants in Aid to Delhi Higher Education aid trust for Merit Cum Means linked Financial Assistance	17.00
3.		2202.80.107.82.00.34 Welfare of educationally backward minority students	19.12
4.	8- Social Welfare	3055.00.190.99.00.33 Subsidy to DTC for concessional passes	50.00

Sl. No.	Grant No. and name	Head of Account (upto Sub-Head)	100 per cent expenditure during March (₹ in crore)
5.	9- Industries	3456.00.102.86.00.50 Assistance to state agency for inter-state movement of food grains and FPS dealer margin under NFSA (CSS)	23.99
6.	11 – Urban Development and Public Works	2217.05.191.94.00.35 Grants in Aid to MCD's/ NDMC for AMRUT 2.0 (CSS)	211.41
Total			367.06

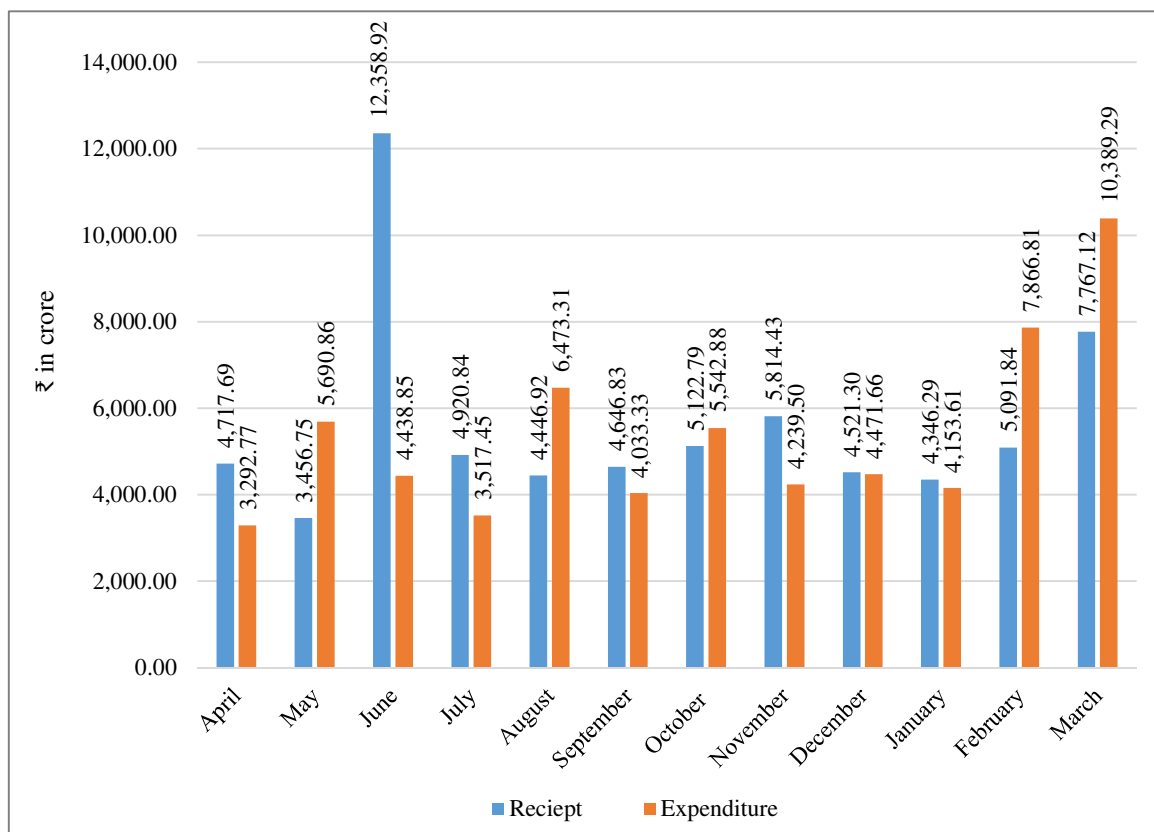
Source: Principal Accounts Office, GNCTD

iii) Grants with more than 50 per cent of expenditure in March alone

Audit noted that in 22 sub-heads under seven grants, an expenditure of ₹ 1,463.52 crore ranging from 50 to 96.99 per cent of the total expenditure was incurred in March 2023 as depicted in **Appendix 3.8**.

It may be observed from **Chart 3.6** below that month-wise receipts of GNCTD ranged from 5.14 per cent (May 2022) to 18.38 per cent (June 2022) of the total receipt of ₹ 67,211.72 crore whereas month-wise expenditure of GNCTD ranged from 5.13 per cent (April 2022) to 16.20 per cent (March 2023) of the net expenditure of ₹ 64,110.35 crore during the year 2022-23.

Chart 3.6: Monthly receipts and expenditure during the FY 2022-23



3.5.4 Lack of utilisation of Grant under Centrally Sponsored Schemes (CSS)

Govt. of NCT of Delhi had approved outlay of ₹ 116.58 crore which was revised to ₹ 100.84 crore under the Centrally Sponsored Schemes (GIA) under nine sub-heads involving four Grants, as detailed in **Appendix 3.9**.

3.6 Review of selected Grant (“Grant No. 06-Education”)

A review of budgetary procedure and control over expenditure in respect of “Grant No. 06-Education” was conducted, wherein magnitude of variations in original grants, supplementary demands and actual expenditure was analyzed.

a) Introduction

A review of budgetary procedure and control over expenditure in respect of Grant no.06-‘Education’, Government of National Capital Territory of Delhi (GNCTD) for the period 2020-21 to 2022-23 was conducted to ascertain compliance with budgeting processes, monitoring of funds and control mechanism within the grant. The grant includes major heads 2202-Directorate of Education, 2203-Directorate of Training & Technical Education, 2204-Sports and Youth Services, 2205-Art and Culture and 2230-Labour, Employment and Skill Development.

b) Budget and Expenditure

The overall position of Budget provision, expenditure incurred and savings under the Grant no.06- 'Education' for the last three years is given in **Table 3.6** below:

Table 3.6: Budget and Expenditure

(₹ in crore)					
Year	Section	Budget Provision	Total	Expenditure	Savings (percentage)
2020-21	Revenue Original (Voted)	13,349.38	13,349.76	9,823.16	3,526.60 (26.42)
	Supplementary	0.38			
	Revenue Original (Charged)	0.70	0.80	0.10	0.70 (87.5)
	Supplementary	0.10			
	Capital Original (Voted)	388.14	388.15	120.27	267.88 (69.01)
	Supplementary	0.01			
2021-22	Revenue Original (Voted)	14,008.53	14,009.46	11,238.47	2,770.99 (19.78)
	Supplementary	0.93			
	Revenue Original (Charged)	0.69	0.69	0.05	0.64 (92.75)
	Supplementary	0.0			
	Capital Original (Voted)	481.97	834.62	753.11	81.51 (9.77)
	Supplementary	352.65			
2022-23	Revenue Original (Voted)	13,856.58	14,077.5	12,957.37	1,120.13 (7.96)
	Supplementary	220.92			
	Revenue Original (Charged)	0.62	0.62	0.16	0.46 (74.19)
	Supplementary	0			
	Capital Original (Voted)	517.97	518.00	179.05	338.95 (65.43)
	Supplementary	0.03			

Source: Appropriation Accounts

Table 3.6 shows that un-utilised budget provision under Capital (Voted) ranged from 9.77 per cent (2021-22) to 69.01 per cent (2020-21), which reflects under-utilisation of resources by GNCTD.

c) Non-surrender of Savings

As per Rule 62 (2) of General Financial Rules 2017, savings as well as provisions that cannot be profitably utilised should be surrendered immediately when they are foreseen without waiting till the end of the year. No savings should be held in reserve for possible future excesses. The position of savings and surrenders under Grant -06- Education during the period 2020-21 to 2022-23 was as under:

Table 3.7: Non- surrender of savings under Grant 06-Education

(₹ in crore)

Year	Savings			Amount surrendered (in percentage)		
	Revenue (Voted)	Revenue (Charged)	Capital (Voted)	Revenue (Voted)	Revenue (Charged)	Capital (Voted)
2020-21	3526.60	0.70	267.88	2187.75	0.14	174.30
				(62.04)	(20.00)	(65.07)
2021-22	2770.99	0.64	81.51	1625.17	0.33	0.52
				(58.65)	(51.56)	(63.37)
2022-23	1120.12	0.46	338.95	72.93	0.36	171.72
				(6.5)	(78.26)	(50.66)

Source: Appropriation Accounts

d) Persistent Savings

It was observed that a substantial portion of the budget allocation remained unutilised under five sub-heads under Grant 06- Education during the period 2020-21 to 2022-23, indicating non-achievement of projected financial outlays in the respective years was as under:

Table 3.8: Persistent savings under Grant No.06-Education

Sl.No.	Head of Accounts	2020-21 ₹ in crore (in per cent)	2021-22 ₹ in crore (in per cent)	2022-23 ₹ in crore (in per cent)
1.	2202.01.113.98 - Samagra Shiksha (State share)	188.03 (62.68)	227.57 (79.01)	139.74 (48.52)
Reason as per Head-wise Appropriation Accounts: Less/Delayed release of Central Share by Govt. of India and subsequent state share, hence savings occurred.				
2.	2202.01.113.97 - Samagra Shiksha (CSS)	140.10 (53.89)	156.22 (61.26)	83.51 (30.37)
Reason as per Head-wise Appropriation Accounts: Delayed release of Central Share by Govt. of India.				
3.	2202.02.109.96 - Govt. Secondary School	265.35 (13.81)	198.61 (10.1)	42.86 (2.18)
Reason as per Head-wise Appropriation Accounts: Non finalisation of MACP / Stepping up cases of teachers and other staff, non-clearance of bills on account of objection raised at various levels of processing and non-filling of various vacant posts				

Sl.No.	Head of Accounts	2020-21 ₹ in crore (in per cent)	2021-22 ₹ in crore (in per cent)	2022-23 ₹ in crore (in per cent)
4.	2202.02.113.98 - Samagra Shiksha (State share)	38.03 (76.06)	23.79 (56.63)	4.32 (10.29)
Reason as per Head-wise Appropriation Accounts: Delayed release of Central Share by Govt. of India and subsequent state share				
5.	2202.02.113.97 - Samagra Shiksha (CSS)	30.77 (51.29)	29.26 (58.53)	3.47 (5.77)
Reason as per Head-wise Appropriation Accounts: Delayed release of Central Share by GoI & subsequent State Share				

Source: Appropriation Accounts

Figures in parenthesis indicate percentage to total savings.

e) Unnecessary or excessive re-appropriation 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.

Detailed review of Appropriation Accounts of Grant No. 6-Education for the period 2020-21 to 2022-23 revealed that under 36 sub-heads (detailed in **Appendix 3.10**), the re-appropriation proved unnecessary as the departments were not able to utilise their original grants in full.

Cases of injudicious re-appropriation to sub-head under Revenue Voted/Capital Voted section are detailed below:

- Scrutiny revealed that re-appropriation amounting to ₹ 55.21 crore (2020-21), under 14 sub-heads, ₹ 31.55 crore (2021-22) under 8 sub-heads and ₹ 225.98 crore under 13 sub-heads (2022-23) of Revenue Voted Section proved unnecessary as the departments were not able to utilise their original grants in full.

Reasons for savings under a sub-head exceeding ₹ 25 crore for savings mentioned in the appropriation accounts were examined with reference to the departmental records and found to be matching. The examination of these cases revealed that saving occurred inter alia on account of non-approval of Cabinet for the opening of new budget head for Top Up for 2022-23 and the non-approval of Cabinet Note for the year 2022-23, non-finalisation of MACP / Stepping up cases of teachers and other staff, non-clearance of bills on account of objection raised at various levels of processing, delayed release of Central share by GoI, non-materialisation of payment of bills for procurement etc.

Scrutiny revealed that re-appropriation amounting to ₹ 5.81 crore under one sub-head (2022-23) of Capital Voted Section proved unnecessary as the department was not able to utilise their original grants in full.

Reason reported for savings was attributed to receipt of funds at the fag end of the financial year.

f) Entire provision remained Un-utilised

Detailed review of Grant no.6 for last three years 2020-21, 2021-22 and 2022-23 revealed that provision was made in various sub-heads but no expenditure was incurred under these sub heads against the allocated budget during the period 2020-21, 2021-22 and 2022-23, which resulted in savings of entire amount of provision made in these schemes. Details of these schemes are given in **Appendix 3.11**. It was also noticed that there were several common schemes in which provision was made year on year but no expenditure was incurred during the period 2020-21 to 2022-23.

g) Rush of expenditure

Rule 62(3) of GFR, 2017 provides that rush of expenditure particularly in the closing months of the financial year is regarded as a breach of financial propriety and should be avoided. As per the guidelines of Ministry of Finance, GoI dated 24 January 2020, expenditure in the last quarter and last month i.e. March of the financial year should be restricted to *25 per cent* and *10 per cent* of the budget respectively.

However, audit noted that contrary to this, expenditure was incurred ranging from 65.33 to 100 *per cent* in the last quarter of FY 2020-21 in four sub-heads, 72.42 to 100 *per cent* of the total expenditure in 12 sub-heads in the last quarter of FY 2021-22 and 59.26 to 100 *per cent* in seven sub-heads by the departments in the last quarter of the FY 2022-23 as detailed in **Appendix 3.12**.

Rush of expenditure especially during the month of March from the period 2020-21 to 2022-23 ranged from 57.70 *per cent* to 100 *per cent* indicates non-adherence to financial rules besides adversely affecting quality of expenditure.

Cases reporting 100 *per cent* of the total expenditure during the last quarter of the financial years 2020-21, 2021-22 and 2022-23 were checked with respect to the departmental records. The reasons for the rush of expenditure in these cases were attributed inter alia to opening of new head of accounts, revised estimates, delayed receipt of central assistance etc.

3.7 Recommendations

- (i) Government should prepare realistic budget estimates, backed with correct assessment for availability of resources and potential to expend, to avoid large savings and supplementary provisions.
- (ii) Government should ensure strict compliance of provisions of budget manual in preparation of supplementary provisions and ensure transparency in estimation for avoiding unnecessary supplementary provisions.
- (iii) Government may consider formulating strategies for actual execution of major policy decisions in the State at the time of preparing budgetary estimates and
- (iv) Government should adhere to quarterly targets fixed for incurring expenditure through periodic monitoring to avoid rush of expenditure towards end of the year and also ensure proper utilisation of savings through timely surrender.

CHAPTER-4
QUALITY OF ACCOUNTS AND
FINANCIAL REPORTING PRACTICES

Chapter - 4

Quality of Accounts and Financial Reporting Practices

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is, thus, one of the attributes of good governance. Reports on compliance and controls, if effective and operational, assist the Government in meeting its basic responsibilities, including strategic planning and decision-making. The compliance of GNCTD with various financial rules, procedures and directives has been discussed in this chapter.

Issues related to completeness of accounts

4.1 Funds transferred directly to State implementing agencies

The Union Government transfers large funds directly to State Implementing Agencies/Non-Governmental Organisations for implementation of various schemes and programmes.

As these funds are not routed through the GNCTD's Budget, these are not reflected in the accounts of GNCTD. As per the information shared by Finance Department, GNCTD, funds to the extent of ₹ 309.76 crore were transferred by the GoI directly to State Implementing Agencies within GNCTD, as depicted on the PFMS portal, during the year 2022-23.

Principal Accounts Office, GNCTD stated (February 2024) that matter had been referred to Finance department for the confirmation of facts and figures.

Issues related to transparency

4.2 Delay in submission of Utilisation Certificates

Rule 238 of GFR, 2017 stipulates that for grants released during a year for specific purposes, Utilisation Certificates (UCs) should be obtained by the Departmental officers from the grantees within 12 months of the closure of the financial year.

However, 1,339 UCs for an aggregate amount of ₹ 9,314.85 crore in respect of the grants released up to 31 March 2022 were not furnished by the grantees as of 31 March 2023.

Lack of submission of the UCs means that although expenditure is incurred but the grantees have not explained as to how the funds were spent. There is also no assurance that the intended objectives of providing these funds have been achieved. This assumes greater importance, if such UCs are pending against Grants-in-aid (GIA) meant for capital expenditure. Since lack of submission of UCs is fraught with the risk of misappropriation, it is imperative that GNCTD

should monitor this aspect closely and hold the concerned departments accountable for submission of UCs in a timely manner. Year-wise break up of outstanding UCs is detailed below in **Table 4.1**.

Table 4.1: Year-wise break up of outstanding Utilisation Certificates

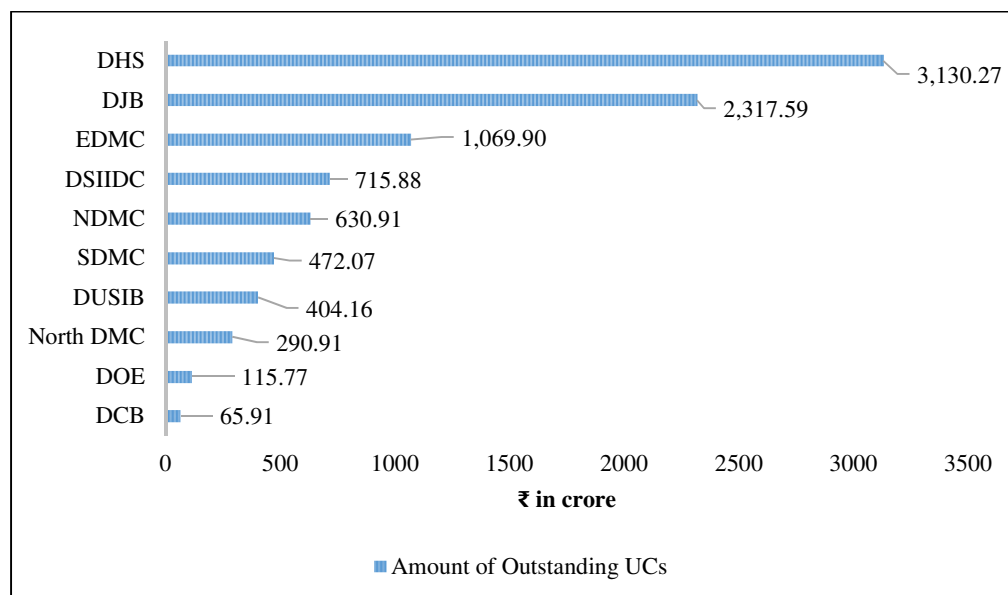
(₹ in crore)

Year	Number of UCs outstanding	Amount
1993-94 to 2011-12	1,047	220.91
2012-13	103	188.92
2013-14	27	0.64
2014-15	26	0.32
2015-16	08	178.34
2016-17	11	685.15
2017-18	04	155.52
2018-19	07	657.67
2019-20	08	336.95
2020-21	19	2,395.43
2021-22	79	4,495.00
Total	1,339	9,314.85

It can be seen that 1,047 UCs (78.19 per cent) involving ₹220.91 crore were outstanding for more than 10 years while 292 UCs (21.81 per cent) of ₹ 9,093.94 crore were outstanding from 2012-13 to 2021-22.

The details of outstanding UCs in respect of 10 major Departments for grants paid up to 31 March 2022 are given in **Chart 4.1**:

Chart 4.1: Details of outstanding UCs of 10 major Departments for the grants paid up to 2021-22



Source: Principal Accounts Office, GNCTD

Directorate General of Health Services (DGHS), Delhi Jal Board (DJB) and East Delhi Municipal Corporation contributed ₹ 3,130.27 crore (33.61 per cent), ₹ 2,317.59 crore (24.88 per cent) and ₹ 1,069.90 crore (11.49 per cent) of the arrears, respectively.

This indicates lack of internal control of the administrative departments and tendency on the part of the Government to disburse fresh grants without ascertaining proper utilisation of the earlier grants. Pendency of UCs was fraught with the risk of misappropriation of funds and fraud.

Further, in the absence of UCs, it could not be ascertained as to whether the recipients had utilised the grants for the intended purpose for which these were sanctioned.

Principal Accounts Office, GNCTD confirmed (February 2024) the amounts shown in **Table 4.1** and **Chart 4.1**.

It is recommended that Principal Accounts Office, GNCTD may, in conjunction with the Finance Department, conduct an inquiry on the reasons for outstanding UCs for the period up-to 2012-13 under intimation to audit.

To verify the facts and figures relating to outstanding UCs contained in Finance Accounts of GNCTD, five Departments /Institutions viz., Department of Social Welfare, Directorate General of Health Services, Delhi Tourism & Transportation Development Corporation Ltd., New Delhi Municipal Council (NDMC), Delhi Cantonment Board were selected for detailed audit.

Department-wise major observations are discussed in the subsequent paras.

4.2.1 Directorate of Social Welfare

The Social Welfare Department releases the grants to NGOs/Recreation Centres for utilisation.

As per Annexure 'E' of Finance Accounts, GNCTD for the financial year 2022-23, 1,164 UCs for an amount of ₹ 37.32 crore were outstanding.

Audit noted that the directorate did not maintain any record/information relating to pending UCs. In the absence of information on the aforesaid pending UCs, it could not be ascertained whether the recipients had utilised the grants for the intended purpose for which these were sanctioned.

The department replied (September 2023) that it was in the process of collecting and compiling the details of pending UCs from the respective organisations for the period 1993-94 to 2021-22. It added that the UCs will be submitted to Pay and Accounts Office through Accounts Officer (DSW) within a month.

4.2.2 Directorate General of Health Services (DGHS)

As per Annexure 'E' of the statement of UCs of Finance Accounts, GNCTD for the financial year 2022-23, 9 UCs for an amount of ₹ 3,130.27 crore were outstanding from DGHS.

DGHS replied (September 2023) that the records relating to nine outstanding UCs for ₹ 2.69 crore in the year 1998-99 were not readily traceable. It added that no other UC was outstanding as per their records, as the remaining unspent

balance of ₹ 3,127.58 crore had been adjusted against GIA released during the year 2022-23.

The concerned accounting authorities may take the matter with DGHS to reconcile/rectify the mismatch between Finance Accounts and the departmental records.

During audit scrutiny of records relating to GIA released to various institutions/organisations, following discrepancies were noticed: -

- i. As per condition no. 5 of sanctions issued for release of GIA, a utilisation certificate duly signed by Executive Head of the organisation/Institution is to be submitted within the prescribed time.

Audit scrutiny revealed that UCs submitted by Indraprastha Vyavsayik Evam Paryavarneeya Swasthaya Samiti (IVPSS) and Chacha Nehru Bal Chikitsalaya (CNBC) were signed by only their CA and Sr. Accounts Officer and not by the designated Executive Head.

- ii. As per Rule 238(1) of GFR, UCs are required to be submitted by the grantee as prescribed in Form GFR 12-A.

Test check of UCs revealed that UCs were being submitted in Form GFR 19-A instead of Form GFR 12-A in contraventions of above provisions of GFR.

- iii. As per Rule 230 (8) of GFR, all interests or other earnings against Grants in aid or advances (other than reimbursement) released to any Grantee institution should be mandatorily remitted to the Consolidated Fund immediately after finalisation of the accounts. Such advances should not be allowed to be adjusted against future releases.

Audit scrutiny revealed that the interest earned by the grantees had not been remitted to the Consolidated Fund and had been adjusted against future release of grant in contravention of the above provisions of GFR.

Principal Accounts Office, GNCTD stated (February 2024) that matter had been referred to the concerned department to verify facts and figures with request to provide the comments.

4.2.3 Delhi Tourism & Transportation Development Corporation Ltd (DTTDC)

As per Annexure 'E' of the statement of Utilisation Certificate of Finance Accounts, GNCTD for the financial year 2022-23, 'Nil' UCs for an amount of ₹ 0.06 crore were outstanding.

Audit scrutiny revealed that that the aforesaid outstanding amount of an amount of ₹ 0.06 crore had actually been adjusted against the GIA for the year 2016-17. Further, no quantum or amount of UCs were pending with DTTDC as on date.

DTTDC replied (September 2023) that it had received an amount of ₹ 8.67 crore from GoI during 2015-16 of which the unspent balance of ₹ 0.06 crore had been adjusted in 2016-17. It added that UC for ₹ 0.06 crore had been forwarded to GoI in July 2019 and that no UCs (quantum and amount) were pending with it. The concerned PAO and DTTDC may reconcile and clear the outstanding UCs.

4.2.4 New Delhi Municipal Council (NDMC)

As per the Finance Accounts of GNCTD, 21 UCs for an amount of ₹ 630.91 crore were pending with NDMC.

As against the above position stated in Finance Accounts, (FA), NDMC stated (September 2023) as under:

- i. Pending UCs for the years 1993-94, 1996-97 and 1997-98 were 30 years old and the same could not be traced due to lack of details of the concerned scheme/project against which these UCs were pending. NDMC has also requested Department of Urban Development (UD),GNCTD to share the exact quantum of UCs pending specifically indicating the name of the scheme/projects for which GIA have been given to NDMC for settlement of outstanding UCs pertaining to 1993-94 to 1997-98.
- ii. In respect of the UCs outstanding for the years 2015-16 & 2018-19, the same had already been furnished to GoI and no longer pending with NDMC
- iii. For the year 2016-17, the amount of UCs outstanding as per FA was ₹ 24,715.40 lakh. However, NDMC stated that it had received a grant of ₹ 17,445.45 lakh during 2016-17 for which the UCs had already been forwarded to GoI.
- iv. For the year 2017-18 the amount of UCs outstanding as per FA was ₹ 6,361.91 lakh. However, NDMC stated that it had received a grant of ₹ 12,343.63 lakh during 2017-18 for which the UCs had already been forwarded to GoI.
- v. For the years 2020-21 and 2021-22 NDMC had directed their departments/divisions to provide the details of UCs for the period 2020-21 and 2021-22, which were to be further transmitted to Department of Urban Development (UD).

NDMC and the concerned department of GNCTD may reconcile and clear the outstanding UCs

Further, test check of UCs furnished by the NDMC revealed that the UCs submitted by NDMC for the year 2018-19 were in GFR form 19A instead of the prescribed format of Form 12A in contravention of Rule 238(1), of GFR, 2017.

4.2.5 Delhi Cantonment Board (DCB)

As per Annexure 'E' of the Finance Accounts of GNCTD for financial year 2022-23, 73 UCs for ₹ 65.91 crore were outstanding during the period 1994-95 to 2021-22.

DCB did not furnish any record/information relating to pending UCs and stated (September 2023) that the UCs shown as due for the period 1994-95 to 2021-22 were a portion of revenue share in the form of Motor Vehicle Tax, Terminal Tax and Entertainment Tax, which was later merged into Basic Tax Assignment (BTA) from GNCTD. Therefore, submission of Utilisation Certificates in respect of revenue share/BTA was not considered necessary. It added that it had received Grants-in-Aid only for Primary Education (Non Plan Scheme) from GNCTD during the period 1994-95 to 2015-16 for which the UCs had already been sent to UD.

The concerned department of GNCTD may take up the matter with the DCB to reconcile and clear the outstanding UCs.

Principal Accounts Office, GNCTD stated (February 2024) that matter had been referred to the concerned department to verify facts and figures with request to provide the comments.

4.3 Abstract Contingent bills

The drawal of contingent charges on items of expenditure by a State Government, for which final classification and supporting vouchers are not available at the time of drawal, are made on Abstract Contingent (AC) bills. Initially made as advance, its subsequent adjustments are ensured through submission of Detailed Contingent (DC) bills within a stipulated period of drawal of AC bills. DC bills consist of abstract expenditure along with sub-vouchers for the amount drawn through AC bills. Drawing and Disbursing Officers are required to present Detailed Contingent (DC) bills duly countersigned by the Controlling Officer in all these cases within the prescribed period.

Rule 118 of the Receipts and Payments Rules stipulates that a certificate shall be attached to every AC bill to the effect that the DC bills have been submitted to the Controlling Officer in respect of AC bills drawn during the month previous to that in which the bill in question is presented for payment. Thus, money drawn on AC bills should be adjusted within a period of one month from the date of drawal by submission of DC bill. On no account should an AC bill be adjusted without this certificate.

Year-wise progress in submission of DC bills against the AC bills is detailed below in **Table 4.2**.

Table-4.2: Year-wise progress in submission of DC bills against the AC bills

(₹ in crore)

Year	Opening balance		Clearance during the FY 2022-23		Closing balance as on 31 March 2023	
	No.	Amount	No.	Amount	No.	Amount
Upto 2018-19	3,795	256.18	183	70.53	3,612	185.65
2019-20	219	27.85	71	12.54	148	15.32
2020-21	136	13.99	27	03.21	109	10.78
2021-22	536	134.40	337	62.52	199	71.88
Upto 2021-22	4,686	432.43	618	148.80	4,068	283.63
2022-23	2,629 [#]	403.19	1879	111.93	750	291.26
Total	7,315	835.62	2,497	260.73	4,818	574.89

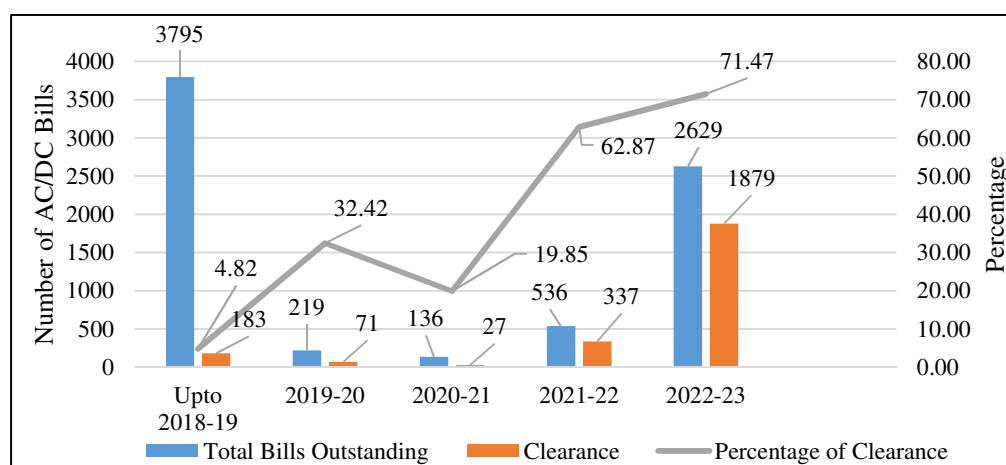
represents total fresh bills drawn during the year 2022-23.

Source: Principal Accounts Office, GNCTD

It can be seen from **Table 4.2** that a total of 4,818 AC bills involving ₹ 574.89 crore were outstanding as of March 2023. It was observed that 76 Government Departments did not submit 750 DC bills amounting to ₹ 291.26 crore before closing of the Accounts for the financial year 2022-23, and therefore, there was no assurance that the expenditure of ₹ 291.26 crore had been actually incurred during the financial year for the purpose for which it was authorized by the legislature.

Against AC bills of ₹ 403.19 crore during 2022-23, an amount of ₹ 213.14 crore (52.86 per cent) pertained to March 2023.

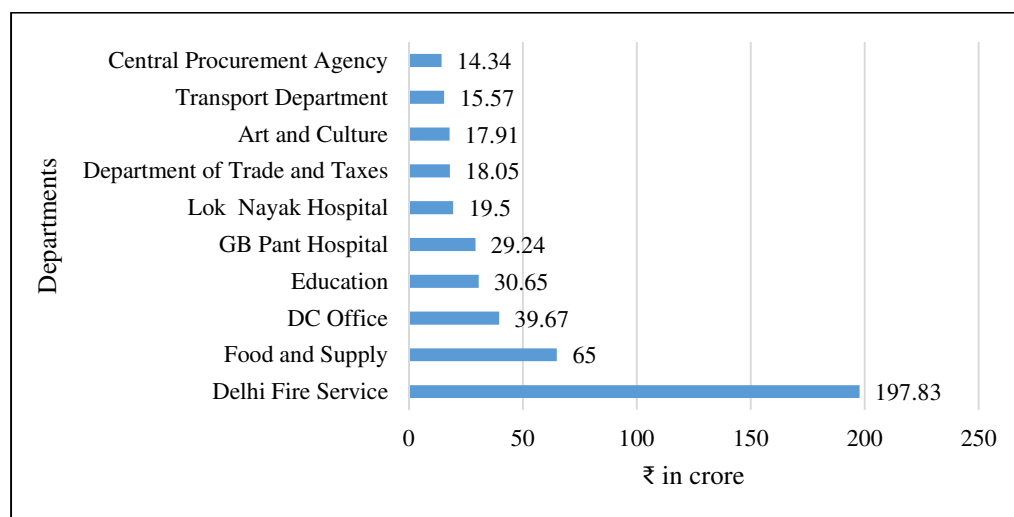
Advances drawn and not accounted for increases the possibility of wastage/misappropriation/malfeasance, etc. Owing to non-submission of DC bills by different Departments within prescribed time after drawal of AC Bills, it could not be ensured in audit that funds had been utilised for the purpose for which these were drawn. This, therefore, needs to be monitored closely. It is recommended that Principal Accounts Office, GNCTD may, in conjunction with the Finance Department, conduct an inquiry on the reasons for outstanding AC bills for the period upto 2018-19 under intimation to audit. The trend of clearance of AC bill is given in **Chart 4.2**:

Chart 4.2: Trend of clearance of AC bills

It can also be seen from the above **Chart 4.2** that clearance of outstanding AC bills for the years 2018-19 to 2022-23 showed an increasing trend from 4.82 per cent to 71.47 per cent. However, total cumulative clearance of outstanding AC bills upto 2022-23 was 34.14 per cent of the total bills.

The details of pending DC bills in respect of major departments are given in **Chart 4.3**:

Chart 4.3: Pending DC bills in respect of major Departments



Source: Finance Accounts of GNCTD for the year 2022-23

From the above **Chart 4.3**, it can be inferred that pending DC bills in respect of ten major departments of GNCTD ranged from ₹ 14.34 crore to ₹ 197.83 crore.

Principal Accounts Office, GNCTD confirmed (February 2024) the amounts shown in **Table 4.21**, **Chart 4.2** and **Chart 4.3**.

AC bills drawn for creation of Capital assets.

As per Rule 96 of Receipts and Payments Rules, 1983, the term ‘contingent charges’ or ‘contingencies’ means and includes all incidental and other expenses (including on stores), which are incurred for the management of an office as an office or for the working of technical establishment such as laboratory, workshop, industrial installation, store depot and the like but other than expenditure which has been specifically classified as falling under some other head of expenditure e.g. ‘works’, ‘tools and plants’.

During 2022-23, one AC bill of Delhi Fire Service (DFS) amounting to ₹ 197 crore was drawn for creation of capital assets¹, which was in contravention of the above rule.

¹ Advance given to DMRC for procurement of 15 imported and high special firefighting vehicles, rescue vehicles/appliances.

To verify the facts and figures relating to outstanding AC Bills contained in Finance Accounts of GNCTD, five Departments /Institutions viz Department of Art, Culture and Languages, Chief Electoral Office, Department of Information Technology, Department of Trade and Taxes, Transport Department were selected for detailed audit. Department-wise major observations are discussed in the subsequent paras.

Rule 118 of Receipts and Payment Rule, 1983 stipulates that a certificate shall be attached to every AC to the effect that the DC bills have been submitted to the Controlling Officer in respect of AC Bills drawn during the month previous to that in which the bill in question is presented for payment. On no account may an AC Bill be cashed without this certificate. It can be inferred from the said rules that AC Bills need to be adjusted within one month of their drawal.

As Rule 110 of Receipts and Payments rules, 1983 a register of contingent expenditure shall be kept in Form GAR 27 by office and initials of the head of office, shall be entered against date of payment of each item.

The audit observations are as under:

4.3.1 Department of Art, Culture and Languages (DACL)

A) Non-adjustment of AC Bills amounting to ₹ 17.90 crore.

Departmental records revealed that AC Bills amounting to ₹ 17.90 crore were pending since 19 March 2009 till 19 September 2023. Due to non-submission of DC Bills, it could not be ensured that the funds had been utilised for the purpose for which these have been drawn.

B) Delay in submission of DC Bills

Scrutiny of the records of the Department revealed that there was a delay ranging from 105 to 599 days in submission of DC Bills in contravention of Rule 118 of Receipts and Payment Rules, as detailed below:

Table 4.3: Delay in submission of DC Bills

Sl. No.	Advance Bill No. and date	Amount of drawal in ₹	Settled vide DC Bill no & date	Delay in settlement (days)
1.	ACB-167 dated 22.11.2021	57,29,400	DCB-134 dated 7.9.2022	259
2.	ACB-249 dated 30.3.2021	1,00,00,000	DCB-112 dated 17.9.2021	141
3.	ACB-424 dated 27.12.2019	5,00,000	DCB-107 dated 16.9.2021	599
4.	ACB-533 dated 3.2.2020	68,000	DCB-35 dated 15.7.2020	133
5.	ACB-542 dated 14.2.2020	1,65,000	DCB-32 dated 15.7.2020	122
6.	ACB-571 dated 02.03.2020	2,35,000	DCB-34 dated 15.7.2020	105

The above table shows that there was a delay in submission of DC Bills in contravention of the provisions of above cited rules. The reasons for delay in submission of DC Bills against the AC Bills were not furnished.

C) Non-maintenance of Register of contingent expenditure in prescribed format

Audit noticed that register in prescribed form was not being maintained by DACL relating to contingent expenditure in contravention of Rule 110 of Receipts and Payments rules, 1983. Reasons for not maintaining Register of contingent expenditure was not furnished by the Department (September 2023).

4.3.2 Chief Electoral Office

A) Un-reconciled difference between Finance Accounts and departmental records:

While Annexure ‘D’ of GNCTD Finance Accounts for the year 2022-23 depicted pending outstanding AC Bills of ₹ 13.19 crore (31 March 2023), the departmental record of office of the Chief Electoral Officer, Delhi showed outstanding AC Bills of ₹ 8.88 crore (31 March 2023) leaving a difference of ₹ 4.31 crore un-reconciled, which is in contravention of Rule 118 of Receipts and Payments Rules, 1983.

B) Non-adjustment of AC Bills amounting to ₹ 8.97 crore

Audit scrutiny of records revealed that 52 AC bills amounting to ₹ 8.97 crore were still outstanding and no bill was settled in F.Y.2023-24 (till September 2023), which is in contravention of Rule 118 of Receipts and Payments Rules, 1983. Owing to non-submission of DC Bills, it could not be ensured that the funds had been utilised for the purpose for which these have been drawn. Therefore, sincere and regular efforts need to be taken to settle these outstanding bills.

C) Delay in submission of DC Bills:

Scrutiny of records of Office of the Chief Electoral Officer, Delhi revealed that DC Bills were submitted after delay ranging from 377 to 648 days in contravention of Rule 118 of Receipts and Payment Rules *ibid*, as tabulated below:

Table 4.4: Delay in submission of DC Bills

SL No.	Advance Bill No. and date	Amount of drawal in ₹	Settled vide DC Bill no & date	Delay in settlement
1.	ACB-867 dated 4.2.2020	81,26,925	DCB-441 dated 15.11.2021	620 days
2.	ACB-868 dated 4.2.2020	2,98,205	DCB-591 dated 17.03.21	377 days
3.	ACB-872 dated 5.2.2020	40,120	DCB-494 dated 9.12.21	643 days
4.	ACB-23 dated 5.5.2020	20,00,000	DCB-730 dated 14.03.2022	648 days

The above table shows that there was delay in submission of DC Bills in contravention of the provisions of above cited rules. The reasons for delay in submission of DC Bills against the AC Bills drawn were sought (September 2023) but the reply of the Department is still awaited.

4.3.3 Department of Information Technology (DIT)

A) Non-adjustment of AC Bills amounting to ₹10.96 Crore

Audit scrutiny revealed that 32 AC bills for ₹ 10.96 crore were still outstanding (including an AC Bill for ₹ 27,000 drawn after 1 April 2023). Due to non-submission of DC Bills it could not be ensured that the funds had been utilised for the purpose for which these have been drawn.

B) Delay in submission of DC Bills

Scrutiny of records of DIT revealed that DC Bills were submitted after delay ranging from 68 days to 1270 days in contravention of Rule 118 of Receipts and Payments Rules *ibid*, as tabulated below:

Table 4.5: Delay in submission of DC Bills

Sl. No.	Advance Bill No. and date	Amount of drawal in ₹	Settled vide DC Bill no & date	Delay in settlement
1.	ACB-60 dated 12.7.2019	340003	DCB-219 dated 01.02.2023	1270 days
2.	ACB-169 dated 05.02.2021	1227612	DCB-178 & 40 dated 2.2.2022 & 30.5.2022	449 days
3.	ACB-57 dated 24.6.2021	346581	DCB-219 dated 01.02.2023	557 days
4.	ACB-241 dated 31.03.2022	828734	DCB-187 dated 21.12.2022	235 days
5.	ACB-242 dated 31.03.2022	564202	DCB-187 dated 21.12.2022	235 days
6.	ACB-265 dated 24.03.2023	44213	DCB-85 dated 30.06.2023	68 days
7.	ACB-266 dated 24.03.2023	188068	DCB-85 dated 30.06.2023	68 days
8.	ACB-267 dated 24.03.2023	276607	DCB-85 dated 30.6.2023	68 days

The above table shows that there was delay in submission of DC Bills which is in contravention of the provisions of above cited rules. The reasons for delay in submission of DC Bills against the AC Bills drawn were not furnished by the Department (September 2023).

C) Non-maintenance of Register of contingent expenditure in prescribed format

Audit noticed that register in prescribed form was not being maintained by DIT relating to contingent expenditure in contravention of Rule 110 of Receipts and Payments Rules, 1983. Reasons for non-maintenance of Register of contingent

expenditure were sought (September 2023) but the reply of the Department is still awaited.

4.3.4 Department of Trade and Taxes (DTT)

A) Un-reconciled difference between Finance accounts and departmental records

While Annexure 'D' of GNCTD Finance Accounts for the year 2022-23 depicted pending outstanding AC Bills of ₹18.05 crore (31 March 2023), the departmental record of office of DTT, Delhi showed outstanding AC Bills of ₹ 15.27 crore (31 March 2023) leaving a difference of ₹ 2.79 crore un-reconciled, which is in contravention of Rule 118 of Receipts and Payments Rules, 1983.

B) Non-adjustment of AC Bills amounting to ₹ 15.27 crore

Audit scrutiny revealed that there were 70 AC bills for ₹ 15.27 crore outstanding since June 2005 till 31 March 2023. Due to non-submission of DC Bills, it could not be ensured that the funds had been utilised for the purpose for which these have been drawn.

C) Delay in submission of DC Bills

Scrutiny of records of DTT revealed that DC Bills were submitted after delay ranging 123 to 1306 days in contravention of Rule 118 of Receipts and Payments Rules *ibid*, as tabulated below:

Table 4.6: Delay in submission of DC Bills

Sl. No.	Advance Bill No. and date	Amount of drawal in ₹	Settled vide DC Bill no & date	Delay in settlement
1.	ACB-343 dated 8.5.2019	3,94,362	DCB-1784 dated 3.1.2023	1306 days
2.	ACB-1689 dated 8.11.2019	18,880	DCB-102 dated 5.5.2020	149 days
3.	ACB-1728 dated 19.11.2019	18,09,944	DCB-1712 dated 19.3.2021	456 days
4.	ACB-1857 dated 5.12.2019	3,61,19,144	DCB-100 dated 6.5.2020	123 days
5.	ACB-310 dated 1.7.2020	2,71,28,133	DCB-1784 dated 13.1.2023	896 days
6.	ACB-2035 dated 15.3.2022	8,71,194	DCB-1838 dated 19.1.2023	280 days
7.	ACB-2127 dated 25.3.2022	88,000	DCB-943 dated 26.8.2022	124 days

The above table shows that there was significant delay in submission of DC Bills which is in contravention of the provisions of above cited rules. The reasons for delay submission of DC Bills against the AC Bills drawn were not furnished.

4.3.5 Transport Department

A) Un-reconciled difference between finance accounts and departmental records:

While Annexure 'D' of GNCTD Finance Accounts for the year 2022-23 depicted pending outstanding AC Bills of ₹ 15.57 crore (31 March 2023), the departmental record of Transport Department showed outstanding AC Bills of ₹ 12.08 crore (31 March 2023) leaving a difference of ₹ 3.49 crore un-reconciled, which is in contravention of Rule 118 of Receipts and Payments Rules, 1983.

B) Non-adjustment of AC Bills amounting to ₹ 12.60 crore

Audit scrutiny of records of Transport Department revealed that AC bills amounting to ₹ 12.08 crore were outstanding as on 31 March 2023. Further, new AC bills amounting to ₹ 0.74 crore were added as on 1 April 2023 to September 2023 aggregating outstanding AC bills to ₹ 12.82 crore. Of this, bills amounting to only ₹ 0.22 crore were settled during April to September 2023 leaving a balance of ₹ 12.60 crore still outstanding. Owing to non-submission of DC Bills it could not be ensured that the funds have been utilised for the purpose for which these have been drawn. Therefore, sincere and regular efforts need to be taken to settle these outstanding bills.

C) Delay in submission of DC Bills

Scrutiny of records of Transport Department revealed that DC Bills were submitted after delay ranging from 40 days to 1251 days in contravention of Rule 118 of Receipts and Payments Rules *ibid*, as tabulated below:

Table 4.7: Delay in submission of DC Bills

Sl. No.	Advance Bill No. and date	Amount of drawal in ₹	Settled vide DC Bill no & date	Delay in settlement
1.	ACB-3125 dated 7.3.2023	2199000	DCB-330 dated 16.05.2023	40 days
2.	ACB-557 dated 31.5.2019	9978293	DCB-1602 dated 13.9.2022	1,171 days
3.	ACB-838 dated 5.7.2019	46668	DCB-2561 dated 6.1.2023	1,251 days
4.	ACB-1089 dated 5.8.2019	50000	DCB-2398 dated 26.12.2019	113 days
5.	ACB-1227 dated 20.8.2019	4229816	DCB-656 dated 8.6.2022	993 days
6.	ACB-1558 dated 25.9.2019	2937725	DCB-1604 dated 13.1.2022	811 days
7.	ACB-1857 dated 22.10.2019	14,38,13,469	DCB-2823 dated 16.03.2021	481 days
8.	ACB-1758 dated 16.10.2019	2,96,000	DCB-2619 dated 27.01.2022	804 days
9.	ACB-3134 dated 20.3.2020	3,34,75,624	DCB-86 dated 12.4.2021	358 days
10.	ACB-3209 dated 30.3.2020	7379069	DCB -789 dated 26.6.2022	788 days

Sl. No.	Advance Bill No. and date	Amount of drawal in ₹	Settled vide DC Bill no & date	Delay in settlement
11.	ACB-3214 dated 30.3.2020	717712	DCB-859 dated 27.7.2021	454 days
12.	ACB-3216 dated 30.3.2020	2183806	DCB 1566 dated 12.9.2022	866 days
13.	ACB-3217 dated 30.3.2020	1948897	DCB-1565 dated 12.09.2022	866 days
14.	ACB-3245 dated 30.3.2020	31894243	DCB-1039 dated 11.8.2021	469 days

The reasons for delay in submission of DC Bills against the AC Bills drawn were not furnished (September 2023).

D) Non-maintenance of Register of contingent expenditure in prescribed format:

Audit noticed that no such register in prescribed form was being maintained by the Transport Department relating to contingent expenditure which is in contravention of Rule 110 of Receipts and Payments Rules, 1983. Reason for not maintaining Register of contingent expenditure was not furnished (September 2023).

4.4 Personal Deposit Accounts

Rule 191 read with 191 (3) of the Receipts and Payments Rules, 1983 stipulates that Personal Deposit Accounts (PDAs) are generally authorized to be opened under the special order to the Ministry/ Department concerned in consultation with the Controller General of Accounts (CGA) in the following types of cases:

- a) In favor of an administrator appointed for the purpose of administering money tendered by or on behalf of ward and attached estates and estates under Government management. These PDAs do not lapse to Government as per Rule 192(1), even if outstanding for more than three completed years;
- b) In relation to Civil and Criminal Courts deposits, in favor of the Chief judicial authority concerned and these PDAs will not lapse as per Rule 192(2);
- c) Where, under certain regulatory activities of the Government, receipts are realised and credited to a Fund or Account under the provisions of an Act to be utilised towards expenditure there under and no outgo from the Consolidated Fund is involved. These PDAs will not lapse to Government until the provisions of the relevant Act are in force.

Every Personal deposit account so authorised to be opened will form part of the Government Account and be located in the Public Account portion thereof.

The details of PDAs in GNCTD as on 31 March 2023 are given in **Table 4.8**.

Table 4.8: Details of PDAs as on 31 March 2023

PDAs as on 01.04.2022		PDAs opened during the year 2022-23*		PDAs closed during the year 2022-23		Closing Balance as on 31.03. 2023	
Number	Amount (₹ in crore)	Number	Amount (₹ in crore)	Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
12	56.09	Nil	31.45	01	58.74	11	28.80

* Includes the amount of receipts into and payments from the existing PD Accounts

Principal Accounts Office, GNCTD confirmed (February 2024) the amounts shown in **Table 4.8**.

As per the information provided by the Principal Accounts Office, Personal Deposit Accounts of Directorate of Training & Technical Education had been closed in December 2022 and the balance of ₹ 4,42,989 of National Project Implementation Unit (NPIU) was sent to RBI.

Administrators of various Departments of GNCT of Delhi are operating 11 PDAs. The purpose of opening these PDAs was to deposit compensation from the land requisitioning authorities (DDA etc.), for payment to landowners for land acquisitions through land acquisitions collectors, scrutiny charges in paper book-cases, security charges, fees of election petitions, civil deposits, criminal deposits and rent of litigants as per order of the court etc. As on 31 March 2023, there was a total of ₹ 28.80 crore in these 11 PDAs, which are not lapsable.

Reasons for outstanding of ₹ 28.80 crore in 11 Personal Deposit Accounts were sought (September 2023) and the same are awaited.

Analysis of selected PD Accounts

To verify the facts and figures relating to PDAs contained in Finance Accounts of GNCTD, two Departments /Institutions viz Land and Building Department and District & Session Judge (DJ-4), South Court, Saket were selected for detailed audit.

Department-wise major observations are discussed in the subsequent paras.

4.4.1 District & Session Judge (DJ-4), South Court, Saket

Rule 17.7.5 of Civil Accounts Manual 2007 stipulates that for every Personal Deposit Account, the Pay and Accounts Officer shall invariably conduct a monthly reconciliation of the receipts and payments out of the PD Account against the reported figures in the bank scrolls and the monthly statement of receipts and expenditure submitted by the PD Account holder. The PD Account holder shall indicate the details of cheques issued by him but not encashed till the end of month. For this purpose, an "Abstract of the Register of Receipts and Payments" pertaining to the Personal Deposit Account shall be submitted by the PD Account holder to the concerned Pay and Accounts Office.

Scrutiny of records revealed that monthly reconciliation of receipts and payments was not carried out for the PD account of District & Session Judge (DJ-4) by the concerned Pay and Accounts office, which is in contravention to the aforesaid rule.

Furthermore, as per reply submitted (October 2023) by the PD account administrator, cash book is not being maintained for the Personal Deposit Account. It further assured that monthly checks would be carried out by the controlling officer in future.

4.4.2 Land and Building Department

The Land & Building Department (LBD) maintains a Personal Deposit Account (PDA) in Reserve Bank of India. The money received by LBD for compensation of land acquired/ to be acquired from the agency requiring land, is deposited in this account.

An amount of ₹ 24.72 crore was lying in this account on 31 March 2023 as per RBI statement. As per the cash book of LBD, closing balance of PDA is ₹ 23.92 crore. The difference of ₹ 0.80 crore is on account of cheques issued but not presented and also due to variation of ₹ 1,202.80 with RBI statement, which needs to be reconciled with RBI.

Audit scrutiny revealed that ₹ 23.92 crore out of the closing balance as on 31st March 2023, is pending for disbursement for six years and more for which no reasons were furnished by the department. Further the remaining ₹ 0.80 crore, which remained undisbursed to LAC in 2022-23 due to non-receipt of clarification from the LACs/Agencies and pending court cases in the ADJ/High/Supreme Court etc., was actually disbursed in 2023-24.

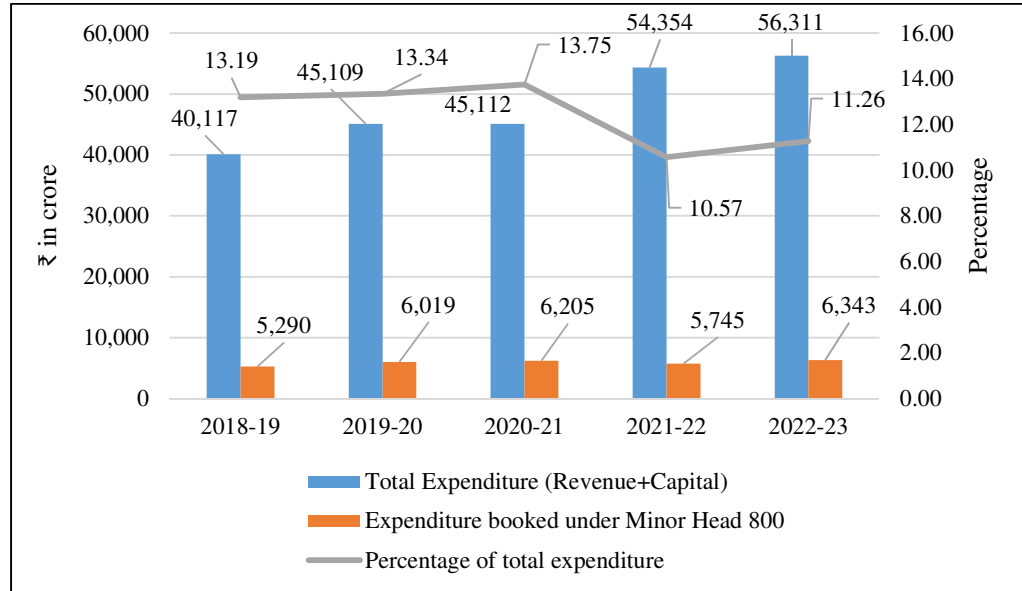
Department stated (September 2023) that that sincere efforts were being made for seeking requisite information/clarification from the concerned LACs/Agencies.

4.5 Indiscriminate use of Minor Head 800

As a crucial component of a transparent system of budgeting and accounting, the forms of accounts in which the receipts and expenditure of the Government are reported to the Legislature should constantly be reviewed and updated so that they truly reflect receipts and expenditure on all major activities of the Government in a transparent manner to meet the basic information needs of all important stakeholders. For the purpose, Minor head-‘800’ relating to ‘Other Receipts’ and ‘Other Expenditure’ is intended to be operated only when the appropriate minor head has not been provided for in the accounts. Classification of large amounts under the omnibus Minor Head 800 affects transparency in financial reporting and distorts proper analysis of allocated priorities and quality of expenditure.

Routine operation of minor head 800 is to be discouraged since it renders the accounts opaque.

Chart 4.4: Operation of Minor head ‘800-Other Expenditure’ during 2018-2023



Source: Principal Accounts Office, GNCTD

From the **Chart 4.4** above it can be seen that the percentage of expenditure booked under minor Head ‘800 – Other Expenditure’ during the period 2018-19 to 2022-23 ranged from 10.57 per cent (2021-22) to 13.75 per cent (2020-21).

In the previous year 2021-22, ₹ 5,745 crore was recorded under minor head ‘800-Other Expenditure’ in 42 Revenue and Capital Major Heads of accounts on the expenditure side, constituting 10.57 per cent of the total expenditure of ₹ 54,354 crore (Revenue and Capital). Further, the booking under the said minor head increased by 0.69 per cent during the current year and stood at ₹ 6,343 crore under 40 Revenue and Capital Major Heads of accounts on the expenditure side, constituting 11.26 per cent of the total expenditure of ₹ 56,311 crore (Revenue and Capital).

Office of Controller General of Accounts, Ministry of Finance, Department of Expenditure had issued guidelines in May 2016 stipulating inter alia that use of minor head ‘800-Other Expenditure’ should be temporary, wherever so required urgently and for comparatively lower amounts (e.g 5-10 per cent of major head provision).

However, it was noticed by audit that in 12 cases listed in **Table 4.9**, 50 per cent or more of the total expenditure under respective Major Head was classified under minor head ‘800-Other Expenditure’, in contravention CGA’s guidelines.

Table 4.9: Significant Expenditure booked under Minor Head –‘800 Other Expenditure’

(₹ in crore)

Sl. No.	Major Head	Expenditure booked under Minor Head 800 ‘other expenditure’	Total expenditure under the concerned Major Head	Percentage of expenditure in Minor Head-800 as compared to Total Expenditure
1.	2013-Council Of Ministers	4.90	7.95	61.64
2.	2075-Misc. General Services	17.46	18.17	96.09
3.	2211-Family Welfare	89.47	102.52	87.27
4.	2250-Other Social Services	1.32	1.32	100
5.	2404-Diary Development	13.51	13.51	100
6.	2702-Minor Irrigation	22.36	25.96	86.13
7.	2801-Power	3,182.48	3,182.48	100
8.	3075- Other Transport Services	0.23	0.23	100
9.	4070-Capital outlay on other administrative services	251.47	251.47	100
10.	4235 – Capital Outlay on Social Security and Welfare	9.86	19.54	50.47
11.	4711-Capital Outlay on Flood Control Projects	86.73	87.23	99.43
12.	5475- Capital Outlay on other General Economic Services	0.68	0.68	100
	Total	3,680.47	3,711.06	99.18

During 2022-23, receipts of ₹ 659.50 crore out of total receipts of ₹ 62,702.84 crore, were classified under the minor head ‘800-Other Receipts’ which constituted 1.05 *per cent* of the total receipts. Significant receipts booked under minor head 800-Other Receipts during 2022-23 are given in table below:

Table 4.10: Significant Receipts booked under Minor Head-‘800-Other Receipts’

(₹ in crore)

Sl. No.	Major Head	Receipts booked under Minor Head 800 ‘other Receipts’	Total Receipts under the concerned Major Head	Percentage of Receipts in Minor Head-800 as compared to Total Receipts
1.	0059- Public Works	41.00	42.93	95.50
2.	0070- Other Administrative Services	64.72	123.18	52.54
3.	0202- Education, Sports Arts and Culture	6.52	7.94	82.12
4.	0210- Medical & Public Health	94.71	115.60	81.93
5.	0217- Urban Development	1.13	1.13	100
6.	0230- Labour and Employment	3.08	4.44	69.44
7.	0701- Medium Irrigation	22.13	22.13	100
8.	0801- Power	61.59	61.16	100
	Total	294.88	378.51	77.90

Classification of large amounts under the omnibus Minor Head 800 affects transparency in financial reporting and distorts proper analysis of allocative priorities and quality of expenditure. This issue was also pointed out in previous State Finance Audit Reports of GNCTD. However, no corrective action has been taken so far. The Government may carry out comprehensive review of all the items presently appearing under Minor Head 800 and explore the possibilities of opening new heads of account for booking all such receipts and expenditure to enhance transparency in financial reporting.

Further, GNCTD may, as an interim measure, insert footnotes in the Finance Accounts giving details of expenditure/receipts on significant initiatives merged under the Minor head '800-Other Receipts/Expenditure'.

Finance Department, GNCTD stated (October 2023) that it had already initiated the review of the classification of the receipt and expenditure under Minor Head-800 and a large amount of budgeting under this Minor Head has already been classified under appropriate Minor Heads.

However, the fact remains that expenditure to the tune of ₹ 6,343 crore has been booked during 2022-23 under Minor Head 800.

4.6 Submission of Accounts/Separate Audit Reports of Autonomous Bodies

The audit of 11 bodies/authorities has been entrusted to the CAG under Sections 19 and 20 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971.

The annual accounts of ten bodies/authorities due up to 2022-23 had not been received as of September 2023 in the office of the Principal Accountant General (Audit), Delhi. The details of these outstanding accounts are detailed in **Table 4.11:**

Table 4.11: Details of Outstanding Accounts as on 30 September 2023

Sl. No.	Name of Body or Authority	Accounts pending since	No. of accounts in arrears as on 30.09.2023
1	Delhi Jal Board (DJB)	2018-19	5
2	Delhi Urban Shelter Improvement Board (DUSIB)	2014-15	1 ²
3	Delhi Kalyan Samiti (DKS)	2022-23	1
4	Delhi State Legal Services Authority (DSLISA)	2019-20	4
5	Ambedkar University (AU)	2022-23	1
6	Guru Gobind Singh Indraprastha University (GGSIPU)	2022-23	1
7	Delhi Building and other Construction Workers Welfare Board (DBOCWWB)	2022-23	1

² Entrustment is available only upto 2014-15. Hence, accounts for only one year have been taken as arrears.

Sl. No.	Name of Body or Authority	Accounts pending since	No. of accounts in arrears as on 30.09.2023
8	Delhi Skill Entrepreneurship University (DSEU)	2020-21	3
9	DTC EPF Trust	2022-23	1
10	DTC Pension Trust	2022-23	1
	Total		19

From the above, it is observed that 19 annual accounts up to the year 2022-23 of ten bodies/authorities were pending as on 30 September 2023.

In the absence of timely finalisation of annual accounts, investment of the Government remains outside the scrutiny of Audit/State Legislature. Consequently, corrective measures, if required, for ensuring accountability and improving efficiency cannot be taken in time. Besides, the delays in finalisation of accounts increase the risk of fraud and leakage of public money.

The Government may consider a system to speed up compilation and submission of annual accounts by the bodies/authorities.

4.7 Other inaccuracies in the statements of Finance Accounts

i) Minus/adverse Balance of Loans and Advances.

Scrutiny of Finance Accounts for the year 2022-23 of GNCTD revealed that there were minus/adverse balances of Loans & Advances in Statement No.16 (Detailed statement of loan and Advances made by GNCTD-Finance Accounts 2022-23). The minus/adverse Balances are detailed below in **Table 4.12**.

Table 4.12: Minus/adverse balances

(₹ in lakh)

Sl. No.	Major Head	Description	Minor Head	Balances as on 31.03.2023
1	6401	Loans for Crops Husbandry	105-Manures and Fertilizers	(-)90.08
2	7610	Loans to Government Servants	201-House Building Advances	(-)545.22
3	7610	Loans to Government Servants	202-Advances for Purchase of Motor Conveyances	(-)251.88
4	7610	Loans to Government Servants	203-Advances for Purchase of Other Conveyances	(-)26.67
5	7610	Loans to Government Servants	204-Advance for Purchase of Computer	(-)131.23

With respect to Major Head '6401-Loans for Crops Husbandry', the Principal Accounts Office, GNCTD reiterated (October 2023) last year's reply that the amount of minus figure shown in the Finance Accounts pertained to the old period and that the concerned PAOs involved were being advised to trace out the misclassification and account for the same in the appropriate Head of Account.

With respect to Major Head '7610-Loans and Advances', the Principal Accounts Office, GNCTD reiterated (October 2023) last year's reply that the adverse balances were due to erroneous booking of interest amount into the principal amount and that the same would be reviewed with PAOs for giving appropriate treatment in the next financial year.

The above replies indicate no improvement in the position and also highlight lack of efforts of the competent authority to get the status clarified and rectified.

ii) Outstanding arrears of Loans & Advances

Scrutiny of Statement of Loans and Advances given by the GNCTD (Section 3 of Statement no.16-Repayments in arrears from various loanee entities) revealed that ₹ 1,55,805.74 crore were remaining as arrears as on 31st March 2023, as detailed below in **Table 4.13**.

Table 4.13: Outstanding arrears of Loans & Advances

Name of Loanee	Amount of arrears as on 31 st March 2023			Earliest period to which arrears relate	Pendency
	Principal	Interest	Total		
Municipal Corporation of Delhi	3,75,226.83	3,84,436.58	7,59,663.41	1950-51	72 years
Delhi Jal Board	34,53,968.53	35,82,996.50	70,36,965.03	1998-99	24 years
Delhi Urban Shelter Investment Board	1,04,855.77	56,495.40	1,61,351.17	2011-12	11 years
Delhi Tourism & Transportation Development Corporation Ltd	315.05	0.00	315.05	1977-78	45 years
Delhi S C Financial Development Corporation Delhi	6,873.85	3,730.72	10,604.57	1987-88	35 years
Delhi State Civil Supplies Corporation Ltd. (DSCSCL)	436.34	981.77	1,418.11	1998-99	24 years
Delhi Financial Corporation	3,300.00	2,805.00	6,105.00	2015-16	07 years
Cooperative institutions	61.33	234.63	295.96	1962-63	60 years
Delhi Transco Ltd	0.00	1,769.12	1,769.12	2018-19	04 years
Delhi Power Company Ltd	3,32,639.00	2,90,380.18	6,23,019.18	2014-15	08 years
Pragati Power Corpn. Ltd.	0.00	2,784.28	2,784.28	2014-15	08 years
Indraprastha Power Generation Company Ltd. (IPGCL)	0.00	51,490.91	51,490.91	2012-13	10 years
Delhi Development Authority	225.00	1152.90	1377.90	1979-80	43 years
Delhi Transport Corporation	11,67,614.46	5,75,4042.81	69,21,657.27	1996-97	26 years
Delhi State Industrial & Infrastructure Development Corporation	0.00	637.74	637.74	1973-74	49 years
Delhi Khadi & Village Industries Board	176.14	627.49	803.63	2005-06	17 years
Industries	8.39	307.14	315.53	1981-82	41 years
Grant Total	54,45,700.69	1,01,34,873.17	1,55,80,573.86		

Further, it was noticed that Statement no. 16 did not reflect the receivables on the account of two loans to Delhi State Civil Supplies Corporation (DSCSC) (₹ 436.34 lakh) and Delhi S.C. Financial Development Corporation

(₹ 1,356.94 lakh), as the terms and conditions of repayment of loans had not yet been settled though these related to the earliest period of 1998-99 and 1987-88 respectively.

With respect to loans outstanding from DSCSC, Principal Accounts Office, GNCTD intimated (September 2023) the recommendation of Food and Supply Department (to the Finance Department) for the waiver of loan and accrued interest. With respect to the remaining loans, Principal Accounts Office stated (October 2023) that the matter has been referred to concerned departments with the request to provide reasons. Replies from the concerned departments were awaited.

iii) Cumulated amount of investments shown in Statement no.11 does not match with total investment shown in Statement no. 12

Scrutiny of statement no. 11 and statement no.12 of GNCTD Finance Accounts revealed that there is a difference of ₹ 289.19 crore in investments shown in statement no.11 and 12 (details shown in **Table 4.14** given below):

Table 4.14 Mismatch in cumulated value of investments in different statements of FA

Sl. No.	Investment shown under various minor Heads in statement no. 11	Amount (₹ in thousand)
1	4216.80.201-Investment in Housing Boards.	3,00,200
2	4217.01.190-Investment in Public Sector and other undertakings	70,000
3	4217.02.190-Investment in Public Sector and other undertakings	35,07,500
4	4225.01.190-Investment in Public Sector and other undertakings	2,34,887
5	4425.107-Investment in Credit Cooperatives	4,852
6	4425.108-Investment in Other Cooperatives	1,557
7	4425.200-Other Investments	4,531
8	4801.05.190- Investment in Public Sector and other undertakings	7,10,67,800
9	4853.60.190- Investment in Public Sector and other undertakings	31,800
10	4885.01.190- Investment in Public Sector and other undertakings	1,73,500
11	5055.00.190- Investment in Public Sector and other undertakings	13,77,92,617
12	5452.80.190- Investment in Public Sector and other undertakings	2,43,181
	Cumulative Amount of investments at the end of 2022-2023 shown in Statement No. 11	21,34,32,425
	Amount shown in Statement No.12 and Annexure to Statement 12	21,05,40,491
	Difference between the figure shown in Statement No.12 and cumulative figure of total investment as shown in Statement No. 11	28,91,934

On being pointed out (September 2023) by audit, Principal Accounts Office, GNCTD accepted the facts and intimated the various reasons for the difference. However, the steps for remedial action were not indicated. Since this was pointed out in the previous year's Audit Report, it is requested that remedial action may be taken in this regard.

iv) Other inconsistencies/inaccuracies in the Statements of Finance Accounts of GNCT of Delhi for the year 2022-23

The following inconsistencies/inaccuracies were noticed in the various Statements of Finance Accounts of GNCTD for the year 2022-23.

a) Inconsistency of Investment figures booked in Statement 11 and Statement 12 of the Finance Accounts-

As per Statement no. 12, an investment of ₹ 34,28,100 (thousands) has been made by the government during the year 2022-23 whereas the investment booked in Statement no.11 is ₹ 35,65,600 (thousands) under the head 5055.00.190.

Department stated (September 2023) that an amount of ₹13.75 crore incurred for installation of CCTV cameras in DTC and Cluster Buses was not considered as investment in Statement no. 12. However, the fact remained that the expenditure had been booked wrongly in Statement no. 11.

Similarly, a difference of ₹ 19.61 crore was pointed out in SFAR for the year 2021-22. In this regard, Principal Accounts Office, GNCTD stated (October 2023) that matter had been referred to Finance department and Transport Department seeking their comments. Further response is awaited.

b) Fresh disbursement of loan to entities despite outstanding loan arrears since 1998-99

Scrutiny of Finance Accounts (Section 3 of Statement No. 16 and Additional Disclosures for fresh loans and advances made during the year) for the year 2022-23 of GNCT of Delhi revealed that despite outstanding loan arrears on Delhi Jal Board, DUSIB and DSCSC, GNCT of Delhi has disbursed fresh loan of ₹ 2,98,355.41 lakh as per **Table 4.15**.

Table 4.15 Disbursement of fresh loans to defaulting loanee entities

Loanee entity	Amount of arrears (loan plus interest) as of March 2023 (₹ in crore)	Earliest period to which arrears relates	Fresh loan advanced during 2022-23 (₹ in crore)	Total outstanding loan as on 31 March 2023 (₹ in crore)
Delhi Jal Board (DJB)	70,369.65	1998-99	2,826.90	37,366.59
Delhi Urban Shelter Improvement Board (DUSIB)	1,613.51	2011-12	106.65	1,155.21
Delhi State Civil Supplies Corporation (DSCSC)	14.18	1998-99	50.00	54.36
			2,983.55	

Department of Food Supplies & Consumer Affairs (September 2023) stated that it would repay the entire loan within a period of two years. Replies in respect of the remaining entities were awaited.

4.8 Delhi State Finance Commission

The Sixth Delhi Finance Commission has not been constituted for the period 2021-2026 as of September 2023.

As per Fifth Finance Commission recommendation approved by the Council of Ministers vide Cabinet Decision No. 2670 dated 01 January 2019, GNCTD was to devolve 12.5 *per cent* of Net Tax Collection (NTC)³ of the GNCTD in a year. Of the above, 6 *per cent* shall be made available to the five municipalities⁴ in a prescribed formula. The remaining 6.5 *per cent* was to be devolved for the schemes under Health, Education and UD sector after due consultation with Health, Education, Finance, UD Department as well as Local Bodies.

The mandate of the FFC was for the period 2016-2021. Since the Sixth Finance Commission (SFC) had not been constituted even after a lapse of more than two years of expiry of FFC's mandate, the devolution of funds is still being done as per the recommendations of FFC. The Department of UD replied (September 2023) that a fresh proposal had been submitted to the Lieutenant Governor for the constitution of SFC.

The audit observation was communicated (September 2023) to the Department of Urban Development, GNCTD and the reply is awaited.

³ Net Tax Collection = 99 % of Gross Tax Collection *minus* Transfer duties and on-time parking charges that GNCTD departments collected from the Municipalities.

⁴ MCD-East, MCD-North, MCD-South, NDMC and Delhi Cantonment Board (DCB)

CHAPTER-5
STATE PUBLIC SECTOR ENTERPRISES

Chapter - 5

State Public Sector Enterprises

This chapter discusses the financial performance of Government Companies, Government Controlled Other Companies and Statutory Corporations as revealed from their Financial Statements (FSs). Impact of significant comments issued as a result of supplementary audit of the FSs of these State Public Sector Enterprises (SPSEs) conducted by the Comptroller and Auditor General (CAG) of India for the year 2022-23 (or of earlier years, which were finalised during the current year) has also been discussed.

5.1 Definition of Government Companies

A Government Company is defined in Section 2(45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, and includes a company which is a subsidiary of a Government Company.

Besides, any other company¹ owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments are referred to in this chapter as Government Controlled Other Companies.

5.2 Mandate of Audit

Audit of Government Companies is conducted by the CAG of India under the provisions of Sections 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made thereunder. Under the Companies Act, 2013, the CAG appoints Chartered Accountants as Statutory Auditors for the Government Companies and gives directions on the manner in which the FSs are to be audited. In addition, the CAG has the right to conduct a supplementary audit, subsequent to the audit of these FSs by the statutory Auditors. Further, with respect to the Statutory Corporations established by the Delhi Government, the statutes governing Delhi Transport Corporation require their FSs to be audited only by the CAG, whereas for Delhi Financial Corporation, CAG conducts a supplementary audit.

5.3 State Public Sector Enterprises and their contribution to the GSDP of the State

5.3.1 SPSEs consist of State Government Companies and Statutory Corporations. SPSEs are established to carry out activities of a commercial

¹ Companies (Removal of Difficulties) Seventh Order, 2014 issued by Ministry of Corporate Affairs *vide* Gazette Notification dated 4 September 2014.

nature keeping in view the welfare of the people and these occupy an important place in the State economy. As on 31 March 2023, there were 18 SPSEs in Delhi, including 15 Government Companies, two² Statutory Corporations and one Government controlled other Company under the audit jurisdiction of the CAG. 15 Government Companies include four inactive subsidiaries companies of Delhi State Industrial and Infrastructure Development Corporation Limited, which have not been carrying out any activities for the last several years. None of the state SPSEs (State PSEs) was listed on the Stock Exchange. The names of these SPSEs are given in **Appendix 5.1**:

5.3.2 A ratio of turnover of the SPSEs to the Gross State Domestic Product (GSDP) shows the extent of activities of the SPSEs in the State economy. The details of total turnover of working SPSEs and GSDP of National Capital Territory of Delhi (NCTD) for a period of three years ending 31 March 2023 are given in **Table 5.1**:

Table 5.1: Details of total turnover of SPSEs vis-à-vis GSDP of NCTD

(₹ in crore)

Name of Sector of SPSEs	2020-21	2021-22	2022-23
Power	4711.71	4870.96	4,870.96
Finance	4.44	4.55	4.26
Services	2533.39	1722.61	1722.61
Infrastructure	1,112.45	789.65	789.65
Transport	518.08	636.54	636.54
Total turnover	8880.07	8024.31	8024.02
GSDP of Delhi	76,3435	9,04,642	10,43,759
Percentage of turnover to GSDP of Delhi	1.16	0.89	0.77
Sectoral percentage of turnover to GSDP			
Power	0.62	0.54	0.47
Finance	0.00	0.00	0.00
Services	0.33	0.19	0.16
Infrastructure	0.14	0.09	0.08
Transport	0.07	0.07	0.06

Source: The figures of Turnover have been taken as per the latest finalised Financial Statements of SPSEs and those of GSDP have been taken from Directorate of Economics and Statistics.

The contribution of SPSEs to the GSDP of Delhi reduced from 0.89 per cent in 2021-22 to 0.77 per cent in 2022-23. Out of this, contribution of Power Sector SPSEs to the GSDP of Delhi was highest i.e. 0.62 per cent of GSDP of Delhi. It can be seen from the table above that the total turnover of these SPSEs has shown a decrease of 9.64 per cent from 2020-21 to 2021-22 and then remained almost same from 2021-22 to 2022-23 as per their latest finalised financial statements. However, the contribution of SPSEs in the GSDP remained marginal.

² Delhi Transport Corporation and Delhi Financial Corporation.

5.4 Investment in SPSEs and Budgetary support

5.4.1 Equity holding and Loans in SPSEs

The sector-wise total equity, equity contribution by GNCTD and long-term loans including the loans given by GNCTD as on 31 March 2023 (Appendix 5.2) is given in Table 5.2:

Table 5.2: Sector-wise investment in SPSEs as on 31 March 2023

Name of Sector of SPSEs	Total Investment (₹ in crore)					Sector-wise Percentage of Total Equity and Long-Term Loans
	Equity		Long Term Loans		Total Equity and Long-Term Loans	
	Total	State Government	Total	State Government		
Power	7,506.79	7,106.78	811.06	441.98	8,317.85	37.36
Finance	76.60	64.60	101.24	101.24	177.84	0.80
Services	25.06	24.03	52.20	52.14	77.26	0.35
Infrastructure	21.00	21.00	0	0	21.00	0.09
Transport	1,994.50	1,994.50	11,676.14	11,676.14	13,670.64	61.40
Total	9,623.95	9,210.91	12,640.64	12,271.50	22,264.59	100

Source: Latest finalised Financial Statements and information furnished by the SPSEs (Long term loans include current maturities of GNCTD loans)

It can be seen from the above table that the thrust of investment in SPSEs was mainly on the Transport and Power sector, which received 61.40 *per cent* and 37.36 *per cent* respectively, of the total investment of ₹ 22,264.59 crore. Delhi Transport Corporation, a statutory corporation under Transport sector received 99.92 *per cent* of total investment in Transport sector.

5.4.2 Market Capitalisation of Equity Investment in SPSEs

Market Capitalisation represents market value of shares of the listed companies. As on 31 March 2023, shares of none of the Government companies were listed in Stock Exchange in India.

5.4.3 Disinvestment, Restructuring and Privatisation

During the year 2022-23, there was no case of disinvestment/ restructuring/ privatisation of SPSEs.

5.5 Returns from SPSEs

5.5.1 Profit earned by SPSEs

There were eight profit-earning SPSEs³ in 2022-23. The profit earned by the profit-making SPSEs increased marginally to ₹ 1,873.65 crore in 2022-23 from ₹ 1,814.08 crore in 2020-21.

The details of the top five profit earning SPSEs in 2022-23 (Appendix 5.3) is given in Table 5.3:

³ DSIIDC, PPCL, IPGCL, DTL, DPCL, ICSIL, GDL, and DTIDC. One SPSE (SRDC) is a non-profit making Company registered under Section 8 of the Companies Act, 2013.

Table 5.3: Top five profit earning SPSEs

Name of SPSE	Net profit earned (₹ in crore)	Percentage of profit to total SPSEs profit (of ₹ 1873.65 crore)
DTL	766.22	40.89
PPCL	652.47	34.82
DSIIDC	144.68	7.72
IPGCL	141.77	7.57
DPCL	139.64	7.46
Total	1844.78	98.46

Source: Latest finalised Financial Statements of SPSEs

During 2022-23, net profit of ₹ 1,844.78 crore constituting 98.46 *per cent* of total profit of the 8 SPSEs was contributed by these five SPSEs, out of which DTL earned maximum profit.

Table 5.4: Net Profit to Turnover Ratios to SPSEs

Sector	Net Profit (₹ in crore)	Turnover (₹ in crore)	Net Profit to Turnover Ratio (in <i>per cent</i>)
Power	1,700.10	4,870.96	34.90
Finance	(-)27.72	4.26	--
Service	2.91	1722.61	0.17
Infrastructure	144.68	789.65	18.32
Transport	(-)8,477.56	636.54	--
Total	(-)6,657.59	8024.02	--

Source: Latest finalised Financial Statements of SPSEs

The above table indicates that Net Profit to turnover ratio was maximum (34.90 *per cent*) and minimum (0.17 *per cent*) in Power Sector and Service Sector respectively in the year 2022-23. Further, in Transport Sector, the net loss worked out to 1,331.82 *per cent* to the Turnover in the year 2022-23.

5.5.2 Dividend paid by SPSEs

GNCTD had formulated (17 August 2021) dividend policy under which SPSEs would be required to pay a minimum annual dividend of 30 *per cent* of Profit after Tax or five *per cent* of the Net Worth, whichever is higher, subject to maximum dividend permitted under the extant legal provisions. The dividend declared/paid by SPSEs is shown in **Table 5.5**.

Table 5.5: Dividend declared by SPSEs

(₹ in crore)					
Year	Particulars	No. of SPSEs which declared dividend	Paid Up Capital (in crore)	Net Profit (in crore)	Dividend Declared (in crore)
2022-23	Power	--	--	--	--
	Finance	--	--	--	--
	Services	2 ⁴	25.07	2.91	0.84
	Infrastructure	1 ⁵	21.00	144.68	60.08
	Transport	--	--	--	--

Source: Latest finalised Financial Statements of SPSEs

During 2022-23, out of eight SPSEs which earned profit as per latest finalised accounts, only three SPSEs, had declared/paid dividend. Out of the top five profit earning SPSEs, only DSIIDC declared dividend in the year 2022-23 and other four SPSEs, which earned profit of ₹ 1,700.10 crore did not declare any dividends.

5.6 Debt Servicing

5.6.1 Interest Coverage Ratio

Interest coverage ratio is used to determine the ability of a company to pay interest on outstanding debt and is calculated by dividing a company's earnings before interest and taxes (EBIT) by interest expenses of the same period. The lower the ratio, the lesser is the ability of the company to pay interest on debt. An interest coverage ratio of below one indicates that the company was not generating sufficient revenues to meet its interest liabilities. The details of interest coverage ratio in SPSEs having interest liability are given in **Table 5.6:**

Table 5.6: Interest coverage ratio of SPSEs

Year	Interest liability (₹ in crore)	Earnings before interest and tax (EBIT) (₹ in crore)	Number of SPSEs having interest liability from Government and other financial institutions	Number of companies having interest coverage ratio more than 1	Number of companies having interest coverage ratio less than 1
2020-21	7,474.05	1,926.05	6	3	3
2021-22	8,663.58	2,106.11	6	3	3
2022-23	8,663.58	2,101.65	6	3	3

Source: Latest finalised Financial Statements of SPSEs

It was observed that three SPSEs⁶ had interest coverage ratio of more than one, but three⁷ other SPSEs had interest coverage ratio of less than one during 2022-23. Thus, these three SPSEs were not generating sufficient revenues even to meet their interest liability.

⁴ GSDL & ICSIL

⁵ DSIIDC

⁶ DTL, PPCL & IPGCL

⁷ DTC, DSCFDC & DFC

5.7 Financial Performance of SPSEs

5.7.1 Return on Capital Employed

Return on Capital Employed (RoCE) is a ratio that measures a company's profitability and the efficiency with which its capital is employed. RoCE is calculated by dividing a company's earnings before interest and taxes (EBIT) by the capital employed⁸. The details of RoCE of 13 SPSEs in which GNCTD had invested during the period from 2020-21 to 2022-23 are given in **Appendix 5.3** and summarised in **Table 5.7**:

Table 5.7: Return on Capital Employed

Year	EBIT (₹ in crore)	Capital Employed (₹ in crore)	RoCE (in per cent)
2020-21	2574.58	16596.04	15.51
2021-22	2567.63	17235.98	14.90
2022-23	2563.17	17218.84	14.89

Source: Latest finalised Financial Statements of SPSEs.

It can be seen from the above that RoCE has declined from 15.51 *per cent* to 14.89 *per cent* during the period 2020-21 to 2022-23. The above RoCE represents 12 SPSEs excluding DTC as the capital employed of DTC was **negative** in all the three years, which ranged from ₹ 38582.69 crore to ₹ 47,081.04 crore. Further, EBIT of DTC ranged from (-) 108.33 crore to (-) ₹ 163.90 crore during the above period.

5.7.2 Return on Equity by SPSEs

Return on Equity (RoE) is a measure of financial performance to assess how effectively a company's assets are being used to create profits. RoE is calculated by dividing net income (*i.e.* net profit after taxes) by shareholders' fund⁹. It is expressed as a percentage and can be calculated for any company, if net income and shareholders' fund are both positive numbers.

Shareholders' fund reveals how much would be left for a company's stakeholders if all assets were sold and all debts paid. A positive shareholders' fund reveals that the company has enough assets to cover its liabilities while negative shareholders' fund means liabilities exceed assets.

The details of total net income and shareholders' fund relating to 13 SPSEs with GNCTD investment are given in **Appendix 5.3** and summarised in **Table 5.8**:

⁸ Capital Employed = Paid up Share Capital + Free Reserves and Surplus + Long-term Loans – Accumulated Losses – Deferred Revenue Expenditure

⁹ Shareholders' fund = Paid up capital + Free Reserves – Accumulated Losses - Deferred Revenue Expenditure

Table 5.8: Return on Equity relating to SPSEs where funds were infused by GNCTD

Year	Total net Income (₹ in crore)	Shareholders' Fund (₹ in crore)	ROE (Percentage)
2020-21	(-) 5,537.79	(-) 35,274.30	-
2021-22	(-) 6,658.68	(-) 43,012.79	-
2022-23	(-) 6,663.14	(-) 43,029.93	-

Source: Latest finalised Financial Statement of SPSEs.

As the net income as well as shareholders' fund of SPSEs during 2020-21 to 2022-23 was negative, RoE was not calculated. The net income for all the years from 2020-21 to 2022-23 was negative due to the heavy losses incurred by DTC, which wiped out the profits earned by other SPSEs. The shareholders' fund was negative mainly on account of accumulated losses of DTC, which had increased to ₹ 60,741.03 crore as per its latest finalised financial statements.

5.7.3 Return on Investment

Return on investment is the percentage of profit or loss to the total investment. Out of 18 SPSEs, GNCTD infused funds in the form of equity, loans and grants/subsidies in 13 SPSEs only. GNCTD did not infuse any direct funds in remaining five¹⁰ SPSEs.

5.7.4 Rate of Real Return (RORR) on Government Investments

In order to bring the historical cost of investment to its present value (PV) at the end of each year upto 31 March 2023, the past investments/ year-wise funds infused by the State Government in the SPSEs have been compounded at the year-wise average rate of interest on Government borrowings which is considered as the minimum cost of funds to the Government for the concerned year. Therefore, PV of the State Government investment was computed where funds had been infused by the State Government in the shape of equity, interest free loans and grants/subsidies for operational and management expenses, if any, (less: disinvestment) from inception of these Companies to 31 March 2023.

The PV of the State Government investment in SPSEs was computed on the basis of the following assumptions:

- Interest free loans have been considered as investment infusion by the State Government as no amount of interest free loans have been repaid by SPSEs. Further, in those cases where interest free loans given to the SPSEs were later converted into equity, the amount of loan converted into equity has been deducted from the amount of interest free loans and added to the equity of that year.

¹⁰ DEL, DCAD, DMSL and DLL are subsidiary companies of DSIIDC, which contributed towards their capital. Further, in case of ICSIL, capital was contributed by DSIIDC, TCIL and two other companies.

- The average rate of interest on Government borrowings for the concerned financial year¹¹ was adopted as compounded rate for arriving at PV as it represents the cost incurred by the Government towards investment of funds for the year and was therefore considered as the minimum expected rate of return on investments made by the Government.
- For the purpose of RORR calculation of GNCTD investment, the period beginning 2002-03¹² till 2022-23 has been taken considering the investment in the 13 SPSEs as on 31 March 2002 as PV of GNCTD investment in the beginning of 2002-03.

The consolidated position of the RORR of GNCTD investment relating to the 17 SPSEs (including four subsidiary companies of DSIIDC) from 2002-03 to 31 March 2023 is indicated in **Table 5.9**:

Table 5.9: Year-wise details of investment by the GNCTD and RORR on government funds from 2002-03 to 2022-23

(₹ in crore)

Financial year	Present value of total investment at the beginning of the year	Equity infused by the State Govt. during the year	Interest free loans given by the State Govt. during the year	Grants and subsidies for operational and administrative expenses	Total investment during the year	Total investment at the end of the year	Average rate of interest on government borrowings in per cent	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings/ Losses (-) for the year
i	ii	lii	iv	v	vi=iii +iv +v	vii=ii +vi	viii	ix={vii*(1+viii)/100}	x={viii*vii}/100}	xi
2002-03	183.06 ¹³	324.41	0.00	0.20	324.61	507.67	11.17	564.38	56.71	-1,872.94
2003-04	564.38	0.00	0.00	0.20	0.20	564.58	10.65	624.70	60.13	-534.27
2004-05	624.70	0.00	0.00	0.20	0.20	624.90	10.34	689.52	64.62	-1,375.28
2005-06	689.52	0.00	0.00	130.87	130.87	820.39	8.87	893.16	72.77	-1,859.78
2006-07	893.16	3.11	0.00	42.07	45.18	938.34	9.35	1,026.07	87.73	-864.09
2007-08	1,026.07	4,471.80	0.00	33.56	4,505.36	5,531.43	9.84	6,075.73	544.29	-1,749.46
2008-09	6,075.73	715.19	0.00	19.25	734.44	6,810.17	9.90	7,484.37	674.21	-1,672.67
2009-10	7,484.37	1,128.25	0.00	96.25	1,224.50	8,708.87	9.52	9,537.96	829.08	-1,788.68
2010-11	9,537.96	464.00	0.00	402.98	866.98	10,404.94	9.10	11,351.79	946.85	-1,557.81
2011-12	11,351.79	665.48	40.00	764.59	1,470.07	12,821.86	9.77	14,074.55	1,252.70	-1,969.18
2012-13	14,074.55	498.55	50.00	1,310.54	1,859.09	15,933.64	9.73	17,483.98	1,550.34	-1,775.75
2013-14	17,483.98	745.00	1.00	1,409.70	2,155.70	19,639.68	9.21	21,448.50	1,808.81	-2,034.69
2014-15	21,448.50	-1.15	7.00	1,438.75	1,444.60	22,893.10	8.59	24,859.62	1,966.52	-942.51
2015-16	24,859.62	0.00	0.00	1,416.93	1,416.93	26,276.55	8.54	28,520.56	2,244.02	-2,049.81
2016-17	28,520.56	0.00	0.00	1,792.66	1,792.66	30,313.22	8.65	32,935.32	2,622.09	-2,867.88
2017-18	32,935.32	0.00	0.00	2,078.18	2,078.18	35,013.50	8.58	38,017.66	3,004.16	-2,895.56
2018-19	38,017.66	0.00	0.00	1,890.95	1,890.95	39,908.61	8.64	43,356.71	3,448.10	-3,489.59
2019-20	43,356.71	4.80	0.00	2,162.44	2,167.24	45,523.95	8.14	49,229.60	3,705.65	-4,175.27
2020-21	49,229.60	0.00	0.00	2,639.68	2,639.68	51,869.28	7.04	55,520.88	3,651.60	-3,358.75
2021-22	55,520.87	0.00	0.00	2,472.19	2,472.19	57,993.06	6.50	61,762.61	3,769.55	-4,520.55
2022-23	61,762.61	0.00	0.00	2,602.08	2,602.08	64,364.69	6.15	68,323.12	3,958.43	-6,657.59
Total		9,019.44	98.00	22,704.27	31,821.71					

Source: Information received from SPSEs and Finance Accounts of GNCTD of respective years.

¹¹ The average rate of interest on government borrowings was adopted from Finance Accounts of GNCTD of the respective year.

¹² As per information received from the SPSEs.

¹³ Closing balance of investment made by GNCTD in 13 SPSEs till the year 2001-02.

The investment of GNCTD in these 13 SPSEs at the end of the year increased to ₹ 64,364.69 crore in 2022-23 from ₹ 507.67 crore in 2002-03. The PV of investments of GNCTD up to 31 March 2023 worked out to ₹ 68,323.12 crore. It can be seen from the table that total earnings of the companies have remained negative throughout the period from 2002-03 to 2022-23. This was because of the losses suffered by DTC since long, which mainly wiped out the profit earned by other SPSEs.

5.8 SPSEs incurring losses

5.8.1 Losses incurred

There were nine¹⁴ SPSEs that incurred losses as per their latest finalised accounts at the end of March 2023. The losses incurred by these SPSEs increased to ₹ 8,531.24 crore as per their latest finalised accounts from ₹ 7,362.06 crore in 2020-21 and ₹ 8,526.78 crore in 2021-22 as given in **Table 5.10**:

Table 5.10: Details of SPSEs that incurred losses

(₹ in crore)				
Year	No. of loss making SPSEs	Net loss for the year	Accumulated loss	Net Worth ¹⁵
2020-21	7 ¹⁶	7,362.06	(-)52,269.29	(-)50,213.6
2021-22	9 ¹⁷	8,526.78	(-)60,527.54	(-)58,458.57
2022-23	9 ¹⁸	8,531.24	(-)60,544.69	(-)58,475.72

Source: Latest finalised Financial Statement of SPSEs.

Out of total loss of ₹ 8,531.24 crore incurred by these nine loss-incurring SPSEs during 2022-23, loss of ₹ 8,498.35 crore (99.61 *per cent*) was contributed by Delhi Transport Corporation alone.

5.8.2 Erosion of Capital in SPSEs

As on 31 March 2023, there were five SPSEs¹⁹ whose Net Worth has eroded. Out of these five SPSEs, three SPSEs viz. DSIIDC Liquor Limited, DSIIDC Maintenance Limited and DSIIDC Creative Arts Limited, in which there is no investment by GNCTD, are inactive.

The remaining two SPSEs are Delhi Transport Corporation (DTC) and Delhi Financial Corporation (DFC) in which GNCTD had invested equity and loans.

¹⁴ SRDC earns no profit/loss in 2020-21 hence, not considered in loss making SPSEs.

¹⁵ Net worth means the sum total of the paid-up share capital and free reserves and surplus less accumulated loss and deferred revenue expenditure. Free reserves mean all reserves created out of profits and share premium account but do not include reserves created out of revaluation of assets and write back of depreciation provision.

¹⁶ DTC, DFC and DSCFDC and four Subsidiaries of DSIIDC

¹⁷ DTC, DFC, DTTDC, DSCSC, DSCFDC and four Subsidiaries of DSIIDC

¹⁸ DSCFDC, DFC, DTC, DSCSCL, DTTDC, DCAD, DSIIDC Maintenance Services Limited, DSIIDC Liquor Limited, DSIIDC Energy Limited

¹⁹ Delhi Transport Corporation, Delhi Finance Corporation, DSIIDC Liquor Limited, DSIIDC Maintenance Limited and DSIIDC Creative Arts Limited

DTC, incurred loss of ₹ 8,498.35 crore as per its latest finalised Financial Statements as of September 2023. Its receipts were mainly on account of Traffic earnings, rent receipts etc., which were not sufficient to service its operational expenditure (Pay & Allowances, Fuel Cost etc.) which resulted in accumulation of losses to ₹ 60,741.03 crore as per its latest finalised financial statements.

Its net worth has been completely eroded by accumulated losses and as on 31 March 2023, the net worth was (-) ₹ 58,757.18 crore²⁰ against equity investment of ₹ 1,983.85 crore and loans of ₹ 11,676.14 crore, which also remained unpaid.

DFC, which had accumulated losses of ₹ 39.31 crore incurred loss of ₹ 17.14 crore as per its latest finalised Financial Statements as of September 2023. Its net worth has been completely eroded by accumulated losses and as on 31 March 2023, the net worth was (-) ₹ 12.71 crore against equity investment of ₹ 26.60 crore and loans of ₹ 33 crore, which also remained unpaid.

5.9 Audit of State Public Sector Enterprises

The Comptroller and Auditor General of India appoints the statutory auditors of a Government Company under Sections 139 (5) and 139 (7) of the Companies Act, 2013. CAG has a right to conduct a supplementary audit and issue comments upon or supplement the Audit Report of the statutory auditor. Statutes governing Corporations require that their Financial Statements (FSs) be audited by the CAG and audited FSs and separate audit report be submitted to the Legislature.

5.10 Appointment of statutory auditors of Government Companies by CAG

Sections 139 (5) of the Companies Act, 2013 provides that the statutory auditors in case of a Government Company are to be appointed by the CAG within a period of 180 days from the commencement of the financial year.

The statutory auditors of the Government Companies for the year 2022-23 were appointed by the CAG up to September 2022.

5.11 Submission of accounts by State Public Sector Enterprises

5.11.1 Need for timely submission of Annual Report and Accounts

According to Section 394 of the Companies Act, 2013, an Annual Report on the working and affairs of a Government Company is to be prepared within three months of its Annual General Meeting²¹ (AGM). As soon as may be after such

²⁰ DTC to meet its operational expenditures is wholly dependent on the Revenue Grants received from GNCTD. DTC have received ₹18,911 crore as Grants from GNCTD during the period 2010-11 to 2022-23.

²¹ In case of the first AGM, it shall be held within a period of nine months from the date of closing of the first financial year of the company and in any other case within a period of six months, from the date of closing of the financial year i.e. 30 September.

preparation, the Annual Report together with a copy of the Audit Report and comments of the CAG upon or as supplement to the Audit Report must be laid before the State Legislature in case of a Government Company where State Government is also a member in addition to the Central Government. Similar provisions exist in the respective Acts regulating Statutory Corporations. This mechanism provides the necessary legislative control over the utilisation of public funds invested in the Companies from the Consolidated Fund of the State.

Section 96 of the Companies Act, 2013 requires every company to hold AGM of the shareholders once in every calendar year. It is also stated that not more than 15 months shall elapse between the date of one AGM and that of the next. Further, Section 129 of the Companies Act, 2013 stipulates that the audited financial statements for the financial year have to be placed in the said AGM for consideration.

Section 129 (7) of the Companies Act, 2013 also provides for levy of penalty (like fine and imprisonment) on the persons including directors of the company responsible for non-compliance with the provisions of Section 129 of the Companies Act, 2013.

The Financial Statements (FSs) of various SPSEs were in arrears as on 30 September 2023, as detailed in the following paragraph.

5.11.2 Timeliness in preparation of accounts by Government Companies

As of 31 March 2023, there were 16 Government Companies under the purview of CAG's audit. Of these, FSs for the year 2022-23 were due from 16 SPSEs. However, only one Government Company²² had prepared and submitted its FSs for the year 2022-23 for audit by CAG by 30 September 2023. 22 FSs of 15 Government Companies were in arrears as of 30 September 2023. In the absence of finalised accounts, Government investments in such SPSEs remain outside the oversight of the State Legislature. Details of arrears in submission of accounts of Government Companies are given in **Table 5.11**.

²² DSIIDC Liquor Ltd.

Table 5.11: Details of arrears in submission of accounts of Government Companies

Particulars		Government Companies	Number of Accounts
Total number of Companies from which accounts for 2022-23 were due		16	16
Number of companies which prepared and submitted the financial statements for CAG's audit by 30 September 2023		01 ²³	01
Number of accounts in arrears		15	22
Break-up of arrears	Arrear for one year (2022-23)	10 ²⁴	10
	Two years (2021-22 and 2022-23)	4 ²⁵	8
	Arrear for more than three years	1 ²⁶	4

5.11.3 Timeliness in preparation of accounts by Statutory Corporations

Audit of two Statutory Corporations (DFC and DTC) is conducted by the CAG. While DFC submitted its FSs for the year 2022-23 in time, DTC's FSs for the year 2022-23 were not prepared and submitted as on 30 September 2023.

5.12 CAG's oversight - Audit of accounts and supplementary audit

5.12.1 Financial reporting framework

Companies are required to prepare the financial statements in the format laid down in Schedule III to the Companies Act, 2013 and in adherence to the mandatory Accounting Standards prescribed by the Central Government, in consultation with National Advisory Committee on Accounting Standards renamed as National Financial Reporting Authority²⁷. The Statutory Corporations are required to prepare their accounts in the format prescribed under the rules framed in consultation with the CAG and any other specific provision relating to accounts in the Act governing such Corporations.

5.12.2 Audit of accounts of Government Companies by Statutory Auditors

The statutory auditors appointed by the CAG under Section 139 of the Companies Act, 2013, conduct audit of accounts of the Government Companies and submit their report thereon in accordance with Section 143 of the Companies Act, 2013.

The CAG plays an oversight role by monitoring the performance of the statutory auditors in audit of public sector undertakings with the overall objective that the statutory auditors discharge the functions assigned to them properly and effectively. This function is discharged by exercising the power to:

²³ DSIIDC Liquor Ltd,

²⁴ DTTDC, DTL, DSIIDC, DSIIDC Energy Ltd., DCADL, DSIIDC MSL, GSDL, DSCSC, DTIDC and ICSIL.

²⁵ SRDC, DPCL, IPGCL and PPCL

²⁶ Four FSs of DSCFDC were in arrears for 2019-20 to 2022-23.

²⁷ Effective from 01 October 2018

- issue directions to the statutory auditors under Section 143(5) of the Companies Act, 2013 and
- supplement or comment upon the statutory auditor's report under Section 143(6) of the Companies Act, 2013.

5.12.3 Supplementary Audit of accounts of Government Companies

The primary responsibility for preparation of financial statements in accordance with the financial reporting framework prescribed under the Companies Act, 2013 or other relevant Act is of the management of an entity.

The statutory auditors appointed by the CAG under section 139 of the Companies Act, 2013 are responsible for expressing an opinion on the financial statements under Section 143 of the Companies Act, 2013 based on an independent audit in accordance with the Standard Auditing Practices of the Institute of Chartered Accountants of India and directions given by the CAG. The statutory auditors are required to submit the Audit Report to the CAG under Section 143 of the Companies Act, 2013.

The certified accounts of selected Government Companies along with the report of the statutory auditors are reviewed by CAG by carrying out a supplementary audit. Based on such review, significant audit observations, if any, are reported under Section 143 (6) of the Companies Act, 2013 to be placed before the Annual General Meeting.

5.13 Result of CAG's oversight role

5.13.1 Audit of accounts of Government Companies under Section 143 of the Companies Act, 2013

Eleven financial statements (FSs)²⁸ for the year 2022-23 and previous years were received from nine Government Companies from 1 October 2022 to 30 September 2023. Out of these, 10 FSs of SPSEs were reviewed in audit by the CAG and in respect of remaining one FSs²⁹, it was decided not to review the same. Some of the significant comments issued on these FSs of Government Companies indicating the financial impact of ₹ 98.31 crore on the profitability and ₹ 34.69 crore on financial position-assets/liabilities are detailed in **Appendix 5.4** and **Appendix 5.5**.

²⁸ DTTDC (2021-22), IPGCL(2020-21), PPCL (2020-21), DSIIDC (2021-22), DSIIDC Liquor Ltd (2022-23), GSDL (2021-22), DSCSC (2021-22), DTIDC (2021-22), DSFDC (2016-17, 2017-18 and 2018-19)

²⁹ DSIIDC Liquor Ltd. (2022-23)

5.13.2 Statutory Corporations where CAG is the sole/ supplementary auditor

Some of the significant comments issued by the CAG on the accounts of Statutory Corporations where CAG is the sole/supplementary auditor, indicating the financial impact of ₹ 47.76 crore on the profitability and financial position assets/liabilities, are detailed in **Appendix 5.6**.

5.14 Conclusion

- As on 31 March 2023, there were 18 SPSEs including two Statutory Corporations.
- Out of the total profit of ₹ 1,873.65 crore earned by eight profit-earning SPSEs in 2022-23, 98.46 per cent was contributed by five³⁰ SPSEs. Three of the profit earning SPSEs declared /paid dividend to GNCTD during the year 2022-23.
- Out of total loss of ₹ 8,531.24 crore incurred by nine loss-incurring SPSEs, loss of ₹ 8,498.35 crore was contributed by Delhi Transport Corporation alone.
- DSCFDC did not adhere to the prescribed timelines regarding submission of its financial statements as per the Companies Act, 2013 and its accounts were in arrears for four years. Further, accounts for 2021-22, 2022-23 of four Government Companies and accounts for 2022-23 of ten Government Companies and one Statutory Corporation were not finalised as of 30 September 2023.
- During 2022-23, the impact of CAG's comments on the financial statements of the SPSEs amounted to ₹ 180.76 crore on profitability as well as on assets/liabilities.

5.15 Recommendations

1. State Government may impress upon the managements of SPSEs to ensure timely submission of their Financial Statements. As many as 23 accounts of 16 SPSEs were in arrears. In the absence of finalised accounts, government investments in such SPSEs remained outside the oversight of the State Legislature.
2. Out of eight SPSEs, which earned profits as per the latest finalised accounts, only three SPSEs declared dividend. Out of the top five profit earning SPSEs, only DSIIDC declared dividend in the year 2022-23 and other four SPSEs which earned profit of ₹ 1700.10 crore did not declare any dividend. These SPSEs should declare/ pay dividend as per the dividend policy of GNCTD (August 2021).

³⁰ DSIIDC, PPCL, IPGCL, DTL and DPCL


3. State Government may analyse the reasons for losses in those SPSEs whose net worth had been fully eroded and take decision about continuance of operation of these SPSEs.

New Delhi
Dated: 17 May 2024


(AMAN DEEP CHATHA)
Principal Accountant General (Audit), Delhi

Countersigned

New Delhi
Dated: 7 June 2024


(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

APPENDICES

Appendix 1.1
(Referred to in paragraph 1.1)
Demographic Profile of the National Capital Territory of Delhi

Sl. No.	Particulars	Figures
1.	Area	1,483 sq. km
2.	Population	
	Population (2011 census)	1.70 crore
	Population 2023	2.14 crore
3.	Density of Population (Projected population as on 01.03.2022 by Ministry of Health and Family Welfare) (All India Density = 422.46 persons per Sq. Km)	14,402.56 persons per Sq. Km.
4.	Population below poverty line (BPL) (All India Average = 21.92 per cent)	9.91 per cent
5.	Literacy Rate (All India Average= 73.00 per cent)	86.20 per cent
6.	Infant mortality Rate (IMR) (2020) (per 1000 live births) (All India Average =28 per 1000 live births)	12
7.	Life expectancy at birth (2016-20) (All India Average = 70 years)	75.8 years
8.	Gross State Domestic Product (GSDP) 2022-23 at current prices	₹ 10,43,759 crore
9.	Per Capita GSDP/ GDP CAGR (2013-14 to 2022-23)	
	NCT of Delhi	7.83 per cent
	All India	9.12 per cent
10.	GSDP/ GDP CAGR (2013-14 to 2022-23)	
	NCT of Delhi	9.96 per cent
	All India	10.34 per cent
11.	Population Growth (2013 to 2023)	11.68 per cent (All India) 21.75 per cent

Source:

- Area :Forest Survey Report (2021)
- Population: Population Projections for India and States 2011-2036 by National Commission on Population, Ministry of Health and Family Welfare
- Population below Poverty line: Ministry of Statistics and Programme Implementation (MoSPI)
- Literacy Rate :Census 2011
- IMR:SRS Bulletin (2020)
- Life expectancy: SRS Based Life Tables (2016-20)
- GSDP: National Statistical Office, Ministry of Statistics and Programme Implementation

Appendix 1.2
Time series data on the Government of NCT of Delhi finances
(Referred in para 1.3.1)

(₹ in crore)

	2018-19	2019-20	2020-21	2021-22	2022-23
Part A. Receipts					
1. Revenue Receipts	43,113	47,136	41,864	49,313	62,703
(i) Tax Revenue	36,625	36,566	29,425	40,019	47,363
State Goods and Service Tax (SGST)	19,187	19,465	15,676	22,263	27,324
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade, etc.	5,886	5,475	4,411	5,099	5,582
State Excise	5,028	5,068	4,108	5,488	5,548
Taxes on Vehicles	2,055	1,948	1,676	1,956	2,884
Stamp Duty and Registration fees	4,459	4,606	3,549	5,212	6,023
Land Revenue	0	3	4	0	0
Other Taxes	10	1	1	1	2
(ii) Non-Tax Revenue	644	1,097	980	827	581
(iii) State's share of Union taxes and duties	-	-	-	-	-
(iv) Grants in aid from Government of India	5,844	9,473	11,459	8,467	14,759
2. Miscellaneous Capital Receipts	-	-	-	-	-
3. Recoveries of Loans and Advances	1,644	823	631	623	1,258
4. Total Revenue (1+2+3)	44,757	47,959	42,495	49,936	63,961
5. Public Debt Receipts	2,880	4,765	15,365	11,193	3,251
Internal Debt (excluding Ways and Means Advances and Overdrafts)	-	-	-	-	-
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	2,880	4,765	15,365	11,193	3,251
6. Total Receipts in Consolidated Fund (4+5)	47,637	52,724	57,860	61,129	67,212
7. Contingency Fund Receipts	95	143	79	74	52
8. Public Account Receipts	-	-	-	-	-
9. Total Receipts of the State (6+7+8)	47,732	52,867	57,939	61,203	67,264
Part B. Expenditure /Disbursement					
10. Revenue Expenditure	36,852	39,637	40,414	46,043	48,246
General Services (including interest payments)	7,605	7,083	6,295	6,953	7,322
Social Services	21,663	22,145	22,693	26,294	27,177
Economic Services	5,219	6,530	8,514	9,328	9,423
Grants-in-aid-and contributions	2,365	3,879	2,912	3,468	4,323
11. Capital Expenditure	3,266	5,472	4,699	8,311	8,065
General Services	180	389	246	374	625
Social Services	1,755	3,572	2,669	5,062	4,566
Economic Services	1,331	1,511	1,784	2,875	2,874
12. Disbursement of Loans and Advances	2,402	3,266	4,090	2,603	3,084
13. Total Expenditure (10+11+12)	42,520	48,375	49,203	56,957	59,395
14. Repayments of Public Debt	3,636	2,811	3,265	4,215	4,715
Internal Debt (excluding Ways and Means Advances and Overdrafts)	-	-	-	-	-
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	3,636	2,811	3,265	4,215	3,251
15. Appropriation to Contingency Fund	90	0	0	0	0
16. Total disbursement out of Consolidated Fund (13+14+15)	46,246	51,186	52,468	61,172	64,110
17. Contingency Fund disbursements	5	143	79	74	52
18. Public Account disbursements	-	-	-	-	-
19. Total disbursement by the State (16+17+18)	46,251	51,329	52,547	61,246	64,162
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+)(1-10)	6,261	7,499	1,450	3,270	14,457

	2018-19	2019-20	2020-21	2021-22	2022-23
21. Fiscal Deficit(-)/Fiscal Surplus(+) (4-13)	2,237	-416	-6,708	-7,021	4,566
22. Primary Deficit(-)/Primary Surplus(+) (21+23)	5,104	2,336	-3,834	-3,747	7,832
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	2,867	2,752	2,874	3,274	3,266
24. Financial Assistance to local bodies etc.	-	-	-	-	-
25. Ways and Means Advances/Overdraft availed (days)	-	-	-	-	-
Ways and Means Advances availed (days)	-	-	-	-	-
Overdraft availed (days)	-	-	-	-	-
26. Interest on ways and Means Advances/Overdraft	-	-	-	-	-
27. Gross State Domestic Product (GSDP)	7,38,389	7,92,911	7,63,435	9,04,642	10,43,759
28. Outstanding fiscal liabilities	32,812	34,767	46,867*	53,844*	52,380
29. Outstanding guarantees (year-end) (including interest)	-	-	-	-	-
30. Maximum amount guaranteed (year-end)	-	-	-	-	-
Part E: Fiscal Health Indicators					
I Resource Mobilisation					
Own Tax revenue/GSDP (in per cent)	4.96	4.61	3.85	4.42	4.54
Own Non-Tax revenue/GSDP (in per cent)	0.09	0.14	0.13	0.09	0.06
II Expenditure Management					
Total Expenditure/GSDP	5.76	6.10	6.44	6.30	5.69
Total Expenditure/Revenue Receipts	98.62	102.63	117.53	115.50	94.72
Revenue Expenditure/Total Expenditure	86.67	81.94	82.14	80.84	81.23
Expenditure on Social Services/ Total Expenditure	55.08	53.16	51.55	55.05	53.44
Expenditure on Economic Services/Total Expenditure	15.40	16.62	20.93	21.42	20.70
Capital Expenditure/Total Expenditure	7.68	11.31	9.55	14.59	13.58
Capital Expenditure on Social and Economic Services/ Total Expenditure	7.26	10.51	9.05	13.94	12.53
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	0.85	0.95	0.19	0.36	1.39
Fiscal deficit (surplus)/GSDP	0.30	-0.05	-0.88	-0.78	0.44
Primary Deficit(surplus)/GSDP	0.69	0.29	-0.50	-0.41	0.75
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	4.44	4.38	5.37**	4.62**	5.02
Fiscal Liabilities/RR	76.11	73.76	111.95	109.19	83.54
Primary deficit vis-a-vis quantum spread	5,458.31	-883.35	76.04	-58.02	162.02
Debt Redemption (Principal + Interest)/Total Debt Receipts	-	-	-	-	-
V Other Fiscal Health Indicators					
Return on Investment	0.07	0.08	0.05	0.43	0.49

Note-Figures have been rounded to the nearest decimal.

*The effective outstanding fiscal liabilities for the years 2020-21 and 2021-22 would be ₹ 41,002 crore and ₹41,786 crore, respectively as GST compensation of ₹ 5,865 crore (2020-21) and ₹ 6,193 crore (2021-22) given to the State as back-to-back loan under debt receipts would not be treated as debt of the State for any norms which may be prescribed by the Finance Commission.

**Arrived at after exclusion of GST compensation of ₹ 5,865 crore (2020-21) and ₹ 6,193 crore (2021-22) received as back-to-back loan under debt receipts from the total outstanding liabilities.

Appendix 3.1
(Referred to in paragraph 3.3.1)
Details of cases where supplementary provision (₹ one crore or more) proved unnecessary

(₹ in crore)						
Sl. No.	Name and No. of the Grant	Original grant/appropriation	Supplementary Grant	Total Grant	Expenditure	Savings out of Total Grant
Revenue (Voted)						
1	Grant No. 5 - Home	882.19	46.51	928.70	851.04	77.66
2	Grant No. 6 - Education	13,856.58	220.92	14,077.50	12,957.37	1,120.13
3	Grant No. 7 - Medical & Public Health	7,062.23	95.17	7,157.40	6,376.85	780.55
4	Grant No 9 - Industries	588.80	36.53	625.33	474.26	151.07
5	Grant No. 11- UD & PWD	11,715.70	377.65	12,093.35	10,207.46	1,885.89
	Total	34,105.50	776.78	34,882.28	30,866.98	4,015.30
Revenue (Charged)						
6	Grant No. 7 - Medical & Public Health	8.49	4.05	12.54	3.95	8.59
	Total	8.49	4.05	12.54	3.95	8.59
Capital (Voted)						
7	Grant No. 3 - Administration of Justice	32.00	7.00	39.00	18.76	20.24
8	Grant No. 8- Social Welfare	2,493.32	1,211.47	3,704.79	1,631.09	2,073.70
	Total	2,525.32	1,218.47	3,743.79	1,649.85	2,093.94
	Grand Total	36,639.31	1,999.30	38,638.61	32,520.78	6,117.83

Source: Principal Accounts Office, GNCTD

Appendix 3.2
(Referred to in paragraph 3.3.2)
Excess/unnecessary re-appropriation of funds where final savings were more than ₹ 15 crore

(₹ in crore)

Sl. No.	Grant No. and Name	Head of Account (Sub-Head-wise)	Provisions				Actual Expenditure	Final Savings	Reasons as per head-wise appropriation accounts of GNCTD
			Original	Supplementary	Re-appropriation	Total			
Revenue Charged									
Revenue Voted									
1.	Grant No. 06 Education	2202.01.113.97- Samagra Shiksha (CSS)	275.00	0.01	1.99	277.00	191.50	85.50	Delayed release of Central Share by GOI & subsequent State Share.
2.		2202.01.113.96 - Samagra Shiksha (Top up) - Elementary Education	0	0.03	145.92	145.95	0	145.95	Opening of new budget head for top up and non-approval of Cabinet Note for the year 2022-23.
3.		2202.01.113.95 - Samagra Shiksha - Teacher Education (Top up) (State Share)	0	0.01	22.09	22.10	0	22.10	
4	Grant No. 7- Medical and Public Health	2210.01.800.41 - Delhi State Health Mission (State Share)	60.00	0.01	19.99	80.00	57.52	22.48	Less Central share / funds received from GoI resulting in non-transfer of State share to DSHM.
5.	Grant No.8- Social Welfare	2235.02.789.98 -Unemployment Allowance to disabled persons (SCSP)	39.00	0.01	5.99	45.00	0.21	44.79	Payments made from SCSP head due to introduction of NSAP portal with no provision to upload SC/ST beneficiaries separately.
6.	Grant No. 10- Development	2053.00.093.82- Services for Various Religious Activities	35.11	0.01	32.99	68.11	17.69	50.42	It was anticipated that fund will be required for clearing liabilities of previous years in respect of various religious activities But, due to administrative reasons, the fund which was kept in BE/RE-2022-23 could not be utilised

Sl. No.	Grant No. and Name	Head of Account (Sub-Head-wise)	Provisions				Actual Expenditure	Final Savings	Reasons as per head-wise appropriation accounts of GNCTD
			Original	Supplementary	Re-appropriation	Total			
7.	Grant No.11- Urban Development and Public Works	2215.01.191.98- Grant-in-aid to Delhi Jal Board for providing potable water supply in unauthorised colonies	275.00	0.02	55.65	330.67	273.11	57.56	The Finance Department had returned the proposal with the remark that administration department had not taken into account the unspent balance permitted and adjusted in the released amount.
8		2217.05.191.96 - Grants in Aid to NDMC for Smart City (CSS)	50.00	0.01	47.99	98.00	49.00	49.00	Saving was mainly due to only Rs. 490000 received from GOI in year 2022-23 against the expected balance allocation of Rs. 980000 thousands.
9		2217.05.191.95 - Grants in Aid to MCDs/NDMC for AMRUT (CSS)	40.00	0.01	114.99	155.00	0.00	155.00	•While the provisions were made for final balance allocation of AMRUT 1.0 in 2022-23, the final balance of ₹ 15,55,300 (thousands) were released by GoI in June 2023 only. The mission was initially projected to culminate by 31.03.2023 but the timeline was later on extended to 31.03.2024.
Total			774.11	0.12	447.6	1,221.83	589.03	632.8	
Capital voted									
10	Grant No 5- Home	4070.00.800.88 Capital Outlay on Other Administrative Service-Other Expenditure- Central Jail	10.00	0.01	16.99	27.00	6.85	20.15	Non-finalisation of some proposals

Sl. No.	Grant No. and Name	Head of Account (Sub-Head-wise)	Provisions				Actual Expenditure	Final Savings	Reasons as per head-wise appropriation accounts of GNCTD
			Original	Supplementary	Re-appropriation	Total			
11	Grant No. 11	4210.01.110.65 Remodeling of Existing Hospitals	500.00	0.01	27.99	528.00	466.95	61.05	Delay in execution of work, Restrictions imposed by NGT from time to time, Non-submission of bills by the contractors / agencies in time. Non-filling up of various vacant posts, due to late issue of RE, Non-utilisation of funds and non-receipt of the expected arbitration award
Total			510.00	0.02	44.98	555.00	473.8	81.2	
Grand Total			1284.11	0.14	492.58	1776.83	1062.83	714.00	

Source: Principal Accounts Office, GNCTD

Appendix 3.3
(Referred to in paragraph 3.3.3)
**Details of grants having large savings (savings above ₹ 500 crore) during
the year 2022-23**

(₹ in crore)								
Sl. No.	Name and No. of the Grant	Original grant appropriation	Supplement -ary Grant	Total Grant	Expenditure	Savings out of Total Grant	Surrender	Savings excluding surrender
Revenue (Voted)								
1	Grant No.6- Education	13,856.58	220.92	14077.50	12,957.37	1,120.13	72.93	1,047.20
2	Grant No.7- Medical and Public Health	7,062.23	95.17	7157.40	6,376.85	780.55	105.50	675.05
3	Grant No.8 - Social Welfare	9,967.72	0.55	9968.27	8,531.81	1,436.46	749.71	686.75
4	Grant No. 10- Development	3,339.20	864.76	4203.97	3,431.26	772.71	0.04	772.67
5	Grant No.11 - Urban Development and Public Works Department	11,715.71	377.65	12093.35	10,207.46	1,885.89	913.21	972.68
	Total	45,941.44	1,559.05	47500.49	41,504.75	5,995.74	1,841.39	4,154.35
Capital (Voted)								
6	Grant No.8- Social Welfare	2,493.32	1,211.47	3704.79	1,631.09	2,073.70	102.96	1,970.74
7	Grant No.10 - Development Department	1,177.95	0.04	1177.99	290.97	887.02	797.41	89.61
8	Grant No.11- Urban Development and Public Works Department	12,493.82	0.29	12494.11	9,038.52	3,455.59	2,917.58	538.01
	Total	16,165.09	1,211.80	17376.89	10,960.58	6,416.31	3,817.95	2,598.36
	Grand Total	62,106.53	2,770.85	64,877.38	52,465.33	12,412.05	5,659.34	6,752.71

Source: Principal Accounts Office, GNCTD

Appendix 3.4
(Referred to in paragraph 3.3.3)
Details of savings (in excess of ₹ 10 crore) that lapsed at the end of March 2023

(₹ in crore)

Sl. No.	Name and No. of the Grant	Original grant/ Appropriation	Supplementary Grant/ Appropriation	Total grant/ Appropriation	Expenditure	Savings	Surrender during the year	Lapsed
Revenue (Voted)								
1	Grant No. 2 General Administration	849.06	0.08	849.14	431.95	417.19	352.47	64.72
Reasons¹ for Savings and Surrender: Savings occurred inter alia on account of vacant posts, transfer of incumbents, receipt of less bills, less advertisement & publicity, less expenditure incurred on salary/wages, due to transfer/retirement of officials and less number of medical claims received (Publicity Directorate) etc.(₹ 167.96 crore). Surrender of savings was attributed inter alia to non-implementation of scheme, due to less advertisement & publicity, less number of examinations, non-start of unified call center etc.								
2	Grant No.3 Administration of Justice	1,260.10	331.21	1,591.31	1,367.38	223.93	43.55	180.38
Reasons for Savings and Surrender: Savings occurred inter alia on account of vacant posts, transfer of incumbents, receipt of less bills, reimbursement of arrears of the stenographers not finalised due to administrative reasons, late receipt of sanctions for the payment of 64 dedicated Law Researchers for commercial courts, proposal for hiring additional cleaning staff could not be finalized and late receipt of bills from vendors (Session Courts), etc. (₹ 137.59 crore) . Surrender of savings was attributed inter alia to vacant posts, transfer of incumbents etc.								
3	Grant No.4 Finance	389.56	0.21	389.77	259.23	130.54	28.61	101.93
Reasons for Savings and Surrender: Savings occurred inter alia on account of non-implementation Excise Adhesive Labels till March 2023 and non-utilisation of Secret Service funds, etc. (₹ 32.18 crore). Surrender of savings was attributed inter alia to vacant posts, transfer of incumbents and due to non-filling of requisite posts & less procurement etc.								
4	Grant No.5 Home	882.19	46.51	928.70	851.04	77.66	25.10	52.56
Reasons for Savings and Surrender: Savings occurred inter alia on account of vacant posts, receipt of less medical claims and late finalisation of tender process for procurement of medicines, etc (₹ 74.62 crore). Surrender of savings was attributed inter alia to vacant posts, transfer of incumbents and due to non-finalisation of tenders etc.								
5	Grant No.6 Education	13,856.58	220.92	14,077.50	12,957.37	1,120.13	72.93	1,047.20
Reasons for Savings and Surrender: Savings occurred inter alia on account of unification of three MCDs (₹ 1,460 crore crore), less Grants in Aid and delayed release of Central Share by GOI & subsequent State Share (₹ 139.74 crore), less procurement and less expenditure in wages of EDP staff (₹ 105.41 crore), etc. Surrender of savings was attributed inter alia to vacant posts, transfer of incumbents and less procurement, less release of grants etc.								
6	Grant No.7 Medical and Public Health	7,062.23	95.17	7157.40	6376.85	780.55	105.50	675.05
Reasons for Savings and Surrender: Savings occurred inter alia on account of release of less Grants in Aid and ₹ 78.52 crore could not be released as same were adjusted against unspent balance of previous year with the DSHM (AAMC) by the Finance Department etc (₹ 150.73 crore). Surrender of savings was attributed inter alia to inter unification of 3 MCDs and release of less grants in aid etc.								
7	Grant No.8 Social Welfare	9,967.72	0.55	9,968.27	8,531.81	1,436.46	749.71	686.75
Reasons for Savings and Surrender: Savings occurred inter alia on account of non-implementation of the scheme of Delhi Shopping Festival (₹ 250 crore), transfer of scheme of renewal and promotion of retail market to Urban Development Department (₹ 100 crore), less beneficiaries, death and PFMS returns i.e. undisbursed pension return by bank and stop of duplicate cases within the scheme (₹215.30 crore), introduction of NSAP portal with provision to upload SC/ST beneficiaries separately resulting in payments being made from SCSP head (₹ 179.99 crore) etc. Surrender of savings was attributed inter alia to non-implementation of scheme etc.								
8	Grant No.9 Industries	588.81	36.53	625.34	474.26	151.08	53.98	97.10
Reasons for Savings and Surrender: Savings occurred inter alia on account of non-implementation of the scheme of 'Launch of Dilli Bazar Platform', 'Gandhi Nagar Garment Hub of Dilli', 'Regeneration of non-conforming Industrial area', 'Kisan Mitra Yojana', 'Campaign for Door step Delivery of Ration', 'Mukhya Mantri Ghar Ghar Rashan Yojana,' etc.(₹135 crore). Surrender of savings was attributed inter alia to non-notification of the scheme of Medical Oxygen Production Policy of Delhi etc.								

¹ As per Appropriation Accounts and surrender statement.

Sl. No.	Name and No. of the Grant	Original grant/ App-ropriation	Suppleme ntary Grant/ App-ropriation	Total grant/ App-ropriation	Expenditure	Savings	Surrender during the year	Lapsed
9	Grant No.11 Urban Development and Public Works Department	11,715.71	377.65	12,093.35	10,207.46	1,885.89	913.21	972.68
Reasons for Savings and Surrender: Savings occurred inter alia on account of less release of grant to DJB for Raw Water (₹ 262.50 crore), Yamuna Rejuvenation (₹ 407.76 crore) and sewage facility in unauthorised colonies (₹ 918.41 crore); release of grant to DJB on average basis for subsidy to consumers (₹ 133.59 crore), unification of three MCDs (BTA to local bodies) (₹ 508.73 crore) etc. Surrender of savings was attributed inter alia to less release of grant etc.								
Total Revenue Voted		46,571.96	1,108.83	47,680.78	41,457.35	6223.43	2,345.06	3,878.37
Capital (Voted)								
10	Grant No.5 Home	357.93	0.01	357.94	232.59	125.35	97.44	27.91
Reasons for Savings and Surrender: Savings occurred inter alia on account of procurement of less machinery & equipment, non-finalisation of tenders, due to heavy deviations in some proposals for purchase of Fire Fighting Vehicles which were not approved by Finance Department and non-submission of some bills by some vendors (₹ 108.06 crore). Surrender of savings was attributed inter alia to less procurement of machinery and equipment etc.								
11	Grant No.6 Education	517.97	0.03	518.00	179.05	338.95	171.72	167.23
Reasons for Savings and Surrender: Savings occurred inter alia on account of due to slow pace of work by PWD with respect to Infrastructure projects of Autonomous Institutions/Universities, release of fund to PWD on the basis of progress of work (₹ 100.56 crore) etc. Surrender of savings was attributed inter alia to non-implementation of scheme, slow pace of work etc.								
12	Grant No.7 Medical and Public Health	213.87	0.02	213.89	151.82	62.07	38.46	23.61
Reasons for Savings and Surrender: Savings occurred inter alia on account of procurement of less machinery & equipment and non-payment of 2 CT Scan due to administrative reasons (₹ 40.44 crore) etc. Surrender of savings was attributed inter alia to less procurement of machinery and equipment etc.								
13	Grant No.8 Social Welfare	2,493.32	1,211.47	3,704.79	1,631.09	2,073.70	102.96	1,970.74
Reasons for Savings and Surrender: Savings occurred inter alia on account of due to non-release of loan & advances and non-materialisation of proposal relating to Subordinate Debts for land acquisition for MRTS (₹ 413 crore), non-materialisation of proposal relating to (i) equity capital to MRT Authority, (ii) loan to MRTS for reimbursement of Central taxes and (iii) installation of CCTV cameras in DTC and Cluster buses (₹ 1,607.50 crore) etc.. Surrender of savings was attributed inter alia to non-release of loan and advances etc.								
14	Grant No.10 Development Department	1,177.95	0.04	1,177.99	290.97	887.02	797.41	89.61
Reasons for Savings and Surrender: Savings occurred inter alia on account of unification of 3 MCDs (₹ 1,163.91 crore), etc. . Surrender of savings was attributed inter alia to less major work, slow pace of work etc.								
15	Grant No.11 Urban Development and Public Works Department	12,493.82	0.29	12,494.11	9,038.52	3,455.59	2,917.58	538.01
Reasons for Savings and Surrender: Savings occurred inter alia on account of non-implementation of Chief Minister Local Area Development (CMLAD) scheme and non-receipt of proposal for CMLAD till 31st March 2023 (₹ 300 crore), Construction of digital classrooms :-delay in execution of work relating to due to (i) implementation of GRAP by CAQM, (ii)restrictions imposed by NGT from time to time; non-submission of bills by the contractors / agencies timely, non-filling of various vacant posts, non-utilisation of funds and non-receipt of expected arbitration award (₹150 crore), non-approval of Mehrauli Badarpur Corridor payment (₹ 120 crore); Development of unauthorised colonies :- slow pace of work, non utilisation of funds by Power Department for HT/ LT lines in unauthorised colonies and non utilisation of funds by the executive agencies i.e. DSIIDC & I&FC.(₹ 124.17 crore); Slow pace of work relating to Mukhya Mantri Sadak Punrotthan Yojana (₹ 144.60 crore), etc. Surrender of savings was attributed inter alia to less release of loan, deferment of projects, slow pace of expenditure etc.								
Total Capital Voted		17,254.86	1,211.86	18,466.72	11,524.04	6,942.68	4,125.57	2,817.11
Grand Total		63,826.82	2,320.69	66,147.50	52,981.39	13,166.11	6,470.63	6,695.48

Source: Principal Accounts Office, GNCTD

Appendix 3.5
(Referred to in paragraph 3.4.1)
Details of lump sum provisions made during the year 2022-23

(₹ in crore)

Sl. No	Grant No and Name	Head of Account	Lump sum provision	Expenditure from lump sum provision	Stated purpose
1.	7- Medical and public Health (Revenue –Voted)	2210.06.800.70.00.42	20.0	1.39	Awaited
2.	10-Development (Capital –Voted)	5425.00.208.84.00.42	0.81	0.37	Awaited
3.	11-Urban Development and Public Works Department (Capital –Voted)	4055.00.212.90.00.42	29.50	26.48	Awaited
4.		4070.00.800.89.00.42	32.50	24.90	Awaited
5.		4202.01.800.97.00.42	50.00	47.43	Awaited
6.		4202.03.800.89.00.42	50.00	49.29	Awaited
7.		4202.04.101.99.00.42	2.88	2.73	Awaited
8.		4210.03.102.98.00.42	1.00	0.92	Awaited
9.		4235.02.101.87.00.42	2.66	1.47	Awaited
10.		4235.02.104.94.00.42	6.53	2.16	Awaited
11.		4235.02.800.90.00.42	10.00	8.73	Awaited
12.	11-Urban Development and Public Works Department (Capital –Charged)	5054.04.800.99.00.42	55.00	39.52	Awaited
Total			260.88	205.39	

Source: Principal Accounts Office, GNCTD

Appendix 3.6
(Referred to in paragraph 3.5.2)
Schemes for which Revised outlay (₹ one crore and above) was made but no expenditure was incurred

(₹ in crore)

Sl. No.	Grant No. and name	Head/Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
Revenue Voted					
1.	Grant No.04-Finance	2043.00.101.93- Implementation of Goods & Service Tax System	1.00	1.00	NIL
2.	Grant No.04-Finance	2043.00.101.92- Bill Banvao Inaam Pao	1.00	1.00	NIL
3.	Grant No.06 -Education	2202.01.113.96- Samagra Shiksha (Top up) - Elementary Education	0.03	145.95	NIL
4.	Grant No.06 -Education	2202.01.113.95- Samagra Shiksha (Top up) – State Share-Teachers Education	0.01	22.10	NIL
5.	Grant No.06-Education	2202.02.101.97- Grant In Aid to Delhi Board of School Education	30.00	7.00	NIL
6.	Grant No.06-Education	2202.02.109.62- Conduct of Educational Conferences	5.00	1.00	NIL
7.	Grant No.06-Education	2202.02.109.60- Virtual School	2.00	2.00	NIL
8.	Grant No.06-Education	2202.02.109.56- Desh Bhakti Pathyakrama	2.00	2.00	NIL
9.	Grant No.06-Education	2202.02.109.53- Grants in Aid to School of Specialised Excellence	100.00	19.00	NIL
10.	Grant No.06-Education	2202.02.109.51- Entrepreneurship Development Programme Promotional Activities	30.00	10.00	NIL
11.	Grant No.06-Education	2202.02.109.49- Grants in Aid to DSEU for incubation Business Blaster Teams	0.01	5.00	NIL
12.	Grant No.06-Education	2202.02.109.47- Grants in Aid to DCPCR for Desh ke Mentor	0.02	5.00	NIL
13.	Grant No.06-Education	2202.02.113.94- Samagra Shiksha (Top-up) Secondary Education.	0.01	11.80	NIL
14.	Grant No.06-Education	2202.02.109.68- Setting up of studio for online lectures	1.00	1.00	NIL
15.	Grant No.06-Education	2203.00.112.44- Setting up of Incubation Centre in University/Colleges	4.00	4.00	NIL
16.	Grant No.06-Education	2203.00.112.35- Grants in Aid to Delhi Pharmaceutical Sciences and Research University for Meditation & Yoga	15.00	3.57	NIL
17.	Grant No.06-Education	2230.03.101.91.00- Pradhan Mantri Kausal Vikas Yojna (CSS)	24.00	21.50	NIL
18.	Grant No.06-Education	2230.03.789.95.00- Pradhan Mantri Kaushal Vikas Yojna (CSS)(SCSP)	1.01	3.50	NIL
19.	Grant No.06-Education	2202.03.102.82- Grant-in-Aid to Dr.B.R. Ambedkar University for Archival Research in Indian Language	2.00	2.00	NIL
20.	Grant No.06-Education	2205.00.001.88- Campaign on the inspiring life of Dr. B.R. Ambedkar	10.00	10.00	NIL
21.	Grant No.06-Education	2205.00.102.56.97- Street Theatre and Performing Arts	5.00	5.00	NIL

Sl. No.	Grant No. and name	Head/Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
22.	Grant No.06-Education	2205.00.102.48- Grants-in-Aid to Garhwali, Kumaoni & Jaunssari Academy	2.00	1.54	NIL
23.	Grant No.06-Education	2205.00.102.38 -Mukhyamantri Art & Culture Promotion Scheme	5.00	1.00	NIL
24.	Grant No.06-Education	2205.00.102.36 -Festival of India	10.00	10.00	NIL
25.	Grant No.06-Education	2202.03.102.87- Grants in Aid to Ambedkar University for Early Childhood Care Centre	0.01	1.00	NIL
26.	Grant No.06-Education	2202.03.102.85- Special Grant to Universities & Collages	10.00	1.00	NIL
27.	Grant No.06-Education	2202.03.102.83- Grant-In-Aid to DSEU for Spoken English Programme	0.01	1.00	NIL
28.	Grant No.06-Education	2202.03.104.74- Grants in Aid for New Courses in Delhi Government Aided Colleges	50.00	1.00	NIL
29.	Grant No.07-Medical and Public Health	2210.01.110.50- Grant-in-aid for Delhi State Health Mission for Women Mohalla Clinic	14.50	1.00	NIL
30.	Grant No.07-Medical and Public Health	2210.01.200.72- Grant in aid for Covid-19 Emergency Response and health system prepedness package (NRHM)	200.01	244.00	NIL
31.	Grant No.07-Medical and Public Health	2210.06.800.67- Grant-in-aid to Rogi Kalyan Samiti	10.00	2.00	NIL
32.	Grant No.08-Social Welfare	2235.02.104.60- Indira Gandhi National Disability Pension Scheme (IGNDPS) (-NSAP) (CSS)	2.35	2.35	NIL
33.	Grant No.08-Social Welfare	2235.03.101.98 Indira Gandhi National Old Age Pension Scheme (IGNOAPS) (NSAP) (CSS)	44.50	44.50	NIL
34.	Grant No.08-Social Welfare	2235.03.102.98- National Family Benefit Scheme(NSAP) (CSS)	4.67	4.67	NIL
35.	Grant No.08-Social Welfare	2235.02.102.22- Training of Parents, AWWs & Anganwadi Samitis (Early Childhood Education)	2.00	1.00	NIL
36.	Grant No.08-Social Welfare	2235.02.102.16.92- Anganwadi Services Scheme - Procurement of Aadhar Enrolment Kit	1.71	1.70	NIL
37.	Grant No.08-Social Welfare	2235.02.103.13.98- Samarthya - Pradhan Mantri Matru Vandana Yojana (PMMVY)	1.80	1.08	NIL
38.	Grant No.08-Social Welfare	2235.02.103.13.97-PMMVY- Flexi Fund	2.10	3.50	NIL
39.	Grant No.08-Social Welfare	2235.02.103.13.92- Sambal - One stop center	0.02	1.90	NIL
40.	Grant No.08-Social Welfare	2235.02.103.18- Behavioural change for dignity of women	12.00	1.00	NIL
41.	Grant No.08-Social Welfare	2235.02.103.13.90- Beti bachao beti poadhao	0.02	1.00	NIL
42.	Grant No.08-Social Welfare	2236.02.101.71- Additional Diet under Supplementary Nutrition programme	10.00	1.00	NIL
43.	Grant No.08-Social Welfare	2225.01.190.97- Financial Assistance to DSCFDC for SC/STs	2.53	1.75	NIL

Sl. No.	Grant No. and name	Head/Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
44.	Grant No.08-Social Welfare	2225.01.789.79- Jai Bheem Mukhya Mantri Pratibha Vikas Yojna (SCSP)	70.00	1.50	NIL
45.	Grant No.08-Social Welfare	2225.03.277.75- Jai Bhim Mukhyamantri Pratibha Vikas Yojna for Minorities/OBC/EWS	90.00	4.86	NIL
46.	Grant No.08-Social Welfare	2235.02.200.78- Scheme for Birth & Death Anniversary of Eminent Personalities	2.00	1.90	NIL
47.	Grant No.08-Social Welfare	3055.00.001.87- Feeder Bus service/Electric Vehicles	1.00	1.00	NIL
48.	Grant No.08-Social Welfare	3055.00.190.89- other grants to MRTS	0.01	1.00	NIL
49.	Grant No.08-Social Welfare	3452.80.001.84- Public engagement for Council of Member	6.00	6.00	NIL
50.	Grant No.09-Industries	3456.00.001.94- Campaign for Door Step Delivery of Ration	10.00	5.00	NIL
51.	Grant No.09-Industries	3456.00.103.93- Provision for Market intervention to check the rising prices of Essential Commodity	5.00	2.00	NIL
52.	Grant No.10-Development	2515.00.800.77- IDRUV Works including water bodies through DVDB including 5% outlay for Repair of IDRUV works (General)	1.40	1.40	NIL
53.	Grant No.10-Development	2052.00.090.48- Grant-in-aid to Delhi Wakf Board	63.01	71.45	NIL
54.	Grant No.10-Development	2225.04.102.97- Multi - Sectoral Development Programme for Minority concentration Districts (CSS)	9.00	9.00	NIL
55.	Grant No.10-Development	2245.05.101.99- Delhi Disaster Response Fund (Centre Share)	15.00	15.00	NIL
56.	Grant No.10-Development	2245.05.101.98- Delhi Disaster Response Fund (State Share)	5.00	3.75	NIL
57.	Grant No.10-Development	2406.04.103.98- Catchment Area Treatment Plant Financed from State Compensatory Afforestation Fund (SCAF)	1.05	1.00	NIL
58.	Grant No.10-Development	2015.00.106.98.98- Expenses on election	0.01	1.30	NIL
59.	Grant No.10-Development	2015.00.106.95.98- Expenses on election	0.01	2.50	NIL
60.	Grant No.10-Development	3435.04.103.86 -Grant to DPCC for Smog Tower	3.00	3.00	NIL
61.	Grant No.10-Development	3435.04.103.85- Grant to DPCC for Real time source apportionment and forecasting for Advance Air Pollution Management in Delhi	2.01	2.80	NIL
62.	Grant No.11-Urban Development and Public Works	2070.00.800.90- Reimbursement of Fines, Forefeiture to MCD	2.50	1.78	NIL
63.	Grant No.11-Urban Development and Public Works	2217.05.800.85- Market Development Fund	1.01	2.00	NIL

Sl. No.	Grant No. and name	Head/Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
64.	Grant No.11-Urban Development and Public Works	2217.80.191.04.95- Urban Development Department for capacity Building and A & OE (CSS)	2.70	5.00	NIL
65.	Grant No.11-Urban Development and Public Works	3475.00.108.94- Deen Dayal Antodaya Yojana/ National Urban Livelihood Mission (CSS)	23.35	5.32	NIL
66.	Grant No.11-Urban Development and Public Works	2810.00.105.98- Generation Based Insensitive Scheme for Solar Energy	5.01	8.60	NIL
Revenue Voted Total			936.39	769.57	Nil
Capital Voted					
67.	Grant No.06-Education	4202.01.202.92- Virtual School	8.00	8.00	NIL
68.	Grant No.06-Education	4202.01.202.91- Setting up of school science museum	50.00	3.00	NIL
69.	Grant No.06-Education	4202.01.202.90- Boarding School For Homeless Children	4.00	1.00	NIL
70.	Grant No.06-Education	4250.00.201.83.98- Skill Strengthening for Industrial Value Enhancement Result Area-I (STRIVE)	3.10	2.31	NIL
71.	Grant No.06-Education	4202.04.101.96- Infrastructure Development	5.00	1.00	NIL
72.	Grant No.06-Education	4202.04.800.85- Construction/ Renovation of ACL Building	15.00	10.00	NIL
73.	Grant No.06-Education	4202.01.203.96- Allotment of land and Construction of building of Indraprastha Vishwavidyalaya	20.00	16.00	NIL
74.	Grant No.08-Social welfare	4235.02.101.82- Scheme for Implementation of Persons with disabilities act 1995 (SIPDA) (CSS)	5.00	5.00	NIL
75.	Grant No.08-Social welfare	5055.00.050.86- Construction of Bus queue Shelters	75.00	1.00	NIL
76.	Grant No.08-Social welfare	7055.00.190.96- Subordinate Debts for land acquisition for MRTS	413.00	312.00	NIL
77.	Grant No.08-Social welfare	7055.00.190.90- Equity Capital to DMRC (Metro Lite)	25.00	1.00	NIL
78.	Grant No.09-Industries	5475.00.102.88- Providing Accommodation to District forum & state commission	2.00	2.00	NIL
79.	Grant No.10-Development	4403.00.101.92- Construction of Veterinary College	1.01	1.53	NIL
80.	Grant No.10-Development	4250.00.101.99- Disaster Contingency Plan/Disaster Response Fund	5.00	5.00	NIL
81.	Grant No.11-Urban Development and Public Works	4217.60.051.95- Chief Minister Local Area Development	300.00	1.00	NIL
82.	Grant No.11-Urban Development and Public Works	4202.01.202.89- Construction of Digital Classrooms	150.00	1.00	NIL
83.	Grant No.11-Urban Development and Public Works	4202.01.203.89- Construction of Ambedkar University Delhi (AUD) Campus – Dheerpur	50.00	1.00	NIL

Sl. No.	Grant No. and name	Head/Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
84.	Grant No.11-Urban Development and Public Works	4202.01.203.88- Construction of Ambedkar University Delhi (AUD) Campus – Rohini	50.00	1.00	NIL
85.	Grant No.11-Urban Development and Public Works	4202.01.203.87- Construction of Delhi Teachers University	50.00	15.00	NIL
86.	Grant No.11-Urban Development and Public Works	4801.05.800.87- Shifting of HT/LT transmission Electricity Lines	8.00	8.00	NIL
87.	Grant No.11-Urban Development and Public Works	4810.00.101.99- Renewable Energy	10.00	10.00	NIL
Capital Voted Total			1,249.11	405.84	NIL
Grand Total			21,85.50	1,175.41	NIL

Appendix 3.7
(Referred to in paragraph 3.5.2)
Schemes for which provision (₹ one crore and above) was made but were
withdrawn in revised outlay

(₹ in crore)

Sl. No.	Grant No.	Head/Scheme Name	Approved outlay	Revised outlay
Revenue Voted				
1.	Grant No.02-General administration	2052.00.090.38 -Chief Minister Communication with Public	20.00	0.00
2.	Grant No.02-General administration	2070.00.104.97- Directorate of vigilance	8.67	0.00
3.	Grant No.03-Administration of Justice	2014.00.103.98 -Setting up of Special Courts for trial of Criminal Cases related to elected MPs and MLAs. to deal with	2.60	0.00
4.	Grant No.04-Finance	2052.00.090.36- Delhi Mission 2047 - Study, Policy, Planning and Execution	5.00	0.00
5.	Grant No.04-Finance	3451.00.102.95- Grants in Aid to Bureau for investment & Enterprises in Delhi	1.00	0.00
6.	Grant No.06-Education	2202.01.101.91 -Development of Curriculum by appointing a Committee of Experts	1.00	0.00
7.	Grant No.06-Education	2202.02.104.98 -Promotion of Teachers Innovation Activities	5.00	0.00
8.	Grant No.06-Education	2202.02.109.72- School Health Scheme & Issue of Multi-Purpose Students I-Cards	10.00	0.00
9.	Grant No.06-Education	2202.02.109.71- Promotion of extra-curricular activities after school hours in single shifted schools	5.00	0.00
10.	Grant No.06-Education	2202.02.109.54- Grant-In-Aid to DBSE for Online Assessment	25.00	0.00
11.	Grant No.06-Education	2202.02.109.50- Boarding School for Homeless Children	6.00	0.00
12.	Grant No.06-Education	2202.03.001.98- Grants in Aid to DTU for Student mentoring programme	5.00	0.00
13.	Grant No.06-Education	2202.80.001.83 -Conduct of Special Classes for development of spoken English Skills & Communicative Competence	11.69	0.00
14.	Grant No.06-Education	2202.80.001.82- Education Minister Engagement / Communication with public	10.00	0.00
15.	Grant No.06-Education	2204.00.101.79- Grants-in-Aid to North Delhi Municipal Corporation for improvement of Physical Education	1.00	0.00
16.	Grant No.06-Education	2204.00.101.78- Grants-in-Aid to South Delhi Municipal Corporation for improvement of Physical Education	1.00	0.00
17.	Grant No.06-Education	2204.00.101.77- Grants-in-Aid to East Delhi Municipal Corporation for improvement of Physical Education	1.00	0.00
18.	Grant No.06-Education	2230.03.101.93- Entrepreneurship Development Programme for Students (ITI)	2.80	0.00

Sl. No.	Grant No.	Head/Scheme Name	Approved outlay	Revised outlay
19.	Grant No.06-Education	2202.03.001.96- Grants in Aid to Delhi Higher & Technical Education Assurance Scheme (Under Delhi Higher education Aid Trust)	60.00	0.00
20.	Grant No.06-Education	2202.03.102.84 -Grant In Aid to Sports University	50.01	0.00
21.	Grant No.06-Education	2202.03.800.84- Spoken English Programme	25.00	0.00
22.	Grant No.07-Medical and Public Health	2210.01.200.84- Aam Aadmi Dental Clinic	4.5	0.00
23.	Grant No.07-Medical and Public Health	2210.01.200.75- Grants in Aid for Operational cost for Covid - 19 Vaccination for Health Care Workers(HCWs) and front Line Workers (FCWs) (CSS)	6.00	0.00
24.	Grant No.07-Medical and Public Health	2210.01.200.70- Grants in Aid for operational cost for COVID-19 Vaccination for Health Care Workers (HCWs) and Front Line Workers (FCWs) (State Share)	4.00	0.00
25.	Grant No.07-Medical and Public Health	2210.80.800.59- Delhi Arogaya Kosh	50.00	0.00
26.	Grant No.07-Medical and Public Health	3454.02.800.95.99 -Information Technology	1.00	0.00
27.	Grant No.07-Medical and Public Health	2210.05.105.67 -Establishment of DDU Medical College	1.00	0.00
28.	Grant No.07-Medical and Public Health	2210.06.102.85- Strengthening of Food Safety Ecosystems (CSS)	1.08	0.00
29.	Grant No.08-Social welfare	2235.02.102.17.91- Scheme for Adolescent Girls (SAG) Other than Nutrition Component	1.00	0.00
30.	Grant No.08-Social welfare	2235.02.102.16.94- Scheme for adolescent Girls (SAG)-Nutrition Component	1.00	0.00
31.	Grant No.08-Social welfare	2235.02.102.16.93- Scheme for Adolescent Girls (SAG) Other than Nutrition Component	1.00	0.00
32.	Grant No.08-Social welfare	2235.02.103.17- Mahila Shayata Prokosht (Mahila Help Desk)	2.00	0.00
33.	Grant No.08-Social welfare	2235.02.789.91.97- Scheme for Adolescent Girls (SAG)-Nutrition Component-State Share (CSS)	1.00	0.00
34.	Grant No.08-Social welfare	2235.02.789.92.97- Scheme for Adolescent Girls (SAG)-Nutrition Component	1.00	0.00
35.	Grant No.08-Social welfare	2225.01.277.42- Chief Minister Junior scholarship Scheme For Student Upto Middle classes	49.00	0.00

Sl. No.	Grant No.	Head/Scheme Name	Approved outlay	Revised outlay
36.	Grant No.08-Social welfare	3452.01.190.73- Grants in Aid to DTTDC for Aam Aadmi Canteen	5.00	0.00
37.	Grant No.08-Social welfare	3452.01.190.70- Grants in Aid to DTTDC for Redevelopment of Dilli's Food Hubs	20.00	0.00
38.	Grant No.08-Social welfare	3452.01.190.69- Grants in Aid to DTTDC for Dilli Shopping Festival	250.00	0.00
39.	Grant No.08-Social welfare	3452.01.190.67- Grants in Aid to DTTDC for Delhi International Film Festival	25.00	0.00
40.	Grant No.08-Social welfare	3452.01.190.66- Grants in Aid to DTTDC for Dilli Films Fund	30.00	0.00
41.	Grant No.08-Social welfare	3452.80.104.63- Grants in Aid to DTTDC for Delhi ki Diwali	15.00	0.00
42.	Grant No.08-Social welfare	3452.80.104.62 Grants in Aid to DTTDC for Purvanchal Festival	10.00	0.00
43.	Grant No.08-Social welfare	3452.80.104.61- Grants in Aid to DTTDC for 75th Anniversary Celebration of Independence of India	10.00	0.00
44.	Grant No.08-Social welfare	3452.80.104.59- Grants in Aid to DTTDC for Tourism & Heritage Fellowships	1.00	0.00
45.	Grant No.09-Industries	2851.00.004.91- Research and development of Start-up	50.00	0.00
46.	Grant No.09-Industries	2851.00.004.90- Start-up Festival	10.00	0.00
47.	Grant No.09-Industries	2852.08.600.90- PM Formulation of Micro Food Processing Enterprises Schemes (CSS)	6.34	0.00
48.	Grant No.09-Industries	2852.80.104.98- Grants in Aid to DSIIDC for Cloud Kitchen Cluster	25.00	0.00
49.	Grant No.09-Industries	2852.80.104.97- Grants in Aid to DSIIDC to Launch of Dilli Bazaar Platform	20.00	0.00
50.	Grant No.09-Industries	2852.80.104.96- Grants in Aid to DSIIDC to promotion and development of Dilli Electronic City	10.00	0.00
51.	Grant No.09-Industries	2852.80.104.95- Grants in Aid to DSIIDC for Gandhi Nagar Garment Hub of Dilli	25.00	0.00
52.	Grant No.09-Industries	2852.80.104.94- Grants in Aid to DSIIDC for regeneration of non-conforming industrial area	25.00	0.00
53.	Grant No.09-Industries	2230.02.101.72- Rozgar Bazar	12.00	0.00
54.	Grant No.09-Industries	3456.00.102.93- Computerisation of TPDS- (CSS)	3.20	0.00
55.	Grant No.09-Industries	3475.00.106.90- Strengthening of Legal Metrology Wing (CSS)	1.20	0.00
56.	Grant No.10-Development	2401.00.104.94- Paramparagat Krishi Vikas Yojna (CSS)	4.71	0.00
57.	Grant No.10-Development	2215.02.107.99- Grants in Aid for Financial Assistance for Installation of STPs	1.00	0.00
58.	Grant No.10-Development	3435.03.103.87- Assistance to NGOs in the promotion, conservation & preservation of environment	1.00	0.00

Sl. No.	Grant No.	Head/Scheme Name	Approved outlay	Revised outlay
59.	Grant No.10-Development	3435.03.103.86- Environment Data Generation, Survey, Research project and other activities	2.00	0.00
60.	Grant No.11-Urban Development and Public Works	2215.02.191.79- Subsidy to Mukhyamantri Muft Sewer Connection Yojna	23.00	0.00
61.	Grant No.11-Urban Development and Public Works	2216.05.800.99- Security & Sanitation Services for Houses of Council of Ministers	1.50	0.00
Revenue Voted Total			967.30	0
Revenue Charged				
62.	Grant No.03-Administration of Justice	2015.00.102.00- Electoral Officers	1.00	0.00
63.	Grant No.08-Social Welfare	7055.00.190.90- Equity Capital to DMRC (Metro Lite)	1.00	0.00
Revenue Charged Total			2.00	0.00
Capital Voted				
64.	Grant No.02-General administration	4059.60.051.75- Development of Online Examination Centre at Wazirpur and Parpatganj	43.00	0.00
65.	Grant No.06-Education	4202.02.104.87- Setting up new Polytechnics (CSS)	4.00	0.00
66.	Grant No.06-Education	4250.00.201.86- Upgradation of Government ITIs in to Model ITIs (CSS)	1.75	0.00
67.	Grant No.07-Medical and Public Health	4210.01.200.93- Mobile Van Clinics for Eye & Ear Care Services	1.00	0.00
68.	Grant No.07-Medical and Public Health	4210.04.107.90- Setting Up of Viral Research And diagnostic Laboratory (Central sector Scheme)	2.98	0.00
69.	Grant No.08-Social Welfare	7055.00.190.91- Land Acquisition (Metro Lite)	25.00	0.00
70.	Grant No.11-Urban Development and Public Works	4059.60.051.77- Construction of Haj House	1.00	0.00
71.	Grant No.11-Urban Development and Public Works	4235.02.104.93- Construction of building at Seva Sadan Complex, Lambor	40.00	0.00
72.	Grant No.11-Urban Development and Public Works	5054.04.101.95- Flyover at Majnu ka Tilla and Metcalf House on Outer Ring Road	1.00	0.00
73.	Grant No.11-Urban Development and Public Works	5054.04.101.70 Construction of ROB / RUB on Railway Crossing No. LC-12 on Khera Kalan to Khera Khurd Road	25.00	0.00

Sl. No.	Grant No.	Head/Scheme Name	Approved outlay	Revised outlay
74.	Grant No.11-Urban Development and Public Works	5054.04.337.90- New Bypass Road along Ring Road from Wazirabad to DND Flyover	5.00	0.00
75.	Grant No.11-Urban Development and Public Works	5054.04.337.84- Integrated Transit Corridor Development & Street Network/ Light Connectivity for the corridor of Rohtak Road/ NH-10 (Jwala Heri Market Red Light to Jwalapuri Red Light)	50.00	0.00
76.	Grant No.11-Urban Development and Public Works	5054.04.337.83- Comprehensive Scheme for Decongestion of Mukarba Chowk	5.00	0.00
77.	Grant No.11-Urban Development and Public Works	5054.04.337.80- Mehrauli-Badarpur Corridor (Payment to DMRC)	120.00	0.00
78.	Grant No.11-Urban Development and Public Works	4801.05.800.86- Conversion of 11KV Network from Bare Conductor to Insulated Conductor under Jagmagati Delhi Program	22.18	0.00
Capital Voted Total			346.91	0.00
Grand Total			1,316.21	0.00

Appendix 3.8
(Referred to in paragraph 3.5.3(iii))
Grants with more than 50 per cent of expenditure in March alone

(₹ in crore)

Sl. No.	Grant No.	Head of Account	Total Expenditure	Total Expenditure in March including supplementary	Percentage of Expenditure for March 2023
1	03--Administration of Justice	2235.01.800.92.00.31	63.96	32.95	51.53
2	05--Home	4055.00.800.99.00.52	15.65	12.70	81.19
3	05--Home	4070.00.800.98.00.52	204.24	198.10	96.99
4	06--Education	2202.01.112.84.00.31	24.26	14.00	57.70
5	06--Education	2202.01.112.99.00.21	122.32	72.48	59.26
6	06--Education	2202.02.105.95.00.31	46.63	28.66	61.46
7	06--Education	2202.02.113.98.00.35	12.12	10.12	83.49
8	07 - Medical and public health	4210.01.110.92.00.52	13.42	12.71	94.73
9	08--Social Welfare	2225.01.277.71.00.50	52.40	35.06	66.92
10	08--Social Welfare	3452.80.104.71.00.31	16.69	12.32	73.79
11	09--Industries	3456.00.102.85.00.50	137.60	82.95	60.29
12	11- Urban Development and Public Works	2215.01.191.98.00.35	85.57	60.57	70.79
13	11- Urban Development and Public Works	2215.02.106.99.00.35	20.34	19.09	93.85
14	11- Urban Development and Public Works	3604.00.200.80.93.31	702.65	508.73	72.40
15	11- Urban Development and Public Works	5054.04.101.77.00.53	34.52	19.61	56.80
16	11- Urban Development and Public Works	5054.04.101.79.00.53	87.32	60.83	69.66
17	11- Urban Development and Public Works	5054.043.37.86.00.53	34.75	20.10	57.83
18	11- Urban Development and Public Works	6215.01.190.98.00.55	40.0	31.25	78.13
19	11- Urban Development and Public Works	6215.01.191.75.00.55	128.23	90.73	70.76
20	11- Urban Development and Public Works	6215.01.191.77.00.55	84.14	44.14	52.46
21	11- Urban Development and Public Works	6215.02.191.85.00.55	104.18	84.18	80.80
22	11- Urban Development and Public Works	6215.02.191.95.00.55	18.49	12.24	66.20
Total			2,049.48	1,463.52	

Source: Principal Accounts Office, GNCTD

Appendix 3.9
(Referred to in paragraph 3.5.4)
Centrally Sponsored Schemes for which provision (₹ one crore and above) was
made but no expenditure was incurred

(₹ in crore)

Sl. No.	Grant No.	Head/Scheme Name	Approved outlay	Revised outlay	Actual Expenditure
Revenue Voted					
1.	Grant No.06	2230.03.101.91.00- Pradhan Mantri Kausal Vikas Yojna (CSS)	24.00	21.50	NIL
2.	Grant No.06	2230.03.789.95.00- Pradhan Mantri Kaushal Vikas Yojna (CSS)(SCSP)	1.01	3.50	NIL
3.	Grant No.08	2235.02.104.60- Indira Gandhi National Disability Pension Scheme (IGNDPS) (NSAP) (CSS)	2.35	2.35	NIL
4.	Grant No.08	2235.03.101.98- Indira Gandhi National Old Age Pension Scheme (IGNOAPS) (NSAP) (CSS)	44.50	44.50	NIL
5.	Grant No.08	2235.03.102.98- National Family Benefit Scheme(NSAP) (CSS)	4.67	4.67	NIL
6.	Grant No.10	2225.04.102.97- Multi - Sectoral Development Programme for Minority concentration Districts (CSS)	9.00	9.00	NIL
7.	Grant No.11	2217.80.191.04.95- Urban Development Department for capacity Building and A & OE (CSS)	2.70	5.00	NIL
8.	Grant No.11	3475.00.108.94- Deen Dayal Antodaya Yojana/ National Urban Livelihood Mission (CSS)	23.35	5.32	NIL
Total			111.58	95.84	NIL
Capital (Voted)					
9.	Grant No.08	4235.02.101.82- Scheme for Implementation of Persons with disabilities act 1995 (SIPDA) (CSS)	5.00	5.00	NIL
Total			5.00	5.00	NIL
Grand Total			116.58	100.84	NIL

Appendix 3.10
(Referred to in paragraph 3.6(e))

Excess/unnecessary re-appropriation of funds where final savings were more than ₹ one crore in Grant No-6-Education during the period 2020-21 to 2022-23

(₹ in crore)

Sl. No.	Head of Account	Original budget	Supplementary	Re-appropriation	Total provision	Actual Expenditure	Savings out of total provision
2022-23							
Revenue-Voted							
1.	2202.01.113.96 -Samagra Shiksha (Top up) - Elementary Education	0.00	0.03	145.92	145.95	0.00	145.95
2.	2202.01.113.95 -Samagra Shiksha - Teacher Education (Top up) (State Share)	0.00	0.01	22.09	22.10	0.00	22.10
3.	2202.02.109.89 -Menstrual Hygiene in Girls	15.00	0.00	1.20	16.20	14.95	1.25
4.	2202.02.109.49 -Grants in Aid to DSEU for incubation Business Blaster Teams	0.00	0.01	4.99	5.00	0.00	5.00
5.	2202.02.109.47 -Grants in Aid to DCPCR for Desh ke Mentor	0.00	0.02	4.98	5.00	0.00	5.00
6.	2202.02.113.98 -Samagra Shiksha (State Share)	42.00	0.02	11.35	53.37	37.70	15.67
7.	2202.02.113.97- Samagra Shiksha (CSS)	60.00	0.01	9.99	70.00	56.54	13.46
8.	2202.02.113.94- Samagra Shiksha (CSS) (top Up) Secondary Education	0.00	0.01	11.79	11.80	0.00	11.80
9.	2204.00.102.66 -Self Defence for Girls Students in Schools	2.00	0.01	7.65	9.66	0.06	9.60
10.	2204.00.104.99 -Promotion of sports	15.61	0.00	1.55	17.16	14.09	3.07

Sl. No.	Head of Account	Original budget	Supplementary	Re-appropriation	Total provision	Actual Expenditure	Savings out of total provision
11.	2230.03.789.95.00- Pradhanmantri Kaushal Vikas Yojana CSS (SCSP)	1.00	0.01	2.49	3.50	0.00	3.50
12.	2202.03.102.87 -Grants in Aid to Ambedkar University for Early Childhood Care Centre	0.00	0.01	0.99	1.00	0.00	1.00
13.	2202.03.102.83 -Grant-In-Aid to DSEU for Spoken English Programme	0.00	0.01	0.99	1.00	0.00	1.00
Revenue Voted Total (2022-23)		135.61	0.15	225.98	361.74	123.34	238.4
Capital (Voted)							
14.	4250.00.201.88- Equipment	12.00	0.01	5.81	17.82	10.67	7.15
Capital Voted Total (2022-23)		12.00	0.01	5.81	17.82	10.67	7.15
Grand Total		147.61	0.16	231.79	379.56	134.01	245.55
2021-22							
Revenue Voted							
15.	2202.01.112.95- GIA to North Delhi Municipal Corporation for mid-day meal programme (CSS)	13.00	0.01	5.18	18.19	11.00	7.19
16.	2202.02.113.98 -Samagra Shiksha (State Share)	42.00	0.01	1.99	44.00	18.22	25.78
17.	2202.02.113.97- Samagra Shiksha (CSS)	50.00	0.01	14.99	65.00	20.75	44.25
18.	2204.00.103.78- Cash incentives to Outstanding players/sportsmen & Rajiv Gandhi sports Award	15.00	0.01	3.50	18.51	13.64	4.87
19.	2203.00.112.50- GIA to Delhi Pharmaceutical Sciences & Research University	34.25	0.03	1.72	36.00	33.96	2.04
20.	2230.03.003.99 - Craftsman training scheme	114.18	0.04	2.03	116.25	109.83	6.42

Sl. No.	Head of Account	Original budget	Supplementary	Re-appropriation	Total provision	Actual Expenditure	Savings out of total provision
21.	2230.03.003.76 - Privatisation of security & sanitation in the institutions under directorate	7.74	0.01	0.25	8.00	6.75	1.25
22.	2202.03.102.87 - GIA Ambedkar University for Early Childhood care Centre	0.10	0.01	1.89	2.00	0	2.00
Revenue Voted Total (2021-22)		276.27	0.13	31.55	307.95	214.15	93.8
2020-21							
Revenue Voted							
23.	2202.01.112.98 -GIA to aided schools for mid- day programme (CSS)	3.18	0.01	3.10	6.29	3.11	3.18
24.	2202.01.112.95 - GIA to North Delhi Municipal Corporation for mid-day meal programme (CSS)	13.00	0.01	12.00	25.01	12.71	12.31
25.	2202.01.112.94- GIA to South Delhi Municipal Corporation for mid-day meal programme (CSS)	12.00	0.01	8.59	20.60	10.41	10.19
26.	2202.01.112.93- GIA to East Delhi Municipal Corporation for mid-day meal programme (CSS)	7.80	0.01	6.40	14.21	7.32	6.89
27.	2202.01.112.88 - GIA to North Delhi Municipal Corporation for Mid-day Meal programme (State share)	9.00	0.01	4.49	13.50	2.64	10.86
28.	2202.01.112.87- GIA to South Delhi Municipal Corporation for Mid-day Meal programme (State share)	8.00	0.01	3.12	11.13	2.17	8.96
29.	2202.01.112.86- GIA to East Delhi Municipal Corporation for Mid-day Meal programme (State share)	5.00	0.01	2.67	7.68	1.47	6.21

Sl. No.	Head of Account	Original budget	Supplementary	Re-appropriation	Total provision	Actual Expenditure	Savings out of total provision
30.	2202.01.789.99- Mid-Day Meal for Children (CSS) (SCSP)	5.40	0.01	4.29	9.70	4.46	5.24
31.	2202.01.789.94- Mid-Day Meal For Children (CSS) (SCSP)	2.00	0.01	0.38	2.39	0.89	1.50
32.	2202.01.789.88 -GIA to North Delhi Municipal Corporation for mid-day Meal Programme (State Share) (SCSP)	2.00	0.01	0.95	2.96	0.58	2.38
33.	2202.01.789.87- GIA to South Delhi Municipal Corporation for mid-day Meal Programme (State Share) (SCSP)	1.70	0.01	0.73	2.44	0.46	1.98
34.	2202.01.789.86- GIA to East Delhi Municipal Corporation for mid-day Meal Programme (State Share) (SCSP)	1.10	0.01	0.58	1.69	0.32	1.37
35.	2203.00.105.86 -Polytechnics, Direction & Admin	175.48	0.01	6.52	182.01	156.33	25.68
36.	2202.03.102.87 - GIA to Ambedkar University for Early Childhood care Centre	0.60	0.01	1.39	2.00	0	2.00
Total Revenue Voted (2020-21)		246.26	0.14	55.21	301.61	202.87	98.75

Source: Appropriation Accounts

Appendix 3.11
(Referred to in paragraph 3.6 (f))
Revised outlay (₹ one crore or more) remained unutilised under Grant
No: 06-Education

(₹ in crore)

Sl. No.	Head/ Scheme Name	Approved outlay (original budget)	Revised Outlay	Actual Expenditure
2020-21				
Revenue Voted				
1.	2202.02.109.69- Organising Parent Workshops by Delhi Commission for Protection for Child Rights(DCPCR)	20.00	1.50	Nil
2.	2202.02.109.68- Setting up studio for transmission of online lectures	1.00	1.00	Nil
3.	2202.02.109.64- Talent promotion of children with special needs (CWSN)	2.00	2.00	Nil
4.	2202.80.001.85- GIA to Delhi Commission for protection of child rights (DCPCR)	2.00	1.00	Nil
5.	2202.80.001.82- Education minister engagement / communication with public	10.00	10.00	Nil
6.	2202.80.001.74 Conduct of special classes for development of mathematical skill and competence	8.00	1.75	Nil
7.	2202.80.789.97- Menstrual Hygiene in girls	4.00	2.50	Nil
8.	2204.00.101.79- GIA to North Delhi Municipal corporation for improvement of physical Education	1.00	1.00	Nil
9.	2204.00.101.78- GIA to South Delhi Municipal corporation for improvement of physical Education	1.00	1.00	Nil
10.	2204.00.101.77- GIA to East Delhi Municipal corporation for improvement of physical Education	1.00	1.00	Nil
11.	2204.00.104.53- GIA to Sports Association	1.00	1.00	Nil
12.	2204.00.104.46- Providing sports kits to students	65.00	1.00	Nil
13.	2204.00.104.44- Maintenance of Sports infrastructure	5.00	5.00	Nil
14.	2203.00.112.41- Research Grant Scheme	10.00	10.00	Nil
15.	2205.00.102.79 -GIA to Sahitya Kala Parishad for organisation of state function	7.00	3.50	Nil
16.	2202.03.102.87- GIA to Ambedkar university for Early childhood care centre	0.60	2.00	Nil
17.	2202.03.102.86- Delhi teachers University	5.00	1.00	Nil
18.	2202.03.800.85 -Entrepreneurship development programme for students	1.50	1.50	Nil
Capital Voted				
19.	4202.03.800.98- Development of play grounds, sports complex, swimming pools etc.	24.65	20.00	Nil

Sl. No.	Head/ Scheme Name	Approved outlay (original budget)	Revised Outlay	Actual Expenditure
20.	4250.00.201.86- Upgradation of Govt. ITIs into Model ITIs (CSS)	2.95	1.55	Nil
21.	4202.04.101.98- Delhi Kala Kendra	10.00	1.00	Nil
22.	4202.01.203.96- Allotment of land and construction of building of Indraprastha Visvavidhyaalya	0.00	10.25	Nil
23.	4202.01.203.91- Establishment of sports university	20.00	1.00	Nil
2021-22				
Revenue Voted				
24.	2202.02.109.72- School health scheme and issue of multipurpose students I Cards	22.00	2.00	Nil
25.	2202.02.109.68- Setting up studio for transmission of online lectures	1.00	1.00	Nil
26.	2202.02.109.62- Conduct of educational conference	50.0	1.00	Nil
27.	2202.02.109.61- Sainik School and Academy	2.00	1.00	Nil
28.	2202.02.109.60- Virtual School	2.00	1.00	Nil
29.	2202.02.109.56- Desh Bhakti Pathyakrama	2.00	1.00	Nil
30.	2202.02.109.54- GIA to DBSE for online assessment	0.00	15.00	Nil
31.	2202.80.001.82- Education minister engagement / communication with public	10.00	1.00	Nil
32.	2203.00.112.41- Research Grant Scheme	10.00	5.00	Nil
33.	2202.03.001.99- Innovation initiatives for students	1.00	1.00	Nil
34.	2202.03.102.87- GIA to Ambedkar University for early childhood care centre	0.10	2.00	Nil
35.	2202.03.102.85- Special grant to university and colleges	20.00	10.00	Nil
36.	2202.80.004.87- Higher Education fellowship	4.00	4.00	Nil
Capital Voted				
37.	4202.01.202.93- Sainik School & Academy	18.00	0.06	Nil
38.	4202.03.800.98- Development of Playgrounds and Sports Complex and Swimming Pool etc	24.65	5.00	Nil
2022-23				
Revenue Voted				
39.	2202.01.113.96- Samagra Shiksha (Top up) - Elementary Education	0.00	145.95	Nil
40.	2202.01.113.95- Samagra Shiksha Teacher Education (Top up) – State Share	0.00	22.10	Nil
41.	2202.02.101.97 -Grant In Aid to Delhi Board of School Education	30.00	7.00	Nil
42.	2202.02.109.68- Setting up of Studio for transmission of Online Lectures	1.00	1.00	Nil

Sl. No.	Head/ Scheme Name	Approved outlay (original budget)	Revised Outlay	Actual Expenditure
43.	2202.02.109.63- Mukhyamantri Pariksha Fees SahaytaYojana for Class X and XII Students	1.00	0.08	Nil
44.	2202.02.109.62- Conduct of Educational Conferences	5.00	1.00	Nil
45.	2202.02.109.60- Virtual School	2.00	2.00	Nil
46.	2202.02.109.56- Desh Bhakti Pathyakrama	2.00	2.00	Nil
47.	2202.02.109.53- GIA to School specialised Excellence	100.00	19.00	Nil
48.	2202.02.109.51-Entrepreneurship Development Programme Promotional Activities	30.00	10.00	Nil
49.	2202.02.109.49- Grants in Aid to DSEU for incubation Business Blaster Teams	0.00	5.00	Nil
50.	2202.02.109.47- Grants in Aid to DCPCR for Desh ke Mentor	0.00	5.00	Nil
51.	2202.02.113.94 -Samagra Shiksha (Top up) - Secondary Education	0.00	11.8	Nil
52.	2203.00.112.44- Setting up of Incubation Centre in University/Colleges	4.0	4.0	Nil
53.	2203.00.112.35- Grants in Aid to Delhi Pharmaceutical Sciences and Research University for Meditation & Yoga	15.00	3.57	Nil
54.	2230.03.101.91- Pradhanmantri Kaushal Vikas Yojna	24.0	21.50	Nil
55.	2230.03.789.95.00 -Pradhan Mantri Kaushal Vikas Yojna (CSS)(SCSP)	1.00	3.50	Nil
56.	2202.03.102.82 -Grant-in-Aid to Dr. B.R. Ambedkar University for Archival Research in Indian Language	2.00	2.00	Nil
57.	2205.00.001.88- Campaign on the inspiring life of Dr. B.R. Ambedkar	10.00	10.00	Nil
58.	2205.00.102.56.97- Street Theatre and Performing Arts	5.00	5.00	Nil
59.	2205.00.102.48 -GIA to Garhwali, Kumaoni,Janusari Academy	2.00	1.54	Nil
60.	2205.00.102.38- Mukhyamantri Art & Culture Promotion Scheme	5.00	1.00	Nil
61.	2205.00.102.36-Festival of India	10.00	10.00	Nil
62.	2202.03.102.87- Grants in Aid to Ambedkar University for Early Childhood Care Centre	0.00	1.00	Nil
63.	2202.03.102.85- Special Grant to Universities & Collages	10.00	1.00	Nil
64.	2202.03.102.83- Grant-In-Aid to DSEU for Spoken English Programme	0.00	1.00	Nil
65.	2202.03.104.74 -Grants in Aid for New Courses in Delhi Government Aided Colleges	50.00	1.00	Nil
Capital-Voted				
66.	4202.01.202.92 -Virtual School	8.00	8.00	Nil

Sl. No.	Head/ Scheme Name	Approved outlay (original budget)	Revised Outlay	Actual Expenditure
67.	4202.01.202.91- Setting up of School Science Museum	50.00	3.00	Nil
68.	4202.01.202.90- Boarding School For Homeless Children	4.00	1.00	Nil
69.	4250.00.201.83.98- Skill Strengthening for Industrial Value Enhancement Result Area-I (STRIVE)	3.10	2.31	Nil
70.	4202.04.101.96- Infrastructure Development	5.00	1.00	Nil
71.	4202.04.800.85- Construction/ Renovation of ACL Building	15.00	10.00	Nil
72.	4202.01.203.96- Allotment of land and Construction of building of Indraprastha Vishwavidyalaya	20.00	16.00	Nil

Appendix 3.12
(Referred to in paragraph 3.6(g))
Rush of expenditure under Grant No. 06-Education

(₹ in crore)

Sl. No.	Head of Account	Total Provision	Total Expenditure	Total Exp. Incurred			
				Total Expenditure during the last qtr.	% of Expenditure During the last qtr.	Total Expenditure in March including supp.	% of Expenditure for March
2020-2021							
1	2202.01.113.97.00.31-Samagra Shiksha (CSS)	200.00	102.07	66.69	65.33	66.69	65.33
2	2202.01.113.98.00.31-Samagra Shiksha (State Share)-Grants-in-aid General	200.00	79.87	53.14	66.53	53.14	66.53
3	2202.01.113.98.00.36 Samagra Shiksha (State Share)- Grants-in-aid Salaries	35.00	32.10	28.80	89.72	28.80	89.72
4	2202.02.113.95.00.01-Samagra Shiksha-Teachers Education	21.00	17.50	17.50	100.00	17.50	100.00
2021-2022							
5	2202.02.101.97.00.31-Grants-in aid to Delhi Board of Secondary Education	30.00	30.00	25.00	83.33	25.00	83.33
6	2202.02.109.53.00.31-Grants-in-Aid to School of Specialised Excellence	38.00	38.00	38.00	100.00	38.00	100.00
7	2202.02.113.95.00.01-Samagra Shiksha-Teachers Education	45.00	42.80	40.57	94.79	40.57	94.79
8	2202.02.789.94.00.33-Subsidy for school uniforms to the students (SCSP)	45.00	37.75	37.75	100.00	29.07	77.00
9	2202.02.800.40.00.33-Subsidy for school uniforms to the students	185.00	181.67	151.67	83.49	109.97	60.53
10	2202.03.102.84.00.31-Grants-in Aid to Sports University	44.25	44.25	34.25	77.40	34.25	77.40
11	2202.80.107.82.00.34-Welfare of educationally backward minority students	20.00	18.15	18.15	100.00	18.15	100.00
12	2230.03.101.91.00.31-Pradhan Mantri Kaushal Vikas Yojana (CSS)	26.37	18.99	14.30	75.32	14.30	75.32
13	4202.01.203.91.00.53-Establishment of Sports University	15.00	14.91	14.91	100.00	14.91	100.00

Sl. No.	Head of Account	Total Provision	Total Expenditure	Total Exp. Incurred			
				Total Expenditure during the last qtr.	% of Expenditure During the last qtr.	Total Expenditure in March including supp.	% of Expenditure for March
14	4202.01.203.96.00.53- Allotment of land and construction of building of Indraprastha Vishwavidyalaa	10.25	10.25	10.25	100.00	10.25	100.00
15	4202.01.600.94.00.53- Outsourcing of work of school buildings	135.00	132.28	124.23	93.92	87.76	66.35
16	4202.02.105.82.00.53- Infrastructure projects of Autonomous Institutions/Universities	625.00	558.33	404.36	72.42	381.77	68.38
2022-2023							
17	2202.01.112.84.00.31- Grants-in-aid to Municipal Corporation of Delhi for Mid Day Meal Programme (State Share)	54.38	24.26	24.26	100.00	14.00	57.70
18	2202.01.112.85.00.31- Grants-in-aid to Municipal Corporation of Delhi for Mid Day Meal Programme (CSS)	115.05	45.54	45.54	100.00	45.54	100.00
19	2202.01.112.99.00.21- Mid-day Meal for children (CSS)	138.56	122.32	72.48	59.26	72.48	59.26
20	2202.02.105.95.00.31- Grants-in-Aid to SCERT	63.50	46.63	28.66	61.46	28.66	61.46
21	2202.02.113.98.00.35- Samagra Shiksha (state Share)	12.50	12.12	10.12	83.49	10.12	83.49
22	2202.03.001.95.00.31- Grants in Aid to Delhi Higher Education aid trust for Merit Cum Means linked Financial Assistance	17.00	17.00	17.00	100.00	17.00	100.00
23	2202.80.107.82.00.34- Welfare of educationally backward minority students	20.00	19.12	19.12	100.00	19.12	100.00

Appendix 5.1
(Referred to in paragraph 5.3.1)
List of SPSEs

Sl. No.	Sector and Name of the State Public Sector Enterprises
Government Companies	
Finance	
1.	Delhi SC /ST /OBC Minorities and Handicapped Financial Development Corporation Limited (DSCFDC)
Infrastructure	
2.	Shahjahanabad Redevelopment Corporation (SRDC)
3.	Delhi State Industrial & Infrastructure Development Corporation Limited (DSIIDC)
Power	
4.	Indraprastha Power Generation Company Limited (IPGCL)
5.	Pragati Power Corporation Limited (PPCL)
6.	Delhi Transco Limited (DTL)
7.	Delhi Power Company Limited (DPCL)
Services	
8.	Delhi Tourism and Transportation Development Corporation Limited (DTTDC)
9.	Delhi State Civil Supplies Corporation Limited (DSCSC)
10.	Geospatial Delhi Limited (GDL)
Transport	
11.	Delhi Transport and Infrastructure Development Corporation Limited (DTIDC)
Statutory Corporations	
Finance	
12.	Delhi Financial Corporation (DFC)
Transport	
13.	Delhi Transport Corporation (DTC)
Government Controlled other Company	
Services	
14.	Intelligent Communication Systems India Limited (ICSIL- Associate Company of DSIIDC)
Inactive Government Companies²	
15.	Delhi Creative Arts Development Limited (DCADL- Subsidiary of DSIIDC)
16.	DSIIDC Liquor Limited (DLL- Subsidiary of DSIIDC)
17.	DSIIDC Maintenance Services Limited (DMSL- Subsidiary of DSIIDC)
18.	DSIIDC Energy Limited (DEL- Subsidiary of DSIIDC)

² These four companies do not have any operations, however, they are preparing and sending their Annual financial statements for Audit.

Appendix 5.2
(Referred to in paragraph 5.4.1)

Statement showing position of equity and outstanding loans relating to State PSEs as on 31 March 2023

(₹ in crore)

Sl. No.	Sector & Name of the SPSE	Name of the Department	Month and year of incorporation	Equity at close of the year 2022-23 ³				Long term loans outstanding at close of the year ⁴ 2022-23			
				GNCTD	GoI	Others	Total	GNCTD	GoI	Others	Total
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)
A	Power Sector										
1	Indraprastha Power Generation Company Limited	Power	Jan 2001	596.54	0.00	140.00	736.54	0.00	0.00	0.00	0.00
2	Pragati Power Corporation Limited	Power	Jan 2001	2074.19	0.00	0.00	2074.19	441.98	0.00	172.03	614.01
3	Delhi Transco Limited	Power	July 2001	3691.00	0.00	260.00	3951.00	0.00	0.00	197.05	197.05
4	Delhi Power Company Limited	Power	July 2001	745.05	0.00	0.00	745.05	0.00	0.00	0.00	0.00
5	DSIIDC Energy Limited	Industries	May 2011	0.00	0.00	0.01	0.01	0.00	0.00	0.00	0.00
	Total A			7106.78	0.00	400.01	7506.79	441.98	0.00	369.08	811.06
B	Finance Sector										
6	Delhi SC/ ST/ OBC Minorities, Handicapped Financial and Development Corporation Limited	Welfare of SC/ ST/ OBC/ Minorities	Jan-83	38.12	11.88	0.00	50.00	68.24	0.00	0.00	68.24
7	Delhi Financial Corporation	Finance	Apr-67	26.48	0.00	0.12	26.60	33.00	0.00	0.00	33.00
	Total B			64.60	11.88	0.12	76.60	101.24	0	0	101.24
C	Service Sector										
8	Delhi State Civil Supplies Corporation Limited	Food, Supplies and Consumer Affairs	Nov-80	6.99	0.00	0.00	6.99	52.14	0.00	0.00	52.14
9	Delhi Tourism and Transportation Development Corporation Limited	Tourism	Dec-75	6.28	0.00	0.00	6.28	0.00	0.00	0.00	0.00
10	Geospatial Delhi Limited	Information Technology	May-08	10.76	0.00	0.00	10.76	0.00	0.00	0.00	0.00
11	Delhi Creative Arts Development Limited	Industries	May-11	0.00	0.00	0.01	0.01	0.00	0.00	0.00	0.00
12	DSIIDC Liquor Limited	Industries	May-11	0.00	0.00	0.01	0.01	0.00	0.00	0.06	0.06

³ Figures as per latest accounts/information received as on 31 October 2023 and annual accounts of 2022-23

⁴ Loans include current maturity of GNCTD loans shown in accounts as current liabilities.

Sl. No.	Sector & Name of the SPSE	Name of the Department	Month and year of incorporation	Equity at close of the year 2022-23 ³				Long term loans outstanding at close of the year ⁴ 2022-23			
				GNCTD	GoI	Others	Total	GNCTD	GoI	Others	Total
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)
13	DSIIDC Maintenance Services Limited	Industries	May-11	0.00	0.00	0.01	0.01	0.00	0.00	0.00	0.00
14	Intelligent Communication Systems India Limited	Joint Venture of DSIIDC and TCIL	Apr-87	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00
	Total C			24.03	0.00	1.03	25.06	52.14	0.00	0.06	52.20
D	Infrastructure Sector										
15	Delhi State Industrial & Infrastructure Development Corporation Limited	Industries	Feb-71	21.00	0.00	0.00	21.00	0.00	0.00	0.00	0.00
16	Shahjahanabad Redevelopment Corporation	Urban Development	May-08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total D			21.00	0.00	0.00	21.00	0.00	0.00	0.00	0.00
E	Transport Sector										
17	Delhi Transport and Infrastructure Development Corporation Limited	Transport	Aug-10	10.65	0.00	0.00	10.65	0.00	0.00	0.00	0.00
18	Delhi Transport Corporation	Transport	Nov-71	1,983.85	0.00	0.00	1,983.85	11,676.14	0.00	0.00	11,676.14
	Total E			1994.50	0.00	0.00	1994.50	11676.14	0.00	0.00	11676.14
	Total A + B + C + D + E			9210.91	11.88	401.16	9623.95	12271.50	0	369.14	12640.64

Appendix 5.3
(Referred to in Paragraphs 5.5.1, 5.7.1 and 5.7.2)
Summarised financial results of State Public Sector Enterprises for the latest year for which accounts are received

(₹ in crore)

Sl. No.	Activity & Name of the SPSEs	Period of accounts	Year in which received	Net profit/ loss before interest and tax	Net profit/ loss after interest and tax	Turn over	Paid up capital	Capital Employed ⁵	Net Worth ⁶	Accumulated Profit/ loss (net of free reserves)
1	2	3	4	5	6	7	8	9	10	11
A	SPSEs in which GNCTD had invested									
A1	Power									
1	Indraprastha Power Generation Company Limited	2020-21	2022-23	218.75	141.77	275.66	736.54	2,302.57	2,302.57	1,566.47
2	Pragati Power Corporation Limited	2020-21	2022-23	1,044.36	652.47	3,038.36	2,074.19	7,695.35	6,845.15	4,771.55
3	Delhi Transco Limited	2021-22	2022-23	969.77	766.22	1,556.94	3,951.00	5,008.20	4,811.13	860.13
4	Delhi Power Company Limited	2020-21	2021-22	161.67	139.64	0.00	745.05	396.24	63.60	-681.45
	Total A1			2,394.55	1,700.1	4,870.96	7,506.78	15,402.36	14,022.45	6,516.7
A2	Others									
5	Delhi SC/ST/OBC Minorities, Handicapped Financial and Development Corporation Limited	2018-19	2023-24	-9.96	-10.58	0.65	45.20	104.61	28.07	-17.13
6	Delhi State Civil Supplies Corporation Limited	2021-22	2022-23	-3.65	-4.36	705.27	6.99	59.55	57.41	50.41
7	Delhi State Industrial and Infrastructure Development Corporation Limited	2021-22	2022-23	164.30	144.68	789.65	21.00	1,197.04	1,197.04	1,176.04
8	Delhi Tourism and Transportation Development Corporation Limited	2021-22	2022-23	-0.37	-0.81	845.68	6.28	208.68	208.68	202.40
9	Delhi Transport and Infrastructure Development Corporation Limited	2021-22	2022-23	27.82	20.79	77.76	10.65	195.19	195.19	184.54

⁵ Capital Employed is the sum total of the Paid up Capital, Long Term Loans and Accumulated Profit/Loss minus Deferred Revenue Expenditure. Deferred Revenue Expenditure of ₹ 0.44 crore in respect of IPGCL and ₹ 0.59 crore in respect of PPCL was deducted to arrive at the Capital Employed figures

⁶ Net worth is the sum total of the paid-up capital and free reserves and surplus minus accumulated losses and deferred revenue expenditure. Deferred Revenue Expenditure of ₹ 0.44 crore in respect of IPGCL and ₹ 0.59 crore in respect of PPCL was deducted to arrive at the net worth figures

State Finances Audit Report for the year ended 31 March 2023

Sl. No.	Activity & Name of the SPSEs	Period of accounts	Year in which received	Net profit/ loss before interest and tax	Net profit/ loss after interest and tax	Turn over	Paid up capital	Capital Employed ⁵	Net Worth ⁶	Accumulated Profit/ loss (net of free reserves)
1	2	3	4	5	6	7	8	9	10	11
10	Delhi Financial Corporation	2022-23	2023-24	-12.94	-17.14	3.61	26.60	20.29	-12.71	-39.31
11	Delhi Transport Corporation	2021-22	2022-23	-108.33	-8,498.35	558.78	1,983.85	-47,081.04	-58,757.18	-60,741.03
12	Geospatial Delhi Limited	2021-22	2022-23	3.42	2.53	5.74	10.76	31.12	31.12	20.36
13	Shahjahanabad Redevelopment Corporation	2020-21	2021-22	0	0	0	0	0	0	0
	Total A2			60.29	-8,363.24	2987.14	2,111.33	-45,264.56	-57,052.38	-59,163.72
	Total A (A1+A2)			2,454.84	-6,663.14	7,858.1	9,618.11	-29,862.2	-43,029.9	-5,264.7
B	SPSEs in which GNCTD had not invested									
B1	Power									
14	DSI IDC Energy Limited	2021-22	2022-23	0.00	0.00	0.00	0.01	0.22	0.22	0.21
	Total B1			0.00	0.00	0.00	0.01	0.22	0.22	0.21
B2	Others									
15	Delhi Creative Arts Development Limited	2021-22	2022-23	0.00	0.00	0.00	0.01	-0.06	-0.06	-0.07
16	DSI IDC Liquor Limited	2022-23	2023-24	0.00	0.00	0.00	0.01	0.00	-0.06	-0.07
17	DSI IDC Maintenance Services Limited	2021-22	2022-23	0.00	0.00	0.00	0.01	-0.09	-0.09	-0.10
18	Intelligent Communication Systems India Limited	2021-22	2022-23	8.21	5.55	165.92	1.00	41.26	41.26	40.26
	Total B2			8.21	5.55	165.92	1.03	41.11	41.05	40.02
	Total B (B1+B2)			8.21	5.55	165.92	1.04	41.33	41.27	40.23
	Grand Total (A+B)			2,463.05	-6,657.59	8,024.02	9,619.15	-29,820.9	-42,988.7	-52,606.8

Appendix 5.4
(Referred to in Paragraph 5.13.1)
Impact of the Comments on the Profitability of Government Companies

Sl. No.	Name of the Company	Comments
1	DSI IDC (2021-22)	<ul style="list-style-type: none"> • The Company has accounted for the interest earned of ₹ 47.16 crore on DIDOM funds as its own income instead of showing the same as part of DIDOM Fund. This resulted in overstatement of Other Income and understatement of DIDOM Fund by ₹ 47.16 crore each. Consequently, Profit for the year was overstated by ₹ 47.16 crore. • The property tax of amounting ₹ 0.53 crore paid for the years 2011-12 to 2021-22 in respect of Industrial Workers Housing complexes has been wrongly booked as Work-in-Progress. This resulted in understatement of Other Expenses and overstatement of Inventories – WIP Housing by ₹ 0.53 crore each. Consequently, Profit for the year was also overstated by the same amount.
2	DSCFDC (2016-17)	<ul style="list-style-type: none"> • Cases of incorrect accounting includes booking of expenditure of ₹ 0.51 crore as advance and non-booking of expenditure of ₹ 0.18 crore from advance of ₹ 0.27 crore to PWD and non-inclusion of ₹ 1.25 crore payable to PWD for Annual Repair & Maintenance of various Electrical Installations and Mechanical Equipment for the period 2009-16 as expenditure till March 2016. The above resulted in understatement of expenditure by ₹ 0.18 crore (2016-17), understatement of prior period expenses by ₹ 1.25 crore (2009-10 to 2015-16), understatement of current liabilities by ₹ 1.25 crore, overstatement of advance by ₹ 0.78 crore (₹ 0.51 crore + ₹ 0.27 crore) and consequent understatement of losses by ₹ 1.43 crore (₹ 1.25 crore + ₹ 0.18 crore)
3	DSCFDC (2017-18)	<ul style="list-style-type: none"> • Other Expenses does not include ₹ 1.43 crore payable to PWD for Annual Repair & Maintenance (ARMO) of various Electrical Installations and Mechanical Equipment for the period 2009-17 and the expenditure of ₹ 0.26 crore (as intimated by PWD) for the year 2017-18, which was to be booked as expenditure for the current year. The company had made payment amounting to ₹ 0.78 crore to PWD till 2017, however, the same has been booked as advance to PWD. No payment was made during the year 2017-18. This resulted in understatement of expenditure by ₹ 0.26 crore (2017-18), understatement of Prior Period Expenses by ₹ 1.43 crore (2009-10 to 2016-17), understatement of Current Liabilities by ₹ 1.69 crore (₹ 1.43 crore + ₹ 0.26 crore), and of losses by ₹ 1.69 crore.
4	IPGCL (2020-21)	<ul style="list-style-type: none"> • Non-inclusion of property tax amounting to ₹ 14.89 crore for the period 2004-05 to 2020-21 payable to SDMC, has resulted in understatement of Current Liabilities and Other Expenses by ₹ 14.89 crore each, with consequent overstatement of Profit to the same extent.
5	PPCL (2020-21)	<ul style="list-style-type: none"> • Non-inclusion of property tax amounting to ₹ 4.70 crore payable to South Delhi Municipal Corporation, has resulted in understatement of Other Current Liabilities and Other Expenses by ₹ 4.70 crore, each with consequent overstatement of Profit to the same extent.
6	DTIDC (2021-22)	<ul style="list-style-type: none"> • The Company has not provided for interest of ₹ 7.83 crore on unpaid amount of ₹ 22.67 crore, payable to Public Works Department (PWD) on account of interest earned on funds from PWD parking deposit, as on 31.03.2022. This resulted in overstatement of Income and understatement of Other Financial Liabilities by ₹ 7.83 crore, each. Consequently, Profit was also overstated by ₹ 7.83 crore.

Sl. No.	Name of the Company	Comments
		<ul style="list-style-type: none">• The Company has not provided for interest liability of ₹ 0.70 crore on the balance interest amount of 'Studies and Advisory Consultancy' of ₹ 1.27 crore from 24.05.2014 to 31.03.2022". This resulted in understatement of Other Financial Liabilities as well as Expenditure by ₹ 0.70 crore, each. Consequently the Profit was also overstated by ₹ 0.70 crore.• The Company received High Capacity Bus System (HCBS) fund amounting to ₹ 17.48 crore through Department of Transport (DoT), GNCTD at the time of incorporation of the Company (August 2010) and though the same was refunded (May 2018) to DoT, but interest liability of ₹14.47 crore was not provided for in the accounts. This resulted in understatement of Other Financial Liabilities and overstatement of Income by ₹ 14.47 crore, each. Consequently, the Profit was also overstated by ₹ 14.47 crore.• As per clause No 4.1 of Outdoor Advertising Policy for Delhi, 50 <i>per cent</i> revenue is to be shared with Municipal Corporation of Delhi (MCD). However, the Company has provided only 25 <i>per cent</i> liability/expenses for MCD share in case of all the concessionaires". This resulted in understatement of 'Other Current Liabilities' and 'Other Expenses (MCD share)' by ₹ 4.91 crore. Consequently, 'Profit' for the year was also overstated to the same extent.

Appendix 5.5
(Referred to in Paragraph 5.13.1)
Impact of the Comments on Financial Position of Government Companies

Sl. No.	Name of the Company	Comments
1	DSCSC (2021-22)	<ul style="list-style-type: none"> The Company executes a civil work of ₹ 1.93 crore relating to renovation of entire existing roads and harvesting system of complex at Siraspur godown constructed by IFCD was completed to the extent of 80 <i>per cent</i> and put to use w.e.f. 21.05.2020. This has been booked as Capital Work in Progress instead of Property, Plant & Equipment (Buildings), which resulted in overstatement of Capital Work in Progress and understatement of Property, Plant & Equipment (Buildings) by ₹ 1.93 crore.
2	DTTDC (2021-22)	<ul style="list-style-type: none"> The Company failed to capitalize and put to use Installation & Commissioning of Lifts and escalators at Delhi Haat, Janakpuri for ₹ 1.43 crore for the last eight years as no further work could be carried out due to problem of water seepage in lift shafts. This resulted in overstatement of Capital Work-in-Progress and understatement of Provision for losses on unutilised CWIP by ₹ 1.43 crore.
3	DTIDC (2021-22)	<ul style="list-style-type: none"> The Company has not accounted for the Running Account bill (utilisation of fund) for an amount ₹ 5.59 crore against Capital Advance of ₹ 14.34 crore to D.I.M.T.S. This resulted in understatement of Capital Work in Progress and overstatement of Capital Advances by ₹ 5.59 crore, each. Accrued interest on FDRs in Canara bank and UCO Bank amounting to ₹ 0.91 crore and ₹ 0.39 crore, respectively were accounted for as principal amount of FDRs (with maturity of more than three months) instead of showing it as interest accrued on FDRs. This resulted in overstatement of Deposits (with maturity of more than three months) and understatement of Interest Accrued on Deposits (with maturity of more than three months) by ₹ 1.30 crore, each.
4	DSIIDC (2021-22)	<ul style="list-style-type: none"> The Company booked the Deposit work of CISF at Narela Ph-I & II of ₹ 0.06 crore as the work executed through its own fund and booked the Repair and maintenance work of Bituminous, Storm Water drain and Boundary drain etc. of ₹ 1.51 crore from its own funds as the Deposit work of CISF. This resulted in understatement of Current Assets- Inventories - Work-in-Progress (housing) and Other Financial Liabilities (Advance against Deposit Works - CISF) by ₹ 1.45 crore (₹ 1.51 crore – ₹ 0.06 crore) each. The excess expenditure of ₹ 1.64 crore incurred on maintenance of Poorva Sanskriti Kendra (PSK) as Deposit Work has been wrongly adjusted against the Advances against Deposit Work instead of booking it as recoverable from PSK. This resulted in understatement of Other Financial Liabilities (Advance against Deposit work) and Current Assets (Receivables) by ₹ 1.64 crore each.
5	DSCFDC (2016-17)	<ul style="list-style-type: none"> Inclusion of the work sheds amounting to ₹ 1.09 crore in Plant and Machinery instead of Buildings resulted in overstatement of Plant and Machinery and understatement of Buildings by ₹ 1.09 crore. The Board of Directors of the Company in its meeting approved to waive off the loan amount/dues of ₹ 2.69 crore. However, no provision of the same was made in the books of accounts. This resulted in overstatement of loan and advances and understatement of provision by ₹ 2.69 crore. Consequently, the reserve and surplus was also overstated by the same extent.

Sl. No.	Name of the Company	Comments
		<ul style="list-style-type: none"> • Non -provision against unrecovered loan amount of ₹ 5.04 crore, from the beneficiaries, resulted in overstatement of loan and advances and understatement of provision by ₹ 5.04 crore. Consequently, the reserve and surplus was also overstated by the same extent.
6	DSCFDC (2017-18)	<ul style="list-style-type: none"> • The Board of Directors of the Company in its meeting approved to waive off the loan amount/dues of ₹ 2.69 crore. However, no provision of the same was made in the books of accounts. This resulted in overstatement of loan and advances and understatement of provision by ₹ 2.69 crore. Consequently, the reserve and surplus was also overstated by the same extent. • Non -provision against unrecovered loan amount of ₹ 4.94 crore from the beneficiaries, resulted in overstatement of loan and advances and understatement of provision by ₹ 5.04 crore. Consequently, the reserve and surplus was also overstated by the same extent. • Five Fixed Deposits (FD) amounting to ₹ 4.75 crore, having maturity period more than 12 months, should have been shown under Non-current assets under 'Other bank balances' instead of cash and cash equivalents under Cash and Bank balances. Further, accrued interest of these five FDs amounting to ₹ 5.35 lakh was also not accounted in accounts. This resulted in overstatement of Current Assets (Cash and Bank balances) and understatement of Non-Current Assets (Other Bank balances) by ₹ 4.80 crore, each.

Appendix 5.6
(Referred to in Paragraph 5.13.2)

Impact of the Comments on the profitability and financial position of Statutory Corporations

Delhi Transport Corporation (2021-22)

- Old outstanding liabilities of ₹ 1.38 crore pertaining to the period 1997-98 to 2010-11 appearing persistently in the accounts of the Corporation without any adjustment were not written back with the approval of the Competent Authority. This resulted in overstatement of Current Liabilities and understatement of Income by ₹ 1.38 crore. Consequently, Loss for the year was also overstated by ₹ 1.38 crore.
- Capital work at Subhash Place Depot amounting to ₹ 0.77 crore was completed on 31 January 2022, but not capitalized, which resulted in overstatement of Capital Work in Progress and understatement of Fixed Asset by ₹ 0.77 crore.
- Non-provision for doubtful receivables in respect of M/s Trimax IT Infrastructure & Services Ltd., in view of insolvency proceedings and non-consideration of claims in Resolution Plan, resulted in overstatement of Sundry debtors & Other Receivables and understatement of Net Loss by ₹ 29.10 crore.

An amount of ₹ 16.51 crore, deposited by the Corporation with the Hon'ble High Court in the case of M/s Green Delhi BQS Limited vs DTC, is recoverable from DTIDCL instead of booking the same as Advances and Deposits. This resulted in overstatement of Advances and Deposits {Advances CED (Bills)} and understatement of Sundry Debtors and Other Receivables by ₹ 16.51 crore, each.

GLOSSARY

Glossary of terms

1. **'Accounts' or 'actuals' of a year.** - are the amounts of receipts and disbursements for the financial year beginning on *April 1st* and ending on *March 31st* following, as finally recorded in the Accounting authority's books (as audited by C&AG). Provisional Accounts refers to the unaudited accounts.
2. **'Administrative approval' of a scheme, proposal or work.** - is the formal acceptance thereof by the competent authority for the purpose of incurring expenditure. Taken with the provision of funds in the budget, it operates as a financial sanction to the work during that particular year in which the Administrative Approval is issued.
3. **'Annual financial statement'** – Also referred to as Budget means the statement of estimated receipts and expenditure of the Central/State Government for each financial year, laid before the Parliament/State Legislature.
4. **'Appropriation'** - means the amount authorised by the Parliament/State Legislature for expenditure under different primary unit of appropriation or part thereof placed at the disposal of a disbursing officer.
5. **'Charged Expenditure'** - means such expenditure as is not to be submitted to the vote of the Legislature under the provisions of the Constitution.
6. **'Consolidated Fund of India/State'** - All revenues of the Union/State Government, loans raised by it and all moneys received in repayment of loans form the Consolidated Fund of India/ State. No moneys out of this Fund can be appropriated except in accordance with the law and for the purposes and in the manner provided in the Constitution.
7. **'Contingency Fund'** - is in the nature of an imprest. The Contingency Fund is intended to provide advances to the executive/Government to meet unforeseen expenditure arising in the course of a year pending its authorisation by the Parliament/State Legislature. The amounts drawn from the Contingency Fund are recouped after the Parliament/State Legislature approves it through the Supplementary Demands.
8. **'Controlling Officer (budget)'** - means an officer entrusted by a Department with the responsibility of controlling the incurring of expenditure and/or the collection of revenue. The term includes the Heads of Department and also the Administrators.
9. **'Drawing and Disbursing Officer' (DDO)** - means a Head of Office and also any other Officer so designated by the Finance Department of the State Government, to draw bills and make payments on behalf of the State Government. The term shall also include a Head of Department where he himself discharges such function
10. **'Excess Grant'** - Excess grant means the amount of expenditure over and above the provision allowed through the original/supplementary grant, that requires regularisation by obtaining excess grant from the Parliament/State Legislature under Article 115/205 of the Constitution.

11. **'New Service'** - As appearing in Article 115(1)(a)/205(1)(a) of the Constitution, New Service means expenditure arising out of a new policy decision, not brought to the notice of Parliament/State Legislature earlier, including a new activity or a new form of investment.
12. **'New Instrument of Service'** - means relatively large expenditure arising out of important expansion of an existing activity.
13. **'Public Account'** - means the Public Account referred to in Article 266(2) of the Constitution. The receipts and disbursements such as deposits, reserve funds, remittances, etc. which do not form part of the Consolidated Fund are included in the Public Account. Disbursements from the Public Account are not subject to vote by the Parliament/State Legislature, as they are not moneys issued out of the Consolidated Fund of India/State.
14. **'Re-appropriation'** - means the transfer, by a competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same grant or charged appropriation.
15. **'Revised Estimate'** - is an estimate of the probable receipts or expenditure for a financial year, framed in the course of that year, with reference to the transactions already recorded and anticipation for the remainder of the year in the light of the orders already issued.
16. **'Supplementary Demands for Grants'** - means the statement of supplementary demands laid before the legislature, showing the estimated amount of further expenditure necessary in respect of a financial year over and above the expenditure authorised in the Annual Financial Statement for that year. The demand for supplementary may be token, technical or substantive/cash.
 - a) **Cash Supplementary** is over and above the original budget provisions and results in enhancement of the allocation for the Demand/Grant. It should be obtained as a last resort and after proper due diligence. Presently, this method is followed by the State.
 - b) There are four Sections in each Demand i.e., Revenue Voted, Revenue Charged, Capital Voted and Capital Charged. **Technical Supplementary**, after obtaining the approval of the State Legislature, allows to utilise the savings of one of the Sections for any other Section.
 - c) **Token Supplementary** allows to utilise the savings within the same section of the grant.
17. **'Major Head'** - means a Major Head of account for the purpose of recording and classifying the receipts and disbursements of the State. A Major Head, particularly the one falling within the Consolidated Fund, generally corresponds to a 'function' of Government such as Agriculture, Education, Health, etc.
18. **'Sub-Major Head'** - means an intermediate head of account introduced between a Major Head and the Minor Heads under it, when the Minor Heads are numerous and can conveniently be grouped together under such intermediate Head.

19. ***‘Minor Head’*** - means a head subordinate to a Major Head or a Sub-Major Head. A Minor Head subordinate to a Major Head identifies a “programme” undertaken to achieve the objectives of the function represented by the Major Head.
20. ***“Sub-Head”*** - means a unit of account next subordinate to a Minor Head which normally denotes the scheme or organisation under that Minor Head or programme.
21. ***‘Major Work’*** - means an original work, the estimated cost of which exclusive of departmental charges exceeds the amount as notified by the Government from time to time.
22. ***‘Minor Work’*** - means an original work, the estimated cost of which exclusive of departmental charges does not exceed the amount as notified by the Government from time to time.
23. ***“Modified Grant or Appropriation”*** - means the sum allotted to any Sub-Head of Appropriation as it stands after Re-Appropriation or the sanction of an Additional or Supplementary Grant by competent authority.
24. ***“Supplementary or Additional Grant or Appropriation”*** - means a provision included in an Appropriation Act, during the course of a financial year, to meet expenditure in excess of the amount previously included in an Appropriation Act for that year.
25. ***“Schedule of New Expenditure”*** - means a statement of items of new expenditure proposed for inclusion in the Budget for the ensuing year.
26. ***“Token demand”*** - means a demand made to the Assembly for a nominal or token sum when, for example, it is proposed to meet the entire expenditure on a new service from savings out of the sanctioned budget grant.

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