# CHAPTER-3

# BUDGETARY MANAGEMENT

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# BUDGETARY MANAGEMENT

This chapter deals with the review of integrity, transparency and effectiveness of the budgetary process and allocative priorities, including supplementary grants and the concomitant financial management.

## 3.1 Budget Process

The annual exercise of budgeting is a means for detailing the roadmap for efficient use of public resources. Budget glossary is given in ***Appendix-3.1***. The budget process commences with the issue of the Budget Circular, normally in August each year, providing guidance to the Departments in framing their estimates for the next financial year. According to Uttarakhand Budget Manual, budget preparation process in the State is given in the figure below:

## 3.2 Budget Preparation Process

The Finance Bill, Annual Financial Statement (Budget) and Demands for Grants are mandated by Article 199, 202 and 203 of the Constitution of India respectively.

Article 202 of Constitution of India requires laying of a statement of the estimated receipts and expenditure of the State for that year, as the "Annual Financial Statement" before the Legislature of the State. The Annual Financial Statement should show expenditure charged on consolidated fund and other expenditure separately. It shall also distinguish expenditure on revenue account from other expenditure.

The annual financial statement also called general budget is placed prior to the commencement of the financial year in the State Legislature in accordance with Article 202 of the Constitution. The estimates of receipts and disbursements in the Annual Financial Statement and of expenditure in the Demand for Grants are shown according to the classification under Article 150 of the Constitution.

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with provisions of Article 204 of the constitution. Supplementary or Additional Grant or Appropriation is provided during the course of a financial year, in accordance with Article 205 of the Constitution. It is the provision for meeting expenditure in excess of the budgeted amount.

In Uttarakhand, Finance Department has the responsibility for preparing the Budget:

- Under the rules made by the Governor under Article 166 (2) and (3) of the Constitution and the instructions issued there-under, the Finance Department has been charged with the responsibility to prepare a statement of estimated receipts and expenditure, to be laid before the Legislature in each year. Although the material is supplied by the Heads of Departments and other officers, the actual preparation of the estimates and the budget thus falls upon the Finance Department, and it is solely the business and responsibility of that department to finalize the estimates of receipts and disbursements.
- The State Government secures legislative approval for expenditure out of the Consolidated Fund of the State by presenting its annual Budget and Demands[1] for Grants/Appropriations.
- Supplementary or additional Grant/Appropriation is provided during the course of the financial year for meeting expenditure in excess of the originally budgeted amount.
- Further, the State Government also re-appropriates/re-allocates funds from various Units of Appropriation where savings are anticipated, to Units where additional expenditure is envisaged (within the Grant/Appropriation) during the year.

Finance Department, Government of Uttarakhand every year issues letter thereby giving outline for Budget preparation. For preparation of Budget for the year 2023-24, a letter was issued on 09 December 2022 which inter-alia provides that:

- The correctness of budget estimates and responsibility thereof is clearly described in Para 16 (Chapter 3) of Budget Manual. State Government accounts are generally prepared on cash basis; therefore, the estimates should be framed

[1] There are 31 demands for Grants/Appropriations for 2023-24.

after a careful and thorough consideration of all items of expenditure and of all sources of income and of every factor likely to affect the actual results.

- Para 17 (Chapter 3) of Budget Manual specifically provides that the budget estimates should, as a rule, be prepared on a gross and not on a net basis. The gross transactions in the case of both receipts and charges in each department should be entered separately. Receipts should be estimated on the receipt side and the expenditure on the expenditure side.
- The Heads of Departments and other estimating officers should prepare the estimates for each head of account with which they are concerned on the basis of the material obtained by them from subordinate officers and forward estimates to Administrative Departments with a copy to the Accountant General by the prescribed dates. The Accountant General furnishes the past actual, offers his comments, if any, and renders such assistance as may be reasonably asked for by the Finance Department.
- According to Para 31 (Chapter 5) of Budget Manual, lump sum provision should not be generally made but where lump sum provision is unavoidable, description of principal working head and related estimates should be given in remarks of the budget estimates.
- While estimating Capital Receipts, Recovery of Loan and Advances is a principal head. Therefore, while preparing these estimates, instalments of loans and advances given should be considered. The balance amount pending for recovery against previous outstanding loans and advances should be kept in view and their estimates should also be provided.
- Creation of new posts should not be made as far as possible and if it is unavoidable then creation of new posts should be limited to maximum one *per cent*.

The various components of budget are depicted in **Chart-3.1** below:

**Chart-3.1: Summary of Budget and Expenditure of Uttarakhand for the year 2023-24**

**Authorization by the Legislature** **Implemented by the Government**

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

### *3.2.1 Gender Budgeting*

Gender Budgeting is the segmentation of Budgets to find out the gender-based outcomes of the Government Budget and it is the process of converting gender commitments into budgetary commitments. Gender Budget plays an important role in budgetary policy to fulfill the objective of equality. The allocation of resources for women and the quantification adequacy in the provisioned budget is assessed through gender budgeting. From the point of view of ensuring the participation of women in departmental schemes under the budget, it has been divided into two categories. The schemes which set the budget for 100 *per cent* women have been kept in category-1 and the schemes having more than 30 *per cent* have been kept in category-2.

Details of Gender Budget allocation during 2019-20 to 2023-24 is given in **Table-3.1** below:

**Table-3.1: Provisions under Gender Budget during 2019-20 to 2023-24**

***(₹ in crore)***

| Particulars | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---|---|---|---|---|
| Gender Budget | 6,193 | 6,205 | 7,784 | 13,771 | 13,920 |
| Total Budget | 51,198 | 57,591 | 65,012 | 71,012 | 88,728 |

***Source: Budget & Gender Budget Uttarakhand Government.***

Budget allocation under Gender Budget increased by ₹ 7,727 crore from ₹ 6,193 crore in 2019-20 to ₹13,920 crore in 2023-24. However, it increased by only ₹ 149 crore in 2023-24 as compared to 2022-23. This allocation was made across 21 Grants on schemes designed specifically to benefit women under Category 1 and Category 2. Year-wise allocation and expenditure in respect of categories 1 and 2 for the period 2019-20 to 2023-24 is given in **Table-3.1 (A)**:

**Table-3.1(A): Category wise Gender Budget Allocation during 2019-20 to 2023-24**

***(₹ in crore)***

| | Category 1 | | | Category 2 | | |
|---|---|---|---|---|---|---|
| Year | Budget | Expenditure | Percentage of Expenditure To Budget | Budget | Expenditure | Percentage of Expenditure To Budget |
| 2019-20 | 1,126.30 | 890.13 | *79.03* | 5,066.59 | 4,056.84 | *80.07* |
| 2020-21 | 1,125.96 | 1,010.16 | *89.72* | 5,078.60 | 8,080.44 | *159.11* |
| 2021-22 | 1,364.47 | 988.51 | *72.45* | 6,419.04 | 7,924.22 | *123.45* |
| 2022-23 | 2,068.21 | 1,205.52 | *58.29* | 11,703.10 | 9,791.67 | *83.67* |
| 2023-24 | 2,022.88 | 1,477.72 | *73.05* | 11,897.25 | 12,460.01 | *104.73* |

***Source: Uttarakhand Budget.***

It is evident from the above that in Category-1 (**100 *per cent* Budget fully for women**), there has been fluctuation in the percentage of the budget utilized over the years. The utilisation in 2019-20, 2020-21, 2021-22 and 2023-24 was in the range of 72 to 89 *per cent* indicating effective utilization. However, in 2022-23, the expenditure was only 58 *per cent* of the budget, suggesting underutilization. The State Government should implement mechanisms to track and ensure that allocated budgets are fully utilized, especially in Category I, to meet gender equality objectives.

### *3.2.1(a) Scheduled Caste (SC) and Scheduled Tribe (ST) Budget*

SC and ST Budget of the State discloses the expenditure proposed to be incurred within the overall budget on schemes and programmes, which are targeted to benefit SC and ST communities in order to ensure accelerated development of these communities with emphasis on achieving equality, focusing economic, educational and human development along with ensuring security and social dignity and promoting equality among SC and ST. Year-wise allocation and expenditure on SC and ST (Grant No. 30 and 31) during 2019-2o to 2023-24 is given in **Table-3.1 (b)**

**Table-3.1 (b): SC & ST Budget**

***(₹ in crore)***

| Particulars | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---|---|---|---|---|
| **Total Budget allocation** | 51,198 | 57,591 | 65,012 | 71,012 | 88,728 |
| **Allocation for SC** | 1,536 | 1,640 | 2,124 | 2,095 | 2,463 |
| **Allocation for ST** | 517 | 550 | 640 | 619 | 733 |
| **Allocation of SC as compared to Total Budget (*per cent*)** | *3.00* | *2.85* | *3.27* | *2.95* | *2.78* |
| **Allocation of ST as compared to Total Budget (*per cent*)** | *1.01* | *0.96* | *0.98* | *0.87* | *0.83* |
| **Expenditure for SC** | 1,068 | 1,236 | 1,184 | 1,338 | 1,697 |
| **Expenditure for ST** | 337 | 366 | 406 | 379 | 465 |
| **Percentage utilisation of SC allocation** | *70* | *75* | *56* | *64* | *69* |
| **Percentage utilisation of ST allocation** | *65* | *67* | *63* | *61* | *63* |

***Source: Uttarakhand Budget.***

As can be seen from above table, the absolute allocation for SC has increased from ₹ 1,536 crore in 2019-20 to ₹ 2,463 crore in 2023-24. Despite this increase, the percentage of total budget allocated to SC has decreased from 3.00 *per cent* to 2.78 *per cent* during this period. This indicates that while the nominal amount has increased, the relative proportion compared to the total budget is slightly declining. Similarly, the absolute allocation for ST has increased from ₹ 517 crore in 2019-20 to ₹ 733 crore in 2023-24, however, the percentage of total budget allocated to ST has decreased from 1.01 *per cent* to 0.83 *per cent*. This also suggests a decline in the relative proportion of the total budget allocated to ST.

The percentage utilization of the SC allocation shows variability but maintains a general trend of around 56 *per cent* to 75 *per cent*. The highest utilization was in 2020-21 (75 *per cent*), and the lowest was in 2021-22 (56 *per cent*). Further, the percentage utilization for ST allocations remains relatively stable, ranging from 61 *per cent* to 67 *per cent*. The highest utilization was in 2020-21 (67 *per cent*) and the lowest was in 2022-23 (61 *per cent*).

### *3.2.1(b) Outcome Budget*

Outcome budgeting is being practiced as a budgeting strategy for linking outlays/allocations to concrete outputs and outcomes. The most commonly used tool, in this regard, has been the publication of the outcome budget statements annually along with the budget. In Uttarakhand, the preparation of outcome budgets was started in 2017-18 These outcome budget statements indicate Department wise Sector/ Scheme/

Programme name, objective of the Schemes, SDG goals, current physical status, projected physical status, projected output and projected outcome and time limit. During 2023-24, 36 departments reported the outcome budget.

### 3.2.2 Summary of total provisions, actual disbursements and savings during financial year

A summarized position of total budget provision, disbursement and saving/excess with its further bifurcation into voted/charged is given in **Table-3.2**.

**Table-3.2: Budget provision, disbursement and savings/excess during the financial year (2023-24)**

*(₹ in crore)*

| Total Budget provision | | Disbursements | | Saving (-) /Excess (+)* | |
|---|---|---|---|---|---|
| Voted | Charged | Voted | Charged | Voted | Charged |
| 66,261.66 | 22,466.54 | 53,087.65 | 28,522.06 | (-) 13,174.01 | (+)6,055.53 |

*Source: Appropriation Accounts. *Difference of 0.01 in saving due to rounding off in comparison with Chart 3.1.*

### 3.2.3 Charged and voted disbursements

Break-up of total disbursement into charged and voted during 2019-20 to 2023-24 is given in **Table-3.3**.

**Table-3.3: Disbursement and Savings/Excess during 2019-20 to 2023-24**

*(₹ in crore)*

| Year | Disbursements | | Saving/Excess | |
|---|---|---|---|---|
| | Voted | Charged | Voted | Charged |
| 2019-20 | 34,147.37 | 13,825.82 | (-) 8,395.33 | (+) 5,170.72 |
| 2020-21 | 38,726.01 | 13,274.10 | (-)9,201.42 | (+)3,610.77 |
| 2021-22 | 41,619.58 | 9,074.77 | (-)12,480.40 | (-)1,837.65 |
| 2022-23 | 46,779.83 | 13,813.07 | (-)10,030.65 | (-)388.37 |
| 2023-24 | 53,087.65 | 28,522.06 | (-) 13,174.01 | (+)6,055.53 |

*Source: Appropriation Accounts.*

As it can be seen from above, there are consistent savings in the Voted segment during last five years 2019-20 to 2023-24 and excesses in the Charged segment during the years 2019- 20, 2020-21 and 2023-24. However, there is saving in the Charged segment for two years 2021-22 to 2022-23.

### 3.2.4 Budget marksmanship

**Aggregate Budget Outturn**

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

**Table-3.4: Aggregate Budget Outturn against Budget Estimates**

*(₹ in crore)*

| Description | Original Budget approved (BE) | Actual Outturn | Difference between actual and BE* |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| Revenue | 52,747.71 | 47,273.96 | (-) 5,473.75 |
| Capital | 24,659.38 | 34,335.76 | (+) 9,676.38 |
| ***Total*** | ***77,407.09*** | ***81,609.72*** | ***(+) 4,202.63*** |

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

ln Revenue section, deviation in outturn compared with BE was (-) 10.38 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 20 grants, between ± 25 *per cent* and ± 50 *per cent* in nine grants, between ± 50 *per cent* and ± 100 *per cent* in two grants.

In Capital section, deviation in outturn compared with BE was (+) 39.24 *per cent*. This was due to deviation equal to 0 *per cent* in one grants, between 0 and ± 25 *per cent* in 15 grants, between ± 25 *per cent* and ± 50 *per cent* in six grants, between ± 50 *per cent* and ± 100 *per cent* in seven grants and equal to 100 per cent and above in two grants. However, no provision was made in respect of two grants (Grant No. 2 and 5) of the Capital section, though there was expenditure in Grant No. 5.

**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.

**Table-3.5: Expenditure composition outturn against BE and RE**

*(₹ in crore)*

| Description | Original Approved Budget (BE) | Revised (RE) | Actual Outturn | Difference Between BE and RE | Difference Between Actual and RE* |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| Revenue | 52,747.71 | 51,585.20 | 47,273.96 | (-)1,162.51 | (-) 4,311.24 |
| Capital | 24,659.38 | 26,302.64 | 34,335.76 | (+)1,643.26 | (+)8,033.12 |
| ***Total*** | ***77,407.09*** | ***77,887.84*** | ***81,609.72*** | ***(+)480.75*** | ***(+)3,721.88*** |

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

In Revenue section. deviation in outturn compared with RE was (-) 8.36 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 25 grants, between ±25 *per cent* and ±50 *per cent* in five grants, between ± 50 *per cent* and ± 100 *per cent* in one grant.

ln Capital section, deviation in outturn compared with RE was (+)30.54 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 18 grants, between ± 25 *per cent* and ± 50 *per cent* in five grants, between ±50 *per cent* and ±100 *per cent* in four grants and equal to 100 *per cent* and above in two grants. No provision was, however, made in respect of two grant (Grant no. 2 and 8) of the Capital section.

## 3.3 Appropriation Accounts

Appropriation Accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of grants voted and appropriations 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 depict the original budget provision, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorized by the Appropriation Act in respect of both Charged and Voted items of budget. Appropriation Accounts thus facilitate understanding of utilization of funds, management of finances and monitoring of budgetary provisions and are, therefore, complementary to the Finance Accounts.

Audit of appropriations by the CAG seeks to ascertain whether the expenditure actually incurred under various grants is in accordance with the authorization given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution (Article 202) is so charged. It also ascertains whether the expenditure incurred is in conformity with the laws, relevant rules, regulations and instructions.

### *3.3.1 Comments on integrity of budgetary and accounting process*

#### *3.3.1.1 Expenditure incurred with authority of law*

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of the Article 204 of the Constitution. Expenditure on new scheme should not be incurred on a scheme/service without provision of funds except after obtaining additional funds by re-appropriation, supplementary grant or appropriation or an advance from the Contingency Fund of the State. It was observed that during 2023-24 no scheme existed on which expenditure was incurred without budget provisions.

### *3.3.2 Misclassification of capital expenditure as revenue expenditure and vice versa*

Misclassification of expenditures and receipts has a direct impact on the integrity of the financial statements. Article 202 of the Constitution prescribes that, in respect of every financial year, a statement of the estimated receipts and expenditure of the State for that year, called the "annual financial statement" (or the "budget"), is to be laid before both the Houses of the State Legislature. The estimates of expenditure are classified under 'charged' (such expenditure as is not to be submitted to the vote of the Legislative Assembly under the provisions of the Constitution) and 'voted' items of expenditure separately. Annual Financial Statement distinguishes expenditure on revenue accounts from other expenditure as explained in ***Chapter-2***.

State financial rules categorize the primary units of appropriation. There are specific object heads meant for obtaining provision for acquisition of Capital Assets and other Capital Expenditure. These object heads pertaining to booking of expenditure of capital nature should correspond with capital major heads only.

Classification of expenditure of revenue nature as capital expenditure or vice-versa, results in overstatement/understatement of revenue expenditure and revenue deficit/surplus. Details of misclassification of expenditure during the year 2023-24 are given in **Table-3.6** below:

**Table-3.6: Details of misclassification of expenditure**

| Sl. No. | Number of the Grant and Head of Account | Type of Misclassification | Amount (₹ *in crore*) | Remarks |
|---|---|---|---|---|
| 1. | 04, 2014 | Booking of Capital into Revenue | 0.70 | Expenditure on Major Works and Land Purchase met from Revenue Expenditure. |
| 2. | 13, 2217 | | 61.96 | |
| | ***Sub Total*** | | ***62.66*** | |
| 3. | 11,4202 | Booking of Revenue into Capital | 28.57 | Expenditure on Grants-in-aid met from Capital Expenditure. |
| 4. | 13, 4215 | | 12.94 | |
| 5. | 13, 4217 | | 1.77 | |
| 6. | 17&29, 4401 | | 29.82 | |

| Sl. No. | Number of the Grant and Head of Account | Type of Misclassification | Amount (*₹ in crore*) | Remarks |
|---|---|---|---|---|
| 7. | 28, 4405 | | 4.18 | |
| 8. | 27, 4406 | | 4.00 | |
| 9. | 19, 4515 | | 350.00 | |
| 10. | 21, 4801 | | 65.00 | |
| 11. | 21, 4810 | | 66.83 | |
| 12. | 23, 4859 | | 40.46 | |
| 13. | 24, 5055 | | 2.00 | |
| 14. | 26, 5452 | | 0.25 | |
| | ***Sub Total*** | | ***605.82*** | |

Analysis of data revealed that an expenditure of ₹ 62.66 crore had been booked under Revenue section. This expenditure should have been booked under the capital section as this expenditure pertained to the major works and land purchase. Similarly, an expenditure of ₹ 605.82 crore had been booked under capital section. This expenditure should have been booked under the revenue section as this expenditure pertained to Grants-in-aid.

During exit conference, the government agreed with the findings and stated that corrective measures will be taken.

### *3.3.3 Unnecessary or excessive supplementary grants*

As per Article 205 of the Constitution, a Supplementary or Additional Grant or Appropriation over the provision made by the Appropriation Act for the year can be made during the current financial year but not after the expiry of the current financial year as is necessary to meet-

- Expenditure on Schemes of New Expenditure to be taken up within the current financial year.
- Inadequacy of provision.
- Fresh expenditure but not technically Schemes of New Expenditure.
- Omissions of provision.

When such additional expenditure is found to be inevitable and there is no possibility of effecting savings within the Grant to cover the excess by Re-Appropriation, the Secretary in the Department concerned proposes to the Finance Department for Supplementary or Additional Grant or Appropriation. In deserving cases which are unforeseen, and which cannot wait for provision by Supplementary or Additional Grant or Appropriation, advances from the Contingency Fund may be sanctioned in accordance with the provisions made in the Constitution and the relevant rules. The advances so sanctioned will have to be regularized by a Supplementary Grant or Appropriation and recouped to the Contingency Fund. Considerable Re-Appropriation from one Sub Head to another must always be avoided. That fresh expenditure is unavoidable or imperatively necessary or that it will produce consequential economy or that it is essential for preserving the revenue or the public safety are reasonable justifications for introducing fresh expenditure during the course of the year. However, in such circumstances, it must be shown that the requirements could not have been foreseen and provided for in the budget. The process of Re-Appropriation is not designed merely to rectify omissions and lack of foresight.

During the current year 2023-24, against total appropriation of ₹ 88,728.20 crore there was saving of ₹ 7,118.49 crore (8.02 *per cent*).

Details of cases where supplementary provision (₹ 10 crore or more in each case) proved unnecessary are detailed in **Table-3.7** below:

**Table-3.7: Details of cases where supplementary provision (₹ 10 crore or more in each case) proved unnecessary**

(*₹ in crore*)

| Sl. No. | Name of the Grant | Original | Supplementary | Actual Expenditure | Saving out of Provisions |
|---|---|---|---|---|---|
| **Revenue (Voted)** | | | | | |
| 1. | 04-Judicial Administration | 444.58 | 12.48 | 318.74 | 138.32 |
| 2. | 06- Revenue and General Administration | 2,071.25 | 325.44 | 2,022.21 | 374.48 |
| 3. | 07-Finance, Tax, Planning, Secretariat & Miscellaneous Services | 12,548.17 | 209.03 | 11,436.30 | 1320.90 |
| 4. | 10- Police & Jail | 2,495.73 | 36.02 | 2,347.38 | 184.37 |
| 5. | 11 Education, Sports, Youth Welfare & Culture | 9,905.12 | 243.22 | 9,514.13 | 634.21 |
| 6. | 12-Medical, Health & Family Welfare | 3,768.25 | 598.81 | 3,506.45 | 860.61 |
| 7. | 15-Welfare Schemes | 2,659.27 | 153.50 | 2,439.29 | 373.48 |
| 8. | 18- Cooperative | 144.18 | 32.72 | 110.15 | 66.75 |
| 9. | 19-Rural Development | 1,438.03 | 354.12 | 1,190.52 | 601.63 |
| 10. | 22-Public Works | 1,432.23 | 300.00 | 1,365.61 | 366.62 |
| 11. | 23-Industries | 404.89 | 61.20 | 353.33 | 112.76 |
| 12. | 25-Food | 278.12 | 289.43 | 200.29 | 367.26 |
| 13. | 27-Forest | 1,010.86 | 122.02 | 745.40 | 387.48 |
| 14. | 28-Animal Husbandry | 552.19 | 24.40 | 498.57 | 78.02 |
| 15. | 30-Welfare of Scheduled Castes | 1,670.57 | 121.43 | 1,195.23 | 596.77 |
| 16. | 31-Welfare of Scheduled Tribes | 468.98 | 33.32 | 307.11 | 195.19 |
| ***Total*** | | ***41,292.42*** | ***2,917.14*** | ***37,550.71*** | ***6,658.85*** |
| **Revenue (Charged)** | | | | | |
| 1 | 04-Judicial Administration | 103.23 | 19.05 | 72.46 | 49.82 |
| 2 | 07-Finance, Tax, Planning, Secretariat & Miscellaneous Services | 6390.40 | 72.96 | 5302.91 | 1160.45 |
| ***Total*** | | ***6,493.63*** | ***92.01*** | ***5,375.37*** | ***1,210.27*** |
| **Capital (Voted)** | | | | | |
| 1 | 07-Finance, Tax, Planning, Secretariat & Miscellaneous Services | 1,754.80 | 701.14 | 2,241.78 | 214.16 |
| 2 | 11-Education, Sports, Youth Welfare & Culture | 554.43 | 138.10 | 459.05 | 233.48 |
| 3 | 19-Rural Development | 1,834.50 | 16.94 | 1,191.56 | 659.88 |
| 4 | 21-Energy | 1,215.60 | 50.00 | 730.59 | 535.01 |
| 5 | 22-Public Works | 1,348.30 | 256.51 | 1,299.50 | 305.31 |
| 6 | 24 Transport | 274.00 | 12.00 | 164.67 | 121.33 |
| ***Total*** | | ***6,981.63*** | ***1,174.69*** | ***6,087.15*** | ***2,069.17*** |
| ***Grand Total*** | | ***54,767.68*** | ***4,183.84*** | ***49,013.23*** | ***9,938.29*** |

During exit conference, the Government agreed with the findings and stated that due caution will be taken in future.

Details of cases where supplementary provision at scheme level (₹ 10 crore or more in each case) proved unnecessary are detailed in **Table-3.7(a)** below:

**Table-3.7(a): Details of cases where supplementary provision at scheme level (₹ 10 crore or more in each case) proved unnecessary**

*(₹ in crore)*

| Grant No. | Name of the Scheme | Original | Supplementary | Re-appropriation | Total | Actual Expenditure | Saving out of Provisions | Surrender as on 31 March 2024 | Balance after surrender |
|---|---|---|---|---|---|---|---|---|---|
| 4 | Land Purchase & Insurance Policy and Premium etc. | 103.23 | 19.05 | 0.00 | 122.28 | 72.46 | 49.82 | 41.94 | 7.88 |
| 7 | G-20 Summit | 30.00 | 10.00 | 0.00 | 40.00 | 15.69 | 24.31 | 12.70 | 11.61 |
| 7 | Estate Department | 106.98 | 15.31 | 0.00 | 122.29 | 92.57 | 29.72 | 15.77 | 13.95 |
| 7 | State finance commission | 1,924.34 | 156.99 | 0.00 | 2,081.33 | 1,808.08 | 273.25 | 0.00 | 273.25 |
| 7 | G-20 summit | 70.00 | 30.00 | -30.00 | 70.00 | 34.21 | 35.79 | 21.43 | 14.36 |
| 11 | SAMAGRA SHIKSHA | 192.59 | 68.28 | 0.00 | 260.87 | 155.76 | 105.11 | 0.00 | 105.11 |
| 11 | NABARD Funded (Construction of School and Hostel) | 45.00 | 20.00 | 0.00 | 65.00 | 41.92 | 23.08 | 0.00 | 23.08 |
| 12 | Establishment of Srinagar Medical College | 528.14 | 26.94 | -8.90 | 546.18 | 437.51 | 108.67 | 103.78 | 4.89 |
| 13 | Swachchh Bharat Mission (Gramin) (90% CSS) | 60.00 | 13.37 | 0.00 | 73.37 | 43.32 | 30.05 | 0.00 | 30.05 |
| 13 | NABARD funded (Construction of Parking (RIDF/UIDF Funded) | 0.10 | 135.26 | 0.00 | 135.36 | 0.00 | 135.36 | 0.00 | 135.36 |
| 19 | MANAREGA & Uttarakhand Social Audit, Accountability and Transparency Agency | 302.00 | 41.49 | 0.00 | 343.49 | 136.07 | 207.42 | 0.00 | 207.42 |
| 30 | Samagra Shiksha & PM Shree Scheme 90% | 55.03 | 30.97 | 0.00 | 86.00 | 49.43 | 36.57 | 0.00 | 36.57 |
| 30 | Pradhan Mantri Gram Sadak yojana | 0.00 | 15.00 | 0.00 | 15.00 | 0.00 | 15.00 | 0.00 | 15.00 |
| 30 | Excess payment under PMGSY | 50.00 | 41.00 | -46.92 | 44.08 | 0.00 | 44.08 | 0.00 | 44.08 |
| 31 | RCH Flexipul and Health System Strengthening, National Health Program and National Urban Health Mission | 0.00 | 10.71 | 0.00 | 10.71 | 0.00 | 10.71 | 0.00 | 10.71 |
| 31 | Ongoing construction work | 28.50 | 15.00 | -15.00 | 28.50 | 10.65 | 17.85 | 1.85 | 16.00 |
| | ***Total*** | ***3,495.91*** | ***649.37*** | ***-100.82*** | ***4,044.46*** | ***2,897.67*** | ***1,146.79*** | ***197.47*** | ***949.32*** |

***Source: Budget Document and Appropriation Account.***

During the current year 2023-24, against total appropriation of ₹ 4,044.46 crore in these schemes there was saving of ₹ 1,146.79 crore (28.35 *per cent*). Against original appropriation of ₹ 3,495.91 crore, there was already saving of ₹ 598.24 crore, therefore, supplementary provision of ₹ 649.37 crore proved unnecessary as saving of ₹ 1,146.79 crore was more than the supplementary provision of ₹ 649.37 crore.

## 3.4 Re-appropriations undertaken which require prior Legislative authorization

Re-appropriation is the transfer of funds within a grant from one unit of appropriation where savings are anticipated, to another unit where additional funds are needed. No cases of Re-appropriation, which require prior Legislative authorization, were noticed in Uttarakhand during the year 2023-24.

### *3.4.1 Unnecessary/excessive re-appropriation*

There were five cases where Re-appropriation was ₹ five crore and above and final savings were ₹ five crore or more than re-appropriated amount as shown in **Table-3.8**:

**Table-3.8: Excess/unnecessary re-appropriation**

***(₹ in crore)***

| Sl. No. | Grant No. and Head of accounts | Provisions | | | | Actual Expenditure | Final Savings | Surrender as on 31 March 2024 | Balance after surrender |
|---|---|---|---|---|---|---|---|---|---|
| | | Original | Supplementary | Re-appropriation | Total | | | | |
| 1 | 12-Medical and Family Welfare 2210-Medical and Public Health 03-Rural Health Services-Allopathy 103- Primary Health Centers 03-Establishment of Primary Health Centers | 136.88 | 7.00 | 5.00 | 148.88 | 124.75 | 24.13 | 20.64 | 3.49 |
| 2 | 13 Water Supply, Housing and Urban Development 4217-Capital Outlay on Urban Development 03 Integrated Development of Small and Medium Towns 051 Construction 01 Centrally Sponsored Schemes | 305.00 | 0.00 | 10.49 | 315.49 | 118.48 | 197.01 | 0.00 | 197.01 |
| 3 | 13 Water Supply, Housing and Urban Development 4216 Capital Outlay on Housing 80 General 800 Other expenditure 02 Development of infrastructure facilities | 100.00 | 50.00 | 40.00 | 190.00 | 151.13 | 38.87 | 1.51 | 37.36 |
| 4 | 22 Public Works 3054 Roads and Bridges 04 District and Other Roads 337 Road Works 03 Maintenance and Repairs | 508.00 | 100.00 | 55.75 | 663.75 | 620.52 | 43.23 | 42.42 | 0.81 |
| 5 | 30 Welfare of Scheduled Castes 2515 Other Rural Development Programmes 102 Community Development 01 Centrally Sponsored Schemes | 253.64 | 20.51 | 6.84 | 280.99 | 210.58 | 70.41 | 0.00 | 70.41 |

***Source: Appropriation Account.***

During 2023-24, the State Government re-appropriated ₹ 2,230.78 crore within the grants as provided in the Uttarakhand Budget Manual. Out of this, an amount of ₹ 31.04 crore was re-appropriated on the last two working days of the financial year 2023-24 (30 & 31 March 2024). These Re-appropriations in five cases (of savings more than ₹ five crore) proved unnecessary. However, no case of re-appropriation from Capital to Revenue and vice-versa and from Voted to Charged and vice-versa was noticed during the year 2023-24.

During exit conference, the Government agreed with the findings.

## 3.5 Unspent amount and surrendered appropriations and/or large savings/ surrenders

Complete accuracy of estimates may not always be possible; but where the omission or inaccuracy is the result of lack of forethought, neglect of the obvious or slipshod estimating, it is not readily excusable. The golden rule for all Estimating Officers should be to provide in the budget for everything that can be foreseen and to provide only as much as is necessary. The Administrative and Finance Departments should, in checking the estimates, apply unrelentingly the proven and well-tried check of average of previous actuals with known or reasonably foreseeable facts which may modify that average.

No object is served by keeping back savings which should ideally be surrendered in time. For this reason, appropriations which are likely to remain unspent must be reported for surrender as early as possible. If this is not done, other spending Departments are deprived of the funds which they could have utilized. Surrenders are being made generally in the month of March, and a careful study of figures of expenditure incurred and watch over the progress of last month's expenditure should enable a Controlling Officer to fix upon his final requirements with a reasonable degree of exactness.

When the need for surrender manifests itself, the Controlling Officers should carefully estimate the amounts that they can surrender. The aim should be to surrender as much as they can so as to keep the expenditure just within the modified Grant.

Budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities and weak internal controls promote release of funds towards the end of the financial year and increase the propensity of the Departments to retain huge balances outside the Government account in Bank Accounts.

Details of grants having large savings (₹100 crore & above) are given below in **Table-3.9**:

**Table-3.9: Details of Grants having large savings (₹ 100 crore & above) during the year**

*(₹ in crore)*

| Sl. No. | Number and name of the grant | Original | Supple-mentary | Total | Actual Expenditure | Saving/ Excess | Savings as percentage of total grant | Surrender as on 31 March 2024 | Savings excluding surrender |
|---|---|---|---|---|---|---|---|---|---|
| **Revenue (Voted)** | | | | | | | | | |
| 1 | 4, Judicial Administration | 444.58 | 12.48 | 457.06 | 318.74 | 138.32 | 30.26 | 120.36 | 17.96 |
| 2 | 6, Revenue & General Administration | 2,071.25 | 325.44 | 2,396.69 | 2,022.22 | 374.47 | 15.62 | 41.02 | 333.45 |
| 3 | 7, Finance, Tax, Planning, Secretariat & Miscellaneous Services | 12,548.17 | 209.03 | 12,757.20 | 11,436.30 | 1,320.90 | 10.35 | 175.77 | 1,145.13 |
| 4 | 10, Police & Jail | 2,495.73 | 36.02 | 2,531.75 | 2,347.38 | 184.37 | 7.28 | 150.65 | 33.72 |
| 5 | 11 Education, Sports, Youth Welfare & Culture | 9,905.12 | 243.22 | 10,148.34 | 9,514.13 | 634.21 | 6.25 | 450.32 | 183.89 |

| Sl. No. | Number and name of the grant | Original | Supple-mentary | Total | Actual Expenditure | Saving/ Excess | Savings as percentage of total grant | Surrender as on 31 March 2024 | Savings excluding surrender |
|---|---|---|---|---|---|---|---|---|---|
| 6 | 12 Medical Health & Family Welfare | 3,768.25 | 598.81 | 4,367.06 | 3,506.45 | 860.61 | 19.71 | 216.00 | 644.61 |
| 7 | 13 Water Supply, Housing & Urban Development | 1,127.53 | 256.59 | 1,384.12 | 1,188.96 | 195.16 | 14.10 | 16.25 | 178.91 |
| 8 | 15 Welfare schemes | 2,659.27 | 153.50 | 2,812.77 | 2,439.30 | 373.47 | 13.28 | 83.31 | 290.16 |
| 9 | 17 Crop Husbandry & Research | 1,216.57 | 6.03 | 1,222.60 | 806.10 | 416.50 | 34.07 | 41.54 | 374.96 |
| 10 | 19 Rural Development | 1,438.03 | 354.12 | 1,792.15 | 1,190.52 | 601.63 | 33.57 | 88.84 | 512.79 |
| 11 | 22 Public Works | 1,432.23 | 300.00 | 1,732.23 | 1,365.61 | 366.62 | 21.16 | 190.74 | 175.88 |
| 12 | 23 Industries | 404.89 | 61.20 | 466.09 | 353.33 | 112.76 | 24.19 | 10.44 | 102.32 |
| 13 | 25 Food | 278.12 | 289.43 | 567.55 | 200.29 | 367.26 | 64.71 | 4.91 | 362.35 |
| 14 | 27 Forest | 1,010.86 | 122.02 | 1,132.88 | 745.40 | 387.48 | 34.20 | 211.99 | 175.49 |
| 15 | 30 Welfare of Scheduled Castes | 1,670.57 | 121.43 | 1,792.00 | 1,195.23 | 596.77 | 33.30 | 22.14 | 574.63 |
| 16 | 31 Welfare of Scheduled Tribes | 468.98 | 33.32 | 502.30 | 307.11 | 195.19 | 38.86 | 17.69 | 177.50 |
| ***Total*** | | ***42,940.15*** | ***3,122.64*** | ***46,062.79*** | ***38,937.07*** | ***7,125.72*** | ***15.47*** | ***1,841.97*** | ***5,283.75*** |
| **Revenue (Charged)** | | | | | | | | | |
| 1 | 7, Finance, Tax, Planning, Secretariat & Miscellaneous Services | 6,390.40 | 72.96 | 6,463.36 | 5,302.91 | 1,160.45 | 17.95 | 3.54 | 1,156.91 |
| ***Total*** | | ***6,390.40*** | ***72.96*** | ***6,463.36*** | ***5,302.91*** | ***1,160.45*** | ***17.95*** | ***3.54*** | ***1,156.91*** |
| **Capital (Voted)** | | | | | | | | | |
| 1 | 4, Judicial Administration | 172.00 | 0.00 | 172.00 | 19.08 | 152.92 | 88.91 | 0.00 | 152.92 |
| 2 | 6, Revenue & General Administration | 1,109.60 | 2.16 | 1,111.76 | 109.46 | 1,002.30 | 90.15 | 2.46 | 999.84 |
| 3 | 7, Finance, Tax, Planning, Secretariat & Miscellaneous Services | 1,754.80 | 701.14 | 2,455.94 | 2,241.78 | 214.16 | 8.72 | 73.60 | 140.56 |
| 4 | 11 Education, Sports, Youth Welfare & Culture | 554.43 | 138.10 | 692.53 | 459.05 | 233.48 | 33.71 | 0.00 | 233.48 |
| 5 | 13 Water Supply, Housing & Urban Development | 1,398.16 | 1,320.75 | 2,718.91 | 1,605.53 | 1,113.38 | 40.95 | 1.51 | 1,111.87 |
| 6 | 15 Welfare schemes | 190.97 | 120.85 | 311.82 | 191.63 | 120.19 | 38.54 | 12.77 | 107.42 |
| 7 | 18 Co-operative | 200.00 | 3.00 | 203.00 | 8.00 | 195.00 | 96.06 | 100.00 | 95.00 |
| 8 | 19 Rural Development | 1,834.50 | 16.94 | 1,851.44 | 1,191.56 | 659.88 | 35.64 | 0.00 | 659.88 |
| 9 | 20 Irrigation and Flood | 853.07 | 8.50 | 861.57 | 604.55 | 257.02 | 29.83 | 11.04 | 245.98 |
| 10 | 21 Energy | 1,215.60 | 50.00 | 1,265.60 | 730.59 | 535.01 | 42.27 | 0.00 | 535.01 |

| Sl. No. | Number and name of the grant | Original | Supple-mentary | Total | Actual Expenditure | Saving/ Excess | Savings as percentage of total grant | Surrender as on 31 March 2024 | Savings excluding surrender |
|---|---|---|---|---|---|---|---|---|---|
| 11 | 22-Public Works | 1,348.30 | 256.51 | 1,604.81 | 1,299.50 | 305.31 | 19.02 | 52.17 | 253.14 |
| 12 | 24 Transport | 274.00 | 12.00 | 286.00 | 164.67 | 121.33 | 42.42 | 0.00 | 121.33 |
| 13 | 30 Welfare of Scheduled Castes | 410.04 | 261.19 | 671.23 | 501.90 | 169.33 | 25.23 | 4.15 | 165.18 |
| ***Total*** | | ***11,315.47*** | ***2,891.14*** | ***14,206.61*** | ***9,127.30*** | ***5,079.31*** | ***35.75*** | ***257.70*** | ***4,821.61*** |
| ***Grand Total*** | | ***60,646.02*** | ***6,086.74*** | ***66,732.76*** | ***53,367.28*** | ***13,365.48*** | ***20.03*** | ***2,103.21*** | ***11,262.27*** |

***Source: Appropriation Account.***

As it is evident from table above, Government sought supplementary budget of ₹ 6,086.74 crore in 30 cases under 20 grants which proved unnecessary as there was already a saving of ₹ 7,278.74 crore (12.00 *per cent*) against the Original Budget. The Government also surrendered amount of ₹ 2,103.21 under 18 grants. The reasons for savings were not given by the State Government.

### *3.5.1 Grants/Appropriations with budget utilization of less than 50 per cent*

Details of Grants/Appropriation with budget utilization of less than 50 *per cent* during 2023-24 are given in the **Table-3.10**.

**Table-3.10: Grants/Appropriations with budget utilization of less than 50 *per cent* (in 2023-24)**

| Sl. No. | Grant No & Name | 2019-20 (*percentage*) | 2020-21 (*percentage*) | 2021-22 (*percentage*) | 2022-23 (*percentage*) | 2023-24 (*percentage*) | Number of Years | Budget 2023-24 (in crore) | Total Budget of last 5 Years (in crore) |
|---|---|---|---|---|---|---|---|---|---|
| **1** | 01 Legislature (Capital Voted) | *76.93* | *17.29* | *15.00* | *8.33* | *24.02* | 4 | 7.50 | 58.70 |
| **2** | 04 Judicial Administration (Capital Voted) | *44.15* | *47.68* | *25.37* | *60.53* | *11.09* | 4 | 172.00 | 497.15 |
| **3** | 06 Revenue and other administration (Capital Voted) | *48.24* | *50.22* | *92.49* | *85.37* | *9.85* | 2 | 1,111.76 | 2,550.47 |
| **4** | 08 Excise (Revenue Voted) | *85.71* | *83.44* | *80.84* | *84.54* | *41.98* | 1 | 81.76 | 219.76 |
| **5** | 09 Public Service commission (Capital Voted) | *100.00* | *17.42* | *0.00* | *20.30* | *29.37* | 4 | 2.60 | 16.88 |
| **6** | 14 Information (Capital Voted) | *2.79* | *0.00* | *52.78* | *0.00* | *0.00* | 4 | 1.00 | 4.13 |
| **7** | 18 Co-operative (Capital Voted) | *99.98* | *0.00* | *0.00* | *83.91* | *3.94* | 3 | 203.00 | 570.00 |
| **8** | 20 Irrigation and Flood (Revenue Charged) | No Budget allocated, hence, no utilisation. | | | *13.87* | *15.03* | 2 | 3.00 | 6.00 |
| **9** | 25 Food (Revenue Voted) | *21.51* | *41.29* | *63.01* | *68.91* | *35.29* | 3 | 567.55 | 1,443.16 |
| **10** | 29 Horticulture (Capital Voted) | *74.04* | *119.26* | *76.12* | *43.28* | *38.65* | 2 | 236.40 | 317.29 |

As has been detailed in **Table-3.10** above, underutilization (less than 50 *per cent*) of budgetary provision was noticed in ten grants. Further analysis revealed that four departments were not able to utilise 50 *per cent* of the budget allocations in four out of the last five years.

### 3.5.2 Details of surrenders of funds in excess of ₹ 10 crore and above

Details of surrender of funds in excess of ₹ 10 crore and above at the end of March are given in **Table-3.11**.

**Table-3.11: Details of surrender of funds in excess of ₹ 10 crore and above till 31 March 2024**

*(₹ in crore)*

| Sl. No. | Grant Number and Name | Original | Supplementary | Total provisions | Actual Expenditure | Saving (-)/ Excess (+) | Amount Surrendered |
|---|---|---|---|---|---|---|---|
| **Revenue Voted** | | | | | | | |
| **1** | 01-Legislature | 85.40 | 0.00 | 85.40 | 63.05 | 22.35 | 20.30 |
| **2** | 04-Judicial Administration | 444.57 | 12.49 | 457.06 | 318.74 | 138.32 | 120.36 |
| **3** | 05-Election | 81.71 | 4.30 | 86.01 | 65.81 | 20.20 | 10.42 |
| **4** | 06- Revenue and General Administration | 2,071.25 | 325.44 | 2,396.69 | 2,022.22 | 374.47 | 41.02 |
| **5** | 07-Finance, Tax, Planning, Secretariat & Miscellaneous Services | 12,548.17 | 209.03 | 12,757.20 | 11,436.30 | 1,320.90 | 175.77 |
| **6** | 10- Police & Jail | 2,495.73 | 36.02 | 2,531.75 | 2,347.38 | 184.37 | 150.65 |
| **7** | 11 Education, Sports, Youth Welfare & Culture | 9,905.12 | 243.22 | 10,148.34 | 9,514.13 | 634.21 | 450.32 |
| **8** | 12-Medical, Health & Family Welfare | 3,768.25 | 598.81 | 4,367.06 | 3,506.45 | 860.61 | 216.00 |
| **9** | 13-Water Supply, Housing and Urban Development | 1,127.53 | 256.59 | 1,384.12 | 1,188.96 | 195.16 | 16.25 |
| **10** | 15-Welfare Schemes | 2,659.27 | 153.50 | 2,812.77 | 2,439.30 | 373.47 | 83.32 |
| **11** | 16-Labour and Employment | 475.86 | 82.46 | 558.32 | 523.76 | 34.56 | 20.34 |
| **12** | 17- Crop Husbandry and Research | 1,216.57 | 6.03 | 1,222.60 | 806.10 | 416.50 | 41.54 |
| **13** | 18- Cooperative | 144.18 | 32.72 | 176.90 | 110.15 | 66.75 | 44.98 |
| **14** | 19-Rural Development | 1,438.03 | 354.12 | 1,792.15 | 1,190.52 | 601.63 | 88.84 |
| **15** | 20- Irrigation and Flood | 587.35 | 5.50 | 592.85 | 520.52 | 72.33 | 64.55 |
| **16** | 22-Public Works | 1,432.23 | 300.00 | 1,732.23 | 1,365.61 | 366.62 | 190.74 |
| **17** | 23-Industries | 404.89 | 61.20 | 466.09 | 353.33 | 112.76 | 10.44 |
| **18** | 27-Forest | 1,010.86 | 122.02 | 1,132.88 | 745.40 | 387.48 | 211.99 |
| **19** | 28-Animal Husbandry | 552.18 | 24.40 | 576.58 | 498.57 | 78.01 | 24.33 |
| **20** | 29- Horticulture Development | 580.96 | 8.41 | 589.37 | 354.60 | 234.77 | 50.62 |
| **21** | 30-Welfare of Scheduled | 1,670.57 | 121.43 | 1,792.00 | 1,195.23 | 596.77 | 22.14 |

| Sl. No. | Grant Number and Name | Original | Supplementary | Total provisions | Actual Expenditure | Saving (-)/ Excess (+) | Amount Surrendered |
|---|---|---|---|---|---|---|---|
| | Castes | | | | | | |
| 22 | 31-Welfare of Scheduled Tribes | 468.98 | 33.32 | 502.30 | 307.11 | 195.19 | 17.69 |
| ***Total*** | | ***45,169.66*** | ***2,991.01*** | ***48,160.67*** | ***40,873.24*** | ***7,287.43*** | ***2,072.61*** |
| **Revenue Charged** | | | | | | | |
| 1 | 04-Judicial Administration | 103.23 | 19.05 | 122.28 | 72.46 | 49.82 | 41.94 |
| ***Total*** | | ***103.23*** | ***19.05*** | ***122.28*** | ***72.46*** | ***49.82*** | ***41.94*** |
| **Capital Voted** | | | | | | | |
| 1 | 07-Finance, Tax, Planning, Secretariat & Miscellaneous Services | 1,754.80 | 701.14 | 2,455.94 | 2,241.78 | 214.16 | 73.60 |
| 2 | 15-Welfare Schemes | 190.97 | 120.85 | 311.82 | 191.63 | 120.19 | 12.77 |
| 3 | 18-Cooperative | 200.00 | 3.00 | 203.00 | 8.00 | 195.00 | 100.00 |
| 4 | 20- Irrigation and Flood | 853.07 | 8.50 | 861.57 | 604.55 | 257.02 | 11.04 |
| 5 | 22-Public Works | 1,348.30 | 256.51 | 1,604.81 | 1,299.50 | 305.31 | 52.17 |
| ***Total*** | | ***4,347.14*** | ***1,090.00*** | ***5,437.14*** | ***4,345.46*** | ***1,091.68*** | ***249.58*** |
| ***Grand Total*** | | ***49,620.03*** | ***4,100.06*** | ***53,720.09*** | ***45,291.16*** | ***8,428.93*** | ***2,364.13*** |

***Source: Appropriation Account.***

The Government of Uttarakhand surrendered ₹ 2,477.40 crore of funds during the financial year 2023-24. Out of this surrender of ₹ 2,477.40 crore, ₹ 40.00 crore of surrender was not included in Grant No. 23-Industries, due to the reasons that the surrender of ₹ 40.00 crore was more than the Original and Supplementary Budget of ₹ 39.58 crore. The matter was referred by A&E office to the State Government and they assured that scrutiny will be done in this regard.

### *3.5.3 Distribution of the number of Grants/Appropriations grouped by the percentage of utilization*

Details of distribution of the number of Grants/Appropriations grouped by the percentage of utilization are given in the **Chart-3.2** below:

**Chart-3.2: Distribution of the number of Grants/Appropriations grouped by the percentage of utilization**

As is evident from chart above, in 11 Grants/Appropriations, the utilization was between 70 to 90 *per cent* and in 12 grants, the utilization was between 50 to 70 *per cent*, in two Grants/Appropriations utilization was below 50 *per cent,* in five Grants/ Appropriations, the utilization was between 90 to 100 *per cent*, and in one Grant/Appropriation namely, 07- Finance, Tax, Planning, Secretariat & Miscellaneous Services, utilization was above 100 *per cent* of the budget allocations.

### *3.5.4 Details of savings and surrenders before close of financial year 2023-24*

Details of savings and surrenders before close of financial year 2023-24 are given in **Chart-3.3**:

**Chart-3.3: Savings and surrenders before close of financial year 2023-24**

***(₹ in crore)***

As it is evident from above, there was a saving of ₹ 7,118.00 crore as compared to budget figures during the year 2023-24. However, the various Government departments proposed ₹ 2,477.00 crore for surrender and ₹ 2,477.00 crore was surrendered by the Government departments during 2023-24 (on 31 March 2024).

### *3.5.5 Budget allocation and its utilization*

Budget allocation (original & supplementary) and its utilization (percentage) is given in **Chart-3.4** below:

**Chart-3.4: Budget allocation and utilization during 2019-20 to 2023-24**

## 3.6 Excess expenditure and its regularization

Article 205(1) (b) of the Constitution provides that if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year, the Governor shall cause to be presented to the Legislative Assembly of the State, a demand for such excess. This implies that it is mandatory for a State Government to get excesses over grants/appropriations regularized by the State Legislature for the Financial year.

Although no time limit for regularization of excess expenditure has been prescribed under the Article, the regularization of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee. Failure to do so is in contravention of constitutional provisions and defeats the objective of ensuring accountability by the Legislature of the executive over utilization of public money.

### *3.6.1 Excess expenditure relating to 2023-24*

Excess expenditure over the provision for the year is not only in contravention of the provisions requiring Legislative sanction but also indicative of bad planning, which could be avoided by keeping track of expenditure progression with budget made for the purpose. The summary of excess expenditure over the provision of the financial year is given in **Table-3.12**.

**Table-3.12: Summary of excess disbursement over Grant/Appropriation during 2023-24**

***(₹ in crore)***

| | Name of department/Grant |
|---|---|
| | **07- Finance, Tax, Planning, Secretariat & Miscellaneous Services** |
| Capital Charged | 7,302.10 |
| ***Total Excess*** | ***7,302.10*** |

***Source: Appropriation Account.***

### *3.6.2 Details of Major Head wise disbursement over the authorization*

According to para 151 of Uttarakhand Budget Manual, Under sub-clauses (b) of clause (1) and (2) of Article 205 of the Constitution of India, if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year, demand for such excess amount has to be presented to the Legislative Assembly and is to be dealt with in the same way as if it were a demand for a grant.

Details of Major Head-wise disbursement over the authorization from the Consolidated Fund of the State during the financial year 2023-24 are given in **Table-3.13**

**Table-3.13: Major Head wise excess disbursement over the authorization from the Consolidated Fund of State**

***(₹ in crore)***

| Sl. No. | Grant No. | Major Head | Major Head Description | Total provision | Re-appropriation | Total | Expenditure | Excess | Reasons for excess stated by the Department |
|---|---|---|---|---|---|---|---|---|---|
| **1** | **2** | **3** | **4** | **5** | **6** | **7 = 5+6** | **8** | **9= 8-7** | **10** |
| **1.** | 7 | 2071 | Pensions and Other Retirement Benefits | 2,422.00 | 193.01 | 2,615.01 | 2,656.46 | 41.45 | Reasons not provided by the Department. |

| Sl. No. | Grant No. | Major Head | Major Head Description | Total provision | Re-appropriation | Total | Expenditure | Excess | Reasons for excess stated by the Department |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 = 5+6 | 8 | 9= 8-7 | 10 |
| 2 | 7 | 2049 | Interest Payments | 1,597.00 | 62.96 | 1,659.96 | 1,878.88 | 218.92 | Reasons not provided by the Department. |
| 3 | 7 | 4059 | Capital outlay on Public Works | 3.00 | 0.00 | 3.00 | 3.09 | 0.09 | |
| 4 | 7 | 6003 | Internal Debt of the State Government | 12,250.00 | 0.00 | 12,250.00 | 19,700.67 | 7,450.67 | |
| 5 | 7 | 6004 | Loans and Advances from the Central Government | 10.00 | 0.00 | 10.00 | 16.32 | 6.32 | |
| 6 | 11 | 2202 | General Education | 352.95 | 0.00 | 352.95 | 827.57 | 474.62 | |
| 7 | 13 | 2217 | Urban Development | 6.42 | 0.00 | 6.42 | 6.62 | 0.20 | |
| 8 | 31 | 2235 | Social security and welfare | 12.20 | 0.00 | 12.20 | 13.29 | 1.09 | |
| | | | | | | | ***Total*** | ***8,193.36*** | |

***Source: Detailed Appropriation Accounts.***

### *3.6.3 Persistent excesses in certain Grants*

A number of grants witness excess expenditure year after year. The persistent excess expenditure indicates that the budgetary control in the department as well as oversight by the Finance Department were ineffective and budget estimates were not prepared on realistic basis. Such repeated excess expenditure is in violation of the will of the State Legislature. Strictly, not a single rupee can be spent without prior legislative authorization and, therefore, this has been a serious lapse on part of executives. Persistent excesses may be due to improper estimation at the time of preparation of budget. Persistent excesses were noticed in one grant during 2019-20 to 2023-24 is given in **Table-3.14** below:

**Table-3.14: Details of excess noticed in one grants during 2019-20 to 2023-24**

***(₹ in crore)***

| Sl. No. | Description of Grant/Appropriation | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---|---|---|---|---|---|
| | **Grant No.-07: Finance, Tax, Planning, Secretariat & Miscellaneous Services (Capital Charged)** | | | | | |
| 1 | Total Grant | 2,876.31 | 3,503.31 | No Excess | 7,578.24 | 15,727.63 |
| 2 | Expenditure | 9,096.03 | 8,269.59 | | 8,474.77 | 23,029.73 |
| 3 | Total Excess | 6,219.72 | 4,766.28 | | 896.53 | 7,302.10 |
| 4 | Excess under WMA | 5,865.36 | 4,561.42 | | 1,195.47 | 7,419.65 |

***Source: Appropriation Accounts.***

As is evident from the table above, persistent excess were noticed in the Grant no. 07 Finance, Tax, Planning, Secretariat and Miscellaneous Services over the period 2019-20 to 2020-21 and 2022-23 to 2023-24. It was noticed that this persistent excess occurred due to major portion of excess in Ways and Means Advances during these years. The Government has not furnished any reasons for this.

### *3.6.4 Regularisation of excess expenditure of previous financial years*

Paragraph 121 of Chapter XIII of the Uttarakhand Budget Manual envisages that if after the close of the year, it is revealed, through the Appropriation Accounts, that any expenditure was incurred under any Grant or Charged Appropriation in excess of the final appropriation for that year under that Grant or Charged Appropriation, the excess expenditure should be regularised, on the basis of the recommendation of the Committee on Public Accounts, by presenting to the Legislative Assembly, demands for excess grants as required under Article 205 (1) (b) of the Constitution. However, excess expenditure amounting to ₹ 48,654.69 crore pertaining to previous years from 2005-06 to 2022-23 was yet to be regularised by the State Legislature. Out of ₹ 48,654.69 crore,₹ 28,618.93 crore pertains to excess under Ways and Means Advances and ₹ 19,041.88 crore pertains to excess under Grant number 17,25 and 29. The excess expenditure in Ways and Means Advances under Grant No. 7 (Finance, Tax, Planning, Secretariat and Miscellaneous Services) was due to repayment of Loans under Ways and Means Advances more than the Budget estimates. Further, excess expenditure reflected under Grant No. 17 (Agriculture Works and Research), Grant No. 25 (Food) and Grant No. 29 (Horticulture Development) was due to the fact that Budget estimates were prepared after netting of recoveries ( budget estimates were prepared on net basis rather than on gross basis).

During exit conference, the Government stated that Finance Department will take appropriate action. However, this has to be done by PAC/State Legislature.

The year-wise amount of excess expenditure pending regularization is summarized in **Table-3.15, Table-3.15 (A)** and **Table-3.15 (B)**.

**Table-3.15: Details of year-wise amount of excess expenditure pending regularisation**

(***₹ in crore***)

| Year | No. of Grant/ Appropriation | Grant/Appropriation details | Amount of excess required to be regularised as commented in the Appropriation Accounts | Status of regularization |
|---|---|---|---|---|
| 2005-06 | 07 | 7,8,17,20,22,25 & 29 | 663.50 | Not yet regularised |
| 2006-07 | 06 | 7,17,20,22,25 & 29 | 935.92 | |
| 2007-08 | 06 | 7,17,20, 22,25 & 29 | 733.79 | |
| 2008-09 | 06 | 7,17,20,22,25 & 29 | 1,146.41 | |
| 2009-10 | 07 | 7,17,18,21,22,25 & 29 | 1,007.49 | |
| 2010-11 | 09 | 10,12,15,17,20,21,22,25 & 29 | 1,295.40 | |
| 2011-12 | 05 | 7,17,22,25 & 29 | 1,611.40 | |
| 2012-13 | 07 | 12,14,17,21,22,25 & 29 | 1,835.34 | |
| 2013-14 | 03 | 22,25 & 29 | 1,837.15 | |
| 2014-15 | 04 | 17,22, 25 & 29 | 1,922.80 | |
| 2015-16 | 04 | 17, 22, 25 & 29 | 2,334.24 | |
| 2016-17 | 04 | 07, 17, 25 & 29 | 5,457.33 | |
| 2017-18 | 06 | 07,17,20,22,25 & 27 | 6,413.38 | |
| 2018-19 | 03 | 07,19 & 25 | 8,464.98 | |
| 2019-20 | 03 | 07,17 & 25 | 7,214.48 | |
| 2020-21 | 06 | 07,17,18,19,25 & 29 | 4,884.55 | |
| 2021-22 | -- | --- | 0.00 | |
| 2022-23 | 01 | 7 | 896.53 | |
| ***Total*** | | | ***48,654.69*** | |

***Source: Appropriation Accounts.***

**Table-3.15 (A): Details of year-wise amount of excess expenditure under Grant no. 17, 25 & 29 pending regularisation**

(*₹ in crore*)

| Year | No. of Grants | Grant/Appropriation details | Amount of excess required to be regularised as commented in the Appropriation Accounts | Status of regularization |
|---|---|---|---|---|
| 2005-06 | 03 | 17,25 and 29 | 492.66 | Not yet regularised |
| 2006-07 | 02 | 17, and 25 | 408.31 | |
| 2007-08 | 03 | 17,25 and 29 | 386.78 | |
| 2008-09 | 03 | 17,25 and 29 | 580.44 | |
| 2009-10 | 03 | 17,25 and 29 | 931.04 | |
| 2010-11 | 03 | 17,25 and 29 | 1,240.96 | |
| 2011-12 | 03 | 17,25 and 29 | 1,306.09 | |
| 2012-13 | 03 | 17,25 and 29 | 1,828.36 | |
| 2013-14 | 02 | 25 and 29 | 1,780.56 | |
| 2014-15 | 03 | 17,25 and 29 | 1,763.02 | |
| 2015-16 | 03 | 17,25 and 29 | 2,218.20 | |
| 2016-17 | 03 | 17,25 and 29 | 2,270.88 | |
| 2017-18 | 02 | 17, and 25 | 1,326.11 | |
| 2018-19 | 01 | 25 | 1,414.04 | |
| 2019-20 | 02 | 17, and 25 | 994.76 | |
| 2020-21 | 03 | 17,25 and 29 | 99.67 | |
| 2021-22 | - | - | - | |
| 2022-23 | - | - | - | |
| 2023-24 | - | - | - | |
| ***Total*** | | | ***19,041.88*** | |

**Table-3.15 (B): Details of year-wise amount of excess expenditure under WMA pending regularisation.**

(*₹ in crore*)

| Year | Grant/Appropriation details | Amount of excess required to be regularised as commented in the Appropriation Accounts | Status of regularization |
|---|---|---|---|
| 2006-07 | 07 | 376.14 | Not yet regularised |
| 2007-08 | 07 | 311.94 | |
| 2008-09 | 07 | 475.86 | |
| 2009-10 | 07 | 199.81 | |
| 2010-11 | 07 | 5.87 | |
| 2011-12 | 07 | 431.17 | |
| 2016-17 | 07 | 3,291.28 | |
| 2017-18 | 07 | 5,130.91 | |
| 2018-19 | 07 | 7,072.64 | |
| 2019-20 | 07 | 5,865.36 | |
| 2020-21 | 07 | 4,561.42 | |
| 2021-22 | - | 0.00 | |
| 2022-23 | 07 | 896.53 | |
| 2023-24 | - | - | |
| | ***Total*** | ***28,618.93*** | |

***Source: Appropriation Accounts.***

The State Government has not furnished any reasons for these excesses. Therefore, this is in violation of Articles 204 and 205 of the Constitution which provides that no money shall be withdrawn from the Consolidated Fund except under appropriation made by Law by the State Legislature. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

It's essential for the Government to address excesses through transparent and accountable fiscal management practices while ensuring long-term planning and budgetary discipline.

## 3.7 Grant-in-aid for creation of capital asset

Grants-in-aid are payments in the nature of assistance, donations or contributions made by one government to another government, body, institution or individual. Grants-in-aid are given for specified purpose of supporting an institution including construction of assets.

As per Indian Government Accounting Standards 2 (IGAS 2), Grants-in-aid disbursed by a grantor to a grantee shall be classified and accounted for as revenue expenditure irrespective of the purpose for which the funds disbursed as Grants-in-aid are to be spent by the grantee, except in cases where it has been specifically authorized by President on the advice of the Comptroller and Auditor General of India.

It has been noticed that Grants-in-aid for capital assets are sometimes classified as capital expenditure. This leads to understatement of revenue deficit.

Details of Grants-in-aid classified as Capital Expenditure for the period 2019-20 to 2023-24 are given in the **Table-3.16**.

**Table-3.16: Details of Grants-in-aid classified as Capital Expenditure**

***(₹ in crore)***

| Particulars | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---|---|---|---|---|
| GIA booked as Capital Expenditure | 46.00 | 80.00 | 26.00 | 0.00 | 66.83 |
| Total Capital Expenditure | 5,414.00 | 6,538.00 | 7,533.00 | 8,195.00 | 10,981.80 |
| Share of GIA in Capital Expenditure (In *per cent*) | 0.86 | 1.22 | 0.35 | 0.00 | 0.61 |
| Impact on Revenue Deficit (-)/Revenue Surplus (+), if expenditure from GIA is treated as Revenue Expenditure | (-) 2,182 | (+)1,034 | (+)4,102 | (+)5,310 | (+)3,274.22 |

Details of share of Grants-in-aid in Capital Expenditure is given in the **Chart-3.5** below:

**Chart-3.5: Details of share of Grants-in-aid in Capital Expenditure**

***(in per cent)***

The State Government has continued to book Grants-in-aid as capital expenditure over the period 2019-20 to 2021-22 and 2023-24. This has resulted in understatement of revenue deficit for the year 2019-20 and overstatement of revenue surplus for the year 2020-21 and 2021-22 and 2023-24. However, no Grants-in-aid was booked as capital expenditure during 2022-23.

***Comments on transparency of budgetary and accounting process:- Lump Sum budgetary provisions***

As per Para 31 (Chapter 5) of Budget Manual, it is provided that Lump Sum provisions should not, as a rule, be made in the estimates. However, Uttarakhand Government made Lump Sum Budgetary provision of ₹ 981.09 crore during 2023-24 for schemes like Lump Sum Grant for Chief Minister's announcement, Lump Sum amount for implementation of District Plan etc.

Further, the Government incurred an expenditure of ₹ 2,923.43 crore under object head "Other Departmental Expenditure" despite availability of 24 object heads.

## 3.8 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 competing developmental needs. Excessive savings in some departments deprive other departments of the funds which they could have utilized.

The summarised position of original and supplementary provision *vis-à-vis* actual expenditure during 2023-24 in respect of 31 Grants/Appropriations is given in **Table-3.17**.

**Table-3.17: Summarised position of Original/Supplementary Provisions *vis-à-vis* Actual Expenditure during 2023-24**

***(₹ in crore)***

| | Nature of expendi-ture | Original Grant/Appro priation | Supplementary Grant/Appropriation | Total | Actual expendi-ture | Net of Savings (-) Excess (+) | Surrender during March | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Am ount | *Per cent* |
| **Voted** | I. Revenue | 46,100.92 | 3,438.80 | 49,539.72 | 41,781.63 | (-)7,758.09 | 0 | 0 |
| | II. Capital | 13,133.79 | 3,290.21 | 16,424.00 | 11,181.93 | (-)5,242.07 | | |
| | III. Loans &Advances | 297.95 | 0.00 | 297.95 | 124.09 | (-)173.86 | | |
| ***Total*** | | ***59,532.66*** | ***6,729.01*** | ***66,261.67*** | ***53,087.65*** | ***13,174.02*** | | |
| **Charged** | IV. Revenue | 6,646.79 | 92.11 | 6,738.90 | 5,492.33 | (-)1,246.57 | | |
| | V Capital | 0 | 0 | 0 | 0 | 0 | | |
| | VI Public Debt-Repayment | 11,227.63 | 4,500.00 | 15,727.63 | 23,029.73 | (+)7,302.10 | | |
| ***Total*** | | ***17,874.42*** | ***4,592.11*** | ***22,466.53*** | ***28,522.06*** | ***(+)6,055.53*** | | |
| Appropriation to Contingency Fund (if any) | | 0 | 0 | 0 | 0 | 0 | | |
| ***Grand Total*** | | ***77,407.08*** | ***11,321.12*** | ***88,728.20*** | ***81,609.71*** | ***(-)7,118.49*** | | |

***Source: Appropriation Accounts.***

As shown above, there was an overall net saving of ₹ 7,118.49 crore from budgetary figures which was the result of saving of ₹ 14,420.59 crore in Grants and Appropriations, offset by excess of ₹ 7,302.10 crore. Further, surrender of ₹ 2,477.40 crore was made in all 31 Grants/ Appropriation on 31 March 2024 during the year 2023-24.

Details of Original Budget, Revised Estimate and Actual Expenditure during 2019-20 to 2023-24 are given in **Table-3.18**.

**Table-3.18: Original Budget, Revised Estimate and Actual Expenditure during 2019-20 to 2023-24**

*(₹ in crore)*

| | 2019-20 | 2020-21 | 2021- 22 | 2022-23 | 2023-24 |
|---|---|---|---|---|---|
| **Original Budget** | 48, 663.90 | 53, 526.97 | 57,937.83 | 65,571.49 | 77,407.08 |
| **Supplementary Budget** | 2, 533.90 | 4,063.79 | 7,074.57 | 5,440.43 | 11,321.12 |
| **Total Budget (TB)** | 51,197.80 | 57,590.76 | 65,012.40 | 71,011.92 | 88,728.20 |
| **Revised Estimate (RE)** | 45,081.50 | 51, 343.15 | 53,130.62 | 67,753.65 | 77,887.84 |
| **Actual Expenditure (AE)** | 47,973.19 | 52, 000.11 | 50,694.35 | 60,592.90 | 81,609.71 |
| **Saving (-) /Excess(+)** | (-)3, 224.61 | (-)5, 590.65 | (-)14318.05 | (-)10,419.02 | (-)7,118.49 |
| **Percentage of Supplementary to the Original Provision** | *5.21* | *7.59* | *12.21* | *8.30* | *14.63* |
| **Percentage of overall Saving/Excess to the overall provision** | *6.30* | *9.71* | *22.02* | *14.67* | *8.02* |
| **TB-RE** | 6,116.30 | 6,247.61 | 11,881.78 | 3,258.27 | 10,840.36 |
| **RE-AE** | (+)2,891.69 | (+)656.96 | (-)2,436.27 | (-)7,160.75 | (+)3,721.87 |
| **(TB-RE) as per cent of TB** | *11.95* | *10.85* | *18.28* | *4.59* | *12.22* |
| **(RE-AE) as per cent of TB** | *(+) 5.65* | *(+)1.14* | *(-)3.75* | *(-)10.08* | *(+)4.19* |

***Source: Appropriation Accounts and Budget documents of respective years.***

**Table-3.18** shows that supplementary provision of ₹ 11,321.12 crore during 2023-24 constituted 14.63 *per cent* of the original provision as against 8.30 *per cent* in the previous year.

**Chart-3.6: Details of Trend showing BE, RE and Actuals**

From the above **Table-3.18**, it can be seen that over the years from 2019-20 to 2023-24, the Revised Estimate (RE) was always lower than the Total Budget (TB) of the State. The gap between the RE and the TB showed an increasing trend. During the period 2019-20 to 2021-22 it increased from 11.95 *per cent* to 18.28 *per cent*, however in the year 2022-23 it decreased to 4.59 *per cent* indicating larger/smaller estimation error. During the current year 2023-24 it again increased to 12.22 *per cent*.

Further, the percentage of Actual Expenditure (AE) during the period 2019-20 and 2020-21 was higher than the RE and it was 5.65 *per cent* and 1.14 *per cent* respectively. Further, the percentage of AE during the years 2021-22 and 2022-23 was lower than RE by 3.75 *per cent* and 10.08 *per cent* respectively and during 2023-24 the percentage of AE was 4.19 *per cent* higher than the RE As such, the supplementary provision was required in the year 2023-24 because AE was higher than the original provision. However, during the years 2019-20 to 2022-23 supplementary provisions proved unnecessary since the expenditure did not come up even to the level of original budget provisions.

This reflects that budgetary allocations were based on unrealistic proposals as Budget Estimates of the State were always inflated, and the Actual Expenditure was less than the budgetary provisions during the previous four years.

A summary of Explanation for variation in Appropriation accounts is given in the **Chart-3.7** below:

**Chart-3.7: Summary of Explanation for Variation in Appropriation Accounts**

During 2023-24, the State Government booked the expenditure under 1,114 detailed heads below different Major Heads of accounts under 31 Grants and Appropriations. Out of 1,114 detailed heads, variation (20 *per cent* or more) against the total budget provision was noticed in 916 detailed heads. Out of 916 detailed heads explanation was received only in 204 detailed heads. However, 712 detailed heads further required explanation. Further, out of 1,114 detailed heads justification was not required in respect of 198 detailed heads, as the variation in these detailed heads were below 20 *per cent*.

## 3.9 Supplementary budget and opportunity cost

At times, while obtaining supplementary provision, the Departments report to legislature for large additional requirement for different purposes under various schemes/activities; but finally, they are unable to spend not only the entire supplementary provision or parts thereof but also the original budget provision. At the same time, some of the schemes remain incomplete for want of funds. Thus, the intended benefits of the unfinished schemes are not extended to the public in such cases. Further, this leads to escalation of project cost.

The Government also announces several new policies/schemes for implementation through the Finance Minister (FM) Budget Speech and other budget documents which are either for that Financial Year *i.e.,* one-time activity or are of recurring nature.

Details of un-utilised funds under capital voted section are given in **Table-3.19**.

**Table-3.19: Details of un-utilised funds under capital voted section**

*(₹ in crore)*

| Sl. No. | Number/ Name of the Grant | Original allocation | Supplementary | Total | Actual expenditure | Unutilised funds | Surrender on 31 March 2024 |
|---|---|---|---|---|---|---|---|
| **Capital (Voted)** | | | | | | | |
| 1 | 06-Revenue and General Administration | 1,109.60 | 2.16 | 1,111.76 | 109.46 | 1,002.30 | 2.46 |
| 2 | 11-Education, Sports, Youth Welfare & Culture | 554.43 | 138.10 | 692.53 | 459.05 | 233.48 | - |
| 3 | 16- Labour & Employment | 77.00 | 7.00 | 84.00 | 72.16 | 11.84 | - |
| 4 | 18- Co-operative | 200.00 | 3.00 | 203.00 | 8.00 | 195.00 | 100.00 |
| 5 | 19/Rural Development | 1,834.50 | 16.94 | 1,851.44 | 1,191.56 | 659.88 | - |
| 6 | 21- Energy | 1,215.60 | 50.00 | 1,265.60 | 730.59 | 535.01 | - |
| 7 | 22- Public Works | 1,348.30 | 256.51 | 1,604.81 | 1,299.50 | 305.31 | 52.17 |
| 8 | 24-Transport | 274.00 | 12.00 | 286.00 | 164.67 | 121.33 | - |
| 9 | 27- Forest | 70.73 | 3.98 | 74.71 | 58.67 | 16.04 | 9.59 |
| 10 | 29- Horticulture Development | 232.40 | 4.00 | 236.40 | 91.38 | 145.02 | - |
| ***Total*** | | ***6,916.56*** | ***493.69*** | ***7,410.25*** | ***4,185.04*** | ***3,225.21*** | ***164.22*** |

***Source: Appropriation Account.***

Due to unavailability of data from the State Government in respect of schemes/projects which could not be completed for want of funds during the year, it could not be ascertained in audit whether savings of ₹ 3,225.21 crore under capital section could have been utilized for the completion of those schemes/projects. Out of total unutilized fund of ₹ 3,225.21 crore under Capital Section in above mentioned ten Grants, only ₹164.22 crore was surrendered during the year 2023-24.

## 3.10 Adherence of Financial Power in relation to re-appropriation

Audit analysis of re-appropriation orders revealed that all the re-appropriations were issued by the Finance Department, Government of Uttarakhand. Re-appropriations to the tune of ₹2,230.78 crore was made within the Grant and within the schemes contemplated in the Original Budget. However, no case of re-appropriation from Capital to Revenue and vice-versa and from Voted to Charged and vice-versa was noticed during the year 2023-24. No case of re-appropriation was made after the close of the financial year.

## 3.11 Major policy pronouncements in budget and their actual funding for ensuring implementation

Several policy initiatives taken up by the Uttarakhand Government are wholly or partially 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.

It was observed that under ten schemes under seven grants (₹10 crore or more in each scheme) there was revised outlay of ₹ 388.93 crore but no expenditure was incurred resulting in non-implementation of schemes as shown in **Table-3.20** below.

**Table-3.20: Details of the scheme for which provision (₹ 10 crore and above) was made but was either withdrawn or no expenditure was incurred**

*(₹ in crore)*

| Sl. No | Grant No. | Name of the Scheme | Approved Outlay (O+S) | Revised Outlay (after re-appropriation) |
|---|---|---|---|---|
| 1 | 07-Finance, Tax, Planning, Secretariat, and Miscellaneous Services | Market Loan received in the financial Year 2023-24 | 300.00 | 300.00 |
| 2 | 11-Education, Sports, Youth Welfare & Culture | Construction/Strengthening of Govt. Polytechnic institutes and Hostels (90% CSS) | 10.59 | 7.83 |
| 3 | 13-Water Supply Housing & Urban Development | K F W Scheme | 10.00 | 5.00 |
| | | To Develop Haridwar as a Tourist City | 27.00 | 2.00 |
| | | Green city/Brown city Construction | 10.00 | 1.00 |
| | | Unity Mall/Plaza Construction | 50.10 | 0.10 |
| 4 | 17-Crop Husbandry and Research | Integrated Agricultural Village Scheme | 12.00 | 5.00 |
| 5 | 21-Energy | Investment in Govt Sectors and other Sectors (Externally Aided Scheme) | 163.44 | 35.00 |
| 6 | 24-Transport | Purchase of Helicopter/Airplane | 50.00 | 28.00 |
| 7 | 29-Horticulture Development | Externally Assisted Projects of the Horticulture Development | 40.00 | 5.00 |
| ***Total*** | | | ***673.13*** | ***388.93*** |

***Source: Budget document 2023-24 & 2024-25.***

Further, under eight schemes, there was approved outlay of ₹ 180.00 crore which was fully withdrawn in revised outlay as shown in **Table-3.21** below. This reflects that budgetary allocations were based on unrealistic proposals.

**Table-3.21: Details of the schemes for which provisions (₹ five crore and above) was made but were withdrawn fully through re-appropriation**

*(₹ in crore)*

| Sl. No. | Grant No. | Name of the Scheme | Approved Outlay | Reasons for withdrawal |
|---|---|---|---|---|
| 1 | 01-Legislature | Construction of Legislative Assembly during Summer in Gairsen | 5.00 | Saving under the Scheme |
| 2 | 07- Finance, Tax, Planning, Secretariat, and Miscellaneous Services | Development of infrastructure facilities with funds received from schemes | 50.00 | Saving in Major Works |
| 3 | | Climate change mitigation | 65.00 | Saving in Major Works |
| 4 | | Construction of Secretary/Additional Secretary Level residential building | 6.00 | Saving under the Scheme |
| 5 | | Construction of state Guest House at Rudraprayag And Haridwar | 20.00 | Saving in Major Works and Saving under the Scheme |
| 6 | | Demolition/Renovation of Non-Residential building in Sachivalaya Campus | 5.00 | Due to Saving under the Scheme |
| 7 | 19- Rural Development | C M women self-help group empowerment scheme. | 5.00 | Due to Saving under the Scheme |
| 8 | 24-Transport | NABARD FUNDED | 24.00 | Due to saving in Major Works |
| ***Total*** | | | ***180.00*** | |

## 3.12 Rush of expenditure

Paragraph 183 of chapter XVII of Uttarakhand Budget Manual stipulates that rush of expenditure in the closing month of the financial year should be avoided. For sound financial management, uniform pace of expenditure should be maintained. Contrary to this, expenditure exceeding 50 *per cent* of the total expenditure for the year 2023-24 was incurred in March 2024 in respect of 9 Major Heads as listed in **Table-3.22** below:

**Table-3.22: Major Heads where more than 50 *per cent* of expenditure was incurred in March alone (in percentage)**

*(₹ in crore)*

| Sl. No. | Major Head | Description | Ist Qtr. | 2nd Qtr. | 3rd Qtr. | 4th Qtr. | Total | Expendi-ture in March | Expenditure in March as percentage of total expenditure |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2030 | Stamps and Registration | 2.70 | 3.18 | 3.95 | 21.58 | 31.41 | 18.57 | 59.12 |
| 2 | 2216 | Housing | 0.00 | 0.23 | 0.91 | 8.56 | 9.70 | 7.82 | 80.62 |
| 3 | 4059 | Capital Outlay on Public Works | 302.31 | 358.92 | 233.24 | 1,402.39 | 2,296.86 | 1,186.99 | 51.68 |
| 4 | 4225 | Capital Outlay on Welfare of Schedule Castes, Scheduled Tribes, Other Backward Classes and Minorities | 2.95 | 4.47 | 7.77 | 79.86 | 95.05 | 64.71 | 68.08 |
| 5 | 4401 | Capital Outlay on Crop Husbandry | -3.49 | 30.06 | 16.05 | 91.85 | 134.47 | 86.39 | 64.24 |
| 6 | 4406 | Capital Outlay on Forestry and Wild Life | 0.00 | 12.97 | 8.70 | 41.48 | 63.15 | 37.37 | 59.18 |
| 7 | 4700 | Capital Outlay on Major Irrigation (1) | 4.57 | 48.07 | 12.25 | 286.36 | 351.25 | 250.61 | 71.35 |
| 8 | 4810 | Capital Outlay on Non-Conventional sources of Energy | 0.00 | 0.00 | 0.00 | 66.83 | 66.83 | 66.83 | 100 |
| 9 | 4859 | Capital Outlay on Telecommunication and Electronic Industries | 0.00 | 0.00 | 0.00 | 40.46 | 40.46 | 40.46 | 100 |
| ***Total*** | | | ***309.04*** | ***457.90*** | ***282.87*** | ***2,039.37*** | ***3,089.18*** | ***1,759.75*** | ***56.96*** |

The monthly pace of expenditure was not uniform as was required under the Uttarakhand Budget Manual, as 66.02 *per cent* of expenditure under nine Major Heads was incurred in the last quarter of the financial year 2023-24 while as 56.96 *per cent* of expenditure was incurred in the month of March 2024.

The quarterly details of expenditures incurred across all Grants are shown in the following table:

**Table-3.23: Statement showing Quarter Wise Expenditure for all Major Heads in all Grants during 2023-24**

*(₹ in crore)*

| Grant no. | Description | Allocation during 23-24 | Expenditure | | | | | Total Expenditure during 23-24 | Expendi-ture in 4th Qtr as percent age of Total Expendi-ture | Expendi-ture in March 24 as percentage of Total Expendi-ture |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | In March | | | |
| 1 | Legislature | 95.94 | 15.75 | 17.81 | 15.15 | 18.21 | 6.65 | 66.92 | 27.21 | 9.94 |
| 2 | Governor | 16.22 | 2.63 | 3.85 | 3.43 | 4.18 | 0.85 | 14.09 | 29.67 | 6.03 |
| 3 | Council of Ministry | 124.73 | 9.28 | 24.62 | 17.51 | 49.88 | 30.51 | 101.29 | 49.24 | 30.12 |

| Grant no. | Description | Allocation during 23-24 | Expenditure | | | | | Total Expenditure during 23-24 | Expendi-ture in 4th Qtr as percent age of Total Expendi-ture | Expendi-ture in March 24 as percentage of Total Expendi-ture |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | In March | | | |
| 4 | Judicial Administration | 751.35 | 97.59 | 83.48 | 65.63 | 163.58 | 88.03 | 410.28 | 39.87 | 21.46 |
| 5 | Election | 86.52 | 5.08 | 16.93 | 7.58 | 36.61 | 19.01 | 66.20 | 55.30 | 28.72 |
| 6 | Revenue and General Administration | 3,512.15 | 402.75 | 273.90 | 380.51 | 1,076.56 | 926.12 | 2,133.72 | 50.45 | 43.40 |
| 7 | Finance, Tax, Planning, Secretariat & Miscellaneous Services | 37,404.13 | 5,515.23 | 9,460.80 | 9,952.47 | 16,950.52 | 8,321.85 | 41,879.02 | 40.47 | 19.87 |
| 8 | Excise | 83.76 | 8.67 | 8.80 | 8.44 | 10.42 | 5.55 | 36.33 | 28.68 | 15.28 |
| 9 | Public Service Commission | 134.13 | 41.67 | 15.87 | 17.75 | 29.11 | 13.35 | 104.40 | 27.88 | 12.79 |
| 10 | Police & Jail | 2,627.90 | 565.78 | 639.13 | 476.78 | 761.76 | 300.29 | 2,443.45 | 31.18 | 12.29 |
| 11 | Education, Sports, Youth Welfare & Culture | 10,840.87 | 2,254.01 | 2,463.24 | 2,186.19 | 3,069.74 | 1,063.07 | 9,973.18 | 30.78 | 10.66 |
| 12 | Medical, Health & Family Welfare | 5,042.66 | 573.37 | 1,439.93 | 849.49 | 1,306.82 | 451.05 | 4,169.61 | 31.34 | 10.82 |
| 13 | Water Supply, Housing & Urban Development | 4,103.03 | 586.06 | 867.67 | 293.93 | 1,046.83 | 408.39 | 2,794.49 | 37.46 | 14.61 |
| 14 | Information | 273.42 | 47.83 | 53.64 | 125.54 | 32.11 | 16.84 | 259.12 | 12.39 | 6.50 |
| 15 | Welfare Schemes | 3,124.60 | 564.48 | 536.37 | 470.70 | 1,059.37 | 453.39 | 2,630.92 | 40.27 | 17.23 |
| 16 | Labour & Employment | 642.33 | 123.02 | 164.80 | 104.66 | 203.44 | 78.59 | 595.92 | 34.14 | 13.19 |
| 17 | Crop Husbandry & Research | 1,312.64 | 253.06 | 217.71 | 125.69 | 259.50 | 154.54 | 855.96 | 30.32 | 18.05 |
| 18 | Co-Operative | 379.91 | 9.77 | 57.59 | 18.31 | 32.49 | 24.83 | 118.16 | 27.50 | 21.01 |
| 19 | Rural Development | 3,643.59 | 227.03 | 776.75 | 447.51 | 910.86 | 701.78 | 2,362.15 | 38.56 | 29.71 |
| 20 | Irrigation & Flood | 1,457.42 | 99.22 | 230.01 | 169.28 | 627.00 | 413.55 | 1,125.51 | 55.71 | 36.74 |
| 21 | Energy | 1,301.84 | 53.00 | 267.27 | 16.21 | 424.73 | 303.44 | 761.21 | 55.80 | 39.86 |
| 22 | Public Works | 3,348.34 | 376.25 | 539.66 | 508.54 | 1,249.74 | 778.21 | 2,674.19 | 46.73 | 29.10 |
| 23 | Industries | 522.51 | 71.67 | 37.04 | 139.45 | 155.63 | 95.11 | 403.79 | 38.54 | 23.55 |
| 24 | Transport | 477.97 | 56.45 | 129.19 | 44.31 | 114.97 | 31.71 | 344.92 | 33.33 | 9.19 |
| 25 | Food | 1,219.55 | 16.16 | 558.84 | 64.92 | 189.30 | 158.36 | 829.22 | 22.83 | 19.10 |
| 26 | Tourism | 312.05 | 38.00 | 71.22 | 54.98 | 117.71 | 47.92 | 281.91 | 41.75 | 17.00 |
| 27 | Forest | 1,207.59 | 131.83 | 196.81 | 245.06 | 230.37 | 1.25 | 804.07 | 28.65 | 0.16 |
| 28 | Animal Husbandry | 656.34 | 130.63 | 156.81 | 76.43 | 202.85 | 103.17 | 566.72 | 35.79 | 18.20 |
| 29 | Horticulture Development | 828.08 | 61.48 | 140.22 | 73.27 | 166.08 | 126.24 | 441.05 | 37.66 | 28.62 |
| 30 | Welfare of Scheduled Castes | 2,463.23 | 221.48 | 520.48 | 426.96 | 528.21 | 297.41 | 1,697.13 | 31.12 | 17.52 |
| 31 | Welfare of Scheduled Tribes | 733.40 | 79.59 | 132.08 | 96.47 | 156.51 | 105.02 | 464.65 | 33.68 | 22.60 |
| **Total** | | **88,728.20** | **12,638.82** | **20,102.52** | **17,483.15** | **31,185.09** | **15,526.08** | **81,409.58**[2] | | |

***Source: VLC Data provided by A & E office.***

The above table revealed that out of 31 Grants, in four Grants, expenditure of 50 *per cent* and above was incurred in the fourth quarter as percentage of Total Expenditure, while as in five Grants, expenditure of 40 *per cent* to 50 *per cent* was incurred in the fourth quarter as percentage of Total Expenditure during 2023-24.

[2] This excludes an amount of ₹ 200.13 crore towards recoveries.

Out of 31 Grants, in 12 Grants expenditure of 20 *per cent* or more was incurred in March 2024 as percentage of Total Expenditure incurred during 2023-24.

Due to non-availability of quarter wise expenditure limit prescribed by the State Government, compliance to the quarterly expenditure could not be commented upon.

## 3.13 Review of selected grants

### *3.13.1 Outcome of Review of Selected Grants*

A review of receipts and expenditure under Grant Number 12: Medical and Family Welfare & 29: Horticulture Development for the period 2021-22 to 2023-24 revealed the following position.

### Grant Number 12 Medical and Family Welfare

Medical and Family Welfare – The Government of Uttarakhand is committed to improve the health status and quality of life of its people, by focusing on health issues with the objectives of reducing disease burden, creating an enabling environment, influencing direct and indirect health determinants such as nutrition, water, sanitation and other factors like education and employment in the state. The Government intends to reach the replacement level of fertility, population stability with due attention to disadvantaged sections, inaccessible and remote areas.

**A. *Revenue Expenditure***

The overall revenue expenditure showed increase by 17.76 *per cent,* 17.90 *per cent,* 40.95 *per cent and* 0.53 *per cent* from 2020-21 to 2023-24 respectively over the previous years, as summarized in the **Table-3.24**.

**Table-3.24: Summarized position of actual expenditure *vis-à-vis* original provision during 2019-20 to 2023-24**

***(₹ in crore)***

| Major Head of Account | Year | Original Provision | Supplementary Provision | Total | Actual Expenditure | Saving | In *per cent* | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Saving | Variation in expenditure over last year |
| 2210-Medical and Public Health 2211-Family Welfare | 2019-20 | 2,251.00 | 51.24 | 2,302.24 | 1,782.43 | 519.81 | 22.58 | |
| | 2020-21 | 2,271.59 | 111.83 | 2,383.42 | 2,099.04 | 284.38 | 11.93 | 17.76 |
| | 2021-22 | 2,746.31 | 452.15 | 3,198.46 | 2,474.75 | 723.71 | 22.63 | 17.90 |
| | 2022-23 | 3,609.09 | 422.84 | 4,031.93 | 3,488.09 | 543.84 | 13.49 | 40.95 |
| | 2023-24 | 3,768.25 | 598.81 | 4,367.06 | 3,506.45 | 860.61 | 19.71 | 0.53 |
| ***Total*** | | ***14,646.24*** | ***1,636.87*** | ***16,283.11*** | ***13,350.76*** | ***2,932.35*** | ***18.01*** | |

***Source: Appropriation Accounts.***

It is evident from the above that there were persistent savings during 2019-20 to 2023-24. There was unnecessary supplementary provision of ₹ 1,636.87 crore from 2019-20 to 2023-24, as against the original allotment of ₹ 14,646.24 crore, the actual expenditure was ₹ 13,350.76 crore as such there was already a saving of ₹ 1,295.48 crore in these years.

Test check of expenditure incurred under certain Major Heads below this grant for the last three years showed that the pattern of expenditure varied during these years. The variation of more than ₹ 20 crore has been taken as base. The details are shown in **Table-3.25** below:

**Table-3.25: Trends of major variations in expenditure over previous years in grant**

| Sl. No. | Scheme Name[3] | Expenditure (in lakh) | | | Variation (*in lakh*) | | Variation in *per cent* | |
|---|---|---|---|---|---|---|---|---|
| Financial Year | | 2021-22 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 |
| 1 | Hospitals and Dispensaries (EAD) | 20,000.00 | 16,283.00 | 9,450.00 | (-)3,717.00 | (-) 6,833.00 | *(-) 18.59* | *(-) 41.96* |
| 2 | Hospitals and Dispensaries (CSS) | 37,300.69 | 77,266.00 | 57,316.00 | 39,965.31 | (-) 19,950.00 | *107.14* | *(-) 25.82* |
| 3 | Hospitals and Dispensaries (State Share in CSS) | 4,241.06 | 13,353.74 | 8,646.58 | 9,112.68 | (-) 4,707.16 | *214.87* | *(-) 35.25* |
| 4 | Allopathy (Medical college) | 31,257.93 | 36,610.73 | 43,751.14 | 5,352.80 | 7,140.41 | *17.12* | *19.50* |
| 5 | Prevention and Control of diseases (Public Health) | 16,747.87 | 47,890.04 | 61,732.00 | 31,142.17 | 13,841.96 | *185.95* | *28.90* |
| 6 | Rural family Welfare Services (CSS) | 9,405.26 | 11,952.84 | 14,741.04 | 2,547.58 | 2,788.20 | *27.09* | *23.33* |

***Source: Detailed Appropriation Accounts.***

## B. *Capital Expenditure*

The overall Capital expenditure showed increase by 77.21 *per cent* during 2020-21, further, increase by 81.10 *per cent* during 2021-22, decrease by *(-) 4.73 per cent* during 2022-23 and increased by 122.26 *per cent* during 2023-24 over the previous years, as summarized in the **Table-3.26**.

**Table-3.26: Summarized position of actual expenditure *vis-à-vis* original /supplementary provision during 2019-20 to 2023-24**

***(₹ in crore)***

| Major Head of Account | Year | Original Provision | Supplementary Provision | Total | Actual Expenditure | Saving | In *per cent* | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Saving | Variation in expenditure over last year |
| 4210-Capital outlay on Medical and Public Health 4211-Capital outlay on family Welfare | 2019-20 | 176.72 | 11.50 | 188.22 | 97.60 | 90.62 | *48.15* | |
| | 2020-21 | 205.43 | 100.00 | 305.43 | 172.94 | 132.49 | *43.38* | *77.21* |
| | 2021-22 | 442.64 | 38.00 | 480.64 | 313.19 | 167.45 | *34.84* | *81.10* |
| | 2022-23 | 385.07 | 10.00 | 395.07 | 298.37 | 96.70 | *24.48* | *-4.73* |
| | 2023-24 | 449.63 | 225.98 | 675.61 | 663.16 | 12.45 | *1.84* | *122.26* |
| ***Total*** | | ***1,659.49*** | ***385.48*** | ***2,044.97*** | ***1,545.26*** | ***499.72*** | ***24.44*** | |

***Source: Appropriation Accounts.***

[3] (2210-01-110-97, 2210-03-110-01, 2210-03-110-95, 2210-05-105-04, 2210-06-101-03, 2211-00-101-01).

It is evident from the above table, that there were persistent savings in the years from 2019-20 to 2023-24. During the period 2019-20 to 2022-23, supplementary provisions of ₹ 159.50 crore proved unnecessary as the original provision ₹ 1,209.86 crore was far more than the actual expenditure of ₹ 882.10 crore. However, 94.49 *per cent* of supplementary provision of ₹ 225.98 crore during the year 2023-24 was utilized.

Test check of expenditure incurred under certain Major Heads below this grant for the last three years showed that the pattern of expenditure varied during these years. The variation of more than ₹ 20 crore has been taken as base. The details are shown in **Table-3.27** below:

**Table-3.27: Trends of major variations in expenditure over previous years in grant**

| Sl. No. | Scheme Name[4] | Expenditure (in lakh) | | | Variation (*in lakh*) | | Variation in *per cent* | |
|---|---|---|---|---|---|---|---|---|
| Financial Year | | 2021-22 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 |
| 1 | Allopathy (CSS) | 22,263.04 | 16,561.22 | 40,045.63 | (-) 5,701.82 | 23,484.41 | *(-) 25.61* | *141.80* |

***Source: Detailed Appropriation Accounts.***

## C. *Non-utilization of entire provision*

Test check of sub-heads/schemes revealed that there was persistent savings during the period 2022-23 to 2023-24 in one Public Health Scheme as the department had not been able to utilize the entire budget allocation during these two years. Details are given in **Table-3.28**.

**Table-3.28: Summarized position of non-utilization of entire provision during 2022-23 to 2023-24**

***(₹ in lakh)***

| Sl. No. | Year | Name of the Scheme | Head of Account | Original | Supplementary | Saving |
|---|---|---|---|---|---|---|
| 1 | 2022-23 | Public Health, Other expenditure, Incentive amount to increase Female sex ratio in Districts | 2210-06-800-17 | 10.00 | 0.00 | 10.00 |
| 2 | 2023-24 | Public Health, Other expenditure, Incentive amount to increase Female sex ratio in Districts | 2210-06-800-17 | 5.00 | 0.00 | 5.00 |
| ***Total*** | | | | | | ***15.00*** |

***Source: Detailed Appropriation Accounts.***

## D. Central and State Schemes under the Grant:

Expenditure under Central and State Schemes under the Grant (₹ 20.00 crore and more) is given in **Table-3.29**.

[4] (4210-03-105-01)

**Table-3.29: Central Scheme Expenditure (₹ 20.00 crore and more)**

*(₹ in crore)*

| Sl. No. | Name of Scheme | Head of Account | Amount received from GoI (PFMS) | Budget Provision (O+S) | Amount Released To H.O.D | Expenditure | Saving (-)/ Excess (+) against budget provision |
|---|---|---|---|---|---|---|---|
| 1 | RCH Flexipool and Health System Strengthening, National Health Program and National Urban Health Mission | 2210-03-110-01-04 | 611.04 | 905.51 | 573.16 | 573.16 | (-) 332.35 |
| 2 | Construction of Medical colleges at Rudrapur, Pithoragarh and Haridwar by the Government of India (90%CSS) | 4210-03-105-01-09 | 372.47 | 304.00 | 318.47 | 318.47 | (+) 14.47 |
| 3 | State Cancer Institute Haldwani | 4210-03-105-01-10 | Information not furnished by the State Govt. | 40.00 | 20.00 | 20.00 | (-) 20.00 |

***Source: Budget, BM-8 and Appropriation Account.***

In RCH Flexipool and Health System Strengthening Scheme, against the budget provision of ₹ 905.51 crore only ₹ 573.16 crore was disbursed to the Head of the Department by 31 March 2024, and this entire sum was utilized, leaving no unspent balance by year-end. However, while the Central Government released a total of ₹ 611.04 crore throughout the year, a lesser amount was actually disbursed to the Head of the Department.

In respect of construction of Medical Colleges at Rudrapur, Pithoragarh and Haridwar against the budget provision of ₹ 304.00 crore, ₹ 318.47 crore was released to the HOD, and this entire amount was utilised by the end of the year leaving no unspent balance. Similarly, under State Cancer Institute Haldwani, against the budget provision of ₹ 40.00 crore an amount of ₹ 20.00 crore was released to the HOD, and this entire amount was spent by the during the year leaving no unspent balance at the end of the year.

During exit conference, the Government agreed with the facts and stated that the funds were received at the fag end of the financial year (31 March 2024), so, the funds couldn't be released during the year.

The following State schemes (₹ 20.00 crore and more) were analysed for intent of budget and expenditure during 2023-24.

**Table-3.30: State Scheme Expenditure (₹ 20.00 crore and more)**

*(₹ in crore)*

| Sl. No. | Name of Scheme | Head of Account | Budget Provision | Amount Released to H.O.D | Expenditure | Saving |
|---|---|---|---|---|---|---|
| 1 | Hospitals and Dispensaries (EAP), Health System Projects (World Bank Assisted) & Chardham Yatra (ADB) | 2210-01-110-97 | 150.92 | 94.50 | 94.50 | (-)56.42 |
| 2 | Establishment of Doon Medical College (SPA)) | 4210-03-105-08 | 50.00 | 50.00 | 50.00 | 0.00 |
| ***Total*** | | | ***200.92*** | ***144.50*** | ***144.50*** | ***(-)56.42*** |

***Source: Budget document & Appropriation Account.***

In the State scheme under the grant, against the budget provision of ₹ 200.92 crore only ₹ 144.50 crore was disbursed to the head of the department by 31 March 2024, and the entire sum was utilized. There were a saving of ₹ 56.42 crore against the budget provision by the year end.

## E. DDO Designated Bank Account Transfer

Every expenditure booked in the Annual Accounts needs to be checked for assurance of final execution of the fund. Upon reviewing of IFMS data and other documents, it was revealed that an amount of ₹ 31.23 crore (2210-₹ 31.23 crore) was transferred by DDO's into their designated bank accounts under this Grant during 2023-24. These DDO's designated bank account transfers are also required to be monitored.

## F. *Receipts*

The overall position of revenue receipts under Major Head 0210 and 0211 of the selected grant during 2021-22 to 2023-24 is summarized in **Table-3.31**.

**Table-3.31: Position of revenue receipts under Major Head 0210 & 0211 of the Grant**

*(₹ in crore)*

| Head of Account | Year | BE | RE | Actual Receipts | RE-Actual Excess (+)/Shortfall (-) | *Per cent* variation to RE |
|---|---|---|---|---|---|---|
| 0210-Medical and Public Health | 2021-22 | 131.67 | 161.67 | 177.85 | 16.18 | *10.01* |
| | 2022-23 | 145.29 | 209.17 | 188.50 | (-)20.67 | *(-)9.88* |
| | 2023-24 | 202.29 | 211.09 | 207.17 | (-)3.92 | *(-)1.86* |
| 0211- Family Welfare | 2021-22 | 0.02 | 0.02 | 0.09 | 0.07 | *350.00* |
| | 2022-23 | 0.02 | 0.07 | 27.03 | 26.96 | *38,514.29* |
| | 2023-24 | 0.10 | 0.10 | 0.08 | (-)0.02 | *(-)20.00* |

***Source: Budget and Finance Accounts.***

However, test check of certain heads revealed lower/higher estimation in the subsequent years as compared to actual receipts in previous years based on Receipt ₹ five crore and above as given in **Table-3.32**.

**Table-3.32: Summarised position of Receipts during 2021-22 to 2023-24**

*(₹ in crore)*

| Sl. No. | Head of Account | Year | BE | RE | Actual Receipts | RE-Actual Excess (+)/ Shortfall (-) | *Percentage* variation to RE |
|---|---|---|---|---|---|---|---|
| 1 | 0210-01-020 Urban health Services- Receipts from Patients for Hospital and dispensary service | 2021-22 | 11.25 | 11.25 | 9.97 | (-)1.28 | *(-)11.38* |
| | | 2022-23 | 12.38 | 11.25 | 12.09 | 0.84 | *7.47* |
| | | 2023-24 | 12.38 | 12.38 | 14.47 | 2.09 | *16.88* |
| 2 | 0210-01-101 Urban health Services- Receipts from Employees State Insurance Scheme | 2021-22 | 70.20 | 77.20 | 123.93 | 46.73 | *60.53* |
| | | 2022-23 | 77.22 | 120.20 | 95.62 | (-)24.58 | *(-)20.45* |
| | | 2023-24 | 125.22 | 125.22 | 117.07 | (-)8.15 | *(-)6.51* |
| 3 | 0210-01-800 Urban health Services- Other Receipts | 2021-22 | 2.54 | 2.54 | 11.48 | 8.94 | *351.97* |
| | | 2022-23 | 3.24 | 7.04 | 13.42 | 6.38 | *90.63* |
| | | 2023-24 | 12.24 | 12.24 | 10.07 | (-)2.17 | *(-)17.73* |
| 4 | 0210-03-105 Medical Education, Training and Research Allopathy | 2021-22 | 42.00 | 55.00 | 19.77 | (-)35.23 | *(-)64.05* |
| | | 2022-23 | 46.20 | 55.00 | 55.29 | 0.29 | *0.53* |
| | | 2023-24 | 46.20 | 55.00 | 43.11 | (-)11.89 | *(-)21.62* |
| 5 | 0210-04-104 public Health Fees and Fines etc | 2021-22 | 0.00 | 10.00 | 9.12 | (-)0.88 | *(-)8.80* |
| | | 2022-23 | 0.00 | 10.00 | 7.02 | (-)2.98 | *(-)29.80* |
| | | 2023-24 | 0.00 | 0.00 | 17.15 | 17.15 | *0.00* |
| 6 | 0211-00-800 Other Receipts | 2021-22 | 0.02 | 0.02 | 0.09 | 0.07 | *350.00* |
| | | 2022-23 | 0.02 | 0.07 | 27.03 | 26.96 | *38514.29* |
| | | 2023-24 | 0.10 | 0.10 | 0.08 | (-)0.02 | *(-)20.00* |

***Source: Budget and Finance Accounts.***

Analysis of receipts under Grant Number 12 showed that there are only six Minor Head i.e. -01-020 Urban health Services- Receipts from Patients for Hospital and dispensary service, 01-101 Urban health Services- Receipts from Employees State Insurance Scheme, 01-800 Urban health Services- Other Receipts, 03-105 Medical Education, Training and Research Allopathy, 04-104 public Health Fees and Fines etc. and 00-800 Other Receipts under which the receipts are booked.

## Grant Number 29: Horticulture Development

This Grant Plays as a vital role in the economic development of the state. This sector is the biggest source of income in the state's economy. The creditability of horticulture crop including fruits, vegetables, floriculture, spices, mushroom and medicinal & aromatic plants; has been well established in improving productivity of land, generating employment, economic condition of the farmers and entrepreneurs, enhancing exports and above all provided nutritional security to the people. The department is also focusing on the adoption of improved and appropriate technologies for ensuring quality, including genetic upgradation of all horticulture crop with the adoption of following activities;-

i. Production of planting material
ii. Establishment of New Gardens (Area Expansion)
iii. Rejuvenation
iv. Creation of water resources
v. Protected Cultivation
vi. Pollination Support through Bee Keeping

vii. Horticulture Mechanization

viii. Human resource development (HRD)

ix. Post – Harvest Management (PHM), Marketing and Processing Infrastructure

## A. *Revenue Expenditure*

The overall revenue expenditure showed increase by 24.01 *per cent,* by 2.73 *per cent and by* 18.89 *per cent* during 2020-21, 2021-22 and 2022-23 respectively whereas it decreased by 10.26 *per cent* in 2023-24 over the previous years, as summarized in the **Table-3.33**.

**Table-3.33: Summary of actual expenditure *vis-à-vis* original provision during 2019-20 to 2023-24**

***(₹ in crore)***

| Major Head of Account | Year | Original Provision | Supplementary Provision | Total | Actual Expenditure | Saving | In *per cent* | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Saving | Variation in expenditure over last year |
| 2401-Crop Husbandry | **2019-20** | 313.04 | 15.82 | 328.86 | 260.87 | 67.99 | 20.67 | |
| | **2020-21** | 380.86 | 39.81 | 420.67 | 323.51 | 97.16 | 23.10 | *24.01* |
| | **2021-22** | 367.23 | 34.63 | 401.86 | 332.34 | 69.52 | 17.30 | *2.73* |
| | **2022-23** | 499.38 | 37.36 | 536.74 | 395.12 | 141.62 | 26.39 | *18.89* |
| | **2023-24** | 580.97 | 8.41 | 589.38 | 354.60 | 234.78 | 39.84 | *(-)10.26* |
| ***Total*** | | ***2,141.48*** | ***136.03*** | ***2,277.51*** | ***1,666.44*** | ***611.07*** | ***26.83*** | **-** |

***Source: Appropriation Accounts.***

It is evident from the above table that there were persistent savings during 2019-20 to 2023-24 except in 2020-21. During this period, supplementary provision of ₹ 136.03 crore proved unnecessary as the original provision ₹ 2,141.48 crore was more than the actual expenditure of ₹ 1,666.44 crore. There was no inappropriate expenditure pattern at sub head level within the Minor Heads of the Grant for schemes outlays of more than ₹ 20 crore.

## B. *Capital Expenditure*

The overall capital expenditure showed increase by 63.17 *per cent* during 2020-21, increased by 11.39 *per cent* during 2021-22, decreased by 1.94 *per cent* during 2022-23 and increased by 484.64 *per cent* in 2023-24 over the previous years, as summarized in the **Table-3.34**.

**Table-3.34: Summarized position of actual expenditure *vis-à-vis* original provision during 2019-20 to 2023-24**

***(₹ in crore)***

| Major Head of Account | Year | Original Provision | Supple-mentary Provision | Total | Actual Expenditure | Saving (+) / Excess (-) | In *per cent* | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Saving (+)/ Excess (-) | Variation in expenditure over last year |
| 4401-Capital Outlay on Crop Husbandry | 2019-20 | 11.50 | 0.35 | 11.85 | 8.77 | 3.08 | *25.99* | |
| | 2020-21 | 12.00 | 0.00 | 12.00 | 14.31 | (-)2.31 | *(-)19.25* | *63.17* |
| | 2021-22 | 20.50 | 0.44 | 20.94 | 15.94 | 5.00 | *23.88* | *11.39* |
| | 2022-23 | 36.10 | 0.00 | 36.10 | 15.63 | 20.47 | *56.70* | *(-)1.94* |
| | 2023-24 | 232.40 | 4.00 | 236.40 | 91.38 | 145.02 | *61.35* | *484.64* |
| ***Total*** | | ***312.50*** | ***4.79*** | ***317.29*** | ***146.03*** | ***171.26*** | ***53.98*** | - |

***Source: Appropriation Accounts.***

It is evident from the above that there were persistent savings during 2019-20 to 2023-24. During this period, supplementary provision of ₹ 4.79 crore proved unnecessary as the original provision ₹ 312.50 crore was more than the actual expenditure of ₹ 146.03 crore. There was no inappropriate expenditure pattern at sub head level within the Minor Heads of the Grant for schemes outlays of more than ₹ 20 crore.

### C. *Non-utilization of the entire provision*

Test check of certain sub-heads revealed that the Department did not utilize the entire provision during 2021-22 to 2023-24 at the end of the year (₹one crore and above) as given in **Table-3.35**.

**Table-3.35: Summarized position of non-utilization of entire provision during 2021-22 to 2023-24**

***(₹ in lakh)***

| Sl. No. | Year | Name of the Scheme | Head of Account | Original | Supple-mentary | Saving |
|---|---|---|---|---|---|---|
| 1 | 2021-22 | Capital out lay on crop husbandry-Horticulture and vegetable crops – External Aided schemes | 4401-00-119-97 | 500.00 | 0.00 | 500.00 |
| 2 | 2022-23 | Capital out lay on crop husbandry-Horticulture and vegetable crops – External Aided schemes | 4401-00-119-97 | 2,000.00 | 0.00 | 2,000.00 |
| 3 | 2023-24 | Capital out lay on crop husbandry-Horticulture and vegetable crops – External Aided schemes | 4401-00-119-97 | 2,000.00 | 0.00 | 2,000.00 |

***Source: Detailed Appropriation Accounts.***

During exit conference, the Government instructed the Budget Officer to look into the issue and consider for removing from budget provision in coming Budget.

### D. Central and State Schemes under the Grant:

Expenditure under Central and State Schemes under the Grant (₹ 20.00 crore and more) is given in **Table-3.36**.

**Table-3.36: Central Scheme Expenditure (₹ 20.00 Crore and more)**

***(₹ in crore)***

| Sl. No. | Name of Scheme | Head of Account | Amount received from GoI (PFMS) | Budget Provision | Amount Released To H.O.D | Expendi-ture | Saving |
|---|---|---|---|---|---|---|---|
| 1 | CSS Scheme (Prime Minister Formalisation of Micro Food Processing Enterprises Scheme (90:10), | 2401-00-119-01-14 | 8.24 | 15.00 | 7.54 | 7.54 | 7.46 |
| 2 | Per Drop More Crop (PMKSY) | 2401-00-119-01-15 | 0.00 | 30.00 | 0.00 | 0.00 | 30.00 |
| 3 | National Horticulture Mission) | 2401-00-119-01-16 | 0.00 | 42.66 | 34.73 | 34.73 | 7.93 |

In the Prime Minister formalisation of Micro Food processing enterprises scheme, against the budget provision of ₹ 15.00 crore, only ₹ 7.54 crore was released to the Head of the Department and this entire amount was utilised. There was saving of ₹ 7.46 crore against the budget provisions by the year end. However, while the central Government released a total of ₹ 8.24 crore during the year, a lesser amount was actually disbursed to the Head of the Department. In per drop more crop scheme, although there was a budget provision of ₹ 30.00 crore, however, no amount was received from Government of India during the year. In National Horticulture Mission no amount was received from GoI, however against the budget provisions of ₹ 42.66 crore, ₹ 34.73 crore was released by the State Government and this entire amount was spent by the HOD.

The following State schemes (₹ 10 crore and more) were analysed for intent of budget and expenditure during 2023-24.

**Table-3.37: State Scheme Expenditure (₹ Ten Crore and more)**

***(₹ in crore)***

| Sl. No. | Name of Scheme | Head of Account | Budget Provision | Amount Released To H.O.D | Expendi-ture | Saving (-)/ Excess (+) |
|---|---|---|---|---|---|---|
| 01 | Mission Apple scheme | 2401-00-119-31 | 35.00 | 10.78 | 10.78 | (-)24.22 |
| 2 | Grant to Udyaan Department under NABARD EAP Scheme | 4401-00-119-98 | 200.00 | 77.74 | 77.74 | (-)122.26 |
| | | ***Total*** | ***235.00*** | ***88.52*** | ***88.52*** | ***(-)146.48*** |

***Source: Budget document & Appropriation Account.***

In the State Scheme under the Grant, against the budget provision of ₹ 235.00 crore only ₹ 88.52 crore was disbursed to the Head of the Departments by 31 March 2024, and this entire sum was utilized. There was a saving of ₹ 146.48 crore against the budget provisions by the year-end.

## E. DDO designated Bank Account Transfer

Every expenditure booked in the Annual Accounts needs to be checked for assurance of final execution of the fund. Upon reviewing of IFMS data and other documents, it was revealed that an amount of ₹ 87.07 crore (2401- ₹ 10.78 crore and 4401- ₹ 76.29 crore) was transferred by DDO's into their designated bank accounts under this Grant during 2023-24. These DDO's designated bank account transfers are also required to be monitored.

## F. Receipts

The overall position of revenue receipts under Major Head 0401 of the grant during 2021-22 to 2023-24 is summarised in **Table-3.38**.

**Table-3.38: Position of revenue receipts under 0401 Major Head of the grant**

***(₹ in crore)***

| Head of Account | | BE | RE | Actual Receipts | RE-Actual Excess (+) / Shortfall (-) | Percentage variation to RE |
|---|---|---|---|---|---|---|
| **0401-Crop Husbandry** | 2021-22 | 1.31 | 7.21 | 6.81 | (-)0.40 | *(-)5.55* |
| | 2022-23 | 3.44 | 5.15 | 7.03 | 1.88 | *36.50* |
| | 2023-24 | 5.71 | 5.71 | 8.05 | 2.34 | *40.98* |

***Source: Budget and Finance Accounts.***

However, test check of certain heads revealed lower/higher estimation in the subsequent years as compared to actual receipts in previous years based on receipt ₹ 5.00 crore and above as given in **Table-3.39**.

**Table-3.39: Position of Receipts under Major Head-0401**

*(₹ in crore)*

| SI No. | Head of Account | Year | BE | RE | Actual Receipts | RE-Actual Excess (+)/ Shortfall (-) | Percentage variation to RE |
|---|---|---|---|---|---|---|---|
| 1. | 0401-00-800 (Other Receipts) | 2021-22 | 0.20 | 6.09 | 5.06 | (-)1.03 | *(-)16.91* |
| | | 2022-23 | 2.21 | 3.34 | 4.98 | 1.64 | *49.10* |
| | | 2023-24 | 3.80 | 3.80 | 6.03 | 2.23 | *58.68* |

***Source: Budget and Finance Accounts.***

Analysis of receipts under Grant Number 29 showed that there is one Minor Head i.e. 800 Other receipts under one Major Head in which the receipts are booked.

## 3.14 Central and State Schemes Expenditure

The following Central and State programmes/ Schemes were chosen and checked to assess budget intent for the year 2023-24.

**Table-3.40: Central Scheme Expenditure**

*(₹ in crore)*

| Sl. No. | GoI Scheme Name | Budget | Release from GoI | Allocation to DDO in State | Total Allocation | Expenditure | Savings (-)/ Excess (+) |
|---|---|---|---|---|---|---|---|
| 1 | Flexible pool for RCH & health system strengthening, national health programme and national urban health mission | 1,012.97 | 611.04 | 546.28 | 1,157.32 | 651.77 | 505.55 |
| 2 | Human resources for health and medical education | 570.52 | 502.50 | 514.47 | 1,016.97 | 568.06 | 448.91 |
| 3 | Pradhan Mantri Gram Sadak Yojna | 1,285.00 | 551.05 | 686.58 | 1,237.63 | 684.59 | 553.04 |
| 4 | Pradhan Mantri Awas Yojna (PMAY)-Rural | 510.42 | 388.19 | 422.28 | 810.47 | 431.61 | 378.86 |
| 5 | SAMAGRA SHIKSHA | 572.24 | 440.57 | 647.54 | 1,088.11 | 647.54 | 440.57 |
| 6 | PMKSY-accelerated irrigation benefit programme and national/special projects | 417.93 | 165.56 | 305.91 | 471.47 | 305.91 | 165.56 |
| 7 | Saksham, Anganwadi and poshan 2.0 (umbrella ICDS Anganwadi services, Poshan Abhiyan scheme for adolescent girls and national creche scheme) | 224.99 | 288.24 | 524.79 | 813.03 | 567.80 | 245.23 |
| ***Total*** | | ***4,594.07*** | ***2,947.15*** | ***3,647.85*** | ***6,595.00*** | ***3, 857.28*** | ***2,737.72*** |

***Source: PFMS Data.***

During the year 2023-24, the State Government received ₹ 2,947.15 crore from Central Government against budget estimate of ₹ 4,594.07 crore in respect of seven major Schemes and ₹ 3,647.85 crore was allocated to DDOs from State funds. Expenditure of ₹ 3,857.28 crore was incurred which was 58.49 *per cent* of the total allocation of ₹ 6,595.00 crore during the year.

**Table-3.41: State Scheme Expenditure**

***(₹ in crore)***

| State Programmes/Schemes | | | | |
|---|---|---|---|---|
| **Sl. No** | **Name of Scheme** | **Budget Provision** | **Expenditure** | **Percentage of Expenditure** |
| 1 | Grant to Aromatic plant centre and cluster development of aromatic plants | 24.50 | 6.40 | *26.12* |
| 2 | Integrated agricultural Village Scheme | 12.00 | 0.00 | *0.00* |
| 3 | Purchase of Helicopter/Plane | 50.00 | 0.00 | *0.00* |
| 4 | State Food Scheme | 19.23 | 0.00 | *0.00* |

***Source: Finance Accounts.***

The data in above table in respect of State Programmes/Schemes show varying levels of expenditure, with the Grant to Aromatic plant centre and cluster development of aromatic plants having a notable utilization of funds, while as Integrated Agricultural Village Scheme, Purchase of Helicopter/Plane and State Food Scheme reported nil expenditure, which needs to be addressed. Further, the State Government should periodically collect, analyse and use information to actively manage performance, maximize positive impacts of these programs and minimize the risk of adverse impacts.

In summary, the analysis of budget provisions and expenditures suggests that most GoI programs and schemes are adequately funded, indicating a strong budgetary intent in various sectors. However, some state schemes have not utilized their allocated funds fully, which may require further attention and monitoring.

## 3.15 Conclusion

- During 2023-24, there was an overall saving of ₹ 7,118.49 crore against the total grants and appropriations of ₹ 88,728.20 crore.
- Supplementary provision of ₹ 4,183.83 crore obtained in 24 cases proved unnecessary. Re-appropriation of funds in five cases was made injudiciously resulting in savings of more than five crore over provisions.
- Out of total saving of ₹ 7,118.49 crore, surrender of only ₹ 2,477.40 crore was done on the last day of the financial year. In Grant Number 23-Industries, an amount of ₹ 40.00 crore was surrendered but was not incorporated in the Appropriation Account as the surrender amount of ₹ 40.00 crore was more than the original and supplementary budget of ₹ 39.58 crore.
- Excess expenditure amounting to ₹ 48,654.69 crore (including Ways and Means Advance ₹ 28,618.93 crore and ₹19,041.88 crore of Grant No. 17, 25 and 29) pertaining to the years 2005-06 to 2022-23 was done without Legislative approval, yet to be regularised by the State Legislature.
- Expenditure of ₹ 62.26 crore had been booked under revenue section. This

expenditure should have been booked under the capital section as this expenditure pertained to the major works and land purchase, which ordinarily ought to have been booked under the capital section. Similarly, Expenditure of ₹ 608.82 crore had been booked under capital section. This expenditure should have been booked under the revenue section as this expenditure pertained to the expenditure on grants-in-aid and other departmental expenditure, which ordinarily ought to have been booked under the revenue section.

## 3.16 Recommendations

- ***The State Government should be more realistic in its budgetary estimates and ensure efficient control mechanisms to curtail savings;***
- ***The State Government may assess the savings and surrender the amount well before the close of the financial year so that they can be effectively utilised in other areas/ schemes.***