

**Report of the  
Comptroller and Auditor General of India  
for the year 2021-22**



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

**Union Government  
Accounts of the Union Government  
Report No. 21 of 2023  
(Financial Audit)**



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Comptroller and Auditor General of India  
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## **Preface**

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This Report for the year ended March 2022 has been prepared for submission to the President of India under Article 151 of the Constitution.

The Report includes matters arising from test audit of the Finance Accounts and the Appropriation Accounts of the Union Government for the year ended March 2022.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.





## EXECUTIVE SUMMARY

The Annual Accounts of the Union Government presented to the Parliament consist of the Finance Accounts and the Appropriation Accounts. The Audit of Union Government Finance and Appropriation Accounts is conducted in accordance with the CAG's Auditing Standards and the principles enumerated in the Financial Attest Audit Manual. C&AG has certified the Union Finance and Appropriation Accounts for the FY 2021-22 on 21 December 2022.

This Report of the Comptroller and Auditor General of India (CAG) is organised into four chapters, viz. Chapter 1 introduces the Union Government Accounts and the audit process; Chapter 2 contains overview of financial performance of the Union Government and discusses the significant trends of the Government's receipts and disbursements during the financial year 2021-22; Chapter 3 contains comments on Quality of Accounts and Financial Reporting Practices; and Chapter 4 contains comments on Budgetary Management.

### Chapter 1: Introduction

The Union Government Finance Accounts (UGFA) depict the receipts and payments from the Consolidated Fund of India (CFI), Contingency Fund and Public Account. The Union Government Appropriation Accounts compare expenditure with the allotments authorised by the Parliament and provide explanations for variations between the two beyond specified limits under each Grant/ Appropriation.

### Chapter 2: Overview of Union Finances

The Gross Domestic Product (GDP) of the country at the end of FY 2021-22 was ₹1,47,35,515 crore at Constant Prices (base year 2011-12) and ₹2,36,64,637 crore at Current Prices. In both cases there was a growth of 8.68 *per cent* and 19.51 *per cent* over the previous year, respectively.

#### [Para 2.1]

During FY 2021-22, the Union Government had total resources of ₹1,48,95,450 crore through gross debt receipts (₹82,49,152 crore, 55.39 *per cent*), gross non-debt receipts (₹33,74,399 crore, 22.67 *per cent*) and gross receipts into public accounts (₹32,37,452 crore, 21.74 *per cent*). During the year, the Union Government utilized ₹148,93,046 crore, on repayment of public debt (₹66,45,468 crore, 44.62 *per cent*), discharge of liabilities on Public Account (₹30,81,152 crore, 20.69 *per cent*), expenditure (₹42,38,534 crore, 28.46 *per cent*) and States' share in Union Taxes (₹8,98,392 crore, 6.03 *per cent*). Also, due to increase in financial limit of the Contingency Fund of India from ₹500 crore to ₹30,000 crore through the Finance Bill, 2021, ₹29,500 crore (0.20 *per cent* of Gross Receipts) was transferred to the Contingency Fund.

Gross non-debt receipts of ₹33,74,399 crore comprise gross revenue receipts (₹33,34,813 crore) and Non-debt capital receipts (₹39,586 crore). The gross revenue receipts of ₹33,34,813 crore consist of gross tax receipts (₹27,09,315 crore) and

non-tax receipts (₹6,25,498 crore). Further, under tax receipts, direct taxes amounted to ₹13,91,993 crore (51.70 *per cent*) and indirect taxes amounted to ₹13,00,709 crore (48.30 *per cent*).

**[Para 2.3]**

During FY 2021-22, gross receipts increased by 9.98 *per cent* (₹13,51,384 crore), Non-debt receipts increased by 33.52 *per cent* (₹8,47,069 crore) and debt receipts increased by 1.06 *per cent* (₹86,242 crore), in comparison to FY 2020-21. Debt receipts grew by 25.86 *per cent* over a period of five years from FY 2017-18 to FY 2021-22.

**[Para 2.3.2]**

Cess collections at ₹4,78,680 crore formed 17.67 *per cent* of the gross tax revenue (₹27,09,315 crore) in FY 2021-22.

**[Para 2.3.3.1 & 2.3.3.2]**

The total Non-Tax Revenue increased substantially by 44.66 *per cent* in FY 2021-22 (₹6,25,498 crore) as compared to FY 2020-21 (₹4,32,406 crore)

**[Para 2.3.4]**

During FY 2021-22, total disbursements from CFI increased by 8.14 *per cent* as compared to FY 2020-21. Of the total disbursements of ₹1,39,94,654 crore, disbursements from CFI were 77.98 *per cent* and the balance 22.02 *per cent* was from Public Account. Out of the disbursements from CFI, repayment of public debt constituted 60.89 *per cent*, total expenditure 38.84 *per cent* and 0.27 *per cent* was transferred to the Contingency Fund of India.

**[Para 2.4.1]**

Total Expenditure of the Union at ₹42,38,534 crore in FY 2021-22 increased by 8.47 *per cent* over the previous year contributed by Revenue Expenditure (₹34,68,189 crore) and Capital Expenditure (₹5,38,140 crore) driving this increase whereas Loans and Advances (₹2,32,205 crore) decreased compared to the previous year (₹2,49,846 crore).

**[Figure 2.16 of Para 2.4.1]**

Expenditure on Social Services sector witnessed highest growth of 58.93 *per cent* in FY 2021-22 over previous year. The expenditure on General Services sector also noticed a growth of 13.63 *per cent* in FY 2021-22 over previous year. Whereas, the expenditure on Economic Services sector witnessed a decline of 3.84 *per cent* in FY 2021-22 over previous year.

**[Para 2.4.2]**

Interest payment of ₹8,28,253 crore was the largest single component of revenue expenditure (₹34,68,189 crore) constituting 23.88 *per cent* of the total revenue expenditure, witnessed a growth of 14.88 *per cent* over previous year.

**[Para 2.4.3]**

During FY 2021-22, the expenditure on Subsidies (₹5,02,226 crore) constituted 14.48 *per cent* of Revenue Expenditure, which declined by 33.47 *per cent* over previous year.

**[Para 2.4.3.3]**

Grants-in-Aid to States for centrally sponsored schemes increased substantially to ₹2,40,383 crore (15.35 *per cent*) over previous year.

**[Para 2.4.3.4]**

Capital expenditure increased significantly from ₹3,42,949 crore in FY 2020-21 to ₹5,38,140 crore in FY 2021-22 with a growth of 56.92 *per cent*, due to higher expenditure on Economic Services (₹1,81,600 crore).

**[Para 2.4.4]**

Total liabilities consistently increased by more than 10 *per cent* from FY 2017-18 onwards. In FY 2021-22, there was a growth of 12.04 *per cent* over FY 2020-21 on account of increase in Public Debt (₹15,96,305 crore). Total Public Account liabilities of the Union Government as on 31 March 2022, stood at ₹16,44,216 crore.

**[Para 2.5 and Para 2.5.1]**

During FY 2021-22 Revenue Deficit (RD) and Fiscal Deficit (FD) is on a downward trend.

**[Para 2.6]**

### **Chapter 3: Quality of Accounts and Financial Reporting Practices**

Review of guarantees as depicted in Statement 4 of UGFA revealed instances of non/short recovery of guarantee fee, non-receipt of penal guarantee fee, documentation / yearly review issues of guarantees and non-consideration of implied guarantees.

**[Para 3.2]**

Review of UGFA Statement 11 - Details of investments by the Union Government, reveals that there was mismatch in information relating to number of equity shares and percentage of shareholding and investment with reference to Annual Accounts of respective entities, non-accounting of bonus shares, shortfall in payment of dividend etc.

**[Para 3.3]**

Suspense heads depicted only net balances and did not disclose the outstanding amount separately as Credit and Debit balances under these heads. As a result, the balances varied by 54.52 *per cent* under Suspense Account (Civil) and by 72.26 *per cent* under Public Sector Bank (PSB Suspense). If these amounts remain unadjusted, the balances under the suspense heads accumulate and the accounts would give an inaccurate picture of Government receipts and expenditure.

**[Para 3.4]**

There were 67 cases of adverse balances at the end of the year FY 2021-22. Out of this, 45 cases were unresolved for over 5 years, with the oldest being 45 years.

**[Para 3.5]**

There were instances of short/non-transfer of collected amounts of cess/levy to the designated reserve funds, non-opening/non-operationalisation of reserve funds, dormant reserve funds without any transactions there under and deviation from approved accounting procedure etc.

**[Para 3.6]**

At the end of FY 2021-22, an amount of ₹7,63,693 crore is outstanding as loans and advances given by the Union Government to State/UT Governments and other entities. Out of this, ₹68,141 crore are arrears in recovery (principal and interest).

**[Para 3.7]**

A total of 258 footnotes had been included for disclosing additional information in UGFA for FY 2021-22. However, these footnotes did not disclose the complete picture of the finances of the Union Government to that extent as the full nature and implications of adjustments and action taken to address the anomalies were not stated. In view of the importance of disclosures/ additional information in relation to the figures appearing in Union Government Finance Accounts, a recommendation has been made to include 'Notes to Accounts' in the UGFA for FY 2022-23.

**[Para 3.8.1]**

## **Chapter 4: Budgetary Management**

Appropriation Accounts consisting of 101 Demands for FY 2021-22 had approved provisions aggregating to ₹1,24,36,009 crore, total expenditure thereon was ₹1,16,71,288 crore with overall savings of ₹7,64,721 crore.

**[Para 4.1.1]**

There was excess expenditure of ₹1,235.98 crore over Parliamentary authorization during FY 2021-22 involving three grants, namely Grant No.39-Pensions (₹742.57 crore), Grant No. 6–Department of Fertilisers (₹493.38 crore) and Grant No. 18–Ministry of Defence (Civil) (₹0.03 crore).

**[Para 4.2.1]**

Total savings under all the Grants/ Appropriations were ₹7,64,721 crore, constituting 6.15 *per cent* of total authorisations. There were Savings of ₹100 crore or more in 94 segments of 70 Grants/ Appropriations amounting to ₹7,63,305 crore. Further, out of the 16 Grants/ Appropriations with savings of ₹5,000 crore or more in FY 2021-22, nine had substantial savings in FY 2019-20 and FY 2020-21 as well.

**[Para 4.2.2 & 4.2.2.1]**

Significant savings of ₹500 crore or more at minor-head/ sub-head level and savings of more than 25 *per cent* of allocations subject to a minimum of ₹100 crore were noticed in 269 cases of 62 Grants/ Appropriations.

**[Para 4.2.2.2]**

In 40 Minor/ Sub-heads under 22 Grants, supplementary provisions amounting to ₹14,155 crore were obtained during FY 2021-22 in anticipation of higher expenditure, but final expenditure was less than the original provisions under corresponding Minor/Sub-heads.

**[Para 4.3]**

In respect of thirty two (32) Departments/Ministries, 42,854 number of Utilisation Certificates (UCs) aggregating to ₹52,770.14 crore pertaining to Grants-in-Aid released during FY 1975-76 to FY 2020-21, were outstanding as on 31 March 2022.

**[Para 4.16]**





**1**  
**CHAPTER**

**INTRODUCTION**





## Introduction

### 1.1 Structure of Union Government Finances

Union Government finances are maintained in three parts:

- a. **Consolidated Fund of India:** It consists of all revenues received by the Government of India, all loans raised by that Government by the issue of treasury bills, loans or ways and means advances and all moneys received by that Government through repayment of loans.
- b. **Contingency Fund of India:** It is in the nature of an imprest placed at the disposal of the President to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Parliament.
- c. **Public Account:** Besides the normal receipts and expenditure of Government, all other public moneys received by or on behalf of the Government of India shall be credited to the Public Account. The receipts and disbursements such as deposits, reserve funds, remittances etc. which do not form part of the Consolidated Fund of India are included in the Public Account.

### 1.2 Budgetary Process

In terms of Article 112 of the Constitution of India, the President causes to be laid before the Parliament, a statement of the estimated receipts and expenditure of the Union for the ensuing financial year, in the form of an Annual Financial Statement. In terms of Article 113, statements are laid in the Parliament in the form of Demands for Grants/Appropriations and after approval of these statements, the Appropriation Bill is introduced in the Parliament under Article 114 to provide for appropriation of the required money out of the Consolidated Fund of India. During the currency of the financial year, if the amount authorised in accordance with the provisions of Article 114 to be expended for a particular service for the current financial year is found to be insufficient for the purposes of that year, supplementary demands for grants containing estimated amount of that expenditure is laid in the Parliament under Article 115(1)(a). The demand for excess grants is made after the expenditure has actually been incurred and after the financial year to which the expenditure relates has expired under Article 115(1)(b). The Public Accounts Committee examines the excess grants and make recommendations regarding their regularisation in its report to the Parliament.

The Fiscal Responsibility and Budget Management (FRBM) Act was enacted in 2003 which primarily aims to make the Central Government responsible for ensuring intergenerational equity in fiscal management and long-term macroeconomic stability by removing fiscal impediments in the effective conduct of monetary policy and prudential debt management consistent with fiscal sustainability.

In union budget, Fiscal Policy Statements as required under this Act are presented in Parliament. In terms of Section 7A of the Act, the Comptroller and Auditor General of India periodically reviews the compliance of the provisions of this Act by the Central Government and a separate report thereon presented in the Parliament by the C&AG on compliance of the FRBM Act.

### **1.3 Annual Accounts of the Union Government**

The annual accounts of the Union Government presented to the Parliament consist of the Finance Accounts and the Appropriation Accounts. The Union Government Finance Accounts (UGFA) depict the receipts and payments from the Consolidated Fund, Contingency Fund and Public Account. The Appropriation Accounts compare expenditure with the amounts authorised by the Parliament and provide explanations for variations between the two beyond specified limits under each grant/ appropriation. These accounts are prepared on cash basis, viz. the transactions in Government Accounts represent the actual cash receipts and disbursements during a financial year.

#### **1.3.1 Finance Accounts**

The Finance Accounts of the Union Government comprise the accounts of the Union Government as a whole and include transactions of Civil Ministries/Departments, Ministry of Defence, Ministry of Railways and Department of Posts. These present the accounts of receipts and outflows of the Union Government for the financial year together with the financial results disclosed by different accounts and other data coming under examination. These accounts include the Revenue and Capital Account, Public Debt Account and other liabilities and assets worked out from the balances in the accounts.

#### **1.3.2 Appropriation Accounts**

Appropriation Accounts reflect the Government's expenditure in a financial year compared against the amounts of voted grants and charged appropriations, as specified in the Schedules appended to the Appropriation Act passed by the Parliament. These accounts contain information regarding re-appropriation of the sanctioned provision from one unit of appropriation to another, savings and excess of expenditure if any, against these appropriations as well as the supplementary grants. The Appropriation Account is an aid for the Parliament and the Public Accounts Committee (PAC) to ascertain the performance of Government against the budgeted provisions.

Further, there are four Appropriation Accounts for Civil Ministries, Defence, Railways and Department of Posts. The Controller General of Accounts (CGA) prepares the Appropriation Accounts for Civil Ministries (in FY 2021-22, there were 97 Grants pertains to Civil ministries / Departments), while the Ministries of Defence, Railways and Department of Posts prepare the Appropriation Accounts of their respective Grants. These Accounts compare Grant/Appropriation-wise summary of provisions for expenditure authorised by Parliament and the actual expenditure from Consolidated Fund of India (CFI) against them.

### 1.3.3 Classification of Transactions

The transactions as part of the Union Government Accounts are recorded as per the functional accounting classification.

**Figure 1.1: Classification of accounting of transactions**

Attribute of transaction	Classification
Function- Education, Health, etc.	Major Head under Grants (4 digits)
Sub-function	Sub-major Head (2 digits)
Programme	Minor Head (3 digits)
Scheme	Sub-head (2 digits)
Sub-scheme	Detailed Head (2 digits)
Nature of Transaction	Object Head – salary, minor works, etc. (2 digits)

Thus, each transaction gets recorded in 15 digits as above.

## 1.4 Preparation of Accounts

### 1.4.1 Preparation of Finance Accounts

Finance Accounts comprise two parts - Part I and Part II. Part I presents five summarized Statements in respect of Revenue, Capital, Guarantees, Debt, Deposit, Suspense and Remittances transactions and Contingency Fund, while Part II has 11 detailed Statements in respect of these transactions, along with other related Statements.

The building blocks of the afore-mentioned 16 Statements are the ‘Statement of Central Transactions’ (SCT) prepared by each Principal Accounts Office at the end of every financial year, representing the progressive effect of all the transactions during the year including March supplementary transactions. The Statements of Central Transactions are prepared Minor Head-wise.

CGA then compiles the data of all the SCTs received from the various Controllers, incorporates corrections in the Accounts through Journal Entries and thus, Finance Accounts of the Union Government are prepared.

### 1.4.2 Preparation of Appropriation Accounts

Appropriation Accounts for each Grant are prepared in multiple stages by the concerned Principal Accounts Office. Stage I Appropriation Accounts contain only the provisions made. The expenditure figures and savings/excess get incorporated at Stage II. Stage III is an update of the Stage II Accounts after incorporating changes, if any, based on audit scrutiny of Stage II accounts. Based on the recommendations of PAC and advice of CAG, the Appropriation Accounts are condensed by CGA for presentation to the Parliament. The Condensed Accounts contains significant


variations (Savings / Excess) in the respective Grants / Appropriation based on financial threshold recommended by the Public Accounts Committee.

## **1.5 Audit of Union Government Accounts**

The Audit of Union Government Finance and Appropriation Accounts is conducted in accordance with the CAG's Auditing Standards and the principles enumerated in the Financial Attest Audit Manual. C&AG has certified the Union Finance and Appropriation Accounts (Civil) for the FY 2021-22 on 21 December 2022.

### **1.5.1 Audit Report on Union Government Accounts**

**Chapter 1** of this Report introduces the Union Government Accounts and the audit process; **Chapter 2** provides the Overview of Union Finances; **Chapter 3** contains comments on Quality of Accounts and Financial Reporting Practices; and **Chapter 4** contains comments on Budgetary Management.



**2**  
**CHAPTER**

**OVERVIEW OF  
UNION FINANCES**



## Overview of Union Finances

### 2.1 Gross Domestic Product of India

Gross Domestic Product (GDP) measures the monetary value of all the goods and services produced within the boundaries of the country in a given period of time. Growth of GDP is an important indicator of the country's economy, as it denotes the extent of changes in the level of economic development of the country over a period. The trend of GDP of India for the last five years is as follows.

**Figure 2.1: Trend of GDP at Constant and Current Prices**

(₹ in crore)

GDP	2017-18	2018-19	2019-20	2020-21	2021-22
At Constant Prices	1,31,44,582	1,39,92,914	1,45,15,958	1,35,58,473	1,47,35,515
<i>Percentage change over previous year</i>	6.80	6.45	3.74	-6.60	8.68
At Current Prices	1,70,90,042	1,88,99,668	2,00,74,856	1,98,00,914	2,36,64,637
<i>Percentage change over previous year</i>	11.03	10.59	6.22	-1.36	19.51

Source: National Statistical Office (NSO) Press Releases dated 31<sup>st</sup> January 2022 and 06<sup>th</sup> January 2023.

As can be seen from **Figure 2.1**, GDP of the country at the end of FY 2021-22 was ₹1,47,35,515 crore at Constant Prices (base year 2011-12) and ₹2,36,64,637 crore at Current Prices. In both cases there was a growth of 8.68 per cent and 19.51 per cent respectively. This is against the negative growth of 6.60 per cent at Constant Prices and 1.36 per cent at Current Prices during FY 2020-21.

GDP at current prices has been considered for working out percentage and ratios in this report.

### 2.2 Snapshot of Union Finances- comparison with BE and RE

This section depicts the budgeted receipts and disbursements, both at Budget Estimates (BE) and Revised Estimates (RE) stage, along with the expenditure as per the Union Government Finance Accounts for FY 2021-22. Planned and actual values for key fiscal indicators have also been described. These details are depicted in **Figure 2.2**.

**Figure 2.2: Snapshot of Union Finances - comparison with BE and RE**

(₹ in crore)

Sl. No.	Particulars	Actuals of previous year (2020-21)	Budget Estimates (BE) <sup>a</sup> (2021-22)	Revised Estimates (RE) <sup>a</sup> (2021-22)	Actuals of FY 2021-22	Variation of Actuals of FY 2021-22		
						From BE of FY 2021-22	From RE of FY 2021-22	From Actuals of FY 2020-21
1	Revenue Receipts	18,64,513	21,05,708	23,53,562	24,36,421	15.71%	3.52%	30.67%
	Tax Revenue <sup>b</sup>	14,32,107	15,51,497	17,71,275	18,10,923	16.72%	2.24%	26.45%
	Non-Tax Revenue <sup>c</sup>	4,32,406	5,54,211	5,82,287	6,25,498	12.86%	7.42%	44.66%
2	Miscellaneous Capital Receipts	37,897	1,75,000	78,000	14,638	-91.64%	-81.23%	-61.37%

Report of the CAG on  
Union Government Accounts for FY 2021-22

Sl. No.	Particulars	Actuals of previous year (2020-21)	Budget Estimates (BE) <sup>a</sup> (2021-22)	Revised Estimates (RE) <sup>a</sup> (2021-22)	Actuals of FY 2021-22	Variation of Actuals of FY 2021-22		
						From BE of FY 2021-22	From RE of FY 2021-22	From Actuals of FY 2020-21
3	Recovery of Loans and Advances	29,923	64,375	32,600	24,948	-61.25%	-23.47%	-16.63%
4	<b>Total Non-Debt Receipts (1+2+3)</b>	<b>19,32,333</b>	<b>23,45,083</b>	<b>24,64,162</b>	<b>24,76,007</b>	<b>5.58%</b>	<b>0.48%</b>	<b>28.14%</b>
5	Receipt of Public Debt	81,62,910	83,87,778	77,71,542	82,49,152	-1.65%	6.15%	1.06%
6	<b>Total Receipts in the CFI (4+5)</b>	<b>1,00,95,243</b>	<b>1,07,32,861</b>	<b>1,02,35,704</b>	<b>1,07,25,159</b>	<b>-0.07%</b>	<b>4.78%</b>	<b>6.24%</b>
7	Contingency Fund of India	0	29,500	29,500	29,500	-	-	-
8	Public Account Receipts <sup>d</sup>	28,48,879	-	-	32,37,452	-	-	13.64%
9	<b>Total Receipts (6+7+8)</b>	<b>1,29,44,122</b>	<b>-</b>	<b>-</b>	<b>1,39,92,111</b>	<b>-</b>	<b>-</b>	<b>8.10%</b>
10	Revenue Expenditure	33,14,852	32,46,412	34,42,693	34,68,189	6.83%	0.74%	4.63%
11	Capital Expenditure	3,42,949	5,34,862	5,66,098	5,38,140	0.61%	-4.94%	56.92%
12	Loans and Advances	2,49,846	1,64,830	2,75,414	2,32,205	40.88%	-15.69%	-7.06%
13	<b>Total Expenditure (10+11+12)</b>	<b>39,07,647</b>	<b>39,46,104</b>	<b>42,84,205</b>	<b>42,38,534</b>	<b>7.41%</b>	<b>-1.07%</b>	<b>8.47%</b>
14	Repayment of Public Debt	61,84,635	69,44,152	60,62,578	66,45,468	-4.30%	9.61%	7.45%
15	Transfer to Contingency Fund	0	29,500	29,500	29,500	-	-	-
16	<b>Total Disbursements from CFI (13+14+15)</b>	<b>1,00,92,282</b>	<b>1,09,19,756</b>	<b>1,03,76,283</b>	<b>1,09,13,502</b>	<b>-0.06%</b>	<b>5.18%</b>	<b>8.14%</b>
17	Public Account Disbursements <sup>d</sup>	28,44,653	-	-	30,81,152	-	-	8.31%
18	<b>Total Disbursements (16+17)</b>	<b>1,29,36,935</b>	<b>-</b>	<b>-</b>	<b>1,39,94,654</b>	<b>-</b>	<b>-</b>	<b>8.18%</b>
a. BE and RE figures are taken from Annual Financial Statements for FY 2022-23.								
b. Does not include Taxes and Duties assigned to States of ₹8,98,392 crore (Gross Tax Receipts- ₹27,09,315 crore) under Article 270 of the Constitution.								
c. Includes Grants-in-aid and Contributions of ₹1,306 crore.								
d. In respect of Suspense & Miscellaneous and Remittances, no BE/RE figure is shown in AFS.								

Source: UGFAs for FY 2020-21 and FY 2021-22, and Annual Financial Statement for FY 2022-23.

As can be seen from **Figure 2.2**, Tax Revenue and Non-Tax Revenue were significantly higher in FY 2021-22 at ₹18,10,923 crore and ₹6,25,498 crore respectively, as compared to FY 2020-21 (₹14,32,107 crore and ₹4,32,406 crore respectively), while Miscellaneous Capital Receipts (₹14,638 crore) was significantly lower as compared to FY 2020-21 (₹37,897 crore). Total Expenditure of the Union at ₹42,38,534 crore in FY 2021-22 increased by 8.47 per cent over the previous year contributed by Revenue Expenditure (₹34,68,189 crore) and Capital Expenditure (₹5,38,140 crore) driving this increase whereas Loans and Advances (₹2,32,205 crore) decreased compared to the previous year (₹2,49,846 crore). Consequently, non-debt receipts were able to cover 58.42 per cent of the Total Expenditure in FY 2021-22 as compared to 49.45 per cent in FY 2020-21, leading to increased reliance on non-debt receipts for financing the Government expenditure.

### 2.3 Sources and Utilisation of funds

The resources raised by the Union Government fall under three categories<sup>1</sup> – Debt Receipts, Non-debt Receipts and Receipts into Public Account. Of these, the Debt and Non-Debt Receipts go into the Consolidated Fund of India (CFI). The non-debt

<sup>1</sup> This excludes amount received in Contingency Fund of India (₹29,500 crore).



receipts are further categorized into revenue receipts and non-debt capital receipts. Revenue receipts consist of Tax Revenue, Non-Tax Revenue and Grants-in-aid from external agencies, while non-debt capital receipts include proceeds from disinvestment and recoveries of loans and advances.

During FY 2021-22, the Union Government had total resources of ₹1,48,95,450 crore, which were applied for various purposes<sup>2</sup> as follows.

**Figure 2.3: Source of Funds in FY 2021-22**

		(₹ in crore)
<b>1</b>	Opening Cash Balance	4,947
<b>2</b>	Debt Receipts*	82,49,152
<b>3</b>	Gross Non-debt Receipts**	33,74,399
	a) Gross Revenue Receipts	33,34,813
	b) Capital Receipts	14,638
	c) Recovery of Loans & Advances	24,948
<b>4</b>	Gross Receipts into Public Account	32,37,452
<b>5</b>	Contingency Fund	29,500
<b>Total</b>		<b>1,48,95,450</b>

\*Debt Receipts of Union Government during the year 2021-22 was ₹82,49,152 crore and repayment of debt was ₹66,45,468 crore during the year. The net debt receipts of the Union Government during the year were ₹16,03,683 crore.

\*\* Gross revenue receipts include Taxes and Duties assigned to States of ₹8,98,392 crore.

**Figure 2.4: Comparison of FY 2021-22 with FY 2020-21**

<b>Revenue Receipts</b>	<ul style="list-style-type: none"> <li>✓ Gross revenue receipts increased by 35.59 per cent, while Net revenue receipts increased by 30.67 per cent.</li> <li>✓ Gross tax receipts increased by 33.65 per cent, while Net tax receipts increased by 26.45 per cent.</li> <li>✓ Non-tax receipts (including GiA and Contributions) increased by 44.66 per cent.</li> <li>✓ While Gross revenue receipts increased as a percentage of GDP from 12.42 per cent to 14.09 per cent, Net revenue receipts increased from 9.42 per cent to 10.30 per cent.</li> </ul>
<b>Non-Debt Capital Receipts</b>	<ul style="list-style-type: none"> <li>✓ Non-Debt Capital receipts decreased by 41.63 per cent.</li> <li>✓ Miscellaneous capital receipts decreased by 61.37 per cent.</li> <li>✓ Recovery of Loans and Advances decreased by 16.63 per cent.</li> </ul>
<b>Debt Receipts</b>	<ul style="list-style-type: none"> <li>✓ Debt receipts increased by 1.06 per cent.</li> </ul>
<b>Public Account Receipts</b>	<ul style="list-style-type: none"> <li>✓ Public Account Receipts increased by 13.64 per cent.</li> </ul>

The resources raised are utilized for– repayment of debt, expenditure of the Government, discharge of liabilities on Public Account and transfer to Contingency Fund. The financial limit of the Contingency Fund of India was enhanced from ₹500 crore to ₹30,000 crore through the Finance Bill, 2021. During the year, the Union

<sup>2</sup> The figures used in this section are gross amounts, which may be at variance with the amounts in Figure 2.2, which are based on net figures.

Government utilized ₹1,48,93,046 crore for various purposes as follows, leaving a closing cash balance of ₹2,404 crore.

**Figure 2.5: Application of funds**

(₹ in crore)

1	Repayment of Debt	66,45,468
2	Discharge of Liabilities on Public Account	30,81,152
3	Actual Expenditure	42,38,534
	a) Revenue Expenditure	34,68,189
	b) Capital Expenditure	5,38,140
	c) Loans & Advances	2,32,205
4	Share of the States in Union taxes	8,98,392
5	Transfer to Contingency Fund	29,500
6	Closing Cash Balance	2,404
<b>Total Application of funds</b>		<b>1,48,95,450</b>

**Figure 2.6: Comparison of FY 2021-22 with FY 2020-21**

<b>Revenue Expenditure</b>	✓ Revenue expenditure increased by 4.63 per cent.			
	General Services	Social Services	Economic Services	Grants-in-Aid
	14.28 per cent ↑	55.52 per cent ↑	13.00 per cent ↓	6.36 per cent ↑
<b>Capital Expenditure</b>	✓ Capital expenditure increased by 56.92 per cent.			
	General Services	Social Services	Economic Services	
	7.77 per cent ↑	32.69 per cent ↑	94.39 per cent ↑	
<b>Repayment of Debt</b>	✓ Repayment of Debt increased by 7.45 per cent.			
<b>Public Account Disbursements</b>	✓ Public Account Disbursements increased by 8.31 per cent.			

Revenue expenditure in FY 2021-22 increased by 4.63 per cent, capital expenditure increased by 56.92 per cent, over the previous year. The Sector wise increase/decrease in expenditure is shown above.

Gross non-debt receipts of ₹33,74,399 crore comprise gross revenue receipts (₹33,34,813 crore) and Non-debt capital receipts (₹39,586 crore). The gross revenue receipts of ₹33,34,813 crore consisting of gross tax receipts (₹27,09,315 crore<sup>3</sup>) and non-tax receipts (₹6,25,498 crore<sup>4</sup>) contributed 22.39 per cent of the total resources. Under tax receipts, direct taxes amounting to ₹13,91,993 crore (51.70 per cent) and indirect taxes to ₹13,00,709 crore (48.30 per cent). Major components of Non-Tax Revenue receipts included Railway revenues (₹1,91,367 crore), dividends and profits (₹1,60,653 crore), Other Communication Services (₹85,828 crore), interest receipts

<sup>3</sup> This figure is inclusive of Taxes and Duties assigned to States (₹8,98,392 crore) which was excluded in Figure 2.2.

<sup>4</sup> Inclusive of external assistance/Grants-in-aid and contributions amounting to ₹1,306 crore.

(₹46,178 crore), Police (₹27,665 crore), Miscellaneous General Services (₹24,929 crore) and Petroleum (₹20,037 crore).

Debt receipts (₹82,49,152 crore) contributed to 55.39 per cent of the total gross receipts of the year. The Non-Debt Capital receipts of ₹39,586 crore comprised miscellaneous capital receipts (₹14,638 crore) and recoveries of loans and advances (₹24,948 crore). Miscellaneous capital receipts included ₹8,432 crore from disinvestment. Public Account Receipts constituted 21.74 per cent of resource mobilisation.

### 2.3.1 Trend of resource generation

Figure 2.7 shows the trend of resource generation over the period from FY 2017-18 to FY 2021-22.

**Figure 2.7: Trend of Resource Generation**

(₹ in crore)

Period	Gross Revenue Receipts*	Non-debt Capital Receipts	Debt Receipts	Gross Receipts into Public Accounts	Gross Receipts
2017-18	23,64,148	1,70,687	65,54,002	14,34,393	1,05,23,230
	22.47%	1.62%	62.28%	13.63%	
2018-19	25,67,917	1,25,236	67,58,482	17,45,217	1,11,96,852
	22.93%	1.12%	60.36%	15.59%	
2019-20	25,98,760	68,996	73,01,387	21,36,115	1,21,05,258
	21.47%	0.57%	60.32%	17.65%	
2020-21	24,59,510	67,820	81,62,910	28,48,879	1,35,39,119
	18.17%	0.50%	60.29%	21.04%	
2021-22	33,34,813	39,586	82,49,152	32,37,452	1,48,90,503**
	22.40%	0.27%	55.39%	21.74%	

Note: Figures in percentages show as proportion of Gross Receipts.

\*\* This includes ₹29,500 crore (0.20 per cent of Gross Receipts) transferred to the Contingency Fund.

#### As percentage of GDP

Period	Gross Revenue Receipts	Non-debt Capital Receipts	Debt Receipts	Gross Receipts into Public Accounts	Gross Receipts
2017-18	13.83%	1.00%	38.35%	8.39%	61.58%
2018-19	13.59%	0.66%	35.76%	9.23%	59.24%
2019-20	12.95%	0.34%	36.37%	10.64%	60.30%
2020-21	12.42%	0.34%	41.22%	14.39%	68.38%
2021-22	14.09%	0.17%	34.86%	13.68%	62.92%

\*Includes figures of taxes and duties assigned to States (₹8,98,392 crore for current year). Net revenue receipts to the Centre were ₹24,36,421 crore in current year, as reflected in Figure 2.2.

As can be seen from Figure 2.7, gross receipts showed an increasing trend during FY 2017-18 to FY 2021-22, with an increase of 9.98 per cent noticed during FY 2021-22 over FY 2020-21. This growth was on account of substantial increases in gross revenue receipts and gross receipts into public account. Non-Debt Capital receipts decreased by 41.63 per cent during FY 2021-22 over FY 2020-21.

During FY 2017-18 to FY 2021-22, Gross Revenue Receipts as a percentage of GDP showed a fluctuating trend ranging from 12.42 *per cent* to 14.09 *per cent*. Gross Receipts during FY 2021-22 was 62.92 *per cent* of GDP compared to 68.38 *per cent* in FY 2020-21.

### 2.3.2 Comparison with FY 2020-21

In comparison to FY 2020-21, gross receipts increased by 9.98 *per cent* (₹13,51,384 crore), Non-debt receipts increased by 33.52 *per cent* (₹8,47,069 crore) and debt receipts increased by 1.06 *per cent* (₹86,242 crore) during FY 2021-22. Debt receipts grew by 25.86 *per cent* over a period of five years from FY 2017-18 to FY 2021-22.

Significant increase in non-debt receipts was due to the following:

- i. Net Tax Revenue increased significantly by ₹3,78,816 crore (26.45 *per cent*), with major increases coming from Corporation Tax by ₹1,65,649 crore (59.59 *per cent*), Taxes on Income other than Corporation Tax by ₹1,23,845 crore (43.25 *per cent*) and CGST by ₹58,501 crore (20.90 *per cent*).
- ii. Non-tax Revenue, including Grant-in-aid and contributions from External Agencies, grew by ₹1,93,092 crore (44.66 *per cent*), of which receipts from dividends and profits increased by ₹63,765 crore (65.81 *per cent*), Indian Railways by ₹50,583 crore (35.93 *per cent*), Other Communication Services by ₹40,327 crore (88.63 *per cent*), Police by ₹20,345 crore (277.95 *per cent*) and Petroleum by ₹13,374 crore (200.75 *per cent*). Receipts under dividends and profits increased primarily due to higher receipts of share of surplus profits from Reserve Bank of India (₹41,994 crore) and dividends from public undertakings (₹19,623 crore).
- iii. Non-Debt Capital Receipts were lower compared to FY 2020-21 by ₹28,234 crore. The reasons for the decrease included 71.63 *per cent* lower proceeds from disinvestment and 16.63 *per cent* decrease in recoveries of loans and advances.

### 2.3.3 Revenue Receipts

Revenue receipts, comprising tax and non-tax receipts are important sources of financial resources. Components of revenue receipts are discussed in succeeding sections.

**Figure 2.8** presents an overview of the Union Government finances in relation to revenue receipts, both gross and net.

**Figure 2.8: Revenue Receipts: Gross and Net**

(₹ in crore)

Period	Gross Tax Revenue	Share of States	Net Tax Revenue	Non-Tax Revenue#	Net Revenue Receipts	Gross Revenue Receipts
(1)	(2)	(3)	(4)=(2)-(3)	(5)	(6)=(4)+(5)	(7)= (2)+(5)
2017-18	19,19,183	6,73,005	12,46,178	4,44,965	16,91,143	23,64,148
	81.18%			18.82%		
2018-19	20,80,465	7,61,454	13,19,011	4,87,451	18,06,462	25,67,916
	81.02%			18.98%		

Period	Gross Tax Revenue	Share of States	Net Tax Revenue	Non-Tax Revenue#	Net Revenue Receipts	Gross Revenue Receipts
2019-20	20,10,059	6,50,677	13,59,382	5,88,701	19,48,083	25,98,760
	77.35%			22.65%		
2020-21	20,27,104	5,94,997	14,32,107	4,32,406	18,64,513	24,59,510
	82.42%			17.58%		
2021-22	27,09,315	8,98,392	18,10,923	6,25,498	24,36,421	33,34,813
	81.24%			18.76%		

*Note: Figures in percentages shown as proportion of Gross Revenue Receipts.*  
# Includes Grant-in-aid and contributions from External Agencies.

As seen from **Figure 2.8**, the growth rate of Gross Tax Revenue decreased from 11.84 per cent in FY 2017-18 to 8.40 per cent in FY 2018-19, followed by negative growth of 3.38 per cent in FY 2019-20. After marginal growth of 0.85 per cent in FY 2020-21, substantial growth of 33.65 per cent was observed in FY 2021-22. In respect of the share of States, after negative growth in two consecutive years (-14.55 per cent in FY 2019-20 and -8.56 per cent in FY 2020-21), the highest growth of 50.99 per cent, during last five years, was noticed in FY 2021-22.

Non-Tax Revenues of the Government showed a fluctuating trend from FY 2017-18 to FY 2021-22, while FY 2021-22 saw a substantial increase of 44.66 per cent.

### 2.3.3.1 Tax Revenue

Tax Revenue consists of two components – Direct Taxes and Indirect Taxes. Corporation Tax, Taxation on Income other than Corporation Tax, etc. are part of Direct Taxes, and Goods and Service Tax (GST), Customs and Excise, etc. are part of Indirect Taxes. **Figure 2.9** depicts components of Direct and Indirect Tax Revenue as well as their annual rate of growth.

**Figure 2.9: Components of Tax Revenue**

(₹ in crore)

Period	Gross Tax Revenue	Corporation Tax	Income Tax	Customs Duty	Excise Duty	GST*	Others
2018-19	20,80,465	6,63,572	4,61,652	1,17,813	2,30,993	5,84,338	22,097
2019-20	20,10,059	5,56,876	4,80,348	1,09,283	2,39,452	6,01,784	22,316
2020-21	20,27,104	4,57,719	4,70,633	1,34,750	3,89,667	5,51,542	22,793
2021-22	27,09,315	7,12,037	6,73,414	1,99,728	3,90,808	7,02,105	31,223
As percentage of GDP							
Period	Gross Tax Revenue	Corporation Tax	Income Tax	Customs Duty	Excise Duty	GST	Others
2018-19	11.01%	3.51%	2.44%	0.62%	1.22%	3.09%	0.12%
2019-20	10.01%	2.77%	2.39%	0.54%	1.19%	3.00%	0.11%
2020-21	10.24%	2.31%	2.38%	0.68%	1.97%	2.79%	0.12%
2021-22	11.45%	3.01%	2.85%	0.84%	1.65%	2.97%	0.13%

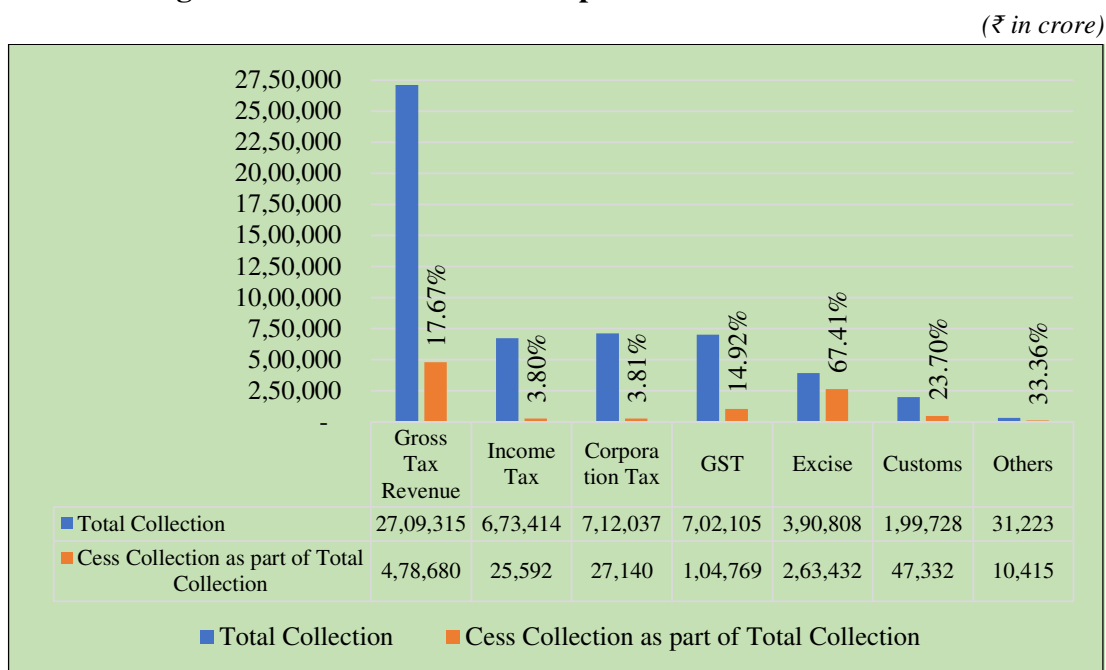
\*GST figure includes CGST, UTGST, IGST and GST Compensation Cess.

Note: GST was implemented from 1 July 2017. Analysis in Figure 2.9 has been made from FY 2018-19 onwards for full year comparison.

Compared to FY 2020-21, the Gross Tax Revenue saw increase in FY 2021-22, which was due to substantial growth in Corporation Tax by 55.56 per cent, Custom Duty by 48.22 per cent and Income Tax by 43.09 per cent. Gross Tax Revenues constituted 11.45 per cent of GDP during FY 2021-22 as compared to 10.24 per cent during FY 2020-21.

Further, cess collections at ₹4,78,680 crore formed 17.67 per cent of the Gross Tax Revenue (₹27,09,315 crore) in FY 2021-22, as shown in **Figure 2.10**. The major cesses include Health and Education Cess on Income Tax and Corporation Tax, GST Compensation Cess on certain goods, such as tobacco items, motor vehicles, etc., Road Cess on diesel and petrol, and Social Welfare Surcharge on imported goods.

**Figure 2.10: Cess collections as part of various tax revenues**



Source: Statement No. 8 of UGFA for FY 2021-22

### 2.3.3.2 Cess collections

A cess is an additional tax levied by the Government to raise funds for a specific purpose. Cess collections are initially credited to the CFI. Goods and Services Tax (GST) has been implemented from July 2017. GST subsumed taxes like Central Excise, Service Tax, Value Added Tax, Entry Tax, Octroi, etc. and cesses like Krishi Kalyan Cess, Swachh Bharat Cess, Clean Energy Cess and Cesses on Tea, Sugar and Jute, etc. A new cess named Agriculture Infrastructure and Development Cess was introduced by Government of India from FY 2021-22.

The Union Government has abolished various cesses on goods and services in recent years while levying new cesses like Health and Education Cess in place of Primary Education and Secondary Education Cess on direct taxes, and Social Welfare Surcharge in place of Education Cess, on customs duty with effect from FY 2017-18.

Further, Primary Education Cess on Imported Goods, Secondary and Higher Education Cess on Imported Goods, Cess on Crude Petroleum Oil, Additional Duty of Excise on Motor Spirit (Road Cess), Additional Duty of Excise on High Speed Diesel Oil (Road Cess), Special Additional Duty of Excise on Motor Spirit, Road and Infrastructure Cess on specified imported and excisable goods, National Calamity Contingent Duty on Tobacco and Tobacco Products and Crude Petroleum Oil, Universal Access levy and Social Welfare Surcharge, etc. continue to be levied.



The total collection of various cesses amounting to ₹4,78,680 crore in FY 2021-22 (increase by 19.69 per cent over FY 2020-21) and their growth rates are shown in **Figure 2.11**.

**Figure 2.11: Cess collections**

(₹ in crore)

Period	GST Compensation Cess	Health and Education Cess*	Social Welfare Surcharge	Cess on Crude oil	Road Cess	Universal Service Obligation (USO)	Agriculture Infrastructure and Development Cess	Others	Total
2017-18	62,612	31,656	1,222	13,579	84,038	7,019	0	22,182	2,22,308
2018-19	95,081	41,310	8,871	17,814	1,10,854	6,912	0	2,121	2,82,963
2019-20	95,553	39,241	8,796	14,062	1,22,440	7,962	0	5,901	2,93,955
2020-21	85,192	35,895	13,447	10,894	2,35,783	9,471	0	9,267	3,99,949
2021-22	1,04,769	52,750	16,945	19,354	1,95,987	10,376	76,951	1,548	4,78,680

\*Includes Primary Education Cess (₹15.44 crore) and Secondary & Higher Education Cess (₹2.50 crore) under MH 0037, 0038 and 0044.

In comparison to FY 2020-21, increase in cess collection in FY 2021-22 was observed in GST Compensation Cess which was on account of higher collections on Domestic Supply of Goods and Services. Similarly, increase in cess collection in FY 2021-22 was observed in Health and Education Cess, Social Welfare Surcharge, Cess on Crude Oil and Universal Service Obligation. Agriculture Infrastructure and Development Cess is levied as a duty of customs and an additional duty of excise vide the Finance Act, 2021 for the purposes of financing the agriculture infrastructure and other development expenditure.

The decrease in Road Cess in FY 2021-22 compared to FY 2020-21 was on account of less collections under 'Road and Infrastructure Cess' and 'Additional Excise Duty on High-Speed Diesel Oil'. In case of 'Others', the decrease of ₹7,719 crore was mainly on account of less collections under 'Cess on Exports' by 84.19 per cent.

### 2.3.4 Non-Tax Revenue

Non-Tax Revenues comprise interest receipts, income from judiciary, police, currency and coinage, dividends and profits, user charges collected by Railways, Posts and Departmental Undertakings and others etc. The total Non-Tax Revenue increased substantially by 44.66 per cent in FY 2021-22 as compared to FY 2020-21. The composition of Non-Tax Revenue is given in **Figure 2.12**.

**Figure 2.12: Composition of Non-Tax Revenue**

(₹ in crore)

Period	Total Non-Tax Revenue#	As % of Gross Revenue Receipts	Interest Receipts	Dividends and Profits	Social Services	Economic Services	Others
2017-18	4,44,965	18.82%	45,732	91,367	3,081	2,58,592	46,193
2018-19	4,87,451	18.98%	27,166	1,13,427	3,167	2,94,445	49,246
2019-20	5,88,701	22.65%	56,964	1,86,142	3,507	2,94,717	47,371
2020-21	4,32,406	17.58%	59,540	96,889	3,878	2,29,491	42,608
2021-22	6,25,498	18.76%	46,178	1,60,653	4,901	3,46,372	**67,394

# Includes Grants-in-aid and Contributions from external agencies.

\*\* Fiscal Services (₹193 crore), General Services (₹65,895 crore) and Grants-in-Aid & contributions (₹1,306 crore).

Source: UGFAs for FY 2017-18 to FY 2021-22.

In FY 2021-22 the largest share of Non-Tax Revenue came from Economic Services (55.38 per cent), dividends and profits constituted 25.68 per cent, while Interest receipts accounted for 7.38 per cent. Compared to FY 2020-21, the substantial increase of ₹1,93,092 crore in Gross Non-Tax Revenue in FY 2021-22 was mainly driven by increases in Economic Services by ₹1,16,881 crore, dividends and profits by ₹63,764 crore and Others by ₹24,786 crore. This increase is partially offset by decrease in Interest Receipts by ₹13,362 crore.

Receipts from Dividends and Profits witnessed a growth of 65.81 per cent over the previous year due to higher receipts of dividends from Public Undertakings of ₹19,623 crore and share of surplus profits from Reserve Bank of India of ₹41,994 crore, as compared to last FY (2020-21).

Interest Receipts witnessed a negative growth of 22.44 per cent (₹13,362 crore) during FY 2021-22 which was mainly due to less Premium on Market Loans of ₹18,655 crore that was partially offset by higher Interest from investment of Cash Balances of ₹5,533 crore.

Receipts under Social Services witnessed a growth of 26.38 per cent over the previous year due to higher receipts on account of Medical and Public Health of ₹516 crore and Housing of ₹266 crore.

Further, the receipts from Economic Services, which accounted for more than half of the Non-Tax Revenue, had the following major components as shown in **Figure 2.13**.

**Figure 2.13: Major Components of Receipt from Economic Services**

(₹ in crore)

Period	Indian Railways- Commercial Lines	Postal Receipts	Other Communication Services	Others	Total Economic Services
2017-18	1,76,779	12,833	32,066	36,914	2,58,592
2018-19	1,87,738	13,196	40,816	52,695	2,94,445
2019-20	1,72,021	13,558	69,846	39,292	2,94,717
2020-21	1,38,264	10,632	45,501	35,094	2,29,491
2021-22	1,88,688	10,861	85,828	60,995	3,46,372

From **Figure 2.13**, it can be seen that receipts of Economic Services during the current year increased by ₹1,16,881 crore (50.93 per cent) compared to FY 2020-21.

Further, during FY 2021-22, the Union Government received dividend/surplus of ₹1,60,653 crore from 98 entities, compared to ₹96,889 crore received from 89 entities during FY 2020-21 as shown in **Figure 2.14**.

**Figure 2.14: Composition of Dividend and Profits**

(₹ in crore)

Period	Share of surplus profits from RBI	Dividends from Public Undertakings	Share of profit from Nationalized Banks	Dividend from Others	Total Dividend and profits
2017-18	40,659	46,495	1,826	2,387	91,367
2018-19	68,000	43,049	108	2,270	1,13,427
2019-20	1,47,988	35,509	0	2,645	1,86,142
2020-21	57,128	39,497	0	264	96,889
2021-22	99,122	59,120	2,231	180	1,60,653



Of the dividend and profits received, the share of surplus received from RBI (₹99,122 crore) alone constituted 61.70 *per cent* of total receipts under this head. Other major entities who gave dividends were Bharat Petroleum Corporation of India Ltd. (₹7,814 crore), Coal India Ltd. (₹7,132 crore), Oil and Natural Gas Corporation Ltd. (₹6,916 crore), Power Grid Corporation of India Ltd. (₹5,551 crore), Indian Oil Corporation Ltd. (₹5,091 crore), National Thermal Power Corporation of India Ltd. (₹3,543 crore), National Mineral Development Corporation Ltd. (₹2,626 crore), Hindustan Zinc Ltd. (₹2,246 crore), Nationalised Banks (₹2,231 crore), Steel Authority of India Ltd. (₹2,228 crore) and Gas Authority of India Ltd. (₹2,056 crore).

The share of dividend from Public Sector Enterprises increased from ₹39,497 crore (9.13 *per cent* of Non-Tax Revenue) in FY 2020-21 to ₹59,120 crore (9.45 *per cent* of Non-Tax Revenue) in FY 2021-22, mainly due to higher dividends from Oil and Natural Gas Corporation Ltd. (₹5,586 crore), Bharat Petroleum Corporation of India Ltd. (₹5,401 crore), Power Grid Corporation of India Ltd. (₹2,048 crore), Coal India Ltd. (₹2,038 crore), Steel Authority of India Ltd. (₹1,960 crore) and National Mineral Development Corporation Ltd. (₹1,073 crore).

### 2.3.5 Interest receipt on Investment of Cash Balance

Union Government had a Cash Balance Investment of ₹35,352 crore at the end of 31 March 2022 and during the year ₹11,814 crore was received as interest income for investment of cash balance. Similarly, in FY 2020-21, the cash balance investment and interest income for investment of cash balance was ₹2,32,572 crore and ₹6,281 crore, respectively.

### 2.3.6 Non-Debt Capital Receipts

Non-Debt Capital receipts comprise miscellaneous capital receipts and recoveries of loans and advances. The former primarily consists proceeds from disinvestment of PSEs.

**Figure 2.15: Non-Debt Capital receipts**

(₹ in crore)

Period	Miscellaneous Capital Receipts		Recoveries of Loans and Advances	Total Non-debt Capital Receipts
	Proceeds from Disinvestment	Others		
2017-18	88,970	11,078	70,639	1,70,687
2018-19	72,620	22,359	30,257	1,25,236
2019-20	48,234	2,115	18,647	68,996
2020-21	29,720	8,177	29,923	67,820
2021-22	8,432	6,206	24,948	39,586

During the year, the Government received ₹8,432 crore from disinvestment of its equities in PSUs compared to ₹29,720 crore in FY 2020-21. These receipts mainly came from Offers for Sale of National Mineral Development Corporation Ltd. (₹3,654 crore), Housing and Urban Development Corporation Ltd. (₹720 crore), Hindustan Copper Ltd. (₹742 crore); strategic disinvestment of Air India (₹2,700 crore); sale of shares of Indian Petrochemicals Corporation Ltd. (now RIL)

through stock exchange (₹219 crore) and buy back of shares of Manganese Ore (India) Ltd. (₹394 crore).

## 2.4 Disbursements

### 2.4.1 Trend of Disbursements

During FY 2021-22, total disbursements from CFI increased by 8.14 *per cent* as compared to FY 2020-21. Of the total disbursements of ₹1,39,94,654 crore, disbursements from CFI were 77.98 *per cent* and the balance 22.02 *per cent* was from Public Account as detailed in **Figure 2.16**.

**Figure 2.16: Trend of Disbursements**

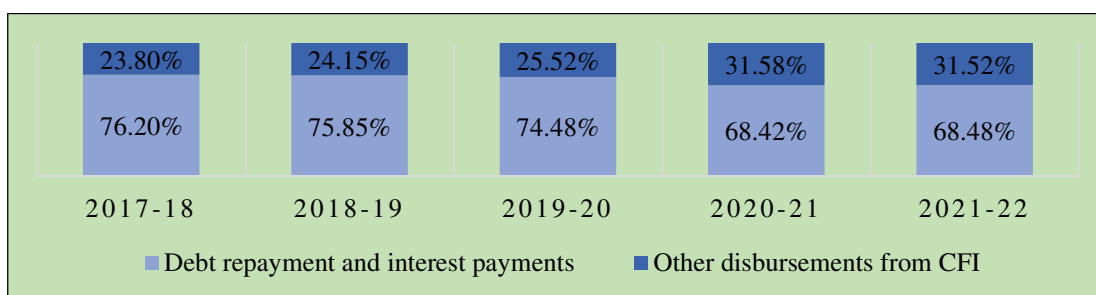
	(₹ in crore)				
	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue Expenditure (RE)	21,40,085 (25.42)	22,61,571 (25.76)	26,15,320 (27.90)	33,14,852 (32.85)	34,68,189 (31.78)
Capital Expenditure (CE)	3,25,116 (3.86)	3,99,523 (4.55)	3,87,744 (4.14)	3,42,949 (3.40)	5,38,140 (4.93)
Loans and Advances (LA)	82,136 (0.97)	54,667 (0.62)	45,141 (0.48)	2,49,846 (2.47)	2,32,205 (2.13)
<b>Total Expenditure (RE+CE+LA)</b>	<b>25,47,337</b>	<b>27,15,761</b>	<b>30,48,205</b>	<b>39,07,647</b>	<b>42,38,534</b>
Repayment of Public Debt	58,72,604 (69.75)	60,64,945 (69.07)	63,26,549 (67.48)	61,84,635 (61.28)	66,45,468 (60.89)
Transfer to Contingency Fund	-	-	-	-	29,500 (0.27)
<b>Disbursements from CFI</b>	<b>84,19,941</b>	<b>87,80,706</b>	<b>93,74,754</b>	<b>1,00,92,282</b>	<b>1,09,13,502</b>
Disbursements from Public Account	14,34,375	16,53,371	20,84,799	28,44,653	30,81,152
<b>Total Disbursement</b>	<b>98,54,316</b>	<b>1,04,34,077</b>	<b>1,14,59,553</b>	<b>1,29,36,935</b>	<b>1,39,94,654</b>

Figures in parentheses show as percentage of Disbursements from CFI.

From **Figure 2.16**, it can be seen that out of the disbursements from CFI, repayment of public debt was 60.89 *per cent* and total expenditure constituted 38.84 *per cent*. Due to increase in financial limit of the Contingency Fund of India from ₹500 crore to ₹30,000 crore through the Finance Bill, 2021, ₹29,500 crore (0.27 *per cent*) was transferred to the Contingency Fund during FY 2021-22. Public Debt repayment as a percentage of CFI disbursement declined from 69.75 *per cent* to 60.89 *per cent* in the last five years. The share of Revenue Expenditure was on the rise during FY 2017-18 to FY 2020-21 but declined slightly to 31.78 *per cent* in FY 2021-22 from 32.85 *per cent* in FY 2020-21.

Further, **Figure 2.17** shows the share of public debt repayment and interest payments in the total disbursements from CFI.

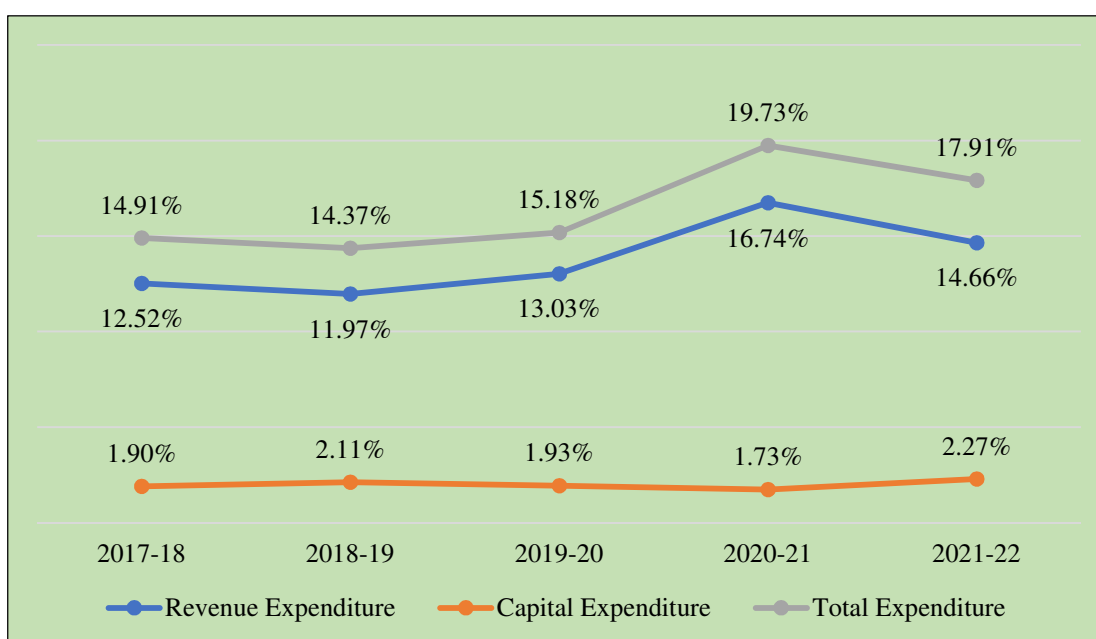
**Figure 2.17: Share of public debt repayment and interest payments in CFI**



Thus, the share of disbursements pertaining to debt repayment and interest payments in the total disbursements from CFI show a decreasing trend during FY 2017-18 to FY 2019-20 followed by a significant fall in FY 2020-21. In FY 2021-22, it increased slightly to 68.48 per cent from 68.42 per cent in FY 2020-21.

Furthermore, **Fig.2.18** shows the trend of expenditure as a percentage of GDP.

**Figure 2.18: Expenditure as percentage of GDP**



Thus, as seen from **Figure 2.18**, total expenditure as percentage of GDP decreased (from 19.73 per cent in FY 2020-21 to 17.91 per cent in FY 2021-22), and revenue expenditure as percentage of GDP also decreased (from 16.74 per cent in FY 2020-21 to 14.66 per cent in FY 2021-22) whereas capital expenditure as percentage of GDP increased from 1.73 per cent in FY 2020-21 to 2.27 per cent in FY 2021-22.

#### 2.4.2 Sectoral Expenditure

In the accounts of the Union Government, expenditure is accounted under various Major Heads which, in turn, are grouped into four sectors, namely 'General Services', 'Social Services', 'Economic Services' and 'Grants-in-aid and Contributions'.

**Figure 2.19** presents details of sectoral expenditure (both Revenue and Capital Expenditure).

**Figure 2.19: Sectoral expenditure of the Union Government**

(₹ in crore)

Sectoral Expenditure		2017-18	2018-19	2019-20	2020-21	2021-22
General Services	Revenue Expenditure	10,10,124	11,02,022	12,12,505	12,96,967	14,82,119
	Capital Expenditure	1,06,529	1,13,089	1,24,994	1,42,949	1,54,053
	Loans & Advances	0	0	0	0	0
	<b>Sub Total</b>	<b>11,16,653</b>	<b>12,15,111</b>	<b>13,37,499</b>	<b>14,39,916</b>	<b>16,36,172</b>
	<b>YoY Growth (%)</b>	<b>8.88</b>	<b>8.82</b>	<b>10.07</b>	<b>7.66</b>	<b>13.63</b>
	As % of GDP	6.53	6.43	6.66	7.27	6.91
Social Services	Revenue Expenditure	1,01,337	1,07,414	1,35,769	1,71,271	2,66,367
	Capital Expenditure	9,771	9,823	9,899	7,611	10,099
	Loans & Advances	10,561	11,924	14,449	6,992	18,942
	<b>Sub Total</b>	<b>1,21,669</b>	<b>1,29,161</b>	<b>1,60,117</b>	<b>1,85,874</b>	<b>2,95,408</b>
	<b>YoY Growth (%)</b>	<b>4.87</b>	<b>6.16</b>	<b>23.97</b>	<b>16.09</b>	<b>58.93</b>
	As % of GDP	0.71	0.68	0.80	0.94	1.25
Economic Services	Revenue Expenditure	6,47,099	6,69,423	7,36,314	12,61,988	10,97,901
	Capital Expenditure	2,08,816	2,76,611	2,52,851	1,92,388	3,73,988
	Loans & Advances	53,018	18,132	4,839	93,364	16,381
	<b>Sub Total</b>	<b>9,08,933</b>	<b>9,64,166</b>	<b>9,94,004</b>	<b>15,47,740</b>	<b>14,88,270</b>
	<b>YoY Growth (%)</b>	<b>14.95</b>	<b>6.08</b>	<b>3.09</b>	<b>55.71</b>	<b>-3.84</b>
	As % of GDP	5.32	5.10	4.95	7.82	6.29
Grants-in-aid and Contributions	Revenue Expenditure	3,81,526	3,82,712	5,30,731	5,84,627	6,21,802
	<b>Sub Total</b>	<b>3,81,526</b>	<b>3,82,712</b>	<b>5,30,731</b>	<b>5,84,627</b>	<b>6,21,802</b>
	<b>YoY Growth (%)</b>	<b>31.11</b>	<b>0.31</b>	<b>38.68</b>	<b>10.16</b>	<b>6.36</b>
	As % of GDP	2.23	2.02	2.64	2.95	2.63
<b>Grand Total</b>		<b>25,28,781</b>	<b>26,91,150</b>	<b>30,22,351</b>	<b>37,58,157</b>	<b>40,41,652</b>
<b>YoY Growth (%)</b>		13.74	6.42	12.31	24.35	7.54

Source: UGFAs for FY 2017-18 to FY 2021-22.

Note: The sectoral classification excludes loans to Foreign Governments (₹444 crore), State Governments (₹1,85,136 crore), UTs (₹11,135 crore), and Government Servants (₹167 crore).

As seen from **Figure 2.19**, during FY 2021-22, Social Services witnessed highest growth of 58.93 per cent due to higher expenditure on Housing (₹40,646 crore), Medical and Public Health (₹37,222 crore), Water Supply and Sanitation (₹36,436 crore) and Labour, Employment and Skill Development (₹11,015 crore).

The second highest growth of 13.63 per cent was noticed in expenditure on General Services, which was on account of increase in expenditure on Interest payments (₹1,11,075 crore), Customs (₹49,841 crore), Defence Services – Army (₹16,547 crore) and Police (₹11,590 crore).

Grants-in-aid and Contributions witnessed a growth of 6.36 per cent in FY 2021-22 over previous year which was on account of increase in Grants-in-aid to State Governments of ₹38,799 crore.

Further, the expenditure on Economic Services witnessed a decline of ₹59,470 crore (decrease of 3.84 per cent) in FY 2021-22 over FY 2020-21. This was mainly due to decrease in expenditure on Food, Storage and Warehousing by ₹2,52,535 crore and Petroleum by ₹33,884 crore. This decrease in expenditure was partially offset by increase in expenditure on Indian Railways (₹1,55,500 crore), Capital Outlay on Civil

Aviation (₹62,386 crore), Capital Outlay on Roads and Bridges (₹24,819 crore) and Industries (₹22,357 crore).

### 2.4.3 Analysis of Revenue Expenditure

The Government incurs revenue expenditure for the normal day-to-day running of government departments, for various services, salary, payment of interest on its incurred debt, Pensions, subsidies, etc. For the Union Government all grants given to State Governments and others also fall in the category of revenue expenditure.

Of the revenue items, interest payments, salary and pension payments constitute committed expenditures.

**Figure 2.20: Components of Revenue Expenditure**

(₹ in crore)

Period	Revenue Expenditure	Salary#	Interest Payments	Pensions**	Grants to States/UTs	Others##
2017-18	21,40,085	1,93,503 (9.04)	5,43,707 (25.41)	1,45,745 (6.81)	3,76,502 (17.59)	8,80,628 (41.15)
2018-19	22,61,571	2,18,022 (9.64)	5,95,552 (26.33)	1,60,212 (7.08)	3,75,997 (16.63)	9,11,788 (40.32)
2019-20	26,15,320	2,27,627 (8.70)	6,55,371 (25.06)	1,83,955 (7.03)	5,22,911 (19.99)	10,25,456 (39.21)
2020-21	33,14,852	3,33,816 (10.07)	7,20,984 (21.75)	2,08,473 (6.29)	5,76,881 (17.40)	14,74,698 (44.49)
2021-22	34,68,189	2,48,520 (7.17)	8,28,253 (23.88)	1,98,946 (5.74)	6,16,141 (17.77)	15,76,329 (45.44)

# Source: Statement 22 of Expenditure Profile for FY 2022-23; \*\* Includes Civil & Defence pension under MH-2071 and excludes Post & Railways Pension, ## Others include expenditure on Defence, Railways, Miscellaneous General Services, etc.

Figures in parentheses shows percentage of revenue expenditure.

Figure 2.20 shows that during FY 2021-22, interest payment was the largest single component of revenue expenditure (excluding Others) constituting 23.88 per cent of the total revenue expenditure and it also showed the highest growth rate (14.88 per cent) in FY 2021-22. Further, there was a positive YoY growth in every component, except salary and Pensions, of revenue expenditure in FY 2021-22.

#### 2.4.3.1 Interest Payments

This head provides for payment of interest on public debt (both internal and external) and other interest-bearing liabilities of the Government, which include Insurance and Pension Funds, Provident Funds, Reserve Funds, Deposits and interest on special securities issued to various Companies and Corporations. It also includes expenditure on reduction or avoidance of debt.

**Figure 2.21: Interest payments to revenue expenditure**

Period	Interest Payments (IP)	Revenue Receipt (RR)	Revenue Expenditure (RE)	Total Expenditure (TE)	Growth of IP	Share of IP to RR	Share of IP to RE	Share of IP to TE
	(₹ in crore)				(in per cent)			
2017-18	5,43,707	16,91,143	21,40,085	25,47,337	7.77	32.15	25.41	21.34
2018-19	5,95,552	18,06,462	22,61,571	27,15,761	9.54	32.97	26.33	21.93
2019-20	6,55,371	19,48,083	26,15,320	30,48,205	10.04	33.64	25.06	21.50

Period	Interest Payments (IP)	Revenue Receipt (RR)	Revenue Expenditure (RE)	Total Expenditure (TE)	Growth of IP	Share of IP to RR	Share of IP to RE	Share of IP to TE
	(₹ in crore)				(in per cent)			
2020-21	7,20,984	18,64,513	33,14,852	39,07,647	10.01	38.67	21.75	18.45
2021-22	8,28,253	24,36,421	34,68,189	42,38,534	14.88	33.99	23.88	19.54

Interest payments during FY 2021-22 comprised *inter alia* interest payments on internal debt (₹7,52,200 crore, 90.82 per cent), interest on Small Savings and Provident Fund, etc. (₹47,096 crore), interest payments on external debt (₹7,053 crore), interest on Reserve Funds (₹546 crore), interest on other obligations (₹16,117 crore) and appropriation for reduction or avoidance of debt (₹5,241 crore).

The reasons for upward trend in the Interest Payments during FY 2018-19 to FY 2021-22 are attributed to continuous increase in liability of Interest on Internal Debt from FY 2018-19 to FY 2021-22, increase in Interest on External Debt during FY 2017-18 to FY 2019-20 and increase in Appropriation for Reduction or Avoidance of Debt during FY 2019-20 to FY 2020-21.

#### 2.4.3.2 Pension payments

During FY 2021-22, the total expenditure incurred on pensions and other retirement benefits decreased by 1.96 per cent to ₹2,61,442 crore from ₹2,66,668 crore in FY 2020-21, as shown in **Figure 2.22**.

**Figure 2.22: Expenditure on Pension and other Retirement Benefits**

Period	(₹ in crore)					Total
	Defence	Civil	Railways	Post		
2017-18	92,000 (46.11)	53,745 (26.94)	45,275 (22.69)	8,511 (4.27)		1,99,531
2018-19	1,01,775 (47.20)	58,437 (27.10)	46,718 (21.66)	8,706 (4.04)		2,15,636
2019-20	1,17,810 (48.57)	66,144 (27.27)	49,188 (20.28)	9,419 (3.88)		2,42,561
2020-21	1,28,066 (48.02)	80,407 (30.15)	48,435 (18.16)	9,760 (3.66)		2,66,668
2021-22	1,16,800 (44.68)	82,146 (31.42)	51,935 (19.86)	10,561 (4.04)		2,61,442

Source: For Civil and Defence pensions, figures are from Finance Accounts (Major Head 2071). For Railways and Post, figures are from their Appropriation Accounts.

Figures in parenthesis show proportion of total expenditure on pension and other retirement benefits.

#### 2.4.3.3 Subsidies

Subsidies constituted 14.48 per cent of Revenue Expenditure. **Figure 2.23** presents details of the subsidies which the Government provided through the budget.

**Figure 2.23: Subsidies in the Union Government Budget**

Period	(₹ in crore)						Subsidies as % of Revenue Expenditure
	Food	Fertilisers* (Urea)	Fertilisers# (Decontrolled)	Petroleum Subsidy	Others**	Total Subsidies	
2017-18	1,00,282 (-8.98)	64,756 (26.34)	22,244 (47.74)	24,460 (-11.18)	34,334 (19.31)	2,46,076 (5.70)	11.50
2018-19	1,01,327 (1.04)	46,514 (-28.17)	24,090 (8.30)	24,837 (1.54)	28,210 (-17.84)	2,24,978 (-8.57)	9.95



Period	Food	Fertilisers* (Urea)	Fertilisers# (Decontrolled)	Petroleum Subsidy	Others**	Total Subsidies	Subsidies as % of Revenue Expenditure
2019-20	1,08,688 (7.26)	54,755 (17.72)	26,369 (9.46)	38,529 (55.13)	33,963 (20.39)	2,62,304 (16.59)	10.03
2020-21	5,41,330 (398.06)	90,549 (65.37)	37,372 (41.73)	36,755 (-4.60)	48,930 (44.07)	7,54,936 (187.81)	22.77
2021-22	2,88,969 (-46.62)	1,00,988 (11.53)	52,770 (41.20)	3,421 (-90.69)	56,078 (14.61)	5,02,226 (-33.47)	14.48

Figures in parentheses indicate percentage of annual growth.

\*Indicates the subsidies given on indigenous and imported fertilisers (Urea).

# Indicates subsidies given for decontrolled fertilisers. Since FY 2011-12, it is nutrient based subsidy.

\*\*Others include Interest Subsidy, Procurement of cotton by Cotton Corporation under Price Support Scheme, Market Intervention Scheme and Price Support Scheme (MIS-PSS) in Ministry of Agriculture, Scheme for Assistance to Sugar Mills from FY 2018-19 to FY 2019-20 season, Price Stabilisation Fund, etc.

The bulk of the expenditure under this head was towards food and fertilizer subsidies which are categorised under major subsidies. Compared to FY 2020-21, the total expenditure on subsidies declined by 33.47 per cent in FY 2021-22 mainly due to significant decrease in expenditure on food subsidy by 46.62 per cent, which was on account of substantial decrease in subsidy paid to Food Corporation of India.

Overall, the share of expenditure on subsidies in revenue expenditure decreased from 11.50 per cent in FY 2017-18 to 9.95 per cent in FY 2018-19. There was substantial increase from 10.03 per cent in FY 2019-20 to 22.77 per cent in FY 2020-21 which further decreased to 14.48 per cent in FY 2021-22, due to reduction in Food subsidy by ₹2,52,361 crore and Petroleum Subsidy by ₹33,334 crore.

#### 2.4.3.4 Grants-in-Aid to States/UTs

**Figure 2.24: Grants-in-Aid to States and UTs with legislature**

(₹ in crore)

Period	Grants-in-Aid to States				GiA to UTs with Legislature		
	Centrally Sponsored Schemes	Finance Commission Grants	Others	Total GiA to States	Centrally Sponsored Schemes	Others	Total GiA to UTs
2017-18	1,96,088	92,244	84,410	3,72,742	1,014	2,746	3,760
2018-19	2,03,151	93,703	71,318	3,68,172	792	7,033	7,825
2019-20	2,08,543	1,23,710	1,62,722	4,94,975	3,577	24,359	27,936
2020-21	2,08,395	1,84,062	1,33,757	5,26,214	7,886	42,781	50,667
2021-22	2,40,383	2,07,435	1,17,195	5,65,013	5,724	45,404	51,128

As seen from **Figure 2.24**, the Grants-in-Aid pertaining to Centrally Sponsored Schemes plateaued from FY 2017-18 to FY 2020-21. However, during FY 2021-22, it increased substantially from ₹2,08,395 crore in FY 2020-21 to ₹2,40,383 crore in FY 2021-22 (increase of 15.35 per cent). During last five years, the Finance Commission Grants increased from ₹92,244 crore in FY 2017-18 to ₹2,07,435 crore in FY 2021-22. Compared to FY 2020-21, the Finance Commission Grants increased by 12.70 per cent in FY 2021-22 mainly on account of increase in 'post-devolution revenue deficit grant' by ₹44,112 crore.

## 2.4.4 Capital Expenditure

In FY 2021-22, the capital expenditure incurred by the Union Government amounted to ₹5,38,140 crore. **Figure 2.25** shows the trend of capital expenditure over the last five years.

**Figure 2.25: Trend of capital expenditure**

(₹ in crore)

Period	2017-18	2018-19	2019-20	2020-21	2021-22
<b>General Services</b>	<b>1,06,529</b>	<b>1,13,089</b>	<b>1,24,994</b>	<b>1,42,949</b>	<b>1,54,053</b>
Defence Services	90,445	95,231	1,11,092	1,34,305	1,37,987
Others	16,084	17,858	13,902	8,644	16,066
<b>Social Services</b>	<b>9,771</b>	<b>9,823</b>	<b>9,899</b>	<b>7,611</b>	<b>10,099</b>
Water Supply, Sanitation, Housing and Urban Development	5,113	3,795	4,688	3,059	6,078
Others	4,658	6,028	5,211	4,552	4,021
<b>Economic Services</b>	<b>2,08,816</b>	<b>2,76,611</b>	<b>2,52,851</b>	<b>1,92,389</b>	<b>3,73,988</b>
Transport	99,882	1,27,281	1,39,481	1,22,734	2,97,767
General Economic Services*	87,684	1,23,845	81,116	46,837	40,937
Others	21,250	25,485	32,254	22,818	35,284
<b>Total</b>	<b>3,25,116</b>	<b>3,99,523</b>	<b>3,87,744</b>	<b>3,42,949</b>	<b>5,38,140</b>

\*Investment in General Financial and Trading Institutions, International Financial Institutions, etc.

As seen from **Figure 2.25**, the capital expenditure increased significantly from ₹3,42,949 crore in FY 2020-21 to ₹5,38,140 crore in FY 2021-22 (growth of 56.92 per cent). The main component of this increase was higher expenditure on Economic Services (₹1,81,600 crore) which was due to increased capital expenditure on Indian Railways (₹87,345 crore), Civil Aviation (₹62,386 crore) and Roads and Bridges (₹24,819 crore).

During FY 2021-22, capital expenditure on Social Services increased by 32.69 per cent mainly due to higher capital expenditure on Urban Development. The increase of 7.77 per cent in General Services was mainly due to higher capital expenditure on Defence Services, Currency, Coinage and Mint and Police.

### 2.4.4.1 Investments

The total investment of the Union Government in Statutory Corporations, Companies, Banks, International Bodies, Cooperatives, etc. stood at ₹14,11,857 crore at the end of FY 2021-22, representing an increase of ₹1,69,117 crore over FY 2020-21.

**Figure 2.26: Return on Investments**

(₹ in crore)

Period	Total Investments of the Union in Statutory Corporation/ Companies/ banks/ International Bodies etc.	Dividends and Profits received during the year*	Return on Investment	Return on Investment (excluding surplus transfer from RBI)
2020-21	12,42,740	96,889	7.80%	3.20%
2021-22	14,11,857	1,60,653	11.38%	4.36%

\*Dividend and Profits are discussed in Figure 2.14.



During FY 2021-22, major investments were made in Air India Asset Holding Ltd. (₹62,365 crore), National Highway Authority of India (₹57,055 crore), Capital Support to National Bank for Financing Infrastructure and Development (₹20,000 crore), Dedicated Freight Corridor Corporation of India (₹12,544 crore) and National High Speed Rail Corporation Ltd. (₹12,250 crore).

Further, in last five years the Union Government had invested ₹2,86,043 crore in the Nationalised Banks, as shown in **Figure 2.27**.

**Figure 2.27: Investments and securities issued to Nationalised Banks**

(₹ in crore)

Period	Total Investment of the Union Govt. in Nationalised Banks at the end of the year	Investment of the Union Govt in Nationalised Banks during the year	Securities Issued to Nationalised Banks during the year
2017-18	2,20,521	90,000	80,000
2018-19	3,26,507	1,06,000	1,10,500
2019-20	3,91,946	65,443	75,848
2020-21	4,11,946	20,000	20,000
2021-22	4,17,546	4,600	4,600
<b>Total</b>		<b>2,86,043</b>	<b>2,90,948</b>

Though, total investment in Nationalised Banks increased by ₹5,600 crore (from ₹4,11,946 crore in FY 2020-21 to ₹4,17,546 crore in FY 2021-22), however, during FY 2021-22, Union Govt. had invested ₹4,600 crore in Nationalised Banks and remaining investment of ₹1,000 crore in Bhartiya Mahila Bank had merged in Nationalised Banks.

During last five years, against an investment of ₹2,86,043 crore, the securities issued to the Banks stood at ₹2,90,948 crore.

## 2.5 Liabilities of the Union Government

Statement No.2 of UGFA provides summary of debt position of the Union Government. **Figure 2.28** discusses the outstanding liabilities of the Union Government as appearing in UGFA.

**Figure 2.28: Outstanding Liabilities of Union Government**

(₹ in crore)

Period	Public Debt		Public Account Liabilities		Liabilities of Union Government (as per UGFA)
	Internal Debt	External Debt at Current Prices as on 31.03.2022	Small savings, provident funds, etc.	Reserve Funds and Deposits	
2017-18	64,01,275	4,45,282	13,94,422	2,52,758	84,93,737
2018-19	70,74,941	4,74,439	15,09,506	3,02,510	93,61,396
2019-20	80,20,490	5,44,394	15,74,289	3,04,444	1,04,43,617
2020-21	99,09,543	6,14,829	14,27,324	3,33,948	1,22,85,644
2021-22	1,14,62,343	6,58,334	12,24,452	4,19,765	1,37,64,894

Thus, the total liabilities consistently increased by more than 10 *per cent* from FY 2017-18 onwards. In FY 2021-22, there was a growth of 12.04 *per cent* over FY 2020-21 on account of increase in Public Debt (₹15,96,305 crore).

### 2.5.1 Public Account Liabilities

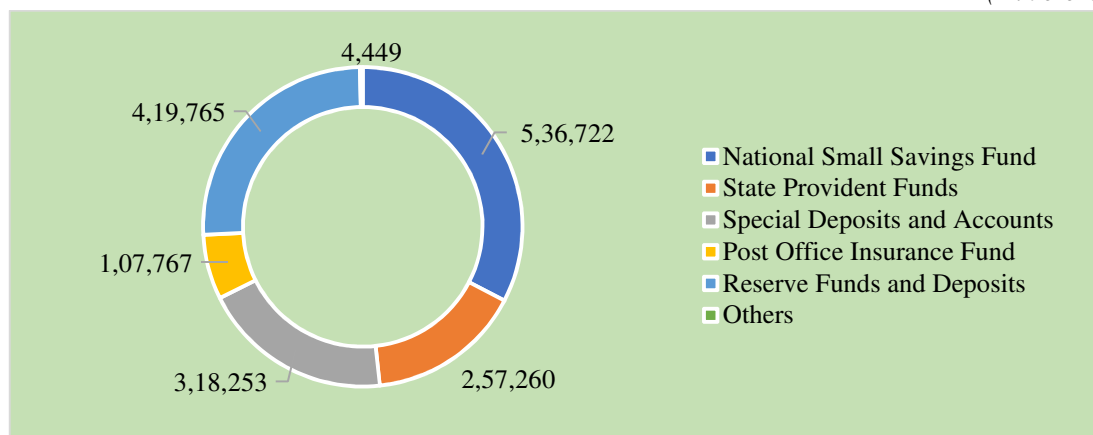
Public Account liabilities of the Union Government arise in its capacity as a banker or a trustee rather than a borrower. These include Small Savings (Provident Funds, Insurance Funds), Reserve Funds and Deposits. All these liabilities are obligations of the Government either in terms of their repayment or for making specified expenditure. These transactions are summarised in Statement 13, 14 and 16 of the UGFA.

As shown in **Figure 2.29**, the total Public Account liabilities of the Union Government as on 31 March 2022, stood at ₹16,44,216 crore.

Out of the total Public Account Liabilities, ₹5,36,722 crore was on account of National Small Saving Fund (NSSF) [which includes investment in Special State Government Securities (₹3,90,930 crore), Government Undertakings (₹85,570 crore), accumulated deficit (₹41,143 crore), credit balance (₹19,079 crore)], ₹2,57,260 crore on account of State Provident Funds, ₹3,18,253 crore on account of Special Deposits and Accounts, ₹4,19,765 crore on account of Reserve Funds and Deposits, ₹1,07,767 crore on account of Post Office Insurance Fund and ₹4,449 crore on account of other obligations<sup>5</sup>.

**Figure 2.29: Public Account Liabilities in FY 2021-22**

(₹ in crore)



National Small Savings Fund includes Savings Deposits such as Post Office Savings Account, Post Office Recurring Deposits, Post Office Time Deposits, Senior Citizen Savings Scheme, Sukanya Samridhi Accounts, Savings Certificates such as Post Office Certificates, and Public Provident Funds. The Special Deposits and Accounts include Special Deposits by Employees State Insurance Corporation, Employees Provident Fund Scheme, Special Securities issued to Food Corporation of India, Special Bonds to Fertilizer Companies, etc.

<sup>5</sup> Liabilities on account of Trusts and Endowments, Insurance and Pension Funds & Other Deposits and Accounts.

Further, **Figure 2.30** depicts the investments made from NSSF funds and the trend of accumulated deficit (net of income and expenditure).

**Figure 2.30: Investments of NSSF**

(₹ in crore)

Period	Total deposits	Investments	Accumulated deficit
2017-18	12,89,604	11,53,164	1,07,638
2018-19	15,01,608	13,51,761	1,13,652
2019-20	17,81,883	16,55,903	1,09,462
2020-21	20,87,447	18,73,794	78,524
2021-22	24,20,643	23,60,421	41,143

At the end of FY 2021-22, the total deposits under NSSF were ₹24,20,643 crore against which, the total investment was ₹23,60,421 crore, leaving behind un-invested deposit of ₹60,222 crore. However, after adjusting the accumulated deficit of ₹41,143 crore, the un-invested deposit workout to ₹19,079 crore. The accumulated deficit, which was ₹1,07,638 crore in FY 2017-18 has reduced to ₹41,143 crore in FY 2021-22.

## 2.5.2 Reserve Funds

Reserve Funds in the Public Account of the Union Government are categorised as interest bearing and non-interest bearing. Out of 54 Reserve Funds in the Public Account, 19 are interest bearing and 35 are non-interest bearing. Interest of ₹546 crore was paid during the year FY 2021-22 in respect of Interest-bearing Reserve Funds. 11 out of 54 Reserve Funds were not operated during the year. In UGFA, Reserve Funds exist for accounting of collection and utilisation of cesses, levies and fees, that are collected for specific purposes.

### 2.5.2.1 Analysis of transfer to and from Reserve funds

Article 266 of the Constitution defines the Public Account as being those funds that are received on behalf of the Government of India. Money held by the Government in Reserve funds are part of Public Account and expenditure in on specific objects like road development, Provident Funds, primary education etc. are made through dedicated Reserve Funds. These funds do not belong to the Government and have to be finally paid back to those who had deposited them or to the concerned liability. Parliamentary authorization for such payments is not required. However, when money is withdrawn from the Consolidated Fund with the approval of Parliament and kept in the Public Account for expenditure for a specific purpose, it is submitted for a vote in Parliament.

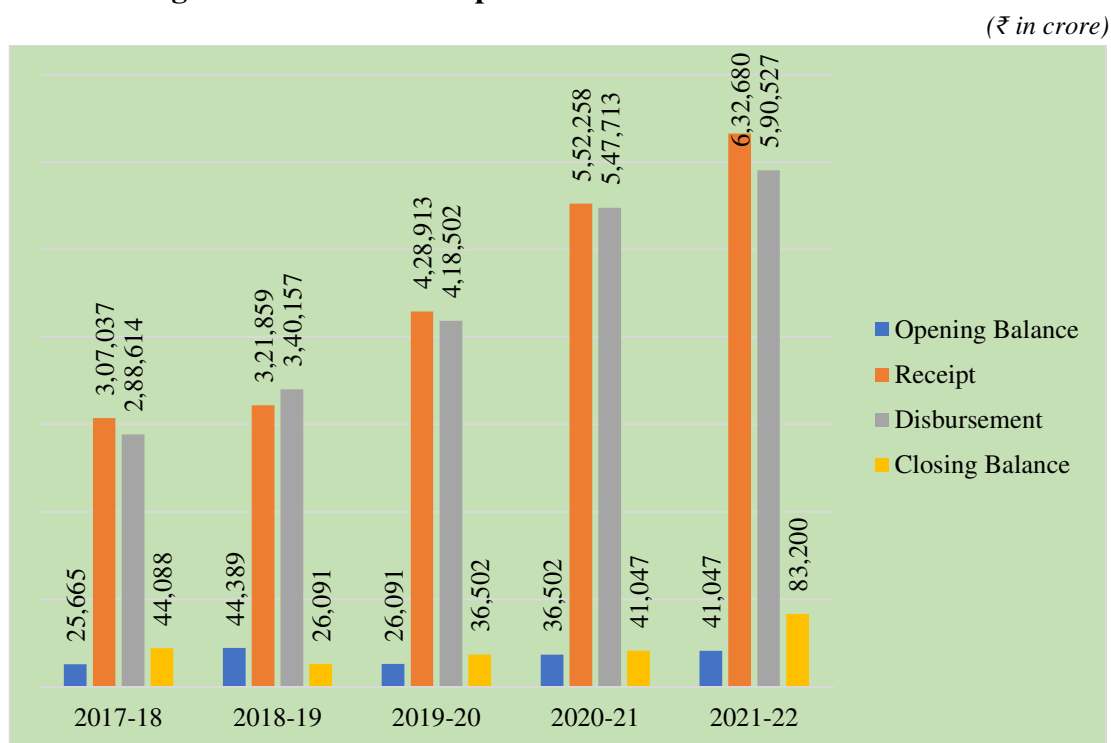
There were nine major Reserve Funds<sup>6</sup> under the Public Account for which Government of India had made the budget provisions in FY 2021-22 for transfer to the

<sup>6</sup> Central Road and Infrastructure Fund (CRIF), GST Compensation Fund, Madhyamik and Uchchar Shiksha Kosh, Monetisation of National Highways Fund, National Investment Fund, Nirbhaya Fund, Prarambhik Shiksha Kosh, Universal Service Obligation Fund and Pradhan Mantri Swasthya Suraksha Nidhi

Reserve Funds and expenditure therefrom. Out of nine, in comparison to RE, ₹67,388 crore was short transferred to six Reserve Funds<sup>7</sup>.

It was further noticed that ₹95,670 crore was short utilised in eight (except USOF) of the nine Reserve Funds against the budgeted figures (RE). Further, Madhyamik and Uchhatar Shiksha Kosh and Pradhan Mantri Swasthya Surakhsha Nidhi were not even created and ₹46,499 crore budgeted to be transferred out of collection on account of Health and Education Cess, could not be transferred/utilized.

**Figure 2.31: Trend of expenditure made from Reserve Funds**



It is seen from **Figure 2.31** that receipts and disbursements from Reserve Funds increased by about 2.05 times during the period FY 2017-18 to FY 2021-22.

### 2.5.3 Public Debt Management

Statement 14 of UGFA gives the detailed position of Internal and External Debt which together constitute Public Debt of the Union Government and are secured on the CFI. Internal Debt primarily includes market loans, securities issued to international financial institutions, treasury bills, and Special Union Government Securities issued to NSSF, Postal Life Insurance (PLI) and Public Sector Banks. External Debt represents loans received from foreign Governments and multilateral bodies.

#### 2.5.3.1 Internal Debt

**Figure 2.32** presents the components of internal debt, viz. market loans, treasury bills, securities issued to international financial institutions, Compensation and other bonds at the end of the respective financial years.

<sup>7</sup> No short transfer to CRIF, GST Compensation Fund and USO Fund.

**Figure 2.32: Internal Debt – composition and trend**

(₹ in crore)

Period	Market Loans	Treasury Bills*	Securities issued to			Compensation and other bonds	Others	Total Internal Debt
			International Financial Institutions	National Small Savings Fund	Postal Life Insurance			
2017-18	50,70,744 (79.21)	5,36,321 (8.38)	1,04,370 (1.63)	4,83,919 (7.56)	20,894 (0.33)	44,531 (0.70)	1,40,496 (2.19)	64,01,275
2018-19	55,00,141 (77.74)	5,43,218 (7.68)	1,06,523 (1.51)	6,08,919 (8.61)	20,894 (0.30)	46,854 (0.66)	2,48,392 (3.51)	70,74,941
2019-20	59,86,127 (74.64)	6,13,321 (7.65)	1,01,909 (1.27)	8,48,919 (10.58)	20,894 (0.26)	53,212 (0.66)	3,96,108 (4.94)	80,20,490
2020-21	71,35,144 (72.00)	8,96,526 (9.05)	1,00,301 (1.01)	13,32,652 (13.45)	20,894 (0.21)	72,893 (0.74)	3,51,133 (3.54)	99,09,543
2021-22	80,26,725 (70.03)	9,73,964 (8.50)	1,01,329 (0.88)	18,83,921 (16.44)	20,894 (0.18)	85,630 (0.75)	3,69,880 (3.23)	1,14,62,343

\* Outstanding as on 31 March 2022, these are of less than one year.

**Trend of Market Loans**

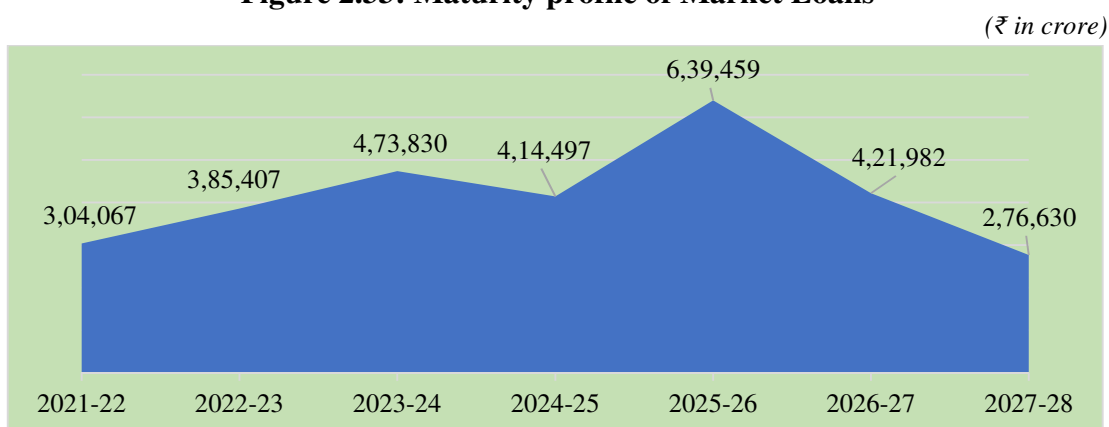
Period	Market Loans (₹ crore)	Market Loans as % of GDP
2012-13	~30,00,000	30.01%
2013-14	~35,00,000	30.64%
2014-15	~40,00,000	31.21%
2015-16	~42,00,000	31.22%
2016-17	~45,00,000	30.21%
2017-18	~50,00,000	29.67%
2018-19	~55,00,000	29.10%
2019-20	~60,00,000	29.82%
2020-21	~72,00,000	36.03%
2021-22	~80,00,000	33.92%

Figures in parentheses show percentage of total internal debt. 'Others' include market securities issued in conversion of special securities, Gold Monetisation Scheme, Sovereign Gold Bonds, special securities issued to banks, etc.

As seen from **Figure 2.32**, market loans were the primary component, constituting 70.03 per cent of the internal debt in FY 2021-22. Its proportion, however, decreased consistently from 79.21 to 70.03 per cent during FY 2017-18 to FY 2021-22. Treasury Bills, International Financial Institutions, PLI and Others were the components which saw decrease as proportion of internal debt in current year as compared to FY 2020-21. On the other hand, as proportion of internal debt, NSSF saw an increase from 13.45 per cent in FY 2020-21 to 16.44 per cent in FY 2021-22. Further, the total Internal debt of the Union Government grew by 15.67 per cent as compared to FY 2020-21. As percentage of GDP, the market loans, which were hovering around 29-31 per cent during FY 2012-13 to FY 2019-20, increased to 36.03 per cent in FY 2020-21 and then decreased to 33.92 per cent in FY 2021-22.

Market loans due for redemption upto 31 December 2028 amounts to ₹29,15,872 crore (36.33 per cent of outstanding market loans), as shown in **Figure 2.33**.

**Figure 2.33: Maturity profile of Market Loans**

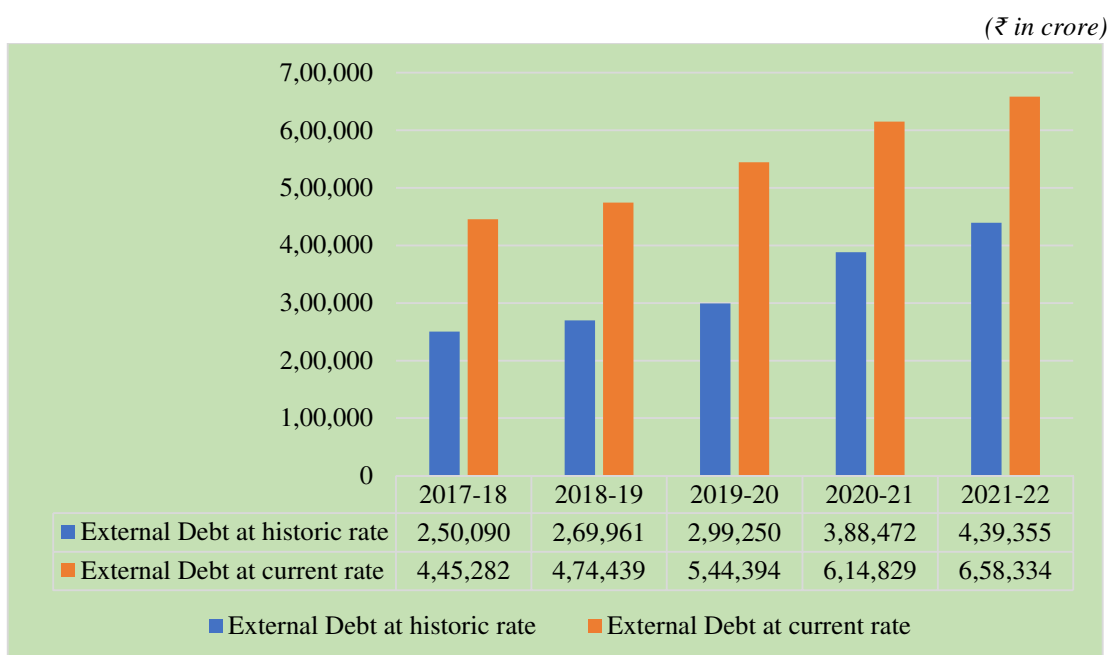


In the year 2022, the dated securities contracted with the longest maturity tenure were of 40 years.

### 2.5.3.2 External Debt

**Figure 2.34** presents the external debt of the Union Government for the last five years at historic exchange rates and at current exchange rates.

**Figure 2.34: Trend of External Debt**



From **Figure 2.34**, it is seen that total amount of external debt saw an increase of 13.10 per cent at historic rate (currency rate when the debt was initially contracted) and 7.08 per cent at current rate (applicable to corresponding currency on 31 March 2022) during FY 2021-22 over FY 2020-21. During FY 2021-22, major external debt comprised ‘Loans from the Government of Japan’ of ₹21,458 crore, ‘Loans from Asian Development Bank’ of ₹21,394 crore and ‘Loans from the International Bank for Reconstruction and Development’ of ₹19,411 crore. **Figure 2.35** represents the Public Debt receipt and repayment for the last five years.

**Figure 2.35: Public Debt receipts and repayment**

(₹ in crore)

Period	Repayment and servicing of internal debt		Repayment and servicing of external debt		Total repayment and servicing of Public Debt	Total receipt of Public Debt	Percentage of Col.6 to Col.7
	Principal	Interest	Principal	Interest	(2+3+4+5)		
1	2	3	4	5	6	7	8
2017-18	58,45,919	4,87,527	26,685	5,951	63,66,082	65,54,002	97.13
2018-19	60,34,206	5,33,265	30,739	8,150	66,06,360	67,58,482	97.75
2019-20	62,92,658	5,78,186	33,891	9,420	69,14,155	73,01,387	94.70
2020-21	61,49,920	6,44,829	34,715	8,204	68,37,668	81,62,910	83.77
2021-22	66,09,686	7,52,200	35,782	7,053	74,04,721	82,49,152	89.76

From **Figure 2.35**, it is seen that during FY 2017-18 to FY 2021-22, the repayment and servicing of Public Debt ranged between 83 to 98 *per cent* of the total Public Debt Receipts.


## 2.6 Fiscal Parameters

As per FRBM Act 2003, Revenue Deficit means the difference between revenue expenditure and revenue receipts. As per Budget at a Glance (BAG) 2023-24, the Revenue Deficit (RD) for the year 2021-22 was ₹10,31,021 crore. Revenue Deficit (RD) is on a downward trend in FY 2021-22 as compared to FY 2020-21. Further, as per FRBM Act, 2003, Fiscal Deficit means the excess of total disbursements, from the Consolidated Fund of India, excluding repayment of debt, over total receipts into the Fund (excluding the debt receipts), during a financial year.

Fiscal Deficit (FD) for the year 2021-22 as per Budget at a Glance (BAG) (Budget 2023-24) was ₹15,84,521 crore, which excludes the expenditure on account of certain transactions in UGFA like Back-to-Back Loans to States in lieu of GST Compensation shortfall (₹1,59,000 crore), External Assistance for State Government Projects (₹14,735 crore) and Securities issued to International Financial Institutions (₹3,641 crore) and others (₹630 crore). During FY 2021-22, Fiscal Deficit (FD) is on a downward trend as compared to FY 2020-21.







**3**  
**CHAPTER**

**QUALITY OF ACCOUNTS  
AND FINANCIAL  
REPORTING PRACTICES**



## Quality of Accounts and Financial Reporting Practices

### 3.1 Introduction

The Union Government Finance Accounts (UGFA) contain **16 Statements** which present the accounts of receipts and disbursements of the Union for the year, the financial results disclosed by revenue and capital accounts and the accounts of public debt, liabilities, and assets.

This Chapter discusses the presentation of financial information with reference to issues of completeness, transparency, accuracy and disclosures in the UGFA. Some issues persist despite featured in the previous CAG Audit Reports on Union Government Accounts.

### 3.2 Guarantees

Under Article 292 of the Constitution, Government of India (GoI) may give guarantees within such limits, if any, as may be fixed by the Parliament by law. The existing Guarantee Policy brought out in September 2010, provides for guarantees for different kinds of borrowings by Central PSUs/entities.

Statement 4 of the Finance Accounts contains the maximum amount of guarantee for which Government had entered into agreements and sums guaranteed outstanding at the end of the year. The statement shows the position, as on 31 March 2022, of guarantees given by the Union Government for (i) repayment of borrowings and payment of interest thereon, (ii) repayment of share capital and payment of minimum dividend, (iii) payment against agreements for supplies of materials and equipment on credit basis, etc., on behalf of Government companies/corporations, Railways, Union Territories, State Governments, local bodies, joint stock companies, co-operative institutions, etc. These guarantees constitute a contingent liability on the Consolidated Fund of India.

Scrutiny of Guarantees given by GoI at Department of Economic Affairs of the Ministry of Finance with reference to records maintained at concerned Ministry revealed the following.

#### 3.2.1 Issues relating to Guarantee Fee

Rule 279 of GFR 2017 stipulates that the rates of guarantee fee would be as notified by the Budget Division, Department of Economic Affairs (DEA), MoF. The guarantee fee should be levied before the guarantee is given and thereafter on first April every year. The rate of guarantee fee is to be applied on the amount outstanding at the beginning of the guarantee year.

Review of Statement 4 of the Union Government Finance Accounts for the year 2021-22, with reference to collection of Guarantee Fee as well as levy of penalties, revealed the following:

**A. Non/Short recovery of Guarantee Fee**

During test check of records, it was observed that guarantee fee of ₹91.94 crore was receivable from Indian Drug Pharmaceutical Ltd. (IDPL) under Dept. of Pharmaceuticals during FY 2021-22, however, no guarantee fee was received from IDPL as the company was sick.

The matter was referred to the Department of Pharmaceuticals and in reply (May 2023) it was stated that IDPL is under closure process and unable to pay the outstanding guarantee fee of ₹ 91.94 crore.

**B. Non-receipt of penal charges for late receipt of Guarantee Fee**

Rule 279(3) of GFR 2017 and Rule 248(2) relating to Levy of Guarantee Fees of the Guarantee Policy issued in September 2010 stipulates that where the guarantee fee is not paid on the due date, fee should be charged at double the normal rates for the period of default. Test check of records revealed that in the following cases the guarantee fee was paid after the due date (01 April 2021) but the penal guarantee fee was not received from the entities, as detailed in **Figure 3.1**.

**Figure 3.1: Delayed charges for receipt of Guarantee Fee after due date**

(₹ in crore)

Sl. No.	Name of the Entity	Date of Receipt	Fee received	Fee for delay
1	Indian Renewable Energy Development Agency (IREDA) <i>(Ministry of New and Renewable Energy)</i>	06 April 2021	97.22	1.33
2	State Bank of India (SBI) <i>(Ministry of New and Renewable Energy)</i>	30 April 2021	17.42	1.38
3	Punjab National Bank (PNB) <i>(Ministry of New and Renewable Energy)</i>	29 May 2021	1.62	(0.26+0.81) = 1.07
4	Hindustan Organic Chemicals Ltd. (HOCL) <i>(Dept. of Chemicals and Petrochemical)</i>	--	--	8.50
<b>Total</b>			<b>116.26</b>	<b>12.28</b>

Further, in case of PNB (Sl. No.3), guarantee fee paid during FY 2021-22 of ₹1.62 crore also included ₹0.81 crore for FY 2020-21. Due to delay in payment of guarantee fee of ₹0.81 crore pertaining to FY 2020-21 in FY 2021-22, an additional guarantee fee of equivalent amount became due from PNB for the entire FY 2020-21.

In respect of Department of Chemical & Petrochemical (Sl. No.4), GoI had issued guarantees of ₹250 crore in FY 2013-14 that were redeemed in FY 2017-18. In this regard, the company had requested MoF (September 2020) for waiver of penal guarantee fee of ₹8.50 crore. The issue was referred to the Department (September 2022) and in reply it was stated (October 2022) that the Department of Economic Affairs (MoF) did not agree to the proposal for waiver of guarantee fee and also advised HOCL to pay the penal guarantee fee in installments.

Thus, there was non-receipt of guarantee fee of ₹12.28 crore for delay in payment of guarantee fee. The matter was referred to the Ministry/ Department and reply was awaited.

### 3.2.2 Documentation and yearly review of Guarantees

Rule 281 (1) of GFR 2017 provides that Financial Advisers of Ministries/Department should ensure that all guarantees are reviewed every year and furnish review report to Budget Division, Ministry of Finance by 30 April every year.

Further, as per Rule 281 (2) and (3) of GFR 2017 and Rule 249 of the Guarantee Policy issued in September 2010, the concerned Ministry should maintain a register of guarantees in Form GFR 25 to (i) keep a record of guarantees; (ii) retain information required from time to time in respect of guarantees; (iii) keep record of annual reviews to see that these are carried out regularly; and (iv) send data as contained in Form GFR 25, duly updated every year to the Budget Division of the DEA, MoF.

However, Audit observed that in respect of Department of Financial Services (DFS) neither the review of Guarantees had been conducted regularly, nor the records such as register of guarantees in Form GFR 25 was maintained by Principal Accounting Offices of concerned Department.

Due to this, the accuracy of the figures of additions and deletions of the Government Guarantees, as reported in the Statement 4 of UGFA could not be ascertained in audit in respect of DFS. Further, a variation was noticed in Guarantees shown in Statement 4 and records maintained by CPSEs as shown in **Figure 3.2**.

**Figure 3.2: Variation between Guarantees of Statement 4 and CPSEs records**

(₹ in crore)

Class of Guarantees	Balance shown by the Department (Number of Guarantees)	Balance as per CPSEs/entities (Number of Guarantees)	Difference In Amount / (No. of Guarantees)
Class-iii (Opening Balance)	1,78,127.49 (221)	1,89,309.59 (61)	-1,11,82.10 /(160)
Class-iii (Closing Balance)	1,88,798.89 (216)	1,88,798.89 (55)	0 /(161)

The matter was reported to the Department of Financial Services in August 2022 and reply was awaited.

### 3.2.3 Implied Guarantees not covered in respect of National Credit Guarantee Trustee Company Ltd.

National Credit Guarantee Trustee Company Ltd (NCGTC) was incorporated under the Companies Act 1956 on 28 March 2014, established by the Department of Financial Services (DFS), MoF, as a wholly owned company of the Government of India (GoI). NCGTC was to act as trustee and operate the various credit guarantee funds, trusts or other entities, set up or to be set up for that purpose by the GoI.

Altogether, there are nine Credit Guarantee Trust Funds under the trusteeship management of NCGTC viz. (i) Credit Guarantee Fund for Skill Development (CGFSD), (ii) Credit Guarantee Fund for Education Loans (CGFEL), (iii) Credit

Guarantee Fund for Factoring (CGFF), (iv) Credit Guarantee Fund for Micro Units (CGFMU), (v) Credit Guarantee Fund for Stand Up India (CGFSI), (vi) Emergency Credit Line Guarantee Scheme (ECLGS), (vii) Loan Guarantee Scheme for Covid Affected Sectors (LGSCAS), (viii) Credit Guarantee Scheme for Micro Financial Institutions and (ix) Loan Guarantee Scheme for the Covid affected Tourism Service Sector (LGSCATSS).

NCGTC had issued a total of 2,37,70,443 number of guarantees covering ₹5,33,889.38 crore of sanctions by the lending institutions since commencement of its operation and the outstanding guarantee as on 31 March 2022 was ₹3,80,252.61 crore. Since NCGTC is a 100 *per cent* Government owned entity, the guarantees extended by NCGTC construe an implicit Government guarantee and should be shown in the UGFA.

The matter was referred to the DFS (September 2022) and reply was awaited.

### 3.3 Government Investment in various entities

Statement 11 of the Union Government Finance Accounts shows the investments, dis-investments, type of shares, face value of the share, percentage of Government stake and Dividends etc., of Union Government in Statutory Corporations, Companies, other Joint Stock Companies, Co-operative Banks and Societies etc.

On scrutiny of Statement No.11 of the UGFA for FY 2021-22, with reference to the Annual Reports of the entities concerned, the following irregularities were observed.

#### 3.3.1 Mismatch in information of equity share and percentage of holdings

The cross verification of Statement 11 with the Annual Reports of entities revealed 15 instances of difference between the number of equity shares and percentage of shareholdings, as detailed in **Figure 3.3**.

**Figure 3.3: Details of equity share and percentage holding**

Ministry/Department (Sl. No. in Statement 11)	Entity	As per Statement no. 11		As per entity's Annual Reports	
		No. of Equity Shares	% Holding	No. of Equity Shares	% Holding
Ministry of Petroleum & Natural Gas (Sl. No. 161, 162 & 295)	Engineers India Ltd.	9,01,01,648	-	28,84,58,584	-
	GAIL	57,33,32,882	-	228,45,90,082	-
	Oil India Ltd, Assam	59,74,50,314	-	61,43,76,660	-
Ministry of Defence (Sl. No. 70 & 74)	Bharat Electronics Ltd. Bengaluru	114,16,42,457	-	124,59,73,978	-
	Mazagaon Dock Shipbuilders Ltd.	15,18,90,000	100.00	17,10,90,983	84.82
Ministry of Power (Sl. No. 84 & 86)	National Thermal Power Corporation Ltd.	399,67,26,967	-	495,53,46,251	-
	Power Grid Corporation of India Ltd.	268,58,72,408	-	358,11,63,210	-
	General Insurance Company Ltd.	75,25,00,000	-	150,50,00,000	-

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Union Government Accounts for FY 2021-22

Ministry/Department (Sl. No. in Statement 11)	Entity	As per Statement no. 11		As per entity's Annual Reports	
		No. of Equity Shares	% Holding	No. of Equity Shares	% Holding
Ministry of Finance- Dept. of Financial Services (Sl. No. 91, 305 & 308)	New India Assurance Company Ltd.	30,40,00,000	76.00	140,80,00,000	85.44
	Oriental Insurance company Ltd.	457,00,00,000	-	462,00,00,000	-
Dept. of Chemicals & Petro-Chemicals (Sl. No. 31 & 34)	Karnataka Antibiotics & Pharmaceuticals Ltd.	4,43,180	-	7,98,180	-
	Hindustan Organic Chemicals Ltd.	3,94,81,500	100.00	3,94,81,500	58.78
State Co-operative Banks/ Other Banks (Sl. No. 334)	Industrial Development Bank of India	505,70,00,000	52.71	488,98,71,903	45.48
Ministry of Housing and Urban Affairs (Sl. No. 230)	Housing and Urban Development Corporation Ltd.	179,78,41,253	89.81	163,76,77,479	81.81
Ministry of Communications (Sl. No. 64)	Tata Communication Ltd.	7,44,46,885	26.12	00.00	00.00

In respect of Mazagaon Dock Shipbuilders Ltd. (Sl. No.74) and Tata Communication Ltd. (Sl. No.64) of Statement No.11, discrepancies regarding disinvestment of GoI's equity during FY 2020-21 was pointed out in CAG Report No.31 of 2022. However, the discrepancy has not been rectified in FY 2021-22 accounts also. Further, mismatch of information in respect of Sl. No.34, 70, 84, 161, 162 and 334 of Statement No.11, was also pointed out in CAG Audit Report No.31 of 2022, but the discrepancy continues.

CGA in its reply (July 2022) stated that the UGFA is compiled based on information furnished by Ministries/Departments. The reply is not acceptable as the issue has been brought out in earlier Audit Reports as well, but no corrective action has been taken.

### 3.3.2 Reconciliation of Government Investment

During test check, cross verification of information regarding investment of Union Government in the Government Companies/Corporations etc. contained in Statement 11 with the audited Financial Statements of the concerned entities revealed that in two cases, the amount of investment shown was lesser in Statement 11 in comparison to the Government shareholding shown in the Annual Report of the concerned entity. Details are given in **Figure 3.4**.

**Figure 3.4: Reconciliation of Government Investment**

(₹ in crore)

Entity & (Sl. No. in UGFA)	As per Statement No. 11	As per entity's Annual Reports	Difference
Export Import Bank of India (Sl. No. 327)	15,349.99	15,909.37	-559.38
National Highway Infrastructure Development Corporation Limited (Sl. No. 219)	2.00	103.00	-101.00

M/o Road Transport & Highways stated (May 2023) that ₹100 crore was paid for Major Works under Capital Expenditure by Road Wing and thus, it was not taken as investment/ equity. The Ministry is pursuing this matter with MoF for converting Capital Expenditure of ₹100 crore into equity investment of NHIDCL. Thus, discrepancies in Government Investment needs to be rectified.

However, no reply has been received from Department of Financial Services (DFS) in respect of EXIM Bank.

### 3.3.3 Accounting of Bonus Shares

Audit scrutiny of records/information relating to Power Grid Corporation of India Ltd. and IRCON International Ltd. revealed that bonus shares declared during the year 2021-22 by the entities were not depicted in the UGFA, as detailed in **Figure 3.5**.

**Figure 3.5: Bonus shares not taken into account in UGFA**

Entity's Name and Sl. No. in Statement No.11	Number and face value of equity shares during FY 2020-21	Ratio of declaration of Bonus Shares during FY 2021-22	Number and face value of equity shares during FY 2021-22	Remarks
Power Grid Corporation of India Ltd. (Sl. No.86)	268,58,72,408 @ ₹10	1:3	268,58,72,408 @ ₹10	Record date 30 July 2021
IRCON International Ltd. (Indian Railway Construction Co. Ltd.) (Sl. No.170)	34,41,50,825 @ ₹2	1:1	34,41,50,825 @ ₹2	Record date 21 May 2021

It is evident that the number of equity shares in FY 2021-22 were shown to be same as in the previous year 2020-21 in Statement No.11 and there was 'Nil' receipts under MH:4000.01.102 "Value of Bonus share" in Statement No.8 during FY 2021-22.

O/o CGA stated (September 2022) that when bonus shares are provisioned in the Budget, it is provisioned under the MH: 4000.01.102 with matching expenditure under the suitable HoA under the Capital Section with 'NIL' cash adjustment. Such bonus shares are invariably accounted for and necessary adjustments are also made in the equity shareholding of the concerned company in Statement 11. For bonus shares declared but not provisioned in the Budget, necessary accounting adjustments are made as and when the concerned Ministry furnishes the necessary details for the same to their office. Details of bonus shares pointed out in the observation but not accounted for in the Finance Accounts have been referred to the Pr. Accounts Offices of the concerned Ministry for their comments and necessary action.

The reply is not acceptable in view of the fact that declaration of bonus shares by the concerned entities is required to be accounted for in the Union Government Accounts or should have been taken up with the concerned Ministry in the supplementary Demand for Grants for FY 2021-22.

### 3.3.4 Depiction of Government investment in NSCSTFDC and KDDC

- A.** National Scheduled Castes and Scheduled Tribes Finance and Development Corporation (NSCSTFDC) was set up on 08 February 1989 as a fully owned



Government of India Company under Section 8 of the Companies Act, 2013 (Previously Section 25 of the Companies Act, 1956). On 10 April 2001, the erstwhile NSCSTFDC was bifurcated into two separate corporations (one each for SCs and STs). National Scheduled Castes Finance and Development Corporation (NSFDC) was functioning for the development of the Scheduled Castes, under the Ministry of Social Justice and Empowerment. National Scheduled Tribes Finance & Development Corporation (NSTFDC) was created after bifurcation, under Ministry of Tribal Affairs.

Examination of Statement 11 for the year 2021-22 showing Government investment in Government Companies/ Corporations/Banks and Societies etc. revealed that Government investment in NSCSTFDC, NSFDC, and NSTFDC was being shown under Department of Financial Services, Ministry of Social Justice and Empowerment and Ministry of Tribal Affairs, respectively. Since, NSCSTFDC ceased to exist with effect from 10 April 2001, investment of ₹50 crore in respect of NSCSTFDC appearing in Statement 11 under Department of Financial Services, needs to be removed from Statement 11. Reply was awaited from the Department of Financial Services, Ministry of Finance.

- B.** Statement 11 shows Government's investment in Karnataka Dairy Development Corporation (KDDC), Bengaluru of ₹2.99 crore (*50 per cent share*) and alongside in the remarks column it has been disclosed that the entity has been voluntarily dissolved and ceased to function. The scrutiny of records revealed that the KDDC has been closed and assets and liabilities of KDDC were transferred to Karnataka Cooperative Milk Producers' Federation Ltd. (KMF) vide Government Order No. AAH 193 KDC 78 dated 06 November 1982 and the Government's investment in the books of KMF has been reduced to ₹1.68 crore, in place of ₹2.99 crore, due to adjustment of losses suffered by KDDC at the time of closure. But in Statement 11, the closed entity i.e. KDDC was still showing with Government investment of ₹2.99 crore and no investment/entity of KMF was shown. As the Department accepted the closure of KDDC including transfer of assets to KMF, this needs to be corrected.

### **3.3.5 Incomplete information on investment**

In respect of 15 Entities, Statement 11 contains incomplete information in respect of investment, face value, number of shares, total paid-up capital and percentage of Government's investment, as detailed in **Annexure 3.1**.

### **3.3.6 Shortfall in payment of Dividend**

As per para 5.2 of the Guidelines on Capital Restructuring of CPSEs issued by DIPAM (May 2016), every CPSE would pay a minimum annual dividend of *30 per cent* of Profit After Tax (PAT) or *five per cent* of the net worth, whichever is higher, subject to the maximum dividend permitted under the extant legal provisions. Para 5.3 *inter alia* states that CPSEs are expected to pay the maximum dividend permissible under the Act under which a CPSE has been set up, unless lower dividend proposed to be

paid is justified after the analysis of various aspects of net worth of the CPSE, its capacity to borrow, long term borrowings etc. at the level of Administrative Ministry. Further, para 5.4 states that the report for exemption is to be submitted by the CPSEs through their Administrative Ministry to Secretary, DEA and Secretary, DIPAM.

In November 2020, DIPAM reiterated the above and advised the CPSEs to strive to pay higher dividends subject to factors like profitability, Capex requirements, and cash reserves.

Scrutiny of Statement No.11 and annual accounts of CPSEs in respect of Ministry of Chemicals and Fertilizers revealed that ₹4.25 crore were short paid as dividend for FY 2020-21, as computed in **Figure 3.6** below.

**Figure 3.6: Short payment of Dividend**

(₹ in crore)

Ministry	CPSE	Profit After Tax for FY 2020-21	30 % of PAT	Net Worth	5 % of Net Worth	Minimum dividend to be declared	% age of GoI share holding	Dividend payable to GoI for FY 2020-21	Dividend paid for FY 2020-21	Shortfall in payment of Dividend
M/o Chemicals and Fertilizers (Dept. of Pharmaceuticals)	Karnataka Antibiotics & Pharmaceuticals Ltd.(KAPL)	23.18	6.95	218.97	10.95	10.95	59.17	6.48	2.23	4.25

Ministry of Chemicals & Fertilizers, Department of Pharmaceuticals has stated (May 2023) that DIPAM has been requested for exemption from payment of minimum dividend in respect KAPL for 2020-21.

### 3.3.7 Nomenclature/Classification of entities

- A.** The name of Bharat Bhari Udyog Ltd. got changed to Braithwaite Burn & Jessop Construction Company Limited in November 2015, but the name of entity was still being shown as Bharat Bhari Udyog Ltd. This was also highlighted in last year's C&AG's Audit Report No.31 of 2022.
- B.** The name of National Newsprint and Paper Mills Ltd. got changed to NEPA Limited in February 1989. However, the old name is still being shown in the accounts. This was also highlighted in last year's C&AG's Audit Report No.31 of 2022.
- C.** Investments made in National Skill Development Corporation (NSDC) and National Skill Certification & Monetary Reward (STAR Scheme) are shown under Department of Economic Affairs, whereas the entities come under Ministry of Skill Development and Entrepreneurship. Reply of the Ministry in this regard was awaited.
- D.** The administrative control of 'Mini Cement Plant (Tezpur)', 'North Eastern Agricultural Marketing Corporation' and 'Sikkim Mining Corporation' was under M/o DoNER. However, Government's investment in these entities are shown under Ministry of Home Affairs. The Ministry in its reply (August 2022) stated that the current status of the investments of the concerned Departments (M/o DoNER) was same and the process of adoption/dropping of these balances in the books of respective Ministries would be initiated shortly.

### 3.4 Outstanding Suspense Balances

The accuracy of the Union Finance Accounts for the year is impacted by persistence of significant balances under Suspense and Miscellaneous Heads awaiting final classification and clearance, and adverse balances under Debt, Deposit and Remittances Heads.

Suspense heads are operated in Government accounts to reflect transactions which cannot be booked to a final head of account in the absence of proper details. These heads of accounts are finally cleared by minus debit or minus credit when the amount under them is booked to their respective final heads of accounts. If these amounts remain unadjusted, the balances under the suspense heads accumulate and the accounts would give an inaccurate picture of Government receipts and expenditure.

As per Para 5.10 of Civil Accounts Manual (CAM), the ledger for suspense balances is to be maintained by Pay and Accounts Offices (PAOs) sub/detailed head-wise, as may be necessary and by Principal Accounts Offices minor head-wise based on the figures furnished by PAOs periodically. The Chief Controller of Accounts of the concerned Principal Accounts Office is required to review the suspense balances and report to the CGA for monitoring purposes. The CGA, however, does not maintain a year-wise break-up of the outstanding balances under suspense minor heads which hindered the monitoring of clearance of such balances.

Audit findings arising from detailed scrutiny of balances under suspense and miscellaneous are discussed in the succeeding paragraphs.

#### 3.4.1 Netting of Suspense Balances

The receipts and payments which cannot be booked to a final head of account for want of required information/details are accounted as credits and debits, respectively, under suspense heads. The credits and debits are cleared by minus credit or minus debit once the details required become available. Thus, credit and debit items are required to be accounted for and shown separately in the accounts to give an accurate picture of balances under each suspense head. The actual suspense balances is the summation of suspense under debit and credit, netting of the suspense balances understates the suspense outstanding by the extent of the lower of the debit and credit suspense.

Statement 13 of UGFA, however, shows only the net balances under Suspense Heads and therefore the real magnitude of outstanding balances under these heads does not get reported in the accounts of Union Government presented to the Parliament. The position of actual suspense balances to be cleared under major suspense heads in respect of Civil Ministries (Major Head-8658) for the last three years as worked out by Audit, is shown in **Figure 3.7**.

**Figure 3.7: Netting of Suspense Balances**

(₹ in crore)

Head	FY 2019-20		FY 2020-21		FY 2021-22		Percentage understatement of outstanding Suspense balance due to netting in FY 2021-22
	Debit	Credit	Debit	Credit	Debit	Credit	
101 PAO Suspense	11,098.27	478.27	3,920.62	731.42	4060.89	807.83	33.18
Net balance shown in UGFA	10,620.00 (DR)		3,189.20 (DR)		3,253.06 (DR)		
<b>Balance to be cleared, individually</b>	<b>11,576.54</b>		<b>4,652.04</b>		<b>4,868.72</b>		
102 Suspense Account (Civil)	1,179.60	638.19	1,182.74	1000.24	1,175.46	440.54	54.52
Net balance shown in UGFA	541.41 (DR)		182.50 (DR)		734.92 (DR)		
<b>Balance to be cleared, individually</b>	<b>1,817.79</b>		<b>2,182.98</b>		<b>1,616.00</b>		
107 Cash Settlement Suspense Account	487.31	45.69	683.73	45.69	556.10	34.32	11.62
Net balance shown in UGFA	441.61 (DR)		638.04 (DR)		521.78 (DR)		
<b>Balance to be cleared, individually</b>	<b>533.00</b>		<b>729.42</b>		<b>590.42</b>		
108 PSB Suspense	16,914.60	3,646.16	10,397.65	4,309.04	7,886.51	4,461.49	72.26
Net balance shown in UGFA	13,268.44 (DR)		6,088.61 (DR)		3,425.02 (DR)		
<b>Balance to be cleared, individually</b>	<b>20,560.76</b>		<b>14,706.69</b>		<b>12,348.01</b>		
109 Reserve Bank Suspense (HQ)	12.08	185.07	12.16	185.07	12.21	185.07	12.37
Net balance shown in UGFA	172.99 (CR)		172.91 (CR)		172.86 (CR)		
<b>Balance to be cleared, individually</b>	<b>197.15</b>		<b>197.23</b>		<b>197.28</b>		
110 Reserve Bank Suspense Central Accounts Office	378.66	1,743.39	71.10	4,543.23	70.96	2,327.85	5.91
Net balance shown in UGFA	1,364.73 (CR)		4,472.13 (CR)		2,256.89 (CR)		
<b>Balance to be cleared, individually</b>	<b>2,122.05</b>		<b>5,254.25</b>		<b>2,398.81</b>		
129 Material Purchase Settlement Suspense Account	214.11	60.78	214.08	60.78	214.07	38.22	30.29
Net balance shown in UGFA	153.33 (DR)		153.30 (DR)		175.85 (DR)		
<b>Balance to be cleared, individually</b>	<b>274.89</b>		<b>274.86</b>		<b>252.29</b>		

Thus, in FY 2021-22, there was significant understatement due to netting of credit and debit balances in cases of balances under minor head 101 PAO Suspense, 102 Suspense Account (Civil), 108 PSB Suspense and 129 Material Purchase Settlement Suspense Account.

In response, O/o CGA stated (September 2022) that Suspense Balances in Statement 13 are depicted as per approved format. The receipts and disbursements under suspense heads are netted at minor head level. This depiction does not impact the closing balance under the minor head.

The reply does not address the issue raised in audit that netting of credit and debit balances at minor head level for suspense heads results into understatement of actual suspense balances awaiting adjustment.

### 3.4.2 Accumulation of balances under Suspense Heads

#### A. PSB Suspense

Public Sector Banks (PSBs) function as agents of the Reserve Bank of India (RBI). When the Government Departments receive the statement of payments made against instructions given to PSBs, the transactions are initially booked as a credit entry against PSB Suspense. This credit of PSB Suspense is cleared by contra credit to Reserve Bank Deposits (RBD) Head when RBI debits the amount from Government account. Similarly, after receiving intimation from PSBs of the receipts, the concerned Government Department debits the PSB Suspense. This debit of PSB Suspense is cleared by contra debit to RBD Head when RBI credits the amount into Government

account. Failure to clear the PSB Suspense in a timely manner results in incorrect depiction of cash balance with RBI in the Government books.

The outstanding PSB balance for the year ending March 2022 aggregated to ₹7,886.51 crore (Debit) and ₹4,461.49 crore (Credit). The aggregate balance of ₹12,348.01 crore was required to be cleared by the end of March 2022.

The Departments against which major balances were outstanding were Central Board of Direct Taxes (CBDT) (Revenue) ₹3,280.62 crore (Credit), Central Pension Accounting Office (CPAO) ₹1,664.29 crore (Debit), Central Board of Excise and Customs (CBIC/CBEC) ₹1,319.43 crore (Debit), Ministry of Electronics & Information Technology ₹829.85 crore (Debit), Ministry of Company Affairs ₹748.04 crore (Credit) and AG (Audit) Delhi ₹612.70 crore (Debit).

### **B. PAO Suspense**

This minor head is operated for the settlement of inter-departmental and inter-governmental transactions arising in the books of PAOs under the Union Government, PAOs of the Union Territories and Accountants General. Transactions under this minor head represent either recoveries effected or payments made by an Accounts Officer on behalf of another Accounts Officer against whom the minor head 'PAO Suspense' has been operated. Credit under the head is cleared by 'minus credit' when cheque is issued by the Accounts officer in whose books initial recovery was accounted for. Debit under 'PAO Suspense' is cleared by 'minus debit' on receipt and realization of cheque from the Accounts Officer on whose behalf payments were made. Outstanding debit balance under this head would mean that payments have been made by the PAO on behalf of other PAO, which are yet to be recovered. Outstanding credit balance would mean that payments have been received by the PAO on behalf of other PAO, which are yet to be paid.

The outstanding balance under this minor head as on 31 March 2022 was ₹4,060.89 crore (Debit) and ₹807.83 crore (Credit) with aggregated balance of ₹4,868.72 crore to be cleared by the end of March 2022.

The Departments against which major balances were outstanding were Central Board of Indirect Taxes and Customs (CBIC/CBEC) ₹1,573.01 crore (Debit), Department of Commerce (Supply) ₹962.02 crore (Debit), Ministry of External Affairs ₹963.34 crore (Debit) and Department of Atomic Energy ₹509.99 crore (Credit).

### **C. Reserve Bank Suspense, Central Accounts Office**

This minor head is operated in the books of the Union Government for payments of loans, grants-in-aid, share of Income Tax and share of union excise duty to the State Governments. When the payment is authorized, the respective expenditure head is debited, and credit is afforded to this suspense head. On receipt of monthly statement of accounts from RBI adjusting the account of Union Government, the MH 8658-Suspense Accounts-110-Reserve Bank Suspense Central Accounts Office is cleared by minus credit. At the time of repayment of loan and payment of interest thereon by the State Government, this suspense head is debited by crediting the loans/interest

head. On receipt of monthly statement of accounts from RBI Central Accounts Section (CAS), Nagpur, minus debit is effected by contra debit to the MH '8675-Deposits with RBI-101-Central Civil'.

The outstanding balance under this minor head as on 31 March 2022 was ₹70.96 crore (Debit) and ₹2,327.85 crore (Credit) with aggregated balance of ₹2,398.81 crore to be cleared by the end of March 2022. The outstanding RBI (CAO) suspense balances were mainly against the Ministry of Rural Development ₹1,091.59 crore (Credit), Ministry of Women and Child Development ₹527.05 crore (Credit) and Ministry of Shipping ₹367.99 crore (Credit).

Thus, accumulation of large suspense balances in the accounts led to mismatch of cash balance position as in the books of the Union Government as depicted in Finance Accounts vis-a-vis the balance as per the books of RBI. This has also distorted the correctness of Accounts to the extent of expenditure not being booked in the respective years.

#### **D. Suspense Accounts for Purchases Abroad**

The Minor Head 'Suspense Accounts for Purchases Abroad' is operated in the books of Controller of Aid, Accounts and Audit, MoF. The Government advises donors to make payments directly to suppliers abroad against supplies made to project authorities/ importers in India and an equal amount is kept under the suspense head till payment is received from the concerned line Ministries/ importers. The debit balance under this head indicates outstanding recoveries from the importers/ project authorities, even though the Government has already made payments for these imports.

As on 31 March 2022, an amount of ₹3,097.25 crore (Debit) was lying under suspense. The major debtor was Controller of Aid, Accounts and Audit with outstanding balance of ₹3,097.23 crore (Debit). Though the amount outstanding reduced from ₹8,032.12 crore in FY 2020-21 to ₹3,097.23 crore in FY 2021-22, still the remaining amount is significant.

In response, O/o CGA stated (September 2022) that their office continuously pursues with all Ministries/Departments to clear the outstanding balances under Suspense Heads.

#### **3.4.3 Outstanding balances under the head 'Cheques and Bills'**

The head 'Cheques and Bills' accounts for the amount of cheques drawn / electronic advices issued by the Ministry / Department, the heads 'PSB Suspense' and 'Deposits with Reserve Bank' reflect transactions taking place at the Banks against the cheques / electronic advices issued. Outstanding balances under 'Cheques and Bills' represents cheques/ advices against which payments have not been made. Continued outstanding balances under Cheques and Bills do not reflect the actual cash balances in Government's books.

When claims are sent in the appropriate bill form to the PAO/Departmental officer, the payment is authorized through issue of cheques after exercising the prescribed checks



and recording of pay order. At the end of each month, the major head '8670 – Cheques and Bills' is credited by the total amount of the cheques delivered during the month. On receipt of date-wise Monthly Statements (DMS)/Monthly Statement of Balances from Public Sector Banks/(CAS) RBI, Nagpur showing the payments made by them against the cheques issued, the head '8670-Cheques and Bills' is minus credited and the Suspense Head '8658.108-PSB Suspense' or '8675.101-Deposits with RBI-Central Civil' is credited.

Scrutiny of Statement 13 in UGFA revealed that 'Cheques and Bills' amounting to ₹38,841.32 crore were outstanding as at the end of March 2022, as shown in **Figure 3.8**. Further, as per the nature and nomenclature of the Major Head 'Cheques and Bills', the balances under this head should remain credit. Contrary to that, there was debit/ adverse balance of ₹148.86 crore under minor head 'Treasury Cheques' and an increase of ₹15.40 crore was observed during the year over FY 2020-21.

**Figure 3.8: Outstanding Cheques and Bills**

(₹ in crore)

Nomenclature/ Major Head (8670-Cheques and Bills)	FY 2019-20	FY 2020-21	FY 2021-22	Increase/ Decrease in FY 2021-22 as compared to FY 2020-21
102 - Pay and Accounts Offices Cheques	2,332.52 CR	1,547.24 CR	1,028.41 CR	-518.83
103 - Departmental Cheques	1,709.71 CR	1,883.18 CR	875.83 CR	-1,007.35
104 - Treasury Cheques	131.21 DR	133.46 DR	148.86 DR	15.40
106-Telecommunication Accounts Office Cheques	852.41 CR	869.23 CR	870.69 CR	1.46
107 - Postal Cheques	37,481.94 CR	36,893.15 CR	20,198.11 CR	-16,695.04
108 - Railway Cheques	17,964.12 CR	5,169.25 CR	2,061.54 CR	-3,107.71
110 - Electronic Advices	2,652.99 CR	3,750.34 CR	5,191.12 CR	1,440.78
111 - Pay & Accounts Offices Electronic Advices	3,465.13 CR	4,485.54 CR	7,662.82 CR	3,177.28
Other Cheques*	0.99 DR	659.61 CR	1,101.67 CR	442.06
<b>Total Cheques and Bills</b>	<b>66,326.62</b>	<b>55,124.08</b>	<b>38,841.32</b>	<b>-16,282.75</b>

\* including 'Defence Cheques of ₹882.65 crore (credit)

Though there was an overall decrease in total outstanding Cheques and Bills, however, an increase in the balances was observed under 'Defence Cheques' of 116 per cent, 'Electronic Advices' of 38 per cent and 'Pay & Accounts Offices Electronic Advices' of 71 per cent, during FY 2021-22 over FY 2020-21. More than half of the balance under Cheques and Bills pertained to Postal Cheques.

On being pointed out, O/o CGA stated (September 2022) that their office continuously pursues with all the concerned Ministries/ Departments to clear the outstanding balances under Cheques and Bills.

### 3.5 Adverse Balances

Adverse balances arise due to various factors such as (a) when transactions are erroneously credited instead of being debited and vice versa, (b) when debits are accounted under one head and related credits under some other head or vice versa, and

(c) when outflows/disbursements from Reserve Funds are more than receipts/balances. These balances thus, represent errors and absence of financial controls and impact the quality and accuracy of accounts.

The UGFA for FY 2021-22 contained **67** cases (Details in **Annexure 3.2**) of adverse balances. Out of this, 45 were unresolved for over 5 years, with the oldest being 45 years. Further, detailed scrutiny of adverse balances with reference to accounts of concerned Ministry/Department, revealed the following:

**A.** The rules prescribe that Swachh Bharat (Cess) at the rate of 0.5 *per cent* shall be levied w.e.f 15.11.2015 on all services that were liable to Service Tax. It shall be credited to non-lapsable fund ‘8235-135-Rashtriya Swachhata Kosh (RSK)’ and shall be maintained by Ministry of Drinking Water and Sanitation. The proceeds from RSK will be utilized by the Ministry of Drinking Water and Sanitation (MoDWS) and Ministry of Housing and Urban Affairs (MoHUA) in the ratio 80(Gramin): 20(Urban). During 2015-2017, ₹12,400 crore had been credited to RSK. Ministry of Drinking water and Sanitation utilized the entire amount on Swachh Bharat Mission (Gramin). In FY 2015-16, M/o Urban Development also incurred expenditure of ₹159.42 crore towards Swachh Bharat Mission that resulted into adverse balance. In September 2018, MoHUA had requested MoDWS for adopting of the adverse balances from the Finance Accounts of the MoHUA. However, the adverse balances still persist.

Department of Drinking Water and Sanitation (DoDWS)<sup>8</sup> has stated (May 2023) that they will adopt the adverse balance of MoHUA.

**B.** The adverse balance of ₹210.71 crore in ‘Beedi Workers welfare Fund’ under MH-8229.00.200 is continuing since FY 2010-11. Ministry of Labour and Employment stated (September 2022) the reason for adverse balance was that expenditure on welfare activities was incurred based on the approved budget provisions which was normally more than the collections on account of cess. From July 2017, the Beedi cess has been subsumed in the GST. However, the corrective action regarding adverse balance is yet to be taken by the Ministry.

**C.** Regarding adverse balances under Defence Services, O/o CGDA stated that the Controller offices have been sensitized for early liquidation of the adverse balances. Further, balances under MH 8342.00.112 Field Deposits (₹540.65 crore) and MH 8551.00.101 Defence Advances (₹424.17 crore) were under examination with the concerned PCsDA/CsDA for clearance.

**D.** On examination of Statement of Central Transaction of Department of Posts, an Adverse Balance of ₹483.19 crore at the end of the year 2021-22 was observed under “MH-8455.101- Settlement Accounts with India Post Payment Bank”. This non-interest bearing Deposit Account became adverse from the very first

<sup>8</sup> In May 2019 Ministry of Drinking Water was merged and became a Department under Ministry of Jal Shakti



year (2018-19) of its operation with adverse balance of ₹31.99 crore and during FY 2021-22, it increased from ₹372.51 crore to ₹483.19 crore. The issue was raised with the Department and in reply it was stated (January 2023) that PAO Delhi was the nodal office for transactions under this head. As it was a time consuming task requiring thorough examination with the involvement of other circles, IPPB section was compiling and examining all Head of Accounts under MH 8455 and would try to liquidate the adverse balance as soon as possible.

The adverse balances in the Finance Accounts were qualified by the CGA through footnotes and at some places it was stated that the adverse balances were under investigation. The fact, however, remains that 45 cases of adverse balances were unresolved for over 5 years. The concerned Ministries/Departments are required to put in concerted efforts to clear these adverse balances.

### **3.6 Reserve Funds**

In Government Accounts, Reserve Funds are constituted for renewal and replacement of assets, specific and well-defined purposes under any statutory provision or otherwise. The reserve funds are financed by way of budgetary support and /or grants, contributions, cess, or levy raised and collected in the Consolidated Fund and transferred to the designated reserve funds in the Public Account by following the procedure prescribed for budgeting of these transactions.

#### **3.6.1 Transfer of levies and cess collections to designated funds**

Government imposes levies/cess and other charges to raise funds for specific purposes. It is imposed as an additional tax besides the existing tax. Accounting of such receipts is, in most cases, regulated by legislation and rules which often provide for creation of Reserve Funds to ensure that these levies/charges/cesses are used for intended purposes. In FY 2021-22, an amount of ₹4,78,680 crore was collected as cess/charges/levies, which was 26.43 *per cent* of total net tax receipts of the Union Government

Test check of Cess and Levies collected during FY 2021-22 revealed cases of short/non-transfer of collected amounts, as discussed in following paragraphs.

#### **A. Short transfer of Universal Access Levy**

For FY 2021-22, original provision for transfer to USO Fund was ₹9,000 crore which was reduced to ₹8,300 crore at RE stage. Audit scrutiny of Statements No.8, 9 and 13 of Union Government Finance Accounts showed that against a total collection of ₹10,376 crore towards Universal Access Levy (UAL), only ₹8,300 crore was transferred to USO Fund. Thus, there was short transfer of UAL collected during the year to USO Fund amounting to ₹2,076 crore. This amount was retained in Consolidated Fund of India and was available for use for purposes other than for which it was levied.

The Budget Division, DEA (MoF) stated (May 2023) that the purpose of such funds is, inter-alia, to ensure utilisation for the earmarked purpose over a period of years, but

not necessarily, within each FY. Keeping the funds idle in Public Account without productive application is not desirable. It also stated that observation of CAG of short transfer of USOF levies are not in consonance with the provisions of the Act. The provision of Act approved by Parliament shall prevail over the accounting procedure.

The contention of the MoF is not acceptable in view of the fact that the Government imposes levies/cess and other charges to raise funds for specific purposes. Non / short transfer of the collected levy to the dedicated Reserve Fund defeats the very purpose of imposing such additional tax.

### **B. Non-operationalization of Madhyamik and Uchchatar Shiksha Kosh (MUSK) and Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN)**

During FY 2021-22, an amount of ₹52,732 crore was collected towards Health and Education Cess, out of which ₹31,788 crore (60 per cent) was transferred to Prarambhik Shiksha Kosh. For the remaining Reserve Funds, in spite of Cabinet's approval for their creation i.e. MUSK (July 2017) and PMSSN (March 2021), both are yet to be operationalized due to non-finalisation of their accounting procedures.

As per revised estimate (RE) for FY 2021-22, an amount of ₹25,000 crore and ₹21,499 crore were approved for transfer to MUSK and PMSSN, respectively. However, the expenditure on the envisaged purpose continued to be incurred from Gross Budgetary Support, without being transferred to the dedicated funds.

The MoF stated (May 2023) that the funds (MUSK and PMSSN) are expected to be operationalised during FY 2022-23.

### **C. Transfer of unclaimed deposits to Senior Citizens' Welfare Fund**

An interest bearing Fund known as the Senior Citizens' Welfare Fund (SCWF) was established for promoting the welfare of the Senior Citizens and for such other purposes, as specified in Chapter VII of Finance Act, 2015.

Audit scrutiny of Statement Nos. 8, 9 and 13 showed of the UGFA for the year 2021-22 revealed that total 'Receipts of unclaimed deposits' specified under Section 122(2) of the Finance Act 20 of 2015 under MH:0250.104 during last five financial years (2017-18 to 2021-22) was ₹1,790.57 crore. Out of this total receipts, ₹274.91 crore was transferred to the Senior Citizens' Welfare Fund (MH:8121.127) and amount utilized during last five years was ₹229.36 crore. Thus, there was a short transfer to the Senior Citizens' Welfare Fund of ₹1,515.66 crore and underutilization therefrom of ₹45.55 crore.

The MoF stated (May 2023) that the matter is under review and is expected to be resolved.

### **D. Non-transfer of cess to Oil Industry Development Board**

The Oil Industry (Development) Act, 1974 provides for establishment of Oil Industry Development Board (OIDB) for the development of oil industry and for that purpose levy a duty of excise on crude oil and natural gas as a cess.

Audit scrutiny revealed that since FY 1974-75 to FY 2021-22, OIIB had been allocated an amount of ₹902.40 crore till FY 1991-92. Thereafter, no amount out of cess collection had been allocated to OIIB by the Government.

The MoF stated (May 2023) that during last seven years, details of major expenditure incurred by the Government for benefit of Oil Sector was on (i) LPG Subsidy: ₹1,49,974 crore (ii) Kerosene Subsidy: ₹37,276 crore (iii) Strategic Oil Reserve: ₹5,441 crore (iv) Repayment of Oil Bonds: ₹38,723 crore and (v) Interest on Oil Bonds: ₹70,109 crore (Total ₹3,01,523 crore).

### **3.6.2 Dormant Reserve Funds/Deposits**

Reserve Funds and Deposits form a part of the Public Account of India wherein the transactions in respect of which Government incurs a liability to repay the moneys received and the repayments thereof are recorded. Creation of a Reserve Fund generally involves transfer of sum from the Consolidated Fund of India into Public Account to be utilised for specific purposes. On the other hand, deposits of the Government are made by depositors as a security and/or to get some work executed by the Government on behalf of the depositor. Dormant Reserve Funds/Deposits constitute those funds or deposits which are not in operation for a long period of time and might have outlived their utility.

Scrutiny of Statement 13 of UGFA showed that seven Reserve Funds, of which credit Balance of ₹1.25 crore in five Reserve Funds and debit Balance of ₹0.23 crore in two Reserve Funds at the end of FY 2021-22, as contained in **Annexure 3.3**, were lying dormant for at least three financial years, ranging from 05 to 19 years.

Further scrutiny of Statement 13 revealed that 20 Deposits (Interest bearing as well as Interest not bearing), of which credit balance of ₹371.41 crore in 17 Deposit Accounts and debit balance of ₹197.54 crore in three Deposit Accounts at the end of FY 2021-22, as contained in **Annexure 3.4**, were lying dormant for at least three financial years, ranging from 08 to 19 years.

The Annexure showing Dormant Deposit Accounts includes balances under various Minor Heads under the Major Head 8450 - Balance Accounts of Union Territories. These were pertaining - 8450.101 (₹40.13 crore CR) to Puducherry, 8450.102 (₹16.30 crore DR) to Goa, Daman and Diu, 8450.104 (₹56.83 crore DR) to Arunachal Pradesh, 8450.105 (₹124.41 crore DR) to Mizoram. Pertinently, these UTs had either become States or UTs with legislature long back with separate Public Account. These balances are lying since FY 2008-09 in respect of Puducherry and since FY 2002-03 in respect of Arunachal Pradesh, Goa, Daman and Diu and Mizoram.

In response, O/o CGA stated (September 2022) that concerned Accounting Authorities have been requested to review dormant Reserve funds/deposits and to assess the feasibility to close them by transferring the balances there under to the CFI. To clear balances under MH-8450, their office kept on pursuing with concerned Accountants General/ Directors.

### **3.6.3 Deviation from approved accounting procedure**

#### **A. Pension Contribution in Public Accounts of India**

Government of India had introduced a new Defined Contribution Pension Scheme (DCPS) with effect from 01 January 2004. It was applicable to all new entrants joining Government service (except Armed Forces) on or after 01 January 2004. Further, vide Office Memorandum dated 02 September 2008 of the Department of Expenditure, Ministry of Finance, it was mentioned to transfer the balances under DCPS, accumulated up to 31 March 2008 and the monthly contributions from 01 April 2008 onwards, to the Trustee bank. In the said OM, it was specifically mentioned that the contributions will not be parked under the head of Account “8342-Other Deposits-117-Defined Contribution Pension Scheme” even as a temporary measure for making payment to the Trustee Bank.

Audit scrutiny of Statement No.13 of FY 2021-22 revealed closing balance of ₹184.51 crore under "Deposits and Advances" MH-8342-Other Deposits-117-Defined Contribution Pension Scheme for Government Employees. The issue regarding holding of closing balance of ₹184.51 crore under MH-8342-Other Deposits-117-Defined Contribution Pension Scheme was raised (July 2022) with the O/o CGA and O/o CGA in their reply (September 2022) stated that the matter had been taken up with the concerned Controllers to identify the subscribers and transfer the balance to trustee banks, and also with the Controllers holding debit balances to clear the adverse balances.

Thus, holding NPS balances either under MH-8342.00.117 or suspense heads is in contravention to the instructions issued by the GoI and outstanding balances should be transferred to NPS subscriber's account.

#### **B. Improper Accounting in Monetization of National Highway Fund**

As per the approved accounting procedure, receipts towards monetization of National Highways shall be booked under head 4000.01.106-Proceeds of Monetization of National Highways. The amount thus received is to be transferred to the Monetization of National Highways Fund in the Public Account under the head of account 8225.03.101- Monetization of National Highways Fund through Revenue head 3054.80.797-Transfer to Reserve Fund/Deposit Account. The expenditure incurred from the fund is to be booked under the budget provision made under 5054.01.337-Road Works and the amount so incurred is to be recouped from the fund through head of account 5054.01.905-Deduct amount met from Monetization of National Highways Fund.

Audit observed that transactions under Monetization of National Highways Fund were incorrectly accounted. During FY 2021-22, ₹1,011 crore was received towards proceeds of Monetization of National Highways. Further, an amount of ₹5,000 crore (against original budget provision of ₹10,000 crore) was also transferred to Monetization of National Highways Fund through Capital head 5054.80.797. However, the expenditure of ₹5,000 crore incurred from the fund was booked under

the head 5054.01.190-Investment in Public Sector & Other Undertakings instead of the approved head 5054.01.337. Thus, funds provided through GBS were used for making capital investment in NHAI instead of capital expenditure on Road Works, which lead to overstatement of capital investment by the same extent.

Though the issue has been raised in earlier CAG Audit Reports (Report No. 7 of 2021 and Report No. 31 of 2022), no corrective action was taken by the Ministry or CGA so far.

The MoF stated (May 2023) that transfers to NHM Fund will continue to be made from capital major head as transfers from revenue MH and incurring the expenditure from capital MH will understate the capital expenditure. It has been the consistent stand of this Ministry that the transfers from Capital MH will be affected to specific reserve funds in case capital expenditure is incurred from that specific reserve fund.

### **C. Fund amounting to ₹145.41 crore parked outside Government Accounts**

Pursuant to de-allocation of 204 coal blocks (allotted between the years 1993 to 2011) by Hon'ble Supreme Court of India vide order made in September 2014, the Central Government appointed a Nominated Authority for ensuring fresh allocation of coal blocks through e-auction process including an appointment of a Commissioner of Payments (COP) for disbursing the amounts payable to the prior allottees of Schedule I<sup>9</sup> coal mines.

For disbursements, a Current Account (0389050196437) was opened on 23 June 2015 at United Bank of India, Old Court House Street Branch, Kolkata-700001 in which ₹209.28 crore was transferred from May 2016 to August 2021, out of which only ₹63.87 crore has been disbursed and remaining ₹145.41 crore is lying in the account as on 31 March 2022. The matter was raised with the Ministry of Coal (October 2022), however, reply was awaited.

### **D. Irregular Retention of Government Money outside Government Accounts pertaining to Department of Space**

Articles 114 and 115 of the Constitution authorize withdrawal of specified sums from the Consolidated Fund of India for incurring expenditure on services for the relevant financial year. In terms of Rule 11 of the Receipt and Payment Account Rules, 1983 money may not be withdrawn from the Government account other than against cheques issued by an Accounts Officer on an account opened in his favour, or by a cheque drawing DDO on an assignment account opened in his favour, at a specified branch of the accredited bank. Such accounts shall be opened under the orders of the Financial Adviser of the department in consultation with the Controller General of Accounts (CGA).

There is no provision in Government accounting and financial rules to retain public funds outside Government accounts. However, it was noticed that an amount of ₹154.94 crore (16 bank accounts in 14 Centres/ Units) was lying in current accounts,

<sup>9</sup> List of 204 coal blocks which were deallocated vide Supreme Court order.

and the earliest balances pertained to FY 2012-13. This was used by ISRO Centres/ Units to make payments on account of customs duty, to credit receipts on the sale of scraps, other miscellaneous e-receipts.

On being pointed out, DoS replied (December 2022) that the Department had issued instructions to close all the accounts. The reply of the Department is not acceptable as the same issue was raised with the Department of Space in the year 2020-21. DoS sought (September 2021) post facto approval of the Controller General of Accounts (CGA) in the Ministry of Finance to operate these Bank Accounts. However, CGA instructed (October 2021) DOS to close these accounts with immediate effect. DOS replied (November 2021) that once NEFT/RTGS route is operational for custom payments and crediting of e-receipt, necessary instruction would be issued to close these accounts. However, these bank accounts continued to be in operation, outside Government Accounts, during FY 2021-22.

### 3.7 Loans and Advances

Statement 15 of the UGFA contains information on loans and advances by the Union Government. Against the total loans of ₹7,63,693.29 crore outstanding from State/ UT Governments and other entities as on 31 March 2022, there were arrears in recovery, amounting to ₹68,141 crore including interest as detailed in **Figure 3.9**. Age-wise details are given in **Figure 3.10**.

**Figure 3.9: Details of outstanding Loans and Advances**

(₹ in crore)

Arrears as on 31 March 2022				
Sl. No.	Name of Loanee	Principal	Interest	Total
1.	State Government	402	1,812	2,214
2.	Union Territories	3,189	2,716	5,905
3.	Other Loanees	17,809	42,213	60,022
<b>Total</b>		<b>21,400</b>	<b>46,741</b>	<b>68,141</b>

**Figure 3.10: Age-wise details of Loans and Advances in arrears**

(₹ in crore)

Arrears as on 31 March 2022						
Sl. No.	Category of Loanee	No. of States/UTs/ Entities	Period of arrears (in years)	Principal	Interest	Total
1.	States/UTs Government	22	>25	587	1,723	2,310
		05	15-25	3,004	2,805	5,809
2.	Other Entities	81	>25	5,596	29,090	34,686
		37	15-25	5,151	8,950	14,101
		31	5-15	6,191	4,173	10,364
		4	<5	871	0	871
<b>Total</b>		<b>180</b>		<b>21,400</b>	<b>46,741</b>	<b>68,141</b>

List of States/UTs against whom Loans and Advances are outstanding as on 31 March 2022, for more than 15 years is given in **Annexure 3.5**. Further scrutiny of Ministry-wise, major Loans and advances revealed the following:



- A. Ministry of Home Affairs:** As per Statement no.15 of the Ministry, ₹15,524.30 crore were outstanding as on 31 March 2022 towards State/UTs Governments under Loans and Advances. Audit scrutiny of records revealed few discrepancies between the figures appearing in Statement no.15 and relevant records maintained by the Ministry. In 16 States/UTs, amount outstanding as per Statement no.15 was ₹329.36 crore and as per Ministry's records it was ₹301.10 crore, resulting into difference of higher amount being shown in Statement no.15 of ₹28.26 crore. Similarly, in 12 States/UTs, amount outstanding as per Statement no.15 was ₹1,892.19 crore and as per Ministry's records it was ₹1,907.93 crore, resulting into difference of higher amount being shown in Ministry's records of ₹15.74 crore. Thus, there was net difference of ₹12.52 crore. Ministry in its reply (August 2022) stated that the balances shown in Statement 15 were arrears of State/UT Governments which were carried forward from the previous year balances. Further, the loan statements had already been reconciled with the State/UT Government and reconciliation between Principal Accounts Office (loan section) of MHA & O/o CGA had been initiated to rectify/reduce the differences between Statement 15 and Loan Statement.
- B. Ministry of Information and Broadcasting:** As per Statement no.15 of the Ministry, ₹2,216.69 crore was outstanding from four loanee entities, as on 31 March 2022. Out of the total outstanding, ₹2,216.17 crore (99.97 per cent) pertained to Prasar Bharti and the amount was outstanding from FY 2010-11. Remaining ₹0.52 crore was outstanding against three entities viz. Hindustan Samachar, Samachar Bharati and Andhra Pradesh State Electricity Board pending from 43 years. Ministry in its reply (August 2022) confirmed the facts and figures, however, corrective action is yet to be taken.
- C. Ministry of Consumer Affairs, Food and Public Distribution:** Audit scrutiny of records revealed that ₹81.57 crore was outstanding towards principal and interest on loans outstanding since FY 1978-79, from six sugar mills. It was further observed that no interest was being charged in respect of three sugar mills (Sitaram Sugar Co. Baithalpur, U.P, Deoria Sugar Mills, Deoria U.P and Raja Bulan Sugar Ltd., Rampur U.P) as records related to these sugar mills were not available in the Ministry. The Department while accepting the audit observation stated that concerned department requested to recover the outstanding loan amount along with the penal interest.
- D. Ministry of Steel:**
- a) Statement No.15 (Section 3) relating to 'Repayment in arrears from other Loanee Entities or Institutions' shows an amount of ₹1,475.40 crore (Principal of ₹549.70 crore and interest of ₹925.70 crore) recoverable from M/s Hindustan Steel Works Construction Limited (HSCL). In the related footnote, a disclosure has also been made that 'in accordance with the fresh restructuring proposal, amount of arrears of Principal and interest has been calculated only up to 30.06.2010'.

Audit scrutiny of records revealed that an accumulated loss of ₹1,585 crore was set off by HSCL against the equity capital of the company resulting into writing off of outstanding loan and advances against the company.

Further, from 1 April 2017, HSCL had become the subsidiary of National Buildings Construction Corporation Limited (NBCC) which is under the Ministry of Housing and Urban Affairs (MoHUA), with equity infusion of ₹35.70 crore (51 *per cent*). The administrative control of HSCL was transferred to MoHUA from 6<sup>th</sup> December 2017.

Since, the amount of loans and interest outstanding against HSCL were written off, the depiction of outstanding loan and interest thereon against HSCL in Statement No.15 (Section 3), needs to be corrected.

- b) The records relating to outstanding Loans and Advances recoverable from M/s Kumardhubi Fireclay & Silica Works limited (₹26.37 crore) and from states of Karnataka (₹0.22 crore) and Bihar (₹0.01 crore) were not provided to audit for review due to non-availability of the same with the Ministry. The reply from the Ministry was awaited.

### **3.8 Transparency and Disclosure**

#### **3.8.1 Depiction of critical information through footnotes**

A total of 258 footnotes had been inserted for disclosing additional information on figures mentioned therein with reference to the related transactions in UGFA for FY 2021-22. However, these footnotes did not disclose the correct picture of the finances of the Union Government to that extent as the full nature and implications of adjustments and action taken to address the anomalies were not stated. Some of the footnotes are crucial in nature and need a significant disclosure rather than through a footnote.

The issue has also been raised in CAG Report No.7 of 2021 and Report No.31 of 2022 with a recommendation to consider the introduction of “Notes to Accounts” or an equivalent consolidated disclosure format as part of UGFA which would enable additional information (beyond that depicted in the individual Statements) to be provided in a consolidated form to aid readability and transparency.

Some of the significant disclosures through footnotes were as follows:

- a) Statement 2 ‘Summary of Debt Position’ depicted the total of liabilities under ‘Small Savings and Provident Funds’ as ₹6,01,445.58 crore as on 31 March 2022. Information regarding ‘Other liabilities’ of the Union Government in relation to ‘Small Savings and Provident Funds’ which include investment of NSSF of ₹3,90,929.97 crore in Special State Government Securities, accumulated deficit of NSSF of ₹41,143.50 crore, investment of ₹1,05,362.82 crore relating to Post Office Insurance Fund and ₹85,570 crore in various Govt. undertakings, was provided by way of a footnote. Thus, depiction of Small Savings Liabilities amounting to ₹6,23,006.29 crore through a footnote, and not as part of the main body of the Statement or depicting the



consolidated picture at any place, did not present an appropriate picture of Public Account Liabilities of the Union Government.

- b) Statements 2 and 14 showed External Debt of the Union Government at historic rate of exchange (₹4,39,354.78 crore) and disclosed the External Debt as converted at the current exchange rate (rate as on 31 March 2022) as a footnote (₹6,58,333.88 crore). It was observed that the latter was ₹2,18,979.10 crore higher than the amount at historical rate. This disclosure of the value of external debt only through a footnote affected the transparency of the accounts and may also be seen in the light of the Rule 2(aa) of FRBM Act 2003 wherein the definition of Union Government Debt includes External Debt valued at current exchange rates.
- c) Statement 13 which relates to Debt, Deposits and Remittances Heads showed closing cash balance under MH 8999. The difference with RBI's closing cash balance was shown by way of a footnote. This footnote gave a break-up of the difference between Civil Ministries, Non-Civil Ministries, UTs and broad reasons for the differences. Disclosure through the footnote was inadequate as the difference was shown on a net basis and thus, did not capture its totality in terms of separate credits and debits that made up the difference.
- d) Persistent adverse/minus balances under investigation also included high value items such as 8551.00.101-Defence Advances (₹424.17 crore *credit*), implying more receipt of advances against the advances sanctioned and explanation of adverse balance in 8121.00.103-Railway Pension Fund–Commercial Lines (₹5,007.29 crore *debit*), etc.

Apart from the above, large number of footnotes had been inserted in all the 16 statements of the UGFA for FY 2021-22 for disclosing additional information with respect to figures for transactions and for opening and closing balances and changes made thereto. These footnotes, though relating to significant transactions, lacked clarity and in some cases were being repeated year after year without resolution.

In their response, O/o CGA stated (August 2022) that the footnotes are inserted to qualify transactions during the year or the balances appearing in UGFA. In some cases, the footnotes are also inserted to provide additional information to the stakeholders, which is not the part of the format of UGFA. Presently these footnotes are inserted below the pages where these transactions are reported which aid readability for the user. However, feasibility for inserting 'Notes to Accounts' is being examined.

Keeping in view the importance of disclosures/ additional information in relation to the figures appearing in Union Government Finance Accounts, it is reiterated that for FY 2022-23, 'Notes to Accounts' may positively be included in the UGFA.

### **3.8.2 Persistent use of Minor Head 800**

Minor Head 800 with nomenclature 'other receipts'/ 'other expenditure', is used under receipt and expenditure Major Heads, to account for transactions that are not routine and/ or cannot be accounted under any specific minor head. Classifying the expenditure of certain outlays at appropriate level is necessary for ensuring the transparency in

books of accounts, which also enables to quantify the expenditure activity-wise for the purpose of management as well as monitoring. Similarly, classifying the receipts bring out specific sources of revenue of the Government. Hence, repeated use of Minor Head 800 results in opaqueness in accounts and needs to be curtailed.

### 3.8.2.1 Trend of use of Minor Head 800

Bookings under Minor Head 800-Other Expenditure vis-à-vis total expenditure saw a small increase from 1.22 *per cent* in FY 2020-21 to 1.81 *per cent* in FY 2021-22 and similar increase was noticed in respect of Other Receipts vis-à-vis total receipts, from 0.97 *per cent* in FY 2020-21 to 1.10 *per cent* in FY 2021-22.

### 3.8.2.2 Booking under Minor Head 800-Other Expenditure

Detailed scrutiny of Other Expenditure revealed that under nine Major Heads of accounts, more than 50 *per cent* of the expenditure under each Head, amounting to ₹47,651.97 crore (60 *per cent* out of the total expenditure of ₹78,878.54 crore under these Major Heads), was classified under Minor Head '800-Other Expenditure' as detailed in **Figure 3.11**.

**Figure 3.11: Statement showing booking of more than 50 *per cent* expenditure of a Major Head under Minor Head-800**

(₹ in thousands)

Details of Minor Head 800 (Other Expenditure) Statement No. 9				
(₹ in thousands)				
Sl. No.	Major Head	Total Expenditure	Minor Head 800	% Share
1	2210-Medical and Public Health	69,83,69,406	36,57,08,100	52.37
2	2506-Land Reforms	25,79,489	17,40,800	67.49
3	2701-Medium Irrigation	5,19,16,401	4,27,79,439	82.40
4	2711-Flood Control and Drainage	12,30,133	12,17,228	98.95
	<b>Total (A)</b>	<b>75,40,95,429</b>	<b>41,14,45,567</b>	
Details of Minor Head 800 (Other Expenditure) Statement No. 10				
5	4211-Capital Outlay on Family Welfare	36,997	36,997	100.0
6	4701-Capital Outlay on Medium irrigation	5,54,935	3,33,664	60.13
7	4702-Capital Outlay on Minor Irrigation	10,03,873	9,58,001	95.43
8	4853-Capital Outlay on Non-Ferrous Mining and Metallurgical Industries	5,28,432	5,28,432	100.0
9	5275-Capital Outlay on other Communication Services	3,25,65,698	6,32,16,999	194.12
	<b>Total (B)</b>	<b>3,46,89,935</b>	<b>6,50,74,093</b>	
	<b>Grand Total (A+B)</b>	<b>78,87,85,364</b>	<b>47,65,19,660</b>	<b>60.41</b>

Additionally, in certain cases, significant expenditure (though below 50 *per cent* of total expenditure under concerned Major Head) was booked under Minor Head 800. These included other expenditure under MH 2801- Power (₹4,127.49 crore), MH 2076- Defence Services- Army (₹3,297.76 crore) and MH 2401- Crop Husbandry (₹2,421.29 crore).

Regarding booking of expenditure of ₹6,139.83 crore on Optical Fibre Cable based Network for Defence Services under Minor Head-800, the Department of Telecommunications stated (November 2022) that new Minor head (5225.06.201)

could not be made operational during FY 2021-22, as it was part of revamping of Heads of Account for DoT which will become operational from FY 2023-24, subject to clearance from Budget division of MoF.

### 3.8.2.3 Booking under Minor Head 800-Other Receipts

Detailed scrutiny of Other Receipts revealed that under 13 Major Heads of accounts, more than 50 per cent of the receipts under each Head, amounting to ₹3,331.41 crore (84 per cent out of the total receipts of ₹3,968.31 crore under these Major Heads), was classified under Minor Head '800-Other Receipts' as detailed in **Figure 3.12**.

**Figure 3.12: Statement showing booking of more than 50 per cent receipts of a Major Head under Minor Head-800**

(₹ in thousands)

Details of Minor Head 800 (Other Receipts) Statement No. 8				
Sl. No.	Major Head	Total Receipts	Minor Head 800	% Share
1	0029-Lands Revenue	99,271	70,961	71.48
2	0030-Stamps and Registration Fee	30,17,882	21,05,267	69.76
3	0077-Defence Services-Navy	59,15,290	47,68,445	80.61
4	0078-Defence Services-Air Force	1,31,24,794	93,86,231	71.52
5	0080-Defence Services- Research and Development	37,86,744	37,86,744	100.0
6	0202-Education Sports, Art and Culture	15,82,888	12,23,689	77.31
7	0230-Labour & Employment	8,79,808	7,35,902	83.64
8	0235-Social Security and Welfare	39,789	38,796	97.50
9	0408-Food Storage and Warehousing	67,16,571	66,79,896	99.45
10	0701-Medium Irrigation	2,21,092	2,21,092	100.0
11	0702-Minor Irrigation	28,35,184	28,33,239	99.93
12	1055-Roads Transport	12,38,984	12,38,984	100.0
13	1056- Inland Water Transport	2,24,843	2,24,843	100.0
<b>Grand Total</b>		<b>3,96,83,140</b>	<b>3,33,14,089</b>	<b>83.95</b>

Additionally, in certain cases, significant receipts (though below 50 per cent of total receipts) were booked under Minor Head 800. These included MH 0802-Petroleum (₹5,135.81 crore), MH 0037-Customs (₹2,419.09 crore), MH 0055-Police (₹948.12 crore), MH 0076-Defence Service Army (₹835.08 crore), etc.

Further, detailed scrutiny of bookings under Minor Head 800-Other Receipts at test checked Ministries revealed the following:

- a) **Central Board for Direct Taxes (CBDT) and Central Board of Indirect Taxes and Customs (CBIC):** Receipts of ₹366.20 crore in CBDT and ₹2,338.23 crore in CBIC booked in Minor Head 800-‘Other Receipts’ under relevant Major Heads did not qualify as Tax Revenue Receipts like Other Items, Misc./Other Receipts, etc. These were of Non-Tax Revenue nature but were misclassified under the Major Heads of Tax Revenue. Furthermore, receipts like Interest Recovery, Penalties and Tax collection, etc. had been shown under Minor Head 800 of relevant Major Heads despite separate Minor Heads already existing under the same/other Major Heads of Tax Revenue. Test check of records revealed misclassification of receipts under Minor Head 800 amounting to ₹1,045.04 crore in CBDT and ₹866.33 crore in CBIC.

On being pointed out, CBIC stated (January, 2023) that bookings have been done in accordance to the list of Major & Minor Heads. The reply is not acceptable in view of the fact that though the bookings have been done as per LMMH, however, as the receipts were of non-tax revenue nature, it should have been booked under relevant non-tax revenue Major Head instead of tax-revenue.

- b) **Ministry of Culture:** Out of receipts of ₹109.66 crore under two Major Heads (0049-‘Interest Receipts’ of ₹14.74 crore and 0202-‘Education, Sports, Art & Culture’ of ₹94.92 crore), ₹109.17 crore was found to be booked under Minor Head 800. Regarding Interest Receipts, Ministry replied (October 2022) that Minor Head 801 is opened and mapped under Major Head receipts 0202 for collections of such receipts and from FY 2022-23 onwards, such receipt will be booked in proper Minor Head 801 under MH 0202. For receipts under ‘Education, Sports, Art & Culture’ it was stated that there are three different distinct minor head under MH 0202 and all DDOs are instructed for booking receipts in proper Minor Head under MH 0202.

Further, O/o CGA stated that Instructions were issued in October 2021, requesting all Ministries/ Departments to bring all Sub-heads/ Detailed heads relating to specific activity of the Government or specific stream of revenue of the Government currently being operated under minor Head-800, under new distinct head.

### 3.9 Cumulative difference between the cash balances of RBI and UGFA

Scrutiny of Statement 13 revealed a net cumulative difference of ₹1,040.77 crore<sup>10</sup> (Credit) – Civil Ministries ₹387.13 crore (Credit), Union Territories ₹265.07 crore (Credit) and Non-Civil Ministries ₹388.57 crore (Credit) between the cash balance of the Reserve Bank Deposits and Union Government Finance Accounts. The net cumulative difference of ₹1,040.77 crore (credit) was due to netting of credit balance of ₹3,723.43 crore and debit balance of ₹2,682.66 crore. Thus, total cash balance to be reconciled with RBI at the end of the FY 2021-22 was ₹6,406.09 crore. Further, net cumulative difference of ₹388.57 crore (Credit) in respect of Non-Civil Ministries includes Debit balance of ₹45.72 crore against Telecommunications, which comes under Civil Ministries and needs to be corrected.

In response (May 2023), O/o CGA stated that the RBI (CAS), Nagpur did not provide the figures of Department of Telecom (DoT) under the Civil Ministries/Department, therefore, the same has not been included in the differences of Civil Ministries Departments. The reply is not acceptable in view of the fact that there is separate ‘Demand for Grant’ for DoT under Civil Ministries.

Further, detailed scrutiny of cash balances in test checked Ministries/Departments with reference to difference in closing balance between Statement 13 and RBI (Central Accounting Section), Nagpur figures revealed as shown in **Figure 3.13**.

<sup>10</sup> Credit balance as per RBI (CAS), Nagpur (₹3,451.31 crore) and as per UGFA (₹2,410.54 crore).

**Figure 3.13: Statement showing difference between the cash balances of RBI and UGFA**


Sl. No.	Ministry/ Department	Difference Amount (₹ in crore)	Reply of the Ministry/Department
1.	CBDT (Pertaining to the period from FY 2003-04 to FY 2021-22)	₹865.83 (Debit) ₹755.89 (Credit)	The net difference comes to ₹109.94 crore (Debit), whereas, information furnished by O/o CGA shows net difference of ₹167.19 crore (Debit).
2.	CBIC	₹(-)423.55 (Debit) ₹(-)452.85 (Credit)	The net difference comes to ₹(-)29.30 crore (Credit), whereas, information furnished by O/o CGA shows net difference of ₹244.59 crore (Debit).
3.	Ministry of Power	₹89.47 (Credit)	Audit pointed out difference of ₹1,321.38 crore. Out of this, ₹623.16 crore was adjusted through Journal Entry and ₹608.75 crore was reconciled by Principal Accounts office in December 2022. Balance amount of ₹89.47 crore is pending reconciliation.
4.	MeitY	₹58.78 (Credit)	The Ministry stated that the difference of ₹58.50 crore pertains to the year 2018-19 that was due to the transaction of NTRP <sup>11</sup> which were not credited to PAO-Account due to some technical error. This office had communicated with the NTRP division of CGA for the same.
5.	Department of Telecommunications	₹7.43 (Debit)	As per information furnished by O/o CGA, amount of net difference was ₹45.72 crore (Debit).

CBDT, CBIC and DoT in their reply (May 2023) have stated that the difference in the figures was due to the reason that the figures of the O/o CGA were cumulative and figures in their books were for FY 2021-22.

The reply is not satisfactory as the closing balance figures at the end of financial year, should match with the cumulative figures at CGA office.

<sup>11</sup> NTRP- Non-Tax Receipt Portal.





**4**  
**CHAPTER**

**BUDGETARY  
MANAGEMENT**





## Budgetary Management

### 4.1 Overview of Appropriation Accounts

The Appropriation Act enacted by the Parliament authorizes the Government to draw specified sums from the Consolidated Fund of India (CFI) for identified activities and functions, under various Grants in terms of Articles 114 of the Constitution, and for disbursements charged on the CFI. Parliament approves supplementary or additional Grants by subsequent Appropriation Acts in terms of Article 115 of the Constitution.

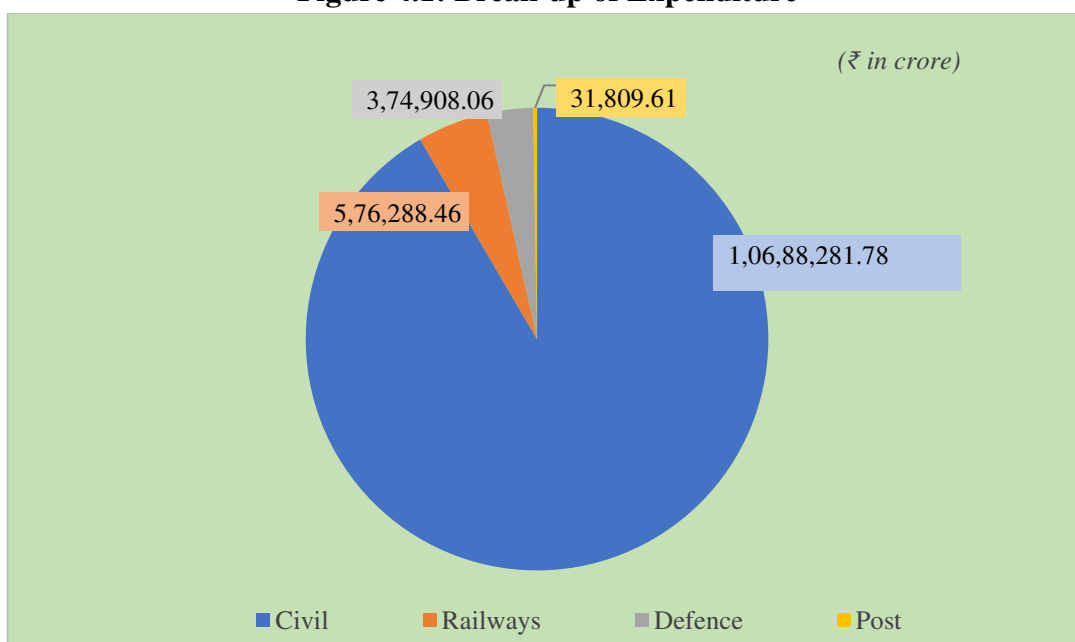
Appropriations are made against demands that are entirely 'charged' to CFI. Grants are made against demands that are either fully 'Voted' or partly 'Voted' and partly 'Charged'. There were six Appropriations and 95 Grants in FY 2021-22.

Authorisations by Parliament are based on budget estimates (BE) prepared by Ministries and Departments in accordance with the General Financial Rules (GFR) and instructions issued by the Budget Division, Ministry of Finance (MoF). These instructions envisage that the BEs are prepared realistically to meet all expenditure requirements and ensure that unspent balances are avoided. The BEs are further scrutinized by MoF before incorporation in Budget documents.

#### 4.1.1 Details of provisions and expenditure

The Appropriation Accounts for FY 2021-22 cover approved provisions aggregating to ₹1,24,36,008.61 crore and total expenditure thereon amounting to ₹1,16,71,287.91 crore.

Figure 4.1: Break-up of Expenditure



**Figure 4.1** shows the break-up of expenditure in Ministries/ Departments- Civil, Railways, Defence and Posts during FY 2021-22, while segment<sup>12</sup>-wise details are given at **Annexure 4.1**. The bulk of the total gross expenditure i.e., 91.58 *per cent*, was incurred by the Civil Ministries.

**Figure 4.2: Provision, disbursements, and savings<sup>13</sup>**

(₹ in crore)

Appropriation Accounts (No. of Grants)	Original Provision	Supplementary Provision	Total Provision	Disbursements	Savings (-) (in per cent)
Civil (97)	1,07,33,048.82	6,86,735.71	1,14,19,784.53	1,06,88,281.78	-7,31,502.75 (6.41%)
Railways (1)	5,81,381.61	22,024.95	6,03,406.56	5,76,288.46	-27,118.10 (4.49%)
Defence (2)	3,67,107.65	10,536.60	3,77,644.25	3,74,908.06	-2,736.19 (0.72%)
Post (1)	35,173.27	0.00	35,173.27	31,809.61	-3,363.66 (9.56%)
<b>Total (101)</b>	<b>1,17,16,711.35</b>	<b>7,19,297.26</b>	<b>1,24,36,008.61</b>	<b>1,16,71,287.91</b>	<b>-7,64,720.70</b> <b>(6.15%)</b>

Thus, against the total provision of ₹1,24,36,008.61 crore, expenditure of ₹1,16,71,287.91 crore was incurred, resulting in unspent provision of ₹7,64,720.70 crore (6.15 *per cent*) in FY 2021-22.

Further, Ministry of Railways had obtained supplementary grant of ₹22,024.95 crore in anticipation of higher expenditure at Grant level. However, the final expenditure of ₹5,76,288.46 crore was even less than the original provision of ₹5,81,381.61 crore.

#### 4.1.2 Charged and voted disbursements

As per Article 112(2) of the Constitution, a distinction is made between Charged and Voted expenditure. Charged expenditures are defined in Articles 112(3), 273, 275(1) and 293(2) of the Constitution. Estimates of Charged expenditure are not subject to the vote of Parliament as per Article 113(1) of the Constitution but can be discussed in the Parliament.

Overall, the charged expenditures were 66.07 *per cent* of the total disbursements from CFI in FY 2021-22, with details as depicted in **Figure 4.3**.

<sup>12</sup> Each Grant/Appropriation may have four segments – Revenue (Charged), Revenue (Voted), Capital (Charged), and Capital (Voted).

<sup>13</sup> In Appropriation Accounts, variations are explained with reference to amounts sanctioned by Parliament including supplementary grants or appropriations and expenditure there against. Negative variations are referred to as ‘Savings’ and positive variations as ‘Excess’.

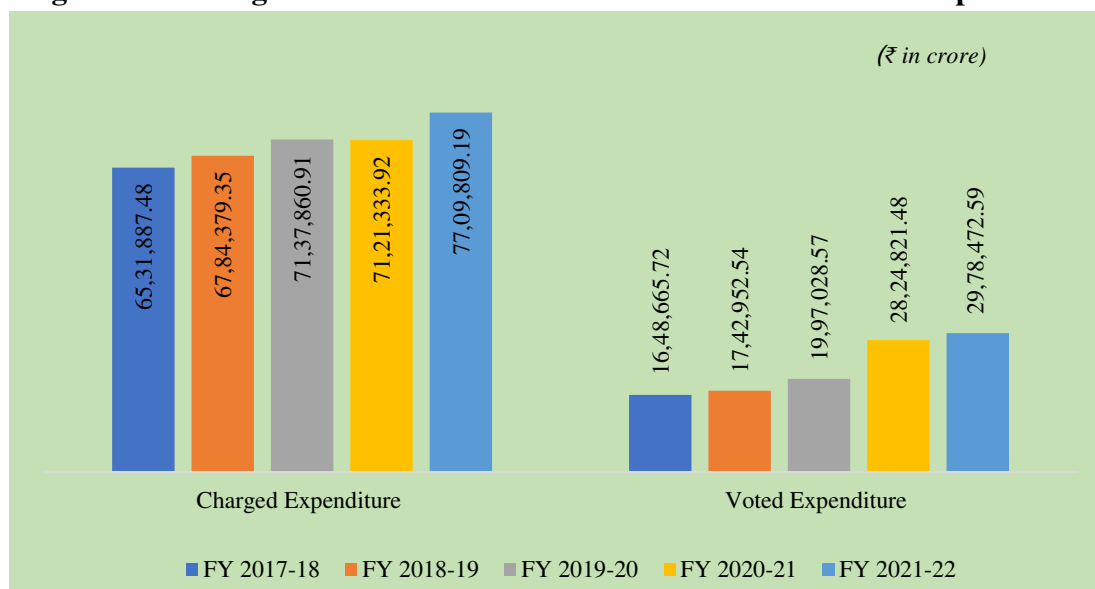
**Figure 4.3: Charged and voted disbursements**

(₹ in crore)

Appropriation	Total Provision	Disbursement	Savings
<b>Charged</b>			
Civil	80,65,685.04	77,09,809.19	3,55,875.85
Railways	1,167.50	1,037.16	130.34
Defence	269.75	180.87	88.88
Post	0.80	0.27	0.53
<b>Sub-Total</b>	<b>80,67,123.09</b> (64.87%)	<b>77,11,027.49</b> (66.07%)	<b>3,56,095.60</b> (46.57%)
<b>Voted</b>			
Civil	33,54,099.49	29,78,472.59	3,75,626.90
Railways	6,02,239.06	5,75,251.30	26,987.76
Defence	3,77,374.50	3,74,727.19	2,647.31
Post	35,172.47	31,809.34	3,363.13
<b>Sub-Total</b>	<b>43,68,885.52</b> (35.13%)	<b>39,60,260.42</b> (33.93%)	<b>4,08,625.10</b> (53.43%)
<b>Total</b>	<b>1,24,36,008.61</b>	<b>1,16,71,287.91</b>	<b>7,64,720.70</b>

In FY 2021-22, in respect of Civil Ministries/Departments, the major charged disbursement consisted of two Appropriations viz., *Repayment of Debt* (₹66,45,468.40 crore being 62.18 per cent of total Civil disbursement) and *Interest Payments* (₹8,28,259.85 crore being 7.75 per cent of total Civil disbursement), and Grant-Transfers to States.

**Figure 4.4: Charged and Voted disbursements in Civil Ministries/Departments**



As seen from **Figure 4.4**, while the charged expenditure after showing a steady increase from FY 2017-18 to FY 2019-20 had a slight decrease in FY 2020-21 but significant increase in FY 2021-22, the voted expenditure grew consistently since FY 2017-18.

Subsequent paragraphs of this Chapter contain audit observations on the Appropriation Accounts. Important observations relate to excess expenditure requiring regularisation by Parliament; significant savings; unnecessary re-appropriations; supplementary

provisions obtained without requirement; delayed surrender and non-surrender of funds; expenditure incurred without adequate provisioning of funds; and misclassification of expenditure.

## 4.2 Variations from authorisation

Article 114(3) of the Constitution provides that no money shall be withdrawn from the CFI except under appropriations made by law. Further, Rule 57(3) of General Financial Rules (GFR) 2017 stipulates that no expenditure which might lead to authorisation under the total Grant or Appropriation being exceeded will be incurred, except after obtaining a supplementary grant or an advance from the Contingency Fund. Excesses, if any, are required to be regularised by Parliament under Article 115(1)(b) of the Constitution.

Public Accounts Committee (PAC) (10<sup>th</sup> Lok Sabha 1993-94) in its 60<sup>th</sup> Report had observed that savings of ₹100 crore or above are indicative of defective budgeting as well as shortfall in budget performance in a Grant or Appropriation. In its 16<sup>th</sup> Report, PAC (13<sup>th</sup> Lok Sabha 2000-2001) again observed that such savings are a result of injudicious formulation of budget and held that these could have been significantly reduced by making realistic budgetary projections. Consequently, MoF advised<sup>14</sup> Ministries/Departments to make a more careful formulation of plans/ schemes and make a realistic assessment of fund requirement.

Despite the above, cases of significant savings and excess over budgetary provisions are observed every year. Such variations for FY 2021-22 are discussed in the subsequent paragraphs.

### 4.2.1 Excess expenditure over Grants/Appropriations

Three grants showed excess expenditure of ₹1,235.98 crore over Parliamentary authorisation during FY 2021-22.

**Figure 4.5: Excess expenditure over Grants/Appropriations**

(₹ in crore)

Sl. No.	Description of Grant	Total Provision	Total Expenditure	Excess Expenditure
1.	39- Pensions (Revenue Voted)	63,605.12	64,347.69	742.57 (₹7,42,56,55,188)
Department of Expenditure reported that the excess was largely due to multiplicity of spending units and due to the factors and circumstances which were not anticipated and were beyond the control of the department.				
2.	6 – Department of Fertilisers (Revenue Voted)	1,57,291.93	1,57,785.31	493.38 (₹4,93,37,93,293)
Department of Fertilisers reported that the excess was due to steep escalation in international prices of Imported Urea and due to requirement of additional funds towards sustaining operation of Urea Manufacturing units.				

<sup>14</sup> MoF issued advisory on 20 July 2001 and reiterated the same on 22 July 2015.

Sl. No.	Description of Grant	Total Provision	Total Expenditure	Excess Expenditure
3.	18 – Ministry of Defence (Civil) (Revenue Charged)	2.22	2.25	0.03 (₹3,16,544)
Ministry of Defence reported that the excess was due to finalization of more number of court cases.				
<b>Total</b>				<b>1,235.98</b>

The excess over Grants / Appropriation requires to be regularised under Article 115(1) (b) of the Constitution.

#### 4.2.2 Analysis of Savings-Segment Wise

During FY 2021-22, the total Savings under all the Grants/Appropriations were ₹7,64,720.70 crore and constituted 6.15 *per cent* of total authorisation. Savings of ₹100 crore or more occurred in 94 segments of 70 Grants/Appropriations amounting to ₹7,63,304.62 crore. Details are given in **Annexure 4.2**.

Audit examined the Grants/Appropriations having significant savings and their analysis is discussed in the subsequent paragraphs.

##### 4.2.2.1 Significant savings at Grant/Appropriation level

Audit observed savings of ₹5,000 crore or more at Grant/Appropriation level in 16 Grants/Appropriations during FY 2021-22 as shown in **Figure 4.6**.

**Figure 4.6: Significant savings at Grant level**

(₹ in crore)

Sl. No.	Description of Grant/Appropriation	Total Grant/ Appropriation	Expenditure	Savings <sup>15</sup>
1.	38-Repayment of Debt	69,44,151.48	66,45,468.40	2,98,683.08
2.	40-Transfers to States	5,22,122.01	4,60,574.93	61,547.08
3.	29-Department of Economic Affairs	10,32,61.10	47,734.07	55,527.03
4.	15-Department of Food and Public Distribution	3,54,879.58	3,04,361.33	50,518.25
5.	44-Department of Health and Family Welfare	1,36,090.84	96,264.66	39,826.18
6.	13- Department of Telecommunications	72,937.02	43,169.58	29,767.44
7.	25-Department of Higher Education	65,350.74	37,582.39	27,768.35
8.	84-Ministry of Railways	6,03,406.56	5,76,288.46	27,118.10
9.	24-Department of School Education and Literacy	1,03,673.71	81,611.54	22,062.17
10.	37-Interest Payments	8,47,195.79	8,28,259.85	18,935.94
11.	62-Department of Drinking Water and Sanitation	1,28,024.46	1,09,478.53	18,545.93
12.	35- Indirect Taxes	74,907.93	57,592.53	17,315.40
13.	31- Department of Financial Services	87,202.70	75,393.90	11,808.80
14.	75-Ministry of Petroleum and Natural Gas	16,643.80	5,753.64	10,890.16

<sup>15</sup> These are net of excess under the same grant.

Sl. No.	Description of Grant/Appropriation	Total Grant/Appropriation	Expenditure	Savings <sup>15</sup>
15.	85-Ministry of Road Transport and Highways	2,48,917.83	2,38,104.43	10,813.40
16.	1- Department of Agriculture, Cooperation and Farmers' Welfare	1,23,017.62	1,14,840.43	8,177.19
<b>Total</b>		<b>1,03,28,522.07</b>	<b>97,22,478.67</b>	<b>7,09,304.50</b>

Out of the above 16 Grants/Appropriations with savings of ₹5,000 crore or more in FY 2021-22, 9 Grants/Appropriations had persistent savings in FY 2019-20 and FY 2020-21 as well, as shown in **Figure 4.7**.

**Figure 4.7: Persistent Savings of ₹5,000 crore or more during FY 2019-20 to FY 2021-22**

(₹ in crore)

Sl. No.	Description of Grant/Appropriation	Amount of Savings		
		FY 2021-22	FY 2020-21	FY 2019-20
1.	Repayment of Debt	2,98,683.08	7,06,286.23	19,840.23
2.	Transfers to States	61,547.08	45,421.12	6,718.00
3.	Department of Economic Affairs	55,527.03	33,975.03	12,378.93
4.	Department of Higher Education	27,768.35	25,097.96	17,242.27
5.	Ministry of Railways	27,118.10	1,05,325.15	56,744.21
6.	Department of School Education and Literacy	22,062.17	22,026.82	15,076.99
7.	Interest Payments	18,935.94	12,217.96	18,098.59
8.	Ministry of Road Transport and Highways	10,813.40	6,754.97	14,455.31
9.	Department of Agriculture, Cooperation and Farmers' Welfare	8,177.19	25,985.30	35,973.85

Persistent savings despite being regularly pointed out in C&AG's Audit Reports and the advisory issued by MoF on realistic budgeting taking into account PAC's directions, shows continued lack of due diligence in budget formulation and/or shortfall in budget performance.

#### 4.2.2.2 Other significant savings at minor-head/sub-head level

Scrutiny of 97 Civil Grants/Appropriations revealed 269 cases<sup>16</sup> of significant savings in 62 Grants/Appropriations i.e., savings of ₹500 crore or more at minor-head/sub-head level and savings of more than 25 per cent of allocations subject to a minimum of ₹100 crore. Details are given in **Annexure 4.3A and 4.3B** respectively.

#### 4.2.2.3 Analysis of reasons of savings

Audit analysis of the reasons reported by the Ministries/Departments for the aforementioned 269 cases of savings at sub-head level has revealed that COVID-19 pandemic was the most cited factor in 45 cases.

<sup>16</sup> Savings under Major Head 2552 and 4552 pertaining to NER have been excluded as they are non-functional heads.

Audit also observed that the Ministries/Departments had given generalised reasons such as non/less receipt of proposals, non/less receipt of demand, receipt of non/less claims, etc. in large number of cases, thus adding little value to the understanding of a user of the Accounts. This was in contravention of Para 11.5.2 of Civil Accounts Manual which stipulates that the reasons for variations should be brief, lucid and analytical to be mentioned as per their importance. General reasons like ‘due to over estimates’, ‘based on actual expenditure’, ‘due to less (or more) expenditure’, ‘due to less (or more) demands’ etc. should be avoided and Ministry/Department shall be requested to elucidate correct and specific reasons.

Further, cases of savings discussed in paragraphs 4.2.2.1 and 4.2.2.2 have been categorised in **Figure 4.8** based on broad reasons for the savings.

**Figure 4.8: Categorisation of savings**

Category	Amount (₹ in crore)	Remarks
Availability of surplus funds	13,04,000.00	This includes reasons like non-utilisation of advances, bills, subsidy, instruments etc. due to availability of surplus cash in Government's account.
Reasons representing gaps and shortfalls in performance in schemes and activities	1,57,966.69	This includes reasons like requirement of less funds; non/less receipt of proposals/claims/bills/demand/ utilisation certificates; non-execution of agreement; reduction of provision at RE stage etc.
Due to regulation of expenditure	1,04,190.30	This category mainly includes ₹44,714.64 crore due to expenditure through Supplementary Grants instead of centralized provision; ₹59,475.66 crore due to lower volume of issuance/investment/switch transactions etc.
Owing to COVID-19	84,822.51	This comprises savings owing to COVID-19.
Non-transfer of funds to Reserve Funds	23,874.85	This includes reasons like non-transfer of entire provision for transfer to Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN); Madhyamik and Uchhattar Shiksha Kosh (MUSK) and due to non-finalisation of accounting procedures. It is recommended that accounting procedure may be finalised prior to levy of cess/duty to ensure compliance with Article 114(3), when specified Reserve Funds are not created, the receipts earned for such funds are utilised as Gross Budgetary Support (GBS) in violation of Parliamentary authorisations.

### 4.3 Unnecessary supplementary provisions

Article 115(1) of the Constitution stipulates that Supplementary Grant or Appropriation is required to be obtained before payment is made, when savings are not available within a segment of Grant/Appropriation for meeting additional requirement of funds or if the expenditure is to be made on ‘New Service<sup>17</sup>’ or ‘New Instrument of Service<sup>18</sup>’.

<sup>17</sup> Refers to expenditure beyond certain limit arising out of a new policy decision not brought to the notice of Parliament earlier, including a new activity or a new form of investment.

<sup>18</sup> A large expenditure beyond a certain limit arising out of an important expansion of an existing activity.



Examination of cases where supplementary provision of ₹10 crore or more was made in addition to original provisions, showed that in 40 minor/sub-heads under 22 Grants, supplementary provisions amounting to ₹14,154.79 crore were obtained during FY 2021-22 in anticipation of higher expenditure, but final expenditure of ₹1,19,767.53 crore was lower than the original provision of ₹1,24,497.14 crore. Such unnecessary provisioning indicates inadequacies of the budgeting exercise. Details of cases of unnecessary supplementary provisions are given in **Annexure 4.4**.

#### **4.4 Injudicious re-appropriation from/to minor/sub-heads**

PAC in its 83<sup>rd</sup> Report (15<sup>th</sup> Lok Sabha, 2012-13) noted that re-appropriation of funds can be made only when it is positively known or genuinely anticipated that the appropriation for the unit from which funds are proposed to be transferred will not at all be utilised in full or there is reasonable certainty that savings can be effected in the unit of appropriation.

Scrutiny of re-appropriation exceeding ₹10 crore revealed that in 25 cases across 13 Grants/Appropriations, re-appropriations aggregating to ₹2,772.07 crore were injudicious as the sanctioned provision under the minor/sub-heads to which augmentation was made by way of re-appropriation was adequate and re-appropriations to these minor/sub-heads was not required. As a result of such injudicious re-appropriation, the final savings under the heads were more than or equal to the amount re-appropriated to these heads. Details are given in **Annexure 4.5A**.

Similarly, in 2 cases across 2 Grants, re-appropriations aggregating to ₹1,033.71 crore were injudiciously made from these minor/sub-heads to other heads and resulted in avoidable excess expenditure of ₹16,728.82 crore in these minor/sub-heads. Details are given in **Annexure 4.5B**.

#### **4.5 Expenditure incurred without adequate provisioning of funds**

As per Rule 61 of GFR, 2017, the Accounts Officer shall not allow any payment against sanctions in excess of the Budget provisions without the specific approval of the Chief Accounting Authority. In turn, before approving any excess under a head, the Financial Advisers and Chief Accounting Authorities shall ensure availability of funds through Re-appropriation/Supplementary Demand for Grants.

Audit scrutiny of head-wise Appropriation Accounts for FY 2021-22 showed that excess expenditure of ₹25 crore or more aggregating to ₹9,392.12 crore was noticed under 30 minor/sub-heads relating to 10 Grants/Appropriations, without ensuring adequate provisioning of funds through re-appropriations/Supplementary Demands. Thus, the above-mentioned authorities violated the GFR. Details are given in **Annexure 4.6**.

#### **4.6 Non-surrender and surrender of savings on last day of the financial year**

Rule 62(2) of GFR, 2017 stipulates that the savings as well as provisions that cannot be profitably utilized shall be surrendered to Government immediately as foreseen



without waiting till the end of the year. Accordingly, MoF stipulated (March 2022<sup>19</sup>) a deadline of 21 March 2022 for Ministries/Departments for intimating to it all surrenders of savings under each unit of Appropriation.

Audit noted that out of savings of ₹7,64,720.70 crore under all Grants/Appropriations, 10.54 per cent (₹80,589.12 crore) of savings during the year were not surrendered and were allowed to lapse under 52 Grants/Appropriations. Of these, ₹5,52,569.24 crore relating to 52 Grants/ Appropriations was either surrendered on 31 March 2022 or were allowed to lapse. Details are given in **Annexure 4.7**. Thus, around 72 per cent of the total savings were either surrendered on 31 March 2022 or were allowed to lapse.

Failure to surrender savings and surrender on the last day of the financial year indicates inadequate financial control. This also adversely impacts financial planning as it prevents resources from being re-allocated for activities where requirements for funds exist.

#### **4.7 Failure to obtain Legislative approval for augmenting provisions**

MoF stipulated<sup>20</sup> that augmentation of provision by way of re-appropriation to the object heads (i) 'Grants-in-aid' (ii) 'Subsidies' and (iii) 'Major Works' would attract the same limitation as applicable to New Service/New Instrument of Service and it can be done only with prior approval of Parliament. Failure to observe these orders have been pointed out time and again in CAG's Audit Reports on Union Government Accounts.

In this context, PAC<sup>21</sup> was of the view that MoF should institute mechanisms for ensuring that provisions under the above object heads beyond specified limits are not augmented without approval of Parliament. Despite the previous audit findings and PAC recommendations, there was excess expenditure over total authorisation aggregating to ₹245.75 crore in the following three cases under two grants related to object head-'Grants-in-aid-General' and 'Grants for Creation of Capital Assets' during FY 2021-22, without prior approval of the Parliament as detailed in **Figure 4.9**.

**Figure 4.9: Augmentation of provision to object heads without prior approval**

(₹ in crore)

Sl. No.	Head of Account	TA*	TE*	Excess over TA
Grant No. 07-Department of Pharmaceuticals (Object Head 31-'Grants-in-aid-General')				
1.	2852.05.206.02.15.31-National Institute of Pharmaceuticals Education and Research	130.91	136.34	5.43
The Department stated (15 <sup>th</sup> September 2022) that budget provision available under respective MH 2552- North Eastern Region (NER) was re-appropriated to MH-2852 before incurring expenditure with the approval of Secretary (Pharmaceutical).				
The reply is not acceptable as there was excess expenditure of ₹5.43 crore even after considering the approved provision under respective NER Head and the supplementary grant obtained from the Parliament under NER Head.				

<sup>19</sup> Ministry of Finance's O.M. F.No.2(13)-B(D)/2022 dated 02 March 2022.

<sup>20</sup> Department of Economic Affairs orders (May 2006) and clarifications thereon (May 2012 and July 2015).

<sup>21</sup> PAC 83<sup>rd</sup> Report (2012-13), 15<sup>th</sup>Lok Sabha.

Sl. No.	Head of Account	TA*	TE*	Excess over TA
Grant No. 50-Police (Object Head 35-'Grants for creation of Capital Assets')				
2	2055.00.003.13.01.35-Grants to Rashtriya Raksha University	30.00	34.50	4.50
3	2055.00.121.05.00.35-Grants to Land Port Authority of India	200.00	435.82	235.82
The Ministry of Home Affairs in its reply (July 2022) stated that heads listed (2055.00.003.13.01.35 and 2055.00.121.05.00.35) are included in the Second Supplementary for token provision. It was also stated that in none of the cases the expenditure was more than the Budget provision as shown in the table.				
Reply of the Ministry is not factually correct, as no supplementary provision has been taken under the said heads of accounts and expenditure under these heads are more than the sanctioned provision.				
Total				245.75

\* TA = Total authorisation (including NER provisions), TE= Total expenditure

#### 4.8 Misclassification of expenditure

Article 112(2) of the Constitution stipulates that the Annual Financial Statements shall distinguish expenditure on revenue account from other expenditure. The principles for classifying the expenditure on Revenue account and Capital account should accordingly be adhered to.

Rule 78 of GFR, 2017 stipulates that classification of transactions in Government Accounts shall have closer reference to functions, programmes and activities of the Government and the object of expenditure, rather than the department in which the receipt or expenditure occurs. Further, Rule 8 of the Delegation of Financial Powers Rules, 1978 (DFPR) describes the nature/type of transactions that can be classified under each standard primary unit of appropriation.

Test check of transactions revealed the following:

##### 4.8.1 Incorrect use of object heads with major heads

Rule 8 of the DFPR specifies object heads (51-56 and 60) that fall under the category 'Object Class VI' which pertains to 'Acquisition of Capital Assets and other Capital Expenditure'. These object heads can, therefore, only be used for classifying expenditure of capital nature and correspond only with capital Major Heads. Object heads falling under other object classes (class I to V) are generally used for classifying revenue expenditure and should ordinarily not correspond with the capital Major Heads.

Audit examination revealed that in eleven cases of three grants, expenditure aggregating ₹53.06 crore was booked under incorrect combinations of object heads and capital/revenue major Heads for the year 2021-22 (**Annexure 4.8**).

##### 4.8.2 Misclassification between primary units of appropriation

Audit test-check disclosed that in 16 cases, funds aggregating to ₹1,348.25 crore were misclassified between primary units of appropriation. Cases of misclassification of ₹25 crore and above included misclassification of '35-Grants for Creation of Capital

Assets' as '31-Grants-in-aid-General' (₹37.39 crore-Department of Scientific and Industrial Research); misclassification of '33-Subsidies' as '31-Grants-in-aid-General' (₹499.00 crore-Department of Heavy Industry); misclassification of '34-Scholarship/stipends' and '50-Other Charges' as '31-Grants-in-aid-General' (₹475.00 crore-Department of Scientific and Industrial Research); misclassification of '34-Scholarship/stipends' as '31-Grants-in-aid-General' (₹221.12 crore-Department of Science and Technology); misclassification of '50-Other Charges' as '31-Grants-in-aid-General' (₹56.10 crore-Department of Science and Technology) and misclassification of '36- 'Grants-in-aid-Salaries'' as '31-Grants-in-aid-General' (₹3.75 crore-Department of Science and Technology) (**Annexure 4.9**).

#### **4.8.3 Misclassification due to non-operation of relevant Minor Head pertaining to Grant No. 94-Department of Space**

According to Department of Personnel & Training instructions, booking of various expenditures pertaining to Departmental Canteens are to be done under the appropriate object heads under a new sub-head 'Departmental Canteens' below minor head '800-Other Expenditure' under revenue section. This is to be done under the Major Head of account to which the revenue expenditure of the related Ministry/ Department is ordinarily debited and exhibited as such in the detailed Demands for Grants.

It was noticed that an expenditure of ₹7.59 crore was incurred for running and maintenance of departmental canteens by three divisions under Grant No. 94- Department of Space (DoS) viz., (i) Secretariat of DoS (₹0.06 crore under the head '3451.00.090.18.00.20'), (ii) UR Rao Satellite Centre (₹6.31 crore under the heads '3402.00.101.74.00.20' and '3402.00.101.74.00.30' and (iii) Indian Space Research Organisation HQ (₹1.22 crore under the head '3402.00.101.64.00.20' and '3402.00.101.64.00.30') during the year 2021-22. These expenditures were booked under the minor heads '101-Space Technology' and '090-Secretariat Services' instead of '800-other expenditure' as required under the extant DOPT instructions, till a new sub head 'Departmental Canteen' was opened.

Similar Audit observations have appeared in earlier C&AG's Audit Reports. Even after repeated observations, DoS did not book canteen expenses under the minor head, '800-other expenditure'.

The Department of Space replied (October 2022) that the office of CGA had issued instructions (May 2012) to restrain to use the minor head, '800-other expenditure' to other relevant minor heads. The reply is not acceptable as despite repeated observations in C&AG's reports, the new sub-head of 'Departmental Canteen' has not been opened. Further, the instruction of the CGA was to limit and to have control on large scale miscellaneous booking under minor head 800. The instructions of DOPT were also to have a better control of expenditure under departmental canteen.

#### **4.9 Expenditure on project without financial sanction**

Rule 18 of DFPRs provides that expenditure on a scheme or project shall be financially sanctioned by the competent authority. The cost estimate of such Schemes or

project/shall be worked out and financially sanctioned by the prescribed competent authority based on the cost estimate of the project or scheme under a sub head (functional primary unit of appropriation). Further, the Government of India decision 3 below Rule 18 clarifies that components of a project/scheme which are mutually independent should be treated as a separate scheme under a separate 'sub head'.

Audit scrutiny of Grant No. 94-Department of Space for the year 2021-22 revealed that expenditure of ₹4.15 crore was irregularly incurred on project 'Capacity Building Programme' as the project did not have the financial sanction of the Competent Authority. In FY 2020-21 too, expenditure of ₹2.01 crore was incurred on the same project without obtaining financial sanction and a similar observation was made in C&AG's Audit Reports for the year 2020-21. Despite being pointed out in the previous Audit Reports, the provision of DFPRs was violated in FY 2021-22 also, on the same project.

The Department stated (July 2022) that the Project/Scheme (Sub-Head), 'Capacity Building Programme' was approved by the Space Commission in October 2019. Further, the Department stated (December 2022) that the sub head is an Umbrella head to account for capacity building initiatives and approved by the competent authority. The reply is not acceptable as the Department neither prepared the cost estimate for the Project/Schemes nor issued the financial sanction of the competent authority for the project 'Capacity Building Programme'.

#### **4.10 Operation of New Service with funds approved towards New Instruments of Service**

As per Rule 10(4) read with GID (1) of DFPR, 1978, funds shall not be appropriated or re-appropriated to meet expenditure on a New Service or New Instruments of Service not approved by Parliament. Prior approval of Parliament is to be obtained on New Service and to augment New Instruments of Service.

A Token Supplementary Demand for ₹0.60 lakh was proposed by Department of Space (DoS) and passed by the Parliament (December 2021) to incur additional expenditure on the 'Technology Demonstration Spacecraft Project'. The details of the supplementary provision and expenditure incurred is detailed in the **Figure 4.10** below.

**Figure 4.10: Supplementary provision and expenditure**

(₹ in crore)

Sl. No.	HoA	Token Supplementary Provision	Augmentation through re-appropriation	Actual Expenditure
1	3402.00.105.30.00.01- Salaries	0.0015	2.50	2.50
2	3402.00.105.30.00.13- Office expense	0.0015	0.10	0.10
3	3402.00.105.30.00.20- Other administrative expense	0.0015	0.01	0.00
4	3402.00.105.30.00.27- Minor Works	0.0015	0.14	0.14
<b>Total</b>		<b>0.0060</b>	<b>2.75</b>	<b>2.74</b>

Audit, however, observed that ‘Technology Demonstration Spacecraft’ was a New Service, for which prior approval of the Parliament was required to meet expenditure towards New Service. But the Supplementary Demands for Grants (SDG) proposed by DoS and passed by the Parliament in December 2021 was to meet additional expenditure i.e. to augment ‘New Instruments of Service’. Thus, the fund of ₹2.74 crore approved by the Parliament towards New Instruments of Service was incorrectly utilized on the New Service ‘Technology Demonstration Spacecraft’.

Agreeing to the audit point, DoS replied (April 2022) that while seeking ‘token supplementary demand’ in the second supplementary demands for grants, reason was mentioned as ‘to incur additional expenditure’ instead of ‘New Service’. DoS noted (December 2022) the audit observation for future compliance.

#### 4.11 Non-booking of expenditure incurred

Scrutiny of files related to Journal Entries for the FY 2021-22 revealed that proposals of some Controllers for booking of the un-compiled expenditure through journal entry were rejected by Controller General of Defence Accounts (CGDA) stating that the expenditure under certain revenue and capital heads were on the verge of exceeding the budgetary limits and advised to book the expenditure in the accounts of FY 2022-23. Thus, expenditure of ₹16.67 crore which was rejected by CGDA remained un-accounted in the accounts of the Ministry of Defence (MoD) as detailed in **Figure 4.11**.

**Figure 4.11: Un-accounted expenditure of Ministry of Defence**

Sl. No.	Controller	Minor Head	Amount (₹ in crore)
1	CDA Patna	2076.00.107	4.12
2	PCDA (WC) Chandigarh	2076.00.111	0.16
		2080.00.111	0.18
3	PCDA (NC) Jammu	2076.00.105	0.25
		2076.00.107	0.97
		2076.00.110	1.88
		2076.00.800	4.58
4	CDA (Army) Meerut	2076.00.104	2.79
		2076.00.107	0.11
		2076.00.110	0.64
		2076.00.113	0.01
		2076.00.800	0.98
<b>Total</b>			<b>16.67</b>

The advice of the CGDA to book the un-accepted expenditure in FY 2022-23 was in contravention to the cash accounting system of the Government Accounts and understated MoD expenditure to that extent.

It was further observed from the Defence Appropriation Account that there was a saving of ₹1,714.00 crore under voted portion of Revenue Grant and ₹933.00 crore under Capital Grant. Timely re-appropriation from the heads under which savings occurred could have facilitated booking of this un-accounted expenditure in the

accounts of FY 2021-22. This led to understatement of revenue and capital expenditure of MoD under revenue and capital grants respectively.

The reply from the Ministry of Defence was awaited.

#### **4.12 Unsanctioned Expenditure under Ministry of Railways**

Expenditure incurred by Indian Railways in excess of sanctioned estimates, expenditure incurred without detailed estimates and miscellaneous overpayments etc. are recorded in objection books by the Zonal Railways administration and treated as unsanctioned expenditure. During FY 2021-22, unsanctioned expenditure of ₹23,885.47 crore involving 1937 cases was incurred, while in FY 2020-21 unsanctioned expenditure of ₹8,127.97 crore involving 2775 cases was incurred by Indian Railways. Similar audit comments were made in the previous C&AG audit reports for the year 2018-19 to 2020-21. Thus, it is evident that no steps had been taken by the Ministry to reduce the cases of unsanctioned expenditure despite being pointed out in the previous C&AG audit reports.

#### **4.13 Provisions of funds and expenditure under North Eastern Region (NER)**

Para 6.3 of Budget Circular for FY 2021-22 stipulates that budget provisions towards projects/schemes for development of NER and Sikkim may be provided under the respective schemes/projects below the Major Head '2552- NER' for Revenue expenditure and the Major Head '4552-Capital Outlay on NER'/Major Head '6552-Loans for NER' for Capital expenditure for eventual re-appropriation to appropriate functional heads of expenditure. Further, as per Ministry of Finance (DEA) instruction (June 2001), the power to re-appropriate funds from the lump-sum provision for NER to concerned schemes have been delegated to the Secretaries of the Ministries/Departments, who may exercise this power in concurrence with their Financial Advisers.

Subsequent paragraphs of this Chapter contain audit observations on provisions of funds and expenditure under the heads for NER.

##### **4.13.1 Improper re-appropriation of funds from functional Heads to non-functional Head**

Scrutiny of re-appropriation order dated 28 March 2022 in respect of Department of Fisheries revealed that ₹19.00 crore was re-appropriated from the various heads to non-functional head (MH 2552). Further, audit scrutiny of re-appropriation order dated 11<sup>th</sup> November 2021 in respect of Department of Animal Husbandry & Dairying revealed that ₹7.00 crore was re-appropriated from the Major Head 3602 to non-functional head (MH 2552). The DoE circular of 2001 authorises Secretaries only to re-appropriate from MH 2552 to a functional Major Head. Re-appropriation of funds from functional heads to non-functional head is improper as there is no provision for such re-appropriation.

Both the Departments replied that the total budget of the Department was increased at RE stage, after which as per additional requirement of funds in NER, funds were provided in MH 2552 through re-appropriation after obtaining supplementary for this



purpose. The reply is not acceptable as Department should have increased the budget of MH 2552 at RE stage rather than re-appropriating the funds from functional heads to non-functional head.

#### 4.13.2 Non-transfer of funds from non-functional heads to functional heads

Audit scrutiny of provisions made under Rashtriya Uchcharat Shiksha Abhiyan (RUSA) scheme under Department of Higher Education during FY 2020-21 and FY 2021-22 revealed that the Department did not re-appropriate funds from non-functional heads to functional heads which resulted in non-utilisation of the provisions as detailed in **Figure 4.12**.

**Figure 4.12: Funds not transferred to functional heads**

(₹ in crore)

FY	Head	Budget	Un utilized
2020-21	2552.00.131.09.01.31	26.30	26.30
	2552.00.131.09.01.35	3.75	3.75
	2552.00.789.90.01.31	5.80	5.80
	2552.00.796.93.01.31	2.90	2.90
2021-22	2552.00.131.09.01.31	68.60	68.60
	2552.00.131.09.01.35	137.20	137.20
	2552.00.789.90.01.31	20.30	20.30
	2552.00.789.90.01.35	40.70	40.70
	2552.00.796.93.01.31	11.10	11.10
	2552.00.796.93.01.35	22.10	22.10

Non-transfer of funds from non-functional heads to functional heads defeated the purpose of the intended schemes of NER and Sikkim for which funds were allocated.

Reply of the Department was awaited.

#### 4.14 Implementation of schemes by National Credit Guarantee Trustee Company Ltd (NCGTC)

National Credit Guarantee Trustee Company Ltd (NCGTC) was set up by the Department of Financial Services (DFS), Ministry of Finance, Government of India, inter alia, to act as a common trustee company to manage and operate various credit guarantee trust funds viz. Credit Guarantee Fund for Skill Development (CGFSD), Credit Guarantee Fund for Education Loans (CGFEL), Credit Guarantee Fund for Factoring (CGFF), Credit Guarantee Fund for Micro Units (CGFMU), Credit Guarantee Fund for Stand Up India (CGFSI), Emergency Credit Line Guarantee Scheme (ECLGS), Loan Guarantee Scheme for Covid Affected Sectors (LGSCAS), Credit Guarantee Scheme for MFIs and Loan Guarantee Scheme for the COVID affected Tourism Service Sector (LGSCATSS).

Scrutiny of records relating to implementation of schemes by NCGTC revealed the following:

##### (i) Non-deposit of interests or other earnings against Grants-in-Aid

As per Rule 230 (8) of GFR 2017, all interests or other earnings against Grants-in-Aid or advances (other than reimbursement) released to any Grantee institution should be mandatorily remitted to the Consolidated Fund of India immediately after finalisation

of the accounts. Such advances should not be allowed to be adjusted against future releases.

However, it was observed that NCGTC did not deposit back interest or other earnings of ₹1,698.44 crore earned on unspent balances of grants along with other earnings to the Consolidated Fund of India. Details of interest or other earnings of FY 2021-22 are given in **Figure 4.13**.

**Figure 4.13: Interests or other earnings against Grants-in-Aid**

Sl. No.	Trust Fund	Interest and other earnings (₹ in crore)	Remark
1	CGFSD	21.87	-
2	CGFEL	191.10	Including guarantee fee, claim recovery and income tax refund
3	CGFMU	1,222.59	Including guarantee fee
4	CGFSI	128.51	Including guarantee fee, claim recovery and income tax refund
5	ECLGS	134.37	-
<b>Total</b>		<b>1,698.44</b>	

**(ii) Unnecessary release of funds**

(a) The Credit Guarantee Fund for Stand Up India (CGFSI), with a corpus of ₹5,000 crore (approved by the Cabinet on 06.01.2016) was set up with National Credit Guarantee Trustee Company Ltd. (NCGTC). The funds released to NCGTC for providing guarantee to loans extended under Stand Up India Scheme are given in **Figure 4.14**.

**Figure 4.14: Funds released for loans extended under Stand Up India Scheme**

Sl. No.	Financial year	Amount released (₹ in crore)
1	2016-17	500.00
2	2017-18	500.00
3	2018-19	-
4	2019-20	-
5	2020-21	100.00
6	2021-22	100.00

Audit observed that as the available funds under CGFSI was ₹1,280.00 crore (December 2020) and ₹1,451.98 crore (April 2021), and given the trend of utilization of these funds, the release of funds amounting to ₹100.00 crore each during FY 2020-21 (February 2021) and FY 2021-22 (February 2022) were unnecessary.

(b) NCGTC received ₹3,000.00 crore towards CGFMU corpus during FY 2016-17 to FY 2018-19 (₹2,000.00 crore in FY 2016-17, ₹500.00 crore in FY 2017-18, ₹500.00 crore in FY 2018-19). But audit observed that DFS had been making provisions in the budget estimates (BE) for FY 2019-20, FY 2020-21 and FY 2021-22 to augment the corpus of CGFMU but 100% of the provisions were subsequently surrendered at the end of FY 2019-20, FY 2020-21 and FY 2021-22 as detailed in **Figure 4.15**.



**Figure 4.15: Provisions made in BE to augment CGFMU corpus but subsequently surrendered**

(₹ in crore)

Financial Year	BE	Saving/surrender	Reasons for saving/surrender
2019-20	500.00	500.00	Saving was due to the fact that proposal for augmentation of corpus of CGFMU could not get approved within the FY 2019-20 pending acceptance of UK Sinha committee recommendations.
2020-21	500.00	500.00	Saving was due to non-utilization of fund under this scheme as the meeting of EFC has not been finalized.
2021-22	2,500.00	2,500.00	EFC in its meeting held on 11.10.2021 under the chairmanship of Finance Secretary & Secretary (Expenditure) has recommended for enhancement of the corpus fund from ₹3,000.00 crore to ₹10,000.00 crore subject to fulfilment of certain conditions. Due to shortage of time, department was unable to utilize the fund.
<b>Total</b>	<b>3,500.00</b>	<b>3,500.00</b>	

Persistent savings/surrender shows continuous lack of due diligence in budget formulation and/ or shortfall in budget performance.

Reply was awaited (December 2022) from the Department.

#### 4.15 Persistent savings under object heads

Budget Estimates are generally prepared based upon the BE, RE and expenditure incurred in the previous year/years. Trend analysis of object head wise expenditure in respect of Department of Agriculture, Cooperation and Farmers' Welfare revealed persistent savings of 40% to 96% of the BE during the last 5 years in respect of 7 object heads as detailed in **Figure 4.16**.

**Figure 4.16: Persistent savings under object heads**

(₹ in crore)

No.	Object head Description	% of savings with respect to BE									
		2017-18		2018-19		2019-20		2020-21		2021-22	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
3	Overtime Allowance	0.28	84	0.12	56	0.17	90	0.12	76	0.10	80
16	Publications	1.40	65	1.32	69	2.24	81	1.18	73	0.90	60
20	Other Administrative Expenses	9.70	61	19.29	62	14.78	51	74.11	88	61.34	85
27	Minor Works	4.76	42	7.77	47	8.15	62	6.40	42	4.87	40
28	Professional Services	20.21	48	33.76	56	80.24	64	68.66	55	68.82	51
52	Machinery and Equipment	8.12	80	70.29	96	8.35	62	14.61	60	23.58	83
53	Major Works	30.22	71	30.63	80	11.47	58	16.83	68	19.23	70

This indicates deficient planning at BE stage i.e. without taking into account the expenditure pattern of the previous years.

Reply from the department was awaited.

#### 4.16 Outstanding utilisation certificates

As per rule 238 (1) & (2) of GFR 2017, in respect of non-recurring Grants to an Institution or Organisation, a certificate of actual utilization of the Grants received for the purpose for which it was sanctioned, should be insisted upon in the order sanctioning the Grants-in-aid. The Utilization Certificate (UC) should be submitted within twelve months of the closure of the financial year by the Institution or

Organisation concerned. Receipt of such certificate shall be scrutinised by the Ministry or Department concerned. Where such certificate is not received from the Grantee within the prescribed time, the Ministry or Department will be at liberty to blacklist such Institution or Organisation from any future grant, subsidy or other type of financial support from the Government. In respect of recurring Grants, Ministry or Department concerned should release any amount sanctioned for the subsequent financial year only after UC in respect of Grants of preceding financial year is submitted. Release of Grants-in-aid in excess of 75 per cent of the total amount sanctioned for the subsequent financial year shall be done only after UC and the annual audited statement relating to Grants-in-aid released in the preceding year are submitted to the satisfaction of the Ministry/Department concerned.

However, as per information furnished by 32 Departments/Ministries, 42,854 number of UCs aggregating to ₹52,770.14 crore were outstanding as on 31 March, 2022 as detailed in **Figure 4.17**. The earliest period of the grants sanctioned for which the UCs were outstanding pertains to the year 1975-76. This indicates that the Departments/Ministries have not made proper efforts to reduce the pendency of the outstanding UCs.

Since the receipt of UCs is the only mechanism to vouch that the funds have been utilised for intended purpose, the Department should put in place a strong mechanism to ensure timely submission of UCs by the grantee bodies.

**Figure 4.17: Department/Ministry wise outstanding UCs as on 31.03.2022**

No. and Name of Grant	Financial Year		No. of outstanding UCs	Total amount of UC pending (₹ in crore)
	From	To		
25- Department of Higher Education	1977-78	2020-21	9,744	24,335.51
59- Ministry of Housing and Urban Affairs	1985-86	2019-20	1,234	4,925.54
31- Department of Financial Services	2019-20	2020-21	08	4,125.84
44- Department of Health & Family Welfare	1975-76	2019-20	3,719	3,599.84
24- Department of School Education & Literacy	1982-83	2020-21	1,540	2,391.18
01- Department of Agriculture, Cooperation and Farmers' Welfare	2019-20	2019-20	13	2,327.36
22- Ministry of DoNER	2014-15	2020-21	943	2,184.26
70- Ministry of New and Renewable Energy	2006-07	2020-21	793	1,812.30
99- Ministry of Tribal Affairs	2015-16	2020-21	119	1,537.17
76- Ministry of Planning	Upto March 2014	2020-21	6,866	1,032.50
69- Ministry of Minority Affairs	2007-08	2020-21	1,154	805.36
27- Ministry of Environment, Forests and Climate Change	1994-95	2020-21	4,715	793.42
17- Ministry of Culture	2007-08	2020-21	4,690	590.02
04- Ministry of AYUSH	1994-95	2019-20	1,167	489.93
26- Ministry of Electronics and Information Technology	2002-03	2020-21	160	402.16
93- Department of Empowerment of Persons with Disabilities	2009-10	2020-21	703	253.94
92- Department of Social Justice & Empowerment	2007-08	2020-21	1,005	182.20
100- Ministry of Woman & Child Development	2007-08	2020-21	854	156.95
33- Department of Revenue	2002-03	2017-18	12	146.84
63- Ministry of Labour & Employment	1979-80	2020-21	918	118.46
03- Atomic Energy	1998-99	2020-21	880	108.64

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No. and Name of Grant	Financial Year		No. of outstanding UCs	Total amount of UC pending (₹ in crore)
	From	To		
77- Ministry of Ports, Shipping and Waterways	2017-18	2020-21	15	98.03
23- Ministry of Earth Sciences	1983-84	2020-21	733	88.60
101- Ministry of Youth Affairs & Sports	2011-12	2020-21	71	84.46
94- Department of Space	1975-76	2020-21	535	72.57
68- Ministry of Mines	2017-18	2020-21	78	48.40
07- Department of Pharmaceuticals	2008-09	2019-20	15	35.64
73- Ministry of Personnel Public Grievances & Pensions	2006-07	2020-21	143	12.66
96- Ministry of Steel	2017-18	2020-21	11	4.52
72- Ministry of Parliamentary Affairs	2020-21	2020-21	2	3.64
45- Department of Health Research	2016-17	2019-20	6	2.14
64- Ministry of Law & Justice	2014-15	2020-21	8	0.06
<b>Total</b>			<b>42,854</b>	<b>52,770.14</b>

The matter was reported to the Department of Higher education, Department of Financial services, Department of Agriculture, Cooperation and Farmers' Welfare and Ministry of Steel (September to December 2022). Replies were awaited.

#### 4.17 Response of the Government


Responses were sought from various Ministries/ Departments in respect of issues concerning them. Replies received (up to May 2023) from the Ministries/ Departments have been suitably incorporated in the Report.

New Delhi  
Dated: 01 August 2023

  
(ROLI SHUKLA MALGE)  
Principal Director of Audit  
Finance & Communication

*Countersigned*

New Delhi  
Dated: 01 August 2023

  
(GIRISH CHANDRA MURMU)  
Comptroller and Auditor General of India





**ANNEXURES**



**Annexure 3.1**  
**(Refer Paragraph 3.3.5)**

**List of Entities where full particulars of Government Investments are not available**

Sl. No.	Name of Entity	Sl. No. in Statement 11
1	Life Insurance Corporation of India	4
2	Rail Land Development Authority (RLDA)	7
3	Scheduled Castes/Scheduled Tribes Financial and Development Corporation	92
4	National Skill Certification & Monetary Reward Scheme	99
5	Electronics Development Funds	166
6	Indo-Libya Electrical Construction Co. Ltd.	287
7	International Development Association	314
8	International Monetary Fund	315
9	African Development Fund	317
10	Asian Infrastructure Investment Bank	319
11	New Development Bank (BRICS Development Bank)	320
12	European Bank for Reconstruction and Development	321
13	Equity Capital for India Aspiration Fund (IAF) for startup Companies	325
14	Madhya Pradesh Rajya Bhumi Vikas Nigam	256
15	Tata Engineering Locomotive Ltd.	290

**Annexure 3.2**  
**(Refer Paragraph 3.5)**

**List of Adverse Balances as on 31 March 2022**

(₹ in thousands)

SI. No.	Head of Account (Major /Minor Head)		Balance as on 31.03.2022		Period from which balances are adverse
	HoA	Statement No.14A	Debit/ Credit	Amount	
	1.	6001	Securities issued to the International Financial Institutions—International Bank for Reconstruction and Development	Debit	
2.	6001	Securities issued to the International Financial Institutions—International Fund for Agricultural Development	Debit	2,12,992	
<b>Statement No.14</b>					
3.	6002.00.207	Loans from the European Economic Community	Debit	15,65,893	2016-17
4.	6002.00.221	Loans from the Organisation of Petroleum Exporting Countries Special Fund	Debit	32,575	2021-22
5.	6002.00.226	Loans from the Agency for International Development U.S.A	Debit	1,77,85,557	2016-17
6.	6002.00.503	Debt Awaiting Adjustment to Loans from IDA	Debit	80,56,078	2018-19
7.	6002.00.504	Debt Awaiting Adjustment to Loans from IBRD	Debit	96,15,909	2014-15
8.	6002.00.507	Debt Awaiting Adjustment to Loans from (GOJP), Japan	Debit	3,83,172	2015-16
<b>Statement No.15</b>					
9.	6202.01.203	Loans for Education, Sports, Art and Culture University and Higher Education	Credit	1,119	2016-17
10.	6215.02.800	Loans for Water Supply and Sanitation - Sewage and Sanitation Other Loans	Credit	60,227	2016-17
11.	6216.02.190	Loans for Housing -Urban Housing Loans to Public Sector and other Undertakings	Credit	5,79,267	2016-17
12.	6216.80.190	Loans for Housing -General Loans to Public Sector and other Undertakings	Credit	2	2020-21
13.	6216.80.800	Loans for Housing -General Other Loans	Credit	12,190	2020-21
14.	6225.01.800	Loans for Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorites Welfare of Scheduled Castes Other Loans	Credit	829	1994-95



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SI. No.	Head of Account (Major /Minor Head)		Balance as on 31.03.2022		Period from which balances are adverse
	HoA	Statement No.15	Debit/ Credit	Amount	
15.	6245.01.101	Loans for Relief on Account of Natural Calamities Drought Gratuitous Relief	Credit	896	1986-87
16.	6245.02.101	Loans for Relief on Account of Natural Calamities Floods Cyclones Gratuitous Relief	Credit	2,157	1997-98
17.	6401.00.104	Loans for Crop Husbandry Agricultural Farms	Credit	791	2016-17
18.	6402.00.102	Loans for Soil and Water Conversation Soil Conservation	Credit	8,191	1995-96
19.	6402.00.203	Loans for Soil and Water Conversation Land Reclamation and Development	Credit	592	2007-08
20.	6405.00.106	Loans for Fisheries Mechanisation of Fishing Crafts	Credit	532	2016-17
21.	6425.00.107	Loans for Cooperation Loan to Credit Co-operatives	Credit	5,20,538	2017-18
22.	6425.00.108	Loans for Cooperation Loan to other Co-operatives	Credit	8,97,109	2003-04
23.	6515.00.102	Loans for Other Rural Development Programmes Community Development	Credit	229	1986-87
24.	6801.00.201	Loans for Power Projects Hydel Generation	Credit	8,80,938	2004-05
25.	6801.00.205	Loans for Power Projects Transmission and Distribution	Credit	13,91,766	2005-06
26.	6851.00.102	Loans for Village and Small Industries Small Scale Industries	Credit	11,623	2006-07
27.	7051.01.190	Loans for Ports & Light Houses Major ports loans to Public Sector and other Undertakings	Credit	40,39,701	2018-19
28.	7053.00.190	Loans for Civil Aviation Loans to Public Sector and other Undertakings	Credit	3,77,537	2010-11
29.	7601.01.264	Loans and Advances to State Governments Loans for Non Plan Schemes Water Supply- Rural Water Supply Programmes	Credit	2,221	2021-22
30.	7601.01.436	Loans and Advances to State Governments, Loans for Non Plan Schemes, Crop Husbandry Commercial Crops	Credit	1	2018-19
31.	7601.04.312	Loans for Centrally Sponsored Plan Schemes Urban Development-Integrated Development of Small/Medium Towns	Credit	1	2012-13
32.	7601.04.360	Loans for Centrally Sponsored Plan Schemes Welfare of Scheduled Tribes- Other Loans	Credit	408	2012-13
33.	7601.04.501	Loans for Centrally Sponsored Plan Schemes Soil and Water Conservation-Soil Conservation Schemes	Credit	34,180	2012-13

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Sl. No.	Head of Account (Major /Minor Head)		Balance as on 31.03.2022		Period from which balances are adverse
	HoA	Statement No.15	Debit/ Credit	Amount	
34.	7601.04.726	Loans for Centrally Sponsored Plan Schemes Village and Small Industries-Handloom Industries	Credit	6,960	2012-13
35.	7601.04.786	Loans for Centrally Sponsored Plan Schemes Flood Control-Other Loans	Credit	4,115	2012-13
36.	7601.04.825	Loans for Centrally Sponsored Plan Schemes Roads of Inter-State or Economic Importance-Road Works	Credit	18,359	2012-13
37.	7601.04.826	Loans for Centrally Sponsored Plan Schemes Roads of Inter-State or Economic Importance-Machinery and Equipment	Credit	106	2012-13
38.	7601.04.871	Loans for Centrally Sponsored Plan Schemes Inland Water Transport-Other Loans	Credit	897	2012-13
39.	7601.07.800	Pre-1984-1985 Loans Other Loans	Credit	1,580	2012-13
40.	7605.00.055	Advances to Foreign Governments Loans to Government of Maldives	Credit	6,27,715	2021-22
41.	7605.00.061	Advances to Foreign Governments Loans to Government of Cambodia	Credit	95,880	2019-20
42.	7605.00.099	Advances to Foreign Governments Loans to Government of Sri Lanka	Credit	9,57,106	2019-20
43.	7610.00.203	Loans to Government Servants Advances for Purchase of other Conveyances	Credit	48,777	2004-05
<b>Statement No.16</b>					
44.	8002.00.103	Treasury Saving Deposits Certificates	Debit	6,962	1976-77
45.	8002.00.104	Defence Savings Certificates	Debit	4,673	2021-22
46.	8002.00.105	Saving Certificates-Bank Series	Debit	189	2007-08
<b>Statement No.14</b>					
47.	8009.02.106	State Provident Funds-Defence-Other Miscellaneous Provident Funds	Debit	67,203	2021-22
48.	8012.00.109	Special Deposits and Accounts Income Tax Annuity Deposits	Debit	13,983	2015-16
49.	8014.01.106	PLI Joint Endowment Assurance Schemes	Debit	35,87,908	2019-20
50.	8014.02.105	RPLI Anticipated Endowment Assurance Schemes	Debit	13,91,853	2015-16
<b>Statement No.13</b>					
51.	8115.00.101	Depreciation Reserve Funds – Railways (Commercial Lines)	Debit	3,36,50,966	2009-10
52.	8117.00.102	Railway Development Fund-Strategic Lines	Debit	599	2018-19
53.	8121.00.103	Railway Pension Fund-Commercial Lines	Debit	5,00,72,898	2016-17
54.	8229.00.200	Other Development and Welfare Fund	Debit	21,07,063	2007-08
55.	8232.00.101	National Rural Employment Guarantee Fund	Debit	2	2020-21

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SI. No.	Head of Account (Major /Minor Head)		Balance as on 31.03.2022		Period from which balances are adverse
	HoA	Statement No.13	Debit/ Credit	Amount	
56.	8235.00.135	Rashtriya Swachhata Kosh	Debit	15,93,805	2015-16
57.	8337.00.102	Deposits of Railways-Indian Railways Conference Association Employees' Provident Fund	Debit	32,666	2019-20
58.	8337.00.104	Deposits of Railways-Non-Contributory Indian Railways Conference Associations Employees' Provident Fund-Investment Account	Credit	2,21,347	2013-14
59.	8342.00.112	Field Deposits	Debit	54,06,454	2021-22
60.	8443.00.112	Deposits for Purchases etc. in India	Debit	23,57,197	2018-19
61.	8446.00.800	Postal Deposits-Other Deposits	Debit	1,16,554	2005-06
62.	8448.00.104	Deposits of Local Funds-Funds of Insurance Association of India	Debit	291	Pre-1976-77
63.	8449.00.106	Other Deposits- Accounts under Indo-U.S. Agreement 1974	Debit	3	2018-19
64.	8451.00.101	Bhopal Gas Leak Disaster Relief Fund-Claims and Relief Fund	Debit	91,313	2007-08
65.	8455.00.101	Transactions with IPPB	Debit	48,31,945	2018-19
66.	8551.00.101	Defence Advances	Credit	42,41,725	2015-16
67.	8670.00.104	Cheques and Bills- Treasury Cheques	Debit	14,88,614	2018-19

**Annexure 3.3**  
**(Refer Paragraph 3.6.2)**

**Dormant Reserve Funds**

*(₹ in thousands)*

<b>Sl. No.</b>	<b>Nomenclature of the Head</b>	<b>Balance as on 31<sup>st</sup> March 2022</b>	<b>Dormant since FY</b>
1	8117.XXX-Development Fund -Investment Account	-1,099	2016-17
2	8117.XXX-Railway -Loan to Branch Line Companies	-1,177	2016-17
3	8121.108-Staff Benefit Funds (Railway Strategic Lines)	4,788	2016-17
4	8229.101 Development Funds for Educational Purposes	7	2002-03
5	8229.102 Development Funds for Medical and Public Health Purposes	60	2002-03
6	8229.108 Mining Areas Development Funds	102	2002-03
7	8235.101-General Reserve Funds of Government Commercial Departments/Undertakings	7,586	2008-09
<b>Credit Balance</b>			<b>1.25 crore</b>
<b>Debit Balance</b>			<b>-0.23 crore</b>
<b>Net Credit Balance</b>			<b>1.02 crore</b>

**Annexure 3.4**  
**(Refer Paragraph 3.6.2)**

**Dormant Deposit Accounts**

(₹ in thousands)

Sl. No.	Nomenclature of the Head	Balance as on 31 <sup>st</sup> March 2022	Dormant since
1	8342.107 - Deposits Towards Payment of Estate Duty	103	2002-03
2	8342.108 - Deposits of Income Tax, Super Tax, Excess Profits Tax and Surcharge	12,107	2002-03
3	8342.110 - Telephone Application Deposits	22,39,806	2006-07
4	8342.111 - Telex Application Deposits	79,306	2002-03
5	8342.114 - Leased Telecommunication Facility Deposits	16,947	2002-03
6	8443.114 - Export Trade Deposits	1,52,527	2002-03
7	8443.122 - Mines Labour Welfare Deposits	2,371	2002-03
8	8443.127 - Deposits of Local Bodies for meeting claims of Contractors/Employees/Pensioners etc. who have migrated to Pakistan	2,106	2002-03
9	8443.130 - Provident Societies Liquidation Accounts	13	2008-09
10	8447.800 - Other Deposits	5,01,543	2013-14
11	8448.103 - Cantonment Funds	1	2003-04
12	8448.111 - Medical and Charitable Funds	52	2003-04
13	8448.120 - Other Funds	226	2004-05
14	8449.104 - Deposits of Mines Provident Fund	1,601	2002-03
15	8449.107 - Deposits of Income Tax, Super Tax, Excess Profit Tax including Interest and Surcharge	13,393	2002-03
16	8450.101 - Balance of Puducherry	4,01,290	2008-09
17	8450.102 - Balance of Goa, Daman and Diu	-1,63,026	2002-03
18	8450.104 - Balance of Arunachal Pradesh	-5,68,251	2002-03
19	8450.105 - Balance of Mizoram	-12,44,138	2002-03
20	8453.101 - Amount meant for Expenditure on Social Sector Schemes	2,90,744	2013-14
<b>Credit Balance</b>		<b>371.41 crore</b>	
<b>Debit Balance</b>		<b>-197.54 crore</b>	
<b>Net Credit Balance</b>		<b>173.87 crore</b>	

**Annexure 3.5**  
**(Refer Paragraph 3.7)**

**Outstanding Loans and Advances to States/UTs as on 31 March 2022**

(₹ in lakhs)

Sl. No.	Year	State	Principal	Interest	Total
1	<b>More than 25 years</b>	Andhra Pradesh	878.10	0	878.10
2		Assam	16,126.65	1,05,375.98	1,21,502.63
3		Bihar	566.56	0	566.56
4		Goa	8,300.52	37,963.87	46,264.39
5		Gujarat	316.21	0	316.21
6		Haryana	83.82	0	83.82
7		Himachal Pradesh	12.25	0	12.25
8		J&K	4,978.35	13,454.39	18,432.74
9		Karnataka	233.66	0	233.66
10		Kerala	139.27	0	139.27
11		Madhya Pradesh	460.53	0	460.53
12		Maharashtra	824.37	0	824.37
13		Manipur	341.94	1266.32	1,608.26
14		Meghalaya	170.75	5178.43	5,349.18
15		Mizoram	2,684.32	6507.43	9,191.75
16		Odisha	126.05	0	126.05
17		Punjab	25.75	0	25.75
18		Rajasthan	270.86	0	270.86
19		Tamil Nadu	740.14	0	740.14
20		Uttar Pradesh	1,332.54	0	1,332.54
21		West Bengal	600.76	1294.04	1,894.80
22		Puducherry	19,493.93	1224.95	20,718.88
		<b>Total</b>	<b>58,707.33</b>	<b>1,72,265.41</b>	<b>2,30,972.74</b>
1	<b>15 to 25 Years</b>	Arunachal Pradesh	432.96	3607.40	4040.36
2		Nagaland	234.99	2626.02	2861.01
3		Sikkim	309.65	563.44	873.09
4		Tripura	0	3328.37	3328.37
5		NCT of Delhi	2,99,375.10	2,70,408.69	5,69,783.79
		<b>Total</b>	<b>3,00,352.70</b>	<b>2,80,533.92</b>	<b>5,80,886.62</b>

**Annexure 4.1**  
**(Refer to Paragraph 4.1.1)**  
**Authorisation and Expenditure**

(₹ in crore)

Nature of Expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total	Actual Disbursements	Savings (-) Excess (+)
<b>A – Civil</b>					
<b>Voted</b>					
Revenue	21,36,721.47	3,89,887.61	25,26,609.08	23,14,186.53	(-)2,12,422.55
Capital (including Loans and Advances)	5,30,804.94	2,96,685.47	8,27,490.41	6,64,286.06	(-)1,63,204.35
Total	26,67,526.41	6,86,573.08	33,54,099.49	29,78,472.59	(-)3,75,626.90
<b>Charged</b>					
Revenue	10,74,295.49	61.03	10,74,356.52	10,41,088.10	(-)33,268.42
Capital (including Loans and Advances and Public Debt)	69,91,226.92	101.60	69,91,328.52	66,68,721.09	(-)3,22,607.43
Total	80,65,522.41	162.63	80,65,685.04	77,09,809.19	(-)3,55,875.85
<b>Grand Total</b>	<b>1,07,33,048.82</b>	<b>6,86,735.71</b>	<b>1,14,19,784.53</b>	<b>1,06,88,281.78</b>	<b>(-)7,31,502.75</b>
Recoveries in reduction of expenditure			6,28,657.29	5,04,938.86	
Total Net Provision			1,07,91,127.24		
Total Net Expenditure				1,01,83,342.92	
<b>B – Posts</b>					
<b>Voted</b>					
Revenue	34,262.38	--	34,262.38	30,923.79	(-)3,338.59
Capital	910.09	--	910.09	885.55	(-)24.54
Total	35,172.47	--	35,172.47	31,809.34	(-)3,363.13
<b>Charged</b>					
Revenue	0.80	--	0.80	0.27	(-)0.53
Capital	--	--	--	--	--
Total	0.80	--	0.80	0.27	(-)0.53
<b>Grand Total</b>	<b>35,173.27</b>	<b>--</b>	<b>35,173.27</b>	<b>31,809.61</b>	<b>(-)3,363.66</b>
Recoveries in reduction of expenditure			935.00	1,202.63	
Total Net Provision			34,238.27		
Total Net Expenditure				30,606.98	

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(₹ in crore)

Nature of Expenditure		Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total	Actual Disbursements	Savings (-) Excess(+)
<b>C – Defence Services</b>						
<b>Voted</b>						
Revenue		2,31,945.49	6,659.96	2,38,605.45	2,36,891.24	(-)1,714.21
Capital		1,34,978.85	3,790.20	1,38,769.05	1,37,835.95	(-)933.10
Total		3,66,924.34	10,450.16	3,77,374.50	3,74,727.19	(-)2,647.31
<b>Charged</b>						
Revenue		101.44	10.22	111.66	29.85	(-)81.81
Capital		81.87	76.22	158.09	151.02	(-)7.07
Total		183.31	86.44	269.75	180.87	(-)88.88
<b>Grand Total</b>		<b>3,67,107.65</b>	<b>10,536.60</b>	<b>3,77,644.25</b>	<b>3,74,908.06</b>	<b>(-)2,736.19</b>
Recoveries in reduction of expenditure				11,340.19	1,965.23	
Total Net Provision				3,66,304.06		
Total Net Expenditure					3,72,942.83	
<b>D – Railways</b>						
<b>Voted</b>						
Revenue		2,75,986.65	0.01	2,75,986.66	2,64,309.03	(-)11,677.63
Capital		3,04,836.88	21,415.52	3,26,252.40	3,10,942.27	(-)15,310.13
Total		5,80,823.53	21,415.53	6,02,239.06	5,75,251.30	(-)26,987.76
<b>Charged</b>						
Revenue		466.00	2.50	468.50	283.35	(-)185.15
Capital		92.08	606.92	699.00	753.81	(+)54.81
Total		558.08	609.42	1,167.50	1,037.16	(-)130.34
<b>Grand Total</b>		<b>5,81,381.61</b>	<b>22,024.95</b>	<b>6,03,406.56</b>	<b>5,76,288.46</b>	<b>(-)27,118.10</b>
Recoveries in reduction of expenditure				2,79,266.97	2,49,679.31	
Total Net Provision				3,24,139.59		
Total Net Expenditure					3,26,609.15	
<b>Total</b>						
Total CFI	Voted	36,50,446.75	7,18,438.77	43,68,885.52	39,60,260.42	(-)4,08,625.10
	Charged	80,66,264.60	858.49	80,67,123.09	77,11,027.49	(-)3,56,095.60
<b>Grand Total CFI</b>		<b>1,17,16,711.35</b>	<b>7,19,297.26</b>	<b>1,24,36,008.61</b>	<b>1,16,71,287.91</b>	<b>(-)7,64,720.70</b>
Total recoveries in reduction of expenditure				9,20,199.45	7,57,786.03	
Total provision and expenditure as per Appropriation Account				1,15,15,809.16	1,09,13,501.88	
Difference with the Finance Accounts					0	
Total disbursement from CFI as per Finance Accounts					1,09,13,501.88	

Note: Provision for the Charged and Voted expenditure is called Appropriation and Grant respectively.  
CFI - Consolidated Fund of India



**Annexure 4.2**  
**(Refer to Paragraph 4.2.2)**  
**Savings of ₹100 crore or more**

(₹ in crore)

Sl. No.	Grant/Appropriation No. and Description	Sanctioned Provision	Savings	Savings as % of Sanctioned Provision
<b>Revenue (Voted)</b>				
1.	01-Department of Agriculture, Cooperation and Farmers' Welfare	1,22,961.62	8,134.08	6.62
2.	03-Atomic Energy	16,391.22	1,418.63	8.65
3.	04-Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)	2,970.35	431.93	14.54
4.	08-Ministry of Civil Aviation	5,497.45	506.25	9.21
5.	10-Department of Commerce	6,820.06	256.97	3.77
6.	12-Department of Posts	34,262.38	3,338.59	9.74
7.	13-Department of Telecommunications	41,803.45	5,031.61	12.04
8.	14-Department of Consumer Affairs	3,191.55	947.39	29.68
9.	15-Department of Food and Public Distribution	3,02,153.61	422.68	0.14
10.	18-Ministry of Defence (Civil)	30,557.20	465.86	1.52
11.	19-Defence Services (Revenue)	2,38,605.45	1,714.21	0.72
12.	24-Department of School Education and Literacy	1,03,673.71	22,062.17	21.28
13.	25-Department of Higher Education	65,325.24	27,754.87	42.49
14.	26-Ministry of Electronics and Information Technology	9,274.72	1,370.22	14.77
15.	27-Ministry of Environment, Forests and Climate Change	3,014.14	426.04	14.13
16.	28-Ministry of External Affairs	17,033.96	3,728.95	21.89
17.	29-Department of Economic Affairs	5,719.01	553.19	9.67
18.	31-Department of Financial Services	13,084.69	556.03	4.25
19.	33-Department of Revenue	2,09,793.73	141.05	0.07
20.	34-Direct Taxes	8,206.89	721.94	8.80
21.	35-Indirect Taxes	74,029.43	17,116.19	23.12
22.	40-Transfers to States	80,328.99	23,457.72	29.20
23.	42-Department of Animal Husbandry and Dairying	3,565.64	559.17	15.68
24.	43-Ministry of Food Processing Industries	1,308.69	161.30	12.33
25.	44-Department of Health and Family Welfare	1,30,689.55	39,365.49	30.12
26.	45-Department of Health Research	3,189.29	498.68	15.64
27.	48-Ministry of Home Affairs	7,333.40	3,248.13	44.29
28.	49-Cabinet	1,961.05	651.40	33.22
29.	50-Police	1,02,349.38	1,641.33	1.60
30.	51-Andaman and Nicobar Islands	5,463.60	118.25	2.16
31.	54-Ladakh	3,597.43	392.35	10.91
32.	59-Ministry of Housing and Urban Affairs	81,219.85	279.42	0.34
33.	60-Ministry of Information and Broadcasting	4,058.61	350.71	8.64
34.	61-Department of Water Resources, River Development and Ganga Rejuvenation	17,593.11	454.70	2.58
35.	62-Department of Drinking Water and Sanitation	1,28,024.46	18,545.93	14.49
36.	63-Ministry of Labour and Employment	24,481.34	468.34	1.91
37.	64-Law and Justice	3,281.08	236.71	7.21
38.	67-Ministry of Micro, Small and Medium Enterprises	15,329.71	361.81	2.36
39.	69-Ministry of Minority Affairs	4,657.77	432.53	9.29
40.	70-Ministry of New and Renewable Energy	5,743.01	1,526.60	26.58

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Sl. No.	Grant/Appropriation No. and Description	Sanctioned Provision	Savings	Savings as % of Sanctioned Provision
41.	73-Ministry of Personnel, Public Grievances and Pensions	1,829.99	107.55	5.88
42.	75-Ministry of Petroleum and Natural Gas	16,216.80	10,810.47	66.66
43.	77-Ministry of Shipping	1,859.39	535.04	28.77
44.	78-Ministry of Power	20,093.08	669.31	3.33
45.	80-Lok Sabha	854.01	258.16	30.23
46.	84-Ministry of Railways	2,75,986.66	11,677.63	4.23
47.	85-Ministry of Road Transport and Highways	20,164.63	160.32	0.80
48.	86-Department of Rural Development	2,90,726.11	2,279.67	0.78
49.	87-Department of Land Resources	2,170.46	732.78	33.76
50.	88-Department of Science and Technology	5,949.60	860.77	14.47
51.	89-Department of Biotechnology	3,502.39	651.25	18.59
52.	90-Department of Scientific and Industrial Research	5,285.57	155.14	2.94
53.	91-Ministry of Skill Development and Entrepreneurship	2,711.56	678.38	25.02
54.	92-Department of Social Justice and Empowerment	10,297.15	2,865.86	27.83
55.	93-Department of Empowerment of Persons with Disabilities	1,171.78	162.33	13.85
56.	94-Department of Space	5,719.89	134.98	2.36
57.	95-Ministry of Statistics and Programme Implementation	3,721.17	1,037.85	27.89
58.	97-Ministry of Textiles	11,398.84	339.27	2.98
59.	98-Ministry of Tourism	2,032.06	1,228.18	60.44
60.	99-Ministry of Tribal Affairs	2,816.55	555.87	19.74
61.	100-Ministry of Women and Child Development	24,930.03	3,146.47	12.62
62.	101-Ministry of Youth Affairs and Sports	2,754.52	378.06	13.73
<b>Revenue (Charged)</b>				
63.	37-Interest Payments	8,47,195.79	18,935.94	2.24
64.	40-Transfers to States	2,20,843.01	13,408.26	6.07
65.	84-Ministry of Railways	468.50	185.15	39.52
66.	99-Ministry of Tribal Affairs	4,708.33	793.30	16.85
<b>Capital (Voted)</b>				
67.	06-Department of Fertilisers	444.62	363.06	81.66
68.	13-Department of Telecommunications	31,133.57	24,735.83	79.45
69.	15-Department of Food and Public Distribution	52,725.97	50,095.57	95.01
70.	20-Capital Outlay on Defence Services	1,38,769.05	933.10	0.67
71.	23-Ministry of Earth Sciences	224.01	124.47	55.57
72.	28-Ministry of External Affairs	1,490.76	622.07	41.73
73.	29-Department of Economic Affairs	97,542.09	54,973.85	56.36
74.	31-Department of Financial Services	74,118.01	11,252.77	15.18
75.	34-Direct Taxes	352.05	136.58	38.80
76.	35-Indirect Taxes	878.00	198.71	22.63
77.	40-Transfers to States	1,74,000.01	814.23	0.47
78.	44-Department of Health and Family Welfare	5,401.29	460.69	8.53
79.	47-Department of Public Enterprises	150.00	150.00	100.00
80.	49-Cabinet	137.00	124.34	90.76
81.	50-Police	9,721.75	2,396.64	24.65
82.	51-Andaman and Nicobar Islands	666.34	246.35	36.97
83.	52-Chandigarh	508.52	149.84	29.47
84.	54-Ladakh	3,626.38	1,770.80	48.83
85.	55-Lakshadweep	229.10	163.22	71.25
86.	61-Department of Water Resources, River Development and Ganga Rejuvenation	344.81	149.70	43.42

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Sl. No.	Grant/Appropriation No. and Description	Sanctioned Provision	Savings	Savings as % of Sanctioned Provision
87.	67-Ministry of Micro, Small and Medium Enterprises	370.00	177.44	47.96
88.	78-Ministry of Power	4,458.31	564.20	12.65
89.	84-Ministry of Railways	3,26,252.40	15,310.13	4.69
90.	85-Ministry of Road Transport and Highways	2,28,743.20	10,648.69	4.66
91.	92-Department of Social Justice and Empowerment	370.00	275.00	74.32
92.	94-Department of Space	8,228.26	1,319.97	16.04
<b>Capital (Charged)</b>				
93.	38- <i>Repayment of Debt</i>	69,44,151.48	2,98,683.08	4.30
94.	40- <i>Transfers to States</i>	46,950.00	23,866.87	50.83
<b>Total</b>			<b>7,63,304.62</b>	

**Annexure 4.3A**  
**(Refer to paragraph 4.2.2.2)**

**Other significant savings of ₹500 crore or more at Minor/Sub head level**

(₹ in crore)

Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
<b>Grant No.1 - Department of Agriculture, Cooperation and Farmers' Welfare</b>				
1	2401.00.110.13 - Pradhan Mantri Fasal Bima Yojna (NCIP)	10,742.78	8,960.56	1,782.22
2	2401.00.789.40 - Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)	9,711.00	8,201.08	1,509.92
3	2401.00.800.54 - Agriculture Infrastructure Fund	583.20	21.06	562.14
4	2416.00.789.02 - Reserve Bank of India	2,917.73	900.64	2,017.09
5	2416.00.796.02 - Reserve Bank of India	1,478.34	543.49	934.85
6	3601.06.101.43 - Green Revolution-Krishonnati Yojna	4,146.73	2,101.44	2,045.29
7	3601.06.101.44 - Green Revolution-Rashtriya Krishi Vikas Yojna	2,400.36	1,196.10	1,204.26
8	3601.06.101.45 - Pradhan Mantri Krishi Sinchai Yojna-Per Drop More Crop (PMKSY)	2,698.11	1,266.04	1,432.07
9	3601.06.789.39 - Green Revolution-Krishonnati Yojna	1,101.92	444.07	657.85
<b>Grant No.3 - Atomic Energy</b>				
10	2801.03.101.08 - PHWR Fuel for other Stations	2,950.99	2,101.08	849.91
11	3401.00.004.27 - Autonomous Bodies and Research Support	3,081.31	2,384.81	696.50
<b>Grant No.6 - Department of Fertilisers</b>				
12	2401.00.105.26 - Nutrient Based Subsidy Policy	56,103.82	46,120.95	9,982.87
13	2401.00.789.44 - Nutrient Based Subsidy Policy	5,327.94	4,379.91	948.03
<b>Grant No.8 - Ministry of Civil Aviation</b>				
14	3053.80.190.04 - Air India Assets Holding (SPV)	2,268.99	1,378.00	890.99
<b>Grant No.11 - Department for Promotion of Industry and Internal Trade</b>				
15	2885.03.102.01 - National Industrial Corridors Development and Implementation Trust (NICDIT)	2,000.00	859.10	1,140.90
<b>Grant No.13 - Department of Telecommunications</b>				
16	2071.01.104.01 - Ordinary Pensions	4,633.00	2,325.71	2,307.29
17	3275.00.789.01 - Compensation to Service Providers for Universal Service Obligation	747.00	0.00	747.00
18	3275.00.797.01 - Transfer to Universal Service Obligation Fund	9,000.00	8,300.00	700.00
19	3275.00.800.93 - Grant for GST on 4G Spectrum	3,674.00	0.00	3,674.00
20	5275.00.190.03 - Capital Infusion for 4G Spectrum for BSNL and MTNL	20,410.00	0.00	20,410.00

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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
21	5275.00.800.03 - OFC Based Network for Defence Services	9,880.00	6,139.83	3,740.17
<b>Grant No.15 - Department of Food and Public Distribution</b>				
22	6408.01.190.02 - Ways and Means Advance Payable to FCI	50,000.00	0.00	50,000.00
<b>Grant No.18 - Ministry of Defence (Civil)</b>				
23	2075.00.108.01 - Directorate of Canteen Services	19,800.00	19,094.99	705.01
<b>Grant No.21 - Defence Pensions</b>				
24	2071.02.101.03 - Leave Encashment	4,455.69	3,614.34	841.35
<b>Grant No.24 - Department of School Education and Literacy</b>				
25	2202.02.797.01 - Funds for Transfer to National Investment Fund	4,800.00	3,000.00	1,800.00
26	2202.02.797.02 - Funds for Transfer to Madhyamik and Uchcharat Shiksha Kosh (MUSK)	7,000.00	0.00	7,000.00
27	3601.06.101.67 - Samagra Shiksha-Elementary Education	15,805.72	14,969.28	836.44
28	3601.06.101.68 - Samagra Shiksha-Secondary Education	2,834.35	1,897.93	936.42
29	3601.06.789.58 - Samagra Shiksha-Elementary Education	4,985.40	3,699.29	1,286.11
30	3601.06.797.01 - Funds for transfer to Prarambhik Shiksha Kosh	37,000.00	31,788.25	5,211.75
<b>Grant No.25 - Department of Higher Education</b>				
31	2202.03.797.01 - Funds for Transfer to Madhyamik and Uchcharat Shiksha Kosh	14,228.98	0.00	14,228.98
32	2202.03.797.02 - Funds for Transfer to National Investment Fund (NIF)	2,500.00	750.00	1,750.00
33	2203.00.797.01 - Funds for Transfer to National Investment Fund (NIF)	6,500.00	2,826.00	3,674.00
34	2203.00.797.02 - Funds for Transfer to Madhyamik and Uchcharat Shiksha Kosh	3,771.02	0.00	3,771.02
35	3601.06.101.33 - National Education Mission: Rashtriya Uchcharat Shiksha Abhiyan (RUSA)	1,728.50	167.70	1,560.80
<b>Grant No.26 - Ministry of Electronics and Information Technology</b>				
36	2852.07.102.04 - Promotion of Electronics and IT Hardware Manufacturing (MSIPS, EDF and Cluster Manufacturing)	1,988.73	1,193.02	795.71
37	2852.07.102.08 - Promotion of Digital Payments	1,125.00	597.14	527.86
<b>Grant No.28 - Ministry of External Affairs</b>				
38	3605.00.101.10 - Aid to Bhutan	2,124.20	1,203.14	921.06
39	3605.00.101.11 - Aid to Nepal	992.00	446.43	545.57
<b>Grant No.29 - Department of Economic Affairs</b>				
40	3605.00.101.37 - Interest Equalization Support to Exim Bank of India	1,576.01	678.11	897.90

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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
41	4046.00.206.06 - Gold Monetization Scheme 2015	2,500.00	1,409.06	1,090.94
42	4046.00.208.01 - Coins	1,518.00	223.24	1,294.76
43	5465.01.190.46 - Investment into National Investment and Infrastructure Fund	5,000.00	1,236.93	3,763.07
44	5465.01.190.50 - Special Window for Affordable and Middle-Income Housing	2,250.00	991.21	1,258.79
45	5465.01.797.02 - National Investment Fund	2,500.00	1,236.93	1,263.07
46	5475.00.800.27 - Support for Infrastructure Pipeline	44,714.64	0.00	44,714.64
47	7475.00.800.10 - Loans to IMF under New Arrangement to Borrow (NAB)	1,000.00	0.00	1,000.00
<b>Grant No.31 - Department of Financial Services</b>				
48	3465.01.190.08 - Assistance to National Credit Guarantee Trustee Company (NCGTC)	2,600.01	100.00	2,500.01
49	4885.01.190.09 - Subscription to the Share Capital of Export-Import Bank of India	1,500.00	750.00	750.00
50	5465.01.190.44 - Recapitalization of Public Sector Banks through issue of Government Securities (Bonds)	20,000.00	4,600.00	15,400.00
51	7465.00.101.07 - Loans under Partial Credit Guarantee Scheme	1,000.00	147.24	852.76
<b>Grant No.33 - Department of Revenue</b>				
52	3601.08.112.01 - Compensation for revenue loss to States	93,000.00	89,832.53	3,167.47
<b>Grant No.35 - Indirect Taxes</b>				
53	2037.00.110.01 - Issue of Scrips under Rebate on State and Central Taxes and Levies	12,232.02	9,176.15	3,055.87
54	2037.00.111.01 - Issue of Scrips under Merchandise Export from India Scheme	29,599.20	23,051.47	6,547.73
55	2037.00.112.01 - Issue of Scrips under Service Exports from India Scheme	6,001.20	4,099.66	1,901.54
56	2037.00.113.01 - Issue of Scrips under Target Plus Scheme	1,549.02	766.38	782.64
57	2037.00.114.03 - Issue of Scrips under Focus Products Scheme and Market Linked Focus Product Scheme	565.68	49.48	516.20
<b>Grant No.37 - Appropriation - Interest Payments</b>				
58	2048.00.200.13 - Payment of premium on buyback of Government Securities	7,485.12	5,241.31	2,243.81
59	2049.01.101 - Interest on Market Loans	5,78,609.48	5,68,114.97	10,494.51
60	2049.01.108 - Interest on 182 Days Treasury Bills	10,453.38	8,720.72	1,732.66
61	2049.01.110 - Interest on 364 Days Treasury Bills	18,642.06	16,183.72	2,458.34
62	2049.01.115 - Interest on Ways & Means Advances from Reserve Bank of India	2,000.00	0.00	2,000.00

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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
63	2049.01.116 - Interest on 14 Days Treasury Bills	3,000.00	1,924.18	1,075.82
64	2049.01.125 – Interest on Special Central Government Securities issued to NSSF against reinvestment of sums received on redemption of Special Central/State Government Securities	45,510.08	43,422.47	2,087.61
65	2049.01.128 – Discount on Cash Management Bills	2,000.00	0.00	2,000.00
66	2049.01.132.01 - Recapitalisation Bonds	18,281.82	17,689.57	592.25
67	2049.01.305 - Management of Debt	2,500.00	1,630.24	869.76
68	2049.02.216 - Interest on Loans from the International Bank for Reconstruction and Development	2,684.80	1,091.33	1,593.47
69	2049.02.249 - Interest on Loans from Asian Development Bank	2,828.20	940.97	1,887.23
70	2049.03.104.01 - General Provident Fund	10,065.00	8,320.07	1,744.93
<b>Grant No.38 - Appropriation- Repayment of Debt</b>				
71	6001.00.101 - Market Loans	4,67,792.28	4,32,695.10	35,097.18
72	6001.00.105.02 - International Monetary Fund	7,000.00	2,714.27	4,285.73
73	6001.00.114 - Ways & Means Advances from Reserve Bank of India	10,00,000.00	0.00	10,00,000.00
74	6001.00.122 - Special Central Government Securities issued against net collections of Small Savings from 1-4-1999	91,343.37	86,748.54	4,594.83
75	6001.00.127 - Cash Management Bills	2,50,000.00	0.00	2,50,000.00
76	6001.00.129 - Sovereign Gold Bond Scheme 2015	696.15	182.81	513.34
77	6002.00.213 - Loans from the International Development Association	15,293.70	11,336.92	3,956.78
<b>Grant No.39 - Pensions</b>				
78	2071.01.102.01 - Ordinary Pensions	5,000.00	4,428.85	571.15
<b>Grant No.40 - Transfers to States</b>				
79	2210.80.800.06 - Support for COVID-19 Vaccination	43,838.20	35,437.68	8,400.52
80	2245.80.103.02 - Assistance to States from NDRF for calamities of severe nature	12,390.77	7,670.80	4,719.97
81	3601.07.102.01 - Rural Bodies Grants (States)	44,901.00	40,311.80	4,589.20
82	3601.07.103.01 - Urban Bodies Grants (States)	22,114.00	16,147.33	5,966.67
83	3601.07.104.01 - State Disaster Response Fund Grants (States)	22,184.00	17,747.20	4,436.80
84	3601.07.106.03 - Urban Health and Wellness Centres (for Urban)	4,525.00	3,850.30	674.70
85	3601.08.111.09 - Special Assistance (States)	15,000.00	3,766.39	11,233.61



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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
86	7601.09.101.03 - Additional Central Assistance for externally aided projects (Back to Back)	46,400.00	22,659.47	23,740.53
87	7601.09.101.04 - Back to Back Loans to States in lieu of GST Compensation Shortfall	1,59,000.00	1,47,865.55	11,134.45
88	7601.09.101.05 - Special Assistance as Loan to States for Capital Expenditure	15,000.00	14,185.78	814.22
<b>Grant No.44 - Department of Health and Family Welfare</b>				
89	2210.05.797.02 - Funds for transfer to National Investment Fund (NIF)	6,000.00	0.00	6,000.00
90	2210.06.001.09 - Flexible Pool for Communicable Diseases	2,699.62	851.89	1,847.73
91	2210.06.101.60 - Procurement of Supplies and Materials for Emergency Epidemic Preparedness and Response	2,000.18	1,112.94	887.24
92	2210.80.101.03 - National Health Authority - (PMSSN)	3,942.84	2,505.15	1,437.69
93	2210.80.789.01 - Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (PMJAY) - National Health Authority	1,199.71	368.80	830.91
94	2210.80.797.02 - Support from Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN)	5,763.41	0.00	5,763.41
95	3601.06.797.02 - Funds for transfer to National Investment Fund (NHM)	6,812.35	6,243.51	568.84
96	3602.06.101.03 - National Rural Health Mission	2,016.88	836.16	1,180.72
97	3602.06.797.07 - Fund for transfer to Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN)	576.71	0.00	576.71
<b>Grant No.48 - Ministry of Home Affairs</b>				
98	3454.01.001.04 - Enumeration	3,049.55	149.44	2,900.11
<b>Grant No.49 - Cabinet</b>				
99	2013.00.106.03 - Office of the Principal Scientific Advisor	580.72	64.44	516.28
<b>Grant No.50 - Police</b>				
100	4055.00.216.09 - Research	1,980.00	573.29	1,406.71
<b>Grant No.54 - Ladakh</b>				
101	4575.04.001.02 - Secretary Finance, UT Ladakh	2,819.00	1,219.62	1,599.38
<b>Grant No.59 - Ministry of Housing and Urban Affairs</b>				
102	2216.02.797.01 - Transfer to Central Road and Infrastructure Fund (CRIF)	6,457.93	0.00	6,457.93
103	3601.06.797.05 - Transfer to Central Road and Infrastructure Fund (CRIF)	1,535.07	0.00	1,535.07
104	6217.60.190.01 - MRTS and Metro Projects	15,543.09	14,648.31	894.78
<b>Grant No.61 - Department of Water Resources, River Development and Ganga Rejuvenation</b>				
105	3601.06.101.92 - Pradhan Mantri Krishi Sinchai Yojana - Accelerated Irrigation	3,181.93	2,090.47	1,091.46



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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
	Benefit Programme and National/Special Projects			
<b>Grant No.62 - Department of Drinking Water and Sanitation</b>				
106	3601.06.101.54 - Jal Jeevan Mission	16,485.53	4,972.33	11,513.20
107	3601.06.101.55 - Swachh Bharat Abhiyan (Gramin)	4,861.27	1,253.59	3,607.68
108	3601.06.789.46 - Jal Jeevan Mission	6,951.56	1,455.13	5,496.43
109	3601.06.789.47 - Swachh Bharat Abhiyan (Gramin)	1,926.37	400.32	1,526.05
110	3601.06.796.48 - Jal Jeevan Mission	3,159.80	1,050.33	2,109.47
111	3601.06.796.49 - Swachh Bharat Abhiyan (Gramin)	872.08	280.67	591.41
112	3601.06.797.04 - Transfer to Central Road and Infrastructure Fund (CRIF)	45,243.80	28,536.62	16,707.18
113	3602.06.797.03 - Transfer to Central Road and Infrastructure Fund (CRIF)	786.00	120.00	666.00
<b>Grant No.63 - Ministry of Labour and Employment</b>				
114	2230.02.101.10 - Employment Promotion Scheme	650.84	143.85	506.99
<b>Grant No.67 - Ministry of Micro, Small and Medium Enterprises</b>				
115	2851.00.102.99 - Infrastructure Development Programme	968.16	388.14	580.02
<b>Grant No.75 - Ministry of Petroleum and Natural Gas</b>				
116	2802.80.102.08 - DBT for LPG	10,907.52	154.75	10,752.77
117	2802.80.789.01 - DBT for LPG	1,035.84	14.70	1,021.14
118	2802.80.796.01 - Special Central Assistance for Tribal Sub Plan DBT for LPG	536.64	7.61	529.03
<b>Grant No.85 - Ministry of Road Transport and Highways</b>				
119	5054.80.797.03 - Transfer to Monetization of National Highways Fund	10,000.00	5,000.00	5,000.00
<b>Grant No.86 - Department of Rural Development</b>				
120	2505.02.789.02 - Assistance to District Rural Development Agencies/District Programme Coordinators and Others	14,960.00	13,772.11	1,187.89
121	3601.06.101.27 - National Rural Livelihood Mission	4,210.55	3,237.90	972.65
122	3601.06.789.27 - National Rural Livelihood Mission	2,983.41	2,304.95	678.46
123	3601.06.796.27 - National Rural Livelihood Mission	2,081.37	1,405.85	675.52
<b>Grant No.92 - Department of Social Justice and Empowerment</b>				
124	3601.06.789.34 - Umbrella Scheme for Development of Scheduled Castes	6,310.20	4,954.14	1,356.06
<b>Grant No.94 - Department of Space</b>				
125	5402.00.101.35 - Manned Mission Initiatives/ Human Space Flight Programme (Gaganyaan)	1,893.74	969.15	924.59
<b>Grant No.95 - Ministry of Statistics and Programme Implementation</b>				
126	2553.00.101.01 - Grant Assistance	2,345.18	1,732.12	613.06

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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
<b>Grant No.98 - Ministry of Tourism</b>				
<b>127</b>	3452.80.104.01 - Direct Expenditure	650.47	47.17	603.30
<b>Grant No.99 - Ministry of Tribal Affairs</b>				
<b>128</b>	3601.06.794.01 - Umbrella Programme for Development of Scheduled Tribes: Special Central Assistance	1,170.40	660.40	510.00
<b>Total</b>		<b>37,00,290.72</b>	<b>19,45,773.96</b>	<b>17,54,516.76</b>

**Annexure 4.3B**  
**(Refer to paragraph 4.2.2.2)**

**Other significant savings of ₹100 crore or more at Minor/Sub head level**

(₹ in crore)

Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
<b>Grant No.1 - Department of Agriculture, Cooperation and Farmers' Welfare</b>				
1	2401.00.119.55 - Green Revolution-Krishonnati Yojna	382.07	252.33	129.74
2	2401.00.789.36 - Implementation of MIS/PSS	224.10	0.00	224.10
3	2401.00.789.43 - Agriculture Infrastructure Fund	149.40	0.37	149.03
4	2401.00.796.38 - Implementation of MIS/PSS	116.10	0.00	116.10
5	2401.00.800.51 - Distribution of Pulses to States/Union Territories for Welfare Schemes	201.96	50.00	151.96
6	2401.00.800.52 - Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA)	100.98	0.00	100.98
7	3601.06.789.37 - Pradhan Mantri Krishi Sinchai Yojna-Per Drop More Crop (PMKSY)	598.92	240.48	358.44
8	3601.06.789.38 - Green Revolution-Rashtriya Krishi Vikas Yojna	546.62	345.69	200.93
9	3601.06.796.42 - Green Revolution-Rashtriya Krishi Vikas Yojna	262.02	151.08	110.94
10	3601.08.111.22 - Pradhan Mantri Anndata Aay Sanrakshan Abhiyan (PM-AASHA)	168.30	0.00	168.30
11	3602.06.101.37 - Green Revolution-Krishonnati Yojna	259.22	71.47	187.75
<b>Grant No.3 - Atomic Energy</b>				
12	4801.03.105.02 - Away from Reactor Projects at Kudankulam	153.93	21.12	132.81
13	4861.03.212.04 - Waste Treatment, Advanced Fuel, Fuel Reprocessing Projects (BARC)	470.00	218.02	251.98
<b>Grant No.4 -Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)</b>				
14	2210.05.200.23 - Champion Services Sector Scheme	150.00	19.13	130.87
<b>Grant No.6 - Department of Fertilisers</b>				
15	6855.00.190.15 - Hindustan Urvarak and Rasayan Limited	444.58	81.56	363.02
<b>Grant No.8 - Ministry of Civil Aviation</b>				
16	3053.80.001.11 – Retired Employees of Erstwhile Air India	165.00	45.00	120.00
<b>Grant No.10 - Department of Commerce</b>				
17	3453.00.194.03 - Grant-in-aid to Export Promotion and Market Development Orgns	377.00	234.07	142.93
18	3453.00.194.10 - Implementation of Agriculture Export Policy	100.00	0.00	100.00
<b>Grant No.11 - Department for Promotion of Industry and Internal Trade</b>				
19	2852.80.800.40 - Make in India	421.32	231.78	189.54
20	2885.02.101.19 - Industrial Development of UT of Jammu & Kashmir	104.50	1.79	102.71
<b>Grant No.14 - Department of Consumer Affairs</b>				
21	3456.00.001.04 - Projects Under Consumer Welfare Fund	263.50	37.00	226.50
<b>Grant No.15 - Department of Food and Public Distribution</b>				
22	2408.01.102.17 - Scheme for Extending Financial Assistance to Sugar Mills for Enhancement and Augmentation of Ethanol Production Capacity	300.00	160.00	140.00
<b>Grant No.18 - Ministry of Defence (Civil)</b>				
23	3054.02.797.01 - Works Under Border Roads	105.00	0.00	105.00

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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
<b>Grant No.21 - Defence Pensions</b>				
24	2071.02.103.03 - Leave Encashment	571.82	336.33	235.49
<b>Grant No.22 - Ministry of Development of North Eastern Region</b>				
25	3601.08.103.02 - EAP for North East Road Sector Development Scheme	321.65	214.04	107.61
<b>Grant No.23 - Ministry of Earth Sciences</b>				
26	3455.00.001.06 - Atmosphere & Climate Research-Modelling Observing Systems & Services (ACROSS)	337.00	173.33	163.67
<b>Grant No.24 - Department of School Education and Literacy</b>				
27	2202.02.004.04 - Grants to Autonomous Bodies	498.00	319.74	178.26
28	3601.06.101.66 - Padhna Likhna Abhiyan	133.08	0.00	133.08
29	3601.06.789.59 - Samagra Shiksha- Secondary Education	891.02	470.47	420.55
<b>Grant No.25 - Department of Higher Education</b>				
30	2202.03.102.23 - Higher Education	1,594.40	1,153.26	441.14
31	2202.03.789.28 - Higher Education	336.00	225.59	110.41
32	2202.05.102.13 - Grants for Promotion of Indian Languages	356.70	167.02	189.68
33	2202.80.789.19 - Student Financial Aid	307.10	84.50	222.60
34	2202.80.796.21 - Student Financial Aid	156.55	29.06	127.49
35	2202.80.800.44 - Digital India E-Learning	459.88	268.60	191.28
36	2203.00.003.09 - Programme for Apprenticeship Training Scholarships and Stipends	370.00	66.91	303.09
37	2203.00.004.05 - Research & Innovation	152.20	43.96	108.24
38	3601.06.789.33 - National Education Mission: Rashtriya Uchchatar Shiksha Abhiyan (RUSA)	512.60	48.34	464.26
39	3601.06.796.33 - National Education Mission: Rashtriya Uchchatar Shiksha Abhiyan (RUSA)	278.90	26.00	252.90
<b>Grant No.26 - Ministry of Electronics and Information Technology</b>				
40	2852.07.789.17 - Promotion of Electronics and IT Hardware Manufacturing (MSIPS, EDF and Cluster Manufacturing)	208.43	0.00	208.43
41	2852.07.796.17 - Promotion of Electronics and IT Hardware Manufacturing (MSIPS, EDF and Manufacturing Clusters)	158.53	0.00	158.53
<b>Grant No.27 - Ministry of Environment, Forests and Climate Change</b>				
42	3435.04.104.04 - National Coastal Management Programme	180.00	27.79	152.21
<b>Grant No.28 - Ministry of External Affairs</b>				
43	2061.00.105.01 - Central Passport Organisation	1,139.33	771.84	367.49
44	2061.00.106.02 - High Level Delegation	212.00	0.89	211.11
45	2061.00.188.01 - Indian Council for Cultural Relations	300.00	148.35	151.65
46	2061.00.798.06 - South Asian University	314.00	99.98	214.02
47	3605.00.101.12 - Sri Lanka-Other Aid Programmes	200.00	48.56	151.44
48	3605.00.101.20 - Aid to African Countries	300.00	141.92	158.08
49	3605.00.101.24 - Investment Promotion and Publicity Programme	270.00	165.23	104.77
50	3605.00.101.33 - Aid to Afghanistan	350.00	166.37	183.63
51	3605.00.101.41 - Aid to Seychelles	160.00	18.46	141.54
52	4216.01.700.18 - External Affairs	350.00	185.45	164.55
53	7605.00.097.01 - Loan for on-going Hydro-Power Projects in Bhutan	880.75	443.42	437.33
<b>Grant No.29 - Department of Economic Affairs</b>				
54	3475.00.115.01 - Assistance for Infrastructure Development - Viability Gap Funding	240.00	29.77	210.23

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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
55	5465.01.190.51 - Capital Infusion into NIIF Infrastructure Debt Financing Platform	1,000.00	700.00	300.00
56	5466.00.207.07 - Subscription to International Monetary Fund (SDR purchase against India's quota increase)	168.00	0.00	168.00
<b>Grant No.31 - Department of Financial Services</b>				
57	2235.60.102.04 - Payment to Life Insurance Corporation of India for Pension Plan for Senior Citizens	410.02	65.00	345.02
58	2885.01.101.10 - Subsidy to Small Industries Development Bank of India (SIDBI) in Interest Subvention of 2% on prompt repayment of Shishu loans extended under Pradhan Mantri Mudra Yojana (PMMY)	310.00	0.00	310.00
<b>Grant No.34 - Direct Taxes</b>				
59	2020.00.001.03 - Organisation and Management Services	872.73	399.47	473.26
60	4059.01.051.20 - Acquisition of Land & Construction of Office Building for Income Tax Department	225.12	99.40	125.72
<b>Grant No.35 - Indirect Taxes</b>				
61	2037.00.114.01 - Issue of Scrips under Rebate on State Levies Scheme under Other Scheme (RoSL)	264.00	99.41	164.59
62	2037.00.114.04 - Issue of Scrips under Focus Market Scheme	175.27	4.46	170.81
63	2037.00.114.05 - Issue of Scrips under Vishesh Krishi and Gram Udyog Yojana	136.15	0.67	135.48
64	2037.00.114.06 - Issue of Scrips under Status Holders Incentive Scheme (SHIS)	378.90	5.03	373.87
<b>Grant No.37 - Appropriation - Interest Payments</b>				
65	2049.60.701.01 - Charges Payable to IMF for utilisation of SDRs	300.00	0.00	300.00
<b>Grant No.38 - Appropriation- Repayment of Debt</b>				
66	6001.00.130.01 - Cash Payment Scheme	380.00	19.36	360.64
<b>Grant No.40 - Transfers to States</b>				
67	7601.09.103.01 - Loans as Advance Assistance for relief on account of Natural Calamities (States)	100.00	0.00	100.00
<b>Grant No.42 - Department of Animal Husbandry and Dairying</b>				
68	2404.00.102.24 - Delhi Milk Scheme	457.00	299.80	157.20
<b>Grant No.43 - Ministry of Food Processing Industries</b>				
69	2408.01.103.22 - PM Formalisation of Micro Food Processing Enterprises (PMFME) Scheme	227.00	95.57	131.43
<b>Grant No.44 - Department of Health and Family Welfare</b>				
70	2210.06.800.52 - Health Sector Disaster Preparedness and Response	158.88	33.21	125.67
71	2210.80.796.02 - Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (PMJAY) - National Health Authority	620.86	241.60	379.26
72	2211.00.797.03 - Fund for transfer to Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN)	111.44	0.00	111.44
73	3601.06.101.18 - National Urban Health Mission	676.39	357.69	318.70
74	3602.06.101.15 - Human Resources for Health and Medical Education	102.57	0.00	102.57
75	4210.04.200.32 - Emergency Epidemic Preparedness and Response	481.16	213.17	267.99
<b>Grant No.48 - Ministry of Home Affairs</b>				
76	3601.08.111.04 - Disaster Preparedness	296.00	172.08	123.92

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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
<b>Grant No.49 – Cabinet</b>				
77	4070.00.001.15 - Special Extra Session Flight Operations	137.00	12.66	124.34
<b>Grant No.50 – Police</b>				
78	2055.00.104.05 - Research	834.63	592.51	242.12
79	3601.06.101.12 - Border Area Development Programme	565.36	200.00	365.36
80	3601.08.111.06 - Schemes Financed from Nirbhaya Fund	405.77	109.83	295.94
81	3602.08.104.01 - Schemes Financed from Nirbhaya Fund	284.45	0.12	284.33
82	4055.00.201.02 - Residential Buildings	421.40	250.08	171.32
83	4055.00.201.03 - General	610.86	426.74	184.12
84	4055.00.210.09 - Central Armed Police Force Institute of Medical Science	300.20	200.00	100.20
<b>Grant No.51 - Andaman and Nicobar Islands</b>				
85	3225.60.101.01 - Hiring of Satellite Transponder	200.00	0.00	200.00
86	5052.80.201.01 - Purchase of Ships	141.80	1.79	140.01
<b>Grant No.53 - Dadra and Nagar Haveli and Daman and Diu</b>				
87	2515.00.196.02 - Panchayats	422.61	230.55	192.06
<b>Grant No.59 - Ministry of Housing and Urban Affairs</b>				
88	2217.05.001.02 - Swachh Bharat Mission	184.97	59.34	125.63
<b>Grant No.60 - Ministry of Information and Broadcasting</b>				
89	2221.80.102.05 - Broadcasting Infrastructure and Network Development (BIND)	281.00	161.68	119.32
<b>Grant No.61 - Department of Water Resources, River Development and Ganga Rejuvenation</b>				
90	3435.04.101.06 - National River Conservation Plan	857.69	505.83	351.86
91	3601.06.101.93 - Pradhan Mantri Krishi Sinchai Yojana - Command Area Development and Water Management	200.00	100.00	100.00
92	3601.06.796.30 - Pradhan Mantri Krishi Sinchai Yojana - Accelerated Irrigation Benefit Programme and National/Special Project	240.00	88.50	151.50
93	4702.00.800.06 - Ground Water Management and Regulation	204.00	98.05	105.95
<b>Grant No.62 - Department of Drinking Water and Sanitation</b>				
94	3602.06.101.43 - Jal Jeevan Mission	284.24	0.00	284.24
95	3602.06.101.44 - Swachh Bharat Abhiyan (Gramin)	231.00	92.00	139.00
<b>Grant No.63 - Ministry of Labour and Employment</b>				
96	2230.02.789.03 - Employment Promotion Scheme	159.46	46.78	112.68
<b>Grant No.67 - Ministry of Micro, Small and Medium Enterprises</b>				
97	2851.00.102.95 - Technology Upgradation and Quality Certification	302.97	112.53	190.44
<b>Grant No.69 - Ministry of Minority Affairs</b>				
98	2225.04.102.05 - Pradhan Mantri Jan Vikas Karyakram (PMJVK)	192.02	64.57	127.45
<b>Grant No.70 - Ministry of New and Renewable Energy</b>				
99	2810.00.101.02 - Off-Grid/Distributed and Decentralized Renewable Power	774.00	539.74	234.26
100	2810.00.789.05 - Grid Interactive Renewable Power	406.00	226.00	180.00
101	2810.00.796.03 - Grid Interactive Renewable Power	398.00	203.66	194.34
<b>Grant No.73 - Ministry of Personnel, Public Grievances and Pensions</b>				
102	2052.00.090.05 - Ministry of Personnel, Public Grievances and Pensions	330.93	229.64	101.29

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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
<b>Grant No.77 - Ministry of Ports, Shipping and Waterways</b>				
103	3051.01.108.01 - Maintenance and Dredging in Haldia Channel by Shyama Prasad Mokerjee Port, Kolkata	183.00	81.38	101.62
104	3056.00.190.01 - Grant to Inland Waterways Authority of India	153.00	0.00	153.00
105	3056.00.190.09 - Grants to IWAI for Jal Marg Vikas Project	145.00	0.00	145.00
106	3056.00.190.10 - Aid from World Bank for Jal Marg Vikas Project	150.00	0.00	150.00
<b>Grant No.78 - Ministry of Power</b>				
107	2801.05.789.01 - Integrated Power Development Scheme	680.00	316.98	363.02
108	2801.05.796.03 - Integrated Power Development Scheme	376.00	150.00	226.00
109	6552.00.204.03 - Power Finance Corporation-for Integrated Power Development Scheme	123.54	0.00	123.54
<b>Grant No.80 - Lok Sabha</b>				
110	2011.01.102.01 - Secretariat	520.50	371.65	148.85
<b>Grant No.85 - Ministry of Road Transport and Highways</b>				
111	3055.00.797.01 - Block Grant for Transfer to Central Road Fund	316.00	158.41	157.59
112	5054.01.337.06 - Union Territory Governments Without Legislatures financed from Central Road Infrastructure Fund	275.56	17.50	258.06
<b>Grant No.86 - Department of Rural Development</b>				
113	2505.02.101.09 - Capacity Building and Technical Support	400.00	0.62	399.38
114	2515.00.800.25 - Management Support to Rural Development Programmes and Strengthening District Planning Process	352.45	97.34	255.11
115	3601.06.101.29 - Shyama Prasad Mukherjee RURBAN Mission	409.98	149.00	260.98
116	3601.06.102.27 - National Rural Livelihood Mission	718.89	406.68	312.21
117	3602.06.101.28 - Mahatma Gandhi National Rural Employment Guarantee Scheme	221.56	95.24	126.32
<b>Grant No.87 - Department of Land Resources</b>				
118	3601.06.101.53 - Pradhan Mantri Krishi Sinchai Yojana - Watershed Development Component	1,176.30	748.16	428.14
119	3601.06.789.45 - Pradhan Mantri Krishi Sinchai Yojana - Watershed Development Component	323.70	209.39	114.31
<b>Grant No.88 - Department of Science and Technology</b>				
120	3425.60.200.70 - Innovation, Technology Development and Deployment	685.50	507.93	177.57
121	3425.60.600.10 - National Mission on Interdisciplinary Cyber Physical System	270.00	0.00	270.00
<b>Grant No.89 - Department of Biotechnology</b>				
122	3425.60.200.37 - Industrial and Entrepreneurship Development	950.00	706.43	243.57
<b>Grant No.91 - Ministry of Skill Development and Entrepreneurship</b>				
123	3601.06.101.36 - Pradhan Mantri Kaushal Vikas Yojana	499.93	170.20	329.73
<b>Grant No.92 - Department of Social Justice and Empowerment</b>				
124	2225.01.789.28 - Scholarships for Higher Education for Young Achievers Scheme (SHREYAS) for SCs	441.00	271.21	169.79
125	2225.01.789.30 - Scheme of Residential Education for Students in High School in Targeted Area (SRESHTA) for SCs	196.00	38.04	157.96



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Sl. No.	Sub-head	Sanctioned Provision	Actual Disbursement	Savings
126	2235.02.105.03 - National Action Plan for Drug Demand Reduction (NAPDDR)	206.00	90.87	115.13
127	4225.01.789.02 - National Finance Development Corporation for Weaker Sections	150.00	5.00	145.00
128	4225.80.190.16 - National Finance Development Corporation for Weaker Sections	100.00	0.00	100.00
<b>Grant No.94 - Department of Space</b>				
129	5402.00.101.07 - Liquid Propulsion Systems Centre	287.57	175.74	111.83
130	5402.00.101.37 - Semi Cryogenic Engine Development	298.18	124.77	173.41
131	5402.00.101.48 - ISRO Propulsion Complex	332.28	171.25	161.03
132	5402.00.102.01 - Space Applications Centre	309.30	157.35	151.95
<b>Grant No.95 - Ministry of Statistics and Programme Implementation</b>				
133	3454.02.204.19 - Capacity Development (Capacity Development of CSO and Institutional Development & Capacity Building)	545.22	233.19	312.03
<b>Grant No.98 - Ministry of Tourism</b>				
134	3452.01.101.14 - Swadesh Darshan- Integrated Development of Theme-Based Tourist Circuits	378.00	227.37	150.63
135	3452.01.102.13 - Champion Services Sector Scheme	190.00	67.00	123.00
<b>Grant No.99 - Ministry of Tribal Affairs</b>				
136	3601.06.796.37 - Umbrella Programme for Development of Scheduled Tribes: Van Bandhu Kalyan Yojana	268.50	142.66	125.84
137	3601.08.796.05 - Welfare of Scheduled Tribes-Grants under proviso to Article 275(1) of the Constitution	1,118.96	750.80	368.16
<b>Grant No.100 - Ministry of Women and Child Development</b>				
138	2235.02.102.49 - Saksham Anganwadi and POSHAN 2.0 (Umbrella ICDS-Anganwadi Services, Poshan Abhiyan, Scheme for Adolescent Girls, National Creche)	570.00	74.07	495.93
139	2235.02.102.50 - Mission Vatsalya (Child Protection Services and Child Welfare Services)	250.00	130.08	119.92
140	3601.06.101.82 - Mission Shakti (Mission for Protection and Empowerment of Women)	424.00	51.90	372.10
141	3602.06.101.65 - Saksham Anganwadi and POSHAN 2.0 (Umbrella ICDS-Anganwadi Services, Poshan Abhiyan, Scheme for Adolescent Girls, National Creche)	679.00	489.63	189.37
<b>Total</b>		<b>51,501.23</b>	<b>22,782.43</b>	<b>28,718.80</b>



**Annexure 4.4**  
**(Refer to paragraph 4.3)**

**Unnecessary Supplementary provision under Minor/sub-heads**

(₹ in crore)

Sl. No.	Grant No.	Minor / Sub-head	Original Provision	Supplementary Provision	Disbursement	Savings
1	3	4861.01.204.22 -Operational Expenses of Heavy Water	1,452.40	36.06	1,392.76	95.70
2	3	4861.03.212.06 -Fast Reactor Fuel Cycle Facility (FRFCF) Kalpakkam	600.00	10.00	430.82	179.18
3	3	4861.03.212.08 -Radiation and Isotope Production (BRIT)	38.06	10.00	27.14	20.92
4	3	4861.03.212.09-Fuel Recycle Projects (NRB)	650.00	90.00	646.13	93.87
5	3	5401.00.401.04 -R&D Projects of Atomic Minerals Directorate for Exploration and Research	100.00	14.96	92.31	22.65
6	10	3453.00.194.06-Boards Authorities and Autonomous Bodies	277.63	16.06	227.92	65.77
7	10	7465.00.190.02-Minerals & Metals Trading Corporation	0.00	80.01	0.00	80.01
8	18	2052.00.092.03-Defence Estate Organisation	348.55	16.93	346.22	19.26
9	19	2076.00.105-Transportation	4,099.70	300.00	4,055.77	343.93
10	19	2076.00.800-Other Expenditure	3,456.37	44.89	3,291.00	210.26
11	19	2077.00.104-Pay and Allowances of Civilians	3,088.33	151.00	2,641.78	597.55
12	19	2077.00.112-Joint Staff	3,339.51	50.00	3,142.88	246.63
13	19	2078.00.800-Other Expenditure	857.80	56.33	730.13	184.00
14	20	4076.01.202-Construction Works	18.00	19.33	6.43	30.90
15	23	5403.00.101.11-Deep Ocean Mission	0.00	30.00	0.00	30.00
16	23	5455.00.101.06-Atmosphere & Climate Research-Modelling Observing Systems & Services (Across)	123.00	31.00	73.67	80.33
17	34	2020.00.101.01-Commissioners And Their Offices	6,912.05	26.55	6,781.23	157.37
18	35	2037.00.109.01-Issue of Scrips Under Remission of Duties and Taxes on Export Products (RoDTEP) Scheme	13,000.00	2,022.01	12,016.64	3,005.37
19	35	4059.01.051.22-Construction of Office Buildings for Customs & CGST Commissionerate	134.03	51.40	125.09	60.34
20	36	4216.01.110.01-Acquisition of Ready Built Flats	10.95	30.00	7.63	33.32
21	39	2071.01.115.04-Ordinary Pension (AIS)	75.24	10.00	70.23	15.01

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Sl. No.	Grant No.	Minor / Sub-head	Original Provision	Supplementary Provision	Disbursement	Savings
22	44	2210.01.110.19-Safdarjang Hospital, New Delhi	1,413.17	47.20	1,361.25	99.12
23	44	2210.01.110.20-Dr. Ram Manohar Lohia Hospital, New Delhi	698.10	63.89	615.89	146.10
24	44	2210.05.105.28-All India Institute of Medical Sciences, New Delhi	3,800.00	30.00	3,704.49	125.51
25	44	4210.04.200.08-National Centre for Disease Control	59.50	34.00	23.42	70.08
26	44	4210.04.200.29-Health Sector Disaster Preparedness and Response	52.82	30.50	6.58	76.74
27	47	4875.60.190.08-Equity Investment on Special Purpose Vehicle (SPV)	0.00	150.00	0.00	150.00
28	50	2055.00.001.06-Intelligence Bureau	2,755.44	40.45	2,506.51	289.38
29	50	2055.00.001.07-Bureau of Immigration	575.10	73.50	526.01	122.59
30	50	2055.00.103.01-Establishment and Administration	5,894.98	63.98	5,892.08	66.88
31	61	2701.80.190.03-Interlinking of River	0.00	4,300.00	0.00	4,300.00
32	63	2230.01.789.20-Social Security Schemes	639.10	143.31	630.80	151.61
33	75	2802.02.104.01-Indradhanush Gas Grid Limited (IGGL) Part of the North East Natural Gas Pipeline Grid	850.00	350.00	850.00	350.00
34	78	2801.80.102.01-Statutory Authorities	394.04	70.00	196.43	267.61
35	85	5054.01.190.01-National Highways Authority of India	57,350.00	4,710.00	57,055.27	5,004.73
36	85	5054.01.337.01-Works Under Road Wing	6,100.00	712.00	5,190.13	1,621.87
37	90	3425.60.151.02-National Laboratories	4,669.27	83.45	4,605.27	147.45
38	91	4070.00.800.26-Secretariat-Ministry of Skill Development and Entrepreneurship	45.00	18.00	19.00	44.00
39	92	2235.02.104.30-Atal Vayo Abhyuday Yojana (AVYAY)	292.50	99.48	160.50	231.48
40	101	2204.00.001.01-Nehru Yuva Kendra Sangathans	326.50	38.50	318.12	46.88
<b>Total</b>			<b>1,24,497.14</b>	<b>14,154.79</b>	<b>1,19,767.53</b>	<b>18,884.40</b>

**Annexure 4.5A**  
**(Refer to paragraph 4.4)**

**Re-appropriation to minor/sub-heads which were injudicious due to  
non-utilisation  
(Re-appropriation exceeding ₹10 crore or more)**

(₹ in crore)

Sl. No.	Minor /Sub-Head	Amount of Re-appropriation to the Head	Final Savings under the head
<b>Grant No.13 - Department of Telecommunications</b>			
1	2071.01.102.01- Ordinary Pensions	107.20	259.78
<b>Grant No.18 - Ministry of Defence (Civil)</b>			
2	2052.00.092.02-Defence Accounts Department	45.59	88.81
3	4047.00.037.01-Coast Guards Organisation	38.95	86.22
<b>Grant No.19-Defence Services</b>			
4	2076.00.113-National Cadet Corps	68.79	70.16
5	2076.00.800-Other Expenditure	164.74	375.00
<b>Grant No.25 - Department of Higher Education</b>			
6	2203.00.107.02-Student Financial Aid	12.30	27.36
7	2203.00.789.81-Support to National Institutes of Technology (NITS) And IEST	32.41	39.76
<b>Grant No.26 - Ministry of Electronics and Information Technology</b>			
8	2852.07.102.02- Electronic Governance Programme	130.01	158.57
9	2852.07.789.10- Electronic Governance Programme	15.00	35.57
10	2852.07.796.10- Electronic Governance Programme	15.00	28.48
<b>Grant No.28 - Ministry of External Affairs</b>			
11	3605.00.101.13-Aid to Maldives	10.00	13.90
12	3605.00.101.32-Aid to Latin American Countries	15.00	17.31
<b>Grant No.35 - Indirect Taxes</b>			
13	2042.00.101.01-Commissionerates	20.99	60.87
<b>Grant No.44 - Department of Health and Family Welfare</b>			
14	2210.06.106.02-Grants to Pasteur Institute of India, Coonoor	13.20	23.08
15	3601.06.101.65-Asha Benefit Package	27.99	202.28
16	3601.06.796.60-Asha Benefit Package	10.90	25.27
17	3601.06.797.08- Fund for transfer to Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN)	1,687.10	17,611.03
18	4210.03.797.02- Support from Central Roads & Infrastructure Fund (CRIF)	50.00	50.87
<b>Grant No.48- Ministry of Home Affairs</b>			
19	2070.00.109.05- Activities Related to National Unity	19.60	25.08
<b>Grant No.49 – Cabinet</b>			
20	2013.00.108.04- Special Extra Session Flight Operations	214.61	224.88
<b>Grant No.50 – Police</b>			
21	2055.00.800.06-Charges Paid to Other Governments/Departments	20.00	20.00
22	2055.00.800.15-Nirbhaya Fund Project	11.57	23.10
23	4055.00.216.10-Intelligence Bureau	11.31	12.57
<b>Grant No.63 - Ministry of Labour and Employment</b>			
24	2230.01.796.20- Social Security Schemes	13.23	79.49
<b>Grant No.94 - Department of Space</b>			
25	5402.00.105.12- GSAT-20 Satellite	16.58	21.32
<b>Total</b>		<b>2,772.07</b>	<b>19,580.76</b>

**Annexure 4.5B**  
**(Refer to paragraph 4.4)**  
**Re-appropriation from minor/sub-heads resulting into final excess expenditure**  
**(Re-appropriation exceeding ₹10 crore or more)**

*(₹ in crore)*

<b>Grant/ Appropriation</b>	<b>Minor /Sub-Head</b>	<b>Total Provisions</b>	<b>Amount of Re- appropriation from the Head</b>	<b>Final Excess expenditure under the head</b>
12-Department of Posts	3201.02.104.01-Research and Development	211.52	13.96	21.64
62- Department of Drinking Water and Sanitation	2215.01.797.01-Transfer to Central Road and Infrastructure Fund (CRIF)	20,826.00	1,019.75	16,707.18
<b>Total</b>		<b>21,037.25</b>	<b>1,033.71</b>	<b>16,728.82</b>

**Annexure 4.6**  
**(Refer to Paragraph 4.5)**

**Expenditure incurred without adequate provisioning of funds**

(₹ in crore)

Sl. No.	Minor/Sub Head	Total Provision	Actual expenditure	Final excess expenditure
<b>Grant No.3 – Atomic Energy</b>				
1	5401.00.401.01- R&D Projects of Bhabha Atomic Research Centre (BARC)	1,046.28	1,083.47	37.19
<b>Grant No.6 – Department of Fertilisers</b>				
2	2852.03.101.06 - Urea Subsidy	87,346.85	91,655.67	4,308.82
3	2852.03.789.06 - Urea Subsidy	8,303.33	8,712.52	409.19
4	2852.03.796.06 - Urea Subsidy	4,301.73	4,513.72	211.99
<b>Grant No.12 – Department of Posts</b>				
5	3201.02.101.01 – Existing Post Offices	8,766.99	8,834.19	67.20
6	3201.02.101.10- Gramin Dak Sewak	5,537.82	5,803.07	265.25
7	3201.04.101.01- Cost of Pay & Allowances of Audit Staff	118.00	152.22	34.22
8	3201.07.101.01-Superannuation and Retirement Allowances	5,030.30	5,216.59	186.29
9	3201.07.102.01-Commuted value of Pensions	652.82	705.58	52.76
10	3201.07.104.01 - Gratuities	1,095.32	1,229.16	133.84
11	3201.07.108.01- Leave Encashment Benefits	522.76	565.14	42.38
12	3201.08.101.02-Cost of printing & over printing of postage stamps	17.96	62.82	44.86
13	5201.00.104.62-Project Management Unit	489.53	525.19	35.66
<b>Grant No.13 – Department of Telecommunications</b>				
14	2071.01.105.02- Family Pensions	1,817.49	2,323.28	505.79
<b>Grant No.19 – Defence Services</b>				
15	2078.00.110-Stores	12,618.05	12,757.24	139.19
<b>Grant No.20 – Capital Outlay on Defence Services</b>				
16	4076.01.050-Land	349.93	397.66	47.73
17	4076.01.202-Construction Works	4,445.24	4,482.25	37.01
18	4076.02.050-Land	2.00	36.56	34.56
19	4076.02.202-Cnstruction Works	1,360.53	1,411.25	50.72
20	4076.03.103-Other Equipment	18,805.02	18,946.56	141.54
<b>Grant No.21 – Defence Pensions</b>				
21	2071.02.101.01 - Pensions & Other Retirement Benefits	96,684.55	97,036.94	352.39
22	2071.02.102.03 - Leave Encashment Benefits	324.16	352.09	27.93
23	2071.02.103.01 - Pensions & Other Retirement Benefits	9,927.28	10,095.36	168.08
<b>Appropriation No.37 –Interest Payments</b>				
24	2049.03.104.02 - Other State Provident Funds	5,271.32	6,110.05	838.73
<b>Grant No.39 –Pensions</b>				
25	2071.01.101.01 - Ordinary Pensions	29,701.75	30,084.43	382.68
26	2071.01.104.01 - Ordinary Pensions	5,340.05	5,443.89	103.84
27	2071.01.105.02 - Family Pensions	8,710.37	8,774.93	64.56
28	2071.01.115.01 - Ordinary Pensions	2,793.00	2,913.41	120.41
29	2071.01.117.01 - Government Contribution	7,096.00	7,175.46	79.46
<b>Grant No.86 –Department of Rural Development</b>				
30	2505.02.797.01 –Transfer to National Rural Employment Guarantee Fund	98,000.00	98,467.85	467.85
<b>Total</b>				<b>9,392.12</b>

**Annexure 4.7**  
**(Refer to Paragraph 4.6)**

**Non-surrender and surrender of savings on last day of the financial year**

(₹ in crore)

Sl. No.	Grant No. & Description	Total Savings	Total Surrender	Amount surrendered on the last day	Amount not surrendered
1.	01-Department of Agriculture, Cooperation and Farmers' Welfare	8,177.19	5,152.60	5,152.60	3,024.59
2.	03-Atomic Energy	1,489.05	1,199.56	0.00	289.49
3.	08-Ministry of Civil Aviation	506.26	502.11	478.17	4.15
4.	10-Department of Commerce	337.17	313.71	313.71	23.46
5.	13-Department of Telecommunications	29,767.44	26,016.87	0.00	3,750.57
6.	18-Ministry of Defence (Civil)	599.96	42.20	42.20	557.76
7.	12-Department of Posts	3,363.66	2,125.00	0.00	1,238.66
8.	19-Defence Services (Revenue)	1,796.02	0.02	0.00	1,796.00
9.	20-Capital Outlay on Defence Services	940.17	76.24	0.00	863.93
10.	23-Ministry of Earth Sciences	179.73	70.64	0.00	109.08
11.	24-Department of School Education and Literacy	22,062.17	15,062.17	15,062.17	7,000.00
12.	25-Department of Higher Education	27,768.35	8,672.37	8,672.37	19,095.98
13.	26-Ministry of Electronics and Information Technology	1,464.46	900.12	368.00	564.34
14.	27-Ministry of Environment, Forests and Climate Change	518.09	455.23	406.31	62.86
15.	28-Ministry of External Affairs	4,351.05	3,110.72	0.00	1,240.33
16.	29-Department of Economic Affairs	55,527.03	55,361.53	1,411.29	165.50
17.	34-Direct Taxes	858.52	770.74	770.74	87.78
18.	35-Indirect Taxes	17,315.40	17,152.89	16,799.19	162.51
19.	37-Interest Payments	18,935.94	15,678.28	15,678.28	3,257.66
20.	38-Repayment of Debt	2,98,683.08	2,98,664.59	2,98,664.59	18.49
21.	40-Transfers to States	61,547.08	61,547.08	61,547.08	0.00
22.	42-Department of Animal Husbandry and Dairying	601.36	596.56	596.56	4.80
23.	43-Ministry of Food Processing Industries	161.30	160.91	156.37	0.39
24.	44-Department of Health and Family Welfare	39,826.18	8,024.42	8,024.42	31,801.76
25.	45-Department of Health Research	498.68	332.94	332.94	165.74
26.	47-Department of Public Enterprises	153.70	153.70	153.70	0.00
27.	48-Ministry of Home Affairs	3,325.40	3,218.60	118.60	106.80
28.	49-Cabinet	775.74	373.04	0.00	402.70
29.	50-Police	4,048.35	2,863.74	130.00	1,184.61
30.	51-Andaman and Nicobar Islands	364.60	348.41	348.41	16.19
31.	54-Ladakh	2,163.15	2,153.23	2,153.23	9.92
32.	59-Ministry of Housing and Urban Affairs	296.03	0.00	0.00	296.03
33.	61-Department of Water Resources, River Development and Ganga Rejuvenation	604.41	138.05	138.05	466.36
34.	62-Department of Drinking Water And Sanitation	18,545.93	18,545.93	18,545.93	0.00
35.	63-Ministry of Labour and Employment	482.13	66.07	0.00	416.06
36.	64-Law and Justice	239.09	129.00	95.00	110.09

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Sl. No.	Grant No. & Description	Total Savings	Total Surrender	Amount surrendered on the last day	Amount not surrendered
37.	67-Ministry of Micro, Small and Medium Enterprises	539.24	454.20	454.20	85.05
38.	70-Ministry of New and Renewable Energy	1,560.61	671.20	0.00	889.41
39.	75-Ministry of Petroleum and Natural Gas	10,890.16	10,190.61	3,021.66	699.55
40.	78-Ministry of Power	1,233.51	1,233.44	1,233.44	0.07
41.	85-Ministry of Road Transport and Highways	10,813.40	10,545.83	0.00	267.57
42.	86-Department of Rural Development	2,279.67	2,663.47	2,663.47	0.00
43.	89-Department of Biotechnology	651.25	611.05	611.05	40.19
44.	91-Ministry of Skill Development and Entrepreneurship	695.12	631.92	631.92	63.20
45.	92-Department of Social Justice and Empowerment	3,140.86	3,149.62	812.00	0.00
46.	94-Department of Space	1,455.29	1,307.15	0.00	148.14
47.	95-Ministry of Statistics and Programme Implementation	1,045.17	1,041.30	1,041.30	3.87
48.	97-Ministry of Textiles	344.66	264.52	264.52	80.14
49.	98-Ministry of Tourism	1,228.18	1,211.31	162.14	16.87
50.	99-Ministry of Tribal Affairs	1,349.19	1,349.18	1,349.18	0.01
51.	100-Ministry of Women and Child Development	3,151.47	3,151.05	3,151.05	0.42
52.	101-Ministry of Youth Affairs and Sports	424.31	424.28	424.28	0.03
<b>Total</b>				<b>4,71,980.12</b>	<b>80,589.12</b>

**Annexure 4.8**  
**(Refer to Paragraph 4.8.1)**

**Incorrect use of object heads with major heads**

Description of Grant	Major Head	Object Head	Expenditure (₹ in crore)	Reply of the Department/ Ministry
77-Ministry of Ports, Shipping and Waterways	5052	13	4.18	The Ministry stated (30 September 2022) that the observations had been noted and necessary action for its rectification through first Supplementary Demands for Grants for FY 2022-23 would be taken. Budget for the next year (2023-24) would also be sought under the correct Object Head.
85 – Ministry of Road Transport and Highways	5054	13	5.74	Ministry replied (August 2022) that the Sub Head 01.99.50-Information Technology under Major Head 5054 - Capital Outlay on Roads and Bridges - works under Road Wing was opened for making expenditure on procurement of IT related Hardware and software for National Highways Office/Division/RO Offices. This was again with an objective to ensure timely and effective implementation of NH works. This Head was opened in 1999 on the recommendation of Planning Commission and Ministry of Finance. Later on this Head was changed as 04.99.13-Office Expenses on the advice of Audit and Pr. CCA's Office.
	5054	20	1.58	This fund is for NE Region. The expenditure under this Head was made on the Establishment of offices in NE Region and other miscellaneous expenditure. This Head was opened in consultation with M/o Finance and Pr. CCA Office.
	5054	11	1.61	To facilitate inspections by the officers of the Ministry, so as to ensure quality of implementation, a portion of three <i>per cent</i> contingencies retained for the purpose reducing the contingencies charges to 2.8 <i>per cent</i> . Accordingly, a new sub head 01.06.11 Domestic TA for supervision of National Highways under Major Head 5054-Capital Outlay on Roads and Bridges -works under Road Wing was opened in 2001 in consultation with Pr.CCA and Ministry of Finance. Reply of the Ministry in respect of the above three object heads is not acceptable as the Ministry should use relevant Object heads for booking the expenditure of Capital/Revenue nature with concerned Major Heads as per Rule 8 of DFPRs 1978.
3-Department of Atomic Energy	2852	51	1.14	The Department replied (December 2022) that the expenditure even if appearing to be of capital nature were actually O&M charges. Hence, these were booked under Revenue Major Heads. This was an acceptable accounting practice. Further, as per Rule 26(2)(c) of Delegation of Financial Powers Rules, 1978, Department of Atomic Energy (DAE) is exempted from the purview of DFPR. Department has its own Exercise of Financial Powers (DAE) Rules, 1978". Department also stated that as instructed by CGA, MoF, the Department has already initiated action to formulate the Detailed Demand for Grants for
	2852	52	34.89	
	2852	51	0.12	
	2852	60	2.17	
	3401	51	0.82	
	3401	51	0.70	
	3401	52	0.11	



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Description of Grant	Major Head	Object Head	Expenditure (₹ in crore)	Reply of the Department/ Ministry
				FY 2023-24 as per the new Object Heads. Likewise, it shall be ensured that the expenditure shall also be booked as per the revised list of Object Heads. The reply is not acceptable as Ministry of Finance vide its letter dated 22.09.2017 had advised DAE to redefine Revenue & Capital Expenditure and respective object heads in conformity with GAR 1990 and GFR 2017. Further, even if expenditure is of revenue nature, para is about the use of incorrect operation of object heads, which needs rectification.
<b>Total</b>			<b>53.06</b>	

**Annexure 4.9**  
**(Refer to Paragraph 4.8.2)**

**Misclassification between Primary units of Appropriation**

Sl. No.	Grant	Amount (₹ in crore)
<b>1.</b>	<b>11 - Department for Promotion of Industry and Internal Trade</b>	<b>1.20</b>
<p>₹1.20 crore released to Jammu &amp; Kashmir Development Finance Corporation Limited (JKDFCL) for implementation of new scheme (Industrial Development of Union Territory of Jammu &amp; Kashmir) was incorrectly booked under the object head 20-Other Administrative Expense (Functional head 2885.02.101.19.05 – Project Management) towards purchase of hardware including Desktop Computers, Laptops, Tablets, Printers, Vehicles and repair of office building which should have been correctly booked under 13-offices expenses (Desktop Computers, Laptops, Tablets, Printers, Vehicles) and 27-Minor Works (Repair of Office Building). The Department replied (October 2022) stated that ₹1.20 crore released to JKDFCL was erroneously booked under the object head -20. However, observation of the audit has been noted and will be considered for future reference.</p>		
<b>2.</b>	<b>25-Department of Higher Education voucher audit</b>	<b>18.49</b>
<p>Scrutiny of sanction order no.27-2/2021-TS-I dated 28.10.2021 attached with voucher no.7265 dated 30.10.2021 revealed that the Department of Higher Education sanctioned ₹18.49 crore as Grants-in-Aid-Salaries to the IIT Dharwad whereas the amount was incorrectly booked under object head 35-Grants-in-Aid for creation of Capital Assets instead of booking under the object head 36-Salaries. Reply of the Department was awaited.</p>		
<b>3.</b>	<b>Grant No. 46-Department of Heavy Industry</b>	<b>499.00</b>
<p>Under the Scheme “Faster Adoption and Manufacturing of Electric Vehicles in India (FAME - India)”, the Department released funds aggregating to ₹499.00 crore to National Automotive Board for the scheme component ‘Demand Incentive Delivery Mechanism’ which was incorrectly booked under object head – 31-‘Grants-in-Aid General’ instead of object head 33- ‘Subsidies’. The Department replied (7th September 2022) that the amount was booked under object head 31-Grants-in-Aid General as the expenditure amounting to ₹499.00 crore was incurred for reimbursement of demand incentive to OEMs which had already been given to consumers (buyers/end users) in the form of an upfront reduced purchase price of Electric Vehicles under the Schemes. The reply of the Department is not acceptable as it is evident from the reply as well that the nature of the expenditure was subsidies instead of Grants-in-aid.</p>		
<b>4.</b>	<b>85-Ministry of Road Transport &amp; Highways</b>	<b>4.44</b>
<p>An expenditure of ₹4.44 crore towards “Organizing training by Indian Academy of Highways Engineers (IAHE)” for the officers of Central and State Governments/ Departments in the calendar training programme was booked under the object head 50- ‘Other Charges’ instead of booking under object head ‘20-Other Administrative Expenses’. Ministry stated (August 2022) that the Minor Head 80.004 under MH-3054 is for Research and Development. Fund of ₹4.44 crore released to IAHE for training of Officers of Central and State Governments including their corporations in the calendar Training Programme includes all miscellaneous expenditure like boarding, lodging and other miscellaneous expenditure. As the main head is for training etc., the fund to IAHE was released from the object head 50- ‘other charges’. Further it is also clarified that these are not the administrative expenses of IAHE. Reply of the Ministry is not acceptable as expenditure on conferences/ seminars/workshops, etc. and expenditure on other training programmes falls under object head ‘20-Other Administrative Expenses’ as per Rule 8 of the DFPRs 1978.</p>		
<b>5.</b>	<b>85-Ministry of Road Transport &amp; Highways</b>	<b>15.00</b>
<p>An expenditure of ₹15.00 crore towards releasing of fund to Indian Academy of Highways Engineers (IAHE) for the setting up of Centre of Excellence in IAHE was booked under the object head 50- ‘Other Charges’ instead of object head ‘35- Grants for creation of capital assets’. The Ministry stated that fund of ₹15.00 crore was released to IAHE for setting up of a Centre of excellence in IAHE. There was no head (3054.80.004.01.07.35) for "creation of capital assets" under MH-3054. Hence, the fund was released from 3054.80.004.01.07.50 - Other charges. Reply of the Ministry is not acceptable as setting up of Centre of Excellence comes under creation of capital assets.</p>		

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<b>6.</b>	<b>88- Department of Science and Technology</b>	<b>221.12</b>
<p>The Department booked an expenditure of ₹221.12 crore towards Scholarships/stipends under the object head 31- 'Grants-in-aid-General' instead of booking the same under object head 34- 'Scholarships/stipends'.</p> <p>The Department stated (November 2022) that the proposal for opening new object head 34- 'Scholarships/Stipends' had been sent to Ministry of Finance for consideration.</p>		
<b>7.</b>	<b>88- Department of Science and Technology</b>	<b>56.10</b>
<p>The Department booked an expenditure of ₹56.10 crore towards 'INSPIRE Awards under SEATS' under the object head 31- 'Grants-in-aid-General' instead of booking the same under object head 50- 'Other Charges (awards and prizes etc.)'.</p> <p>Department stated (November 2022) that the proposal for opening new object head 50- 'Other Charges' had been sent to Ministry of Finance for consideration.</p>		
<b>8.</b>	<b>88- Department of Science and Technology</b>	<b>3.75</b>
<p>The Department booked an expenditure of ₹3.75 crore related to salary of manpower under the object head-31 'Grants-in-aid-General' instead of 36- 'Grants-in-aid-Salaries'.</p> <p>The Department stated (November 2022) that grants-in-aid to State S&amp;T Councils was released for remuneration, travel and office expenses of manpower of these state entities. The reply is in acceptance of the fact that the sanctions were issued for making releases towards the salary component of these S&amp;T Councils.</p>		
<b>9.</b>	<b>90-Department of Scientific and Industrial Research</b>	<b>475.00</b>
<p>The department booked an expenditure of ₹475.00 crore towards Scholarships/stipends and on awards under the object head 31- 'Grants-in-aid-General' instead of booking the same under object head 34 - 'Scholarships/stipends' and object head 50- 'Other Charges (awards and prizes etc.)'.</p> <p>The Department stated (September 2022) that the matter was being taken up with the Budget Division to initiate the process for opening the relevant head for budget provision in research schemes, scholarships and fellowship.</p>		
<b>10.</b>	<b>90-Department of Scientific and Industrial Research</b>	<b>37.39</b>
<p>An expenditure of ₹37.39 crore incurred on filing and maintenance of patents was booked under object head 31- 'Grants-in-aid-General' instead of booking the same under object head 35- 'Grants for Creation of Capital Assets'.</p> <p>The Department replied (September 2022) that the misclassification would be rectified in the next financial year by taking proposal separately for inclusion of patent expenditure in the object head 35- 'Grants for Creation of Capital Assets'.</p>		
<b>11.</b>	<b>94-Department of Space</b>	<b>1.03</b>
<p>Expenditure ₹1.03 crore incurred towards the fabrication of equipment 'L-Arm Assembly' was booked under object head 60- 'Other Capital Expenditure' instead of booking it under object head '52- Machinery &amp; Equipment'.</p> <p>The Department replied (October 2022) that the classifications were done as per the compendium on classification of expenditure issued by Department of Space (DoS). The reply is not acceptable as the compendium stipulates to book fabrication of space consumables under '60-Other Capital Expenditure' and not fabrication of 'Equipment'.</p>		
<b>12.</b>	<b>94-Department of Space</b>	<b>3.00</b>
<p>The Grants-in-aid released by the Headquarters of Indian Space Research Organisation was booked under the object head '50-Other Charges' instead object head '31-Grants-in-aid-General'.</p> <p>In reply (October 2022) the Department admitted and noted the audit observation for future compliance.</p>		
<b>13.</b>	<b>94-Department of Space</b>	<b>1.67</b>
<p>The Grants-in-aid released to North Eastern Space Applications Centre (NE-SAC), Shillong was booked under object head '50-Other Charges' instead of booking under object head '31-Grants-in-aid-General'.</p> <p>In reply (October 2022) the Department admitted and noted the audit observation for future compliance.</p>		
<b>14.</b>	<b>94-Department of Space</b>	<b>8.47</b>
<p>The Grants-in-aid released to Physical Research Laboratory (PRL), Ahmedabad, a Central Autonomous body under the administrative control of Department of Space was incorrectly booked under object head '50-Other Charges' instead of booking under object head '31-Grants-in-aid-General'.</p> <p>In reply (October 2022) the Department admitted and noted the audit observation for future compliance.</p>		

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15.	94-Department of Space	1.53
<p>Expenditure incurred by the Headquarters of Indian Space Research Organisation, a unit of DoS, towards establishing exhibition stall at Dubai World Trade Centre was incorrectly booked under object head '21-Supplies &amp; Materials' instead of object head '26-Advertising and Publicity'. In reply (October 2022) the Department admitted and noted the audit observation for future compliance.</p>		
16.	94-Department of Space	1.06
<p>Pay and Accounts Officer-Centre of UR Rao Satellite Centre and Pay and Accounts Officer-Headquarters of Indian Space Research Organisation of DoS booked the expenditure incurred towards professional services (hiring of staff for providing housekeeping services, reprographic services etc.) incorrectly under the object head '30-Other Contractual Services' instead of object head '28-Professional Services'. The Department replied (October 2022) that the items were booked based on the instructions in DoS Compendium on classification of Expenses. The reply is not acceptable as expenditure on hiring of staff for providing housekeeping services, reprographic services etc., being professional services, shall be booked under object head '28-Professional Services'</p>		



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