

## Chapter 1: Accounts of the Government of NCT of Delhi

### 1.1 Introduction

This chapter discusses the financial position of the State Government, based on the analysis of the information contained in the Finance Accounts. The analysis is based on the trends in the receipts and expenditure, and the financial management of the State Government.

### 1.2 Financial position of the State

In the Government accounting system, comprehensive accounting of the fixed assets like land, buildings, etc., owned by the Government is not done. However, the accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. Appendix - I contains an abstract of such liabilities and assets as on 31 March 2002, compared with the corresponding position as on 31 March 2001. While the liabilities in this statement consist mainly of loans and advances from the Government of India, the assets comprise mainly the capital outlay, loans and advances given by the State Government and the cash balances. It would be seen from Appendix-I that while the assets increased by Rs. 3062 crore, the increase in liabilities was only Rs. 1852 crore.

### 1.3 Sources and applications of funds

**1.3.1** The main sources of funds include the revenue receipts of the Government, recoveries of loans and advances and borrowings from the Government of India. These are applied mainly on revenue and capital expenditure and on lending for developmental purposes. It would be seen from Appendix II that the revenue receipts constitute the most significant source of funds for the State Government, but their relative share decreased marginally from 73.94 *per cent* in 2000-2001 to 71.47 *per cent* during 2001-02. The share of recoveries of loans and advances increased from 1.65 *per cent* to 5.23 *per cent*. The Government had to meet its requirement through increased borrowings from the Government of India.

**1.3.2** Revenue expenditure increased from 51.52 *per cent* of total expenditure in 2000-01 to 59.73 *per cent* in 2001-02. It was considerably lower than the total receipts of the State Government, resulting in a revenue surplus of Rs. 1209.57 crore in 2001-02. The share of capital expenditure

including loans and advances decreased from 48.48 *per cent* to 40.27 *per cent* of total expenditure.

## 1.4 Revenue receipts

### 1.4.1 Growth of revenue receipts

The revenue receipts consist of the state's own tax and non-tax revenue and grants-in-aid from Government of India. The trend of revenue receipts during the last five years was as under:

**Table 1.1: Growth of revenue receipts**

(Rupees in crore)

| Year    | Actual revenue receipts | Percentage increase over previous year | Gross State Domestic Product | Percentage of revenue receipts to GSDP |
|---------|-------------------------|--|------------------------------|--|
| 2001-02 | 6253.71                 | 14.87                                  | ***65657                     | 9.52                                   |
| 2000-01 | 5443.99                 | 27.36                                  | **59556                      | 9.14                                   |
| 1999-00 | 4274.34                 | 16.78                                  | *53709                       | 7.96                                   |
| 1998-99 | 3660.12                 | 5.15                                   | *48133                       | 7.60                                   |
| 1997-98 | 3480.72                 | 24.48                                  | 40873                        | 8.52                                   |

\*Revised Estimate, \*\*Provisional Estimates, \*\*\* Quick Estimates,

Revenue receipts increased by Rs. 809.72 crore in 2001-02 over 2000-01. The increase in revenue receipts in 2001-02 was largely on account of rationalization of sales tax, w.e.f. 01.01.2000. The growth of revenue receipts over five years has been volatile as it ranged from 5.15 *per cent* in 1998-99 to 27.36 *per cent* in 2000-01. The ratio of revenue receipts to GSDP<sup>1</sup> increased over the five years from 8.52 in 1997-98 to 9.52 in 2001-02.

### 1.4.2 Components of revenue receipts

The components of revenue receipts in terms of tax and non-tax revenue and

<sup>1</sup> Gross State Domestic Product  
Note: GSDP at current prices

receipts from the Government of India during the last five years were as under:

**Table 1.2: Components of revenue receipts**

(Rupees in crore)

| Components                    | 2001-02            | 2000-01            | 1999-2000          | 1998-99            | 1997-98            |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Tax revenue</b>            | 4896.75<br>(78.30) | 4400.62<br>(80.84) | 3430.42<br>(80.26) | 3088.78<br>(84.39) | 2942.58<br>(84.51) |
| <b>Non-tax revenue</b>        | 876.06<br>(14.01)  | 548.35<br>(10.07)  | 397.85<br>(9.31)   | 187.96<br>(5.14)   | 169.52<br>(4.87)   |
| <b>Grants-in-aid from GOI</b> | 480.90<br>(7.69)   | 495.02<br>(9.09)   | 446.07<br>(10.43)  | 383.38<br>(10.47)  | 369.62<br>(10.62)  |
| <b>Total revenue receipts</b> | 6253.71<br>(100)   | 5443.99<br>(100)   | 4274.34<br>(100)   | 3660.12<br>(100)   | 3480.72<br>(100)   |

*Note:* Figures in bracket indicate percentage of total revenue receipts

As a percentage of total revenue receipts, the share of tax revenue marginally decreased from 80.84 in 2000-01 to 78.30 in 2001-02. Non-tax revenue rose from 10.07 per cent to 14.01 per cent during the same period. Over the five year period from 1997-98 to 2001-02, the share of non tax revenue has more than doubled. The rate of growth of tax revenue over five years was less than that of non tax revenue as it increased by only 66 per cent over the period 1997-98 to 2001-02. Thus, there is a shift away from tax revenue to non-tax revenue in the resource mobilization effort.

## 1.5 Tax revenue

### 1.5.1 Growth of tax revenue

Tax revenue contributes the biggest share of the revenue receipts. The growth of tax revenue during 1997-2002 was as under:

**Table 1.3: Growth of tax revenue**

(Rupees in crore)

| Year           | Actual tax revenue | Percentage increase over the previous year | As percentage of total revenue receipts | Percentage of tax revenue to GSDP |
|----------------|--------------------|--|---|-----------------------------------|
| <b>2001-02</b> | 4896.75            | 11.27                                      | 78.30                                   | 7.46                              |
| <b>2000-01</b> | 4400.62            | 28.28                                      | 80.84                                   | 7.39                              |
| <b>1999-00</b> | 3430.42            | 11.06                                      | 80.26                                   | 6.39                              |
| <b>1998-99</b> | 3088.78            | 5.00                                       | 84.39                                   | 6.42                              |
| <b>1997-98</b> | 2942.58            | 16.08                                      | 84.54                                   | 7.20                              |

The tax revenue increased by 11.27 per cent in 2001-02 over the previous year. Over five years the rate of growth of tax revenue had been fluctuating as it ranged from 5 per cent to 28.28 per cent. The percentage of tax revenue to GSDP has varied from 6.39 to 7.46 indicating a clear increase over five years period.

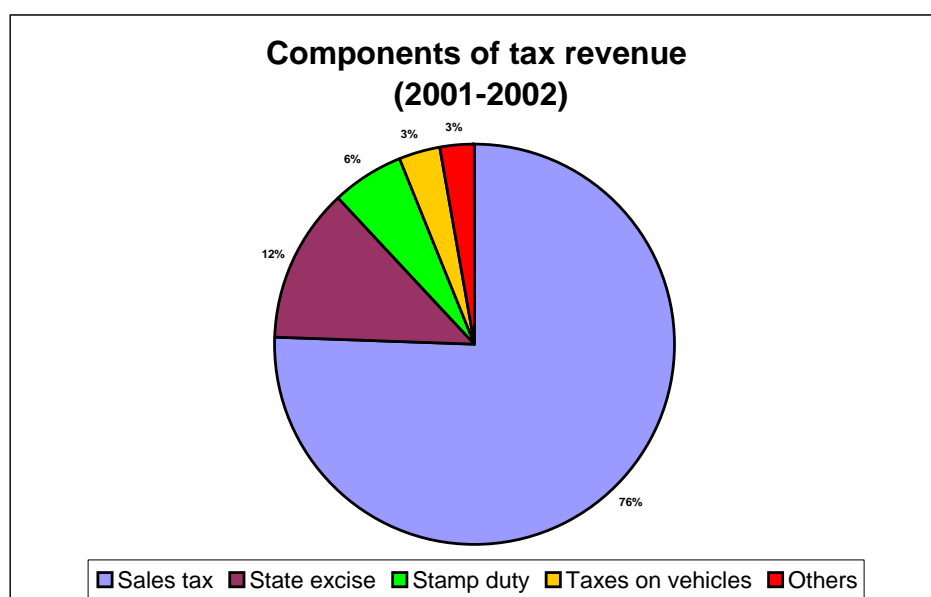
### 1.5.2 Components of tax revenue

The break up of tax revenue during the five years ending 2001-02 is given below:

**Table 1.4: Components of tax revenue**

| (Rupees in crore)        |                    |                    |                    |                    |                    |
|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Components               | 2001-02            | 2000-01            | 1999-00            | 1998-99            | 1997-98            |
| <b>Sales tax</b>         | 3704.01<br>(75.64) | 3387.86<br>(76.99) | 2346.60<br>(68.41) | 2112.97<br>(68.41) | 2029.05<br>(68.96) |
| <b>State excise</b>      | 606.41<br>(12.38)  | 557.22<br>(12.66)  | 566.41<br>(16.51)  | 526.10<br>(17.03)  | 515.02<br>(17.50)  |
| <b>Stamp duty</b>        | 283.16<br>(5.78)   | 191.69<br>(4.36)   | 190.48<br>(5.56)   | 151.01<br>(4.89)   | 117.39<br>(3.99)   |
| <b>Taxes on vehicles</b> | 166.76<br>(3.41)   | 142.34<br>(3.23)   | 160.87<br>(4.68)   | 125.39<br>(4.06)   | 105.11<br>(3.57)   |
| <b>Others</b>            | 136.41<br>(2.79)   | 121.51<br>(2.76)   | 166.06<br>(4.84)   | 173.31<br>(5.61)   | 176.01<br>(5.98)   |
| <b>Total tax revenue</b> | 4896.75<br>(100)   | 4400.62<br>(100)   | 3430.42<br>(100)   | 3088.78<br>(100)   | 2942.58<br>(100)   |

*Note: Figures in bracket indicate percentage of total tax revenue.*



Sales tax was the major contributor to the tax revenue. Its contribution to total tax revenue increased from 68.96 *per cent* in 1997-98 to 75.64 *per cent* in 2001-02. The contribution of state excise declined to 12.38 *per cent* in 2001-02 from 17.50 *per cent* in 1997-98. The increase of 48 *per cent* in stamp duty in 2001-02 over the previous fiscal year was due to the revision of stamp duty on immovable property transactions to eight *per cent* w.e.f. 31 July 2001 as compared to the earlier duty of three *per cent*. The relative share of other taxes has generally remained stable during this period. The hike of 9.33 *per cent* in sales tax collection in 2001-2002 over the previous fiscal was primarily on account of an increase in tax rates in the State following the adoption of floor rates across the country. However, there is no evidence of improved compliance and considerable amounts remained pending for recovery as indicated in paragraph 1.7.

## 1.6 Non-tax revenue

### 1.6.1 Growth of non-tax revenue

The growth of non-tax revenue during the last five years ended March 2002 was as under:

**Table 1.5: Growth of non-tax revenue**

(Rupees in crore)

| Year    | Total non-tax revenue | Percentage increase (+)/ decrease (-) over the previous year | As a percentage of total revenue receipts | As a percentage of GSDP |
|---------|-----------------------|--|---|-------------------------|
| 2001-02 | 876.06                | (+) 59.76  | 14.01                                     | 1.33                    |
| 2000-01 | 548.35                | (+) 37.83  | 10.07                                     | 0.92                    |
| 1999-00 | 397.85                | (+) 111.67   | 9.31                                      | 0.74                    |
| 1998-99 | 187.96                | (+) 10.87  | 5.14                                      | 0.39                    |
| 1997-98 | 169.52                | (+) 204.13   | 4.87                                      | 0.42                    |

Non-tax revenue increased by 59.76 *per cent* in 2001-02 over the previous year. Over the five year period, non-tax revenue increased by 416.79 *per cent* largely on account of increase in interest receipts from Rs.132.85 crore in 1997-98 to Rs. 789.83 crore including the notional interest receipts of Rs. 444.56 crore from Delhi Vidyut Board in 2001-02. As a percentage of GSDP, the non-tax revenue was 1.33 in 2001-02 as compared to 0.92 in previous year.

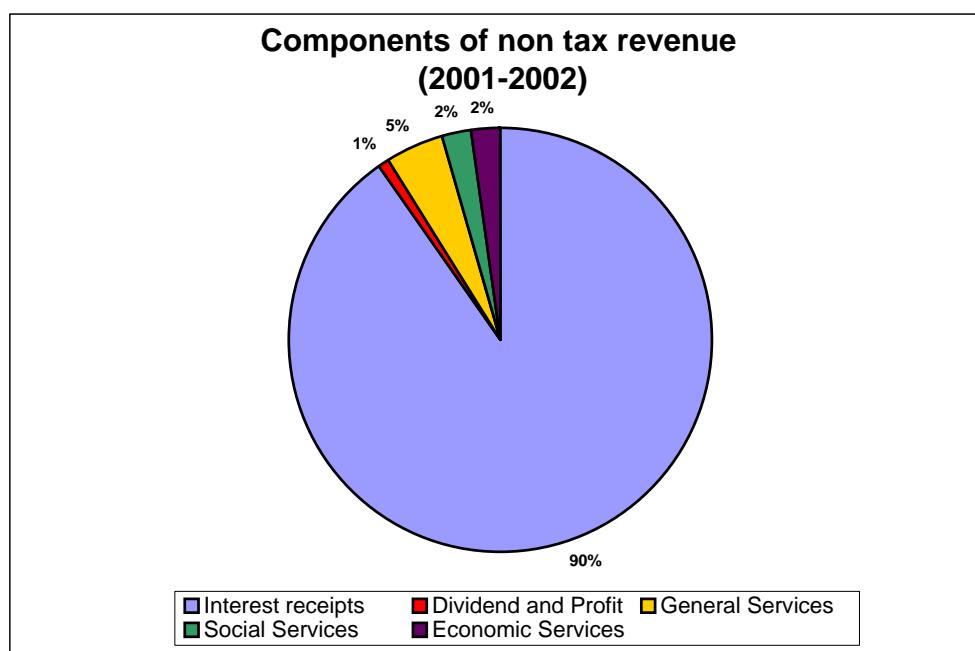
### 1.6.2 Components of non-tax revenue

The break-up of non-tax revenue during the five years ending 2001-02 is given below :

**Table 1.6: Components of non-tax revenue**

| (Rupees in crore)            |                   |                   |                   |                   |                   |
|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Components                   | 2001-02           | 2000-01           | 1999-00           | 1998-99           | 1997-98           |
| <b>Interest receipts</b>     | 789.83<br>(90.16) | 477.28<br>(87.04) | 300.77<br>(75.60) | 139.01<br>(73.96) | 132.85<br>(78.37) |
| <b>Dividend and Profit</b>   | 7.17<br>(0.82)    | 8.70<br>(1.58)    | 4.41<br>(1.11)    | 4.82<br>(2.56)    | 4.45<br>(2.62)    |
| <b>General Services</b>      | 40.07<br>(4.57)   | 35.38<br>(6.45)   | 53.40<br>(13.42)  | 26.64<br>(14.17)  | 22.16<br>(13.07)  |
| <b>Social Services</b>       | 19.04<br>(2.17)   | 11.88<br>(2.17)   | 24.87<br>(6.25)   | 9.84<br>(5.24)    | 6.91<br>(4.08)    |
| <b>Economic Services</b>     | 19.95<br>(2.28)   | 15.11<br>(2.76)   | 14.40<br>(3.62)   | 7.65<br>(4.07)    | 3.15<br>(1.86)    |
| <b>Total non tax revenue</b> | 876.06<br>(100)   | 548.35<br>(100)   | 397.85<br>(100)   | 187.96<br>(100)   | 169.52<br>(100)   |

*Note : Figures in bracket indicate percentage of total non tax revenue.*



Over the five years, the composition of non-tax revenue has significantly changed with interest receipts constituting 90.16 per cent of total non-tax revenue in 2001-02 as compared to 78.37 per cent in 1997-98. This is largely due to increased budgetary support to local bodies, government corporations, public sector undertakings, etc. through loans carrying specific rates of interest.

### 1.7 Arrears of tax revenue

The position of arrears of tax revenue pending collection at the end of the financial year as against total tax revenue raised by the Government during 1997-98 to 2001-02 is given below:

**Table 1.7: Arrears of tax revenue**

(Rupees in crore)

| Year    | Amount collected | Amount in arrears | Arrears as percentage of collections | Increase of arrears over previous year | Percentage increase over previous year |
|---------|------------------|-------------------|--------------------------------------|--|--|
| 2001-02 | 4896.75          | 6999.37           | 142.94                               | 382.79                                 | 5.78                                   |
| 2000-01 | 4400.62          | 6616.58           | 149.69                               | 1089.02                                | 19.81                                  |
| 1999-00 | 3430.42          | 5527.56           | 161.13                               | 809.52                                 | 17.26                                  |
| 1998-99 | 3088.78          | 4718.04           | 152.75                               | 502.84                                 | 12.01                                  |
| 1997-98 | 2942.58          | 4185.97           | 142.26                               | 542.79                                 | 14.89                                  |

The entire amount in arrears pertained to sales tax and the overall deterioration in the position of arrears of tax revenue is reflective of the poor revenue collection efforts of the State Government.

### 1.8 Total expenditure

Trends in total expenditure of the Government of NCT of Delhi during 1997-98 to 2001-02 were as under:

**Table 1.8: Trends in expenditure**

(Rupees in crore)

| Year    | Revenue | Capital | Loans   | Total   |
|---------|---------|---------|---------|---------|
| 2001-02 | 5044.14 | 611.61  | 2788.84 | 8444.59 |
| 2000-01 | 3696.50 | 869.41  | 2608.86 | 7174.77 |
| 1999-00 | 3523.00 | 510.48  | 1873.49 | 5906.97 |
| 1998-99 | 2840.12 | 340.84  | 1493.32 | 4674.28 |
| 1997-98 | 2322.00 | 665.13  | 1223.67 | 4210.80 |

Revenue expenditure increased from Rs. 3696.50 crore in 2000-01 to Rs. 5044.14 crore in 2001-02 indicating an increase of 36.46 *per cent* largely on account of assistance to the Delhi Vidyut Board for DVB Employees Terminal Benefit Fund. Capital expenditure decreased by 29.65 *per cent* from Rs. 869.41 crore to Rs. 611.61 crore during the corresponding period. The share of capital expenditure out of total expenditure decreased from 12.12 *per cent* in 2000-01 to 7.24 *per cent* in 2001-02. Loans were given mainly to Delhi Vidyut Board, Delhi Jal Board, Municipal Corporation of Delhi and Delhi Transport Corporation for augmentation of electric supply,

improvement of water supply and sanitation in Trans Yamuna areas and rural areas, improvement of road transport, etc. Ways and Means Loans were also given to Delhi Vidyut Board and Delhi Transport Corporation to sustain their day to day operations. Loans by the State Government increased by 6.90 per cent during 2001-02 over the previous year. Share of loans in total expenditure increased from 29.06 per cent in 1997-98 to 33.03 per cent in 2001-02.

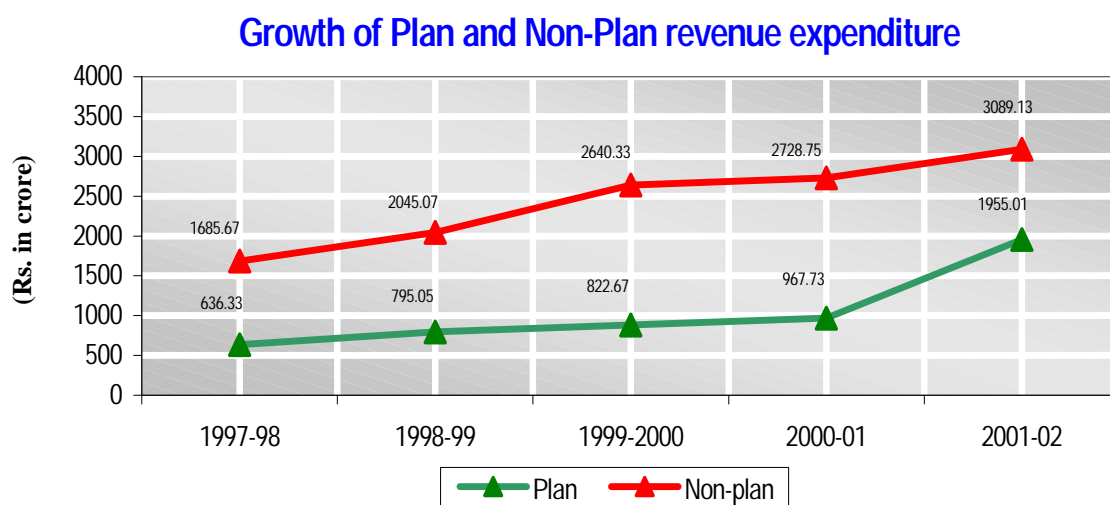
## 1.9 Revenue expenditure

### 1.9.1 Trend of revenue expenditure

Trends in revenue expenditure of the Government during the five years ending 2001-02 were as under:

**Table 1.9: Trend of Plan and Non-plan expenditure**

| Year    | Actual revenue expenditure |          |         | Increase (+)/decrease (-) over the previous year |            | Total revenue expenditure as a percentage of GSDP |
|---------|----------------------------|----------|---------|--|------------|---|
|         | Plan                       | Non-Plan | Total   | Plan   | Non-Plan   | Total   |
| 2001-02 | 1955.01                    | 3089.13  | 5044.14 | (+) 987.26                                       | (+) 360.38 | 7.68  |
| 2000-01 | 967.75                     | 2728.75  | 3696.50 | (+) 85.06  | (+) 88.42  | 6.21  |
| 1999-00 | 882.67                     | 2640.33  | 3523.00 | (+) 87.62  | (+) 595.26 | 6.56  |
| 1998-99 | 795.05                     | 2045.07  | 2840.12 | (+) 158.72                                       | (+) 359.40 | 5.90  |
| 1997-98 | 636.33                     | 1685.67  | 2322.00 | (-) 22.55  | (+) 312.74 | 5.68  |





Over the last five years, the revenue expenditure increased from Rs. 2322.00 crore in 1997-98 to Rs. 5044.14 crore in 2001-02, which constituted an increase of 117.23 *per cent*. Revenue expenditure under plan increased from Rs. 967.75 crore in 2000-01 to Rs. 1955.01 crore in 2001-02 registering an increase of 102.02 *per cent* while the expenditure under non-plan increased from Rs. 2728.75 crore in 2000-01 to Rs. 3089.13 crore in 2001-02 registering an increase of 13.21 *per cent* during the corresponding period. The increase in plan revenue expenditure was largely on account of assistance to Delhi Vidyut Board for DVB Employees Terminal Benefit Fund during 2001-02. The share of plan revenue expenditure as percentage of revenue expenditure has increased from 27.40 *per cent* in 1997-98 to 38.76 *per cent* in 2001-02.

### 1.9.2 Sector-wise revenue expenditure

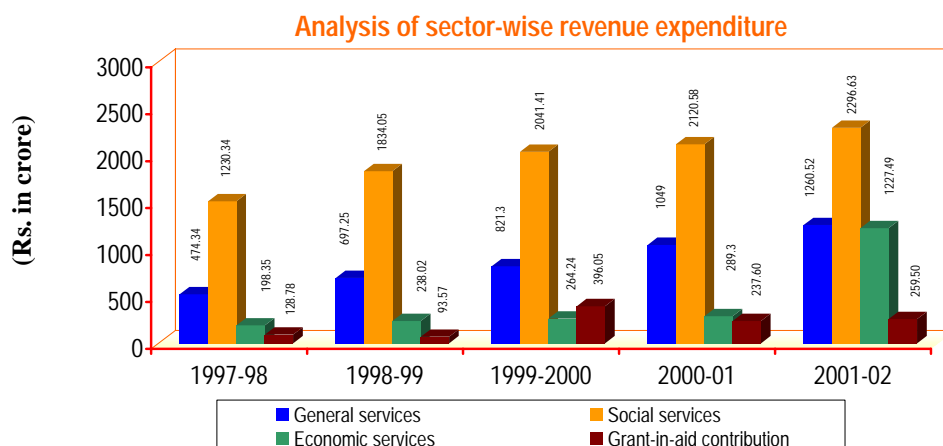
The sector-wise distribution of actual revenue expenditure was as under:

**Table 1.10: Sector-wise distribution of revenue expenditure**

(Rupees in crore)

| Sector                             | 2001-02                            | 2000-01                           | 1999-00                           | 1998-99                            | 1997-98                            |
|------------------------------------|------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|------------------------------------|
| <b>General Services</b>            | 1260.52<br>(+ 20.16)               | 1049.00<br>(+27.72)               | 821.30<br>(+ 17.79)               | 697.25<br>(+33.27)                 | 523.19<br>(+10.30)                 |
| <b>Social Services</b>             | 2296.63<br>(+ 8.30)                | 2120.58<br>(+3.88)                | 2041.41<br>(+ 11.31)              | 1834.05<br>(+ 21.15)               | 1513.83<br>(+23.04)                |
| <b>Economic Services</b>           | 1227.49<br>(+ 324.30)              | 289.30<br>(+ 9.48)                | 264.24<br>(+ 11.02)               | 238.02<br>(+24.35)                 | 191.41<br>(-3.50)                  |
| <b>Grants-in-aid contributions</b> | 259.50<br>(+9.22)                  | 237.60<br>(- 40.01)               | 396.05<br>(+ 459.39)              | 70.80<br>(-24.33)                  | 93.57<br>(-27.34)                  |
| <b>Total</b>                       | <b>5044.14</b><br><b>(+ 36.46)</b> | <b>3696.48</b><br><b>(+ 4.92)</b> | <b>3523.00</b><br><b>(+24.04)</b> | <b>2840.12</b><br><b>(+ 22.31)</b> | <b>2322.00</b><br><b>(+ 14.28)</b> |

*Note : Figures in bracket indicate percentage increase/ decrease over previous year.*



(a) Revenue expenditure in 2001-02 increased by 36.46 per cent over the previous fiscal year. All the components of revenue expenditure indicated a rising trend. The increase in Economic Services by 324.30 per cent over the previous fiscal year was largely on account of assistance to Delhi Vidyut Board for DVB Employees Terminal Benefit Fund.

(b) As a proportion of total revenue expenditure, the share of General Services increased from 22.53 per cent in 1997-98 to 24.99 per cent in 2001-02 and that of grants-in-aid and contribution from 4.03 per cent to 5.14 per cent, whereas the share of Social Services decreased from 65.20 per cent to 45.53 per cent. The share of Economic Services increased from 8.24 per cent to 24.33 per cent. The increase in expenditure on General Services over five years was largely on account of increase in payment of interest which rose from Rs. 314.08 crore in 1997-98 to Rs. 910.62 crore in 2001-02. Increase in expenditure on Social Services in absolute terms was largely on account of increase in expenditure on education, health and water supply. While the expenditure on Social Services increased by 51.71 per cent from Rs. 1513.83 crore in 1997-98 to Rs. 2296.63 crore in 2001-02, the corresponding increase in General Services and Economic Services was 140.93 per cent and 541.29 per cent respectively.

### 1.10 Interest payments

The interest payments during the period 1997-2002 were as follows:

**Table 1.11: Trend of loans received and interest paid**

(Rupees in crore)

| Year    | Loans received | Interest paid | Rate of growth of interest paid | Interest as percentage of revenue expenditure | Interest ratio* |
|---------|----------------|---------------|---------------------------------|---|-----------------|
| 2001-02 | 2038.57        | 910.62        | 27.05                           | 18.05   | 0.02            |
| 2000-01 | 1764.08        | 716.75        | 35.05                           | 19.39   | 0.05            |
| 1999-00 | 1399.54        | 530.74        | 22.76                           | 15.06   | 0.06            |
| 1998-99 | 975.55         | 432.34        | 37.65                           | 15.22   | 0.08            |
| 1997-98 | 876.03         | 314.08        | 65.40                           | 13.53   | 0.05            |

\* 
$$\text{Interest ratio} = \frac{\text{Interest payment} - \text{Interest receipts}}{\text{Total revenue receipts} - \text{Interest receipts}}$$

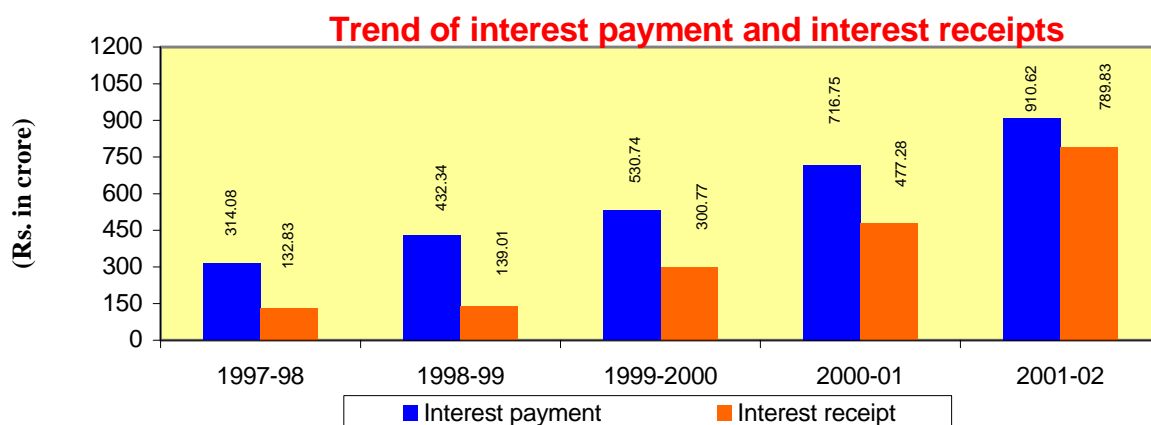
(i) Interest payments registered a rate of growth of 27.05 per cent in 2001-02 over the previous year. This accounted for a rising share of the revenue expenditure indicating reduced availability of receipts for other expenditure.

(ii) A comparison of interest received by the Government with the interest paid revealed that the net burden on revenue decreased from Rs. 181.25 crore during 1997-98 to Rs. 120.79 crore during 2001-02 as detailed below:

**Table 1.12: Trends in net interest payment**

(Rupees in crore)

| Year    | Interest payments | Interest receipts | Net interest payment |
|---------|-------------------|-------------------|----------------------|
| 2001-02 | 910.62            | 789.83            | 120.79               |
| 2000-01 | 716.75            | 477.28            | 239.47               |
| 1999-00 | 530.74            | 300.77            | 229.97               |
| 1998-99 | 432.34            | 139.01            | 293.33               |
| 1997-98 | 314.08            | 132.83            | 181.25               |



As the interest receipts of Rs. 789.83 crore in 2001-02 included notional interest receipts of Rs. 444.56 crore from Delhi Vidyut Board, the net interest payment of Rs. 120.79 crore in 2001-02 was artificially depressed.

## 1.11 Financial assistance to local bodies and other institutions – Grants-in-aid to local bodies

The quantum of grants-in-aid provided to different local bodies etc. during the last five years was as follows:

**Table 1.13: Grants-in-aid to local bodies**

(Rupees in crore)

| Name of the body               | 2001-02        | 2000-01       | 1999-00       | 1998-99       | 1997-98       |
|--------------------------------|----------------|---------------|---------------|---------------|---------------|
| Municipal Corporation of Delhi | 716.54         | 678.24        | 712.44        | 416.17        | 641.37        |
| New Delhi Municipal Committee  | 19.16          | 22.17         | 19.57         | 38.47         | 27.90         |
| Delhi Cantonment Board         | 1.09           | 1.25          | -             | 1.69          | 1.92          |
| Delhi Development Authority    | 0.20           | 0.16          | -             | 12.91         | 0.32          |
| Delhi Jal Board                | 62.75          | 66.87         | 68.75         | 32.13         | 23.73         |
| Delhi Vidyut Board/ DESU       | 964.50         | 1.73          | 0.05          | -             | -             |
| Others                         | 95.40          | 101.43        | 48.14         | 179.86        | 141.00        |
| <b>Total</b>                   | <b>1859.64</b> | <b>871.85</b> | <b>848.95</b> | <b>681.23</b> | <b>836.24</b> |

The total assistance at the end of 2001-02 increased by 113 *per cent* over the previous fiscal year which was largely on account of Financial Assistance to Delhi Vidyut Board for DVB Employees Terminal Benefit Fund during 2001-02. As per the terms and conditions attached to grants-in-aid, grantee institutions were required to submit utilization certificate within 18 months. 2976-Utilisation Certificates relating to Rs. 5269.52 crore in respect of grants-in-aid released up to 30 September 2000 were outstanding from various grantee institutions at the end of March 2002. This indicated the absence of effective monitoring by the Government.

## 1.12 Capital expenditure

### 1.12.1 Trend of capital expenditure

Assets are created mostly out of capital expenditure. In addition, financial assets arise from moneys invested in Institutions or Undertakings i.e. Public Sector Undertakings, Corporations, etc. and loans and advances. Capital

expenditure for the last five years was as under:

**Table 1.14: Trend of capital expenditure**

**(Rupees in crore)**

| Year    | Actual capital expenditure | Percentage of increase (+)/ decrease (-) over the previous year | Percentage of capital expenditure with reference to total expenditure | Total capital expenditure as percentage of GSDP |
|---------|----------------------------|---|---|---|
| 2001-02 | 611.61                     | (-) 29.65   | 7.24  | 0.93  |
| 2000-01 | 869.41                     | (+) 70.32   | 12.12   | 1.46  |
| 1999-00 | 510.48                     | (+) 49.77   | 8.64  | 0.95  |
| 1998-99 | 340.84                     | (-) 48.76   | 7.29  | 0.71  |
| 1997-98 | 665.13                     | (+) 59.51   | 15.80   | 1.63  |

During 2001-02, the capital expenditure decreased by 29.65 *per cent* over the previous year on account of less expenditure on public works, roads and bridges and road transport. Over the five year period its share in total expenditure has decreased from 15.80 *per cent* in 1997-98 to 7.24 *per cent* in 2001-02.

### 1.12.2 Sector-wise capital expenditure

The sector-wise capital expenditure excluding loans during the last five years is given below:

**Table 1.15: Sector-wise capital expenditure**

**(Rupees in crore)**

| Name of the service      | 2001-02                       | 2000-01                       | 1999-00                       | 1998-99                       | 1997-98                       |
|--------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>General Services</b>  | 49.54<br>(8)                  | 62.78<br>(7)                  | 74.45<br>(15)                 | 31.84<br>(9)                  | 90.36<br>(14)                 |
| <b>Social Services</b>   | 179.21<br>(29)                | 402.85<br>(46)                | 92.85<br>(18)                 | 45.92<br>(14)                 | 127.30<br>(19)                |
| <b>Economic Services</b> | 382.86<br>(63)                | 403.78<br>(47)                | 343.18<br>(67)                | 263.08<br>(77)                | 447.47<br>(67)                |
| <b>Total</b>             | <b>611.61</b><br><b>(100)</b> | <b>869.41</b><br><b>(100)</b> | <b>510.48</b><br><b>(100)</b> | <b>340.84</b><br><b>(100)</b> | <b>665.13</b><br><b>(100)</b> |

*Note:* Figures in brackets indicate percentage of total capital expenditure

Capital expenditure on Social Services decreased by 56 *per cent* over the previous year mainly due to decrease in capital expenditure on water supply, sanitation and housing. The decrease of five *per cent* in share of Economic Services during 2001-02 over the previous fiscal was on account of decrease in expenditure on Agriculture and Allied Activities and Transport. Capital expenditure on General Services decreased by 21 *per cent* over the same period. The year 2001-02 also witnessed a shift in favour of Social Services as its share increased from 19 *per cent* in 1997-98 to 29 *per cent* in 2001-02. This is largely on account of higher priority accorded to Urban Development, Medical and Public Health.

### 1.12.3 Expenditure on incomplete projects

There were 82 works each worth Rs.50 lakh or more in progress as on 31 March 2002. Out of these projects, 29 projects amounting to Rs.163.13 crore were to be completed before 31.03.2002 but were not completed. The target date of 27 out of 29 incomplete projects as on 31.3.2002 has been extended and they are expected to be completed during 2002-03.

## 1.13 Loans and advances by the Government

1.13.1 The Government gives loans and advances to local bodies, autonomous bodies, co-operative institutions, public sector and other undertakings and Government departments for various development and non-developmental activities. It also disburses loans to Government servants for construction of houses, purchase of vehicles, etc. The position of loans disbursed by the Government during the last five years is given below:

**Table 1.16: Trends in advances and recoveries**

|   | (Rupees in crore) |                 |                 |                |                |
|---|-------------------|-----------------|-----------------|----------------|----------------|
|   | 2001-02           | 2000-01         | 1999-00         | 1998-99        | 1997-98        |
| <b>Opening balance (1)</b>                | 12622.69          | 10134.95        | 8512.51         | 7074.11        | 6004.59        |
| Balance adopted from CGA                  | -                 | --              | -               | -              | -              |
| <b>Amount advanced during the year :</b>  |                   |                 |                 |                |                |
| (i) Energy                                | 644.12            | 847.83          | 483.53          | 441.75         | 302.96         |
| (ii) Social Services                      | 492.21            | 449.51          | 292.65          | 320.56         | 336.37         |
| (iii) Others                              | 1652.51           | 1311.52         | 1097.31         | 731.01         | 584.34         |
| <b>Sub Total (2)</b>                      | <b>2788.84</b>    | <b>2608.86</b>  | <b>1873.49</b>  | <b>1493.32</b> | <b>1223.67</b> |
| <b>Amount recovered during the year :</b> |                   |                 |                 |                |                |
| (i) Energy                                | 178.62            | --              | 0.83            | 32.32          | -              |
| (ii) Social Services                      | 69.32             | 13.82           | 62.23           | 16.95          | 47.16          |
| (iii) Others                              | 209.91            | 107.30          | 187.99          | 5.65           | 106.99         |
| <b>Sub Total (3)</b>                      | <b>457.85</b>     | <b>121.12</b>   | <b>251.05</b>   | <b>54.92</b>   | <b>154.15</b>  |
| <b>Closing balance (1+2-3)</b>            | <b>14953.68</b>   | <b>12622.69</b> | <b>10134.95</b> | <b>8512.51</b> | <b>7074.11</b> |
| Net addition                              | 2330.99           | 2487.74         | 1622.44         | 1438.40        | 1069.52        |

The outstanding loans increased from Rs.12622.69 crore in 2000-01 to Rs. 14953.68 crore in 2001-02 which constituted an increase of 18 per cent. Delhi Vidyut Board accounts for nearly 53 per cent of the loans sanctioned by the Government of NCT of Delhi. The outstanding loans increased by 111 per cent over the five year period ending in March 2002 indicating that Government agencies are relying more on borrowing from the Government rather than raising their own resources for meeting their financial requirements.

### 1.13.2 Recoveries of loans

Detailed accounts of loans are maintained by the Pay & Accounts Offices under the Controller of Accounts of the Government of NCT of Delhi. Of the outstanding loans of Rs. 14953.68 crore as of March 2002, Rs. 5028.14 crore were overdue from various bodies viz. Delhi Vidyut Board—Rs. 2218.56 crore, Delhi Jal Board - Rs. 951.07 crore, Municipal Corporation of Delhi - Rs. 490.57 crore, Delhi Transport Corporation – Rs. 1213.89 crore, New Delhi Municipal Corporation - Rs. 65.54 crore, Delhi Development Authority – Rs. 72.88 crore, Delhi Scheduled Caste Financial Development Corporation Limited – Rs. 9.09 crore, Delhi State Industrial Development Corporation – Rs. 1.51 crore, Delhi State Civil Supplies Corporation – Rs. 4.28 crore and Regional Co-operative Societies – Rs. 0.75 crore.

### 1.14 Quality of expenditure

Government spends money for different activities ranging from establishment, maintenance and regulatory functions to various developmental activities. Government expenditure is broadly classified into plan and non-plan and revenue and capital. While plan and capital expenditure are usually associated with asset creation, non-plan and revenue expenditure are identified with expenditure on establishment, maintenance and services. Therefore, an increase in the plan and capital expenditure can be viewed as enhancing the quality of expenditure. Wastage in public expenditure, diversion of funds and funds blocked in incomplete projects would also impinge negatively on the quality of expenditure. Another possible indicator is the increase in the expenditure on General services, to the detriment of Economic and Social services. The following table lists out the trends in these indicators.

**Table 1.17: Trend of plan revenue and plan capital expenditure**

|   | (Percentage) |         |         |         |         |
|---|--------------|---------|---------|---------|---------|
|   | 2001-02      | 2000-01 | 1999-00 | 1998-99 | 1997-98 |
| <b>Plan expenditure as percentage of</b>                              |              |         |         |         |         |
| -Revenue expenditure  | 38.76        | 26.18   | 25.05   | 27.99   | 27.40   |
| -Capital expenditure*   | 56.59        | 58.18   | 61.61   | 56.55   | 55.39   |
| <b>Percentage of Capital expenditure out of the total expenditure</b> | 7.24         | 12.12   | 8.64    | 7.29    | 15.80   |
| <b>Expenditure on General Services as percentage of</b>               |              |         |         |         |         |
| -Revenue expenditure  | 24.99        | 28.38   | 23.31   | 24.55   | 22.53   |
| -Capital expenditure  | 8.0          | 7.0     | 15.0    | 9.0     | 14.0    |

*Capital expenditure include the recoveries in reduction of expenditure.*

The expenditure on General services, on revenue side has been rising. This reflects poorly on the quality of expenditure.

## 1.15 Investment and returns

**1.15.1** Investments are made out of the capital outlay by the Government to promote developmental, manufacturing, marketing and social activities. The details of investments made and the number of concerns involved were as under:

**Table 1.18: Investment**

(Rupees in crore)

| Sector                   | Number of Concerns | Amount invested     |                |
|--------------------------|--------------------|---------------------|----------------|
|                          |                    | As on 31 March 2002 | During 2001-02 |
| Statutory Corporations   | 3                  | 158.88              | 10.00          |
| Government Companies     | 12                 | 754.21              | 160.30         |
| Cooperative Institutions | 717                | 32.63               | -              |
| <b>Total</b>             | <b>732</b>         | <b>945.72</b>       | <b>170.30</b>  |

**1.15.2** The details of investments and returns realised during the last five years by way of dividend were as follows:

**Table 1.19: Trend of investment and returns**

(Rupees in crore)

| Year           | Investment at the end of the year | Returns | Percentage of returns |
|----------------|-----------------------------------|---------|-----------------------|
| <b>2001-02</b> | 945.72                            | 7.18    | 0.76                  |
| <b>2000-01</b> | 775.42                            | 8.70    | 1.12                  |
| <b>1999-00</b> | 608.42                            | 4.41    | 0.72                  |
| <b>1998-99</b> | 357.42                            | 4.82    | 1.35                  |
| <b>1997-98</b> | 288.92                            | 4.44    | 1.54                  |

The increase in investments in 2001-02 over the previous fiscal was largely on account of investment of Rs. 160 crore in Delhi Metro Rail Corporation Limited and Rs. 10 crore in Delhi Financial Corporation. The investments in Government Companies, etc. fetched insignificant returns, which fell from 1.54 per cent in 1997-98 to 0.76 per cent in 2001-02.

**1.15.3** During 2001-02, only one co-operative society, one Statutory



corporation and one Government company paid dividend as detailed below:

**Table 1.20: Dividend received**

(Rupees in crore)

| Name of Agency  | Status                | Total investment upto 31 March 2002 | Dividend received | Period of dividend |
|---|-----------------------|-------------------------------------|-------------------|--------------------|
| Delhi Co-operative Housing Finance Society Ltd.               | Co-operative Society  | 30.26                               | 3.63              | 2000-01            |
| Delhi Financial Corporation Ltd.                              | Statutory Corporation | 18.05                               | 0.60              | 2000-01            |
| Delhi Tourism and Transportation Development Corporation Ltd. | Government Company    | 6.28                                | 0.58<br>0.58      | 1997-98<br>1998-99 |

Three out of 12 companies, namely Delhi State Mineral Development Corporation Limited, Delhi State Industrial Development Corporation Limited and Delhi State Scheduled Caste Financial and Development Corporation Limited with total investment of Rs. 37.81 crore, did not pay any dividend during the last six years i.e. 1997-2002.

### 1.16 Deficit

**1.16.1** The revenue deficit is the excess of revenue expenditure over revenue receipts. The fiscal deficit is defined as the excess of revenue and capital expenditure including net loans given over the revenue receipts including grants-in-aid received and certain non-debt capital receipts. Primary deficit is fiscal deficit less interest payments. The receipts and expenditure under the Consolidated Fund of the Government of NCT of Delhi for 2001-02 as against the previous financial year were as under:

**Table 1.21: Consolidated Fund – Government of Delhi for the year 2001-02**

(Rupees in crore)

| Receipts                                  | Amount               |                 |                      | Disbursement                    | Amount               |
|---|----------------------|-----------------|----------------------|---------------------------------|----------------------|
| Revenue                                   | 6253.71<br>(5443.99) | Revenue surplus | 1209.57<br>(1747.51) | Revenue                         | 5044.14<br>(3696.48) |
| Capital                                   | -                    |                 |                      | Capital                         | 611.61<br>(869.43)   |
| Recovery of loans & advances              | 457.85<br>(121.12)   |                 |                      | Loans & Advances disbursement   | 2788.84<br>(2608.86) |
| Sub total CF NCT (other than public debt) | 6711.56<br>(5565.11) | Fiscal Deficit  | 1733.03<br>(1609.66) |                                 | 8444.59<br>(7174.77) |
| Borrowed fund: Loans from GOI             | 2038.57<br>(1764.08) |                 |                      | Repayment of borrowed fund      | 186.13<br>(187.51)   |
| Total receipts in CF NCT*                 | 8750.13<br>(7329.19) | Deficit in CFI  | --<br>(33.09)        | Total disbursement from CF NCT* | 8630.72<br>(7362.28) |
| Decrease in cash balance                  | -<br>(33.09)         |                 |                      | Increase in cash balance        | 119.41<br>(-)        |
| <b>PUBLIC ACCOUNT**</b>                   |                      |                 |                      |                                 |                      |

*Note:* Figures in bracket relate to the year 2000-01.

\* Consolidated Fund of Government of NCT of Delhi.

\*\* Public Account of Government of NCT of Delhi is merged with the Public Account of Union Government.

The trend of the deficits for the last five years was as under:

**Table 1.22: Trend of surplus/ deficit**

| (Rupees in crore) |                 |                |                 |                                      |
|-------------------|-----------------|----------------|-----------------|--------------------------------------|
| Year              | Revenue surplus | Fiscal deficit | Primary deficit | Percentage of fiscal deficit to GSDP |
| 2001-02           | 1209.57         | 1733.03        | 822.41          | 2.64                                 |
| 2000-01           | 1747.51         | 1609.66        | 892.91          | 2.70                                 |
| 1999-00           | 751.34          | 1381.58        | 850.84          | 2.57                                 |
| 1998-99           | 820.00          | 959.24         | 526.90          | 1.99                                 |
| 1997-98           | 1158.72         | 575.93         | 261.85          | 1.41                                 |

**1.16.2** Revenue surplus declined from Rs. 1747.51 crore in 2000-01 to Rs. 1209.57 crore in 2001-02 which constituted a decrease of 30.78 *per cent*. The fiscal deficit in absolute terms has increased during the same period. As percentage of GSDP, fiscal deficit had been rising over the last five years. The revenue surplus in Delhi needs to be viewed in the context of the fact that the expenditure of Delhi Police is borne by the Union Government. Government of NCT of Delhi does not incur any expenditure on maintenance of law and order. The expenditure on Delhi Police for last five years ranged from Rs. 542.83 crore to Rs. 867.42 crore. Thus one of the major liabilities of Government of NCT of Delhi is borne by Union Government.

## 1.17 Public debt

**1.17.1** The Government of NCT of Delhi is not empowered to raise loans in the open market. The public debt of the Government consists of only 'Loans and Advances' from the Government of India. During 2001-02 the Government of NCT of Delhi received Rs. 2038.57 crore as loans from Government of India, of which Rs. 1773.96 crore were non-plan loans and Rs. 264.61 crore were loans for plan schemes.

## 1.18 Loans and advances from the Central Government

The position of loans and advances from the Government of India, repayments and interest payments for the last five years was as under:

**Table 1.23: Loans and advances from the Central Government**

| (Rupees in crore) |                       |               |                              |                   |
|-------------------|-----------------------|---------------|------------------------------|-------------------|
| As on 31 March    | Outstanding debt dues | Interest paid | Outstanding debt recoverable | Interest received |
| 2002              | 8612.02               | 910.62        | 14953.68                     | 789.83            |
| 2001              | 6759.58               | 716.75        | 12622.69                     | 477.28            |
| 2000              | 5183.01               | 530.74        | 10134.95                     | 300.77            |
| 1999              | 3788.17               | 432.34        | 8512.51                      | 139.01            |
| 1998              | 3080.94               | 314.08        | 7074.11                      | 132.83            |

Despite an overall increase in the quantum of loans, their contribution to the net cash inflow after meeting the liability of repayment and interest payment declined from 64 *per cent* in 1997-98 to 46 *per cent* in 2001-02. Rising interest payments are adversely affecting the net inflow. Further, there is a huge gap between cost of borrowing by Government of NCT of Delhi and returns from lending to various bodies. As DVB and DJB are major beneficiaries of loans from Government of Delhi, they are also receiving a hidden interest subsidy.

### 1.19. Adverse balances

**1.19.1** Adverse balances are negative balances appearing under those heads of accounts, where normally there cannot be a negative balance. A negative balance means more repayment than the original amount advanced. Such situations can arise due to mis-classification, excess refunds, and non-reconciliation of accounts or due to other reasons, which require investigation and rectification.

**1.19.2** Report of the Comptroller and Auditor General of India for the period ended March 2001 had highlighted the instance of adverse balances appearing in the accounts since 1994-95. No action was taken to investigate and rectify it as of October 2002. In the Finance Accounts of the Government of NCT of Delhi for the year 2001-02, the same item of adverse balance appeared under capital section, as under:

| Head of Account                        | Balance as on 31 March 2002<br>(Rupees in lakh) |
|--|---|
| 4401- Capital Outlay on Crop Husbandry |   |
| 105- Manure & Fertilizers              | (-) 29.23                                       |

### 1.20 Analysis of budgetary projections

**1.20.1** Significant deviations of budget estimates from the actuals would indicate that either budgetary assumptions were not realistic or sufficient efforts were not made to achieve the targets. A detailed analysis of budgetary provision and actual expenditure therefrom is contained in Chapter 2 of this report.

### 1.20.2 Actual collection of revenue receipts vis-a-vis estimates

The actual collection of revenue receipts against budget estimates during last five years was as under:

**Table 1.24: Budget estimates vis-a-vis revenue receipts**

(Rupees in crore)

| Year    | Budget estimates | Actual revenue receipts | Excess (+) / shortfall (-) of actual revenue receipts over budget estimates | Percentage increase (+) / decrease (-) over budget estimates |
|---------|------------------|-------------------------|---|--|
| 2001-02 | 6317.50          | 6253.71                 | (-) 63.79   | (-) 1.01   |
| 2000-01 | 5594.99          | 5443.99                 | (-) 151.00  | (-) 2.70   |
| 1999-00 | 4835.83          | 4274.34                 | (-) 561.49  | (-) 11.61  |
| 1998-99 | 4303.22          | 3660.12                 | (-) 643.10  | (-) 14.94  |
| 1997-98 | 3460.22          | 3480.72                 | (+) 20.50   | (+) 0.59   |

The trends above clearly point to poor estimation or poor compliance. The difference between budget estimates and actuals has been rising over five years though there was an improvement in the year 2001-02 as compared to previous year. Shortfall in actual revenue receipts as compared to budget estimates was mainly on account of shortfall in tax revenue collection.

### 1.20.3 Actual collection of tax revenue vis-a-vis estimates

The actual collection of tax revenue vis-a-vis budget estimates over the last five years was as under :

**Table 1.25: Budget estimates and actual tax revenue**

(Rupees in crore)

| Year    | Budget estimate | Actual tax revenue | Excess (+) / shortfall (-) of tax revenue receipts over budget estimates | Percentage increase (+) / decrease (-) over budget estimates |
|---------|-----------------|--------------------|--|--|
| 2001-02 | 5138.15         | 4896.75            | (-) 241.40   | (-) 4.70   |
| 2000-01 | 4700.15         | 4400.62            | (-) 299.53   | (-) 6.37   |
| 1999-00 | 3983.15         | 3430.42            | (-) 552.73   | (-) 13.88  |
| 1998-99 | 3595.12         | 3088.78            | (-) 506.34   | (-) 14.08  |
| 1997-98 | 3145.10         | 2942.58            | (-) 202.52   | (-) 6.44   |

(a) The actual receipts of tax revenue have consistently been lower than the budget estimates during 1997-2002 implying that either the resource mobilization effort was not adequate or there was a tendency to overestimate the receipts.

(b) The short fall of 4.70 per cent in the collection of actual tax revenue in 2001-02 with reference to the budget estimates was due to short fall in

collection of state excise by 13 *per cent* and taxes on vehicles by 24 *per cent* as detailed below:

**Table 1.26: Budget estimates and actual receipts**

(Rupees in crore)

| Components<br>of tax<br>revenue | 2001-02             |                    | 2000-01             |                    | 1999-2000           |                    | 1998-99             |                    | 1997-98             |                   |
|---------------------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|-------------------|
|                                 | Budget<br>Estimates | Actual<br>receipts | Budget<br>Estimates | Actual<br>receipts | Budget<br>Estimates | Actual<br>receipts | Budget<br>Estimates | Actual<br>receipts | Budget<br>Estimates | Actual<br>receipt |
| <b>Sales tax</b>                | 3793.00             | 3704.01            | 3293.00             | 3387.86            | 2700.00             | 2346.60            | 2465.00             | 2112.97            | 2150.00             | 2029.05           |
| <b>State excise</b>             | 700.00              | 606.41             | 665.00              | 557.22             | 575.00              | 566.41             | 525.00              | 526.10             | 425.00              | 515.02            |
| <b>Stamp duty</b>               | 250.00              | 283.16             | 330.00              | 191.68             | 268.00              | 190.48             | 238.00              | 151.01             | 238.00              | 117.39            |
| <b>Taxes on<br/>vehicles</b>    | 220.00              | 166.76             | 230.00              | 142.34             | 270.00              | 160.87             | 195.00              | 125.39             | 195.00              | 105.11            |
| <b>Others</b>                   | 175.15              | 136.41             | 182.15              | 121.52             | 170.15              | 166.06             | 172.12              | 173.31             | 137.10              | 176.01            |
| <b>Total tax<br/>revenue</b>    | <b>5138.15</b>      | <b>4896.75</b>     | <b>4700.15</b>      | <b>4400.62</b>     | <b>3983.15</b>      | <b>3430.42</b>     | <b>3595.12</b>      | <b>3088.78</b>     | <b>3145.10</b>      | <b>2942.58</b>    |

The budget estimates for tax revenue were based on the assumptions that new taxes would be levied under taxes on motor vehicles, stamps and registration fees would be revised. With the revision of stamp duty w.e.f. 31 July 2001 from three *per cent* to eight *per cent*, the revenue collection under the head stamp duty exceeded the budgetary estimates. However, the overall short fall in collection is attributable to non introduction of new taxes on motor vehicles.

#### 1.20.4 Actual collection of non-tax revenue vis-a-vis estimates

The actual collection of non-tax revenue with reference to budget estimates over the period 1997-98 to 2001-02 was as under :

**Table 1.27: Budget estimates and collection of non-tax revenue**

(Rupees in crore)

| Year           | Budget<br>estimates | Actual collection<br>of non-tax<br>revenue | Excess (+)/<br>shortfall (-) of<br>non-tax revenue<br>receipts over<br>budget estimates | Percentage<br>increase (+)/<br>decrease (-) over<br>budget estimates |
|----------------|---------------------|--|---|--|
| <b>2001-02</b> | 699.24              | 876.06                                     | (+) 176.82  | (+) 25.29  |
| <b>2000-01</b> | 411.63              | 548.35                                     | (+) 136.72  | (+) 33.21  |
| <b>1999-00</b> | 315.00              | 397.85                                     | (+) 82.85   | (+) 26.30  |
| <b>1998-99</b> | 216.30              | 187.96                                     | (-) 28.34   | (-) 13.10  |
| <b>1997-98</b> | 52.68               | 169.52                                     | (+) 116.84  | (+) 221.79   |

The collection of non-tax revenue during 2001-02 was higher by Rs. 176.82 crore i.e. 25.29 *per cent* of the budget estimates mainly due to increase in interest receipts and higher collection for general, social and

economic services. However, interest receipts included notional interest receipts of Rs. 444.56 crore from Delhi Vidyut Board.

### 1.20.5 Actual revenue expenditure vis-a-vis budget estimates

The actual revenue expenditure vis-a-vis budget estimates over the period of five years was as under :

**Table 1.28: Actual revenue expenditure vis-a-vis budget estimates**  
(Rupees in crore)

| Year    | Budget estimates |          |         | Actual expenditure |          |         |
|---------|------------------|----------|---------|--------------------|----------|---------|
|         | Plan             | Non-Plan | Total   | Plan               | Non-Plan | Total   |
| 2001-02 | 2146.52          | 3352.03  | 5498.55 | 1955.01            | 3089.13  | 5044.14 |
| 2000-01 | 1146.41          | 3120.21  | 4266.62 | 967.73             | 2728.75  | 3696.48 |
| 1999-00 | 1086.35          | 2616.49  | 3702.84 | 882.67             | 2640.33  | 3523.00 |
| 1998-99 | 1024.69          | 2125.70  | 3150.39 | 795.05             | 2045.07  | 2840.12 |
| 1997-98 | 842.34           | 1823.39  | 2665.73 | 636.33             | 1685.67  | 2322.00 |

Actual revenue expenditure under plan has been lower than the budget estimates during each year from 1997-98 indicating that estimates were unrealistic; and, particularly in context of plan schemes, the preparedness of implementing agencies to implement various plan schemes was not assessed realistically while framing the budget estimates. In 2001-02, in respect of 187 schemes, nil expenditure was reported indicating poor planning and budgeting.

### 1.20.6 Actual capital expenditure vis-a-vis budget estimates

The actual capital expenditure over the period 1997-98 to 2001-02 has been consistently below the budget estimates as detailed below :

**Table 1.29: Actual capital expenditure vis-a-vis budget estimates**  
(Rupees in crore)

| Year    | Budget estimate |          |         | Actual expenditure |          |         |
|---------|-----------------|----------|---------|--------------------|----------|---------|
|         | Plan            | Non-Plan | Total   | Plan               | Non-Plan | Total   |
| 2001-02 | 2667.79         | 1600.41  | 4268.20 | 2029.86            | 1556.72  | 3586.58 |
| 2000-01 | 2353.61         | 1219.43  | 3573.04 | 2154.40            | 1323.89  | 3478.29 |
| 1999-00 | 1962.25         | 1033.88  | 2996.13 | 1623.75            | 760.22   | 2383.97 |
| 1998-99 | 1704.25         | 1099.33  | 2803.58 | 1416.86            | 417.30   | 1834.16 |
| 1997-98 | 1540.38         | 477.69   | 2018.07 | 1429.47            | 459.33   | 1888.80 |

Actual capital expenditure has been lower than the budget estimates during last five years indicating that budget estimates were not realistic and preparedness of various agencies to implement the schemes was not assessed properly. Major savings were in the grants for Education, Social Welfare and

Development Department. In respect of 43 schemes, nil expenditure was reported indicating poor planning and budgeting.

### 1.20.7 Actual deficit vis-a-vis estimates

The actual deficit vis-a-vis budget estimates over the period of five years was as under :

**Table 1.30: Actual deficit vis-a-vis estimates**

(Rupees in crore)

| Year    | Revenue surplus  |         | Fiscal deficit   |             | Primary deficit  |            |
|---------|------------------|---------|------------------|-------------|------------------|------------|
|         | Budget estimates | Actual  | Budget estimates | Actual      | Budget estimates | Actual     |
| 2001-02 | 1836.18          | 1209.57 | (-)1001.06       | (-) 1733.03 | (-)106.16        | (-)822.41  |
| 2000-01 | 1362.12          | 1747.51 | (-)1209.84       | (-) 1609.66 | (-)505.31        | (-) 892.91 |
| 1999-00 | 1174.79          | 751.34  | (-) 930.00       | (-) 1381.58 | (-) 399.70       | (-) 850.84 |
| 1998-99 | 1135.33          | 820.00  | (-) 867.21       | (-) 959.24  | (-) 436.78       | (-) 526.90 |
| 1997-98 | 842.10           | 1158.72 | (-) 703.00       | (-) 575.93  | (-) 378.00       | (-) 261.85 |

Revenue surplus was 65.87 per cent of the budget estimates during 2001-02. The fiscal deficit during the year increased by Rs. 731.97 crore against the budget estimates of Rs. 1001.06 crore mainly due to increase in losses of Delhi Vidyut Board and Delhi Transport Corporation.

### 1.21 Follow up on Audit reports

The position of outstanding Action Taken Notes on paragraphs and reviews included in the Report of the Comptroller and Auditor General of India, Government of NCT of Delhi as of 31 December 2002 was as under:

**Table 1.31: Follow up on Audit reports**

| Year of Report ending 31 March | No. of paragraphs and reviews printed in the report | No. of paragraphs for which ATNs were awaited |
|--------------------------------|---|---|
| 1994                           | 35  | 09  |
| 1995                           | 29  | 15  |
| 1996                           | 39  | 16  |
| 1997                           | 35  | 13  |
| 1998                           | 34  | 10  |
| 1999                           | 41  | 13  |
| 2000                           | 39  | 21  |
| 2001                           | 44  | 34  |
| <b>Total</b>                   | <b>296</b>  | <b>131</b>                                    |