

Government of Haryana

Accounts at a glance

2014-15

**Office of the Accountant General (A&E)
Haryana, Chandigarh**

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PREFACE

‘Accounts at a glance’, which is seventeenth in the series, is an attempt to address the felt-need of various stakeholders for a publication containing a reader friendly summary of finances of State of Haryana.


It provides a gist of the voluminous information available in the Finance Accounts and Appropriation Accounts prepared by my office in accordance with Article 149 of the Constitution of India, read with Section 11 of Comptroller and Auditor General’s (D.P.C.) Act, 1971.

The annual accounts of the State consist of (a) Finance Accounts and (b) Appropriation Accounts. Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the grant-wise expenditure against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and the provisions approved.

It provides a broad overview of Governmental activities, as reflected in Finance Accounts and Appropriation Accounts. The information has been presented through brief explanations, statements, graphs and time series analysis for easy understanding. A reading of Finance Accounts, Appropriation Accounts of Government of Haryana and the Report of the Comptroller and Auditor General on State Finances for the year 2014-15 together with Accounts at a glance will help the stakeholders to appreciate the various aspects of State Finances in a more effective manner.

We look forward to readers’ feedback that would help us in improving the publication.

Chandigarh
30 November, 2015


(Karan Singh)
Accountant General (A&E)
Haryana

Our Vision, Mission and Core Values

The **vision** of the institution of the Comptroller and Auditor General of India represents what we aspire to become. We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognised for independent, credible, balanced and timely reporting on public finance and governance.

Our **mission** enunciates our current role and describes what we are doing today. Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders- the Legislature, the Executive and the Public- that public funds are being used efficiently and for the intended purposes.

Our **core values** are the guiding beacons for all that we do and give us the benchmarks for assessing our performance

- Independence
- Objectivity
- Integrity
- Reliability
- Professional Excellence
- Transparency
- Positive Approach

CHAPTER 1 - OVERVIEW

1.1 Introduction

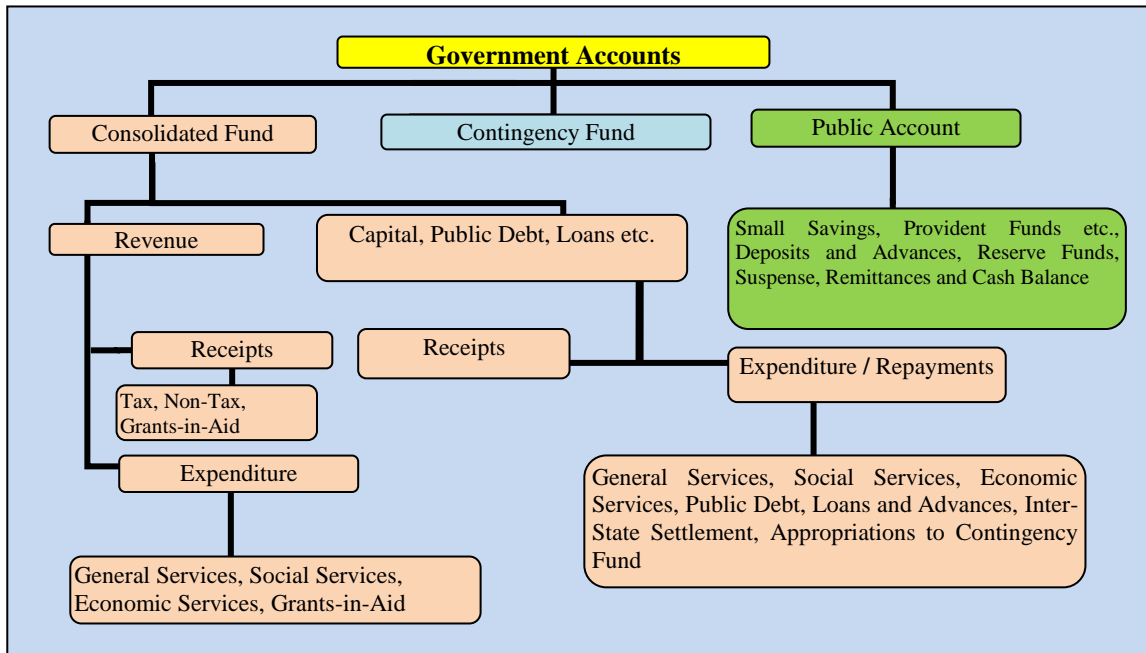
The Accountant General (Accounts and Entitlements), Haryana compiles the accounts of receipts and expenditure of the Government of Haryana. This compilation is based on the initial accounts rendered by the District Treasuries, Public Works and Forest Divisions and advices of the Reserve Bank of India. Following such compilation, the Accountant General (A&E) prepares, annually, the Finance Accounts and the Appropriation Accounts, which are placed before the State Legislature after audit by the Principal Accountant General (Audit), Haryana and certification by the Comptroller and Auditor General of India.

1.2 Structure of Government Accounts

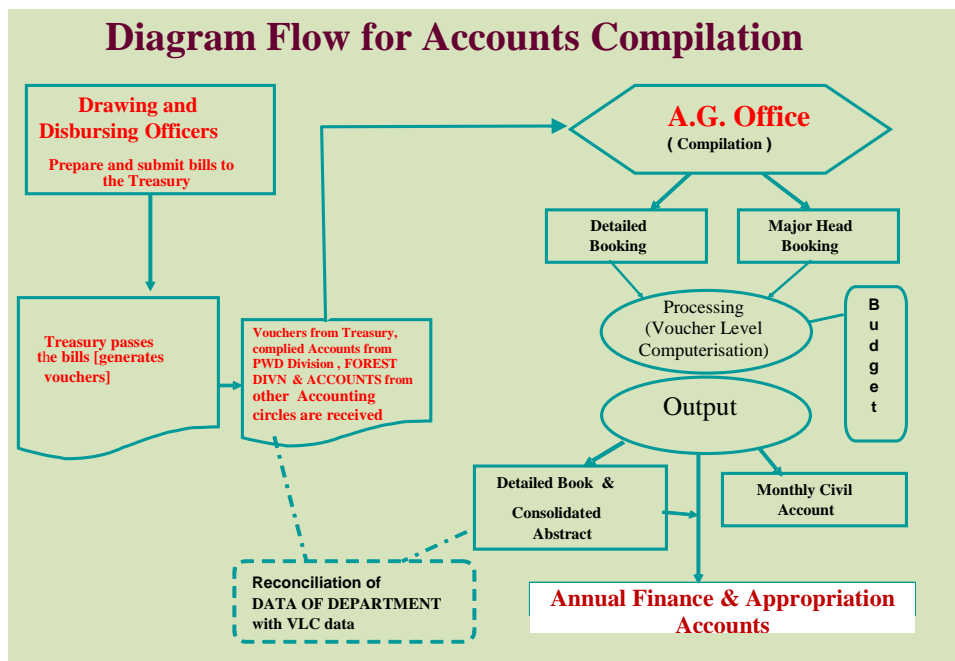
1.2.1 Government Accounts are kept in three parts:

Part I CONSOLIDATED FUND	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
Part II CONTINGENCY FUND	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
Part III PUBLIC ACCOUNT	Comprises Debt, Deposits, Advances, Remittances and Suspense transactions. Debt and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entries that are to be cleared eventually by booking to the final heads of account.

1.2.2. Pictorial representation of Structure of Government Accounts



1.2.3 Compilation of Accounts



1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. The Finance Accounts have been prepared in two volumes, to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarised statements of overall receipts and disbursements and 'Notes to accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains, detailed statements (Part-I) and appendices (Part-II).

The Revenue and Capital accounts, Public Debt and Liabilities of Haryana depicted in the Finance Accounts 2014-15 are given below:

(₹ in crore)

Receipts (Total: 53,677)	Revenue (Total: 40,799)	Tax Revenue	31,183
		Non Tax Revenue	4,613
		Grants-in-Aid	5,003
	Capital (Total: 12,878)	Capital Receipt	19
		Recovery of Loans and Advances	273
		Borrowings and other Liabilities*	12,586
Disbursements (Total: 53,677)	Revenue		49,118
	Capital		3,716
	Loans and Advances		843

* **Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt (₹ 10,631 crore) + Net of Contingency Fund (Nil) + Net (Receipts - Disbursements) of Public Account (₹ 2,683 crore) + Net of Opening and Closing Cash Balance (- ₹ 728 crore).**

The Union Government transfers funds directly to Implementing Agencies/ NGOs in the State for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 1,285 crore (₹ 3,220 crore last year). Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. These transfers are now exhibited in Appendix VI of Volume II of the Finance Accounts.

1.3.2 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts 'charged' on the Consolidated Fund or 'voted' by the State Legislature.

The Appropriation Act, 2014-15, had provided for gross budget provision of ₹ 86,832 crore including the supplementary grant totalling ₹ 4,351 crore voted by the State Legislature during the year. An amount of ₹ 9,181 crore was projected as recoveries in reduction of expenditure. Appropriation Accounts 2014-15 shows disbursement aggregating ₹ 68,888 crore against the aggregate budget provision of ₹ 86,832 crore resulting thereby a saving of ₹ 17,944 crore against grants and appropriation. Recoveries in reduction of expenditure amounting to ₹ 6,984 crore reflecting decrease of ₹ 2,197 crore vis-à-vis budget estimates.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹ 1.14 crore) maintained with the RBI. During 2014-15, the Government of Haryana did not resort to avail WMA.

1.4.2 Fund flow statement

The State had a Revenue deficit of ₹ 8,319 crore and a Fiscal Deficit of ₹ 12,586 crore representing 1.91 *per cent* and 2.89 *per cent* of the Gross State Domestic Product (GSDP)¹ respectively. The Fiscal Deficit constituted 23 *per cent* of total expenditure. This deficit was met from Public Debt. Around 62 *per cent* of the revenue receipts (₹ 40,799 crore) of the State Government was spent on committed expenditure like salaries (₹ 13,759 crore), interest payments (₹ 6,928 crore) and pensions (₹ 4,602 crore).

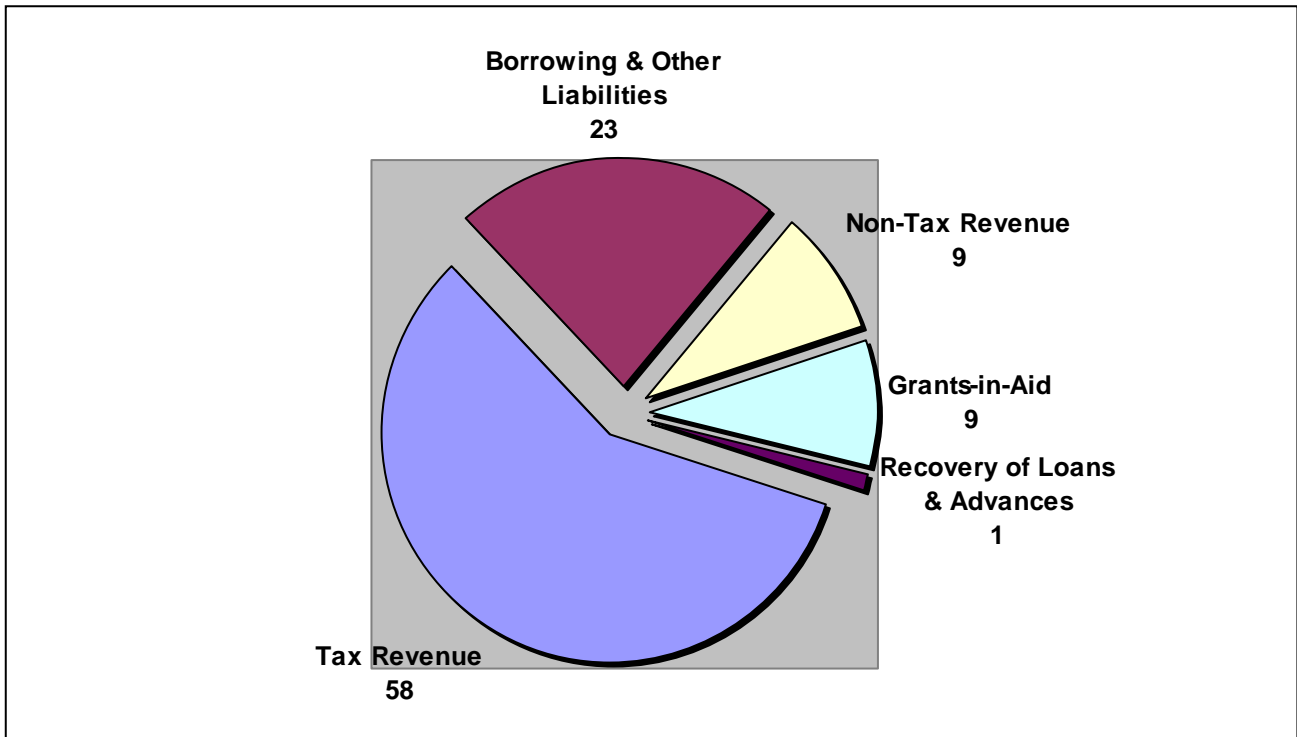
¹ Except where indicated otherwise, GSDP figures used in this publication are as published by Ministry of Statistics and Programme Implementation.

Sources and Application of Funds

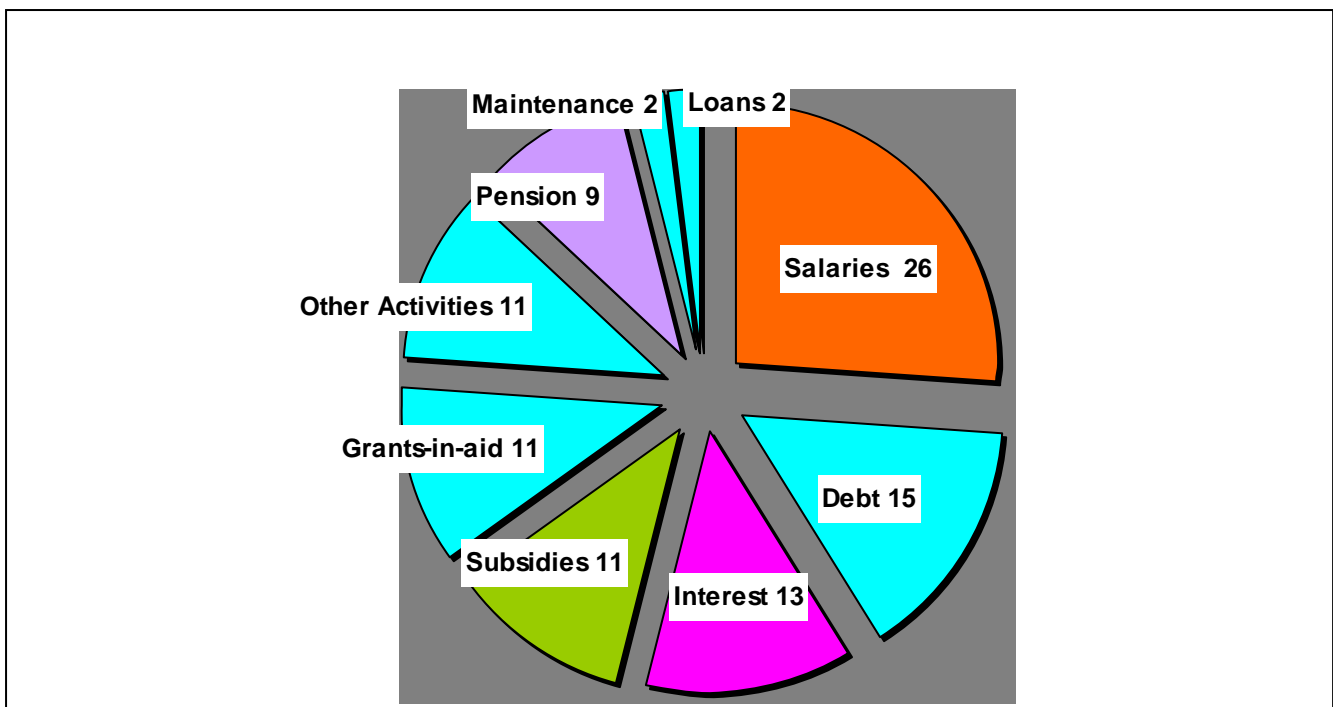
(₹ in crore)

	PARTICULARS	AMOUNT
	Opening Cash Balance as on 1 April 2014	(-) 652
	Revenue Receipts	40,799
	Capital Receipt	19
	Recovery of Loans & Advances	273
	Public Debt (Including ways & means advances)	18,859
	Small Savings Provident Fund & Others	2,748
	Reserves & Sinking Funds	1,475
SOURCES	Deposits Received	17,065
	Civil Advances Repaid	27
	Suspense Account	50,502
	Remittances	6,514
	Contingency Fund	..
	TOTAL	1,37,629
	Revenue Expenditure	49,118
	Capital Expenditure	3,716
	Loans Given	843
	Repayment of Public Debt (Including ways & means advances)	8,227
	Appropriation to Contingency Fund	..
	Small Savings Provident Fund & Others	1,707
	Reserves & Sinking Funds	1,436
APPLICATION	Deposits Spent	16,594
	Civil Advances Given	27
	Suspense Account	49,357
	Remittances	6,528
	Closing Cash Balance as on 31 March 2015	76
	TOTAL	1,37,629

1.4.3 Where the Rupee came From



1.4.4 Where the Rupee went



1.5 Highlights of Accounts

(₹ in crore)

	COMPONENT	BUDGET ESTIMATES 2014-15	ACTUALS	PERCENTAGE OF ACTUALS TO BUDGET ESTIMATES	PERCENTAGE OF ACTUALS TO GSDP(\$)
1	TAX REVENUE @	34,385	31,183	91	7
2	NON-TAX REVENUE	5,866	4,613	79	1
3	GRANTS-IN-AID & CONTRIBUTIONS	7,439	5,003	67	1
4	REVENUE RECEIPT(1+2+3)	47,690	40,799	86	9
5	RECOVERY OF LOANS	342	273	80	..
6	OTHER RECEIPTS	26	19	73	..
7	BORROWINGS & OTHER LIABILITIES (A)	11,393	12,586	110	3
8	CAPITAL RECEIPTS (5+6+7)	11,761	12,878	109	3
9	TOTAL RECEIPTS (4+8)	59,451	53,677	90	12
10	NON-PLAN EXPENDITURE	36,798	35,237	96	8
11	NPE ON REVENUE ACCOUNT	36,778	36,358	99	8
12	NPE ON INTEREST PAYMENTS OUT OF 11	7,139	6,928	97	2
13	NPE ON CAPITAL ACCOUNT (excluding Loans & Advances)	20	(-) 1,121
14	PLAN EXPENDITURE	21,652	17,597	81	4
15	PE ON REVENUE ACCOUNT	15,925	12,760	80	3
16	PE ON CAPITAL ACCOUNT (excluding Loans & Advances)	5,727	4,837	84	1
17	TOTAL EXPENDITURE (10+14)	58,450	52,834	90	12
18	REVENUE EXPENDITURE (11+15)	52,703	49,118	93	11
19	CAPITAL EXPENDITURE (13+16)	5,747	3,716	65	1
20	LOANS & ADVANCES DISBURSED	1,001	843	84	..
21	REVENUE SURPLUS(+)/ DEFICIT(-) (4-18)	(-) 5,013	(-) 8,319	166	2
22	FISCAL DEFICIT (4+5+6-17-20)	(-)11,393	(-)12,586	110	3

(@) Includes State's share of Union Taxes of ₹ 3,548 crore

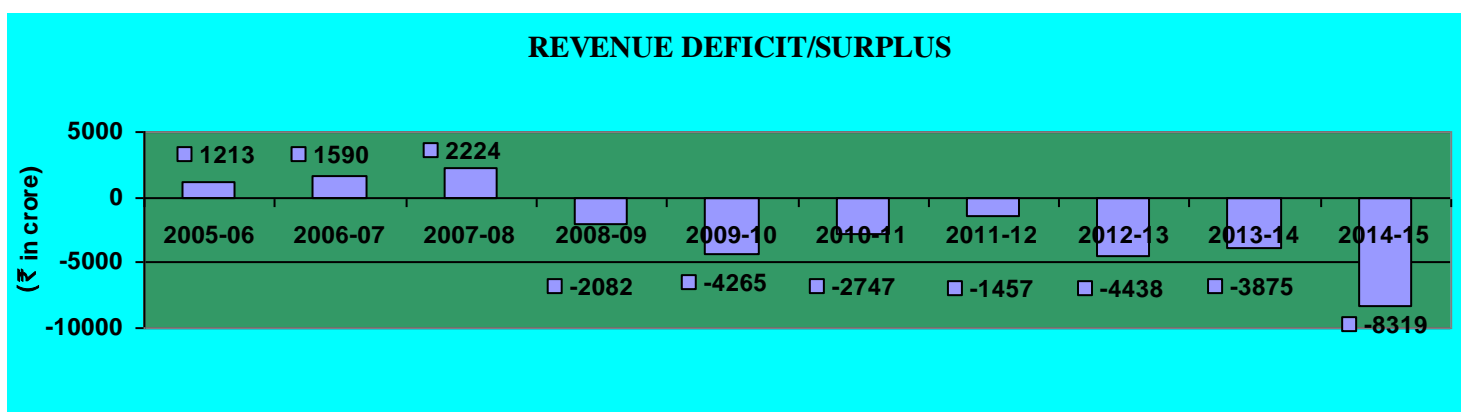
(\$) GSDP figure of ₹ 4,35,310 crore on current prices, as published by Ministry of Statistics & Programme Implementation on 31 July 2015.

(A) Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund+ Net (Receipts - Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

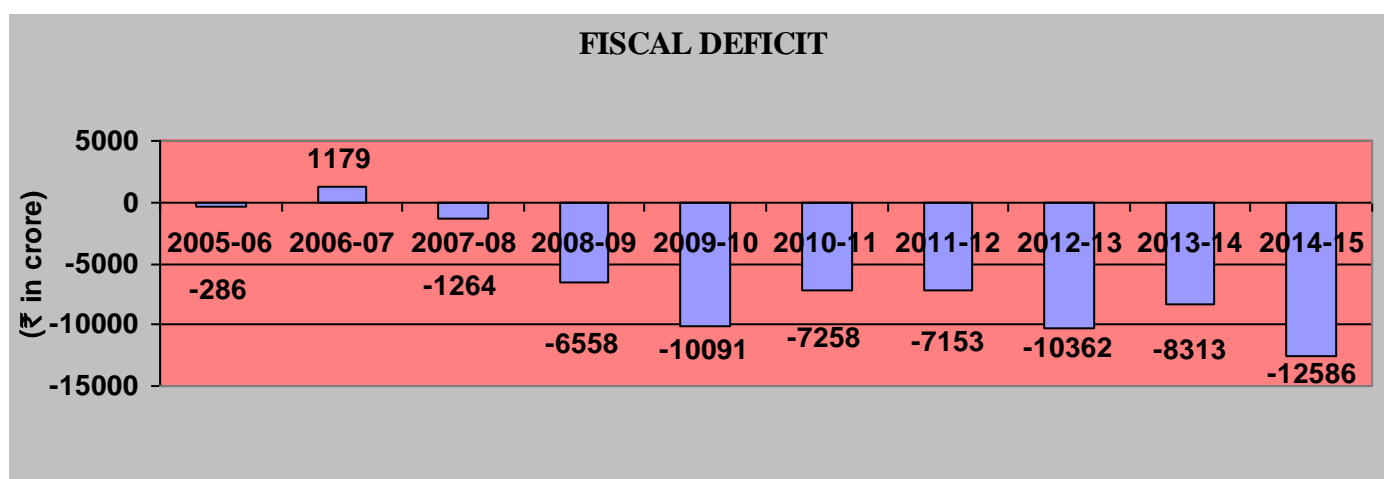
1.6 What do the Deficits and Surpluses indicate?

Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit/Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit/Surplus	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the borrowings should be invested in capital projects.

1.6.1 Trend of Revenue Deficit/Surplus



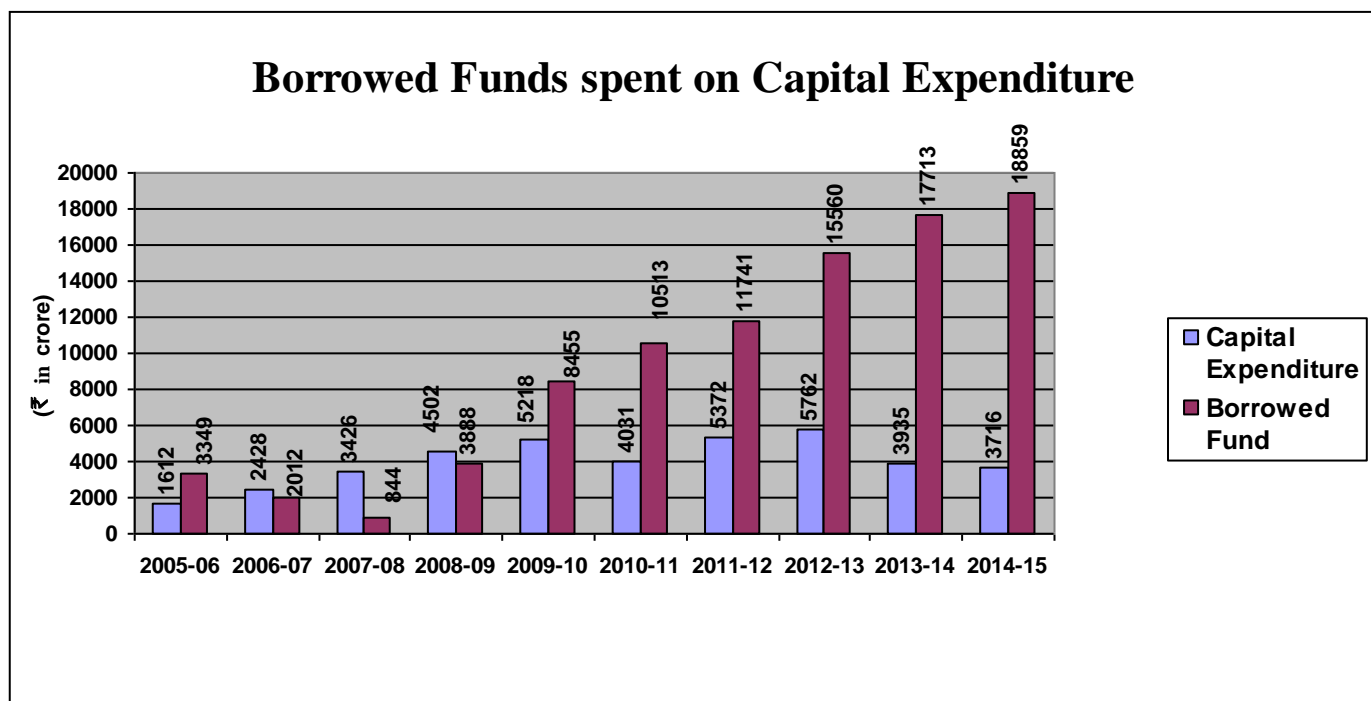
1.6.2 Trend of Fiscal Deficit



1.6.3 Proportion of borrowed Funds Spent on Capital Expenditure

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Borrowed Fund	3,349	2,012	844	3,888	8,455	10,513	11,741	15,560	17,713	18,859
Capital Expenditure	1,612	2,428	3,426	4,502	5,218	4,031	5,372	5,762	3,935	3,716



It is desirable to fully utilise borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent only 20 per cent of the borrowings of the current year (₹ 18,859 crore) on capital expenditure (₹ 3,716 crore). It would therefore appear that 80 per cent (₹ 15,143 crore) of the public debt was utilised on repayment of the principal and interest on public debt of previous years, to meet periodic shortfalls of revenues against expenditure in the current year.

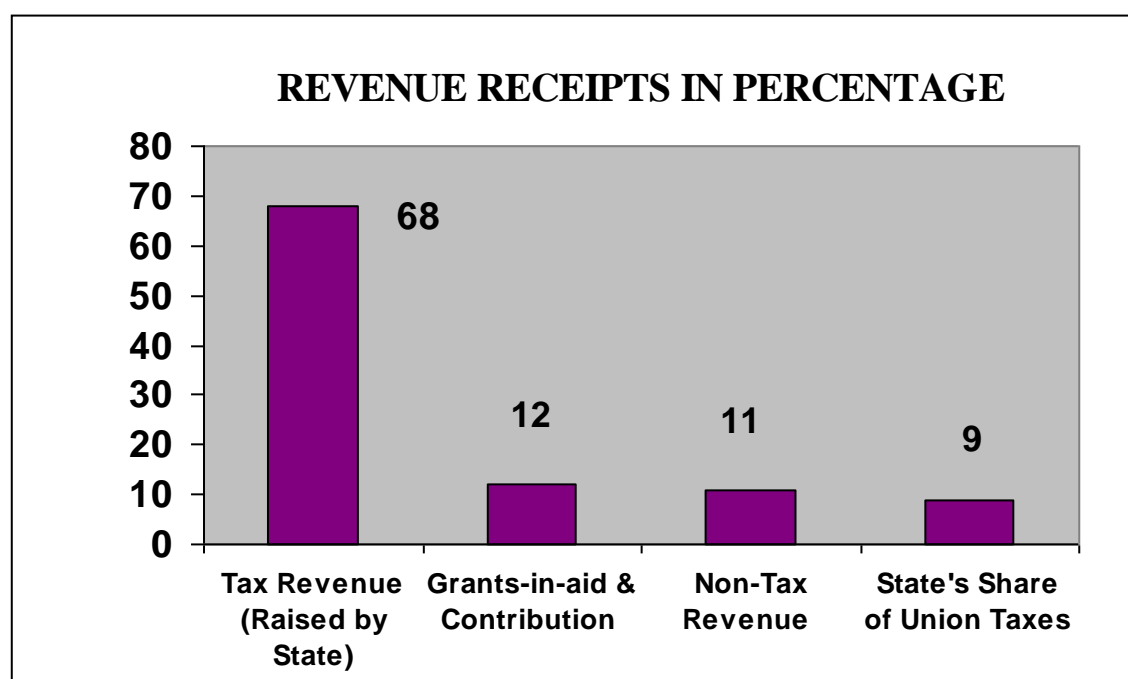
CHAPTER 2 - RECEIPTS

2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2014-15 were ₹ 53,677 crore.

2.2. Revenue Receipts

Tax Revenue	Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividends, profits etc.
Grants-in-Aid	Essentially, a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Material & Equipment' received from foreign Governments and channelised through the Union Government. In turn, the State Governments also give Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous bodies etc.



Revenue Receipt Components (2014-15)

(₹ in crore)	
Components	Actuals
A. Tax Revenue	31,183
Taxes on Income & Expenditure	2,124
Taxes on Property & Capital Transactions	3,127
Taxes on Commodities & Services	25,932
B. Non-Tax Revenue	4,613
Interest Receipts, Dividends and Profits	939
General Services	258
Social Services	1,730
Economic Services	1,686
C. Grants-in-aid & Contributions	5,003
Total – Revenue Receipts	40,799

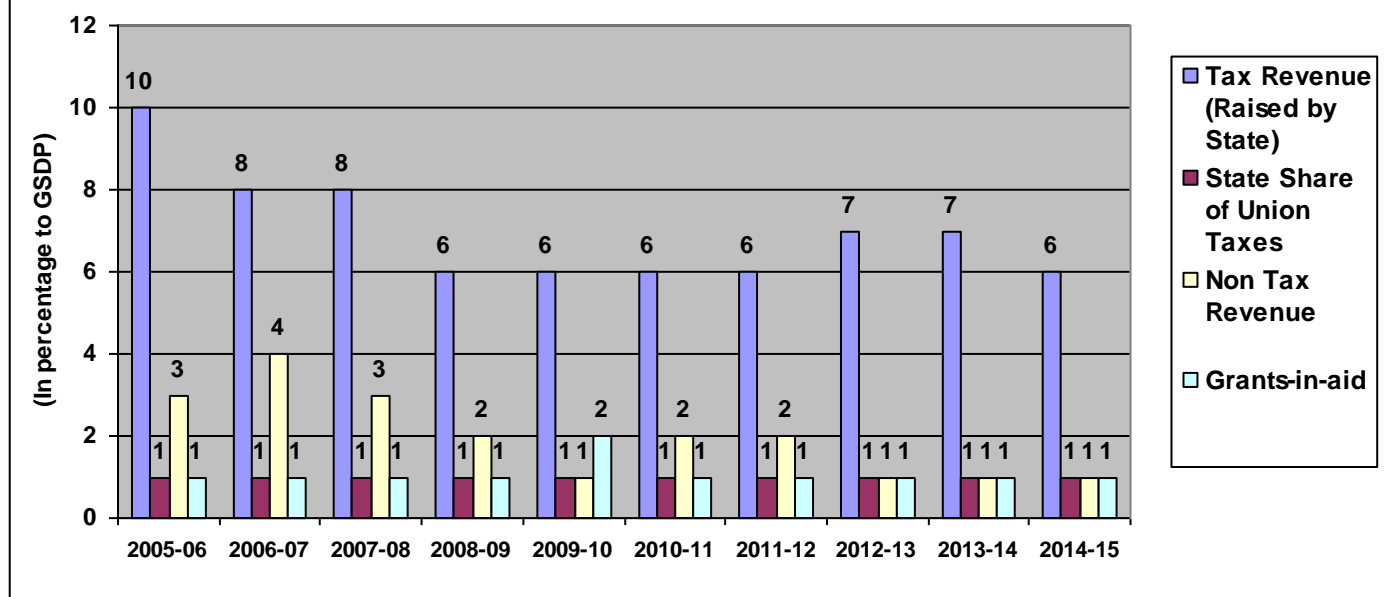
2.3. Trend of Receipts

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Tax Revenues (Raised by the State)	9,078 (10)	10,927 (8)	11,618 (8)	11,655 (6)	13,220 (6)	16,790 (6)	20,399 (6)	23,559 (7)	25,567 (7)	27,635 (6)
State Share of Union Taxes/Duties	1,201 (1)	1,296 (1)	1,634 (1)	1,725 (1)	1,774 (1)	2,302 (1)	2,682 (1)	3,062 (1)	3,343 (1)	3,548 (1)
Non-Tax Revenues	2,459 (3)	4,591 (4)	5,097 (3)	3,238 (2)	2,742 (1)	3,421 (2)	4,722 (2)	4,673 (1)	4,975 (1)	4,613 (1)
Grants in Aid	1,115 (1)	1,138 (1)	1,402 (1)	1,834 (1)	3,257 (2)	3,051 (1)	2,755 (1)	2,340 (1)	4,127 (1)	5,003 (1)
Total Revenue Receipts	13,853 (15)	17,952 (14)	19,751 (13)	18,452 (10)	20,993 (10)	25,564 (10)	30,558 (10)	33,634 (10)	38,012 (10)	40,799 (9)
GSDP	93,441	1,30,141	1,54,283	1,82,914	2,16,287	2,57,793	3,09,326	3,53,440	3,83,911	4,35,310

Note: Figures in parentheses represent percentage to GSDP. GSDP Figures for 2014-15 at current prices, as published by Ministry of Statistics & Programme Implementation on 31 July 2015.

Components under Revenue Receipts as Proportion to GSDP

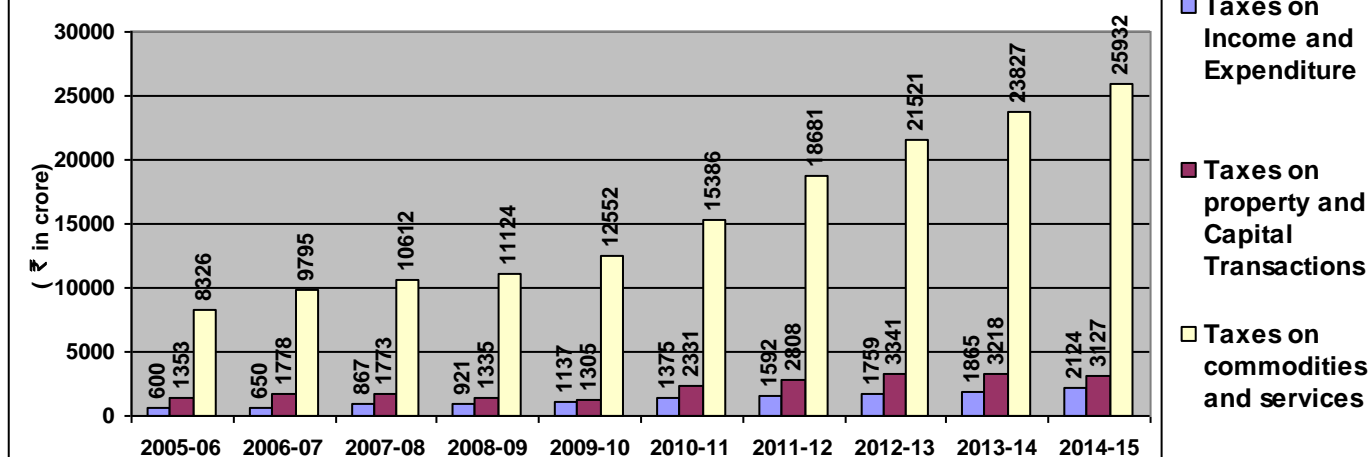


Sector-wise Tax Revenue

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
a. Taxes on Income and Expenditure	600	650	867	921	1,137	1,375	1,592	1,759	1,865	2,124
b. Taxes on Property and Capital Transactions	1,353	1,778	1,773	1,335	1,305	2,331	2,808	3,341	3,218	3,127
c. Taxes on Commodities and Services	8,326	9,795	10,612	11,124	12,552	15,386	18,681	21,521	23,827	25,932
Total Tax Revenues	10,279	12,223	13,252	13,380	14,994	19,092	23,081	26,621	28,910	31,183

Trend of Major Taxes in Proportion to GSDP



2.4 Performance of State's own Tax Revenue collection

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
				Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2005-06	10,279	1,201	9,078	10
2006-07	12,223	1,296	10,927	8
2007-08	13,252	1,634	11,618	8
2008-09	13,380	1,725	11,655	6
2009-10	14,994	1,774	13,220	6
2010-11	19,092	2,302	16,790	6
2011-12	23,081	2,682	20,399	6
2012-13	26,621	3,062	23,559	7
2013-14	28,910	3,343	25,567	7
2014-15	31,183	3,548	27,635	6

2.5 Efficiency in Tax Collection:

A. Taxes on Property and Capital Transactions

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue collection	1,353	1,778	1,773	1,335	1,305	2,331	2,808	3,341	3,218	3,127
Expenditure on collection	47	65	72	93	117	121	116	131	140	164
Efficiency in tax collection (percentage)	4	4	4	7	9	5	4	4	4	5

B. Taxes on Commodities and Services

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue collection	8,326	9,795	10,612	11,124	12,252	15,386	18,681	21,521	23,827	25,932
Expenditure on collection	63	67	71	95	114	127	127	139	146	170
Efficiency in tax collection (percentage)	1	1	1	1	1	1	1	1	1	1

Taxes on commodities and services form a major chunk of tax revenue. Tax collection efficiency is excellent. However, the collection efficiency of taxes on property and capital transactions can be improved.

2.6 Trend in State's Share of Union Taxes over the past ten years

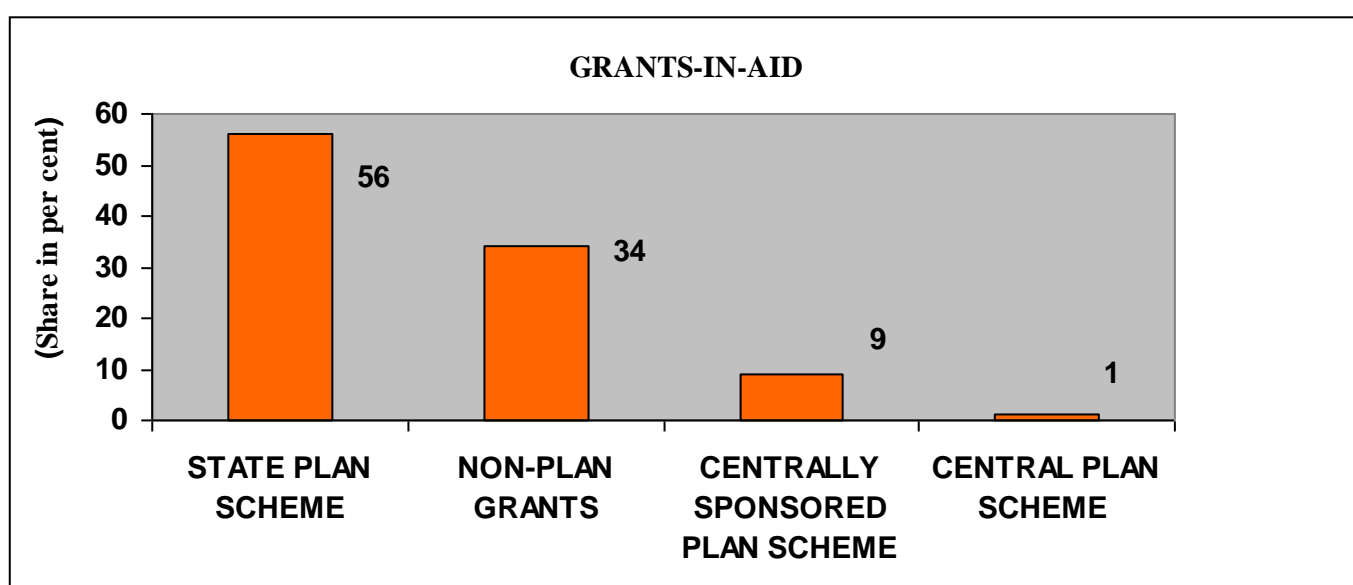
(₹ in crore)

Major Head description	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Corporation Tax	337	404	518	565	730	900	1,056	1,100	1,125	1,239
Taxes on Income other than Corporation Tax	263	246	348	355	407	475	536	659	740	885
Taxes on Wealth	1	1	1	1	2	2	4	2	3	3
Customs	218	253	309	330	248	403	465	509	546	574
Union Excise Duties	297	268	295	288	200	293	301	345	385	324
Service Tax	85	124	163	186	187	229	320	447	544	523
State's Share of Union Taxes	1,201	1,296	1,634	1,725	1,774	2,302	2,682	3,062	3,343	3,548
Total Tax Revenue	10,279	12,223	13,252	13,380	14,994	19,092	23,081	26,621	28,910	31,183
Percentage of Union Taxes to Total Tax Revenue	12	11	12	13	12	12	12	12	12	11

Government of Haryana received 11 *per cent* to 13 *per cent* share of total Tax Revenue from the net proceeds of all shareable Union taxes during the period 2005-06 to 2015-16.

2.7 Grants-in-aid

Grants-in-aid represent assistance from the Government of India, and comprise Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2014-15 under Grants- in-aid were ₹ 5,003 crore as shown below:



The share of non-plan grants in total grants-in-aid decreased from 54 *per cent* during 2013-14 to 34 *per cent* in 2014-15, while the share of grants for plan schemes increased from 46 *per cent* in 2013-14 to 66 *per cent* in 2014-15.

2.8 Public Debt

Trend of Public Debt [net increase(+)/decrease(-)]over the past 10 years

(₹ in crore)

Description	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Internal Debt	2,311	988	48	2,644	5,743	5,688	6,857	9,338	9,463	10,654
Central Govt. Loans	(-) 70	(-) 90	(-) 45	(-) 48	(-) 34	184	(-)127	(-)76	173	(-)23
Total Public Debt Increase/Decrease	2,241	898	3	2,596	5,709	5,872	6,730	9,262	9,636	10,631

Note: Negative figures indicate that repayment is in excess of receipts.

In 2014-15, sixteen market loans totalling ₹ 13,200 crore at interest rates varying from 8.04 *per cent* to 9.07 *per cent* and redeemable in the years 2017-2025 were raised at par.

Against the total internal debt of ₹ 18,728 of the State Government in 2014-15 plus the central loan component of ₹ 131 crore received during this period, capital expenditure was only ₹ 3,715 crore (20 *per cent*), indicating that the rest of the public debt was used for non-developmental purposes.

CHAPTER 3 - EXPENDITURE

3.1. Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organisation. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified under Plan and Non-Plan.

General Services	Includes Justice, Police, Jail, PWD, Pension etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply, and Welfare of SC-ST etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, and Transport etc.

3.2. Revenue Expenditure

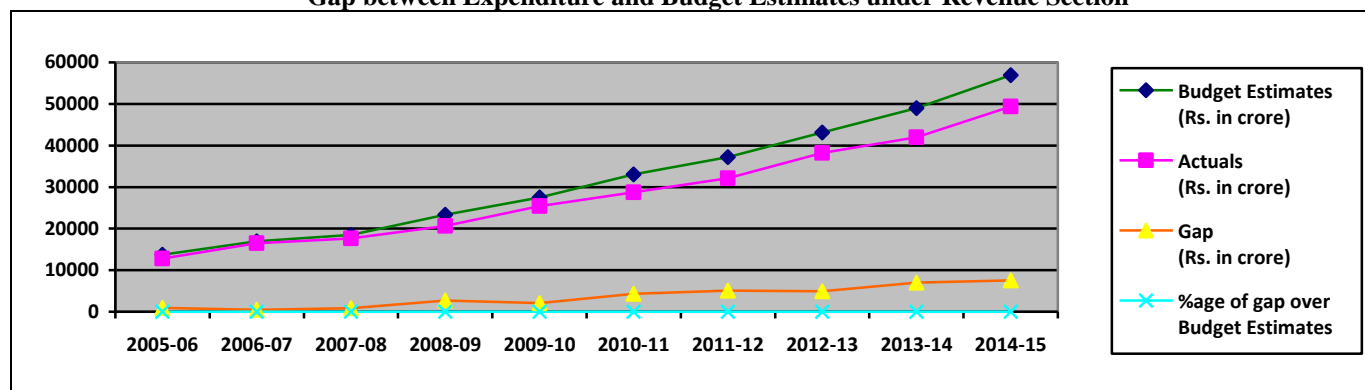
The shortfall of expenditure against Budget Estimates under Revenue Section during the past ten years is given below:

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Budget Estimates	13,696	16,929	18,521	23,364	27,519	33,062	37,234	43,098	48,999	56,953
Actuals	12,800	16,494	17,641	20,635	25,435	28,713	32,116	38,206	41,968	49,408
Gap	896	435	880	2,729	2,084	4,349	5,118	4,892	7,031	7,545
Percentage of gap over BE	7	3	5	12	8	13	14	11	14	13

(Source: Appropriation Accounts of respective years)

Gap between Expenditure and Budget Estimates under Revenue Section



Revenue Expenditure in Appropriation account of ₹ 49,408 crore for 2014-15 fell short of budget estimates by ₹ 7,545 crore.

Compounding the shortfall (by 14 *per cent*) of revenue receipts against budget estimates, the State Government faced with the problem of generating revenue surplus in terms of the FRBM Act. Nearly 51 *per cent* of total revenue expenditure was committed to Non-Plan expenditure on salaries, pensions, interest.

3.2.1 Sectoral Distribution of Revenue Expenditure (2014–15)

(₹ in crore)

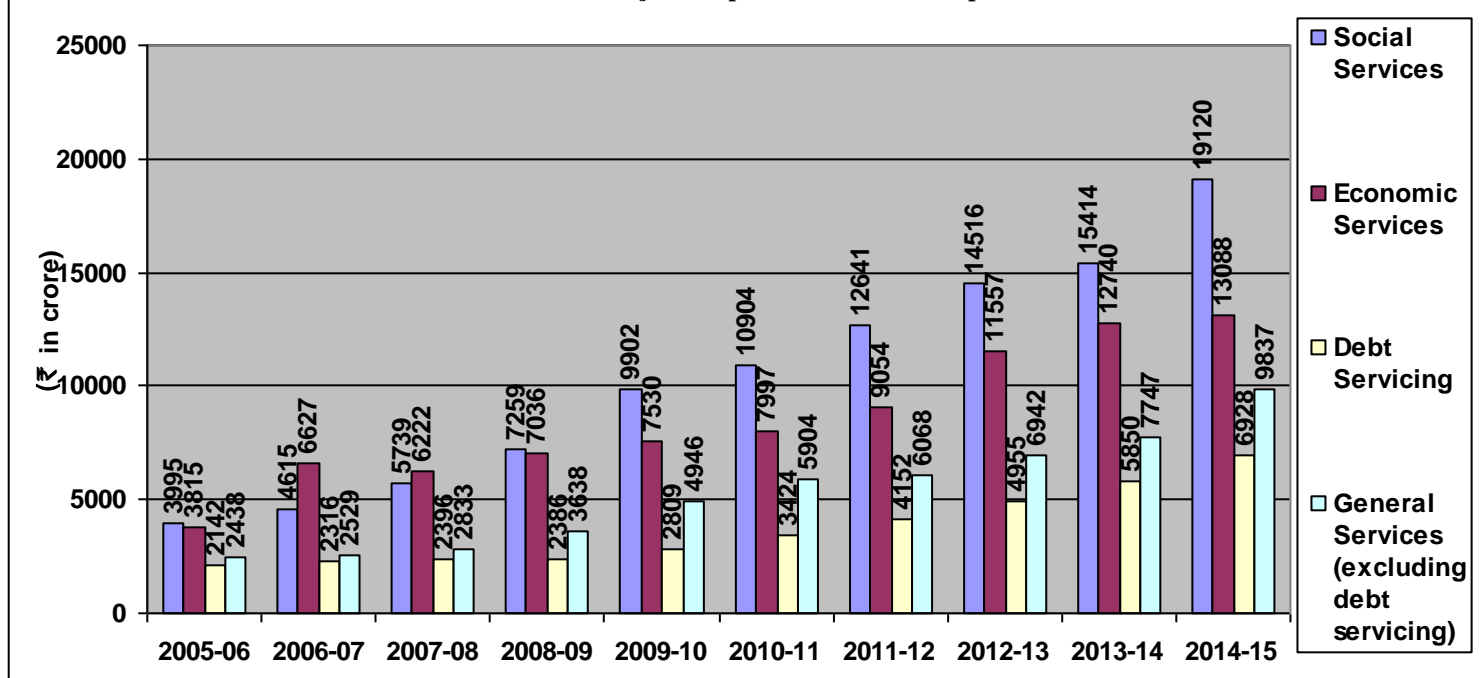
Components	Amount	Percentage
A. Fiscal Services	335	1
(i) Collection of Taxes on Property and Capital transactions	164	..
(ii) Collection of Taxes on Commodities and Services	170	..
(iii) Other Fiscal Services	01	..
B. Organs of State	747	1
C. Interest Payments and Servicing of Debt	6,928	14
D. Administrative Services	3,499	7
E. Pensions and Miscellaneous General Services	5,256	11
F. Social Services	19,120	39
G. Economic Services	13,088	27
H. Grants-in-aid and Contributions	145	..
Total Expenditure (Revenue Account)	49,118	100

3.2.2 Major components of Revenue Expenditure (2006 – 2015)

(₹ in crore)

Service	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Social Services	3,995	4,615	5,739	7,259	9,902	10,904	12,641	14,516	15,414	19,120
Economic Services	3,815	6,627	6,222	7,036	7,530	7,997	9,054	11,557	12,740	13,088
Debt Servicing	2,142	2,316	2,396	2,386	2,809	3,424	4,152	4,955	5,850	6,928
General Services (excluding expenditure on debt servicing)	2,438	2,529	2,833	3,638	4,946	5,904	6,068	6,942	7,747	9,837

Trend of Major Components of Revenue Expenditure



3.3. Capital Expenditure

Capital disbursements for 2014-15 at 1 per cent of GSDP were less than Budget Estimates by ₹ 2,189 crore.

3.3.1. Sectoral Distribution of Capital Expenditure

During 2014-15, the Government spent ₹ 744 crore on various Projects (₹ 222 crore on Major Irrigation, and ₹ 522 crore on Medium Irrigation) and invested ₹ 121 crore in various Corporations/Companies/Societies.

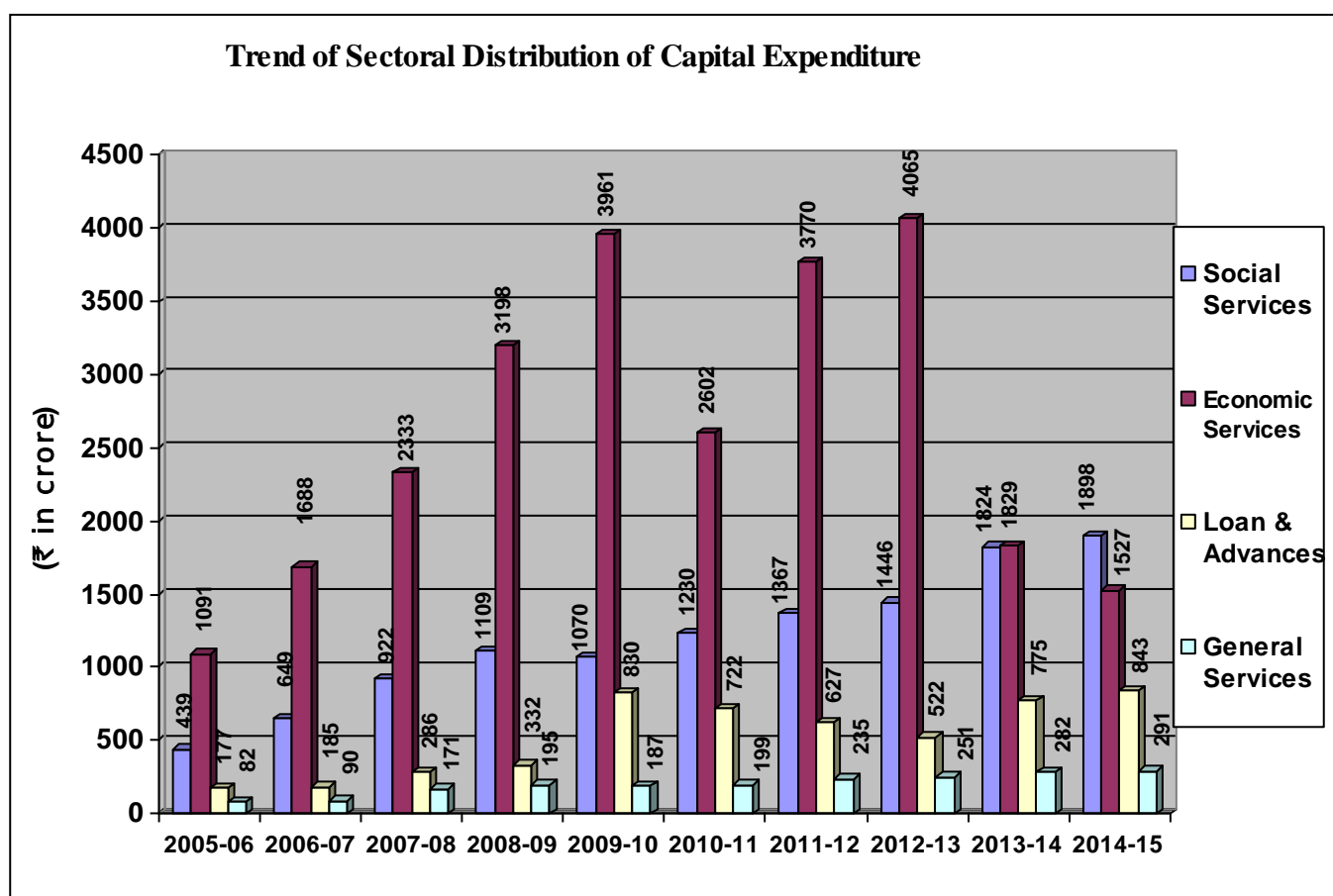
(₹ in crore)

Sl. No	Sector	Amount	Percentage
1.	General Services-Police, Land Revenue etc.	291	6
2.	Social Services-Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.,	1,898	42
3.	Economic Services-Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.,	1,527	34
4.	Loans and Advances Disbursed	843	18
Total		4,559	100

3.3.2 Sectoral distribution of capital expenditure over the past 10 years

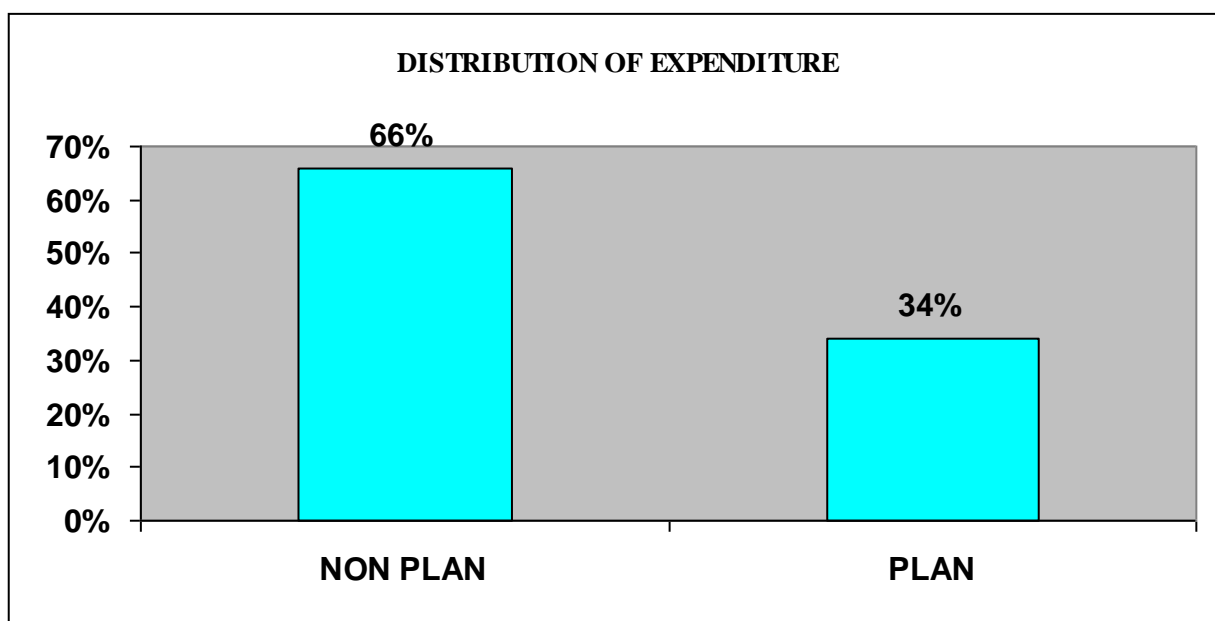
(₹ in crore)

Sector	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
General Services	82	90	171	195	187	199	235	251	282	291
Social Services	439	649	922	1,109	1,070	1,230	1,367	1,446	1,824	1,898
Economic Services	1,091	1,688	2,333	3,198	3,961	2,602	3,770	4,065	1,829	1,527
Loans and Advances	177	185	286	332	830	722	627	522	775	843
Total	1,789	2,612	3,712	4,834	6,048	4,753	5,999	6,284	4,710	4,559



CHAPTER 4 - PLAN AND NON-PLAN EXPENDITURE

4.1 Distribution of Expenditure (2014-15)



4.2 Plan Expenditure

During 2014-15, Plan Expenditure, representing 34 per cent of total disbursements, was ₹ 18,144 crore (₹ 14,662 crore under State Plan, ₹ 2,935 crore under Centrally Sponsored Plan Schemes and ₹ 547 crore under Loans and Advances).

4.2.1 Trend of Plan Expenditure

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Total Expenditure	14,429	18,974	21,238	25,369	31,305	33,063	38,014	44,356	46,597	53,677
Plan Expenditure	3,707	4,975	6,612	7,928	10,534	10,634	12,510	13,931	15,712	18,144
Percentage of Plan Expenditure to Total Expenditure	26	26	31	31	34	32	33	31	34	34
Percentage of Plan Expenditure to GSDP	4	4	4	4	5	4	4	4	4	4

4.2.2 Plan Expenditure under Capital Account

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Total Capital Expenditure	1,789	2,612	3,711	4,834	6,048	4,753	5,999	6,284	4,710	4,559
Capital Expenditure (Plan)	1,692	2,521	3,436	4,010	4,819	4,383	4,718	4,475	5,560	5,384
Percentage of Capital Expenditure (Plan) to Total Capital Expenditure	95	97	93	83	80	92	79	71	118	118

4.3 Non-Plan Expenditure

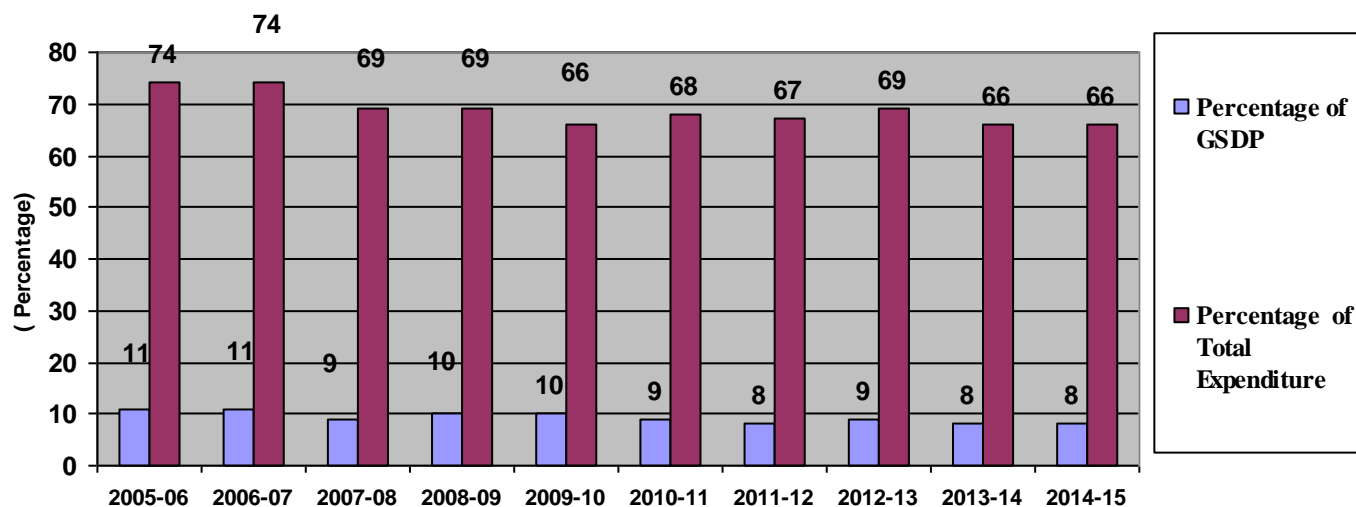
Non-Plan Expenditure during 2014-15, representing 66 *per cent* of total disbursements, was ₹ 35,533 crore (₹ 36,358 crore under Revenue, (-) ₹ 1,121 crore under Capital and 296 crore under Loans to Government Servants).

4.3.1 Trend of Non-Plan Expenditure

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Total Expenditure	14,429	18,974	21,238	25,369	31,305	33,063	38,014	44,356	46,597	53,677
Non-Plan Expenditure	10,722	13,999	14,626	17,441	20,771	22,429	25,504	30,425	30,885	35,533
Percentage of Non-Plan Expenditure to Total Expenditure	74	74	69	69	66	68	67	69	66	66
Percentage of Non-Plan Expenditure to GSDP	11	11	9	10	10	9	8	9	8	8

Non Plan expenditure as proportion of total expenditure and GSDP



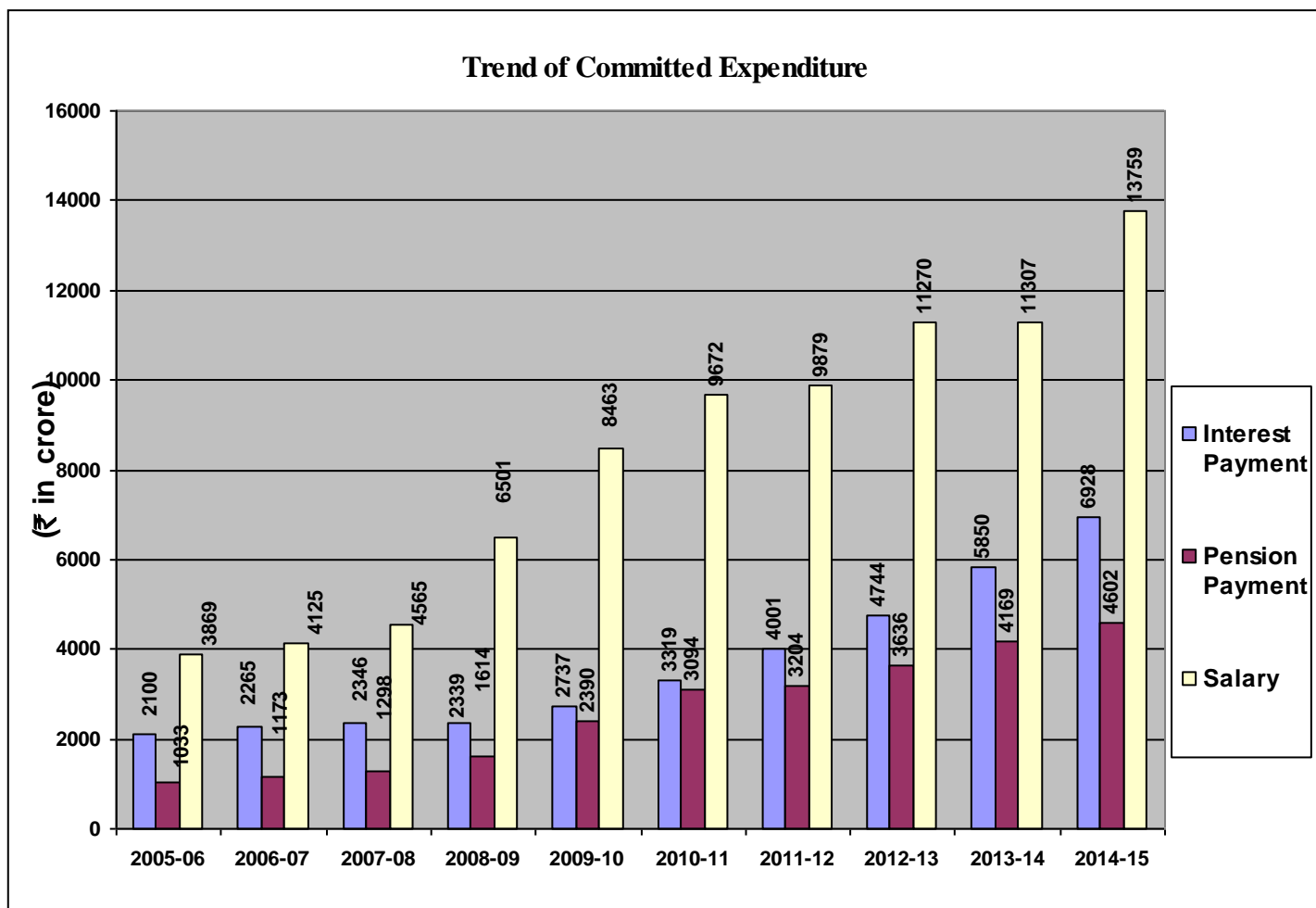
4.4 Committed Expenditure

(₹ in crore)

Component	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Committed expenditure*	7,002	7,563	8,209	10,454	13,590	16,085	17,084	19,650	21,326	25,289
Revenue Expenditure	12640	16,362	17,527	20,535	25,257	28,310	32,015	38,072	41,887	49,118
Percentage of committed expenditure to Revenue Receipts(as detailed in Chapter-2)	51	42	42	57	65	63	56	58	56	62
Percentage of committed expenditure to Revenue expenditure	55	46	47	51	54	57	53	52	51	51

* Includes Interest Payments, Pension Payment and Salary (Revenue Expenditure only).

The steep upward trend on committed expenditure leaves the Government with lesser flexibility for developmental spending.



CHAPTER 5 - APPROPRIATION ACCOUNTS**5.1. Summary of Appropriation Accounts for 2014-15****(₹ in crore)**

Sl. No.	Nature of Expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings(-) Excesses (+)
1	Revenue						
	Voted	45,405	2,873	(-) 6,191	42,087	41,708	(-) 379
	Charged	7,708	967	(-) 190	8,485	7,700	(-) 785
	Capital						
2	Voted	14,452	511	(-) 5,385	9,578	10,343	765
	Charged	65	--	(-) 1	64	67	3
3	Public Debt						
	Charged	13,850	--	(-) 5,623	8,227	8,227	--
4	Loans and Advances						
	Voted	1,001	--	(-) 159	842	843	1
	Total						
	Voted	60,858	3,384	(-) 11,735	52,507	52,894	387
	Charged	21,623	967	(-) 5,814	16,776	15,994	(-) 782

5.2 Unnecessary Supplementary Grants

The details of supplementary grants having proved unnecessary, during the year 2014-15 is given below:

(₹ in crore)

Sl. No.	Number and Name of Grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary Provision
Revenue (Voted)					
1.	5- Excise & Taxation	182	153	29	1.06
2.	7- Planning and Statistics	409	76	333	0.36
3.	9- Education	9,459	8,744	715	655
4.	13- Health	2,700	2,174	526	50
5.	15- Local Government	2,071	1,537	534	50
6.	21- Women and Child Development	886	698	188	7
7.	24- Irrigation	1,622	1,114	508	4
8.	26-Mines and Geology	10	9	1	0.78
9.	27- Agriculture	1,254	802	452	22
10.	29- Fisheries	31	28	3	0.13
11.	32- Rural and Community Development	2,503	1,978	525	56
12.	34-Transport	1,878	1,791	87	30
13.	38- Public Health and Water Supply	1,427	1,360	67	48
14.	44-Printing and Stationery	36	33	3	1.50
Revenue (Charged)					
1.	3-General Administration	7.91	7.25	0.66	0.30
Capital (Voted)					
1.	8- Buildings and Roads	2,073	1,845	228	221
2.	21- Women and Child Development	171	57	114	50
3.	34-Transport	196	168	28	1

Out of total 46 Grants, 26 Grants are 'Voted', 01 'Charged' and the remaining 19 Grants are having both 'Voted' and 'Charged'.

5.3 Trend of Savings/ Excess during the past ten years

(₹ in crore)

Year	Savings (-) / Excess(+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2005-06	(-) 896	213	(-) 475	(-) 41	(-) 1,199
2006-07	(-) 434	85	(-) 684	(-) 7	(-) 1,040
2007-08	(-) 880	71	(-) 1,375	(-) 12	(-) 2,196
2008-09	(-) 2,729	245	(-) 1,097	(-) 137	(-) 3,718
2009-10	(-) 2,084	(-) 537	(-) 2,032	(-) 654	(-) 5,307
2010-11	(-) 4,349	(-) 1,304	(-) 3,226	(-) 881	(-) 9,760
2011-12	(-) 5,118	(-) 856	(-) 2,944	(-) 533	(-) 9,451
2012-13	(-) 4,892	(-) 1,474	(-) 4,251	(-) 366	(-) 10,983
2013-14	(-) 7,031	(-) 4,495	(-) 5,027	(-) 314	(-) 16,867
2014-15	(-) 7,545	(-) 4,618	(-) 5,623	(-) 158	(-) 17,944

5.4 Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/ programmes. Some grants with persistent and significant savings are as under:

(In Percentage)

Grant Name	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Animal Husbandry	13	11	2	3	10	7	8	13	17	9
Irrigation	4	3	5	10	9	26	30	27	25	32

CHAPTER 6 - ASSETS AND LIABILITIES

6.1. Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc., except in the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

6.1.1 Investments and Returns

Total investments as share capital in non-financial public sector undertakings (PSUs) stood at ₹ 7,500 crore at the end of 2014-15. Dividends received during the year was ₹ 5.80 crore (0.08 per cent of investment). During 2014-15, investments increased by ₹ 121 crore, while dividend income decreased by ₹ 0.69 crore.

Cash Balance with RBI which stood at (-) ₹ 652 crore on 31 March 2014 has increased to ₹ 76 crore as on 31 March, 2015.

6.1.2 Cash Balance and Investment of Cash Balances

Component	(₹ in crore)		
	As on 31 March 2015	As on 31 March 2014	Net increase (+)/ decrease (-)
Cash Balances	76	(-) 652	728
Investments from cash balance (GOI Treasury Bills)	2,572	3,774	(-)1,202
Investment from earmarked fund balances	3,857	2,886	971
(a) Sinking Fund	1,151	1,060	91
(b) Guarantee Redemption Fund	753	88	665
(c) Other Funds	1,953	1,738	215
Interest realised	80	113	(-)33

6.2. Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature.

Details of the Public Debt and total liabilities of the State Government are as under:

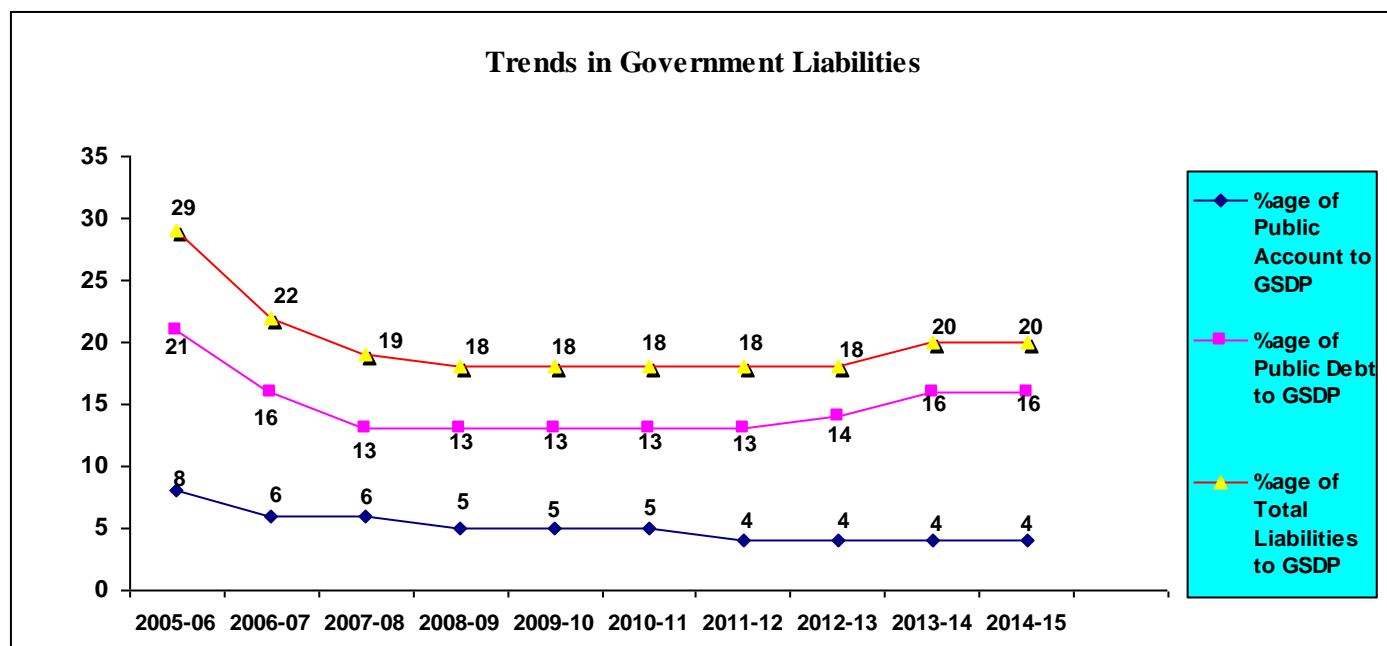
(₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Account (*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2005-06	19,588	21	7,435	8	27,023	29
2006-07	20,487	16	8,129	6	28,616	22
2007-08	20,489	13	8,628	6	29,117	19
2008-09	23,085	13	9,193	5	32,278	18
2009-10	28,795	13	10,542	5	39,337	18
2010-11	34,666	13	11,616	5	46,282	18
2011-12	41,396	13	13,144	4	54,540	18
2012-13	50,658	14	14,160	4	64,818	18
2013-14	60,294	16	15,969	4	76,263	20
2014-15	70,925	16	17,521	4	88,446	20

(*) Excludes Suspense and Remittance balances.

Note: Figures are progressive balances to end of the year.

There is a net increase of ₹ 12,183 crore (16 per cent) in Public Debt and Other liabilities as compared to 2013-14.



6.3 Guarantees

Guarantees are contingent liability on the Consolidated Fund of the State in case of default in the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies, etc., for whom the guarantee was extended. The position of guarantee prepared directly from the information received from the State Government is given below:

(₹ in crore)

Year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the close of year	
		Principal	Interest
2005-06	8,448	5,627	17
2006-07	12,694	5,074	1
2007-08	6,341	4,401	..
2008-09	5,188	4,575	..
2009-10	4,757	4,536	..
2010-11	5,515	4,527	..
2011-12	10,690	5608	..
2012-13	31,958	20,733	..
2013-14	38,376	27,306	..
2014-15	31,319	30,388	..

CHAPTER 7 - OTHER ITEMS

7.1. Loans and advances given by the State Government

Total Loans and Advances given by the State Government at the end of 2014-15 were ₹ 4,572 crore. Of this, Loans and Advances to Government Corporations/ Companies, non-Government Institutes and Local Bodies amounted to ₹ 3,753 crore.

7.2. Financial assistance to local bodies and others

During the past ten years, Grants-in-aid to local bodies etc., increased from ₹ 842 crore in 2004-05 to ₹ 6,106 crore in 2014-15. Grants to Zilla Parishads, Panchayat Samitis and Municipalities (₹ 1,937 crore) represented 32 per cent of total grants given during the year.

Details of Grants in Aid for the past 10 years are as under:

Year					(₹ in crore)	
	Zilla Parishads	Municipalities	Panchayat Samithis	Others	Total	
2005-06				842	842	
2006-07	--	--	--	922	922	
2007-08	--	--	--	1,572	1,572	
2008-09	--	--	--	2,053	2,053	
2009-10	626	306	--	1,724	2,656	
2010-11	687	288	--	1,979	2,954	
2011-12	797	924	--	2,593	4,314	
2012-13	962	1,125	--	2,893	4,980	
2013-14	38	1,137	--	4,437	5,612	
2014-15	1,192	745	--	4,169	6,106	

7.3 Reconciliation of Receipts and Expenditure

To exercise effective control of expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, all Chief Controlling Officers (CCOs)/Controlling Officers (COs) are required to reconcile the figures of Receipts and Expenditure recorded in their books every month with the figures accounted for by the Accountant General (A&E). Such reconciliations of receipts and expenditure figures under the Consolidated Fund have been completed cent percent.

7.4 Utilization Certificates Awaited

Rule 8.14 of the Punjab Financial Rules, Volume-I (as applicable to Haryana State) prescribes that, where grants are sanctioned for specific purposes, the departmental officers concerned should obtain Utilization Certificates (UCs) from the grantees, which, after verification, should be forwarded to the Accountant General (A&E), within the stipulated period. UCs outstanding beyond the specified periods indicate absence of assurance on utilisation of the grants for intended purposes and the expenditure shown in the accounts to that

extent cannot be treated as final. The status of outstanding UCs as per the records of the Accountant General (A&E) is given below:

Year	Number of UCs awaited	Amount
Upto 2012-13	280	722.26
2013-14	467	1,884.28
2014-15	523	2,479.02
Total	1,270	5,085.56

7.5 Unadjusted Abstract Contingent Bills (AC Bills)

When money is required in advance or when they are not able to calculate the exact amount required, Drawing and Disbursing Officers (DDOs) are permitted to draw money without supporting documents, through Abstract Contingent (AC) bills, by debiting service heads. Subsequently the DDOs are required to submit Detailed Contingent (DC) bills to the Accountant General, along with supporting documents, within a month. Delayed submission or prolonged non-submission of DC bills may affect the completeness and correctness of accounts. As on 31 March 2015, 02 AC Bills (1 for ₹2 crore drawn by the Jails Department for purchase of jammers in January 2013 and for ₹ 0.79 crore drawn by Crop Husbandry Department in February 2015) are pending for adjustment.

7.6 Personal Deposit Accounts

The State Government is authorised to open Personal Deposit (PD) accounts to deposit funds required for specific purposes by transfer of funds from the Consolidated Fund. Transfer of funds to PD accounts is booked as expenditure from the Consolidated Fund under the concerned service Major Heads without any actual cash flow. PD accounts are normally required to be closed on the last working day of the year and the unspent balances transferred back to the Consolidated Fund and PD accounts are reopened next year, if necessary. The number of PD accounts as on 31 March 2015 was 'Nil'. Further, the PD accounts which have been opened by transfer of funds other than from the Consolidated Fund, should be reviewed every year and the accounts which are in-operative for more than three complete account years should be closed and balance lying in such accounts should be credited to Government accounts. The status of PD accounts is given below:

Opening Balance		Addition during the year		Clearance during the year		Closing Balance	
No. of A/cs.	Amount	No. of A/cs.	Amount	No. of A/cs.	Amount	No. of A/cs.	Amount
242	236.78	..	9.72	85	14.13	157	232.37

Out of 157 PD accounts as on 31 March 2015, 76 accounts involving ₹5.30 crore were in-operative for more than three years and have not been closed thereby leading to deviation from prescribed procedure.

7.7 Rendition of accounts by Accounts Rendering Units

The Finance Accounts 2014-15 present the transactions of the Government of Haryana for the period 1 April 2014 to 31 March 2015. The accounts of receipts and expenditure of the Government of Haryana have been compiled based on the initial accounts rendered by the 22 Treasuries, 113 Public Works Divisions, 86 Irrigation Divisions, 58 Forest Divisions, and Advices of the Reserve Bank of India. The rendition of accounts by the accounts rendering units is satisfactory and no accounts have been excluded at the end of the year.

7.8 Commitments on account of incomplete Public Works

There were 125 incomplete Public Works Contracts, each involving ₹ 5 crore and above as on 31 March 2015.

7.9 Status of Reserve Funds

Details of Reserve Funds are available in Statements 21 and 22 of the Finance Accounts. There were 11 Reserve Funds earmarked for specific purposes, out of which, 8 funds were active and 3 funds which have been inactive from 4 to 31 years. Details of some major Reserve Funds are given below:

7.9.1 Consolidated Sinking Fund

The State Government of Haryana in 2002 constituted the Consolidated Sinking Fund (CSF) for redemption of Open Market Loans. As per guidelines, the Government is required to contribute to the Fund, at 1 to 3 *per cent* of the outstanding open market loans, as at the end of the previous year. Twelfth Finance Commission recommendations and RBI guidelines of 2006, however, stipulate a minimum annual contribution of 0.50 *per cent* on the total liabilities (internal debt and public account liabilities) of the Government.

The State Government had made budget provision of ₹ 699.38 crore towards contribution to the CSF in 2014-15 (₹ 296.58 crore on account of arrears for the year 2013-14 and ₹ 402.80 crore exclusively for the year 2014-15 at one *per cent* of the outstanding open market loans of ₹ 40,279.84 crore, as at the beginning of the year 2014-15).

The State Government has not amended its Consolidated Sinking Fund Scheme to base its contribution at the minimum rate of 0.50 *per cent* of outstanding total liabilities at the end of the previous year. Based on this formula, the annual contribution for 2014-15 would have been ₹ 381.32 crore and the contribution for the year 2013-14 would have been ₹ 324.09 crore. No amount was transferred to CSF by the State Government during the year, leading to short contribution to the Fund by ₹ 402.80 crore for the year 2014-15.

The balance in the Consolidated Sinking Fund as on 31 March 2015 was ₹1,153.30 crore out of which, ₹1,151.17 crore has been invested during the year. Details of CSF are given in Statements 21 and 22 of Finance Accounts.

7.9.2 Guarantee Redemption Fund

Government of Haryana constituted the Guarantee Redemption Fund (GRF) in 2003 for meeting obligations arising out of the guarantees issued on behalf of State Public Sector Undertakings and local bodies. As per the provisions of the Fund, the State Government is required to transfer to the Fund, the guarantee fee collected, along with annual or periodic contributions as estimated by the Government. The Fund is administered by the Reserve Bank of India. At the beginning of the year 2014-15, the outstanding guarantees of the government stood at ₹27,307.71 crore. RBI guidelines of 2013 indicates contribution of minimum 1 per cent of outstanding guarantees at the beginning of the year and thereafter a minimum of 0.5 per cent every year to achieve a corpus of minimum 3 to 5 per cent of the outstanding guarantees of the previous year. During the year, the State Government contributed ₹653.50 crore to the GRF (₹405.06 crore on account of arrears for the year 2013-14 and ₹ 248.44 crore on account of provision for the year 2014-15).

Entire fund balance of ₹ 753.15 crore (which is 2.75 per cent of the outstanding guarantees ₹ 27,307.71 crore) has been invested as on 31 March 2015.

7.9.3 State Disaster Response Fund

The State Government replaced the Calamity Relief Fund with the State Disaster Response Fund (SDRF) in 2010-11 as per the recommendations of the Thirteenth Finance Commission. In terms of the guidelines of the Fund, the Centre, and the States, are required to contribute to the Fund in the proportion of 75:25. Balances in the Fund are to be invested on the recommendations of a State Executive Committee (SEC) constituted for the purpose. Details of transactions in the Fund are given in the Statements No. 21 and 22.

During 2014-15, the Central Government released ₹255.41 crore on account of SDRF (first installment of Central share of ₹87.93 crore for 2014-15 and ₹167.48 crore for 2013-14). In addition, Government of India released ₹5.00 crore in 2014-15 towards the release for capacity building for 2013-14. Second installment of Central share for 2014-15 was yet to be released. As against Government of India release of ₹255.41 crore, State's matching share works out to ₹85.14 crore. Government, however, transferred an amount of ₹216.37 crore (without specifying if it included some part of State share) to a savings bank account operated by the Deputy Secretary, Emergency Relief, Department of Revenue and Disaster Management, Haryana, designated as the Administrator of the SDRF. The transfer of the SDRF contribution was effected by debiting Major Head 2245-Relief on Account of Natural Calamities, 05-State Disaster Response Fund, 101-Transfer to Reserve Funds and Deposit Accounts-State Disaster Response Fund and crediting to Major Head 8675 Reserve Bank Deposits.

The operation of a savings bank account by departmental officers is not as per the guidelines issued by the Government of India for the operation of SDRF. The guidelines stipulate that Government of India's and State's matching shares are to be transferred to SDRF under Public Account, operating MH 2245-SMH 05-

MnH 101. The government needs to book the expenditure towards natural calamities under the respective sub-major heads/ minor heads against Major Head 2245 which are to be subsequently met from the outstanding balance under SDRF by debiting MH 8121-122 SDRF with corresponding deduct entry under MH 2245-SMH 05-MnH 901.

State Revenue and Disaster Management Department has confirmed that the aforesaid amount of ₹216.37 crore has been invested in bank account under SDRF. The Department has further intimated that expenditure of ₹114.24 crore was incurred directly from the amount deposited in the savings bank account towards SDRF without routing it through Treasury account, as per the guidelines issued by the State Finance Department vide no. 1/15/2009-2FR-II/28594 dated 21 October 2013. Since the expenditure had already been incurred reducing the balance under the SDRF, these transactions were brought in the records of the Accountant General (A&E) under relevant heads of account through book adjustments entries in 2014-15. Similar book adjustment has been carried out in 2014-15 for the transactions relating to 2013-14. The State Revenue and Disaster Management Department intimated the balance of ₹1,941.15 crore as the investments under SDRF as on 31 March 2015 without specifying, distinctly the amount of interest accrued on SDRF-Investment Account during the year. In the books of the Accountant General (A&E), a book adjustment entry towards interest amount of ₹215.50 crore on invested amount of SDRF was also passed in 2014-15. There is a difference of ₹8.99 crore between the outstanding balance against Investment Account under MH 8121-122, as per Finance Accounts 2014-15 with the figures in the books of the State Revenue and Disaster Management Department, which needs reconciliation by the government.

Further, there is a short fall of ₹124.18 crore (Central Share ₹255.41 crore + State Share of ₹85.14 crore less amount transferred ₹216.37 crore) towards transfer of Central and State share of contribution to SDRF in 2014-15, resulting in understatement of revenue expenditure to this extent. The short transfer of State share of ₹38.11 crore during the year 2013-14 has yet to be made by the State Government to the Fund.

7.10 Disclosures under the Haryana Fiscal Responsibility and Budget Management Act and Rules there under

Sl. No.	Targets	Achievements as per the Accounts.
1.	Progressively reduce Revenue Deficit from the Financial year 2005-06 so as to bring it down to zero by financial year 2011-12 and maintain the same till 2014-15.	As per the Accounts, the Government of Haryana had a Revenue Deficit of ₹3,875.02 crore in 2013-14 and ₹8,319.21 crore in 2014-15. The accounts of Government of Haryana continued to show Revenue Deficit from 2008-09 onwards.
2.	Reduce Fiscal Deficit to 3.5 per cent of estimates of GSDP by the end of March 2009 and 3 per cent of GSDP from the year 2010-11 and maintain the same till 2014-15.	As per the Accounts, the Government of Haryana maintained Fiscal Deficit (₹8,313.49 crore) i.e. 2.17 per cent of GSDP during 2013-14 and (₹12,586.05 crore) i.e. 2.89 per cent of GSDP* during 2014-15.
3.	Debt stock not exceeding 22.9 per cent of GSDP during 2014-15.	The total outstanding debt of the State Government (₹70,925.30 crore) was 16.29 per cent of GSDP* for the year 2014-15.

* GSDP at current prices = ₹4,35,310 crore as published by Ministry of Statistics and Programme Implementation (CSO) on 31 July 2015.

7.11 New Pension Scheme

The expenditure during the year on “Pension and other Retirement Benefits” to State Government employees recruited on or before 31 December 2005 was ₹4,318.31 crore (8.79 per cent of the total revenue expenditure). State Government employees recruited on or after 1 January 2006 are eligible for the New Pension Scheme (NPS) which is a defined contributory pension scheme. In terms of the Scheme, the employee contributes 10 per cent of basic pay and dearness allowances, which is matched by the State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank. The actual amount payable by employees and the matching Government contribution, over the years, has not been estimated. There was an adverse balance of ₹60.59 crore as on 1 April 2014 under the Public Account Major Head ‘8342-Other Deposits-MnH 117-Defined Contribution Pension Scheme’ due to transferring of amounts by the Treasury Officers, in excess of credit balance available against NPS under Public Account to NSDL/ Trustee Bank and failure to reconcile their figures with that of the Accountant General (A&E). As a result of reconciliation by the Treasury Officers concerned, the adverse balance (i.e negative balance) under NPS has been wiped out by the end of the year 2014-15. During the year, the State Government deposited ₹529.53 crore with the NSDL/Trustee Bank against employees’ contribution of ₹314.54 crore and employer’s share of ₹283.69 crore. Thus, short contribution of ₹30.85 crore by the Government towards NPS has understated the revenue expenditure to this extent. A balance of ₹8.11 crore was outstanding under Major Head 8342-Other Deposits- MnH 117-Defined Contribution Pension Scheme for Government Employees as on 31 March 2015.

The interest outstanding towards NPS since its inception has not been estimated. The difference between Employees’ Contribution and Employer’s Contribution has not been reconciled, representing outstanding liabilities on account of un-collected, unmatched and un-transferred amount with accrued interest thereon.
