



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



सत्यमेव जयते

Accounts at a Glance

2021-22



GOVERNMENT OF HARYANA



Accounts at a Glance

2021-22

**Principal Accountant General
(Accounts and Entitlements)
Haryana**



GOVERNMENT OF HARYANA

Preface

I am happy to present the twenty fourth issue of our annual publication, the 'Accounts at a Glance' for the year 2021-22, which provides a broad overview of Governmental activities, as reflected in the Finance Accounts and Appropriation Accounts.

The Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and Public Account. The Appropriation Accounts record the grant-wise expenditure against provisions approved by the State Legislature and depict explanations for variations between the actual expenditure and the funds allocated.

Finance and Appropriation Accounts are prepared annually by my office under the direction of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Services) Act, 1971 for being laid before the Legislature of the State.

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

Date: 19 DEC 2022
Place: Chandigarh



(Shailendra Vikram Singh)
Pr. Accountant General (A&E)
Haryana

Our Vision, Mission and Core Values

VISION

(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.

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.

MISSION

(Our mission enunciates our current role and describes what we are doing today)

CORE VALUES

(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

Table of Contents

| | | Page No. |
|--------------------|---|----------|
| Chapter I | Overview | |
| 1.1 | Introduction..... | 1 |
| 1.2 | Structure of Government Accounts | 2 |
| 1.3 | Finance Accounts and Appropriation Accounts..... | 4 |
| 1.4 | Sources and Application of Funds | 6 |
| 1.5 | Fiscal Responsibility and Budget Management (FRBM) Act 2005 | 9 |
| Chapter II | Receipts | |
| 2.1 | Introduction..... | 12 |
| 2.2 | Revenue Receipts..... | 12 |
| 2.3 | Tax Revenue | 14 |
| 2.4 | Cost of Tax Collection | 17 |
| 2.5 | Trend in State's share of Union Taxes over the past five years | 17 |
| 2.6 | Grants-in-aid | 18 |
| 2.7 | Public Debt | 19 |
| Chapter III | Expenditure | |
| 3.1 | Introduction..... | 20 |
| 3.2 | Revenue Expenditure..... | 20 |
| 3.3 | Capital Expenditure | 23 |
| 3.4 | Committed Expenditure..... | 26 |
| Chapter IV | Appropriation Accounts | |
| 4.1 | Summary of Appropriation Accounts for 2021-22 | 27 |
| 4.2 | Trend of Savings/Excess during the past five years | 27 |
| 4.3 | Significant Savings | 28 |

Chapter V Assets and Liabilities

| | | |
|-----|---------------------------|----|
| 5.1 | Assets | 31 |
| 5.2 | Debt and Liabilities..... | 32 |
| 5.3 | Guarantees | 33 |

Chapter VI Other Items

| | | |
|------|---|----|
| 6.1 | Adverse Balances under Internal Debt | 34 |
| 6.2 | Loans and Advances given by the State Government | 34 |
| 6.3 | Financial Assistance to Local Bodies and Others | 34 |
| 6.4 | Cash Balance and Investment of Cash Balance..... | 36 |
| 6.5 | Reconciliation of Receipts and Expenditure..... | 36 |
| 6.6 | Submission of Accounts by Accounts Rendering Units | 36 |
| 6.7 | Unadjusted Abstract Contingent (AC) Bills | 36 |
| 6.8 | Suspense and Remittance Balances | 37 |
| 6.9 | Utilization Certificates (UCs) for Grants-in-Aid not received | 37 |
| 6.10 | National Pension System | 38 |
| 6.11 | Transfer of funds to Personal Deposit (PD) Accounts..... | 38 |
| 6.12 | Status of Reserve Funds..... | 39 |

Chapter I

Overview

1.1 Introduction

The Principal Accountant General (Accounts and Entitlements) [PAG (A&E)], Haryana collates, classifies, compiles the accounts data rendered by multiple agencies and prepares the accounts of the Government of Haryana. The compilation is done from the initial accounts rendered by 24 Treasuries, 117 Public Works Divisions (59 Building and Roads and 58 Public Health Engineering Divisions), 40 Forest Divisions, 86 Irrigation Divisions, 38 Pay and Accounts Offices and advices of Reserve Bank of India. Every month, a Monthly Civil Account is presented by the office of the PAG (A&E) to the Government of Haryana. The office of the PAG (A&E) submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The PAG (A&E) also prepares, annually, Finance Accounts and the Appropriation Accounts which are placed before the State Legislature after audit by the AG (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:

Structure of Government Accounts

● **Part 1** **CONSOLIDATED FUND**

All revenues received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon), form the Consolidated Fund.

All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this fund.

The Contingency Fund is in the nature of an imprest, placed at the disposal of the Governor and intended to meet unforeseen expenditure. The fund is recouped subsequently by debiting such expenditure to the concerned major head in Part-I. The corpus of this fund for the Government of Haryana is ₹ 1,000.00 crore.

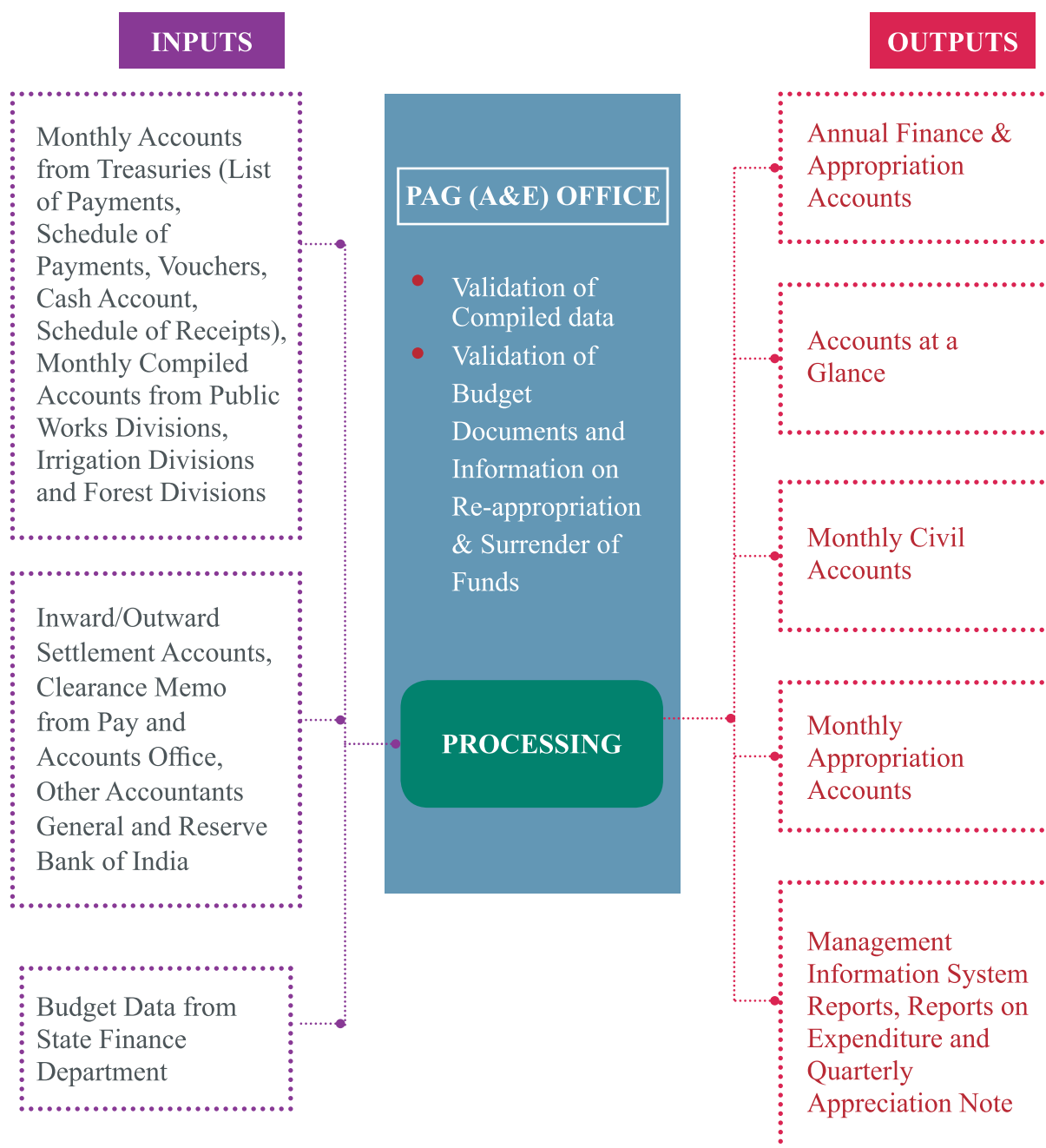
● **Part 2** **CONTINGENCY FUND**

● **Part 3** **PUBLIC ACCOUNT**

All other public moneys received by or on behalf of the Government where the Government acts as a banker or trustee (where the Government either incurs a liability to pay the money received or has a claim to recover the amounts paid) are credited to the Public Account. Public Account includes the transactions relating to 'Debt' (other than those included in Part-I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' heads. The initial debits or credits of these heads will be cleared eventually by corresponding receipts or payments either within the same circle or in another account circle or by booking to the final heads of accounts.

1.2.2 Compilation of Accounts

Flow diagram for Accounts Compilation



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. Finance Accounts are prepared in two volumes. Volume I of the Finance Accounts contains the Report of the Comptroller and Auditor General of India, the Guide to the Finance Accounts, 13 Summarized Statements of overall financial position/ receipts and disbursements of the current financial year and 'Notes to Finance Accounts' containing significant accounting policies, comments on quality of accounts and other items. Volume II contains 9 Detailed Statements (Part-I) and 13 Appendices (Part-II).

The Union Government transfers substantial funds directly to State Implementing Agencies/Non-Governmental Organisations for implementation of various schemes and programmes. As per PFMS portal of the Controller General of Accounts, the Government of India (GoI) released ₹ 7,452 crore directly to the implementing agencies in Haryana during the year 2021-22. Since these funds are not routed through the State Budget, these are not reflected in the Accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts.

1.3.2 Financial highlights of the year 2021-22

The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2021-22:

| Sl. No. | Component | Budget Estimates (₹ in crore) | Actuals (₹ in crore) | Percentage of Actuals to B. E. | Percentage of Actuals to GSDP # |
|---------|--|----------------------------------|-------------------------|--------------------------------|---------------------------------|
| 1. | Tax Revenue (including Central Share) (a) | 60,162 | 63,099 | 105 | 7 |
| 2. | Non-Tax Revenue | 10,851 | 7,394 | 68 | 1 |
| 3. | Grants-in-aid and Contributions | 16,720 | 7,598 | 45 | 1 |
| 4. | <i>Revenue Receipts (1+2+3)</i> | 87,733 | 78,091(c) | 89 | 9 |
| 5. | Recovery of Loans & Advances | 747 | 500 | 67 | ..* |
| 6. | Other Receipts | 5,000 | 67 | 1 | ..* |
| 7. | Borrowings & Other Liabilities (b) | 34,004 | 31,779 | 93 | 4 |
| 8. | <i>Capital Receipts (5+6+7)</i> | 39,751 | 32,346 | 81 | 4 |
| 9. | <i>Total Receipts (4+8)</i> | 1,27,484 | 1,10,437 | 87 | 12 |
| 10. | <i>Revenue Expenditure</i> | 1,33,116 | 98,425 | 74 | 11 |
| 11. | Expenditure on Interest Payments (Out of Revenue Expenditure) | 19,776 | 18,362 | 93 | 2 |
| 12. | <i>Capital Expenditure</i> | 14,028 | 11,046 | 79 | 1 |
| 13. | <i>Loans and Advances Disbursed</i> | 2,128 | 966 | 45 | ..* |
| 14. | <i>Total Expenditure (10+12+13)</i> | 1,49,272 | 1,10,437 | 74 | 12 |
| 15. | <i>Revenue Surplus (+)/Deficit (-) (4-10)</i> | (-)45,383 | (-)20,334(c) | 45 | 2 |
| 16. | <i>Fiscal Deficit (4+5+6-14)</i> | (-)55,792 | (-)31,779(c) | 57 | 4 |
| 17. | <i>Primary Deficit (11+16)</i> | (-)36,016 | (-)13,417(c) | 37 | 2 |

(a) Includes share of net (tax) proceeds assigned to the state amounting to ₹ 9,722 crore. (State Government Own Tax receipts were ₹ 53,377 crore which was 6 per cent of GSDP).

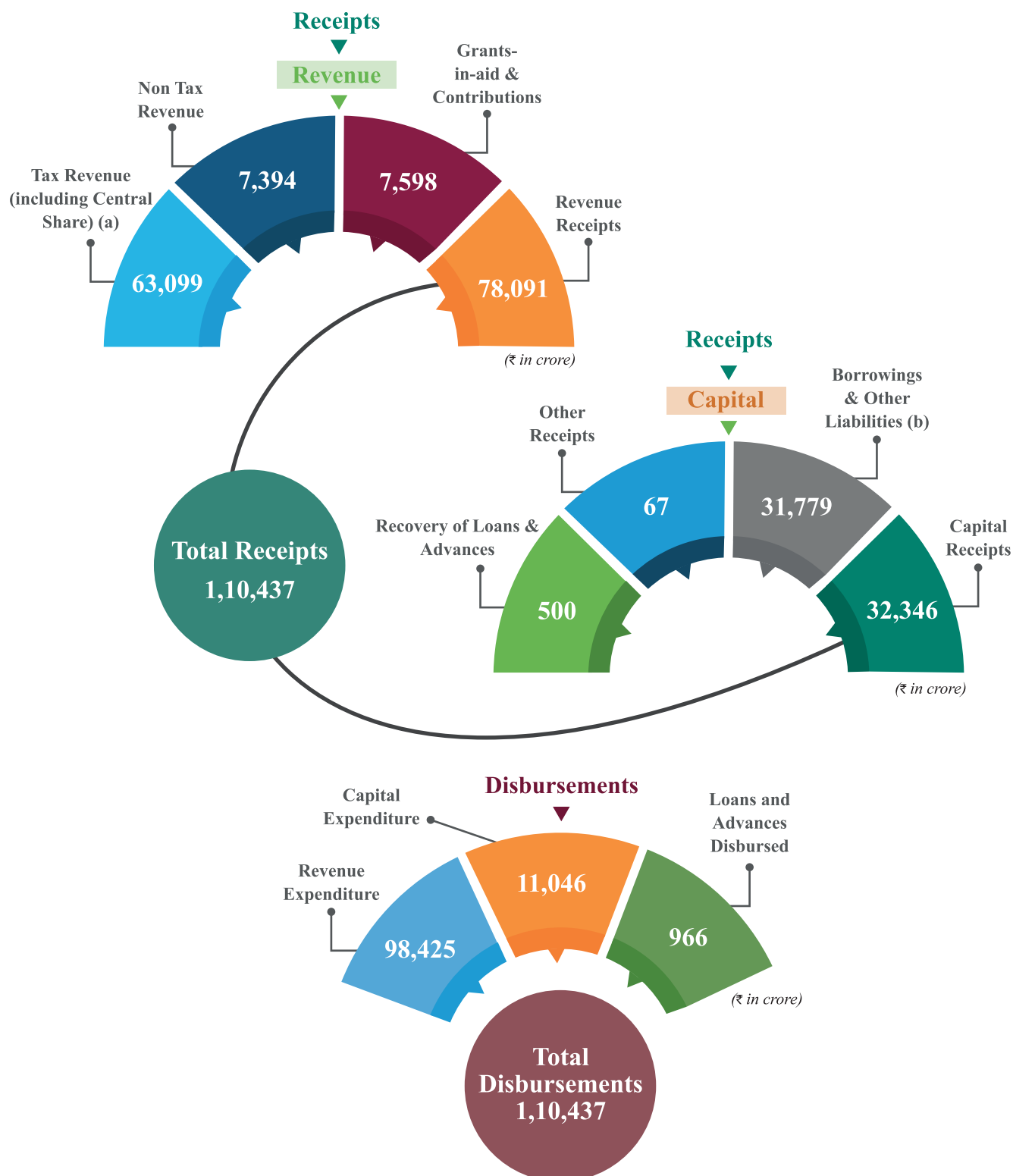
(b) Borrowing and other Liabilities: Net (Receipts minus Disbursement) of Public Debt + Net of Contingency Fund + Net (Receipts minus Disbursement) of Public Account + Net of opening and closing Cash balance.

(c) Differs from actual by ₹ 1 crore due to rounding.

GSDP figure (₹ 8,95,671 crore) on current prices as per Advance Estimates is taken from Department of Economic and Statistical Analysis, Haryana and was also available on the web site of Ministry of Statistics and Programme Implementation, Govt. of India.

* Percentage is negligible, hence shown as ..

Receipts and Disbursements during 2021-22



(a) Includes share of net (tax) proceeds assigned to the state amounting to ₹ 9,722 crore. (State Government Own Tax receipts were ₹ 53,377 crore which was 6 per cent of GSDP)

(b) Borrowing and other Liabilities: Net (Receipts minus Disbursement) of Public Debt + Net of Contingency Fund + Net (Receipts minus Disbursement) of Public Account + Net of opening and closing Cash balance.

1.3.3 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts and present comparison of expenditure against the Grants and Charged Appropriations. No moneys can be appropriated from the Consolidated Fund, except in accordance with law and for the purposes and in the manner provided by the Constitution of India and with the authorization of the Legislature. Certain categories of expenditure (e.g., salaries of Constitutional authorities, loan repayments, etc.) constitute a charge on the Consolidated Fund of the State (Charged Expenditure) and are not subject to vote by the Legislature. All other expenditure (Voted Expenditure) is voted by the Legislature. The budget of the Haryana has 18 charged Appropriation and 45 voted Grants.

1.3.4 Efficiency on Budget Preparation

At the end of the year, the actual expenditure of the Government of Haryana against the budget approved by the Legislature, showed a net saving of ₹ 45,527.30 crore (23.27 *per cent* of budget estimates of ₹ 1,95,689.45 crore) and over-estimation of ₹ 4,003.55 crore (21.93 *per cent* of budget estimates of ₹ 18,255.87 crore) on reduction of expenditure. Certain grants, like those relating to Rural and Community Development, Local Government, Food and Supplies, Education, Health and Agriculture showed significant savings.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

Ways and Means Advances are taken from the Reserve Bank of India to maintain liquidity by making good the deficiency in the agreed minimum cash balance (₹ 1.14 crore) which the State Government is required to maintain with the Reserve Bank of India. During 2021-22, the Government of Haryana availed Ways and Means advance of ₹ 2,775.83 crore, however, the same was repaid during the year, thereby leaving nil balance.

1.4.2 Overdraft from the Reserve Bank of India

Overdraft is taken from the Reserve Bank of India while the limit of minimum cash balance falls below i.e. ₹ 1.14 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During the year 2021-22, the State took an overdraft of ₹ 22.79 crore, however, the same was repaid during the year, thereby leaving nil balance.

1.4.3 Fund flow statement

The state had a Revenue Deficit of ₹ 20,333 crore and a Fiscal Deficit of ₹ 31,778 crore in 2021-22. The Fiscal Deficit was met from net Public Debt (₹ 29,633 crore), increase in Public Account (₹ 2,237 crore) and increase in Cash balance [₹ (-) 92 crore)]. Around 67 *per cent* of the revenue receipts (₹ 78,092 crore) of the State Government was spent on committed expenditure like salaries (₹ 23,441 crore), interest payments (₹ 18,362 crore) and pensions (₹ 10,617 crore).

Sources and Application of Funds

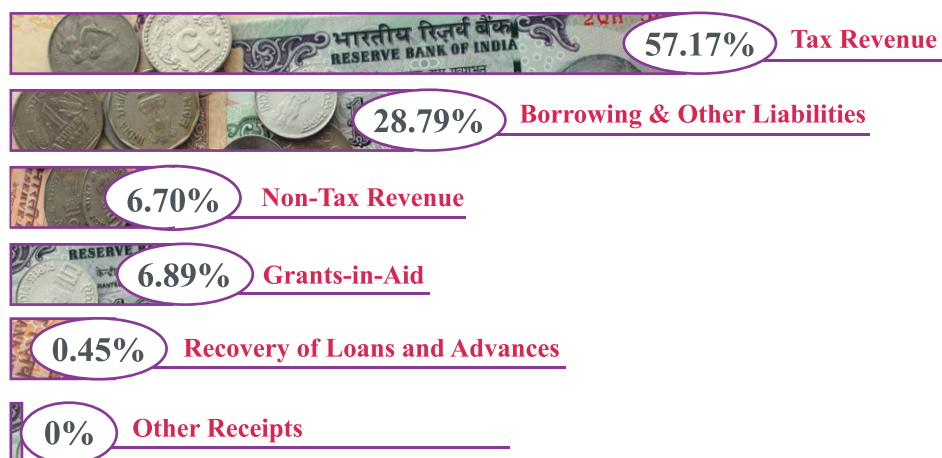
| | | (₹ in crore) |
|-------------|---|-----------------|
| SOURCES | PARTICULARS | AMOUNT |
| | Opening Cash Balance as on 1 April 2021 | (-)463 |
| | Revenue Receipts | 78,092 |
| | Capital Receipts | 67 |
| | Recovery of Loans and Advances | 500 |
| | Public Debt | 55,106 |
| | Small Savings, Provident Funds etc. | 3,569 |
| | Reserves Funds & Sinking Funds | 1,669 |
| | Deposits Received | 38,077 |
| | Civil Advances Repaid | .. |
| | Suspense Accounts | 88,404* |
| | Remittances | 10,992 |
| | Contingency Fund | .. |
| | On account of rounding | 1 |
| | TOTAL | 2,76,014 |
| APPLICATION | Revenue Expenditure | 98,425 |
| | Capital Expenditure | 11,046 |
| | Loans Given | 966 |
| | Repayment of Public Debt (including Ways and Means Advances) | 25,473 |
| | Appropriation to Contingency Fund | .. |
| | Small Savings, Provident Funds etc. | 3,172 |
| | Reserves Funds & Sinking Funds | 1,316 |
| | Deposits Repaid | 35,824 |
| | Civil Advances Given | .. |
| | Suspense Accounts | 89,172** |
| | Remittances | 10,991 |
| | Closing Cash Balance as on 31 March 2022 | (-)371 |
| | TOTAL | 2,76,014 |

* Includes ₹ 87,037 crore on account of cash balance investment account.

** Includes ₹ 88,069 crore on account of cash balance investment account.

1.4.4 Where the ₹ came from?

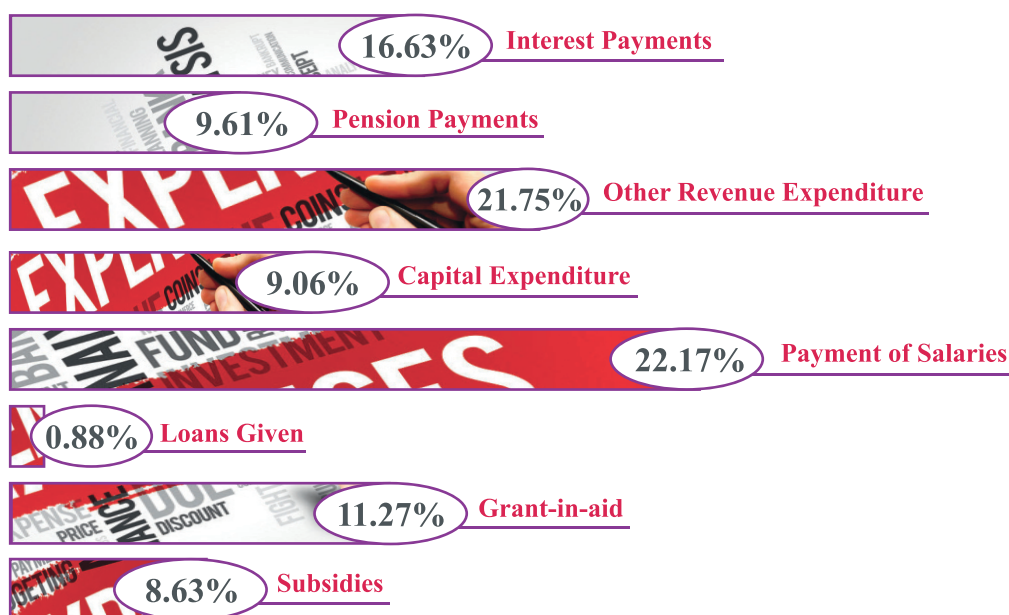
Actual Receipts



(Amount of other Receipts was negligible hence value shown as zero)

1.4.5 Where the ₹ went?

Actual Expenditure



During the year 2021-22, Revenue Deficit of ₹ 20,333 crore (₹ 22,385 crore Deficit in 2020-21) and fiscal deficit of ₹ 31,778 crore (₹ 29,486 crore deficit in 2020-21) represent 2.27 per cent and 3.55 per cent of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 28.77 per cent of total expenditure.

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.

Refers to the gap between Revenue Receipt and Revenue Expenditure. Revenue expenditure is required to maintain the existing establishment of government and ideally, should be fully met from revenue receipts.

REVENUE DEFICIT/ SURPLUS

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 and ideally should be invested in capital projects.

1.5 Fiscal Responsibility and Budget Management (FRBM) Act 2005

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. The Government of Haryana has enacted the Fiscal Responsibility and Budget Management (FRBM) Act 2005. As per this Act, the State Government was required to achieve certain fiscal targets by specified periods. The targets mentioned in the Report of the Fifteenth Finance Commission and achievements in 2021-22 as depicted in the Accounts are as follows:

| Sr. No. | Financial Parameter | Actual (₹ in crore) | Ratio to GSDP* | |
|---------|---------------------|------------------------|----------------|------------------------|
| | | | Target | Achievement |
| 1 | Revenue Deficit | 20,333 | 0.00 | 2.27 (not achieved) |
| 2 | Fiscal Deficit | 31,778 | 4.00 or less | 3.55 (achieved) |
| 3 | Outstanding Debt** | 2,63,951 | 31.20 or less | 29.47 (achieved) |

* GSDP figure (₹ 8,95,671 crore) at current prices as per Advance Estimates is taken from the Department of Economic and Statistic Analysis, Haryana and was also available on the website of Ministry of Statistics and Programme Implementation, Govt. of India.

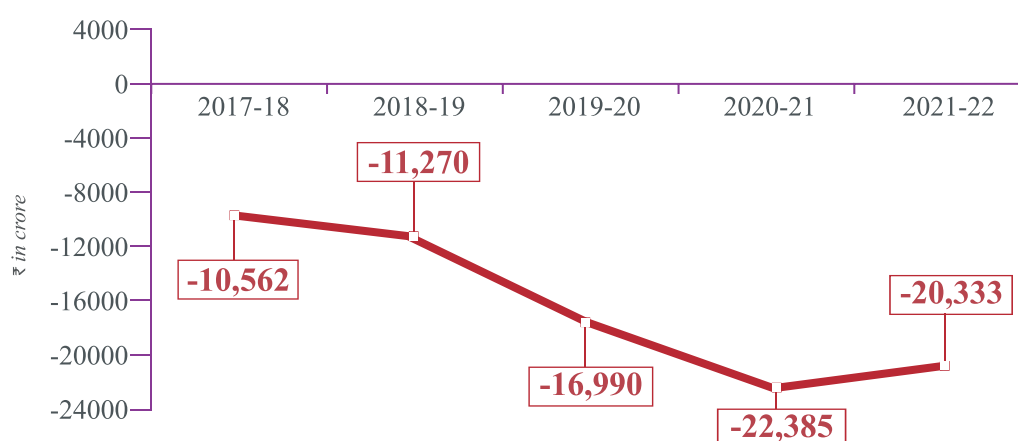
**Outstanding debt includes all debts and other liabilities but does not include ₹ 11,746 crore passed on as back to back loans by GoI in lieu of shortfall in GST Compensation vide GoI's letter No. F.No.40(1)PF-S/2021-22 dated 10 December 2021.

In terms of Section 5 of the Haryana Fiscal Responsibility and Budget Management (FRBM) Act 2005, the Government of Haryana presented the Medium Term Fiscal Policy and Strategy Statement along with the State Budget for 2021-22.

The State Government had Revenue Deficit of ₹ 22,385 crore in 2020-21 and ₹ 20,333 crore during the year 2021-22 which was not as per the recommendations of Fifteenth Finance Commission. Fiscal Deficit increased by ₹ 2,292 crore from ₹ 29,486 crore in 2020-21 to ₹ 31,778 crore in the current year and was to 3.55 *per cent* of GSDP which confirm to the specified fiscal targets. Against the recommendations of the Fifteenth Finance Commission regarding reducing outstanding debt (including liabilities) to 31.20 *per cent* of GSDP by the year 2021-22, the outstanding debt (including other liabilities) stood at ₹ 2,63,951 crore as on 31 March 2022, being 29.47 *per cent* of GSDP.

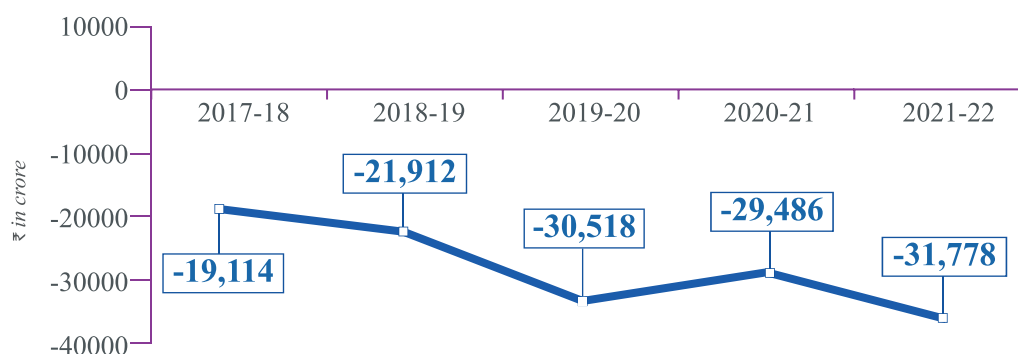
1.5.1 Trend of Revenue Deficit/ Surplus

Trend of Revenue Deficit/Surplus



1.5.2 Trend of Fiscal Deficit

Trend of Fiscal Deficit

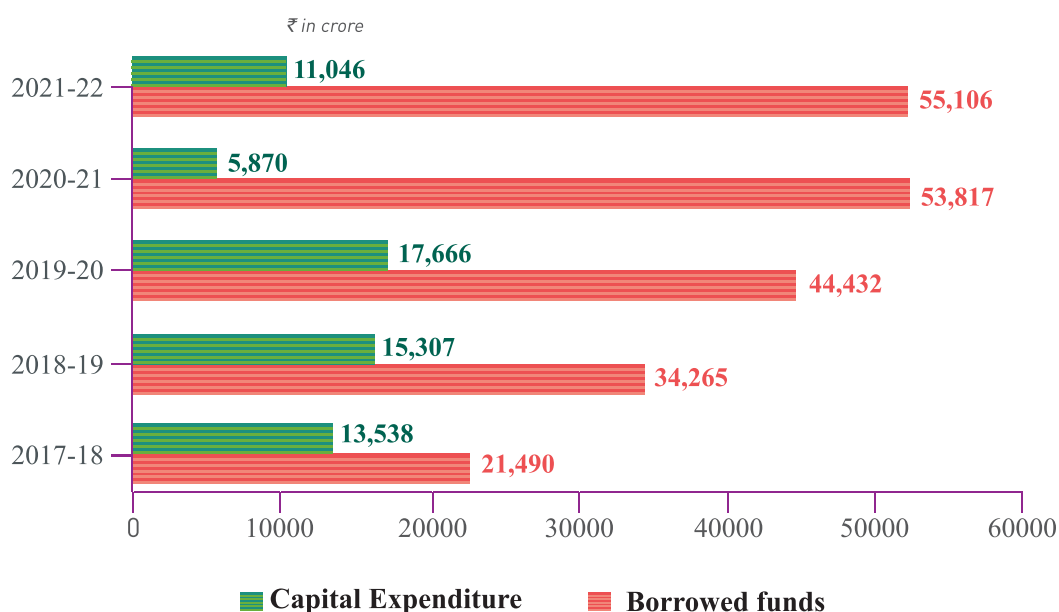


1.5.3 Proportion of borrowed funds spent on Capital Expenditure

(₹ in crore)

| Year | Borrowed Fund | Capital Expenditure |
|---------|---------------|---------------------|
| 2017-18 | 21,490 | 13,538 |
| 2018-19 | 34,265 | 15,307 |
| 2019-20 | 44,432 | 17,666 |
| 2020-21 | 53,817 | 5,870 |
| 2021-22 | 55,106 | 11,046 |

Borrowed funds viz-a-viz Capital Expenditure



The governments usually run fiscal deficits and borrow funds for capital/ assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream. Thus, it is desirable to fully utilize 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 (₹ 55,106 crore) on capital expenditure (₹ 11,046 crore) and 2 *per cent* on Loans and Advances given by the State Government (₹ 966 crore). It would therefore appear that balance 78 *per cent* of borrowings in the public debt (₹ 43,094 crore) was utilized to repay the principal (₹ 25,473 crore) and part of interest on public debt of previous years and to meet periodic shortfalls of revenue against expenditure in the current year.

Chapter II

Receipts

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2021-22 were ₹ 1,10,437 crore.

2.2 Revenue Receipts

The revenue receipts of the government comprise three components viz. Tax Revenue, Non-tax Revenue and Grants-in-aid received from the Union Government.

● TAX REVENUE

Comprises taxes collected and retained by the state and State's share of Union Taxes under Article 280(3) of the Constitution.

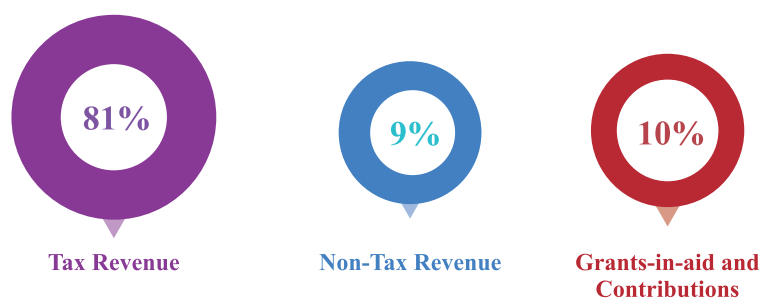
Includes interest receipts, dividends, profits, departmental receipts etc.

● NON-TAX REVENUE

● GRANTS-IN-AID

Grants-in-aid represent Central Assistance to the State Government from the Union Government. It also includes "External Grant Assistance" and "Aid, Material and Equipment" received from Foreign Government and channelized through the Union Government. In turn, the State Government also gives Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous bodies etc.

Revenue Receipts



2.2.1 Revenue Receipts Components (2021-22)

| Components | | Actuals (₹ in crore) | Percentage to Revenue Receipts |
|------------|--|-------------------------|-----------------------------------|
| A. | Tax Revenue * | 63,099 | 81 |
| | Goods and Services Tax | 25,685 | 33 |
| | Taxes on Income & Expenditure | 5,721 | 7 |
| | Taxes on Property & Capital Transactions | 7,620 | 10 |
| | Taxes on Commodities & Services | 24,073 | 31 |
| B. | Non-Tax Revenue | 7,395 | 9 |
| | Interest Receipts, Dividends and Profits | 2,386 | 3 |
| | General Services | 622 | 1 |
| | Social Services | 1,866 | 2 |
| | Economic Services | 2,521 | 3 |
| C. | Grants-in-aid & Contributions | 7,598 | 10 |
| | Total – Revenue Receipts | 78,092 | 100 |

*Includes share of net proceeds assigned to State (received from the Government of India).

2.2.2 Trend of Revenue Receipts

(₹ in crore)

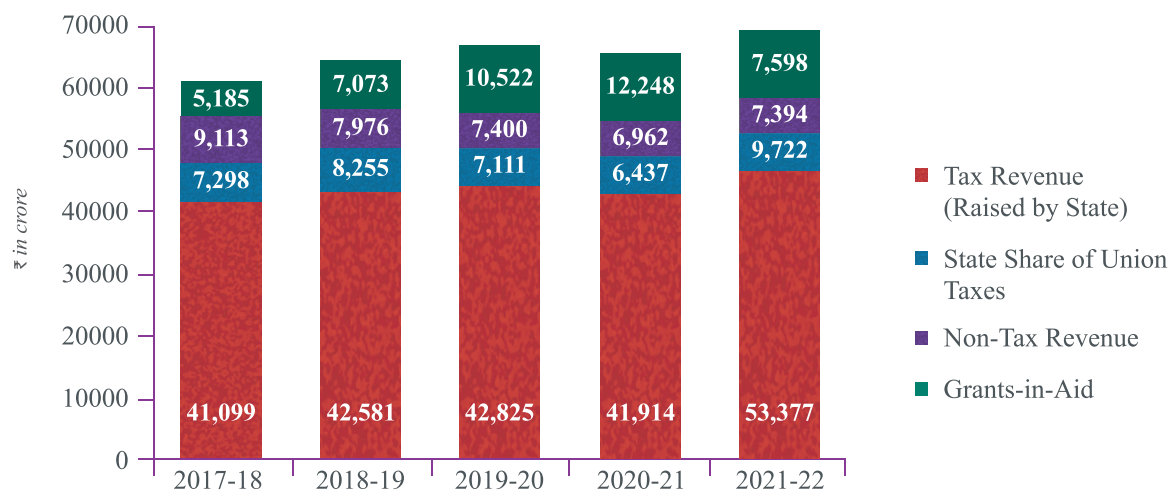
| Components | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---------------------------------------|------------------------|-----------------------|-----------------------|-----------------------|--------------------------|
| Tax Revenues (Raised by the State) | 41,099 (7) | 42,581 (6) | 42,825 (5) | 41,914 (5) | 53,377 (6) |
| State Share of Union Taxes/Duties | 7,298 (1) | 8,255 (1) | 7,111 (1) | 6,437 (1) | 9,722 (1) |
| Non-Tax Revenues | 9,113 (1) | 7,976 (1) | 7,400 (1) | 6,962 (1) | 7,394 (1) |
| Grants in Aid | 5,185 (1) | 7,073 (1) | 10,522 (1) | 12,248 (2) | 7,598 (1) |
| Total Revenue Receipts | 62,695 (10) | 65,885 (9) | 67,858 (8) | 67,561 (9) | 78,091(a) (9) |
| GSDP | 6,08,471 | 7,07,126 | 8,31,610 | 7,64,872 | 8,95,671 |

(a) Differs from actual Revenue Receipt by ₹ 1 crore due to rounding.

Note: Figures in parentheses represent percentage to GSDP (Gross State Domestic Product). GSDP Figures for 2021-22 are at current prices, as per Advance Estimates intimated by Department of Economic & Statistical Analysis, Haryana.

Though the GSDP increased by 17.10 *per cent* in 2021-22 as compared to previous year, growth in revenue receipts was 15.59 *per cent*. The Total tax revenue (including share of Union Taxes) increased by 30.50 *per cent*, the non-tax revenue increased by 6.21 *per cent* but the grants-in-aid decreased by 37.97 *per cent* compared to previous year.

Trend of Components of Revenue Receipts



2.3 Tax Revenue

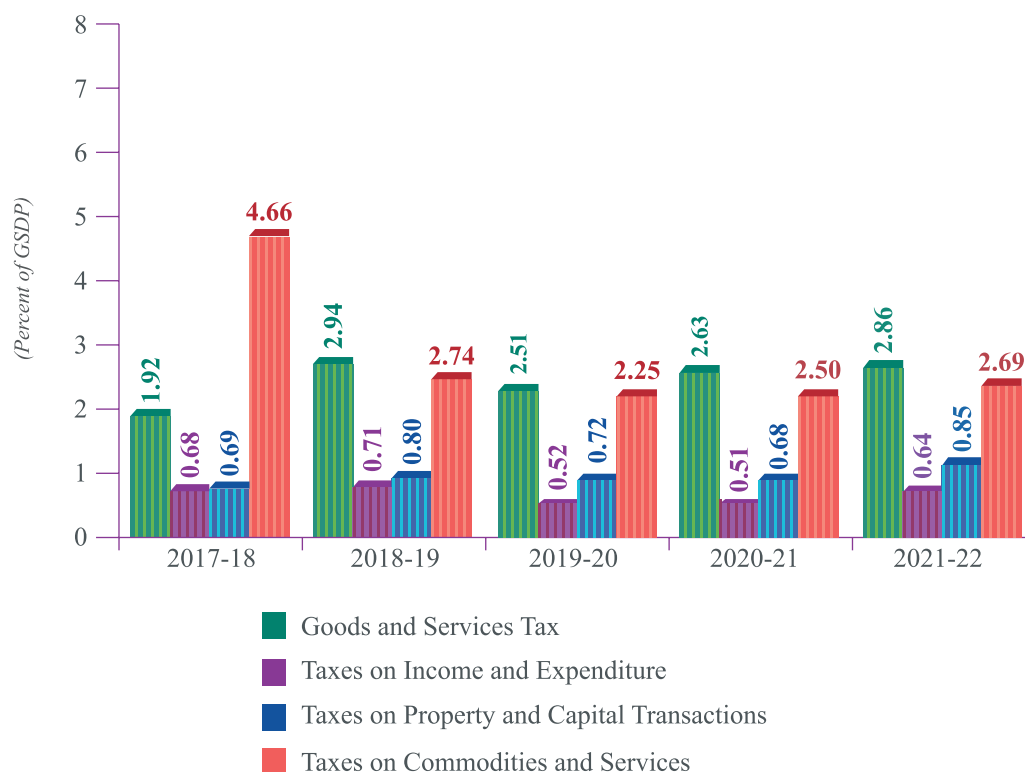
(₹ in crore)

| Sector-wise Tax Revenue | | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Components | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| a. Goods and Services Tax | 11,675 (1.92) | 20,813 (2.94) | 20,891 (2.51) | 20,143 (2.63) | 25,685 (2.86) |
| b. Taxes on Income and Expenditure | 4,124 (0.68) | 5,000 (0.71) | 4,324 (0.52) | 3,943 (0.51) | 5,721 (0.64) |
| c. Taxes on Property and Capital Transactions | 4,210 (0.69) | 5,656 (0.80) | 6,034 (0.72) | 5,173 (0.68) | 7,620 (0.85) |
| d. Taxes on Commodities and Services | 28,388 (4.66) | 19,367 (2.74) | 18,687 (2.25) | 19,092 (2.50) | 24,073 (2.69) |
| Total Tax Revenue | 48,397 (7.95) | 50,836 (7.19) | 49,936 (6.00) | 48,351 (6.32) | 63,099 (7.04) |
| GSDP | 6,08,471 | 7,07,126 | 8,31,610 | 7,64,872 | 8,95,671 |

Note: Figures in parentheses represent percentage to GSDP.

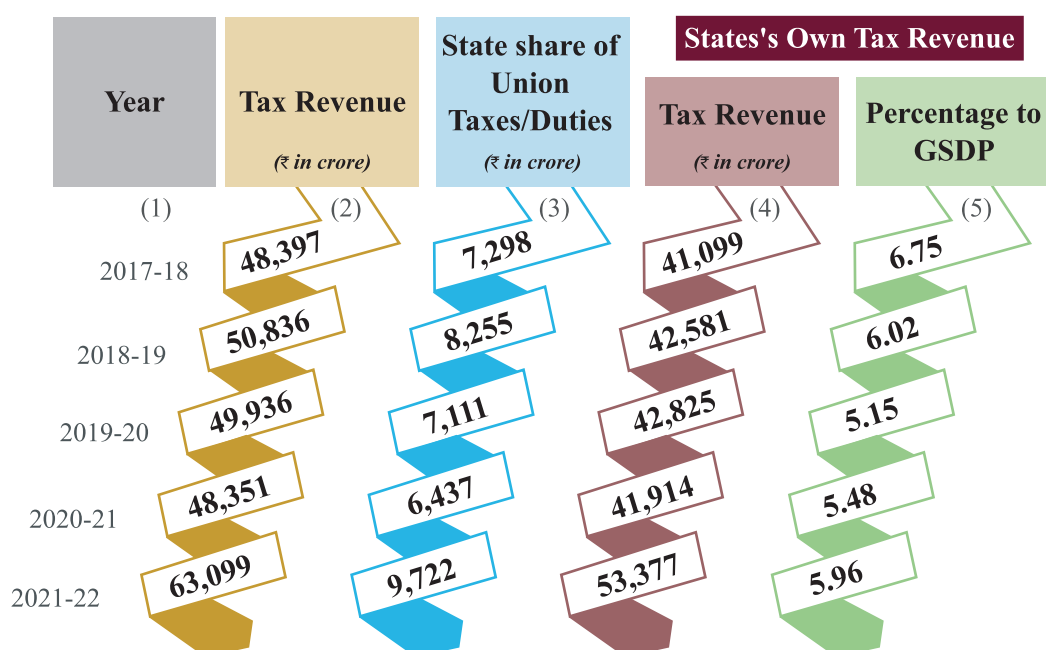
The increase in total tax revenue during 2021-22 was mainly attributable to more allocation of State share from Government of India i.e. Corporation Tax (₹ 900 crore), Taxes on Income other than Corporation Tax (₹ 879 crore), Central Goods and Service Tax (CGST) (₹ 856 crore), Customs (₹ 371 crore) and more collection under State Goods and Service Tax (SGST) (₹ 4,686 crore), Taxes on Sales, Trade etc. (₹ 2,561 crore), Stamps and Registration Fees (₹ 2,441 crore), State Excise (₹ 1,069 crore) and Taxes on Vehicles (₹ 770 crore) etc.

Trend of Major Taxes in proportion to GSDP



2.3.1 State's own Tax and State's share of Union Taxes

Tax Revenue of the State Government comes from two sources viz. State's own tax collections and devolution of Union taxes.



Following table depicts the comparative position about tax revenue received from the two sources over a period of five years:

(₹ in crore)

| Description | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--|---------------|---------------|---------------|---------------|---------------|
| State's own Tax collection | 41,099 | 42,581 | 42,825 | 41,914 | 53,377 |
| Devolution of Union Taxes | 7,298 | 8,255 | 7,111 | 6,437 | 9,722 |
| Total Tax Revenue | 48,397 | 50,836 | 49,936 | 48,351 | 63,099 |
| Percentage of State's own tax to total tax revenue | 85 | 84 | 86 | 87 | 85 |

The proportion of State's own tax collection in overall tax revenue has decreased to 84 *per cent* from 2017-18 to 2018-19, increased to 86 *per cent* in 2019-20, 87 *per cent* in 2020-21 and decreased to 85 *per cent* in 2021-22.

2.3.2 Trend in State's Own Tax collection over the past five years

(₹ in crore)

| Taxes | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|------------------------------------|---------------|---------------|---------------|---------------|------------------|
| 1.State Goods and Services Tax | 10,833 | 18,613 | 18,873 | 18,236 | 22,922 |
| 2. Land Revenue | 18 | 19 | 20 | 17 | 21 |
| 3. Stamp and Registration fees | 4,192 | 5,636 | 6,013 | 5,157 | 7,598 |
| 4. State Excise | 4,966 | 6,042 | 6,323 | 6,864 | 7,933 |
| 5. Taxes on Sales, Trade etc. | 15,609 | 8,998 | 8,398 | 8,660 | 11,221 |
| 6. Taxes on Vehicles | 2,778 | 2,908 | 2,916 | 2,495 | 3,265 |
| 7. Taxes on Goods and Passengers | 2,317 | 21 | 16 | 4 | 6 |
| 8. Taxes and Duties on electricity | 306 | 337 | 262 | 476 | 404 |
| 9. Other Taxes | 79 | 7 | 4 | 5 | 6 |
| Total State's own Taxes | 41,099 | 42,581 | 42,825 | 41,914 | 53,376(a) |

(a) Differs from actual State's Own Tax Collection by ₹ 1 crore due to rounding.

2.4 Cost of Tax Collection

(₹ in crore)

| Taxes | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|---------|---------|---------|---------|---------|
| 1. Taxes on Sales, Trade etc. | | | | | |
| Revenue collection | 15,609 | 8,998 | 8,398 | 8,660 | 11,221 |
| Expenditure on collection | 148 | 151 | 172 | 207 | 208 |
| Percentage Cost of tax collection | 0.95 | 1.68 | 2.05 | 2.39 | 1.85 |
| 2. State Excise | | | | | |
| Revenue collection | 4,966 | 6,042 | 6,323 | 6,864 | 7,933 |
| Expenditure on collection | 42 | 38 | 47 | 53 | 52 |
| Percentage Cost of tax collection | 0.85 | 0.63 | 0.74 | 0.77 | 0.66 |
| 3. Taxes on Vehicles, Goods and Passengers | | | | | |
| Revenue collection | 5,095 | 2,929 | 2,932 | 2,499 | 3,271 |
| Expenditure on collection | 38 | 56 | 58 | 77 | 74 |
| Percentage Cost of tax collection | 0.75 | 1.91 | 1.98 | 3.08 | 2.26 |
| 4. Stamp and Registration Fees | | | | | |
| Revenue collection | 4,192 | 5,636 | 6,013 | 5,157 | 7,598 |
| Expenditure on collection | 10 | 9 | 10 | 9 | 22 |
| Percentage Cost of tax collection | 0.24 | 0.16 | 0.17 | 0.17 | 0.29 |

The expenditure on collection of Taxes on Sales, Trade etc. and Taxes on Vehicles, Goods and Passengers was high as compared to expenditure on collection of other taxes.

2.5 Trend in State's share of Union Taxes over the past five years

(₹ in crore)

| Description | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--|---------------|---------------|---------------|---------------|---------------|
| Central Goods and Services Tax (CGST) | 105 | 2,038 | 2,018 | 1,907 | 2,763 |
| Integrated Goods and Services Tax (IGST) | 737 | 163 | Nil | Nil | Nil |
| Corporation Tax | 2,236 | 2,871 | 2,425 | 1,947 | 2,846 |
| Taxes on Income other than Corporation Tax | 1,888 | 2,114 | 1,900 | 1,996 | 2,875 |
| Other Taxes on Income and Expenditure | Nil | 15 | Nil | Nil | Nil |
| Taxes on Wealth | Nil | 1 | Nil | Nil | 1 |
| Customs | 737 | 585 | 451 | 338 | 709 |
| Union Excise Duties | 770 | 389 | 313 | 216 | 390 |
| Service Tax | 825 | 75 | Nil | 28 | 128 |
| Other Taxes and Duties on Commodities and Services | Nil | 4 | 4 | 5 | 10 |
| <i>State's share of Union Taxes/Duties</i> | 7,298 | 8,255 | 7,111 | 6,437 | 9,722 |
| Total Tax Revenue | 48,397 | 50,836 | 49,936 | 48,351 | 63,099 |
| Percentage of Union Taxes to Total Tax Revenue | 15 | 16 | 14 | 13 | 15 |

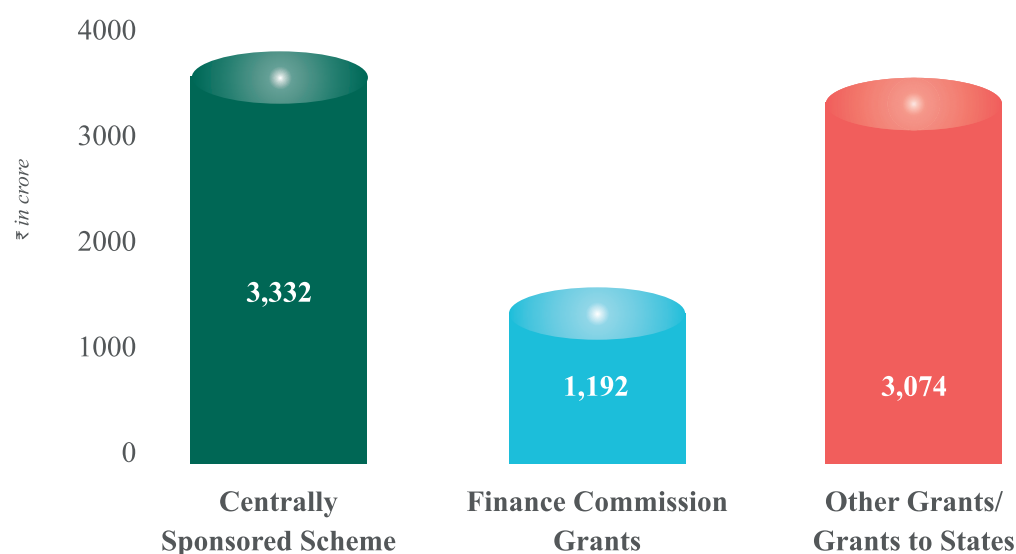
Government of Haryana received ranging between 13 to 16 *per cent* share of Total Tax Revenue from the net proceeds of all shareable Union Taxes during the period 2017-18 to 2021-22.

2.6 Grants-in-aid

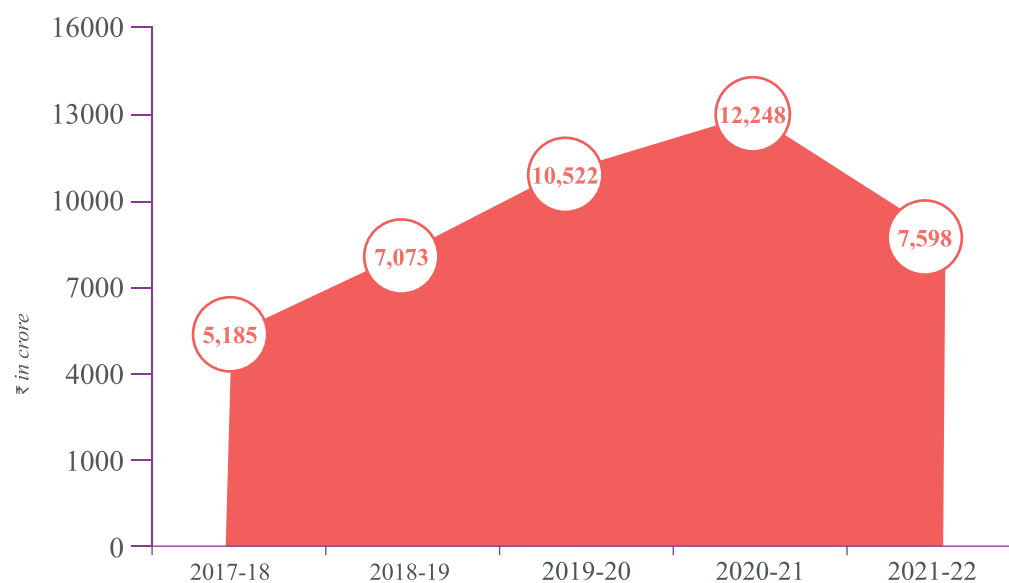
Grants-in-aid represent assistance from the Government of India and comprise, grant for State Schemes, Central Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Grants recommended by the Finance Commission.

Total receipts during 2021-22 under Grants -in-aid were ₹ 7,598 crore as shown below:

Grants-in-Aid

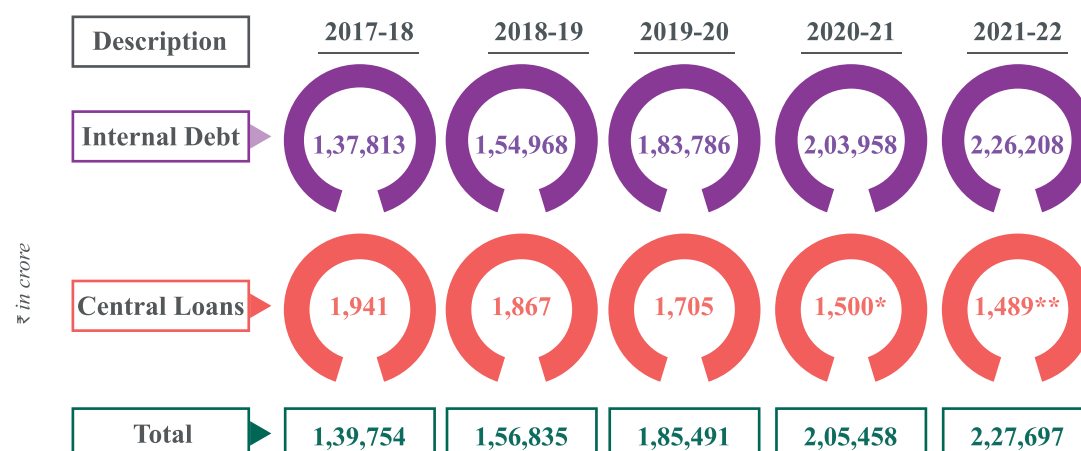


Trend of Grants-in-aid



2.7 Public Debt

Trend of position of Public Debt over the past five years:



Note: Central Loans does not include back to back loans by GoI in lieu of shortfall in GST Compensation vide GoI's letter No. F. No. 4000(1)PF-S/2021-22 dated 10 December 2021.

*₹ 4,352 crore,

**₹ 11,746 crore

During the year 2021-22, twenty loans totaling ₹ 30,500 crore were raised from the open market at interest rates varying from 6.63 per cent to 7.43 per cent and the same are redeemable during the period between 2028-2042. In addition, the State Government raised loans of ₹ 14,101 crore from the Financial Institutions and ₹ 193 crore from Other Loans. An amount of ₹ 2,776 crore obtained from Ways and Means Advances from the Reserve Bank of India. Thus, the total Internal Debt raised by the Government during the year 2021-22 aggregated to ₹ 47,570 crore {excluding adjustment of ₹ (-) 2 crore for old market loans} . The Government also received ₹ 7,537 crore from Government of India as Loans and Advances.

Chapter III

Expenditure

3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue Expenditure is recurring in nature, used to meet the day-to-day running of the organization and is intended to be met from revenue receipts. Capital Expenditure is used to create permanent assets or to enhance the utility of such assets or to reduce permanent liabilities.

In Government accounts, the expenditure is classified at top level into three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned in the table given below:

GENERAL SERVICES

Includes Justice, Police, Jail, Public Works Division, Interest and Pension etc.

Includes Education, Health & Family Welfare, Water Supply and Welfare of Scheduled Castes, Scheduled Tribes etc.

SOCIAL SERVICES

ECONOMIC SERVICES

Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries and Transport etc.

3.2 Revenue Expenditure

The shortfall of Revenue Expenditure against Budget Estimates as per Appropriation Accounts during the past five years is given on next page:

(₹ in crore)

| Year | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|---------|---------|----------|----------|----------|
| Budget Estimates (BE) | 86,715 | 91,072 | 1,00,755 | 1,13,664 | 1,34,262 |
| Actuals | 73,491 | 77,365 | 85,180 | 90,671 | 99,441 |
| Gap | 13,224 | 13,707 | 15,575 | 22,993 | 34,821 |
| Percentage of variation of Gap against BE | 15 | 15 | 15 | 20 | 26 |

(Source: Appropriation Accounts of respective years)

Compounding the shortfall (by 11 *per cent*) of Revenue Receipts against Budget Estimates in 2021-22, the State Government faced with the problem of generating revenue surplus in terms of the recommendations of Fifteenth Finance Commission.

Around 53 *per cent* of the total Revenue Expenditure during 2021-22 was incurred on committed expenses viz. on Salaries (₹ 23,441 crore), Interest Payment (₹ 18,362 crore) and Pensions (₹ 10,617 crore) which is the committed liability of the State Government.

The position of Committed and Uncommitted Revenue Expenditure over the last five years is given below:

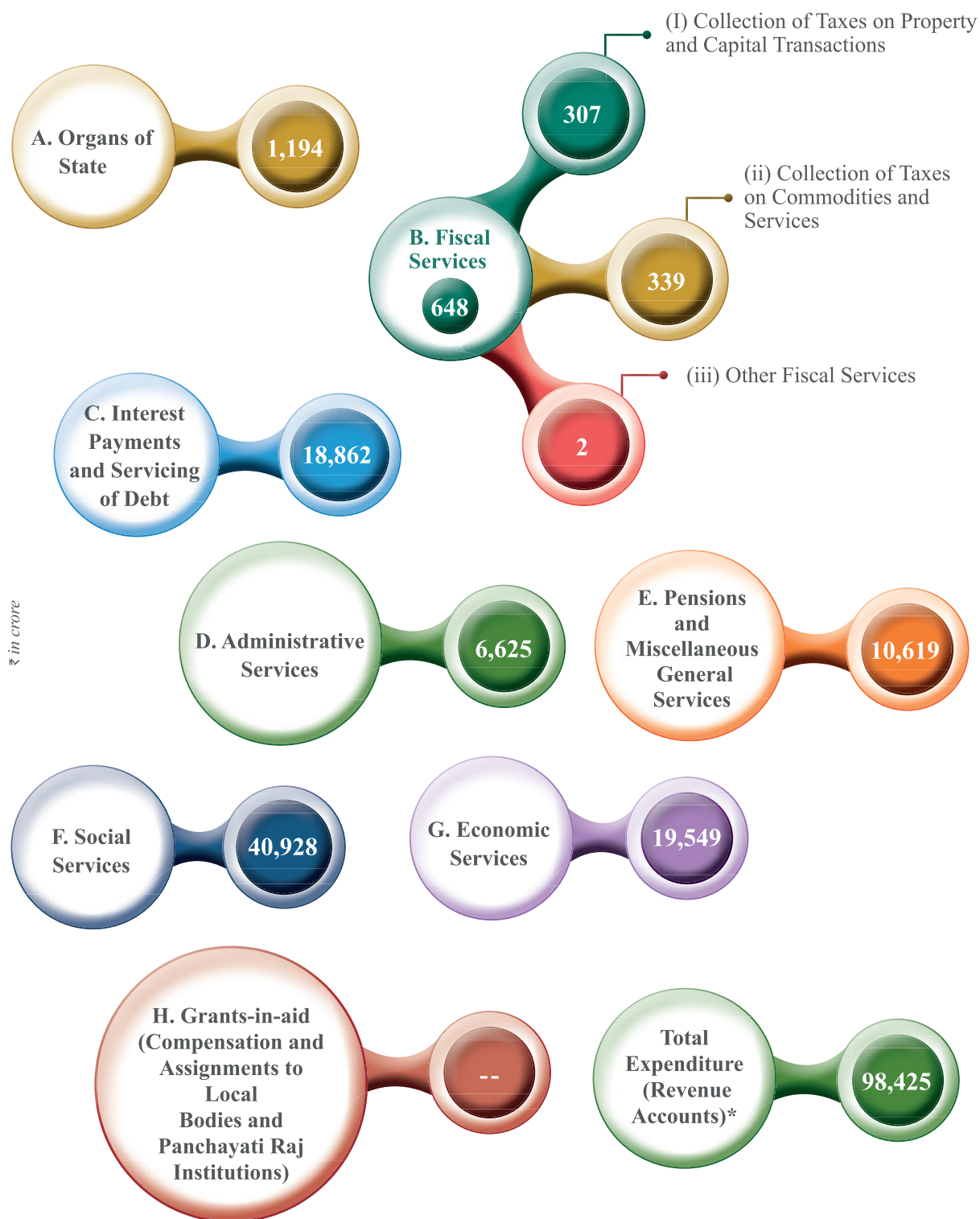
(₹ in crore)

| Component | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|---------|---------|---------|---------|---------|
| Total Revenue Expenditure | 73,257 | 77,155 | 84,848 | 89,946 | 98,425 |
| Committed Revenue Expenditure # | 38,548 | 41,103 | 46,142 | 48,789 | 52,420 |
| <i>Percentage of Committed Revenue Expenditure to Total Revenue Expenditure</i> | 53 | 53 | 54 | 54 | 53 |
| Uncommitted Revenue Expenditure | 34,709 | 36,052 | 38,706 | 41,157 | 46,005 |

Committed Revenue Expenditure includes expenditure on Salaries, Interest Payments and Pensions.

It may be seen that the Uncommitted Revenue Expenditure available for implementation of various schemes has increased by 33 *per cent* from ₹ 34,709 crore in 2017-18 to ₹ 46,005 crore in 2021-22. The Total Revenue Expenditure increased by 34 *per cent* from ₹ 73,257 crore in 2017-18 to ₹ 98,425 crore in 2021-22 and Committed Revenue Expenditure increased by 36 *per cent* over the same period.

3.2.1 Sectoral Distribution of Revenue Expenditure (2021-22)



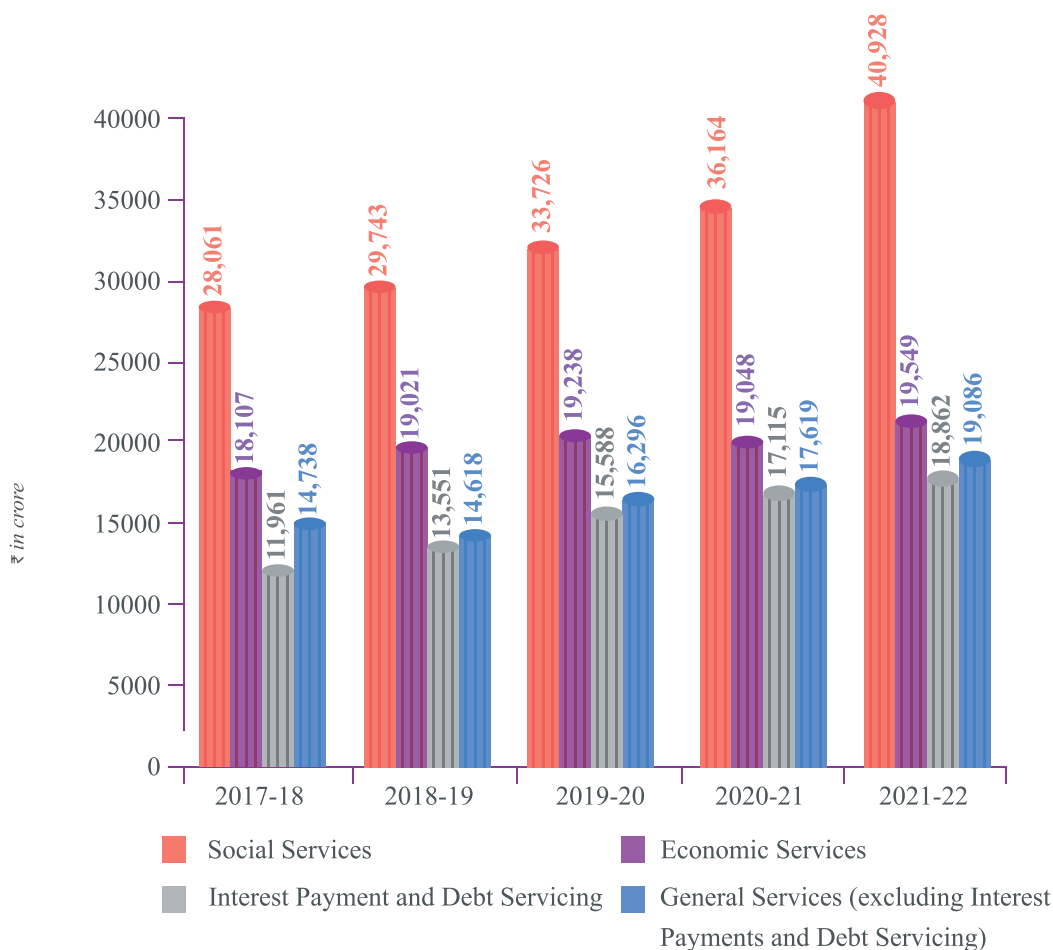
* (Net, after deducting recoveries)

3.2.2 Major Components of Revenue Expenditure 2017-18 to 2021-22

(₹ in crore)

| Components | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--|---------|---------|---------|---------|---------|
| Social Services | 28,061 | 29,743 | 33,726 | 36,164 | 40,928 |
| Economic Services | 18,107 | 19,021 | 19,238 | 19,048 | 19,549 |
| Interest Payments and Debt Servicing | 11,961 | 13,551 | 15,588 | 17,115 | 18,862 |
| General Services (excluding expenditure on Interest Payments and Debt Servicing) | 14,738 | 14,618 | 16,296 | 17,619 | 19,086 |

Trend of Major Components of Revenue Expenditure



3.3 Capital Expenditure

Capital Expenditure is essential if the growth process is to be sustained. Capital Expenditure during 2021-22 amounting for ₹ 11,046 crore (1 per cent of GSDP) was less than Budget Estimates by ₹ 2,982 crore. The Growth in Capital Expenditure has not kept pace with the Growth of GSDP since 2017-18 (except 2021-22).

This can be seen from the table below:

(₹ in crore)

| S. No. | Components | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--------|--|----------|----------|----------|----------|----------|
| 1 | Budget Estimates (B.E.)* | 11,122 | 19,573 | 19,563 | 14,055 | 14,028 |
| 2 | Actual Capital Expenditure (#) | 13,538 | 15,307 | 17,666 | 5,870 | 11,046 |
| 3 | Percentage of Actual Capital Expenditure to B.E. | 122 | 78 | 90 | 42 | 79 |
| 4 | Percentage of Yearly Growth in Capital Capital Expenditure | 97 | 13 | 15 | (-)67 | 88 |
| 5 | GSDP | 6,08,471 | 7,07,126 | 8,31,610 | 7,64,872 | 8,95,671 |
| 6 | Percentage of Yearly Growth in GSDP | 11 | 16 | 18 | (-)8 | 17 |

(*) Figures are as per Appropriation Accounts including recoveries taken in reduction of expenditure.

(#) Does not include expenditure on Loans and Advances

3.3.1 Sectoral Distribution of Capital Expenditure

During 2021-22, the Government spent ₹ 1,487 crore on various Irrigation Projects (₹ 962 crore on Major Irrigation and ₹ 525 crore on Medium Irrigation). Apart from above, the Government spent ₹ 2,619 crore on Construction of Roads and Bridges and invested ₹ 366 crore in Government Companies and Co-operative Institutions. During the year, share capital amounting to ₹ 67 crore was redeemed by Co-operative Banks and Societies.

3.3.2 Sectoral Distribution of Capital Expenditure over the past five years

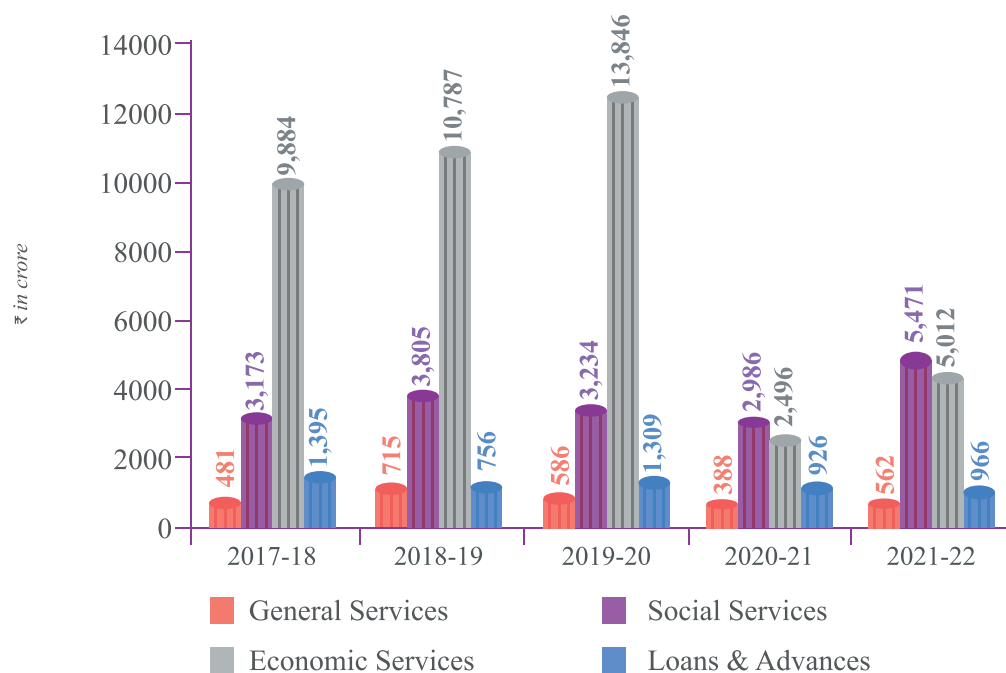
(₹ in crore)

| Sector | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|----------------------------------|---------------|----------------|----------------|---------------|------------------|
| General Services | 481 (3) | 715 (4) | 586 (3) | 388 (6) | 562 (5) |
| Social Services | 3,173 (21) | 3,805 (24) | 3,234 (17) | 2,986 (44) | 5,471 (45) |
| Economic Services | 9,884 (66) | 10,787 (67) | 13,846 (73) | 2,496 (37) | 5,012 (42) |
| Loans and Advances | 1,395 (10) | 756 (5) | 1,309 (7) | 926 (13) | 966 (8) |
| Total Capital Expenditure | 14,933 | 16,063 | 18,975 | 6,796 | 12,011(a) |

Note: Figures in parentheses represent percentage to Total Capital Expenditure.

(a) Differs from actual capital expenditure by ₹ 1 crore due to rounding.

Trend of Sectoral Distribution of Capital Expenditure



3.3.3. Sectoral Distribution of Capital and Revenue Expenditure

The comparative Sectoral Distribution of Capital and Revenue Expenditure over the past five years is illustrated below:

(₹ in crore)

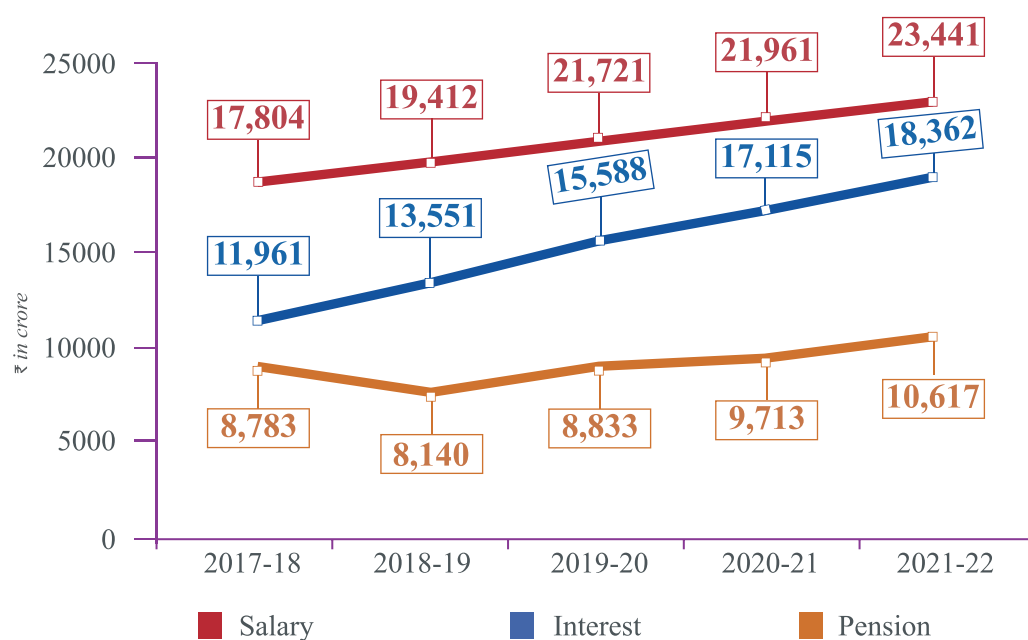
| S. No. | Sector | Section | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--------|---------------------------------|---------|---------|---------|---------|---------|---------|
| 1 | General Services | Capital | 481 | 715 | 586 | 388 | 562 |
| | | Revenue | 26,699 | 28,169 | 31,884 | 34,734 | 37,948 |
| 2 | Social Services | Capital | 3,173 | 3,805 | 3,234 | 2,986 | 5,471 |
| | | Revenue | 28,061 | 29,743 | 33,726 | 36,164 | 40,928 |
| 3 | Economic Services | Capital | 9,884 | 10,787 | 13,846 | 2,496 | 5,012 |
| | | Revenue | 18,107 | 19,021 | 19,238 | 19,048 | 19,549 |
| 4 | Grants-in-aid and Contributions | Capital | NA* | NA* | NA* | NA* | NA* |
| | | Revenue | 390 | 222 | -- | -- | -- |

*Not Applicable

3.4 Committed Expenditure

Expenditure on Salaries, Interest Payments and Pension showed increase in 2021-22 over the previous year.

Trend of Committed Expenditure



The trend of Committed Expenditure in comparison to Revenue Expenditure and Revenue Receipts over the past five years is depicted below:

| (₹ in crore) | | | | | |
|--|---------|---------|---------|---------|---------|
| Component | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Committed Expenditure | 38,548 | 41,103 | 46,142 | 48,789 | 52,420 |
| Revenue Expenditure | 73,257 | 77,155 | 84,848 | 89,946 | 98,425 |
| Revenue Receipts | 62,695 | 65,885 | 67,858 | 67,561 | 78,092 |
| Percentage of Committed Expenditure to Revenue Receipts | 61 | 62 | 68 | 72 | 67 |
| Percentage of Committed Expenditure to Revenue Expenditure | 53 | 53 | 54 | 54 | 53 |

The Committed Expenditure increased by 36 per cent from 2017-18 to 2021-22 while Revenue Expenditure registered the growth of 34 per cent during the same period, leaving the Government with lesser flexibility in development spending.

Chapter IV

Appropriation Accounts

4.1 Summary of Appropriation Accounts for 2021-22

(₹ in crore)

| S. No. | Nature of Expenditure | Original Grant | Supplementary Grant | Surrender (by way of Re-appropriation) | Total Budget | Actual Expenditure (Net) | Savings(-) Excess(+) |
|--------|---|--------------------|---------------------|--|--------------------|--------------------------|-----------------------|
| 1. | Revenue Voted <i>Charged</i> | 97,894 20,179 | 16,164 25 | 33,432 19,118 | 80,626 1,086 | 80,844 18,597 | (+)218 (+)17,511 |
| 2. | Capital Voted <i>Charged</i> | 26,278 150 | 4,710 | 8,004 113 | 22,984 37 | 24,242 40 | (+)1,258 (+)3 |
| 3. | Public Debt <i>Charged</i> | 28,161 | .. | .. | 28,161 | 25,473 | (-)2,688 |
| 4. | Loans and Advances Voted | 1,239 | 889 | 1,162 | 966 | 966 | .. |
| | Total Voted <i>Charged</i> | 1,25,411 48,490 | 21,763 25 | 42,598 19,231 | 1,04,576 29,284 | 1,06,052 44,110 | (+)1,476 (+)14,826 |

4.2 Trend of Savings / Excess during the past five years

(₹ in crore)

| Savings(-) Excess(+) | | | | | |
|----------------------|------------|-----------|-------------|-----------------|------------|
| Year | Revenue | Capital | Public Debt | Loan & Advances | Total |
| 2017-18 | (-) 13,224 | (-) 4,988 | (-) 3,606 | (-) 209 | (-) 22,027 |
| 2018-19 | (-) 13,707 | (-) 3,325 | (-) 2,082 | (-) 1,256 | (-) 20,370 |
| 2019-20 | (-) 15,575 | (-) 6,164 | (-) 4,482 | (-) 373 | (-) 26,594 |
| 2020-21 | (-) 185 | (+) 1,332 | (-) 3,484 | (+) 183 | (-) 2,154 |
| 2021-22 | (+) 17,729 | (+) 1,261 | (-) 2,688 | .. | (+) 16,302 |

4.3 Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/programmes.

Some grants with persistent and significant net savings for the last five years are given below:

(₹ in crore)

| Grant No. | Nomenclature | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|-----------|--|---------|---------|---------|---------|---------|
| 4 | Revenue | -- | 328 | 382 | 219 | 594 |
| 7 | Planning and Statistics | 122 | 332 | 191 | 211 | 88 |
| 8 | Buildings & Roads | 1,464 | 1,142 | 1,374 | 1,014 | 477 |
| 9 | Education | 2,446 | 1,900 | 787 | 5,274 | 2,861 |
| 10 | Technical Education | -- | 68 | 58 | 178 | 80 |
| 11 | Sports and Youth Welfare | 226 | 119 | 130 | 220 | 239 |
| 12 | Art and Culture | -- | 10 | 122 | 110 | 49 |
| 13 | Health | 849 | 920 | 760 | 1,746 | 1,648 |
| 14 | Urban Development | 554 | 39 | 1,394 | 939 | 495 |
| 15 | Local Government | 1,463 | 2,169 | 2,264 | 3,771 | 3,702 |
| 16 | Labour | -- | 5 | 7 | 8 | 18 |
| 17 | Employment | -- | 45 | 70 | 245 | 189 |
| 18 | Industrial Training | 136 | 238 | 234 | 410 | 527 |
| 19 | Welfare of SCs and BCs | 369 | 335 | 232 | 145 | 155 |
| 21 | Women and Child Development | 343 | 554 | 537 | 478 | 705 |
| 23 | Food and Supplies | -- | 294 | 973 | 3,248 | 3,030 |
| 25 | Industries | 242 | 357 | 63 | 80 | 162 |
| 26 | Mines and Geology | -- | 13 | 23 | 25 | 102 |
| 27 | Agriculture | 649 | 957 | 1,543 | 1,703 | 1,342 |
| 28 | Animal Husbandry & Dairy Development | -- | 108 | 198 | 301 | 317 |
| 29 | Fisheries | 43 | 33 | 23 | 56 | 51 |
| 30 | Forest & Wild Life | 143 | 145 | 178 | 67 | 292 |
| 31 | Ecology and Environment | 3 | 8 | 1 | 3 | 9 |
| 32 | Rural and Community Development | 2,394 | 1,358 | 1,613 | 2,642 | 4,222 |
| 35 | Tourism | 52 | 25 | 12 | 15 | 86 |
| 37 | Elections | 38 | 31 | 171 | 30 | 55 |
| 39 | Information and Publicity | -- | 224 | 41 | 84 | 66 |
| 41 | Electronics & IT | -- | 65 | 102 | 32 | 56 |
| 44 | Printing and Stationery | 18 | 11 | 14 | 15 | 11 |
| PD | Public Debt | 3,606 | 2,082 | 4,482 | 4,167 | 2,688 |
| 45 | Loans and Advances by State Government | 209 | 1,256 | 373 | 287 | 1,162 |

Note: -- in the above table denotes insignificant savings.

The persistent huge savings under Education, Health, Local Government, Food and Supplies, Agriculture and Rural and Community Development are on account of schemes which though approved by the legislature have been given lesser priority during implementation. This can be attributed either due to increased budget estimation or the Government's desire to keep its fiscal deficit below the ceiling.

During 2021-22, Supplementary grants totaling ₹ 21,788 crore (14.51 *per cent* of total expenditure of ₹ 1,50,162) proved to be unnecessary in some cases. A few instances where there were savings at the end of the year even against original allocation are given below:

(₹ in crore)

| Grant No. | Nomenclature | Section | Original | Supplementary | Actual Expenditure |
|-----------|--|---------|----------|---------------|--------------------|
| 4 | 2245- Relief on account of Natural Calamities 80- General 001- Direction and Administration 95-Performance Linked Outlay (PLO) for Revenue (FCR-POLREV) | Revenue | -- | 839 | -- |
| 13 | 2210- Medical and Public Health 05- Medical Education, Training and Research 105- Allopathy 72- Performance Linked Outlay (PLO) for Department of Medical Education and Research (MER-PLO-REV) | Revenue | -- | 376 | -- |
| 13 | 4210- Capital Outlay on Medical and Public Health 03- Medical Education, Training and Research 105- Allopathy 86-Performance Linked Outlay (PLO) for Medical Education and Research (MER-PLO-CAP) | Capital | 200 | 161 | -- |
| 15 | 2217- Urban Development 80- General 001-Direction and Administration 91- Performance Linked Outlay (PLO) for Department of Urban Local Bodies (DLB-PLO-REV) | Revenue | 10 | 1,501 | -- |
| 15 | 2217- Urban Development 80- General 192- Assistance to Municipalities/ Municipal Councils 87- Smart City | Revenue | 200 | 336 | 136 |
| 15 | 2217- Urban Development 80- General 192- Assistance to Municipalities/ Municipal Councils 88- Swachh Bharat Mission | Revenue | 200 | 165 | 200 |

(₹ in crore)

| Grant No. | Nomenclature | Section | Original | Supplementary | Actual Expenditure |
|-----------|---|---------|----------|---------------|--------------------|
| 18 | 2230- Labour, Employment and Skill Development 03- Training 001- Direction and Administration 92- Establishment of Haryana Skill Development Mission | Revenue | 10 | 230 | 5 |
| 27 | 2401- Crop Husbandry 108- Commercial Crops 79- Reimbursement of GST Plus Market Fee under Price Support System to HAFED | Revenue | 323 | 323 | -- |
| 32 | 2515-Other Rural Development Programmes 102-Community Development 93- Scheme for Sanitation under Swachh Bharat Mission (Gramin) | Revenue | 240 | 292 | 100 |
| 33 | 2425-Co-operation 107- Assistance to credit co-operatives 85- Scheme for the one-time settlement for recovery linked incentive to Haryana Agriculture & Rural Development Bank & Harco Bank | Revenue | 37 | 703 | 37 |
| 34 | 3055- Road Transport 001- Direction and Administration 97- Performance Linked Outlay (PLO) for Transport (TA-PLO-REV) | Revenue | 27 | 178 | -- |
| 36 | 2055- Police 001- Direction and Administration 97- Performance Linked Outlay (PLO) for Police (POL-PLO- REV) | Revenue | 1 | 1,276 | -- |
| 38 | 2215- Water Supply and Sanitation 01- Water Supply 001- Direction and Administration 89- Performance Linked Outlay (PLO) for Public Health Engineering (PUH-PLO-REV) | Revenue | 1 | 443 | -- |

Chapter V

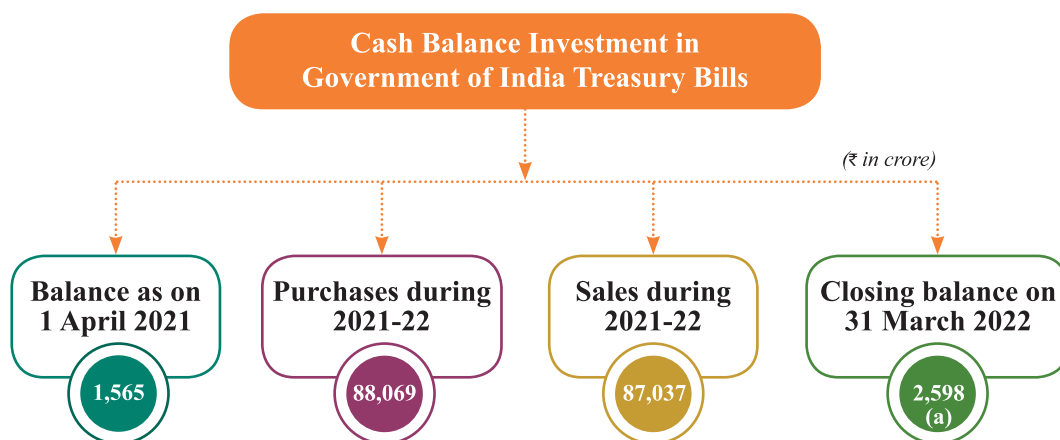
Assets and Liabilities

5.1 Assets

The existing forms of accounts do not clearly depict valuation of Government Assets like Land, Building etc. except 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.

Total investment as share capital in non-financial Public Sector Undertakings (PSUs) stood at ₹ 37,866 crore at the end of the year of 2021-22. However, dividends received during the year were ₹ 1,008 crore (i.e. 2.66 *per cent* on total investment). During 2021-22, investments increased by ₹ 299 crore (net) and dividend income increased by ₹ 845 crore.

Cash Balance with RBI stood at ₹ (-)463 crore on 1 April 2021 and increased to ₹ (-)371 crore at the end of March 2022. In addition, Government had invested an amount of ₹ 88,069 crore on 129 occasions in 14 days Treasury Bills and rediscounted Treasury Bills worth ₹ 87,037 crore on 189 occasions during 2021-22. The position of investment during the year 2021-22 is depicted in the table given below:



(a) Differs from actual Cash Balance Investment by ₹ 1 crore due to rounding.

5.2 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 fixed by the State Legislature from time to time.

Details of the Public Debt and Total Liabilities of the State Government for the last five years are as under:

| Year | Public Debt (₹ in crore) | Per cent of GSDP | Public Account* (₹ in crore) | Per cent of GSDP | Total Liabilities (₹ in crore) | Per cent of GSDP |
|---------|-----------------------------|---------------------|---------------------------------|---------------------|-----------------------------------|---------------------|
| 2017-18 | 1,39,754 | 23 | 24,322 | 4 | 1,64,076 | 27 |
| 2018-19 | 1,56,835 | 22 | 27,381 | 4 | 1,84,216 | 26 |
| 2019-20 | 1,85,491 | 22 | 30,071 | 4 | 2,15,562 | 26 |
| 2020-21 | 2,05,458** | 27 | 33,250 | 4 | 2,38,708 | 31 |
| 2021-22 | 2,27,697*** | 25 | 36,254 | 4 | 2,63,951 | 29 |

*Excludes suspense and remittance balances.

Note: 1. Public Debt does not include back to back loans by GoI in lieu of shortfall in GST Compensation vide GoI's letter No. F. No. 4000(1)PF-S/2021-22 dated 10 December 2021.

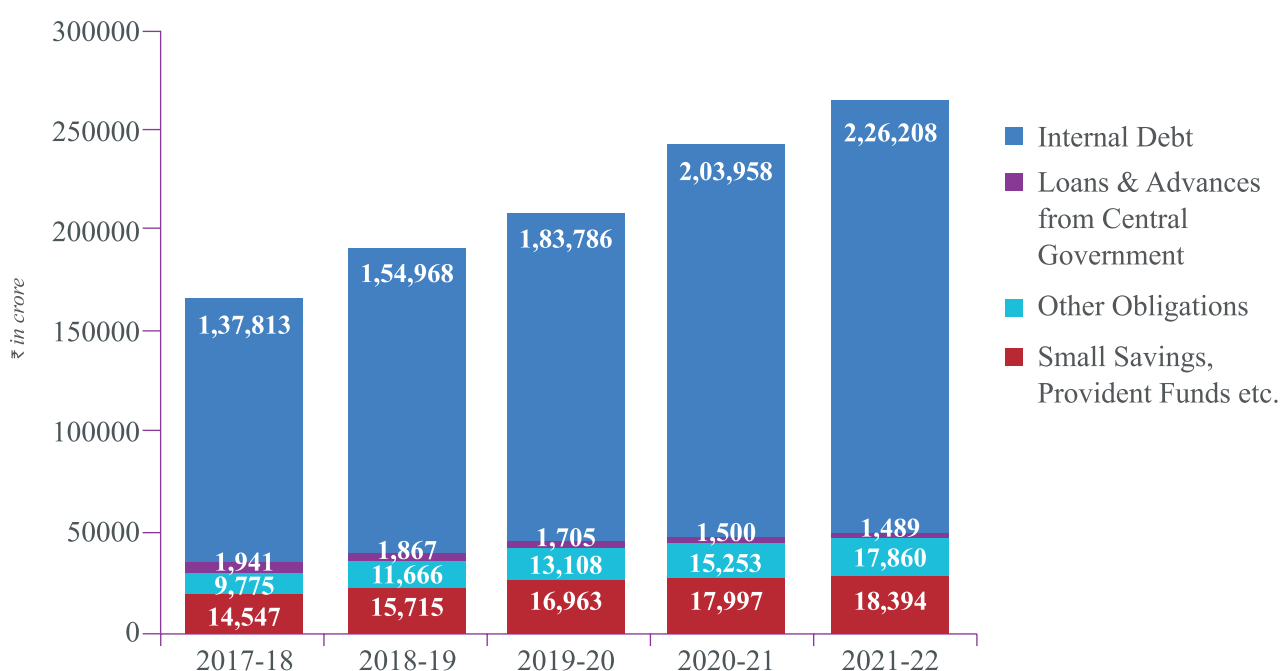
**₹ 4,352 crore,

***₹ 11,746 crore

2. Figures are progressive balance to end of the year.

Public Debt and Other Liabilities showed a net increase of ₹ 25,243 crore (11 per cent) in 2021-22 over the previous year.

Trend in Government Liabilities



5.3 Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Statutory Corporations, Government Companies and Corporations, Co-operative Societies etc. from the market and financial institutions for implementation of various schemes and programmes. These Guarantees are contingent liability on the Consolidated Fund of the State in case of default in the payment of loan capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies etc. for whom the Guarantee was extended and are projected outside the State Budget. The position of Guarantees by the State Government for the re-payment of loans (payment of principal and interest thereon) raised by Statutory Corporations, Government Companies and Corporations, Co-operative Societies etc. for the last five years is given below:


(₹ in crore)

| At the end of the year | Maximum Amount Guaranteed (Principal only) | Amount outstanding at the end of the year | |
|------------------------|--|---|----------|
| | | Principal | Interest |
| 2017-18 | 19,000 | 14,138* | NA** |
| 2018-19 | 20,654 | 18,220* | NA** |
| 2019-20 | 22,560 | 20,738* | NA** |
| 2020-21 | 25,492 | 23,053* | NA** |
| 2021-22 | 30,579 | 24,343* | NA** |

* Inclusive of Principal and Interest.

** Not Available.

Note: Details are available at Statement No. 20 of Finance Accounts and these are based on information received from the State Government, Finance Department.



Chapter VI

Other Items

6.1 Adverse Balances under Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government also guarantees loans raised by Government Companies and Corporations from the market and financial institutions for implementation of various schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Administrative Departments and do not appear in the books of the Government. However, the loan repayments appear in Government Account, resulting in irreconcilable adverse balances and understatement of liabilities in Government Accounts. As on 31 March 2022, no adverse balances are appearing in favour of Haryana State.

6.2 Loans and Advances given by the State Government

Total Loans and Advances made by the State Government at the end of 2021-22 were ₹ 8,350.07 crore. Out of these, Loans and Advances to Government Corporation/ Companies, Non-Government Institutions and Local Bodies amounted to ₹ 8,222.38 crore. Recovery of principal aggregating to ₹ 55.25 crore was in arrears at the end of 2021-22. The information relating to recovery of interest in arrear was not made available by the State Government. During 2021-22, ₹ 500.24 crore was received towards repayment of loans and advances (including ₹ 240.43 crore in respect of Power Distribution Companies), out of which ₹ 183.23 crore relates to repayment of loans to Government Servants. Effective steps to recover the outstanding loans would help the Government improving its fiscal position.

6.3 Financial Assistances to Local Bodies and Others

Grants-in-aid given to Local Bodies, Autonomous Bodies etc. increased from ₹ 9,844 crore in 2017-18 to ₹ 12,446 crore in 2021-22. Grants to Zilla Parishads (Panchayati Raj Institutions) and Municipalities/Municipal Councils (₹ 4,427 crore) represent 36 *per cent* of total grants given during the year.

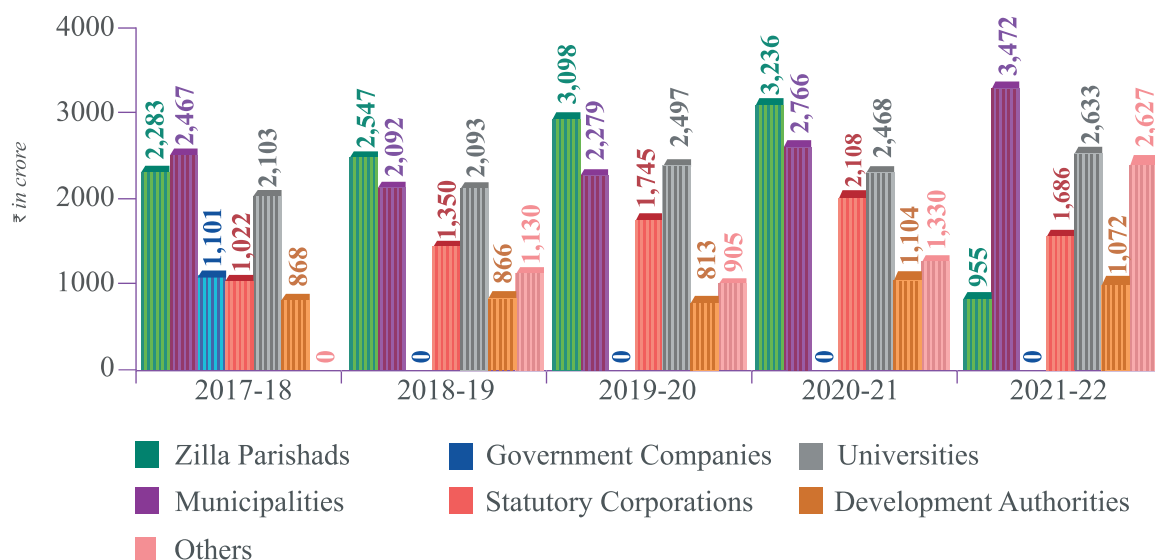
Details of Grants-in-aid for the past 5 years are as under:

(₹ in crore)

| S. No. | Name of Institutions | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--------|-------------------------|--------------|---------------|---------------|---------------|------------------|
| 1 | Zilla Parishads | 2,283 | 2,547 | 3,098 | 3,236 | 955 |
| 2 | Municipalities | 2,467 | 2,092 | 2,279 | 2,766 | 3,472 |
| 3 | Government Companies | 1,101 | Nil | Nil | Nil | Nil |
| 4 | Statutory Corporations | 1,022 | 1,350 | 1,745 | 2,108 | 1,686 |
| 5 | Universities | 2,103 | 2,093 | 2,497 | 2,468 | 2,633 |
| 6 | Development Authorities | 868 | 866 | 813 | 1,104 | 1,072 |
| 7 | Others | Nil | 1,130 | 905 | 1,330 | 2,627 |
| | Total | 9,844 | 10,078 | 11,337 | 13,012 | 12,445(a) |

(a) Differs from actual Total Grants-in-aid by ₹ 1 crore due to rounding.

Grants-in-aid Given



Details of Grants-in-aid given for Creation of Assets for the past 5 years are as under:

(₹ in crore)

| S. No | Name of Institutions | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|-------|-------------------------|--------------|--------------|--------------|--------------|--------------|
| 1 | Zilla Parishads | 1,545 | 2,336 | 2,991 | 3,105 | 868 |
| 2 | Municipalities | 2,145 | 1,028 | 1,387 | 2,188 | 2,482 |
| 3 | Government Companies | 14 | Nil | Nil | Nil | Nil |
| 4 | Statutory Corporations | 117 | 43 | 16 | 21 | 409 |
| 5 | Universities | 153 | 183 | 173 | 38 | 94 |
| 6 | Development Authorities | 133 | 143 | 156 | 151 | 175 |
| 7 | Others | Nil | 142 | 140 | 206 | 118 |
| | Total | 4,107 | 3,875 | 4,863 | 5,709 | 4,146 |

6.4 Cash Balance and Investment of Cash Balance

(₹ in crore)

| Component | As on 1 April 2021 | As on 31 March 2022 | Net increase(+) / decrease (-) |
|---|-----------------------|------------------------|--------------------------------|
| Cash Balance | (-) 463 | (-) 371 | 92 |
| Investment from Cash Balance (GOI Treasury Bills) | 1,565 | 2,598 | 1,033 |
| Investment from Earmarked Fund Balances | 2,043 | 2,715 | 672 |
| (a) Sinking Fund | 717 | 1,284 | 567 |
| (b) Guarantee Redemption Fund | 1,323 | 1,429 | 106 |
| (c) Other Funds | 3 | 2 | (-)1 |
| Interest realized during the year | 30 | 25 | (-)5 |

State Government had a negative closing cash balance at the end of 31 March 2022. Interest receipt on the investment of cash balance has decreased by 17 *per cent* from ₹ 30 crore in 2020-21 to ₹ 25 crore in 2021-22.

6.5 Reconciliation of Receipts and Expenditure

To exercise effective control on expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, all Controlling Officers are required to reconcile receipts and expenditure of the Government with the figures accounted for by the PAG (A&E), Haryana. During the year, receipts amounting to ₹ 78,158.85 crore (100 *per cent* of total Revenue and Capital receipts) and expenditure amounting to ₹ 1,09,470.60 crore (100 *per cent* of total Revenue and Capital expenditure) were reconciled by the State Government.

6.6 Submission of Accounts by Accounts Rendering Units

The Finance Accounts 2021-22 present the transactions of the Government of Haryana for the period 1 April 2021 to 31 March 2022. The accounts of receipts and expenditure of the Government of Haryana have been compiled based on the initial accounts rendered by 24 District Treasuries, 117 Public Works Divisions (59 Building & Roads, 58 Public Health Engineering), 86 Irrigation Divisions, 40 Forest Divisions, 38 Pay and Accounts offices and Advices of the Reserve Bank of India. Rendition of monthly accounts by the Accounts Rendering Units of the State Government was satisfactory and no accounts remained excluded at the end of the Financial Year. Primary compilation is done by Treasury and secondary compilation is done by PAG (A&E) office.

6.7 Unadjusted Abstract Contingent (AC) Bills

No moneys should be drawn from Government treasury unless it is required for immediate disbursement. In emergent circumstances, when money is required in advance or when they are not able to calculate the exact amount required, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money through Abstract Contingent (AC) bills by debiting Service Heads without supporting documents. Further, DDOs are required to present Detailed Countersigned Contingent (DCC) Bills containing vouchers in support of final expenditure to the PAG (A&E), within one month from the date of completion of the purpose for which the advance was drawn.

Detail of unadjusted AC Bills, as on 31 March 2022 pending submission of DCC bills are given below:

| Year | Unadjusted AC Bills | |
|--------------|---------------------|------------------------|
| | Number | Amount (₹ in crore) |
| Upto 2020-21 | 393 | 147.34 |
| 2021-22 | 460 | 392.68 |
| Total | 853 | 540.02 |

According to para 8.9 of Punjab Financial Rules Volume-I (Haryana State), Controlling Officers are to submit the DCC bills directly to PAG office. The current process of submission of DCC bills through DDOs/Treasury Offices as a part of monthly/bi-monthly accounts is not consistent with PFR.

6.8 Suspense and Remittances Balances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balance under these heads, worked out by aggregating the outstanding debit and credit balances separately under various heads, was ₹ 575.05 crore (credit) under two heads (8658 and 8782) as on 31 March 2022.

Non-clearance of outstanding balances under these heads affect the accuracy of receipt/expenditure figures and balances under different heads of Accounts (which are carried forward from year to year) of the State Government.

6.9 Utilization Certificates (UCs) for Grants-in-Aid not received

In terms of Rule 8.14 of the Punjab Financial Rules, Volume-I (as applicable to Haryana State), Utilization Certificates (UCs) in respect of Grants-in-Aid received by the grantee should be furnished by the grantee to the authority that sanctioned it, within 12 months of closure of financial year of sanction of grant. To the extent of non-submission of UCs, there is a risk that the amount shown in Finance Accounts may not have reached the beneficiaries.

The position of outstanding UCs as on 31 March 2022 is as under: -

| Year * | Number of UCs outstanding | Amount (₹ in crore) |
|--------------|---------------------------|------------------------|
| Upto 2020-21 | 2,181 | 13,031.78 |
| 2021-22 | 650 | 5,269.24 |
| Total | 2,831 | 18,301.02 |

* The year mentioned above relates to "Due Year" i.e. within 12 months of closure of financial year of actual drawal.

6.10 National Pension System (NPS)

The State Government employees recruited on or after 01 January 2006 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his/her basic pay and dearness allowance and 10 *per cent* of basic pay and dearness allowance (14 *per cent* from 1 January 2022) is contributed by the State Government; and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

During the year 2021-22, total contribution to the NPS was ₹ 1,815.01 crore (Employees' contribution: ₹ 875.35 crore and Government's contribution: ₹ 939.66 crore). The Government transferred ₹ 1,839.41 crore to the Public Account under Major Head 8342-117 Defined Contribution Pension Scheme for Government Employees.

6.11 Transfer of Funds to Personal Deposit (PD) Accounts

PD accounts enable designated Drawing Officers to incur expenditure for specific purposes pertaining to a scheme; by debiting the service heads in the Consolidated Fund of the State and crediting the Personal Deposits under the Major Head 8443-Civil Deposits and the Minor Head 106-Personal Deposits.

Administrators of PD accounts are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Consolidated Fund. For other PD accounts (opened from other than Consolidated Fund), if any PD Account is not operated upon for a period of three years, the same shall be closed. Administrators of PD accounts are required to reconcile/verify their balances with the Treasury figures and submit annual verification certificate to PAG (A&E) office through Treasury Officer. But, these instructions are not being complied with by the State Government.

During 2021-22, an amount of ₹ 2,998.05 crore was transferred to these PD Accounts. This includes ₹ 661.33 crore (22.06 *per cent*) transferred in March 2022.

Details of PD accounts as on 31 March 2022 are given below:

(₹ in crore)

| Opening Balance as on 1 April 2021 | | Addition during the year 2021-22 | | Closed/Withdrawal during the year 2021-22 | | Closing Balance as on 31 March 2022 | |
|---------------------------------------|----------|-------------------------------------|----------|--|----------|--|----------|
| Number of Administrators | Amount | Number of Administrators | Amount | Number of Administrators | Amount | Number of Administrators | Amount |
| 164 | 1,871.17 | 1 | 2,998.05 | 6 | 1,149.36 | 159 | 3,719.86 |

6.12 Status of Reserve Funds

Details of Reserve Funds are available in Statements 21 and 22 of the Finance Accounts. There are 11 active Reserve Funds earmarked for specific purposes. The total accumulated balance at the end of 31 March 2022 in these funds was ₹ 8,848.92 crore. Out of which ₹ 5,756.67 crore was under interest bearing Reserve Funds and ₹ 3,092.25 crore under Non-Interest bearing Reserve Funds.

6.12.1 Reserve Funds bearing Interest

6.12.1(a) State Disaster Response Fund (SDRF)

In terms of guidelines on constitution and administration of the State Disaster Response Fund (under Major Head- '8121 General & Other Reserve Funds' which is under interest bearing section), the Central and State Governments are required to contribute to the fund in the proportion of 75:25. During the year 2021-22, the State Government received ₹ 392.80 crore as Central Government's share. The State Government's share during the year is ₹ 130.93 crore. The State Government transferred ₹ 800.30 crore (Central share ₹ 392.80 crore, State share ₹ 130.93 crore, Interest ₹ 233.57 crore and ₹ 43.00 crore lying unspent with departmental officers) to the Fund under Major Head 8121-122 SDRF. The State received no amount from the Central Government towards NDRF.

6.12.1(b) State Compensatory Afforestation Fund

In compliance with the instructions issued by the Ministry of Environment, Forests and Climate Change, Government of India, the State Governments are required to establish the State Compensatory Afforestation Fund under interest bearing section in Public Account of the State for amounts received from user agencies for undertaking Compensatory Afforestation.

During the year 2020-21, the State Government has neither received any amount from the user agencies nor remitted any amount to the National Fund. The Government also did not receive any amount from National Compensatory Afforestation Deposit. The total balance in the State Compensatory Afforestation Fund as on 31 March 2022 was ₹ 934.67 crore.

6.12.2 Reserve Funds not bearing Interest

6.12.2(a) Consolidated Sinking Fund

The Government of Haryana set up the Consolidated Sinking Fund for amortization of loans in 2002. According to the guidelines of the Fund, States may contribute a minimum of 0.5 *per cent* of their outstanding liabilities (internal debt plus public account) as at the end of the previous year to the Consolidated Sinking Fund. In the year 2021-22, Government contributed only ₹ 500.00 as against ₹ 1,186.04 crore it was required to contribute to the fund. The total accumulation of the Fund was ₹ 1,286.08 crore as on 31 March 2022.

6.12.2(b) Guarantee Redemption Fund

The State Government constituted the Guarantee Redemption Fund to be administered by the RBI. The latest amendment to the Fund notification issued by the State Government, effective from the year 2020-21, stipulates that the State Government shall initially contribute a minimum of one *per cent* and thereafter at the rate of 0.5 *per cent* of outstanding guarantees at the end of the previous year to achieve a minimum level of three *per cent* in next five years. The Fund shall be gradually increased to a desirable level of five *per cent*.

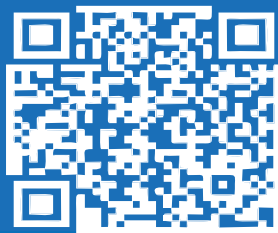
During the year, Government did not contribute any amount against ₹ 115.27 crore it was required to contribute to the Fund. The total accumulation of the Fund was ₹ 1,428.51 crore as on 31 March 2022.

6.12.3 In-operative Reserve Funds

There are two in-operative Reserve Funds in Haryana as detailed below:

| S. No. | Name of Fund | Major Head | Minor Head | Amount (₹ in crore) |
|--------|---|------------|------------|------------------------|
| 1 | Fund for Development Scheme | 8229 | 200 | 1.41 |
| 2 | Fund for Village reconstructions for Harijan Uplift | 8229 | 200 | 2.29 |

© COMPTROLLER AND AUDITOR GENERAL OF INDIA
2022
www.cag.gov.in



www.aghry.gov.in