



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



सत्यमेव जयते

Accounts at a glance

2020-21



GOVERNMENT OF HARYANA



Accounts at a glance 2020-21

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



GOVERNMENT OF HARYANA

Preface


I am happy to present the twenty third issue of our annual publication, the 'Accounts at a glance' for the year 2020-21, 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.

Chandigarh
Date: 08 March, 2022


(Nazli J. Shayin)
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 recognized 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.)

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

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Chapter I

Overview

1.1 Introduction

The Accountant General (Accounts and Entitlements) [AG (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 District Treasuries, 59 Public Works (B & R) Divisions, 58 Public Health Engineering Divisions, 86 Irrigation Divisions, 40 Forest Divisions, 39 Pay and Accounts Offices and advices of Reserve Bank of India. Every month, a Monthly Civil Account is presented by the office of the AG (A&E) to the Government of Haryana. The office of the AG (A&E) submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The AG (A&E) also prepares, annually, 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:

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, intended to meet unforeseen expenditure, not provided in the budget, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund.

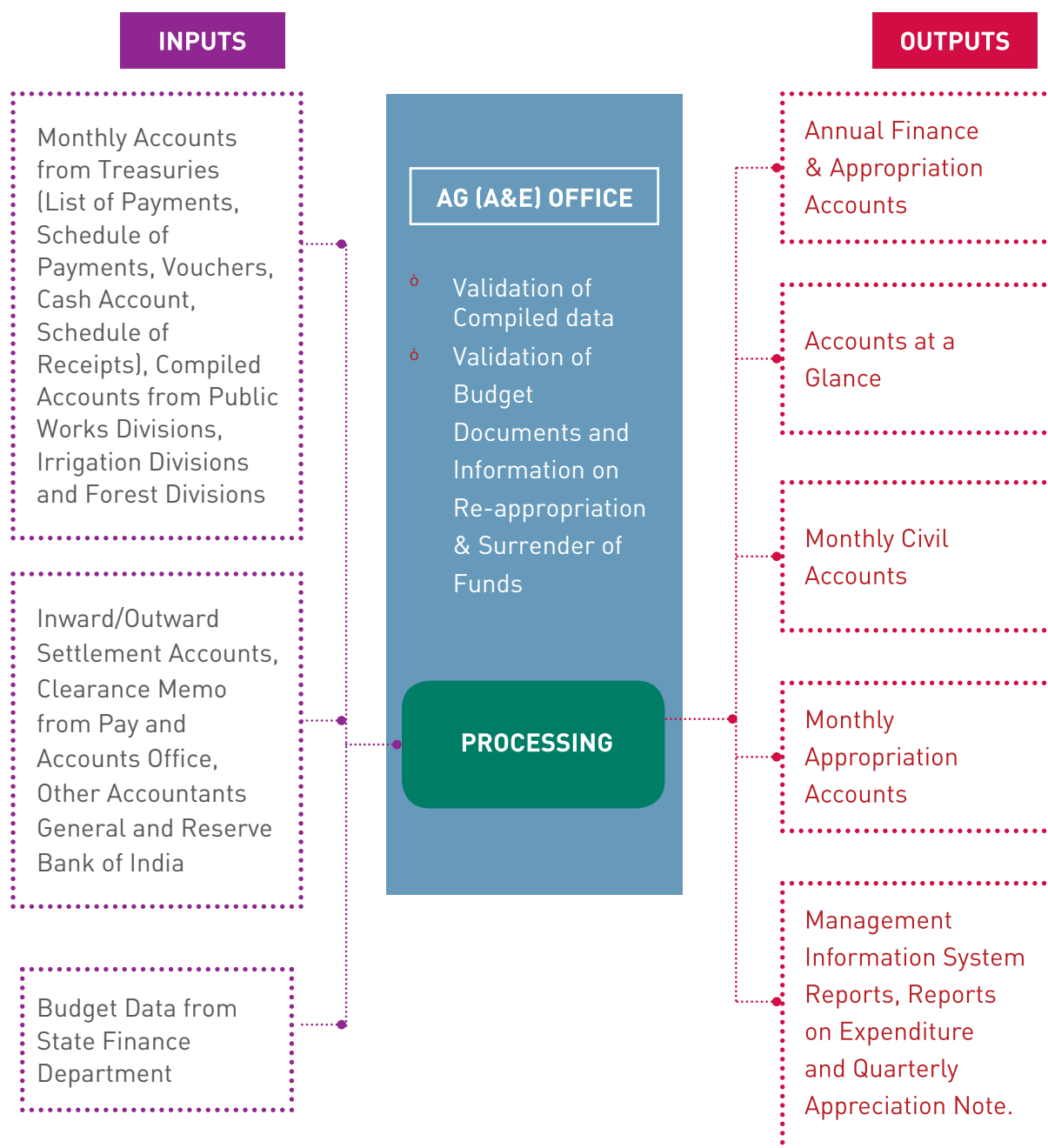
The corpus of this fund for the Government of Haryana is ₹ 1,000.00 crore.

● **Part 2 CONTINGENCY FUND**

● **Part 3 PUBLIC ACCOUNT**

In Public Account, the transactions relating to 'Debt' (Other than those included in Part 1), 'Deposits', 'Advances' [in respect of which Government incurs a liability to pay the money received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and recoveries of the latter (Advances)], 'Remittances' and 'Suspense' (embracing all merely adjusting heads under which shall appear such transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles) shall be recorded. 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.

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 to make them more comprehensive and informative. Volume I of the Finance Accounts contains the Certificate of the Comptroller and Auditor General of India, Summarized Statements of overall receipts and disbursements and 'Notes to Accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volume II contains Detailed Statements (Part-I) and Appendices (Part-II).

The Union Government transfers substantial funds directly to State Implementing Agencies/Non-Governmental Organisations for implementation of various schemes and programmes. During the year 2020-21, the Government of India (GoI) released ₹ 7,119 crore directly to the implementing agencies in Haryana. 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 2020-21

The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2020-21:

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)	60,581	48,351	80	6
2.	Non-Tax Revenue	15,428	6,962	45	1
3.	Grants-in-aid & Contributions	13,955	12,248	88	2
4.	<i>Revenue Receipts (1+2+3)</i>	<i>89,964</i>	<i>67,561</i>	<i>75</i>	<i>9</i>
5.	Recovery of Loans & Advances	357	432	121	..*
6.	Other Receipts	3,750	63	2	..*
7.	Borrowings & Other Liabilities (b)	37,554	29,486	79	4
8.	<i>Capital Receipts(5+6+7)</i>	<i>41,661</i>	<i>29,981</i>	<i>72</i>	<i>4</i>
9.	<i>Total Receipts (4+8)</i>	<i>1,31,625</i>	<i>97,542</i>	<i>74</i>	<i>13</i>
10.	<i>Revenue Expenditure</i>	<i>1,12,839</i>	<i>89,946</i>	<i>80</i>	<i>12</i>
11.	Expenditure on Interest Payments (Out of Revenue Expenditure)	18,138	17,115	94	2
12.	<i>Capital Expenditure</i>	<i>14,055</i>	<i>5,870</i>	<i>42</i>	<i>1</i>
13.	<i>Loans and Advances Disbursed</i>	<i>2,013</i>	<i>1,726**</i>	<i>86</i>	<i>..*</i>
14.	<i>Total Expenditure (10+12+13)</i>	<i>1,28,907</i>	<i>97,542</i>	<i>76</i>	<i>13</i>
15.	<i>Revenue Surplus (+)/ Deficit (-) (4-10)</i>	<i>(-) 22,875</i>	<i>(-) 22,385</i>	<i>98</i>	<i>3</i>
16.	<i>Fiscal Deficit (4+5+6-14)</i>	<i>(-) 34,836</i>	<i>(-) 29,486</i>	<i>85</i>	<i>4</i>
17.	<i>Primary Deficit (11+16)</i>	<i>(-) 16,698</i>	<i>(-) 12,371</i>	<i>74</i>	<i>2</i>

(a) Includes share of net (tax) proceeds assigned to the state amounting to ₹ 6,437 crore. (State Government Own Tax receipts were ₹ 41,914 crore which was 5 per cent of GSDP)

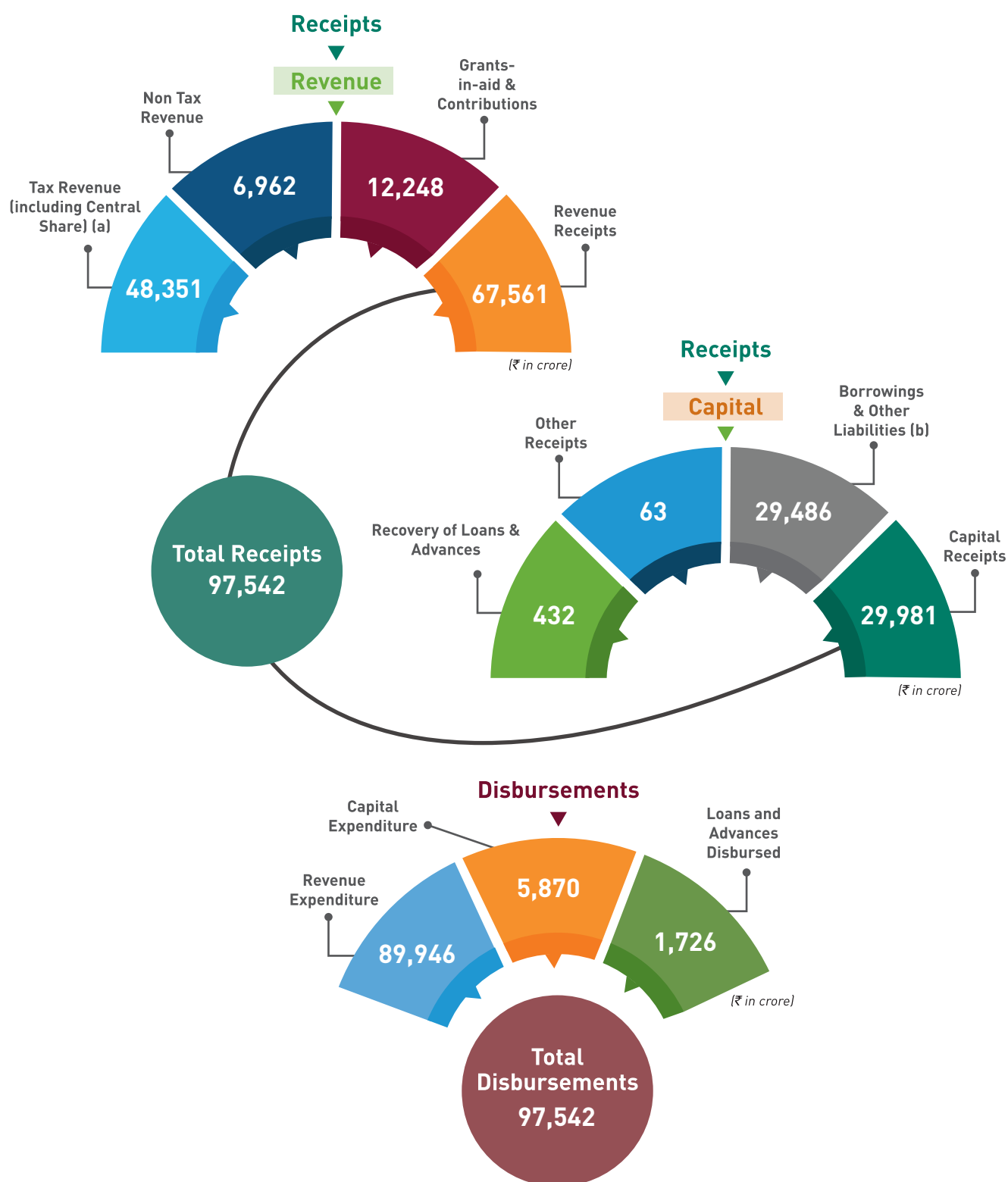
(b) Borrowing and other Liabilities: Net (Receipts-Disbursement) of Public Debt + Net of Contingency Fund + Net (Receipts - Disbursement) of Public Account + Net of opening and closing cash balance.

GSDP figure (₹ 7,64,872 crore) on current prices as per Advance Estimates is taken from Department of Economic and Statistic 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..

** Includes 7999-Appropriation to Contingency Fund (₹ 800.00 crore)

Receipts and disbursements during 2020-21



(a) Includes share of net (tax) proceeds assigned to the state amounting to ₹6,437 crore. (State Government Own Tax receipts were ₹41,914 crore which was 5 per cent of GSDP)

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

1.3.3 Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the Government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as “Charged” on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure require to be “Voted”. The Appropriation Accounts supplement the Finance Accounts. The budget of the Haryana has 18 charged Appropriation and 46 voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure complied with the appropriation authorized by the Legislature through the Appropriation Act of each year.

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 ₹ 37,595.74 crore (20.89 *per cent* of budget estimates of ₹ 1,80,004.84 crore) and over-estimation of ₹ 2,064.40 crore (11.84 *per cent* of budget estimates of ₹ 17,433.90 crore) on reduction of expenditure. Certain grants, like those relating to Education, Local Government, Food and Supplies, Rural and Community Development, Energy and Power, Irrigation showed substantial 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 2020-21, the Government of Haryana availed Ways and Means advance of ₹ 4,977.33 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 2020-21, there was no overdraft of the State.

1.4.3 Fund flow statement

The state had a Revenue Deficit of ₹ 22,385 crore and a Fiscal Deficit of ₹ 29,486 crore in 2020-21. The Fiscal Deficit was met from net Public Debt (₹ 24,319 crore), increase in Public Account (₹ 5,548 crore), increase in Contingency Fund (₹ 800 crore) and increase in cash balance [₹ (-) 1,181 crore]. Around 72 *per cent* of the revenue receipts (₹ 67,561 crore) of the State Government was spent on committed expenditure like salaries (₹ 21,961 crore), interest payments (₹ 17,115 crore) and pensions (₹ 9,713 crore).

Sources and Application of Funds

(₹ in crore)

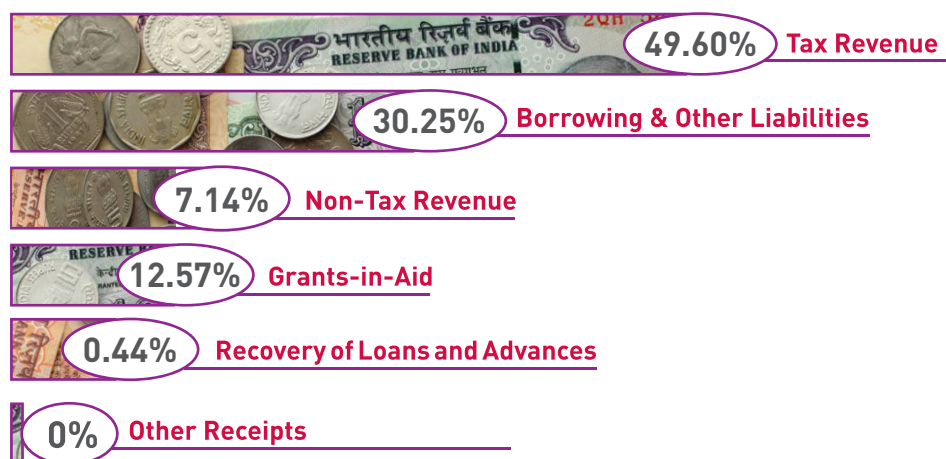
SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balance as on 1 April 2020	(-)1,644
	Revenue Receipts	67,561
	Capital Receipts	63
	Recovery of Loans and Advances	432
	Public Debt	53,817
	Small Savings, Provident Funds etc.	3,605
	Reserves Fund & Sinking Funds	2,859
	Deposits Received	37,408
	Civil Advances Repaid	..
	Suspense Account	84,455*
	Remittances	8,795
	Contingency Fund	800
	TOTAL	2,58,151
APPLICATION		
	Revenue Expenditure	89,946
	Capital Expenditure	5,870
	Loans Given	926
	Repayment of Public Debt (including Ways and Means Advances)	29,498
	Appropriation to Contingency Fund	800
	Small Savings, Provident Funds etc.	2,570
	Reserves Fund & Sinking Funds	2,264
	Deposits Repaid	35,859
	Civil Advances Given	..
	Suspense Account	82,125**
	Remittances	8,756
	Closing Cash Balance as on 31 March 2021	(-) 463
	TOTAL	2,58,151

* Includes ₹ 81,841 crore on account of cash balances investment account.

** Includes ₹ 81,073 crore on account of cash balances investment account.

1.4.4 Where the ₹ came from?

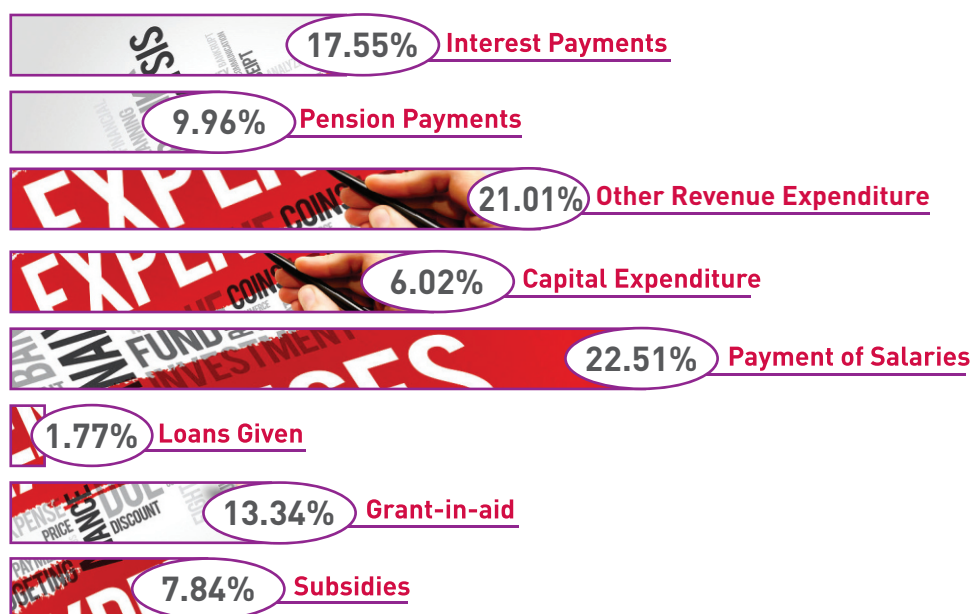
Actual Receipts



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

1.4.5 Where the ₹ went?

Actual Expenditure



During the year 2020-21, Revenue Deficit of ₹ 22,385 crore (₹ 16,990 crore Deficit in 2019-20) and fiscal deficit of ₹ 29,486 crore (₹ 30,518 crore deficit in 2019-20) represent 2.93 per cent and 3.86 per cent of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 30.23 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 Act and achievements in 2020-21 as depicted in the Accounts are as follows:

Sr. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP*	
			Target	Achievement
1	Revenue Deficit	22,385.59	0.00	2.93 (not achieved)
2	Fiscal Deficit	29,486.08	5.00 or less	3.86 (achieved)
3	Debt**	2,38,707.88	31.90 or less	31.21 (achieved)

* GSDP figure (₹ 7,64,872.41 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.

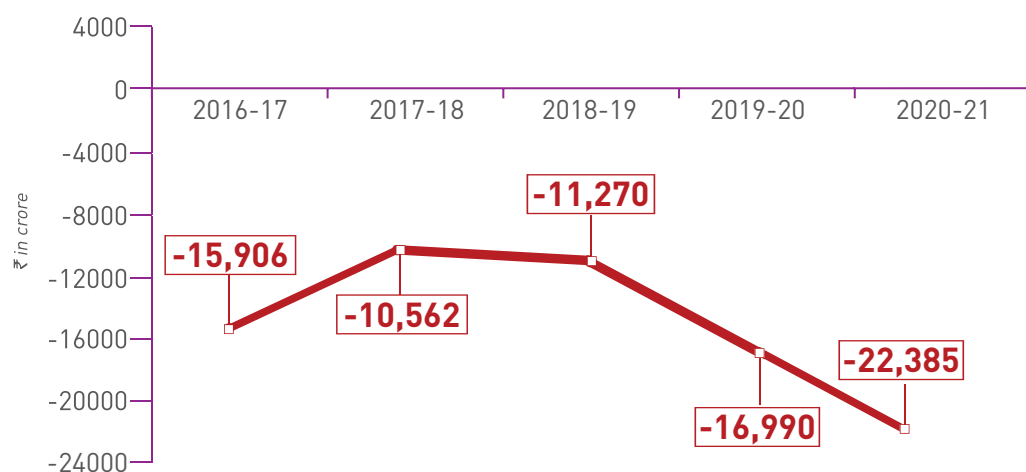
**Debt includes all debts and other liabilities but does not include ₹ 4,352.00 crore passed on as back to back loans by Gol in lieu of shortfall in GST Compensation vide Gol's letter No. F.No.40 (1) PF-S/2021-22 dated 10 December 2021.

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 2020-21.

The State Government had Revenue Deficit of ₹ 16,990 crore in 2019-20 and ₹ 22,385 crore during the year 2020-21 which was not as per the recommendations of Fifteenth Finance Commission. Fiscal Deficit decreased by ₹ 1,032 crore from ₹ 30,518 crore in 2019-20 to ₹ 29,486 crore in the current year and was 3.86 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 31.90 per cent of GSDP by the year 2020-21, the outstanding debt (including liabilities) stood at ₹ 2,38,708 crore as on 31 March 2021, being 31.21 per cent of GSDP.

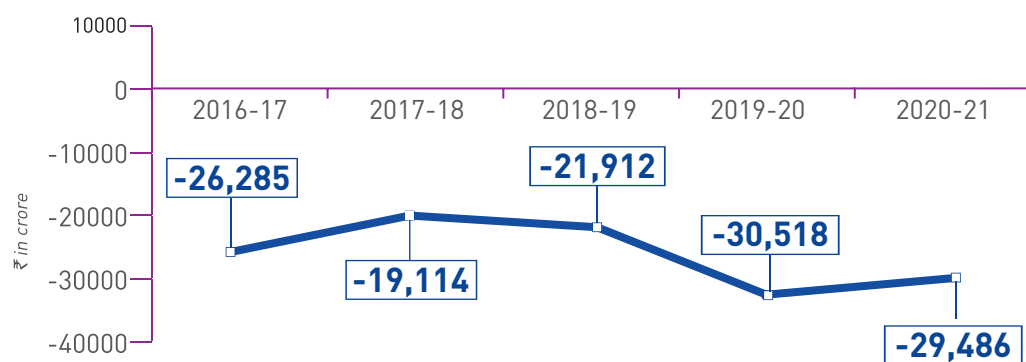
1.5.1 Trend of Revenue Deficit/ Surplus

Trend of Revenue Deficit/ Surplus



1.5.2 Trend of Fiscal Deficit

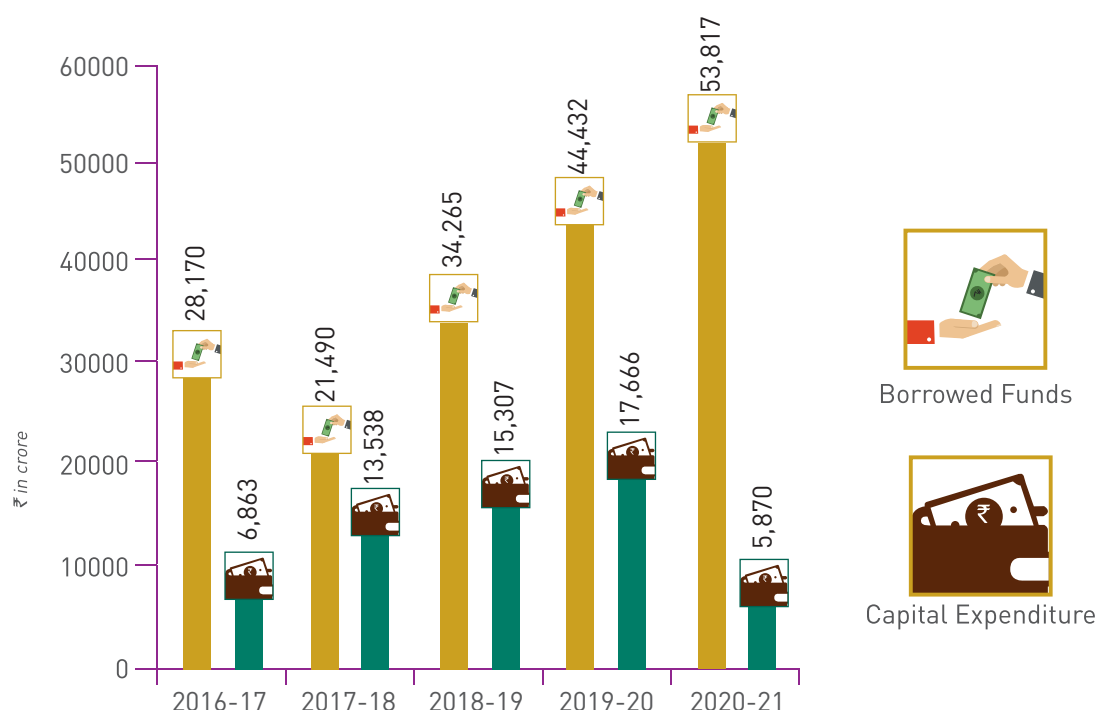
Trend of Fiscal Deficit



1.5.3 Proportion of borrowed funds spent on Capital Expenditure

(₹ in crore)

Year	Borrowed Fund	Capital Expenditure
2016-17	28,170	6,863
2017-18	21,490	13,538
2018-19	34,265	15,307
2019-20	44,432	17,666
2020-21	53,817	5,870



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 11 *per cent* of the borrowings of the current year (₹ 53,817 crore) on capital expenditure (₹ 5,870 crore) and 3 *per cent* on Loans and Advances (including Appropriation to Contingency Fund) given by the State Government (₹ 1,726 crore). It would therefore appear that balance 86 *per cent* of borrowings in the public debt (₹ 46,221 crore) was utilized to repay the principal (₹ 29,498 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 2020-21 were ₹ 97,542 crore.

2.2 Revenue Receipts

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

● TAX REVENUE

Comprises of 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 (2020-21)

Components		Actuals (₹ in crore)	Percentage to Revenue Receipts
A.	Tax Revenue*	48,351	72
	Goods and Services Tax	20,143	30
	Taxes on Income & Expenditure	3,943	6
	Taxes on Property & Capital Transactions	5,173	8
	Taxes on Commodities & Services	19,092	28
B.	Non-Tax Revenue	6,962	10
	Interest Receipts, Dividends and Profits	1,725	3
	General Services	337	–
	Social Services	2,948	4
	Economic Services	1,952	3
C.	Grants-in-aid & Contributions	12,248	18
	Total Revenue Receipts	67,561	100

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

2.2.2 Trend of Revenue Receipts

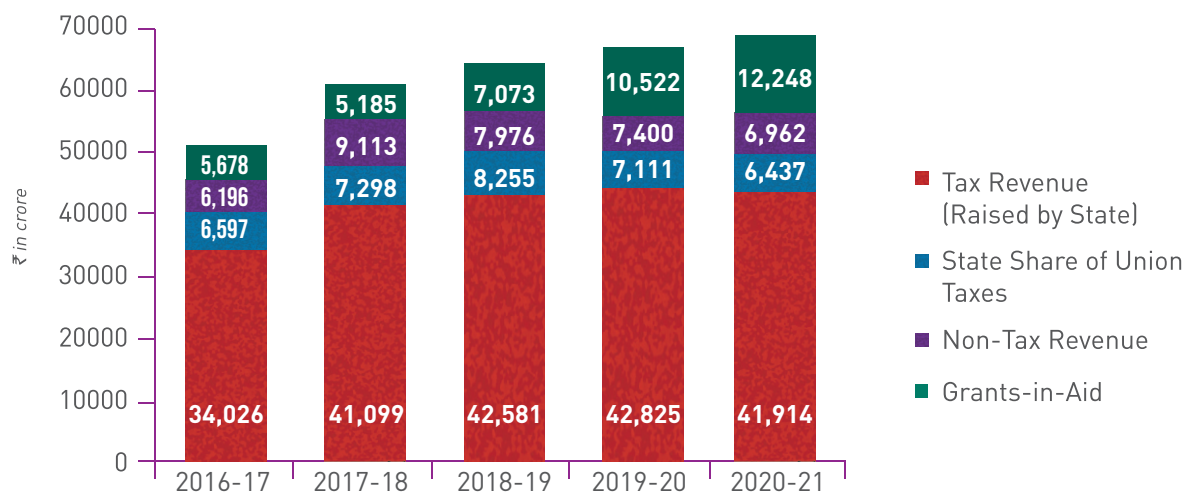
(₹ in crore)

Components	2016-17	2017-18	2018-19	2019-20	2020-21
Tax Revenues (Raised by the State)	34,026 (7)	41,099 (7)	42,581 (6)	42,825 (5)	41,914 (5)
State Share of Union Taxes/Duties	6,597 (1)	7,298 (1)	8,255 (1)	7,111 (1)	6,437 (1)
Non-Tax Revenues	6,196 (1)	9,113 (1)	7,976 (1)	7,400 (1)	6,962 (1)
Grants in Aid	5,678 (1)	5,185 (1)	7,073 (1)	10,522 (1)	12,248 (2)
Total Revenue Receipts	52,497 (10)	62,695 (10)	65,885 (9)	67,858 (8)	67,561 (9)
GSDP	5,47,396	6,08,471	7,07,126	8,31,610	7,64,872

Note: Figures in parentheses represent percentage to GSDP (Gross State Domestic Product). GSDP Figures for 2020-21 are at current prices, as per Advance Estimates intimated by Department of Economic & Statistical Analysis, Haryana.

Though the GSDP decreased by 8.03 *per cent* in 2020-21 as compared to previous year, decline in revenue receipts was 0.44 *per cent*. The Total tax revenue (including share of Union Taxes) decreased by 3.17 *per cent*, the non-tax revenue decreased by 5.92 *per cent* but the grants-in-aid increased by 16.40 *per cent* compared to previous year.

Trend of Components of Revenue Receipts



2.3 Tax Revenue

(₹ in crore)

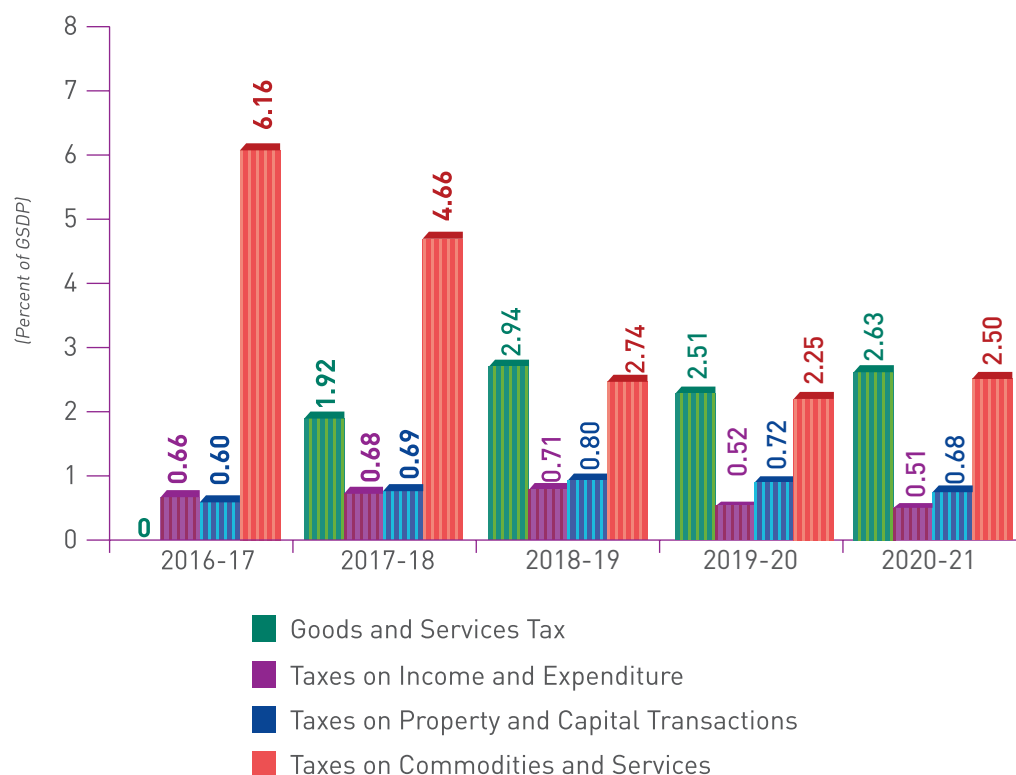
Sector-wise Tax Revenue					
Components	2016-17	2017-18	2018-19	2019-20	2020-21
a. Goods and Services Tax	NA*	11,675 (1.92)	20,813 (2.94)	20,891 (2.51)	20,143 (2.63)
b. Taxes on Income and Expenditure	3,591 (0.66)	4,124 (0.68)	5,000 (0.71)	4,324 (0.52)	3,943 (0.51)
c. Taxes on Property and Capital Transactions	3,303 (0.60)	4,210 (0.69)	5,656 (0.80)	6,034 (0.72)	5,173 (0.68)
d. Taxes on Commodities and Services	33,729 (6.16)	28,388 (4.66)	19,367 (2.74)	18,687 (2.25)	19,092 (2.50)
Total Tax Revenues	40,623 (7.42)	48,397 (7.95)	50,836 (7.19)	49,936 (6.00)	48,351 (6.32)
GSDP	5,47,396	6,08,471	7,07,126	8,31,610	7,64,872

Note: Figures in parentheses represent percentage to GSDP.

* Not Applicable.

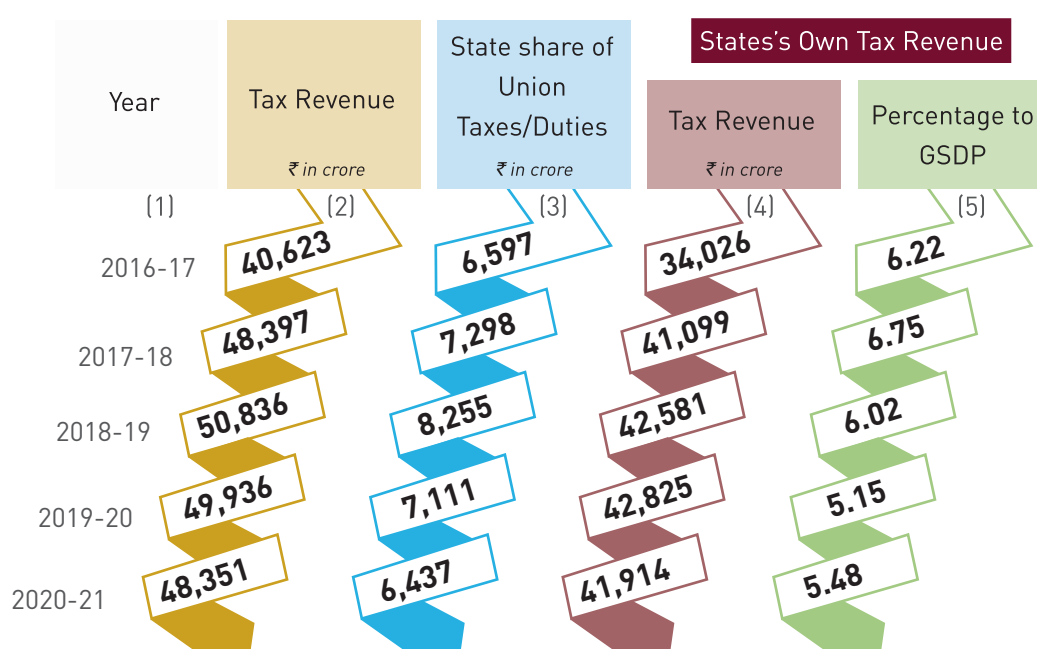
The decrease in total tax revenue during 2020-21 as compared to previous year was mainly attributable to less allocation of State share from Government of India i.e. Corporation Tax (₹ 1,947 crore), Central Goods and Service Tax (CGST) (₹ 1,907 crore), Customs (₹ 338 crore) and lesser collection under State Goods and Service Tax (SGST) (₹ 18,236 crore), Stamps and Registration Fees (₹ 5,157 crore), Taxes on Vehicles (₹ 2,495 crore) and set off by increase in mainly by State Excise (₹ 6,864 crore), State Taxes on Sales, Trade etc. (₹ 8,660 crore).

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	2016-17	2017-18	2018-19	2019-20	2020-21
States own Tax collection	34,026	41,099	42,581	42,825	41,914
Devolution of Union Taxes	6,597	7,298	8,255	7,111	6,437
Total Tax Revenue	40,623	48,397	50,836	49,936	48,351
Percentage of State's own tax to total tax revenue	84	85	84	86	87

The proportion of State's own tax collection in overall tax revenue has increased to 85 per cent from 2016-17 to 2017-18, decreased to 84 per cent in 2018-19 and again increased to 86 per cent in 2019-20 and to 87 per cent in 2020-21.

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

(₹ in crore)

Description	2016-17	2017-18	2018-19	2019-20	2020-21
1. State Goods and Services Tax	NA*	10,833	18,613	18,873	18,236
2. Land Revenue	16	18	19	20	17
3. Stamp and Registration fees	3,283	4,192	5,636	6,013	5,157
4. State Excise	4,613	4,966	6,042	6,323	6,864
5. Taxes on Sales, Trade etc.	23,488	15,609	8,998	8,398	8,660
6. Taxes on Vehicles	1,583	2,778	2,908	2,916	2,495
7. Taxes on Goods and Passengers	595	2,317	21	16	4
8. Taxes and Duties on electricity	276	306	337	262	476
9. Other Taxes	172	79	7	4	5
Total State's own Taxes	34,026	41,099	42,581	42,825	41,914

* Not Applicable

2.4 Cost of Tax Collection

(₹ in crore)

Taxes	2016-17	2017-18	2018-19	2019-20	2020-21
1. Taxes on Sales, Trade etc.					
Revenue collection	23,488	15,609	8,998	8,398	8,660
Expenditure on collection	142	148	151	172	207
Percentage Cost of tax collection	0.60	0.95	1.68	2.05	2.39
2. State Excise					
Revenue collection	4,613	4,966	6,042	6,323	6,864
Expenditure on collection	35	42	38	47	53
Percentage Cost of tax collection	0.76	0.85	0.63	0.74	0.77
3. Taxes on Vehicles, Goods and Passengers					
Revenue collection	2,178	5,095	2,929	2,932	2,499
Expenditure on collection	29	38	56	58	77
Percentage Cost of tax collection	1.35	0.75	1.91	1.98	3.08
4. Stamp and Registration Fee					
Revenue collection	3,283	4,192	5,636	6,013	5,157
Expenditure on collection	11	10	9	10	9
Percentage Cost of tax collection	0.34	0.24	0.16	0.17	0.17

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	2016-17	2017-18	2018-19	2019-20	2020-21
Central Goods and Services Tax (CGST)	NA*	105	2,038	2018	1,907
Integrated Goods and Services Tax (IGST)	NA*	737	163	Nil	Nil
Corporation Tax	2,118	2,236	2,871	2425	1,947
Taxes on Income other than Corporation Tax	1,472	1,888	2,114	1900	1,996
Other Taxes on Income and Expenditure	Nil	Nil	15	Nil	Nil
Taxes on Wealth	5	Nil	1	Nil	Nil
Customs	911	737	585	451	338
Union Excise Duties	1,041	770	389	313	216
Service Tax	1,050	825	75	Nil	28
Other Taxes and Duties on Commodities and Services	Nil	Nil	4	4	5
States share of Union Taxes/Duties	6,597	7,298	8,255	7,111	6,437
Total Tax Revenue	40,623	48,397	50,836	49,936	48,351
Percentage of Union Taxes to Total Tax Revenue	16	15	16	14	13

* Not Applicable

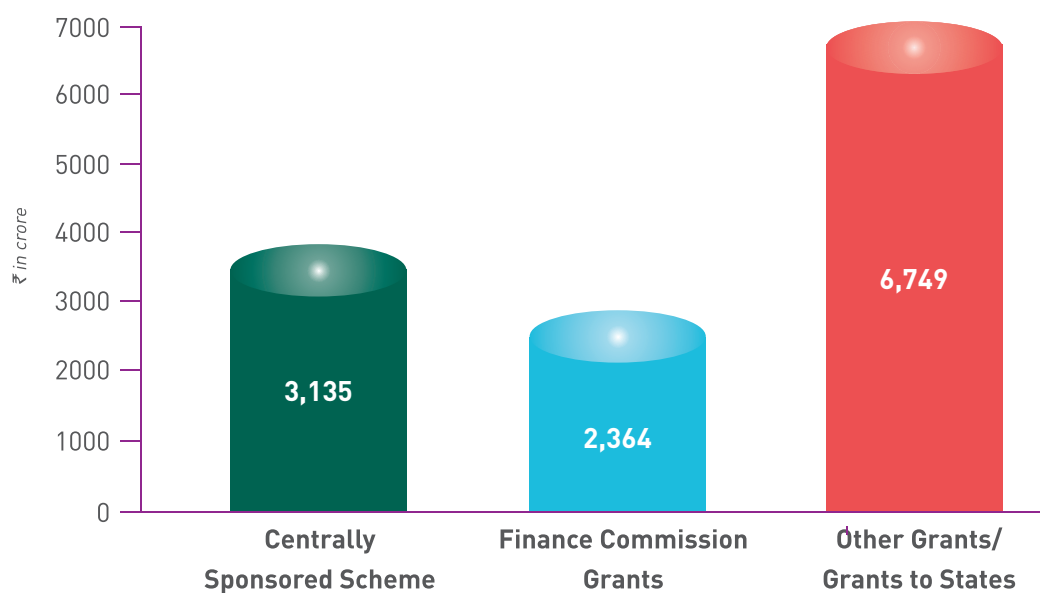
Government of Haryana received ranging between 13 to 16 per cent share of Total Tax Revenue from the net proceeds of all shareable Union Taxes during the period 2016-17 to 2020-21.

2.6 Grants-in-aid

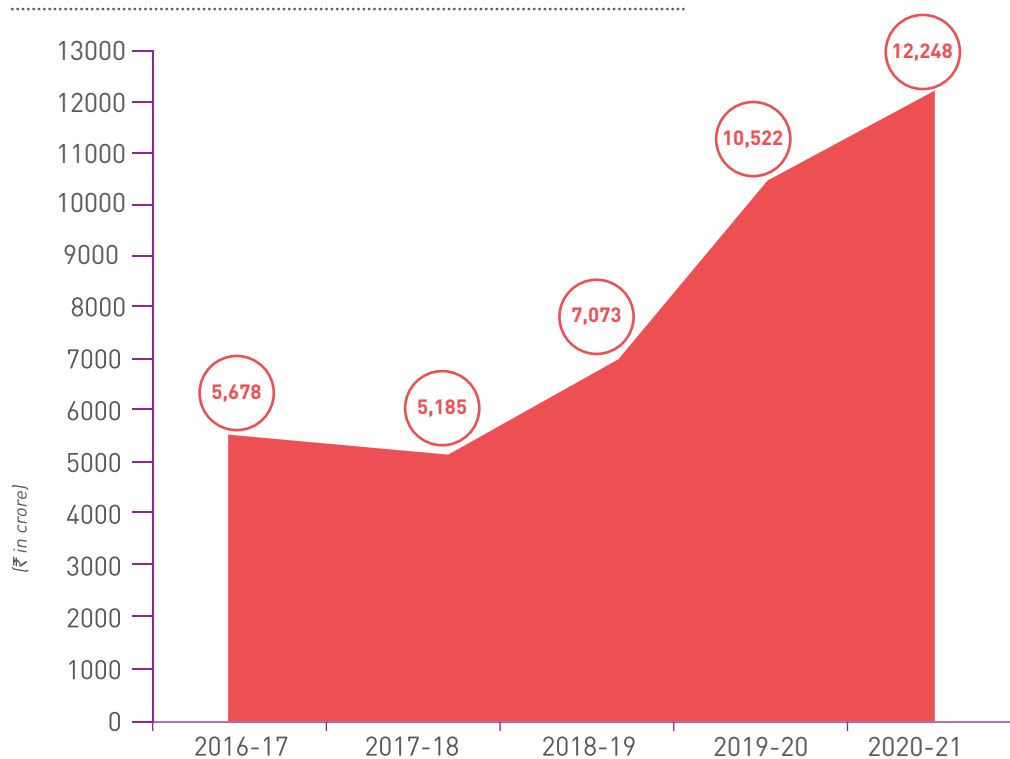
Grants-in-aid represent assistance from the Government of India and comprises of grant for State Schemes, Central Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Grants recommended by the Finance Commission.

Total receipts during 2020-21 under Grants -in-aid were ₹ 12,248 crore as shown below:

Grants-in-Aid

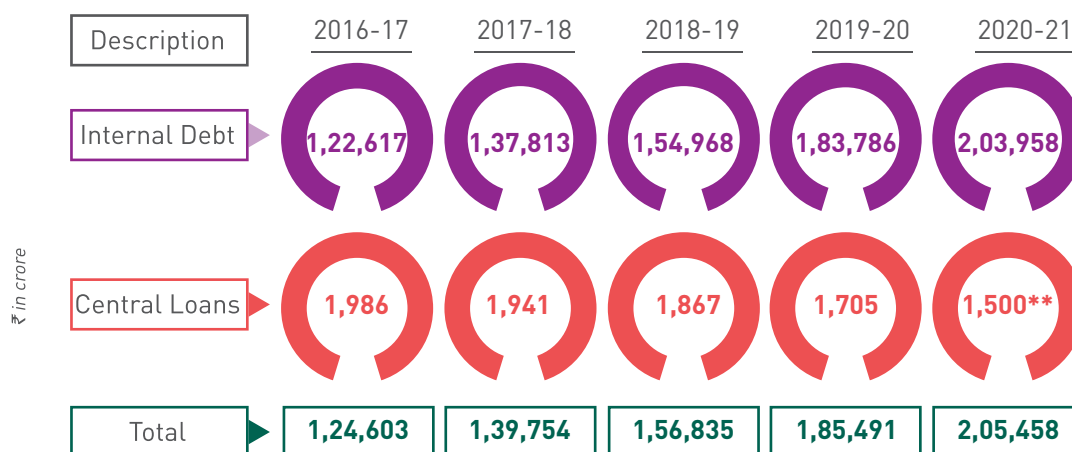


Trend of Grants-in-aid



2.7 Public Debt

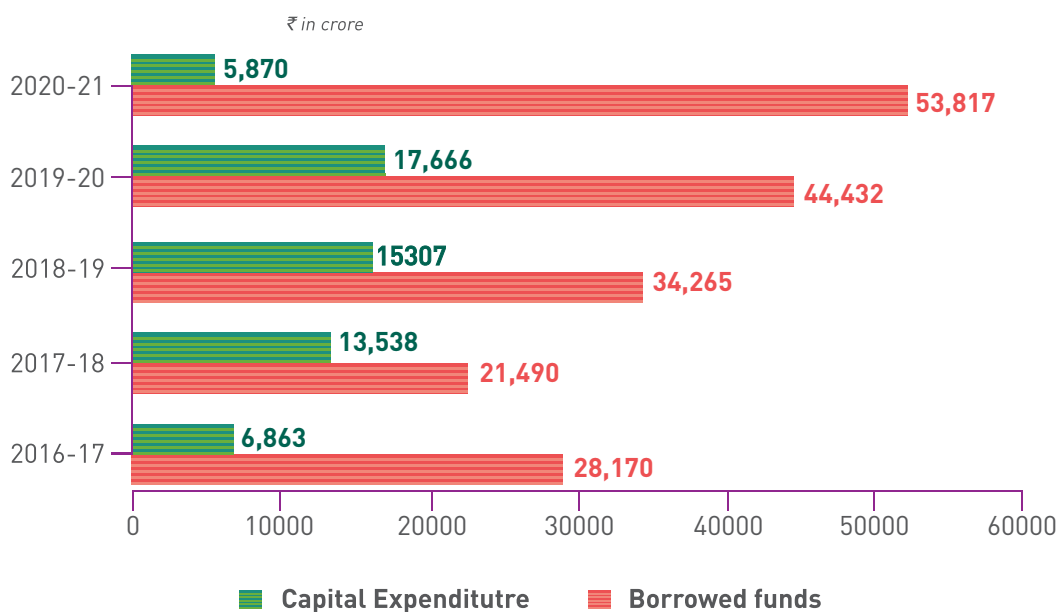
Trend of position of Public Debt over the past five years



**Central Loans does not include ₹ 4,352.00 crore passed on as back to back loans by Gol in lieu of shortfall in GST Compensation vide Gol's letter No. F.No. 40(1) PF-S/2021-22 dated 10 December 2021.

During the year 2020-21, seventeen loans totaling ₹ 30,000 crore were raised from the open market at interest rates varying from 4.40 per cent to 8.00 per cent and the same are redeemable during the period between 2022-2041. In addition, the State Government raised loans of ₹ 14,180 crore from the Financial Institutions and ₹ 183 crore from Other Loans. An amount of ₹ 4,977.33 crore was obtained from Ways and Means Advances from the Reserve Bank of India. Thus, the total Internal Debt raised by the Government during the year 2020-21 aggregated to ₹ 49,340 crore. The Government also received ₹ 4,477 crore from Government of India as Loans and Advances.

Borrowed funds viz-a-viz Capital Expenditure



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	2016-17	2017-18	2018-19	2019-20	2020-21
Budget Estimates (BE)	79,284	86,715	91,072	1,00,755	1,13,664
Actuals	68,766	73,491	77,365	85,180	90,671
Gap	10,518	13,224	13,707	15,575	22,993
Percentage of variation of Gap against BE	13	15	15	15	20

[Source: Appropriation Accounts of respective years]

Compounding the shortfall (by 25 *per cent*) of Revenue Receipts against Budget Estimates in 2020-21, the State Government faced with the problem of generating revenue surplus in terms of the recommendations of Fifteenth Finance Commission.

Around 54 *per cent* of the total Revenue Expenditure during 2020-21 was incurred on committed expenses viz. on Salaries (₹ 21,961 crore), Interest Payment (₹ 17,115 crore) and Pensions (₹ 9,713 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:

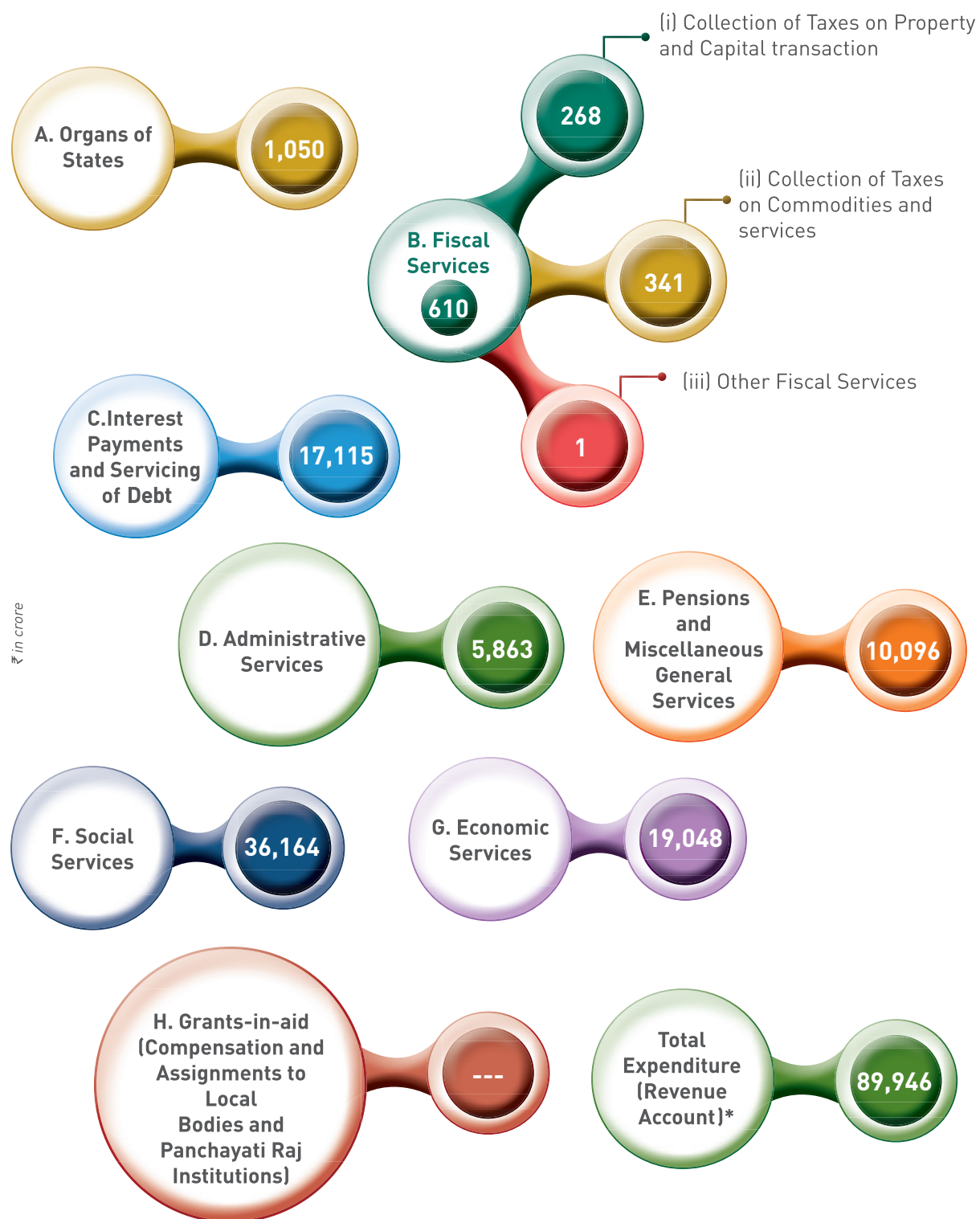
(₹ in crore)

Component	2016-17	2017-18	2018-19	2019-20	2020-21
Total revenue expenditure	68,403	73,257	77,155	84,848	89,946
Committed revenue expenditure #	32,511	38,548	41,103	46,142	48,789
Percentage of committed revenue expenditure to total revenue expenditure	48	53	53	54	54
Uncommitted revenue expenditure	35,892	34,709	36,052	38,706	41,157

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 15 *per cent* from ₹ 35,892 crore in 2016-17 to ₹ 41,157 crore in 2020-21. The Total Revenue Expenditure increased by 31 *per cent* from ₹ 68,403 crore in 2016-17 to ₹ 89,946 crore in 2020-21 and Committed Revenue Expenditure increased by 50 *per cent* over the same period.

3.2.1 Sectoral distribution of Revenue Expenditure (2020-21)



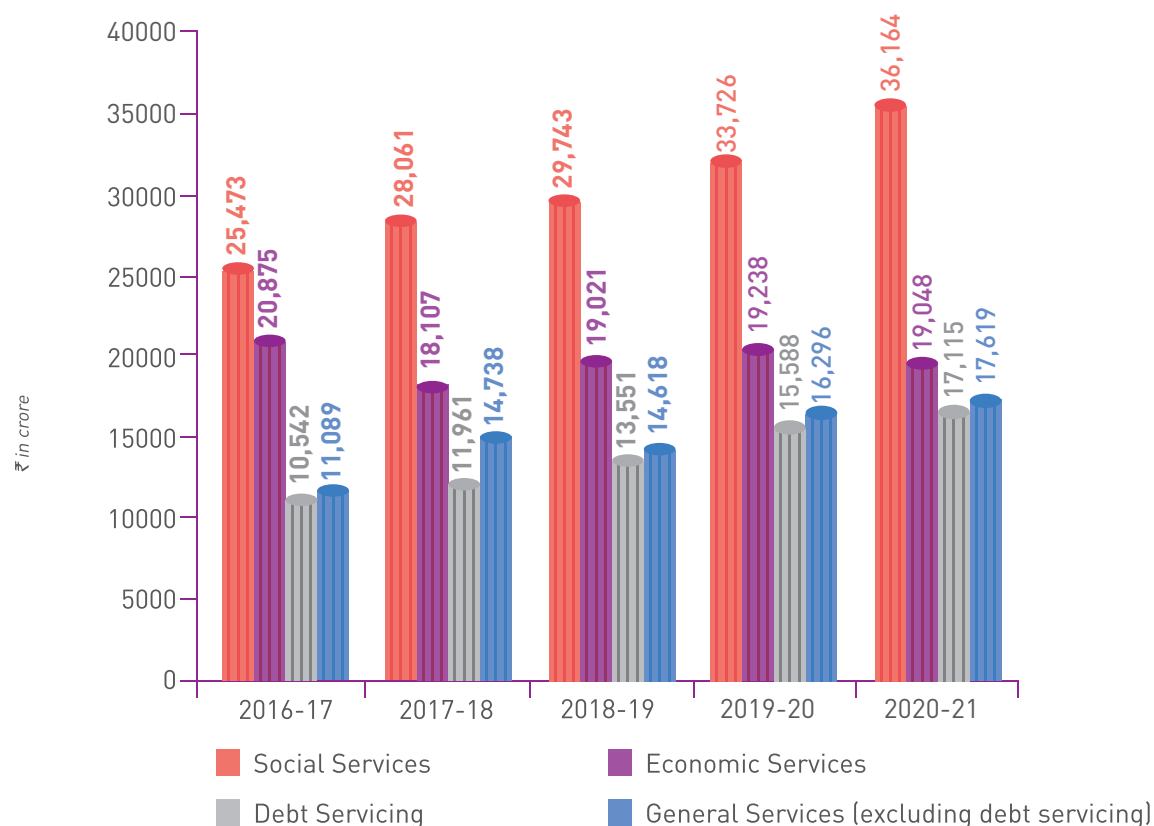
* (Net, after deducting recoveries)

3.2.2 Major components of Revenue Expenditure (2016-17 to 2020-21)

(₹ in crore)

Components	2016-17	2017-18	2018-19	2019-20	2020-21
Social Services	25,473	28,061	29,743	33,726	36,164
Economic Services	20,875	18,107	19,021	19,238	19,048
Debt Servicing	10,542	11,961	13,551	15,588	17,115
General Services (excluding expenditure on debt servicing)	11,089	14,738	14,618	16,296	17,619

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 2020-21 amounting for ₹ 5,870 crore (1 per cent of GSDP) was less than Budget Estimates by ₹ 8,185 crore. The Growth in Capital Expenditure has not kept pace with the Growth of GSDP since 2017-18.

This can be seen from the table below:

(₹ in crore)

S.No.	Components	2016-17	2017-18	2018-19	2019-20	2020-21
1	Budget (B.E.)*	8,817	11,122	19,573	19,563	14,055
2	Actual Capital Expenditure (#)	6,863	13,538	15,307	17,666	5,870
3	Percentage of Actual Capital Expenditure to B.E.	78	122	78	90	42
4	Percentage Yearly growth in Capital Expenditure	(-)1	97	13	15	(-) 67
5	GSDP	5,47,396	6,08,471	7,07,126	8,31,610	7,64,872
6	Percentage Yearly growth in GSDP	11	11	16	18	(-) 8

(*) 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 2020-21, the Government spent ₹ 1,103 crore on various Irrigation Projects (₹ 690 crore on Major Irrigation and ₹ 413 crore on Medium Irrigation). Apart from above, the Government spent ₹ 1,372 crore on Construction of Roads and Bridges and invested ₹ 707 crore in Government Companies and Co-operative Institutions. During the year, share capital amounting to ₹ 63 crore was redeemed by Co-operative Banks and Societies.

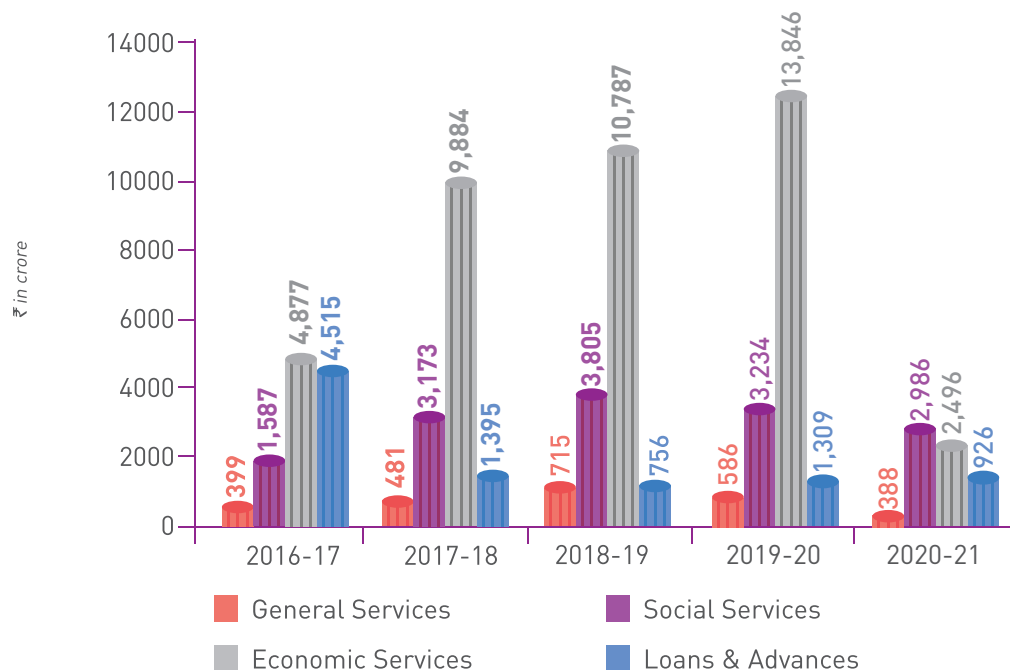
3.3.2 Sectoral distribution of Capital Expenditure over the past five years

(₹ in crore)

Sector	2016-17	2017-18	2018-19	2019-20	2020-21
General Services	399 (3)	481 (3)	715 (4)	586 (3)	388 (6)
Social Services	1,587 (14)	3,173 (21)	3,805 (24)	3,234 (17)	2,986 (44)
Economic Services	4,877 (43)	9,884 (66)	10,787 (67)	13,846 (73)	2,496 (37)
Loans and Advances	4,515 (40)	1,395 (10)	756 (5)	1,309 (7)	926 (13)
Total Capital Expenditure	11,378	14,933	16,063	18,975	6,796

Note: Figures in parentheses represent percentage to total capital expenditure.

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)

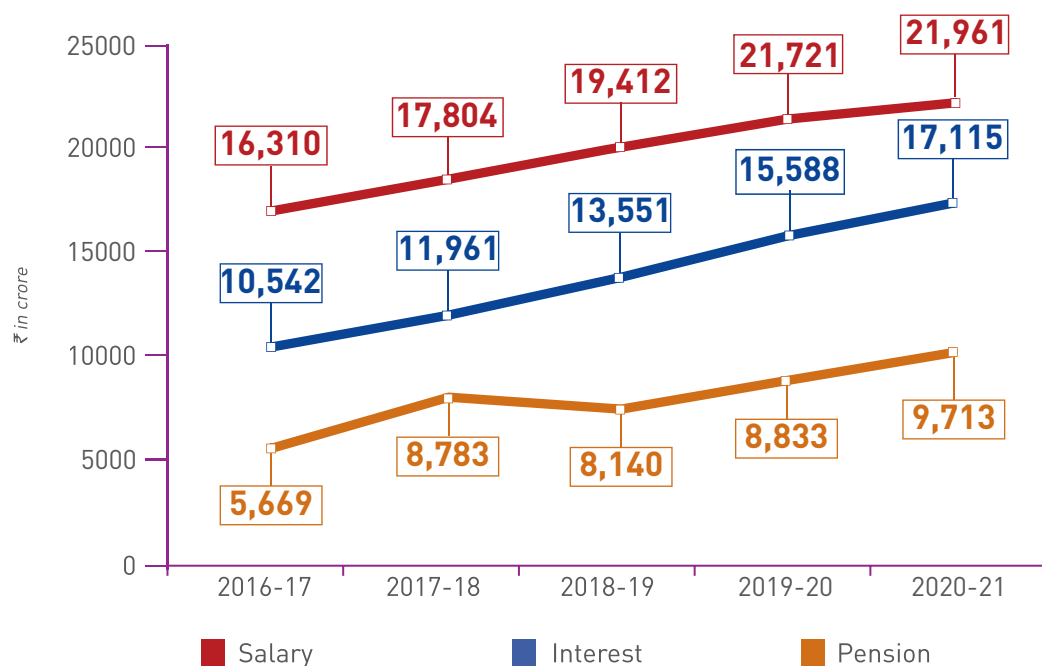
S.No.	Sector	Section	2016-17	2017-18	2018-19	2019-20	2020-21
(A)	General Services	Capital	399	481	715	586	388
		Revenue	21,631	26,699	28,169	31,884	34,734
(B)	Social Services	Capital	1,587	3,173	3,805	3,234	2,986
		Revenue	25,473	28,061	29,743	33,726	36,164
(C)	Economic Service	Capital	4,877	9,884	10,787	13,846	2,496
		Revenue	20,875	18,107	19,021	19,238	19,048
(D)	Grants-in-aid and Contributions	Capital	NA*	NA*	NA*	NA*	NA*
		Revenue	424	390	222	--	--

* Not Applicable

3.4 Committed Expenditure

Expenditure on Salaries, Interest Payments and Pension showed increase in 2020-21 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	2016-17	2017-18	2018-19	2019-20	2020-21
Committed Expenditure	32,511	38,548	41,103	46,142	48,789
Revenue Expenditure	68,403	73,257	77,155	84,848	89,946
Revenue Receipts	52,497	62,695	65,885	67,858	67,561
Percentage of committed expenditure to Revenue Receipts	62	61	62	68	72
Percentage of committed expenditure to Revenue Expenditure	48	53	53	54	54

The Committed Expenditure increased by 50 *per cent* from 2016-17 to 2020-21 while Revenue Expenditure registered the growth of 31 *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 2020-21

(₹ in crore)

S. No.	Nature of Expenditure	Original Grant	Supplementary grant	Surrender (by way of Re-appropriation)	Total Budget	Actual expenditure (Net)	Savings(-) Excesses(+)
1.	Revenue Voted Charged	87,611 18,551	7,502	21,799 1,009	73,314 17,542	73,367 17,304	53 (-) 238
2.	Capital Voted Charged	29,611 200	1,653*	11,352 130	19,912 70	21,243 71	1,331 1
3.	Public Debt Charged	22,592	11,072	683	32,981	29,497	(-) 3,484
4.	Loans and Advances Voted	1,213	..	470	743	926	183
	Total Voted Charged	1,18,435 41,343	9,155 11,072	33,621 1,822	93,969 50,593	95,536 46,872	1,567 (-) 3,721

(*) Include ₹800 crore of Appropriation to Contingency Fund.

4.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Savings (-) Excess (+)					
Year	Revenue	Capital	Public Debt	Loan & Advances	Total
2016-17	(-) 10,518	(-) 4,393	(-) 4,402	(-) 276	(-) 19,589
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

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	2016-17	2017-18	2018-19	2019-20	2020-21
4	Revenue	--	--	328	382	219
7	Planning and Statistics	283	122	332	191	211
8	Buildings & Roads	1,880	1,464	1,142	1,374	1,014
9	Education	3,436	2,446	1,900	787	5,274
10	Technical Education	--	--	68	58	178
11	Sports and Youth Welfare	106	226	119	130	220
12	Art and Culture	4	--	10	122	110
13	Health	--	849	920	760	1,746
14	Urban Development	--	554	39	1,394	939
15	Local Government	--	1,463	2,169	2,264	3,771
16	Labour	--	--	5	7	8
17	Employment	--	--	45	70	245
18	Industrial Training	--	136	238	234	410
19	Welfare of SCs and BCs	222	369	335	232	145
21	Women and Child Development	406	343	554	537	478
23	Food and Supplies	--	--	294	973	3,248
25	Industries	439	242	357	63	80
26	Mines and Geology	-	--	13	23	25
27	Agriculture	827	649	957	1,543	1,703
28	Animal Husbandry & Dairy Development	--	--	108	198	301
29	Fisheries	-	43	33	23	56
30	Forest & Wild Life	98	143	145	178	67
31	Ecology and Environment	--	3	8	1	3
32	Rural and Community Development	--	2,394	1,358	1,613	2,642
35	Tourism	36	52	25	12	15
37	Elections	--	38	31	171	30
39	Information and Publicity	--	--	224	41	84
41	Electronics & IT	31	--	65	102	32
44	Printing and Stationery	16	18	11	14	15
PD	Public Debt	4,402	3,606	2,082	4,482	4,167
45	Loans and Advances by State Government	--	209	1,256	373	287

Note: -- in the above table denotes non-significant savings

The persistent huge savings under Education, Local Government, Food and Supplies, Rural and Community Development, Energy and Power, Irrigation 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 2020-21, Supplementary grants totaling ₹ 20,227 crore (14.20 per cent of total expenditure of ₹ 1,42,409) 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 05-State Disaster Response Fund 101-Transfer to Reserve Funds and Deposit Accounts-State Disaster Response Fund 99-State and Centre Contribution	Revenue	655	103	655
13	2210- Medical and Public Health 01- Urban Health Services- Allopathy 110- Hospital and Dispensaries 49-Strengthening of Urban Hospitals and Dispensaries	Revenue	842	95	743
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	54	193	..
15	2217-Urban Development 80-General 191-Assistance to Local Bodies, Corporations, Urban Development Authorities, Town Improvement Boards etc. 96-Contribution to Local Bodies from the proceeds of Stamp Duty to Municipal Corporations	Revenue	532	1,074	203
15	2217-Urban Development 80-General 192-Assistance to Municipalities/ Municipal Councils 86-New Urban Renewal Mission (AMRUT)	Revenue	625	385	369
15	2217-Urban Development 80-General 192- Assistance to Municipalities/ Municipal Councils 92-Contribution to Local Bodies from the proceeds of Stamp Duty to Municipal Committees / Councils	Revenue	346	57	71

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
18	2230- Labour, Employment and Skill Development 03- Training 001- Direction and Administration 91-Vishwakarma Skill University at village Dudhola District Palwal	Revenue	160	100	105
23	2408- Food, Storage and Warehousing 01- Food 001- Direction and Administration 98-Field Staff	Revenue	279	190	275
23	2408- Food, Storage and Warehousing 01- Food 001- Direction and Administration 93-Antodaya Aahaar Yojana	Revenue	300	173	288
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	..	365	..
38	4215- Capital Outlay on Water Supply and Sanitation 01- Water Supply 102- Rural Water Supply 98-Accelerated Rural Water Supply Dt-99-NRDWP-Coverage Central	Capital	242	475	233
40	2801- Power 80- General 001- Direction and Administration 98-Performance Linked Outlay (PLO) for Power (POW-PLO-REV)	Revenue	..	242	..
40	2801- Power 05- Transmission and Distribution 800- Other expenditure 99-Assistance for Rural Electrification to HVPNL/ HPGCL	Revenue	6,040	610	5,100

Chapter V

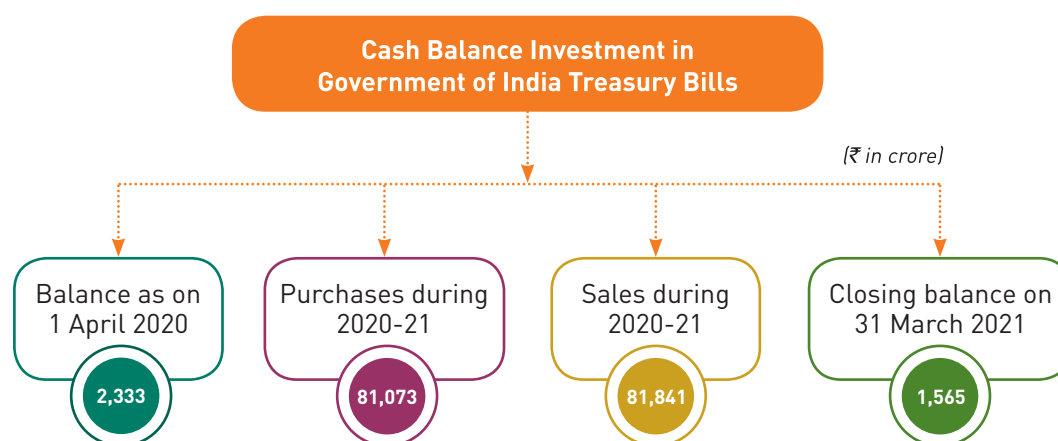
Assets and Liabilities

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 ₹ 37,567 crore at the end of the year of 2020-21. However, dividends received during the year were ₹ 163 crore (i.e. 0.43 *per cent* on total investment). During 2020-21, investments increased by ₹ 644 crore (net) and dividend income increased by ₹ 76 crore.

Cash Balance with RBI stood at ₹ (-)1,644 crore on 1 April 2020 and increased to ₹ (-) 463 crore at the end of March 2021. In addition, Government had invested an amount of ₹ 81,073 crore on 138 occasions in 14 days Treasury Bills and rediscounted Treasury Bills worth ₹ 81,841 crore on 175 occasions during 2020-21. The position of investment during the year 2020-21 is depicted in the table given below:



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:

(₹ in crore)

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
2016-17	1,24,603	23	21,768	4	1,46,371	27
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

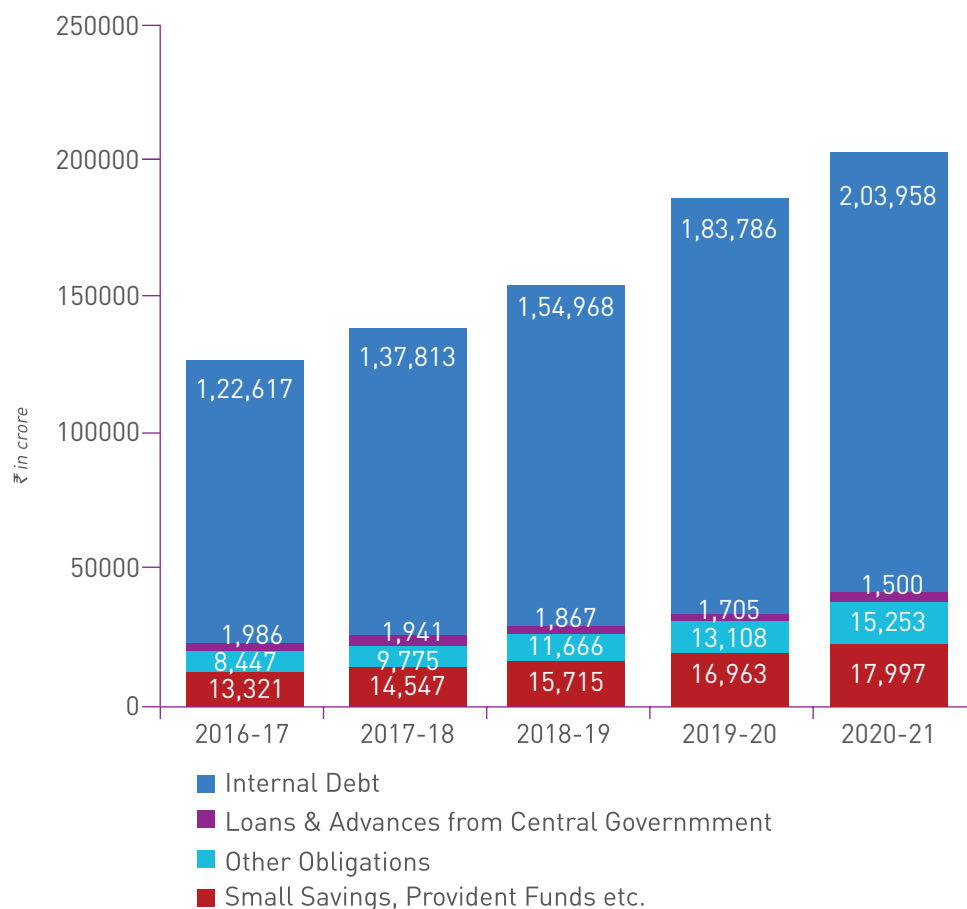
*Excludes suspense and remittance balances.

**Debt does not include ₹ 4,352.00 crore passed on as back to back loans by Gol in lieu of shortfall in GST Compensation vide Gol's letter No. F.No.40(1) PF-S/2021-22 dated 10 December 2021.

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

Public Debt and Other Liabilities showed a net increase of ₹ 23,146 crore (11 per cent) in 2020-21 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 loans, 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
2016-17	17,911	8,244*	NA**
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**

* 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 2021, 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 2020-21 were ₹ 7,884.05 crore. Out of these, Loans and Advances to Government Corporation/ Companies, Non-Government Institutions and Local Bodies amounted to ₹ 7,671.61 crore. Recovery of principal aggregating to ₹ 55.26 crore was in arrears at the end of 2020-21. The information relating to recovery of interest in arrear was not made available by the State Government. During 2020-21, ₹ 431.95 crore was received towards repayment of loans and advances (including ₹ 225.87 crore in respect of Power Distribution Companies), out of which ₹ 65.63 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

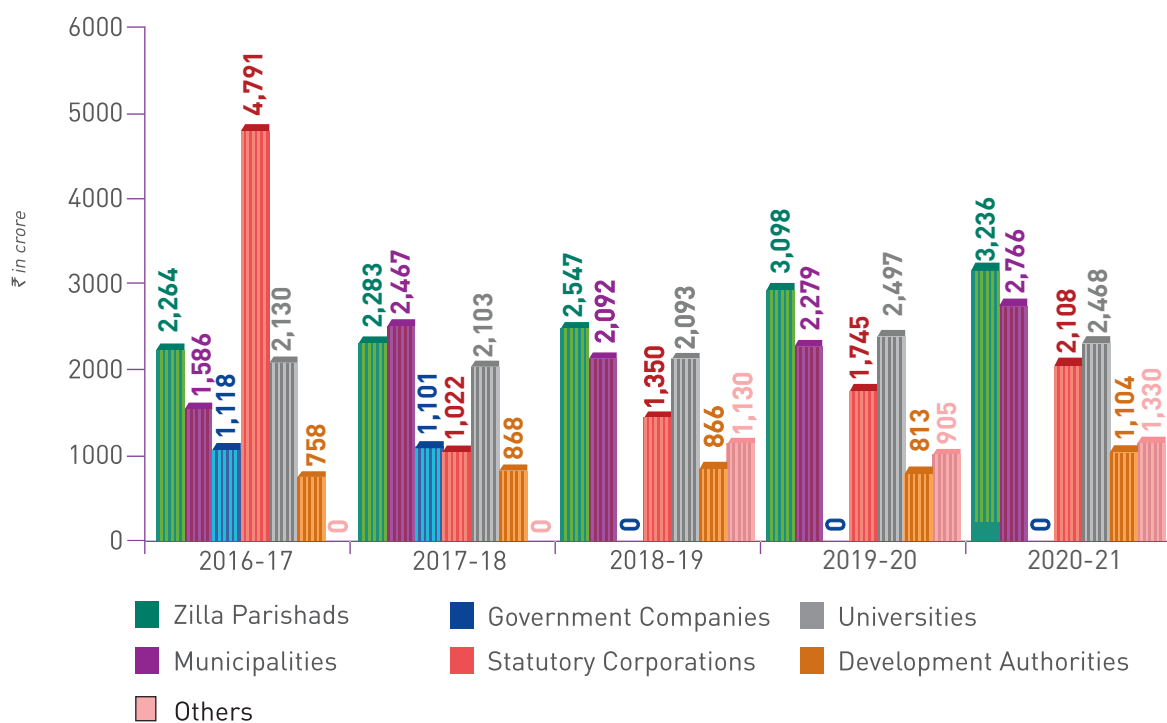
Grants-in-aid given to Local Bodies, Autonomous Bodies etc. increased from ₹ 12,647 crore in 2016-17 to ₹ 13,012 crore in 2020-21. Grants to Zilla Parishads (Panchayati Raj Institutions) and Municipalities/Municipal Councils (₹ 6,002 crore) represent 46 *per cent* of total grants given during the year.

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

(₹ in crore)

S. No.	Name of Institutions	2016-17	2017-18	2018-19	2019-20	2020-21
1	Zilla Parishads	2,264	2,283	2,547	3,098	3,236
2	Municipalities	1,586	2,467	2,092	2,279	2,766
3	Government Companies	1,118	1,101	Nil	Nil	Nil
4	Statutory Corporations	4,791	1,022	1,350	1,745	2,108
5	Universities	2,130	2,103	2,093	2,497	2,468
6	Development Authorities	758	868	866	813	1,104
7	Others	Nil	Nil	1,130	905	1,330
	Total	12,647	9,844	10,078	11,337	13,012

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	2016-17	2017-18	2018-19	2019-20	2020-21
1	Zilla Parishads	Nil	1,545	2,336	2,991	3,105
2	Municipalities	373	2,145	1,028	1,387	2,188
3	Government Companies	59	14	Nil	Nil	Nil
4	Statutory Corporations	11	117	43	16	21
5	Universities	122	153	183	173	38
6	Development Authorities	7	133	143	156	151
7	Others	Nil	Nil	142	140	206
	Total	572	4,107	3,875	4,863	5,709

6.4 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2020	As on 31 March 2021	Net increase(+)/ decrease (-)
Cash Balances	(-) 1,644	(-) 463	1,181
Investment from cash balance (GOI Treasury Bills)	2,333	1,565	(-) 768
Investment from earmarked fund balances	3,308	2,043	(-) 1,265
(a) Sinking Fund	2,082	717	(-) 1,365
(b) Guarantee Redemption Fund	1,224	1,323	99
(c) Other Funds	2	3	1
Interest realized during the year	77	30	(-) 47

State Government had a negative closing cash balance at the end of 31 March 2021. Interest receipt on the investment of cash balance has decreased by 61 *per cent* from ₹ 77 crore in 2019-20 to ₹ 30 crore in 2020-21.

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 Accountant General (A&E), Haryana. During the year, receipts amounting to ₹ 67,623.97 crore (100 *per cent* of total receipts) and expenditure amounting to ₹ 95,816.30 crore (100 *per cent* of total expenditure) were reconciled by the State Government.

6.6 Submission of Accounts by Accounts Rendering Units

The Finance Accounts 2020-21 present the transactions of the Government of Haryana for the period 1 April 2020 to 31 March 2021. The accounts of receipts and expenditure of the Government of Haryana have been compiled based on the initial accounts rendered by 24 District Treasuries, 59 Public Works (B & R) Divisions, 58 Public Health Engineering Divisions, 86 Irrigation Divisions, 40 Forest Divisions, 39 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 account has been excluded at the end of the Financial Year.

6.7 Unadjusted Abstract Contingent (AC) Bills

No money should be drawn from government treasury unless it is required for immediate disbursement. In emergent cases, 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. DDOs are required to present Detailed Countersigned Contingent (DCC) Bills containing vouchers in support of final expenditure to the AG (A&E),

within one to six months from the date of completion of the purpose for which the advance was drawn. Delayed submission or prolonged non-submission of supporting DCC bills renders expenditure through AC Bills opaque and the expenditure shown in the Finance Accounts cannot be vouched as correct or final. Detail of unadjusted AC Bills, as on 31 March 2021 pending submission of DCC bills are given below:

Year	Pending DCC Bills	
	Number	Amount (₹ in crore)
Upto 2018-19	84*	8.40
2019-20	182	214.03
2020-21	453	549.65
Total	719	772.08

* 1 each for 2015-16 and 2017-18. Eighty two for 2018-19.

The major defaulting departments that had not submitted DCC bills are Food and Supply Department (₹ 629.95 crore), Health Department (₹ 75.62 crore), General Education Department (₹ 35.84 crore) and Transport Department (₹ 16.85 crore).

6.8 Status of Suspense and Remittances Balances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balance under these heads is worked out by aggregating the outstanding debit and credit balances separately under various heads. The position of gross figures under major suspense heads for the last five years, is as under: -

Minor Head	2016-17		2017-18		2018-19		2019-20		2020-21	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
(a) 8658-Suspense Accounts										
101-Pay and Accounts Office Suspense	25.25	0.01	14.42	0.01	20.40	0.04	26.69	0.01	30.76	0.01
Net	25.24 Dr.		14.41 Dr.		20.36 Dr.		26.68 Dr.		30.75 Dr.	
102-Suspense Account (Civil)	27.29	0.30	14.66	0.30	14.89	..	109.94	..	15.79	..
Net	26.99 Dr.		14.36 Dr.		14.89 Dr.		109.94 Dr.		15.79 Dr.	
107-Cash Settlement Suspense Account	200.83	48.73	121.95	68.33	53.07	..	52.88	..	42.08	..
Net	152.10 Dr.		53.62 Dr.		53.07 Dr.		52.88 Dr.		42.08 Dr.	
109-Reserve Bank Suspense (Hqrs)	3.83	11.21	1.71	0.64	(-) 10.56	(-) 4.65	0.24	0.97	(-) 9.86	(-) 1.14
Net	7.38 Cr.		1.07 Dr.		5.91 Cr.		0.73 Cr.		8.72 Cr.	
110-Reserve Bank Suspense-Central Accounts Office	2.07	4.30	4.33	..	4.67	..	11.58	..	19.95	20.30
Net	2.23 Cr.		4.33 Dr.		4.67 Dr.		11.58 Dr.		0.35 Cr.	
112-Tax Deducted at Source (TDS) Suspense	NA*	134.87	NA*	77.08	NA*	29.85	NA*	129.85	NA*	55.32
Net	134.87 Cr.		77.08 Cr.		29.85 Cr.		129.85 Cr.		55.32 Cr.	

* Not Applicable.

(b) 8782-Cash Remittances and adjustments between officers rendering accounts to the same Accounts Office

102-Public Works Remittances	88.00	284.00	54.87	231.32	90.37	431.89	30.78	333.64	31.05	357.09
Net	196.00 Cr.	176.45 Cr.	341.52 Cr.	302.86 Cr.	326.04 Cr.					
103-Forest Remittances	(-) 0.61	2.52	..	3.46	..	1.76	..	3.55	..	4.11
Net	3.13 Cr.	3.46 Cr.	1.76 Cr.	3.55 Cr.	4.11 Cr.					

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 grant sanctioning authority within 12 months from the date of receipt of grant or before applying for a further grant on the same object, whichever is earlier. To the extent of non-submission of UCs, there is no assurance that the amount shown in Finance Accounts had reached the beneficiaries and thus the expenditure cannot be vouched as correct or final.

Year *	Number of UCs awaited	Amount (₹ in crore)
Upto 2018-19	1,235#	5,159.79
2019-20	485	2,969.71
2020-21	722	6,421.28
Total	2,442	14,550.78

(* The year mentioned above relates to "Due Year" i.e. after 12 months/year of actual drawl).

Between 3 to 5 years: 949 UCs for ₹ 3,609.60 crore; greater than 5 years: 286 UCs for ₹ 1,550.19 crore.

Major defaulting departments that had not submitted UCs are Rural Development Department (₹ 6,248.51 crore, 42.94 per cent), Urban Development Department (₹ 6,019.63 crore, 41.37 per cent), Health Department (₹ 805.11 crore, 5.54 per cent), General Education Department (₹ 774.14 crore, 5.32 per cent).

6.10 Incomplete Projects aged five years and more

As per information received from the State Government, there are three incomplete projects under Public Works Department which are aged five years or more.

The details of incomplete projects along with revised cost and escalation in the cost are given below:

(₹ in crore)

Sr. No.	Name of Work	Estimated Cost of Work/ date of sanction	Year of Commencement	Target Year of Completion	Physical Progress of work (in Per Cent)	Expenditure during the year	Progressive Expenditure	Pending Payments	Revised Cost if any / Date of revision
1.	Construction of Administrative office building, Phase II, with Multi Level parking in the campus of Mini Sectt Sector 1, Panchkula Ph-I and II.	18.82 16-07-2015	01-08-2015	30-11-2017	100	1.25	21.85	1.50	41.62
2.	Construction of PWD Rest House in Sector-1 Panchkula.	16.35 29-09-2015	22-10-2015	10-01-2019	100	..	27.21	12.00	26.42
3.	Construction of Residential Houses in New Jail Building at Rewari in Rewari District.	12.00 13-02-2013	10-12-2014	10-06-2016	100	..	12.98	0.20	..

6.11 National Pension System

The State Government employees recruited on or after 01 January 2006 are covered under the National Pension System (NPS) which is a Defined Contributory 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 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 2020-21, total contribution to Defined Contributory Pension Scheme should have been ₹ 1,557.06 crore (Employees' contribution: ₹ 778.53 crore and Government's due contribution: ₹ 778.53 crore). The Government transferred ₹ 778.53 crore (Employees' contribution) to the Public Account under Major Head 8342-117 Defined Contribution Pension Scheme for Government Employees. Out of Government's due contribution of ₹ 778.53 crore, the Government transferred ₹ 766.83 crore to the Public Account under Major Head 8342-117 Defined Contribution Pension Scheme for Government Employees by directly debiting Major Head 2071-01-117-Government Contribution for Defined Contribution Pension Scheme. The Government contribution to NPS during the year was less by ₹ 11.70 crore which resulted in understatement of Revenue Deficit and Fiscal deficit to that extent.

As against total contribution of ₹ 1,545.36 crore during the year 2020-21, transfer to NSDL was ₹ 1,535.18 crore (₹ 756.65 crore Government contribution and ₹ 778.53 crore employees' contribution). The balance amount of ₹ 10.18 crore pertaining to 2020-21 is yet to be transferred to NSDL. Uncollected, unmatched and un-transferred amounts, with accrued interest, represent outstanding liabilities of the Government under the Scheme.

6.12 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.

During 2020-21, an amount of ₹ 3,301.06 crore was transferred from the Consolidated Fund of the State to these PD Accounts. This includes ₹ 1,556.72 crore transferred in March 2021 from the Consolidated Fund of the State. This is 47.16 *per cent* of the total credit to PD account during the year.

Details of PD accounts as on 31 March 2021 are given below:

(₹ in crore)

Opening Balance as on 01 April 2020		Addition during the year 2020-21		Closed/withdrawal during the year 2020-21		Closing Balance as on 31 March 2021	
Number of Administrators	Amount (₹ in crore)	Number of Administrators	Amount (₹ in crore)	Number of Administrators	Amount (₹ in crore)	Number of Administrators	Amount (₹ in crore)
154	610.89	10	3,318.11*	Nil	2,057.83	164	1,871.17

*This includes ₹ 17.05 crore from other than Consolidated Fund of the State.

It is the duty of the Administrator to maintain detailed account of the scheme/projects for which it has been opened. However, if any PD Account is not operated upon for a period of three years and there is reason to believe that the need for such deposit accounts has ceased, the same shall be closed. Inspection of 25 treasuries (including cyber treasury) conducted during 2020-21 in respect of transactions for the year 2019-20 revealed that 11 schemes under PD accounts of 11 operators with balance amounting to ₹0.97 crore were lying inoperative for more than three years. The information regarding Lapsable and Non-Lapsable PD accounts is not available with 20 Treasuries.

6.13 Investments

Information on Government investments appearing in Statements 8 and 19 of the Finance Accounts is based on the accounts and sanctions received by the Accountant General (A&E), but has not been confirmed by the concerned departments (including Finance department) and the investee entity. The Government invested ₹706.59 crore in 2020-21. Government investment of ₹37,566.55 crore as on 31 March 2021 yielded dividend/interest of ₹163.14 crore (0.43 per cent) during 2020-21.

Details of Government investment as on 31 March 2021 are given as follows: -

(₹ in crore)

Category	Number of entities	Investment at the end of the year 2020-21
Statutory Corporations	2	204.93
Rural Banks	4	0.53
Government Companies	31	36,529.68
Other Joint Stock Companies and Partnerships	31	1.75
Co-operative Institutions and Local Bodies	42	829.66*
Total	110	37,566.55

(*) Investment of ₹62.96 crore retired during the year.

6.14 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 2021 in these funds was ₹7,823.92 crore. Out of which ₹5,476.92 crore were under interest bearing Reserve Funds and ₹2,347.00 crore under Non-Interest bearing Reserve Funds.

6.14.1 Reserve Funds Bearing Interest

6.14.1(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 2020-21, the State Government received ₹491.00 crore as Central Government's share. The State Government's share during the year is ₹163.66 crore. The State Government transferred ₹900.29 crore (Central share ₹491.00 crore plus State's share ₹163.66 crore plus Interest ₹224.26 crore plus unspent balance of ₹21.37 crore pertaining to 2019-20) to the Fund under Major Head 8121-122 SDRF. The State received no amount from the Central Government towards NDRF.

The contributions to the Fund, expenditure and the balance therein are as under:

(₹ in crore)

Opening balance 01 April 2020]	Contribution by Centre	State Share	Receipts under NDRF	Total receipts during the year	Amount set off (MH 2245-05)	Balance in the fund	Invested by RBI/State Government during the year
3,172.72	491.00	163.66	Nil	900.29*	213.02	3,859.99	Nil

*Includes receipt of ₹ 224.26 crore as interest and ₹ 21.37 crore as unspent balance pertaining to 2019-20.

The entire expenditure of ₹ 213.02 crore incurred on natural calamities was set off (MH 2245-05) against the Fund balance of ₹ 4,073.01 crore. The balance lying under the Fund as at the end of 31 March 2021 was ₹ 3,859.99 crore.

6.14.1 (b) State Compensatory Afforestation Fund

In compliance with the instructions issued by the Ministry of Environment and Forests, Government of India vide their letter No. 5-1/2009-FC dated 28 April 2009 and Guidelines issued on 2 July 2009, the State Governments are required to establish the State Compensatory Afforestation Fund for amounts received from user agencies and utilization of monies collected for undertaking Compensatory Afforestation, assisted natural regeneration, conservation and protection of forests, infrastructure development, wildlife conservation and protection and other related activities and for matters connected therewith or incidental thereto.

The monies received by the State Governments from the user agencies need to be credited in 'State Compensatory Afforestation Deposits' under interest bearing section in Public Account of the State at Minor head level below the Major Head 8336-Civil Deposits. As per Section 3 (4) of the Compensatory Afforestation Fund Act, 2016, ninety *per cent* of the fund needs to be transferred to the Major Head 8121-General and Other Reserve Funds in Public Account of State and balance ten *per cent* to be credited into the National Fund on yearly basis provided that, the credit of ten *per cent* Central share of funds should be ensured on monthly basis so that the same is transferred to the National Fund.

The applicable rate of interest on balances available under 'State Compensatory Afforestation Deposits' under '8336-Civil Deposits' and 'State Compensatory Afforestation Fund' under 8121- General and other Reserve Funds will be as per the rate declared by the Central Government on year to year basis.

During the year 2020-21, the State Government did not receive any amount either from the user agencies or the National Compensatory Afforestation Deposit. The total balance in the State Compensatory Afforestation Fund as on 31 March 2021 was ₹ 1,069.76 crore.

6.14.2 Reserve Funds Not Bearing Interest

6.14.2 (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. Following are the transactions in the Fund:

(₹ in crore)

Opening balance 01 April 2020)	Additions to the Fund* (Contribution and interest)		Payments out of the Fund	Total balance in the Fund	Amount invested by RBI during the year	Closing balance as on 31 March 2021
	Required Contribution (0.5 <i>per cent</i> of the outstanding liabilities as on 31 March 2020)	Contribution and interest added during the year				
2,084.06	1,077.81	151.62	1,516.29	719.39	151.62	719.39

* No booking made under the Major Head - 2048 indicating no contribution made towards Sinking Fund.

6.14.2 (b) Guarantee Redemption Fund

The State Government constituted the Guarantee Redemption Fund in 2003 vide notification No. 1448-FD (ERAMU)-2003 dated 31 July 2003 that is administered by RBI. The latest amendment to the Fund notification issued by the State Government, effective from the year 2020, 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*.

The total accumulation of the Fund was ₹ 1,323.13 crore as on 31 March 2021. The entire amount has been invested by RBI.

The details are as under:

(₹ in crore)

Opening balance 01 April 2020)	Additions to the Fund (Contribution and interest)			Payments out of the Fund	Total balance in the Fund	Required balance in the Fund (5 <i>per cent</i> of the Total outstanding Guarantees as on 31 March 2020)	Amount invested by RBI during the year 2020-21	Closing balance as on 31 March 2021
	Required Contribution (0.5 <i>per cent</i> of the outstanding liabilities as on 31 March 2020)	Actuals during 2020-21						
		Contribution (0.5 <i>per cent</i> of Total outstanding Guarantees as on 31 March 2020)	Interest					
1,223.81	103.69	..	99.32	..	1,323.13	1,036.88	99.32	1,323.13

Transactions in the Fund are depicted in Statements 21 and 22.

6.14.2 (c) Mines and Mineral Development, Restoration and Rehabilitation Fund

The Fund was established vide Haryana Government notification dated 10 July 2015 for environmentally sustainable growth of the mining sector, protection, preservation, rehabilitation and restoration of the mining sites in the State and to undertake other related works in the overall interest of protection and preservation of ecology and environment of the area. The Fund has been opened under 'Reserve Funds not bearing interest' though it is bearing interest @ 6 per cent per annum.

As per constitution of the Fund, an amount equal to 10 per cent of the 'Dead Rent / Royalty / Contract Money' paid to the State is to be charged from the mineral concession holders in the nature of 'other charges' for restoration and rehabilitation works and credited to the Fund. Also, an amount equal to 5 per cent of the amount received by State Government on account of the 'Dead Rent/Royalty/Contract Money' in a financial year is to be deposited / transferred in the Fund as Government Contribution to the Fund.

A balance of ₹ 220.43 crore was in the Fund as on 1 April 2020. The State Government during the year received an amount of ₹ 782.03 crore on account of Dead Rent etc., and an amount of ₹ 72.07 crore on account of 'other charges' from the Concession Holders (i. e. ₹ 6.13 crore less than stipulated 10 per cent). The amount of ₹ 117.30 crore (Concession Holders' contribution: ₹ 78.20 crore i. e. 10 per cent of Dead Rent plus State share: ₹ 39.10 crore i. e. 5 per cent of Dead Rent of ₹ 782.03 crore) was required to be contributed to the Fund. However, the State Government, during the year contributed an amount of ₹ 85.50 crore (State contribution: ₹ 27.84 crore and Concession Holders' contribution: ₹ 57.66 crore against 'other charges' received of ₹ 72.07 crore). Thus, there was short contribution to the Fund of ₹ 25.67 crore.

The State Government, has paid/credited interest of ₹ 5.13 crore on the balances in the Fund during the year, thereby leading to short contribution to the Fund on account of interest of ₹ 8.10 crore (6 per cent of ₹ 220.43 crore less ₹ 5.13 crore). An expenditure of ₹ 10.31 crore was met from the Fund during the year, thereby leaving a balance of ₹ 300.75 crore in the Fund as on 31 March 2021.

There was no reconciliation in accounts between the receipt of dead rent etc. and concession holders' contribution 'vis-à-vis' Government transfers to the Fund.

6.14.3 Inoperative Reserve Funds

There are two inoperative Reserve Funds in Haryana as detailed below:

(₹ in crore)

Sr. No.	Name of Fund	Major Head	Minor Head	Amount
1	Fund for Development Scheme	8229	200	1.41
2	Fund for Village reconstructions for Harijan Uplift	8229	200	2.29

6.15 Building and Other Construction Workers' Welfare Cess

The Government of India enacted the Building and Other Construction Workers' Welfare Cess Act, 1996 (Cess Act) to levy and collect cess for providing benefits to the workers. The Act, inter alia, mandated constitution of a Building and Other Construction Workers' Welfare Board and framing of rules by every State Government to exercise the powers conferred under the Act. Accordingly, the Government of Haryana have framed Haryana Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Rules, 2005 under the Act and have constituted Haryana Building & Other Construction Workers' Welfare Board. The Board is responsible for the operation and maintenance of the amount collected/transferred by Government as Labour Cess Deposits.

During the year 2020-21, the Government collected ₹ 453.08 crore as Labour Cess through Haryana Building and Other Construction Workers' Welfare Board. The Cess receipts are not being routed through the Consolidated Fund of the State and are not accounted for/reflected in the accounts of the State Government.

6.16 Non-reflection of borrowings availed by Haryana Police Housing Corporation in the State Government Budget

As per Para 10(3) of Haryana FRBM Act 2005, whenever the State Government undertakes unconditionally and substantially to repay the principal amount and/or pay the interest of any separate legal entity, it has to reflect such liability as the borrowings of the State.

The State Government of Haryana issued Guarantees to Haryana Police Housing Corporation Limited (HPHCL) to raise loan of ₹ 300.00 crore and ₹ 550.00 crore from Housing and Urban Development Corporation. Accordingly, HPHCL availed loan of ₹ 300.00 crore during the period from 2011-12 to 2014-15 and ₹ 502.00 crore (Out of ₹ 550.00 crore) during the period 2016-17 to 2020-21.

As per the conditions of sanction for loan agreement, the State Government will make annual allocation of funds in the budget to the tune earmarked in loan agreement along with interest for making repayment to HUDCO. Accordingly, the Finance Department stands committed to provide required funds to HPHCL for the repayment of both the principal and interest. As on 31 March 2021, ₹ 217.50 crore being principal and ₹ 180.16 crore as interest has been paid by the State Government against the loan of ₹ 300 crore. Similarly, ₹ 178.75 crore being principal and ₹ 96.82 crore as interest has been paid by the State Government against the loan of ₹ 502.00 crore. The repayment of Principal and Interest of the loan has been classified as grant-in-aid in the budget and accounts by the State Government which is in contravention of Haryana FRBM Act 2005.

During the year, 2020-21, an amount of ₹ 32.77 crore (₹ 22.50 crore as principal plus ₹ 10.27 crore as interest) and ₹ 76.07 crore (₹ 41.25 crore as principal plus ₹ 34.82 crore as interest) was repaid against the loan of ₹ 300.00 crore and ₹ 502.00 crore respectively. Non-reflecting the loans in the Finance Accounts has resulted in understatement of borrowings to that extent.

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