



**State Finances Audit Report of the
Comptroller and Auditor General of India
for the year ended 31 March 2020**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Government of Rajasthan
Report No. 3 of the year 2021

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Comptroller and Auditor General of India
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PREFACE

1. This Report has been prepared for submission to the Governor of Rajasthan under Article 151 of the Constitution.
2. Chapter I of this Report contains the basis and approach to State Finances Audit Report, structure of the Report, structure of Government Accounts, budgetary processes, trends in key fiscal parameters like revenue surplus/deficit, fiscal surplus/deficit, *etc.*
3. Chapters II & III of the Report contain audit findings on matters arising from examination of the Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2020. Information has been obtained from Government of Rajasthan, wherever necessary.
4. Chapter IV on 'Quality of Accounts & Financial Reporting Practices' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during 2019-20.
5. The Reports containing the findings of Performance Audit and Audit of transactions in various Government departments, observations arising out of audit of Statutory Corporations, Boards and Government Companies and observations on Revenue Receipts are presented separately.

Executive Summary

Background

This report provides an analytical review of the finances of the Government of Rajasthan based on the audited accounts for the year ended 31 March 2020. The financial performance of the State has been assessed based on the Fiscal Responsibility and Budgetary Management Act, Budget Documents, Economic Review 2019-20, Fourteenth Finance Commission Report and other financial data obtained from various Government Departments and organisations.

Report

The Report is structured in four Chapters:

Chapter 1-Overview: This Chapter describes the basis and approach to the Report and the underlying data, provides an overview of structure of government accounts, budgetary processes, macro-fiscal analysis of key indices and State's fiscal position including the deficits/surplus.

Chapter 2-Finances of the State: This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the last five years, debt profile of the State and key Public Account transactions, based mainly on the Finance Accounts of the State.

Chapter 3-Budgetary Management: This chapter is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.

Chapter 4-Quality of Accounts & Financial Reporting Practices: This chapter comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations by various departmental officials of the State Government.

Achievements of the State Government

The outstanding guarantee to estimated receipts ratio (35.9 *per cent*) during 2019-20 was within the limit fixed under FRBM Act (60.0 *per cent*).

(Paragraph 2.7.2)

The State Government accomplished 100 *per cent* reconciliation of expenditure and receipts with office of the Principal Accountant General (A&E) through controlling officers for the last five years.

(Paragraph 4.9)

Audit findings

Fiscal Position

The fiscal position of the State is viewed in terms of three key fiscal parameters -Revenue Deficit/Surplus, Fiscal Deficit/Surplus and the ratio of Outstanding Debt to GSDP.

Fiscal Deficit as a percentage of GSDP increased from 3.66 *per cent* in 2018-19 to 3.69 *per cent* in 2019-20, which was higher than the target of three *per cent* as prescribed under FRBM Act, 2005.

As per FRBM Act, the State Government was to achieve Zero Revenue Deficit from the financial year 2011-12 and thereafter maintain it or attain revenue surplus. However, the Revenue Deficit of the State Government was ₹ 36,371 crore during the year 2019-20.

During 2019-20, the fiscal liability (total outstanding debt) to GSDP ratio (34.55 *per cent*) was higher than the FRBM target (34.0 *per cent*).

(Chapter I)

Finances of the State

Revenue Receipts increased by ₹ 2,240.79 crore (1.63 *per cent*) over the previous year, however Revenue Expenditure increased by ₹ 9,711.91 crore (5.82 *per cent*) over the previous year leading to an increase in the Revenue Deficit.

Capital Outlay decreased by ₹ 4,920.15 crore (25.05 *per cent*) over the previous year.

(Chapter II)

Budgetary Management

Budgetary assumptions of the State Government were not realistic during 2019-20 and despite carrying out an elaborate pre-budget exercise to bring out efficiency and transparency in budget formulation and execution, budgetary estimates were off the mark to a considerable extent, and control over the execution and monitoring of budget was inadequate.

Budgetary savings of ₹ 24,358 crore (10.03 *per cent*) occurred during the year and Supplementary Grants of ₹ 2,937.12 crore proved unnecessary. Despite flagging these issues every year over the last several years, the State Government has failed to take corrective measures in this regard.

Explanations were not provided to the Principal Accountant General (A&E) for variations in expenditure vis-à-vis allocations. Instances of persistent savings under grants were noticed during the year despite PAC recommendations in this regard.

(Chapter III)

Quality of Accounts & Financial Reporting Practices

Non-submission of Utilisation Certificates and Detailed Contingent bills by departments for funds drawn for specific developmental programmes/projects and non-submission of accounts by State PSUs was in contravention of prescribed financial rules and directives pointing to inadequate Internal Controls and monitoring mechanism of the State Government.

The Annual Accounts of Rajasthan Building and Other Construction Workers Welfare Board have not been finalised since 2017-18. Despite the availability of significant funds, the State government utilized only a portion of the funds available with the Board for the welfare of construction workers.

(Chapter IV)

MAIN REPORT

Chapter I: Overview

1.1 Profile of the State

Rajasthan with a geographical area of 3.42 lakh square kilometers is the largest state in the country. It is situated in the north-western part of the country and is surrounded by the states of Punjab, Haryana and Uttar Pradesh in the north and north-east, Madhya Pradesh in the south-east and Gujarat in the south-west. It also has a long international frontier with Pakistan. The state has varied climatic conditions ranging from semi-arid to arid. Administratively, it is divided into 7 divisions and 33 districts.

The key indicators of the State are given in **Table 1.1** and **Appendix 1.1**.

Table 1.1: Key indicators of the State

Indicators	Year	Unit	Rajasthan	India
Geographical Area*	2011	Lakh Sq. Km.	3.42	32.87
Population*	2011	Crore	6.85	121.09
Decadal Growth Rate*	2001-2011	Percentage	21.3	17.7
Population Density*	2011	Population per Sq. Km.	200	382
Urban Population to total population*	2011	Percentage	24.9	31.1
Sex Ratio*	2011	Females per 1,000 Males	928	943
Literacy Rate*	2011	Percentage	66.1	73.0
Per Capita Income*	2019-20	in ₹	1,18,159	1,35,050
Infant Mortality Rate#	2017	Per 1,000 live births	38	33
Life Expectancy at birth#	2013-2017	Years	68.5	69.0
Population Below Poverty Line (BPL)#	2011-12	Percentage	14.7	21.9

* Economic Review 2019-20, Government of Rajasthan (GoR).

Economic Survey 2019-20, Government of India (GoI).

It is evident from the above table that the percentage of population below the poverty line was 14.7 *per cent* which was less than the All India average of 21.9 *per cent*. The literacy rate was 6.9 percentage points below the All India average of 73 *per cent*. During 2019-20, per capita income of the State stood at ₹ 1,18,159, lower than the All India per capita income of ₹ 1,35,050.

1.1.1 Gross State Domestic Product of Rajasthan

Gross State Domestic Product (GSDP) is the value of all the goods and services produced within the boundaries of the State in a given period of time. Growth of GSDP is an important indicator of the State's economy, as it denotes the extent of changes in the level of economic development of the State over a period of time.

The trends in the annual growth rate of the State's GSDP as compared to National Gross Domestic Product (GDP) at current prices are indicated in **Table 1.2**.

Table 1.2: Trends in GSDP compared to the national GDP at current prices

	(₹ in crore)				
Year	2015-16	2016-17	2017-18	2018-19	2019-20
National GDP (2011-12 Series)	1,37,71,874	1,53,62,386	1,70,95,005	1,90,10,164 [#]	2,04,42,233 ^{##}
Growth rate of GDP over previous year (in per cent)	10.46	11.55	11.28	11.20	7.53
State's GSDP (2011-12 Series)	6,81,482	7,60,750	8,35,170 ^Σ	9,42,586 [£]	10,20,989 ^{##}
Growth rate of GSDP over previous year (in per cent)	10.69	11.63	9.78	12.86	8.32

Source: GoI's Economic Survey (2019-20) and Economic Review (2019-20) by Directorate of Economics and Statistics, GoR.

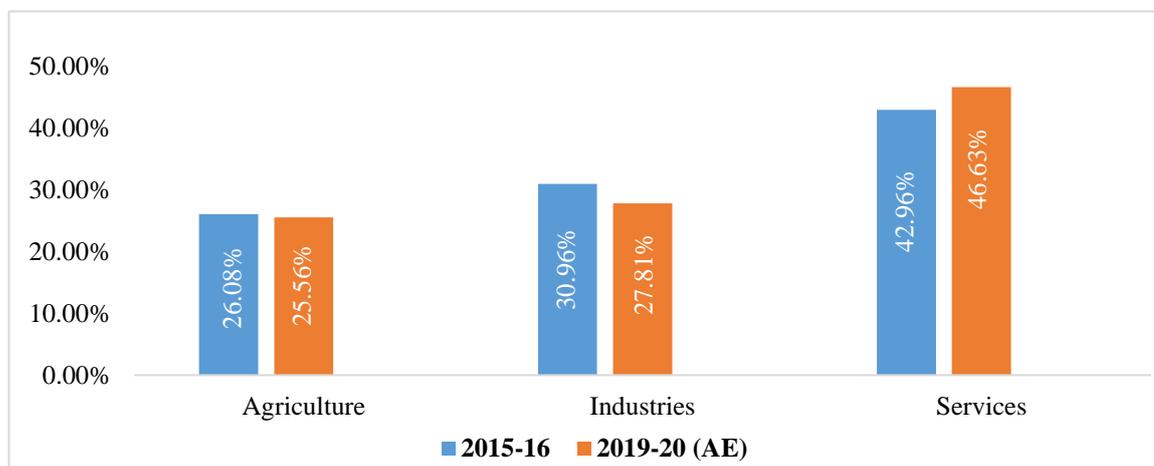
Provisional Estimate, ## Advance Estimate, Σ Revised Estimate-III, £ Revised Estimate-I

As can be seen from the table above, during 2015-16, 2016-17, 2018-19 and 2019-20, the GSDP of Rajasthan grew at a higher rate in comparison to the national GDP growth rate. However, during 2019-20, state's GSDP registered the lowest growth rate in five years.

Change in sectoral contribution to GSVA at current prices (2015-16 to 2019-20)

Chart 1.1 reveals that during the five-year period from 2015-16 to 2019-20, there has been a significant decrease in the relative share of Industries in Gross State Value Added (GSVA), reducing from 30.96 per cent in 2015-16 to 27.81 per cent in 2019-20. An increase was witnessed in the Services sector, with a marginal decline in the relative share of Agriculture sector.

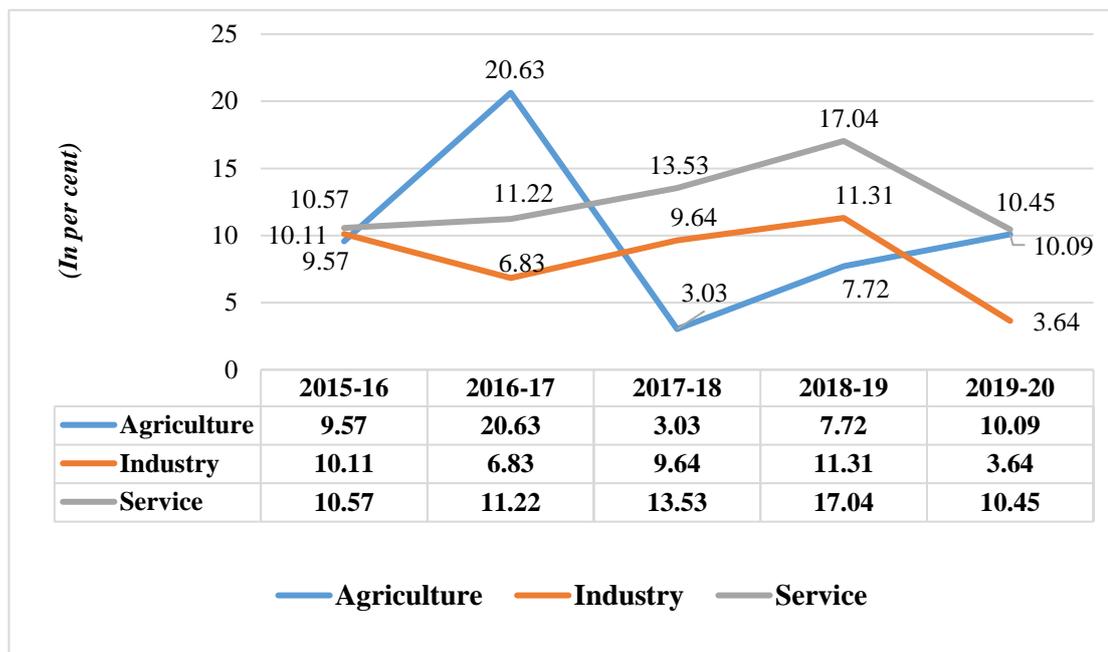
Chart 1.1: Change in sectoral contribution to GSVA at current prices (2015-16 and 2019-20)



Source: Directorate of Economics and Statistics, GoR

Sectoral growth in GSVA at current prices

During 2019-20, there was a decline in the growth rate of Industry and Service sectors in comparison with the previous year. However, Agriculture sector growth rate increased over the previous year as can be seen from **Chart 1.2**.

Chart 1.2: Sectoral growth in GSVA at current prices (2015-16 to 2019-20)

1.2 Basis and Approach to State Finances Audit Report

In terms of Article 151 (2) of the Constitution of India, the reports of the Comptroller and Auditor General of India (CAG) relating to the accounts of a State are to be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State.

Principal Accountant General (Accounts & Entitlement) prepares the Finance Accounts and Appropriation Accounts of the State annually, from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for keeping of such accounts functioning under the control of the State Government and the statements received from the Reserve Bank of India. These accounts are audited independently by the Accountant General (Audit-I), and certified by the CAG.

Finance Accounts and Appropriation Accounts of the State for the year 2019-20 constitute the core data for this report. Other sources include the following:

- Budget of the State for the year 2019-20— both for assessing the fiscal parameters and allocative priorities *vis-à-vis* projections, as well as for evaluating the effectiveness of its implementation and compliance with the relevant rules and prescribed procedures;
- Results of audit carried out by the Office of the Accountant General (Audit-I), Rajasthan at the State Government as well as at the field level during the year;
- Other data with Departmental Authorities and Treasuries (accounting as well as IFMS);
- GSDP data and other State related statistics from the Directorate of Economics and Statistics, GoR and
- Various audit reports of the CAG of India prepared during 2014-20.

The analysis is also carried out in the context of recommendations of the XIV Finance Commission (FC), State Financial Responsibility and Budget Management Act, best practices and guidelines of the Government of India.

1.3 Report Structure

The SFAR is structured into the following four Chapters:

Chapter - I	Overview This Chapter describes the basis and approach of the Report, provides an overview of the structure of government accounts, budgetary processes, macro analysis of key indices for the State's fiscal position including the deficit/surplus.
Chapter - II	Finances of the State This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2015-16 to 2019-20, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State.
Chapter - III	Budgetary Management This chapter is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.
Chapter - IV	Quality of Accounts & Financial Reporting Practices This chapter comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations by various departmental officials of the State Government.

1.4 Overview of Government Accounts Structure and Budgetary Processes

The Accounts of the State Government are kept in three parts:

1. Consolidated Fund of the State (Article 266(1) of the Constitution of India)

This Fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), Ways and Means advances extended by the Reserve Bank of India and all moneys received by the State Government as repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. 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.

2. Contingency Fund of the State (Article 267(2) of the Constitution of India)

This Fund is in the nature of an imprest which is established by the State Legislature by law and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State.

3. Public Accounts of the State (Article 266(2) of the Constitution of India)

Apart from above, all other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public Account is not subject to the vote of the Legislature.

There is a constitutional requirement in India (Article 202) to present before the House or Houses of the Legislature of the State, a statement of estimated receipts and expenditures of the government in respect of every financial year. This 'Annual Financial Statement' constitutes the main budget document. Further, the budget must distinguish expenditure on the revenue account from other expenditures.

Revenue receipts consist of tax revenue, non-tax revenue, share of Union Taxes/Duties, and grants from Government of India.

Revenue expenditure consists of all those expenditures of the government which do not result in creation of physical or financial assets. It relates to those expenses incurred for the normal functioning of the government departments and various services, interest payments on debt incurred by the government, and grants given to various institutions (even though some of the grants may be meant for creation of assets).

The **Capital receipts** consist of:

- **Debt receipts:** Market Loans, Bonds, Loans from financial institutions, Net transaction under Ways and Means Advances, Loans and Advances from Central Government, etc.;
- **Non-debt receipts:** Proceeds from disinvestment, Recoveries of loans and advances;

Capital Expenditure includes expenditure on the acquisition of land, building, machinery, equipment, investment in shares, and loans and advances by the government to PSUs and other parties.

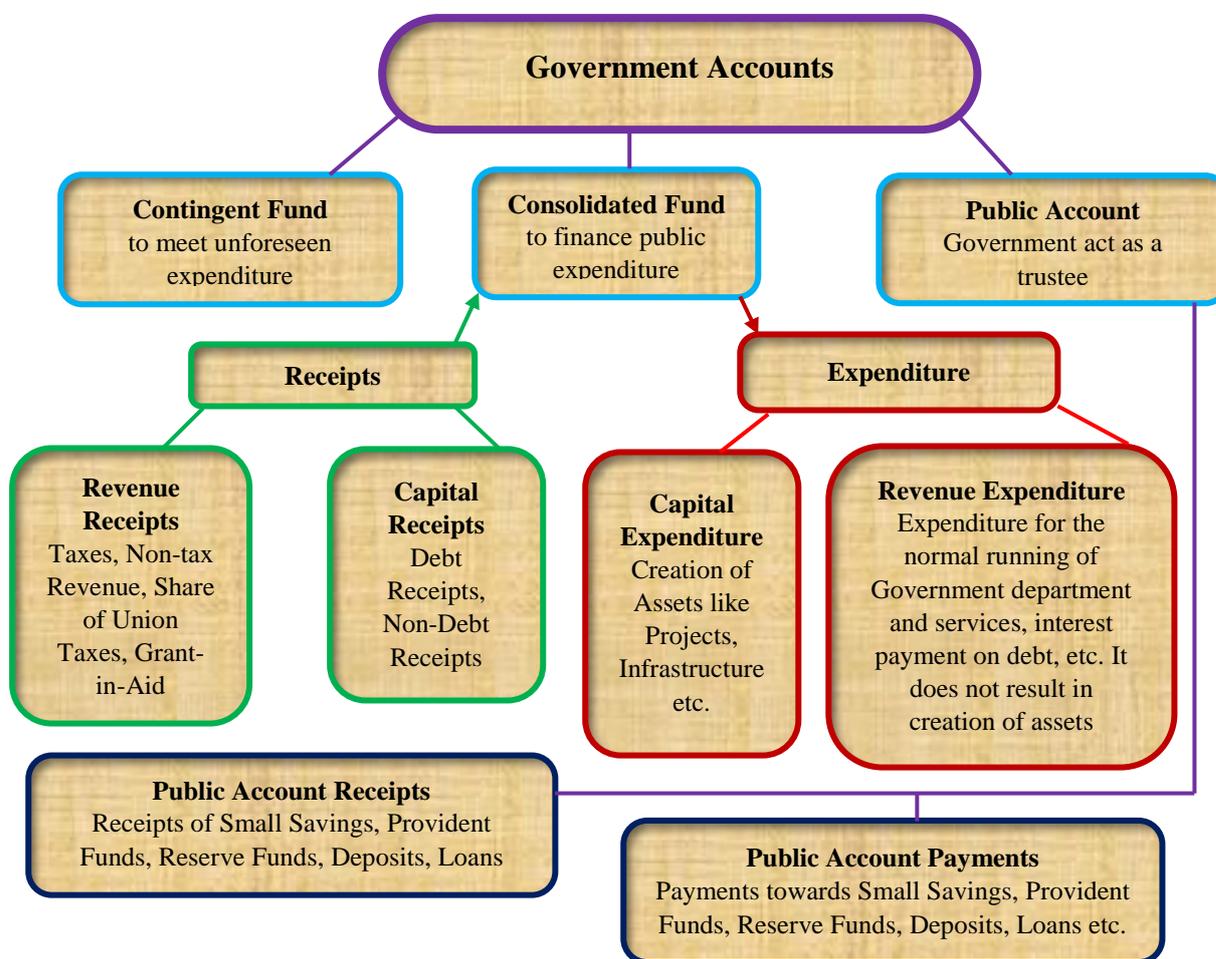
At present, we have an accounting classification system in government that is both functional and economic.

	Attribute of transaction	Classification
Standardized in LMMH by CGA	Function- Education, Health, etc./Department	Major Head under Grants (4-digit)
	Sub-Function	Sub-Major head (2-digit)
	Programme	Minor Head (3-digit)

	Attribute of transaction	Classification
Flexibility left for States	Scheme	Sub-Head (2-digit)
	Sub scheme	Detailed Head (2-digit)
	Economic nature/ Activity	Object Head-salary, minor works, etc. (2-digit)

The functional classification lets us know the department, function, scheme or programme and object of the expenditure. Economic classification helps organize these payments as revenue, capital, debt, etc. Economic classification is achieved by the numbering logic embedded in the first digit of 4-digit Major Heads. For instance, 0 and 1 for revenue receipts, 2 and 3 for revenue expenditure, etc. Economic classification is also achieved by an inherent definition and distribution of some object heads. For instance, generally “salary” object head is revenue expenditure, “construction” object head is capital expenditure. Object head is the primary unit of appropriation in the budget documents.

Chart 1.3: Structure of Government Accounts



Fund based accounting coupled with functional and economic classification of transactions facilitates in-depth analysis of Government activities/transactions and enables Legislative oversight over public finances.

Budgetary Processes

In terms of Article 202 of the Constitution of India, the Governor of Rajasthan caused to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State for the year 2019-20, in the form of an Annual Financial Statement (referred to as Budget) with estimates of expenditure,

- charged upon the Consolidated Fund of the State;
- the sums required to meet other expenditure proposed to be made from the Consolidated Fund of the State and shall distinguish expenditure on Revenue Account from other expenditure.

In terms of Article 203, the above was submitted to the State Legislature in the form of 55 Demands for Grants/Appropriations and after approval of these, the Appropriation Bill was passed by the Legislature under Article 204 to provide for appropriation of the required money out of the Consolidated Fund.

As mentioned in **Paragraph 1.2**, Finance Accounts and Appropriation Accounts encompass the core data for preparation of the SFAR. These Accounts are based on actual receipts and expenditure of the State during the year 2019-20 including various inter-governmental and other adjustments carried out by the Reserve Bank of India (RBI). Considering that these receipts and expenditure are estimated in the budget and the expenditure has been approved by the State Legislature, it is important to study the budget of the State for 2019-20 closely and analyse the actual receipts and expenditure during the year with reference to the projections made in the budget.

The State Budget Manual details the budget formulation process and guides the State Government in preparing its budgetary estimates and monitoring its expenditure activities. Results of audit scrutiny of budget and implementation of other budgetary initiatives of the State Government are detailed in **Chapter 3** of this Report.

1.4.1 Snapshot of Finances

The following table provides the details of actual financial results vis-a-vis Budget Estimates for the year 2019-20 vis-a-vis actuals of 2018-19.

Table 1.3: Budget Estimates for the year 2019-20 vis a vis actual of 2018-19 and 2019-20

(₹ in crore)

S. No.	Components	2018-19 Actual	2019-20 BE	2019-20 Actual	Percentage of Actuals to BE	Percentage of Actuals to GSDP
1	2	3	4	5	6	7
1	Tax Revenue	57,380	73,743	59,245	80.33	5.8
2	Non-Tax Revenue	18,603	19,124	15,714	82.17	1.5
3	Share of Union Taxes/ duties (a)	41,853	44,462	36,049	81.08	3.5
4	Grants-in-aid and Contributions	20,037	26,676	29,106	109.11	2.9
5	Revenue Receipts (1+2+3+4)	1,37,873	1,64,005	1,40,114	85.43	13.7
6	Recovery of Loans and Advances	15,158	16,192	15,670	96.78	1.5
7	Miscellaneous Capital Receipts	20	25	20	80.00	0.0
8	Borrowings and other Liabilities (b)	34,473	32,679	37,654	115.22	3.7

S. No.	Components	2018-19 Actual	2019-20 BE	2019-20 Actual	Percentage of Actuals to BE	Percentage of Actuals to GSDP
1	2	3	4	5	6	7
9	Capital Receipts (6+7+8)	49,651	48,896	53,344	109.10	5.2
10	Total Receipts (5+9)	1,87,524	2,12,901	1,93,458	90.87	18.9
11	Revenue Expenditure of which	1,66,773	1,91,020	1,76,485	92.39	17.3
12	Interest payments	21,695	23,133	23,643	102.20	2.3
13	Grant in Aid for creation of capital assets	799	-	5,198	-	0.5
14	Capital Expenditure of which (c)	20,751	21,881	16,973	77.57	1.7
15	Capital Outlay	19,638	19,472	14,718	75.59	1.4
16	Loan and Advances	1,113	2,409	2,255	93.61	0.2
17	Total Expenditure (11+14)	1,87,524	2,12,901	1,93,458	90.87	18.9
18	Revenue Deficit (5-11)	28,900	27,015	36,371	134.63	3.6
19	Effective Revenue Deficit (18-13)	28,101	-	31,173	-	3.1
20	Fiscal Deficit {17-(5+6+7)}	34,473	32,679	37,654	115.22	3.7
21	Primary Deficit (20-12)	12,778	9,546	14,011	146.77	1.4

(a) Includes State's share of Union Taxes.

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

(c) Expenditure on Capital Account includes Capital Expenditure and Loans and Advances disbursed.

1.4.2 Snapshot of Assets and Liabilities of the Government

Government accounts capture the financial liabilities of the Government and the assets created out of the expenditure incurred. The liabilities consist mainly of internal borrowings, loans and advances from GoI, receipts from public account and reserve funds and the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances. **Table 1.4** and **Appendix 1.2** give an abstract of such liabilities and the assets as on 31 March 2020.

Table 1.4: Summarised position of Assets and Liabilities

(₹ in crore)

Liabilities					Assets				
		2018-19	2019-20	Per cent increase			2018-19	2019-20	Per cent increase
Consolidated Fund									
A	Internal Debt	2,19,311.48	2,42,077.41	10.4	a	Gross Capital Outlay	1,88,108.83	2,02,806.46	7.8
B	Loans and Advances from GoI	13,927.40	17,302.50	24.2	b	Loans and Advances	23,262.49	9,847.92	(-) 57.7

Liabilities					Assets				
		2018-19	2019-20	Per cent increase			2018-19	2019-20	Per cent increase
Contingency Fund									
Contingency Fund		500.00	500.00	-					
Public Account									
A	Small Savings, Provident Funds, etc.	47,478.08	51,468.62	8.4	a	Advances	3.21	3.21	-
B	Deposits	28,817.51	33,842.46	17.4	b	Remittance	2.05	10.37	405.9
C	Reserve Funds	5,551.37	9,881.68	78.0	c	Suspense and Miscellaneous	206.65	120.15	(-) 41.9
D	Remittances	-	-			Cash balance (including investment in Earmarked Fund)	5,793.75	7,704.41	33.0
						Total	2,17,376.98	2,20,492.52	1.4
						Deficit in Revenue Account	98,208.86	1,34,580.15	37.0
	Total	3,15,585.84	3,55,072.67	12.5		Total	3,15,585.84	3,55,072.67	12.5

Source: Finance Accounts

During 2019-20, the assets increased by 1.4 *per cent*, while the liabilities increased by 12.5 *per cent* over the previous year.

1.5 Fiscal Balance: Achievement of deficit and total debt targets

Nature of deficit is an indicator of the prudence of the fiscal management of the Government. Further, the ways in which the deficits are financed and the application of the resources raised are important pointers to the fiscal health of the state. This Section presents trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of revenue and fiscal deficits *vis-à-vis* targets set under Rajasthan FRBM Act/Rules for the financial year 2019-20.

In pursuance of recommendations of the Twelfth Finance Commission, the State Government had enacted its 'Fiscal Responsibility and Budgetary Management (FRBM) Act 2005', with a view to ensure prudence in fiscal management and to maintain fiscal stability in the State. It was amended in the years 2011 and 2016. Besides this, the Fourteenth Finance Commission (XIV-FC) had also suggested fiscal consolidation roadmap for the state.

Review of fiscal situation of the state revealed the following:

(i) As per the provisions contained in Section 6(a) of FRBM Act, the State Government was to achieve Zero Revenue Deficit from the financial year 2011-12 and thereafter maintain it or attain revenue surplus. However, the State Government could maintain the revenue surplus only during the years 2011-12 and 2012-13 and thereafter there has been revenue deficit during last seven years up to 2019-20.

The Budget Estimates (BE), Revised Estimates (RE) and Actual figures in respect of Revenue Deficit/Surplus during the last six years are summarised below:

Table 1.5: Position of Revenue deficits/surplus in the context of BE/RE and Actual

(₹ in crore)

	2014-15	2015-16*	2016-17*	2017-18*	2018-19		2019-20	
					With UDAY	Without UDAY	With UDAY	Without UDAY
Budget Estimates	(+738)	(+) 557	(-) 8,802	(-)13,528	(-)17,455	(-)5,455	(-) 27,015	(-)13,199
Revised Estimates	(-)4,220	(-) 5232	(-)17,838	(-)20,166	(-)24,825	(-)12,825	(-) 28,041	(-)14,225
Actual	(-)3,215	(-) 5,954	(-)18,114	(-)18,535	(-)28,900	(-)16,900	(-)36,371	(-) 22,555

*with the impact of UDAY¹

It is seen from the above table that the revenue deficit stood at ₹ 36,371 crore which was higher than the projections made in BE (₹ 27,015 crore) and RE (₹ 28,041 crore). The above table also indicates that the formulation of BE for 2014-15 to 2019-20 was deficient as there was regular and significant fall in RE and Actuals in comparison to BE during these years.

State Government was unable to contain revenue deficit to the budgeted estimates during 2019-20 as the actual revenue receipt declined to ₹ 1,40,114 crore (including ₹ 4,440 crore received from Government of India on account of compensation for loss of revenue arising out of implementation of GST) against ₹ 1,64,005 crore in BE i.e. 14.57 per cent (₹ 23,891 crore) whereas the actual revenue expenditure decreased to ₹ 1,76,485 crore against ₹ 1,91,020 crore in BE i.e. 7.61 per cent only (₹ 14,535 crore).

Thus, greater fall in revenue receipts than budgeted and relatively less control over expenditure was the reason for the increase in revenue deficit which indicates that the state requires more realistic estimates of receipts and expenditure while preparing the budget of the State.

The Department accepted the facts and stated (December 2020) that the target of Revenue Receipts could not be met due to recession in the State's economy. In addition, the greater decline in revenue receipts than revenue expenditure was mainly due to committed expenditure including salaries, pensions, etc. which could not be reduced.

(ii) Section 6 (b) of the FRBM Act, envisaged (as amended in 2011) to achieve fiscal deficit of 3 per cent of GSDP by the financial year 2011-12 and thereafter to maintain the said ratio or reduce it. The XIV-FC also recommended maintaining the fiscal deficit within 3 per cent of the GSDP.

The following table shows the trend of fiscal deficit-GSDP ratio during the last three years:

1. Ujwal DISCOM Assurance Yojana (UDAY) is the financial turnaround and revival package for electricity distribution companies (DISCOMs) initiated by the Government of India with the intent to find a permanent solution to the financial mismanagement.

Table 1.6: Position of Fiscal deficit in the context of BE/RE and Actual

Years	Budget Estimates	Revised Estimates	Actual
2017-18	2.99	3.46	3.03
2018-19	2.98	3.39	3.66
2019-20	3.19	3.16	3.69

It is observed that the fiscal deficit as a percentage of GSDP during 2019-20 is higher than the target of 3 *per cent* prescribed under the FRBM Act and XIV-Finance Commission recommendation. The fiscal deficit stood at ₹ 37,654 crore which was higher than the projection in BE (₹ 32,679 crore) and RE (₹ 32,214 crore).

The Department accepted the facts and stated (December 2020) that the deficit targets could not be met due to recession in the State's economy.

(iii) The State Government amended (April 2016) the provisions of Section 6(c) of the FRBM Act to prescribe the limit of total outstanding debt up to 34.0 *per cent* of GSDP for the financial year 2019-20. However, the Debt-GSDP ratio was 34.55 during 2019-20, which was higher than the limit fixed in FRBM Act.

Table 1.7: Compliance with provisions of FRBM Act

Fiscal Parameters	Fiscal targets set in the Act	Achievement				
		2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Deficit (-) / Surplus (+)	Revenue	-5,954	-18,114	-18,535	-28,900	-36,371
	Surplus	×	×	×	×	×
Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP)	Three <i>per cent</i>	-63,070 (-9.25)	-46,318 (-6.09)	-25,342 (-3.03)	-34,473 (-3.66)	-37,654 (-3.69)
		×	×	×	×	×
Ratio of total outstanding debt to GSDP (in <i>per cent</i>)	Target	36.50	36.50	35.50	35.00	34.00
	Achievement	30.73	33.52	33.67	33.03	34.55
		✓	✓	✓	✓	×

The XIV-FC inter-alia recommended *Fiscal Environment and Fiscal Consolidation Roadmap* for the States. This included (a) providing statutory ceiling on the sanction of new capital works to an appropriate multiple of the annual budget provision, (b) replacing the existing FRBM Act with a debt ceiling and Fiscal Responsibility Legislation under Article 293(1).

The Department stated (December 2020) that the recommendation regarding statutory ceiling on sanction of new capital works has not been implemented by the state as it was not found feasible. In addition, recommendation related to debt ceiling and Fiscal Responsibility Legislation was implemented by amending the existing FRBM Act.

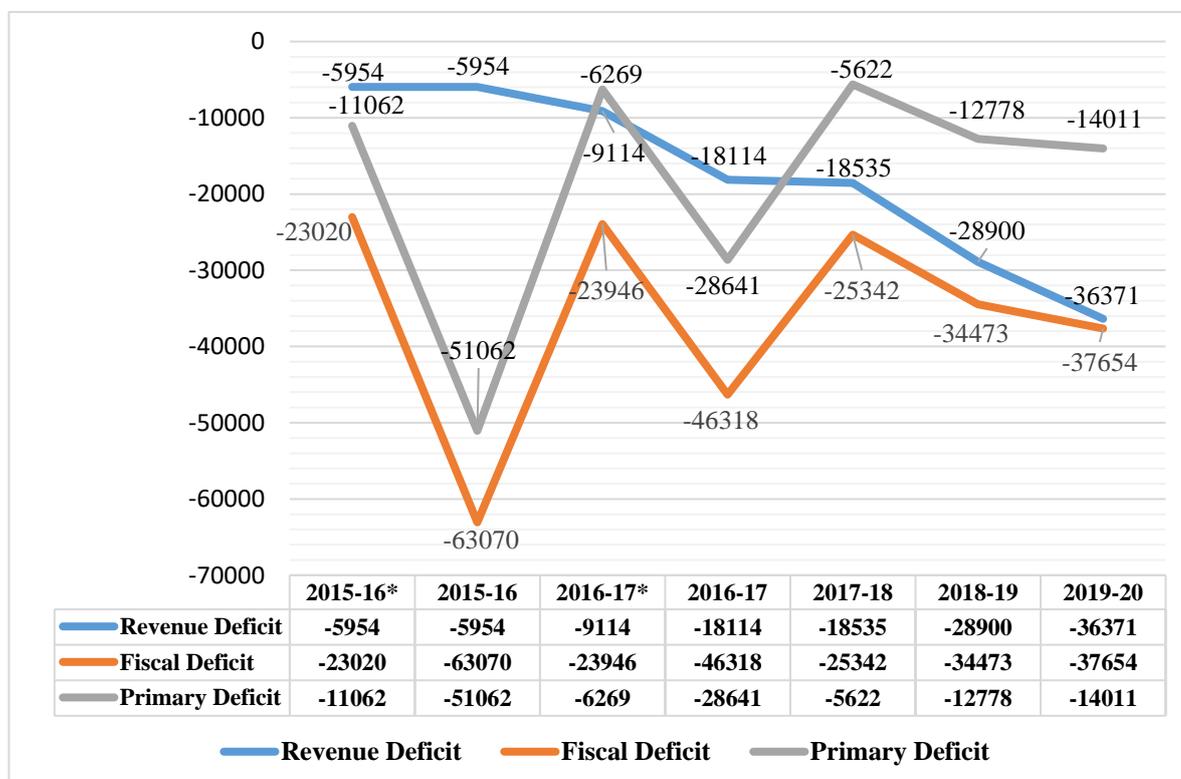
Comparison of targets for fiscal parameters projected in Medium Term Fiscal Plan (MTFP) presented to the State Legislature with actuals for the current year is provided in the table below:

Table 1.8: Actuals vis-à-vis projection in MTFP for 2019-20

(₹ in crore)				
S. No.	Fiscal Variables	Projection as per MTFP	Actuals (2019-20)	Variation (in per cent)
1	Own Tax Revenue	73,743	59,245	(-) 19.67
2	Non-Tax Revenue	19,124	15,714	(-) 17.83
3	Share of Central Taxes	44,462	36,049	(-) 18.92
4	Grants -in-aid from GoI	26,676	29,106	9.11
5	Revenue Receipts (1+2+3+4)	1,64,005	1,40,114	(-) 14.57
6	Revenue Expenditure	1,91,020	1,76,485	(-) 7.61
7	Revenue Deficit (-)/Surplus (+) (5-6)	(-) 27,015	(-) 36,371	34.63
8	Fiscal Deficit (-)/ Surplus (+)	(-) 32,678	(-) 37,654	15.23
9	Debt-GSDP ratio (per cent)	33.19	34.55	4.10
10	GSDP growth rate at current prices (per cent)	10.24	8.32	(-) 18.75

As can be seen from the table, the actuals in relation to two key fiscal parameters i.e., Revenue Deficit and Fiscal Deficit exceeded the projections of MTFP and projections relating to Debt-GSDP ratio and growth rate of GSDP were not met, with the year ending with a higher Debt to GSDP ratio and with lower growth in GSDP than was projected in the MTFP.

Charts 1.4 and 1.5 present the trends in deficit indicators over the period 2015-20.

Chart 1.4: Trends in deficit parameters

* Without UDAY.

Chart 1.5: Trends in Deficit Indicators (with UDAY) Relative to GDP

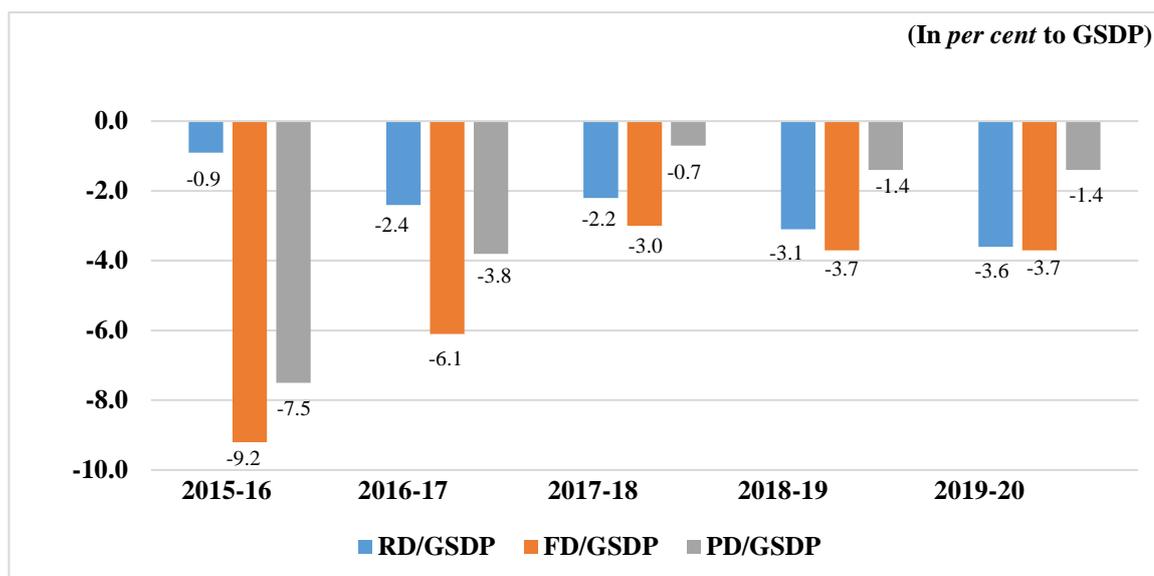
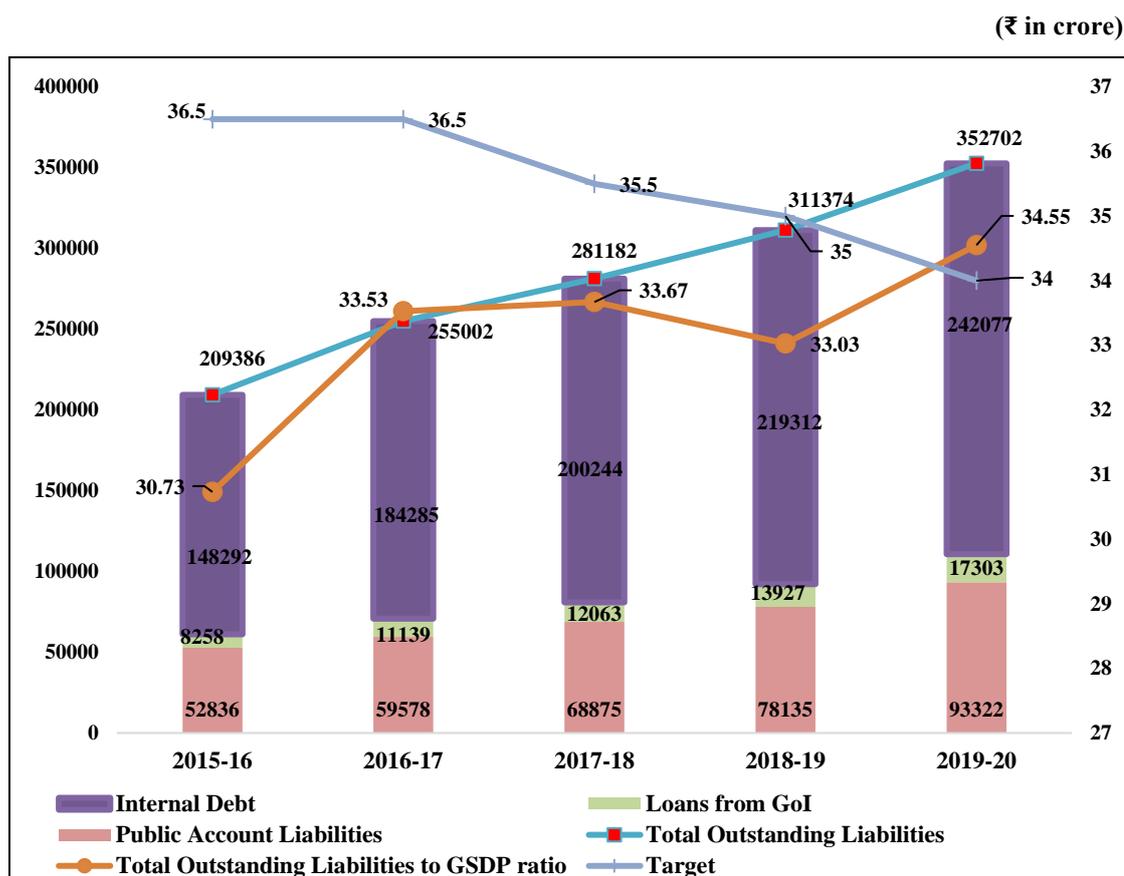


Chart 1.6: Trends in Fiscal Liabilities and GDP



During 2019-20, fiscal liabilities increased by 13.27 per cent (₹ 41,328 crore) over the previous year due to increase in Internal Debt by 10.38 per cent (₹ 22,765 crore), Public Account Liabilities by 19.44 per cent (₹ 15,187 crore) and Loans and Advances from GoI by 24.24 per cent (₹ 3,376 crore).

The fiscal liabilities of ₹ 3,52,702 crore existing on 31 March 2020, included outstanding borrowings of ₹ 44,730 crore under UDAY, on account of the issue of Non-Statutory Liquidity Ratio (SLR) Bonds and forfeited Bonds which constituted Internal Debt of the State Government.

During 2019-20, the fiscal liability (total outstanding debt) to GSDP ratio (34.55 per cent) was higher than the FRBM target (34.0 per cent), the limit (24.4 per cent) recommended by the XIV-FC as well as the MTFP target (33.13 per cent) of the State Government. Further, the State Government's annual incremental borrowings² (₹ 41,328 crore) were higher than the ceilings for annual borrowings fixed by the GoI (₹ 33,216 crore) as per the recommendations of XIV-FC.

The Department accepted the facts and stated (December 2020) that the debt-GSDP ratio was marginally higher due to additional borrowing allowed by Central Government.

1.6 Deficits and Total Debt after examination in audit

In order to present a better picture of State Finances, there is a tendency to classify revenue expenditure as capital expenditure and to conduct off-budget fiscal operations.

1.6.1 Post audit - Deficits

Misclassification of revenue expenditure as capital and off budget fiscal operations impact deficit figures. Besides, deferment of clear-cut liabilities, not depositing cess/royalty to Consolidated Fund, short contribution to New Contributory Pension Scheme (NPS), sinking and redemption funds, etc. also impact the revenue and fiscal deficits. In order to arrive at actual deficit figures, the impact of such irregularities need to be reversed.

Table 1.9: Revenue and Fiscal Deficit, post examination by Audit

Particulars	Impact on Revenue Deficit (Understated) (₹ in crore)	Impact on Fiscal Deficit (Understated) (₹ in crore)
Short transfer of employees and Government contribution to NSDL under Defined Contribution Pension Scheme	83.27	83.27
Non-transfer of funds to State Disaster Response Fund received from the Government of India under National Disaster Response Fund	784.60	784.60
Non-credit of interest on available balance in State Compensatory Afforestation Fund	55.95	55.95
Non-transfer of cess on diesel and petrol to Rajasthan State Road Development Fund	252.51	252.51
Non-transfer of Environmental and Health cess to Environmental Reforms and Health Fund	0.85	0.85
Non-transfer of Water Conservation Cess to Fund	86.17	86.17
Non-transfer of Surcharge on Stamp Duty for the conservation and propagation of Cow and its progeny	227.52	227.52

- It includes Open Market Borrowings, Negotiated Loans from financial institutions, National Small Savings Fund loans, Central Government loans including EAPs, any loans for State Plan Schemes and Centrally Sponsored Schemes, other liabilities arising out of Public Account transfers under Small Savings, Provident Funds, Reserve Funds, Deposits, etc.

Particulars	Impact on Revenue Deficit (Understated) (₹ in crore)	Impact on Fiscal Deficit (Understated) (₹ in crore)
Non-credit of interest on interest-bearing Reserve Funds and Deposits	13.42	13.42
Non-transfer of labour cess to Rajasthan Building and Other Construction Workers Welfare Board	30.23	30.23
Total	1,534.52	1,534.52

Source: Finance Accounts and audit analysis

It is evident that the State Government short transferred ₹ 1,534.52 crore during the financial year 2019-20, thus, understating the revenue deficit and fiscal deficit to that extent.

1.6.2 Post Audit - Total Public Debt

According to Rajasthan FRBM Act, 2005, the total liability means the explicit liabilities under Consolidated Fund of the State and the Public Account of the State including General Provident Fund.

Table 1.10: Overall debt, post examination by Audit

1.		Overall Debt as per Accounts (₹ 3,52,701.80 crore)	as a percentage of GSDP (34.55 per cent)
2.	Impact on overall Debt (Understated) due to: (₹ in crore)		
a.	(i) Off budget fiscal operations such as borrowings by 'Various <i>Zila Parishads</i> ' on behalf of the State Government where the principal and/ or interest are to be serviced out of the State budgets.	1,901.54	0.18
	(ii) Off budget fiscal operations such as borrowings by ' <i>Rajasthan Agriculture Marketing Board</i> ' on behalf of the State Government where the principal and/or interest are to be serviced out of the State budgets	1,000.00	0.10
b.	Deployment of the own funds by the State Public Sector Companies/Corporations, SPVs etc. for the execution of the Deposit work of the State Government which was to be financed by the State Government through borrowings.	-	-
c.	Non-reimbursement of the Principal/interest component by the State Government to State Public Sector Companies/ Corporations, SPVs etc. of the loan taken by them on the behalf of the State Government:		
	i. for 2019-20	-	-
	ii. of the previous years	-	-
	Total of 2 (a+b+c)	2,901.54	0.28
	Total of (1 + 2)	3,55,603.34	34.83

Thus, the off budget fiscal operations amounting to ₹ 2,901.54 crore during the financial year 2019-20 resulted in understating of the overall debt by 0.28 per cent of GSDP.

Chapter II: Finances of the State

Introduction

This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the five-year period from 2015-16 to 2019-20, debt sustainability of the State and key Public Account transactions, based on the Finance Accounts of the State and the information provided by the State Government.

2.1 Major changes in Key fiscal aggregates vis-à-vis 2018-19

Table 2.1 presents the summary of the State Government's fiscal aggregates and **Appendix 2.1** provides an abstract of receipts and disbursements during 2019-20 vis-à-vis 2018-19. Each of these indicators would be analysed in the succeeding paragraphs.

Table 2.1: Summary of Fiscal aggregates in 2019-20 compared to 2018-19

(₹ in crore)

Receipts			Disbursements		
	2018-19	2019-20		2018-19	2019-20
Section-A: Revenue Account					
Tax Revenue	57,380.34	59,244.98	General Services	54,364.06	56,186.29
Non-Tax Revenue	18,603.01	15,714.16	Social Services	65,686.92	68,313.23
Share of Union Taxes/ Duties	41,852.35	36,049.14	Economic Services	46,722.12	51,985.51
Grants-in-aid from Government of India	20,037.32	29,105.53	Grants-in-aid and Contributions	0.09	0.07
Total Section-A Revenue Receipts	1,37,873.02	1,40,113.81	Total Section-A Revenue Expenditure	1,66,773.19	1,76,485.10
Section-B: Capital Account and others					
Miscellaneous Capital Receipts	20.13	20.42	Capital Outlay	19,638.20	14,718.05
			General Services	588.26	463.42
			Social Services	6,912.75	5,489.68
			Economic Services	12,137.19	8,764.95
Recoveries of Loans and Advances	15,158.41	15,669.75	Loans and Advances disbursed	1,113.09	2,255.18
Public Debt Receipts*	37,846.82	46,173.72	Repayment of Public Debt*	16,914.80	20,032.69
Contingency Fund	-	-	Contingency Fund	-	-
Public Account Receipts#	1,70,527.88	1,93,165.05	Public Account Disbursements#	1,60,570.22	1,79,741.07
Opening Cash Balance	9,376.99	5,793.75	Closing Cash Balance	5,793.75	7,704.41
Total Section-B Receipts	2,32,930.23	2,60,822.69	Total Section-B Disbursements	2,04,030.06	2,24,451.40
Grand Total (A +B)	3,70,803.25	4,00,936.50	Grand Total (A+B)	3,70,803.25	4,00,936.50

Source: Finance Accounts of the respective years

* Excluding net transaction under Ways and Means advances and overdraft.

Figures of Public Account Receipts/Disbursements are shown on gross basis.

Variation in key fiscal aggregates in 2019-20 as compared to 2018-19

Revenue Receipts	<ul style="list-style-type: none"> ➤ Revenue receipts of the State increased by 1.63 per cent. ➤ Own Tax receipts of the State increased by 3.25 per cent. ➤ Own Non-tax receipts decreased by 15.53 per cent. ➤ State's share of Union Taxes and Duties decreased by 13.87 per cent. ➤ Grants-in-Aid from Government of India increased by 45.26 per cent.
Revenue Expenditure	<ul style="list-style-type: none"> ➤ Revenue expenditure increased by 5.82 per cent. ➤ Revenue expenditure on General Services increased by 3.35 per cent. ➤ Revenue expenditure on Social Services increased by 4.00 per cent. ➤ Revenue expenditure on Economic Services increased by 11.27 per cent. ➤ Expenditure on Grants-in-Aid decreased by 22.22 per cent.
Capital Expenditure	<ul style="list-style-type: none"> ➤ Capital expenditure decreased by 25.05 per cent. ➤ Capital expenditure on General Services decreased by 21.22 per cent. ➤ Capital expenditure on Social Services decreased by 20.59 per cent. ➤ Capital expenditure on Economic Services decreased by 27.78 per cent.
Loans and Advances	<ul style="list-style-type: none"> ➤ Disbursement of Loans and Advances increased by 102.61 per cent. ➤ Recoveries of Loans and Advances increased by 3.37 per cent.
Public Debt	<ul style="list-style-type: none"> ➤ Public Debt Receipts increased by 22.00 per cent. ➤ Repayment of Public Debt increased by 18.43 per cent.
Public Account	<ul style="list-style-type: none"> ➤ Public Account Receipts increased by 13.27 per cent. ➤ Disbursement of Public Account increased by 11.94 per cent.
Cash Balance	<ul style="list-style-type: none"> ➤ Cash balance increased by ₹ 1,910.66 crore (32.98 per cent) during 2019-20 in comparison to previous year.

2.2 Sources and Application of Funds

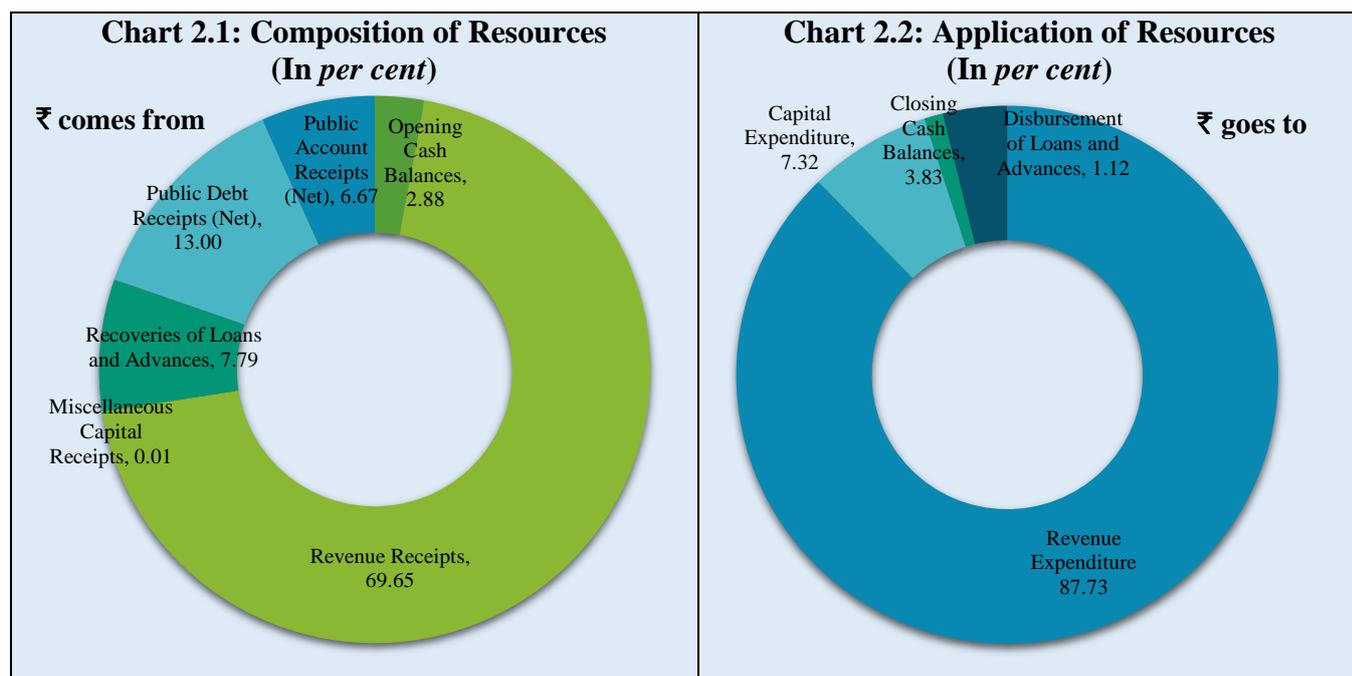
Table 2.2 compares the figures of sources and application of funds of the State during 2019-20 with 2018-19, while **Charts 2.1** and **2.2** give the details of receipts into and expenditure from the Consolidated Fund during 2019-20 in percentage.

Table 2.2: Details of Sources and Application of funds during 2018-19 and 2019-20

		(₹ in crore)		
	Particulars	2018-19	2019-20	Increase/ Decrease
Sources	Opening Cash Balance with RBI	9,376.99	5,793.75	(-) 3,583.24
	Revenue Receipts	1,37,873.02	1,40,113.81	2,240.79
	Miscellaneous Capital Receipts	20.13	20.42	0.29
	Recoveries of Loans and Advances	15,158.41	15,669.75	511.34
	Public Debt Receipts (Net)	20,932.02	26,141.04	5,209.02
	Public Account Receipts (Net)	9,957.66	13,423.98	3,466.32
	Total		1,93,318.23	2,01,162.75

	Particulars	2018-19	2019-20	Increase/ Decrease
Application	Revenue Expenditure	1,66,773.19	1,76,485.10	9,711.91
	Capital Expenditure	19,638.20	14,718.05	(-) 4,920.15
	Disbursement of Loans and Advances	1,113.09	2,255.19	1,142.10
	Closing Cash Balance with RBI	5,793.75	7,704.41	1,910.66
	Total	1,93,318.23	2,01,162.75	7,844.52

Source: Finance Accounts



2.3 Resources of the State

The resources of the State are described below:

1. **Revenue Receipts** consist of tax revenue, non-tax revenue, State's share of Union taxes and duties and grants-in-aid from the Government of India (GoI).
2. **Capital Receipts** comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/ commercial banks) and loans and advances from GoI.

Both Revenue and Capital Receipts form part of the Consolidated Fund of the State.

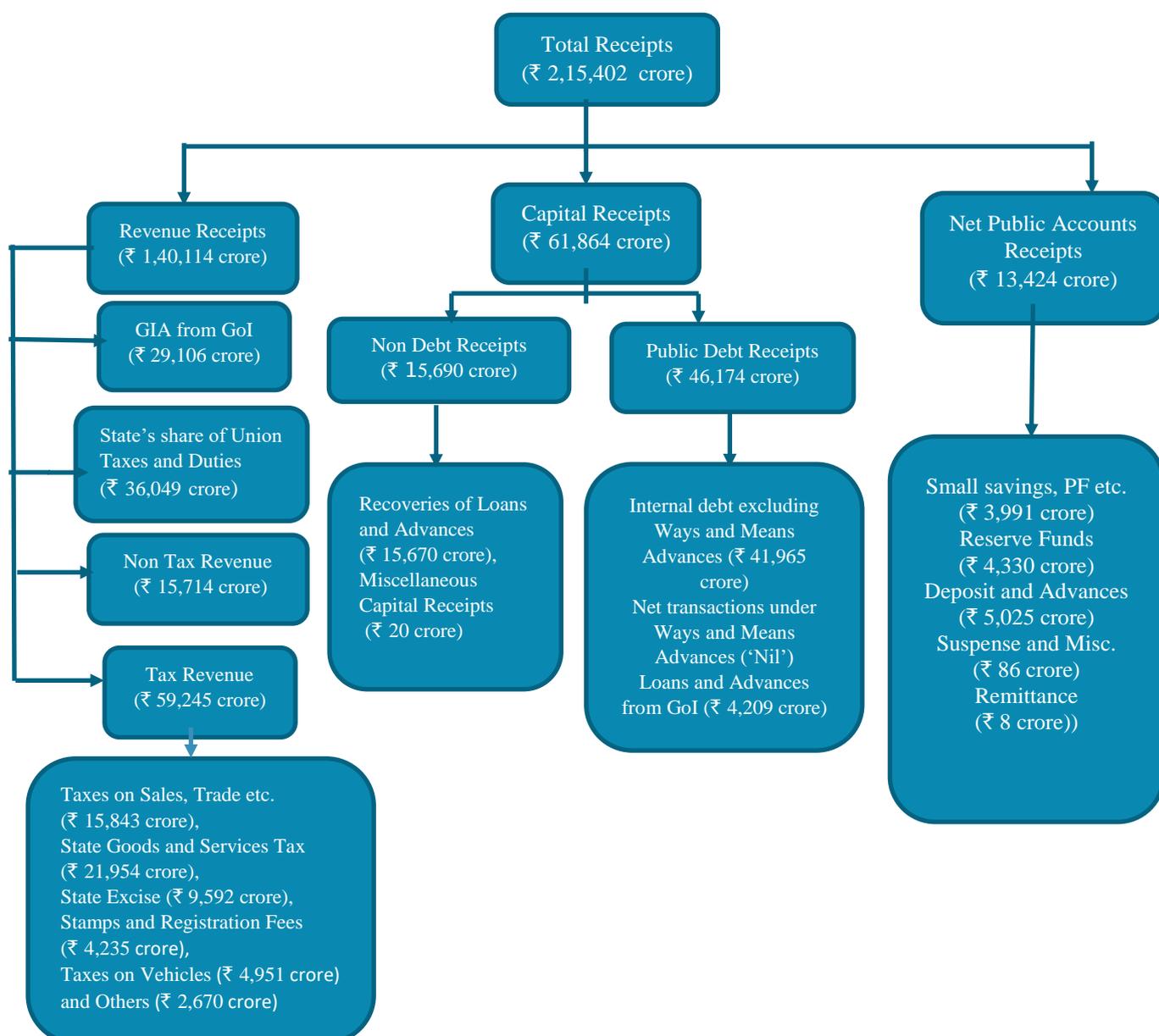
3. **Net Public Accounts Receipts:** These are receipts and disbursements in respect of certain transactions such as small savings, provident fund, reserve funds, deposits, suspense, remittances, etc. which do not form part of the Consolidated Fund.

These are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for use.

2.3.1 Receipts of the State

Revenue Receipts and Capital Receipts are the two streams of receipts that constitute the resources of the State Government. Besides, the funds available in the Public Account after disbursements, are also utilised by the Government to finance its deficit.

Chart 2.3: Components and sub-components of financial resources during 2019-20



2.3.2 State's Revenue Receipts

This paragraph gives the trends in total revenue receipts and its components. It is followed by trends in the receipts bifurcated into receipts from the Government of India and State's own receipts.

2.3.2.1 Trends and growth of Revenue Receipts

Table 2.3 provides the trends and growth of Revenue Receipts as well as revenue buoyancy with respect to GSDP over the five-year period 2015-20. Further, trends in Revenue Receipts relative to GSDP and composition of Revenue Receipts are given in **Charts 2.4** and **2.5** respectively as well as in **Appendix 2.2**.

Table 2.3: Trend in Revenue Receipts

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Receipts (RR) (₹ in crore)	1,00,285	1,09,026	1,27,307	1,37,873	1,40,114
Rate of growth of RR (<i>per cent</i>)	9.8	8.7	16.8	8.3	1.6
Own Tax Revenue	42,713	44,372	50,605	57,380	59,245
Non-Tax Revenue	10,928	11,615	15,734	18,603	15,714
Own Revenue Receipts	53,641	55,987	66,339	75,983	74,959
Rate of growth of Own Revenue (Own Tax and Non-tax Revenue) (<i>per cent</i>)	3.35	4.37	18.49	14.54	(-) 1.35
Gross State Domestic Product (₹ in crore) (2011-12 Series)	6,81,482	7,60,750	8,35,170 ^Σ	9,42,586 [£]	10,20,989 [#]
Rate of growth of GSDP (<i>per cent</i>)	10.7	11.6	9.8	12.9	8.3
RR/GSDP (<i>per cent</i>)	14.7	14.3	15.2	14.6	13.7
Buoyancy Ratios¹					
Revenue Buoyancy w.r.t GSDP	0.9	0.8	1.7	0.6	0.2
State's Own Revenue Buoyancy w.r.t GSDP	0.3	0.4	1.9	1.1	(-) 0.2

Source of GSDP figures: Economic Review (2019-20), Department of Economics and Statistics, GoR

^Σ Revised Estimate-III

[£] Revised Estimate-I

[#] Advance Estimates

1. Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy with respect to GSDP at 1.7 implies that Revenue Receipts tend to increase by 1.7 percentage points, if the GSDP increases by one *per cent*.

Chart 2.4: Trend of Revenue Receipts

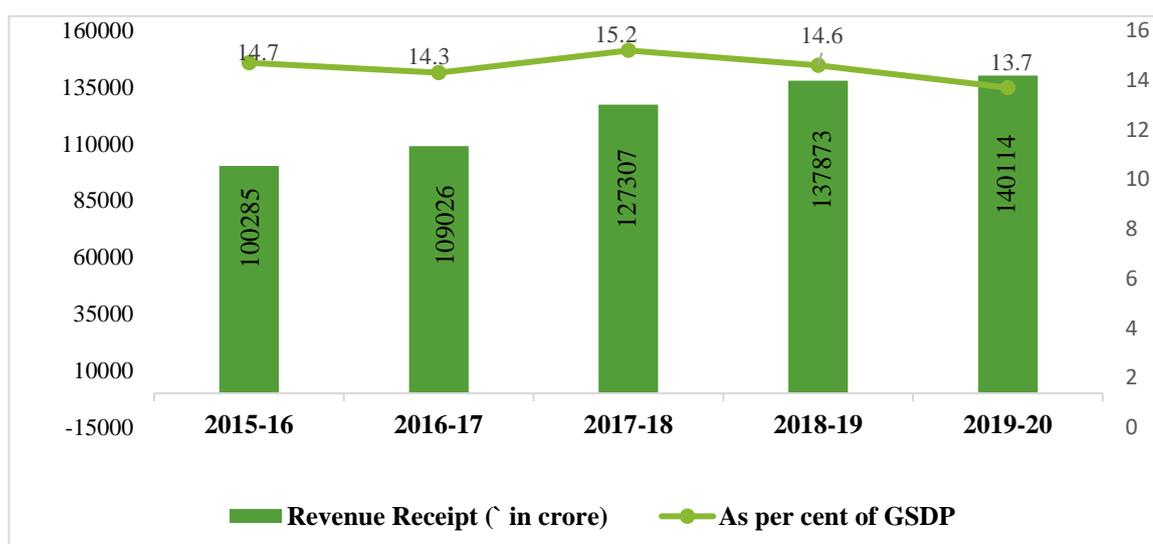
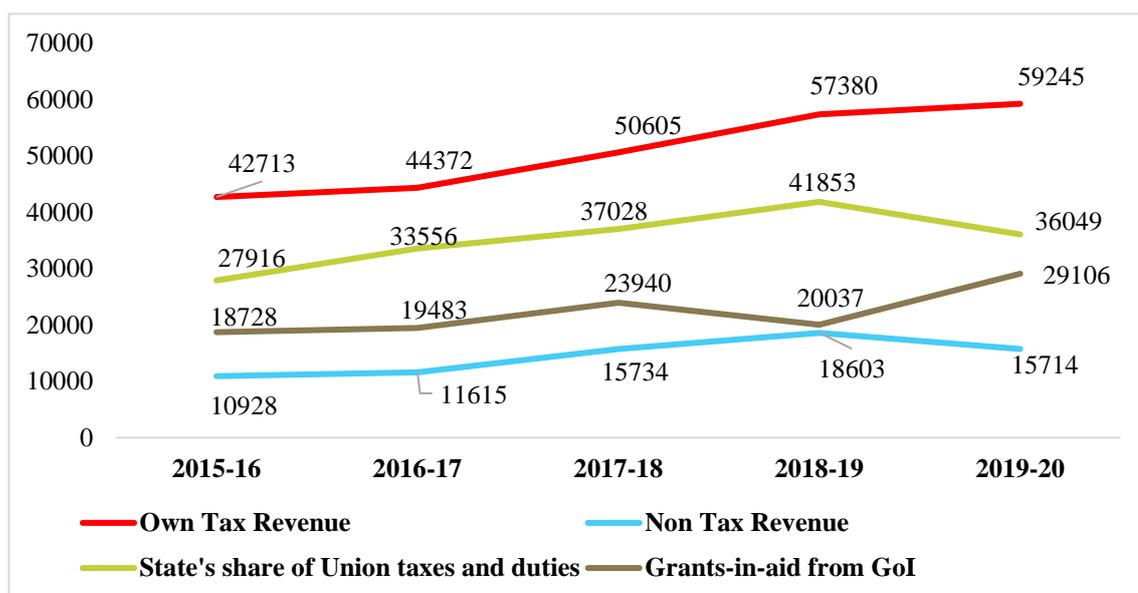


Chart 2.5: Trend of components of Revenue Receipts

(₹ in crore)



General trends of Revenue Receipts of the State are as follows:

- Revenue Receipts increased by 39.72 per cent from ₹ 1,00,285 crore in 2015-16 to ₹ 1,40,114 crore in 2019-20 at compound annual growth rate (CAGR) of 8.72 per cent. During 2019-20, Revenue Receipts increased by ₹ 2,241 crore (1.63 per cent) while the Own Revenue Receipts decreased marginally by ₹ 1,024 crore (1.35 per cent) due to decrease in non-Tax Revenue by ₹ 2,889 crore over the previous year.
- The combined Revenue Receipts for the months of July 2019 (₹ 14,189 crore) and March 2020 (₹ 16,347 crore) were 21.8 per cent of the Revenue Receipts of the entire year.

- 53.5 per cent of the Revenue Receipts during 2019-20 came from the State's own resources, while Central Tax Transfers and Grants-in-Aid together contributed 46.5 per cent indicating the large influence of tax transfers and Grants-in-Aid from GoI on Rajasthan's fiscal position.
- During the current year, the increase of 5.82 per cent (₹ 9,712 crore) in Revenue Expenditure was significantly higher than the increase of 1.63 per cent (₹ 2,241 crore) in Revenue Receipts, leading to an increase in Revenue Deficit from the previous year.
- There were wide fluctuations in the revenue buoyancy and own revenue buoyancy w.r.t GSDP. Though revenue buoyancy was 0.6 in 2018-19, it declined to 0.2 in 2019-20 due to decline in the rate of growth of receipts from 8.3 per cent to 1.6 per cent in the respective years.
- Ratio of Revenue Receipts to GSDP decreased from 14.6 per cent in 2018-19 to 13.7 per cent in 2019-20.

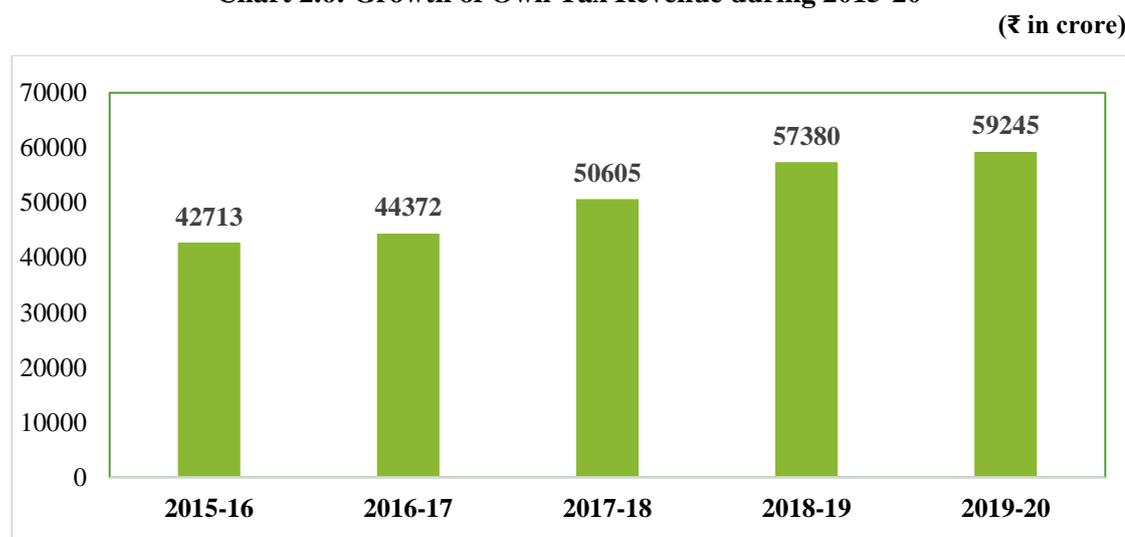
2.3.2.2 State's Own Resources

State's share in Central taxes is determined on the basis of recommendations of the Finance Commission. Grants-in-aid from Central government are determined by the quantum of collection of Central tax receipts and anticipated Central assistance for schemes. State's performance in mobilization of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources.

Own Tax Revenue

The Own tax revenue of the State consist of taxes such as State GST, Sales Tax, State Excise, Taxes on Vehicles, Stamp Duty and Registration Fees, Land Revenue, Taxes on Goods and Passengers, etc.

Chart 2.6: Growth of Own Tax Revenue during 2015-20



The component-wise details of Own Tax Revenue collected during the years 2015-20 were as follows.

Table 2.4: Components of State's Own Tax Revenue

						(₹ in crore)
Revenue Head	2015-16	2016-17	2017-18	2018-19	2019-20	Sparkline
Taxes on Sales, Trade, etc.	26,345	28,558	19,008	14,791	15,843	
Taxes on Goods and Passengers	848	803	341	51	41	
Entertainment Tax and Luxury Tax (under other taxes and duties on Commodities and services)	171	220	64	5	01	
State Goods and Services Tax	-	-	12,137*	22,938*	21,954*	
Total	27,364	29,581	31,550	37,785	37,839	
State Excise	6,713	7,054	7,276	8,694	9,592	
Taxes on Vehicles	3,199	3,623	4,363	4,576	4,951	
Stamps and Registration Fees	3,234	3,053	3,675	3,886	4,235	
Land Revenue	272	315	364	290	364	
Other Taxes ²	1,931	746	3,377	2,149	2,264	
Grand Total	42,713	44,372	50,605	57,380	59,245	

*Unaudited figures

Source: Finance Accounts

Own Tax Revenue of the State increased by ₹ 16,532 crore from ₹ 42,713 crore in 2015-16 to ₹ 59,245 crore in 2019-20 at CAGR of 8.52 per cent. During the year 2019-20, major contributors of Tax Revenue were State Goods and Services Tax (37.06 per cent), Taxes on Sales, Trade, etc. (26.74 per cent), and State Excise (16.19 per cent). During 2019-20, the State Excise, Taxes on Vehicles, Stamps and Registration Fees and Land Revenue increased over the previous year by 10.3 per cent, 8.2 per cent, 9.0 per cent and 25.5 per cent respectively.

State Goods and Services Tax (SGST)

Goods and Services Tax (GST) was implemented w.e.f. 1 July 2017. According to GST (Compensation to the States) Act 2017, Central Government will compensate the States for the shortfall in revenue arising on account of implementation of GST considering an annual growth of 14 per cent from the base year for a period of five years. Accordingly, the projected revenue for Rajasthan was ₹ 28,980.23 crore for the year

2. Other Taxes include taxes on immovable property other than agricultural land, taxes and duties on electricity and other taxes and duties on Commodities and Services (excluding Entertainment Tax and Luxury Tax). It includes receipts under Taxes and Duties on Electricity ₹ 1,921 crore, ₹ 738 crore, ₹ 3,376 crore, ₹ 2,148 crore and ₹ 2,263 crore during 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 respectively.

2019-20 by applying the projected growth at the rate of 14 *per cent* per annum over the base year (2015-16) revenue of ₹ 17,158.62 crore.

During the year 2019-20, against the projected revenue of ₹ 28,980.23 crore, the State's GST (SGST) collection was ₹ 21,954.17 crore (including the advance apportionment of IGST³ amounting to ₹ 13.26 crore) as compared to ₹ 22,938.33 crore in 2018-19, registering a decrease of ₹ 984.16 crore (4.29 *per cent*). The total receipts of the State under GST during 2019-20 were ₹ 32,183.68 crore which included SGST collection and net proceeds of CGST⁴ assigned to states while the State did not receive its share of the net proceeds of IGST assigned to the States for the year 2019-20.

As per Section 7 of the GST (Compensation to the States) Act 2017, actual GST revenue collected by the State is to be audited/certified by Comptroller and Auditor General of India for receiving compensation from the Central Government on account of loss of revenue arising out of implementation of GST. The State received compensation of ₹ 4,034.53 crore (excluding ₹ 405.00 crore pertaining to previous year) during 2019-20.

The entire process of collection of Goods and Service Tax (GST) has been made online through the GSTN IT platform. The Government of India's decision to provide access to Pan-India data at GSTN premises was conveyed on 22nd June, 2020. The administrative action to provide access to GST system was initiated by Government of Rajasthan in November 2020 and access was provided by December 2020. The accounts for the year 2019-2020 have, therefore, been certified on the basis of test audit, as was being done when records were being maintained manually, pending full implementation of the Government of India's decision to provide Audit access to GSTN data.

Due to this, only limited audit checks could be conducted on certain physical copies made available for audit of GST refunds. Therefore, the GST receipts of the year remained unaudited and the compensation received from Central Government is provisional.

Analysis of arrears of revenue

The arrear of revenue indicates delay in realization of revenue by the Government and the arrear of assessment indicates potential revenue which is blocked due to delayed assessment. Both deprive the Government of potential revenue receipts and ultimately impact the revenue deficit.

The arrears of revenue as on 31 March 2020 relating to certain principal heads of revenue amounted to ₹ 23,926.61 crore, out of which ₹ 3,343.89 crore was outstanding for more than five years as given in **Table 2.5**.

3. Integrated Goods and Services Tax.

4. Central Goods and Services Tax.

Table 2.5: Arrear of Revenue**(₹ in crore)**

S. No.	Heads of revenue	Total amount outstanding as on 1 April 2019	Total amount outstanding as on 31 March 2020 and percentage of increase in comparison to previous year	Amount outstanding for more than five years as on 31 March 2020
1	Commercial Taxes	21,330.59	21,820.33 (+) 2.30	2,822.05
2	Transport	63.10	64.14 (+) 1.65	37.45
3	Land Revenue	258.19	179.69 (-) 30.40	80.02
4	Registration and Stamps	494.72	1,339.42 (+) 170.74	119.15
5	State Excise	194.52	201.58 (+) 3.63	193.55
6	Mines, Geology and Petroleum	240.04	321.45 (+) 33.91	91.67
Total		22,581.16	23,926.61 (+) 5.96	3,343.89

Source: Information provided by the concerned Departments.

The information regarding stages at which arrears were pending for collection was not provided though called for (March 2021).

Arrears of Assessment

The details of cases pending at the beginning of the year, cases becoming due for assessment, cases disposed of during the year and number of cases pending for finalisation at the end of the year as furnished by the Departments of Commercial Taxes, Registration and Stamps, Mines & Geology and Petroleum and Transport are given in **Table 2.6**.

Table 2.6: Arrear in Assessment

Name of the Department	Opening balance	New cases due for assessment during 2019-20	Total assessments due	Cases disposed of during 2019-20	Balance at the end of the year	Percentage of disposal (col. 5 to 4)
1	2	3	4	5	6	7
Commercial Taxes	39	5,30,677	5,30,716	5,30,698	18	99.99
Registration and Stamps	4,980	8,691	13,671	8,549	5,122	62.53
Mines, Geology and Petroleum	5,581	11,627	17,208	8,409	8,799	48.87
Transport	1,938	22,236	24,174	22,637	1,537	93.64

Source: Information provided by the concerned Departments.

It can be seen that the Commercial Taxes Department performed well to achieve a high percentage of disposal. However, disposal of cases was much lower in Departments of Registration and Stamps, Mines & Geology and Petroleum and Transport. These Departments may take necessary action for speedy disposal of the cases.

Details of Evasion of Tax Detected by Departments

According to the information furnished by the Commercial Taxes Department, 285 cases of tax evasion were noticed during the year 2019-20 and in 234 cases

assessment/investigation was completed. Further, including the above cases, additional demand with penalty *etc.* in 1,862 cases amounting to ₹ 5,123.79 crore was raised in the cases detected from the year 2015-16 to 2019-20 out of which the Department recovered ₹ 4,311.41 crore in 1,316 cases with 66.29 *per cent* settlement of cases during the year 2019-20. In Mines and Geology department, additional demand with penalty *etc.* in 15 cases amounting to ₹ 52.25 crore was raised in the cases detected from the year 2015-16 to 2019-20 out of which the Department recovered ₹ 2.74 crore in 10 cases during 2019-20. Details of pending cases is given in **Table 2.7**.

Land Revenue, State Excise, Transport, Registration and Stamps Departments informed that no cases of Tax Evasion were detected (November 2020). This shows that these departments lacked a proper mechanism for intelligence gathering and acting on inputs to check leakage of revenue as revealed during audit scrutiny of records in these departments regarding leakage of revenue such as vehicles plying without permits, illegal mining, non-conversion of agricultural land for residential or commercial purpose, short levy of stamp duty and illegal transportation of liquor and other drugs *etc.*

Table 2.7: Evasion of Tax Detected

Head of revenue	Cases pending as on 31 March 2019	Cases detected during 2019-20	Total	No. of cases in which assessment/investigation completed and additional demand with penalty <i>etc.</i> raised		No. of cases pending for finalization as on 31 March 2020
				No. of cases	Amount of demand (₹ in crore)	
Taxes/VAT on Sales, Trade	68	285	353	234	190.41	119
Mines and Geology	0	87	87	80	0.87	7

Pendency of refund cases

The refund cases pending at the beginning of the year 2019-20, claims received during the year, refunds allowed during the year and the cases pending at the close of the year 2019-20 as reported by the Departments are given in **Table 2.8**.

Table 2.8: Pendency of refund cases

S. No.	Particulars	Commercial Taxes		Registration and Stamps		Transport		Mines, Geology and Petroleum	
		No. of cases	Amount	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
1	Claims outstanding at the beginning of the year	181	103.42	974	5.27	412	1.98	17	2.17
2	Claims received during the year	5930	412.64	1937	13.96	537	2.78	10	0.78
3	Refunds made during the year	3135	203.03	1861	9.22	367	2.08	4	0.25
4	Rejected during the year	1686	182.51	63	0.07	28	0.11	0	0
5	Balance outstanding at the end of year	1290	130.52	987	9.94	554	2.57	23	2.70

Source: Information provided by the Departments.

The progress shows that the Departments have not been able to complete the refund cases as the number as well as the amount pending have increased for all the taxes. The concerned Departments may consider suitable measures for speedy settlement of refund cases as it would not only benefit the claimants but would also save the Government from payment of interest on the delayed payment of refunds.

Non-Tax Revenue

Non-Tax revenue consists of interest receipts, Revenue from petroleum, Dividends and Profits, etc. The trend of Non-Tax revenue during the five-year period from 2015-16 to 2019-20 is provided in **Table 2.9**.

Table 2.9: Components of State's Non-Tax Revenue

						(₹ in crore)
Revenue Head	2015-16	2016-17	2017-18	2018-19	2019-20	Sparkline
Interest Receipts	1,982	1,933	4,859	5,791	3,852	
Revenue from Petroleum ⁵	2,342	2,332	2,579	3,883	3,320	
Non-ferrous Mining and Metallurgical Industries	3,782	4,234	4,522	5,302	4,579	
Dividends and Profits	97	68	67	56	55	
Other Non-Tax Receipts	2,725	3,048	3,707	3,571	3,908	
Total	10,928	11,615	15,734	18,603	15,714	

Source: Finance Accounts

Non-Tax Revenue ranged from 10 per cent to 13 per cent of Total Revenue Receipts of the State during the five-year period from 2015-16 to 2019-20. During 2019-20, the Non-Tax Revenue (₹ 15,714 crore) decreased by 15.5 per cent (₹ 2,889 crore), as compared to the previous year mainly due to significant decrease in Revenue from Interest Receipts from Public Sector and Other Undertakings by ₹ 1,939 crore (33.5 per cent), Non-ferrous Mining and Metallurgical Industries by ₹ 723 crore (13.6 per cent) and Petroleum Receipts from royalties on crude oil by ₹ 563 crore (14.5 per cent).

2.3.2.3 Transfers from the Centre

The transfers from Central Government are mainly dependent on the recommendations of the Finance Commission. *XIV-FC recommended an increase in the share of the States in Central Taxes from 32 per cent (recommended by XIII-FC) to 42 per cent.* Trend in transfers from Centre is provided in the table below for a period of 10 years covering the periods of Thirteenth as well as Fourteenth Finance Commissions.

Table 2.10: Trends in transfers from Centre

				(₹ in crore)
Year	Share in Central Taxes	Grant from Centre	Transfer from the Centre	
1	2	3	4 = (2+3)	
2010-11	12,856	6,020	18,876	
2011-12	14,977	7,482	22,459	
2012-13	17,103	7,174	24,277	

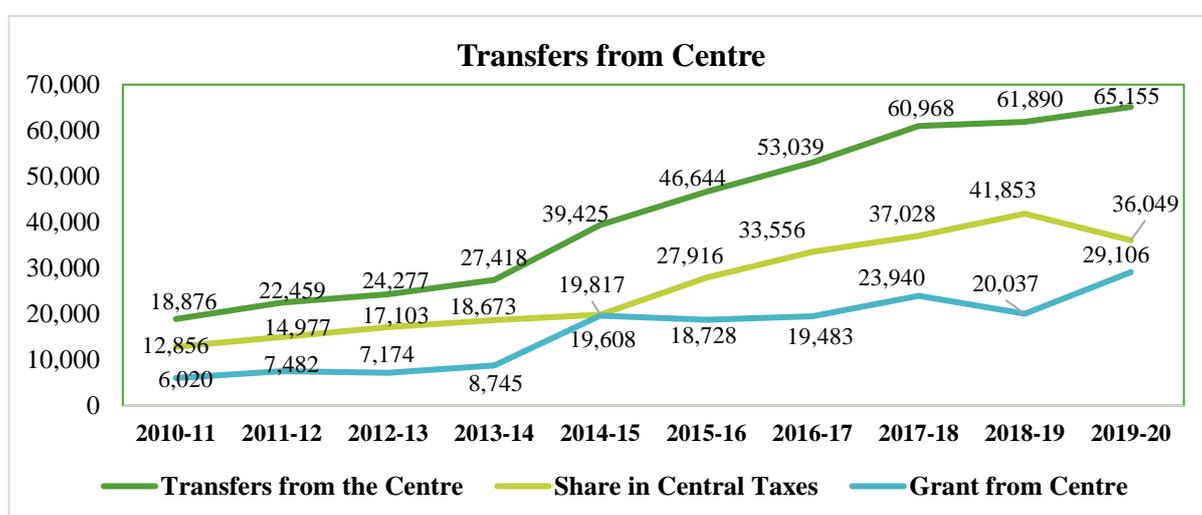
5. Revenue from royalties on crude oil produced in Barmer-Sanchor basin.

Year	Share in Central Taxes	Grant from Centre	Transfer from the Centre
2013-14	18,673	8,745	27,418
2014-15	19,817	19,608	39,425
2015-16	27,916	18,728	46,644
2016-17	33,556	19,483	53,039
2017-18	37,028	23,940	60,968
2018-19	41,853	20,037	61,890
2019-20	36,049	29,106	65,155

Source: Finance Accounts

Transfer from the Centre increased from ₹ 18,876 crore in 2010-11 to ₹ 65,155 crore in 2019-20. As compared to previous year, the State's share in Central Taxes declined in 2019-20 whereas, the Grants from the Centre registered an increase.

Chart 2.7: Trends in transfers from Centre



Central Tax Transfer

XIV-FC recommended an increase in the share of the States in Central Taxes from 32 per cent (recommended by XIII-FC) to 42 per cent.

Components of the State's share of Union taxes are given in **Table 2.11**.

Table 2.11: Transfer of different components of the State's share of Union taxes

Components of the Central Tax Transfers	₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Customs	4,464	4,620	3,735	2,966	2,285
Union Excise Duties	3,731	5,275	3,905	1,971	1,589
Service Tax	4,864	5,433	4,227	389	-
Central Goods and Services Tax (CGST)	-	-	520	10,329	10,229
Integrated Goods and Services Tax (IGST)	-	-	3,736	824	-
Corporation Tax	8,760	10,739	11,334	14,553	12,291
Taxes on Income other than Corporation Tax	6,073	7,464	9,571	10,718	9,631
Taxes on Wealth	2	25	- ⁶	5	1

6. ₹ (-) 0.34 crore.

Components of the Central Tax Transfers	2015-16	2016-17	2017-18	2018-19	2019-20
Other Taxes and Duties on Commodities and Services	22	- ⁷	- ⁸	22	23
Others	-	-	-	76	-
Central Tax Transfers	27,916	33,556	37,028	41,853	36,049
Percentage of increase over previous year	40.9	20.2	10.3	13.0	(-) ^{13.9}
Percentage of Central tax transfers to Revenue Receipts	27.8	30.8	29.1	30.4	25.7

Source: Finance Accounts

Over the five-year period 2015-20, Central Tax Transfers increased by 29.13 per cent from ₹ 27,916 crore in 2015-16 to ₹ 36,049 crore in 2019-20 when it constituted 26 per cent of the Revenue Receipts.

During 2019-20, Central Tax Transfers (₹ 36,049 crore) decreased by 13.9 per cent (₹ 5,804 crore) as compared to the previous year mainly due to significant decrease in Corporation Tax by ₹ 2,262 crore (15.5 per cent), Taxes on Income other than Corporation Tax by ₹ 1,087 crore (10.1 per cent), Integrated Goods and Services Tax (IGST) by ₹ 824 crore (100 per cent) and Customs by ₹ 681 crore (23.0 per cent).

Grants-in-aid from GoI

Grants-in-Aid (GIA) received by the State Government from GoI during 2015-20 are detailed in **Table 2.12**.

Table 2.12: Grants-in-Aid from GoI

Head	2015-16	2016-17	2017-18	2018-19	2019-20
Non-Plan Grants*	5,241	5,928	-	-	-
Grants for State Plan Schemes*	12,957	13,462	-	-	-
Grants for Central Plan Schemes (including Centrally Sponsored Schemes) *	530	93	-	-	-
Centrally Sponsored Schemes	-	-	16,104	13,317	14,966
Finance Commission Grants	-	-	4,262	3,121	7,332
Other transfer/Grants to State/Union Territories with Legislature	-	-	3,574	3,599	6,808
Total	18,728	19,483	23,940	20,037	29,106
Percentage of increase over the previous year	(-) 4.5	4.0	22.9	(-) 16.3	45.3
Percentage of GIA to Revenue Receipts	18.7	17.9	18.8	14.5	20.8

Source: Finance Accounts

*There are no figures since the nomenclature of plan and non-plan grants was removed from the year 2017-18 and was replaced by Grants for CSS, Finance Commission Grants and Other Grants to States.

GIA from GoI increased by ₹ 9,069 crore (45 per cent) during the year compared to the previous year mainly due to significant increase in assistance for Rural Local Bodies by ₹ 3,681 crore (270.3 per cent), compensation for loss of revenue arising out of implementation of GST by ₹ 2,263 crore (104.0 per cent), assistance for National Disaster Response Fund (NDRF) by ₹ 1,423 crore (270.5 per cent) and assistance for Urban Local Bodies by ₹ 482 crore (60.1 per cent). GIA constituted 21 per cent of Revenue Receipts during the year 2019-20. Grants for Centrally Sponsored Schemes to the State (₹ 14,966 crore) constituted 51 per cent of the total grants during the year.

7. ₹ 0.09 crore.

8. ₹ (-) 0.01 crore.

Other grants included Finance Commission Grants (₹ 7,332 crore) for Local Bodies and State Disaster Response Fund (SDRF) which constituted 25 per cent of total grants, compensation for loss of revenue arising out of implementation of GST (₹ 4,440 crore) and grants for NDRF (₹ 1,950 crore).

Fourteenth Finance Commission Grants

The Fourteenth Finance Commission (XIV-FC) submitted its report in December 2014, for the five-year period (2015-20) commencing from April 1, 2015. During 2015-2020, GoI had allocated GIA of ₹ 24,240.75 crore (including State share of SDRF) to the State Government as recommended by XIV-FC.

The State Government had constituted (January 2016) a High-Level Monitoring Committee (HLMC) headed by the Chief Secretary to ensure proper utilisation of Grant-in-aid. During the period 2019-20, HLMC neither conducted any meeting nor evaluated the utilisation of GIA. The Department accepted the facts and stated (November 2020) that the meeting could not be conducted during 2019-20 due to unavoidable reasons.

The position of GIA recommended by XIV-FC, released by GoI and onward transfer by the State Government during 2015-20 is given in table below:

Table 2.13: Recommended amount, actual release and transfers of Grant-in-aid

S. No.	Transfers	Recommendation of the XIV-FC 2015-20	Recommendation of the XIV-FC			Actual release by GoI			Release by GoI		
			2015-16 to 2018-19	2019-20	Total	2015-16 to 2018-19	2019-20	Total	2015-16 to 2018-19	2019-20	Total (% of column 9)
1	2	3	4	5	6	7	8	9	10	11	12
1	Local Bodies										
	(i) Grants to PRIs	13,633.63	9,502.74	4,130.89	13,633.63	7,797.05	5,043.12	12,840.17	7,797.05	5,043.12	12,840.17 (100)
	(a) General Basic Grant	12,270.27	8,589.26	3,681.01	12,270.27	7,227.15	5,043.12	12,270.27	7,227.15	5,043.12	12,270.27 (100)
	(b) General Performance Grants	1,363.36	913.48	449.88	1,363.36	569.90	-	569.90	569.90	-	569.90 (100)
	(ii) Grants to ULBs	4,513.12	3,132.15	1,380.97	4,513.12	2,704.38	1,283.43	3,987.81	2,704.38	1,283.43	3,987.81 (100)
	(a) General Basic Grant	3,610.50	2,527.38	1,083.12	3,610.50	2,527.38	1,083.13	3,610.51	2,527.38	1,083.13	3,610.51 (100)
	(b) General Performance Grants	902.62	604.77	297.85	902.62	177.00	200.30	377.30	177.00	200.30	377.30 (100)
	Total (i)	18,146.75	12,634.89	5,511.86	18,146.75	10,501.43	6,326.55	16,827.98	10,501.43	6,326.55	16,827.98 (100)
2	State Disaster Response Fund*	6,094.00	4,754.00	1,340.00	6,094.00	4,754.00	1,340.00	6,094.00	4,658.22	1,435.78	6,094.00 (100)
	Grand Total (1 to 2)	24,240.75	17,388.89	6,851.86	24,240.75	15,255.43	7,666.55	22,921.98	15,159.65	7,762.33	22,921.98 (100)

Source: XIV-FC Report and Finance Accounts of the State.

* Including State share of 25 per cent of total grant.

Transfer to Local Bodies (Rural and Urban)

As per recommendations of the XIV-FC, GoI issued (October 2015) guidelines for implementation of recommendations of the XIV-FC. Para 11 to 13 of the guidelines envisage that Performance Grant is admissible to the Rural Local Bodies after fulfilment of the mandatory conditions, namely (i) submission of reliable audited

accounts along with data of receipts and expenditure, and (ii) improvement in own sources of revenue by the local bodies.

It was observed that the General Performance Grants of ₹ 343.58 crore and ₹ 449.88 crore to Rural Local Bodies as recommended by XIV-FC for the years 2018-19 and 2019-20 had not been released by GoI as of September 2020 even when the information regarding mandatory conditions was sent to GoI for the years 2018-19 and 2019-20 on 20.06.2019 and 20.03.2020 respectively. Reasons for non-disbursing the performance grants for the year 2018-19 and 2019-20 were not intimated to audit (March 2021).

Similarly, XIV-FC recommended General Performance Grants of ₹ 200.30 crore, ₹ 227.47 crore and ₹ 297.85 crore to Urban Local Bodies (ULBs) for the years 2017-18, 2018-19 and 2019-20 respectively. However, grants only for the year 2017-18 were released by GoI in 2019-20 whereas grants for the years 2018-20 had not been released by September 2020. Reasons for not releasing the Performance Grants for the years 2018-20 and delay in release for the year 2017-18 were not provided (March 2021) to audit though called for.

2.3.3 Capital Receipts

Capital Receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, net debt receipts from internal sources and loans and advances from GoI. The net public debt receipts after discharging public debt *plus* other capital receipts is the net Capital Receipts.

The following table shows the trends in growth and composition of net Capital Receipts.

Table 2.14: Trends in growth and composition of net Capital Receipts

Sources of State's Capital Receipts	2015-16	2016-17	2017-18	2018-19	2019-20
Capital Receipts	57,511	40,615	32,033	36,110	41,831
Miscellaneous Capital Receipts	25	28	16	20	20
Recovery of Loans and Advances	1,447	1,713	15,134	15,158	15,670
Net Public Debt Receipts	56,039	38,874	16,883	20,932	26,141
<i>Internal Debt</i>	54,815	35,993	15,959	19,068	22,766
<i>Growth rate</i>	325.09	-34.34	-55.66	19.48	19.39
<i>Loans and Advances from GoI</i>	1,224	2,881	924	1,864	3,375
<i>Growth rate</i>	327.97	135.38	-67.93	101.73	81.07
Rate of growth of debt Capital Receipts	325.15	-30.63	-56.57	23.98	24.89
Rate of growth of non-debt capital receipts	44.46	18.27	770.19	0.18	3.37
Rate of growth of GSDP	10.69	11.63	9.78	12.86	8.32
Rate of growth of Capital Receipts (<i>per cent</i>)	305.01	-29.38	-21.13	12.73	15.84

Source: Finance Accounts and Economic Review by Department of Economics and Statistics, GoR.

Capital Receipts increased by 15.84 *per cent* from ₹ 36,110 crore in 2018-19 to ₹ 41,831 crore in 2019-20. During 2019-20, 54 *per cent* Capital Receipts came from net Internal Debt and 37 *per cent* from recovery of Loans and Advances.

2.3.4 State's performance in mobilization of resources

As the State's share in Central Taxes and Grants-in-aid is determined on the basis of recommendations of the Finance Commission, the State's performance in mobilisation of resources was assessed in terms of its own resources comprising Tax and Non-Tax sources.

The State's actual Own Tax and Non-Tax Revenue *vis-a-vis* assessment made by XIV-FC and Budget Estimates are given in **Table 2.15**.

Table 2.15: State's Own Tax and Non-Tax Revenue projections and Actual for 2019-20

(₹ in crore)

	XIV-FC projections	Budget Estimates	Actual	Percentage variation of actual over	
				Budget Estimates	XIV-FC projections
Own Tax Revenue	1,04,964	73,743	59,245	(-) 19.66	(-) 43.56
Non-Tax Revenue	26,665	19,124	15,714	(-) 17.83	(-) 41.07

In comparison to the assessment made by XIV-FC, the Receipts under Tax Revenue and Non-Tax Revenue were less by 43.56 *per cent* (₹45,719 crore) and 41.07 *per cent* (₹10,951 crore) respectively while being lesser than the BE by 19.66 *per cent* and 17.83 *per cent* respectively indicating substantial shortfall in mobilisation of resources by the State.

2.4 Application of resources

The application of resources by the State government has to be within the framework of fiscal responsibility legislations, while at the same time ensuring that the ongoing fiscal correction and consolidation process of the State are not at the cost of expenditure directed towards development of capital infrastructure and social sector. This paragraph along with sub-paragraphs give the analysis of expenditure in the State.

2.4.1 Growth and composition of expenditure

Table 2.16 presents the trends in total expenditure over a period of five years (2015-20) depicting its composition in terms of 'economic classification'.

Table 2.16: Total expenditure and its composition

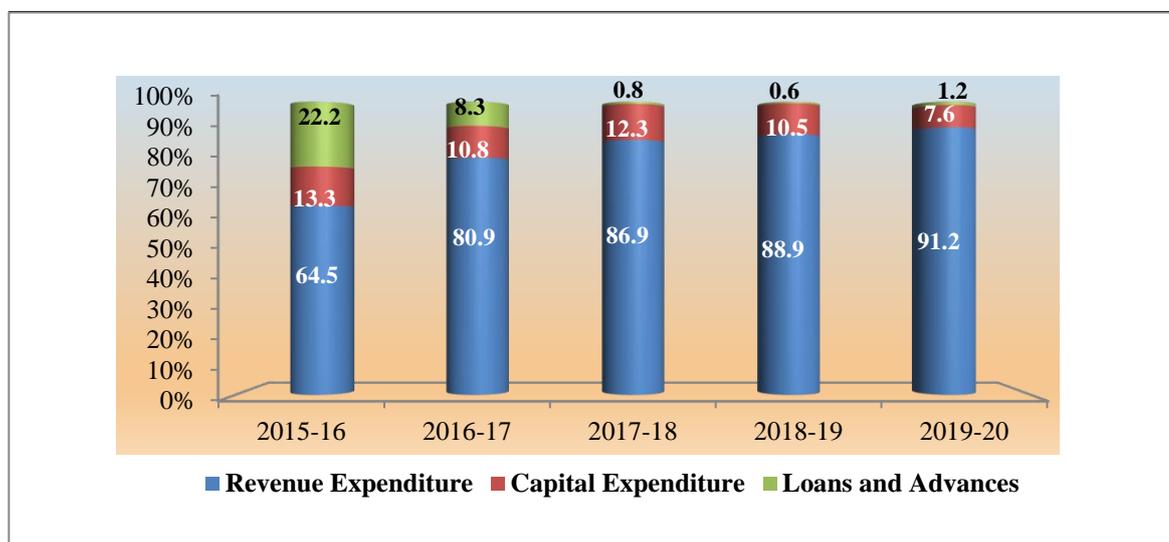
(₹ in crore)

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Total Expenditure (TE)	1,64,827	1,57,085	1,67,799	1,87,524	1,93,458
Revenue Expenditure (RE)	1,06,239	1,27,140	1,45,842	1,66,773	1,76,485
Capital Expenditure (CE)	21,986	16,980	20,623	19,638	14,718
Loans and Advances	36,602	12,965	1,334	1,113	2,255
As a percentage of GSDP					
TE/GSDP	24.2	20.6	20.1	19.9	18.9
RE/GSDP	15.6	16.7	17.4	17.7	17.3
CE/GSDP	3.2	2.2	2.5	2.1	1.4
Loans and Advances/GSDP	5.4	1.7	0.2	0.1	0.2

Source: Finance Accounts

The table shows that Total Expenditure of the State increased by 17 *per cent* from ₹ 1,64,827 crore in 2015-16 to ₹ 1,93,458 crore in 2019-20. During the year, it increased by three *per cent* over the previous year. As a percentage of GSDP, the Total Expenditure remained in the range of 18.9 *per cent* to 24.2 *per cent* during the period 2015-20.

Chart 2.8: Total Expenditure: Trends in share of its components



Source: Finance Accounts

As evident from the above chart and **Table 2.17**, Capital Expenditure has shown a significant decrease in the last few years, with its share as a percentage of GSDP decreasing from 3.2 *per cent* in 2015-16 to 1.4 *per cent* in 2019-20. This decrease has to be viewed in light of the fact that capital expenditure has decreased from ₹ 21,986 crore in 2015-16 to ₹ 14,718 crore in 2019-20.

Table 2.17: Relative share of various sectors of expenditure

Parameters	(In per cent)				
	2015-16	2016-17	2017-18	2018-19	2019-20
General Services	19.1	25.2	26.2	29.3	29.3
Social Services	29.9	35.4	35.9	38.7	38.1
Economic Services	28.8	31.1	37.1	31.4	31.4
Others (Loans and Advances)	22.2	8.3	0.8	0.6	1.2

Source: Finance Accounts

The above table reveals that during 2019-20, relative share of Social Services in total expenditure decreased as compared to 2018-19 mainly due to decline in expenditure under General Education, Census Survey and Statistics, Medical and Public Health, Water Supply and Sanitation, Urban Development and Other General Economic Services.

Chart 2.9: Total expenditure - Expenditure by activities

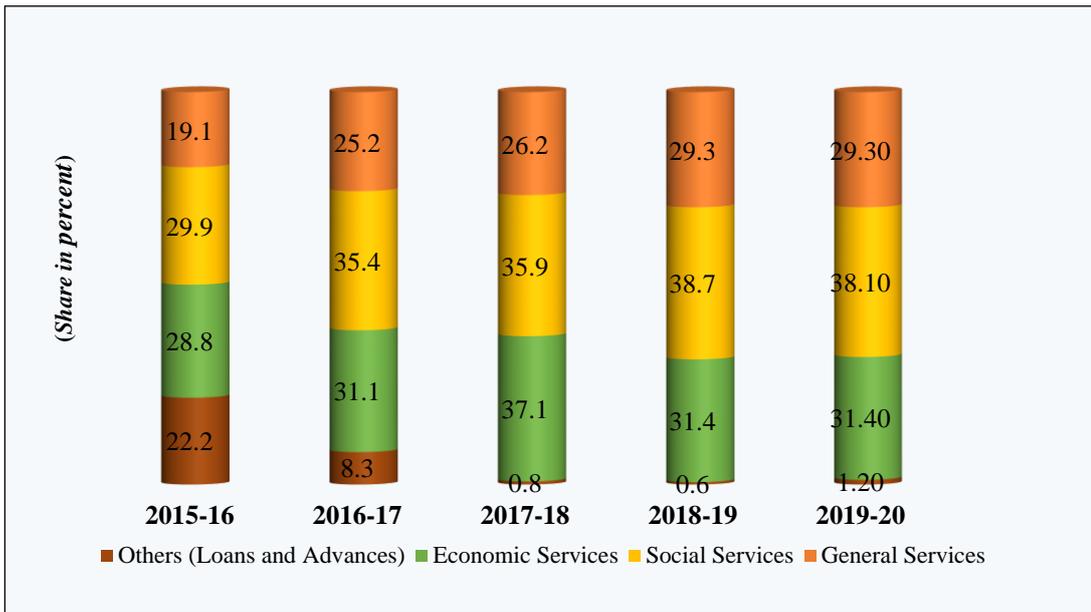
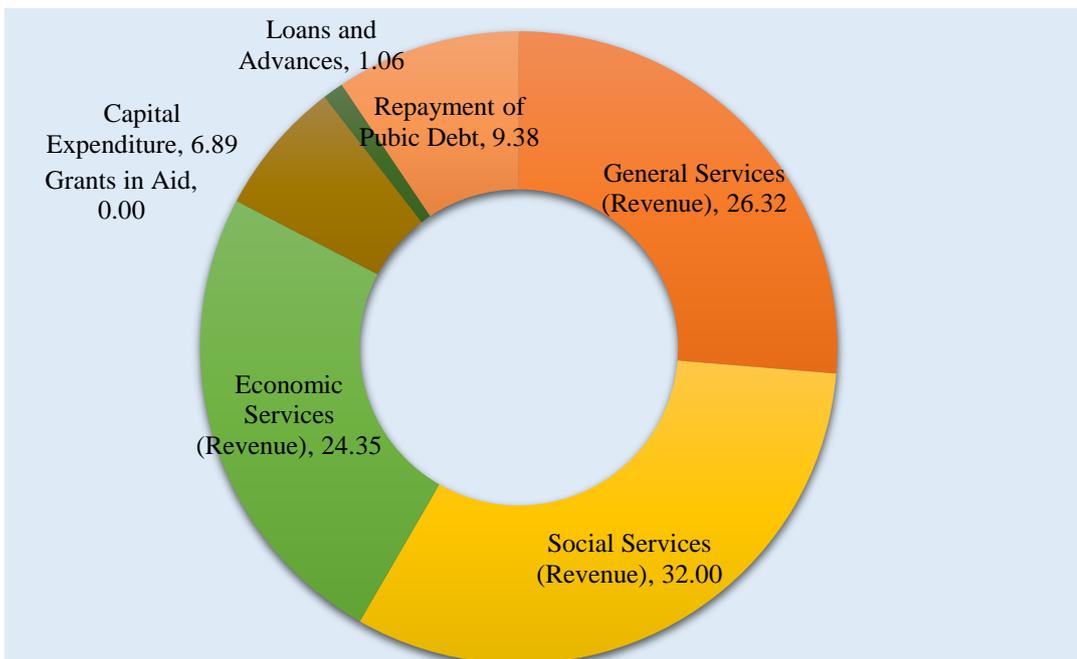


Chart 2.10: Composition of the expenditure



2.4.2 Revenue Expenditure

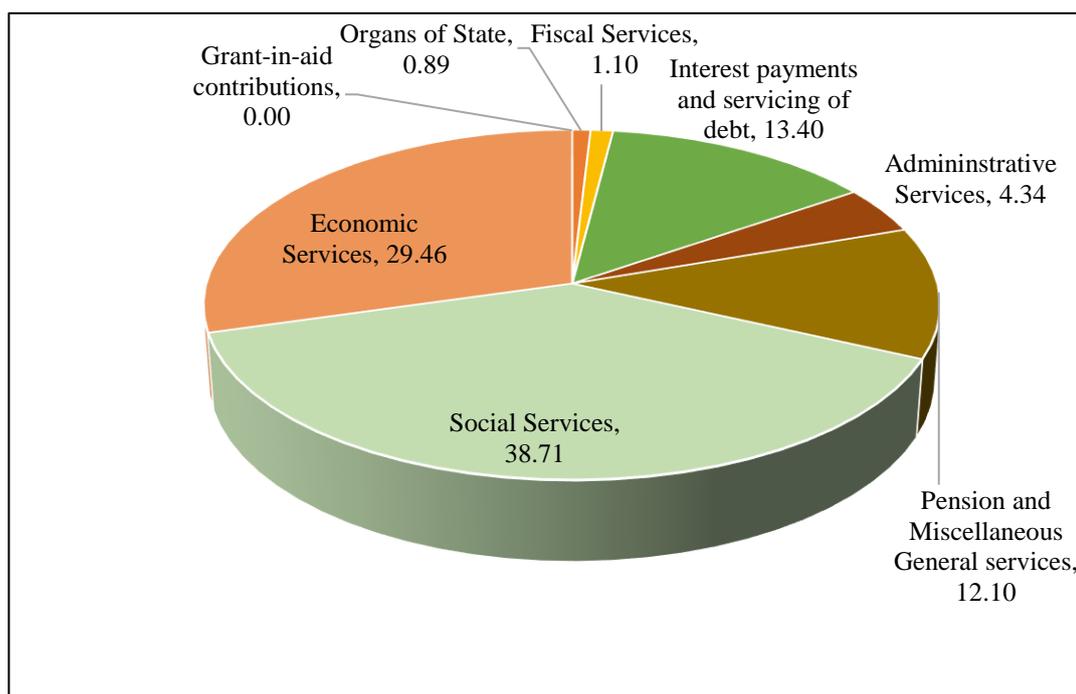
Revenue expenditure is incurred to maintain the current level of services and payment for the past obligations. As such, it does not result in any addition to the State’s infrastructure and services.

Table 2.18: Revenue Expenditure – Basic Parameters

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Total Expenditure (TE)	1,64,827	1,57,085	1,67,799	1,87,524	1,93,458
Revenue Expenditure (RE)	1,06,239	1,27,140	1,45,842	1,66,773	1,76,485
Rate of Growth of RE (<i>per cent</i>)	12.4	19.7	14.7	14.4	5.8
Revenue Expenditure as percentage of TE	64.5	80.9	86.9	88.9	91.2
RE/GSDP (<i>per cent</i>)	15.6	16.7	17.5	17.7	17.3
RE as percentage of RR	105.9	116.6	114.6	121.0	126.0
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	1.2	1.7	1.5	1.1	0.7
Revenue Receipts (ratio)	1.3	2.3	0.9	1.7	3.6

Source: Finance Accounts of respective years.

Revenue Expenditure constituted 91.2 *per cent* of total expenditure during 2019-20. It increased at CAGR of 13.53 *per cent* from ₹ 1,06,239 crore in 2015-16 to ₹ 1,76,485 crore in 2019-20. During 2019-20, the revenue expenditure increased by 5.8 *per cent* (₹ 9,712 crore) over the previous year.

Chart 2.11: Sector-wise distribution of revenue expenditure

2.4.2.1 Major changes in Revenue Expenditure

Table 2.19 details significant variations under various Heads of Account with regard to Revenue Expenditure of the State during the current year and the previous year.

Table 2.19: Variation in Revenue Expenditure during 2019-20 as compared to 2018-19

(₹ in crore)

Major Heads of Account	2018-19	2019-20	Increase (+)/ Decrease (-)
2235- Social Security and Welfare	5,993.11	8,195.48	2,202.37
2049- Interest Payments	21,695.20	23,643.27	1,948.07
2515- Other Rural Development Programmes	6,155.20	7,807.53	1,652.33
2801- Power	21,203.73	22,734.43	1,530.70
2425- Cooperation	3,727.80	5,158.98	1,431.18
3054- Roads and Bridges	1,242.21	2,102.55	860.34
2211- Family Welfare	2,803.39	3,402.36	598.97
2245- Relief on account of Natural Calamities	2,054.00	2,609.47	555.47
2202- General Education	34,158.69	33,145.84	(-) 1,012.85
3454- Census Surveys and Statistics	1,283.87	693.40	(-) 590.47

Source: Finance Accounts.

The table indicates that Revenue Expenditure under General Education and Census Surveys and Statistics declined significantly during the year, primarily due to the decrease in expenditure on Sarva Shiksha Abhiyan and Bhamashah Yojana respectively.

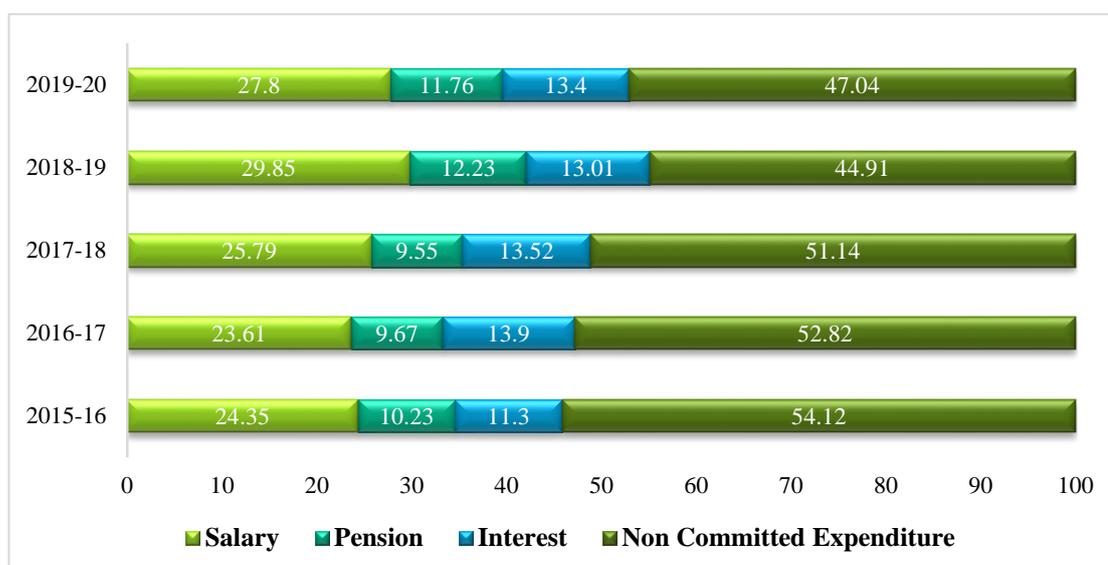
2.4.2.2 Committed expenditure

The committed expenditure of the State Government on revenue account consists of interest payments, expenditure on salaries and wages and pensions. It is the first charge on the Government resources. Upward trend in committed expenditure leaves the Government with lesser resources for development initiatives. **Table 2.20** presents the trends in the expenditure on these components during 2015-20.

Table 2.20: Components of Committed Expenditure

(₹ in crore)

Components of Committed Expenditure	2015-16	2016-17	2017-18	2018-19	2019-20
Salaries & Wages	25,871	30,016	37,611	49,790	49,066
Expenditure on Pensions	10,864	12,296	13,925	20,396	20,761
Interest Payments	12,008	17,677	19,720	21,695	23,643
Total	48,743	59,989	71,256	91,881	93,470
As a percentage of Revenue Receipts (RR)					
Salaries & Wages	25.80	27.53	29.54	36.11	35.02
Expenditure on Pensions	10.83	11.28	10.94	14.80	14.82
Interest Payments	11.97	16.21	15.49	15.74	16.87
Total	48.60	55.02	55.97	66.65	66.71
As a percentage of Revenue Expenditure (RE)					
Salaries & Wages	24.35	23.61	25.79	29.85	27.80
Expenditure on Pensions	10.23	9.67	9.55	12.23	11.76
Interest Payments	11.30	13.90	13.52	13.01	13.40
Total	45.88	47.18	48.86	55.09	52.96

Chart 2.12: Share of Committed expenditure in total Revenue Expenditure

The share of committed expenditure to revenue expenditure consistently increased from 45.88 *per cent* in 2015-16 to 55.09 *per cent* in 2018-19, but during 2019-20 it decreased to 52.96 *per cent*. The ratio of committed expenditure also increased to 66.71 *per cent* of revenue receipts in 2019-20 from 48.60 *per cent* in 2015-16.

Salaries and Wages

The expenditure on Salaries and Wages increased at CAGR of 17.35 *per cent* from ₹ 25,871 crore in 2015-16 to ₹ 49,066 crore in 2019-20. During 2019-20, the expenditure on Salaries and Wages decreased marginally by 1.45 *per cent* over the previous year. It was lower than the assessment made by the State Government (₹ 55,785 crore) in Medium Term Fiscal Policy Statement (MTFPS) by ₹ 6,719 crore.

Pension payments

The expenditure on pension payments increased at CAGR of 17.57 *per cent* from ₹ 10,864 crore in 2015-16 to ₹ 20,761 crore⁹ in 2019-20. During 2019-20, the expenditure on pension payments increased by 1.8 *per cent* over the previous year due to increase in total number of pensioners¹⁰ by 17,635 (4.3 *per cent*). The expenditure on pension and other retirement benefits to the State Government employees was 11.8 *per cent* (12.2 *per cent* in 2018-19) of total revenue expenditure during 2019-20.

Expenditure on pension payments in comparison to assessment made by the XIV-FC and the projections of the State Government in its MTFPS/Budget is given in **Table 2.21**.

9. It includes a sum of ₹ 18,806.50 crore on account of expenditure on "pension and other retirement benefits" during the year to the State Government employees recruited on or before 31 December 2003 and Government contribution for Defined Contribution Pension Scheme of ₹ 1,954.81 crore.

10. Number of pensioners in 2018-19: 4,13,296 and in 2019-20: 4,30,931.

Table 2.21: Pension Payments vis-à-vis assessment of the XIV-FC and State's Projections

(₹ in crore)			
Year	Assessment made by the XIV FC	Assessment made by the State Government in MTFPS/Budget	Actuals
2019-20	14,556	22,580	20,761

The table indicates that the expenditure on pension payments by State Government was within its own projections made in MTFPS/Budget for 2019-20. However, it significantly exceeded the assessment of XIV-FC made for the year by ₹ 6,205 crore.

Interest payments

Interest payments increased at CAGR of 18.46 per cent from ₹ 12,008 crore in 2015-16 to ₹ 23,643 crore in 2019-20. Interest payments (₹ 23,643 crore) during 2019-20 increased by 9 per cent over the previous year (₹ 21,695 crore) mainly due to increase in market loans by ₹ 31,592 crore and Small Savings, Provident Funds, etc. by ₹ 3,991 crore.

The ratio of Interest Payments to Revenue Receipts determines the debt sustainability of the State. The ratio of Interest Payments to Total Revenue Receipts of the State was 16.9 per cent for 2019-20, which was marginally higher than the previous year (15.7 per cent).

Interest Payments with reference to assessment made by the XIV-FC and the projections of the State Government in its MTFPS/Budget are given in **Table 2.22**.

Table 2.22: Interest Payments vis-à-vis assessment of the XIV-FC and State's Projections

(₹ in crore)			
Year	Assessment made by the XIV-FC	Assessment made by the State Government in MTFPS/Budget	Actuals
2019-20	19,928	23,133	23,643

The table indicates that the Interest payments by State Government exceeded its own projections made in MTFPS and Budget for 2019-20 as well as the assessment of XIV FC.

2.4.2.3 Undischarged liabilities in National Pension System

Defined Contribution Pension Scheme widely known as New Contributory Pension Scheme (NPS) has been implemented for all Government Servants appointed on or after 01.01.2004 in Rajasthan. As per the guidelines, it is mandatory for every employee to contribute 10 per cent of basic pay and dearness allowance and matching contribution is to be made by the Government. The State Government has the responsibility to deposit contribution of employees along with matching contribution of employer with the designated pension fund appointed by the National Pension System (NPS) Trust, through the National Securities Depository Limited (NSDL)/Trustee Bank.

Government of Rajasthan has adopted the NPS architecture in toto as designed by the Pension Fund Regulatory Development Authority (PFRDA) and entered into agreements with NSDL and NPS Trust on 09 November 2010 and 02 December 2010 respectively. The contribution details and corresponding amounts are being transferred to the NSDL and Trustee Bank since November 2011. Before November 2011, the employee contribution to the pension account and matching contribution from the Government (from respective salary head of account) up to 2011-12 referred as legacy amount were being deposited in the interest bearing Personal Deposit (PD) Account maintained by concerned Treasury Officers in the budget head 8011-106-103-01.

As per information provided by the Directorate, State Insurance and Provident Fund (SIPF), the details of legacy amount transferred to the NSDL are given in Table below:

Table 2.23: Details of legacy amount transferred to NSDL

(₹ in crore)

Year	Opening Balance of Legacy Amount	Total Amount transferred during the year	Un-transferred Legacy Amount	Interest on balance Legacy Amount	Balance Legacy Amount to be transferred
Upto 31/10/2011	1,393.92	0.00	1,393.92	0.00	1,393.92
01/11/2011 to 31/03/2012	1,393.92	0.00	1,393.92	97.41	1,491.33
2012-13	1,491.33	613.58	877.75	56.20	933.95
2013-14	933.95	363.97	569.98	60.00	629.98
2014-15	629.98	297.31	332.67	37.09	369.76
2015-16	369.76	131.66	238.10	34.97	273.07
2016-17	273.07	161.70	111.37	9.46	120.83
2017-18	120.83	65.04	55.79	7.34	63.13
2018-19	63.13	20.72	42.41	4.02	46.43
2019-20	46.43	10.14	36.29	7.65	43.94

From the table above, it is evident that as on 31st March 2020, balance amount of ₹ 43.94 crore on account of legacy amount is pending for transfer. Further, it was observed that there were negative balances of ₹ 0.57 crore in five District Treasury offices¹¹ due to non-reconciliation of outward and inward entries.

Since November 2011, Government of Rajasthan has operated Major Head 8342-117 for contributions pertaining to All India Services (AIS) officers and Major Head 8011-106 for all other State Government employees. Employees' contribution is to be transferred to these heads and government contribution is to be drawn by SIPF department from Major Head 2071-01-117-01-89 for further transfer to NSDL and NPS Trust with effect from 01.04.2012.

According to the information provided by the State Government, as on 31st March 2020, an amount of ₹ 127.21 crore (₹ 43.94 crore as legacy amount, ₹ 82.92 crore un-transferred contribution of State Government employees and ₹ 0.35 crore un-transferred contribution of AIS Officers) was pending for transfer to NSDL resulting in interest liability on the State Government. Further, there was short transfer of ₹ 83.27 crore of matching employer's contribution (₹ 82.92 crore for State Government employees and ₹ 0.35 crore for AIS officers), which is the liability of the State Government.

11. Alwar: ₹ 0.38 lakh, Dausa: ₹ 7.26 lakh, Kota: ₹ 29.78 lakh, Sawai Madhopur: ₹ 15.93 lakh and Churu: ₹ 3.64 lakh.

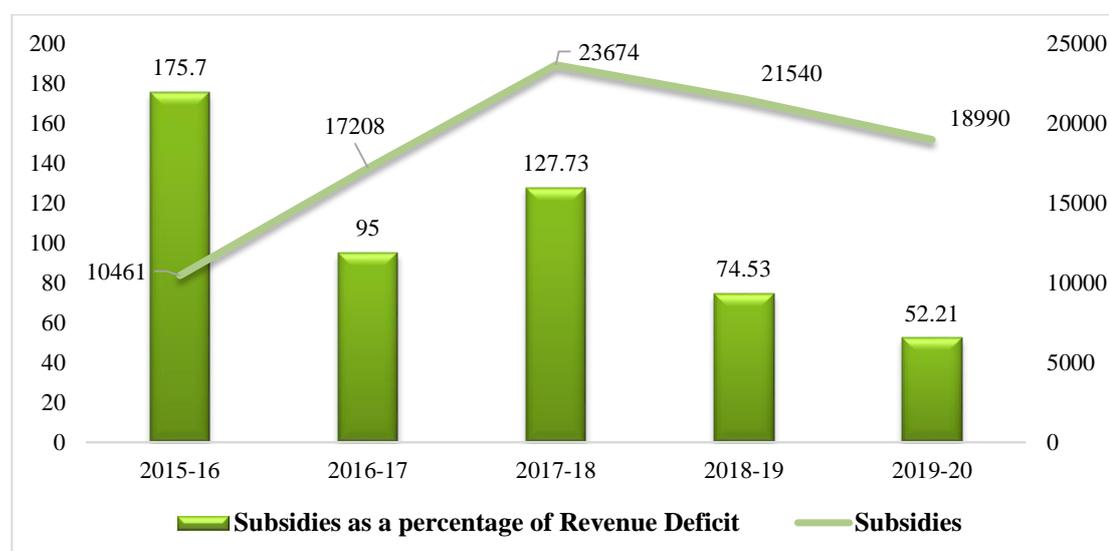
2.4.2.4 Subsidies

In a welfare state, subsidies are provided to the disadvantaged sections of the society. The subsidies and subsidies as a percentage of Revenue Receipts (RR) and Revenue Expenditure (RE) for the last five years are as under:

Table 2.24: Expenditure on subsidies during 2015-20

	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Subsidies	10,461	17,208	23,674	21,540	18,990
Subsidies as a percentage of RR	10.43 (1,00,285)	15.78 (1,09,026)	18.60 (1,27,307)	15.62 (1,37,873)	13.55 (1,40,114)
Subsidies as a percentage of RE	9.85 (1,06,239)	13.53 (1,27,140)	16.23 (1,45,842)	12.92 (1,66,773)	10.76 (1,76,485)
Subsidies as a percentage of Revenue Deficit	175.70 (5,954)	95.00 (18,114)	127.73 (18,535)	74.53 (28,900)	52.21 (36,371)
Subsidy given to Power Sector by Government	10,186	16,842	23,391	21,204	18,644
Power sector subsidy as a percentage of total subsidy	97.4	97.9	98.8	98.4	98.2

Chart 2.13: Subsidies and subsidies as a percentage of Revenue Deficit



Though the payment on subsidies during 2019-20 (₹ 18,990 crore) decreased by 11.84 per cent from the previous year (₹ 21,540 crore), it still constituted 10.76 per cent of the RE and consumed 13.55 per cent of the total RR during 2019-20. Subsidy as a percentage of Revenue Deficit indicates how much is the contribution of subsidies in the Revenue Deficit. A percentage more than 100 indicates that it is only because of the subsidies given during the year, the revenue surplus has turned into revenue deficit. While subsidies were 175.70 per cent of the Revenue Deficit (RD) in 2015-16, it constituted 52.21 per cent of RD in 2019-20 down from 74.53 per cent in 2018-19.

The biggest component of the subsidy outgo of the GoR was the subsidy to the Power Sector which accounted for 98.2 per cent (₹18,644 crore) of the total subsidy. During 2019-20, the subsidy was given to the Power Sector mainly on account of assistance to Distribution Companies under UDAY¹² (₹ 9,726.06 crore), grant for non-increasing of Power Tariff (₹ 7,384.00 crore) and grant for Electric Fees (₹ 1,482.81 crore). Further, subsidy to Power Sector ranged from 97.4 per cent to 98.8 per cent of the total subsidy provided by GoR during 2015-16 to 2019-20.

Power Sector subsidy (₹ 18,644.02 crore) decreased by 12.07 per cent (₹ 2,560 crore) over the previous year (₹ 21,203.73 crore) mainly due to decrease of ₹ 2,273.94 crore in assistance to Distribution Companies under UDAY component.

The second biggest component of Subsidies was Crop Husbandry (₹ 215 crore). However, Crop Husbandry subsidy decreased by 28.74 per cent from ₹ 301.20 crore in 2018-19 to ₹ 214.64 crore in 2019-20. Also, subsidy under the National Food Security Scheme increased 552 per cent from ₹ 15.92 crore in 2018-19 to ₹103.82 crore in 2019-20.

2.4.2.5 Financial assistance by the State Government to Local Bodies and Other Institutions

Financial assistance to the tune of ₹41,024.82 crore was provided by the State Government to Local bodies and Other institutions by way of grants and loans in 2019-20. During 2019-20, the financial assistance to Local bodies and Other Institutions increased by 17.68 per cent in comparison to previous year (₹ 34,862.21 crore) mainly due to increase in assistance to Government Companies. Further, during the period 2015-20, the overall financial assistance to Local Bodies and Other Institutions constituted 21 per cent to 30 per cent of the revenue expenditure.

The quantum of assistance provided through grants and loans to Local Bodies and Other Institutions during 2015-20 is given in **Table 2.25**.

Table 2.25: Financial Assistance to Local Bodies etc.

	(₹ in crore)				
Financial Assistance to Institutions	2015-16	2016-17	2017-18	2018-19	2019-20
(A) Local Bodies					
Municipal Corporations and Municipalities	3,063.89	3,839.93	3,695.48	3,811.13	3,781.24
Panchayati Raj Institutions	15,981.85	14,472.66	18,550.27	14,834.25	15,270.45
Total (A)	19,045.74	18,312.59	22,245.75	18,645.38	19,051.69
(B) Others					
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	1,239.54	1,671.13	1,283.29	1,452.88	1,487.70
Development Authorities	6.19	7.61	11.68	13.65	12.41
Hospitals and Other Charitable Institutions	116.62	77.41	918.96	1,241.07	898.43

12. Ujwal DISCOM assurance Yojana.

Financial Assistance to Institutions	2015-16	2016-17	2017-18	2018-19	2019-20
Other Institutions	11,316.72	12,823.46	10,525.42	13,509.23	19,574.59 ¹³
Total (B)	12,679.07	14,579.61	12,739.35	16,216.83	21,973.13
Total (A+B)	31,724.81	32,892.20	34,985.10	34,862.21	41,024.82
Revenue Expenditure	1,06,239	1,27,140	1,45,842	1,66,773	1,76,485
Assistance as percentage of Revenue Expenditure	30	26	24	21	23

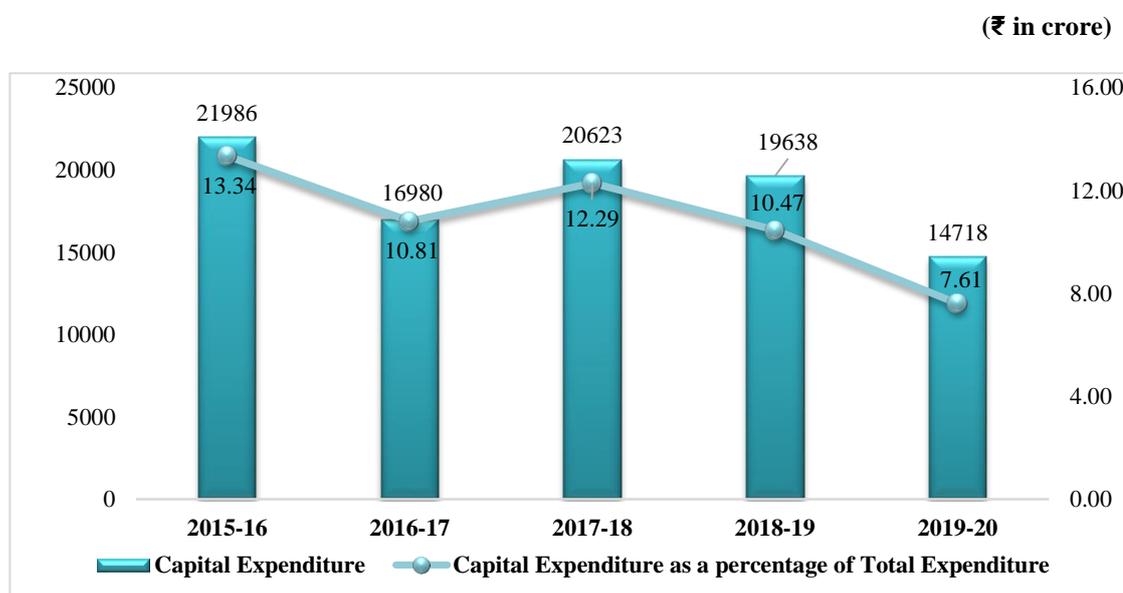
Source: Finance Accounts

During 2019-20, financial assistance was given mainly to General Basic Grant under XIV-FC recommendations (₹ 5,039.78 crore), Farm Loan Waiver Scheme (₹ 4,245.09 crore), Assistance under UDAY (₹ 4,090.41 crore), National Rural Health Mission (₹ 2,345.67 crore), Zila Parishads under Pradhan Mantri Awas Yojana (₹ 2,279.24 crore), Panchayat Samitis for Grant for primary schools (₹ 1,980.81 crore), Special Grants to Municipal Corporations/Municipalities/Municipal Councils (₹ 1,897.41 crore), Mahatma Gandhi National Rural Employment Guarantee Scheme (₹ 1,896.28 crore) and Crop Insurance scheme (₹ 1,034.95 crore).

2.4.3 Capital Expenditure

Capital Expenditure is primarily the expenditure on creation of fixed infrastructure assets such as roads, buildings etc.

Chart 2.14: Capital expenditure in the State



During 2019-20, Capital expenditure decreased by 25 per cent (₹ 4,920 crore) over the previous year. The percentage share of capital expenditure in the total expenditure decreased from 10.47 per cent in 2018-19 to 7.61 per cent during 2019-20. It decreased

13. It included mainly grants given for (i) Co-operative Institutions: ₹ 5,292.60 crore; (ii) Government Companies: ₹ 4,458.89 crore; (iii) Family Welfare: ₹ 2,510.64 crore; (iv) Education: ₹ 2,035 crore; (v) Crop Husbandry ₹ 1,350.06 crore; and (vi) Relief on account of Natural Calamities: ₹ 1,078.57 crore.

at CAGR of 9.55 *per cent* from ₹21,986 crore in 2015-16 to ₹14,718.05 crore in 2019-20.

2.4.3.1 Major changes in Capital Expenditure

Table 2.26 highlights the cases of significant increase or decrease in various Heads of Accounts in Capital Expenditure during 2019-20 *vis-à-vis* the previous year.

Table 2.26: Capital Expenditure during 2019-20 compared to 2018-19

(₹ in crore)			
Major Heads of Accounts	2018-19	2019-20	Increase (+)/ Decrease (-)
4801- Capital Outlay on Power Projects	3,822.35	2,130.00	(-) 1,692.35
5054- Capital Outlay on Roads and Bridges	4,161.48	3,200.81	(-) 960.67
4215- Capital Outlay on Water Supply and Sanitation	3,869.69	3,184.44	(-) 685.25
4217- Capital Outlay on Urban Development	1,296.09	694.92	(-) 601.17
5475- Capital Outlay on Other General Economic Services	631.18	187.69	(-) 443.49

Source: Finance Accounts

During 2019-20, Capital expenditure decreased by 25 *per cent* (₹ 4,920 crore) over the previous year. This decrease was mainly under Capital Outlay on Power Projects (₹ 1,692.35 crore), Roads and Bridges (₹ 960.67 crore), Water Supply and Sanitation (₹ 685.25 crore), Urban Development (₹ 601.17 crore) and Other General Economic Services (₹ 443.49 crore).

Table 2.27: Returns on Investment

Investment/Returns/Cost of Borrowings	2015-16	2016-17	2017-18	2018-19	2019-20
Investment at the end of the year (₹in crore)	37,417.62	41,733.94	45,780.60	49,861.39	52,208.91
Returns (₹in crore)	97.41	67.80	66.76	55.80	54.47
Returns (<i>per cent</i>)	0.3	0.2	0.1	0.1	0.1
Average rate ¹⁴ of interest on Government borrowings (<i>per cent</i>)	6.7	7.6	7.3	7.3	7.1
Difference between interest rate and returns (<i>per cent</i>)	6.4	7.4	7.2	7.2	7.0
Difference between interest on Government borrowings and return on investment (₹in crore) [#]	2,394.73	3,088.31	3,296.20	3,590.02	3,654.62

Source: Finance Accounts

[#] Investment at the end of the year * Difference between interest rate and return

Statement 19 of Finance Accounts of the State Government contains the details of investments of the Government. As per the statement, as on 31 March 2020, the total Government investment was ₹ 52,208.91 crore in 43 Government Companies (₹ 49,845.97 crore), seven Statutory Corporations (₹ 764.34 crore), two Rural Banks (₹ 73.69 crore), 11 Joint Venture Companies (₹ 916.36 crore), 22 Joint Stock

14. Average rate of interest on Government borrowings = Interest payment/[(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2]*100.

Companies (₹ 2.16 crore), one partnership concern¹⁵ and Cooperative Banks and Societies (₹ 606.39 crore). The investment of State Government in five power sector companies was ₹ 47,395 crore which was 90.78 per cent of the total investment of the State Government. The average return on this investment was 0.1 to 0.3 per cent during 2015-20, while the Government paid an average interest of 6.7 to 7.6 per cent on its borrowings (Table 2.27) indicating that the return on investment of the State Government is very low.

Table 2.28: Investments in companies whose net worth is completely eroded

(₹ in crore)

S. No.	Company/ Corporation	Period of accounts received upto 31 October 2020	Net worth as on 31 March 2020	Investment made during the year	Cumulative investment as on 31 March 2020
1	Jaipur Vidyut Vitran Nigam Limited	2019-20	-17,539.83	549.04	11,332.51
2	Jodhpur Vidyut Vitran Nigam Limited	2019-20	-19,276.93	533.42	10,487.99
	Total		-36,816.76	1,082.46	21,820.50

As per the finalized accounts for the year 2019-20, the investment during the year in the two State PSUs whose net worth was completely eroded was ₹ 1,082.06 crore. In addition, the government invested ₹ 447.54 crore during 2019-20 (cumulative investment till 2019-20 was ₹ 10,465.57 crore) in *Ajmer Vidyut Vitaran Nigam Limited* whose net worth was (-) ₹ 19,000.52 crore as per the latest finalized accounts of 2018-19.

Table 2.29: Investments made in loss-making companies

(₹ in crore)

S. No.	Company/ Corporation	Loss during the previous year	Investment made during the year 2019-20	Cumulative investments as on 31 March 2020
1	Rajasthan Rajya Vidyut Prasaran Nigam Limited	128.02	250.00	4,691.04

During 2019-20, the State Government invested ₹ 250.00 crore in Rajasthan Rajya Vidyut Prasaran Nigam Limited which incurred a loss of ₹ 128.02 crore in 2018-19.

During 2019-20, out of the total capital expenditure of ₹ 14,718.05 crore, State Government has made investment of ₹ 1,780 crore in companies whose net worth is completely eroded or are loss making.

Loans and Advances by the State Government

In addition to investments in Cooperative Societies, Corporations and Companies, the Government has also been providing loans and advances to many of these institutions/ organisations. Table 2.30 presents the outstanding loans and advances as on 31 March 2020 and interest receipts *vis-à-vis* interest payments during the last five years.

15. Only ₹ 20,833

Table 2.30: Quantum of loans disbursed and recovered during five years

	(₹ in crore)				
Quantum of loans disbursed and recovered	2015-16	2016-17	2017-18	2018-19	2019-20
Opening Balance of loans outstanding	4,701	39,856	51,108	37,308	23,263
Amount advanced during the year	36,602	12,965	1,334	1,113	2,255
Amount recovered during the year	1,447	1,713	15,134*	15,158*	15,670*
Closing Balance of the loans outstanding	39,856	51,108	37,308	23,263	9,848
Net addition during the year (disbursement-repayment)	35,155	11,252	(-) 13,800	(-) 14,045	(-) 13,415
Interest received	196	172	3,020	4,390	2,568
Interest rate on Loans and Advances given by the Government.	0.9	0.4	6.8	14.5	15.5
Rate of Interest paid on the outstanding borrowings of the Government	6.7	7.6	7.3	7.3	7.1
Difference between the rate of interest paid and interest received (<i>per cent</i>)	(-) 5.8	(-) 7.2	(-) 0.5	(+) 7.2	(+) 8.4

Source: Finance Accounts

* Including the UDAY loans converted to equity, subsidy and Grant-in-aid: 2017-18 = ₹ 15,000 crore, 2018-19 = ₹ 15,000 crore and 2019-20 = ₹ 14,722 crore.

Total loans and advances (₹ 9,848 crore) included loans and advances of ₹ 5,641 crore (57 *per cent*) given to Power Projects. The amount of loans and advances disbursed increased from ₹ 1,113 crore in 2018-19 to ₹ 2,255 crore (Economic Services: ₹ 1,969 crore and Social Services: ₹ 286 crore) in 2019-20.

During the year, the major portion of loans was advanced to Jaipur Vidyut Vitran Nigam Limited (₹ 688 crore), Ajmer Vidyut Vitran Nigam Limited (₹ 541 crore), Jodhpur Vidyut Vitran Nigam Limited (₹ 532 crore), Jaipur Metro Rail Corporation Limited (₹ 142 crore) and Rajasthan Pensioners Medical Fund (₹ 130 crore).

Capital blocked in Incomplete projects

An assessment of trends in capital blocked in incomplete capital works indicate about the quality of capital expenditure. The department-wise information pertaining to incomplete projects (more than ₹ 10 crore each) as on 31 March 2020, is given in **Table 2.31** and **Table 2.32**.

Table 2.31: Age profile of incomplete projects as on 31 March 2020 (₹ in crore)

Year (Commencement)	No of incomplete projects	Estimated cost (including revised cost)	Expenditure (as on 31 March 2020)
Upto 2010-11	25	9,685.14	8,729.09
2011-12	6	174.40	90.67
2012-13	21	5,345.63	4,280.19
2013-14	34	18,383.20	11,528.94
2014-15	4	321.62	227.69
2015-16	15	1,565.85	1,162.48
2016-17	37	2,604.81	1,255.87
2017-18	106	5,852.74	2,883.62
2018-19	80	5,830.18	1,215.94
2019-20	1	18.00	0.01
Total	329	49,781.57	31,374.50

Table 2.32: Department-wise profile of incomplete projects as on 31 March 2020 (₹ in crore)

Department	No. of incomplete projects	Estimated cost (including revised cost)	Expenditure (as on 31 March 2020)
Water Resources	85	17,960.29	9,342.96
Public Works	158	6,096.35	3,139.83
Public Health Engineering	86	25,724.93	18,891.71
Total	329	49,781.57	31,374.50

As per the information furnished by the State Government, there were 329 incomplete projects (more than ₹ 10 crore each) as on 31 March 2020, on which an amount of ₹ 31,374.50 crore had been spent which was 15.5 per cent of the cumulative capital outlay (₹ 2,02,806.46 crore) of the State.

Blocking of funds on incomplete projects/works negatively impacts the quality of expenditure and deprives the State of the intended benefits. Further, the funds borrowed for implementation of these projects during the respective years led to the additional fiscal burden in terms of servicing of debt and interest liabilities. Effective steps need to be taken to expeditiously complete all these projects so that the benefits may reach the people and further cost overruns may be avoided.

Implementation of Ujwal Discom Assurance Yojana (UDAY)

The Ministry of Power, Government of India (GoI) had launched (November 2015) UDAY Scheme for the financial turnaround of Power Distribution Companies (DISCOMs).

With an objective to improve the operational and financial efficiency of the State DISCOMs, a tripartite Memorandum of Undertaking (MoU) was executed (27th January 2016) between Ministry of Power, GoI, GoR and State Power Distribution Companies i.e. Ajmer Vidyut Vitran Nigam Limited, Jaipur Vidyut Vitran Nigam Limited and Jodhpur Vidyut Vitran Nigam Limited under this scheme. This scheme facilitated GoR to take over 75 per cent of DISCOM's outstanding debt as on 30th September 2015 over a period of two years.

The total outstanding debt of three DISCOMs was ₹ 83,229.89 crore as on 30 September 2015. Out of this, GoR had taken ₹ 62,421.96 crore¹⁶ (75 per cent of ₹ 83,229.89 crore) under UDAY by way of ₹ 8,700 crore as equity, ₹ 44,722 crore as loan and ₹ 9,000 crore as subsidy. It was informed by the State Government to Ministry of Power, GoI that the loan extended (₹ 44,721.96 crore) to DISCOMs under UDAY would be converted into grant and equity in the next three years i.e. upto 2019-20 as per relaxation given in UDAY. Accordingly, during 2017-18 to 2019-20 the GoR has converted loans of ₹ 44,721.96 crore into equity of ₹ 6,905.49 crore, subsidy of ₹ 33,726.06 crore and Grant-in-aid for creation of capital assets ₹ 4,090.41 crore. Finally, on the conclusion of the scheme period, equity support to DISCOMs was 25 per cent of the total debt taken over by the GoR which was within the limit of 25 per cent as prescribed in the guidelines of the scheme. Details are given in **Table 2.33**.

Table 2.33: Position of Equity/Loan/Subsidy under UDAY

(₹ in crore)

Year	Equity Investment	Loan	Subsidy/Grant-in-aid	Total
2015-16	5,700.00	34,349.77	-	40,049.77
2016-17	3,000.00	10,372.19	9,000.00	22,372.19
Total	8,700.00	44,721.96	9,000.00	62,421.96
2017-18	3,000.00	(-) 15,000.00	12,000.00	-
2018-19	3,000.00	(-) 15,000.00	12,000.00	-

16. During 2015-16: ₹ 40,049.77 crore and 2016-17: ₹ 22,372.19 crore.

Year	Equity Investment	Loan	Subsidy/ Grant-in-aid	Total
2019-20	905.49	(-) 14,721.96	13,816.47	-
Total	6905.49		37,816.47	
Position as on 31-03-2020	15,605.49 (25.00%)	-	46,816.47 (75.00%)	62,421.96

The above position indicates that on account of taking over debt of DISCOMs under UDAY, the GoR had invested ₹ 15,605.49 crore as Equity, and ₹ 46,816.47 crore as Subsidy in the three DISCOMs upto March 2020. To take over this debt, GoR had raised borrowings of ₹ 62,421.96 crore during 2015-16 and 2016-17 (₹ 40,049.77 crore during 2015-16 and ₹ 22,372.19 crore during 2016-17). At the end of March 2020, outstanding borrowings of the State Government on account of the issue of Non-Statutory Liquidity Ratio Bonds and forfeited Bonds under UDAY were ₹ 44,730.29 crore.

2.4.3.2 Resource availability of the State under Public Private Partnership Projects

Public Private Partnership (PPP) is an arrangement between the government or statutory entity and a private sector entity, to provide a framework that enables them to work together to meet the rising demand of the public for infrastructure development. The PPP cell was established (July 2007) by the State Government under administrative control of the Planning Department. It acts as the nodal agency to coordinate and monitor all efforts of the State Government for PPP and serves as the repository of all information relating to PPP projects in the State.

As per information furnished (July 2020) by the PPP Cell, 184 projects amounting to ₹ 16,985.30 crore were completed and 31 projects amounting to ₹ 2,558.98 crore were under progress as on 31 March 2020. Besides, 38 projects amounting to ₹ 17,316.32 crore relating to Roads, Urban Infrastructure, Power, Water, Social and Other Sectors are under various stages of planning. Sector-wise details of PPP projects completed, ongoing and to be taken up in future are shown in **Table 2.34**.

Table 2.34: Sector-wise details of PPP Projects

S. No.	Sector	(₹ in crore)					
		Completed		Ongoing		Planned for future	
		No.	Estimated Cost	No.	Estimated Cost	No.	Estimated Cost
1.	Road	70	8,536.58	05	597.87	10	1,565.04
2.	Urban Infrastructure	23	454.34	12	612.37	16	12,859.55
3.	Power	11	7,097.90	8	1,310.92	2	45.00
4.	Water	1	46.00	-	-	2	2,165.00
5.	IT	1	54.01	-	-	-	-
6.	Social	63	636.11	5	23.76	5	213.43
7.	Other	15	160.36	1	14.06	3	468.30
	Total	184	16,985.30	31	2,558.98	38	17,316.32

Scrutiny of the budget documents of 2019-20 revealed that the State Government did not provide the details regarding investment made in PPP projects in the previous year. Further, the revenue generated against these projects of the State Government was not ascertainable (by the Private sector as well) in the budget document. For the current year also, the budget documents do not reveal distinctively and separately, the estimated investment to be made by the Private and Government sectors in connection with PPP projects involving the State Government.

2.4.4 Expenditure priorities

Enhancing human development levels requires the States to step up their expenditure on key social services like education, health, etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector, if the allocation is below the respective national average.

Table 2.35, analyses the fiscal priority of the State Government with regard to aggregate expenditure, capital expenditure, expenditure on Education and expenditure on Health *vis-à-vis* the average of General Category States (GCS) during 2014-15 and 2019-20.

Table 2.35: Expenditure priority of the State with regards to Health, Education and Capital expenditure

(In per cent)

	Aggregate Expenditure /GSDP	Capital Expenditure /Aggregate Expenditure	Education/ Aggregate Expenditure	Health/ Aggregate Expenditure
General Category States' Average 2014-15	15.99	13.98	16.54	4.92
Rajasthan 2014-15	18.09	14.46	17.44	5.80
General Category States' Average 2019-20	15.15	12.97	15.91	5.21
Rajasthan 2019-20	18.95	7.61	17.73	6.28

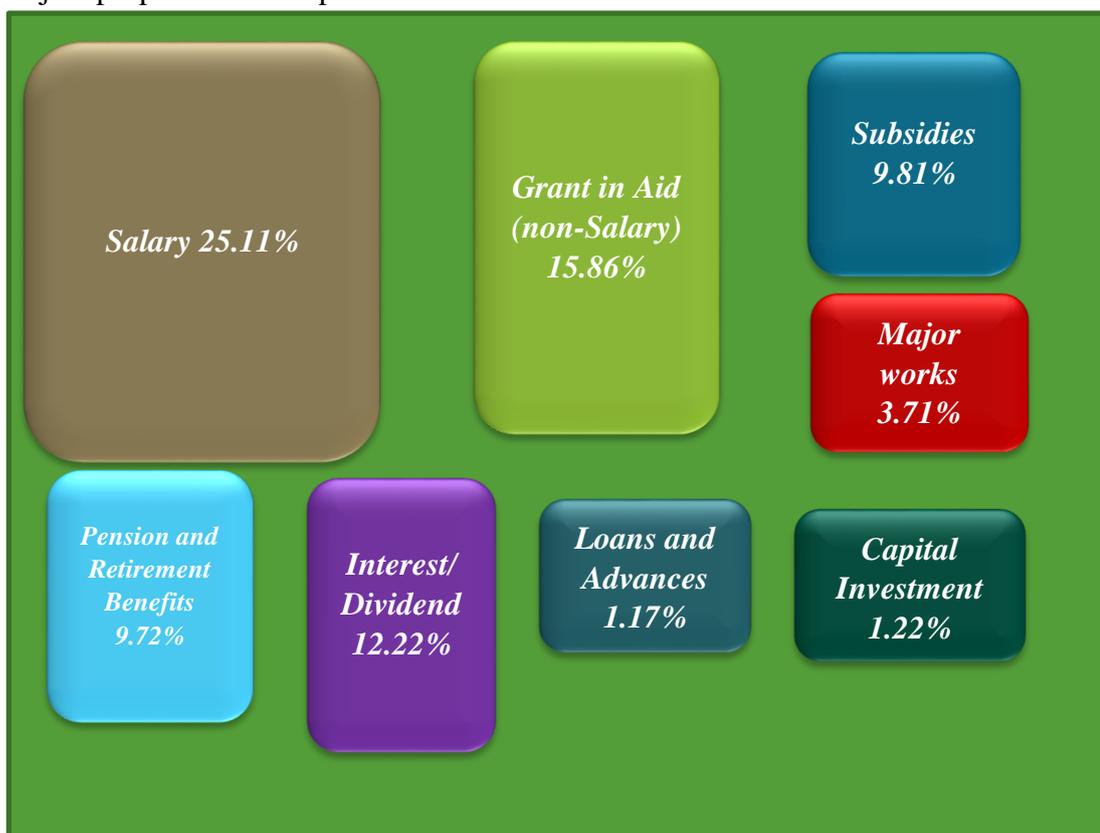
Source: For GSDP of Rajasthan, the information was collected from the Directorate of Economics and Statistics, GoR and Finance Accounts.

Table 2.35 indicates the following:

- The ratio of Aggregate Expenditure (AE) to GSDP in the State was higher (18.95 *per cent*) as compared to GCS (15.15 *per cent*) during 2019-20.
- The ratio of Capital Expenditure to Aggregate Expenditure in the State was lower (7.61 *per cent*) as compared to GCS (12.97 *per cent*) during 2019-20.
- The ratio of Education Expenditure to Aggregate Expenditure and Health Expenditure to Aggregate Expenditure in the State was higher than the GCS average during 2019-20.

2.4.5 Object head wise expenditure

Object head wise expenditure gives the information regarding the specific object/purpose of the expenditure.



During 2019-20, 72.7 per cent of total expenditure was spent on Salary, Pension, Grant-in-Aid (non-Salary), Interest/Dividend payment and Subsidies while the remaining 27.3 per cent was spent on other purposes.

2.5 Public Account

Receipts and Disbursements in respect of certain transactions such as Small Savings, Provident Funds, Reserve Funds, Deposits, Suspense, Remittances, etc., which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature. The Government acts as a banker in respect of these transactions. The balance after disbursements during the year is the fund available with the Government for use in various purposes.

2.5.1 Net Public Account Balances

Component-wise net balances in Public Account during the last five years are given in **Table 2.36**.

Table 2.36: Component-wise net balances* in Public Account as of 31 March

(₹ in crore)

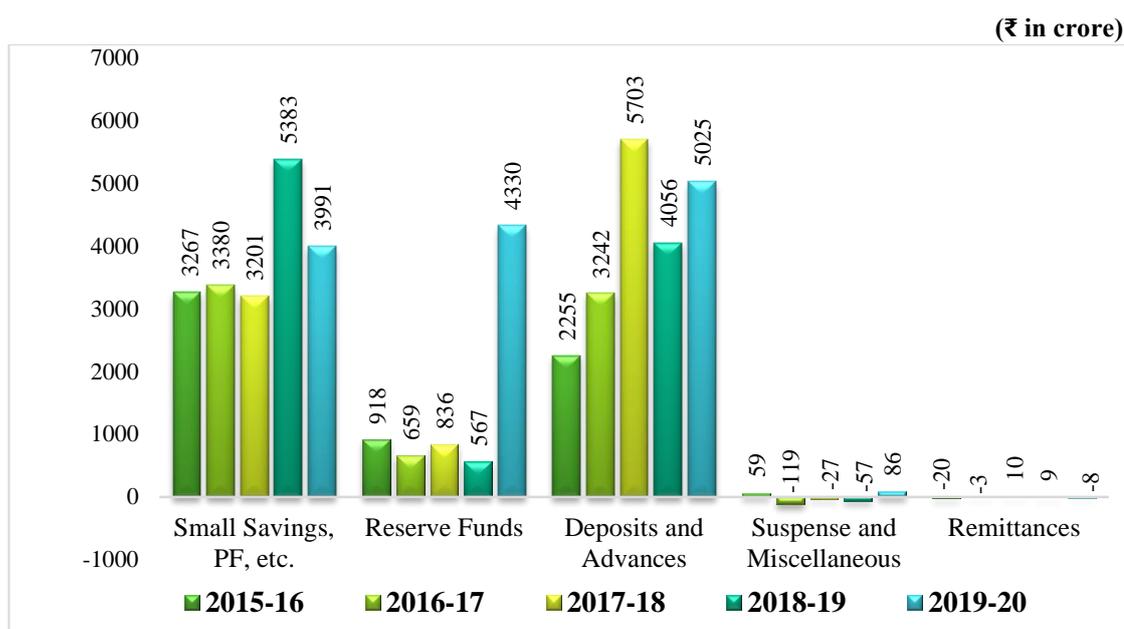
Sector	Sub Sector	2015-16	2016-17	2017-18	2018-19	2019-20
I. Small Savings, Provident Funds, etc.	Small Savings, Provident Funds, etc.	3,267	3,380	3,201	5,383	3,991
J. Reserve Funds	(a) Reserve Funds bearing Interest	(-) 61	93	(-) 243	587	3,094
	(b) Reserve Funds not bearing Interest	979	566	1,079	(-) 20	1,236
	Sub Total	918	659	836	567	4,330
K. Deposits and Advances	(a) Deposits bearing Interest	154	425	393	436	2,150
	(b) Deposits not bearing Interest	2,102	2,815	5,309	3,620	2,875
	(c) Advances	(-) 1	2	1	-	-
	Sub Total	2,255	3,242	5,703	4,056	5,025
L. Suspense and Miscellaneous	(a) Suspense	61	(-) 89	(-) 7	(-) 30	105
	(b) Other Accounts	(-) 2	(-) 30	(-) 20	(-) 27	(-) 19
	(c) Accounts with Governments of Foreign Countries	-	-	-	-	-
	(d) Miscellaneous	-	-	-	-	-
	Sub Total	59	(-) 119	(-) 27	(-) 57	86
M. Remittances	(a) Money Orders, and other Remittances	(-) 20	(-) 3	11	8	4
	(b) Inter-Governmental Adjustment Account	-	-	(-) 1	1	(-) 12
	Sub Total	(-) 20	(-) 3	10	9	(-) 8
Total		6,479	7,159	9,723	9,958	13,424

* Net balance means difference between receipts and disbursements under the respective components during the year.

Note: +ve denotes debit balance and -ve denotes credit balance

The net Public Account Receipts of the State increased at CAGR of 19.98 per cent during 2015-20 and increased from ₹ 6,479 crore in 2015-16 to ₹13,424 crore in 2019-20. However, during 2019-20, net Public Account Receipts increased by 34.8 per cent over the previous year.

The yearly changes in composition of balances in Public Account over the five-year period 2015-20 are given in **Chart 2.15**.

Chart 2.15: Yearly changes in composition of Public Account balances

Source: Finance Accounts of respective years

2.5.2 Reserve Funds

According to Paragraph 4.5 of the State Budget Manual, Reserves and Reserve Funds are created for specific and well-defined purposes in the accounts of the State Government (Public Account). These funds are created by contributions or grants from the Consolidated Fund of State or from outside agencies. The funds are further divided into two parts (i) Reserve Funds bearing interest and (ii) Reserve Funds not bearing interest. The funds are created by the sums transferred by debiting the concerned expenditure head of the Consolidated Fund of the State. Thereafter, the total expenditure incurred during the year has to be reimbursed from the concerned Reserve Fund.

As on 31 March 2020, there was an amount of ₹ 9,881.68 crore¹⁷ in 28 Reserve Funds in Public Accounts including ₹ 3,831.86 crore in four operative interest bearing funds.

- **Operative Reserve Funds**

During 2019-20, a sum of ₹ 7,692.20 crore was credited to 24 operative Reserve Funds of the state which mainly included State Disaster Response Fund (₹ 2,642.89 crore¹⁸), State Compensatory Afforestation Fund (₹ 1,748.26 crore), State Road and Bridges Fund (₹ 1,170.00 crore), Guarantee Redemption Fund (₹ 837.14 crore), Other

17. It included mainly (a) Interest bearing (i) State Disaster Response Fund: ₹ 2,096.22 crore; (ii) State Compensatory Afforestation Fund: ₹ 1,688.16 crore (iii) Water Works under Depreciation Reserve Fund: ₹ 67.28 crore and (b) Non-interest bearing: (iv) Guarantee Redemption Fund: ₹ 4,917.30 crore; (v) Water Conservation Cess Fund ₹ 236.31 crore (vi) Rajasthan Transport Infrastructure Development Fund: ₹ 298.96 crore (vii) Dedicated Road Safety Fund: ₹ 220.38 crore (viii) Resource Development Fund: ₹ 180.88 crore; and (ix) Environment Reform and Health Fund in Mining Areas: ₹ 79.51 crore.

18. It included ₹ 1,164.99 crore of NDRF.

Development and Welfare Fund (₹ 794.51 crore) and Development Funds for Animal Husbandry Purposes (₹ 490.50 crore).

- ***Inoperative Reserve Funds***

As per Finance Account 2019-20, four Reserve Funds (₹ 4.24 crore) were inactive for more than five years. Of these, one fund¹⁹ (₹ 0.20 crore) was interest bearing and three funds²⁰ (₹ 4.04 crore) were non-interest bearing.

The State Government was required to credit interest of ₹ 5.06 crore (conservatively estimated at 7.5 per cent, representing the average interest rate on Ways and Means Advances) on ₹ 67.48 crore lying in two interest bearing funds (one operative: ₹ 67.28 crore and one inoperative: ₹ 0.20 crore) as on 31 March 2019. It was, however, observed that the interest was not credited.

2.5.2.1 State Disaster Response Fund

Government of India (GoI) replaced the erstwhile Calamity Relief Fund with the State Disaster Response Fund (SDRF) with effect from 1 April 2010. The XIV-Finance Commission had recommended that annual contribution to the fund were to be contributed by GoI and State Government in the ratio of 75:25.

Upon receipt of Central's share, the contributions are to be transferred to the Public Account (Major Head-8121, Reserve Fund Bearing Interest) within 15 days of its receipt, otherwise, interest (at bank rate prescribed by Reserve Bank of India) for the period of the delay is required to be transferred to the fund.

The State Governments are required to pay interest to the SDRF at the rate applicable to overdrafts under Overdraft Regulation Guidelines of the RBI. The interest is to be credited on a half-yearly basis. As per the guidelines (July 2015) for administration of SDRF, the accretions to the SDRF together with the income earned on the investment of the SDRF are to be invested in Central Government dated Securities, auctioned Treasury Bills and other interest earning deposits with Scheduled Commercial Banks.

During scrutiny of records and information received (September 2020) from the Disaster Management, Relief and Civil Defense Department, it was observed:

- As per recommendations of the XIV-FC, the GoR transferred ₹ 1,435.78 crore (Central share ₹ 1,005.00 crore, State share ₹ 335.00 crore and arrear of central share received but not transferred to fund in 2018-19 ₹ 95.78 crore) to the SDRF during 2019-20. It was observed that the GoI issued (30 July 2019) sanction for ₹ 502.50 crore as first instalment of SDRF which was transferred by the State Government along with its share (₹ 167.50 crore) on 26 August 2019 with a delay of 12 days. Similarly, the GoI issued (10 September 2018) sanction of ₹ 95.78

19. Departmental Management Scheme of *Jhamar Kotra* Rock Phosphate: ₹ 20.45 lakh.

20. (i) Farmers Reform Fund: ₹ 0.74 lakh, (ii) Fund for intensive egg and hen production and marketing centers with the assistance of World Food Programme: ₹ 0.95 lakh and (iii) State Road Development Fund: ₹ 402.08 lakh.

crore as arrear of central share of first instalment for the year 2018-19 which was transferred to fund on 7 November 2019 with a delay of 408 days.

It was also observed that the GoI issued (30 July 2019 and 27 March 2020) sanction for release of grant amounting to ₹1,949.59 crore for transfer into the National Disaster Response Fund (NDRF) during 2019-20, out of which, the GoR transferred (26 August 2019) only ₹ 1,164.99 crore resulting in short transfer of ₹ 784.60 crore. It caused the revenue deficit of the State to be understated to this extent.

In addition, ₹ 1,164.99 crore received on 30 July 2019 was transferred to NDRF on 26 August 2019 with a delay of 12 days. Thus, the State Government was liable to pay interest of ₹ 10.20 crore for the period of delay.

- (ii) There was net balance of ₹ 2,096.22 crore in SDRF (including balance in NDRF) after setting off expenditure of ₹ 1,217.42 crore on disaster relief operations as on 31 March 2020. During 2019-20, the GoR did not invest the unspent SDRF balance in any of the prescribed instruments. The GoR paid ₹ 8.67 crore as interest on the amount which remained un-invested during 2018-19 and ₹ 33.45 crore as half-yearly (April- September 2019) interest on the amount remaining un-invested during 2019-20.

Failure to invest the unspent SDRF balance in the instruments prescribed as per guidelines resulted in loss of revenue for the State Government.

Table 2.37: Details of expenditure charged to SDRF

		(₹ in crore)
Major Head of Account	Minor Head of Account	Expenditure during 2019-20
2245- Relief on Account of Natural Calamities 01- Drought	102- Drinking Water Supply	7.42
	104- Supply of Fodder	40.60
	800- Other Expenditure	338.02
	Sub Total	386.04
2245- Relief on Account of Natural Calamities 02- Floods, Cyclones etc.	101- Gratuitous Relief	1.17
	106- Repairs and Restoration of Damaged Roads and Bridges	38.41
	111- Ex-gratia payment to bereaved families	5.51
	113- Assistance for repairs/reconstruction of Houses	33.97
	114- Assistance to farmers for purchase of Agriculture Inputs	688.05
	117- Assistance to farmers for purchase of livestock	(-) 0.03
	122- Repairs and Restoration of Damaged Irrigation and Flood Control Works	1.29
	282- Public Health	63.01
	Sub Total	831.38
2245- Relief on Account of Natural Calamities 80- General	800- Other Expenditure	8.71
	Sub-Total	8.71
	Total	1,226.13
05-State Disaster Response Fund	101- Transfers to Reserve Funds and Deposit Accounts State Disaster Response Fund	2,600.76
	901- Deduct - Amount met from State Disaster Response Fund	(-) 1,217.42
	Sub-Total	1,383.34
	Grand Total	2,609.47

During 2019-20, expenditure of ₹1,226.13 crore was incurred on the budget head 'Relief on Account of Natural Calamities' out of which the Government met ₹1,217.42 crore from SDRF.

2.5.2.2 Guarantee Redemption Fund

The State Government had set up the 'Guarantee Redemption Fund (Fund)' in 1999-2000 for meeting the payment obligations arising out of the guarantees issued by the Government in respect of bonds issued and other borrowings by the State Public Sector Undertakings or other Bodies and invoked by the beneficiaries.

According to Finance Department, GoR office order dated 26.10.2002, receivable Guarantee Fee (GF) will be deposited under Major head '0075-108 Guarantee Fee' and provision for receivable GF would be made under Budget Head 2075 and further will be transferred to Major head 8235- 'Guarantee Redemption Fund'. The accumulations in the Fund are to be utilised only towards payment of the guarantees issued by the Government and not paid by the institutions on whose behalf guarantees were issued. This order was effective from 01st April 2003.

According to Finance Department (Ways & Means), GoR office order dated 15.12.2007, accumulated fund into the Fund including interest earned on invested funds were to be invested through RBI into Treasury Bills of 364 days of GoI.

The corpus of the Fund is to be gradually increased to the desired level of 5 *per cent* of outstanding guarantees in terms of the guidelines of the RBI which administers the Fund. The Guarantee Redemption Fund has a balance of ₹ 4,917.30 crore as on 31st March 2020 which was 6.10 *per cent* of outstanding guarantees (₹ 80,631.25 crore).

As per the information received (16 September 2020) from the Finance Department (Ways & Means), GoR that as of 1st April 2019, the opening balance in the Fund under head '8235-117' was ₹ 4,080.16 crore. During the year 2019-20, a sum of ₹ 586.86 crore (₹ 0.64 crore belonging to the period 2018-19 and ₹ 586.22 crore²¹ of 2019-20) was transferred into the Fund and no guarantee was invoked in such period. In addition to this, an amount of ₹ 250.28 crore was received by the Government as interest on investment made from Fund during 2018-19. As of 31st March 2020, the closing balance in the Fund was ₹ 4,917.30 crore, out of which only ₹ 1,700.32 crore was invested in the Treasury Bills of 364 days and remaining funds of ₹ 3,216.98 crore were lying non-invested as of 31st March 2020 in contravention of the Finance Department order dated 15.12.2007.

2.6 Debt Management

Debt management is the process of establishing and executing a strategy for managing the Government's debt in order to raise the required amount of funding, achieve its risk and cost objectives and to meet any other sovereign debt management goals that the

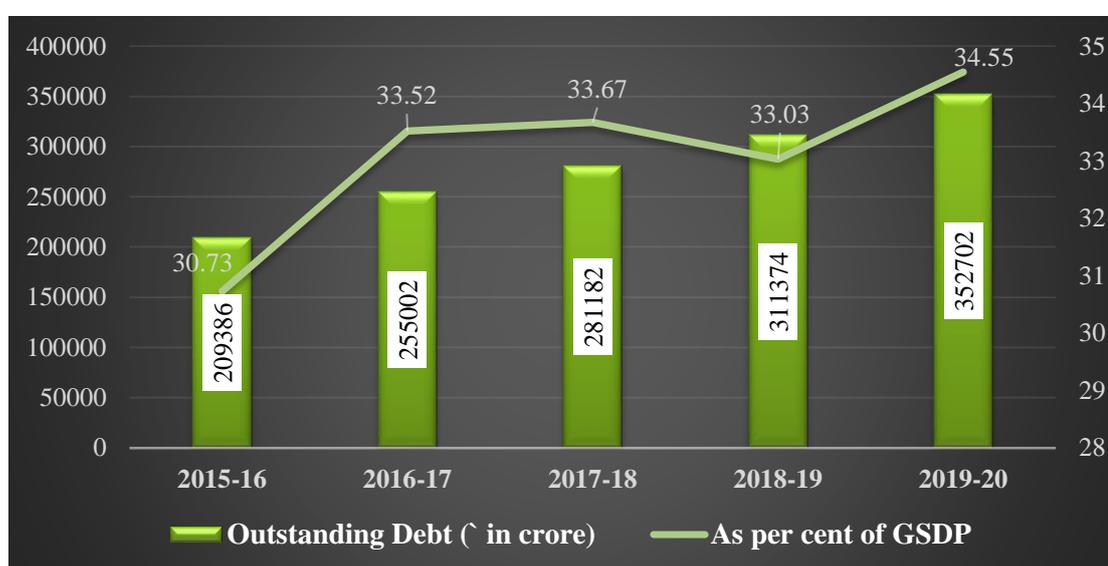
21. ₹ 586.30 crore received against receivable guarantee fee of ₹ 637.75 crore under head '0075-108'.

Government may have set through enactment or any other annual budget announcements.

Table 2.38: Total outstanding debts during 2015-20

	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Outstanding Overall Debt	2,09,386	2,55,002	2,81,182	3,11,374	3,52,702
Rate of growth of outstanding Overall debt (percentage)	41.85	21.79	10.27	10.74	13.27
Gross State Domestic Product (GSDP)	6,81,482	7,60,750	8,35,170	9,42,586	10,20,989
Debt/GSDP (per cent)	30.73	33.52	33.67	33.03	34.55

Chart 2.16: Position of outstanding debts during 2015-20



The total debt of the State Government increased at CAGR of 13.92 per cent from ₹ 2,09,386 crore in 2015-16 to ₹ 3,52,702 crore in 2019-20. During 2019-20, it increased by 13.3 per cent over the previous year.

2.6.1 Debt profile: Components

According to Rajasthan FRBM Act, 2005, *total liability* means the explicit liabilities under Consolidated Fund of the State and the Public Account of the State including General Provident Fund. Some of the important terms in this regard are explained in the *Appendix 2.3*.

Table 2.39: Component wise debt trends

		(₹ in crore)				
		2015-16	2016-17	2017-18	2018-19	2019-20
Outstanding Overall Debt		2,09,386*	2,55,002*	2,81,182*	3,11,374*	3,52,702*
<i>Public Debt</i>	<i>Internal Debt</i>	1,48,292	1,84,285	2,00,244	2,19,312	2,42,077
	<i>Loans from GoI</i>	8,258	11,139	12,063	13,927	17,303
Liabilities on Public Account		52,836	59,578	68,875	78,135	93,322
Rate of growth of outstanding Overall debt (percentage)		41.85	21.79	10.27	10.74	13.27
Gross State Domestic Product (GSDP)		6,81,482	7,60,750	8,35,170	9,42,586	10,20,989
Overall Debt/GSDP (per cent)		30.73	33.52	33.67	33.03	34.55
Total Debt Receipts		1,99,313	2,01,683	1,86,325	2,08,734	2,39,012
Total Debt Repayments		1,37,536	1,56,067	1,60,145	1,78,542	1,97,684
Total Debt Available		61,777	45,616	26,180	30,192	41,328
Debt Available/Debt Receipts (percentage)		30.99	22.62	14.05	14.46	17.29

*Including outstanding UDAY loans: 2015-16= ₹ 40,050 crore, 2016-17= ₹ 62,422 crore, 2017-18 = ₹ 58,272 crore, 2018-19= ₹ 51,636 crore, 2019-20= ₹ 44,730 crore.

Chart 2.17: Break up of Outstanding Overall Debt at the end of Financial Year

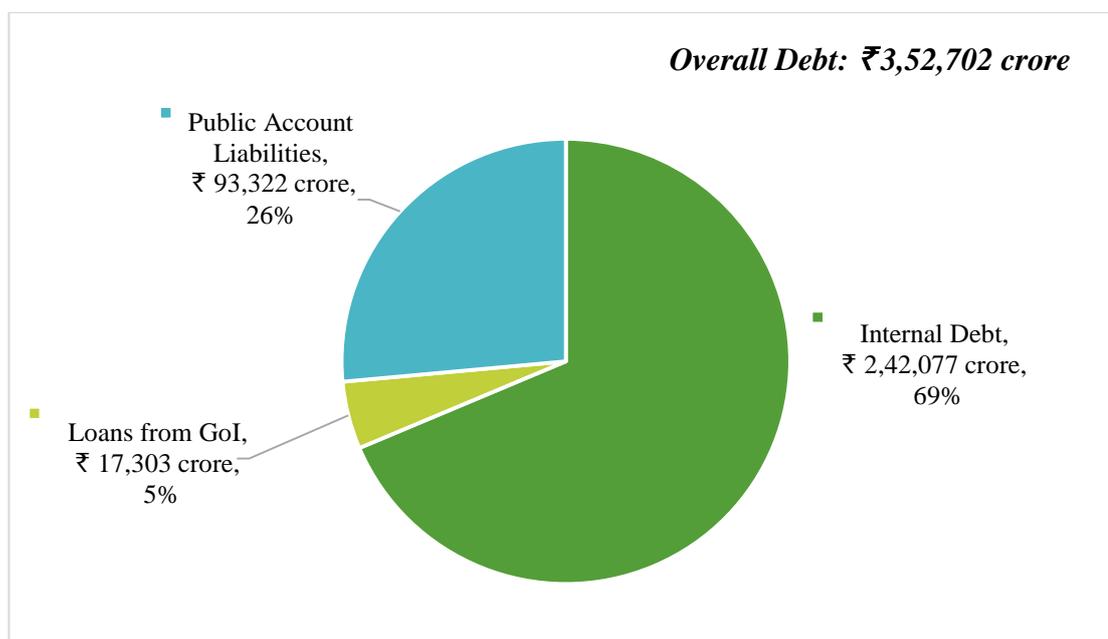
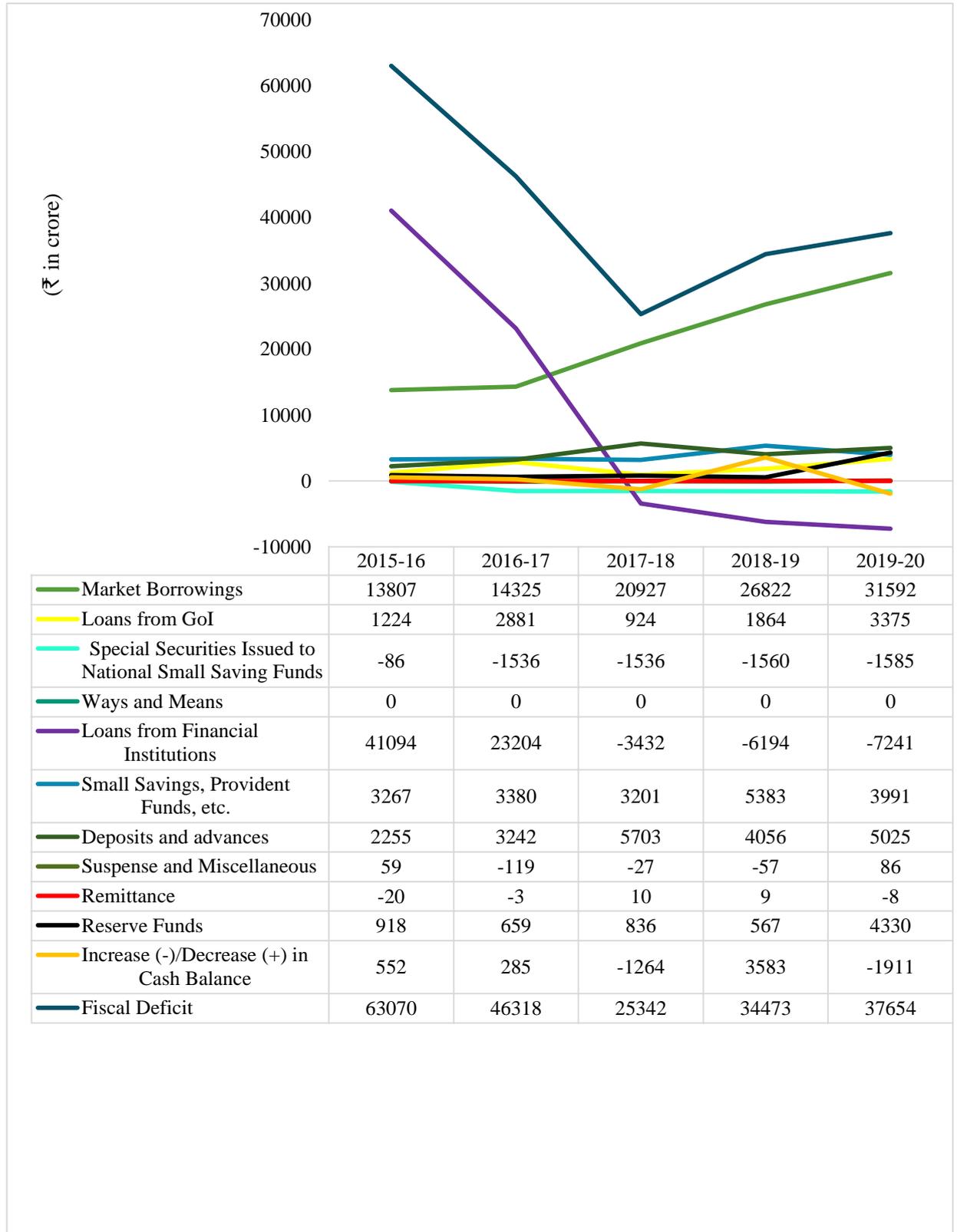


Chart 2.18: Component wise debt trends*



*net figures i.e. the difference between receipts and disbursements under the respective components during the year.

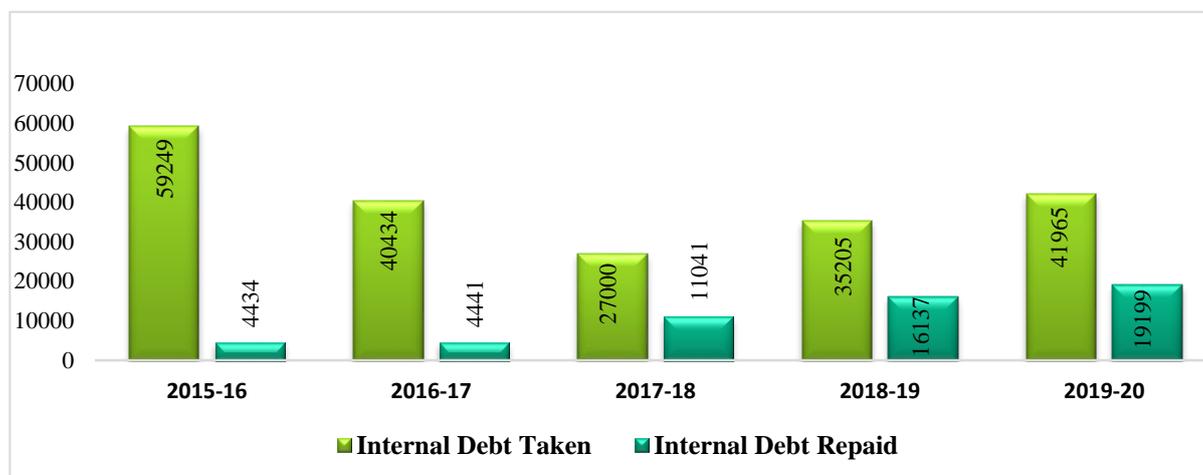
Chart 2.19: Internal debt taken vis-a-vis repaid(**₹ in crore**)**Components of fiscal deficit and its financing pattern**

Table 2.40 presents item-wise net disbursement/outflow financing pattern of fiscal deficits of the State during 2015-16 to 2019-20 (Table 2.41 may be referred to).

Table 2.40: Components of fiscal deficit and its item-wise financing pattern(**₹ in crore**)

	2015-16 [#]	2016-17 [#]	2017-18	2018-19	2019-20	
(a) Composition of Fiscal Deficit						
1	Revenue Deficit/ Surplus (-)	5,954	18,114	18,535	28,900	36,371
2	Net Capital Expenditure	21,961	16,952	20,607	19,618	14,698
3	Net Loans and Advances*	35,155 [@]	11,252 [@]	(-) 13,800	(-) 14,045	(-) 13,415
	Total (a)	63,070	46,318	25,342	34,473	37,654
(b) Financing Pattern of Fiscal Deficit						
1	Market Borrowings	13,807	14,325	20,927	26,822	31,592
2	Loans from GoI	1,224	2,881	924	1,864	3,375
3	Special Securities Issued to National Small Saving Funds	(-) 86	(-) 1,536	(-) 1,536	(-) 1,560	(-) 1,585
4	Ways and Means	-	-	-	-	-
5	Loans from Financial Institutions	41,094	23,204	(-) 3,432	(-) 6,194	(-) 7,241
6	Small Savings, Provident Fund etc.	3,267	3,380	3,201	5,383	3,991
7	Deposits and Advances	2,255	3,242	5,703	4,056	5,025
8	Suspense and Miscellaneous	59	(-) 119	(-) 27	(-) 57	86
9	Remittances	(-) 20	(-) 3	10	09	(-) 8
10	Reserve Funds	918	659	836	567	4,330
	Total (b)	62,518	46,033	26,606	30,890	39,565
11	Increase (-)/ Decrease (+) in Cash Balance (a-b)	552	285	(-) 1,264	3,583	(-) 1,911
12	Overall Fiscal Deficit (b+11)	63,070	46,318	25,342	34,473	37,654

Source: Finance Accounts

[#] The position includes the impact of UDAY.[@] Including UDAY loans given in 2015-16 (₹ 40,050 crore) and 2016-17 (₹ 22,372 crore).

* Net Loans and Advances means disbursements of Loans and Advances - recovery of Loans and Advances during the year.

Fiscal deficit is the total borrowing requirement of the State and is the excess of Revenue and Capital Expenditure including loans and advances over revenue and non-debt receipts. Composition of fiscal deficit reveals the extent of various borrowings resorted to by the State to meet its requirement of funds over and above Revenue and non-debt Receipts.

Market borrowings continued to finance a major portion of fiscal deficit. Its share in financing fiscal deficit increased from 78 per cent in 2018-19 to 84 per cent in 2019-20. During 2019-20, the fiscal deficit of ₹ 37,654 crore was mainly met from Market Borrowings (₹ 31,592 crore).

Chart 2.20: Financing of fiscal deficit expressed through a water flow chart

(₹ in crore)

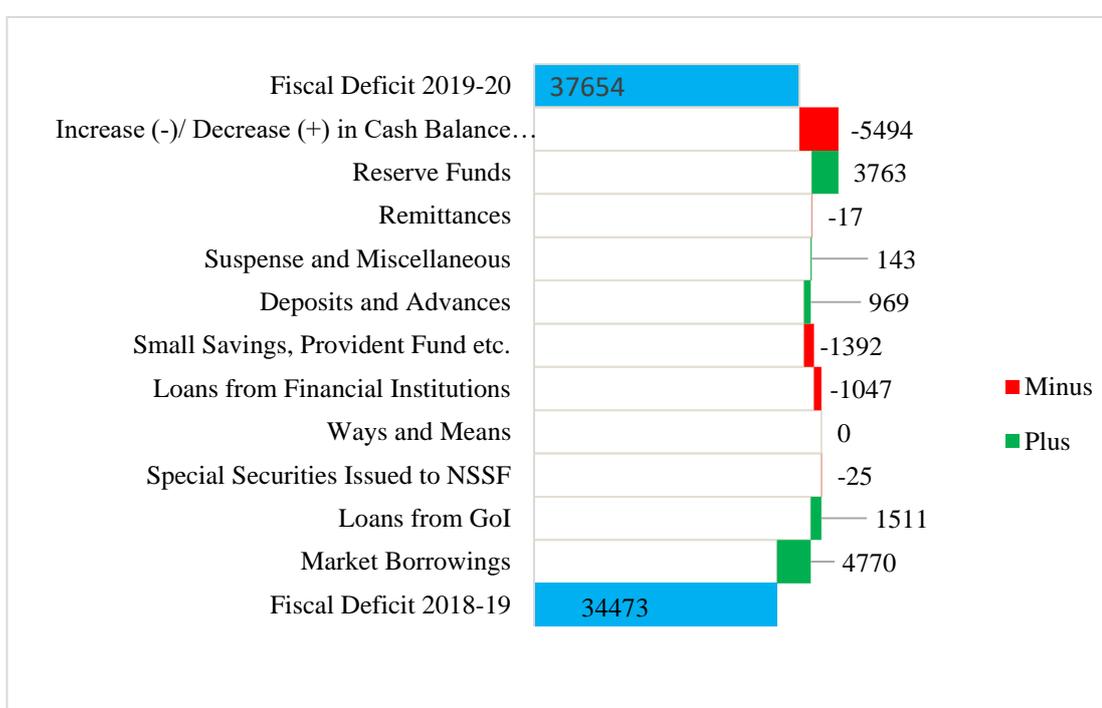


Table 2.41: Receipts and Disbursements under components financing fiscal deficit

(₹ in crore)

Particulars	Receipt	Disbursement	Net
1 Market Borrowings	39,092	7,500	31,592
2 Loans from GOI	4,209	834	3,375
3 Special Securities issued to NSSF	-	1,585	(-) 1,585
4 Ways and Means Advance from Reserve Bank of India	1,416	1,416	-
5 Loans from Financial Institutions	1,456	8,697	(-) 7,241
6 Small Savings, PF, etc.	12,204	8,213	3,991
7 Deposits and Advances	1,69,401	1,64,376	5,025
8 Suspense and Miscellaneous	115	29	86
9 Remittances	3,753	3,761	(-) 8

10	Reserve Fund	7,692	3,362	4,330
11	Overall Deficit	2,39,338	1,99,773	39,565
12	Increase (-)/Decrease (+) in Cash Balance	-	-	(-) 1,911
13	Gross Fiscal Deficit	-	-	37,654

2.6.2 Debt profile: Maturity and Repayment

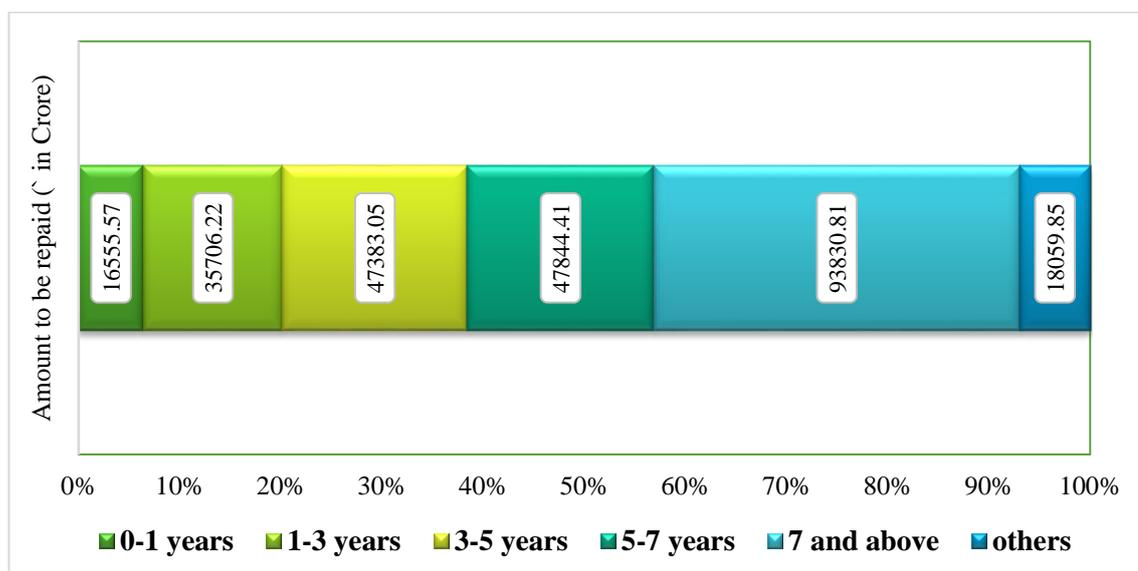
The Maturity Profile of the State Debt (amounts payable in respect of each category of loans in different years) as on 31 March 2020 is depicted in **Table 2.42** and **Chart 2.21**:

Table 2.42: Debt Maturity profile of repayment of State debt

Period of repayment (Years)	Amount (₹in crore)	Percentage (w.r.t. Public debt)
0 – 1	16,555.57	6.38
1 – 3	35,706.22	13.77
3 – 5	47,383.05	18.27
5 – 7	47,844.41	18.45
7 and above	93,830.81	36.17
Others ²²	18,059.85	6.96
Total	2,59,379.91	100.00

Source: Finance Accounts

Chart 2.21: Debt Maturity Profile



22. Payment schedule of this amount is not being maintained by office of the Principal Accountant General (A&E).

The maturity profile of outstanding stock of public debt as on 31 March 2020 indicates that out of the outstanding public debt of ₹ 2,59,379.91 crore, 56.86 per cent (₹ 1,47,489.25 crore) is payable within the next seven years while the remaining 43.14 per cent (₹ 1,11,890.66 crore) is in the maturity bracket of more than seven years.

Repayment Schedule of market loans

The repayment schedule of outstanding market loans and interest on these loans is depicted below in **Table 2.43** and **Chart 2.22**.

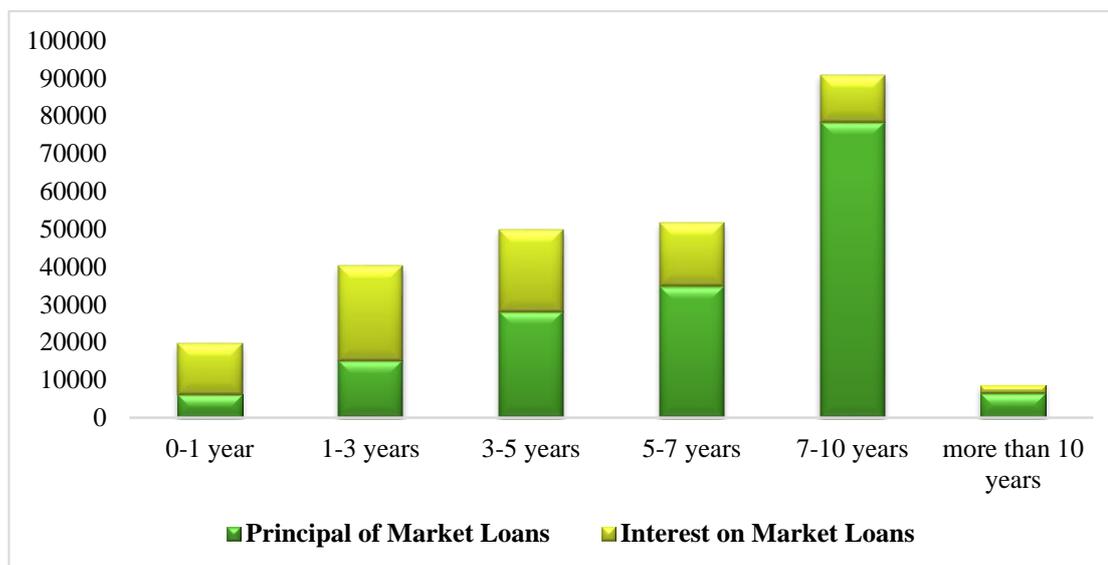
Table 2.43: Repayment schedule of Market Loans and Interest on Market Loans

Period of Repayment (Years)	Repayment of Market Loans (Principal) (₹ in crore)	Repayment of Market Loans (Interest) (₹ in crore)
0 – 1	6,180.00	13,432.99
1 – 3	15,041.10	25,276.19
3 – 5	28,050.00	21,833.90
5 – 7	34,853.78	16,834.31
7 -10	78,234.04	12,560.14
More than 10	6,500.00	2,164.09
Total	1,68,858.92	92,101.62

Source: Information provided by the Finance Department.

Chart 2.22: Repayment schedule of Market Loans and Interest on Market Loans

(₹ in crore)



The State will have to repay ₹ 21,221.10 crore of market loans and pay interest of ₹ 38,709.18 crore in next three financial years i.e. upto 2022-23. In the following two years upto 2024-25, principal of ₹ 28,050.00 crore and interest of ₹ 21,833.90 crore will be payable. Annual outgo of principal repayment and interest will be approximately ₹ 21,962 crore during next five years upto 2024-25.

In the period 2025-26 to 2029-30, loans of ₹ 1,13,087.82 crore and interest of ₹ 29,394.45 crore will be payable. As such the State will have to repay approximately ₹ 28,496 crore annually on an average during the period 2025-26 to 2029-30.

Therefore, the State Government would have to work out a well-thought out debt repayment strategy to avoid falling into a debt trap.

2.7 Debt Sustainability Analysis (DSA)

Debt Sustainability

Debt is considered sustainable if the borrower, in this case the State, is in a position to service its debt now and in future. Debt sustainability indicators accordingly seek to assess the creditworthiness and the liquidity position of the borrowers by examining their ability to service the debt and repaying debt out of current and regular sources of revenue.

Table 2.44 analyses the debt sustainability of the State according to relevant indicators for a period of five years beginning from 2015-16.

Table 2.44: Trends in debt Sustainability indicators

Debt Sustainability Indicators	2015-16	2016-17	2017-18	2018-19	2019-20
Overall debt (₹ in crore)	2,09,386	2,55,002	2,81,182	3,11,374	3,52,702
Outstanding Public Debt* (₹ in crore)	1,56,550	1,95,424	2,12,307	2,33,239	2,59,380
Rate of Growth of Outstanding Public Debt (<i>per cent</i>)	55.8	24.8	8.6	9.9	11.2
GSDP (₹ in crore)	6,81,482	7,60,750	8,35,170 ²³	9,42,586 ²⁴	10,20,989 ²⁵
Rate of Growth of GSDP (<i>per cent</i>)	10.69	11.63	9.78	12.86	8.32
Public Debt/GSDP	0.23	0.26	0.25	0.25	0.25
Overall Debt/GSDP (<i>per cent</i>)	30.73	33.52	33.67	33.03	34.55
Public Debt Maturity profile of repayment of State debt – including default history, if any (₹ in crore)	4,215	4,386	11,000	16,096	17,702
Public Debt Receipts (₹ in crore)	60,998	43,889	28,557	37,847	46,173
Public Debt Repayment (₹ in crore)	4,959	5,015	11,674	16,915	20,032
Interest paid on Outstanding Public Debt (₹ in crore)	8,872	14,439	16,214	17,804	19,236
Average interest rate of Outstanding Public Debt (<i>per cent</i>)	6.90	8.20	7.95	7.99	7.81
Percentage of Interest payment to Revenue Receipt	8.85	13.24	12.74	12.91	13.73
Percentage of Public Debt Repayment to Public Debt Receipt	8.13	11.43	40.88	44.69	43.38
Net Public Debt available to the State# (₹ in crore)	47,167	24,435	669	3,128	6,905

23. Revised estimate-III

24. Revised estimate-I

25. Advance Estimate

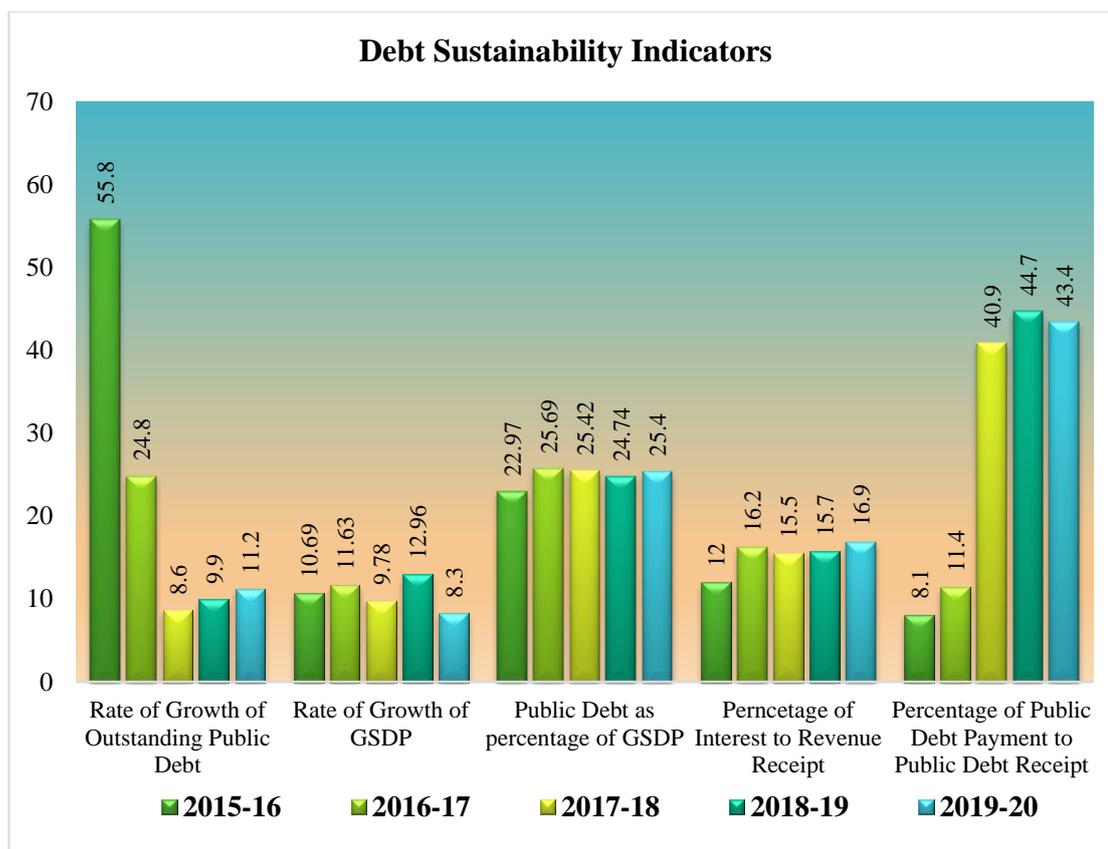
Debt Sustainability Indicators	2015-16	2016-17	2017-18	2018-19	2019-20
Net Public Debt available as per cent to Public Debt Receipts	77.33	55.67	2.34	8.26	14.95

Source: Finance Accounts

* Outstanding Public Debt is the sum of outstanding balances under the heads 6003-Internal Debt and 6004- Loans and Advances from the Central Government.

Net debt available to the State Government is calculated as excess of Public debt receipts over Public debt repayment and interest payment on Public Debt.

Chart 2.23: Trends of Debt Sustainability indicators



Net availability of borrowed funds

Net availability of borrowed funds is defined as the ratio of the public debt redemption (Principal + Interest payments) to public debt receipts and indicates the extent to which the debt receipts are used for redemption of old public debt.

The net fund available from borrowing for current operations after providing for interest and principal repayment decreased from ₹ 47,167 crore in 2015-16 to ₹ 6,905 crore in 2019-20 meaning a greater share of debt receipts are being utilised towards redemption of old public debt resulting in a deteriorating debt situation.

2.7.1 Utilisation of borrowed funds

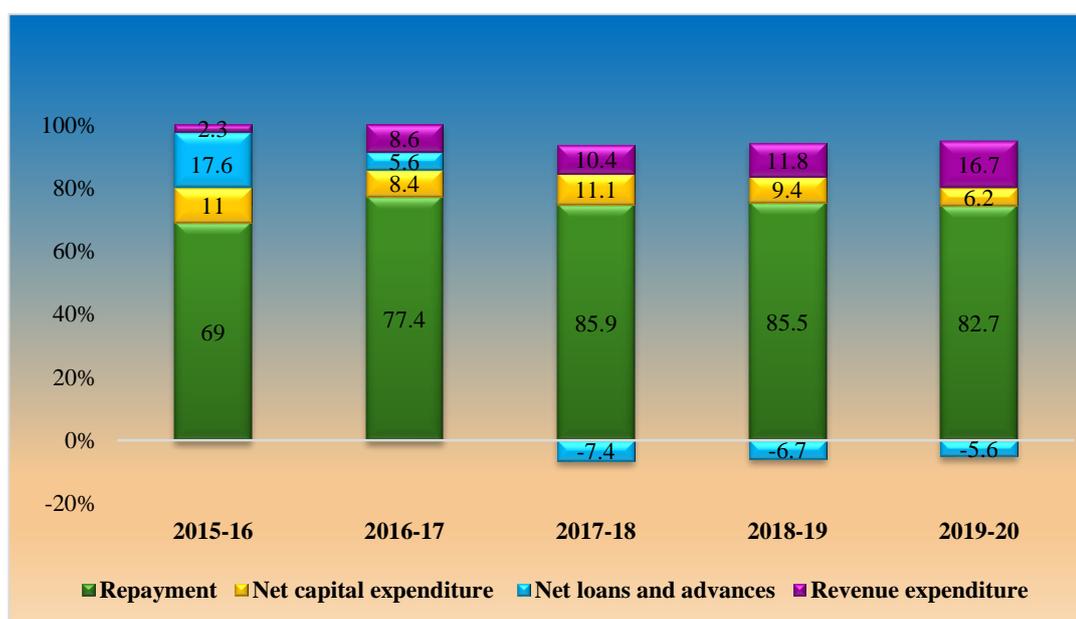
Borrowed funds should ideally be used to fund capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable.

Table 2.45: Utilisation of borrowed funds

		(₹ in crore)				
Year		2015-16	2016-17	2017-18	2018-19	2019-20
Total Borrowings received during the year	1	1,99,313	2,01,683	1,86,325	2,08,734	2,39,012
Repayment of earlier borrowings (Principal) (percentage)	2	1,37,536 (69.01)	1,56,067 (77.38)	1,60,144 (85.95)	1,78,542 (85.54)	1,97,684 (82.71)
Net capital expenditure (percentage)	3	21,961 (11.02)	16,952 (8.41)	20,607 (11.06)	19,618 (9.40)	14,698 (6.15)
Net loans and advances	4	35,155	11,252	(-) 13,800	(-) 14,045	(-) 13,415
Portion of Revenue expenditure met out of net available borrowings (percentage)	5= 1-2-3-4	4,661 (2.34)	17,412 (8.63)	19,374 (10.40)	24,619 (11.79)	40,045 (16.75)

Source: Finance Accounts

Chart 2.24: Trends of Utilisation of borrowed funds



During 2019-20, borrowing of ₹ 40,045 crore was used for meeting the revenue expenditure. Percentage of repayment of borrowing to total borrowing increased from 69 per cent in 2015-16 to 82.7 per cent in 2019-20. However, it decreased by 2.8 percentage points in 2019-20 over the previous year.

2.7.2 Status of Guarantees – Contingent Liabilities

Guarantees are contingent liabilities on the Consolidated Fund of the State which can be invoked in case of default by the borrower for whom the guarantee was extended. As per FRBM Act, 2005 (amended in April 2016) total outstanding Government

guarantee on 31st March 2017 shall not exceed 70 *per cent* of estimated receipts in the Consolidated Fund of the State in financial year 2016-17 and thereafter total outstanding government guarantee at the end of each financial year shall not exceed 60 *per cent* of estimated receipts in the Consolidated Fund of the State in that financial year.

As per Statement 9 of the Finance Accounts 2019-20, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last five years are given in **Table 2.46**.

Table 2.46: Guarantees given by the Government of Rajasthan

(₹ in crore)

Guarantees	2015-16	2016-17	2017-18	2018-19	2019-20
Maximum amount guaranteed including interest	1,61,236	1,18,161	1,12,057	1,31,026	1,44,676
Outstanding amount of guarantees including interest	53,620	51,119	61,761	70,430	80,631
Maximum amount guaranteed as a percentage of total Revenue Receipts	160.8	108.4	88.0	95.0	103.3
Estimated receipts in the Consolidated Fund	1,34,430	1,67,405	1,77,390	2,08,306	2,24,905
Outstanding guarantee w.r.t. estimated receipts (in <i>per cent</i>)	39.9	30.5	34.8	33.8	35.9

Source: Finance Accounts and budget documents

The outstanding guarantees increased by 14.5 *per cent* from ₹ 70,430 crore in 2018-19 to ₹ 80,631 crore in 2019-20 and were 57.5 *per cent* of the Revenue Receipts (₹ 1,40,114 crore) of the Government. The outstanding guarantees mainly pertained to five Power Companies (₹ 63,803 crore), Urban Development and Housing Sector (₹ 4,686 crore), one Road and Transport Corporation (₹ 3,086 crore) and seven Co-operatives (₹ 6,967 crore). The guarantees of Power Companies were given for repayment of loans/overdraft, amount raised by issue of bonds/debentures and payment of interest at stipulated rates.

The outstanding guarantee to estimated receipts ratio (35.9 per cent) during 2019-20 was within the limit fixed under FRBM Act (60.0 per cent).

2.7.3 Management of Cash Balances

As per an agreement with the RBI, the State Government has to maintain a minimum cash balance of ₹ 2.34 crore on all the days w.e.f. 01-03-1999. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary and special Ways and Means advances/overdrafts from time to time.

For arriving at the daily cash balance for the purpose of grant of Ways and Means advances/overdraft, the RBI evaluates the holdings of the 14 days Treasury Bills along with the transactions reported (at RBI counters, Inter-Government transactions and Treasury transactions reported by the agency banks) for the day. To the cash balance so arrived, the maturity of 14 days Treasury Bills if any, is added and excess balance, if any, after maintaining the minimum cash balance is reinvested in Treasury Bills. If the net cash balance arrived at is less than the minimum cash balance or a credit balance and if there are no 14 days Treasury Bills maturing on that day, RBI rediscounts the holdings of the 14 days Treasury Bills and makes good the shortfall. If there is no holding of 14 days Treasury Bills on that day, the State Government applies for Ways and Means Advances/Special Ways and Means Advances/Overdraft.

The limit for Normal Ways and Means Advances to the State Government was ₹ 1,630.00 crore w.e.f. 27.01.2016 and the same prevailed upto 31 March 2020. The RBI also gives Special Ways and Means Advances against the pledge of Government Securities. The limit of Special Ways and Means Advances is revised by the RBI from time to time. The limit of Special Ways and Means Advances was ₹ 3,496.20 crore on 1 April 2019 and ₹ 1,750.15 crore on 31 March 2020.

The extent to which the Government maintained the Minimum Cash Balance with the RBI during 2019-20 is given below:

(i) **Special Ways and Means Advances:** The balance under Special Ways and Means Advances as on 1 April 2019 was Nil. During 2019-20 the State Government obtained ₹ 1,416.40 crore Special Ways and Means Advances on three occasions ((₹ 366.01 crore from 01-06-2019 to 03-06-2019), (₹ 564.54 crore for 03-06-2019) and (₹ 485.85 crore for 10-06-2019)) from RBI. The balance at the end of the year 2019-20 was Nil.

(ii) **Cash Balance:** The General Cash Balance of the State as on 31 March 2020, apart from 'Investment held in the Cash Balance Investment account' (₹ 5,807.73 crore), 'Investment of Earmarked Funds' (₹ 1,870.87 crore) and Other cash balance (₹ 3.69 crore), was ₹22.12 crore which consisted of the following:

- a. **Cash in Treasuries (MH 8999-101) = ₹ 0.05 crore**
- b. **Deposits with RBI (MH 8999-102) = ₹ 49.03 crore**
- c. **Remittance in transit- local (MH 8999-104) = ₹ (-) 26.96 crore**

The 'Deposits with RBI' depicts the monthly cash balance in respect of Reserve Bank Deposit (State) as on 31 March 2020 after closing of March 2020 accounts. There was a difference of ₹19.23 crore (Cr.) between the figures in the Finance accounts (₹ 49.03 crore (Dr.)) and that intimated by the RBI (₹ 29.80 crore (Cr.)). Amount of ₹ 13.92 crore (Cr.) has been reconciled and cleared. Difference of ₹ 5.31 crore (Cr.) is still outstanding and requires reconciliation.

Table 2.47: Cash Balances and their investment

(₹ in crore)		
	Opening balance on 1 April 2019	Closing balance on 31 March 2020
A. General Cash Balance		
Cash in treasuries	0.05	0.05
Deposits with Reserve Bank of India	(-) 64.45	49.03
Remittances in transit – Local	(-) 12.32	(-) 26.96
Total	(-) 76.72	22.12
Investments held in Cash Balance investment account	2,154.46	5,807.73
Total (A)	2,077.74	5,829.85
B. Other Cash Balances and Investments		
Cash with departmental officers viz., Public Works, Forest Officers	0.87	0.85
Permanent advances for contingent expenditure with department officers	2.86	2.84
Investment in earmarked funds	3,712.28	1,870.87
Total (B)	3,716.01	1,874.56
Total (A + B)	5,793.75	7,704.41
Interest realized	281.20	77.12

Source: Finance Accounts

Table 2.48: Cash Balance Investment Account (Major Head-8673)

(₹ in crore)

Year	Opening Balance	Closing Balance	Increase (+) / decrease (-)	Interest earned
2015-16	7,628.58	5,915.95	(-) 1,712.63	578.23
2016-17	5,915.95	5,585.10	(-) 330.85	460.86
2017-18	5,585.10	6,401.72	816.62	365.84
2018-19	6,401.72	2,154.46	(-) 4,247.26	281.20
2019-20	2,154.46	5,807.73	3,653.27	77.12

The surplus cash balances of the State Government are automatically invested in 14 day treasury bills with an average interest rate of 5 per cent per annum and partly in 91, 181 and 364 day auctioned treasury bills of RBI. Till the end of 2019-20, a sum of ₹ 5,807.73 crore was invested in GoI Treasury Bills/Securities, which earned an interest of ₹ 77.12 crore. Further, ₹ 1,870.87 crore was also invested in earmarked funds.

Chart 2.25: Market loans vis-a-vis Cash Balance

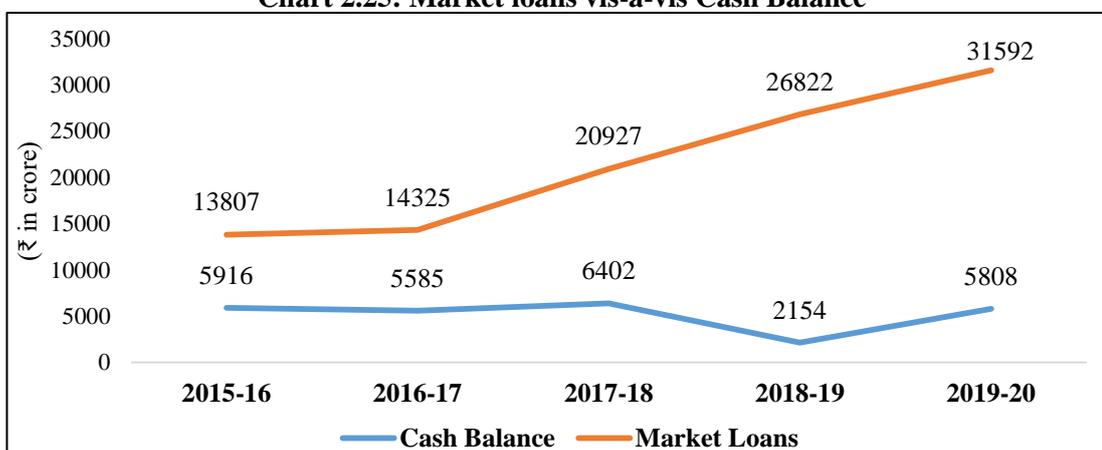
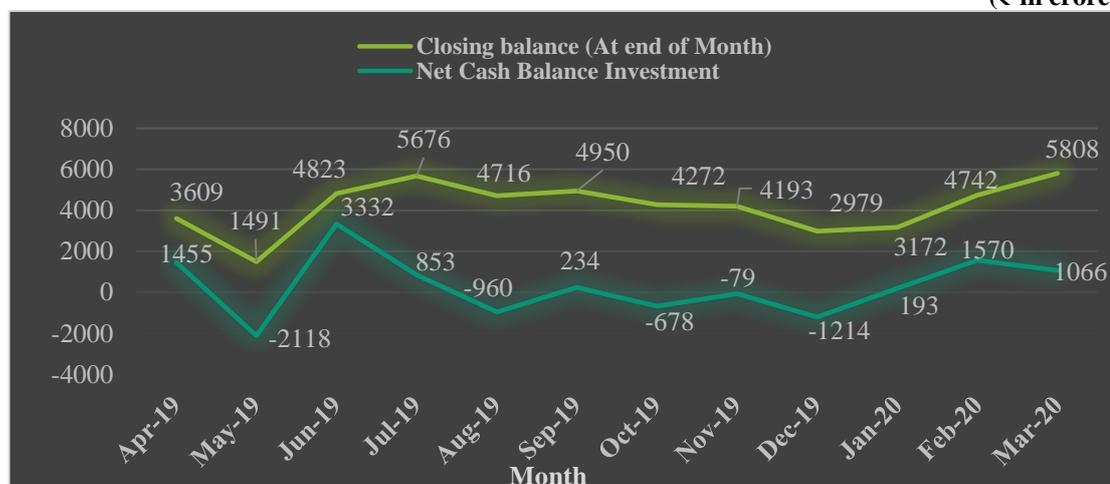


Chart 2.26: Month-wise movement of Cash Balances and net cash balance investments during the year

(₹ in crore)



2.8 Conclusion and recommendations

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government.

Key parameters

Positive Indicators	Parameters requiring close watch
Decreasing subsidy expenditure	Decreasing percentage of capital expenditure to total expenditure
Higher expenditure on Education and Health sectors as compared to the average of General Category states	Increasing Overall debt to GSDP ratio
	Revenue/Fiscal/Primary Deficits
	Increasing committed expenditure
	Loans or investment to the companies and corporations, which are loss making or whose net worth is completely eroded
	Increasing revenue deficit
	Short contribution to reserve funds

Improvement in the fiscal position of the state would require efforts by the State Government towards parameters requiring close watch as indicated above.

Chapter III: Budgetary Management

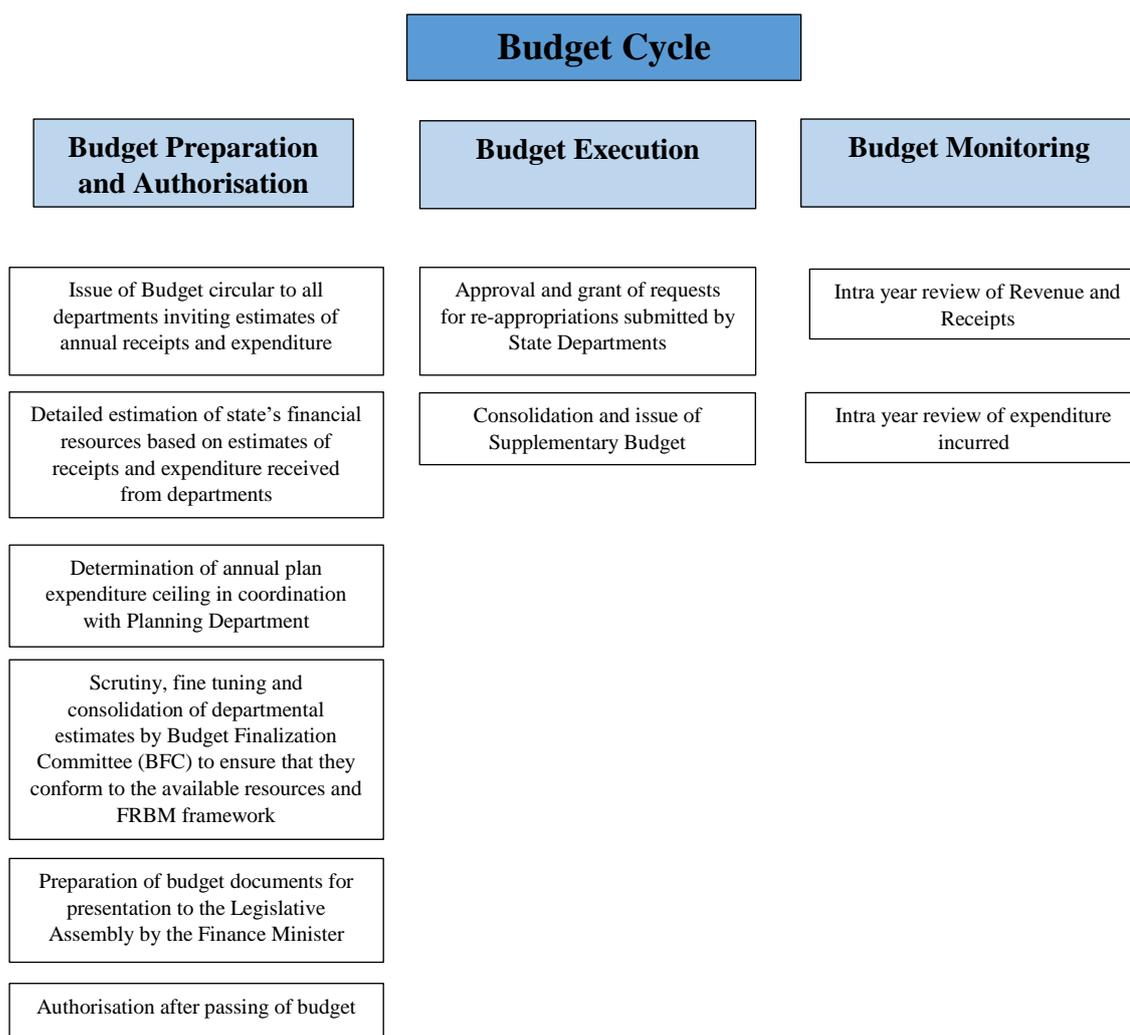
Introduction

The chapter reviews the allocative priorities of State Government and comments on transparency of Budget formulation and effectiveness of its implementation. Effective financial management ensures that decisions taken at the policy level are implemented successfully at the administrative level without wastage or diversion of funds.

3.1 Budget Process

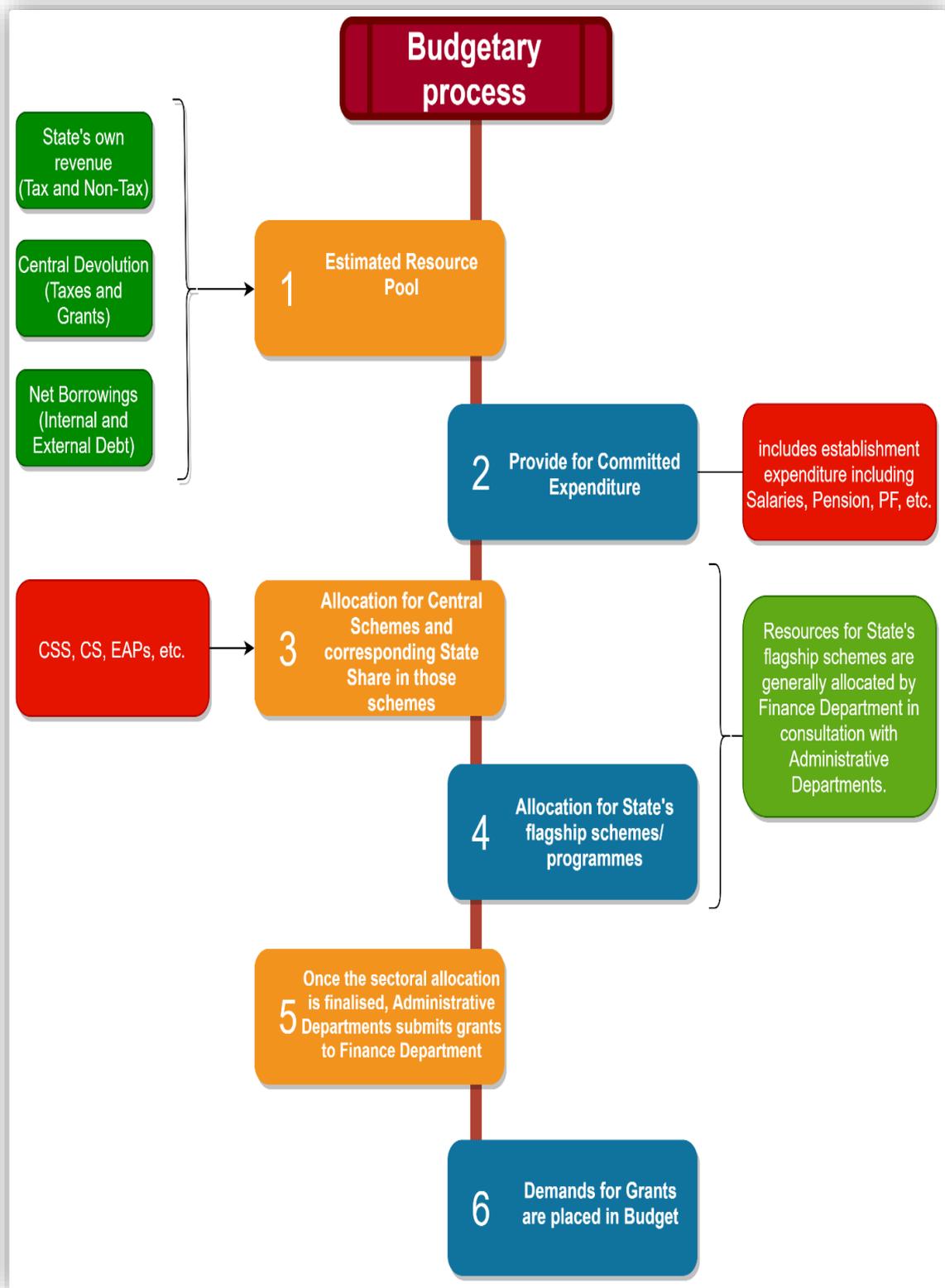
The annual exercise of budgeting is a means for detailing the roadmap for efficient use of public resources. Budget glossary is given in *Appendix 3.1*. In each financial year, the Finance Department is required to prepare a statement of all receipts and expenditure expected to be realized or incurred during the year. This statement is referred to as the Annual Financial Statement (popularly known as the Budget) as specified in Article 202 of the Constitution. Activities to be undertaken by Finance Department in the Budget Process:

Chart 3.1: Budget process



The Budget process commences with the issue of the Budget Circular, normally in August each year, which guides the Departments in framing their estimates, for the next financial year. A typical budget preparation process in a State is given in the figure below:

Chart 3.2: Budget preparation process

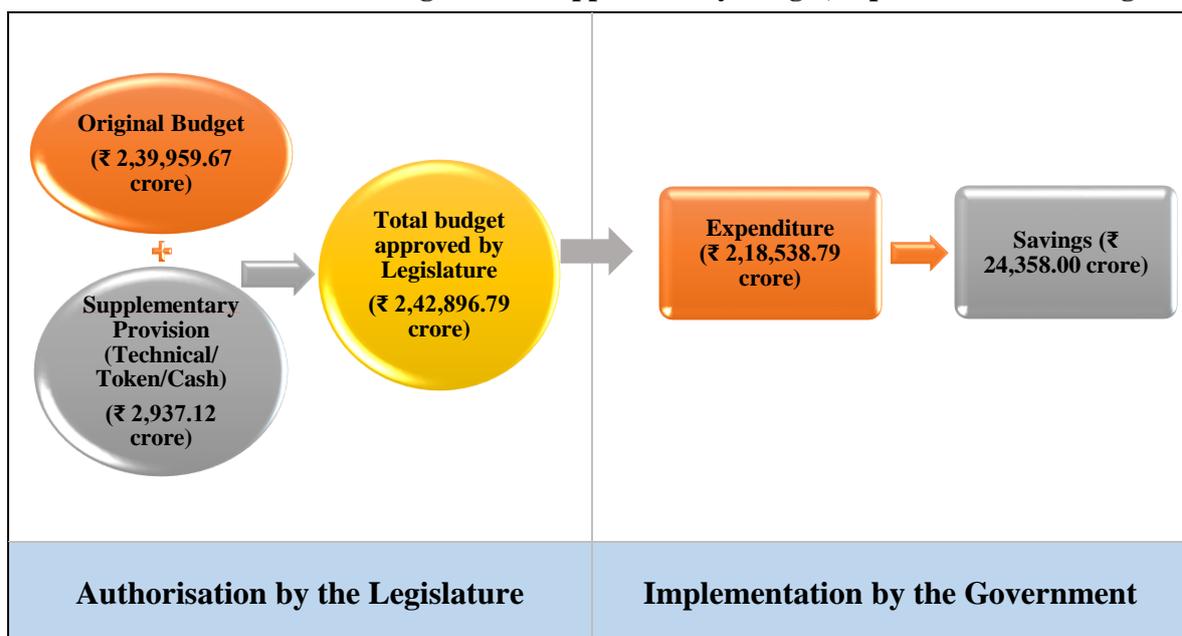


CSS: Centrally Sponsored Schemes; CS: Central Schemes.

As soon as the detailed estimates and grants are finally passed by the Legislative Assembly in accordance with the procedure laid down in Articles 202-204 of the Constitution, Finance Department communicates to all Heads of Departments and other Budget Controlling Officers in written form, the allotments placed at their disposal during the budget year. Copies of letters communicating the grants are forwarded to the concerned Administrative Departments and to the Accountant General. Finance Department also sends copies of the budget document to the Accountant General. All such information and budgetary data is uploaded on the Integrated Financial Management System by the Finance Department and access to the same is available with the concerned authorities.

Finance Department also reviews requests made for supplementary grants and re-appropriations by departments during the course of the year. Apart from supplementary grant, re-appropriation can also be used to re-allocate funds within a Grant. Re-appropriation is the transfer, by competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same section (Revenue-Voted, Revenue-Charged, Capital-Voted, Capital-Charged) of the Grant or Charged Appropriation. The total amounts approved by the State Legislature including the original and supplementary budget, expenditure and savings during the year 2019-20 are depicted below:

Chart 3.3: Position of original and supplementary budget, expenditure and savings



The State Budget Manual (SBM), stipulates that the estimates of expenditure should be as accurate as possible. An avoidable excess in an estimate is as much a financial irregularity as an excess in the actual expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and it should neither be more nor less.

The budget process/documents are subjected to an external audit conducted by Comptroller and Auditor General. The audit process ensures that (i) every effort is made for revenue realisation and propriety of expenditure (ii) delivery of services by the

government has been carried out with honesty and integrity and (iii) the due process is followed during the entire budget cycle.

3.1.1 Summary of total provisions, actual disbursements and savings/excess during financial year

Summarised position of total budget provisions, disbursements and saving/excess during 2019-20 is given in **Table 3.1**.

Table 3.1: Budget provisions, disbursements and savings/excess during 2019-20

(₹ in crore)					
Total Budget provision		Disbursements		Saving/Excess	
Voted	Charged	Voted	Charged	Voted	Charged
1,98,835.29	44,061.51	1,74,658.95	43,879.83	24,176.34	181.67

It can be seen from the table that the savings relate mainly to the voted part of Budget Provision.

3.1.2 Charged and Voted disbursements

As per Article 112(2) of the Constitution, a distinction is made between Charged and Voted expenditure. Charged expenditure is an expenditure charged on the revenues of the State not subject to the vote of Legislative Assembly under the Constitution. Voted expenditure is subject to the vote of Legislative Assembly. Article 202 (3) of the Constitution specifies categories of expenditure that can be charged on the Consolidated Fund of the state.

Trend analysis during the last five years (2015-20) of classification of total disbursements into Charged and Voted is given below:

Table 3.2: Voted and Charged disbursements and savings/excess during 2015-20

Year	Disbursements		Saving/Excess	
	Voted	Charged	Voted	Charged
2015-16	1,56,718.87	17,089.31	(-) 17,434.41	(+) 169.91
2016-17	1,43,262.70	22,913.17	(-) 17,297.87	(-) 90.45
2017-18	1,52,446.45	31,640.86	(-) 15,882.96	(-) 107.23
2018-19	1,70,938.53	38,837.74	(-) 19,224.26	(-) 77.79
2019-20	1,74,658.95	43,879.83	(-) 24,176.34	(-) 181.67

The charged disbursements increased by 156 *per cent* from ₹ 17,089.31 crore in 2015-16 to ₹ 43,879.83 crore in 2019-20. Voted disbursements increased by 11.44 *per cent* from ₹ 1,56,718.87 crore in 2015-16 to ₹ 1,74,658.95 crore in 2019-20 and savings exceeded ₹ 15,000 crore under voted section in every year during 2015-16 to 2019-20.

3.2 Appropriation Accounts

Appropriation Accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of grants voted and appropriations charged

for different purposes as specified in the schedules appended to the Appropriation Act passed under Article 204 and 205 of the Constitution of India. Appropriation Accounts are on Gross basis. These Accounts depict the original budget provision, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services vis-à-vis those authorised by the Appropriation Act in respect of both Charged and Voted items of budget. Appropriation Accounts thus facilitate understanding of utilisation of funds, the management of finances and monitoring of budgetary provisions and are, therefore, complementary to the Finance Accounts.

The CAG of India conducts the audit of appropriations to ascertain whether the expenditure actually incurred under various grants underlying in the budget, is within the authorisations given under the Appropriation Act for the year and whether charged appropriations are as required to be charged under the provisions of the Constitution. It also seeks to ascertain whether the expenditure so incurred conforms with the law, relevant rules, regulations and instructions.

3.3 Comments on integrity of budgetary and accounting process

3.3.1 Unnecessary or excessive supplementary grants

Para 24.2 of the State Budget Manual (SBM) stipulates that during the course of a financial year, if the amount provided for the purpose is found to be inadequate or a need arises for an expenditure during the course of the year on some object or service for which no provision has been made, a supplementary grant can be sanctioned by the Legislature.

The State Legislature approved supplementary provision (February 2020) of ₹ 2,937.12 crore in 44 Grants/Appropriations for the year 2019-20. Cases of supplementary provisions of ₹ 50 lakh or more in each case, aggregating to ₹ 916.05 crore, obtained in 17 cases are given in **Table 3.3** below.

Table 3.3: Cases where supplementary provisions proved unnecessary during 2019-20

(₹ in crore)					
S. No.	Name of the Grant	Original	Supplementary	Actual	Saving out of Provisions
Unnecessary Supplementary					
Revenue (Voted)					
1.	2- Council of Ministers	15.01	1.89	14.88	-0.13
2.	9- Forest	780.23	18.9	703.43	-76.8
3.	16-Police	6362.99	74.40	6169.33	-193.66
4.	20-Housing	71.13	0.86	59.02	-12.11
5.	21-Roads & Bridges	2528.34	63.87	2217.59	-310.75
6.	26-Medical Public Health and Sanitation	10189.19	95.99	9593.02	-596.17
7.	27-Drinking Water Scheme	3999.86	50.53	3628.51	-371.35
8.	34-Relief from Natural Calamities	5019.99	24.45	3826.68	-1193.31
9.	35-Miscellaneous Community and Economic Services	499.68	37.99	490.39	-9.29
10.	41-Community Development	5947.43	358.41	5537.12	-410.31
11.	43-Minerals	185.17	10.89	137.67	-47.5
12.	44-Stationary and Printing	30.78	1.49	28.39	-2.39

S. No.	Name of the Grant	Original	Supplementary	Actual	Saving out of Provisions
13.	46-Irrigation	1984.17	34.60	1853.53	-130.64
	Total	37613.97	774.41	34259.56	3354.41
Capital (Charged)					
14.	Public Debt	20043.53	6.26	20032.68	-10.85
	Total	20043.53	6.26	20032.68	-10.85
Capital (Voted)					
15.	16-Police	174.61	43.09	150.61	-24
16.	24-Education Art & Culture	539.22	62.00	495.24	-43.98
17.	46-Irrigation	1866.58	30.29	1635.34	-231.24
	Total	2580.41	135.38	2281.19	299.22
	Grand Total	60237.91	916.05	56573.43	3664.48

In all the above cases, it was seen that provisions for supplementary grants proved unnecessary as the actual expenditure was even less than the original budget estimates. This indicates that supplementary grants were obtained without proper assessment of adequacy of original provision in contravention of provision of Constitution and SBM.

From the above facts, it is clear that the budget controlling officers failed to exercise their responsibilities envisaged under chapter 24 of SBM. Demands for supplementary provisions without assessing the actual requirements indicated lack of budgetary control and inadequate assessment. The Departments need to strengthen the estimation of requirement of funds and review the basis of supplementary provisions to avoid such instances in future.

3.3.2 Unnecessary or excessive re-appropriation

Re-appropriation is the transfer of funds within a grant from one unit of appropriation where savings are anticipated, to another unit where additional funds are needed. As per para 23.3 of SBM, re-appropriations are permissible only when it is known or anticipated that appropriation for the unit from which funds are diverted will not be utilized in full or that savings can definitely be affected in it. During the year 2019-20, re-appropriation orders of ₹ 11,980.10 crore were issued till 31 March 2020.

In several cases, re-appropriation proved insufficient/excessive or unnecessary and resulted in huge savings. The final savings/excess after re-appropriation was more than ₹ one crore in 30 heads of accounts (*Appendix 3.2*). There was insufficient re-appropriation in seven heads of accounts, unnecessary re-appropriation in four heads of accounts and excessive re-appropriation in 19 heads of accounts.

Injudicious re-appropriation of funds resulted in excess expenditure of ₹ 623.44 crore in 96 sub-heads and final savings of ₹ 452.80 crore in 420 sub-heads. The State government did not furnish any reply for these re-appropriations (March 2021).

The above instances are indicative of the fact that the budget controlling officers failed to adequately assess the requirements and did not have updated information regarding expenditure before re-appropriations.

Para 23.15.6 of SBM envisages that the reasons for anticipating excesses or savings should be clearly explained by the Department. Scrutiny of re-appropriation orders issued (31 March 2020) by the Finance Department, revealed that out of 1,504 re-appropriation orders, reasons were clearly explained only in 585 cases (38.9 *per cent*). Explanations in the remaining 919 cases, were of vague and non-specific nature like ‘actual requirement’, ‘based on latest assessment’ and ‘restriction of expenditure’.

3.3.3 Unspent amount and surrendered appropriations and/or Large Savings/Surrenders

Paragraph 13.7 of the State Budget Manual prescribes that actual expenditure incurred in the last three years, as also revised estimates for the current financial year, should be taken into consideration for preparing estimates for the ensuing financial year. Past figures should be used to identify any noticeable tendency for expenditure to rise or decline, any abnormal feature during past years, any recognizable regularity in movement of expenditure and any special event likely to arise with the potential to impact expenditure significantly.

During the year 2019-20, cases of substantial savings from budget allocation were noticed, raising questions about the credibility of the budgeting process and budget monitoring. The outcome of Appropriation audit revealed that out of total savings of ₹ 24,358.00 crore (10.03 *per cent*) during the year 2019-20 there were 25 grants in which the savings exceeded ₹ 100 crore in each case and these grants had combined savings of ₹ 22,979.81 crore (94.34 *per cent* of total savings), as given in **Appendix 3.3**.

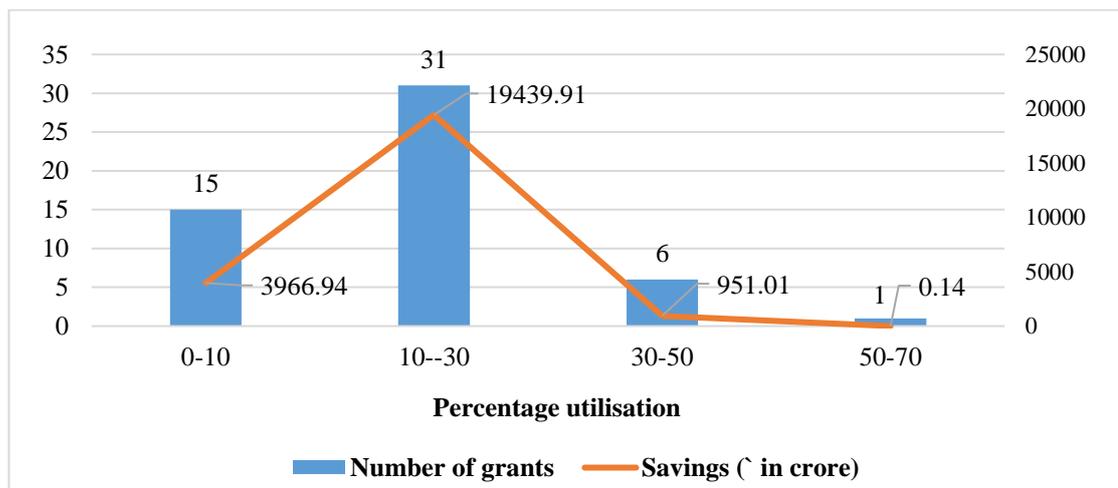
The main reason for substantial savings as furnished by the departments was non/less release of share/funds by GoI/GoR. Other reasons were slow progress of work, non-receipt of sanctions from GoI, non/less execution of work, non-availability of construction site, posts remaining vacant, less expenditure on pay and allowances, elections of Zila Parishads and Panchayat Samitis not conducted, less issue of PRAN by NSDL to probationers than estimated leading to less than anticipated NPS contribution, non-passing of bills in treasuries during the last days of March 2020 due to imposition of lockdown, non-release of sanction for construction, less expenditure on repair and maintenance, non-release of guidelines of ISBIG¹ project, non-transfer of funds to PD accounts of chief block education officers, non-release of grants to MDSU, reduction in budget ceiling etc. It is also pertinent to note that during the year the actual receipts (₹ 2,01,977.70 crore) were less by ₹ 22,927.14 crore as compared to the budgeted estimates (₹ 2,24,904.84 crore) and by ₹ 15,276.99 crore as compared to the revised estimates (₹ 2,17,254.69 crore).

1. Incentivisation Scheme for Bridging Irrigation Gap.

This indicates that the provisions of Chapter 13 of the SBM related to estimates of expenditure were not followed during preparation of budget estimates of expenditure by the Departments and budget controlling officers of these grants, which resulted in huge savings of ₹ 22,979.81 crore.

The distribution of the number of grants/appropriations grouped by the percentage of savings along with total savings in ₹ crore in each group are shown in the **Chart 3.4** below.

Chart 3.4: Number of grants/appropriations with total Savings



Of the 12 grants in Capital-voted section and one grant in Revenue-voted section with budget utilization of less than 50 per cent, five grants had shown similar low utilization in two of the last five years, which is indicative of systemic issues that warrants a close review by the Government to enable initiation of corrective measures. Utilisation of budgetary allocation in these 13 grants for the five year period 2015-16 to 2019-20 is shown in the following **Chart 3.5 and Table 3.4**.

Chart 3.5: Budget Utilization during 2015-16 to 2019-20

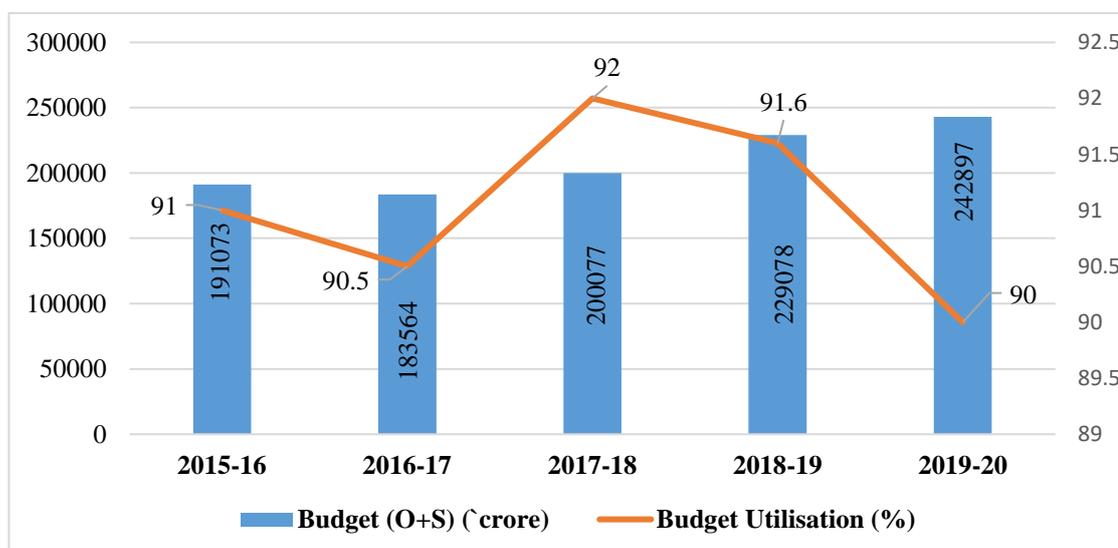


Table 3.4: Grants/Appropriations with Budget utilisation less than 50 per cent

(₹ in crore)

S.No.	Grant	2015-16	2016-17	2017-18	2018-19	2019-20	No. of years*	Budget 2019-20	Total Budget (5 years)
Capital voted									
1.	11-Miscellaneous social services	24 %	25%	36%	41%	35%	5	10.71	118.73
2.	12-Other taxes	50%	33%	7%	90%	54%	3	24.00	762.24
3.	19-Public works	72%	44%	59%	55%	52%	1	805.24	6099.78
4.	23-Labour and employment	29%	50%	47%	60%	0%	4	31.00	186.15
5.	26-Medical and public health and sanitation	40%	49%	58%	71%	69%	2	252.08	1483.22
6.	32-Civil Supplies	6%	7%	23%	15%	1%	5	3.88	20.43
7.	37-Agriculture	52%	39%	82%	44%	48%	3	246.80	1813.49
8.	38-Minor irrigation and soil conservation	65%	18%	91%	35%	100%	2	0.28	5.97
9.	41-Community Development	17%	85%	63%	32%	16%	3	9.62	87.46
10.	42-Industries	20%	67%	17%	5%	20%	4	95.06	625.19
11.	43-Minerals	0%	6%	18%	58%	92%	3	173.53	1105.78
12.	47-Tourism	79%	43%	40%	61%	13%	3	30.88	239.20
Revenue voted									
13.	49-Compensation and assignments to local bodies and Panchayati raj institutions	19%	19%	56%	40%	32%	4	0.21	1.50

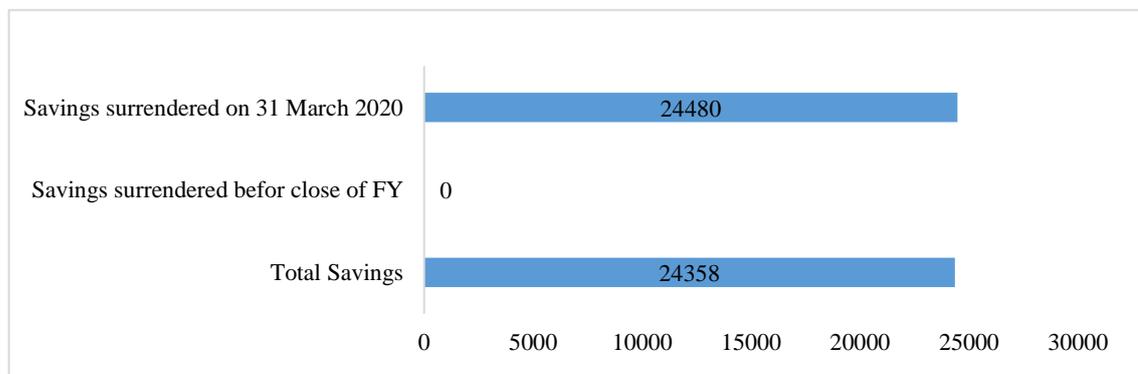
* Number of years with utilisation below 50 per cent.

Less utilization in these sectors and instances of repeated underutilization indicate less emphasis on these sectors as well as deficient budgeting process. The reasons of repeated low utilization in these grants may be examined and necessary corrective action taken by the government.

Further, it was noticed that during the year a provision of ₹ 31.00 crore was made under grant no. 23 (Capital-voted section) for capital outlay but no expenditure was incurred for mentioned purpose during the year.

Chart 3.6: Savings and surrenders before close of financial year 2019-20

(₹ in crore)



As can be seen from the chart, against the total savings of ₹ 24,358.00 crore during the year, ₹ 24,479.59 crore (100.5 per cent) was surrendered due to excess surrender of funds of ₹ 121.59 crore as detailed in **Table 3.5**.

Anticipated savings not surrendered

According to para 23.16 of SBM, grants that cannot be properly utilised should be surrendered. Accordingly, it is the duty of the budget controlling officers to ensure that all anticipated savings are surrendered as soon as they are estimated, without waiting till the end of the year, unless they are definitely required to meet excesses under some other units of the same grant. No savings can be held in reserve by them for meeting possible future excesses.

During the scrutiny of Appropriation Account, it was noticed that an amount of ₹ 479.01 crore under various grants/appropriations was not surrendered and was offset by excess surrender of ₹ 600.60 crore in two grants resulting in excess surrender of funds by ₹ 121.59 crore.

In 23 cases under 17 grants/appropriations (where savings were ₹ one crore and above) with aggregate savings of ₹ 17,254.89 crore, an amount of ₹ 474.14 crore was not surrendered (**Appendix 3.4**). Early surrender could have ensured more productive use of resources in other areas having shortfall.

This indicates that the Departments did not make realistic assessment of requirements and failed to exercise necessary budgetary controls over the flow of expenditure through the monthly expenditure statements.

Details of surrender of funds (in excess of ₹ 10 crore) at the end of March

In two grants, an amount of ₹ 1,703.25 crore was surrendered against the savings of ₹ 1,102.65 crore, which was in excess by ₹ 600.60 crore as given in **Table 3.5**.

Table 3.5: Cases where fund is surrendered in excess

(₹ in crore)								
S. No.	Number and Name of Grant	Original Budget	Supplementary	Total	Expenditure	Saving	Amount surrendered	Excess surrender
1.	16- Police (Revenue-Voted)	6,362.99	74.4	6,437.39	6,169.33	268.06	272.14	4.08
2.	21 – Roads and Bridges (Revenue-Voted)	2,528.34	63.87	2,592.21	2,217.59	374.62	939.42	564.8
3.	21 – Roads and Bridges (Capital-Voted)	3,759.48	0	3,759.48	3,299.51	459.97	491.69	31.72
	Total	12,650.81	138.27	12,789.08	11,686.43	1,102.65	1,703.25	600.6

Source: Appropriation Accounts

The Departments did not furnish any reasons regarding surrender in excess of actual savings (March 2021).

As can be seen, the amount surrendered was in excess of actual savings, indicating inadequate budgetary control in these two grants.

Persistent savings

The Public Accounts Committee (PAC) in its 86th (March 2016) and 153rd (March 2017) Reports had recommended to take effective measure to avoid cases of persistent savings in future and ensure due diligence while preparing budget estimates. Despite these recommendations, the incidence of persistent savings continued during 2019-20.

In 9 cases involving 8 grants, there were persistent savings of more than ₹ 100 crore ranging from 10.5 per cent to 47.58 per cent of the total provision during the last three years as per the details given in **Table 3.6**.

Table 3.6: Persistent saving under various grants

(₹ in crore)

S. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	Percentage of savings
Revenue-Voted						
1.	21-Roads and Bridges	2017-18	2,017.89	1,700.22	317.67	15.74
		2018-19	1,668.65	1,362.34	306.31	18.36
		2019-20	2,592.21	2,217.59	374.62	14.45
2.	28-Special Programmes for Rural Development	2017-18	934.93	770.68	164.25	17.57
		2018-19	1,012.06	769.29	242.77	23.99
		2019-20	645.24	431.45	213.79	33.13
3.	29-Urban Plan and Regional Development	2017-18	4,984.89	3,881.28	1,103.61	22.14
		2018-19	5,099.28	4,015.09	1,084.19	21.26
		2019-20	4,916.82	4,016.24	900.58	18.32
4.	37-Agriculture	2017-18	2,471.37	2,212.86	258.51	10.46
		2018-19	2,507.20	2,013.91	493.29	19.67
		2019-20	2,502.34	2,168.48	333.86	13.34
Capital Voted						
5.	19- Public Works	2017-18	1,509.83	884.68	625.15	41.41
		2018-19	1,024.80	560.35	464.45	45.32
		2019-20	805.24	422.12	383.12	47.58
6.	27-Drinking Water Scheme	2017-18	3,901.51	3,218.49	683.02	17.51
		2018-19	3,744.05	2,700.23	1,043.82	27.88
		2019-20	3,244.50	2,221.98	1,022.52	31.52
7.	29-Urban Plan and Regional Development	2017-18	1,501.58	950.74	550.84	36.68
		2018-19	1,477.17	1,280.37	196.80	13.32
		2019-20	1,300.87	811.25	489.62	37.64
8.	46-Irrigation	2017-18	1,616.99	1,381.46	235.53	14.57
		2018-19	1,653.77	1,414.63	239.14	14.46
		2019-20	1,896.87	1,635.34	261.53	13.80
9.	51-Special Component Plan for Welfare of Scheduled Castes	2017-18	5,537.10	3,872.12	1,664.98	30.07
		2018-19	5,293.39	3,959.49	1,333.90	25.20
		2019-20	4,178.83	3,194.20	984.63	23.56

Source: Appropriation Accounts

As per the reasons furnished by the concerned Departments, persistent savings were mainly due to less/non-release of share/funds by GoI/GoR. Other reasons were slow progress of work, non-receipt of sanctions from GoI, non/less execution of work, non-availability of construction site, posts remaining vacant etc.

Persistent savings indicate unrealistic estimates of the anticipated expenditure during the period, poor control over expenditure and deficient financial monitoring.

3.4 Comments on transparency of budgetary and Accounting process

3.4.1 Lump Sum budgetary provisions

Lump sum budgetary provision refers to a general, non-specific approach to budgeting which leaves a great deal of discretion to the owner of the grant. Para 13.16 of SBM stipulates that as a rule, lump sum provisions should not be made in the estimates. Barring the cases where expenditure from lump sum allotments is regulated by standing sanctions, instructions or rules, detailed explanations justifying proposed provision shall be given in the budget note accompanying the lump sum estimates.

According to Rule 287 of Public Works Financial and Accounts Rules (PWF&AR), financial sanction means the specific concurrence of the Government in the Finance Department to the expenditure proposed for all Major Works referred to in Rule 284² and breakup against lump sum provision.

During 2019-20, in 40 cases under 11 grants (where surrendered provision was more than ₹ 5 crore), lump sum provisions of ₹ 2,523.76 crore were made in the estimates. Out of this, a sum of ₹ 1,642.16 crore (65.07 per cent) remained unutilized and was surrendered/re-appropriated towards the end of the year (**Appendix 3.5**). Reasons for making lump sum budget provisions in these cases were not furnished (March 2021) by the Government.

Less expenditure in capital projects indicates lack of proper monitoring of works and flow of expenditure at the level of the Department and proposals being made without proper planning by the Department. Further, escalation of cost cannot be ruled out on delayed works.

2. Works are divided into three classes- (i) Petty works i.e. those costing not more than ₹ 4.00 lakh; (ii) Minor works i.e. those costing more than ₹ 4 lakh but not more than ₹ 5.00 crore and (iii) Major Works i.e. those costing more than ₹ 5.00 crore.

3.5 Comments on effectiveness of budgetary and accounting process

3.5.1 Budget projection and gap between expectation and actual

The summarised position of actual expenditure during 2019-20 against 55 grants/appropriations is given in **Table 3.7**.

Table 3.7: Actual Expenditure vis-à-vis Original/Supplementary Provisions

(₹ in crore)

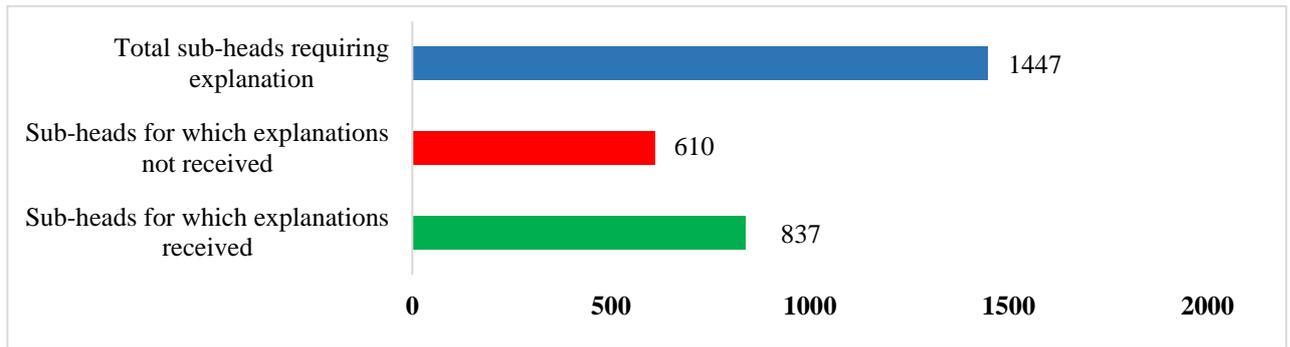
	Nature of expenditure	Original Grant/App.	Supplementary Grant/App.	Total	Actual expenditure*	Net of Savings (-)	Surrender during March	
							Amount	Per cent
Voted	I. Revenue	1,72,775.96	1,989.08	1,74,765.04	1,55,942.36	18,822.68	19,084.98	101.39
	II. Capital	21,357.35	245.47	21,602.82	16,461.41	5,141.41	4,939.99	96.08
	III. Loans & Advances	2,408.53	58.90	2,467.43	2,255.19	212.24	281.87	132.81
	Total	1,96,541.84	2,293.45	1,98,835.29	1,74,658.96	24,176.33	24,306.84	100.54
Charged	V. Revenue	23,374.30	637.30	24,011.60	23,847.05	164.55	155.64	94.59
	VII. Capital	0.00	0.10	0.10	0.10	0.00	0.00	0.00
	VIII. Public Debt- Repayment	20,043.53	6.27	20,049.80	20,032.68	17.12	17.11	99.94
Total	43,417.83	643.67	44,061.50	43,879.83	181.67	172.75	95.09	
Appropriation to Contingency Fund (if any)	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total		2,39,959.67	2,937.12	2,42,896.79	2,18,538.79	24,358.00	24,479.59	

Source: Appropriation Accounts

*The figures of actual expenditure include recoveries adjusted as reduction of expenditure (Revenue: ₹ 3,304.31 crore and Capital: ₹ 1,743.46 crore, Total: ₹ 5,047.77 crore).

The overall saving of ₹ 24,358.00 crore was the result of savings in 49 grants and 43 appropriations under Revenue Section and 35 grants and 4 appropriations under Capital Section. Supplementary provision of ₹ 2937.12 crore was obtained during the year which constituted 1.22 *per cent* of the original provision. There were large savings of ₹ 24,358.00 crore (10.03 *per cent*) against total budget provision of ₹ 2,42,896.79 crore with the overall savings under all the grants and appropriations being almost eight times the supplementary budget obtained during the year. This indicates that supplementary provisions were made without proper scrutiny of requirements as covered in **para 3.3.1**.

The Departments did not furnish replies regarding obtaining supplementary provisions despite availability of funds under original provision. The Principal Accountant General (A&E), Rajasthan called for explanation from the budget controlling officers on the variations in expenditure i.e. savings/excesses in 1447 sub-heads. However, explanations in respect of 610 sub-heads (saving: 511 and excess: 99) were not received (November 2020).

Chart 3.7: Summary of Explanation for Variation in Appropriation Accounts

Absence of explanations for variations between the budgeted allocations and their utilization limits legislative controls over budget as a means of ensuring financial accountability of the Government.

The overall position of Original budget, Actual expenditure and Saving/Excess during 2015-2020 is detailed in **Table 3.8**:

Table 3.8: Original Budget, Actual Expenditure and Saving/ Excess during 2015-20

	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Original Budget	1,41,232.02	1,74,840.75	1,86,654.01	2,17,433.13	2,39,959.67
Supplementary Budget	49,840.66	8,723.44	13,423.49	11,645.19	2,937.12
Percentage of supplementary to Original budget	35.3	5.0	7.2	5.4	1.2
Total	1,91,072.68	1,83,564.19	2,00,077.50	2,29,078.32	2,42,896.79
Actual Expenditure	1,73,808.18	1,66,175.87	1,84,087.31	2,09,776.27	2,18,538.79
Saving/excess	17,264.50	17,388.32	15,990.19	19,302.05	24,358.00
Percentage of Saving	9.04	9.47	7.99	8.43	10.03
Budget utilisation	90.96	90.53	92.01	91.57	89.97

The supplementary provisions ranged from 1.2 *per cent* to 35.3 *per cent* against the original provisions during the period 2015-2020. However, from 2017-18 onwards, supplementary provision against original provision has shown a decreasing trend.

It is evident from the above table that during the period 2016-17 to 2019-20 the supplementary provision continuously proved unnecessary as the savings were in excess of supplementary provisions in all these years. Against the total provision, the unutilized provision/savings under budget ranged from 7.99 *per cent* to 10.03 *per cent*. This is indicative of the fact that proper estimation of provision and execution of financial plan were lacking.

3.5.2 Supplementary budget and opportunity cost

Scrutiny of Appropriation Accounts of the relevant years indicates that during the period 2016-17 to 2019-20 the supplementary provisions continuously proved unnecessary. Further, against the total provision, the unutilised provision/savings under budget ranged from 7.99 per cent (₹ 15,990.19 crore) to 10.03 per cent (₹ 24,358 crore) during the period 2015-16 to 2019-20.

During 2019-20, balances of un-utilised funds against supplementary/original provision obtained in 29 cases under capital voted section are given in **Table 3.9** below.

Table 3.9: Unutilised funds against supplementary/original provision

(₹ in crore)						
S. No	Name of the Grant	Original allocation	Supplementary	Total	Actual Expenditure	Unutilised funds
Capital(voted)						
1	009-Forest	79.08	0	79.08	60.46	18.62
2	011-Miscellaneous Social Services	10.71	0	10.71	3.75	6.96
3	012-Other Taxes	24	0	24	12.85	11.15
4	016-Police	174.61	43.09	217.7	150.61	67.09
5	019-Public works	805.24	0	805.24	422.12	383.12
6	020-Housing	90	0	90	26.41	63.59
7	021-Roads and Bridges	3,759.48	0	3,759.48	3300	459.48
8	022-Area Development	268.05	0	268.05	131.38	136.67
9	023-Labour and Employment	31	0	31	0.00	31.00
10	024-Education ,Art and Culture	539.22	62	601.22	495.24	105.98
11	026-Medical and Public Health and Sanitation	252.08	0	252.08	174.07	78.01
12	027-Drinking Water Scheme	3,244.50	0	3,244.50	2,221.98	1,022.52
13	028-Special Programmes for Rural Development	308.25	0	308.25	252.81	55.44
14	029-Urban plan and Regional Development	1,300.87	0	1,300.87	811.25	489.62
15	030-Tribal area development	3,190.76	0	3,190.76	2,552.84	637.92
16	032-Civil Supplies	3.88	0	3.88	0.02	3.86
17	033-Social Security and Welfare	212.80	58.9	271.7	240.28	31.42
18	035-Miscellaneous Community and Economic Services	102.20	51.05	153.25	127.64	25.61
19	036-Co-operation	10.47	0	10.47	8.78	1.69
20	037-Agriculture	246.8	0	246.8	118.39	128.41
21	039-Animal Husbandry and Medical	26.78	0	26.78	18.04	8.74
22	041-Community Development	9.62	0	9.62	1.55	8.07
23	042-Industries	95.06	0	95.06	18.71	76.35
24	043-Minerals	115.04	58.49	173.53	160.3	13.23
25	046-Irrigation	1,866.58	30.29	1,896.87	1,635.34	261.53
26	047-Tourism	30.88	0	30.88	5.69	25.19
27	048-Power	2,787.48	0	2,787.48	2,570.76	216.72
28	050-Rural Employment	1.42	0.44	1.86	1.80	0.06
29	051-Special component plan for Welfare of Scheduled Castes	4,178.83	0	4,178.83	3,194.20	984.63
	Total	23,765.69	304.26	24,069.95	18,717.27	5,352.68

Further, as per information provided by the State Government, total 329 projects (₹ 49,781.57 crore) related to Water Resources Department (85), Public Works Department (158) and Public Health Engineering Department (86) were awaiting completion, out of which, details of 12 major projects having estimated cost more than ₹ 100 crore are given below:

Table 3.10: Detail of incomplete scheme/Projects having cost more than ₹ 100 crore

(₹ in crore)					
S. No.	Name of Scheme/Project (having estimated cost ₹ 100 crore or more)	Estimated cost/ Revised cost of scheme/ Project	Scheduled date of completion	Expenditure as of 31 March 2020	Physical Progress of the work (in per cent)
Water Resources Department					
1	Relining of Anoopgarh Shakha RD 0 to 40 Suratgarh branch RD 19.20 to 48 and direct minors of Rawatsar branch & NDR distributary	127.13	2019-20	95.92	86
2	Rehabilitation of Sakhi Minor, Kodiband disty, Momewala disty minor, Kharawal disty, Hismaki disty of Anoopgarh branch system & Govind Sagar, Mr. Govind Sagar sub minor, surajajnsar minor, Bakhtawarpur minor and sub-minor, Dungiawali minor, Birrahanan minor, Bhopulpura minor, Rajana minor and chidasar minor, Sardapura minor, kishanpura minor, Bojeawala-II disty, kesardesar disty of direct system of IGMN, APS RD 40-65 and RD 65-105	110.05	2019-20	87.27	100
Public Works Department					
3	Widening and strengthening of NH-65 to four lanes with paved shoulders from existing km 267/500 to km 296/070 (Netra Village to Mandore section)	269.22	2016-17	197.99	100
4	Widening to four-lane with paved shoulder with CC pavement from km 256/550 to km 289/500 on Kota-Darah section of NH-12 (Kota-Jhalawar road in the State of Rajasthan on EPC mode)	621.43	2018-19	475.75	90
5	Construction of Nagaur bypass from km 166/260 to km 180/500 on NH-65 in the state of Rajasthan on EPC mode	155.76	2017-18	159.13	78
6	Up-gradation to two-lane with paved shoulder for section from km 58/00 to km 91/600-excluding ch (59.460 to 62.900), (73.120 to 75.920), (82.650 to 83.300) Balotra to Sanderao via Jalore (excluding ongoing project section on NH 325) in the state of Rajasthan on EPC mode.	179.32	2018-19	158.24	90
7	Up-gradation to two-lane with paved shoulder for section from km 118.900 to km 156.955 (excluding ch 151.100 to 154.730), Balotra to Sanderao via Jalore (excluding ongoing project section of NH 325) in the state of Rajasthan.	163.54	2018-19	112.63	97
Public Health Engineering Department					
8	Chambal Bhilwara Water Supply Project	913.80	2018-19	792.47	100
9	Apani Yojna Phase-II	971.21	2019-20	845.92	100
10	RWSS 191 Village of Niwai Water Supply Project	142.57	2018-19	111.89	100
11	RWSS 210 Village of Bassi Water Supply Project	299.55	2018-19	234.07	100
12	WSP Borabas Mandana	118.04	2019-20	75.75	100
Total		4,071.62		3,347.03	

Source: Information provided by the State Government

As per the above table, physical progress of seven of the 12 projects is 100 *per cent*, however, the status of these projects is incomplete due to pending payments to the executive agencies due to which these projects have not been handed over to the State Government. The State Government did not furnish reasons for the same (March 2021). It shows that savings under other grants were not provided for completion of these projects.

On the basis of savings and incomplete projects/schemes, a detailed analysis of Grant No. 21 'Roads and Bridges' has been carried out during the year as given below:

Grant No. 21- Roads and Bridges

Introduction

Public Works Department (PWD) generally executes works related to Government office buildings, Government residential buildings and construction of roads (National Highway, State Highways and Main District Roads). The Department is headed by Principal Secretary, PWD, GoR.

The overall position in respect of grant of budgetary provision, expenditure and savings during the period 2017-18 to 2019-20 is detailed below:

Table 3.11: Budget *vis-a-vis* expenditure of Public Works Department under Grant No. 21

(₹ in crore)

	2017-18		2018-19		2019-20	
	Revenue (Voted)	Capital (Voted)	Revenue (Voted)	Capital (Voted)	Revenue (Voted)	Capital (Voted)
Provision (O+S)	2,017.89	4,164.70	1,668.65*	4,929.31*	2,592.21*	3,759.48*
Total	6,182.59		6597.96		6351.69	
Expenditure	1,700.22	3,977.81	1,362.34	4,025.55	2,217.59	3,299.51
Total	5,678.03		5387.89		5517.10	
Savings (%)	317.67 (15.74)	186.89 (4.49)	306.21 (18.35)	903.76 (18.33)	374.62 (14.45)	459.97 (12.23)
Total	504.56		1209.97		834.59	
Surrender	347.26	190.36	312.67	898.11	939.42	491.69
Total	537.62		1210.78		1431.11	

* Includes supplementary provision of ₹ 133.41 crore during 2018-19 and ₹ 63.87 crore during 2019-20 under Revenue Section and supplementary provision of ₹ 309.10 crore and only ₹ 1000 under Capital Section during 2018-19 and 2019-20 respectively.

The Table shows that overall unutilised provision/savings under revenue section of the grant ranged from 14.45 *per cent* to 18.35 *per cent* and under capital section of the grant ranged from 4.49 *per cent* to 18.33 *per cent* for the period 2017-18 to 2019-20.

Overall savings under capital and revenue sections do not give a clear picture of the actual savings under various heads of the grant because the savings are offset by amount received through re-appropriation and excess expenditure. The actual savings under revenue section of the grant ranged from 21.32 *per cent* to 67.58 *per cent* and unutilised

budget provision/savings under capital section of the grant ranged from 23.86 *per cent* to 35.82 *per cent* for the period 2017-2020. This indicates over assessment of funds under the relevant heads.

Significant increase in the surrendered provision from 2017-18 to 2019-20 reflects the failure of the Department to exercise necessary budgetary controls over the flow of expenditure through the monthly expenditure statement. In addition,

- It was noticed that during 2019-20, provision of ₹ 1,027.67 crore was made without keeping in view the guiding principles of SBM due to which entire provisions were surrendered under 5 heads³. This indicates that the Department failed to assess the requirement of provision.
- During 2019-20, it was noticed that in three heads⁴, excess expenditure of ₹ 602.73 crore was incurred after surrendering the entire provision indicating lack of financial monitoring.
- During audit, it was observed that in 27 schemes/programmes there were substantial savings of ₹ 1,868.10 crore during 2019-20. Details are given below:

Table 3.12: Schemes/Programmes with substantial savings

(₹ in crore)					
S.No.	Name of Head	Total	Expenditure	Savings	% of savings
1.	3054-02-337-01-02 Maintenance and restoration under Strategic and Border Roads	173.49	0.00	173.49	100.00
2.	3054-03-337-01-01 Maintenance of Roads under State Highways	137.20	114.18	23.02	16.78
3	3054-03-337-03-01 Additional Operational Cost	1.32	0.09	1.23	93.18
4	3054-03-337-03-02 Modernisation	1.65	0.19	1.46	88.48
5	3054-03-337-04-01 Additional Operational Cost	0.38	0.02	0.36	94.74
6	3054-03-337-04-02 Modernisation	1.44	0.00	1.44	100.00
7	3054-80-797-03 Transfer to Central Road Fund	750.00	0.00	750.00	100.00
8	3054-80-800-01 Indian Road Congress and other equivalent Institutions-committed	0.70	0.09	0.61	87.14
9	5054-02-337-03 Through the Border Road Development Road	42.00	0.00	42.00	100.00
10	5054-03-337-05 Road financed by Central Road Fund	519.38	215.83	303.55	58.44

3. 3054-02-337-01-02 (₹ 173.49 crore), 3054-03-337-04-02 (₹ 1.44 crore), 3054-80-797-03 (₹ 750.00 crore), 5054-02-337-03 (₹ 42.00 crore) and 5054-04-337-17-01 (₹ 60.73 crore)

4. 3054-02-337-01-02 (₹ 149.82 crore), 3054-80-797-03 (₹ 415.17 crore) and 5054-02-337-03 (₹ 37.74 crore)

S.No.	Name of Head	Total	Expenditure	Savings	% of savings
11	5054-03-337-11 Rajasthan Highways Development Project-I (ADB)	552.42	411.21	141.21	25.56
12	5054-04-337-17-01 NABARD RIDF-XXV (Road Upgradation Project)	60.73	0.00	60.73	100.00
13	5054-04-800-11-20 NABARD RIDF-XXIV (Road Upgradation Project)	276.34	217.19	59.15	21.40
14	5054-04-800-14-90 Construction works	480.09	423.52	56.57	11.78
15	5054-04-800-22-01 Rural Roads	67.69	36.56	31.13	45.99
16	5054-03-796-07 Roads recouped from Central Road Fund	96.52	41.37	55.15	57.14
17	5054-03-796-10 Rajasthan Highways Development Project-I (ADB)	99.40	84.31	15.09	15.18
18	5054-04-796-05 Urban Roads	2.39	1.38	1.01	42.26
19	5054-04-796-06-12 Road Upgradation Project (Trayovinshtitamah)	5.96	3.27	2.69	45.13
20	5054-04-796-06-13 NABARD RIDF XXIV (Road Upgradation Project)	54.28	41.39	12.89	23.75
21	5054-04-796-06-14 NABARD RIDF-XXV (Road Upgradation Project)	11.93	0.00	11.93	100.00
22	5054-04-796-16-01 Rural Roads	13.48	8.09	5.39	39.98
23	5054-03-789-07 Road recouped from Central Road Fund	134.10	71.54	62.56	46.65
24	5054-03-789-10 Rajasthan Highways Development Project-I (ADB)	142.01	111.48	30.53	21.50
25	5054-04-789-03 Urban Roads	3.36	1.35	2.01	59.82
26	5054-04-789-04-14 NABARD RIDF-XXV (Roads Upgradation Project)	15.83	0.00	15.83	100.00
27	5054-04-789-13-01 Rural Roads	17.83	10.70	7.13	39.99
	Total	3,661.92	1,793.76	1,868.09	

For construction of roads, provisions are also made under Special Component Plan for Scheduled Castes/Scheduled Tribes and Tribal Area Development (TAD) under Major Head 5054, the position of which are shown below:

Table 3.13: Position of Capital provision/expenditure under TAD and SC/ST component plan

(₹ in crore)

	2017-18		2018-19		2019-20	
	Capital (TAD)	Capital (SC/ST component)	Capital (TAD)	Capital (SC/ST component)	Capital (TAD)	Capital (SC/ST component)
Provision (O+S)	822.54	1,096.92	792.11	1,097.82	774.68	884.65
Expenditure	707.86	1,018.60	689.53	998.33	594.74	781.51
Savings	114.68	78.32	102.58	99.49	179.94	103.14
Savings (%)	13.98	7.14	12.95	9.06	23.23	11.68

Sector-wise position of savings

It was observed that during 2017-18 to 2019-20, a substantial portion of the budget allocation remained unutilised every year in various sectors (on certain heads) as depicted in the table, indicating non-achievement of projected financial outlay in the respective years. This also indicates that the budget allocations were made without considering the past actuals in contravention of the provisions of para 13.7 of the SBM.

Table 3.14: Sector-wise position of persistent savings

(₹ in crore)

	Budget	Expenditure	With offset savings	Without offset savings	% of savings w.r.t without offset saving
State Highways					
2017-18	1,827.07	1,593.43	233.64	326.10	17.85
2018-19	2,491.75	1,608.78	882.97	940.31	37.74
2019-20	2,339.19	1,942.67	396.52	609.71	26.06
Total	6,658.01	5,144.88	1,513.13	1,876.12	
District Roads and Bridges					
2017-18	3,797.80	3,606.30	191.50	734.82	19.35
2018-19	3,765.79	3,678.63	87.16	805.73	21.40
2019-20	2,487.29	2,339.28	148.01	261.70	10.52
Total	10,050.88	9,624.21	426.67	1,802.25	
Direction and Administration					
2017-18	418.93	382.93	36.00	36.00	8.59
2018-19	421.3	318.84	102.46	102.46	24.32
2019-20	340.41	310.6	29.81	29.81	8.76
Total	1,180.64	1,012.37	168.27	168.27	

It was further observed that:

- Against a provision of ₹ 6,658.01 crore for works of State Highways, an amount of ₹ 5,144.88 crore (62 per cent) was incurred during 2017-20. The Department intimated that this occurred due to reasons such as reduction in revised estimate, less receipt of funds from GoI, non-receipt of Financial and Administrative sanction, non-submission of bills by most of the contractors due to Covid 19 pandemic etc.

- During 2017-20, an amount of ₹ 10,050.88 crore was budgeted for District and Other Roads against which ₹ 9,624.21 crore was incurred.
- Percentage charges: Percentage charges are charged by PWD towards cost of their establishment and tool and plants on Capital Projects undertaken by it. Percentage charges are imposed over and above the total cost of the project at a fixed rate. There are three components of the percentage charges; (i) establishment charges (8 *per cent*) imposed by PWD for ensuring timely progress and quality of work undertaken by private contractors who have been awarded projects, (ii) tool and plants cost (2 *per cent*) and (iii) establishment cost of work charged employee of PWD (3 *per cent*). Rate at which all the percentage charges are to be calculated are specified in the PWF&AR of Government of Rajasthan.

The total cost of each work/project is calculated after incorporating the percentage charges. During 2017-2020, projection of ₹ 3,592.69 crore was made for capital works including the percentage charges. Out of this, an amount of ₹ 2,080.58 crore was projected under the capital works/projects against which an amount of ₹ 1,651.53 crore was incurred resulting in savings of ₹ 429.05 crore. In addition, an amount of ₹ 1,512.11 crore was projected as percentage charges against which an amount of ₹ 1,249.56 crore was incurred. It was noticed that supplementary provision of ₹ 34.34 crore was obtained for percentage charges during 2018-19 which proved unnecessary as the actual expenditure did not come up to the level of original projection. Less expenditure booked under percentage charges indicates shortfall in execution of capital projects/works at the level of the Department resulting in savings.

Thus, significant savings against total budget provision was a persistent trend during 2017-20 indicative of over assessment of requirement of funds under various heads by the Department and lack of proper monitoring of expenditure. Less expenditure on capital projects also indicates that proposals were made without proper planning by the Department.

Token provision in grant: As per para 13.14 of SBM, a sub-head or other unit of appropriation which remains inoperative for three consecutive years should be deleted from the Demands for Grants of the concerned Department. During scrutiny of the grant, it was observed that from 2017-18 to 2019-20, token provisions were made in 36 out of 210 total heads (17.14 *per cent*) under this grant which remained token provisions without augmentation of the provisions through re-appropriations and at the end of the financial year token provisions in all the heads were surrendered. This indicates department lacked proper estimation of provision and execution of financial plan. The reply of the budget controlling officers of the respective budget heads in this regards is awaited (March 2021).

Rules 285 (a) & (b) of PWF&AR provide that (i) there are four main stages connected with a project for a work namely, Administrative Approval, Financial Sanction, Technical Sanction and Appropriation or Re-appropriation of funds; (ii) Execution of works should not commence without administrative, financial and technical sanction followed by budget allocations. However, sanction to incur expenditure on preliminary works like surveys, investigations, detailed design/drawing including consultancy services, acquisition of land may be accorded by competent authority. Separate budget provision should be available for such works in each Department. After working out all

technical and working details and on completion of surveys and investigation, formulation of working drawing/designs, detailed technical estimates be prepared and sanctioned.

Physical progress of road works as per Finance Accounts are given below:

- As per information provided by State Government, it was noticed that total 129 road works were awaiting completion, out of which 6 projects pertained to the period 2010-15 and 123 projects to the period 2015-2020. Physical progress of works is given below:

Table 3.15: Physical progress of works in percentage

	Progress in percentage					
	0 to 10	10 to 30	30 to 50	50 to 70	70 to 90	90 to 100
No. of projects	7	18	11	15	17	61

The various reasons given by the Department for most of the works remaining incomplete include delay due to utility shifting/encroachment/court case, pending wild life clearance, scarcity of budget, delay on the part of the agency and land dispute etc. Slow progress and less execution of works indicate lack of monitoring at the level of Department.

Details of some of the projects where execution was affected due to lack of budget provision or sanctions are given below:

Table 3.16: Details of some of the projects

S.No.	Name of Project	Cost of works	Commencement year	Year of completion	₹ in crore)	
					Expenditure during the year	Progressive expenditure to the end of year
1.	Renewal/strengthening of Mangrol Bamori Kalan upto MP Border (SH-198)Km. 2/500 to 15/500	20.00	2018-19	2019-20	0.00	0.00
2.	Construction of Bundi Bypass from SH-29 Km 95/500 to NH-12 (New NH-52)	40.00	2018-19	2020-21	5.84	5.84
3.	Strengthening and Widening of Jhunjhunu Chidao Road (SH-37)	20.00	2017-18	2019-20	5.80	6.89
4.	Construction of Air Strip Runway at Dholpur Eight Mile Old NH-118	30.48	2017-18	2020-21	0.00	15.52
5.	Strengthening and renewal of Dholpur-Rajakhera Road SH 2A Km 2/0 to 14/0 & 24/0 to 44/200	52.00	2017-18	2020-21	0.00	12.97
6.	Raising, Reconstruction of Cement Concrete Pavement of Mangrol-Siswali Road (SH-51A) in Km 0/0 to 14/0	30.00	2017-18	2018-19	2.90	6.10
7.	Tapukara to Milakpur Km 0/0 to 7/500	15.77	2017-18	2019-20	3.75	12.61
8.	Alipur-Khedi-Kanpur Dagrampur Nimlaka Kalgaon HingwahedaTizara Firozpur Jhirka road	38.42	2017-18	2019-20	4.97	7.63

As per the information provided by the State Government, most of these projects were completed, however, due to pending payments to executive agencies these projects have not been handed over to Government which indicates lack of provision of necessary funds by the Government.

Scrutiny of Appropriation Accounts of the relevant years indicates that during these years, overall supplementary provisions proved unnecessary and continuous savings were shown under various grants which could have been utilised for completion of these projects.

Due to the projects remaining incomplete, the intended benefits of these projects/schemes could not be provided to the public apart from the issue of escalation of project cost.

3.5.3 Major Policy pronouncements in budget and their actual funding for ensuring implementation

During the scrutiny of Appropriation Accounts, it was observed that budget provisions were made under various schemes which remained entirely unutilized. During 2019-20, the entire provisions (of ₹ one crore or more in each case) made under 165 schemes/heads aggregating to ₹ 2,766.38 crore were not utilized. The details are given in *Appendix 3.6*.

During scrutiny of the budget provisions (of ₹ one crore or more in each case) not utilized during 2019-20, it was noticed that State Government withdrew budget provisions in 33 schemes in revised estimates and token budget provisions were made in 54 schemes in the revised estimates. This indicates that provisions for these schemes/heads were made without a proper assessment of the financial requirements and necessity of the Departments.

Various reasons given by the Departments in this regard included non-implementation of schemes, non-execution of construction work, non-receipts of funds from GoI, revocation of the sanction due to PWD's failure to start the work, non-execution of work, less expenditure on pay & allowances, reduction in budget ceiling, lack of sanction from State Government, non-implementation of project due to Covid lockdown, lack of financial and administrative sanction for new construction, non-receipt of utilization certificates etc.

Further, it was also noticed that there were instances of unnecessary provisions being made continuously for the last three years without being deleted from the Demands for Grants of the concerned Department as mandated by SBM and the entire provisions being surrendered at the end of financial year. Such instances have been listed in *Appendix 3.7*.

While presenting the revised budget in July 2019 for the year 2019-20, the State Government had announced several schemes/policies. The concerned Departments had intimated the current progress on some of these major policy initiatives. Audit observed that in respect of following projects/policy initiatives, there was limited or no progress:

Table 3.17: Major Projects/policy

Para No. of Budget Speech	Name of Department	Brief of announcements made in Budget Speech	Status of Follow Up action taken by the Department
102	Medical Education	At a cost of ₹ 31 crore a Linear Accelerator Machine will be installed in Jodhpur for treatment of cancer patients.	The Department intimated (Nov and Dec 2020) that tenders were invited twice during 2019-20 for installation of the machine through PPP mode but no bids were received. It was further informed that in Budget 2020-21 stage-wise construction of Regional Cancer Centre (Mathuradas Mathur Hospital, Jodhpur) was announced (announcement no. 28), and that the purchase of Linear accelerator would be done after the construction of the Regional Cancer Centre is completed. The fact remains that the purchase and installation of the Linear Accelerator as per announcement no. 102 of Budget 2019-20 could not be accomplished.
117	Tribal Area Development	At a cost of ₹ 10 crore a career counselling centre for preparation of various competitive exams and personality development for Scheduled Tribes students will be started in Jaipur.	The Department informed (Nov 2020) that expenditure of ₹ 4.46 crore had been incurred and the construction work was under progress.
124	Education	For providing basic amenities in phased manner in schools, construction of more than 14,000 additional rooms for classrooms, laboratories, libraries; 23 new schools buildings; major repairing works for 83 buildings; will be undertaken under 'Sarvapalli Radhakrishnan Vidhyalaya Sudarikaran Yojana'. On these works ₹ 1,581 crore will be incurred in 2019-20.	The status of implementation was not provided (March 2021) to audit though called for.
150	Tourism	A light and sound show at historical fort of Lohagarh, Bharatpur will be started for development of tourism at a total cost of ₹ 2.50 crore.	No budget was allotted in 2019-20. Financial and Administrative sanction of only ₹ 30 lakh for transfer to PD account of executive agency RHPPA was accorded in July 2020. Department intimated (July 2020) that tendering process for appointment of consultant is underway.
155	Art & Culture	To organise a 'Rajasthani Literature Festival' in Jaipur which will provide a platform for writers, poets, thinkers, artists etc. of Rajasthan provision of ₹ 2.00 crore is proposed.	The Literature Festival was not held in 2019-20. Expenditure had not been incurred by the department due to non-finalisation of date and venue till September 2020.

Para No. of Budget Speech	Name of Department	Brief of announcements made in Budget Speech	Status of Follow Up action taken by the Department
171	Revenue and Sainik Kalyan	'Mukhyamantri Zila Navachaar Nidhi' will be created in every district under District Collectors. Detailed guidelines will be prepared for this purpose.	The status of implementation was not provided (March 2021) to audit though called for.
174	Disaster Management, Relief and Civil Defence	In view of the fire incidences in remote areas of the State, 100 fire brigades at a cost of ₹ 26.00 crore will be made available in 2019-20.	This is related to Local Self Government Department and Civil Defence Department. No procurement was made in 2019-20. The concerned Departments intimated (September 2020) that sanctions have been renewed in June 2020 and tendering process is underway.

The lack of follow up action on major announcements of Budget Speech is indicative of the lack of monitoring and pursuance of initiatives announced during the budget speech.

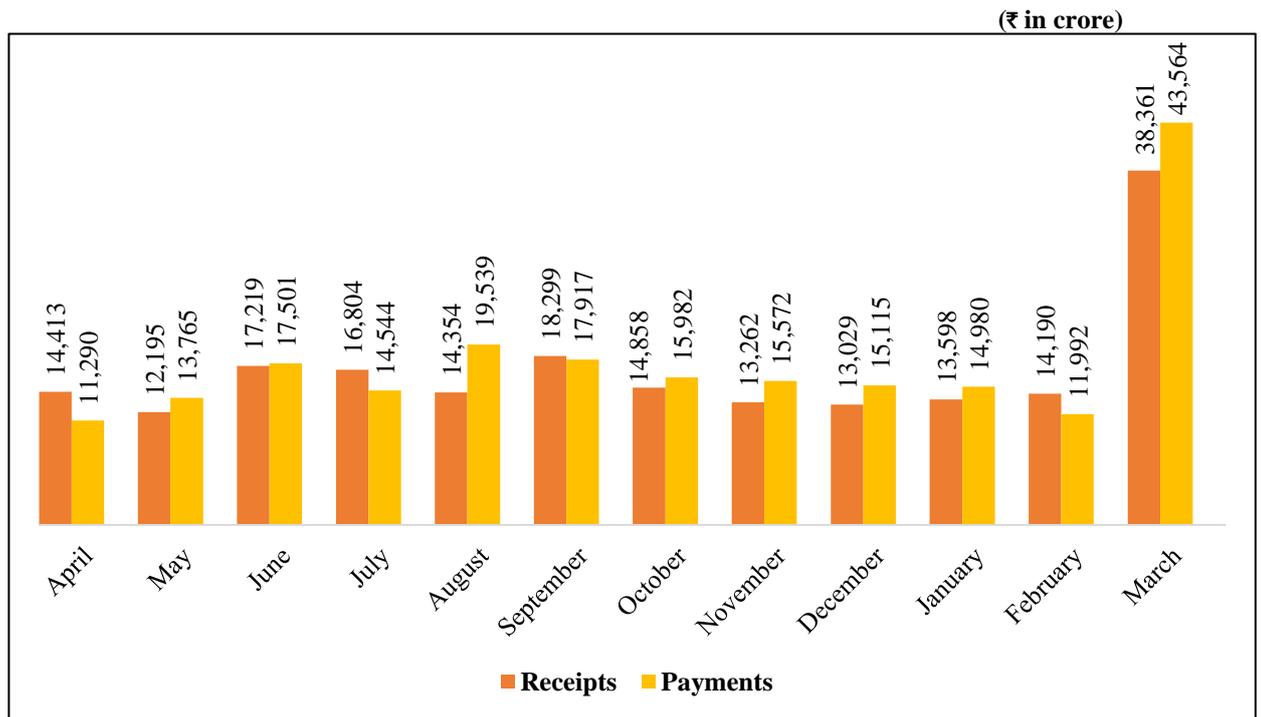
3.5.4 Flow of expenditure

Maintaining a uniform pace of expenditure is a crucial component of sound public financial management. As per SBM, to assist Finance Department in the preparation of forecasts for the likely cash balance position of the State, all budget controlling officers are required to furnish a statement every month, as per dates specified by Finance Department, showing the anticipated flow of revenue and expenditure. Any rush of expenditure in the closing month of the financial year should be avoided.

During 2019-20, 33.04 per cent (₹ 70,536 crore) of the total expenditure (₹ 2,13,491 crore) was incurred during last quarter of the financial year indicating that a uniform pace of expenditure could not be maintained during the year. However, it was also observed that 32.75 per cent (₹ 66,150 crore) of the total receipts (₹ 2,01,978 crore) were received during last quarter only. Further, the expenditure incurred in the last quarter of the financial year 2019-20 has decreased by 2.11 per cent (₹ 1,519 crore) when compared to previous year 2018-19.

During 2019-20, in respect of 52 sub-heads under 18 grants, total expenditure of ₹ 18,246.54 crore was incurred in the last quarter of the financial year which was 96.92 per cent of total expenditure (₹ 18,825.92 crore). Of this, ₹ 18,058.26 crore (95.92 per cent) was spent in March 2020 alone as detailed in **Appendix 3.8**.

The monthly flow of receipts into the state exchequer and disbursement during 2019-20 are given in the following **Chart 3.8**.

Chart 3.8: Monthly flow of receipts and disbursement during 2019-20

The chart shows that receipt and expenditure were distributed almost evenly across all the months up to February 2020. However, receipt and expenditure increased substantially in the month of March 2020 in comparison to the remaining months of the year. Further, scrutiny of the pattern of expenditure during 2019-20 revealed that the State Government incurred an expenditure of ₹ 43,564 crore constituting about 20.40 per cent of the total expenditure of ₹ 2,13,491 crore in the month of March alone.

Incidentally, out of ₹ 33,827.12 crore transferred/deposited in Personal Deposit Accounts during the year, ₹ 4,936.18 crore (14.59 per cent) was transferred in March 2020 alone, as detailed in **Paragraph 3.5**.

Details of 7 Major Heads, where expenditure incurred during the month of March was more than 50 per cent of total expenditure, are provided in the **Table 3.18** below:

Table 3.18: Grants with more than 50 per cent expenditure in March during 2019-20

(₹ in crore)

S. No	Grant No./ Head of account	Description	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total	Expenditure in March	Expenditure in March as percentage of total expenditure
1.	2075	Miscellaneous General Services	0.67	1.48	0.26	589.10	591.51	587.25	99.28
2.	2435	Other Agricultural Programmes	2.58	2.79	2.66	24.78	32.81	22.95	69.95
3.	2801	Power	2,718.69	3,095.41	515.38	16,404.95	22,734.43	15,479.98	68.09
4.	2852	Industries	14.01	16.74	17.38	160.71	208.84	147.44	70.60
5.	4236	Capital Outlay on Nutrition	0.00	0.00	0.00	19.89	19.89	15.93	80.09

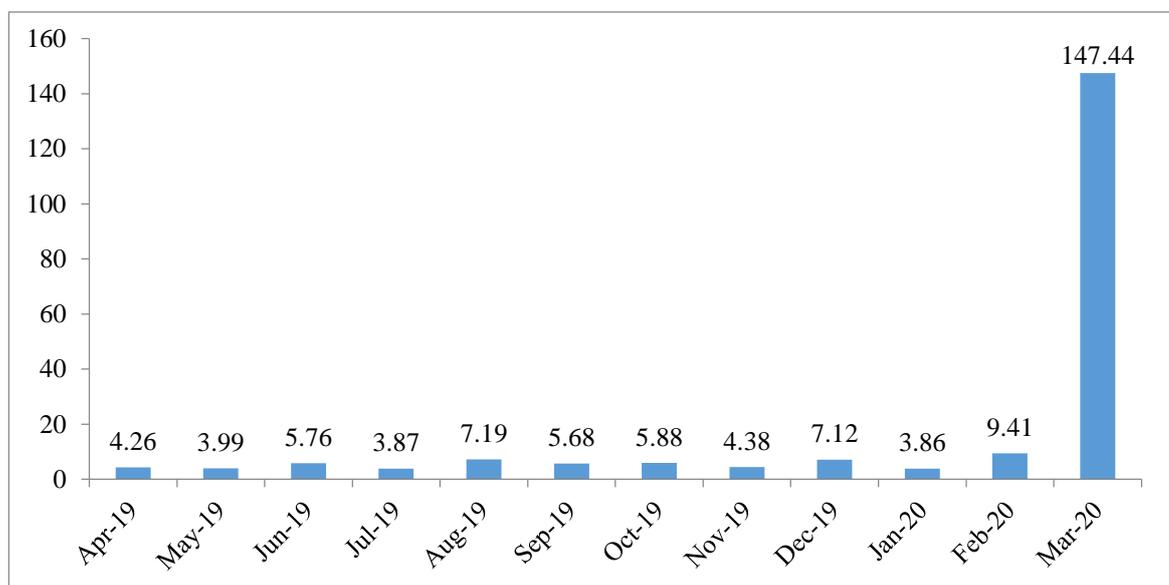
6.	4801	Capital Outlay on Power Projects	134.64	373.36	273.19	1,348.81	2130	1,296.77	60.88
7.	5425	Capital Outlay on Other Scientific and Environmental Research	0.00	0.00	0.15	0.63	0.78	0.60	76.92
		Total	2,870.59	3,489.78	809.02	18,548.87	25,718.26	17,550.92	

Source: Information compiled by office of the Pr.A.G. (A&E), Rajasthan.

Month-wise expenditure of Major Head 2852 of the Industries department having high percentage of expenditure in March is given below in **Chart 3.9**.

Chart 3.9: Major head 2852-Industries month-wise expenditure

(₹ in crore)



Huge expenditure incurred in the last month of the year indicates weak internal expenditure/receipts control system and lack of budgetary control/management. The Department may regularly monitor the progress of expenditure throughout the year and maintain uniform flow of expenditure.

3.5.5 Review of selected grants

With a view to conduct a detailed analysis of a particular grant, *Grant No. 33-Social Security and Welfare* was selected on the basis of expenditure against budgeted estimate for last three years. This analysis encompasses comments on Budget and Expenditure, Receipts with respect to Revised Estimates, Excess expenditure after re-appropriation, surrender, unnecessary/excessive supplementary provision, non-utilisation of provisions, persistent savings and status of schemes in the previous Budget Speech under these grants.

Grant No.33- Social Security and Welfare

Development implies a social transformation from the existing social structure and living conditions to a better and improved social structure with equal opportunities for

every segment of the society. Social development/social welfare is an important and integral part of a welfare state and is incorporated in the Directive Principles of State Policies in the Constitution of India which state, "The State shall promote with special care the educational and economic interests of the weaker sections of the people and, in particular, of the Scheduled Castes and the Scheduled Tribes and shall protect them from social injustice and all forms of exploitation".

Grant No. 33 is under the administrative control of Principal Secretary, Social Justice and Empowerment Department, Government of Rajasthan (GoR). The overall position of budgetary position, expenditure and savings during 2017-20 are detailed below in the **Table 3.19**:

Table 3.19: Budgetary Provisions

(₹ in crore)												
	2017-18				2018-19				2019-20			
	Total (O+S)	Expenditure	Saving	Surrender	Total (O+S)	Expenditure	Saving	Surrender	Total (O+S)	Expenditure	Saving	Surrender
Revenue	5,139.87	4,902.68	237.19 (4.61%)	216.56	6,453.76	5,912.99	540.77 (8.38%)	507.73	7,942.83	7,476.66	466.17 (5.87%)	424.25
Capital	237.63	188.24	49.39 (20.78%)	49.39	202.07	161.51	40.56 (20.07%)	40.41	271.69	240.28	31.41 (11.56%)	31.41
Total	5,377.50	5,090.92	286.58	265.95	6,655.83	6,074.50	581.33	548.14	8,214.52	7,716.94	497.58	455.66

Detailed audit of budget and expenditure under this grant revealed that:

- The unutilised budget provisions/saving under revenue section of the grant ranged from 4.61 per cent to 8.38 per cent during the period 2017-18 to 2019-20.
- The unutilised budget provisions/savings under capital section of the grant ranged from 11.56 per cent to 20.78 per cent during the period 2017-18 to 2019-20.
- During 2019-20, out of final saving of ₹ 466.17 crore (5.87 per cent) under revenue section, an amount of ₹ 41.92 crore was not surrendered.

Substantial Savings

During 2019-20, there were 18 schemes/programmes where provisions were made in excess and the savings (₹ one crore and more) were more than 30 per cent of the total grant/appropriation. In these schemes, there was substantial total savings of ₹ 394.55 crore as detailed in the **Table 3.20** below:

Table 3.20: Substantial Savings noticed under various Programmes/Schemes

(₹ in crore)					
S.No.	Name of Head	Total (O+S)	Expenditure	Saving (Percentage of Saving)	Reasons for Savings given by Departments
1.	2225-01-793-01 Special Central Assistance for Scheduled Caste Component Plan, Scheduled Castes sub project.	60.00	34.63	25.37 (42)	Lack of interest regarding scheme among people as the financial assistance is relatively less significant than earlier and less sanction of loans by the banks.

S.No.	Name of Head	Total (O+S)	Expenditure	Saving (Percentage of Saving)	Reasons for Savings given by Departments
2.	2225-03-196-13-03 Grants for Devnarayan Girls Student Scooty Distribution and Incentive Amount Scheme	7.50	0.29	7.21 (96)	Reduction in expenditure ceiling by the Finance Department.
3.	2225-04-800-01-01 Grants to Rajasthan Waqf Board	3.93	0.34	3.59 (91)	Reasons have not been intimated by the Department.
4.	2235-02-103-05-14 Basic Computer Course for Women	6.31	1.66	4.65 (74)	Reduction in ceiling and late start of training due to COVID.
5.	2235-02-103-12 Women Self Help Group Institutions	2.85	1.35	1.50 (53)	Non-payment of amount after bill passed by Treasury.
6.	2235-02-103-23-01 Ujawala Yojana through Social Justice and Empowerment Department	2.07	0.01	2.06 (100)	Due to delay in submission of required records and Inspection/ Enquiry Committee report by the beneficiary Institutions.
7.	2235-02-196-02-36 Mahila Shakti Kendra	3.72	1.06	2.66 (72)	Delayed receipt of sanction for temporary contract posts from Finance Department.
8.	2235-02-196-05-02 Grants for joint Assistances Programme and Activities	2.05	0.80	1.25 (61)	Non-organization of camps for distribution of organ equipment due to non-receipt of adequate number of application from beneficiaries.
9.	2235-02-196-22-06 Post matric Scholarship Scheme	5.00	1.71	3.29 (66)	Less receipt of number of eligible application forms from beneficiaries.
10.	2235-60-800-03-01 Pension to MISA/D.I.R Prisoners	47.00	22.62	24.38 (52)	Less withdrawl of pension and closing of the pension from October 2019.
11.	2236-02-101-01-01 Through the Integrated Child Development Services Department Nutrition Crash Programme.	265.28	145.52	119.76 (45)	Reasons have not been intimated by the Department.
12.	2236-02-101-01-12 Rajeev Gandhi Kishori Balika Empowerment and Nutrition Scheme.	25.00	2.52	22.48 (90)	Reasons have not been intimated by the Department.
13.	2236-02-101-01-17 National Nutrition Mission (N.N.M)	131.87	42.66	89.21 (68)	Reasons have not been intimated by the Department.
14.	2236-02-101-01-18 Pradhan Mantri Matratav Vandana Yojana (P.M.M.V.Y)	98.59	52.30	46.29 (47)	Reasons have not been intimated by the Department.

S.No.	Name of Head	Total (O+S)	Expenditure	Saving (Percentage of Saving)	Reasons for Savings given by Departments
15.	4225-04-102-01-01 Multiregional Development Programme	60.44	37.64	22.80 (38)	Non-transfer of amount to executive agency due to non-receipt of transfer order from Budget Department.
16.	4235-02-800-10-01 Construction of Ramp and Lift etc.	15.81	4.12	11.69 (74)	Less execution of work related to construction of Ramp and Lift for specially-abled in government offices by PWD.
17.	4236-02-800-03 Building Construction	3.00	0.78	2.22 (74)	Non-availability of land for construction of buildings for District/Project offices and Aangan Bari Centre buildings.
18.	4236-02-800-09 Construction of Aangan Bari Centres under I.C.D.S Mission Mode.	13.96	9.82	4.14 (30)	
Total		754.38	359.83	394.55	

Substantial savings against the budget allocation indicate that the provisions of SBM regarding budget formulation/preparation of demands for grants and monitoring were not adhered to.

Persistent savings

The audit of the grant revealed that there were schemes (with provisions greater than ₹ one crore) having persistent savings from 2017-18 to 2019-20 as detailed below:

Table 3.21: Persistent Savings noticed under various Programmes/Schemes

(₹ in crore)

Name of Head	Year	Total (O+S)	Expenditure	Saving	Percentage of saving
2225-01-793-01 Special Central Assistance for Scheduled Castes Component plan Scheduled Castes sub Plan	2017-18	60.00	59.86	0.14	0.24
	2018-19	60.00	0.14	59.86	99.77
	2019-20	60.00	34.63	25.37	42.29
2225-03-196-06-05 Under Devnarayan Yojana (through the Education Department) Pre matric Scholarship Scheme for Special Backward class (Elementary Education Department)	2017-18	9.65	7.05	2.60	26.95
	2018-19	10.00	6.70	3.30	33.00
	2019-20	7.00	5.28	1.72	24.50
2225-04-800-01-01 Through the Deputy secretary, Minority Affairs Department-Grants to Rajasthan Waqf Board	2017-18	4.23	1.72	2.51	59.38
	2018-19	4.65	0.80	3.85	82.81
	2019-20	3.93	0.34	3.59	91.35
2235-02-103-05-14 Basic Computer course for Women	2017-18	8.16	5.15	3.01	36.94
	2018-19	6.16	3.92	2.24	36.34
	2019-20	6.31	1.66	4.65	73.68
2235-02-103-12 Women Self Help group institution	2017-18	2.40	1.44	0.96	39.96
	2018-19	2.88	1.44	1.44	50.15
	2019-20	2.85	1.35	1.50	52.59

Name of Head	Year	Total (O+S)	Expenditure	Saving	Percentage of saving
2235-02-196-02-33 Chirali Yojana	2017-18	1.40	0.58	0.82	58.49
	2018-19	3.13	0.20	2.93	93.71
	2019-20	1.27	0	1.27	100.00
2236-02-101-01-02 Integrated Child Development Scheme	2017-18	139.34	97.93	41.41	29.72
	2018-19	159.98	104.16	55.82	34.89
	2019-20	150.24	79.65	70.59	46.98
2235-02-196-22-06 Post-matric Scholarship Scheme	2017-18	5.00	0.94	4.06	81.19
	2018-19	5.00	1.28	3.72	74.44
	2019-20	5.00	1.71	3.29	65.76
2236-02-197-01-02 Block/ Intermediate Panchayat level establishment expenditure	2017-18	513.85	502.17	11.68	2.27
	2018-19	860.95	619.92	241.03	28.00
	2019-20	817.94	687.04	130.90	16.00
4225-04-102-01-01 Through the Directorate of Minority Affairs Department-Multiregional Development Programme	2017-18	55.42	55.27	0.15	0.27
	2018-19	61.61	48.87	12.74	20.67
	2019-20	60.44	37.64	22.80	37.72
4225-04-800-01-01 Through the Directorate of Minority Affairs Department- Construction of hostel building	2017-18	5.00	0.62	4.38	87.64
	2018-19	4.00	0.40	3.60	90.09
	2019-20	4.17	0.00	4.17	100.00
4235-02-800-10-01 Scheme for persons under Handicapped Act-Construction of Ramp and Lift etc.	2017-18	7.00	0.47	6.53	93.25
	2018-19	32.00	21.98	10.02	31.32
	2019-20	15.81	4.12	11.69	73.95
4236-02-800-03 Building Construction	2017-18	5.00	1.24	3.76	75.27
	2018-19	5.00	0.40	4.60	92.07
	2019-20	3.00	0.78	2.22	73.94
4236-02-800-09 Construction of <i>Aangan Bari</i> Centre under I.C.D.S. Mission Mode	2017-18	46.06	4.11	41.95	91.08
	2018-19	13.96	0.00	13.96	100.00
	2019-20	13.96	9.82	4.14	29.66
4236-02-800-10 Upgradation and maintenance of <i>Aangan Bari</i> Centres including Creche construction under I.C.D.S. Mission Mode	2017-18	27.20	13.02	14.18	52.13
	2018-19	16.16	0.00	16.16	100.00
	2019-20	4.69	3.70	0.99	21.23

Budget controlling officer attributed the savings mainly to reasons like less execution of work related to construction of Ramp and Lift for specially-abled in government offices by PWD, encroachment on land of hostel building in Barmer, non-passing of bills by the treasury due to Covid-19 pandemic, posts remaining vacant, non-availability of land for construction of building for District/Project offices and *Aangan Bari* Centres and closure of Chirali Yojana in 2019-20.

The Persistent savings indicate that the budget estimates were not realistic and the budgetary controls in the Department were not effective.

Non-utilisation of entire provisions

As per SBM, the estimates of expenditure should be as accurate as possible. Cases under this grant, where entire provisions were not utilised during 2019-20, are given below:

Table 3.22: Non utilisation of provisions under various Programmes/Schemes

(₹ in crore)

S.No	Name of Head	Total (O+S)	Expenditure	Saving	Percentage Saving
1.	2235-02-103-20-01 Mission Gramya Shakti	2.21	0	2.21	100.00
2.	2235-02-196-02-33 Chirali Yojana	1.27	0	1.27	100.00
3.	2235-02-196-19-04 Grant to BPL families for Janshree Bima Yojana	1.92	0	1.92	100.00
4.	2235-02-196-19-18 Assistance to BPL families for Jan Bima Yojana and Pradhanmantri Suraksha Bima Yojana	12.48	0	12.48	100.00
5.	2235-02-196-21-06 Post-matric Scholarship Scheme	0.93	0	0.93	100.00
6.	4225-04-800-01-01 Construction of hostel building	4.17	0	4.17	100.00
7.	4235-02-103-09 Building construction of Woman Self Help Groups	1.00	0	1.00	100.00
8.	4235-02-800-09-01 Construction of college level hostel building	7.00	0	7.00	100.00
9.	6225-03-800-01 Loans to Rajasthan Other Backward Class Finance and Development Coperative Corporation.	1.00	0	1.00	100.00
Total		31.98	0	31.98	

The Social Justice and Empowerment Department accepted the facts and stated (February 2021) that non-utilisation of funds was mainly due to non-transfer of central and state share to LIC of India, non-receipt of applications for scholarship, non-issuance of Administrative and Financial sanctions for construction of hostel building and release of insufficient margin money from Finance department for distribution of loans.

This indicates that the budget provision was prepared on an *ad hoc* basis without assessing the actual requirement.

Further, it was also noticed that in some budgetary heads, provisions were being made continuously for the last three years without keeping in view the principles of SBM due to which the entire provisions were being surrendered at the end of the financial year as given in the **Table 3.23**:

Table 3.23: Non utilisation of provisions under various Programmes/Schemes for the last three years

(₹ in crore)

S.No.	Head	2017-18	2018-19	2019-20
1.	2225-03-196-18-01 Cycle distribution scheme to hostelers	0.50	0.25	0.25
2.	2225-04-190-03 Grants on interest to Rajasthan Minority Finance and Development Cooperation	0.20	0.20	0.50
3.	2235-02-103-20-01 Mission Gramya Shakti	10.60	7.35	2.21
4.	2235-02-196-19-14 Grant for Rehabilitation of persons involved in beggary	0.20	0.10	0.05

S.No.	Head	2017-18	2018-19	2019-20
5.	4235-02-103-09 Building construction of Woman Self Help Groups	0.12	0.12	1.00
6.	4235-02-800-09-01 Construction of college-level hostel buildings	7.00	8.00	7.00
	Total	18.62	16.02	11.01

The Social Justice and Empowerment Department accepted the facts and stated (February 2021) that the reasons for non-utilisation were non-participation of bidders in the bid process for supply of cycles, non-receipt of proposals from NGOs for operation of rehabilitation homes and non-issuance of Administrative and Financial sanctions for construction of Hostel buildings.

Expenditure after Re-appropriation/ Surrender

As per SBM, the concerned budget controlling officer is responsible for any expenditure incurred after the surrender of appropriation.

During 2019-20, an amount of ₹ 13.83 lakh was incurred in respect of budget head 2235-60-800-03-01-Pension to MISA/DIR prisoners (committed) after re-appropriation/ surrender in contravention of the SBM provisions.

Token provision in grant

It was observed that in 2019-20, out of the total 313 heads under this grant, there were 93 heads in which token provisions were made which remained as token provisions and at the end of the financial year token provisions were either surrendered or made zero in Revised Estimates during Budget Finalisation Committee (BFC) meeting.

Status of scheme announcements in the previous Budget speech

Details of Budget Speech announcements and their current status are given in the **Table 3.24**:

Table 3.24: Major scheme announcements in the previous Budget speech

S. No.	Brief of announcements made in Budget Speech	Status of follow up action taken by the Department
1.	<p>During Budget Speech of 2015-16, the State Government proposed ₹ 44.75 crore in selected blocks for infrastructure development, where majority of the population belonged to minorities:</p> <ol style="list-style-type: none"> 1. Construction of four Public Health sub-centres in Sam block and 10 in Sakra block of Jaisalmer district. 2. Construction of building of 6 ITIs in Kishangarhbas, Laxmangarh in Alwar District; Nagar-Bharatpur District; Sedwa (Chauhtan), Barmer District; Hanumangarh District and Tonk District. 3. Four new hostel buildings to be constructed for Students of Minority Community in Jodhpur, Kota, 	<p>Department intimated (November 2020) that:</p> <ol style="list-style-type: none"> 1. 13 Public health sub-centres works were completed against the target (14) and against which an amount of ₹ 2.20 crore was incurred against sanction amount of ₹ 3.08 crore. Further, one work was cancelled. 2. Five ITI building works were completed for which an amount of ₹ 24.49 crore was incurred against sanctioned amount of ₹ 28.32 crore. Further, one work is under process in Tonk District. 3. Three Hostel buildings were completed against the target (4) for which an amount of ₹ 5.92 crore was incurred against sanctioned

S. No.	Brief of announcements made in Budget Speech	Status of follow up action taken by the Department
	Ramgarh (Alwar) and Fatehpur (Sikar) at a cost of ₹ 9 crore.	amount of ₹ 7.08 crore. Further, one work could not be started in Fatehpur (Sikar).
2.	During Budget Speech 2016-17, the State Government proposed ₹ 7.98 crore for construction boundary walls of 82 Hostels, toilets in 41 hostels, bathrooms in 27 hostels etc.	The Department intimated (February 2021) that against the proposed amount of ₹7.98 crore, financial and administrative sanctions worth ₹ 4.78 crore had been issued to 74 executive agencies (Panchayat Samitis and Municipal bodies) and the amount transferred to their PD accounts. Out of this, UCs worth ₹1.06 crore had been obtained from the executive agencies.
3.	During Budget Speech 2016-17, the State Government proposed ₹4.44 crore for operation of two under-construction residential schools (one for Scheduled Caste boys and one for girls of all categories) with the capacity of 280 students each at gram panchayat Jaisandar in Barmer district.	Department intimated (February 2021) that the construction work has been completed and the schools may be operationalized from the academic session 2021-22 after receipt of inspection report from District Magistrate, Barmer. The fact remains that the schools could not be operationalised even when they were announced to be made operational from the academic session 2016-17.
4.	During Budget Speech 2016-17, the State Government proposed ₹ 75 crore for strengthening and maintenance of <i>Aangan Bari</i> Centres being operated in government buildings for forthcoming 3 years.	Department intimated (August 2020) that during 2016-17, 2,296 works were completed against the target (4,381) and against which an amount of ₹ 20.95 crore was incurred. Further, 670 works could not be started. During 2017-18, an amount of ₹ 16.84 crore was transferred to Zila Parishad PD accounts against which only ₹ 1.09 crore was incurred and 122 works were completed against the target (2,265). During 2018-19, no financial sanction was issued by the Finance Department. In three years, sanction of an amount of ₹ 48.42 crore has been issued against proposed total amount ₹ 75 crore against which only ₹ 22.05 crore was incurred by the department and only 2,418 works has been completed against target of 6,646 works.
5.	During Budget Speech 2018-19, State Government announced establishment of “Divyang Kosh” with ₹ one crore as contingency fund for welfare of specially-abled persons.	Department intimated (October 2020) that in compliance of finance department instructions, rule format under section 101 of Disabilities Act 2016 is being prepared and publication in gazette is under process after which “Divyang Kosh” will be established.
6.	During Budget Speech 2018-19, the State Government proposed ₹ 12 crore for establishment of multipurpose hostels with a capacity of 100 girls (preparing for competition entrance examination) in each hostel in Dungarpur, Pratapgarh and Banswara districts.	Department intimated (October 2020) that financial sanction for establishment of Hostels in Pratapgarh and Banswara has been issued in October 2020. Hostel has been operationalised in campus of college (already constructed Hostels) in Dungarpur District.
7.	During Budget Speech 2018-19, the State Government proposed ₹ 8 crore for establishment of two separate residential hostels for Scheduled Tribe boys and girls who are studying in Govind Guru Tribal University in Banswara.	Department intimated (October 2020) that financial sanction has been issued in January 2019. Only an amount of ₹ 3.14 crore had been incurred up to August 2020. Work is expected to be completed by June 2021 against prescribed completion date 27 December 2019 by the executive agency (Rajasthan State Road Development and Construction Corporation Ltd.)

S. No.	Brief of announcements made in Budget Speech	Status of follow up action taken by the Department
8.	During Budget Speech 2018-19, the State Government proposed ₹ 5 crore for upgradation of five Sports hostels as Sports academies for improvement in sports performance in Scheduled tribe areas.	Department intimated (October 2020) that approval of works has been issued on May 2018. Technical estimate is being prepared by the executive agency (SWACH project).

Details provided in the above table indicate slow pace of follow up action and unsatisfactory progress of the budget speech announcements.

Non/less utilization of funds on these schemes/programmes not only increases the fiscal burden in the succeeding years but also leads to delays and deprives the benefits to the beneficiaries.

3.6 Good Practices

The aspects of budgetary management in which the State Government made improvements are given below:

- Less emphasis on supplementary grants in comparison to previous years.
- No instance of excess expenditure over budgetary provision in any grant during the last three years.
- Non utilisation of fund from Contingency fund during the last three years.
- Submission of all the Re-appropriation orders and Surrender orders before closing of the financial year.
- Surrender of most of the savings before the end of the year.
- 100 *per cent* reconciliation of receipts and expenditure made by all the budget controlling officers.

3.7 Recommendations

- i. The budgetary control mechanism, specifically the monthly expenditure control and monitoring mechanism, may be strengthened to avoid excessive savings, especially where instances of persistent savings have been observed and to reduce Supplementary provisions which might remain unutilised.
- ii. Government may ensure timely surrender of funds so that they could be utilised in other heads requiring additional funds. Late surrender affected the availability of funds in certain priority areas and affected outcomes. Excessive/unnecessary/inadequate re-appropriations of funds may also be avoided.
- iii. An appropriate control mechanism needs to be instituted by the State Government to enforce proper implementation and monitoring of budget implementation to ensure that large savings within the Grants/Appropriations are controlled, and anticipated savings are identified and surrendered within the specified timeframe. Optimum utilization of IFMS may be useful in this regard.
- iv. Budget Controlling Officers need to be made aware of their responsibility to provide clear explanation of the variations in expenditure from the allocation to facilitate proper analysis of budget and accurate preparation of subsequent Appropriation Accounts.

Chapter IV: Quality of Accounts and Financial Reporting Practices

Introduction

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is, thus, one of the attributes of good governance. Reports on compliance and controls, if effective and operational, assist the Government in meeting its basic stewardship responsibilities, including strategic planning and decision making.

This chapter provides an overview and status of compliance of various significant financial rules, procedures and directives with regard to financial reporting of the State Government and its various subordinate offices during the current year.

4.1 Loans of State Government not being credited to the Consolidated Fund

4.1.1 Off Budget Borrowings of State Government and increasing contingent liabilities

The State Governments can borrow money within the territory of India, upon security of the Consolidated Fund of the State and the limits on such borrowings are regulated under Article 293(3) of the Constitution of India. In addition to such borrowings, the State Government also guarantees loans availed by Zila Parishads/Companies/Corporations from the market/financial institutions for implementation of various State Plan programmes, which are reflected outside the State Budget. Though the State Government states that the funds raised for these programmes would be met out from the resources mobilized by these Companies/Corporations/Zila Parishads, however, borrowings by many of these concerns are repaid by the Government and ultimately turn out to be the liabilities of the State Government. Accordingly, these may be termed as *off budget borrowings* as these borrowings are not included in the budget and remain outside legislative control. Two such instances were noticed in Rajasthan as discussed below:

- The Finance Department, GoR informed (July 2020) that since 2011-12, the State Government had given guarantees with respect to loans of ₹ 3,948.66 crore obtained by Zila Parishads (ZPs) from Housing and Urban Development Corporation (HUDCO) for construction of dwelling units for Economically Weaker Section (EWS) families in rural areas under Chief Minister Below Poverty Line (CMBPL) Awas Yojana. The State Government has been repaying the principal and interest against these loans. Audit scrutiny revealed that during 2019-20, ₹ 433.36 crore (₹ 235.88 crore on account of principal and ₹ 197.48 crore as interest) was transferred by GoR in Personal Deposit (PD) accounts of 31 ZPs, for payment of principal and interest on loans raised by them from HUDCO for CMBPL Awas Yojana. The clearance of guarantees of ₹ 235.88 crore during the year left the balance of

outstanding guarantees at ₹ 1,901.54 crore at the end of 2019-20 against ₹ 2,137.42 crore balance at the start of 2019-20.

- In compliance to declaration made in Budget speech 2019-20, the Rajasthan Agriculture Marketing Board, Jaipur availed loan of ₹ 1,000.00 crore from Oriental Bank of Commerce for *Krashak Kalyan Kosh* on the guarantee of State Government. The GoR undertook to repay the principal and interest accruing on this loan. Thus, liability of repaying the loan vested entirely with GoR and not with the Board, though the liability was not disclosed in the accounts of State Government. Audit scrutiny revealed that during 2019-20, the State Government released grant of ₹ 22.00 crore to Rajasthan Agriculture Marketing Board for payment of interest on this loan.

Table 4.1: Off budget borrowings as on 31 March 2020

(₹ in crore)		
S. No	Particulars	Amount
a.	(i) Borrowings by <i>Zila Parishads</i> on behalf of the State Government where the principal and interest are to be serviced out of the State budget.	1,901.54
	(ii) Borrowing by ' <i>Rajasthan Agriculture Marketing Board</i> ' on behalf of the State Government where the principal and interest are to be serviced out of the State budget	1,000.00
	Total	2,901.54

Table 4.2: Trend of Off budget borrowings

(₹ in crore)		
Year	Amount	Per cent of GSDP
2017-18	2,372.91	0.28
2018-19	2,137.42	0.23
2019-20	2,901.54	0.28

Thus, the Off budget borrowings increased by ₹ 764.12 crore during 2019-20 over the previous year. Such off-budget borrowings cause the liabilities/borrowings of the State Government to be understated in the Accounts.

4.2 Funds transferred directly to State Implementing Agencies

The Central Government transfers a sizeable quantum of funds directly to the State Implementing Agencies (IAs)¹ for the implementation of various schemes/programmes in the social and economic sectors. As the funds are not routed through the State Budget/State Treasury System, the Finance Accounts of the state do not capture these funds and to that extent, the state's receipts and expenditure as well as other fiscal variables/parameters derived from them, do not represent the complete picture. Therefore, it was decided by the Central Government that from 2014-15, plan assistance under all Centrally Sponsored Schemes (CSS) and block grants would be classified as

1. State IAs are organisations/institutions including non-governmental organisations which are authorised by the State Government to receive funds from the GoI, for implementing the specific programmes.

Central Assistance to State Plan and transferred to IAs through the Consolidated Fund of the State in a phased manner.

However, during 2019-20, Central funds of ₹ 9,483.87 crore were transferred directly to the State IAs. Out of this, the Central Government transferred ₹ 5,427.78 crore for Mahatma Gandhi National Rural Employment Guarantee Programme, ₹ 3,284.17 crore for Pradhan Mantri Kisan Samman Nidhi (PM - Kisan), ₹ 170.00 crore for M.P. Local Area Development Scheme, ₹ 88.12 crore for Solar Power-Off Grid/Distributed and Decentralised Renewable Power, ₹ 87.80 crore for Pradhan Mantri Matratav Vandana Yojana and ₹ 78.35 crore for Assistance to State Agencies for Intra-State movement of food grains and FPS dealers margin under NFSA. The quantum of funds transferred directly to the State IAs are given in the **Table 4.3** below and the details are provided in **Appendix 4.1**.

Table 4.3: GoI funds transferred directly to State IAs during 2013-20

(₹ in crore)							
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Funds	8,571.62	561.46	615.47	3,799.71	3,946.78	4,648.31	9,483.87

As is evident from the table, a decrease in the direct transfers from Central government to State IAs was registered only during 2014-15 whereas the transfers have steadily increased since then.

4.3 Deposit of Local Funds

Section 64 of the Rajasthan Panchayati Raj Act, 1994 provides that Zila Parishad (ZP), Panchayat Samiti (PS) and Gram Panchayat (GP) would maintain ZP fund, PS fund and GP fund respectively (under Major Head 8448-Deposits of Local Funds-109-Panchayat Bodies Funds) which would include all the money realised or realisable under the Act as well as all the money otherwise received by the PRIs, such as grants received from Central Finance Commission, State Government as per the State Finance Commission recommendations and their own revenue including tax and non-tax receipts of Panchayats. Similarly, Section 79 of Rajasthan Municipal Act 2009 envisages that the Municipal Fund is to be held by the Municipality and all the money realised or realisable under the act and all money otherwise received by the Municipalities are to be kept in the Municipal Fund under the Major Head 8448- Deposits of Local Funds-102-Municipal Funds.

The position of Deposits of local funds in PRIs and Municipal Fund as on 31 March 2020 is given in the following **Table 4.4**.

Table 4.4: Deposits of Local Funds

(₹ in crore)													
Year	Zila Parishad Fund (8448-109-03)				Panchayat Samiti Fund (8448-109-02)				Total Closing Balance end of the year	Municipal Fund (8448-102)			
	Opening Balance	Receipt	Expen- diture	Closing Balance	Opening Balance	Receipt	Expen- diture	Closing Balance		Opening Balance	Receipt	Expend- iture	Closing Balance
1	2	3	4	5	6	7	8	9	(5+9)=10	11	12	13	14
2012-13	1,104.83	2,356.16	2,044.31	1,416.68	470.2	884.48	704.67	650.01	2,066.69	337.78	1,545.16	1,284.08	598.86
2013-14	1,416.68	2,619.37	2,578.78	1,457.27	650.01	1,568.13	1,473.86	744.28	2,201.55	598.86	1,637.98	1,688.86	547.98
2014-15	1,457.27	2,732.06	2,753.13	1,436.20	744.28	1,289.63	1,140.81	893.1	2,329.30	547.98	1,841.45	1,772.50	616.93
2015-16	1,436.20	4,412.58	3,879.91	1,968.87	893.1	1,091.19	967.73	1,016.56	2,985.43	616.93	2,217.67	1,903.89	930.71

Year	Zila Parishad Fund (8448-109-03)				Panchayat Samiti Fund (8448-109-02)				Total Closing Balance end of the year	Municipal Fund (8448-102)			
	Opening Balance	Receipt	Expen- diture	Closing Balance	Opening Balance	Receipt	Expen- diture	Closing Balance		Opening Balance	Receipt	Expen- diture	Closing Balance
2016-17	1,968.87	3,044.50	3,330.05	1,683.32	1,016.56	1,546.68	1,283.19	1,280.05	2,963.37	930.71	2,647.54	2,160.13	1,418.12
2017-18	1,683.32	2,220.82	2,032.13	1,872.01	1,280.05	1,599.99	1,430.26	1,449.78	3,321.79	1,418.12	2,351.12	2,117.23	1,652.01
2018-19	1,872.01	1,781.83	2,144.98	1,508.86	1,449.78	1,776.44	1,762.27	1,463.95	2,972.81	1,652.01	2,527.25	2,775.08	1,404.17
2019-20	1,508.86	1,198.28	1,407.07	1,300.07	1,463.95	3,205.03	3,496.43	1,172.55	2,472.62	1,404.17	2,874.08	2,835.52	1,442.73

Source: State Budget and Finance Account

Audit scrutiny revealed that during 2013-20, significant balances were lying in ZP funds, PS funds and Municipal fund. The closing balances in these funds during 2019-20 were ₹ 1,300.07 crore, ₹ 1,172.55 crore and ₹ 1,442.73 crore respectively.

GPs also maintain accounts in nearest branch of scheduled bank. The status of un-utilised funds lying in these accounts of GPs could not be ascertained as these details were neither compiled at the level of PS or ZP nor provided in the Treasury Accounts.

Rural Development and Panchayati Raj Department intimated (March 2020) that in compliance of audit observations, directions have been issued (February 2020) again for compilation of details of un-utilised funds in GP accounts at the level of PS or ZP. Further, the Finance Department gave directions through budget circular (September 2020) to provide information of all PD Accounts in Pay Manager module of IFMS to be further checked/verified by the controlling officer and to close the inoperative or dormant Bank accounts. However, status of compliance of these orders has not been provided by the Department.

4.4 Delay in submission of Utilisation Certificates

Rule 284 & 286 of General Financial and Accounts Rules (GF&ARs), 2012 prescribe that Utilisation Certificates (UCs) of grants² provided for a specific purpose should be obtained by the departmental officers from the grantees and after verification should be forwarded to the Accountant General (Accounts and Entitlement) within one year from the date of their sanction unless specified otherwise. Similarly, UCs are required to be furnished by the State Government to Government of India with regards to the funds provided by the latter for implementation of various socio-economic development programmes where grants for specific purpose are provided.

During the year 2018-19, Government of Rajasthan released grants-in-aid of ₹ 34,862.16 crore, of which ₹ 28,372.38 crore were released under object head 12-Grant-in-aid (non-salary) and ₹ 799.14 crore under 93-Grant-in-Aid for creation of Capital Assets.

During the period 2004-05 to 2018-19, 770 UCs aggregating to ₹ 940.61 crore were outstanding for submission from various departments to office of the Pr. AG (A&E) as on May 2020 as mentioned in **Table 4.5**. Out of total outstanding UCs, 581 UCs amounting to ₹ 914.30 crore pertained to 'Grant-in-aid for creation of Capital Assets'. The age-wise pendency of total outstanding UCs is summarized in the Table below.

2. Except grants released for general purpose i.e. pay & establishment and expenses for the Scheme under State Fund or Central Assistance (₹ 5,690.64 crore), where UCs are not required as per Rule 285 (4) of GF&AR.

Table 4.5: Age-wise outstanding UCs

(₹ in crore)

Year	Opening Balance		Addition		Clearance		Due for submission	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Upto 2016-17	104	9.32	31	42.14	73	49.12	62	2.34
2017-18	62	2.34	308	51.32	175	47.69	195	5.97
2018-19	195	5.97	808	970.44	233	35.80	770	940.61

Source: Information compiled by office of the Pr.AG (A&E)

Table 4.6: Year-wise break up of outstanding UCs

(₹ in crore)

Year	Number of UCs	Amount
2004-05	1	0.12
2009-10	2	0.01
2010-11	6	0.10
2011-12	8	0.18
2012-13	10	0.11
2013-14	8	0.06
2014-15	3	0.01
2015-16	5	0.11
2017-18	128	3.94
2018-19	599	935.98
Total	770	940.61

Source: Information compiled by office of the Pr.AG (A&E).

As per the information provided by the office of the Pr.AG (A&E), out of the pending 770 UCs till May 2020, 137 UCs have been received by December 2020 from various departments.

Almost 97.66 per cent amount of the outstanding UCs pertained to Family Welfare Department (₹ 260.67 crore), Panchayati Raj Department (₹ 236.64 crore), Medical Department (₹ 55.32 crore) and Urban Development Department (₹ 28.81 crore). The Department-wise break up of outstanding UCs is summarized below in the **Table 4.7** and represented in the **Chart 4.1**.

Table 4.7: Department-wise position of outstanding UCs

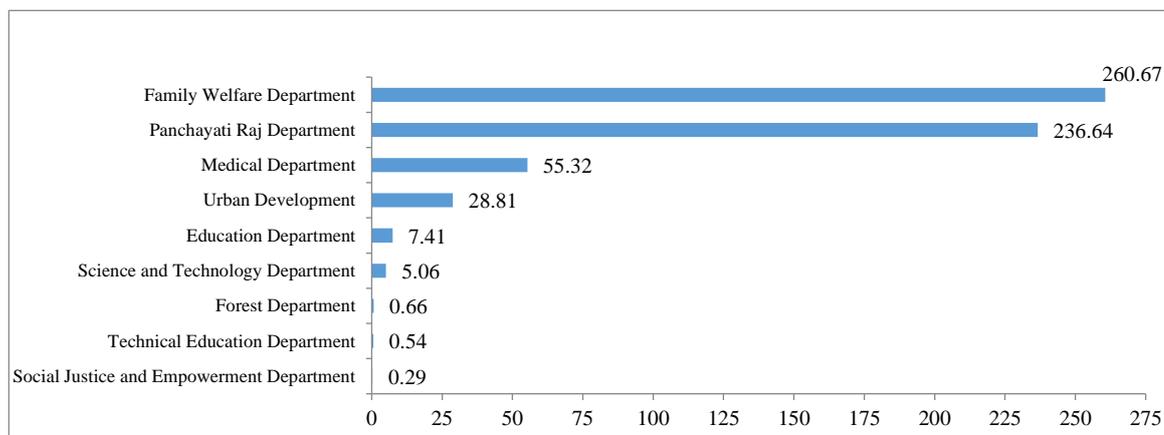
(₹ in crore)

Name of the Department	No. of UCs	Amount
Family Welfare Department, Jaipur	22	260.67
Urban Development, Jaipur (Local Self Government)	33	28.81
Panchayati Raj Department, Jaipur	372	236.64
Medical Department, Jaipur	10	55.32
Education Department, Jaipur	4	7.41
Social Justice and Empowerment Department, Jaipur	2	0.29
Forest Department, Jaipur	3	0.66
Science and Technology Department, Jaipur	185	5.06
Technical Education Department, Jaipur	2	0.54
Total	633	595.40

Source: Information compiled by office of the Pr.AG (A&E).

Chart 4.1: Outstanding UCs

₹ in crore)



Audit scrutiny revealed that copies of the sanctions and the UCs are not being sent to office of the Pr.AG (A&E) for capturing in the accounts as mandated by GF&ARs. The Science and Technology Department intimated (September 2020) that efforts are being made by the Department for receiving the pending UCs from subordinate offices. Replies from the other concerned departments are awaited.

UCs outstanding beyond the specified period not only weaken the financial accountability mechanism but also indicate failure of the Departmental officers to comply with the rules and procedures to ensure timely utilisation of grant for the intended purpose. Failure to submit the UCs timely also leads to non-release of subsequent instalments from GoI which negatively impacts the implementation of schemes in the state.

4.4.1 Recording of Grantee Institution as 'Others'

Grants-in-aid (GIA) are payments in nature of assistance, donations or contributions made by one government body/institution/individual to another government body/institution/individual. In Rajasthan, the GIA by the State Government is divided in three object heads like; (i) 12- Grant-in-Aid (non-salary); (ii) 92-Grant-in-Aid (salary) and (iii) 93-Grant-in-Aid for creation of Capital Assets.

Regulation 88 of the Regulations on Audit and Accounts, 2007 provides that Governments and Heads of the Departments who sanction grants and/or loans to the bodies or authorities shall furnish by the end of July every year to the Audit Office, a statement of such bodies and authorities to which grants and/ or loans aggregating ₹ 10 lakh or more were paid during the preceding year indicating (a) the amount of assistance (b) the purpose for which the assistance was sanctioned and (c) the total expenditure of the body or authority.

As per Finance Accounts 2019-20 of GoR, GIA constituted 21.2 *per cent* of the total expenditure of the state and during the year, out of the total GIA of ₹ 41,024.82 crore, an amount of ₹ 10,222.30 crore (24.92 *per cent*) was disbursed to grantee institutions of type 'Others', where 'Others' means various Government Departments, as given in **Table 4.8** below:

Table 4.8: Financial Assistance to Institutions

(₹ in crore)						
S.No.	Financial Assistance to Institutions	2015-16	2016-17	2017-18	2018-19	2019-20
1.	PRIs, ULBs, Public Sector Undertakings, Non-Government Originations, Autonomous Bodies, Cooperative Society and Institution and Statutory Bodies and Development Authorities	22287.29	21,142.87	25,223.22	24,837.17	30,802.52
2.	Others	9437.52	11,749.33	9,761.88	10,025.04	10,222.30
	Total grant	31724.81	32,892.20	34,985.10	34,862.21	41,024.82
	Percentage of 'Others' to Total grant	29.75	35.72	27.90	28.76	24.92
3.	Total Expenditure of State	1,64,887	1,57,085	1,67,799	1,87,524	1,93,458
4.	Percentage of total grant to total expenditure of State	19.24	20.94	20.85	18.59	21.21

Source: Finance Accounts.

The above table indicates that grant given to 'Others' ranged between 24.92 *per cent* to 35.72 *per cent* of the total GIA during the period 2015-16 to 2019-20. Further, the table also indicates that the percentage of total grants to total expenditure ranged from 18.59 *per cent* to 21.21 *per cent* during the period 2015-16 to 2019-20.

Therefore, GIA to Institutions of the type 'Others' constitutes a significant portion of the total grants and total expenditure of the State. Absence of proper recording of the grantee institute has a negative impact on the transparency of financial reporting/accounts.

4.5 Abstract Contingent bills

Irregularities in submission of Detailed Contingent Bills against Abstract Contingent Bills

Under rule 219 of GF&AR, the Controlling and Disbursing Officers are authorised to draw sum of money by preparing Abstract Contingent (AC) bills, by debiting service heads and are required to present Detailed Contingent (DC) bills (vouchers in support of final expenditure) to the Accountant General (A&E) through treasury. Under Rule 219, procedure for submission of Detailed Contingent Bills has been prescribed, according to which DC bills, where countersignature of competent authority is required, are required to be sent to the Controlling Officer soon after the accomplishment of the purpose for which advance was drawn but not later than 10th of the following month. The controlling Officer after detailed scrutiny of the bill shall countersign the bill and return the bill to the Drawing & Disbursing Officer within 15 days of the receipt of the DC bill. DDO shall submit the bill to the concerned Treasury Officer. After the scrutiny, the Treasury Officer shall send the bill to the Accountant General within three days. In cases where countersignature is not required, DC bill shall be directly sent to the Treasury Officer. Rule 220(1) further provides for submission of DC bills not later than a period of three months from the drawal of AC bills (except in case of purchase of machinery/equipment's and other articles from abroad by opening of letter of credit,

where the DC bills may be rendered to the competent authority within six months of the drawal of AC bills).

Audit observed that the State Government did not furnish DC bills in respect of 202 bills amounting to ₹ 55.49 crore, as on May 2020. Year-wise details of outstanding DC bills are given in the following **Table 4.9**:

Table 4.9: Pending submission of DC bills

(₹ in crore)		
Year	Outstanding DC bills	Amount of DC bills
Up to March 2011	6	2.93
2012-13	1	1.04
2014-15	3	2.47
2016-17	3	2.61
2017-18	4	24.37
2018-19	18	5.40
2019-20	167	16.67
Total	202	55.49

Source: Finance Accounts and information compiled by office of the Pr.AG (A&E).

Table 4.10: Age-wise position of pending DC bills

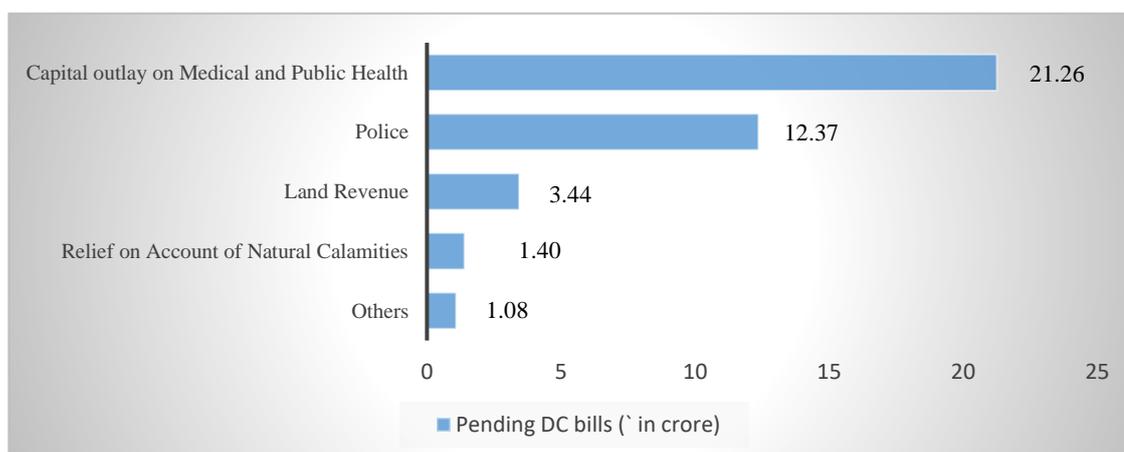
(₹ in crore)		
Age	No. of pending DC bills	Amount
Between 20 years to 30 years	5	0.01
Between 11 years to 15 years	1	2.92
Between 5 years to 10 years	4	3.51
Between 1 years to 5 years	25	32.38
Between 0 to 1 year	167	16.67

As is evident from the table, six bills amounting to ₹ 2.93 crore were pending for 11 to 30 years and 29 bills amount ₹ 35.89 crore were pending for one to 10 years.

Finance Department stated (February 2021) that as of November 2020, 64 DC bills amounting to ₹ 39.55 crore were pending.

Major Head wise details of pending AC bills as well as amount outstanding for the period upto November 2020 are presented in the following **Chart 4.2** and detailed in **Appendix 4.2**.

Chart 4.2: Department wise position of pending DC Bills



Further, during 2019-20, 905 AC bills (₹ 76.83 crore) were drawn out of which 35 bills (3.87 per cent) amounting to ₹ 1.17 crore were drawn in March 2020. Significant amount of ₹ 0.75 crore was drawn by Police Department (six bills amounting to ₹ 0.39 crore) and Relief Department (four Bills amounting to ₹ 0.36 crore).

(i) Non-submission of DC bills

During Audit scrutiny, it was found that 30 AC bills of the period upto March 2019 remained unadjusted despite lapse of period ranging from 1 to 30 years. Details are given in the following **Table 4.11**.

Table 4.11: Non submission of DC bills

(₹ in lakh)

S. No.	Name of Office	Major Head	AC Bill No. & Date	Amount	Reasons of delay provided by Department/Audit comment
1.	Director, State Forensic Science Laboratory, Jaipur	2055	283/6.1.2015 395/27.3.2015 368/29.3.2017 421/28.3.2018 348/9.2.2018 347/9.2.2018 285/13.3.2019 286/13.3.2019	57.00 180.50 239.00 66.50 83.50 161.50 261.40 161.97	Most of the instruments have been purchased. In some cases due to budget constraint and technical disqualification, order could not be placed and re-tendering was to be done.
2.	Administrative Officer, NCC Headquarter, Jaipur	2204	77/21.12.2018	2.64	Non receipt of ex-post facto approval from NCC Directorate.
3.	Rajasthan Staff Selection Board, Jaipur	2051	299/6.10.2016	2.00	Correspondence with Personnel Departments under process.
4.	Assistant Director, DIET, Jalore	2202	63/6.2.91	0.30	As per office record, the AC bill was not drawn.
5.	Dy. Director (Administration), Secondary Education, Bikaner	3425	1076/15.3.2019 1075/15.3.2019 1077/15.3.2019	8.00 2.00 6.00	Non-submission of DC bill due to non-receipt of vouchers from 72 schools of four Districts.
6.	Zila Parishad, Banswara	4202	66/13.6.1992 59/27.2.1991	0.24 0.30	As per office record, the AC bill was not drawn.
7.	Revenue Board, Ajmer	2029	182/5.3.2008	292.00	Due to pending recovery of ₹ 15.64 lakh from NICSI, New Delhi, DC bill is pending. Efforts are being made by the Department for recovery.
8.	Collector, DMRD, Alwar	2245	813/19.3.2013	103.50	Non deposit/submission of embezzlement amount and detailed records for payment to other schemes not received.
9.	Principal and Additional Principal SP Medical College, Bikaner	4210	1487/30.3.2018	2125.67	Department intimated (February 2021) that DC bill could not be submitted due to incomplete installation and demonstration work of machine.

S. No.	Name of Office	Major Head	AC Bill No. & Date	Amount	Reasons of delay provided by Department/Audit comment
10.	Pr. DIET, Bikaner	2202	356/22.1.1990	0.30	Department intimated (November 2020) that as per office record, the AC bill was not drawn.
11.	Revenue Board, Ajmer	2029	512/14.10.2019	52.00	Bills of ₹ 31.83 lakh have been submitted. The Finance department intimated (February 2021) that compliance is awaited from Revenue Board.
12.	District Adult Education Officer, Rajsamand	2202	112/22.3.1997	0.08	No reasons were furnished by the department.

* 5 AC bills related to previous years, as mentioned in **Tables 4.9** and **4.10**, were adjusted during the period June 2020 to October 2020.

The reasons provided by the departments are not tenable because non-submission of DC bills indicates lack of monitoring on the part of Departments as well as treasuries.

The drawal of funds on AC bill is accounted against the functional Major Head in the consolidated fund of the state. Unless the accounts are settled within the time allotted through DC bills, the expenditure stands inflated to that extent.

(ii) Delay in submission of Detailed Contingent Bills

Rule 8(2) of General Financial and Accounts Rule (GF&AR), 2012 prescribes that funds shall be withdrawn only if required for immediate payment and the expenditure or payment is authorised by the competent authority.

During audit scrutiny, significant delays in furnishing DC bills during 2019-20 were noticed. Details are given in the following **Table 4.12**.

Table 4.12: Quantum of delay in submission of DC bills

S. No.	Name of office	No. of DC bills (with AC bill no.) submitted with delay	Period of delay (in months)	(₹ in lakh)
				Amount deposited through challan
1.	Director, State Forensic Science Laboratory, Jaipur	3 (396, 367, 347)	27 to 39	3.33
2.	Administrative Office, HQrs, NCC, Jaipur	1 (76)	15	0
3.	Rajasthan Subordinate Service Selection Board, Jaipur	7 (259,510,195,514,122, 215,507,216,260)	10 to 21	0
4.	Revenue Board, Ajmer	2 (991, 266)	9 to 12	9.16
5.	Science and Technology	1 (107)	4	0
6.	Commanding Officer 3 Rajasthan DN NCC, Sikar	2 (53, 54)	5	0
7.	Assistance Director, Ayurved, Ajmer	1 (436)	56	0

S. No.	Name of office	No. of DC bills (with AC bill no.) submitted with delay	Period of delay (in months)	Amount deposited through challan
8.	District Collector, DMRD, Udaipur	2 (36, 49)	15 to 18	2386.74
9	DEO,(Boys), Kota	1 (33)	28 years	0.26
10	Principal S.N. Medical College, Jodhpur	1 (1968)	15	0
11	District Election Officer Barmer	1 (107)	5	0
12	District Election Officer, Bikaner	4 (64,65,74,16)	4 to 8	0
13	District Election Officer, Jaipur	1 (114)	5	0
14	Add. Director (Admn.) Mines and Geology, Udaipur	1 (339)	6	0
15	Commissioner, Devsthan Vibhag, Udaipur	1(346)	14	0
16	Principal and Additional Principal SP Medical College, Bikaner	1(1317)	34	0
	Total	30		2,399.49

As can be seen from the above table, there were delays ranging from 4 months to 28 years in submission of DC bills which indicates that funds were drawn without requirement for immediate payment. This renders the expenditure through AC bills opaque.

Further, during test check, it was noticed that out of pending DC bills pointed out in the SFAR for the year 2018-19, DDOs had deposited an amount of ₹ 1.20 crore through challans in Government account along with submission of 82 DC bills.

(iii) **Other irregularities:** Director, State Science Forensic Laboratory, Rajasthan, Jaipur, had drawn an amount of ₹ 6.00 lakh through AC Bill (422/28.3.2018) for purchasing an instrument. However, the entire amount was deposited back (December 2019) by challan while submitting DC bill. This shows that there was no urgency for immediate payment for instrument despite which the department had drawn the amount through AC bill.

The irregular retention of funds by drawing through AC bills enabled the Departments to avoid lapse of budget provision and to bypass budgetary compulsion to spend the amount before the close of financial year. A system is required to be put in place to regularly monitor the pendency of the DC bills against previously drawn AC bills.

4.6 Personal Deposit Accounts

A Personal Deposit account is an account opened with the concerned Treasury under the Deposits head of the Public Account. Rule 260(1) of GF&AR provides that no money shall be received for deposits in the Government accounts unless they are such as by the virtue of any statutory provisions or of any general or special orders of the government and are required or authorized to be held in the custody of the Government. There is no provision in Rajasthan Treasury rules for obtaining prior concurrence of the Pr. AG (A&E) to open a PD account.

During 2019-20, an amount of ₹ 33,827.12 crore was transferred/credited to PD Accounts under the Major Head 8443-Civil Deposits-106-Personal Deposits which comprised 17.5 per cent of total expenditure (₹ 1,93,458 crore), out of which ₹ 23,574.03 crore was transferred by debiting the Consolidated fund of the State. Out of ₹ 23,574.03 crore, a sum of ₹ 4,936.18 crore (20.94 per cent) was transferred to/deposited in PD Accounts only in March 2020. As per State Budget Manual (SBM), the practice of withdrawing funds with a view to avoid lapse of budget grants and placing such amounts of money in deposits in the Public Account or the bank is forbidden. Therefore, transfer of significant amount to the PD accounts during the month of March is in contravention of SBM provisions.

The status of the PD Accounts (operative & inoperative) of the State Government as on 31 March 2020 is given in the **Table 4.13** below.

Table 4.13: Status of Operative and Inoperative PD Accounts

(₹ in crore)

Particulars	No. of Accounts (as on 01 April 2019)		Addition during the year		Closed during the year		No. of PD Accounts (as on 31 March 2020)	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Operative PD Accounts	1863	13,325.41	46*	33,827.25*	64**	30,869.05**	1,845	16,283.61
Inoperative PD Accounts (for more than five years)	36	0.18	55	5.46	36*	0.18*	55	5.46
Total	1,899	13,325.59	101	33,832.71	100	30,869.23	1,900	16,289.07

* Includes 12 inoperative PD Accounts (₹ 0.13 crore) which were made operational during the year.

** Includes 55 PD Accounts (₹ 5.46 crore) which became inoperative during the year.

The unspent balances of ₹ 16,289.07 crore in 1,900 PD Accounts include 26 PD Accounts³ (each having balances of ₹ 100 crore and above), in which sum of ₹ 10,573.24 crore i.e. 64.91 per cent of total unspent balances is lying. There was no transaction during the year in 291 PD accounts. Age-wise details of PD accounts and their balances are given in the **Table 4.14** below:

- Rajasthan State Health Society, Jaipur (Sectt.) (₹ 1,231.03 crore); Dy. Manager, Rajasthan Rajya Corporation Bank Jaipur City (₹ 558.88 crore); Secretary Rajasthan Rural Road Development Agency Jaipur City (₹ 415.34 crore); Rajcomp Info Services Ltd. Jaipur (Sectt.) (₹ 552.19 crore); Rajasthan Urban Infrastructure Finance Development Corporation (₹ 537.17 crore); DMFT, Bhilwara (₹ 876.09 crore); DMFT, Rajsamand (₹ 657.93 crore); Director, Sarva Shiksha Abhiyan, Jaipur (Sectt.) (₹ 471.73 crore); MD, Rajasthan Secondary Education Council, Jaipur (Sectt.) (₹ 363.09 crore); Indira Awas Yojana, Jaipur (Sectt.); (₹ 119.23 crore); Commissioner, TAD, Udaipur (₹ 296.51 crore); Kota Smart City Ltd. Kota (₹ 193.74 crore); Ajmer Smart City Ltd., Ajmer (₹ 112.61 crore); Chairman, DMFT Fund, Ajmer (₹ 159.31 crore); MD & FA, Rajasthan State Bridge Road Development & Construction Corporation Ltd. (₹ 124.12 crore); DMFT, Udaipur (Rural) (₹ 238.74 crore); DMFT, Chittorgarh (₹ 220.09 crore); DMFT, Pali (₹ 157.07 crore); Rajasthan Bhawan Nirman Karmkar Kalyan Mandal, Jaipur City (₹ 482.61 crore), Krishak Kalyan Kosh (k-3) Jaipur (city) (₹ 1,500 crore), Rajasthan State Health Assurance Agency (₹ 338.69 crore), Director/Commissioner Rural and Panchayati Raj Department, Jaipur (Sectt.) (₹ 362.09 crore), Managing Director, Rajasthan Co-operative Dairy Federation Ltd Jaipur (sectt.) (₹ 114.53 crore), State Level Nodal Agency (Rural Development Department) Jaipur (Sectt.) (₹ 199.05 crore), Rajasthan Education Medical Society, Jaipur (Sett.) (₹ 189.38 crore) and DFMT, Sirohi (₹ 102.02 crore).

Table 4.14: Age-wise details of PD accounts as on 31st March 2020

(₹ in crore)

Age bracket	Number of PD accounts	Amount as on 31st March 2020
0-1 year	34	1,731.68
1-3 year	395	4,455.44
3-5 year	90	1,299.34
5-10 year	130	475.43
More than 10 year	1,043	6,899.76
Details Not Available	208	1,427.42
Total	1,900	16,289.07

During detailed analysis of PD accounts, following irregularities were noticed:

4.6.1 PD account for Life Insurance Corporation of India (LIC)

A separate PD account No. 471 under Budget head 8443-106 was opened in every treasury for transfer of LIC premium deducted from the salaries of state government employees for onward transfer to LIC of India.

During scrutiny of monthly treasury-wise record of this PD account for the period 2015-2020, it was noticed that out of 40 treasuries, only 7 treasuries⁴ were transferring the employee deduction of premium to LIC of India timely. Failure to transfer the premium regularly to LIC of India by the remaining treasuries indicates lack of monitoring at the level of DDOs.

The department intimated (February 2021) that 12 more treasuries⁵ have transferred the employee deduction of premium to LIC of India from the PD accounts.

The State Government may prescribe a time limit for the transfer of premium amount from the PD account to LIC of India.

4.6.2 District Mineral Foundation Trust (DMFT)

The State Government established (June 2016) DMFT in accordance with Rule 5 of Rajasthan DMFT Rules 2016 in all the districts of the State with a Governing council and Managing Committee. The objectives of the DMFT were to work for the interest and benefit of persons and areas affected by mining related operations in the district. DMFT is to utilize the contribution in *Pradhan Mantri Khanij Kshetra Kalyan Yojana* (PMKKKY) and other welfare schemes of the State and Central Government to implement various developmental and welfare projects/programs in mining affected areas.

The total balance in the DMFT fund was ₹ 2,838.01 crore, which was lying in 38 PD accounts of DMFT in Rajasthan as on 31 March 2020. The Department intimated (September 2020) that out of total amount of ₹ 3,949.97 crore collected upto 31 July 2020, only an amount of ₹ 912.90 crore (23 per cent) was utilised.

4. Beawar, Chittorgarh, Ganganagar, Jaipur (Sectt), Jalore, Pali and Sikar.

5. Udaipur, Dausa, Jaipur (City), Jaipur (Rural), Karauli, Bundi, Sirohi, Tonk, Churu, Nagaur, Kota and Dholpur.

Further, Non-interest bearing DMFT PD accounts in all the districts were to be converted (June 2018) into interest bearing deposit accounts. In this regard, Finance Department sent a proposal (20.08.2020) to Pr.AG (A&E) for opening a new sub-head for interest bearing deposit accounts of DMFT. The office of the Pr.AG (A&E) gave consent (12.10.2020) to Finance Department for opening a new sub-head 8342-120-65 DMFT for this purpose.

4.6.3 Kota smart city limited, Kota

In July 2014, Government of India announced the Smart City Scheme to build 100 smart cities across India. The development and integration of smart initiatives in the city would be funded by the Central and State Government, along with locally generated funds.

Kota smart city project was implemented by Kota smart city limited, Kota. It was funded by the Central and State Governments on a 50:50 sharing basis. A PD Account (No. 6627) of Kota Smart City Limited was opened on 31 March 2018.

There were unspent balances of ₹ 168.40 crore, ₹ 161.09 crore and ₹ 193.73 crore in the PD account as on March 2018, March 2019 and March 2020 respectively. Only ₹ 19.28 crore was utilized in project implementation under smart city during the period 2017-20.

Chief Accounts Officer, Kota Smart City Limited stated (February-October 2020) that during February 2020, work orders amounting to ₹ 436 crore have been issued which was confirmed by Finance Department (February 2021). Balance of PD Account increased during 2019-20 due to transfer of balance amount of ₹ 33.41 crore from the bank account as per the directions of Finance Department. However, the interest on state share has not been utilized so far and would be utilized after directions are received from State Government.

4.6.4 Rajasthan Building and Other Construction Workers Welfare Fund

The Government of India (GoI) enacted The Building and Other Construction workers (Regulation of Employment and Conditions of Services) Act, 1996 (Act) which provides for constitution of the 'State Building and Other Construction Workers Welfare Board (Board)' for formulating and implementing various welfare schemes for construction workers. To implement provisions of the Act, GoI has framed 'The Rajasthan Building and other Construction Workers (Regulation of employment and conditions of services) Rules 2009 (BOCW Rules)' and created Rajasthan Building and Other Construction Workers Welfare Fund (BOCW Fund). The BOCW Fund is being operated as Personal Deposit Account. BOCW rules mandate that the amount collected from cess shall be transferred to the Board within 30 days of collection.

As per the balance sheet of BOCW fund, there were 'current assets' of ₹ 1,189.19 crore, as on 31st March 2017, including ₹ 1,185.06 crore in various banks as FDR and an amount of ₹ 4.13 crore in saving accounts. This amount relates to previous years due to less expenditure incurred on welfare schemes.

During the year 2019-20, an amount of ₹ 382.59 crore was transferred in the PD account of BOCW fund from the Consolidated fund of State. However, an amount of ₹ 482.62 crore was pending for transfer from the PD account to the BOCW Board. During the year, no funds were transferred from PD account to BOCW Board account. The Annual Accounts of BOCW board have not been finalized since 2017-18.

In the PMGKY package, GoI instructed the State Governments for utilization BOCW funds to provide relief to construction workers. For this purpose, the State Government decided (August 2020) to provide economic relief to registered construction workers and other category of person/family i.e. self-employed vendors, street vendors and weaker person and helpless person.

As per the decision of State Government, out of the total requirement of ₹ 383.76 crore⁶ for transfer to construction workers, ₹ 328.50 crore was to be transferred to State Government (March 2020) from BOCW Fund and the remaining amount of ₹ 55.26 crore was to be provided by State Government which would be adjusted against future BOCW fund collections. While ₹ 328.50 crore was transferred to the beneficiaries, the State Government has not provided the details of provision of the remaining amount of ₹ 55.26 crore.

As per the data of Labour Department, 23.44 lakh construction workers are registered with BOCW. Out of them, the state government gave benefit only to 15.35 lakh registered workers (65.49 per cent) and the remaining 8.09 lakh workers did not receive any benefit.

Despite the availability of significant funds pertaining to previous years, the State Government only utilised a portion of the funds available with the BOCW board. The funds of BOCW board could have been also utilised to provide the much-needed relief to all the registered construction workers during the pandemic.

4.6.5 Reconciliation of Personal Deposit Accounts

Under the Rule 264 (5) of GF&AR, administrator of PD accounts are required to reconcile the balances of these accounts with the treasury officers (where detailed accounts are maintained by treasuries). Rule 99 of Rajasthan Treasury Rules, 2012 states that the treasury officers/sub-treasury officer shall obtain a certificate from the administrator of every PD account on the balance at the end of each financial year.

During test check it was noticed that certificates had not been obtained by 27 treasuries⁷ regarding PD Account balances at the end of March 2020. It was also noticed that there were differences in balance figures of treasuries and administrators in case of 71 PD accounts of 16 treasuries⁸ indicating lack of reconciliation as per rules.

6. ₹ 2500 per person multiplied by 15,35,054 construction workers.

7. Alwar, Bara, Bikaner, Bundi, Bharatpur, Bhilwara, Churu, Dausa, Dungarpur, Dholpur, Sri ganganagar, Hanumangarh, Jaipur (City), Jaipur (Rural), Jaipur (Sectt.), Jodhpur (city), Jodhpur (Rural), Jhalawar, Jalaur, Pali, Karauli, Kota, Nagaur, Pratapgarh, Sikar, Tonk, Udaipur.

8. Ajmer(1), Bikaner (8), Churu (6), Dholpur (5), Jhalawar (6), Kota (6), Baran (1), Bundi (2), Bharatpur (1), Dausa (2), Hanumangarh(2), Jaipur(city) (4), Jaipur (Rural) (1), Jaipur (Sectt) (19), Jodhpur (Rural) (1), Nagaur (6).

The information regarding scheme-wise balances in the PD accounts is not maintained by the State Government. The state may maintain scheme-wise ledger for all the schemes in the PD accounts. Non reconciliation of balances in PD account periodically entails the risk of misuse of public funds, fraud and misappropriation. Therefore, a system may be developed for reconciliation of balances of PD accounts by administrators of PD accounts with the treasury officers as well as with Pr.AG (A&E).

Finance Department stated (February 2021) that directions have been issued to all treasuries regarding reconciliation of balances with administrators of PD accounts and obtaining the certificates from them at the end of every financial year.

4.6.6 Inoperative PD Accounts

Rule 98 of Rajasthan Treasury Rules 2012 provides that in the month of April every year, the Treasury Officer would review the PD Accounts in operation and prepare a list of accounts which have remained inoperative continuously for preceding five financial years for sending it to the Finance (Ways & Means) Department with recommendation for their closing.

Review of position of PD Accounts held by various departments of the State Government revealed that as of 31 March 2020, total 55 PD Accounts having balance amount of ₹ 5.46 crore remained inoperative for the last five years (2015-20) out of which 8 inoperative PD accounts have had *nil* balance for the last five years. Details of current status of these PD Accounts are mentioned in **Appendix 4.3**. Finance Department informed (February 2021) that 42 inoperative PD accounts have been closed, conditional approval for operating 5 inoperative PD accounts has been taken from Finance (Ways and Means) department and the necessary action regarding the remaining 8 PD accounts is under process.

Non-closure of PD Accounts despite remaining inoperative for five years was in contravention of Rule 264(2) of GF&AR and Rule 98 of Rajasthan Treasuries Rules 2012 and indicates lack of monitoring at the level of treasuries.

4.7 Indiscriminate use of Minor Head-800

Booking of Receipts or expenditure under the Minor Head-800-Other Receipts and 800-other expenditure is considered opaque classification of receipts and expenditure, as these heads do not disclose the specific schemes/programmes etc. to which the amounts relate.

Appendix 'A' of SBM prescribes the Estimating Officer to take sufficient care to ensure that expenditure is classified under proper object Head and booking under the category of Other expenditure should be avoided as far as possible.

During 2019-20, the heads of accounts in which the amount booked under Minor Head 800 constituted 50 *per cent* or more of the total receipt/expenditure are given in **Table 4.15** below:

Table 4.15: Booking under Minor head 800-Other receipts/expenditure

Particulars	Receipt		Expenditure	
	Amount (₹ in crore)	Head of Account	Amount (₹ in crore)	Head of Account
100%	65.71	0035, 0056, 0217, 0220, 0801, 0851, 0852, 1452	4.76	2047, 4047, 5425
Between 75% and 99%	566.93	0230, 0235, 0401, 0435, 0515, 0701, 1475	11.65	3425
Between 50% and 74%	284.78	0070, 0202, 0406, 0425, 0702	5,210.91	2040, 2435, 2700, 2701, 3452, 4235, 4236, 4401, 4575, 4885, 5054, 5452, 5475
Total	917.42		5,227.32	

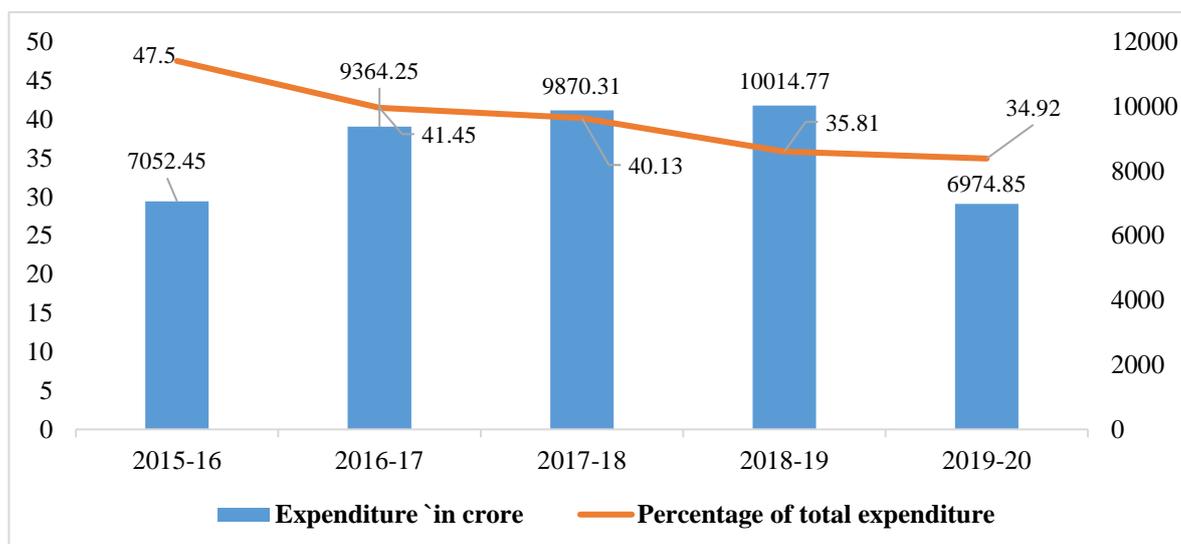
Audit scrutiny has revealed that the State Government has operated this minor head extensively during the five-year period 2015-2020. The amounts booked under this Minor Head are given in **Table 4.16**.

Table 4.16: Booking under Minor head 800-Other receipts/expenditure during 2015-20

Year	(₹ in crore)			
	Expenditure under Minor Head 800 (₹ in crore)	% of total expenditure under respective heads	Receipt under Minor Head 800 (₹ in crore)	% of total receipts under respective heads
2015-16	7,052.45	47.50	1,584.63	34.49
2016-17	9,364.25	41.45	2,060.49	31.85
2017-18	9,870.31	40.13	2,570.01	24.45
2018-19	10,014.77	35.81	5,822.23	24.88
2019-20	6,974.85	34.92	4,298.43	16.65

Instances where substantial portion (50 per cent or more) of expenditure and receipts were classified under Minor Head 800 are indicated in **Appendix 4.4**.

The extent of operation of Minor Head 800-Other expenditure, as a percentage of total expenditure of respective heads during 2015-20 is given in **Chart 4.3**.

Chart 4.3: Operation of Minor Head 800-Other expenditure during 2015-20

Booking of substantial amounts under omnibus Minor Head-800 negatively impacts the transparency in financial Reporting.

4.8 Outstanding balances under major Suspense and DDR heads

Suspense head is intended for temporary accommodation of transactions affecting the balances of the State, pending final adjustments on receipt of debits and credits. Transactions on behalf of Central Government are also accounted for in this head.

Remittances embrace all adjusting heads, under which appear remittances of cash between treasuries and transfers between different accounting circles. The initial debits or credits to the heads in these divisions are cleared eventually by corresponding receipts or payments either within the same circle of account or in another account circle. The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The Outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. Clearance of suspense and remittance items depends on the details furnished by the State Treasuries/Works and Forest Divisions, etc. The ledger of suspense balances is required to be maintained sub/detailed head-wise by Pay and Accounts Officers (PAOs). Transactions and net balances in Minor Head 101- PAO Suspense, 102-Suspense Account (Civil) and 112- Tax deducted at sources suspense under Major Head 8658-Suspense Account are detailed in **Table 4.17** below.

Table 4.17: Balances under Suspense and Remittance Heads

Minor Head	2017-18		2018-19		2019-20	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Major Head 8658 - Suspense						
101 - PAO suspense	120.99	1.76	157.98	35.15	168.25	48.83
Net		Dr. 119.23		Dr. 122.83		Dr. 119.42
102 - Suspense Account-Civil	0.77	0.01	0.83	3.15	0.38	76.18
Net		Dr. 0.76		Cr. 2.32		Cr. 75.80
106-Telecommunication Accounts Office Suspense	-*	-	-*	-	-*	-
Net		Dr.-*		Dr.-*		Dr.-*
109 - Reserve Bank Suspense - Headquarters	-	-	-	-	-#	-@
Net		-		-		Dr. _\$
112 - Tax Deducted at Source (TDS) Suspense	-	77.05	-	48.14	-	42.98
Net		Cr. 77.05		Cr. 48.14		Cr. 42.98
123 - A.I.S Officers' Group Insurance Scheme	-	0.16	-	0.16	-	0.17
Net		Cr. 0.16		Cr. 0.16		Cr. 0.17
129- Material Purchase Settlement Suspense Account	-	(-) 3.18	-	(-) 3.20	-	(-) 3.27
Net		Cr. (-) 3.18		Cr. (-) 3.20		Cr. (-) 3.27
139- GST-Tax Deducted at Source Suspense	-	-	-	-	-	33.62
Net		-		-		(Cr.) 33.62
Net Total		(Cr.) 74.03		(Cr.) 45.10		(Cr.) 73.50
Major Head 8782-Cash Remittances						
102 - P.W. Remittances	42.65	34.28	32.95	33.28	27.98	30.57
Net		Dr. 8.37		Cr. 0.33		Cr. 2.59
103 - Forest Remittances	1.76	0.14	1.75	0.14	0.05	0.13
Net		Dr. 1.62		Dr. 1.61		Dr. 0.08
108-Other Departmental Remittances	0.03	-	0.03	-	0.03	-
Net		DR. 0.03		Dr. 0.03		Dr.0.03

Minor Head	2017-18		2018-19		2019-20	
129-Transfer within Indira Gandhi Nahar Project	77.41	76.67	77.41	76.67	77.41	76.67
Net	Dr. 0.74		Dr.0.74		Dr.0.74	
Net Total	(Dr.) 10.74		(Dr.) 2.05		(Cr.) 1.79	

* ₹ 588 only, # ₹ 4213 only @ ₹ 240 only \$ ₹ 3973 only

The position of gross figures under major suspense and remittance heads for the last three years shows that the aggregate net balance under the Major Head '8658-Suspense Accounts' in the Finance Accounts registered a decrease by ₹ 0.53 crore from 2017-18.

- ***Pay and Account Officer (PAO)-Suspense (MiH 101)***

This Minor Head is intended for the initial record of inter-Governmental transactions arising in the books of a Central PAO, Separate Accounts Officers of Union Territories and Accountants General where the other party involved is a PAO. Separate sub-heads are opened under this minor head for each Accounts Officer with whom transactions are to be settled. Outstanding debit balances under this head indicate payments which have been made by the PAO on behalf of others and are yet to be recovered and credit balances represent the amount yet to be paid.

The outstanding debit balance in this account at the end of March 2020 was ₹ 168.25 crore and the credit balance was ₹ 48.83 crore. The outstanding debit balance relates mainly to PAO, Central Pension Accounting Officer, Ministry of Finance, New Delhi (₹ 156.23 crore) and PAO (NH), Ministry of Road Transport and Highway Jaipur (₹ 11.63 crore) whereas the credit balance is mainly in respect of PAO (NH), Ministry of Mining (₹ 76.17 crore).

- ***Suspense Account-Civil (MiH 102)***

This Minor head is operated by the Accountant General to provisionally accommodate the differences noticed in the transactions which cannot be taken to the final head of expenditure/receipt accounts for want of certain information/documents viz. challans, vouchers, etc. Receipts are credited and expenditure is debited to this account and cleared on receipt of required information by minus credit and minus debit respectively.

Major debit balances outstanding at the end of March 2020 under this head were in respect of CDA⁹ (Pension), Allahabad (₹ 0.04 crore) and CDA (SC¹⁰), Pune (₹ 0.34 crore). Major credit balance was shown under the head other miscellaneous suspense (₹ 0.76 crore).

- ***Tax deducted at source (TDS) suspense- (MiH 112)***

This minor head is intended to accommodate receipts on account of Income tax deducted at source. Receipts on account of TDS are credited to Major Head 8658-Suspense accounts under Minor Head 112-TDS suspense. These credits are to be cleared by the end of each financial year and credited to the Income Tax Department.

However, there was outstanding credit balance of ₹ 42.98 crore under this head as on 31 March 2020 which was yet to be credited to IT Department.

9. Controller of Defence Accounts.

10. Southern Command.

- ***Adverse balance under DDR Heads***

Adverse balances are negative balances appearing under those heads of account where there should not be a negative balances and vice versa.

As of 31 March 2020, there were 57 cases¹¹ of adverse balances under Debt, Deposit and Remittances (DDR) heads in 9 Major Heads amounting to ₹ 1,852.37 crore. The adverse balances were mainly under Pension Funds of employees of Municipal Councils/Municipalities (₹ 1,805.58 crore). Adverse balances in DDR heads in 57 cases amounting to ₹ 1,852.37 crore need to be reconciled and adjusted on priority.

4.9 Reconciliation of departmental figures

Reconciliation and verification of figures is an important tool of Financial Management which prevents misclassification and incorrect booking of receipts and expenditure in the accounts. As per Rule 11 (3) of GF&AR, all Budget Controlling Officers are required to reconcile the receipt and expenditure figures of the State Government with the figures accounted by the Accountant General (A&E), Rajasthan.

During 2019-20, 100 *per cent* reconciliation of (i) total expenditure of ₹ 2,13,491.02 crore (net) by 418 Controlling Officers and (ii) total receipts of ₹ 1,40,134.23 crore (net) (including Miscellaneous Capital Receipts) by 181 Controlling Officers, was accomplished. In fact, throughout the last five years, the State Government has been able to accomplish 100 *per cent* reconciliation of expenditure and receipts.

4.10 Reconciliation of cash balances

The balance against 'Deposit with Reserve Bank' represents the balance according to the Government Account, which includes Inter-Government monetary settlements advised to the Reserve Bank of India upto 15 April 2020. There was a net difference of ₹ 19.23 crore (Cr.) between the figures as reflected in the accounts [₹ 49.03 crore (Dr.)] and that intimated by the Reserve Bank of India [₹ 29.80 crore (Cr.)]. Out of this, ₹ 13.92 crore (Cr.) has been reconciled and cleared while ₹ 5.31 crore (Cr.) is pending for reconciliation.

4.11 Compliance with Accounting Standards

As per Article 150 of the Constitution of India, the President of India may, on the advice of the Comptroller and Auditor General of India, prescribe the form of accounts of the Union and of the States. The Comptroller and Auditor General of India set up a Government Accounting Standards Advisory Board (GASAB) in 2002, for formulating standards for government accounting and financial reporting, to enhance accountability mechanisms. On the advice of the Comptroller and Auditor General of India, the

11. Loans and Advances from the Central Government (One case: ₹ 0.06 crore); Loans to Power Projects (Three cases: only ₹ 1220); Loans to Government Servants (44 cases: ₹ 2.74 crore); State Provident Funds (one case: ₹ 0.01 crore); Insurance and Pension Funds (one case: ₹ 1,805.58 crore); Deposits of Local Funds (one case: ₹ 10.31 crore); Civil Deposits (one case: ₹ 30.91 crore); Suspense Accounts (Two cases: ₹ 0.02 crore) and Cash Remittance and adjustments between officers rendering accounts to the same officers (Three cases: ₹ 2.74 crore).

President of India has so far notified three Indian Government Accounting Standards (IGAS). The following **Table 4.18** provides the position of compliance with these three Accounting Standards.

Table 4.18: Compliance with Accounting Standards

S. No.	Accounting Standards	Essence of IGAS	Compliance by State Government	Impact of deficiency
1.	IGAS-1: <i>Guarantees given by the Government – Disclosure requirements</i>	This standard requires the government to disclose the maximum amount of guarantees (class and sector-wise) given during the year in its financial statements along with additions, deletions, invoked, discharged and outstanding at the beginning and end of the year, grantor commission and other material details.	Complied	-
2.	IGAS-2: <i>Accounting and Classification of Grants-in- Aid</i>	Grants-in-Aid are to be classified as, revenue expenditure in the accounts of the grantor and as revenue receipts in the accounts of the grantee, irrespective of the end use. Grant in aid given in kind is required to be disclosed.	Partly complied as detailed information in respect of Grant-in-aid given in kind has not been furnished by the State Government.	Lack of disclosure of Grant-in-aid given in kind as required by the Accounting Standard.
3.	IGAS-3: <i>Loans and Advances made by Government</i>	It is related to recognition, measurement and valuation and reporting in respect of loans and advances made by the Government in its Financial Statements to ensure complete, accurate and uniform accounting practices and to ensure adequate disclosure on Loans and Advances are made by the Government.	Partly complied. Information regarding write-off of irrecoverable loans and advances, entity-wise details of interest credited on loans and advances given by the State Government, reasons for disbursements of fresh loans and advances during the year and details of overdue principal & interest where detailed accounts are maintained by the State were not provided by the State Government.	Disclosure requirements of Loans and Advances not met by the State Government.

4.12 Submission of Accounts/Separate Audit Reports of Autonomous Bodies

The audit of accounts of 41 autonomous bodies/authorities¹² in the state has been entrusted to the CAG under Section 19 (2) and 20 (1) of the CAG's (DPC) Act, 1971. As of October 2020, accounts of all the 41 autonomous bodies/authorities have been received up to 2018-19 except accounts of Building and Other Construction Workers Welfare Board (BOCW) for the year 2017-18 and 2018-19 and accounts of two District Legal Services Authorities (DLSA), Chittorgarh and Pratapgarh for the year 2018-19. Adverse opinions were given in case of two bodies as detailed in **Table 4.19** below:

Table 4.19: Cases of adverse opinion

Body or Authority	Type of opinion given	Reasons
Rajasthan Khadi and Village Industries Board, Rajasthan (Accounts of 2018-19)	Not true and fair view	Excess of income over expenditure (surplus) is overstated by ₹ 73.25 lakh which resulted in conversion of surplus of ₹ 47.30 lakh shown in accounts into a deficit of ₹ 25.95 lakh. Further, assets and liabilities have also been overstated by ₹ 3 crore and ₹ 2.27 crore respectively.
Building and Other Construction Workers Welfare Board (BOCW) (Accounts of 2016-17)	Not true and fair view	Significant matters found in audit such as understatement of Capital fund/accrued cess receivable by ₹ 342.43 crore, overstatement of expenditure on subsidies/grants etc. by ₹ 45.90 crore, overstatement of interest income by ₹ 6.44 crore etc.

4.13 Departmental Commercial Undertakings/Corporations/Companies

Section 96 of the Companies Act, 2013, requires every company to hold Annual General Meeting (AGM) of the shareholders once in every calendar year. Section 129 of the Act stipulates that the audited Financial Statement for the financial year has to be placed in the said AGM for their consideration. According to Section 394 and 395 of the Companies Act, 2013, Annual Report on the working and affairs of a Government Company is to be prepared within three months of its Annual General Meeting (AGM). As soon as may be after such preparation, the Annual Report should be laid before the Houses or both the Houses of State Legislature together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the CAG.

In the absence of timely finalization of accounts, results of the investment of the Government remain outside the purview of State Legislature and escape scrutiny by audit. Consequently, corrective measures, if any, required for ensuring accountability and improving efficiency cannot be taken in time. Risk of fraud and mis-utilisation of public money cannot be ruled out.

12. Rajasthan Khadi and Village Industries Board, Rajasthan State Human Rights Commission, Rajasthan State Legal Services Authority, Rajasthan Building and other Construction Workers Welfare Board, Jaipur, Rajasthan Electricity Regulatory Commission and 36 District Legal Services Authorities.

As per latest finalised accounts of the State PSUs, the total paid up capital of 46 State PSUs (including 9 subsidiary companies) was ₹ 50,986.20 crore which included State Government investment of ₹ 50,862.78 crore. The aggregated accumulated losses of State PSUs was ₹ 95,590.87 crore (*Appendix 4.5*). A higher quantum of accumulated losses than the capital investment shows that the overall capital of the State PSUs has entirely been eroded and culminated into negative net worth of ₹ 44,604.67 crore. Further, analysis of investment and accumulated losses disclosed that this erosion (₹ 61,567.97 crore) occurred in 15 out of 46 PSUs. PSUs of power sector were the main contributors to the erosion of investment. The age wise analysis of arrear of accounts of State PSUs are given below in **Table 4.20**:

Table 4.20: Age wise arrear of Accounts

(₹ in crore)

S.No	Accounts pending since	No. of PSUs	Government investment
1	First Accounts awaited	02	164.80
2	2015-16	01	4.13
3	2016-17	01	2.16
4	2017-18	03	105.46
5	2018-19	01	45.51
	Total	08	322.04

Out of 46 State PSUs, accounts of 08 PSUs are pending since 2015-16 to 2018-19 in which Government has invested ₹ 322.04 crore.

4.14 Misappropriations, Losses, thefts, etc.

Rule 20 of GF&AR Part-I provides that any loss of public money, departmental revenue, receipts, stamps, stores or other property held by or on behalf of Government caused by misappropriation, fraudulent drawal/payment, loss, etc. or otherwise which is discovered in a treasury or any other office or department shall be reported immediately by the officer concerned to the next higher authority as well as to the Accountant General.

State Government reported 796 cases of misappropriation (322) and theft/loss (474) of the Government money across various departments amounting to ₹ 118.86 crore up to 31 March 2020 on which final action is pending till the end of June 2020. Details are given in the **Table 4.21** below.

Table 4.21: Pending cases of misappropriation, losses, theft etc.

(₹ in crore)

	Cases of misappropriation/ losses/theft of Government material		Reason for delay in final disposal of pending cases of misappropriation, losses, theft, etc.					
			Awaiting departmental and criminal investigation		Departmental action initiated but not finalised (awaiting order for Recovery and Write off)		Criminal Proceedings finalised but recovery of the amount pending (Pending due to Judicial proceedings)	
	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
Works Department	269	10.04	65	4.59	187	3.74	17	1.72
Education Department	171	50.91	44	39.47	102	10.25	25	1.20
Medical Department	69	7.22	36	4.79	9	0.98	24	1.45
Revenue Department	55	12.59	36	4.64	11	7.62	8	0.33
Department of Local Self Government Rajasthan	8	0.45	1	0.03	7	0.43	0	0.00
Rural Development and Panchayati Raj Department	121	25.39	98	22.54	19	1.29	4	1.56
Other Departments	103	12.25	31	1.85	60	9.49	12	0.91
Total	796	118.86	311	77.91	395	33.79	90	7.16

The Department-wise break up of pending cases is given in *Appendix 4.6*. The profile of pending cases and the number of cases pending in each category of theft/loss and misappropriation are summarized in the **Table 4.22** below:

Table 4.22: Profile of Misappropriations, losses, defalcations etc.

Nature of the pending cases		
Nature of the cases	Number of cases	Amount involved (₹ in crore)
Theft/Loss	474	20.27
Embezzlement	322	98.59
Total pending cases	796	118.86

Further analysis indicates the reasons due to which the cases were outstanding and could be classified in the various categories listed in the following **Table 4.23**:

Table 4.23: Reasons for outstanding cases of misappropriations, losses, defalcations etc.

S.No	Reasons for the delay/outstanding cases	Number of cases	Amount (₹ in crore)
1.	Awaiting departmental action	311	77.91
2.	Awaiting orders for recovery	356	33.18
3.	Awaiting orders for write-off	39	0.61
4.	Pending due to judicial proceedings	90	7.16
	Total	796	118.86

Analysis of the pending embezzlement cases reveals that the cases were related mainly to forgery in cash book, bungling in stocks kept in stores, payment/drawal by forged bills/cheques, government money not deposited in the bank etc. Theft/loss cases were related to theft of cash, stores/stock, vehicles and parts of vehicles, machinery and equipment, etc. Out of 796 cases, 395 (356+39) cases amounting to ₹ 33.79 crore were pending because of pending orders for recovery/ write-off and rest of the cases were pending for the want of departmental action and judicial proceeding.

4.15 Excess/short payment of pension

Appendix VI (Sl. No. 9) of Rajasthan Civil Services (Pension) Rules, 1996 stipulates that Treasury Officer (TO) will check the correctness of the payments made by the Banks with reference to the records maintained by him and thereafter incorporate the transaction in his accounts.

Test check (April 2019 to March 2020) of records of 70 banks and 6 Directorates/ Additional Directorates of Pension in 9 Districts revealed irregularities and excess payments of pension/family pension in 159 cases¹³ amounting to ₹ 1.51 crore in 54 Banks and 3 Directorates/Additional Directorates of Pension, as detailed in *Appendix 4.7*. Further, it was also noticed that 60 banks and 5 Directorates/Additional Directorates made short payments of ₹ 2.41 crore to 272 pensioners.

Cases of excess payment of pension have also been mentioned in the earlier Civil Audit Reports during 2010-11 to 2018-19. Public Accounts Committee (PAC) also recommended (February 2018) that the Department should take necessary steps to avoid recurrence of excess payment of pension in future.

The Government accepted the facts and stated (December 2020) that recovery of ₹ 0.58 crore in cases of excess payments and payment of ₹ 0.51 crore in short payment cases has been made and efforts are being made for the remaining payment/recovery. However, during the scrutiny of details provided by the Government, audit could verify recovery of ₹ 0.33 crore and payment of ₹ 0.26 crore. Further, progress of recovery/ payment is awaited (March 2021).

13. Cases:-Total 159 Pensioners.

The above position shows that the Finance Department needs to take concerted action to rectify the situation and ensure that proper procedure is followed by the concerned officers/agencies to avoid recurrence of such irregularities in payment of pension in future.

4.16 Follow up action on State Finances Audit Report

SFAR 2018-19 was presented in State Legislature in August 2020. PAC has discussed and made recommendations on the SFAR up to the year 2015-16. PAC discussions related to five departments (Local Self Department, Agriculture Department, Technical Education Department, Forest Department and Medical Education Department) for the reports of the year 2016-17 and 2017- 18 were conducted during the period August 2019 to December 2019. Five paras related to the Reports for the years 2016-17 and 2017-18 are pending for discussion. These paras pertain to Gender responsive Budgeting, Major projects/policy initiations and status of action taken on Budget Speech 2017-18, review of selected grants and Personal Deposit Accounts.

A review of the outstanding ATNs revealed that one ATN pertaining to SFAR 2017-18 was pending from the Horticulture Department as on 31st October 2020.

4.17 Conclusions

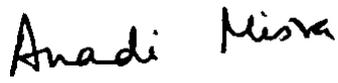
Positive Indicators	Negative Indicators
Decreasing number of AC bills.	Increased recourse to borrowings by Zila Parishads and Rajasthan Agriculture Marketing Board on behalf of the State Government.
100 <i>per cent</i> reconciliation of expenditure and receipts.	Increasing number of outstanding UCs.
	Arrears in respect of annual accounts of ABs and PSUs.
	Booking of substantial amounts under omnibus Minor Head-800.
	Non-compilation of details regarding GP bank account balances at the PS or ZP level.
	Scheme-wise balances in PD accounts not maintained.

4.18 Recommendations

- i. Loans for which the repayment liability lies with the State Government should be disclosed as Government's liability in the annual accounts of the State Government.
- ii. The Government may ensure timely submission of Utilisation Certificates by the Departments in respect of the grants released for specific purposes.

- iii. The Finance Department may review all PD accounts to ensure that all amounts unnecessarily lying in these PD accounts are immediately remitted to the Consolidated Fund. Further, scheme-wise ledger should be maintained for all the PD accounts.
- iv. The Government may consider preparing a time bound framework for taking prompt action in cases of misappropriation, loss, theft, etc. and strengthening the internal control system to prevent recurrence of such cases.
- v. The Government may consider carrying out adjustment of Abstract Contingent bills within stipulated period and regularly monitor the pending Detailed Contingent Bills.

**JAIPUR,
The 7 June 2021**


**(ANADI MISRA)
Accountant General (Audit-I),
Rajasthan**

Countersigned

**NEW DELHI,
The 9 June 2021**


**(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India**

APPENDICES

Appendix-1.1

(Refer paragraph 1.1; page 1)

Financial Data^{\$} of the State

Financial Data

CAGR and Annual Growth w.r.t		CAGR		CAGR		Annual Growth	
		2010-11 to 2018-19		2014-15 to 2018-19		2018-19 to 2019-20	
		General Category States	Rajasthan	General Category States	Rajasthan	General Category States	Rajasthan
(In per cent)							
a.	Revenue Receipts	13.65	14.73	12.71	10.85	2.08	1.63
b.	Own Tax Revenue	12.21	13.55	10.42	10.37	2.12	3.25
c.	Non Tax Revenue	11.19	14.51	9.67	8.90	23.44	-15.53
d.	Total Expenditure	13.87	17.85	12.22	13.92	4.09	3.16
e.	Capital Expenditure	14.64	17.93	12.35	5.09	-3.86	-25.05
f.	Revenue expenditure on Education	11.58	16.52	9.37	15.61	11.81	-3.09
g.	Revenue expenditure on Health	15.43	20.68	13.23	17.43	9.48	2.64
h.	Salary and Wages	10.78	16.60	10.35	20.65	9.51	-1.45
i.	Pension	14.14	18.77	14.27	20.64	9.74	1.79

\$ Financial data are based on Finance Accounts of the State Government.

Appendix-1.2

(Refer paragraph 1.4.2; page 8)

Summarised financial position of Government of Rajasthan as on 31 March 2020

(₹ in crore)		
Liabilities	As on 31.03.2019	As on 31.03.2020
Internal Debt -	2,19,311.48	2,42,077.41
Market Loans bearing interest	1,37,266.92	1,68,858.92
Market Loans not bearing interest	0.08	0.08
Loans from Life Insurance Corporation of India	18.55	15.36
Special Securities issued to National Small Savings Fund of the Central Government	15,408.32	13,823.56
Loans from Other Institutions	66,617.61	59,379.49
Ways and Means Advances	-	-
Overdraft from Reserve Bank of India	-	-
Loans and Advances from Central Government -	13,927.40	17,302.50
Pre 1984-85 Loans	5.40	5.40
Non-Plan Loans	23.91	19.46
Loans for State Plan Schemes	3,264.84	2,751.70
Loans for Central Plan Schemes	0.29	0.05
Loans for Centrally Sponsored Plan Schemes	4.28	11.31
Other Loans for State/Union Territory with Legislature Schemes	10,628.68	14,514.58
Contingency Fund	500.00	500.00
Small Savings, Provident Funds, etc.	47,478.08	51,468.62
Deposits	28,817.51	33,842.46
Reserve Funds	5,551.37	9,881.68
Remittance Balances	-	-
Total	3,15,585.84	3,55,072.67
Assets	As on 31.03.2019	As on 31.03.2020
Gross Capital Outlay on Fixed Assets -	1,88,108.83	2,02,806.46¹
Investments in shares of Companies, Corporations, etc.	49,861.39	52,208.91
Other Capital Outlay	1,38,247.44	1,50,597.55
Loans and Advances -	23,262.49	9,847.92
Loans for Power Projects	18,676.66	5,641.14
Other Development Loans	4,586.85	4,208.56
Loans to Government servants and Miscellaneous loans	(-)1.02 ²	(-)1.78 ³
Reserve Fund Investments	3,712.28	1,870.87
Advances	3.21	3.21
Remittance Balances	2.05	10.37
Suspense and Miscellaneous Balances	206.65	120.15
Cash -	2,081.47	5,833.54
Cash in Treasuries and Local Remittances	(-) 12.27	(-) 26.91
Deposits with Reserve Bank	(-) 64.45	49.03
Departmental Cash Balance	0.87	0.85
Permanent Advances	2.86	2.84
Cash Balance Investments	2,154.46	5,807.73
Deficit on Government Account -	98,208.86	1,34,580.15
(i) Revenue Deficit of the Current Year	28,900.17	36,371.29
(ii) Appropriation to the Contingency Fund	-	-
(iii) Accumulated Deficit at the beginning of the year	69,308.69	98,208.86
Less: Revenue Surplus of the current year	-	-
Less: Miscellaneous Deficit	-	-
Total	3,15,585.84	3,55,072.67

Explanatory Notes for Appendices 1.2 and 2.1

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in **Appendix 1.2**, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc. There was a difference of ₹ 19.23 crore (Credit) between the figures reflected in the Accounts and that intimated by the Reserve Bank of India under “Deposits with Reserve Bank”. Further, a difference of ₹ 5.31 crore (Credit) is still outstanding and under reconciliation.

1. Capital Receipts of current year has been shown as “Nil” due to *pro forma* reduction of ₹ 20.42 crore (Capital disinvestments) from Gross Capital Expenditure upto end of the year.
2. Minus balance is under investigation.
3. Minus balance is under investigation.

Appendix-2.1

(Refer paragraphs 2.1; page 17)

Abstract of Receipts and Disbursements in 2019-20

(₹ in crore)							
Receipts	2018-19	2019-20	Disbursements	2018-19	2019-20		
					State Fund	Central Assistance	Total
I. Revenues Receipts	1,37,873.02	1,40,113.81	I. Revenue Expenditure	1,66,773.19	1,56,479.09	20,006.01	1,76,485.10
Tax Revenue	57,380.34	59,244.98	General Services	54,364.06	56,141.54	44.75	56,186.29
			Social Services	65,686.92	58,303.61	10,009.62	68,313.23
Non-tax Revenue	18,603.01	15,714.16	Education, Sports, Art and Culture	34,594.44	30,663.58	2,861.70	33,525.28
			Health and Family Welfare	11,362.32	9,929.61	1,732.02	11,661.63
State's share of Union Taxes and Duties	41,852.35	36,049.14	Water Supply, Sanitation, Housing and Urban Development	7,615.62	6,394.58	1,348.64	7,743.32
			Information and Broadcasting	152.14	90.15	-	90.15
Non-Plan grants	-	-	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	1,501.17	975.37	779.81	1,755.18
Grants for State Plan Schemes	-	-	Labour and Labour Welfare	598.68	930.43	2.01	932.44
			Social Welfare and Nutrition	9,796.97	9,259.20	3,285.44	12,544.64
			Others	65.58	60.59	-	60.59
Grants for Central and Centrally Sponsored Plan Schemes	-	-	Economic Services	46,722.12	42,033.87	9,951.64	51,985.51
			Agriculture and Allied Activities	8,376.34	9,842.30	473.58	10,315.88
			Rural Development	11,373.54	3,943.06	8,661.58	12,604.64
Centrally Sponsored Schemes	13,316.88	14,966.05	Special Area Programmes	1.99	1.06	0.49	1.55
			Irrigation and Flood Control	1,697.12	1,791.25	4.10	1,795.35
Finance Commission Grants	3,121.46	7,331.55	Energy	21,207.49	22,749.71	-	22,749.71
			Industry and Minerals	271.17	401.04	1.00	402.04
Other transfer/Grants to State/Union Territories with Legislature	3,598.98	6,807.93	Transport	1,826.60	2,018.02	564.98	2,583.00
			Science, Technology and Environment	21.93	13.99	1.47	15.46
			General Economic Services	1,945.94	1,273.44	244.44	1,517.88
			Grants-in-aid and Contributions	0.09	0.07	-	0.07
Total	1,37,873.02	1,40,113.81	Total	1,66,773.19	1,56,479.09	20,006.01	1,76,485.10
II. Revenue deficit carried over to Section-B	28,900.17	36,371.29	II. Revenue Surplus Carried over to Section-B	-	-	-	-
Total	1,66,773.19	1,76,485.10	Total	1,66,773.19	1,56,479.09	20,006.01	1,76,485.10

(₹ in crore)

Receipts	2018-19	2019-20	Disbursements	2018-19	2019-20		
					State Fund	Central Assistance	Total
III. Opening Cash balance including Permanent Advances and Cash Balance Investment	9,376.99	5,793.75	III. Opening Overdraft from Reserve Bank of India	-	-	-	-
IV. Miscellaneous Capital Receipts	20.13	20.42	IV. Capital Outlay	19,638.20	13,041.94	1,676.11	14,718.05
			General Services	588.26	378.10	85.32	463.42
			Social Services	6,912.75	4,086.47	1,403.21	5,489.68
			Education, Sports, Art and Culture	825.22	399.30	366.77	766.07
			Health and Family Welfare	499.17	426.91	55.32	482.23
			Water Supply, Sanitation, Housing and Urban Development	5,183.67	3,081.69	825.32	3,907.01
			Information and Broadcasting	1.98	2.11	-	2.11
			Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	281.72	82.64	139.99	222.63
			Social Welfare and Nutrition	36.95	26.38	15.81	42.19
			Others	84.04	67.44	-	67.44
			Economic Services	12,137.19	8,577.37	187.58	8,764.95
			Agriculture and Allied Activities	405.86	166.41	40.18	206.59
			Rural Development	231.50	375.04	-	375.04
			Special Area Programmes	278.36	65.19	38.03	103.22
			Irrigation and Flood Control	2,411.52	2,251.26	38.40	2,289.66
			Energy	3,969.15	2,362.48	-	2,362.48
			Industry and Minerals	22.13	28.08	-	28.08
			Transport	4,161.48	3,129.85	70.95	3,200.80
			Science, Technology and Environment	1.06	0.78	-	0.78
			General Economic Services	656.13	198.28	0.02	198.30
						Total	19,638.20
V. Recoveries of Loans and Advances	15,158.41	15,669.75	V. Loans and Advances disbursed	1,113.09	-	-	2,255.18
From Power Projects	15,056.96	14,879.91	For Power Projects	176.79	-	-	1,844.38
From Government Servants	0.07	0.76	To Government Servants	-	-	-	-
From Others	101.38	789.08	To Others	936.30	-	-	410.80

(₹ in crore)

Receipts	2018-19	2019-20	Disbursements	2018-19	2019-20		
					State Fund	Central Assistance	Total
VI. Revenue surplus brought down	-	-	VI. Revenue deficit brought down	28,900.17			36,371.29
VII. Public Debt Receipts	37,846.82	46,173.72	VII. Repayment of Public Debt	16,914.80	-	-	20,032.69
External debt	-	-	External debt	-	-	-	-
Internal debt other than Ways and Means Advances and Overdraft	35,204.94	41,964.36	Internal debt other than Ways and Means Advances and Overdraft	16,137.32	-	-	19,198.43
Net transaction under Ways and Means Advances	-	-	Net transaction under Ways and Means Advances	-	-	-	-
Net transactions under Overdraft	-	-	Net transactions under Overdraft	-	-	-	-
Loans and Advances from GoI	2,641.88	4,209.36	Repayment of Loans and Advances to GoI	777.48			834.26
VIII. Appropriation to Contingency Fund	-		VIII. Appropriation to Contingency Fund	-	-	-	-
IX. Amount Transferred to Contingency Fund	-		IX. Expenditure from Contingency Fund	-	-	-	-
X. Public Account Receipts	1,70,527.88	1,93,165.05	X. Public Account Disbursements	1,60,570.22	-	-	1,79,741.07
Small Savings, Provident Funds etc.	12,848.83	12,203.83	Small Savings, Provident Funds, etc.	7,465.97	-	-	8,213.29
Reserve Funds	4,150.19	7,692.20	Reserve Funds	3,583.29	-	-	3,361.89
Suspense and Miscellaneous	7.69	115.23	Suspense and Miscellaneous	64.50	-	-	28.73
Remittances	2,429.44	3,753.05	Remittances	2,420.02	-	-	3,761.37
Deposits and Advances	1,51,091.73	1,69,400.74	Deposits and Advances	1,47,036.44	-	-	1,64,375.79
XI. Closing Overdraft from Reserve Bank of India	-	-	XI. Cash Balance at end	5,793.75	-	-	7,704.41
			Cash in Treasuries and Local Remittances	(-) 12.27	-	-	(-) 26.91
			Deposits with Reserve Bank	(-) 64.45	-	-	49.03
			Departmental Cash Balance including Permanent Advances	3.73	-	-	3.69
			Cash Balance Investment	2,154.46	-	-	5,807.73
			Earmarked Investment Funds	3,712.28	-	-	1,870.87
Total	2,32,930.23	2,60,822.69	Total	2,32,930.23			2,60,822.69

Source: Finance Accounts

Appendix-2.2

(Refer paragraph 2.3.2.1; page 21)

Time series data on the State Government Finances

	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Part A. Receipts					
1. Revenue Receipts	1,00,285	1,09,026	1,27,307	1,37,873	1,40,114
(i) Tax Revenue	42,713(42)	44,372(41)	50,605(40)	57,380(42)	59,245(42)
Taxes on Agricultural Income	- ⁴	- ⁴	- ⁴	- ⁴	-
State Goods and Service Tax	-	-	12,137(24)	22,938(40)	21,954(37)
Taxes on Sales, Trade, etc	26,345(62)	28,558(64)	19,008(38)	14,791(26)	15,843(27)
State Excise	6,713(16)	7,054(16)	7,276(14)	8,694(15)	9,592(16)
Taxes on Vehicles	3,199(7)	3,623(8)	4,363(9)	4,576(8)	4,951(8)
Stamps and Registration Fees	3,234(7)	3,053(7)	3,675(7)	3,886(7)	4,235(7)
Land Revenue	272(1)	315(1)	364(1)	290(1)	364(1)
Taxes on Goods and Passengers	848(2)	803(2)	341(1)	51(-)	41(-)
Other Taxes	2,102(5)	966(2)	3,441(7)	2,154(3)	2,265(4)
(ii) Non Tax Revenue	10,928((11)	11,615(10)	15,734(12)	18,603(13)	15,714(11)
(iii) State's share of Union taxes and duties	27,916(28)	33,556(31)	37,028(29)	41,853(30)	36,049(26)
(iv) Grants- in-aid from Government of India	18,728(19)	19,483(18)	23,940(19)	20,037(15)	29,106(21)
2. Miscellaneous Capital Receipts	25	28	16	20	20
3. Recoveries of Loans and Advances	1,447	1,713	15,134	15,158	15,670
4. Total Revenue and Non debt Capital Receipts (1+2+3)	1,01,757	1,10,767	1,42,457	1,53,051	1,55,804
5. Public Debt Receipts	60,998	43,889	28,557	37,847	46,173
Internal Debt (excluding Ways and Means Advances and Overdrafts)	59,249(97)	40,434(92)	27,000(95)	35,205(93)	41,964(91)
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	1,749(3)	3,455(8)	1,557(5)	2,642(7)	4,209(9)
6. Total Receipts in the Consolidated Fund (4+5)	1,62,755	1,54,656	1,71,014	1,90,898	2,01,977
7. Contingency Fund Receipts	-	-	-	-	-
8. Public Account Receipts	1,46,910	1,56,045	1,56,811	1,70,528	1,93,165
9. Total Receipts of the State (6+7+8)	3,09,665	3,10,701	3,27,825	3,61,426	3,95,142
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	1,06,239	1,27,140	1,45,842	1,66,773	1,76,485
General Services (including interest payments)	31,016(29)	39,203(31)	43,451(30)	54,364(33)	56,186(32)
Social Services	43,349(41)	49,372(39)	53,064(36)	65,687(39)	68,313(39)
Economic Services	31,874(30)	38,565(30)	49,327(34)	46,722(28)	51,986(29)
Grants-in-aid and contributions	- ⁵				
11. Capital Expenditure	21,986	16,980	20,623	19,638	14,718
General Services	441(2)	437(2)	527(3)	588(3)	463(3)
Social Services	5,996(27)	6,214(37)	7,221(35)	6,913(35)	5,490(37)
Economic Services	15,549(71)	10,329(61)	12,875(62)	12,137(62)	8,765(60)
12. Disbursement of Loans and Advances	36,602	12,965	1,334	1,113	2,255
13. Total Expenditure (10+11+12)	1,64,827	1,57,085	1,67,799	1,87,524	1,93,458
14. Repayments of Public Debt	4,959	5,015	11,674	16,915	20,032
Internal Debt (excluding Ways and Means Advances and Overdraft)	4,434(89)	4,441(89)	11,041(95)	16,137(95)	19,198(96)
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances to Government of India	525(11)	574(11)	633(5)	778(5)	834(4)
15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	1,69,786	1,62,100	1,79,473	2,04,439	2,13,490
17. Contingency Fund disbursements	-	-	-	-	-
18. Public Account disbursements	1,40,431	1,48,886	1,47,088	1,60,570	1,79,741
19. Total disbursement by the State (16+17+18)	3,10,217	3,10,986	3,26,561	3,65,009	3,93,231

4. 2015-16: ₹ 0.01 lakh, 2016-17: only ₹ 202, 2017-18: ₹ 0.02 lakh and 2018-19: ₹ 0.23 lakh.

5. 2015-16: ₹ 0.10 crore, 2016-17: ₹ 0.06 crore, 2017-18: ₹ 0.11 crore, 2018-19: ₹ 0.09 crore and 2019-20: ₹ 0.07 crore.

	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	(-) 5,954	(-) 18,114	(-) 18,535	(-) 28,900	(-) 36,371
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	(-) 63,070	(-) 46,318	(-) 25,342	(-) 34,473	(-) 37,654
22. Primary Deficit (21+23)	(-) 51,062	(-) 28,641	(-) 5,622	(-) 12,778	(-) 14,011
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	12,008	17,677	19,720	21,695	23,643
24. Financial Assistance to local bodies etc.,	31,725	32,892	34,985	34,862	41,025
25. Ways and Means Advances/Overdraft availed (days)	-	-	-	-	04
Ways and Means Advances availed (days)	-	-	-	-	04
Overdraft availed (days)	-	-	-	-	-
26. Interest on Ways and Means Advances/Overdraft	-	-	-	-	0.29
27 Gross State Domestic Product (GSDP) [@]	6,81,482	7,60,750	8,35,170 [#]	9,42,586 ^{##}	10,20,989 ^{\$}
28 Outstanding Fiscal liabilities (year-end)	2,09,386	2,55,002	2,81,182	3,11,374	3,52,702
29. Outstanding Guarantees (year-end) (including interest)	53,620	51,159	61,761	70,430	80,631
30. Maximum amount guaranteed (year-end)	1,61,236	1,18,161	1,12,057	1,31,026	1,44,676
31. Number of incomplete projects	169	197	247	279	329
32. Capital blocked in incomplete projects	13,072	17,668	20,176	26,409	31,374
Part E: Fiscal Health Indicators (In percentage)					
I Resource Mobilisation					
Own Tax revenue/GSDP	6.3	5.8	6.1	6.1	5.8
Own Non-Tax Revenue/GSDP	1.6	1.5	1.9	2.0	1.5
Central Transfers/GSDP	6.8	7.0	7.3	6.6	6.4
II Expenditure Management (In percentage)					
Total Expenditure/GSDP	24.2	20.6	20.1	19.9	18.9
Total Expenditure/Revenue Receipts	164.4	144.1	131.8	136.0	138.1
Revenue Expenditure/Total Expenditure	64.5	80.9	86.9	88.9	91.2
Revenue Expenditure on Social Services/Total Expenditure	26.3	31.4	31.6	35.0	35.3
Revenue Expenditure on Economic Services/Total Expenditure	19.3	24.6	29.4	24.9	26.9
Capital Expenditure/Total Expenditure	13.3	10.8	12.3	10.5	7.6
Capital Expenditure on Social and Economic Services/Total Expenditure.	13.1	10.5	12.0	10.2	7.4
III Management of Fiscal Imbalances					
Revenue Deficit (surplus +)/GSDP	(-) 0.9	(-) 2.4	(-) 2.2	(-) 3.1	(-) 3.6
Fiscal Deficit/GSDP	(-) 9.2	(-) 6.1	(-) 3.0	(-) 3.7	(-) 3.7
Primary Deficit (surplus +) /GSDP	(-) 7.5	(-) 3.8	(-) 0.7	(-) 1.4	(-) 1.4
Revenue Deficit/Fiscal Deficit	9.4	39.1	73.1	83.8	96.6
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	30.73	33.52	33.67	33.03	34.55
Fiscal Liabilities/RR	208.8	233.9	220.9	225.8	251.7
Debt Redemption (Principal +Interest)/Debt Receipts	75.0	86.1	96.5	95.9	92.6
V Other Fiscal Health Indicators					
Returns on Investment	0.3	0.2	0.1	0.1	0.1
Financial Assets/Liabilities	0.85	0.80	0.76	0.69	0.62

Source: Finance Accounts

Note: Figures in brackets represent percentages (rounded) to total of each sub-heading.

@ Source: Directorate of Economics and Statistics, Government of Rajasthan.

Revised Estimate- III.

Revised Estimate- I.

\$ Advance Estimate.

Appendix-2.3

(Refer paragraph 2.6.1; page 56)

Glossary of Debt

Item	What it means
Ways and Means Advance (WMA)	It is a facility for both the Centre and states to borrow from the RBI to help them tide over temporary mismatches in cash flows of their receipts and expenditures. Such advances should be repaid not later than three months from the date of the taking the advance. RBI announced 60 <i>per cent</i> extra in WMA limit recently to fight Covid -19 (till 31 March 2021).
Overdrafts	The governments are allowed to draw amounts in excess of their WMA limits. No state can run an overdraft with the RBI for more than a certain period. A state can be in overdraft from 14 to 21 consecutive working days, and from 36 to 50 working days during a quarter.
Government securities	A Government Security (G-Sec) is a tradable instrument issued by the Central Government or the State Governments. Such securities are short term (usually called treasury bills, with original maturities of less than one year) or long term (usually called Government bonds or dated securities with original maturity of one year or more). In India, the Central Government issues both, treasury bills and bonds or dated securities while the State Governments issue only bonds or dated securities, which are called the State Development Loans (SDLs).
T-bills	Treasury bills are short-term securities issued by the Central government. Their maturity periods range up to one year. These securities are sold at a discount rate and will be paid at face value, which is how the investors make their money. At present, the active T-Bills are 91-days T-Bills, 182-day T-Bills and 364-days T-Bills.
T -Notes	Treasury notes are government securities with maturity periods longer than treasury bills. Their maturity periods can be two, three, four, five, seven, and ten years. Interest is paid every six months.
T-Bonds	Treasury bonds are long-term investments with a maturity period of 30 years. Interest is paid every six months.

Appendix-3.1

(Refer paragraph 3.1; page 71)

Glossary of important Budget related terms

1. ***'Accounts' or 'actuals' of a year*** – are the amounts of receipts and disbursements for the financial year beginning on *April 1st* and ending on *March 31st* following, as finally recorded in the Accounting authority's books (as audited by C&AG). Provisional Accounts refers to the unaudited accounts.
2. ***'Administrative approval' of a scheme, proposal or work*** – is the formal acceptance thereof by the competent authority for the purpose of incurring expenditure. Taken with the provision of funds in the budget, it operates as a financial sanction to the work during that particular year in which the Administrative Approval is issued.
3. ***'Annual financial statement'*** – Also referred to as Budget means the statement of estimated receipts and expenditure of the Central/State Government for each financial year, laid before the Parliament /State Legislature.
4. ***'Appropriation'*** – means the amount authorized by the Parliament/State Legislature for expenditure under different primary unit of appropriation or part thereof placed at the disposal of a disbursing officer.
5. ***'Charged Expenditure'*** – means such expenditure as is not to be submitted to the vote of the Legislature under the provisions of the Constitution.
6. ***'Consolidated Fund of India/ State'*** - All revenues of the Union/State Government, loans raised by it and all moneys received in repayment of loans form the Consolidated Fund of India/ State. No moneys out of this Fund can be appropriated except in accordance with the law and for the purposes and in the manner provided in the Constitution.
7. ***'Contingency Fund'***- is in the nature of an imprest. The Contingency Fund is intended to provide advances to the executive /Government to meet unforeseen expenditure arising in the course of a year pending its authorization by the Parliament/State Legislature. The amounts drawn from the Contingency Fund are recouped after the Parliament/State Legislature approves it through the Supplementary Demands.
8. ***'Controlling Officer (budget)'*** – means an officer entrusted by a Department with the responsibility of controlling the incurring of expenditure and/or the collection of revenue. The term includes the Heads of Department and also the Administrators.
9. ***'Drawing and Disbursing Officer' (DDO)*** – means a Head of Office and also any other Officer so designated by the Finance Department of the State Government, to draw bills and make payments on behalf of the State Government. The term shall also include a Head of Department where he himself discharges such function.
10. ***'Excess Grant'*** – Excess grant means the amount of expenditure over and above the provision allowed through the original/supplementary grant, that requires regularization by obtaining excess grant from the Parliament /State Legislature under Article 115/205 of the Constitution.

11. **'New Service'** – As appearing in Article 115(1)(a)/205(1)(a) of the Constitution, New Service means expenditure arising out of a new policy decision, not brought to the notice of Parliament/State Legislature earlier, including a new activity or a new form of investment.
12. **'New Instrument of Service'**- means relatively large expenditure arising out of important expansion of an existing activity.
13. **'Public Account'**- means the Public Account referred to in Article 266(2) of the Constitution. The receipts and disbursements such as deposits, reserve funds, remittances, etc. which do not form part of the Consolidated Fund are included in the Public Account. Disbursements from the Public Account are not subject to vote by the Parliament/State Legislature, as they are not moneys issued out of the Consolidated Fund of India/State.
14. **'Re-appropriation'** – means the transfer, by a competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same grant or charged appropriation.
15. **'Revised Estimate'** – is an estimate of the probable receipts or expenditure for a financial year, framed in the course of that year, with reference to the transactions already recorded and anticipation for the remainder of the year in the light of the orders already issued.
16. **'Supplementary Demands for Grants'**- means the statement of supplementary demands laid before the legislature, showing the estimated amount of further expenditure necessary in respect of a financial year over and above the expenditure authorized in the Annual Financial Statement for that year. The demand for supplementary may be token, technical or substantive/cash.
 - a) **Cash Supplementary** is over and above the original budget provisions and results in enhancement of the allocation for the Demand/Grant. It should be obtained as a last resort and after proper due diligence. Presently, this method is followed by the State.
 - b) There are four Sections in each Demand i.e., Revenue Voted, Revenue Charged, Capital Voted and Capital Charged. **Technical Supplementary**, after obtaining the approval of the State Legislature, allows to utilize the savings of one of the Sections for any other Section.
 - c) **Token Supplementary** allows to utilize the savings within the same section of the grant.
17. **'Major Head'** – means a Major Head of account for the purpose of recording and classifying the receipts and disbursements of the State. A Major Head, particularly the one falling within the Consolidated Fund, generally corresponds to a 'function' of Government such as Agriculture, Education, Health, etc.
18. **"Sub-Major Head"** – means an intermediate head of account introduced between a Major Head and the Minor Heads under it, when the Minor Heads are numerous and can conveniently be grouped together under such intermediate Head.
19. **'Minor Head'** – means a head subordinate to a Major Head or a Sub-Major Head. A Minor Head subordinate to a Major Head identifies a "programme" undertaken to achieve the objectives of the function represented by the Major Head.

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20. **“Sub-Head”** – means a unit of account next subordinate to a Minor Head which normally denotes the scheme or organisation under that Minor Head or programme.
 21. **‘Major Work’** – means an original work, the estimated cost of which exclusive of departmental charges exceeds the amount as notified by the Government from time to time.
 22. **‘Minor Work’** – means an original work, the estimated cost of which exclusive of departmental charges does not exceed the amount as notified by the Government from time to time.
 23. **“Modified Grant or Appropriation”** – means the sum allotted to any Sub-Head of Appropriation as it stands after Re-Appropriation or the sanction of an Additional or Supplementary Grant by competent authority.
 24. **“Supplementary or Additional Grant or Appropriation”** – means a provision included in an Appropriation Act, during the course of a financial year, to meet expenditure in excess of the amount previously included in an Appropriation Act for that year.
 25. **“Schedule of New Expenditure”** – means a statement of items of new expenditure proposed for inclusion in the Budget for the ensuing year.
 26. **“Token demand”** – means a demand made to the Assembly for a nominal or token sum when, for example, it is proposed to meet the entire expenditure on a new service from savings out of the sanctioned budget grant.
 27. **Average rate of interest on Government borrowings** = $\text{Interest payment} / [(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$

Appendix-3.2

(Refer paragraph 3.3.2; page 76)

Excess/Unnecessary/Insufficient re-appropriation of funds (where re-appropriation and final excess/savings were more than ₹ one crore)

(₹ in crore)

S. No.	Grant no. and name	Head of accounts	Provisions				Actual expenditure	Final Excess (+) Saving (-)
			Original	Supplementary	Re-appropriation	Total		
Insufficient re-appropriation of Funds								
1	16-Police	2055-109-11-01	3369.58	61.70	(-) 141.11	3290.16	3288.79	(-) 1.37
2	21-Roads and Bridges	5054-03-337-05	519.38	0	(-) 300.09	219.29	215.83	(-) 3.46
3	27-Drinking water schemes	4215-01-102-79	67.86	0	(-) 50.96	16.9	15.86	(-) 1.04
		2215-01-102-01	1617.35	50.53	(-) 116.63	1551.25	1550.17	(-) 1.08
4	30-Tribal Area Development	2202-02-107-06-02	68.00	0	(-) 8.52	59.48	56.45	(-) 3.03
5		4215-01-796-01-16	31.06	0	(-) 4.48	26.58	25.22	(-) 1.36
6	34-Relief from Natural	2245-01-800-03-05	900	0	(-) 825.04	74.96	61.37	(-) 13.59
7	Calamities	2245-01-800-03-06	645.52	0	(-) 14.22	265.56	246.57	(-) 18.98
Unnecessary re-appropriation of funds								
8	30-Tribal Area Development	4700-34-796-01	28.00	0	(+) 1.36	29.36	22.86	(-) 6.51
9	46-Irrigation	4700-34-001-01-01	121.08	0	(+) 5.50	126.58	98.52	(-) 28.06
10	51-Special Component Plan	4215-01-789-01-45	0.50	0	(+) 1.95	2.45	(-) 0.51	(-) 2.96
11	for Welfare of Scheduled Castes	4700-34-789-01	50.92	0	(+) 1.32	52.24	47.64	(-) 4.6
Excessive re-appropriation of funds								
12	7-Elections	2015-105-01	245.27	0	(+) 12.87	258.14	256.32	(-) 1.82
13	12-Other Taxes	2030-02-102-01-01	12.30	0	(+) 7.05	19.35	15.6	(-) 3.75
14	15-Pensions and Other Retirement Benefits	2071-01-105-01-01	2528.6	0	(+) 20.87	2549.47	2534.18	(-) 15.29
15	21-Roads and Bridges	5054-04-800-02-01	712.83	0	(+) 71.14	783.97	782.77	(-) 1.20
16		3054-80-797-03	750.00	0	(-) 43.69	0	415.17	(+) 415.17
17	29-Urban Plan and Regional Development	4217-60-050-03	0.12	0	(+) 22.27	22.39	19.35	(-) 3.04
18	30-Tribal Area Development	2235-60-196-02-03	534.48	0	67.82	602.3	584.44	(-) 17.86
19	33-Social Security and Welfare	2235-60-196-02-01	2877.44	0	(+) 284.93	3162.37	3130.78	(-) 31.59
20	34-Relief from Natural	2245-02-114-09-01	30.00	0	(+) 345.24	375.24	372.52	(-) 2.72
21	Calamities	2245-02-114-10-01	30.00	0	(+) 131.15	161.15	160.1	(-) 1.05
22		2245-02-114-11-01	0	24.45	(+) 98.11	122.56	121.47	(-) 1.10
23	41-Community Development	2515-198-33-01	2197.29	358.40	(+) 905.84	3461.53	3459.47	(-) 2.06
24	46-Irrigation	2700-01-001-03	24.9	0	(+) 1.68	26.58	25.14	(-) 1.44
25		2700-80-800-02-01	29.02	0	(+) 2.89	31.91	30.56	(-) 1.35
26	51-Special Component Plan	2225-01-196-13	60.00	0	(+) 14.86	74.86	71.83	(-) 3.03
27	for Welfare of Scheduled	2225-01-789-01	437.32	0	(+) 81.10	518.42	513.05	(-) 5.37
28	Castes	2235-60-196-02-02	682.68	0	(+) 44.27	726.95	708.61	(-) 18.34
29		2235-60-196-03-02	316.40	0	(+) 22.88	339.28	336.73	(-) 2.55
30		4700-32-789-01	99.00	0	(+) 8.98	107.98	105.58	(-) 2.40

Source: Appropriation Accounts

Appendix-3.3

(Refer paragraph 3.3.3; page 77)

Statement of various grants/appropriations where savings were more than ₹ 100 crore out of the total provision

(₹ in crore)								
S. No.	Number and name of the grant	Original	Supplementary	Total	Actual	Saving/ Excess	Surrender	Savings excluding surrender
Revenue Charged								
1	2049-Interest payment	23,132.65	626.39	23,759.04	23,643.27	115.77	113.31	(-) 2.46
Revenue Voted								
2	6-Administration of Justice	1,142.95	0.00	1,142.95	952.66	190.29	189.95	(-) 0.34
3	7-Elections	618.21	0.00	618.21	469.44	148.77	146.33	(-) 2.44
4	8-Revenue	836.54	0.00	836.54	712.18	124.36	124.18	(-) 0.18
5	15-Pensions and Other Retirement Benefits	22,567.68	0.00	22,567.68	20,759.76	1,807.92	1,735.77	(-) 72.15
6	16-Police	6,362.99	74.40	6,437.39	6,169.33	268.06	272.14	(+) -4.08
7	19-Public Works	556.19	0.00	556.19	442.64	113.55	113.27	(-) 0.29
8	21-Housing	2,528.34	63.87	2,592.21	2,217.59	374.62	939.42	(+) 564.80
9	23-Labour and Employment	1,033.97	0.00	1,033.97	893.64	140.33	140.30	(-) 0.03
10	24-Education, Art and Culture	32,286.18	0.00	32,286.18	28,544.98	3,741.20	3,738.26	(-) 2.92
11	26-Medical and Public Health and Sanitation	10,189.19	95.99	10,285.18	9,593.02	692.15	690.23	(-) 1.93
12	27-Drinking Water Scheme	3,999.86	50.53	4,050.39	3,628.51	421.88	419.23	(-) 2.65
13	28-Special Programmes for Rural Development	645.24	0.00	645.24	431.45	213.79	213.79	(-) 0.00
14	29-Urban Plan and Regional Development	4,916.82	0.00	4,916.82	4,016.24	900.58	900.51	(-) 0.07
15	30-Tribal Area Development	14,109.46	0.00	14,109.46	12,589.35	1,520.11	1,491.03	(-) 29.08
16	33-Social Security and Welfare	7,942.84	0.00	7,942.84	7,476.66	466.17	424.25	(-) 41.92
17	34-Relief from Natural Calamities	5,019.99	24.45	5,044.44	3,826.68	1,217.76	1,135.95	(-) 81.81
18	37-Agriculture	2,502.34	0.00	2,502.34	2,168.48	333.86	333.72	(-) 0.14
19	39-Animal Husbandry and Medical	1,696.20	0.00	1,696.20	1,535.16	161.04	160.90	(-) 0.14
20	41-Community Development	5,947.43	358.41	6,305.84	5,537.12	768.72	766.47	(-) 2.25
21	42-Industries	428.64	0.00	428.64	327.44	101.20	101.03	(-) 0.17
22	46-Irrigation	1,984.17	34.60	2,018.77	1,853.53	165.24	139.35	(-) 25.89
23	48-Power	17,418.43	0.00	17,418.43	15,312.61	2,105.82	2,105.82	(-) 0.00
24	51-Special Component Plan for Welfare of Scheduled Castes	16,697.55	0.00	16,697.55	14,669.47	2,028.08	1,992.29	(-) 35.79
Capital voted								
25	19-Public Works	805.24	0.00	805.24	422.12	383.12	379.75	(-) 3.37
26	21-Roads and Bridges	3,759.48	0.00	3,759.48	3,299.51	459.97	491.69	(+) 31.72
27	22-Area Development	268.05	0.00	268.05	131.38	136.67	136.42	(-) 0.25
28	23-Labour and Employment	31.00	0.00	31.00	-0.44	31.44	31.00	(-) 0.44
29	24-Education, Art and Culture	539.22	62.00	601.22	495.24	105.99	105.99	(-) 0.00
30	27-Drinking Water Scheme	3,244.50	0.00	3,244.50	2,221.98	1,022.52	983.57	(-) 38.95
31	29-Urban Plan and Regional Development	1,300.87	0.00	1,300.87	811.25	489.62	454.11	(-) 35.51
32	30-Tribal Area Development	3,190.76	0.00	3,190.76	2,552.84	637.93	628.12	(-) 9.80
33	37-Agriculture	246.80	0.00	246.80	118.39	128.41	112.37	(-) 16.04
34	46-Irrigation	1,866.58	30.29	1,896.87	1,635.34	261.53	223.69	(-) 37.84
35	48-Power	2,787.48	0.00	2,787.48	2,570.76	216.72	216.72	(-) 0.00
36	51-Special Component Plan for Welfare of Scheduled Castes	4,178.83	0.00	4,178.83	3,194.20	984.63	966.66	(-) 17.97
	Total	2,06,782.67	1,420.92	2,08,203.59	1,85,223.78	22,979.81	23,117.59	(-) 137.78

Source: Appropriation Accounts

Appendix-3.4

(Refer paragraph 3.3.3; page 80)

Details of savings of ₹ one crore and above not surrendered

Name of Grant	Savings	(₹ in crore)	
		Amount Surrendered	Amount not surrendered
Revenue Charged			
2049-Interest Payments	115.78	113.31	2.47
Revenue Voted			
7-Elections	148.77	146.33	2.44
12-Other Taxes	97.81	93.95	3.86
15-Pensions And Other Retirement Benefits	1,807.92	1,735.77	72.15
24-Education, Art And Culture	3,741.19	3,738.26	2.93
26-Medical And Public Health And Sanitation	692.15	690.23	1.92
27-Drinking Water Scheme	421.88	419.23	2.65
30-Tribal Area Development	1,520.11	1,491.03	29.08
33-Social Security And Welfare	466.17	424.25	41.92
34-Relief From Natural Calamities	1,217.76	1,135.95	81.81
41-Community Development	768.72	766.47	2.25
46-Irrigation	165.24	139.35	25.89
51-Special Component Plan For Welfare Of Scheduled Castes	2,028.08	1,992.29	35.79
Capital Voted			
15-Pensions And Other Retirement Benefits	10.44	4.19	6.25
16-Police	67.09	65.35	1.74
19-Public Works	383.12	379.75	3.37
26-Medical And Public Health And Sanitation	78.02	76.52	1.50
27-Drinking Water Scheme	1,022.53	983.57	38.95
29-Urban Plan And Regional Development	489.61	454.11	35.50
30-Tribal Area Development	637.93	628.12	9.81
37-Agriculture	128.41	112.37	16.04
46-Irrigation	261.53	223.69	37.84
51-Special Component Plan For Welfare Of Scheduled Castes	984.63	966.66	17.97
Total	17,254.89	16,780.75	474.14

Source: Appropriation Accounts

Appendix-3.5

(Refer paragraph 3.4.1; page 82)

Details of Lump sum provisions (where surrender was more than ₹ 5 crore)

(₹ in crore)

S. No.	No. and Name of Grant	Head of Account	Provision	Expenditure
1.	19-Public Works	4059-80-051-03-01 New High Court Building, Jodhpur (through the R.S.R.D.C.C.)	36.50	15.75
2.		4059-80-051-03-03 Other Judicial Building	173.99	68.14
3.		4059-80-051-05-01 Through the Chief Engineer, Public Works Department	51.59	23.62
4.		4210-03-105-11-90 Construction Works	166.67	81.31
5.	20-Housing	4216-01-700-01-90 Construction Works (through the Chief Engineer, Public Works Department)	64.86	9.08
6.	21- Roads and Bridges	5054-03-337-05 Roads financed by Central Road Fund	519.38	215.83
7.	22-Area Development	4705-102-01-01 Land Development	34.79	5.33
8.		4705-107-01-03 Land Development Works (from Gang Nahar Project Area) phase II	37.2	10.62
9.	24-Education, Art & Culture	4202-01-202-17-01 Construction work under Secondary schools	60	15
10.		4202-01-202-18-01 Const. Work in Govt. Secondary Schools	122.50	28.57
11.	26-Medical and public health and sanitation	4210-01-110-07-01 Construction Works	30.16	8.62
12.	27-Drinking Water Scheme	4215-01-101-01-27 Jawai-Pali-Jalore Water Supply Scheme (Jawai-Jodhpur Pipe Line Project)	17.25	0.75
13.		4215-01-101-01-44 Nagaur Lift Canal, Phase-I	28	2.89
14.		4215-01-101-01-49 Tonk-Deoli-Uniyara Water Supply Project	28.5	9.85
15.		4215-01-101-01-61 Urban Water Supply Scheme, Jodhpur (EAP)	69	33.2
16.		4215-01-101-11-02 Bisalpur - Jaipur Water Supply Project, Phase-II (Urban)	24.04	0.02
17.		4215-01-102-01-25 Ummed Sagar Water Supply Scheme (NABARD)	25	1.9
18.		4215-01-102-01-55 Drinking Water Project of Villages of Block of Sajjangarh and Kushalgarh of District Banswara from Mahi Dam (Rural)	81.21	31.29
19.		4215-01-102-19 Chambal-Baler-Sawai-Madhopur Water Supply Scheme	25.05	9.74
20.		4215-01-102-39 Pokaran-Phalsund Water Supply Scheme	76.96	39.17

S. No.	No. and Name of Grant	Head of Account	Provision	Expenditure
21.	27-Drinking Water Scheme	4215-01-102-40 Deeg Water Supply Scheme	37.1	17.48
22.		4215-01-102-50 Barmer Lift Canal Water Supply Project Phase II	35.1	0.04
23.		4215-01-102-62 Barmer Lift Canal Water Supply Project Phase-II Part C (Cluster Scheme of 473 Villages)	91.5	42.91
24.		4215-01-102-65 Gagrin Water Supply Scheme	32.5	13.23
25.		4215-01-102-78 Narmada Project-Cluster (D.R.)	62.5	25.61
26.		4215-01-102-84 Water Supply Project for 256 villages of Bhinmal Town and Bhinmal Tehsil	52.75	14.41
27.		4215-01-102-61 Barmer Lift Canal Water Supply Project Phase-II, Part-B (Cluster Scheme of 68 Villages)	19.69	4.09
28.		4215-01-102-79 Construction of Isarda Dam (through the Water Resources Department)	67.86	15.86
29.		30-Tribal Area Development	4202-01-796-19-01 Construction Government Secondary Schools	24.36
30.	4215-01-796-01-52 Construction of Isarda Dam (through the Water Resources Department)		29.92	7.26
31.	4215-01-796-01-76 Drinking Water Project (Rural) of Villages of Sajjangarh and Kushalgarh Block of District Banswara from Mahi Dam		30.12	11.53
32.	4225-02-796-11-03 Renovation and construction of Eklavya Model Residential Schools		20	2.72
33.	5054-03-796-07 Roads recouped from Central Road Fund		96.52	41.37
34.	46-Irrigation		4701-73-001-01-01 Construction Works	46.4
35.	47-Tourism	5452-80-800-01 Development of Tourist places	25.99	4.83
36.	51-Special component plan for welfare of scheduled castes	4202-01-789-14-01 Construction Work In Govt. Secondary Schools	32.75	6.94
37.		4210-01-789-01-90 Construction Works	44.16	10.61
38.		4215-01-789-01-58 Water Supply Project from Narmada to Shiv Tehsil, District Barmer (205 Villages)	26.00	19.22
39.		4215-01-789-01-56 Construction of Isarda Dam (through Water Resources Department)	37.22	8.68
40.		4215-01-789-01-81 Drinking Water Project of Villages of Sajjangarh and Kushalgarh Block of District Banswara from Mahi Dam (Rural)	38.67	17.29
		Total	2,523.76	881.60

Source: Appropriation Accounts

Appendix-3.6

(Refer paragraph 3.5.3; page 93)

Details of schemes in which entire provision of ₹ 1 crore or more remained unutilized

(₹ in crore)					
S. No.	Number and name of Grant	Scheme Name	Approved outlay	Revised outlay	Actual expenditure
1.	8-Revenue	2029-103-09-01 Global Information System Laboratories	1.00	0.89	0.00
2.	9-Forest	4406-01-070-02 Through the Principal Chief Conservator of Forest, Forest Department	1.54	0.84	0.00
3.		4406-02-110-16-01 Development Works	1.50	₹ 1000	0.00
4.	12-other taxes	5055-800-01-01 Capital Outlays on Road Safety Activities	3.00	₹ 1000	0.00
5.	14-Sales taxes	2040-800-02-02 Interest Grant	5.25	₹ 1000	0.00
6.	15-Pension and Other Retirement Benefits	2071-01-117-01-02 Contribution of State Government for Last three months of Retirement - Committed	1.00	₹ 1000	0.00
7.	16-Police	2055-115-10-01 Establishment of Centre	1.00	-	0.00
8.		4055-207-01-04 Computer police	17.00	-	0.00
9.	19-Public Works	4225-03-277-01-90 Construction Works	2.52	₹ 2000	0.00
10.		4250-201-02-90 Construction works	1.02	0.05	0.00
11.	21- Roads and Bridges	3054-03-337-04-02 Modernisation	1.44	-	0.00
12.		3054-02-337-01-02 Maintenance and Restoration	173.49	173.79	0.00
13.		3054-80-797-03 Transfer to Central Road Fund (100% Central)	750.00	611.79	0.00
14.		5054-04-337-17-01 Nabard R.I.D.F.-XXV (Road Upgradation Project)	60.73	₹ 1000	0.00
15.		5054-02-337-03 Through the Border Road Development Board	42.00	42.00	0.00
16.	22-Area Development	2575-02-102-01-01 Headquarter	0.60	0.05	0.00
17.	23-Labour and Employment	4250-203-04-01 Training (Plants and Equipment)	21.50	-	0.00
18.		4250-203-07-01 Vocational Training Improvement Project (under World Bank assistance)	8.00	-	0.00
19.		4250-203-10-01 I.T.I. in minorities majority regions (Plants and Equipment)	1.50	-	0.00
20.	24-Education Art and Culture	2202-01-001-04-01 Assistance for State Level Co - ordination Cell	3.00	₹ 1000	0.00
21.		2202-02-110-02 Other Schools- Committed	1.00	1.00	0.00
22.		2202-03-102-05 Grants to Maharishi Dayanand Saraswati University, Ajmer- Committed	7.00	5.00	0.00

S. No.	Number and name of Grant	Scheme Name	Approved outlay	Revised outlay	Actual expenditure	
23.	24-Education Art and Culture	2202-03-102-16 Grants to Dr .Bhimrao Ambedkar Law University; Jaipur	3.00	-	0.00	
24.		2202-03-104-01 Grants to Teachers Training College	6.67	6.80	0.00	
25.		2202-03-800-03 Innovative/Novel Schemes of College Education Department	2.47	₹ 1000	0.00	
26.		4202-01-202-14-01 Model School - Construction Works	24.80	₹ 1000	0.00	
27.		4202-01-203-06-01 Building	3.86	3.84	0.00	
28.		4202-02-104-02 Through the Director, Technical Education	7.44	₹ 1000	0.00	
29.		4202-03-102-01 Through the Sports Department - District Sports Complex	2.98	₹ 1000	0.00	
30.		27-Drinking Water Scheme	2215-02-192-01-01 Grants-in-aid to Municipalities - Committed	6.60	6.60	0.00
31.			4215-01-101-01-31 Chambal-Baler-Sawai-Madhopur Water Supply Scheme	27.05	₹ 1000	0.00
32.	4215-01-101-01-81 Chambal-Bhilwara Water Supply Scheme - Cluster		17.25	₹ 1000	0.00	
33.	4215-01-101-01-84 Water Supply Project for 256 Villages of Bhinmal Town and Bhinmal Tehsil		20.70	2.44	0.00	
34.	4215-01-101-01-86 Construction work of Isarda Dam (through the Water Resources Department)		17.25	₹ 1000	0.00	
35.	4215-01-101-01-88 Jawai - Pali Pipeline Project Phase-II Part-B (Urban)		2.07	₹ 1000	0.00	
36.	4215-01-101-11-05 Dungarpur, Aaspur and Dovda Drinking Water Project		13.25	₹ 1000	0.00	
37.	4215-01-102-01-51 Manufacturing the Dam at Battisha Naala, Drinking Water Scheme for Sirohi Distt. (Urban)		17.25	8.37	0.00	
38.	4215-01-102-01-54 Drinking Water Project of Villages of District Pratapgarh from Jakham Dam (Rural)		3.45	1.32	0.00	
39.	4215-01-102-01-60 JhaliJi Ka Barana Drinking Water Project		3.45	₹ 1000	0.00	
40.	4215-01-102-01-63 Parvan-Akavad Drinking Water Project		3.45	1.32	0.00	
41.	4215-01-102-01-67 Haripura Manjhi Drinking Water Project, District Kota		3.45	₹ 1000	0.00	
42.	28-Special Programmes for Rural Development		2501-05-196-08-01 Through the Watershed Development and Soil Conservation Department	82.91	-	0.00
43.	29-Urban Plan and Regional Development	2217-05-800-01-01 Ajmer Smart City	15.00	₹ 1000	0.00	
44.		2217-05-800-01-02 Jaipur Smart City	15.00	30.00	0.00	
45.		2217-05-800-01-04 Kota Smart City	15.00	₹ 1000	0.00	
46.		2217-80-191-14-04 Incentive Grants for execution under the recommendations of State Finance Commission	9.68	₹ 1000	0.00	

S. No.	Number and name of Grant	Scheme Name	Approved outlay	Revised outlay	Actual expenditure	
47.	29-Urban Plan and Regional Development	2217-80-191-41-01 Annapurna Yojana (General)	15.36	₹ 1000	0.00	
48.		2217-80-192-14-04 Incentive Grants for execution under the recommendations of State Finance Commission	24.39	₹ 1000	0.00	
49.		2217-80-192-33-01 Payment of Electricity Bills - Committed	120.00	10.00	0.00	
50.		2217-80-192-36-01 For Electricity Charges - Committed	21.00	21.00	0.00	
51.		2217-80-192-36-02 For Improvement in Distribution System - Committed	1.30	1.30	0.00	
52.		2217-80-192-36-03 Maintenance and Repairs - Committed	1.10	1.10	0.00	
53.		2217-80-192-44-01 Annapurna Yojana (General)	57.77	₹ 1000	0.00	
54.		2217-80-797-02 Rajasthan Urban Development Fund - Committed	250.00	30.00	0.00	
55.		4217-03-800-01-05 Improvement works in Water Supply Schemes of various Urban Bodies	4.35	4.35	0.00	
56.		30-Tribal Area Development	2202-02-796-18 Distribution of Laptop	17.00	₹ 1000	0.00
57.			2202-03-796-07 Grants to Non-government Training College	1.50	1.42	0.00
58.			2205-796-02 Rajasthan Heritage Protection and Promotion Authority, Jaipur	3.64	0.00	0.00
59.			2217-80-191-14-06 Incentive Grants for execution under the recommendations of State Finance Commission	1.90	₹ 1000	0.00
60.			2217-80-191-41-03 Annapurna Yojana (Sub-Plan for Scheduled Tribes)	3.01	₹ 1000	0.00
61.	2217-80-192-14-06 Incentive Grants for execution under the recommendations of State Finance Commission		4.79	₹ 1000	0.00	
62.	2217-80-192-44-03 Annapurna Yojana (Sub-Plan for Scheduled Tribes)		11.34	₹ 1000	0.00	
63.	2235-02-196-19-20 Assistance to Schedule Tribe BPL families for Jan Bima Yojana (Pradhanmantri Jeevan Jyoti Bima Yojana and Pradhanmantri Surksha Bima Yojana)		7.02	-	0.00	
64.	2425-796-31 Assistance for Overall Co-operative Development		1.99	-	0.00	
65.	2515-196-42-02 Rashtriya Gram Swaraj Abhiyan (Functional / Activities)		6.69	8.94	0.00	
66.	2515-198-34-02 General Execution Grant for Gram Panchayats under the recommendations of 14th Finance Commission (Functional / Activities)		30.32	-	0.00	
67.	3454-02-796-05-01 Economic and Statistics Department		13.20	0.49	0.00	
68.	4202-01-796-11-90 Construction Works		4.00	₹ 1000	0.00	
69.	4202-01-796-14-01 Model Schools - Construction Works		5.05	₹ 1000	0.00	
70.	4210-01-796-08-01 Through the Drug Controller		4.20	3.41	0.00	

S. No.	Number and name of Grant	Scheme Name	Approved outlay	Revised outlay	Actual expenditure
71.	30-Tribal Area Development	4210-03-796-02-01 S.M.S. Medical College, Jaipur	5.16	5.16	0.00
72.		4210-03-796-05-03 Medical College, Ajmer	15.00	₹ 2000	0.00
73.		4210-03-796-08-02 Medical College, Bikaner	5.00	₹ 4000	0.00
74.		4210-03-796-08-03 Medical College, Jodhpur	5.00	5.00	0.00
75.		4215-01-796-01-10 Narmada Water Supply Scheme (F.R.) (NABARD)	1.67	1.53	0.00
76.		4215-01-796-01-27 Barmer Lift Canal Water Supply Project Phase-2	4.96	1.78	0.00
77.		4215-01-796-01-73 Construction of Dam on Battisha Naala, Drinking Water Scheme for Sirohi District (Rural)	3.25	1.68	0.00
78.		4215-01-796-02-06 Chambal-Baler-Sawai Madhopur Water Supply Project	7.85	₹ 1000	0.00
79.		4215-01-796-02-40 Chambal-Bhilwara Water Supply Scheme-Cluster	3.25	₹ 1000	0.00
80.		4215-01-796-02-43 Water Supply Project for 256 villages of Bhinmal Town and Bhinmal Tehsil	3.90	0.34	0.00
81.		4215-01-796-02-45 Construction Work of Isarda Dam (through the Water Resources Department)	3.25	₹ 1000	0.00
82.		4215-01-796-02-56 Dungarpur, Aaspur and Dovda Drinking Water Project	5.25	₹ 1000	0.00
83.		4215-01-796-02-58 Bisalpur-Jaipur Water Supply Project - II Stage (Urban)	4.87	1.65	0.00
84.		4225-02-796-20-14 Construction of Maa Badi centres building	13.20	-	0.00
85.		4250-796-01-01 Training (Plants and Equipment)	7.81	-	0.00
86.		4401-796-07-06 Through the Agriculture Marketing Board	2.13	0.73	0.00
87.		4425-195-05-03 Assistance for Development of Micro Co-operatives	3.33	-	0.00
88.		4700-37-796-01 Construction works	2.10	₹ 10000	0.00
89.		4700-43-796-01-01 Construction works	5.00	-	0.00
90.		4700-44-796-01-01 Construction Works	5.00	-	0.00
91.		4700-45-796-01-01 Construction works	5.00	-	0.00
92.		4853-01-796-04-02 Through the Medical and Health Department, Medical facilities in mining areas	1.96	-	0.00
93.		5054-04-796-06-14 NABARD R.I.D.F.-XXV (Road Upgradation Project)	11.93	₹ 1000	0.00
94.		5452-80-796-01 Development of Tourist Places	9.37	0.10	0.00
95.		5452-80-796-03 Development of Rural Tourism	2.00	1.58	0.00
96.	33-Social Security and Welfare	2225-03-190-10-01 Other Backward Class and Co operative Development Corporation	4.30	₹1000	0.00

S. No.	Number and name of Grant	Scheme Name	Approved outlay	Revised outlay	Actual expenditure	
97.	33-Social Security and Welfare	2235-02-103-20-01 Through the Woman Empowerment Department	2.21	-	0.00	
98.		2235-02-196-02-33 Chirali Yojana	1.27	-	0.00	
99.		2235-02-196-19-04 Grant to BPL families for Janshree BimaYojana	1.92	₹ 1000	0.00	
100.		2235-02-196-19-18 Assistance to BPL families for Jan Bima Yojana (Pradhanmantri Jeevan Jyoti BimaYojana and Pradhanmantri Surksha Bima Yojana)	12.48	-	0.00	
101.		4225-04-800-01-01 Construction of hostel building	4.17	1.50	0.00	
102.		4235-02-103-09 Building construction of Woman Self Help Group	1.00	-	0.00	
103.		4235-02-800-09-01 Construction of College level hostel building	7.00	0.13	0.00	
104.		34-Relief from Natural Calamities	2245-01-101-14-02 Relief for aged, disabled and orphan children	5.00	4.10	0.00
105.			2245-01-102-11-01 Emergency Supply of drinking water in rural areas	11.00	8.95	0.00
106.			2245-01-102-11-02 Emergency Supply of drinking water in Urban areas	1.00	0.83	0.00
107.	2245-01-105-04-01 Additional cost on Drugs and vaccine medicine		2.50	2.18	0.00	
108.	2245-01-800-03-01 Other Special Relief		1.00	0.95	0.00	
109.	2245-01-800-04-02 Training of related parties/workers		1.00	1.00	0.00	
110.	2245-01-800-04-03 Assistance to Calamity Management Centres of Training Institution of State		1.00	1.00	0.00	
111.	2245-01-800-04-05 Strengthening of Calamity Management Authorities		1.00	1.00	0.00	
112.	2245-02-101-16-01 Other Items		1.00	1.00	0.00	
113.	2245-02-109-02-01 Repairs of Water supply, Water drainage etc. damaged by Flood		2.50	12.37	0.00	
114.	2245-02-115-02-01 Assistance for remove sand /silt/ salinity etc from land		1.00	1.00	0.00	
115.	2245-02-191-02-01 Assistance to Municipal Corporation works for affected by flood		1.00	1.00	0.00	
116.	2245-02-192-02-01 Assistance to Municipal Corporation/Municipal Councils works for affected by flood		2.00	2.00	0.00	
117.	2245-02-193-02-01 Assistance to Panchayats and Notified area Committee affected by flood		1.00	1.00	0.00	
118.	35-Miscellaneous Community and Economic Services		5475-800-16-01 Economic and Statistics Department	1.00	1.00	0.00
119.	37-Agriculture	2401-109-16-02 Seed and Plantation Material	3.50	2.10	0.00	
120.		4401-800-03-07 Through the Agriculture Marketing Board	12.00	10.53	0.00	

S. No.	Number and name of Grant	Scheme Name	Approved outlay	Revised outlay	Actual expenditure
121.	41-Community Development	2515-198-34-01 General Execution Grant for Gram Panchayats under the recommendations of 14th Finance Commission(Functional/Activities)	154.51	-	0.00
122.	42-Industries	2040-800-04-04 Capital Grant for Zero Liquid discharged waste treatment Plant	3.00	1.35	0.00
123.		4885-60-800-25-01 Higher Education - Receipt Center	3.66	3.66	0.00
124.		6885-60-800-03-01 Delhi-Mumbai Industrial Corridor (DMIC)	5.00	-	0.00
125.	43-Minerals	2853-02-797-01 Accounting head 8229-200 (07) Environmental reform in Mining area-Committed	41.23	47.96	0.00
126.		4853-01-004-07-02 Through the Medical and Health Department, Medical facilities in mining areas	5.00	-	0.00
127.	46-Irrigation	2700-02-800-03 Other expenditure - Committed	37.25	36.01	0.00
128.		2700-22-800-02 Other expenditure - Committed	10.69	10.64	0.00
129.		2701-02-800-01 Other expenditure - Committed	3.42	3.42	0.00
130.		4700-41-001-01-01 Construction Works	4.10	-	0.00
131.	51-Special Component Plan for Welfare of Scheduled Castes	2202-02-789-14 Distribution of Lap-top	12.00	₹1000	0.00
132.		2202-03-789-05 Grants to Non-Government Training College	1.83	1.78	0.00
133.		2202-03-789-07-01 Scooty Distribution to Meritorious Girls Student	1.50	1.35	0.00
134.		2205-789-03 Rajasthan Heritage Protection and Promotion Authority, Jaipur	4.81	-	0.00
135.		2205-789-04-01 Through the archaeological Department	2.94	1.78	0.00
136.		2217-80-191-14-05 Incentive Grants for execution under the recommendations of State Finance Commission	2.51	₹ 1000	0.00
137.		2217-80-191-41-02 Sub-Plan for Scheduled Castes	3.99	₹ 1000	0.00
138.		2217-80-192-14-05 Incentive Grants for execution under the recommendations of State Finance Commission	6.33	₹ 1000	0.00
139.		2217-80-192-44-02 Sub-Plan for Scheduled Caste	15.00	₹ 1000	0.00
140.		2225-01-196-21-01 Cycle distribution Scheme for Hostellers	2.00	₹ 1000	0.00
141.		2235-02-196-19-19 Assistance to Schedule Caste BPL families for Jan Bima Yojana (Pradhanmantri Jeevan Jyoti Bima Yojana and Pradhanmantri Surksha Bima Yojana)	6.50	-	0.00
142.		2401-789-03-12 Grants released through the Rajasthan University of Veterinary and Animal Science, Bikaner	1.95	-	0.00

S. No.	Number and name of Grant	Scheme Name	Approved outlay	Revised outlay	Actual expenditure
143.	51-Special Component Plan for Welfare of Scheduled Castes	2515-198-34-03 General Execution Grant for Gram Panchayats under the recommendations of 14th Finance Commission(Functional / Activities)	40.11	-	0.00
144.		2515-196-42-03 Rashtriya Gram Swaraj Abhiyan (Functional / Activities)	5.06	11.92	0.00
145.		3425-01-789-05 Sursek/Set Com Network	1.50	₹ 1000	0.00
146.		3454-02-789-05-01 Economic and Statistics Department	15.50	0.39	0.00
147.		4202-01-789-06-90 Construction Works	4.00	₹ 1000	0.00
148.		4202-01-789-09-01 Model School - Construction Work	6.50	₹ 1000	0.00
149.		4210-01-789-06-01 Through the Drug Controller	4.87	4.49	0.00
150.		4210-02-789-01-90 Construction Works	7.82	1.60	0.00
151.		4210-03-789-02-01 S.M.S. Medical College, Jaipur	6.74	6.74	0.00
152.		4210-03-789-05-01 Medical College, Kota	5.50	0.50	0.00
153.		4215-01-789-01-13 Narmada Water Supply Project (F.R.) NABARD	2.16	1.98	0.00
154.		4215-01-789-01-19 Barmer Lift Canal Water Supply Project Phase-II	7.33	9.74	0.00
155.		4215-01-789-01-78 Construction of Dam on Battisha Naala for Drinking Water Scheme for SirohiDistt (Rural)	4.50	2.23	0.00
156.		4215-01-789-02-06 Chambal-Baler-Sawai Madhopur Water Supply Project	10.10	₹ 1000	0.00
157.		4215-01-789-02-40 Chambal-Bhilwara Water Supply Scheme-Cluster	4.50	₹ 1000	0.00
158.		4215-01-789-02-43 Water Supply Project for 256 villages of Bhinmal Town and Bhinmal Tehsil	5.40	0.61	0.00
159.	4215-01-789-02-56 Dungarpur, Aaspur and Dovda Drinking Water Project	6.50	₹ 1000	0.00	
160.	4215-01-789-02-45 Construction work of Isarda Dam (through the Water Resources Department)	4.50	₹ 1000	0.00	
161.	4215-01-789-02-58 Bisalpur-Jaipur Water Supply Project-II Phase (Urban)	6.14	1.94	0.00	
162.	4401-789-01-06 Through the Agriculture Marketing Board	2.00	0.74	0.00	
163.	4705-789-09-01 Land Development Works	7.52	-	0.00	
164.	4853-01-789-02-02 Through the Medical and Health Department, Medical facilities in mining areas	2.95	-	0.00	
165.	5054-04-789-04-14 Nabard R.I.D.F.-XXV (Road Upgradation Project)	15.83	₹ 1000	0.00	
		Total	2,766.38		

Source: Appropriation Accounts

Appendix-3.7

(Refer paragraph 3.5.3; page 93)

Cases in which the entire provision remained unutilized during last three years

(₹ in crore)					
S. No.	Grant	Heads	2017-18	2018-19	2019-20
1.	8-Revenue	2029-103-09-01 Global Information System Laboratories (G.I.S. Labs.)	11.70	11.70	1.00
2.	29-Urban Plan And Regional Development	2217-80-797-02 Rajasthan Urban Development Fund - Committed	274.29	200.00	250.00
3.	30-Tribal Area Development	2225-02-196-16-01 Bicycle Distribution Scheme to Hostellers	1.50	1.00	1.25
4.		3425-01-796-05 Sursek/SetCom Network	3.19	3.31	1.00
5.		4202-01-796-11-90 Block Institute for Teachers Education Construction Works	1.17	1.27	4.00
6.		4853-01-796-04-02 Through the Medical and Health Department, Medical facilities in mining areas	1.25	1.96	1.96
7.	33-Social Security and Welfare	2235-02-103-20-01 Mission Gramya Shakti -Through the Woman Empowerment Department	10.60	7.35	2.21
8.	43-Minerals	4853-01-004-07-02 Through the Medical and Health Department, Medical facilities in mining areas	1.20	5.00	5.00
9.	51-Special Component Plan For Welfare of Scheduled Castes	2225-01-196-21-01 Cycle distribution Scheme for Hostellers	2.00	1.50	2.00
10.		3425-01-789-05 Sursek/SetCom Network	4.29	4.75	1.50
11.		4202-01-789-06-90 Block Institute for Teachers Education Construction Works	1.17	1.27	4.00
		Total	312.36	239.11	273.92

Source: Appropriation Accounts

Appendix-3.8

(Refer paragraph 3.5.4; page 95)

Flow of expenditure (where expenditure during last quarter was more than ₹ 10 crore in each case and also by more than 50 per cent of the total expenditure)

(₹ in crore)

S. No.	Grant No.	Head of Account (up to Sub-Head)	Expenditure incurred during January- March 2020	Expenditure during March 2020	Total	Percentage of total Expenditure incurred during	
						January- March 2020	March-2020
1	10 -Miscellaneous General Service	2075-797-01 Transfer to Head 8235-117 Guarantee Redemption fund	586.86	586.86	586.86	100.00	100.00
2	16-Police	4055-207-02 District Police	37.72	36.1	37.72	100.00	95.71
3	23-Labour and Employment	2230-01-103-07 Building and Other Construction Labour Welfare Board, Rajasthan-Committed	382.59	382.59	382.59	100.00	100.00
4	24-Education, Art and Culture	2202-03-103-11 Rashtriya Uchchatar Shiksha Abhiyan	13.27	13.21	22.31	59.48	59.21
5		4202-01-202-17 Construction work under NABARD RIDF XXIII	15	15	15	100.00	100.00
6		4202-01-202-18 Const. work in Secondary Schools under NABARD RIDF XXIV	28.57	21.07	28.57	100.00	73.75
7	26-Medical, Public Health and Sanitation	2210-05-105-06 Rajasthan Medical Education Society	75.5	60	109.5	68.95	54.79
8		2210-06-190-01 Assistance to Public Sector and other Undertakings	108.5	108.5	178.42	60.81	60.81
9	27-Drinking Water Scheme	4215-01-102-78 Narmada Project-Cluster (D.R.)	17.4	14.53	25.61	67.94	56.74
10	29-Urban Plan and Regional Development	2217-05-190-02 Rajasthan Transport Infrastructure Development Fund	59.58	52.72	104.31	57.12	50.54
11		2217-05-800-01 Smart city	30	30	30	100.00	100.00
12		3055-800-07 Rajasthan Transport Infrastructure Development Fund	43.47	43.47	76.82	56.59	56.59
13	30-Tribal Area Development	2403-797-02 Transfer to Rajasthan Cow Protection and Promotion Fund	90	90	90	100.00	100.00
14		2425-796-33 Interest Grants to Co-operative Institutions	66.64	66.64	66.64	100.00	100.00
15		2425-797-35 Interest grants to good loanees of Co- operative Societies	37.68	37.68	37.68	100.00	100.00
16		2501-05-196-07 Pradhan Mantri Krishi Sinchai Yojana (PMKSY) Watershed Component	26.83	26.83	26.83	100.00	100.00
17		2801-80-796-01 Through the Rajasthan Renewable Energy Corporation	1866.28	1866.28	1866.28	100.00	100.00
18		4210-03-796-07 Elevation of medical colleges under PMSSY - Phase IV	24.02	24.02	25.97	92.49	92.49
19		4225-02-796-09 Various construction works in sub-plan area for irrigation facilities (S.C.A.)	12	12	24	50.00	50.00
20		4225-02-796-11 Schemes for which amount received from Government of India under Article 275(1) of the Constitution of India (S.C.A.)	51.3	51.3	84.32	60.84	60.84

S. No.	Grant No.	Head of Account (up to Sub-Head)	Expenditure incurred during January- March 2020	Expenditure during March 2020	Total	Percentage of total Expenditure incurred during		
						January- March 2020	March-2020	
21	30-Tribal Area Development	4801-80-796-07 Investments in Jaipur Vidyut Vitran Nigam Limited under UDAY Yojana	43.98	43.98	43.98	100.00	100.00	
22		4801-80-796-08 Investments in Jodhpur Vidyut Vitran Nigam Limited under UDAY Yojana	40.67	40.67	40.67	100.00	100.00	
23		4801-80-796-09 Investments in Ajmer Vidyut Vitran Nigam Limited under UDAY Yojana	42.11	42.11	42.11	100.00	100.00	
24	34-Relief from natural calamities	2245-02-106-08 Repairs and restoration of damaged Roads and Bridges in Flood areas	35.53	30.91	38.41	92.50	80.47	
25		2245-02-114-09 Agriculture Input grant to Small and Marginal Farmers for loss of Crops	367.22	227.14	380.68	96.46	59.67	
26		2245-02-282-07 Public Health in Flood area	63.01	63.01	63.01	100.00	100.00	
27	35-Miscellaneous Community and Economic Services	3454-02-205-03 Rajasthan Jan Aadhar Yojana	17.22	17.22	17.22	100.00	100.00	
28	36-Co-operation	2425-107-20 Assistant to Co-operative Institutions for Interest payment	189.38	189.38	366.5	51.67	51.67	
29		2425-800-02 Interest grant to good Loanee borrowers of Co-operative Societies	206.92	206.92	206.92	100.00	100.00	
30	37-Agriculture	2435-60-800-01 Assistance for Farmer Welfare Fund (k-3)	20	20	20	100.00	100.00	
31		6401-800-10 Loan to Krishi Upaj Mandi (Nabard)	20	20	20	100.00	100.00	
32	39-Animal Husbandry and Medical	2403-797-02 Transfer to Rajasthan Cow Protection and Promotion Fund	272	272	272	100.00	100.00	
33		2403-797-03 Transfer to Rajasthan Cow Protection and Promotion Reserve Fund	18.5	18.5	18.5	100.00	100.00	
34	42-Industries	2852-80-001-08 Head office Commissioner Industries Department	139.25	137.2	148.53	93.75	92.37	
35	43-Minerals	4853-01-004-07 Expenditure relating to environment reform and health in mining areas	25.17	25.17	33.63	74.84	74.84	
36	46-Irrigation	2700-05-001-01 Maintenance expenditure	14.32	12.13	14.32	100.00	84.71	
37	48-Power	2801-80-190-32 Assistance for Interest grant	18.98	18.98	18.98	100.00	100.00	
38		2801-80-190-41 Assistance to Distribution Corporation under UDAY Yojana	9463.23	9463.23	9463.23	100.00	100.00	
39		4801-80-190-02 Investment in Rajasthan Rajya Vidyut Utpadan Nigam Limited	122.7	122.7	227.5	53.93	53.93	
40		4801-80-190-10 Investment in Jaipur Vidyut Vitran Nigam Limited under UDAY Yojana	213.64	213.64	213.64	100.00	100.00	
41		4801-80-190-11 Investment in Jodhpur Vidyut Vitran Nigam Limited under UDAY Yojana	197.55	197.55	197.55	100.00	100.00	
42		4801-80-190-12 Investment in Ajmer Vidyut Vitran Nigam Limited under UDAY Yojana	204.54	204.54	204.54	100.00	100.00	
43		51-Special Organisation Scheme for Welfare of Scheduled Castes	2403-797-02 Transfer to Rajasthan Cow Protection and Promotion Fund	110	110	110	100.00	100.00
44			2406-04-789-05 Net Present Value of Forest Land	10.23	10.23	10.23	100.00	100.00

S. No.	Grant No.	Head of Account (up to Sub-Head)	Expenditure incurred during January- March 2020	Expenditure during March 2020	Total	Percentage of total Expenditure incurred during	
						January- March 2020	March-2020
45	51-Special Organisation Scheme for Welfare of Scheduled Castes	2425-789-01 Assistance to Co-operative Institutions for interest payment	82.87	82.87	82.87	100.00	100.00
46		2425-789-06 Interest Grant to good Loanees of Co- operative Societies	51.48	51.48	51.48	100.00	100.00
47		2801-80-789-01 Assistance to Distribution Corporations under UDAY Yojana	2486.96	2486.96	2486.96	100.00	100.00
48		3055-789-07 Rajasthan Transport Infrastructure Development Fund	11.28	11.28	19.93	56.60	56.60
49		4210-03-789-01 Hospital and Dispensaries - Medical Education	21.61	16.68	30.12	71.75	55.38
50		4801-80-789-07 Investment in Jaipur Vidyut Vitaran Nigam Limited under UDAY Yojana	56.55	56.55	56.55	100.00	100.00
51		4801-80-789-08 Investment in Jodhpur Vidyut Vitran Nigam Limited under UDAY Yojana	52.29	52.29	52.29	100.00	100.00
52		4801-80-789-09 Investment in Ajmer Vidyut Vitran Nigam Limited under UDAY Yojana	54.14	54.14	54.14	100.00	100.00
			Total	18,246.54	18,058.26	18,825.92	96.92

Source: Appropriation Accounts

Appendix-4.1

(Refer paragraph 4.2; page 109)

Direct Transfer of Central Scheme Funds to Implementing Agencies in the State (Funds Routed Outside State Budgets)

(₹ in crore)

Government of India Scheme	Implementing Agencies	2019-20
Integrated Scheme on Agricultural Census and Statistics	Agriculture Universities	5.17
Integrated Scheme on Agricultural Marketing	Agriculture Universities	58.86
Pradhan Mantri Kisan Samman Nidhi (PM - Kisan)	Department of Co-operative Rajasthan,	3,284.17
Rashtriya Krishi Vikas Yojana	Sri Karan Narendra Agriculture University	0.50
Submission on seed and Planting Material	Rajasthan State Seed Corporation, Rajasthan State Seed and Organic Production Certification Agency	7.31
Assistance to IHMS/FCIS/IITTM/NIWS	State Institute of Hotel Management and Food Craft Institute	13.76
Capacity Building for Service Provider	State Institute of Hotel Management, Catering Technology & Applied Nutrition and Food Craft Institute	0.65
Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD)	Rajasthan Tourism Development Corporation	6.70
Integrated Development of Tourism Circuits around Specific Themes(Swadesh Darshan)	Rajasthan Tourism Development Corporation	21.29
Amended Technology Upgradation Scheme	Rajasthan State Industrial Development and Investment Corporation	0.00
Assistance to State Agencies for Intra State movement of food grains and FPS dealers margin under NFSA	Food and Civil Supplies Department	78.35
Sugar Subsidy Payable under PDS	Rajasthan State Food and Civil Supply Corporation	1.00
Promotion and Dissemination of Art and Culture (Support to Academies)	West Zone Cultural Centre, Udaipur	9.26
Environmental Protection and Monitoring (information, education, awareness and training)	Rajasthan State Bharat Scouts and Guides	1.40
Development of Infrastructure for Promotion of Health Research	Government Medical Colleges	2.60
Establishment Expenditure Ayush	Rajasthan State Medicinal Plants Board, Arid Forest Research Institute and Forest Development Agencies	1.87
National Aids and STD Control Programme	Rajasthan State AIDS Control Society	38.69
National Rural Health Mission	Rajasthan State Health Society	7.04
Strengthening of Existing Branches and Establishment of 27 Branches of NCDC	Principal SMS Medical College, Jaipur	1.24
Infrastructure Development Programme and Capacity Building	Rajasthan State Industrial Development & Investment Corporation and Udhayam Prothsahan Sansthan	10.94
Procurement and Marketing Support Scheme	Udhayam Prothsahan Sansthan, Jaipur	3.30
National Child Labour Project	Child Labour Project Societies	1.75
E-courts Phase-II	High Court of Rajasthan	1.29
National Animal Disease Control Programme for Foot and Mouth Disease (FMD) and Brucellosis	Directorate of Animal Husbandry Jaipur	40.76

Government of India Scheme	Implementing Agencies	2019-20
National Programme for Dairy Development	Rajasthan Cooperative Dairy Federation Ltd (RCDFLTD)	24.40
Rashtriya Gokul Mission	Rajasthan Livestock Development Board (RLDB)	13.86
Biogas Programme-Off Grid	Agriculture Universities and Bio Fuel Authority	0.28
Solar Power-Off Grid/ Distributed and Decentralised Renewable Power	Rajasthan Renewal Energy Corporation and Maharana Pratap University of Agriculture & Technology	88.12
Incentivisation of Panchayats	Panchayati Raj Department	1.35
Training Schemes	HCM Rajasthan State Institute of Public Administration	1.80
Atal Innovation Mission	District AIM and Academic Institutions	3.98
M.P. Local Area Development Scheme	District Collectors	170.00
Ongoing Programme and Schemes Power	SPV- Aspirational	2.99
Works Under Roads Wing	Upkhand Adhikari Jhunjhunu and Saksham Pradhikari Bhoomi Awapti NH11	1.68
Digital India Land Records Modernisation Programme	Rajasthan Bhu Abhilekh Adhunikaran Society, Jaipur	3.23
Management Support to RD Programmes and Strengthening of District Planning Process	Gram Sevak Training Centre, Panchayat Training Centre and Indira Gandhi Panchayati Raj & Gramin Vikas Sansthan	0.94
Mahatma Gandhi National Rural Guarantee Programme	State Employment Guarantee Fund, Jaipur	5,427.78
National Rural Livelihood Mission	Rajasthan Grameen Aajevika Vikas Parishad	3.69
Science and Technology Programme for Socio Economic Development	Educational Institutions	3.88
National Hydrology Project	Water Resources Department	3.00
Beti Bachaob Beti Padhao	District Collectors	1.81
One Stop Centre	District Collectors	6.77
Pradhanmantri Matra Vandana Yojana	Women and Child Development Department	87.80
Khelo India National Programme for Development of Sports	Rajasthan Sports Council and Educational Institutions	24.53
National Services Scheme	Rajasthan State NSS Cell	8.31
Schemes less than one crore (under various Ministries)		5.74
Grand Total		9,483.87

Appendix-4.2

(Refer paragraph 4.5; page 114)

Position of Outstanding Abstract Contingent Bills up to 2019-20

(₹ in lakh)

S. No.	Name of Controlling Officer	Major Head	Year	DDO name	Amount
1.	District Education Officer, Bikaner	2202	1989-90	Principal DIET, Bikaner	0.30
2.	Principal District Education & Training, Jalore		1990-91	Asstt. Director, DIET, Jalore	0.30
3.	Director Adult and Continuing Education Rajsamand		1996-97	District Adult Education Officer, Rajsamand	0.08
4.	Zila Parishad, Banswara	4202	1990-91	Zila Parishad, Banswara	0.30 0.24
5.	Registrar, Revenue Board, Ajmer	2029	2007-2008	Revenue Board, Ajmer	292.18
6.	Commissioner, Relief Department, Jaipur	2245	2012-2013	D.M & Collector, Alwar	103.50
7.	Director General of Police, Police Department, Jaipur	2055	2014-15	Dy. Director (account), FSL, Police, Rajasthan, Jaipur	57.00 180.50
8.	Secretary, Rajasthan Subordinate Service Selection Board	2051	2016-17	Secretary, Rajasthan, Sub-ordinate & Ministerial Service Selector	2.00
9.	Director State Forensic Laboratory, Jaipur	2055	2016-17	Dy. Director (account), FSL, Police, Rajasthan, Jaipur	239.00
10.	Director State Forensic Laboratory, Jaipur	2055	2017-18	Dy. Director (account), FSL, Police, Rajasthan, Jaipur	66.50 83.50 161.50
11.	Principal, Sardar Patel Medical College, Bikaner	4210	2017-18	Additional Principal, S.P. Medical College, Bikaner	2125.67
12.	Director State Forensic Laboratory, Jaipur	2055	2018-19	Dy. Director (account), FSL, Police, Rajasthan, Jaipur	261.40 161.97
13.	Director General of Police, Police Department, Jaipur	2055	2018-19	District Police Superintendent, Pali.	10.00
14.	Director, NCC, Directorate, Jaipur	2204	2018-19	ADM Office, NCC, Hqrs, Jaipur	2.64 7.35
15.	Director, Science and Technology Department, Jaipur	3425	2018-19	Dy. Director (Adm), Secondary Education, Bikaner	6.00 8.00 2.00
16.	Secretary to the Government General Administration (gr.4) Department, Jaipur	2013	2019-2020	A.S.(Karmik) Secretariat	0.25 0.25
17.	Registrar, Revenue Board, Ajmer	2029	2019-2020	Dy. Registrar Revenue Board Ajmer	52.00
18.	Secretary to the Government General Administration (gr.4) Department, Jaipur	2052	2019-2020	D.D.O Collectorate Jaipur A.S. (Karmik) Sectt.	1.50 0.30
19.	Director General of Police, Police Department, Jaipur	2055	2019-2020	District Police Superintendent, Pali	6.00 10.00
20.	Director, Primary Education, Bikaner	2202	2019-2020	D.E.O (Elementary edu.) Ajmer D.E.O (Elementary edu.) Ajmer	0.57 1.19
21.	Director, NCC Directorate, Jaipur	2204	2019-2020	Commending Offr. Ist. Raj. Nav. Unit NCC Udaipur 2 Raj Armd Sqn NCC Jodhpur 7 Raj.indep company NCC Jaipur Adm.Off.NCC hq Jaipur Common officer III Raj Nevel unit NCC Jaipur Officer comm. 7 NCC girl Kota 2 Raj Armed Sqn NCC Jodhpur Comm. off. I Raj btn NCC Jaipur 4 Raj air Sqn NCC Jodhpur	0.13 0.43 0.12 10.00 0.29 0.05 2.86 1.01 1.25

S. No.	Name of Controlling Officer	Major Head	Year	DDO name	Amount
				Common Officer III Raj nevel unit NCC Jaipur	0.08
				Commanding Officer, NCC, Sikar	0.07
					1.28
					2.00
				N.C.C. 1, Alwar	2.23
				Common Officer III Raj navel unit NCC Jaipur	0.39
22.	Director, Abhilekhagar, Bikaner	2205	2019-2020	Dy. Director Abhilekhagar, Bikaner	1.50
23.	Principal RNT Medical College, Udaipur	2210	2019-2020	Sunder Singh Bhandari Satellite Hospital Chandpole, Udaipur	5.64
24.	Chief Engineer, PHED, Jaipur	2215	2019-2020	X.EN.PHED (production & distribution) Udaipur	0.16
25.	Chief Electoral Officer and Secretary, State Election Commission, Jaipur	2217	2019-2020	District Election Officer Bikaner	6.00
26.	Commissioner, Relief Department, Jaipur	2245	2019-2020	District Collector (Relief), Nagaur	10.00
				District Collector (Relief), Nagaur	10.00
				D.D.O. Collectorate, Jaipur	11.00
				District Collector (Relief), Nagaur	5.00
27.	Principal, Chief Conservator of Forest, Van Bhawan, Jhalana, Jaipur	2406	2019-2020	Chief. Conservator of Forest, Udaipur	1.00
				Plantation Officer, Udaipur	0.70
28.	Chief Electoral Officer and Secretary, State Election Commission, Jaipur	2515	2019-2020	District Election Officer, Sikar	1.00
				District Election Officer, Pali	5.00
				District Election Officer, Sawai Madhopur	1.00
				District Election Officer, Pali	20.00
29.	Director, Industries Department, Jaipur	2851	2019-2020	Joint Director Dist. Industries Centre Jodhpur	4.86
30.	Director, Mines and Geology Department, Udaipur	2853	2019-2020	SE (M&D) Mines & Geology Department Udaipur	5.95
31.	Secretary to Govt. Department of personnel (gr.- 1), Jaipur	3451	2019-2020	A.S. (karmik) Sectt.	0.40
Grand total:					3,955.39

Appendix-4.3

(Refer paragraph 4.6.6; page 122)

Statement showing the details of non-operation of Personal Deposit Accounts during 2015-20

(₹ in lakh)

S. No	Name of the Drawing and Disbursing Officer	Balance during 2015-20	Reason given by Drawing and Disbursing Officer
1	Distt. Women level. Agency, Ajmer	4.69	PD Account has been closed.
2	Principal I.T.I, Ajmer	15.16	PD account conditionally permitted to operate.
3	Lord University, Alwar	1.00	PD account conditionally permitted to operate.
4	Pri. Govt. Polytechnic. College, Alwar	0.25	PD Account has been closed.
5	New MCA OBC, Banswara	0.00	Further action under progress.
6	Exe. Engineer Irrigation, Banswara	7.34	PD Account has been closed.
7	Divisional Forest, Banswara	0.00	Further action under progress.
8	I.T.I Kelwara, Baran	1.28	PD account conditionally permitted to operate.
9	Exe. Engineer P.H.E.D. City Division, Barmer	2.05	PD Account has been closed.
10	P.H.E.D. North Exe. Engineer, Barmer	1.35	PD Account has been closed.
11	Dy. Director (Balvikash) W.C.D. Department., Barmer	1.95	PD Account has been closed.
12	New M.C.A.S.B.B.J, Barmer	0.00	PD Account has been closed.
13	New M.C.A. O.B.C., Bundi	0.26	PD Account has been closed.
14	New M.C.A.S.B.B.J, Churu	0.29	PD Account has been closed.
15	P.D. D.R.D.A., Dausa	314.26	PD Account has been closed.
16	N.S.A.P, Dausa	24.50	PD Account has been closed.
17	R.C.H Society (Zila Prajan & Bal Seasthaya Samity) Dausa	7.57	PD Account has been closed.
18	Dy. S.P. Distt. Jail, Dausa	0.25	PD Account has been closed.
19	AEN.(Agri) SC&WSD, Dausa	1.14	PD Account has been closed.
20	AEN. (Agri) WDSC Bandikui, Dausa	7.08	PD Account has been closed.
21	New M.C.A.S.B.B.J, Dausa	0.14	PD Account has been closed.
22	New M.C.A. O.B.C., Dausa	0.00	PD Account has been closed.
23.	N.P.S., Dausa	83.71	PD Account has been closed.
24.	Dy. Dir. Zila Mahila Vikash Abhikaran, Dholpur	3.14	PD Account has been closed.
25.	H.B.A.S.B.B.J, Hanumangarh	1.22	Further action under progress.
26.	Kshetry SWAVM, Jaipur (City)	0.26	PD Account has been closed.
27.	Pri. Govt. Sr. School Gandhi nagar, Jaipur (City)	0.00	PD Account has been closed.
28.	Pri. Maharaja Sanskri college, Jaipur (City)	0.00	PD Account has been closed.
29.	Chai. Mantri Central press Cooperative, Jaipur (City)	0.17	PD Account has been closed.
30.	Dep. Dir. Proj. Dir. Zila Mahila & Bal Vikash Abhikaran, Jaipur (City)	4.57	PD Account has been closed.
31.	Sisodia Vidhyakhar Vikas Samiti, Jaipur (City)	7.72	PD Account has been closed.
32.	Raj Rajya Sangrahalya Vikas Sansthan, Jaipur (City)	0.00	PD Account has been closed.

S. No	Name of the Drawing and Disbursing Officer	Balance during 2015-20	Reason given by Drawing and Disbursing Officer
33.	Recovery of Conveyance Loan for S.B.B.J., Jaipur (City)	0.21	PD Account has been closed.
34.	Recovery of Conveyance Loan for O.B.C., Jaipur (City)	0.01	PD Account has been closed.
35.	Diploma in Pharmacy Course, Jaipur (City)	6.73	PD Account has been closed.
36.	Raj. Kaushal School of Animation, Jaipur (City)	0.00	PD Account has been closed.
37.	Collector/ Dy. Dir. Bachat, Jaipur (City)	0.38	PD Account has been closed.
38.	Chai. Gramdan Board, Jaipur (City)	0.00	Further action under progress.
39.	M.D. Tilam Sangh, Jaipur (Sectt.)	0.43	PD account conditionally permitted to operate.
40.	Raj. Civil Aviation Corporation LTD. Jaipur (Sectt.)	12.27	PD Account has been closed.
41.	Raj. Horticulture Jaipur (Sectt.)	3.03	PD Account has been closed.
42.	Repayment of Housing Loan up to 31.03.2004, Jaisalmer	24.51	Further action under progress.
43.	H.B.A. S.B.B.,J Jaisalmer	1.13	Further action under progress.
44.	Supdt. I.T.I Khanpur, Jhalawar	2.67	PD account conditionally permitted to operate.
45.	Proj. Dir. Mahila and Bal Vikas Dept., Jodhpur (City)	2.67	PD Account has been closed.
46.	Prog./Dir. Reg. Self –Help group Ref. , Jodhpur (City)	0.27	Further action under progress.
47.	H.B.A.S.B.B.J., Jodhpur (Rural)	0.03	Further action under progress.
48.	Try. Office Recovery of HB Loan H.D.F.C. Nagaur	0.03	PD Account has been closed.
49.	Rec. of MCA Loan from Orint. Bank of Comm., Nagaur	0.06	PD Account has been closed.
50.	XEN. P.H.E.D. Sojat, Pali	0.00	PD Account has been closed.
51.	New M.C.A.S.B.B.J., Rajsamand	0.03	PD Account has been closed.
52.	Repay of HB Loan Sanc. Upto 31.03.2004, Sawai Madhopur	0.12	PD Account has been closed.
53.	New M.C.A. O.B.C, Sikar	0.01	PD Account has been closed.
54.	Rec. of Con.(SBBJ) of State Govt. Ser., Udaipur (City),	0.00	PD Account has been closed.
55.	Reg. Self- Help Gr/TRG& Ref. CTR, Udaipur (City)	0.01	PD Account has been closed.
	Total	545.95	

Appendix-4.4

(Refer paragraph 4.7; page 123)

Minor Head 800- Other Expenditure

(₹ in crore)

S. No.	Major Head	Expenditure under Minor Head 800	Total Expenditure	Percentage
1.	2040 Taxes on Sales, Trade etc.	418.38	741.23	56.44
2.	2047 Other Fiscal Services	3.94	3.94	100.00
3.	2211 Family Welfare	1687.84	3402.37	49.61
4.	2435 Other Agricultural Programmes	22.00	32.82	67.03
5	2700 Major Irrigation	1005.62	1445.85	69.55
6	2701 Medium Irrigation	111.54	192.09	58.07
7	3425 Other Scientific Research	11.65	11.87	98.15
8	3452 Tourism	26.46	49.77	53.16
9	4047 Capital Outlay on Other Fiscal Services	0.04	0.04	100.00
10	4235 Capital Outlay on Social Security and Welfare	16.64	22.30	74.62
11	4236 Capital Outlay on Nutrition	14.30	19.89	71.90
12	4401 Capital Outlay on Crop Husbandry	41.93	80.18	52.29
13	4575 Capital Outlay on Other Special Area Programmes	63.77	103.22	61.78
14	4885 Other Capital Outlay on Industries and Minerals	18.46	27.29	67.64
15	5054 Capital Outlay on Roads and Bridges	1650.92	3200.80	51.58
16	5425 Capital Outlay on Other Scientific and Environmental Research	0.78	0.78	100.00
17	5452 Capital Outlay on Tourism	5.69	10.61	53.63
18	5475 Capital Outlay on Other General Economic Services	127.36	187.69	67.86
	Total	5,227.32	9,532.74	

Minor Head 800- Other Receipts

(₹ in crore)

S. No.	Major head	Receipts under Minor Head 800	Total Receipts	Percentage
1	0035 Taxes on Immovable Property other than Agricultural Land	1.32	1.32	100.00
2	0056 Jails	0.63	0.63	100.00
3	0070 Other Administrative Services	112.69	207.16	54.40
4	0202 Education, Sports, Art and Culture	93.68	179.10	52.31
5	0211 Family Welfare	0.16	0.16	100.00
6	0217 Urban Development	42.17	42.17	100.00
7	0220 Information and Publicity	0.13	0.13	100.00
8	0230 Labour and Employment	418.42	435.47	96.08
9	0235 Social Security and Welfare	24.29	24.41	99.51
10	0401 Crop Husbandry	6.53	6.56	99.54
11	0406 Forestry and Wild Life	69.59	109.47	63.57
12	0425 Co-operation	5.30	9.11	58.18
13	0435 Other Agricultural Programmes	11.51	11.80	97.54
14	0515 Other Rural Development Programmes	13.54	14.59	92.80
15	0701 Medium Irrigation	9.43	11.45	82.36

S. No.	Major head	Receipts under Minor Head 800	Total Receipts	Percentage
16	0702 Minor Irrigation	3.52	6.50	54.15
17	0801 Power	17.17	17.17	100.00
18	0851 Village and Small Industries	1.42	1.42	100.00
19	0852 Industries	1.75	1.75	100.00
20	1452 Tourism	0.96	0.96	100.00
21	1475 Other General Economic Services	83.21	107.75	77.23
	Total	917.42	1,189.08	

Appendix-4.5

(Refer paragraph 4.13; page 129)

Statement showing the details of erosion of capital investment in Public Sector Undertakings

(₹ in crore)

S. No.	Name of the PSU	Period of accounts	Total Paid up Capital	Accumulated Profit/ Loss (-)	Erosion of Capital Investment in PSUs	Government Investment (as per Finance Account 2019-20)
1	Rajasthan State Mines and Minerals Limited (Government Company since December 1974)	2018-19	77.55	2,182.76	0	77.55
2	Rajasthan State Industrial Development and Investment Corporation Limited	2018-19	210.19	1,694.94	0	193.69
3	Rajasthan State Road Development and Construction Corporation Limited	2018-19	100.00	126.89	0	100.00
4	Rajasthan State Ganganagar Sugar Mills Limited	2018-19	180.39	73.28	0	180.84
5	Rajasthan Tourism Development Corporation Limited	2016-17	21.95	- 151.80	- 129.85	21.95
6	Rajasthan State Hotels Corporation Limited	2015-16	2.16	- 8.71	- 6.55	2.16
7	Rajasthan State Handloom Development Corporation Limited	2017-18	46.06	- 49.89	- 3.83	45.51
8	Rajasthan Small Industries Corporation Limited	2019-20	6.96	- 25.12	- 18.16	6.64
9	Rajasthan State Beverages Corporation Limited	2019-20	2.00	19.56	0	2.00
10	Barmer Lignite Mining Company Limited (Subsidiary Joint Company of Rajasthan State Mines and Minerals Limited)	2018-19	20.00	0.34	0	0
11	Rajasthan State Petroleum Corporation Limited (Subsidiary of Rajasthan State Mines and Minerals Limited)	2018-19	67.08	- 1.61	0	0
12	Rajasthan Rajya Vidyut Prasaran Nigam Limited	2019-20	4,656.57	- 1,231.88	0	4,691.04
13	Rajasthan Rajya Vidyut Utpadan Nigam Limited	2018-19	10,067.95	- 4,382.81	0	10,417.95
14	Jaipur Vidyut Vitran Nigam Limited	2019-20	11,332.51	- 28,872.34	- 17,539.83	11,332.51
15	Ajmer Vidyut Vitran Nigam Limited	2018-19	10,018.03	- 29,018.55	- 19,000.52	10,465.57
16	Jodhpur Vidyut Vitran Nigam Limited	2019-20	10,487.99	- 29,764.92	- 19,276.93	10,487.99
17	Rajasthan Renewable Energy Corporation Limited	2018-19	12.94	172.24	0	12.94
18	Dholpur Gas Power Limited (Subsidiary of Rajasthan Rajya Vidyut Utpadan Nigam Limited)	2019-20	0.05	- 0.05	0	0
19	Giral Lignite Power Limited (Subsidiary of Rajasthan	2019-20	370.05	- 1,542.82	-1,172.77	0

S. No.	Name of the PSU	Period of accounts	Total Paid up Capital	Accumulated Profit/ Loss (-)	Erosion of Capital Investment in PSUs	Government Investment (as per Finance Account 2019-20)
	Rajya Vidyut Utpadan Nigam Limited)					
20	Chhabra Power Limited (Subsidiary of Rajasthan Rajya Vidyut Utpadan Nigam Limited)	2018-19	0.05	- 0.04	0	0
21	Rajasthan Solar Park Development Company Limited (Subsidiary of Rajasthan Renewable Energy Corporation Limited)	2018-19	0.05	30.16	0	0
22	Banswara Thermal Power Company Limited (Subsidiary of Rajasthan Rajya Vidyut Prasaran Nigam Limited)	2019-20	0.05	- 9.92	- 9.87	0
23	Barmer Thermal Power Company Limited (Subsidiary of Rajasthan Rajya Vidyut Prasaran Nigam Limited)	2019-20	0.05	- 18.91	- 18.86	0
24	Rajcomp Info Services Limited	2018-19	5.00	63.72	0	5.00
25	Rajasthan Jal Vikas Nigam Limited	2019-20	1.27	- 2.19	-0.92	1.27
26	Rajasthan State Power Finance and Financial Services Corporation Limited	2019-20	90.00	21.14	0	90.00
27	Rajasthan State Gas Limited (Subsidiary of Rajasthan State Petroleum Corporation Ltd.)	2019-20	129.87	8.33	0	0
28	Rajasthan Urja Vikas Nigam Limited	2019-20	50.00	0.00	0	50.00
29	Rajasthan Rajya Vidyut Vitran Vitta Nigam Limited	2018-19	0.05	- 0.02	0	0.05
30	Rajasthan Financial Corporation	2019-20	160.73	- 114.69	0	128.31
31	Rajasthan State Road Transport Corporation	2018-19	638.96	- 4,975.52	- 4,336.56	612.13
32	Rajasthan Urban Drinking Water Sewerage and Infrastructure Corporation Limited	2016-17	48.67	21.07	0	33.51
33	Jaipur Metro Rail Corporation Limited	2018-19	1,694.04	- 287.72	0	1,494.04
34	Rajasthan Ex-Servicemen Corporation Limited	2019-20	5.00	20.16	0	5.00
35	Rajasthan Medical Service Corporation Limited	2018-19	5.00	44.37	0	5.00
36	Rajasthan Skill and Livelihoods Development Corporation	2018-19	0.05	- 2.84	- 2.79	0.05
37	Rajasthan State Food and Civil Supplies Corporation Limited	2016-17	50.00	36.73	0	50.00
38	Rajasthan State Seeds Corporation Limited	2019-20	7.59	130.34	0	6.33
39	Rajasthan State Agro Industries Corporation Limited	2014-15	6.00	- 54.67	- 48.67	4.13
40	Rajasthan State Warehousing Corporation	2018-19	7.85	275.34	0	3.93

S. No.	Name of the PSU	Period of accounts	Total Paid up Capital	Accumulated Profit/ Loss (-)	Erosion of Capital Investment in PSUs	Government Investment (as per Finance Account 2019-20)
41	Rajasthan Police Housing and Construction Corporation Limited	2019-20	1.00	3.70	0	1.00
42	Rajasthan Civil Aviation Corporation Limited	2018-19	4.49	-6.35	-1.86	4.49
43	Udaipur Smart City Limited	2019-20	200.00	-0.12	0	100.00
44	Kota Smart City Limited	2019-20	200.00	8.23	0	65.40
45	Ajmer Smart City Limited	First account awaited				64.80
46	Jaipur Smart City Limited	First account awaited				100.00
	Total		50,986.20	-95590.87	-61,567.97	50,862.78

Appendix-4.6

(Refer paragraph 4.14; page 130)

Category-wise details of cases of theft/loss and misappropriation in various departments

(₹ in lakh)

S. No.	Name of Department	Theft/loss cases		Misappropriation/loss of Government material		Total	
		Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
1.	Revenue	25	123.95	30	1135.55	55	1259.50
2.	Education	96	138.47	75	4952.76	171	5091.23
3.	Medical	20	250.47	49	471.72	69	722.19
4.	Public Works	03	1.40	18	476.57	21	477.97
5.	Water resources	01	.05	02	33.95	03	34.00
6.	Ground water	03	3.86	02	3.40	05	7.26
7.	CAD, IGNP	02	4.12	00	00	02	4.12
8.	IGNP	06	12.56	05	69.73	11	82.29
9.	Forest	03	26.42	02	77.32	05	103.74
10	PHED	205	204.17	17	90.42	222	294.59
11	Justice	04	1.68	10	118.92	14	120.60
12	Police	14	16.35	07	29.07	21	45.42
13	Women & Child Development	02	3.61	05	7.10	07	10.71
14	Department of Local Self Government Rajasthan	02	4.61	06	40.67	08	45.28
15	Rural Development and Panchayati Raj Department	64	1111.24	57	1427.78	121	2539.02
16	Miscellaneous	24	124.29	37	924.11	61	1048.40
	Total	474	2,027.25	322	9,859.07	796	11,886.32

Appendix-4.7

(Refer paragraph 4.15; page 131)

Detail of excess/short payment of pension

(₹ in lakh)

S. No.	Reasons for excess payment	Excess payment made during 2019-20	
		Number of cases	Amount
1.	Family pension not reduced after expiry of the prescribed period (Rule 62 of Rajasthan Civil Services (Pension) Rules 1996).	45	80.43
2.	Family pension not stopped after attaining the age of 25 years /marriage/employment of dependent (Rule 67 of Rajasthan Civil Services (Pension) Rules 1996)	01	0.69
3.	Pension not reduced after its commutation (Rule 28 of Rajasthan Civil Services (Commutation of Pension) Rules 1996).	24	11.02
4.	Pension paid after death of pensioners	25	14.13
5.	Dearness relief paid to pensioners during the period of their re-employment (Rule 164 of Rajasthan Civil Services (Pension) Rules 1996)	03	1.18
6.	Pension and Dearness Relief paid at higher rate than admissible	21	11.62
7.	Miscellaneous (Gratuity, Additional Pension etc.)	40	32.15
	Total	159	151.22

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