



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

Report of the Comptroller and Auditor General of India on State Finances for the year 2023-24



Government of Himachal Pradesh
Report No. 1 of 2025
(State Finances Audit Report)

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Preface

This Report is prepared for submission to the Governor of the State of Himachal Pradesh under Article 151 of the Constitution of India.

Chapter I provides an overview of the State, sectoral contribution to GSDP, structure of Government accounts and snapshot of the State's finances.

Chapters II and III of this Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2024. Information has been obtained from the Government of Himachal Pradesh, wherever necessary.

Chapter IV on 'Quality of Accounts and Financial Reporting Practices' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives relating to Financial Reporting during the current year.

The Report containing the findings of Performance Audit and audit of transactions in various Departments and Report on State Revenues are presented separately.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

About the Report

This Report of the CAG of India is on the State Finances, Government of Himachal Pradesh for the year 2023-24. It provides an overview of the finances, budgetary management and quality of accounts, financial reporting practices and other matters relevant to State Finances.

This Executive Summary highlights the contents of this Report and through snapshots of the important figures and aspects, provides insight into Fiscal sustainability, performance against the Budget intent, revenue and expenditure projection and the reasons for variations and its impact.

Gross State Domestic Product (GSDP) (at current prices) grew at an average annual rate of 7.13 *per cent* from ₹ 1,59,164 crore in 2019-20 to ₹ 2,07,430 crore in 2023-24. Budget Outlay of the State grew at an average annual rate of 7.99 *per cent* from ₹ 53,708 crore in 2019-20 to ₹ 66,991 crore in 2023-24. During 2023-24, there was 8.19 *per cent* growth in GSDP over 2022-23.

The Revenue receipts grew at 2.84 *percent* only and the percentage of Revenue receipts to GSDP decreased from 19.87 *per cent* in 2022-23 to 18.88 *per cent* in 2023-24. The growth rate of State's own receipts (Own Tax revenue + Non-Tax revenue) increased by one *per cent* from 9.29 *per cent* in 2022-23 to 10.28 *per cent* during 2023-24. The Total expenditure (Revenue expenditure, Capital expenditure, Loans and Advances) of the State of Himachal Pradesh decreased by ₹ 96.34 crore (0.19 *per cent*) from ₹ 50,564.71 crore in 2022-23 to ₹ 50,468.37 crore during 2023-24. Of this, the Revenue expenditure showed 0.69 *per cent* increase only from previous year 2022-23. But during the last year (2022-23), it had increased by 22.74 *per cent* from 2021-22. The State had huge Revenue Deficits of ₹ 6,336 crore in 2022-23 and ₹ 5,558.59 crore during 2023-24, even after receiving Post-Devolution Revenue Deficit Grant of ₹ 9,377 crore in 2022-23 and ₹ 8,058 crore in 2023-24. The Fiscal deficit also remained high at ₹ 12,380 crore and ₹ 11,266 crore during the same period.

Receipt-Expenditure Mismatch

The continuous mismatch between receipts and expenditure indicates rising Fiscal stress. The State has different sources of receipts such as State's Own Tax revenue, Non-Tax Revenue, Devolution of States' share in taxes, Grants in aid and transfers from the Union Government and non-debt Capital receipts. The State Government's expenditure includes expenditure on Revenue account as well as Capital account (assets creation, loans and advances, investments, etc.).

From 2019-20 to 2023-24, Revenue receipts grew from ₹ 30,742.41 crore to ₹ 39,173.04 crore, with an average annual growth rate of 4.92 *per cent*. Capital receipts (including net Public debt) also increased from ₹ 4,169.72 crore to ₹ 7,035.23 crore during this period. The share of Grants-in-aid in Revenue receipts ranged between

38.14 *per cent* and 55.06 *per cent* during 2019-24, indicating reliance on support from the Government of India. The State Government received ₹ 5,328.69 crore as Central share for the Centrally Sponsored Schemes (CSSs) in current year.

Revenue expenditure is incurred to maintain the current level of services and payment for past obligations. As such, it does not result in any addition to the State's infrastructure and service network. Between 2019-20 and 2023-24, Revenue expenditure increased from ₹ 30,730.43 crore (19.31 *per cent* of GSDP) to ₹ 44,731.63 crore (21.56 *per cent* of GSDP). It consistently made up a significant portion (85 to 89 *per cent*) of the total expenditure during this period, growing at an average annual rate of 8.97 *per cent*.

Result of expenditure beyond means

The gap between Revenue receipts and Revenue expenditure results in Revenue Deficit. After generating consistent Revenue surplus from 2015-16, the State recorded a negative Revenue balance (Revenue Deficit) in 2020-21 (₹ 96.66 crore), 2022-23 (₹ 6,335.76 crore) and 2023-24 (₹ 5,558.59 crore).

The State Government spent ₹ 5,629.79 crore only on Capital account. This was 11.16 *per cent* of the total expenditure in the year 2023-24. Capital expenditure was just 37.78 *per cent* of the total borrowings during 2023-24. Thus, the borrowed funds were being used mainly for meeting current consumption and repayment of borrowings instead of capital creation/ development activities.

The gap between total expenditure and total non-debt receipt of the State results in Fiscal Deficit. The Fiscal Deficit of the State increased to ₹ 11,266 crore (5.43 *per cent* of GSDP) in 2023-24 from ₹ 5,597.06 crore (3.52 *per cent* of GSDP) in 2019-20.

Under Revenue expenditure, the quantum of Committed expenditure constitutes the largest share. Committed expenditure has the first charge on resources and consists of interest payments, expenditure on salaries and wages and pensions. Committed expenditure on interest payments, salaries and pensions constituted 64-70 *per cent* of Revenue expenditure between 2019-20 and 2023-24. The Committed expenditure increased at an average annual growth rate of 8.82 *per cent* from ₹ 21,466 crore in 2019-20 to ₹ 30,213.59 crore in 2023-24.

In addition to Committed expenditure, inflexible expenditure increased from 3.34 *per cent* to 4.58 *per cent* of Revenue expenditure during 2019-20 to 2023-24, indicating a rising trend. The inflexible expenditure increased from ₹ 2,019.65 crore in 2022-23 to ₹ 2,048.78 crore in 2023-24 registering an increase of 1.44 *per cent*.

Taken together, committed and inflexible expenditure in 2023-24 was ₹ 32,262.37 crore; 72.12 *per cent* of the Revenue expenditure. Upward trend on committed and inflexible expenditure leaves the Government with lesser flexibility for other priority sectors and capital creation.

Subsidies take away major portion of non-committed expenditure

Within non-committed expenditure, subsidies increased from ₹ 1,067.78 crore in 2019-20 to ₹ 1,768.35 crore in 2023-24 and constituted a share ranging between 9.16 *per cent* and 13.64 *per cent* of the non-committed Revenue expenditure during 2019-24. Power subsidies constituted a significant portion, ranging from 35 *per cent* to 53 *per cent* of the total subsidies during this period.

Contingent Liabilities on account of Guarantees

In 2023-24, the Government provided Guarantees against borrowings of ₹ 731.09 crore. During the year, the Government did not invoke any amount against the Guarantee.

Fiscal sustainability

Fiscal sustainability is examined in terms of macro-fiscal parameters such as deficits, level of debt and liabilities, guarantees, subsidies, etc. So far as revenue and expenditure mismatch is concerned, one of the important constraints is committed and inflexible expenditure, which includes salaries and wages, pension payments, interests, etc. and also other inflexible expenditure such as those arising out of commitment for Centrally Sponsored Schemes, transfer to reserve funds, transfer to local bodies, etc.

FRBM requirements and compliance with Fiscal parameters

The Fiscal Responsibility and Budget Management (FRBM) Act / Rules laid down targets for Revenue Deficit, Fiscal Deficit and Debt as a certain percentage of the Gross State Domestic Product (GSDP) and Guarantees provided have to be a certain percentage of Revenue receipts of the previous year. In 2023-24, the percentage of Revenue Deficit to GSDP was 2.68 *per cent* as against the target of being Revenue Surplus; Fiscal Deficit/GSDP was 5.43 *per cent* as against the target of 3.5 *per cent*; Debt/GSDP was 43.98 *per cent* as against the target of 38.98 *per cent*.

Further, as per the debt stabilisation analysis, the overall liability (which includes Public Debt and Public Account Liabilities) of Himachal Pradesh has grown at an average annual rate of 11.07 *per cent* between 2019-20 to 2023-24. The total Outstanding Debt-GSDP ratio of the Government has increased from 39.09 *per cent* in 2019-20 to 43.98 *per cent* in 2023-24. Going by the fiscal trends, the State Finances are heavily stressed.

The State Government had also notified and reverted to the Old Pension Scheme (OPS) with effect from 01.04.2023. The imminent financial burden on account of implementation of OPS, in coming years, also needs to be reckoned while assessing debt sustainability of the State.

As per the Domar criterion, average real growth remained higher than the average real interest rate, helping the Growth Interest Differential (GID) favourable during 2019-2024 which enabled the State to recover the cost of borrowing. Contrary to the nominal growth driven by the real growth, average inflation as measured by Current Price Index which remained in the upper tolerance limit of bandwidth of 2-6 *per cent*

determined by the RBI helped the State to suppress the real rate of interest below the real growth and to keep the GID favourable.

Further, substantial proportion of public debt receipts was being used for repayment for borrowings, which ranged between 52.99 *per cent* and 74.11 *per cent* during the period 2019-2024. Thus, it becomes evident that depending solely on economic growth would not suffice to cover the debt obligations of the State.

Going by the analysis and results as discussed above, the finances of the State of Himachal Pradesh are stressed due to the continuous mismatch between receipt and expenditure coupled with an increasing trend of liabilities (debt repayments, guarantees, etc.) which poses risk to the target of debt stabilisation and debt sustainability.

Budget performance

Aggregate expenditure outturn

In the Revenue section, deviation in outturn compared with Budget Estimates (BE) was + 5.24 *per cent*. This was due to the excess of actual over original provision in 18 Grants. In three grants, deviation was more than + 100 *per cent*. In 14 grants, there was a shortage of actual over original, where deviation ranged from -0.58 *per cent* to -28.87 *per cent*.

In the Capital section, deviation in outturn compared with BE was + 27.28 *per cent*. This is due to the excess of actual over original provision in 19 Grants. In seven grants, deviation was more than +100 *per cent*. In 11 grants, there was a shortage of actual over original, where deviation ranged from -21.95 *per cent* to -100 *per cent*.

Expenditure composition outturn

Budget performance also looks at the extent to which the re-allocation between the main Budget categories during the execution have contributed to variance in expenditure composition. This measure indicates the extent of variation between the final Budget and the Actual expenditure. In the Revenue section, deviation in outturn compared with Revised Estimates (RE) was -5.11 *per cent*. This was due to shortage of Actual over Revised Estimates in 29 grants, with the deviation ranging from -1.03 *per cent* to -32.08 *per cent*. In the Capital section, deviation in outturn compared with Revised Estimates was -14.49 *per cent*. This was due to shortage of Actual over Revised Estimates in 20 grants and in four grants, deviation was more than -50 *per cent*.

It was noticed that supplementary provisions of ₹ 711 crore during the year 2023-24 in 14 cases (₹ one crore or more in each case) proved unnecessary, as the expenditure did not come up even to the level of original provisions.

Overall Budget reliability assessment indicates that there were many cases, where deviations between the actual expenditure and original Budget as well as between the actual expenditure and the final Budget were noticed. Moreover, it was also noticed that in several cases, there were supplementary grants where expenditure was not even

up to the original grant. A reliable budgetary practice is required to deal with such deviations.

Quality of Accounts and Financial Reporting

Quality of accounts and financial reporting covers items, transactions and events which relate to gaps in compliance, regularity weaknesses and issues relating to delay in receipt of those accounting records or adjustment records which evidence the actual expenditure. It also highlights issues pertaining to the accounts and financial reporting such as parking of funds outside the Government accounts, non/short – discharging of liabilities and misclassification of transactions and data gaps.

Regularization of Excess over Grants/ Appropriations

The State Government has to get excesses over grants/appropriations regularised by the State Legislature as per Articles 204 and 205 of the Constitution of India. It was observed that in 2023-24 there was excess expenditure of ₹ 1,255.80 crore under 10 grants and two appropriations which required regularisation. Further, excess disbursements of ₹ 2,444.31 crore pertaining to the year 2021-22 and 2022-23 were yet to be regularised.

Compliance with IGAS

As against the requirements of the Indian Government Accounting Standards (IGAS), the State Government did not make compliance partially with IGAS-2: Accounting and Classification of Grants-in-aid.

Funds to Single Nodal Agency

The Government of India and the State Government have introduced system of Single Nodal Agency (SNA) for implementation and fund flow for each Centrally Sponsored Scheme (CSS). The share of the Government of India and the State Government is transferred to the Bank Account of the SNA lying outside the Government Account. As per information available on the PFMS portal, the State Government received ₹ 4,856.54 crore for Centrally Sponsored schemes (CSSs). Total expenditure incurred on these schemes in current year was ₹ 6,048.18 crore leaving a ₹ 1,024.08 crore balance unspent in the bank accounts of SNAs.

Utilisation Certificates against conditional grants

Despite the requirement of submitting Utilisation Certificates (UCs) against conditional grants within a stipulated time period, 2,990 outstanding UCs for an amount of ₹ 2,795.23 crore were pending as on 31 March 2024.

Utilisation Certificates (UCs) outstanding beyond the specified periods indicate absence of assurance on utilisation of the grants for intended purposes and the expenditure shown in the accounts to that extent cannot be treated as final.

Compliance with prevailing rules and codal provisions are meant to ensure control and accountability in accounting and financial reporting. Non-compliance or partially compliant and deviations from rules and codal provisions, non-timely submission of UCs against conditional grants, impact the quality of accounting and financial reporting adversely.

CHAPTER-I

OVERVIEW

CHAPTER – I

OVERVIEW

1.1 Profile of the State

The State of Himachal Pradesh is located in the Himalayan region of the northern part of India. The altitude of the different areas of the State varies from 350 meters to 6,975 meters above the mean sea level, rendering the climate from humid sub-tropical to dry temperate alpine. Himachal Pradesh is the 17th largest State in terms of geographical area (55,673 sq. km). It has been organised into 12 districts. The districts have further been divided into 3 Divisions, 81 Sub-divisions, 113 Tehsils, 88 Blocks and 20,752 inhabited villages (as on 31st March 2024).

Himachal Pradesh falls under the category of ‘North-Eastern and Himalayan States (NE&H States)’ and therefore, sharing pattern (Government of India assistance with respect to the State share) for NE&H States is in the ratio of 90:10 (for core schemes) and 80:20 (for optional schemes), unlike General Category States which receive Government of India assistance with respect to the State share in the ratio of 60:40 (for core schemes) and 50:50 (for optional schemes).

As per projections for India and States (2011-36) by the National Commission on Population (Ministry of Health and Family Welfare), the State’s population was 75.05 lakh (2024) which accounts for 0.54 *per cent* of the country’s population (140.07 crore). The population density of the State at 135 persons per sq. km. was lower than the national average of 426 persons per sq. km (2023-24). The State’s literacy rate was 82.80 *per cent* (**Appendix 1.1**).

1.1.1 Gross State Domestic Product of the State

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.

Changes in sectoral contribution to GSDP is also important to understand the changing structure of economy. The economic activity is generally divided into primary, secondary and tertiary sectors, which primarily correspond to the agriculture, industry and service sectors respectively.

Trends in GSDP compared to Gross Domestic Product (GDP) are shown in **Table 1.1** and sectoral contribution and sectoral growth in GSDP during the period 2019-20 to 2023-24 are depicted in **Chart 1.2**.

Table 1.1: Trends in GSDP compared to the GDP (at current prices)

(₹ in crore)

Year	2019-20	2020-21	2021-22	2022-23	2023-24
INDIA					
GDP (2011-12 Series)	2,01,03,593	1,98,54,096 ^d	2,35,97,399 ^c	2,69,49,646 ^b	2,95,35,667 ^a
Gross Value Added (GVA)	1,83,81,117	1,82,10,997 ^d	2,16,35,584 ^c	2,46,59,041 ^b	2,67,62,147 ^a
Growth rate of GDP over the previous year (in per cent)	6.37	-1.24	18.85	14.21	9.60
Growth rate of GVA over the previous year (in per cent)	7.02	0.93	18.81	13.97	8.53
Per Capita GDP (in ₹)	1,49,915	1,46,480	1,72,422	1,94,879	2,11,725
HIMACHAL PRADESH					
GSDP (2011-12 Series)	1,59,164	1,51,601 ^d	1,72,162 ^c	1,91,728 ^b	2,07,430 ^a
Gross State Value Added (GSVA)	1,49,042	1,42,780 ^d	1,61,664 ^c	1,79,120 ^b	1,93,121 ^a
Growth rate of GSDP over the previous year (in per cent)	7.27	-4.75	13.56	11.36	8.19
Growth rate of GSVA over the previous year (in per cent)	7.24	-4.20	13.23	10.80	7.82
Per Capita GSDP (in ₹)	2,17,229	2,05,589	2,32,180	2,57,249	2,76,943

Source: Provisional estimates released by the National Statistical Office (erstwhile CSO), Ministry of Statistics and Programme Implementation (MoSPI) and Department of Economics and Statistics, Himachal Pradesh.

a- Advance Estimate, b- First Revised Estimate, c- Second Revised Estimate, d- Third Revised Estimate.

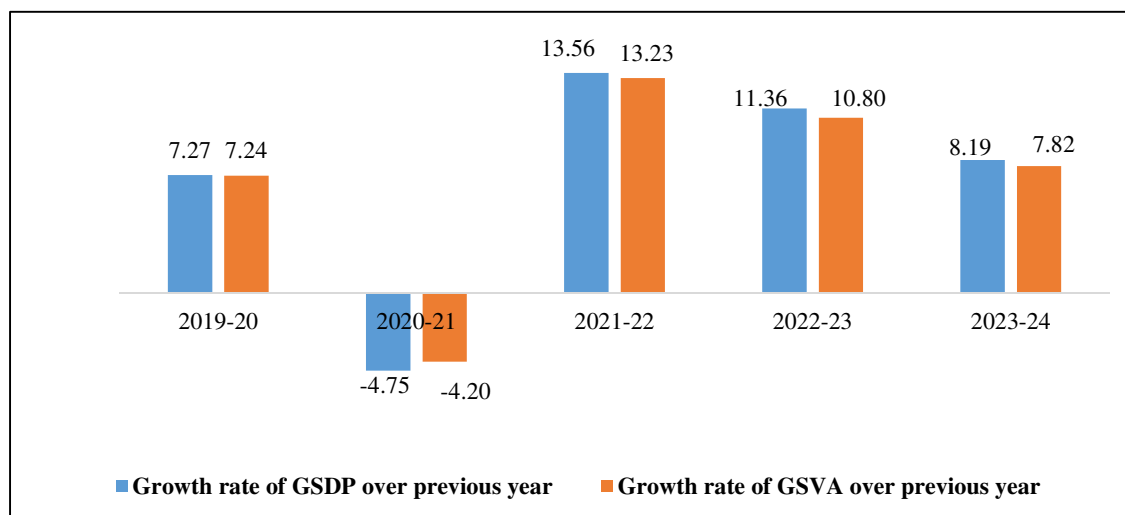
The Gross State Domestic Product (GSDP) in 2023-24 at current prices was ₹ 2,07,430 crore and the GDP of India was ₹ 2,95,35,667 crore. Further, the per capita GSDP of the State for the year 2023-24 was ₹ 2.77 lakh while that of the country was ₹ 2.12 lakh. However, the growth in per capita GSDP of the State (27.49 per cent) during the period 2019-20 to 2023-24 could not keep pace with the growth in per capita GDP of the country (41.23 per cent) during the same period. This is evidenced from the fact that the percentage of per capita GSDP of the State which was 44.90 per cent more than the per capita GDP of the country during 2019-20 had decreased to 30.80 per cent more than the per capita GDP of the country at the end of 2023-24.

Gross Value Added (GVA) is defined as the value of output less the value of intermediate consumption. It is used to measure the output or contribution of a particular sector. It is being used for economic analysis by Government of India and international organisations like International Monetary Fund (IMF) and World Bank as it is considered a better indicator of economic growth compared to GDP as it ignores the impact of taxes and subsidies. While GDP can be and is also computed as the sum/ total of the various expenditures incurred in the economy including private consumption spending, government consumption spending and gross fixed Capital formation or investment spending, reflecting essentially on the demand conditions in the economy, GVA represents the supply side. Both measures have differences in treatment of net taxes as a result of which the inclusion of taxes in GDP may differ from the real output situation.

From a policymaker's perspective, it is therefore vital to have a comparison of the GVA and GSVA data for better analysis and for making policy interventions.

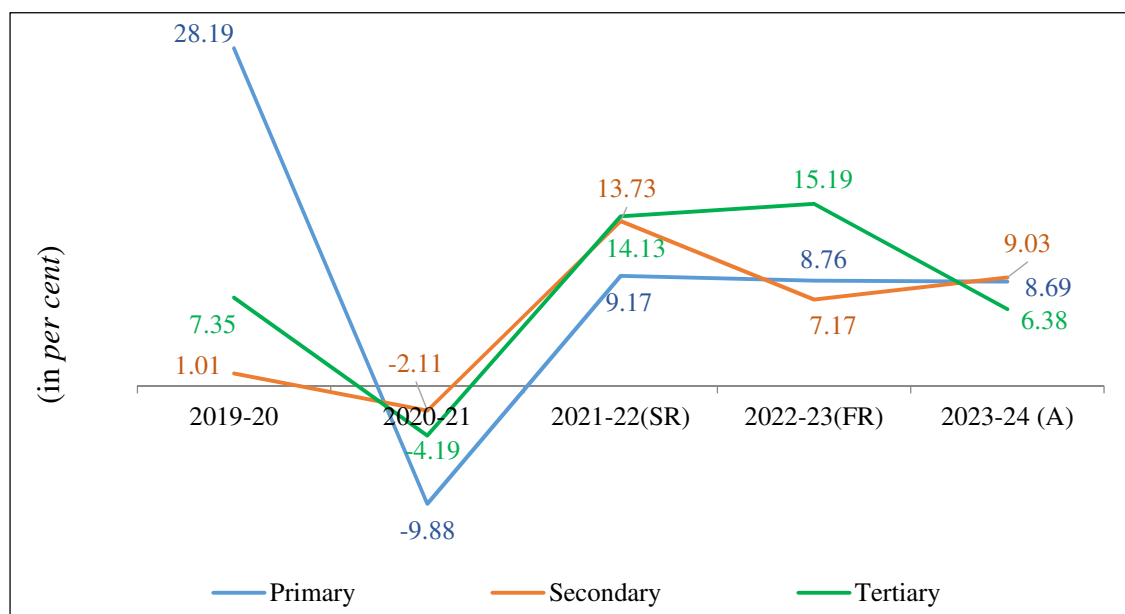
The trends of GSDP and GSVA for the period from 2019-20 to 2023-24 are indicated in the Chart below:

Chart 1.1: Growth rate of GSDP vs GSVA (2019-20 to 2023-24)



Source: Department of Economics and Statistics, Himachal Pradesh.

Chart 1.2: Sectoral growth in GSDP



Source: Department of Economics and Statistics, Himachal Pradesh.

SR- Second Revised Estimate, FR- First Revised Estimate, A- Advance Estimate.

Chart 1.2 shows that during 2021-22, there was significant growth and “V” shape recovery in all the sectors contributing to GSDP viz., primary, secondary and tertiary activity, post Covid-19 pandemic. After that the economy showed a mixed trend in all three sectors.

From 2021-22 to 2023-24, the primary sector showed almost static growth of 9.17 per cent, 8.76 per cent and 8.69 per cent in 2021-22, 2022-23 and 2023-24 respectively. During 2023-24 there is a growth of 1.86 percentage points in the secondary

sector mainly due to increase in manufacturing and construction. In the tertiary sector growth rate decreased by 8.81 percentage points from 15.19 *per cent* in 2022-23 to 6.38 *per cent* during 2023-24 due to decrease in growth rate (-1.02 *per cent*) in Public Administration this year as compared to previous year's growth of 25.25 *per cent* in this sector.

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. The State Finances Audit Report (SFAR) of Himachal Pradesh for the year ended 31st March 2024 has been prepared by the CAG for submission to the Governor of the State under Article 151 (2) of the Constitution of India.

The Principal Accountant General (Accounts & Entitlements) compiles the Finance Accounts and Appropriation Accounts of the State annually, from 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 statements received from the Reserve Bank of India. These accounts are audited independently by the Principal Accountant General (Audit) and certified by the CAG.

The Finance Accounts and Appropriation Accounts of the State for the year 2023-24 constitute the core data for this Report. Other sources include:

- Budget of the State for the year 2023-24: for assessing fiscal parameters and allocative priorities *vis-à-vis* projections, evaluating the effectiveness of Budget implementation and compliance with the relevant rules and prescribed procedures,
- Results of audit carried out by the office of the Pr. Accountant General (Audit), Himachal Pradesh,
- Other data with departmental authorities and treasuries (accounting as well as MIS),
- GSDP data and State related other statistics; and
- Various Audit Reports of the CAG of India.

The analysis in this Report has also been carried out based on the recommendations of the Fourteenth and Fifteenth Finance Commissions, State Fiscal Responsibility and Budget Management (FRBM) Act, 2005 and best practices and guidelines of the Government of India.

The audit analysis/ findings of State Finances Audit Report were sent to the State Government in September 2024 for obtaining their replies/views; replies were not received from the State Government as of February 2025.

1.3 Overview of Government Account Structure and Budgetary Processes

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

Part I: 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 in 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.

Part II: Contingency Fund of the State (Article 267(2) of the Constitution of India)

This Fund is in the nature of an imprest, established by the State Legislature by law, and 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 functional major head concerned relating to the Consolidated Fund of the State. In Himachal Pradesh, the corpus of this fund is ₹ 5.00 crore.

Part III: Public Account of the State (Article 266 (2) of the Constitution of India)

Apart from the 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.

Budget Document

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 (Own Tax revenue plus share of Union Taxes/Duties), Non Tax revenue 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).

Capital receipts consist of:

- **Public Debt receipts:** Market loans, bonds, loans from financial institutions, net transaction under Ways and Means Advances, Loans and Advances from Central Government, etc., and
- **Non-debt receipts:** Proceeds from disinvestment, recoveries of Loans and Advances, etc.

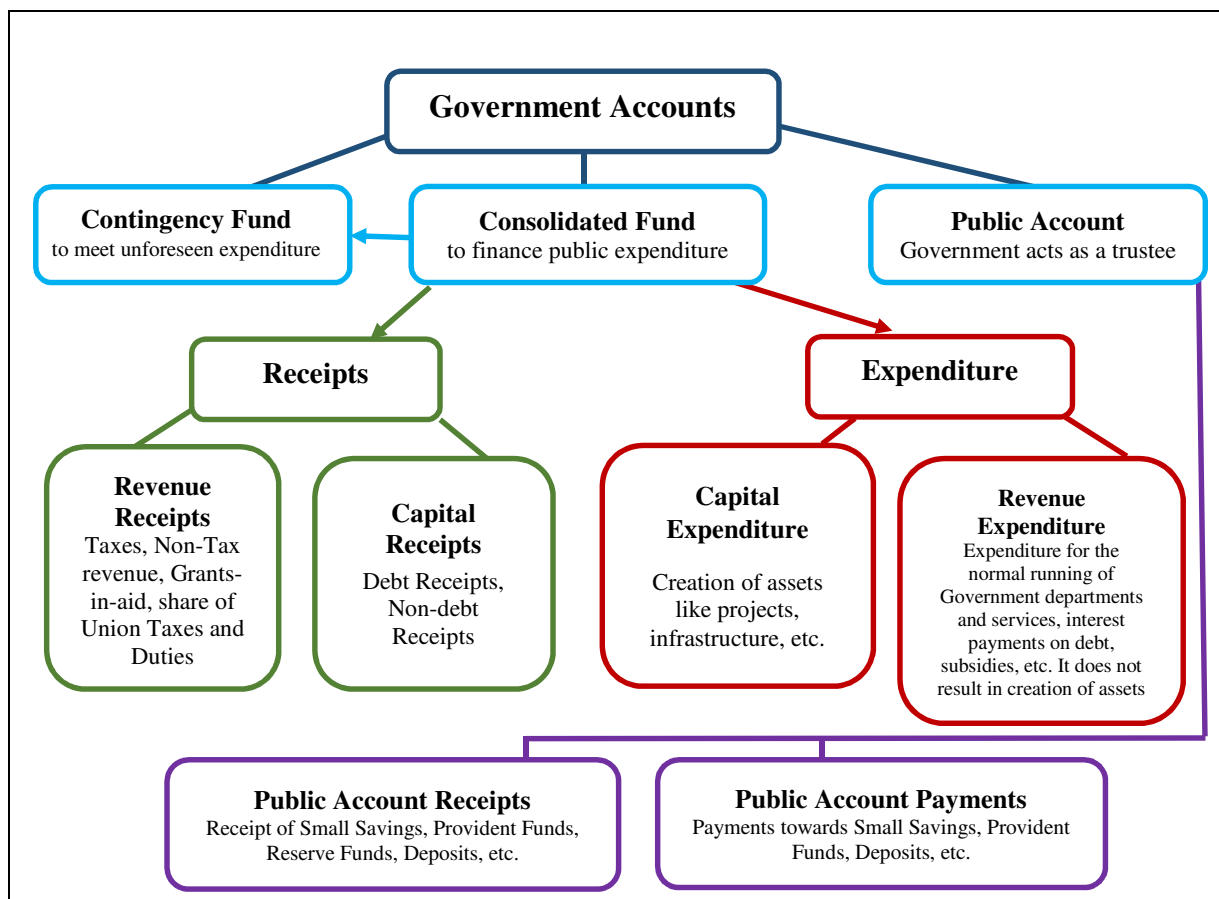
Capital expenditure includes expenditure on the acquisition of land, building, machinery, equipment and investment by the Government in shares and Loans and Advances by the government to Public Sector Undertakings (PSUs) and other parties.

At present, there is an accounting classification system in Government that has both functional and economic dimensions.

Adopted by	Attribute of transaction	Classification
Standardised in List of Major and Minor Heads 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)
Flexibility left for the 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 one know the Department, function, scheme or programme, and object of the expenditure. Economic classification helps organise 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 are 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, while “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



Source: Finance Accounts.

Public Debt and Public Liability: In this Report, 'Public Debt' has been taken to comprise market borrowings, institutional loans, special securities issued to National Small Savings Fund (NSSF), loans given by the Central Government etc. For this purpose, the major heads 6003 and 6004 - Public Debt have been taken into consideration.

Further, the transactions relating to 'Small Savings, Provident Fund, etc.', 'Reserve Funds' and 'Deposit and Advances' under Public Account are such that the Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid. The transactions relating to 'Remittances' and 'Suspense' under Public Account, includes merely adjusting heads such as transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles.

In this Report, 'Public Liability' has been taken to include the transactions under major heads 8001 to 8554 relating to 'Small Savings, Provident Fund, etc.', 'Reserve Funds' and 'Deposit and Advances' along with the transactions under major heads 6003 and 6004.

Budgetary Processes

In terms of Article 202 of the Constitution of India, the Governor of State causes to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State, in the form of an **Annual Financial Statement**. In terms of Article 203, the statement is submitted to the State Legislature in the form of Demands for

Grants/Appropriations and after approval of these, the Appropriation Bill is passed by the Legislature under Article 204 to provide for appropriation of the required money out of the Consolidated Fund.

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-III of this Report.

1.3.1 Snapshot of Finances

Table 1.2 shows the details of actual financial results for the years 2022-23 and 2023-24 vis-à-vis Budget Estimates (BE) and GSDP for the year 2023-24.

Table 1.2: Snapshot of Finances

(₹ in crore)

Sl. No.	Components	2022-23 (Actuals)	2023-24 (BE)	2023-24 (Actuals)	Percentage of Actuals 2023-24 to BE	Percentage of Actuals 2023-24 to GSDP
1.	Tax revenue (i+ii)	18,479.24	21,503.99	21,210.01	98.63	10.23
	(i) Own Tax revenue	10,595.26	13,025.97	11,835.29	90.86	5.71
	(ii) Share of Union Taxes/ Duties	7,883.98	8,478.02	9,374.72	110.58	4.52
2.	Non-Tax revenue	2,876.33	3,447.20	3,020.88	87.63	1.46
3.	Grants-in-aid and Contributions	16,733.93	13,048.68	14,942.15	114.51	7.20
4.	Revenue Receipts (1+2+3)	38,089.50	37,999.87	39,173.04	103.09	18.88
5.	Recovery of Loans and Advances	82.79	26.07	27.40	105.10	0.01
6.	Other Receipts	12.59	0.00	2.20	NA	0.00
7.	Net Borrowings and other liabilities*	12,379.84	8,353.00	11,265.73	134.87	5.43
8.	Capital Receipts (5+6+7)	12,475.22	8,379.07	11,295.33	134.80	5.45
9.	Total Receipts (4+8)	50,564.72	46,378.94	50,468.37	108.82	24.33
10.	Revenue Expenditure	44,425.26	42,703.99	44,731.63	104.75	21.56
11.	Interest payments#	4,828.64	5,562.03	5,648.37	101.55	2.72
12.	Capital Expenditure	6,028.89	5,202.38	5,629.79	108.22	2.71
13.	Loans and Advances disbursed	110.57	19.71	106.95	542.62	0.05
14.	Total Expenditure (10+12+13)	50,564.72	47,926.08	50,468.37	105.30	24.33
15.	Revenue Deficit (-)/ Surplus (+) (4-10)	-6,335.76	-4,704.12	-5,558.59	118.16	-2.68
16.	Fiscal Deficit {(4+5+6)-14}	-12,379.84	-9,900.14	-11,265.73	113.79	-5.43
17.	Primary Deficit (16-11)	-7,551.20	-4,338.11	-5,617.36	129.49	-2.71

Source: Finance Accounts.

* 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.

Included in Revenue Expenditure

During the year 2023-24, the Revenue receipts of the State increased marginally by 2.84 per cent over the previous year and was 3.09 per cent more than the Budget Estimates. Grants-in-aid decreased by 10.71 per cent during this year. During the current year, there was excess of revenue expenditure (₹ 44,731.63 crore) over Revenue receipts (₹ 39,173.04 crore), thereby resulting in Revenue Deficit of ₹ 5,558.59 crore.

1.3.2 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. **Appendix 1.2** gives an abstract of such liabilities and assets as on 31st March 2024, compared with the corresponding position of the previous year. The liabilities consist mainly of Internal Borrowings, Loans and Advances from Government of India, receipts from Public Account and Reserve Funds, and the assets comprise mainly the Capital expenditure and Loans and Advances given by the State Government and Cash Balances. Summarised position of assets and liabilities is depicted in **Table 1.3**.

Table 1.3: Summarised position of Assets and Liabilities

(₹ in crore)

Liabilities					Assets				
Components		2022-23	2023-24	Per cent increase/ decrease	Components		2022-23	2023-24	Per cent increase(+) / decrease(-)
Consolidated Fund									
A	Internal Debt	55,975.16	61,439.29	9.76	a	Gross Capital Expenditure	61,488.38	67,118.17	9.16
B	Loans and Advances from Government of India	7,388.31*	8,929.83*	20.8	b	Loans and Advances	8,052.62	8,132.18	0.99
Contingency Fund		5.00	5.00	--	--		--	--	--
Public Account									
A	Small Savings, Provident Funds, etc.	17,682.25	19,337.58	9.36	a	Advances with Departmental officers	--	--	--
B	Deposits and Advances	3,608.49	3,645.97	1.04	b	Remittances	--	--	--
C	Reserve Funds	1,934.72	2,279.77	17.83	c	Suspense and Miscellaneous	--	--	--
D	Remittances	493.96	620.25	25.57	Cash balance (including investment in Earmarked Funds)		3,556.04	1,500.44	-57.81
E	Suspense and Miscellaneous	224.94	265.28	17.93	Total		73,097.04	76,750.79	5.00
					Deficit in Revenue Account		14,215.79	19,772.18	39.09
Total		87,312.83	96,522.97	10.55			87,312.83	96,522.97	10.55

Source: Finance Accounts.

* This includes ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore + 2021-22: ₹ 2,695.22 crore) as back-to-back loans to State from Government of India in lieu of GST compensation shortfall.

1.4 Fiscal Balance: Achievement of deficit and total debt targets

When a Government spends more than it collects by way of revenue, it incurs a deficit. There are various measures that capture Government deficit.

Deficits are financed by borrowing, giving rise to Government debt. The concepts of deficits and debt are closely related. Deficits can be thought of as a flow which adds to the stock of debt. If the Government continues to borrow year after year, it leads to the accumulation of debt and the Government has to pay more and more by way of interest. These interest payments themselves contribute to the debt.

By borrowing, the Government entails the burden of reduced consumption on future generations. This is because it borrows by issuing bonds to the people living at present but may decide to pay off the bonds some twenty years later by raising taxes or reducing expenditure. Also, Government borrowing from the people reduces the savings available to the private sector. To the extent that this reduces Capital formation and growth, debt acts as a 'burden' on future generations.

However, if Government deficits succeed in their goal of raising production, there will be more income and, therefore, more saving. In this case, both Government and industry can borrow more. Also, if the Government invests in infrastructure, future generations may be better off, provided the return on such investments is greater than the rate of interest. The actual debt could be paid off by the growth in output. The debt should not then be considered burdensome. The growth in debt will have to be judged by the growth of the economy (State GDP) as a whole.

Government deficit can be reduced by increase in taxes or reduction in expenditure. However, the major thrust has been towards reduction in Government expenditure. This could be achieved through making Government activities more efficient through better planning of programmes and better administration.

The Central and individual State Governments have passed Fiscal Responsibility and Budget Management (FRBM) Act with the objective of ensuring prudence in fiscal management by eliminating Revenue Deficit, reducing Fiscal Deficit and overall/outstanding debt to acceptable level, establishing improved debt management and improving transparency in a medium-term framework. In this context, the Act provides quantitative targets to be adhered by the State with regard to deficit measures and debt level.

In April 2005, the State Government enacted the Himachal FRBM Act, 2005 to ensure long-term financial stability by achieving Revenue surplus, containing Fiscal Deficit and prudent debt management. Subsequently, in March 2011, the State Government amended the FRBM Act on the recommendations of the Thirteenth Finance Commission (TFC) and enacted FRBM (Amendment) Act, 2011, on the basis of which Fiscal targets up to the year 2014-15 were fixed.

The Fourteenth Finance Commission (14th FC) recommended that the State Government may amend its FRBM Act to provide for statutory flexible limits on Fiscal Deficit and also to provide a statutory ceiling on the sanction of new Capital works to an appropriate multiple of the annual Budget provision for ensuring that liabilities of incomplete and ongoing Capital projects do not accumulate.

The Fourteenth Finance Commission also recommended to the State Government to adopt a template for collating, analysing and annually reporting the total extended public debt in the Budget, as a supplement to the Budget, to assess the debt position of the State in the context of risks arising from guarantees, off-Budget borrowings and accumulated losses from financially weak public sector enterprises. In order to accord greater sanctity and legitimacy to fiscal management legislation, the State Government was recommended to

replace the existing FRBM Act with a Debt Ceiling and Fiscal Responsibility Legislation, specifically invoking Article 293(1) of the Constitution of India.

The Fifteenth Finance Commission (15th FC) recommended an additional one *per cent* conditional statutory flexible limit on Fiscal Deficit, above the limit fixed, subject to the reforms: (i) Implementation of One Nation One Ration Card System; (ii) Ease of doing business reforms; (iii) Urban Local body/utility reforms; and (iv) Power Sector reforms. The weightage of each reform was 0.25 *per cent* of GSDP totaling to one *per cent*.

Further, Ministry of Finance, Government of India considering the centrality of the financial strength of DISCOMs to the soundness of State finances recommended an additional ceiling space of 0.5 *per cent* of GSDP for the State for four-year period 2021-22 to 2024-25 linked to power sector reforms viz., (i) reduction in operational losses, (ii) reduction in revenue gap, (iii) reduction in payment of cash subsidy by adopting direct benefit transfer, and (iv) reduction in tariff subsidy as a percentage of revenue, etc.

As per the recommendations of the 15th FC, the State Government amended its FRBM Act in January 2023. The statutory flexible limit on Fiscal Deficit had been fixed at six *per cent* or less of GSDP in 2022-23, 3.5 *per cent* or less in 2023-24 and 2024-25 and to maintain thereafter at three *per cent* or less.

Further, the Medium Term Fiscal Plan Statement (MTFPS) as recommended under FRBM Act was prepared every year with three years rolling targets by the State Government. Compliance with the targets set in the HP-FRBM Act and MTFPS during the period 2019-20 to 2023-24 is shown in **Table 1.4 (a)**.

Table 1.4 (a): Compliance with provisions of HP-FRBM Act

Fiscal Parameters		Achievement <i>vis-à-vis</i> targets set in the HP-FRBM Act				
		2019-20	2020-21	2021-22	2022-23	2023-24
Revenue Deficit (-) / Surplus (+) (₹ in crore)	T	Maintain Revenue Surplus				
	A	12 ✓	- 97 ✗	1,115 ✓	-6,336 ✗	-5,559 ✗
Fiscal Deficit (-)/ Surplus (+) (as per cent of GSDP)	T	3% or less			6% or less	3.5% or less
	A	-3.52 ✗	-3.76 ✗	- 3.05 ✗	- 6.46 ✗	-5.43 ✗
Ratio of total outstanding debt [@] to GSDP (in per cent) ^{\$}	T	34.04	33.62	40.26	40.49	38.98
	A	39.09 ✗	44.30* ✗	40.15* ✓	42.86* ✗	43.98* ✗

[@] Total outstanding debt includes public debt plus other (Public Account) liabilities.

* Calculated by excluding ₹ 1,717 crore during 2020-21 and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore + 2021-22: ₹ 2,695.22 crore) during 2021-24 received as back-to-back loan from Government of India in lieu of GST compensation shortfall, as the Department of Expenditure, Government of India has decided that it will not be treated as debt of the State Government for any norms which may be prescribed by the Finance Commission.

\$ Ratio of total outstanding debt to GSDP has been compared with the targets set in MTFPS, as the State Government did not specify the targets in the FRBM Act (after 2011, when amendments were made).

T Target, A- Achievement.

The targets set by 15th FC and those projected in the State Budget *vis-à-vis* achievements in respect of major fiscal aggregates with reference to GSDP during 2023-24 are given in **Table 1.4(b)**.

Table 1.4 (b): Targets *vis-à-vis* achievements in respect of major fiscal aggregates for the year 2023-24

Fiscal Variables	Targets as prescribed by 15 th FC	Targets in the Budget	Actuals	Percentage variation of actuals over	
				Targets of 15 th FC	Targets in Budget
Revenue Surplus (+) or Deficit (-)/ GSDP (<i>per cent</i>)	1.2	-2.19	-2.68	3.88	0.49
Fiscal Deficit (-)/GSDP (<i>per cent</i>)	-3.00	-4.61	-5.43	2.43	0.82
Total outstanding liability/ GSDP (<i>per cent</i>)	36.80	38.98	43.98*	7.18	5.00

Source: Recommendations of 15th FC (indicative deficit/surplus for all States and debt path for Himachal Pradesh for the award period 2020-26), Annual Financial Statements and Finance Accounts.

* Excluding back-to-back loans of ₹ 4,412.22 crore received from Government of India in lieu of GST Compensation shortfall during 2020-21 and 2021-22.

During the last two years, the State received Post-Devolution Revenue Deficit Grant of ₹ 9,377 crore in 2022-23 and ₹ 8,058 crore in 2023-24. Despite receiving grants, the State had a huge Revenue Deficit of ₹ 6,336 crore in 2022-23 and ₹ 5,559 crore in 2023-24, which is a matter of concern.

Further, during the year 2023-24, the Government was unable to contain all the targets i.e. total outstanding debt-GSDP ratio, Revenue Deficit-GSDP and Fiscal Deficit-GSDP ratios within the targets prescribed by the 15th FC as well as targets set in its own Budget Estimates.

As per Himachal FRBM Act, 2005, Medium Term Fiscal Plan Statement (MTFPS) shall set forth a three-year rolling target for prescribed Fiscal indicators with specification of underlying assumptions. Actuals *vis-à-vis* projections made in MTFPS are shown in **Table 1.5**.

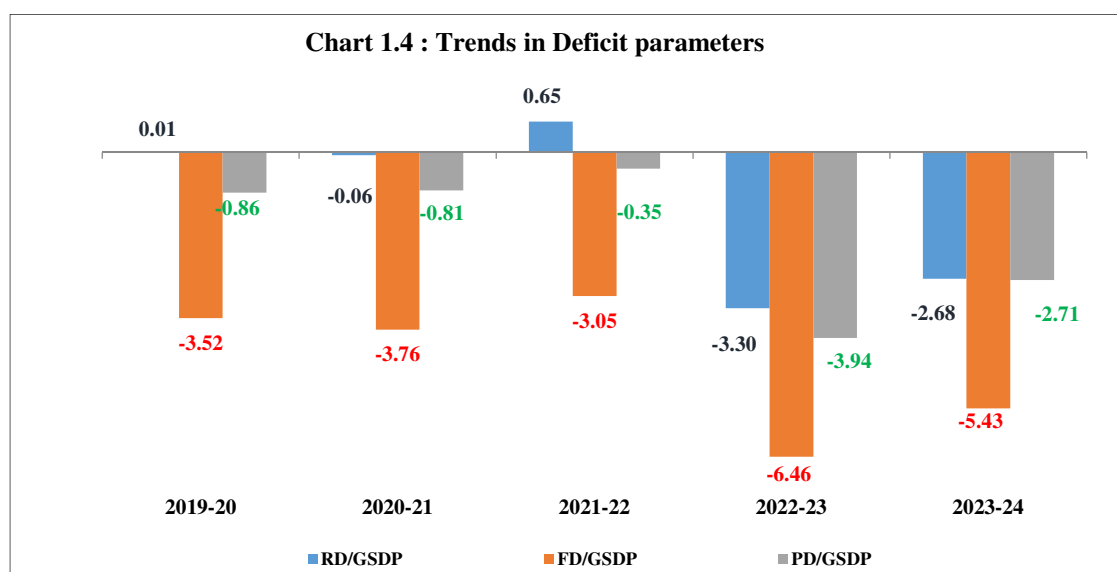
Table 1.5: Actuals *vis-à-vis* projections in MTFPS for the year 2023-24

(₹ in crore)				
Sr. No.	Fiscal Variables	Projection as per MTFPS	Actuals (2023-24)	Variation (in <i>per cent</i>)
1.	Tax revenue (i) + (ii)	21,503.99	21,210.01	-1.37
	(i) Own Tax revenue	13,025.97	11,835.29	-9.14
	(ii) Share of Central Taxes and Duties	8,478.02	9,374.72	10.58
2.	Non-Tax revenue	3,447.2	3,020.88	-12.37
3.	Grants-in-aid from Government of India	13,048.68	14,942.15	14.51
4.	Revenue Receipts (1+2+3)	37,999.87	39,173.04	3.09
5.	Revenue Expenditure	42,703.99	44,731.63	4.75
6.	Revenue Deficit (-)/ Surplus (+) (4-5)	-4,704.12	-5,558.59	18.16
7.	Fiscal Deficit (-)/ Surplus (+)	-9,900.14	-11,265.73	13.79
8.	Debt-GSDP ratio (in <i>per cent</i>)	38.98	43.98	5.00
9.	GSDP growth rate at current prices (<i>per cent</i>)	10.00	8.19	-1.81

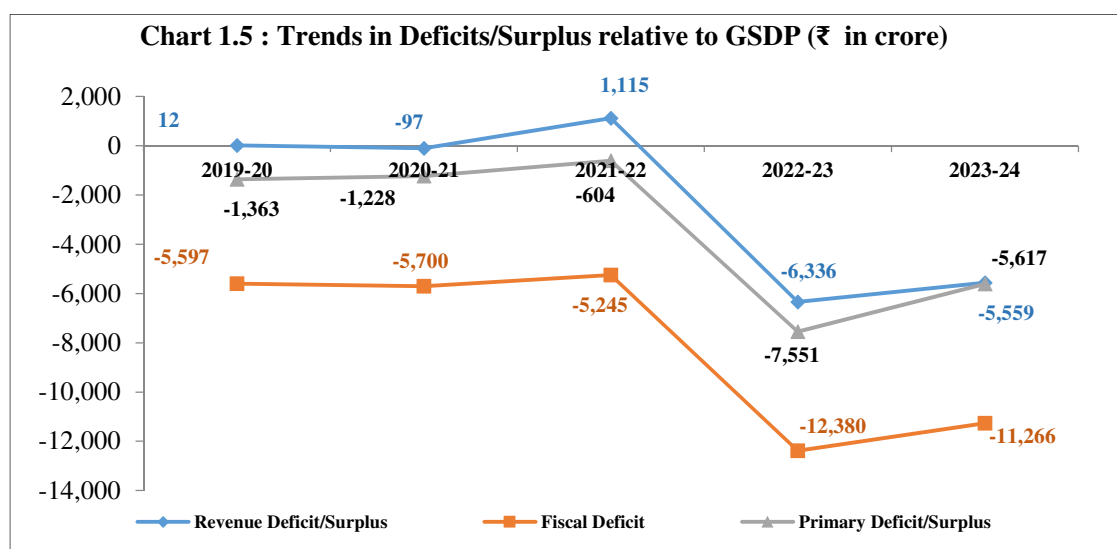
Source: Finance Accounts.

During the year 2023-24, the Government was unable to contain all fiscal indicators within the level projected in the MTFPS.

Charts 1.4 and 1.5 present the trends in deficit parameters and trends relative to GSDP respectively over the period 2019-24.



Source: Finance Accounts.



Source: Finance Accounts.

Revenue Deficit indicates the excess of Revenue expenditure over Revenue receipts. Revenue surplus helps to decrease the borrowings. As per the HP-FRBM Act 2005 (amended in 2011), the State was to eliminate Revenue Deficit by financial year 2011-12 and maintain Revenue surplus thereafter. In the last two years, the Revenue Deficit of ₹ 6,336 crore (2022-23) and ₹ 5,559 crore (2023-24) of State Government is quite high.

Fiscal Deficit represents the net incremental liabilities of the Government or its additional borrowings. The shortfall could be met either by additional public debt (internal or external) or by the use of surplus funds from Public Account. In the last two years Fiscal Deficit (₹ 12,380 crore in 2022-23 and ₹ 11,266 crore in 2023-24) remains high and crossed the Fiscal Deficit-GSDP ratio limit 3.50 *per cent* (2022-23) and 3.00 *per cent* (2023-24) set by 15th Finance Commission.

Primary deficit, which indicates Fiscal Deficit for the current year minus interest payments on previous borrowings, was ₹ 7,551 crore in 2022-23 and ₹ 5,617 crore in 2023-24.

1.5 Performance of the State Government with respect to borrowings according to the limits fixed by Government of India

Article 293 (3) of the Constitution of India, *inter alia*, provides that a State may not raise any loan without the consent of Government of India, if any part of a loan which has been made to the State by Government of India, is still outstanding.

The Government of India, Ministry of Finance, Department of Expenditure fixed (February 2024) the net borrowing ceiling (NBC) of the State Government for the financial year 2023-24 as ₹ 6,342 crore and instructed the State Government to ensure that its incremental borrowings from all sources (as reflected in the Statement 6 of State's Finance Accounts) remained within this ceiling.

As per Statement 6 of the Finance Accounts *viz.*, statement of borrowings and other liabilities, incremental borrowings and other liabilities of the State Government were ₹ 9,043.53 crore (i.e. 4.36 *per cent* of GSDP) during the financial year 2023-24 which was substantially higher than the borrowing ceiling of ₹ 6,342 crore as fixed by the Government of India.

1.6 Deficits post examination by Audit

As per the FRBM Act, the State Government must ensure compliance with the targets fixed for the fiscal indicators such as deficits, ceiling on debt and on guarantees, etc. The Revenue Deficit and Fiscal Deficit as worked out for the State get impacted due to various circumstances such as misclassification of Revenue expenditure as Capital expenditure and off-Budget fiscal operations. Besides, deferment of clear-cut liabilities, not depositing cess/ royalty to Consolidated Fund, etc., also impacts the Revenue and Fiscal Deficit figures. In order to arrive at actual deficit figures, the effect of the above needs to be included and the impact of such irregularities needs to be reversed. Analysis of deficits after examination in audit is given in **Table 1.6**.

Table 1.6: Revenue Deficit and Fiscal Deficit, post examination by Audit

(₹ in crore)			
Particulars	Impact on Revenue Deficit (Understated (+) / Overstated (-))	Impact on Fiscal Deficit (Understated (+) / Overstated (-))	Paragraph Reference
Non-discharge of liability in respect of interest towards balances lying under NPS	1.19	1.19	2.4.1.2 (i)
Non-provision/payment of interest on balances lying under SDRF	11.36	11.36	2.5.2.2 (a)
Non-transfer of contribution to State Disaster Mitigation Fund (SDMF)	9.71	9.71	2.5.2.2 (b)
Non transfer of Grants to Central Road and Infrastructure Fund	136.32	136.32	2.5.2.6
Total	158.58	158.58	

Source: Finance Accounts.

During 2023-24, the Revenue Deficit and Fiscal Deficit was ₹ 5,558.59 crore (2.68 *per cent* of GSDP) and ₹ 11,265.73 crore (5.43 *per cent* of GSDP) respectively, as shown in **Charts 1.4** and **1.5**. If the above transactions as shown in **Table 1.6** were taken into account, the actual Revenue Deficit and Fiscal Deficit would work out to ₹ 5,717.17 crore (2.76 *per cent* of GSDP) and ₹ 11,424.31 crore (5.51 *per cent* of GSDP) respectively.

1.7 Post Audit – Total Outstanding Debt

As per the Himachal Pradesh Fiscal Responsibility and Budget Management Act, 2005, total liabilities mean the liabilities under the Consolidated Fund and the Public Account of the State referred to in Article 266 of the Constitution of India. The outstanding debt/liabilities can be split into various components as given in **Table 1.7**.

Table 1.7: Components of outstanding debt/liabilities as on 31 March 2024

(₹ in crore)	
Borrowings and other liabilities as per Finance Accounts	Amount
Internal Debt (A)	61,439.29
Market Loans bearing interest	52,147.00
Market Loans not bearing interest	0.06
Loan from Life Insurance Corporation of India	12.93
Loan from NABARD	3,640.23
Loan from National Cooperative Development Corporation	75.11
Compensation and other Bonds	2,312.40
Loans from other Institutions, etc.	0
Special Securities issued to the National Small Savings Fund of the Central Government	3,251.56
Loans and Advances from Central Government (B)	8,929.83*
Non-plan Loans	1.09
Loans for State Plan Schemes	2,948.94*
Others	5,979.80*
Liabilities upon Public Accounts (C)	25,263.84
Small Savings, Provident Funds, etc.	19,337.58
Deposits	3,646.49
Reserve Funds	2,279.77
Total (A+B+C)	95,632.96*

Source: Finance Accounts.

* Includes back-to-back loans of ₹ 4,412.22 crore (₹ 1,717 crore in 2020-21 and ₹ 2,695.22 crore in 2021-22) from Government of India in lieu of GST Compensation shortfall.

At the end of the year 2023-24, the overall outstanding debt/liabilities of the State was ₹ 95,632.96 crore. There were no cases of off-Budget¹ fiscal operations such as borrowings by State PSUs or Special Purpose Vehicles (SPVs) on behalf of the State Government where principal and/or interest are to be serviced out of the State Budget; deployment of own funds by the State PSUs, SPVs, etc., for execution of deposit works

¹ Source: Para 3 (xvii) of Notes to Finance Accounts 2023-24.

of the State Government which was to be financed by the State Government through borrowings; or non-reimbursement of principal/ interest component by the State Government to State PSUs, SPVs, etc., of the loan taken by them on behalf of the State Government. As such, there was no impact of these on the overall outstanding debt/ liabilities of the State Government.

CHAPTER-II

FINANCES OF THE STATE

CHAPTER – II

FINANCES OF THE STATE

2.1 Major changes in key fiscal aggregates in 2023-24 vis-à-vis 2022-23

Major changes in key fiscal aggregates of the State during the financial year 2023-24 as compared with previous year are given in **Table 2.1**.

Table 2.1: Changes in key fiscal aggregates in 2023-24 compared with 2022-23

Revenue receipts	<ul style="list-style-type: none"> Revenue receipts of the State increased by 2.84 <i>per cent</i>. Own Tax receipts of the State increased by 11.70 <i>per cent</i>. Own Non-Tax receipts of the State increased by 5.03 <i>per cent</i>. State's Share of Union Taxes and Duties increased by 18.91 <i>per cent</i>. Grants-in-aid from Government of India decreased by 10.71 <i>per cent</i>.
Revenue expenditure	<ul style="list-style-type: none"> Revenue expenditure increased by 0.69 <i>per cent</i>. Revenue expenditure on General Services increased by 7.79 <i>per cent</i>. Revenue expenditure on Social Services decreased by 0.49 <i>per cent</i>. Revenue expenditure on Economic Services decreased by 10.65 <i>per cent</i>.
Capital Receipts	<ul style="list-style-type: none"> Debt Capital receipts decreased by 33.39 <i>per cent</i>. Non-debt Capital receipts decreased by 68.97 <i>per cent</i>.
Capital expenditure	<ul style="list-style-type: none"> Capital expenditure decreased by 6.62 <i>per cent</i>. Capital expenditure on General Services increased by 19.95 <i>per cent</i>. Capital expenditure on Social Services decreased by 11.13 <i>per cent</i>. Capital expenditure on Economic Services decreased by 6.37 <i>per cent</i>.
Loans and Advances	<ul style="list-style-type: none"> Disbursement of Loans and Advances decreased by 3.27 <i>per cent</i>. Recoveries of Loans and Advances decreased by 66.90 <i>per cent</i>.
Public Debt	<ul style="list-style-type: none"> Public Debt receipts decreased by 33.39 <i>per cent</i>. Repayment of Public Debt decreased by 22.10 <i>per cent</i>.
Public Account	<ul style="list-style-type: none"> Public Account Receipts increased by 4.58 <i>per cent</i>. Public Account Disbursements decreased by 0.57 <i>per cent</i>.
Cash Balance	<ul style="list-style-type: none"> Cash balance decreased by 57.81 <i>per cent</i>.

Source: Finance Accounts.

2.2 Sources and Application of Funds

Comparison of components of the sources and application of funds of the State during the current year with those of the previous year is given in **Table 2.2**.

Table 2.2: Details of Sources and Application of funds during 2022-23 and 2023-24

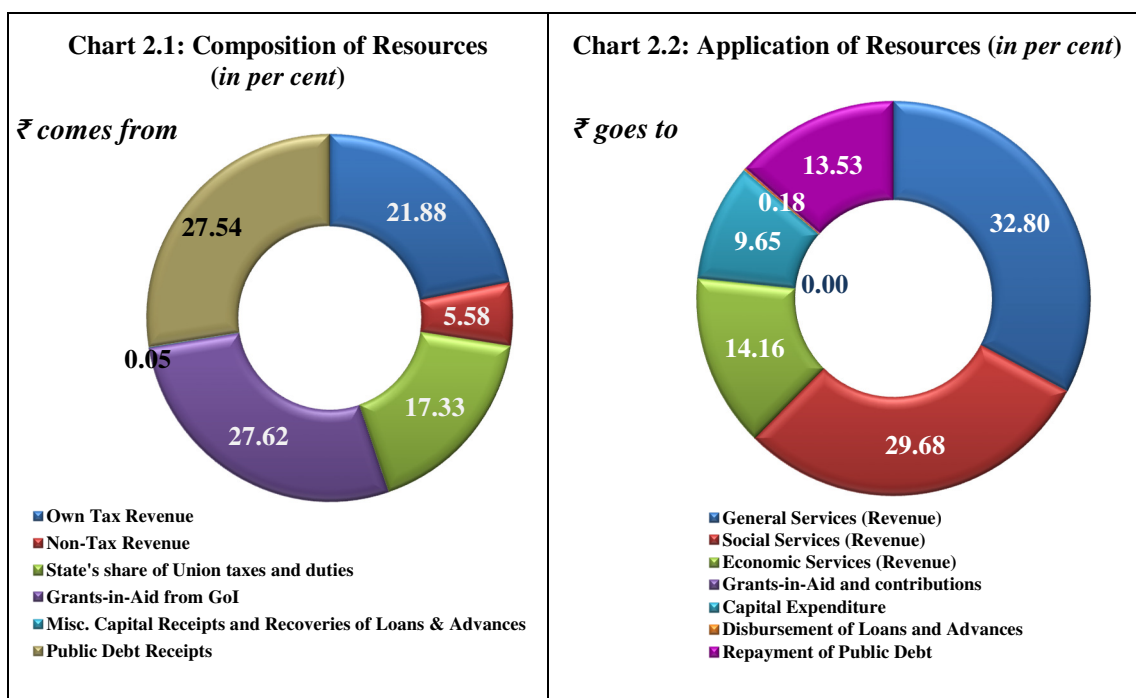
(₹ in crore)

	Particulars	2022-23	2023-24	Increase/ Decrease
Sources of funds	Opening Cash Balance with RBI	2,522.86	3,556.04	1,033.18
	Revenue receipts	38,089.50	39,173.04	1,083.54
	Miscellaneous Capital Receipts	12.59	2.20	-10.39
	Recoveries of Loans and Advances	82.79	27.40	-55.39
	Public Debt Receipts (Net)	12,236.02	7,005.64	-5,230.38
	Public Account Receipts (Net)	1,176.99	2,204.49	1,027.50
	Total	54,120.75	51,968.81	-2,151.94
Application of funds	Revenue expenditure	44,425.26	44,731.63	306.37
	Capital expenditure	6,028.88	5,629.79	-399.09
	Disbursement of Loans and Advances	110.57	106.95	-3.62
	Closing Cash Balance with RBI	3,556.04	1,500.44	-2,055.59
	Total	54,120.75	51,968.81	-2,151.94

Source: Finance Accounts.

Appendices 2.1 and **2.2** provide details of receipts and disbursements and the overall fiscal position of the State during the current year as well as the previous years.

Composition and application of resources in the Consolidated Fund of the State during 2023-24 is given in **Charts 2.1** and **2.2**.



Source: Finance Accounts.

2.3 Resources of the State

The resources of the State are described below:

1. **Revenue receipts** consist of Tax revenue (Own Tax revenue plus share of Union Taxes/Duties), Non-Tax revenue and Grants-in-aid from the Government of India.
2. **Capital receipts** (debt and non-debt 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 Government of India.

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

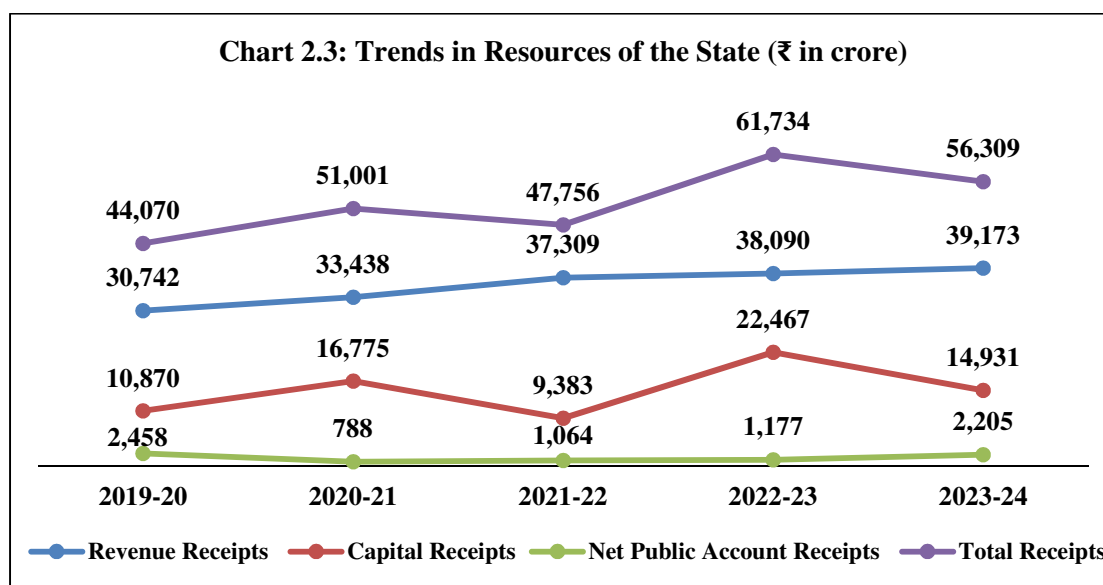
3. **Net Public Accounts receipts:** There are receipts and disbursements in respect of certain transactions such as small savings, provident fund, reserve funds, deposits, suspense, remittances, etc., which do not form part of the Consolidated Fund.

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

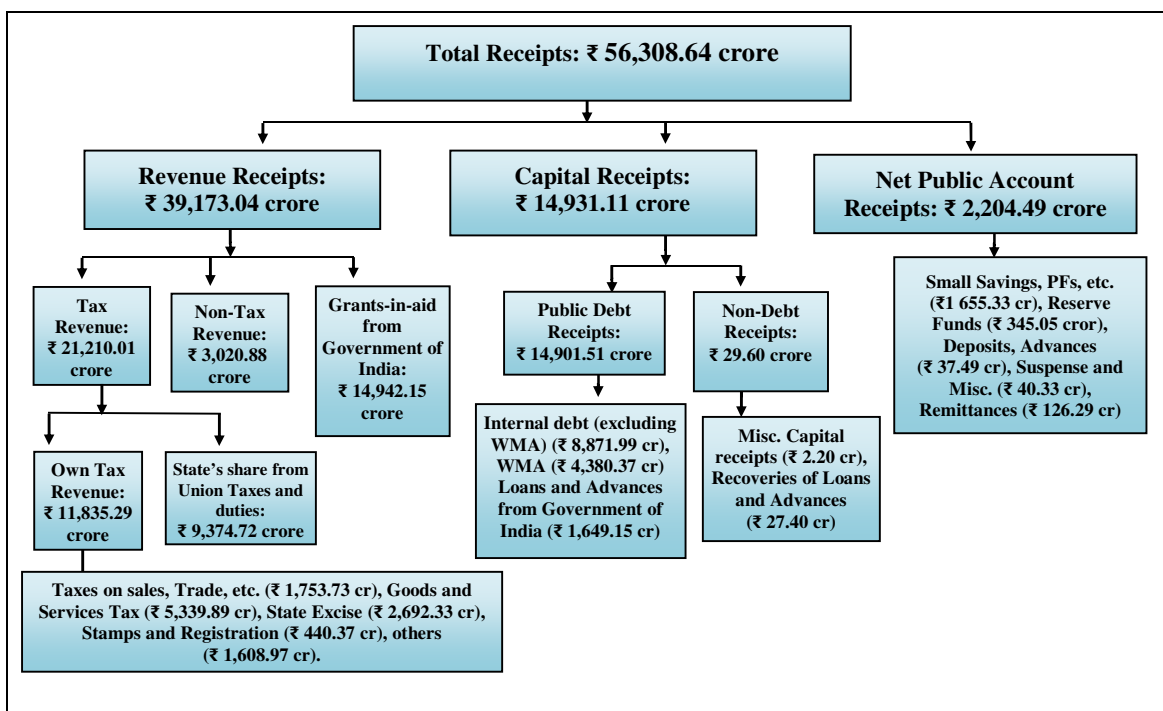
This paragraph provides the composition of the overall receipts. Besides Capital and Revenue receipts, funds available in the Public Account (net of disbursements made from it) are also utilised by the Government to finance its Deficit.

Trends in various components of the receipts of the State during 2019-24 are given in **Chart 2.3**, while composition of total receipts of the State during 2023-24 is depicted in **Chart 2.4**.



Source: Finance Accounts.

Chart 2.4: Composition of Receipts of the State during 2023-24



Source: Finance Accounts.

Out of the total resources of ₹ 56,308.64 crore of the State Government during the year 2023-24, Revenue receipts (₹ 39,173.04 crore) constituted 69.57 per cent. Capital Receipts (₹ 14,931.11 crore) and net Public Account Receipts (₹ 2,204.49 crore) constituted 26.52 per cent and 3.92 per cent respectively, of the total resources.

2.3.2 State's Revenue receipts

2.3.2.1 Trends and growth of Revenue receipts

Trends and growth of Revenue receipts with respect to Gross State Domestic Product (GSDP) over the five-year period (2019-24) are shown in Table 2.3.

Table 2.3: Trends in Revenue receipts

(₹ in crore)

Parameters	2019-20	2020-21	2021-22	2022-23	2023-24
Revenue receipts (RR)	30,742.41	33,438.27	37,309.30	38,089.50	39,173.04
Rate of growth of RR (per cent)	-0.67	8.77	11.58	2.09	2.84
Tax Revenue (i+ii)	12,301.38	12,837.24	17,063.62	18,479.24	21,210.01
(i) Own Tax Revenue (OTR)	7,623.82	8,083.32	9,714.58	10,595.26	11,835.29
Rate of growth of OTR (per cent)	0.67	6.03	20.18	9.07	11.70
(ii) State's share of Union Taxes and Duties	4,677.56	4,753.92	7,349.04	7,883.98	9,374.72
Rate of growth of State's share of Union Taxes and Duties (per cent)	(-) 13.85	1.63	54.59	7.28	18.91
Non-Tax Revenue (NTR)	2,501.51	2,188.46	2,612.36	2,876.33	3,020.88
Rate of growth of NTR (per cent)	-11.61	-12.51	19.37	10.10	5.03

Parameters	2019-20	2020-21	2021-22	2022-23	2023-24
Grants-in-Aid from Government of India	15,939.52	18,412.58	17,633.32	16,733.93	14,942.15
<i>Rate of growth of GIA from Government of India (per cent)</i>	5.44	15.52	-4.23	-5.10	-10.71
State's Own Revenue (OTR + NTR)	10,125.33	10,271.78	12,326.94	13,471.59	14,856.17
<i>Rate of growth of State's Own Revenue (OTR+NTR) (per cent)</i>	-2.67	1.44	20.01	9.29	10.28
Gross State Domestic Product (2011-12 Series)	1,59,164	1,51,601	1,72,162^c	1,91,728^b	2,07,430^a
<i>Rate of growth of GSDP (per cent)</i>	7.27	-4.75	13.56	11.36	8.19
RR/GSDP (per cent)	19.31	22.06	21.67	19.87	18.88
Buoyancy Ratios					
Revenue Buoyancy# w.r.t. GSDP	--*	--*	0.85	0.18	0.35
Own Tax Revenue Buoyancy w.r.t. GSDP	0.09	--*	1.49	0.80	1.43

Source: Finance Accounts and Department of Economics and Statistics, Himachal Pradesh.

c - Second Revised Estimate, b – First Revised Estimate, a – Advance Estimate, w.r.t.- with respect to

Buoyancy indicates the degree of responsiveness of a Fiscal variable with respect to a given change in the base variable.

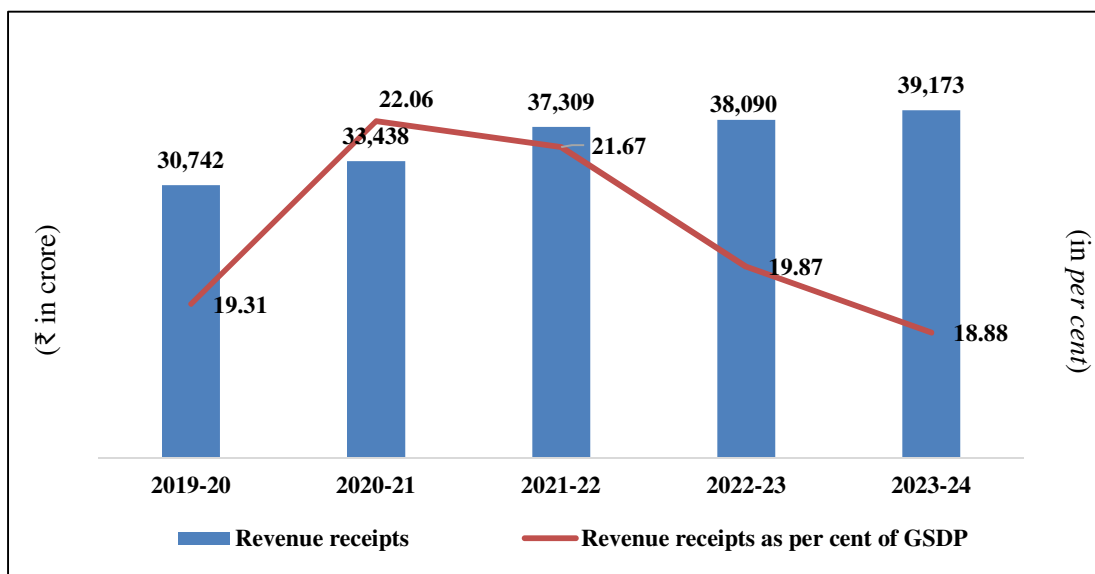
* Buoyancy ratio was not calculated as Revenue receipts or GSDP growth was negative.

Table 2.3 shows the following:

- Revenue receipts increased by 27.42 *per cent* from ₹ 30,742.41 crore in 2019-20 to ₹ 39,173.04 crore in 2023-24 and the increase was ₹ 1,083.54 crore (2.84 *per cent*) during the current year (2023-24) over the previous year. During the period of the last five years 2019-24, it increased at an annual average growth rate of 4.92 *per cent*.
- Own Tax revenue and Non-Tax revenue increased by ₹ 1,240.03 crore (11.70 *per cent*) and ₹ 144.55 crore (5.03 *per cent*) respectively in 2023-24 as compared to 2022-23.
- The average growth rate of Own Tax revenue in last five years is 9.53 *per cent*, while the average growth rate of Non-Tax revenue is only 2.08 *per cent*.
- On the other hand, the Grants-in-aid is showing a decreasing trend in the last three years. It consistently decreased by 4.23 *per cent* in 2021-22, 5.10 *per cent* in 2022-23 and 10.71 *per cent* in 2023-24 over the previous year.
- Revenue buoyancy with reference to GSDP remained below one, from 2021-22 to 2023-24. The own Tax revenue buoyancy remained above one in two years (i.e. 2021-22 and 2023-24) out of four years.

Trends of Revenue receipts are shown in **Chart 2.5**.

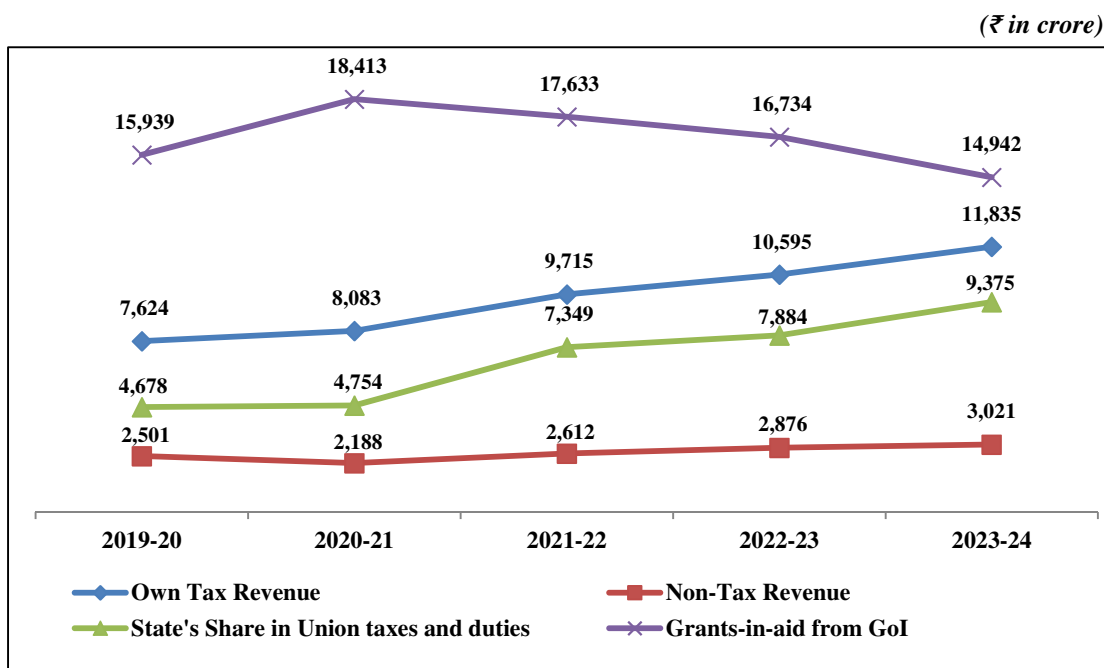
Chart 2.5: Trends in Revenue receipts as percentage of GSDP



Source: Finance Accounts.

Trends of components of Revenue receipts are shown in **Chart 2.6**.

Chart 2.6: Trend of components of Revenue receipts



Source: Finance Accounts.

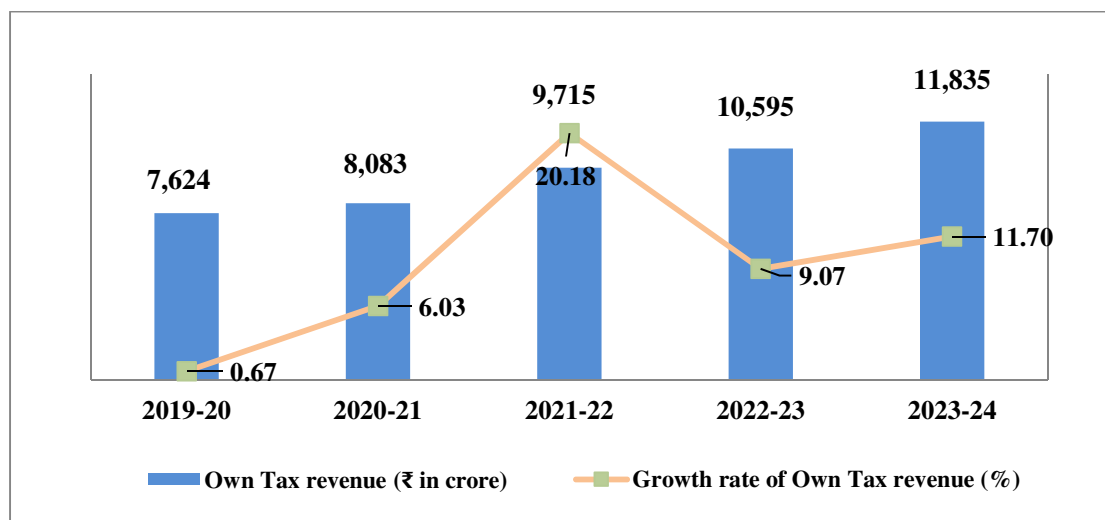
2.3.2.2 State's Own Resources

(i) Own Tax Revenue

Own Tax revenue of the State consists of State Goods and Services Tax (SGST), State Excise, Taxes on Vehicles, Stamp Duty and Registration fees, Land Revenue, Taxes on Goods and Passengers, etc.

Trends of own Tax revenue and analysis of its components during the period 2019-24 are shown in **Chart 2.7** and **Table 2.4** respectively.

Chart 2.7: Trends of Own Tax Revenue during 2019-24



Source: Finance Accounts.

Table 2.4: Components of State's Own Tax Revenue

Revenue Head	2019-20	2020-21	2021-22	2022-23	2023-24
State Goods and Services Tax (SGST)	3,550.34	3,466.58	4,482.15	5,259.21	5,339.89
Taxes on Sales, Trades, etc. (VAT)	1,169.53	1,630.11	1,592.24	1,370.29	1,753.73
State Excise	1,660.02	1,599.74	1,980.63	2,216.34	2,692.33
Taxes on Vehicles	465.52	380.20	510.03	675.17	781.74
Stamp Duty and Registration Fees	259.58	253.36	318.60	398.75	440.37
Taxes and Duties on Electricity	100.86	401.76	393.51	252.25	369.07
Land Revenue	4.79	6.95	4.81	8.22	7.03
Taxes on Goods and Passengers	104.03	83.55	99.18	68.50	70.88
Other Taxes	309.15	261.07	333.43	346.53	380.25
Total Own Tax Revenue	7,623.82	8,083.32	9,714.58	10,595.26	11,835.29

Source: Finance Accounts of respective years.

The total own Tax revenue increased by ₹ 1,240.03 crore (11.70 per cent) during the current year (2023-24) over the previous year. The major increase was in receipts under State excise (₹ 475.99 crore), Tax on sales, trade, etc. (₹ 383.44 crore), Taxes and duties on electricity (₹ 116.82 crore) and Taxes on Vehicles (₹ 106.57 crore).

The increase in –

- State excise – was mainly on account of increase in receipts from Sale of Country Spirits, Foreign Liquors and Spirits.
- Tax on Sales, Trade, etc.- was mainly due to more receipt under VAT.
- Taxes and duties on electricity – was mainly due to more receipt from Electricity Duty.
- Taxes on Vehicles – was mainly due to more collection of registration fee of vehicles and receipts of Token Tax.

(a) State Goods and Services Tax (SGST)

During 2023-24, as per the books of RBI and the Finance Accounts, the amount of SGST was ₹ 5,339.89 crore, against the Budget Estimates of ₹ 6,263.77 crore.

(b) Audit of GST Receipts

The Government of India's decision to provide access to Pan-India data at GSTN premises was conveyed on 22 June 2020. In case of Himachal Pradesh, access to back-end application was provided to the Office of the Principal Accountant General (Audit), Himachal Pradesh in December 2020. However, the access provided to this office was limited and based on VPN connection to access the Department's internal web-based GSTN portal as the same is accessible only through Himachal Statewide Area Network (HIMSWAN). Remote access to GSTN portal is being used for conducting performance/ Subject Specific Compliance audits under GST.

(c) Analysis of arrears of Revenue and arrears of assessment

The arrears of Revenue indicate delayed realisation of revenues due to the Government. Similarly, arrears of assessment indicate potential Revenue which is blocked due to delayed assessment. Both deprive the State of potential Revenue receipts and ultimately affect the Revenue Deficit.

Arrears of Revenue

As on 31st March 2024, the arrears of Revenue in respect of principal heads of Revenue were ₹ 6,289.46 crore, of which ₹ 3,126.21 crore (49.71 *per cent*) were outstanding for more than five years, as depicted in **Table 2.5**.

Table 2.5: Arrears of Revenue

(₹ in crore)

Sr. No.	Head of Revenue	Amount outstanding as on 31 st March 2024	Amount outstanding for more than five years as on 31 st March 2024
1.	0006-Goods and Services Tax (GST)	1,451.75	20.05
2.	0039-State Excise	393.25	199.95
3.	0040-Taxes/VAT on Sales, Trade, etc.	4,338.20	2,826.61
4.	0042-Passengers and Goods Tax	13.41	6.49
5.	0045-Other Tax and Duties	92.84	73.11
Total		6,289.46	3,126.21

Source: Information supplied by State Excise and Taxation Department.

Arrears in assessment

The information on number of cases pending at the beginning of the year, cases becoming due for assessment, cases disposed during the year and number of cases pending for finalisation at the end of the year, as furnished by State Excise and Taxation Department in respect of Sales Tax/VAT is depicted in **Table 2.6**.

Table 2.6: Arrears of assessment

Sr. No.	Head of Revenue		Opening Balance (Number of cases)	New cases due for assessment during 2023-24	Total assess-ment due (Number of cases)	Cases disposed of during 2023-24	Number of cases in arrears at the end of the year	Percent-age of disposal (column 6 to 5)
1.	2.		3.	4.	5.	6.	7.	8.
1.	Taxes on Sales, Trade, etc./ VAT	CST	20,917	4,723	25,640	10,472	15,168	40.84
		VAT	23,741	4,575	28,316	11,492	16,824	40.58
2.	Good and Service Tax		0	441	441	281	160	63.72
3.	Taxes on vehicle		2,160	0	2,160	380	1,780	17.59
4.	Luxury tax		1,237	66	1,303	450	853	34.54
	Total		48.055	9.805	57.860	23.075	34.785	39.88

Source: Information supplied by State Excise and Taxation Department.

Percentage of disposal under various heads of Revenue ranged between 18 and 64 during the year 2023-24.

Details of evasion of tax detected by the Department, refund cases, etc.

The cases of evasion of tax detected, cases finalised and the demands for additional tax raised are important indicators of Revenue collection efforts of the State Government. Promptness in disposal of refund cases is an important indicator of performance of the Department concerned.

The details of cases of evasion of tax detected by the State Excise and Taxation Department, cases finalised and the demand for additional tax raised; and details of refund cases during the year 2023-24, are depicted in **Tables 2.7** and **2.8** respectively.

Table 2.7: Evasion of tax detected

Sr. No.	Head of Revenue	Cases pending as on 31 st March 2023	Cases detected during 2023-24	Total	No. of cases in which assessment / investigation completed and additional demand with penalty, etc. raised		No. of cases pending for finalisation as on 31 st March 2024
					No. of cases	Amount of demand (₹ in crore)	
1.	Goods and Services Tax	456	3,457	3,913	3,448	130.39	465
2.	State Excise	83	855	938	771	1.09	167
3.	Taxes on sales trade etc.	52	225	277	219	17.95	58
4.	Passengers and goods tax	33	483	516	483	0.49	33
5.	Other Taxes and Duties on commodities and services	17	660	677	660	0.58	17
Total		641	5,680	6,321	5,581	150.50	740

Source: Information supplied by State Excise and Taxation Department.

Table 2.8: Details of refund cases

(₹ in crore)

Sr. No.	Particulars	GST		Sales Tax/VAT		State Excise	
		No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
1.	Claims outstanding at the beginning of the year 31.03.2023	239	101.47	52	8.00	10	0.16
2.	Claims received during the year (2023-24)	1,420	487.40	65	8.09	22	0.55
3.	Refunds made during the year (2023-24)	1,240	372.96	67	7.75	13	0.45
4.	Refunds rejected during the year	285	130.28	41	7.97	2	0.01
5.	Balance outstanding at the end of year	148	85.64	9	0.38	17	0.26

Source: Information supplied by State Excise and Taxation Department.

(ii) Non-Tax Revenue

Non-Tax revenue consists of Interest Receipts, Dividends and Profits, Mining receipts, Departmental receipts, etc. Trends in components of the State's Non-Tax revenue during 2019-24 are shown in **Table 2.9**.

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

(₹ in crore)

Revenue Head	2019-20	2020-21	2021-22	2022-23	2023-24
Interest receipts	245.36	306.43	173.95	85.30	126.06
Dividends and Profits	248.44	245.43	166.53	180.90	191.17
Other Non-Tax receipts	2,007.72	1,636.60	2,271.88	2,610.13	2,703.65
Miscellaneous General Services	5.17	11.41	14.06	7.45	2.62
Education, Sports, Arts and Culture	238.59	196.08	257.70	161.78	59.80
Forestry and Wildlife	83.61	49.56	106.28	81.79	89.95
Other Administrative Services	49.65	37.05	104.90	90.05	40.50
Non-ferrous Mining and Metallurgical Industries	246.30	252.16	230.81	286.34	331.73
Power	1,021.68	749.12	1,183.51	1,428.28	1,667.35
Others or Miscellaneous	362.72	341.22	374.62	554.44	511.70
Total Non-Tax Revenue	2,501.51	2,188.46	2,612.36	2,876.33	3,020.88
Percentage of Non-Tax revenue to Revenue receipts	8.14	6.54	7.00	7.55	7.71

Source: Finance Accounts.

During the year 2023-24, there was an increase of ₹ 144.55 crore (5.03 per cent) in total Non-Tax revenue over the previous year. This was mainly due to increase in receipts under Power (₹ 239.07 crore), Non-ferrous Mining and Metallurgical Industries (₹ 45.39 crore), and interest receipts (₹ 40.76 crore), etc. However, the increase was counterbalanced partially by decrease in receipts mainly under Education, Sports, Arts and Culture (₹ 101.98 crore) and Other Administrative Services (₹ 49.55 crore).

The increase under -

- *Power* – was mainly due to increase in receipts from free power royalty from Satluj Jal Vidyut Nigam.

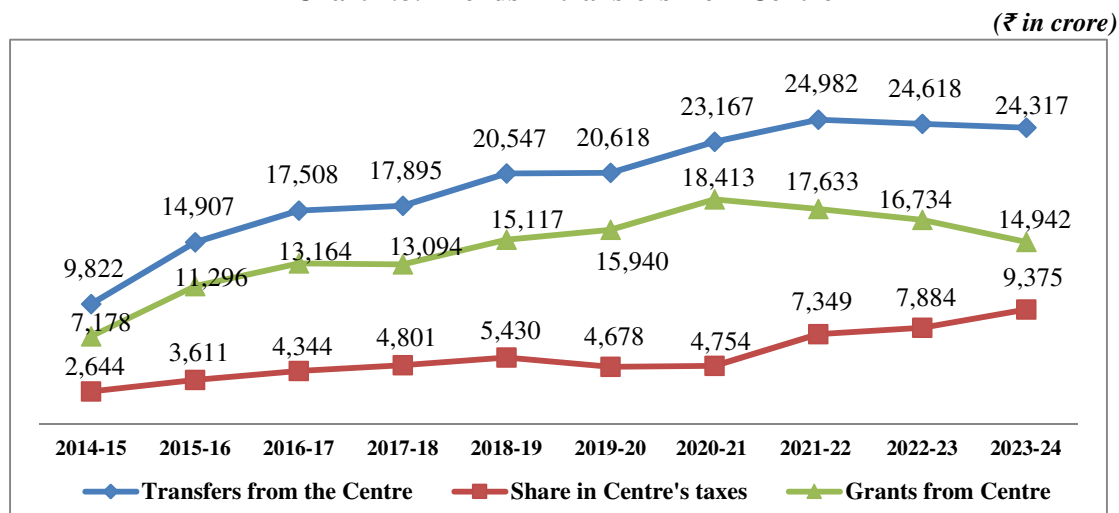
Whereas, decrease under -

- *Education, Sports, Art and Culture* – was mainly due to non-receipts of reimbursement on account of Sarva Shiksha Abhiyan.
- *Other Administrative Services* – was mainly due to less reimbursement from the Election Commission on account of expenditure incurred during State election.

2.3.2.3 Transfers from the Centre

Transfers from the Centre mainly consists of (i) Share in Central taxes viz., Tax Devolution as per Finance Commission recommendations and (ii) Grants from Centre viz., Finance Commission grants, Central Government share in Centrally Sponsored Schemes, etc. The trends in Central transfers over the last 10 years are shown in Chart 2.8.

Chart 2.8: Trends in transfers from Centre



Source: Finance Accounts.

The trends in the Central tax transfers i.e., Share in Union Taxes and Duties and Grants-in-aid from Government of India to State Government are discussed in the succeeding paragraphs.

(i) Share in Central taxes

The actual release of share in Union Taxes and Duties to the State Government vis-à-vis projections made by the Fourteenth Finance Commission and Fifteenth Finance Commission Reports (FCRs) during the period from 2015-16 to 2023-24 is tabulated in Table 2.10.

Table 2.10: State's share in Union Taxes and Duties: Actual devolution vis-à-vis Finance Commission projections

(₹ in crore)

Year	Finance Commission projections	Projections in FCR	Actual tax devolution	Difference
1.	2.	3.	4.	5. (4-3)
2015-16	0.713 per cent of net proceeds of all shareable taxes excluding service tax and 0.722 per cent of net proceeds of shareable service tax (as per recommendations of 14 th FC)	4,141	3,611	-530
2016-17		4,778	4,344	-434
2017-18		5,521	4,801	-720
2018-19		6,387	5,430	-957
2019-20		7,398	4,678	-2,720
2020-21	0.799 per cent of net proceeds of the taxes (divisible pool) (as per recommendations of 15 th FC)	6,833	4,754	-2,079
2021-22	0.830 per cent of net proceeds of all shareable taxes including service tax (as per recommendations of 15 th FC)	5,466	7,349	1,882
2022-23		6,081	7,884	1,803
2023-24		6,842	9,375	2,533

Source: Report of 14th and 15th Finance Commission (FCRs), Finance Accounts and Annual Financial Statements.

The State Government's share in Union Taxes and Duties increased by ₹ 1,491 crore (18.91 *per cent*) during 2023-24 over the previous year.

It can be seen from the above table that during the four years (2020-24) of the period of Fifteenth Finance Commission (2020-26), State's share in Union Taxes and Duties amounting to ₹ 29,362 crore was 28.42 *per cent* more than the total share (₹ 22,864 crore) during the period of Fourteenth Finance Commission (2015-20).

Trends in components of Central tax transfers to the State during 2019-24 are given in **Table 2.11**.

Table 2.11: Composition of Central Tax Transfers

(₹ in crore)

Components of Central Tax Transfers	2019-20	2020-21	2021-22	2022-23	2023-24	Difference over the previous year
Central Goods and Services Tax (CGST)	1,327.34	1,419.55	2,105.41	2,227.15	2,845.13	617.98
Corporation Tax	1,594.86	1,429.44	2,202.48	2,644.66	2,813.87	169.21
Taxes on Income other than Corporation Tax	1,249.68	1,464.84	2,169.83	2,579.80	3,249.67	669.87
Customs	296.49	257.07	510.58	309.82	328.53	18.71
Union Excise Duties	206.16	160.44	265.82	97.22	124.32	27.10
Service Tax	--	19.39	87.35	12.36	1.73	-10.63
Other Taxes ¹	3.03	3.19	7.57	12.97	11.47	-1.50
Central Tax Transfers	4,677.56	4,753.92	7,349.04	7,883.98	9,374.72	1,490.74
Percentage of increase (+)/ decrease (-) over the previous year	(-) 13.85	1.63	54.59	7.28	18.91	--
Percentage of Central Tax Transfers to Revenue receipts	15.22	14.22	19.70	20.70	23.93	--

Source: Finance Accounts.

Table 2.11 shows that the percentage of change in the State Government's share in Union Taxes and Duties ranged between (-) 13.85 and 54.59 *per cent* during the last five years 2019-24. It increased by ₹ 1,490.74 crore (18.91 *per cent*) during 2023-24 over the previous year. Share in Union Taxes and Duties constituted 14 *per cent* to 24 *per cent* of the Revenue receipts of the State during 2019-24.

(ii) Grants-in-aid from Government of India

Trend of Grants-in-aid (GIA) from Government of India and its components are shown in **Table 2.12**.

Table 2.12: Grants-in-aid from Government of India

(₹ in crore)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Centrally Sponsored Schemes	4,915.06	4,221.29	5,420.75	4,736.66	5,328.69
Finance Commission Grants*	8,617.82	12,424.10	11,044.26	10,489.70	8,738.16
Other Transfer/Grants to State/ Union Territories with Legislatures	2,406.64	1,767.19	1,168.31	1,507.57	875.30

¹ Includes Taxes on Wealth, Other Taxes on Income and Expenditure, Other Taxes and Duties on commodities and Services.

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Total	15,939.52	18,412.58	17,633.32	16,733.93	14,942.15
Percentage increase /decrease over the previous year	5.44	15.52	-4.23	-5.10	-10.71
Percentage of GIA to Revenue receipts	51.85	55.06	47.26	43.93	38.14

Source: Finance Accounts for the respective years.

* Finance Commission Grants include Post-Devolution Revenue Deficit Grant (₹ 8,058 crore), grants for Local Bodies (₹ 276.56 crore) and Grant-in-Aid for State Disaster Response Fund (₹ 360.80 crore); Grant-in-aid for State Disaster Mitigation Fund (₹ 42.80 crore).

Table 2.12 shows that the Grants-in-aid from Government of India decreased during the years 2021-22 (4.23 *per cent*), 2022-23 (5.10 *per cent*) and 2023-24 (10.71 *per cent*) as compared to the respective previous years. The decrease in GIA during the current year over the previous year was mainly due to a substantial decrease under Post-Devolution Revenue Deficit Grant by ₹ 1,319 crore (14.07 *per cent*) under Finance Commission Grants and Compensation to State Government for Revenue Loss on Roll out of GST by ₹ 1,205 crore. However, this was counterbalanced by increase of ₹ 572.99 crore in assistance to State from National Disaster Response Fund under Other Transfer/Grants to State/Union Territories with Legislature.

(a) Grants for Centrally Sponsored Schemes

Out of the grants of ₹ 5,328.69 crore for Centrally Sponsored Schemes during 2023-24, the major amounts were given to:

- Pradhan Mantri Gram Sadak Yojana (PMGSY) - ₹ 617.56 crore. It decreased by ₹ 7.20 crore (1.15 *per cent*) from the previous year (₹ 624.76 crore).
- Pradhan Mantri Krishi Sinchai Yojna- ₹ 599.98 crore. It increased by ₹ 546.62 crore (1471.84 *per cent*) from previous year (₹ 53.36 crore).
- Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) - ₹ 402.54 crore. It decreased by ₹ 106.18 crore (20.87 *per cent*) from previous year (₹ 508.71 crore).

(b) Single Nodal Agency

The Government of India, Ministry of Finance, Department of Expenditure, New Delhi vide Office Memorandum No. 1 (13)/ PFMS/ FCD/2020 dated 8 December 2021 provided that every State Government is required to designate a Single Nodal Agency (SNA) for implementing each Centrally Sponsored Scheme (CSS). The Single Nodal Agency will open a Single Nodal Account for each CSS at the State level in a Scheduled Commercial Bank authorised to conduct business by the State Government. Further, as per the procedure, the State Government is to transfer the Central share received in its accounts to the SNA account concerned along with corresponding State share. It is the responsibility of the State Government concerned to ensure that the entire unspent amount is returned by all the Implementing Agencies (IAs) to the Single Nodal Account of the Single Nodal Agency.

In the year 2023-24, as per the SNA-01 Comprehensive Release and Expenditure Report the State Government received ₹ 4,856.54 crore (₹ 1.95 crore as reimbursement,

₹ 19.17 crore as commodity, ₹ 608.79 crore released to implementing agencies, ₹ 3,824.29 crore to State Treasury and ₹ 402.34 crore to Escrow account) for Centrally Sponsored schemes (CSSs). The total amount released by Treasury to SNA was ₹ 3,983.08 crore. Total expenditure incurred on these schemes in current year was ₹ 6,048.18 crore leaving a ₹ 1,024.08 crore balance unspent in SNA bank accounts.

(c) Fifteenth Finance Commission Grants

The Fifteenth Finance Commission (15th FC) grants were provided to the States for local bodies and State Disaster Response Fund (SDRF) and post-devolution Revenue Deficit. Details of grants provided by Government of India during 2023-24 are given in **Table 2.13**.

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

(₹ in crore)

Sr. No.	Transfers			2023-24		
				Recommendation of the 15 th FC	Actual release by Government of India	Release by State Government
1.	(i) Grants to PRIs			332.00	317.42 [@]	317.42
	(a) General Basic Grant (Untied)			132.80	118.94	118.94
	(b) General Performance Grants (Tied)			199.20	198.48	198.48
	(ii) Grants to ULBs			171.00	157.43 ^{\$}	157.43
	(a) General Basic Grant			68.40	62.97	62.97
	(b) General Performance Grants			102.60	94.46	94.46
2.	Grants to Health Sector			103.14	--	--
3.	SDRMF	SDRF	Centre share	360.80	360.80	360.80
			State share	40.00	--	40.20
			Total for SDRF	400.80	360.80	401.00
		SDMF	Centre share	90.18	85.60*	85.60*
			State share	10.02	9.60*	9.60*
			Total for SDMF	100.20	95.20*	95.20*
	Total of SDRMF			501.00	408.40	496.20
4.	Post-Devolution Revenue Deficit Grant			8,058	8,058	--

Source: 15th FC Report and information provided by State Government departments.

[@] The amount (₹ 118.51 crore) as appearing in Finance Accounts is different from this amount (₹ 317.42 crore) due to 2nd instalment of an amount of ₹ 198.91 crore of 2023-24 released during 2024-25.

^{\$} The amount (₹ 158.04 crore) as appearing in Finance Accounts is different from the amount (₹ 157.43 crore) due to 2nd instalment of ₹ 81 crore of 2022-23 received and released by State Government during 2023-24 as this amount was released by Government of India on 31st March 2023 and 2nd instalment of ₹ 81.61 crore of 2023-24 received and released by State Government during 2024-25 as this amount was released by Government of India on 27th March 2024.

^{*} The amounts includes ₹ 42.80 crore (as Central share) and ₹ 4.80 crore (as State share) for 2022-23 received during 2023-24.

- As against the amount of ₹ 332 crore recommended by the 15th FC in respect of PRIs, Government of India released ₹ 317.42 crore during 2023-24, and the same was released by Government of Himachal Pradesh during the same period.
- In respect of ULBs, against the recommended amount of ₹ 171 crore, Government of India released ₹ 157.43 crore during 2023-24, and the same was released by Government of Himachal Pradesh during the same period.

- In respect of SDRF, 15th FC recommended Central and State shares in the ratio of 90:10. As against the recommended share of ₹ 360.80 crore, Government of India released ₹ 360.80 crore and the State released ₹ 401 crore (Central share: ₹ 360.80 crore and State's share ₹ 40.20 crore) during 2023-24.

2.3.3 Capital Receipts

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 Government of India.

Trends of Capital receipts and its components during 2019-20 to 2023-24 are shown in **Table 2.14**.

Table 2.14: Trends in growth and composition of Capital receipts

(₹ in crore)					
Sources of State's Receipts	2019-20	2020-21	2021-22	2022-23	2023-24
Capital Receipts (CR) (i+ii+iii)	4,169.72	3,917.07*	2,300.21*	12,331.41	7,035.23
(i) Miscellaneous Capital Receipts	2.04	2.88	7.01	12.59	2.20
(ii) Recoveries of Loans and Advances	21.04	23.02	40.73	82.79	27.40
(iii) Net Public Debt Receipts	4,146.64	3,891.17*	2,252.47*	12,236.02	7,005.64
-Internal Debt	4,164.59	3,390.44	1,457.82	11,599.12	5,464.12
Growth rate (per cent)	135.06	-18.59	-57.00	695.65	-52.89
-Loans and Advances from Government of India	-17.95	500.73*	794.65*	636.90	1,541.52
Growth rate (per cent)	-1.64	2,889.56	58.70	-19.85	142.03
Rate of growth of net public debt receipts (per cent) (iii)	136.40	-6.16	-42.11	443.23	-42.75
Rate of growth of non-debt Capital receipts (per cent) (i)+(ii)	-24.70	12.22	84.29	99.83	-68.98
Rate of growth of Capital Receipts (per cent)	133.64	6.06	-41.28	436.10	-42.95
Rate of growth of GSDP (per cent)	7.27	-4.75	13.56	11.36	8.19

Source: Finance Accounts of the respective years.

* Excludes ₹ 1,717 crore during 2020-21 and ₹ 2,695.22 crore during 2021-22 as back-to-back loans to State from Government of India in lieu of GST compensation shortfall.

In the year 2022-23 there was a sudden increase in net internal debt by ₹ 10,141.31 crore (695.65 per cent) raised by the State Government over the previous year. But this year, net internal debt came down to ₹ 5,464.12 crore as compared to ₹ 11,599.12 crore in previous year and net public debt receipts decreased by 42.75 per cent (₹ 5,230.38 crore) in the year 2023-24.

2.3.4 State's performance in mobilisation of resources

The State's performance in mobilisation of resources is assessed in terms of its own resources comprising Own Tax and Non-Tax sources.

The State's actual Own Tax and Non-Tax revenue for the year 2023-24 *vis-à-vis* assessment made by Fifteenth Finance Commission (15th FC) and Budget Estimates/MTFPS are given in **Table 2.15**.

Table 2.15: Tax and Non-Tax revenue *vis-à-vis* projections during 2023-24

(₹ in crore)

Particulars	15 th FC projections	Budget Estimates and MTFPS projection	Actual	Percentage variation of actual over	
				15 th FC projections	Budget Estimates and MTFPS projection
Own Tax revenue	12,783	13,025.97	11,835.29	-7.41	-9.14
Non-Tax revenue	4,896	3,447.20	3,020.88	-38.30	-12.36

Source: Finance Accounts and Budget documents.

Actual own Tax revenue of the State Government fell short from 15th FC projections and Budget Estimates by 7.41 *per cent* and 9.14 *per cent* respectively. Actual realisation of Non-Tax revenue also fell short from 15th FC and Budget Estimates by 38.30 *per cent* and 12.36 *per cent* respectively.

2.4 Application of Resources

The State Government is vested with the responsibility of incurring expenditure within the framework of fiscal responsibility legislations, while at the same time ensuring that fiscal corrections/ consolidation processes are not at the cost of expenditure directed towards development. The application of resources is analysed in the succeeding paragraphs with regard to growth and composition of expenditure, Revenue expenditure, committed expenditure and financial assistance to local bodies and other institutions.

Growth and composition of expenditure

Revenue expenditure: Charges on maintenance, repair, upkeep and working expenses, which are required to maintain the assets in a running order as also all other expenses incurred for the day-to-day running of the organisation, including establishment and administrative expenses shall be classified as Revenue expenditure.

Capital expenditure: All charges for the first construction of a project as well as charges for intermediate maintenance of the work while not opened for service and also charges for such further additions and improvements as may be sanctioned under the rules made by competent authority shall be classified as Capital expenditure.

Loans and Advances: Loans and Advances by the Government to Public Sector Undertakings (PSU) and other parties.

Trends of overall expenditure and its components are shown in **Table 2.16** and **Chart 2.9**.

Table 2.16: Total expenditure and its composition

(₹ in crore)					
Parameters	2019-20	2020-21	2021-22	2022-23	2023-24
Total Expenditure (TE)	36,362.55	39,164.26	42,601.89	50,564.71	50,468.37
Revenue expenditure (RE)	30,730.43	33,534.93	36,194.54	44,425.26	44,731.63
Capital expenditure (CE)	5,173.91	5,309.21	6,029.38	6,028.88	5,629.79
Loans and Advances disbursed	458.21	320.12	377.97	110.57	106.95
GSDP at current prices	1,59,164	1,51,601	1,72,162 ^a	1,91,728 ^b	2,07,430 ^c
As a percentage of GSDP					
TE	22.85	25.83	24.75	26.37	24.33
RE	19.31	22.12	21.02	23.17	21.56
CE	3.25	3.50	3.50	3.14	2.71
Loans and Advances	0.29	0.21	0.22	0.06	0.05

a - Second Revised Estimate, b - First Revised Estimate, c - Advance Estimate.

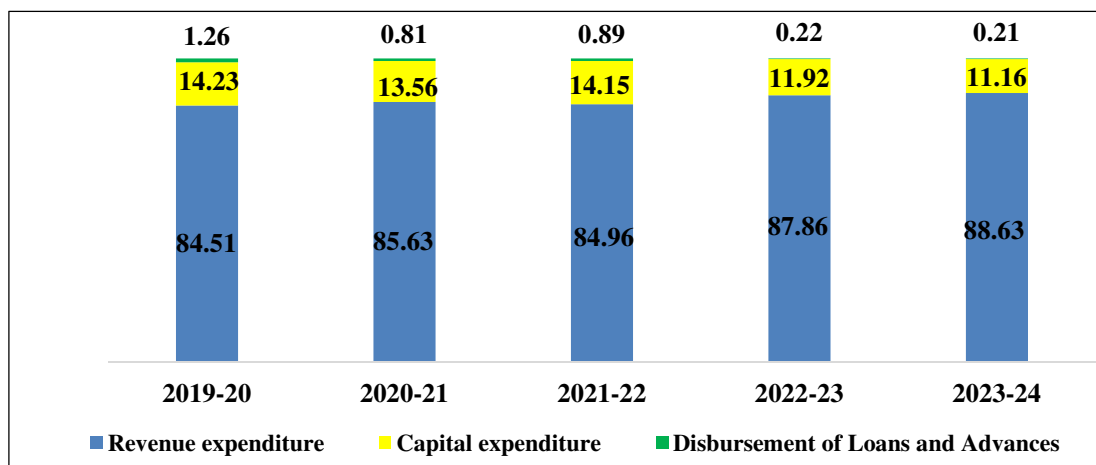
Chart 2.9: Total Expenditure: Trends in share of its components (in per cent)

Table 2.16 shows that total expenditure increased by ₹ 14,105.82 crore (38.79 per cent) from ₹ 36,362.55 crore in 2019-20 to ₹ 50,468.37 crore in 2023-24, which ranged between 22.85 per cent and 26.37 per cent of GSDP during the period of five years. **Chart 2.9** shows that Revenue expenditure constituted the dominant proportion (85 to 89 per cent) of total expenditure. Capital expenditure, on the other hand, constituted between 11 per cent and 14 per cent of total expenditure.

Relative share of various sectors of expenditure during 2019-24 is depicted in **Table 2.17** and **Chart 2.10**.

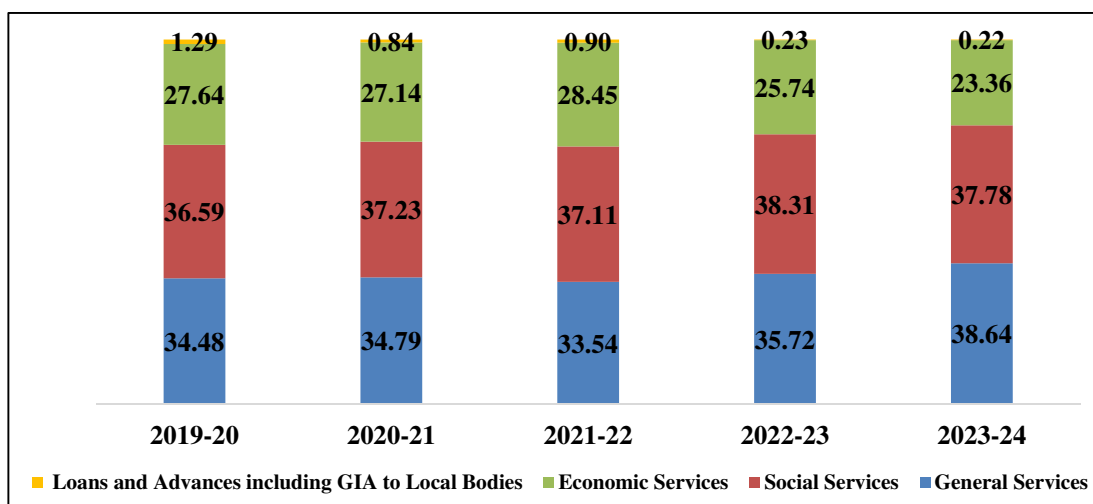
Table 2.17: Relative share of various sectors of expenditure

(₹ in crore)					
Parameters	2019-20	2020-21	2021-22	2022-23	2023-24
General Services	12,538.94	13,623.80	14,289.39	18,060.65	19,503.14
Social Services	13,305.36	14,580.00	15,807.72	19,370.51	19,066.53
Economic Services	10,049.77	10,630.97	12,119.10	13,016.89	11,791.75
Grants to Local Bodies	10.27	9.37	7.71	6.09	0.00
Loans and Advances	458.21	320.12	377.97	110.57	106.95

Source: Finance Accounts.

Chart 2.10: Total expenditure- Expenditure by activities

(In per cent)

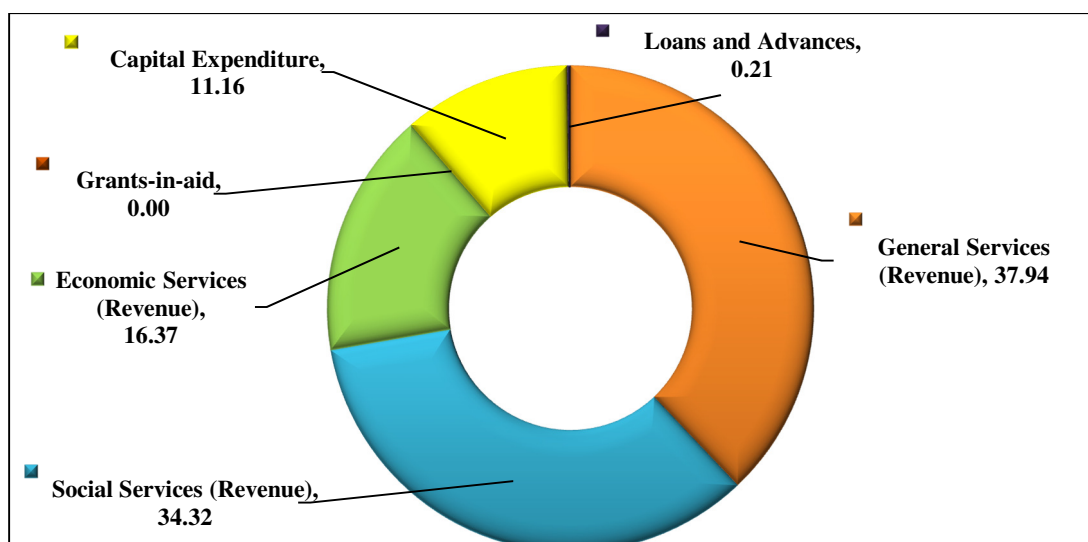


Source: Finance Accounts.

Chart 2.10 shows that the relative share of various components of expenditure in total expenditure fluctuated during the period 2019-24. The share of General Services and Social Services in total expenditure increased from 34.48 *per cent* and 36.59 *per cent* in 2019-20 to 38.64 *per cent* and 37.78 *per cent* respectively in 2023-24, while that of Economic Services decreased from 27.64 *per cent* to 23.36 *per cent* during the same period.

Chart 2.11 shows composition of expenditure by function.

Chart 2.11: Composition of expenditure by function during 2023-24 (in per cent)



Source: Finance Accounts.

2.4.1 Revenue expenditure

Revenue expenditure is incurred to maintain the current level of services and payments for past obligations. As such, it does not result in any addition to the State's infrastructure and service network. The overall Revenue expenditure, its rate of growth,

its ratio to total expenditure and its rate of growth *vis-à-vis* GSDP and Revenue receipts during the period 2019-24 are indicated in **Table 2.18**.

Table 2.18: Growth of Revenue expenditure during 2019-24

(₹ in crore)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Total Expenditure (TE)	36,362.55	39,164.25	42,601.89	50,564.72	50,468.37
Revenue expenditure (RE)	30,730.43	33,534.93	36,194.54	44,425.26	44,731.63
Rate of growth of RE (<i>per cent</i>)	4.38	9.13	7.93	22.74	0.69
Revenue expenditure as percentage of TE	84.51	85.63	84.96	87.86	88.63
RE/GSDP (<i>per cent</i>)	19.31	22.12	21.02	23.17	21.56
Revenue receipts (RR)	30,742.41	33,438.27	37,309.30	38,089.50	39,173.04
Rate of growth of RR (<i>per cent</i>)	-0.67	8.77	11.58	2.09	2.84
RR/GSDP (<i>per cent</i>)	19.31	22.06	21.67	19.87	18.88
RE as percentage of RR	99.96	100.29	97.01	116.63	114.19
GSDP	1,59,164.	1,51,601	1,72,162 ^a	1,91,728 ^b	2,07,430 ^c
Rate of growth of GSDP (<i>per cent</i>)	7.27	-4.75	13.56	11.36	8.19
Buoyancy of Revenue expenditure with					
GSDP (ratio)	0.60	--*	0.58	2.00	0.08
Revenue receipts (ratio)	--*	1.04	0.69	10.88	0.24
Own Tax Revenue (ratio)	6.54	1.51	0.39	2.51	0.06

Source: Finance Accounts of respective years.

a- Second Revised Estimate, b – First Revised Estimate, c – Advance Estimate.

* Buoyancy ratio was not calculated as growth rate of GSDP/RR was negative.

Revenue expenditure increased by ₹ 14,001.20 crore (45.56 *per cent*) during 2019-24 and by ₹ 306.37 crore (0.69 *per cent*) during 2023-24 over the previous year. On the other hand, Revenue receipts of the State increased by ₹ 8,430.63 crore (27.42 *per cent*) during the 2019-24. The percentage of State's Revenue receipts to GSDP is 18.88 *per cent* while percentage of Revenue expenditure to GSDP is 21.56 *per cent* during 2023-24.

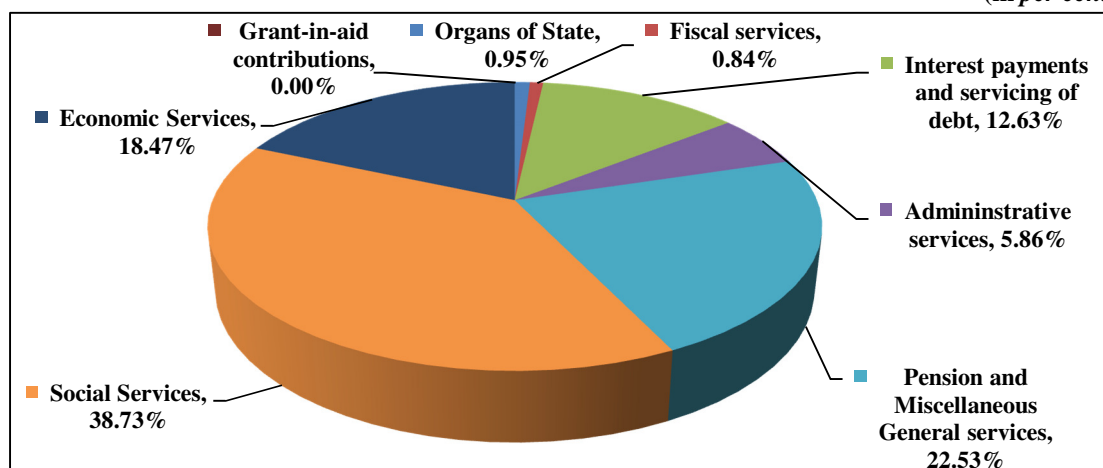
Buoyancy ratio of Revenue expenditure with reference to Revenue receipts which improved during 2021-22 (0.69), deteriorated during 2022-23 (10.88), mainly due to increase in Revenue expenditure on account of revision of pay/family pension. But in this year 2023-24, it again improved (0.24 *per cent*). On the other hand, buoyancy ratio of Revenue expenditure with reference to own Tax revenue of the State consistently decreased from 6.54 in 2019-20 to 0.06 in 2023-24 except during 2022-23 (2.51).

Revenue expenditure of ₹ 44,731.63 crore during 2023-24 was above the projections made by the State in their Budget and MTFPS (₹ 42,704 crore) and normative assessment of 15th FC (₹ 34,033 crore).

The sector-wise distribution of Revenue expenditure during 2023-24 is given in **Chart 2.12**.

Chart 2.12: Sector-wise distribution of Revenue expenditure during 2023-24

(in per cent)



Source: Finance Accounts.

2.4.1.1 Major changes in Revenue expenditure

In the year 2022-23 Revenue expenditure increased substantially by ₹ 8,230.72 crore (22.74 per cent) from ₹ 36,194.54 crore in 2021-22 to ₹ 44,425.26 crore. However, during 2023-24 Revenue expenditure increased marginally by ₹ 306.37 crore. Significant variations under Major Heads of Accounts with regard to Revenue expenditure of the State during the current year as compared to the previous year are depicted in **Table 2.19**.

Table 2.19: Significant variations in Revenue expenditure during 2023-24 as compared to 2022-23

(₹ in crore)

Major Heads of Account	2023-24	2022-23	Increase (+)/ Decrease (-)
2049-Interest Payment	5,648.37	4,828.64	819.73
2071-Pension and other retirement benefits	10,055.85	9,283.87	771.98
2245-Relief on Account of Natural Calamities	1,283.50	685.86	597.64
2235-Social Security and Welfare	2,063.58	1,870.56	193.02
3055-Road Transport	746.83	562.53	184.30
2515-Other Rural Development Programmes	633.79	1,168.98	-535.19
2202-General Education	7,949.26	8,459.54	-510.27
2401-Crop Husbandry	680.83	896.39	-215.56
2211-Family Welfare	476.90	626.89	-149.99
2408-Food, Storage and Warehousing	231.82	379.38	-147.56
2210-Medical and Public Health	2,428.82	2,534.58	-105.76
2505-Rural Employment	537.99	643.66	-105.67

Source: Finance Accounts of the respective years.

Table 2.19 shows:

- Increase of ₹ 771.98 crore under 'Pensions and Other Retirement Benefits', was mainly due to increase of ₹ 1,182.70 crore in 'Superannuation and Retirement Allowances', ₹ 235.13 crore in 'Commutated Value of Pensions', ₹ 244.63 crore in 'Family Pensions', counterbalanced by decrease of ₹ 939.50 crore in 'Government Contribution for Defined Contribution', as Himachal Pradesh reverted back to the Old Pension Scheme.

- Increase of ₹ 819.73 crore under ‘Interest Payments’ was mainly due to increase of ₹ 819.63 crore in ‘Interest on Market Loans’, as last year (2022-23) the State Government had resorted to huge amount of loan from market to meet out their expenses.
- Increase of ₹ 597.64 crore under ‘Relief on Account of Natural Calamities’ was mainly due to increase of ₹ 238.39 crore in ‘Repairs and restoration of damaged roads and bridges’ and ₹ 203.01 crore in ‘Repair and restoration of damaged water supply, drainage and sewerage work’.
- Decrease of ₹ 535.19 crore in ‘other Rural Development Programs’ was mainly due to decrease of ₹ 256.72 crore in ‘Assistance to Gram Panchayats’ and ₹ 131.83 crore in ‘Assistance to Zila Parishad’.
- Decrease of ₹ 510.27 crore in ‘General Education’ was due to decrease of ₹ 366.52 crore in ‘Government Primary Schools’ and ₹ 301.89 crore in ‘Government Secondary Schools’, partially counterbalanced by increase of ₹ 102.30 crore in ‘Samagra Shiksha’.

2.4.1.2 Committed expenditure

The committed expenditure of the State Government on Revenue account consists of interest payments, expenditure on salaries and wages and pensions. It has the first charge on Government resources.

Apart from the above, there are certain items of *inflexible expenditure* which cannot be ordinarily altered or varied or are statutorily required on an annual basis, unlike for variable transactions such as Capital expenditure, etc. For example, the following items may be considered as inflexible expenditure:

- (i) Devolution to local bodies – statutory devolutions to local bodies for pay and allowances (devolution / transfer for Capital expenditure).
- (ii) Statutory requirements of contribution to Reserve Funds – Contribution to Consolidated Sinking Fund (CSF), Guarantee Redemption Fund (GRF), State Disaster Mitigation / Response Fund (SDMF/SDRF), etc.
- (iii) Recoupment of Contingency Fund – Amount recouped within the year.
- (iv) Transfer of cess to reserve fund / other body, which are statutorily required.
- (v) State Share in CSS against the Central Fund received – Amount of State share to be transferred to SNAs / spent by the State.
- (vi) Payment of interest on the balances of the interest-bearing funds as if they could have been invested and payment of interest on public debt as charged expenditure – Interest payment.

The upward trend in committed expenditure leaves the Government with less flexibility in the development sector. Trend analysis of committed and inflexible expenditure and its components is depicted in **Table 2.20** and share of committed expenditure in Revenue expenditure is shown in **Chart 2.13**.

Table 2.20: Components of Committed and Inflexible Expenditure

(₹ in crore)

Components of Committed Expenditure	2019-20	2020-21	2021-22	2022-23	2023-24
Salaries & Wages	11,742.23	11,903.67	12,192.52	15,850.87	15,352.58*
Expenditure on Pensions	5,489.75	6,088.39	6,398.91	9,283.87	9,212.64
Interest Payments	4,234.02	4,472.45	4,640.79	4,828.64	5,648.37
Total	21,466.00	22,464.51	23,232.22	29,963.38	30,213.59
As a percentage of Revenue receipts (RR)					
Salaries & Wages	38.20	35.60	32.68	41.61	39.19
Expenditure on Pensions	17.86	18.21	17.15	24.37	23.52
Interest Payments	13.77	13.38	12.44	12.68	14.42
Total	69.83	67.19	62.27	78.67	77.13
As a percentage of Revenue expenditure (RE)					
Salaries & Wages	38.21	35.50	33.69	35.68	34.32
Expenditure on Pensions	17.86	18.16	17.68	20.90	20.60
Interest Payments	13.78	13.34	12.82	10.87	12.63
Total	69.85	66.99	64.19	67.45	67.54
Non-committed RE	9,264.43	11,070.42	12,962.32	14,461.88	14,518.04
As a percentage of RE	30.15	33.01	35.81	32.55	32.46
As a percentage of TE	25.48	28.27	30.43	28.60	28.77
Components of Inflexible Expenditure					
Statutory devolution to local bodies	882.52	1,046.42	858.21	1,223.85	1,309.76
Contribution to Reserve Funds	28.70	45.00	35.80	38.40	40.20
Recoupment of Contingency Fund	0	0	0	0	0
Transfer of cess to reserve fund / other body	116.53	105.71	132.16	174.94	199.84
Share contribution of CSS against the Central Fund received	NA	NA	580.09	578.73	487.62
Payment of interest on the balance of the interest-bearing funds as if they could have been invested and payment of interest on public debt as charged expenditure- Interest payment.	NA	0.06	0.47	3.73	11.36
Total Inflexible expenditure	1,027.75	1,197.19	1,606.73	2,019.65	2,048.78
Inflexible expenditure as a percentage of Revenue expenditure (RE)	3.34	3.57	4.44	4.55	4.58
Subsidies	1,067.78	1,240.63	1,187.99	1,973.32	1,768.35
Subsidies as percentage of non-committed expenditure	11.53	11.21	9.16	13.64	12.18

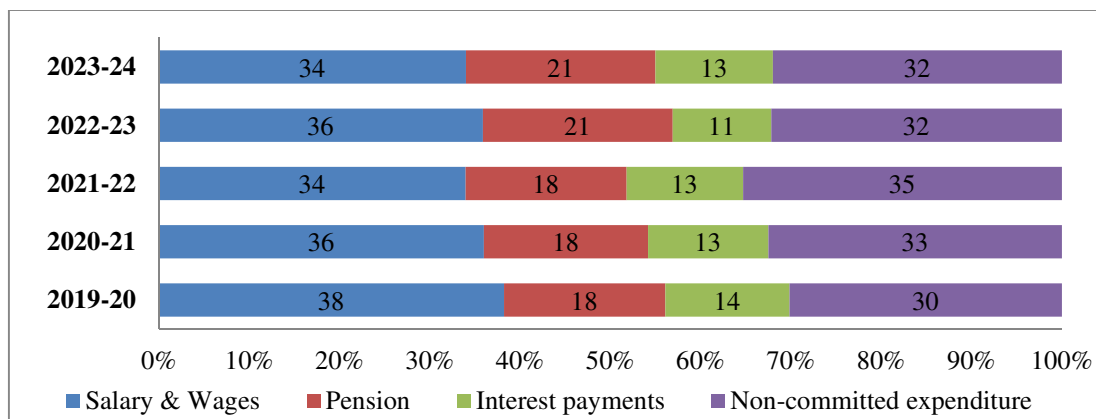
*Salary: ₹ 15,046.97 crore, wages: ₹ 305.61 crore

Source: Finance Accounts and SFAR of respective years, PFMS and information received from State Government.

Table 2.20 shows that there was a consistent rise in committed expenditure during the period 2019-20 to 2023-24. There was a significant increase of ₹ 6,731.16 crore (28.97 per cent) during 2022-23 as compared to the previous year (2021-22). But in current year (2023-24), the committed expenditure marginally increased by ₹ 250.21 crore (0.84 per cent) over the previous year. There was a decrease of ₹ 498.29 crore and ₹ 71.23 crore in salary and wages and pensions respectively during current year. During the period 2019-24, committed expenditure constituted a dominant share ranging between 64 and 70 per cent of Revenue expenditure and between 62 and 79 per cent of Revenue receipts. A dominant proportion of committed expenditure and subsidies from Revenue expenditure and Revenue receipts leaves the State Government with little flexibility for development activities.

In addition to the above, percentage of non-committed expenditure to Revenue expenditure shows inter-year fluctuation ranging between 30 *per cent* and 36 *per cent* during 2019-24. Subsidies constituted a proportion ranging from nine *per cent* to 14 *per cent* of non-committed expenditure during the same period.

Chart 2.13: Share of Committed expenditure in total Revenue expenditure



Salaries and Wages

The expenditure on salaries and wages increased from ₹ 11,742.23 crore in 2019-20 to ₹ 15,352.58 crore in 2023-24. During 2023-24, it decreased by ₹ 498.29 crore (3.14 *per cent*) over the previous year and consumed 39.19 *per cent* of Revenue receipts and 34.32 *per cent* of Revenue expenditure of the State. The previous year (2022-23) salary and wages increased substantially mainly due to revision of pay scales, pension/family pension and arrears on account of implementation of the HP 6th Pay Commission's recommendations w.e.f. 01.01.2016. This year no payment of arrears was given to employees. Due to this there is a decrease in salary and pension, the State Government has shifted liability for the coming years. The expenditure on salaries (₹ 15,352.58 crore) was substantially higher than the projections made in Medium Term Fiscal Plan Statement (MTFPS) (₹ 14,099.52 crore).

Interest payments

Interest payments increased by 33.40 *per cent* from ₹ 4,234.02 crore in 2019-20 to ₹ 5,648.37 crore in 2023-24 and ₹ 819.73 crore (16.98 *per cent*) in 2023-24 over the previous year. Interest payments consumed 14.42 *per cent* of Revenue receipts and 12.63 *per cent* of Revenue expenditure. Interest on Market loans (₹ 3,491.09 crore), Small Savings, Provident Funds etc. (₹ 1,284.16 crore) continued to be the major components of interest payments. Interest payments were slightly higher than the projections made in MTFPS (₹ 5,562.01 crore).

Pensions

The expenditure on pension and other retirement benefits to State Government pensioners increased by 67.82 *per cent* from ₹ 5,489.75 crore in 2019-20 to ₹ 9,212.64 crore in 2023-24. It decreased by ₹ 71.23 crore (0.77 *per cent*) during the current year over the previous year. The expenditure on pension payments in the current

year (₹ 9,212.64 crore) was substantially higher than that projected in the MTFPS (₹ 7,709.19 crore).

(i) Undischarged liabilities in National Pension System

The State Government employees recruited on or after 15th May 2003 are covered under the National Pension System (NPS), which is a Defined Contribution Pension Scheme (DCPS). In terms of the Scheme, the employee contributes 10 *per cent* of his/her basic pay and dearness allowance, and 14 *per cent* (w.e.f. 01 April 2019) of basic pay and dearness allowance is contributed by the State Government; and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

During the year 2023-24, contribution from Government under MH-2071-Minor Head 117 was ₹ 93.73 crore and employee's contribution was ₹ 66.33 crore for NPS. This also included the contribution in relation to AIS (All India Services) officers. The Government transferred ₹ 159.90 crore (Employee share ₹ 66.33 crore and Government's share ₹ 93.57 crore) to the Public Account under Major Head 8342-117 Defined Contribution Pension scheme². The Government contribution to Defined Contribution Pension Scheme shown under MH-8342-117 (₹ 93.57 crore) differs with the amount shown under Major Head 2071-01-117 (₹ 93.73 crore) due to direct payment of last month NPS contribution to retiring subscribers by the DDO.

Further, the State Government is liable to pay interest on delayed transfer of NPS balances at the corresponding interest rates applicable to the General Provident Fund (GPF) subscribers. Thus, the State Government has created interest liability of ₹ 1.19 crore (interest calculated at the rate of 7.10 *per cent* as per interest payable to GPF) on the amount (₹ 17.39 crore on 1st April 2023 as per Finance Accounts) not transferred to NSDL. This also resulted in understatement of Revenue Deficit and Fiscal Deficit to that extent, as commented in **Paragraph 1.6**.

As per the information received from the State Government, the details of the receipts from employees' share, Government's contribution, interest accrued thereon and investment in pension fund of 5 years are given in **Table 2.21**.

Table 2.21: Details of contribution and investment under DCPS (period 2019-20 to 2023-24)

(₹ in crore)

Years	Receipts				Disbursements	Short transfer (-)/ Excess transfer (+)
	Employees' share	Government contribution	Interest	Total	(Transferred to Pension Fund)	
1.	2.	3.	4.	5. (2+3+4)	6.	7.=6-5
2019-20	348.72	471.30	Employee and Employer contribution is invested by CRA-NSDL and there is no interest component in the investment as there is NAV on investment.	820.02	820.02	-NIL-
2020-21	395.86	552.00		947.86	947.86	
2021-22	470.26	655.99		1,126.25	1,126.25	
2022-23	746.10	1,033.09		1,779.19	1,779.19	
2023-24	67.10	93.59		160.69	160.59	

Source: Information received from State Government.

² Source: Para 5(i) of Notes to Finance Account 2023-24.

However, Government of Himachal Pradesh has withdrawn from the defined contribution based National Pension System (NPS) and reverted to the Old Pension Scheme (OPS) with effect from 01.04.2023 vide Notification No. Fin (Pen) A (3)-1/2023, dated 04.05.2023, which provides a defined benefit.

In this regard, the State Government intimated that no separate pension fund has been created to deal with anticipated financial impact and fiscal burden/ liability on account of restoration of OPS, on the State exchequer. The same will be met from State's own resources and its share lying with the Government of India/PFRDA will also be utilised partly to defray the future pension liabilities.

Inflexible expenditure

The components of Inflexible expenditure which include among others Statutory devolution to local bodies and contribution to Reserve Funds showed a continued increase during the period 2019-20 to 2023-24. As a percentage of Revenue expenditure, the inflexible expenditure increased from 3.34 *per cent* to 4.58 *per cent*. Further, the inflexible expenditure (₹ 2,048.78 crore) increased by 1.44 *per cent* during 2023-24 over the previous year (₹ 2,019.65 crore).

2.4.1.3 Subsidies

Table 2.22 depicts the expenditure on subsidies during the period 2019-24. The subsidies during the current year decreased by ₹ 204.97 crore (10.39 *per cent*) from the previous year. The decrease was mainly due to decline in subsidies by ₹ 126.30 crore and ₹ 110.74 crore to Food and Supply, and Power projects respectively.

Table 2.22: Expenditure on subsidies during 2019-24

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Subsidies (₹ in crore)	1,067.78	1,240.63	1,187.99	1,973.32	1,768.35
Power subsidy (₹ in crore)	400.00	520.45	419.99	1,044.03	933.29
Subsidies as percentage of Revenue receipts	3.47	3.71	3.18	5.18	4.51
Subsidies as percentage of Revenue expenditure	3.47	3.70	3.28	4.44	3.95
Subsidies as percentage of Total Expenditure	2.94	3.17	2.79	3.90	3.50
Subsidies as percentage to Revenue Deficit	*	1,283.50	*	31.15	31.81
Power subsidy as percentage to total subsidy	37.46	41.95	35.35	52.91	52.78

Source: Finance Accounts.

* Not calculated as State had Revenue Surplus.

Power subsidy constituted major portion of the total subsidies, ranging between 35.35 *per cent* and 52.91 *per cent* during the five-year period (2019-20 to 2023-24). The total subsidies contributed 31.81 *per cent* to the Revenue Deficit during 2023-24.

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

Assistance provided by way of grants to the local bodies and other institutions during the period 2019-20 to 2023-24 is presented in **Table 2.23**.

Table 2.23: Financial assistance to Local Bodies and other institutions

(₹ in crore)

Financial Assistance to Institutions	2019-20	2020-21	2021-22	2022-23	2023-24
Local Bodies					
Municipal Corporations and Municipalities	456.22	814.58	800.71	903.04	970.76
Panchayati Raj Institutions	1,053.39	1,176.07	1,148.28	1,753.44	1,193.24
Total (A)	1,509.61	1,990.65	1,948.99	2,656.48	2,164.00
Others					
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	1,020.83	944.59	1,031.74	1,157.21	1,208.67
Development Authorities	99.16	238.37	331.69	330.42	337.65
Hospitals and Other Charitable Institutions	439.71	458.23	673.60	671.32	446.70
Other Institutions	437.17	931.27	994.78	1031.51	935.19
Total (B)	1,996.87	2,572.46	3,031.81	3,190.46	2,928.21
Total (A+B)	3,506.48	4,563.11	4,980.80	5,846.94	5,092.21
GIA on Salary	1,324.53	1,507.74	1,687.79	1,736.31	1,771.45
GIA for creation of Capital assets	844.73	1,039.73	833.26	1,376.62	911.05
GIA for non-salary	1,337.25	2,015.70	2,459.75	2,734.01	2,409.71
GIA given in kind	Information not provided by the State Government				
Revenue expenditure	30,730.43	33,534.93	36,194.54	44,425.26	44,731.63
Financial assistance as percentage of Revenue expenditure	11.41	13.61	13.76	13.16	11.38

Source: Finance Accounts and information received from PAG (A&E).

During the current year, financial assistance to local bodies and other institutions decreased by ₹ 754.73 crore (12.91 *per cent*) over the previous year. The decrease was mainly due to a reduction in assistance to Panchayati Raj Institutions (₹ 560.20 crore: 31.95 *per cent*), Hospital and Other Charitable Institutions (₹ 224.62 crore: 33.46 *per cent*).

The financial assistance given for salary purposes during 2023-24 increased while assistance given for the creation of Capital assets and non-salary purpose decreased over the previous year. GIA for creation of Capital assets decreased by ₹ 465.57 crore (33.82 *per cent*) and GIA for non-salary decreased by ₹ 324.30 crore (11.86 *per cent*).

Major recipients of financial assistance are shown in **Table 2.24**.

Table 2.24: Major recipients of financial assistance during the year 2023-24

(₹ in crore)

Recipients	Name of schemes	Amount
2202-Director Higher Education Shimla	Sarva Shiksha Abhiyan	609.21
2505-Rural Employment	National Rural Employment Guarantee Schemes	511.45
3055-Road Transport	Assistance to Transport Services	320.55
2211-Family Welfare	Provision under National Rural Health Mission	271.18
2217-Urban Development	Grant to Municipal Corporation Shimla	160.06
2202-Finance Officer, H.P. University	Grant-in-aid to Himachal Pradesh University	152.20
2217-Urban Development	Smart City Mission Shimla	149.50
2415-Agriculture and Research Education	Grant-in-aid to Dr. Y.S. Parmar University Solan	134.84
2501-Special Programme for Rural Development	Himachal Pradesh Kaushal Vikas Nigam	120.00
2216-Housing	Pradhan Mantri Awas Yojna (Gramin)	115.80

2.4.2 Capital expenditure

Capital expenditure is primarily expenditure on creation of fixed infrastructure assets such as roads, buildings, etc. Capital expenditure, in both the Centre and the State, is being met from budgetary support and extra budgetary resources/ off-budget borrowings. It also includes investments made by the State Government in companies/corporations. Trend of Capital expenditure in the State over the last five years i.e., 2019-24, is given in **Chart 2.14**.

Chart 2.14: Trend of Capital expenditure as per cent of Total Expenditure during 2019-24

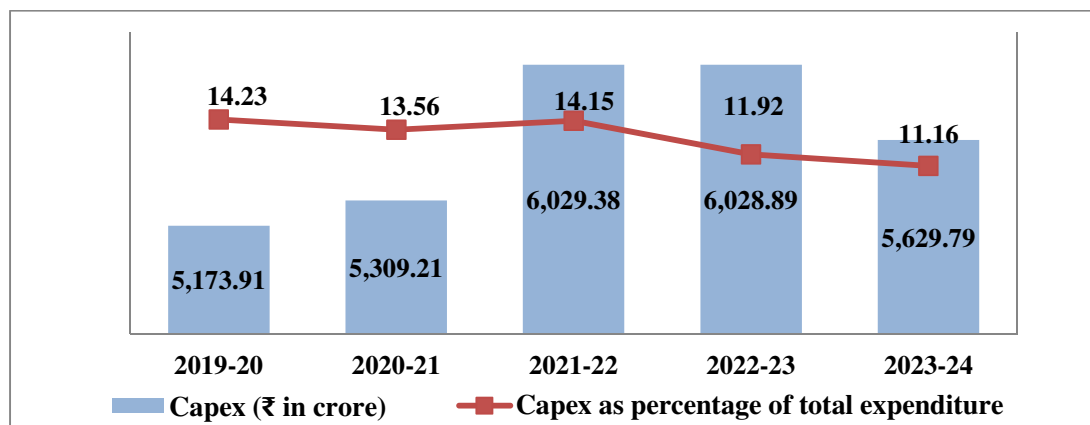


Chart 2.14 shows that Capital expenditure fluctuated over the last five-year period. During 2023-24, it decreased by ₹ 399.10 crore (6.62 *per cent*) over the previous year. Capital expenditure not only in absolute terms but as well as proportion of Total Expenditure observed a declining trend over the past two years. This declining trend can prove to be detrimental to the future economic growth. Capex constituted only 11 *per cent* to 14 *per cent* of total expenditure over the last five-year period (2019-24).

Besides, the State Government also gave Grants-in-aid of ₹ 5,005.39 crore during the period 2019-24 for creation of assets which is considered as part of Revenue expenditure (as shown in **Table 2.23**).

2.4.2.1 Major changes in Capital expenditure

Major changes in Capital expenditure during 2023-24 compared to 2022-23 are depicted in **Table 2.25**.

Table 2.25: Capital expenditure during 2023-24 compared to 2022-23

Major Heads of Accounts	(₹ in crore)		
	2022-23	2023-24	Increase (+)/ Decrease (-)
5053-Capital Outlay on Civil Aviation	21.68	315.82	294.14
4215- Capital Outlay on Water Supply and Sanitation	812.04	1,022.97	210.93
4202-Capital Outlay on Education, Sports, Art and Culture	411.24	300.30	-110.94
5054-Capital Outlay on Roads and Bridges	2,178.22	2,065.12	-113.10
4851-Capital Outlay on Village and Small Industries	198.28	72.09	-126.19
4210-Capital Outlay on Medical and Public Health	551.64	295.67	-255.97

- Increase in Capital Outlay on Civil Aviation was mainly due to increase of ₹ 193.40 crore under ‘Aerodromes’ from previous year.

- Increase in Capital Outlay on Water Supply and Sanitation was mainly due to increase of ₹155.20 crore under 'Rural Water Supply Schemes in various district' from previous year.
- Decrease in Capital Outlay on Medical and Public Health was mainly due to decrease of ₹ 203.77 crore under 'Allopathy' from previous year.
- Decrease in Capital Outlay on Village and Small Industries was mainly due to decrease of ₹ 111.86 crore in 'Other Expenditure' from previous year.

2.4.2.2 Quality of Capital expenditure

This section presents an analysis of investments and other Capital expenditure undertaken by the Government during the current year.

(i) Quality of investments in the companies, corporations and other bodies

Investments made and loans given to companies and corporations which are loss making and that where net worth has completely eroded, affect quality of Capital expenditure. Return on investment in share capital invested in Public Sector Undertakings (PSUs) and history of repayment of loans given to various bodies are important determinants of quality of Capital expenditure.

As per the latest financial accounts, total paid up capital of 28 working SPSEs stood at ₹ 5,899.78 crore at the end of 2023-24, of which the State Government's investment (equity) was ₹ 4,140.62 crore (70.18 *per cent*) (**Appendix 2.3**).

Twelve SPSEs (excluding two SPSEs i.e., one inactive and one under liquidation) in which the State Government held investment of ₹ 4,038.33 crore had aggregate accumulated losses of ₹ 6,454.47 crore (**Appendix 2.4**).

Of the above 12 SPSEs, net worth of seven SPSEs had completely eroded and had become negative. The net worth of these seven SPSEs (as per their finalised accounts) was (-) ₹ 3,347.44 crore, against equity investment of ₹ 2,354.75 crore in them, as on 31st March 2024. In two out of these seven SPSEs whose Capital had eroded, Government loan outstanding as on 31st March 2024 amounted to ₹ 3,089.90 crore (**Appendix 2.4**).

(ii) Investment and returns

Trends of return on investment in companies, corporations, and co-operative banks and societies, difference between cost of Government borrowings and return on investments are depicted in **Table 2.26**.

Table 2.26: Details of Investment and return on Investment

Investment/ Return/ cost of Borrowing	2019-20	2020-21	2021-22	2022-23	2023-24
Investments at the end of the year (₹ in crore)	4,261.06	4,562.40	4,913.00	5,333.57	5,524.23
Return (₹ in crore)	248.44	245.43	166.53	180.90	191.17
Return (<i>per cent</i>)	5.83	5.38	3.39	3.39	3.46
Average rate of interest on Government borrowings (<i>per cent</i>)	7.98	7.59	7.51	6.74	6.88

Investment/ Return/ cost of Borrowing	2019-20	2020-21	2021-22	2022-23	2023-24
Difference between return and average rate of interest on borrowings (<i>per cent</i>)	-2.15	-2.21	-4.12	-3.35	-3.42
Notional loss due to difference between interest on Government borrowings and return on investment (₹ in crore) [#]	91.61	100.83	202.42	178.67	188.93

Source: Finance Accounts.

Investment at the end of year x Difference between interest rate and return.

During 2023-24, the return on investment was ₹ 191.17 crore (3.46 *per cent*). The return on these investments ranged between 3.39 *per cent* and 5.83 *per cent* during 2019-24, while the average rate of interest paid by the State Government on its borrowings was between 6.74 *per cent* and 7.98 *per cent* during the same period. Out of total investment of ₹ 5,524.23 crore as on 31st March 2024, investment of ₹ 4,737.81 crore (85.76 *per cent*) was in five³ companies. During 2023-24, Satluj Jal Vidyut Nigam contributed 97.68 *per cent* (₹ 186.74 crore) of total return. Over the past five years, the difference between cost of Government borrowings and return on investments in PSUs was to the tune of ₹ 762.46 crore.

(iii) Reconciliation of Government Investments with Accounts of Companies

The figures of Government investments as equity in State Public Sector Enterprises (SPSEs) should agree with those appearing in the accounts of SPSEs. Reconciliation of figures is necessary to figure out the differences in accounts of SPSEs and Finance Accounts of the State Government. Scrutiny of both the accounts revealed that as per Finance Accounts, Government investment as equity in 28 SPSEs was ₹ 4,270.37 crore whereas as per records of SPSEs it was ₹ 4,160.32 crore. There was a difference of ₹ 110.05 crore (**Appendix 2.5**). Reconciliation should be carried out in a time-bound manner to explain the difference.

(iv) Loans and Advances by State Government

In addition to the investments in co-operative societies, corporations and companies, the State Government has also been providing Loans and Advances to many institutions/ organisations. **Table 2.27** presents the position of outstanding Loans and Advances as on 31st March 2024 and interest receipts *vis-à-vis* interest payments by the State Government on its borrowings during the last five years.

Table 2.27: Quantum of loans disbursed and recovered during 2019-24

(₹ in crore)					
Quantum of loans/interest receipts/ cost of borrowings	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Balance of the loans outstanding*	6,953.33	7,390.49	7,687.59	8,024.83	8,052.62
Amount advanced during the year	458.21	320.12	377.97	110.57	106.95
Amount recovered during the year	21.03	23.02	40.73	82.79	27.40
Closing Balance of the loans outstanding*	7,390.49	7,687.59	8,024.83	8,052.62	8,132.18
Net addition	437.17	297.10	337.24	27.78	79.55

³ Satluj Jal Vidyut Nigam Ltd. (₹ 1,098.14 crore), Himachal Pradesh Power Transmission Corporation Ltd. (₹ 424.50 crore), Himachal Pradesh Power Corporation (₹ 1,024.71 crore), Himachal Pradesh State Electricity Board Ltd. (₹ 869.64 crore) and Himachal Road Transport Corporation (₹ 1,320.82 crore).

Quantum of loans/interest receipts/ cost of borrowings	2019-20	2020-21	2021-22	2022-23	2023-24
Interest received	135.11	248.98	97.72	15.44	47.65
Interest rate on Loans and Advances given by the Government (<i>per cent</i>)	1.94	3.37	1.24	0.19	0.59
Interest payments as <i>per cent</i> to outstanding Fiscal liabilities of the previous year (<i>per cent</i>)	7.80	7.19	6.91	6.99	6.87
Difference between the rate of interest paid and interest received (<i>per cent</i>)	5.86	3.82	5.64	6.80	6.28

Source: Finance Accounts.

* From 2016-17 onwards, closing and opening balance includes ₹ 2,890.50 crore of loans given to DISCOM under UDAY Scheme.

During 2023-24, an amount of ₹ 106.95 crore was advanced as loans against ₹ 110.57 crore during the previous year. The major portion of loans amounting to ₹ 98.35 crore (91.96 *per cent*) was given only to Power sector. Loans amounting to ₹ 7,743.37 crore were outstanding at the beginning of the year against Power sector. Over the last 10 years, repayment of earlier loans was not made by the Public Sector Undertakings under Power sector. However, further loans are being extended continuously to Power sector without recovery of earlier loans.

During the current year (2023-24), recovery of only ₹ 27.40 crore was made, in which major portion (₹ 21.49 crore i.e. 78.43 *per cent*) pertained to Co-operatives.

(v) Capital blocked in incomplete projects

An assessment of trends in Capital blocked in incomplete Capital works would also indicate quality of Capital expenditure. Blocking of funds in incomplete projects/ works impinges negatively on the quality of expenditure and deprives the State of the intended benefits for prolonged periods. Further, the funds borrowed for implementation of these projects during the respective years lead to extra burden in terms of servicing of debt and interest liabilities. Details of age-wise and Department-wise incomplete projects, which were to be completed up to 2023-24 are shown in **Tables 2.28** and **2.29** respectively.

Table 2.28: Age-profile of incomplete projects as on 31 st March 2024 (₹ in crore)			
Year of commencement	No. of incomplete projects	Estimated cost	Expenditure (as on 31 st March 2024)
Up to 2015	15	600.77	564.69
2016	4	112.95	95.87
2017	5	54.70	20.00
2018	8	55.29	46.97
2019	2	19.13	16.71
2021	3	29.82	7.95
2022	5	53.54	33.04
2023	8	136.94	68.94
2024	1	24.86	4.00
Total	51	1,088.00	858.17

Table 2.29: Department-wise profile of incomplete projects as on 31 st March 2024 (₹ in crore)			
Department	No. of incomplete projects	Estimated cost	Expenditure (as on 31 st March 2024)
I&PH	27	752.75	679.97
PWD (Bridges & Roads)	24	335.25	178.20
Total	51	1,088.00	858.17

Source: Finance Accounts.

The expenditure of ₹ 858.17 crore incurred on 51 incomplete projects was yet to yield the intended benefits. Out of 51 incomplete projects, 15 projects on which expenditure of ₹ 564.69 crore had been incurred till 31.03.2024, pertained to the period prior to the year 2015.

Delay in completion of projects not only adversely affected the quality of expenditure but also deprived the State of intended benefits and economic growth.

2.4.2.3 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. Details of PPP projects (completed, ongoing and planned) as on 31st March 2024 are given in **Appendix 2.6**, and sector-wise details of PPP projects are given in **Table 2.30**.

Table 2.30: Sector-wise details of PPP projects

(₹ in crore)

Sr. No.	Sector	Completed		Ongoing		Planned	
		Number	Estimated Cost*	Number	Estimated Cost*	Number	Estimated Cost*
1.	Urban Infrastructure	7	124.00	9	383.00	3	--
2.	Energy	36	14,456.00	12	4,881.41	47	5,123.11
3.	Social	4	115.00	0	0	0	0
4.	Tourism	3	177.00	6	680.00	3	--
5.	Others	0	0	4	13.00	2	--
Total		50	14,872.00	31	5,957.41	55	5,123.11

Source: Departmental figures.

* Project(s) for which cost is not known has(have) not been included in the Estimated Cost.

2.4.3 Expenditure priorities

Enhancing human development levels requires the States to step up expenditure on key social services like education, health, etc. Low Fiscal priority (ratio of expenditure under a category to aggregate expenditure) can be said to be attached to a particular sector if the allocation is below the respective national average. The higher the ratio of these components to total expenditure, the better the quality of expenditure.

Table 2.31 analyses expenditure priorities of the State Government in comparison with North Eastern & Himalayan (NE & H) States, with regard to aggregate expenditure, expenditure on Education and Health sectors and Capital expenditure during 2023-24, taking 2019-20 as base year.

Table 2.31: Expenditure priority of the State in 2019-20 and 2023-24

(in per cent)

Fiscal priority of the State	TE/ GSDP	CE/ TE	Education/ TE	Health/ TE
North Eastern & Himalayan (NE & H) States (2019-20)	26.21	14.94	17.08	6.37
Himachal Pradesh (2019-20)	22.85	15.49	17.43	6.34
North Eastern & Himalayan (NE & H) States (2023-24)	25.19	17.61	15.93	6.43
Himachal Pradesh (2023-24)	24.33	11.37	16.47	6.34

Note: TE-Total expenditure and CE-Capital expenditure (includes Loans and Advances disbursed).

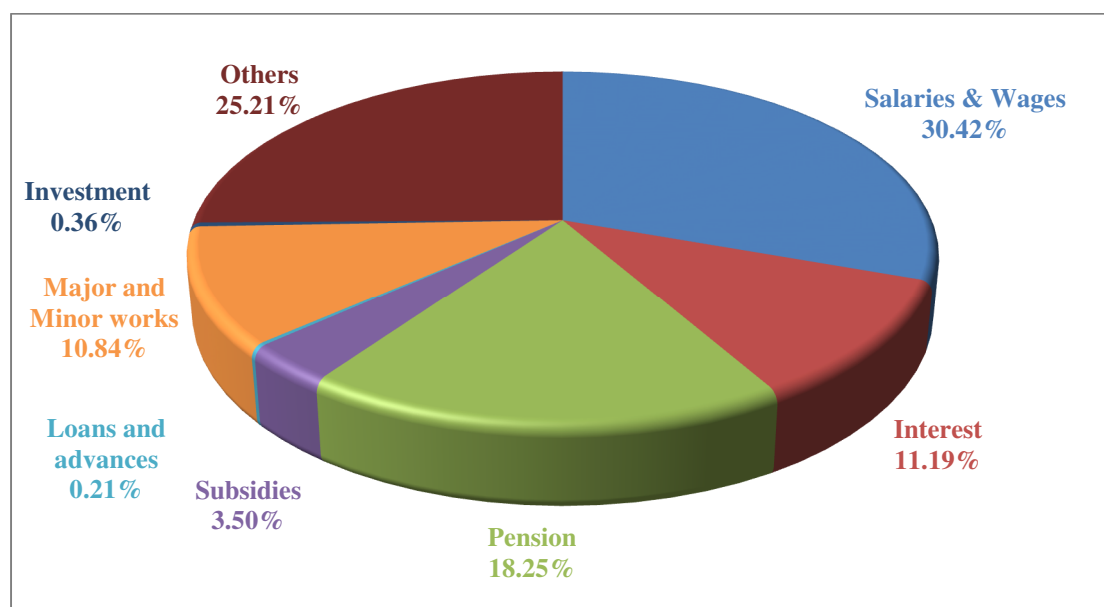
Table 2.31 shows that:

- The State Government's total expenditure as proportion of GSDP, increased from 22.85 *per cent* in 2019-20 to 24.33 *per cent* in 2023-24 whereas for North Eastern & Himalayan (NE &H) States, it decreased from 26.21 *per cent* in 2019-20 to 25.19 *per cent* in 2023-24.
- Capital expenditure facilitates asset creation which generates opportunities for higher growth. The ratio of Capital expenditure to total expenditure decreased to 11.37 *per cent* in 2023-24 from 15.49 *per cent* in 2019-20. But this ratio for NE &H States increased to 17.61 *per cent* from 14.94 *per cent* during the same period.
- The ratio of expenditure on education to total expenditure in Himachal Pradesh decreased to 16.47 *per cent* in 2023-24 from 17.43 *per cent* in 2019-20 and in the case of NE &H States it also decreased to 15.93 *per cent* from 17.08 *per cent* during the same period.
- The ratio of expenditure on health to total expenditure in Himachal Pradesh remained static during 2019-20 and 2023-24, whereas in the case of NE &H States, it increased slightly to 6.43 *per cent* from 6.37 *per cent* during the same period.

2.4.4 Object head-wise expenditure

Object head-wise expenditure gives information about the object/ purpose of the expenditure. Details of object head-wise expenditure for the year 2023-24 are provided in Chart 2.15.

Chart 2.15: Object head-wise expenditure



Source: Finance Accounts.

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. The balance after disbursements during the year is the fund available with the Government for use for various purposes.

2.5.1 Net Public Account balances

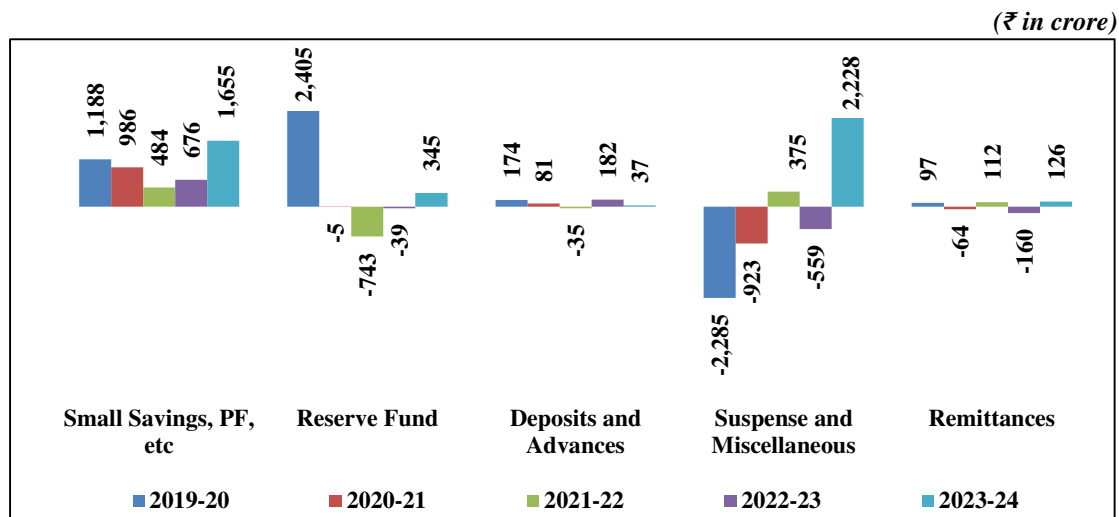
The component-wise net balances in Public Account of the State are given in **Table 2.32** and yearly changes in composition of Public Account balances are depicted in **Chart 2.16**.

Table 2.32: Component-wise net balances in Public Account

(₹ in crore)						
Sector	Sub Sector	2019-20	2020-21	2021-22	2022-23	2023-24
I.-Small Savings, Provident Funds, etc.	Small Savings, Provident Funds, etc.	15,537.13	16,522.64	17,006.28	17,682.25	19,337.57
	Total (I)	15,537.13	16,522.64	17,006.28	17,682.25	19,337.57
J.-Reserve Funds	(a) Reserve Funds bearing Interest	1,887.65	1,882.54	1,657.90	1,664.27	1,969.07
	(b) Reserve Funds not bearing Interest	834.66	834.66	316.00	270.44	310.70
	Total (J)	2,722.31	2,717.20	1,973.90	1,934.71	2,279.77
K.-Deposits and Advances	(a) Deposits bearing Interest	-1.64	7.66	14.30	17.39	16.50
	(b) Deposits not bearing Interest	3,382.45	3,454.50	3,412.87	3,591.61	3,629.99
	(c) Advances	-0.51	-0.51	-0.51	-0.51	-0.51
	Total (K)	3,380.30	3,461.65	3,426.66	3,608.49	3,645.98
L.-Suspense and Miscellaneous	(a) Suspense	-1,330.44	-1,539.83	-292.98	224.94	265.28
	(b) Other Accounts	-982.25	-1,696.28	-2,568.27	-3,645.37	-1,458.00
	(c) Accounts with Governments of Foreign Countries	--	--	--	--	0.00
	(d) Miscellaneous	--	--	--	--	0.00
	Total (L)	-2,312.69	-3,236.11	-2,861.25	-3,420.43	-1,192.72
M.-Remittances	(a) Money Orders, and other Remittances	612.45	546.02	653.51	494.02	620.18
	(b) Inter-Governmental Adjustment Account	-6.16	-4.11	-0.01	-0.06	0.07
	Total (M)	606.29	541.91	653.50	493.96	620.25
Grand Total		19,933.34	20,007.29	20,199.09	20,298.98	24,690.85

Source: Finance Accounts.

Chart 2.16: Yearly changes in composition of Public Account balances



Source: Finance Accounts of respective years.

2.5.2 Reserve Funds

Reserve Funds are created for specific and defined purposes under the Public Account of the State Government. These funds are met from contributions or grants from the Consolidated Fund or from outside agencies. It comprises interest bearing reserve funds and reserve funds not bearing interest.

Details of Reserve Funds are available in Statements 21 and 22 of the Finance Accounts. There were three interest bearing funds and four Reserve Funds not bearing interest as on 31st March 2024. The fund balances lying in these Reserve Funds as on 31st March 2024 are given in **Table 2.33**.

Table 2.33: Details of Reserve Fund

(₹ in crore)

Sr. No.	Name of Reserve Fund	Balance as on 31 st March 2024
A	Reserve Funds bearing Interest	1,969.07
1	State Disaster Response Fund	58.15
2	State Compensatory Afforestation Fund	1,867.46
3	State Disaster Mitigation Fund	43.46
B	Reserve Funds not bearing Interest	310.69
1	Industrial Development Funds	0.16
2	Electricity Development Funds	254.32
3	National Disaster Response Fund	56.22
4	Consumer Welfare	--*
Grand Total		2,279.76

Source: Finance Accounts.

* ₹ 0.07 lakh only.

2.5.2.1 Consolidated Sinking Fund

In terms of the recommendations of the Twelfth Finance Commission, State Governments were required to create Consolidated Sinking Fund to be administered by the Reserve Bank of India for redemption of outstanding liabilities. As per model

Consolidated Sinking Fund scheme, circulated by RBI's guidelines of 2006 for voluntary adoption by the States, the State Government was to make minimum annual contributions to the Fund at the rate of 0.5 *per cent* of the outstanding liabilities at the end of the previous financial year.

As per the above directions, by the end of the year 2023-24 the State Government was required to contribute 0.5 *per cent* of the outstanding liabilities as on 31st March 2023. The outstanding liabilities of the State Government, as of 31st March 2023, was ₹ 82,177.21 crore. Thus, the State Government was required to contribute a minimum amount of ₹ 410.89 crore (0.5 *per cent* of ₹ 82,177.21 crore) in 2023-24 into the fund.

However, the State Government had not created the Consolidated Sinking Fund so far.

2.5.2.2 State Disaster Risk Management Fund

The Fifteenth Finance Commission (15th FC) recommended creation of a State Disaster Risk Management Fund (SDRMF) at State level, which would include State Disaster Response Fund (SDRF) and State Disaster Mitigation Fund (SDMF). The total State allocation for SDRMF would be divided into SDRF and SDMF, which together address the full cycle of disaster management needs – response and relief, recovery and reconstruction, preparedness and capacity building and mitigation. SDRF would receive 80 *per cent* of the total SDRMF, while SDMF would get 20 *per cent* of the allocation.

(a) State Disaster Response Fund

The Government of India replaced the erstwhile Calamity Relief Fund with the State Disaster Response Fund (SDRF) with effect from 1 April 2010. In terms of the guidelines of SDRF (September 2010, July 2015 and January 2022), the Centre and the State Governments are required to contribute to the Fund in the proportion of 90:10. The contributions are to be transferred under the Public Account to Major Head – 8121. Expenditure during the year is incurred by operating Major Head – 2245.

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. The accretions to the SDRF together with the income earned on the investment of SDRF is to be invested in Central Government dated Securities, auctioned Treasury Bills and other interest earning deposits with Scheduled Commercial Banks.

The SDRF is to be used only for meeting expenditure for providing immediate relief to the victims of a disaster and provision for disaster preparedness, restoration, reconstruction and mitigation should not be a part of SDRF. Such expenditure has to be built into the normal budgetary heads/State Plan Funds, etc.

As per Finance Accounts, during the year 2023-24, the State Government received ₹ 360.80 crore as Central Government's share. The State Government's share during the year is ₹ 40.00 crore. The State Government transferred ₹ 401.00 crore {(Central share ₹ 360.80 crore, State share ₹ 40.20 crore (excess transfer ₹ 0.20 crore pertains to the year 2021-22))} to the Fund under Major Head 8121-122 SDRF.

In addition, the State received ₹ 787.25 crore from the Central Government towards NDRF, which was deposited / transferred to the Fund under Major Head 8235-125 NDRF as on 31st March 2024.

The balances of 31st March 2023 of ₹ 55.55 crore under SDRF were also not invested by the State Government. Interest of ₹ 11.36 crore {interest calculated at the rate of 8.50 *per cent* (average rate of W&MA during 2022-23, 6.50 plus 2 *per cent*)} would have been earned had these balances been invested, which resulted in understatement of Revenue Deficit and Fiscal Deficit to that extent.

Details of expenditure charged to SDRF during 2023-24 are given in **Table 2.34**.

Table 2.34: Details of expenditure charged to SDRF during 2023-24

(₹ in crore)		
Major Head of Account	Minor Head of Account	Expenditure
2245- Relief on Account of Natural Calamities 02- Floods, Cyclones, etc.	101-Gratuitous Relief	48.22
	102-Drinking Water Supply	0.60
	106-Repairs and restoration of damaged roads and bridges	448.35
	109- Repairs and restoration of damaged water supply, drainage and sewerage work	346.75
	111-Ex-gratia payments to bereaved families	77.21
	113-Assistance for repairs/ reconstruction of Houses	39.13
	193-Assistance to Local Bodies and other non-Government Bodies/ Institutions	141.62
	Total	1,101.88
2245- Relief on Account of Natural Calamities 05-State Disaster Response Fund	901- Deduct - Amount met from State Disaster Response Fund	-1,145.40

Source: Finance Accounts.

(b) State Disaster Mitigation Fund

The State Disaster Mitigation Fund (SDMF) is to be constituted under Section 48 (1) (c) of the Disaster Management Act, 2005. This Fund is exclusively for the purpose of mitigation projects in respect of disaster covered under State Disaster Response Fund (SDRF)/ National Disaster Response Fund (NDRF) guidelines and the State specific local disaster notified by the State Government from time to time. The State Government has created the SDMF (under Major Head- '8121 General and Other Reserve Funds' which is under interest bearing section) vide Notification No. Fin-G-C (2) 05/2022, dated 27.02.2023.

During the year 2023-24, the State Government received ₹ 42.80 crore as Central Government's share. The State Government's share during the year is ₹ 4.80 crore. The State Government transferred ₹ 95.20 crore (Central share: ₹ 85.60 crore {2022-23 (received on 31st March 2023): ₹ 42.80 crore and 2023-24: ₹ 42.80 crore}, State share ₹ 9.60 crore (2022-23 (received on 31st March 2023): ₹ 4.80 crore and 2023-24: ₹ 4.80 crore) to the Fund under Major Head 8121-130 SDMF.

An amount of ₹ 93.78 crore was set off in the Major Head 2245 as expenditure met from the funds and no amount was invested from the Fund. The closing balance as on 31st March 2024 was ₹ 43.46 crore in the fund.

2.5.2.3 Guarantee Redemption Fund

Guarantee Redemption Fund is to be constituted for meeting payment obligations arising out of guarantees issued by the Government in respect of bonds and other borrowings by State Public Sector Undertakings or other Bodies and invoked by beneficiaries. The accumulations in the Fund are to be utilised only towards payment of guarantees issued by the Government and not paid by the institutions on whose behalf guarantee was issued. The Reserve Bank of India circulated a draft scheme (August 2001) for voluntary adoption by States, as per which the State Government was to contribute an amount equivalent to at least 0.5 *per cent* of the outstanding guarantees at the end of the second financial year preceding the current financial year as reflected in the books of accounts maintained by the Pr. Accountant General (A&E). The State Government, however, had not set up a Guarantee Redemption Fund so far.

The outstanding guarantees at the close of the financial year 2023-24 was ₹ 1,744.81 crore. In case of default, by a PSU or other body, the State Government will have to bear the expenditure from other available resources in absence of Guarantee Redemption Fund, putting more stress on the finances. However, the outstanding guarantee accounted for 4.58 *per cent* of the total Revenue receipts of the previous year (2022-23) of the State, which was within the limit of the target 40 *per cent* of the total Revenue receipts of the previous year, as prescribed in the FRBM Act.

2.5.2.4 State Compensatory Afforestation Fund

State Compensatory Afforestation Fund (SCAF) was required to be created for administering amounts received and utilising monies collected for undertaking compensatory afforestation, assisted natural regeneration, conservation and protection of forests, infrastructure development, wildlife conservation and protection and other related activities and for matters connected therewith or incidental thereto. Detailed guidelines for accounting under this Fund have been issued by Ministry of Environment, Forest and Climate Change, Government of India in November 2018.

During the year 2023-24, the State Government has not received any amount from the user agencies. Government received ₹ 308.30 crore (no amount *in previous year*) from National Compensatory Afforestation Deposit. The Government incurred an expenditure of ₹ 61.55 crore from the Fund and no amount was invested during the year. The State Government paid interest of ₹ 54.03 crore due for the year 2023-24 to the Fund under Major Head 8121-129-SCAF.

The balance in the State Compensatory Afforestation Fund as on 31st March, 2024 was ₹ 1,867.46 crore.

2.5.2.5 Central Road and Infrastructure Fund

The erstwhile Central Road Fund (CRF) has been renamed as the Central Road and Infrastructure Fund (CRIF) vide Government of India's Gazette notification dated 31.03.2018. The CRIF will be used for development and maintenance of National Highways, Railway projects, improvement of safety in Railways, State and Rural roads and other infrastructure, etc.

In terms of the extant accounting procedure, the grants received by the State from the Centre are to be initially booked as Revenue receipts under Major Head 1601.

Thereafter, the amount so received is to be transferred by the State Government to the Public Account under Major Head 8449-103- Subventions from Central Road and Infrastructure Fund through functional Major Head(s).

During the year 2023-24, the State Government received grants of ₹ 136.32 crore towards CRIF. The State Government did not transfer ₹ 136.32 crore to the Fund in the Public Account, as the Fund has not been yet created by the State Government. However, during the year, the State Government spent ₹ 148.04 crore on CRIF from Capital expenditure heads.

2.5.3 Suspense and Miscellaneous

During the year 2023-24, an amount of ₹ 21.58 crore had been cleared from the Suspense and ₹ 5.73 crore remained outstanding under Suspense [Major Head 8658, Minor Head 110-Reserve Bank Suspense-Central Accounts Office] by the office of the Principal Accountant General (A&E), for want of documents like vouchers/challans/sanction letters, etc. The total expenditure of the Government is understated to that extent.

Further, an amount of ₹ 40.07 crore of Objection Book suspense of previous years (Revenue expenditure ₹ 34.94 crore and Capital expenditure ₹ 5.13 crore) has been cleared during 2023-24. Thus, the Revenue expenditure/Capital expenditure in the Finance Accounts and actual expenditure in the Appropriation Accounts against the Budget provisions for the year 2023-24 are overstated to that extent.

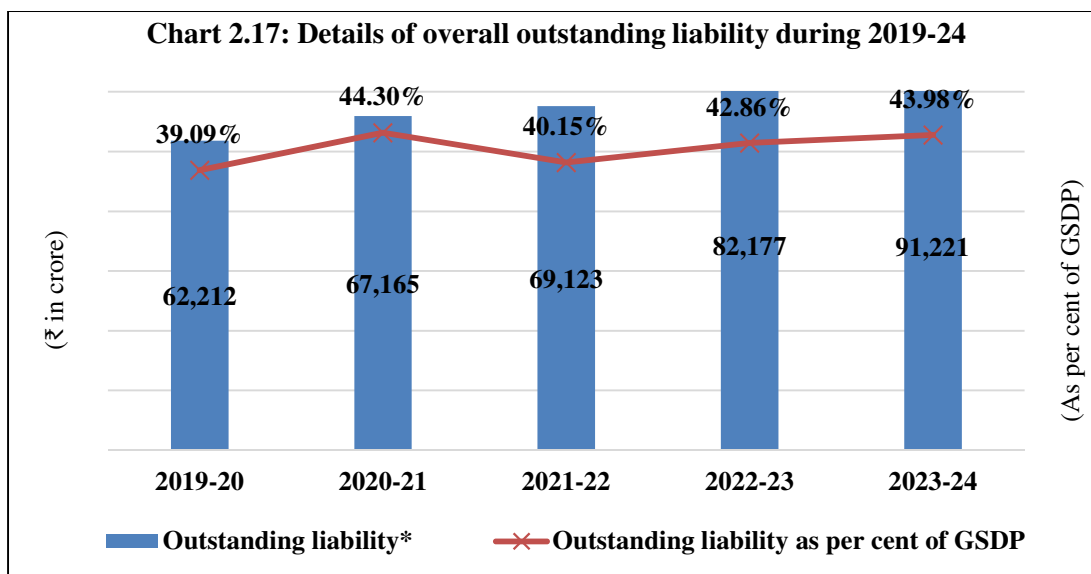
The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balance under these heads, worked out by aggregating the outstanding debit and credit balances separately under various heads, was ₹ 885.53 crore (credit) under Suspense and Remittance Heads as on 31st March 2024 [₹718.90 crore (credit) as on 31st March 2023].

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

2.6 Public Liability Management

Management of public liability is the process of establishing and executing a strategy for managing the Government's liabilities 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 Government may have set through enactment or Budget announcements.

The year-wise position of overall outstanding liability for the period 2019-20 to 2023-24 is given in **Chart 2.17**.



* Total outstanding liabilities and ratio of total outstanding debt to GDP excludes ₹ 1,717 crore for the year 2020-21 and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore and 2021-22: ₹ 2,695.22 crore) for the years 2021-22, 2022-23 and 2023-24 as back-to-back loans to State from Government of India in lieu of GST compensation shortfall.

2.6.1 Liability profile: Components

Total liability of the State Government consists of Internal Debt of the State (Market Loans, Ways and Means Advances from RBI, Special Securities issued to National Small Savings Fund and Loans from Financial Institutions, etc.), Loans and Advances from the Central Government and Public Account Liabilities. The outstanding Fiscal liabilities of the State for the year 2023-24 are presented in **Chart 2.18**. The component-wise liability trends of the State for the five-year period from 2019-20 to 2023-24 are shown in **Table 2.35**.

Table 2.35: Component-wise liability trends

			(₹ in crore)				
Sr. No.	Components of Fiscal liability		2019-20	2020-21	2021-22	2022-23	2023-24
	Outstanding Total Liability* as of 31 st March 2024 (1+2)		62,211.84	67,164.75	69,122.58	82,177.21	91,220.73
1.	Public Debt	(a) Internal Debt	39,527.77	42,918.21	44,376.03	55,975.16	61,439.29
		(b) Loans from Government of India	1,043.81	1,544.54	4,056.19	2,976.09	4,517.61
2.	Public Account Liabilities, of which		21,640.26	22,702.00	22,407.36	23,225.96	25,263.83
	Small Savings, Provident Funds, etc.		15,537.13	16,522.64	17,006.28	17,682.25	19,337.57
	Reserve Funds bearing Interest		1,887.65	1,882.54	1,657.90	1,664.27	1,969.07
	Reserve Funds not bearing Interest		834.66	834.66	316.00	270.44	310.70
	Deposits bearing Interest		-1.63	7.66	14.30	17.39	16.50
	Deposits not bearing Interest		3,382.45	3,454.50	3,412.88	3,591.61	3,629.99
3.	Rate of growth of outstanding total liability (percentage)		14.57	7.96	2.91	18.89	11.00
4.	Gross State Domestic Product		1,59,164	1,51,601	1,72,162 ^a	1,91,728 ^b	2,07,430 ^c

	Components of Fiscal liability	2019-20	2020-21	2021-22	2022-23	2023-24
	(GSDP)					
5.	Total liability/GSDP (<i>per cent</i>)	39.09	44.30	40.15	42.86	43.98
	Borrowings and Other Liabilities (as per Statement 6 of Finance Accounts)					
6.	Total Public Debt Receipts	10,847.39	15,032.21	6,639.75	22,371.82	14,901.51
7.	Total Public Debt Repayments	6,700.75	11,141.05	4,387.28	10,135.80	7,895.87
8.	Net funds available (6-7)	4,146.64	3,891.16	2,252.47	12,236.02	7,005.64
9.	Repayments/ Receipts (<i>per cent</i>) (7/6)	61.77	74.11	66.08	45.31	52.99
10.	Net Public Account Receipts	2,458.27	787.97	1,063.80	1,176.99	2,204.49
11.	Total Debt Available (8+10)	6,604.91	4,679.13	3,316.27	13,413.01	9,210.13

Source: Finance Accounts of respective years.

* Excludes ₹ 1,717 crore (2020-21) and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore and 2021-22: ₹ 2,695.22 crore) for the year 2021-22, 2022-23 and 2023-24 as back-to-back loans to State from Government of India in lieu of GST compensation shortfall.

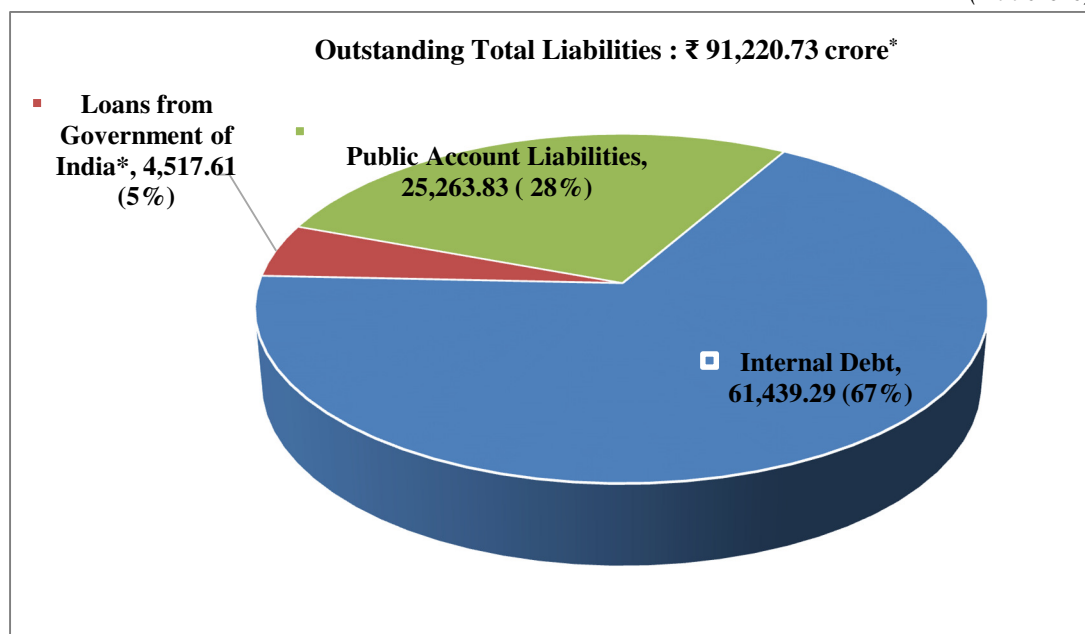
a – Second Revised Estimate, b – First Revised Estimate, c – Advance Estimate.

The outstanding total liability of the State increased by ₹ 29,008.89 crore from ₹ 62,211.84 crore in 2019-20 to ₹ 91,220.73 crore in 2023-24 registering an increase of 46.63 *per cent*. Over the period of five years (2019-24), Internal debt of the State (which mainly included outstanding long term loans raised from open market, bonds issued for clearing debts of State Power Corporation Limited in compliance with the implementation of Ujwal Discom Assurance Yojna (UDAY) during 2016-17) increased by ₹ 21,911.52 crore (55 *per cent*); Loans from Government of India (which mainly included Block loans) increased by ₹ 3,473.80 crore (333 *per cent*); and Public Account Liability (which mainly included Small Savings, Provident Funds, Reserve Funds, Deposits, etc.) increased by ₹ 3,623.57 crore (17 *per cent*).

As shown in the table above, during the period 2019-24 the percentage of debt repayments to debt receipts ranged between 45.31 *per cent* and 74.11 *per cent* (at an average of 60 *per cent*). This means that the State Government used only 40 *per cent* (average) of debt receipts on developmental activities (in 2022-23 and 2023-24 debt receipts was also used for meeting Revenue expenditure).

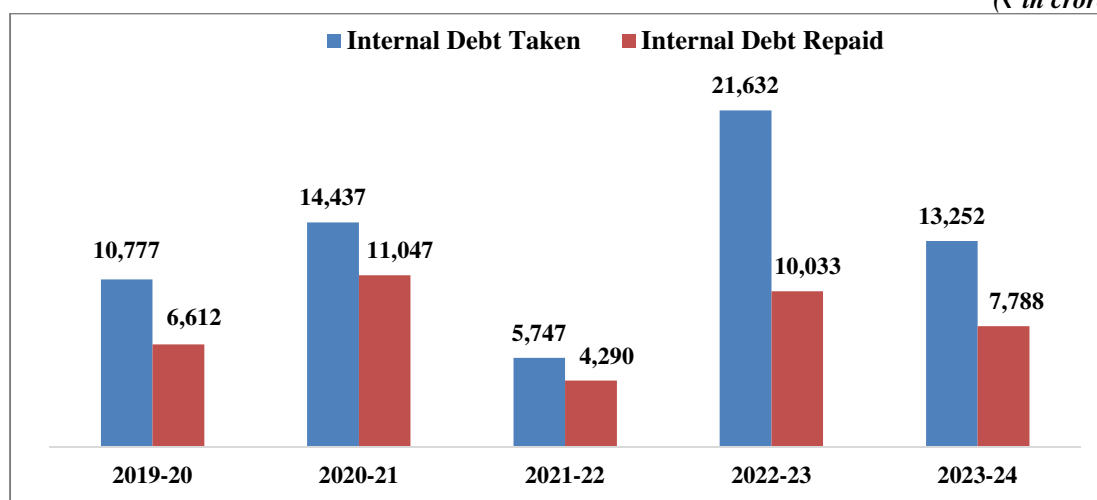
During 2023-24, total liability increased by 11 *per cent* (₹ 9,043.52 crore) as compared to 18.89 *per cent* (₹ 13,054.63 crore) in the previous year. The ratio of total liability to GSDP remained in the range between 39.09 *per cent* and 44.30 *per cent* during the period of 5 years. The total liability/ GSDP ratio (43.98 *per cent*) was substantially higher than that of 15th FC projections (36.80 *per cent*) and targets set by State Government in its Budget/ MTFPS (38.98 *per cent*).

Break-up of outstanding total liabilities at the end of 2023-24 is shown in **Chart 2.18**.

Chart 2.18: Break-up of outstanding total liabilities at the end of 31st March 2024(*₹ in crore*)

* Excludes ₹ 1,717 crore (2020-21) and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore and 2021-22: ₹ 2,695.22 crore) for the years 2020-22 as back-to-back loans to State from Government of India in lieu of GST compensation shortfall.

Chart 2.19 depicts the quantum of internal debt taken *vis-à-vis* repaid during the period of five years i.e. 2019-24.

Chart 2.19: Year-wise details of internal debt taken *vis-à-vis* repaid(*₹ in crore*)

Source: Finance Accounts of the respective years.

Internal debt of the State Government (receipts) is showing a fluctuating trend in the period of 5 years (2019-24). During the year 2022-23, State Government raised substantial amount of loan (₹ 21,632 crore) as compared to the year 2021-22. But during current year the amount of loan decreased to ₹ 13,252 crore, a decrease of ₹ 8,380 crore.

Table 2.36 depicts financing pattern of the Fiscal Deficit during 2019-24 and the financing of Fiscal Deficit during 2022-23 is expressed through a chart (**Chart 2.20**).

Table 2.36: Components of Fiscal Deficit and its financing pattern

(₹ in crore)

	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Composition of Fiscal Deficit		5,597.06	-5,700.09	-5,244.85	-12,379.83	-11,265.73
A	Revenue Surplus (+)/Deficit (-)	11.98	-96.66	1,114.76	-6,335.76	-5,558.59
B	Net Capital expenditure	-5,171.87	-5,306.33	-6,022.37	-6,016.30	-5,627.59
C	Net Loans and Advances	-437.17	-297.10	-337.25	-27.78	-79.55
Financing Pattern of Fiscal Deficit						
1	Market Borrowings	4,460.00	3755	1,874.99	1,2230	6,144.9
2	Loans from Government of India	-17.95	2,217.73*	3,489.87*	636.90	1,541.52
3	Special Securities Issued to NSSF	-569.10	-569.10	-569.10	-569.10	-569.10
4	Loans from Financial Institutions	273.69	204.54	151.92	-61.78	-111.68
5	Small Savings, Provident Fund, etc.	1,187.60	985.51	483.65	675.96	1,655.33
6	Deposits and Advances	173.71	81.35	-34.99	181.83	37.49
7	Suspense and Miscellaneous	-1,404.92	-209.39	1,246.84	517.93	40.33
8	Remittances	96.80	-64.38	111.59	-159.55	126.29
9	Reserve Fund	2,404.71	-5.11	-743.30	-39.18	345.05
10	Overall Deficit	6,604.54	6,396.15	6,011.47	13,413.01	9,210.13
11	Increase (-) / Decrease (+) in cash balances	-1,007.48	-696.06	-766.62	-1033.18	2,055.60
12	Gross Fiscal Deficit	5,597.06	5,700.09	5,244.85	12,379.83	11,265.73

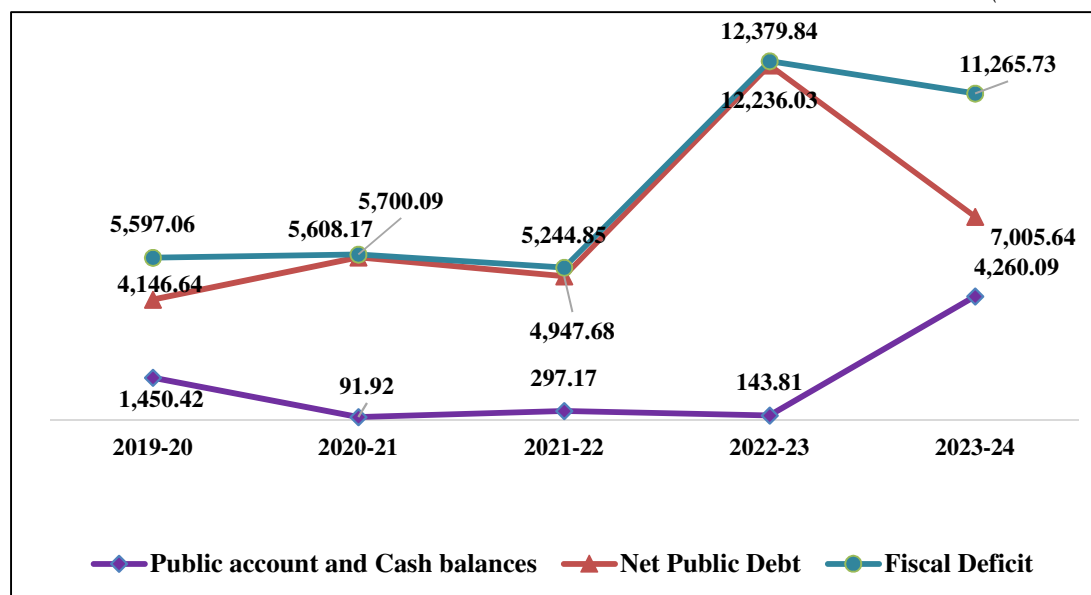
Source: Finance Accounts.

All these figures are net of disbursements/outflows during the year.

* Includes ₹ 1,717 crore (2020-21) and ₹ 2,695.22 crore (2021-22) as back-to-back loans to State from Government of India in lieu of GST compensation shortfall.

Chart 2.20: Trends of financing Fiscal Deficit during 2019-24

(₹ in crore)



The Fiscal Deficit of ₹ 11,265.73 crore in 2023-24 was largely financed through public debt which included market borrowings, loans from financial institutions and through Public Account including Small Savings, etc. as depicted in **Table 2.37**.

Table 2.37: Receipts and Disbursements under components financing the Fiscal Deficit*(₹ in crore)*

Sr. No.	Particulars	Receipt	Disbursement	Net
1	Market Borrowings	8,072.00	1,927.10	6,144.90
2	Loans from Government of India	1,649.15	107.63	1,541.52
3	Special Securities issued to NSSF	0.00	569.10	-569.10
4	Loans from Financial Institutions	799.99	911.67	-111.68
5	Small Savings, PF, etc.	4,794.75	3,139.42	1,655.33
6	Deposits and Advances	4,071.13	4,033.64	37.49
7	Suspense and Miscellaneous	1,401.15	1,360.82	40.33
8	Remittances	9,076.55	8,950.26	126.29
9	Reserve Fund	1,645.78	1,300.73	345.05
10	Overall Deficit	31,510.50	22,300.37	9,210.13
11	Increase/ Decrease in cash balance	3,556.04	1,500.44	2,055.60
12	Gross Fiscal Deficit	35,066.54	23,800.81	11,265.73

Source: Finance Accounts.

2.6.2 Debt profile: Maturity and Repayment

Debt maturity and repayment profile indicates commitment on the part of the Government for debt repayment or debt servicing. Debt maturity profile of the State is depicted in **Table 2.38** and **Chart 2.21**.

Table 2.38: Maturity Profile of repayment of public debt of the State

Period of repayment (Years)	Amount (₹ in crore)			Percentage (w.r.t. Total Public Debt)
	Public Debt (Principal)	Interest #	Total Public Debt (Principal + Interest)	
0-1	3,946.98	4,578.12	8,525.10	8.71
1-3	9,119.37	8,261.25	17,380.62	17.77
3-5	9,309.94	6,903.10	16,213.04	16.57
5-7	10,333.58	5,514.66	15,848.24	16.20
7-10	12,921.79	5,521.29	18,443.08	18.85
Above 10	16,740.51	4,679.38	21,419.89	21.90
Total	62,372.17*	35,457.79	97,829.96	

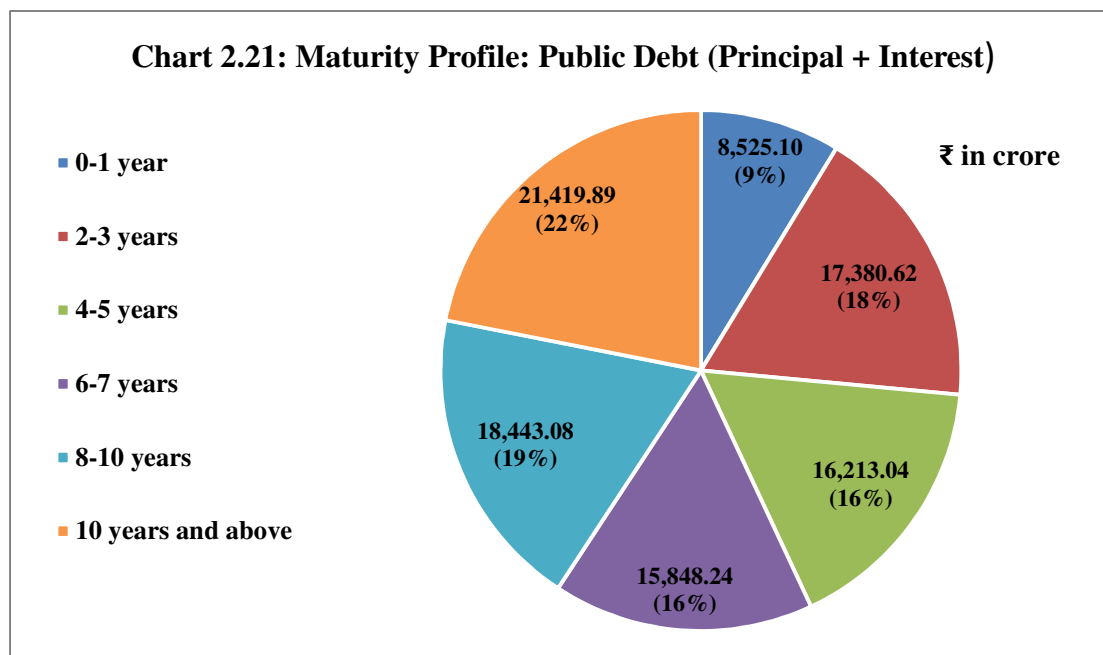
Source: Finance Accounts.

* This amount excludes ₹ 4,412.22 crore received during 2020-21 and 2021-22 as back-to-back loans from Government of India in lieu of GST compensation shortfall, ₹ 1,333 crore as payment of loans under “Scheme for Special assistant to State for Capital expenditure, ₹ 2,166.77 crore as scheme for Special Assistance as Loan to State for Capital Investment, ₹ 0.13 crore pertains to pre 1984-85 loans and maturity of ₹ 84.77 crore and ₹ 5.80 lakh is uncertain.

Approximate interest calculated at an average interest rate of 7.34 per cent (average of interest rates for the last five years as given in Table 2.39).

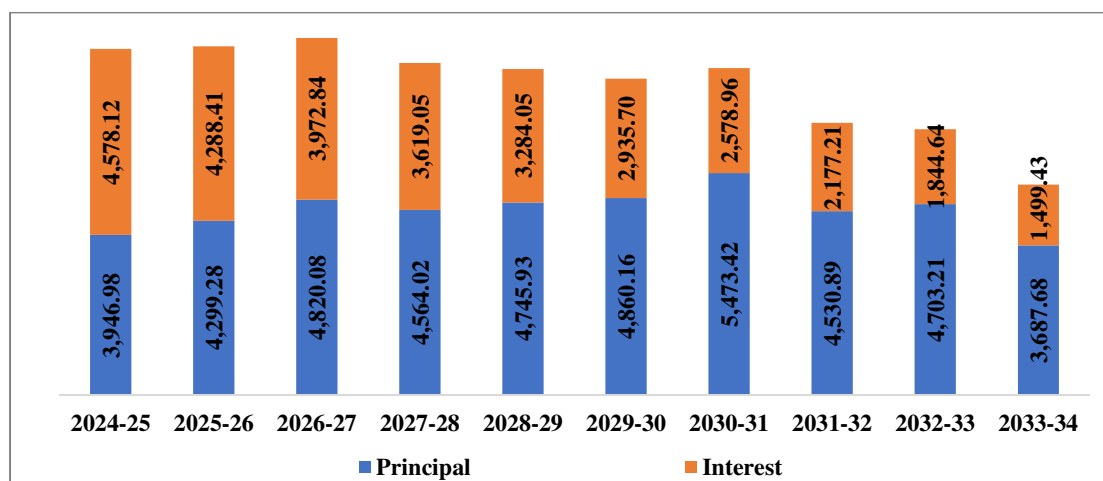
It can be seen from the above table that as of March 2024, out of total outstanding public debt along with interest of ₹ 97,829.96 crore (principal: ₹ 62,372.17 crore and interest: ₹ 35,457.79 crore), 8.71 per cent (₹ 8,525.10 crore) is payable in the next one year; 17.77 per cent (₹ 17,380.62 crore) is payable in the next one to three years (upto 2026-27); 16.57 per cent (₹ 16,213.04 crore) is payable in the next three to five years (upto 2028-29); 16.20 per cent (₹ 15,848.24 crore) is payable in the next five to seven years (upto 2030-31); 18.85 per cent (₹ 18,443.08 crore) is payable in the next seven to

10 years (upto 2033-34), while the remaining 21.90 *per cent* (₹ 21,419.89 crore) is to be paid after 10 years. Annual outgo on public debt repayment and interest will be approximately ₹ 8,423.75 crore during the next five years up to 2028-29 whereas current (2023-24) annual repayment of public debt (principal) including interest is ₹ 7,808.40 crore (excluding ways and means advances) which would fall short of meeting the debt liabilities.



Year-wise repayment schedule of Public Debt (including interest) during the next 10 years i.e. up to 2033-34 is given in **Chart 2.22**.

Chart 2.22: Year-wise Repayment schedule of Public Debt (including interest) during the next 10 years i.e. up to 2033-34 (₹ in crore)

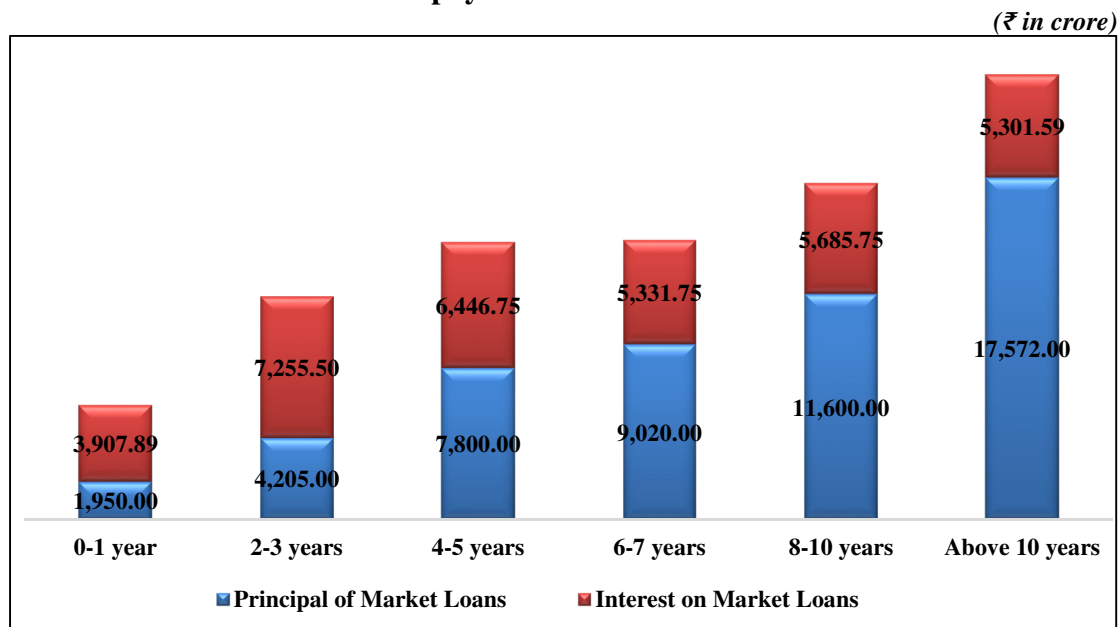


The above **Chart 2.22** shows that on an average, the State will have to repay public debt of ₹ 7,641.01 crore annually till 2032-33. In addition to the debt outstanding at the end of 2023-24, the State would have to resort to further borrowings every year to cover the resource gap.

Market Borrowings / Loans

The repayment schedule of market loans and interest to be paid thereon is detailed in **Chart 2.23**.

Chart 2.23: Repayment schedule of market loans



Source: Finance Accounts.

Note: The maturity profile has been calculated for outstanding market loans as on 31st March 2023 and interest has been calculated upto the financial year in which the loans are going to mature.

Out of total outstanding market loans along with interest of ₹ 86,076 crore (principal: ₹ 52,147 crore and interest: ₹ 33,929 crore), the State will have to repay ₹ 6,155 crore of principal of market loans and interest of ₹ 11,163 crore in the next three financial years *i.e.* up to 2026-27. In the next two financial years, ₹ 7,800 crore principal and interest of ₹ 6,447 crore will be payable. Thus, the annual outgo on market loan repayment and interest will be approximately ₹ 6,313 crore during the next five years up to 2028-29. During 2023-24 repayment of market loans including interest was ₹ 5,418 crore.

2.7 Debt Sustainability Analysis (DSA)

Debt sustainability analysis has been carried out on the basis of Fiscal and Debt parameters; Domar approach and compliance of macro-fiscal parameters to the respective FRBM targets. The results of the analysis are given in the following paragraphs:

(A) Debt sustainability refers to the ability of the State to service its debt obligations now and in the future. Analysis of variations for a period of five years from 2019-20 to 2023-24 in debt sustainability indicators is given in **Table 2.39** and **Chart 2.24**.

Table 2.39: Trends in Debt Sustainability indicators

(₹ in crore)

Sr. No.	Debt Sustainability Indicators	2019-20	2020-21	2021-22	2022-23	2023-24
1	Overall Liabilities or Overall Debt	62,211.84	67,164.75	69,122.58	82,177.21	91,220.73
2	Rate of Growth of Overall Debt (<i>per cent</i>)	14.57	7.96	2.91	18.89	11.00
3	GSDP (in nominal terms)	1,59,164	1,51,601	1,72,162	1,91,728	2,07,430
4	Nominal GSDP growth (<i>per cent</i>)	7.27	-4.75	13.56	11.36	8.19
5	Overall Debt/GSDP (<i>per cent</i>)	39.09	44.30	40.15	42.86	43.98
6	Maturity profile of all kinds of borrowings					
6a	0-2 years	17,112.79				
6b	2-5 years	25,005.96				
6c	5-10 years	34,291.32				
6d	Over 10 years	21,419.89				
7	Repayment to Gross Borrowings (<i>per cent</i>)	82.57	91.04	99.93	74.84	86.64
8	Net borrowings available as a percentage of Gross Borrowings	17.43	8.96	0.07	25.16	13.36
9	Interest payments on Overall Debt	4,234.02	4,472.45	4,640.79	4,828.64	5,648.37
10	Effective rate of interest on Overall Debt (<i>per cent</i>)	7.79	7.43	7.34	6.88	7.06
11	Interest payment to Revenue receipts (<i>per cent</i>)	13.77	13.38	12.44	12.68	14.42
12	Revenue Deficit (-)/Surplus (+)	11.98	-96.66	1,114.76	-6,335.76	-5,558.59
13	Primary Revenue Balance (PRB)	4,246	4,375.52	5,755.55	-1,507.12	89.78
14	Primary Balance (PB)	-1,363	-1,228	-604	-7,551	-5,617
15	PB/GSDP (<i>per cent</i>)	-0.86	-0.81	-0.35	-3.94	-2.71
16	Difference between RoI and effective rate of interest on overall liability	-5.90	-4.13	-6.10	-6.69	-6.47
17	Liquidity management (use of financial accommodation instrument available with RBI) (in number of occasions)	38	63	16	70	41
18	Debt Stabilisation (Quantum spread + Primary balance)	-1,664.44	-8,824.02	3,380.35	-4,126.90	-4,667.13
19	Domar Criteria					
A	GSDP (in constant terms)	1,21,227	1,15,958	1,24,770	1,33,372	1,42,800
B	Real Growth (in constant terms)	4.13	-4.35	7.60	6.89	7.07
C	Inflation based on CPI (<i>per cent</i>)	3.50	4.65	6.66	4.50	5.04
D	Effective Rate of interest on Overall Debt	7.79	7.43	7.34	6.88	7.06
E	Real effective rate of interest (Effective rate of interest-Inflation)	4.29	2.78	0.68	2.38	2.02
f	Growth Interest Differential (Real growth-Real effective rate of interest)	-0.15	-7.13	6.92	4.52	5.05

Source: State Finance Accounts of the respective years.

Overall Liabilities or Overall debt consists of Public Debt (including Ways and Means Advances) and other liabilities including Public Account Liability (including interest and non-interest-bearing reserve funds and deposits)

PRB: Revenue receipts - Revenue expenditure + Interest Payment, where (-) PB implies Primary Deficit and vice-versa.

PB: Total Receipts (net of borrowings) -Total Expenditure (net of interest payments), where (-) PB implies Primary Deficit and vice-versa.

Effective Rate of Interest: {Interest Payments/[(Average Outstanding Debt of Previous and Current Financial Year (excluding the non-interest-bearing liabilities))]}.

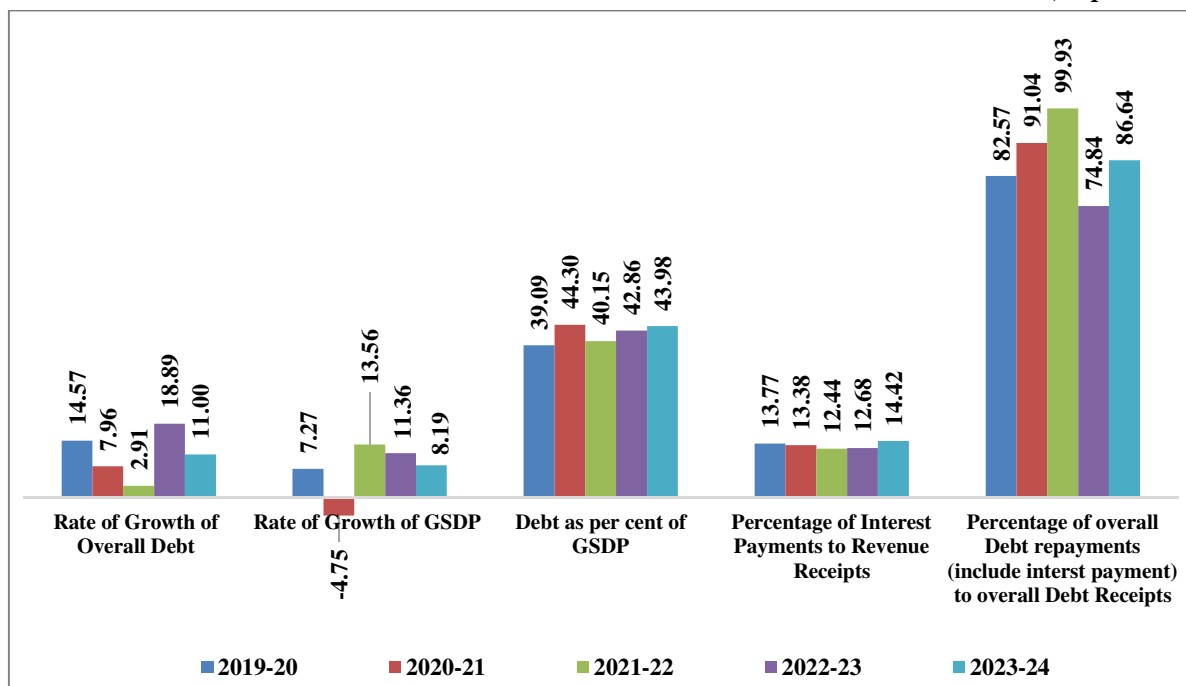
Quantum Spread: Interest Spread*Debt

RoI: Return on Investment

Trends in debt sustainability indicators for the five-year period from 2019-20 to 2023-24 are shown in **Chart 2.24**.

Chart 2.24: Trends of Debt Sustainability indicators

(In per cent)



Based on the data against each debt sustainability indicators given in **Table 2.39** above, the debt sustainability of the State can be analysed over the Fiscal years 2019-2024 as follows:

(i) Debt to GSDP Ratio

A low value of debt to GSDP ratio indicates that the State's economy is vibrant to pay the debt without incurring further debt. A high Debt to GSDP ratio signifies that the State's burden is substantial compared to its economic output/growth and indicates financial vulnerability and reduced Fiscal flexibility.

During 2019-20 to 2023-24, the Debt-to-GSDP ratio of the State fluctuated between 39.09 and 44.30 *per cent*, ending at 43.98 *per cent* in 2023-24. Although there was a reduction in the ratio during 2021-22, an increase to 42.86 *per cent* (2.71 percentage points) in 2022-23 and 43.98 *per cent* (1.12 percentage points) in 2023-24 implied rising financial vulnerability. Further, it can be observed from **Paragraph 1.4** that the State could not keep its debt to GSDP within the ceiling prescribed by the FC for the period 2019-24 and as per FRBM/MTFPS during 2019-24, except 2021-22.

A lower ratio would provide the State with greater Fiscal flexibility, allowing it to potentially handle economic shocks better without compromising on development or social spending. However, the current trend may indicate limited flexibility in meeting future debt obligations if economic growth does not keep pace with debt growth.

(ii) GSDP/Debt Growth Comparisons

When rate of nominal growth is more than the rate of growth of debt and rate of real growth is more than real rate of interest, GSDP growth is feasible for debt servicing; when these inequalities are reversed, the debt is on the sustainable path.

During 2019-20 to 2023-24 (except 2021-22), the State did not satisfy the sustainability conditions, as the growth rate of debt was well above the nominal growth rates in most years. However, for real growth rates, especially in 2020-21, the real growth was negative (-4.35 *per cent*) due to COVID pandemic, indicating difficulties in sustaining debt through real economic growth. The years 2021-22, 2022-23 and 2023-24 showed stronger real growth relative to the real effective interest rate, signaling a positive outlook for debt sustainability if this trend continues. This indicator suggests that while there may have been a setback in 2020-21, recent years demonstrated feasibility in debt servicing.

(iii) Primary Balances

A positive primary Revenue balance and primary balance indicates that the debt is on the sustainable path.

During 2019-20 to 2023-24, the State experienced negative primary balances (PBs) with highest negative PBs during the last two years. During the period, Primary Revenue balance (PRB) remains positive (except 2022-23), suggesting that the state's Revenue base can meet most Revenue expenditure needs before interest payments. A persistent negative PBs could add stress to debt sustainability.

(iv) Interest Payment Ratios

A declining trend in interest payment as percentage to Revenue receipts and interest payment as *per cent* to Revenue expenditure is an indication of sustainable debt whereas an increasing trend indicates an unsustainable debt trajectory.

Interest payments as a percentage of Revenue receipts showing decreasing trend during 2019-22, whereas it showing an increasing trend over the last two years i.e. 2022-23 and 2023-24 as compared to the previous year (2021-22).

(v) Maturity Profile

The longer average residual maturity period along with a small share of floating rate debt limits roll over risks and insulates interest rate volatility to maintain the debt sustainably.

The maturity profile of debt, with a significant portion (₹ 34,291 crore) maturing in the 5-10 years bracket, suggests moderate rollover risk. Debt maturing within 0-2 years (₹ 17,112 crore) and 2-5 years (₹ 25,006 crore) also adds to short-term pressures. The share of floating-rate debt is not provided explicitly but could affect the ability to withstand interest rate fluctuations, if significant. Ensuring that longer-maturity debt remains a larger proportion of the total debt profile would improve sustainability by minimising the pressure from immediate debt repayments and interest rate volatility.

(vi) Use of WMA and Overdraft Facilities

Sustainable use of Ways and Means Advances (WMA) and overdraft facility in large amount indicates poor liquidity management, which leads to poor Fiscal management and hinders short-term debt sustainability.

During 2019-20 to 2023-24, the number of occasions for liquidity accommodations, such as WMA or overdrafts, fluctuated between 16 and 70 occasions but declined during 2023-24 over the previous year, indicating better Fiscal management in current year. This declining trend reflects an improvement in liquidity management and a reduced reliance on short-term borrowing, thus enhancing short-term debt sustainability. Such a trend implies that the state's financial management practices are improving, allowing for a reduced dependency on temporary financial accommodation instruments.

(vii) Fiscal Imbalances

Fiscal Imbalance equals to zero indicates that Debt/GSDP ratio would remain constant. While positive Fiscal Imbalance signals fall in Debt/GSDP ratio and vice-versa.

During 2019-20 to 2023-24, the Fiscal imbalance has fluctuated, with the PB-to-GSDP ratio remaining negative, suggesting some strain on Fiscal sustainability. A zero or positive Fiscal imbalance would indicate a stable debt-to-GSDP ratio, but the negative PB-to-GSDP ratios over the period imply that more attention is needed to achieve a balanced Fiscal position. Maintaining a positive Fiscal Imbalances would contribute positively to debt sustainability.

(viii) Domar Criterion

As per the Domar criterion, average real growth remained higher than the average real interest rate, helping the Growth Interest Differential (GID) remaining favourable during 2019-2024 which enabled the State to recover the cost of borrowing. Contrary to the nominal growth driven by the real growth, average inflation as measured by Consumer Price Index which remained in the upper tolerance limit of bandwidth of 2-6 per cent determined by the RBI helped the State to suppress the real rate of interest below the real growth and to keep the GID favourable.

Thus, the DSA shows that debt to GSDP ratio of the State of Himachal Pradesh remained on the higher side to the indicative debt path or ceiling prescribed by the Finance Commission/ FRBM. The deterioration in Debt to GSDP ratio of the State, which witnessed a consistent increasing trend from 2021-22 to 2023-24 indicates that austerity measures need to be taken by the State to maintain the environment that it has created to stabilize debt to GSDP ratio and sustain the same in line with the indicating debt ceiling prescribed by the Finance Commission/FRBM.

Going by the analysis and results discussed above, the finances of the State of Himachal Pradesh is marked by increasing trend of liabilities, which pose risk to the target of debt stabilisation and debt sustainability.

(B) Details of the achievements *vis-à-vis* targets set in the HP-FRBM Act are shown in **Table 2.40**.

Table 2.40: Achievements *vis-à-vis* targets set in the HP-FRBM Act

Fiscal Parameters		Achievement vis a vis targets set in the HP-FRBM Act				
		2019-20	2020-21	2021-22	2022-23	2023-24
Revenue Deficit (-) / Surplus (+) (as per cent of GSDP)	T	Maintain Revenue Surplus				
	A	0.01	-0.06	0.65	-3.30	-2.68
Fiscal Deficit (-)/ Surplus (+) (as per cent of GSDP)	T	3 or less			6 or less	3.50 or less
	A	-3.52	-3.76	-3.05	-6.46	-5.43
Ratio of total outstanding debt [@] to GSDP (in per cent) ^{\$}	T	34.04	33.62	40.26	40.49	38.98
	A	39.09	44.30*	40.15*	42.86*	43.98*
Guarantees in terms of percentage of Revenue receipts of previous year	T	40 per cent of total Revenue receipt in the preceding financial year.				
	A	6.29	6.97	5.64	4.77	4.58

[@] Total outstanding debt includes public debt plus other (Public Accounts) liabilities.

^{*} Calculated by excluding ₹ 1,717 crore during 2020-21 and ₹ 4,412.22 during 2020-22 to 2023-24 received as back-to-back loan from Government of India in lieu of GST compensation shortfall, as the Department of Expenditure, Government of India has decided that it will not be treated as debt of the State Government for any norms which may be prescribed by the Finance Commission.

^{\$} Ratio of total outstanding debt to GSDP has been compared with the targets set in MTFPS, as the State Government did not specify the targets in the FRBM Act (after 2011 upto 2023, when amendments were made).

T- Target, A- Achievement.

After generating consistent Revenue Surplus since 2015-16, the State recorded a negative Revenue balance (Revenue Deficit) in 2020-21 and continued to have a Revenue Deficit of around three per cent of its GSDP during 2022-2024, which shows that borrowings were largely used to finance the State's recurring expenditure and not for development-oriented spending. In the last two years the Revenue Deficit remained high at 3.30 per cent (2022-23) and 2.68 per cent (2023-24) of GSDP, while the Fiscal Deficit was 6.46 per cent and 5.43 per cent during the same period.

The State has been able to keep the overall liability-GSDP ratio within the indicative debt path prescribed by the 14th Finance Commission for 2019-20, but breached the same prescribed by the 15th Finance Commission during 2021-2024. Similarly, it breached the ceiling of total outstanding debt-GSDP ratio provided under the FRBM Act, except in the year 2021-22. Breaching the levels of the fiscal indicators continuously may lead to the risk of the fiscal situation becoming unmanageable, especially when the State Government is yet to contribute to reserve funds like Guarantee Redemption fund, payment of implicit subsidies, etc.

On the basis of analysis of Fiscal sustainability and Domar model analysis (**Table 2.39**), it is inferred that the State Fiscal sustainability has risks in the short to medium-term, unless remedial measures are taken to rationalise expenditure, explore further sources, expand Revenue base, and invest in Revenue generating assets.

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. Trend in utilisation of borrowed funds during the past five years is shown in **Table 2.41** below.

Table 2.41: Utilisation of borrowed funds

(₹ in crore)

Sr. No.	Year	2019-20	2020-21	2021-22	2022-23	2023-24
1	Total Borrowings	10,847.39	15,032.21 ^{\$}	6,639.75 ^{\$}	22,371.82	14,901.51
2	Repayment of earlier borrowings –Principal component	6,700.75 (61.77)	11,141.04 (74.11)	4,387.28 (66.08)	10,135.80 (45.31)	7,895.87 (52.99)
3	Net Capital expenditure*	4,146.64 (38.23)	3,891.17 (25.89)	2,252.47 (33.92)	6,016.30 (26.89)	5,627.59 (37.76)
4	Loans and Advances disbursed	--	--	--	110.57 (0.49)	106.95 (0.72)
5	Portion of total borrowings utilised towards Revenue expenditure {1-(2+3+4)}	--	--	--	6,109.16 (27.31)	1271.10 (8.53)

Note: Figures in brackets indicate percentage with respect to the total borrowings.

^{\$} Excludes ₹ 1,717 crore (2020-21) and ₹ 2,695.22 crore (2021-22) as back-to-back loans to State from Government of India in lieu of GST compensation shortfall.

* Net Capital expenditure = Total Capital expenditure-Misc. Capital Receipts

Figures in brackets indicate percentage utilisation of borrowed funds

Over the last three years' period i.e., 2019-20 to 2021-22, utilisation of borrowed funds mainly was for repayment of previous borrowings (principal) ranging between 62 per cent and 74 per cent, and for Capital expenditure between 26 per cent and 38 per cent. But from year 2022-23, repayments towards past obligations reduced to 45 per cent in 2022-23 and 53 per cent in 2023-24.

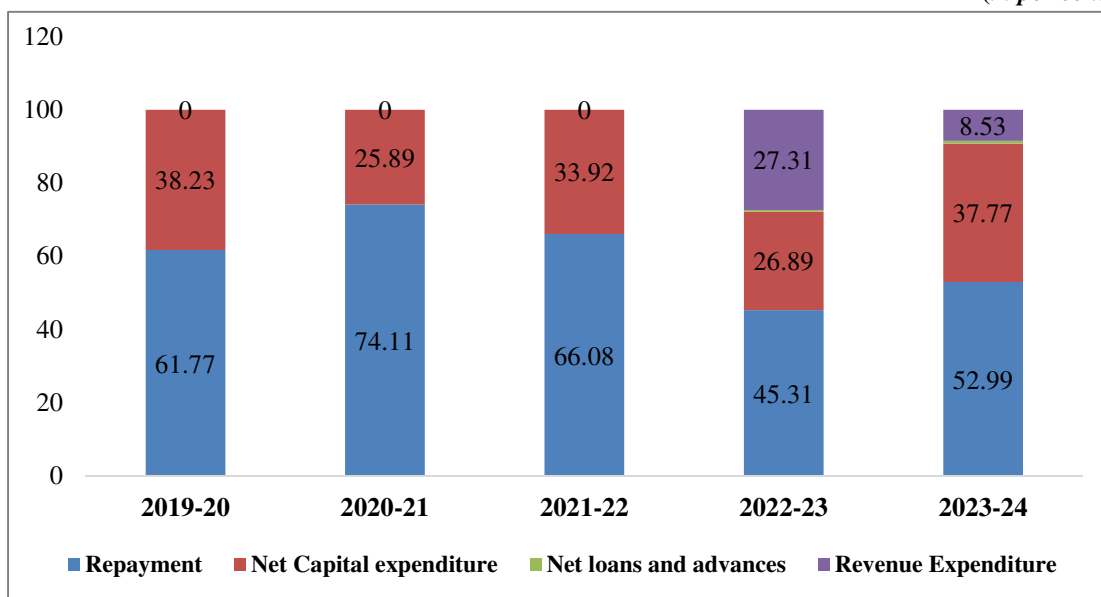
As per the Finance Commission, States are being given Revenue Deficit grants to reduce and ultimately eliminate Revenue Deficit and to enable all borrowings to be used for Capital expenditure. Up to the year 2021-22, no portion of debt receipts was used for meeting Revenue expenditure. But from 2022-23, which was the third year of the 15th Finance Commission period, a substantial portion of public borrowings i.e. 27.31 per cent (₹ 6,109.16 crore) and in 2023-24, 8.53 per cent (₹ 1,271.10 crore) had been utilised for meeting the current expenses.

As can be seen, the Capital outlay which remained stagnant at ₹ 6,029 crore during 2021-2023 and then declined to ₹ 5,630 crore in 2023-24, leading to a contraction (4.7 per cent in development expenditure compared to previous years) from ₹ 32,504 crore in 2022-23 to ₹ 30,965 crore in 2023-24 (**Appendix 2.1**). The 4.7 per cent decline in developmental expenditure was mainly due to cuts in expenditure on the economic sector and the social sector, which respectively contributed 3.8 percentage points and about one percentage point to the negative growth seen in developmental expenditure.

Trends of utilisation of borrowed funds during the period 2019-24 is depicted in **Chart 2.25**.

Chart 2.25: Trends in Utilisation of borrowed funds

(in per cent)



The State Government needs to take steps to reduce Revenue Deficit so that borrowed funds could be utilised in development activities and for creation of assets.

2.7.2 Status of Guarantees – Contingent Liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. As per **Statement-9** and **20** of the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last five years are given in **Table 2.42**. Details of recipients/bodies which have received guarantees from the State Government at the end of 31st March 2024 are given in **Chart 2.26**.

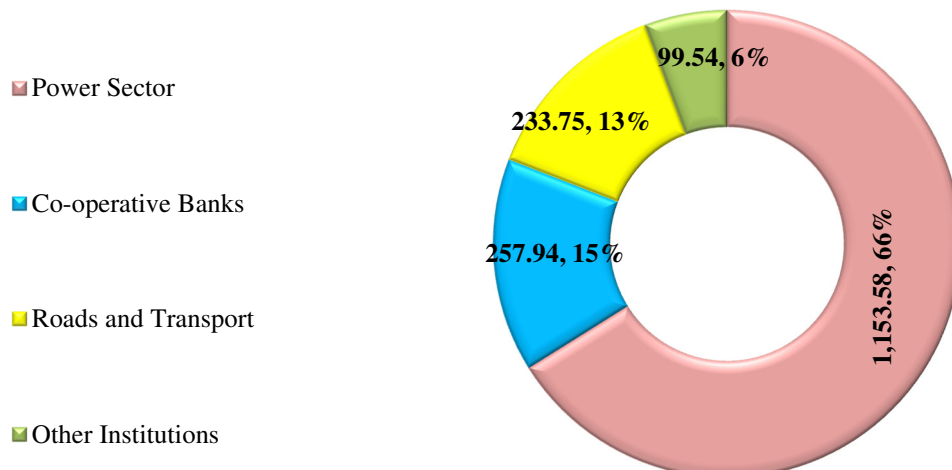
Table 2.42: Guarantees given by the State Government

(₹ in crore)

Guarantees	2019-20	2020-21	2021-22	2022-23	2023-24
Outstanding amount of guarantees	1,947.07	2,141.76	1,884.61	1,780.64	1,744.81
Additions during the year	639.70	418.03	289.46	643.61	731.09
Deletions during the year	3,001.84*	165.60	283.09	747.58	766.91
Invoked during the year	--	--	--	--	--
Ceiling applicable to the outstanding amount of guarantees including interest (criterion)	40 per cent of total revenue receipt in the preceding financial year				
Percentage of outstanding amount of guarantees to total Revenue receipts in the preceding financial year	6.29	6.97	5.64	4.77	4.58

* Includes an amount of ₹ 2,890.50 crore (loans to DISCOM) and ₹ 13.18 crore (interest charged on guaranteed amount) deleted from figures in the Finance Accounts 2019-20 as these amounts were included inadvertently, as intimated by the Department. The same is indicated in Statement No 20 of Finance Accounts of the Government of Himachal Pradesh for the year 2019-20.

Chart 2.26: Bodies in receipt of guarantees at the end of 31 March 2024
(₹ in crore)



No guarantee was invoked during 2023-24. As of 31st March 2024, outstanding amount of guarantees was ₹ 1,744.81 crore as per the Finance Accounts. During 2023-24, a total amount of ₹ 731.09 crore was extended to various bodies as Guarantees by the State Government. The main recipients of guarantees from the State Government during the year were Himachal Pradesh Power Corporation Limited (₹ 514.28 crore), Himachal Pradesh State Cooperative Agriculture and Rural Development Bank Ltd. (₹ 95.21 crore) and Himachal Pradesh Road and Transport Corporation (₹ 88.90 crore). The outstanding amount of guarantee (₹ 1,744.81 crore) at the close of 2023-24 accounted for 4.58 *per cent* of total Revenue receipts of previous year of the State, which was within the target of 40 *per cent* prescribed in the FRBM Act.

In addition, as per Himachal Pradesh Financial Rules, 2009 and Government instructions (6 March 1992) the guaranteed fees (one *per cent*) and commitment charges (0.2 *per cent*) are to be levied from the borrowers at the time of approval of the guarantee. The State Government did not have information about the receivable amount of guaranteed fees and commitment charges due from the bodies/ entities. Over the last 10 years (up to 2018-19), no amount of guaranteed fees and commitment charges had been received/ levied by the State Government. However, amounts of guaranteed fees and commitment charges of ₹ 0.72 lakh (in 2019-20), ₹ 2.16 crore (in 2020-21), ₹ 3.00 crore (in 2021-22) and ₹ 3.31 crore during 2022-23, were received. During the current year no guaranteed fees/ commitment charges was received.

2.7.3 Management of Cash Balances

As per an agreement with the Reserve Bank of India (RBI), State Governments have to maintain a minimum daily cash balance with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary Ways and Means Advances (WMA) / Special Ways and Means Advances (SWMA) / Overdrafts (OD) from time to time. The limit for ordinary WMA to the State Government is revised by the RBI from time to time.

The State Government has to maintain minimum Cash balance of ₹ 0.55 crore with the Reserve Bank of India. The limit for ordinary WMA to the State Government is ₹ 880 crore from 17 April 2020 to 31st March 2022 and ₹ 656 crore with effect from 1st April 2022. RBI also gives SWMA to the State Government against pledging of Government securities.

During 2023-24, the State Government could maintain minimum daily cash balance for 324 days. The Government had to take a total of ₹ 3,504.59 crore of ordinary / special WMA on 36 occasions and ₹ 875.78 crore overdraft on five occasions from RBI, which were repaid during the year. There were no outstanding ways and means advances and overdrafts at the end of the year 2023-24. Against these, an amount of ₹ 2.51 crore was paid as interest during the year. **Table 2.43** depicts the cash balances and investments made out of these by the State Government during the year.

Table 2.43: Cash Balances and their investment

(₹ in crore)

Particulars	Opening balance as on 1 st April 2023	Closing balance on 31 st March 2024	Increase (+)/ Decrease (-)
(a) General cash balance			
Cash in treasuries	0	0	0
Remittance in transit-Local	0	0	0
Deposits with RBI	-89.33	42.44	131.77
Total	-89.33	42.44	131.77
Investments held in cash balance Investment account	3,645.18	1,457.81	-2,187.37
Total (a)	3,555.85	1,500.25	-2,055.60
(b) Other cash balances and investments			
Cash with Departmental Officers viz., Public Works Department Officers, Forest Department Officers, District Collectors	0.16	0.16	0
Permanent advances for contingent expenditure with Departmental Officers	0.03	0.03	0
Investment of earmarked funds	0	0	0
Total (b)	0.19	0.19	0
Total (a+b)	3,556.04	1,500.44	-2,055.60

Cash balances of the State Government at the year-end decreased by ₹ 2,055.60 crore from ₹ 3,556.04 crore in 2022-23 to ₹ 1,500.44 crore in 2023-24. The investments made out of cash balances also decreased from ₹ 3,645.18 crore to ₹ 1,457.81 crore.

State Government invests its surplus cash balances in short and long-term Government of India Securities and Treasury Bills. The profits derived from such investments are credited as receipts under the head '0049-Interest Receipts'.

The cash balance investments of the State during the five-year period 2019-20 to 2023-24 are given in **Table 2.44**.

Table 2.44: Cash Balance Investment Account (Major Head-8673)*(₹ in crore)*

Year	Opening Balance	Closing Balance	Increase (+) / decrease (-)	Interest earned
2019-20	102.09	982.06	879.97	55.02
2020-21	982.06	1,696.09	714.03	31.88
2021-22	1,696.09	2,568.08	871.99	55.50
2022-23	2,568.08	3,645.18	1,077.10	20.91
2023-24	3,645.18	1,457.81	-2,187.37	21.43

Source: Finance Accounts.

Analysis of the trend in cash balance investment of the State Government during the period 2019-20 to 2023-24 shows that the balances in the Cash Balance Investment Account increased during 2019-23 and in 2023-24 it decreased over the previous year.

Large cash balances at the year-end indicated sub-optimal cash management by the State Government, which had taken market loans despite having large cash balances which were not put to productive use.

Chart 2.27 compares the Cash Balances and the Market Loans taken by the State during the period 2019-24. Market Loans were taken at higher interest rates, whereas investment in Treasury Bills yielded interest at lower rates.

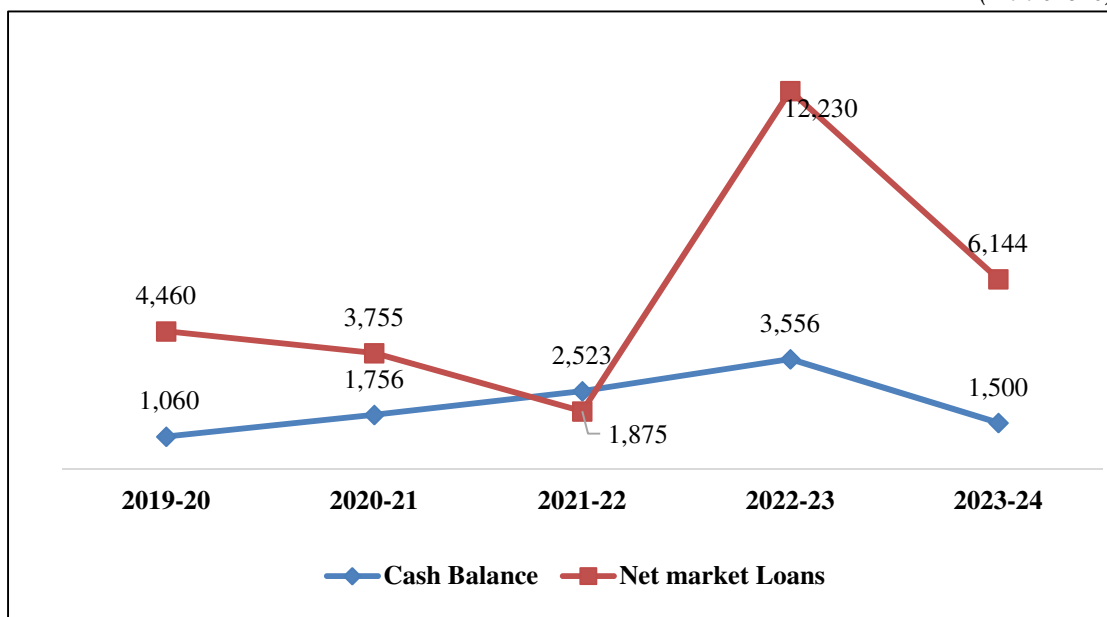
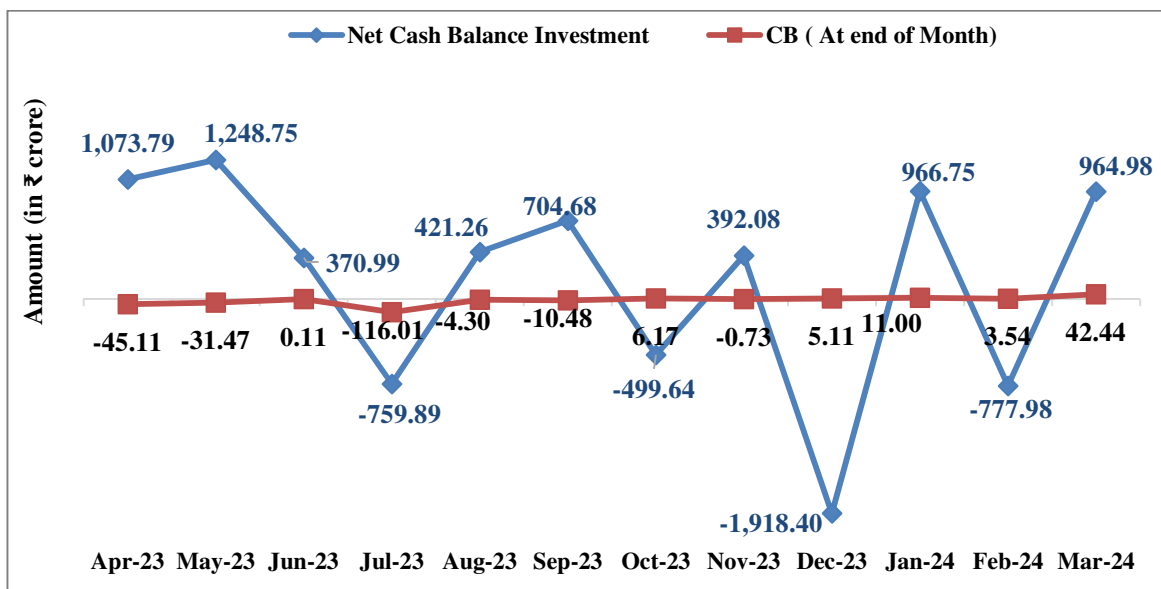
Chart 2.27: Net Market loans vis-à-vis Cash Balance*(₹ in crore)*

Chart 2.28 compares the month-wise Cash Balance Investment Account with the Cash Balances during 2023-24.

Chart 2.28: Month-wise movement of Cash Balances and net cash balance investments during 2023-24



Source: Monthly Civil Accounts.

2.8 Salient features

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the Fiscal performance of the Government. Comparison of key parameters of State Finances during 2023-24 with that of the previous year i.e. 2022-23 is summarised in **Table 2.45**.

Table 2.45: Key parameters

Positive indicators	Parameters requiring close watch
↑ Increase in tax receipts by 11.70 per cent	↓ Grants-in-Aid from Government of India decreased by 10.71 per cent
↑ State's Share of Union tax and Duties increased by 18.91 per cent	↓ Capital expenditure decreased by 6.62 per cent
↓ Public Debt Receipts decreased by 33.39 per cent.	↓ Revenue expenditure on Economic services decreased by 10.65 per cent.
	↑ Revenue Deficit and Fiscal Deficit remained higher than the target set by the 15 th FC during 2022-23 and 2023-24.

2.9 Conclusions

After generating consistent Revenue Surplus from 2015-16, the State recorded a negative Revenue balance (Revenue Deficit) in 2020-21 and continued to have a Revenue Deficit around three per cent of its GSDP during 2022-23 and 2023-24. This is more than 50 per cent of the Fiscal Deficit, which shows that borrowings were largely used to finance the State's recurring expenditure and not for development-oriented spending.

Fiscal Deficit of the State was ₹ 11,266 crore during 2023-24 which was 5.43 *per cent* of the GSDP. The Fiscal Deficit was mainly financed through market borrowings.

Revenue receipts increased by ₹ 1,083.54 crore (2.84 *per cent*) during the current year over the previous year whereas Revenue expenditure grew by ₹ 306.37 crore (0.69 *per cent*). Further, the State's own revenue registered a positive growth of 11.70 *per cent* over the previous year.

The State incurred 68 *per cent* of the total Revenue expenditure on committed liabilities like salaries and wages, pensions, interest payments, leaving only 32 *per cent* for priority sector expenditure.

Subsidies constituted 3-4 *per cent* of Revenue expenditure. Power subsidy constituted the major portion of total subsidies. Subsidies contributed 32 *per cent* to the Revenue Deficit during 2023-24.

The State Government earned 3.46 *per cent* return on its total investment (₹ 5,524.23 crore) in Statutory Corporations, Government Companies and Co-operatives up to 31st March 2024.

The State Government received ₹ 48 crore (0.60 *per cent*) as interest on outstanding loans during 2023-24, while it paid interest at 6.87 *per cent* on outstanding debt.

Total outstanding liabilities including public debt and Public Account liabilities were 43.98 *per cent* of GSDP. The total liability grew by 11 *per cent* over the previous year.

As many as 51 projects scheduled for completion up to 31st March 2024 were incomplete. The expenditure of ₹ 858.17 crore incurred on these incomplete projects was yet to yield the intended benefits.

2.10 Recommendations

1. *The State Government should make efforts to increase its own Revenues. It should settle pending tax claims in time, settle arrears in assessment of taxes, recover arrears of Revenue and improve Non-Tax revenues for better resource mobilization.*
2. *The State Government should assess the reasons for insufficient return on investment from statutory corporations, Government companies, cooperative banks and societies and take remedial measures.*
3. *The State should ensure time bound completion of the incomplete projects.*

CHAPTER-III

BUDGETARY MANAGEMENT

CHAPTER – III

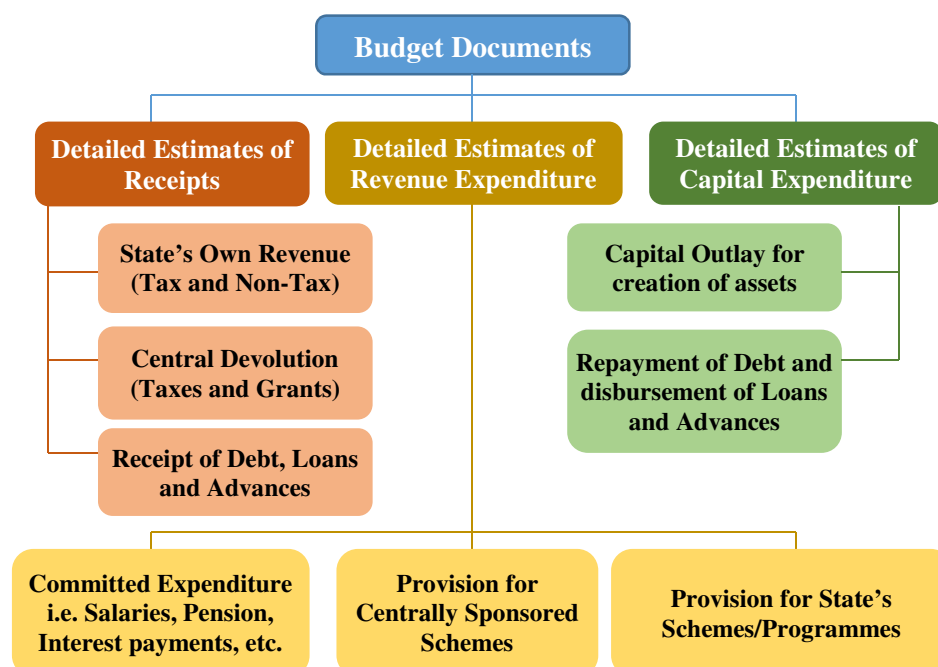
BUDGETARY MANAGEMENT

3.1 Budget Process

In compliance with Article 202 of the Constitution of India, in respect of every financial year, the Governor shall cause to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State for that year, called “the Annual Financial Statement (Budget)”. The estimates of the expenditure show ‘charged’ and ‘voted’ items¹ of expenditure separately and distinguish expenditure on Revenue account from other expenditure. Legislative authorisation is necessary before incurring any expenditure by the State Government. Glossary of important Budget related terms is given in **Appendix 3.1**.

As per the Himachal Pradesh Financial Rules, the Finance Department is responsible for preparation of the annual Budget by obtaining estimates from various departments. The Departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the heads of departments and submitted to the Finance Department on prescribed dates. The Finance Department consolidates the estimates and prepares the Detailed Estimates called ‘Demand for Grants’. The State Budget comprises the following documents and components as given in **Chart 3.1**.

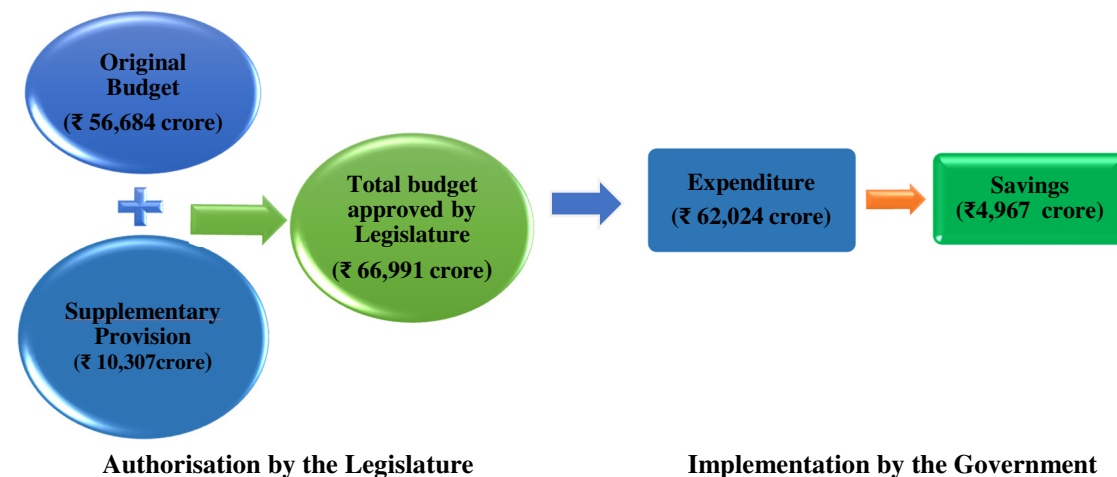
Chart 3.1: Details of State Budget Documents and Components



¹ **Charged expenditure:** Certain categories of expenditure (e.g., salaries of Constitutional authorities, loan repayments, etc.), constitute a charge on the Consolidated Fund of the State and are not subject to vote by the Legislature. **Voted expenditure:** All other expenditure is voted by the Legislature.

A summary of the Budget implementation for the year 2023-24 is depicted in the **Chart 3.2** below:

Chart 3.2: Summary of Budget implementation for the year 2023-24



Source: Appropriation Accounts.

3.1.1 Gender Budgeting

Gender Budgeting is a tool that can be used to address gender sensitive vulnerabilities. It uses the Budget as an entry point to apply a gender lens to the entire policy of the Government. It also recognizes that the Budget is a powerful tool that can reduce the vulnerabilities of women and girls and transform their position and life. Gender Budgeting further recognizes that if gender disparities are to be addressed, it is not enough to formulate gender sensitive legislations, programmes and schemes only but to provide adequate monetary allocations is equally important for the achievement of desired outcomes. Usually, Governments express commitments to gender equality and to gender mainstreaming, but often there is a gap between policy statements and the ways in which Governments raise and spend money.

Hence, Gender Responsive Budget initiative can help to bridge these gaps by ensuring that public money is raised and spent more effectively. Working on this idea, the Government of India firstly, integrated Gender Responsive Budgeting in India's Budgeting Process in 2005-06 and since then it has been preparing & publishing the Gender Based Statements (GBSs) every year. Gender Budget Statement of the Government of India is divided into two parts - Part A i.e. Expenditure on 100 *per cent* Women-specific programmes and Part B i.e. Expenditure on programmes where at least 30 *per cent* women are covered.

The promotion of gender equality is also at the heart of the social as well as economic policies of the Government of Himachal Pradesh. In order to mainstream Gender Responsive Budgeting in legislations, policies and programmes, the State Government also envisages preparing Gender Budget Statements (Financial and Physical) annually starting from financial year 2022-23 so that a reporting mechanism is developed and adopted to review the progress of departmental schemes from a gender lens/perspective. Schemes targeting only women beneficiaries, or

100 *per cent* women-oriented schemes have been placed in Category-1 and schemes with less than 100 *per cent* women beneficiaries are in Category-2.

In Gender Budget document the Budget Estimate for Category-1 schemes was ₹ 415.05 crore. But in actual the total Budget allocated to these schemes was only ₹ 284.02 crore and expenditure on these schemes was ₹ 281.77 crore. Further there are total 33 schemes in Category-1, in which 12 schemes are central's schemes and 21 schemes are state's schemes. The details of these schemes are given in **Appendix 3.2**.

3.1.2 Summary of total provisions, actual disbursements and savings during financial year

The total Budget provision for expenditure in 2023-24 was ₹ 66,991 crore. The actual expenditure during the year was ₹ 62,024 crore (92.59 *per cent*). This resulted in savings of ₹ 4,967 crore (7.41 *per cent*). The summarised position of actual expenditure *vis-à-vis* budgetary provisions during 2023-24 for all 32 grants/appropriations is given in **Table 3.1**.

Table 3.1: Budget provision, actual disbursement and savings/excess during financial year 2023-24

(₹ in crore)

Total Budget provision		Disbursements		Saving (-)/ Excess (+)	
Voted	Charged	Voted	Charged	Voted	Charged
52,318	14,673	48,376	13,648	-3,942	-1,025

Source: Appropriation Accounts.

3.1.3 Charged and voted disbursements

The position of total Budget and disbursements categorised as charged and voted during the last five years (2019-24) is given in **Table 3.2**.

Table 3.2: Disbursement and savings/excess during 2019-20 to 2023-24

(₹ in crore)

Year	Total Budget Provision		Disbursements		Saving (-)/ Excess (+)	
	Voted	Charged	Voted	Charged	Voted	Charged
2019-20	42,255	11,453	34,507	11,021	-7,748	-432
2020-21	45,157	16,440	37,440	15,699	-7,717	-741
2021-22	45,270	10,445	41,020	9,109	-4,250	-1,336
2022-23	51,164	16,569	48,390	15,073	-2,774	-1,496
2023-24	52,318	14,673	48,376	13,648	-3,942	-1,025

Source: Appropriation Accounts

It can be seen from **Table 3.2**, there were savings in both segments viz., voted and charged. There was a decreasing trend in savings (voted) from the year 2019-20 to 2022-23, but it increased in 2023-24 over the previous year, while there was an increasing trend in savings (charged) from the year 2019-20 to 2022-23, but it decreased during 2023-24. Cases of substantial and persistent savings have been highlighted in **Paragraph 3.3.7**.

3.1.4 Budget marksmanship

Aggregate Budget Outturn

Aggregate Budget Outturn measures the extent to which the aggregate Budget expenditure outturn/actual expenditure reflects the amount originally approved, both

in terms of less than approved and in excess of approved. For the year 2023-24 Aggregate Budget outturn is given in **Table 3.3**.

Table 3.3: Aggregate Budget outturn

(₹ in crore)

Description	Original Approved Budget (BE)	Actual Outturn	Difference between Actual and BE*
(1)	(2)	(3)	(4) (3-2)
Revenue	45,925.01	48,330.68	(+)2,405.67
Capital	10,758.68	13,693.28	(+)2,934.60
Total	56,683.69	62,023.96	(+)5,340.27

* Excess of actual over original provision is denoted as (+) figures and shortage of actuals over original is denoted as (-) figures.

In the Revenue section, deviation in outturn compared with Budget Estimates was +5.24 *per cent*. This was due to the excess of actual over original provision in 18 Grants. In three grants deviation was more than + 100 *per cent*. In 14 grants there was a shortage of actual over original, where deviation ranged from -0.58 *per cent* to -28.87 *per cent*.

In the Capital section, deviation in outturn compared with Budget Estimates was + 27.28 *per cent*. This is due to the excess of actual over original provision in 19 Grants. In seven grants deviation was more than +100 *per cent*. In 11 grants there was a shortage of actual over original, where deviation ranged from -21.95 *per cent* to -100 *per cent*.

Expenditure Composition Outturn

Expenditure Composition Outturn measures the extent to which re-allocations between the main Budget categories during execution have contributed to variance in expenditure composition given in **Table 3.4**.

Table 3.4: Expenditure Composition Outturn

(₹ in crore)

Description	Original Approved Budget Estimate (BE)	Revised Estimate (RE)	Actual Outturn	Difference between RE & BE	Difference between Actual and RE*
(1)	(2)	(3)	(4)	(5) (3-2)	(6) (4-3)
Revenue	45,925.01	50,932.71	48,330.68	5,007.70	-2,602.03
Capital	10,758.68	16,058.58	13,693.28	5,299.90	-2,365.30
Total	56,683.69	66,991.29	62,023.96	10,307.60	-4,967.33

* Excess of actual over revised estimate is denoted as (+) figures and shortage of actuals over revised estimate is denoted as (-) figures.

In the Revenue section, deviation in outturn compared with Revised Estimates was -5.11 *per cent*. This was due to shortage of actual over revised estimates in 29 grants, with the deviation ranging from -1.03 *per cent* to -32.08 *per cent*.

In the Capital section, deviation in outturn compared with Revised Estimates was -14.49 *per cent*. This was due to shortage of actual over revised estimates in 20 grants and in four grants deviation was more than -50 *per cent*.

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. 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, management of finances and monitoring of budgetary provisions, and are, therefore, complementary to the Finance Accounts.

Audit of appropriations by the CAG seeks to ascertain whether the expenditure actually incurred under various grants is in accordance with the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution of India (Article 202) is so charged. It also seeks to ascertain whether the expenditure incurred is in conformity with relevant laws, rules, regulations and instructions.

3.3 Comments on integrity of budgetary and accounting process

3.3.1 Expenditure incurred without authority of law

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of Article 204 of the Constitution of India. Further, expenditure should not be incurred on a scheme/service without provision of funds or after obtaining additional funds by re-appropriation, supplementary grant or appropriation or an advance from the Contingency Fund of the State.

Table 3.5 shows the summarised position of expenditure incurred without any Budget provision in seven cases covering four grants. This is breach of constitutional provisions. State Government must avoid these expenditures. If under any circumstance expenditure is inevitable, the Finance Department must follow the provisions under Article 205 and 206 of the Constitution of India.

Table 3.5: Summary of expenditure without Budget Provision

Grant/ Appropriation	Head of Accounts	Expenditure (amount in ₹)	Name of Schemes/Sub-Heads
Voted			
16	2406-02-110-11-C90N	19,61,000	Project Elephant
	2406-02-110-11-S10N	2,17,900	
18	4851-00-101-04-S00N	66,00,00,000	PM Gatishakti Scheme
28	2217-80-192-26-S00N	27,85,00,000	Grant to Municipalities for Capital Assets
32	2202-01-789-13-S10N	40,250	Pre - Matric Scholarship to Scheduled Caste students
	2202-03-789-04-C00N	27,00,000	Post Matric Scholarship to Scheduled Caste Students
	2401-00-789-76-S10N	1,33,000	Sub-Mission on Agro-Forestry (SMAF)
Total		94,35,52,150 or (₹ 94.36 crore)	

Source: Appropriation Accounts.

3.3.2 Transfers not mandated by the Appropriation Act (into Bank Accounts)

The withdrawal of funds and depositing of the same in bank accounts by DDOs is in violation of Rule 183(V) and Rule 184(1) of Himachal Pradesh Treasury Rules. This entails the risk of misappropriation as the funds remain outside the Government account without any monitoring and can be diverted or misused for unauthorised purposes.

The State Government has not provided information regarding funds transferred to/unutilised with DDOs.

3.3.3 Misclassification of expenditure

Misclassification of expenditures and receipts has a great impact on the integrity of the financial statements. State financial rules categorise the primary units of appropriation. There are specific object heads meant for obtaining provision for acquisition of Capital Assets and other Capital Expenditure. These object heads pertaining to booking of expenditure of Capital nature should correspond with Capital major heads only. Classification of expenditure of Revenue nature as Capital expenditure or vice-versa, results in overstatement/understatement of Revenue expenditure and Revenue Deficit/Surplus.

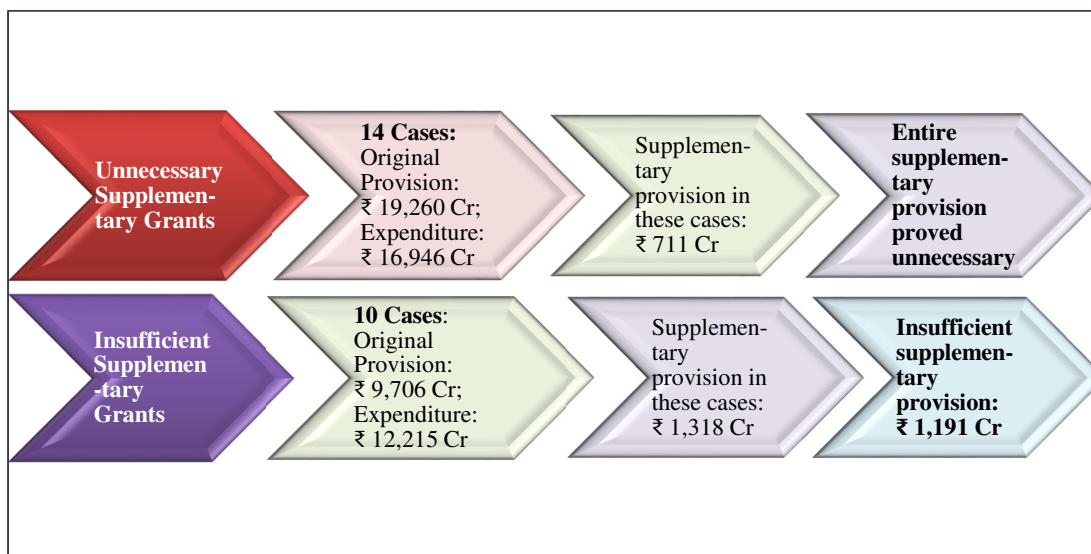
During the year 2023-24, no case of misclassification of expenditure was noticed.

3.3.4 Unnecessary or insufficient supplementary grants

As per Article 205 of the Constitution, a Supplementary or Additional Grant or Appropriation over the provision made by the Appropriation Act for the year can be made during the current financial year but not after the expiry of the current financial year. When such additional expenditure is found to be inevitable and there is no possibility of effecting savings within the grant to cover the excess by re-appropriation, the Secretary in the Department concerned proposes to the Finance Department for supplementary or additional grant or appropriation.

During 2023-24, there were 14 cases (₹ one crore or more in each case) under 12 grants (Revenue/Capital-Voted) where supplementary provision of ₹ 711 crore proved unnecessary as expenditure did not reach the level of original provision (**Table 3.6**). In 10 cases (**Table 3.7**), supplementary provision of ₹ 1,318 crore proved insufficient as it was not adequate to meet the requirement, leaving aggregate uncovered excess expenditure of ₹ 1,191 crore (**Chart 3.3**).

Chart 3.3: Unnecessary and insufficient supplementary provisions



Source: Appropriation Accounts.

Table 3.6: Details of cases where supplementary provision (₹ one crore or more in each case) proved unnecessary

(₹ in crore)

Sr. No.	Name of the Grant	Original	Supplementary	Actual expenditure	Saving out of original provisions
Revenue- Voted					
1	04-General Administration	219.66	12.79	214.24	-5.42
2	06-Excise and Taxation	113.70	20.07	112.28	-1.42
3	08-Education	7,866.54	164.06	7,230.03	-636.51
4	11-Agriculture	405.88	7.64	326.81	-79.07
5	14-Animal Husbandry	514.11	6.89	511.12	-2.99
6	16-Forest and Wildlife	746.33	57.36	649.82	-96.51
7	19-Social Justice and Empowerment	1,712.86	46.27	1,615.10	-97.76
8	20-Rural Development	1,438.21	67.94	1,022.95	-415.26
9	22-Food and Civil Supply	188.12	36.45	163.43	-24.69
10	26-Tourism and Civil Aviation	29.37	4.60	25.69	-3.68
11	31-Tribal Development	1,823.81	40.24	1,535.42	-288.39
12	32-Schedule Caste Sub Plan	2,476.94	219.23	2,386.75	-90.19
Capital- Voted					
13	26-Tourism and Civil Aviation	484.44	5.99	274.48	-209.96
14	32-Schedule Caste Sub Plan	1,240.21	21.00	878.17	-362.05
Total		19,260.18	710.53	16,946.29	-2,313.89

Source: Appropriation Accounts.

Although the demand for supplementary grants was made by the State Government on the reasoning that additional expenditure was to be incurred in various schemes under the respective grants, but the final expenditure was less than even the original provisions in the 14 cases indicated as above.

Table 3.7: Details of cases where supplementary provision (₹ one crore or more in each case) proved insufficient

(₹ in crore)

Sr. No.	Name of the Grant	Original	Supplementary	Actual expenditure	Excess
Revenue- Voted					
1.	28-Urban Development	503.77	339.08	939.77	96.92
2.	29-Finance	8,792.89	635.29	10,408.82	980.64
Capital- Voted					
3	03-Administration of Justice	10.39	6.37	17.05	0.29
4	04-General Administration	5.93	35.82	41.77	0.02
5	05-Land Revenue	8.00	46.47	143.54	89.07
6	08-Education	98.73	12.74	113.96	2.49
7	09-Health and Family Welfare	95.02	138.89	236.68	2.77
8	23-Power Development	65.85	40.48	110.98	4.65
9	27-Labour Employment and Training	55.76	27.61	91.57	8.20
10	28-Urban Development	69.33	35.47	110.55	5.75
Total		9,705.67	1,318.22	12,214.69	1,190.80

As seen from the above, in 10 cases as indicated above, the supplementary provisions were insufficient as the actual expenditure was more than the total Budget provisions (original + supplementary).

Both the above type of cases (**Tables 3.6 and 3.7**) indicate that the Administrative Department could not realistically assess/estimate the actual requirement of funds for the remaining period of financial year due to poor monitoring of expenditure.

3.3.5 Re-appropriations requiring prior legislative authorisation

‘Re-appropriation’ refers to 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. The Government is allowed to re-appropriate provisions from one unit of appropriation to another within the same Grant, thus altering the destination of an original provision for one purpose to another, subject to the limits and restrictions laid down. No re-appropriation should be made for any purpose whatsoever from Supplementary Grants voted by the Assembly for a definite purpose, so as to ensure that a Supplementary Grant shall be used for the purpose for which it is voted and for no other.

During the year 2023-24, there was no case of re-appropriation from one grant to another or from supplementary grants.

Cases of unnecessary / insufficient re-appropriation within grants are detailed below.

3.3.6 Unnecessary, Inappropriate and insufficient re-appropriations

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. During the year 2023-24, there were 123 cases (**Appendix 3.3**) where re-appropriation proved unnecessary, as the expenditure did not reach the level of Budget provision. In 14 cases (**Appendix 3.4**), re-appropriations were made inappropriately from those accounts where actual expenditure resulted in excess. In 36 cases (**Appendix 3.5**) re-appropriation proved insufficient, as actual expenditure

resulted in excess after making re-appropriation. Substantial cases (saving/excess more than ₹ 10 crore) are depicted in the **Tables 3.8, 3.9** and **3.10** given below.

Table 3.8: Unnecessary re-appropriations resulting in savings*(₹ in crore)*

Sl. No.	Grant	Heads of account	Original	Supplementary	Re-appropriation	Total	Actual	Final Saving
Revenue-Voted								
1	07-Police and Allied Organisations	2055-00-108-05-S00N	335.97	2.58	0.08	338.63	319.34	-19.29
2	08-Education	2202-01-101-03-S00N	1,663.03	0.00	4.62	1,667.64	1,487.01	-180.63
3		2202-01-113-01-C90N	6.75	131.03	28.13	165.91	36.27	-129.64
4		2202-02-109-01-S00N	2,839.01	0.00	7.87	2,846.88	2,804.56	-42.32
5	09-Health and Family Welfare	2210-01-110-03-S00N	300.47	25.64	7.07	333.18	320.93	-12.25
6	10-Public Works - Roads, Bridges and Buildings	3054-04-105-19-S00N	187.94	0.00	1.50	189.44	179.20	-10.24
7	11-Agriculture	2401-00-108-17-S00N	0.00	0.00	16.48	16.48	0.00	-16.48
8	16-Forest and Wild Life	2406-01-001-02-S00N	369.19	0.00	0.73	369.92	339.62	-30.3
9	19-Social Justice and Empowerment	2235-02-102-05-S00N	104.71	0.00	0.23	104.94	68.85	-36.09
10	20-Rural Development	2515-00-196-08-S00N	14.58	0.00	0.11	14.69	0.02	-14.67
11		2515-00-197-08-S00N	14.58	0.00	0.11	14.69	0.12	-14.57
12		2515-00-198-07-S00N	68.05	0.00	0.51	68.56	0.10	-68.46
13	31-Tribal Development	2406-01-796-02-S00N	5.09	0.08	33.83	39.00	3.38	-35.62
14	32-Scheduled Caste Sub Plan	2202-01-789-21-C90N	2.58	40.28	23.23	66.09	19.07	-47.02
15		2406-02-789-02-S00N	3.21	0.00	15.11	18.32	2.41	-15.91
Capital-Voted								
16	13-Irrigation, Water Supply and Sanitation	4702-00-101-06-C90N	46.86	50.70	0.32	97.88	47.25	-50.63
17	15-Planning and Backward Area Sub Plan	5054-04-337-27-S00B	47.19	0.00	6.10	53.29	42.23	-11.06

Source: Appropriation Accounts.

Table 3.9 Inappropriate re-appropriations resulting in excess*(₹ in crore)*

Sl. No.	Grant	Head of account	Original	Supplementary	Total Budget	Reappropriation	Actual	Excess
Revenue-voted								
1	29-Finance	2071-01-104-02-S00N	966.83	0.00	966.83	-66.83	1070.22	103.39
2	31-Tribal Development	3054-04-796-01-S00N	17.60	0.00	17.60	-0.52	137.20	119.60
Capital-Voted								
3	09-Health and Family Welfare	4210-03-105-12-C90N	0.02	0.00	0.02	-0.01	25.63	25.61

Source: Appropriation Accounts.

Table 3.10 Insufficient re-appropriations resulting in excess

(₹ in crore)

Sl. No.	Grant	Head of account	Original	Supple mentary	Reappro priation	Total	Actual	Excess
Revenue-voted								
1	20-Rural Development	2216-03-102-07-C90N	10.41	9.20	28.02	47.63	64.36	16.73
2	28-Urban Development, Town and Country Planning and Housing	2217-80-191-51-S00N	1.00	0.00	4.09	5.09	33.05	27.96
3		2217-80-191-54-S00N	0.00	15.70	24.57	40.27	160.06	119.79
4	29-Finance	2071-01-101-03-S00N	4,967.68	181.80	17.70	5,167.18	5,844.72	677.55
5		2071-01-102-02-S00N	687.04	110.00	53.87	850.91	923.01	72.10
Capital-Voted								
6	18-Industries, Minerals, Supplies and Information Technology	4851-00-101-04-S00N	0.00	0.00	0.05	0.05	66.00	65.95

Source: Appropriation Accounts.

As per Rule 44 (2) of Himachal Pradesh Financial Rules, 2009, re-appropriation of funds may be made with approval of Finance Department only when it is known or anticipated that the appropriation for the unit from which funds are to be transferred will not be utilised in full or that savings can be affected in the appropriation for the said unit.

3.3.7 Savings

The golden rule for all Estimating Officers should be to provide in the budget for everything that can be foreseen and to provide only as much as is necessary. Complete accuracy of estimates may not always be possible; but where the omission or inaccuracy is the result of lack of forethought, neglect of the obvious or slipshod estimating, remedial actions may be needed. The Administrative and Finance departments should, in checking the estimates, apply unrelentingly the proven and well-tried check of average of previous actuals with known or reasonably foreseeable facts which may modify that average.

When the need for surrender manifests itself, the Controlling Officers should carefully estimate the amounts that they can surrender. The aim should be to surrender as much as they can so as to keep the expenditure just within the modified Grant.

Budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities/ weak internal controls promote release of funds towards the end of the financial year and increase the propensity of the departments to retain huge balances outside the Government account in Bank Accounts. Excessive savings also deprive other departments of the funds which they could have utilised.

(i) Savings vis-à-vis allocations

Analysis of appropriations showed that savings occurred in 62 cases as detailed in **Appendix 3.6**. Against the total provisions of ₹ 66,991 crore there was an overall savings of ₹ 4,967.34 crore which was the net result of saving of ₹ 6,223.14 crore offset by excess of ₹ 1,255.80 crore in various grants. Out of overall savings of ₹ 4,967.34 crore, substantial savings (₹100 crore and more in each case) were observed in 15 cases relating to 12 grants, details of which are given in **Table 3.11**.

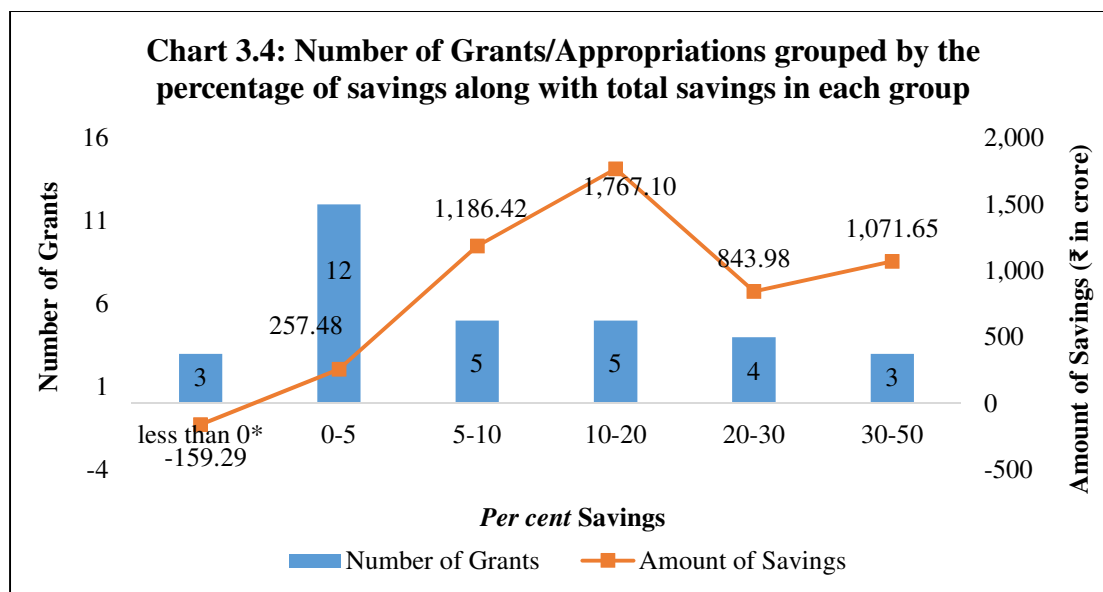
Table 3.11: List of grants having savings of ₹ 100 crore or more during 2023-24*(₹ in crore)*

Sr. No.	Grant Number and Name	Original provision	Supplementary	Actual	Savings
Revenue-Voted					
1	2	3	4	5	6 (5-4-3)
1	05-Land Revenue and District Administration	1,447.58	1,742.96	3,069.07	-121.47
2	08-Education	7,866.54	164.06	7,230.03	-800.57
3	09-Health and Family Welfare	2,521.14	193.95	2,527.81	-187.28
4	10-Public Works - Roads, Bridges and Buildings	3,307.74	0.00	2,630.08	-677.67
5	16-Forest and Wildlife	746.33	57.36	649.82	-153.87
6	19-Social Justice and Empowerment	1,712.86	46.27	1,615.10	-144.03
7	20-Rural Development	1,438.21	67.94	1,022.95	-483.20
8	31-Tribal Development	1,823.81	40.24	1,535.42	-328.63
9	32-Scheduled Caste Sub Plan	2,476.94	219.23	2,386.75	-309.42
Capital- Voted					
10	10-Public Works - Roads, Bridges and Buildings	1,076.46	775.89	1,500.98	-351.37
11	15-Planning and Backward Area Sub Plan	681.61	0.00	336.41	-345.20
12	26-Tourism and Civil Aviation	484.44	5.99	274.48	-215.95
13	31-Tribal Development	498.14	0.00	309.16	-188.98
14	32-Scheduled Caste Sub Plan	1,240.21	21.00	878.17	-383.04
Capital- Charged					
15	29-Finance	5,486.64	3,369.98	7,895.87	-960.75

Source: Appropriation Accounts.

Major savings were noticed in Public Works, Education, Finance and Rural Development departments.

Chart 3.4 categorises grants / appropriations according to percentage of savings against Budget allocations. It can be noted from the chart that in 10 grants, there were savings of ₹ 2,953.52 crore (five to 20 per cent in each grant) during the year.



*Note: Amount shown less than zero (0) denotes excess.

No object is served by keeping back savings which should ideally be surrendered in time. For this reason, appropriations which are likely to remain unspent must be reported for surrender as early as possible. In the absence of surrender of savings, other spending departments are deprived of the funds which they could have utilised and thus demands for supplementary grants by such departments can be avoided. Surrenders are being made generally in the month of March, and a careful study of figures of expenditure incurred and keeping a watch over the progress of the previous month's expenditure can enable a Controlling Officer to arrive at his final requirements with a reasonable degree of exactness and accuracy.

(ii) Persistent Savings

During the last five years, there were 25 cases (₹ one crore or more in each case) relating to 17 grants where persistent savings occurred (details given in **Appendix 3.7**), out of which seven cases (₹ 100 crore or more in each case) are depicted below in the **Table-3.12**.

Table 3.12: Details of persistent savings cases (₹ 100 crore or more in each case)

(₹ in crore)

Sr. No.	Grant Number	Name of Grant/ Appropriation	2019-20	2020-21	2021-22	2022-23	2023-24
Revenue- Voted							
1	08	Education	-1,110.61	-1,362.09	-1,096.43	-121.60	-800.57
2	09	Health and Family Welfare	-377.72	-489.64	-243.85	-207.53	-187.28
3	10	Public Works - Roads, Bridges and Buildings	-736.83	-963.02	-1,194.46	-552.77	-677.67
4	20	Rural Development	-351.17	-163.47	-134.10	-120.02	-483.20
5	31	Tribal Development	-371.39	-415.69	-403.42	-206.93	-328.64
6	32	Scheduled Caste Sub Plan	-513.37	-264.69	-141.50	-193.90	-309.43
Capital- Voted							
7	32	Scheduled Caste Sub Plan	-231.62	-149.75	-390.46	-321.78	-383.05

Source: Appropriation Accounts.

The substantial persistent savings in the grants above indicated that budgetary controls in these departments were not effective as they are unable to spend the allocated funds. The departments need to improve their capacity to spend as these are all social sector departments and even the previous years' trends were not being taken into account when allocating funds. This had also been pointed out in the previous State Finance Audit Reports too.

(iii) Details of surrenders of funds in excess of ₹ 10 crore

Instances of surrender of funds in excess of ₹ 10 crore in each case at the end of March are given in **Table 3.13**.

Table 3.13: Details of surrender of funds in excess of ₹ 10 crore during March 2024

(₹ in crore)

Sr. No.	Grant Number	Original	Supplementary	Total Provisions	Actual expenditure	Savings	Amount Surrendered
Revenue-Voted							
1	4	219.66	12.79	232.45	214.24	-18.21	-10.48
2	6	113.70	20.07	133.77	112.28	-21.49	-16.28
3	7	1,634.64	56.78	1,691.42	1,636.70	-54.72	-46.79
4	8	7,866.54	164.06	8,030.60	7,230.03	-800.57	-251.41
5	9	2,521.14	193.95	2,715.09	2,527.81	-187.28	-63.62
6	10	3,307.74	0.00	3,307.74	2,630.08	-677.66	-350.67
7	11	405.88	7.64	413.52	326.81	-86.71	-49.81
8	16	746.33	57.36	803.69	649.82	-153.87	-61.69
9	19	1,712.86	46.27	1,759.13	1,615.10	-144.03	-105.04
10	31	1,823.81	40.24	1,864.05	1,535.42	-328.63	-85.34
11	32	2,476.94	219.23	2,696.17	2,386.75	-309.42	-33.43
Capital - Voted							
12	15	681.61	0.00	681.61	336.41	-345.20	-290.95
13	26	484.44	5.99	490.43	274.48	-215.95	-33.06
14	31	498.14	0.00	498.14	309.16	-188.98	-19.21
15	32	1,240.21	21.00	1,261.21	878.17	-383.04	-265.32
Total		25,733.64	845.38	26,579.02	22,663.26	-3,915.76	-1,683.10

Source: Appropriation Accounts.

As given in the above table, in 15 cases, there was surrender of amounts (₹ 10 crore or more in each case) totaling ₹ 1,683.10 crore (6.54 per cent of original Budget allocation) during March 2024.

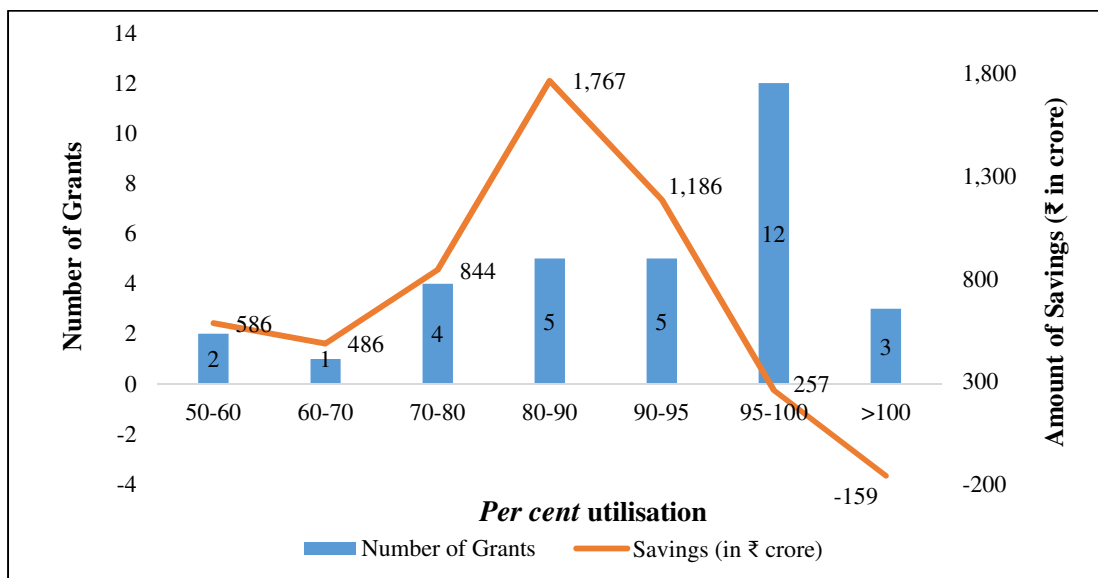
As per Rule 41 of Himachal Pradesh Financial Rule 2009, the saving as well as provisions that cannot be profitably utilised should be surrender to Government immediately when they are foreseen, without waiting till the end of the year. No savings should be held in reserve for possible future excesses.

During checking/scrutiny of surrender orders, it was noticed that all the surrender orders were made on the last day (i.e., 31st March) of the year. The surrender of funds at the end of the year indicated poor monitoring of expenditure, weak financial controls, and meant that funds could not be utilised for other purpose.

(iv) Distribution of the number of Grants/ Appropriations grouped by percentage of utilisation.

The distribution of the number of Grants/ Appropriations grouped by percentage of utilisation is given in the **Chart 3.5**.

Chart 3.5: Distribution of the number of Grants/Appropriations grouped by percentage of utilisation



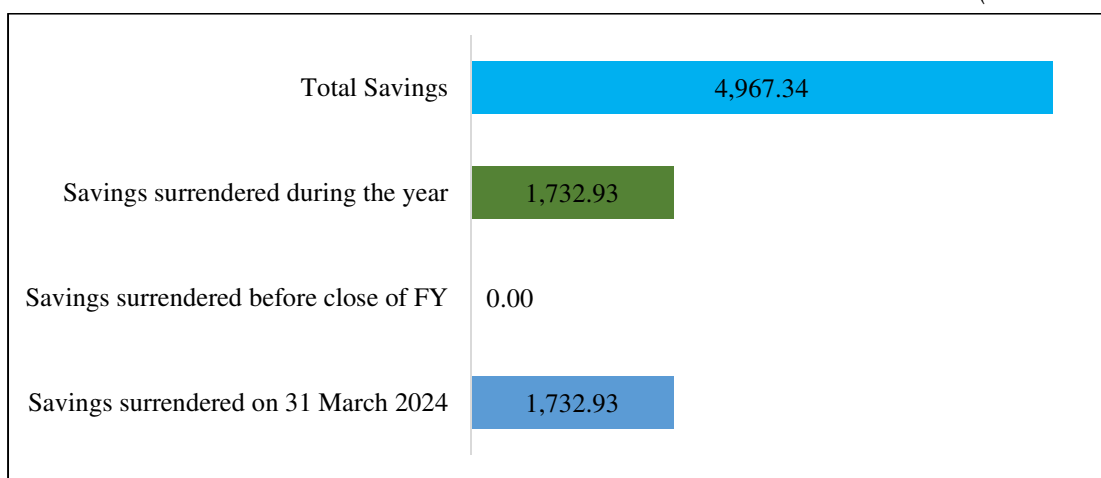
Note: Amount shown as less than zero (0) denotes excess.

In two grants (Grant No. 15-Planning and Backward Area Sub Plan and 26-Tourism and Civil Aviation), utilisation was below 60 *per cent* of the available funds, resulting in savings of ₹ 585.73 crore.

In three Grants (18, 28 and 29) utilisation was more than 100 *per cent*, resulting in excess of ₹ 159.29 crore.

Chart 3.6: Savings and surrenders before close/ last day of financial year 2023-24

(₹ in crore)



Analysis of **Chart 3.6** revealed that only 35 *per cent* of savings were surrendered. All the surrenders (₹ 1,732.93 crore) were made on 31st March 2024. This indicated poor management of funds resulting in sub-optimal utilisation of financial resources.

3.3.8 Excess expenditure and its regularisation

As per Article 204 of the Constitution of India, no money shall be withdrawn from Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of the Article. Further, as per Article 205 of the Constitution of India, it is mandatory for a State Government to get excesses over grants/ appropriations regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee.

3.3.8.1 Excess expenditure

Excess expenditure over Budget provision is not only in contravention of provisions requiring legislative sanction but is also indicative of poor planning. It can be avoided by keeping track of expenditure progression with reference to budgetary outlays. Details of excess expenditure over the Budget provision for the financial year 2023-24 are given in **Table 3.14**.

Table 3.14: Summary of excess disbursements over grants/ appropriation during 2023-24
(in ₹)

Sr. No.	Name of Grant	Voted		Charged	
		Revenue	Capital	Revenue	Capital
1	03-Administration of Justice	--	29,02,742	--	--
2	04-General Administration	--	1,56,705	--	--
3	05-Land Revenue and District Administration	--	89,07,31,500	--	--
4	08-Education	--	2,49,33,718	--	--
5	09-Health and Family Welfare	--	2,76,28,007	--	--
6	13-Irrigation, Water Supply and Sanitation	--	--	--	344
7	16-Forest and Wildlife	--	--	2,10,000	--
8	18-Industries, Minerals, Supplies and Information Technology	--	64,99,88,786	--	--
9	23-Power Development	--	4,65,29,000	--	--
10	27-Labour Employment and Training	--	8,20,06,000	--	--
11	28-Urban Development, Town and Country Planning and Housing	96,91,88,399	5,74,28,266	--	--
12	29-Finance	9,80,63,24,113	--	--	--
	Total	10,77,55,12,512	1,78,23,04,724	2,10,000	344
	Grand Total	1255,80,27,580 or ₹ 1,255.80 crore			

Source: Appropriation Accounts.

As seen from the above, in 13 cases (relating to 12 grants/appropriations), excess expenditure of ₹ 1,255.80 crore over Budget provision was incurred in 2023-24,

which requires regularisation by the State Legislature. Detail of Major Head-wise excess is given in **Appendix 3.8** and cases of more than ₹ 50 crore are given in **Table 3.15**.

Table 3.15: Major-Head-wise disbursement over the authorisation during 2023-24

(₹ in crore)

Sr. No.	Grant No.	Major Head	Original	Supplementary	Total Budget	Actual Expenditure	Excess
1	29-Finance	2071-Pensions and Other Retirement Benefits	8,693.78	598.71	9,292.49	10,294.46	1,001.98
2	13-Irrigation, Water Supply and Sanitation	2215-Water Supply and Sanitation	1,822.38	139.90	1,962.28	2,091.32	129.03
3	05- Land Revenue and District Administration	4059-Capital Outlay on Public Works	8.00	45.27	53.27	142.34	89.07
4	28-Urban Development, Town and Country Planning and Housing	2217-Urban Development	485.57	329.08	814.79	884.42	69.62
5	18- Industries, Minerals, Supplies and Information Technology	4851-Capital Outlay on Village and Small Industries	5.62	0.00	5.62	70.62	65.00
6	23-Power Development	6801-Loans for Power Projects	6.52	40.48	47.00	97.33	50.33

Source: Appropriation Accounts.

3.3.8.2 Persistent excesses in certain grants

During the five-year period from 2019-20 to 2023-24, there were no cases of persistent excesses in any grants.

3.3.8.3 Regularisation of excess expenditure of previous financial years

Excess expenditure remaining un-regularised for extended periods dilutes legislative control over the executive.

As of January 2025, an excess expenditure of ₹ 11,262.78 crore incurred during the period 2014-15 to 2022-23 was pending for regularisation by the State Legislature. Out of which, an expenditure of ₹ 8,818.47 crore (pertained to the period 2014-15 to 2020-21) has been regularised by the State Legislature during February 2025. Thus, an excess expenditure of ₹ 2,444.31 crore for the year 2021-22 and 2022-23 is still pending for regularisation.

In addition to the above, excess expenditure of ₹ 1,255.80 crore incurred over authorisation made in 10 grants and two appropriations during the financial year 2023-24 also requires regularisation.

The year-wise summary of excess expenditure pending regularisation is given in **Table 3.16**.

Table 3.16: Excess expenditure relating to previous years

Year	Number of Grants/ Appropriations	Grant/ Appropriation numbers	Amount of excess required to be regularised as commented in the Appropriation Accounts (Figures in ₹)	Status of regularisation
2014-15	10 Grants 6 Appropriations	1, 2, 6, 11, 12, 13, 18, 19, 23 (Revenue) 23 (Capital) and 1, 10, 19, 29 (Revenue), 29 (Capital), 31	15,85,69,18,458	Regularised by the State Legislature (February 2025)
2015-16	7 Grants 4 Appropriations	5, 8, 10, 13, 19, 23, 28 (Revenue) and 13, 16, 29 (Revenue) 29 (Capital)	28,48,43,38,113	
2016-17	5 Grants 3 Appropriations	2, 13 (Revenue) 3, 10, 23 (Capital) and 1, 16 (Revenue) 29 (Capital)	30,37,60,82,471	
2017-18	2 Grants 1 Appropriation	5, 10 (Revenue) and 10 (Capital)	3,86,76,41,211	
2018-19	6 Grants 5 Appropriations	05, 13, 22 (Revenue), 03, 10, 12 (Capital) and 07, 20, 25 (Revenue), 10, 29 (Capital)	8,21,37,16,840	
2019-20	4 Grants 3 Appropriations	22 (Revenue), 13, 21, 28 (Capital) and 05 (Revenue), 13, 29 (Capital)	49,91,20,218	
2020-21	3 Grants 2 Appropriations	28 (Revenue), 10,25 (Capital) 13 (Revenue),31 (Capital)	88,69,12,706	
Total (2014-15 to 2020-21):			88,18,47,30,017	
2021-22	13 Grants 2 Appropriations	05,12,23 (Revenue), 05,06,07,08,09,17,18,20,23,25, 27,30 (Capital), 07(Rvenue), 13 (Capital)	17,82,16,59,142	Under process
2022-23	16 Grants 2 Appropriations	14,17,18,22,25,28,29,30 (Revenue), 5,7,9,12,18,20,21,23,25,27,30 (Capital), 8 (Revenue), 13 (Capital)	6,62,14,42,051	
Total (2021-22 and 2022-23):			24,44,31,01,193	
Grand Total			1,12,62,78,31,210	

Source: Appropriation Accounts.

3.3.9 Grant-in-aid for creation of Capital assets

As per IGAS-2, grants-in-aid disbursed by a grantor to a grantee shall be classified and accounted for as Revenue expenditure irrespective of the purpose for which the funds disbursed as grants-in-aid are to be spent by the grantee, except in cases where it has been specifically authorised by the President on the advice of the Comptroller and Auditor General of India.

During 2023-24, an amount of ₹ 911.06 crore was extended as grants-in-aid for creation of Capital assets and the whole amount was booked under Revenue heads and classified as Revenue expenditure in the accounts in compliance with IGAS-2.

3.4 Effectiveness of budgetary and accounting process

3.4.1 Budget projection and gap between expectation and actual

Efficient management of tax administration/other receipts and public expenditure holds the balance for achievement of various Fiscal indicators. Budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities and weak internal controls lead to sub-optimal

allocation among various developmental needs. Excessive savings in some departments deprive other departments of the funds which they could have utilised.

The summarised position of original and supplementary provisions *vis-à-vis* actual expenditure during 2023-24 in respect of 32 grants/ appropriations is given in Table 3.17.

Table 3.17: Summarised position of Budget (Original/ Supplementary) provisions *vis-à-vis* Actual Expenditure during 2023-24

(₹ in crore)

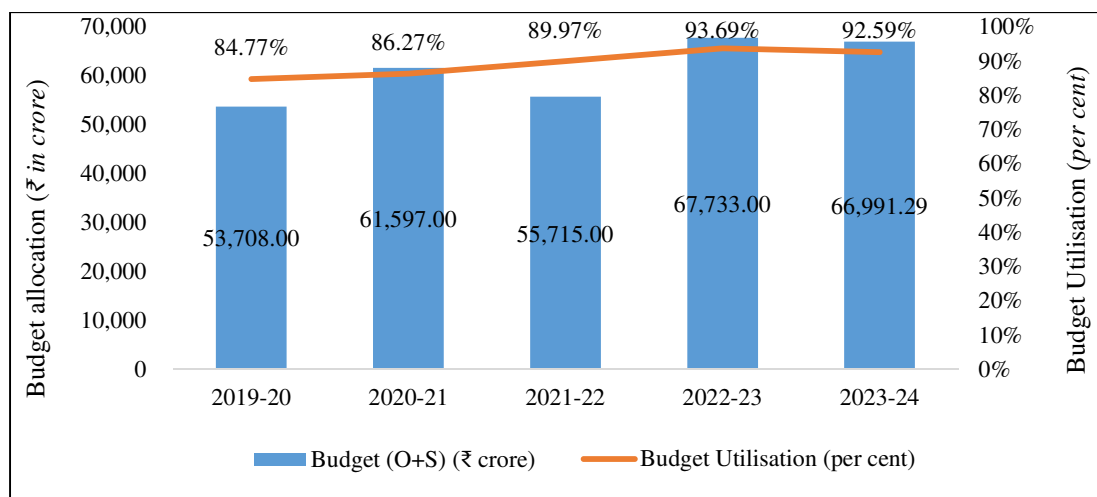
	Nature of expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total Budget	Actual Expenditure	Net Savings (-)/ Excess (+)	Surrender during March	
							Amount	per cent
Voted	I. Revenue	40,281.72	4,850.25	45,131.97	42,591.56	-2,540.41	1,109.27	2.46
	II. Capital	5,252.34	1,871.46	7,123.80	5,677.51	-1,446.29	617.40	8.67
	III. Loans and Advances	19.71	43.10	62.81	106.95	44.14	5.96	9.49
	Total	45,553.77	6,764.81	52,318.58	48,376.02	-3,942.56	1,732.63	3.31
Charged	I. Revenue	5,643.29	157.45	5,800.74	5,739.12	-61.62	0.30	0.01
	II. Capital	0	15.35	15.35	12.94	-2.41	0	0.00
	III. Public Debt repayments	5,486.64	3,369.98	8,856.62	7,895.87	-960.75	0	0.00
Total		11,129.93	3,542.78	14,672.71	13,647.93	-1,024.78	0.30	0.01
Grand Total		56,683.70	10,307.59	66,991.29	62,023.95	-4,967.34	1,732.93	2.59

Source: Appropriation Accounts.

As shown in the above table, the total provision for expenditure in 2023-24 was ₹ 66,991.29 crore. The actual gross expenditure during the year was ₹ 62,023.95 crore. There was an overall savings of ₹ 4,967.34 crore which was the net result of saving of ₹ 6,223.14 crore in 31 grants and 11 appropriations offset by excess of ₹ 1,255.80 crore in 12 grants/appropriations. Out of net savings of ₹ 4,967.34 crore, only ₹ 1,732.93 crore (35 *per cent*) were surrendered. All the surrenders were made on the last day of the financial year i.e., 31st March 2024.

The position of Budget utilisation during the five years is given in Chart 3.7.

Chart 3.7: Trend of Budget utilisation



As can be seen from the above table, the percentage of Budget utilisation against total allocation showed an increasing trend during 2019-20 to 2022-23, whereas it slightly decreased during 2023-24 over the previous year.

Details of original Budget, revised estimates, and actual expenditure during the five-year period from 2019-20 to 2023-24 are given in **Table 3.18**.

Table 3.18: Original Budget, Revised Estimate and Actual Expenditure during 2019-24

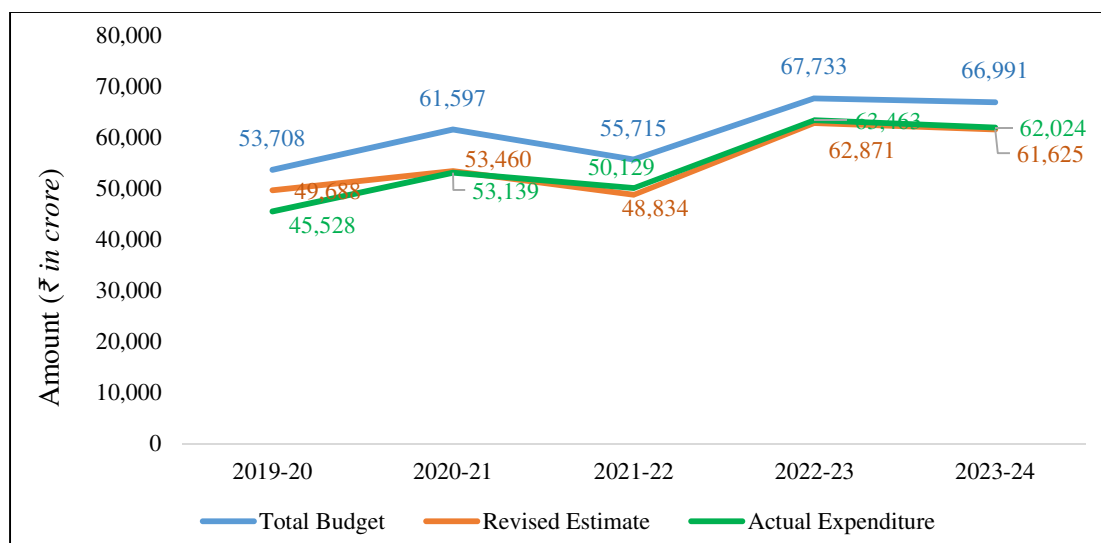
	₹ in crore				
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Original Budget	46,971	52,472	53,485	54,592	56,684
Supplementary Budget	6,737	9,125	2,230	13,141	10,307
Total Budget (TB)	53,708	61,597	55,715	67,733	66,991
Revised Estimate (RE)	49,688	53,460	48,834	62,871	61,625
Actual Expenditure (AE)	45,528	53,139	50,129	63,463	62,024
Saving (-)/ Excess (+)	-8,180	-8,458	-5,586	-4,270	-4,967
Percentage of supplementary to the original provision	14.34	17.39	4.17	24.07	18.18
Percentage of overall saving/excess to the overall provision	-15.23	-13.73	-10.03	-6.30	-7.41
TB-RE	4,020	8,137	6,881	4,862	5,366
RE-AE	4,160	321	-1,295	-592	-399
(TB-RE) as a per cent of TB	7.48	13.21	12.35	7.18	8.01
(RE-AE) as a per cent of TB	7.75	0.52	-2.32	-0.87	-0.60

Source: Appropriation Accounts and Budget documents of respective years.

Table 3.17 shows that supplementary provisions of ₹ 10,307 crore during the year 2023-24 constituted 18.18 per cent of the original provision as against 24.07 per cent in the previous year.

The trend of Budget Estimates, Revised Estimates and utilisation there against is depicted in **Chart 3.8**.

Chart 3.8: Trend showing BE, RE and Actuals



Source: Appropriation Accounts.

From the above chart, it can be seen that Total Budget (TB) was always higher than the Revised Estimate (RE) and Actual Expenditure (AE) in these five years (2019-20

to 2023-24). The Revised Estimates were closer to Actual Expenditure, except in the year 2019-20.

In terms of percentage, the RE was lower than TB in the range between 7.18 *per cent* to 13.21 *per cent* during 2019-24. Further, the percentage of AE was lower than the RE during 2019-20 and 2020-21 by 7.75 *per cent* and 0.52 *per cent* respectively whereas in the last three years (2021-22 to 2023-24) RE was lower than the AE by 2.32 *per cent*, 0.87 *per cent* and 0.60 *per cent* respectively (as shown in **Table 3.18**). As such, the supplementary provisions during 2019-20 and 2021-22 proved unnecessary since the actual expenditure did not come up even to the level of original budget provisions.

This reflects that budgetary allocations were based on unrealistic proposals as Budget Estimates of the State were always inflated, and the actual expenditure was less than the budgetary provisions.

3.4.2 Supplementary Budget

While obtaining legislative authorisation for supplementary provisions, departments sometimes report large additional requirements for different purposes under various schemes/activities but are unable to spend not only the entire supplementary provision or parts thereof but also the original Budget provision. Detail of unutilised funds under 'Capital-Voted' section is given in **Table 3.19** below:

Table 3.19: Detail of unutilised funds under 'Capital-Voted' section

(₹ in crore)

Sl. No.	Name of the Grant	Original allocation	Supplementary	Total	Actual expenditure	Unutilised funds
1	01-Vidhan Sabha	3.05	2.62	5.67	5.55	0.12
2	06-Excise and Taxation	2.00	0.00	2.00	0.00	2.00
3	07-Police and Allied Organisations	57.74	30.74	88.48	79.16	9.32
4	10-Public Works - Roads, Bridges and Buildings	1,076.46	775.89	1,852.35	1,500.98	351.37
5	11-Agriculture	47.33	0.00	47.33	33.74	13.59
6	12-Horticulture	7.69	7.00	14.69	14.40	0.29
7	13-Irrigation, Water Supply and Sanitation	538.05	571.11	1,109.16	1,079.18	29.98
8	14-Animal Husbandry, Dairy Development and Fisheries	9.62	0.54	10.16	7.51	2.65
9	15-Planning and Backward Area Sub Plan	681.61	0.00	681.61	336.41	345.20
10	16-Forest and Wildlife	13.99	0.00	13.99	2.96	11.03
11	19-Social Justice and Empowerment	26.23	2.21	28.44	27.02	1.42
12	20-Rural Development	12.25	0.00	12.25	9.52	2.73
13	22-Food and Civil Supplies	0.11	0.00	0.11	0.06	0.05
14	24-Printing and Stationery	0.30	0.00	0.30	0.00	0.30
15	25-Road and Water Transport	127.35	141.51	268.86	256.47	12.39
16	26-Tourism and Civil Aviation	484.44	5.99	490.43	274.48	215.95
17	29-Finance	6.68	2.50	9.17	7.32	1.85
18	30-Miscellaneous General Services	23.40	9.43	32.83	24.74	8.09
19	31-Tribal Development	498.14	0.00	498.14	309.16	188.98
20	32-Scheduled Caste Sub Plan	1,240.21	21.00	1,261.22	878.17	383.05
Total		4,856.65	1,570.54	6,427.19	4,846.83	1,580.36

Source: Appropriation Accounts.

3.4.3 Major policy pronouncements in Budget and actual expenditure

The Government announces several new policies/ schemes for implementation through the Budget Speech and other Budget documents which are either for that particular financial year (one-time activity) or the subsequent financial years (of recurring nature).

Some of the major policies were pronounced in the Budget for 2023-24 but no Budget provisions were provided thereagainst. Details are given in **Table 3.20**.

Table 3.20: Major policy pronouncements in Budget and actual expenditure during 2023-24

Sr. No.	Name of the Scheme	Budget Provision
1	Mukhya Mantri Vidhwa Evam Ekal Nari Awas Yojna	Nil
2	Mukhya Mantri Surakshit Bachpan Abhiyaan	
3	Nasha Evam Maadak Padarth Mukht Himachal Abhiyaan	
4	Him Ganga	
5	Mukhya Mantri Laghu Dukandaar Kalyan Yojna	

Source: Budget Document.

3.4.4 Schemes and their actual funding for ensuring implementation

Several policy initiatives of the Government are partially executed or not executed due to non-approval of scheme guidelines/ modalities, non-commencement of works for want of administrative sanctions, non-release of Budget, etc. This deprives beneficiaries of the intended benefits. Savings in such schemes deprive other departments of funds which they could have utilised.

During 2023-24, there were 40 schemes where Budget provision (₹ one crore and above) was made but no expenditure was incurred (details given in **Appendix 3.9**). Details of eight major schemes (₹ 10 crore and above provision in each case) are depicted in **Table 3.21**.

Table 3.21: Detail of some schemes for which substantial provision (₹ 10 crore and above provision in each case) was made but no expenditure was incurred

(₹ in crore)

Sr. No.	Grant No.	Scheme name	Approved outlay	Remarks
1	20	Performance Grant to Gram Panchayats under Finance Commission	129.52	No expenditure was incurred on these schemes during the year.
2	20	Tied Grant to Zila Parishads under Central Finance Commission	28.24	
3	20	Tied Grant to Panchayat Samitis under Central Finance Commission	27.75	
4	19	Pradhan Mantri Jan Vikas Karyakram	20.14	
5	20	Basic Grant to Zila Parishads under Central Finance Commission	18.82	
6	11	Him Unnati	16.48	
7	08	Srinivasa Ramanujan Student Digital Yojna	16.45	
8	29	Atal Pension Yojna	15.00	

Source: Appropriation Accounts.

Non-utilisation of funds on sanctioned schemes shows that the State Government departments had either not adequately planned for such schemes or did not have the

capacity for their implementation. Poor scheme implementation capacities increase the tendency of departments to retain cash balances outside the Government Account in bank accounts or surrender funds at the end of the year, thereby depriving other departments of funds which could have been utilised.

3.4.5 Rush of expenditure

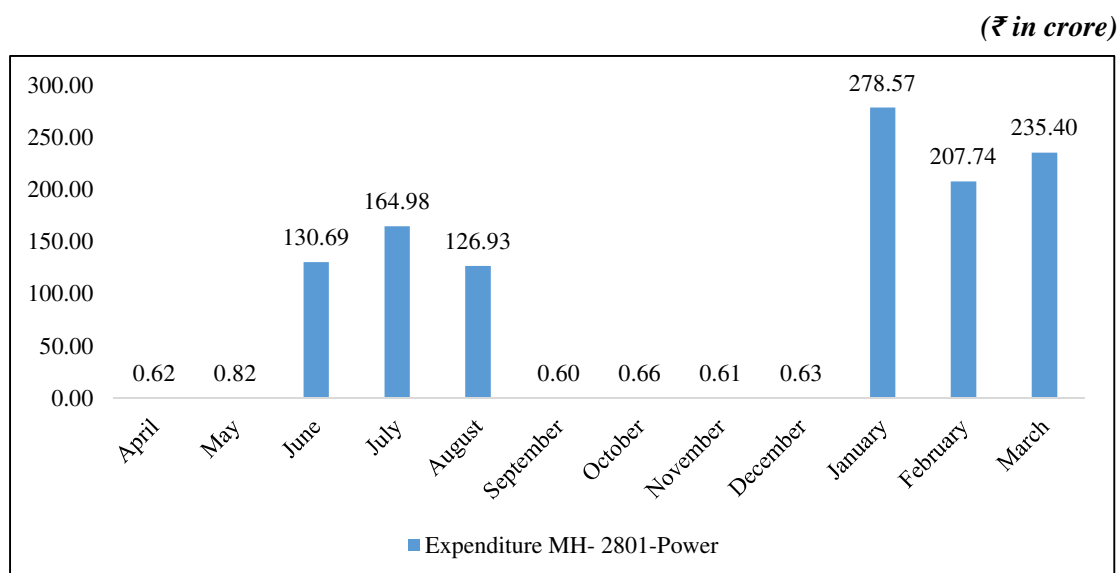
Government funds should be spent evenly throughout the year. Maintaining a steady pace of expenditure is a crucial component of sound public financial management, as it obviates Fiscal imbalances and temporary cash crunches arising out of unanticipated heavy expenditure.

The State Government prescribed (September 1995) quarter-wise percentages (1st Quarter-20 per cent; 2nd Quarter-25 per cent; 3rd Quarter-30 per cent; 4th Quarter-25 per cent) for incurring expenditure during the year, with the aim of regulating the expenditure in a phased manner.

During scrutiny, it was found that during 2023-24, under 19 Major Heads, more than 50 per cent of expenditure was incurred in the last quarter of the year against the target of 25 per cent. In four cases, more than 50 per cent of total expenditure was incurred in March alone. The details are given in **Appendix 3.10**.

It was also observed that under Major Head- 2801 (Power), out of total expenditure ₹ 1,148.23 crore, ₹ 721.71 crore (62.85 per cent) was incurred in the last quarter while ₹ 235.40 crore (21 per cent) was incurred in March 2024. Month-wise expenditure under Major Head 2801 – Power during 2023-24 is depicted in **Chart 3.9**.

Chart 3.9: Month-wise expenditure under “2801-Power” during 2023-24



The rush of expenditure during the last quarter, especially during the month of March, showed non-adherence to financial rules. Government funds should be spent evenly throughout the year. Maintaining a steady pace of expenditure is a crucial component of sound public financial management, as it obviates Fiscal imbalances and temporary cash crunches arising out of unanticipated heavy expenditure. The quarterly details of expenditures incurred across all Grants are shown in **Appendix 3.11**.

It is evident from the appendix that in case of 28 grants, compliance to the quarterly expenditure limits could not be ensured during the year. The details of grants where expenditure incurred was more than 40 per cent in the last quarter are given in Table 3.22.

Table 3.22: Details of grants where expenditure incurred more than 40 per cent in the last quarter during 2023-24

(₹ in crore)

Sr. No.	Description	Allocation during 2023-24	Expenditure					Total expenditure during 2023-24	Expenditure in 4 th Quarter as percentage of total expenditure	Expenditure in March 2024 as percentage of total expenditure
			1 st qtr.	2 nd qtr.	3 rd qtr.	4 th qtr.	in March			
1	10 Public Works - Roads, Bridges and Buildings	5,163.41	579.62	924.52	926.98	1,700.77	1,063.56	4,131.88	41.16	25.74
2	13 Irrigation, Water Supply and Sanitation	3,867.63	731.69	645.95	706.52	1,725.07	1,101.32	3,809.24	45.29	28.91
3	23 Power Development	917.74	88.61	228.37	4.86	553.69	156.66	875.54	63.24	17.89
4	26 Tourism and Civil Aviation	524.40	34.55	19.32	27.22	219.08	198.86	300.17	72.99	66.25
5	28 Urban Development, Town and Country Planning and Housing	948.03	128.23	372.51	68.25	481.69	304.15	1,050.69	45.84	28.95

Rush of expenditure during the last quarter, especially during the month of March, showed non-adherence to financial rules. The State Government may consider devising suitable mechanism to avoid rush of expenditure in the last quarter/month of the financial year.

3.5 Review of Selected Grants

A review of budgetary procedure and control over expenditure in respect of two grants viz., Grant No. 08 - 'Education' and Grant No. 20- 'Rural Development' for the year 2023-24 revealed the following:

3.5.1 Grant No. 08 – Education

The Grant is administered by Education Department and includes Major Heads: 2059- Public Works, 2202-General Education, 2216-Housing, 4202-Capital Outlay on Education, Sports, Art and Culture.

(i) Budget and Expenditure

The overall position of funds allotted, and expenditure incurred under Grant No. 08 during the financial years 2021-22 to 2023-24, as detailed in Table 3.23.

Table 3.23: Budget provision, expenditure, excess/savings

(₹ in crore)

Year	Section	Budget		Expenditure		Savings (-)/ Excess (+)	
		Voted	Charged	Voted	Charged	Voted	Charged
2021-22	Revenue	7,087.45	0.10	5,991.02	0.10	-1,096.43	0
	Capital	224.69	0.13	239.73	0.13	15.04	0
2022-23	Revenue	7,891.90	0.23	7,770.30	0.43	-121.60	0.20
	Capital	164.40	0	163.79	0	-0.62	0
2023-24	Revenue	8,030.60	2.69	7,230.03	2.69	-800.57	0.0
	Capital	111.47	0	113.96	0	2.49	0

Source: Appropriation Accounts.

It can be seen from the above table that there were huge savings of ₹ 800.57 crore under Revenue-voted section and an excess of ₹ 2.49 crore under Capital-voted section in 2023-24.

(ii) Unnecessary Re-appropriation

During 2023-24, there were 8 cases (Table 3.24), where re-appropriation proved unnecessary, as the expenditure did not reach the level of budget provision.

Table 3.24: Details of cases where Re-appropriation proved unnecessary

(₹ in crore)

Sr. No.	Heads of account	Budget	Re-appropriation	Actual Expenditure	Savings
1	2202-01-101-03-S00N	1,663.03	4.62	1,487.01	-180.64
2	2202-01-104-01-S00N	21.05	0.17	19.12	-2.10
3	2202-01-104-02-S00N	73.44	0.71	71.09	-3.05
4	2202-01-107-04-S00N	24.99	0.89	21.96	-3.92
5	2202-01-112-01-C90N	82.23	5.01	79.58	-7.67
6	2202-01-113-01-C90N	137.78	28.13	36.27	-129.64
7	2202-02-001-01-S00N	22.34	0.22	21.84	-0.72
8	2202-02-109-01-S00N	2,839.01	7.87	2,804.56	-42.32

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. Savings in many heads could have been re-appropriated to meet the excess in cases where re-appropriation proved insufficient.

(iii) Savings under Centrally Sponsored Schemes

Scrutiny of records revealed that four Centrally Sponsored schemes viz. (i) Mid-Day Meal, (ii) New India Literacy Programme, (iii) Smagra Shiksha Abhiyan and (iv) Strengthening Teaching Learning and Results for States, etc., are being implemented by the Elementary Education Department in the State. The major objectives of these schemes are to ensure quality education and enhancing learning outcomes of students; strengthening early-years education, learning assessment systems, teacher performance and classroom practice, school-to-work transition and governance and decentralised management for improved service delivery, enhancing teacher training programs, implementing effective learning methods in classrooms, and promoting inclusive education. The total Budget allocated under these schemes was ₹ 668.15 crore, against which only 53 per cent Budget was utilised. Details are given in the Table 3.25.

Table 3.25: Details of savings under Centrally Sponsored Schemes

(₹ in crore)

Schemes	Heads of account	Original Budget	Supplementary	Reappropriation	Total	Expenditure	Savings
Mid-Day Meal	2202-01-112-01	139.35	0.00	7.67	147.02	120.50	26.52
New India Literacy Programme	2202-01-105-01	0.02	0.00	1.42	1.44	0.36	1.08
Smagra Shiksha Abhiyan	2202-01-113-02	334.59	0.00	0.00	334.59	193.50	141.09
Strengthening Teaching Learning and Result for State (STAR)	2202-01-113-01	6.76	150.21	28.13	185.10	40.30	144.80
Total		480.72	150.21	37.22	668.15	354.66	313.49

As we can see from the above table that huge savings under these schemes show insensitivity towards quality education by the State Government/Department. While confirming the facts and figures the Department stated that savings under these schemes were due to non-release of funds from Government of India. The Department's reply was not acceptable as expenditure was not incurred even when the Budget provision was available. This deprives beneficiaries of the intended benefits. Savings in such schemes deprive other departments of funds which could have been utilised.

(iv) Entire Budget provisions remained unutilised

Scrutiny of the records revealed that during the year 2023-24, under six schemes total Budget provision of ₹ 31.85 crore was made but no expenditure was incurred by the Department. The details are given in the **Table 3.26**.

Table 3.26: Details of some schemes for which provision was made but no expenditure was incurred

Sr. No.	Heads of Account	Schemes	Budget provision (₹ in crore)	Expenditure
1	2202-02-109-38-S00N	Rajiv Gandhi Day Boarding school	9.74	No expenditure was incurred on these schemes during the year.
2	2202-02-107-03-S10N	PM Young Achiever Scholarship award scheme for Vibrant India for OBC and Other Post Matric	0.66	
3	2202-02-109-15-S00N	Srinivasa Ramanujan Student Digital Yojna	16.45	
4	2202-80-107-18-S00N	Kalpana Chawla Chatravriti Yojna	2.47	
5	2202-02-109-30-S00N	Khel se Swasthya Yojna	1.82	
6	2202-02-109-21-S00N	Mukhya Mantri Gyandeep Yojna	0.71	
Total			31.85	

Non-utilisation of funds on sanctioned schemes shows that the State Government departments had either not adequately planned for launching such schemes or did not have the capacity for their implementation.

In response, Director, Higher Education, Shimla stated that the bills were not passed by the treasury hence these schemes were not implemented by the Department. Further, previous years' liabilities were met out of these funds during the current financial year. The reply of the Department was not satisfactory as the Department did not produce any document as evidence for non-passing of bills by the treasury.

(v) Excess expenditure over and above the Budget provision

As per Rule 37 (3) of HPFR 2009, no expenditure shall be incurred which may have the effect of exceeding the total grant or appropriation authorised by State legislature by law for a financial year except after obtaining a supplementary grant or appropriation or an advance from the Contingency Fund.

During test-check of the records of the Department it was noticed that during 2023-24, under Head 4202-01-202-01 against the total provision of ₹ 22.89 crore, ₹ 44.86 crore was incurred, resulting in excess expenditure over the approved Budget provision by ₹ 21.97 crore.

In response, Director of Higher Education, Shimla stated that additional funds amounting to ₹ 33.90 crore were received from the Government and same were withdrawn from the treasury but the same was not mentioned by the Finance Department in excess and surrender statement as well as re-appropriation order. The reply is not satisfactory as the same should have been included in supplementary grant or in re-appropriation orders.

(vi) Delay in submission of excess and surrender statements

As per Himachal Pradesh Budget Manual, the Head of Department is required to submit Budget Estimates and the statement of excesses and surrenders to the Finance Department by 1st October and 15th January or well before the close of the financial year respectively.

Further, the Finance Department, Government of Himachal Pradesh issued (9th August 2023) instructions stipulating the dates of submission - first statements of excess and surrender was required to be submitted to the Finance Department on 31.10.2023 and second excess and surrender was required to be submitted on 31.12.2023 and the third is to be submitted before 15.03.2024.

Scrutiny of excess and surrender statements for the year 2023-24 revealed that the Department of Higher Education submitted the first and second statement of excess and surrender to Finance Department on 15th November 2023 and 5th January 2024 with delays of 15 days and 5 days respectively.

In reply, the Directorate of Higher Education, Shimla stated that the delay in submission of Budget Estimates and returns was due to delays in receipt of data from the field offices and its consolidation at headquarters level. The reply is not satisfactory because instructions issued by the Finance Department are to be mandatorily followed and the Department should have instructed its regional/field offices to adhere to the timelines.

3.5.2 Grant No. 20 – Rural Development

The Grant is administered by Rural Development Department and includes Major Heads: 2216- Housing, 2230- Labour Employment and Skill Development, 2501- Special Programme for Rural Development, 2505- Rural Employment, 2515- Other Rural Development Programmes and 4515- Capital Outlay on Other Rural Development Programmes.

(i) Budget and Expenditure

The overall position of funds allotted, and expenditure incurred under Grant No. 20 during the financial years 2021-22 to 2023-24, as detailed in **Table 3.27**.

Table 3.27: Budget provision, expenditure, excess/savings*(₹ in crore)*

Year	Section	Budget		Expenditure		Savings (-)/ Excess (+)	
		Voted	Charged	Voted	Charged	Voted	Charged
2021-22	Revenue	1,229.11	0.07	1,095.01	0.07	-134.10	0.00
	Capital	14.01	0.00	18.85	0.00	4.84	0.00
2022-23	Revenue	1,771.88	0.06	1,651.86	0.06	-120.02	0.00
	Capital	15.16	0.00	15.51	0.00	0.35	0.00
2023-24	Revenue	1,506.15	0.00	1,022.95	0.00	-483.20	0.00
	Capital	12.25	0.00	9.52	0.00	-2.73	0.00

Source: Appropriation Accounts

It can be seen from the above table that there were persistent savings in Revenue section from 2021-22 to 2023-24 ranging from seven *per cent* to 32 *per cent*.

(ii) Entire Budget provision remained unutilised

Scrutiny of the records revealed that during the year 2023-24, in eight cases total Budget provision of ₹ 246.45 crore was made but no expenditure was incurred by the Department. The details are given in the **Table 3.28**.

Table 3.28: Details of some schemes for which provision was made but no expenditure was incurred*(₹ in crore)*

Sr. No.	Heads of Account	Original	Supple-mentary	Re-appropriation	Expenditure
1	2501-06-101-08-C90N	3.29	0.00	-3.29	No expenditure was incurred during the year.
2	2501-06-800-09-S00N	2.63	0.00	0.00	
3	2505-01-702-06-S00N	32.90	0.00	-32.90	
4	2515-00-102-24-S00N	3.30	0.00	-3.30	
5	2515-00-196-06-S00N	18.82	0.00	0.00	
6	2515-00-196-07-S00N	28.24	0.00	0.00	
7	2515-00-197-07-S00N	27.75	0.00	0.00	
8	2515-00-198-06-S00N	129.52	0.00	0.00	
Total		246.45	0	-39.49	

Non-utilisation of funds on sanctioned schemes shows that the State Government departments had either not adequately planned for launching such schemes or did not have the capacity for their implementation.

In reply, Department stated that the non-utilisation is due to vacant posts in different categories, non-release of dearness allowance, revised pay arrears and non-release of fund from State Government.

(iii) Budget reduced under Centrally Sponsored Schemes (CSS)

Scrutiny of the records revealed that during 2023-24, in three schemes, original Budget provision of ₹ 132.84 crore was reduced to ₹ 51.63 crore by re-appropriation even then there was a savings of ₹ 12.09 crore. This shows the Department either made unrealistic Budget provisions or did not disburse/surrendered the amount of

Centrally Sponsored Schemes as per prescribed procedure/rule. The details of these schemes are given in **Table 3.29**.

Table 3.29: Budget under Centrally Sponsored Schemes

(₹ in crore)

Name of Schemes	Heads of account	Original Budget	Re-appropriation	Total	Expenditure	Savings
Deen Dayal	2501-06-101-07-C90N	45.52	-28.02	17.50	13.16	-4.34
Upadhyay Grameen Kaushal Yojana	2501-06-101-07-S10N	5.06	-3.34	1.72	0.03	-1.69
Shyama Prasad Mukherji Rurban Mission	2501-06-101-08-C90N	3.29	-3.29	0.00	0.00	0.00
Swachh Bharat Mission (Gramin)	2515-00-102-23-C90N	78.97	-46.56	32.41	26.35	-6.06
Total		132.84	81.21	51.63	39.54	12.09

In reply, the Department confirmed the facts and figures as correct and stated that during the drafting process of Annual Action Plan, considerable emphasis was given to integrating targets that remained unmet in the preceding year. However, all the unachieved targets for the year 2023-24 will be encompassed and addressed in the upcoming year.

(iv) Excess expenditure over and above the Budget provision

Excess expenditure over Budget provision is not only in contravention of provisions requiring legislative sanction, but also indicative of poor planning. It can be avoided by keeping track of expenditure progression with reference to Budgetary outlays. Details of excess expenditure over the Budget provision for the financial year 2023-24 are given in **Table 3.30**.

Table 3.30: Details of excess expenditure over Budget provision

(₹ in crore)

Sr. No.	Heads of Account	Original provision	Supplementary	Re-appropriation	Total Budget provision	Actual Expenditure	Excess
1	2216-03-102-07-C90N	10.41	9.20	28.02	47.63	64.36	16.73
2	2216-03-102-07-S10N	0.71	1.24	3.34	5.29	7.15	1.86
3	2501-06-101-05-C90N	27.64	0.00	0.00	27.64	28.14	0.50
4	2501-06-101-05-S10N	1.97	0.37	0.00	2.34	3.13	0.79
5	2505-02-101-01-S25N	59.23	0.00	0.00	59.23	81.21	21.98
6	2515-00-102-23-S10N	0.12	1.38	0.70	2.20	2.93	0.73
7	4515-00-103-02-S00N	0.40	0.00	0.00	0.40	0.70	0.30
Total		100.48	12.19	32.06	144.73	187.62	42.89

Scrutiny of the records revealed that under seven cases, the Department incurred ₹ 42.89 crore excess over and above the Budget provision, which shows that the formulation of Budget by the Department was not on realistic basis and there was laxity to control the expenditure.

(v) Delay in submission of excess and surrender statements

As per Himachal Pradesh Budget Manual, the Head of Department is required to submit Budget estimates and the statement of excesses and surrenders to the Finance Department by 1st October and 15th January or well before the close of the financial year respectively.

Further, the Finance Department, Government of Himachal Pradesh issued (9th August 2023) instructions stipulating the dates of submission - first statements of excess and surrender was required to be submitted to the Finance Department on 31.10.2023 and second excess and surrender was required to be submitted on 31.12.2023 and the third is to be submitted before 15.03.2024. The details of submission of the statements are given in **Table 3.31**.

Table 3.31: Delay in submission of excess and surrender statements

Sr. No.	Particular	Due date	Submission date	Delay (in days)
1	First excess and surrender statement	31.10.2023	10.01.2024	71
2	Second excess and surrender statement	31.12.2023	10.01.2024	10
3	Final excess and surrender statement	15.03.2024	30.03.2024	15

Scrutiny of excess and surrender statements for the year 2023-24 revealed that the Rural Development Department submitted the first, second and third statement of excess and surrender to Finance Department on 10th January 2024 and 30th March 2024 with delays of 10 days and 71 days.

In reply, the Department stated that there are 91 blocks under the jurisdiction of the Department and the delay in submission of budgetary estimates and returns were due to delays in receipt of data from the field offices and its consolidation at headquarters level. The reply is not acceptable because instructions issued by the Finance Department are to be mandatorily followed and the Department should have instructed its regional/field offices to adhere to the timelines.

3.6 Conclusions

The overall utilisation of Budget was 92.59 *per cent* of total grants and appropriations during 2023-24.

Expenditure of ₹ 94.36 crore was incurred in seven cases under four grants during the year 2023-24 without having any provision in the original Budget Estimates/ supplementary demands and without issuing any re-appropriation orders to this effect.

Supplementary provisions were also not on a realistic basis as in 14 cases, the supplementary provisions of ₹ 710.55 crore proved unnecessary as the expenditure

did not come up even to the level of the original provisions. Budgetary allocations were based on unrealistic proposals as in 15 cases pertaining to 12 grants, savings excluding surrenders were more than ₹ 100 crore.

During 2023-24, there were 40 schemes where Budget provision (₹ one crore and above in each cases) was made but no expenditure was incurred.

The excess expenditure of ₹ 2,444.31 crore for the period 2021-23 and ₹ 1,255.80 crore for the current year 2023-24 was required to be regularised by the State Legislature.

There was rush of expenditure at fag end of the year. In 19 major heads, more than 50 *per cent* of the expenditure under each major head was incurred in the last quarter and in four cases more than 50 *per cent* of the expenditure incurred in the month of March 2024. All surrenders were made on the last day i.e. 31st March 2024.

3.7 Recommendations

- 1. The State Government should be accurate in its assumptions for preparing Budget Estimates.*
- 2. Government should ensure strict compliance with Budget Manual in preparation of supplementary provisions and ensure transparency in estimation for avoiding unnecessary supplementary provisions.*
- 3. Government should consider formulating strategies for actual execution of major policy decisions in the State at the time of preparing budgetary estimates.*
- 4. The State Government should ensure regular monitoring to ascertain the progress of expenditure with reference to the stipulated quarterly targets and assess anticipated savings/ excess. Surrenders of anticipated savings should be made well before the close of the financial year so that they can be utilised for other schemes.*
- 5. Excess expenditure over authorisation approved by the Legislature must be avoided and all the excesses should be regularised in time bound manner.*

CHAPTER-IV
QUALITY OF ACCOUNTS AND
FINANCIAL REPORTING PRACTICES

CHAPTER – IV

QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES

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.

Issues related to completeness of accounts

4.1 Non-discharge of liability in respect of interest towards interest bearing deposits/ Reserve Funds

The Government has a liability to provide and pay interest on the amounts in the Interest-bearing Deposits/Reserve Funds.

Audit observed that ₹ 22.26 crore were required to be paid as interest on the balance of ₹ 114.98 crore lying under interest bearing deposits/Reserve Funds as on 1st April 2023 as shown in **Table 4.1**. However, the same has not been paid. Non-payment of interest liability has resulted in understatement of Revenue Deficit and Fiscal Deficit to that extent.

Table 4.1: Details of non-discharge of liability in respect of interest towards interest bearing deposits/Reserve Funds

(₹ in crore)

Sr. No.	Name/Head of the interest bearing deposit	Opening Balance as on 1 st April 2023	Basis for calculation of interest	Amount of interest not paid
1.	Defined Contribution Pension Scheme for Government Employees	17.39	Interest calculated at the rate of 7.10 <i>per cent</i> as per interest payable to General Provident Fund	1.19
2.	State Disaster Response Fund (SDRF)	55.55	Interest calculated at the rate of 8.50 <i>per cent</i> {average rate of W&MA during 2023-24 (6.50) plus 2 <i>per cent</i> }	11.36
3	State Disaster Mitigation Fund (SDMF)	42.04		9.71
Total		114.98		22.26

Source: Finance Accounts.

4.2 Funds transferred directly to State implementing agencies

The Government of India has been transferring sizeable funds directly to the State implementing agencies for implementation of various schemes. Government of India decided to route these funds through the State Budget from 2014-15 onwards. However, during the year 2023-24, ₹ 1,946.42 crore under 41 Central Schemes (including Centrally

Sponsored Schemes) as detailed in **Appendix 4.1** was transferred directly to the implementing agencies in the State bypassing the Consolidated Fund of the State and State Budget. This constituted 4.97 *per cent* and 13.03 *per cent* of total Revenue receipts (₹ 39,173.04 crore) and Grants-in-aid (₹ 14,942.15 crore) respectively for the year 2023-24. During 2023-24, the direct transfer of fund to the implementing agencies has decreased by 33.76 *per cent* as compared to 2022-23 (from ₹ 2,938.36 crore in 2022-23 to ₹ 1,946.42 crore in 2023-24). During the year 2023-24, Centrally Sponsored Schemes, where funds transferred directly exceeded ₹ 400 crore were Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) (₹ 604.57 crore), Pradhan Mantri Kisan Samman Nidhi (PM-Kisan) (₹ 544.71 crore) and Jal Jeevan Mission (JJM) (₹ 402.34 crore).

The State Government accounts for the year 2023-24 depicts only ₹ 5,328.69 crore under Central share of Centrally Sponsored Schemes. Besides contracting the budget and expenditure of the State Government to the extent of ₹ 1,946.42 crore, the assets created and expenditure for the public were out of the State Government accounts making them incomplete.

Issues related to transparency

4.3 Delay in submission of Utilisation Certificates

Rule 157 of HPFR 2009 prescribes that institutions or organisations receiving grants shall furnish audited utilisation certificate to the Government after utilisation of Grants-in-aid. Utilisation Certificates (UCs) outstanding beyond the specified periods indicate absence of assurance on utilisation of the grants for intended purposes and the expenditure shown in the accounts to that extent cannot be treated as final. A total number of 2,990 UCs amounting to ₹ 2,795.23 crore were pending as of March 2024 (**Appendix 4.2**). Out of which, 1,648 UCs for grants of ₹ 1,050.63 crore pertained to the period 2017-22. The age-wise and year-wise arrears in submission of UCs are summarised in **Tables 4.2** and **4.3**.

Table 4.2: Age-wise arrears in submission of Utilisation Certificates

(₹ in crore)

Year*	Opening Balance		Clearance		Due for submission	
	No. of UCs	Amount	No. of UCs	Amount	No. of UCs	Amount
Up to 2021-22	2,260	1,688.92	1,400	1,208.67	860	480.25
2022-23	1,846	2,553.59	1,058	1,983.21	788	570.38
2023-24	18,804	5,846.94	17,462	4,102.34	1,342	1,744.60
Total	22,910	10,089.45	19,920	7,294.22	2,990[#]	2,795.23[#]

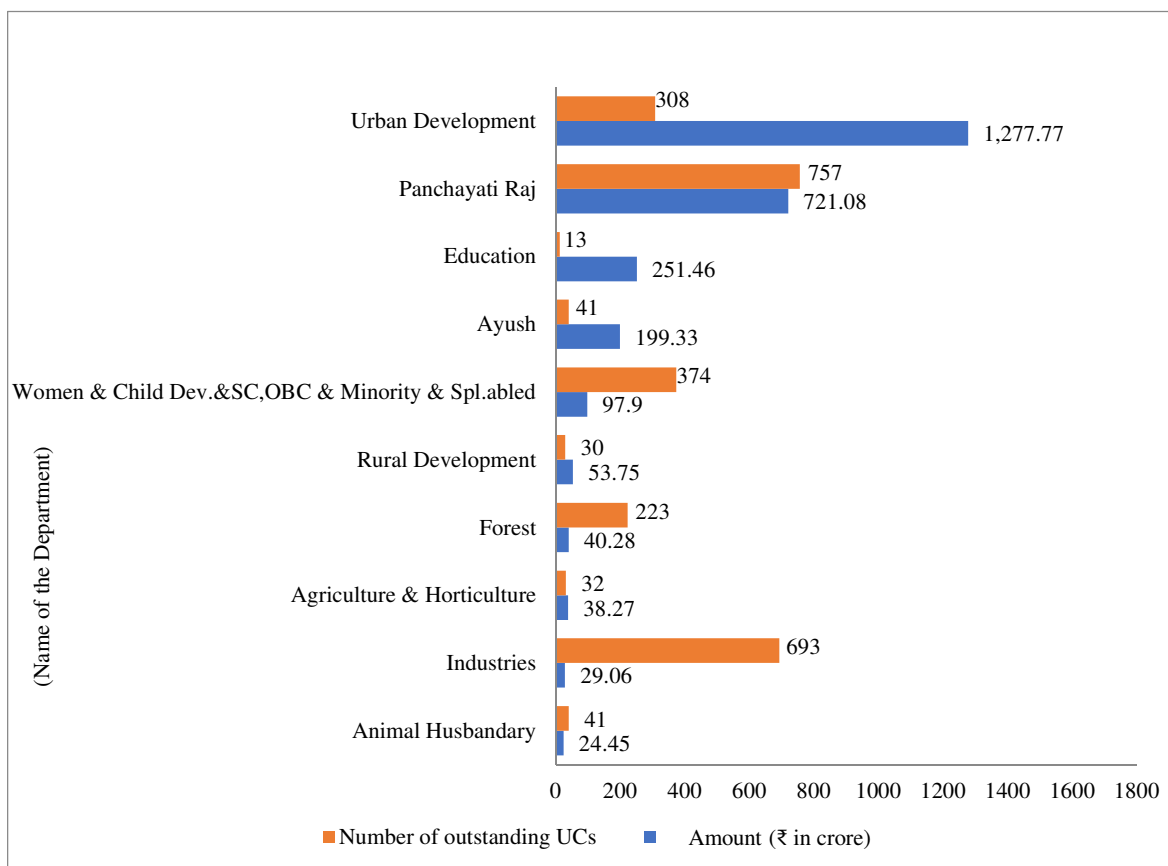
Source: Compiled from the information provided by the PAG (A&E), Himachal Pradesh.

Note: *UCs for GIA disbursed during 2022-23 become due only during 2023-24 i.e. the year mentioned above relates to "Due year" i.e., after 12 months of actual withdrawal.

[#] It includes 128 number of GIA vouchers on account of C.S.S. amounting to ₹ 579.47 crore.

Table 4.3: Year-wise break-up of outstanding UCs

Year in which GIA transferred	Number of outstanding UCs	Amount (₹ in crore)
Up to 2017-18	102	50.88
2018-19	147	66.84
2019-20	199	75.08
2020-21	412	287.45
2021-22	788	570.38
2022-23	1,342	1,744.60
Total	2,990	2,795.23

Chart 4.1: Outstanding UCs in respect of 10 major departments as on 31st March 2024

From **Chart 4.1**, it is evident that 2,512 UCs amounting to ₹ 2,733.35 crore i.e. 97.79 per cent of the total outstanding UCs (₹ 2,795.23 crore) pertains to 10 departments. Out of which, 1,493 UCs amounting to ₹ 2,547.54 crore pertains to five departments viz. - Urban Development (45.71 per cent, ₹ 1,277.77 crore), Panchayati Raj (25.80 per cent, ₹ 721.08 crore), Education (nine per cent, ₹ 251.46 crore), Ayush (7.13 per cent, ₹ 199.33 crore) and Women & Child Dev. & SC, OBC & Spl. Able (3.50 per cent, ₹ 97.90 crore).

Out of above, two major departments i.e. Urban Development (308 UCs: ₹ 1,277.77 crore), and Panchayati Raj (757 UCs: ₹ 721.08 crore), the following number of UCs were selected for substantive audit/ test-check during 2023-24:

- (i) Urban Development (142 UCs- ₹ 1,078.16 crore),
- (ii) Panchayati Raj (135 UCs - ₹ 41.64 crore),

During scrutiny of 277 UCs amounting to ₹ 1,119.80 crore, selected for test-check, 39 UCs amounting to ₹ 152.43 crore had been fully or partially adjusted with supporting documents (i.e., sub-vouchers, bills and sanction orders, etc.). The remaining 238 UCs amounting to ₹ 967.37 crore were also partially/fully utilised/ adjusted but supporting documents were not available with the departments. The UCs to the extent of the utilised amount were being sent by the grantees (implementing/executing agencies) to the Heads of Department (HoDs) as and when the work got completed. However, at the HoDs level, the UCs and amount of grant utilised by the grantees are not being reconciled/ co-related with the sanctioned grant. This is also due to lack of monitoring and non-reconciliation of position of grants at various levels.

In addition to the above, following points also emerged from the substantive/ test-check of records of the above departments:

- There is no provision mentioned in the HPFR, 2009 that the UCs should, after verification, be sent to Pr. Accountant General (A&E). Therefore, in these cases the HoDs did not forward the UCs to the Pr. Accountant General (A&E), as a result of which these UCs are remained shown as outstanding in the Accounts.
- Sanctions were found incomplete to the extent that in the test-checked UCs which had the supporting documents, the sanction orders did not mention (i) whether grants were recurring or non-recurring, (ii) periodicity of submission of UCs and (iii) whether the UCs were required to be submitted or not.
- Lack of correlation/ reconciliation was noticed between the total grants extended to the grantees (implementing/executing agencies) and the UCs of partial grant utilised as received in the Department. This is due to submission of UCs for partial grant without any supporting documents.

The status of outstanding UCs should be monitored closely by the Heads of Departments (HoDs) and the same should be reconciled with the office of the Pr. Accountant General (A&E), to ensure submission of UCs in a time bound manner.

4.4 Abstract Contingent bills

Rule 183(3)(V) of Himachal Pradesh Treasury Rules 2017 envisages that no moneys should be drawn from Government treasury unless it is required for immediate disbursement. In emergent circumstances, Drawing and Disbursing Officers (DDOs) are authorised to draw sums of money through Abstract Contingent (AC) bills. In terms of Rule 187 of *ibid* Rule DDOs are required to present Detailed Contingent (DC) bills containing vouchers in support of final expenditure with same financial year. Delayed submission or prolonged non-submission of DC bills may affect the completeness and correctness of accounts.

It has been observed that a total of 368 AC bills amounting to ₹ 5.93 crore were drawn during 2023-24, out of which 31 AC bills amounting to ₹ 0.04 crore (0.67 *per cent*) were drawn in March 2024. One AC bill amounting to ₹ 0.12 crore relating to MH-2851 (Village and Small Industry) is still pending for adjustment/by way of submission of DC bill as of 31st December 2024.

4.5 Indiscriminate use of Minor Head-800

Minor Head-800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of Minor Head-800 is to be discouraged since it renders the accounts opaque. Classification of large amounts under the omnibus Minor Head-800 affects transparency in financial reporting and distorts proper analysis of allocative priorities and quality of expenditure.

It was observed that during 2023-24, the booking of expenditure under Minor Head-800 decreased to ₹ 530.09 crore (in 19 Major Heads of accounts) from ₹ 654.61 crore (28 Major Heads of accounts) over the previous year. This constituted 1.05 *per cent* (1.30 *per cent* during 2022-23) of the total Revenue and Capital expenditure ₹ 50,361.42 crore during 2023-24. Out of which, substantial expenditure (20 *per cent* and above) had been booked under 05 Major Heads of account (**Appendix 4.3**). Further, in terms of amount, 75 *per cent* bookings have been made in the following three Major Heads - MH-2230-Labour, Employment and Skill Development (₹ 92.37 crore), MH-2235-Social Security and Welfare (₹ 97.58 crore) and MH-2801-Power (₹ 207.23 crore).

However, during 2023-24, the booking of receipts under 800 - Other Receipts under 47 Major Heads of Account had increased to ₹ 2,425.22 crore from ₹ 2,277.32 crore over the previous year. This constituted 6.19 *per cent* (5.98 *per cent* during 2022-23) of the total Revenue receipts (₹ 39,173.05 crore). Out of these 47 Major Heads, substantial receipts (20 *per cent* and above) had been booked under the Minor Head 800-Other Receipts in 32 Major Heads (**Appendix 4.4**). Further, in terms of amount, 86 *per cent* had been booked under the following three Major Heads - MH-0071-Contribution and recoveries towards Pension and other retirement benefits (₹ 150.88 crore), MH-0045-Other Taxes and Duties on Commodities and Services (₹ 274.95 crore) and MH-0801-Power (₹ 1,667.36 crore). Out of above, Power alone accounts for 69 *per cent* of such bookings.

Issues related to measurement

4.6 Outstanding balances under major Suspense and DDR heads

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. Significant suspense items have been shown as gross debit and credit balances for the last three years, in **Table 4.4**.

Table 4.4: Balances under Suspense and Remittance Heads

(₹ in crore)

Head of Account		2021-22		2022-23		2023-24	
		Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
8658	Suspense Account						
101	Pay and Accounts Office-Suspense	133.69	87.07	138.84	82.14	55.47	2.54
	Net Debit (Dr.) / Credit (Cr.)	46.62 Dr.		56.70 Dr.		52.93 Dr.	
102	Suspense Account-(Civil)	767.15	271.88	373.26	338.42	49.79	3.53
	Net Debit (Dr.) / Credit (Cr.)	495.27 Dr.		34.84 Dr.		46.27 Dr.	

Head of Account		2021-22		2022-23		2023-24	
		Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
109	Reserve Bank Suspense-(Headquarters)	00.05	00.00	00.05	00.00	00.05	00.00
	Net Debit (Dr.) / Credit (Cr.)	00.05 Dr.		00.05 Dr.		00.05 Dr.	
110	Reserve Bank Suspense (Central Accounts Office)	26.53	00.00	27.32	00.00	5.73	00.00
	Net Debit (Dr.) / Credit (Cr.)	26.53 Dr.		27.32 Dr.		5.73 Dr.	
112	Tax Deducted at Source (TDS) Suspense	00.03	41.60	00.00	81.72	00.00	42.22
	Net Debit (Dr.) / Credit (Cr.)	41.57 Cr.		81.72 Cr.		42.22 Cr.	
123	A.I.S Officers' Group Insurance Scheme	00.81	00.03	00.84	00.03	00.79	00.00
	Net Debit (Dr.) / Credit (Cr.)	00.78 Dr.		00.81 Dr.		00.79 Dr.	
129	Material Purchase Settlement Suspense Account	00.00	234.90	00.00	263.05	00.00	328.95
	Net Debit (Dr.) / Credit (Cr.)	234.90 Cr.		263.05 Cr.		328.95 Cr.	
8782	Cash Remittance and adjustments between officers rendering account to the same Accounts Officer						
102	Public Works Remittances	00.00	637.47	00.00	477.98	0.78	606.09
	Net Debit (Dr.) / Credit (Cr.)	637.47 Cr.		477.98 Cr.		605.30 Cr.	
103	Forest Remittances	00.00	16.67	00.00	16.67	5.77	22.44
	Net Debit (Dr.) / Credit (Cr.)	16.67 Cr.		16.67 Cr.		16.67 Cr.	
8793	Inter-State Suspense Account						
101	Inter-State Suspense Account	00.03	00.00	00.08	00.00	00.00	00.05
	Net Debit (Dr.) / Credit (Cr.)	00.03 Dr.		00.08 Dr.		00.05 Cr.	

Source: Finance Accounts.

The Suspense balances (Debit/Credit) under the Minor heads 101-PAO Suspense, 102-Suspense Account (Civil) and 129-Material Purchase Settlement Suspense Account under Major Head 8658-Suspense Account and 102-Public Works Remittances and 103-Forest Remittances under 8782-Cash Remittances appearing in the Finance Accounts for the year 2023-24 are detailed below:

Pay and Accounts Office (PAO)– Suspense (Minor Head 101): This Minor Head is operated for the settlement of inter-departmental and inter-governmental transactions arising in the books of PAOs under the Union Government, PAOs of the Union Territories and the Accountants General. Outstanding debit balance under this Head means that payments have been made by the PAO on behalf of other PAO(s), which are yet to be recovered. The outstanding debit balance (31st March 2024) under this Head decreased to ₹ 52.93 crore from ₹ 56.70 crore debit balance of the previous year.

Suspense Account - Civil (Minor Head 102): The transactions which cannot be taken to final Head of expenditure/receipt accounts for want of certain information/ documents (challans, vouchers etc.) are initially booked under this suspense head. Receipts are credited and expenditure is debited to this account and cleared on receipt of required information by minus credit and minus debit respectively during the financial year. There was an outstanding debit balance of ₹ 46.27 crore under this minor head as of 31st March 2024 that implies 'payment made' but could not be debited to the final head of expenditure for want of certain particulars.

Material Purchase Settlement Suspense Account (Minor Head 129): There was an outstanding credit balance of ₹ 328.95 crore under this minor head as of 31st March 2024. This was on account of pending adjustment in respect of value of material received in advance by the divisions, but the payment is yet to be made. On clearance/ settlement of the case, the cash balances of the State will increase.

Public Works Remittances (Minor Head 102): There was net credit balance of ₹ 605.30 crore under this head as of 2023-24. On clearance/settlement, the cash balances of the State Government will increase. The remittances relate to cheques deposited by PWD into Treasury.

Forest Remittances (Minor Head 103): The net credit balance under this head was ₹ 16.67 crore. On clearance/settlement, the cash balance of the State Government will decrease. The remittances relate to cheques issued by Forest Division to the parties.

Huge balances under these Heads (Public Account) at the end of the year distorts the financial position of the State Government to that extent, as these expenditure(s)/ receipt(s) could not be booked to their final heads of account and remained outside the Consolidated Fund of the State.

4.7 Reconciliation of Cash Balances

The Cash Balance of the State Government as on 31st March 2024 as per Accounts of the Principal Accountant General (A&E) was ₹ 42.44 crore (Debit) while the same was reported as ₹ 33.38 crore (Credit) by the Reserve Bank of India (RBI). As such, there was a net un-reconciled difference of ₹ 9.06 crore (Debit).

The difference was mainly due to pending reconciliation of figures between the Treasury/ RBI/ Agency Bank and AG Office.

4.8 Unspent amount lying with divisional officers

As per Codal provisions, funds received by Public Works Divisions towards Deposit Works from Non-Government Agencies are required to be credited under Minor Head 108 - Public Works Deposits below Major Head 8443 - Civil Deposits. The expenditure for related Deposit Works is also met from the same head of account. In the Monthly Divisional Accounts, un-remitted amount of such deposits are classified under Major Head 8671 -Departmental Balances, 101 - Civil, by the PW Divisions, under Public Account of the State and then form part of the Government Accounts. However, the funds received towards Deposit Works are being kept in the bank accounts of Divisional Officers operated by Public Works Divisions instead of remitting them into Government Account and are thus not forming part of cash balance of the State with Reserve Bank of India.

As on 31st March 2024, as per Finance Accounts, a small amount of ₹ 0.16 crore (Debit) was lying under Major Head 8671 (Public Accounts).

Issues related to disclosure

4.9 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 (CAG), prescribe the form of accounts of the Union and of the States. On the advice of the CAG, the President of India has so far notified three Indian Government Accounting Standards (IGASs). Compliance to these Accounting Standards by Government of Himachal Pradesh as well as deficiencies therein during 2023-24 is detailed in **Table 4.5**.

Table 4.5: Compliance to Accounting Standards

Sr. No.	Accounting Standards	Essence of IGAS	Compliance by State Government	Remarks
1.	IGAS-1	Guarantees given by the Government - Disclosure requirements	Complied (<i>Statements 9 and 20 of Finance Accounts</i>)	Sector wise details are disclosed in the Statement 9 whereas sector and class-wise details are depicted in Statement 20 of the Finance Accounts.
2.	IGAS-2	Accounting and Classification of Grants-in-aid	Partially complied (<i>Statement 10 of Finance Accounts</i>)	Information regarding the total value of Grants-in-aid given in kind was not provided by the State Government.
3.	IGAS-3	Loans and Advances made by the Government	Complied (<i>Statements 7 and 18 of Finance Accounts</i>)	Details of Loans and Advances made by Government are disclosed in Statements 7 and 18.

Source: Finance Accounts.

4.10 Submission of accounts of Autonomous Bodies

Several autonomous bodies/authorities have been set up by the State Government in the fields of Education, Welfare, Law and Justice, Health, etc. Audit of accounts in respect of 31 autonomous bodies/authorities in the State has been entrusted to the Comptroller and Auditor General of India. Audit of these 31 bodies is conducted under section 19(3) of the C&AG's (Duties, Powers and Conditions of Service) Act and Separate Audit Reports are prepared for the same (**Appendix 4.5**). Details of bodies/authorities whose accounts are in arrears are given in **Table 4.6**.

Table 4.6: Arrears of accounts of Autonomous Bodies as on 31st March 2024

Sr. No.	Name of Body or Authority	Accounts pending since	No. of Accounts pending
1.	HP Khadi and Village Industries Board	2013-14	10
2.	Compensatory Afforestation Fund Management and Planning Authority (CAMPA)	2021-22	02
Total			12

Source: Departmental data/information.

It can be seen from the above table that accounts of two bodies/authorities were in arrears for two and ten years.

Delay in finalisation of accounts carries the risk of financial irregularities going undetected and, therefore, the accounts need to be finalised and submitted to Audit at the earliest. The State Government may consider evolving a system to expedite the process of compilation and submission of annual accounts by autonomous bodies/authorities in order to assess their financial position.

4.11 Non-submission of details of grants/loans given to bodies and authorities

In order to identify institutions that attract audit under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the

Government/ Heads of the Departments are required to furnish to Audit every year, detailed information about the financial assistance given to various institutions, purpose for which such assistance was granted, and the total expenditure of the institutions.

Further, Para 88 of Regulations on Audit and Accounts (Amendments) 2020 provides that the Government and Heads of Departments which sanction grants and/or loans to bodies or authorities shall furnish to the Audit Office, by the end of July every year, a statement of such bodies and authorities to which grants and/or loans aggregating to ₹ 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.

The State Government did not furnish information pertaining to grants aggregating to ₹ 10 lakh or more extended to Autonomous Bodies/Authorities in the State of Himachal Pradesh. However, information was sought by Audit from the bodies/authorities concerned and only five¹ bodies/authorities (out of 39), furnished the information to Audit (**Appendix 4.5**).

Non-furnishing of information by the State Government/Heads of the Department to Audit was in violation of Regulations on Audit and Accounts (Amendments) 2020 and Section 14 of the CAG's (DPC) Act.

4.12 Departmental Commercial Undertakings/Corporations/Companies

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 State Legislature together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the CAG. Almost similar provisions exist in the respective Acts regulating Statutory Corporations. The above mechanism provides the necessary legislative control over the utilisation of public funds invested in the companies and corporations from the Consolidated Fund of the State.

It was observed that 54 accounts were in arrears in case of 18 Public Sector Undertakings (PSUs)/ Corporations (including two inactive PSUs) upto 30th September 2024 (**Appendix 4.6**), of which five² were loss making (as per their latest/last accounts). Further, audit noticed that out of five loss making companies, a budgetary support of ₹ 146.48 crore was provided to two SPSEs during the last three years, despite their accounts being in arrears as detailed in **Table 4.7**.

¹ (i) HP State Milkfed Co-operative, Totu, Shimla (ii) HP State Council for Science, Technology and Environment, Kasumpti, Shimla (iii) Dr.Y.S. Parmar Horticulture University, Nauni, Solan, HP (iv) HP Livestock and Poultry Development Board, Boileauganj, Shimla-5 and (v) HP State Co-operative Marketing and Consumers Federation Ltd. (HIMFED).

² (i) Himachal Pradesh Power Corporation Limited, (ii) Himachal Pradesh Tourism Development Corporation Limited, (iii) Sri Naina Devi Ji and Sri Anandpur Sahib ji Ropeway Company Limited, (iv) Himachal Pradesh Financial Corporation and (v) Himachal Pradesh Agro Industrial Packaging India Limited.

Table 4.7: Year-wise details of Budgetary support to loss making Commercial Undertakings/ Corporations/Companies

(₹ in crore)

Sr. No.	Name of the Company	Budgetary Support						Total		Grand Total
		2021-22		2022-23		2023-24				
		Equity	Loan	Equity	Loan	Equity	Loan	Equity	Loan	
1	Himachal Pradesh Power Corporation Limited	11.00	0.58	67.35	0.58	21.50	43.47	99.85	44.63	144.48
2	Himachal Pradesh Tourism Development Corporation Limited	2.00	0.00	0.00	0.00	0.00	0.00	2.00	0.00	2.00
Grand Total		13.00	0.58	67.35	0.58	21.50	43.47	101.85	44.63	146.48

Source: Information provided by the PSUs.

Age-profile of PSUs/ Corporations having accounts in arrears is given in **Table 4.8**.

Table 4.8: Age-profile of PSUs/Corporations having accounts in arrear

Range in years	Number of PSUs/ Corporations	Number of accounts in arrears
0-1	5	5
1-3	8	21
3-5	3	13
>5	2	15
Total	18	54

Source: Information supplied by the PSUs.

Table 4.8 shows that accounts in respect of two SPSEs were in arrears for more than five years which are inactive companies. In the absence of timely finalisation of accounts, results of investments 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.

It is recommended that the State Government should evolve a system and direct the authorities of the SPSEs to complete its up-to date accounts (i.e., last preceding year).

Other Issues

4.13 Misappropriations, losses, thefts, etc.

Rules 23 and 24 of Himachal Pradesh Financial Rules 2009 provide that a detailed enquiry by the authority concerned on the cause of loss of moveable and immoveable property, as the case may be, shall be conducted, and after a detailed enquiry has been completed, the detailed report shall be sent by the authority concerned to the Government through proper channels for appropriate action with a copy to the Accountant General. Rule 145 (5) stipulates that in case goods become unserviceable due to negligence, fraud

or mischief on the part of the Government servant, responsibility for the same shall be fixed.

There were 30 cases of misappropriation, losses, theft, etc., involving ₹ 49.56 lakh as of 31st March 2023. Out of this, 15 cases amounting to ₹ 11.17 lakh relating to Public Works Department were settled/ cleared during the year 2023-24. During the year none of any new case has been reported. However, 15 cases involving ₹ 38.39 lakh were still pending as on 31st March 2024. The department-wise break-up of pending cases is given in **Table 4.9**.

Table 4.9: Department-wise break up of pending cases and reasons for pendency of action in cases of misappropriation, losses, theft, etc.

Name of Department	Cases of misappropriation/ losses/ theft of Government material		Reasons for the delay in final disposal of pending cases of misappropriation, losses, theft, etc.	Number of cases	Amount (₹ in lakh)
	Number of cases	Amount (₹ in lakh)			
Education	3	2.95	Awaiting departmental and criminal investigation	6	5.36
Land Revenue	1	0.91	Awaiting orders for recovery or write off	1	0.91
Horticulture	3	2.89			
Police	1	0.08	Pending in the courts of Law	3	25.43
Municipal Corporation, Chamba	1	0.42			
Home Guard	2	25.37			
Public Health (Medical)	1	0.95	Recovery made/ written off but awaiting final disposal from PAC	4	6.27
Forest	3	4.82			
			Others	1	0.42
Total	15	38.39	Total	15	38.39

Source: Information received from departments and compiled by Audit.

The State Government may devise an effective mechanism to ensure speedy and time-bound settlement of cases relating to misappropriation/ loss, theft, etc.

The age-profile of the pending cases and the number of cases pending in each category-theft and misappropriation/ loss of Government material is summarised in **Table 4.10**.

Table 4.10: Profile of misappropriation, losses, defalcations, etc.

Age-profile of the pending cases			Nature of the pending cases		
Range in years	Number of cases	Amount involved (₹ in lakh)		Number of cases	Amount involved (₹ in lakh)
0-5	0	0.00	Theft cases	3	1.13
5-10	3	4.81	Misappropriation/ loss of Government material	12	37.26
10-15	5	4.81			
15-20	7	28.77			
Total	15	38.39	Total	15	38.39

Out of the total 15 cases of misappropriation, losses, theft etc., 80 *per cent* cases were related to misappropriation/ loss of Government material and the remaining 20 *per cent* were theft cases. Out of these 15 cases, 40 *per cent* (six cases) were pending due to delays in finalising/ initiating departmental and criminal investigation. It was further noticed that all 15 cases were more than five years old, including seven cases, which were more than 15 years old.

The Government may consider preparing a time bound framework for taking prompt action to ensure speedy settlement of above cases relating to theft, misappropriation, losses, etc., so that accountability can be fixed.

4.14 Follow up action on State Finances Audit Report

In the State of Himachal Pradesh, the Public Accounts Committee (PAC)/ Finance Department require the line departments to provide Action Taken Notes (ATNs)/ *suo-motu* Explanatory Note (EN) on the paragraphs featuring in the Audit Reports within three months of placing the Reports in the Legislature. The line departments are also required to provide a copy (in triplicate) of the same to the Accountant General for vetting and further observations thereon, if any, and onward transmission to the PAC.

In Himachal Pradesh, State Finances Audit Report (SFAR) is being prepared separately and presented to the State Legislature from the year 2008-09 onwards. The State Government submitted ATNs/ *suo-motu* Explanatory Notes of SFARs up to 2021-22. The SFARs for the year 2008-09 to 2021-22 have been discussed by the Public Accounts Committee (PAC) on 19.11.2024. Action Taken Reports on the recommendations of the PAC on these reports have not been received yet.

4.15 Conclusions

Utilisation Certificates (UCs), 2,990 in number, for Grants-in-aid amounting to ₹ 2,795.23 crore were awaited which indicates lack of internal control by the administrative departments and tendency on the part of the Government to disburse fresh grants without ascertaining proper utilisation of earlier grants.

Two autonomous bodies and 18 Public Sector Undertakings/ Corporations did not submit their final accounts for considerable periods. As a result, their financial position could not be assessed and results of investments of the Government remained outside the purview of the State Legislature.


Further, in 15 cases of theft, misappropriation and loss of Government material, departmental action was pending for long periods.

4.16 Recommendations

- 1. The Government should ensure timely submission of Utilisation Certificates by the Departments in respect of the grants released for specific purposes.***
- 2. The Finance Department should put in place a system to expedite the process of compilation and submission of annual accounts by autonomous bodies and departmentally run undertakings in order to assess their financial position.***

3. *The Government should prepare 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.*

Shimla
Dated: 12 June 2025


(PURUSHOTTAM TIWARY)
Principal Accountant General (Audit)
Himachal Pradesh

Countersigned

New Delhi
Dated: 01 July 2025


(K. SANJAY MURTHY)
Comptroller and Auditor General of India

APPENDICES

Appendix 1.1

(Reference: Paragraph 1.1)

State Profile

Sr. No.	Particulars		Figures
1.	Area		55,673 sq km
2.	Population		
	A	As per Census (2011)	0.69 crore
	B	As per 2024 (Projected)	0.75 crore
3.	(a) Density of Population (2011) (All India density)		123 persons/sq km (368 persons/sq km)
	(b) Density of Population 2024 (Projected) (All India average)		135 persons/sq km (426 persons/sq km)
4.	Population below poverty line (2024) (All India average)		8.06 % (21.92 %)
5.	Literacy (2024) (All India average)		82.80 % (73.00 %)
6.	(a) Infant Mortality Rate (IMR per 1000 live births) (2024) (All India IMR)		17 (28)
	(b) Life Expectancy at Birth (2024) (All India average)		73.5 (70.00)
7.	Gross State Domestic Product (GSDP) 2023-24 at current prices (₹ in crore)		2,07,430
8.	Per Capita GSDP (2023-24) (₹ in crore)	Himachal Pradesh	2,76,943
		North Eastern & Himalayan (NE&H) States	2,01,137
9.	GSDP Compound Annual Growth Rate (CAGR) (2014-15 to 2023-24) at current prices	Himachal Pradesh	8.00
		North Eastern & Himalayan (NE&H) States	10.56
		All India	10.06
10.	Per capita GSDP Compound Annual Growth Rate (CAGR) (2014-15 to 2023-24) at current prices	Himachal Pradesh	7.33
		North Eastern & Himalayan (NE&H) States	9.56
		All India	8.89
11.	Population Growth (2014 to 2024)	Himachal Pradesh	6.59
		North Eastern & Himalayan (NE&H) States	13.11
		All India	11.26

Source: Population projections for India and States (2011-36) by National Commission on Population, Ministry of Health and Family Welfare, Census of India (2011), Economics and Statistics Department of Himachal Pradesh and Central Statistical Office.

Appendix 1.2

(Reference: Paragraph 1.3.2)

Summarised financial position of the Government of Himachal Pradesh as on 31 March 2023 and 2024

(₹ in crore)

Liabilities	As on 31 March 2023	As on 31 March 2024
Internal Debt -	55,975.16	61,439.29
Market Loans bearing interest	46,002.10	52,147.00
Market Loans not bearing interest	0.06	0.06
Loans from Life Insurance Corporation of India	15.77	12.93
Loans from NABARD	3,437.84	3,640.23
Loans from National Co-operative Development Corporation	97.09	75.11
Compensation and other Bonds	2,601.45	2,312.40
Loans from other Institutions	0.19	0
Ways and Means Advances and Overdrafts from Reserve Bank of India	0	0
Special Securities issued to NSSF	3,820.66	3,251.56
Loans and Advances from Central Government-	7,388.31	8,929.83
Non-Plan Loans	1.51	1.09
Loans for State Plan Schemes	3,061.65	2,958.77
Pre 1984-85 Loans	0.13	0.13
Other loans for State	4,325.03	5,969.84
Contingency Fund	5.00	5.00
Small Savings, Provident Funds, etc.	17,682.25	19,337.58
Deposits and Advances	3,608.49	3,645.97
Reserve Funds	1,934.72	2,279.77
Suspense and Miscellaneous Balances	224.94	265.28
Remittance Balances	493.96	620.25
Total	87,312.83	96,522.97
Assets		
Gross Capital Outlay on Fixed Assets -	61,488.38	67,118.17
Investments in shares of Companies, Corporations, etc.	5,333.57	5,524.23
Other Capital Expenditure	56,154.81	61,593.94
Loans and Advances -	8,052.62	8,132.18
Loans for Power Projects	7,743.37	7,841.72
Other Development Loans	283.16	261.52
Loans to Government servants and miscellaneous loans	26.09	28.94
Advances with Departmental Officers	0	0
Remittance Balances	0	0
Cash	3,556.04	1,500.44
Cash in Treasuries and local remittances	0	0
Departmental Cash Balance	0.16	0.16
Permanent Advances/Cash Imprest	0.03	0.03
Cash Balance Investments	3,645.18	1,457.81
Deposits with Reserve Bank of India	-89.33	42.44
Investments from Earmarked Funds	0	0
Suspense and Miscellaneous Balances	0	0
Add difference on account of rounding-off	0	0
Deficit on Government Account	14,215.79	19,772.18
Total	87,312.83	96,522.97

Source: Finance Accounts.

Appendix 2.1

(Reference: Paragraphs 2.2 and 2.7.1)

Time Series Data on the State Government Finances

(` in crore)

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Part-A: Receipts					
1. Revenue Receipts	30,742.41	33,438.27	37,309.30	38,089.50	39,173.04
(i) Tax Revenue (a+b)	12,301.38	12,837.24	17,063.62	18,479.24	21,210.01
(a) Own Tax Revenue	7,623.82	8,083.32	9,714.58	10,595.26	11,835.29
States Goods and Services Tax (SGST)	3,550.34	3,466.58	4,482.15	5,259.21	5,339.89
Taxes on Sales, Trade, etc.	1,169.53	1,630.11	1,592.24	1,370.29	1,753.73
State Excise	1,660.02	1,599.74	1,980.63	2,216.34	2,692.33
Taxes on Vehicles	465.52	380.20	510.03	675.17	781.74
Stamps and Registration fees	259.58	253.36	318.60	398.75	440.37
Taxes and Duties on electricity	100.86	401.76	393.51	252.25	369.07
Land Revenue	4.79	6.95	4.81	8.22	7.03
Taxes on Goods and Passengers	104.03	83.55	99.18	68.50	70.88
Other Taxes	309.15	261.07	333.43	346.53	380.25
(b) State's share of Union taxes and duties	4,677.56	4,753.92	7,349.04	7,883.98	9,374.72
(ii) Non Tax Revenue	2,501.51	2,188.46	2,612.36	2,876.33	3,020.88
(iii) Grants-in-aid from Government of India	15,939.52	18,412.58	17,633.32	16,733.93	14,942.15
2. Miscellaneous Capital Receipts	2.04	2.88	7.01	12.59	2.20
3. Recoveries of Loans and Advances	21.04	23.02	40.73	82.79	27.40
4. Total Revenue and Non debt capital receipts (1+2+3)	30,765.49	33,464.17	37,357.04	38,184.88	39,202.64
5. Public Debt Receipts*	10,847.39	15,032.21	6,639.75	22,371.82	14,901.51
Internal Debt (excluding Ways and Means Advances and Overdrafts)	7,333.23	6,692.87	4,703.98	14,845.14	8,871.99
Ways and Means Advances and Overdrafts	3,443.68	7,744.47	1043.49	6,786.84	4380.37
Loans and Advances from Government of India*	70.48	594.87	892.28	739.82	1,649.15
6. Total Receipts in the Consolidated Fund (4+5)*	41,612.88	48,496.38	43,996.79	60,556.70	54,104.15
7. Contingency Fund Receipts	0.00	0.00	0.00	0.00	0.00
8. Public Account Receipts	22,568.94	15,444.88	15,182.79	20,069.60	20,989.36
9. Total Receipts of the State (6+7+8)	64,181.82	63,941.26	59,179.58	80,626.30	75,093.51
Part-B: Expenditure/disbursement					
10. Revenue Expenditure	30,730.43	33,534.93	36,194.54	44,425.26	44,731.63
Plan	4,028.00	4,983.00	-	-	-
Non-Plan	26,702.00	28,552.00	-	-	-
General Services (including interest payments)	12,335.20	13,454.26	13,899.76	17,763.27	19,146.43
Social Services	12,046.95	12,843.81	13,882.41	17,408.48	17,322.92
Economic Services	6,338.01	7,227.49	8,404.66	9,247.42	8,262.28
Grants-in-aid and contributions	10.27	9.37	7.71	6.09	0.00
11. Capital Expenditure	5,173.91	5,309.21	6,029.38	6,028.88	5,629.79
Plan	4,820.00	5,033.00	-	-	-
Non-Plan	354.00	276.00	-	-	-
General Services	203.74	169.54	389.63	297.38	356.71
Social Services	1,258.41	1,736.19	1,925.31	1,962.03	1,743.61
Economic Services	3,711.76	3,403.48	3,714.44	3,769.47	3,529.47
12 Disbursement of Loans and Advances	458.21	320.12	377.97	110.57	106.95
13. Total Expenditure (10+11+12)	36,362.55	39,164.26	42,601.89	50,564.71	50,468.37
14. Repayments of Public Debt	6,700.75	11,141.05	4,387.28	10,135.80	7,895.87

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24
Internal Debt (excluding Ways and Means Advances and Overdrafts)	3,168.64	3,302.43	3,246.16	3,246.02	3,407.87
Ways and Means Advances and Overdrafts	3,443.68	7,744.47	1,043.49	6,786.84	4,380.37
Loans and Advances from Government of India	88.43	94.15	97.63	102.94	107.63
15. Appropriation to Contingency Fund	0.00	0.00	0.00	0.00	0.00
16. Total disbursement out of Consolidated Fund (13+14+15)	43,063.30	50,305.31	46,989.17	60,700.51	58,364.24
17. Contingency Fund disbursements	0.00	0.00	0.00	0.00	0.00
18. Public Account disbursements	20,110.67	14,656.91	14,119.00	18,892.61	18,784.87
19. Total disbursement by the State (16+17+18)	63,173.97	64,962.22	61,108.17	79,593.12	77,149.11
Part-C: Deficit/ Surplus					
20. Revenue Deficit (-)/Revenue Surplus (+) (1-10)	11.98	-96.66	1,114.76	-6,335.76	-5,558.59
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	-5,597.06	-5,700.09	-5,244.85	-12,379.83	-11,265.73
22. Primary Deficit (-)/Surplus (+) (21+23)	-1,363.04	-1,227.64	-604.06	-7,551.19	-5,617.36
Part-D: Other data					
23. Interest Payments (included in revenue expenditure)	4,234.02	4,472.45	4,640.79	4,828.64	5,648.37
24. Financial Assistance to local Bodies etc.	3,506.48	4,563.11	4,980.80	5,846.94	5,092.21
25. Ways and Means Advances/Overdraft availed (days)	38	63	16	70	41
Ways and Means Advances availed (days)	25	51	16	70	36
Overdrafts availed (days)	13	12	0	0	5
26. Interest on Ways and Means Advances/Overdrafts	3.61	6.13	0.25	4.66	2.51
27. Gross State Domestic Product (GSDP)	1,59,164	1,51,601	1,72,162^a	1,91,728^b	2,07,430^c
28. Outstanding Fiscal liabilities (year end) #	62,211.84	67,164.75	69,122.58	82,177.21	91,220.73
29. Outstanding guarantees (year end) (including interest)	1,947.07	2,141.76	1,884.61	1,780.64	1,744.81
30. Maximum amount guaranteed (year end)	639.70	2,298.69	2,035.37	354.00	3128.85
31. Number of incomplete projects	13	78	74	67	51
32. Capital blocked in incomplete projects	267.94	1,014.05	967.93	953.85	758.17

* Excludes ₹ 1,717 crore in 2020-21 and ₹ 2,695.22 crore in 2021-22 as back-to-back loans to State from GoI in lieu of GST compensation shortfall.

a-- Second Revised Estimate, b – First Revised Estimate, c – Advance Estimate.

Calculated by excluding ₹ 1,717 crore during 2020-21 and ₹ 4,412.22 crore (2020-21: ₹ 1,717 crore + 2021-22: ₹ 2,695.22 crore) during 2021-24 received as back-to-back loan from GoI in lieu of GST compensation shortfall, as the Department of Expenditure, GoI has decided that it will not be treated as debt of the State Government for any norms which may be prescribed by the Finance Commission

Appendix 2.2

(Reference: Paragraph 2.2)

Abstract of Receipts and Disbursements for the year 2023-24

(₹ in crore)

Particulars	2022-23	2023-24	Particulars	2022-23	2023-24
Section-A: Revenue					
I- Revenue Receipts	38,089.50	39,173.04	I- Revenue Expenditure	44,425.26	44,731.63
(i) Tax Revenue	10,595.26	11,835.29	General Services	17,763.27	19,146.43
(ii) Non-tax Revenue	2,876.33	3,020.88	Social Services	17,408.48	17,322.92
(iii) State's share of Union Taxes and Duties	7,883.98	9,374.72	Education, Sports, Art and Culture	8,645.50	8,099.98
(iv) Grants for Central Sponsored Plan Schemes	4,736.66	5,328.69	Health and Family Welfare	3,161.46	2,905.72
(v) Finance commission Grants	10,489.70	8,738.16	Water Supply, Sanitation, Housing and Urban Development	2,348.01	2,438.86
(vi) Other transfer/ Grants to State/ Union territories with legislatures	1,507.57	875.30	Information and Broadcasting	92.93	51.46
			Welfare of Scheduled Castes, Scheduled Tribes and Other backward Classes	136.94	53.17
			Labour and Labour Welfare	380.11	336.62
			Social Welfare and Nutrition	2,620.14	3,407.58
			Others	23.39	29.52
			Economic Services	9,247.42	8,262.28
			Agriculture and Allied Activities	2,948.57	2,545.29
			Rural Development	1,999.62	1,282.55
			Irrigation and Flood Control	462.57	449.74
			Energy	1,105.40	1,151.43
			Industry and Minerals	264.14	195.34
			Transport	2,341.07	2,453.12
			Science, Technology and Environment	12.82	8.44
			General Economic Services	113.23	176.34
			Grants-in-aid and Contributions	6.09	0
Total	38,089.50	39,173.04	Total	44,425.26	44,731.63
II-Revenue Deficit carried over to Section -B	6,335.76	5,558.59	II-Revenue surplus carried over to Section-B	-	-
Total:	44,425.26	44,731.63	Total:	44,425.26	44,731.63
Section-B: Capital					
III-Opening cash balance including Permanent Advances and Cash Balance Investment	2,522.86	3,556.04	III- Opening overdraft from Reserve Bank of India	-	-
IV- Misc. Capital	12.59	2.20	IV- Capital Outlay	6,028.89	5,629.79
			General Services	297.38	356.71
			Social Services	1,962.02	1,743.61
			Education, Sports, Art and Culture	411.24	300.30
			Health and Family Welfare	551.64	295.67
			Water Supply, Sanitation, Housing and Urban Development	985.59	1,109.03
			Information and Broadcasting	0.72	0.47
			Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	6.44	1.27
			Social Welfare and Nutrition	5.25	35.96
			Others	1.15	0.91
			Economics Services	3,769.47	3,529.47
			Agriculture and Allied Activities	90.37	7.58
			Other Rural Development Programmes	41.71	24.56
			Irrigation and Flood Control	338.28	385.47
			Energy	100.35	23.50
			Industry and Minerals	198.28	72.09
			Transport	2,664.22	2,680.41
			General Economic Services	336.26	335.86
			Total	6,028.89	5,629.79

Particulars	2022-23	2023-24	Particulars	2022-23	2023-24
V-Recoveries of Loans and Advances	82.79	27.40	V- Loans and Advances disbursed	110.57	106.95
From Power Projects	0	0	To Power Projects	98.54	98.35
From Government Servants	6.16	5.76	To Government Servants	6.76	8.60
From Co-operations	76.24	21.49	To Co-operations	5.27	0
From Others	0.39	0.15	To Others	0.00	0
VI-Revenue surplus brought down	-	-	VI-Revenue deficit brought down	6,335.76	5,558.59
VII-Public Debt Receipts	22,371.82	14,901.51	VII-Repayment of Public Debt	10,135.80	7,895.87
Internal Debt other than Ways and Means Advances and Overdrafts	14,845.16	8,871.99	Internal debt other than Ways and Means Advances and Overdrafts	3,246.03	3,407.87
Ways and Means Advances including Overdrafts	6,786.83	4,380.37	Ways and Means Advances and Overdrafts	6,786.83	4,380.37
Loans and Advances from the Central Government	739.83	1,649.15	Repayment of Loans and Advances to Central Government	102.93	107.63
VIII-Appropriation to Contingent Fund	-	-	VIII-Appropriation to Contingent Fund	-	-
IX- Amount transferred to Contingent Fund	-	-	IX-Expenditure from Contingent Fund	-	-
X- Public Account Receipts	20,069.60	20,989.36	X- Public Account disbursements	18,892.61	18,784.87
Small Savings and Provident Funds	3,633.27	4,794.75	Small Savings and Provident Funds	2,957.31	3,139.42
Reserve Funds	741.45	1,645.78	Reserve Funds	780.63	1,300.73
Deposits and Advances	5,946.22	4,071.13	Deposits and Advances	5,764.39	4,033.64
Suspense and Miscellaneous	1,569.93	1,401.15	Suspense and Miscellaneous	1,052.01	1,360.82
Remittances	8,178.73	9,076.55	Remittances	8,338.28	8,950.26
XI- Closing overdraft from Reserve Bank of India	-	-	XI-Cash Balance at end	3,556.04	1,500.44
			Cash in Treasuries and Local Remittances	0	0
			Departmental Cash Balance including Permanent Advances	0.19	0.19
			Deposits with Reserve Bank	-89.33	42.44
			Cash Balance investment	3,645.18	1,457.81
Total	45,059.66	39,476.51		45,059.67	39,476.51

Appendix 2.3

(Reference: Paragraph 2.4.2.2 (i))

No. of SPSEs in which the State Government's investment (Equity) were made

(₹ in crore)

(in crore)							
Sr. No.	Sector	Name of the SPSEs	Year of Account	Year in which finalised	HP Government equity	Others	Paid-up Capital
1	Agriculture & Allied	Himachal Pradesh Agro Industries Corporation Limited	2022-23	2024-25	16.89	1.96	18.85
2		Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited	2022-23	2024-25	31.20	7.57	38.77
3		Himachal Pradesh State Forest Development Corporation Limited	2019-20	2024-25	11.71	0.00	11.7
4	Finance	Himachal Backward Classes Finance and Development Corporation	2020-21	2024-25	15.97	0.00	15.97
5		Himachal Pradesh Mahila Vikas Nigam	2017-18	2023-24	14.90	0.10	15.00
6		Himachal Pradesh Minorities Finance and Development Corporation	2018-19	2024-25	16.09	0.00	16.09
7	Infrastructure	Himachal Pradesh Road and Other Infrastructure Development Corporation Limited	2021-22	2022-23	25.00	0.00	25.00
8		Himachal Pradesh State Industrial Development Corporation Limited	2021-22	2024-25	30.82	0.00	30.82
9		Dharamshala Smart City Limited	2019-20	2022-23	0.00001	0.00033	0.00034
10		Shimla Smart City Limited	2019-20	2022-23	0.0035	0.0035	0.007
11	Manufacture	Himachal Pradesh General Industries Corporation Limited	2022-23	2024-25	7.04	0.12	7.15
12	Service	Himachal Pradesh State Civil Supplies Corporation Limited	2019-20	2023-24	3.52	0.00	3.52
13		Himachal Pradesh State Electronics Development Corporation Limited	2022-23	2024-25	3.72	0.00	3.72
14		Himachal Pradesh State Handicrafts and Handloom Corporation Limited	2020-21	2023-24	9.22	0.03	9.25
15		Himachal Pradesh Tourism Development Corporation Limited	2018-19	2024-25	24.30	0.00	24.30
16		Himachal Pradesh Kaushal Vikas Nigam	2020-21	2024-25	0.007	0.000	0.007
17		Himachal Consultancy Organisation Limited	2022-23	2023-24	0.00	0.18	0.18
18		Shimla Jal Prabandhan Nigam Limited	2022-23	2024-25	0.005	0.00	0.005
19		Ropeway and Rapid Transport System Development Corporation	2022-23	2024-25	0.50	0.50	1.00
20		Sri Naina Devi Ji Sri Anandpur Sahib Ji Ropeway Limited	2019-20	2022-23	0.50	0.50	1.00
21		Himachal Road Transport Corporation	2022-23	2024-25	1,289.50	15.44	1,304.94
22	Finance	Himachal Pradesh Financial Corporation	2021-22	2023-24	106.59	6.59	113.18
23	Power	Himachal Pradesh State Electricity Board Limited	2022-23	2024-25	882.23	0.00	882.23
24		Himachal Pradesh Power Transmission Limited	2022-23	2024-25	625.40	108.70	734.10
25		Himachal Pradesh Power Corporation Limited	2021-22	2024-25	1,024.70	1,317.93	2,342.63
26		Beas Valley Power Corporation Limited	2022-23	2023-24	0.00	300.00	300.00
	Total of All SPSEs				4,140.62	1,759.16	5,899.78
27	Service	Mandi International Airport Limited	New Company (First Account Awaited)				
28		Himachal Pradesh Medical Service Corporation Limited					

Source: Figures compiled from statistical data (as of 31 March 2024) provided by SPSEs.

Appendix 2.4

(Reference: Paragraph 2.4.2.2 (i))

No. of SPSEs in which aggregated accumulated losses of the State Government's investment occurred

(₹ in crore)

Sr. No.	Name of the SPSEs	Year of Account	Year in which finalised	Paid-up Capital	State Government Equity	State Government Loan	GOI Loan	Total State Govt. and GOI Loan	Accumulated Profit(+)/ Loss(-)	Net worth
1.	2.	3.	4.	5.	6.	7.	8.	9. (7+8)	10.	11. (5-10)
A	Working Government Companies									
1	Himachal Pradesh Agro Industries Corporation Limited	2022-23	2024-25	18.85	16.89	11.56	0.40	11.96	-10.86	7.99
2	Himachal Pradesh Horticultural Produce Marketing and Processing Corporation Limited	2022-23	2024-25	38.77	31.20	60.09	0.00	60.09	-91.20	-52.43
3	Himachal Pradesh State Forest Development Corporation Limited	2019-20	2024-25	11.71	11.71	0.00	0.00	0.00	-110.42	-98.71
4	Himachal Pradesh Minorities Finance & Development Corporation	2018-19	2024-25	13.10	16.09	0.00	66.95	66.95	-5.74	10.35
5	Himachal Pradesh State Handicrafts & Handloom Corporation Limited	2020-21	2023-24	9.25	9.22	0.00	0.00	0.00	-12.42	-3.17
6	Himachal Pradesh Tourism Development Corporation	2018-19	2024-25	12.30	24.30	0.00	0.00	0.00	-36.28	-11.98
7	Sri Naina Devi Ji& Sri Anandpur Sahib Ji Ropeway Limited	2019-20	2022-23	1.00	0.50	0.00	0.00	0.00	-0.03	0.97
8	Himachal Pradesh Financial Corporation	2021-22	2023-24	99.57	106.59	0.00	0.00	0.00	-180.97	-67.79
9	Himachal Road Transport Corporation	2022-23	2024-25	1,243.12	1,289.50	0.00	0.00	0.00	-1,966.13	-661.19
10	Himachal Pradesh Power Transmission Corporation Limited	2022-23	2024-25	732.10	625.40	2,004.31	0.00	2,004.31	-105.13	628.97
11	Himachal Pradesh Power Corporation Limited	2021-22	2024-25	2,251.03	1,024.70	2,578.97	0.00	2,578.97	-688.32	1,654.31
12	HP State Electricity Board Limited	2022-23	2024-25	882.23	882.23	3,029.81	15.60	3,045.41	-3,246.97	-2,364.74
	Total of All SPSEs			5,313.03	4,038.33	7,684.74	82.95	7,767.69	-6,454.47	-1,141.44

Note: Paid up Capital, Accumulated Profit/loss and Net worth figures are taken from latest finalised accounts and remaining figures are compiled as per the statistical data (as of 31 March 2024) provided by SPSEs.

Net worth eroded by seven companies	-3,347.44
GoHP Loan in two companies	3,089.90
Equity investment in seven companies	2,354.75

Appendix 2.5

(Reference: Paragraph 2.4.2.2 (iii))

Statement showing the details of investment made by the State Government in State PSUs as on
31 March 2024

(₹ in lakh)

Sr. No.	Name of the company	Year of investment upto	Figures as per Finance Accounts 2023-24	Figures as per the statistical data/ accounts available in PSUs as on 31 March 2024	Difference
1	Himachal Pradesh Financial Corporation	2023-24	2,197.79	10,658.92	-8,461.13
2	Himachal Road Transport Corporation	2023-24	1,32,082.15	1,28,949.88	3,132.27
3	Himachal Pradesh State Industrial Development Corporation Limited	2022-23	3,432.58	3,082.43	350.15
4	Himachal Pradesh Agro-Industries Corporation	2022-23	984.08	1,885.17	-901.09
5	Himachal Pradesh State Handicrafts and Handloom Corporation	2022-23	922.45	922.46	-0.01
6	Himachal Pradesh State Forest Development Corporation Limited	2022-23	1,171.12	1,171.12	0.00
7	Himachal Pradesh Tourism Development Corporation Limited	2022-23	1,429.86	2,429.86	-1,000.00
8	HP State Electronics Development Corporation Limited	2022-23	371.67	371.67	0.00
9	HP State Civil Supplies Corporation Limited	2022-23	351.50	351.50	0.00
10	HP Agro Industrial Packaging India Limited	2013-14	1,675.00	1,675.00	0.00
11	Himachal Pradesh Horticulture Produce Marketing and Processing Corporation Limited	2022-23	3,119.70	3,119.70	0.00
12	HP General Industries Corporation Limited	2022-23	988.57	703.96	284.61
13	HP Mahila Vikas Nigam Limited	2022-23	1,490.40	1,490.40	0.00
14	Himachal Backward Classes Finance and Development Corporation Limited	2022-23	2,187.50	1,721.50	466.00
15	Himachal Pradesh Minorities Finance and Development Corporation Limited	2022-23	1,127.04	1,609.34	-482.30

Sr. No.	Name of the company	Year of investment upto	Figures as per Finance Accounts 2023-24	Figures as per the statistical data/ accounts available in PSUs as on 31 March 2024	Difference
16	HP Road and Other Infrastructure Development Corporation Limited	2021-22	2,500.00	2,500.00	0.00
17	Himachal Pradesh Kaushal Vikas Nigam	2021-22	0.00	0.70	-0.70
18	Himachal Pradesh Beverages Limited	2020-21	0.00	100.00	-100.00
19	Dharmshala Smart City Limited	2020-21	0.00	0.03	-0.03
20	Shimla Smart City Limited	2020-21	0.00	0.35	-0.35
21	Shimla Jal Prabandhan Nigam Limited	2023-24	36,004.90	4.90	36,000.00
22	Sri Naina Devi Ji and Sri Anandpur Sahib Ji Ropeway Company Limited	2020-21	0.00	50.00	-50.00
23	Ropeways and Rapid Transport System Development Corporation Limited	2023-24	3,115.50	0.50	3,115.00
24	Himachal Pradesh State Electricity Board Limited	2022-23	86,963.74	88,222.74	-1,259.00
25	HP Power Corporation Limited	2023-24	1,02,470.84	1,02,470.21	0.63
26	HP Power Transmission Corporation Limited	2023-24	42,450.30	62,539.75	-20,089.45
27	Mandi International Airport Limited	New Company (First Account awaited)			
28	Himachal Pradesh Medical Service Corporation Limited				
	Companies Total		4,27,036.69	4,16,032.09	11,004.60
	Companies Total (in crore)		4,270.37	4,160.32	110.05

Appendix 2.6

(Reference: paragraph 2.4.2.3)

Details of Public Private Partnership (PPP) projects as on 31 March 2024

₹ in lakh)

Sr. No.	Name of the Project	Estimated Cost
Projects — Completed		
Urban Infrastructure		
1	Kangra Bus Stand	1,000.00
2	ISBT Shimla	1,500.00
3	Chintpurni Bus Stand and Parking-cum-Commercial Complex	3,200.00
4	Una Bus Stand and Parking -cum-Commercial Complex	3,000.00
5	Kullu Bus Stand and Parking -cum-Commercial Complex	2,200.00
6	Parking Complex, Bilaspur	1,500.00
7	Parking -Cum-Commercial Complex, Tutikandi	-NA-
Total:		12,400.00
Energy		
1	Malana-I	34,191.00
2	Baspa-II	94,923.00
3	Toss	2,659.81
4	Patikari	12,590.00
5	Allain Duhangun	92,235.50
6	Sarbari-II	4,600.00
7	Upper Joiner	7,225.00
8	Karchham Wangtoo	5,90,959.00
9	Sumez	7,117.23
10	Beas Kund	7,584.00
11	Malana-II	63,347.00
12	Budhil	68,877.80
13	Neogal	15,270.00
14	Jogini	8,813.00
15	Nanti	8,836.00
16	Kurmi	6,849.00
17	Baragaon	17,481.00
18	Baner-II	5,459.50
19	Brua	7,018.00
20	Chanju-I	29,509.00
21	Upper Nanti	11,450.00
22	Balargarh	7,768.00
23	Kut	19,219.00
24	Jeori	7,416.00
25	Raura	9,491.00
26	Kuwarsi-II	9,579.00
27	Salun	8,842.00
28	Rala	14,850.00
29	Wanger Homte	27,450.00
30	Chanju-II	18,300.00
31	Sorang	12,000.00
32	Bajoli Holi	1,69,693.00
33	Rajpur	8,502.00
34	Lambadug	21,423.00
35	Holi-II	6,490.00
36	Soldan	7,556.00
Total:		14,45,573.84

Sr. No.	Name of the Project	Estimated Cost
Social (Health Department/NRHM)		
1	Emergency Medical Transport Services in H.P.	10,000.00
2	Mobile Diagnostic Units in H.P.	500.00
3	Haemodialysis Units in H.P.	500.00
4	Operation and Maintenance of JSSK	500.00
Total:		11,500.00
Tourism & Civil Aviation Department		
1	Ropeway-cum-Ski Centre, Solan	1,500.00
2	Shiwalik Hotel-Jakhu Ropeway	1,200.00
3	Dharmashala-Mcleodganj Ropeway	15,000.00
Total:		17,700.00
Ongoing (Awarded and Under Implementation)		
Urban Infrastructure		
1	Mcleodganj Bus Stand	800.00
2	Dharamshala Bus Stand and Parking -cum-Commercial Complex	2,500.00
3	Parking complex, Sanjauli	2,500.00
4	Parking complex, Chhota Shimla	1,500.00
5	Parking complex, Cart Road near Lift	4,500.00
6	Parking complex, Rohru	1,000.00
7	Parking -Cum-Commercial Complex U-Block, Mandi	5,500.00
8	Tourist Information Centre (TIC) Lift the Mall Shimla Ropeway	20,000.00
9	Operation and Maintenance of a High End Café on the Ground Floor of Town Hall, The Mall Shimla	-NA-
Total:		38,300.00
Energy		
1	Fozal	4,916.92
2	Tidong-I	1,33,900.00
3	Tangnu Romai-I	25,500.00
4	Tangnu Romai-II	3,150.00
5	Paudital Lassa	21,000.00
6	Roura-II	16,621.00
7	Selti Masarang	24,311.00
8	Kutehr	2,13,967.00
9	Chirchand-II	14,300.00
10	Kuwarsi	9,426.00
11	Soiel Dashal	8,889.00
12	Gramang	12,160.00
Total:		4,88,140.92
Tourism and Civil Aviation Department		
1	Himani-Chamunda Ropeway	25,000.00
2	Palchan-Rohtang Ropeway	34,000.00
3	Kullu Bye Pass-Bijli Mahadev Ropeway	9,000.00
4	Upgradation and operation & Maintenance of Tourism Project (Cultural Centre at Janjheli (Mandi)	-NA-
5	Upgradation and operation & Maintenance of Tourism Project (Cultural Centre at Badagran (Manali, Kullu)	-NA-
6	Upgradation and operation & Maintenance of Tourism Project (Convention Centre at Mandi)	-NA-

Sr. No.	Name of the Project	Estimated Cost
Total:		68,000.00
Other		
1	Solid Waste Management Plant, Baddi	1,300.00
2	Operation, Management and Maintenance of Centre for Science, Learning and Creativity (CSLC) at Anandpur, Shoghi Near Shimla	-NA-
3	Operation & Management of Shree Chintpurni Sadan Block-C, District Una, HP	-NA-
4	Operation & Management of visitors' facilities in Markandeya Temple Precinct, District Bilaspur in HP on PPP mode	-NA-
Total:		1,300.00
Planned / Projected (under bidding / in pipelines)		
Urban Infrastructure		
1	Bus Stand-cum-Car Parking Complex, Hamirpur	-NA-
2	Bus Stand and Car Parking-cum-Shopping Complex at Bilaspur	-NA-
3	Upgradation operation Management and maintenance of Food court in front of vending complex near lift Shimla.	-NA-
Energy		
1	Jai Banni Mata	25,245.00
2	Uhal	14,573.00
3	Sarsadi-II	6,246.00
4	Palcham Bhang	9,640.00
5	Umlu	9,962.00
6	Shirikhand	4,590.00
7	Uhl Khad	11,500.00
8	Rupin	39,261.00
9	Bharmour Stage-I	25,420.00
10	Bharmour Stage-II	16,750.00
11	Harsar Stage -I	-NA-
12	Harsar Stage -II	21,230.00
13	Harsar Stage -III	-NA-
14	Chango-Yangthang	2,07,729.00
15	Sharni	8,702.00
16	Sarsadi	8,830.00
17	Kurhed-II	5,827.00
18	Jari	10,579.00
19	Choned	-NA-
20	Bharari	4,162.00
21	Parbati	-NA-
22	Nesang	-NA-
23	Jobrie	-NA-
24	Young Thang Khab	-NA-
25	Shangling	-NA-
26	Telling	-NA-
27	Tinget	-NA-
28	Tidong-II	-NA-
29	Lower Mahal	-NA-
30	Upper Mahal	-NA-
31	Dunali-I & II	-NA-

Sr. No.	Name of the Project	Estimated Cost
32	Sundrali	-NA-
33	Tundah-II	22,350.00
34	Bujling	-NA-
35	Rupin-II	-NA-
36	Makori	-NA-
37	Janglik	-NA-
38	Kalah Khol	8,930.00
39	Melan	8,061.00
40	Nargani	-NA-
41	Pandar	-NA-
42	Pursore	9,706.00
43	Tundan	-NA-
44	Kot Dogri	7,560.00
45	Upper Kurmi	6,220.00
46	Toral Kundli	12,338.00
47	Chatte Ka Nallah	6,900.00
Total:		5,12,311.00
Tourism & Civil Aviation Department		
1	Development of Shri Anandpur Sahib Ji to Shri Naina Devi Ji Passenger Ropeway Project from Village Rampur, District Rupnagar in Punjab to Naina Devi Ji Temple District Bilaspur	-NA-
2	Starting of Heli Taxi Service in the State of H.P.	-NA-
3	Development of Shivalik Fossil Park, Suketi, in the Markanda Valley District Sirmaur HP.	-NA-
Others		
1	Setting up of Waste to Energy Bio-Methanation Plant at Kufri, District Shimla, in HP under PPP mode.	-NA-
2	Establishment of Biotechnology Park at Nalagarh, District Solan in H.P.	-NA-

Source: Departmental figures

NA: Not available.

Appendix 3.1

(Reference: Paragraph 3.1)

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 authorised 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 authorisation 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 regularisation 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 Accounts'** - 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 authorised 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 utilise the savings of one of the Sections for any other Section.
 - c) **Token Supplementary** allows to utilise 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.
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.

Appendix 3.2

(Reference: Paragraph 3.1.1)

Category-I Schemes (100 per cent Women beneficiaries)

(₹ in lakh)

Sr. No.	Scheme Name	Grant	Head Of Account	Original	Supplementary	Re-appropriation	Expenditure	Savings
1	Beti Bachao Beti Padhao	19	2235-02-102-20-C00N	1.00	0.00	279.39	280.39	0.00
		31	2235-02-796-42-C00N	1.00	0.00	0.00	0.00	-1.00
		32	2235-02-789-42-C00N	1.00	0.00	0.00	0.00	-1.00
2	Beti Hai Anmol	19	2235-02-102-13-S00N	856.00	0.00	0.00	792.72	-63.28
		32	2235-02-789-06-S00N	328.00	0.00	0.00	294.29	-33.71
		31	2235-02-796-04-S00N	117.00	0.00	-71.07	18.99	-26.94
3	Himachal Grihani Suvidha Yojna	22	2408-01-800-02-S00N	658.00	0.00	0.00	658.00	0.00
		31	2408-01-796-10-S00N	90.00	0.00	0.00	90.00	0.00
		32	2408-01-789-05-S00N	252.00	0.00	0.00	252.00	0.00
4	Indira Gandhi Balika Suraksha Yojna	9	2211-00-200-02-S00N	55.00	0.00	-15.00	29.85	-10.15
		31	2211-00-796-05-S00N	5.00	0.00	-3.25	1.00	-0.75
5	Indira Gandhi National Widow Pension Scheme	32	2235-60-789-05-C00N	232.00	0.00	-6.50	225.50	0.00
		19	2235-60-102-03-C00N	689.00	0.00	-20.00	669.00	0.00
		31	2235-60-796-04-C00N	25.00	0.00	-0.36	24.64	0.00
6	Kalpana Chawala Chhatravriti Yojna	8	2202-80-107-18-S00N	247.00	0.00	0.00	0.00	-247.00
		32	2202-02-789-29-S00N	94.00	0.00	0.00	0.00	-94.00
		31	2202-80-796-03-S00N	34.00	0.00	0.00	0.00	-34.00
7	Mahila Mandal Protsahan Yojna	20	2515-00-102-18-S00N	53.00	0.00	0.00	0.00	-53.00
		31	2515-00-796-18-S00N	7.00	0.00	0.00	0.00	-7.00
8	Mother Teresa Yojna	19	2235-02-103-15-S00N	658.00	0.00	0.00	637.68	-20.32
		31	2235-02-796-07-S00N	90.00	0.00	-54.86	13.65	-21.49
		32	2235-02-789-13-S00N	252.00	0.00	0.00	225.26	-26.74

Sr. No.	Scheme Name	Grant	Head Of Account	Original	Supplementary	Re-appropriation	Expenditure	Savings
9	Mukhya Mantri Kanya Daan Yojna	32	2235-02-789-07-S00N	300.00	0.00	0.00	230.52	-69.48
		31	2235-02-796-05-S00N	106.00	0.00	-86.86	6.12	-13.02
		19	2235-02-103-17-S00N	792.00	0.00	0.00	609.65	-182.35
10	Nari Adalat	19	2235-02-103-29-C00N	1.00	0.00	0.00	0.00	-1.00
		31	2235-02-796-32-C00N	1.00	0.00	0.00	0.00	-1.00
		32	2235-02-789-36-C00N	1.00	0.00	0.00	0.00	-1.00
11	One Stop Centre	19	2235-02-103-28-C00N	1.00	0.00	402.30	403.15	-0.15
		31	2059-60-796-01-C00N	0.00	0.01	0.00	0.00	-0.01
		31	2235-02-796-31-C00N	1.00	0.00	0.00	0.00	-1.00
		31	4235-02-796-05-C00N	0.00	0.01	0.00	0.00	-0.01
		32	2059-60-789-01-C00N	0.00	0.01	0.00	0.00	-0.01
		32	2235-02-789-35-C00N	1.00	0.00	0.00	0.00	-1.00
		32	4235-02-789-06-C00N	0.00	0.01	0.00	0.00	-0.01
12	Police Housing	31	2059-01-796-14-S00N	10.50	0.00	0.00	10.50	0.00
		31	2216-06-796-01-S00N	10.00	0.00	0.00	9.97	-0.03
		32	2216-06-789-01-S00N	27.30	0.00	0.00	26.30	-1.00
		32	4055-00-789-04-S00N	1,209.00	0.00	0.00	1,115.37	-93.63
13	Pradhan Mantri Matru Vandana Yojna	19	2235-02-103-19-C90N	122.00	0.00	663.89	785.89	0.00
		19	2235-02-103-19-S10N	99.00	0.00	0.00	87.32	-11.68
		31	2235-02-796-20-C90N	17.00	0.00	25.26	42.26	0.00
		31	2235-02-796-20-S10N	14.00	0.00	0.00	4.70	-9.30
		32	2235-02-789-21-C90N	47.00	0.00	213.99	260.99	0.00
		32	2235-02-789-21-S10N	38.00	0.00	0.00	29.00	-9.00
14	Sakhi Niwas	19	2235-02-103-31-C90N	100.00	0.00	0.00	0.00	-100.00
		19	2235-02-103-31-S10N	2.00	0.00	0.00	0.00	-2.00
		31	2059-60-796-02-C90N	0.00	0.01	0.00	0.00	-0.01
		31	2059-60-796-02-S10N	0.00	0.01	0.00	0.00	-0.01

Sr. No.	Scheme Name	Grant	Head Of Account	Original	Supplementary	Re-appropriation	Expenditure	Savings
		31	4235-02-796-06-C90N	0.00	0.01	0.00	0.00	-0.01
		31	4235-02-796-06-S10N	0.00	0.01	0.00	0.00	-0.01
		32	2059-60-789-02-C90N	0.00	0.01	0.00	0.00	-0.01
		32	2059-60-789-02-S10N	0.00	0.01	0.00	0.00	-0.01
		32	2235-02-789-38-C90N	39.00	0.00	0.00	0.00	-39.00
		32	2235-02-789-38-S10N	1.00	0.00	0.00	0.00	-1.00
		32	4235-02-789-07-C90N	0.00	0.01	0.00	0.00	-0.01
		32	4235-02-789-07-S10N	0.00	0.01	0.00	0.00	-0.01
15	Sampuran Swasthya Yojna/Mukhya Mantri Swasthya Bima Yojna	9	2210-06-200-10-S00N	1.00	0.00	-1.00	0.00	0.00
		31	2210-06-796-18-S00N	1.00	0.00	-1.00	0.00	0.00
		32	2210-06-789-09-S00N	1.00	0.00	-1.00	0.00	0.00
16	Self-Employment to Women	19	2235-02-103-34-S00N	13.00	0.00	0.00	12.80	-0.20
		31	2235-02-796-41-S00N	2.00	0.00	0.00	1.25	-0.75
		32	2235-02-789-44-S00N	5.00	0.00	0.00	4.95	-0.05
17	Shashakt Mahila Yojna	31	2235-02-796-26-S00N	9.00	0.00	-3.40	3.73	-1.87
18	Technical Scholarships	27	2225-03-277-04-S00N	50.00	0.00	0.00	47.46	-2.54
19	Vishesh Mahila Utthan Yojna	32	2235-02-789-10-S00N	25.00	0.00	0.00	22.26	-2.74
		31	2235-02-796-10-S00N	9.00	0.00	0.00	0.00	-9.00
20	Widow Pension	19	2235-60-102-02-S00N	13,802.00	145.41	-206.50	13,705.24	-35.67
		31	2235-60-796-02-S00N	589.00	0.00	-9.00	571.52	-8.48
		32	2235-60-789-02-S00N	5,984.00	0.00	-88.50	5,791.60	-103.90
21	Widow Remarriage	19	2235-02-103-18-S00N	46.00	0.00	0.00	42.30	-3.70
		31	2235-02-796-08-S00N	6.00	0.00	1.30	1.95	-5.35
		32	2235-02-789-09-S00N	18.00	0.00	0.00	17.50	-0.50
22	Women Helpline	19	2235-02-103-27-C00N	1.00	0.00	19.10	20.00	-0.10
		31	2235-02-796-30-C00N	1.00	0.00	0.00	0.00	-1.00
		32	2235-02-789-34-C00N	1.00	0.00	0.00	0.00	-1.00

Sr. No.	Scheme Name	Grant	Head Of Account	Original	Supplementary	Re-appropriation	Expenditure	Savings
23	Shakti Sadan	19	2235-02-103-30-S10N	64.00	0.00	0.00	3.99	-60.01
		19	2235-02-103-30-C90N	11.00	0.00	24.95	35.95	0.00
		32	2235-02-789-37-S10N	20.00	0.00	0.00	0.00	-20.00
		32	2235-02-789-37-S10N	4.00	0.00	0.00	0.00	-4.00
		31	2235-02-796-33-S10N	9.00	0.00	0.00	0.00	-9.00
24	Maharishi Balmiki Chhatravriti Yojana	NA		0.00	0.00	0.00	0.00	0.00
25	Raksha Bandhan & Bhai Dooj			0.00	0.00	0.00	0.00	0.00
26	Bakarid			0.00	0.00	0.00	0.00	0.00
27	Mukhya Mantri Shagun Yojna			0.00	0.00	0.00	0.00	0.00
28	Special school for Hearing Impaired/ Visually Impaired girl children at Sundernagar (Institution for Children with Special Abilities Sundernagar)		0.00	0.00	0.00	0.00	0.00	
30	Janani Suraksha Yojana under NHM		0.00	0.00	0.00	0.00	0.00	
31	ASHA Scheme		0.00	0.00	0.00	0.00	0.00	
32	Menstrual Hygiene Programme (Sanitary Napkin Scheme)						0.00	
33	Ek Buta Beti Ke Naam		0.00	0.00	0.00	0.00	0.00	
Grand Total				28,256.80	145.53	1,061.88	28,177.21	-1,447.00

Appendix 3.3

(Reference: Paragraph 3.3.6)

Unnecessary re-appropriations resulting in savings

(in ₹)

Sr. No.	Grant	Head of Account	Original	Supplementary	Re-appropriation	Total budget	Surrender	Expenditure	Savings
Voted									
1	05-Land Revenue and District Administration	2029-00-103-02-S00N	1,38,66,20,000	1,69,53,000	12,000	1,40,35,85,000	0	1,39,46,48,072	-89,36,928
2		2245-02-106-01-C00N	0	3,12,96,50,000	1,000	3,12,96,51,000	0	3,08,38,31,137	-4,58,19,863
3	07-Police and Allied Organisations	2055-00-101-01-S00N	58,64,15,000	85,65,000	5,00,000	59,54,80,000	-1,73,56,000	57,79,02,400	-1,75,77,600
4		2055-00-108-05-S00N	3,35,96,75,000	2,58,20,000	7,60,650	3,38,62,55,650	-19,02,75,000	3,19,34,32,464	-19,28,23,186
5		2055-00-116-01-S00N	9,04,07,000	1,05,83,451	1,000	10,09,91,451	0	9,95,64,776	-14,26,675
6	08-Education	2202-01-101-03-S00N	16,63,02,67,000	0	4,61,50,000	16,67,64,17,000	-8,27,34,000	14,87,00,63,520	-1,80,63,53,480
7		2202-01-104-01-S00N	21,05,30,000	0	16,83,000	21,22,13,000	-1,94,52,000	19,12,14,263	-2,09,98,737
8		2202-01-104-02-S00N	73,43,88,000	0	70,65,000	74,14,53,000	-2,35,53,000	71,09,45,516	-3,05,07,484
9		2202-01-107-04-S00N	24,99,12,000	0	89,00,000	25,88,12,000	-1,69,000	21,96,34,079	-3,91,77,921
10		2202-01-112-01-C90N	82,23,00,000	0	5,01,34,000	87,24,34,000	-7,66,73,000	79,57,61,000	-7,66,73,000
11		2202-01-113-01-C90N	6,75,00,000	1,31,03,33,878	28,12,64,122	1,65,90,98,000	0	36,26,64,000	-1,29,64,34,000
12		2202-02-001-01-S00N	22,33,81,000	0	22,25,000	22,56,06,000	-40,26,000	21,84,31,095	-71,74,905
13		2202-02-109-01-S00N	28,39,00,98,000	0	7,86,99,000	28,46,87,97,000	-1,01,389	28,04,56,31,984	-42,31,65,016
14	09-Health and Family Welfare	2210-01-001-01-S00N	18,06,26,000	1,00,000	4,14,000	18,11,40,000	-10,95,000	17,93,58,640	-17,81,360
15		2210-01-110-03-S00N	3,00,46,94,000	25,64,03,000	7,07,11,478	3,33,18,08,478	-6,68,64,478	3,20,92,91,672	-12,25,16,806
16		2210-05-105-13-S00N	68,08,80,000	3,26,57,000	17,08,819	71,52,45,819	-2,049	69,48,45,869	-2,03,99,950
17	10-Public Works - Roads, Bridges and Buildings	3054-04-105-19-S00N	1,87,94,27,000	1,000	1,49,95,000	1,89,44,23,000	-3,000	1,79,19,86,339	-10,24,36,661
18		3054-80-001-01-S00N	58,70,60,000	0	62,87,000	59,33,47,000	0	53,00,58,211	-6,32,88,789
19	11-Agriculture	2401-00-108-17-S00N	0	5,000	16,47,95,000	16,48,00,000	0	0	-16,48,00,000
20	13-Irrigation, Water Supply And Sanitation	4702-00-101-06-C90N	46,86,26,000	50,70,00,000	32,00,000	97,88,26,000	0	47,25,23,198	-50,63,02,802
21		4210-03-101-01-S00B	90,00,000	0	19,03,745	1,09,03,745	0	59,39,146	-49,64,599

Sr. No.	Grant	Head of Account	Original	Supplementary	Re-appropriation	Total budget	Surrender	Expenditure	Savings
22	15-Planning and Backward Area Sub Plan	4215-01-102-01-S00B	16,50,00,000	0	2,61,21,698	19,11,21,698	0	13,46,83,804	-5,64,37,894
23		4402-00-102-07-S00B	60,00,000	0	20,20,294	80,20,294	0	56,69,543	-23,50,751
24		5054-04-337-27-S00B	47,19,00,000	0	6,10,33,717	53,29,33,717	0	42,22,77,759	-11,06,55,958
25	16-Forest and Wild Life	2406-01-001-02-S00N	3,69,19,38,000	0	72,52,000	3,69,91,90,000	-25,08,17,900	3,39,62,26,104	-30,29,63,896
26		2406-02-110-01-S00N	13,45,00,000	0	53,99,000	13,98,99,000	-51,49,400	12,86,07,730	-1,12,91,270
27		2406-02-111-01-S00N	4,61,00,000	0	15,86,000	4,76,86,000	-11,07,400	3,70,99,455	-1,05,86,545
28	17-Election	2015-00-102-01-S00N	21,96,42,000	24,22,000	9,000	22,20,73,000	-1,02,61,000	21,11,83,213	-1,08,89,787
29		2015-00-103-01-S00N	8,50,00,000	3,48,38,000	6,000	11,98,44,000	0	11,91,98,877	-6,45,123
30		2015-00-109-01-S00N	62,44,000	2,90,37,000	4,000	3,52,85,000	-2,64,000	3,43,20,154	-9,64,846
31	18-Industries, Minerals, Supplies, and Information Technology	2851-00-102-13-S00N	20,06,79,000	1,37,50,000	30,46,000	21,74,75,000	0	20,53,06,249	-1,21,68,751
32		2852-80-102-01-S00N	80,21,000	76,85,000	2,59,000	1,59,65,000	0	81,44,373	-78,20,627
33		2852-80-102-10-S00N	85,09,000	0	43,000	85,52,000	0	74,59,608	-10,92,392
34		2852-80-102-11-S00N	1,50,00,000	0	1,000	1,50,01,000	0	1,32,02,735	-17,98,265
35		2853-02-102-01-S00N	13,62,24,000	0	2,32,000	13,64,56,000	-64,13,000	12,23,06,921	-1,41,49,079
36	19-Social Justice and Empowerment	2225-01-001-02-S00N	15,14,58,000	0	13,89,000	15,28,47,000	-33,31,626	14,86,62,502	-41,84,498
37		2235-02-102-05-S00N	1,04,71,00,000	0	22,95,000	1,04,93,95,000	-34,10,28,000	68,84,84,658	-36,09,10,342
38		2235-02-107-08-S00N	1,75,00,000	0	57,00,000	2,32,00,000	0	1,71,07,494	-60,92,506
39		2235-60-800-88-S00N	23,000	0	2,00,000	2,23,000	0	6,047	-2,16,953
40	20-Rural Development	2515-00-196-08-S00N	14,58,15,000	0	11,01,000	14,69,16,000	0	2,21,000	-14,66,95,000
41		2515-00-197-04-S00N	8,78,19,000	0	1,10,32,000	9,88,51,000	0	8,00,52,728	-1,87,98,272
42		2515-00-197-08-S00N	14,58,15,000	0	11,01,000	14,69,16,000	0	11,71,000	-14,57,45,000
43		2515-00-198-07-S00N	68,04,70,000	0	51,35,000	68,56,05,000	0	10,27,000	-68,45,78,000
44	24-Printing and Stationery	2058-00-101-01-S00N	4,83,15,000	3,12,44,824	4,113	7,95,63,937	-6,76,875	7,88,87,062	-6,76,875
45		2058-00-103-01-S00N	16,66,21,000	2,18,68,703	4,105	18,84,93,808	-3,39,89,694	15,44,90,313	-3,40,03,495
46	25-Road and Water Transport	2041-00-800-01-S00N	18,38,11,000	5,57,97,000	3,45,000	23,99,53,000	0	18,47,15,171	-5,52,37,829
47	26-Tourism and Civil Aviation	3452-80-001-01-S00N	2,73,66,000	91,27,410	1,00,02,000	4,64,95,410	0	3,29,06,154	-1,35,89,256
48		5452-01-101-01-S00N	2,00,00,000	2,99,00,000	22,04,000	5,21,04,000	0	1,79,14,168	-3,41,89,832

Sr. No.	Grant	Head of Account	Original	Supplementary	Re-appropriation	Total budget	Surrender	Expenditure	Savings
49	27-Labour Employment and Training	2203-00-105-01-S00N	67,85,27,000	0	93,00,000	68,78,27,000	0	67,79,09,520	-99,17,480
50		2230-02-001-01-S00N	92,09,000	0	98,000	93,07,000	0	82,33,830	-10,73,170
51		2230-02-101-01-S00N	11,57,59,000	0	28,41,048	11,86,00,048	0	10,90,05,939	-95,94,109
52		2230-03-003-05-S00N	1,09,91,81,000	0	4,92,00,000	1,14,83,81,000	0	1,09,51,71,575	-5,32,09,425
53	28-Urban Development, Town and Country Planning And Housing	2217-80-191-58-S00N	1,25,00,000	0	1,00,00,000	2,25,00,000	0	1,00,00,000	-1,25,00,000
54		2217-80-191-62-S00N	2,55,37,000	0	3,51,000	2,58,88,000	0	0	-2,58,88,000
55	29-Finance	2054-00-095-04-S00N	11,85,00,000	9,49,93,321	7,65,756	21,42,59,077	0	20,80,98,942	-61,60,135
56		2054-00-098-01-S00N	9,86,19,000	8,74,000	70,000	9,95,63,000	-4,00,000	9,62,40,810	-33,22,190
57	30-Miscellaneous General Services	2059-01-053-23-S00N	2,10,000	0	3,00,000	5,10,000	0	1,83,402	-3,26,598
58		2205-00-103-01-S00N	2,99,00,000	4,12,21,170	7,78,830	7,19,00,000	0	6,21,82,440	-97,17,560
59		2205-00-107-01-S00N	2,86,76,000	17,01,000	5,88,000	3,09,65,000	0	2,93,17,212	-16,47,788
60	31-Tribal Development	2014-00-796-01-S00N	2,84,27,000	0	2,12,000	2,86,39,000	0	2,77,98,833	-8,40,167
61		2045-00-796-01-S00N	1,37,34,000	0	88,000	1,38,22,000	0	1,26,15,526	-12,06,474
62		2053-00-796-01-S00N	13,40,98,000	0	36,10,000	13,77,08,000	0	12,79,34,362	-97,73,638
63		2053-00-796-02-S00N	2,12,03,000	0	1,10,000	2,13,13,000	0	1,91,87,544	-21,25,456
64		2053-00-796-05-S00N	62,19,000	0	1,07,000	63,26,000	0	39,60,783	-23,65,217
65		2054-00-796-01-S00N	4,36,39,000	0	4,50,000	4,40,89,000	0	4,23,70,054	-17,18,946
66		2055-00-796-01-S00N	60,62,49,000	0	41,02,000	61,03,51,000	0	58,15,33,028	-2,88,17,972
67		2055-00-796-04-S00N	9,43,33,000	0	2,00,000	9,45,33,000	0	8,91,29,480	-54,03,520
68		2202-01-796-02-S0NM	4,25,95,000	0	8,21,000	4,34,16,000	0	3,94,00,124	-40,15,876
69		2202-01-796-26-S10N	1,00,000	0	1,22,000	2,22,000	0	55,569	-1,66,431
70		2202-02-796-01-S00N	2,42,66,000	1,59,000	2,18,727	2,46,43,727	0	2,17,79,656	-28,64,071
71		2202-02-796-02-S00N	68,84,64,000	0	2,10,000	68,86,74,000	0	61,85,44,339	-7,01,29,661
72		2202-03-796-02-S00N	8,77,83,000	0	1,00,000	8,78,83,000	0	8,30,09,918	-48,73,082
73		2202-03-796-08-S10N	19,00,000	0	5,00,000	24,00,000	0	16,64,123	-7,35,877
74		2210-03-796-02-S00N	21,21,01,000	0	86,05,000	22,07,06,000	0	17,15,70,377	-4,91,35,623

Sr. No.	Grant	Head of Account	Original	Supplementary	Re-appropriation	Total budget	Surrender	Expenditure	Savings
75		2210-06-796-21-S00N	1,55,00,000	0	7,00,000	1,62,00,000	0	1,54,21,482	-7,78,518
76		2230-02-796-02-S00N	2,16,00,000	0	13,07,000	2,29,07,000	0	53,77,671	-1,75,29,329
77		2235-02-796-03-S00N	9,00,00,000	0	1,47,22,000	10,47,22,000	-1,11,82,000	7,96,54,779	-2,50,67,221
78		2235-02-796-08-S00N	6,00,000	0	1,30,000	7,30,000	0	1,95,000	-5,35,000
79		2235-02-796-19-S10N	18,00,000	0	19,85,000	37,85,000	0	14,38,000	-23,47,000
80		2401-00-796-09-S00N	1,00,000	0	52,00,000	53,00,000	0	0	-53,00,000
81		2401-00-796-31-S00N	1,00,00,000	0	56,00,000	1,56,00,000	0	84,34,576	-71,65,424
82		2401-00-796-60-C90N	1,00,000	15,36,000	14,35,700	30,71,700	0	15,35,700	-15,36,000
83		2401-00-796-78-S00N	1,00,000	0	2,20,000	3,20,000	0	0	-3,20,000
84		2402-00-796-02-S00N	5,00,00,000	0	10,47,000	5,10,47,000	-40,56,099	2,73,39,393	-2,37,07,607
85		2402-00-796-14-S00N	72,00,000	0	19,00,000	91,00,000	0	66,91,225	-24,08,775
86		2403-00-796-02-S00N	28,55,87,000	0	3,00,000	28,58,87,000	0	24,76,61,508	-3,82,25,492
87		2403-00-796-05-S00N	1,00,00,000	0	1,80,000	1,01,80,000	-26,72,000	54,13,781	-47,66,219
88		2406-01-796-02-S00N	5,09,25,000	7,91,725	33,83,07,000	39,00,23,725	0	3,38,31,721	-35,61,92,004
89		2406-01-796-36-S00N	19,00,000	0	50,000	19,50,000	-3,50,000	31,500	-19,18,500
90		2406-01-796-42-S00N	2,11,00,000	0	32,00,000	2,43,00,000	0	90,68,500	-1,52,31,500
91		2406-02-796-09-S00N	1,50,00,000	0	1,50,000	1,51,50,000	-4,50,000	1,24,01,300	-27,48,700
92		2408-01-796-01-S00N	1,59,70,000	0	2,11,000	1,61,81,000	0	1,34,95,384	-26,85,616
93		2408-01-796-02-S00N	19,00,000	0	8,00,000	27,00,000	0	18,00,000	-9,00,000
94		2501-06-796-07-S10N	69,00,000	0	12,66,000	81,66,000	0	61,41,000	-20,25,000
95		2515-00-796-01-S00N	15,08,62,000	0	21,00,000	15,29,62,000	0	14,32,25,481	-97,36,519
96		2515-00-796-02-S00N	6,27,96,000	0	3,49,000	6,31,45,000	0	5,71,15,005	-60,29,995
97		2515-00-796-16-C90N	1,74,00,000	7,41,000	24,59,000	2,06,00,000	0	87,00,000	-1,19,00,000
98		4055-00-796-02-S00N	4,32,00,000	0	3,00,000	4,35,00,000	0	4,30,00,000	-5,00,000
99		4202-02-796-01-S00N	1,00,00,000	0	15,00,000	1,15,00,000	0	74,00,000	-41,00,000
100		4202-03-796-01-S00N	2,00,00,000	0	2,89,08,000	4,89,08,000	0	1,77,53,000	-3,11,55,000
101		4210-02-796-01-S00N	7,80,00,000	0	2,35,000	7,82,35,000	0	7,51,60,000	-30,75,000

Sr. No.	Grant	Head of Account	Original	Supplementary	Re-appropriation	Total budget	Surrender	Expenditure	Savings
102		4215-01-796-03-S00N	8,00,00,000	0	1,17,42,000	9,17,42,000	0	7,83,27,158	-1,34,14,842
103		4216-01-796-02-S00N	4,98,00,000	0	1,74,000	4,99,74,000	0	4,48,08,664	-51,65,336
104		4216-01-796-03-S00N	90,00,000	0	13,64,000	1,03,64,000	0	47,83,938	-55,80,062
105		4403-00-796-01-S00N	1,50,00,000	0	5,95,000	1,55,95,000	0	1,47,61,000	-8,34,000
106		4406-01-796-02-S00N	2,00,00,000	0	24,21,000	2,24,21,000	0	79,04,670	-1,45,16,330
107		4702-00-796-06-S00N	6,25,00,000	0	91,60,000	7,16,60,000	0	5,81,17,747	-1,35,42,253
108		5075-60-796-01-S00N	11,00,000	0	2,00,000	13,00,000	0	0	-13,00,000
109		32-Scheduled Caste Sub Plan	2202-01-789-21-C90N	2,58,00,000	40,27,84,000	23,23,04,000	66,08,88,000	0	19,07,16,000
110	2217-80-789-04-C90N		8,00,00,000	0	9,10,000	8,09,10,000	0	6,83,10,000	-1,26,00,000
111	2225-01-789-17-S00N		5,29,000	0	66,000	5,95,000	-79,000	4,60,270	-1,34,730
112	2235-02-789-28-S00N		42,09,00,000	0	1,61,42,000	43,70,42,000	0	41,88,12,429	-1,82,29,571
113	2235-02-789-48-C00N		0	2,000	45,11,376	45,13,376	0	0	-45,13,376
114	2401-00-789-75-S00N		0	4,000	6,23,96,000	6,24,00,000	0	0	-6,24,00,000
115	2406-02-789-02-S00N		3,21,00,000	0	15,11,00,000	18,32,00,000	0	2,40,75,000	-15,91,25,000
116	4202-01-789-02-S00N		8,19,00,000	0	3,39,74,000	11,58,74,000	0	5,40,03,300	-6,18,70,700
117	4202-01-789-08-S00N		5,00,00,000	0	3,76,00,000	8,76,00,000	0	1,50,00,000	-7,26,00,000
118	4210-02-789-01-S00N		15,62,00,000	13,00,000	59,00,000	16,34,00,000	0	15,06,82,000	-1,27,18,000
119	4225-01-789-02-S00N		2,51,00,000	0	25,62,000	2,76,62,000	0	27,00,000	-2,49,62,000
120	5054-04-789-01-S00N		91,94,00,000	0	1,26,33,000	93,20,33,000	0	90,77,41,783	-2,42,91,217
121	5054-04-789-12-C00N		27,71,00,000	10,93,59,000	1,66,41,000	40,31,00,000	0	36,91,90,926	-3,39,09,074
122	5054-04-789-16-S00N		11,81,00,000	0	76,000	11,81,76,000	0	11,35,22,121	-46,53,879
Charged									
123	02-Governor and Council of Ministers	2012-03-090-01-S00N	4,93,52,000	12,10,664	10,05,000	5,15,67,664	0	4,86,41,088	-29,26,576

Appendix 3.4

(Reference: Paragraph 3.3.6)

Inappropriate re-appropriation resulting in excess

(in ₹)

Sr. No.	Grant	Head of Account	Original	Supplementary	Total Budget	Re-appropriation	Surrender	Expenditure	Excess
1	05-Land Revenue and District Administration	2029-00-102-04-S00N	21,20,19,000	9,36,000	21,29,55,000	-1,000	0	22,99,97,097	1,70,42,097
2		2053-00-094-01-S00N	22,91,43,000	0	22,91,43,000	-8,000	0	24,08,33,932	1,16,90,932
3	08-Education	2202-01-101-12-S00N	1,00,000	0	1,00,000	-1,00,000	0	4,47,18,265	4,46,18,265
4	09-Health and Family Welfare	4210-03-105-12-C90N	2,33,000	0	2,33,000	-1,17,000	0	25,63,00,000	25,60,67,000
5		4210-03-105-12-S10N	2,33,000	0	2,33,000	-1,17,000	0	2,84,78,000	2,82,45,000
6		4210-03-105-13-S10N	2,34,000	1,21,94,000	1,24,28,000	-1,17,000	0	1,42,61,000	18,33,000
7	17-Election	2015-00-101-01-S00N	1,80,60,000	0	1,80,60,000	-4,000	-1,50,000	1,98,80,432	18,20,432
8	27-Labour Employment and Training	2230-02-101-03-S00N	12,56,000	0	12,56,000	-5,133	0	12,60,678	4,678
9	29-Finance	2071-01-104-02-S00N	9,66,82,73,000	0	9,66,82,73,000	-66,82,73,000	0	10,70,21,53,604	1,03,38,80,604
10	30-Miscellaneous General Services	2250-00-103-01-S00N	37,25,000	0	37,25,000	-50,000	0	41,64,548	4,39,548
11	31-Tribal Development	2202-01-796-16-S00N	1,00,000	0	1,00,000	-1,00,000	0	86,10,277	85,10,277
12		3054-04-796-01-S00N	17,59,99,000	0	17,59,99,000	-51,59,000	0	1,37,20,06,532	1,19,60,07,532
13		4059-01-796-12-S00N	72,00,000	0	72,00,000	-25,00,000	0	86,49,000	14,49,000
14	32-Scheduled Caste Sub Plan	2202-01-789-12-S00N	1,00,000	0	1,00,000	-1,00,000	0	1,59,25,544	1,58,25,544

Appendix 3.5

(Reference: Paragraph 3.3.6)

Insufficient re-appropriation resulting in excess

(in ₹)

Sr. No.	Grant	Head of Account	Original	Supplementary	Re-appropriation	Total Budget	Expenditure	Excess
Voted								
1	07-Police and Allied Organisations	2056-00-101-01-S00N	36,05,52,000	2,65,34,000	9,39,000	38,80,25,000	40,69,08,351	1,88,83,351
2		2056-00-102-01-S00N	1,11,54,000	30,00,000	22,78,600	1,64,32,600	1,67,83,237	3,50,637
3	09-Health and Family Welfare	2210-06-001-04-S00N	4,53,46,000	19,83,000	93,000	4,74,22,000	4,75,32,420	1,10,420
4		2210-06-102-01-S00N	1,55,60,000	63,70,000	13,000	2,19,43,000	2,23,60,300	4,17,300
5		4210-03-105-06-S00N	2,63,00,000	46,60,88,000	7,59,62,136	56,83,50,136	63,00,88,177	6,17,38,041
6	10-Public Works - Roads, Bridges and Buildings	3054-04-105-02-S00N	2,72,19,35,000	0	6,05,58,300	2,78,24,93,300	2,83,81,62,505	5,56,69,205
7		3054-04-105-28-S00N	50,00,00,000	0	15,00,00,000	65,00,00,000	65,03,62,480	3,62,480
8		3054-04-337-06-S00N	25,18,87,000	0	10,00,00,000	35,18,87,000	38,32,86,436	3,13,99,436
9		5054-04-101-01-S00N	40,86,00,000	3,18,30,000	17,48,47,000	61,52,77,000	66,81,04,611	5,28,27,611
10	13-Irrigation, Water Supply and Sanitation	2700-01-101-01-S00N	2,11,65,000	4,06,12,000	1,00,01,000	7,17,78,000	7,34,62,721	16,84,721
11		4702-00-101-04-S00N	13,58,00,000	0	6,93,58,000	20,51,58,000	21,16,52,270	64,94,270
12		4711-01-103-02-S00N	2,84,00,000	0	6,48,93,000	9,32,93,000	9,52,36,478	19,43,478
13	14-Animal Husbandry, Dairy Development and Fisheries	2403-00-101-01-S00N	3,28,74,08,000	4,04,62,000	6,43,94,000	3,39,22,64,000	3,48,43,08,256	9,20,44,256
14	16-Forest and Wild Life	2406-01-101-10-S00N	36,20,00,000	12,35,97,700	12,64,02,300	61,20,00,000	61,41,22,000	21,22,000
15	18-Industries, Minerals, Supplies and Information Technology	4851-00-101-04-S00N	0	0	5,00,000	5,00,000	66,00,00,000	65,95,00,000
16	20-Rural Development	2216-03-102-07-C90N	10,41,00,000	9,20,46,270	28,02,00,000	47,63,46,270	64,36,16,270	16,72,70,000
17		2216-03-102-07-S10N	71,00,000	1,24,27,000	3,34,00,000	5,29,27,000	7,15,13,000	1,85,86,000
18		2515-00-102-23-S10N	12,00,000	1,38,08,000	69,98,000	2,20,06,000	2,92,82,000	72,76,000

Sr. No.	Grant	Head of Account	Original	Supplementary	Re-appropriation	Total Budget	Expenditure	Excess
19	21-Co-Operation	2425-00-101-01-S00N	10,58,41,000	0	44,92,000	11,03,33,000	11,09,12,796	5,79,796
20	23-Power Development	2801-80-001-01-S00N	5,72,20,000	1,01,000	1,000	5,73,22,000	5,85,59,326	12,37,326
21	27-Labour Employment and Training	4202-02-104-01-S00N	13,52,00,000	4,52,36,000	1,00,000	18,05,36,000	19,64,01,000	1,58,65,000
22	28-Urban Development, Town and Country Planning and Housing	2217-80-191-51-S00N	1,00,00,000	0	4,08,69,000	5,08,69,000	33,04,71,000	27,96,02,000
23		2217-80-191-54-S00N	0	15,69,56,000	24,57,31,000	40,26,87,000	1,60,06,06,000	1,19,79,19,000
24		2217-80-193-15-S10N	30,000	2,99,59,000	1,40,24,331	4,40,13,331	5,72,86,000	1,32,72,669
25		4215-02-106-02-S00N	22,44,00,000	35,47,46,000	41,66,000	58,33,12,000	64,41,60,534	6,08,48,534
26	29-Finance	2071-01-101-03-S00N	49,67,67,92,000	1,81,80,04,000	17,69,77,000	51,67,17,73,000	58,44,72,42,259	6,77,54,69,259
27		2071-01-102-02-S00N	6,87,03,86,000	1,10,00,17,000	53,86,50,000	8,50,90,53,000	9,23,00,72,892	72,10,19,892
28	31-Tribal Development	2055-00-796-02-S00N	1,70,76,000	0	1,00,000	1,71,76,000	1,75,92,471	4,16,471
29		2070-00-796-01-S00N	3,17,69,000	0	71,78,000	3,89,47,000	4,00,00,626	10,53,626
30		2851-00-796-02-S00N	1,16,91,000	0	3,00,000	1,19,91,000	1,24,01,960	4,10,960
31		4702-00-796-02-S00N	1,00,00,000	0	3,39,99,000	4,39,99,000	4,83,39,454	43,40,454
32	32-Scheduled Caste Sub Plan	4215-01-789-02-S00N	2,52,00,000	0	3,49,01,000	6,01,01,000	6,82,50,521	81,49,521
Charged								
33	29-Finance	2049-01-115-01-S00N	1,000	0	1,99,99,000	2,00,00,000	2,14,33,901	14,33,901
34		2049-01-305-02-S00N	0	1,000	16,37,000	16,38,000	1,38,90,609	1,22,52,609
35		2049-03-104-01-S00N	11,40,00,00,000	96,25,07,000	13,74,93,000	12,50,00,00,000	12,54,35,23,190	4,35,23,190
36		2049-03-104-03-S00N	4,00,00,000	0	50,00,000	4,50,00,000	4,60,27,992	10,27,992

Appendix 3.6

(Reference: Paragraph 3.3.7(i))

List of grants having Savings

(in ₹)

Sr. No.	Grant	Original	Supplementary	Total budget	Surrender	Expenditure	Savings/Excess
Voted-Revenue							
1	01-Vidhan Sabha	42,98,65,000	6,37,74,000	49,36,39,000	0	48,40,02,438	-96,36,562
2	02-Governor and Council of Ministers	16,19,24,000	6,38,97,000	22,58,21,000	0	22,23,30,999	-34,90,001
3	03-Administration of Justice	2,37,52,83,000	18,64,74,598	2,56,17,57,598	-15,00,000	2,47,68,56,599	-8,49,00,999
4	04-General Administration	2,19,66,01,000	12,78,93,668	2,32,44,94,668	-10,48,23,721	2,14,24,12,050	-18,20,82,618
5	05-Land Revenue and District Administration	14,47,58,30,000	17,42,95,50,865	31,90,53,80,865	0	30,69,07,38,512	-1,21,46,42,353
6	06-Excise and Taxation	1,13,70,39,000	20,06,59,719	1,33,76,98,719	-16,28,13,191	1,12,27,55,313	-21,49,43,406
7	07-Police and Allied Organisations	16,34,63,78,000	56,78,26,632	16,91,42,04,632	-46,78,93,084	16,36,69,67,991	-54,72,36,641
8	08-Education	78,66,54,26,000	1,64,06,11,109	80,30,60,37,109	-2,51,40,72,588	72,30,03,19,647	-8,00,57,17,462
9	09-Health and Family Welfare	25,21,13,77,000	1,93,95,05,483	27,15,08,82,483	-63,61,79,412	25,27,80,97,117	-1,87,27,85,366
10	10-Public Works - Roads, Bridges and Buildings	33,07,74,34,000	1,000	33,07,74,35,000	-3,50,67,37,466	26,30,07,53,272	-6,77,66,81,728
11	11-Agriculture	4,05,88,15,000	7,64,29,717	4,13,52,44,717	-49,81,46,381	3,26,81,31,903	-86,71,12,814
12	12-Horticulture	3,84,39,34,000	74,60,13,776	4,58,99,47,776	-8,47,88,889	4,44,45,91,454	-14,53,56,322
13	13-Irrigation, Water Supply and Sanitation	25,85,47,77,000	1,63,27,70,600	27,48,75,47,600	-1,43,00,833	27,20,43,47,466	-28,32,00,134
14	14-Animal Husbandry, Dairy Development and Fisheries	5,14,11,25,000	6,89,15,000	5,21,00,40,000	0	5,11,11,72,551	-9,88,67,449
15	15-Planning and Backward Area Sub Plan	72,01,93,000	0	72,01,93,000	-6,49,04,000	55,72,20,983	-16,29,72,017
16	16-Forest and Wild Life	7,46,33,32,000	57,35,98,700	8,03,69,30,700	-61,68,77,300	6,49,82,26,430	-1,53,87,04,270
17	17-Election	39,19,87,000	38,44,60,146	77,64,47,146	-1,06,81,000	76,44,56,912	-1,19,90,234
18	18-Industries, Minerals, Supplies and Information Technology	1,37,39,34,000	52,98,86,706	1,90,38,20,706	-1,84,55,789	1,74,81,93,283	-15,56,27,423

Sr. No.	Grant	Original	Supplementary	Total budget	Surrender	Expenditure	Savings/Excess
19	19-Social Justice and Empowerment	17,12,85,70,000	46,26,68,506	17,59,12,38,506	-1,05,04,22,764	16,15,09,69,238	-1,44,02,69,268
20	20-Rural Development	14,38,21,01,000	67,94,28,744	15,06,15,29,744	0	10,22,95,18,878	-4,83,20,10,866
21	21-Co-Operation	38,59,15,000	6,66,46,000	45,25,61,000	0	45,25,39,083	-21,917
22	22-Food and Civil Supplies	1,88,11,73,000	36,44,91,080	2,24,56,64,080	-1,49,82,869	1,63,42,79,644	-61,13,84,436
23	23-Power Development	2,81,44,26,000	4,87,45,65,000	7,68,89,91,000	-4,01,49,401	7,64,55,56,633	-4,34,34,367
24	24-Printing and Stationery	27,07,46,000	5,42,03,377	32,49,49,377	-3,77,60,373	28,70,48,452	-3,79,00,925
25	25-Road and Water Transport	2,23,94,40,000	2,85,96,53,908	5,09,90,93,908	0	4,82,84,12,355	-27,06,81,553
26	26-Tourism and Civil Aviation	29,36,75,000	4,60,17,410	33,96,92,410	-38,41,743	25,69,37,040	-8,27,55,370
27	27-Labour Employment and Training	3,56,00,00,000	43,62,78,321	3,99,62,78,321	0	3,76,57,97,230	-23,04,81,091
28	30-Miscellaneous General Services	96,17,39,000	8,76,89,886	1,04,94,28,886	-2,26,40,810	97,53,12,550	-7,41,16,336
29	31-Tribal Development	18,23,81,43,000	40,24,49,108	18,64,05,92,108	-85,34,23,927	15,35,42,24,564	-3,28,63,67,544
30	32-Scheduled Caste Sub Plan	24,76,94,47,000	2,19,23,43,601	26,96,17,90,601	-33,43,25,666	23,86,75,17,914	-3,09,42,72,687
Voted-Capital							
31	01-Vidhan Sabha	3,05,00,000	2,62,00,000	5,67,00,000	0	5,54,68,750	-12,31,250
32	06-Excise and Taxation	2,00,00,000	0	2,00,00,000	0	0	-2,00,00,000
33	07-Police and Allied Organisations	57,74,00,000	30,74,05,000	88,48,05,000	0	79,16,46,384	-9,31,58,616
34	10-Public Works - Roads, Bridges and Buildings	10,76,46,00,000	7,75,89,24,000	18,52,35,24,000	0	15,00,97,56,848	-3,51,37,67,152
35	11-Agriculture	47,32,95,000	0	47,32,95,000	-64,01,102	33,73,83,163	-13,59,11,837
36	12-Horticulture	7,69,12,000	7,00,00,000	14,69,12,000	0	14,40,06,769	-29,05,231
37	13-Irrigation, Water Supply and Sanitation	5,38,05,00,000	5,71,10,91,000	11,09,15,91,000	0	10,79,18,34,352	-29,97,56,648
38	14-Animal Husbandry, Dairy Development and Fisheries	9,61,61,000	54,21,000	10,15,82,000	-2,01,000	7,50,50,250	-2,65,31,750
39	15-Planning and Backward Area Sub Plan	6,81,61,00,000	0	6,81,61,00,000	-2,90,94,52,000	3,36,40,53,880	-3,45,20,46,120
40	16-Forest and Wild Life	13,99,00,000	0	13,99,00,000	-7,65,65,000	2,96,29,420	-11,02,70,580
41	19-Social Justice and Empowerment	26,23,00,000	2,20,62,000	28,43,62,000	0	27,01,62,000	-1,42,00,000

Sr. No.	Grant	Original	Supplementary	Total budget	Surrender	Expenditure	Savings/Excess
42	20-Rural Development	12,25,00,000	0	12,25,00,000	0	9,52,47,000	-2,72,53,000
43	22-Food and Civil Supplies	11,00,000	0	11,00,000	-1,05,715	5,79,119	-5,20,881
44	24-Printing and Stationery	30,00,000	0	30,00,000	-30,00,000	0	-30,00,000
45	25-Road and Water Transport	1,27,35,00,000	1,41,51,27,000	2,68,86,27,000	0	2,56,47,22,000	-12,39,05,000
46	26-Tourism and Civil Aviation	4,84,44,00,000	5,99,00,000	4,90,43,00,000	-33,06,24,794	2,74,47,84,131	-2,15,95,15,869
47	29-Finance	6,67,52,000	2,49,63,449	9,17,15,449	-1,41,45,750	7,31,70,949	-1,85,44,500
48	30-Miscellaneous General Services	23,40,00,000	9,43,26,000	32,83,26,000	-23,68,075	24,73,65,733	-8,09,60,267
49	31-Tribal Development	4,98,13,50,000	7,000	4,98,13,57,000	-19,21,18,381	3,09,16,24,737	-1,88,97,32,263
50	32-Scheduled Caste Sub Plan	12,40,21,32,000	21,00,49,079	12,61,21,81,079	-2,65,31,52,000	8,78,16,79,602	-3,83,05,01,477
Revenue-Charged							
51	01-Vidhan Sabha	1,22,51,000	15,00,000	1,37,51,000	0	70,17,991	-67,33,009
52	02-Governor and Council of Ministers	8,83,59,000	22,11,824	9,05,70,824	-30,05,000	8,45,18,751	-60,52,073
53	03-Administration of Justice	58,82,39,000	9,46,70,317	68,29,09,317	0	62,15,51,616	-6,13,57,701
54	04-General Administration	12,40,49,000	1,60,38,290	14,00,87,290	0	13,28,99,979	-71,87,311
55	07-Police and Allied Organisations	0	97,51,458	97,51,458	0	97,48,647	-2,811
56	10-Public Works - Roads, Bridges and Buildings	0	90,96,451	90,96,451	0	83,31,819	-7,64,632
57	13-Irrigation, Water Supply and Sanitation	0	57,21,849	57,21,849	0	47,77,743	-9,44,106
58	19-Social Justice and Empowerment	0	87,832	87,832	0	0	-87,832
59	23-Power Development	0	42,50,40,000	42,50,40,000	0	0	-42,50,40,000
60	29-Finance	55,62,00,51,000	97,55,49,528	56,59,56,00,528	0	56,48,73,29,946	-10,82,70,582
Capital - Voted							
61	10-Public Works - Roads, Bridges and Buildings	0	2,40,66,000	2,40,66,000	0	0	-2,40,66,000
62	29-Finance	54,86,63,98,000	33,69,98,26,000	88,56,62,24,000	0	78,95,86,85,878	-9,60,75,38,122
Total		4,69,71,63,78,000	89,72,77,38,737	5,59,44,41,16,737	-17,25,08,60,024	4,97,21,27,15,958	-62,23,14,00,779

Appendix 3.7

(Reference: Paragraph 3.3.7(ii))

Persistent Savings more than ₹ one crore

(₹ in crore)

Sl. No.	Grant	2019-20	2020-21	2021-22	2022-23	2023-24
Revenue-Voted						
1	3-Administration of Justice	-34.57	-44.56	-22.81	-30.77	-8.49
2	6-Excise and Taxation	-14.32	-17.53	-12.32	-13.05	-21.49
3	7-Police and Allied Organisations	-212.47	-305.45	-244.75	-24.30	-54.72
4	8-Education	-1,110.61	-1,362.09	-1,096.43	-121.60	-800.57
5	9-Health and Family Welfare	-377.72	-489.64	-243.85	-207.53	-187.28
6	10-Public Works - Roads, Bridges and Buildings	-736.83	-963.02	-1,194.46	-552.77	-677.67
7	11-Agriculture	-33.44	-78.98	-37.92	-56.44	-86.71
8	13-Irrigation, Water Supply and Sanitation	-227.91	-130.08	-80.41	-6.53	-28.32
9	15-Planning and Backward Area Sub Plan	-22.69	-21.90	-17.44	-19.66	-16.30
10	16-Forest and Wild Life	-145.25	-170.51	-134.39	-89.07	-153.87
11	19-Social Justice and Empowerment	-99.25	-64.74	-46.38	-64.43	-144.03
12	20-Rural Development	-351.17	-163.47	-134.10	-120.02	-483.20
13	26-Tourism and Civil Aviation	-56.20	-21.89	-48.45	-3.30	-8.28
14	27-Labour Employment and Training	-39.28	-116.39	-26.09	-20.25	-23.05
15	31-Tribal Development	-371.39	-415.69	-403.42	-206.93	-328.64
16	32-Scheduled Caste Sub Plan	-513.37	-264.69	-141.50	-193.90	-309.43
Capital- Voted						
17	15-Planning and Backward Area Sub Plan	-115.34	-218.07	-53.64	-168.59	-345.20
18	16-Forest and Wild Life	-6.34	-3.55	-1.36	-1.77	-11.03
19	19-Social Justice and Empowerment	-14.48	-4.94	-3.76	-62.42	-1.42
20	26-Tourism and Civil Aviation	-28.95	-924.68	-496.21	-495.11	-215.95
21	29-Finance	-6.35	-7.74	-5.85	-6.56	-1.85
22	31-Tribal Development	-94.04	-75.44	-130.10	-153.13	-188.97
23	32-Scheduled Caste Sub Plan	-231.62	-149.75	-390.46	-321.78	-383.05
Revenue-Charged						
24	3-Administration of Justice	-11.36	-7.33	-5.90	-5.23	-6.14
25	29-Finance	-315.99	-459.44	-376.78	-275.95	-10.83

Appendix 3.8

(Reference: Paragraph 3.3.8.1)

Major Head-wise excess

(in ₹)

Sr. No.	Grant-Code	Major Head	Original	Supplementary	Re-appropriation	Total Budget	Expenditure	Excess
1	29	2071-Pensions and Other Retirement Benefits	86,93,78,16,000	5,98,70,63,528	0	92,92,48,79,528	1,02,94,46,40,288	10,01,97,60,760
2	13	2215-Water Supply and Sanitation	18,22,38,45,000	1,39,89,96,449	0	19,62,28,41,449	20,91,31,89,531	1,29,03,48,082
3	05	4059-Capital Outlay on Public Works	8,00,00,000	45,26,84,000	0	53,26,84,000	1,42,34,15,500	89,07,31,500
4	28	2217-Urban Development	4,85,56,63,000	3,29,08,46,800	14,33,000	8,14,79,42,800	8,84,41,91,332	69,62,48,532
5	18	4851-Capital Outlay on Village and Small Industries	5,62,00,000	0	0	5,62,00,000	70,61,88,786	64,99,88,786
6	23	6801-Loans for Power Projects	6,52,00,000	40,48,19,000	0	47,00,19,000	97,33,48,000	50,33,29,000
7	25	5002-Capital Outlay on Indian Railways-Commercial Lines	4,68,00,000	1,10,67,22,000	0	1,15,35,22,000	1,49,40,17,000	34,04,95,000
8	28	2217-Urban Development	0	0	0	0	27,85,00,000	27,85,00,000
9	13	4215-Capital Outlay on Water Supply And Sanitation	2,72,38,00,000	5,19,91,19,000	0	7,92,29,19,000	8,17,04,95,088	24,75,76,088
10	31	2202-General Education	0	0	0	0	22,35,73,000	22,35,73,000
11	05	3454-Census Surveys and Statistics	70,39,000	80,83,20,000	0	81,53,59,000	94,56,04,968	13,02,45,968
12	31	3054-Roads And Bridges	2,87,36,49,000	0	-30,29,65,000	2,57,06,84,000	2,70,04,42,157	12,97,58,157
13	27	4202-Capital Outlay on Education, Sports, Art and Culture	54,73,00,000	27,61,12,000	0	82,34,12,000	90,78,24,000	8,44,12,000
14	14	2403-Animal Husbandry	4,01,53,41,000	6,19,15,000	2,44,73,000	4,10,17,29,000	4,17,95,36,188	7,78,07,188
15	28	4215-Capital Outlay on Water Supply and Sanitation	22,44,00,000	35,84,54,705	41,66,000	58,70,20,705	64,78,69,239	6,08,48,534
16	09	4210-Capital Outlay on Medical and Public Health	95,02,34,000	1,38,89,10,072	0	2,33,91,44,072	2,36,67,72,079	2,76,28,007
17	08	4202-Capital Outlay on Education, Sports, Art and Culture	98,73,00,000	12,74,00,000	0	1,11,47,00,000	1,13,96,33,718	2,49,33,718

Sr. No.	Grant-Code	Major Head	Original	Supplementary	Re-appropriation	Total Budget	Expenditure	Excess
18	07	2056-Jails	42,09,99,000	4,06,66,240	0	46,16,65,240	48,03,18,859	1,86,53,619
19	16	2406-Forestry and Wildlife	0	0	0	0	1,46,22,000	1,46,22,000
20	05	2029-Land Revenue	2,16,72,61,000	1,95,69,000	11,000	2,18,68,41,000	2,19,55,98,510	87,57,510
21	32	3054-Roads and Bridges	13,00,00,000	0	0	13,00,00,000	13,79,71,890	79,71,890
22	10	2216-Housing	11,91,60,000	0	0	11,91,60,000	12,66,63,152	75,03,152
23	13	4705-Capital Outlay on Command Area Development	40,92,00,000	0	-2,00,000	40,90,00,000	41,26,13,427	36,13,427
24	03	4059-Capital Outlay on Public Works	10,39,00,000	6,37,00,000	0	16,76,00,000	17,05,02,742	29,02,742
25	03	2216-Housing	40,58,000	0	0	40,58,000	64,80,873	24,22,873
26	03	2059-Public Works	1,26,78,000	2,96,87,000	0	4,23,65,000	4,47,38,414	23,73,414
27	32	4705-Capital Outlay on Command Area Development	14,12,00,000	0	-2,00,000	14,10,00,000	14,21,46,823	11,46,823
28	31	2070-Other Administrative Services	7,37,41,000	0	71,78,000	8,09,19,000	8,19,38,943	10,19,943
29	05	2401-Crop Husbandry	60,00,000	0	0	60,00,000	65,15,267	5,15,267
30	30	2250-Other Social Services	38,35,000	0	22,000	38,57,000	43,45,399	4,88,399
31	04	2216-Housing	20,78,86,000	90,000	0	20,79,76,000	20,81,87,393	2,11,393
32	04	4216-Capital Outlay on Housing	5,92,00,000	0	0	5,92,00,000	5,93,66,159	1,66,159
33	13	2059-Public Works	80,25,000	0	0	80,25,000	80,75,485	50,485
34	29	6004-Loans and Advances from the Central Government	1,05,40,76,000	2,22,58,000	0	1,07,63,34,000	1,07,63,35,122	1,122

Appendix 3.9

(Reference: Paragraph 3.4.4)

Major scheme-wise Budget and utilisation

(in ₹)

Sr. No.	Scheme Name	Grant No.	Original	Supplementary	Re-appropriation	Total	Surrender	Expenditure
1	Performance Grant to Gram Panchayats Under Finance Commission	20	1,29,51,55,000	0	0	1,29,51,55,000	0	0
2	Tied Grant to Zila Parishads Under Central Finance Commission	20	28,23,57,000	0	0	28,23,57,000	0	0
3	Tied Grant to Panchayat Samitis Under Central Finance Commission	20	27,75,33,000	0	0	27,75,33,000	0	0
4	Pradhan Mantri Jan Vikas Karyakram	19	20,14,00,000	0	0	20,14,00,000	-20,14,00,000	0
5	Basic Grant to Zila Parishads Under Central Finance Commission	20	18,82,37,000	0	0	18,82,37,000	0	0
6	Him Unnati	11	0	5,000	16,47,95,000	16,48,00,000	0	0
7	Srinivasa Ramanujan Student Digital Yojna	08	16,45,00,000	0	0	16,45,00,000	0	0
8	Atal Pension Yojna	29	15,00,00,000	0	0	15,00,00,000	0	0
9	Performance Grant to Panchayats Under Central Finance Commission	31	9,92,45,000	0	0	9,92,45,000	0	0
10	Pradhan Mantri Sinchayee Yojana-Har Khet Ko Pani	31	8,01,00,000	0	0	8,01,00,000	0	0
11	National Rural Drinking Water Programme (NRDWP)	31	6,75,00,000	0	0	6,75,00,000	0	0
12	Mukhya Mantri Ashirwad Yojna	09	6,65,00,000	0	0	6,65,00,000	-6,65,00,000	0
13	Rajiv Gandhi Swarojgaar Start-Up Yojna	27	0	6,58,10,000	0	6,58,10,000	0	0
14	Srinivasa Ramanujan Student Digital Yojana	32	6,30,00,000	0	0	6,30,00,000	0	0
15	Grant-in-Aid to Panchayats/Rural Bodies	06	6,00,00,000	0	0	6,00,00,000	-6,00,00,000	0
16	Grant-in-Aid to Local Urban Bodies	06	4,63,33,000	0	0	4,63,33,000	-4,63,33,000	0
17	Dr. Rajendra Prasad Medical College, Tanda	32	4,53,00,000	0	0	4,53,00,000	0	0
18	Indira Gandhi Medical College	32	4,53,00,000	0	0	4,53,00,000	0	0

Sr. No.	Scheme Name	Grant No.	Original	Supplementary	Re-appropriation	Total	Surrender	Expenditure
19	Gia to Swachh Bharat Mission (SBM)	28	4,33,00,000	0	0	4,33,00,000	0	0
20	Saur Sinchayee Yojna	11	3,29,00,000	0	-2,62,476	3,26,37,524	-3,26,37,524	0
21	District Innovation Fund under Thirteenth Finance Commission	15	3,00,00,000	0	0	3,00,00,000	0	0
22	Atal Shreshth Shahar Yojna	28	2,80,00,000	0	0	2,80,00,000	0	0
23	Rajiv Gandhi Day - Boarding Schools	31	2,70,00,000	0	0	2,70,00,000	-1,77,94,000	0
24	Swarana Jayanti Self Help Group (SHG) Sahyog Yojna	20	2,63,00,000	0	0	2,63,00,000	0	0
25	Health Section Grant to Municipal Corporation under 15 th Finance Commission	28	2,55,37,000	0	3,51,000	2,58,88,000	0	0
26	Super Speciality Block / Hospital Chamyana	32	2,52,00,000	0	0	2,52,00,000	0	0
27	Health Sector Grant to Municipalities Under 15 th Finance Commission	28	2,48,24,000	0	0	2,48,24,000	0	0
28	Kalpana Chawala Chhatravriti Yojna	08	2,47,00,000	0	0	2,47,00,000	0	0
29	Pardhan Mantri Krishi Sinchayee Yojna	31	2,39,00,000	0	0	2,39,00,000	0	0
30	Medical College Chamba	32	2,52,00,000	0	-50,00,000	2,02,00,000	-2,02,00,000	0
31	National E-Governance Scheme-Agriculture	11	2,17,00,000	0	-18,47,830	1,98,52,170	-1,98,52,170	0
32	Khel Se Swasthya Yojna	08	1,82,00,000	0	0	1,82,00,000	-49,26,780	0
33	Rajiv Gandhi National Creche Scheme	19	1,44,00,000	0	0	1,44,00,000	0	0
34	National Mission for Green India	16	12,48,00,000	0	-11,23,00,000	1,25,00,000	-1,25,00,000	0
35	Bachelor of Vocational Programme	32	2,64,00,000	0	-1,40,22,000	1,23,78,000	0	0
36	Development of Handloom Weavers	32	1,10,25,000	0	-25,000	1,10,00,000	0	0
37	Basic Grant to Zila Parishads under Central Finance Commission	31	1,09,63,000	0	0	1,09,63,000	0	0
38	Sakhi Niwas	19	1,02,00,000	0	0	1,02,00,000	0	0
39	Medical College Hamirpur	32	1,01,00,000	0	0	1,01,00,000	0	0
40	Mukhya Mantri Self Help Group Scheme	32	1,01,00,000	0	0	1,01,00,000	0	0

Appendix 3.10

(Reference: Paragraph 3.4.5)

The quarterly details of expenditures incurred across Major Heads

(in ₹)

Major head	Grant total	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	In March	Expenditure in 4 th Quarter as percentage of total expenditure	Expenditure in March 2024 as percentage of total expenditure
2043-Collection Charges under States Goods and Services Tax	4,60,69,968	0	34,41,540	1,81,41,026	2,44,87,402	30,770	53	0
2205-Art and Culture	33,64,49,055	3,12,52,651	7,27,54,243	3,66,86,626	19,57,55,535	14,06,45,276	58	42
2216-Housing	1,71,17,59,127	4,62,82,911	20,05,31,338	32,45,84,611	1,14,03,60,267	48,57,73,482	67	28
2404-Dairy Development	1,08,64,72,809	26,79,51,823	9,24,97,153	54,54,785	72,05,69,048	9,87,564	66	0
2801-Power	11,48,23,23,719	1,32,11,92,988	2,92,50,39,493	1,89,81,886	7,21,71,09,352	2,35,40,17,703	63	21
4059-Capital Outlay on Public Works	2,69,77,15,646	29,61,80,748	67,68,76,437	25,11,70,905	1,47,34,87,556	1,16,54,30,873	55	43
4070-Capital Outlay on Other Administrative Services	10,52,81,763	0	2,28,02,822	1,54,57,229	6,70,21,712	0	64	0
4215-Capital Outlay on Water Supply and Sanitation	10,22,96,54,958	38,13,51,002	1,41,64,06,561	2,00,28,30,301	6,42,90,67,094	4,39,15,51,931	63	43
4216-Capital Outlay on Housing	24,82,40,315	1,54,64,837	3,55,86,451	5,15,21,140	14,56,67,887	9,40,93,986	59	38
4217-Capital Outlay on Urban Development	61,24,13,732	63,389	28,03,05,491	1,06,13,796	32,14,31,056	8,91,164	52	0
4220-Capital Outlay on Information and Publicity	47,31,066	0	0	0	47,31,066	5,19,200	100	11
4235-Capital Outlay on Social Security and Welfare	35,95,73,000	80,95,000	10,00,00,000	0	25,14,78,000	0	70	0
4405-Capital Outlay on Fisheries	3,76,65,000	3,22,700	24,48,850	1,17,27,000	2,31,66,450	64,400	62	0
4408-Capital Outlay on Food Storage and Warehousing	6,76,216	0	0	1,35,000	5,41,216	50,000	80	7
4701-Capital Outlay on Medium Irrigation	3,99,886	0	0	0	3,99,886	2,92,239	100	73
4702-Capital Outlay on Minor Irrigation	2,94,69,43,623	57,63,66,019	28,57,79,005	31,97,10,097	1,76,50,88,502	70,51,10,161	60	24
4711-Capital Outlay on Flood Control Projects	33,02,13,622	1,08,52,659	2,49,52,435	2,72,79,041	26,71,29,487	22,61,21,208	81	68
4851-Capital Outlay on Village and Small Industries	72,09,40,636	26,27,831	3,54,92,907	1,43,10,763	66,85,09,135	66,21,49,650	93	92
5053-Capital Outlay on Civil Aviation	3,15,81,63,140	3,38,34,180	10,30,34,493	1,46,22,920	3,00,66,71,547	3,00,51,11,517	95	95

Appendix 3.11

(Reference: Paragraph 3.4.5)

The quarterly details of expenditure incurred across all Grants

Number and Name of Grant	Allocation during 2023-24	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	In March	Total expenditure during 2023-24	(in ₹)	
								Expenditure in 4th Quarter as percentage of total expenditure	Expenditure in March 2024 as percentage of total expenditure
01-Vidhan Sabha	56,40,90,000	14,18,90,353	14,31,46,165	12,25,23,160	13,89,29,501	4,93,50,383	54,64,89,179	25.42	9.03
02 -Governor and Council of Ministers	31,63,91,824	6,40,83,011	6,11,40,915	6,81,13,621	11,35,12,203	5,55,69,892	30,68,49,750	36.99	18.11
03-Administration of Justice	3,41,22,66,915	84,48,95,482	77,83,67,447	75,65,37,120	88,91,10,908	40,81,37,431	3,26,89,10,957	27.20	12.49
04 General Administration	2,88,21,14,958	76,82,08,000	62,68,30,829	60,92,02,822	68,87,60,083	26,22,39,931	2,69,30,01,734	25.58	9.74
05-Land Revenue and District Administration	32,45,03,10,865	2,11,40,13,267	14,51,67,75,523	3,51,53,08,154	11,98,03,03,068	2,49,82,37,636	32,12,64,00,012	37.29	7.78
06 -Excise and Taxation	1,35,76,98,719	18,88,98,224	20,39,64,360	43,00,20,834	29,98,71,895	14,69,61,610	1,12,27,55,313	26.71	13.09
07- Police and Allied Organisations	17,80,87,61,090	4,67,11,00,961	4,12,95,36,036	3,96,73,63,600	4,40,03,62,425	1,33,82,99,891	17,16,83,63,022	25.63	7.80
08- Education	81,44,76,24,264	18,68,34,60,059	17,74,43,12,101	19,05,94,58,591	17,97,96,09,769	7,26,21,44,127	73,46,68,40,520	24.47	9.88
09- Health and Family Welfare	29,49,00,26,555	6,28,83,48,567	7,51,85,78,053	6,03,53,51,485	7,80,25,91,091	2,80,78,74,545	27,64,48,69,196	28.22	10.16
10- Public Works - Roads, Bridges and Buildings	51,63,41,21,451	5,79,61,95,964	9,24,51,91,086	9,26,97,60,625	17,00,76,94,264	10,63,55,70,961	41,31,88,41,939	41.16	25.74
11- Agriculture	4,61,04,87,058	98,44,56,310	1,00,36,59,713	61,30,57,685	1,00,62,88,699	25,63,16,495	3,60,74,62,407	27.89	7.11
12- Horticulture	4,73,68,59,776	1,07,41,17,200	1,24,08,72,409	58,90,51,888	1,68,45,56,726	95,37,20,911	4,58,85,98,223	36.71	20.78

Number and Name of Grant	Allocation during 2023-24	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	In March	Total expenditure during 2023-24	Expenditure in 4th Quarter as percentage of total expenditure	Expenditure in March 2024 as percentage of total expenditure
13- Irrigation, Water Supply and Sanitation	38,67,62,91,537	7,31,69,10,572	6,45,95,09,106	7,06,52,49,682	17,25,07,21,633	11,01,31,73,731	38,09,23,90,993	45.29	28.91
14- Animal Husbandry, Dairy Development and Fisheries	5,31,16,22,000	1,17,89,43,610	1,12,74,24,363	98,30,03,347	1,89,68,51,481	71,89,30,646	5,18,62,22,801	36.57	13.86
15- Planning and Backward Area Sub Plan	7,53,62,93,000	59,84,17,740	97,26,12,667	89,19,20,100	1,45,83,24,356	28,82,76,772	3,92,12,74,863	37.19	7.35
16- Forest and Wildlife	8,17,69,80,700	1,11,61,86,827	1,59,21,64,592	1,58,10,36,065	2,23,88,28,366	69,80,93,685	6,52,82,15,850	34.29	10.69
17- Election	78,39,47,146	11,80,98,125	20,95,49,808	20,15,94,719	24,27,14,260	18,28,41,401	77,19,56,912	31.44	23.69
18- Industries, Minerals, Supplies and Information Technology	1,96,00,20,706	40,86,46,158	39,25,02,203	70,97,65,171	94,34,68,537	73,39,00,967	2,45,43,82,069	38.44	29.90
19- Social Justice and Empowerment	17,87,56,88,338	3,98,88,18,686	3,78,93,58,158	3,91,49,50,563	4,72,80,03,831	1,69,32,68,354	16,42,11,31,238	28.79	10.31
20- Rural Development	15,18,40,29,744	2,50,88,26,945	2,16,43,57,673	2,04,16,02,948	3,60,99,78,312	1,56,24,02,709	10,32,47,65,878	34.96	15.13
21- Co-Operation	45,42,71,000	12,71,12,493	9,70,53,700	8,94,48,616	14,06,34,274	7,03,70,436	45,42,49,083	30.96	15.49
22- Food and Civil Supplies	2,24,67,64,080	70,43,43,794	44,83,03,486	27,30,76,471	20,91,35,012	2,48,49,959	1,63,48,58,763	12.79	1.52
23- Power Development	9,17,73,50,000	88,61,21,196	2,28,37,28,939	4,86,28,840	5,53,69,25,658	1,56,65,59,394	8,75,54,04,633	63.24	17.89
24- Printing and Stationery	32,79,49,377	6,85,78,811	4,42,23,726	6,04,26,081	11,38,19,834	3,74,73,269	28,70,48,452	39.65	13.05
25- Road and Water Transport	7,82,20,21,908	1,37,03,59,652	2,40,03,10,552	2,07,25,88,222	1,58,41,76,929	65,03,45,590	7,42,74,35,355	21.33	8.76

Number and Name of Grant	Allocation during 2023-24	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	In March	Total expenditure during 2023-24	Expenditure in 4th Quarter as percentage of total expenditure	Expenditure in March 2024 as percentage of total expenditure
26- Tourism and Civil Aviation	5,24,39,92,410	34,54,86,949	19,32,31,777	27,21,83,132	2,19,08,19,313	1,98,85,91,096	3,00,17,21,171	72.99	66.25
27- Labour Employment and Training	4,83,01,90,321	1,28,21,11,656	1,14,82,51,259	1,33,46,08,526	91,67,43,789	37,62,77,220	4,68,17,15,230	19.58	8.04
28- Urban Development, Town and Country Planning and Housing	9,48,02,54,505	1,28,23,44,168	3,72,51,37,748	68,25,34,734	4,81,68,54,520	3,04,14,52,481	10,50,68,71,170	45.84	28.95
29- Finance	2,39,53,53,86,747	51,02,27,47,560	52,75,57,05,563	62,54,80,01,430	73,28,09,03,104	38,53,29,16,546	2,39,60,73,57,656	30.58	16.08
30- Miscellaneous General Services	1,37,77,54,886	17,10,39,242	41,98,64,323	23,81,18,072	39,36,56,646	15,50,63,049	1,22,26,78,283	32.20	12.68
31- Tribal Development	23,62,73,56,692	3,99,64,41,009	5,44,97,54,142	3,63,46,65,876	5,37,03,95,858	2,19,00,06,131	18,45,12,56,885	29.11	11.87
32- Scheduled Caste Sub Plan	39,57,39,71,680	6,98,62,12,277	7,34,63,20,587	5,60,31,39,530	12,71,35,25,122	5,50,93,34,975	32,64,91,97,516	38.94	16.87
Grand Total	6,69,91,28,90,252	1,27,09,74,14,868	1,50,23,17,39,009	1,39,28,22,91,710	2,03,62,80,71,467	97,70,85,52,224	6,20,23,95,17,053	32.83	15.75

Appendix 4.1

(Reference: Paragraph 4.2)

Funds transferred by Government of India directly to State implementing agencies

Sr. No.	Govt. of India Scheme	Implementing Agency	Government of India releases (₹ in lakh)
1.	Amended Technology Upgradation Fund Scheme (ATUFS)	Various Private Companies	135.46
2.	Atal Vayo Abhyuday Yojna (AVYAY)	Manav Sewa Trust	2.85
		Manav Kalyan Seva Samiti	23.70
3.	Ayushman Bharat - Pradhan Mantri Jan Arogya Yojna (PMJAY)	Himachal Pradesh Swasthya Bima Yojna Society	5,042.84
4.	Blood Transfusion Services	Himachal Pradesh State AIDS Control Society Shimla -9	98.55
5.	Capacity Building for Service Providers	Institute of Hotel Management	15.48
6.	Centenaries and Anniversaries, Celebrations and Schemes	Indian Institute of Advanced Study	9.00
7.	Development of Pharmaceutical Industry	Welzo Research and Development Private Limited	488.25
8.	Duty Drawback Scheme	Innova Cap tab Ltd.	21.75
9.	E-Courts Phase III	Registrar General, High Court of Himachal Pradesh	613.42
10.	Food Subsidy for Decentralized Procurement of foodgrains under NFSA	Himachal Pradesh State Civil Supplies Corporation Ltd	4,738.00
11.	Grants to other Institutions	Various Colleges	16.73
		Sharma Girish Gaurav	0.33
12.	Industrial Development Scheme For Himachal Pradesh And Uttarakhand 2017	Himachal Pradesh State Industrial Development Corporation Ltd.	21,137.04
13.	Integrated Development of Wildlife Habitats	Himalayan Forest Research Institute, Shimla	93.53
14.	Khelo India	Himachal Pradesh Sports Council	650.00
15.	Krishionati Yojna	Himachal Pradesh State Agricultural Marketing Board	9.88
16.	Management Support to Rural Development Programs and Strengthening of District Planning process	Director HP Institute of Public Administration (SIRD)	28.35
17.	National Action Plan for Drug Demand Reduction (SJE)	Gunjan	99.84
		State Nodal Officer Inspire Award Scheme SCERT, Solan, HP	0.71
		Indian Red Cross Society Kangra, HP	3.11
		Manav Kalyan Seva Samiti	22.30
18.	National AIDS and STD Control Programme	Himachal Pradesh State AIDS Control Society Shimla -9	1,326.41
19.	National Digital Health Mission	Himachal Pradesh Swasthya Bima Yojna Society	20.45
20.	National Fellowship and Scholarship for Higher Education of ST Students	Various Central Institutions	22.14
21.	National Hydrology Project	Himachal Pradesh Irrigation and Public Health Department	654.20

Sr. No.	Govt. of India Scheme	Implementing Agency	Government of India releases (₹ in lakh)
22.	National Livestock Mission	CSK Himachal Pradesh Krishi Vishwavidyalaya	5.11
23.	National Programme for Dairy Development	HP State Cooperative Milk Producer Federation Ltd.	250.00
24.	Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)	Himachal Pradesh Rural Development and Employment Guarantee Society	60,456.96
25.	National Service Scheme	H.P. State NSS Cell	347.08
26.	Package For Special Category States for J&K, Himachal Pradesh And Uttarakhand	Himachal Pradesh State Industrial Development Corporation Ltd.	53.25
27.	Rastriya Gram Swaraj Abhiyan (RGSA)	Department of Panchayati Raj, HP	10.80
28.	Pradhan Mantri Kisan Samman Nidhi (PM-Kisan)	Department of Revenue, Himachal Pradesh	54,470.62
29.	Procurement and Marketing Support Scheme	Various Private Companies	4.69
30.	Rastriya Krishi Vikas Yojna	CSK Himachal Pradesh Krishi Vishwavidyalaya	136.00
31.	Relief and Rehabilitation for Migrants and Repatriates	The Dalai Lamas Central Tibetan Relief Committee	800.00
32.	Scheme of Residential Education for Students in High School in Targeted Area (SRESHTA) for SCS	Various Public Schools	67.41
33.	SAMARTHYA (Shakti Sadan (Swadhar Ujjawala Widow Home) Shakhi Niwas Palna PMMVY National Hub for Women Empowerment Gender Budgeting Research Skilling Training Media etc.)	Maharaja Agrasen University	5.53
		Directorate of Women and Child Development, Shimla	8.69
34.	Schemes for Differently Abled Persons	Director, E-SOMSA	5.78
35.	Scheme on Women Safety-RTH	Directorate of Transport Himachal Pradesh	137.40
36.	Startup India Seed Fund Scheme (SISFS)	Association of Biotechnology Incubation Centre (BIC)	126.00
37.	Skill India Programme	State Council of Vocational Training Society	20.52
38.	Support for Statistical Strengthening	Directorate of Economic and Statistical, Himachal Pradesh	74.31
39.	Trade Infrastructure for Export Schemes (TIES)	Himachal Pradesh State Industrial Development Corporation Ltd.	507.00
40.	Jal Jeevan Mission (JJM)/National Rural Drinking Water Mission	Engineer-in-Chief, Irrigation & Public Health Department, HP	40,234.37
41.	Works Under Roads Wing	State Disaster Management	1,645.89
Total			1,94,641.73 or ₹ 1,946.42 crore

Appendix 4.2

(Reference: Paragraph 4.3)

Outstanding Utilisation Certificates as on 31 March 2024

Sr. No.	Head of Account	Year	Utilisation Certificates Due		Utilisation Certificates Outstanding/Closing Balance	
			No. of Items	Amount	No. of Items	Amount
1	2	3	4	5	6	7
1	Urban Development					
	2217-Urban Development	2016-17	12	12,48,15,000	4	2,27,85,000
		2017-18	11	18,84,60,000	7	12,90,00,000
		2018-19	27	92,87,48,000	17	27,90,48,000
		2019-20	30	61,43,50,000	18	3,17,47,000
		2020-21	50	3,45,42,97,158	31	2,11,35,25,158
		2021-22	141	7,44,82,36,376	91	4,19,58,43,109
	Total		271	12,75,89,06,534	308	12,77,76,50,950
2	Panchayati Raj					
	4216-Capital Outlay on Housing	2016-17	1	13,07,900	1	12,36,270
		Total	1	13,07,900	1	12,36,270
	2515-Other Rural Development Programmes	2016-17	47	16,12,92,556	18	6,18,69,657
		2017-18	56	34,22,05,803	32	24,65,59,103
		2018-19	105	53,04,39,023	71	29,26,62,153
		2019-20	176	88,76,81,213	87	36,68,45,394
		2020-21	201	3,77,77,43,511	127	28,41,28,434
		2021-22	223	3,37,96,19,815	112	30,96,68,383
		2022-23	0	0	309	5,64,77,89,596
	Total		808	9,07,89,81,921	756	7,20,95,22,720
	Total		809	9,08,02,89,821	757	7,21,07,58,990
3	Ayurveda (Ayush)					
	2210-Medical & Public Health	2016-17	13	1,36,87,186	0	0
		2017-18	10	16,25,13,000	0	0
		2018-19	9	16,96,30,000	1	1,06,00,000
		2019-20	32	37,29,55,878	6	5,42,00,000
		2020-21	52	40,90,43,445	1	7,00,000
		2021-22	90	1,08,06,28,233	12	14,61,79,111
		2022-23	0	0	16	10,95,92,000
		Total	206	2,20,84,57,742	36	32,12,71,111
	2211-Family Health	2021-22	48	3,62,55,75,418	0	0
		2022-23	0	0	5	1,67,20,10,100
		Total	48	3,62,55,75,418	5	1,67,20,10,000
	Total		254	5,83,40,33,160	41	1,99,32,81,111
4	Rural Development					
	2216-Housing	2020-21	10	1,94,81,000	0	0

Sr. No.	Head of Account	Year	Utilisation Certificates Due		Utilisation Certificates Outstanding/Closing Balance	
			No. of Items	Amount	No. of Items	Amount
		2021-22	45	64,76,39,700	12	21,04,41,500
		2022-23	0	0	11	22,37,75,000
		Total	55	66,71,20,700	23	43,42,16,500
	2505-Rural Employment	2020-21	1	1,29,01,680	1	1,23,48,538
		2021-22	22	3,60,28,26,500	0	0
		Total	23	3,61,57,28,180	1	1,23,48,538
	2501-Special Programme	2018-19	1	70,84,659	0	0
		2019-20	8	11,06,00,000	0	0
		2020-21	9	16,19,78,000	0	0
		2021-22	57	71,08,70,483	1	16,00,000
		2022-23	0	0	5	8,93,53,836
		Total	75	99,05,33,142	6	9,09,53,836
	Total		153	5,27,33,82,022	30	53,75,18,874
5&6	Agriculture and Horticulture					
	2401-Crop Husbandry	2018-19	5	88,51,00,000	0	0
		2020-21	6	1,49,03,00,000	0	0
		2021-22	18	1,86,46,00,000	6	7,92,00,000
		2022-23	0	0	13	25,97,00,000
		Total	29	4,24,00,00,000	19	33,89,00,000
	2415-Agriculture Research & Education	2018-19	1	2,00,00,000	0	0
		2019-20	3	5,38,02,500	2	38,02,500
		2020-21	9	61,40,000	5	43,00,000
		2021-22	6	12,18,48,391	2	47,10,000
		2022-23	0	0	4	3,09,80,000
		Total	19	20,17,90,891	13	4,37,92,500
	Total		48	4,44,17,90,891	32	38,26,92,500
7	Industry					
	2851-Village & Small Scale Industries	2016-17	7	1,04,27,369	7	1,04,27,369
		2017-18	15	4,24,85,810	15	4,24,85,810
		2018-19	13	5,03,37,421	13	5,03,37,421
		2019-20	14	14,62,90,668	14	14,62,90,668
		2020-21	448	55,12,19,775	448	55,12,19,775
		2021-22	459	33,49,46,510	459	33,49,46,510
			0	0	258	10,65,99,974
	Total		956	1,13,57,07,553	693	29,06,02,183
8	Energy Department					
	2810-Non-Conventional Source of Energy	2017-18	3	16,00,000	0	0
		2018-19	4	20,00,000	4	20,00,000
	2801-Power	2021-22	1	92,66,00,000	0	0
	Total		8	93,02,00,000	4	20,00,000
9&10	Women & Child Development & SC, OBC and Minorities					
		2017-18	1	3,00,000	0	0

Sr. No.	Head of Account	Year	Utilisation Certificates Due		Utilisation Certificates Outstanding/Closing Balance	
			No. of Items	Amount	No. of Items	Amount
	2225-Welfare of SC, ST & Other Backward Classes	2020-21	2	31,16,00,000	2	31,16,00,000
		2021-22	2	15,20,00,000	1	10,27,78,584
		2022-23	0	0	1	10,00,000
		Total	5	46,39,00,000	4	41,53,78,584
	2235-Social Security & Welfare	2017-18	43	4,91,68,520	29	3,04,50,147
		2018-19	204	5,54,03,044	30	4,49,08,178
		2019-20	38	5,85,12,596	23	5,36,81,152
		2020-21	217	5,38,35,046	23	2,61,90,544
		2021-22	287	14,91,00,955	59	10,72,08,881
		2022-23	0	0	206	30,12,06,709
		Total	789	36,60,20,161	370	56,36,45,611
	Total		794	82,99,20,161	374	97,90,24,195
11	Labour & Employment					
	2230-Labour & Employment	2021-22	4	57,96,66,765	0	0
	Total		4	57,96,66,765	0	0
12	Forests					
	2406-Forestry and Wild Life	2019-20	19	4,15,85,859	5	1,31,14,121
		2020-21	99	9,98,35,175	5	1,21,83,304
		2021-22	255	39,90,25,338	76	15,01,62,925
		2022-23	0	0	137	22,73,60,171
	Total		373	54,04,46,372	223	40,28,20,521
13	Education					
	2202-General Education	2019-20	1	19,49,88,000	1	19,49,88,000
		2021-22	1	5,02,000	0	0
		2022-23	0	0	12	2,31,96,00,000
	Total		2	19,54,90,000	13	2,51,45,88,000
14	Language Art and Culture					
	2205-Art and Culture	2019-20	69	5,83,95,564	36	1,64,89,525
		2020-21	52	3,20,89,500	46	2,33,11,600
		2021-22	67	9,32,96,100	58	8,06,35,700
		2022-23	0	0	108	9,25,44,737
	Total		188	18,37,81,164	248	21,29,81,562
15	Animal Husbandry					
	2403-Animal Husbandry	2017-18	2	5,00,000	2	5,00,000
		2018-19	12	3,18,38,600	11	2,58,38,600
		2019-20	3	25,41,000	3	25,41,000
		2020-21	11	1,03,01,000	8	99,44,000
		2021-22	14	11,93,91,000	10	11,63,91,000
		2022-23	0	0	7	8,92,85,000

Sr. No.	Head of Account	Year	Utilisation Certificates Due		Utilisation Certificates Outstanding/Closing Balance	
			No. of Items	Amount	No. of Items	Amount
		Total	42	16,45,71,600	41	24,44,99,600
	Total		42	16,45,71,600	41	24,44,99,600
16	Excise and Taxation Department					
	2040-Other Taxes & Duties	2021-22	1	9,36,43,245	0	0
	Total		1	9,36,43,245	0	0
17	Tribal Development					
	2251-Secretariat Social Services	2018-19	2	24,45,689	2	24,45,689
		2019-20	4	79,10,121	4	33,76,324
		2020-21	1	50,00,000	0	0
		2021-22	5	6,73,60,000	4	6,22,83,726
		2022-23	0	0	3	3,15,66,000
	Total		12	8,27,15,810	13	9,96,71,739
18	Transport					
	3055-Road Transport	2022-23	0	0	2	10,50,00,000
	3075-Other Transport Services	2020-21	2	5,00,00,000	0	0
		2021-22	3	2,75,00,000	0	0
		2022-23	0	0	3	4,00,00,000
	Total		5	7,75,00,000	5	14,50,00,000
19	Sainik Welfare					
	2075- Miscellaneous General Services	2020-21	3	6,04,64,533	0	0
	Total		3	6,04,64,533	0	0
20	General Administration (GAD)					
	2070-Other Administrative Service	2021-22	15	5,00,00,000	0	0
	Total		15	5,00,00,000	0	0
21	Planning					
	3451-Secretariat Economics Services	2017-18	1	84,24,396	1	84,24,396
		2020-21	15	1,68,66,621	3	27,01,421
		2021-22	23	1,74,14,365	5	16,86,024
		2022-23	0	0	4	18,00,012
	Total		39	4,27,05,382	13	1,46,11,853
22	Youth Services and Sports					
	2204-Sports & Youth Services	2020-21	2	75,000	0	0
		2021-22	9	2,08,00,000	9	2,08,00,000
		2022-23	0	0	57	2,90,48,000
	Total		11	2,08,75,000	66	4,98,48,000
23	Revenue Department					
	2029-Land Revenue	2017-18	9	48,97,000	4	24,64,409

Sr. No.	Head of Account	Year	Utilisation Certificates Due		Utilisation Certificates Outstanding/Closing Balance	
			No. of Items	Amount	No. of Items	Amount
		2018-19	14	1,16,46,000	6	47,28,000
	Total		23	1,65,43,000	10	71,92,409
24	Environment Science and Technology					
	3435-Ecology Environment	2021-22	2	1,05,75,000	2	1,05,75,000
	Total		2	1,05,75,000	2	1,05,75,000
25	Co-operation					
	2408-Food Storage & Ware Housing	2019-20	3	8,00,000	3	8,00,000
		2020-21	9	16,17,724	8	15,17,724
		2021-22	12	15,50,000	12	15,50,000
		2022-23	0	0	21	28,00,000
		Total	24	39,67,724	44	66,67,724
	2425-Co-operation	2019-20	6	4,40,000	5	3,80,000
		2020-21	19	23,14,500	19	23,14,500
		2021-22	29	23,25,000	17	8,30,000
		Total	54	50,79,500	41	35,24,500
	Total		78	90,47,224	85	1,01,92,224
26	Tourism					
	3452-Tourism	2017-18	2	7,40,000	2	5,40,000
		2018-19	2	2,00,000	2	2,00,000
		2019-20	2	8,00,000	2	8,00,000
		2020-21	1	2,00,000	1	2,00,000
		2021-22	5	32,99,120	4	32,00,000
		2022-23	0	0	8	3,42,00,000
	Total		12	52,39,120	19	3,91,40,000
	3053-Toursim & Civil Aviation	2022-23	0	0	9	2,00,00,000
		Total	0	0	9	2,00,00,000
	Total		12	52,39,120	28	5,91,40,000
27	Technical Education					
	2203-Technical Education	2021-22	2	51,00,000	0	0
		2022-23	0	0	3	51,00,000
	Total		2	51,00,000	3	51,00,000
	2055-Police	2018-19	1	25,45,891	1	25,45,891
	Total		1	25,45,891	1	25,45,891
	Grand Total:		4,106	42,42,51,40,248	2,990	27,95,22,95,602

Appendix 4.3

(Reference: Paragraph 4.5)

Details of expenditure booked under Minor Head-800-Other expenditure

(₹ in crore)

Sr. No.	Major Head	Expenditure under Minor Head 800	Total Expenditure	Percentage
1.	4070-Capital Outlay on Other Administrative Services	9.03	10.53	85.75
2.	2041-Taxes on Vehicles	18.47	21.90	84.33
3.	2075-Miscellaneous General Services	15.35	23.61	65.00
4.	4701-Capital Outlay on Medium Irrigation	0.02	0.04	49.97
5.	2230-Labour, Employment and Skill Development	92.37	336.62	27.44
6.	2801-Power	207.23	1,148.23	18.05
7.	2070-Other Administrative Services	26.53	183.03	14.49
8.	2401-Crop Husbandry	32.91	680.83	4.83
9.	2235-Social Security and Welfare	97.58	2,094.22	4.66
10.	2216-Housing	5.53	171.18	3.23
11.	2408-Food Storage and Warehousing	6.58	231.82	2.84
12.	2012-President/Vice-President/Governor/Administrator of Union Territories	0.20	8.95	2.29
13.	2501-Special Programmes for Rural Development	1.04	109.51	0.95
14.	4401-Capital Outlay on Crop Husbandry	0.18	49.77	0.37
15.	2225-Welfare Of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	0.15	53.17	0.28
16.	5054-Capital Outlay on Roads and Bridges	5.01	2,065.12	0.24
17.	2202-General Education	9.43	7,941.19	0.12
18.	2215-Water Supply and Sanitation	2.00	2169.30	0.09
19.	2702-Minor Irrigation	0.47	619.86	0.08
Total		530.09	17,918.88	2.96

Appendix 4.4

(Reference: Paragraph 4.5)

Details of receipts booked under Minor Head-800-Other Receipts

(₹ in crore)

Sr. No.	Major Heads	Receipts under Minor Head 800	Total Receipts	Percentage
1.	0852-Industries	20.25	20.22	100.13
2.	0057-Supplies and Disposals	0.04	0.04	100.00
3.	0217-Urban Development	5.23	5.23	100.00
4.	0250-Other Social Services	0.02	0.02	100.00
5.	0407-Plantations	0.01	0.01	100.00
6.	0575-Other Special Areas Programmes	0.05	0.05	100.00
7.	0801-Power	1,667.36	1,667.35	100.00
8.	1055-Roads Transport	0.05	0.05	100.00
9.	1425-Other Scientific Research	0.27	0.27	100.00
10.	1456-Civil Supplies	0.39	0.39	100.00
11.	1452-Tourism	3.14	3.37	93.13
12.	1054-Roads And Bridges	9.31	10.02	92.93
13.	0056-Jails	0.15	0.16	92.93
14.	0401-Crop Husbandry	21.88	24.99	87.56
15.	0071-Contributions And Recoveries Towards Pension and Other Retirement Benefits	150.88	177.23	85.13
16.	0211-Family Welfare	0.00	0.01	84.77
17.	0029-Land Revenue	5.77	7.03	82.03
18.	0235-Social Security and Welfare	14.7	20.05	73.34
19.	0851-Village and Small Industries	1.19	1.67	71.50
20.	0045-Other Taxes and Duties on Commodities and Services	274.95	391.73	70.19
21.	0230-Labour and Employment	7.64	11.66	65.53
22.	0406-Forestry and Wildlife	54.79	89.95	60.91
23.	0425-Co-Operation	1.99	3.38	58.99
24.	0075-Miscellaneous General Services	1.34	2.62	51.24
25.	0049-Interest Receipts	60.49	126.06	47.99
26.	0515-Other Rural Development Programmes	2.33	5.53	42.20
27.	0070-Other Administrative Services	15.77	40.50	38.93
28.	0408-Food Storage and Warehousing	0.04	0.10	37.71

Sr. No.	Major Heads	Receipts under Minor Head 800	Total Receipts	Percentage
29.	0059-Public Works	19.87	53.86	36.88
30.	1475-Other General Economic Services	2.39	8.06	29.67
31.	0210-Medical and Public Health	5.22	24.47	21.31
32.	0700-Major Irrigation	0.00	0.00	21.12
33.	0220-Information and Publicity	0.13	0.73	17.91
34.	0055-Police	4.45	65.53	6.79
35.	0405-Fisheries	0.21	3.13	6.61
36.	0853-Non-Ferrous Mining and Metallurgical Industries	20.46	331.73	6.17
37.	0041-Taxes on Vehicles	39.43	781.74	5.04
38.	0042-Taxes on Goods and Passengers	2.39	70.88	3.37
39.	0030-Stamps and Registration Fees	8.76	440.37	1.99
40.	0202-Education, Sports, Art and Culture	0.92	59.80	1.53
41.	0215-Water Supply and Sanitation	0.78	51.99	1.50
42.	0051-Public Service Commission	0.05	4.94	1.05
43.	0701-Major and Medium Irrigation	0.00	0.02	0.72
44.	0043-Taxes and Duties on Electricity	0.43	369.07	0.12
45.	0006-State Goods and Services Tax (SGST)	0.06	5,339.89	0.00
46.	0039-State Excise	-0.26	2,692.33	-0.01
47.	0403-Animal Husbandry	-0.10	0.46	-22.11
Total		2,425.22	12,908.69	18.79

Appendix 4.5

(Reference: Paragraphs 4.10 and 4.11)

List of Autonomous Bodies/Authorities/ Institutions

Sr. No.	Name of the body/authority	Status of submission of Accounts/ information	Section in which audit conducted
1	HP Khadi and Village Industries Board	Not Received	Audit conducted under Section 19 (2), (3) and 20(1) and SARs are prepared and issued.
2	Compensatory Afforestation Fund Management and Planning Authority (CAMPA)		
3	Himachal Pradesh Building and Other Construction Workers Welfare Board, Shimla	Received	
4	Himachal Pradesh City Transport and Bus Stand Management and Development Authority		
5	Himachal Pradesh State Electricity Regulatory Commission		
6	Himachal Pradesh State Veterinary Council, Shimla		
7	Himachal Pradesh Legal Service Authority, Shimla		
8	District Legal Service Authority, Hamirpur		
9	District Legal Service Authority, Bilaspur		
10	District Legal Service Authority, Nahan		
11	District Legal Service Authority, Una		
12	District Legal Service Authority, Shimla		
13	District Legal Service Authority, Kinnaur at Rampur		
14	District Legal Service Authority, Mandi		
15	District Legal Service Authority, Kullu		
16	District Legal Service Authority, Dharamshala at Kangra		
17	District Legal Service Authority, Solan		
18	District Legal Service Authority, Chamba		
19	HP State Disaster Management Authority, Shimla		
20	HP District Management Authority, Shimla		
21	HP District Management Authority, Solan		
22	HP District Management Authority, Bilaspur		
23	HP District Management Authority, Sirmour		
24	HP District Management Authority, Hamirpur		
25	HP District Management Authority, Una		
26	HP District Management Authority, Kullu		
27	HP District Management Authority, Mandi		
28	HP District Management Authority, Kangra at Dharamshala		
29	HP District Management Authority, Lahaul and Spiti		
30	HP District Management Authority, Kinnaur at Recongpeo		
31	HP District Management Authority, Chamba		
32	Controller, CSK, HPKV, Palampur	Not Received	Audit conducted under Section 14 & 15 and IRs are prepared and issued.
33	Dr. Y.S. Parmar Horticulture University, Nauni, Solan		
34	Seed and Organic Produce Certification Agency, Boileauganj, Shimla		
35	Livestock & Poultry Development Board, Boileauganj, Shimla		
36	HP State Milkfed Co-operative, Totu, Shimla	Received	
37	HP State Cooperative Marketing and Consumers Federation Ltd. (HIMFED)		
38	Himachal Pradesh State Council for Science, Technology and Environment, Kasumpti, Shimla		

Sr. No.	Name of the body/authority	Status of submission of Accounts/ information	Section in which audit conducted
39	District Rural Development Agency, Hamirpur	Not Received	Audit conducted under Section 14 & 15 and IRs are prepared and issued.
40	District Rural Development Agency, Bilaspur		
41	District Rural Development Agency, Nahan		
42	District Rural Development Agency, Una		
43	District Rural Development Agency, Shimla		
44	District Rural Development Agency, Kinnaur		
45	District Rural Development Agency, Mandi		
46	District Rural Development Agency, Kullu		
47	District Rural Development Agency, Dharamshala at Kangra		
48	District Rural Development Agency, Solan		
49	District Rural Development Agency, Chamba		
50	District Rural Development Agency, Keylong		
51	Himachal Pradesh State Aids Control Society, Shimla		
52	Himachal Pradesh Nursing Registration Council, Shimla		
53	National Rural Health Mission (NRHM), Shimla		
54	Academy of Language, Art and Culture		
55	SC/ST Corporation, Solan		
56	Council of Child Welfare, Shimla		
57	Himachal Pradesh University		
58	Rin Chen Zen Po Society, Kangra		
59	Employees State Insurance Society, Shimla		
60	HP Ayurveda and Unani Practitioner Board		
61	Himachal Pradesh Real Estate Regulatory Commission, Tutikandi, Shimla		
62	State Project Director, RUSA, Shimla		
63	State Project Director, Samagra Shiksha, Shimla		
64	Himachal Pradesh State Commission for Backward Classes, Shimla		
65	Member Secretary, Himachal Pradesh State Commission for Women		
66	Chairman, Himachal Pradesh State Commission for Schedule Caste, Shimla		
67	Himachal Pradesh State Commission for Protection of Child Rights, Shimla		
68	Secretary, Himachal Pradesh Private Educational Regulatory Commission, Tutikandi, Shimla		
69	Chairman, Himachal Pradesh Public Service Commission		
70	Himachal Pradesh Rajya Chayan Aayog, Hamirpur		

Appendix 4.6

(Reference: paragraph 4.12)

List of SPSEs whose accounts are in arrears as of 30 September 2024

Sr. No.	Name of SPSEs (Accounts finalised up to)	No. of accounts in arrear
1	Himachal Pradesh State Industrial Development Corporation Limited (2021-22)	1
2.	Himachal Pradesh Road and Other Infrastructure Development Corporation Limited (2021-22)	1
3.	Mandi International Airport Limited (First account not submitted)	1
4.	Himachal Pradesh State Handicrafts and Handloom Corporation Limited (2020-21)	2
5.	Himachal Backward Classes Finance and Development Corporation (2020-21)	2
6.	Himachal Pradesh Kaushal Vikas Nigam (2019-20)	2
7.	Dharamshala Smart City Limited (2019-20)	3
8.	Shimla Smart City Limited (2019-20)	3
9.	Himachal Pradesh State Forest Development Corporation Limited (2019-20)	3
10.	Himachal Pradesh State Civil Supplies Corporation Limited (2019-20)	3
11.	Himachal Pradesh Minorities Finance and Development Corporation (2018-19)	4
12.	Himachal Pradesh Mahila Vikas Nigam (2017-18)	5
13.	Himachal Pradesh Beverage Limited (2016-17) (<i>Inactive</i>)	6
14.	Himachal Pradesh Financial Corporation (2021-22)	1
15.	Himachal Pradesh Power Corporation Limited (2021-22)	1
16.	Sri Naina Devi Ji and Sri Anandpur Sahib Ji Ropeway Limited (2019-20)	3
17.	Himachal Pradesh Tourism Development Corporation (2018-19)	4
18.	Agro Industrial Packaging India Limited (2013-14) (<i>Inactive</i>)	9
Grand Total		54

Note: Loss making PSUs (Sr. No. 14 to 18)

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