



GOVERNMENT OF HARYANA

**ACCOUNTS AT A GLANCE
2011-2012**



**PRINCIPAL ACCOUNTANT GENERAL
(Accounts and Entitlement)
HARYANA, CHANDIGARH**



PREFACE

This publication 'Accounts at a Glance' is an attempt to address the felt-need of various stakeholders for a publication containing a reader friendly summary of finances of State of Haryana. This is the thirteenth issue in the series.

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

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

'Accounts at a Glance' provides a broad overview of Governmental activities, as reflected in Finance Accounts and Appropriation Accounts. The information is presented through brief explanations, statements, graphs and time series analysis for providing accounting information to the stakeholders-the Legislature, the Executives and the Public. A reading of Finance Accounts, Appropriation Accounts of Government of Haryana, and Report of the Comptroller and Auditor General on State Finances for the year 2011-12 together with Accounts at a Glance will help the stakeholders to appreciate the various aspects of State Finances in a more effective manner.

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

Chandigarh
The

(Mohinder Singh)
Pr. Accountant General (A&E)
Haryana

Our Vision, Mission and Core Values

The **vision** of the institution of the Comptroller and Auditor General of India represents what we aspire to become

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognised for independent, credible, balanced and timely reporting on public finance and governance.

Our **mission** enunciates our current role and describes what we are doing today.

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

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

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

Contents

		Pages
Chapter 1 Overview		
1.1	Introduction	1
1.2	Structure of Accounts	1
1.3	Finance Accounts and Appropriation Accounts	2
1.4	Sources and Application of Funds	4
1.5	Highlights of Accounts	6
1.6	What do the Deficits and Surpluses indicate?	7
Chapter 2 Receipts		
2.1	Introduction	10
2.2	Revenue Receipts	10
2.3	Trend of Receipts	11
2.4	Performance of State's own Tax Revenue Collection	13
2.5	Efficiency of Tax Collection	14
2.6	Trend in State's share of Union Taxes	14
2.7	Grants-in-Aid	15
2.8	Public Debt	15
Chapter 3 Expenditure		
3.1	Introduction	16
3.2	Revenue Expenditure	16
3.3	Capital Expenditure	18
Chapter 4 Plan & Non-Plan Expenditure		
4.1	Distribution of Expenditure (2011-12)	20
4.2	Plan Expenditure	20
4.3	Non-Plan Expenditure	22
4.4	Committed Expenditure	23
Chapter 5 Appropriation Accounts		
5.1	Summary of Appropriation Accounts for 2011-12	24
5.2	Trend of Savings/Excess during the past ten years	24
5.3	Significant Savings	24
Chapter 6 Assets and Liabilities		
6.1	Assets	25
6.2	Debt and Liabilities	25
6.3	Guarantees	26
Chapter 7 Other Items		
7.1	Loans and Advances by the State Government	27
7.2	Financial Assistance to Local Bodies and Others	27
7.3	Cash Balance and Investment of Cash Balance	27
7.4	Reconciliation of Accounts	28
7.5	Personal Deposit Accounts	28

CHAPTER 1

OVERVIEW

1.1. Introduction

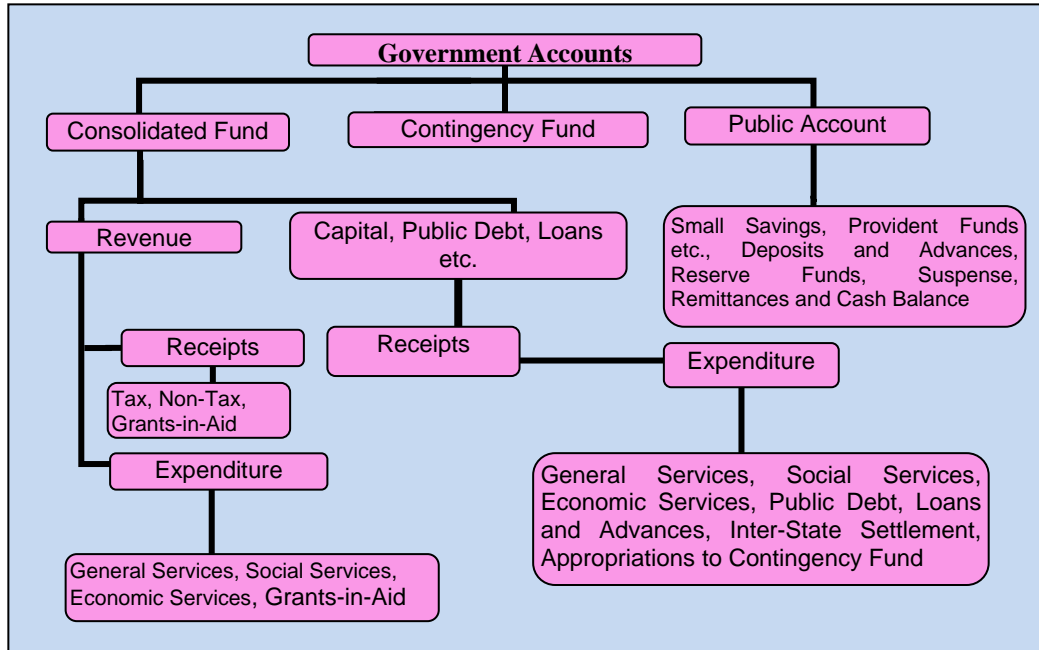
The Principal Accountant General (Accounts and Entitlements), Haryana compiles the accounts of receipts and expenditure of the Government of Haryana. This compilation is based on the initial accounts rendered by the District Treasuries, Public Works and Forest Divisions and advices of the Reserve Bank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

1.2. Structure of Accounts

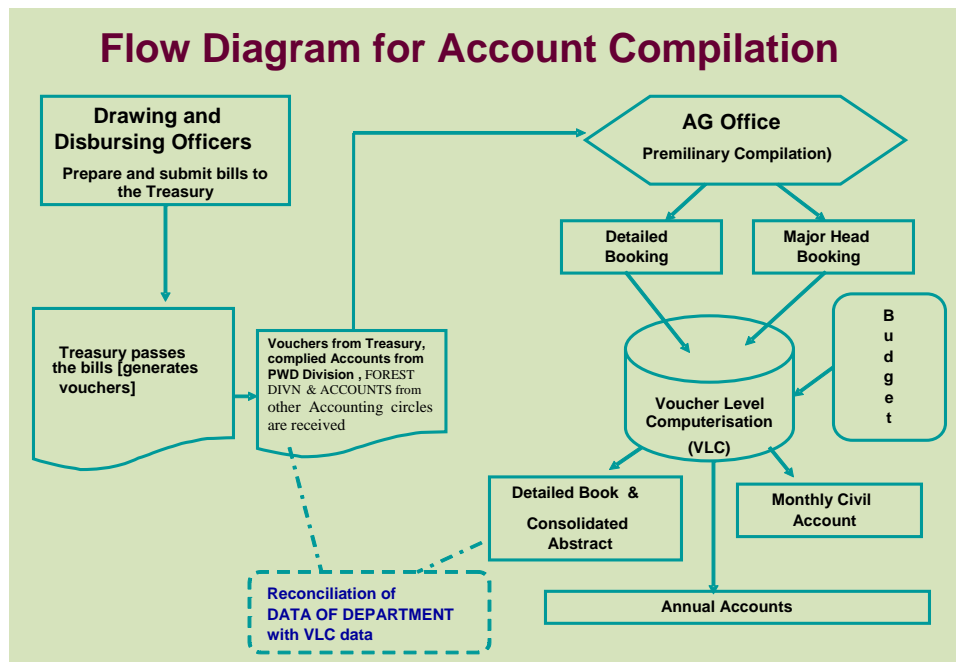
1.2.1. Government Accounts are kept in three parts:

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

1.2.2. Pictorial representation of Structure of Government Accounts



1.2.3. Compilation of Accounts



1.3. Finance Accounts and Appropriation Accounts

1.3.1. Finance Accounts

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

The Revenue and Capital accounts, Public Debt and Liabilities of Haryana depicted in the Finance Accounts 2011-12 are given below:

(₹ in crore)

Receipts (Total: 38,014)	Revenue (Total: 30,558)	Tax Revenue	23,081
		Non Tax Revenue	4,722
		Grants-in-Aid	2,755
	Capital (Total: 7,456)	Capital Receipt	9
		Recovery of Loans and Advances	294
		Borrowings and other Liabilities*	7,153
Disbursements (Total: 38,014)	Revenue	32,015	
	Capital	5,372	
	Loans and Advances	627	

* **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**

The Union Government transfers substantial funds directly to State Implementing Agencies/ NGOs for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 2,009.71 crore (₹ 1,308.84 crore last year). Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. These transfers are now exhibited in Appendix VII of Volume II of the Finance Accounts.

1.3.2. Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts 'charged' on the Consolidated Fund or 'voted' by the State Legislature. There are 21 charged Appropriations and 65 voted Grants.

The Appropriation Act, 2011-12, had provided for gross budget provision of ₹ 56,080 crore including the supplementary grant totalling ₹ 4,329 crores voted by the State Legislature during the year. An amount of ₹ 4,808 crore was projected as recoveries in reduction in expenditure. Appropriation Accounts 2011-12 shows disbursement aggregating ₹46,629 crore against the aggregate budget provision of ₹ 56,080 crore resulting thereby a saving of ₹ 9,451 crore against grants and appropriation. Recoveries in reduction of expenditure amounting to ₹ 3,603 crore reflecting decrease of ₹ 1,205 crore vis-à-vis budget estimates. During 2011-12, ₹ 401 crore was transferred from the Consolidated Fund to Personal Deposit (PD) Accounts under the Public Account, which are maintained by designated Administrators for specific purposes. Normally, unspent balances under PD accounts are to be transferred back to the Government at the end of the financial year. However, details of such transfers, if any, and outstanding balances in individual PD accounts are available only with the treasuries, since they are responsible for maintaining such records.

1.4. Sources and Application of Funds

1.4.1. Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹ 1.14 crore) maintained with the RBI. During 2011-12, the Government of Haryana did not resort to OD facilities and availed of WMA for eleven days, on four occasions. This has to be viewed against the fact that there were savings totalling ₹ 9,714 crore in almost all 44 grants, resulting in a shortfall of 21% in expenditure against estimates.

1.4.2. Fund flow statement

The State had a Revenue deficit of ₹ 1,457 crore and a Fiscal Deficit of ₹ 7,153 crore representing 0.47 % and 2.31 % of the Gross State Domestic Product (GSDP)¹. The Fiscal Deficit constituted 19 % of total expenditure. This deficit was met from Public Debt (₹ 6,730 crore) and increase in Public Account (₹ 2,209 crore). Around 56% of the revenue receipts (₹ 30,558 crore) of the State Government was spent on committed expenditure like salaries (₹ 9,879 crore), interest payments (₹ 4,001 crore) and pensions (₹ 3,204 crore).

Sources and Application of Funds

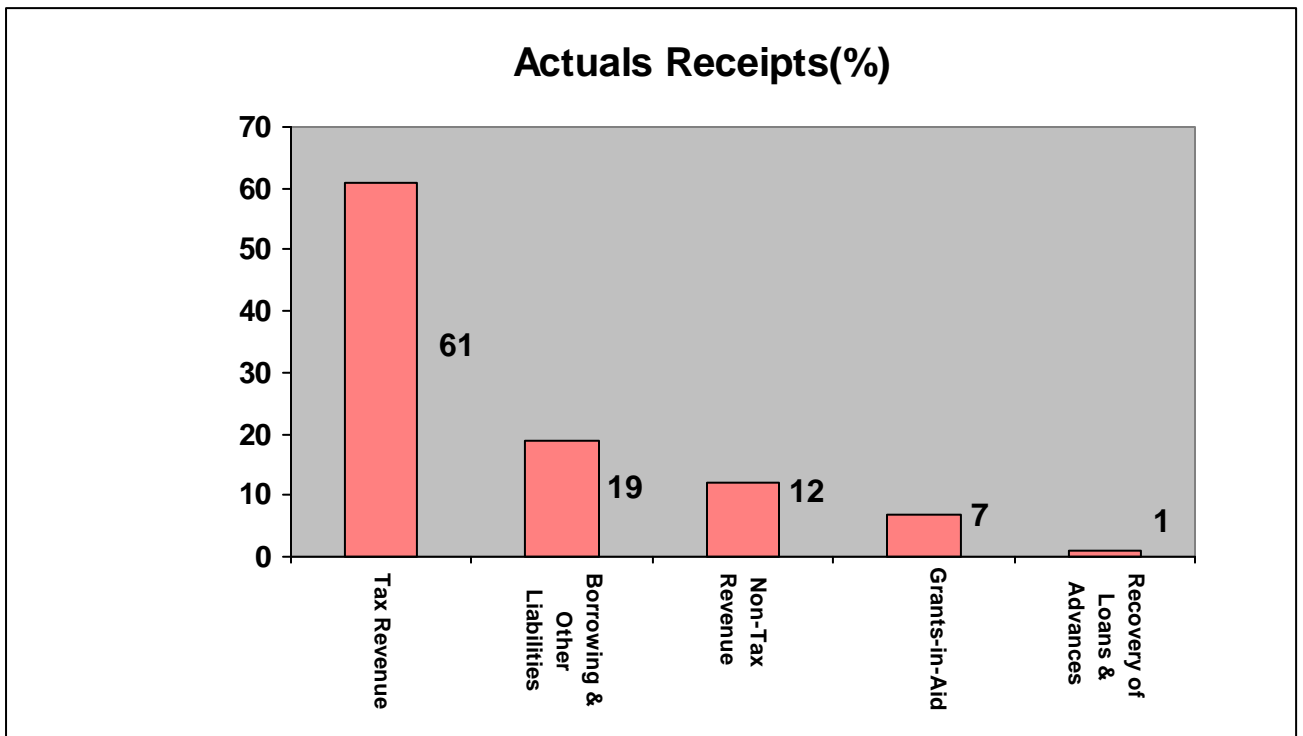
(₹ in crore)

	PARTICULARS	AMOUNT
	Opening Cash Balance as on 1.4.2011	(-)1,776
	Revenue Receipts	30,558
	Capital Receipt	9
	Recovery of Loans & Advances	294
	Public Debt (Including ways & means advances)	11,741
	Small Savings Provident Fund & Others	2,199
	Reserves & Sinking Funds	443
SOURCES	Deposits Received	10,115

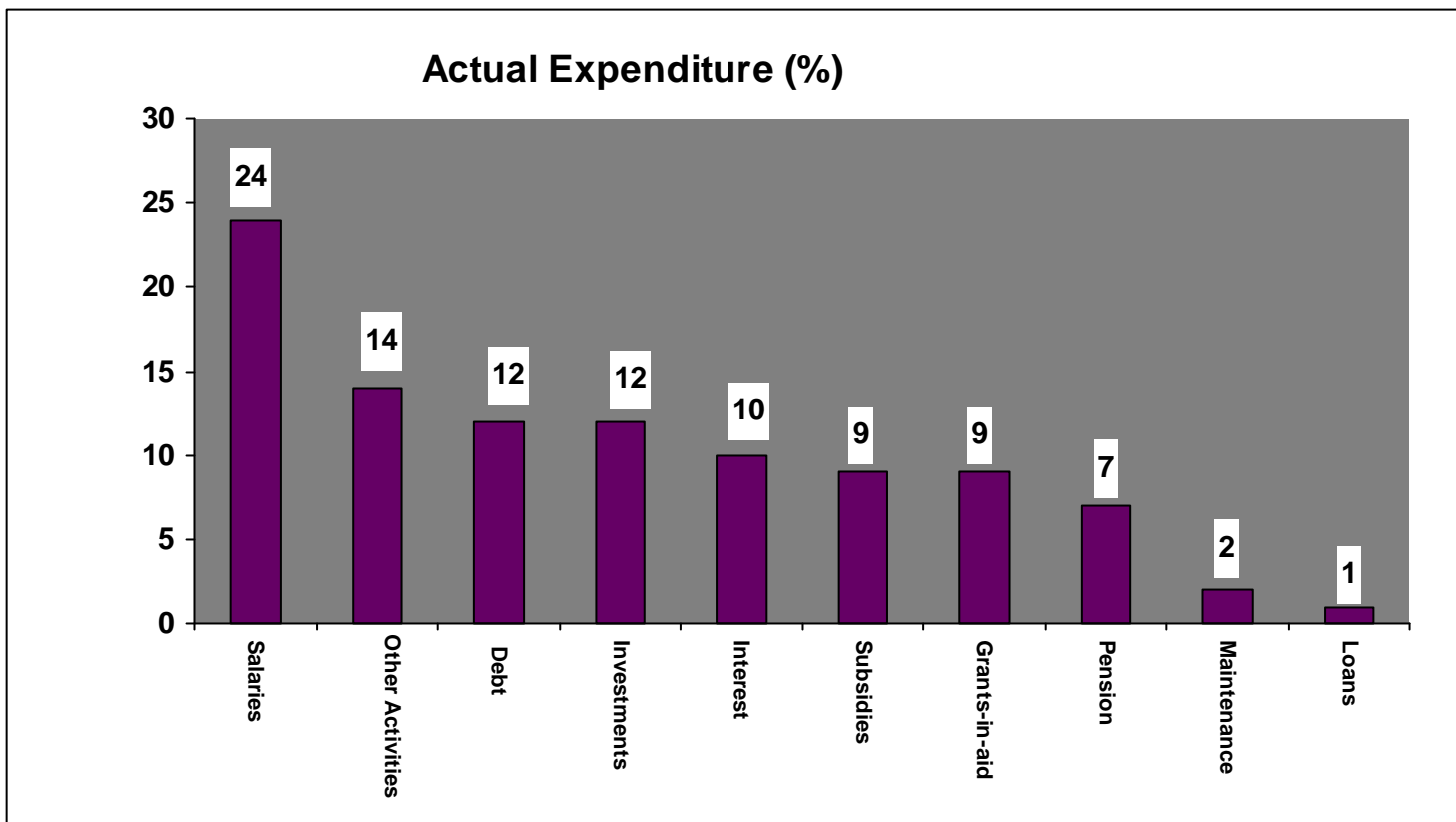
¹ Except where indicated otherwise, GSDP figures used in this publication are adopted from the Economic Survey of the Planning Department, Government of Haryana

	Civil Advances Repaid	56
	Suspense Account	26,587
	Remittances	5,658
	Contingency Fund	-
	TOTAL	85,884
	Revenue Expenditure	32,015
	Capital Expenditure	5,372
	Loans Given	627
	Repayment of Public Debt (Including ways & means advances)	5,012
	Appropriation to Contingency Fund	-
	Small Savings Provident Fund & Others	1,480
	Reserves & Sinking Funds	459
APPLICATION	Deposits Spent	9,289
	Civil Advances Given	57
	Suspense Account	26,180
	Remittances	5,443
	Closing Cash Balance as on 31.3.2012	(-)50
	TOTAL	85,884

1.4.3 Where the Rupee came From



1.4.4 Where the Rupee went



1.5 Highlights of Accounts

(₹ in crore)

BUDGET
ESTIMATES
2011-12

ACTUALS

PERCENTAGE
OF ACTUALS TO
BUDGET

PERCENTAGE
OF ACTUALS TO
GSDP(\$)

				ESTIMATES	
1	TAX REVENUE @	22,772	23,081	101	7
2	NON-TAX REVENUE	4,287	4,722	110	1.5
3	GRANTS-IN-AID & CONTRIBUTIONS	4,959	2,755	56	1
4	REVENUE RECEIPT(1+2+3)	32,018	30,558	95	10
5	RECOVERY OF LOANS	233	294	126	0
6	OTHER RECEIPTS	17	9	53	0
7	BORROWINGS & OTHER LIABILITIES (A)	11,048	7,153	65	2
8	CAPITAL RECEIPTS (5+6+7)	11,298	7,456	66	2
9	TOTAL RECEIPTS (4+8)	43,316	38,014	88	12
10	NON-PLAN EXPENDITURE(*)	26,729	25,504	95	8
11	NPE ON REVENUE ACCOUNT	26,174	24,223	93	8
12	NPE ON INTEREST PAYMENTS OUT OF 11	4,380	4,001	91	1
13	NPE ON CAPITAL ACCOUNT	555	1,281	231	0
14	PLAN EXPENDITURE(*)	16,587	12,510	75	4
15	PE ON REVENUE ACCOUNT	10,678	7,792	73	3
16	PE ON CAPITAL ACCOUNT	5,909	4,718	80	2
17	TOTAL EXPENDITURE (10+14)	43,316	38,014	88	12
18	REVENUE EXPENDITURE (11+15)	36,852	32,015	87	10
19	CAPITAL EXPENDITURE (13+16)#	6,464	5,999	93	2
20	REVENUE SURPLUS/ DEFICIT (4-18)	-4,834	-1,457	30	(-1)
21	FISCAL DEFICIT (4+5+6-17)	-11,048	-7,153	65	(-2)

(@) Includes State's share of Union Taxes of ₹2,682 crore

(\$) GSDP figure of ₹ 3,09,326 crore adopted from the Economic Survey published by Planning Department, Government of Haryana.

(#) Expenditure on Capital Account includes Capital Expenditure (₹ 5,372 crore) and Loans and Advances disbursed (₹627 crore).

(*) Expenditure includes ₹263 crore under Non-Plan and ₹364 crore under Plan which pertains to Loans and Advances.

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

1.6 What do the Deficits and Surpluses indicate?

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

In order to maintain the fiscal discipline required for macro economic stability, the Government of India, on the recommendations of Twelfth Finance Commission and as per the guidelines of the Debt Consolidation and Relief Facility (DCRF) decided to reschedule the repayment of total outstanding central loans into 20 annual instalments. It was further announced that debt waiver of such instalment would be sanctioned if the State Government maintained its fiscal deficit upto 3% of Gross State Domestic Product (GSDP). Consequently, the State Government also introduced, the Haryana Fiscal Responsibility and Budget Management Act in July, 2005 with the aforesaid objective to eliminate revenue deficit and reduce the fiscal deficit within the prescribed limit. As per this Act, the revenue deficit was to be brought to Zero by 2008-09 and the limit of fiscal deficit was kept at maximum of 3% of Gross State Domestic Production (GSDP). The condition for bringing Revenue Deficit to Zero was relaxed for 2008-09 and 2009-10. With regard to Fiscal Deficit, in view of Ministry of Finance, Government of India Guidelines for Debt Consolidation and Relief Facility (DCRF), the target was relaxed from 3% to 3.5% of GSDP for 2008-09 and from 3.5% to 4% of GSDP for 2009-10. As per Haryana Fiscal Responsibility and Budget Management Act, 2005 the limit of outstanding total debt including contingent liability was 28% of the estimated Gross State Domestic Product (GSDP) from 2005-06 to 2011-12. The status report of the State is as under:-

(₹ in crores)

Items	2005-06 Actuals	2006-07 Actuals	2007-08 Actuals	2008-09 Actuals	2009-10 Actuals	2010-11 Actuals	2011-12 Actuals
Revenue Deficit	-12,13.42	-15,90.28	-22,23.87	20,82.42	42,64.72	27,46.52	14,57.30
As %age of GSDP	-1.12	-1.22	-1.44	1.14	1.97	1.07	0.47
Fiscal Deficit	2,85.86	-11,78.70	12,63.85	65,57.80	1,00,90.66	72,58.44	71,53.34
As %age of GSDP	0.26	-0.91	0.82	3.59	4.67	2.82	2.31
Outstanding Debt	3,18,94.79	3,25,87.64	3,13,47.65	3,63,92.00	4,37,66.46	5,08,09.44	6,01,47.49

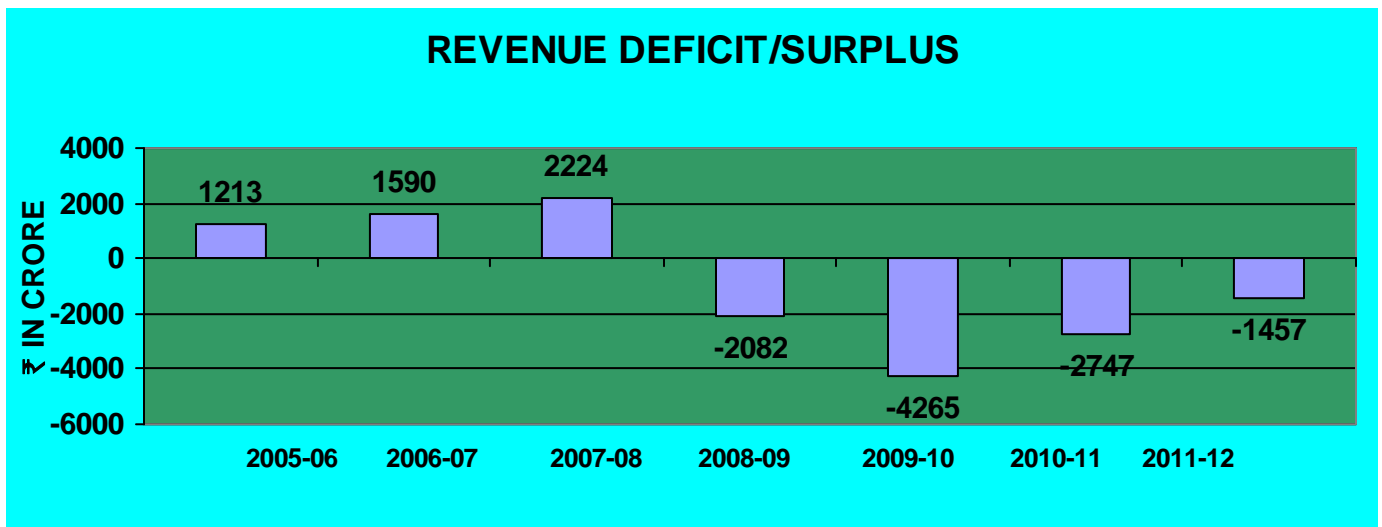
including Contingent Liabilities							
As %age of GSDP	29.41	25.04	20.32	19.90	20.24	19.71	19.44

The above table reveals that the State became Revenue Surplus State from the year 2005-06 to 2007-08. The State became revenue deficit from the year 2008-09 to 2011-12. With regard to Fiscal Deficit, the State is well within the prescribed limit of 3% of GSDP from the year 2005-06 to 2007-08 and the Fiscal Deficit as %age of GSDP increased to 3.59% against the Ministry of Finance/Government of India (MOF/GOI) Guidelines of 3.50% in 2008-09, to 4.67% of GSDP against the MOF/GOI Guidelines of 4.00% in 2009-10 and reduced to 2.82 % of GSDP in the year 2010-11 and to 2.31 % in 2011-12 which was within the prescribed limit of 3%.

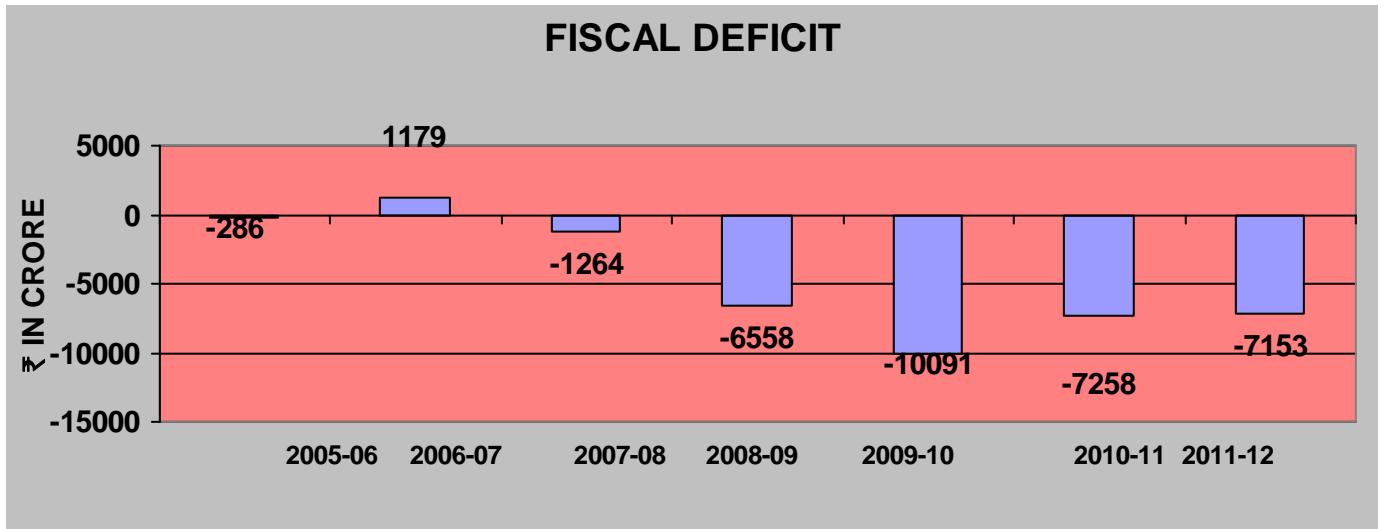
The outstanding Debt including Contingent liabilities was within the prescribed limit of 28% of GSDP from the year 2006-07 to 2011-12.

As per recommendations of 13th Finance Commission, ₹ 1000 crore in the shape of Specific Grants from the year 2011-12 to 2013-14 (₹ 250 crore in each year) are receivable from the Government of India. The State received a sum of ₹ 180 crore during the year 2011-12.

1.6.1 Trend of Revenue Deficit/Surplus



1.6.2 Trend of Fiscal Deficit

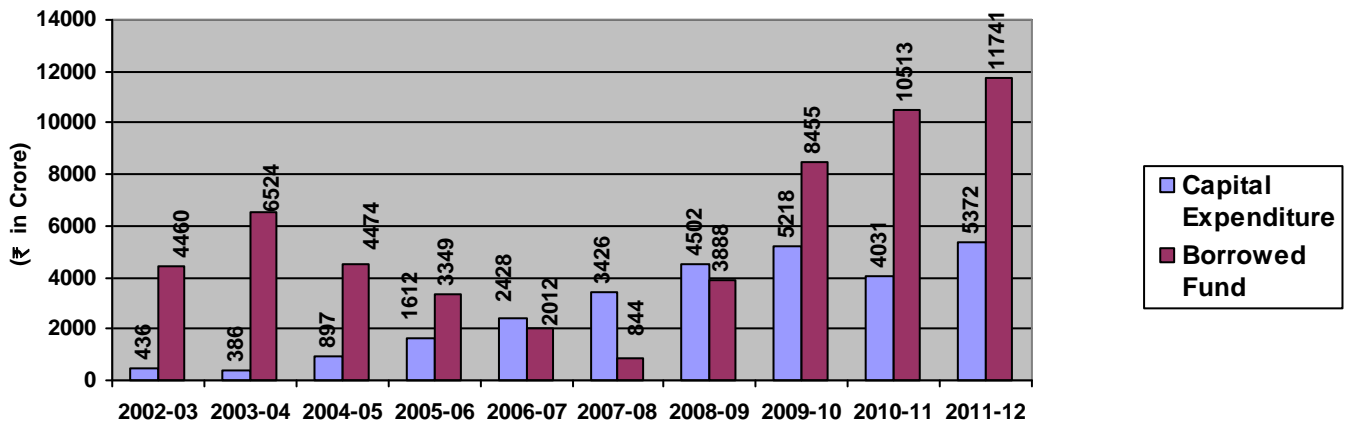


1.6.3 Proportion of borrowed Funds Spent on Capital Expenditure:

(₹ in
cro
res)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Borrowed Fund	4,460	6,524	4,474	3,349	2,012	844	3,888	8,455	10,513	11,741
Capital Expenditure	436	386	897	1,612	2,428	3,426	4,502	5,218	4,031	5,372

Borrowed Funds spent on Capital Expenditure



It is desirable to fully utilise borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent only 46% of the borrowings of the current year (₹11,741 crore) on capital expenditure (₹5,372 crore). It would therefore appear that 54% (₹6,369 crore) of the public debt was utilised on repayment of the principal and interest on public debt of previous years, to meet periodic shortfalls of revenues against expenditure in the current year, towards maintaining a positive cash balance at the end of the year and to invest in treasury bills.

CHAPTER 2

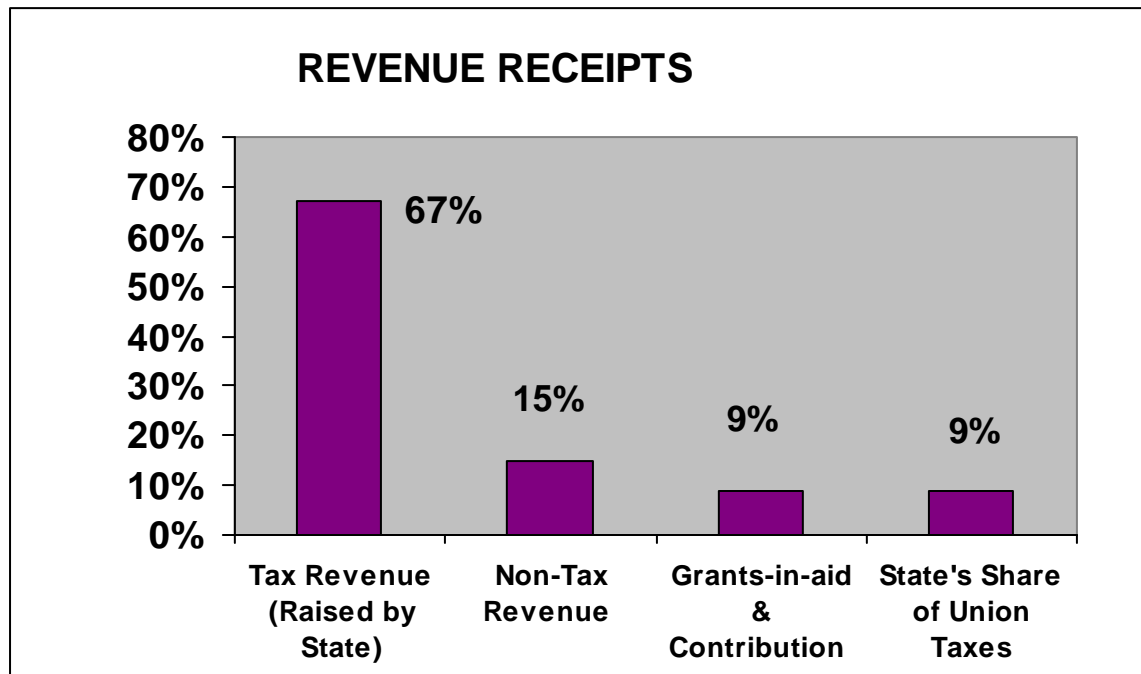
RECEIPTS

2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2011-12 were ₹38, 014 crore.

2.2. Revenue Receipts

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



Revenue Receipt Components (2011-12)

(₹ in crore)	
Components	Actuals
A. Tax Revenue	23,081
Taxes on Income & Expenditure	1,592
Taxes on Property & Capital Transactions	2,808
Taxes on Commodities & Services	18,681
B. Non-Tax Revenue	4,722
Interest Receipts, Dividends and Profits	867
General Services	336
Social Services	1,484
Economic Services	2,035
C. Grants-in-aid & Contributions	2,755
Total – Revenue Receipts	30,558

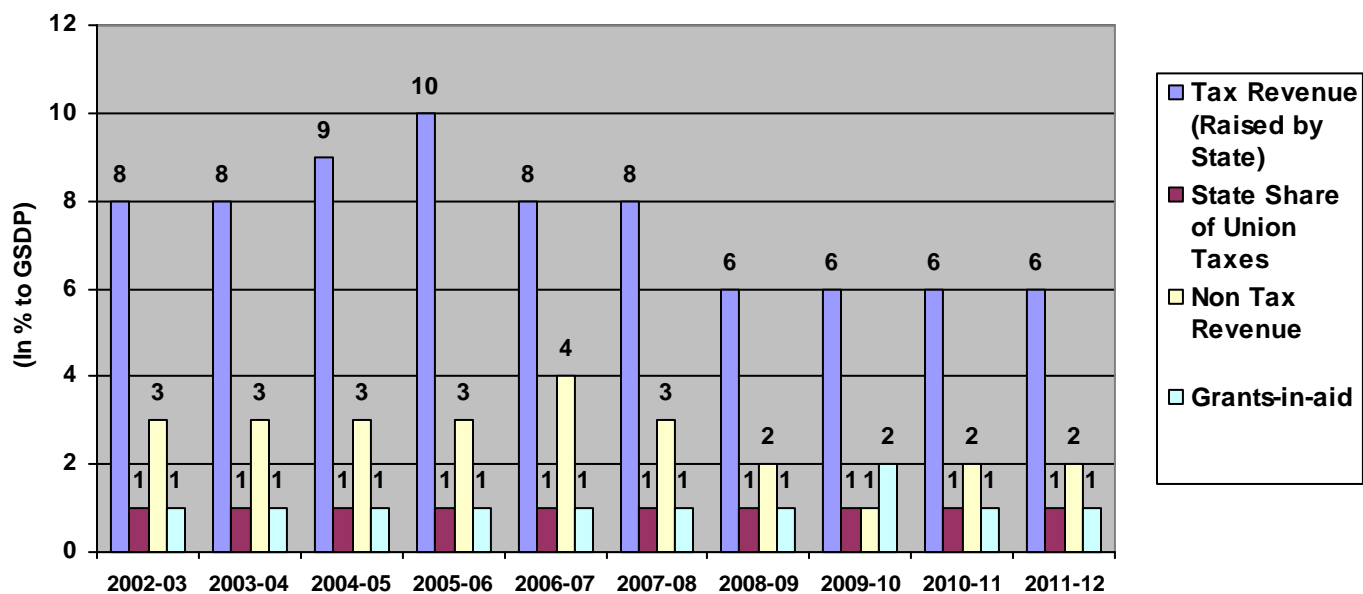
2.3. Trend of Receipts

(₹ in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Tax Revenues (Raised by the State)	5,552 (8)	6,349 (8)	7,441 (9)	9,078 (10)	10,927 (8)	11,618 (8)	11,655 (6)	13,220 (6)	16,790 (6)	20,399 (6)
State Share of Union Taxes/ Duties	754 (1)	600 (1)	619 (1)	1,201 (1)	1,296 (1)	1,634 (1)	1,725 (1)	1,774 (1)	2,302 (1)	2,682 (1)
Non-Tax Revenues	1,808 (3)	2,223 (3)	2,544 (3)	2,459 (3)	4,591 (4)	5,097 (3)	3,238 (2)	2,742 (1)	3,421 (2)	4,722 (2)
Grants in Aid	543 (1)	671 (1)	545 (1)	1,115 (1)	1,138 (1)	1,402 (1)	1,834 (1)	3,257 (2)	3,051 (1)	2,755 (1)
Total Revenue Receipts	8,657 (13)	9,843 (13)	11,149 (14)	13,853 (15)	17,952 (14)	19,751 (13)	18,452 (10)	20,993 (10)	25,564 (10)	30,558 (10)
GSDP	66,626	72,980	80,665	93,441	1,30,141	1,54,283	1,82,914	2,16,287	2,57,793	3,09,326

Note: Figures in parentheses represent percentage to GSDP
GSDP Figures for 2011-12 on advance estimates.

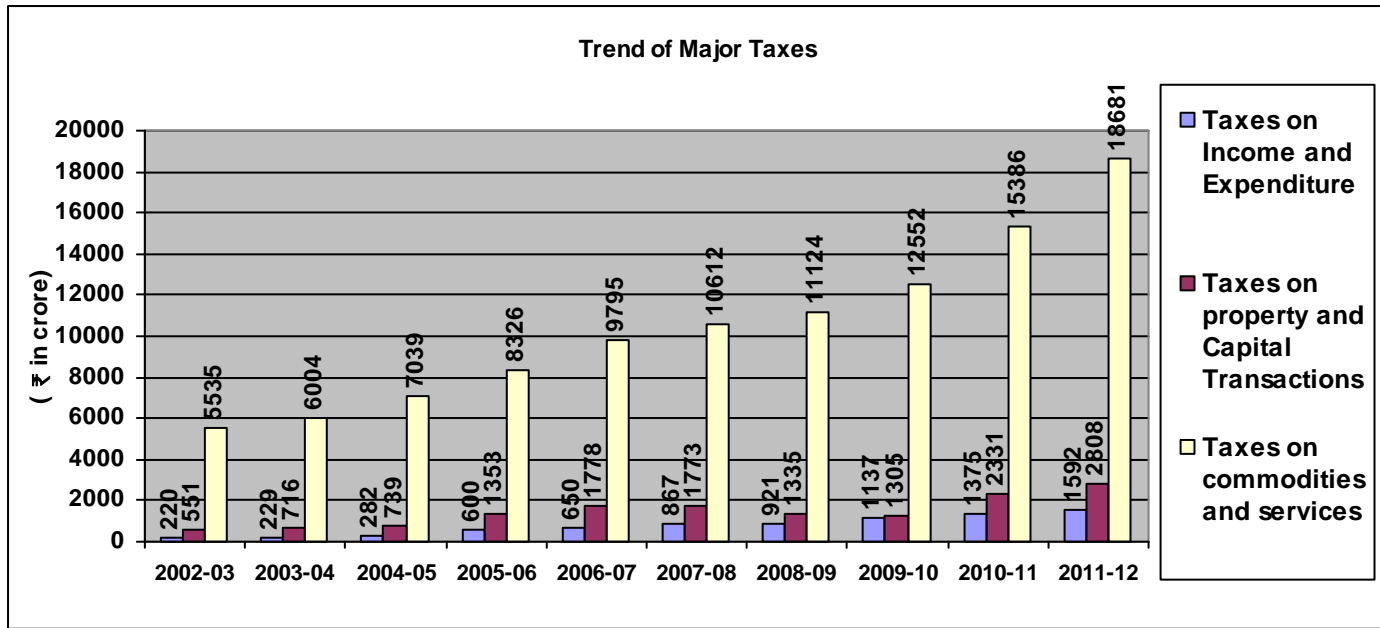
Components under Revenue Receipts as Proportion to GDP



Sector-wise Tax Revenue

(₹ in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
a. Taxes on Income and Expenditure	220	229	282	600	650	867	921	1,137	1,375	1,592
b. Taxes on Property and Capital Transactions	551	716	739	1,353	1,778	1,773	1,335	1,305	2,331	2,808
c. Taxes on Commodities and Services	5,535	6,004	7,039	8,326	9,795	10,612	11,124	12,552	15,386	18,681
Total Tax Revenues	6,306	6,949	8,060	10,279	12,223	13,252	13,380	14,994	19,092	23,081



2.4 Performance of State's own Tax Revenue collection

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
				Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2002-03	6,306	754	5,552	8
2003-04	6,949	600	6,349	8
2004-05	8,060	619	7,441	9
2005-06	10,279	1,201	9,078	10
2006-07	12,223	1,296	10,927	8
2007-08	13,252	1,634	11,618	8
2008-09	13,380	1,725	11,655	6
2009-10	14,494	1,774	13,220	6
2010-11	19,092	2,302	16,790	6
2011-12	23,081	2,682	20,399	6

2.5 Efficiency of Tax Collection:

A. Taxes on Property and Capital Transactions

(₹ in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue collection	551	716	739	1,353	1,778	1,773	1,335	1,305	2,331	2,808
Expenditure on collection	36	40	42	47	65	72	93	117	121	116
Efficiency of tax collection	7%	6%	6%	4%	4%	4%	7%	9%	5%	4%

B. Taxes on Commodities and Services

(₹ in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue collection	5,535	6,004	7,039	8,326	9,795	10,612	11,124	12,252	15,386	18,681
Expenditure on collection	58	52	58	63	67	71	95	114	127	127
Efficiency of tax collection	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%

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

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

(₹ in crore)

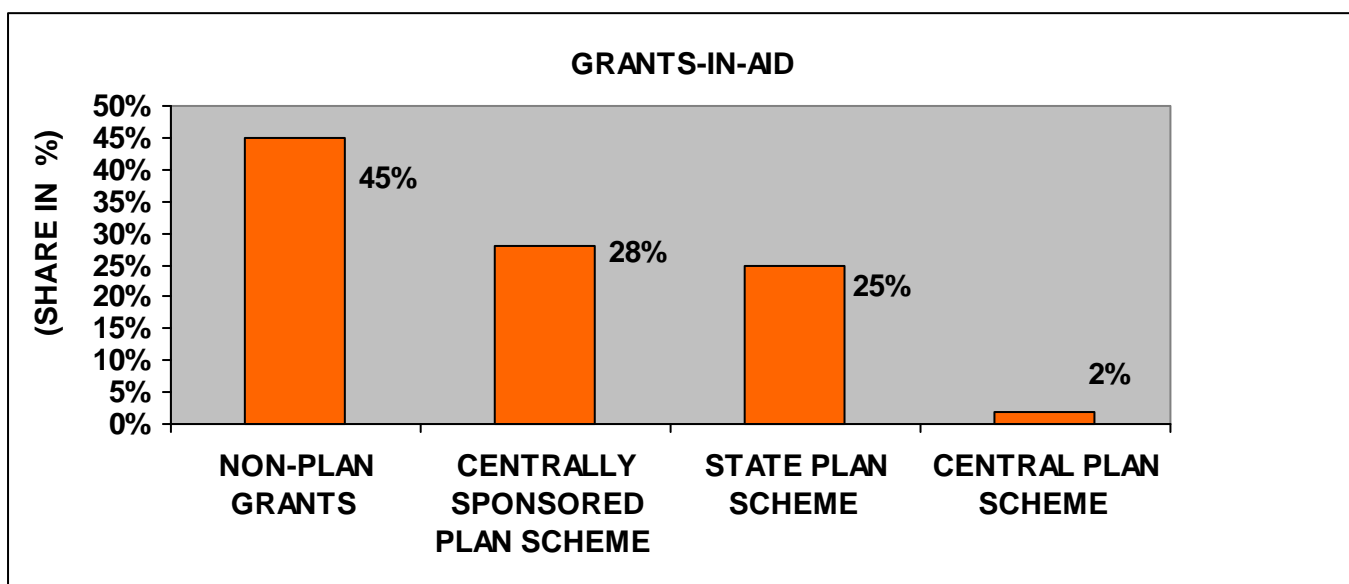
Major Head description	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Corporation Tax	114	132	200	337	404	518	565	730	900	1,056
Taxes on Income other than Corporation Tax	104	97	82	263	246	348	355	407	475	536
Taxes on Wealth	-	-	-	1	1	1	1	2	2	4
Customs	123	141	129	218	253	309	330	248	403	465
Union Excise Duties	206	208	174	297	268	295	288	200	293	301
Service Tax	17	20	34	85	124	163	186	187	229	320
Other Taxes & Duties on Commodities and Services	190	2	-	-	-	-	-	-	-	-
State's Share of Union Taxes	754	600	619	1,201	1,296	1,634	1,725	1,774	2,302	2,682
Total Tax Revenue	6,306	6,949	8,060	10,279	12,223	13,252	13,380	14,494	19,092	23,081

% of Union Taxes to Total Tax Revenue	12	9	8	12	11	12	13	12	12	12
--	----	---	---	----	----	----	----	----	----	----

Government of Haryana received 8 % to 13 % of the net proceeds of all shareable Union taxes during the period 2002-03 to 2011-12.

2.7 Grants-in-Aid

Grants in Aid represent assistance from the Government of India, and comprise Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2011-2012 under Grants in Aid were ₹2,755 crore as shown below:



The share of non-plan grants in total grants-in-aid decreased from 58 % during 2010-11 to 45% in 2011-12, while the share of grants for plan schemes increased from 24 % in 2010-11 to 28 % in 2011-12. As against a budget estimate of ₹3,256 crore of Union share in Plan schemes, the State Government has actually received ₹1,509 crore of Grants-in-Aid (46% of BE).

2.8 Public Debt

Trend of Public Debt (net) over the past 10 years

Description	(₹ in crore)									
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Internal Debt	1,719	4,131	2,872	2,311	988	48	2,644	5,743	5,688	6,857
Central Loans	(-) 2	(-) 1,636	(-) 1,412	(-) 70	(-) 90	(-) 45	(-) 48	(-) 34	184	(-)127
Total Public Debt	1,717	2,495	1,460	2,241	898	3	2,596	5,709	5,872	6,730

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

In 2011-12, nine loans totalling ₹6,357 crore at interest rates varying from 8.36% to 9.39% and redeemable in the years 2021-2022 were raised at par.

Against the total internal debt of ₹11,643 crore of the State Government in 2011-12 plus the central loan component of ₹98 crore received during this period, capital expenditure was only ₹5,372 crore (46 %), indicating that the rest of the public debt was used for non-developmental purposes.

CHAPTER 3

EXPENDITURE

3.1. Introduction

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

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

3.2. Revenue Expenditure

The shortfall of expenditure against budget estimates under Revenue section during the past ten years is given below:

(₹ in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Budget Estimates	9,664	10,390	11,340	13,058	16,929	18,521	23,364	27,519	33,062	37,234
Actuals	9,342	10,282	11,583	12,800	16,494	17,641	20,635	25,435	28,713	32,116
Gap	322	108	- 243	258	434	880	2,729	2,084	4,349	5,118
% of gap over BE	3	1	2	2	3	5	12	13	13	14

Revenue Expenditure in Appropriation account of ₹ 32,116 crore for 2011-12 fell short of budget estimates by ₹ 5,118 crore.

Compounding the shortfall (by 14%) of revenue receipts against budget estimates, the State Government was faced with the problem of generating revenue surplus in terms of the FRBM Act. Nearly 53% of total

revenue expenditure was committed to Non-Plan expenditure (salaries, pensions etc.). The Plan expenditure has increased by 8%, from ₹4,383 crore in 2010-11 to ₹4,718 crore in 2011-12.

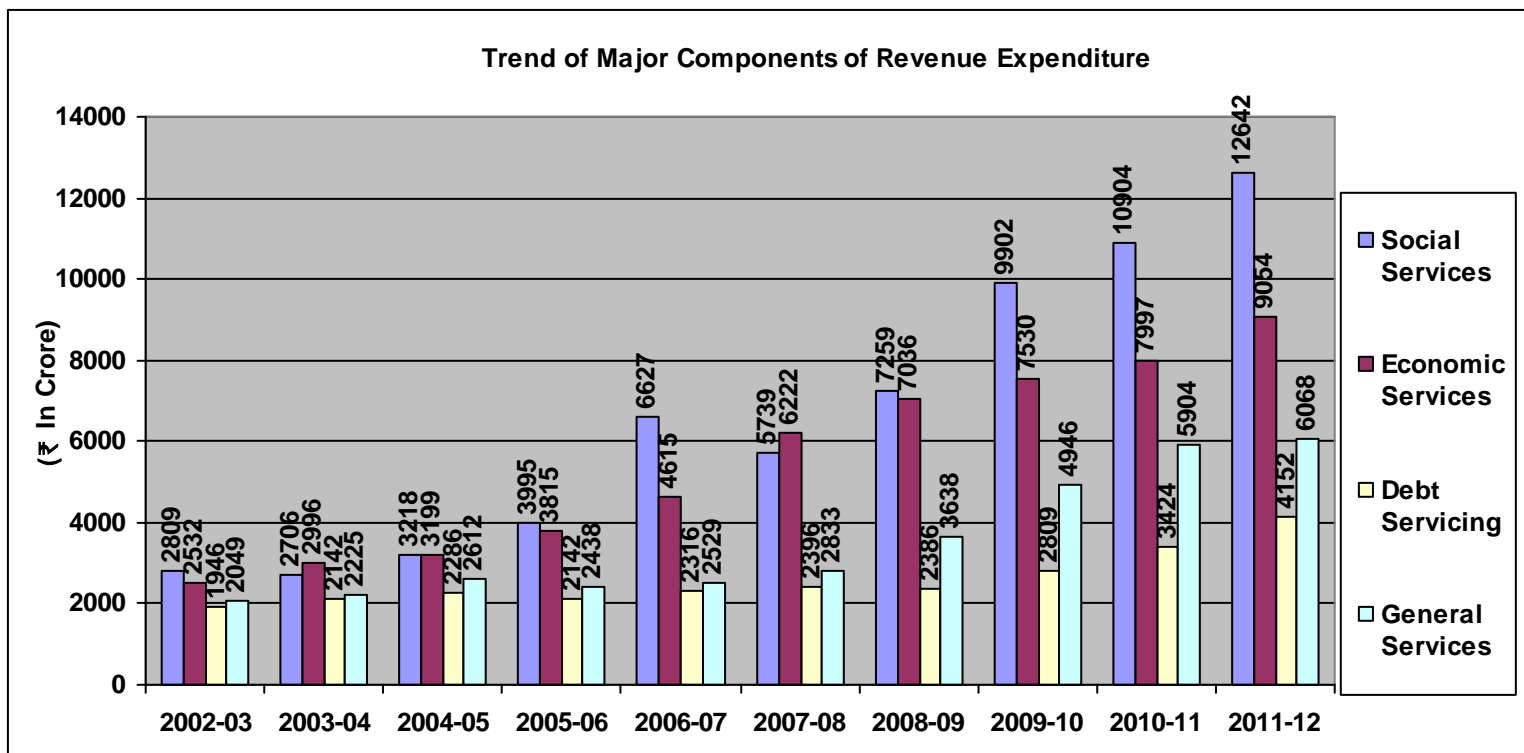
3.2.1 Sectoral Distribution of Revenue Expenditure (2011–12)

(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services	244	1
(i) Collection of Taxes on Property and Capital transactions	116	-
(ii) Collection of Taxes on Commodities and Services	127	-
(iii) Other Fiscal Services	1	-
B. Organs of State	442	2
C. Interest Payments and Servicing of Debt	4,152	13
D. Administrative Services	2,177	7
E. Pensions and Miscellaneous General Services	3,205	10
F. Social Services	12,642	39
G. Economic Services	9,054	28
H. Grants-in-aid and Contributions	99	-
Total Expenditure (Revenue Account)	32,015	100

3.2.2 Major components of Revenue Expenditure (2003 – 2012)

Service	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Social Services	2,809	2,706	3,218	3,995	6,627	5,739	7,259	9,902	10,904	12,641
Economic Services	2,532	2,996	3,199	3,815	4,615	6,222	7,036	7,530	7,997	9,054
Debt Servicing	1,946	2,142	2,286	2,142	2,316	2,396	2,386	2,809	3,424	4,152
General Services	2,049	2,225	2,612	2,438	2,529	2,833	3,638	4,946	5,904	6,068



3.3. Capital Expenditure

Capital disbursements for 2011-12 at 2 % of GSDP were less than Budget Estimates by ₹ 465 crore.

3.3.1. Sectoral Distribution of Capital Expenditure

During 2011-12, the Government spent ₹ 754 crore on various Projects (₹ 143 crore on Major Irrigation, and ₹ 611 crore on Medium Irrigation) and invested ₹ 614 crore in various Corporations/Companies/Societies.

(₹ in crore)

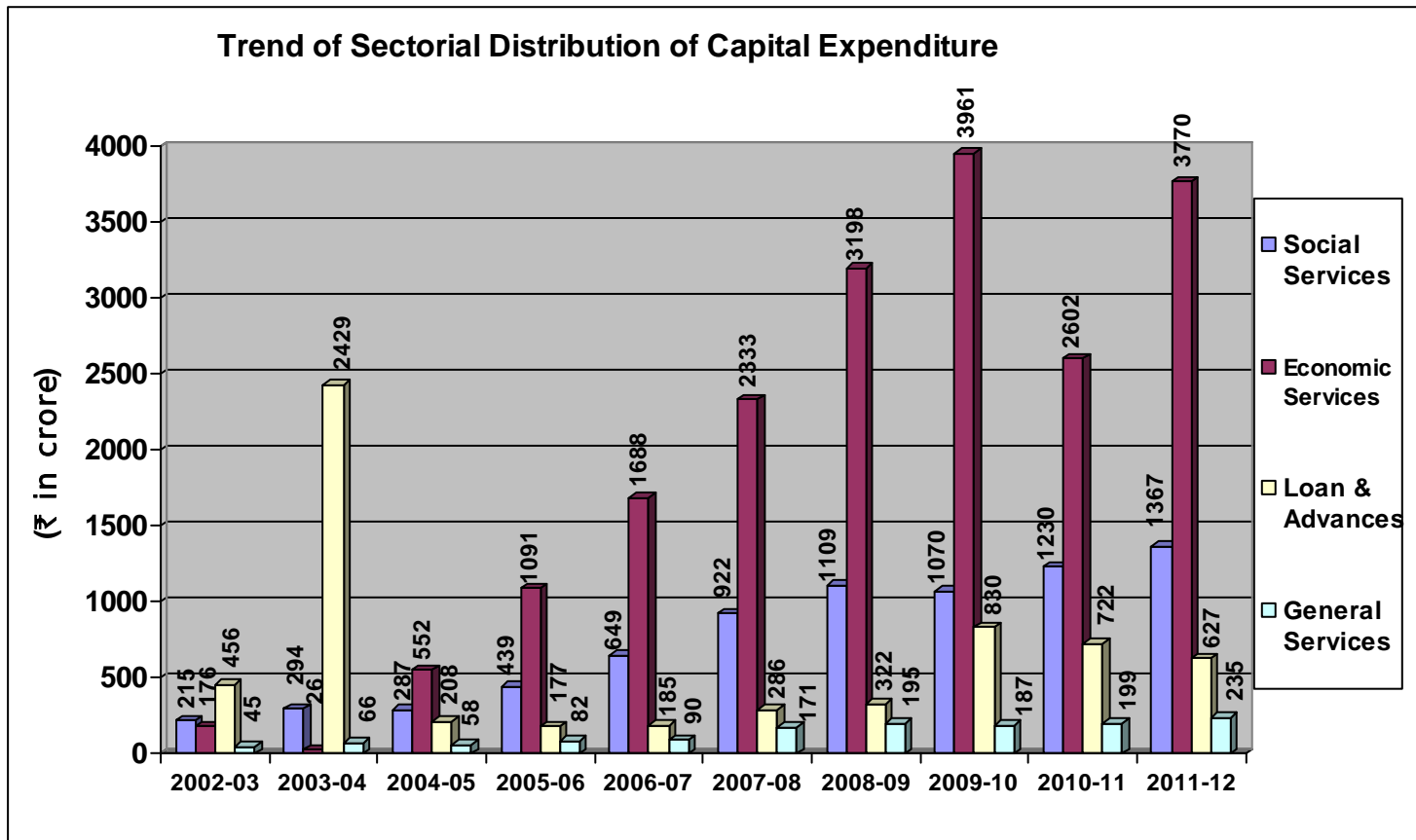
Sl. No	Sector	Amount	Percentage
1.	General Services-Police, Land Revenue etc.	235	4
2.	Social Services-Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.,	1,367	23
3.	Economic Services-Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.,	3,770	63
4.	Loans and Advances Disbursed	627	10
Total		5,999	100

3.3.2 Sectoral distribution of capital expenditure over the past 10 years

(₹ in crore)

Sector	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
General Services	45	66	58	82	90	171	195	187	199	235

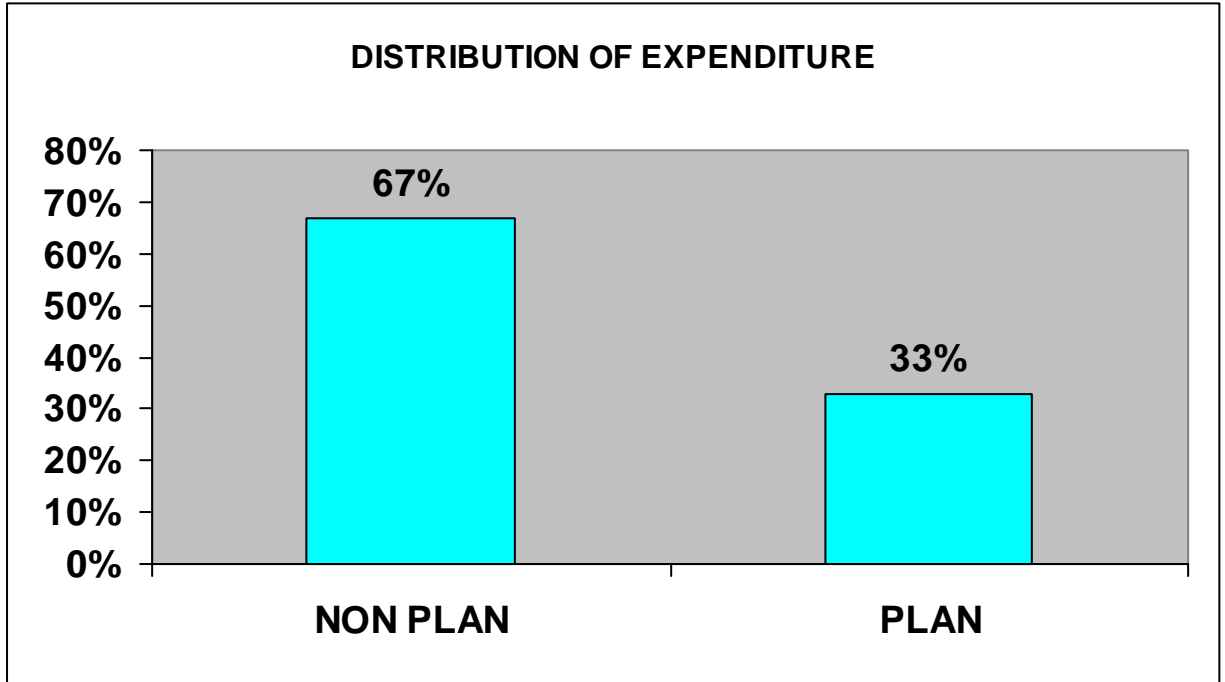
Social Services	215	294	287	439	649	922	1,109	1,070	1,230	1,367
Economic Services	176	26	552	1,091	1,688	2,333	3,198	3,961	2,602	3,770
Loans and Advances	456	2,429	208	177	185	286	322	830	722	627
Total	892	2,815	1,105	1,789	2,612	3,712	4,834	6,048	4,753	5,999



CHAPTER 4

PLAN AND NON-PLAN EXPENDITURE

4.1 Distribution of Expenditure (2011-12)



4.2 Plan Expenditure

During 2011-12, Plan Expenditure, representing 33 per cent of total disbursements, was ₹12,510 crore (₹10,867 crore under State Plan, ₹ 1,279 crore under Centrally Sponsored Plan Schemes and ₹ 364 crore under Loans and Advances).

4.2.1 Trend of Plan Expenditure

(₹ in
cro
res)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Total Expenditure	10,234	12,932	12,512	14,429	18,974	21,238	25,369	31,305	33,063	38,014
Plan Expenditure	1,895	2,369	2,705	3,707	4,975	6,612	7,928	10,534	10,634	12,510
% of Plan Expenditure to Total Expenditure	19	18	22	26	26	31	31	34	32	33
% of Plan Expenditure	3	3	3	4	4	4	4	5	4	4

to GSDP										
---------	--	--	--	--	--	--	--	--	--	--

4.2.2 Plan expenditure under Capital Account

(₹ in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Total Capital Expenditure	892	2,815	1,105	1,789	2,612	3,711	4,834	6,048	4,753	5,999
Capital Expenditure (Plan)	846	1,245	1,105	1,692	2,521	3,436	4,010	4,819	4,383	4,718
% of Capital Expenditure (Plan) to Total Capital Expenditure	95	44	100	95	97	93	83	80	92	79

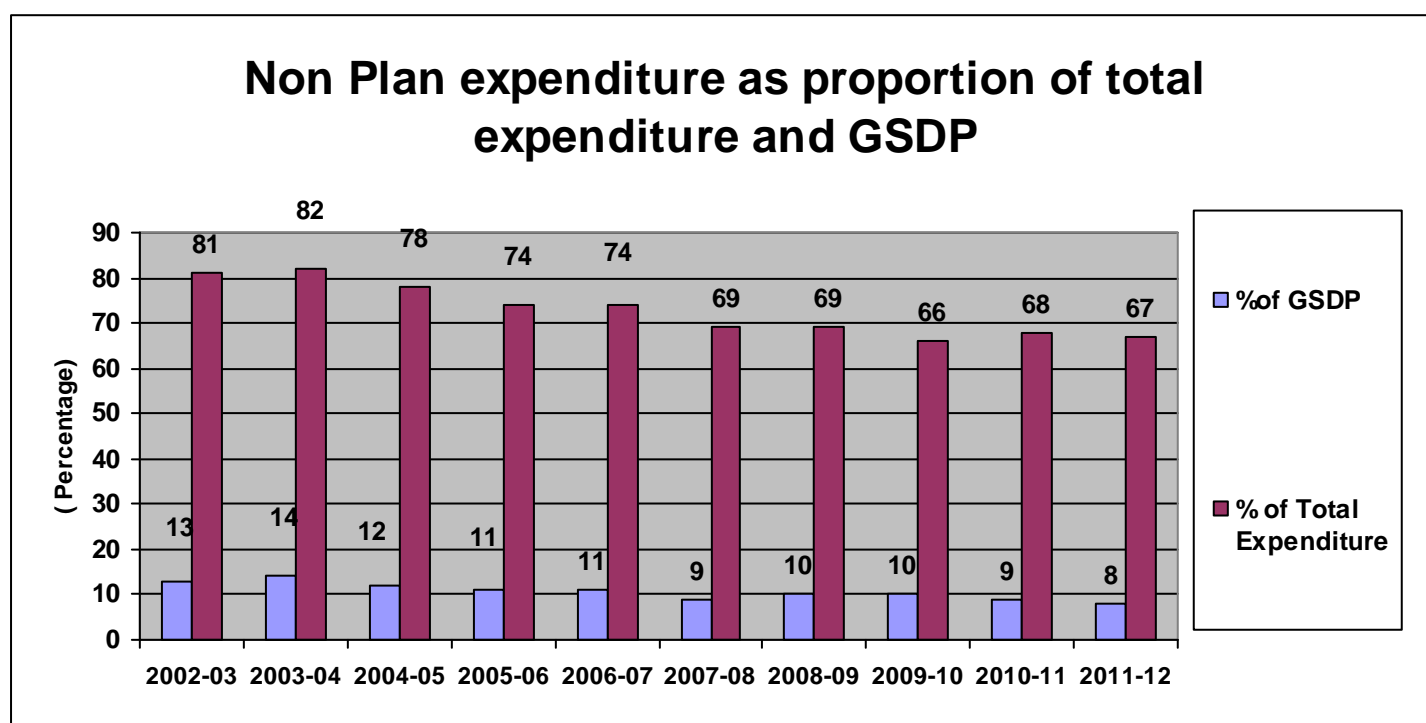
4.3 Non-Plan Expenditure

Non-Plan Expenditure during 2011-2012, representing 67 per cent of total disbursements, was ₹25,504 crore (₹24,223 crore under Revenue and ₹1,281 crore under Capital).

4.3.1 Trend of Non-Plan Expenditure

(₹ in
cro
res)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Total Expenditure	10,234	12,932	12,512	14,429	18,974	21,238	25,369	31,305	33,063	38,014
Non-Plan Expenditure	8,339	10,563	9,807	10,722	13,999	14,626	17,441	20,771	22,429	25,504
% of Non-Plan Expenditure to Total Expenditure	81	82	78	74	74	69	69	66	68	67
% of Non-Plan Expenditure to GSDP	13	14	12	11	11	9	10	10	9	8



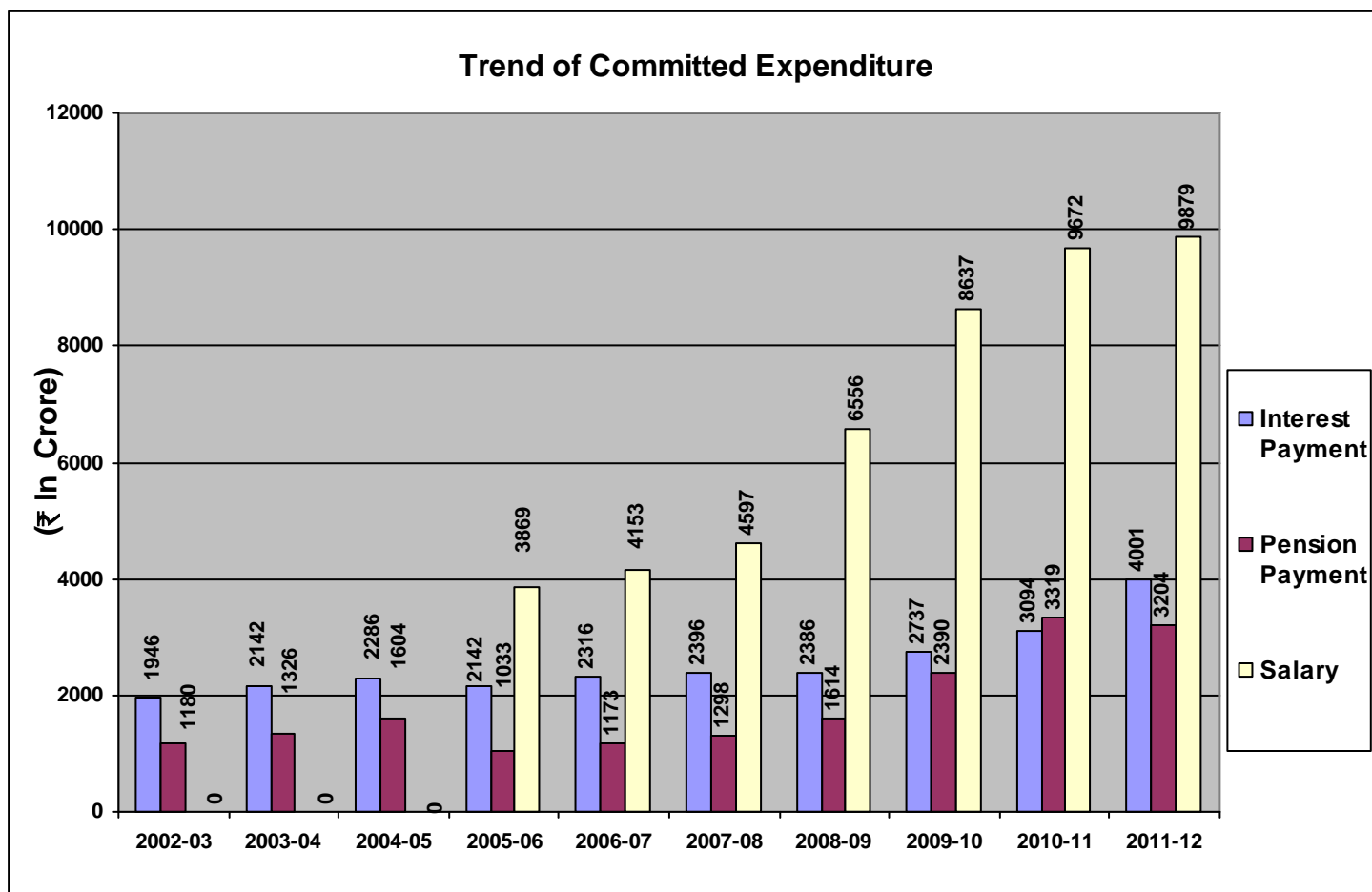
4.4 Committed Expenditure

(₹ in crore)

Component	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Committed expenditure*	3,126	3,468	3,890	7,044	7,642	8,291	10,556	13,764	16,085	17,084
Revenue Expenditure	9,342	10,117	11,407	12,460	16,362	17,527	20,535	25,257	28,310	32,015
% of committed expenditure to Revenue Receipts	38	35	35	52	42	42	57	66	63	56
% of committed expenditure to Revenue expenditure	33	34	34	57	47	47	51	54	57	53

* Includes Interest Payments, Pension Payment and Salary. However, the figures of Salary not included during the years 2002-03 to 2004-05.

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



CHAPTER 5

APPROPRIATION ACCOUNTS

5.1. Summary of Appropriation Accounts for 2011-12

(₹ in crore)

Sl. No.	Nature of Expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings(-) Excesses (+)
1	Revenue	30,474	2,159	-4,570	28,063	27,891	(-) 172
	Voted	4,586	14	-117	4,483	4,225	(-) 258
	Charged						
2	Capital	9,018	633	(-) 1,233	8,418	8,806	388
	Voted	50	30	(-) 4	76	69	(-) 7
	Charged						
3	Public Debt						
	Charged	6,666	1,289	(-) 3,253	4,702	5,011	309
4	Loans and Advances						
	Voted	957	203	(-) 609	551	627	76
	Total						
	Voted	40,449	2,995	(-) 6,412	37,032	37,324	292
	Charged	11,302	1333	(-) 3,374	9,261	9,305	44

5.2. Trend of Savings/ Excess during the past ten years

(₹ in crore)

Year	Savings (-) / Excess(+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2002-03	(-) 886	(-) 1,079	(-) 887	110	(-) 2,742
2003-04	(-) 714	1,585	(-) 313	2,091	2,649
2004-05	(-) 548	(-) 2,302	(-) 2,006	(-) 60	(-) 4,916
2005-06	(-) 895	(-) 303	(-) 475	(-) 41	(-) 1,714
2006-07	(-) 435	(-) 606	(-) 684	(-) 7	(-) 1,732
2007-08	(-) 880	(-) 1,316	(-) 1,375	(-) 12	(-) 3,583
2008-09	(-) 2,729	(-) 1,256	(-) 1,097	(-) 137	(-) 5,219
2009-10	(-) 2,084	(-) 3,223	(-) 2,032	(-) 654	(-) 7,993
2010-11	(-) 4,349	(-) 5,410	(-) 3,226	(-) 881	(-) 13,866
2011-12	(-) 5,118	(-) 4,333	(-) 2,944	(-) 533	(-) 12,928

5.3. Significant Savings

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

(In Percentage)										
Grant Name	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Animal Husbandry	22	23	8	13	11	1	3	10	7	8
Irrigation	4	1	-	4	3	5	10	42	26	30

CHAPTER 6

ASSETS AND LIABILITIES

6.1. Assets

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

Total investments as share capital in non-financial public sector undertakings (PSUs) stood at ₹ 6,982 crore at the end of 2011-2012. Dividends received during the year was ₹ 1.64 crore (0.02% of investment). During 2011-2012, investments increased by ₹ 605 crore, while dividend income decreased by ₹ 0.84 crore.

Cash Balance with RBI which stood at ₹(-) 1,776 crore on 31st March 2011 and increased to ₹ -50 crore as on 31st March, 2012.

6.2. Debt and Liabilities

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

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

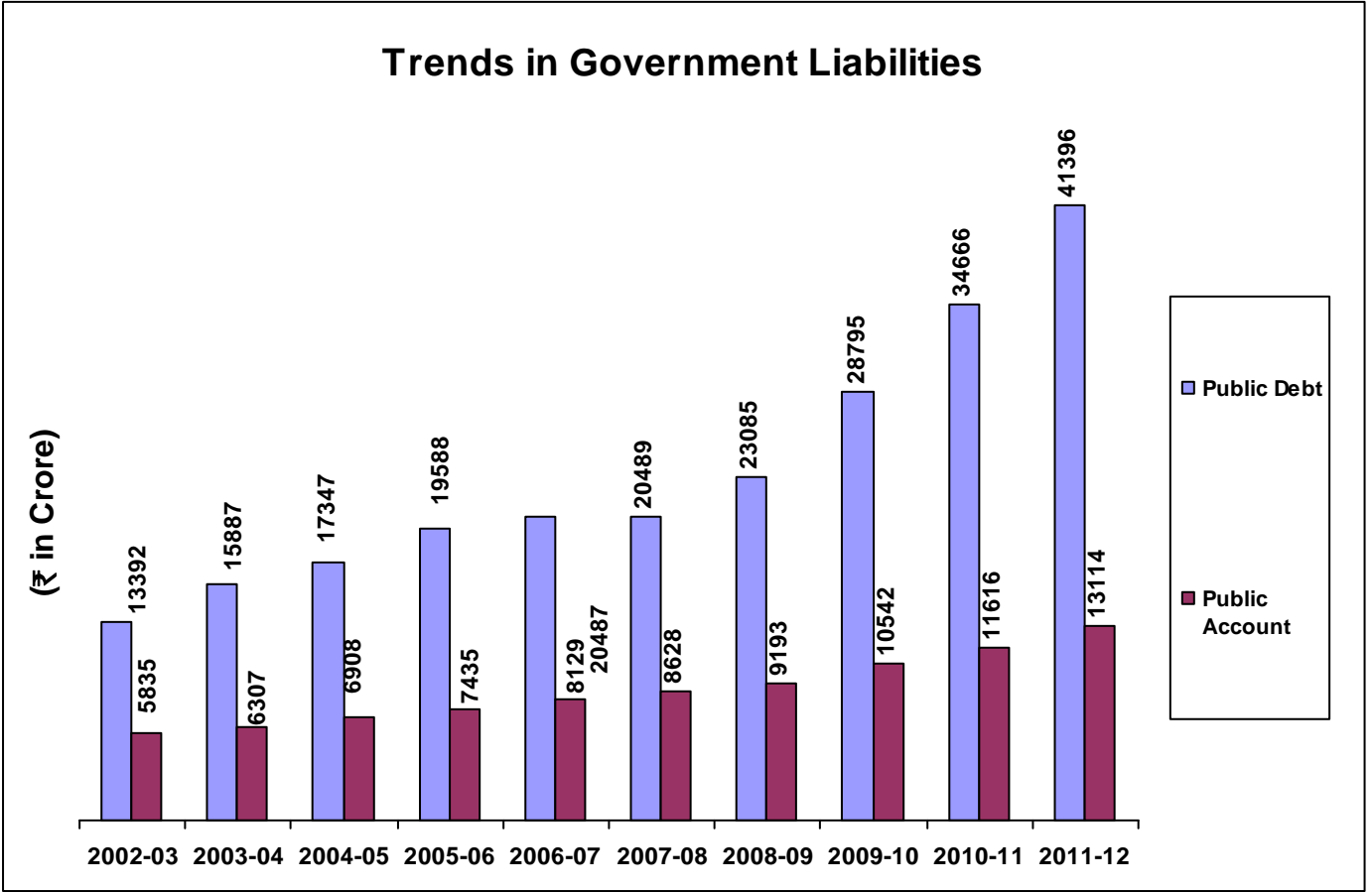
(₹ in crore)						
Year	Public Debt	% to GSDP	Public Account (*)	% to GSDP	Total Liabilities	% to GSDP
2002-03	13,392	20	5,835	9	19,227	29
2003-04	15,887	22	6,307	9	22,194	30

2004-05	17,347	22	6,908	9	24,255	30
2005-06	19,588	21	7,435	8	27,023	30
2006-07	20,487	17	8,129	8	28,616	25
2007-08	20,489	14	8,628	6	29,117	20
2008-09	23,085	13	9,193	5	32,278	18
2009-10	28,795	14	10,542	5	39,337	19
2010-11	34,666	13	11,616	5	46,282	18
2011-12	41,396	13	13,144	4	54,540	18

(*) Excludes suspense and remittance balances.

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

There is a net increase of ₹8,258 crore (18%) in Public Debt and Other liabilities as compared to 2010-11.



6.3 Guarantees

The position of guarantees given by the State Government for the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies, etc., is given below:

(₹ in crore)

Year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the close of year	
		Principal	Interest
2002-03	12,460	7,684	6
2003-04	9,457	5,869	38
2004-05	6,742	4,209	39
2005-06	8,448	5,627	17
2006-07	12,694	5,074	1
2007-08	6,341	4,401	-
2008-09	5,188	4,575	-
2009-10	4,757	4,575	-

2010-11	5,515	4,527	-
2011-12	10,690	5608	-

CHAPTER 7

OTHER ITEMS

7.1. Loans and advances by the State Government

Total Loans and Advances made by the State Government at the end of 2011-2012 was ₹3,316 crore. Of this, Loans and Advances to Government Corporations/ Companies, non-Government Institutes and Local Bodies amounted to ₹1,897 crore. Recovery of Principal aggregating to ₹41 crore and Interest amounting to ₹78 crore is in arrears at the end of 31st March 2012.

7.2. Financial assistance to local bodies and others

During the past ten years, Grants in Aid to local bodies etc., increased from ₹ 608 crore in 2002-2003 to ₹4,314crore in 2011-2012. Grants to Zilla Parishads, Panchayat Samitis and Municipalities (₹797 crore) represented 19 per cent of total grants given during the year.

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

(₹ in crore)					
Year	Zilla Parishads	Municipalities	Panchayat Samithis	Others	Total
2002-03				608	608
2003-04				727	727
2004-05				518	518
2005-06				842	842
2006-07	--	--	--	922	922
2007-08	--	--	--	1,572	1,572
2008-09	--	--	--	2,053	2,053
2009-10	626	306	--	1,724	2,656
2010-11	687	288	--	1,979	2,954
2011-12	797	924	--	2,593	4,314

7.3 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 st April 2012	As on 31 st March 2011	Net increase (+)/ decrease (-)
Cash Balances	(-)50	(-)1,776	1726
Investments from cash balance (GOI Treasury Bills)	371	684	(-)313
Investment from earmarked fund balances	1,838	1,455	383
(a) Sinking Fund	715	524	191
(b) Guarantee Redemption Fund	70	64	6
(c) Other Funds	1,053	867	186
Interest realised	41	41	-

State Government had a negative closing cash balance at the end of 2011-12, despite utilising its cash balances and earmarked fund balances towards investments.

7.4 Reconciliation of Accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the Departmental figures with the accounts figures. Before annual accounts are finalised, the Head of the Departments reconcile the Departmental accounts figures with those booked in accounts compiled by the Accountant General. The reconciliation of Accounts figures is to be done monthly. In the Year 2011-12, the reconciliation of whole expenditure under all the heads of Accounts for the Year has been completed.

7.5 Personal Deposit Accounts.

Government is authorised to open the Personal Deposit Accounts in order to deposit money by Transferring funds from the Consolidated Fund for discharging liabilities of the Government arising out of special enactments, the Administrators are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Government Accounts (Consolidated Fund) and the Personal Deposit Accounts need to be opened again next year, if necessary. Transfer to Personal Deposit Accounts is booked as expenditure in the Consolidated Fund (service major heads) of the State. The position of Personal Deposit Accounts during the year 2011-12 remained as under:

(₹ in crore)

Opening Balance		Addition during the year		Clearance during the year		Closing Balance	
No. of A/cs.	Amount involved	No. of A/cs.	Amount involved	No. of A/cs.	Amount involved	No. of A/cs.	Amount involved
259	1,88.61	..	4,76.20	30	4,01.32	229	2,63.49