

STATEMENT NO. 7 - CASH BALANCES AND INVESTMENTS OF CASH BALANCES

	On 1st April 2005	On 31st March 2006
	(In lakhs of rupees)	
<i>(a) General Cash Balances -</i>		
8999 Cash Balance -		
101 Cash in Treasuries
102 Deposits with Reserve Bank	-39,15.87	-2,58,55.07(a)
104 Remittances in Transit - Local	46.16	46.16
Total	<u>-38,69.71</u>	<u>-2,58,08.91</u>
Investments held in the Cash Balance Investment Account -		
	16,11,64.81	35,28,06.87
Total (a)	<u>15,72,95.10</u>	<u>32,69,97.96</u>

(b) Other Cash Balances and Investments -

Cash with Departmental Officers -

(i) Cash with departmental officers, viz. Forest and Public Works	6,94.95	11,99.42
(ii) Permanent advances for contingent expenditure with departmental officers	8.81	8.81
(iii) Investments of Earmarked Funds -	3,00,86.60	4,50,64.00
Total-(b)	<u>3,07,90.36</u>	<u>4,62,72.23</u>
Total-(a) and (b)	<u>18,80,85.46</u>	<u>37,32,70.19</u>

Explanatory Notes

1. Under an agreement with the Reserve Bank of India, the Government of Haryana has to maintain with the Bank a minimum daily cash balance of Rs. 1.14 crores. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking special and ordinary ways and means advances/overdraft from time to time.

(a) Please see footnote (a) on page 27.

The limit was revised from Rs. 11.65 to Rs. 11.30 crores for special and Rs. 2,80 crores for ordinary ways and means advances from 1.4.2005 to 31.03.2006. If even after the maximum advance has been given there is a shortfall in the minimum cash balance, the shortfall is left uncovered. Overdraft is taken if the state has minus balance after availing of the maximum advances.

The extent to which the Government maintained the minimum balance with the Bank in 2005-06 is given below:-

(a) Number of days on which the minimum balance was maintained without any advance	365
(b) Number of days on which the minimum balance was maintained by taking ordinary and special ways and means advances	..
(c) Number of days on which there was shortfall from the agreed minimum balance, even after availing the ordinary and special ways and means advances to the full extent	..
(d) Number of days on which there were overdrafts	..

At the close of the year 2004-2005 no amount was outstanding under ways and means advances. During 2005-06 no ways and means advances (special and ordinary) taken and balance was nil

At the close of the year 2004-2005 shortfall/overdraft outstanding was nil. During 2005-06 overdraft was not availed.

Interest paid on ways and means advances, shortfall and overdrafts during the year 2003-2004 to 2005-06 was as follows:-

Year	(in lakhs of rupees)
2003-2004	25.94
2004-2005	..
2005-2006	..

No interest was paid on special and ordinary ways and means advances during 2005-2006. Interest on overdraft/shortfall was nil during 2005-2006

The State Government also obtained a temporary loan of Rs. 7,00.43 crores from the State Bank of India during 2005-2006 for the purchase of food-grains. The outstanding amount out of a similar loan was Rs. 5.57 crores at the end of the previous year. After taking it into account the total amount of temporary loan works out to Rs. 7,06.00 Crores. Whole of the amount of Rs. 7,06.00 crores was repaid during the year leaving no balance at the end of the year. Rs. 18.81 crores were paid as interest (at the rate of 9.10% per annum from 1st April 2005 to 31st March 2006) on this temporary loan

2. The Balance against 'Deposits with Reserve Bank' shown in the Government accounts on 31st March 2006 is the balance arrived at after taking into account the Inter-government monetary settlements (pertaining to the transactions of 2005-06) advised to the Reserve Bank upto 17th April 2006.

3. The State Government has invested Rs. 35,28.07 crores in the Government of India Securities Under Cash Balance Investment Account. Interest realised during the year on these investments was Rs. 166.95 .crores.

4. The amounts invested out of earmarked funds are shown in statement no. 19.