Chapter II
Financial Management and Budgetary Control

2.1 Introduction

Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year, compared with the amounts of the voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These Accounts list the original budget estimates, supplementary grants, surrenders and reappropriations 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 management of finances, in monitoring budgetary provisions and therefore, are complementary to Finance Accounts.

Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether expenditure, incurred under various grants, is within the authorisation given under the Appropriation Act and whether charged as required to be charged under the provisions of the Constitution. It also seeks to ascertain whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

As per the State Budget Manual (SBM), the Finance Department is responsible for the preparation of the annual budget by obtaining from the various departments, material on which to base its estimates. The departmental estimates of receipt and expenditure are prepared by Controlling Officers on the advice of their Heads of Departments and submitted to the Finance Department by the prescribed dates. The Finance Department then consolidates the estimates and prepares the Detailed Estimates and Grants. The estimates of expenditure should be as accurate as possible. An avoidable excess in an estimate is as much a financial irregularity as an excess in the actual expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and it should neither be more nor less.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2013-14 against 55 grants/appropriations is given in **Table 2.1** below:

Table 2.1: Actual Expenditure *vis-à-vis* original/supplementary provisions

(₹ in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Savings (-)/ Excess (+)
Voted	I Revenue	68,427.61	6,329.64	74,757.25	68,157.01	(-) 6,600.24
	II Capital	14,943.41	2,115.52	17,058.93	14,456.62	(-) 2,602.31
	III Loans and Advances	189.01	649.96	838.97	811.21	(-) 27.76
Total Voted		**83,560.03**	**9,095.12**	**92,655.15**	**83,424.84**	**(-) 9,230.31**
Charged	IV Revenue	*9,339.38*	*25.19*	*9,364.57*	*9,177.64*	*(-) 186.93*
	V Capital	-	*0.15*	*0.15*	*0.15*	-
	VI Public Debt- Repayment	*4,132.29*	-	*4,132.29*	*4,115.62*	*(-) 16.67*
Total Charged		***13,471.67***	***25.34***	***13,497.01***	***13,293.41***	***(-) 203.60***
Appropriation to Contingency Fund		300.00	-	300.00	-	(-) 300.00
Grand Total		**97,331.70**	**9,120.46**	**1,06,452.16**	**96,718.25**[1]	**(-) 9,733.91**

Source: Appropriation Accounts

Table 2.1 indicates that supplementary provision aggregating to ₹ 9,120.46 crore obtained during 2013-14 proved unnecessary as the actual expenditure did not even come up to the level of original grant/appropriation. The overall saving of ₹ 9,733.91 crore was the result of saving in 49 grants and 45 appropriations under Revenue Section, 34 grants and 4 appropriations under Capital Section, offset by overall excess of ₹ 0.81 crore in 1 appropriation under Revenue Section and 1 grant under Capital Section.

The Principal Accountant General (PAG), Accounts and Entitlement (A & E), Rajasthan forwarded (June and August 2014) Detailed Appropriation Accounts to the Controlling Officers, requesting them to explain the significant variations of savings/excesses. Out of 1,643 sub-heads, explanations for variation in respect of 962 sub-heads (saving: 680 and excess: 282) were awaited (November 2014).

[1] Gross expenditure figures without taking into account the recoveries adjusted in accounts as reduction of expenditure (Revenue: ₹ 1,825.06 crore and Capital: ₹ 792.11 crore, Total: ₹ 2,617.17 crore)

2.3 Financial accountability and budget management

2.3.1 Appropriation vis-à-vis Allocative Priorities

There were deviations from budget allocation with regard to the expenditure during the financial year, raising questions about the credibility of the budgeting process, budget monitoring and reliability of management information system.

Appropriation audit revealed that against the total savings of ₹ 9,733.91 crore during the year 2013-14, in 17 Grants and 1 Appropriation savings exceeded ₹ 100 crore and above in each case, amounting to ₹ 8,448.93 crore (86.8 *per cent)* as indicated in **Table 2.2** below.

Table 2.2: List of Grants/Appropriation with savings ₹ 100 crore and above

(₹ in crore)

S. No.	No. and Name of the Grant/Appropriation	Original	Supple-mentary	Total	Actual Expenditure	Savings	Reasons of savings as reported in Appropriation Accounts
	(A) Revenue-Voted						
1	9-Forest	749.21	-	749.21	560.92	188.29	Posts remaining vacant and non-tendering for plantation work. Reasons for savings in Tiger Project *Ranthambore* and *Sariska* were not intimated.
2	15-Pensions and other Retirement Benefits	7,850.16	77.87	7,928.03	7,801.25	126.78	Less expenditure in the month of March 2014, non-disposal of revision of pension cases as the employees were engaged in Parliamentary and Assembly elections. Pension cases were not returned by the concerned departments to Pension Department after compliance. Misclassification of expenditure booked by some treasuries.
3	24-Education, Art and Culture	14,453.24	361.85	14,815.09	13,611.65	1,203.44	Posts remaining vacant, less receipt of funds from Government of India (GoI) and reduction in plan outlay of the schemes. Reasons not intimated in case of 'Secondary Education-Government Secondary Schools-Boys' where savings were ₹ 486.63 crore.
4	26-Medical and Public Health and Sanitation	4,102.26	214.69	4,316.95	3,999.51	317.44	Due to non-completion of recruitment process of *ayurveda* doctors, regular pay scales were not given to rural *ayurveda* doctors during probation period as the case was sub-judice. Finalisation of less number of Assured Career Progression (ACP) cases. Non-receipt of last instalment, curtailment in 'Programme Implementation Plan' by the GoI and posts remaining vacant.

(₹ in crore)

S. No.	No. and Name of the Grant/Appropriation	Original	Supple-mentary	Total	Actual Expenditure	Savings	Reasons of savings as reported in Appropriation Accounts
5	27-Drinking Water Scheme	2,106.26	164.32	2,270.58	2,158.45	112.13	Posts remaining vacant, delay in tendering process and non-receipt of bills for payment.
6	29-Urban Plan and Regional Development	2,352.45	34.50	2,386.95	2,175.57	211.38	Reasons not intimated by the Government.
7	30-Tribal Area Development	3,372.27	187.44	3,559.71	3,253.43	306.28	Less number of beneficiaries for free education, and less reimbursement to non-government schools, posts remaining vacant, less release of grants for general purpose and less receipt of funds from GoI.
8	32-Civil Supplies	454.64	389.44	844.08	721.72	122.36	Posts remaining vacant. Deposit of unspent amount by Rajasthan State Food and Civil Supply Corporation Limited at the end of financial year. Closing of scheme of "BPL *Ann Yojana*" after implementation of 'National Food Security Scheme' in October 2013.
9	33-Social Security and Welfare	2,912.15	2,226.06	5,138.21	4,938.15	200.06	Reduction in plan outlay of the schemes, posts remaining vacant, less receipt of funds from GoI. Reasons for savings in several cases were not intimated.
10	41-Community Development	3193.15	343.93	3,537.08	3,337.86	199.22	Non-receipt of funds from GoI.
11	48-Power	9,380.63	10.00	9,390.63	7,213.13	2,177.50	Actual payment of interest was not made during the year under 'Financial Restructuring Package (FRP)'.
12	49-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	375.81	-	375.81	248.69	127.12	Government took a decision for non-transferring the royalty amount of *panchayats* under Non-plan heads. Reasons for savings in several cases were not intimated.
13	51-Special Component Plan for Welfare of Scheduled Castes	2,691.96	263.17	2,955.13	2,692.87	262.26	Posts remaining vacant, reduction in plan outlay of the schemes, less number of beneficiaries for free education, non-issuance of orders for supply of nutrition and less/non-receipt of funds from GoI.
	Sub Total (A)	**53,994.19**	**4,273.27**	**58,267.46**	**52,713.20**	**5,554.26**	
	(B) Capital-Voted						
14	19-Public Works	796.83	Negligible Amount	796.83	519.09	277.74	Non-release/ non-receipt / delay in release of works. Reasons for savings in several cases were not intimated by the Government.
15	22-Area Development	395.91	Negligible Amount	395.91	293.67	102.24	Less receipt of funds from GoI, construction of lesser water courses than target and posts remaining vacant and non-receipt of administrative sanction from GoI for commencement of *Bhakra Nahar* Project.

(₹ in crore)

S. No.	No. and Name of the Grant/Appropriation	Original	Supple-mentary	Total	Actual Expenditure	Savings	Reasons of savings as reported in Appropriation Accounts
16	25-Treasury and Accounts Administration	300.00	-	300.00	-	300.00	Funds not transferred by the Government in corpus of Contingency Fund.
17	27-Drinking Water Scheme	2,022.38	235.08	2,257.46	2,057.05	200.41	Delay in tendering process. Reasons for savings in several cases were not intimated by the Government.
18	29-Urban Plan and Regional Development	1,396.01	64.00	1,460.01	1,045.02	414.99	Non-receipt of funds from GoI. Reasons for savings in several cases were not intimated by the Government.
19	30-Tribal Area Development	1,648.59	174.07	1,822.66	1,599.82	222.84	Less receipt of funds from GoI and reduction in plan outlay of the schemes. Reasons for savings in several cases were not intimated by the Government.
20	46-Irrigation	1,108.51	Negligible Amount	1,108.51	829.33	279.18	Less execution of works, reduction in plan outlay of the schemes and non/late release of administrative and financial sanction of work in time due to election code of conduct.
21	48-Power	3,118.61	664.29	3,782.90	3,138.63	644.27	Reduction in plan outlay of the schemes.
22.	51-Special Component Plan for Welfare of Scheduled Castes	1,861.40	231.62	2,093.02	1,817.94	275.08	Reduction in plan outlay of the schemes, less/non-execution of works and less receipt of funds from GoI. Reasons for savings in several cases were not intimated by the Government.
	Total (B)	**12,648.24**	**1,369.06**	**14,017.30**	**11,300.55**	**2,716.75**	
	(C) Revenue-Charged						
23.	Interest Payments	*9,241.12*	Negligible Amount	*9,241.12*	*9,063.20*	*177.92*	Non-payment of interest on new market loans taken by the State Government during the year, relief in rates of interest given by the GoI for 2013-14 in compliance of recommendations of Thirteenth Finance Commission and non-drawal of six monthly interest by the Security Holders till the end of financial year 2013-14.
	Total (C)	***9,241.12***	-	***9,241.12***	***9,063.20***	***177.92***	
Grand Total (A+B+C)		**75,883.55**	**5,642.33**	**81,525.88**	**73,076.95**	**8,448.93**	

Source: Appropriation Accounts

The cases discussed above indicate that provisions contained in Chapter 13 of the SBM were not followed in preparing budget estimates of expenditure by the Departments and Budget Controlling Officers of these grants, which resulted in savings of ₹ 8,448.93 crore.

Out of the total savings of ₹ 8,448.93 crore, a sum of ₹ 5,554.26 crore (65.7 *per cent)* pertained to savings under 'Revenue-Voted Section', which indicates deficiencies in budget estimation of expenditure. Large savings occurred in areas of Education, Medical and Public Health, Urban Plan, Tribal Area Development, Social Security and Welfare, Power and Special Component Plan for Welfare of Scheduled Castes. The main reasons of savings were attributed to posts remaining vacant. Keeping budgetary provision for vacant

posts was in contravention of provisions contained in para 13.18.2 of the SBM. Other reasons reported were less/non-receipt of funds from GoI and reduction in Plan outlay.

A sum of ₹ 2,716.75 crore (32.2 *per cent* of ₹ 8,448.93 crore) pertained to savings under 'Capital Section'. Large savings occurred in areas of Public Works, Urban Plan and Regional Development, Irrigation, Power and Special Component Plan for Welfare of Scheduled Castes. The main reasons of savings were attributed to non-receipt of funds from GoI, less execution of works, reduction in plan outlay of the schemes and non-transfer of funds by the Government in corpus of Contingency Fund, which indicated stalling in developmental works and non-creation of assets of the State Government during the year.

In 13 cases (including 5 cases not mentioned in the **Table 2.2**), savings ranged between 23.0 and 100 *per cent* and exceeded by ₹ 20 crore and more than 20 *per cent* of total provision in each case as detailed in ***Appendix 2.1.***

2.3.2 Persistent savings

In 17 cases, there were persistent savings of more than ₹ 1 crore in each case and also by more than 10 *per cent* of the total grant (**Table 2.3)** during the last three years.

Table 2.3: List of Grants indicating persistent savings during 2011-14

(₹ in crore)

Sl. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	% of savings	Main reasons of savings reported in Appropriation Accounts
	Revenue-Voted						
1.	3-Secretariat	2011-12	507.18	150.34	356.84	70.4	Posts remaining vacant and non-receipt of appropriate proposals by State Planning Board for recommendation of the schemes.
		2012-13	320.52	147.78	172.74	53.9	
		2013-14	246.19	200.99	45.19	18.4	Less expenditure on pay and allowances, posts remaining vacant, less release of grants and non-implementation of sanctioned projects due to election code of conduct.
2.	4-District Administration	2011-12	305.41	270.62	34.79	11.4	Posts remaining vacant.
		2012-13	335.85	285.91	49.94	14.9	
		2013-14	360.14	323.53	36.61	10.2	
3.	8-Revenue	2011-12	575.70	438.39	137.31	23.9	Posts remaining vacant and non-starting of survey work under National Land Records Modernisation Programme.
		2012-13	589.74	492.38	97.36	16.5	
		2013-14	593.46	521.38	72.08	12.1	
4.	28-Special Programmes for Rural Development	2011-12	76.04	65.32	10.72	14.1	Less/non-receipt of funds from GoI.
		2012-13	140.60	55.77	84.83	60.3	Not intimated by the Government.
		2013-14	52.01	21.62	30.39	58.4	Less/non-receipt of funds from GoI.

(₹ in crore)

Sl. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	% of savings	Main reasons of savings reported in Appropriation Accounts
5.	35-Miscellaneous Community and Economic Services	2011-12	65.41	37.16	28.25	43.2	Non-release of payment process of BPL promotion amount by Unique Identification Authority of India
		2012-13	93.45	58.20	35.25	37.7	
		2013-14	113.33	90.89	22.44	19.8	Not intimated by the Government.
6.	38-Minor Irrigation and Soil Conservation	2011-12	94.39	82.61	11.78	12.5	Posts remaining vacant.
		2012-13	99.89	78.03	21.86	21.9	Not intimated by the Government.
		2013-14	122.31	100.48	21.83	17.8	Posts remaining vacant, work not completed as per target fixed for facilitating NGOs working on salary based contract, ban on work due to election code of conduct and closure of the scheme by GoI.
7.	43-Minerals	2011-12	149.44	91.24	58.20	38.9	Non-release of sanction by the Government.
		2012-13	185.53	103.42	82.11	44.3	
		2013-14	148.65	123.36	25.29	17.0	Posts remaining vacant, non-purchase of machinery in time due to as election code of conduct and non-deployment of personnel of Mineral Protection Force for prevention of illegal mining.
8.	50-Rural Employment	2011-12	259.98	183.83	76.15	29.3	Less receipt of funds from GoI.
		2012-13	274.03	213.34	60.69	22.1	
		2013-14	383.66	326.23	57.43	15.0	
	Capital-Voted						
9.	11-Miscellaneous Social Services	2011-12	5.48	3.18	2.30	42.0	Not intimated by the Government.
		2012-13	8.32	6.73	1.59	19.1	
		2013-14	9.68	8.06	1.62	16.7	Non-starting of 11 works pertaining to 2012-13 after objection of Development Authority and Archaeology Department and non-release of work order due to election code of conduct.
10.	19-Public Works	2011-12	304.29	194.48	109.81	36.1	Slow progress/less execution of works.
		2012-13	512.57	376.86	135.71	26.5	
		2013-14	796.83	519.09	277.74	34.9	
11.	23-Labour and Employment	2011-12	5.82	3.25	2.57	44.2	Non-fulfilment of terms and conditions of World Bank by the suppliers under Vocational Training Improvement Project.
		2012-13	5.10	3.72	1.38	27.1	Non-availability of building on rent for Industrial Training Institutes as per the National Council for Vocational Training norms.

(₹ in crore)

Sl. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	% of savings	Main reasons of savings reported in Appropriation Accounts
		2013-14	5.47	2.60	2.87	52.5	Not intimated by the Government.
12.	29-Urban Plan and Regional Development	2011-12	987.34	632.80	354.54	35.9	Non-release of grants to Rajasthan Urban Development Fund, less receipt of funds from the GoI and delay in payment of bills of *Bisalpur* Project.
		2012-13	1169.89	975.95	193.94	16.6	Not intimated by the Government.
		2013-14	1460.01	1045.02	414.99	28.4	Non-receipt of funds from GoI.
13.	30-Tribal Area Development	2011-12	1087.28	691.84	395.44	36.4	Slow progress/non-execution/less execution of works, less receipt of funds from GoI and less investment in power companies
		2012-13	1240.46	1008.19	232.27	18.7	
		2013-14	1822.66	1599.82	222.84	12.2	Not intimated by the Government.
14.	33-Social Security and Welfare	2011-12	74.18	52.35	21.83	29.4	Slow progress/non-execution/non-starting of construction works and non-availability of land.
		2012-13	159.15	73.38	85.77	53.9	Less/non-execution of works and non-release of sanction for construction works.
		2013-14	84.36	73.15	11.21	13.3	Not intimated by the Government.
15.	35-Miscellaneous Community and Economic Services	2011-12	52.44	35.22	17.22	32.8	Non-receipt of funds from GoI for National *e*-Governance Plan.
		2012-13	95.23	59.33	35.90	37.7	
		2013-14	39.19	32.32	6.87	17.5	
16.	38-Minor Irrigation and Soil Conservation	2011-12	24.61	16.67	7.94	32.3	Not intimated by the Government.
		2012-13	23.73	18.51	5.22	22.0	
		2013-14	26.13	0.39	25.74	98.5	Non-receipt of funds from GoI.
17.	46-Irrigation	2011-12	751.52	580.26	171.26	22.8	Less execution of works.
		2012-13	811.29	582.32	228.97	28.2	
		2013-14	1108.51	829.33	279.18	25.2	

Source: Appropriation Accounts

The reasons for persistent savings under 17 cases *ibid* were mainly due to posts remaining vacant. Keeping budgetary provision for vacant posts was in contravention of provisions of the SBM. Other reasons reported were less/non-receipt of funds from GoI and reduction in Plan outlay.

The persistent savings over the years were indicative of over assessment of requirement of funds by the Government in Appropriation Act without adequately scrutinising the same and properly monitoring the flow of expenditure. The budgetary controls in various Departments were not effective and trends of expenditure during previous years were not taken into account while allocating funds for the year. The Controlling Officers of these grants need to be directed by the Finance Department to take necessary steps to avoid persistent savings.

2.3.2.1 A detailed review of persistent savings under Grants No. 9, 24, 26, 37, 42 and 47 was undertaken. Major audit findings are discussed below:

Grant No. 9-Forest

Forest Department

During the period 2011-14, there were persistent savings under Grant No. 9, ranging between ₹ 0.14 crore and ₹ 85.12 crore, being 5 to 94 *per cent* of the total provisions, as detailed in **Table 2.4** below:

Table 2.4: Persistent savings under Grant No. 9-Forest

(₹ in crore)

Sl. No.	Head of A/C	Year	Total Provision	Expenditure	Gross saving	% of savings	Reasons	Audit Comments
1.	2406- Forestry and Wild Life 01-Forestry 001-Direction and Administration 02-Subordinate and support staff	**Non-Plan**						
		2011-12	301.55	284.20	17.35	5.8	Posts remaining vacant and non-availability of plantation land due to stumps/ pieces of trees which could not be removed from forest land due to delay in tendering process of work relating to barbed wire/ cement/ polythene etc.	Keeping provision for vacant posts was in contravention of provisions of the SBM. The department should have taken timely action to ensure availability of land for forest plantation by timely removing stumps/pieces of trees.
		2012-13	330.32	308.62	21.70	6.6		
		2013-14	358.30	335.49	22.81	6.4		
2.	2406- Forestry and Wild Life 01-Forestry 101-Forest Conservation, Development and Regeneration 11-Integrated Forest Security Scheme(1:3)	**Plan**						
		2011-12	0.75	0.59	0.16	21.3	Non-receipt/ late release of second instalment of GoI grant	The department should have pursued with GoI to ensure timely release of instalment.
		2012-13	0.90	0.76	0.14	15.6		
		2013-14	1.10	0.52	0.58	52.7		
		Centrally Sponsored Schemes						
		2011-12	2.25	1.77	0.48	21.3	Non-receipt/ late release of second instalment of GoI grant.	The department should have pursued with GoI to ensure timely release of instalment.
		2012-13	2.70	2.27	0.43	15.9		
		2013-14	3.30	1.55	1.75	53.0		
3.	2406- Forestry and Wild Life 01-Forestry 101-Forest Conservation, Development and Regeneration 12-Fuel and Charcoal Trade Scheme	**Non-Plan**						
		2011-12	7.56	6.49	1.07	14.2	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM and timely action should have been ensured by department for mowing of trees.
		2012-13	7.52	6.73	0.79	10.5	Posts remaining vacant, non-availability of labours for mowing of trees and less expenditure on transportation.	
		2013-14	10.55	9.41	1.14	10.8	Less collection of dry faggots dropping from trees.	
4.	2406- Forestry and Wild Life 01-Forestry 102-Social and farm forestry 25-External assistance received for Rajasthan forestry and Biological project Phase-II	**Plan**						
		2011-12	10.08[2]	4.51	5.57	55.3	Reasons were not furnished by the department.	Reasons were not furnished by the department despite request made by audit vide letters (June and July 2014).
		2012-13	85.41	21.60	63.81	74.7		
		2013-14	144.90	91.20	53.70	31.1		

[2] Including supplementary provision of ₹ 0.02 lakh.

(₹ in crore)

Sl. No.	Head of A/C	Year	Total Provision	Expenditure	Gross saving	% of savings	Reasons	Audit Comments
5.	2406- Forestry and Wild Life 02-Envirromental Forestry and Wild Life 110-Wild Life Preservation 01-Tiger Project, Ranthambore	**Centrally Sponsored Schemes**						
		2011-12	104.78	19.66	85.12	81.2	Consent of villagers could not be obtained for their displacement and non-receipt/late receipt of second instalment of grant from GoI.	Before making budget provisions, feasibility of displacement of villagers should have been properly worked, including their consent.
		2012-13	54.80	13.90	40.90	74.6		
		2013-14	54.50	6.78	47.72	87.6		
6.	2406- Forestry and Wild Life 02-Envirromental Forestry and Wild Life 110-Wild Life Preservation 02-Tiger Project, Sariska	2011-12	32.45	15.48	16.97	52.3	Consent of villagers could not be obtained for their displacement and non-receipt/late receipt of second instalment of grant from GoI.	Before making budget provisions, feasibility of displacement of villagers should have been properly worked, including their consent.
		2012-13	33.50	14.50	19.00	56.7		
		2013-14	53.80	6.12	47.68	88.6		
7.	2406- Forestry and Wild Life 02-Envirromental forestry and wild life 110-Wild life preservation 03-Maintenance of forest Areas	**Non-Plan**						
		2011-12	33.47	29.99	3.48	10.4	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	35.91	30.98	4.93	13.7		
		2013-14	37.90	33.31	4.59	12.1		
8.	2406- Forestry and Wild Life 02-Envirromental Forestry and Wild Life 110-Wild Life Preservation 04-Development of Ghana Bird Sanctuary	**Centrally Sponsored Schemes**						
		2011-12	1.00	0.11	0.89	89.0	Less receipt of funds from GoI and non-receipt of second instalment as per Annual Plan Outlay.	The department should have pursued with GoI to ensure timely release of instalment.
		2012-13	1.00	0.38	0.62	62.0		
		2013-14	1.00	0.32	0.68	68.0		
9.	2406- Forestry and Wild Life 02-Envirromental Forestry and Wild Life 110-Wild Life Preservation 05-Development of National Desert Garden	2011-12	0.80	0.20	0.60	75.0	Non-receipt of second instalment as per Annual Plan outlay.	The department should have pursued with GoI to ensure timely release of instalment.
		2012-13	0.80	0.18	0.62	77.5		
		2013-14	0.80	0.35	0.45	56.3		
10.	4406-Capital outlay on forestry and Wild Life 01-Forestry 070-Communication and Buildings 02-Through the Principal Chief Conservator of Forest, Forest Department	**Plan**						
		2011-12	10.25	3.05	7.20	70.2	Delay in sanction for construction of building.	The department should have pursued the matter with concerned sanctioning authorities to ensure timely release of requisite sanctions.
		2012-13	20.50	10.59	9.91	48.3	Revision of estimates.	
		2013-14	18.00	10.79	7.21	40.1	Non-sanction of Centres for Excellence by State Government.	
11.	4406-Capital outlay on Forestry and Wild Life 01-Forestry 102-Social and Farm Forestry 08-Conservation and Development of Sambhar Moisture Land	**Centrally Sponsored Schemes**						
		2011-12	1.32	0.62	0.70	53.0	Non-receipt/late receipt/ less receipt of second instalment from GoI.	The department should have pursued with GoI to ensure timely release of instalment.
		2012-13	1.32	0.78	0.54	40.9		
		2013-14	2.74	0.17	2.57	93.8		

Source: Appropriation Accounts and reply of the Department

The persistent savings of huge funds against total provisions in respect of important and developmental works/programmes as mentioned in the above table were indicative of deficiencies in monitoring and budgetary controls.

Grant No. 24-Education, Art and Culture

Education, Art and Culture Department

During the period 2011-14, there were persistent savings under Grant No. 24, ranging between ₹ 0.48 crore and ₹ 635.93 crore, being 4 to 100 *per cent* of the total provisions, as detailed in **Table 2.5** below:

Table 2.5: Persistent savings under Grant No. 24-Education, Art and Culture

(₹ in crore)

S. No.	Head of Account	Year	Total Provision	Expen-diture	Gross saving	% of savings	Reasons	Audit Comments
1.	2202-General Education 01-Elementry Education 101-Government Primary Schools 01-Upper Primary Schools for Boys	**Non-Plan**						
		2011-12	92.95	89.06	3.89	4.2	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	96.44	86.95	9.49	9.8		
		2013-14	108.94	93.61	15.33	14.1		
2.	2202-General Education 01-Elementry Education 101-Government Primary Schools 02-Upper Primary Schools for Girls	2011-12	33.01	29.85	3.16	9.6	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	31.39	27.43	3.96	12.6		
		2013-14	36.14	30.82	5.32	14.7		
3.	2202-General Education 01-Elementry Education 197-Assistance to Block Panchayats/Intermediate level Panchayats 01-Upper Primary Schools (Boys) 01-Establishment Expenditure	2011-12	2,056.84	1,852.29	204.55	9.9	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	2,344.24	2,015.63	328.61	14.0		
		2013-14	2,490.84*	2,306.62	184.22	7.4		
4.	2202-General Education 02-Secondary Education 001-Direction and Administration 01-General Expenditure	2011-12	28.11	25.26	2.85	10.1	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	33.59*	26.75	6.84	20.4		
		2013-14	36.98 *	30.46	6.52	17.6		
5.	2202-General Education 02-Secondary Education 109-Government Secondary Schools 01-Boys Schools	2011-12	2,713.94*	2,602.55	111.39	4.1	Excess demand raised by schools.	The provision should have been made keeping in view the trends of previous years' expenditure
		2012-13	3,616.10	2,980.17	635.93	17.6	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2013-14	3,895.05	3,411.80	483.25	12.4	Non-submission of bills by Rajasthan *Rajya Pathya Pustak Mandal.*	Provision for payment on account of bills should have been kept in view of anticipation for payment of pending liabilities, as accurate as possible.

(₹ in crore)

S. No.	Head of Account	Year	Total Provision	Expen-diture	Gross saving	% of savings	Reasons	Audit Comments
6.	2202-General Education 02-Secondary Education 109-Government Secondary Schools 02-Girls schools	2011-12	488.99	396.25	92.74	19.0	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	569.94	454.43	115.51	20.3		
		2013-14	667.89	519.49	148.40	22.2		
7.	2202-General Education 02-Secondary Education 109-Government Secondary Schools 08-Girls Hostel 01-Girls Hostel–General Expenditure	**Plan**						
		2011-12	1.85	1.19	0.66	35.7	Non-receipt of funds from GoI.	The department should have pursued with GoI to ensure timely release of sufficient funds.
		2012-13	3.49	-	3.49	100.0		
		2013-14	4.74*	0.68	4.06	85.7		
		Centrally Sponsored Schemes						
		2011-12	31.70	16.50	15.20	47.9		
		2012-13	50.66	-	50.66	100.0		
		2013-14	60.79	6.09	54.70	90.0		
8.	2202-General Education 02-Secondary Education 109-Government Secondary Schools 09-Model School 01-Model School-General Expenditure	**Plan**						
		2011-12	14.45	12.57	1.88	13.0	Non-receipt of sanction from GoI.	The department should have pursued with GoI to ensure timely release of sufficient funds.
		2012-13	34.61	8.43	26.18	75.6		
		2013-14	34.61*	1.99	32.62	94.3		
9.	2202-General Education 04-Adult Education 200-Other Adult education Programme 02-Sakshar Bharat Abhiyaan	2011-12	33.80	27.04	6.76	20.0	Less central share received from GoI.	The department should have pursued with GoI to ensure timely release of sufficient funds.
		2012-13	5.50	-	5.50	100.0	Non-release of central share by GoI.	
		2013-14	12.10	9.28	2.82	23.3	Less central share received from GoI.	
10.	2204-Sports and Youth Services 102-Youth Welfare programmes for students 02-National Service Scheme (5:7) 02-Higher Secondary School	**Centrally Sponsored Schemes**						
		2011-12	2.19	1.55	0.64	29.2	Non-receipt of second instalment from GoI.	The department should have pursued with GoI to ensure timely release of sufficient funds.
		2012-13	2.20	1.11	1.09	49.5		
		2013-14	2.38	1.04	1.34	56.3	Less release of funds by the State Government.	
11.	2205-Art and Culture 103-Archaeology 01-General Expenditure	**Non-Plan**						
		2011-12	6.78	6.30	0.48	7.1	Less expenditure on salaries due to posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	7.56	6.27	1.29	17.1		
		2013-14	7.29	5.72	1.57	21.5	Posts remaining vacant and non-payment of salaries to temporary security guards due to non-receipt of sanction from Police Department.	

* Including supplementary provisions.

Source: Appropriation Accounts and reply of the Department

The aforesaid position reveals persistent savings of ₹ 1,767.32 crore on account of posts remaining vacant which could have been avoided with proper budgeting, particularly by keeping in view the provisions laid down in para 13.18.2 of SBM which proscribe such estimation.

Keeping of provisions against vacancies, featuring year after year in the departments was not only violative of budgetary provisions but also indicative of systemic deficiencies. With proper forecasting, such funds which

were re-appropriated/surrendered at the fag end of year could have been put in execution of other important works/programmes/projects/schemes.

Grant No. 26- Medical and Public Health and Sanitation

Medical and Health Department

During the period 2011-14, there were persistent savings under Grant No. 26, ranging between ₹ 0.21 crore and ₹ 61.26 crore, being 3 to 100 *per cent* of the total provisions, as detailed in **Table 2.6** below:

Table 2.6: Persistent savings under Grant No. 26-Medical and Public Health and Sanitation

(₹ in crore)

S. No.	Head of Account	Year	Total Provision	Expen-diture	Gross saving	% of savings	Reasons	Audit Comments
1.	2210-Medical and Public Health 01-Urban Health Services-Allopathy 110-Hospital and Dispensaries 01-Teaching Hospitals 18-Ummed Hospital, Jodhpur	**Plan**						
		2011-12	0.89	0.37	0.52	58.4	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	1.93	0.47	1.46	75.6		
		2013-14	3.80	1.78	2.02	53.2		
2.	2210-Medical and Public Health 01-Urban Health Services-Allopathy 110-Hospital and Dispensaries 01-Teaching Hospitals 24-Maharana Bhupal Govt. Hospital, Udaipur	2011-12	3.79	0.60	3.19	84.2	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	3.59	1.94	1.65	46.0		
		2013-14	4.48	2.56	1.92	42.9		
3.	2210-Medical and Public Health 01-Urban Health Services-Allopathy 110-Hospital and Dispensaries 02-Mobile Hospital 08-Other Mobile Surgical Units	2011-12	2.59	2.17	0.42	16.2	Posts remaining vacant and supply of free medicine by Rajasthan Medical Services Corporation Limited (RMSCL).	Budget provision should have been made keeping in view the anticipated supply of medicines by RMSCL.
		2012-13	5.24	2.82	2.42	46.2		
		2013-14	5.83	3.31	2.52	43.2		
4.	2210-Medical and Public Health 03-Rural Health Services 104-Community Health Centres 01-Community Health Centres	**Non-Plan**						
		2011-12	192.07	183.47	8.60	4.5	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	255.63	246.33	9.30	3.6		
		2013-14	290.40	275.12	15.28	5.3		
		Plan						
		2011-12	36.44*	33.18	3.26	9.0		
		2012-13	33.70	9.82	23.88	70.9		
		2013-14	46.80	39.92	6.88	14.7		
5.	2210-Medical and Public Health 04-Rural Health Services-Other systems of Medicine 101-Ayurveda 01-Hospitals and Dispensaries	**Non-Plan**						
		2011-12	290.47	267.72	22.75	7.8	Posts remaining vacant and less withdrawal of Assured Career progression (ACP) arrears than estimates.	Department should have anticipated arrears on account of ACP cases with near accuracy.
		2012-13	332.71	288.41	44.30	13.3		
		2013-14	379.59	318.33	61.26	16.1		

(₹ in crore)

S. No.	Head of Account	Year	Total Provision	Expen-diture	Gross saving	% of savings	Reasons	Audit Comments
6.	2210-Medical and Public Health 05-Medical Education Training and Research 105-Allopathy 01-Education 03-Medical College, Udaipur	**Non-Plan**						
		2011-12	28.55	26.70	1.85	6.5	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	32.03	29.62	2.41	7.5		
		2013-14	38.91	35.93	2.98	7.7		
7.	2210-Medical and Public Health 05-Medical Education Training and Research 105-Allopathy 01-Education 04-Medical College, Ajmer	2011-12	25.97	23.77	2.20	8.5	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	29.33	27.51	1.82	6.2		
		2013-14	35.23	32.30	2.93	8.3		
8.	2210-Medical and Public Health 05-Medical Education Training and Research 105-Allopathy 01-Education 05-Medical College, Jodhpur	**Plan**						
		2011-12	6.58*	5.24	1.34	20.4	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	2.67	2.46	0.21	7.9		
		2013-14	4.04	1.44	2.60	64.4		
9.	2210-Medical and Public Health 06-Public Health 101-Prevention and Control of Diseases 01-National Malaria Eradication Programme	**Non-Plan**						
		2011-12	59.68	49.03	10.65	17.9	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	60.09	49.51	10.58	17.6		
		2013-14	60.80	51.37	9.43	15.5		
10.	2210-Medical and Public Health 06-Public Health 101-Prevention and Control of Diseases 05-National Leprosy Control Programme	2011-12	5.02	4.12	0.90	17.9	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	5.33	4.27	1.06	19.9		
		2013-14	6.07	4.78	1.29	21.3		
11.	2210-Medical and Public Health 06-Public Health 104-Drug Control 01-Drug Control Establishment 01-Through Director, Medical and Health Services	**Plan**						
		2011-12	1.45*	0.11	1.34	92.4	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	1.60	0.01	1.59	99.4		
		2013-14	10.44	1.43	9.01	86.3		
12.	2210-Medical and Public Health 06-Public Health 107-Public Health laboratories 01-Bacteoriological Laboratories	2011-12	1.46	-	1.46	100.0	Posts remaining vacant and saving in material and supplies.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	2.49	0.10	2.39	96.0		
		2013-14	5.91	1.06	4.85	82.1		

(₹ in crore)

S. No.	Head of Account	Year	Total Provision	Expen-diture	Gross saving	% of savings	Reasons	Audit Comments
13.	2210-Medical and Public Health 06-Public Health 197-Assistance to Block Panchayats/Intermediate level Panchayats 01-Block Level Establishment 01-Block Chief Medical Officer	**Non-Plan**						
		2011-12	49.30	43.88	5.42	11.0	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	56.70	53.37	3.33	5.9		
		2013-14	64.16	61.08	3.08	4.8		
14.	2211-Family Welfare 200-Other Services and Supplies 01-Conventional Contraceptives	**Centrally Sponsored Schemes**						
		2011-12	14.00	4.68	9.32	66.6	Delay in release of sanction by GoI and the extent of supply of material from GoI also could not be assessed, for which GoI was also informed suitably.	The department should have pursued with GoI for timely release of sanction and supply of material. Conventional contraceptives should also have been quantified reasonably by Government of Rajasthan.
		2012-13	14.00	8.53	5.47	39.1		
		2013-14	14.00	10.22	3.78	27.0		
15.	4210-Capital outlay on Medical and Public Health 01-Urban Health Services 110-Hospital and Dispensaries 12-Work under Thirteenth Finance Commission (D.M.H.S.) 90-Construction Work	**Plan**						
		2011-12	20.41*	6.65	13.76	67.4	Due to entrustment of work to Chief Engineer, National Rural Health Mission (NRHM) and Medical and Health Department from executing agencies of Public Works Department (PWD), there was delay in tendering process due to which work could not be started by end of 2011-12. The funds were received under TFC as grant which does not lapse and would be used in next year.	Attributing reasons for delay in tendering process to entrustment of work to Chief Engineer, NRHM and Medical and Health Department indicates systemic deficiencies and non-utilisation of funds for intended purposes within stipulated time for construction work, which led to blocking of funds. Cost escalation in work also cannot be ruled out.
		2012-13	10.25	0.91	9.34	91.1		
		2013-14	46.04*	32.28	13.76	29.9		
16.	4210-Capital outlay on Medical and Public Health 03-Medical Education, Training and Research 105-Allopathy 07-Other Expenditure 03-Medical college, Udaipur	2011-12	4.75	3.55	1.20	25.3	Due to non-receipt/ delay in receipt of tenders and slow progress of work.	It was responsibility of the department/ State Government to ensure required level of progress of work with timely decision, implementation and monitoring.
		2012-13	6.27*	2.71	3.56	56.8		
		2013-14	6.87*	0.77	6.10	88.8		

* Including Supplementary Provision.

Source: Appropriation Accounts and reply of the Department

The aforesaid position reveals persistent savings of ₹ 153.98 crore on account of posts remaining vacant which could have been avoided with proper

budgeting, particularly by keeping in view the provisions laid down in para 13.18.2 of SBM which proscribe such estimation.

With proper forecasting such funds which were re-appropriated/surrendered at the fag end of year could have been used in execution of other important works/programmes/projects/schemes in the departments involved in the Grant.

Grant No.37- Agriculture

Agriculture Department

During the period 2011-14, there were persistent savings under Grant No. 37, ranging between ₹ 0.27 crore and ₹ 11.11 crore, being 5 to 100 *per cent* of the total provisions, as detailed in **Table 2.7** below:

Table 2.7: Persistent savings under Grant No. 37-Agriculture

(₹ in crore)

Sl. No.	Head of Account	Year	Total Provision	Expen-diture	Gross Saving	% of savings	Reasons	Audit Comments
1.	2401- Crop Husbandry 119- Horticulture and Vegetable Crops 25- National Horticulture Mission (15% State Share, 85% Central Share)	**Plan**						
		2011-12	10.67	6.38	4.29	40.2	Less release of State share due to less receipt of funds from GoI.	The department should have pursued with GoI to ensure timely release of sufficient funds
		2012-13	7.98	6.07	1.91	23.9		
		2013-14	8.10	6.60	1.50	18.5		
2.	2401- Crop Husbandry 119- Horticulture and Vegetable Crops 27- Assistance for Processing of Agriculture Products	2011-12	1.00	0.31	0.69	69.0	As per decision (July 2010) by Chief Secretary, the grant was to be given to those farmers/entrepreneurs who had done good work in installing processing units. Only five farmers/ entrepreneurs were found eligible for sanction of grant till July 2010. The FD refused (August 2011) to carry on the old schemes.	The provision should have been made keeping in view the decision taken in July 2010 and assessment for distribution of grants done accordingly for 2011-12 and for 2012-13, proposals were called for at the end of financial year due to which paucity of time for fetching and processing the proposals cannot be ruled out.
		2012-13	2.00	-	2.00	100.0	Proposals received from entrepreneurs/ farmers by 20 February 2013 were incomplete/ ineligible as per the guidelines of the scheme and whole amount was transferred to budget head '2401-119-28'.	
		2013-14	10.00	2.32	7.68	76.8	Receipt of proposals from farmers for	The extent of savings shows systemic

(₹ in crore)

Sl. No.	Head of Account	Year	Total Provision	Expen-diture	Gross Saving	% of savings	Reasons	Audit Comments
							lesser amount than grant and non-receipt of requisite documents from food processing units.	deficiencies resulting in poor response by farmers in units.
3.	2401- Crop Husbandry 196- Assistance to Zila Parishads /District level Panchayats 04-District level Establishment Expenditure	**Non-Plan**						
		2011-12	34.96[3]	33.00	1.96	5.6	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	37.67	33.54	4.13	11.0		
		2013-14	40.88	36.11	4.77	11.7		
4.	2401- Crop Husbandry 196- Assistance to Zila Parishads /District level Panchayats 06- District level Agriculture Schemes 07-Integrated Scheme of Oil seed, Pulses, Oil palm and Maize	**Plan**						
		2011-12	4.90	4.63	0.27	5.5	Difference of actual expenditure on the inputs and prescribed specifications.	The department should have made efforts to procure material as per specifications
		2012-13	5.27	3.52	1.75	33.2	Non-supply of Gypsum by RSMML as per requirement of farmers, less crop area of oil seed due to less rain fall and non-availability of trucks for supply of Gypsum.	The department should have ensured supply of Gypsum and availability of other means of transport.
		2013-14	5.42	1.72	3.70	68.3	Less receipt of funds from GoI in ISOPOM scheme and non-supply of Gypsum by RSMML.	The department should have pursued with GoI appropriately for availability of adequate funds for scheme.
5.	2401- Crop Husbandry 196- Assistance to Zila Parishads /District level Panchayats 06- District level Agriculture Schemes 07- Integrated Scheme of Oil seed, Pulses, Oil palm and Maize	**Centrally Sponsored Schemes**						
		2011-12	14.70	13.90	0.80	5.4	Difference of actual expenditure on the inputs and prescribed specifications.	The department should have made efforts to procure material as per specifications
		2012-13	15.80	10.57	5.23	33.1	Non-supply of Gypsum by RSMML as per requirement of farmers, less crop area of oil seed due to less rainfall and non-availability of trucks for supply of Gypsum.	The department should have taken timely action to ensure supply of Gypsum, availability of other means of transport.

[3] Including supplementary provision of ₹ 7.26 crore.

(₹ in crore)

Sl. No.	Head of Account	Year	Total Provision	Expen-diture	Gross Saving	% of savings	Reasons	Audit Comments
		2013-14	16.25	5.14	11.11	68.4	Less receipt of funds from GoI in ISOPOM scheme and non-supply of Gypsum by RSMML.	The department should have pursued with GoI appropriately for availability of adequate funds for scheme.
6.	2401- Crop Husbandry 800- Other Expenditure 27- National Agriculture Development Project (Special Central Assistance) 05- Through the Fisheries Department	**Plan**						
		2011-12	2.00	0.87	1.13	56.5	The estimates were based on the proposals prepared by the Fisheries Department.	The ultimate responsibility of the department was to ensure proper estimation from Fisheries and Forest department.
		2012-13	5.00	3.93	1.07	21.4		
		2013-14	2.00	0.82	1.18	59.0		
7.	2401- Crop Husbandry 800- Other Expenditure 27- National Agriculture Development Project (Special Central Assistance) 15-Through the Forest Department	2011-12	10.00	8.22	1.78	17.8	The estimates were based on the proposals prepared by the Forest Department.	It was the ultimate responsibility of the department to ensure proper estimation from Fisheries and Forest department.
		2012-13	8.00	3.07	4.93	61.6		
		2013-14	15.00	10.04	4.96	33.1		
8.	4401- Capital Outlay on Crop Husbandry 800- Other Expenditure 03- National Agriculture Development Project (Special Central Assistance) 01-Through the Agriculture Department	2011-12	25.00	16.12	8.88	35.5	Estimation was based on projects sanctioned by 16 other departments.	The ultimate responsibility for finalisation of estimates prepared by 16 other implementing departments of schemes lies with the department.
		2012-13	10.00	6.75	3.25	32.5		
		2013-14	7.00	0.58	6.42	91.7		
9.	4401- Capital Outlay on Crop Husbandry 800- Other Expenditure 03- National Agriculture Development Project (Special Central Assistance) 03- Through the Animal Husbandry Department	2011-12	4.99	0.99	4.00	80.2	Estimation was based on projects sanctioned by 16 various departments.	The ultimate responsibility for finalisation of estimates prepared by various other departments lies with the department.
		2012-13	2.00	0.21	1.79	89.5		
		2013-14	2.00	0.62	1.38	69.0		

Source: Appropriation Accounts and reply of the Department

The persistent savings in the above cases indicate inadequate financial control of the department over expenditure and also that the funds could not be utilised for other development purposes.

Grant No.42- Industries

Industries Department

During the period 2011-14, there were persistent savings under Grant No. 42 ranging between ₹ 0.32 crore and ₹ 2.80 crore, being 3 to 100 *per cent* of the total provisions, as detailed in the following **Table 2.8**:

Table 2.8: Persistent savings under Grant No. 42-Industries

(₹ in crore)

Sl. No.	Head of Account	Year	Total Provision	Expen-diture	Gross Savings	% of savings	Reasons	Audit Comments
1	2851- Village and Small Industries 103-Handloom Industries 09-Integrated Handloom Development Programme	**Centrally Sponsored Schemes**						
		2011-12	2.00*	1.60	0.40	20.0	Less financial sanction received from GoI.	The trend of expenditure in previous years was not kept in view and huge savings indicate faulty estimation, deficiencies in pursuance of State Government to seek timely targets for new proposals and funds from GoI and lack of monitoring on implementing agencies of projects.
		2012-13	1.05	0.10	0.95	90.5	Non-fixing of targets for new proposals by GoI.	
		2013-14	1.05	-	1.05	100.0	Non-receipt of funds from GoI.	
2	2852- Industries 80- General 001-Direction and Administration 01-Direction and Superintendence	**Non-Plan**						
		2011-12	8.34*	8.02	0.32	3.8	Posts remaining vacant	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	8.88	8.15	0.73	8.2		
		2013-14	10.17	9.00	1.17	11.5		
3	2852- Industries 80- General 001- Direction and Administration 04-District Industries Centre	**Non-Plan**						
		2011-12	24.08*	22.33	1.75	7.3	Posts remaining vacant.	Keeping provision for vacant posts was in contravention of provisions of the SBM.
		2012-13	25.61	22.81	2.80	10.9		
		2013-14	27.12	24.51	2.61	9.6		

* Including Supplementary provisions.
Source: Appropriation Accounts and reply of the Department

The persistent savings in the above cases indicate inadequate financial control of the department over expenditure.

Grant No. 47-Tourism

Tourism Department

During the period 2011-14, there were persistent savings under Grant No. 47 ranging between ₹ 0.15 crore and ₹ 2.08 crore, being 6 to 51 *per cent* of total provisions, as detailed in the following **Table 2.9**:

Table 2.9: Persistent savings under Grant No. 47-Tourism

(₹ in crore)

S. No.	Head of Account	Year	Total Provision	Expendi-ture	Gross Savings	% of savings
1.	3452-Tourism 80-General 001-Direction and Administration	**Non-Plan**				
		2011-12	5.93	5.50	0.43	7.3
		2012-13	6.73	6.30	0.43	6.4
		2013-14	7.35	6.57	0.78	10.6
2.	3452-Tourism 80-General 800-Other Expenditure 07-Rajasthan fair management Authority	**Plan**				
		2011-12	0.50*	0.30	0.20	40.0
		2012-13	1.28*	1.13	0.15	11.7
		2013-14	1.20	0.70	0.50	41.7

S. No.	Head of Account	Year	Total Provision	Expendi -ture	Gross Savings	% of savings
3.	5452-Capital outlay on Tourism 80- General 800-other expenditure 05-Development of Rural Tourism	**Plan**				
		2012-13	4.95	2.87	2.08	42.0
		2013-14	3.71	1.83	1.88	50.7

***** Including supplementary provision.
Source: Appropriation Accounts

The Department attributed savings mainly to posts remaining vacant, abolition of posts of tourist police[4], less expenditure incurred by Archaeology Department and code of conduct imposed in October 2013 during assembly elections. The reply was not acceptable as keeping provision for vacant posts was in contravention of provisions of the SBM.

2.3.3 Excess Expenditure

In 14 cases, the programme delivery departments exceeded the expenditure limits by ₹ 79.76 crore, set by the Legislature through grants. In these cases, excess expenditure was more than ₹ 1 crore and also more than 10 *per cent* of the total provisions in each case ***(Appendix 2.2)***.

Inadequate provision of funds resulting in excess expenditure indicated deficient budgeting and expenditure controls.

2.3.4 Excess over provisions relating to previous years (2010-13) requiring regularisation

Under Article 205 of the Constitution of India, it is mandatory for State Governments to get the excess over a grant/appropriation, regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed, such regularisation is done after completion of the discussion of Appropriation Accounts by the Public Accounts Committee (PAC).

In 11 grants, excess expenditure amounting to ₹ 19.93 crore for the period 2010-13 was yet to be regularised (as on 5 September 2014)**.** The year-wise details are summarised in **Table 2.10** below**:**

Table 2.10: Excess over provisions relating to previous years requiring regularisation

Year	Total number of Grants/ Appropriations	Number and name of Grant/Appropriation	Grant/ Appropriation	Amount of excess (₹ in crore)	Stage of consideration by PAC (As on 5 September 2014)
2010-11	4	20-Housing	Capital-voted	2.16	Examined by PAC. However, Action Taken Note is awaited from the Government.
		27-Drinking Water Scheme	Revenue-voted	15.70	
		28-Special Programme for Rural Development	Revenue-voted	1.90	
		38-Minor Irrigation and Soil Conservation	Capital-voted	0.01	

[4] The Tourist Police was to be composed of personnel of Police Department deployed in the Department of Tourism on deputation

Year	Total number of Grants/ Appropriations	Number and name of Grant/Appropriation	Grant/ Appropriation	Amount of excess (₹ in crore)	Stage of consideration by PAC (As on 5 September 2014)
	2	13-Excise	Revenue-charged	[5]	
		15-Pensions and Other Retirement Benefits	Revenue-charged	0.03	
2011-12	1	48-Power	Capital-voted	0.01	Not examined by PAC
	2	12-Other Taxes	Revenue-charged	0.11	Not examined by PAC
		36-Cooperation	Revenue-charged	[6]	Not examined by PAC
2012-13	2	11- Miscellaneous Social Services	Revenue-charged	0.01	Not examined by PAC
		20-Housing	Revenue-charged	[7]	Not examined by PAC
Total	**11**			**19.93**	

Source: Appropriation Accounts

2.3.5 Excess over provisions during 2013-14 requiring regularisation

Table 2.11 contains the summary of excesses under one appropriation and one grant amounting to ₹ 80.93 lakh over and above which was authorised from the Consolidated Fund of the State, during 2013-14 and requires regularisation under Article 205 of the Constitution.

Table 2.11: Excess over provisions requiring regularisation during 2013-14

(₹ in lakh)

S. No.	Number and name of Grant/Appropriation	Total appropriation	Expenditure	Excess
Revenue- Charged				
1.	16-Police	*13.08*	*13.31*	*0.23*
Capital Voted				
2.	41-Community Development	610.84	691.54	80.70
Grand Total		**623.92**	**704.85**	**80.93**

Source: Appropriation Accounts

The Finance Department did not furnish reasons for excess expenditure over authorisation from the Consolidated Fund of the State to the PAG (A & E), Rajasthan.

2.3.6 Unnecessary/excessive supplementary provision

Para 24.2 of SBM stipulates that if during the currency of a financial year, the amount provided for any purpose is found to be inadequate or a need arises for an expenditure on some object or service for which no provision has been made, a supplementary provision can be sanctioned by the Legislature. During 2013-14, supplementary provision, aggregating to ₹ 1,435.14 crore, obtained in 15 cases (₹ 1 crore or more in each case), proved unnecessary as the expenditure did not even come up to the level of the original provision (***Appendix 2.3)***. Important cases where supplementary provisions of more than ₹ 100 crore in each case proved unnecessary are given below in **Table 2.12:**

[5] Only ₹ 54,783
[6] Only ₹ 57
[7] Only ₹ 2,100

Table 2.12: Cases where supplementary provisions (more than ₹ 100 crore) proved unnecessary during 2013-14

(₹ in crore)

Sl. No.	Number and Name of the Grant	Original Provision	Supple-mentary provision	Expen-diture	Reasons for supplementary provisions
1	24-Education, Art and Culture	14,453.24	361.85	13,611.65	For payment of pay and allowances to teachers of primary schools and to meet additional expenditure for distribution of lap-tops
2	26-Medical and Public Health and Sanitation	4,102.26	214.69	3,999.51	For creation of capital assets of Rajasthan Health Science University, Jaipur and for issuance of State share in anticipation of release of funds from GoI
3	30-Tribal Area Development	1,648.59	174.07	1,599.82	Supplementary provision of ₹ 174.07 crore, obtained in February 2014 mainly for Integrated Water Supply of Sikar, Jhunjhunu, Khetri under Urban Water Supply Schemes, receipt of funds from GoI for construction of Ashram Hostels for girls, capital investment in various power distribution corporations[8] limited and construction of roads of RIDF finance by NABARD.
4	51-Special Component Plan for Welfare of Scheduled Castes	1,861.40	231.62	1,817.94	For receipt of additional funds from GoI under Rajiv *Awas Yojana*, Capital investment in various power distribution corporations[8] limited and construction of roads of RIDF financed by NABARD

Source: Appropriation Accounts

In all the above cases, it was seen that provision for supplementary grants proved unnecessary as the actual expenditure was even less than the original budget estimates. This indicated deficiencies in estimation of requirement of funds for the remaining period of the financial year and failure to monitor the flow of expenditure by these departments, as prescribed in Chapter 21 of the SBM. Thus, unnecessary supplementary provision was made without assessing the actual requirements of funds under these sub-heads.

2.3.7 Excessive/unnecessary reappropriation of funds

Reappropriation is transfer of funds within a grant from one unit of appropriation where savings are anticipated, to another unit where additional funds are needed.

Injudicious reappropriation of funds proved excessive, unnecessary or insufficient, resulting in excess expenditure of ₹ 46.53 crore in 97 sub-heads and final savings of ₹ 223.96 crore in 373 sub-heads. The final excesses/savings after reappropriation was more than ₹ 1 crore in 30 head of accounts (***Appendix 2.4)***. There was insufficient reappropriation in 17 head of accounts, unnecessary reappropriation in 6 head of accounts and excessive reappropriation in 7 head of accounts. This indicated that the availability/requirement of funds was not properly assessed before such reappropriation.

[8] Jaipur, Jodhpur and Ajmer.

2.3.8 Unexplained reappropriations

Para 23.15.6 of SBM envisages that the reasons for anticipating excesses or savings should be clearly explained. Scrutiny of reappropriation orders issued (31 March 2014) by the Finance Department, revealed that out of 1,918 explanations, 674 cases were clearly explained in the reappropriation orders and explanations in the remaining 1,244 cases were of general nature like 'actual requirement', 'based on latest assessment' and 'restriction of expenditure'. This goes against the principle of transparency stipulated in Section 4 of Fiscal Responsibility and Budget Management Act.

2.3.9 Anticipated savings not surrendered

As per para 23.16 of SBM, grants that cannot be properly utilised should be surrendered. During 2013-14, out of total savings of ₹ 9,733.91 crore, a sum of ₹ 9,233.15 crore (94.9 *per cent*) was surrendered on the last working day of the financial year. Of this, ₹ 9,045.14 crore in 46 cases (35 grants and 1 appropriation) where savings were of more than ₹ 20 crore in each case, were surrendered on the last working day (***Appendix 2.5***) while in 16 grants, where savings (₹ 4,335.88 crore) were ₹ 1 crore and above, an amount of ₹ 563.86 crore (13 *per cent*) was not surrendered (***Appendix 2.6)***.

This indicated lack of realistic financial planning and weak financial control. The Chief Controlling Officers and the Heads of the Departments ignored the budgetary controls laid down in the SBM and the Finance Department failed to exercise the overall financial control over the State budget, which resulted in deprivation of funds for other development purposes.

Departments did not furnish (November 2014) any reasons/explanations regarding surrender of savings on the last working day of financial year.

2.3.10 Lump sum provision

Para 13.16 of SBM stipulates that lump sum provision should not be, as a rule, made in estimates. In some cases, however, lump provision may become unavoidable. Barring cases where expenditure from lump allotments is regulated by standing sanctions, instructions or rules, detailed explanations justifying provision proposed shall be given in the budget note accompanying the lump sum estimates.

During 2013-14, in 114 cases (more than ₹ 5 crore and also more than 50 *per cent* of budget provision in 26 grants and 1 appropriation) a lump sum provision of ₹ 3,859.29 crore was made in the estimates. Out of this a sum of ₹ 3,477.58 crore (90.1 *per cent*) remained unutilised at the close of the financial year, which was surrendered at the fag end of the year (***Appendix 2.7)*** and the remaining amount of ₹ 381.71 crore was re-appropriated. Reasons for making lump sum budget provisions under these cases were not furnished (November 2014) by the Government.

2.3.11 Surrender in excess of actual savings

In four grants, against the savings of ₹ 726.03 crore, an amount of ₹ 791.34 crore was surrendered, which was in excess by ₹ 65.31 crore (***Appendix 2.8***) indicating that the departments failed to exercise necessary budgetary controls of watching the flow of expenditure through the monthly expenditure statements. Departments did not furnish any reasons/explanations regarding surrender in excess of actual savings (November 2014).

2.3.12 Rush of expenditure

Maintaining uniform pace of expenditure is a crucial component of sound public financial management. Any rush of expenditure in the closing month of the financial year should be avoided.

During 2013-14, in respect of 70 sub-heads (***Appendix 2.9)*** expenditure of ₹ 12,769.11 crore (exceeding ₹ 50 crore and more than 30 *per cent* of the total expenditure in each case) was incurred in the last quarter of the financial year, which was 49 *per cent* of total expenditure. Of this, ₹ 9,027.71 crore (34.6 *per cent*) was spent in March 2014 alone.

Major Heads, where more than 50 *per cent* expenditure was incurred either during the last quarter or during the last month of the Financial Year, are shown below:

Table 2.13: Cases of Rush of expenditure towards the end of the Financial Year 2013-14

(₹ in crore)

Sl. No.	Head of Account	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2014	
			Amount	% of total expenditure	Amount	% of total expenditure
1.	2075-Miscellaneous General Services	422.98	421.89	99.7	421.71	99.7
2.	2425-Co-operation	451.02	387.71	86.0	374.20	83.0
3.	3475-Other General Economic Services	15.33	11.45	74.7	10.45	68.2
4.	3604-Compensation and Assignments to Local Bodies and *Panchayati Raj* Institutions	248.69	248.65	100.0	248.08	99.8
5.	4236-Capital Outlay on Nutrition	43.67	43.67	100.0	43.67	100.0
6.	4801-Capital Outlay on Power Projects	3,953.00	2,120.89	53.7	2,095.89	53.0
7.	4860-Capital Outlay on Consumer Industries	43.00	43.00	100.0	43.00	100.0
8.	5475-Capital Outlay on Other General Economic Services	44.84	28.07	62.6	25.55	57.0
	TOTAL	**5,222.53**	**3,305.33**	**63.3**	**3,262.55**	**62.5**

Source: Office of the PAG (A & E), Rajasthan

Incidentally, 9.20 *per cent* (₹ 1,309.63 crore) of the total amount (₹ 14,229.32 crore) was transferred/deposited in Personal Deposit (PD) Accounts during March 2014 alone as detailed in ***paragraph 3.6***

Thus, substantial expenditure was incurred by the departments at the fag end of the year which is indicative of inadequate financial control over the expenditure.

2.4 Budget Formulation and Budgetary Control

A review of 'Budget Formulation and Budgetary Control' in respect of Grant No. 28- 'Special Programmes for Rural Development' involving three Major Revenue Heads[9] revealed following position:

Under revenue expenditure of the grant, savings fluctuated between 14.1 *per cent* and 60.3 *per cent* during the period 2011-14. In fact, in the last two years the percentage of savings was more than 58 *per cent.* The trend of persistent savings during the period, particularly in view of excess expenditure of ₹ 1.90 crore in 2010-11, indicates deficiency in estimation as shown below:

Table 2.14: Trend of savings/excesses during 2010-14

(₹in crore)

Year	Original Budget	Supplementary	Total Provision	Actual Expenditure	Savings (-)/ Excess (+)	Percentage
2010-11	47.44	26.59	74.03	75.93	(+) 1.90	2.57
2011-12	70.69	5.35	76.04	65.32	(-) 10.72	14.1
2012-13	140.53	0.07	140.60	55.77	(-) 84.83	60.3
2013-14	52.01	-	52.01	21.62	(-) 30.39	58.4

Source: Appropriation Accounts

(ii) Further examination of sub-head '2501-06-196-02-01 (Plan)' under the grant revealed savings during the period 2011-14 as follows: -

Table 2.15: Persistent savings during 2011-14

(₹in lakh)

Head of Account	Year	Total Budget Provision	Actual Expenditure	Savings	Percentage Savings
2501-Special Programmes for Rural Development 06-Self Employment Programme (State Share) 196-Assistance to Zila Parishads/ District Level Panchayats 02-Rural *Haat* 01-Grants	2011-12	25.00	-	25.00	100
	2012-13	22.50	7.50	15.00	66.7
	2013-14	22.50	-	22.50	100

Source: Appropriation Accounts

The savings ranged between 66.7 and 100 *per cent.* Department attributed (July 2014) main reasons for savings to non/less receipts of funds from GoI. The reply is not correct as savings indicate that budgetary controls in the concerned Department were not effective, resulting in blocking of funds in

[9] (i) 2501-Special Programmes for Rural Development, (ii) 2515-Other Rural Development Programmes and (iii) 2810-New and Renewal Energy

each year, which could have been utilised for other development works under sub head 'Rural *Haat'*.

The matter was brought to the notice of State Government (September 2014). Reply was awaited (November 2014).

2.5 Outcome of review of selected grants

A review of receipts and expenditure under Grant No. 17-Jails and Grant No. 33-Social Security and Welfare for the period 2011-14 revealed the following position:

Grant No. 17-Jails

Home Department

(a) Revenue Expenditure

The overall revenue expenditure showed increase of 17.19 *per cent* and 18.04 *per cent* over previous year, as summarised below:-

Table 2.16: Summarised position of actual expenditure *vis-à-vis* original/supplementary provision during 2011-14

(₹ in crore)

Head of account	Year	Original provision	Supplementary provision	Total provision	Expenditure	Savings	Percentage	
							Savings	Growth in expenditure
2056-Jails	2011-12	75.71	8.22	83.93	78.69	5.24	6.24	-
	2012-13	84.82	12.05	96.87	92.22	4.65	4.80	17.19
	2013-14	103.54	10.03	113.57	108.86	4.71	4.15	18.04

Source: Appropriation Accounts

(ii) Unless new items of expenditure are anticipated and added, the growth in non-plan expenditure is normally assumed to be around 10 *per cent*. An analysis of certain sub-heads revealed trend of growth ranging between 14.05 *per cent* and 33.49 *per cent* as summarised below:-

Table 2.17: Trend of expenditure in certain heads under Grant No. 17 during 2011-14

(₹in crore)

Head of account	Year	Original provision	Supplementary provision	Total provision	Expenditure	Growth of expenditure	Percentage Growth
2056- Jails 101-Jails 01- Central Jail	2011-12	37.09	3.88	40.97	38.78	-	-
	2012-13	42.06	5.40	47.46	44.23	(+) 5.45	14.05
	2013-14	47.23	6.97	54.20	51.40	(+) 7.17	16.21
2056- Jails 101-Jails 02- District Jail	2011-12	17.52	2.00	19.52	18.72	-	-
	2012-13	20.08	5.65	25.73	24.99	(+) 6.27	33.49
	2013-14	28.01	1.50	29.51	29.20	(+) 4.21	16.85
2056- Jails 101-Jails 03- Lock-ups	2011-12	13.75	0.70	14.45	13.37	-	
	2012-13	15.68	0.55	16.23	15.37	(+) 2.00	14.96
	2013-14	17.56	-	17.56	17.82	(+) 2.45	15.94
2056- Jails 800-Other Expenditure 03-Woman Prisoners' Reforms Home	2011-12	1.00	-	1.00	0.93	-	-
	2012-13	1.09	-	1.09	1.13	(+) 0.20	21.51
	2013-14	1.16	-	1.16	1.33	(+) 0.20	17.70

Source: Appropriation Accounts

The reasons given by the department were: more payment of honorarium and allowances, payment of pending bills, increase in office expenditure and increase in rates of food materials.

The reply is not acceptable as all the expenditure were incurred under Non-plan heads and related to payments of arrears/pending bills which could have been estimated during preparation of Budget Estimates.

(iii) Further scrutiny of budgetary position under sub-head '2056-101-03' during the period 2011-14, indicated unnecessary supplementary provision in 2011-12 and 2012-13 leading to ample savings as shown below. However, there was excess expenditure during 2013-14 as no supplementary provision was made.

Table 2.18: Unnecessary supplementary provision during 2011-14

(₹ in crore)

Head of account	Year	Original provision	Supple-mentary	Total provision	Expen-diture	Savings (-)/ Excess(+)
2056- Jails	2011-12	13.75	0.70	14.45	13.37	(-) 1.08
101-Jails	2012-13	15.68	0.55	16.23	15.37	(-) 0.86
03- Lock-ups	2013-14	17.56	-	17.56	17.82	(+) 0.26

Source: Appropriation Accounts

The department's reply that the food bills exceeded the provisions due to large number of sub-jails, is not convincing as the numbers of sub-jails have been known at the time of preparation of estimates.

(b) Capital Expenditure

Director General, Jail is the controlling officer for expenditure under Capital Account. The trend and quantum of savings indicated little capital works in the department, despite consistent increase in the provision kept in Budget Estimates, as shown below:

Table 2.19: Persistent savings during 2011-14

(₹ in crore)

Head of account	Year	Original provision	Supple-mentary	Total provision	Expen-diture	Savings	Percentage of savings
4059-Capital outlay on Public Works 80-General 051-Construction 04-General Buildings (Jails)	2011-12	5.33	3.52	8.85	0.18	(-) 8.67	97.97
	2012-13	44.79	-	44.79	5.44	(-) 39.35	87.85
	2013-14	48.83	-	48.83	19.76	(-) 29.07	59.53

Source: Appropriation Accounts

The Government during the Budget Speech 2011-12, made an announcement (9 March 2011) of construction of jail buildings in five districts (Ajmer, Bikaner, Dausa, Jaipur and Kota) at an approximate cost of ₹ 116 crore in three years, to increase the capacity for keeping under trials/convicted prisoners. Sanctions of ₹ 104.32 crore were accorded (January 2012). Despite significant savings under capital heads during the period 2011-14, an expenditure of ₹ 16.04 crore (15.38 *per cent)* only was incurred as shown below:

Table 2.20: Status of unutilized amount against sanctioned amount for construction of Sub-jails

(₹ in crore)

S. No.	Place of work	Sanctioned Amount	Expenditure incurred	Unutilised Amount	Position of work (As on 31 August 2014)
1.	Jaipur	7.61	5.66	1.95	Work in progress
2.	Ajmer	7.04	6.36	0.68	Work in progress
3.	Bikaner	3.10	1.95	1.15	Work in progress
4.	Dausa	31.12	0.07	31.05	Tenders under process
5.	Kota-I	24.33	1.93	22.40	Acquisition/taking over of land is under process
6.	Kota-II	31.12	0.07	31.05	
	Total	**104.32**	**16.04**	**88.28**	

Source: Jail Department

(c) Revenue Receipts

The Revenue Receipt Head '0056-Jails' of Jail Department comprises the receipts on sale of goods manufactured by prisoners in jails/sub-jails, Receipt of reimbursement of expenditure incurred on upkeep of terrorists and Receipts from auction of unusable materials/vehicles. The position of Budget Estimates, Revised Estimates and Actual Receipts under this head during the period 2011-14 is summarised below:

Table 2.21: Statement of Receipts during 2011-14

(₹ in lakh)

Sl. No.	Number and Name of head of accounts	Year	Budget Estimates	Revised Estimates	Actual Receipts	Excess(+)/ Shortfall (-)	Per cent Variation
1.	0056-Jails 102-Sale of Jail Manufactures	2011-12	20.00	20.00	2.45	(-)17.55	87.75
		2012-13	17.65	4.00	-	(-)4.00	100.00
		2013-14	4.00	-	0.02	(+)0.02	100.00
2.	0056-Jails 800-Other Receipts	2011-12	24.10	45.50	179.98	(+)134.48	295.56
		2012-13	17.12	134.47	480.96	(+)346.49	257.67
		2013-14	29.69	40.80	29.32	(-)11.48	28.13

Source: Finance Accounts and Budget Documents

Thus, there were variations ranging between 28.13 and 295.56 *per cent* in respect of Actual Receipts and Revised Estimates which indicated deficiency in estimation.

The matter was brought to the notice of State Government (September 2014), reply of which was awaited (November 2014).

Grant No. 33-Social Security and Welfare

Social Justice and Empowerment Department

A. Expenditure

The overall revenue expenditure showed an increase of 116.70 *per cent* in 2013-14 over previous year and capital expenditure an increase of 40.15 *per cent* in 2012-13 over previous years and there was marginal decline in 2013-14, as summarised below: -

Table 2.22: Summarised position of actual expenditure *vis-à-vis* original/supplementary provision during 2011-14

(₹ in crore)

Nature of expenditure	Year	Original provision	Supple-mentary	Total provision	Expen-diture	Percentage	
						Saving	Growth of expenditure
Revenue	2011-12	1,891.93	168.33	2,060.26	1,969.66	90.60	-
	2012-13	2,331.28	121.87	2,453.15	2,278.76	174.39	(+) 15.70
	2013-14	2,912.15	2,226.06	5,138.21	4,938.15	200.06	(+) 116.70
Capital	2011-12	56.90	17.28	74.18	52.36	21.82	-
	2012-13	141.59	17.57	159.16	73.38	85.78	(+) 40.15
	2013-14	67.13	17.23	84.36	73.15	11.21	(-) 0.30

Source: Appropriation Accounts

During 2013-14, the growth of expenditure in revenue section was 116.70 *per cent* over the previous year. Scrutiny of records revealed the following:

It was observed that after framing of Rajasthan Social Security for Old Age, Widows, Deserted and Divorcees Pension Rules, 2013 for special pension package, a supplementary grant of ₹ 1,076.05 crore and reappropriation of ₹ 514.71 crore were sought against budget provision of ₹ 400 crore; and expenditure of ₹ 1970.69 crore incurred. Further, in this grant it was revealed that a supplementary provision of ₹ 735 crore was obtained (for widows of New Pension Schemes) against token provision[10] under the Major Head 2235[11] against which an expenditure of ₹ 490.04 crore was incurred.

Besides above, it was seen under the Major Head 2225[12] there was growth of expenditure[13] of ₹ 19.95 crore in 2012-13 i.e. 53.3 *per cent* over previous year, whereas in 2013-14, there was decrease in expenditure of ₹ 25.57 crore i.e. 44.5 *per cent* from previous year for which department attributed reasons like requiring more amount from GoI for increase in expenditure and non-receipt of second instalment for decrease in expenditure respectively. Further analysis of trend of growth in selected detailed heads ***(Appendix-2.10)*** revealed inconsistent growth in expenditure showing abnormal increase over previous years.

The aforesaid position is indicative of deficient estimation and budgetary forecasting.

Non-utilisation of entire budget Provision of ₹116.72 crore

Para 13.6 of SBM envisages that the estimates of expenditure should be as accurate as possible. An avoidable excess in an estimate is as much a financial irregularity as an excess in actual expenditure.

Test check of some of sub-heads for detailed analysis revealed that the department did not utilise the entire budget provision and surrendered on the last day of financial year as given in ***Appendix-2.11***. Besides, non-utilisation

[10] ₹ 3,000.

[11] 2235-Social Security and Welfare, 02-Social Welfare, 196-Assistance to *Zila Parishads*/District Level *Panchayats*, 19-Other programme, 15-New Schemes/*Nawachar* of Social Security Department.

[12] 2225-Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities, 01-Welfare of Scheduled Castes, 793-Special Central Assistance for Scheduled Castes Component Plan, 01-Scheduled Castes Sub-plan.

[13] Expenditure for 2011-12 ₹ 37.46 crore; 2012-13 ₹ 57.41 crore and 2013-14 ₹ 31.84 crore.

in allotted head, the last minute surrender also deprived other heads of funds through reappropriation.

B. Receipts:

The Revenue receipt head '0235-Social Security and Welfare' relating to Social Justice and Empowerment Department comprises the receipts of contribution from Board of Sailors, Soldiers and Airmen, receipts from various schemes of displaced persons of Rehabilitation Department, various receipts of Minority Affairs Department and Child Empowerment Department and receipts from auction of unused materials/vehicles. The position of Revised Estimates and Actual Receipts under head during the period 2011-14 is summarised below:

Table 2.23: Statement of Receipts during 2011-14

(₹ in crore)

Heads of account	Year	Revised Estimates	Actual Receipts	Variation of actual receipts from Revised Estimates
0235 - Social Security and Welfare 01- Rehabilitation 200- Other Rehabilitation Schemes	2011-12	-[14]	0.81	(+) 0.81
	2012-13	0.24	0.47	(+) 0.23
	2013-14	1.44	1.15	(-) 0.29
0235 - Social Security and Welfare 01- Rehabilitation 800- Other Receipts	2011-12	5.83	1.63	(-) 4.20
	2012-13	3.51	2.96	(-) 0.55
	2013-14	5.74	7.75	(+) 2.01

Source: Finance Accounts and Budget Documents

During 2013-14, the actual receipts fell short by ₹ 0.29 crore under '0235-01-200' from Revised Estimates. Besides, there was short realisation of receipts to the extent of ₹ 4.20 crore and ₹ 0.55 crore against Revised Estimates under '0235-01-800' during 2011-12 and 2012-13 respectively.

The matter was brought to the notice of the State Government, reply of which was awaited (November 2014).

2.6 Advances from Contingency Fund

The Contingency Fund of the State has been established under the Rajasthan Contingency Fund Act, 1956, in terms of provisions of Article 267 (2) of the Constitution of India. Chapter 5 of the SBM envisages that advances from the Fund are permissible to meet unforeseen expenditure arising during the course of a year pending its authorisation by the Legislative Assembly. Advances from Rajasthan Contingency Fund may be given for meeting expenditure in the circumstances where (i) expenditure was incurred either on an existing service or in respect of a new service, (ii) expenditure could not be foreseen at the time of preparation of annual budget and (iii) the expenditure cannot be postponed till a Supplementary Grant is obtained from the Legislative Assembly in regular course. If, the advances made from the Contingency Fund remain wholly or partly unutilised, a cancellation or modification of the sanction for the same should be obtained from Finance Department. The fund is in the nature of an imprest and has a corpus of ₹ 200 crore.

[14] Only ₹ 4000.

During the period 2013-14, three sanctions of ₹ 26 crore for advances from the Contingency Fund were issued by the Finance Department. Scrutiny of these sanctions revealed the following irregularities:

(1) Department of Finance, sanctioned (August 2013) an advance of ₹ 10 crore to Cooperative Department for establishment of 'Rajasthan Cooperative Finance and Development Corporation Limited (Corporation)' with the State Government's contribution of share capital for meeting credit needs in rural areas and strengthening of bank linkage with self help groups as per declaration of the GoR in Budget Speech of 2013-14. The sanction was effective upto 31 August 2013.

It was seen that establishment of the corporation was approved by State Legislature in June 2013 and the corporation was established on 23 August 2013. Scrutiny revealed that the no loan was disbursed by the corporation upto the effective date of sanction.

The department stated (July 2014) that the aforesaid sum could not be utilised for disbursement of loans as the new Government (December 2013) was reviewing decisions taken in last six months by the previous Government, including formation of the corporation. Thus, the amount drawn from Contingency Fund was not disbursed for meeting credit needs of self help groups in the rural area.

It was seen that the provisions of SBM contained in Para 5.3 that the Contingency Fund was meant to help the Government to incur expenditure, which could not be foreseen at the time of preparation of Budget Estimates and which could not be postponed till a Supplementary Grant in regular course, were not followed. In this case an announcement had been made by the GoR in budget speech.

(2) An advance of ₹ 1 crore was sanctioned (July 2013) to Industries Department for preparatory works relating to *'Mukhyamantri Swawlamban Yojana'*. The sanction was effective upto 30 September 2013, but as per information provided by the PAG (A & E), the department spent only ₹ 0.02 crore by that date.

Scrutiny by audit revealed that though the scheme was declared by the State Government during in Budget Speech 2013-14, no budgetary provisions was made for the same and advance was drawn from contingency fund. Non-utilisation of the entire amount also indicates that the expenditure was not of urgent/unforeseen nature and drawal from Contingency Fund was not warranted.

(3) A sum of ₹ 15 crore was advanced to *Devasthan* Department (June 2013) for execution of *'Varishtha Nagrik Teertha Yatra Yojana,* 2013' as per declaration in the Budget Speech of 2013-14. The sanction was effective upto 30 September 2013, but as per information provided by the PAG (A & E) the department could spend ₹ 9.66 crore by that date, leaving a balance of ₹ 5.34 crore.

As the scheme was declared in Budget Speech 2013-14, therefore budgetary provisions should have been made for the same. It was irregular to draw funds from Contingency Fund for execution of a scheme declared in the Budget Speech.

The matter was referred to State Government (August 2014), reply of which was awaited (November 2014).

2.7 Irregularities in submission of Detailed Contingent Bills against Abstract Contingent Bills

Rule 8(2) of General Financial and Accounts Rules (GF & AR), updated up to 31 December 2010, prescribes that funds shall be withdrawn only if required for immediate payment and the expenditure or payment authorised under any rule or by general or special order of a competent authority. Rule 219 of GF&AR regulates preparation/drawal of Abstract Contingent (AC) bills and submission of Detailed Contingent (DC) bills to Controlling Officer/PAG (A & E). Further, the certificate prescribed under Rule 220(1) provides for submission of DC bills within a period of three months (except in cases of purchase of machinery/equipments and other articles from abroad where it may be submitted by six months).

Against 40,701 AC bills amounting to ₹ 4,174.63 crore drawn up to 31 March 2014, 39,619 DC bills amounting to ₹ 3,851.06 crore were received by the PAG (A & E), resulting in 1,082 AC bills amounting to ₹ 323.57 crore outstanding as on 31 July 2014. Year wise details of outstanding AC bills are given below:

Table 2.24: Pendency in submission of Detailed Contingent Bills against Abstract Contingent Bills

(₹ in crore)

Year	A C bills drawn		DC bills received		Unadjusted AC bills	
	Items	Amount	Items	Amount	Items	Amount
Upto 2008-09	28,137	1,978.00	28,092	1,972.99	45	5.01
2009-10	3,669	708.79	3,664	708.16	5	0.63
2010-11	2,460	419.86	2,429	414.94	31	4.92
2011-12	1,471	197.72	1,421	190.86	50	6.86
2012-13	1,834	253.84	1,749	237.22	85	16.62
2013-14	3,130	616.42	2,264	326.89	866	289.53
Total	**40,701**	**4,174.63**	**39,619**	**3,851.06**	**1,082**	**323.57**

Source: Office of the PAG (A & E), Rajasthan

Some of the unadjusted AC bills pertained to Relief Department (155: ₹ 227.03 crore), Education Department (32: ₹ 21.25 crore), Election Department (198: ₹ 16.24 crore), Medical and Health Department (148: ₹ 11.66 crore) and Director General of Police Department (158: ₹ 5.12 crore). The Major Head wise pendency of DC bills for the period up to July 2014 is detailed in ***Appendix 2.12.***

A review of pendency in submission of DC bills under Major Heads '2210' and '4210' pertaining to Medical and Public Health revealed the following position:

(i) Overall pendency

The year-wise position of unadjusted AC Bills was as under:

Table 2.25: Unadjusted Abstract Contingent Bills under Medical Department

(₹ in lakh)

Major Head	Year	AC Bills Drawn		DC Bills Received		Unadjusted AC Bills	
		Items	Amount	Items	Amount	Items	Amount
2210	Up to 2011-12	435	1,758.46	431	1,685.02	4	73.44
	2012-13	76	755.06	69	564.32	7	190.74
	2013-14	338	1,410.20	201	508.66	137	901.54
	Total	**849**	**3,923.72**	**701**	**2,758.00**	**148**	**1,165.72**
4210	Upto 2011-12	96	1,310.72	95	1,308.47	1	2.25
	2012-13	23	1,135.10	15	559.78	8	575.32
	2013-14	12	562.04	2	2.70	10	559.34
	Total	**131**	**3,007.86**	**112**	**1,870.95**	**19**	**1,136.91**
	Grand total	**980**	**6,931.58**	**813**	**4,628.95**	**167**	**2,302.63**

Source: Office of the PAG (A & E), Rajasthan

Pending five AC bills (₹ 75.69 crore) upto 2011-12 needs special attention and action for adjustment/clearance.

The pending AC bills of 2012-13 amounting to ₹ 575.32 lakh under Major head '4210' pertain to *Sawai Man Singh* Medical College, Jaipur (3 bills amounting to ₹ 471 lakh) and SP Medical College, Bikaner (5 bills amounting to ₹ 104.32 lakh). On being asked (November 2014), Financial Advisor *Sawai Man Singh* Medical College, Jaipur intimated (November 2014) the following reasons for non-submission of DC bills upto 2013-14:

Table 2.26: Status of non-submission of Detailed Contingent Bills in Sawai Man Singh Medical College, Jaipur

(₹ in lakh)

Sl. No.	AC Bill		Amount Drawn	Reasons for non-submission of DC Bills
	No.	Date		
1.	2031	30.03.2013	86.00	Non-receipt of equipments.
2.	2023	30.03.2013	275.00	DC Bill submitted on 27 March 2014.
3.	2025	30.03.2013	110.00	Non-receipt of equipments.

Source: Office of the PAG (A & E), Rajasthan and concerned department

In above cases, the delay in submission/non-submission of DC Bills could have been avoided with proper planning and pursuance for procuring the equipments or the AC Bills should have been drawn at proper time.

Reasons for unadjusted AC Bills in respect of SP Medical College, Bikaner were awaited (November 2014).

(ii) Funds drawn through AC Bills and deposited back without incurring expenditure

In following cases, funds drawn through AC Bills were deposited back without incurring any expenditure after a delay of 5 to 10 months, beyond the prescribed period:

Table 2.27: Cases of funds drawn through Abstract Contingent Bills and deposited back without incurring expenditure

(₹ in lakh)

S. No.	Name of Office	AC Bill No./date	Amount drawn	Challan No./ date of deposit	Delay in Months	Reasons furnished by Department	Remarks
1.	Principal, RNT Medical College and Controller, Joint Medical Sangh, Udaipur	16/2/1315/ 09.03.12 15/1/1316/ 09.03.12 27/75/1386/ 30.03.12 21/3/1332/ 14.03.12	6.42 7.10 22.92 19.05	92/1.7.13 91/1.7.13 103/16.7.13 102/16.7.13	9 9 9 10	Non-supply of equipment by the firm required for operation theatre. The office forfeited security deposit of the firm.	Reasons not acceptable as the AC bills were drawn in March 2012, while the amount was deposited back in July 2013. In view of non-supply of the material within the admissible time period, the amount should have been deposited earlier.
2.	Additional Principal, S.P. Medical College, Bikaner	1332 / 31.3.12	1.30	450/22.3.13	5	The amount was withdrawn for installation of Transformer, though its cost was more (₹ 2.50 lakh). The transformer was finally installed by Jodhpur *Vidyut Vitran Nigam* Limited, Bikaner.	This indicated inadequate estimation of cost of transformer resulting in depositing back the amount.

Source: Office of the PAG (A & E), Rajasthan and concerned department

(iii) Adjustment of AC Bills through DC Bills beyond prescribed period

In following cases there was delay of 3 to 15 months after the prescribed period, in depositing the unspent amount:

Table 2.28: Delay in adjustment of Abstract Contingent Bills

S. No.	Name of Office	AC Bill No. and Date	Amount (₹ in lakh)	Challan No./ Date of Deposit in Treasury	Amount deposited (₹ in lakh)	Delay in Months
1.	Principal, SMS Medical college, Jaipur	2055 /27.3.12	400.00	21.10.13	18.19	12
2.	Add. Principal S.P. Medical College, Bikaner	524 / 14.9.11 523 / 14.9.11 527 / 14.9.11	82.50 52.75 43.00	450/22.3.13 -----do------ -----do------	8.72 8.54 1.69	15 15 12

S. No.	Name of Office	AC Bill No. and Date	Amount (₹ in lakh)	Challan No./ Date of Deposit in Treasury	Amount deposited (₹ in lakh)	Delay in Months
3.	Add. Principal P&C, Medical College, Kota	1209 / 30.3.12	14.52	341/14.2.13	0.36	4
4.	SMS Hospital, Jaipur	2026 / 30.3.13	26.30	24870/15.1.14	1.05	3
5.	Sr. MO Incharge, CHC, Pipad City, Jodhpur	16 / 17.6.13	6.50	43017/27.3.14	0.76	3
6.	Sr MO Incharge, CHC, Pipad City, Jodhpur	15 / 17.6.13	8.00	43016/27.3.14	1.57	6
7.	Sr MO Incharge HPHC, Bhopalgarh, Jodhpur	25 / 12.6.13	8.00	44055/28.3.14	1.60	6
8.	Sr MO Incharge, CHC Bhopalgarh, Jodhpur	26 / 12.6.13	6.50	44058/28.3.14	2.55	6
		Total	**648.07**	**Total**	**45.03**	

Source: Office of the PAG (A & E), Rajasthan and concerned department

Delay in depositing the unspent amount, was violative of provisions contained in Rule 219 and 220(1) of GF & AR.

(iv) Adjustment of AC bill without actual utilisation of amounts

Directorate, Medical and Health Services, Rajasthan allotted (18 March 2013) budget of ₹ 21.10 crore for the Chief Minister Free Test Scheme. Out of which a sum of ₹ 50 lakh was allotted to Principal Medical Officer, Beawar who drew ₹ 50 lakh through AC bill (March 2013) and submitted a DC bill (May 2013) on the basis of a receipt from Secretary Rajasthan Medicare Relief Society (RMRS), Beawar. It was noticed that the amount was transferred to RMRS, Beawar, for free tests under the scheme. However, the DC bill was submitted without obtaining details of expenditure from RMRS, which was not correct.

2.8 Conclusions and Recommendations

During 2013-14, a sum of ₹ 96,718.25 crore was incurred against total grants and appropriations of ₹ 1,06,452.16 crore leaving savings of ₹ 9,733.91 crore. Review on persistent savings in six grants revealed that savings of ₹ 1,957.25 crore occurred mainly due to posts remaining vacant, reduction in plan outlay of the schemes, less/non-receipt of funds from GoI, less execution of works etc. Supplementary provision of ₹ 1,435.14 crore obtained in 15 cases proved unnecessary and reappropriation of funds in 470 cases was made injudiciously resulting either in savings or excesses over provisions. The departments

surrendered ₹ 9,233.15 crore on the last working day of the financial year leaving no scope for utilising these funds for other purposes. In four cases, ₹ 65.31 crore was surrendered in excess of actual savings and in 114 cases, lump sum provision of ₹ 3,859.29 crore was made, out of which ₹ 3,477.58 crore (90.1 *per cent*) remained unutilised.

The Controlling/Disbursing Officers may keep a close and constant watch over the progress of expenditure against the sanctioned allotment in order to avoid savings especially in departments where persistent savings were noticed. They may also specifically strengthen monthly expenditure control and monitoring mechanism.

Detailed Contingent Bills remained outstanding in respect of 1,082 Abstract Contingent Bills amounting to ₹ 323.57 crore, which were outstanding as on 31 July 2014.

A rigorous monitoring mechanism is needed to be put in place to ensure that the advances against drawn Abstract Contingent Bills are adjusted within the stipulated period.

Out of total expenditure of ₹ 26,081.89 crore, a sum of ₹ 12,769.11 crore (exceeding ₹ 50 crore and more than 30 *per cent* of the total expenditure in each case) was incurred in the last quarter of the financial year. Of this, ₹ 9,027.71 crore was spent in March 2014 alone, which led to rush of expenditure at the end of the year.

The Departments may closely monitor progress of expenditure throughout the year so as to avoid the quality related pitfalls associated with rush of expenditure at the end of the year.