

सत्यमेव जयते

Accounts At A Glance 2018-19



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



GOVERNMENT OF CHHATTISGARH

Accounts at A Glance

2018-19

GOVERNMENT OF CHHATTISGARH

PREFACE

I am happy to present our annual publication, the 'Accounts At a Glance' for the year 2018-19 which provides a broad overview of Government activities, as reflected in the Finance and Appropriation Accounts of Government of Chhattisgarh.

The Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and Public Account. The Appropriation Accounts record the grant-wise expenditure against provisions approved by the State Legislature and depict explanations for variations between the actual expenditure and the funds allocated.

Finance and Appropriation Accounts are prepared annually by my office under the direction of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Power and Conditions of Services) Act, 1971 for being laid before the Legislature of the State.

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



(RAJIV KUMAR)
Accountant General (A&E)
Chhattisgarh

Place : Raipur

Date : 10 August 2020

OUR VISION, MISSION AND CORE VALUES

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

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

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

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

CORE VALUES:

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

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

TABLE OF CONTENTS

	Page
Preface	iii
Our Vision, Mission and Core Values	v
Chapter- I Overview	
1.1 Introduction	1
1.2 Structure of Government Accounts	1
1.3 Finance Accounts and Appropriation Accounts	3
1.4 Sources and Application of Funds	4
1.5 Fiscal Responsibility and Budget Management (FRBM) Act, 2005	7
Chapter- II Receipts	
2.1 Introduction	9
2.2 Revenue Receipts	9
2.3 Tax Revenue	11
2.4 Cost of Tax Collection	13
2.5 Trend in State's share of Union Taxes over the past five years	14
2.6 Grants-in-Aid	14
2.7 Public Debt	15
2.8 Trend of Net Public Debt over the past five years	16
2.9 Borrowed Funds viz-a-viz Capital Expenditure	16
Chapter- III Expenditure	
3.1 Introduction	17
3.2 Revenue Expenditure	17
3.3 Capital Expenditure	19
3.4 Committed Expenditure	21
Chapter - IV Appropriation Account	
4.1 Summary of Appropriation Accounts for the year 2018-19	22
4.2 Trend of Savings/Excess over the past five years	22
4.3 Significant Savings	23
4.4 Supplementary Grants/Appropriation Proved Unnecessary	24
4.5 Rush of Expenditure	26

Chapter- V		Assets and Liabilities
5.1	Assets	28
5.2	Debt and Liabilities	28
5.3	Guarantees	29
5.4	Off Budget Liabilities of State Government	30
5.5	Liabilities on Retirement Benefits	31
Chapter -VI		Other Items
6.1	Adverse Balances under Internal Debt	32
6.2	Loans and Advances by the State Government	32
6.3	Financial Assistance to Local Bodies and Others	32
6.4	Cash Balance and Investment of Cash Balance	33
6.5	Reconciliation of Accounts	33
6.6	Submission of Accounts by Accounts Rendering Units	34
6.7	Unadjusted Abstract Contingent (AC) Bills	34
6.8	Status of Suspense and Remittance Balances	34
6.9	Status of Outstanding Utilization Certificates	35
6.10	Transfer of Funds to various Implementing Agencies	36
6.11	Gross State Domestic Product (GSDP) over the past five years	36
6.12	Commitment on Account of Incomplete Capital Works	37
6.13	Transfer of Funds to Personal Deposit (PD) Accounts	37
6.14	Investments	38
6.15	Status of Reserve Funds	38
6.16	Compliance of Indian Government Accounting Standards	41

Chapter I

Overview

1.1 Introduction

The Accountant General (Accounts and Entitlements), Chhattisgarh collates, classifies, compiles the accounts data rendered by multiple agencies, and prepares the accounts of the Government of Chhattisgarh. The compilation is done from the initial accounts rendered by the 28 Treasuries, 57 Public Works Divisions, 29 Rural Engineering Service Divisions, 62 Irrigation & 36 Public Health Divisions, 53 Forest Divisions, 33 Rural Development Divisions and four Road Development Divisions, accounts rendered by the other states/accounting offices and advices of Reserve Bank of India. Every month a Monthly Civil Account is presented by the Office of the Accountant General (A&E) to the Government of Chhattisgarh. The Office of the Accountant General (A&E) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The Accountant General (A&E) also prepares annually Finance Accounts and Appropriation Accounts which are placed before the State Legislature after audit by the Accountant General (Audit), Chhattisgarh and certification by the Comptroller and Auditor General of India.

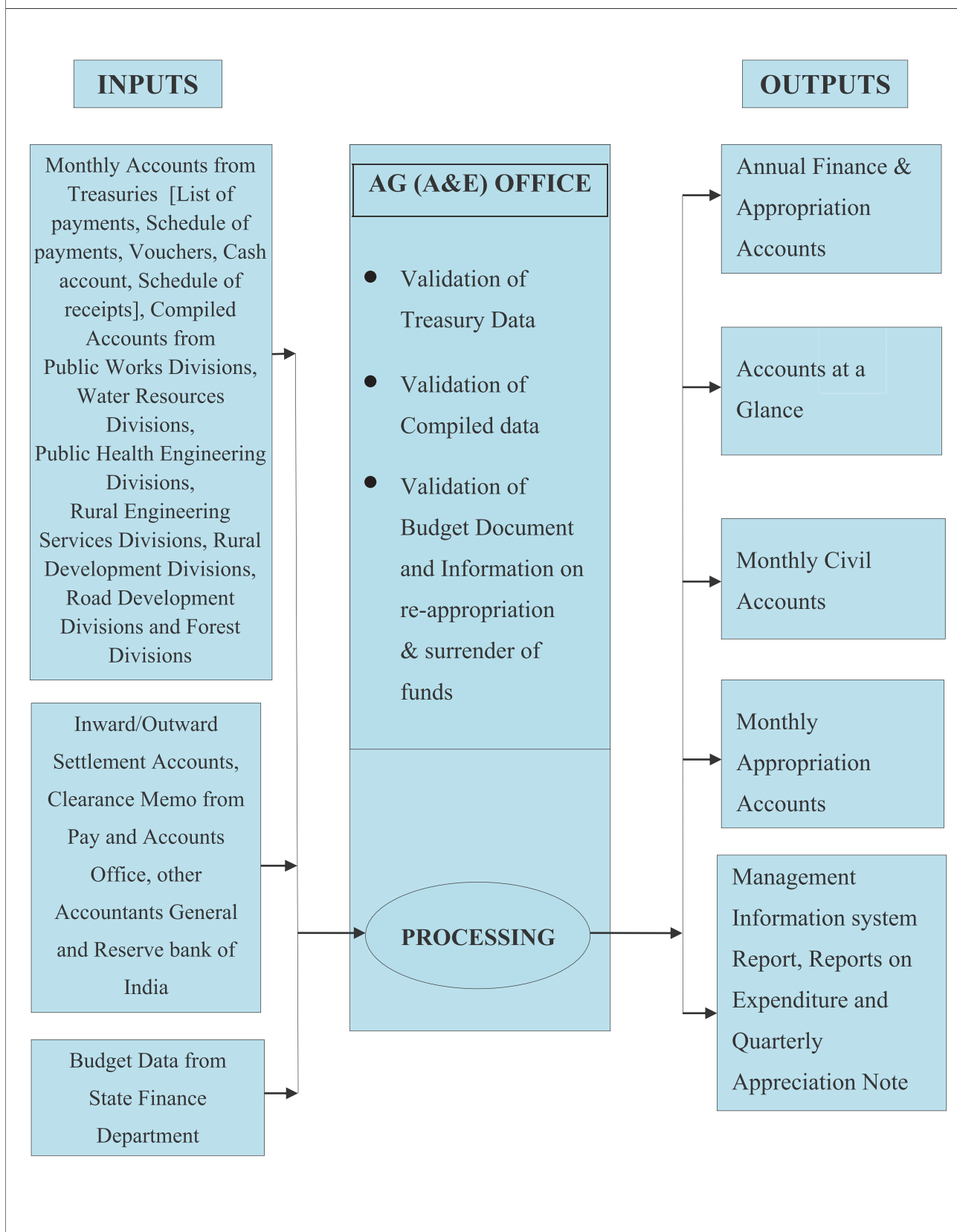
1.2 Structure of Government Accounts

1.2.1 Government Accounts are kept in three parts:

Structure of Government Accounts	
Part- 1 CONSOLIDATED FUND	All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) form the Consolidated Fund. All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this fund.
Part- 2 CONTINGENCY FUND	The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, not provided in the budget, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund. The corpus of this fund for the Government of Chhattisgarh is ₹ 100.00 crore.
Part- 3 PUBLIC ACCOUNT	In Public Account, the transactions relating to Debt (Other than those included in Part-1), 'Deposits', 'Advances' [in respect of which Government incurs a liability to pay the money received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and recoveries of the latter (Advances)], 'Remittances' and 'Suspense' (embracing all merely adjusting heads under which shall appear such transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles) shall be recorded. The initial debits or credits of these heads will be cleared eventually by corresponding receipts or payments either within the same circle or in another account circle or by booking to the final heads of accounts.

1.2.2 Compilation of Accounts-

Flow diagram for Accounts Compilation



1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the Revenue and Capital accounts, Public Debt and Public Account balances recorded in the accounts. The Finance Accounts are prepared in two volumes, to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to Accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volume-II contains detailed statements (Part-I) and appendices (Part-II).

During the year 2018-19, the Union Government transferred ₹ 20,562.86 crore towards central assistance to State Schemes, comprising ₹ 12,985.82 crore which was allotted to the State directly, ₹ 6,381.79 crore which was paid directly to the various implementing agencies/NGOs and was not routed through the State Budget and ₹ 1,195.25 crore to the Central Bodies located in the State as well as various other organizations and was also not routed through the Budget. Therefore, ₹ 7,577.04 crore (₹ 6,381.79 crore + ₹ 1,195.25 crore) has not been depicted in the State Accounts. These transfers are exhibited in Appendix VI of Volume-II of the Finance Accounts.

1.3.2 Financial Highlights of year 2018-19

The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2018-19:

(₹ in crore)

Sl. No.	Description	Budget Estimate 2018-19	Actuals 2018-19	Percentage of actuals to B.E.	Percentage of actuals to GSDP ¹
1	Tax Revenue ²	48,984.97	44,885.95	91.63	14.40
2	Non- Tax Revenue	8,170.00	7,703.02	94.28	2.47
3	Grants in Aid & Contributions	15,713.00	12,505.96	79.59	4.01
4	Revenue Receipts (1+2+3)	72,867.97	65,094.93	89.33	20.89
5	Recovery of Loans and Advances	314.02	162.32	51.69	0.05
6	Borrowings & other Liabilities	9,914.14	8,292.23 ³	83.64	2.66
6 a	Capital Receipts	0.00	5.83	0.00	0.00
7	Capital Receipts(5+6)	10,228.16	8,460.38	82.65	2.71
8	Total Receipts (4+7)	83,096.13	73,555.31	88.52	23.60
9	Revenue Expenditure	68,422.62	64,411.17	94.14	20.67
10	Capital Expenditure	14,453.93	9,144.14⁴	63.26	2.93
11	Total Expenditure (9+10)	82,876.55	73,555.31	88.75	23.60
12	Revenue Deficit/Surplus {4-9}	4,445.35	683.76	15.38	0.22
13	Fiscal Deficit {4+5+6a-11}	9,694.56	8,292.23	85.53	2.66

1 GSDP figure of ₹ 3,11,659.54 crore was adopted from the Directorate of Economic and Statistics, State Government.

2 Includes State Share of Union Taxes of ₹ 23,458.69 crore and States own Tax Revenue of ₹ 21,427.26 crore.

3 Includes Net Public Debt (₹ 13,224.21 crore), Net Contingency Fund (₹ (-) 4.92 crore), Net Public Account (₹ 5,243.94 crore) and Net Cash Balance (₹ 316.88 crore) in Borrowings and Other Liabilities of ₹ 8,292.23 crore.

4 Includes Net Capital Expenditure (₹ 8,903.45 crore), Loans and Advances (₹ 240.44 crore) and Inter State Settlement (₹ 0.25 crore) in Capital Expenditure of ₹ 9,144.14 crore .

During the year 2018-19, revenue surplus of ₹ 683.76 crore (₹ 3,417.32 crore surplus in 2017-18) and fiscal deficit of ₹ 8,292.23 crore (₹ 6,810.32 crore deficit in 2017-18) represent 0.22 *per cent* and 2.66 *per cent* of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 11.27 *per cent* of the total expenditure.

1.3.3 Receipt and Disbursement in year 2018-19

Receipts and Disbursements of the Government of Chhattisgarh as depicted in the Finance Accounts 2018-19 are given below:

Receipt and Disbursement in year 2018-19			
			(₹ in crore)
Receipts (Total: ₹ 73,555.31)	Revenue (Total: ₹ 65,094.93)	Tax Revenue	44,885.95
		(a) Own Tax Revenue	21,427.26
		(b) Share of net Proceeds of Taxes	23,458.69
		Non Tax Revenue	7,703.02
		Grant-in-Aid	12,505.96
	Capital (Total: ₹ 8,460.38)	Capital Receipts	5.26
		Recoveries of Loans and Advances	162.32
		Borrowings and other Liabilities*	8,292.23
		Inter State Settlement	0.57
Disbursements (Total: ₹ 73,555.31)	Revenue		64,411.17
	Capital		8,903.45
	Loans and Advances		240.44
	Inter State Settlement		0.25

* Borrowings and other Liabilities:- Net (Receipt-Disbursements) of Public debt + Net (Receipt-Disbursements) of Contingency Fund + Net Public Accounts + Net of Opening and Closing Cash Balance.

1.3.4 Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as "Charged" on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be "voted". The budget of the Chhattisgarh has 45 Charged Appropriations and 69 voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure complied with the appropriation authorized by the Legislature through the Appropriation Act of each year.

1.3.5 Efficiency of budget preparation

At the end of the year, the actual expenditure of the Government of Chhattisgarh against the budget approved by the legislature, showed a net saving of ₹ 29,437 crore (28 *per cent* of budget estimates of ₹ 1,05,171 crore) and over estimation of 1,123 crore (52 *percent* of the estimates of ₹ 2,156 crore) on reduction of expenditure. Certain grants, like those relating to Medical education department, State legislature, Transport showed substantial savings.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

Ways and means advances are taken from the Reserve Bank of India to maintain liquidity by making good the deficiency in the agreed minimum cash balance (₹ 0.72 crore) which the State Government is required to maintain with the Reserve Bank of India. During 2018-19, the Government of Chhattisgarh had not availed such facility.

1.4.2 Overdraft from the Reserve Bank of India

Overdraft is taken from Reserve Bank of India while the limit of minimum cash balance falls below i.e. ₹ 0.72 crore, even after taking ways and means advances which is required to be maintained with the Reserve Bank of India. During the year 2018-19, there was no overdraft of the State.

1.4.3 Fund flow Statement

The State had a Revenue Surplus of ₹ 683.76 crore and a Fiscal Deficit of ₹ 8,292.23 crore as on 31 March 2019, representing 2.66 *per cent* of the Gross State Domestic Product*. The State Government spent ₹ 17,174.93 crore towards salary, ₹ 3,652.60 crore towards interest payment ₹ 5,403.09 crore towards pension, ₹ 8,323.01 crores towards subsidies and ₹ 22,898.67 crores towards Grant-in-Aid.

* GSDP for the year 2018-19 was ₹ 3, 11,659.54 crore and the figure has been taken from the website of Ministry of Statistics and Programme Implementation, Government of India.

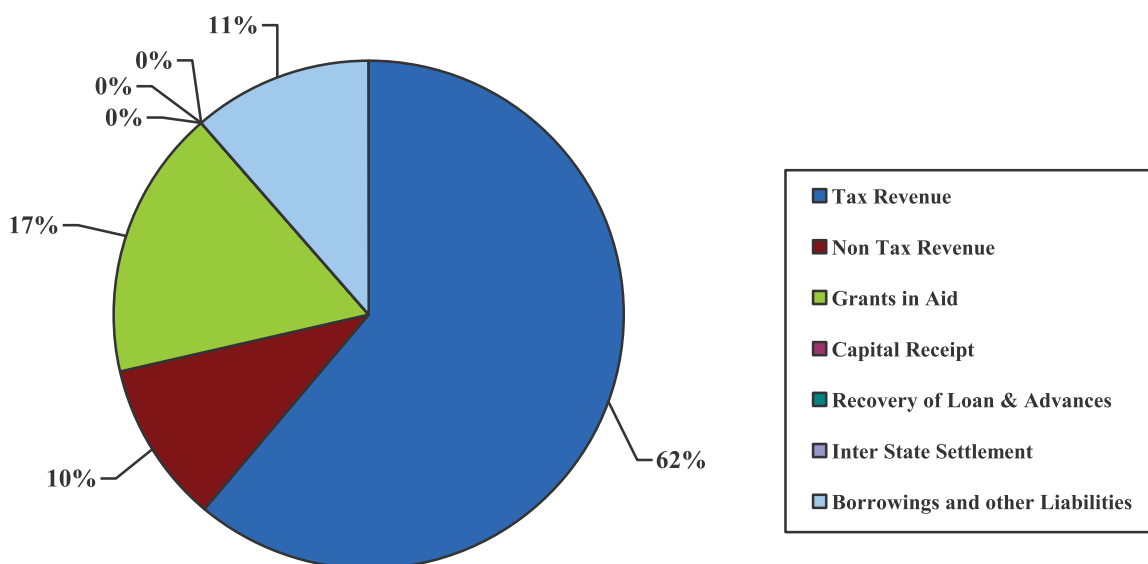
Sources and Application of Funds		
		(₹ in crore)
SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balances as on 01.04.2018	637.60
	Revenue Receipts	65,094.93
	Capital Receipts	5.26
	Recovery of Loans and Advances	162.32
	Public Debt	14,370.10
	Small Savings, Provident Fund etc.	1,649.09
	Reserves Fund & Sinking Funds	1,024.82
	Deposits Received	3,692.51
	Civil Advances Received	425.82
	Suspense Accounts	1,59,728.76*
	Remittances	9,858.07
	Inter State Settlement	0.57
	Contingency Fund	(-) 4.92
	Total	2,56,644.93
APPLICATION	Revenue Expenditure	64,411.17
	Capital Expenditure	8,903.45
	Loans Given	240.44
	Repayment of Public Debt	1,145.89
	Small Savings, Provident Fund etc.	894.58
	Reserves & Sinking Funds	959.50
	Deposits Repaid	3,923.90
	Civil Advance Given	425.82
	Suspense Accounts and Miscellaneous	1,65,438.71**
	Remittances	9,980.50
	Inter State Settlement	0.25
	Closing Cash Balance as on 31.03.2019	320.72
	Total	2,56,644.93

* Includes ₹ 99,263.06 crore on account of cash balance investment account.

** Includes ₹ 1,04,951.23 crore on account of cash balance investment account.

1.4.4 Where the Rupee came from

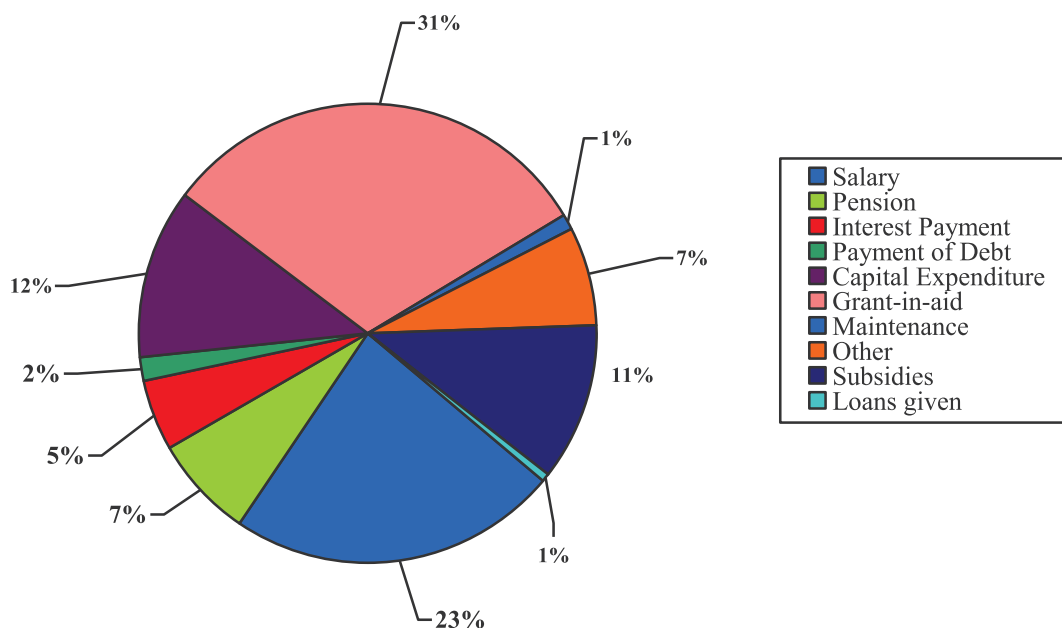
Actual Receipts



(Amount of Capital Receipts, Inter State Settlement and Recovery of loans and advances was negligible hence value is shown as zero).

1.4.5 Where the Rupee went

Actual Expenditure



During the year 2018-19, Revenue surplus of ₹ 683.76 crore (₹ 3,417.32 crore surplus in 2017-18) and fiscal deficit of ₹ 8,292.23 crore (₹ 6,810.32 crore deficit in 2017-18) represent 0.22 per cent and 2.66 per cent of the gross state domestic product (GSDP) respectively. The fiscal deficit constituted 11.27 per cent of total expenditure.

<i>What do the Deficits and Surpluses indicate?</i>	
Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit/Surplus	Refers to the gap between Revenue Receipt and Revenue Expenditure. Revenue expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit/Surplus	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings and ideally should be invested in Capital Projects.

1.5 Fiscal Responsibility and Budget Management (FRBM) Act, 2005

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. The Government of Chhattisgarh has enacted the Fiscal Responsibility and Budget Management (FRBM) Act-2005. As per this Act, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2018-19 against fiscal targets laid down in the Act and rules framed there under, were as follows:-

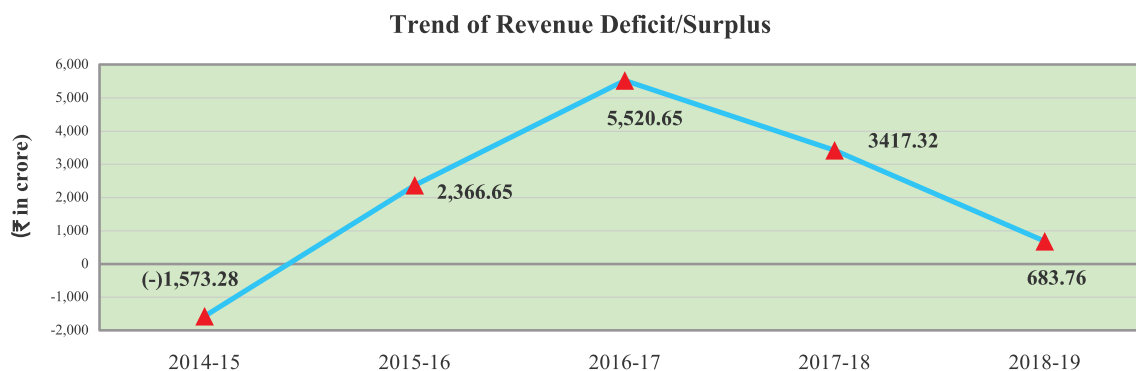
S. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP*	
			Target	Achievement
1	Revenue Deficit	684 (Surplus)	Surplus	Surplus(achieved)
2	Fiscal Deficit	8,292	3.50 or less	2.66 (achieved)
3	Debt and Other Obligation	66,749.51	25.00 or less	21.42 (achieved)

*GSDP figure of ₹ 3,11,659.54 crore for the year 2018-19 has been taken from the website of ministry of statistics and progress implementation, Government of India.

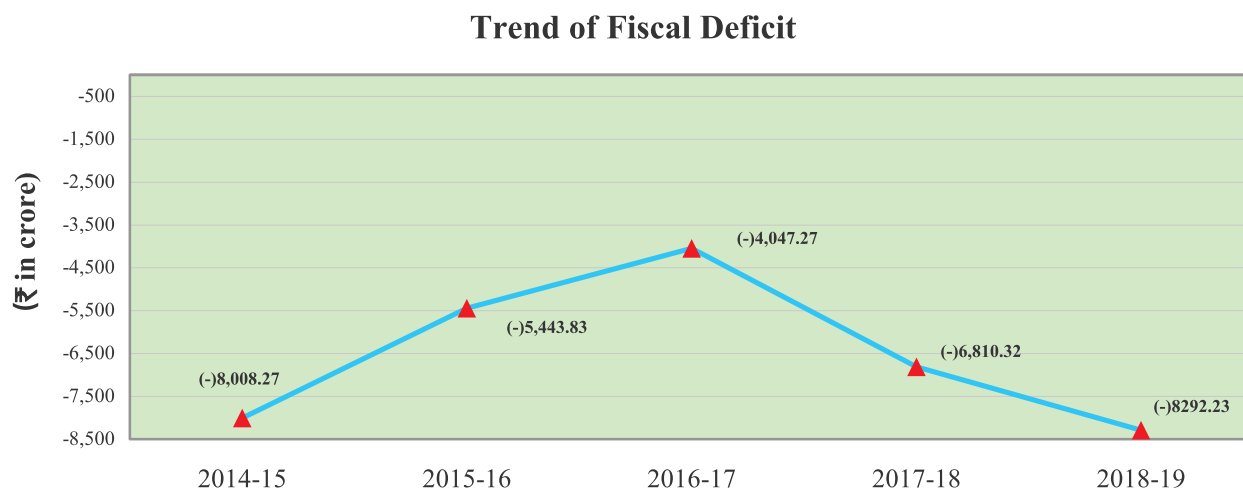
The State Government had made disclosure to the Legislature required under the Chhattishgarh fiscal responsibility and budget management rules 2005.

The State Government had Revenue surplus of ₹ 3,417.32 crore in 2017-18 and ₹ 683.76 crore during the year 2018-19 which was as per the target of FRBM act. Fiscal deficit increased by ₹ 1,481.91 crore from ₹ 6,810.32 crore in 2017-18 to ₹ 8,292.23 crore in the current year and was 2.66 per cent of GSDP which confirmed to the target of 3 per cent of FRBM act.

1.5.1 Trend of Revenue Deficit/Surplus



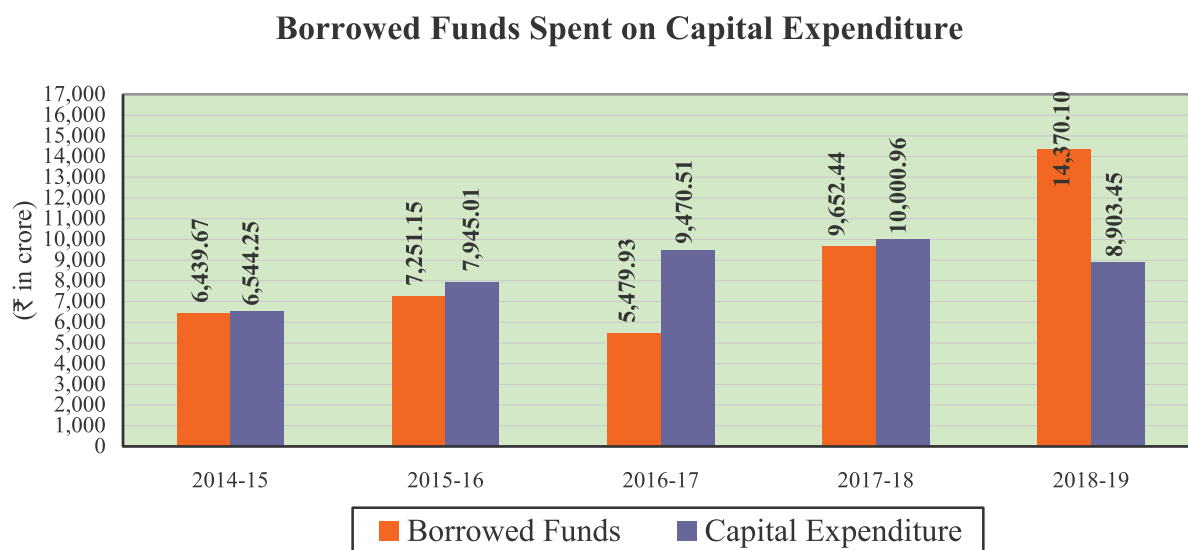
1.5.2 Trend of Fiscal Deficit



1.5.3 Proportion of borrowed funds spent on Capital Expenditure

(₹ in crore)

Year	Borrowed Fund	Capital Expenditure
2014-15	6,439.67	6,544.25
2015-16	7,251.15	7,945.01
2016-17	5,479.93	9,470.51
2017-18	9,652.44	10,000.96
2018-19	14,370.10	8,903.45



The government usually runs fiscal deficits and borrows funds for capital/assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream, therefore it is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest. The State Government borrowed ₹ 14,370.10 crore and spent ₹ 8,903.45 crore on capital expenditure only for this year.

CHAPTER- II

Receipts

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2018-19 were ₹ 73,555.31 crore.

2.2. Revenue Receipts

The revenue receipts of the Government comprise three components viz. Tax Revenue, Non-Tax Revenue and Grant-in-Aid received from the Union Government.

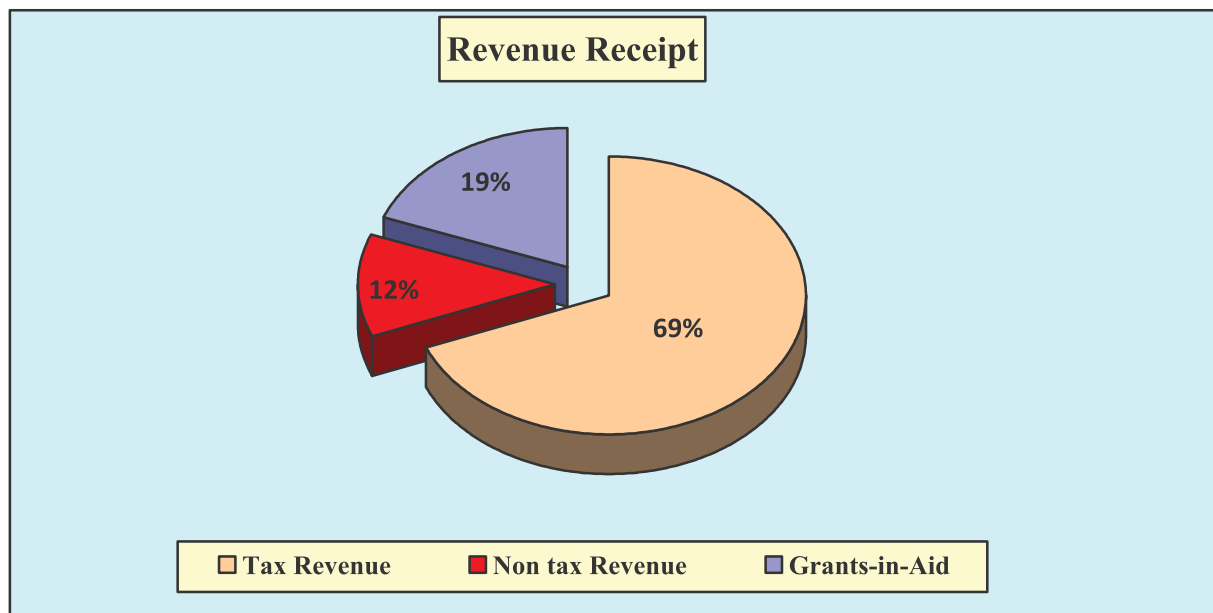
Tax Revenue	Comprises taxes collected and retained by the State and State's share of Union Taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividend, profits, departmental receipts etc.
Grants-in-aid	Grants-in-Aid represent central assistance to the State Government from the Union Government. It also includes "External Grant Assistance" received from Foreign Government and channelized through the Union Government. In turn, the State Government also gives Grant-in-aid to institutions like Panchayati Raj Institution, Autonomous bodies etc.

2.2.1 Revenue Receipts Components (2018-19)

(₹ in crore)

Components	Actuals	Percentage to Revenue Receipt
A. Tax Revenue	44,885.95	68.96
Goods and Services Taxes	14,454.74	22.20
Taxes on Income and Expenditure	14,208.08	21.83
Taxes on Property & Capital Transactions	1,599.01	2.46
Taxes on Commodities & Services	14,624.12	22.47
B. Non –Tax Revenue	7,703.02	11.83
Interest Receipts, Dividends and Profits	191.04	0.29
General Services	244.82	0.38
Social Services	147.08	0.22
Economic Services	7,120.08	10.94
C. Grants-in-Aid & Contributions	12,505.96	19.21
Total – Revenue Receipts	65,094.93	100

The Revenue Receipts of the State in 2018-19 comprises **68.96 per cent** of Tax Revenue and **11.83 per cent** of Non-Tax Revenue while balance **19.21 per cent** had been sourced from Grants-in-Aid.



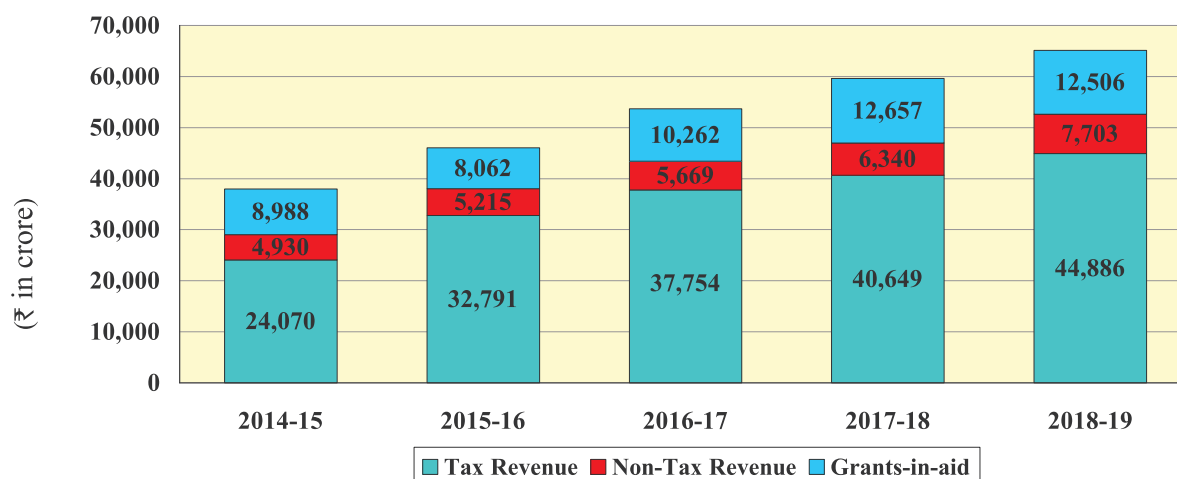
2.2.2 Trend of Revenue Receipts

(₹ in crore)					
Description	2014-15	2015-16	2016-17	2017-18	2018-19
Tax Revenue (Raised by the state)	15,707.26 (6.68)	17,074.86 (6.55)	18,945.21 (6.53)	19,894.68 (6.82)	21,427.26 (6.88)
State share of union Taxes/Duties	8,363.03 (3.56)	15,716.47 (6.03)	18,809.16 (6.48)	20,754.81 (7.12)	23,458.69 (7.53)
Non-Tax Revenue	4,929.91 (2.10)	5,214.79 (2.00)	5,669.25 (1.95)	6,340.42 (2.17)	7,703.02 (2.47)
Grants-in-Aid	8,987.81 (3.82)	8,061.59 (3.09)	10,261.63 (3.54)	12,657.16 (4.34)	12,505.96 (4.01)
Total- Revenue Receipts	37,988.01 (16.17)	46,067.71 (17.67)	53,685.25 (18.50)	59,647.07 (20.45)	65,094.93 (20.89)
GSDP	2,34,982.00	2,60,776.00	2,90,140.00	2,91,680.72	3,11,659.54

Note:- Figures in parentheses represent percentage to GSDP(Gross State Domestic Product).

Though the GSDP increased by 6.85 per cent in 2018-19 compared to previous year, growth in revenue receipt was only 9.13 per cent. Tax revenue increased by 7.70 per cent, the Non-tax revenue increased by 21.49 per cent and the Grants-in-Aid decreased by 1.19 per cent compared to previous year.

Trend of Components of Revenue Receipts



2.3 Tax Revenue

(₹ in crore)

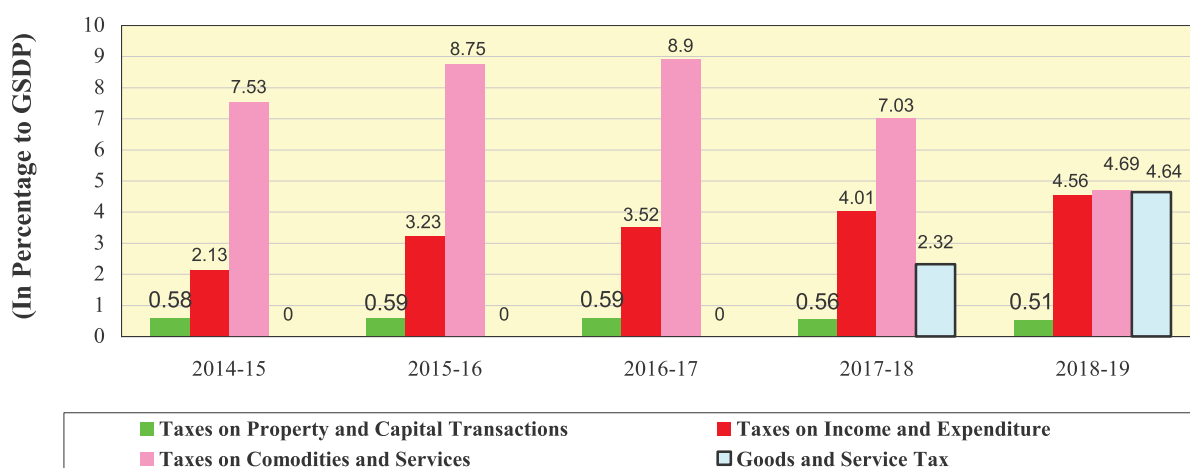
Sector-wise Tax Revenue					
Description	2014-15	2015-16	2016-17	2017-18	2018-19
Goods and Services Tax	NA*	NA*	NA*	6,772.36 (2.32)	14,454.74 (4.64)
Taxes on Income and Expenditure	5,013.09 (2.13)	8,413.19 (3.23)	10,212.43 (3.52)	11,721.47 (4.02)	14,208.08 (4.56)
Taxes on Property and Capital Transactions	1,362.77 (0.58)	1,549.98 (0.59)	1,728.79 (0.59)	1,643.69 (0.56)	1,599.01 (0.51)
Taxes on Commodities and Services	17,694.43 (7.53)	22,828.16 (8.75)	25,813.15 (8.90)	20,511.97 (7.03)	14,624.12 (4.69)
Total -Tax Revenue	24,070.29 (10.24)	32,791.33 (12.57)	37,754.37 (13.01)	40,649.49 (13.94)	44,885.95 (14.40)
GSDP	2,34,982.00	2,60,776.00	2,90,140.00	2,91,680.72	3,11,659.54

Note: Figures in parentheses represent percentage to GSDP.

* Not Applicable.

The increase in total tax during 2018-19 was mainly attributable to allocation assigned to State from Government of India under Central Goods and Service Tax (₹ 5,789.33 crore) and higher collection under State Goods and Service Tax (₹ 8,203.41 crore), Corporation Tax (₹ 8,157.09 crore), Taxes on Income other than Corporation Tax (₹ 6,007.35 crore), State Excise (₹ 4,489.03 crore) and Taxes on Sales, Trade etc. (₹ 4,087.72 crore).

Trend of Major Taxes in Proportion to GSDP



2.3.1 State's own Tax and State's Share of Union Taxes

Tax Revenue of the State Government comes from two sources viz. State's own tax collections and devolution of Union taxes.

(₹ in crore)

Year	Tax Revenue	State's Share of Union Taxes/Duties	State's Own Tax Revenue	
			Tax Revenue	Percentage to GSDP
2014-15	24,070.29	8,363.03	15,707.26	6.68
2015-16	32,791.33	15,716.47	17,074.86	6.55
2016-17	37,754.37	18,809.16	18,945.21	6.53
2017-18	40,649.49	20,754.81	19,894.68	6.82
2018-19	44,885.95	23,458.69	21,427.26	6.88

Following table depicts the comparative position of tax revenue received from the two sources over a period of five years:

(₹ in crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
State's own Tax Collection	15,707.26	17,074.86	18,945.21	19,894.68	21,427.26
Devolution of Union Taxes	8,363.03	15,716.47	18,809.16	20,754.81	23,458.69
Total Tax Revenue	24,070.29	32,791.33	37,754.37	40,649.49	44,885.95
Percentage of State's own tax to total tax revenue	65	52	50	49	48

The proportion of State's own tax collection in overall tax revenue has been gradually reducing from 65 per cent during the year 2014-15 decreased to 52 per cent in 2015-16, 50 per cent in 2016-17, 49 per cent in 2017-18 and 48 per cent in 2018-19 respectively.

2.3.2 Trend in state's own Tax collection over the past five years

(₹ in crore)

Taxes	2014-15	2015-16	2016-17	2017-18	2018-19
1. Taxes on Sales. Trade etc.	8,428.61	8,908.36	9,927.21	6,449.60	4,087.72
2. State Excise	2,892.45	3,338.40	3,443.51	4,054.00	4,489.03
3. Taxes on Vehicles	703.48	829.22	985.27	1,180.01	1,204.85
4. Stamp and Registration fees	1,023.33	1,185.22	1,211.35	1,197.47	1,108.46
5. Taxes and Duties on electricity	1,312.93	1,372.84	1,495.48	1,688.96	1,790.27
6. Land Revenue	331.56	363.84	503.66	446.41	487.57
7. Taxes on Goods and Passengers	981.88	1,040.26	1,340.36	477.66	54.51
8. State Goods and Services Tax	-	-	-	4,386.56	8,203.41
9. Other Taxes	33.02	36.72	38.37	14.01	1.44
Total State's own Taxes	15,707.26	17,074.86	18,945.21	19,894.68	21,427.26

2.4 Cost of Tax Collection

(₹ in crore)

Taxes	2014-15	2015-16	2016-17	2017-18	2018-19
1. Taxes on Sales Trade etc. [(0040) (2040)]					
Revenue Collection	8,428.61	8,908.36	9,927.21	6,449.60	4,087.72
Expenditure on Collection	48.54	51.22	56.71	67.23	62.73
Cost of Tax Collection	0.58	0.57	0.57	1.04	1.53
2. State Excise [(0039 and 2039)]					
Revenue Collection	2,892.45	3,338.40	3,443.51	4,054.00	4,489.03
Expenditure on Collection	59.74	58.79	131.45	171.67	71.66
Cost of Tax Collection	2.07	1.76	3.82	4.23	1.60
3. Taxes on Vehicles [(0041 and 2041)]					
Revenue Collection	703.48	829.22	985.27	1,180.01	1,204.85
Expenditure on Collection	12.42	12.85	14.95	15.52	18.86
Cost of Tax Collection	1.77	1.55	1.52	1.32	1.57
4. Stamp and Registration Fee [(0030 and 2030)]					
Revenue Collection	1,023.33	1,185.21	1,211.35	1,197.47	1,108.46
Expenditure on Collection	26.98	25.12	24.77	22.26	18.38
Cost of Tax Collection	2.64	2.12	2.04	1.86	1.66

The expenditure on collection of Taxes on State excise was high as compared to expenditure on collection of other taxes.

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

(₹ in crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Central Goods and Services Tax	00	00	00	291.44	5,789.33
Integrated Goods and Services Tax	00	00	00	2,094.36	462.00
Corporation Tax	2,920.41	4,950.08	6,019.53	6,352.98	8,157.09
Taxes on Income other than Corporation Tax	2,085.45	3,455.09	4,183.59	5,364.62	6,007.35
Other Taxes on Income and Expenditure	00	00	00	00	42.48
Taxes on Wealth	7.88	0.92	13.78	(-) 0.19	2.98
Customs	1,352.54	2,504.03	2,589.37	2,093.70	1,662.66
Union Excise Duties	763.73	2,069.99	2,956.84	2,188.50	1,104.93
Service Tax	1,232.95	2,727.11	3,045.99	2,369.40	217.76
Other Taxes and Duties on Commodities and Services	00	9.16	0.06	0.00	12.11
State Share of Union Taxes/ Duties	8,363.03	15,716.47	18,809.16	20,754.81	23,458.69
Total Tax Revenue	24,070.29	32,791.33	37,754.37	40,649.49	44,885.95
Percentage of Union Taxes to Total Tax Revenue	35	48	50	51	52

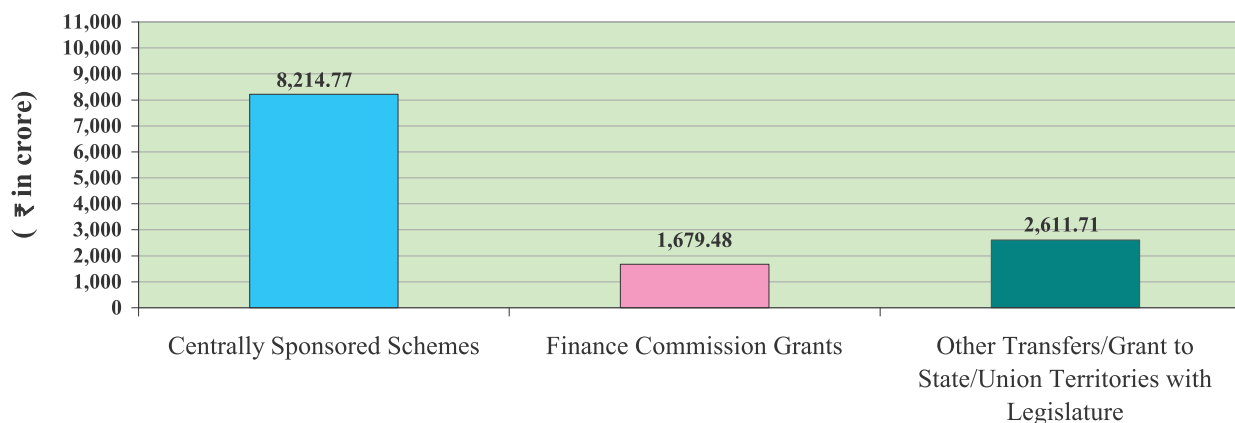
Government of Chhattisgarh received share of Tax Revenue ranging between 35 *per cent* to 52 *per cent* from the net proceeds of all sharable Union taxes/ duties during the period 2014-15 to 2018-19.

2.6 Grants-in-Aid

Grants-in-aid represent assistance from the Government of India, and comprise, grant for State Schemes, Central Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Grants recommended by the Finance Commission.

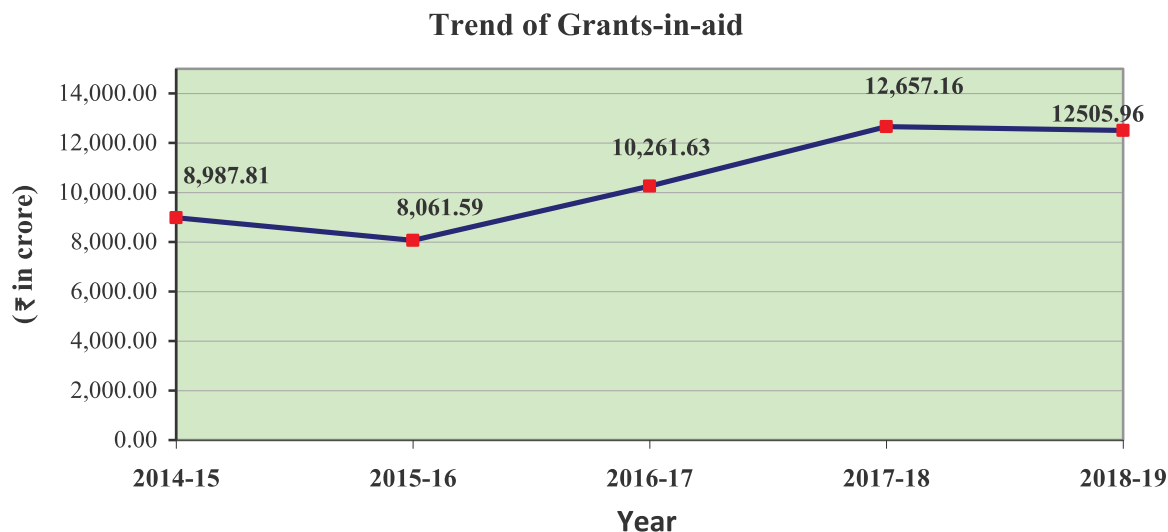
Total receipts during 2018-19 under Grants-in-aid were ₹ 12,505.96 crore as shown below:

Grants-in-Aid



Due to abolition of distinction between Plan and Non-Plan schemes from 2018-19, the Grants-in-Aid are received from Government of India under three categories i.e. Grants for Centrally Sponsored Schemes, Finance Commission Grants and Other Transfers/Grant to State/Union

Territories with Legislature. Grants-in-aid received from Government of India decreased by 1.19 percent from ₹ 12,657.16 crore in 2017-18 to ₹ 12,505.96 crore in 2018-19.



2.7 Public Debt-

Trend of position of Public Debt over the five years:

(₹ in crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Internal Debt	18,194.80	24,214.56	28,330.29	36,690.44	49,553.83
Central Loans	1,854.38	1,835.59	2,047.16	2,339.57	2,700.39
Total	20,049.18	26,050.15	30,377.45	39,030.01	52,254.22

During the year 2018-19, 15 loans totalling ₹ 12,900.00 crore were raised from the open market at interest rates varying from 7.43 to 8.18 *per cent* and the same are redeemable during the period between the year 2026-27. In addition, the State Government raised loan of ₹ 916.67 crore from the National Bank for Agriculture and Rural Development. Thus, the Internal Debt raised by the Government during the year 2018-19 was ₹ 13,816.67 crore. The Government also received ₹ 553.44 crore from Government of India as loans and advances.

2.7.1 Debt Service Ratio-

(₹ in crore)

Description	Amount discharged during the year	Interest paid	Total Service Payment	Closing Balance as on 31.03.2019	Debt Service Ratio
6003-Internal Debt of the State Government	953.27	2,958.53	3,911.80	49,553.83	7.89 :100
6004-Loan and Advances from the Central Govt.	192.62	139.48	332.10	2,700.39	12.30 :100
Total Public Debt	1,145.89	3,098.01	4,243.90	52,254.22	8.12 :100

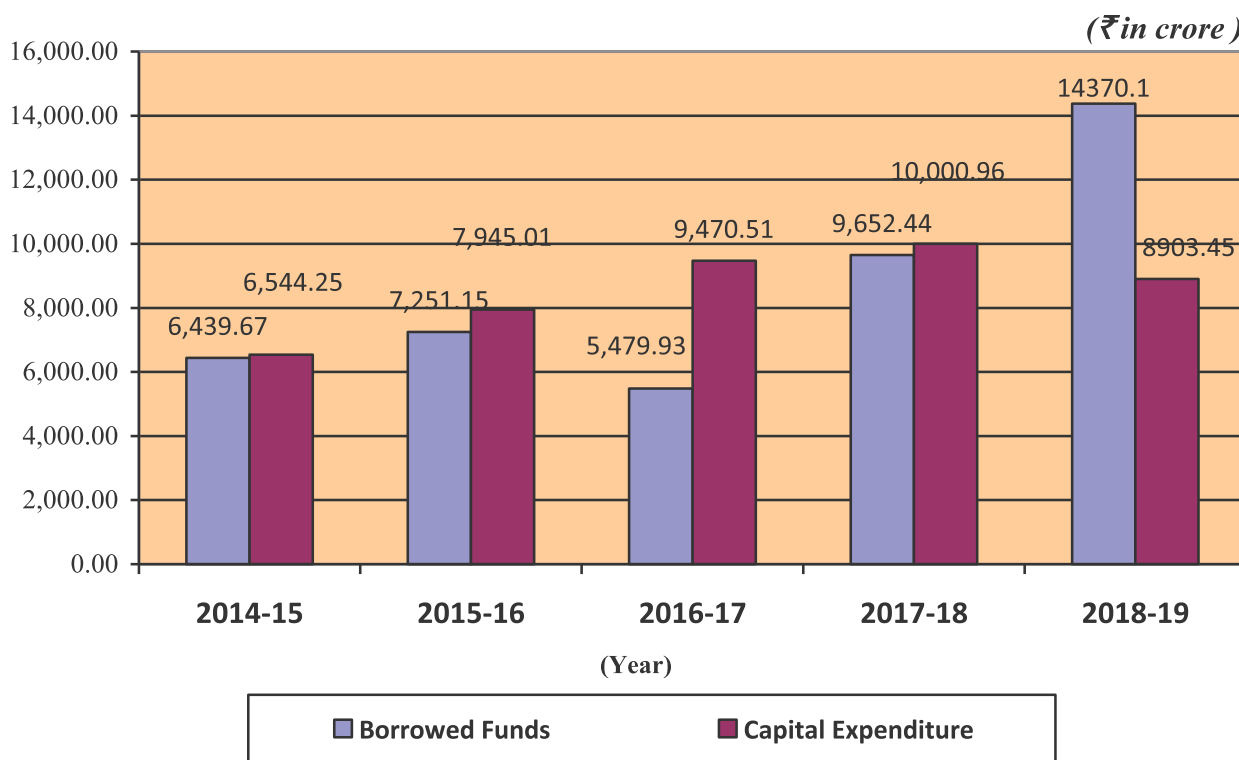
2.8 Trend of Net Public Debt over the past five years-

The table below exhibits the net increase of public debt compared to previous years. This is calculated taking into account closing balance of previous year, receipts during the year and repayment during the year.

<i>(₹in crore)</i>					
Items	2014-15	2015-16	2016-17	2017-18	2018-19
Internal Debt	5,251.43	6,019.76	4,115.73	8,360.15	12,863.39
Central Loans	(-) 148.49	(-) 18.79	211.57	292.41	360.82
Total Public Debt	5,102.94	6,000.79	4,327.30	8,652.56	13,224.21

Note:- 1. Minus figure indicates over repayments against receipts.
2. Net figure = Receipt- Disbursements.

2.9 Borrowed Funds viz-a-viz Capital Expenditure



CHAPTER-III

Expenditure

3.1 Introduction-

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

In Government accounts, the expenditure is classified at top level into three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned in the table given below:

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

3.2 Revenue Expenditure

The percentage of gap over the Expenditure against Budget Estimates of State Government during the past five years are as under:-

(₹ in crore)					
Description	2014-15	2015-16	2016-17	2017-18	2018-19
Budget Estimates (BE)	46,190.78	53,726.82	56,389.53	61,312.83	68,422.62
Actual	39,561.29	43,701.06	48,164.60	56,229.75	64,411.17
Gap	6,629.49	10,028.76	8,224.93	5,083.08	4,011.45
Percentage of variation of Actual against BE	14	19	15	8	6

From the above table, it is evident that the percentage of variation of actual expenditure against budget estimates started showing a decreasing trend from the year 2015-16, thus reflecting the improvement in budget preparation process.

3.2.1 Committed Revenue Expenditure

Around 54 *per cent* of the total revenue expenditure during 2018-19 was incurred on Salaries and Wages, (₹ 17,663.70 crore), Interest payment (₹ 3,652.60 crore), Pensions (₹ 5,403.09 crore) and Subsidies (₹ 8,323.01 crore) which are the committed liabilities of the State Government.

The position of committed and uncommitted revenue expenditure over the last five years is given below:

(₹ in crore)					
Component	2014-15	2015-16	2016-17	2017-18	2018-19
Total Revenue Expenditure	39,561.29	43,701.06	48,164.60	56,229.75	64,411.17
Committed Revenue Expenditure	18,858.32	24,092.83	21,989.62	25,420.78	26,863.29
Percentage of committed revenue expenditure to total revenue expenditure	48	55	46	45	42
Uncommitted revenue expenditure	20,702.97	19,608.23	26,174.98	30,808.97	37,547.88

Committed revenue expenditure included expenditure on Salaries & Wages, Interest Payment, Pensions and Subsidies.

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased by 81.36 *per cent* from ₹ 20,702.97 crore in 2014-15 to ₹ 37,547.88 crore in 2018-19. The total revenue expenditure increased by 62.81 *per cent* from ₹ 39,561.29 crore in 2014-15 to ₹ 64,411.17 crore in 2018-19 and committed revenue expenditure increased by 42.45 *per cent* over the same period.

3.2.2 Sectoral distribution of Revenue Expenditure 2018-19

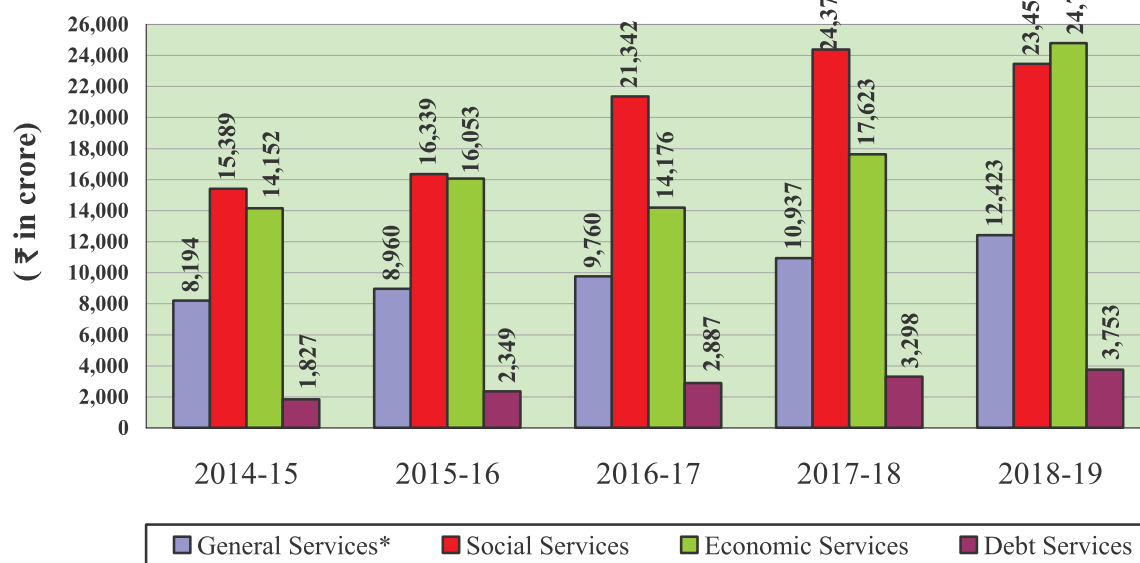
(₹ in crore)		
Components	Amount	Percentage
A. Organ of State	568.05	0.88
B. General Services	705.37	1.10
(i) Collection of Taxes on Property and Capital transactions	312.86	0.49
(ii) Collection of Taxes on Commodities and Services	392.51	0.61
(iii) Other Fiscal Services	0.00	--
C. Interest Payments and Servicing of debt	3,752.55	5.83
D. Administrative Services	4,825.81	7.49
E. Pensions and Miscellaneous General Services	5,428.51	8.43
F. Social Services	23,454.94	36.41
G. Economic Services	24,780.79	38.47
H. Grants-in-aid and Contributions	895.16	1.39
Total Expenditure (Revenue Account)	64,411.17	100

It is evident from the above that the State Government has given priority to Economic Sector and Social Sector incurring 38.47 and 36.41 per cent respectively out of total expenditure in comparison with other sectors.

3.2.3 Major components of Revenue Expenditure 2014-15 to 2018-19

(₹ in crore)						
S. No.	Components	2014-15	2015-16	2016-17	2017-18	2018-19
1	General Services (excluding Expenditure on debt Servicing)	8,194	8,960	9,760	10,937	12,423
2	Social Services	15,389	16,339	21,342	24,372	23,454.94
3	Economic Services	14,152	16,053	14,176	17,623	24,781
4	Debt Services	1,827	2,349	2,887	3,298	3,753

Trend of Major Components of revenue expenditure



* General Services excludes interest payments (MH 2049) and includes compensation and assignment to Local Bodies and Panchayati Raj Institutions (MH 3604).

3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital Expenditure during 2018-19 amounting for ₹ 9,144.14 crore (2.93 *per cent* of GSDP) were less than Budget Estimates by ₹ 5,309.79 crore. The growth in capital expenditure has not kept pace with the steady growth of GSDP since 2014-15 onwards. This can be seen from the table below:

(₹ in crore)						
S. No.	Components	2014-15	2015-16	2016-17	2017-18	2018-19
1	Budget (B.E.)	8,519.12	11,283.12	13,669.18	14,718.79	14,453.93
2	Actual Expenditure	6,632.57	8,110.23	9,743.66	10,370.79	9,144.14
3	Percentage of Actual Exp. to B.E.	77.86	71.88	71.28	70.46	63.26
4	Yearly growth in Capital Expenditure	12.45	22.28	20.14	6.44	(-)11.83
5	GSDP	2,34,982	2,60,776	2,90,140	2,91,681	3,11,659.54
6	Yearly growth in GSDP	13.69	10.98	11.26	0.53	6.85

3.3.1 Sectoral distribution of Capital Expenditure

During 2018-19, the Government spent ₹ 1,588.45 crore on various Irrigation Projects of which ₹ 635.56 crore were spent on Major Irrigation, ₹ 65.24 crore on Medium Irrigation, ₹ 848.90 crore on Minor Irrigation, ₹ 11.38 crore on Command Area Development and ₹ 27.37 crore on Flood Control. Besides, the Government spent ₹ 3,765.51 crore on Road and Bridges and invested ₹ 9.62 crore in various Statutory Corporations/Government Companies/Co-Operatives.

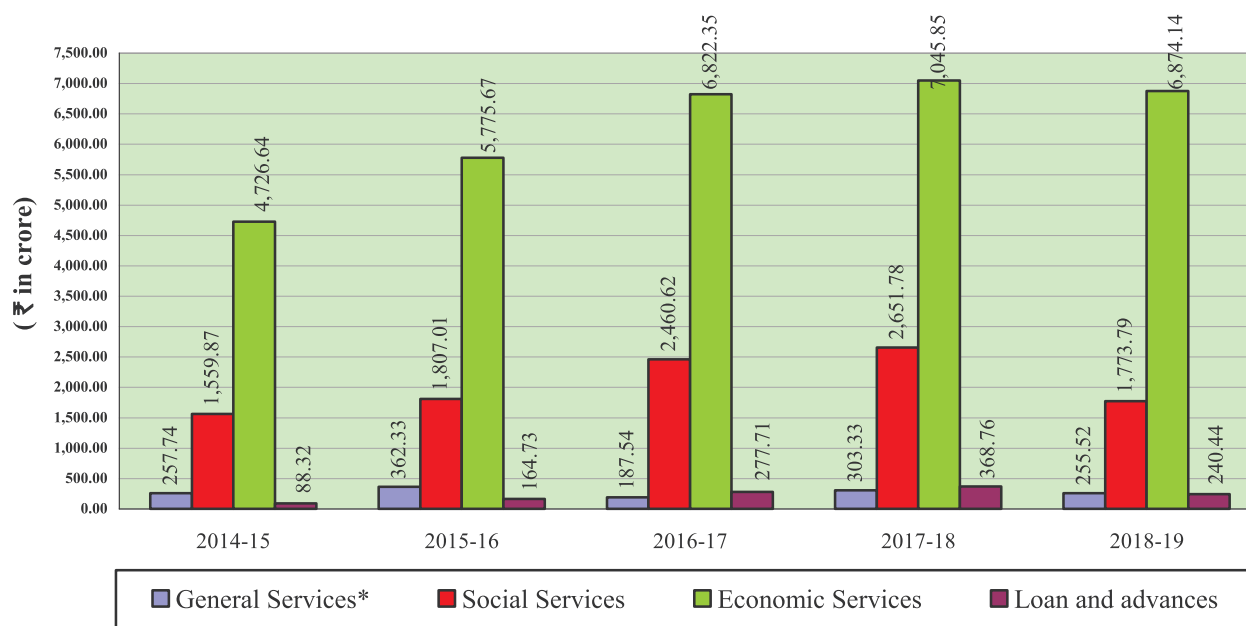
3.3.2 Sectoral distribution of Capital expenditure over past five years

(₹ in crore)

S. No.	Sector	2014-15	2015-16	2016-17	2017-18	2018-19
1	General Services	257.74 (4)	362.33 (5)	187.54 (2)	303.33 (3)	255.52 (3)
2	Social Services	1,559.87 (24)	1,807.01 (22)	2,460.62 (25)	2,651.78 (26)	1,773.79 (19)
3	Economic Services	4,726.64 (71)	5,775.67 (71)	6,822.35 (70)	7,045.85 (68)	6,874.14 (75)
4	Loan and Advances	88.32 (1)	164.73 (2)	277.71 (3)	368.76 (3)	240.44 (3)
	Total	6,632.57	8,109.74	9,743.22	10,369.72	9,143.89

Note: Figures in parentheses represent percentage to total Capital expenditure.

3.3.2a Trend of Sectoral Distribution of Capital Expenditure



3.3.3 Sectoral distribution of Capital and Revenue expenditure

The comparative sectoral distribution of capital and revenue expenditure over the last five years is illustrated below:

(₹ in crore)

S. No.	Sector	Section	2014-15	2015-16	2016-17	2017-18	2018-19
A.	General Services	Capital	257.74	362.33	187.54	303.33	255.52
		Revenue	9,041.58	10,408.76	11,496.23	12,870.41	15,280.28
B.	Social Services	Capital	1,559.87	1,807.01	2,460.62	2,651.78	1,773.79
		Revenue	15,388.85	16,339.35	21,341.61	24,371.59	23,454.94
C.	Economic Services	Capital	4,726.64	5,775.67	6,822.35	7,045.85	6,874.14
		Revenue	14,152.22	16,062.54	14,176.21	17,623.08	24,780.79
D.	Grants-in-aid & Contribution	Capital	0.00	0.00	0.00	0.00	0.00
		Revenue	978.63	900.41	1,150.55	1,364.66	895.16

3.4 Committed Expenditure

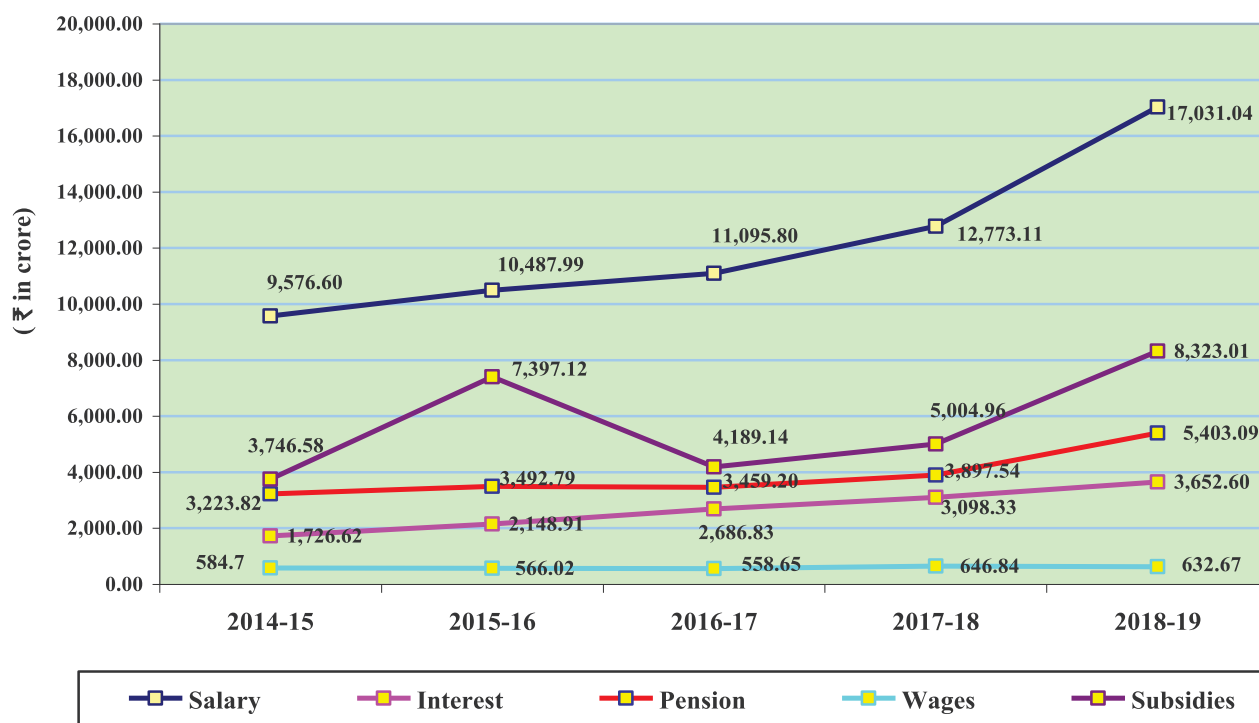
The trend of committed expenditure in comparison to revenue expenditure and revenue receipts over the past five years is depicted below:

(₹ in crore)

Component	2014-15	2015-16	2016-17	2017-18	2018-19
Committed Expenditure	18,858.32	24,092.83	21,989.62	25,420.78	35,042.41
Revenue Expenditure	39,561.29	43,701.06	48,164.60	56,229.75	64,411.17
Revenue Receipt	37,988.01	46,067.71	53,685.25	59,647.07	65,094.93
Percentage to committed expenditure to Revenue Receipt	50	52	41	43	53.83
Percentage of committed expenditure to Revenue Expenditure	48	55	46	45	54.40

The committed Expenditure increased by 85.82 per cent from 2014-15 to 2018-19 while Revenue Expenditure registered the growth of 62.81 per cent during the same period.

Trend of Committed Expenditure



CHAPTER-IV

Appropriation Accounts

4.1 Summary of Appropriation Accounts 2018-19-

(₹ in crore)

S. No.	Nature of Expenditure	Original Grant/Appropriation	Supplementary Grant/Appropriation	Surrender/Re-appropriation	Total Budget	Actual Expenditure	Savings (-) Excesses (+)
1	Revenue						
	Voted	65,037.92	16,446.81	19,978.69	81,484.74	60,716.91	(-)20,767.82
	Charged	4,460.54	338.57	685.38	4,799.11	4,103.03	(-)696.08
2	Capital						
	Voted	15,460.95	822.12	6,846.97	16,283.07	9,416.20	(-)6,866.87
	Charged	27.93	1.40	1.24	29.33	28.07	(-)1.26
3	Public Debt						
	Charged	2,063.37	0.00	917.48	2,063.37	1,145.89	(-)917.48
4	Loans and Advances						
	Voted	412.81	98.00	174.73	510.81	323.08	(-)187.73
5	Inter State Settlement						
	Voted	0.10	0.00	0.00	0.10	0.25	+0.15
Total	Voted	80,911.78	17,366.93	27,000.39	98,278.71	70,456.44	(-)27,822.27
	Charged	6,551.84	339.97	1,604.10	6,891.81	5,276.99	(-)1,644.82

4.2 Trend of Savings/Excess over the past five years-

(₹ in crore)

Year	Savings (-)/Excess (+)					Total
	Revenue	Capital	Public Debt	Loans & Advances	Inter State Settlement	
2014-15	(-) 9,152.28	(-) 2,573.29	+107.20	(-)397.23	+1.12	(-) 12,014.48
2015-16	(-) 14,705.23	(-) 4,735.41	(-)472.19	(-) 118.23	+0.39	(-) 20,030.67
2016-17	(-) 13,676.60	(-)4,842.10	(-)793.70	(-) 419.45	+0.34	(-) 19,731.51
2017-18	(-) 11,717.58	(-) 6,024.56	(-)917.50	(-) 228.04	+0.97	(-) 18,790.68
2018-19	(-) 42,127.97	(-) 13,716.34	(-)1,864.96	(-) 362.46	+0.15	(-) 58,071.88

4.3 Significant Savings-

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

(Saving in Percentage)							
Grant No.	Nomenclature	Voted/ Charged	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue -							
28	State Legislature	C	76.66	68.62	75.55	89.41	63.52
		V	26.59	34.17	37.43	40.85	36.92
36	Transport	C	100.00	63.58	99.50	73.73	66.92
		V	36.58	2.32	9.16	50.00	49.64
64	Special Component Plan for Scheduled Caste	V	12.26	7.33	5.46	16.29	23.06
67	Public Works-Buildings	V	16.08	24.98	13.44	25.61	14.88
79	Expenditure Pertaining to Medical Education Department	C	26.19	73.81	73.81	100.00	100.00
		V	10.26	4.37	9.49	27.10	29.62
Capital -							
41	Tribal Area Sub-Plan	V	6.00	4.29	1.18	35.66	38.82

The persistent huge savings under State Legislature, Transport and Medical Education Department are on account of schemes which though approved by the Legislature have been given lesser priority during implementation. This can be attributed either to increased budget estimation or the Government's desire to keep its fiscal deficit below the ceiling.

4.4 Supplementary Grants/Appropriation Proved Unnecessary.

In the year 2018-19, supplementary provision was ₹ 17,706.90 crore (23.38 *per cent*) of total expenditure proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below:-

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
01	General Administration	Revenue	241.96	22.80	212.74
02	Other Expenditure pertaining to General Administration Department	Revenue	28.37	0.95	17.05
03	Police	Revenue	4,233.89	84.51	3,701.24
04	Other Expenditure pertaining to Home Department	Revenue	39.78	16.28	30.95
05	Jail	Revenue	174.32	1.20	135.69
07	Expenditure pertaining to Commercial Tax Department	Revenue	316.21	8.53	165.15
08	Land Revenue and District Administration	Revenue	941.95	--	654.85
10	Forest	Revenue	1,069.94	0.28	761.83
12	Expenditure pertaining to Energy Department	Revenue	2,264.54	32.90	1,221.07
14	Expenditure pertaining to Animal Husbandry Department	Revenue	416.69	85.02	343.50
16	Fisheries	Revenue	62.37	0.24	49.98
18	Labour	Revenue	173.59	20.85	117.27
19	Public Health and Family Welfare	Revenue	1,978.62	218.86	1,706.24
20	Public Health Engineering	Revenue	374.43	0.53	257.29
25	Expenditure pertaining to Mineral Resources Department	Revenue	293.15	49.64	154.13
26	Expenditure pertaining to Culture Department	Revenue	40.83	20.50	37.71
28	State Legislature	Revenue	62.42	0.30	39.35
29	Administration of Justice and Elections	Revenue	540.26	65.08	472.26
30	Expenditure pertain to Panchayat and Rural Development Department	Revenue	3,227.28	634.73	2,269.02
31	Expenditure pertaining to Planning, Economics and Statistics Department	Revenue	38.30	1.00	27.14
36	Transport	Revenue	76.64	--	38.56
39	Expenditure Pertaining to Food, Civil Supplies and Consumer Protection Department	Revenue	2,272.16	1.54	1,945.17
44	Higher Education	Revenue	664.17	--	560.28
46	Science and Technology	Revenue	16.95	0.90	5.63
47	Technical Education and Man-Power Planning Department	Revenue	359.95	12.00	226.79
54	Expenditure pertaining to Agriculture Research and Education	Revenue	131.00	--	95.25

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
55	Expenditure pertaining to Women and Child Welfare	Revenue	990.51	44.45	535.45
58	Expenditure on Relief on Account of Natural Calamities and Scarcity	Revenue	330.64	--	322.21
66	Welfare of Backward Classes	Revenue	247.40	8.88	154.51
69	Urban Administration and Development Department - Urban Welfare	Revenue	850.43	210.33	749.30
71	Information Technology and Bio-Technology	Revenue	136.08	5.00	50.15
79	Expenditure pertaining to Medical Education Department	Revenue	615.51	2.82	435.15
80	Financial Assistance to Three Tier Panchayati Raj Institutions	Revenue	3,829.69	380.79	2,200.33
81	Financial Assistance to Urban Bodies	Revenue	1,867.15	481.25	1,414.07
..	Public Debt	Revenue	3,967.45	337.11	3,728.95
03	Police	Capital	76.75	--	13.93
10	Forest	Capital	17.32	12.00	7.63
12	Expenditure pertaining to Energy Department	Capital	322.41	--	291.96
19	Public Health and Family Welfare	Capital	68.18	0.28	32.98
21	Expenditure pertaining to Housing and environment Department	Capital	695.04	0.50	197.27
23	Water Resources Department	Capital	488.39	--	341.89
24	Public Works-Roads and Bridges	Capital	1,352.56	122.54	947.81
29	Administration of Justice and Elections	Capital	14.82	1.47	12.58
30	Expenditure pertaining to Panchayat and Rural Development Department	Capital	675.89	25.00	599.42
41	Tribal Area Sub-Plan	Capital	2943.00	248.62	1,923.98
42	Public Works relating to Tribal Area Sub-Plan-Roads and Bridges	Capital	1,090.61	--	824.52
64	Special Component Plan for Scheduled Castes	Capital	1,432.50	110.85	859.11
67	Public Works- Buildings	Capital	589.25	7.24	310.99
71	Information Technology and Bio-Technology	Capital	280.00	283.40	104.00
76	Externally Aided Projects pertaining to Public Works Department	Capital	775.60	--	460.34
79	Expenditure pertaining to Medical Education Department	Capital	189.20	--	91.92
81	Financial Assistance to Urban Bodies	Capital	604.00	6.61	185.00

A few instances where there was excess expenditure at the end of the year are given below:

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
..	2049-Interest Payments 03-Interest on Small Savings Provident Funds etc. 104- Interest on State Provident Funds	Revenue	428.50	0.00	488.85
06	2071-Pension and Other Retirement Benefits 01-Civil 104-Gratuities	Revenue	500.00	0.00	587.37
06	2071-Pension and Other Retirement Benefits 01-Civil 105-Family Pension	Revenue	775.00	0.00	834.70
06	2071-Pension and Other Retirement Benefits 01-Civil 115-Leave Encashment Benefits	Revenue	150.00	0.00	221.89
06	2071-Pension and Other Retirement Benefits 01-Civil 117-Government Contribution for Defined Pension Contribution Scheme	Revenue	490.00	0.00	757.00
19	2210-Medical and Public Health 03-Rural Health Services (Allopathy) 197-Assistance to Janpad Panchayats	Revenue	121.43	0.00	125.24
23	2701-Medium Irrigation 80-General 001-Direction and Administration	Revenue	223.50	0.00	367.90
41	2210- Medical and Public Health 03-Rural Health Services 197-Assistance to Gram Panchayats	Revenue	124.09	0.00	159.18
67	2059-Public Works 60- Other Buildings 053-Maintenance and Repairs	Revenue	94.70	0.00	121.34

4.5 Rush of Expenditure:

Regular flow of expenditure in the year is a primary requirement of Budgetary Control. Rush of expenditure particularly in the closing months of the financial year is regarded as breach of financial rules. It was, however, noticed that in the following cases the expenditure incurred during March 2019 ranged between 50 per cent to 100 per cent of the total expenditure during the year indicating the tendency to utilise the Budget provision at the fag end of the financial year:-

(₹ in crore)

Major Head	Nomenclature	Ist Quarter	IInd Quarter	IIInd Quarter	IVth Quarter	Total	Exp. of March 2019	Percentage of March 2019 w.r.t. Total exp.
2075	MISCELLANEOUS GENERAL SERVICES	0.00	0.00	0.00	0.01	0.02	0.01	56.30
4070	CAPITAL OUTLAY ON OTHER ADMINISTRATIVE SERVICES	0.48	0.27	1.57	5.55	7.87	5.31	67.39
4235	CAPITAL OUTLAY ON SOCIAL SECURITY AND WELFARE	0.00	0.16	1.11	8.64	9.91	8.18	82.43
4405	CAPITAL OUTLAY ON FISHERIES	0.24	0.10	0.02	0.74	1.10	0.63	57.06
4425	CAPITAL OUTLAY ON CO-OPERATION	-0.16	0.00	-0.03	5.16	4.97	6.32	126.89
4801	CAPITAL OUTLAY ON POWER PROJECT	0.00	0.00	60.00	70.00	130.00	170.00	130.77
4810	CAPITAL OUTLAY ON NEW AND RENEWABLE ENERGY	0.00	186.26	78.11	200.62	464.99	295.89	63.63
4853	CAPITAL OUTLAY ON NON-FERROUS MINING AND METALLURGICAL INDUSTRIES	0.07	0.61	0.64	2.59	3.91	2.09	53.40
5452	CAPITAL OUTLAY ON TOURISM	0.00	1.20	0.00	12.57	13.77	12.57	91.28

CHAPTER-V

Assets and Liabilities

5.1 Assets

The existing form of accounts does not clearly depict valuation of Government assets like land, buildings etc., except in the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities for future generations.

Total investments as share capital in Government corporations, Government Companies and Joint Stock Companies stood at ₹ 7,268.04 crore at the end of 2018-19. However, dividends received during the year were ₹ 1.49 crore (0.02 *per cent*) on total investment. At the end of the year 2018-19, investments increased by ₹ 401.67 crore and dividend income decreased by ₹ 3.31 crore.

Cash Balance with RBI stood at ₹ 637.60 crore on 01 April 2018 and the same stood at ₹ 320.72 crore at the end of March 2019. In addition, Government had invested an amount of ₹ 1,04,951.23 crore on 156 occasions in 14 days Treasury Bills during year 2018-19. The rediscounted amount during the year was ₹ 46,649.10 crore on 164 occasions and the maturity amount was ₹ 52,613.96 crore on 88 occasions. The position of investment during the year 2018-19 is depicted in the table given below:

(₹ in crore)

Cash Balance Investment in Government of India Treasury Bills			
Balance as on 1 April 2018	Purchases during 2018-19	Sales during 2018-19	Closing balance on 31 March 2019
4,070.85	1,04,951.23	99,263.06	9,759.02

5.2 Debt and Liabilities -

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

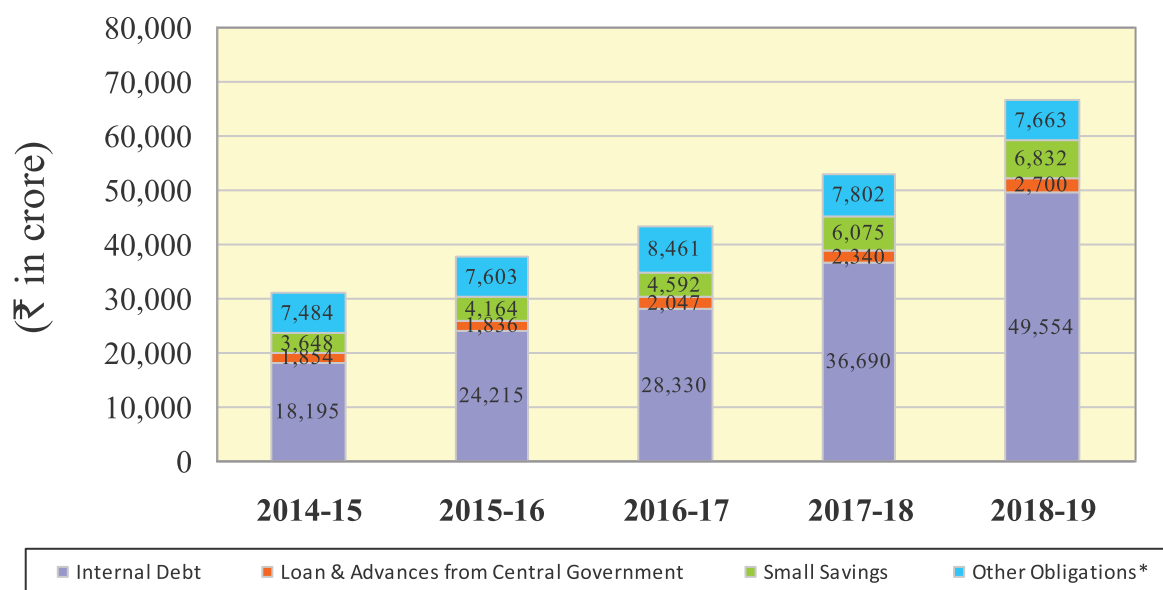
Details of the Public Debt and total liabilities of the State Government for the last five years are as under-

(₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Account	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2014-15	20,049.18	8.53	11,131.84	4.74	31,181.02	13.27
2015-16	26,050.15	9.99	11,766.44	4.51	37,816.59	14.50
2016-17	30,377.45	10.47	13,053.41	4.50	43,430.86	14.97
2017-18	39,030.01	13.38	13,877.07	4.76	52,907.08	18.14
2018-19	52,254.22	16.77	14,495.29	4.65	66,749.51	21.42

There is a net increase of ₹ 13,842.43 crore (26.16 *per cent*) in Public Debt and Public Account in 2018-19 as compared to 2017-18.

Trends in Government Liabilities



* Other Obligations includes Reserve Funds and Deposits.

5.3 Guarantees

In addition to directly raising loans, State Government also guarantees loans raised by the Statutory Corporation, Government Companies and Corporations, Co-operative Societies etc., from the market and financial institutions for implementation of various schemes and programmes. These guarantees are contingent liability on the Consolidated Fund of the State in case of default in the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies etc., for whom the guarantee was extended and are projected outside the State Budget. The position of guarantees by the state Government for the re-payment of Loans (payment of principle and interest thereon) raised by Statutory Corporations, Government Companies and Corporations, Co-operative societies, etc. for the last five years is given below.

(₹ in crore)

Year	Maximum Amount Guaranteed (Principal only)	Amount Outstanding at the end of the year	
		Principal	Interest
2014-15	9,080.06	2,314.47	NA
2015-16	14,883.41	1,988.24	NA
2016-17	12,641.13	3,982.97	NA
2017-18	6,549.89	3,881.92	NA
2018-19	19,573.79	10,769.42	NA

It may be seen from above that Guarantee amount has increased considerably in 2018-19. Details are available in Statement No. 20 of Finance Accounts and these are based on information received from the State Government, Finance Department.

5.4 Off budget liabilities of State Government

In addition to the budgeted liabilities of ₹ 66,749.51 crore, the State Government has an off budget liability towards various financial institutions as detailed below:

5.4.1 Chhattisgarh State Power Distribution Company Limited (CSPDCL):

Government of Chhattisgarh had a Liability of ₹ 1,955.00 crore on CSPDCL for providing free electricity to BPL consumers under two sub schemes " Grants for Single lamp connection" and "Grants for providing free electricity to agriculture pumps of 5 HP" of "*Krishak Jivan Jyoti Yojna*". In order to discharge this liability, Government of Chhattisgarh, issued guarantees to CSPDCL in 2016-17 (valid for five years) for availing Loans of ₹ 1,955.00 crore from various financial institutions with the condition that the liability to repay the loans availed under the above Guarantee along with interest rests with the State Government. The loan and interest due would be repaid initially by CSPDCL to the Financial Institutions and the State Government would pay the same to CSPDCL. The State Government makes budget provisions for both the above schemes by including the provisions for payment of Principal and Interest. During 2018-19, the State Government made a provision of ₹ 363.14 crore and ₹ 2,975.68 crore under both the above schemes and released ₹ 363.14 crore and ₹ 1,645.31 crore respectively to CSPDCL. The sanction orders relating to releases of these schemes do not distinctly indicate the amount released towards Subsidy and towards repayment of Principal and Interest on ₹ 1,955.00 crore. As a result, the amount of Principal/ Interest paid by the State Government to CSPDCL during 2018-19 could not be ascertained. Further, CSPDCL has repaid ₹ 559.38 crore of Principal and ₹ 404.10 crore of interest to the Financial Institutions till March 2019.

5.4.2 Chhattisgarh Housing Board (CHB):

During 2017-18, Government of Chhattisgarh issued guarantees to CHB(valid up to 2031) for availing Loans of ₹ 800.00 crore from Canara Bank for construction of 6,424 residential buildings for Government Officers and Employees. In this connection, an agreement was executed between Housing and Environment Department, Government of Chhattisgarh and Chhattisgarh Housing Board on 14 July 2017. As per the agreement, the Housing and Environment Department shall pay interest and installment amount on the loan obtained for the activity to CHB on actual basis. During 2018-19, CHB availed loans of ₹ 401.64 crore and paid interest of ₹ 33.61 crore against which no amount was paid by the State Government to CHB. The total loan availed by CHB till 31 March 2019 is ₹ 562.66 crore (including ₹ 161.02 crore up to 31 March 2018).

Further, during 2018-19, the State Government purchased 728 flats at a cost of ₹ 216.64 crore from CHB with the condition that CHB will obtain loans for the above amount and State Government would repay the amount of loan to CHB in 15 years. The State Government in September 2018 issued a guarantee for ₹ 195.00 crore to CHB for obtaining loan from Allahabad Bank. CHB obtained the entire loan during 2018-19 and paid interest of ₹ 6.29 crore against which no amount was paid by the State Government to CHB.

The total Liability of the State Government as on 31 March 2019 in both the above cases is ₹ 757.66 crore (including ₹ 161.02 crore up to 31 March 2018) towards Principal and ₹ 42.49 crore towards Interest (including ₹ 2.59 crore up to 31 March 2018).

5.4.3 Chhattisgarh Police Housing Corporation Limited (CPHCL):

Government of Chhattisgarh issued guarantees to CPHCL in June/July, 2017 (valid up to 2027) for availing Loans of ₹ 800.00 crore from two financial institutions i.e. Allahabad Bank (₹ 400.00 crore) and Canara Bank (₹ 400.00 crore) for construction of 10,000 residential houses for Police Officers and Employees. During 2018-19, CPHCL availed loans of ₹ 204.71 crore and paid interest of ₹ 22.53 crore against which ₹ 23.60 crore was paid as interest by the State Government to CPHCL.

The total Liability of the State Government as on 31 March 2019 is ₹ 374.86 crore (including ₹ 170.15 crore up to 31 March 2018) towards Principal.

5.5 Liabilities on Retirement benefits

State Government employees recruited on or after 1 November 2004 are eligible for the new "Defined Contributory Pension Scheme". As per the guidelines of the scheme, the employee contributes 10 *per cent* of the basic pay and Dearness allowance and a matching contribution would be made by the State Government. The employees' contribution is credited to the Public Account under Major Head 8342-117 and thereafter transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank. The employers' contributions are directly debited to Major Head 2071 and transferred to NSDL/Trustee Bank. During the year 2018-19, ₹ 760.25³ crore was credited to the fund which consists of ₹ 757.01 crore of Employee contribution and ₹ 3.24 Crore of Employee and Employer contribution of employees posted on deputation to Zilla Panchayat, etc. Against the total amount of ₹ 760.25 crore credited to the fund during the year, an amount of ₹ 760.07⁴ crore consisting of ₹ 757.09 crore of Employee Contribution and ₹ 2.98 crore of Employee and Employer contribution of deputation employees was transferred to trustee bank resulting in less transfer to the tune of ₹ 0.18 crore. Further, against the employee contribution of ₹ 757.01 crore, the State Government contributed ₹ 757.00 crore resulting in less contribution of ₹ 0.01 crore. As on 31 March 2019, ₹ 22.41 crore remained under the Deposit head 8342-117. Discrepancy between the figures of closing balance of this head shown in the Finance Accounts (₹ 22.41 crore) and those intimated by the State Government (₹ 17.14 crore) is under reconciliation. Uncollected, unmatched and untransferred amounts, with accrued interest, represent outstanding liabilities under the Scheme.

³ The total amount credited to the fund is ₹ 765.82 crore which includes ₹ 760.25 crore of employees contribution for the year 2018-19 and ₹ 5.57 crore of employees contribution relating to the years from 2006-07 to 2017-18 wrongly credited under Major Head 8342-120.

⁴ The total amount debited to the fund is ₹ 785.94 crore which includes ₹ 760.07 crore of employees contribution for the year 2018-19, rectification of misclassification of ₹ 25.52 crore of employees contribution wrongly debited under Major Head 8342-120 during 2017-18 and ₹ 0.35 crore of refund of arrears of sixth pay commission to Judicial Officers.

CHAPTER- VI

Other Items

6.1 Adverse Balances under Internal Debt

Borrowings of State Government are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government also guarantees loans raised by government companies and corporations from the market and financial institutions for implementation of various schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Government Companies Corporations etc and do not appear in the books of the Government. However, the loan repayments appear in Government account, resulting in under statement of liabilities in Government accounts. As on 31 March 2019 no adverse balance is appearing in the accounts of Chhattisgarh Government.

6.2 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of the 2018-19 was ₹ 1,597.75 crore which was related to loans and advances to Government Corporations/Companies, Non-Government Institutions and Local Bodies. Recovery of Principal aggregating to ₹ 683.57 crore and Interest amounting to ₹ 56.85 crore are in arrears at the end of March 2019.

6.3 Financial assistances to local bodies and others

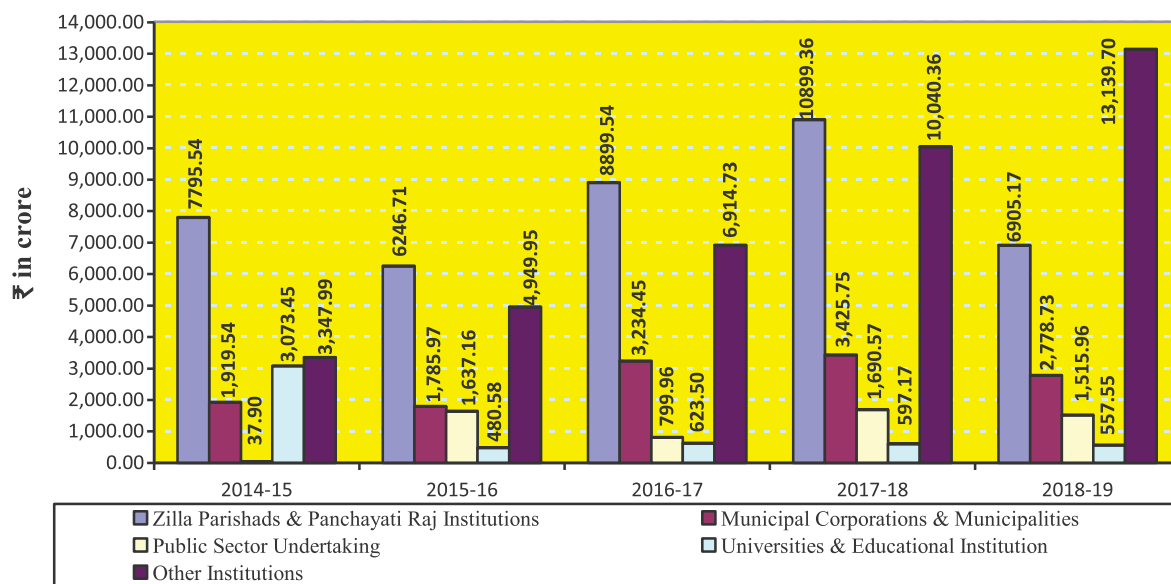
Grants-in-aid given to local bodies, autonomous bodies etc. increased from ₹ 16,176.42 crore in 2014-15 to ₹ 24,897.11 crore in 2018-19. Grants to Zilla Parishads and Panchayati Raj Institution, Municipal Corporation and Municipalities (₹ 9,683.90 crore) represent 38.90 *per cent* of total grants given during the year.

Details of Grants-in-aid given for the past 5 years are as under:

(₹ in crore)

S.No	Name of Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
1	Zilla Parishads & Panchayati Raj Institutions	7,797.54	6,246.71	8,899.54	10,899.36	6,905.17
2	Municipal Corporations & Municipalities	1,919.54	1,785.97	3,234.45	3,425.75	2,778.73
3	Public Sector Undertakings	37.90	1,637.16	799.96	1,690.57	1,515.96
4	Universities & Educational Institution	3,073.45	480.58	623.50	5,97.17	557.55
5	Other Institutions	3,347.99	4,949.95	6,914.73	10,040.36	13,139.70
	Total	16,176.42	15,100.37	20,472.18	26,653.21	24,897.41

Grants-in-aid Given:



6.4 Cash Balance and Investment of Cash Balance

The Status of cash balance and investment of cash balance of the State Government for the year 2018-19 is given below:-

(₹ in crore)			
Component	As on 01 April 2018	As on 31 March 2019	Net increase (+)/decrease(-)
Cash Balance	637.60	320.72	(-)316.88
Investment from Cash Balances (GOI Treasury Bills & GOI Securities)	4,070.85	9,759.02	(+)5,688.17
Investment from earmarked fund balances	2,085.84	2,185.31	(+)99.47
(A) Sinking Fund	1,946.94	2,046.94	(+)100.00
(B) Guarantee Redemption Fund	0.00	0.00	0.00
(C) Other Funds	138.90	138.37	(-)0.53
Interest Realised	140.28	145.23	(+)4.95

6.5 Reconciliation of accounts

To exercise effective control of expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, all budget controlling officers (BCOs) are required to reconcile the figure of Receipts and Expenditure of the Government recorded in their books every month with the figures accounted for by the office of the Accountant General (A&E), Chhattisgarh. During the year, out of 94 Budget Controlling Officers, 44 Budget Controlling Officers have fully reconciled and 20 Budget Controlling Officers have partially reconciled constituting a total expenditure of ₹ 42,232.60 crore (56.54 *per cent* of total Consolidated fund expenditure of ₹ 74,701.20 crore). Similarly on receipt side, out of 40 budget controlling officers, 13 Budget Controlling Officers have fully reconciled receipts of ₹ 26,157.33 crore (32.85 *per cent* of total Consolidated fund receipts of ₹ 79,633.18 crore).

6.6 Submission of Accounts by Accounts Rendering Units

The Accounts of receipt and expenditure of the Government of Chhattisgarh have been compiled based on the initial Accounts rendered by 28 Treasuries, 57 Public Works Divisions, 53 Forest Divisions, 62 Irrigation Divisions, 29 Rural Engineering Services and 36 Public Health Divisions, 33 Rural Development Divisions, 04 Road Development Divisions and Advices of the Reserve Bank of India. Rendition of Monthly Accounts by the Accounts rendering Units of State Government was by and large satisfactory.

6.7 Unadjusted Abstract Contingent (AC) Bills:

To meet emergent expenditure for which details are not available at that point of time, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money by presenting Abstract Contingency (AC) bills by debiting Service Heads and they are required to present Detailed Contingency (DC) bills (vouchers in support of final expenditure) in all these cases. Controlling Officers are required to dispatch all detailed bills so as to reach the Accountant General (A&E) not later than 25th of the following month to which they relate (Sub rule 327 of State Treasury Code). Non submission of DC bills with relevant documents of expenditure incurred renders the expenditure under AC bills opaque. The details of outstanding AC Bills to the end of the year 31 March 2019 is given below-

Details of pending Detailed Contingency Bills (₹ in crore)		
Year	Number of pending DC bills	Amount
2017-18	40	115.08
2018-19	248	69.57
Total	288	184.65

Major defaulting departments which have not submitted DC bills are Co-operative: ₹ 170.36 crore (92.27 percent), Industries: ₹ 4.89 crore (2.65 percent), Village Industries: ₹ 5.95 crore (3.22 percent), Social Security and Welfare: ₹ 1.32 crore (0.71 percent).

6.8 Status of Suspense and Remittance Balances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads have been worked out by aggregating the outstanding debit and credit balances separately under various heads. The position of net figures under major suspense heads for the last year is given below.

(₹ in crore)

Minor Head	2014-15		2015-16		2016-17		2017-18		2018-19	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
(a) 8658- Suspense Accounts										
101-Pay and Accounts Officer Suspense	26.88	2.37	47.52	2.50	48.21	0.44	54.38	0.14	52.55	18.83
Net	Dr. 24.51		Dr. 45.02		Dr. 47.77		Dr. 54.24		Dr. 33.72	
102-Suspense Accounts (Civil)	56.84	48.24	60.39	49.21	2.20	0.16	19.26	0.98	32.44	0.17
Net	Dr. 8.60		Dr. 11.18		Dr. 2.04		Dr. 18.28		Dr. 32.27	
107-Cash Settlement Suspense Accounts	38.68	6.70	38.68	6.70	0.00	0.00	0.00	0.00	0.00	0.00
Net	Dr. 31.98		Dr. 31.98		Dr. 0.00		Dr. 0.00		Dr. 0.00	
109-Reserve Bank Suspense-Headquarters	(-)0.47	(-)6.13	(-)0.19	(-)11.31	(-)0.37	(-)3.08	(-)0.67	(-)0.08	2.61	3.02
Net	Dr. 5.66		Dr. 11.12		Dr. 2.71		Cr. 0.59		Cr. 0.41	
110- Reserve Bank Suspense-Central Accounts Office	(-)2.72	(-)3.03	(-)5.21	(-)3.03	0.73	0.15	0.14	0.00	1.72	0.00
Net	Dr. 0.31		Cr. 2.18		Dr. 0.58		Dr. 0.14		Dr. 1.72	

6.9 Status of Outstanding Utilization Certificates:

As per Rule 182 of Chhattisgarh Financial Code Volume - I, in case of an annual or non-recurring conditional grant, the Departmental officer on whose signature or counter-signature the Grants-in-aid bill is drawn, shall furnish the Utilisation Certificate to the Accountant General (A&E) on or before 30 September of the following year to which the grant is related. As on 31 March 2019, 534 UCs amounting to ₹ 7,019.33 crore are outstanding, details of which are given below:-

(₹ in crore)

Year	Number of Utilization Certificate awaited	Amount
Up to 2016-17	46	68.70
2017-18	231	2,299.44
2018-19*	257	4,651.19
Total	534	7,019.33

* Except where the sanction order specifies otherwise, UCs in respect of grants drawn during 2018-19 become due only in 2019-20.

6.10 Transfer of Funds to various Implementing Agencies

The State Government provides funds to State/District Level Agencies/Autonomous Bodies and Authorities, Societies, Non-Governmental Organisations etc., as grants for implementation of Central Sector Schemes, Centrally Sponsored Schemes and State Schemes. Since the funds are not being spent fully by the implementing agencies in the same financial year, there remain substantial amounts of unspent balances in the bank accounts of these implementing agencies. The aggregate amount of unspent balances in the accounts of the implementing agencies kept outside the Government Accounts (in bank Accounts) is not readily ascertainable. The Government expenditure as reflected in the Accounts to that extent is, therefore, not final.

6.11 Gross State Domestic Product (GSDP) over the past five years-

GSDP is the market value of all officially recognized final goods and services produced within the State in a given period. The growth of GSDP of the State is an important economic indicator of the State's economy, as it depicts the increase in total value of production activities in the State. The trends in the annual growth of India's GDP and GSDP of the State at current prices are indicated below:-

6.11.1 Annual growth rate of GDP and GSDP (at current prices)

(₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
India's GDP (₹ in crore)	1,24,67,959	1,37,64,037	1,52,53,714	1,67,73,145	1,88,40,731
Growth rate of GDP (in percentage)	10.99	10.40	10.82	9.96	12.30
State's GSDP (₹ in crore)	2,21,142	2,34,212	2,62,263	2,91,681	3,11,660
Growth rate of GSDP (in percentage)	6.92	5.91	11.98	11.22	9.66

(Source: Website of the Ministry of Statistics and Programme Implementation, Government of India)

6.12 Commitment on Account of Incomplete Capital Works

A total expenditure of ₹ 10,787.07 crore was incurred up to the year 2018-19 by the State Government on 319 incomplete projects, each involving ₹ 10 crore and above, against estimated cost for ₹ 12,376.60 crore as detailed in Appendix IX in Volume-II of the Finance Accounts. A summarised view on commitments on account of "Incomplete Capital /Works" is furnished below:

(₹ in crore)

S. No.	Category of works (No. of works)	Estimated cost of works	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Estimated cost after revision (No. of works)
1	Water Resources Department (174)	6,936.63	756.13	6,554.88	NA	5,698.61 (57)
2	Building Works (18)	567.73	46.63	748.39	NA	1,035.76 (9)
3	Bridge Works (37)	754.21	61.49	513.26	NA	51.72 (3)
4	Road Works (90)	4,118.03	432.50	2,970.55	NA	242.09 (4)
Total		12,376.60	1,296.75	10,787.08	NA	7,028.18

6.13 Transfer of funds to Personal Deposit (PD) Accounts:

As per subsidiary rule 543 of the State Treasury Code, the State Government is authorized to open Personal Deposit Account (which forms part of the Public Account) wherein, funds are drawn from the Consolidated Fund (by debiting expenditure head) to be utilized for specific purposes. Unspent balances lying in PD accounts are required to be transferred back to the Consolidated Fund before the closure of the Financial Year. The State Government drew an amount of ₹ 0.50 crore from several Major Heads during March 2019 and deposited in the PD Accounts, the details of which are shown in **Annexure-E** of the Finance Accounts Vol- I. Such transfers at the end of the financial year indicate that transfer was done to prevent lapse of budgetary provision. The position of PD Accounts as on 31 March 2019 is given below:-

Details of Personal Deposit Account

(₹ in crore)

Opening Balance		Addition during the year/Receipts		Closed during the year/ Disbursements		Outstanding	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
263	1,757.00	02	508.61*	34	374.51*	231**	1,891.10

* Includes receipts / disbursements during the year.

** Out of the total 231 number of Personal Deposit Accounts, 20 accounts having a total balance of ₹ 3.47 crore remained inoperative as on 31 March 2019.

6.14 Investments:

Details of Government Investments in various Public Sector Undertakings, Statutory Corporations, Rural Banks, Government Companies, Joint Stock Companies and Co-operative Institutions and Local Bodies are depicted in Statement 8 and 19 of the Finance Accounts. At the end of the year, Government invested ₹ 7,268.04⁵ crore in 1591 entities. Discrepancies between the figures of Investments shown in the Finance Accounts (₹ 52.99 crore) and those intimated by the State Government entities (₹ 28.25 crore) are under reconciliation. The details are as under:

Details of difference of Investment

(₹ in crore)

Sl No.	Name of the Company	Figures as per Finance Accounts	Figures as per Company
1.	Chhattisgarh Industrial Development Corporation	45.37	1.60
2.	Chhattisgarh Forest Development Corporation	7.62	26.65
	Total	52.99	28.25

6.15 Status of Reserve Funds:

Details of Reserve Funds and their investments are available in Statements 21 and 22 of the Finance Accounts. There were 16 Reserve Funds earmarked for specific purposes, out of which, 12 funds were operative and four funds are inoperative for a period ranging between 2000-2001 and 2018-19. The total accumulated balance at the end of 31 March 2019 in these funds was ₹ 3,840.85 crore (₹ 3,821.86 crore in operative funds and ₹ 18.99 crore in inoperative funds), out of which, ₹ 2,185.31 crore (56.90 per cent) was invested.

6.15.1 State Disaster Response Funds (SDRF):

Government of India, Ministry of Home Affairs vides Office Memorandum dated 30 July 2015 issued guidelines on Constitution and Administration of SDRF based on the recommendations of Fourteenth Finance Commission. In terms of the guidelines, the Central and State Governments are required to contribute to the Fund in the proportion of 75:25. However, in September 2018, Government of India, Ministry of Home Affairs decided to enhance its contribution to the fund from 75 per cent to 90 per cent w.e.f. 1 April 2018.

⁵ Includes ₹ 223.59 crore apportioned to Chhattisgarh during 2018-19.

In 2018-19, the State Government transferred ₹ 320.81 crore (₹ 224.47 crore of Central Share, ₹ 47.03 crore of State Share and ₹ 49.31 crore of grants of National Disaster Response Fund received in 2017-18) to the fund. Further, an amount of ₹ 125.10 crore of Grants-in-Aid of State Disaster Response Fund received from Government of India in December 2018 and corresponding State Share of ₹ 13.90 crore was not transferred to the Fund. From the available balance in the Fund, expenditure of ₹ 133.53 crore initially incurred under MH 2245- Relief on Account of Natural Calamities was set off, leaving a balance of ₹ 400.70 crore in the Fund as of 31 March 2019.

As per the notification on SDRF, the balance of the fund is to be invested in Government of India securities, auctioned treasury bills, interest earning deposits and certificate of deposits with Scheduled Commercial Banks. During 2018-19, an amount of ₹ 209.28 crore was invested in 182 days treasury bills and earned an interest of ₹ 7.25 crore on these investments which was credited to the fund.

6.15.2 Consolidated Sinking Funds (CSF):

The State Government constituted the Consolidated Sinking Fund in 2006-07 for redemption of outstanding liabilities in terms of the recommendation of the Twelfth Finance Commission. As notified by the State Government, annual contributions to the Fund are to be made at a modest scale of at least 0.5 *per cent* of the liabilities outstanding (Internal Debt plus Public Account liabilities) at the end of the previous financial year. In 2018-19, the State Government contributed ₹ 100.00 crore against the minimum of ₹ 264.54 crore (representing 0.5 *per cent* of outstanding liabilities of ₹ 52,907.08 crore as on 31 March 2018) resulting in a short contribution of ₹ 164.54 crore. As on 31 March 2019, an amount of ₹ 2,046.94 crore was lying in the Fund and the total amount was invested in Government of India securities.

6.15.3 Guarantees Redemption Funds (GRF) :

The Twelfth Finance Commission had recommended the constitution of a GRF to meet the State's obligation on guarantees. However, Government of Chhattisgarh vide their letter dated 20 May 2019 has decided not to create Guarantee Redemption Fund as the maximum guarantees sanctioned by the State Government were of medium and low risk and there has been no default in repayment of loans by the Institutions since the formation of State and the Guarantees are given only after complete examination of Guarantee proposals received from the Institutions and estimation of Financial Position. Guarantees outstanding as on 31 March 2019 was ₹ 10,769.42 crore.

6.15.4 Gramin Vikas Nidhi:

The State Government constituted the *Gramin Vikas Nidhi* in 2001-02 for providing employment in rural areas. During 2018-19, no amount was transferred to the fund and the balance of the Fund as on 31 March 2019 was ₹ 214.76 crore. No transaction has been made from this Fund since inception.

6.15.5 Non transfer of Cess of Infrastructure Development Cess and Environment Development Cess:

The State Government enacted an act in 2005 to raise funds to implement infrastructure development projects and environment improvement projects. The Act is known "Chhattisgarh *Adhosarnchana Vikas Evam Paryavaran*) *Upkar Adhiniyam*, 2005. As per the act, the Infrastructure Development Cess and Environment Development Cess is levied on all lands on which land revenue or rent is levied. The Rate of Cess depends upon the classification of land described below:-

(a) Infrastructure Development Fund:- The State Government operates this fund from the Public Account under Major Head 8229-200- 'Other Development Funds'-0026- 'Infrastructure Development Cess Fund'. Infrastructure Development Cess is collected under Major Head 0029-103-0063. Transfer of the Cess is made from the Major Head 2029-797-6754- 'Transfer to Infrastructure Development Fund' to Major Head 8229-200-0026. Provision for booking of expenditure is made at scheme head level under various major heads and at the end of the year, the expenditure, if any, booked there against is debited to Public Account Major Head 8229-200-0026.

Review of receipts and expenditure during the period from 2016-17 to 2017-18 revealed that during 2016-17, the State Government collected ₹ 225.17 crore of Cess and transferred ₹ 151.78 crore during 2017-18 to this fund. Similarly, ₹ 165.87 crore of Cess was collected during 2017-18 but no amount was transferred to the fund during 2018-19 resulting to an overstatement of Revenue Surplus of ₹ 165.87 crore. During the period from 2016-17 to 2017-18 , an expenditure of ₹ 340.09 crore⁶ was booked in the Fund. Further, during 2018-19, an expenditure of ₹ 186.65 crore is also booked in the Fund. The Balance of the Fund as on 31 March 2019 is ₹ 48.44 crore.

(a) Environment Fund:- The State Government operates this fund from the Public Account under Major Head 8229-200-'Other Development Funds'-0021- 'Environment Cess Fund'. Environment Cess is collected under Major Head 0029-103-0062. Transfer of the Cess is made from Major Head 2029-797-6753-'Transfer to Environment Development Fund' to Major Head 8229-200-0021. Provision for booking of expenditure was made at scheme head level under various major heads till 2017-18 and at the end of the year, the expenditure, if any, booked there against was debited to

⁶ Includes ₹ 2.00 crore of expenditure of 2016-17 adjusted in the accounts of 2017-18 on Proforma basis.

Public Account Major Head 8229-200-0021. No distinct provision for booking of expenditure relating to Environment Development Fund has been made in the Budget during 2018-19.

Review of receipts and expenditure during the period from 2016-17 to 2017-18 revealed that during 2016-17, the State Government collected ₹ 61.44 crore of Cess and transferred the entire amount to this fund during 2017-18. Similarly, ₹ 165.87 crore of Cess was collected during 2017-18 but no amount is transferred to the fund during 2018-19 resulting in an overstatement of Revenue Surplus of ₹ 165.87 crore. During the period from 2016-17 to 2017-18, an expenditure of ₹ 12.90 crore⁷ was booked in the Fund and no expenditure is booked in the Fund as on 31 March 2019. The Balance of the Fund as on 31 March 2019 is ₹ 223.73 crore.

6.16 Compliance of Indian Government Accounting Standards:

6.16.1 Accounting Standards on Guarantees (IGAS-1):

Accounting Standard on Guarantees requires that the State Government

- a. Set up tracking unit for Guarantees under the Department of Finance for maintaining a database of Guarantees sanctioned, annulled and outstanding.
- b. Form a Guarantees Redemption fund or make arrangement for Automatic Debit mechanism for discharging the obligations arising out of such guarantee executed by the Government.
- c. Disclose the details of Guarantees in the budget documents.
- d. Provide other material details.

In compliance to the above standards, the work of tracking of Guarantee is done by the concerned Administrative Department. The State Government vide letter dated 20 May 2019 has informed that Guarantees Redemption Fund has not been created as the maximum guarantees sanctioned by the State Government are of medium and low risk and there has been no default in repayment of loans by the Institutions since the formation of State and the Guarantees are given only after complete examination of Guarantee proposals received from the Institutions and estimation of Financial Position. The details of Guarantees are shown in Budget Documents (Volume 5) of the State Government.

⁷ Expenditure of ₹ 12.90 crore of 2014-15 adjusted in the accounts of 2017-18 on Proforma basis.

6.16.2 Accounting Standards on Grant-in-aid (IGAS-2):

Accounting Standards on Grants-in-Aid (IGAS-2) requires that:

- a. Grants-in-Aid, received by the Government, shall be classified and accounted for as revenue receipts of the State Government.
- b. Grants-in-Aid, disbursed by a Grantor, shall be classified and accounted for as revenue expenditure in the accounts of Grantee.
- c. The expenditure on Grants-in-Aid for creation of Capital assets shall not except specifically authorized by the Governor on the advice of the Accountant General, be debited to Capital Head.
- d. Grants-in Aid in kind shall be disclosed in the Financial Statements of the grantee at the time of their receipt.

In compliance to the above standards, Grants-in-Aid received by the government classified and accounted as revenue receipts of the State Government. Grants-in-Aid disbursed by the Government are accounted as revenue expenditure of the State Government. During 2018-19, the State Government, made budget provision and classified an expenditure of ₹ 1,998.74 crore as Grants-in-Aid for creation of capital assets under Capital section without obtaining the concurrence of Accountant General. Grants-in-Aid in kind are not being accounted as receipts of the State Government.

6.16.3 The Accounting Standards on Loans and Advance (IGAS-3):

All the disclosures as mentioned in this Standard have been included in the Finance Accounts.

**© COMPTROLLER AND
AUDITOR GENERAL OF INDIA
2020
www.cag.gov.in**



agchattisgarh@cag.gov.in