



सत्यमेव जयते

Accounts At A Glance 2019-20



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



GOVERNMENT OF CHHATTISGARH

Accounts at A Glance

2019-20

GOVERNMENT OF CHHATTISGARH

PREFACE

I am happy to present our annual publication, the 'Accounts At a Glance' for the year 2019-20 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 : 11 Jun 2021

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 2019-20	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	Liabilities on Retirement of Benefits	30
Chapter -VI		Other Items
6.1	Adverse Balances under Internal Debt	31
6.2	Loans and Advances by the State Government	31
6.3	Financial Assistance to Local Bodies and Others	31
6.4	Cash Balance and Investment of Cash Balance	32
6.5	Reconciliation of Accounts	32
6.6	Submission of Accounts by Accounts Rendering Units	33
6.7	Unadjusted Abstract Contingent (AC) Bills	33
6.8	Status of Suspense and Remittance Balances	33
6.9	Status of Outstanding Utilization Certificates	34
6.10	Gross State Domestic Product (GSDP) over the past five years	35
6.11	Commitment on Account of Incomplete Capital Works	35
6.12	Transfer of Funds to Personal Deposit (PD) Accounts	36
6.13	Investments	36
6.14	Status of Reserve Funds	37
6.15	Compliance of Indian Government Accounting Standards	40

Chapter I

Overview

1.1 Introduction

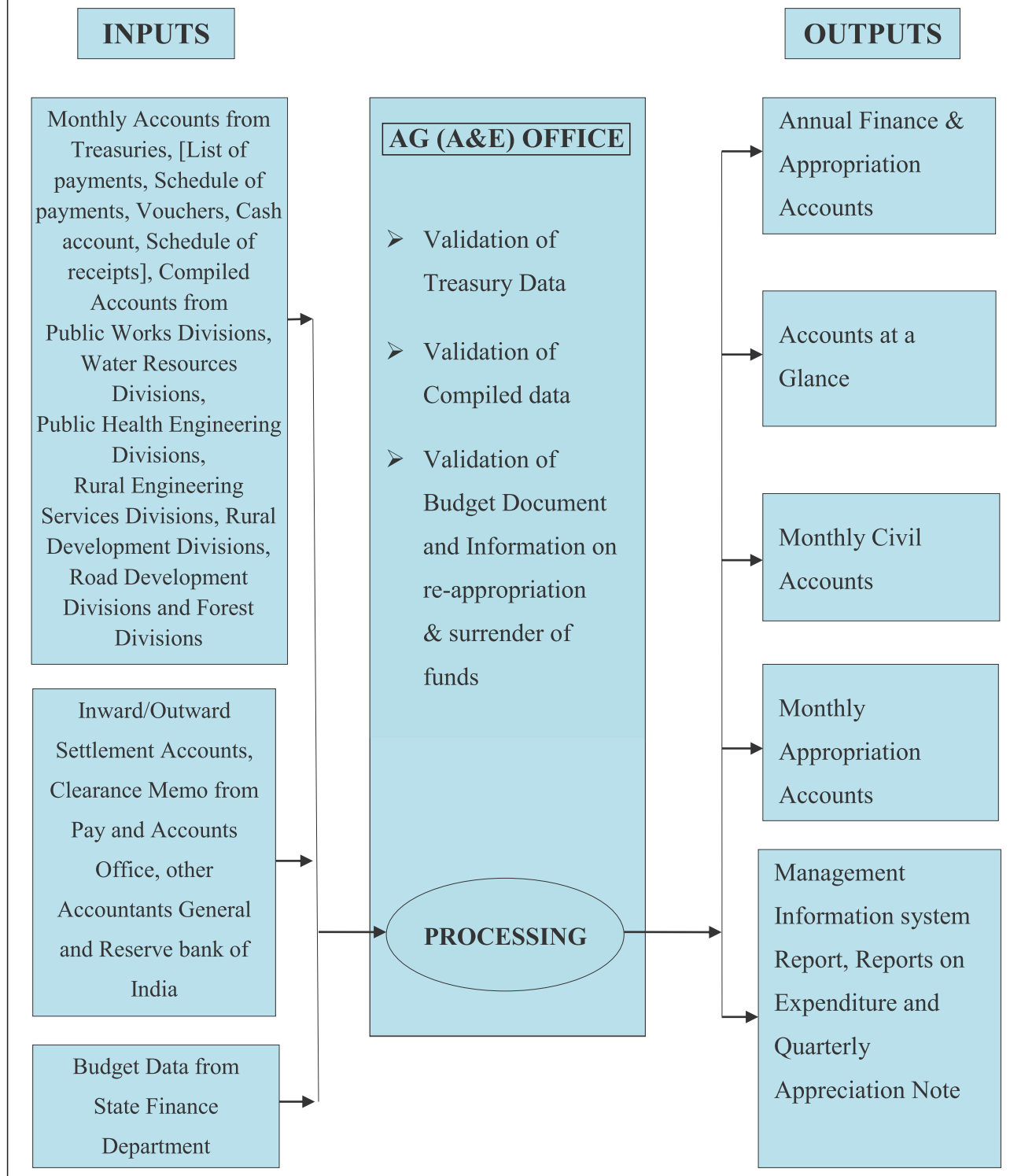
The Accountant General (Accounts and Entitlements), Chhattisgarh collates, classifies, compiles the accounts data rendered by multiple agencies and prepares the accounts of the Government of Chhattisgarh. The compilation is done from the initial accounts rendered by the 28 Treasuries, 53 Public Works 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.

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 2019-20 as per the PFMS portal, Union Government transferred ₹ 22,551.06 crore of Central Assistance, comprising ₹ 13,782.46 crore which was allotted to the State directly, ₹ 7,450.85 crore which was paid directly to the various implementing agencies/NGOs of the State and was not routed through the State Budget and ₹ 1,317.75 crore to the Central Bodies located in the State as well as various other organizations and was also not routed through the Budget. Therefore, ₹ 8,768.60 crore (₹ 7,450.85 crore + ₹ 1,317.75 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 2019-20

The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2019-20:

(₹ in crore)

Sl. No.	Description	Budget Estimate 2019-20	Actuals 2019-20	Percentage of actuals to B.E.	Percentage of actuals to GSDP ¹
1	Tax Revenue ²	50,847.00	42,323.69	83.24	12.86
2	Non- Tax Revenue	8,825.00	7,933.77	89.90	2.41
3	Grants in Aid & Contributions	20,074.00	13,611.24	67.81	4.13
4	Revenue Receipts (1+2+3)	79,746.00	63,868.70	80.09	19.40
5	Recovery of Loans and Advances	283.00	256.78	90.73	0.08
6	Borrowings & other Liabilities	11,513.25	17,969.55 ³	156.08	5.46
6a	Capital Receipts	0.00	4.83 ⁴	100.00	0.00
7	Capital Receipts(5+6+6a)	11,796.25	18,231.16	154.55	5.54
8	Total Receipts (4+7)	91,542.25	82,099.86	89.68	24.94
9	Revenue Expenditure	78,594.53	73,477.31	93.49	22.32
10	Capital Expenditure	12,315.07	8,622.55⁵	70.02	2.62
11	Total Expenditure (9+10)	90,909.60	82,099.86	90.31	24.94
12	Revenue Deficit/Surplus {4-9}	1,151.47	9,608.61	834.46	2.92
13	Fiscal Deficit {4+5+6a-11}	(-)10,880.60	17,969.55	165.15	5.46

¹ GSDP figure of ₹ 3,29,180.00 crore was provided by Directorate of Economic and Statistics, Government of C.G.

² Includes State Share of Union Taxes of ₹ 20,205.84 crore and States own Tax Revenue of ₹ 22,117.85 crore.

³ Includes Net Public Debt (₹ 10,892.50 crore), Net Contingency Fund (₹ 4.92 crore), Net Public Account (₹ 5,656.42 crore) and Net Cash Balance (₹ 1,415.71 crore) in Borrowings and Other Liabilities of ₹ 17,969.55 crore.

⁴ Includes ₹ 0.13 crore of Inter-state Settlements and ₹ 4.70 crore of Capital Receipts.

Includes Capital Expenditure (₹ 8,566.39 crore), Loans and Advances Disbursed (₹ 56.11 crore) and Inter State Settlement (₹ 0.05 crore) in Capital Expenditure of ₹ 8,622.55 crore .

During the year 2019-20, Revenue Deficit of ₹ 9,608.61 crore (₹ 683.76 crore surplus in 2018-19) and fiscal deficit of ₹ 17,969.55 crore (₹ 8,292.23 crore deficit in 2018-19) represent 2.92 *per cent* and 5.46 *per cent* of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 21.89 *per cent* of the total expenditure.

1.3.3 Receipt and Disbursement in year 2019-20

Receipts and Disbursements of the Government of Chhattisgarh as depicted in the Finance Accounts 2019-20 are given below:

Receipt and Disbursement in year 2019-20			(₹ in crore)
Receipts (Total: ₹ 82,099.86)	Revenue (Total: ₹ 63,868.70)	Tax Revenue	42,323.69
		(a) Own Tax Revenue	22,117.85
		(b) Share of net Proceeds of Taxes	20,205.84
		Non Tax Revenue	7,933.77
	Capital (Total: ₹ 18,231.16)	Grant-in-Aid	13,611.24
		Capital Receipts	4.70
		Recoveries of Loans and Advances	256.78
		Borrowings and other Liabilities*	17,969.55
Disbursements (Total: ₹ 82,099.86)	Inter State Settlement		0.13
	Revenue		73,477.31
	Capital		8,566.39
	Loans and Advances		56.11
	Inter State Settlement		0.05

* 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 ₹ 14,652.10 crore (13.70 *per cent* of budget estimates of ₹ 1,06,913.45 crore) and over estimation of ₹ 1,116.89 crore (43.23 *percent* of the estimates of ₹ 2,583.34 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 2019-20, Chhattisgarh had availed special Drawing facility of 6,658.68 crore and maintained the Cash Balance for 36 Days by availing this 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 2019-20, there was no overdraft of the State.

1.4.3 Fund flow Statement

The State had a Revenue Deficit of ₹ 9,608.61 crore and a Fiscal Deficit of ₹ 17,969.55 crore as on 31 March 2020, representing 2.92 *per cent* and 5.46 *per cent* of the Gross State Domestic Product*. The State Government spent ₹ 20,998.97 crore towards salary, ₹ 5,011.35 crore towards interest payment ₹ 6,611.11 crore towards pension, ₹ 11,483.23 crores towards subsidies and ₹ 20,328.74 crores towards Grant-in-Aid.

* GSDP for the year 2019-20 was ₹ 3,29,180.00 crore and the figure has been provided by Department of Economic and Statistics, Government of Chhattisgarh

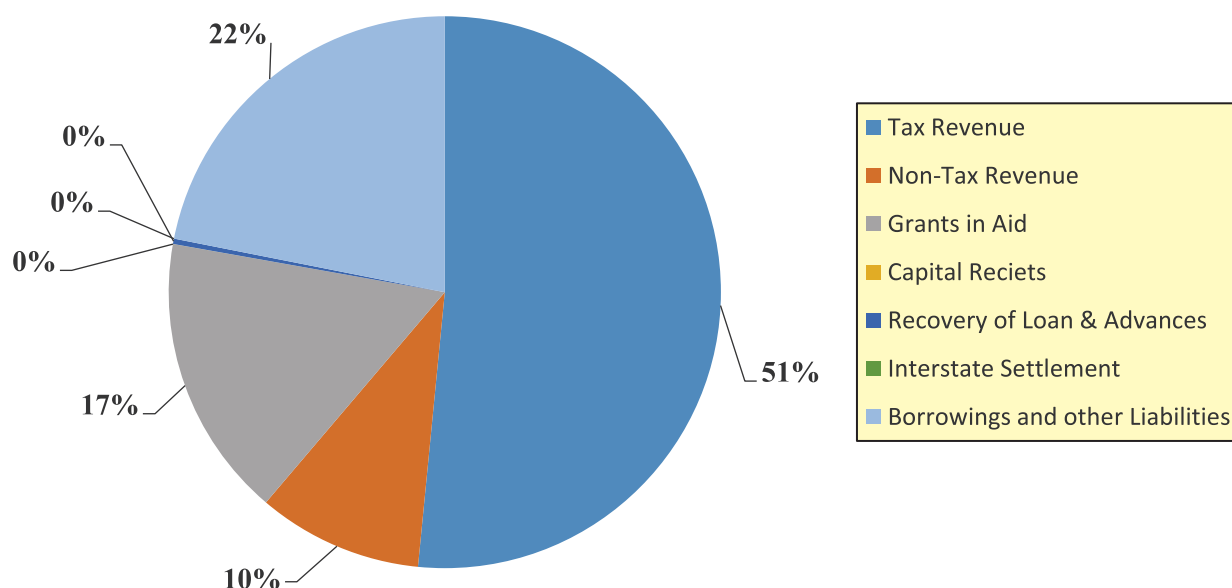
Sources and Application of Funds			(₹ in crore)
SOURCES	PARTICULARS	AMOUNT	
	Opening Cash Balances as on 01.04.2019	320.72	
	Revenue Receipts	63,868.70	
	Capital Receipts	4.70	
	Recovery of Loans and Advances	256.78	
	Public Debt	19,587.53	
	Small Savings, Provident Fund etc.	2,013.00	
	Reserves Fund & Sinking Funds	7,007.85	
	Deposits Received	3,313.34	
	Civil Advances Received	510.19	
	Suspense Accounts	*1,52,357.50	
	Remittances	9,010.70	
	Inter State Settlement	0.13	
	Contingency Fund	4.92	
	Total	2,58,256.06	
APPLICATION	Revenue Expenditure	73,477.31	
	Capital Expenditure	8,566.39	
	Loans Given	56.11	
	Repayment of Public Debt	8,695.03	
	Small Savings, Provident Fund etc.	1,227.74	
	Reserves & Sinking Funds	6,198.61	
	Deposits Repaid	3,837.39	
	Civil Advance Given	510.28	
	Suspense Accounts and Miscellaneous	**1,47,852.23	
	Remittances	8,929.91	
	Inter State Settlement	0.05	
	Closing Cash Balance as on 31.03.2020	(-) 1,094.99	
	Total	2,58,256.06	

* Includes ₹ 84,299.36 crore on account of cash balance investment account.

** Includes ₹ 79,787.16 crore on account of cash balance investment account.

1.4.4 Where the Rupee came from

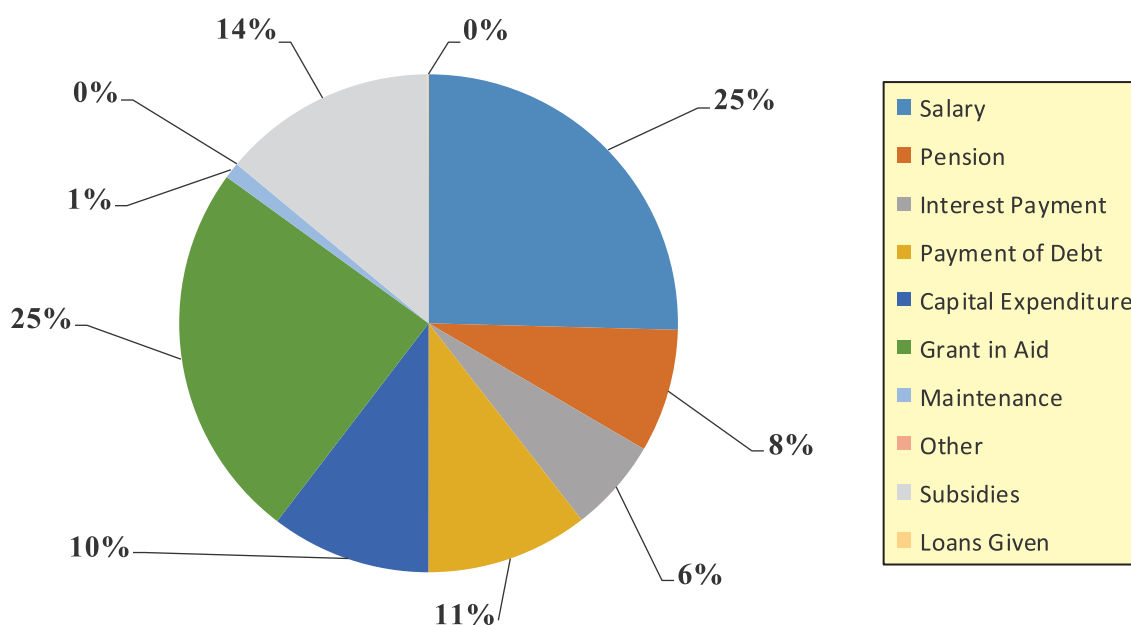
Actual Receipts



(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 2019-20, Revenue Deficit of ₹ 9,608.61 crore (₹ 683.76 crore surplus in 2018-19) and fiscal deficit of ₹ 17,969.55 crore (₹ 8,292.23 crore deficit in 2018-19) represent 2.92 per cent and 5.46 per cent of the gross state domestic product (GSDP) respectively. The fiscal deficit constituted 21.89 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 form 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 2019-20 against fiscal targets laid down in the Act and rules framed there under, were as follows:-

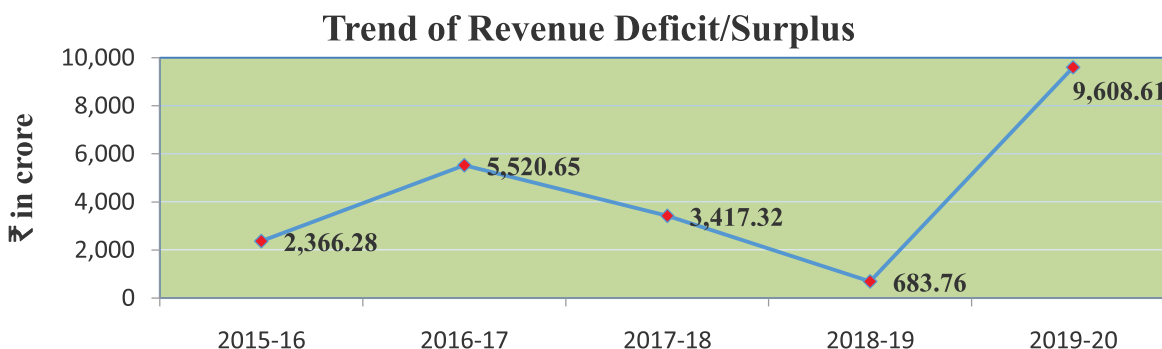
S. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP*	
			Target	Achievement
1	Revenue Deficit	9,608.61	Surplus	Deficit
2	Fiscal Deficit	17,969.55	2.99	5.46
3	Debt and Other Obligation	78,712.46	21.23	23.91

*GSDP figure of ₹ 3,29,180.00 crore for the year 2019-20 has been provided by Department of Economic and Statistics, Government of Chhattisgarh

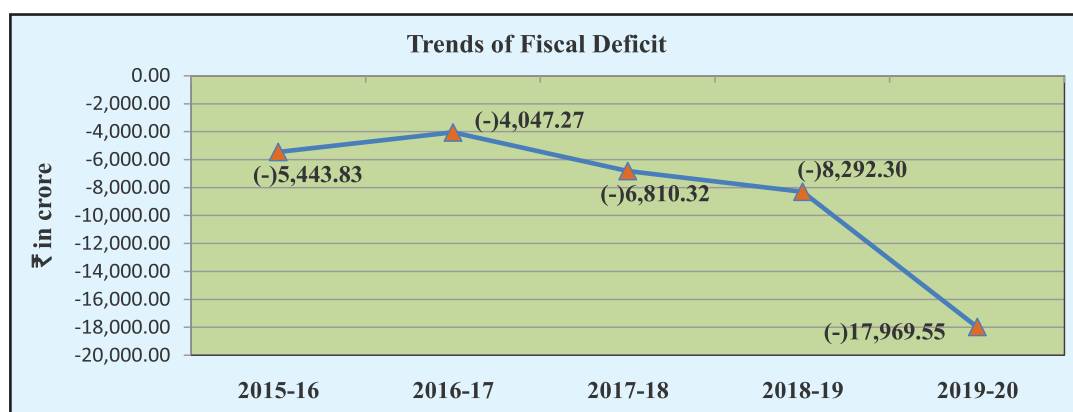
The State Government had made disclosure to the Legislature required under the Chhattisgarh fiscal responsibility and budget management rules 2005.

The State Government had Revenue Deficit of ₹ 9,608.61 crore during the year 2019-20 which was not as per the target of FRBM act. The fiscal deficit during the current year amounted to ₹ 17,969.55 crore which increased by ₹ 9,677.32 crore from previous year of ₹ 8,292.23 crore and was 5.46 *per cent* of GSDP which did not confirm to the target of 2.99 *per cent* of FRBM act.

1.5.1 Trend of Revenue Deficit/Surplus



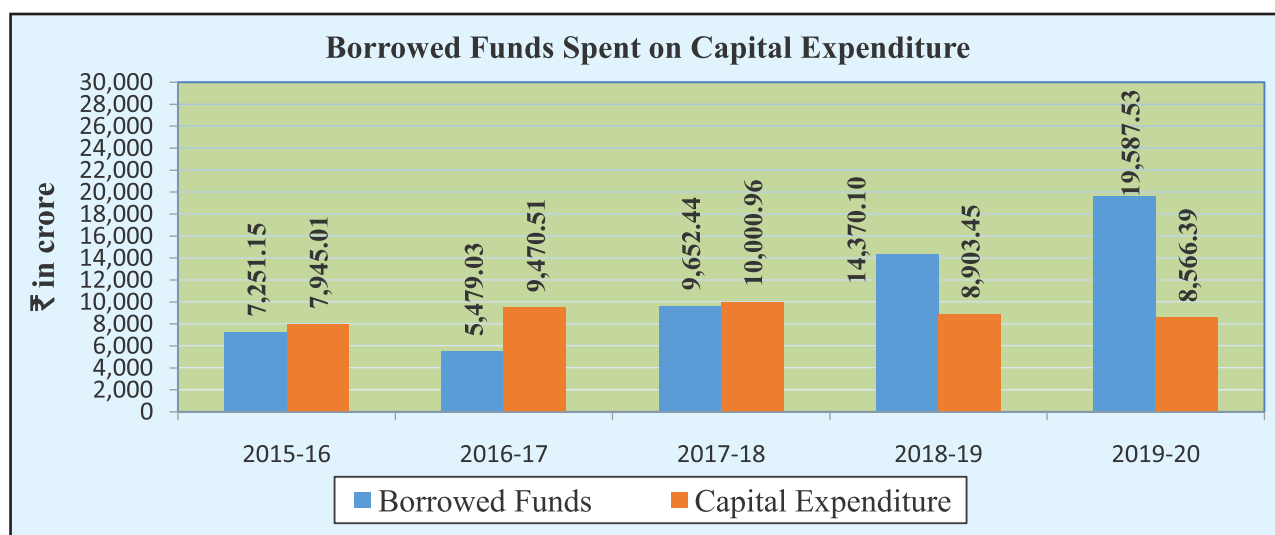
1.5.2 Trend of Fiscal Deficit



1.5.3 Proportion of borrowed funds spent on Capital Expenditure

(₹ in crore)

Year	Borrowed Fund	Capital Expenditure
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
2019-20	19,587.53	8,566.39



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 generated there from for the repayment of principal and interest. The State Government borrowed ₹ 19,587.53 crore and spent ₹ 8,566.39 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 2019-20 were ₹ 82,099.86 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.

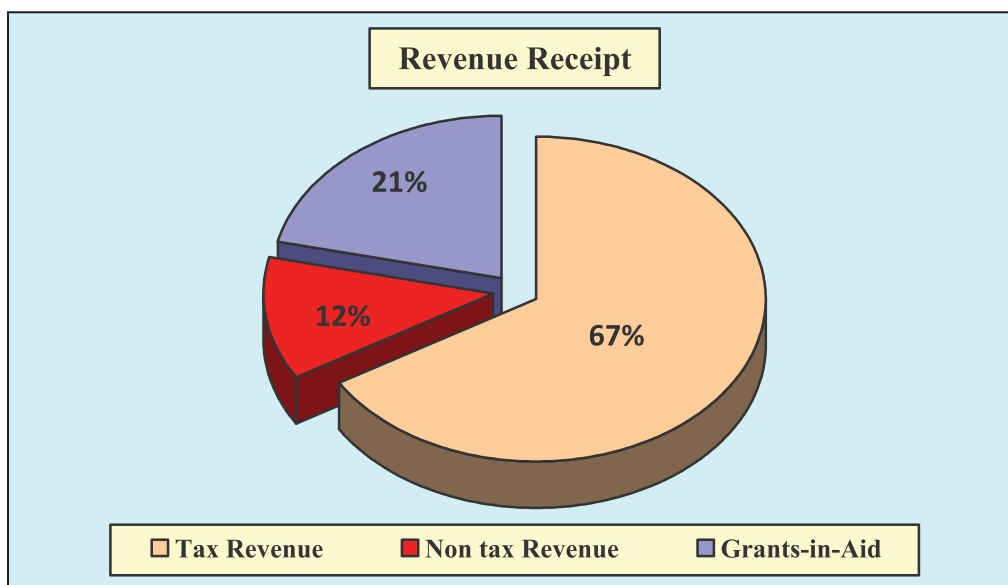
Tax Revenue	Comprises taxes collected and retained by the State and State's share of Union Taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividend, profits, departmental receipts etc.
Grants-in-aid	Grants-in-Aid represent central assistance to the State Government 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 (2019-20)

(₹ in crore)

Components	Actuals	Percentage to Revenue Receipt
A. Tax Revenue	42,323.69	66.27
Goods and Services Taxes	13,628.53	21.34
Taxes on Income and Expenditure	12,288.57	19.24
Taxes on Property, Capital and other Transactions	2,186.43	3.42
Taxes on Commodities & Services	14,220.16	22.26
B. Non –Tax Revenue	7,933.77	12.42
Interest Receipts, Dividends and Profits	234.80	0.37
General Services	248.34	0.39
Social Services	210.43	0.33
Economic Services	7,240.20	11.34
C. Grants-in-Aid & Contributions	13,611.24	21.31
Total – Revenue Receipts	63,868.70	100

The Revenue Receipts of the State in 2019-20 comprises 66.27 *per cent* of Tax Revenue and 12.42 *per cent* of Non-Tax Revenue while balance 21.31 *per cent* had been sourced from Grants-in-Aid.



2.2.2 Trend of Revenue Receipts

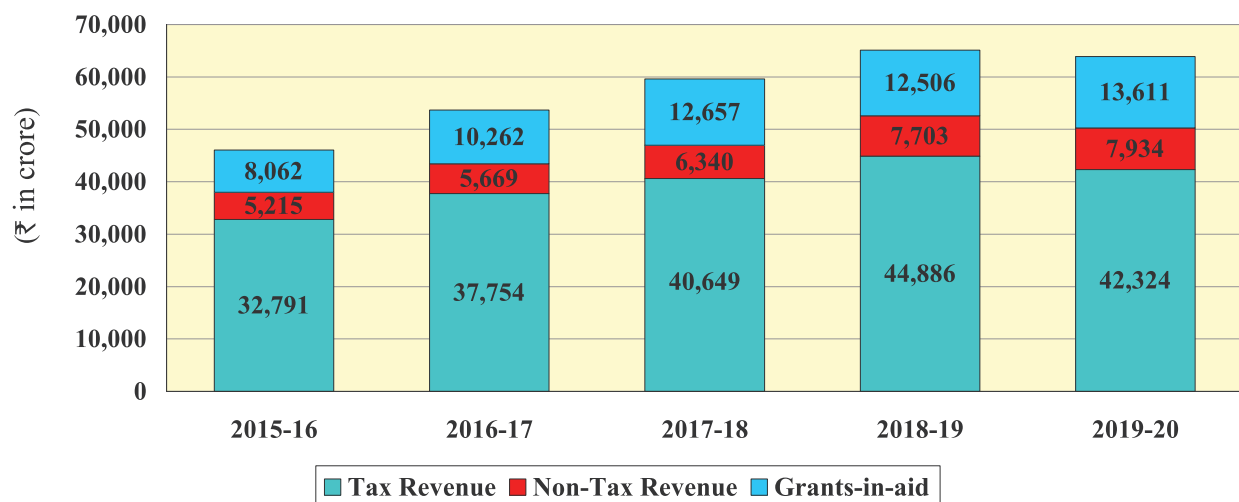
(₹ in crore)

Description	2015-16	2016-17	2017-18	2018-19	2019-20
Tax Revenue (Raised by the state)	17,074.86 (6.55)	18,945.21 (6.53)	19,894.68 (6.82)	21,427.26 (6.88)	22,117.85 (6.72)
State share of union Taxes/Duties	15,716.47 (6.03)	18,809.16 (6.48)	20,754.81 (7.12)	23,458.69 (7.53)	20,205.84 (6.14)
Non-Tax Revenue	5,214.79 (2.00)	5,669.25 (1.95)	6,340.42 (2.17)	7,703.02 (2.47)	7,933.77 (2.41)
Grants-in-Aid	8,061.59 (3.09)	10,261.63 (3.54)	12,657.16 (4.34)	12,505.96 (4.01)	13,611.24 (4.13)
Total- Revenue Receipts	46,067.71 (17.67)	53,685.25 (18.50)	59,647.07 (20.45)	65,094.93 (20.89)	63,868.70 (19.40)
GSDP	2,60,776.00	2,90,140.00	2,91,680.72	3,11,659.54	3,29,180.00

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

Though the GSDP increased by 5.62 *per cent* in 2019-20 compared to previous year, revenue receipt decreased by 1.88 *per cent*. Tax revenue increased by 3.22 *per cent*, the Non-tax revenue increased by 3.00 *per cent* and the Grants-in-Aid increased by 8.84 *per cent* compared to previous year.

Trend of Components of Revenue Receipts



2.3 Tax Revenue

(₹ in crore)

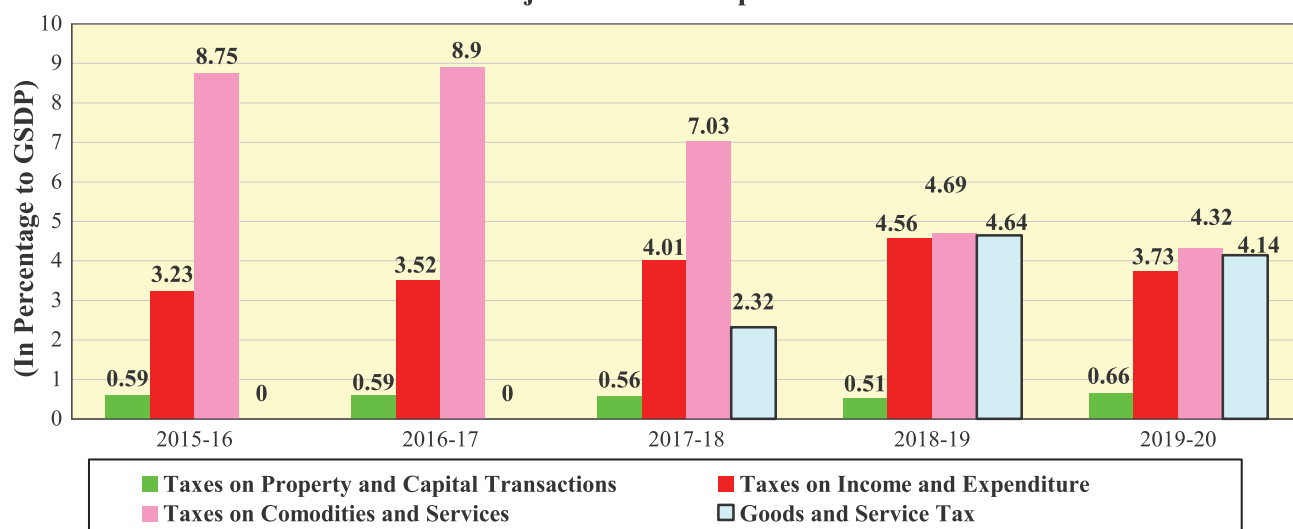
Sector-wise Tax Revenue					
Description	2015-16	2016-17	2017-18	2018-19	2019-20
Goods and Services Tax	NA*	NA*	6,772.36 (2.32)	14,454.74 (4.64)	13,628.53 (4.14)
Taxes on Income and Expenditure	8,413.19 (3.23)	10,212.43 (3.52)	11,721.47 (4.02)	14,208.08 (4.56)	12,288.57 (3.73)
Taxes on Property and Capital Transactions	1,549.98 (0.59)	1,728.79 (0.59)	1,643.69 (0.56)	1,599.01 (0.51)	2,186.43 (0.66)
Taxes on Commodities and Services	22,828.16 (8.75)	25,813.15 (8.90)	20,511.97 (7.03)	14,624.12 (4.69)	14,220.16 (4.32)
Total -Tax Revenue	32,791.33 (12.57)	37,754.37 (13.01)	40,649.49 (13.94)	44,885.95 (14.40)	42,323.69 (12.86)
GSDP	2,60,776.00	2,90,140.00	2,91,680.72	3,11,659.54	3,29,180.00

Note: Figures in parentheses represent percentage to GSDP.

* Not Applicable.

During 2019-20, the tax revenue of the State Government decreased by 5.70 per cent from ₹ 44,885.95 crore in 2018-19 to ₹ 42,323.69 crore in 2019-20. This was mainly attributable to decrease in allocation of Share of net proceeds of Union Taxes by Government of India under the Central Goods and Services Tax (₹ 5,733.71 crore), Corporation Tax (₹ 6,889.42 crore), Taxes on Income Other than Corporation Tax (₹ 5,398.34 crore), Taxes on Wealth (₹ 0.30 crore), Customs (₹ 1,280.78 crore) and Union Excise Duties (₹ 890.49 crores)

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	
			Own Tax Revenue	Percentage to GSDP
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
2019-20	42,323.69	20,205.84	22,117.85	6.72

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

(₹ in crore)

Description	2015-16	2016-17	2017-18	2018-19	2019-20
State's own Tax Collection	17,074.86	18,945.21	19,894.68	21,427.26	22,117.85
Devolution of Union Taxes	15,716.47	18,809.16	20,754.81	23,458.69	20,205.84
Total Tax Revenue	32,791.33	37,754.37	40,649.49	44,885.95	42,323.69
Percentage of State's own tax to total tax revenue	52	50	49	48	52

The proportion of State's own tax collection in overall tax revenue has been gradually reducing from 52 *per cent* during the year 2015-16 to 48 *per cent* in 2018-19 and in 2019-20 it increased to 52 *per cent*. Further during 2019-20, the total amount of Devolution of Union Taxes fell by 13.87 *per cent*

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

(₹ in crore)

Taxes	2015-16	2016-17	2017-18	2018-19	2019-20
1. Taxes on Sales. Trade etc.	8,908.36	9,927.21	6,449.60	4,087.72	3,931.37
2. State Excise	3,338.40	3,443.51	4,054.00	4,489.03	4,952.36
3. Taxes on Vehicles	829.22	985.27	1,180.01	1,204.85	1,274.85
4. Stamp and Registration fees	1,185.22	1,211.35	1,197.47	1,108.46	1,634.63
5. Taxes and Duties on electricity	1,372.84	1,495.48	1,688.96	1,790.27	1,837.00
6. Land Revenue	363.84	503.66	446.41	487.57	551.50
7. Taxes on Goods and Passengers	1,040.26	1,340.36	477.66	54.51	40.51
8. State Goods and Services Tax	-	-	4,386.56	8,203.41	7,894.82
9. Hotel Receipts Tax and Other Taxes on Income and Expenditure	36.72	38.37	14.01	1.44	0.81
Total State's own Taxes	17,074.86	18,945.21	19,894.68	21,427.26	22,117.85

2.4 Cost of Tax Collection

(₹ in crore)

Taxes	2015-16	2016-17	2017-18	2018-19	2019-20
Taxes on Sales Trade etc. [(0040) (2040)]					
Revenue Collection	8,908.36	9,927.21	6,449.60	4,087.72	3931.37
Expenditure on Collection	51.22	56.71	67.23	62.73	69.36
Cost of Tax Collection (%)	0.57	0.57	1.04	1.53	1.76
2. State Excise [(0039 and 2039)]					
Revenue Collection	3,338.40	3,443.51	4,054.00	4,489.03	4,952.36
Expenditure on Collection	58.79	131.45	171.67	71.66	73.98
Cost of Tax Collection (%)	1.76	3.82	4.23	1.60	1.49
3. Taxes on Vehicles [(0041 and 2041)]					
Revenue Collection	829.22	985.27	1,180.01	1,204.85	1,274.85
Expenditure on Collection	12.85	14.95	15.52	18.86	21.41
Cost of Tax Collection (%)	1.55	1.52	1.32	1.57	1.68
4. Stamp and Registration Fee [(0030 and 2030)]					
Revenue Collection	1,185.21	1,211.35	1,197.47	1,108.46	1,634.63
Expenditure on Collection	25.12	24.77	22.26	18.38	20.00
Cost of Tax Collection (%)	2.12	2.04	1.86	1.66	1.22

During the period from 2015-16 to 2019-20 the Cost of Collection of Taxes on Sales, Trade etc. increased from 0.57 *per cent* to 1.76 *per cent* whereas the Cost of collection of “Stamp and Registration Fee” decreased from 2.12 *per cent* to 1.22 *per cent*.

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

(₹ in crore)

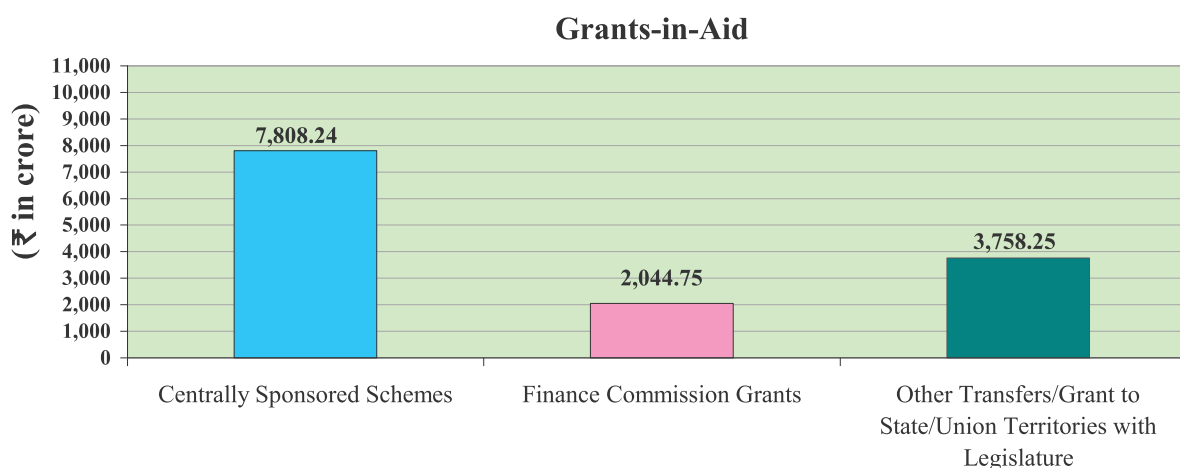
Description	2015-16	2016-17	2017-18	2018-19	2019-20
Central Goods and Services Tax	00	00	291.44	5,789.33	5,733.71
Integrated Goods and Services Tax	00	00	2,094.36	462.00	0.00
Corporation Tax	4,950.08	6,019.53	6,352.98	8,157.09	6,889.42
Taxes on Income other than Corporation Tax	3,455.09	4,183.59	5,364.62	6,007.35	5,398.34
Other Taxes on Income and Expenditure	00	00	00	42.48	0.00
Taxes on Wealth	0.92	13.78	(-) 0.19	2.98	0.30
Customs	2,504.03	2,589.37	2,093.70	1,662.66	1,280.78
Union Excise Duties	2,069.99	2,956.84	2,188.50	1,104.93	890.49
Service Tax	2,727.11	3,045.99	2,369.40	217.76	0.00
Other Taxes and Duties on Commodities and Services	9.16	0.06	0.00	12.11	12.80
State Share of Union Taxes/ Duties	15,716.47	18,809.16	20,754.81	23,458.69	20,205.84
Total Tax Revenue	32,791.33	37,754.37	40,649.49	44,885.95	42,323.69
Percentage of Union Taxes to Total Tax Revenue	48	50	51	52	48

State Share of Union Taxes/Duties increased from ₹ 15,716.47 crore during 2015-16 to ₹ 23,458.69 crore during 2018-19 and thereafter it decreased to ₹ 20,205.84 crore during 2019-20.

2.6 Grants-in-Aid

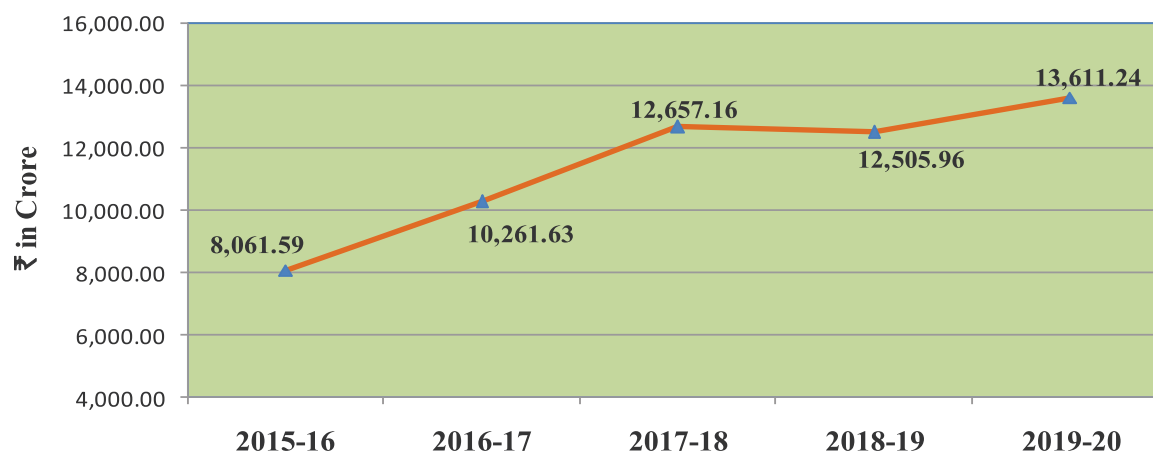
Grants-in-aid represent assistance from the Government of India, and comprise, grant for State Schemes, Central Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Grants recommended by the Finance Commission.

Total receipts during 2019-20 under Grants-in-aid were ₹ 13,611.24 crore as shown below:



Due to abolition of distinction between Plan and Non-Plan schemes from 2017-18, 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 increased by 8.84 percent from ₹ 12,505.96 crore in 2018-19 to ₹ 13,611.24 crore in 2019-20.

Trends of Grant-in-aid



2.7 Public Debt-

Trend of position of Public Debt over the five years:

(₹ in crore)

Description	2015-16	2016-17	2017-18	2018-19	2019-20
Internal Debt	24,214.56	28,330.29	36,690.44	49,553.83	60,382.67
Central Loans	1,835.59	2,047.16	2,339.57	2,700.39	2,764.05
Total	26,050.15	30,377.45	39,030.01	52,254.22	63,146.72

During the year 2019-20, 09 loans totaling ₹ 11,680.00 crore were raised from the open market at interest rates varying from 7.03 to 7.59 *per cent* and the same are redeemable during the period between the year 2026 and 2030. In addition, the State Government raised loan of ₹ 969.68 crore from the National Bank for Agriculture and Rural Development and ₹ 6,658.68 crore as special drawing facility. Thus, the Internal Debt raised by the Government during the year 2019-20 was ₹ 19,308.36 crore. The Government also received ₹ 279.18 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 31.03.2020	Debt Service Ratio
6003-Internal Debt of the State Government	8,479.52	4,090.62	12,570.14	60,382.67	20.82:100
6004-Loan and Advances from the Central Govt.	215.51	133.76	349.27	2,764.05	12.64:100
Total Public Debt	8,695.03	4,224.38	12,919.41	63,146.72	20.46:100

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

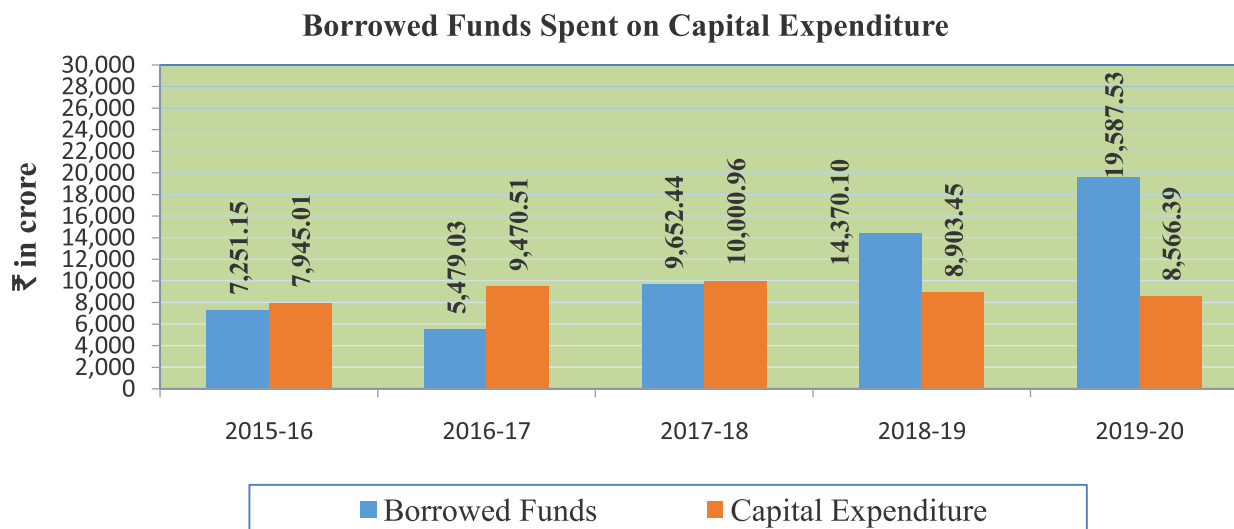
The table below exhibits the net increase of public debt compared to previous years. This is calculated taking into account closing balance of previous year, receipts during the year and repayment during the year.

(₹ in crore)

Items	2015-16	2016-17	2017-18	2018-19	2019-20
Internal Debt	6,019.76	4,115.73	8,360.15	12,863.39	10,828.83
Central Loans	(-) 18.79	211.57	292.41	360.82	63.67
Total Public Debt	6,000.79	4,327.30	8,652.56	13,224.21	10,892.50

Note:- 1. Minus figure indicates repayments more than 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 Scheduled Caste and Scheduled Tribe 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	2015-16	2016-17	2017-18	2018-19	2019-20
Budget Estimates (BE)	53,726.82	56,389.53	61,312.83	68,422.62	78,594.53
Actual	43,701.06	48,164.60	56,229.75	64,411.17	73,477.31
Gap	10,028.76	8,224.93	5,083.08	4,011.45	5,117.22
Percentage of variation of Actual against BE	19	15	8	6	7

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 61 per cent of the total revenue expenditure during 2019-20 was incurred on Salaries and Wages, (₹ 21,622.57 crore), Interest payment (₹ 4,978.12 crore), Pensions (₹ 6,611.11 crore) and Subsidies (₹ 11,483.23 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	2015-16	2016-17	2017-18	2018-19	2019-20
Total Revenue Expenditure	43,701.06	48,164.60	56,229.75	64,411.17	73,477.31
Committed Revenue Expenditure	24,092.83	21,989.62	25,420.78	26,863.29	44,695.03
Percentage of committed revenue expenditure to total revenue expenditure	55	46	45	45	61
Uncommitted revenue expenditure	19,608.23	26,174.98	30,808.97	37,547.88	28,782.28

Committed revenue expenditure included expenditure on Salaries & Work charges/Contingency Establishment, Wages, Interest Payment, Pensions and Subsidies.

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased by 46.79 *per cent* from ₹ 19,608.23 crore in 2015-16 to ₹ 28,782.28 crore in 2019-20. The total revenue expenditure increased by 68.14 *per cent* from ₹ 43,701.06 crore in 2015-16 to ₹ 73,477.31 crore in 2019-20 and committed revenue expenditure increased by 85.51 *per cent* over the same period.

3.2.2 Sectoral distribution of Revenue Expenditure 2019-20

(₹ in crore)

Components	Amount	Percentage
A. Organ of State	682.50	0.93
B. General Services	1022.45	1.39
(i) Collection of Taxes on Property and Capital transactions	609.24	0.83
(ii) Collection of Taxes on Commodities and Services	413.21	0.56
(iii) Other Fiscal Services	0.00	0.00
C. Interest Payments and Servicing of debt	5,235.34	7.13
D. Administrative Services	5,516.83	7.51
E. Pensions and Miscellaneous General Services	6,638.22	9.03
F. Social Services	26,652.57	36.27
G. Economic Services	26,609.08	36.21
H. Grants-in-aid and Contributions	1,120.32	1.52
Total Expenditure (Revenue Account)	73,477.31	100

It is evident from the above that the State Government has given priority to Economic Sector and Social Sector incurring 36.21 and 36.27 *per cent* respectively out of total expenditure in comparison with other sectors.

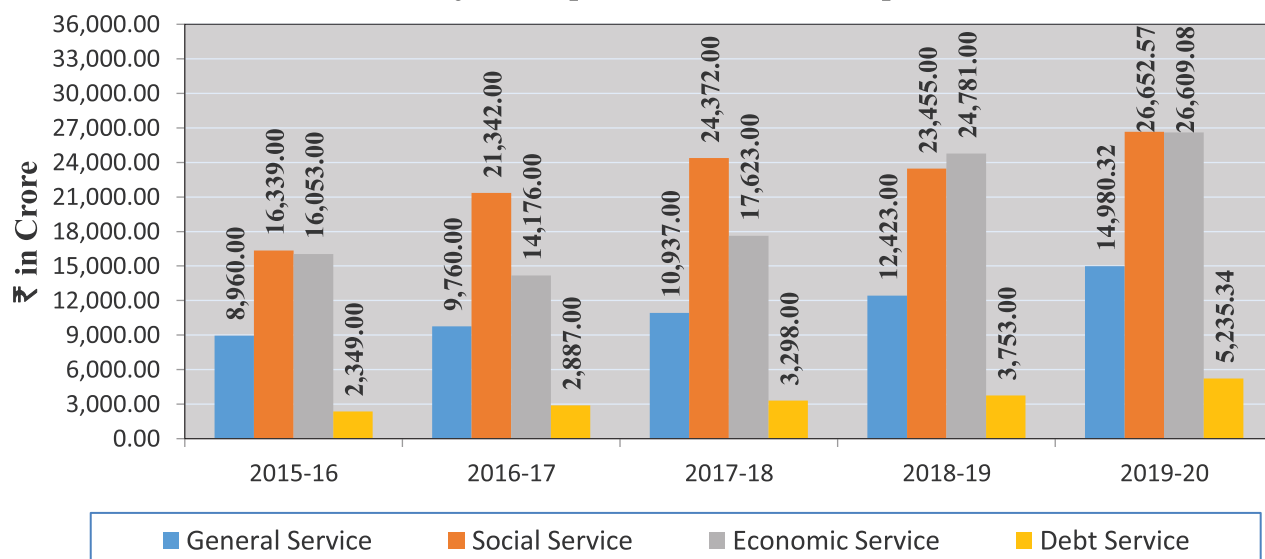
3.2.3 Major components of Revenue Expenditure 2015-16 to 2019-20

(₹ in crore)

S. No.	Components	2015-16	2016-17	2017-18	2018-19	2019-20
1	General Services* (excluding Expenditure on debt Servicing)	8,960	9,760	10,937	12,423	14,980.32
2	Social Services	16,339	21,342	24,372	23,454.94	26,652.57
3	Economic Services	16,053	14,176	17,623	24,781	26,609.08
4	Debt Services	2,349	2,887	3,298	3,753	5,235.34

*Includes Grant-in-aid and Contribution.

Trend of Major Components of Revenue Expenditure



* General Services excludes Appropriation for reduction or avoidance of debt (2048) , 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 2019-20 amounting for ₹ 8,622.50 crore (2.62 per cent of GSDP) were less than Budget Estimates by ₹ 3,692.52 crore. The growth in capital expenditure has not kept pace with the steady growth of GSDP since 2015-16 onwards. This can be seen from the table below:

(₹ in crore)						
S. No.	Components	2015-16	2016-17	2017-18	2018-19	2019-20
1	Budget (B.E.)	11,283.12	13,669.18	14,718.79	14,453.93	12,315.07
2	Actual Expenditure	8,110.23	9,743.66	10,370.79	9,144.14	8,622.50
3	Percentage of Actual Exp. to B.E.	71.88	71.28	70.46	63.26	70.02
4	Yearly growth in Capital Expenditure	22.28	20.14	6.44	(-)11.83	(-) 5.70
5	GSDP	2,60,776	2,90,140	2,91,681	3,11,659.54	3,29,180.00
6	Yearly growth in GSDP	10.98	11.26	0.53	6.85	2.41

3.3.1 Sectoral distribution of Capital Expenditure

During 2019-20, the Government spent ₹ 1,125.36 crore on various Irrigation Projects of which ₹ 387.39 crore were spent on Major Irrigation, ₹ 58.28 crore on Medium Irrigation, ₹ 667.97 crore on Minor Irrigation, ₹ 1.51 crore on Command Area Development and ₹ 10.21 crore on Flood Control. Besides, the Government spent ₹ 3,928.86 crore on Road and Bridges and invested ₹ 2.46 crore in various Statutory Corporations/Government Companies/Co-Operatives.

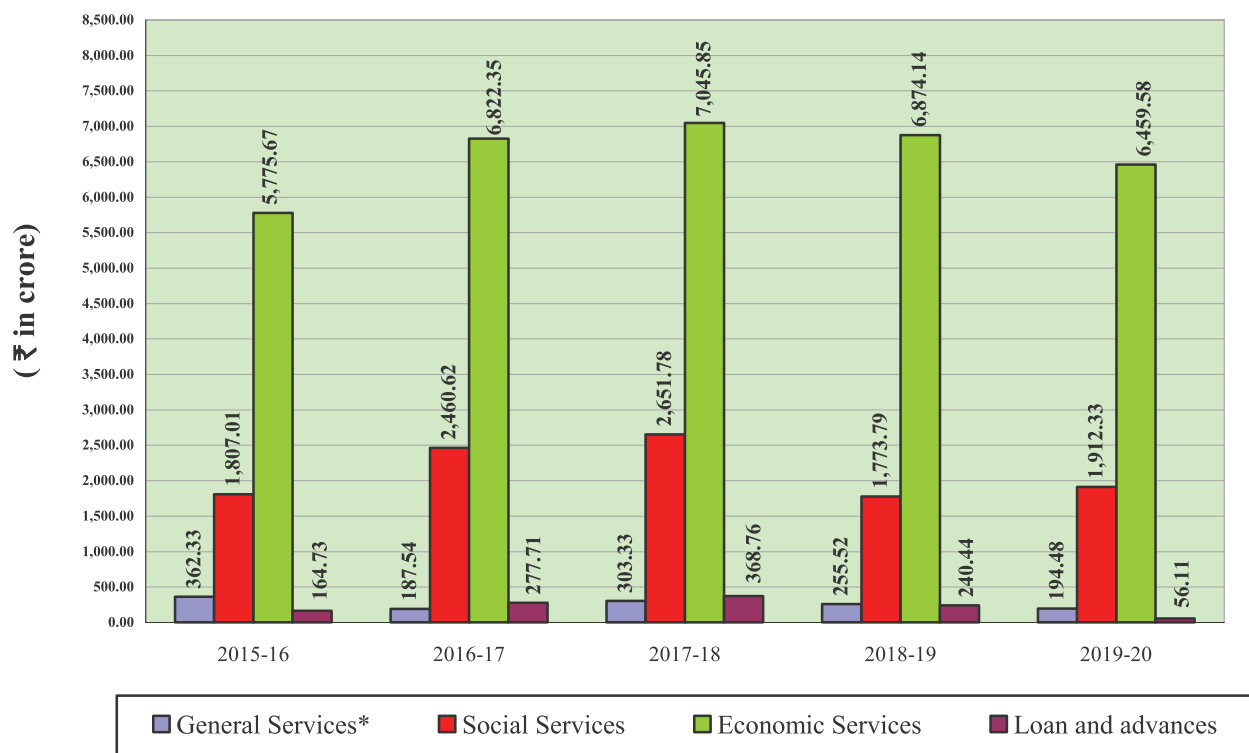
3.3.2 Sectoral distribution of Capital expenditure over past five years

(₹ in crore)

S. No.	Sector	2015-16	2016-17	2017-18	2018-19	2019-20
1	General Services	362.33 (5)	187.54 (2)	303.33 (3)	255.52 (3)	194.48 (2)
2	Social Services	1,807.01 (22)	2,460.62 (25)	2,651.78 (26)	1,773.79 (19)	1,912.33 (22)
3	Economic Services	5,775.67 (71)	6,822.35 (70)	7,045.85 (68)	6,874.14 (75)	6,459.58 (75)
4	Loan and Advances	164.73 (2)	277.71 (3)	368.76 (3)	240.44 (3)	56.11 (1)
	Total	8,109.74	9,743.22	10,369.72	9,143.89	8,622.50

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	2015-16	2016-17	2017-18	2018-19	2019-20
A.	General Services	Capital	362.33	187.54	303.33	255.52	194.48
		Revenue	10,408.76	11,496.23	12,870.41	15,280.28	19,095.34
B.	Social Services	Capital	1,807.01	2,460.62	2,651.78	1,773.79	1,912.33
		Revenue	16,339.35	21,341.61	24,371.59	23,454.94	26,652.57
C.	Economic Services	Capital	5,775.67	6,822.35	7,045.85	6,874.14	6,459.58
		Revenue	16,062.54	14,176.21	17,623.08	24,780.79	26,609.08
D.	Grants-in-aid & Contribution	Capital	0.00	0.00	0.00	0.00	0.00
		Revenue	900.41	1,150.55	1,364.66	895.16	1,120.32

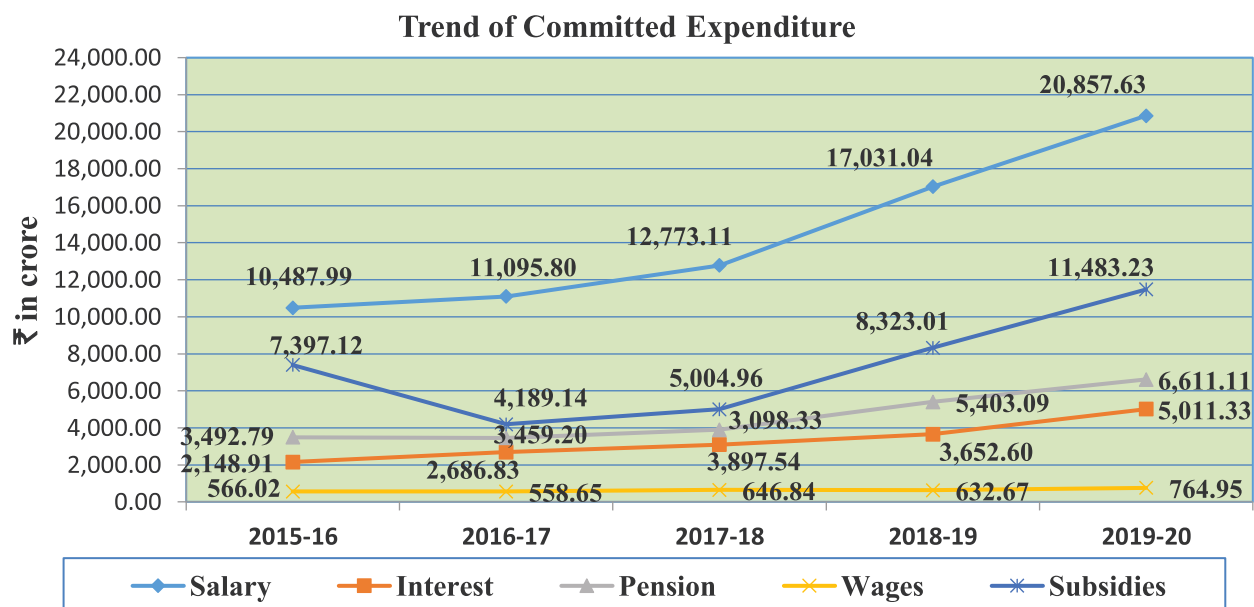
3.4 Committed Expenditure

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

(₹ in crore)

Component	2015-16	2016-17	2017-18	2018-19	2019-20
Committed Expenditure	24,092.83	21,989.62	25,420.78	35,042.41	44,695.03
Revenue Expenditure	43,701.06	48,164.60	56,229.75	64,411.17	73,477.31
Revenue Receipt	46,067.71	53,685.25	59,647.07	65,094.93	63,868.70
Percentage to committed expenditure to Revenue Receipt	52	41	43	53.83	69.98
Percentage of committed expenditure to Revenue Expenditure	55	46	45	54.40	60.83

The committed Expenditure increased by 85.51 per cent from 2015-16 to 2019-20 while Revenue Expenditure registered the growth of 68.14 per cent during the same period



CHAPTER-IV

Appropriation Accounts

4.1 Summary of Appropriation Accounts 2019-20

(₹ 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 Charged	74,362.81 5,248.66	9,390.82 621.39	(-)15,251.49 (-)42.62	83,753.63 5,870.05	68,865.38 5,578.49	(-)14,888.25 (-)291.56
2	Capital Voted Charged	13,101.83 30.48	973.09 28.59	(-)3,702.26 (-)1.49	14,074.93 59.08	8,976.29 46.50	(-)5,098.64 (-)12.58
3	Public Debt Charged	2,906.50	0.00	(-)629.03	2,906.50	8,695.03	+5,788.53
4	Loans and Advances Voted	249.06	0.10	(-)149.45	249.16	99.61	(-)149.55
5	Inter State Settlement Voted	0.10	0.00	0.00	0.10	0.05	(-)0.05
Total	Voted	87,713.80	10,364.01	19,103.20	98,077.82	77,941.33	(-)20,136.49
	Charged	8,185.64	649.98	673.14	8,835.63	14,320.02	+5,484.39

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	
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
2019-20	+114.30	(-)1,407.47	+6,417.56	(-) 0.10	(-)0.05	+5,124.24

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	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue -							
28	State Legislature	C	68.62	75.55	89.41	63.52	72.80
		V	34.17	37.43	40.85	36.92	34.36
36	Transport	C	63.58	99.50	73.73	66.92	100.00
		V	2.32	9.16	50.00	49.64	34.68
64	Special Component Plan for Scheduled Caste	V	7.33	5.46	16.29	23.06	23.87
67	Public Works-Buildings	V	24.98	13.44	25.61	14.88	13.18
79	Expenditure Pertaining to Medical Education Department	C	73.81	73.81	100.00	100.00	100.00
		V	4.37	9.49	27.10	29.62	25.23
Capital -							
41	Tribal Area Sub-Plan	V	4.29	1.18	35.66	38.82	33.71

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 2019-20, supplementary provision was ₹ 11,013.99 crore (11.48 *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	357.71	15.53	258.40
02	Other Expenditure pertaining to General Administration Department	Revenue	30.58	2.20	15.20
03	Police	Revenue	4,438.73	163.80	4,300.62
04	Other Expenditure pertaining to Home Department	Revenue	53.47	30.33	50.08
05	Jail	Revenue	183.13	0.62	156.04
08	Land Revenue and District Administration	Revenue	874.85	7.79	709.48
10	Forest	Revenue	1,051.30	508.01	870.02
11	Expenditure pertaining to Commerce and Industry Department	Revenue	277.22	16.58	179.48
13	Agriculture	Revenue	3,972.28	721.05	1,561.57
14	Expenditure pertaining to Animal Husbandry Department	Revenue	512.06	7.74	413.65
16	Fisheries	Revenue	68.53	0.50	58.17
19	Public Health and Family Welfare	Revenue	1,937.65	167.89	1,923.40
20	Public Health Engineering	Revenue	336.10	6.37	254.81
24	Public Works-Roads and Bridges	Revenue	1,321.17	11.50	677.23
26	Expenditure pertaining to Culture Department	Revenue	39.44	7.00	36.77
28	State Legislature	Revenue	69.24	0.79	45.65
29	Administration of Justice and Elections	Revenue	667.51	15.06	542.65
30	Expenditure pertain to Panchayat and Rural Development Department	Revenue	2,696.99	250.11	1,906.11
34	Social Welfare	Revenue	87.62	11.68	74.31
41	Tribal Area Sub-Plan	Revenue	14,729.81	2,297.14	13,013.40
43	Sports and Youth Welfare	Revenue	50.89	0.00	13.05
47	Technical Education and Manpower Planning Department	Revenue	361.22	11.22	250.77
49	Scheduled Caste Welfare	Revenue	5.85	0.21	4.89
55	Expenditure pertaining to Women and Child Welfare	Revenue	1,050.50	128.24	759.66
64	Special Component Plan for Scheduled Caste	Revenue	4,967.39	836.24	4,417.50
65	Aviation Department	Revenue	47.90	3.00	41.86
66	Welfare of Backward Classes	Revenue	241.86	4.04	153.21
69	Urban Administration and Development Department - Urban Welfare	Revenue	946.24	216.60	387.14

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
71	Information Technology and Bio-Technology	Revenue	121.17	8.11	71.39
79	Expenditure pertaining to Medical Education Department	Revenue	708.56	13.60	539.88
01	General Administration	Capital	50.07	0.60	16.60
03	Police	Capital	66.39	0.01	43.02
06	Expenditure pertaining to Finance Department	Capital	0.40	0.06	0.29
08	Land Revenue and District Administration	Capital	5.44	0.14	0.97
12	Expenditure pertaining to Energy Department	Capital	301.93	40.00	246.66
13	Agriculture	Capital	9.96	3.87	6.70
17	Co-operation	Capital	18.80	1.00	0.30
19	Public Health and Family Welfare	Capital	67.44	14.00	60.88
20	Public Health Engineering	Capital	281.50	21.10	147.33
21	Expenditure pertaining to Housing and Environment Department	Capital	366.42	4.81	193.74
23	Water Resources Department	Capital	461.62	9.00	287.52
24	Public Works-Roads and Bridges	Capital	989.85	28.59	936.01
27	School Education	Capital	56.59	0.22	30.81
29	Administration of Justice and Elections	Capital	15.68	0.15	5.66
30	Expenditure pertaining to Panchayat and Rural Development Department	Capital	853.66	128.07	825.17
41	Tribal Area Sub-Plan	Capital	2,757.48	312.68	2,000.62
42	Public Works relating to Tribal Area Sub-Plan-Roads and Bridges	Capital	1,007.43	0.00	986.21
44	Higher Education	Capital	12.43	0.00	0.11
45	Minor Irrigation Works	Capital	345.51	10.00	231.66
47	Technical Education and Manpower Planning Department	Capital	36.99	0.00	3.64
55	Expenditure pertaining to Women and Child Welfare	Capital	22.36	2.50	12.93
64	Special Component Plan for Scheduled Caste	Capital	1,132.28	67.35	598.88
65	Aviation Department	Capital	20.05	50.00	0.00
67	Public Works- Building	Capital	589.27	7.23	267.73
79	Expenditure pertaining to Medical Education Department	Capital	175.74	80.70	75.59

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
06	2071-Pension and Other Retirement Benefits 01-Civil 101-Supernnuation and Retirement Allowances	Revenue	2,660.00	0.00	3,493.50
06	2071-Pension and Other Retirement Benefits 01-Civil 104-Gratuities	Revenue	450.00	0.00	670.34
06	2071-Pension and Other Retirement Benefits 01-Civil 105-Family Pension	Revenue	775.00	0.00	1,087.77
06	2435-Other Agriculture Programmes 60-Others 101-Scheme for Debt relief to Farmers	Revenue	0.00	0.00	698.05
19	2210-Medical and Public Health 01-Urban Health Services-Allopathy 200-Other Health Schemes	Revenue	80.00	0.00	115.00
21	4217-Capital Outlay on Development 01-State Capital Development 050-Land	Capital	26.00	0.00	77.85
42	5054-Capital Outlay on Roads and Bridges 04-District and Other Roads 337-Road Works	Capital	100.00	0.00	625.94
58	2245-Relief on Account of Natural Calamities 05-State Disaster Response Fund 101-Transfer to Reserve Funds and Deposit Deduct-SDRF	Revenue	292.00	0.00	342.00
67	2059-Public Works 60- Other Buildings 053-Maintenance and Repairs	Revenue	50.00	0.00	65.85

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 2020 ranged between 50 per cent to 78 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	IIIrd Quarter	IVth Quarter	Total	Exp. of March 2020	Percentage of March 2020 w.r.t. Total exp.
2853	Non-ferrous Mining and Metallurgical Industries	11.16	8.59	11.01	136.01	166.77	129.64	77.74
4406	Capital Outlay on Forestry and Wild Life	0.66	0.88	1.86	23.78	27.18	15.20	55.92
4415	Capital Outlay on Agricultural Research and Education	0.00	8.45	2.50	15.10	26.05	15.10	57.97
4801	Capital Outlay on Power Projects	0.00	64.04	0.00	78.05	142.09	78.05	54.93
4810	Capital Outlay on New and Renewable Energy	0.00	236.19	0.00	320.45	556.64	320.45	57.57
4851	Capital Outlay on Village and Small Industries	0.00	0.02	0.33	8.51	8.86	4.81	54.29

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 Statutory corporations, Government Companies, Rural Banks, co-operative Investment, Local and Joint Stock Companies stood at ₹ 7,265.79 crore at the end of 2019-20. However, dividends received during the year were ₹ 2.39 crore (0.03 *per cent*) on total investment. At the end of the year 2019-20, investments decreased by ₹ 2.25 crore and dividend income increased by ₹ 0.90 crore.

Cash Balance with RBI stood at ₹ 320.72 crore on 01 April 2019 and the same stood at ₹ (-) 1,094.99 crore at the end of 31st March 2020. In addition, Government had invested an amount of ₹ 73,879.95 crore on 139 occasions in 14 days Treasury Bills and ₹ 5,907.20 crore on 05 occasions in 91 days Treasury Bills during year 2019-20. The rediscounted amount during the year was ₹ 55,180.41 crore on 210 occasions and the maturity amount was ₹ 29,118.95 crore on 53 occasions. The position of investment during the year 2019-20 is depicted in the table given below:

(₹ in crore)

Cash Balance Investment in Government of India Treasury Bills			
Balance as on 1 April 2019	Purchases during 2019-20	Sales during 2019-20	Closing balance on 31 March 2020
9,759.02	79,787.15	84,299.36	5,246.81

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.

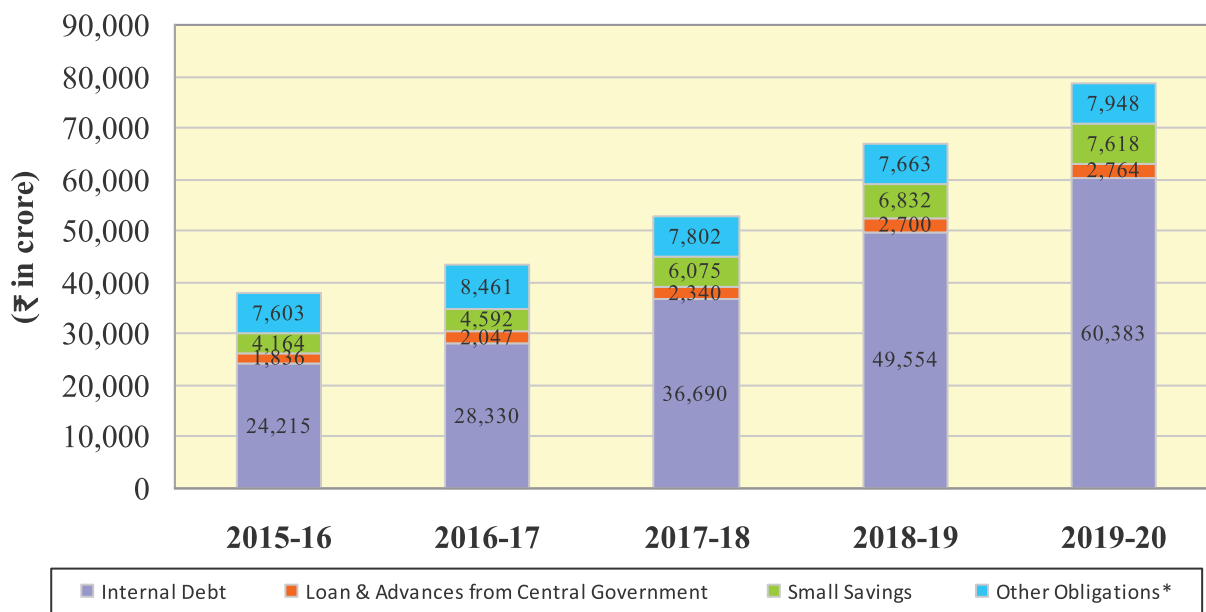
Details of the Public Debt and total liabilities of the State Government for the last five years are as under-

(₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Account	Percentage to GSDP	Total Liabilities	Percentage to GSDP
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
2019-20	63,146.72	19.18	15,565.74	4.73	78,712.46	23.91

There is a net increase of ₹ 11,962.95 crore (17.92 *per cent*) in Public Debt and Public Account in 2019-20 as compared to 2018-19.

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 principal 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
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
2019-20	27,994.79	18,459.36	NA

It may be seen from above that Guarantee amount has increased considerably in 2019-20. Details are available in Statement No. 20 of Finance Accounts and these are based on information received from the State Government.

5.4 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 basic pay and dearness allowance and a matching contribution will 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). During the year 2019-20, ₹ 1,063.71 crore was collected (consisting of ₹ 1,059.29 crore of Employee contribution and ₹ 4.42 crore of Employee and Employer contribution of employees posted on deputation), out of which an amount of ₹ 1,060.29 crore (consisting of ₹ 1,058.45 crore of Employee contribution and ₹ 1.84 crore of Employee and Employer contribution of deputation employees) was transferred to NSDL resulting in less transfer to the tune of ₹ 3.42 crore. The State Government contributed ₹ 1,057.21 crore instead of ₹ 1,059.29 crore as employer’s share and directly transferred it to NSDL without routing it through Public Account. Hence, the short contribution of ₹ 2.08 crore will under state the Revenue and Fiscal deficit. Uncollected, unmatched and untransferred amounts, with accrued interest, represent outstanding liabilities under the Scheme.

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 2020 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 2019-20 was ₹ 1,397.08 crore which was related to loans and advances to Government Corporations/Companies, Co-operatives, Non-Government Institutions and Local Bodies. Recovery of Principal aggregating to ₹ 384.64 crore and Interest amounting to ₹ 70.43 crore are in arrears at the end of March 2020.

6.3 Financial assistances to local bodies and others

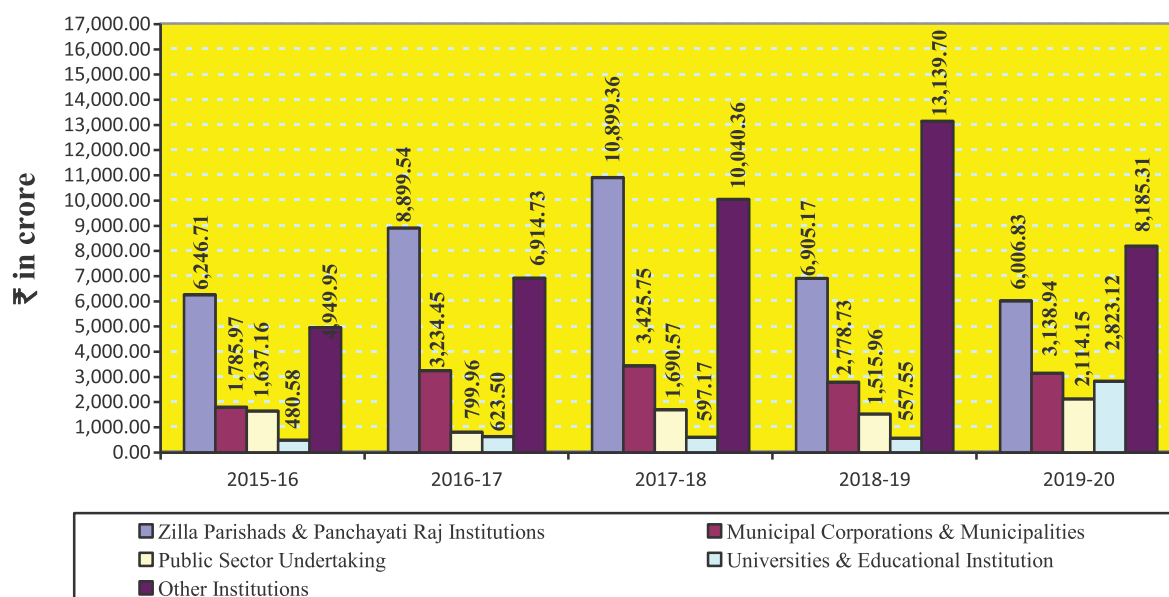
Grants-in-aid given to local bodies, autonomous bodies etc. increased from ₹ 15,100.37 crore in 2015-16 to ₹ 22,268.35 crore in 2019-20. Grants to Zilla Parishads and Panchayati Raj Institution, Municipal Corporation and Municipalities (₹ 9,145.77 crore) represent 41.07 *per cent* of total grants given during the year.

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

(₹ in crore)

S.No	Name of Institutions	2015-16	2016-17	2017-18	2018-19	2019-20
1	Zilla Parishads & Panchayati Raj Institutions	6,246.71	8,899.54	10,899.36	6,905.17	6,006.83
2	Municipal Corporations & Municipalities	1,785.97	3,234.45	3,425.75	2,778.73	3,138.94
3	Public Sector Undertakings	1,637.16	799.96	1,690.57	1,515.96	2,114.15
4	Universities & Educational Institution, Development Authorities and Cooperative Institutions	480.58	623.50	5,97.17	557.55	2,823.12
5	Other Institutions and NGO	4,949.95	6,914.73	10,040.36	13,139.70	8,185.31
	Total	15,100.37	20,472.18	26,653.21	24,897.41	22,268.35

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 2019-20 is given below:-

(₹ in crore)

Component	As on 01 April 2019	As on 31 March 2020	Net increase (+)/decrease(-)
Cash Balance	320.72	(-) 1,094.99	(-) 1,415.71
Investment from Cash Balances (GOI Treasury Bills & GOI Securities)	9,759.02	5,246.81	(-) 4,512.21
Investment from earmarked fund balances	2,185.31	7,232.27	+5,046.96
(A) Sinking Fund	2,046.94	2,311.94	+265.00
(B) Guarantee Redemption Fund	0.00	0.00	0.00
(C) Other Funds	138.37	4,920.33	+4,781.96
Interest Realised		277.40	+132.17

6.5 Reconciliation of accounts

During the year, out of 94 Budget Controlling Officers, 19 Budget Controlling Officers have fully reconciled and 39 Budget Controlling Officers have partially reconciled constituting a total expenditure of ₹ 48,667.61 crore (53.60 *per cent* of total Consolidated fund expenditure of ₹ 90,794.89 crore). Similarly on receipt side, out of 40 budget controlling officers, 14 Budget Controlling Officers have fully reconciled and 14 number of Budget Controlling Officers have partially reconciled Constituting total receipts of ₹ 71,783.68 crore (85.74 *per cent* of total Consolidated fund receipts of ₹ 83,717.84 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, 53 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. No account has been excluded during the year.

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 Contingent (AC) bills by debiting Service Heads and they are required to present Detailed Contingent (DC) bills in support of the expenditure incurred. Controlling Officers are required to submit DC bills to the Accountant General (A&E) not later than 25th of the following month (Sub rule 327 of Treasury Code). Non submission of DC bills with relevant documents of expenditure incurred renders the expenditure opaque. The details of outstanding DC Bills as on 31 March 2020 is given below-

Details of pending Detailed Contingency Bills

(₹ in crore)

Year	Number of pending DC bills	Amount
2017-18	19	0.23
2018-19	96	1.14
2019-20	200	200.22
Total	315	201.59

Major defaulting departments which have not submitted DC bills, Department of Co-operative individually contributes 91.40 *per cent* i.e. ₹ 184.26 crore of the total Outstanding DC Bills. Some other defaulting departments are Technical Education: ₹ 6.35 crore (3.15 *per cent*), Labour and Employment: ₹ 3.85 crore (1.90 *per cent*), Social Security and Welfare: ₹ 2.06 crore (1.02 *per cent*) and Agriculture: ₹ 1.78 crore (0.88 *per cent*).

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 and remittance for the last five years is given below.

(₹ in crore)

Minor Head	2015-16		2016-17		2017-18		2018-19		2019-20	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
(a) 8658- Suspense Accounts										
101-Pay and Accounts Office Suspense	47.52	2.50	48.21	0.44	54.38	0.14	52.55	18.83	67.35	19.50
Net	Dr. 45.02		Dr. 47.77		Dr. 54.24		Dr. 33.72		Dr. 47.85	
102-Suspense Accounts (Civil)	60.39	49.21	2.20	0.16	19.26	0.98	32.44	0.17	30.81	0.17
Net	Dr. 11.18		Dr. 2.04		Dr. 18.28		Dr. 32.27		Dr. 30.64	
107-Cash Settlement Suspense Accounts	38.68	6.70	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.68
Net	Dr. 31.98		Dr. 0.00		Dr. 0.00		Dr. 0.00		Dr. 0.65	
109-Reserve Bank Suspense- Headquarters	(-)0.19	(-)11.31	(-)0.37	(-)3.08	(-)0.67	(-)0.08	2.61	3.02	3.57	0.01
Net	Dr. 11.12		Dr. 2.71		Cr. 0.59		Cr. 0.41		Cr. 3.56	
110-Reserve Bank Suspense- Central Accounts Office	(-)5.21	(-)3.03	0.73	0.15	0.14	0.00	1.72	0.00	0.00	84.11
Net	Cr. 2.18		Dr. 0.58		Dr. 0.14		Dr. 1.72		Dr. 84.11	
(b) 8782- Remittance										
102-Public Works Remittance	59,907.05	59,867.75	29.92	22.45	18.29	11.50	112.34	9.13	74.83	42.43
Net	Dr. 39.30		Dr. 7.47		Dr. 6.79		Dr. 103.21		Dr. 32.40	
103-Forest Remittance	12,764.04	12,736.20	12.14	0.33	10.84	7.11	37.83	5.22	36.20	5.44
Net	Dr. 27.84		Dr. 11.81		Dr. 3.73		Dr. 32.61		Dr. 30.76	

6.9 Status of Outstanding Utilization Certificates:

As per Rule 182 of Chhattisgarh Financial Code Volume-1, in case of an annual or non-recurring conditional grant, the Department officer on whose signature or counter- signature the Grants-in-Aid bill is drawn, shall furnish the Utilization Certificate to the Accountant General on or before 30 September of the following year to which the grant is related. As on 31 March 2020, 256 UC's amounting to ₹ 3,770.85 crore are outstanding as detailed below:-

(₹ in crore)

Year	Number of Utilization Certificate awaited	Amount
Up to 2017-18	32	48.24
2018-19	45	229.20
2019-20	179	3,493.41
Total	256	3,770.85

6.10 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:-

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

(₹ in crore)

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
India's GDP (₹ in crore)	1,37,64,037	1,52,53,714	1,67,73,145	1,88,40,731	2,03,39,849
Growth rate of GDP (in percentage)	10.40	10.82	9.96	12.30	7.96
State's GSDP (₹ in crore)	2,34,212	2,62,263	2,91,681	3,11,660	3,29,180
Growth rate of GSDP (in percentage)	5.91	11.98	11.22	9.66	5.62

(Source: India's GDP figure has been taken from Website of the Ministry of Statistics and Programme Implementation, Government of India and States' GSDP figure has been provided by Department of Economic and Statistics, Government of Chhattisgarh)

6.11 Commitment on Account of Incomplete Capital Works

A total expenditure of ₹ 11,132.15 crore was incurred up to the year 2019-20 by the State Government on 331 incomplete projects, each involving ₹ 10 crore and above, against estimated cost for ₹ 14,511.57 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 (164)	6,522.49	361.36	6,428.89	NA	4,325.65 (52)
2	Building Works (19)	1,085.68	50.38	798.77	NA	1,079.39 (11)
3	Bridge Works (38)	785.30	49.17	562.43	NA	66.69 (04)
4	Road Works (110)	6,118.14	351.54	3,342.06	NA	2,587.42 (17)
Total		14,511.61	812.45	11,132.15	NA	8,059.15

6.12 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 transferred an amount of ₹ 0.27 crore from Major Head 2056 into the Major Head 8443-106-‘Personal Deposit Account’ during March 2020, 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 2020 is given below:

Details of Personal Deposit Accounts

(₹ in crore)

Opening Balance		Addition / Receipts during the year		Closed/ Disbursements during the year		Outstanding	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
231	1,891.10	Nil	272.05	8	577.89	223	1,585.26

6.13 Investments

Details of Government Investments in various Public Sector Undertakings, Statutory Corporations, Rural Banks, Government Companies, Joint Stock Companies, 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 ₹ 7,265.79 crore in 1522 entities.

6.14 Status of Reserve Funds:

Details of Reserve Funds and their investments are available in Statements 21 and 22 of the Finance Accounts. There were 17 Reserve Funds earmarked for specific purposes, out of which, 14 funds were operative and three funds are in operative. The total accumulated balance at the end of 31 March 2020 in these funds was ₹ 9,697.04 crore (₹ 9,696.94 crore in operative funds and ₹ 0.10 crore in in-operative funds), out of which ₹ 7,232.27 crore (74.58 *per cent*) was invested.

6.14.1 State Disaster Response Funds (SDRF):

Government of India, Ministry of Home Affairs vide Office Memorandum dated 30 July 2015 issued guidelines on Constitution and Administration of SDRF based on the recommendations of Fourteenth Finance Commission.

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 with effect from 1 April 2018. However, the Central Government continued to contribute in the existing pattern of 75 *per cent* in the year 2018-19 and 2019-20 instead of revised sharing pattern.

During the year 2019-20, State Government received ₹ 177.30 crore from the Central Government as its Share to SDRF. As per the above guidelines, State Government had to transfer the entire amount of Central Share of ₹ 177.30 crore and the corresponding State Share of ₹ 59.10 crore to SDRF but the State Government transferred ₹ 147.40 crore into the SDRF (Central Share - ₹ 110.55 crore out of ₹ 177.30 crore and State Share of ₹ 36.85 Crore). Non transfer of Central Share of ₹ 66.75 crore and corresponding State Share of ₹ 22.25 crore will understate the Revenue Deficit and Fiscal Deficit. In addition, the State Government also transferred ₹ 194.60 crore (₹ 125.10 crore of Central Share received during 2018-2019 and corresponding State Share of ₹ 41.70 crore and ₹ 27.80 crore being the difference of 15 per cent of State Share less transferred during relating to 2018-2019). An expenditure of ₹ 252.54 crore incurred under MH 2245- 'Relief on Account of Natural Calamities' was set off, leaving a balance of ₹ 491.88 crore in the SDRF as of 31 March 2020.

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. Details of Investment of the balance of the fund are awaited.

6.14.2 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 2019-20, the State Government contributed ₹ 265.00 crore (including balance of ₹ 120.00 crore of 2018-2019) against the minimum requirement of ₹ 333.75 crore (representing 0.5 *per cent* of outstanding liabilities of ₹ 66,749.51 crore as on 31 March 2019) resulting in a short contribution of ₹ 188.75 crore. As on 31 March 2020, an amount of ₹ 2,311.94 crore was lying in the Fund, and the total amount was invested in Government of India securities.

6.14.3 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 No.459/F-2013-04-00749/B-4 dated 30 July 2020 has decided not to create Guarantee Redemption Fund as the maximum guarantees sanctioned by the State Government were of medium and low risk 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 2020 was ₹ 18,459.36 crore.

Government of Chhattisgarh issued guarantee of ₹ 64.00 crore to *Dau Kalyan Singh* (DKS) Post Graduate Institute and Research Centre in October 2017 for establishment of the Institute. DKS institute availed the loan of ₹ 64.00 crore in March 2018 from Punjab National Bank (PNB). The loan was to be repaid from June 2018 by *Dau Kalyan Singh* (DKS) Post Graduate Institute and Research Centre from its own resources. However, during 2019-20 the State Government released an amount of ₹ 10.12 crore to DKS Post Graduate Institute and Research Centre for repayment of Installment of Loan from Major Head 4210 under object head-35- Repayment of Interest/Loan.

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

Infrastructure Development Fund: The State Government enacted “Chhattisgarh (*Adhosarnchana Vikas Evam Paryavaran*) *Upkar Adhiniyam*, 2005 to raise funds for infrastructure and environment improvement projects. As per Section 3 (2) of “Chhattisgarh (*Adhosarnchana Vikas Evam Paryavaran*) *Upkar Adhiniyam*, 2005, Infrastructure Development Cess is levied on all lands on which land revenue or rent is levied at the rate depending upon the classification of land which will be credited into Infrastructure Development Fund (maintained at Scheme level) in Public

Account at Minor Head 200- Other Development and Welfare Fund below Major Head 8229- Development and Welfare Fund. The Fund had a balance of ₹ 423.39 crore as on 31 March 2017. The State Government did not transfer cess amounting ₹ 174.00 crore collected in 2018-19 into the Infrastructure Development Fund till 31 March 2020 resulting in understatement of Revenue and Fiscal Deficit. In addition to this, State Government collected cess of ₹ 391.04 crore (₹ 225.17 crore of 2016-17 and ₹ 165.87 crore of 2017-18) out of which ₹ 225.17 crore was transferred in to the fund till 31 March 2020. The total amount of cess not transferred to the fund related to the period from 2016-17 to 2018-19 is ₹ 339.87 crore. During the period from 2016-17 to 2019-20 an expenditure of ₹ 600.78 crore was booked in the Fund. The Balance of the Fund as on 31 March 2020 is ₹ 47.78 crore.

Environment Fund: The State Government formed Environment Fund under section 6 (1) of the Adhiniyam into which the fund collected through Environment Cess will be transferred. As per Section 4(2) of “Chhattisgarh (*Adhosarnchana Vikas Evam Paryavaran*) *Upkar Adhiniyam*, 2005, the Environment Cess is levied on all lands on which land revenue or rent is levied at the rate depending upon the classification of land. The Cess collected under the act would be credited into Environment Fund (maintained at scheme level) in Public Account at Minor Head -200- ‘Other Development Funds’ below Major Head 8229- Development and Welfare Fund. 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 Public Account Major Head 8229-200-0021. No distinct provision for booking expenditure relating to Environment Development Fund has been made in the Budget from 2018-19.

The Balance of the Fund as on 31 March 2017 was ₹ 175.19 crore. The State Government did not transfer cess amounting ₹ 174.00 crore collected in 2018-19 into the Environment Fund till 31 March 2020 resulting in understatement of Revenue and Fiscal Deficit. In addition to this, State Government collected cess of ₹ 227.31 crore (₹ 61.44 crore of 2016-17 and ₹ 165.87 crore of 2017-18) out of which ₹ 61.44 crore was transferred to the fund till 31 March 2020. The total amount of cess not transferred to the fund related to the period from 2016-17 to 2018-19 is ₹ 339.87 crore. During the period from 2016-17 to 2017-18 an expenditure of ₹ 12.90 crore was booked in the Fund. However, no expenditure is booked in the Fund during the year 2018-19 and 2019-20. The balance of the Fund as on 31 March 2020 is ₹ 223.73 crore.

6.15 Compliance of Indian Government Accounting Standards

6.15.1 Accounting Standards on Guarantees (IGAS-1):

Accounting Standards (IGASs) have been notified by Government of India, the details of compliance with which is given below-

Guarantees given by Government- Disclosure requirements (IGAS 1): Seventy *per cent* of Guarantee institutions have furnished the information relating to guarantees in prescribed format of IGAS-I. The details of Guarantees are shown in Budget Documents (Volume-5) of the State Government. Hence, State Government is not fully compliant with this IGAS.

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

Accounting and Classification of Grants-in-Aid (IGAS 2): In compliance with the above standards, Grants-in-Aid received by the government are 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 but the State Government has disbursed Grants-in-Aid of ₹ 1,939.61crore for creation of Capital Assets and accounted as Capital Expenditure instead of Revenue Expenditure. Information relating to Grants-in-Aid have not been received from the State Government in prescribed format of IGAS 2. Hence, State Government is not fully compliant with this IGAS.

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

Loans and Advances made by the Government (IGAS 3): All the disclosures as mentioned in this Standard have been included in the Finance Accounts. Information relating to additional disclosure i.e. arrear of loans have been received from the State Government in prescribed format of IGAS 3. Hence, State Government is fully compliant with this IGAS.

**© COMPTROLLER AND
AUDITOR GENERAL OF INDIA
2021
www.cag.gov.in**



agaechhattisgarh@cag.gov.in