

**State Finances Audit Report of the  
Comptroller and Auditor General of India**

**for the year ended 31 March 2020**

**Government of Chhattisgarh**  
*Report No. 03 of the year 2021*



<b>Table of Contents</b>		
	<b>Paragraph No.</b>	<b>Page No.</b>
Preface	--	vii
Executive Summary	--	ix
<b>Chapter I: Overview</b>		
Profile of the State	1.1	1
Gross State Domestic Product of the State	1.1.1	1
Basis and Approach to State Finances Audit Report	1.2	3
Report Structure	1.3	4
Overview of Government Accounts Structure	1.4	4
Budgetary Processes	1.5	7
Snapshot of Finances	1.5.1	7
Snapshot of Assets and liabilities of the Government	1.5.2	8
Fiscal Balance: Achievement of deficit and total debt targets	1.6	9
Compliance with Provisions of State FRBM Act	1.6.1	9
Medium Term Fiscal Policy Statement	1.6.2	10
Deficit and Surplus	1.6.3	11
Trends of Deficit/Surplus	1.6.4	12
Deficits after examination in Audit	1.6.5	13
<b>Chapter II: Finances of the State</b>		
Introduction	2.1	15
Sources and Application of Funds	2.2	15
Resources of the State	2.3	17
Receipts of the State	2.3.1	17
Revenue Receipts	2.3.2	18
Trends and growth of Revenue Receipts	2.3.2.1	18
State's Own Resources	2.3.3	19
Own Tax Revenue	2.3.3.1	20
State Goods and Services Tax (SGST)	2.3.3.2	21
Non-Tax Revenue	2.3.3.3	22
Central Tax Transfers	2.3.3.4	22
Grants-in-Aid from Government of India	2.3.3.5	23
Fourteenth Finance Commission Grants	2.3.3.6	24
Capital Receipts	2.3.3.7	24
State's performance in mobilization of resources	2.3.4	25
Application of Resources	2.4	25
Growth and composition of expenditure	2.4.1	26
Revenue Expenditure	2.4.2	28
Major Changes in Revenue Expenditure	2.4.2.1	29
Committed Expenditure	2.4.2.2	29
Undercharged Liability under National Pension System	2.4.2.3	31

<b>Table of Contents</b>		
	<b>Paragraph No.</b>	<b>Page No.</b>
Parking of Government's contribution for National Pension System in the Personal Deposit Account	2.4.2.4	31
Subsidies	2.4.2.5	31
Financial assistance by the State Government to Local Bodies and other Institutions	2.4.2.6	32
Capital Expenditure	2.4.3	33
Major changes in Capital Expenditure	2.4.3.1	33
Quality of Capital Expenditure	2.4.3.2	34
Quality of investment in Companies, Corporations and other Bodies	2.4.3.2.1	34
Investment and Returns	2.4.3.2.2	34
Loans and Advances by State Government	2.4.3.2.3	35
Capital blocked in incomplete projects	2.4.3.3	36
Expenditure priorities	2.4.4	37
Object head wise expenditure	2.4.5	37
Public Account	2.5	38
Net Public Account Balances	2.5.1	38
Reserve Funds	2.5.2	39
Consolidated Sinking Fund	2.5.3	40
State Disaster Response Fund	2.5.4	40
Guarantee Redemption Fund	2.5.5	41
Debt management	2.6	41
Debt profile: Components	2.6.1	42
Components of fiscal deficit and its financing pattern	2.6.2	44
Debt profile: Maturity and Repayment	2.6.3	45
Debt Sustainability Analysis (DSA)	2.7	46
Fiscal Deficit and Debt Sustainability	2.7.1	46
Utilisation of borrowed funds	2.7.2	46
Status of Guarantees – Contingent Liabilities	2.7.3	47
Management of Cash Balances	2.7.4	48
Conclusion	2.8	50
Recommendations	2.9	50
<b>Chapter III: Budgetary Management</b>		
Introduction	3.1	51
Budget Preparation Process	3.2	51
Financial Accountability and Budget Review	3.3	52
Gender Budget	3.3.1	52
Youth Budget	3.3.2	52
Agriculture Budget	3.3.3	53
Major Policy Initiatives/New Schemes	3.3.4	53
Appropriation Accounts	3.4	53

<b>Table of Contents</b>		
	<b>Paragraph No.</b>	<b>Page No.</b>
Summary of Appropriation Accounts	3.4.1	53
Sub-optimal Utilisation of Budgeted Funds	3.4.2	54
Comments on Integrity of Budgetary and accounting process	3.5	55
Expenditure incurred without authority of law	3.5.1	55
Misclassification of capital expenditure as revenue expenditure	3.5.2	55
Unnecessary of excessive supplementary grants	3.5.3	57
Unnecessary or excessive re-appropriation	3.5.4	58
Entire budget provision not utilised under sub-heads	3.5.5	58
Large savings/surrenders	3.5.6	59
Missing/ Incomplete Explanation for Variation from Budget	3.5.7	60
Excess expenditure and its regularization	3.5.8	61
Rush of Expenditure	3.6	63
Sub-Head (Schemes), where entire expenditure was incurred in March 2020	3.6.1	63
Review of Selected Grant No- 13-Agriculture	3.7	64
Grant No. 13- Agriculture	3.7.1	64
Budget and expenditure	3.7.2	64
Surrender of Savings	3.7.3	65
Unnecessary supplementary grant and subsequent surrender under the schemes	3.7.4	65
Persistent savings under Scheme Heads	3.7.5	66
Savings of Entire Budget Provision during 2019-20	3.7.6	67
Conclusion	3.8	67
Recommendations	3.9	68
<b>Chapter IV: Quality of Accounts &amp; Financial Reporting Practices</b>		
Introduction	4.1	69
Delay in Submission of Utilisation Certificates	4.2	69
Parking of Grants in Aid fund outside the Government Account	4.2.1	70
Pending DCC Bills	4.3	72
Timeliness and Quality of Accounts	4.4	73
Outstanding balances under Suspense and DDR Heads	4.5	73
Personal Deposit (PD) Accounts	4.6	74
Funds relating to Land acquisition kept in PD account	4.6.1	75
In-operative PD accounts	4.6.2	76
Accounting of Transactions Relating to Central Road Fund	4.7	76
Funds outside Consolidated Fund or Public Account of the State	4.8	76
Year-wise receipt and utilisation of Labour Cess	4.8.1	76
Booking under Minor Head 800	4.9	78
Booking of Royalty in unspecified Head of Account	4.9.1	79
Non-Reconciliation of Departmental Figures	4.10	80

<b>Table of Contents</b>		
	<b>Paragraph No.</b>	<b>Page No.</b>
Reconciliation of Cash Balance	4.11	81
Compliance with Indian Government Accounting Standards	4.12	82
Submission of Accounts/Separate Audit Reports of Autonomous Bodies	4.13	82
Delay in finalisation of accounts of Public Sector Undertakings	4.14	83
Cases of Losses and Defalcation, <i>etc.</i>	4.15	84
Off Budget Borrowing	4.16	84
Liabilities after examination in Audit	4.16.1	86
Follow-up on Audit Reports	4.17	86
Conclusion	4.18	86
Recommendations	4.19	87

<b>Table of Contents</b>		
<b>Appendices</b>	<b>Appendix No.</b>	<b>Page No.</b>
State Profile	1.1	89
Time Series Data on State Government Finances	2.1	90
Details of Schemes which are 100 per cent women centric during 2019-20	3.1	93
Details of Schemes which are 100 per cent Youth centric during 2019-20	3.2	94
Details of Major Policy initiatives/New Schemes (₹1 crore or more in each cases) where entire Grant not utilised	3.3	96
Details of cases where supplementary provision (₹50 lakh or more in each case) proved unnecessary	3.4	97
List of Sub Heads where entire Budget provision is not utilized (₹10 crore or above)	3.5	99
List of grants having large savings (savings above ₹100 crore) during the year	3.6	103
List of grants having large savings (savings above ₹500 crore) during the year	3.7	107
Details of surrender of funds in excess of (₹10 crore) at the end of March	3.8	108
Sub-Heads requiring Explanation for Variation in Appropriation Accounts	3.9	111
Excess Expenditure over provision for the year 2000-01 to 2018-19	3.10	114
Details of Major Heads having excess in 2019-20	3.11	116
Sub-Head (Schemes, where entire expenditure was incurred in March 2020	3.12	117
Major head wise position of outstanding Utilisation Certificates	4.1	122
Details of outstanding Detailed Contingent bills as of 31st March, 2020	4.2	122
Statement of Major Head wise Receipt booked under Minor Head 800- Other receipt	4.3	123
Statement of Major Head wise Expenditure booked under Minor Head 800- Other expenditure	4.4	123
Investment by the State Government in PSUs whose accounts are in arrear as on 1 October 2020	4.5	124
Department/category wise details in respect of case of loss to Government due to theft, defalcation, loss of Government property/material	4.6	125
Year wise analysis of loss to Government (Cases where financial action was pending at the end of 31 March 2020)	4.7	126
Details of recovery in various departments	4.8	128



## Preface

This Report has been prepared for submission to the Governor of Chhattisgarh under Article 151 of the Constitution of India.

2. Chapter I of this Report contains the basis and approach to State Finances Audit Report, structure of the Report, structure of Government Accounts, budgetary processes, trends in key fiscal parameters like revenue surplus/ deficit, fiscal surplus/ deficit, *etc.* and fiscal correction path.
3. Chapters II and III of the Report contain audit findings on matters arising from an examination of the Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2020. Information has been obtained from Government of Chhattisgarh, wherever necessary.
4. Chapter IV on 'Quality of Accounts & Financial Reporting Practices' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.
5. The Reports containing the findings of Performance Audit and Compliance Audit in various Government departments, observations arising out of audit of Statutory Corporations, Boards and Government Companies and observations on Revenue Receipts are presented separately.

The audit has been conducted in conformity with Auditing Standards issued by the Comptroller and Auditor General of India



# **EXECUTIVE SUMMARY**



# Executive Summary

## 1 The Report

*Based on the audited accounts of the Government of Chhattisgarh for the year ended 31 March 2020, this Report provides an analytical review of the finances of the State Government.*

## 2 Audit findings

### 2.1 Fiscal Position

*The fiscal position of the State is viewed in terms of three key parameters—Revenue Deficit/Surplus, Fiscal Deficit/Surplus, and the ratio of Outstanding Debt to GSDP.*

*The fiscal position of the State had declined in terms of the key parameters. From a slender revenue surplus of ₹683.76 crore as of end of March 2019, the State had a revenue deficit of ₹9,608.61 crore as of end of March 2020. Fiscal deficit relative to Gross State Domestic Product (5.46 per cent) was above the target of 3.50 per cent laid down under XIV Finance Commission and the State FRBM Act (3.50 per cent).*

*During 2019-20, the outstanding debt of the State was 23.91 per cent of GSDP, which was higher than the norm of 21.23 per cent of GSDP prescribed by the Chhattisgarh Fiscal Responsibility and Budget Management Act, 2016.*

*The GSDP of Chhattisgarh grew at a higher rate during 2019-20 compared to the GDP of India, although it registered a lower growth rate compared to the previous year. During 2019-20, the GSDP decreased mainly due to decrease in growth rate of all three Sectors that make up the GSDP - Agriculture, Industry and Services sectors, from 15.77 per cent, 8.49 per cent and 10.98 per cent in 2018-19 to 12.10 per cent, 5.51 per cent and 9.35 per cent in 2019-20 respectively. The major contributing factor to GSDP of Chhattisgarh was Industrial sector, unlike the national GDP, where the Services sector is the main contributor.*

*(Chapter I)*

### 2.2 Finances of the State

*The State Government registered a nominal decrease of 1.88 per cent in its Revenue Receipts during 2019-20 compared to the previous year. The Own tax revenue and non-tax revenue increased by 3.22 and 3.00 per cent respectively and could not achieve the level anticipated in budgetary projections. The State continued to be dependent on Government of India with 53 per cent of the revenue coming from State Share of Union Taxes and Duties and Grants-in-aid.*

*Revenue expenditure increased by 14.08 per cent during 2019-20 compared to the previous year, whereas the Capital Expenditure decreased by 3.79 per cent during the same period.*

*Debt repayment increased significantly in 2019-20 as compared to 2018-19 and total debt receipts also increased by ₹5,217.43 crore (36.31 per cent) when compared to 2018-19. The total outstanding debt of the State Government at the end of 2019-20 was ₹78,712 crore. Borrowed funds should ideally be used to fund capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable in the long run and would impact creation of assets.*

**(Chapter II)**

### **2.3 Budgetary Management**

*Budgetary assumptions of the State Government were not realistic during 2019-20 and control over the execution and monitoring of budget was inadequate. However, the percentage of utilization of Budgeted funds increased during 2019-20 compared to the previous year*

*Excess expenditure of ₹6,682.69 crore pertaining to four Grants and two Appropriations during 2019-20 requires regularisation.*

*Supplementary Grants/ Appropriations were obtained without adequate justification. The savings were neither surrendered on time nor explanations provided to the Accountant General (A&E) for variations in expenditure vis-à-vis allocations. The Departments were not cautioned against persistent savings; nor were their budgets varied in accordance with their ability to absorb the allocations*

*The budgetary control mechanism should be strengthened in the Government Departments to avoid huge savings, especially where savings occurred persistently and to avoid taking supplementary grants, which remained unutilized.*

**(Chapter III)**

### **2.4 Quality of Accounts and Financial Reporting Practices**

*Non-submission of UCs and DCC bills by Departments for funds drawn for specific developmental programmes/ projects and non-submission of accounts by public sector entities was violative of prescribed financial rules and directives. This points to inadequate internal controls and deficient monitoring mechanism of the State Government.*

*Operation of omnibus Minor Head 800 – ‘Other Receipts’ (₹3,447.19 crore) and ‘Other Expenditure’ (₹976.82 crore) affected transparency in financial reporting and obscured proper analysis of allocative priorities and quality of expenditure.*

*Non-reconciliation of receipts and expenditure booked by the Controlling Officers of the State with the figures of the Accountant General (A&E) reflects poorly on the internal control system within the Government and raises concerns relating to accuracy of accounts.*

*Government of Chhattisgarh has not disclosed in its budget, its liabilities with regard to the loans obtained by various public sector entities at its behest for implementation of various socio-economic developmental programmes.*

***(Chapter IV)***



# **CHAPTER I**

## **OVERVIEW**



## Chapter I - Overview

### 1.1 Profile of the State

Chhattisgarh is located in the central part of India and is spread over an area of 1,35,192 sq. km (4.11 *per cent* of geographical area of India). The State was created in November 2000 by bifurcating the composite State of Madhya Pradesh. It has 27 districts and is home to 2.55 crore population as per Census 2011. The State's population increased from 2.08 crore in 2001 to 2.55 crore in 2011, recording a decadal growth of 22.61 *per cent*. At current prices, the per capita income of the State was estimated at ₹98,281 during 2019-20, which was lower than the national average of ₹1,35,050.

General and financial data relating to the State is given in *Appendix 1.1*.

#### 1.1.1 Gross State Domestic Product of the State

Gross State Domestic Product (GSDP) is the value of all the goods and services produced within the boundaries of the State in a given period of time. Growth of GSDP is an important indicator of the State's economy, as it denotes the extent of changes in the level of economic development of the State over a period of time.

Trends in annual growth of Chhattisgarh's GSDP (current prices) *vis-à-vis* GDP of the country are given in **Table – 1.1**

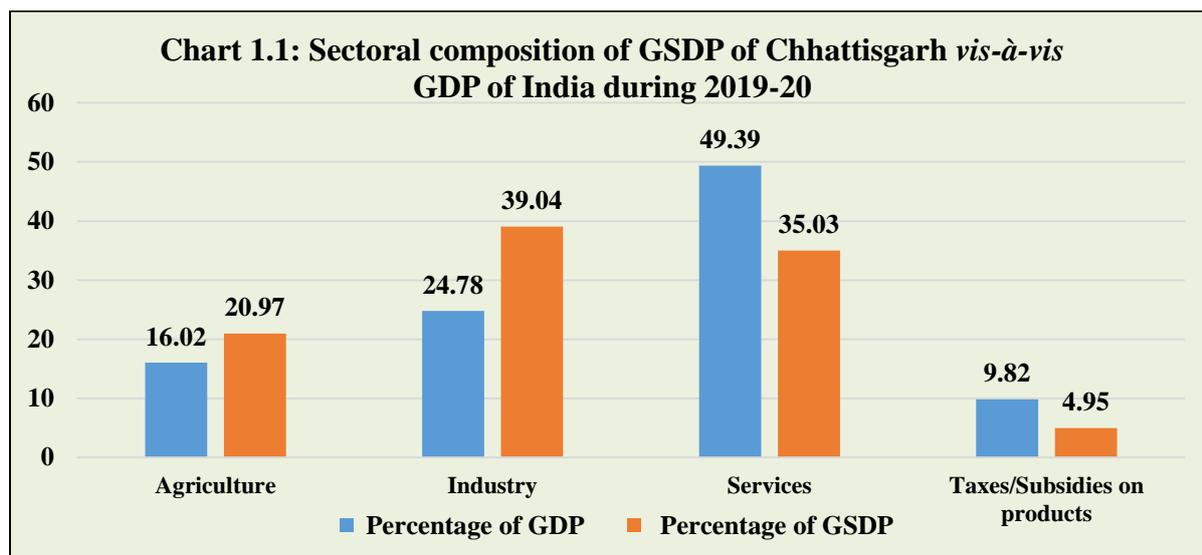
**Table 1.1: Trends in GSDP compared to the national GDP**

Year	2015-16	2016-17	2017-18	2018-19	2019-20
GDP of India at current prices (₹ in crore)	1,37,71,874	1,53,91,669	1,70,98,304	1,89,71,237	2,03,39,849
Growth Rate of GDP over previous year ( in <i>per cent</i> )	10.46	11.76	11.09	10.95	7.21
State's GSDP at current prices (₹ in crore)	2,25,163	2,50,882	2,74,042 <sup>P</sup>	3,04,063 <sup>Q</sup>	3,29,180 <sup>A</sup>
Growth Rate of GSDP over previous year ( in <i>per cent</i> )	1.83	11.42	9.23	10.95	8.26

**Source:** GoI's Economic Survey (2019-20) and Directorate of Economics and Statistics, Chhattisgarh  
**A - Advanced Estimates; Q - Quick Estimates; P - Provisional Estimates**

As can be seen from the Table above, the growth rate of GSDP of Chhattisgarh oscillated from 1.83 to 11.42 *per cent* during the five-year period 2015-16 to 2019-20. Even though the GSDP of Chhattisgarh grew at a higher rate during 2019-20 compared to the GDP of India, it registered a lower growth rate compared to the previous year mainly due to decrease in growth rate of all three Sectors that make up the GSDP - Agriculture, Industry and Services sectors, from 15.77 *per cent*, 8.49 *per cent* and 10.98 *per cent* in 2018-19 to 12.10 *per cent*, 5.51 *per cent* and 9.35 *per cent* in 2019-20 respectively.

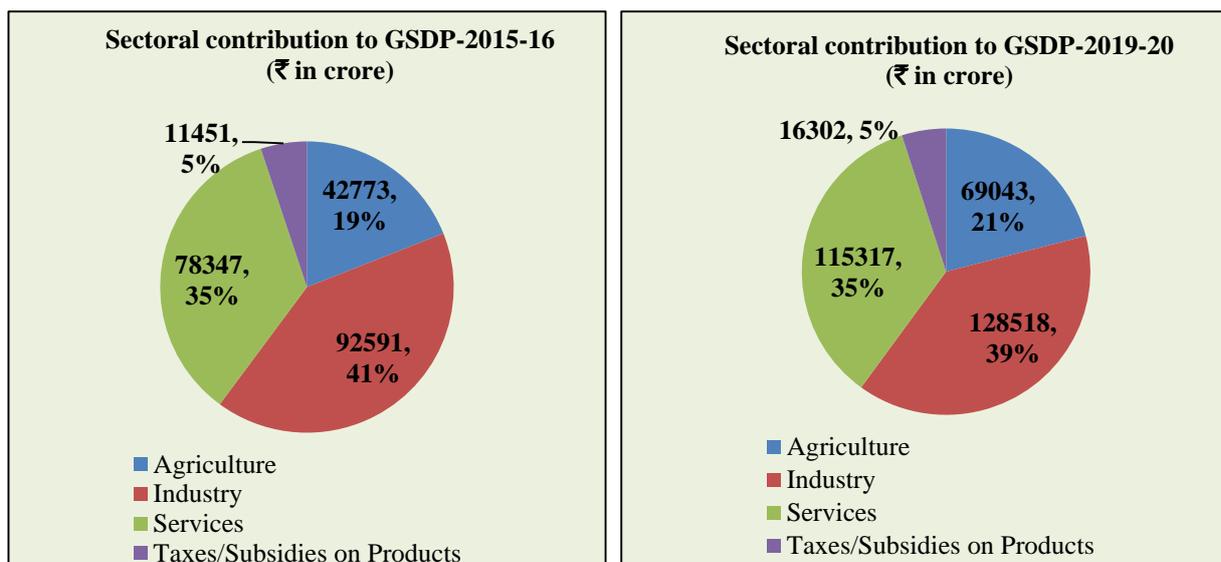
Economic activities are generally divided into Primary, Secondary and Tertiary sectors, which correspond to Agriculture, Industry, and Services Sectors. Change in sectoral contribution to the GSDP is also important to understand the changing structure of economy. **Chart 1.1** below shows the sectoral composition of GSDP of Chhattisgarh *vis-à-vis* GDP of India during 2019-20.



Source: GoI's Economic Survey (2019-20) and Directorate of Economics and Statistics, Chhattisgarh

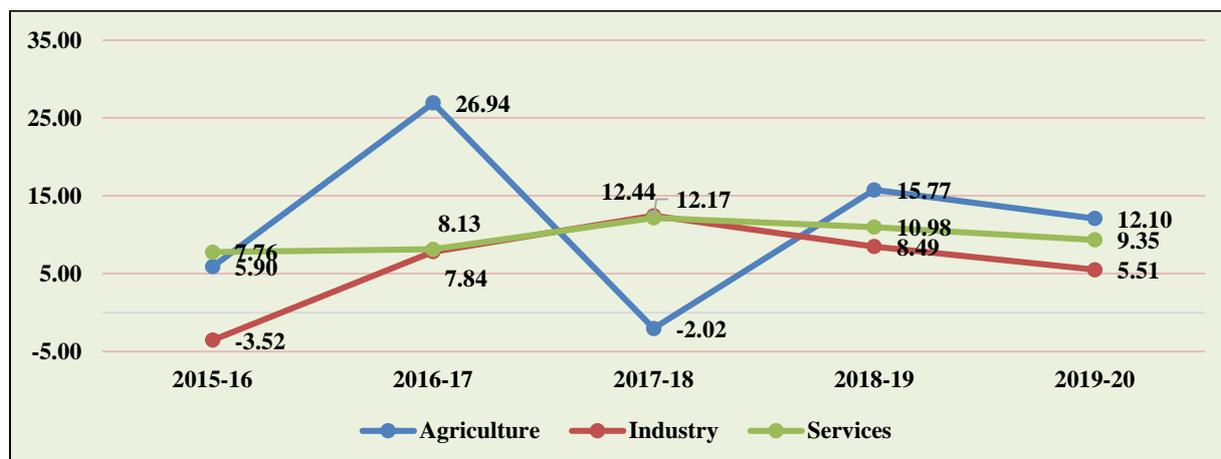
As can be seen from **Chart 1.1**, the major contributing factor to GSDP of Chhattisgarh was Industrial sector, while for the GDP of India, it was Services sector. Percentage wise, contribution of Industry and Agriculture sectors in GSDP of Chhattisgarh was higher than that of national GDP, whereas Services sector and Taxes/Subsidies on products contributed less to GSDP of the State compared to their share in GDP of India.

**Chart 1.2** reveals that during the five-year period 2015-16 to 2019-20, there has been an increase in the relative share of Agriculture and Services sectors in GSDP of the State from 19.00 per cent and 34.80 per cent in 2015-16 to 20.97 per cent and 35.03 per cent in 2019-20 respectively. During the same period, there has been a decrease in the share of Industry Sector from 41.12 per cent in 2015-16 to 39.04 per cent in 2019-20. Also, Taxes and Subsidies on Products decreased from 5.09 per cent in 2015-16 to 4.95 per cent in 2019-20.

**Chart 1.2: Change in sectoral contribution to GSDP (2015-16 to 2019-20)**

Source: Economic Survey (2019-20), Directorate of Economics and Statistics, Chhattisgarh

The year-on-year change in contribution of various sectors to the GSDP of the State is given below in **Chart 1.3**:

**Chart 1.3: Sectoral growth in GSDP**

Source: Economic Survey (2019-20), Directorate of Economics and Statistics, Chhattisgarh

## 1.2 Basis and Approach to State Finances Audit Report

In terms of Article 151 (2) of the Constitution of India, the reports of the Comptroller and Auditor General of India (CAG) relating to the accounts of a State are to be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State. The State Finances Audit Report (SFAR) of Chhattisgarh for the year ending 31 March 2020 has been prepared by the CAG for submission to the Governor of Chhattisgarh under Article 151 (2) of the Constitution of India.

Accountant General (Accounts & Entitlements) prepares the Finance Accounts and Appropriation Accounts of the State annually, from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for keeping of such accounts functioning under the control of the State Government, and the statements

received from the Reserve Bank of India. These accounts are audited independently by the Accountant General (Audit), and certified by the CAG.

Finance Accounts and Appropriation Accounts of the State for the year 2019-20 constitute the core data for this report. Other sources include the following:

- Budget of the State for the year 2019-20 forms an important source of data –both for assessing the fiscal parameters and allocative priorities *vis-à-vis* projections, and for evaluating the effectiveness of its implementation and compliance with the relevant rules and prescribed procedures;
- Results of audit carried out by the Office of the Accountant General (Audit), Chhattisgarh;
- Other data with Departmental Authorities and Treasuries (accounting as well as MIS);
- GSDP related statistics from the Directorate of Economic and Statistical Department of Chhattisgarh; and
- Various audit reports of the CAG of India during 2015-20.

The analysis has been carried out in the context of recommendations of the Fourteenth Finance Commission (XIVFC), Chhattisgarh Fiscal Responsibility and Budget Management (CGFRBM) Act, Budget documents of the State and guidelines of the Government of India.

### **1.3 Report Structure**

The SFAR is structured into the following four Chapters:

<b>Chapter - 1</b>	<b><u>Overview</u></b> This Chapter describes the basis and approach to the Report and the underlying data, provides an overview of structure of government accounts, budgetary processes, macro-fiscal analysis of key indices, and State’s fiscal position including the deficits/ surplus.
<b>Chapter - II</b>	<b><u>Finances of the State</u></b> This chapter provides a broad perspective of the finances of the State, the critical changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2015-16 to 2019-20, debt profile of the State, and key Public Account transactions, based on the Finance Accounts of the State.
<b>Chapter -III</b>	<b><u>Budgetary Management</u></b> This chapter is based on the Appropriation Accounts of the State, reviews the appropriations and allocative priorities of the State Government, and reports on deviations from Constitutional provisions relating to budgetary management
<b>Chapter -IV</b>	<b><u>Quality of Accounts &amp; Financial Reporting Practices</u></b> This chapter comments on the quality of accounts rendered by various authorities of the State Government, and on issues of non-compliance with prescribed financial rules and regulations by various departmental officials of the State Government.

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## 1.4 Overview of Government Accounts Structure

The Accounts of the Government are kept in three Parts:

### 1. Consolidated Fund of the State (Article 266(1) of the Constitution of India)

This Fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), Ways and Means advances extended by the Reserve Bank of India and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. Certain categories of expenditure (*e.g.*, salaries of Constitutional authorities, loan repayments *etc.*), constitute a charge on the Consolidated Fund of the State (Charged expenditure) and are not subject to vote by the Legislature. All other expenditure (Voted expenditure) is voted by the Legislature.

### 2. Contingency Fund of the State (Article 267(2) of the Constitution of India)

This Fund is in the nature of an imprest which is established by the State Legislature by law, and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State.

### 3. Public Accounts of the State (Article 266(2) of the Constitution)

Apart from above, all other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public Account is not subject to the vote of the Legislature.

There is a constitutional requirement in India (Article 202) to present before the House or Houses of the Legislature of the State, a statement of estimated receipts and expenditures of the government in respect of every financial year. This 'Annual Financial Statement' constitutes the main budget document. Further, the budget must distinguish expenditure on the revenue account from other expenditures.

**Revenue receipts** consists of tax revenue, non-tax revenue, share of Union Taxes/ Duties, and grants from Government of India.

**Revenue expenditure** consists of all those expenditures of the government which do not result in creation of physical or financial assets. It relates to those expenses incurred for the normal functioning of the government departments and various services, interest payments on debt incurred by the government, and grants given to various institutions (even though some of the grants may be meant for creation of assets).

The **capital receipts** consist of:

**Debt receipts:** Market Loans, Bonds, Loans from financial institutions, Net transaction under Ways and Means Advances, Loans and Advances from Central Government, *etc.*;

**Non-debt receipts:** Proceeds from disinvestment, Recoveries of loans and advances;

**Capital expenditure** includes expenditure on the acquisition of land, building, machinery, equipment, investment in shares, and loans and advances by the government to PSUs and other parties.

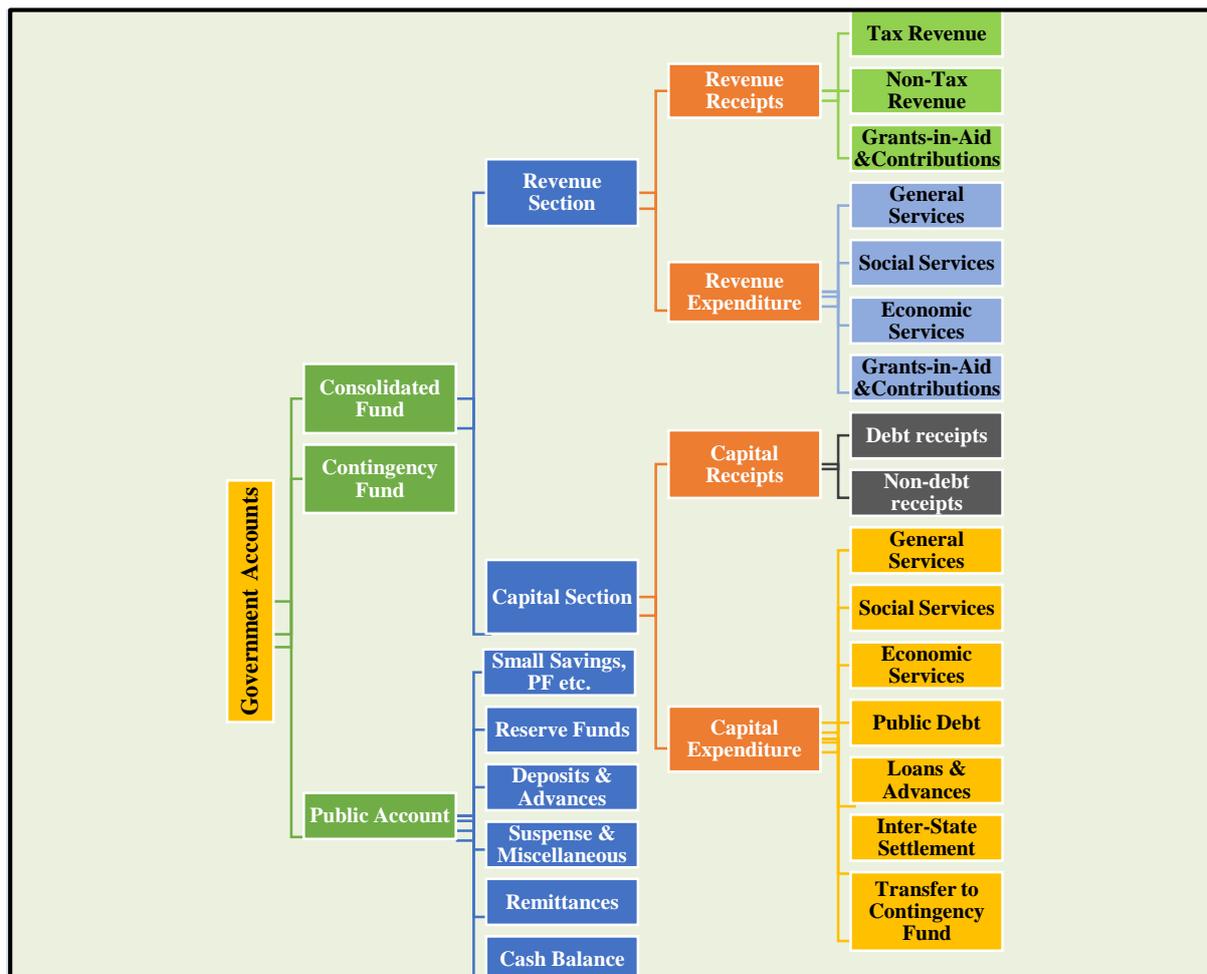
The Government accounting classification system is both functional and economic.

	<b>Attributes of transactions</b>	<b>Classification</b>
Standardised in List of Major and Minor Heads of Account by Controller General of Accounts	Function - Education, Health, <i>etc.</i> / Department	Major Head under Grants (4-digit)
	Sub-Function	Sub Major Head (2-digit)
	Programme	Minor Head (3-digit)
Flexibility left for States	Scheme	Sub-Head (2-digit)
	Sub scheme	Detailed Head (2-digit)
	Economic nature/Activity	Object Head-salary, minor works, <i>etc.</i> (2-digit)

Functional classification involves arranging the receipts and expenditure by economic categories, distinguishing the Government transactions into Sections like Revenue and Capital (including Public Debt, Loans and Advances), Sectors like Tax Revenue from other revenue and Grants-in-Aid, Sub-sectors like Taxes on Income and Expenditure, fiscal services, *etc.* On the expenditure side also, the transactions are classified into Sectors *viz.*, General Services, Economic Services, Social Services and Grants-in-Aid and contributions and sub-divided into Major Heads of account below these Sectors. Major Heads of account falling within the Consolidated Fund generally correspond to 'Functions' of Government, such as 'Education', while Minor Heads subordinate to them identify the 'Programme' undertaken to achieve the objectives of the function represented by the Major Head. A programme may consist of a number of schemes or activities and these generally, correspond to 'Sub-heads' below the Minor head. 'Detailed head' below the Sub-head, is primarily meant for itemised control over expenditure and indicates the object or nature of expenditure on a scheme or activity in terms of inputs such as 'Salaries', 'Office Expenses', 'Grants-in-Aid', *etc.*

A pictorial depiction of the structure of Government Accounts is given in **Chart 1.4**

Chart 1.4: Pictorial depiction of the structure of Government Accounts



## 1.5 Budgetary Processes

In terms of Article 202 of the Constitution of India, the Governor of Chhattisgarh caused to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State for the year 2019-20, in the form of an **Annual Financial Statement**. In terms of Article 203, the above was submitted to the State Legislature in the form of 71 Demands for Grants/Appropriations and after approval of these, the Appropriation Bill was passed by the Legislature under Article 204 to provide for appropriation of the required money out of the Consolidated Fund. Finance Accounts and Appropriation Accounts encompass the core data for preparation of the SFAR. These Accounts are based on actual receipts and expenditure of the State during the year 2019-20 including various inter-governmental and other adjustments carried out by the Reserve Bank of India (RBI).

The Madhya Pradesh Budget Manual (as adopted by Government of Chhattisgarh) details the formulation process and guides the State Government in preparing its budgetary estimates and monitoring its expenditure activities.

While formulating its Budget for 2019-20, the State Government introduced procedural and policy changes to improve transparency and ensure better control over unproductive areas. Towards this end, it outlined the following strategy:

a) To cut down the expenditure on unnecessary and less important Budget Heads and to decrease revenue deficit by increasing revenue resources.

b) Curtail unproductive revenue expenditure to maintain revenue balance.

Further, the State Government was also preparing the *Outcome* budget, *Gender* budget, *Yuva* budget, and *Agriculture* budget separately.

Results of audit scrutiny of budget and implementation of other budgetary initiatives of the State Government are detailed in **Chapter 3** of this Report.

### 1.5.1 Snapshot of Finances

The following table provides the details of actual financial results *vis-a-vis* Budget Estimates for the year 2019-20, and actuals of 2018-19.

**Table 1.2: Snapshot of Finances**

(₹ in crore)						
Sl. No	Components	2018-19 (Actual)	2019-20 (Budget Estimate)	2019-20 (Actuals)	Percent age of Actual to B.E.	Percentage of Actuals to GSDP
1.	Tax Revenue	21,427.26	22,930.00	22,117.85	96.46	6.72
2.	Non-Tax Revenue	7,703.02	8,825.00	7,933.77	89.90	2.41
3.	Share of Union Taxes and duties	23,458.69	27,917.00	20,205.84	72.38	6.14
4.	Grants-in-aid and contributions	12,505.96	20,074.00	13,611.24	67.81	4.13
5.	Revenue Receipts (1+2+3+4)	65,094.93	79,746.00	63,868.70	80.09	19.40
6.	Recovery of Loans and Advances including Inter State Settlement	162.89	283.00	256.91	90.78	0.08
7.	Other Receipts	5.26	0.00	4.70	0.00	0.00
8.	Borrowings and other Liabilities <sup>1</sup>	19,238.16	12,145.90	16,206.99	133.44	4.92
9.	Capital Receipts (6+7+8)	19,406.51	12,428.90	16,468.60	132.51	5.00
10.	<b>Total Receipts (5+9)</b>	<b>84,501.44</b>	<b>92,174.90</b>	<b>80,337.30</b>	<b>87.16</b>	<b>24.41</b>
11.	Revenue Expenditure	64,411.17	78,594.53	73,477.31	93.49	22.32
12.	Interest Payments	3,652.55	4,489.00	4,970.33	110.72	1.51
13.	Grants in aid for creation of Capital Assets	1,998.74	2,248.97	1,939.61	86.24	0.59
14.	<b>Capital Expenditure of which</b>	<b>9,144.14</b>	<b>12,315.07</b>	<b>8,622.55</b>	<b>70.02</b>	<b>2.62</b>
	<i>Capital Outlay</i>	8,903.45	12,109.61	8,566.39	70.74	2.60
	<i>Loans and Advances including Inter-state Settlement</i>	240.69	205.46	56.16	27.33	0.02
15.	Total Expenditure (11+14)	73,555.31	90,909.60	82,099.86	90.31	24.94
16.	Revenue Surplus(+)/Deficit(-) (5-11)	683.76	1,151.47	(-)9,608.61	(-)934.46	2.92
17.	Fiscal Deficit {15-(5+6+7)}	(-)8,292.23	(-)10,880.60	(-)17,969.55	65.15	5.46
18.	Primary Deficit (17+12)	(-)4,639.68	(-)6,391.60	(-)12,999.22	103.38	3.95

Source: Finance Accounts 2019-20 and Budget Book

<sup>1</sup> (Net Public Debt Receipts + Net Public Account Receipts + Net Contingency Fund) + (Net Opening Balance and Closing Balance)

## 1.5.2 Snapshot of Assets and liabilities of the Government

Government accounts capture the financial liabilities of the Government and the assets created out of the expenditure incurred. The liabilities consist mainly of internal borrowings, loans and advances from GoI, receipts from public accounts, and the assets comprises mainly the capital outlay and loans and advances given by the State Government and cash balances.

**Table 1.3: Summarised position of Assets and Liabilities**

(₹ in crore)

LIABILITIES				ASSETS			
	2018-19	2019-20	Percentage Increase/ Decrease(-)		2018-19	2019-20	Percentage Increase/ Decrease(-)
Internal Debt	49,553.83	60,382.67	21.85	Gross Capital Outlay	84,332.15	92,893.83	10.15
Loans and Advances from GoI	2,700.39	2,764.05	2.36	Loans and Advances	1,597.75	1,397.08	(-)12.56
Contingency Fund (corpus)	100.00	100.00	0.00	Contingency fund (un-recouped)	4.92	0.00	(-)100.00
Small Savings, Provident Funds, etc.,	6,832.41	7,617.67	11.49	Advances	1.74	1.83	5.17
Deposits	6,007.34	5,483.29	(-)8.72	Remittance	359.09	278.30	(-)22.50
Reserve Funds	3,840.85	9,697.05	152.47	Suspense and Miscellaneous	0.00	0.00	0.00
Suspense and Miscellaneous	96.78	89.52	(-)7.50	Cash Balance (including investment in earmarked fund)	12,277.88	11,396.60	(-)7.18
Remittances	0.00	0.00	0.00	<b>Total (1 to 7)</b>	98,573.53	1,05,967.64	7.50
				Deficit on Government Account	29,441.93	19,833.39	(-)32.64
<b>Total (1 to 8)</b>	<b>69,131.60</b>	<b>86,134.25</b>	<b>24.59</b>	<b>Total (8-9)</b>	<b>69,131.60</b>	<b>86,134.25</b>	<b>24.59</b>

Source: Finance Accounts 2019-20 and Budget Book

## 1.6 Fiscal Balance: Achievement of deficit and total debt targets

Deficit is an indicator of prudent fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied, are important pointers to its fiscal health. This section presents trends, nature and magnitude of deficits and the manner of financing these deficits, and also the assessment of actual levels of revenue and fiscal deficits *vis-à-vis* targets set under CGFRBM Act/Rules for the financial year 2019-20.

Three key fiscal parameters – Revenue, Fiscal and Primary deficits - indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period.

1. **Revenue Deficit/Surplus** - Refers to the gap between Revenue expenditure and Revenue receipts
2. **Fiscal Deficit/Surplus** - This is the difference between the Revenue Receipts plus Non-Debt Capital Receipts and the Total expenditure. Fiscal Deficit is reflective of the total borrowing requirements of Government.
3. **Primary Deficit/Surplus** - Primary Deficit is measured as Fiscal Deficit less interest payments.

### 1.6.1 Compliance with provisions of State FRBM Act

In compliance with the recommendations of Twelfth Finance Commission (TFC), the Government of Chhattisgarh enacted its Fiscal Responsibility and Budget Management Act, 2005 (FRBM Act) (amended in September 2011) to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, reduction in fiscal deficit, prudent debt management consistent with fiscal sustainability and greater transparency in fiscal operations of the Government, and conduct of fiscal policy in a Medium Term Fiscal Framework (MTFF).

The State Government passed the Chhattisgarh Fiscal Responsibility and Budget Management (Amendment) Act, 2016 in May 2016. According to the Act, the State Government shall, by rules, specify the fiscal rules suggested for the FRBM Acts of States by the Finance Commission.

Major fiscal variables, as set in CGFRBM Act, and their achievement during 2015-20 are presented in **Table 1.4**.

**Table 1.4: Major fiscal variables for 2015-20<sup>2</sup>**

Fiscal Parameters	Fiscal Targets set in the Act	ACHIEVEMENT (₹ in crore)				
		2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Deficit (-)/ Surplus (+)	Revenue Surplus	2,366.65	5,520.65	3,417.32	683.76	(-) 9,608.61
		Yes	Yes	Yes	Yes	No
Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP)	3.50 per cent of GSDP	(-) 4,573.71 (2.03 per cent)	(-) 4,047.27 (1.61 per cent)	(-) 6,810.32 (2.49 per cent)	(-) 8,292.23 (2.73 per cent)	(-) 17,969.55 (5.46 per cent)
		Yes	Yes	Yes	Yes	No
Ratio of total outstanding debt to GSDP (in per cent)	21.23 per cent ( for 2019-20)	16.76	17.64	19.31	21.95	23.91
		No	No	No	No	No

**Source: Finance Accounts of the respective years**

\* As per Chhattisgarh FRBM (Amendment) Act (3 March 2021) which came into effect from 1 March 2020, the fiscal deficit for the financial year 2019-20 and 2020-21 shall not exceed five per cent of GSDP. Further, the revenue deficit, fiscal deficit and total liabilities as percentage of GSDP may exceed the limits specified on the grounds of unforeseen demands on the finances of the State arising out of internal disturbance or natural calamity or such other exceptional grounds as the State Government may specify.

<sup>2</sup> The percentages with reference GSDP indicated earlier reports have been revised due to change in figures of GSDP.

- During 2019-20, Revenue Deficit of ₹9,608.61 crore was due to increase in Revenue expenditure by ₹9,066.14 crore (14.08 *per cent*) and decrease in Revenue Receipts by ₹1,226.23 crore (1.88 *per cent*) as compared to 2018-19.
- Revenue expenditure increased primarily due to increase in interest payment on Market loans (₹137.79 crore), Pension and other retirement benefits (₹1,209.48 crore), General Education (₹3,470.35 crore) and Food, storage and warehousing (₹1,629.47 crore), whereas Revenue Receipts decreased mainly due to decrease in receipts of share of Union taxes and duties by ₹3252.85 crore.
- Fiscal Deficit increased during 2019-20 (₹17,969.55 crore) by ₹9,677.32 crore from ₹8,292.23 crore in 2018-19, since the State had turned from Revenue surplus of ₹683.76 crore in 2018-19 to Revenue Deficit of ₹9,608.61 crore in 2019-20. Although the targets for Fiscal Deficit were achieved during the years 2015-16 to 2018-19, during 2019-20 Fiscal Deficit at 5.46 *per cent* of the GSDP exceeded the target prescribed (3.50 *percent of GSDP*) in the FRBM Act.
- The ratio of total outstanding debt to GSDP during 2019-20 was more than the target prescribed in the Act as the State Government has raised ₹11,680 crore from market borrowings.

## 1.6.2 Medium Term Fiscal Policy Statement

As per the CGFRBM Act, the State Government has to lay before the State Legislature a Medium Term Fiscal Policy Statement (MTFPS) along with the Annual Budget. The statement has to set forth a three year rolling target for the prescribed fiscal indicators.

**Table 1.5** indicates the variation between the estimates made for 2019-20 in MTFPS presented to the State Legislature and actual of the year.

**Table 1.5: Actuals *vis-à-vis* estimates in FRBM Act for 2019-20**

Sl. No	Fiscal Variables	Projection as per MTFPS (₹ in crore)	Actuals (2019-20) (₹ in crore)	%Increase(+)/Decrease(-)
1	Own Tax Revenue	22,930.00	22,117.85	(-)3.54
2	Non-Tax Revenue	8,825.00	7,933.77	(-)10.10
3	Share of Central Taxes	27,917.00	20,205.84	(-)27.62
4	Grants-in aid from GoI	20,074.00	13,611.24	(-)32.19
5	Revenue Receipts (1+2+3+4)	79,746.00	63,868.70	(-)19.91
6	Revenue Expenditure	78,594.53	73,477.31	(-)6.51
7	Revenue Deficit (-)/Surplus (+) (5-6)	1,151.47	(-)9,608.61	(-)934.46
8	Fiscal Deficit (-)/Surplus (+)	(-)10,880.60	(-)17,969.55	65.15
9	Debt-GSDP ratio ( <i>per cent</i> )	21.23	23.91	12.53
10	GSDP growth rate at current prices ( <i>per cent</i> )	11.09	8.26	(-)25.52

Source: Finance Accounts of 2019-20 and FRBM disclosures 2019-20

As can be seen from the above table, it is evident that the estimations made in the CGFRBM Act were not met during 2019-20. The projection of revenue surplus as per MTFPS turned into

revenue deficit, as the revenue receipts fell short by 19.91 *per cent* and the revenue expenditure was 6.51 *per cent* lower than the projections.

### 1.6.3 Deficit and Surplus

When a Government spends more than it collects by way of revenue, it incurs a deficit. There are various measures that capture Government deficit.

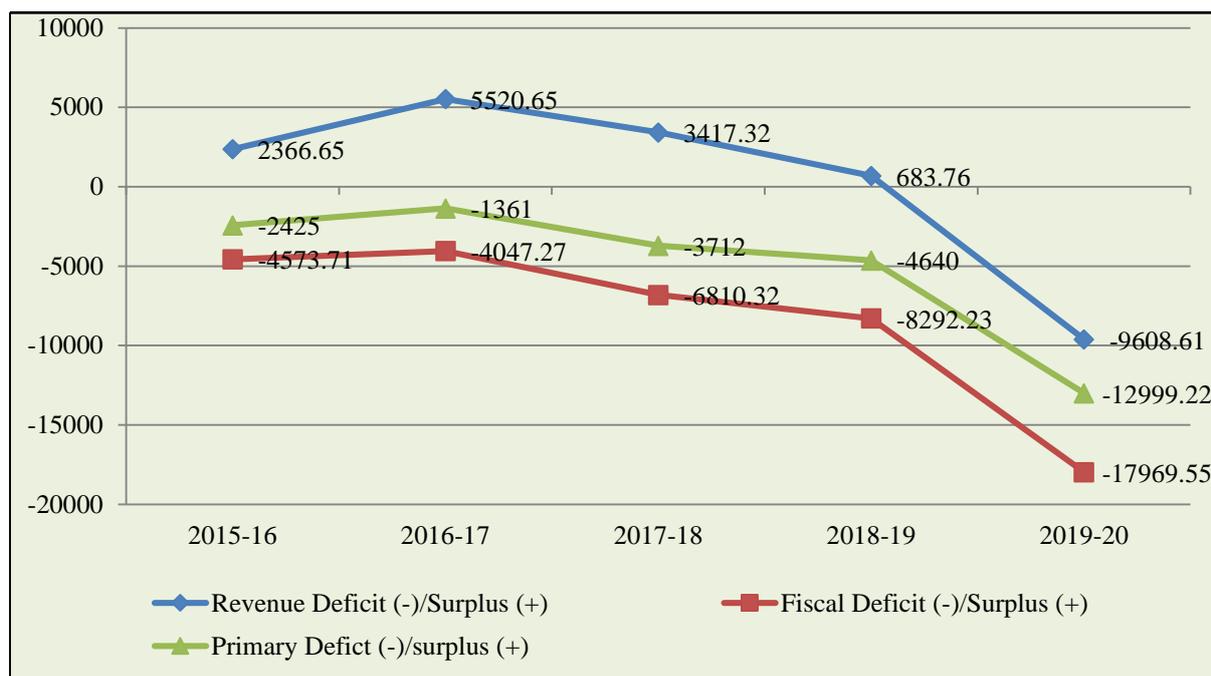
<p><b>Revenue Deficit/ Surplus</b> (Revenue Expenditure – Revenue Receipts)</p>	<p><i>Refers to the difference between revenue expenditure and revenue receipts.</i></p> <ul style="list-style-type: none"> <li>• When the government incurs a revenue deficit, it implies that the Government is dissaving and is using up the savings of the other sectors of the economy to finance a part of its consumption expenditure.</li> <li>• Existence of revenue deficit is a cause of concern as revenue receipts were not able to meet even revenue expenditure. Moreover, part of capital receipts was utilized to meet revenue expenditure, reducing availability of capital resources to that extent for creation of capital assets.</li> <li>• This situation means that the Government will have to borrow not only to finance its investment but also its consumption requirements. This leads to a build-up of stock of debt and interest liabilities and forces the government, eventually, to cut expenditure.</li> <li>• If major part of revenue expenditure is committed expenditure (interest liabilities, salaries, pensions), the government reduces productive expenditure or welfare expenditure. This would mean lower growth and adverse welfare implications.</li> </ul>
<p><b>Fiscal Deficit/ Surplus</b> (Total expenditure – (Revenue receipts + Non-debt creating capital receipts))</p>	<p><i>It is the difference between the Revenue Receipts plus Non-debt Capital Receipts (NDCR) and the total expenditure. Fiscal Deficit is reflective of the total borrowing requirements of Government.</i></p> <ul style="list-style-type: none"> <li>• Fiscal deficit is the difference between the government’s total expenditure and its total receipts excluding borrowings.</li> <li>• Non-debt creating capital receipts are those receipts, which are not borrowings, and, therefore, do not give rise to debt. Examples are recovery of loans and the proceeds from the sale of PSUs.</li> <li>• The fiscal deficit will have to be financed through borrowing. Thus, it indicates the total borrowing requirements of the government from all sources.</li> </ul> <p>Governments usually run fiscal deficits and borrow 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. Thus 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.</p>

### 1.6.4 Trends of Deficit/Surplus

The State had a fiscal deficit of ₹17,969.55 crore during the year 2019-20, representing 5.46 *per cent* of the GSDP (₹3,29,180 crore) and constituting 21.89 *per cent* of Total Expenditure (₹82,099.86 crore). The Primary Deficit of ₹4,640 crore during 2018-19 increased to ₹12,999.22 crore during the current year and the Revenue Surplus of ₹683.76 crore in 2018-19 turned to a deficit of ₹9,608.61 crore during 2019-20. The trend of surplus and deficit over the five-year period 2015-16 to 2019-20 is depicted in **Chart 1.5** and trend in surplus or deficit relative to GSDP is given in **Chart 1.6** below:

Chart 1.5- Trends in Surplus/Deficit

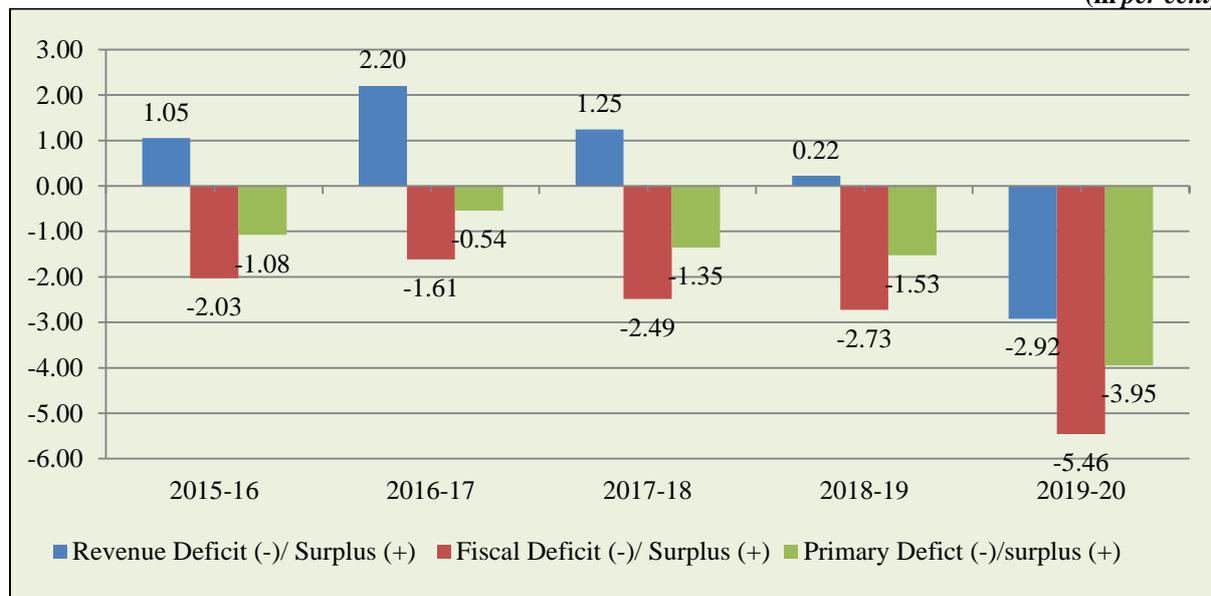
(₹ in crore)



Source: Finance Accounts of the respective years

Chart 1.6 - Trends in Surplus/Deficit relative to GSDP

(in per cent)



Source: Finance Accounts of the respective years

### 1.6.5 Deficits after examination in Audit

Table -1.6 depicts the assessment of actual surplus/deficit after taking into account incorrect classification/booking by the State Government in its accounts of 2019-20.

**Table 1.6: Overall Deficit, post examinations by Audit**

(₹ in crore)

Item	Impact on Revenue Deficit		Impact on Fiscal Deficit	
	Over Stated	Under Stated	Over Stated	Under Stated
Grants-in- Aid booked under Capital Section instead of Revenue	0.00	1,939.61	0.00	0.00
Revenue Expenditure booked under Capital Section	0.00	9.59	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>1,949.20</b>	<b>0.00</b>	<b>0.00</b>

Source: Finance Accounts 2019-20

# **CHAPTER II**

## **FINANCES OF THE STATE**



## Chapter II: Finances of the State Government

### 2.1 Introduction

This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the five-year period from 2015-16 to 2019-20, debt sustainability of the State and key Public Account transactions, based on the Finance Accounts of the State.

#### Major changes in Key Fiscal Aggregates during 2019-20 vis-à-vis 2018-19

**Table 2.1** gives a bird's eye view of the major changes in key fiscal aggregates of the State during 2019-20, compared to the previous year.

**Table 2.1: Changes in key fiscal aggregates in 2019-20 compared to 2018-19**

<b>Revenue Receipts</b>	Revenue Receipts of the State decreased by 1.88 <i>per cent</i> Own Tax Receipts of the State increased by 3.22 <i>per cent</i> Non-Tax Receipts increased by 3.00 <i>per cent</i> State's Share of Union Taxes and Duties decreased by 13.87 <i>per cent</i> Grants-in-Aid from Government of India increased by 8.84 <i>per cent</i>
<b>Revenue Expenditure</b>	Revenue Expenditure increased by 14.08 <i>per cent</i> Revenue Expenditure on General Services increased by 24.97 <i>per cent</i> Revenue Expenditure on Social Services increased by 13.63 <i>per cent</i> Revenue Expenditure on Economic Services increased by 7.38 <i>per cent</i> Expenditure on Grants-in-Aid increased by 25.15 <i>per cent</i>
<b>Capital Expenditure</b>	Capital Expenditure decreased by 3.79 <i>per cent</i> Capital Expenditure on General Services decreased by 23.89 <i>per cent</i> Capital Expenditure on Social Services increased by 7.81 <i>per cent</i> Capital Expenditure on Economic Services decreased by 6.03 <i>per cent</i>
<b>Loans and Advances</b>	Disbursements of Loans and Advances decreased by 76.66 <i>per cent</i> Recoveries of Loans and Advances increased by 58.19 <i>per cent</i>
<b>Public Debt</b>	Public Debt Receipts increased by 36.31 <i>per cent</i> Repayment of Public Debt increased by 658.80 <i>per cent</i>
<b>Public Account</b>	Public Account Receipts increased by 16.91 <i>per cent</i> Public Account Disbursements increased by 9.64 <i>per cent</i>

Each of the above indicators is analyzed in the succeeding paragraphs.

### 2.2 Sources and Application of Funds

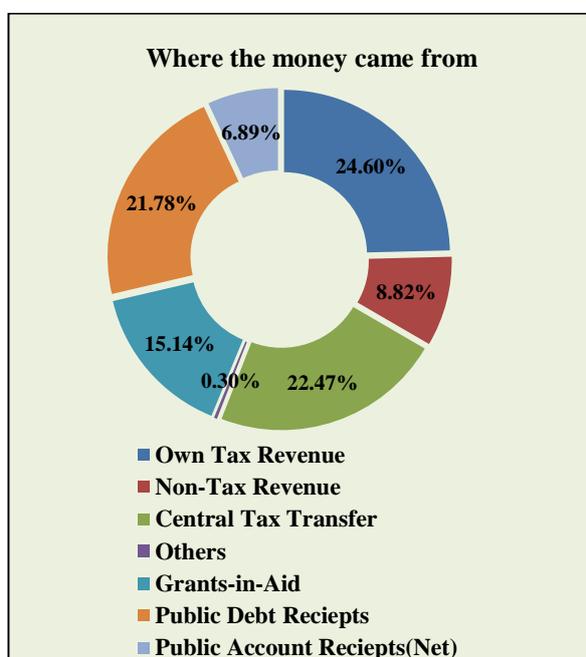
**Table 2.2** compares the sources and application of funds of the State during 2019-20 with 2018-19 figures, while **Charts 2.1** and **2.2** give the details of receipts into and expenditure from the Consolidated Fund during 2019-20 in terms of percentages.

**Table 2.2: Details of Sources and Application of funds during 2018-19 and 2019-20**

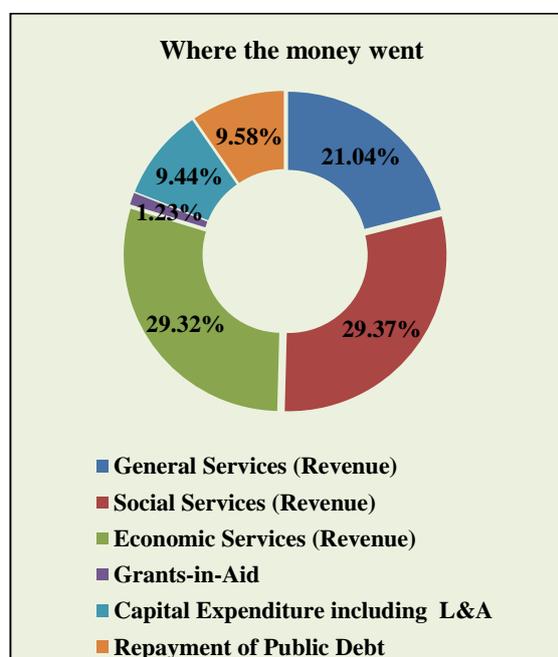
(₹ in crore)

Particulars	2018-19	2019-20	Increase(+)/ Decrease(-)
<b>Source</b>			
Opening Cash Balance with RBI	6,804.91	12,277.88	5,472.97
Revenue Receipts	65,094.93	63,868.70	(-)1,226.23
Capital Receipts	5.26	4.70	(-)0.56
Recoveries of Loans and Advances	162.32	256.78	94.46
Inter-State Settlement	0.57	0.13	(-)0.44
Public Debt Receipts (Net)	13,224.21	10,892.50	(-)2,331.71
Public Account Receipts (Net)	545.90	6,190.85	5,644.95
Contingency Fund	0.00	4.92	4.92
<b>Total</b>	<b>85,838.10</b>	<b>93,496.46</b>	<b>7,658.36</b>
<b>Application</b>			
Revenue Expenditure	64,411.17	73,477.31	9,066.14
Capital Expenditure	8,903.45	8,566.39	(-)337.06
Disbursement of Loans and Advances	240.43	56.11	(-)184.32
Inter-State Settlement	0.25	0.05	(-)0.20
Contingency Fund	4.92	0.00	(-)4.92
Closing Cash Balance with RBI	12,277.88	11,396.60	(-)881.28
<b>Total</b>	<b>85,838.10</b>	<b>93,496.46</b>	<b>7,658.36</b>

**Chart 2.1: Sources of Resources (per cent)**



**Chart 2.2: Application of Resources (per cent)**



Source: Finance Accounts 2019-20

Note: Others includes Recoveries of Loans &Advances, Capital Receipts and Contingency Fund

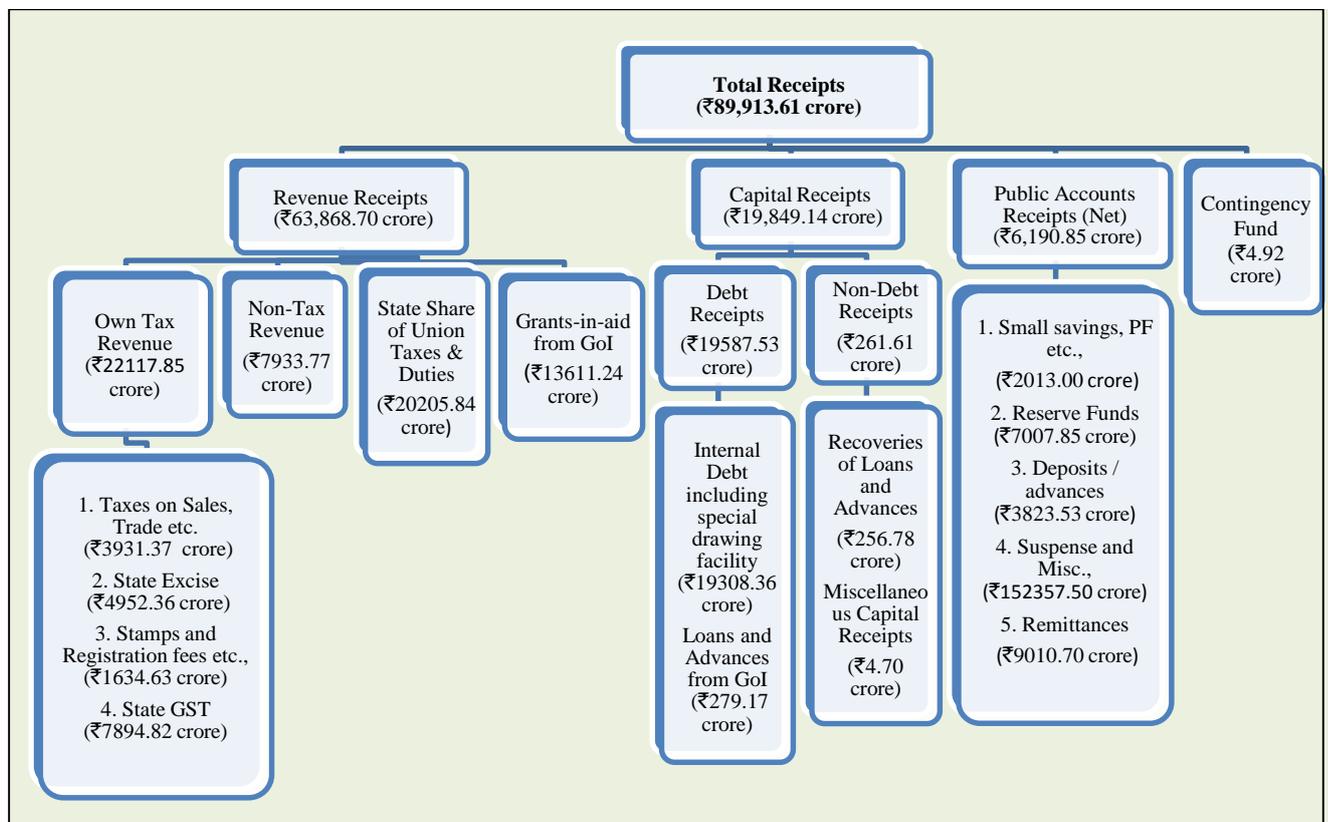
## 2.3 Resources of the State

- Revenue receipts** consist of tax revenue, non-tax revenue, State's share of Union taxes and duties and grants-in-aid from the Government of India (GoI).
- Capital receipts** comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI. Both revenue and capital receipts form part of the Consolidated Fund of the State.
- Net Public Accounts receipts:** There are receipts and disbursements in respect of certain transactions such as small savings, provident fund, reserve funds, deposits, suspense, remittances, *etc.* which do not form part of the Consolidated Fund. These are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for use.

### 2.3.1 Receipts of the State

Chart 2.3 presents the composition of the overall receipts. Besides, the Revenue and Capital receipts, funds available in the Public Account (net of disbursement made from it) are also utilized by the Government to finance its deficit.

Chart 2.3 Composition of receipts of the State during 2019-20



Source: Finance Accounts 2019-20

## 2.3.2 Revenue Receipts

Revenue receipts consist of the State's Own Tax and Non-Tax Revenue, Central Tax transfers and Grants-in-aid from GoI.

### 2.3.2.1 Trends and growth of Revenue Receipts

Table 2.3 provides the trends and growth of Revenue receipts as well as revenue buoyancy with respect to GSDP over the five-year period 2015-20. Further, trends in Revenue Receipts relative to GSDP and composition of Revenue Receipts are given in Charts 2.4 and 2.5 respectively.

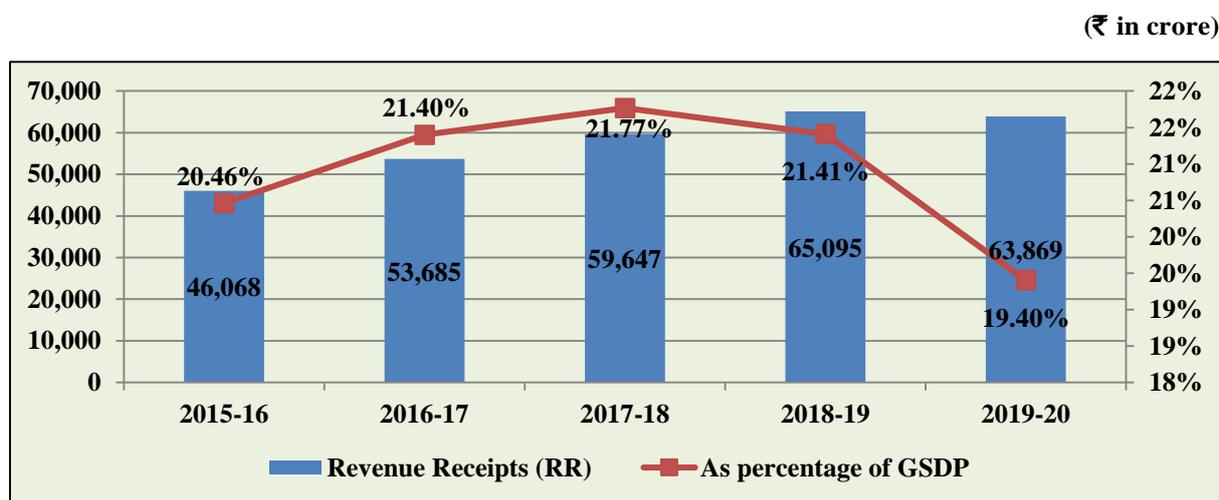
**Table 2.3: Trend in Revenue Receipts**

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Receipts (RR) (₹ in crore)	46,067.71	53,685.25	59,647.07	65,094.93	63,868.70
Rate of growth of RR ( <i>per cent</i> )	21.27	16.53	11.11	9.13	(-1.88)
Own Tax Revenue (₹ in crore)	17,074.86	18,945.21	19,894.68	21,427.26	22,117.85
Non-Tax Revenue (₹ in crore)	5,214.79	5,669.25	6,340.42	7,703.02	7,933.77
Rate of growth of Own Revenue (Own Tax and Non-tax Revenue) ( <i>per cent</i> )	8.03	10.43	6.58	11.04	3.16
Gross State Domestic Product (₹ in crore)	2,25,163	2,50,882	2,74,042 <sup>P</sup>	3,04,063 <sup>Q</sup>	3,29,180 <sup>A</sup>
Rate of growth of GSDP ( <i>per cent</i> )	1.83	11.42	9.23	10.95	8.26
RR/GSDP ( <i>per cent</i> )	20.46	21.40	21.77	21.41	19.40
<b>Buoyancy Ratios<sup>1</sup></b>					
Revenue Buoyancy w.r.t GSDP	11.62	1.45	1.20	0.83	(-0.23)
State's Own Revenue Buoyancy to GSDP	4.39	0.91	0.71	1.01	0.38

Source of GSDP figures: Directorate of Economics and Statistics of the Chhattisgarh State.

P-Provisional Estimates; Q-Quick Estimates; A-Advance Estimate

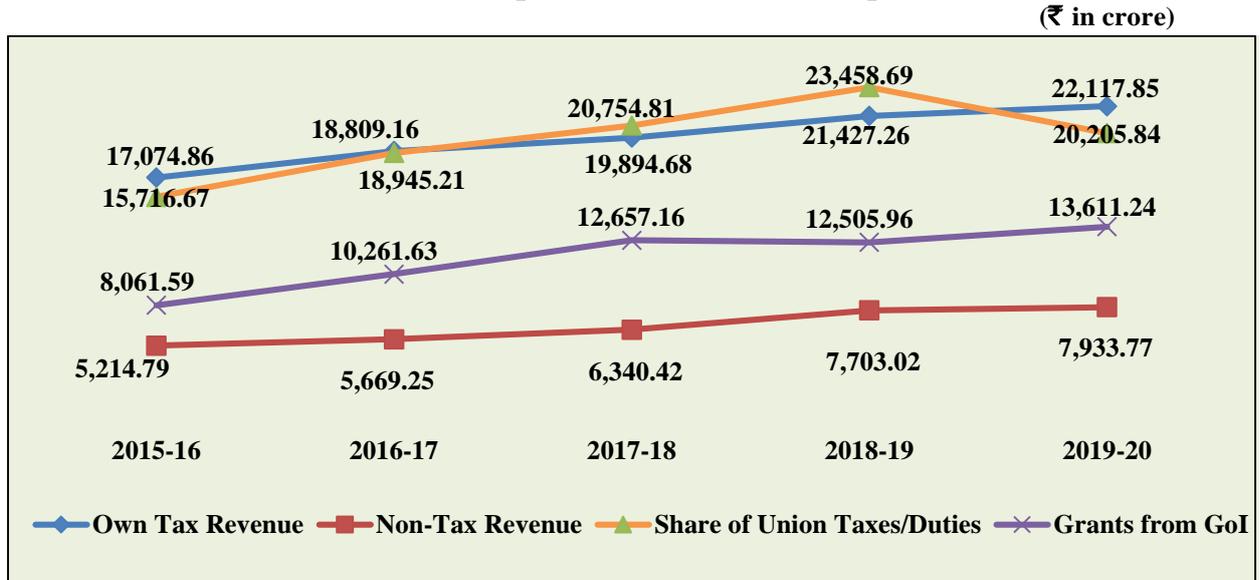
**Chart 2.4: Trend of Revenue Receipts**



Source: Finance Accounts of the respective years

<sup>1</sup>Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy with respect to GSDP at 1.85 implies that Revenue Receipts tend to increase by 1.85 percentage points, if the GSDP increases by one *per cent*.

Chart 2.5: Trend of components of Revenue Receipts



Source: Finance Accounts of the respective years

An analysis of Revenue receipts of the State revealed that:

- Revenue receipts increased by ₹17,800.99 crore from ₹46,067.71 crore in 2015-16 to ₹63,868.70 crore during 2019-20. However, the Revenue receipts decreased by ₹1,226.23 crore (1.88 per cent) over previous year mainly due to decrease in receipts of State's share of Union taxes and duties from GoI by ₹3,252.85 crore (13.87 per cent).
- About 47 per cent of the Revenue receipts during 2019-20 came from the State's own resources, while Central Tax Transfers and Grants-in-Aid together contributed 53 per cent.
- During the current year, the decrease of 1.88 per cent (₹1,226.23 crore) in Revenue receipts was marginally lower than the significant increase of 14.08 per cent (₹9,066.14 crore) in Revenue expenditure, leading to a Revenue Deficit, as against a Revenue Surplus in the previous year.

### 2.3.3 State's own resources

State's share in central taxes is determined on the basis of recommendations of the Finance Commission. Grants-in-Aid are determined by the quantum of collection of Central tax receipts and anticipated Central assistance for schemes. State's performance in mobilization of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources.

The states actual Own Tax and Non-Tax Revenue receipts for the year 2015-16 to 2019-20 are given in the **Table 2.4**

**Table 2.4: Growth of State's own Tax/Non-Tax revenue during 2015-20**

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
Own Tax Revenue (₹ in crore)	17,074.86	18,945.21	19,894.68	21,427.26	22,117.85
Rate of Growth (per cent)	8.71	10.95	5.01	7.70	3.22
Non-Tax Revenue (₹ in crore)	5,214.79	5,669.25	6,340.42	7,703.02	7,933.77
Rate of Growth (per cent)	5.78	8.71	11.84	21.49	3.00

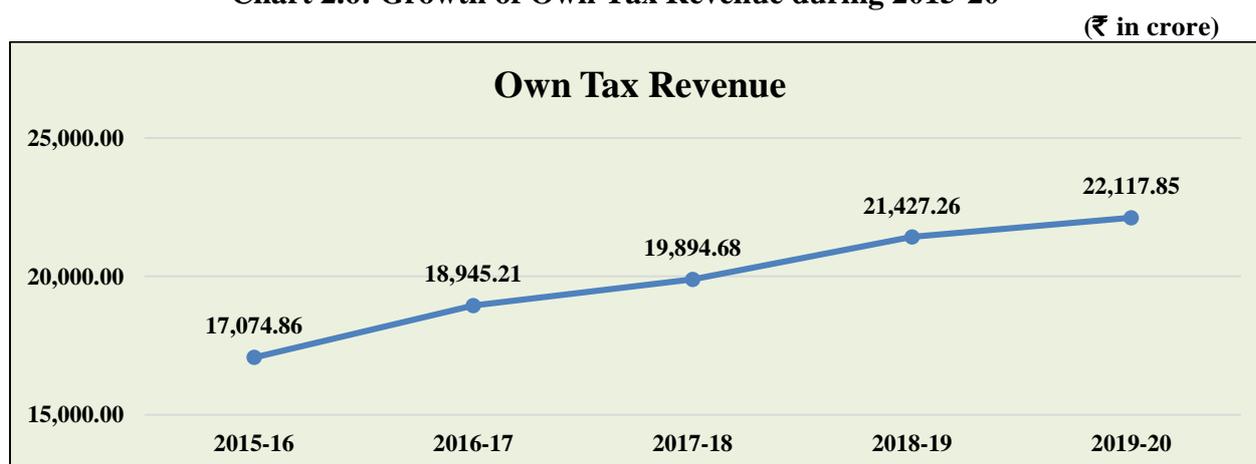
Source: Finance Accounts of the respective years

- The growth rate of Own Tax Revenue (OTR) showed fluctuating trends ranging from 3.22 to 10.95 per cent and decreased from 7.70 per cent in 2018-19 to 3.22 per cent in 2019-20. During the year 2019-20 the GST component (Apportionment of IGST-Transfer of Tax component to SGST) received was less as compared to the previous year.
- The growth rate of Non-Tax Revenue (NTR) showed fluctuating trends ranging from 3.00 to 21.49 per cent during the period 2015-19 and decreased from 21.49 per cent in 2018-19 to 3.00 per cent in 2019-20. The decrease was due to receipts of only ₹85.48 crore under Non-ferrous Mining and Metallurgical Industries as compared to the receipts of ₹1,198.80 crore in 2018-19.
- In both OTR and NTR, the State registered the lowest growth rate in last five years.
- The Own Tax Revenue during 2019-20 was estimated lower by 11.99 per cent (₹22,930 crore) than 2018-19 (₹26,030 crore) mainly due to depiction of compensation payable to the State for loss of revenue arising on account of implementation of GST as Grant-in Aid by GoI. Further, no new taxes were introduced by the State Government for 2019-20.

### 2.3.3.1 Own Tax Revenue

Own Tax Revenue of the State Government during the five-year period 2015-20 is given in Chart 2.6:

**Chart 2.6: Growth of Own Tax Revenue during 2015-20**



Source: Finance Accounts of the respective years

The component-wise details of Own Tax Revenue collected during the five-year period 2015-20 are given in Table 2.5.

**Table 2.5: Component-wise Own Tax Revenue during 2015-20**

(₹ in crore)

Heads	2015-16	2016-17	2017-18	2018-19	2019-20	
					Budget Estimates	Actuals
Taxes on Sales, Trades, etc.	8,908.36	9,927.21	6,449.60	4,087.72	3,788.30	3,931.37
State Goods and Services Tax	0.00	0.00	4,386.56	8,203.41	8,201.70	7,894.82
State Excise	3,338.40	3,443.51	4,054.00	4,489.03	5,000.00	4,952.36
Taxes on Vehicles	829.22	985.27	1,180.01	1,204.85	1,600.00	1,274.85
Stamps and Registration Fees	1,185.22	1,211.35	1,197.47	1,108.46	1,550.00	1,634.63
Land Revenue	363.84	503.66	446.41	487.57	700.00	551.50
Taxes on Goods and Passengers	1,040.26	1,340.36	477.66	54.51	0.00	40.51
Taxes and duties on electricity	1,372.84	1,495.48	1,688.96	1,790.27	2,090.00	1,837.00
Other Taxes	36.72	38.37	14.01	1.44	0.00	0.81
<b>Total</b>	<b>17,074.86</b>	<b>18,945.21</b>	<b>19,894.68</b>	<b>21,427.26</b>	<b>22,930.00</b>	<b>22,117.85</b>

Source: Finance Accounts of respective years and Budget Books for the year 2019-20

Own Tax Revenue of the State increased by ₹5,042.99 crore (29.53 per cent) from ₹17,074.86 crore in 2015-16 to ₹22,117.85 crore in 2019-20. Out of the Total Tax Revenue of ₹22,117.85 crore in 2019-20, Goods and Services Tax contributed 35.69 per cent followed by State Excise (22.39 per cent) and Taxes on Sales, Trades, etc. (17.77 per cent). As can be seen from the table above, receipts from taxes on sales, trades etc. and stamps and registration fees exceeded budget estimates during 2019-20 while there was a significant shortfall in receipts from duties on electricity and taxes on vehicles compared to budgetary projections.

### 2.3.3.2 State Goods and Services Tax (SGST)

The State Government implemented the Goods and Services Tax (GST) Act, with effect from 01 July 2017. Under the GST (Compensation to the States) Act, 2017, the Central Government will compensate the States for loss of revenue arising on account of implementation of GST for a period of five years. The compensation payable to the State shall be calculated for every financial year after the receipt of final revenue figures, as audited by the Comptroller and Auditor General of India. A base year (2015-16) revenue figure of taxes subsumed under GST was finalised under GST Act. As per the provisions of the Act, the projected revenue for Chhattisgarh was calculated at ₹12,426.41 crore for the year 2019-20 by applying the projected growth at the rate of 14 per cent per annum over the base year (2015-16) revenue of ₹7,357.43 crore.

Revenue on account of GST for the year 2019-20 has been depicted in the Finance Accounts as per nature of receipts *i.e.* State Goods and Services Tax (SGST), Input Tax Credit cross utilization of SGST and Integrated Goods and Services Tax (IGST), Apportionment of IGST-transfer-in of Tax component to SGST and Advance apportionment from IGST. Against the projected revenue of ₹12,426.41 crore, the revenue receipts of the State under GST was ₹7,894.82 crore during the year 2019-20. The State Government also received compensation of ₹3,081.44 crore from GoI for loss of revenue arising out of implementation of GST.

While Government of India's decision to provide access to Pan-India data at GSTN premises was conveyed on 22 June, 2020, administrative action to implement the above decision was pending at State Government level. The accounts for 2019-20 have, therefore, been certified on the basis of test audit, as was being done when records were maintained manually, pending full implementation of Government of India's decision to provide Audit access to GSTN data.

### 2.3.3.3 Non-Tax Revenue

The component-wise details of Non-Tax Revenue collected during the years 2015-20 were as follows:

**Table 2.6: Component wise non-tax Revenue during 2015-20**

(₹ in crore)						
Revenue head	2015-16	2016-17	2017-18	2018-19	2019-20	% increase / decrease during 2019-20 over the previous year
Non-ferrous Mining and Metallurgical Industries	3,709.52	4,141.47	4,911.44	6,110.24	6,195.73	1.40
Major Irrigation	502.17	437.35	461.23	521.81	437.04	(-)16.25
Forestry and Wild Life	409.75	405.15	291.17	236.73	249.37	5.34
Interest receipts	108.23	157.24	180.44	189.55	232.41	22.61
Other non-tax receipts	485.12	528.04	496.14	644.69	819.22	27.07
<b>Total</b>	<b>5,214.79</b>	<b>5,669.25</b>	<b>6,340.42</b>	<b>7,703.02</b>	<b>7,933.77</b>	<b>3.00</b>

Source: Finance Accounts of the respective years

The Total Non-Tax Revenue receipts increased by ₹2,718.98 crore (52.14 per cent) from ₹5,214.79 crore in 2015-16 to ₹7,933.77 crore in 2019-20. The Non-Tax Revenue increased by 3 per cent (₹230.75 crore) during 2019-20 over the previous year mainly due to increase in Other Non-Tax receipts by ₹174.53 crore (27.07 per cent), and Interest Receipts ₹42.86 crore (22.61 per cent). Non-ferrous Mining and Metallurgical Industries contributed (₹6,195.73 crore) 78.09 per cent of Total Non-Tax Revenue during 2019-20.

### 2.3.3.4 Central Tax Transfers

The GoI accepted the recommendations of XIV FC to increase the States' share in the divisible pool of taxes from 32 per cent to 42 per cent with effect from 2015-16 onwards. This significant increase in the State's share altered the composition of central transfers in favour of statutory transfers from discretionary transfers made earlier. It also led to greater predictability and certainty in the quantum of funds being transferred to the State.

The details of Central tax transfers to the State during 2015-20 are given in **Table 2.7**.

**Table 2.7: Central Tax Transfers**

(₹ in crore)					
Head	2015-16	2016-17	2017-18	2018-19	2019-20
Central Goods and Services Tax	0.00	0.00	291.44	5,789.33	5,733.71
Integrated Goods and Services Tax	0.00	0.00	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
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	10.17	13.84	(-)0.19	57.57	13.10
Central Tax transfers	<b>15,716.47</b>	<b>18,809.16</b>	<b>20,754.81</b>	<b>23,458.69</b>	<b>20,205.84</b>
Percentage of increase over previous year	87.92	19.68	10.34	13.03	(-)13.87
Percentage of Central tax transfers to Revenue Receipts	<b>34.12</b>	<b>35.04</b>	<b>34.80</b>	<b>36.04</b>	<b>31.64</b>

Source: Finance Accounts of the respective years

Over the five-year period 2015-20, Central tax transfers increased by 28.56 per cent from ₹15,716.47 crore in 2015-16 to ₹20,205.84 crore in 2019-20. The decrease of Central Tax transfers by ₹3,252.85 crore (13.86 per cent) in 2019-20 over the previous year was mainly under Corporation Tax (₹1,267.67 crore) and Taxes on Income other than Corporation Tax (₹609.01 crore).

### 2.3.3.5 Grants-in-Aid from Government of India

Grants-in-Aid (GIA) received by the State Government from GoI during 2015-20 are detailed in Table 2.8.

Table 2.8: Grants-in-Aid from GoI

Particulars	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Non-Plan Grants	2,328.79	2,013.42	#	#	#
Grant for State Plan Scheme	4,775.83	7,785.03			
Grant for Central Plan Scheme (including Centrally Sponsored Plan Scheme)	956.97	463.18			
Grants for Centrally Sponsored Schemes	#	#	9,275.76	8,214.77	7,808.24
Finance Commission Grants			1,460.23	1,679.48	2,044.75
Other Transfers/Grants to State			1,921.17	2,611.70	3,758.25
<b>Total</b>	<b>8,061.59</b>	<b>10,261.63</b>	<b>12,657.16</b>	<b>12,505.95</b>	<b>13,611.24</b>
Percentage of increase over the previous year	(-)10.31	27.29	23.34	(-)1.19	8.84
Revenue Receipts	46,067.71	53,685.25	59,647.07	65,094.93	63,868.70
Total grants-in-aid as a percentage of Revenue Receipts of the State	17.50	19.11	21.22	19.21	21.31

#there are no figures since the nomenclature of plan and non-plan grants was removed with effect from the year 2017-18 and replaced by Grants for CSS, Finance Commission Grants and Other Grants to States.

Source: Finance Accounts of the respective years

GIA constituted 21 per cent of Revenue receipts during the year 2019-20. Grants for Centrally Sponsored Schemes (₹7,808.24 crore) to the State constituted 57 per cent of the total grants during the year. Finance Commission Grants (₹2,044.75 crore) to the State were provided for Local Bodies and State Disaster Response Fund (SDRF) and constituted 15 per cent of total grants during the year. Grants-in-Aid from GoI increased by ₹1,105.29 crore (8.84 per cent) during the year 2019-20 compared to the previous year primarily due to increase in receipt of Compensation for loss of Revenue arising out of implementation of Goods and Service Tax, Grants-in-aid for creation of assets under Pradhan Mantri Gram Sadak Yojana, Samagra Shiksha yojana.

### 2.3.3.6 Fourteenth Finance Commission Grants

Fourteenth Finance Commission Grants were provided to the states for local bodies and State Disaster Response Fund (SDRF). Details of grants provided by the GoI to the State in this regard during the years 2018-19 and 2019-20 are given in **Table 2.9**.

**Table 2.9: Grants-in-Aid released by GoI as per recommendation of Fourteenth Finance Commission**

(₹ in crore)

Transfers	Recommendation of 14 <sup>th</sup> FC		Actual release by GoI		Difference	
	2015-20	2019-20	2015-20	2019-20	2015-20	2019-20
<b>Local Bodies</b>						
<b>1. Grants to PRIs</b>						
(a) General Basic Grant	4,719.72	1,415.89	4,719.72	1,415.89	0.00	0.00
(b) Performance Grant	524.41	173.05	219.21	0.00	305.20	173.05
<b>2. Grants to ULBs</b>						
(a) General Basic Grant	1,270.33	381.09	1,270.30	381.09	0.03	0.00
(b) Performance Grant	317.58	104.80	132.75	70.47	184.83	34.33
<b>Total for Local Bodies</b>	<b>6,832.04</b>	<b>2,074.83</b>	<b>6,371.68</b>	<b>1,867.45</b>	<b>460.36</b>	<b>207.38</b>
<b>State Disaster Response Fund</b>	1,196.00	263.00	1,065.74	177.30	130.26	85.70
<b>Grand Total</b>	<b>8,028.04</b>	<b>2,337.83</b>	<b>7,437.42</b>	<b>2,044.75</b>	<b>590.62</b>	<b>293.08</b>

Source: Finance Accounts of the respective years and FFC report

- As of March 2020, the State Government received entire basic grants to PRIs (₹4,719.72 crore) and ULBs (₹1,270.30 crore) against the recommendation of Fourteenth Finance Commission (XIVFC) during the award period of XIVFC *i.e.* 2015-20.
- With regard to the performance grant, the State Government had received ₹219.21 crore for PRIs and ₹132.75 crore for ULBs against the XIVFC recommendation of ₹524.41 crore and ₹317.58 crore respectively during the award period of XIVFC *i.e.* 2015-20.
- The State Government received ₹1,065.74 crore towards State Disaster Response Fund against the recommendation of XIVFC (₹1,196.00 crore) during the award period of XIVFC *i.e.* 2015-20.

### 2.3.3.7 Capital Receipts

Capital receipts comprises miscellaneous Capital receipts such as proceeds from Disinvestment, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/ commercial banks) and loans and advances from GoI.

The following table shows the trends in growth and composition of Capital Receipts.

**Table 2.10: Trends in growth and composition of Capital Receipts**

Sources of State's Receipts under capital section	2015-16	2016-17	2017-18	2018-19	2019-20
Miscellaneous Capital Receipts (₹ in crore)	2.84	2.37	3.32	5.26	4.70
Recovery of Loans and Advances (₹ in crore)	296.39	172.99	138.59	162.32	256.78
Inter-State Settlement (₹in crore)	0.52	0.38	1.24	0.56	0.13

<b>(A) Non-Debt Capital Receipts (₹ in crore)</b>	<b>299.75</b>	<b>175.74</b>	<b>143.15</b>	<b>168.14</b>	<b>261.61</b>
Rate of growth of non-debt Capital Receipts ( <i>per cent</i> )	50.78	(-)41.37	(-)18.54	17.46	55.59
Internal Debt (₹ in crore)	7,105.87	5,098.40	9,187.89	13,816.66	19,308.36
Growth Rate of Internal Debt ( <i>in per cent</i> )	10.49	28.25	80.21	50.38	39.75
Loans and advances from the Central Government (₹ in crore)	145.28	381.53	464.55	553.44	279.17
<b>(B) Public Debt Receipts (₹ in crore)</b>	<b>7,251.15</b>	<b>5,479.93</b>	<b>9,652.44</b>	<b>14,370.10</b>	<b>19,587.53</b>
<b>Receipts under capital section (A+B) (₹ in crore)</b>	<b>7,550.90</b>	<b>5,655.67</b>	<b>9,795.59</b>	<b>14,538.24</b>	<b>19,849.14</b>
Rate of growth of Public Debt receipts under capital section ( <i>per cent</i> )	12.60	(-)24.43	76.14	48.88	36.31
Rate of growth of GSDP at current price ( <i>per cent</i> )	1.83	11.42	9.23	10.95	8.26
Rate of growth of receipts under capital section ( <i>per cent</i> )	13.74	(-)25.10	73.2	48.42	36.53

Source: Finance Accounts of the respective years

Capital Receipts of the State increased by 163 *per cent* from ₹7,550.90 crore in 2015-16 to ₹19,849.14 crore in 2019-20. During 2019-20, the capital receipts increased by ₹5,310.90 crore (36.53 *per cent*) mainly due to increase in Public Debt Receipts by ₹5,217.43 crore (36.30 *per cent*) attributable to Market Loan of ₹11,680 crore (58.84 *per cent* of Public Debt).

### 2.3.4 State's performance in mobilization of resources

State's performance in mobilization of resources is assessed in terms of its own resources comprising own-tax and non-tax sources. Details of the State's actual own tax and non-tax revenues for 2019-20 in comparison to the XIV Finance Commission assessment and budget estimates are given in **Table 2.11**

**Table 2.11: Tax and non-tax receipts vis-à-vis projections**

	FC projections (₹ in crore)	Budget Estimates (₹ in crore)	Actual (₹ in crore)	Percentage variation of actual over	
				Budget estimates	FC projections
Own Tax revenue	36,686.00	22,930.00	22,117.85	(-)3.54	(-)39.71
Non-tax revenue	6,420.00	8,825.00	7,933.77	(-)10.10	23.58
Total	43,106.00	31,755.00	30,051.62	(-)5.36	(-)30.28

Source: Finance Accounts, Budget Books and XIV Finance commission report

The State Government was short by 30.28 *per cent* in meeting the expectations of the XIV FC with regard to its own tax receipts. In fact it was short by 5.36 *per cent* in mobilizing resources against the targets set in its own Budget Estimates.

## 2.4 Application of Resources

The State Government is vested with the responsibility of incurring expenditure within the framework of fiscal responsibility legislations, while at the same time ensuring that the ongoing fiscal correction and consolidation process of the State is not at the cost of expenditure directed towards development of capital infrastructure and social sector.

## 2.4.1 Growth and composition of expenditure

The total expenditure incurred, its composition, and relative share in GSDP during the years 2015-16 to 2019-20 is presented in **Table 2.12**.

**Table 2.12: Total Expenditure and its composition**

(₹ in crore)					
Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Total Expenditure (TE)	51,811.29	57,908.26	66,600.54	73,555.31	82,099.86
Revenue Expenditure (RE)	43,701.06	48,164.60	56,229.75	64,411.17	73,477.31
Capital Expenditure (CE)	7,945.01	9,470.51	10,000.96	8,903.45	8,566.39
Loans and Advances	165.22	273.15	369.83	240.69	56.16
<b>As a percentage of GSDP</b>					
GSDP at current prices	2,25,163	2,50,882	2,74,042	3,04,063	3,29,180
TE/GSDP	23.01	23.08	24.30	24.19	24.94
RE/GSDP	19.41	19.20	20.52	21.18	22.32
CE/GSDP	3.53	3.77	3.65	2.93	2.60
Loans and Advances/GSDP	0.07	0.11	0.13	0.08	0.02

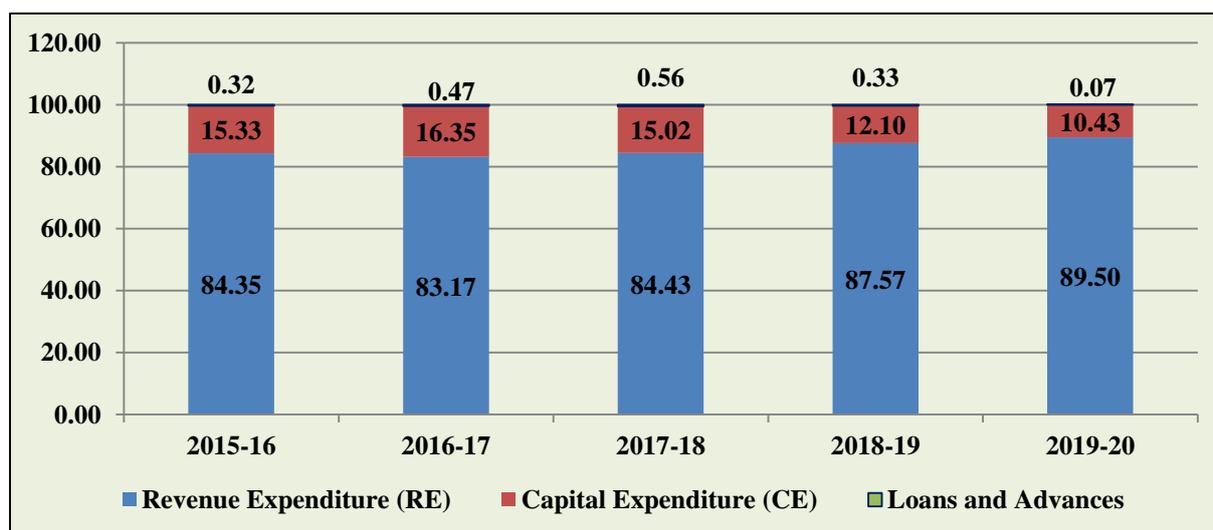
Source: Finance Accounts of the respective years

The above Table shows that Total expenditure of the State increased by 58.46 *per cent* from ₹51,811 crore in 2015-16 to ₹82,099 crore in 2019-20. During the year, it increased by 11.62 *per cent* over the previous year. As a percentage of GSDP, the Total expenditure remained in the range of 23.01 *per cent* to 24.94 *per cent* during 2015-20.

**Charts 2.7** depicts the trend of the share of the components in Total expenditure.

**Chart 2.7: Total Expenditure: Trends in share of its components**

(in per cent)



Source: Finance Accounts of the respective years

As is evident from the above chart, Capital expenditure has shown a declining trend since 2017-18.

In terms of activities, the Total expenditure (refer *Appendix 2.1*) is composed of expenditure on General Services including Interest Payments, Social Services, Economic Services and others. Relative expenditure on these components are shown in **Table 2.13**.

**Table 2.13: Share of various sectors of expenditure**

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
General Services	10,772.09	11,683.77	13,373.74	15,535.80	19,289.82
Social Services	18,190.76	23,972.80	27,116.57	25,319.17	28,610.12
Economic Services	21,947.54	21,100.70	24,744.50	31,804.93	33,079.55
Others (Grants to Local Bodies and Loans and Advances)	9,00.90	1,150.99	1,365.73	895.41	1,120.37

(₹ in crore)

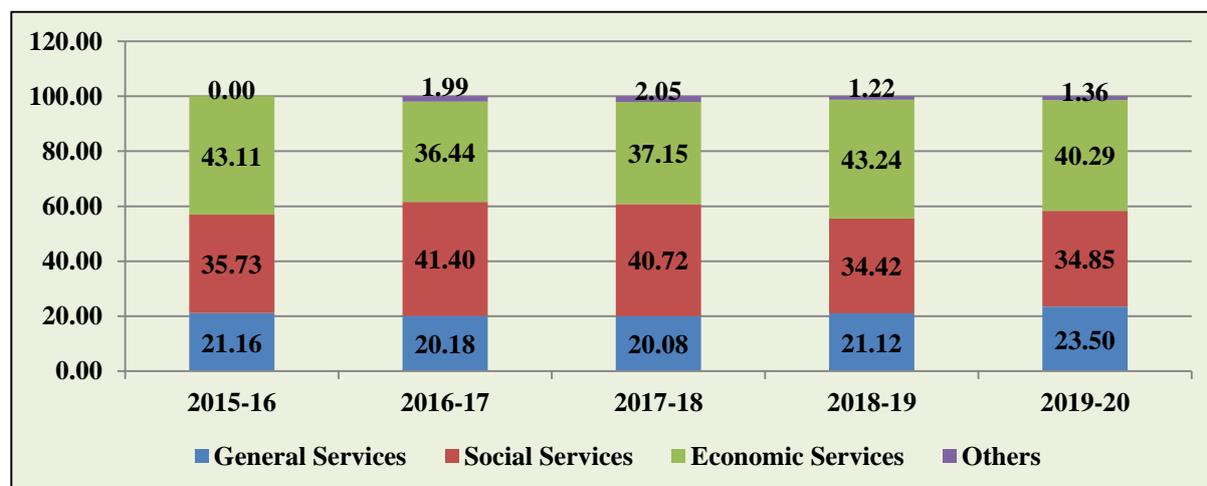
Source: Finance Accounts of the respective years

Expenditure on all three sectors – general, social and economic, and others in the Total Expenditure increased during 2019-20 over the previous year.

- Expenditure in General Services increased over the previous year mainly due to increase in expenditure on interest on Market loans, interest on State Provident Funds, Superannuation and Retirement allowances, Gratuities, Family Pension, and Government Contribution to Defined Pension Contribution Scheme.
- Expenditure in Social Services increased over the previous year mainly due to increase in expenditure on Pay and allowances as the Panchayat Teachers were merged in the School Education Department.
- Expenditure in Economic Services increased over the previous year mainly due to payment to State Rural Bank and various banks under Short term Agriculture Loan waiver scheme, increase in expenditure on Pay and allowances, Margin to Public Distribution System dealers, reimbursement of loss on procurement of food grains to Chhattisgarh State Marketing Federation, Sugar Distribution Scheme, *Mukhyamantri Khadhyaan Vitaran Yojana, etc.*

**Chart 2.8: Total expenditure - Expenditure by activities**

(in per cent)



Source: Finance Accounts of the respective years

## 2.4.2 Revenue Expenditure

Revenue expenditure is incurred to maintain the current level of services and payment for the past obligations. As such, it does not result in any addition to the State's infrastructure and service network.

The overall Revenue expenditure, its rate of growth, its ratio to total expenditure and buoyancy *vis-à-vis* GSDP and Revenue receipts are indicated in **Table 2.14** and the sectoral distribution of Revenue expenditure pertaining to 2019-20 is given in **Chart 2.9**.

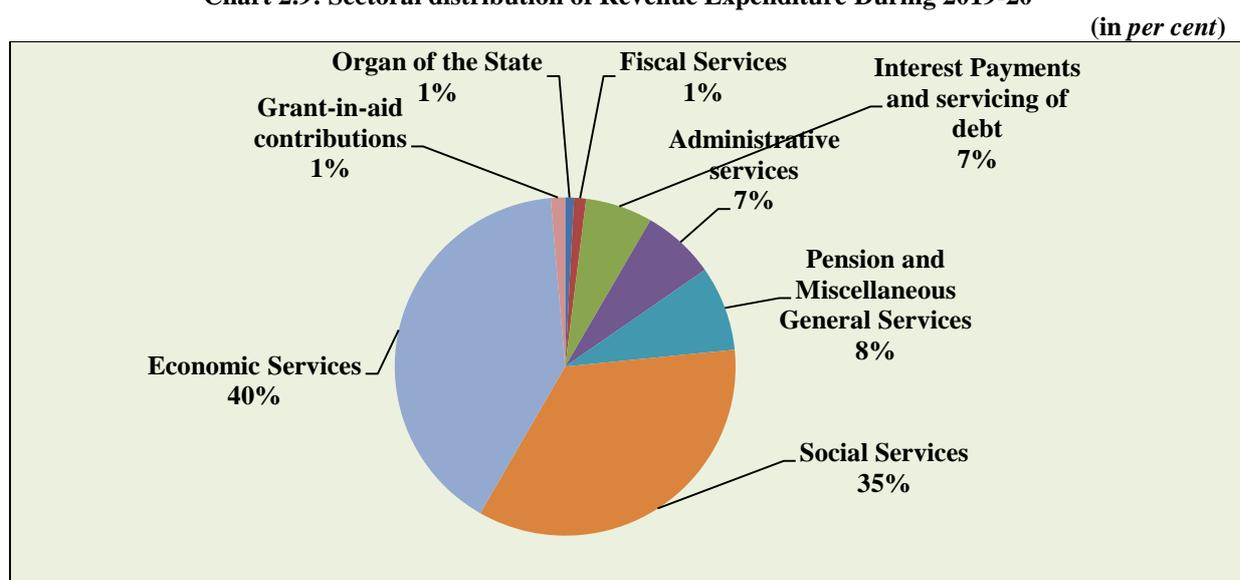
**Table 2.14: Revenue Expenditure—basic parameter**

(₹ in crore)					
Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Total Expenditure (TE)</b>	<b>51,811.29</b>	<b>57,968.26</b>	<b>66,600.55</b>	<b>73,555.31</b>	<b>82,099.86</b>
<b>Revenue Expenditure (RE)</b>	<b>43,701.06</b>	<b>48,164.60</b>	<b>56,229.75</b>	<b>64,411.17</b>	<b>73,477.31</b>
Rate of Growth of RE ( <i>per cent</i> )	10.46	10.21	16.74	14.55	14.08
Revenue Expenditure as percentage of TE	84.35	83.09	84.43	87.57	89.50
RE/GSDP ( <i>per cent</i> )	19.41	19.20	20.52	21.18	22.32
<b>Revenue Receipts (RR)</b>	<b>46,067.71</b>	<b>53,685.25</b>	<b>59,647.07</b>	<b>65,094.93</b>	<b>63,868.70</b>
Rate of Growth of RR ( <i>per cent</i> )	21.27	16.53	11.11	9.13	(-)1.88
RE as percentage of RR	94.86	89.72	94.27	98.95	115.04
<b>Buoyancy of Revenue Expenditure with</b>					
GSDP (ratio)	5.72	0.89	1.81	1.33	1.70
Revenue Receipts (ratio)	0.49	0.62	1.51	1.59	(-)7.49

Source: Finance Accounts of respective years

Revenue expenditure formed an average of 85.79 *per cent* (ranging from 83.09 *per cent* to 89.50 *per cent*) of the total expenditure during the period 2015-20. Rate of growth of Revenue expenditure has fluctuated during the five-year period 2015-20. Revenue expenditure increased during 2019-20 over the previous year mainly due to increase in Salaries and Wages by ₹3,956 crore, pensions by ₹1209 crore, Interest Payments by ₹1,318 crore and Subsidies by ₹3,160 crore.

**Chart 2.9: Sectoral distribution of Revenue Expenditure During 2019-20**



Source: Finance Accounts of 2019-20

During 2019-20, Revenue expenditure as a percentage of GSDP has increased by 1.14 *per cent* over the previous year.

### 2.4.2.1 Major Changes in Revenue Expenditure

**Table 2.15** details significant variations under various Heads of Account with regard to Revenue expenditure of the State during the current year and the previous year.

**Table 2.15: Variation in Revenue Expenditure during 2019-20 compared to 2018-19**

(₹ in crore)

Major Heads of Accounts	2018-19	2019-20	Difference	%Increase(+) /Decrease(-)
2435-Other Agricultural Programmes	261.85	2,729.30	2,467.45	942.31
3452-Tourism	5.70	21.99	16.29	285.79
2501-Special Programmes for Rural Development	159.64	504.67	345.03	216.13
2048-Appropriation for reduction or avoidance of debt	100.00	265.00	165.00	165.00
2801-Power	2,078.77	4,690.79	2,612.02	125.65
2810-New and Renewable Energy	26.25	57.76	31.51	120.04
2515-Other Rural development Programmes	1,487.89	2,875.27	1,387.38	93.24
2408-Food Storage and Warehousing	4,105.84	5,735.40	1,629.56	39.69
2049-Interest Payment	3,652.55	4,970.36	1,317.81	36.08
2202-General Education	12,266.52	5,736.87	3,470.35	28.29
2071-Pensions and Other Retirement	5,428.50	6,637.98	1,209.48	22.28
2216-Housing	2,377.39	674.65	(-)1,702.74	(-)71.62
2401- Crop Husbandry	8,839.89	2,239.15	(-)6,600.74	(-)74.67

**Source: Finance Accounts for the respective years**

Revenue expenditure under Crop Husbandry declined significantly during the year, mainly due to the decrease in expenditure on incentives for production of food grains and grams, Bonus to Sugar cane farmers, *Jaivik Kheti* Mission, Crop exhibition scheme, Establishment of Agriculture equipment service Centre *etc.* Housing also recorded a decrease during 2019-20 compared to the previous year due to decline in expenditure on *Pradhan Mantri Awas Yojana*. Further, increase in expenditure under Power and Other Agricultural Programmes was due to assistance to electricity boards and debt relief to farmers respectively.

### 2.4.2.2 Committed Expenditure

Committed Expenditure of Government on revenue account consists mainly of expenditure on salaries and wages, interest payments and pensions. Upward trend on committed expenditure leaves the Government with lesser flexibility for development sector.

Table 2.16 presents the trends in the components of committed expenditure during 2015-20.

**Table 2.16: Components of Committed Expenditure**

(₹ in crore)

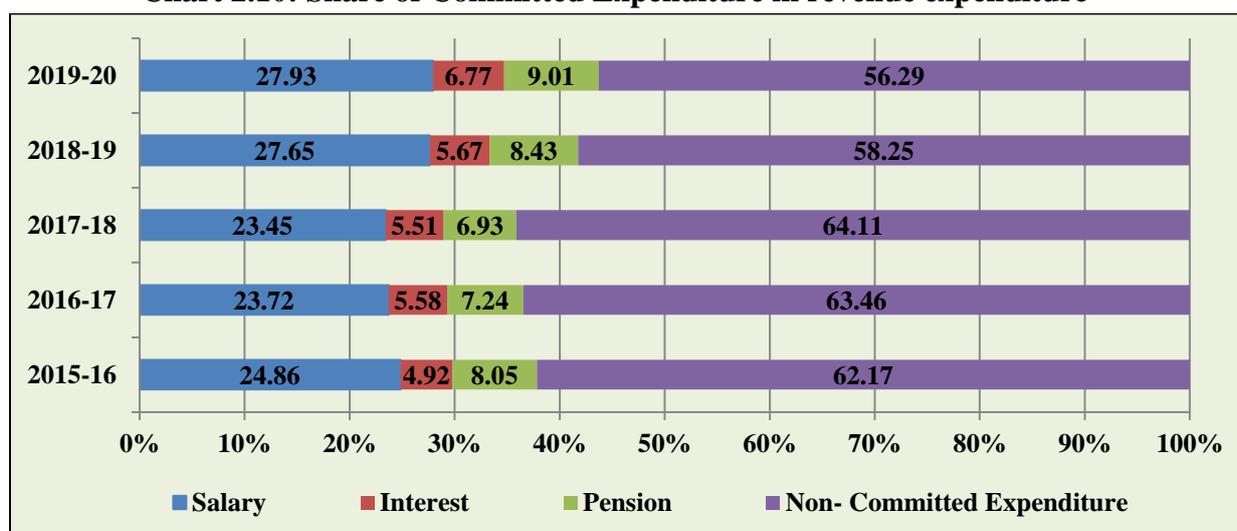
Components of Committed Expenditure	2015-16	2016-17	2017-18	2018-19	2019-20
Salaries & Wages	10,865	11,424	13,184	17,808	21,764
Expenditure on Pensions	3,519	3,487	3,898	5,429	6,638
Interest Payments	2,149	2,687	3,098	3,653	4,971
<b>Total</b>	<b>16,533</b>	<b>17,598</b>	<b>20,180</b>	<b>26,890</b>	<b>33,373</b>
<b>As a percentage of Revenue Receipts (RR)</b>					
Salaries & Wages	23.58	21.28	22.10	27.36	34.08
Expenditure on Pensions	7.64	6.50	6.54	8.34	10.39
Interest Payments	4.66	5.01	5.19	5.61	7.78
<b>Total</b>	<b>35.89</b>	<b>32.78</b>	<b>33.83</b>	<b>41.31</b>	<b>52.25</b>
<b>As a percentage of Revenue Expenditure (RE)</b>					
Salaries & Wages	24.86	23.72	23.45	27.65	29.62
Expenditure on Pensions	8.05	7.24	6.93	8.43	9.03
Interest Payments	4.92	5.58	5.51	5.67	6.77
<b>Total</b>	<b>37.83</b>	<b>36.54</b>	<b>35.89</b>	<b>41.75</b>	<b>45.42</b>

Source: Finance Accounts of the respective years

Committed Expenditure has grown from ₹16,533 crore (37.83 per cent of RE) in 2015-16 to ₹33,373 crore (45.42 per cent of RE) in 2019-20. The interest payment has drastically increased as compared to the previous year due to addition of the market loans of ₹10,980 crore during the year 2019-20.

Percentage of committed expenditure to Revenue receipts and Revenue expenditure during 2015-20 is given in Chart 2.10.

**Chart 2.10: Share of Committed Expenditure in revenue expenditure**



Source: Finance Accounts of the respective years

As can be seen from **Chart 2.10** above, committed expenditure constituted over 36 *per cent* of Revenue Expenditure during 2015-16 to 2019-20, while it accounted for over 33 *per cent* of the receipts of the State during the same period.

### **2.4.2.3 Undercharged Liability under National Pension System**

During 2019-20, expenditure on pension payments was ₹6,637.98 crore, out of which ₹1057.21 crore was incurred towards National Pension System (NPS) applicable to employees recruited on or after 1 January 2005.

#### ***National Pension System (NPS)***

State Government employees recruited on or after 1 November 2004 are covered under the National Pension System (NPS), which is a defined contributory pension scheme. In terms of the scheme, the employee contributes 10 *per cent* of basic pay and dearness allowance, which is matched by the State Government, and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

Deduction of contributions under New Pension Scheme from the employees commenced from March 2006 along with contribution of arrears for the period December 2004 to February 2006. During 2019-20 against employees' contribution of ₹1,059.29 crore, the State Government contributed ₹1,057.21 crore resulting in short contribution of ₹2.08 crore.

As on 31 March 2020, ₹25.83 crore remained in the Public Account, pending transfer to NSDL/Trustee Bank. Short contribution of ₹2.08 crore and non-transfer of ₹25.83 crore resulted in avoidable liability of ₹27.91 crore to the State Government and created uncertainty in respect of benefit due to the employees to that extent.

### **2.4.2.4 Parking of Government's contribution for NPS in Personal Deposit Account**

The *Panchayat* and Rural Development Department, Government of Chhattisgarh adopted NPS for *Shikshakarmis* in Chhattisgarh with effect from 01 April 2012.

Scrutiny of records of the Commissioner, Tribal Department revealed that the Department drew (February 2013) an advance of ₹36.10 crore as Government's contribution for NPS for the year 2012-13 against 10,333 *Shikshakarmis* working in educational institutions of the department and deposited ₹0.29 crore towards issuing new cards and paid ₹1.10 crore towards the service charge to National Security Depository Limited (NSDL). The department, however, did not initiate the process of NPS deduction from the salary of the employees and thus the amount of ₹34.71 crore was still lying in Personal Deposit Account as of 31 March 2020.

### **2.4.2.5 Subsidies**

Subsidies as a percentage of Revenue Receipts increased from 4.40 *per cent* in 2018-19 to 5.19 *per cent* in 2019-20 and constituted 17.98 *per cent* of the revenue receipts and 15.63 *per cent* of the revenue expenditure as can be seen from the details given in **Table 2.17**.

**Table 2.17: Expenditure on subsidies during 2015-20**

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
Subsidies (₹ in crore)	7,397.12	4,189.14	5,004.69	8,323.01	11,483.23
Subsidies as a percentage of Revenue Receipts	16.06	7.80	8.39	12.79	17.98
Subsidies as a percentage of Revenue Expenditure	16.93	8.70	8.90	12.92	15.63

Source: Finance Accounts of the respective years

The expenditure on subsidies sharply increased by ₹3,160.22 crore (37.96 per cent) from ₹8,323.01 crore in 2018-19 to ₹11,483.23 crore in 2019-20. The main components of subsidy expenditure during the year were Food and Civil Supplies (₹4,938.15 crore), Energy (₹3,074.11 crore) and Finance (₹2,729.29 crore) under Agricultural Loan Waiver Scheme, free supply of electricity to Agricultural Pumps, Single Bulb Connection, relief in Electricity Fees, Chief Minister Food Assistance Scheme and for meeting losses on Food Procurement.

#### 2.4.2.6 Financial assistance by the State Government to Local Bodies and other Institutions

The quantum of financial assistance by way of grants and loans provided by the State Government to Local Bodies and other institutions during last five years are presented in **Table 2.18**.

**Table 2.18: Financial Assistance to Local Bodies etc.**

(₹ in crore)

Financial Assistance to Institutions	2015-16	2016-17	2017-18	2018-19	2019-20
<b>(A) Local Bodies</b>					
Municipal Corporations and Municipalities	1,785.97	3,234.45	3,425.75	2,778.73	3,138.94
Panchayati Raj Institutions	6,246.71	8,899.54	10,899.36	6,905.17	6,006.83
<b>Total (A)</b>	<b>8,032.68</b>	<b>12,133.99</b>	<b>14,325.11</b>	<b>9,683.90</b>	<b>9,145.77</b>
<b>(B) Others</b>					
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	189.05	218.9	235.45	170.44	273.67
Development Authorities	167.93	262.27	287.03	271.41	235.06
Other Institutions	5060.76	7040.53	10067.64	13209.81	10429.32
<b>Total (B)</b>	<b>5,417.74</b>	<b>7,521.7</b>	<b>10,590.12</b>	<b>13,651.66</b>	<b>10,938.05</b>
<b>Total (A+B)</b>	<b>13,450.42</b>	<b>19,655.69</b>	<b>24,915.23</b>	<b>23,335.56</b>	<b>20,083.82</b>
<b>Revenue Expenditure</b>	<b>43,701.06</b>	<b>48,164.60</b>	<b>56,229.75</b>	<b>64,411.17</b>	<b>73,477.31</b>
Assistance as percentage of Revenue Expenditure	30.78	40.81	44.31	36.23	27.33

Source: Finance accounts of respective years

Financial assistance provided to Municipal Corporations and Municipalities increased by ₹360.21 crore over the previous year mainly due to increase in compensation and assignments provided to Local Bodies. Further, due to merger of *Shikshak Panchayat* into School Education, the financial assistance provided to *Panchayati Raj* Institutions decreased by ₹898.34 crore as compared to the previous year.

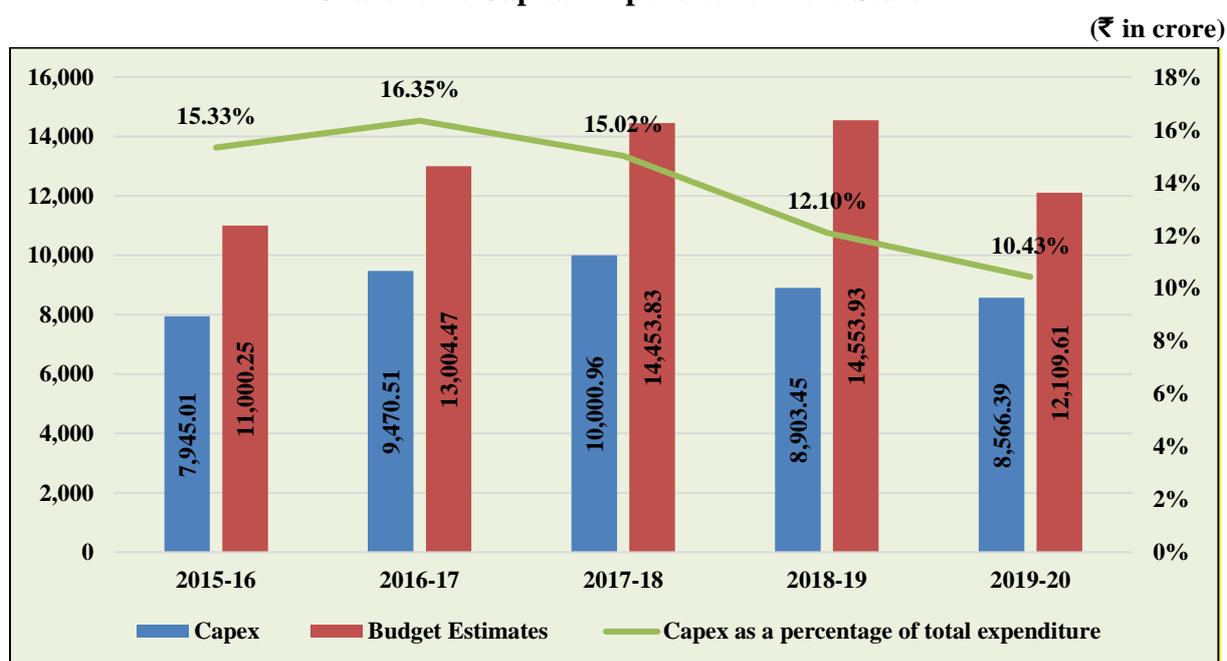
Financial assistance as a percentage of Revenue expenditure decreased from 30.78 *per cent* in 2015-16 to 27.33 *per cent* in 2019-20.

### 2.4.3 Capital Expenditure

Capital expenditure includes primarily expenditure on creation of fixed infrastructure assets, such as buildings, roads, bridges, *etc.*

Capital expenditure of the State showed a significant decrease during the last two years with a decrease of ₹1,098 crore in 2018-19 and ₹337 crore in 2019-20. Details of Capital expenditure during the five-year period 2015-20 are given in **Chart 2.11**.

**Chart 2.11: Capital Expenditure in the State**



Source: Finance Accounts of the respective years

Capital expenditure of the State increased during the last five years from ₹7,945 crore in 2015-16 to ₹8,566 crore in 2019-20 with inter year fluctuation. During 2019-20 the State Government decreased the Budget Estimates by ₹2,344.32 crore (16.22 *per cent*) as compared to Budget Estimates of 2018-19. Capital Expenditure decreased by 3.79 *per cent* (₹337.06 crore) mainly due to slow progress of works of Major, Medium and Minor irrigation projects.

#### 2.4.3.1 Major changes in Capital Expenditure

**Table 2.19** highlights the cases of significant increase or decrease in various heads of Account in Capital Expenditure during 2019-20 *vis-à-vis* the previous year.

**Table 2.19: Capital Expenditure during 2019-20 compared to 2018-19**

(₹ in crore)

Major Heads of Accounts	2018-19	2019-20	% Increase /Decrease(-)
5055-Capital Outlay on Road Transport	3.09	6.00	94.17
4210-Capital Outlay on Medical and Public Health	214.49	361.82	68.69
5054-Capital Outlay on Roads and Bridges	3,765.51	3,928.86	4.34
4702-Capital Outlay on Minor Irrigation	848.90	667.96	(-)21.31
4059-Capital Outlay on Public Works	233.71	148.85	(-)36.31
4711-Capital Outlay on Flood Control Projects	27.37	10.21	(-)62.70
4801-Capital Outlay on Power Projects	130.00	42.09	(-)67.62

Source: Finance Accounts of 2018-19 and 2019-20

The above table reveals that 46 *per cent* of total Capital expenditure (₹8,566.39 crore) was incurred on Roads and Bridges followed by eight *per cent* on Minor Irrigation, while there was a significant decrease in expenditure on power projects. Medical and Public Health expenditure increased mainly due to increase in expenditure under Medical education colleges, expenditure on construction works of Sub Health Centres, District Hospitals, Primary Health Centres and Community Health Centres.

### 2.4.3.2 Quality of Capital Expenditure

This section presents an analysis of investments and other capital expenditure undertaken by the Government during the current year.

#### 2.4.3.2.1 Quality of investment in Companies, Corporations and other Bodies

Capital Expenditure in Companies, Corporations and other bodies, which are loss making or where net worth is completely eroded, is not sustainable.

Investments made and loans given to companies (e.g. DISCOMs), Corporations (e.g. SC & ST Financial Corporation), and co-operatives (e.g. sugar mills), which are loss making and those whose net worth is completely eroded, affect the quality of capital expenditure. Return on investment in share capital invested in PSUs and history of repayment of loans given to various bodies are important determinants of quality of capital expenditure.

#### 2.4.3.2.2 Investment and Returns

As per the Finance Accounts 2019-20, the Government of Chhattisgarh had invested ₹7,265.79 crore in 10 Statutory Corporations, 28 Government Companies, 22 Joint Stock Companies, two Rural Banks and 1523 Co-operatives in the State as of 31 March 2020. The State Government earned a return of ₹2.39 crore on these investments during 2019-20. Year-wise details of investment by the Government of Chhattisgarh over the five-year period 2015-16 to 2019-20 are as follows:

Table 2.20: Details of Investment and Return on Investment

(₹ in crore)

Investment/Return/Cost of borrowings	2015-16	2016-17	2017-18	2018-19	2019-20
Statutory Corporations (No. of entities)	33.50(06)	35.90(02)	37.82(02)	86.92(10)	87.88(10)
Government Companies (No. of entities)	5,969.44(16)	6,459.45(13)	6,459.45(13)	6,683.34(28)	6,683.34(28)
Joint Stock Companies (No. of entities)	2.60(01)	57.60(04)	144.80(05)	145.21(22)	145.21(22)
Rural Banks (No. of entities)	24.31(01)	24.31(01)	25.15(01)	25.15(02)	25.15(02)
Co-operative Institutions and Local Bodies (No. of entities)	162.37(1462)	201.34(1523)	199.15(1523)	327.42(1523)	324.21(1460)
<b>Total Investment</b>	<b>6,192.22</b>	<b>6,778.60</b>	<b>6,866.37</b>	<b>7,268.05</b>	<b>7,265.79</b>
Investment at the end of the year	6,192.22	6,778.60	6,866.37	7,268.05	7,265.79
Return on investment	5.73	0.55	4.80	1.49	2.39
Return on investment ( per cent)	0.09	0.01	0.07	0.02	0.03
Average rate of interest on Government borrowing ( per cent)	6.25	6.62	6.38	6.10	6.83
Difference between interest rate and return ( per cent)	6.16	6.61	6.31	6.08	6.80
Loss due to difference between interest rate of market borrowing and interest received on the returns (₹ in crore)	381.44	448.07	433.27	442.15	493.86
<i>Figures in the bracket shows the number of entities</i>					

Source: Finance Accounts of respective years

The average rate of return on investment was 0.04 *per cent* during the five-year period 2015-16 to 2019-20, while the average rate of interest paid by the State Government during the period was 6.44 *per cent*. During 2019-20, there were 14 profit making PSUs with a profit of ₹684.51 crore, out of which only two PSUs had declared dividend. Further, the State Government had not formulated any dividend policy under which PSUs are required to pay a minimum return on the paid-up share capital contributed by the State Government.

#### 2.4.3.2.3 Loans and Advances by State Government

In addition to investments in Co-operative societies, Corporations and Companies, State Government has also provided Loans and Advances to many institutions/ organisations. Table 2.21 presents the outstanding Loans and Advances as on 31 March 2020, along with interest receipts *vis-à-vis* interest payments during the five-year period 2015-16 to 2019-20.

**Table 2.21: Quantum of Loans disbursed and recovered during 2015-16 to 2019-20**

(₹ in crore)

Quantum of loans disbursed and recovered	2015-16	2016-17	2017-18	2018-19	2019-20
Opening balance of loans outstanding	1,395.41	1,273.96	941.98	1,519.63	1,597.75
Amount advanced during the year	164.73	272.71	368.76	240.44	56.11
Amount repaid during the year	296.39	172.99	138.59	162.32	256.78
<b>Closing Balance of loans outstanding</b>	<b>1263.75</b>	<b>1373.69</b>	<b>1172.16</b>	<b>1597.75</b>	<b>1397.08</b>
Net addition	(-)131.66	99.72	230.17	78.12	(-)200.67
Interest received	47.02	30.19	27.61	28.32	1.67
Interest rate on Loans and Advances given by the Government	3.54	2.28	2.36	1.77	0.12
Rate of Interest paid on the outstanding borrowings of the Government	6.25	6.62	6.38	6.10	6.83
Difference between rate of interest paid and interest received ( <i>per cent</i> )	(-)2.71	(-)4.34	(-)4.02	(-)4.33	(-)6.71

Source: Finance Accounts of Respective years

The loans disbursed during the year have decreased considerably as compared to the previous year. Further, the interest received has also decreased since the State Government had not received interest from Chhattisgarh State Marketing Co-operation and Urban Local Bodies.

Average rate of interest paid on borrowings was 6.83 *per cent* during 2019-20, while the rate of interest received was only 0.12 *per cent* on Loans and Advances given by the Government.

### 2.4.3.3 Capital blocked in incomplete projects

An assessment of trends in capital blocked in incomplete capital works would also indicate quality of capital expenditure. Blocking of funds on incomplete projects/ works impinges negatively on the quality of expenditure and deprives the State of the intended benefits for prolonged periods. Further, the funds borrowed for implementation of these projects during the respective years leads to extra burden in terms of servicing of debt and interest liabilities.

The details of incomplete projects costing ₹10 crore and above which were to be completed on or before 31 March 2020 are given in **Table 2.22**.

**Table 2.22: Department-wise profile of incomplete projects**

(₹ in crore)

Department	Number of incomplete projects	Estimated cost	Incomplete Projects			Cumulative expenditure of all 145 incomplete projects as on 31 March 2020	
			Initial estimated cost of 51 incomplete projects whose cost was revised		Revised cost of 51 incomplete projects		Cost overrun of 51 incomplete projects which were revised
			No.	Amount			
Public Works	10	417.43	02	551.20	551.20	399.59	502.43
Water Resources	135	3,934.62	49	1,722.18	3,819.29	2,017.11	2,852.79
<b>Total</b>	<b>145</b>	<b>4,352.05</b>	<b>51</b>	<b>2,273.38</b>	<b>4,370.49</b>	<b>2,496.70</b>	<b>3,355.22</b>

Source: Finance Accounts 2019-20

Delay in completion of project works increases the risk of cost escalation. Since the State Government had not evaluated the cost of 94 incomplete projects, the actual amount of expenditure to be incurred by the State could not be ascertained, and due to delay in completion of these projects, the intended benefits from the projects could not be achieved.

#### 2.4.4 Expenditure priorities

Enhancing human development levels requires the States to step up their expenditure on key social services like education, health *etc.* Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector, if the allocation is below the respective national average. The higher the ratio of these components to total expenditure, the quality of expenditure is considered to be better.

The fiscal priorities of the State Government with regard to development expenditure, social services expenditure and capital expenditure during 2015-16 to 2019-20 are shown in **Table 2.23** below:

**Table 2.23: Expenditure priority of the State with regards to Health, Education and Capital expenditure**

(in per cent)

	AE/GSDP	SSE/AE	ESE/AE	DE/AE	CE/AE	Education/AE	Health/AE
<b>Average (Ratio) 2015-16 of</b>							
General Category States	16.97	36.09	34.19	70.29	14.81	15.68	4.79
Chhattisgarh State	23.01	35.11	42.36	77.47	15.33	18.96	5.23
<b>Average (Ratio) 2019-20 of</b>							
General Category States	15.15	36.73	28.69	65.42	12.97	15.91	5.21
Chhattisgarh State	24.94	34.85	40.29	75.14	10.43	19.85	5.69
AE: Average Expenditure, SSE: Social sector Expenditure, DE: Development Expenditure, CE: Capital Expenditure, Development Expenditure includes Development Revenue Expenditure, Development Capital Expenditure, development Loan and Advances disbursed.							

**Source: Data provided by Economic Advisor**

While the allocative priority accorded to social sector in general by the State Government during 2015-16 has been lower than the General Category States (GCS), in terms of outlay on capital expenditure and development expenditure, especially on health and education, the State fared better than the GCS. The relevant ratios vis-à-vis GCS continued in the same strain during 2019-20 as well, except for outlay on capital expenditure, which has seen a reduction in Chhattisgarh in comparison with GCS.

#### 2.4.5 Object head wise expenditure

Finance Accounts depict transactions only up to the Minor Head level. Therefore, a drill down view of budgetary allocation and extent of expenditure (above ₹1,000 crore) incurred on the actual items at the Object Head Level is given in **Table 2.24** below:

**Table 2.24: Object head wise expenditure (where the expenditure is ₹ 1,000 crore and above) vis-à-vis budget authorisation**

(₹ in crore)

Head	Original Budget Estimate	Expenditure	Utilisation Percentage
14- Grants-in-Aid	25,604.79	20,328.74	79.39
01- Salaries and Allowances	21,422.96	20,585.71	96.09
13- Financial Assistance	10,781.89	11,483.23	106.50
12- Pension and Retirement benefits	4,905.27	6,611.11	134.78
97- Construction Works	5,333.18	3,446.13	64.62
35- Interest / Loan Repayments	7,632.50	5,011.35	65.66
26- Major Construction Works	4,268.22	2,882.37	67.53
45- Construction of Capital Assets	1,822.96	1,939.61	106.40
25- Materials and Supplies	2,463.69	2,423.56	98.37
37- Inter Account Transactions	1,857.32	1,306.50	70.34
11- Scholarship/Stipend and other Benefits	1,079.97	1,031.95	95.55
<b>Total</b>	<b>87,172.75</b>	<b>77,050.26</b>	<b>88.39</b>

Source: Finance Accounts 2019-20

As can be seen from the above Table, out of a total budgetary allocation of ₹87,172.75 crore, the actual expenditure on various Object Heads during 2019-20 was only ₹77,050.26 crore (88.39 per cent). Out of the 11 Objects Heads mentioned above, three Object Heads utilised more than 100 per cent of their allocation.

## 2.5 Public Account

Receipts and Disbursements in respect of certain transactions such as Small Savings, Provident Funds, Reserve Funds, Deposits, Suspense, Remittances etc., which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. The Government acts as a banker in respect of these. The balance after disbursements during the year is the fund available with the Government for use for various purposes.

### 2.5.1 Net Public Account Balances

The status of receipts and disbursement under Public Account are shown in Statement 21 of the Finance Accounts. Component-wise net balances in the Public Account of the State as of end of March 2020 are given in **Table 2.25** below:

Table 2.25: Component-wise net balances in Public Account as of 31 March of the year

(₹ in crore)						
Sector	Sub Sector	2015-16	2016-17	2017-18	2018-19	2019-20
<b>I. Small Savings, Provident Fund, etc.</b>	National Small Savings Fund, State Provident Funds and Other Accounts	<b>514.30</b>	<b>426.96</b>	<b>640.61</b>	<b>754.51</b>	<b>785.26</b>
<b>J. Reserve Funds</b>	(a) Reserve Funds bearing Interest	90.51	323.40	(-517.65)	197.87	701.07
	(b) Reserve Funds not bearing Interest	499.42	316.40	39.72	(-33.08)	5155.13
<b>K. Deposits and Advances</b>	(a) Deposits bearing Interest	1.33	(-1.74)	(-21.02)	(-6.79)	(-5.62)
	(b) Deposits not bearing Interest	(-70.87)	552.40	141.79	(-224.60)	(-518.43)
	(c) Advances	0.00	0.02	0.18	0.00	(-0.09)
<b>L. Suspense and Miscellaneous</b>	(a) Suspense	30.53	37.53	(-72.83)	(-21.28)	(-6.30)
	(b) Other Accounts	5.18	(-159.01)	22.10	1.70	(-0.96)
	(c) Accounts with Governments of Foreign Countries	0.00	0.00	0.00	0.00	0.00
	(d) Miscellaneous	0.00	0.00	0.00	0.00	0.00
<b>M. Remittances</b>	(a) Money Orders, and other Remittances	(-6.68)	67.54	54.39	(-126.73)	93.41
	(b) Inter-Governmental Adjustment Account	(-5.26)	(-18.40)	16.53	4.30	(-12.62)
<b>Total</b>		<b>1,058.46</b>	<b>1,545.10</b>	<b>303.82</b>	<b>545.90</b>	<b>6,190.85</b>

Source: Finance Accounts of respective years

Component-wise net balances in Public Account as of 31 March of the respective year increased from ₹1,058.46 crore in 2015-16 to ₹6,190.85 crore in 2019-20. The net balances in Public Account increased by ₹5,644.95 crore in 2019-20 over the previous year, mainly due to increase in Reserve Funds not bearing interest by ₹5,188.21 crore and Reserve Funds bearing interest by ₹503.20 crore, which was off-set by decrease in other accounts by ₹46.46 crore.

## 2.5.2 Reserve Funds

Reserve Funds are created for specific and defined purposes under the Public Account of the State Government. These funds are met from contributions or grants from the Consolidated Fund of the State.

There were 17 Reserve Funds earmarked for specific purposes in the State with effect from 2000-2001 (since the formation of the State), out of which, 14 funds were operative and three funds were in-operative as of 31 March 2020. 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.

A Reserve Fund viz, *Gramin Vikas Nidhi*, was constituted in 2001-02 for providing employment in rural areas. During 2019-20, ₹50.90 crore was transferred to the fund and the cumulative balance of the fund as on 31 March 2020 was ₹265.56 crore but no expenditure has been incurred out of this fund since its inception.

Transfers into reserve funds and disbursement therefrom are affected through debit and credit entries under the appropriate revenue and expenditure heads under the Consolidated Fund. These represent actual cash transfers only if they impact the Reserve Bank Deposits either directly or by way of investment. Since there was no actual cash outflow, these transactions depicted by GoCG against reserve fund are only book entries, which violate the spirit underlying the creation and operation of reserve funds.

### **2.5.3 Consolidated Sinking Fund**

Following the recommendations of the 12<sup>th</sup> Finance Commission, the State has created a Consolidated Sinking Fund for amortisation of all loans including loans from banks, liabilities on account of National Small Savings Funds, *etc.* Further, as per recommendation of the 12<sup>th</sup> Finance Commission, a minimum annual contribution of 0.50 *per cent* of outstanding liabilities at the beginning of the year was required to be transferred to the fund.

During 2019-20, GoCG was required to transfer a minimum of ₹333.75 crore (0.50 *per cent* of outstanding liability of ₹66,749.51 crore at the beginning of the year) to the fund, against which only ₹265.00 crore was transferred. The balance in the CSF (investment account) from the year 2006-07 to 2019-20 was ₹2,311.94 crore.

### **2.5.4 State Disaster Response Fund**

In terms of the SDRF guidelines 2015, balances under funds are to be invested by the State Executive Committee in (a) Central Government dated securities (b) auctioned treasury bills and (c) interest earning deposits and certificates of deposits with Scheduled Commercial Banks and the interest earned should be credited to the concerned fund. It was further provided that upon receipt of GoI share, the State would immediately transfer the amount, along with its share, to the Public Account Head within 15 days of its receipt. Any delay will require the State Government to release the amount, with interest at bank rate of RBI, for the number of days of delay.

The SDRF had a closing balance of ₹491.88 crore as of March 2020. However, the details of investment of the balance in the fund was awaited (October 2020). Grants-in-Aid for State Disaster Response fund of ₹66.75 crore received from Government of India in March 2020 and corresponding State share of ₹22.25 crore was not transferred to the SDRF during 2019-20.

Details of expenditure charged to SDRF is given below in **Table 2.26**:

Table 2.26: Details of expenditure charged to SDRF

(₹ in crore)

Head	Minor Head of Account	Expenditure during 2019-20
<b>2245- Relief on Account of Natural Calamities</b>		
<b>01-Drought</b>		
101	Gratuitous Relief	1.09
102	Drinking Water Supply	0.18
<b>02-Floods, Cyclones, etc.</b>		
101	Gratuitous Relief	5.05
110	Assistance for repair and restoration of damaged Water Supply, Drainage and Sewerage Works	0.40
111	Ex-gratia Payments to bereaved families	17.53
112	Evacuation of population	2.65
113	Assistance for repair and construction of Houses	9.54
114	Assistance to Farmers for purchase of Agriculture Input	6.16
116	Assistance to Farmers for repairs of damaged tube wells and Pump sets	0.00
117	Assistance to Farmers for purchase of livestock	6.26
<b>80-General</b>		
101	Centre for Training to Disaster Preparedness	0.21
102	Management of Natural Disasters, Contingency Plans in disaster prone areas	0.21
800	Other Expenditure	204.43
<b>Total SDRF Expenditure</b>		<b>253.71</b>
<b>05-State Disaster Response Fund</b>		
901	<b>Deduct-</b> Amount met from State Disaster Response Fund	<b>(-) 252.00</b>

Source: Finance Accounts

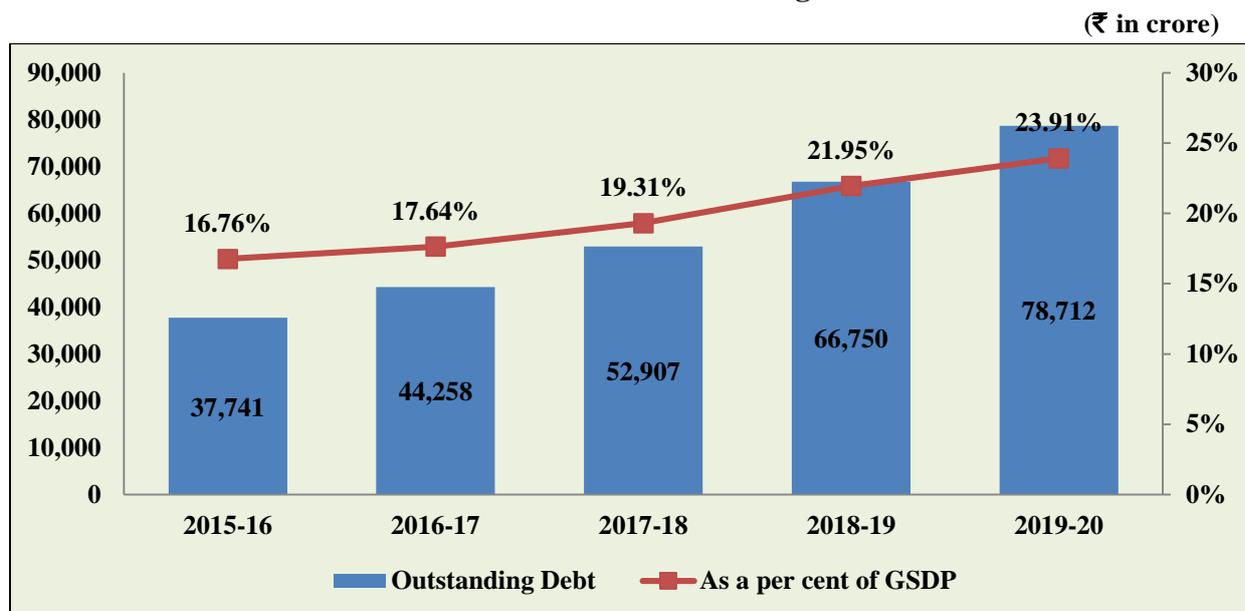
### 2.5.5 Guarantee Redemption Fund

As per the recommendation of the 12<sup>th</sup> Finance commission, the Government of Chhattisgarh was required to constitute a Guarantee Redemption Fund (GRF) with minimum annual contribution of 0.50 *per cent* of outstanding guarantee at the beginning of the year. Accordingly, the State Government was required to create a GRF and transfer ₹57.79 crore to the Fund in 2019-20. Contrary to the Finance Commission recommendations, the State Government has decided not to form the GRF as maximum guarantees sanctioned by the State Government were of “medium and low risk”.

## 2.6 Debt management

Debt management is the process of establishing and executing a strategy for managing the Government’s debt in order to raise the required amount of funding, achieve its risk and cost objectives, and to meet any other sovereign debt management goals that the Government may have set through enactment or any other annual budget announcements. The trend of overall Debt between 2015-16 and 2019-20 may be seen in **Chart 2.12** below:

Chart 2.12: Status of Outstanding Debt



Source: Finance Accounts of respective years

### 2.6.1 Debt profile: Components

As per Chhattisgarh FRBM act, Public Debt comprises internal debt of the State Government and Loans and Advances from Central Government. Internal debt consists of Market Loans, Ways and Means advances from RBI, Compensation and other Bonds, Loans from Financial Institutions and Special Securities issued to National Small Savings Fund of Central Government.

The details relating to total debt received, repayment of debt, ratio of debt to GSDP and the actual quantum of debt available to the State during the five-year period 2015-20 are given in **Table 2.27:**

Table 2.27: Component wise debt trends

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20	
Outstanding Debt	37,741.14	44,258.28	52,907.08	66,749.51	78,712.46	
Public Debt	Internal Debt	24,214.56	28,330.29	36,690.44	49,553.83	60,382.67
	Loans from GoI	1,835.59	2,047.16	2,339.57	2,700.39	2,764.05
Liabilities on Public Account	11,690.99	13,880.83	13,877.07	14,495.29	15,565.74	
Rate of growth of outstanding overall debt (percentage)	21.82	17.27	19.54	26.16	17.92	
Gross State Domestic Product (GSDP)	2,25,163	2,50,882	2,74,042	3,04,063	3,29,180	
Debt/GSDP (per cent)	16.76	17.64	19.31	21.95	23.92	
<b>Total Debt Receipts</b>	<b>7,251.15</b>	<b>5,479.93</b>	<b>9,652.44</b>	<b>14,370.10</b>	<b>19,587.53</b>	
<b>Total Debt Repayments</b>	<b>1,250.18</b>	<b>999.88</b>	<b>1,152.63</b>	<b>1,145.89</b>	<b>8,695.03</b>	
<b>Total Debt Available</b>	<b>6,000.97</b>	<b>4,480.05</b>	<b>8,499.81</b>	<b>13,224.21</b>	<b>10,892.50</b>	

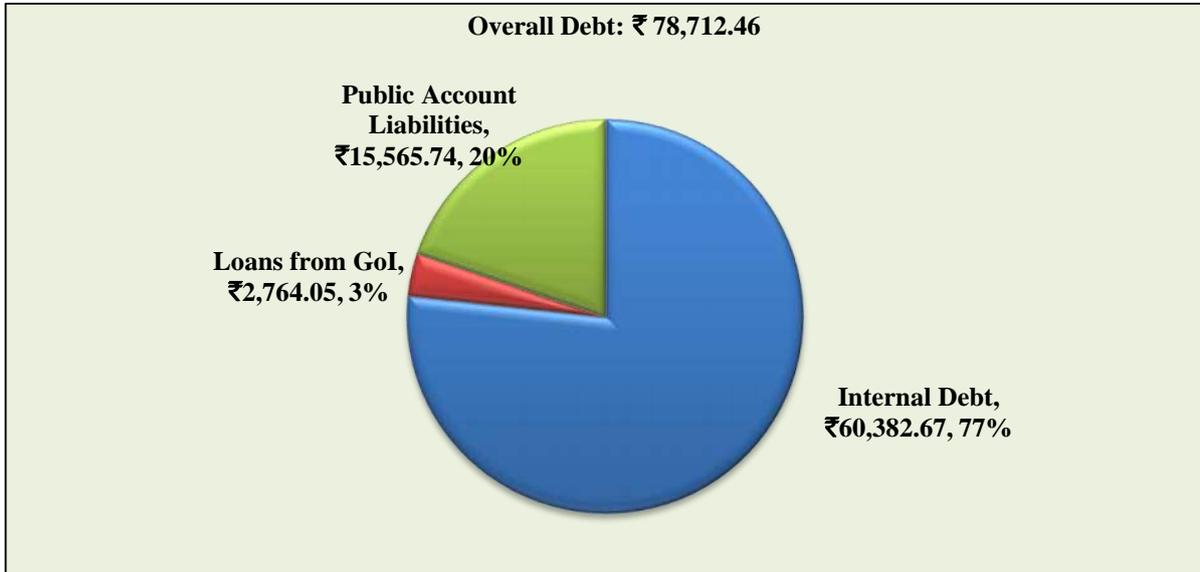
Source: Finance Accounts of respective years

Debt repayment increased significantly in 2019-20 as compared to 2018-19 and total debt receipts also increased by ₹5,217.43 crore (36.31 per cent) when compared to 2018-19. The total outstanding debt of the State Government at the end of 2019-20 was ₹78,712 crore.

Component-wise break-up of debt is shown below in **Chart 2.13**:

**Chart 2.13: Break up of Outstanding Overall Debt at the end of 2019-20**

(₹ in crore)



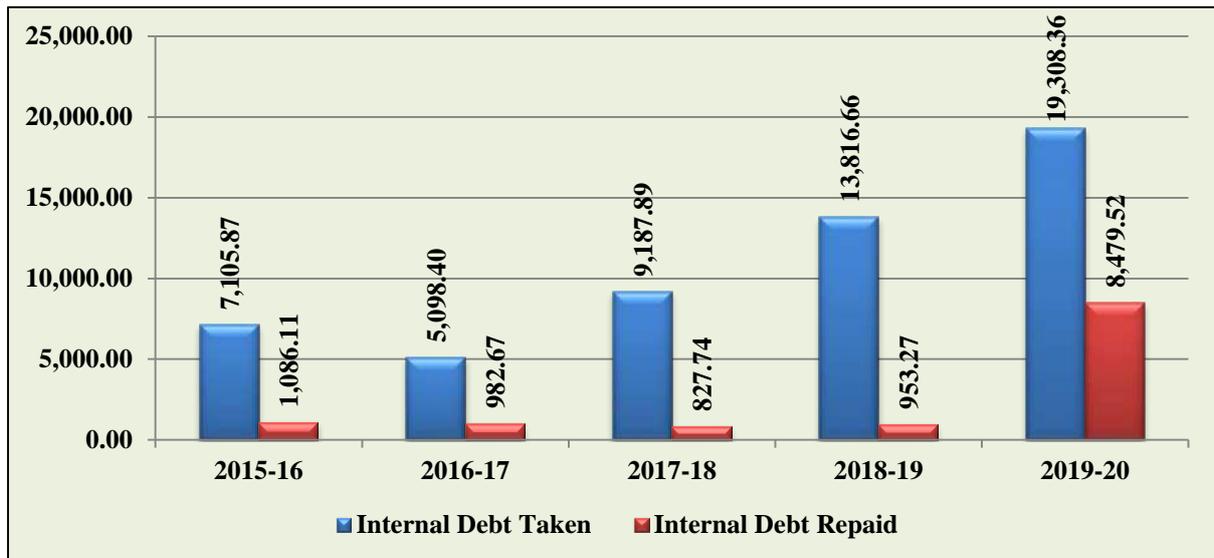
Source: Finance Accounts-2019-20

Internal debt, which is primarily market borrowings through issue of State Development Loans (SDLs), accounts for 77 per cent of the total outstanding debt.

**Chart 2.14** depicts Internal Debt taken by the State Government and repayment for the same period.

**Chart 2.14: Internal debt taken vis-a-vis repaid**

(₹ in crore)



Source: Finance Accounts of the respective years

During 2019-20, the outstanding debt to GSDP ratio stood at 23.91 *per cent* which is more than the target prescribed in the FRBM Act (21.23 *per cent*) as the State Government raised market borrowings of ₹11,680 crore.

## 2.6.2 Components of fiscal deficit and its financing pattern

Fiscal Deficit represents the total financing that the State requires (predominantly by drawing on its cash and investment balances with the RBI and by borrowing) to meet the excess of the Revenue and Capital Expenditure (including loans and advances) over Revenue and Non-debt Receipts. Financing pattern of fiscal deficit is reflected in **Table 2.28**.

**Table 2.28: Components of fiscal deficit and its financing pattern**

(₹ in crore)					
Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Composition of Fiscal Deficit</b>					
Revenue Deficit (-)/ Surplus(+)	2,366.65	5,520.65	3,417.32	683.76	(-)9,608.61
Net Capital Expenditure	(-)7,942.17	(-)9,468.14	(-)9,997.64	(-)8,898.19	(-)8,561.69
Net Loans and Advances	131.69	(-)99.78	(-)230.00	(-)77.80	200.75
Excluded expenditure under UDAY	870.12	0.00	0.00	0.00	0.00
<b>Total</b>	<b>(-)4,573.71</b>	<b>(-)4,047.27</b>	<b>(-)6,810.32</b>	<b>(-)82,92.23</b>	<b>(-)17,969.55</b>
<b>Financing pattern of Fiscal Deficit</b>					
Market borrowings	4,666.75	3,897.68	8,100.00	12,899.99	10,980.00
Loans from GOI	(-)18.79	211.57	292.41	360.82	63.66
Special securities issued to NSSF	389.09	(-)420.53	(-)431.13	(-)443.74	(-)455.88
Loans from financial institutions (NABARD)	525.92	638.58	691.28	407.14	304.72
Ways and Means advances from RBI	(-)383.80	0.00	0.00	0.00	0.00
Small Savings, PF etc.	514.3	426.96	640.61	754.51	785.26
Deposits and Advances	(-)69.54	550.68	120.95	(-)231.39	(-)524.14
Suspense and Miscellaneous	(-)1,823.27	(-)629.98	(-)1,611.16	(-)5,709.95	4,505.27
Remittances	11.94	49.14	70.92	(-)122.43	80.79
Others	389.93	639.8	(-)765.14	60.40	814.16
<b>Total</b>	<b>4,202.53</b>	<b>5,363.90</b>	<b>7,108.74</b>	<b>7,975.35</b>	<b>16,553.84</b>
Overall Surplus(+)/Deficit(-)	(-)371.18	1,316.63	298.42	(-)316.88	(-)1,415.71
<b>Total</b>	<b>4,573.71</b>	<b>4,047.27</b>	<b>6,810.32</b>	<b>8,292.23</b>	<b>17,969.55</b>

Source: Finance Accounts of respective years

During 2019-20, Market borrowing raised by the State Government continued to finance a major portion of fiscal deficit and its share in financing fiscal deficit was 61 *per cent*.

Receipts and Disbursements under different components financing the Fiscal Deficit are shown in **Table 2.29**:

**Table 2.29: Receipts and Disbursements under components financing the fiscal deficit**

(₹ in crore)

Particulars		Receipt	Disbursement	Net
1	Market Borrowings	11,680	700	10,980
2	Loans from GOI	279.17	215.51	63.66
3	Special Securities issued to NSSF	0.00	455.88	(-)455.88
4	Loans from Financial Institutions	969.68	664.96	304.72
5	Small Savings, PF, etc.	2013	1,227.74	785.26
6	Deposits and Advances	3,823.53	4,347.67	(-)524.14
7	Suspense and Miscellaneous	1,52,357.5	1,47,852.23	4,505.27
8	Remittances	9,010.7	8,929.91	80.79
9	Reserve Fund	7,007.85	6,198.61	809.24
10	Contingency fund	4.92	0.00	4.92
11	Overall Deficit	1,87,146.35	1,70,592.51	16,553.84
12	Increase/Decrease in cash balance	0.00	1415.71	(-)1,415.71
13	Gross Fiscal Deficit	1,87,146.35	1,69,176.8	17,969.55

Source: Finance Accounts

### 2.6.3 Debt Profile: Maturity and Repayment

Debt maturity and repayment profile indicates commitment on the part of the Government for debt repayment or debt servicing. Table 2.30 and Chart 2.15 below shows the debt maturity profile of the State.

**Table 2.30: Maturity profile of repayment of State debt**

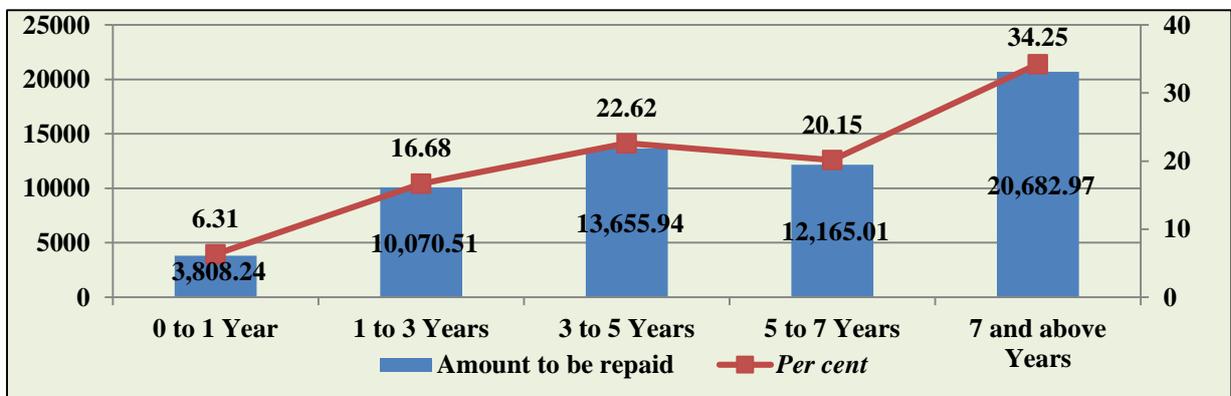
(₹ in crore)

Period of repayment (Years)	Amount	Percentage (w.r.t Public debt)
0 to 1	3,808.24	6.31
1 to 3	10,070.51	16.68
3 to 5	13,655.94	22.62
5 to 7	12,165.01	20.15
7 and above	20,682.97	34.25
<b>Total</b>	<b>60,382.67</b>	<b>100.00</b>

Source: Finance Accounts 2019-20

**Chart 2.15: Debt Maturity Profile**

(₹ in crore)



Source: Finance Accounts 2019-20

The maturity profile of the State debt as on 31 March 2020 indicates that the State has to pay more than 65.75 per cent of the debt within the next seven years. The liability of the State to repay the debt would be ₹13,655.94 crore (22.62 per cent) during the next three to five years i.e. 2022 to 2025.

## 2.7 Debt Sustainability Analysis (DSA)

Fiscal liabilities are considered sustainable if the State Government is able to service the stock of these liabilities over the foreseeable future and the debt-GSDP ratio does not grow to unmanageable proportions. During the years 2015-16 to 2019-20, debt-GSDP ratio and burden of interest payment continued to rise exceeding the target limit prescribed by the Finance Commission, as discussed below.

### 2.7.1 Fiscal Deficit and Debt Sustainability

In the context of fiscal sustainability, the Thirteenth Finance Commission defined debt sustainability in terms of debt-GDP ratio and also in terms of interest payments relative to revenue receipts. The XIV FC recommended fiscal consolidation for the Central and State Government and provided limits for fiscal deficit and debt stock as a percentage of GSDP.

Status of debt stock *vis-à-vis* XIVFC targets are given in **Table 2.31**

**Table 2.31: Debt sustainability – FRBM indicator based analysis**

Year	Fiscal Deficit to GSDP		Debt Stock to GSDP		Interest Payment to Revenue Receipts	
	<i>( in per cent )</i>					
	14 <sup>th</sup> FC targets	Achievement	14 <sup>th</sup> FC targets	Achievement	14 <sup>th</sup> FC targets	Achievement
2015-16	3.50	2.03	13.73	16.76	3.33	4.66
2016-17	3.50	1.61	15.50	17.64	3.76	5.00
2017-18	3.50	2.49	17.05	19.31	4.07	5.19
2018-19	3.50	2.73	18.40	21.95	4.30	5.61
2019-20	3.50	5.46	19.58	23.91	4.46	7.78

Source: Finance Accounts of the respective years and Fourteenth Finance Commission Report

The State Government was able to contain the fiscal deficit below the FC targets since 2015-16 to 2018-19. However, during 2019-20 it was significantly more than the target and the targets relating to the ratio of interest payment to revenue receipts (burden of interest payment) were not achieved. The debt-GSDP ratio was also not within the targets; besides it spiked from 16.60 per cent to 23.91 per cent during 2015-2020. Thus, the movement in interest payment and fiscal liabilities relative to GSDP does not seem to be on the path anticipated by the XIVFC for fiscal consolidation at the targeted level by the year 2019-20.

### 2.7.2 Utilisation of borrowed funds

Borrowed funds should ideally be used to fund capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on

outstanding loans is not sustainable. **Table 2.32** and **Chart 2.16** below shows the utilisation and trends of utilisation of borrowed funds.

**Table 2.32: Utilisation of borrowed funds**

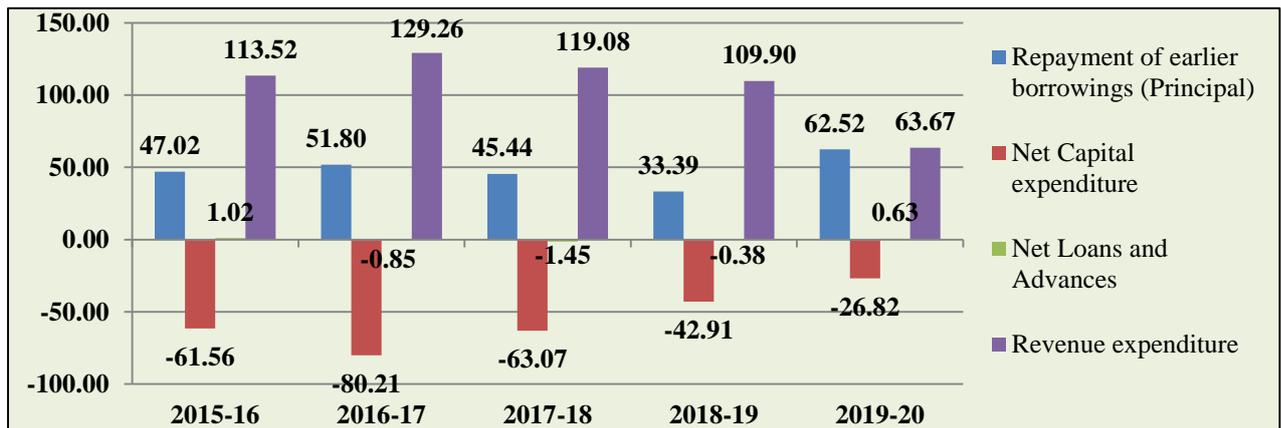
(₹ in crore)

Sl No	Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
1	Total Borrowings <sup>2</sup>	12,902.17	11,803.64	15,851.32	20,736.52	31,921.72
2	Repayment of earlier borrowings (Principal)	6,066.51	6,113.92	7,202.52	6,923.87	19,958.77
3	Balance available after borrowing repayments	6,835.66	5,689.72	8,648.80	13,812.65	11,962.95
4	Net Capital expenditure	(-7,942.17)	(-9,468.14)	(-9,997.64)	(-8,898.19)	(-8,561.69)
5	Net Loans and Advances	131.69	(-99.78)	(-230)	(-77.8)	200.75
6	Portion of Revenue expenditure met out of net available borrowings	NIL	NIL	NIL	NIL	3,602.01
7	Cash Balances	NIL	NIL	NIL	4,836.66	NIL

Source: Finance Accounts of the respective years

**Chart 2.16: Trends of Utilisation of borrowed funds**

(in per cent)



Source: Finance Accounts of the respective years

### 2.7.3 Status of Guarantees – Contingent Liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended.

As per Chhattisgarh State Government Guarantees Rules, 2003 framed by legislature under Article 293 of the Constitution, the total outstanding guarantees in a financial year shall not exceed seventy *per cent* of the State Revenue Receipts in the preceding year as reflected in the books of the Accountant General. The maximum amount for which guarantee were given by the State Government and outstanding guarantees at the end of the financial year for the last five years are given in **Table 2.33**.

<sup>2</sup> Total Borrowing including Other liabilities

**Table 2.33: Guarantees given by the Government of Chhattisgarh**

(₹ in crore)

Guarantees	2015-16	2016-17	2017-18	2018-19	2019-20
Ceiling applicable to the outstanding amount of guarantees	14,883.41	12,641.13	6,549.89	19,573.79	27,994.79
Outstanding amount of guarantees	1,988.24	3,982.97	3,881.92	10,769.42	18,459.36

Source: Finance Accounts of the respective years

As of 31 March 2019, State Government guaranteed the loans of various entities amounting to ₹11,558.91 crore. During the year 2019-20, it guaranteed a further amount of ₹8,372.40 crore. An amount of ₹1,471.95 crore was repaid during the year, leaving the outstanding guarantees at the end of March 2020 at ₹18,459.36 crore. The outstanding amount of guarantees were about 28.90 per cent of the total revenue receipts (₹63,868.70 crore) of the State. During the year 2019-20, against the guarantee fees receivable of ₹80.21 crore, ₹34.71 crore was received, primarily due to short receipt from guarantees given to Chhattisgarh State Marketing Federation, Raipur (₹44 crore) and Atal Nagar Vikas Pradhikaran (₹1.50 crore).

### 2.7.4 Management of Cash Balances

State Government invests its surplus cash balance in short and long-term GoI Securities and Treasury Bills. The profits derived from such investments are credited as receipts under the head '0049-Interest Receipts'.

It is not desirable that State Government takes recourse to market loans despite having large cash balances leading to further accretion to cash balances without putting it to productive use.

Table 2.34 depicts the cash balances and the investments made out of these by the State Government during the year.

**Table 2.34: Status of Cash Balances**

(₹ in crore)

	Opening balance as on 01 April 2019	Closing balance as on 31 March 2020
<b>A. General Cash Balances</b>		
Cash in treasuries	0.00	0.00
Deposits with Reserve Bank	320.72	(-)1,094.99
Deposits with other Banks	0.00	0.00
Remittances in transit	0.00	0.00
<b>Total</b>	<b>320.72</b>	<b>(-)1,094.99</b>
Investment held in 'Cash Balance Investment Account'	9,759.02	5,246.81
<b>Total A</b>	<b>10,079.74</b>	<b>4,151.82</b>
<b>B. Other Cash Balances and Investments</b>		
Cash with the Departmental Officers viz. Forest, Public Works Departments, Military Secretary to the Governor	12.49	12.17
Permanent advances for contingent expenditure with Departmental Officers	0.33	0.34
Investment of Earmarked Funds	2,185.32	7,232.27
<b>Total B</b>	<b>2,198.14</b>	<b>7,244.78</b>
<b>Total A and B</b>	<b>12,277.88</b>	<b>11,396.60</b>
<b>Interest realised</b>	144.33	196.10

Source: Finance Accounts of 2019-20

Cash Balances of the State Government at the end of the current year decreased by ₹881.28 crore from ₹12,277.88 crore in 2018-19 to ₹11,396.60 crore in 2019-20. Under an agreement with the Reserve Bank of India (RBI) the Government of Chhattisgarh has to maintain the required minimum cash balance of ₹0.72 crore with the RBI. If the balance falls below the agreed minimum balance on any day, the shortfall is made good by taking Ordinary and Special Ways and Means Advance or Ordinary Ways and Means Advance. While the State Government has not availed of any Ways and Means Advances during 2019-20, it availed of Special Drawing facility of ₹6,658.68 crore from RBI and paid an interest of ₹7.33 crore in this regard during 2019-20.

The cash balance investments of the State during the five-year period 2015-16 to 2019-20 are given below in the **Table 2.35**:

**Table 2.35: Cash Balance Investment Account (Major Head-8673)**

(₹ in crore)

Year	Opening Balance	Closing Balance	Increase(+)/ decrease(-)	Interest earned	Market Loan availed
2015-16	(-)1.26	1,856.17	1,857.43	52.96	4,850.00
2016-17	1,856.17	2,512.00	655.83	126.78	4,200.00
2017-18	2,512.00	4,070.85	1,558.85	140.20	8,100.00
2018-19	4,070.85	9,759.02	5,688.17	144.33	12,899.99
2019-20	9,759.02	5,246.81	(-)4,512.21	196.10	11,680.00

Source: Finance Accounts of respective years

The position of closing cash balance during last five years indicates a growing trend from ₹2,833.72 crore (as of March 2016) to ₹12,277.88 crore (as of March 2019) although it decreased by ₹881.28 crore over the previous year. The surplus cash balance was invested in Government of India treasury bills.

The surplus cash balance held in investment account was ₹5,246.81 crore while State Government raised market loan of ₹11,680 crore during 2019-20. The State Government had a surplus cash balance mainly due to raising of Market loans under public debt. During March 2020 the State Government availed Market Loan of ₹5,680 crore of which ₹2,680 crore was availed on 31 March 2020. The buildup of large cash balances increases the interest cost burden for the State Government. The State Government could have lowered its borrowings and burden of interest by utilizing surplus cash balance available with it.

Further, the interest realized on cash balance investment was at an average rate of 2.61 per cent whereas the State Government was paying at an average interest rate of 6.83 per cent on Government borrowings.

## **2.8 Conclusion**

*The State Government registered a nominal decrease of 1.88 per cent in its Revenue Receipts during 2019-20 compared to the previous year. The Own tax revenue and non-tax revenue increased by 3.22 and 3.00 per cent respectively and could not achieve the level anticipated in budgetary projections. The State continued to be dependent on Government of India with 53 per cent of the revenue coming from State Share of Union Taxes and Duties and Grants-in-aid. The Revenue expenditure increased by 14.08 per cent during 2019-20 compared to the previous year, whereas the Capital Expenditure decreased by 3.79 per cent during the same period.*

*Debt repayment increased significantly in 2019-20 as compared to 2018-19 and total debt receipts also increased by ₹5,217.43 crore (36.31 per cent) when compared to 2018-19. The total outstanding debt of the State Government at the end of 2019-20 was ₹78,712 crore. Borrowed funds should ideally be used to fund capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable in the long run and would impact creation of assets.*

## **2.9 Recommendations**

- i.** State Government should explore various measures to mobilise additional resources to improve its fiscal parameters in line with the targets specified by the Finance Commission and its own FRBM projections.
- ii.** Capital expenditure needs to be enhanced and borrowed funds should be utilised to create assets to stimulate growth. Government should review and analyse the reasons for delays in completion of capital projects and initiate expeditious measures to enable the departments involved, to overcome the hurdles in this regard.
- iii.** It is imperative that the State Government undertake a rigorous exercise to arrive at its liability for NPS including short contribution and interest on the funds yet to be transferred to NSDL.

# **CHAPTER III**

## **BUDGETARY MANAGEMENT**



## Chapter III - Budgetary Management

### 3.1 Introduction

Effective financial management ensures that decisions taken at the policy level are implemented successfully at the administrative level without wastage or diversion of funds. This Chapter reviews the allocative priorities of the State Government and comments on the transparency of budget formulation and effectiveness of its implementation.

### 3.2 Budget Preparation Process

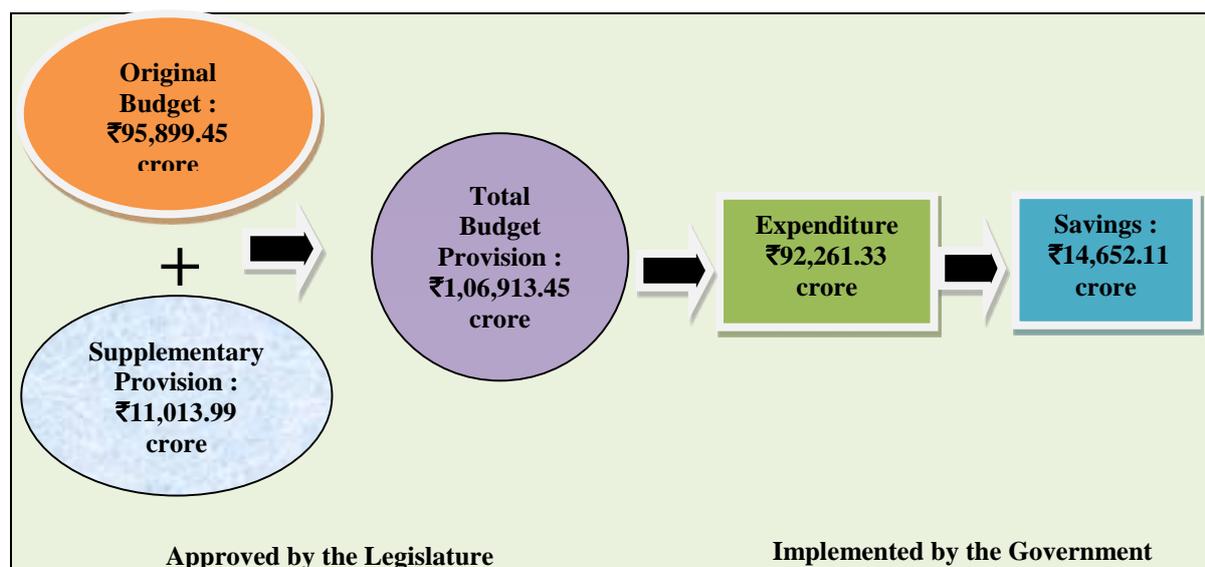
Government of Chhattisgarh follows a top-down approach to budgeting. The process followed by the State in budget preparation is broadly as follows

- In the beginning of the financial year, Finance Department undertakes a preliminary assessment of the financial resources likely to be available to the State in the ensuing financial year on the basis of past trends with due consideration of policy announcements by the Union and State Governments and any recent developments that may significantly impact resource availability.
- Based on the quantum of resources estimated, Finance Department determines the affordable level of Government expenditure for the financial year.
- The Budget Circular includes the calendar of dates for submission and review of estimates to be prepared by departments. It is also accompanied with procedural details for preparation of the Gender and Outcome Budgets.
- Thereafter, Finance Department carries out a detailed evaluation of the State's financial resources based on guidelines issued by the *Niti Ayog*. Inputs from revenue earning departments are also incorporated in these estimates. An estimation of resources of local bodies and State PSUs is also made. On receiving budget estimates of expenditure from departments, Finance Department scrutinizes and finalizes these estimates for which it holds discussions with department officials.

Thus, estimates are compiled by Finance Department in formats in which they are to be presented to the Legislative Assembly for vote and approval for expenditure out of the Consolidated Fund of the State by presenting its annual Budget and Demands for Grants/ Appropriations. Supplementary or additional Grant/ Appropriation is provided during the course of the financial year for meeting expenditure in excess of the originally budgeted amount. Further, the State Government also re-appropriates/ re-allocates funds from various Units of Appropriation where savings are anticipated, to Units where additional expenditure is envisaged (within the Grant/ Appropriation) during the year.

The total amount approved by the State Legislature including the original and supplementary budgets, expenditure, and savings during the year 2019-20 is depicted in **Chart 3.1** below.

Chart 3.1: Summary of Budget and Expenditure of Chhattisgarh for 2019-20



### 3.3 Financial Accountability and Budget Review

#### 3.3.1 Gender Budget

Gender budget is a part of the overall budget and is designed to aid the development of women. Schemes related to women were divided into two categories- (1) Schemes in which 100 *per cent* budget provision related to women, and (2) Schemes in which at least 30 *per cent* of budget provision related to women.

During 2019-20 the State Government provided ₹3,674.84 crore (original budget of ₹3,437.08 crore and supplementary budget of ₹237.72 crore) for 28 schemes which are 100 *per cent* women-centric. Out of the total budget of ₹3,674.84 crore, only ₹2,247.67 crore (61.16 *per cent*) was expended and ₹1,427.17 crore (38.84 *per cent*) was either surrendered or re-appropriated. Details are shown in *Appendix 3.1*.

The budget provision of ₹12,250.94 crore for 105 schemes in which a part of the budget (minimum 30 *per cent*) was to be spent on women-centric works during 2019-20 did not provide details of distinct sub-heads or object heads. Thus, the actual amount spent on women-centric schemes could not be verified in audit.

#### 3.3.2 Youth Budget

Youth budget is a part of the overall budget and the schemes related to youth were divided into two categories-(1) Schemes in which 100 percent budget provision related to youth, and (2) Schemes in which at least 50 percent of budget provision related to youth.

During 2019-20 the State Government made a budget provision of ₹5,574.00 crore (original budget of ₹4,911.43 crore and supplementary budget of ₹662.57 crore) for 59 schemes which are 100 *per cent* youth centric. Out of the total budget of ₹5,574.00 crore, only an expenditure of ₹4,239.69 crore (76.06 *per cent*) was incurred and ₹1,334.32 crore (23.94 *per cent*) was either surrendered or re-appropriated. Details are shown in *Appendix 3.2*.

The budget provision of ₹1,183.32 crore for 51 schemes in which a part of the budget (minimum 50 *per cent*) was to be spent on youth-centric works during 2019-20 did not specify distinct sub-heads or object heads. Thus, the actual amount spent on youth-centric schemes could not be verified in audit.

### 3.3.3 Agriculture Budget

This budget includes the development of agriculture sector and the interests of farmers' activities as well as information on expenditure on these activities.

During 2019-20 the State Government provided for ₹24,574.78 crore in the budget (original budget of ₹21,679.69 crore and supplementary budget of ₹2,895.09 crore) for 260 schemes for agriculture under 13 departments<sup>1</sup>. Out of this budget, an expenditure of ₹15,389.00 crore (62.62 *per cent*) was incurred and ₹9,185.78 crore (37.38 *per cent*) was either surrendered or re-appropriated.

### 3.3.4 Major Policy Initiatives/New Schemes

While presenting its Budget for 2019-20, the State Government announced 57 major policy initiatives/new schemes covering various departments. With regard to the new schemes (one crore and above), the Government provided a total budget of ₹621.83 crore, of which no expenditure was incurred during the year and the entire amount was either surrendered/ re-appropriated mainly due non/short release of funds by Government, non-receipt of proposals, non-approval of work *etc.* Details are shown in *Appendix 3.3*

## 3.4 Appropriation Accounts

Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is in accordance with the authorization given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution (Article 202) is so charged. It also ascertains whether the expenditure incurred is in conformity with the laws, relevant rules, regulations and instructions.

### 3.4.1 Summary of Appropriation Accounts

The summarized position of budget including supplementary budget, actual expenditure, and excess/savings during 2019-20 against 71 grants/ appropriations is given below:

<sup>1</sup> Agriculture Department, Animal Husbandry Department, Fisheries Department, Co-operative Department, Water Resource Department, Revenue Department, panchayat and Rural Development Department, Forest Department, Energy Department, Finance Department, Food and civil supply Department, Ayakut Department, Rural industry Department,

**Table 3.1: Summarised position of Expenditure vis-à-vis Budget Provision**

(₹ in crore)

	Nature of Expenditure	Original Budget	Supplementary Provision	Total Budget	Expenditure	Savings(-)	Excess	Surrender during March
<b>Voted</b>	Revenue	74,362.81	9,390.82	83,753.63	68,865.38	-15,533.91 (18.55)	645.66 (0.77)	-15,133.44 (97.42)
	Capital Outlay	13,101.83	973.09	14,074.92	8,976.29	-5,098.63 (36.22)	0.00	-3,851.72 (75.54)
	Loans and Advances	249.16	0.10	249.26	99.65	-149.61 (60.02)	0.00	-149.45 (99.90)
	<b>Total Voted</b>	<b>87,713.80</b>	<b>10,364.01</b>	<b>98,077.81</b>	<b>77,941.32</b>	<b>-20,782.15 (21.19)</b>	<b>645.66 (0.66)</b>	<b>-19,134.61 (92.07)</b>
<b>Charged</b>	Revenue	5,248.66	621.39	5,870.05	5,578.48	-540.07 (9.20)	248.50 (4.23)	-42.62 (7.89)
	Capital	30.49	28.59	59.08	46.50	-12.58 (21.30)	0.00	-1.49 (11.84)
	Public Debt	2,906.50	0.00	2,906.50	8,695.03	0.00	5,788.53 (199.15)	-629.03
	<b>Total Charged</b>	<b>8,185.65</b>	<b>649.98</b>	<b>8,835.63</b>	<b>14,320.01</b>	<b>-552.65 (6.25)</b>	<b>6,037.03 (68.33)</b>	<b>-673.14 (121.80)</b>
<b>Grand Total</b>		<b>95,899.45</b>	<b>11,013.99</b>	<b>1,06,913.44</b>	<b>92,261.33</b>	<b>-21,334.80 (19.96)</b>	<b>6,682.69 (6.25)</b>	<b>-19,807.75 (92.84)</b>

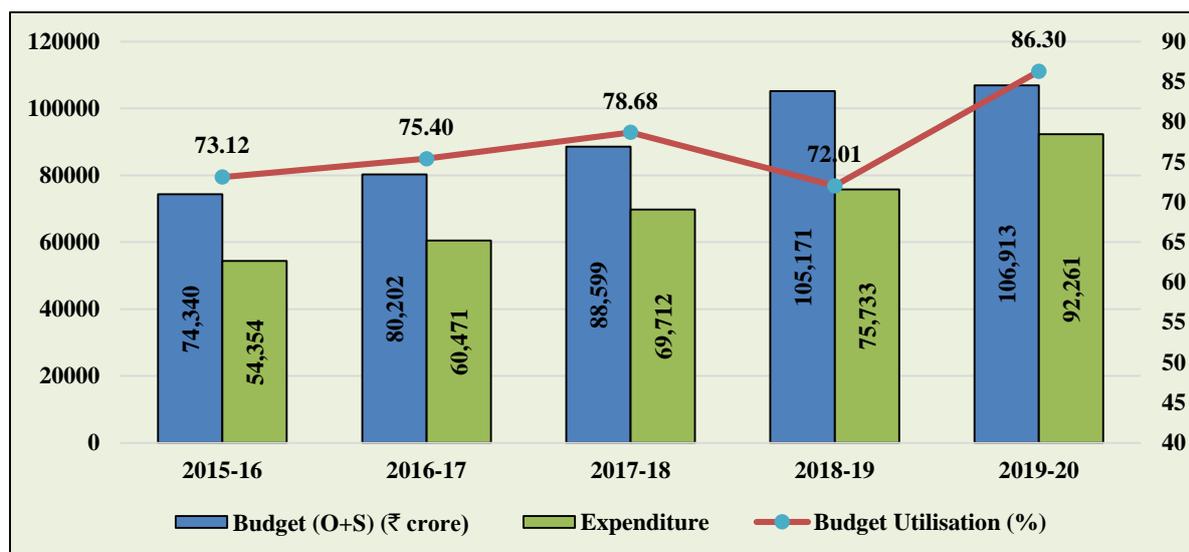
Source: Appropriation Account 2019-20

The total savings amounted to ₹21,334.80 crore (19.96 per cent of total grants/ appropriation), out of which ₹19,807.75 crore was surrendered and ₹1,527.05 crore (7.16 per cent) was lapsed at the end of the financial year. Out of total surrender of ₹19,807.75 crore, an amount of ₹19,167.81 crore was surrendered on 31 March 2020, leaving no scope for utilization of these funds for other developmental purposes. Since the Government could not utilize the original provision, the supplementary provision of ₹11,013.19 crore proved unnecessary. Further, as per Appropriation Accounts, ₹19,807.75 crore was surrendered during the year 2019-20. Out of this amount, ₹6,442.01 crore under various grants was not even released by the State Government.

### 3.4.2 Sub-optimal Utilisation of Budgeted Funds

Utilisation of budgeted funds by the State has been sub-optimal every year during the past few years. The extent of utilisation of budget during the five-year period from 2015-16 to 2019-20 is given below.

Chart 3.2: Budget Utilisation during 2015-16 to 2019-20



Source: Appropriation Account of the respective years

Utilization of budget showed an increasing trend during the last five years. It increased from 73.12 in 2015-16 to 86.30 percent in 2019-20. Improved utilization of budgetary provision during 2019-20 was mainly due to lowering the size of budget estimates with regard to capital expenditure and disbursement of loans and advances over the previous year. Further, supplementary provision was also lower (11.48 per cent of BE) compared to the previous year (20.24 per cent of BE).

### 3.5 Comments on Integrity of Budgetary and accounting process

#### 3.5.1 Expenditure incurred without authority of law

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of the Article 204 of the Constitution. During 2019-20, the State Government incurred an expenditure of ₹6,678.35 crore without budget provision mainly due to expenditure under Special Drawing Facility to recoupment of temporary loan granted to the State Government by the Reserve Bank of India as collateral advance against the investment in Treasury Bills to maintain cash balance.

Table 3.2: Summary of Expenditure without Budget Provision

(₹ in crore)

Head of Account	Expenditure without Provision
6003-112-Interest on Special Drawing Facilities on 91-Days Deposits	6,658.68
6004-09-101-3052-Block Loans	19.67
<b>Total</b>	<b>6,678.35</b>

Source: Appropriation Account of 2019-20

#### 3.5.2 Misclassification of capital expenditure as revenue expenditure

The Indian Government Accounting Standard (IGAS)-2 regarding Accounting and Classification of Grants-in-Aid prescribes that the Grants-in-Aid disbursed by a grantor shall be classified and accounted for as revenue expenditure in the Financial Statements of the

grantor irrespective of the purpose for which the funds were disbursed. Only in cases specifically authorised by the President of India on the advice of the Comptroller and Auditor General of India, can these be debited to Capital head of account in the Financial Statements of the Government.

Further, Rule 30 of Government Accounting Rule 1990 and Para 324 of Chhattisgarh Financial Code-Volume-I state the criteria for determining whether expenditure should be classified under heads of Capital Section or Revenue Section of the Consolidated Fund.

Expenditure of a capital nature to be classified in the Capital Section shall broadly be defined as expenditure incurred with the objective of increasing concrete assets of a material and permanent character. Expenditure on a temporary asset or expenditure on Grants-in-Aid to local bodies or institutions for the purposes of creating assets which will belong to these local bodies or institutions cannot ordinarily be classifiable as capital expenditure, and shall not, except in cases specifically authorised by the President on the advice of the Comptroller and Auditor General be debited to Capital head of account.

During 2019-20, Government of Chhattisgarh made budget provision and classified Grant-in-aid of ₹1,939.61 crore provided for creation of capital assets under Capital Section. Further, Office expenses of ₹0.75 crore, Payment of Professional Services of ₹8.56 crore, and Maintenance Work of ₹0.29 crore have been booked under Capital Major Heads instead of Revenue Major Heads. The expenditure incurred out of GIA as capital expenditure during 2015-16 to 2019-20 is shown in **Table 3.3**.

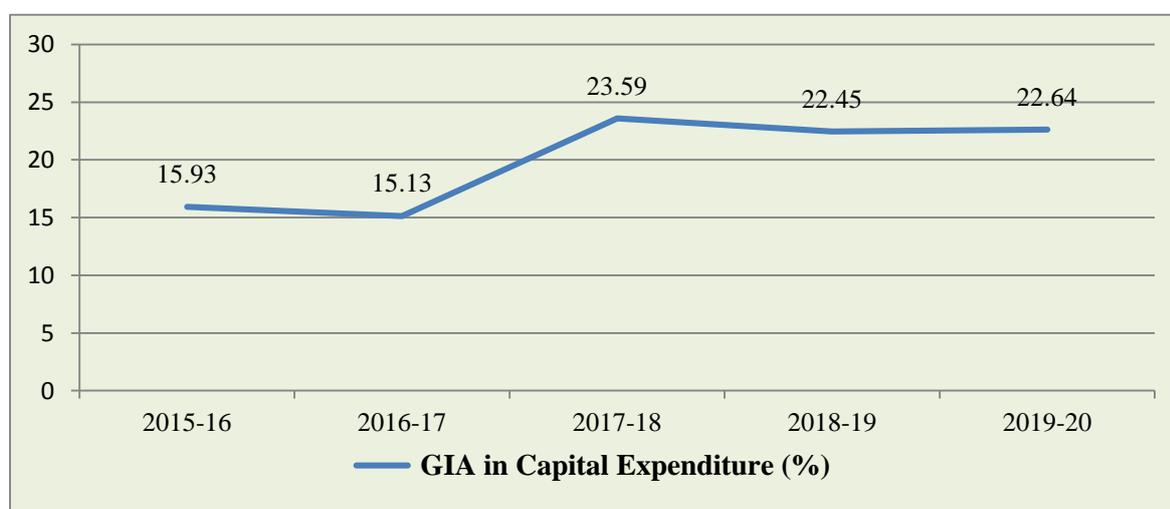
**Table 3.3: Extent of classification of GIA as Capital Expenditure**

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20
GIA booked as a Capital Expenditure	1,265.85	1,432.94	2,359.39	1,998.74	1,939.61
Total Capital Expenditure	7,945.01	9,470.51	10,000.96	8,903.45	8,566.39
Share of GIA in Capital Expenditure	15.93	15.13	23.59	22.45	22.64

Source: Finance Account of the respective years

**Chart-3.3: Share of Grants-in-aid in Capital Expenditure**



Source: Appropriation Account of the respective years

### 3.5.3 Unnecessary or excessive supplementary grants

The State Legislature approved three supplementary allocations of ₹11,014.00 crore during 2019-20. Audit analysis of utilization of these supplementary allocations showed that in 35 cases pertaining to 45 grants/appropriation, supplementary provision of ₹50 lakh or more in each case aggregating ₹5,788.81 crore obtained during the year proved entirely unnecessary as the actual expenditure was less than the original provision. Details are shown in *Appendix-3.4*.

In 16 Grants/Appropriations there were significant savings of ₹100 crore and above out of original budget provision, and yet supplementary provision was obtained. Details are given below in **Table 3.4**:

**Table 3.4: Cases where supplementary provision was obtained even though savings were ₹100 crore and above out of original budget provision**

(₹ in crore)

Grant No.	Name of the Grant	Original	Actual expenditure	Saving out of original Provision	Supplementary provision
<b>Revenue (Voted)</b>					
3	Police	4,438.07	4,299.28	-138.80	162.79
8	Land Revenue and District Administration	901.88	709.53	-192.35	7.79
13	Agriculture	3,972.10	1,561.32	-2,410.78	720.90
24	Public Works-Roads and Bridges	1,321.17	677.23	-643.94	11.50
30	Expenditure pertaining to Panchyat and Rural Development Department	2,696.97	1,906.11	-790.86	250.11
41	Tribal Areas Sub-Plan	14,737.07	13,020.67	-1,716.40	2,297.14
47	Technical Education and Man-Power Planning Department	361.22	250.77	-110.45	11.22
55	Expenditure pertaining to Women and Child Welfare	1,050.50	760.57	-289.92	128.24
64	Special Component Plan for Scheduled Castes	4,969.68	4,419.79	-549.88	836.24
69	Urban Administration and Development Department	946.24	387.14	-559.10	216.60
79	Expenditure pertaining to Medical Education Department	708.52	539.88	-168.64	13.60
	<b>Total-Revenue Voted</b>	36,103.42	28,532.29	-7,571.12	4,656.13
<b>Capital (Voted)</b>					
20	Public Health Engineering	281.50	147.33	-134.17	21.10
21	Expenditure pertaining to Housing and Environment Department	366.42	193.74	-172.68	4.81
23	Water Resources Department	461.09	287.37	-173.72	9.00
41	Tribal Areas Sub-Plan	2,809.47	2,093.08	-716.39	312.68
45	Minor Irrigation Works	345.51	231.66	-113.85	10.00
64	Special Component Plan for Scheduled Castes	1,148.73	620.72	-528.01	67.35
67	Public Works-Buildings	668.35	267.73	-400.62	7.23
79	Expenditure pertaining to Medical Education Department	175.74	75.59	-100.15	80.70
	<b>Total-Capital Voted</b>	6,256.81	3,917.22	-2,339.59	512.87
	<b>Grant Total</b>	42,360.23	32,449.51	-9,910.71	5,169.00

Source: Appropriation Accounts 2019-20

### 3.5.4 Unnecessary or excessive re-appropriation

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where need for additional funds is identified.

Out of total 358 re-appropriations sanctioned during 2019-20, in six cases pertaining to three grants and one appropriation, there were excess/savings after re-appropriation as detailed in the **Table 3.5** It shows that re-appropriations were made without adequate assessment and planning.

**Table 3.5: Excess/unnecessary/ insufficient re-appropriation**

(₹ in crore)

Grant No. and Head of Accounts	Original	Supple- mentary	Re- approp- riation	Total	Actual expenditure	Final Excess(+) Saving(-)
01-2012-03-107-8694- Decoration and repair of Central Residence	0.08	0.00	0.02	0.10	0.05	-0.05
58 -2245-80-800-7727- Prevention from Pest Infestation	0.06	0.00	0.11	0.17	0.04	-0.12
67-2059-80-1 01-0101-3566- Headquarter Establishment	30.60	0.00	1.00	31.60	24.77	-6.83
67 -2059-80-799-4056- Miscellaneous Public Works Advances	0.90	0.00	0.80	1.70	0.37	-1.33
67-4059-01-51-0101-7274- Public Prosecution	0.68	0.00	0.10	0.78	0.50	-0.28
CH1-6003-108-3751-Loans from the National Co-operative Development Corporation	0.17	0.00	4.78	4.95	0.17	-4.78

Source: Appropriation Account of 2019-20

### 3.5.5 Entire budget provision not utilised under sub heads

In 68 cases, under 20 grants and two appropriations the entire provision (₹10 crore and above) made for various sub-heads aggregating ₹4,277.85 crore remained unutilized. Details are given in **Appendix 3.5**. Significant cases of un-utilised budget provision of ₹100 crore and above, are detailed below in **Table 3.6**.

**Table 3.6: Details of un-utilised budget provision was ₹100 crore and above**

(₹ in crore)

Nomenclature	Total Budget
CH1-6003-110-637- Ways and Means Advances	660.00
10-2406-04-103-7992- Transfer to Chhattisgarh Symbolic Forest Plantation Fund	500.00
69-2217-80-191-7685-Smart City	396.00
25-4853-01-004-7794- Transport Network (Rail Route)	317.45
25-2853-02-797-5390- Transfer in Mineral Fund	300.00
CH1-6003--110-779- Advances to meet shortfall	264.51
CH2-2049-01-101-2199- New Market Loan	250.00
41-4202-01-202-1202-1400- Vivekananda Gurukul Unanyan Yojna	116.03
40-4705--209-7907- Supply of Irrigation in Command Area	115.52

### 3.5.6 Large Savings/Surrenders

Against the total savings of ₹21,334.80 crore, savings of more than ₹100 crore occurred under 29 grants amounting to ₹19,558.10 crore which is 90 per cent of the overall savings during the year as detailed in *Appendix 3.6*, out of which, in eight cases under six grants the saving was more than ₹500 crore as detailed in *Appendix 3.7*.

Further, surrender of more than ₹10 crore was made in 55 grants amounting to ₹19,757.85 crore as detailed in *Appendix 3.8*.

There were huge savings during 2019-20, with 11 out of 71 Grants/ Appropriations showing utilization of less than 50 per cent of the budget allocation. Utilisation of budgetary allocation in these 11 Grants/ Appropriations for the five-year period from 2015-16 to 2019-20 is shown in *Table 3.7*.

**Table 3.7: Grants/ Appropriations where utilisation of budget was less than 50 per cent**

Sl. No.	Grant	2015-16	2016-17	2017-18	2018-19	2019-20	No. of Years	Budget 2019-20	Total Budget (5 years)
		(in per cent)						(₹ in crore)	
1	02 -Other expenditure pertaining to General Administration Department	68	66	65	58	46	1	32.78	135.95
2	13- Agriculture	74	85	83	90	33	1	4707.16	14962.75
3	25 -Expenditure pertaining to Mineral Resources Department	71	89	57	32	12	2	725.60	10436.17
4	40- Expenditure pertaining to Ayacut Development	54	64	39	05	03	3	121.89	492.6
5	43- Sports and Youth Welfare	35	24	27	20	25	5	53.38	408.67
6	46 -Science and Technology	48	62	36	35	34	4	22.10	111.09
7	51- Religious Trusts and Endowments	69	88	83	43	49	2	14.44	69.03
8	65- Aviation Department	97	52	46	52	35	2	120.94	420.23
9	68- Public Works relating to Tribal Area Sub-Plan-Buildings	90	85	45	48	40	3	132.27	1017.77
10	69- Urban Administration and Development Department-Urban Welfare	29	64	83	71	33	2	1162.83	2223.59
11	75- NABARD aided Projects pertaining to Water Resource Department	71	98	74	66	29	1	700.00	2901.02

Source: Appropriation Account of the respective years

Budget utilisation was less than 50 *per cent* in 11 Grants/Appropriations, which is indicative of systemic lacunae that warrant a close review by the Government to enable initiation of expeditious corrective measures.

Budget provision sought and obtained by some Departments was in excess of actual requirement. Inability to utilise the budgeted provision deprives allocation of resources to priority sectors and also leads to poor legislative control over public finances.

### **3.5.7 Missing/ Incomplete Explanation for Variation from Budget**

Apart from showing the expenditure against the approved budget, Appropriation Accounts also provide explanation for cases where the expenditure varies significantly from the budgeted provision (Original *plus* Supplementary). The limit beyond which, such variation at the Sub-Head/Sub-Sub-Head level (Unit of Appropriation) are to be explained in the Appropriation Accounts is set by the Public Accounts Committee (PAC).

Accountant General (A&E) provides the draft Appropriation Accounts to the Controlling Officers of the Departments and seeks the reasons/ explanation for the variations in expenditure with reference to approved budgetary allocation in keeping with the limits set by the PAC.

The following criteria has been prescribed by the PAC for selection of sub-heads (excess/savings) for comments to be included in the Appropriation Accounts:

#### **1. Comments are to be made on Savings (Voted) :**

- Overall saving exceeding 2 *per cent* of the total provision (Original plus Supplementary).
- Individual sub-heads for saving exceeding ₹5 lakh in case of Grants less than ₹10 crore.
- Individual sub-heads for saving exceeding ₹10 lakh in case of Grants between ₹10 crore and ₹ 30 crore.
- Individual sub-heads for saving exceeding ₹20 lakh in case of Grants exceeding ₹30 crore.

#### **2. Comments are to be made on Savings (Charged) for all sub-heads where the variation is more than ₹5 lakh.**

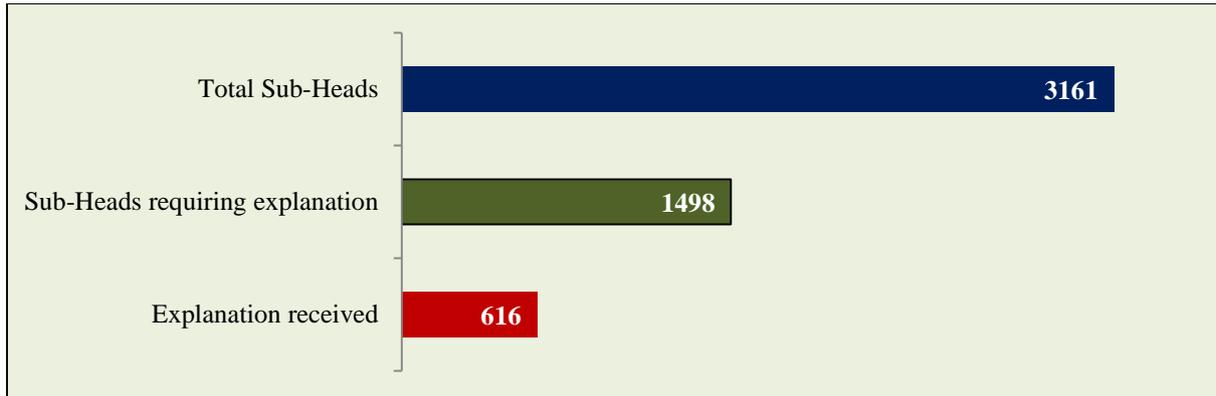
#### **3. Comments are to be made on Excess (Voted):**

- Individual sub-heads for excess exceeding ₹5 lakh in case of Grants less than ₹10 crore.
- Individual sub-heads for excess exceeding ₹10 lakh in case of Grants between ₹10 crore and ₹30 crore.
- Individual sub-heads for excess exceeding ₹20 lakh in case of Grants exceeding ₹30 crore.
- General comments for regularisation of excess over the provision in all cases where there is overall excess (any amount) in grant.

#### **4. Comments are to be made on Excess (Charged) in respect of all sub-heads where the variation is more than ₹5 lakh.**

Audit of Appropriation Accounts of 2019-20 revealed that the Controlling Officers has not provided explanation for the variations in the expenditure *vis-à-vis* budgeted allocation in about 52.61 per cent of cases. Out of the total 3161 Sub-Heads, reasons for variation were required in respect of 1498 Sub-Heads as shown in **Appendix 3.9**. However, appropriate reasons for variations in 1663 Sub-Heads were not furnished by the Controlling Officers of Government Departments. In respect of the Sub-Heads involved, the total number of Sub-Heads in the accounts, those requiring explanation for variation, and the Sub-Heads where explanation were received for variations from allocations, are given in **Chart 3.4**.

**Chart 3.4: Summary of Explanation for Variation in Appropriation Accounts**



Absence of explanation for variation between the budgeted allocation and its utilisation, limits legislative control over budget as a means of ensuring financial accountability of the Government.

### 3.5.8 Excess expenditure and its regularization

Under Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/ appropriation regularised by the State Legislature.

There was an excess disbursement of ₹6,682.69 crore over the authorisation made by the State Legislature under four grants and two appropriations during the financial year 2019-20. This was mainly due to excess expenditure of ₹6,678.35 crore incurred by the State Government without budget provision, to recoup the temporary loan granted to the State Government by the Reserve Bank of India as collateral advance against the investment in Treasury bills to maintain cash balance under Special Drawing Facility. Details are given below in **Table 3.8**:

**Table 3.8: Excess over provision requiring regularisation during 2019-20**

(₹ in crore)

Department Name	Grant No.	Grant Description	Total Grant/ Appropriation	Total Expenditure	Excess Expenditure
<b>Revenue Voted</b>					
Finance Department	06	Expenditure pertaining to Finance Department	8,876.45	9,459.04	582.59
Tribal Welfare	33	Tribal Welfare	4,073.21	4,133.44	60.23
Higher Education	44	Higher Education	742.56	745.41	2.85

<b>Revenue Charged</b>					
Interest Payments and Servicing of Debt	-	Interest Payments and Servicing of Debt	4,865.24	5,113.33	248.09
Finance Department	06	Expenditure pertaining to Finance Department	0.11	0.46	0.35
Women and Child Welfare	55	Expenditure pertaining to Women and Child Welfare	0.00	0.05	0.05
<b>Capital Charged</b>					
Public Debt	-	Public Debt	2,906.50	8,695.03	5,788.53
<b>Total</b>					<b>6,682.69</b>

**Source: Appropriation Accounts**

Excess expenditure of ₹3,261.83 crore over provision for the years 2000-01 to 2018-19 was yet to be regularised as detailed in **Appendix 3.10**. This is in violation of Article 204 (3) of the Constitution which provides that no money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law by the State Legislature. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources. Details of excess expenditure over legislative authorisation during the five-year period 2015-16 to 2019-20 are given below.

**Table 3.9: Excess over provision requiring regularisation during 2015-16 to 2018-19**

(₹ in crore)

Year	No. of Grants	No. of Appropriations	Amount of excess
2000-01	11	2	10.21
2001-02	14	2	115.90
2002-03	8	2	114.59
2003-04	4	2	591.12
2004-05	4	5	133.36
2005-06	4	2	23.27
2006-07	4	1	5.13
2007-08	3	3	15.99
2008-09	9	1	115.26
2009-10	10	5	216.77
2010-11	22	6	293.78
2011-12	24	1	498.09
2012-13	2	2	0.96
2013-14	3	3	178.96
2014-15	4	2	833.54
2015-16	3	2	98.24
2016-17	2	3	12.38
2017-18	3	3	2.61
2018-19	2	4	1.67
<b>Total</b>	<b>136</b>	<b>51</b>	<b>3261.83</b>

**Source: Appropriation Accounts of respective years**

As per the details given in the above Table, there was an overall excess expenditure of ₹1.67 crore over authorisation during 2019-20. However, audit of Appropriation Accounts revealed an excess disbursement of ₹7,893.69 crore over the authorization under 14 grants in 19 major heads during 2019-20 as detailed in **Appendix 3.11**

### 3.6 Rush of Expenditure

As per Paragraph 92 of the Madhya Pradesh Budget Manual (as followed by Government of Chhattisgarh), rush of expenditure, particularly in the closing months of the financial year, should be avoided. Contrary to this, under Grant No-71-Information Technology and Bio-technology out of the total expenditure of ₹221.39 crore, ₹114.99 crore (52 per cent) was incurred during March 2020. Further, an expenditure of ₹771.64 crore was incurred in eight Major Heads which was more than 50 per cent of total expenditure of the concerned Major Head in March 2020. Details are given in the following **Table 3.10**.

**Table 3.10: Rush of Expenditure**

(₹ in crore)

Major Head	Description	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total	Expenditure in March	Expenditure in March as percentage of Total Expenditure of the scheme
4851	Capital Outlay on Village and Small Industries	0.00	0.02	0.33	8.51	8.90	4.81	54.06
4801	Capital Outlay on Power Projects	0.00	64.04	0.00	78.05	142.09	78.05	54.93
4406	Capital Outlay on Forestry and Wild Life	0.66	0.88	1.86	23.78	27.17	15.20	55.94
4810	Capital Outlay on Non-Conventional Sources of Energy	0.00	236.19	0.00	320.45	556.64	320.45	57.57
4415	Capital Outlay on Agricultural Research and Education	0.00	8.45	2.50	15.10	26.05	15.10	57.98
6408	Loans for Food Storage and Warehousing	0.00	2.50	0.00	8.39	10.89	8.39	77.04
2853	Non-Ferrous Mining and Metallurgical Industries	11.16	8.59	11.00	136.01	166.77	129.64	77.74
5275	Capital Outlay on other Communication Services	0.00	0.00	50.00	200.00	250.00	200.00	80.00
	<b>Total</b>	<b>11.82</b>	<b>320.67</b>	<b>65.69</b>	<b>790.29</b>	<b>1,188.51</b>	<b>771.64</b>	<b>64.92</b>

Source: Appropriation Accounts and information from AG (A&E)

#### 3.6.1 Sub-Head (Schemes), where entire expenditure was incurred in March 2020

In 107 scheme heads, the entire expenditure was incurred at the fag end of the year as detailed in **Appendix 3.12**. High percentage of expenditure at the fag end of the year indicates that uniform flow of expenditure, which is a primary requirement of budgetary control, was not maintained. Significant cases out of these, where the entire scheme expenditure of ₹ 10 crore or above was incurred in March 2020 are shown in **Table 3.11**.

**Table 3.11: Scheme expenditure of ₹ 10 crore or above was incurred in March 2020**

(₹ in crore)

Head of Accounts (up to Sub-Head)	Entire expenditure incurred in March
17-2425-107-101-5628 -Interest grant for farmer loan interest rationalization	92.13
41-5275-101-102-7861- Communication Revolution Scheme	76.00
41-2425-107-102-5628 -Interest grant for farmer loan interest rationalization	70.02
80-2853-800-101-6299 -Transfer of Revenue Received from Minor	69.86
CHII-2049-101-6403 7.28%- State Development Loan 2027	36.40
15-2853-800-103-6299- Transfer of Revenue Received from Minor	34.27
41-4515-102-702-7759 -Shyama Prasad MukherjeeRurban Mission	27.00
19-2210-200-101-6362-Shyama Prasad MukherjeeRurban Mission	25.00
64-5275-101-103-7861-Communication Revolution Scheme	24.00
82-2853-800-102-6299-Transfer of Revenue Received from Minor	23.59
64-2425-107-103-5628-Interest grant for farmer loan interest rationalization	22.11
41-2210-200-102-6362-Shyama Prasad Mukherjee Rurban Mission	19.00
30-4515-102-701-7759-Shyama Prasad Mukherjee Rurban Mission	18.00
12-4810-101-101-7897-Pradhan Mantri Sahaj Bijli Har Ghar Yojna (Saubhagya Yojna)	16.56
19-2210-200-101-6363-Mukhya Mantry Visesh SwathyaSahayata Yojna	10.00

Source: Information from AG (A&E)

### 3.7 Review of Selected Grant

During the year 2019-20, Grant No.13-Agriculture was selected for detailed scrutiny in audit to review compliance with prescribed budgetary procedures, monitoring of funds, control mechanisms and implementation of schemes within the grant. Outcome of the audit is discussed in the succeeding paragraphs.

#### 3.7.1 Grant No. 13- Agriculture

The Agriculture Department is responsible for increasing the crop production in the State through advanced agricultural technology. The policies of the Department are mainly implemented in the State through various central and State sponsored agriculture schemes and programmes by the Office of the Directorate of Agriculture. Nine Major Heads viz. 2401-Crop husbandry, 2402- Land and water conservation, 2702- Minor Irrigation, 2415- Agriculture research and education, 3425- Other scientific research, 4401- Capital outlay on Crop husbandry, 4402- Capital outlay on land and water conservation, 4415- Capital outlay on agriculture research and education and 5425- Capital outlay on other scientific and environmental research are operated under this grant.

#### 3.7.2 Budget and expenditure

The overall position of budget provision, actual expenditure and savings/ excess under this grant during the three year period 2017-20 is given below

Table 3.12: Budget and Expenditure

(₹ in crore)

Grant No-13	2017-18	2018-19	2019-20
<b>Total Budget Provision</b>	<b>2,325.63</b>	<b>5,637.10</b>	<b>4,707.16</b>
Expenditure	1,935.22	5,077.35	1,568.26
Savings	390.41	559.75	3,138.90
Savings (%)	16.79	9.93	66.68
<b>Revenue Provision</b>	<b>2,320.04</b>	<b>5,629.92</b>	<b>4,693.33</b>
Expenditure	1,932.92	5,075.76	1,561.57
Savings	387.12	554.16	3,131.77
Savings (%)	16.69	9.84	66.73
<b>Capital Provision</b>	<b>5.59</b>	<b>8.08</b>	<b>13.83</b>
Expenditure	2.30	1.59	6.70
Savings	3.29	6.49	7.13
Savings (%)	58.86	80.32	51.55

Source: Appropriation Account

As can be seen from the above table, savings as a percentage of total budget provision ranged from 9.93 to 66.68 *per cent* during the period 2017-20. Persistently large savings is indicative of incorrect assessment of actual needs and it requires a review of budget preparation exercise of the Department. This also showed that budget allocations were made without considering previous years' trends in expenditure which resulted in persistent savings.

### 3.7.3 Surrender of Savings

According to Chhattisgarh Budget Manual, a Controlling Officer should anticipate savings under a Grant and communicate them to the Finance Department not later than 15<sup>th</sup> February of each year. **Table 3.12** reveals that out of a total budget provision of ₹4,707.16 crore during 2019-20, there was a savings of ₹3,138.90 crore, but no portion of savings was surrendered by the Department even at the end of the financial year. Due to non-surrender of savings on time as per the provisions of the Budget Manual, the funds could not be utilized for other developmental purposes.

### 3.7.4 Unnecessary supplementary grant and subsequent surrender under the schemes

Audit noticed irregular supplementary provision and subsequent surrender under the following scheme heads during 2019-20, as shown in **Table 3.13**:

Table 3.13: Unnecessary supplementary Provision

(₹ in crore)

Scheme Head	Scheme Name	Original Grant	Suppleme-ntary grant	Total Grant	Total Expenditure	Surrender
6366	Farmer assistance	Nil	1.00	1.00	Nil	1.00
7713	Establishment of Bio-Technological Promotion Society	Nil	1.00	1.00	Nil	1.00
	<b>Total</b>	<b>Nil</b>	<b>2.00</b>	<b>2.00</b>	<b>Nil</b>	<b>2.00</b>

Source: Appropriation Account

Further, in scheme head 8972-Incentive scheme on paddy production, it was observed that out

of original grant of ₹2,500 crore, expenditure was ₹187.52 crore; however, supplementary provision of ₹575.50 crore was made, which caused a surrender of ₹2,887.97 crore as shown in **Table 3.14**.

**Table 3.14: Unnecessary supplementary Provision**

(₹ in crore)

Scheme Head	Scheme Name	Original grant	Supplementary grant	Total grant	Surrender	Total Expenditure
8972	Incentive scheme on paddy production	2,500.00	575.50	3,075.50	2,887.97	187.52

Source: Appropriation Account

Actual expenditure (₹187.52 crore) being less than the original provision (₹2,500 crore), the supplementary provision (₹575.50 crore) proved unnecessary and resulted in a surrender of ₹2,887.97 crore.

### 3.7.5 Persistent savings under Scheme Heads

As per paragraph 31 of Chhattisgarh Budget Manual, ‘it is probable that estimates carefully prepared in accordance with the foregoing instructions may still be too high. They should, therefore, be examined with reference to the difference between the estimate and the actual in the past three years and the proposed amount should be on that basis.’

In five scheme heads there was persistent savings during 2017-20.

**Table 3.15 Persistent Savings under Scheme Heads**

Scheme	2017-18			2018-19			2019-20		
	P	S	S	P	S	S	P	S	S
	₹ in crore	%	%	₹ in crore	%	%	₹ in crore	%	%
7853- NABARD funded Minor Irrigation Schemes	131.00	131.00	100	93.00	93.00	100	6.20	6.20	100
7661- NMET Submission Plant protection and Quarantine Scheme	0.50	0.50	100	0.50	0.50	100	0.20	0.20	100
7268- Climate Change and Sustainable Agriculture Modeling and Networking	0.29	0.29	100	0.81	0.81	100	0.81	0.81	100
6929- Office of Assistant Engineer	0.10	0.10	100	0.10	0.10	100	0.10	0.10	100
7766- Third party Agriculture Scheme	0.05	0.05	100	0.05	0.05	100	0.05	0.05	100

Source: Appropriation Account

P = Provision, S = Savings

Persistent savings to the extent of 100 per cent under the above scheme heads during the last three years i.e., 2017-20 indicates that the budgeting process in the Department was unrealistic, and funds to the extent of savings were not required during the years.

The Director, Department of Agriculture stated (December 2020) that the budget provision could not be utilised due to various reasons i.e., non-receipt of sanction from Government, non-sanction of capital expenditure by the Government, non-utilization of fund due to delay in process, etc.

### 3.7.6 Savings of Entire Budget Provision during 2019-20

Non-utilization of the entire budget provision in these schemes during 2019-20 shows the budgeting process and assessment of the scheme requirements was unrealistic. Details of savings of entire budget provision are shown in **Table 3.16**.

**Table 3.16: Non-utilisation of budget provision**

		(₹ in crore)
Scheme Head	Scheme Name	Savings/ Surrender
7283	Assistance to C.G. State Marketing Federation for fertilizer testing	5.00
7768	Biological Certification Organization	0.60
7268	NMSA Climate Change and sustainable Agriculture Modeling and Networking	0.46
7945	<i>Pradhan Mantri Anndata Aay Sanrakshan Abhiyan</i>	2.50
7831	Development of Research by Survey of Agriculture Zones	0.15
7766	Third Party Appreciation of Agriculture related Schemes	0.05
7676	<i>Sarakshit Kheti evam Faslotar PrabandhanYojana</i>	0.50
7837	Baseline Survey of Horticulture	1.20
7968	Organic Fertilizer Production Promotion ( <i>Jivamrit</i> ) Scheme	0.05
7969	Area Expansion Plan for Medicines and Aromatic Crops	0.32
7853	Minor Irrigation Schemes for NABARD funded	5.00
2981	Seed Multiplication and Distribution	1.00
7681	NMET Submission on Plant protection and Quarantine Schemes	0.20
6929	Office of Assistant Engineer	0.10
6788	Directorate Horticulture	0.06
7970	Establishment of Plug Type Unit	2.00
4288	Directorate (HQ Staff)	1.00
7713	Establishment of Biotechnological Promotion Society	1.00
	<b>Total</b>	<b>21.37</b>

Source: Appropriation Account as rendered by the department).

On this being pointed out, the Department stated (December 2020) that the non-utilization was mainly due to various reasons such as non-release of fund by the government, non-availability of scheme guidelines, non-availability of accidental claims, non-receipt of sanction from State Government.

## 3.8 Conclusion

*Budgetary assumptions of the State Government were not realistic during 2019-20 and control over the execution and monitoring of budget was inadequate. However, the percentage of utilization of Budgeted funds increased during 2019-20 compared to the previous year*

*Excess expenditure of ₹6,682.69 crore pertaining to four Grants and two Appropriations during 2019-20 requires regularisation.*

*Supplementary Grants/ Appropriations were obtained without adequate justification. The savings were neither surrendered on time nor explanations provided to the Accountant General (A&E) for variations in expenditure vis-à-vis allocations. The Departments were not cautioned against persistent savings; nor were their budgets varied in accordance with their ability to absorb the allocations*

*The budgetary control mechanism should be strengthened in the Government Departments to avoid huge savings, especially where savings occurred persistently and to avoid taking supplementary grants, which remained unutilized.*

### **3.9 Recommendations**

- i.** State Government needs to formulate a realistic budget based on reliable assumptions of the needs of the Departments and their capacity to utilize the allocated resources;
- ii.** An appropriate control mechanism needs to be instituted by the Government to enforce proper implementation and monitoring of budget to ensure that savings are curtailed, large savings within the Grants/Appropriations are controlled, and anticipated savings are identified and surrendered within the specified timeframe;
- iii.** Controlling Officers need to be made aware of their responsibility to explain the variation in expenditure from the allocation to facilitate proper analysis of budget and preparation of meaningful Appropriation Accounts.

**CHAPTER IV**

**QUALITY OF ACCOUNTS  
AND FINANCIAL  
REPORTING**



## Chapter–IV: Quality of Accounts and Financial Reporting Practices

### 4.1 Introduction

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is, thus, one of the attributes of good governance. Reports on compliance and controls, if effective and operational, assist the Government in meeting its basic stewardship responsibilities, including strategic planning and decision-making. This Chapter provides an overview of the quality of accounts and compliance of the State Government in its financial reporting practices, with prescribed financial rules, procedures and directives with regard to completeness, transparency, measurement and disclosure.

### 4.2 Delay in Submission of Utilisation Certificates

Rule 182 of Chhattisgarh Financial Rules stipulates that where grants-in-aid (GIA) are given for specific purposes, departmental officers concerned should obtain Utilisation Certificates (UCs) from grantees, which, after verification, should be forwarded to Accountant General (A&E) on or before 30 September of the following year to ensure that the funds have been fully utilised for the intended purposes.

Audit scrutiny revealed that as on 31 March 2020, 256 UCs in respect of grants aggregating ₹3,770.86 crore given to 15 Departments of the State Government during the period from 2008-09 to 2018-19 had not been submitted. Age-wise details of delays in submission of UCs are given in **Table 4.1**.

**Table 4.1: Age-wise arrears in submission of Utilisation Certificates**

(₹ in crore)

Year	Opening Balance		Addition		Clearance		Due for submission	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 2017-18	1,407	5,016.79	299	2,318.51	1,389	4,921.89	317	2,413.41
2018-19	317	2,413.41	257	4,651.19	40	45.26	534	7,019.33
2019-20	534	7,019.33	305*	5,042.69*	278	3,248.47	256	3,770.86

\*UCs for the GIA disbursed during 2019-20 become due only during 2020-21

Considering that the Departmental authorities have not yet explained as to how an amount of ₹3,770.86 crore was spent over the years is a matter of concern, as it involves public funds provided to them for implementation of specific programmes/schemes and there is no assurance that the intended objectives of providing these funds have been achieved.

The year-wise details of pending UCs and the amounts involved are tabulated in **Table 4.2**.

Table 4.2: Year-wise breakup of pending UCs

(₹ in crore)

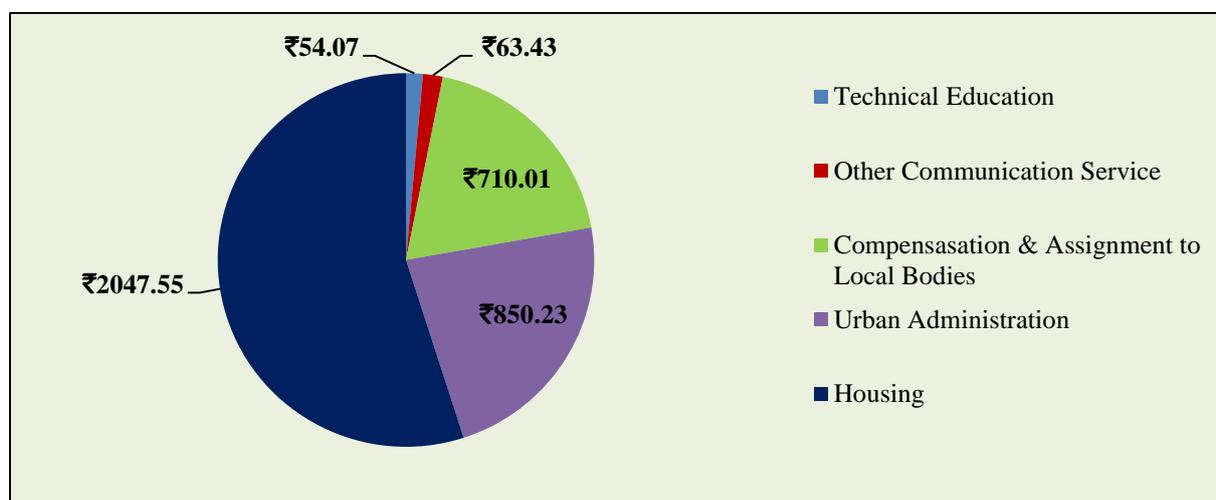
Year	Number of Utilisation Certificates	Amount
2008-09	01	0.01
2009-10	02	0.99
2010-11	00	0.00
2011-12	00	0.00
2012-13	15	21.86
2013-14	14	25.39
2014-15	00	0.00
2015-16	00	0.00
2016-17	00	0.00
2017-18	45	229.20
2018-19	179	3493.41
<b>Total</b>	<b>256</b>	<b>3,770.86</b>

Source: Data compiled by O/o the AG (A&E), Chhattisgarh

In the absence of accountability for expenditure relating to funds provided as far back as 2008-09, the possibility of misappropriation of these funds cannot be ruled out. **Table 4.2** reveals that 87.50 per cent of outstanding UCs pertains to the last two years *i.e.*, 2017-18 and 2018-19. Department-wise break-up of outstanding UCs for the grants paid up to the year 2018-19 is given in **Appendix 4.1**. Status of outstanding UCs in respect of five major departments is given in **Chart 4.1**.

Chart 4.1: Outstanding UCs in respect of 5 major Departments for the grants paid up to 2018-19

(₹ in crore)



Source: Data compiled by O/o the AG (A&E), Chhattisgarh

Non-receipt of UCs against GIA indicates failure of the departmental officers to comply with the rules and procedures to ensure timely submission of UCs for the grants obtained for implementation of specific developmental programmes. Huge pendency in submission of UCs is fraught with the risk of fraud and misappropriation of funds.

#### 4.2.1 Parking of Grants-in-Aid funds outside the Government Account

The State Government provides funds to State/District Level Agencies/autonomous Bodies and Authorities, societies, Non-Governmental Organizations *etc.*, as grants for implementation of Central Sector schemes, centrally sponsored Schemes and State Schemes.

During 2019-20, an amount of ₹22,268.35 crore<sup>1</sup> was given by the State Government to various implementing agencies for implementation of Government schemes/works/programmes. Since the funds are not being fully spent by the implementing agencies in the financial year, substantial amounts remained unspent and were kept in the bank accounts of these implementing agencies.

As per the information received from the implementing agencies, the details regarding the utilisation of Grant-in Aid and unspent amount kept in Bank accounts are shown in **Table 4.3.**

**Table 4.3: Parking of Grant-in-Aid funds outside the Government Account**

(₹ in crore)

Sl. No.	Name of the Implementing Agency	Total GIA received during the year 2019-20	Total expenditure during the year 2019-20	Balance kept in Bank Account
1.	Zila Panchayat, Dhamtari	59.60	57.95	1.65
2.	Nagar Palika Parishad, Sarangarh	16.48	14.18	2.30
3.	CEO, Zila Panchayat, Mahasamund	117.07	111.19	5.88
4.	State Urban Development Agency, Chhattisgarh (Amrut Yojana)	311.01	275.81	35.20
5.	State Urban Development Agency, Chhattisgarh (Day Nulm)	45.00	18.14	8.86
6.	Zila Panchayat, Bilaspur	174.45	160.51	13.94
7.	Zila Panchayat, Raipur	182.88	148.34	34.54
8.	Nagar Palika Parishad, Katghora	4.19	1.57	2.62
9.	Zila Panchayat, Pharsagaon	5.41	4.88	0.53
10.	CHiPS	1.50	0.00	1.50
11.	IIIT, Raipur	25.00	22.44	2.56
12.	Nagar Palika Parishad, Champa	20.86	16.86	4.01
13.	Nagar Panchayat, Bemetara	1.37	0.61	0.76
14.	Nagar Panchayat, Palari	6.98	6.10	0.88
15.	Sickle Cell Institute, Raipur	5.25	2.74	2.51
16.	Sickle Cell Project, Raipur	1.25	0.59	0.66
17.	Ayush Science University	5.0	4.73	0.27
18.	Nagar Panchayat, Koonra, Raipur	8.65	6.88	1.76
19.	Chhattisgarh Van Vikash Nigam, Raipur	1.0	0.60	0.40
20.	Human Rights Commission, Chhattisgarh	2.92	2.49	0.43
21.	Directorate Urban Administration and Development, Durg	4.60	1.90	2.70
22.	Zila Panchayat, Bijapur	78.57	45.31	33.26
23.	Narag Panchayat, Dongargoun	1.15	0.10	1.05
24.	Nagar Panchayat, Pusaur	6.14	5.87	0.27
25.	Nagar Panchayat, Pandaria	11.24	9.54	1.70
26.	Nagar Panchayat, Kharaud	4.43	3.15	1.28
27.	Nagar Panchayat, Bodri	7.58	4.47	3.11
28.	Nagar Palika Parishad, Kumhari	19.31	15.42	3.89
29.	NRHM, Raipur	1,194.84	1,149.38	45.46
30.	Shri B. R. Kashyap Sasakiya Chikitsa Mahavidyalaya, Jagadapur	5.80	5.31	0.49
<b>Total</b>		<b>2,329.53</b>	<b>2,097.06</b>	<b>214.47</b>

Source: Information received from various implementing agencies

<sup>1</sup> Includes expenditure on Grant-in-Aid ₹20,328.74 crore and Grants-in-Aid for creation of Capital Assets ₹1,939.61 crore.

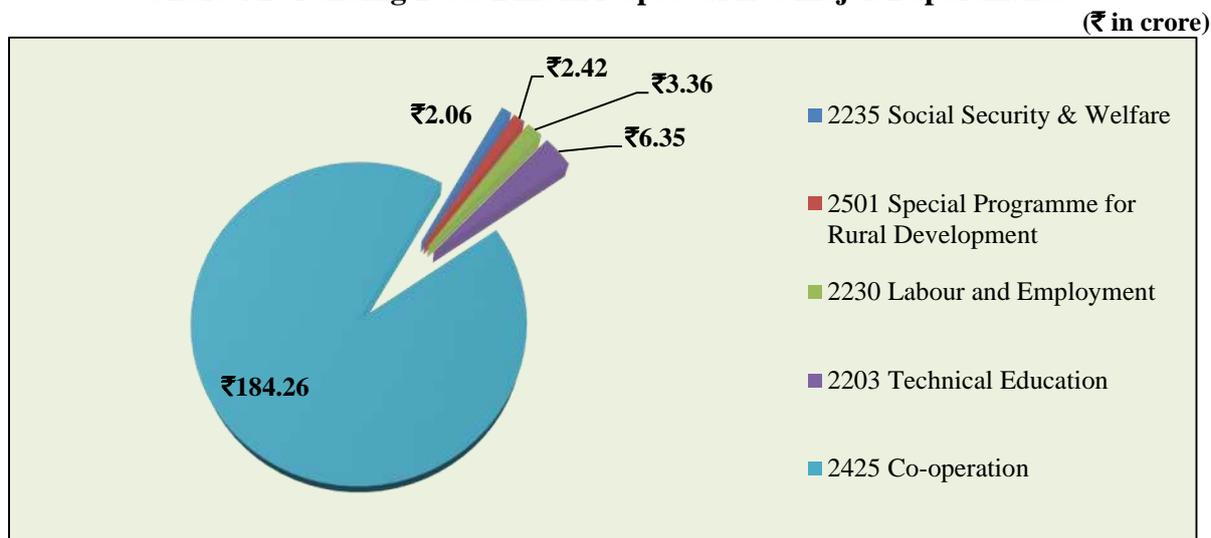
Non utilisation or meagre utilisation of GIA resulted in non-achievement of the intended objective for which GIA were released.

### 4.3 Pending DC Bills

Under Rule 327 of the Chhattisgarh Financial Rules, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money for limited purposes by preparing Abstract Contingent (AC) bills without vouchers. Subsequently, Detailed Countersigned Contingent (DCC) bills (vouchers in support of final expenditure) are required to be furnished to the Accountant General (A&E) not later than 25<sup>th</sup> of the month following the month in which such amounts are drawn.

As of 31 March 2020, 18 Departments of the Government of Chhattisgarh had not submitted DCC bills for ₹201.59 crore against 315 AC Bills. Department-wise pending DCC bills for the years up to 2019-20 are detailed in *Appendix-4.2*. Status of pending DCC bills in respect of 5 major departments is given in **Chart 4.2**.

**Chart 4.2: Pending DCC Bills in respect of five major Departments**



Source: Data compiled by O/o the AG (A&E), Chhattisgarh

Year-wise details of pendency of DCC bills for the years up to 2019-20 are given in **Table 4.4**.

**Table 4.4: Pendency in submission of DCC bills against AC bills**

(₹ in crore)

Year	Opening Balance		Addition		Clearance		Closing Balance	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Up to 2017-18	115	25.19	1,387	3,846.56	1,342	3,738.80	160	132.95
2018-19	160	132.95	911	1,304.50	783	1,252.80	288	184.65
2019-20	288	184.65	277	3,275.53	250	3,258.59	315	201.59

Source: Data compiled by O/o the AG (A&E), Chhattisgarh

Out of 315 DCC bills worth ₹201.59 crore pending submission as of 31 March 2020, 19 DC bills (₹0.23 crore), 96 DC bills (₹1.14 crore) and 200 DC bills (₹200.22 crore) pertain to the years 2017-18, 2018-19 and 2019-20 respectively.

Non-submission of DCC bills within the prescribed time not only breaches financial

discipline but also increases the possibility of wastage/misappropriation/malfeasance etc. and therefore, requires close monitoring by the respective DDOs for ensuring submission of DCC bills. Further, to the extent of non-receipt of DCC bills, the expenditure shown in the Finance Accounts cannot be asserted as correct or final.

#### **4.4 Timeliness and Quality of Accounts**

The accounts of the State Government are compiled by the Accountant General (A&E) from the initial accounts rendered by 28 District Treasuries, 53 Forest Divisions, 29 Rural Engineering Services and 155 Other Divisions<sup>2</sup>.

During the financial year 2019-20, there were delays in rendition of monthly accounts ranging from 01 to 15 days by treasuries, 01 to 80 days by public works divisions, and 01 to 20 days by forest divisions.

The State Government needs to monitor closely, and ensure the rendition of accounts by all the account rendering authorities to the Accountant General (A&E) timely to manage its own budget more effectively.

#### **4.5 Outstanding balances under Suspense and DDR Heads**

Suspense heads are operated in Government accounts to reflect transactions that cannot be booked initially to their final Head of Account for some reason or the other. These are finally cleared by minus debit or minus credit when the amount is taken to its final Head of Account. If the amounts under suspense heads remain unadjusted, the balances under these heads get accumulated resulting in understatement of Government's receipts and payments.

Remittances embrace all transactions which are adjusting Heads of Account, and the debits or credits under these heads are eventually cleared by corresponding credit or debit within the same or in another circle of accounting.

Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. Clearance of suspense and remittance items depends on the details furnished by the State Treasuries/ Works and Forest Divisions, etc. The Minor Head-wise position of balances under major suspense and remittance heads for the last three years are given in **Table 4.5**.

**Table 4.5: Balances under Suspense and Remittance Heads**

Major Head 8658-Suspense Minor Head	2017-2018		2018-19		2019-20	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101-PAO suspense	54.38	0.14	52.55	18.83	67.35	19.50
Net	<b>Dr. 54.24</b>		<b>Dr. 33.72</b>		<b>Dr. 47.85</b>	
102-Suspense Account-Civil	19.26	0.98	32.44	0.17	30.81	0.17
Net	<b>Dr. 18.28</b>		<b>Dr. 32.27</b>		<b>Dr. 30.64</b>	
109-Reserve Bank Suspense-Headquarters	(-)0.67	(-)0.08	2.61	3.02	0.03	0.68
Net	<b>Cr. 0.59</b>		<b>Cr. 0.41</b>		<b>Cr. 0.65</b>	

<sup>2</sup> 53 Public Works Divisions, 62 Irrigation Divisions (Water Resources Department), 36 Public Health Engineering Divisions and 4 Road Development Divisions.

110-Reserve Bank Suspense-CAO	0.14	0.00	1.72	0.00	3.57	0.01
Net	Dr. 0.14		Dr. 1.72		Dr. 3.56	
112-Tax Deducted at Source	0.00	84.04	0.00	65.08	0.00	71.10
Net	Cr. 84.04		Cr. 65.08		Cr. 71.10	
113-Provident Fund Suspense	42.58	0.00	46.08	0.00	44.35	0.00
Net	Dr. 42.58		Dr. 46.08		Dr. 44.35	
123-All India Service Officer's Group Insurance Scheme	0.00	0.17	0.00	0.16	0.00	0.19
Net	Cr. 0.17		Cr. 0.16		Cr. 0.19	
129-Material Purchase Settlement Account	0.00	85.40	0.00	84.11	0.00	84.11
Net	Cr. 85.40		Cr. 84.11		Cr. 84.11	
<b>Major Head 8782-Cash Remittances</b>						
102-P.W. Remittances	18.29	11.50	112.34	9.13	74.83	42.43
Net	Dr. 6.79		Dr. 103.21		Dr. 32.40	
103-Forest Remittances	10.84	7.11	37.83	5.22	36.20	5.44
Net	Dr. 3.73		Dr. 32.61		Dr. 30.76	

Source: Data compiled by O/o the AG (A&E), Chhattisgarh

If the amounts under these suspense heads remain unadjusted, the balances under these heads get accumulated resulting in understatement of Government's receipts and payments. Further, non-clearance of outstanding balances under these heads affects the accuracy of receipt/expenditure figures and balances under different heads of Accounts (which are carried forward from year to year) of the State Government.

#### 4.6 Personal Deposit (PD) Accounts

Under specific circumstances, the Government may authorise the opening of PD accounts for operation by designated Administrators. Transfer of funds to PD accounts is booked under the service major heads, as expenditure under the Consolidated Fund of the State. Under Rule 543 of Treasury Code Vol. I, the Administrators are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Consolidated Fund, with the PD accounts being reopened in the next year, if necessary. Government of Chhattisgarh, however, did not comply with this procedure.

Table 4.6 provides the status of funds lying in PD Accounts on the last day of the financial year during the five-year period 2015-20.

**Table 4.6: Parking of funds in Personal Deposit Accounts during 2015-20**

(₹ in crore)

Year	Opening Balance as on 1 <sup>st</sup> April		Addition during the year/receipts		Closed during the year/Disbursements		Closing Balance as on 31 <sup>st</sup> March	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
2015-16	312	1,630.82	05	669.18	25	603.54	292	1,696.46
2016-17	292	1,696.46	08	918.64	19	722.63	281	1,892.47
2017-18	281	1,892.47	02	643.80	20	779.27	263	1,757.00
2018-19	263	1,757.00	02	508.61	34	374.51	231	1,891.10
2019-20	231	1,891.10	Nil	272.05	08	577.89	223	1,585.26

Source: Data compiled by O/o the AG (A&E), Chhattisgarh in respective years

As can be seen from Table 4.6, during 2015-16 to 2019-20, a total of 17 PD accounts were

opened and 106 accounts were closed; as of 31 March 2020, 223 PD accounts were in operation and the closing balance in these accounts was ₹1,585.26 crore.

The State Government drew an amount of ₹0.27 crore from Major Head 2056 during March 2020 and deposited the same in PD accounts, the details of which are shown in **Table-4.7**. Such transfers at the end of the financial year indicate that the transfers were done to prevent lapse of budgetary provision.

**Table 4.7: Details of amounts transferred to Personal Deposit Accounts during March 2020**

(₹ in crore)		
Administrator	Major Head	Amount
Superintendent, Central Jail, Bilaspur	2056	0.27
<b>Total</b>		<b>0.27</b>

Non-transfer of unspent balances lying in PD Accounts to Consolidated Fund of the State entails the risk of misuse of public fund, fraud and misappropriation. Further, the Departmental officers have not verified/ reconciled the balances with those maintained by the Office of the Accountant General (A&E), Chhattisgarh.

#### **4.6.1 Funds relating to Land Acquisition kept in PD Accounts**

Out of the closing balance of ₹1,585.26 crore under PD Accounts, ₹1,280.15 crore were on account of non-disbursement of amount to the concerned beneficiaries relating to land acquisition. The treasury wise details of undisbursed funds pertaining to land acquisition are given in **Table 4.8**.

**Table 4.8: Details of funds pertaining to Land Acquisition kept in PD Accounts**

(₹ in crore)		
Sl. No.	Name of the Treasury	Amount pertains to Land Acquisition
1	Bilaspur	355.37
2	Raipur	259.89
3	Raigarh	186.14
4	Janjgir-Champa	78.73
5	Ambikapur	65.78
6	Balrampur	51.79
7	Gariyaband	42.07
8	Korba	41.44
9	Jagdalpur	35.90
10	Rajnandgaon	34.74
11	Mahasamund	29.22
12	Kabirdham	13.48
13	Jashpur	13.40
14	Korea	12.94
15	Surajpur	11.21
16	Kanker	10.90
17	Durg	6.79
18	Kondagaon	6.61
19	Dantewada	6.44
20	Balodabazar	5.30
21	Dhamtari	4.81
22	Mungeli	4.54
23	Bemetara	2.48
24	Bijapur	0.18
<b>Total</b>		<b>1,280.15</b>

Source: Data compiled by O/o the AG (A&E), Chhattisgarh

#### **4.6.2 Inoperative PD accounts**

PD Accounts, which are inoperative for three years continuously, should be closed by the Treasury Officer by giving notice to the Administrator of the PD account and action for transfer of balance amount as Revenue deposit credit to Government Account should be initiated.

Audit noticed that out of a total number of 223 PD accounts, 11 PD accounts having a total balance of ₹0.96 crore remained in-operative for more than three years as of 31 March, 2020. However, no action has been taken for closing these accounts by the concerned Treasuries.

### **4.7 Accounting of Transactions Relating to Central Road Fund**

The List of Major and Minor Heads of Accounts prescribes the accounting procedure relating to Central Road Fund (CRF). In terms of the extant accounting procedure, the grants are to be initially booked as revenue receipts under Major Head “1601 Grants-in-Aid”, and an equivalent amount is to be transferred to the Public Account under Major Head “8449-Other Deposits- 103 Subvention from Central Road Fund”, by contra debit to revenue expenditure Major Head “3054 Roads and Bridges”.

As against the aforesaid procedure prescribed by the Central Government, the Government of India released ₹371.61 crore from Central Road Fund during 2019-20, out of which only ₹198.55 crore was transferred by the State Government to “8449-Other Deposits-103 Subvention from Central Road Fund” in the Public Account.

### **4.8 Funds outside Consolidated Fund or Public Account of the State**

Labour Cess collected by Government Departments has been directly booked under MH-8443-Civil Deposit-108-Public Works Deposits without routing the same through the Consolidated Fund of Chhattisgarh, as required under Article 266 (1) of the Constitution of India. Further, since Minor Head-Public Works Deposits does not have any further sub-heads below it, it has not been possible to segregate the amounts paid to the Labour Welfare Board.

#### **4.8.1 Year-wise receipt and utilisation of Labour Cess**

Scrutiny of records of the Chhattisgarh Building and Other Construction Workers Welfare Board revealed that cess collected by various agencies were sent through cheques/drafts to the Board or deposited in the savings bank account of the Board opened for the purpose through District Labour Offices. The year-wise position of receipt and expenditure of cess for the period 2017-18 to 2019-20 is detailed in **Table 4.9**.

**Table 4.9: Year-wise receipt and utilisation of Labour Cess**

(₹ in crore)

Year	Opening Balance	Receipts			Total fund available	Expenditure (including establishment charges)	Closing balance
		Registration charges and Other Receipt	Labour cess received in Board accounts	Interest on deposits			
2017-18	282.49	0.22	185.93	13.91	482.55	209.10	273.45
2018-19	273.45	0.95	199.71	19.99	494.10	193.57	300.53
2019-20	300.53	9.93	163.62	21.81	495.89	115.09	380.80

Source: Information received from the CG Construction & Labour Welfare Board

Out of total expenditure of ₹115.09 crore during 2019-20, the Board incurred an expenditure of ₹112.62 crore (97.85 per cent) on welfare schemes and ₹2.47 crore (2.15 per cent) on establishment charges.

The State Government has operated various schemes/activities like pensions, maternity benefits, advance for construction of houses, funeral assistance, medical assistance, assistance for encouragement in sports for students, financial assistance for education/marriage/skill development, distribution of LPG gas connection and stove *etc.* for beneficiaries from the Building and Other Construction Workers' Welfare Fund (BOCWWF). Details of expenditure on these schemes during the period 2016-17 to 2019-20 are depicted in **Table 4.10**.

**Table 4.10 Expenditure on schemes from available fund**

(₹ in crore)

Year	Available fund	Schemes operated		Actual expenditure on schemes	Registered workers at the end of the year	Workers covered	Percentage		
		No.	Allotment of Fund				Workers covered	Fund utilised against allotment	Fund utilised against availability
2016-17	466.41	36	273.13	180.83	10,13,018	9,57,190	94.49	66.21	38.77
2017-18	482.55	36	308.38	202.66	14,13,021	4,82,901	34.17	65.72	42.00
2018-19	494.10	27	342.51	166.98	19,17,281	9,92,847	51.78	48.75	33.79
2019-20	495.89	21	367.32	96.57	20,00,567	3,90,818	19.54	26.29	19.47

Source: information received from the CG Construction & Labour Welfare Board

The Board could utilise only 19.47 per cent of available funds and only 19.54 per cent of registered workers were benefited under various schemes during 2019-20.

Due to non-utilisation of funds amounting to ₹380.80 crore, registered workers were deprived of the benefits of various schemes.

Audit scrutiny revealed that out of ₹33.48 crore of Cess collected by different State Government departments, only an amount of ₹31.71 crore (includes balance of previous years also) was transferred to the Board and balance of ₹6.66 crore has been kept under Public Account Major Head 8443. Details of departments-wise short transfer are shown in **Table 4.11**.

**Table 4.11: Departments-wise short transfer of Welfare Cess to the Board**

(₹ in crore)

Name of the Department	Short transfer
Public Works Department	5.22
Public Health Engineering Department	0.31
Rural Engineering Services ( <i>Panchayat</i> and Rural Development Department)	0.25
Rural Development Division ( <i>Panchayat</i> and Rural Development Department)	0.88
<b>Total</b>	<b>6.66</b>

#### **4.9 Booking under Minor Head 800**

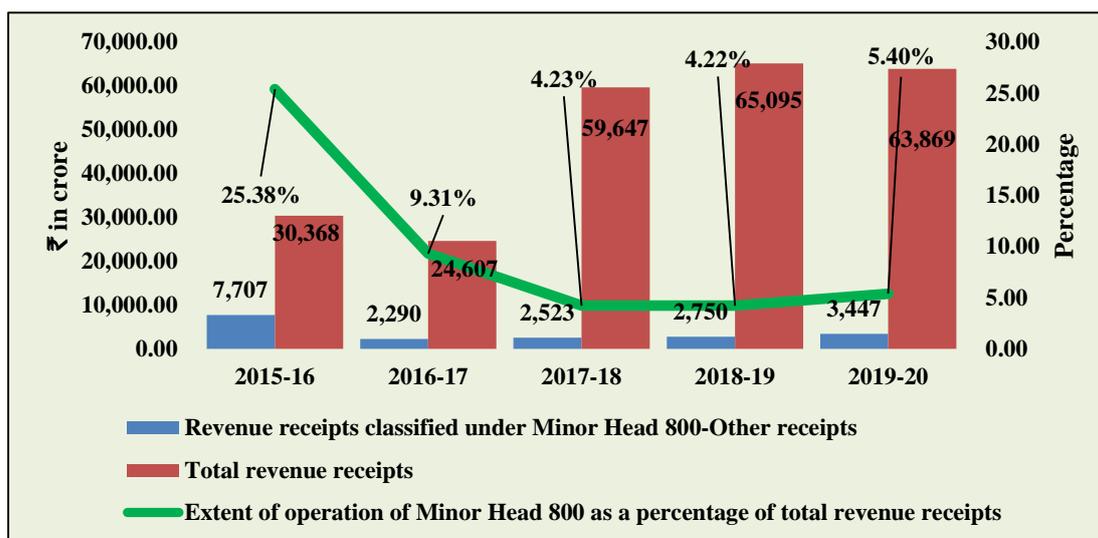
Minor Head–800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate Minor Head has not been provided in the accounts. Routine operation of Minor Head–800 is to be discouraged, since it renders the accounts opaque and it does not disclose the schemes/ programmes, etc. to which it relates.

Receipts of ₹3,447.19 crore (constituting 5.40 *per cent* of the total revenue receipts of ₹63,868.70 crore of the State during 2019-20), recorded under 41 Revenue Heads, were classified under the Minor Head ‘800-Other Receipts. Further, out of total receipts of ₹450.28 crore booked under 15 Major Heads of accounts (revenue receipts), ₹450.63 crore (100 *per cent*) was classified under ‘800-Other Receipts’. Receipts under the Minor Head ranged from 52.38 to 106.46 *per cent* of total revenue receipts under the respective Major Heads. Details are given in *Appendix 4.3*.

Similarly, an expenditure of ₹976.82 crore (constituting 1.19 *per cent* of total expenditure ₹82,043.70 crore of the State during 2019-20), recorded under 34 Revenue Heads and 12 Capital Heads, was classified under the Minor Head ‘800-Other Expenditure’. Out of the total expenditure of ₹837.97 crore booked under *nine* Major Heads of accounts (revenue and capital), an amount of ₹603.64 crore (72.04 *per cent*) was classified under the Minor Head of account ‘800-Other Expenditure’. Such expenditure under the Minor Head ranged from 52 *per cent* to 100 *per cent* of total expenditure under the respective Major Heads reflecting the incongruity of classification, as shown in *Appendix 4.4*.

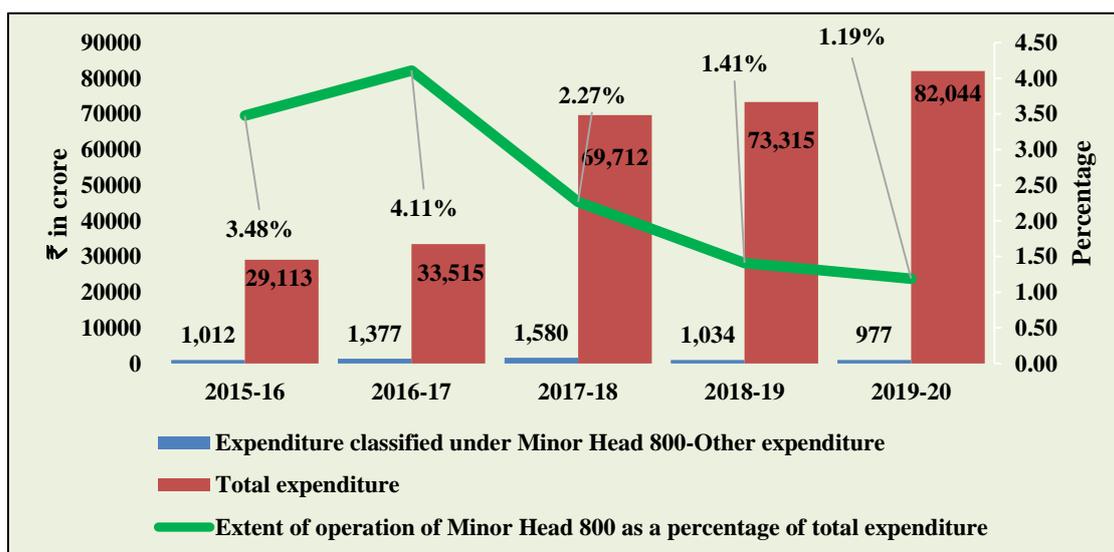
The extent of operation of Minor Head 800 for receipts and expenditure, as a percentage of Total Receipts and Expenditure during 2015-20, is given in **Charts 4.3 and 4.4**:

Chart 4.3: Operation of Minor Head 800-Other Receipts during 2015-20



Source: Finance Accounts of the respective years

Chart 4.4: Operation of Minor Head 800-Other expenditure during 2015-20



Source: Finance Accounts of the respective years

This issue has been flagged in the SFAR every year. There has been a minor increase in the amount classified under this Minor Head on the Receipts side during 2019-20 (5.40 per cent) compared to the previous year (4.22 per cent). On the expenditure side, it decreased from 1.41 per cent in 2018-19 to 1.19 per cent of total expenditure during 2019-20. The fact that such substantial proportion of the Receipts and Expenditure under the Major Head concerned are booked under Minor Head 800 is a cause for serious concern, since it severely impacts transparency of accounts.

#### 4.9.1 Booking of Royalty in unspecified Heads of Account

As per the List of Major and Minor Heads of Account of Union and States, the royalties realised from mines should be classified under Major Head 0853 Non-Ferrous Mining and Metallurgical Industries-Minor Head 102- Mineral Concession fees, rents and royalties.

During audit test check of challans in respect of Major and Minor Head 0853-800, it was noticed that as against total revenue receipts of ₹1,386.47 crore under Major Head 0853-800 during 2019-20, receipts of royalties of ₹1.85 crore was booked under Minor Head- 800-other receipts instead of Minor Head 102-Mineral Concession fees, rents and royalties as prescribed in the List of Major and Minor Heads of Account. The details are shown in **Table 4.12**.

**Table: 4.12: Details of revenue receipts booked erroneously under Minor Head 800**

(₹ in crore)

Sl. No.	Name of Treasury/Bank	No. of Cases	Total Receipts booked erroneously under 800
1	Raipur	89	0.51
2	Mungeli	2	0.41
3	Baikhunthpur	18	0.36
4	Rajnandgaon	5	0.32
5	Kondagaon	4	0.08
6	Raigarh	4	0.06
7	Dhamtari	2	0.04
8	Balodabazaar	3	0.03
9	Korba	12	0.03
10	Bemetara	1	0.01
11	Keshkal	2	#0.00
12	Jagdalspur	1	*0.00
<b>Total</b>		<b>143</b>	<b>1.85</b>

Source: Data furnished by O/o the AG (A&E), Raipur  
# ₹34,932.00 and \* ₹21,935.00

Rule 56(2) of Chhattisgarh Minor Minerals, 1996 read with Chhattisgarh Minerals Resources Department's order (October, 2012) states that 33 *per cent* of total royalty revenue shall be disbursed to the Panchayat and Rural Development Department and remaining 67 *per cent* of total royalty revenue shall be disbursed to the concerned individual *Panchayat* and *Janpad Panchayat*. Considering the above stated provisions, the misclassifications of Minor Head 102 (Mineral Concession fees rents and royalties) under Major Head 0853 (Non-Ferrous Mining and Metallurgical Industries) to Minor Head 800 (Other receipts), a substantial revenue loss to the *Gram Panchayat* and *Janpad Panchayat* cannot be ruled out.

#### **4.10 Non-Reconciliation of Departmental Figures**

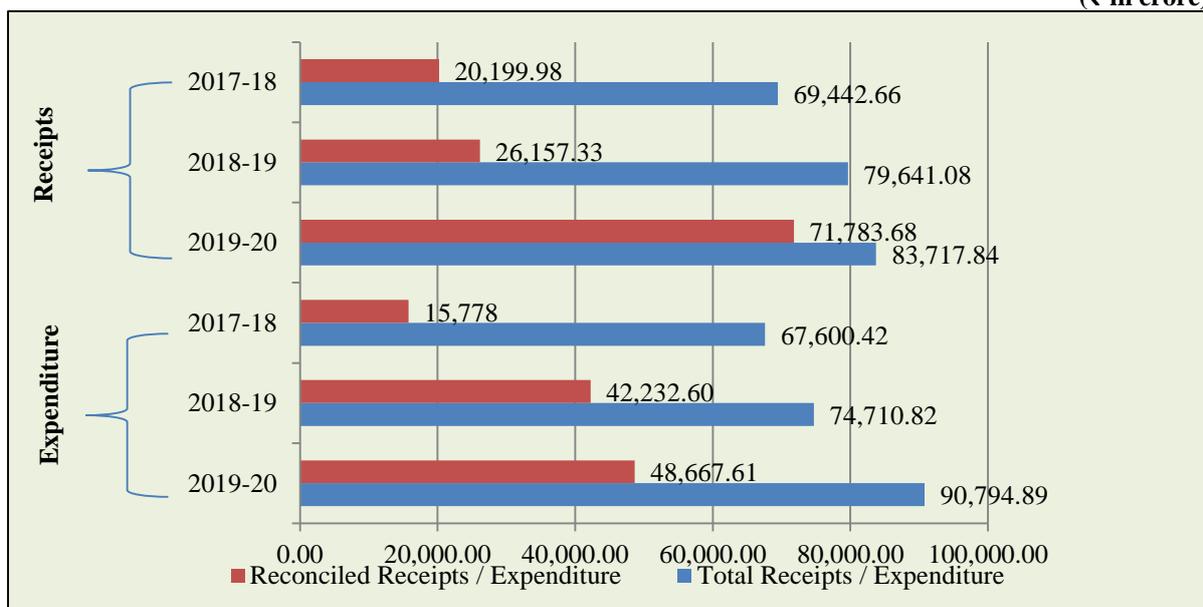
Financial Rules stipulate that receipts and expenditure recorded in the books of accounts of Controlling Officers (COs) be reconciled by them every month during the financial year with those recorded in the books of the Accountant General (Accounts and Entitlements). This is to enable the COs to exercise effective control over expenditure and manage their budgetary allocation efficiently, and ensure accuracy of their accounts.

While 32.84 *per cent* of the receipts and 56.53 *per cent* of the disbursements were reconciled during 2018-19, these figures are 85.74 *per cent* for receipts and 53.60 *per cent* in respect of disbursements for the year 2019-20.

The status of reconciliation of receipts and expenditure by the COs during the three year period 2017-20 is shown in **Chart 4.5**.

Chart 4.5: Status of reconciliation during the three years 2017-20

(₹ in crore)



Source: Data compiled by O/o the AG (A&E), Chhattisgarh

The details relating to the number of COs and the extent of reconciliation during the last three years are given in Table 4.13.

Table 4.13: Status of Reconciliation of Receipts and Expenditure figures

(₹ in crore)

Year	Total No. of Controlling Officers	Fully Reconciled	Partially Reconciled	Not reconciled at all	Total Receipts/ Expenditure	Reconciled Receipts/ Expenditure	Percentage of Reconciliation
<b>Receipts</b>							
2017-18	40	12	00	28	69442.66	20199.98	29.09
2018-19	40	13	00	27	79641.08	26157.33	32.84
2019-20	40	14	14	12	83717.84	71783.68	85.74
<b>Expenditure</b>							
2017-18	94	24	01	69	67600.42	15778.00	23.34
2018-19	94	44	20	30	74710.82	42232.60	56.53
2019-20	94	19	39	36	90794.89	48667.61	53.60

Source: Data compiled by O/o the AG (A&E), Raipur

Reconciliation and verification of figures is an important tool of financial management. Failure to exercise/ adhere to the codal provisions and executive instructions in this regard not only results in misclassification and incorrect booking of receipts and expenditure in the accounts, but also defeats the objective of budgetary process.

#### 4.11 Reconciliation of Cash Balances

As on 31 March 2020, there was a difference of ₹8.96 crore (Net credit), between the Cash Balance of the State Government, as per the books of Accounts of the Accountant General (A&E), and the Cash Balance as reported by the Reserve Bank of India. This difference was due to erroneous reporting by accredited Banks to the Central Accounts Section, Reserve Bank of India, Nagpur which is responsible for maintaining the cash balance of the State Government.

#### 4.12 Compliance with Indian Government Accounting Standards

Government Accounting Standards Advisory Board (GASAB) set up by the Comptroller and Auditor General of India in the year 2002 has been formulating Standards for Government accounting and financial reporting, to enhance accountability mechanisms. As at end of March 2020, three Indian Government Accounting Standards (IGAS) have been notified. The details of these Standards and the extent of compliance with these by the Government of Chhattisgarh in its financial statements for the year 2019-20 are given in **Table 4.14**.

**Table 4.14: Compliance with Indian Government Accounting Standards**

IGAS	Essence of IGAS	Status	Impact of non-compliance
<b>IGAS 1</b> <i>Guarantees given by government—Disclosure requirements</i>	This standard requires the government to disclose the maximum amount of guarantees given during the year in its financial statements along with additions, deletions, invoked, discharged and outstanding at the end of the year.	Complied	State Government disclosed in final accounts the maximum amount guaranteed during the year 2019-20, along with additions during the year, discharged, invoked and outstanding as of end of March 2020
<b>IGAS 2-</b> <i>Accounting and Classification of Grants-in-Aid</i>	Grants-in-Aid are to be classified as revenue expenditure in the accounts of the grantor and as revenue receipts in the accounts of the grantee, irrespective of the end use	Not complied	State Government made budgetary provision and classified GIA amounting to ₹1,939.61crore under Capital section without obtaining the concurrence of Accountant General. It did not also furnish any information regarding GIA paid in kind during the year. Non-compliance led to understatement of revenue deficit and overstatement of Capital Expenditure
<b>IGAS 3-</b> <i>Loans &amp; Advances made by Government</i>	This Standard relates to recognition, measurement, valuation and reporting in respect of loans and advances made by the Government in its financial statements to ensure complete, accurate and uniform accounting practices	Complied	All the disclosures as mentioned in this Standard have been included in the Finance Accounts. Information relating to additional disclosure <i>i.e.</i> arrear of loans have been received from the State Government in prescribed format of IGAS 3.

#### 4.13 Submission of Accounts/Separate Audit Reports of Autonomous Bodies

The State Government has set up several Autonomous Bodies (ABs), out of which audit of only four Autonomous Bodies has been entrusted to the Comptroller & Auditor General of India. The status of entrustment of audit, rendering of accounts to audit and issuance of Separate Audit Reports as on September 2020 is given in **Table 4.15**.

**Table: 4.15: Position of submission of accounts**

Sl. No.	Name of the Body	Section	Period of entrustment	Year to which accounts rendered	Status of SAR	Delay in rendering of accounts (in months)
01	State CAMPA, Chhattisgarh State	20(1) of DPC Act,	2014-15 onwards	2016-17	SAR for the years 2014-15 & 2015-	30 (2017-18) 18 (2018-19)

		1971			16 issued to the State Government	06 (2019-20)
02	Chhattisgarh State & District Legal Services Authority	19(2) of DPC Act, 1971	2009 and onwards	2012-13 to 2014-15	SARs issued to the State Government.	54 (2015-16) 42 (2016-17) 30 (2017-18) 18 (2018-19) 06 (2019-20)
03	Chhattisgarh State Housing Board	19(3) of DPC Act, 1971	2007-08 to 2012	2007-08 to 2011-12	SARs issued to the State Government.	Not entrusted from 2011-12 onwards
04	Chhattisgarh Real Estate Regulatory Authority	19(2) of DPC Act, 1971	2019-20 onwards	2019-20 <sup>3</sup>	--	06 (2019-20)

The audit of accounts of Chhattisgarh Real Estate Regulatory Authority under Section 19 (2) of the C&AG's (DPC) ACT, 1971 was entrusted in March 2019 after more than three years following the enactment of Real Estate (Regulation and Development), Act, 2016 (March 2016).

#### **4.14 Delay in finalization of accounts of Public Sector Undertakings**

The Companies Act, 2013 stipulates that the annual financial statements of companies are to be finalised within six months from the end of the relevant financial year, i.e. September end for the year. Failure to do so may attract penal provisions under which every officer of the concerned defaulting Company shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹5,00,000 or with both. **Table 4.16** below provides the details of progress made by Public Sector Undertakings (PSUs) in finalisation of accounts as of 1<sup>st</sup> October 2020.

**Table 4.16: Position relating to finalisation of accounts of PSUs**

Sl. No.	Particulars	Working	Non-working	Total
1	Number of PSUs	28	2	30
2	Number of PSUs having accounts in arrears	27	1	28
3	Number of accounts in arrears	44	3	47
4(a)	Number of PSUs with arrears between two to five years	7	1	8
4(b)	Number of accounts in arrears in the above PSUs	22	3	25
5(a)	Number of PSUs with arrears up to one year	20	0	20
5(b)	Number of accounts in arrears in the above PSUs	22	0	22
6	Extent of arrears (numbers in years)	1 to 4	1-3	1 to 4

**Source: Data compiled from information furnished by the company**

The State Government provided budgetary support (grants & subsidies) and accepted liability (guarantee) for ₹17,610.71 crore in fourteen PSUs during the period for which their accounts were in arrears up to 31 March 2020. These PSUs have not finalised their accounts for the last one to four years in violation of the provisions of the Companies Act, as given in **Appendix 4.5**. However, no budgetary support had been extended to the non-working PSUs. Due to non-finalisation of accounts, the C&AG has been unable to discharge his responsibilities with regard to certification of accounts of these PSUs as required under CAG's DPC Act, 1971 and the Companies Act.

<sup>3</sup> Annual account for the year 2019-20 has been received on 23<sup>rd</sup> October, 2020.

The above position reflects the failure of the concerned administrative departments and specifically of the Finance Department to ensure that the defaulting companies comply with the relevant Acts.

The Finance Department should review the cases of all PSUs that are in arrears of accounts to ensure that the accounts are made current within a reasonable period. Finance Department should review continued financial support in all cases where accounts continue to be in arrears.

#### **4.15 Cases of losses and defalcation, etc.**

Rules 22 and 23 of the CGFC Vol.-I, provide that each and every case of loss, misappropriation and defalcation of public fund will have to be reported to the Accountant General. Further, Rule 24 of the Code provides that any serious loss of immovable property such as buildings, roads and bridges caused by fire, flood, storm, earthquake or any other natural calamity should be reported to the Accountant General. This is followed by detailed investigation by the departments and report thereof citing reasons for such losses and measures/action taken to prevent recurrence.

As of 31st March 2020, a total of 2,112 cases amounting to ₹125.74 crore pending in various departments of the State Government, were awaiting conclusive investigation and settlement. The department-wise and category-wise break-up of pending cases is given in *Appendix 4.6*. Year-wise analysis of cases is shown in *Appendix 4.7*. The age-profile of the pending cases and the number of cases pending in each category viz. theft and loss are summarised in **Table: 4.17**.

**Table 4.17: Profile of losses and defalcation, etc.**

(₹ in crore)

Age-profile of the pending cases			Nature of the pending cases		
Range in years	Number of cases	Amount involved	Nature of the case	Number of cases	Amount involved
0 – 5	258	9.71			
5 – 10	510	91.13	Theft	138	0.55
10 – 15	262	11.52	Loss of property/material	1,904	119.78
15 – 20	203	3.52	Defalcation	70	5.41
20 – 25	222	4.48			
25 & above	657	5.38			
<b>Total</b>	<b>2,112</b>	<b>125.74</b>	<b>Total pending cases</b>	<b>2,112</b>	<b>125.74</b>

Source: Cases reported by the departments of the State Government

Out of 2,112 cases, Forest Department and School Education Department had 524 and 39 cases respectively which were pending for more than 25 years. First Information Reports were lodged in 357 cases out of 2,112 cases.

Further, it was also observed that in 40 cases, various departments had recovered ₹8.78 lakh during 2019-20 as detailed in *Appendix 4.8*.

#### **4.16 Off Budget Borrowing**

Government of Chhattisgarh issued guarantees to Chhattisgarh Housing Board (valid up to 2031) for availing loans of ₹800 crore from Canara Bank for construction of 6,424 residential buildings for Government Officers and Employees. Government also issued guarantees to

Chhattisgarh Police Housing Corporation Limited (CPHCL) for availing loans of ₹800 crore from two financial institutions i.e. Allahabad Bank (₹400 crore) and Canara Bank (₹400 crore) for construction of 10,000 residential houses for Police Officers and Employees. Further, Government issued block guarantees to State Urban Development Authority (SUDA) for availing loans of ₹3,357 crore from financial institutions for payment of State share in “Pradhan Mantri Awaas Yojana” (PMAY-Urban).

Chhattisgarh Housing Board (CHB) availed of a loan of ₹ 82.58 crore from Canara Bank for construction of 6,424 residential houses of Government officials in various districts of Chhattisgarh during 2019-20. Similarly, during 2019-20 CPHCL also availed loans of ₹ 54.35 crore from Allahabad Bank and ₹ 57.33 crore from Canara Bank for construction of 10,000 residential houses for police officials. Further, SUDA availed loan of ₹ 500 crore from State Bank of India during 2019-20 for payment of State share for implementation of PMAY-Urban.

The State Government during the period from 2017-18 to 2019-20, released an amount of ₹90.77 crore to CHB, ₹77.90 crore to CPHCL and ₹13.83 crore to SUDA towards interest on these loans. The total repayment made by the entities to the banks was ₹ 208.10 crore (CHB: ₹111.32 crore as interest, CPHCL: ₹64.69 as interest and ₹6.42 crore as principal and SUDA: ₹25.67 crore as interest). Provision has been made for the repayment of interest in the Budget. The details in this regard are given below in **Table 4.18**:

**Table 4.18: Budget provision made, amount released and paid to banks by entities.**

(₹ in crore)

Year	Name of the entity	Budget estimates	Released to entity/ Expr.	Amount paid to Bank by entity
2017-18	CHB (₹800 crore)	0.00	0.00	2.59
2018-19		32.00	0.00	33.63
2019-20		70.00	67.66	50.80
<b>Total</b>		<b>102.00</b>	<b>67.66</b>	<b>87.02</b>
2017-18	CHB (₹195 crore)	17.25	0.00	0.00
2018-19		3.00	0.00	7.68
2019-20		27.01	23.11	16.61
<b>Total</b>		<b>47.26</b>	<b>23.11</b>	<b>24.29</b>
2017-18	CPHCL	20.00	6.00	5.79
2018-19		34.00	23.60	22.50
2019-20		50.00	48.30	42.83
<b>Total</b>		<b>104.00</b>	<b>77.90</b>	<b>71.12</b>
2017-18	SUDA	0.00	0.00	0.00
2018-19		34.14	0.00	0.00
2019-20		90.00	13.83	25.67
<b>Total</b>		<b>124.14</b>	<b>13.83</b>	<b>25.67</b>

**Source: Information provided by entities and budget documents**

Budget documents of the State Government for the year 2017-18 to 2019-20 did not disclose any Off-Budget borrowings. Further, in the FRBM disclosures prepared as per the FRBM Act, with regard to the details in Form D2 – ‘Components of Liabilities of State Government’ under the category ‘Principal and Interest paid from State Budget for loan availed by PSUs and SPV’, the State Government has reported ‘Nil’.

#### 4.16.1 Post audit liabilities

**Table 4.19** depicts the assessment of the actual liabilities after taking into account the off-budget borrowings by State Public Sector Companies, Special Purpose Vehicle (SPV) and other equivalent instruments on behalf of the State Government where the principal and/or interest were to be serviced out of the State Budgets during 2019-20.

**Table 4.19: Overall liabilities, post examination in Audit**

Details	Under statement of Liabilities (₹ in crore)
Chhattisgarh Housing Board	82.58
Chhattisgarh Police Housing Corporation Limited	111.68
State Urban Development Authority	500.00
<b>Total</b>	<b>694.26</b>

Source: Finance Accounts of 2019-20

The outstanding liabilities of the State which have been depicted as ₹ 78,712.46 crore (23.91 per cent of GSDP) in the Finance Accounts would actually be ₹ 79,406.72 crore (24.12 per cent of GSDP) if the above detailed off-budget borrowings are taken into consideration.

#### 4.17 Follow-up on Audit Reports

State Finances Audit Report is being presented to the State Legislature from 2008-09 onwards. However, the Public Accounts Committee (PAC) of Chhattisgarh State Assembly is yet to take up these reports for discussion (December 2020).

#### 4.18 Conclusion

*Significant amounts provided by the State Government to various agencies for implementation of developmental schemes were parked in bank accounts, which resulted in non-achievement of the intended objectives of providing such funds.*

*Non-submission of UCs and DCC bills by Departments for funds drawn for specific developmental programmes/ projects and non-submission of accounts by public sector entities was violative of prescribed financial rules and directives. This points to inadequate internal controls and deficient monitoring mechanism of the State Government.*

*Operation of omnibus Minor Head 800 – ‘Other Receipts’ (₹3,447.19 crore) and ‘Other Expenditure’ (₹976.82 crore) affected transparency in financial reporting and obscured proper analysis of allocative priorities and quality of expenditure.*

*Non-reconciliation of receipts and expenditure booked by the Controlling Officers of the State with the figures of the Accountant General (A&E) reflects poorly on the internal control system within the Government and raises concerns relating to accuracy of accounts.*

*Government of Chhattisgarh has not disclosed in its budget, its liabilities with regard to the loans obtained by various public sector entities at its behest for implementation of various socio-economic developmental programmes.*

#### 4.19 Recommendations

- i. State Government needs to institute a rigorous monitoring mechanism to ensure that the Departments comply with the prescribed rules and procedures with regard to submission of UCs and DCC bills to the Accountant General (A&E) within the stipulated timeframe.
- ii. All the accounts rendering units need to be instructed to submit the complete accounts as per the prescribed time schedule and furnish the missing/incomplete details to enable clearance of suspense and remittances transactions in a time bound manner.
- iii. State Government should discourage the use of omnibus Minor Head 800 and chalk out a specific timeframe, in consultation with the Accountant General (A&E), to identify appropriate Heads of Account to classify the transactions correctly in the books of accounts.
- iv. State Government should disclose all its liabilities, including extra-budgetary borrowings transparently while presenting its budget, to enable proper appreciation of its financial position.
- v. Internal control mechanism needs to be strengthened and the Government needs to ensure that the Controlling Officers reconcile their figures of receipts and expenditure with those of the Accountant General (A&E) at prescribed intervals, to provide transparency and accuracy in accounting of Government transactions.

Raipur  
The 17 JUN 2021

  
(DINESH R. PATIL)  
Principal Accountant General (Audit)  
Chhattisgarh

Countersigned

New Delhi  
The 23 JUN 2021

  
(GIRISH CHANDRA MURMU)  
Comptroller and Auditor General of India



# **APPENDICES**



**Appendix 1.1 :**  
(Reference: Paragraph- 1.1.: Page 1)  
**State Profile**

**A-General Data**

Sl. No.	Particulars	Figures (Chhattisgarh)	
1	Area	1,35,192 Sq.km	
2.	Population (as per 2011 Census)	2.55 crore	
3	Density of population (as per 2011 Census) (all India density = 382 persons per sq. Km.)	189 person per Sq. km	
4	Population Below Poverty Line 2011-12 (all India average = 21.90 per cent)	39.90 per cent	
5	Literacy (as per 2011 Census ) (all India average = 73.00 per cent)	70.30 per cent	
6	Infant mortality (as of 2017) (per 1000 live births) (all India average = 33 per 1000 live births)	38 per 1000 live births	
7	Life expectancy at birth (All India average in years 2014-18 = 69.40)	65.20	
8	Population Growth (2011-2020)	General Category States	10.98
		Chhattisgarh	13.77
9	Gross State Domestic Product (GSDP) 2019-20 at current price	3,29,180 crore	

**B. Financial Data**

Particulars					
CAGR		2010-11 to 2018-19		2018-19 to 2019-20	
		General Category States	Chhattisgarh	General Category States	Chhattisgarh
		(in per cent)			
<b>a.</b>	of Revenue Receipts	13.65	14.06	2.08	-1.88
<b>b.</b>	of Tax Revenue	12.21	11.44	2.12	3.22
<b>c.</b>	of Non Tax Revenue	11.19	9.11	23.44	3.00
<b>d.</b>	of Total Expenditure	13.87	15.72	4.09	11.62
<b>e.</b>	of Capital Expenditure	14.64	14.80	-3.86	-3.79
<b>f.</b>	of Revenue Expenditure on Education	11.58	15.09	11.81	27.94
<b>g.</b>	of Revenue Expenditure on Health	15.43	21.44	9.48	21.65
<b>h.</b>	of Salary and Wages	10.78	13.73	9.51	22.21
<b>i.</b>	of Pension	14.14	14.72	9.74	22.27

(Note: Financial data is based on Finance Accounts of the States Government)

**Appendix 2.1**  
(Reference: Paragraphs: 2.4.1 Page 26)  
**Time Series Data on State Government Finances**

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Part A- Receipts</b>					
<b>1. Revenue Receipts</b>	<b>46,068(86)</b>	<b>53,685(90)</b>	<b>59,647(86)</b>	<b>65,095 (82)</b>	<b>63,869</b>
<b>(i) Own Tax Revenue</b>	<b>17,075 (37)</b>	<b>18,945(35)</b>	<b>19,895(33)</b>	<b>21,427(33)</b>	<b>22,118</b>
Taxes on Agricultural Income	0	0	0	0	0
VAT/Taxes on Sales, Trade, etc.	8,908(52)	9,927(52)	6,450(32)	4,088(19)	3,931(18)
State Excise	3,338(20)	3,444(18)	4,054(20)	4,489(21)	4,952(22)
Taxes on Vehicles	829(05)	985(5)	1,180(6)	1,205(06)	1,275(06)
Stamps and Registration Fees	1,185(07)	1,211(6)	1,197(6)	1,108(05)	1,635(07)
Land Revenue	364(02)	504(3)	446(2)	488(02)	552(02)
Taxes on Goods and Passengers	1,040(06)	1,340(7)	478(2)	54(0)	41(0)
State Goods and Service Tax	0	0	4,387(22)	8,203(38)	7,895(36)
Other Taxes	1,411(08)	1,534(8)	1,703(09)	1,792(08)	1,838(09)
<b>(ii) Non Tax Revenue</b>	<b>5,215(11)</b>	<b>5,669(11)</b>	<b>6,340(11)</b>	<b>7,703(12)</b>	<b>7,934(12)</b>
<b>(iii) State's share in Union taxes and duties</b>	<b>15,716(34)</b>	<b>18,809(35)</b>	<b>20,755(35)</b>	<b>23,459(36)</b>	<b>20,206(32)</b>
<b>(iv) Grants in aid from GOI</b>	<b>8,062(18)</b>	<b>10,262(19)</b>	<b>12,657(21)</b>	<b>12,506(19)</b>	<b>13,611(21)</b>
<b>2. Misc. Capital Receipts</b>	<b>03</b>	<b>02</b>	<b>03</b>	<b>05</b>	<b>04</b>
<b>3. Recoveries of Loans and Advances</b>	<b>296</b>	<b>173</b>	<b>138</b>	<b>162</b>	<b>257</b>
<b>3(a) Inter-State Settlement</b>	<b>01</b>	<b>00</b>	<b>01</b>	<b>02</b>	<b>00</b>
<b>4. Total Revenue and Non Debt Capital Receipts (1+2+3)</b>	<b>46,367</b>	<b>53,860</b>	<b>59,789</b>	<b>65,264</b>	<b>64,130</b>
<b>5. Public Debt Receipts</b>	<b>7,251(14)</b>	<b>5,480(9)</b>	<b>9,652(14)</b>	<b>14,370(18)</b>	<b>19,588</b>
<b>Internal Debt (Excluding Ways &amp; Means Advances &amp; overdrafts)</b>	7,106	5,098	9,188	13,817	19,308 <sup>1</sup>
<b>Net transactions under ways and means advances and overdraft</b>	0.00	0.00	0.00	0.00	0.00
<b>Loans and Advances from Government of India</b>	145	382	465	553	279
<b>6. Total Receipt in the consolidated fund (4+5)</b>	<b>53,618</b>	<b>59,340</b>	<b>69,441</b>	<b>79,634</b>	<b>83,718</b>
<b>7. Contingency Fund Receipts</b>	<b>0</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>05</b>
<b>8. Public Account Receipts</b>	<b>55,059</b>	<b>62,694</b>	<b>72,058</b>	<b>76,903</b>	<b>89,910</b>
<b>9. Total receipts of the State (6+7+8)</b>	<b>1,08,677</b>	<b>1,22,094</b>	<b>1,41,499</b>	<b>1,56,537</b>	<b>1,73,628</b>

<sup>1</sup> including Special Drawing Facility

	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Part B: Expenditure/Disbursement</b>					
<b>Revenue Expenditure</b>	<b>43,701(84)</b>	<b>48,165(83)</b>	<b>56,230(84)</b>	<b>64,411(88)</b>	<b>73,477(89)</b>
General Services (incl. interest payments)	10,409(24)	11,496(24)	12,870(23)	15,280(24)	19,095(26)
Social Services	16,339(37)	21,342(44)	24,372(43)	23,455(37)	26,653(36)
Economic Services	16,053(37)	14,176(29)	17,623(31)	24,781(39)	26,609(36)
Grants-in-aid and Contributions	900(02)	1,151(02)	1,365(02)	895(01)	1,120(2)
<b>11. Capital Expenditure</b>	<b>7,945(15)</b>	<b>9,471(16)</b>	<b>10,001(15)</b>	<b>8,903(12)</b>	<b>8,566 (10)</b>
General Services	362(05)	188(1.99)	303(3)	255(03)	194(02)
Social Services	1,807(23)	2,461(26)	2,652(27)	1,774(20)	1,912(22)
Economic Services	5,776(73)	6,822(72)	7,046(70)	6,874(77)	6,460(76)
<b>12. Disbursement of Loans and Advances</b>	<b>165</b>	<b>273</b>	<b>369</b>	<b>240</b>	<b>56</b>
<b>12(a) Inter-State Settlement</b>	<b>0.49</b>	<b>0.44</b>	<b>1.00</b>	<b>0.25</b>	<b>0.05</b>
<b>13.Total (10+11+12+12[a])</b>	<b>51,811</b>	<b>57,909</b>	<b>66,600</b>	<b>73,555</b>	<b>82,100</b>
<b>14. Repayment of Public Debt</b>	<b>1,250</b>	<b>1,153</b>	<b>1,000</b>	<b>1,146</b>	<b>8,696</b>
Internal Debt (excluding Ways & Means Advances and Overdrafts)	1,086(87)	983(85)	828(83)	953(83)	8,480(98)
Net transactions under Ways and Means Advances and Overdraft	0.00	0.00	0.00	0.00	0.00
Loans and Advances from Government of India	164(13)	170(15)	172(17)	193(17)	216(02)
<b>15. Appropriation to Contingency Fund</b>	<b>0.00</b>	<b>60.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>16. Total disbursement out of Consolidated Fund (13+14+15)</b>	<b>53,061</b>	<b>59,122</b>	<b>67,600</b>	<b>74,700</b>	<b>99,419</b>
<b>17. Contingency Fund disbursements</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5.00</b>	<b>0.00</b>
<b>18.Public Account disbursements</b>	<b>54,001</b>	<b>61,149</b>	<b>71,754</b>	<b>76,357</b>	<b>83,719</b>
<b>19.Total disbursement by the State (16+17+18)</b>	<b>1,07,062</b>	<b>1,20,271</b>	<b>1,39,354</b>	<b>1,51,057</b>	<b>1,83,138</b>
<b>Part C: Deficits</b>					
<b>20. Revenue Deficit (-) (1-10)/ surplus (+)</b>	<b>2,367</b>	<b>5,521</b>	<b>3,417</b>	<b>684</b>	<b>9,609</b>
<b>21.Fiscal Deficit(-)/ Surplus (+) (4-13)</b>	<b>(-) 4,574</b>	<b>(-) 4,047</b>	<b>(-) 6,810</b>	<b>(-) 8,292</b>	<b>(-) 17,970</b>
<b>22. Primary Deficit (-)/Primary Surplus (+)</b>	<b>(-) 2,425</b>	<b>(-) 1,360</b>	<b>(-) 3,712</b>	<b>(-) 4,640</b>	<b>(-) 12,999</b>
<b>Part D: Other Data</b>					
<b>23. Interest Payments</b>	<b>2,149</b>	<b>2,687</b>	<b>3,098</b>	<b>3,652</b>	<b>4,971</b>
<b>24. Ways and Means Advances/ Overdraft availed (days)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Ways and Means Advances availed (days)	0.00	0.00	0.00	0.00	0.00
Overdraft availed (days)	0.00	0.00	0.00	0.00	0.00

*State Finances Audit Report for the Year ended 31 March 2020*

	2015-16	2016-17	2017-18	2018-19	2019-20
<b>25. Interest on WMA/Overdraft</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>26. Gross State Domestic Product (GSDP)</b>	<b>2,25,163</b>	<b>2,50,882</b>	<b>2,74,042<sup>P</sup></b>	<b>3,04,063<sup>Q</sup></b>	<b>3,29,180<sup>A</sup></b>
<b>27. Outstanding Debt (year-end)</b>	<b>37,741</b>	<b>44,258</b>	<b>52,907</b>	<b>66,750</b>	<b>78,712</b>
<b>28. Outstanding Guarantees (year-end)</b>	<b>1,988</b>	<b>3,983</b>	<b>3,882</b>	<b>10,769</b>	<b>18,459</b>
<b>29. Maximum Amount Guaranteed (year-end)</b>	<b>14,883</b>	<b>12,641</b>	<b>6,550</b>	<b>19,574</b>	<b>27,995</b>
<b>30. Number of Incomplete Projects</b>	<b>194</b>	<b>145</b>	<b>110</b>	<b>107</b>	<b>145</b>
<b>31. Capital Blocked in Incomplete Projects</b>	<b>5,912</b>	<b>5,937</b>	<b>4,067</b>	<b>4,365</b>	<b>3,355</b>
<b>Part E: Fiscal Health Indicator</b>					
<b>I-Resource Mobilisation</b>					
Own Tax Revenue/GSDP (Ratio)	0.08	0.08	0.07	0.07	0.07
Own Non-Tax Revenue/GSDP (Ratio)	0.02	0.02	0.02	0.03	0.02
Central Transfers/GSDP (Ratio)	0.11	0.12	0.12	0.12	0.10
<b>II- Expenditure Management</b>					
Total Expenditure/GSDP (Ratio)	0.23	0.23	0.24	0.24	0.25
Total Expenditure/Revenue Receipts (Ratio)	1.12	1.08	1.12	1.13	1.29
Revenue Expenditure/Total Expenditure Ratio)	0.84	0.83	0.84	0.88	0.89
Capital Expenditure/Total Expenditure (ratio)	0.15	0.16	0.15	0.12	0.10
Capital Expenditure on Social and Economic Services/Total Expenditure (ratio)	0.15	0.16	0.15	0.12	0.10
<b>III- Management of Fiscal Imbalances</b>					
Revenue Deficit(Surplus)/GSDP (ratio)	0.01	0.02	0.01	0.00	(-) 0.03
Fiscal Deficit(-)/Surplus (+)/GSDP (Ratio)	(-)0.02	(-)0.02	(-)0.02	(-)0.03	(-) 0.05
Primary Deficit(Surplus)/GSDP (Ratio)	(-)0.01	(-)0.01	(-)0.01	(-) 0.02	(-) 0.04
Revenue Deficit (surplus)/Fiscal Deficit (Ratio)	(-)0.52	(-)1.36	(-)0.50	(-) 0.08	(-)0.53
<b>IV- Management of Fiscal Liabilities</b>					
Fiscal Liabilities/GSDP (Ratio)	0.17	0.18	0.22	0.22	0.24
Fiscal Liabilities/RR(Ratio)	0.82	0.81	0.89	1.03	1.23
<b>V- other fiscal Indicators</b>					
Return on Investment (in per cent)	0.09	0.01	0.07	0.02	0.03
Financial Assets/Liabilities (Ratio)	1.47	1.53	1.48	1.43	1.23

**Note:- A= Advance estimates, Q= Quick Estimates and P= Provisional estimates**

## Appendix 3.1

(Reference: Paragraph- 3.3.1: Page 52)

## Details of schemes which are 100% women-centric during 2019-20

(₹ in crore)

Sl. No.	Scheme Name	Original Budget	Supplementary	Total Budget	Expenditure
1	761-Girls Education Campus	19.78	0.04	19.82	17.68
2	1206-Tour and exhibition direction for rural women	1.50	0.00	1.50	1.36
3	2216-Integration of Public Health through Basic Nursing Education Programme	41.18	0.00	41.18	21.96
4	2962-Rehabilitation of Degraded Forests	121.00	0.00	121.00	130.27
5	3459-Women Sports Competition	2.00	0.00	2.00	0.26
6	4060-Grant to Miscellaneous Institution	0.70	1.00	1.70	1.59
7	4663-Grant for Spinning Mills	0.06	0.00	0.06	0.06
8	4691-Incentive schemes for teaching of Girls	6.50	0.00	6.50	6.50
9	5534-Grant for Health <i>Mitanin</i> Project	1.29	0.00	1.29	1.29
10	5551-Free cycle Distribution to High School Girls	64.50	0.00	64.50	63.00
11	5563-Regional Women Training Institute	1.78	0.00	1.78	1.05
12	5645- <i>Mukhyamantri Kanyadaan Yojna</i>	19.00	0.00	19.00	17.13
13	5753-Grant for Ceremony	16.35	0.00	16.35	15.71
14	7330-Mitanin Welfare fund	101.00	0.00	101.00	50.00
15	7336-Indira Gandhi National Widow Pension	67.20	0.00	67.20	67.11
16	7361-Sabala Yojana	37.49	0.00	37.49	14.01
17	7435-Nutrition	38.50	0.00	38.50	17.42
18	7490-National Rural Livehood Mission	306.20	202.11	508.31	489.04
19	7747- <i>Mahtari Jatan Yogna</i>	23.55	6.51	30.06	22.33
20	7765- <i>Mukhyamantri Amrit Yojana</i>	26.78	11.00	37.78	23.93
21	7800- <i>Pradhan Mantri Ujjwala Yojana</i>	1.00	0.00	1.00	0.00
22	7807- <i>Pradhan Mantri Awas Yojana (Rural)</i>	1,723.00	0.00	1,723.00	643.27
23	7875-Suchita Yojana	2.00	4.00	6.00	0.00
24	8977- <i>Asangathith Safai Karmkar Kalyan Mandal</i>	10.00	0.00	10.00	4.04
25	8989-Contract Labour , Domestic Laborious and porter Welfare Assembly	15.00	0.00	15.00	7.75
26	9050-Minimum Needs Programme Special Nutrition Scheme	776.22	13.10	789.32	624.55
27	9131-Training to anganwadies workers under Integrated Child Development service schemes	12.91	0.00	12.91	5.99
28	9944-Establishment of women <i>Jagrithi shivir</i>	0.60	0.00	0.60	0.36
<b>Total</b>		<b>3,437.08</b>	<b>237.76</b>	<b>3,674.84</b>	<b>2,247.67</b>

**Appendix 3.2**

(Reference: Paragraph- 3.3.2: Page 52)

**Details of schemes which are 100% youth-centric during 2019-20**

(₹ in crore)

Sl. No.	Scheme Name	Original Budget	Supplementary	Total Budget	Expenditure
1	436-Special Coaching Classes	0.12	0.00	0.12	0.08
2	717-Industrial Training Institutes	164.76	8.34	173.10	117.49
3	1079-Training of Sportsmen	4.00	0.00	4.00	1.03
4	1190-Rural Sports Competition	5.00	0.00	5.00	0.46
5	1353-Medical College and Concerning Hospitals, Raipur	102.78	5.00	107.78	84.40
6	1853-Supply of Drawing Material	1.25	0.00	1.25	0.78
7	1915-Dental College	29.20	0.00	29.20	23.68
8	2216-Integration of Public Health through Basic Nursing Education Programme	41.18	0.00	41.18	21.96
9	3459-Women Sports Competition	2.00	0.00	2.00	0.26
10	3673-State Scholarship	339.36	23.79	363.15	295.20
11	5223-Incentives to Sportsmen	5.50	0.00	5.50	1.86
12	5428-Prizes for State Level Sports	0.70	0.00	0.70	0.52
13	5429-Youth Welfare Activities	2.20	0.00	2.20	2.13
14	5551-Free Cycle Distribution to High School Girls	64.50	0.00	64.50	63.00
15	5571-Student Accidental Insurance Scheme	4.10	0.00	4.10	3.68
16	5645-Mukhyamantri Kanyadaan Yojna	19.00	0.00	19.00	17.13
17	5646-Establishment of Sainik School	22.45	1.39	23.84	4.84
18	5671-B.P.L Book Bank Scheme	0.50	0.00	0.50	0.47
19	5672-B.P.L. Scholarship Schemes	6.15	6.00	12.15	12.12
20	5904-Free supply of text books	109.18	120.94	230.12	190.25
21	6047-Grant to Local Bodies for Training	0.14	0.00	0.14	0.14
22	6728-Rashtriya Gramin Rozgar Guarantee Yojana	1,541.65	0.00	1,541.65	982.18
23	6889-Mukhya Mantri Gyan Prohtasan Yojana	1.50	0.00	1.50	1.50
24	6913-Kumbhkar Terakota craft scheme	2.00	0.00	2.00	1.30
25	6944-Library Schemes	1.00	0.00	1.00	1.01
26	6967-Medical College and Concerning Hospital, Bilaspur	52.59	0.50	53.09	34.79
27	6997-Medical College and Attached Hospital Raigarh	65.81	0.00	65.81	40.11
28	7328-Physiotherapy College	2.05	0.00	2.05	1.80
29	7341-Establishment of I.I.I.T.	25.00	0.00	25.00	25.00
30	7361-Sabala Yojana	37.49	0.00	37.49	14.01
31	7363-Youth Carrier Development Scheme	11.66	0.00	11.66	6.62
32	7366-Civil Services Examination incentive Schemes	0.28	0.00	0.28	0.02
33	7367-Model school scheme	30.76	0.00	30.76	28.84
34	7430-Design and Development Education for Craft	0.55	0.00	0.55	0.36
35	7434-Grant for Fishery College Kawardha	3.86	1.69	5.55	2.74
36	7435-Non-organised Labour, Security and Welfare Board	38.50	0.00	38.50	17.42
37	7632-Yuva Kshamta Vikas Yojana	9.10	0.00	9.10	3.45

Sl. No.	Scheme Name	Original Budget	Supplementary	Total Budget	Expenditure
38	7683-Mukhya mantri kaushal vikas yojna	110.50	0.00	110.50	40.21
39	7745-Chhattisgarh Yuva Suchna Kranti Yojana	25.00	0.00	25.00	2.09
40	7751-Swami Vivekanand Gyandeep Scheme	7.69	0.00	7.69	3.80
41	7867-Pradhan Mantri Kaushal Vikas Yojana	22.14	0.00	22.14	14.06
42	7884-Pradhan Mantri Matra Vandana	70.66	0.00	70.66	38.92
43	7914-Kaushal Self - Employment Scheme	2.24	0.00	2.24	0.00
44	7979-Samgra Shiksha	1,451.00	400.00	1,851.00	1,816.10
45	8050-Scholarships	34.99	0.00	34.99	15.45
46	8076-Industrial and Technical Institution outside the State	0.07	0.00	0.07	0.04
47	8539-Foundation of Agricultural Engineering Services Centre	10.00	0.00	10.00	9.27
48	8899-Pashudhan Mitra Yojana	3.00	0.00	3.00	2.95
49	8918-Vivekanand Yuva Protsahan Yojana	10.00	0.00	10.00	9.76
50	8928-Mukhya Mantri Yuva Swarojgar Yojana	3.01	1.00	4.01	3.03
51	8935-Livelihood College	22.21	1.00	23.21	10.42
52	8938-Medical College & Related medical, Rajnandgaon	52.69	0.00	52.69	22.77
53	8940-Medical College and Attached Hospitals , Sarguja	39.68	3.74	43.41	23.95
54	8950-Medical College and Attached hospital Jagdalpur	52.43	0.00	52.43	33.79
55	8977-Asangathith Safai Karmkar Kalyan Mandal	10.00	0.00	10.00	4.04
56	8979-Integrated Umbrella Scheme	220.34	89.19	309.53	177.84
57	8989-Contract Labour , Domestic Laborious and porter Welfare Assembly	15.00	0.00	15.00	7.75
58	9381-Book Bank	0.10	0.00	0.10	0.07
59	9805-Free Distribution of Books and Stationary to Tribal Students	0.83	0.00	0.83	0.75
<b>Total</b>		<b>4,911.43</b>	<b>662.57</b>	<b>5,574.00</b>	<b>4,239.69</b>

**Appendix 3.3**

(Reference: Paragraph- 3.3.4: Page 53)

**Details of Major policy initiatives/new schemes (₹1 crore or more in each case)**

**Where entire Grant not utilized**

**(₹ in crore)**

<b>Sl. No</b>	<b>Scheme Name</b>	<b>Original Budget</b>	<b>Supplementary</b>	<b>Total</b>	<b>Expenditure</b>
1	6353-Chirag Yojana	0.00	7.00	7.00	0.00
2	6359-Chief Ministers Nutrition Campaign	0.00	1.00	1.00	0.00
3	6366-Farmer Assistance	0.00	3.00	3.00	0.00
4	7945-Pradhan Mantri Anndata Aay Sanrakshan Abhiyan	5.00	0.00	5.00	0.00
5	7946-Inscentive Scheme On Soyabin Production	10.00	0.00	10.00	0.00
6	7948-Solid Waste Management	10.00	0.00	10.00	0.00
7	7952-India Agro Food Processing And Addition Programme	4.00	0.00	4.00	0.00
8	7953-Climate Sensitivity Scheme	10.00	0.00	10.00	0.00
9	7957-Chhattisgarh Entrepreneurship Development Institute	3.00	0.00	3.00	0.00
10	7958-Water Testing Laboratory	5.00	0.00	5.00	0.00
11	7959-Plant Preparation In Department Nurseries	20.00	0.00	20.00	0.00
12	7961-Girodpuri Group Tap Water Scheme	5.00	0.00	5.00	0.00
13	7963-Mukhyamantri Chalit Sanyatra Peyjal Yojana	5.00	0.00	5.00	0.00
14	7964-Rajiv Gandhi Setu Jal Yojana	2.00	0.00	2.00	0.00
15	7966-State Portal Project	1.48	0.00	1.48	0.00
16	7970-Establishment Of Plug Type Unit	3.00	0.00	3.00	0.00
17	7971-Construction Of Working Women Hostel Building	6.25	0.00	6.25	0.00
18	7974-Abhisarit Aam Aadami Bima Yojana	2.15	0.00	2.15	0.00
19	7975-Abhisarit Pradhan Mantri Jiwan Jyoti Bima Yojana / Pradhan Mantri Suraksha Yojana	10.95	0.00	10.95	0.00
20	7980-Mukhya Mantri Yuva Swavalamban Yojana	5.00	0.00	5.00	0.00
21	7981-Construction Of Building For Museum	1.00	0.00	1.00	0.00
22	7989-Strengthening Of Water Supply System For Medical College Campus and Mekahara Hospital Raipur	1.00	0.00	1.00	0.00
23	7990-Chandkhuri Kolhipuri Group Tap Water Supply Scheme	1.00	0.00	1.00	0.00
24	7992-Transfer To Chhattisgarh Symbolic Forest Plantation Fund	0.00	500.00	500.00	0.00
<b>Total</b>		<b>110.83</b>	<b>511.00</b>	<b>621.83</b>	<b>0.00</b>

## Appendix 3.4

(Reference: Paragraph- 3.5.3: Page 57)

Details of cases where supplementary provision (₹50 lakh or more in each case) proved unnecessary

(₹ in crore)

Grant No.	Name of the Grant	Original Budget	Supplementary	Actual	Saving out of Provisions
<b>Revenue (Voted)</b>					
1	General Administration	322.05	15.36	234.78	-87.27
2	Other expenditure pertaining to General Administration Department	30.58	2.20	15.20	-15.38
3	Police	4,438.07	162.79	4,299.28	-138.80
4	Other expenditure pertaining to Home Department	53.47	30.33	50.08	-3.40
5	Jail	183.12	0.62	156.04	-27.08
7	Expenditure pertaining to Commercial Tax Department	274.90	81.44	288.88	-67.46
8	Land Revenue and District Administration	901.88	7.79	709.53	-192.35
11	Expenditure pertaining to Commerce and Industry Department	277.22	16.50	179.40	-97.82
13	Agriculture	3,972.10	720.90	1,561.32	-2,410.78
14	Expenditure pertaining to Animal Husbandry Department	512.06	7.67	413.57	-98.49
16	Fisheries	68.53	0.50	58.17	-10.36
19	Public Health and Family Welfare	1,937.49	167.45	1,922.81	-14.68
20	Public Health Engineering	355.95	6.37	259.24	-96.71
24	Public Works-Roads and Bridges	1,321.17	11.50	677.23	-643.94
26	Expenditure pertaining to Culture Department	39.44	7.00	36.77	-2.67
28	State Legislature	68.42	0.79	45.43	-22.99
29	Administration of Justice and Elections	583.94	15.06	499.61	-84.32
30	Expenditure pertaining to Panchyat and Rural Development Department	2,696.97	250.11	1,906.11	-790.86
34	Social Welfare	99.29	0.00	74.31	-24.98
41	Tribal Areas Sub-Plan	14,737.07	2,297.14	13,020.67	-1716.4
47	Technical Education and Man-Power Planning Department	361.22	11.22	250.77	-110.45
55	Expenditure pertaining to Women and Child Welfare	1050.50	128.24	760.57	-289.92
58	Expenditure on Relief on account of Natural Calamities and Scarcity	636.00	0.62	596.82	-39.19
64	Special Component Plan for Scheduled Castes	4,969.68	836.24	4,419.79	-549.88
65	Aviation Department	47.89	3.00	41.86	-6.03
66	Welfare of Backward Classes	241.86	4.04	153.21	-88.65

*State Finances Audit Report for the Year ended 31 March 2020*

Grant No.	Name of the Grant	Original Budget	Supplementary	Actual	Saving out of Provisions
69	Urban Administration and Development Department-Urban Welfare	946.24	216.60	387.14	-559.1
71	Information Technology and Bio-Technology	121.17	8.11	71.39	-49.78
79	Expenditure pertaining to Medical Education Department	708.52	13.60	539.88	-168.64
<b>Total-Revenue Voted</b>		<b>41,956.80</b>	<b>5,023.19</b>	<b>33,629.90</b>	<b>-8,408.38</b>
<b>Capital (Voted)</b>					
1	General Administration	50.07	0.63	16.60	-33.47
12	Expenditure pertaining to Energy Department	370.44	40.00	337.67	-32.77
13	Agriculture	9.96	3.87	6.70	-3.26
17	Co-operation	18.80	1.00	0.30	-18.50
19	Public Health and Family Welfare	67.44	1.40	60.88	-6.56
20	Public Health Engineering	281.50	21.10	147.33	-134.17
21	Expenditure pertaining to Housing and Environment Department	366.42	4.81	193.74	-172.68
23	Water Resources Department	461.09	9.00	287.37	-173.72
30	Expenditure pertaining to Panchayat and Rural Development Department	853.66	128.07	825.17	-28.49
41	Tribal Areas Sub-Plan	2809.47	312.68	2069.74	-739.73
45	Minor Irrigation Works	345.51	10.00	231.66	-113.85
55	Expenditure pertaining to Women and Child Welfare	22.36	2.50	12.93	-9.43
64	Special Component Plan for Scheduled Castes	1148.73	67.35	620.72	-528.01
65	Aviation Department	20.05	50.00	0.00	-20.05
67	Public Works-Buildings	668.35	7.23	267.73	-400.62
79	Expenditure pertaining to Medical Education Department	175.74	80.70	75.59	-100.15
<b>Total-Capital Voted</b>		<b>7,669.59</b>	<b>740.34</b>	<b>5154.13</b>	<b>-2515.46</b>
<b>Grant Total</b>		<b>49,626.40</b>	<b>5763.53</b>	<b>38,784.00</b>	<b>-10,923.80</b>

## Appendix 3.5

(Reference: Paragraph- 3.5.5: Page 58)

## List of subheads where Entire budget provision is not utilized (₹10 crore and above)

Sl. No.	Scheme Name	Original Budget	Supplementary Budget	Total Budget
1	03-2055-109-8333 Expenditure from Road Security Fund	14.00	0.00	14.00
2	08-2029-797-6753 Transfer of Environment Fund	57.82	0.00	57.82
3	10-2406-01-101-7959 Plant Preparation in Department Nurseries	20.00	0.00	20.00
4	10-2406-01-105-252 Other Expenditure Compensatory Grants Financial Assistance	14.00	0.00	14.00
5	10-2406-01-203-5641 Forest Management Committee	35.31	0.00	35.31
6	10-2406-04-103-7992 Transfer to Chhattisgarh Symbolic Forest Plantation Fund	0.00	500.00	500.00
7	11-2852-80-102-7785 Capital Investment Incentive Assistance	10.00	0.00	10.00
8	12-2801-80-101-7898 National Smart Grid Mission	32.80	0.00	32.80
9	12-2801-80-101-8914 Assistance to Electricity Companies	25.58	0.00	25.58
10	12-4801-02-190-7498 Capital Expenditure on Transmission / Production / Distribution Company	47.70	0.00	47.70
11	12-4801-06-800-7899 Pump Feeder Transmission Scheme	10.00	0.00	10.00
12	14-2403--102-7621 National Live Stock Mission	12.50	0.00	12.50
13	17-6425--108-5055 Cooperative Sugar Mills	13.00	0.00	13.00
14	21-2216-02-190-7444 <i>Vikas Nagar Yojana</i>	10.00	0.00	10.00
15	21-2216-02-190-7670 <i>Mukhyamantri Avasiya Yojana</i>	10.00	0.00	10.00
16	21-6217-01-800-7883 Water supply scheme	10.00	0.00	10.00
17	25-2853-02-797-5390 Transfer in Mineral Funds	300.00	0.00	300.00
18	25-4853-01-004-7794 Transport Network (Rail Route)	317.45	0.00	317.45
19	27-4202-01-202-5646 Establishment of Sainik School	19.00	0.00	19.00
20	30-2235-60-196-7975 <i>Abhisarit Pradhan Mantri Jivan Jyoti Bima Yojana / Pradhan Mantri Suraksha Yojana</i>	10.95	0.00	10.95

**State Finances Audit Report for the Year ended 31 March 2020**

Sl. No.	Scheme Name	Original Budget	Supplementary Budget	Total Budget
21	30-4515--102-7475 <i>Mukhya Mantri Gram Sadak Evam Vikas Yojana</i>	10.00	0.00	10.00
22	30-4515--102-7645 <i>Gramin Sadak Network Prabandhan Ekai</i>	19.00	0.00	19.00
23	30-5054-04-101-4871 Construction of Bridges on P.M.G.S.Y. Roads	20.00	0.00	20.00
24	30-5054-04-337-4855 <i>Pradhan Mantri Gram Sadak Yojana</i>	30.00	0.00	30.00
25	39-2408-01-003-8919 Fully computerisation of Public Distribution System	14.90	0.00	14.90
26	39-2408-01-102-3229 Compensation for Food Loss in Procurement to Civil Food Corporation	51.00	0.00	51.00
27	40-4705--209-7907 Supply of Irrigation in Command Area	115.52	0.00	115.52
28	41-2408-01-003-8919 Fully computerisation of Public Distribution System	11.32	0.00	11.32
29	41-2408-01-102-3229 Compensation for Food Loss in Procurement to Civil Food Corporation	37.84	0.00	37.84
30	41-2801-80-101-8914 Assistance to Electricity Companies	19.44	0.00	19.44
31	41-2852-80-102-5385 Establishment of New Industrial Area	15.00	0.00	15.00
32	41-4202-01-202-1002-1400 <i>Vivekanand Gurukul Unanyan Yojna</i>	55.00	0.00	55.00
33	41-4202-01-202-1202-1400 <i>Vivekanand Gurukul Unanyan Yojna</i>	116.03	0.00	116.03
34	41-4701-23-800-3366 Construction Work of Medium Projects	10.50	0.00	10.50
35	41-4801-02-190-7498 Capital Expenditure on Transmission / Production / Distribution Company	36.25	0.00	36.25
36	41-5054-04-101-4871 Construction of Bridges on P.M.G.S.Y. Roads.	20.00	0.00	20.00
37	41-5054-04-337-4855 <i>Pradhan Mantri Gram Sadak Yojana</i>	30.00	0.00	30.00
38	41-6425--107-5055 Cooperative Sugar Mills	24.00	0.00	24.00
39	43-2204--104-7473 37th National Game	15.00	0.00	15.00
40	45-5054-05-337-7820 Construction of Roads & Bridges	10.00	0.00	10.00

Sl. No.	Scheme Name	Original Budget	Supplementary Budget	Total Budget
41	58-2245-01-101-7710 Assistance against damage of harvest	30.00	0.00	30.00
42	58-2245-02-106-1467 District and other roads	10.00	0.00	10.00
43	58-2245-02-122-989 Re-establishment and repairs of damaged irrigation and flood control works	10.00	0.00	10.00
44	58-2245-80-103-4849 Transfer from National Disaster Contingency Fund to Disaster Relief Fund	50.00	0.00	50.00
45	64-2408-01-102-3229 Compensation for Food Loss in Procurement to Civil Food Corporation	12.16	0.00	12.16
46	64-4202-01-202-1203-1400 Vivekanand Gurukul Unanyan Yojna	12.38	0.00	12.38
47	64-4515--102-7759 Shyama Prasad Mukherjee Rurban Mission	13.20	0.00	13.20
48	64-4700-10-800-2884 Canal And Appurtenant Work	10.00	0.00	10.00
49	64-4801-02-190-7498 Capital Expenditure on Transmission / Production / Distribution Company	11.45	0.00	11.45
50	64-6425--108-5055 Cooperative Sugar Mills	13.00	0.00	13.00
51	65-5053-02-102-4727 Construction and Extension of Air Strips	20.05	0.00	20.05
52	65-5053-80-800-4043 Directorate of Aviation	0.00	50.00	50.00
53	67-4059-01-051-3755 National Cadet Core	14.38	0.00	14.38
54	69-2217-80-191-7685 Smart City	396.00	0.00	396.00
55	75-4700-09-800-311-5516 Major Irrigation Project Construction work (NABARD)	48.00	0.00	48.00
56	75-4700-10-800-311-5516 Major Irrigation Project Construction work (NABARD)	10.00	0.00	10.00
57	75-4700-11-800-313-5516 Major Irrigation Project Construction work (NABARD)	10.00	0.00	10.00
58	79-2210-01-110-7637	10.00	0.00	10.00
59	79-4210-01-110-6997 Medical College and Attached Hospital Raigarh	15.00	0.00	15.00
60	79-4210-01-110-8939 Medical College Rajnandgaon	0.00	76.50	76.50
61	79-4210-01-110-8938 Medical College & Related medical, Rajnandgaon	17.00	0.00	17.00
62	79-4210-03-105-101-1352 Medical College, Raipur	21.00	0.00	21.00
63	79-4210-03-105-701-1352 Medical College, Raipur	13.09	0.00	13.09

*State Finances Audit Report for the Year ended 31 March 2020*

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<b>Sl. No.</b>	<b>Scheme Name</b>	<b>Original Budget</b>	<b>Supplementary Budget</b>	<b>Total Budget</b>
64	81-6217-60-191-7329 Special Occasion	10.00	0.00	10.00
65	CH1-6003--110-637 Ways and Means Advances	660.00	0.00	660.00
66	CH1-6003--110-779 Ways and Means Advances	264.51	0.00	264.51
67	CH2-2049-01-101-2199 New Market Loan	250.00	0.00	250.00
68	CH2-2049-01-101-7923 8.11% Chhattisgarh State Development Loan 2028	89.21	0.00	89.21
<b>Total</b>		<b>3,651.35</b>	<b>626.50</b>	<b>4,277.85</b>

## Appendix 3.6

(Reference: Paragraph- 3.5.6: Page 59)

## List of grants having large savings (savings above ₹100 crore) during the year

(₹ in crore)

Gr No.	Name of the grant	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Saving (-) /Excess(+)	Surrender	Savings excluding surrender
<b>Revenue (Voted)</b>								
1	General Administration	322.05	15.36	337.41	234.78	-102.62	94.40	-8.22
3	Police	4438.07	162.79	4600.87	4299.28	-301.59	246.42	-55.17
8	Land Revenue and District Administration	901.88	7.79	909.67	709.53	-200.15	259.97	59.82
10	Forest	1062.49	500.00	1562.49	1361.24	-201.25	199.10	-2.15
11	Expenditure pertaining to Commerce and Industry Department	277.22	16.50	293.72	179.40	-114.32	114.34	0.02
13	Agriculture	3972.10	720.90	4693.00	1561.32	-3131.68	3135.62	3.94
14	Expenditure pertaining to Animal Husbandry Department	512.06	7.67	519.73	413.57	-106.16	105.72	-0.44
19	Public Health and Family Welfare	1937.49	167.45	2104.94	1922.81	-182.13	215.09	32.96
20	Public Health Engineering	355.95	6.37	362.32	259.24	-103.08	102.97	-0.11
23	Water Resources Department	608.20	0.00	608.2	497.48	-110.73	110.10	-0.63
24	Public Works- Roads and Bridges	1321.17	11.50	1332.67	677.23	-655.44	0.00	-655.44
25	Expenditure pertaining to Mineral Resources Department	346.72	0.00	346.72	38.32	-308.4	308.57	0.17

*State Finances Audit Report for the Year ended 31 March 2020*

Gr No.	Name of the grant	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Saving (-) /Excess(+)	Surrender	Savings excluding surrender
27	School Education	4220.46	305.15	4525.61	4417.23	-108.38	143.69	35.31
30	Expenditure pertaining to Panchyat and Rural Development Department	2696.97	250.11	2947.08	1906.11	-1040.98	1038.79	-2.19
39	Expenditure pertaining to Food, Civil Supplies and Consumer Protection Department	2738.31	183.31	2921.62	2821.12	-100.50	100.89	0.39
41	Tribal Areas Sub-Plan	14737.07	2297.14	17034.21	13020.67	-4013.54	4212.13	198.59
47	Technical Education and Man-Power Planning Department	361.22	11.22	372.44	250.77	-121.67	121.77	0.10
55	Expenditure pertaining to Women and Child Welfare	1050.50	128.24	1178.74	760.57	-418.16	417.57	-0.59
64	Special Component Plan for Scheduled Castes	4969.68	836.24	5805.92	4419.79	-1386.13	1421.44	35.31
69	Urban Administration and Development Department-Urban Welfare	946.24	216.60	1162.84	387.14	-775.70	775.70	0.00
79	Expenditure pertaining to Medical Education Department	708.52	13.60	722.12	539.88	-182.23	140.58	-41.65

Gr No.	Name of the grant	Original Budget	Suppleme-ntary Budget	Total Budget	Actual Expendi-ture	Saving (-) /Excess(+)	Surren-der	Savings excluding surrender
80	Financial assistance to Three Tier Panchayati Raj Institutions	3178.13	681.76	3859.90	3457.10	-402.80	413.32	10.52
81	Financial Assistance to Urban Bodies	1303.43	705.07	2008.50	1792.24	-216.26	216.25	-0.01
82	Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal area Sub-Plan	631.57	0.00	631.57	491.15	-140.41	137.76	-2.65
	<b>Total</b>	<b>53597.5</b>	<b>7244.77</b>	<b>60842.29</b>	<b>46417.9</b>	<b>-14424.3</b>	<b>14032.1</b>	<b>-392.12</b>
<b>Revenue (Charged)</b>								
10	Forest	10.81	508.01	518.82	13.31	-505.51	8.60	-496.91
	<b>Total</b>	<b>10.81</b>	<b>508.01</b>	<b>518.82</b>	<b>13.31</b>	<b>-505.51</b>	<b>8.60</b>	<b>-496.91</b>
<b>Capital (Voted)</b>								
20	Public Health Engineering	281.49	21.1	302.59	147.32	-155.27	155.3	0.03
21	Expenditure pertaining to Housing and Environment Department	366.42	4.81	371.23	193.73	-177.49	173.1	-4.39
23	Water Resources Department	461.08	9.00	470.08	287.36	-182.71	182.61	-0.11
24	Public Works-Roads and Bridges	1434.84	0.00	1434.84	1090.76	-344.07	0.00	-344.07
25	Expenditure pertaining to Mineral Resources Department	378.83	0.00	378.83	45.72	-333.11	333.11	0.00

*State Finances Audit Report for the Year ended 31 March 2020*

Gr. No.	Name of the grant	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Saving(-)/Excess	Surrender	Savings excluding surrender
30	Expenditure pertaining to Panchyat and Rural Development Department	853.66	128.07	981.73	825.17	-156.55	129.24	-27.32
40	Expenditure pertaining to Ayacut Development	117.52	0.00	117.52	1.52	-116.00	116.00	0.00
41	Tribal Areas Sub-Plan	2809.45	312.68	3122.14	2069.74	-1052.40	1038.06	-14.34
45	Minor Irrigation Works	345.51	10.00	355.51	231.66	-123.84	121.86	-1.99
64	Special Component Plan for Scheduled Castes	1148.72	67.35	1216.07	620.71	-595.36	375.75	-219.61
67	Public Works-Buildings	668.35	7.23	675.58	267.73	-407.84	5.72	-402.13
75	NABARD aided Projects pertaining to Water Resource Department	700.00	0.00	700.00	201.11	-498.88	498.85	-0.03
76	Externally aided Projects pertaining to Public Works Department	610.92	0.00	610.92	306.99	-303.92	0.00	-303.93
79	Expenditure pertaining to Medical Education Department	175.74	80.70	256.44	75.59	-180.85	179.72	-1.13
	<b>Total</b>	<b>10352.53</b>	<b>640.94</b>	<b>10993.48</b>	<b>6365.11</b>	<b>-4628.29</b>	<b>3309.32</b>	<b>-1319.02</b>

## Appendix 3.7

(Reference: Paragraph- 3.5.6: Page 59)

## List of grants having large savings (savings above ₹500 crore) during the year

(₹ in crore)

Gr. No.	Name of the grant	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Saving(-)/Excess (+)	Surrender	Savings excluding surrender
<b>Revenue (Voted)</b>								
13	Agriculture	3972.10	720.90	4693.00	1561.32	-3131.68	3135.62	3.94
24	Public Works-Roads and Bridges	1321.17	11.50	1332.67	677.23	-655.44	0.00	-655.44
30	Expenditure pertaining to Panchyat and Rural Development Department	2696.97	250.11	2947.08	1906.11	-1040.98	1038.79	-2.19
41	Tribal Areas Sub-Plan	14737.07	2297.14	17034.21	13020.67	-4013.54	4212.13	198.59
64	Special Component Plan for Scheduled Castes	4969.68	836.24	5805.92	4419.79	-1386.13	1421.44	35.31
69	Urban Administration and Development Department-Urban Welfare	946.24	216.60	1162.84	387.14	-775.70	775.70	0.00
	<b>Total</b>	<b>28643.23</b>	<b>4332.49</b>	<b>32975.72</b>	<b>21972.26</b>	<b>-11003.47</b>	<b>10583.68</b>	<b>-419.79</b>
<b>Capital (Voted)</b>								
41	Tribal Areas Sub-Plan	2809.45	312.68	3122.14	2069.74	-1052.40	1038.06	-14.34
64	Special Component Plan for Scheduled Castes	1148.72	67.35	1216.07	620.71	-595.36	375.75	-219.61
	<b>Total</b>	<b>3958.17</b>	<b>380.03</b>	<b>4338.21</b>	<b>2690.45</b>	<b>-1647.76</b>	<b>1413.81</b>	<b>-233.95</b>

**Appendix 3.8**

(Reference: Paragraph- 3.5.6: Page 59)

**Details of surrender of funds in excess of (₹10 crore) at the end of March**

(₹ in crore)

Sl. No.	Grant Number	Original	Supplementary	Total Provisions	Actual	Saving (-) / Excess (+)	Amount Surrendered
1	1-General administration	407.78	16.16	423.94	275.00	-148.94	130.91
2	3-Police	4505.12	163.81	4668.93	4343.64	-325.29	269.01
3	4-Other expenditure pertaining to General Administration Department	59.24	30.33	89.58	50.78	-38.79	24.12
4	5-Jail	183.62	0.63	184.25	156.04	-28.20	28.13
5	6-Finance	8576.75	300.26	8877.01	9459.78	582.77	80.58
6	7-Commercial Tax Department	336.72	81.44	418.16	350.07	-68.09	76.18
7	8-Land Revenue and District administration	993.51	7.93	1001.44	784.49	-216.95	290.49
8	10-Forest	1095.86	1008.02	2103.88	1389.28	-714.60	215.94
9	11-Expenditure pertaining to Commerce and Industry	341.44	16.58	358.02	186.71	-171.31	171.33
10	12-Energy	2537.01	790.82	3327.83	3183.36	-144.47	144.48
11	13-Agriculture	3982.24	724.92	4707.16	1568.26	-3138.90	3142.86
12	14-Animal Husbandry	540.74	7.74	548.48	420.42	-128.06	127.63
13	15-PRI under special component plan for SC	284.07	0.00	284.07	241.77	-42.30	42.30
14	16-Fisheries	69.28	2.20	71.48	60.61	-10.87	10.86
15	17-Co-operation Voted	932.34	769.02	1701.36	1588.31	-113.05	112.92
16	18-Labour	204.73	0.00	204.73	140.83	-63.90	63.67
17	19-Public Health and Family Welfare	2005.09	169.29	2174.38	1984.28	-190.10	236.30
18	20-Public Health Engineering	637.59	27.48	665.07	406.68	-258.38	258.30
19	21-Housing and Environment Department	565.95	4.81	570.76	332.71	-238.05	231.31
20	23-Water Resources Department	1069.85	9.00	1078.85	785.00	-293.86	293.28
21	25-Mineral Resources	725.6	0.00	725.60	84.05	-641.55	641.72
22	26-Expenditure pertaining to Culture Department	40.94	7.00	47.94	36.77	-11.17	11.72
23	27-School Education	4277.1	305.37	4582.47	4448.07	-134.41	169.72
24	29-Administration of Justice and elections	683.19	15.21	698.40	568.31	-130.09	131.48

Sl. No.	Grant Number	Original	Supplementary	Total Provisions	Actual	Saving (-)/ Excess (+)	Amount Surrendered
25	30-Panchayat and Rural Development	3550.64	378.19	3928.83	2731.28	-1197.55	1168.03
26	31-Planning, Economic and Statistics Department	42.26	0.00	42.26	29.45	-12.81	12.80
27	32-Public relations department	186.83	61.04	247.87	233.49	-14.38	14.60
28	33-Tribal Welfare	3997.04	76.82	4073.86	4133.76	59.90	84.92
29	34-Social Welfare	99.4	0.00	99.40	74.38	-25.02	24.40
30	36-Transport	73.27	2.59	75.86	51.32	-24.54	22.66
31	37-Tourism	59	0.00	59.00	35.67	-23.33	23.33
32	39-Food Civil Supplies and Consumer Production	2745.46	183.31	2928.77	2826.91	-101.86	102.25
33	40-Ayacut	121.89	0.00	121.89	3.59	-118.30	118.23
34	41-Tribal Area Sub-Plan	17546.68	2609.83	20156.51	15090.46	-5066.04	5250.35
35	43-Sports and Youth Welfare	53.39	0.00	53.39	13.12	-40.27	40.26
36	44-Higher Education	741.43	13.57	755.00	745.52	-9.48	54.03
37	45-Minor Irrigation Works	427.27	10.01	437.28	303.81	-133.46	131.47
38	46-Science and Technology	22.1	0.00	22.10	7.44	-14.66	14.66
39	47-Technical Education and man power planning	398.21	11.22	409.43	254.41	-155.02	155.01
40	54-Expenditure pertaining to Agriculture Research and Education	161.5	10.00	171.50	158.00	-13.51	13.51
41	55-Women and Child Welfare	1072.85	130.75	1203.60	773.55	-430.05	429.50
42	56-Rural Industries	117.01	0.00	117.01	92.75	-24.26	24.27
43	58-Relief on account of Natural Calamities and Scarcity	636.2	0.62	636.82	596.82	-40.00	72.24
44	64-Special Component plan for SC	6118.4	903.60	7022.00	5040.51	-1981.49	1797.20
45	65-Aviation Department	67.95	53.00	120.95	41.86	-79.08	79.02
46	66-Welfare of backward classes	266.59	4.05	270.64	156.59	-114.04	114.44
47	69-Urban Administration and Development Department-Urban Welfare	946.23	216.61	1162.84	387.14	-775.70	775.70
48	71-Information technology and Biotechnology	128.99	158.12	287.11	221.39	-65.72	65.72
49	75-NABARD aided projects pertaining to WRD	700	0.00	700.00	201.12	-498.88	498.85
50	79-Medical Education	884.3	94.30	978.60	615.47	-363.13	320.33

*State Finances Audit Report for the Year ended 31 March 2020*

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Sl. No.	Grant Number	Original	Supplementary	Total Provisions	Actual	Saving (-)/ Excess (+)	Amount Surrendered
51	80-Financial Assistance to three-tier PRI	3303.13	681.77	3984.90	3581.47	-403.42	413.95
52	81-Financial Assistance to urban bodies	1716.48	783.07	2499.55	2266.29	-233.26	233.26
53	82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal area Sub-Plan	736.57	0.00	736.57	596.15	-140.41	137.19
54	CH1-Interest Payments and Servicing of Debt	4753.99	111.24	4865.23	5113.33	248.10	31.40
55	CH2-Public Debt	2906.5	0.00	2906.50	8695.03	5788.53	629.03
	<b>Total</b>	<b>89637.32</b>	<b>10951.73</b>	<b>100589.06</b>	<b>87917.30</b>	<b>-12671.70</b>	<b>19757.85</b>

**Appendix 3.9**

(Reference: Paragraph- 3.5.7 Page: 61)

**Sub-Heads requiring Explanation for Variation in Appropriation Accounts**

Sl No.	Grant Description	Sub-Heads	Sub-Heads requiring explanation	Explanation received
1	1- General administration	44	25	13
2	2-Other expenditure pertaining to General Administration Department	12	5	2
3	3- Police	39	23	8
4	4-Other expenditure pertaining to General Administration Department	22	15	5
5	5-Jail	4	4	2
6	6-Finance	32	21	0
7	7-Commercial Tax Department	27	13	3
8	8-Land Revenue and District administration	34	16	3
9	9-Expenditure pertaining to revenue department	6	5	3
10	10-Forest	76	46	11
11	11-Expenditure pertaining to Commerce and Industry	40	18	2
12	12-Energy	40	10	6
13	13-Agriculture	88	48	35
14	14-Animal Husbandry	46	25	0
15	15-PRI under special component plan for SC	22	11	5
16	16-Fisheries	17	5	0
17	17-Co-operation Voted	19	9	6
18	18-Labour	17	12	0
19	19-Public Health and Family Welfare	67	39	5
20	20-Public Health Engineering	101	32	23
21	21-Housing and Environment Department	22	16	13
22	22-Urban administration and development department-urban bodies	5	3	2
23	23-Water Resources Department	106	46	33
24	24-Public works-roads and bridges	43	34	0
25	25-Mineral Resources	13	6	3
26	26-Expenditure pertaining to Culture Department	28	14	8
27	27-School Education	73	38	30
28	28-State legislature	5	5	1
29	29-Administration of Justice and elections	33	24	13
30	30-Panchayat and Rural Development	48	24	12
31	31-Planning, Economic and Statistics Department	10	5	0

Sl No.	Grant Description	Sub-Heads	Sub-Heads requiring explanation	Explanation received
32	32-Public relations department	50	5	0
33	33-Tribal Welfare	19	16	3
34	34-Social Welfare	41	12	0
35	35-Rehabilitation	3	3	1
36	36-Transport	17	9	0
37	37-Tourism	4	3	3
38	39-Food Civil Supplies and Consumer Production	33	12	7
39	40-Ayacut	6	5	3
40	41-Tribal Area Sub-Plan	505	215	116
41	42-Public works relating to tribal area sub-plan roads and bridges	16	13	1
42	43-Sports and Youth Welfare	17	12	10
43	44-Higher education	34	13	10
44	45-Minor Irrigation Works	16	11	4
45	46-Science and Technology	4	4	4
46	47-Technical Education and man power planning	39	26	10
47	49-Scheduled Castes welfare	3	2	1
48	50-Expenditure pertaining to the Departments implementing 20-point programmes	1	1	0
49	51-Religious trusts and endowments	10	5	3
50	53-Financial assistance to urban bodies under special component plan for Scheduled Castes	14	4	4
51	54-Expenditure pertaining to Agriculture Research and Education	5	2	2
52	55-Women and Child Welfare	61	36	6
53	56-Rural Industries	35	18	9
54	58-Relief on account of Natural Calamities and Scarcity	56	28	6
55	60-Expenditure pertaining to district plan schemes	2	2	0
56	64-Special Component plan for SC	366	133	61
57	65-Aviation Department	3	3	3
58	66-Welfare of backward classes	31	16	5
59	67-Public Works building	192	73	0
60	68-Public works relating to Tribal area sub-plan buildings	39	15	0
61	69-Urban Administration and Development Department-Urban Welfare	17	7	6
62	71-Information technology and Biotechnology	31	18	17
63	75-NABARD aided projects pertaining to WRD	22	18	18
64	76-Externally aided projects pertaining to Public Works Department	6	6	0

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<b>SI No.</b>	<b>Grant Description</b>	<b>Sub-Heads</b>	<b>Sub-Heads requiring explanation</b>	<b>Explanation received</b>
65	79-Medical Education	61	48	0
66	80-Financial Assistance to three-tier PRI	53	21	13
67	81-Financial Assistance to urban bodies	79	28	13
68	82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal area Sub-Plan	28	16	10
69	83-Financial assistance to urban bodies under Tribal area sub-plan	19	6	6
70	CH1-Interest Payments and Servicing of Debt	14	9	1
71	CH2- Public Debt	70	27	13
	<b>Total</b>	<b>3161</b>	<b>1498</b>	<b>616</b>

**Appendix 3.10**

(Reference: Paragraph- 3.5.8: Page 62)

**Excess Expenditure over provisions for the years 2000-01 to 2018-19**

(₹ in crore)

Year	No. of Grants/ Appropriations	Grant/ Appropriation numbers	Amount of excess
2000-01	11 Grants	2, 14, 23, 24, 33, 34, 60, 71, 80, 82 and 83	10.21
	2 Appropriations	6 and 24	
2001-02	14 Grants	6, 14, 15, 17, 23, 24, 30, 33, 45, 54, 60, 67, 71 and 83	115.90
	2 Appropriations	16 and 25	
2002-03	8 Grants	10, 15, 24, 33, 37, 45, 58 and 82	114.59
	2 Appropriations	20 and 67	
2003-04	4 Grants	12, 33, 40 and 67	591.12
	2 Appropriations	Interest Payments and 6	
2004-05	4 Grants	15, 24, 67 and 81	133.36
	5 Appropriations	Interest Payments, Public Debt, 6, 10 and 42	
2005-06	4 Grants	4, 15, 24 and 39	23.27
	2 Appropriations	6 and 23	
2006-07	4 Grants	4, 24, 67 and 82	5.13
	1 Appropriation	33	
2007-08	3 Grants	23, 33 and 60	15.99
	3 Appropriations	13, 24 and 36	
2008-09	9 Grants	6, 23, 24, 40, 67, 75, 76, 80 and 82	115.26
	1 Appropriation	23	
2009-10	10 Grants	3, 6, 22, 23, 24, 25, 49, 64, 76 and 80	216.77
	5 Appropriations	3, 12, 13, 43 and 67	
2010-11	22 Grants	1, 2, 6, 7, 8, 9, 12, 18, 23, 25, 29, 30, 39, 40, 45, 49, 56, 57, 58, 75 82 and Interest Payments	293.78
	6 Appropriations	Public Debt, 1, 20, 23, 29 and 36	
2011-12	24 Grants	1, 2, 6, 7, 15, 17, 18, 21, 22, 23, 27, 29, 34, 40, 43, 45, 47, 50, 53, 55, 66, 80, 81 and 83	498.09
	1 Appropriation	29	
2012-13	2 Grants	40 and 45	0.96
	2 Appropriations	6 and 55	
2013-14	3 Grants	06, 12 and 60	178.96
	3 Appropriations	06, 14 and 27	
2014-15	4 Grants	06, 19, 33 and 80	833.54
	2 Appropriations	06 and Public Debt	
2015-16	3 Grants	6, 12 and 50	98.24
	2 Appropriations	41 and Interest Payments	

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<b>Year</b>	<b>No. of Grants/ Appropriations</b>	<b>Grant/ Appropriation numbers</b>	<b>Amount of excess</b>
2016-17	2 Grants	06 and 50	0.92
	3 Appropriations	06, 55 and Interest payments and servicing of debt	11.46
2017-18	3 Grants	6,49 and 50	2.24
	3 Appropriations	14,33 and 55	0.37
2018-19	2 Grants	6 and 50	1.19
	4 Appropriations	6,14,33 and 67	0.48
<b>Total</b>			<b>3261.83</b>

**Appendix 3.11**

(Reference: Paragraph- 3.5.8 Page: 62)

**Details of Major Heads having excess in 2019-20**

(₹ in crore)

Sl. No.	Grant Number	Major Head	Major Head Description	Original Budget	Supplementary Budget	Total Provision	Expenditure	Excess
1	2	2053	District Administration	0.95	0.60	1.55	1.71	0.16
2	4	2013	Council Of Ministers	3.08	4.36	7.44	8.81	1.38
3	6	2071	Pensions And Other Retirement Benefits	4,923.16	300.00	5,223.16	6,632.59	1,409.44
4	6	2235	Social Security And Welfare	0.00	0.00	0.00	5.20	5.20
5	7	2030	Stamps And Registration	122.55	81.44	203.99	204.49	0.50
6	7	2058	Stationery And Printing	0.02	0.00	0.02	0.03	0.01
7	19	2071	Pensions And Other Retirement Benefits	2.30	0.00	2.30	5.38	3.08
8	23	2701	Medium Irrigation	262.83	0.00	262.83	405.18	142.35
9	24	5053	Capital Outlay On Civil Aviation	1.05	0.00	1.05	1.68	0.63
10	33	2202	General Education	3,870.97	76.82	3,947.79	4,038.45	90.66
11	41	4851	Capital Outlay On Village And Small Industries	0.00	0.00	0.00	0.04	0.04
12	44	2202	General Education	729.01	13.56	742.57	745.40	2.84
13	67	3054	Roads And Bridges	-185.32	0.00	-185.32	-46.29	139.03
14	67	5053	Capital Outlay On Civil Aviation	-0.35	0.00	-0.35	0.00	0.35
15	67	5054	Capital Outlay On Roads And Bridges-	-66.18	0.00	-66.18	0.00	66.18
16	80	2235	Social Security And Welfare	579.34	46.68	626.02	629.02	3.00
17	CH1	6003	Internal Debt Of The State Government	2,745.11	0.00	2,745.11	8,479.52	5,734.41
18	CH1	6004	Loans And Advances From The Central Government	161.39	0.00	161.39	215.51	54.12
19	CH2	2049	Interest Payments	4,489.00	111.24	4,600.24	4,840.55	240.31
<b>Total</b>				<b>17,638.90</b>	<b>634.69</b>	<b>18,273.59</b>	<b>26,167.26</b>	<b>7,893.69</b>

## Appendix 3.12

(Reference: Paragraph- 3.6.1 Page: 63)

## Sub-Head (Schemes), where entire expenditure was incurred in March 2020

Sl. No.	Grant No.	Head of Accounts (up to Sub-Head)	100% expenditure during March only (in crore)
1	17	2425-107-101-5628 -Interest grant for farmer loan interest rationalization	92.13
2	41	5275-101-102-7861- Communication Revolution Scheme	76.00
3	41	2425-107-102-5628 -Interest grant for farmer loan interest rationalization	70.02
4	80	2853-800-101-6299 -Transfer of Revenue Received from Minor	69.86
5	CH2	2049-101-6403 7.28%- State Development Loan 2027	36.40
6	15	2853-800-103-6299- Transfer of Revenue Received from Minor	34.27
7	41	4515-102-702-7759 -Shyama Prasad Mukherjee Rurban Mission	27.00
8	19	2210-200-101-6362-Shyama Prasad Mukherjee Rurban Mission	25.00
9	64	5275-101-103-7861 Communication Revolution Scheme	24.00
10	82	2853-800-102-6299 Transfer of Revenue Received from Minor	23.59
11	64	2425-107-103-5628 Interest grant for farmer loan interest rationalization	22.11
12	41	2210-200-102-6362 Shyama Prasad Mukherjee Rurban Mission	19.00
13	30	4515-102-701-7759-Shyama Prasad Mukherjee Rurban Mission	18.00
14	12	4810-101-101-7897 Pradhan Mantri Sahaj Bijli Har Ghar Yojna (Saubhagya Yojna)	16.56
15	19	2210-200-101-6363 Mukhya Mantry Visesh Swathy Sahayata Yojna	10.00
16	41	2406-105-802-5231 Grant to Small Forest Produce Federation for Small Forest Produce Work	9.37
17	41	2210-200-102-6363 Mukhya Mantry Visesh Swathy Sahayata Yojna	7.60
18	80	2515-101-8391 Three Tier Remuneration	7.00
19	4	3454-800-6399 Census Work	6.63
20	64	2210-200-103-6362 Shyama Prasad Mukherjee Rurban Mission	6.00

**State Finances Audit Report for the Year ended 31 March 2020**

Sl. No.	Grant No.	Head of Accounts (up to Sub-Head)	100% expenditure during March only (in crore)
21	17	2425-107-101-8654 Merger of State/District Cooperative Agriculture and Rural Development Bank in Cooperative Banks	5.00
22	30	4515-102-101-7658 <i>Sansad Adarsh Gram Yojana</i>	5.00
23	30	4515-102-101-7659 <i>Vidhayak Adarsh Gram Yojana</i>	4.85
24	24	5054-337-101-7818 Engineering Procurement & Construction	4.45
25	39	6408-190-311-8545 Assistance Godown Construction from NABARD	4.19
26	47	2230-3-701-7955 Training for Subsistence	4.00
27	71	3275-800-101-8922 Chief Minister Good - governance Fellowship Project	3.21
28	64	2225-190-103-3185 Establishment of Scheduled caste cooperative finance development corporation	3.20
29	41	6408-190-312-8545 Assistance Godown Construction from NABARD	3.19
30	64	5054-337-103-7818 Engineering Procurement & Construction	2.61
31	10	4406-101-701-5538 Integrated Forest safety conservation Scheme	2.43
32	21	4217-51-101-7416 Grant received under Recommendation of 13th Finance Commission	2.43
33	64	2210-200-103-6363 <i>Mukhya Mantry Visesh Swathy Sahayata Yojna</i>	2.40
34	71	3275-800-101-7612 Integrated E-Procurement Project	2.38
35	47	2203-1-101-7745 <i>Chhattisgarh Yuva Suchna Kranti Yojana</i>	2.09
36	79	4210-110-701-6997 Medical College and Attached Hospital Raigarh	1.87
37	41	4215-101-102-8908 New Urban Water Supply Augmentation Schemes	1.85
38	64	2215-193-103-6862 Lawan Water Supply Scheme	1.75
39	66	4225-102-701-7605 Minority Multiregional Development Scheme	1.68
40	41	4202-103-702-7438 State Skill Development Mission	1.44
41	7	4059-52-1470 District Executive Establishment	1.19
42	41	2230-3-702-7955 Training for Subsistence	1.15
43	64	6408-190-313-8545 Assistance Godown Construction from NABARD	1.01
44	64	2230-3-103-7955 Training for Subsistence	1.00

Sl. No.	Grant No.	Head of Accounts (up to Sub-Head)	100% expenditure during March only (in crore)
45	41	4406-101-702-5538 Integrated Forest safety conservation Scheme	0.91
46	42	5054-337-102-7818 Engineering Procurement & Construction	0.85
47	64	4406-101-703-5538 Integrated Forest safety conservation Scheme	0.84
48	41	2225-102-102-6870 Availability of loans to Scheduled Tribe Beneficiaries	0.80
49	56	4851-103-101-6769 Establishment of Indian handloom Technology institute	0.75
50	13	2401-119-101-8638 State Sponsored Micro Irrigation Scheme	0.72
51	34	2235-105-801-2245 Prohibition Programme	0.68
52	64	2215-193-103-8625 Kura Water Supply Scheme	0.62
53	41	2203-105-802-2668 Polytechnic Institutions	0.60
54	66	4225-190-101-5096 Share Capital of National Backward Class Finance and Development Corporation	0.60
55	67	2210-105-4220 Education - Medical College	0.55
56	1	4059-51-101-4485 General Administration Department - Building	0.53
57	40	4705-210-101-2823 Construction of field channels	0.52
58	41	2210-200-102-8649 Chief Minister Urban health Programme	0.50
59	27	2202-106-101-6944 Library Schemes	0.50
60	81	2853-800-101-7611 Transfer of Revenue Receipts from Minor Minerals to Urban Bodies	0.49
61	41	2202-106-102-6944 Library Schemes	0.38
62	15	2202-197-103-2952 Uniform for Girls	0.33
63	64	2210-200-103-8649 Chief Minister Urban Health Programme	0.30
64	10	4406-101-3877 Regional Forest Circle	0.30

**State Finances Audit Report for the Year ended 31 March 2020**

Sl. No.	Grant No.	Head of Accounts (up to Sub-Head)	100% expenditure during March only (in crore)
65	67	2216-53-2631 Police Administration	0.22
66	41	4225-190-102-5025 Share capital investment of Chhattisgarh Scheduled Tribe cooperative financial development corporation	0.20
67	64	2403-101-313-7471 Grant to livestock and poultry development under NABARD scheme	0.20
68	58	2245-102-2661 Drinking water supply	0.18
69	27	4202-202-101-3858 Directorate of Public Educations	0.18
70	29	2014-105-701-6356	0.17
71	80	2515-196-8210 Training of Panchayat Officials	0.16
72	80	2515-197-8210 Training of Panchayat Officials	0.16
73	34	2235-1-101-6969 Upgradation Subsidy Schemes	0.14
74	29	4070-800-9057 Law and Legislative Works	0.13
75	10	4406-101-2786 State Division (Regional Circles)	0.13
76	67	2059-53-3859 Public Service Commission	0.12
77	64	4210-110-103-6967 Medical College and Concerning Hospital, Bilaspur	0.10
78	11	2852-1-101-5452 Establishment of Investment Promotional Board	0.10
80	67	4059-1-101-3300 Circle establishment	0.10
79	66	4225-190-101-7288 Share Capital in National Finance & Development Corporation	0.10
81	35	2235-200-3135 Rehabilitation for New displaced persons from former East Pakistan	0.08
82	80	2515-198-8210 Training of Panchayat Officials	0.08
83	3	4055-800-279 Directorate of Prosecution	0.07
84	43	4202-102-101-5226 Development of Basic amenities-Stadium etc.	0.06
85	68	4059-51-802-7307 Special infrastructure development scheme	0.06
86	64	4225-190-103-5025 Share capital investment of Chhattisgarh Scheduled Tribe cooperative financial development corporation	0.06

Sl. No.	Grant No.	Head of Accounts (up to Sub-Head)	100% expenditure during March only (in crore)
87	8	4059-52-456 Office of the Commissioner Land Records and Settlements	0.06
88	36	5055-800-3565 Headquarter Establishment	0.06
89	3	4055-800-2710 Office of the Commandant General and other Subordinate Offices	0.06
90	20	4215-1-101-2715 Administration	0.05
91	26	2205-101-797 Transfer to/from reserve funds and Deposit Accounts	0.05
93	67	2403-800-6781 Animal Husbandry Department Building	0.05
95	80	2405-101-101-7756 National Agriculture Development Scheme (Normal)	0.05
92	56	2851-103-101-7885 <i>Hathkargha Shetrk ePurashkrit Bunkaroke Masik Arthik Sahaiyata</i>	0.05
94	68	4202-202-1002-7284 Construction of Hostel/Ashram Building	0.05
96	41	2210-101-102-1104 Goitre Disease Control	0.04
97	41	2403-101-312-7471 Grant to livestock and poultry development under NABARD scheme	0.04
98	34	2235-101-6927 Assistance to Local Level Society	0.03
99	56	2851-103-101-7624 Establishment of CFC Handloom	0.03
100	67	2403-800-2553 Veterinary treatment and animal health services Programme	0.02
101	34	4235-101-101-79 Schools and Institutions for Blind, Deaf and Dumb	0.02
102	67	4059-51-101-2449 Administration of Justice (Maintenance of court buildings)	0.02
103	44	2202-107-3754 Integrated Scholarships	0.01
104	24	5054-337-101-8716 Central Road Fund	0.01
105	41	2403-106-102-7734 State Goats Industrial Development Scheme	0.01
106	7	2039-1-6734 Departmental Chemical Laboratory	0.01
107	26	2205-103-101-2832 Photographic Cell	0.01

**Appendix- 4.1**

(Reference: Paragraph 4.2, Page- 70)

**Major Head wise position of outstanding Utilisation Certificates**

(₹ in crore)

Sl. No.	Major Head/ Name of Department	Up to 2016-17		2017-18		2018-19	
		No. of UCs	Amount	No. of UCs	Amount	No. of UCs	Amount
1	2202/General Education	1	0.01	0	0.00	7	5.92
2	2203/Technical Education	0	0.00	12	54.07	0	0.00
3	2216/Housing	1	*0.00	2	119.58	17	1,927.97
4	2217/Urban Administration	0	0.00	5	7.19	75	843.04
5	2230/Labour and Employment	0	0.00	0	0.00	2	1.52
6	2245/Relief on account of Natural Calamity	0	0.00	8	0.8	5	0.53
7	2250/Other Social Services	0	0.00	1	6	0	0.00
8	2401/Crop Husbandry	0	0.00	3	4.32	2	1.61
9	2402/Soil and Water Conservation	0	0.00	0	0.00	1	4.36
10	2403/Animal Husbandry	0	0.00	4	1.69	0	0.00
11	2501/Special Programme for Rural Development	0	0.00	1	9.72	0	0.00
12	2702/Minor Irrigation	0	0.00	0	0.00	1	0.01
13	2851/Village and Small Industry	0	0.00	0	0.00	11	9.08
14	3275/Other Communication Services	0	0.00	9	25.83	11	37.60
15	3604/Compensation & Assignment to Local Bodies	30	48.24	0	0.00	47	661.77
<b>Total</b>		<b>32</b>	<b>48.25</b>	<b>45</b>	<b>229.20</b>	<b>179</b>	<b>3493.41</b>

\*UC amounting ₹19000.00

**Appendix 4.2**

(Reference: Paragraph 4.3, Page -72)

**Details of outstanding Detailed Contingent bills as of 31<sup>st</sup> March, 2020**

(₹ in crore)

Major Head	Name of the Department	Year	Pending DC bills	Amount
2029	Land Revenue	2017-18	01	0.01
2045	Other Taxes & Duties on Commodities and services	2017-18	01	*0.00
2054	Treasury and Accounts Administration	2019-20	01	**0.00
2202	General Education	2019-20	01	0.03
2203	Technical Education	2019-20	02	6.35
2230	Labor & Employment	2018-19	01	@0.00
		2019-20	07	3.86
2235	Social Security & Welfare	2017-18	16	0.21
		2018-19	65	0.83
		2019-20	102	1.02
2245	Relief on account of Natural Calamity	2018-19	05	0.02
2401	Crop Husbandry	2018-19	09	0.11
		2019-20	49	1.68
2403	Animal Husbandry	2018-19	02	0.01
		2019-20	03	0.01
2405	Fisheries	2018-19	09	0.09
		2019-20	15	0.35
2406	Forestry and Wild Life	2018-19	01	0.01

		2019-20	02	#0.00
2425	Co-operation	2019-20	05	184.26
2501	Special Programme for Rural Development	2019-20	01	2.42
2515	Other Rural Development Programmes	2018-19	01	\$0.00
2701	Medium Irrigation	2017-18	01	%0.00
2851	Village & Small Industries	2018-19	01	^0.00
		2019-20	05	0.12
2852	Industries	2018-19	02	0.07
		2019-20	07	0.12
<b>Total</b>			<b>315</b>	<b>201.59</b>

\*DC amounting ₹17910.00, \*\*DC amounting ₹9790.00, @DC amounting ₹500.00, #DC amounting ₹16600.00, \$DC amounting ₹29227.00, %DC amounting ₹4190.00 and ^DC amounting ₹9790.00.

**Appendix: 4.3**

(Reference: Paragraph 4.9: Page 78)

**Statement of Major Head-wise receipts booked under  
Minor Head 800- Other Receipts**

(₹ in crore)

Sl. No.	Major Head	Nomenclature	Total Receipts	Receipts booked under Minor Head-800- Other receipts during 2019-20	Percentage of Receipts booked under Minor Head-800- Other receipts to Total receipts
1.	0023	Hotel Receipts Tax	0.63	0.33	52.38
2.	0051	Public Service Commission	8.23	5.11	62.09
3.	0055	Police	21.55	14.68	68.12
4.	0056	Jails	8.06	5.40	67.00
5.	0058	Stationery and Printing	5.97	5.43	90.95
6.	0059	Public Works	45.98	44.28	96.30
7.	0211	Family Welfare	0.03	0.03	100.00
8.	0217	Urban Development	53.65	53.68	100.06
9.	0220	Information and Publicity	0.55	0.55	100.00
10.	0235	Social Security and Welfare	2.61	2.61	100.00
11.	0408	Food Storage and Warehousing	1.62	1.37	84.57
12.	0435	Other Agriculture Programmes	1.27	1.25	98.43
13.	0702	Minor Irrigation	287.54	306.12	106.46
14.	0851	Village and Small Industries	6.18	3.30	53.40
15.	0852	Industries	6.41	6.49	101.25
<b>Total</b>			<b>450.28</b>	<b>450.63</b>	

**Appendix: 4.4**

(Reference: Paragraph 4.9: Page 78)

**Statement of Major Head-wise expenditure booked under  
Minor Head 800- Other Expenditure**

(₹ in crore)

Sl. No.	Major Head	Nomenclature	Total Expenditure	Expenditure booked under Minor Head-800- Other expenditure during 2019-20	Percentage of Expenditure booked under Minor Head-800-Other Expenditure to Total Expenditure
1.	2075	Miscellaneous General Services	0.24	0.24	100.00
2.	2853	Non-ferrous Mining and Metallurgical Industries	166.77	128.41	77.00
3.	3275	Other Social Services	71.39	71.39	100.00

**State Finances Audit Report for the Year ended 31 March 2020**

4.	4070	Capital Outlay on Other Administrative Services	2.62	2.62	100.00
5.	4405	Capital Outlay on Fisheries	3.19	1.69	52.98
6.	4700	Capital Outlay on Major Irrigation	387.39	251.41	64.90
7.	4701	Capital Outlay on Medium Irrigation	58.28	41.88	71.86
8.	4801	Capital Outlay on Power Project	142.09	100.00	70.38
9.	5055	Capital Outlay on Road Transport	6.00	6.00	100.00
<b>Total</b>			<b>837.97</b>	<b>603.64</b>	

**Appendix: 4.5**

(Reference: Paragraph 4.14: Page -84)

**Investment by the State Government in PSUs whose accounts are in arrear as on 1 October 2020**

Sl. No.	Name of the PSU	Year up to which accounts finalised	Period of accounts pending finalization	Grants and Guarantee by the State Government during the years for which accounts are in arrears (₹ in crore)			
				Capital Grant	Others	Guarantee	Total
1	Chhattisgarh State Power Generation Company Limited	2018-19	2019-20	-	29.21	-	29.21
2	Chhattisgarh State Power Distribution Company Limited	2018-19	2019-20	181.75	4651.13	3255.00	8087.88
3	Chhattisgarh State Civil Supplies Corporation Limited	2018-19	2019-20	-	4135.60	1000.00	5135.60
4	Chhattisgarh Rajya Van Vikas Nigam	2018-19	2019-20	-	1.00	429.30	430.30
5	Chhattisgarh Rajya Beej Evam Krishi Vikas Nigam Limited	2018-19	2019-20	-	152.97	-	152.97
6	Chhattisgarh State Warehousing Corporation	2018-19	2019-20	-	8.39	-	8.39
7	Chhattisgarh Nishakt Jan Vit Avam Vikas Nigam	2018-19	2019-20	-	0.55	-	0.55
8	Chhattisgarh Police Housing Corporation Limited	2018-19	2019-20	39.85	3.25	-	43.10
9	Chhattisgarh Road Development Corporation Limited	2018-19	2019-20	94.52	-	-	94.52

10	Chhattisgarh Rural Housing Corporation Limited	2018-19	2019-20	-	103.78	3427.28	3531.06
11	Chhattisgarh Mineral Development Corporation Limited (including CFS)	2018-19	2019-20	-	43.50	-	43.50
12	Chhattisgarh State Industrial Development Corporation Limited	2015-16	2016-17 to 2019-20	28.63	-	-	28.63
13	Chhattisgarh Infrastructure Development Corporation Limited	2015-16	2016-17 to 2019-20	-	13.00	-	13.00
14	Raipur Smart City Limited	2016-17	2017-18 to 2019-20	12.00	-	-	12.00
<b>Total</b>				<b>356.75</b>	<b>9,142.38</b>	<b>8,111.58</b>	<b>17,610.71</b>

**Appendix: 4.6**

(Reference: Paragraph 4.15: Page-84)

**Department/category wise details in respect of case of loss to Government due to theft, defalcation, loss of Government property/material**

(₹ in lakh)

Sl. No.	Name of Department	Theft Cases		Defalcation Cases		Loss of Government property/material		TOTAL	
		No. of cases	Amount	No. of Cases	Amount	No. of Cases	Amount	No. of Cases	Amount
1	2	3	4	5	6	7	8	9	10
1	Higher Education	12	10.42	2	0.62	3	2.51	17	13.55
2	Art & Culture	1	0.81	0	0.00	1	0.00	2	0.81
3	District Administration	1	0.68	5	0.80	1	3.00	7	4.48
4	Treasury and Accounts Administration	3	0.19	1	7.26	3	11.81	7	19.26
5	Technical Education	6	2.31	0	0.00	7	50.30	13	52.61
6	Rural Development	4	1.08	3	0.20	14	16.70	21	17.98
7	Panchayat And Social Welfare	0	0.00	0	0.00	2	1.00	2	1.00
8	School Education	21	12.93	19	156.26	19	67.10	59	236.29
9	Police	35	6.56	5	19.45	193	31.11	233	57.12
10	Health and Family Welfare	4	0.29	2	0.31	7	0.85	13	1.45
11	Land Revenue (Tehsil Dept.)	2	0.50	11	1.87	2	0.18	15	2.55
12	Animal Veterinary Service	8	1.80	1	0.10	172	13.73	181	15.63
13	Co-operation	0	0.00	1	96.26	0	0.00	1	96.26
14	Woman and Child Welfare	1	3.50	0	0.00	2	0.31	3	3.81

**State Finances Audit Report for the Year ended 31 March 2020**

15	Dairy Development	1	0.20	1	0.18	0	0.00	2	0.22
16	Village & Small Scale Industries (Resham) Dept.	0	0.00	0	0.00	1	0.00	1	0.00
17	Law and Legislative Dept.	8	0.39	2	8.83	1	0.07	11	9.29
18	Labour and Employment	10	3.90	0	0.00	4	0.75	14	4.65
19	Food Civil Supply and Consumer Protection Department	0	0.00	1	0.08	3	0.15	4	0.23
20	Crop Husbandry	1	0.24	1	2.98	5	0.55	7	3.77
21	Welfare of SC ST and other Backward Classes	3	1.14	4	20.48	8	1.23	15	22.85
22	Health and Medical Services	6	1.11	9	34.84	4	9.91	19	45.86
23	Forest	1	5.71	0	0.00	952	941.01	953	946.72
24	PWD	2	0.24	0	0.00	476	10,269.69	478	10,269.93
25	WRD	7	1.25	0	0.00	16	550.18	23	551.43
26	Finance and Statistical Directorate	1	0.05	0	0.00	0	0.00	1	0.05
27	Collectorate	0	0.00	1	0.07	1	0.30	2	0.37
28	Mining and Metallurgical Industries Dept.	0	0.00	0	0.00	1	0.00	1	0.00
29	Cleaning and Water Supply	0	0.00	1	189.90	0	0.00	1	189.90
30	Rural Engineering Services	0	0.00	0	0.00	2	4.41	2	4.41
31	ITBP	0	0.00	0	0.00	4	1.06	4	1.06
<b>Total</b>		<b>138</b>	<b>55.30</b>	<b>70</b>	<b>540.33</b>	<b>1,904</b>	<b>11,977.91</b>	<b>2,112</b>	<b>12,573.54</b>

**Appendix: 4.7**

(Reference: Paragraph 4.15: Page-84)

**Year wise analysis of loss to Government**

(Cases where financial action was pending at the end of 31 March 2020)

(₹ in lakh)

Sl. No.	Name Of Department	Number of cases and amount						Total
		Up to 05 years	05 to 10 years	10 to 15 years	15 to 20 years	20 to 25 years	above 25 years	
1	2	3	4	5	6	7	8	9
1	Higher Education	3 (0.08)	4 (2.14)	4 (8.08)	2 (2.51)	1 (0.13)	3 (0.61)	17 (13.55)
2	Art & Culture	1 (0.00)	-	-	-	-	1 (0.81)	2 (0.81)
3	District Administration	-	-	1 (0.20)	2 (0.88)	1 (0.16)	3 (3.24)	7 (4.48)
4	Treasury and Accounts Administration	-	-	3 (7.33)	-	1 (11.77)	3 (0.16)	7 (19.26)
5	Technical Education	1 (0.15)	3 (46.79)	8 (5.42)	-	-	1 (0.25)	13 (52.61)
6	Rural Development	2 (0.21)	-	2 (0.75)	3 (1.46)	4 (12.67)	10 (2.89)	21 (17.98)

7	Panchayat And Social Welfare	1 (1.00)	-	1 (0.00)	-	-	-	2 (1.00)
8	School Education	5 (0.28)	5 (180.98)	3 (7.14)	7 (22.77)		39 (25.12)	59 (236.29)
9	Police	126 (17.85)	57 (5.73)	30 (4.79)	11 (11.32)	3 (1.10)	6 (16.33)	233 (57.12)
10	Health and Family Welfare	-	-	-	-	-	13 (1.45)	13 (1.45)
11	Land Revenue (Tehsil)	-	-	3 (0.98)	-	-	12 (1.57)	15 (2.55)
12	Animal Veterinary Service	50 (3.80)	51 (5.55)	62 (3.40)	13 (2.19)	-	5 (0.69)	181 (15.63)
13	Cooperation	-	-	-	-	-	1 (96.26)	1 (96.26)
14	Woman and Child Development	-	-	-	-	-	3 (3.81)	3 (3.81)
15	Dairy Development	-	-	-	1 (0.20)	-	1 (0.02)	2 (0.22)
16	Village & Small Scale Industries (Resham) Dept.	1 (0.00)	-	-	-	-	-	1 (0.00)
17	Law and Legislative Dept.	6 (0.36)	2 (0.00)	1 (1.04)	1 (0.10)	1 (7.79)	-	11 (9.29)
18	Labour and Employment	2 (1.02)	2 (0.50)	-	5 (2.71)	-	5 (0.42)	14 (4.65)
19	Food Civil Supply and Consumer Protection Department	-	-	-	2 (0.12)	-	2 (0.11)	4 (0.23)
20	Crop Husbandry	-	3 (0.16)	-	4 (3.61)	-	-	7 (3.77)
21	Welfare of SC ST and other Backward Classes	1 (0.17)	1 (0.00)	1 (19.58)	-	-	12 (3.10)	15 (22.85)
22	Health and Medical Services	1 (0.00)	2 (9.90)	-	1 (30.75)	5 (2.27)	10 (2.94)	19 (45.86)
23	Forest	29 (21.76)	35 (82.27)	50 (98.73)	109 (144.37)	206 (411.77)	524 (187.82)	953 (946.72)
24	PWD	15 (564.32)	338 (8,769.39)	83 (807.27)	42 (128.95)	-	-	478 (10,269.93)
25	WRD	9 (358.97)	5 (6.00)	9 (186.46)	-	-	-	23 (551.43)
26	Economic and Statistical Directorate	-	1 (0.05)	-	-	-	-	1 (0.05)
27	Collectorate	-	-	-	-	-	2 (0.37)	2 (0.37)
28	Mining and Metallurgical Industries Dept.	1 (0.00)	-	-	-	-	-	1 (0.00)
29	Cleaning and Water Supply	-	-	-	-	-	1 (189.90)	1 (189.90)
30	Rural Engineering Services	-	1 (4.00)	1 (0.41)	-	-	-	2 (4.41)
31	ITBP	4 (1.06)	-	-	-	-	-	4 (1.06)
<b>Total</b>		<b>258 (971.03)</b>	<b>510 (9,113.46)</b>	<b>262 (1151.58)</b>	<b>203 (351.93)</b>	<b>222 (447.66)</b>	<b>657 (537.87)</b>	<b>2,112 (12,573.53)</b>

**Appendix: 4.8**

(Reference: Paragraph 4.15: Page-84)

**Details of recovery in various departments**

(Amount in ₹)

SL. No.	Recovery Case No.	Major Head	Department Name	Type Miss/Loss/Theft	Year	Amount of Loss	Amount Recovered	
1	2	3	4	5	6	7	8	
1.	68	2051	CGPSC	Loss	2005	3,16,000	3,16,000	
2.	68 A	2401	Crop Husbandry	Loss	2016	2,880	2,880	
3.	67	2701	WRD	Loss	2012	3,540	3,540	
4.	89	2055	Police	Loss	2018	6,855	6,855	
5.	95	2055		Loss	2019	27,581	27,581	
6.	60	2406	Forest	Loss	1990	5,184	4,985	
7.	61	2406		Loss	1994	23,340	23,340	
8.	62	2406		Loss	1999	52,533	52,533	
9.	63	2406		Loss	1992	5,309	5,309	
10.	64	2406		Loss	1992	56,757	56,757	
11.	65	2406		Loss	1992	16,540	16,540	
12.	66	2406		Loss	1994	6,392	6,392	
13.	69	2406		Loss	2018	21,621	2,162	
14.	70	2406		Loss	2017	7,145	7,145	
15.	71	2406		Loss	2018	2,301	2,301	
16.	72	2406		Loss	2017	1,150	1,150	
17.	73	2406		Loss	2017	2,517	2,517	
18.	74	2406		Loss	2017	7,638	7,638	
19.	75	2406		Loss	1996	3,100	3,100	
20.	76	2406		Loss	1999	2,635	2,635	
21.	77	2406		Loss	2018	4,192	4,192	
22.	78	2406		Loss	1996	3,631	3,631	
23.	79	2406		Loss	2017	2,481	2,481	
24.	80	2406		Loss	2017	2,682	2,682	
25.	81	2406		Loss	2018	13,503	13,503	
26.	82	2406		Loss	2018	3,808	3,808	
27.	83	2406		Loss	2017	10,992	10,992	
28.	84	2406		Loss	2018	2,265	2,265	
29.	85	2406		Loss	2017	3,651	3,651	
30.	86	2406		Loss	2018	1,732	1,732	
31.	87	2406		Loss	2017	26,036	26,036	
32.	88	2406		Loss	2017	2,532	2,532	
33.	90	2406		Loss	2019	2,050	2,050	
34.	91	2406		Loss	2019	61,396	61,336	
35.	92	2406		Loss	2019	3,600	3,600	
36.	93	2406		Loss	2019	21,346	21,346	
37.	94	2406		Loss	2019	74,845	74,845	
38.	96	2406		Loss	2019	21,346	21,346	
39.	97	2406		Loss	2019	3,600	3,600	
40.	98	2406		Loss	2019	61,336	61,336	
<b>Total</b>						<b>8,98,042</b>	<b>8,78,324</b>	