

UNION AND STATE FINANCES AT A GLANCE 2018-2019

Comptroller and Auditor General of India

Preface

This publication “Union and State Finances at a Glance” is an overview of the Government Finances of both the Union and the states. It presents the information on accounts in an easy to comprehend manner with extensive use of graphs, charts. It portrays the trends in receipts, expenditure and fiscal position of the Union and State Governments. It also provides an opportunity for Inter-state comparisons and attempts to address the need of various stakeholders for a publication containing a reader friendly summary of Union and State Finances. Detailed information on any of the aspects dealt with in this publication is available in the 'Combined Finance and Revenue Accounts' 2018-19 and the 'Finance Accounts' of the Union and the States for the year 2018-19.

We look forward to reader’s views and comments on this publication. The feedback would help us in further improving the publication in the years to come.



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Comptroller and Auditor General of India

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Place: New Delhi

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Introduction

Chapter-1

1.1.1

How Accounts Are Compiled

Union Government accounts are compiled by the Controller General of Accounts from the accounts received from the Pay and Accounts Offices (PAOs) attached to the Ministries and Departments of the Government of India. The Accounts of the Railways, P&T and Defence also forms part of the Union Government Accounts.

The accounts of the State Government are compiled by the Accountant General of the State concerned based on the transactions reported by the treasuries and other accounts rendering units like Public Works Divisions, Forest Divisions, etc.

1.1.2

Finance Accounts

Finance Accounts of both the Union Government and State Governments¹ are prepared annually. These are audited by the Comptroller and Auditor General of India. The Accounts present the receipts and expenditure of the Government for the year together with the financial results disclosed by the revenue and capital accounts and public debt. The liabilities and assets of the Government are worked out from the balances recorded in the accounts.

1.1.3

Union and State Finances at a Glance

This publication provides the reader with a snapshot of the Finances of Union and the States. We have included key financial parameters and attempted to make the publication reader friendly, keeping the use of technical terms to a minimum. We welcome inputs to improve the product further.

1.1.4

Compilation of CFRA 2018-19

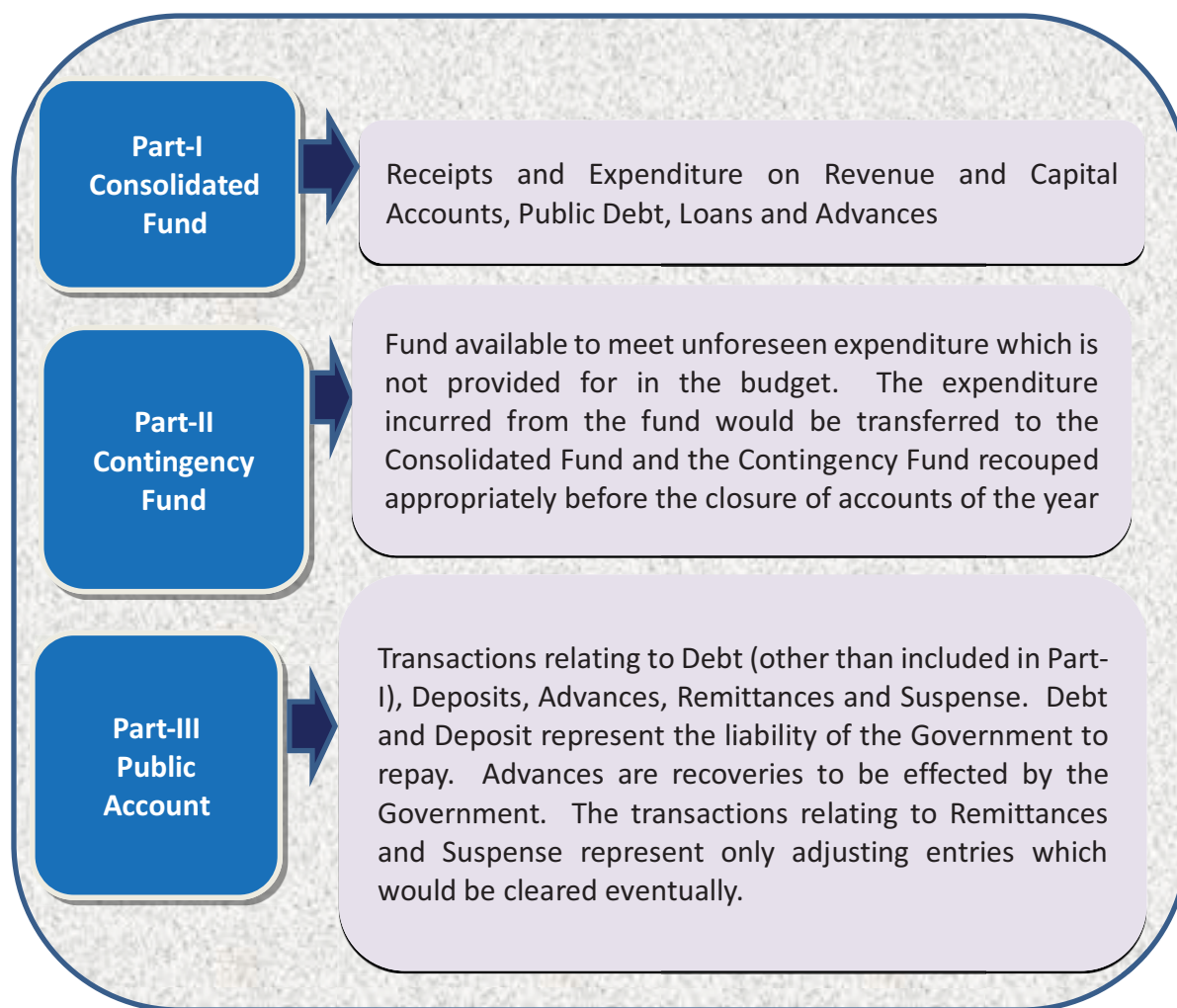
Combined Revenue and Finance Accounts (CFRA) is prepared on the basis of certified Finance Accounts compiled by the State Accountant General offices. For Union Government, NCT of Delhi, Goa and UT Puducherry the data of the respective years certified Finance Accounts is captured.

¹The figure taken here do not include the un-apportioned amounts in respect of those states where balances remain un-apportioned.

Details of Accounts: Accounts in this compilation has been prepared in 3 volumes: The first volume (Vol – I) containing major-head wise summary of receipts and disbursements of various Governments from the Consolidated Fund, the Contingency Fund and the Public Account and there are six such statements. The second volume (Vol – II) containing Subsidiary Accounts relating to Economic Services and the third volume (Vol – III) containing Subsidiary Accounts relating to the General, the Social Services etc. There are 293 detailed Statements in Vols. II and III. The Subsidiary Accounts give details generally by minor heads of the figures shown in the General Accounts in Volume I. Scheme wise details are available in the concerned Finance Accounts of the respective Governments. The major head-wise details of the Public Account is available in General Accounts, Volume-I.

Basic principles of compilation: The accounts / Statements are in Indian Rupees (₹). All the CFRA accounts are in lakhs, except accounts No. 1 and 115 are in crores. The report intends to provide a comparative viewing of the Union and State Finances. Figures have been rounded off for uniformity in the accounts of the States/ UTs / Union Government.

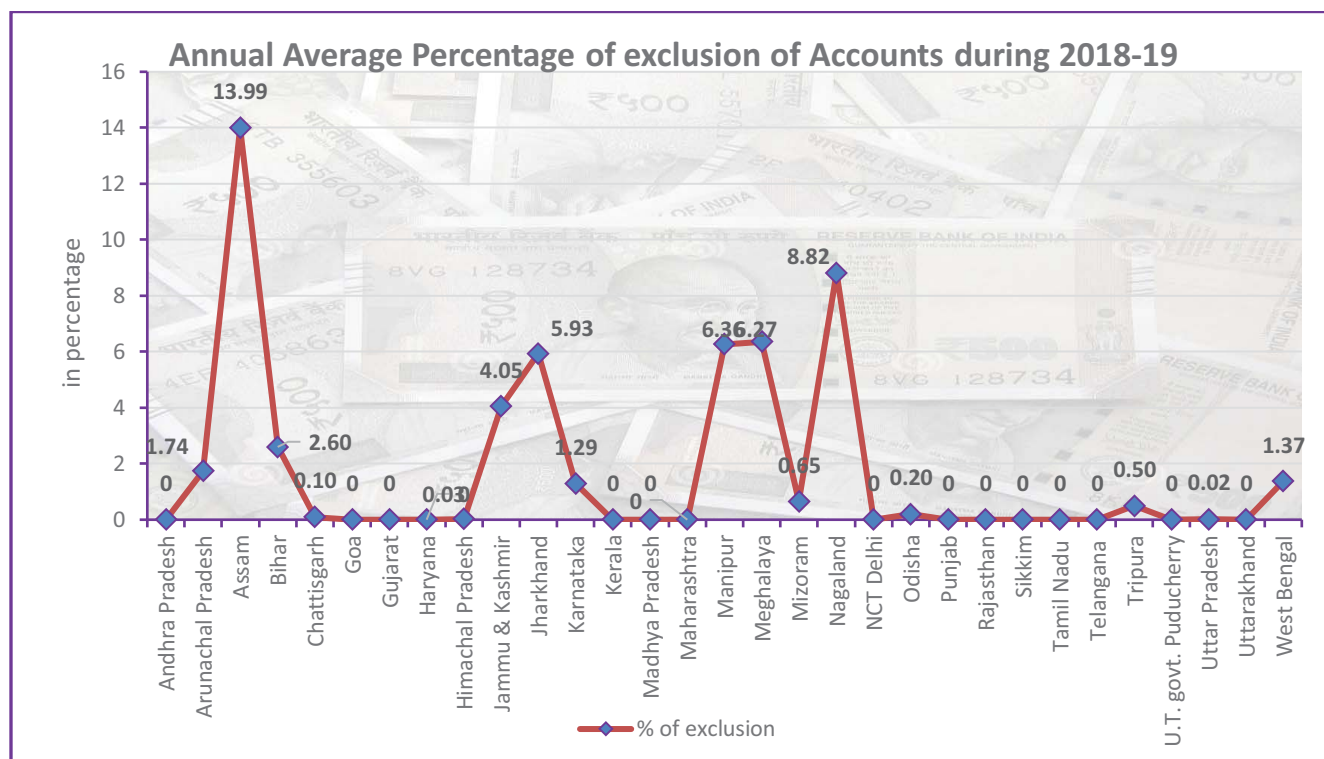
Structure of Government Accounts



Quality of Accounts

Exclusions

The offices of the Accountants General (A&E) receive monthly accounts from various treasuries, Public Works divisions, Forest divisions, Irrigation divisions and Rural Engineering Service divisions. These are compiled, consolidated and incorporated in the monthly civil accounts (MCA). The accounts of all these account rendering units (ARUs) are required to be received by the Accountant General. Non receipt of accounts from ARUs result in exclusion of the respective accounts in the compilation of MCA for that month. The accounts are incomplete to the extent of exclusions. The Annual Average Percentage of Exclusion of Accounts during the year 2018-19 is depicted below:



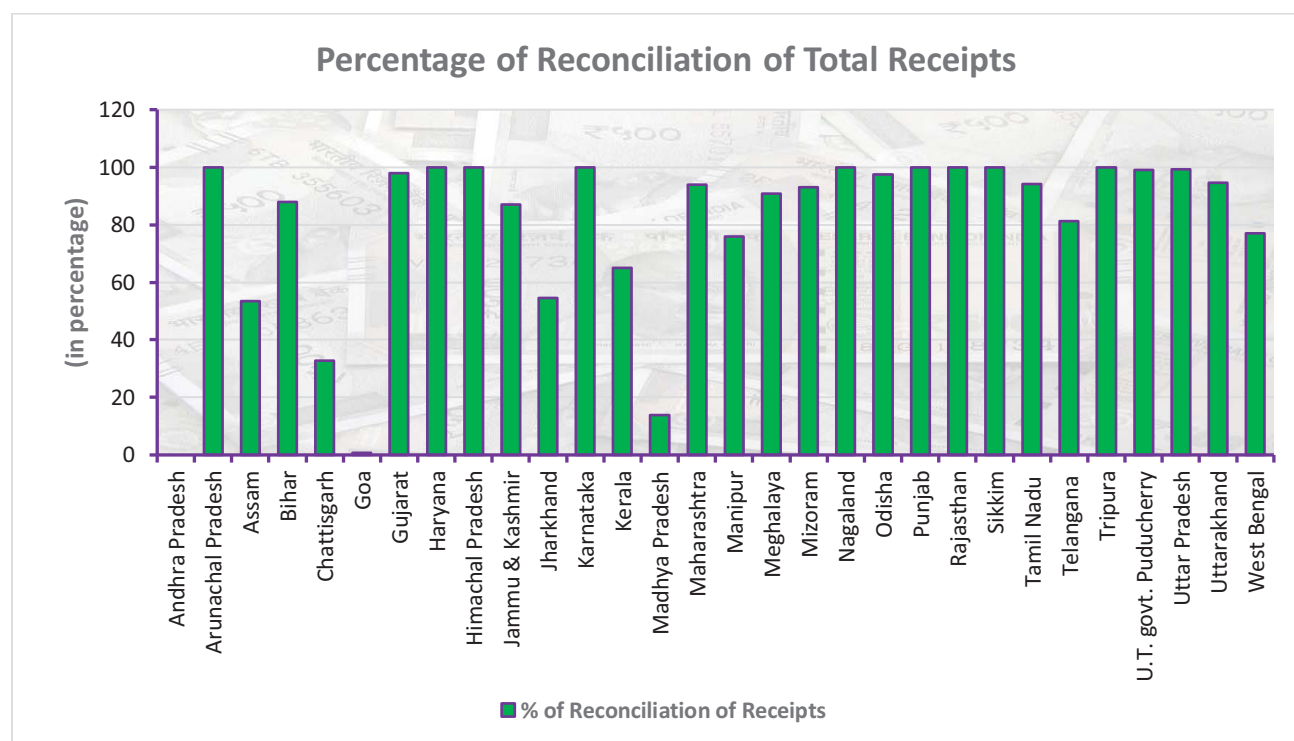
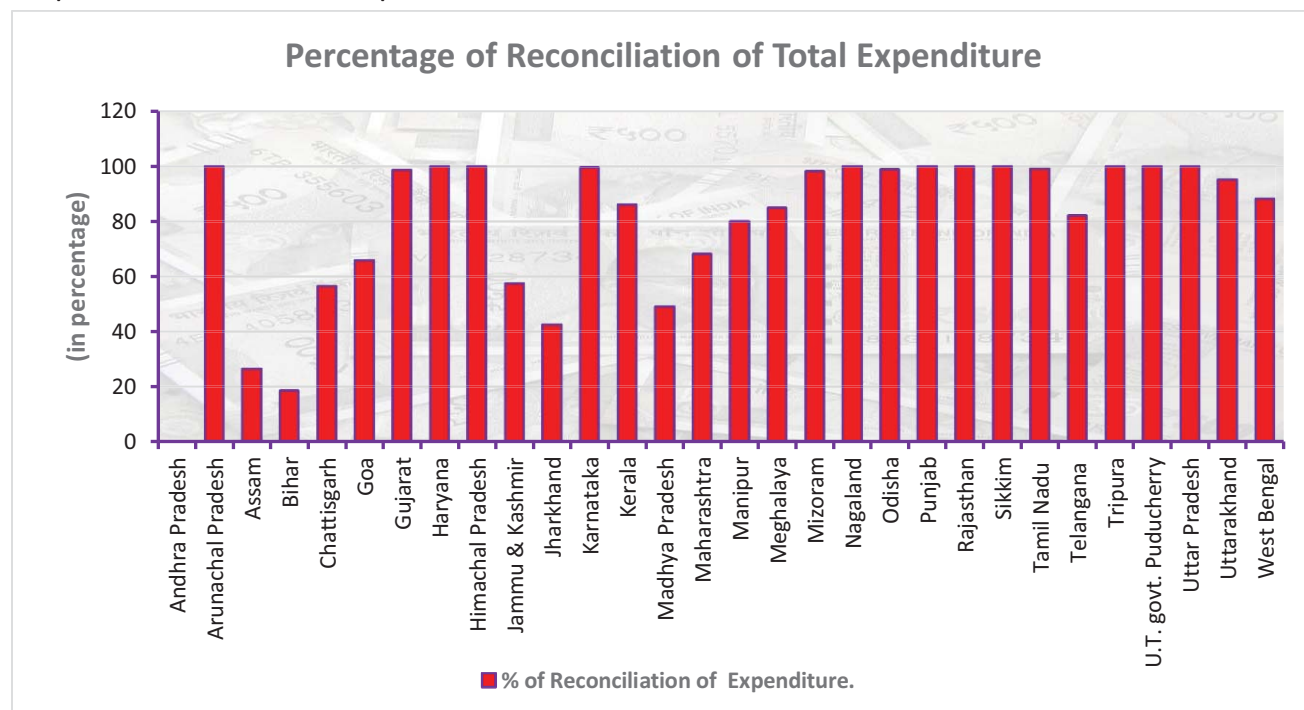
1.3.2

Reconciliation of Receipts and Expenditure

In order to exercise effective control of expenditure to keep it within the budget grants and to ensure accuracy of their accounts, all Chief Controlling Officers (CCOs)/Controlling Officers (COs) are required to reconcile the figures of Receipts and Expenditure recorded in their books every month with the figures accounted for by the Accountant General (A&E) offices. The completeness and correctness of the receipts and expenditure figures depicted in the Finance Accounts to a large extent depends upon the extent of reconciliation done. The following is the status of reconciliation of expenditure and receipts of the states:

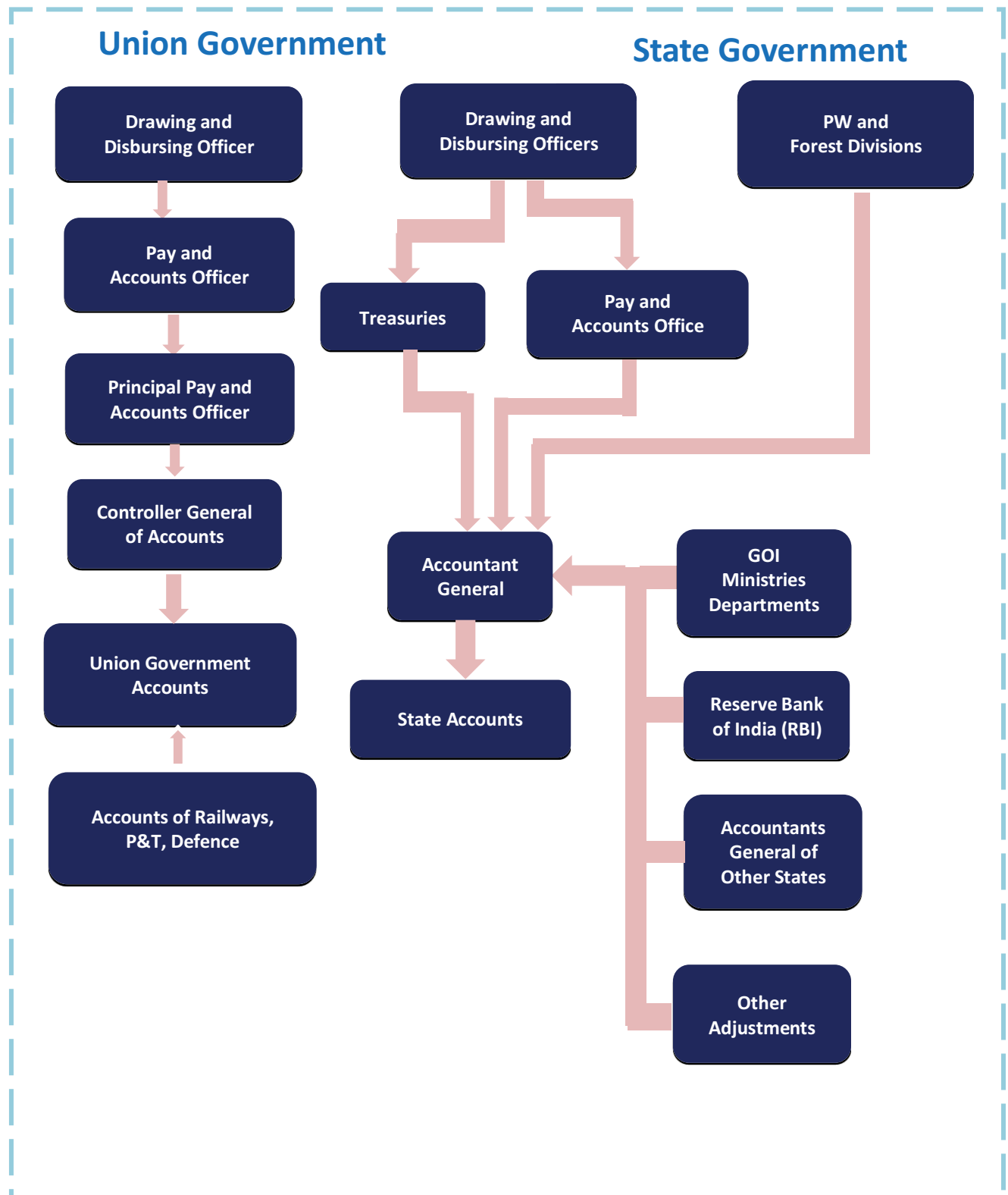
Particulars	Extent of Reconciliation	Details of States
Extent of Expenditure Reconciliation	Complete	9 States/UT including Puducherry
	80 % – 100%	12 States
	40% - 80%	6 States
	Less than 40 %	3 States – Andhra Pradesh, Assam and Bihar
Extent of Revenue Reconciliation	Complete	8 States
	80 % – 100%	13 States/UT including Puducherry
	40% - 80%	5 States
	Less than 40 %	4 States – Andhra Pradesh, Chhattisgarh, Goa and Madhya Pradesh

The status of reconciliation in respect of receipts and expenditure during 2018-19 in respect of each state is depicted below:





Flow Diagram for Accounts compilation



2.1

Sources and Application of Fund

This section gives an overview of the Governments transactions under Cash Balance, Receipts, Expenditure, Public Debt and Public Account. The Cash Balance of the Union Government has decreased and that of the State Governments increased as on 31st March 2019. Table 2.1.1 below how the sources and application of Funds:

2.1.1

Sources and Application of Funds (2018-19)

(₹ in crore)

	Particulars	Union Government	Total of all States ²
SOURCES	Opening Cash Balances as on 1st April 2018	1407.88	827.43
	Revenue Receipts	1806462.91	2618854.16
	Transfer to Contingency Fund		1528.00
	Miscellaneous Capital Receipts	94979.05	893.78
	Recovery of Loans and Advances	30256.94	40916.47
	Public Debt	6758482.41	750945.60
	Small Savings, Provident Funds and Others	1004321.69	211121.25
	Reserves and Sinking Fund	321859.06	90420.96
	Deposits received	365461.21	856336.77
	Suspense and Miscellaneous	52576.85	5069450.60
	Remittances	998.61	252189.29
	Contingency Fund Receipt		4082.72
	Inter-State Settlement		1.32
	Total	1,04,36,806.61	98,97,568.35
APPLICATION	Revenue Expenditure	22,61,570.74	2639083.60
	Capital Expenditure	3,99,522.82	440300.81
	Transfer to Contingency Fund		3618.00
	Loans Given	54,667.45	46629.31
	Repayment of Public Debt	60,64,945.38	408435.58
	Small Savings, Provident Fund and Others	9,78,883.11	164666.91
	Reserves and Sinking Fund	3,40,157.26	72484.95
	Deposits Given	2,99,172.22	803549.61
	Suspense and Miscellaneous	29,253.31	5065597.31
	Remittances	5,905.30	249380.30
	Closing Cash Balance as on 31st March 2019	2729.02	279.70
	Contingency Fund Disbursement		3509.55
	Inter-State Settlement		32.72
	Total	1,04,36,806.61	98,97,568.35

² Includes the state of Goa and UTs NCT Delhi and Puducherry



Cash Management

The Union and State Governments except Sikkim maintain their accounts with the Reserve Bank of India (RBI). The Government of Jammu and Kashmir maintains its account with the RBI through the agency bank viz. Jammu and Kashmir Bank. The Government of Sikkim maintains its account with the State Bank of Sikkim. The State Government can obtain Ordinary Ways and Means Advance and Special Ways and Means Advance from RBI in order to maintain its liquidity position. If there is a shortfall in the agreed minimum Cash Balance even after availing of Special Ways and Means Advance, the Union and State Governments can avail of the Overdraft (OD) facility.

2.2.1

Ways and Means Advances from Reserve Bank of India

Under an agreement with the Reserve Bank of India (RBI), the State Government has to maintain a minimum cash balance with the RBI. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary and special ways and means advances / overdrafts from time to time. During 2018-19, 15 (fifteen)³ States maintained minimum cash balance on all the 365 days without availing any Ways and Means Advances from Reserve Bank of India. Of the remaining states, 12 (twelve)⁴ States have availed ordinary/normal Ways and Means for days varying between 4 days and 296 days. 3 (three)⁵ States availed Special Ways and Means Advances for days varying between 7 days and 82 days, 4 (four)⁶ states have availed the Special Drawing facility and 10 (ten)⁷ States availed the Overdraft facility for days varying between 2 days (Nagaland) and 63 days (Punjab) during the year.

2.2.2

Following are two sets of graphs for application and sources of funds are prepared separately for the Union and the States.

In case of Union while the sources include 65 per cent from borrowings, application of funds include 58 per cent used in repayment of Debt. The Revenue Expenditure in respect of the Union consists of the item Grants-in-Aid (₹ 382711.80 crore) which is 16.92 *per cent* of the total revenue expenditure of the Union Government) given by the Union to States. In respect of the States the Grants-in-aid received from the Union forms a part of the Revenue Receipts. Details are in Chapter 3.

³ Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Karnataka, Maharashtra, Meghalaya, Mizoram, Odisha, Rajasthan, Sikkim, Tamilnadu, Tripura and Uttar Pradesh.

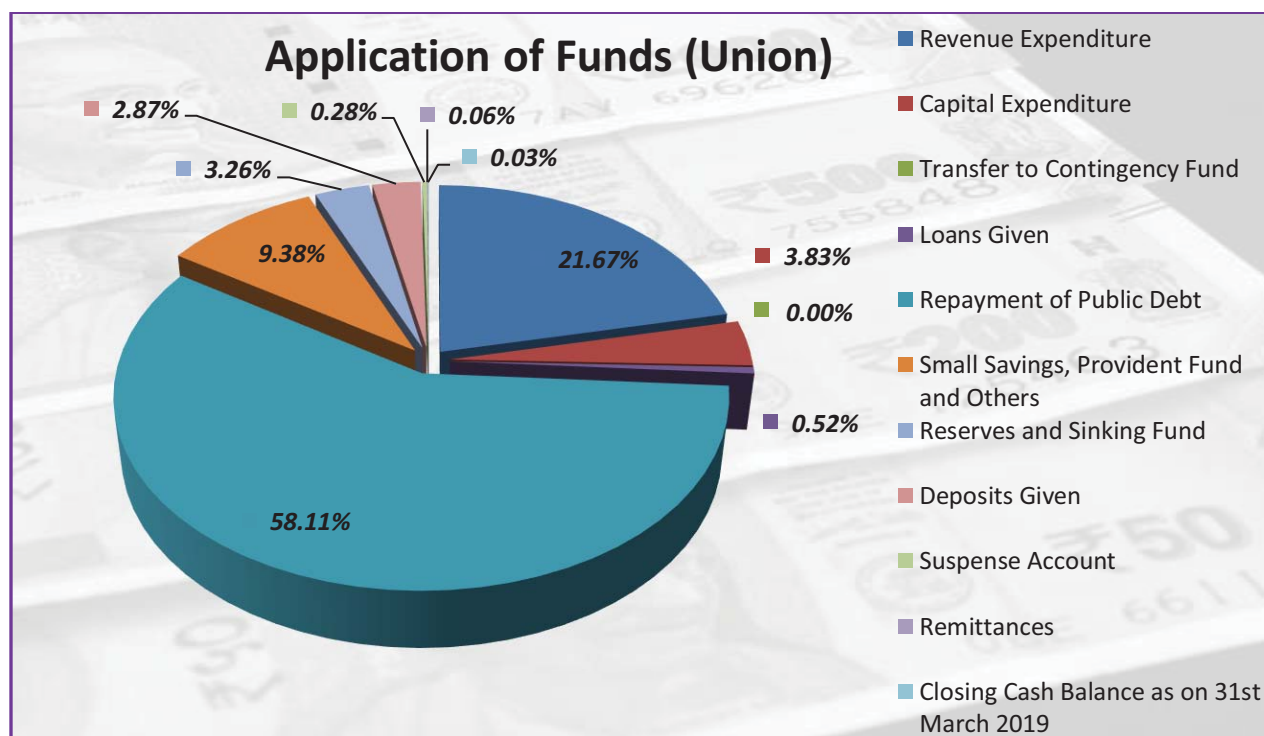
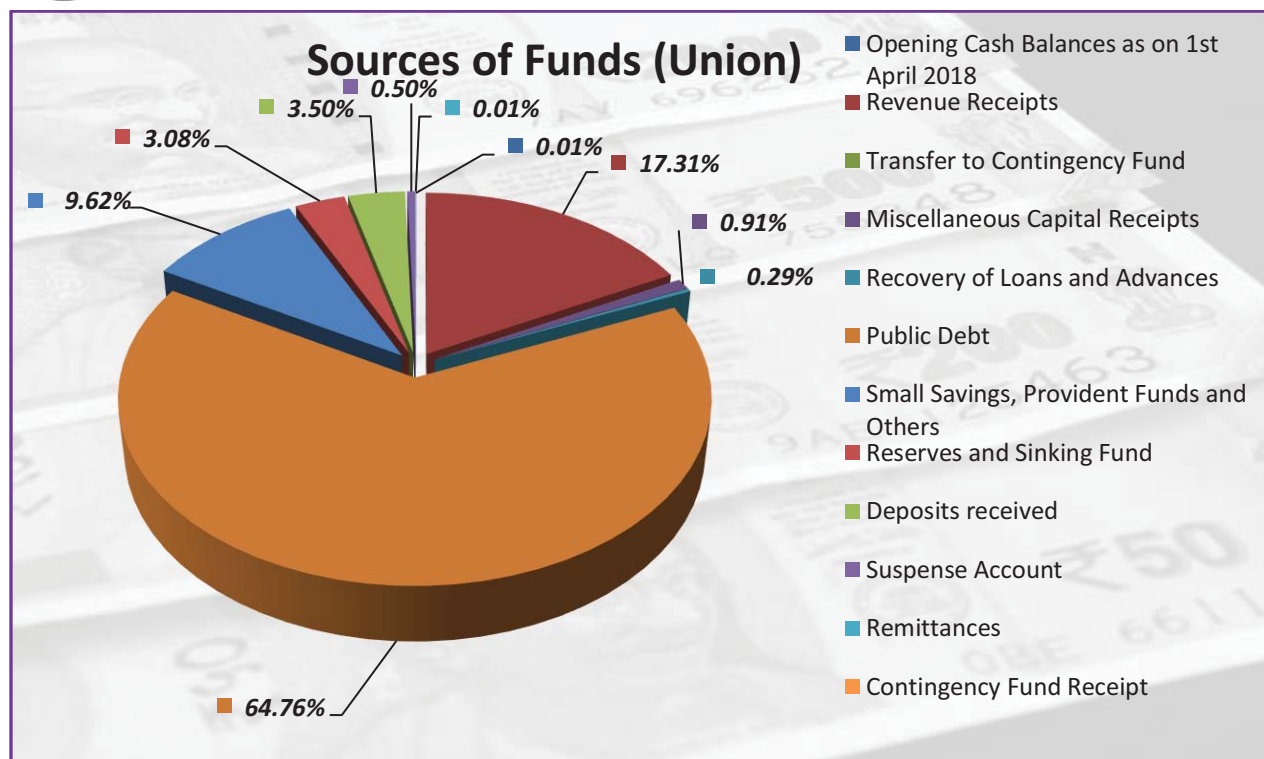
⁴ Goa, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Kerala, Madhya Pradesh, Manipur, Nagaland, Punjab, Uttarakhand and West Bengal.

⁵ Nagaland, Uttarakhand and West Bengal.

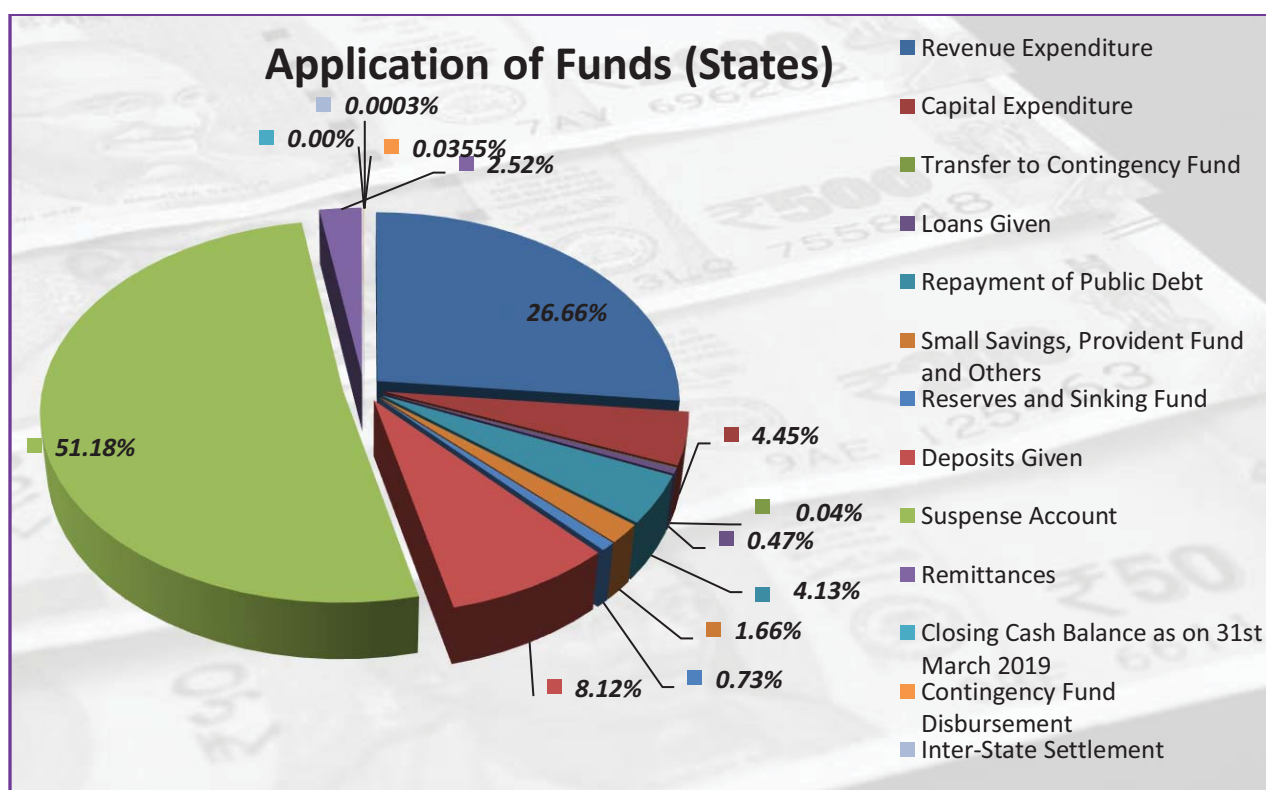
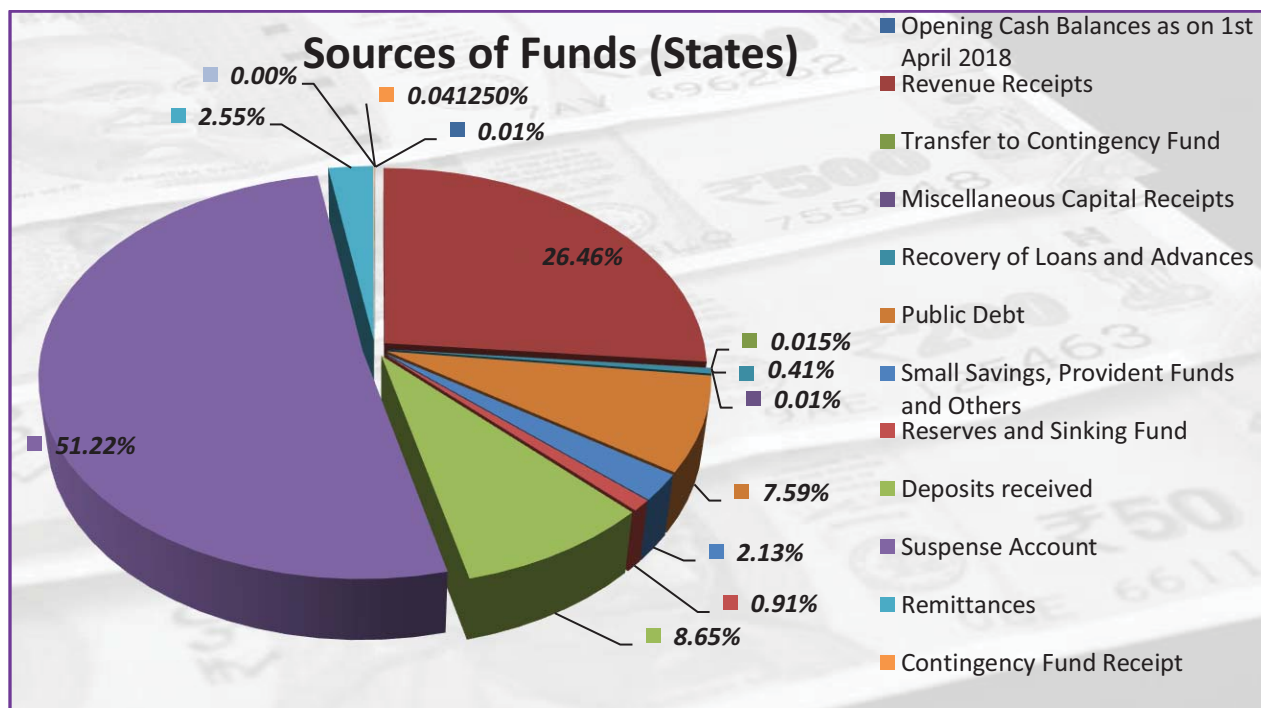
⁶ Andhra Pradesh, Kerala, Manipur and Telangana

⁷ Andhra Pradesh, Goa, Jammu & Kashmir, Jharkhand, Manipur, Nagaland, Punjab, Uttarakhand, West Bengal and Telangana.

Sources and Application of Funds: Union

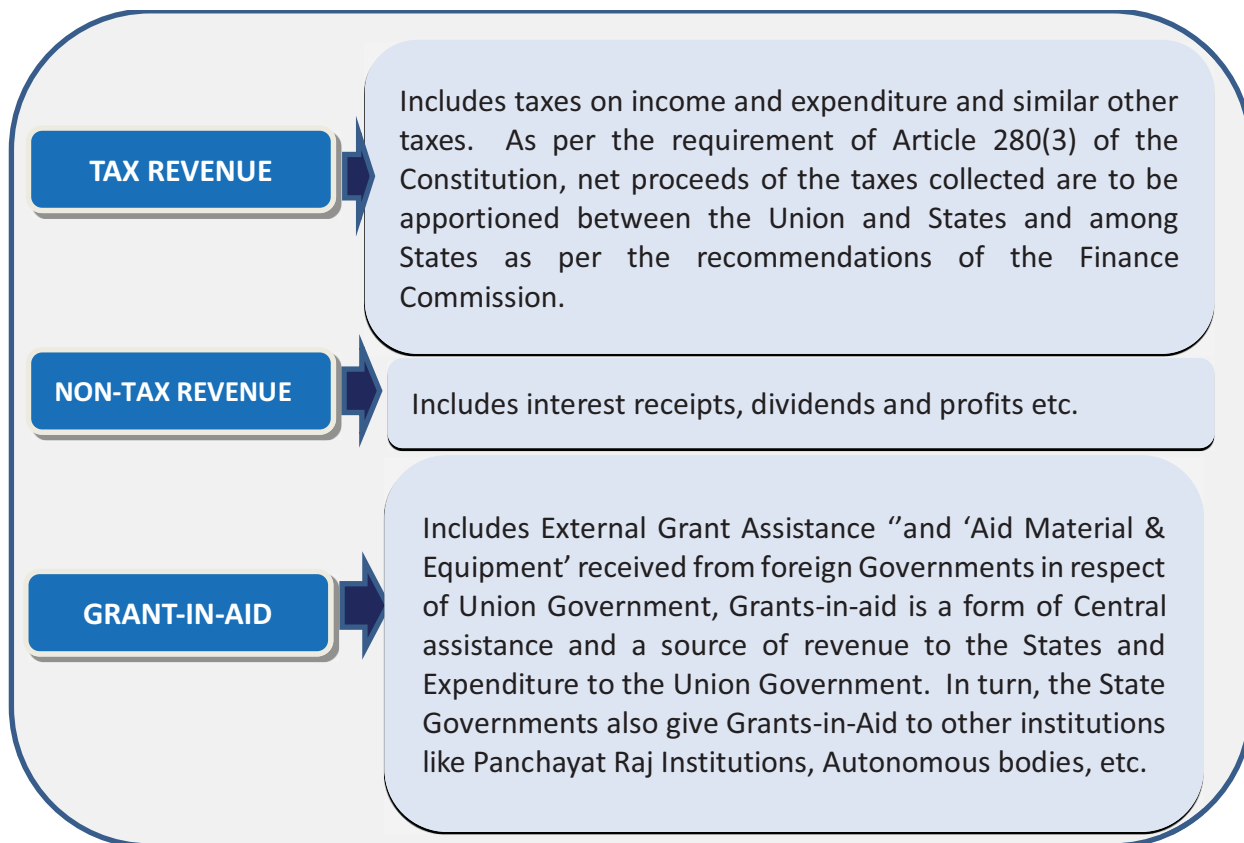


Sources and Application of Funds: States



Revenue Receipts

Revenue for both Union and State Governments consists of Tax Revenue, Non-Tax Revenue and Grants-in-Aid.



3.1.1

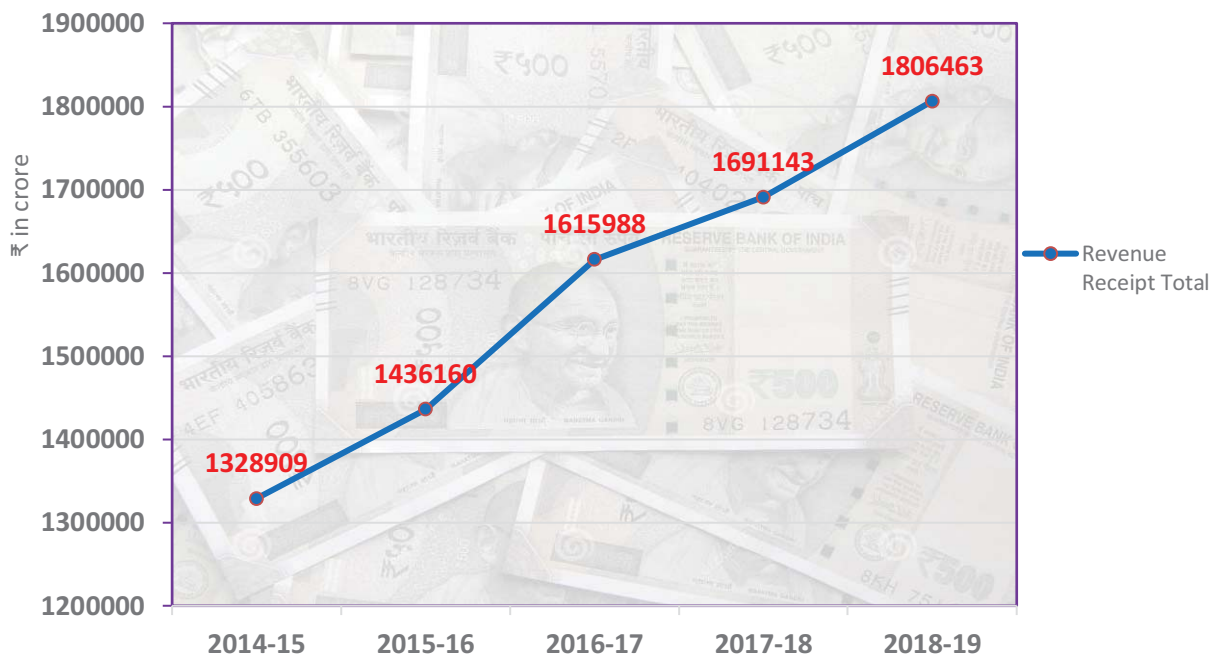
Revenue Receipts

(₹ in crore)

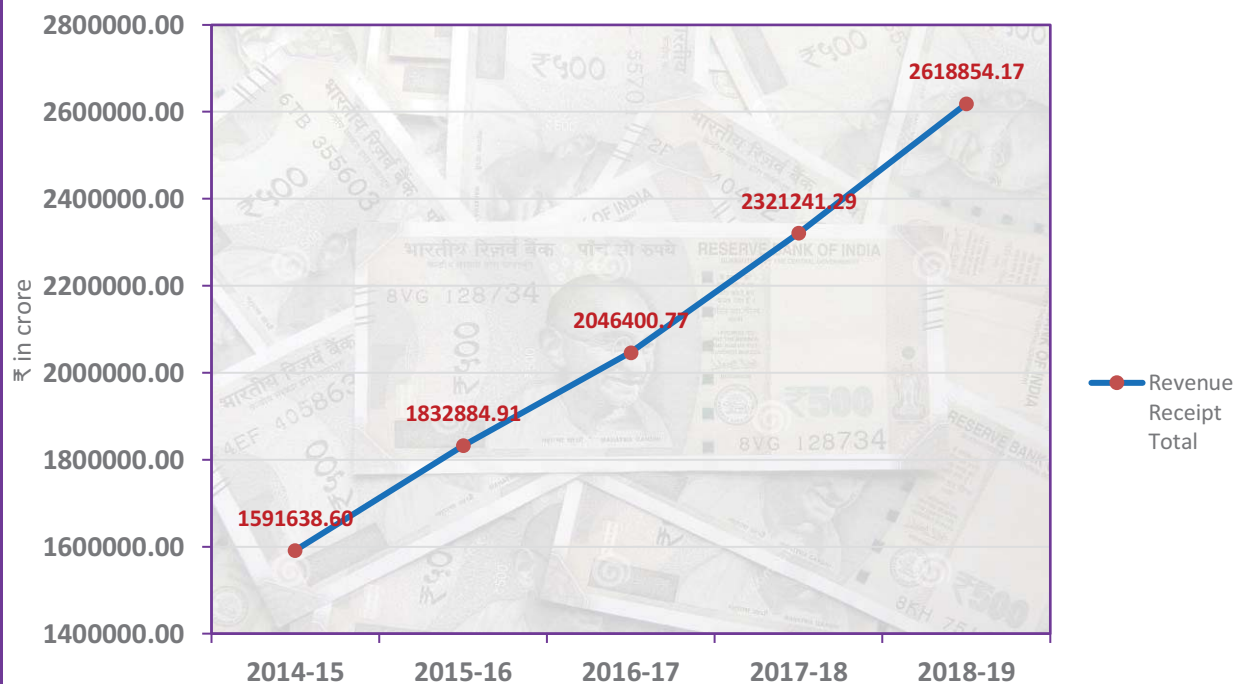
Particulars (2018-19)	Union	Total of all States
Union/State's Own Tax Revenue	13,19,011	12,00,767
Non-Tax Revenue	4,86,388	2,17,357
Grants-in-Aid	1,063	4,39,277
Share of Union Taxes and Duties	-7,61,454 ⁸	7,61,454
Total Revenue Receipts	18,06,463	26,18,855

⁸ Excluded in the total amount as it is included as a positive figure in Total amount of the States.

Trends of Revenue Receipts of Union



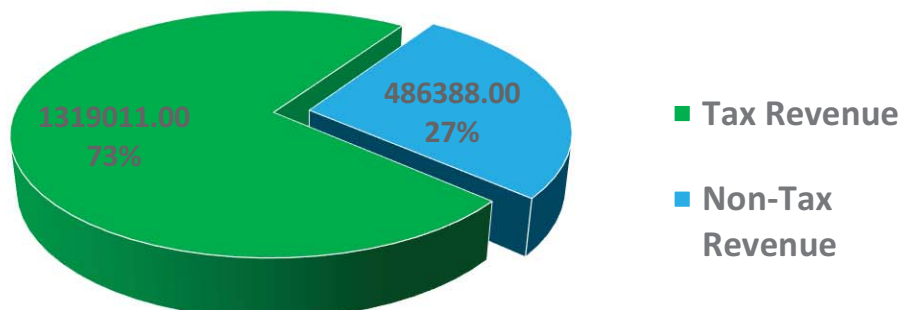
Trends of Revenue Receipts of all States/UTs





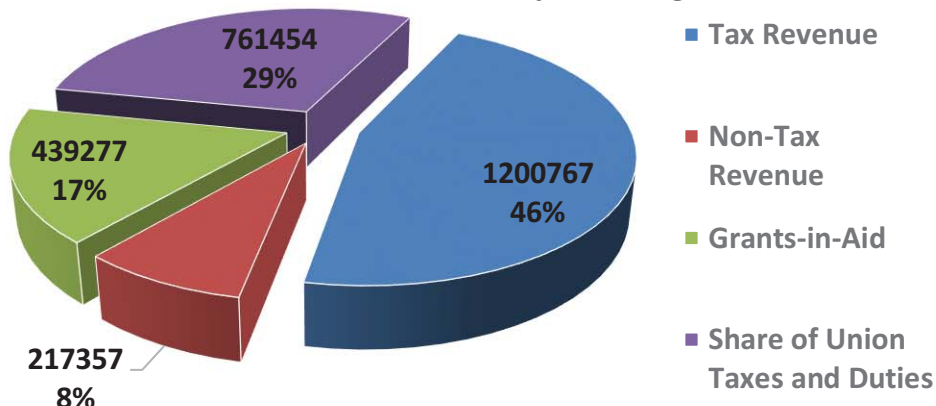
The Revenue Basket

Union Government - amount and percentage



Every Revenue Rupee raised by the Union Government consists of 73 paise from Tax and 27 paise from Non-Tax Revenue.

State /UT Governments - Amount and percentage



Every "Revenue Rupee" raised by the State Governments consists of 46 paise from Tax Revenue, 8 paise Non-Tax Revenue, 17 paise from Grant-in-Aid from Union Government and 29 paise Tax Proceeds transferred to States.



Analysis of Tax Revenue of States

3.3.1

Tax Revenue

Tax is the most important source of Revenue Receipts constituting 74 percent of Union and 46 percent of State revenues. Total Revenue Receipts as a percent to Gross Domestic

Product⁹ is 9.90 percent in respect of the Union and 13.57 percent for the State governments. In the following Table, an analysis of States' own Tax Revenue, Non-Tax Revenue and Share of Union Taxes and duties is made:

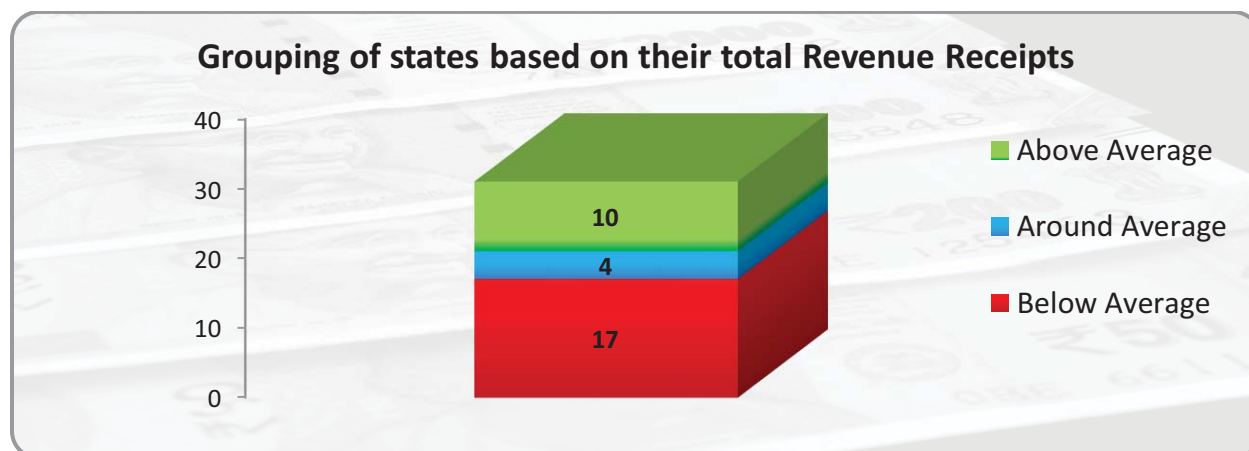
States' Own Tax Revenue, Non Tax Revenue and Share of Union Taxes assigned to the state (All States Average ratio of States' own tax to total receipt: 37.32)¹⁰

State	Own Tax Revenue (₹ in Crore)	Non-Tax Revenue (₹ in Crore)	Share of Net Proceeds assigned to States/UTs (₹ in Crore)	Total Receipts (₹ in Crore)	Own tax as a ratio of Total Revenue Receipts
Arunachal Pradesh	1068.04	608.87	10436.14	16195.96	6.59
Nagaland	846.43	255.24	3792.41	11437.41	7.40
Mizoram	726.70	449.96	3502.96	9039.50	8.04
Manipur	1046.05	166.24	4698.59	10561.71	9.90
Tripura	1765.91	372.20	4888.95	12030.89	14.68
Sikkim	892.92	657.78	2794.67	5920.36	15.08
Meghalaya	1793.24	427.70	4889.07	9718.62	18.45
Jammu & Kashmir	9826.35	4349.35	13989.80	51230.71	19.18
Bihar	29408.14	4130.56	73603.13	131793.45	22.31
Himachal Pradesh	7572.81	2830.07	5429.77	30950.32	24.47
Assam	15924.85	8221.29	25215.85	63479.16	25.09
Jharkhand	14752.07	8257.98	23906.13	56151.70	26.27
Odisha	30318.33	14276.53	35353.73	99546.12	30.46
Chattisgarh	21427.26	7703.02	23458.69	65094.93	32.92
Madhya Pradesh	50882.41	11898.69	57487.01	148892.79	34.17
Uttar Pradesh	120121.86	30100.71	136766.46	329977.51	36.40
Uttarakhand	12188.09	3309.88	8011.59	31216.44	39.04
West Bengal	60732.28	3657.59	55775.72	145975.25	41.60
Rajasthan	57380.34	18603.01	41852.35	137873.02	41.62
Goa	4871.36	2873.66	2878.36	11437.98	42.59
U.T. govt. Puducherry	3188.75	1583.89	0.00	6400.41	49.82
Andhra Pradesh	58030.97	4396.13	32787.03	114670.86	50.61
Punjab	31574.28	7582.29	12005.14	62269.08	50.71
Kerala	50644.10	11783.24	19038.17	92854.47	54.54
Karnataka	96829.71	6772.87	35894.83	164978.66	58.69
Gujarat	80102.74	13416.99	23489.33	136001.54	58.90
Tamil Nadu	105534.16	14200.02	30638.77	173741.16	60.74
Telangana	64674.07	10007.42	18560.88	101420.16	63.77
Haryana	42581.34	7975.64	8254.60	65885.12	64.63
Maharashtra	187436.37	15843.56	42054.21	278996.27	67.18
NCT Delhi	36624.67	644.16	0.00	43112.60	84.95
Total	1200766.60	217356.54	761454.34	2618854.16	1160.82

⁹GDP of Union ₹18971237 crore and ₹19178241 crore in respect of States/UTs for the base year 2011-12 at current prices released by CSO in September, 2020 and July, 2020 respectively.

¹⁰ Average = Total own tax as ratio of Revenue Receipts / total number of States & UTs

NCT of Delhi (84.95 per cent) tops the list in having the highest own tax revenue to Total revenue receipts ratio followed by Maharashtra (67.18 per cent), Haryana (64.63 per cent), Telangana (63.77 per cent), Tamil Nadu (60.74 per cent), Gujarat (58.90 per cent) and Karnataka (58.69 per cent). The state of Arunachal Pradesh (6.59 per cent) had the lowest ratio. It is seen that eight (8)¹¹ states have less than 20 per cent from their own sources. All the states having lowest revenue from own sources as compared to the total revenue receipts belong to the Special category.



3.3.2

Goods and Service Tax (GST)

The Goods and Service Tax (GST) was made operational from midnight from 1 July 2017 by the President of India, and the Government of India. The single GST subsumed several taxes and levies, which included central excise duty, services tax, additional customs duty, surcharges, state-level value added tax and Octroi. Other levies which were applicable on inter-state transportation of goods have also been done away with in GST regime. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services.

India adopted a dual GST model, meaning that taxation is administered by both the Union and state governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the State governments. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax/destination-based tax, therefore, taxes are paid to the state where the goods or services are consumed not the state in which they were produced. GST is levied at rates as per the recommendations of the GST Council where both Union and the State Governments have representation.

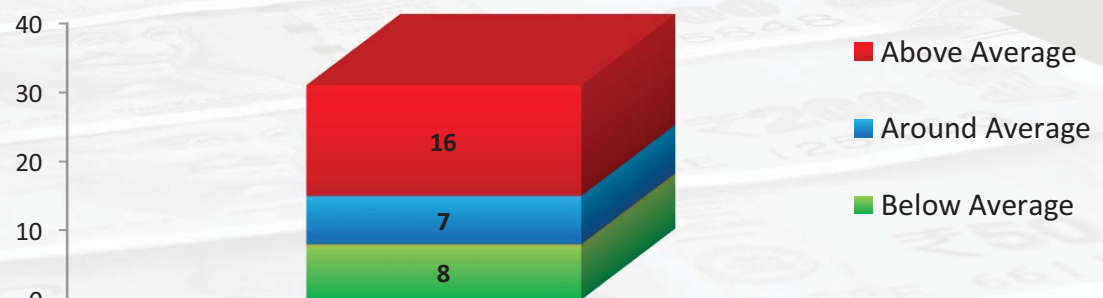
¹¹ Arunachal Pradesh, Nagaland, Mizoram, Manipur, Tripura, Sikkim, Meghalaya and Jammu & Kashmir .

States' Per Capita Share of Net Proceeds assigned to States / UTs

(All States Average per capita Share of net proceeds assigned to States/UTs: ₹ 5562)¹²

State	Share of Net Proceeds (₹ in crore)	Population (in crores)	Per capita Share of net proceeds assigned to States/UTs
NCT Delhi	0.00	1.87	0.00
U.T. govt. Puducherry	0.00	0.14	0.00
Haryana	8254.60	2.82	2927.16
Maharashtra	42054.21	12.31	3416.26
Gujarat	23489.33	6.39	3675.95
Tamil Nadu	30638.77	7.78	3938.15
Punjab	12005.14	3.01	3988.42
Telangana	18560.88	3.94	4710.88
Rajasthan	41852.35	8.10	5166.96
Karnataka	35894.83	6.76	5309.89
Kerala	19038.17	3.57	5332.82
West Bengal	55775.72	9.96	5599.97
Uttar Pradesh	136766.46	23.79	5748.91
Bihar	73603.13	12.48	5897.69
Andhra Pradesh	32787.03	5.39	6082.94
Jharkhand	23906.13	3.86	6193.30
Madhya Pradesh	57487.01	8.54	6731.50
Assam	25215.85	3.56	7083.10
Uttarakhand	8011.59	1.13	7089.90
Himachal Pradesh	5429.77	0.75	7239.69
Odisha	35353.73	4.64	7619.34
Chhattisgarh	23458.69	2.94	7979.15
Jammu & Kashmir	13989.80	1.36	10286.62
Tripura	4888.95	0.42	11640.36
Meghalaya	4889.07	0.34	14379.62
Manipur	4698.59	0.31	15156.74
Nagaland	3792.41	0.22	17238.23
Goa	2878.36	0.16	17989.75
Mizoram	3502.96	0.12	29191.33
Sikkim	2794.67	0.07	39923.86
Arunachal Pradesh	10436.14	0.16	65225.88
Total	761454.34	136.89¹³	5562.53¹²

Grouping of states based on per capita share of net proceeds



¹²Average = Total share of Union duties and taxes / Total population of all States & UTs

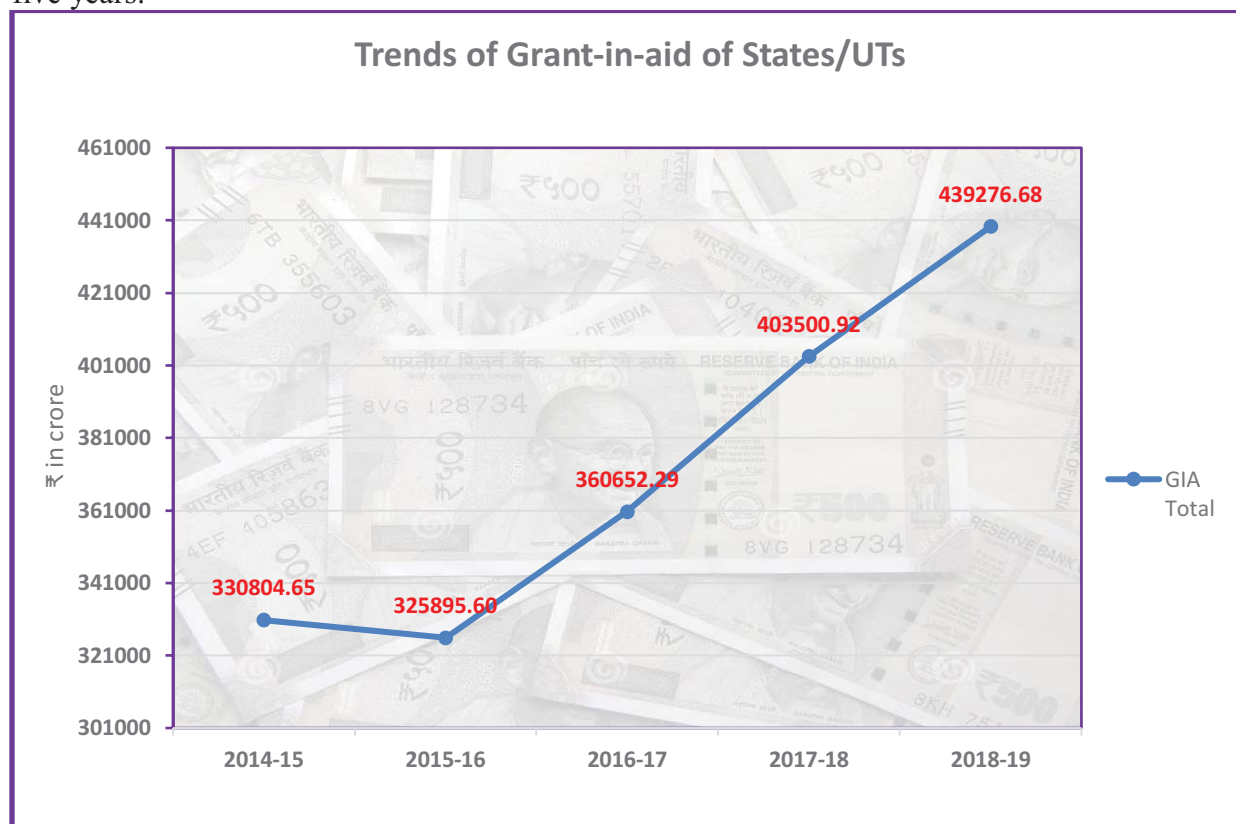
¹³ Source: www.statisticstimes.com as in 2020 of the data compiled by data of Ministry of Statistics and Programme Implementation (mospi) updated by Unique Identification Authority of India.



Grants-in-Aid

Grants-in-Aid are given by the Union Government to States for implementation of Central Schemes etc. which constitute part of the State Revenue. Grants-in-aid therefore represent assistance from the Government of India, and comprise, grant for State Schemes, Central Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Grants recommended by the Finance Commission including the compensation for loss of revenue arising out of implementation of GST.

Following is the trend of receipt of Grant-in-aid of all the States and UTs combined during the last five years:



The Grant-in-aid received by each State from the Government of India, per Capita Grant-in-aid and the percentage share of the Revenue receipts by its components is shown below:

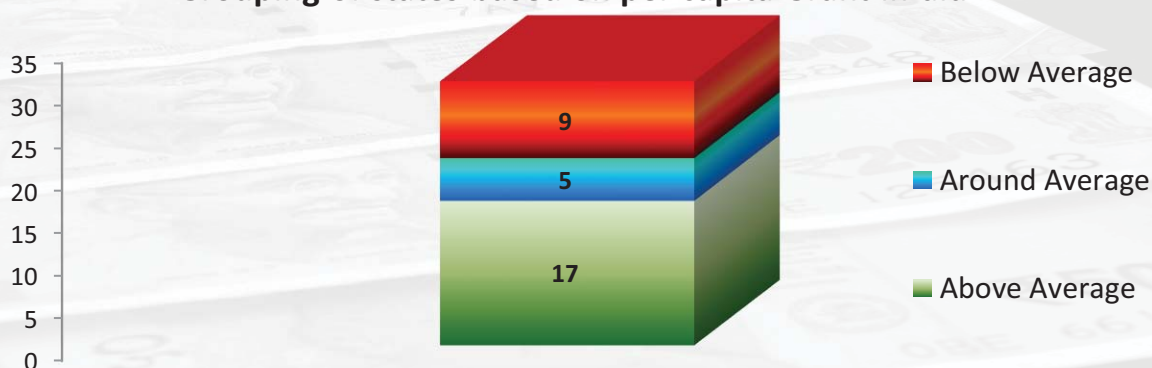
3.4.1

Share of Grants-in-Aid as a Percent of Total Revenue Receipts and Per capita GIA

Average per capita GIA = ₹ 3208.98¹⁴

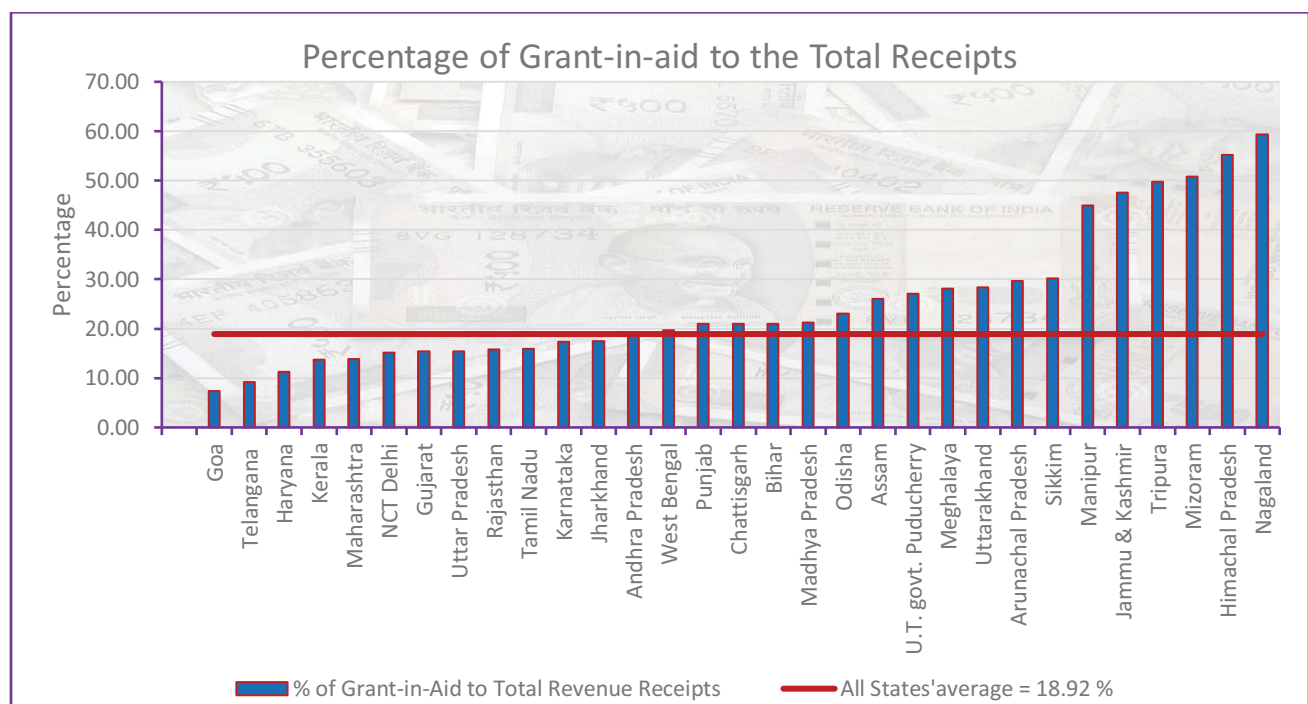
State/Union Territory	Grants-in-aid from Govt. of India	Population (in crore)	Per Capita GIA	Total Revenue Receipt	% of Grant-in-Aid to Total Revenue Receipts
Uttar Pradesh	42988.48	23.79	1807.00	329977.51	13.03
Bihar	24651.62	12.48	1975.29	131793.45	18.70
Telangana	8177.79	3.94	2075.58	101420.16	8.06
Jharkhand	9235.52	3.86	2392.62	56151.70	16.45
Rajasthan	20037.32	8.10	2473.74	137873.02	14.53
Haryana	7073.54	2.82	2508.35	65885.12	10.74
West Bengal	25809.66	9.96	2591.33	145975.25	17.68
Maharashtra	33662.13	12.31	2734.54	278996.27	12.07
Gujarat	18992.48	6.39	2972.22	136001.54	13.96
Tamil Nadu	23368.21	7.78	3003.63	173741.16	13.45
NCT Delhi	5843.77	1.87	3125.01	43112.60	13.55
Kerala	11388.96	3.57	3190.18	92854.47	12.27
Madhya Pradesh	28624.68	8.54	3351.84	148892.79	19.23
Andhra Pradesh	19456.73	5.39	3609.78	114670.86	16.97
Punjab	11107.37	3.01	3690.16	62269.08	17.84
Karnataka	25481.25	6.76	3769.42	164978.66	15.45
Assam	14117.17	3.56	3965.50	63479.16	22.24
Odisha	19597.53	4.64	4223.61	99546.12	19.69
Chhattisgarh	12505.96	2.94	4253.73	65094.93	19.21
Goa	814.60	0.16	5091.25	11437.98	7.12
Uttarakhand	7706.88	1.13	6820.25	31216.44	24.69
Meghalaya	2608.61	0.34	7672.38	9718.62	26.84
U.T. govt. Puducherry	1627.77	0.14	11626.93	6400.41	25.43
Tripura	5003.83	0.42	11913.88	12030.89	41.59
Manipur	4650.83	0.31	15002.68	10561.71	44.03
Jammu & Kashmir	23065.21	1.36	16959.71	51230.71	45.02
Himachal Pradesh	15117.67	0.75	20156.89	30950.32	48.84
Sikkim	1574.99	0.07	22499.86	5920.36	26.60
Arunachal Pradesh	4082.91	0.16	25518.19	16195.96	25.21
Nagaland	6543.33	0.22	29742.41	11437.41	57.21
Mizoram	4359.88	0.12	36332.33	9039.50	48.23
Total	439276.68	136.89	267050.27	2618854.16	16.77

Grouping of states based on per capita Grant-in-aid



¹⁴ Total GIA/population

1. The percentage of Central Assistance given as Grant-in-Aid to different States shows considerable variations.
2. While the States like Goa and Telangana received Grants-in-Aid from the Union Government constituting about 5-10 percent of their total Revenue Receipts, whereas Jammu & Kashmir, Himachal Pradesh, Mizoram, Nagaland and Tripura received Grants-in-Aid of about more than 45 percent of their total Revenue Receipts.
3. Per Capita Grant in Aid was highest in respect of Mizoram and other Special Category States and lowest in case of Uttar Pradesh followed by Bihar and Telangana.
4. A graphical representation of all States showing the ratio of the Grants-in-aid received to their total revenues and their respective position to the All India average is as follows:



It is seen that all Special Category States are in receipt of Grants in Aid more than the average percentage of Grant-in-aid to the total receipts of all states. Bihar, Chhattisgarh, Madhya Pradesh, Odisha and West Bengal were in receipt of Grants-in Aid more than all States average under the General Category states. Further, in respect of 4(four)¹⁵ States the Grant-in-aid amounted to almost 50 per cent or more of the total Revenue Receipts of the State Government.

¹⁵ Himachal Pradesh, Mizoram, Nagaland and Tripura



Revenue (Tax) Buoyancy

Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable (Revenue Receipts or state's Own Tax revenue) with respect to a given change in the base variable (GSDP). As GSDP grows, the ability of the State Government to mobilize its own tax revenue should also increase. Buoyancy of a parameter is calculated as the ratio of the rate of growth of the parameter to the GSDP growth rate. The following table shows the Tax buoyancy with respect to the GSDP for 2018-19.

(₹ in crore)

States	Revenue Receipts 2017-18 (₹ in crore)	Revenue Receipts 2018-19 (₹ in crore)	Rate of growth of revenue receipts ¹⁶	GSDP 2017-18 (₹ in crore)	GSDP 2018-19 (₹ in crore)	GSDP Growth Rate ¹⁷	Revenue Receipts/GSDP 2018-19	Revenue Buoyancy w.r.t GSDP ¹⁸
Andhra Pradesh	105062.10	114670.86	9.15	803873.00	862957.08	7.35	13.29	1.24
Arunachal Pradesh	13774.60	16195.96	17.58	24442.19	24602.88	0.66	65.83	26.74
Assam	54130.94	63479.16	17.27	283821.22	315881.21	11.30	20.10	1.53
Bihar	117446.74	131793.45	12.22	487628.00	530363.46	8.76	24.85	1.39
Chattisgarh	59647.07	65094.93	9.13	291681.00	304062.88	4.25	21.41	2.15
Goa	11053.52	11437.98	3.48	70267.00	73170.36	4.13	15.63	0.84
Gujarat	123291.27	136001.54	10.31	1320167.00	1502899.29	13.84	9.05	0.74
Haryana	62694.87	65885.12	5.09	608470.73	734162.82	20.66	8.97	0.25
Himachal Pradesh	27367.06	30950.32	13.09	136198.00	153844.80	12.96	20.12	1.01
Jammu & Kashmir	48511.65	51230.71	5.60	147330.00	155956.16	5.85	32.85	0.96
Jharkhand	52756.03	56151.70	6.44	255271.00	297203.73	16.43	18.89	0.39
Karnataka	146999.65	164978.66	12.23	1268881.00	1544398.82	21.71	10.68	0.56
Kerala	83020.14	92854.47	11.85	686116.00	781653.26	13.92	11.88	0.85
Madhya Pradesh	134875.39	148892.79	10.39	707046.99	809591.72	14.50	18.39	0.72
Maharashtra	243653.56	278996.27	14.51	2496505.00	2632792.31	5.46	10.60	2.66
Manipur	10357.83	10561.71	1.97	24206.50	27868.71	15.13	37.90	0.13
Meghalaya	9273.48	9718.62	4.80	31636.00	33480.64	5.83	29.03	0.82
Mizoram	8580.20	9039.50	5.35	17739.33	19519.91	10.04	46.31	0.53
Nagaland	11019.21	11437.41	3.80	23623.00	27283.04	15.49	41.92	0.24
NCT Delhi	38667.26	43112.60	11.50	686017.38	774870.33	12.95	5.56	0.89
Odisha	85204.29	99546.12	16.83	415982.00	492229.25	18.33	20.22	0.92
Punjab	53009.58	62269.08	17.47	470137.00	526376.49	11.96	11.83	1.46
Rajasthan	127307.18	137873.02	8.30	840263.00	942586.04	12.18	14.63	0.68
Sikkim	5212.79	5920.36	13.57	22248.00	28723.44	29.11	20.61	0.47
Tamil Nadu	146279.76	173741.16	18.77	1427074.00	1630207.75	14.23	10.66	1.32
Telangana	88824.09	101420.16	14.18	752230.00	861030.90	14.46	11.78	0.98
Tripura	10067.95	12030.89	19.50	39670.00	49845.47	25.65	24.14	0.76
U.T. govt. Puducherry	6002.67	6400.41	6.63	32215.00	36656.43	13.79	17.46	0.48
Uttar Pradesh	278775.45	329977.51	18.37	1375607.00	1668229.24	21.27	19.78	0.86
Uttarakhand	27104.57	31216.44	15.17	217609.00	245894.60	13.00	12.70	1.17
West Bengal	131270.39	145975.25	11.20	1020858.00	1089897.99	6.76	13.39	1.66

¹⁶ {(Current year receipts – previous year receipts)/previous year receipts}*100

¹⁷ {(Current year GSDP – previous year GSDP)/previous year GSDP}*100

¹⁸ Growth rate of Revenue receipts / growth rate of GSDP

Arunachal Pradesh (26.74) has the highest revenue buoyancy among both General and Special Category States followed by Maharashtra (2.66) among the general category states. It is mainly due to the fact that revenue receipts have increased substantially without any corresponding increase in State GDP.



Revenue and Capital Expenditure

Revenue Expenditure is grouped under the following three sectors:



Capital expenditure is met usually from borrowed funds with the object of increasing concrete assets of material and permanent character. It also includes receipts of a capital nature intended to be applied as a set off to capital expenditure. As under the Revenue Section, expenditure under Capital section is also grouped under three categories.

Expenditure under the General Service category pertains mainly to sovereign functions and committed expenditure. Expenditure under the remaining two categories relate to developmental activities of the Government.

In the following Tables the percentage of Expenditure to GDP for the Union and States has been depicted on the basis of GDP of ₹ 1,89,71,237 ¹⁹ crore for the Union and all States²⁰ (GSDP of ₹ 19178241 ²¹ crore for the States).

¹⁹ Source: mospi.nic.in/data

²⁰The GDP figures (₹1,89,71,237 crore) used are released by CSO and are at current prices as on 1 Sept, 2020. However, in respect of the States the aggregated State wise GSDP figures (₹19178241 crore) is slightly higher (around 1.09 per cent) than the National GDP.

²¹ Source: Figures released by CSO at current prices for all states/UTs

Sector-wise Revenue and Capital Expenditure- Union Government

Sector	Revenue Expenditure (₹ in crore)	Capital Expenditure (₹ in crore)	%age of Total Revenue Expenditure	%age of Total Capital Expenditure	% of Revenue Expenditure to GDP ²²	% of Capital Expenditure to GDP
General	11,02,022.12	1,13,089.17	48.73	28.31	5.81	0.60
Social	1,07,414.12	9,822.59	4.75	2.46	0.57	0.05
Economic	6,69,422.70	2,76,611.06	29.60	69.24	3.53	1.46
Others (Grant-in-Aid)	3,82,711.80		16.92		2.02	
Total	22,61,570.74	3,99,522.82	100.00	100.00	11.92	2.11

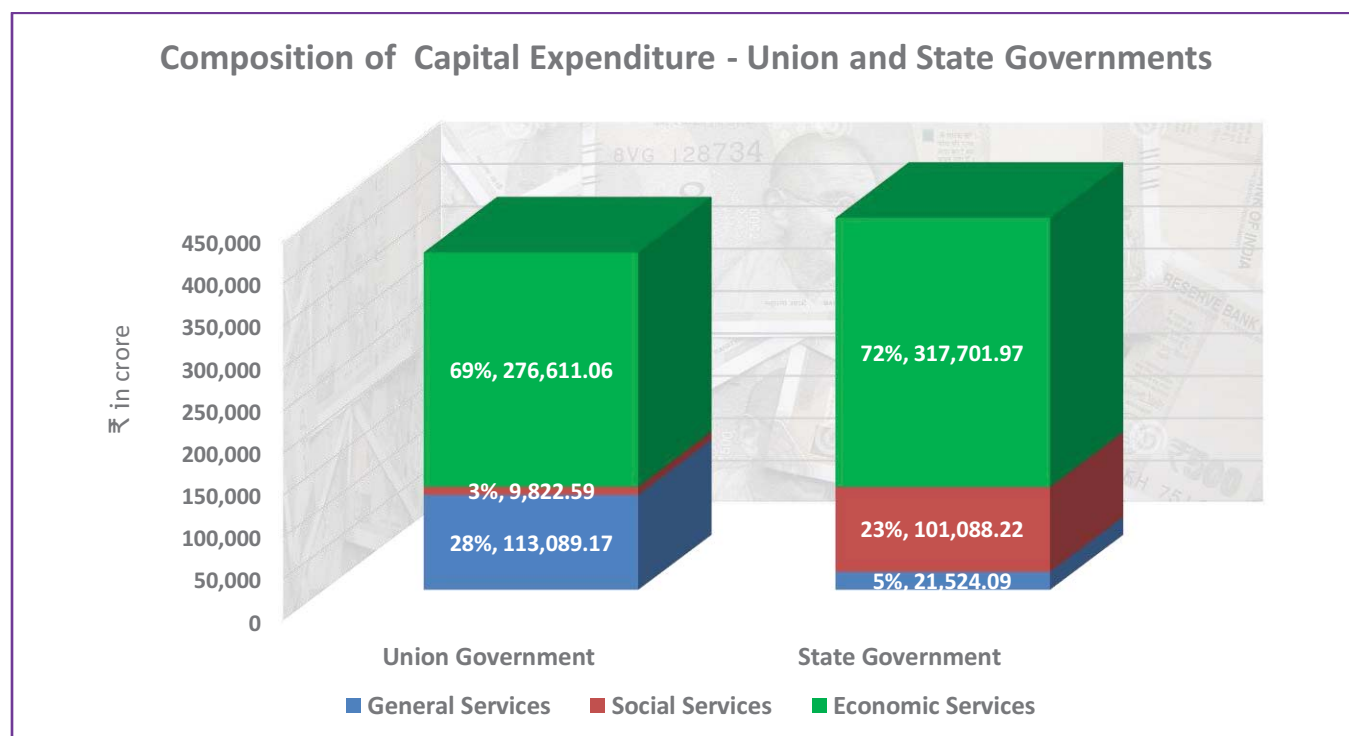
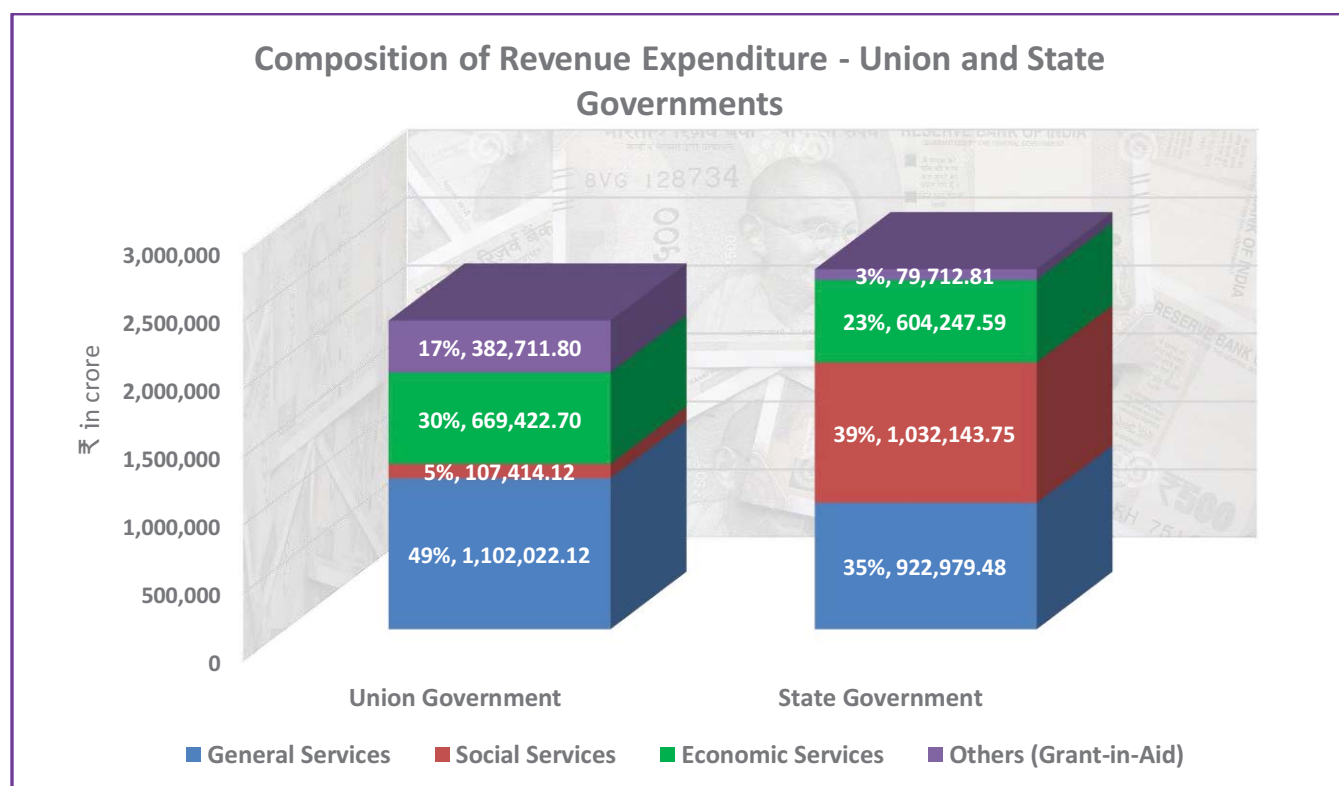
Sector-wise Revenue and Capital Expenditure-States

Sector	States Revenue Expenditure (₹ in crore)	States Capital Expenditure (₹ in crore)	%age of Total Revenue Expenditure	%age of Total Capital Expenditure	% of Revenue Expenditure to GDP	% of Capital Expenditure to GDP
General	9,22,979.48	21,524.09	34.97	4.89	4.87	0.11
Social	10,32,143.75	1,01,088.22	39.11	22.96	5.44	0.53
Economic	6,04,247.59	3,17,701.97	22.90	72.15	0.03	1.67
Others (Grant-in-Aid)	79,712.81		3.02		0.42	
Total	26,39,083.63	4,40,314.28	100.00	100.00	10.76	2.32

1. In respect of the Union, 49 per cent of the Revenue Expenditure is incurred on the General Services and 30 per cent on the Economic Services.
2. In respect of Union, under the Capital Section, 28 per cent of the Capital expenditure is incurred on the General Services and 69 per cent of Capital expenditure incurred on the Economic Services.
3. In respect of states, the General and Social Services account for 35 and 39 per cent of the Revenue Expenditure respectively and remaining 22 percent is spent on Economic Services and 3 per cent on Grant in aid.
4. In respect of states, under the Capital Section, the Economic Services comprise 72 per cent of the Capital Expenditure followed by Social Services at 23 per cent and General Services at 5 per cent.

²² GDP in respect of Indian Union for FY 2018-2019 is ₹1,89,71,237 crore as released by CSO at current prices as on 1 Sept, 2020.

The following two graphs depict the amount of each sector of total expenditure concerned in respect of Union and all the States combined:





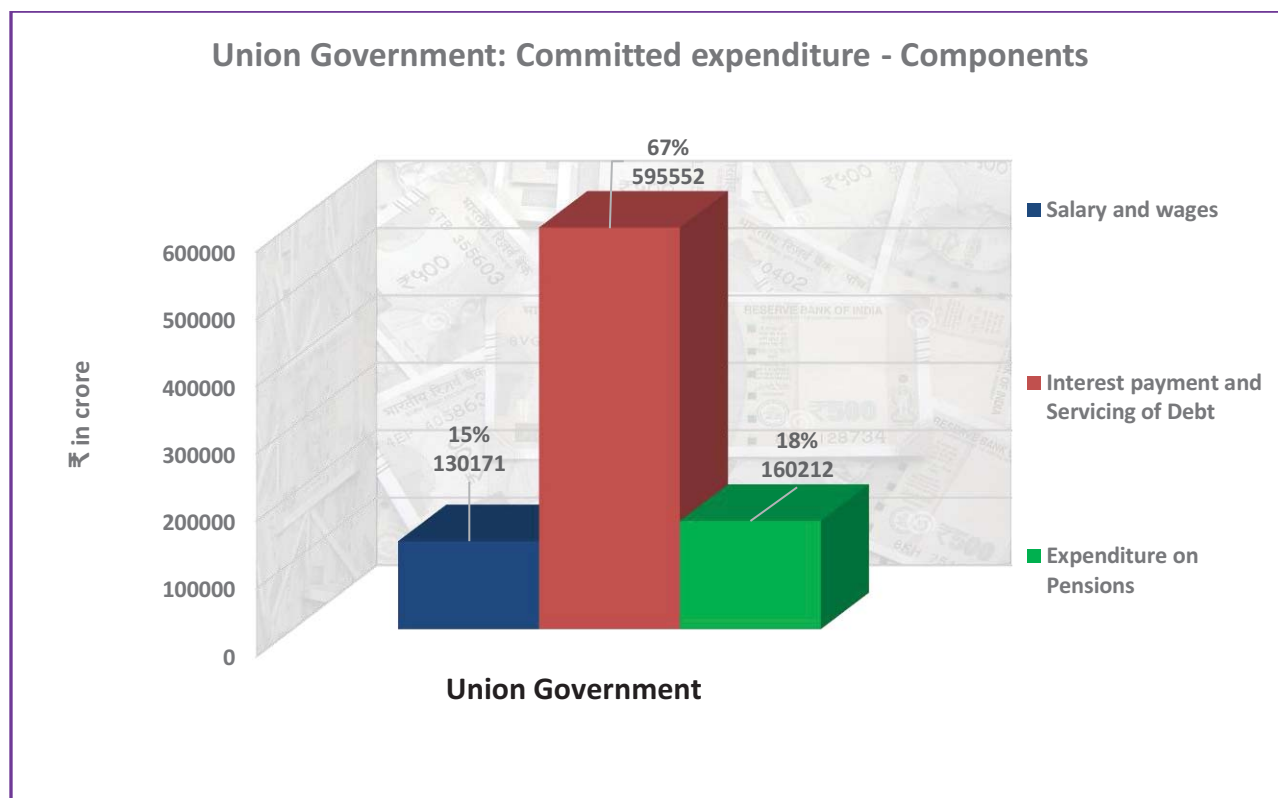
Analysis of Components of Revenue Expenditure

4.2.1

Committed Expenditure

The Committed Expenditure on revenue account mainly consists of Interest Payments and Servicing of Debt, Expenditure on Salaries and Wages and Pensions.

Union:



The Committed Expenditure in respect of the Union Government consists of 67 per cent on Interest Payment and Servicing of Debt. The remaining 18 per cent and 15 per cent expenditure constituted the expenditure on Pensions and Salary and Wages respectively. It is apparent that expenditure on pensions is more than the expenditure on salaries and wages.

State-wise components of Committed expenditure along with the Committed Expenditure as percentage of Revenue Expenditure is detailed in the table below.

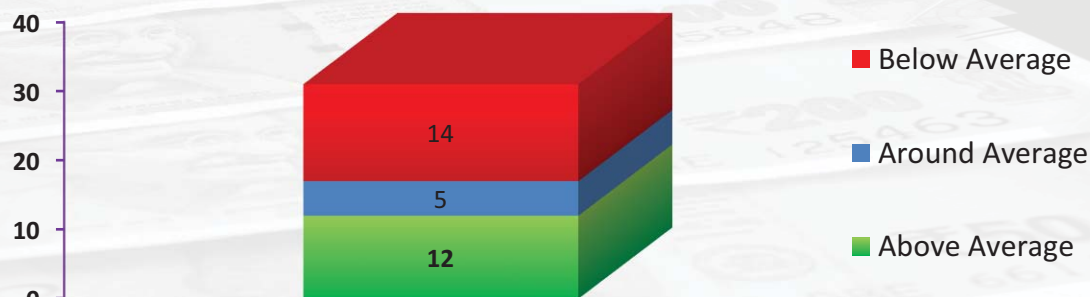
STATES

The details of the Committed Expenditure components of all states/UTs are detailed below:

All States average Committed expenditure= ₹38698 crore²³

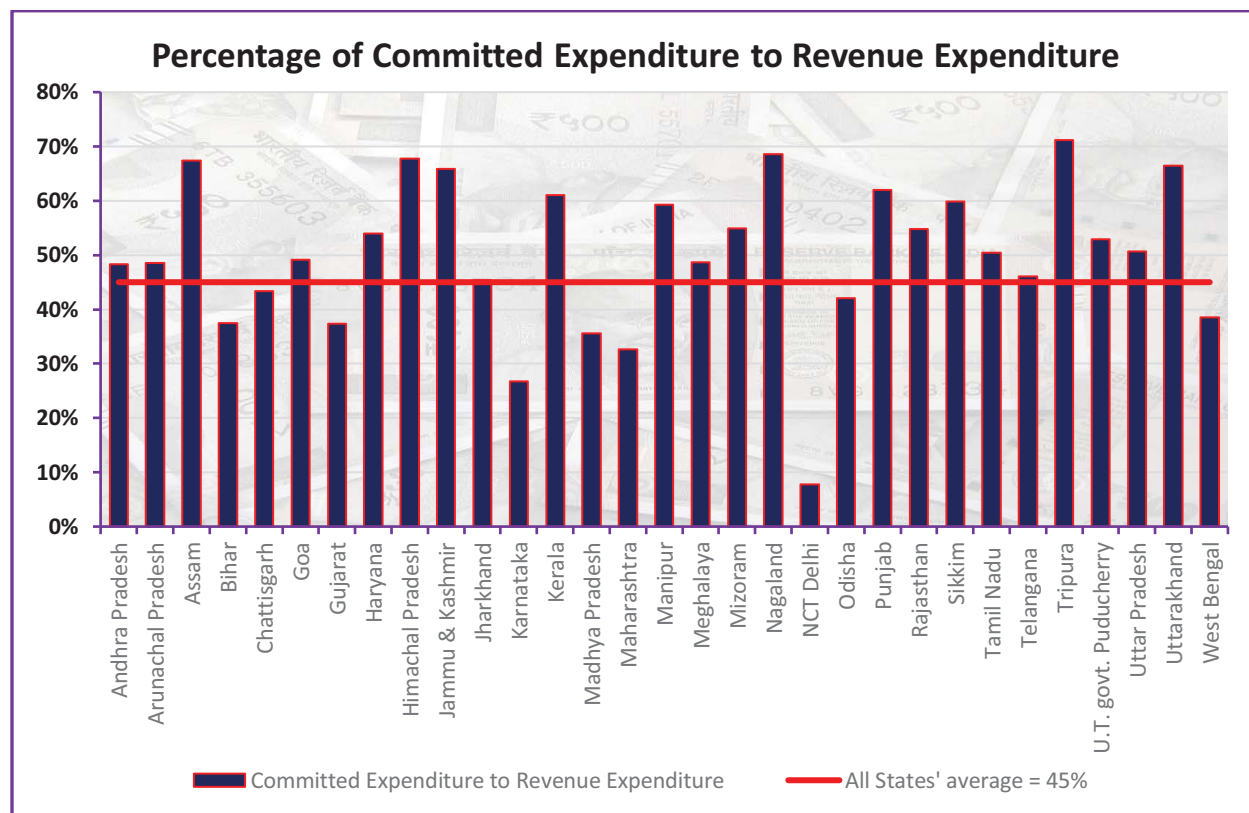
State	Salary and Wages (₹ in crore)	Interest Payment and Servicing of Debt (₹ in crore)	Expenditure on Pensions (₹ in crore)	Total Committed Expenditure (₹ in crore)	Revenue Expenditure (₹ in crore)	Committed Expenditure to Revenue Expenditure
NCT Delhi	0	2,867	2	2,869	36,852	8%
Sikkim	1,944	445	737	3,127	5,227	60%
U.T. govt. Puducherry	1,774	737	868	3,379	6,387	53%
Mizoram	2,739	412	970	4,122	7,506	55%
Meghalaya	3,281	706	1,005	4,991	10,256	49%
Goa	2,763	1,384	1299	5,446	11,083	49%
Manipur	3,662	577	1,534	5,774	9,749	59%
Arunachal Pradesh	4372	766	894	6,033	12,429	49%
Nagaland	4,945	997	1,553	7,494	10,920	69%
Tripura	5,400	1,019	2,036	8,455	11,889	71%
Himachal Pradesh	10,956	4,022	4,975	19,952	29,442	68%
Uttarakhand	11,525	4,475	5,396	21,396	32,196	66%
Jharkhand	12,138	4,852	5,991	22,981	50,631	45%
Chattisgarh	18,768	3,753	5428	27,949	64,411	43%
Odisha	19,567	5,800	10,520	35,887	85,356	42%
Jammu & Kashmir	24,152	5,306	7,519	36,977	56,090	66%
Assam	26,178	4,073	8112	38,364	56,899	67%
Haryana	19,983	13,551	8140	41,675	77,156	54%
Karnataka	13,437	15,423	15,109	43,969	1,64,300	27%
Telangana	20,199	13,086	11,477	44,763	97,083	46%
Punjab	20,300	16,306	10,089	46,695	75,404	62%
Bihar	19,968	10,855	16028	46,851	1,24,897	38%
Gujarat	11,042	20,183	18,295	49,521	1,32,790	37%
Madhya Pradesh	25,863	12,696	11,984	50,543	1,42,149	36%
West Bengal	14,915	29,311	16,063	60,289	1,56,374	39%
Andhra Pradesh	31,166	15,692	15291	62,148	1,28,570	48%
Kerala	31,510	16,748	19,012	67,270	1,10,316	61%
Maharashtra	28,818	37,821	20,490	87,129	2,67,022	33%
Rajasthan	49,233	21,695	20,396	91,324	1,66,773	55%
Tamil Nadu	40,549	29,247	29,630	99,426	1,97,201	50%
Uttar Pradesh	50,382	58,446	44,024	1,52,852	3,01,728	51%
	5,31,530	3,53,252	3,14,868	11,99,650	26,39,084	45%

Grouping of States based on Committed Expenditure

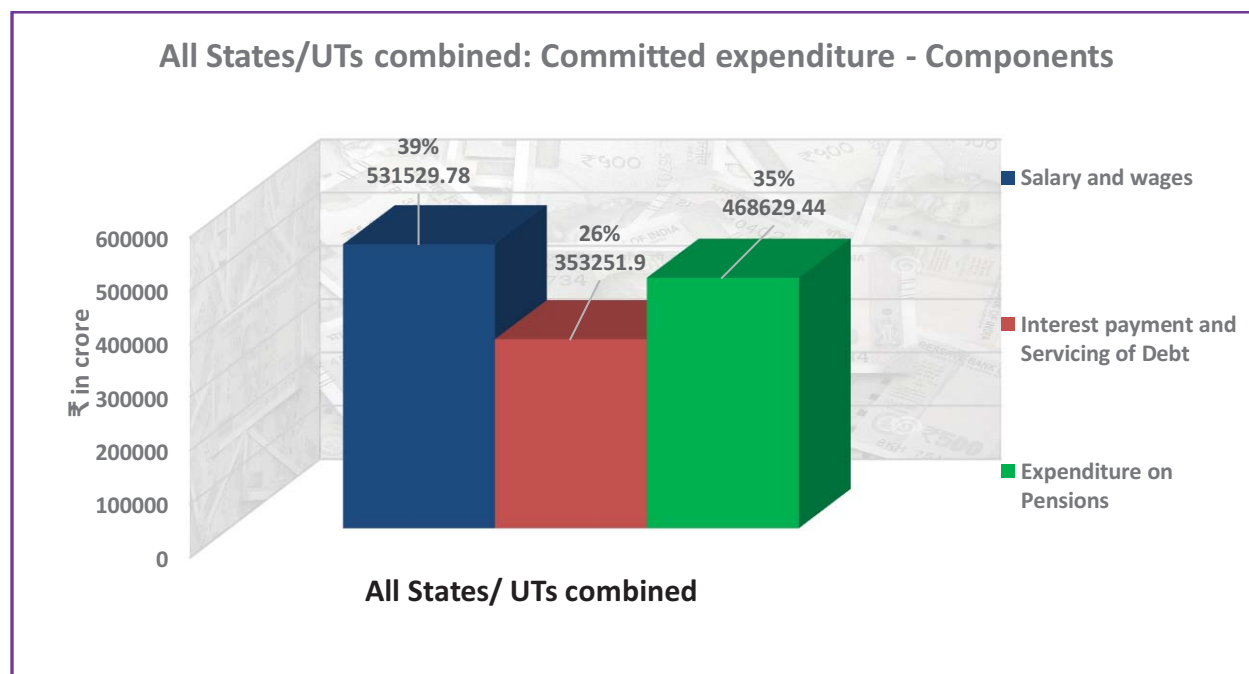


²³ Total Committed Expenditure / Number of Sates and UTs

The comparative graph of the percentage of the Committed Expenditure to revenue Expenditure with reference to the all states' average is depicted below:



In respect of the States, the position of Committed Expenditure is as follows



In respect of the States, the Committed Expenditure for the State Governments is the expenditure on Salaries, Interest Payments and Pensions which amounts to ₹ 11,99,650 crore which is 45 per cent of the total Revenue Expenditure of ₹ 26,39,084 crore.

Salary and wages constitute the major portion (39 per cent) of the committed expenditure followed by Pension (35 per cent) and Interest payments and servicing of Debts (26 per cent).

1. The percentage of committed expenditure to the total Revenue Expenditure in respect of Tripura top the list at 71 per cent followed by Nagaland, Himachal Pradesh, Assam, Jammu & Kashmir, Punjab, Kerala and Sikkim which is more than 60 per cent.
2. It is therefore not surprising given the brittle nature of the State Finances caused by huge share (two-thirds) of committed expenditure. This makes government finances very sensitive as it increases the volatility and reflects the financial instability given the limited resources the states receive from the center.
3. Increased level of committed expenditure reduces the flexibility of the state to be able to plan outcome based revenue expenditures and increases its dependence on the Union Government to meet its regular expenditures.
4. 21(Twenty-one) states have committed expenditure to total revenue expenditure more than all states' average.

4.2.2

Interest Payments

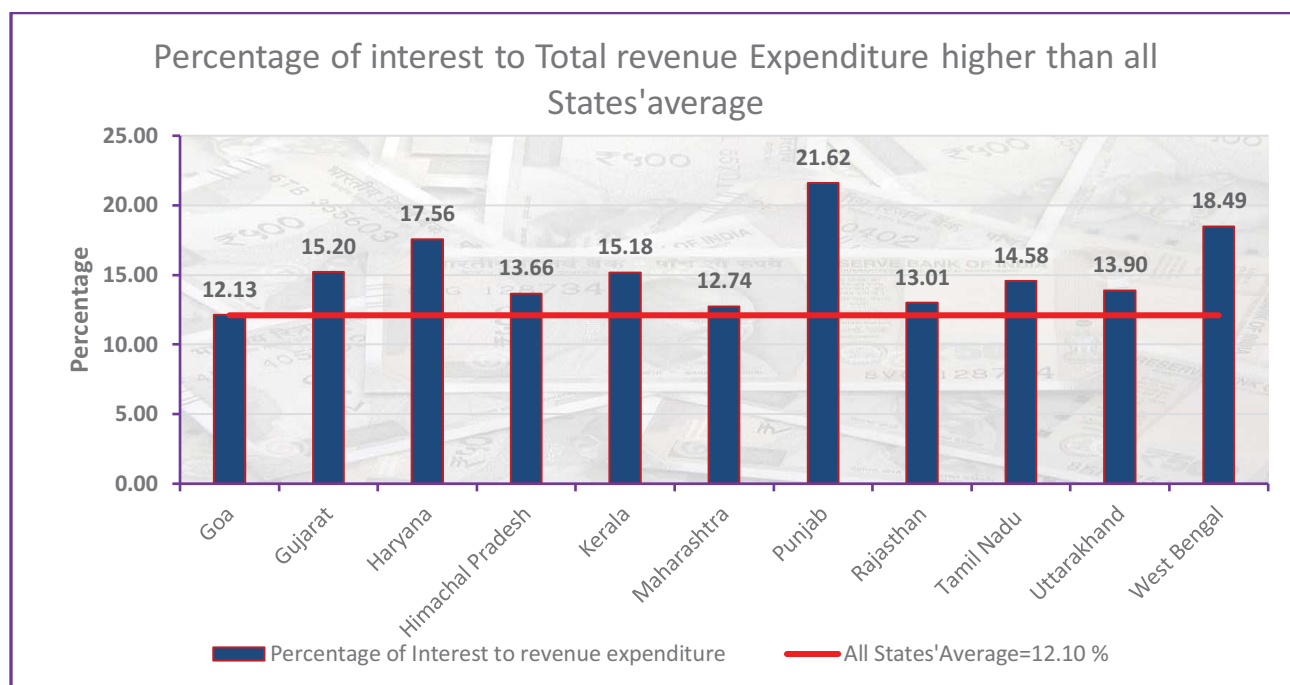
One of the components of Revenue Expenditure under General Services is Interest payments. The position of interest paid by respective States is as follows:

All India Average: 12.10 *per cent*

State	Interest Payment (₹in crore)	Revenue Expenditure (₹in crore)	Percentage of Interest to Revenue Expenditure
Arunachal Pradesh	526.1	12429.48	4.23
Mizoram	368.68	7505.59	4.91
Chhattisgarh	3652.55	64411.17	5.67
Manipur	577.21	9748.72	5.92
Meghalaya	656.81	10255.94	6.40
Assam	3844.37	56899.00	6.76
Odisha	5800.37	85356.41	6.80
Nagaland	771.74	10919.98	7.07
NCT Delhi	2867.11	36851.57	7.78
Bihar	10071.14	124896.81	8.06
Sikkim	433.05	5226.58	8.29
Tripura	1018.95	11889.20	8.57
Madhya Pradesh	12695.69	142149.21	8.93
Jammu & Kashmir	5208.68	56089.97	9.29
Karnataka	15422.91	164299.85	9.39
Jharkhand	4851.97	50630.73	9.58
Uttar Pradesh	32042.09	301727.96	10.62
U.T. govt. Puducherry	707.19	6386.87	11.07
Andhra Pradesh	15341.98	128569.92	11.93
Goa	1344.45	11082.84	12.13
Maharashtra	34021.25	267021.67	12.74
Telangana	12586.29	97083.08	12.96
Rajasthan	21695.2	166773.19	13.01
Himachal Pradesh	4021.52	29442.11	13.66
Uttarakhand	4474.82	32196.02	13.90
Tamil Nadu	28757.01	197200.60	14.58
Kerala	16747.92	110316.39	15.18
Gujarat	20183.36	132789.57	15.20
Haryana	13551.46	77155.54	17.56
West Bengal	28911.14	156373.91	18.49
Punjab	16305.89	75403.71	21.62
Grand Total	319458.90	2639083.59	12.10²⁴

²⁴ 12.53 is the All India Average=Total Interest Payment/ Total Revenue Expenditure

All India Average: 12.10 per cent



Interest payment is a committed charge on the revenue. The higher committed charge represents that the State has lesser flexibility to determine the purpose for which revenue expenditure is to be incurred. This is reflective of a high debt of the State which may be difficult to sustain in the long term.

Highlights

- All States Average of Interest paid is 12.10 per cent of Total Revenue Expenditure.
- Percentage of Interest paid by 11²⁵ States was more than All States Average interest paid.
- Punjab and West Bengal have highest component of Interest outgo.
- Arunachal Pradesh and Mizoram have the lowest percentage of interest payments.

Table 3.5²⁶ of Chapter 3 shows the Revenue buoyancy of the states/UTs w.r.t the GSDP of the state/UT. States like West Bengal, Gujarat, Punjab, etc. which have one of the highest Interest outgo while the revenue buoyancy is on the lower side as compared to the remaining states. In such cases it may lead to a situation of 'debt trap' as borrowings are being used to finance the increasing revenue Expenditure.

²⁵ Goa, Gujarat, Haryana, Himachal Pradesh, Kerala , Maharashtra, Punjab, Rajasthan , Tamil Nadu, Uttarakhand and West Bengal

²⁶ For Table 3.5 of Chapter 3 please refer to page 19.



Sectoral Analysis of Expenditure

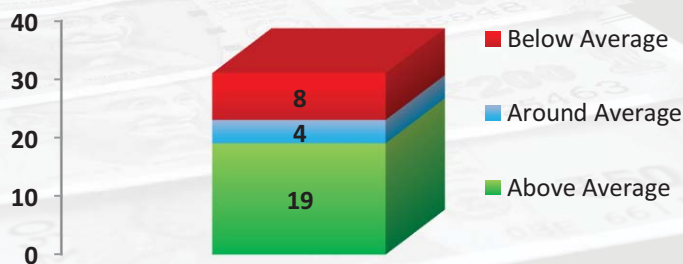
4.3.1

Expenditure on General Services

All States Average per Capita expenditure on General services: ₹ 6900 ²⁷

State/Union Territory	Revenue Expenditure (GS) (₹ in Crore)	Capital Expenditure (GS) (₹ in Crore)	Population (in crore)	Total Expenditure under General Services (₹ in Crore)	Per Capita expenditure under General Services (in ₹)
Bihar	38691.01	3311.32	12.48	42002.33	3365.57
NCT Delhi	7604.65	180.18	1.87	7784.83	4163.01
Madhya Pradesh	38112.57	722.69	8.54	38835.26	4547.45
Jharkhand	17655.66	791.04	3.86	18446.7	4778.94
Chattisgarh	15280.29	255.52	2.94	15535.81	5284.29
Odisha	24053.26	729.59	4.64	24782.85	5341.13
Uttar Pradesh	131057.25	3419.43	23.79	134476.68	5652.66
West Bengal	56865.39	926.98	9.96	57792.37	5802.45
Assam	21058.64	464.27	3.56	21522.91	6045.76
Karnataka	42655.05	827.41	6.76	43482.46	6432.32
Rajasthan	54364.06	588.26	8.10	54952.32	6784.24
Maharashtra	84764.50	1533.27	12.31	86297.77	7010.38
Gujarat	47563.79	875.04	6.39	48438.83	7580.41
Andhra Pradesh	40789.95	274.99	5.39	41064.94	7618.73
Telangana	34199.18	703.08	3.94	34902.26	8858.44
Tamil Nadu	72449.77	857.79	7.78	73307.56	9422.57
Haryana	28168.97	714.56	2.82	28883.53	10242.39
Meghalaya	3535.88	84.98	0.34	3620.86	10649.59
Punjab	36930.51	169.33	3.01	37099.84	12325.53
Uttarakhand	13524.87	454.21	1.13	13979.08	12370.87
Tripura	5113.54	97.65	0.42	5211.19	12407.60
Manipur	3981.3	111.79	0.31	4093.09	13203.52
Kerala	50827.13	197.96	3.57	51025.09	14292.74
U.T. Govt. Puducherry	2154.11	18.92	0.14	2173.03	15521.64
Himachal Pradesh	11438.34	227.13	0.75	11665.47	15553.96
Jammu & Kashmir	22849.78	818.08	1.36	23667.86	17402.84
Mizoram	2695.22	99.31	0.12	2794.53	23287.75
Nagaland	5018.12	419.49	0.22	5437.61	24716.41
Goa	3793.13	515.08	0.16	4308.21	26926.31
Sikkim	1960.24	72.71	0.07	2032.95	29042.14
Arunachal Pradesh	3823.32	1062.03	0.16	4885.35	30533.44
Total	922979.48	21524.09	136.89	944503.57	367165.05

Sector-wise grouping of States based on their per capita Expenditure on General Services



Goa and Kerala has the highest per capita expenditure on General Services in comparison to other States among the General Category states. Arunachal Pradesh, Sikkim, Nagaland and Mizoram have highest per capita expenditure on General services among the Special Category States.

²⁷ Total expenditure under General Services divided by the total population of States/ UTs

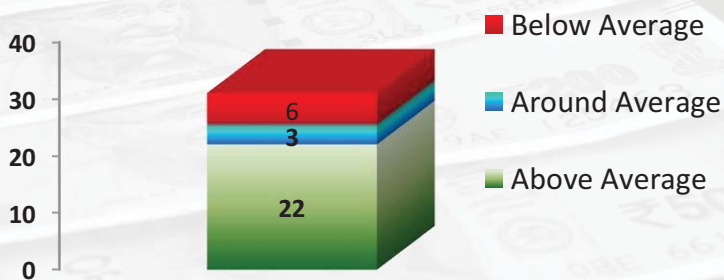
4.3.2

Expenditure on Social Services

All States Average per capita expenditure on Social Services: ₹ 8278²⁸

State/Union Territory	Revenue expenditure on Social Services (₹ in Crore)	Capital expenditure on Social Services (₹ in Crore)	Population (in crore)	Total expenditure on social services (₹ in Crore)	Per Capita Expenditure under Social Services (in ₹)
Uttar Pradesh	91311.73	10589.12	23.79	101900.85	4283.35
Bihar	58284.31	4061.22	12.48	62345.53	4995.64
Jharkhand	18786.03	1615.45	3.86	20401.48	5285.36
Punjab	18320.37	1047.25	3.01	19367.62	6434.43
Madhya Pradesh	58707.31	5719.33	8.54	64426.64	7544.10
West Bengal	68763.69	7323.69	9.96	76087.38	7639.30
Assam	25334.44	2164.07	3.56	27498.51	7724.30
Chhattisgarh	23454.94	1773.79	2.94	25228.73	8581.20
Odisha	36426.55	4545.07	4.64	40971.62	8830.09
Rajasthan	65686.92	6912.75	8.1	72599.67	8962.92
Maharashtra	109390.99	4341.15	12.31	113732.14	9239.00
Gujarat	53285.28	7695.90	6.39	60981.18	9543.22
Tamil Nadu	70201.93	6996.17	7.78	77198.10	9922.63
Manipur	2660.92	753.09	0.31	3414.01	11012.94
Kerala	38210.77	1784.29	3.57	39995.06	11203.10
Karnataka	67934.35	9793.56	6.76	77727.91	11498.21
Telangana	39721.16	5620.04	3.94	45341.20	11507.92
Uttarakhand	12209.34	1099.36	1.13	13308.7	11777.61
Haryana	29743.19	3804.65	2.82	33547.84	11896.40
Andhra Pradesh	64279.87	2866.11	5.39	67145.98	12457.51
NCT Delhi	21663.15	1754.56	1.87	23417.71	12522.84
Meghalaya	4100.08	360.00	0.34	4460.08	13117.88
Tripura	4992.49	812.50	0.42	5804.99	13821.40
Jammu & Kashmir	17930.84	2895.57	1.36	20826.41	15313.54
Nagaland	3158.59	329.89	0.22	3488.48	15856.73
Himachal Pradesh	11482.20	1187.22	0.75	12669.42	16892.56
U.T. Govt. Puducherry	2400.43	126.49	0.14	2526.92	18049.43
Mizoram	2934.45	762.20	0.12	3696.65	30805.42
Goa	4223.25	762.97	0.16	4986.22	31163.88
Sikkim	2071.77	363.45	0.07	2435.22	34788.86
Arunachal Pradesh	4472.41	1227.31	0.16	5699.72	35623.25
Total	1032143.75	101088.22	136.89	1133231.97	418295.00

Sector-wise grouping of States based on their Expenditure on Social Services



Goa followed by Andhra Pradesh has the highest per capita expenditure on Social Services in comparison to other States among the General Category states. Arunachal Pradesh followed by Sikkim and Mizoram have highest per capita expenditure on Social services among the Special Category States.

²⁸Total per capita expenditure under Social Services divided by the total population of States/ UTs

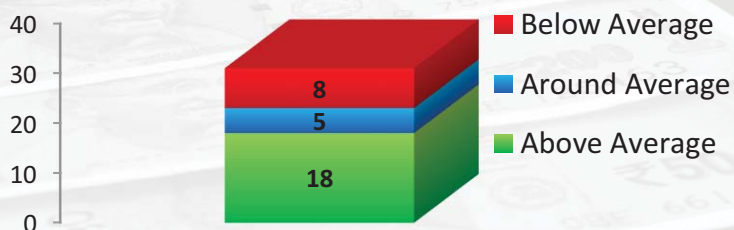
4.3.3

Expenditure on Economic Services

All States Average per capita expenditure on Economic services: ₹ 6735²⁹

State/Union Territory	Revenue Expenditure on Economic Services (₹ in crore)	Capital Expenditure on Economic Services (₹ in crore)	Population (in crores)	Total expenditure on Economic Services (₹ in crore)	Per Capita Expenditure under Economic Services (in ₹)
Bihar	27917.57	13685.71	12.48	41603.28	3333.60
NCT Delhi	5218.79	1330.85	1.87	6549.64	3502.48
West Bengal	30256.09	15466.65	9.96	45722.74	4590.64
Uttar Pradesh	67258.59	48454.86	23.79	115713.45	4863.95
Kerala	12379.77	5448.29	3.57	17828.06	4993.85
Tripura	1549.23	570.72	0.42	2119.95	5047.50
Assam	10232.02	8405.73	3.56	18637.75	5235.32
Jharkhand	14189.04	8305.22	3.86	22494.26	5827.53
Punjab	17888.16	1195.65	3.01	19083.81	6340.14
Maharashtra	52758.97	29174.63	12.31	81933.6	6655.86
Madhya Pradesh	37657.67	22982.17	8.54	60639.84	7100.68
Tamil Nadu	39669.34	16456.88	7.78	56126.22	7214.17
Rajasthan	46722.12	12137.19	8.10	58859.31	7266.58
Andhra Pradesh	23458.97	16835.24	5.39	40294.21	7475.73
Gujarat	31575.7	19490.96	6.39	51066.66	7991.65
Uttarakhand	5002.49	4630.85	1.13	9633.34	8525.08
Odisha	23513.58	18207.43	4.64	41721.01	8991.60
Telangana	23157.47	16317.42	3.94	39474.89	10019.01
Meghalaya	2619.99	972.3	0.34	3592.29	10565.56
Haryana	19021.58	10787.39	2.82	29808.97	10570.56
Karnataka	48285.15	24038.35	6.76	72323.5	10698.74
Chattisgarh	24780.79	6874.15	2.94	31654.94	10766.99
Manipur	2533.08	865.76	0.31	3398.84	10964.00
Himachal Pradesh	6512.19	3169.06	0.75	9681.25	12908.33
U.T. Govt. Puducherry	1832.33	181.11	0.14	2013.44	14381.71
Jammu & Kashmir	15309.36	4699.92	1.36	20009.28	14712.71
Nagaland	2743.28	846.18	0.22	3589.46	16315.73
Mizoram	1875.92	1006.96	0.12	2882.88	24024.00
Goa	3066.45	871.1	0.16	3937.55	24609.69
Sikkim	1128.16	855.15	0.07	1983.31	28333.00
Arunachal Pradesh	4133.74	3438.09	0.16	7571.83	47323.94
Total	604247.59	317701.97	136.89	921949.56	351150.32

Sector-wise grouping of States based on their Expenditure on Economic Services



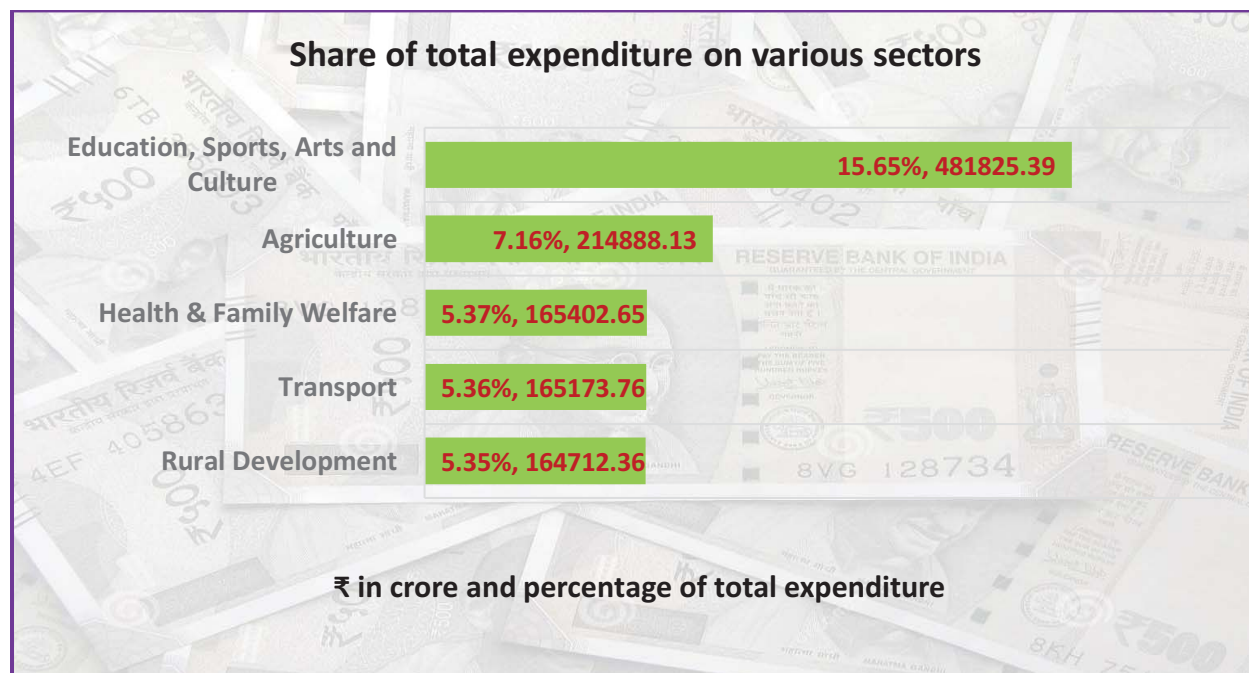
Goa and Himachal Pradesh has the highest per capita expenditure on Economic Services in comparison to other States among the General Category states. Arunachal Pradesh, Sikkim and Mizoram have highest per capita expenditure on Economic services among the Special Category States.

²⁹ Total per capita expenditure under Economic Services divided by the total population of States/ UTs



Functional Analysis

An analysis of Expenditure by major functions on the basis of Sectoral expenditure in relation to the total expenditure along with the per capita expenditure of each state gives insight into the priorities of various states on different functions. The share of total expenditure in respect of some of the major functions like Education, Sports, Arts and culture, Health and Family Welfare, Agriculture, Rural Development and Transport is shown below:

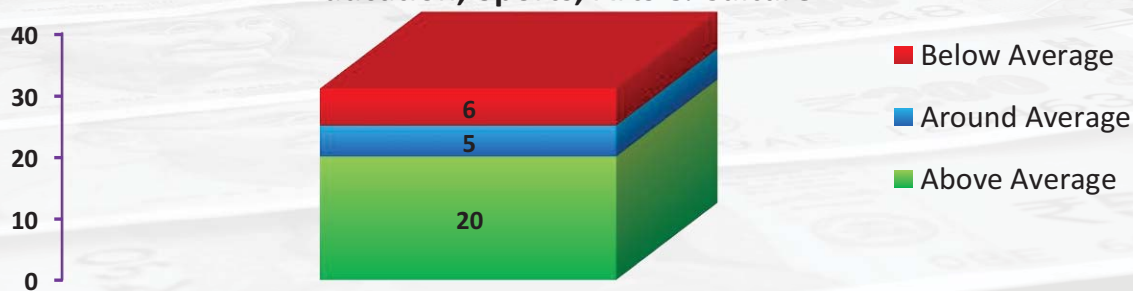


The share of the total expenditure under Education, Sports, Arts and culture constituted about 16 per cent of the total expenditure in respect of all States/UTs combined. In respect of the other major functions the share varies between 5 per cent and 7 per cent.

The States with higher population like Uttar Pradesh, Bihar, West Bengal, etc. have a lower per capita expenditure under all functions as seen in the following analysis. Detailed analysis in terms of the total expenditure, Revenue expenditure, capital expenditure and the per capita expenditure in respect of the major functions like Education, Sports, Arts and culture, Health and Family Welfare, Agriculture, Rural Development and Transport is shown below:

State/Union Territory	Revenue Expenditure on Education, Sports Arts & Culture (₹ in crore)	Capital Expenditure on Education, Sports Arts & Culture (₹ in crore)	Total expenditure on Education, Sports Arts & Culture (₹ in crore)	Population (in crores)	Per Capita Expenditure (in ₹)
Uttar Pradesh	47657.37	992.38	48649.75	23.79	2044.97
Jharkhand	7844.02	356.38	8200.4	3.86	2124.46
Bihar	27023.53	1056.22	28079.75	12.48	2249.98
West Bengal	28364.58	997.49	29362.07	9.96	2948.00
Telangana	11503.57	278.76	11782.33	3.94	2990.44
Madhya Pradesh	26174.09	942.35	27116.44	8.54	3175.23
Punjab	10102.59	178.72	10281.31	3.01	3415.72
Karnataka	23424.22	1107.31	24531.53	6.76	3628.92
Andhra Pradesh	19341.75	244.86	19586.61	5.39	3633.88
Odisha	16195.74	823.79	17019.53	4.64	3668.00
Gujarat	24073.18	915.17	24988.35	6.39	3910.54
Maharashtra	50922.35	364.12	51286.47	12.31	4166.24
Tamil Nadu	32983.54	725.27	33708.81	7.78	4332.75
Rajasthan	34594.44	825.21	35419.65	8.1	4372.80
Assam	15608.87	67.13	15676	3.56	4403.37
Chhattisgarh	12511.94	490.37	13002.31	2.94	4422.55
Haryana	12671.67	396.27	13067.94	2.82	4634.02
Manipur	1397.51	82.13	1479.64	0.31	4773.03
Kerala	18968.26	472.66	19440.92	3.57	5445.64
NCT Delhi	9941.67	601.64	10543.31	1.87	5638.13
Tripura	2437.02	17.02	2454.04	0.42	5842.95
U.T. govt. Puducherry	843.71	10.17	853.88	0.14	6099.14
Meghalaya	2105.36	2.66	2108.02	0.34	6200.06
Uttarakhand	7283.41	154.33	7437.74	1.13	6582.07
Jammu & Kashmir	10073.59	793.54	10867.13	1.36	7990.54
Himachal Pradesh	5870.82	326.9	6197.72	0.75	8263.63
Nagaland	1807.43	40.36	1847.79	0.22	8399.05
Mizoram	1398.3	70.67	1468.97	0.12	12241.42
Arunachal Pradesh	1813.55	205.05	2018.6	0.16	12616.25
Goa	2045.84	237.87	2283.71	0.16	14273.19
Sikkim	994.64	70.03	1064.67	0.07	15209.57
Grand Total	467978.56	13846.83	481825.39	136.89	179696.53

Grouping of States based on their per capita expenditure on Education, Sports, Arts & Culture



³⁰ Per Capita expenditure / number of States/ UTs

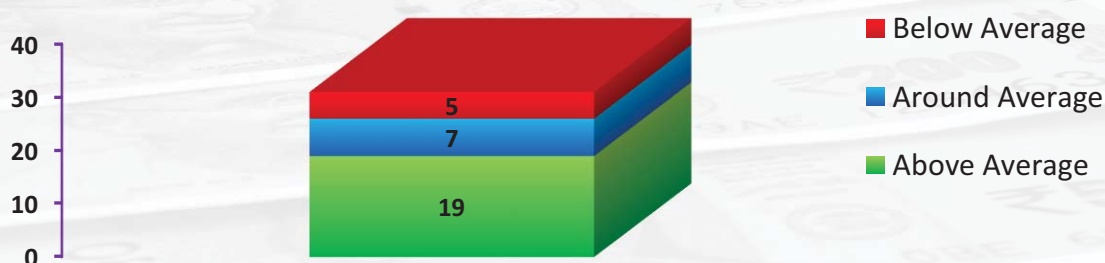
4.4.2

Health and Family Welfare

All States per capita Average: ₹ 1208³¹

State/Union Territory	Revenue Expenditure on Health & Family Welfare (₹ in crore)	Capital Expenditure on Health & Family Welfare (₹ in crore)	Total expenditure on Health & Family Welfare (₹ in crore)	Population (in crores)	Per Capita Expenditure (in ₹)
Bihar	6172.11	1145.71	7317.82	12.48	586.36
Uttar Pradesh	15842.66	2259.68	18102.34	23.79	760.92
Jharkhand	3123	273.39	3396.39	3.86	879.89
Madhya Pradesh	6520.71	1217.73	7738.44	8.54	906.14
West Bengal	8440.16	1237.46	9677.62	9.96	971.65
Maharashtra	11969.31	1036.72	13006.03	12.31	1056.54
Punjab	3143.38	100.47	3243.85	3.01	1077.69
Odisha	5083.74	619.57	5703.31	4.64	1229.16
Chhattisgarh	3542.88	214.49	3757.37	2.94	1278.02
Assam	4251.76	390.55	4642.31	3.56	1304.02
Telangana	4912.55	462.82	5375.37	3.94	1364.31
Andhra Pradesh	7225.18	174.93	7400.11	5.39	1372.93
Karnataka	8369.26	1107.97	9477.23	6.76	1401.96
Haryana	3678.34	332.83	4011.17	2.82	1422.40
Rajasthan	11362.32	499.17	11861.49	8.1	1464.38
Gujarat	7927.01	2056.73	9983.74	6.39	1562.40
Tamil Nadu	11758.19	730.49	12488.68	7.78	1605.23
Uttarakhand	1908.69	187.4	2096.09	1.13	1854.95
Manipur	594.45	15.75	610.2	0.31	1968.39
Kerala	6847.05	251.51	7098.56	3.57	1988.39
Tripura	798.53	131.29	929.82	0.42	2213.86
Nagaland	615.56	7.42	622.98	0.22	2831.73
NCT Delhi	5189.01	306.47	5495.48	1.87	2938.76
Himachal Pradesh	1892.28	345.61	2237.89	0.75	2983.85
Meghalaya	1022.74	42.52	1065.26	0.34	3133.12
Jammu & Kashmir	3549.4	874.36	4423.76	1.36	3252.76
U.T. govt. Puducherry	562.35	17.12	579.47	0.14	4139.07
Mizoram	490.67	91.28	581.95	0.12	4849.58
Sikkim	316.24	90.67	406.91	0.07	5813.00
Goa	840.58	112.81	953.39	0.16	5958.69
Arunachal Pradesh	1060.85	56.77	1117.62	0.16	6985.13
Grand Total	149010.96	16391.69	165402.65	136.89	71155.28

Grouping of States based on their per capita expenditure on Health & Family Welfare

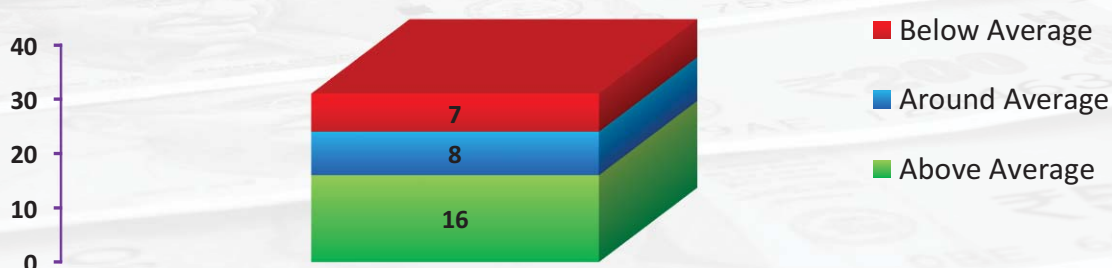
³¹ Per Capita expenditure / number of States/ UTs

4.4.3 Agriculture

All States per capita Average: ₹ 1570³²

State/Union Territory	Revenue Expenditure on Agriculture (₹ in crore)	Capital Expenditure on Agriculture (₹ in crore)	Total expenditure on Agriculture (₹ in crore)	Population (in crores)	Per Capita Expenditure (in ₹)
NCT Delhi	123.58	30.85	154.43	1.87	82.58
Bihar	3635.82	104.59	3740.41	12.48	299.71
Jharkhand	1789.5	390.34	2179.84	3.86	564.73
Uttar Pradesh	12128.99	2948.27	15077.26	23.79	633.76
West Bengal	7910.82	628.49	8539.31	9.96	857.36
Assam	2895.46	266.73	3162.19	3.56	888.26
Rajasthan	8376.34	405.85	8782.19	8.1	1084.22
Gujarat	8366.53	845.18	9211.71	6.39	1441.58
Andhra Pradesh	8488.7	277.7	8766.4	5.39	1626.42
Tamil Nadu	12361.53	986.57	13348.1	7.78	1715.69
Odisha	7842.56	234.63	8077.19	4.64	1740.77
Manipur	549	5.18	554.18	0.31	1787.68
Tripura	732.74	30.43	763.17	0.42	1817.07
Haryana	3392.03	1816.09	5208.12	2.82	1846.85
Kerala	6193.4	593.63	6787.03	3.57	1901.13
Meghalaya	676.28	9.41	685.69	0.34	2016.74
Maharashtra	20019.67	5093.6	25113.27	12.31	2040.07
Madhya Pradesh	15602.66	1879.28	17481.94	8.54	2047.07
U.T. govt. Puducherry	312.84	2.28	315.12	0.14	2250.86
Goa	330.51	35.27	365.78	0.16	2286.13
Jammu & Kashmir	2839.76	596.5	3436.26	1.36	2526.66
Himachal Pradesh	2185.21	74.45	2259.66	0.75	3012.88
Karnataka	20304.58	214.52	20519.1	6.76	3035.37
Uttarakhand	2485.04	997.65	3482.69	1.13	3082.03
Nagaland	693.57	17.27	710.84	0.22	3231.09
Telangana	12600.48	1011.67	13612.15	3.94	3454.86
Punjab	12343.28	80.18	12423.46	3.01	4127.40
Arunachal Pradesh	800.35	31.83	832.18	0.16	5201.13
Chattisgarh	18020.01	86.9	18106.91	2.94	6158.81
Mizoram	568.52	181.89	750.41	0.12	6253.42
Sikkim	427.68	13.46	441.14	0.07	6302.00
Grand Total	194997.44	19890.69	214888.13	136.89	75314.31

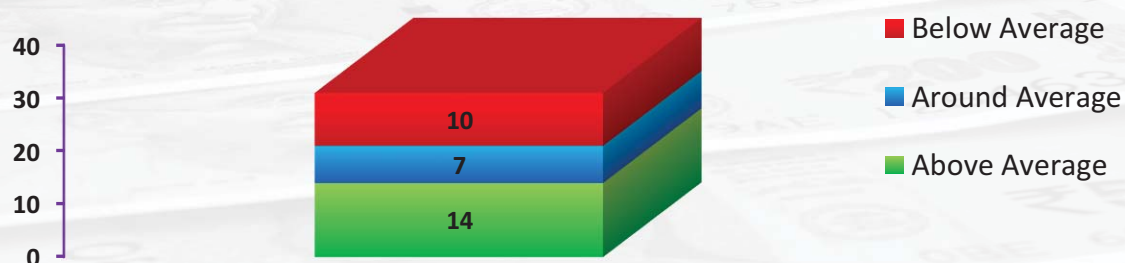
Grouping of States based on their per capita expenditure on Agriculture



³² Per Capita expenditure / number of States/ UTs

State/Union Territory	Revenue Expenditure on Rural Development (₹ in crore)	Capital Expenditure on Rural Development (₹ in crore)	Total expenditure on Rural Development (₹ in crore)	Population (in crores)	Per Capita Expenditure (in ₹)
NCT Delhi	12.38	141.7	154.08	1.87	82.40
Punjab	435.84	200.94	636.78	3.01	211.55
Kerala	1622.06	316.95	1939.01	3.57	543.14
Assam	1982.98	0	1982.98	3.56	557.02
U.T. govt. Puducherry	84.79	0	84.79	0.14	605.64
Maharashtra	6997.11	1336.11	8333.22	12.31	676.95
Gujarat	3483.32	1299.42	4782.74	6.39	748.47
Goa	131.21	-0.03	131.18	0.16	819.88
Tamil Nadu	4242.87	2502.58	6745.45	7.78	867.02
Bihar	11356.01	960.4	12316.41	12.48	986.89
Chattisgarh	2433.17	588.68	3021.85	2.94	1027.84
Karnataka	7001.37	66.83	7068.2	6.76	1045.59
Haryana	3417.6	3.86	3421.46	2.82	1213.28
Telangana	2857.11	1996.06	4853.17	3.94	1231.77
Uttar Pradesh	25908.7	3406.72	29315.42	23.79	1232.26
Madhya Pradesh	7374.14	3218.49	10592.63	8.54	1240.35
Tripura	396.7	131.69	528.39	0.42	1258.07
Rajasthan	11373.54	231.5	11605.04	8.1	1432.72
Andhra Pradesh	7460.25	875.03	8335.28	5.39	1546.43
Himachal Pradesh	1176.89	16.01	1192.9	0.75	1590.53
Mizoram	181.63	9.84	191.47	0.12	1595.58
Jammu & Kashmir	449.8	1805.21	2255.01	1.36	1658.10
West Bengal	15301.44	2575.69	17877.13	9.96	1794.89
Sikkim	140.78	5.34	146.12	0.07	2087.43
Meghalaya	781.23	0.8	782.03	0.34	2300.09
Odisha	9932.5	1250	11182.5	4.64	2410.02
Jharkhand	7431.63	2460.88	9892.51	3.86	2562.83
Uttarakhand	1477.89	1625.05	3102.94	1.13	2745.96
Nagaland	621.8	0.96	622.76	0.22	2830.73
Manipur	966.11	0	966.11	0.31	3116.48
Arunachal Pradesh	618.22	34.58	652.8	0.16	4080.00
Total	137651.07	27061.29	164712.36	136.89	46099.93

Grouping of States based on their per capita expenditure on Rural Development

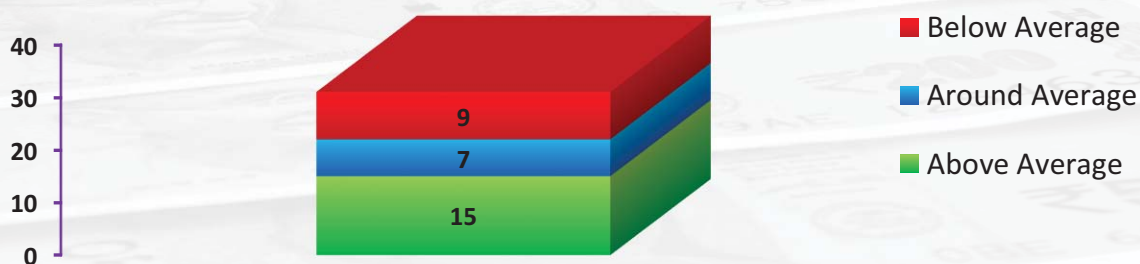


³³ Per Capita expenditure / number of States/ UTs

All States per capita Average: ₹ 1207³⁴

State/Union Territory	Revenue Expenditure on Transport (₹ in crore)	Capital Expenditure on Transport (₹ in crore)	Total expenditure on Transport (₹ in crore)	Population (in crores)	Per Capita Expenditure (in ₹)
Andhra Pradesh	1142.23	847.67	1989.9	5.39	369.18
Punjab	740.82	515.18	1256	3.01	417.28
Telangana	871.67	1024.23	1895.9	3.94	481.19
Bihar	2795.38	5275.24	8070.62	12.48	646.68
U.T. govt. Puducherry	33.11	60.37	93.48	0.14	667.71
West Bengal	1776.52	5265.87	7042.39	9.96	707.07
Rajasthan	1826.6	4161.48	5988.08	8.1	739.27
Tripura	115.89	265.02	380.91	0.42	906.93
Madhya Pradesh	1027.06	6891.84	7918.9	8.54	927.27
Jharkhand	386.86	3870.54	4257.4	3.86	1102.95
Uttar Pradesh	4532.35	21999.9	26532.25	23.79	1115.27
Tamil Nadu	1408.77	8034.23	9443	7.78	1213.75
Kerala	2482.54	2245.1	4727.64	3.57	1324.27
Maharashtra	6338.48	10056.84	16395.32	12.31	1331.87
Gujarat	5089.85	3448.27	8538.12	6.39	1336.17
Uttarakhand	311.97	1373.83	1685.8	1.13	1491.86
Haryana	2791.38	1766.8	4558.18	2.82	1616.38
Chattisgarh	1015.69	3770.77	4786.46	2.94	1628.05
Manipur	112.57	404.87	517.44	0.31	1669.16
Karnataka	3695.73	8858.8	12554.53	6.76	1857.18
Jammu & Kashmir	1738.44	821.3	2559.74	1.36	1882.16
Assam	1450.42	5543.83	6994.25	3.56	1964.68
NCT Delhi	2952.33	1076.04	4028.37	1.87	2154.21
Odisha	1926.11	8961.95	10888.06	4.64	2346.56
Meghalaya	189.09	807.05	996.14	0.34	2929.82
Goa	316.48	352.09	668.57	0.16	4178.56
Nagaland	438.08	486.22	924.3	0.22	4201.36
Himachal Pradesh	1830.02	2084.7	3914.72	0.75	5219.63
Mizoram	303.49	628.98	932.47	0.12	7770.58
Sikkim	227.67	628.57	856.24	0.07	12232.00
Arunachal Pradesh	1148.88	2629.7	3778.58	0.16	23616.13
Total	51016.48	114157.28	165173.76	136.89	90045.19

Grouping of States based on their per capita expenditure on Transport



³⁴Per Capita expenditure / number of States/ UTs



5.1 Deficit

Chapter-5

Revenue Deficit represents the net of revenue expenditure over revenue receipts of the Government. Fiscal Deficit is calculated as total expenditure (Revenue + Capital + Net Loans and Advances) less revenue receipts and miscellaneous capital receipts. This is financed by borrowings.



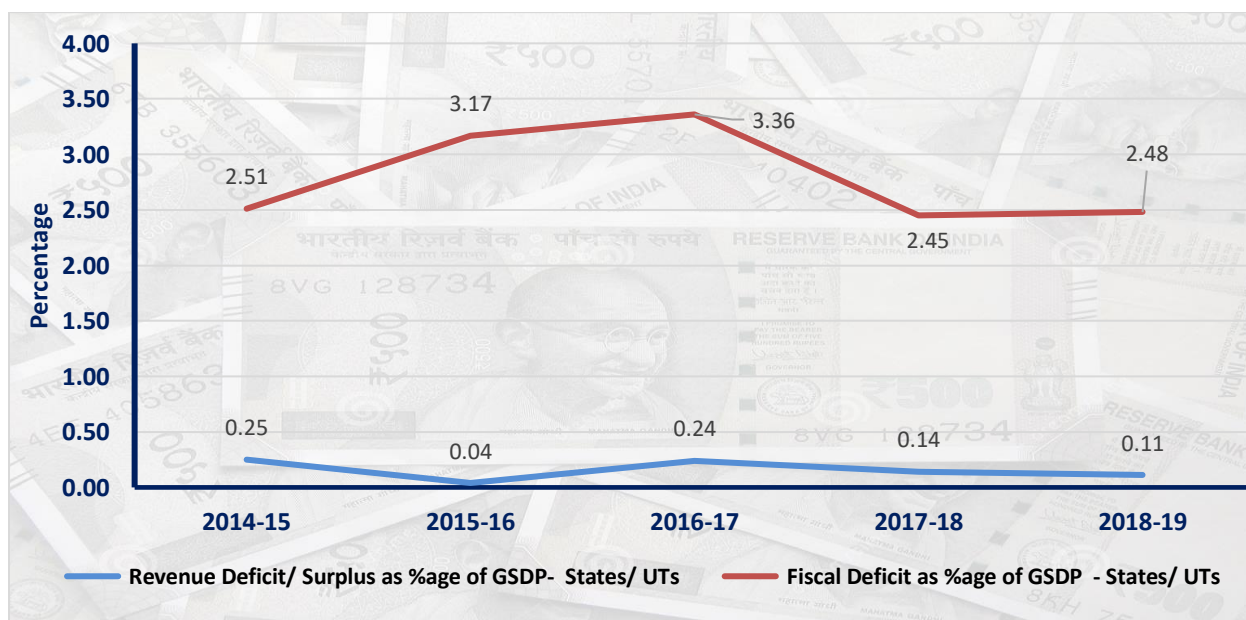
5.2 Gross State Domestic Product (GSDP)

GDP is the total value of goods and services produced in the Union and GSDP is the total value of goods and services produced in the territory of the State.

Details of Revenue/Fiscal Parameters of State Governments

Year	All States	
	Revenue Deficit/ Surplus as %age of GSDP ¹	Fiscal Deficit as %age of GSDP
2014-15	0.25	2.51
2015-16	0.04	3.17
2016-17	0.24	3.36
2017-18	0.14	2.45
2018-19	0.11	2.48

COMPARISON OF REVENUE / FISCAL PARAMETERS FOR THE LAST FIVE YEARS (STATES)

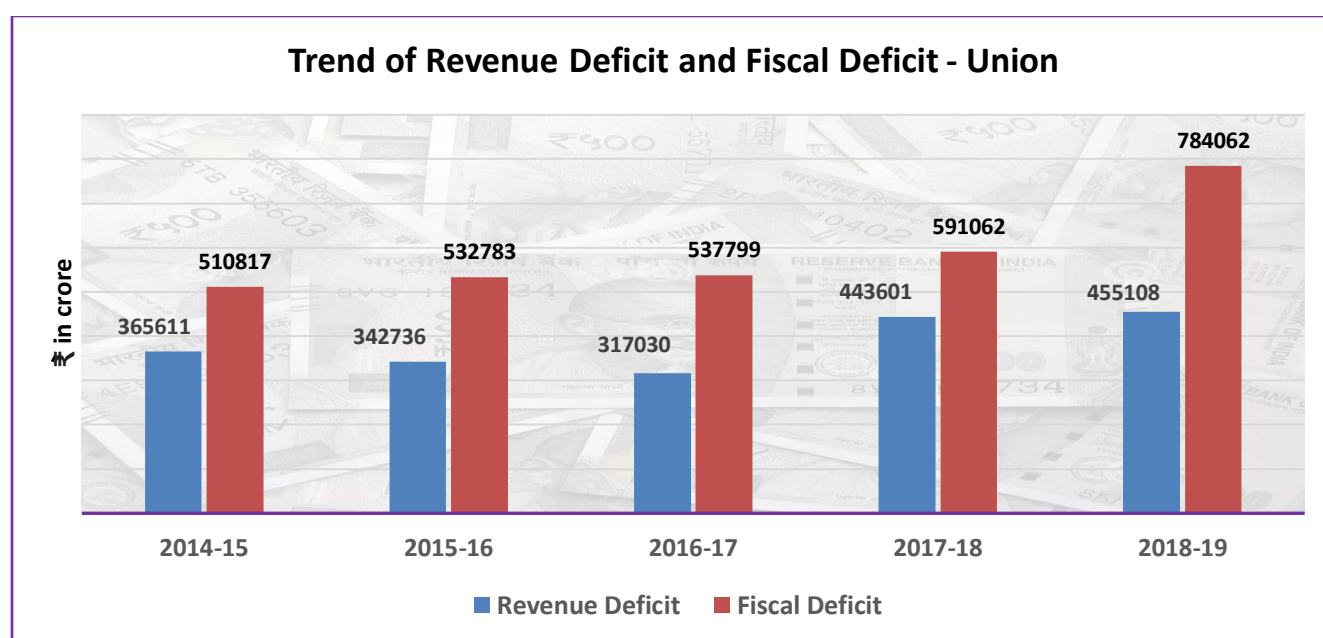


¹ See footnote for Chapter 4 on GDP

Union: The Fiscal Responsibility and Budget Management Act (FRBM Act), 2003, establishes financial discipline to reduce fiscal deficit. The FRBM Act aims to introduce transparency in India's fiscal management systems. The FRBM Act proposed that revenue deficit, fiscal deficit, tax revenue and the total outstanding liabilities be projected as a percentage of gross domestic product (GDP) in the medium-term fiscal policy statement.

5.3 Union Government: Trends of Revenue Deficit and Fiscal Deficit

The following graph shows the trends of Revenue and Fiscal Deficit of the Union over a period of five years:



In respect of the Union, while there is an increasing trend in the Revenue deficit except a dip during the year 2016-17, in respect of Fiscal Deficit there is an increasing trend in absolute value.

5.4 State Governments' performance under Fiscal Responsibility and Budget Management Act (FRBMA)

As per the recommendations of the Fourteenth Finance Commission, the State Governments are required to amend their Fiscal Responsibility and Budget Management (FRBM) Acts. In terms of the Act, the State Governments shall, by rules, specify the fiscal rules suggested for the FRBM Acts of States by the Finance Commission constituted by the President of India.

In general the FRBM Act of all states specify the following two conditions:

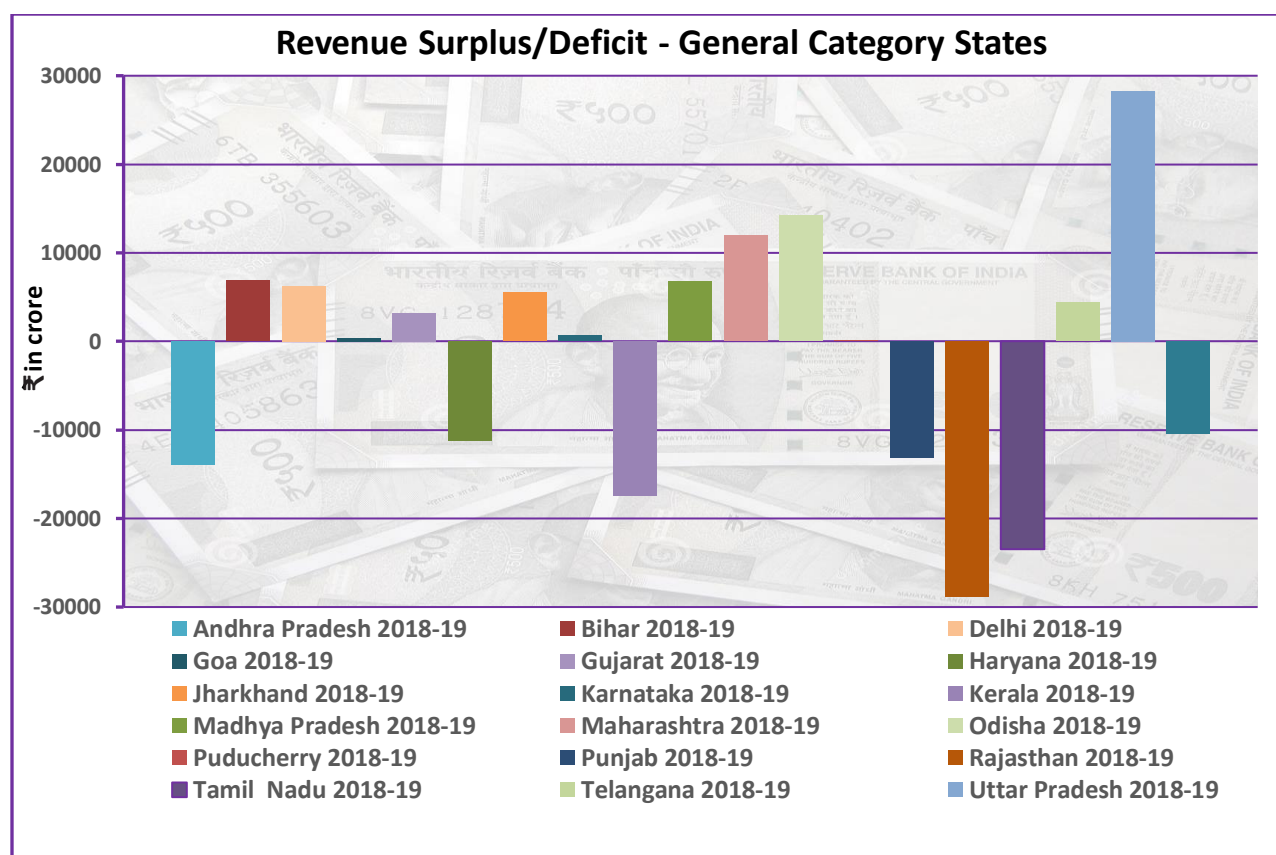
- (i) To maintain a Revenue Surplus and
- (ii) A target of 3.0 per cent Fiscal deficit to GSDP of the State.

State Governments: State Governments have enacted the Fiscal Responsibility and Budget management (FRBM) Act which specifies Targets for the fiscal parameters like Revenue Deficit / Surplus, fiscal deficit , Debt and other obligations, guarantees, etc.

Each State government targeted to eliminate Revenue Deficit and maintain a Revenue Surplus.

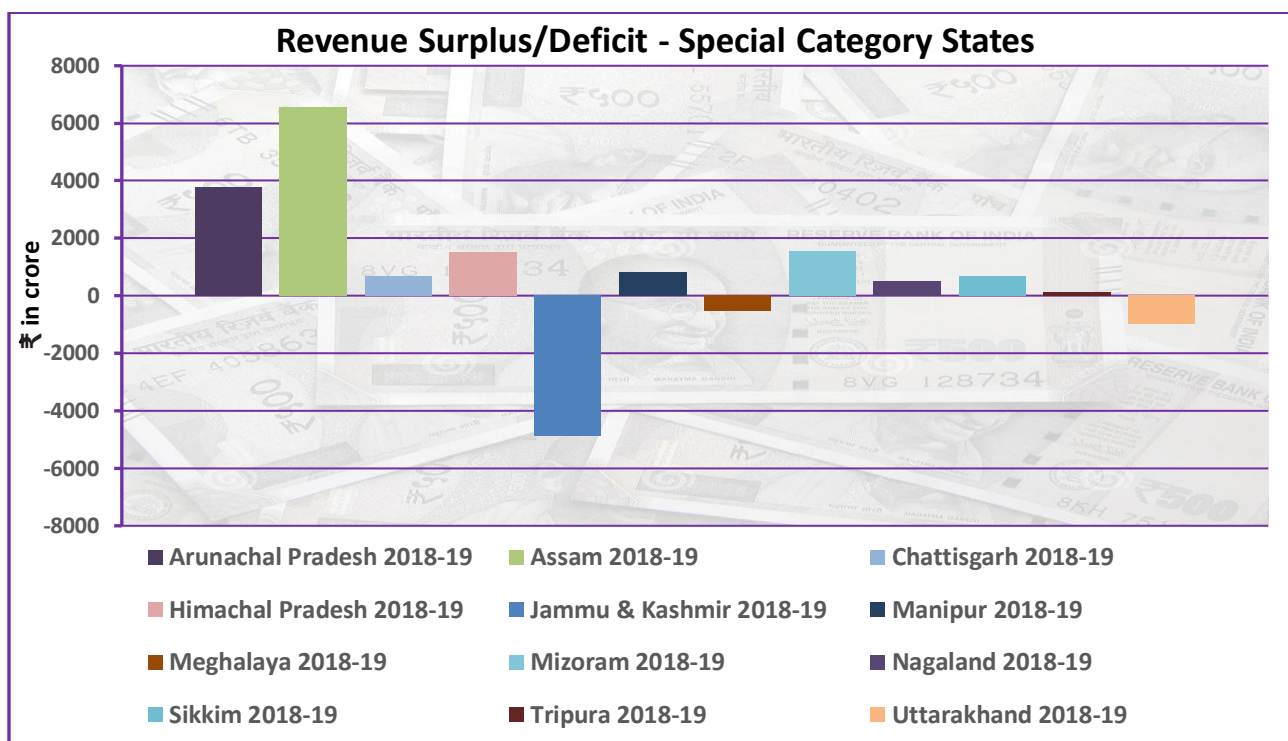
Despite this ten² States/ UTs had a Revenue Deficit during 2018-19.

The targets for the States as per the fiscal rules framed by the State Governments and achievements/shortfalls there against are depicted in the graphs below:



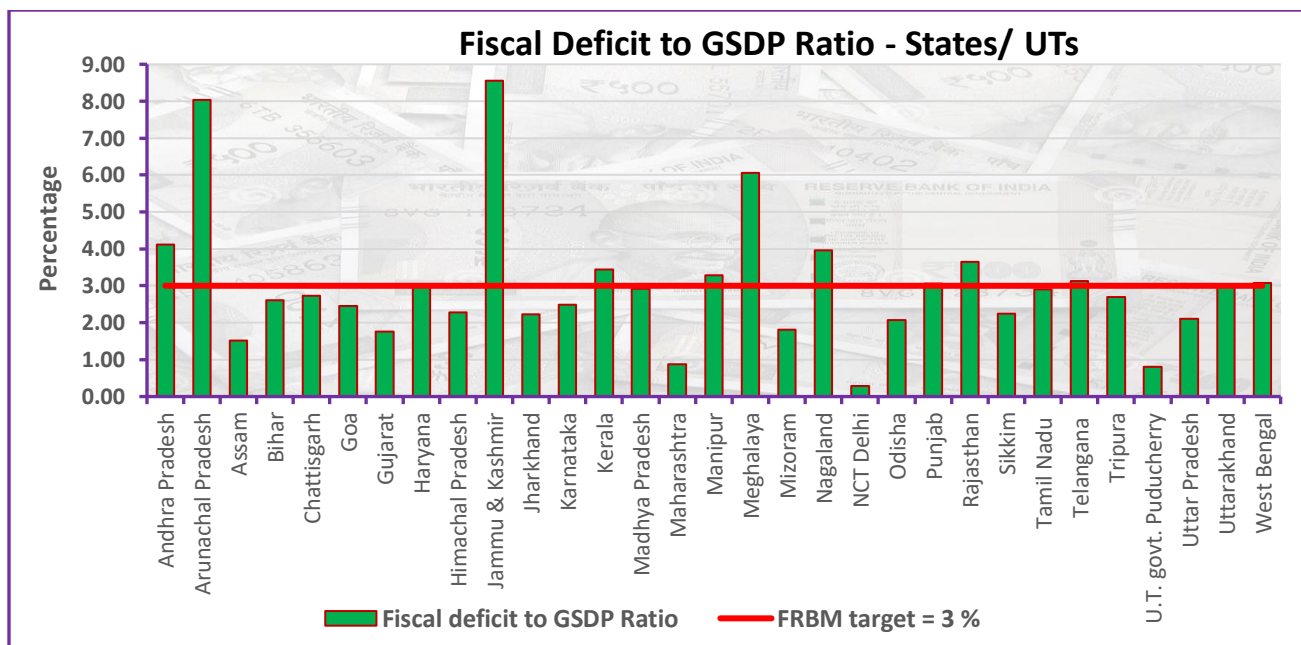
In respect of the General Category States 12 states/UTs including Goa, NCT Delhi and UT Puducherry maintained Revenue Surplus conforming to their FRBM target while the remaining states/ UTs had a Revenue Deficit during 2018-19.

² Andhra Pradesh, Haryana, Jammu&Kashmir, Kerala, Meghalaya, Punjab, Rajasthan, Tamilnadu, Uttarakhand and West Bengal



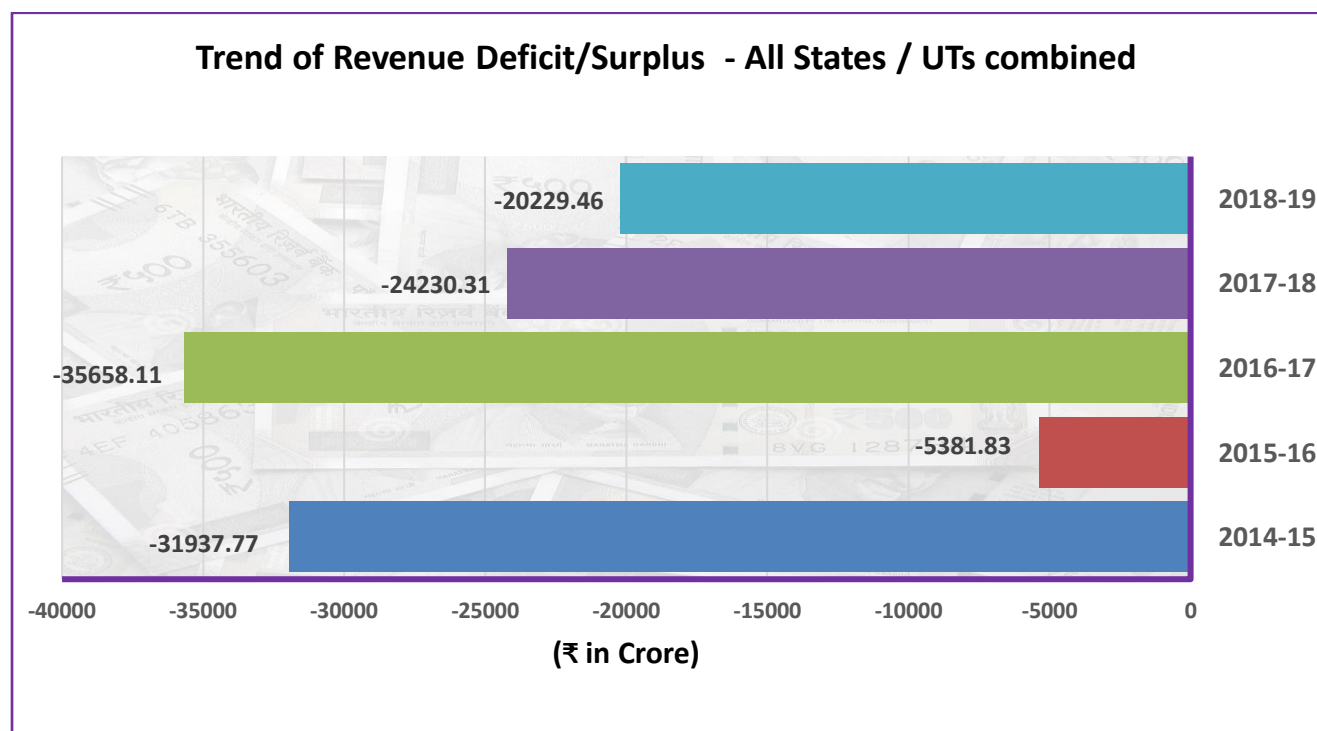
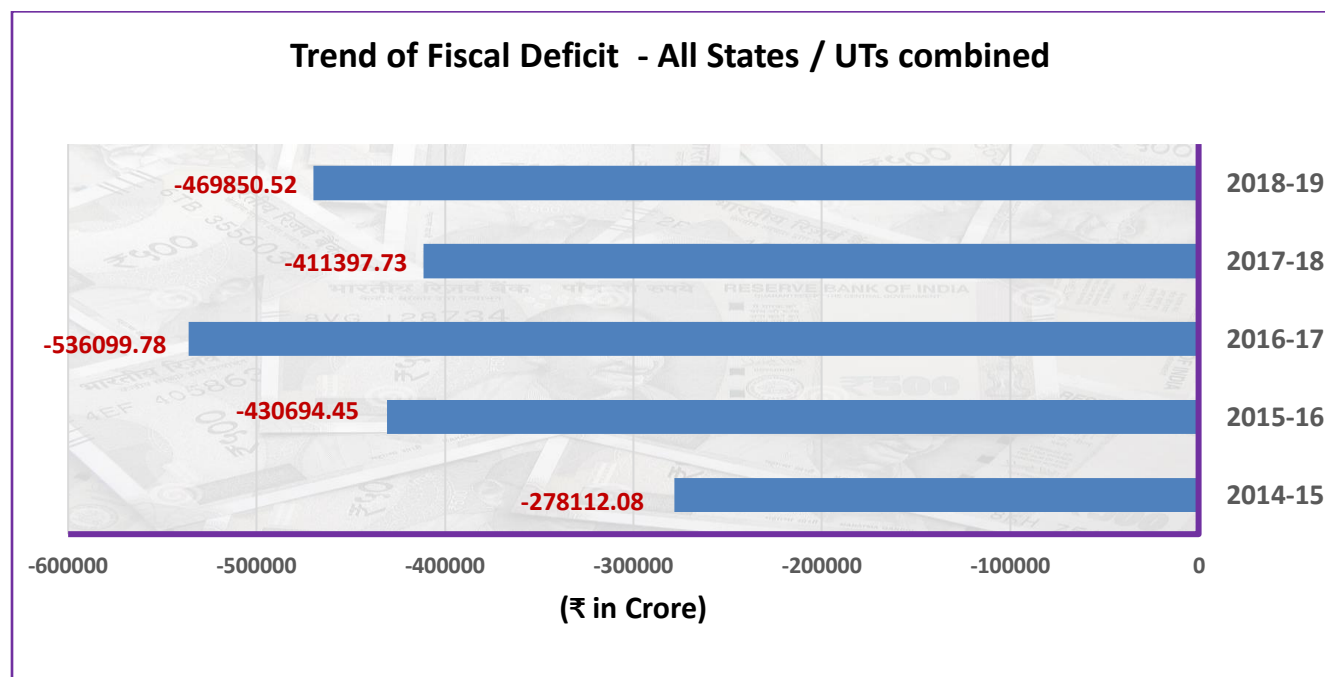
In respect of Special Category States nine states maintained a Revenue Surplus while Jammu & Kashmir, Meghalaya and Uttarakhand had a Revenue deficit during 2018-19.

The following shows the Fiscal Deficit to GSDP ratio of the States with reference to the prescribed ratio of 3 per cent.



In respect of the FRBM targets to maintain the Fiscal Deficit to GSDP ratio at 3 per cent, nine (9)³ states had a ratio beyond the target while the other states were below the target.

The trend of the Fiscal Deficit and Revenue surplus/Deficit of all States combined during the last five years is given below:



³ Andhra Pradesh, Arunachal Pradesh, Jammu & Kashmir, Kerala, Manipur, Meghalaya, Nagaland, Rajasthan and Telangana.



Public Debt

Chapter- 6

Public Debt comprises Internal Debt and External Debt in respect of Union Government whereas Loans and Advances from the Central Government instead of External Loans constitute Public Debt of the State Governments. State Government, in order to carry out its day today activities, raises money from Public, Public Sector Undertakings through loans, by obtaining Ways and Means Advance from Reserve Bank of India and also through loans and advances from the Government of India. The Government also encourages Small Savings from the Public, which are used for funding its activities.

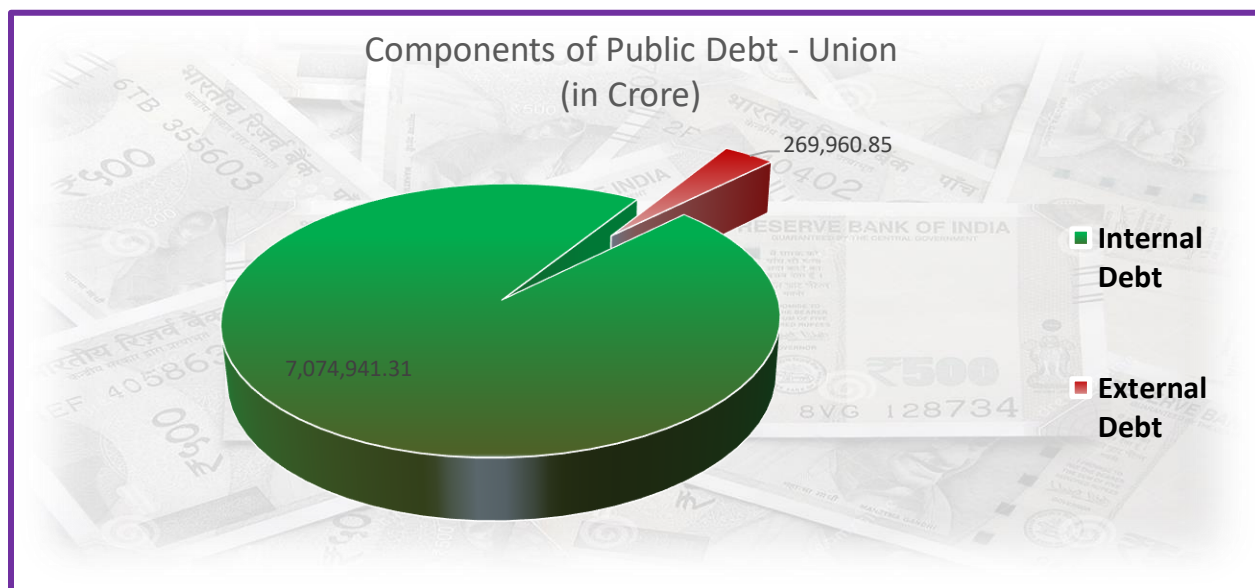
Public debt:

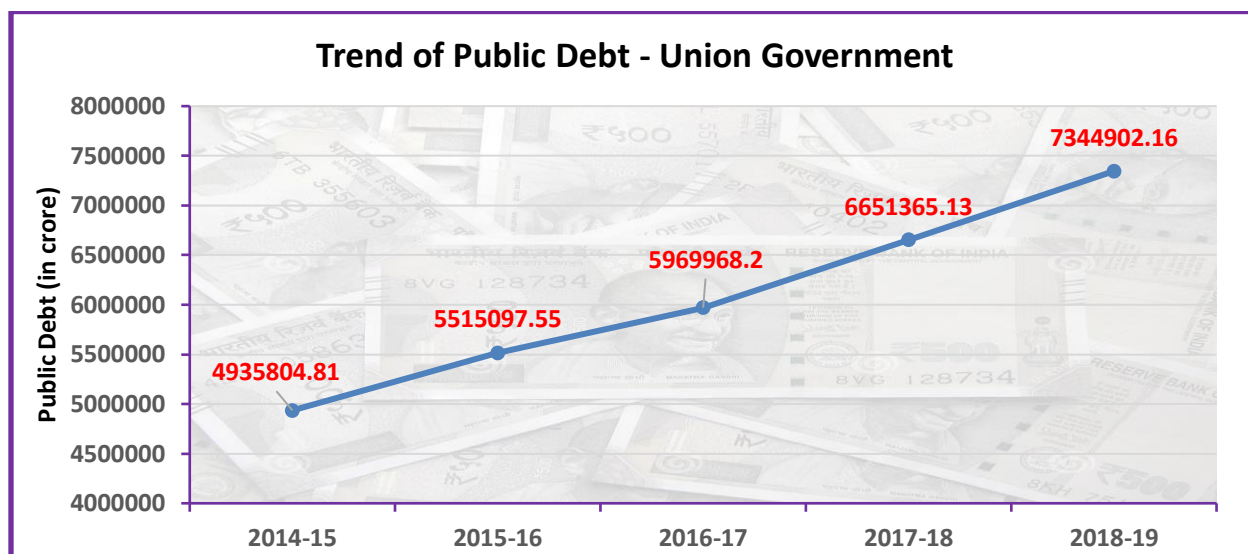
The Public Debt consists of market loans, loans from banks/financial institutions, and loans and advances from the Government of India. The Constitution of India provides that a State may borrow, within the territory of India, upon the security of its Consolidated Fund, within such limits as may from time to time, be fixed by the Act of its Legislature and give guarantees within such limits as may be fixed.

6.1.1

Union Government

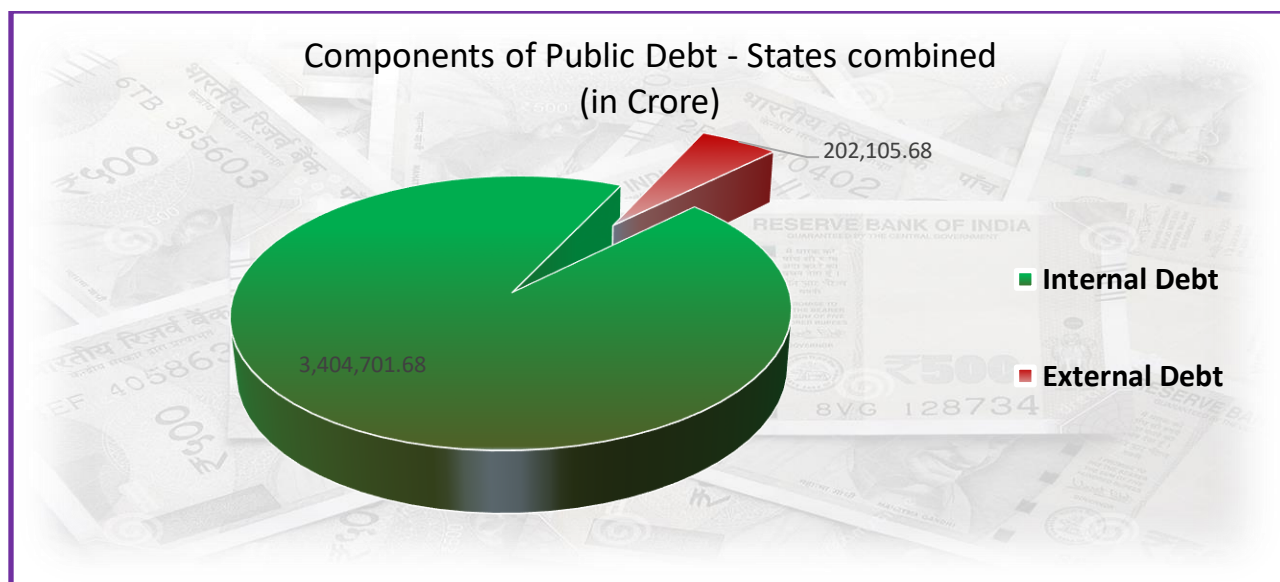
Union Government	Amount (in Crore)
Internal Debt	70,74,941.31
External Debt	2,69,960.85
Total	73,44,902.16

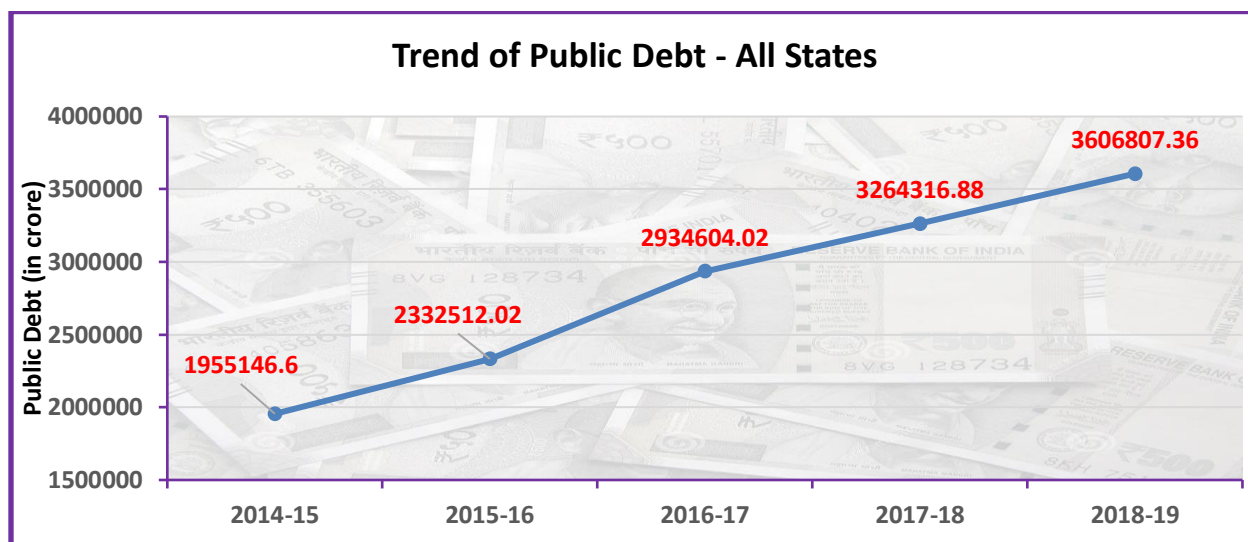




6.1.2 State Governments/UTs

States/Uts	Amount (in Crore)
Internal Debt	34,04,701.68
External Debt	2,02,105.68
Total	36,06,807.36





Components of Public debt as percentage of GDP:

The Public Debt consists of Internal and External debt. Internal Debt consists of market loans, loans from banks/financial institutions and External Debt consists of loans and advances from the GoI in respect of the state Governments. While in the case of Union, Internal debt was 37 per cent of the GDP, in case of the states the Internal Debt was 18 per cent of GDP. In economics, the **debt-to-GDP ratio** is the ratio between a country's government debt and its gross domestic product (GDP). This ratio is a useful tool for investors, leaders, and economists. It allows them to gauge a country's ability to pay off its debt. A high ratio means a country isn't producing enough to pay off its debt. A low ratio means there is plenty of economic output to make the payments.

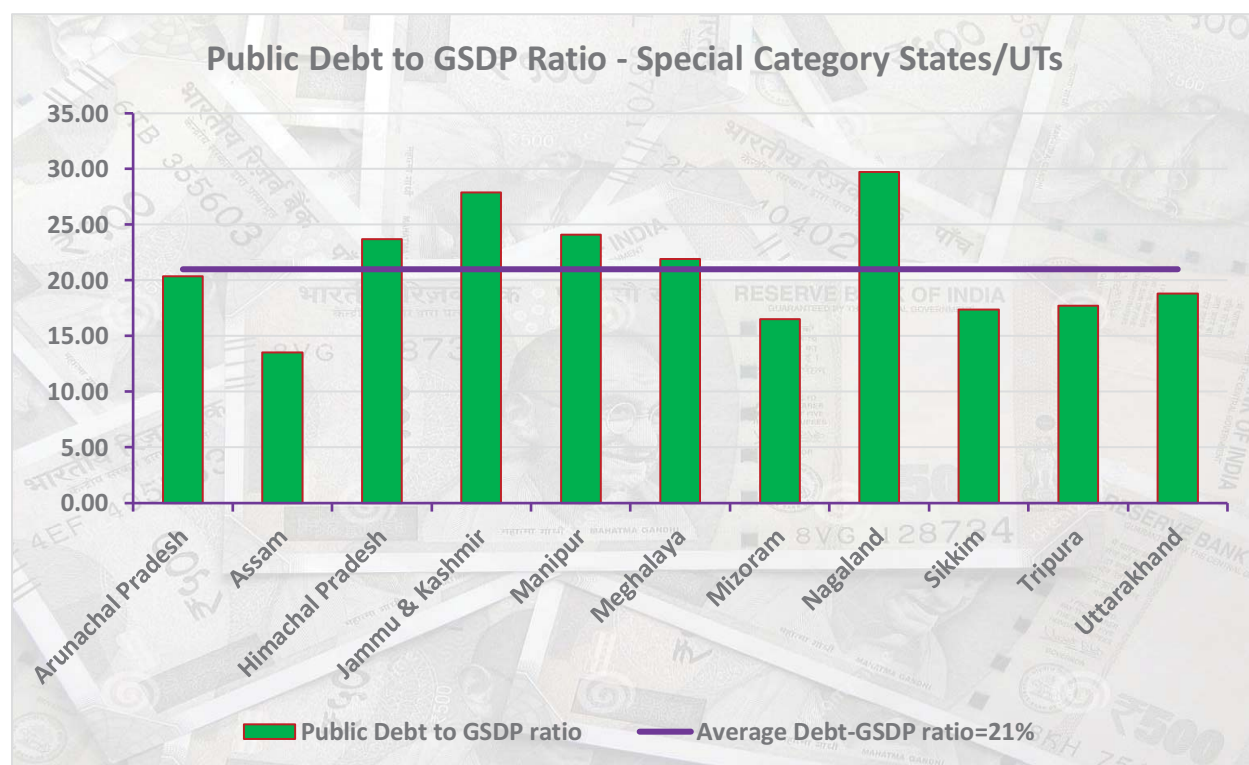
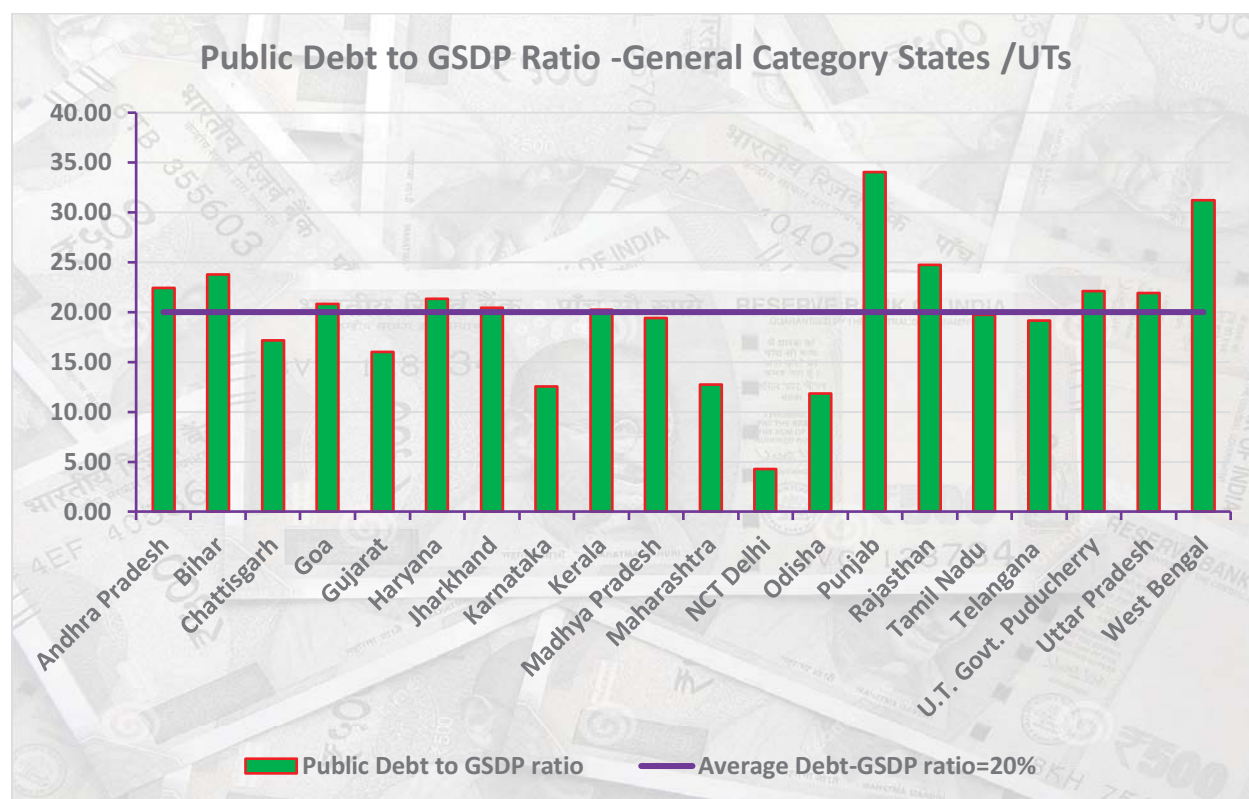
Debt-GSDP ratio is an important indicator which signifies sustainability of the fiscal liability. Punjab had the highest debt to GSDP ratio at 34 followed by Nagaland and West Bengal where debt to GSDP ratio is more than or around thirty per cent. NCT of Delhi, Odisha, Karnataka, Maharashtra, Assam, Gujarat, Mizoram, Chhattisgarh, Sikkim, Tripura, Uttarakhand, Telangana, Madhya Pradesh and Tamil Nadu had the lowest debt to GSDP ratio less than twenty per cent as detailed below:

State Governments

The Public debt (closing balance) to GSDP ratio during the period 2018-19 is presented in Table below:

State	Internal Debt (₹ in crore)	Loans from Central Govt. (₹ in crore)	Total Public Debt (₹ in crore)	GSDP	Public Debt to GSDP ratio
NCT Delhi	0.00	32812.34	32812.34	774870.33	4.23
Odisha	50421.02	7831.72	58252.74	492229.25	11.83
Karnataka	179309.31	14657.49	193966.80	1544398.82	12.56
Maharashtra	328521.95	6499.58	335021.53	2632792.31	12.72
Assam	41511.13	1309.07	42820.20	315881.21	13.56
Gujarat	232874.71	7429.83	240304.54	1502899.29	15.99
Mizoram	2958.09	266.17	3224.26	19519.91	16.52
Chattisgarh	49553.84	2700.38	52254.22	304062.88	17.19
Sikkim	4888.77	97.52	4986.29	28723.44	17.36
Tripura	8626.78	217.02	8843.80	49845.47	17.74
Uttarakhand	45442.71	789.91	46232.62	245894.60	18.80
Telangana	156933.55	8230.85	165164.40	861030.90	19.18
Madhya Pradesh	140009.31	17388.60	157397.91	809591.72	19.44
Tamil Nadu	304350.06	17291.86	321641.92	1630207.75	19.73
Kerala	150991.03	7243.41	158234.44	781653.26	20.24
Arunachal Pradesh	4835.40	178.74	5014.14	24602.88	20.38
Jharkhand	58436.19	2339.08	60775.27	297203.73	20.45
Goa	14018.85	1200.72	15219.57	73170.36	20.80
Haryana	154967.80	1866.94	156834.74	734162.82	21.36
Uttar Pradesh	353189.91	11979.60	365169.51	1668229.24	21.89
Meghalaya	7214.29	116.27	7330.56	33480.64	21.89
U.T. Govt. Puducherry	6486.00	1569.50	8105.11	36656.43	22.11
Andhra Pradesh	183274.02	10223.01	193497.03	862957.08	22.42
Himachal Pradesh	35363.18	1061.77	36424.95	153844.80	23.68
Bihar	114359.68	11785.37	126145.05	530363.46	23.78
Manipur	6425.84	287.77	6713.61	27868.71	24.09
Rajasthan	219311.48	13927.40	233238.88	942586.04	24.74
Jammu & Kashmir	42221.42	1291.56	43512.98	155956.16	27.90
Nagaland	7969.15	146.37	8115.52	27283.04	29.75
West Bengal	326064.47	14357.52	340421.99	1089897.99	31.23
Punjab	174171.74	4958.70	179130.44	526376.49	34.03
Grand Total	3404701.68	202056.07	3606807.36	19178241.00	20.25

The debt-GSDP ratio with reference to the average Debt-GSDP ratio³⁸ in respect of General Category and Special Category states is depicted below:



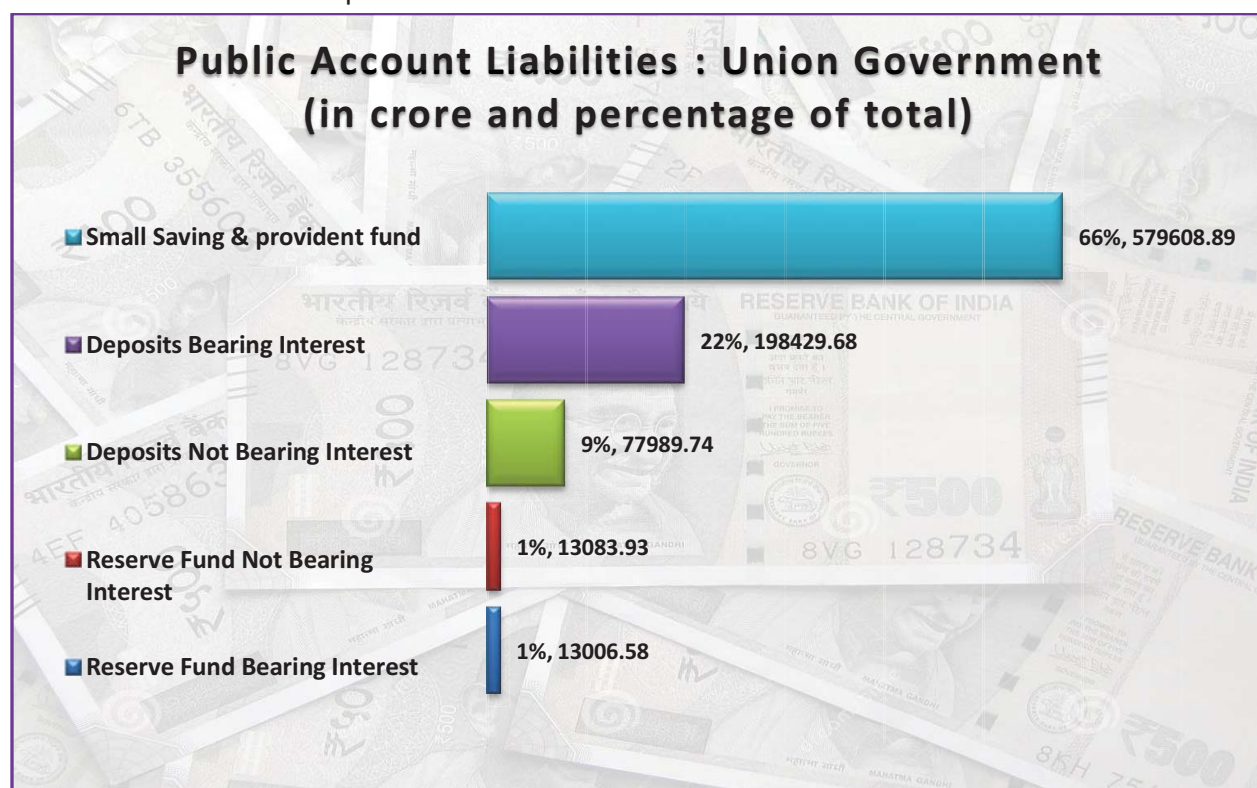
³⁸ Average Debt-GSDP ratio = total Public Debt /total GSDP separately for General and Special Category States.

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 Saving 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.

7.1.1 Liabilities on Public Account:

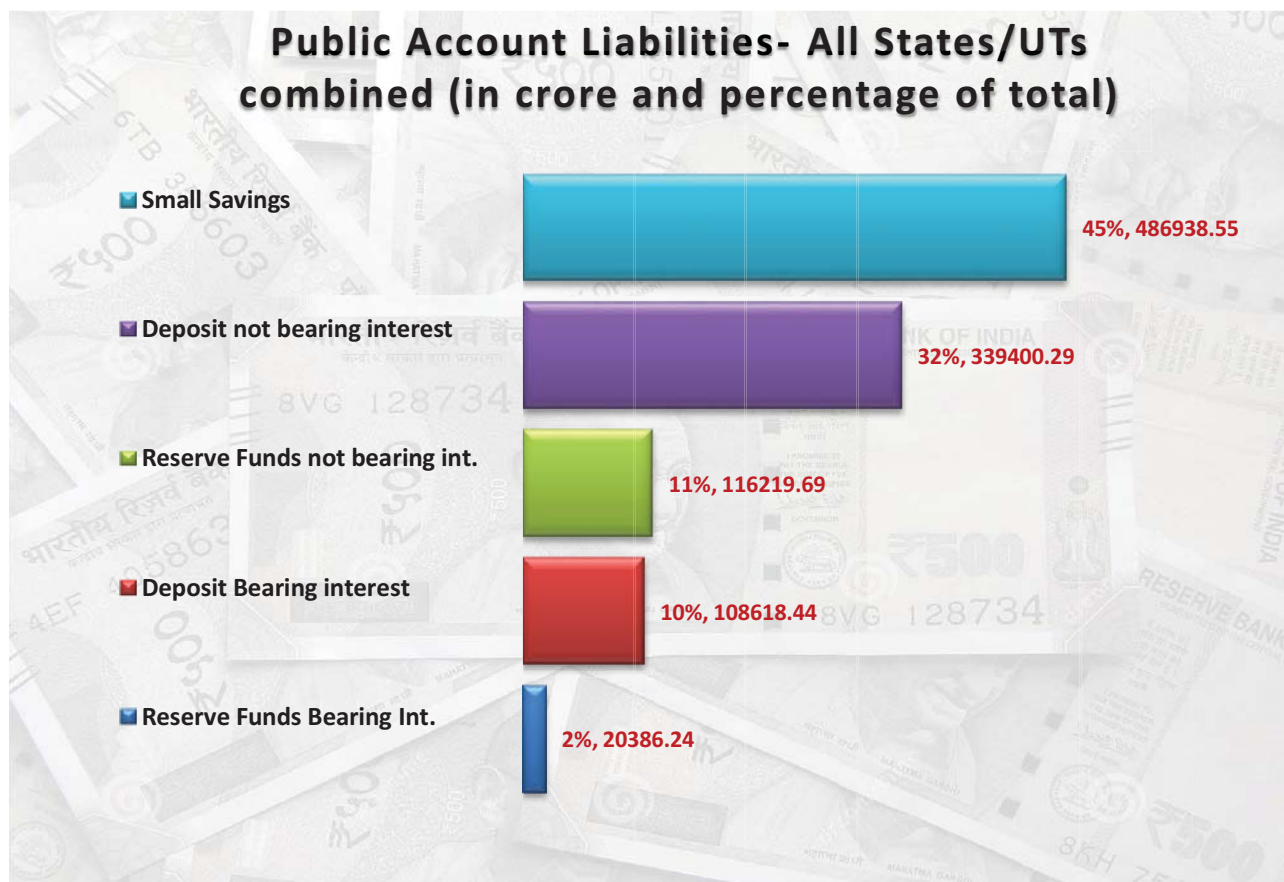
Union:

The other liabilities comprise small savings, provident funds, etc., Reserve Funds and deposits. As on 31st March 2019, total liabilities on Public Account were ₹882118.80 crore. Interest bearing liabilities amounted to ₹791045.20 crore and the remaining ₹91073.67 crore were non-interest bearing. A major portion i.e. 66 per cent of the Public Account liabilities account for Small savings and Provident Fund in respect of the Union Government.



States:

The other liabilities comprise small savings, provident funds, etc., Reserve Funds and deposits bearing and not bearing interest. As on 31st March 2019, total liabilities on Public Account were ₹1071563.21 crore. Interest bearing liabilities amounted to ₹ 846725.08 crore and the remaining ₹ 224838.13 crore were non-interest bearing.



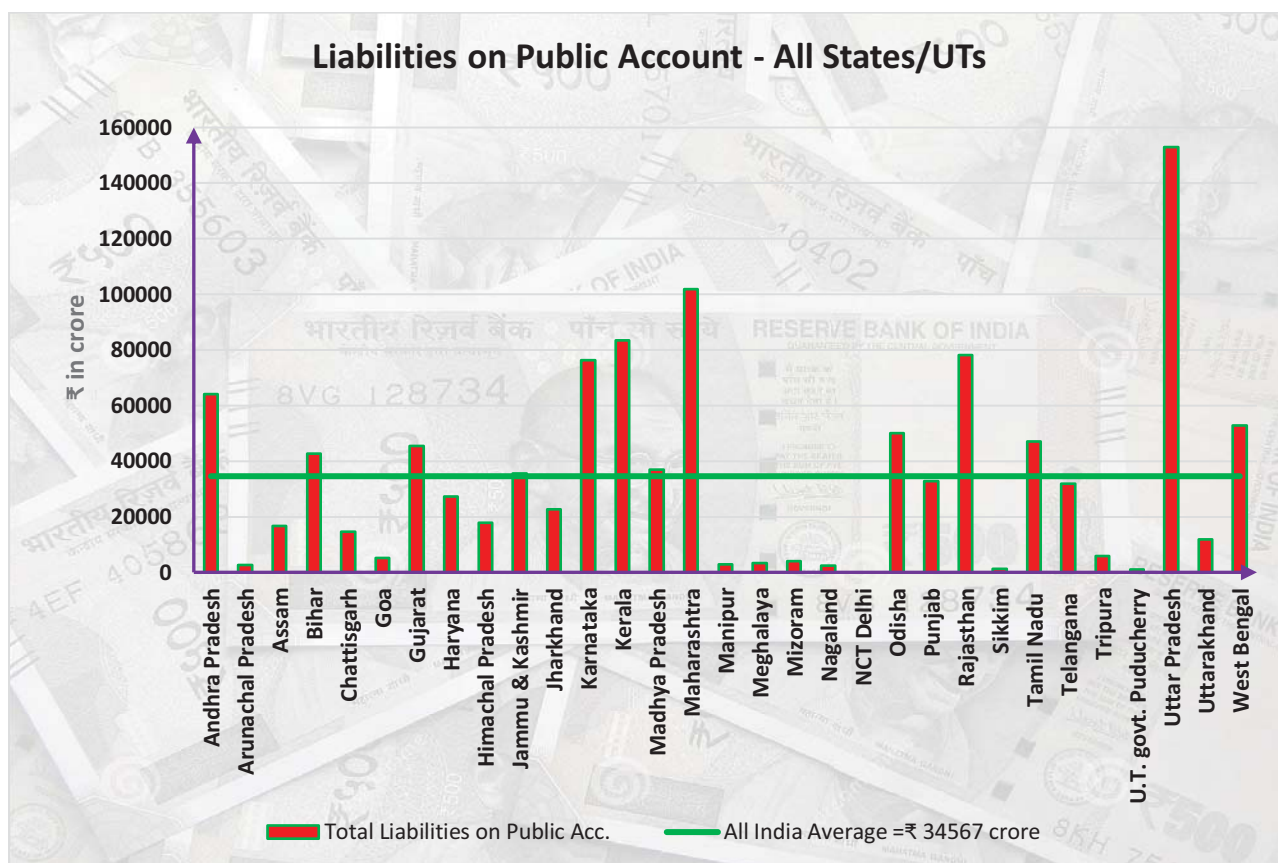
State-wise outstanding liabilities on Public Account are presented in table below:

Liabilities on Public Account

(₹ in crore)

State	Small Savings	Reserve Funds Bearing Interest	Reserve Funds not bearing interest	Deposit Bearing interest	Deposit not bearing interest	Total Liabilities on Public Account
Andhra Pradesh	15729.99	575.63	2107.08	7274.78	38325.41	64012.89
Arunachal Pradesh	2228.38	2.92	0.12	52.75	261.84	2546.01
Assam	12188.05	603.61	14.46	422.53	3376.76	16605.41
Bihar	9088.69	0.01	26.32	146.68	33514.57	42776.27
Chattisgarh	6832.41	400.7	1254.83	42.9	5964.44	14495.28
Goa	2421.77	17.5	878.76	1175.64	698.37	5192.04
Gujarat	10608.63	1504.58	1294.44	13677.83	18454.00	45539.48
Haryana	15715.23	3086.93	174.05	403.41	8001.15	27380.77
Himachal Pradesh	14349.52	1	316.6	1.41	3208.52	17877.05
Jammu & Kashmir	26242.26	892.25	1594.15	121.68	6731.05	35581.39
Jharkhand	1211.11	1530.09	0	12.64	19853.82	22607.66
Karnataka	31023.42	434.57	16566.25	402	27983.4	76409.64
Kerala	77397.06	2113.98	318.37	0.27	3550.38	83380.06
Madhya Pradesh	16577.33	75.43	5998.52	-31.54	14291.74	36911.48
Maharashtra	25683.71	203.46	7884.68	46192.77	21796.65	101761.27
Manipur	1494.42	16.56	0.24	138.40	1298.64	2948.26
Meghalaya	1710.88	4.7	11.64	0.81	1565.09	3293.12
Mizoram	2381.02	0.12	6.52	2.55	1701.31	4091.52
Nagaland	1569.34	0.86	-16.1	137.13	754.45	2445.68
NCT Delhi	0	0	0	0	0	0
Odisha	23423.06	447.54	307.08	35.84	25791.43	50004.95
Punjab	22993.55	6402.59	0	808.08	2581.87	32786.09
Rajasthan	47478.08	738.24	1100.85	5516.34	23301.18	78134.69
Sikkim	1005.65	0.08	63.23	29.54	250.27	1348.77
Tamil Nadu	24109.76	0	1330.01	8008.31	13646.16	47094.24
Telangana	10116.67	377.06	1590.93	2439.94	17274.37	31798.97
Tripura	4734.22	241.12	4.5	0.01	955.86	5935.71
U.T. govt. Puducherry	674.16	0	-106.17	135.49	335.89	1039.37
Uttar Pradesh	54413.34	-44.42	72823.99	4171.47	21516.41	152880.79
Uttarakhand	7899.49	494.43	79.02	460.09	2873.6	11806.63
West Bengal	15637.35	264.7	595.32	16838.69	19541.66	52877.72
	486938.55	20386.24	116219.69	108618.44	339400.29	1071563.21

A graph showing the liabilities on account of Public Account with reference to the all India average (₹34567 crore) is shown below:

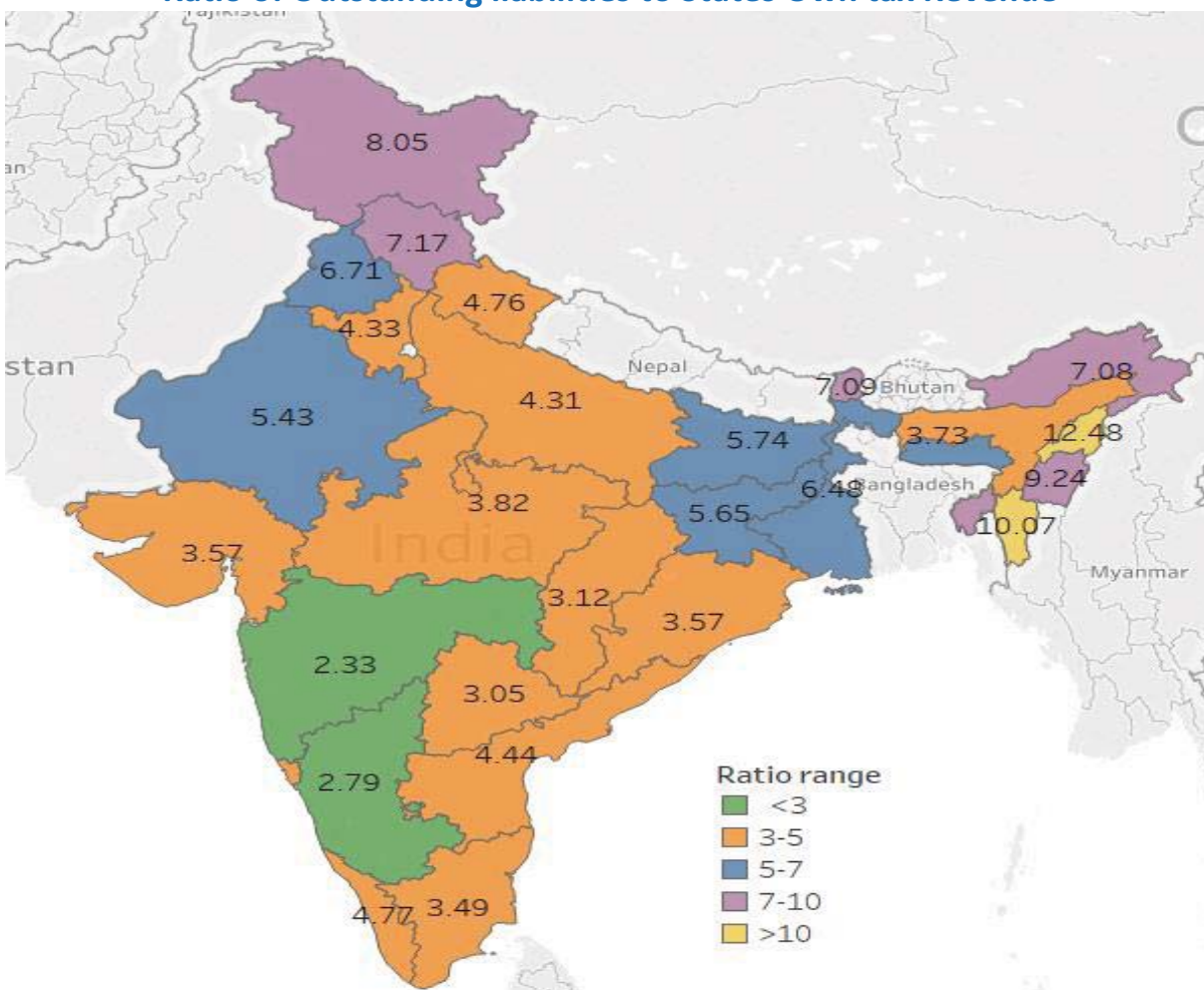


Analysis of Ratio of outstanding liabilities of states to states own tax receipts.

There is a marked difference across states in own revenue collections. The average own tax revenue is higher for the General Category States while in the Special category (North-Eastern) states, narrower tax bases operate as constraints and accordingly they receive the highest transfers from the Centre. (Refer to Chapter 3). Debt sustainability indicators assess the credit worthiness and the liquidity position of state governments by examining their ability to service interest payments and repay debt out of current and regular sources of revenue. Shown below is the all India state-wise ratio categorized into five ranges³⁹ signaling potential debt sustainability risks:

³⁹ Ratio of Total Liabilities to Revenue receipts ranges: <3, 3 to 5, 5 to 7, 7 to 10 and >10

Ratio of Outstanding liabilities to States Own tax Revenue



7.1.2

Personal Deposit Accounts

Personal Deposit Accounts form a part of the Deposits under the public account. They are included under Deposits not bearing interest. The purpose of Personal Deposit Accounts is to enable designated Drawing Officers to incur expenditure pertaining to a specific purpose, or which funds are placed at their disposal, by transfer from the Consolidated Fund of the State. Administrators of Personal Deposit Accounts are required to close such accounts at the end of financial year and transfer the unspent balances back to the Consolidated Fund in accordance with prevailing rules of the respective State Governments. The State Governments transfer huge quantity of funds from the State Consolidated Fund to the Personal Deposits Accounts and these funds are parked in Personal Deposits Accounts for many years to avoid lapse of grant.

A large number of Personal Deposit Accounts are being operated in the states of Andhra Pradesh, Telangana, Maharashtra, Rajasthan, Uttar Pradesh, Kerala, Odisha Madhya Pradesh, etc.

In the States/ Union Territories of Jammu & Kashmir, Jharkhand, Mizoram, NCT Delhi, Sikkim, Tripura and Puducherry, Personal Deposits accounts were not operated by the State Governments during 2018-19.

Personal Deposit Accounts held by the State Governments at the end of March, 2019 are indicated in the Table below:

State	Balance at the end of March 31, 2019 (₹ in lakh) ⁴⁰	Total Number of PD Accounts at the end of March 31, 2019 ⁴¹	Dr./Cr.
Arunachal Pradesh	31.96	2	Cr.
Assam	60.10	26	Cr.
Bihar	437107.89	175	Cr.
Chattisgarh	189110.28	231	Cr.
Goa	10877.07	121	Cr.
Gujarat	58101.31	484	Cr.
Haryana	132689.86	143	Cr.
Himachal Pradesh	233.80	112	Cr.
Karnataka	408513.22	73	Cr.
Kerala	7894.48	924	Cr.
Madhya Pradesh	393848.34	731	Cr.
Maharashtra	1095353.13	2135	Cr.
Manipur	294.07	2	Cr.
Meghalaya	1638.04	6	Cr.
Nagaland	2.39	1	Cr.
Odisha	1565363.38	831	Cr.
Punjab	4022.75	167	Cr.
Rajasthan	1332558.94	1863	Cr.
Tamil Nadu	41109.47	66	Cr.
UT Govt. Puducherry	-0.02	- ⁴²	Cr.
Uttar Pradesh	790.44	1070	Cr.
Uttarakhand	18009.43	47	Cr.
West Bengal	546606.31	159	Cr.

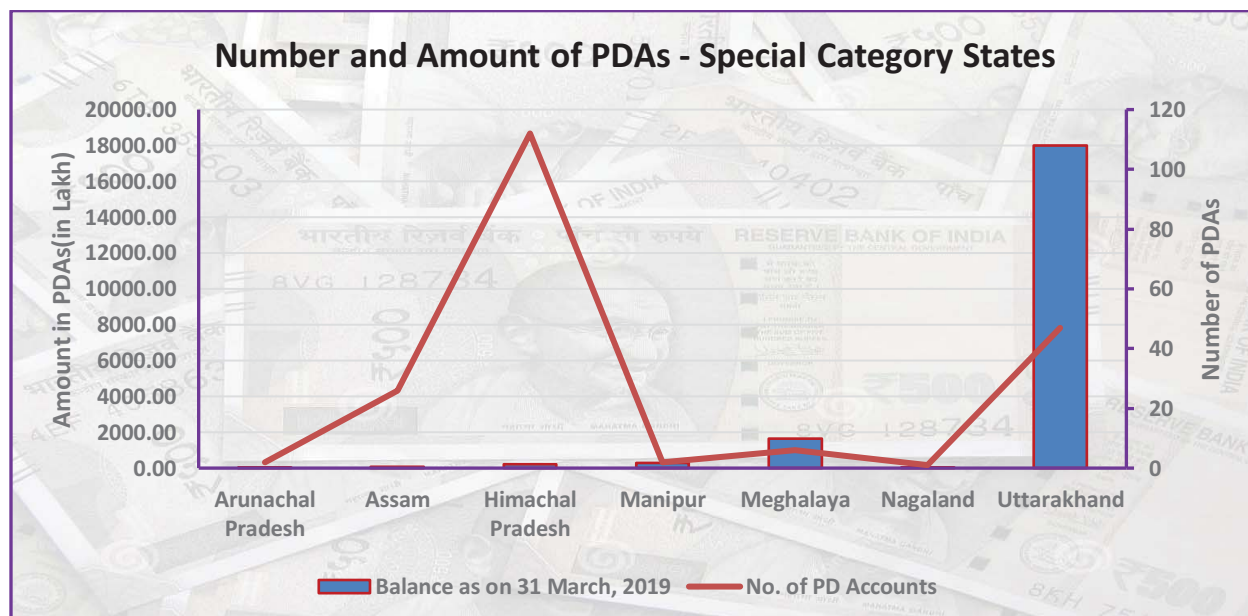
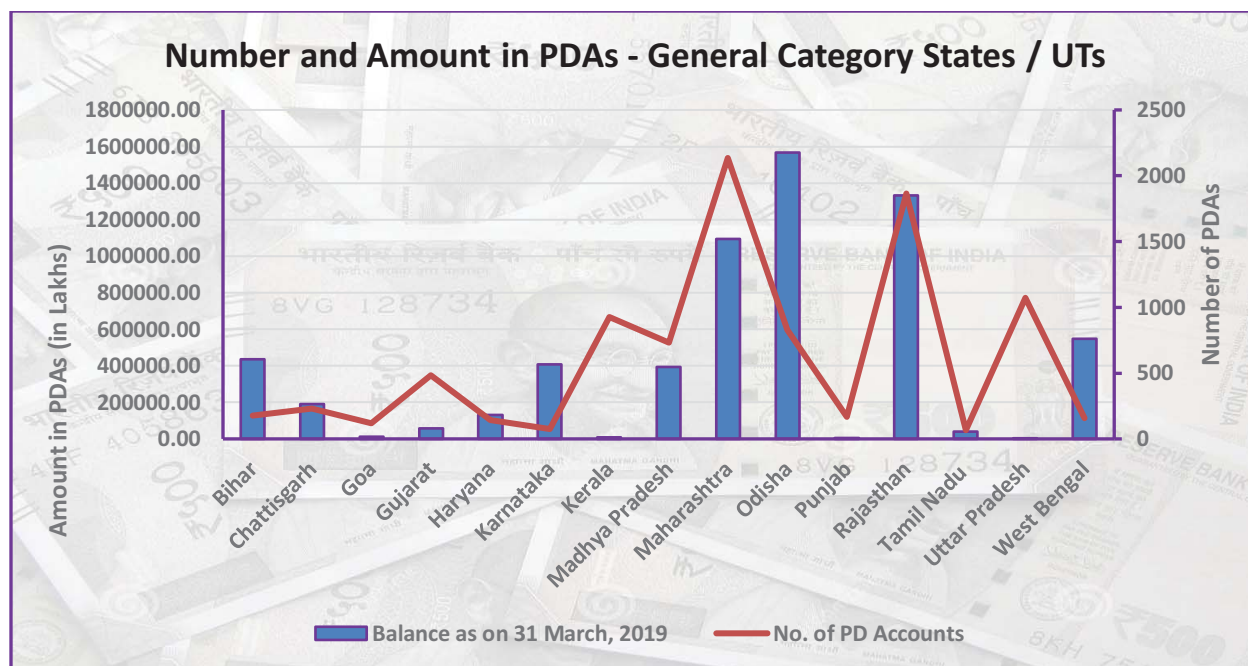
⁴⁰ Figure taken from Statement 21: MH 8443-106 of Finance Accounts of the States. The figures in NTA are the figures collected by the State Government and are to be reconciled with the figures shown in Statement No. 21 of the Finance Accounts. In respect of 8 states (Andhra Pradesh, Bihar, HP, Odisha, Rajasthan, Tamilnadu, Telangana and UP) the figures in NTA are different from the figure appearing in the Statement 21 and are subject to reconciliation.

⁴¹ Number of PD accounts is taken from the Notes to Account (NTA) included in the Finance Accounts.

⁴² Figure not available

While the figure pertaining to Andhra Pradesh includes the un-apportioned amount, the figure of Telangana excludes the un-apportioned amount as per AP reorganisation Act. The figures are subject to reconciliation on apportionment of the same. The data of the two states have not been included in the table above as well as the graph in the following page.

Graphical representation of the number of PD accounts versus the amount of the PD Accounts in respect of General Category and Special Category States is depicted below:



While the number of PDAs in respect of Odisha is the highest followed by Maharashtra, Rajasthan, Bihar and Madhya Pradesh. In respect of Special Category states, Himachal Pradesh has the highest number of PDAs while the highest amount of PDAs is in Meghalaya.



Assets and Liabilities

The Government accounts capture only the financial liabilities (debt) of the Government and the financial assets (investments) created out of the expenditure incurred by the Government. Other fixed assets in the form of Land, Buildings, Factories, etc. are not exhibited in the Government accounts at present.

The liabilities of Government of India viz. Internal and External debt and in the case of State Governments, Loans and Advances from Government of India constitute Public Debt for that Government. Besides these, liabilities of the Government also include Small Savings from public, Provident Fund from employees of Government and certain obligations like Insurance and Pension Funds and other deposits. Public Account also includes the Suspense and Remittance Account which are intermediary in operation of the accounts.

Assets and Liabilities and the Statement of Balances

(Position as on 31st March 2019)

(₹ in crore)

Assets	Union	State	Combined	Liabilities	Union	State	Combined
Cash	134176	334809	468985	Internal debt	7074941	3404702	10479643
Cash in treasuries and local Remittances	-7	5055	5048	External Debt	269961	49	270010
Departmental Balance	8655	1936	10591	Loans and Advances from Central Government	0	202056	202056
Permanent Cash Imprest	100	783	883	Non Plan Loans	0	34954	34954
Cash Balance Investments	122692	169248	291941	Pre 1984-85 Loans	0	7	7
Deposits with Reserve Bank of India	2736	-4775	-2040	Loans for State Plan Schemes	0	125072	125072
Investment from Earmarked Funds	0	162562	162562	Loans for Central Plan Schemes	0	9	9
Capital Expenditure	2906515	3646863	6553379	Loans for Central sponsored Plan Schemes	0	10765	10765
Contingency Fund (un-recouped)	0	2427	2427	Other Loans	0	31249	31249
Loans and Advances	310794	479405	790199	Inter State Settlement	0	74	74
Advances with departmental officers	-2126	4985	2859	Contingency Fund (corpus)	500	7098	7598
Suspense and Miscellaneous Balances	173708	9220	182928	Small Saving Provident Fund	579609	486939	1066547
Remittance Balances	14058	7250	21308	Deposits	274294	473714	748008
			0	Reserve Funds	26091	273455	299545
			0	Remittance Balances	0	10053	10053
			0	Misc Capital Receipt	0	698	698
			0	Suspense & Misc. Balances	0	21544	21544
Total	3537126	4484959	8022085	Total	8225395	4880382	13105777
Cumulative excess of expenditure over Receipts	4688269	956129	5644398	Cumulative Excess of Assets over Liabilities		560706	560706
Total	8225395	5441088	13666483	Total	8225395	5441088	13666483

The comparative graphs of the Assets and Liabilities in respect of the Union, States/UTs and the combined of both is as follows:

