



सत्यमेव जयते

**State Finances Audit Report of the
Comptroller and Auditor General of India
for the year ended 31 March 2021**



**Government of Chhattisgarh
*Report No. 1 of the year 2022***

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Preface

This Report has been prepared for submission to the Governor of Chhattisgarh under Article 151 of the Constitution of India for being laid before the State Legislature.

Chapter I of this Report contains the basis, approach and structure of the Report, structure of Government Accounts, budgetary processes, compliances with Chhattisgarh State Fiscal Responsibility and Budget Management (CGFRBM) Act targets, trends in key fiscal parameters like revenue surplus/ deficit, fiscal surplus/ deficit, *etc.* and fiscal correction path.

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 2021. Information has been obtained from Government of Chhattisgarh, wherever necessary.

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.

Chapter V discuss the financial performance of Chhattisgarh State Public Sector Undertakings (PSUs) and results of oversight role of Comptroller and Auditor General of India (CAG) through monitoring the performance of statutory Auditors and supplementary audit of accounts of PSUs. Audit Reports in relation to the accounts of a Government Company or Corporation are submitted to the Government by the CAG for laying before the Legislature of Chhattisgarh under the provisions of Section 19A of the Comptroller and Auditor General’s (Duties, Powers and Conditions of Services) Act, 1971 (as amended).

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 2021, 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 State had a revenue deficit of ₹ 6,856.66 crore as of end of March 2021 as compared to revenue deficit of ₹ 9,608.61 crore as of end of March 2020. Fiscal deficit relative to Gross State Domestic Product (4.53 per cent) was within the target of 5.00 per cent laid down under the State FRBM Act.

During 2020-21, the outstanding debt of the State was higher than the target of 21.59 per cent of GSDP prescribed in the Medium Term Fiscal Policy Statement under the Chhattisgarh Fiscal Responsibility and Budget Management Act. However, the debt to GSDP ratio was within the target (28.10 per cent) prescribed by the Fifteenth Finance Commission.

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 in the current year compared to the previous year. During 2020-21, the growth rate of GSDP decreased mainly due to decrease in growth rate of all three Sectors that make up the GSDP - Agriculture, Industry and Services sectors, from 13.35 per cent, 4.73 per cent and 10.01 per cent in 2019-20 to 10.40 per cent, (-)3.34 per cent and 3.34 per cent in 2020-21 respectively. Industrial sector is the major contributor to GSDP of Chhattisgarh, unlike the national GDP, where the Services sector is the main contributor.

(Chapter I)

2.2 Finances of the State

The Revenue Receipts registered a nominal decrease of 1.08 per cent during 2020-21 compared to the previous year. Own tax revenue increased by 3.49 per cent and non-tax revenue decreased by 10.04 per cent and could not achieve the level anticipated in budgetary projections. The State continued to be dependent on Government of India with 52 per cent of the revenue coming from State Share of Union Taxes and Duties and Grants-in-aid.

Revenue expenditure decreased by 4.69 per cent during 2020-21 compared to the previous year, whereas Capital Expenditure increased by 5.34 per cent during the same period.

Debt repayment decreased in 2020-21 as compared to 2019-20 and total debt receipts increased by ₹ 1,994.15 crore (10.18 per cent) when compared to 2019-20. The total outstanding debt of the State Government at the end of 2020-21 would be ₹ 89,605.22 crore after excluding back to back loan of ₹ 3,109 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 2020-21 and control over the execution and monitoring of budget was inadequate. Also, the percentage of utilization of Budgeted funds (81.22 per cent) decreased during 2020-21 compared to the previous year (86.30 per cent).

Excess expenditure of ₹3,432.11 crore pertaining to two Grants and two Appropriations during 2020-21 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 neither cautioned against persistent savings; nor were their budgets varied in accordance with their ability to absorb the allocations

(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 were 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’ (₹3,030.67 crore) and ‘Other Expenditure’ (₹1,268.92 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)

2.5 Financial Performance of State Public Sector Undertakings

As on 31 March 2021, there were 30 PSUs including one Statutory Corporation. Out of 30, there are two inactive PSUs. Out of 28 working PSUs, only 25 PSUs (24 Companies and one Statutory Corporation), whose accounts were in arrears for two or less years as on 30 September 2021 have been considered for detailed analysis of financial performances.

As per their latest accounts and information furnished, the PSUs registered an annual turnover of ₹39,964.32 crore, which was equal to 11.41 per cent of the GSDP of Chhattisgarh. As on 31 March 2021, the investment of the Central and State Governments and Others in equity and long-term loans in these 30 PSUs was ₹20,878.89 crore.

Out of 25 PSUs (covered in this Report) 15 PSUs earned profit of ₹697.56 crore in 2020-21, seven PSUs incurred losses of ₹978.50 crore and three PSUs had reported neither profit nor loss. Major profit was contributed by Chhattisgarh State Power Generation Company Limited (₹402.68 crore) and Chhattisgarh State Warehousing Corporation (₹138.69 crore) and major loss was incurred by Chhattisgarh state Power Distribution company Limited (₹972.64 crore). Only two PSUs Chhattisgarh Rajya Van Vikas Nigam Limited and Chhattisgarh Warehousing Corporation declared dividend of ₹3.03 crore and ₹0.81 crore respectively.

Total accumulated losses reported by 25 PSUs were ₹4,872.05 crore, resulting in depletion in net worth to ₹2,391.21 crore as on 31 March 2021. One PSU viz., Chhattisgarh State Power Distribution Company Limited (CSPDCL) which incurred losses amounting to ₹972.64 crore during the year 2020-21, reported total accumulated loss of ₹7,290.33 crore as on 31 March 2021.

Financial Statements of only seven PSUs for the year 2020-21 were received in time. Twenty three PSUs have defaulted in timely submission of accounts. Forty accounts pertaining to 23 PSUs were in arrears.

As a result of the audit of CAG, significant comments highlighting inaccuracies in the Financial Statements impacting profitability by ₹14.22 crore and assets/liabilities by ₹63.07 crore were issued.

Irregularities and deficiencies in the financial reports observed during supplementary audit which are not material, were communicated to the Management of three PSUs through 'Management Letters' for taking corrective action.

(Chapter V)

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 28 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 ₹1,04,943 during 2020-21, which was lower than the national average of ₹1,28,829. General and financial data relating to the State is given in **Appendix 1.1**.

Box-1: The Year of Covid-19 Pandemic and State Finances

During 2020-21, the growth rate of Chhattisgarh's Gross State Domestic Product (GSDP) dipped to 1.54 *per cent*, which ranged between 7.41 to 16.72 *per cent* during 2016-20. All the three sectors i.e. industry, agriculture and services that contribute to GSDP registered a lower growth rate than previous year (Details are in **Chart 1.1** and **1.3**).

During 2020-21, the economic slowdown coupled with Covid-19, had an effect of decreasing revenue receipts and revenue expenditure of the State as compared to previous year. Month wise position of State's revenue and expenditure vis-à-vis previous years is shown in **Chart 1.1** and **1.2**:

Chart 1.1 : Month wise Revenue Receipts

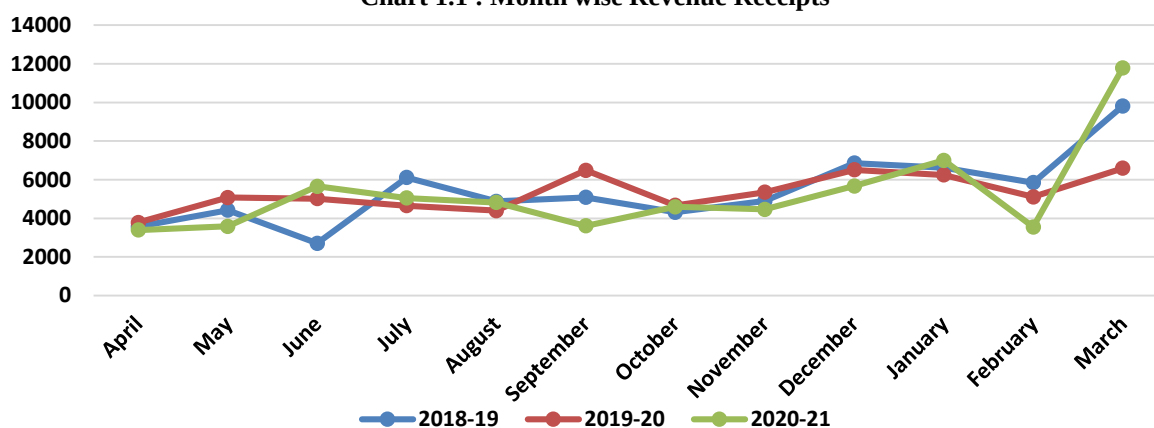
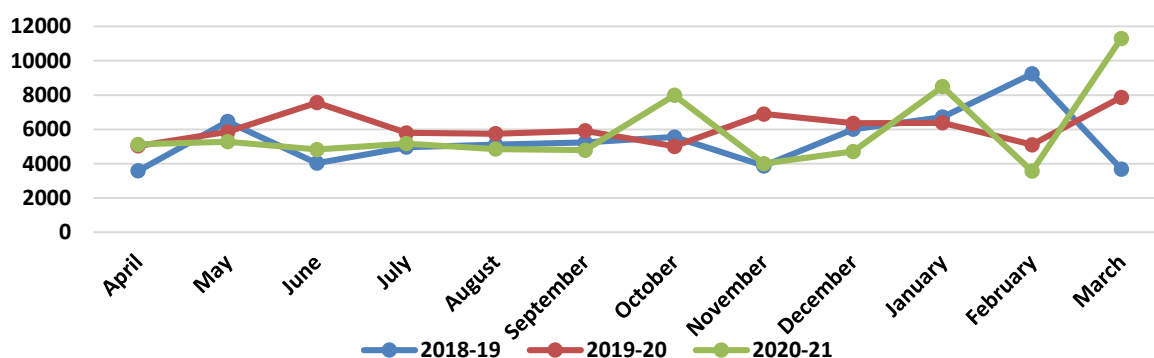


Chart 1.2: Month wise Revenue Expenditure



Impact on Receipts

The revenue receipts which increased during 2016-17 to 2018-19, registered a negative growth during the year 2019-20 and 2020-21 due to COVID-19 pandemic (Details are given in **Table 2.3** of **Chapter-II**). The State's performance in mobilization of its own resources declined over the previous year by (-)0.08 *per cent* due to negative growth rate of (-)10.04 *per cent* in Non-Tax Revenue.

The Central Tax Transfers and Grants-in-Aid (GIA) constitute 52 *per cent* of Revenue Receipts of the State. Central Tax Transfers basically, constitute share of net proceeds of taxes collected by Central Government. As the State's share has been fixed at 42 *per cent* by XIV Finance Commission and reduced to 41 *per cent* in XV Finance Commission, the absolute amount of share depends on total quantum of the taxes collected by Central Government. The total quantum of taxes collected by the Central Government decreased during 2019-20 and 2020-21 due to COVID-19 Pandemic, so the Central Tax Transfers too decreased during same period, which otherwise was showing growth rate above 10 *per cent* from 2016-17 to 2018-19. (Details are in **Table 2.7** of **Chapter-II**). Similarly, receipts under GIA from the Government of India also decreased by 5.87 *per cent* over the previous year.

Impact on Expenditure

The total expenditure decreased by ₹2,992.32 crore from ₹82,099.86 crore in 2019-20 to ₹79,107.54 crore in 2020-21. During the year 2020-21 as a result of the COVID-19 pandemic and lockdown, the economy was affected and various economy measures to rationalize Government expenditure and optimum utilization of available resources were undertaken by the State Government. The State Government restricted the utilization of total budget provision upto 70 *per cent* and regulated the expenditure pertaining to several heads like training, Government tours and meetings, implementation of new schemes, purchase of new vehicles etc.

Savings due to covid-19

There were huge savings during 2020-21, with 17 grants out of 72 grants/Appropriations showing utilisation of less than 50 *per cent* of the budget allocation. The utilization of funds decreased from 86.30 *per cent* to 81.22 *per cent* of the total budgetary provision in 2020-21. Out of the total 1656 sub-heads requiring reasons for variation, reasons were provided in 830 sub-heads of which in 122 cases reasons for variation were attributed to curtailment in budget/less expenditure due to COVID-19.

Impact on revenue and fiscal deficit and its financing

Chhattisgarh, which was a revenue surplus State from 2016-17 to 2018-19, turned into revenue deficit State during 2019-20 and 2020-21. Revenue Deficit during 2019-20 and 2020-21 was ₹9,608.61 crore and ₹6,856.66 crore respectively. Fiscal Deficit during 2019-20 and 2020-21 was ₹17,969.55 crore and ₹15,822.38 crore respectively (Details are in **Table 2.29** of the **Chapter II**).

Shortfall in revenue was met with higher receipts under internal debt and loans from Government of India. During 2020-21, Market borrowings (₹13,000 crore) raised by the State Government continued to finance the major portion of fiscal deficit and its net share in financing the fiscal deficit was 66.36 *per cent*. During 2020-21, the internal debt increased by 16.82 *per cent* (₹10,156.14 crore) and loan and advances from the GoI increased by 123.20 *per cent* (₹3,405.25 crore). The surge in loans and advances was due to back to back loan of ₹3,109 crore in lieu of shortfall in GST compensation provided to the State Government as debt receipt. The debt servicing of this loan would be done from the collection of cess in the GST Compensation Fund and hence, the repayment obligation will not be on the other resources of State.

The GST compensation is the revenue of the State Government under GST (Compensation to States) Act, 2017. However, in addition to receiving the GST compensation amounting to ₹3,212.16 crore as revenue receipts, due to inadequate balance in GST Compensation Fund during the year 2020-21, Chhattisgarh also received back to back loan of ₹3,109 crore under debt receipt of the State Government, with no repayment liability for the State.

Thus revenue deficit and fiscal deficit would work out as ₹3,747.66 crore and ₹12,713.38 crore respectively during the year 2020-21, keeping in view the debt receipt of ₹3,109 crore in lieu of GST compensation.

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	2016-17	2017-18	2018-19	2019-20	2020-21
GDP of India at current prices (₹ in crore)	1,53,91,669	1,70,90,042	1,88,86,957	2,03,51,013	1,97,45,670
Growth Rate of GDP over previous year (in per cent)	11.76	11.03	10.51	7.75	(-) 2.97
State's GSDP at current prices (₹ in crore)	2,62,801	2,82,283	3,18,101 ^P	3,44,955 ^Q	3,50,270 ^A
Growth Rate of GSDP over previous year (in per cent)	16.72	7.41	12.69	8.44	1.54

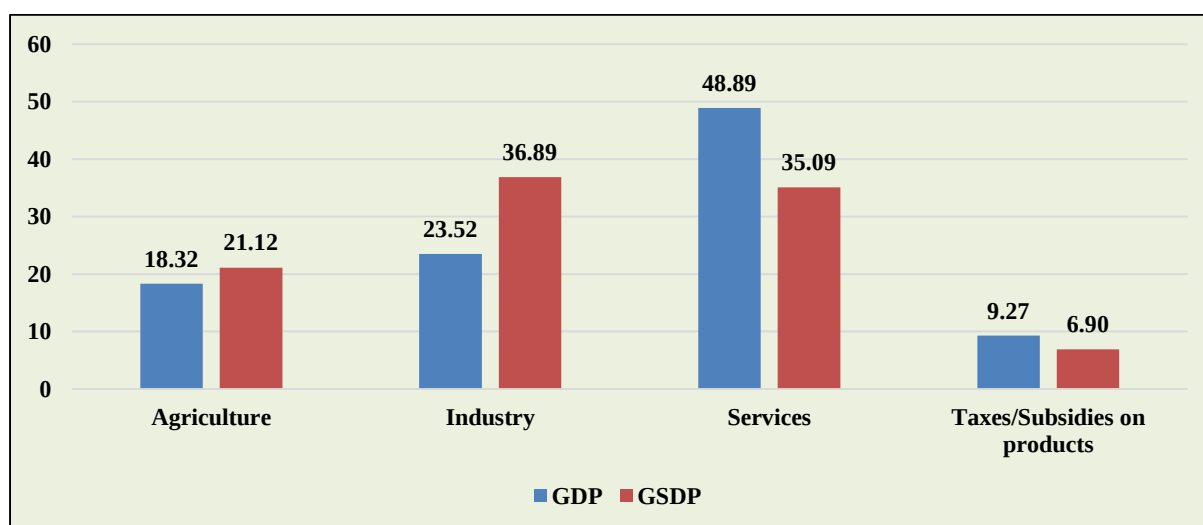
Source: GoI's Economic Survey (2020-21) and Directorate of Economics and Statistics, Chhattisgarh

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 between 1.54 and 16.72 per cent during the five-year period 2016-17 to 2020-21. Even though the GSDP of Chhattisgarh grew at a higher rate during 2020-21 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 13.35 per cent, 4.73 per cent and 10.01 per cent in 2019-20 to 10.40 per cent, (-)3.34 per cent and 3.34 per cent in 2020-21 respectively.

Economic activities are generally divided into Primary, Secondary and Tertiary sectors, which correspond to Agriculture, Industry, and Services Sectors. Change in sectoral contribution of the GSDP is also important to understand the changing structure of economy. **Chart 1.3** below shows the sectoral composition of GSDP of Chhattisgarh vis-à-vis GDP of India during 2020-21.

Chart 1.3: Sectoral composition of GSDP of Chhattisgarh vis-à-vis GDP of India during 2020-21

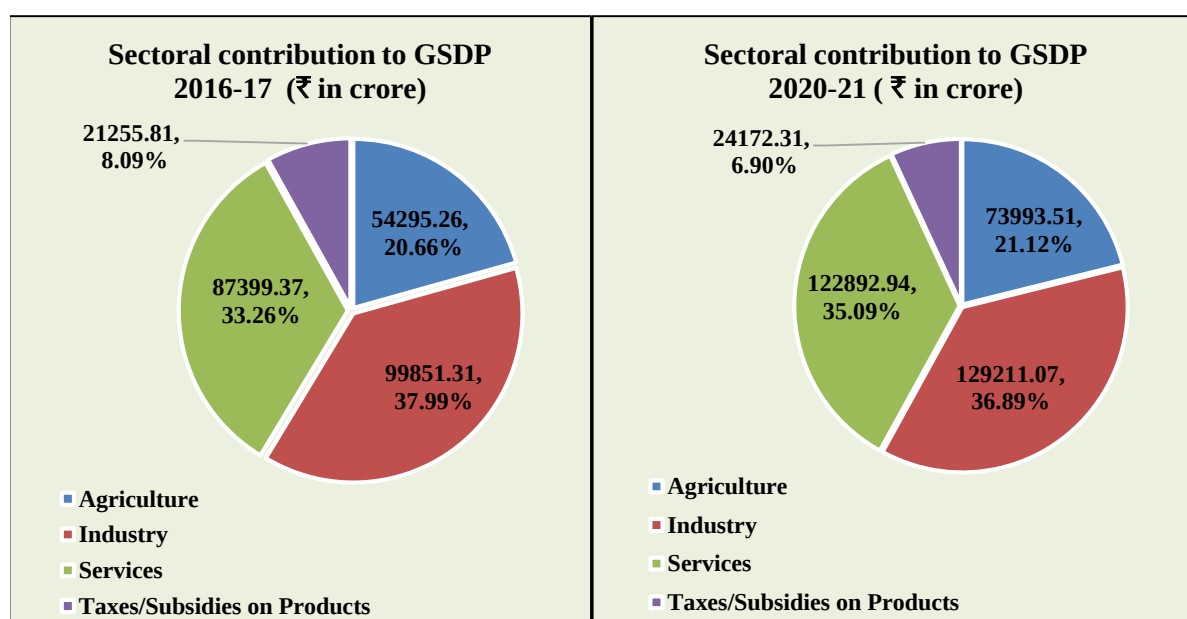


Source: GoI's Economic Survey (2020-21) and Directorate of Economics and Statistics, Chhattisgarh

As can be seen from **Chart 1.3**, during 2020-21 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 1.4 reveals that during the five-year period 2016-17 to 2020-21, there has been an increase in the relative share of agriculture and service sectors in GSDP of the State from 20.66 per cent and 33.26 per cent in 2016-17 to 21.12 and 35.09 per cent in 2020-21 respectively. During the same period, there has been a decrease in the share of industry sector from 37.99 per cent in 2016-17 to 36.89 per cent in 2020-21. Also, Taxes and Subsidies on Products decreased from 8.09 per cent in 2016-17 to 6.90 per cent in 2020-21.

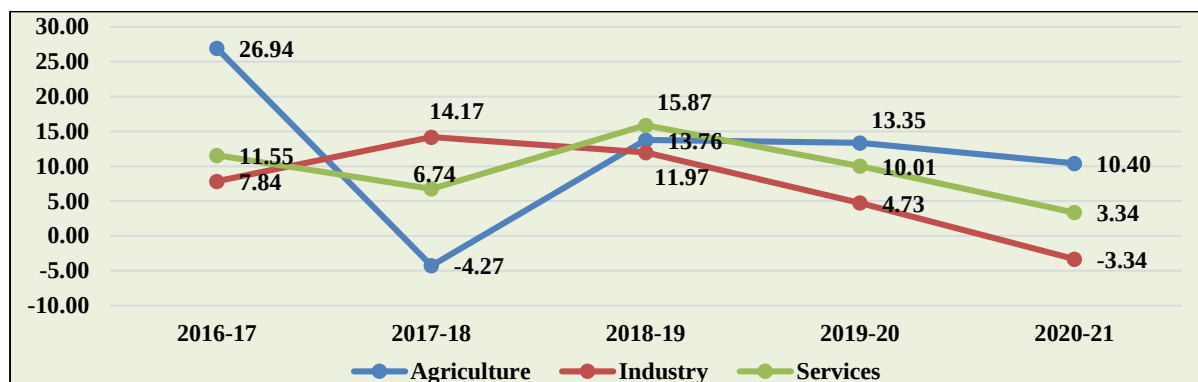
Chart 1.4: Change in sectoral contribution to GSDP (2016-17 to 2020-21)



Source: Economic Survey (2020-21), 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 1.5**:

Chart 1.5: Sectoral growth in GSDP



Source: Economic Survey (2020-21), 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 2021 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 2020-21 constitute the core data for this report. Other sources include the following:

- Budget of the State for the year 2020-21 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 Principal 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 2016-21.

The analysis has been carried out in the context of recommendations of the Fifteenth Finance Commission (XVFC), 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 five Chapters:

Chapter - I	<u>Overview</u> 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.
Chapter - II	<u>Finances of the State</u> 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 2016-17 to 2020-21, debt profile of the State, and key Public Account transactions, based on the Finance Accounts of the State.
Chapter -III	<u>Budgetary Management</u> 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
Chapter -IV	<u>Quality of Accounts & Financial Reporting Practices</u> 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.
Chapter -V	<u>Financial Performance of State Public Sector Undertakings</u> This Chapter presents the summary of financial performance of State Public Sector Enterprises (Government Companies and Statutory Corporations) of Chhattisgarh.

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 of India]

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.

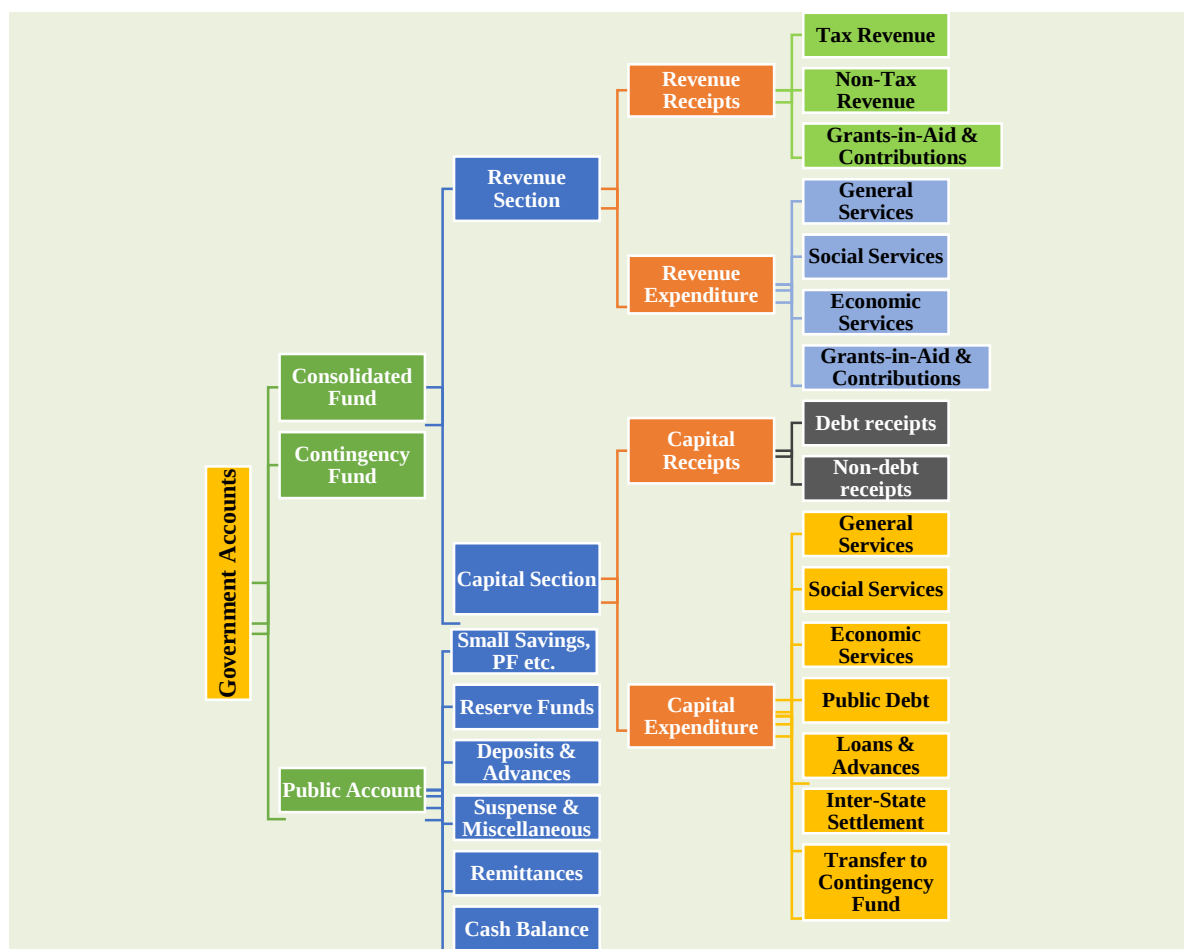
	Attributes of transactions	Classification
Standardised in List of Major and Minor Heads of Account by Controller General of Accounts	Function - Education, Health, <i>etc.</i> / Department	Major Head under Grants (4-digit)
	Sub-Function	Sub Major Head (2-digit)
	Programme	Minor Head (3-digit)

Flexibility left for States	Scheme	Sub-Head (2-digit)
	Sub scheme	Detailed Head (2-digit)
	Economic nature/Activity	Object Head-salary, minor works, etc. (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 1.6**.

Chart 1.6: 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 2020-21, 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 2020-21 including various inter-governmental and other adjustments carried out by the Reserve Bank of India (RBI).

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

1.5.1 Snapshot of Finances

The following table provides the details of actual financial results *vis-a-vis* Budget Estimates for the year 2020-21, and actuals of 2019-20.

Table 1.2: Snapshot of Finances

₹ in crore)						
Sl. No	Components	2019-20 (Actual)	2020-21 (Budget Estimate)	2020-21 (Actuals)	Percentage of Actual to B.E.	Percentage of Actuals to GSDP
1.	Tax Revenue	22,117.85	26,155.00	22,889.20	87.51	6.53
2.	Non-Tax Revenue	7,933.77	9,215.00	7,136.95	77.45	2.04
3.	Share of Union Taxes and duties	20,205.84	26,803.30	20,337.54	75.88	5.81
4.	Grants-in-aid and contributions	13,611.24	21,658.00	12,812.49	59.16	3.66
5.	Revenue Receipts (1+2+3+4)	63,868.70	83,831.30	63,176.18	75.36	18.04
6.	Recovery of Loans and Advances including Inter State Settlement	256.91	300.00	104.13	34.71	0.03
7.	Misc. Capital Receipts	4.70	0.00	4.85	0.00	0.00
8.	Borrowings and other Liabilities ¹	16,206.99	11,518.41	11,951.92	103.76	3.41
9.	Capital Receipts (6+7+8)	16,468.60	11,818.41	12,061.57	102.06	3.44
10.	Total Receipts (5+9)	80,337.30	95,649.71	75,237.75	78.66	21.48
11.	Revenue Expenditure	73,477.31	81,399.95	70,032.84	86.04	19.99
12.	Interest Payments	4,970.33	5,840.79	5,633.11	96.44	1.61
13.	Grants in aid for creation of Capital Assets	1,939.61	2,732.19	1,837.67	67.26	0.52
14.	Capital Expenditure of which	8,622.55	14,249.76	9,074.70	63.68	2.59
	<i>Capital Outlay</i>	8,566.39	13,814.11	9,024.19	65.33	2.58

¹ (Net Public Debt Receipts + Net Public Account Receipts + Net Contingency Fund) + (Net Opening Cash Balance and Closing Cash Balance)

Sl. No	Components	2019-20 (Actual)	2020-21 (Budget Estimate)	2020-21 (Actuals)	Percentage of Actual to B.E.	Percentage of Actuals to GSDP
	<i>Loans and Advances including Inter-state Settlement</i>	56.16	435.65	50.51	11.59	0.01
15.	Total Expenditure (11+14)	82,099.86	95,649.71	79,107.54	82.71	22.58
16.	Revenue Surplus (+)/ Deficit (-) (5-11)	(-)9,608.61	2,431.35	(-)6,856.66	(-)282.01	(-)1.96
17.	Fiscal Deficit {15-(5+6+7)}	(-)17,969.55	(-)11,518.41	(-)15,822.38	137.37	(-)4.52
18.	Primary Deficit (17+12)	(-)12,999.22	(-)5,677.62	(-)10,189.27	179.45	(-)2.91

Source: Finance Accounts of respective year and Budget Book 2020-21.

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 comprise 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			
	2019-20	2020-21	Percentage Increase/ Decrease(-)		2019-20	2020-21	Percentage Increase/ Decrease(-)
Internal Debt	60,382.67	70,538.81	16.82	Gross Capital Outlay	92,893.83	1,01,913.17	9.71
Loans and Advances from GoI	2,764.05	6,169.30 ²	123.20	Loans and Advances	1,397.08	1,342.78	-3.89
Contingency Fund (corpus)	100.00	100.00	0.00	Contingency fund (un-recouped)	0.00	0.00	0.00
Small Savings, Provident Funds, etc.,	7,617.67	8,021.40	5.30	Advances	1.83	1.83	0.00
Deposits	5,483.29	5,985.11	9.15	Remittance	278.30	329.28	18.35
Reserve Funds	9,697.05	9,180.67	-5.33	Suspense and Miscellaneous	0.00	0.00	0.00
Suspense and Miscellaneous	89.52	77.19	-13.77	Cash Balance ³	11,396.60	9,461.37	-16.98
Remittances	0.00	0.00	0.00	Total (1 to 7)	1,05,967.64	1,13,048.43	6.68
				Deficit on Government Account	19,833.39	12,975.95	-34.58
Total (1 to 8)	86,134.25	1,00,072.48	16.18	Total (8-9)	86,134.25	1,00,072.48	16.18

Source: Finance Accounts of respective year 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

² Includes back to back loan of ₹3,109 crore in lieu of GST compensation shortfall. The debt servicing of this loan would be done from the collection of cess in the GST compensation Fund.

³ Including investment in earmarked fund

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/fiscal policy statements for the financial year 2020-21.

1.6.1 Compliance with provisions of State FRBM Act

In compliance with the recommendations of Twelfth Finance Commission (TFC), the State Government enacted the Chhattisgarh Fiscal Responsibility and Budget Management Act, 2005 (CGFRBM Act) (amended in September 2011 and 2016) 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).

As per the CGFRBM Act 2005, the State Government was to eliminate revenue deficit and bring fiscal deficit down to 3 *per cent* of the GSDP by the end of 31 March 2009. Further, as per CGFRBM (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. The revenue deficit, fiscal deficit and total liabilities as a 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.

Major fiscal variables, as set in CGFRBM Act/ disclosures made under the Act in fiscal policy statements, and their achievement during 2016-21 are given in **Table 1.4**.

Table 1.4: Major fiscal variables for 2016-21⁴

Fiscal Parameters	Fiscal Targets set in the Act/MTFFS	ACHIEVEMENT (₹ in crore)				
		2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Deficit (-)/ Surplus (+)	Revenue Surplus	5,520.65	3,417.32	683.76	(-)9,608.61	(-)6,856.66
		Yes	Yes	Yes	No	No
Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP)	3.50 <i>per cent</i> of GSDP for 2016-19 and 5.00 <i>per cent</i> of GSDP for 2019-21	(-) 4,047.27 (1.54 %)	(-) 6,810.32 (2.41 %)	(-) 8,292.23 (2.61 %)	(-)17,969.55 (5.21 %)	(-)15,822.38 (4.53 %)
		Yes	Yes	Yes	No	Yes
Total outstanding debt as percentage of GSDP	15.45% for 2016-17 18.47% for 2017-18 18.06% for 2018-19 21.23% for 2019-20 21.59% for 2020-21	16.84%	18.74%	20.98 %	22.82%	25.58% ⁵
		No	No	No	No	No

Source: Finance Accounts of the respective years

The State could not achieve the target of revenue surplus during 2019-20 and 2020-21. During 2020-21, Revenue Deficit of the State was ₹6,856.66 crore as compared to ₹9,608.61 crore in

⁴ The percentages w.r.t GSDP indicated in earlier reports have been revised due revised figures of GSDP.

⁵ Debt to GSDP percentage has been calculated on total debt of ₹89,605.22 crore excluding amount of back to back to loan of ₹3,109 crore in lieu of GST compensation shortfall.

2019-20. The decrease of ₹2,751.95 crore in Revenue Deficit was mainly due to decrease in Revenue expenditure by ₹3,444.47 crore (4.69 *per cent*) as compared to 2019-20 despite decrease in Revenue Receipts by ₹692.52 crore (1.08 *per cent*). The receipts under GIA from the Government of India decreased by 5.87 *per cent* over the previous year.

Fiscal Deficit of the State decreased during 2020-21 (₹15,822.38 crore) by ₹2,147.17 crore from ₹17,969.55 crore in 2019-20, as the Revenue Deficit decreased to ₹6,856.66 crore in 2020-21 from ₹9,608.61 crore in 2019-20. The ratio of Fiscal Deficit to GSDP was within the target prescribed under FRBM/MTFPS during the years 2016-17 to 2020-21, except in 2019-20. Fiscal Deficit at 5.21 *per cent* of the GSDP exceeded the target prescribed in the FRBM Act during 2019-20.

The GST compensation is the revenue of the State Government under GST (Compensation to States) Act, 2017. However, in addition to receiving the GST compensation amounting to ₹ 3212.16 crore as revenue receipts, due to inadequate balance in GST compensation fund during the year 2020-21, Chhattisgarh also received back to back loan of ₹3,109 crore under debt receipt of the State Government, with no repayment liability for the State. The revenue deficit of ₹6,856.66 crore and fiscal deficit of ₹15,822.38 crore of the State Government as depicted in the Finance Accounts 2020-21 should, therefore, be read in conjunction with debt receipt of ₹3,109 crore in lieu of GST compensation. Thus revenue deficit and fiscal deficit would work out as ₹3,747.66 crore and ₹12,713.38 crore respectively during the year 2020-21, keeping in view the debt receipt of ₹3,109 crore in lieu of GST compensation.

The percentage of total outstanding debt to GSDP during 2020-21 was (25.58 *per cent*) more than the target prescribed in the MTFPS (21.59 *per cent*) by the State Government but within the target recommended by the XV Finance Commission (28 *per cent*). The percentage of debt to GSDP has been calculated after excluding back to back loan of ₹3,109 crore received by the State Government in lieu of shortfall in GST compensation, from the amount of total outstanding debt.

1.6.2 Disclosures made under CGFRBM Act during 2020-21

As per the CGFRBM Act, the State Government shall in each financial year lay before the State Legislature, fiscal policy statements such as Macroeconomic Framework Statement (MFS), Medium Term Fiscal Policy Statement (MTFPS) and Fiscal Policy Strategy Statement alongwith the annual financial statement:

The statements shall contain an overview of the State economy, an analysis of growth and sectoral composition of GSDP, an assessment related to State Government finances and future prospects, three year rolling targets for the prescribed fiscal indicators etc.,

Table 1.5 indicates the variation between the estimates made for 2020-21 in MFS/MTFPS presented to the State Legislature and actuals of the year.

Table 1.5: Actuals vis-à-vis estimates in MFS/MTFPS under FRBM Act for 2020-21

(₹ in crore)

Sl. No	Fiscal Variables	Projection as per disclosures under FRBM act	Actuals (₹ in crore)	% Increase(+)/Decrease(-)
1	Own Tax Revenue	26,155.00	22,889.20	-12.49
2	Non-Tax Revenue	9,215.00	7,136.95	-22.55
3	Share of Central Taxes	26,803.30	20,337.54	-24.12
4	Grants-in aid from GoI	21,658.00	12,812.49	-40.84
5	Revenue Receipts (1+2+3+4)	83,831.30	63,176.18	-24.64
6	Revenue Expenditure	81,399.95	70,032.84	-13.96
7	Revenue Deficit (-)/Surplus (+) (5-6)	2,431.35	-6,856.66	-382.01
8	Fiscal Deficit (-)/Surplus (+)	-11,518.41	-15,822.38	37.37
9	Debt-GSDP ratio (<i>per cent</i>)	21.59	25.58 ⁶	22.60
10	GSDP growth rate at current prices (<i>per cent</i>)	9.97	1.54	-84.55

Source: Finance Accounts and FRBM disclosures 2020-21.

As can be seen from the above table, it is evident that the projections made in the MFS/MTFPS were not met during 2020-21. The projection of revenue surplus as per MFS turned into revenue deficit, as the revenue receipts fell short by 24.64 *per cent* and the revenue expenditure was 13.96 *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.

Revenue Deficit/ Surplus (Revenue Expenditure – Revenue Receipts)	<i>Refers to the difference between revenue expenditure and revenue receipts.</i> - 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. - 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. - This situation means that the Government will have to borrow not only to finance its investment but also for its consumption requirements. This leads to a build-up of stock of debt and interest liabilities and forces the government, eventually, to cut expenditure. - 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.
Fiscal Deficit/ Surplus (Total expenditure – (Revenue receipts + Non-)	<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> - Fiscal deficit is the difference between the government's total expenditure and its total receipts excluding borrowings. - Non-debt 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

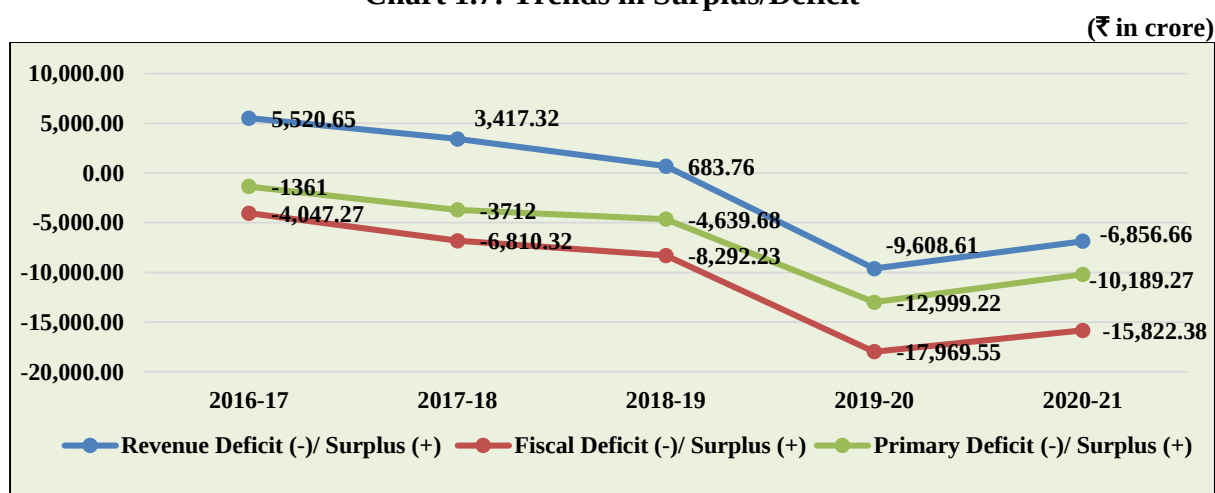
⁶ Debt/GSDP ratio calculated on outstanding debt excluding the amount of back to back loan of ₹3,109 crore.

debt creating capital receipts)	of PSUs. The fiscal deficit will have to be financed through borrowing. Thus, it indicates the total borrowing requirements of the government from all sources. 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.
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1.6.4 Trends of Deficit/Surplus

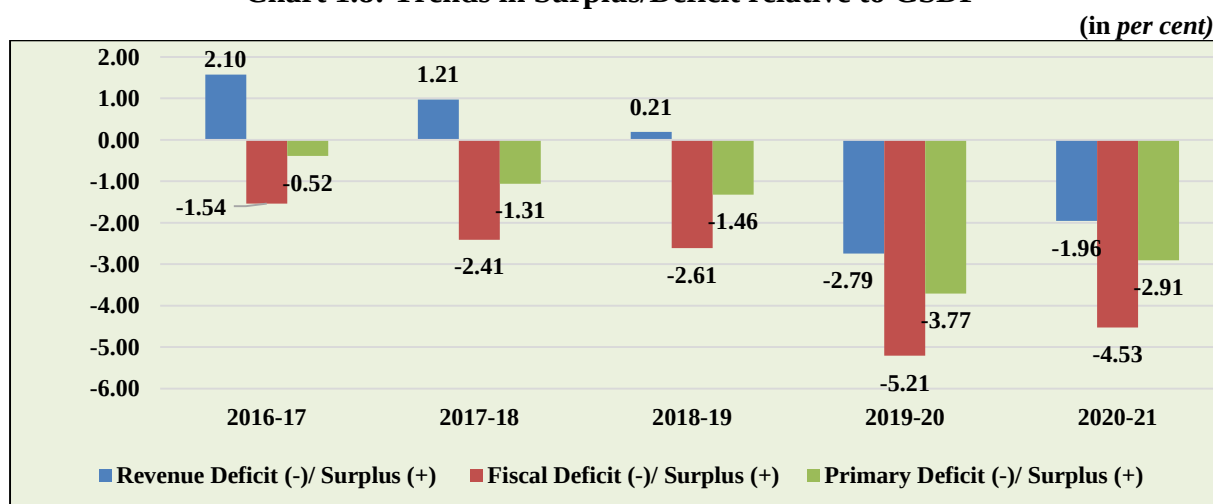
The State had a fiscal deficit of ₹15,822.38 crore during the year 2020-21, representing 4.53 per cent of the GSDP (₹3,50,269.83 crore) and constituting 20.00 per cent of Total Expenditure (₹79,107.54 crore). The Primary Deficit of ₹12,999.22 crore during 2019-20 decreased to ₹10,188.60 crore during the current year. The Revenue Deficit of ₹9,608.61 crore during 2019-20 decreased to ₹6,856.66 crore. The trend of surplus and deficit over the five-year period 2016-17 to 2020-21 is depicted in **Chart 1.7** and trend in surplus or deficit relative to GSDP is given in **Chart 1.8** below:

Chart 1.7: Trends in Surplus/Deficit



Source: Finance Accounts of the respective years

Chart 1.8: Trends in Surplus/Deficit relative to GSDP



Source: Finance Accounts of the respective years

1.7 Deficits and Total Debt after examination in Audit

Deficit and debt position are two crucial fiscal indicators in assessing the financial health of the State. In order to present a true and fair picture of State Finances, various issues that came to notice of audit which have an impact on the fiscal deficit and debt position of the state Government are detailed below.

1.7.1 Post audit - Deficits/surplus

Certain issues viz. incorrect classification/booking of revenue expenditure as capital by the State Government in its accounts of 2020-21, non-transfer of central share of grant received to the respective funds and other issues, which are discussed in the Report in succeeding Chapters, had an impact on Revenue/ Fiscal surplus/deficit indicated in the Finance Accounts of 2020-21. In order to arrive at actual deficit figure, the impact of above issues needs to be appropriately factored in.

The impact of issues pointed out above resulted in understatement of revenue deficit and fiscal deficit by ₹2,658.61 crore and ₹792.76 crore respectively for the year 2020-21 which has been worked out in the **Table 1.6** and the assessment of actual deficit after taking into account the above audit impact is depicted in **Table 1.7**.

Table 1.6: Impact on Revenue/Fiscal 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	1,837.67	0.00	0.00
Revenue Expenditure on booked under Capital Section	0.00	28.18	0.00	0.00
National Pension Scheme	0.00	4.84	0.00	4.84
Interest liabilities on National Pension Scheme	0.00	1.83	0.00	1.83
Non Transfer of Central share of Grants-in-Aid to State Disaster Response Fund	0.00	172.80	0.00	172.80
Non Transfer of corresponding State Share of Grants-in-Aid to State Disaster Response Fund	0.00	57.60	0.00	57.60
Non Transfer of Central share of Grants-in-Aid to State Disaster Mitigation Fund	0.00	43.20	0.00	43.20
Non Transfer of corresponding State Share of Grants-in-Aid to State Disaster Mitigation Fund	0.00	14.40	0.00	14.40
Non transfer of Infrastructure Development Cess	0.00	219.90	0.00	219.90
Non transfer of Environment Cess	0.00	219.90	0.00	219.90
Non transfer of Grants-in-Aid of Central Road Fund	0.00	58.29	0.00	58.29
Total	0.00	2,658.61	0.00	792.76

Table 1.7: Result of impact computed by audit

(₹ in crore)

Particular	As per Finance Accounts	Understated by	Actual/Post audit examination
(1)	(2)	(3)	(4)=(2)+(3)
Revenue Deficit (-)	(-) 6,586.66	(-) 2,658.61	(-) 9,245.27
Fiscal deficit (-)	(-) 15,822.38	(-) 792.76	(-) 16,615.14

1.7.2 Post audit – Total Debt/ liabilities

Total liabilities as defined under the CG FRBM Act, 2005 means the liabilities included under the Consolidated Fund and the Public Account of the State and include borrowings by the public sector undertakings, special purpose vehicles and other equivalent instruments including guarantees where the principal and interest are to be serviced out of the State budget.

Audit examination revealed that during the period 2017-21, the State Government has resorted to off-budget borrowings of ₹2,333.98 crore out of which Government made repayment of ₹24.19 crore through budget. This issue has been discussed in detail in **para 4.15** of the Report. For computing post audit liabilities, the off-budget borrowings have been added to the total liabilities.

In order to meet the shortfall in GST compensation to be paid to the State due to inadequate balance in GST Compensation Fund, the Government of India set up a special borrowing in the year 2020-21 and accordingly, released back to back loans to State amounting to ₹3,109 crore. This back to back loan has been considered over and above the yearly net borrowing ceiling of the State fixed on the basis of Finance Commission recommendation. Further, the debt servicing of this loan is to be done from the collection of cess in GST Compensation Fund, and hence repayment obligation will not be met from other resources of the State. For computing post audit liabilities back to back loan received in lieu of GST compensation shortfall is also excluded.

Due to off-budget borrowings and back to back loan, the total debt/liabilities has increased/decreased as a percentage of GSDP as given in **Table 1.8**.

Table 1.8: Overall liabilities, post examination in Audit

Sl. No.	Particulars	Amount (₹ in crore)	Percentage of GSDP
1.	Total liabilities/Overall debt as per Accounts as on 31.03.2021 (A)	92,714.22	26.47
2.	Net off-budget liabilities (₹2333.98 - ₹24.19) as on 31.03.2021(B)	2,309.79	0.66
3.	Total liabilities including off-budget liabilities (C) = (A) + (B)	95,024.01	27.13
4.	Back to back loan in lieu of GST compensation shortfall (D)	3,109.00	0.89
	Total liabilities (C)-(D)	91,915.01	26.24

Source: Finance Accounts 2020-21

It can be seen from the above table that the debt to GSDP percentage decreased from 26.47 *per cent* to 26.24 *per cent* after adjusting the off-budget liabilities and back to back loan.

CHAPTER II

FINANCES OF THE STATE

Chapter II: Finances of the State

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 2016-17 to 2020-21, 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 2020-21 vis-à-vis 2019-20

Table 2.1 gives a bird's eye view of the major changes in key fiscal aggregates of the State during 2020-21, compared to the previous year.

Table 2.1: Changes in key fiscal aggregates in 2020-21 compared to 2019-20

Revenue Receipts	Revenue Receipts of the State decreased by 1.08 <i>per cent</i> Own Tax Receipts of the State increased by 3.49 <i>per cent</i> Non-Tax Receipts decreased by 10.04 <i>per cent</i> State's Share of Union Taxes and Duties increased by 0.65 <i>per cent</i> Grants-in-Aid from Government of India decreased by 5.87 <i>per cent</i>
Revenue Expenditure	Revenue Expenditure decreased by 4.69 <i>per cent</i> Revenue Expenditure on General Services increased by 2.57 <i>per cent</i> Revenue Expenditure on Social Services decreased by 5.95 <i>per cent</i> Revenue Expenditure on Economic Services decreased by 8.85 <i>per cent</i> Expenditure on Grants-in-Aid increased by 0.45 <i>per cent</i>
Capital Expenditure (Capital Outlay)	Capital Expenditure increased by 5.34 <i>per cent</i> Capital Expenditure on General Services increased by 161.74 <i>per cent</i> Capital Expenditure on Social Services increased by 53.46 <i>per cent</i> Capital Expenditure on Economic Services decreased by 13.61 <i>per cent</i>
Loans and Advances	Disbursements of Loans and Advances decreased by 10.00 <i>per cent</i> Recoveries of Loans and Advances decreased by 59.19 <i>per cent</i>
Public Debt	Public Debt Receipts increased by 10.18 <i>per cent</i> Repayment of Public Debt decreased by 7.76 <i>per cent</i>
Public Account	Public Account Receipts decreased by 9.41 <i>per cent</i> Public Account Disbursements decreased by 3.11 <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 2020-21 with 2019-20 figures, while **Charts 2.1** and **2.2** give the details of receipts into and expenditure from the Consolidated Fund during 2020-21 in terms of percentages.

Table 2.2: Details of Sources and Application of funds during 2019-20 and 2020-21

(₹ in crore)

Particulars	2019-20	2020-21	Increase(+)/ Decrease(-)
Source			
Opening Cash Balance with RBI	12,277.88	11,396.60	-881.28
Revenue Receipts	63,868.70	63,176.18	-692.52
Misc. Capital Receipts	4.70	4.85	0.15
Recoveries of Loans and Advances	256.78	104.80	-151.98
Inter-State Settlement	0.13	-0.67	-0.80
Public Debt Receipts (Net)	10,892.50	13,561.39	2,668.89
Public Account Receipts (Net)	6,190.85	325.76	-5,865.09
Contingency Fund	4.92	0.00	-4.92
Total	93,496.46	88,568.91	-4,927.55
Application			
Revenue Expenditure	73,477.31	70,032.84	-3,444.47
Capital Expenditure	8,566.39	9,024.19	457.80
Disbursement of Loans and Advances	56.11	50.50	-5.61
Inter-State Settlement	0.05	0.01	-0.04
Contingency Fund	0.00	0.00	0.00
Closing Cash Balance with RBI	11,396.60	9,461.37	-1,935.23
Total	93,496.46	88,568.91	-4,927.55

Source: Finance Accounts 2019-20 and 2020-21

Chart 2.1: Sources of Resources (per cent)

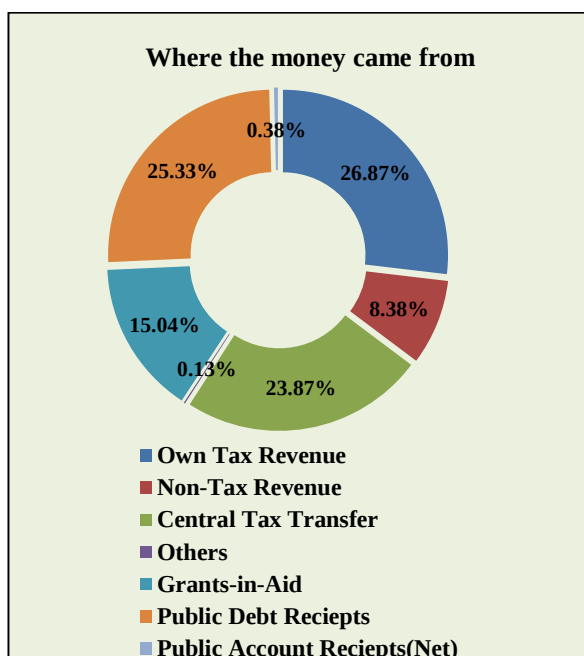
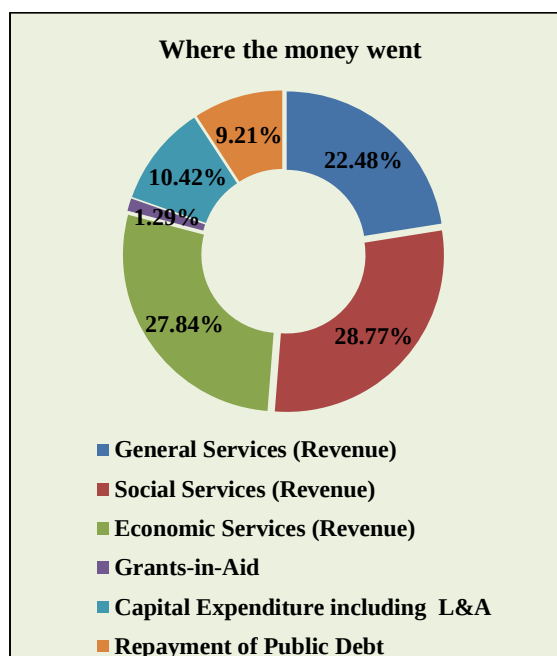


Chart 2.2: Application of Resources (per cent)



Source: Finance Accounts 2020-21

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

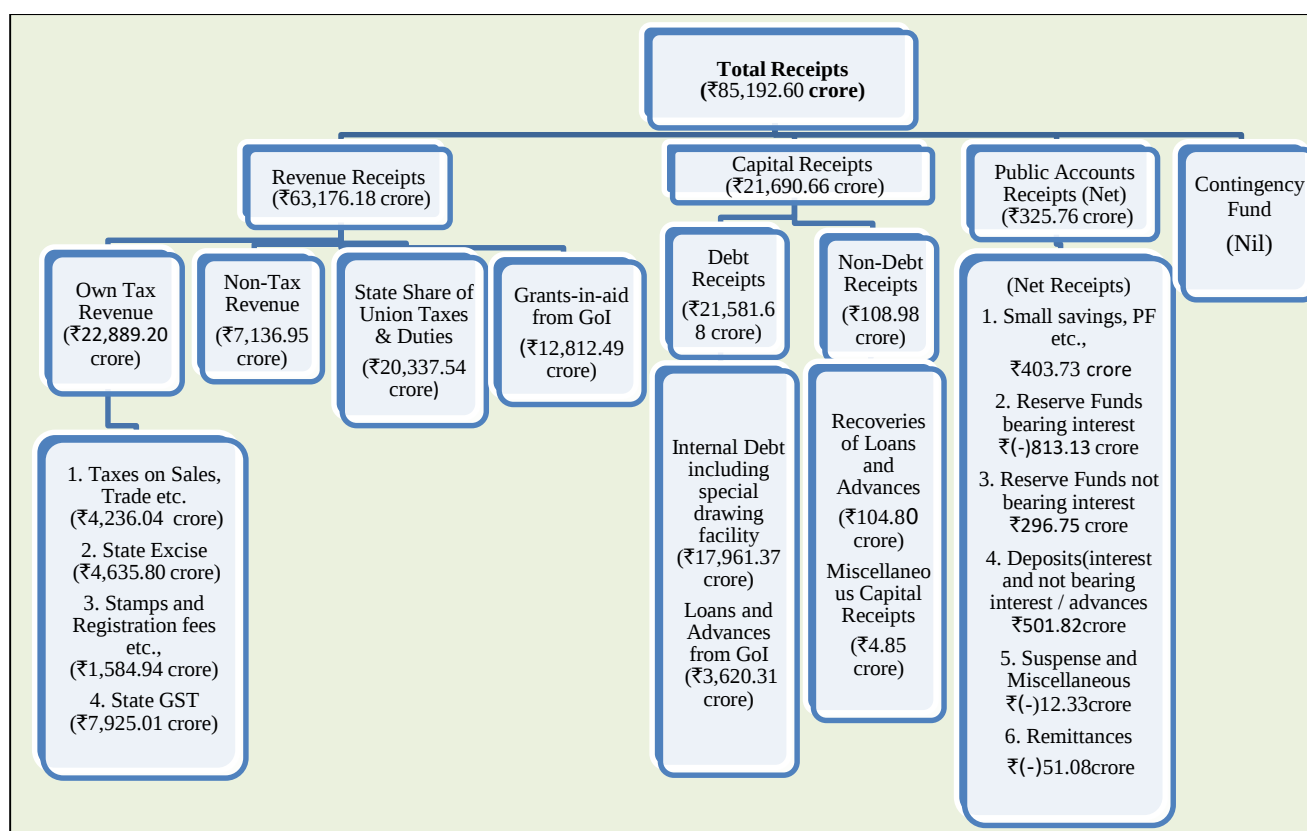
2.3 Resources of the State

- 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 2020-21



Source: Finance Accounts 2020-21

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 2016-21. Further, trends in Revenue Receipts relative to GSDP and composition of Revenue Receipts are given in **Charts 2.4 and 2.5** respectively.

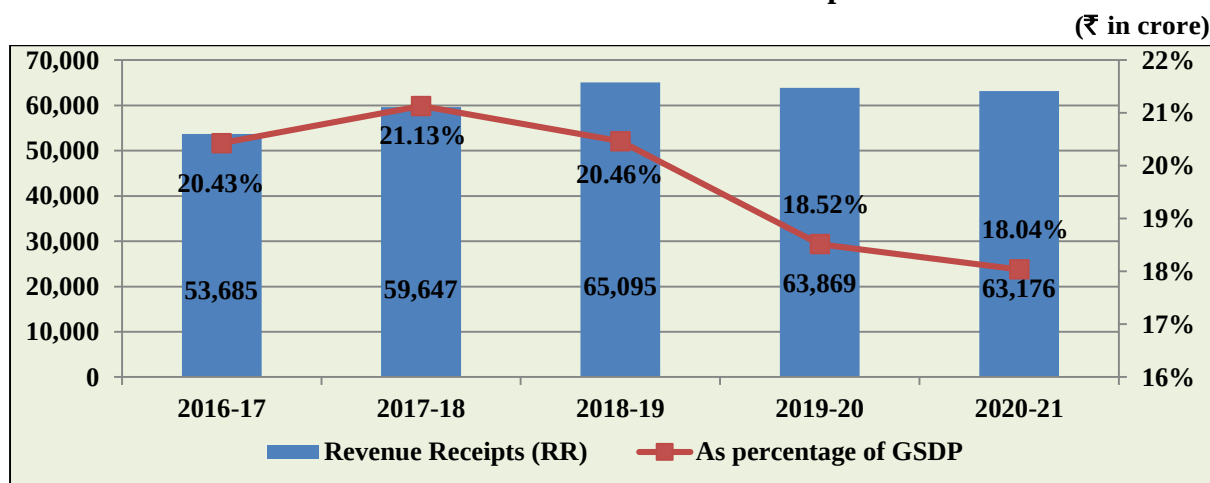
Table 2.3: Trend in Revenue Receipts

Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Receipts (RR) (₹ in crore)	53,685.25	59,647.07	65,094.93	63,868.70	63,176.18
Rate of growth of RR (<i>per cent</i>)	16.53	11.11	9.13	(-)1.88	(-)1.08
Own Tax Revenue (₹ in crore)	18,945.21	19,894.68	21,427.26	22,117.85	22,889.20
Non-Tax Revenue (₹ in crore)	5,669.25	6,340.42	7,703.02	7,933.77	7,136.95
Rate of growth of Own Revenue (Own Tax and Non-tax Revenue) (<i>per cent</i>)	10.43	6.58	11.04	3.16	(-)0.08
Gross State Domestic Product (₹ in crore)	2,62,802	2,82,283	3,18,101 ^P	3,44,955 ^Q	3,50,270 ^A
Rate of growth of GSDP (<i>per cent</i>)	16.72	7.41	12.69	8.44	1.54
RR/GSDP (<i>per cent</i>)	20.43	21.13	20.46	18.52	18.04
Buoyancy Ratios¹					
Revenue Buoyancy w.r.t GSDP	0.99	1.50	0.72	(-)0.22	(-)0.70
State's Own Revenue Buoyancy to GSDP	0.62	0.89	0.87	0.37	0.05

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

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

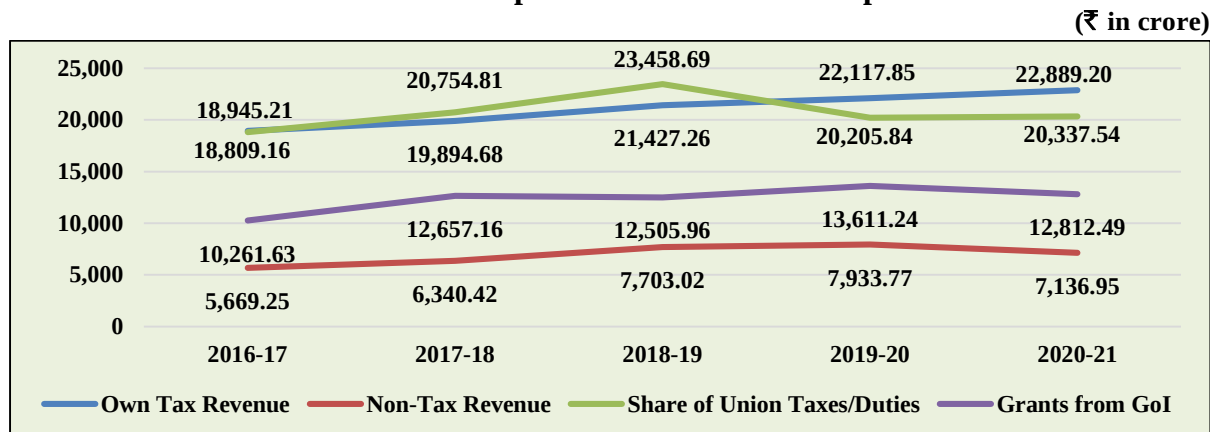
Chart 2.4: Trend of Revenue Receipts



Source: Finance Accounts of the respective years

¹Buoyancy 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 ₹9,490.93 crore from ₹53,685.25 crore in 2016-17 to ₹63,176.18 crore during 2020-21. However, the Revenue receipts decreased by ₹692.52 crore (1.08 per cent) in 2020-21 over previous year mainly due to decrease in receipts of State's non-tax revenue by ₹796.82 crore (10.04 per cent) and Grants-in-aid from GoI by ₹798.75 crore (5.87 per cent).
- About 48 per cent of the Revenue receipts during 2020-21 came from the State's own resources, while Central Tax Transfers and Grants-in-Aid together contributed 52 per cent.
- During the current year, Revenue receipts decreased marginally by 1.08 per cent (₹692.52 crore) while the Revenue expenditure decreased significantly by 4.69 per cent (₹3,444.47 crore), leading to decrease in Revenue Deficit to ₹6,856.66 crore, as against Revenue Deficit of ₹9,608.61 crore 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 2016-17 to 2020-21 are given in the **Table 2.4**

Table 2.4: Growth of State's own Tax/Non-Tax revenue during 2016-21

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Own Tax Revenue (₹ in crore)	18,945.21	19,894.68	21,427.26	22,117.85	22,889.20
Rate of Growth (per cent)	10.95	5.01	7.70	3.22	3.49
Non-Tax Revenue (₹ in crore)	5,669.25	6,340.42	7,703.02	7,933.77	7,136.95
Rate of Growth (per cent)	8.71	11.84	21.49	3.00	(-)10.04

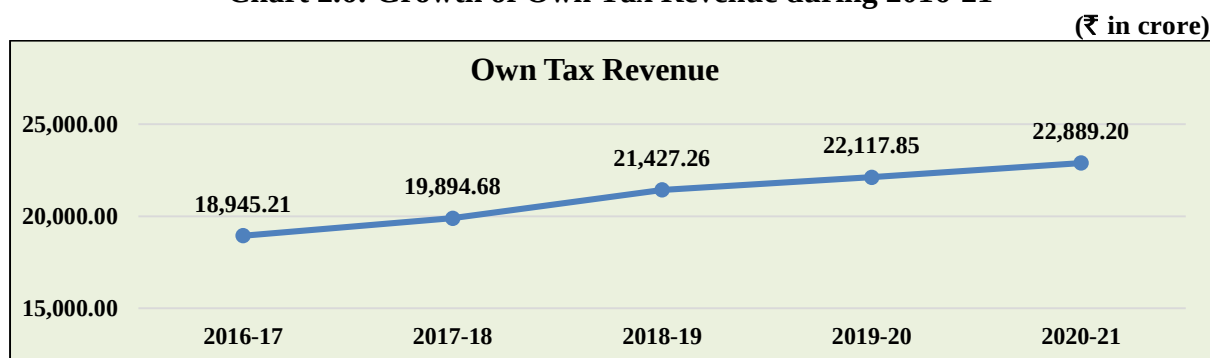
Source: Finance Accounts of the respective years

- The growth rate of Own Tax Revenue (OTR) showed fluctuating trends ranging from 3.22 to 10.95 *per cent* and marginally increased from 3.22 *per cent* in 2019-20 to 3.49 *per cent* in 2020-21.
- The growth rate of Non-Tax Revenue (NTR) showed fluctuating trends ranging from (-)10.04 *per cent* to 21.49 *per cent* and decreased by ₹796.82 crore (10.04 *per cent*) from ₹7,933.77 crore in 2019-20 to ₹7,136.95 crore in 2020-21.

2.3.3.1 Own Tax Revenue

Own Tax Revenue of the State Government during the five-year period 2016-21 is given in Chart 2.6:

Chart 2.6: Growth of Own Tax Revenue during 2016-21



Source: Finance Accounts of the respective years

The component-wise details of Own Tax Revenue collected during the five-year period 2016-21 are given in Table 2.5.

Table 2.5: Component-wise Own Tax Revenue during 2016-21

(₹ in crore)

Heads	2016-17	2017-18	2018-19	2019-20	2020-21	
					Budget Estimates	Actuals
Taxes on Sales, Trades, etc.	9,927.21	6,449.60	4,087.72	3,931.37	4,144.86	4,236.04
State Goods and Services Tax	0.00	4,386.56	8,203.41	7,894.82	10,700.92	7,925.01
State Excise	3,443.51	4,054.00	4,489.03	4,952.36	5,199.72	4,635.80
Taxes on Vehicles	985.27	1,180.01	1,204.85	1,274.85	1,600.00	1,148.07
Stamps and Registration Fees	1,211.35	1,197.47	1,108.46	1,634.63	1,705.00	1,584.94
Land Revenue	503.66	446.41	487.57	551.50	600.00	937.71
Taxes on Goods and Passengers	1,340.36	477.66	54.51	40.51	03.00	79.83
Taxes and duties on electricity	1,495.48	1,688.96	1,790.27	1,837.00	2,200.00	2,341.41
Other Taxes	38.37	14.01	1.44	0.81	0.39	0.39
Total	18,945.21	19,894.68	21,427.26	22,117.85	26,153.89	22,889.20

Source: Finance Accounts of respective years and Budget Books for the year 2020-21

Own Tax Revenue of the State increased by ₹3,943.99 crore (20.82 *per cent*) from ₹18,945.21 crore in 2016-17 to ₹22,889.20 crore in 2020-21. During the year, the Own Tax Revenue increased by ₹771.35 crore (3.49 *per cent*) mainly due to increase in receipts under Taxes and duties on electricity (₹504.41 crore), land revenue (₹386.21 crore). Out of the Total Tax Revenue of ₹22,889.20 crore in 2020-21, Goods and Services Tax contributed 34.62 *per cent* followed by State Excise (20.25 *per cent*) and Taxes on Sales, Trades, etc. (18.51 *per cent*).

As can be seen from the table above, receipts from taxes on sales, trades etc., Goods and Passengers and duties on electricity fees exceeded budget estimates during 2020-21 while there was a significant shortfall in receipts from State Goods and Services tax, state excise, taxes on vehicles, stamps and registration fees 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 (2016-21) 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 ₹14,166.11 crore for the year 2020-21 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 2020-21 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 ₹14,166.11 crore, the revenue receipts of the State under GST was ₹7,925.01 crore during the year 2020-21. The State Government received compensation of ₹3,212.16 crore from GoI for loss of revenue arising out of implementation of GST. Besides, the State Government also received back to back loan of ₹3,109 crore from GoI to meet the resource gap due to shortfall in GST compensation during 2020-21.

2.3.3.3 Non-Tax Revenue

The component-wise details of Non-Tax Revenue collected during the years 2016-21 were as follows:

Table 2.6: Component wise non-tax Revenue during 2016-21

(₹ in crore)						
Revenue head	2016-17	2017-18	2018-19	2019-20	2020-21	% increase / decrease during 2020-21 over the previous year
Non-ferrous Mining and Metallurgical Industries	4,141.47	4,911.44	6,110.24	6,195.73	5,538.49	(-)10.61
Major Irrigation	437.35	461.23	521.81	437.04	445.91	2.02
Forestry and Wild Life	405.15	291.17	236.73	249.37	277.09	11.12
Interest receipts	157.24	180.44	189.55	232.41	89.77	(-)61.37
Other non-tax receipts	528.04	496.14	644.69	819.22	785.69	(-)4.09
Total	5,669.25	6,340.42	7,703.02	7,933.77	7,136.95	(-)10.04

Source: Finance Accounts of the respective years

The Total Non-Tax Revenue receipts increased by ₹1,467.70 crore (25.89 *per cent*) from

₹5,669.25 crore in 2016-17 to ₹7,136.95 crore in 2020-21. The Non-Tax Revenue decreased by 10.04 *per cent* (₹796.82 crore) during 2020-21 over the previous year mainly due to decrease in receipts from auctioned coal blocks under Non-ferrous Mining and Metallurgical Industries by ₹657.24 crore and interest receipts by ₹142.64 crore.

2.3.3.4 Central Tax Transfers

The GoI accepted the recommendations of XV FC to decrease the States' share in the divisible pool of taxes from 42 *per cent* to 41 *per cent* with effect from 2020-21 onwards.

The details of Chhattisgarh State's share in Union Taxes and Duties during 2016-21 are given in **Table 2.7**.

Table 2.7: Central Tax Transfers

(₹ in crore)

Head	2016-17	2017-18	2018-19	2019-20	2020-21
Central Goods and Services Tax	0.00	291.44	5,789.33	5,733.71	6,068.90
Integrated Goods and Services Tax	0.00	2,094.36	462.00	0.00	0.00
Corporation Tax	6,019.53	6,352.98	8,157.09	6,889.42	6,117.65
Taxes on Income other than Corporation Tax	4,183.59	5,364.62	6,007.35	5,398.34	6,269.51
Customs	2,589.37	2,093.70	1,662.66	1,280.78	1,097.20
Union Excise Duties	2,956.84	2,188.50	1,104.93	890.49	686.04
Service Tax	3,045.99	2,369.40	217.76	0.00	84.52
Other Taxes	13.84	(-)0.19	57.57	13.10	13.72
Central Tax transfers	18,809.16	20,754.81	23,458.69	20,205.84	20,337.54
Percentage of increase over previous year	19.68	10.34	13.03	(-)13.87	0.65
Percentage of Central tax transfers to Revenue Receipts	35.04	34.80	36.04	31.64	32.19

Source: Finance Accounts of the respective years

Over the five-year period 2016-21, Central tax transfers increased by 8.13 *per cent* from ₹18,809.16 crore in 2016-17 to ₹20,337.54 crore in 2020-21. The growth rate of Central Tax Transfers which ranged above 10 *per cent* during 2016-19 turned negative during 2019-20 and remained less than one *per cent* during 2020-21. The increase of Central Tax transfers by ₹131.70 crore (0.65 *per cent*) in 2020-21 over the previous year was mainly under Taxes on Income other than Corporation Tax (₹871.17 crore) and Central Goods and Service tax (₹335.19 crore). However, during 2020-21 the Corporation Tax and Customs decreased by ₹771.77 crore and ₹183.58 crore respectively.

2.3.3.5 Grants-in-Aid from Government of India

Grants-in-Aid (GIA) received by the State Government from GoI during 2016-21 are detailed in **Table 2.8**.

Table 2.8: Grants-in-Aid from GoI

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Non-Plan Grants	2,013.42	#			
Grant for State Plan Scheme	7,785.03				
Grant for Central Plan Scheme (including Centrally Sponsored Plan Scheme)	463.18				
Grants for Centrally Sponsored Schemes	#	9,275.76	8,214.77	7,808.24	6,975.55

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Finance Commission Grants		1,460.23	1,679.48	2,044.75	2,289.50
Other Transfers/Grants to State		1,921.17	2,611.70	3,758.25	3,547.44
Total	10,261.63	12,657.16	12,505.95	13,611.24	12,812.49
Percentage of increase over the previous year	27.29	23.34	(-)1.19	8.84	(-)5.87
Revenue Receipts	53,685.25	59,647.07	65,094.93	63,868.70	63,176.18
Total grants-in-aid as a percentage of Revenue Receipts of the State	19.11	21.22	19.21	21.31	20.28

#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 20 *per cent* of revenue receipts of the State Government during the year 2020-21. Grants for Centrally Sponsored Schemes (₹6,975.55 crore) to the State constituted 54 *per cent* of the total grants during the year. Finance Commission Grants (₹2,289.50 crore) to the State were provided for Local Bodies and State Disaster Response Fund (SDRF) and constituted 18 *per cent* of total grants during the year. Other Grants to State from the GoI (₹3547.44 crore) included GST compensation of ₹3,212.16 crore which constituted 90.54 *per cent* of other transfer/grant. Grants-in-Aid from GoI decreased by ₹798.75 crore (5.87 *per cent*) during the year 2020-21 compared to the previous year primarily due to decrease in receipt of *Samagra Shiksha Yojana* (Elementary Education), *Pradhan Mantri Awaas Yojana (Gramin)*, *Pradhan Mantri Gram Sadak Yojana*- Programme fund for Road connectivity Project on Left Wing Extremism affected areas. Further, the State Government received back to back loan of ₹3,109 crore in lieu of shortfall in GST compensation during 2020-21 as debt receipt which would otherwise be a transfer as GIA from GoI.

2.3.3.6 Fifteenth Finance Commission Grants

Fifteenth 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 year 2020-21 are given in **Table 2.9**.

Table 2.9: Grants-in-Aid released by GoI as per recommendation of Fifteenth Finance Commission (XVFC)

(₹ in crore)			
Transfers	Recommendation of 15 th FC	Actual release by GoI	Difference
	2020-21	2020-21	2020-21
Local Bodies			
1. Grants to PRIs			
(a) Basic Grants (Grants-in-aid-General)	1,454.00	1454.00	0.00
2. Grants to ULBs			
(a) Grants for Million Plus cities	214.00	160.50	(-)53.50
(b) Grants for non-Million Plus cities	486.00	243.00	(-)243.00
Total for Local Bodies	2,154.00	1,857.50	(-)296.50
State Disaster Response Fund	432.00	432.00	0.00
Grand Total	2,586.00	2,289.50	(-)296.50

Source: Finance Accounts of 2020-21 and XVFC report

- As of March 2021, the State Government received entire basic grants to PRIs

(₹1,454.00 crore) as against the recommendation of Fifteenth Finance Commission (XVFC) during 2020-21.

- The State Government had received ₹1,857.50 crore for ULBs against the XVFC recommendation of ₹2,154.00 crore for non-million plus cities, million plus cities and basic grant during 2020-21.
- The State Government received entire Union's share of State Disaster Response Fund against the recommendation of XVFC (₹432.00 crore) during 2020-21.

2.3.3.7 Capital Receipts

Capital receipts comprise 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	2016-17	2017-18	2018-19	2019-20	2020-21
Miscellaneous Capital Receipts (₹ in crore)	2.37	3.32	5.26	4.70	4.85
Recovery of Loans and Advances (₹ in crore)	172.99	138.59	162.32	256.78	104.80
Inter-State Settlement (₹ in crore)	0.38	1.24	0.56	0.13	-0.67
(A) Non-Debt Capital Receipts (₹ in crore)	175.74	143.15	168.14	261.61	108.98
Rate of growth of non-debt Capital Receipts (<i>per cent</i>)	(-)41.37	(-)18.54	17.46	55.59	(-)58.34
Internal Debt (₹ in crore)	5,098.40	9,187.89	13,816.66	19,308.36	17,961.37
Growth Rate of Internal Debt (<i>in per cent</i>)	28.25	80.21	50.38	39.75	(-)6.98
Loans and advances from the Central Government (₹ in crore)	381.53	464.55	553.44	279.17	3,620.31
(B) Public Debt Receipts (₹ in crore)	5,479.93	9,652.44	14,370.10	19,587.53	21,581.68
Receipts under capital section (A+B) (₹ in crore)	5,655.67	9,795.59	14,538.24	19,849.14	21,690.66
Rate of growth of Public Debt receipts under capital section (<i>per cent</i>)	(-)24.43	76.14	48.88	36.31	10.18
Rate of growth of GSDP at current price (<i>per cent</i>)	16.72	7.41	12.69	8.44	1.54
Rate of growth of receipts under capital section (<i>per cent</i>)	(-)25.10	73.2	48.42	36.53	9.28

Source: Finance Accounts of the respective years

Capital receipts of the State increased by 283.52 *per cent* from ₹5,655.67 crore in 2016-17 to ₹21,690.66 crore in 2020-21. During 2020-21, the capital receipts increased by ₹1,841.52 crore (9.28 *per cent*) mainly due to increase in Public Debt receipts by ₹1,994.15 crore (10.18 *per cent*) attributable to Market Loan of ₹13,000 crore (60.23 *per cent* of Public Debt) and back to back loan (₹3,109 crore) in lieu of GST shortfall included under the loans and advances from the Central Government.

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 2020-21 in comparison to the Fifteenth Finance Commission (XVFC) assessment and budget estimates are given in **Table 2.11**.

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

	XVFC projections (₹ in crore)	Budget Estimates (₹ in crore)	Actual (₹ in crore)	Percentage variation of actual over	
				Budget estimates	XVFC projections
Own Tax revenue	31,784.00	26,155.00	22,889.20	(-)12.49	(-)27.99
Non-tax revenue	8,477.00	9,215.00	7,136.95	(-)22.55	(-)15.81
Total	40261.00	35,370.00	30,026.15	(-)15.11	(-)25.42

Source: Finance Accounts, Budget Books and Finance commission report

The State Government was short by 25.42 *per cent* in meeting the expectations of the XVFC and 15.11 *per cent* in mobilizing its own resources against the targets set in its own budget estimates. Shortfall in Own Tax revenue (₹3,265.80 crore) was mainly due to collection of less State GST by ₹2,775.91 crore than projections made in the budget. Similarly, shortfall of ₹2,078.05 crore in Non Tax revenue against budget estimates was mainly due to less receipts under Non Ferrous Mining and Metallurgical Industries (₹1,131.51 crore).

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 2016-17 to 2020-21 is presented in **Table 2.12**.

Table 2.12: Total Expenditure and its composition

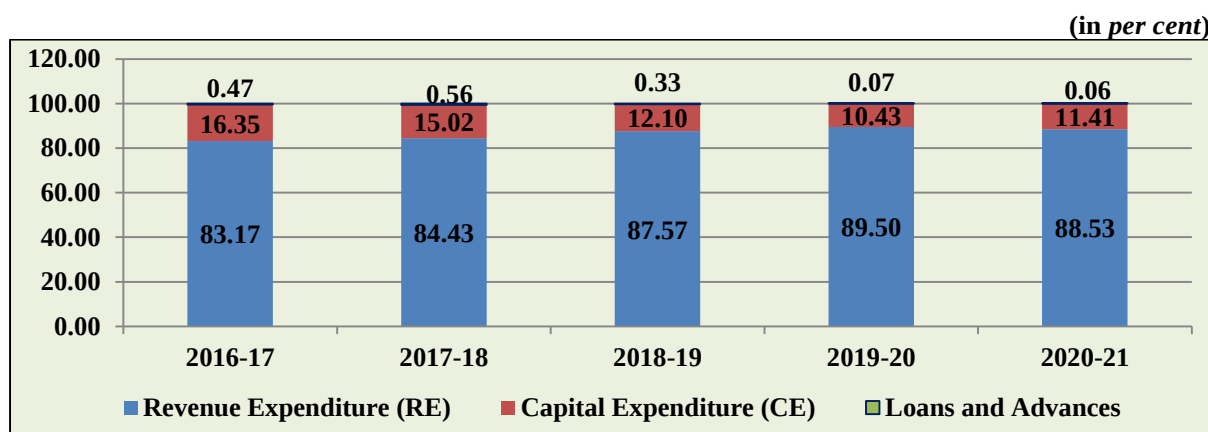
(₹ in crore)

Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
Total Expenditure (TE)	57,908.26	66,600.54	73,555.31	82,099.86	79,107.54
Revenue Expenditure (RE)	48,164.60	56,229.75	64,411.17	73,477.31	70,032.84
Capital Expenditure (CE)	9,470.51	10,000.96	8,903.45	8,566.39	9,024.19
Loans and Advances	273.15	369.83	240.69	56.16	50.51
As a percentage of GSDP					
GSDP at current prices	2,62,801	2,82,283	3,18,101	3,44,955	3,50,270
TE/GSDP	22.04	23.59	23.12	23.80	22.58
RE/GSDP	18.33	19.92	20.25	21.30	19.99
CE/GSDP	3.60	3.54	2.80	2.48	2.58
Loans and Advances/GSDP	0.10	0.13	0.08	0.02	0.01

Source: Finance Accounts of the respective years

The above table shows that total expenditure of the State increased by 36.61 *per cent* from ₹57,908.26 crore in 2016-17 to ₹79,107.54 crore in 2020-21. The total expenditure which showed increasing trend during 2016-20, declined during the year 2020-21. It decreased by 3.64 *per cent* over the previous year mainly due to decrease in revenue expenditure by ₹3,444.47 crore (4.69 *per cent*). As a percentage of GSDP, the total expenditure remained in the range of 22.04 *per cent* to 23.80 *per cent* during 2016-21. **Chart 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



Source: Finance Accounts of the respective years

As is evident from the above chart, capital expenditure has shown a declining trend during 2017-20. However, during 2020-21 the capital expenditure marginally increased from ₹8,566.39 crore in 2019-20 to ₹9,024.19 crore in 2020-21.

In terms of activities, the total expenditure (refer **Appendix 2.1**) is comprises 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

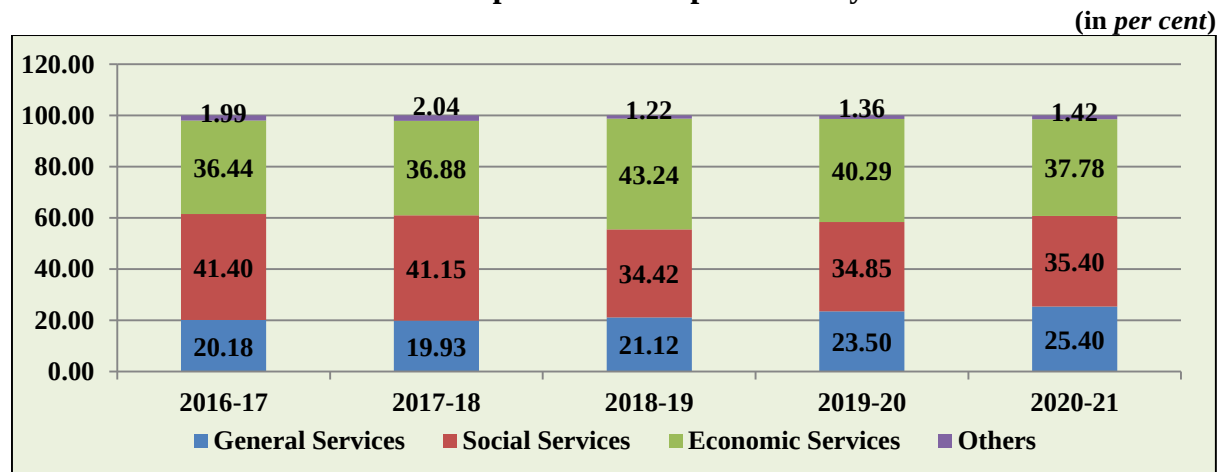
(₹ in crore)

Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
General Services	11,683.77	13,373.74	15,535.80	19,289.82	20,095.21
Social Services	23,972.80	27,116.57	25,319.17	28,610.12	28,001.32
Economic Services	21,100.70	24,744.50	31,804.93	33,079.55	29,885.69
Others (Grants to Local Bodies and Inter-State settlement)	1,150.99	1,365.73	895.41	1,120.37	1,125.32
Total	57,908.26	66,600.54	73,555.31	82,099.86	79,107.54

Source: Finance Accounts of the respective years

- Expenditure on General services increased by ₹805.39 crore (4.18 *per cent*) from ₹19,289.82 crore in 2019-20 to ₹20,095.21 crore in 2020-21 mainly due to increase in expenditure on Government Contribution to Defined Pension Contribution Scheme (₹497.81 crore) and interest payment (₹663 crore).

- Expenditure in Social Services decreased over the previous year mainly due to decrease in expenditure under the Major Head 2202-General Education (₹1,772.81 crore) on *Sarva Siksha Abhiyan* (₹516.31 crore) and on tribal sub plan (₹1,065.81 crore).
- Expenditure in Economic Services decreased over the previous year mainly due to decrease in expenditure on subsidies by ₹4,170.10 crore mainly attributed to decrease in subsidies under short term agriculture loan waiver scheme (₹2,022.25 crore), chief minister's food assistance scheme (₹867.44 crore), sugar distribution scheme (₹222.03 crore).

Chart 2.8: Total expenditure - Expenditure by activities

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 2020-21 is given in **Chart 2.9**.

Table 2.14: Revenue Expenditure—basic parameter

(₹ in crore)

Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
Total Expenditure (TE)	57,968.26	66,600.55	73,555.31	82,099.86	79,107.54
Revenue Expenditure (RE)	48,164.60	56,229.75	64,411.17	73,477.31	70,032.84
Rate of Growth of RE (<i>per cent</i>)	10.21	16.74	14.55	14.08	(-)4.69
Revenue Expenditure as percentage of TE	83.09	84.43	87.57	89.50	88.53
RE/GSDP (<i>per cent</i>)	18.32	19.92	20.25	21.30	19.99
Revenue Receipts (RR)	53,685.25	59,647.07	65,094.93	63,868.70	63,176.18
Rate of Growth of RR (<i>per cent</i>)	16.53	11.11	9.13	(-)1.88	(-) 1.08
RE as percentage of RR	89.72	94.27	98.95	115.04	110.85
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	0.61	2.26	1.15	1.67	(-)3.05
Revenue Receipts (ratio)	0.62	1.51	1.59	(-)7.49	4.34

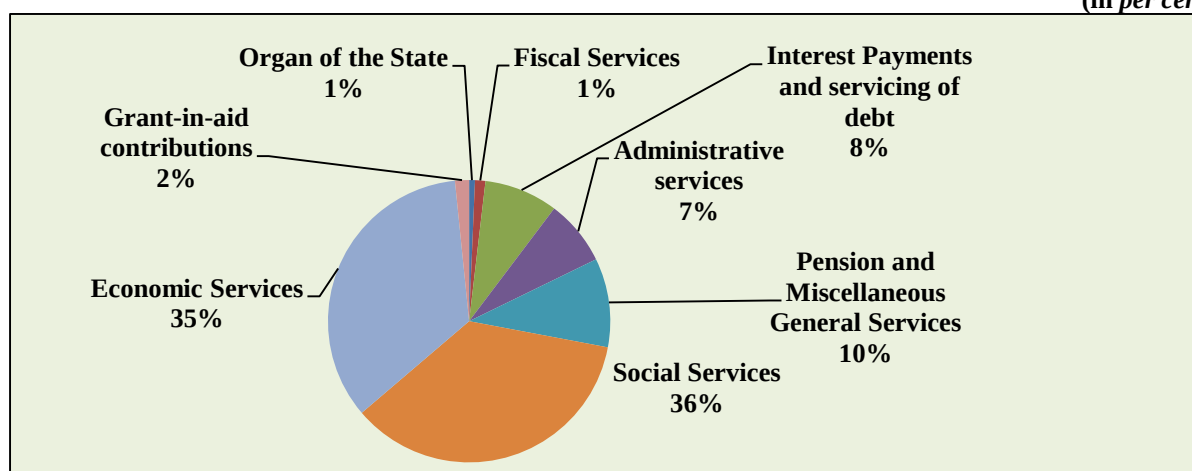
Source: Finance Accounts of respective years

Revenue expenditure ranged from 83.09 *per cent* to 89.50 *per cent* of the total expenditure during the period 2016-21. Rate of growth of revenue expenditure of the state showed a decreasing trend during 2017-18 to 2020-21. Revenue expenditure decreased during 2020-21 over the previous year mainly due to decrease in subsidies from ₹11,483.23 crore in 2019-20 to ₹7,307.94 crore in 2020-21. During 2020-21, revenue expenditure as percentage of GSDP has decreased from 21.30 *per cent* to 19.99 *per cent* over the previous year. As can be seen from the Table 2.1.4, the revenue buoyancy ratio which was 1.67 in the year 2019-20 has decreased to (-)3.05 in the year 2020-21 due to negative growth rate of revenue expenditure.

The sectoral distribution of revenue expenditure is given in **Chart 2.9**.

Chart 2.9: Sectoral distribution of Revenue Expenditure During 2020-21

(in per cent)



Source: Finance Accounts of 2020-21

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: Details of significant variation in Revenue Expenditure

(₹ in crore)

Major Heads of Accounts	2019-20	2020-21	Difference	%Increase(+) /Decrease(-)
Decrease				
2435-Other Agricultural Programmes	2,729.30	13.73	-2,715.57	-99.50
2425-Co-operative	2,430.15	176.33	-2,253.82	-92.74
2202-General Education	15,736.87	13,964.06	-1,772.81	-11.27
2408-Food Storage and Warehousing	5,735.40	4,311.02	-1,424.38	-24.83
2515- Other Rural Development Programmes	2,875.21	2,453.72	-421.49	-14.66
2216-Housing	674.65	284.29	-390.36	-57.86
Increase				
2401- Crop Husbandry	2,239.15	7,519.38	5,280.23	235.81
2049-Interest Payments	4,970.33	5,633.11	662.72	13.33

2071-Pensions and Other Retirement	6,637.98	7,135.79	497.81	7.50
2210- Medical and Public Health	4049.05	4924.27	875.22	21.62

Source: Finance Accounts for the respective years

Revenue expenditure declined significantly during the year, mainly due to decrease in subsidy for short term agricultural loan waiver scheme, *Laghu evam Seemant Krishak rin maafi yojana*, assistance to credit co-operatives, decrease in expenditure in *Sarva Siksha Abhiyan*, *Tribal Sub-Plan*, food subsidies, assistance to Gram Panchayats. Further, increase in expenditure was mainly due to *Rajiv Gandhi Kishan Nyay Yojana* and *Godhan Nyay Yojana*, interest on market loan and Rural Health Services.

2.4.2.2 Committed and Non-Committed Expenditure

Expenditure of State Government on revenue account can be classified as committed and non-committed expenditure. Committed Expenditure of Government on revenue account consists mainly of expenditure on salaries and wages, interest payments and pensions. Expenditure other than committed expenditure can be classified into non-committed expenditure. Increase in committed expenditure restricts the Government's ability to incur developmental expenditure.

Table 2.16 presents the trends in the components of committed expenditure during 2016-21.

Table 2.16: Components of Committed Expenditure

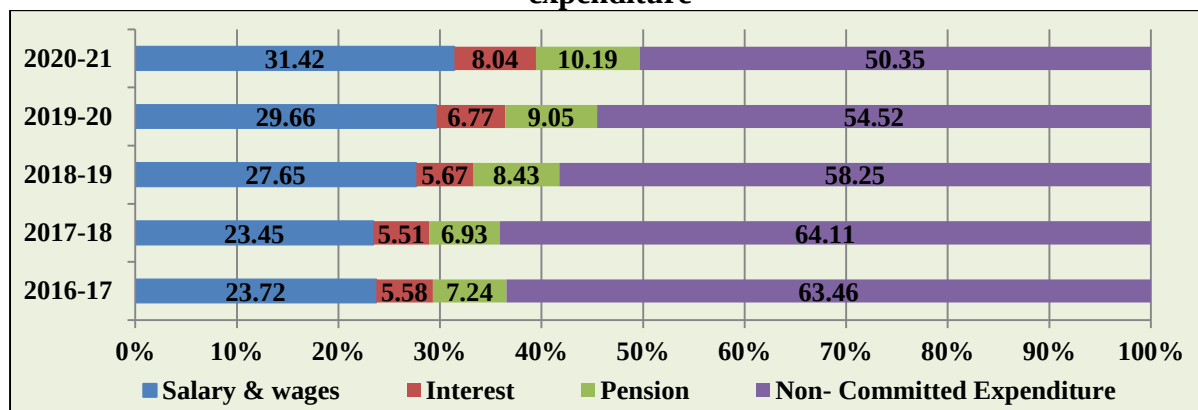
(₹ in crore)					
Components of Committed Expenditure	2016-17	2017-18	2018-19	2019-20	2020-21
Salaries & Wages	11,424	13,184	17,808	21,764	22,002
Expenditure on Pensions	3,487	3,898	5,429	6,638	7,136
Interest Payments	2,687	3,098	3,653	4,971	5,633
Total	17,598	20,180	26,890	33,373	34,771
As a percentage of Revenue Receipts (RR)					
Salaries & Wages	21.28	22.10	27.36	34.08	34.83
Expenditure on Pensions	6.50	6.54	8.34	10.39	11.30
Interest Payments	5.01	5.19	5.61	7.78	8.92
Total	32.78	33.83	41.31	52.25	55.05
As a percentage of Revenue Expenditure (RE)					
Salaries & Wages	23.72	23.45	27.65	29.62	31.41
Expenditure on Pensions	7.24	6.93	8.43	9.03	10.19
Interest Payments	5.58	5.51	5.67	6.77	8.04
Total	36.54	35.89	41.75	45.42	49.64

Source: Finance Accounts of the respective years

Committed Expenditure has grown from ₹17,598 crore (36.54 per cent of RE) in 2016-17 to ₹34,771 crore (49.64 per cent of RE) in 2020-21. The interest payment has increased (109.63 per cent) as compared to the year 2016-17 due to continuous rise in the public debt during 2016-17 to 2020-21. The interest and pension payment expenditure of the state doubled during last five years.

Percentage of committed and non-committed expenditure to revenue receipts and revenue expenditure during 2016-21 is given in **Chart 2.10**.

Chart 2.10: Share of Committed and Non-Committed Expenditure in revenue expenditure



Source: Finance Accounts of the respective years

As can be seen from **Chart 2.10** above, committed expenditure constituted 36.54 *per cent* of total revenue expenditure and 32.78 *per cent* of revenue receipts in 2016-17 and increased to 49.64 *per cent* of total revenue expenditure and 55.05 *per cent* of total revenue receipts.

2.4.2.3 Un-discharged Liability under National Pension System

During 2020-21, expenditure on pension payments was ₹7,135.78 crore, out of which ₹1,129.00 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 2020-21, receipts under the Major Head 8342 Other Deposits – (117) Defined Contribution Pension Scheme was ₹1,139.59 crore², out of which ₹1,133.25 crore was transferred to NSDL, resulting in less transfer of amount *i.e.* ₹6.34 crore, which was kept in the Public Account. Further, against employee's contribution of ₹1,133.84 crore, the State Government contributed only ₹1,129.00 crore. The short contribution of ₹4.84 crore to Defined

² ₹1,133.84 crore pertains to employees contribution and ₹5.75 crore pertains to employee and employers contribution of deputation employees out of which ₹1,130.76 crore pertains to employees contribution and ₹2.49 crore pertains to employee and employers contribution of deputation employees transferred to NSDL during 2020-21.

Contribution of Pension Scheme, resulted in understatement of revenue deficit and fiscal deficit.

As on 31 March 2021, there was an accumulated balance of ₹32.17 crore in the Public Account, pending transfer to NSDL/Trustee Bank. Short contribution of ₹4.84 crore and non-transfer of ₹32.17 crore resulted in avoidable liability of ₹37.01 crore to the State Government and created uncertainty in respect of benefit due to the employees to that extent.

Further, the Government is liable to pay/adjust interest in respect of balances under Deposits bearing interest. The State Government has liability to pay interest of ₹1.83 crore³ on non-transferred balance of ₹25.83 crore as on 1 April 2020, which was not paid, resulting in understatement of revenue deficit and fiscal deficit.

2.4.2.4 Subsidies

During 2020-21, the State Government, paid ₹7,307.94 crore as subsidy. The details of subsidies provided by the State Government during 2016-21 are shown in Table in **Table 2.17**.

Table 2.17: Expenditure on subsidies during 2016-21

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Subsidies (₹ in crore)	4,189.14	5,004.69	8,323.01	11,483.23	7,307.94
Subsidies as a percentage of Revenue Receipts	7.80	8.39	12.79	17.98	11.57
Subsidies as a percentage of Revenue Expenditure	8.70	8.90	12.92	15.63	10.44

Source: Finance Accounts of the respective years

The expenditure on subsidies increased by ₹7,294.09 crore (174.12 per cent) from ₹4,189.14 crore in 2016-17 to ₹11,483.23 crore in 2019-20. However, it was decreased to ₹7,307.94 crore during 2020-21. The decrease in the expenditure on subsidies by ₹4,175.29 crore (36.36 per cent) during 2020-21, was mainly due to decrease in subsidies under short term agricultural loan waiver scheme (by ₹2,022.25 crore), Chief Ministers food assistance scheme (by ₹867.44 crore), *Laghu evam simant krishak* loan waiver scheme (by ₹694.57 crore), and Sugar Distribution scheme (by ₹222.03 crore).

2.4.2.5 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 given in **Table 2.18**.

³ as per the rate of interest notified by the Government/payable to General Provident Fund

Table 2.18: Financial Assistance to Local Bodies etc.

(₹ in crore)

Financial Assistance to Institutions	2016-17	2017-18	2018-19	2019-20	2020-21
(A) Local Bodies					
Municipal Corporations and Municipalities	3,234.45	3,425.75	2,778.73	3,138.94	3,554.17
Panchayati Raj Institutions	8,899.54	10,899.36	6,905.17	6,006.83	4,421.79
Total (A)	12,133.99	14,325.11	9,683.90	9,145.77	7,975.96
(B) Others					
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	218.90	235.45	170.44	273.67	204.97
Development Authorities	262.27	287.03	271.41	235.06	229.93
Co-operative & Other Institutions and NGO's	7,057.47	10,155.72	13,255.70	10,499.70	12,555.37
Total (B)	7,538.64	10,638.20	13,697.55	11,008.43	12,990.27
Total (A+B)	19,672.63	24,963.31	23,381.45	20,154.20	20,966.23
Revenue Expenditure	48,164.60	56,229.75	64,411.17	73,477.31	70,032.84
Assistance as percentage of Revenue Expenditure	40.84	44.40	36.30	27.43	29.94

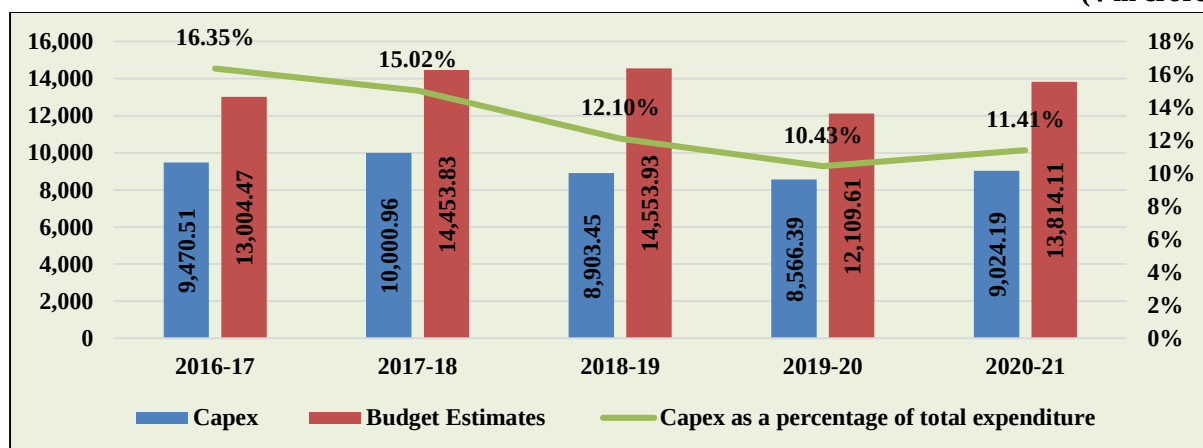
Source: Finance accounts of respective years

2.4.3 Capital Expenditure

Capital expenditure includes primarily expenditure on creation of fixed infrastructure assets, such as buildings, roads, bridges, etc. Details of capital expenditure during the five-year period 2016-21 are given in **Chart 2.11**.

Chart 2.11: Capital Expenditure in the State

(₹ in crore)



Source: Finance Accounts of the respective years

Capital expenditure increased by 5.34 per cent (₹457.80 crore) mainly due to increase in expenditure in *Jal Jeevan Mission Yojana*, and *Jawahar Setu Yojana*. During 2020-21, 37 per cent of total capital expenditure (₹9,024.19 crore) was incurred on Roads and Bridges (₹3,351.28 crore) followed by ten per cent on water supply and sanitation (₹907.93 crore).

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 2020-21 *vis-à-vis* the previous year.

Table 2.19: Capital Expenditure during 2019-20 compared to 2020-21

(₹ in crore)

Major Heads of Accounts	2019-20	2020-21	Difference	% Increase(+) /Decrease(-)
Increase				
4215-Capital Outlay on Water Supply and Sanitation	375.18	907.93	532.75	142.00
4059-Capital Outlay on Public Works	148.85	400.11	251.26	168.80
4210-Capital Outlay on Medical and Public Health	361.82	511.71	149.89	41.43
4202-Capital Outlay on Education, Sports, Art and Culture	315.32	415.91	100.59	31.90
4225-Capital Outlay on Welfare of SCs/STs and OBCs	230.46	358.30	127.84	55.47
Decrease				
5054-Capital Outlay on Roads and Bridges	3,928.86	3,351.28	(-)577.58	(-)14.70
5275-Capital Outlay on other Communication Services	250.00	70.00	(-)180.00	(-)72.00
4515-Capital Outlay on other Rural Development	505.19	350.57	(-)154.62	(-)30.61

Source: Finance Accounts of 2019-20 and 2020-21

The above table reveals that there was a significant increase in expenditure on Water Supply and Sanitation and Public Works, mainly due to increase in expenditure under *Jal Jeevan Mission*, *Jawahar Setu Yojana*, constructions under Infrastructure Development Fund and Environment Fund, construction of *Raj Bhavan* etc.

2.4.3.2 Quality of Capital Expenditure

This section presents an analysis of investments and other capital expenditure undertaken by the Government as of 31 March 2021.

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. Issues related to quality of investment in PSUs *viz.* Investment in PSUs, Rate of Return on Investment, Erosion of Net Worth, Dividend Payout, Return on Capital Employed etc., have been discussed in detail in **Chapter 5** of the Report.

2.4.3.2.2 Investment and Returns

As per the Finance Accounts 2020-21, the Government of Chhattisgarh had invested ₹7,261.30 crore in 10 Statutory Corporations, 28 Government Companies, 22 Joint Stock Companies, two Rural Banks and 1460 Co-operative Institutions and local bodies in the State as of 31 March 2021. The State Government earned a return of ₹2.29 crore on these investments during 2020-21. Year-wise details of investment by the Government of Chhattisgarh over the five-year period 2016-17 to 2020-21 are as follows:

Table 2.20: Details of Investment and Return on Investment

	(₹ in crore)				
Investment/Return/Cost of borrowings	2016-17	2017-18	2018-19	2019-20	2020-21
Statutory Corporations (No. of entities)	35.90(02)	37.82(02)	86.92(10)	87.88(10)	88.34(10)
Government Companies (No. of entities)	6,459.45(13)	6,459.45(13)	6,683.34(28)	6,683.34(28)	6,683.34(28)
Joint Stock Companies (No. of entities)	57.60(04)	144.80(05)	145.21(22)	145.21(22)	145.21(22)
Rural Banks (No. of entities)	24.31(01)	25.15(01)	25.15(02)	25.15(02)	25.15(02)
Co-operative Institutions and Local Bodies (No. of entities)	201.34(1523)	199.15(1523)	327.42(1523)	324.21(1460)	319.26(1460)
Total Investment	6,778.60	6,866.37	7,268.05	7,265.79	7,261.30
Investment at the end of the year	6,778.60	6,866.37	7,268.05	7,265.79	7,261.30
Return on investment	0.55	4.80	1.49	2.39	2.29
Return on investment (per cent)	0.01	0.07	0.02	0.03	0.03
Average rate of interest on Government borrowing (per cent)	6.62	6.38	6.10	6.83	6.57
Difference between interest rate and return (per cent)	6.61	6.31	6.08	6.80	6.54
Loss due to difference between interest rate of market borrowing and returns (₹ in crore)	448.07	433.27	442.15	493.86	474.89
Figures in the bracket shows the number of entities					

Source: Finance Accounts of respective years

During 2020-21, the return on investment was 2.29 crore (0.03 per cent). However, the Government paid interest on its borrowing at an average rate of 6.57 per cent during the same period. Continued use of borrowed funds to fund investment which do not have sufficient financial returns will lead to an unsustainable financial position.

2.4.3.2.3 Loans and Advances by State Government

In addition to investments in Co-operative societies, Corporations and Companies, the 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 2021, along with interest receipts *vis-à-vis* interest payments during the five-year period 2016-17 to 2020-21.

Table 2.21: Quantum of Loans disbursed and recovered during 2016-17 to 2020-21

(₹ in crore)					
Quantum of loans disbursed and recovered	2016-17	2017-18	2018-19	2019-20	2020-21
Opening balance of loans outstanding	1,273.96	941.98	1,519.63	1,597.75	1,397.08
Amount advanced during the year	272.71	368.76	240.44	56.11	50.50
Amount repaid during the year	172.99	138.59	162.32	256.78	104.80
Closing Balance of loans outstanding	1,373.69	1,172.16	1,597.75	1,397.08	1,342.78
Net addition	99.72	230.17	78.12	(-)200.67	(-)54.30
Interest received	30.19	27.61	28.32	1.67	6.88
Interest rate on Loans and Advances given by the Government	2.28	2.36	1.77	0.12	0.51
Rate of Interest paid on the outstanding borrowings of the Government	6.62	6.38	6.10	6.83	6.57
Difference between rate of interest paid and interest received (<i>per cent</i>)	(-)4.34	(-)4.02	(-)4.33	(-)6.71	(-)6.06

Source: Finance Accounts of Respective years

The loans disbursed during the year have decreased as compared to the previous year. At the end of March 2021, the Government had outstanding loans and advances of ₹1,342.78 crore, out of which ₹286.02 crore pertains to Urban Local Bodies, ₹381.93 crore pertains to Government companies and ₹392.52 crore pertains to co-operative societies/bodies.

Further, the Government paid loans and advances during the year to the following sugar mills against which the repayment of earlier loans are in arrears.

Table 2.22: Details of loans and advances to sugar mills during 2020-21

(₹ in crore)					
Name	Year of previous Loans outstanding Since	Amount of principal outstanding as of 1 st April 2020	Amount of loans during this year	Repayment made during the year	Total amount outstanding
Loh Purush Sardar Vallabh Bhai Patel Sugar Mill Limited	2017-18	82.00	13.00	0.00	95.00
Bhoramdev Co-operative Sugar Mill Limited	2016-17	74.00	13.00	10.00	77.00
Mahamaya Co- operative Sugar Mill, Limited	2010-11	89.67	24.00	10.00	103.67

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 2021 are given in **Table 2.23**.

Table 2.23: Department-wise profile of incomplete projects

(₹ in crore)

Department	Number of incomplete projects	Estimated cost	Incomplete Projects				Cumulative expenditure of all 149 incomplete projects as on 31 March 2021
			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	
Public Works	15	516.68	02	151.60	551.20	399.60	586.89
Water Resources	134	3,927.48	49	1,766.61	3,670.42	1,903.81	4883.49
Total	149	4.444.16	51	1.918.21	4.221.62	2.303.41	5.470.38

Source: Finance Accounts 2020-21

Delay in completion of project works increases the risk of cost escalation. Since the State Government had not evaluated the cost of 98 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 require 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 2016-17 and 2020-21 are shown in **Table 2.24** below:

Table 2.24: Expenditure priority of the State with regard to Health, Education and Capital expenditure

(in per cent)

	TE/GSDP	SSE/TE	ESE/TE	DE/TE	CE/TE	Education/TE	Health/TE
Average (Ratio) 2016-17 of							
General Category States*	17.12	35.81	35.16	70.97	19.77	14.93	5.49
Chhattisgarh State	22.03	41.40	36.44	77.84	16.83	19.89	5.69
Average (Ratio) 2020-21 of							
General Category States*	16.18	37.81	28.48	66.29	13.03	15.00	6.74
Chhattisgarh State	22.58	35.40	37.78	73.18	11.47	18.39	7.19

TE: Total 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. *States other than NE and Himalayan States

Source: Data provided by Economic Advisor

While the allocative priority accorded to capital expenditure in general by the State Government during 2016-17 has been lower than the General Category States (GCS), in terms of social 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 manner during 2020-21 as well, except for social 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 2.25** below:

Table 2.25: Object head wise expenditure (where the expenditure is ₹1000 crore and above) vis-à-vis budget authorisation

(₹ in crore)

Head	Original Budget Estimate	Expenditure	Utilisation Percentage
14- Grants-in-Aid	28,574.16	20,975.25	73.41
01- Salaries and Allowances	24,881.01	20,742.54	83.37
13- Financial Assistance	8,078.20	7,307.93	90.46
12- Pension and Retirement benefits	6,681.33	7,114.99	106.49
97- Construction Works	5,767.38	3,283.79	56.94
35- Interest / Loan Repayments	6,616.78	5,853.90	88.47
26- Major Construction Works	5,059.94	3,260.61	64.44
45- Creation of Capital Assets	2,922.19	1,837.67	62.89
25- Materials and Supplies	3,551.87	2,800.51	78.85
37- Inter Account Transactions	2,165.32	1,344.34	62.09
Total	94,298.18	74,521.53	79.03

Source: Finance Accounts 2020-21

As can be seen from the above Table, out of a total budgetary allocation of ₹94,298.18 crore under 10 object heads, the actual expenditure during 2020-21 was only ₹74,521.53 crore (79.03 per cent).

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 2021 are given in **Table 2.26** below:

Table 2.26: Component-wise net balances in Public Account as of 31 March 2021

(₹ in crore)						
Sector	Sub Sector	2016-17	2017-18	2018-19	2019-20	2020-21
I. Small Savings, Provident Fund, etc.	National Small Savings Fund, State Provident Funds and Other Accounts	426.96	640.61	754.51	785.26	403.73
J. Reserve Funds	(a) Reserve Funds bearing Interest	323.40	(-)517.65	197.87	701.07	(-)813.13
	(b) Reserve Funds not bearing Interest	316.40	39.72	(-)33.08	5155.13	296.75
K. Deposits and Advances	(a) Deposits bearing Interest	(-)1.74	(-)21.02	(-)6.79	(-)5.62	(-)4.13
	(b) Deposits not bearing Interest	552.40	141.79	(-)224.60	(-)518.43	505.95
	(c) Advances	0.02	0.18	0.00	(-)0.09	0.00
L. Suspense and Miscellaneous	(a) Suspense	37.53	(-)72.83	(-)21.28	(-)6.30	(-)9.58
	(b) Other Accounts	(-)159.01	22.10	1.70	(-)0.96	(-)2.75
	(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
M. Remittances	(a) Money Orders, and other Remittances	67.54	54.39	(-)126.73	93.41	(-)36.49
	(b) Inter-Governmental Adjustment Account	(-)18.40	16.53	4.30	(-)12.62	(-)14.59
Total		1,545.10	303.82	545.90	6,190.85	325.76

Source: Finance Accounts of respective years

Component-wise net balances in Public Account as of 31 March of the respective year decreased from ₹1,545.10 crore in 2016-17 to ₹325.76 crore in 2020-21. The net balances in Public Account decreased by ₹5,865.10 crore in 2020-21 over the previous year, mainly due to decrease in Reserve Funds not bearing interest by ₹5,184.58 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 2021. The total accumulated balance at the end of 31 March 2021 in these funds was ₹9,180.67 crore (₹9,180.57 crore in operative funds and ₹0.10

crore in in-operative funds), out of which ₹7,181.07 crore (78.22 *per cent*) was invested.

A Reserve Fund viz, *Gramin Vikas Nidhi*, was constituted in 2001-02 for providing employment in rural areas. During 2020-21, ₹23.02 crore was transferred to the fund and the cumulative balance of the fund as on 31 March 2021 was ₹288.68 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 to the extent of amount not invested, which violate the spirit underlying the creation and operation of reserve funds.

2.5.3 Consolidated Sinking Fund

Following the recommendations of the 12th Finance Commission, the State has created a Consolidated Sinking Fund (CSF) for amortisation of all loans including loans from banks, liabilities on account of National Small Savings Funds, *etc.* Further, as per recommendation of the 12th 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 2020-21, GoCG transferred ₹275 crore (0.35 *per cent* of outstanding liability of ₹78,712.46 crore at the beginning of the year) to the Consolidated Sinking Fund against the minimum requirement of ₹393.56 crore (representing 0.5 *per cent* of outstanding liabilities of ₹78,712.46 crore as on 31 March 2020) resulting in a short contribution of ₹118.56 crore. As on 31 March 2021, an amount of ₹2,586.94 crore was lying in the Fund, and the entire amount was invested in Government of India securities.

2.5.4 State Disaster Response Fund

As per the State Disaster Response Fund (SDRF) guidelines, the State Government had to transfer the entire amount of Central Government Share and the corresponding state's share to the Fund. The SDRF had an opening balance of ₹491.88 crore as of 01 April 2020. During the year, the State Government received ₹345.60 crore as Central Government Share and the corresponding state share of ₹115.20 crore which was to be transferred to the fund, but the State Government transferred only ₹230.40 crore to the fund (Central share- ₹172.80 crore and State share- ₹57.60 crore), resulting in understatement of revenue deficit and fiscal deficit. In addition, the State Government also transferred ₹89.00 crore (₹66.75 crore of Central Share received during 2019-20 and corresponding State Share of ₹22.25 crore) to the fund during 2020-21. The State Government also incurred expenditure of ₹717.50 crore on natural calamities from the fund during the year. Thus, the SDRF had a closing balance of ₹103.11⁴ crore as on 31 March 2021.

⁴ Including ₹9.33 crore of Treasury deposit.

Further, the XVFC recommended to create the State Disaster Mitigation Fund (SDMF) for local level and community-based interventions which reduce the risks and promote environment-friendly settlements and livelihood practices. The Government of India and the State Government are required to contribute to the fund in the proportion of 75:25 respectively. During 2020-21, the State Government received ₹86.40 crore as Central Share. Thus, the State Government had to transfer of ₹115.20 crore to SDMF (₹86.40 crore Central Share alongwith ₹28.80 crore State Share). However, the State Government transferred only ₹57.60 crore (₹43.20 Crore-Central Share and ₹14.40 crore State Share), resulting in understatement of revenue deficit and fiscal deficit. The SDMF had a closing balance of ₹57.60 crore as of 31 March 2021, out of which ₹57.14 crore has been invested in 91 day treasury bills.

Details of expenditure charged to SDRF is given below in **Table 2.27**:

Table 2.27: Details of expenditure charged to SDRF

(₹ in crore)

Head	Minor Head of Account	Expenditure during 2020-21
2245- Relief on Account of Natural Calamities		
01-Drought		
101	Gratuitous Relief	5.95
282	Public Health	32.74
02-Floods, Cyclones, etc.		
101	Gratuitous Relief	18.33
106	Repairs and Restoration of Damaged Roads and Bridges	0.96
110	Assistance for repair and restoration of damaged Water Supply, Drainage and Sewerage Works	0.11
111	Ex-gratia Payments to bereaved families	15.89
112	Evacuation of population	22.87
113	Assistance for repair and construction of Houses	28.84
114	Assistance to Farmers for purchase of Agriculture Input	7.45
116	Assistance to Farmers for repairs of damaged tube wells and Pump sets	0.01
117	Assistance to Farmers for purchase of livestock	6.81
80-General		
101	Centre for Training to Disaster Preparedness	0.04
102	Management of Natural Disasters, Contingency Plans in disaster prone areas	60.19
800	Other Expenditure	517.30
Total SDRF Expenditure		717.49
05-State Disaster Response Fund		
901	Deduct- Amount met from State Disaster Response Fund	(-)717.50

Source: Finance Accounts

2.5.5 Guarantee Redemption Fund

As per the recommendation of the 12th 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 ₹99.18 crore to the Fund in 2020-21. Contrary to the Finance Commission recommendations, the State Government has decided not to form the GRF as most of guarantees sanctioned by the State Government were of “low and medium risk” and none of the institutions had defaulted in repayment of loan against the guarantees sanctioned shifting the liability/burden to the State Government since the formation of the State.

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.

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 2016-21 are given in **Table 2.28:**

Table 2.28: Component wise debt trends

(₹ in crore)

Particular		2016-17	2017-18	2018-19	2019-20	2020-21
Outstanding Overall Debt		44,258.28	52,907.08	66,749.51	78,712.46	92,714.22
Public Debt	Internal Debt	28,330.29	36,690.44	49,553.83	60,382.67	70,538.81
	Loans from GoI	2,047.16	2,339.57	2,700.39	2,764.05	6,169.30
Liabilities on Public Account		13,880.83	13,877.07	14,495.29	15,565.74	16,006.11
Rate of growth of outstanding overall debt (D) (per cent)		17.27	19.54	26.16	17.92	17.79
Gross State Domestic Product (GSDP)		2,62,801	2,82,283	3,18,101	3,44,955	3,50,270
Rate of growth of GSDP (G) (per cent)		16.72	7.41	12.69	8.44	1.54
Debt/GSDP (per cent)		16.84	18.74	20.98	22.82	25.58 ⁵
Total Debt Receipts ⁶		11,803.64	15,851.32	20,736.52	31,921.72	33,423.87
Total Debt Repayments		6,113.92	7,202.52	6,923.87	19,958.77	19,422.11
Total Debt Available		5,689.72	8,648.80	13,812.65	11,962.95	14,001.76

Source: Finance Accounts of respective years

⁵ Debt to GSDP ratio has been calculated on the total debt of ₹89,605.22 crore after excluding the amount of back to back loan (₹3,109 crore) from the total outstanding debt (₹92,714.22 crore).

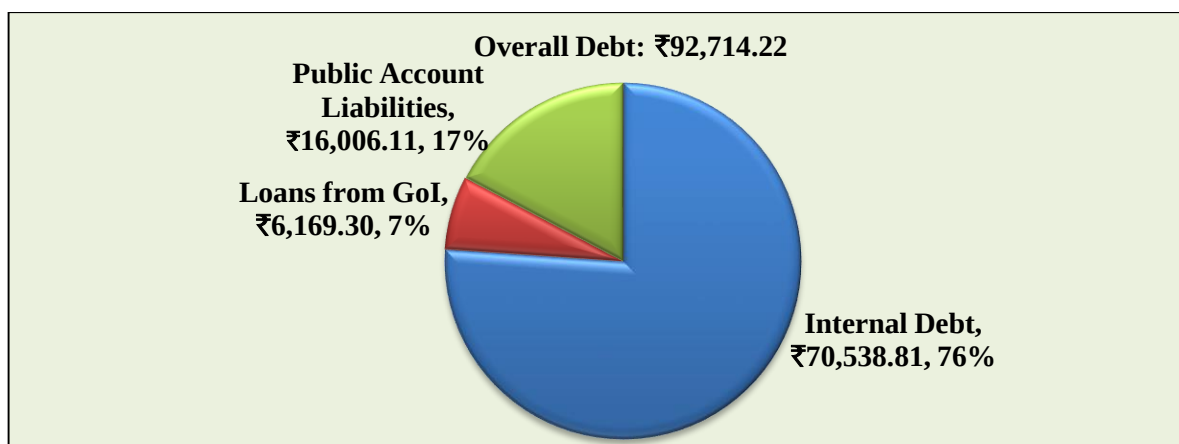
⁶ Including Public Account Liabilities

The amount of outstanding overall debt shown above included back to back loan of ₹3,109 crore provided in lieu of shortfall in GST Compensation as debt receipt to the State Government with no repayment liability for the State. The effective outstanding overall debt after excluding the back to back loan would be ₹89,605.22 crore. During 2020-21, the debt repayment decreased marginally and total debt receipts increased by ₹1,502.15 crore (4.71 *per cent*) as compared to previous year. The rate of growth of outstanding overall debt in all the five years exceeded the rate of growth of GSDP, however, the difference (D-G) was highest (16.25 *per cent*) during the year 2020-21.

Component-wise break-up of debt is shown below in **Chart 2.12**.

Chart 2.12: Break up of Outstanding Overall Debt at the end of 2020-21

(₹ in crore)



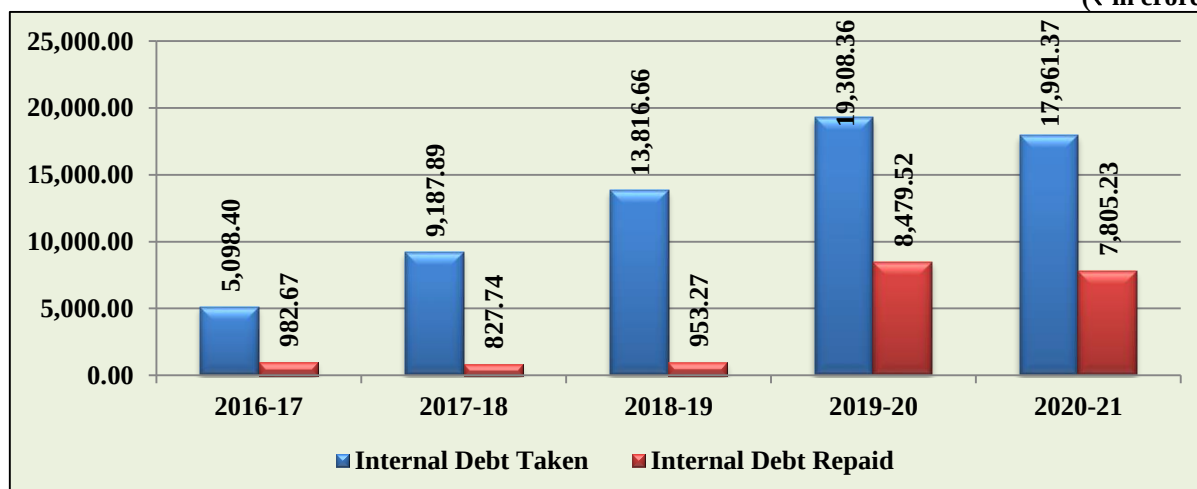
Source: Finance Accounts-2020-21

Internal debt (₹70,538.81 crore), which is primarily market borrowings through issue of State Development Loans (SDLs), accounts for 76 *per cent* of the total outstanding debt.

Chart 2.13 depicts Internal Debt taken by the State Government and repayment for the same period.

Chart 2.13: Internal debt taken vis-a-vis repaid

(₹ in crore)



Source: Finance Accounts of the respective years

During 2016-21, the internal debt receipts under the overall debt of the State Government increased by 252 *per cent* from ₹5,098.40 crore in 2016-17 to ₹17,961.37 crore in 2020-21. The State Government during 2020-21 utilized 43.45 *per cent* of its internal debt receipts in repayment of previous internal debt, resultantly only 56.55 *per cent* was available for expenditure. This availability was lowest (56.08 *per cent*) in 2019-20 and highest (93.1 *per cent*) in 2018-19.

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 2.29**.

Table 2.29: Components of fiscal deficit and its financing pattern

(₹ in crore)					
Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Composition of Fiscal Deficit					
Revenue Deficit (-)/ Surplus(+)	5,520.65	3,417.32	683.76	(-)9,608.61	(-)6,856.66
Net Capital Expenditure	(-)9,468.14	(-)9,997.64	(-)8,898.19	(-)8,561.69	(-)9,019.34
Net Loans and Advances	(-)99.78	(-)230.00	(-)77.80	200.75	53.62
Excluded expenditure under UDAY	0.00	0.00	0.00	0.00	0.00
Total	(-)4,047.27	(-)6,810.32	(-)82,92.23	(-)17,969.55	(-)15,822.38
Financing pattern of Fiscal Deficit					
Market borrowings	3,897.68	8,100.00	12,899.99	10,980.00	10,500.00
Loans from GOI	211.57	292.41	360.82	63.66	3,405.25
Special securities issued to NSSF	(-)420.53	(-)431.13	(-)443.74	(-)455.88	(-)455.88
Loans from financial institutions (NABARD)	638.58	691.28	407.14	304.72	112.02
Ways and Means advances from RBI	0.00	0.00	0.00	0.00	0.00
Small Savings, PF etc.	426.96	640.61	754.51	785.26	403.73
Deposits and Advances	550.68	120.95	(-)231.39	(-)524.14	501.82
Suspense and Miscellaneous	(-)629.98	(-)1,611.16	(-)5,709.95	4,505.27	1,845.02
Remittances	49.14	70.92	(-)122.43	80.79	(-)51.08
Others	639.8	(-)765.14	60.40	814.16	(-)465.18
Total	5,363.90	7,108.74	7,975.35	16,553.84	15,795.70
Overall Surplus(+)/Deficit(-)	1,316.63	298.42	(-)316.88	(-)1,415.71	(-)26.68
Total	4,047.27	6,810.32	8,292.23	17,969.55	15,822.38

Source: Finance Accounts of respective years

During 2020-21, Market borrowing (₹13,000 crore) raised by the State Government continued to finance a major portion of fiscal deficit and its share in financing fiscal deficit was 66.36 *per cent*.

Receipts and Disbursements under different components financing the Fiscal Deficit are shown in **Table 2.30**:

Table 2.30: Receipts and Disbursements under components financing the fiscal deficit

(₹ in crore)

Sl. No.	Particulars	Receipt	Disbursement	Net
1	Market Borrowings	13,000.00	2,500.00	10,500
2	Loans from GOI	3,620.31	215.06	3,405.25
3	Special Securities issued to NSSF	0.00	455.88	(-)455.88
4	Loans from Financial Institutions	934.85	822.83	112.02
5	Small Savings, PF, etc.	1,690.60	1,286.87	403.73
6	Deposits and Advances	4,094.42	3,592.60	501.82
7	Suspense and Miscellaneous	1,39,629.30	1,37,784.28	1,845.02
8	Remittances	8,570.63	8,621.71	(-)51.08
9	Reserve Fund	6,057.17	6,522.35	(-)465.18
10	Contingency fund	0.00	0.00	0.00
11	Overall Deficit	1,77,597.28	1,61,801.58	15,795.70
12	Increase/Decrease in cash balance	0.00	26.68	(-)26.68
13	Gross Fiscal Deficit	1,77,597.28	1,61,774.90	15,822.38

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 2.31** and **Chart 2.14** below shows the debt maturity profile of the State.

Table 2.31: Maturity profile of repayment of State debt

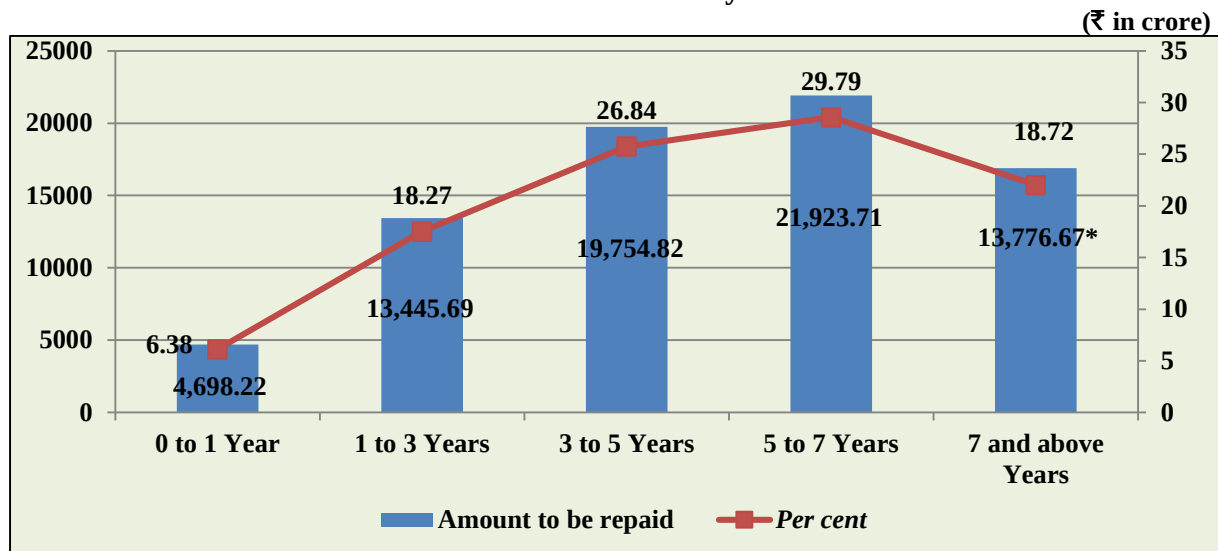
(₹ in crore)

Period of repayment (Years)	Internal Debt	Loans & Advances from Central Government	Total	Percentage (w.r.t. Public debt)
0 to 1	4,417.92	280.30	4,698.22	6.38
1 to 3	12,857.36	588.33	13,445.69	18.27
3 to 5	19,404.71	350.11	19,754.82	26.84
5 to 7	21,608.93	314.78	21,923.71	29.79
7 and above	12,053.29	1239.54	13,292.83	18.06
Others ⁷	196.60	287.24	483.84	0.66
Total	70,538.81	3,060.30	73,599.11	100.00

Source: Finance Accounts 2020-21

⁷ Details of maturity year not available

Chart 2.14: Debt Maturity Profile



Source: Finance Accounts 2020-21.* includes others (₹483.84 crore) for which maturity year not available.

The maturity profile of the State debt as on 31 March 2021 indicates that the State has to pay 81.25 per cent of the debt within the next seven years.

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 2016-17 to 2020-21, debt-GSDP ratio and burden of interest payment continued to rise exceeding the target limit prescribed by the Finance Commission except for the year 2020-21, 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 XV 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 XV FC targets are given in Table 2.32.

Table 2.32: Analysis of Debt sustainability

Year	Fiscal Deficit to GSDP		Debt Stock to GSDP	
	(in per cent)			
	14 th /15 th FC targets	Achievement	14 th /15 th FC targets	Achievement
2016-17	3.50	1.54	15.50	16.84
2017-18	3.50	2.41	17.05	18.74
2018-19	3.50	2.61	18.40	20.98
2019-20	5.00	5.21	19.58	22.82
2020-21	5.00	4.53	28.10	25.58

Source: Finance Accounts of the respective years and XIV/XV Finance Commission Report

The State Government was able to contain the fiscal deficit below the FC targets during 2016-21 except during 2019-20, where it was significantly more than the targets. The Debt-GSDP ratio was also not achieved during 2016-20, however, the same was achieved during 2020-21.

The debt to GSDP ratio (25.58 *per cent*) has been calculated on total outstanding debt of ₹89,605.22 crore excluding back to back loan of ₹3,109 crore in lieu of GST compensation shortfall.

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 2.33** below shows the utilisation and trends of utilisation of borrowed funds.

Table 2.33: Utilisation of borrowed funds

(₹ in crore)						
Sl No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
1	Total Borrowings ⁸	11,803.64	15,851.32	20,736.52	31,921.72	33,423.87
2	Repayment of earlier borrowings (Principal)	6,113.92	7,202.52	6,923.87	19,958.77	19,422.11
3	Balance available after borrowing repayments	5,689.72	8,648.80	13,812.65	11,962.95	14,001.76
4	Net Capital expenditure	(-)9,468.14	(-)9,997.64	(-)8,898.19	(-)8,561.69	(-)9,019.34
5	Net Loans and Advances	(-)99.78	(-)230	(-)77.80	200.75	53.62
6	Portion of Revenue expenditure met out of net available borrowings	Nil	Nil	Nil	3,602.01	5,036.04
7	Surplus borrowing in Cash Balance	Nil	Nil	4,836.66	Nil	Nil

Source: Finance Accounts of the respective years

The above table shows that 58 *per cent* of borrowed funds were utilised towards the repayment of earlier borrowings and only 27 *per cent* were used for the capital expenditure during the year 2020-21. The funding of revenue expenditure from borrowings increased from ₹3,602.01 crore (11.28 *per cent*) to ₹5,036.04 crore (15.06 *per cent*) of borrowings during the year 2020-21 over previous year which leads to a build-up of stock of debt and interest liabilities and forces the Government, eventually, to cut capital expenditure. Thus, with greater awareness of future debt payments, the Government should ensure that fresh borrowings do not have to be paid back in those years where maximum repayment is due.

2.7.3 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.

⁸ Total Borrowing including Public Debt and Other Public Account liabilities

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 was given by the State Government and outstanding guarantees at the end of the financial year for the last five years are given in **Table 2.34**.

Table 2.34: Guarantees given by the Government of Chhattisgarh

(₹ in crore)

Guarantees	2016-17	2017-18	2018-19	2019-20	2020-21
Ceiling applicable to the outstanding amount of guarantees	12,641.13	6,549.89	19,573.79	27,994.79	26,694.79
Outstanding amount of guarantees	3,982.97	3,881.92	10,769.42	18,459.36	19,836.13

Source: Finance Accounts of the respective years

As of 31 March 2020, State Government guaranteed the loans of various entities amounting to ₹18,469.42 crore. During the year 2020-21, it guaranteed a further amount of ₹3,260.78 crore. An amount of ₹1,894.07 crore was repaid during the year, leaving the outstanding guarantees at the end of March 2021 at ₹19,836.13 crore. The outstanding amount of guarantees were about 31.39 *per cent* of the total revenue receipts (₹63,176.18 crore) of the State. During the year 2020-21, against the guarantee fees receivable of ₹76.58 crore, ₹74.58 crore was received and guarantees fees for guarantees given to *Atal Nagar Vikas Pradhikaran* (₹2.00 crore) was not received.

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

Table 2.35: Status of Cash Balances

(₹ in crore)

	Opening balance as on 01 April 2020	Closing balance as on 31 March 2021
A. General Cash Balances		
Cash in treasuries	0.00	0.00
Deposits with Reserve Bank	(-)1,094.99	(-)1,121.67
Deposits with other Banks	0.00	0.00
Remittances in transit	0.00	0.00
Total	(-)1,094.99	(-)1,121.67
Investment held in 'Cash Balance Investment Account'	5,246.81	3,389.68
Total A	4,151.82	2,268.01

	Opening balance as on 01 April 2020	Closing balance as on 31 March 2021
B. Other Cash Balances and Investments		
Cash with the Departmental Officers viz. Forest, Public Works Departments, Military Secretary to the Governor	12.17	11.95
Permanent advances for contingent expenditure with Departmental Officers	0.34	0.34
Investment of Earmarked Funds	7,232.27	7,181.07
Total B	7,244.78	7,193.36
Total A and B	11,396.60	9,461.37
Interest realised	196.10	29.66

Source: Finance Accounts of 2020-21

Cash Balances of the State Government at the end of the current year decreased by ₹1,935.23 crore from ₹11,396.60 crore in 2019-20 to ₹9,461.37 crore in 2020-21. 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 2020-21, it availed of Special Drawing facility of ₹4,026.52 crore from RBI and paid an interest of ₹1.06 crore in this regard during 2020-21.

The cash balance investments of the State during the five-year period 2016-17 to 2020-21 are given below in the **Table 2.36**.

Table 2.36: Cash Balance Investment Account (Major Head-8673)

(₹ in crore)

Year	Cash Balance Investment				Market Loan availed	Closing Cash Balance
	Opening Balance	Closing Balance	Increase(+)/ decrease(-)	Interest realised		
2016-17	1,856.17	2,512.00	655.83	126.78	4,200.00	4,658.85
2017-18	2,512.00	4,070.85	1,558.85	140.20	8,100.00	6,804.91
2018-19	4,070.85	9,759.02	5,688.17	144.33	12,899.99	12,277.88
2019-20	9,759.02	5,246.81	(-)4,512.21	196.10	11,680.00	11,396.60
2020-21	5,246.81	3,389.68	(-)1,857.13	29.66	13,000.00	9,461.37

Source: Finance Accounts of respective years

The position of closing cash balance during last five years indicates a growing trend from ₹4,658.85 crore to ₹12,277.88 crore during 2016-19 and it decreased to ₹9,461.37 crore as of March 2021. The surplus cash balance was invested in Government of India treasury bills.

The surplus cash balance held in investment account amounting to ₹3,389.68 crore was mainly due to raising of Market Loan of ₹2,000 crore in the month of March 2021. 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.

2.8 Conclusion

The State Government registered a nominal decrease of 1.08 per cent in its Revenue Receipts during 2020-21 compared to the previous year. The Own tax revenue increased by 3.49 per cent and non-tax revenue decreased by 10.04 per cent and could not achieve the level anticipated in budgetary projections. The State continued to be dependent on Government of India with 52 per cent of the revenue coming from State Share of Union Taxes and Duties and Grants-in-aid.

The Revenue Expenditure decreased by 4.69 per cent during 2020-21 compared to the previous year, whereas Capital Expenditure increased by 5.34 per cent during the same period. The total expenditure declined during 2020-21.

Debt repayment decreased in 2020-21 as compared to 2019-20 and total debt receipts increased by ₹1,994.15 crore (10.18 per cent) when compared to 2019-20. The total outstanding debt of the State Government at the end of 2020-21 would be ₹89,605.22 crore excluding back to back loan of ₹3,109 crore. During 2020-21, borrowed funds amounting to ₹5,036.04 crore was utilised for revenue expenditure. 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.

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 the effectiveness of its implementation.

3.2 Budget Preparation Process

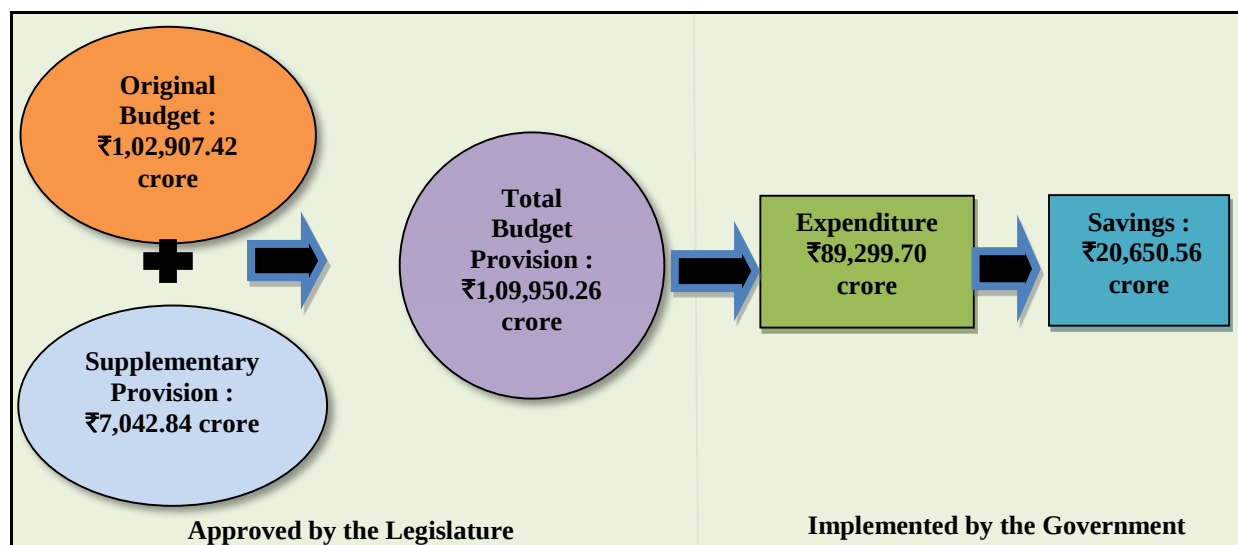
Government of Chhattisgarh follows a top-down approach to budgeting. The process followed by the State in budget preparation is broadly as follows:

- In the beginning of the financial year, Finance Department undertakes a preliminary assessment of the financial resources likely to be available with the State in the ensuing financial year based on 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 by procedural details for the preparation of the Gender, Youth, Agriculture and Outcome Budgets.
- Thereafter, Finance Department carries out the evaluation of the State's financial resources based on guidelines issued by the *Niti Ayog*. Various 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.

The estimates are compiled by Finance Department in prescribed 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 Appropriations where savings are anticipated to units where additional expenditure is envisaged (within the Grant/Appropriation) during the year.

The total budget approved by the State Legislature including the original and supplementary budgets, expenditure, and savings during the year 2020-21 are depicted in **Chart 3.1**.

Chart 3.1: Summary of Budget and Expenditure of Chhattisgarh for 2020-21



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) Women-specific schemes in which 100 *per cent* budget provision is related to women, and (2) Pro-women schemes in which at least 30 *per cent* of budget provision is related to women.

During 2020-21, the State Government provided ₹2,616.23 crore (original budget of ₹2,572.71 crore and supplementary budget of ₹43.52 crore) for 23 schemes which are 100 *per cent* women-centric. Out of the total budget of ₹2,616.23 crore, only ₹1,030.03 crore (39.37 *per cent*) was utilised and remaining ₹1,586.20 crore (60.63 *per cent*) was either surrendered or re-appropriated. Details are shown in **Appendix 3.1**.

The budget provision of ₹8,029.73 crore for 89 schemes in which a part of the budget (minimum 30 *per cent*) was to be spent on women-centric works during 2020-21 did not provide details of distinct sub-heads or object heads. Thus, the actual amount spent on women-centric schemes could not be verified during 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) Youth-specific schemes in which 100 *per cent* budget provision is related to youth, and (2) Pro-youth schemes in which at least 50 *per cent* of budget provision is related to youth.

During 2020-21, the State Government made a budget provision of ₹5,010.24 crore (original budget of ₹4,939.81 crore and supplementary budget of ₹70.43 crore) for 51 schemes which are 100 *per cent* youth-centric. Out of the total budget of ₹5,010.24 crore, only an expenditure of

₹2,518.71 crore (50.27 *per cent*) was incurred, and remaining ₹2,491.49 crore (49.73 *per cent*) was either surrendered or re-appropriated. Details are shown in **Appendix 3.2**.

The budget provision of ₹1,168.34 crore for 51 schemes in which a part of the budget (minimum 50 *per cent*) was to be spent on youth-centric works during 2020-21 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 2020-21, the State Government provided ₹17,976.10 crore in the budget (original budget of ₹17,693.26 crore and supplementary budget of ₹282.84 crore) for 263 schemes for agriculture under 13 departments¹. Out of this budget, an expenditure of ₹9,253.93 crore (51.48 *per cent*) was incurred and remaining ₹8,722.17 crore (48.52 *per cent*) was either surrendered or reappropriated.

3.3.4 Major Policy Initiatives/New Schemes

While presenting its Budget for the year 2020-21, the State Government announced a total of 88 major policy initiatives/new schemes with an allocation of ₹7,128.37 crore. Out of these major policy initiatives/new schemes, it provided a total budget of ₹1,068.47 crore under 30 major policy initiatives/new schemes (one crore and above) spanning across various departments in which no expenditure was incurred during the year and the entire amount was either surrendered/ re-appropriated mainly due to non/short release of funds by Government, non-receipt of proposals, non-approval of works 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 2020-21 against 72 grants/ appropriations is given below:

¹Agriculture 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, and 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
Voted	Revenue	76,581.86	5,551.35	82,133.21	65,497.62	-16,887.83 (20.56)	252.24 (0.31)	16,205.09 (95.96)
	Capital Outlay	14,576.52	1,072.20	15,648.71	9,500.28	-6,148.43 (39.29)	0.00	5,702.49 (92.75)
	Loans and Advances	477.35	0.00	477.35	112.51	-364.84 (76.43)	0.00	359.42 (98.51)
	Total Voted	91,635.73	6,623.55	98,259.28	75,110.41	-23,401.10 (23.82)	252.24 (0.26)	22,267.00 (95.15)
Charged	Revenue	6,374.83	419.29	6,794.12	6,149.98	-645.19 (9.50)	1.05 (0.02)	596.20 (92.41)
	Capital	55.39	0.00	55.39	19.02	-36.37 (65.66)	0.00	36.26 (99.68)
	Public Debt	4,841.47	0.00	4,841.47	8,020.29	0.00	3,178.82 (65.66)	847.70
	Total Charged	11,271.69	419.29	11,690.98	14,189.29	-681.56 (5.83)	3,179.87 (27.20)	1,480.16 (217.17)
Grand Total		1,02,907.42	7,042.84	1,09,950.26	89,299.70	-24,082.67 (21.90)	3,432.11 (3.12)	23,747.15 (98.61)

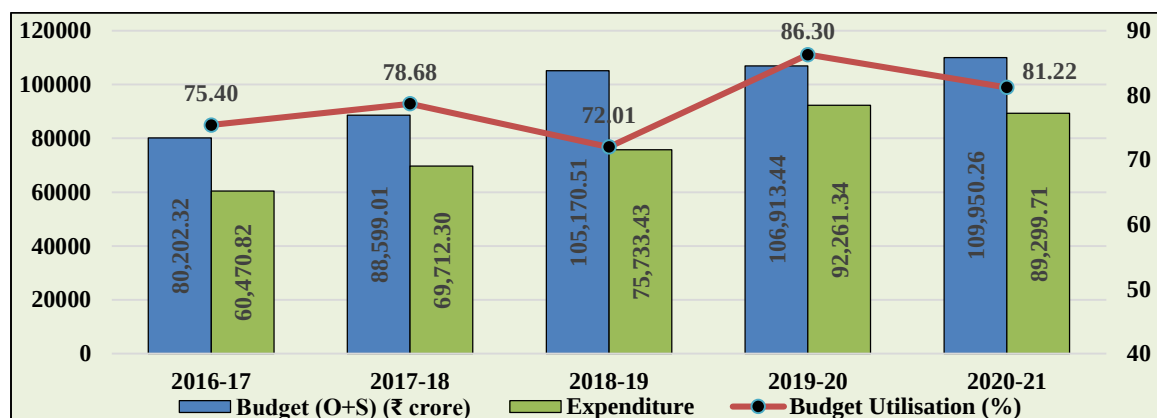
Source: Appropriation Account 2020-21

The total savings amounted to ₹24,082.67 crore (21.90 per cent of total grants/ appropriation), out of which ₹23,747.15 crore was surrendered and the remaining ₹335.52 crore (1.39 per cent) was lapsed at the end of the financial year. Out of the total surrender of ₹23,747.15 crore, an amount of ₹23,511.71 crore (99 per cent) was surrendered on 31 March 2021, 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 ₹7,042.84 crore proved unnecessary.

3.4.2 Utilisation of Budgeted Funds

The utilisation of budgeted funds by the State Government has been sub-optimal every year during the past few years. The extent of utilisation of budget during the five-year period from 2016-17 to 2020-21 is given below.

Chart 3.2: Budget Utilisation during 2016-17 to 2020-21



Source: Appropriation Account of the respective years

The percentage of utilization of budget increased from 75.40 *per cent* in 2016-17 to 81.22 *per cent* during 2020-21. However, the utilisation of funds decreased from 86.30 *per cent* in 2019-20 to 81.22 *per cent* of the total budgetary provision in 2020-21. This decrease in utilization of funds was mainly due to low expenditure under subsidies. The State Government also restricted the utilisation of budget provision up to 70 *per cent* and regulated the expenditure pertaining to several heads like training, Government tours and meetings, implementation of new schemes and purchase of new vehicles etc., to rationalise Government expenditure and optimum utilisation of resources during Covid-19 pandemic.

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 Article 204 of the Constitution. During 2020-21, the State Government incurred an expenditure of ₹4,241.58 crore without budget provision mainly due to expenditure under Special Drawing Facility for recoupment of temporary loan granted to the State Government by the Reserve Bank of India as a 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	4,026.52
6004-02-101-3052-Block Loans	121.80
6004-02-101-6718- Consolidated Loans as per Recommendations of 12th Finance Commission	93.26
Total	4,241.58

Source: Appropriation Account of 2020-21

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 classified as capital expenditure, 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 2020-21, Government of Chhattisgarh made budget provisions and classified Grants-in-Aid (GIA) of ₹1,837.67 crore provided for the creation of capital assets under Capital Section. Further, expenditures relating to Office expenses of ₹3.43 crore and Payment of Professional Services of ₹24.75 crore have been booked under Capital Major Heads instead of Revenue Major Heads.

The expenditure incurred out of GIA as capital expenditure during 2016-17 to 2020-21 is shown in **Table 3.3**.

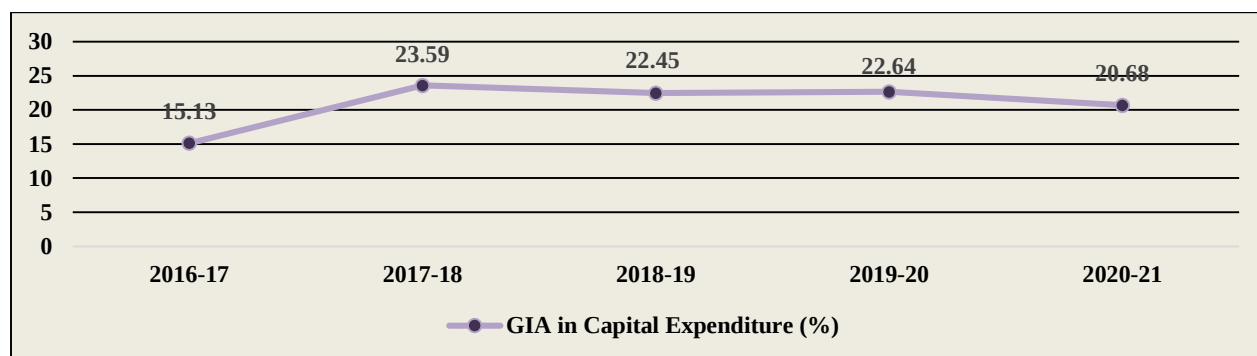
Table 3.3: Extent of classification of GIA as Capital Expenditure

(₹ in crore)

	2016-17	2017-18	2018-19	2019-20	2020-21
GIA booked as a Capital Expenditure	1,432.94	2,359.39	1,998.74	1,939.61	1,865.85
Total Capital Expenditure	9,470.51	10,000.96	8,903.45	8,566.39	9,024.19
Share of GIA in Capital Expenditure (%)	15.13	23.59	22.45	22.64	20.68

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 ₹ 7,042.84 crore during 2020-21. Audit analysis of utilization of these supplementary allocations showed that in 33 cases pertaining to 27 grants/appropriations, supplementary provision of ₹ 50 lakh or more in each case aggregating ₹ 3,560.38 crore obtained during the year proved entirely unnecessary as the actual expenditure was even less than the original provision. Details are shown in **Appendix 3.4**.

Under 17 Grants, there was 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: Case where supplementary provision was obtained even though savings were ₹100 crore and above out of the original budget provision

(₹ in crore)

Grant No.	Name of the Grant	Original Budget	Supplementary	Actual Expenditure	Saving out of Original Budget	
					Amount	%
Revenue (Voted)						
03	Police	4,947.02	50.60	4,069.53	-877.49	17.74
10	Forest	1,760.92	213.80	1,516.28	-244.64	13.89
14	Expenditure pertaining to Animal Husbandry Department	499.09	11.78	374.40	-124.69	24.98
24	Public Works-Roads and Bridges	1,190.99	1.00	786.14	-404.85	33.99
27	School Education	5,149.81	25.89	4,106.56	-1,043.25	20.26
29	Administration of Justice and Elections	445.70	11.35	309.62	-136.08	30.53
30	Expenditure pertaining to Panchayat and Rural Development Department	3,056.73	162.74	1,486.53	-1,570.20	51.37
33	Tribal Welfare	4,858.73	8.02	4,217.57	-641.16	13.20
41	Tribal Area Sub-Plan	15,741.75	901.19	12,486.69	-3,255.06	20.68
47	Technical Education and Manpower Planning Department	354.63	11.30	218.73	-135.90	38.32
55	Expenditure pertaining to Women and Child Welfare	1,083.75	9.47	650.92	-432.83	39.94
64	Special Component Plan for Scheduled Castes	5,515.18	365.93	4,780.56	-734.62	13.32

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79	Expenditure pertaining to Medical Education Department	919.83	10.00	713.23	-206.60	22.46
Total-Revenue Voted		45,524.13	1,783.07	35,716.76	-9,807.37	21.54
Capital (Voted)						
12	Expenditure pertaining to Energy Department	703.54	0.50	369.89	-333.65	47.42
23	Water Resources Department	430.09	8.00	291.41	-138.68	32.24
41	Tribal Area Sub-Plan	3,070.06	301.90	2,208.78	-861.28	28.05
64	Special Component Plan for Scheduled Castes	990.61	136.07	741.52	-249.09	25.14
67	Public Works-Buildings	914.81	22.11	377.48	-537.33	58.74
75	NABARD Aided Projects pertaining to Water Resources Department	697.31	0.50	176.87	-520.44	74.63
Total-Capital Voted		6,806.42	469.08	4,165.95	-2,640.47	38.79
Grand Total		52,330.55	2,252.15	39,882.71	-12,447.84	23.79

Source: Appropriation Accounts 2020-21

Further, under 14 sub-heads, entire supplementary provision of one crore or more in each case amounting to ₹544.78 crore was unutilised as shown in **Table 3.5**. This indicates that supplementary provisions were made without realistic estimation of requirement of funds and reflects poor budget management.

Table 3.5: Details where entire supplementary provision (₹ one crore and above) remained unutilised

(₹ in crore)				
Sl. No.	Scheme Name	Original Budget	Supplementary Budget	Total Budget
1	02-2052-90-6452-Chief Minister Infrastructure Maintenance & Upgradation Authority	0.00	120.00	120.00
2	06-2052-90-6454-Development of Basic Facilities	0.00	120.00	120.00
3	02-4070-800-101-6452-Chief Minister Infrastructure Maintenance & Upgradation Authority	0.00	80.00	80.00
4	06-4070-800-101-6454-Development of Basic Facilities	0.00	80.00	80.00
5	58-2245-2-122-6457-Expenditure from State Disaster Renewal Fund	0.00	60.00	60.00
6	58-2245-80-800-6457-Expenditure from State Disaster Renewal Fund	0.00	53.20	53.20
7	23-4700-80-800-701-6354-Dam Rehabilitation And Improvement Project Phase II	5.50	5.50	11.00
8	79-4210-04-101-0311-6441- Treatment and Prevention of Covid-19	0.00	9.98	9.98
9	23-4701-80-800-701-6354- Dam Rehabilitation And Improvement Project Phase II	2.50	2.50	5.00
10	79-4210-1-110-701-6387- Cancer Institute	0.00	5.00	5.00
11	41-4702-796-800-702-6354- Dam Rehabilitation And Improvement Project Phase II	2.00	2.00	4.00
12	03-2055-101-801-6460- Anti-Human Trafficking Unit (A.H.T.U.)	0.00	3.60	3.60
13	58-2245-80-102-6457- Expenditure from State Disaster Renewal Fund	0.00	2.00	2.00
14	81-2215-1-1-101-7845- Water Augmentation Scheme of Urban Bodies	0.00	1.00	1.00
Total		10.00	544.78	554.78

Source: Appropriation Account of 2020-21

3.5.4 Unnecessary or excessive re-appropriation

Reappropriation is the transfer, by a competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same grant or charged appropriation.

During 2020-21, in seven cases pertaining to six grants, there were savings after re-appropriation as detailed in **Table 3.6**. It shows that re-appropriations were made without adequate assessment and planning.

Table 3.6: Unnecessary/Excessive re-appropriation

(₹ in crore)

Grant No. and Head of Accounts	Original Provision	Supplementary Provision	Re-appropriation	Total Provision	Actual expenditure	Final Excess(+)/ Saving(-)
08-2029-103-3150 Land Survey	2.84	0.00	0.12	2.96	2.65	-0.31
19-4210-2-197-101-5998 Community Health Centre	28.66	0.00	0.50	29.16	23.82	-5.34
41-2210-1-796-196-102-1473 District Hospital	116.28	0.00	5.00	121.28	98.19	-23.08
58-2245-2-116-7357 Assistance to Flood Grant etc.	0.10	0.00	0.01	0.11	0.01	-0.10
64-2210-3-789-198-103-2777 Primary Health Centre	43.87	0.00	0.50	44.37	39.01	-5.36
64-4210-2-789-104-103-5998 Community Health Centre	9.41	0.00	3.55	12.96	6.68	-6.28
79-2210-5-101-101-469 Ayurvedic College	23.41	0.00	3.75	27.16	22.61	-4.55

Source: Appropriation Account of 2020-21

3.5.5 Entire budget provision not utilised under sub-heads

In 107 cases under 36 grants and two appropriations, the entire provision (₹10 crore and above) made under various sub-heads aggregating to ₹10,437.50 crore remained unutilized as shown in **Appendix 3.5**. Significant cases of un-utilised budget provision of ₹100 crore and above, are detailed below in **Table 3.7**.

Table 3.7: Details where un-utilised budget provision was ₹100 crore and above

(₹ in crore)

Grant No.	Nomenclature	Total Budget
02	02-2052-90-6452 Chief Minister Infrastructure Maintenance & Upgradation Authority	120.00
06	06-2052-90-6454 Development of Basic Facilities	120.00
13	13-2401-102-101-8972 Incentive Scheme on Paddy Production	2,397.00
40	40-4705-209-701-7907 Supply of Irrigation in Command Area	115.52
41	41-2216-3-796-105-702-7807 Pradhan Mantri Awas Yojana (Rural)	608.00
41	41-2401-796-102-102-8972 Incentive Scheme on Paddy Production	1,938.00
64	64-2401-789-102-103-8972 Incentive Scheme on Paddy Production	765.00
80	80-2515-198-7675 Grant received under the recommendation of 14th Finance Commission	173.05

CH1	CH1-6003-110-637 Ways and Means Advances	660.00
CH1	CH1-6003-110-779 Advance to meet Shortfall	264.51
CH2	CH2-2049-1-101-2199 New Market Loan	275.00

Source: Appropriation Account of 2020-21

3.5.6 Large Savings/Surrenders

Against the total savings of ₹24,082.67 crore, savings of more than ₹100 crore occurred under 23 grants/appropriations amounting to ₹21,641.14 crore which is 89.86 *per cent* of the overall savings during the year as detailed in **Appendix 3.6**. Out of these 23 grants/appropriations, savings of more than ₹500 crore was observed in *ten* grants amounting to ₹12,939.71 crore as detailed in **Appendix 3.7**. Further, surrender of more than ₹10 crore was made in 60 grants/appropriations amounting to ₹23,525.85 crore as detailed in **Appendix 3.8**.

There were huge savings during 2020-21, with 17 out of 72 Grants/Appropriations showing utilization of less than 50 *per cent* of the budget allocation. Utilisation of budgetary allocation in these 17 Grants/Appropriations for the five-year period from 2016-17 to 2020-21 is shown in **Table 3.8**.

Table 3.8: Grants/ Appropriations where utilisation of budget was less than 50 *per cent*

Grant Name	2016-17	2017-18	2018-19	2019-20	2020-21	No. of Years*	Budget 2020-21	Total Budget (5 years)
	Utilisation of budget (in per cent)						(₹ in crore)	
02-Other expenditure pertaining to General Administration Department	66	65	58	46	06	2	227.15	341.01
04-Other expenditure pertaining to Home Department	49	67	59	57	34	2	139.20	365.88
09-Expenditure pertaining to Revenue Department	46	36	37	58	24	4	21.24	108.75
21-Housing and Environment Department	68	45	31	58	37	3	616.91	3,656.55
22-Urban Administration and Development Department-Urban Bodies	80	87	82	73	24	1	23.46	132.20
25-Mineral Resources	89	98	32	12	23	3	501.36	2,932.23
36-Transport	36	35	38	68	49	4	101.58	494.05
37-Tourism	56	33	33	60	32	3	103.50	379.95
40-Ayacut	64	39	05	03	03	4	120.85	573.72
42-Public Works relating to Tribal Area Sub-Plan-Roads and Bridges	50	40	76	98	49	2	960.52	5,791.29
43-Sports and Youth Welfare	24	27	20	25	13	5	84.40	377.58
46-Science and Technology	62	36	35	34	34	4	25.50	111.55
57-Externally Aided Projects pertaining to Water Resources Department	00	-	-	-	00	2	100.00	101.00
65-Aviation Department	52	46	52	35	41	3	130.01	483.30

68-Public Works relating to Tribal Area Sub-Plan-Buildings	85	45	48	40	36	4	165.57	977.67
71-Information technology and Biotechnology	57	31	22	77	37	3	192.58	1,502.11
75-NABARD aided projects pertaining to WRD	98	74	66	29	25	2	697.81	3,197.33

*Number of years with utilisation below 50 per cent

Source: Appropriation Account of the respective years

Low Budget utilisation is indicative of systemic lacunae that warrant a close review by the Government to enable initiation of expeditious corrective measures. The reason for repeated low utilisation in Grant 43–Sports and Youth Welfare may be examined by Government, and corrective action taken.

Inability to utilise the budgeted provision deprives allocation of resources to other priority sectors and 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 have been prescribed by the PAC for the 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):

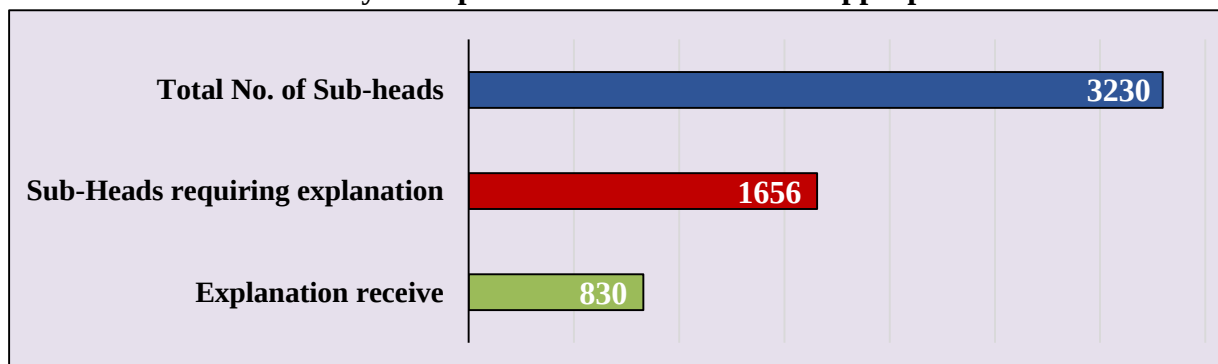
- Individual sub-heads for excess exceeding ₹5 lakh in case of Grants less than ₹10 crore.
- Individual sub-heads for excess exceeding ₹10 lakh in case of Grants between ₹10 crore and ₹30 crore.
- Individual sub-heads for excess exceeding ₹20 lakh in case of Grants exceeding ₹30 crore.
- General comments 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 2020-21 revealed that the Controlling Officers have not provided explanation for the variations in the expenditure *vis-à-vis* budgeted allocation in 51.27 *per cent* of the cases. Out of the total 3,230 Sub-Heads, reasons for variation were required in respect of 1,656 Sub-Heads as shown in **Appendix 3.9**. However, appropriate reasons for variations in 826 Sub-Heads were not furnished by the Controlling Officers of Government Departments. Out of 830 sub-heads for which the reasons for variations were furnished by the Controlling Officers of Government department, in 122 cases reasons for variations in the expenditure were attributed to COVID-19. The total number of Sub-Heads in the accounts, Sub-heads requiring explanation and the Sub-Heads where explanations were received for variations from allocations, are shown 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 expenditure of ₹3,432.11 crore over the authorisations made by the State Legislature under two grants and two appropriations during the financial year 2020-21. This was mainly due to excess expenditure of ₹4,026.52 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 3.9**.

Table 3.9: Excess over provision requiring regularisation during 2020-21

(₹ in crore)					
Department Name	Grant No.	Grant Description	Total Grant/	Total	Excess Expenditure
			Appropriation	Expenditure	
Revenue Voted					
Finance Department	06	Expenditure pertaining to Finance Department	6,992.20	7,243.79	251.59
Tribal Department	83	Financial Assistance To Tribal Area Sub-Plan - Urban Bodies	51.66	52.31	0.65
Revenue Charged					
Finance Department	06	Expenditure pertaining to Finance Department	0.50	1.55	1.05
Capital Charged					
-	CH1	Public Debt	4,841.47	8,020.29	3,178.82
Total			11,885.83	15,317.94	3,432.11

Source: Appropriation Accounts

Excess expenditure over the provision for the year is not only in contravention of the provisions requiring Legislative Sanction but is also an indicative of bad planning, which could have been avoided by keeping a track of expenditure progression with the budget made for the purpose.

Excess expenditure of ₹9,944.52 crore over provision for the years 2000-01 to 2019-20 was yet to be regularised as detailed in **Appendix 3.10**. This is in violation of Article 204 (3) of the Constitution which states 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 period 2000-01 to 2019-20 are given in the **Table 3.10**.

Table 3.10: Excess over provision requiring regularisation during 2000-01 to 2019-20

(₹ 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
2019-20	3	4	6,682.69
Total	139	55	9,944.52

Source: Appropriation Accounts of respective years

As per the details given in the above Table, there was an overall excess expenditure of ₹6,682.69 crore over authorisation during 2019-20.

Major head-wise excess disbursement of ₹3,674.01 crore over the authorization in 23 Major Heads under 10 grants/appropriations during 2020-21 are 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. The rush of expenditure towards the end of the financial year is regarded as a breach of financial propriety.

An expenditure of ₹1,649.08 crore was incurred in 17 Major Heads which was more than 50 *per cent* of the total expenditure of the concerned Major Head in March 2021. Details are given in the following **Table 3.11**.

Table 3.11: 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
2030	Stamps and Registration	5.41	4.69	5.99	93.83	109.91	88.50	80.52
2250	Canals and Tanks	0.07	0.18	0.15	5.78	6.18	4.86	78.70
2425	Co-Operation	14.42	10.93	11.38	139.60	176.33	102.47	58.11
2435	Other Agricultural Programmes	0.00	0.00	0.00	13.73	13.73	13.73	100.00
2810	New and Renewable Energy	0.00	16.01	0.09	58.60	74.70	47.80	63.99
2853	Non Ferrous Mining and Metallurgical Industries	11.75	8.25	73.62	123.06	216.68	117.53	54.24
3275	Other Communication Services	0.00	0.00	6.63	29.00	35.63	18.75	52.62
4210	Capital Outlay On Medical and Public Health	48.40	12.81	101.47	349.03	511.71	291.13	56.89
4225	Capital Outlay On Welfare Of SC/ST and OBC & Minorities	0.00	10.90	43.49	303.91	358.30	251.99	70.33
4235	Capital Outlay On Social Security and Welfare	0.00	0.03	0.10	34.15	34.29	34.12	99.52

4406	Capital Outlay On Forestry and Wild Life	0.25	1.30	1.82	16.60	19.98	11.06	55.38
4801	Capital Outlay On Power Projects	0.00	0.00	20.32	181.79	202.10	181.63	89.87
4810	Capital Outlay On New and Renewable Energy	0.00	0.00	0.00	550.00	550.00	350.00	63.64
5275	Capital Outlay On Other Communication Services	0.00	0.00	0.00	70.00	70.00	70.00	100.00
5425	Capital Outlay On Other Scientific and Environmental Research	0.00	0.00	0.00	3.00	3.00	3.00	100.00
6217	Loans For Urban Development	0.00	0.00	0.00	0.50	0.50	0.50	100.00
6853	Loans For Non-Ferrous Mining and Metallurgical Industries	0.00	0.00	0.00	62.00	62.00	62.00	100.00
Total		80.30	65.10	265.06	2,034.57	2,445.03	1,649.08	67.45

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

In five major heads, 100 per cent expenditure was incurred in the month of March 2021. Maintaining a steady pace of expenditure is a crucial component of sound public financial management, as it obviates fiscal imbalance and temporary cash crunches due to mismatch of revenue expenditure during a particular month arising out of unanticipated heavy expenditure in that particular month.

3.6.1 Sub-Heads (Schemes), where entire expenditure was incurred in March 2021

Under 10 scheme heads, the entire expenditure amounting to ₹27.78 crore was incurred at the fag end of the year as detailed in **Appendix 3.12**. A high percentage of expenditure at the fag end of the year indicates that a uniform flow of expenditure, which is a primary requirement of budgetary control, was not maintained. Out of these 10 scheme heads, in one scheme head -“2406-1-800-6447 Biodiversity management committee”, the entire scheme expenditure of ₹ 13 crore was incurred in March 2021.

3.7 Conclusion

Budgetary assumptions of the State Government were not realistic during 2020-21 resulting in savings/excesses. Besides, budgetary control mechanism for execution and monitoring of budget to ensure that savings are curtailed, large savings within the Grants/Appropriations are controlled by proper re-appropriations, and anticipated savings are identified and surrendered within the specified timeframe so that the funds can be utilised for developmental purposes was inadequate. Also, the percentage of utilization (81.22 per cent) of Budgeted funds decreased during 2020-21 compared to the previous year (86.30 per cent).

Excess expenditure of ₹3,432.11 crore pertaining to two Grants and two Appropriations during 2020-21 requires regularisation from the State Legislature.

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 neither cautioned against persistent savings; nor were their budgets varied in accordance with their ability to absorb the allocations.

3.8 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 so that the funds can be utilised for developmental purposes.
- iii.** The State Government need to get the excess expenditure over a grant/appropriation during the period 2000-01 to 2019-20 regularized by the State Legislature at the earliest.
- iv.** The State Government should prepare supplementary budget as per actual needs so that supplementary provisions are more realistic.

CHAPTER IV
QUALITY OF ACCOUNTS
AND
FINANCIAL REPORTING
PRACTICES

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 of 31 March 2021, 460 UCs in respect of grants aggregating ₹7,016.93 crore given to 17 Departments of the State Government during the period 2008-09 to 2019-20 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

Grant-In-Aid released	Utilisation Certificates due	(₹ in crore)		
		Utilisation Certificates outstanding as of 31 March 2021		
		Delay	Number	Amount
Up to 2017-18	Up to September 2018	More than two years	67	245.61
2018-19	September 2019	More than one year	155	3,445.21
2019-20	September 2020	06 months	238	3,326.11
Total			460	7,016.93

Considering that the Departmental authorities have not yet explained as to how an amount of ₹7,016.93 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**.

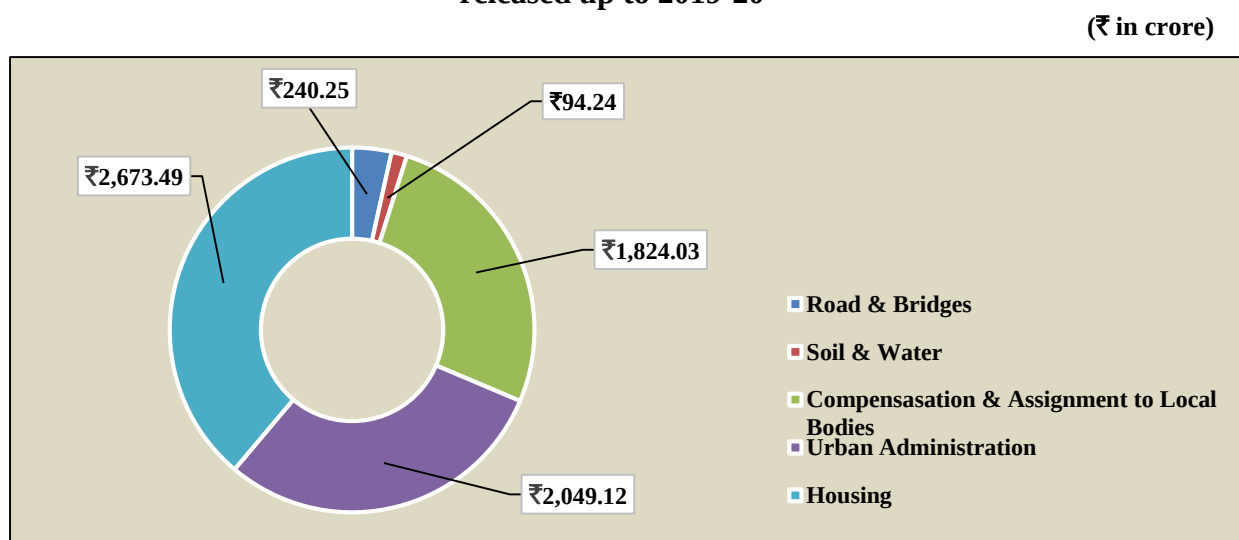
Table 4.2: Year-wise breakup of pending UCs

(₹ 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	35	197.37
2018-19	155	3,445.20
2019-20	238	3,326.11
Total	460	7,016.93

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

In the absence of UCs relating to funds provided as far back as 2008-09, there is no assurance as to the utilization of funds for the purpose for which they were sanctioned and the possibility of misappropriation of these funds cannot be ruled out. **Table 4.2** reveals that 85.43 per cent of outstanding UCs pertains to the last two years i.e., 2018-19 and 2019-20. Department-wise break-up of outstanding UCs for the grants paid up to the year 2019-20 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 released up to 2019-20



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.

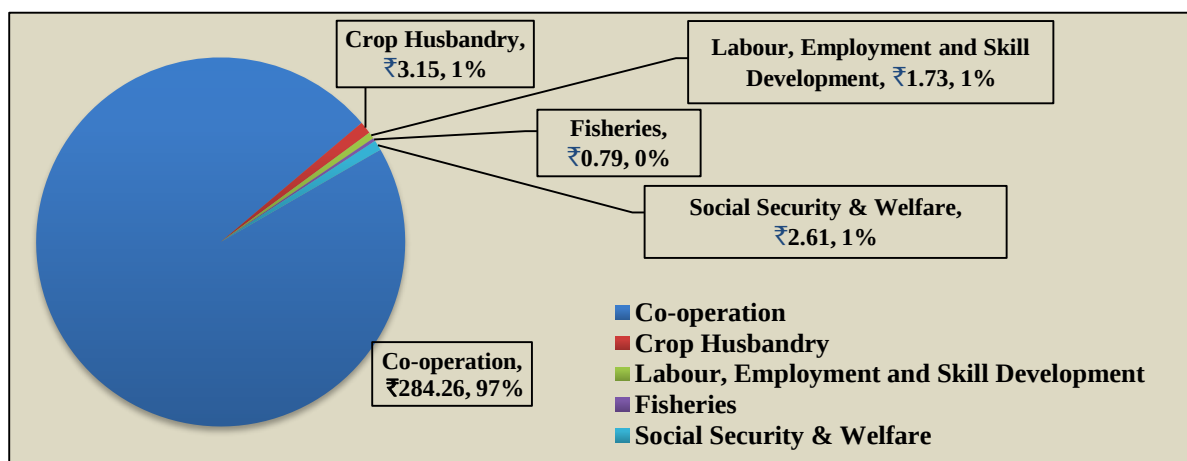
4.3 Pending DCC Bills

As per 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 25th of the following month in which such amounts are drawn.

As of 31 March 2021, 19 Departments of the Government of Chhattisgarh had not submitted DCC bills for ₹295.53 crore against 460 AC Bills. Department-wise pending DCC bills for the years up to 2020-21 are detailed in **Appendix-4.2**. Status of pending DCC bills in respect of five major departments is given in **Chart 4.2**.

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

(₹ in crore)



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

Year-wise details of pendency of DCC bills for the years up to 2020-21 are given in **Table 4.3**.

Table 4.3: 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 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
2020-21	315	201.59	208	2947.73	63	2853.79	460	295.53

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

Out of 460 DCC bills worth ₹295.53 crore pending submission as of 31 March 2021, 86 DC bills (₹0.98 crore), 186 DC bills (₹191.46 crore) and 172 DC bills (₹102.89 crore) pertain to the years 2018-19, 2019-20 and 2020-21 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 29 District Treasuries, 53 Forest Divisions, 64 Rural Engineering Services and 155 Other Divisions¹.

During the financial year 2020-21, there were delays in rendition of monthly accounts ranging from one to 31 days by treasuries, one day to three months by public works divisions, and one to 29 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 4.4**.

Table 4.4: Balances under Suspense and Remittance Heads

Major Head 8658-Suspense Minor Head	2018-19		2019-20		2020-21	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101-PAO suspense	52.55	18.83	67.35	19.50	75.32	15.59
Net	Dr. 33.72		Dr. 47.85		Dr. 59.73	
102-Suspense Account-Civil	32.44	0.17	30.81	0.17	29.62	0.17
Net	Dr. 32.27		Dr. 30.64		Dr. 29.45	
109-Reserve Bank Suspense - Headquarters	2.61	3.02	0.03	0.68	1.61	0.04
Net	Cr. 0.41		Cr. 0.65		Dr. 1.57	
110-Reserve Bank Suspense - CAO	1.72	0.00	3.57	0.01	13.62	0.01
Net	Dr. 1.72		Dr. 3.56		Dr. 13.61	
112-Tax Deducted at Source	0.00	65.08	0.00	71.10	0.00	63.14
Net	Cr. 65.08		Cr. 71.10		Dr. 63.14	
113-Provident Fund Suspense	46.08	0.00	44.35	0.00	20.62	0.00

¹ 53 Public Works Divisions, 62 Irrigation Divisions (Water Resources Department), 36 Public Health Engineering Divisions and 4 Road Development Divisions.

Net	Dr. 46.08		Dr. 44.35		Dr. 20.62	
123-All India Service Officer's Group Insurance Scheme	0.00	0.16	0.00	0.19	0.00	0.27
Net	Cr. 0.16		Cr. 0.19		Cr. 0.27	
129-Material Purchase Settlement Suspense Account	0.00	84.11	0.00	84.11	0.00	81.67
Net	Cr. 84.11		Cr. 84.11		Cr. 81.67	
Major Head 8782-Cash Remittances						
102-P.W. Remittances	112.34	9.13	74.83	42.43	74.32	9.13
Net	Dr. 103.21		Dr. 32.40		Dr. 65.19	
103-Forest Remittances	37.83	5.22	36.20	5.44	50.44	5.56
Net	Dr. 32.61		Dr. 30.76		Dr. 44.88	

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 4.5 provides the status of funds lying in PD Accounts on the last day of the financial year during the five-year period 2016-21.

Table 4.5: Parking of funds in Personal Deposit Accounts during 2016-21

(₹ in crore)

Year	Opening Balance as on 1 st April		Addition during the year/receipts		Closed during the year/Disbursements		Closing Balance as on 31 st March	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
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
2020-21	223	1,585.26	03	502.34	18	526.65	208	1,560.95

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

As can be seen from **Table 4.5**, during 2016-17 to 2020-21, a total of 15 PD accounts were opened and 99 accounts were closed, as of 31 March 2021, 208 PD accounts were in existence and the closing balance in these accounts was ₹1,560.95 crore.

The State Government drew an amount of ₹0.86 crore from three Major Heads during March 2021 and deposited the same in PD accounts, the details of which are shown in **Table 4.6**. Such transfers at the end of the financial year indicate that the transfers were done to prevent lapse of budgetary provision.

Table 4.6: Details of amounts transferred to Personal Deposit Accounts during March 2021

		(₹ in crore)
Administrator	Major Head	Amount
Superintendent, Central Jail, Bilaspur	2056	0.26
Joint Director, Panchayat Welfare, Bilaspur	2235	0.08
Deputy Director, Women and Child Development, Raipur	2235	0.50
Collector, Land Records, Dhamtari	2029	0.02
Total		0.86

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

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 ₹1,560.95 crore under PD Accounts, ₹1,301.95 crore were on account of non-disbursement of amount relating to land acquisition. The treasury wise details of undisbursed funds pertaining to land acquisition are given in Table 4.7.

Table 4.7: 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	293.46
2	Raipur	256.19
3	Raigarh	189.01
4	Janjgir-Champa	92.01
5	Sarguja (Ambikapur)	66.08
6	Balrampur	49.57
7	Gariyaband	41.15
8	Korba	64.93
9	Jagdalpur	26.16
10	Rajnandgaon	35.19
11	Mahasamund	25.04
12	Kabirdham	9.14
13	Jashpur	13.39
14	Korea	12.67
15	Surajpur	5.88
16	Kanker	9.09
17	Durg	1.71
18	Kondagaon	7.11
19	Dantewada	6.24
20	Balodabazar	3.13
21	Dhamtari	7.63
22	Mungeli	27.53
23	Bemetara	2.18
24	Bijapur	0.18
25	Pendra- Marwahi ²	57.28
Total		1,301.95

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

² Figure of Pendra- Marwahi was counted last year under the Treasury of Bilaspur.

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 208 PD accounts, 16 PD accounts having a total balance of ₹13.54 crore remained inoperative for more than three years as of 31 March, 2021. 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 ₹234.92 crore to Central Road Fund during 2020-21, out of which only ₹176.63 crore was transferred by the State Government to “8449-Other Deposits-103 Subvention from Central Road Fund” in the Public Account resulting in understatement of revenue and fiscal deficit to the tune of ₹58.29 crore. The State Government has also transferred ₹119.91 crore pertaining to the year 2019-20 to Central Road Fund during 2020-21.

Details of the fund received from the Government of India and transferred by the State Government to “8449-Other Deposits-103 Subvention from Central Road Fund” in the Public Account during 2018-21 are given in **Table 4.8**.

Table: 4.8 Details of Central Road Fund during 2018-21

(₹ in crore)				
Year	Opening Balance	Grant released from GoI	Grant transferred by GoCG to 8449-Other Deposit-103	Closing Balance (Amount not transferred by GoCG)
2018-19	0.00	214.02	200.00	14.02
2019-20	14.02	371.61	198.55	187.08
2020-21	187.08	234.92	296.54	125.46 ³

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

4.7.1 Infrastructure Development Fund

Chhattisgarh (*Adhosanrachna Vikas Evam Paryavaran*) *Upkar Adhiniyam*, 2005 provides that cess on land shall be levied for raising funds to implement infrastructure development projects and environment improvement projects. The Act is extended to the whole of State of Chhattisgarh and is in force since 27 May 2005. As per the Act, Infrastructure Development

³ Out of total outstanding fund of ₹187.08 crore (₹14.02+₹173.06) due for transferred up to 2019-20, ₹119.91 crore was transferred to 8449-Other Deposit-103 by GoCG during 2020-21. Hence, GoCG has still not transferred ₹125.46 crore to 8449-Other Deposit-103.

Cess (IDC) shall be levied and collected on all lands on which land revenue or rent is levied. The IDC so collected should be transferred to the Infrastructure Development Fund (IDF), from which expenditure on infrastructure development projects is made. Audit scrutiny, revealed that, the State Government collected IDC of ₹219.90 crore in 2019-20 and same amount was not transferred to IDF during 2020-21. The un-transferred balance of ₹219.90 crore contributes to undischarged liability of the State Government. Such un-transferred balances resulted in understatement of the revenue deficit and fiscal deficit.

4.7.2 Environment Fund

As per provision made under Chhattisgarh (*Adhoshanrachna Vikas Evam Paryavaran*) Upkar Adhiniyam, 2005, an Environment Fund shall be established in GoCG. Environment cess so collected should be transferred to the Environment Fund for implementation of environment projects in the State. Scrutiny of the relevant records revealed that ₹219.90 crore was collected as Environment cess in 2019-20 and same amount was also not transferred to Environment Fund, during 2020-21 by GoCG. Non transfer of the collected cess to Environment Fund, resulted in understatement of the revenue deficit and fiscal deficit. Further, non-transfer of cess to Environment Fund for implementation of environment projects also defeated the purpose of creation of fund.

4.8 Funds outside Public Account of the State

GoCG constituted Building and other construction Workers Welfare Board (September 2008). The Board collects cess at the rate of one *per cent* of cost of construction from the employers and utilizes it for the implementation of its schemes as per BOCW Welfare Cess Act 1996. 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. However, Labour Cess collected by four State Government Departments⁴ has been directly booked under Major Head-8443-Civil Deposit-108-Public Works Deposits. Further, since Minor Head-Public Works Deposits does not have any further sub-heads below it, it is not possible to segregate the amounts paid to the Labour Welfare Board. Thus, there is no uniformity in the accounting procedures followed by Government departments and private agencies in GoCG for collection and transfer of Labour cess to Labour Welfare Board in the absence of specific rules and provisions for accounting the labour cess.

4.8.1 Year-wise receipt and utilisation of Labour Cess

The year-wise position of receipt and expenditure of cess for the period 2018-19 to 2020-21 is detailed in **Table 4.9**.

⁴ Public Works Department, Public Health Engineering, Water Resources Department and Panchayat & Rural Development Department.

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			
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
2020-21	380.80	0.73	172.34	31.39	585.26	108.10	477.16

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

Out of total expenditure of ₹108.10 crore during 2020-21, the Board incurred an expenditure of ₹105.06 crore (97.18 *per cent*) on welfare schemes and ₹3.04 crore (2.82 *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 from 2017-18 to 2020-21 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
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
2020-21	585.26	22	382.68	105.06	21,15,415	1,69,239	8.00	27.45	17.95

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

The Board could utilise only 17.95 *per cent* of available funds and only eight *per cent* of registered workers were benefited under various schemes during 2020-21.

Due to non-utilisation of funds amounting to ₹477.16 crore, registered workers were deprived of the benefits of various schemes. During Covid-19 pandemic, Board incurred expenditure of ₹ 9.10 crore (₹4.92 crore to Railway Divisions/Bus Operators for transporting migrant workers, ₹3.80 crore on various contingent needs of migrant workers and ₹0.38 crore under various welfare schemes) for the welfare of migrant workers.

Audit scrutiny revealed that out of ₹35.32 crore of cess collected by *four* State Government departments, only an amount of ₹35.86 crore (includes balance of previous years ₹6.66 crore also) was transferred to the Board and balance of ₹6.12 crore has been kept under Public Account Major Head 8443. Details of short transfer of cess by these *four* departments- 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	4.73
Public Health Engineering Department	0.44
Rural Engineering Services (Panchayat and Rural Development Department)	0.16
Rural Development Division (Panchayat and Rural Development Department)	0.79
Total	6.12

4.9 Booking under Minor Head 800

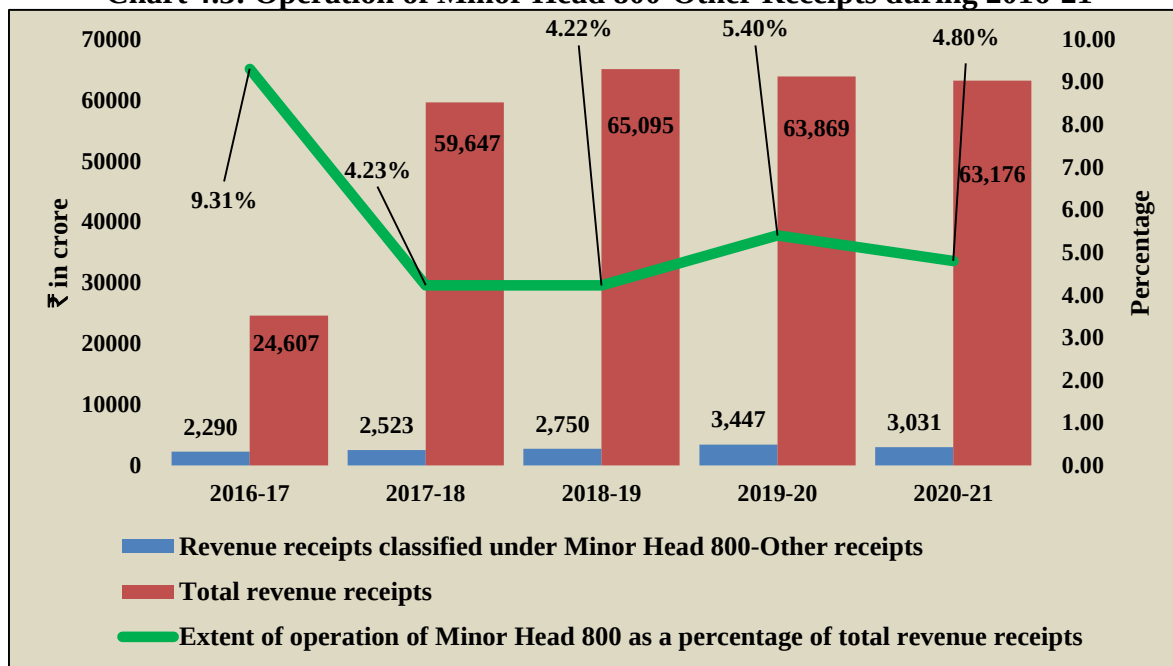
Minor Head-800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate Minor Head has not been provided in the accounts. Routine operation of Minor Head-800 is to be discouraged, since it renders the accounts opaque and it does not disclose the schemes/programmes,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

Receipts of ₹3,030.67 crore (constituting 4.80 *per cent* of the total revenue receipts of ₹63,176.18 crore of the State during 2020-21), recorded under 43 revenue receipts Major Heads, were classified under the Minor Head '800-Other Receipts'. Further, under *thirteen* Major Heads of accounts (revenue receipts) the percentage of booking in the Minor Head 800 ranged from 55.93 to 106.95 *per cent* of total revenue receipts under the respective Major Heads. Details are given in **Appendix 4.3**. In the *thirteen* Major Head of Accounts out of total receipts of ₹497.94 crore, ₹440.26 crore (88.42 *per cent*) was classified under '800-Other Receipts'.

Similarly, an expenditure of ₹1,268.92 crore (constituting 1.61 *per cent* of total expenditure of ₹79,057.03 crore of the State during 2020-21), recorded under 47 Revenue and Capital expenditure Major Heads, was classified under the Minor Head '800-Other Expenditure'. Out of the total expenditure of ₹1,156.95 crore booked under twelve Major Heads of accounts (revenue and capital), an amount of ₹1,127.82 crore (97.48 *per cent*) was classified under the Minor Head of account '800-Other Expenditure' and the percentage of such expenditure under the Minor Head ranged from 47.21 to 100 *per cent* of total expenditure under the respective Major Heads reflecting the incongruity of classification, as shown in **Appendix 4.4**.

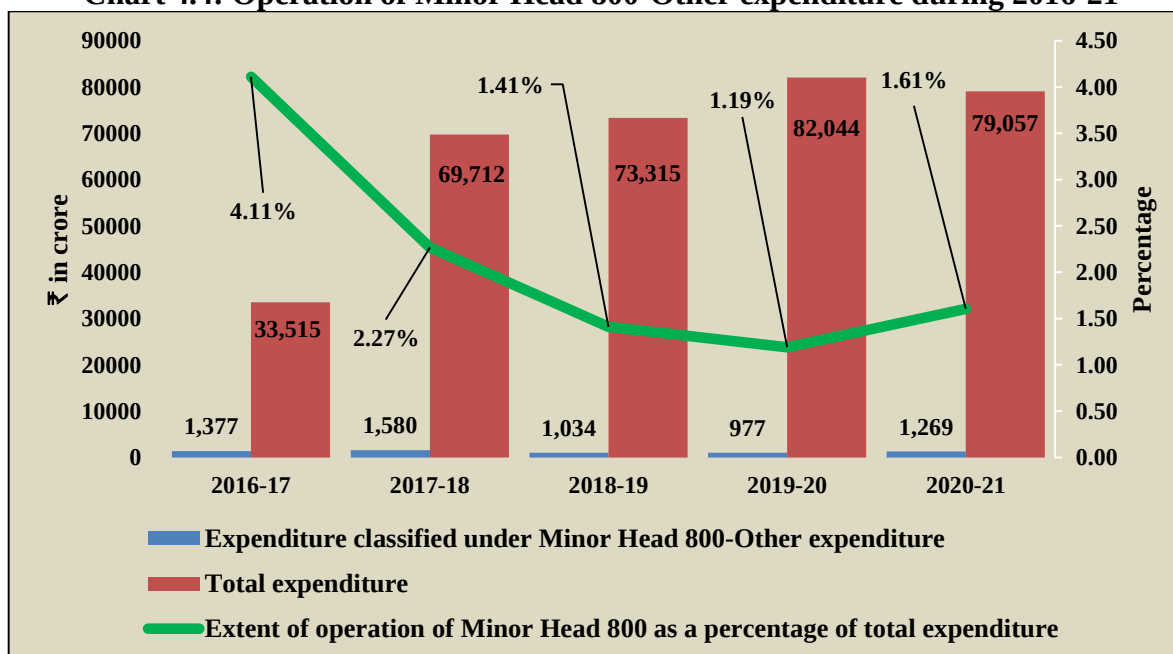
The extent of operation of Minor Head 800 for receipts and expenditure, as a percentage of Total Receipts and Expenditure during 2016-21, is given in **Charts 4.3 and 4.4**.

Chart 4.3: Operation of Minor Head 800-Other Receipts during 2016-21



Source: Finance Accounts of the respective years

Chart 4.4: Operation of Minor Head 800-Other expenditure during 2016-21



Source: Finance Accounts of the respective years

This issue has been flagged in the SFAR every year. There has been a minor decrease in the amount classified under this Minor Head on the Receipts side during 2020-21 (4.80 per cent) as compared to the previous year (5.40 per cent). On the expenditure side, it increased from 1.19 per cent in 2019-20 to 1.61 per cent of total expenditure during 2020-21. The fact that such substantial proportion of the receipts and expenditure 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 under Minor Head - 800 - other receipts

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 ₹5,538.49 crore under Major Head 0853-800 during 2020-21, receipts of royalties of ₹5.50 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 under 800
1.	Raipur	43	0.91
2.	Gariyaband	05	0.77
3.	Baikhunthpur & Korea	40	1.14
4.	Ambikapur	06	0.15
5.	Bilaspur	15	0.63
6.	Raigarh	15	1.02
7.	Jashpur	10	0.11
8.	Dongargaon	08	0.58
9.	Bemetara	02	0.19
Total		144	5.50

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

Rule 56(2) of Chhattisgarh Minor Minerals Rules, 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, due to misclassifications of Minor Head 102 (Mineral Concession fees rents and royalties) under Major Head 0853 (Non-Ferrous Mining and Metallurgical Industries) to 800 (Other receipts), a substantial revenue loss to the *Gram Panchayat* and *Janpad Panchayat* cannot be ruled out.

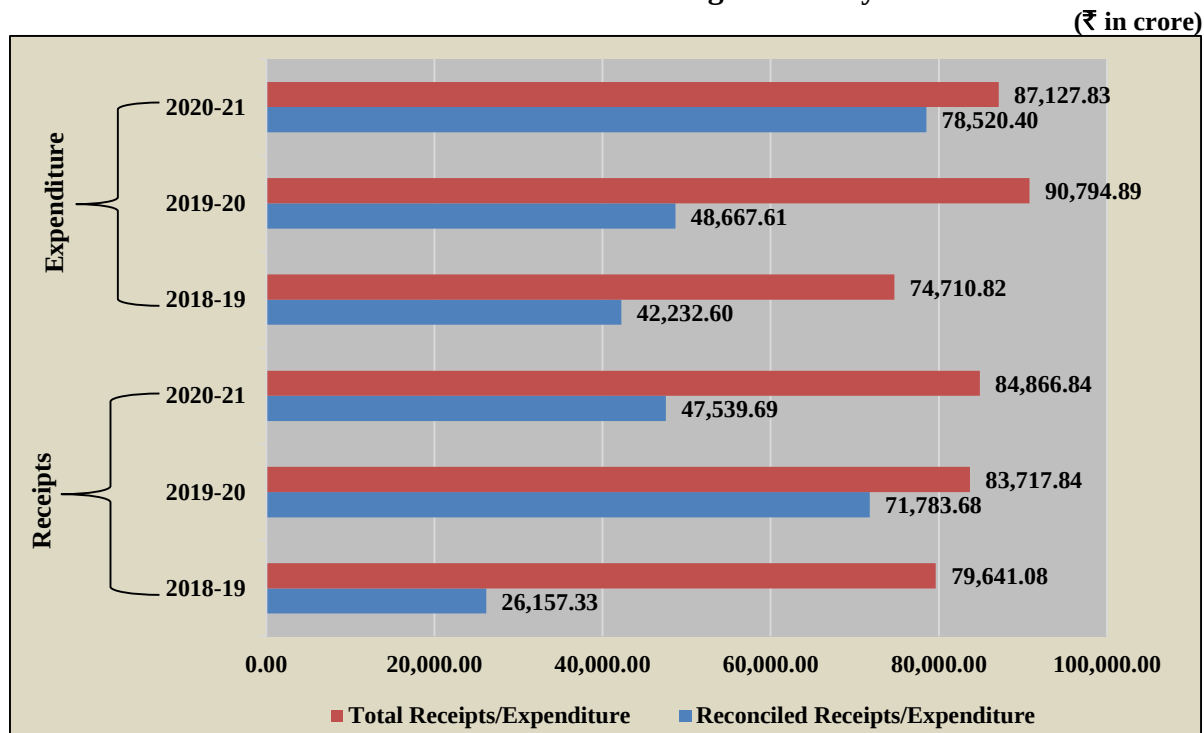
4.10 Non-Reconciliation of Departmental Figures

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 85.74 *per cent* of the receipts and 53.60 *per cent* of the disbursements were reconciled during 2019-20, these figures are 56.02 *per cent* for receipts and 90.12 *per cent* in respect of disbursements for the year 2020-21.

The status of reconciliation of receipts and expenditure by the COs during the three year period 2018-21 is shown in **Chart 4.5**.

Chart 4.5: Status of reconciliation during the three years 2018-21



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
Receipts							
2018-19	40	13	00	27	79,641.08	26,157.33	32.84
2019-20	40	14	14	12	83,717.84	71,783.68	85.74
2020-21	40	04	31	05	84,866.84	47,539.69	56.02
Expenditure							
2018-19	94	44	20	30	74,710.82	42,232.60	56.53
2019-20	94	19	39	36	90,794.89	48,667.61	53.60
2020-21	94	61	23	10	87,127.83	78,520.40	90.12

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 of 31 March 2021, there was a difference of ₹194.71 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 the 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 2020-21 are given in **Table 4.14**.

Table 4.14: Compliance with Indian Government Accounting Standards

IGAS	Essence of IGAS	Status	Impact of non-compliance
IGAS 1- Guarantees given by government– Disclosure requirements	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.	Partially Complied	State Government disclosed about 11 out of 13 guarantee institutions i.e. (Eighty Five <i>per cent</i>) related to guarantees in prescribed format of IGAS-1 during the year 2020-21, along with additions during the year, discharged, invoked and outstanding as of end of March 2021.
IGAS 2- Accounting and Classification of Grants-in-Aid	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.	Partially complied	State Government has disbursed GIA amounting to ₹1,837.67 crore for creation of capital Assets and accounted as Capital Expenditure instead of Revenue Expenditure. Further, 13 out of 94 Budget Controlling Officers i.e. 14 <i>per cent</i> have furnished the information relating to GIA in prescribed format of IGAS-2. Non-compliance led to understatement of revenue deficit and overstatement of Capital Expenditure.
IGAS 3- Loans & Advances made by Government	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	Partially complied	53 out of 94 Budget Controlling Officers i.e. 57 <i>per cent</i> have furnished the information relating to loans and advances made by the Government in prescribed format of IGAS-3. Non-compliance of IGAS-3 leads to opaqueness in accounting practices.

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 June 2021 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, 1971	2014-15 onwards	2019-20 ⁵	SAR for the year 2016-17 issued to the State Government on 04-06-2021.	36 (2017-18) 24 (2018-19) 12 (2019-20) 00 (2020-21)
02	Chhattisgarh State & District Legal Services Authority	19 (2) of DPC Act, 1971	2009 and onwards	2012-13 to 2014-15 ⁶	SARs issued to the State Government.	60 (2015-16) 48 (2016-17) 36 (2017-18) 24 (2018-19) 12 (2019-20) 00 (2020-21)
03	Chhattisgarh State Housing Board	19 (3) of DPC Act, 1971	2007-08 to 2011-12	2007-08 to 2011-12	SARs issued to the State Government.	Not entrusted from 2011-12 onwards (i.e. from 2012-13)
04	Chhattisgarh Real Estate Regulatory Authority	19 (2) of DPC Act, 1971	2019-20 onwards	2019-20	--	06 (2019-20) 00 (2020-21)

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 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 2021, a total of 2,138 cases amounting to ₹125.73 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 4.5**. Year-wise analysis of cases is shown in **Appendix 4.6**. The age-profile of the pending cases and the number of cases pending in each category viz. theft and loss are summarised in **Table: 4.16**.

⁵ Accounts for the year 2017-18 to 2019-20 received on 05-07-2021 and audit would be taken up shortly.

⁶ Accounts of District Legal Services Authority, Mahasamund and Janjgir Champa has been received up to 2018-19 & Accounts of District Legal Services Authority, Balod has been received for the year 2013-14 to 2017-18. Further, SARs of all three District Legal Services Authorities have already been issued up to the period of accounts received respectively.

Table 4.16: 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	291	9.81			
5 – 10	510	91.13	Theft	137	0.58
10 – 15	256	11.41	Loss of property/material	1,933	119.83
15 – 20	204	3.52	Defalcation	68	5.32
20 – 25	222	4.48			
25 & above	655	5.38			
Total	2,138	125.73	Total pending cases	2,138	125.73

Source: Cases reported by the departments of the State Government

Out of 2,138 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 345 cases out of 2,138 cases.

Further, it was also observed that in five cases, various departments had recovered ₹1.04 lakh during 2020-21 as detailed in **Appendix 4.7**.

4.15 Off Budget Borrowing

The State Government PSUs/Corporations/Other bodies may take loans to implement various schemes/programmes of the Government. The repayment of such loans may be the responsibility of the State Government from its budgetary resources. Such borrowings will impact the revenue deficit and fiscal deficit of the State Government. Creating such liabilities without disclosing them in the budget, raises questions both on transparency and inter-generational equity. Such off-budget borrowings are not taken into the disclosure Statements in the budget documents, nor do these have Legislative approval. Three instances of off-budget liabilities have been discussed below:

a.) Government of Chhattisgarh issued guarantees to Chhattisgarh Housing Board (CHB) for availing loans of ₹800 crore from Canara Bank for construction of 6,424 residential buildings for Government Officials and ₹195.00 crore in 2017-18 from Allahabad Bank for purchasing 728 flats. Against the total guaranteed amount, CHB availed loan of ₹751.95 crore and ₹195 crore respectively upto 31 March 2021. The State Government has repaid interest and principal of ₹203.20 crore through budget on the above loans.

b.) Similarly, 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 Officials in June/July 2017 (Valid up to 2027).CPHCL has availed total loan of ₹562.03 crore up to March 2021 against the maximum guaranteed amount of ₹ 1200 crore. The State Government has repaid interest of ₹ 115.03 crore through budget on the above loans.

c.) Further, Government issued guarantee to State Urban Development Agency (SUDA) for availing loans of ₹3,357 crore from financial institutions for payment of State share in “Pradhan Mantri Awaas Yojana” (PMAY-Urban) in February 2018 (Valid up to 2022). Out of

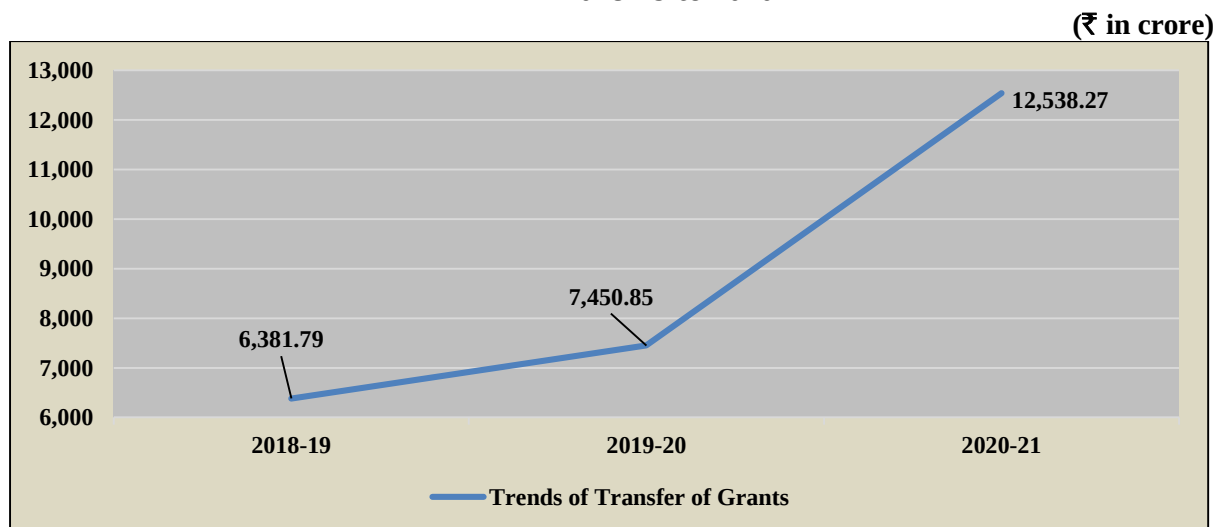
which, SUDA availed loan of ₹825 crore up to 31 March 2021. The State Government has made repayment of ₹ 103.83 crore towards interest and principal of above loan from the Budget.

It is evident from the above instances that use of borrowed funds raised through other entities for financing the expenditure of the State Government not only led to understatement of revenue/capital expenditure and revenue/fiscal deficit but also ensured that borrowings remains outside the computation of debt in the accounts of the State Government. The burden of current expenditure would get shifted to future generations to the extent of service of debt through budgetary support in subsequent years. The State Government has a net off budget liability of ₹2,309.79 crore⁷ (2.49 per cent of total budgeted liabilities) in addition to the total budgeted liabilities of ₹92,714.22 crore outstanding as of 31 March 2021. Budget documents of the State Government for the year 2017-18 to 2020-21 did not disclose any off-budget borrowings.

4.16 Funds transferred directly to State implementing agencies

During the year 2020-21, an amount of ₹12,538.27 crore was transferred directly to the implementing agencies in Chhattisgarh as per Public Financial Management System Portal of Controller General of Accounts (CGA). The trends of transfer of such amount from 2018-19 to 2020-21 is shown in **Chart 4.6**.

Chart 4.6 Trends of transfer of Grants directly to state implementing agencies from 2018-19 to 2020-21



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

As compared to previous year the direct transfer of fund to the implementing agencies has increased during this year by ₹5,087.42 crore (68.28%).

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 Legislative Assembly is yet to take up these reports for discussion (September 2021).

⁷ Total loan availed (₹2333.98 crore) - repayment of principal (₹24.19 crore) as on March 2021.

4.18 Conclusion

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’ (₹3,030.67 crore) and ‘Other Expenditure’ (₹1,268.92 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 the budget, its off budget borrowing 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. The 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. The State Government should disclose all its liabilities, including off budget 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.

CHAPTER V

FINANCIAL PERFORMANCE

OF STATE PUBLIC

SECTOR UNDERTAKINGS

Chapter V: Financial Performance of State Public Sector Undertakings

5.1 Introduction

This Chapter presents the summary of financial performance of State Public Sector Undertakings of the Government of Chhattisgarh for the year 2020-21. The term State Public Sector Undertakings (PSUs) encompasses the Government Companies set up under the Companies Act, 2013 and the Statutory Corporations set up under Statutes enacted by the Parliament/State Legislature.

This Chapter gives the summarised position of financial performance of the State Government Companies and Corporations as revealed from their accounts. Significant comments¹ issued as a result of supplementary audit/sole audit of the financial statements of the Government Companies/Corporations conducted by the CAG for the year 2020-21 (or of earlier years which were finalised during the current year) have been covered in this Report.

5.2 Definition of Government Companies/Corporations

A Government Company is defined in Section 2(45) of the Companies Act, 2013, as a Company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, and includes a Company which is a subsidiary of a Government Company.

A Statutory Corporation is set up under a statute enacted by Parliament/State Legislature.

5.3 Mandate of audit

Audit of Government Companies and Government Controlled Other Companies is conducted by the Comptroller and Auditor General of India under the provisions of Section 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of Comptroller and Auditor General of India's (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made there under. Under the Companies Act, 2013, the Comptroller and Auditor General of India appoints the Chartered Accountants as Statutory Auditors for companies and gives directions on the manner in which the accounts are to be audited. In addition, the Comptroller and Auditor General of India have the right to conduct a supplementary audit.

The statutes governing Statutory Corporations require the Comptroller and Auditor General of India to conduct audit of their accounts either as a sole auditor or to conduct supplementary audit after the audit is conducted by the Chartered Accountants appointed under the statutes.

5.4 State Public Sector Undertakings and their contribution to the Gross State Domestic Product

As on 31 March 2021, there were 30 PSUs in Chhattisgarh State (including 29 Government Companies and one² Statutory Corporation) under the audit jurisdiction of the Comptroller

¹Based on the certificates finalized/issued from 1 January 2020 to 30 September 2021.

² Chhattisgarh State Warehousing Corporation (CSWC).

and Auditor General of India (CAG). None of the PSUs were listed on the stock exchange (s). Out of the 30 State PSUs, 28 were working PSUs (27 Companies and one Statutory Corporation) and two PSUs³ were inactive. Out of the 28 working PSUs, only 25 PSUs (24 Companies and one Statutory Corporation), whose accounts were in arrears for two or less years as on 30 September 2021 have been considered for detailed analysis of financial performances in this Report. Three PSUs whose accounts were in arrears for three or more years (two PSUs⁴) or first accounts were not submitted (one PSU⁵) have not been considered for detailed analysis in this Report (**Appendix 5.1**).

A ratio of turnover of the PSUs to the Gross State Domestic Product (GSDP) shows the extent of activities of the PSUs in the State economy. On the basis of nature of activities undertaken, these 25 PSUs have been categorised into six sectors. The turnover (₹39,964.32 crore) of these 25 PSUs for 2020-21 was 11.41 *per cent* of the GSDP of Chhattisgarh (₹3,50,270 crore) for the year. Power sector alone accounts for over 57 *per cent* of the total turnover of the PSUs during 2020-21(**Table 5.1**).

Table 5.1: Sector wise turnover vis-a-vis share of turnover of Public Sector Undertakings in Gross State Domestic Product of Chhattisgarh during 2020-21

Sl. No.	Name of the Sector	Number of PSUs	Turnover for the year (₹ in crore)	Share of Turnover in GSDP
1	Energy and Power	6	23,153.77	6.61
2	Infrastructure	5	25.42	0.01
3	Finance	1	2.77	0.01
4	Agriculture, Food and Allied Industries	2	545.01	0.16
5	Services	9	16,215.65	4.63
6	Others	2	21.70	0.01
	Total	25	39,964.32	11.41

Source: Information compiled on the basis of latest financial statements of PSUs.

5.5 Audit of Public Sector Undertakings including Government Companies and Corporations

The Comptroller and Auditor General of India, as per his mandate, conducts supplementary audit of the annual accounts of all 30 Companies (29 Government Companies and one Statutory Corporation). The status of submission of financial statements by the PSUs as on 30 September 2021 is presented in **Table 5.2**.

³ Chhattisgarh Sondiha Coal Company Limited, CMDC ICPL Coal Limited

⁴ Chhattisgarh State Industrial Development Corporation Limited, Raipur Smart City Limited

⁵ Chhattisgarh State Information Infrastructure Corporation Limited

Table 5.2: Status of submission of financial statements by PSUs

Type of PSUs	Total Number of PSUs	Status of finalisation of Accounts by PSUs as of 30 September 2021 ⁶				Number of PSUs whose accounts were in arrears (No. of Accounts in arrears)
		Accounts for 2020-21	Accounts for 2019-20	Accounts up to 2018-19	Total	
Government Companies	27	6	12	9	27	21 (36)
Statutory Corporation	1	-	-	1	1	1 (2)
Total Working PSUs	28	6	12	10	28	22 (38)
Inactive PSUs	2	1	-	1	2	1 (2)
Total	30	7	12	11	30	23 (40)

Source: Annual accounts submitted by PSUs

The summary of financial performance based on the latest finalized accounts of 25 PSUs covered in this report is detailed in **Table 5.3**.

Table 5.3: Summary of financial performance of PSUs (Government Companies and Statutory Corporation)

Summary of financial performance of PSUs	
Total Number of State PSUs	30
Number of PSUs covered in this Report	25
Paid up capital (25 PSUs)	₹6,907.41 crore
Long term loans(25 PSUs)	₹13,283.01 crore
Net profit (15 PSUs)	₹697.56 crore
Net loss (7 PSU)	₹978.50 crore
Zero Profit / loss (Three PSUs)	--
Dividend declared (Two PSUs)	₹3.84 crore
Net worth (25 PSUs)	₹2,400.05 crore

Source: Compiled on the basis of latest finalized accounts of PSUs

5.6 Investment in Public Sector Undertakings and Budgetary support

5.6.1 Equity holding and loans

The Government investments in the PSUs as equity and loans for the three year period ended 31 March 2021 is given in **Table 5.4**.

Table 5.4: Equity investment and loans in Public Sector Undertakings

(₹ in crore)

Sources of investment	As on 31 March 2019			As on 31 March 2020			As on 31 March 2021		
	Equity	Long Term Loans	Total	Equity	Long Term Loans	Total	Equity	Long Term Loans	Total
State Government	6,672.52	889.62	7,562.14	6,672.52	707.14	7,379.66	6,672.52	724.83	7,397.35
Central Government	25.42	0	25.42	25.42	286.53	311.95	25.42	292.78	318.20
Others	315.76	12,716.13	13,031.89	315.76	11,795.90	12,111.66	315.76	12,847.58	13,163.34
Total	7,013.70	13,605.75	20,619.45	7,013.70	12,789.57	19,803.27	7,013.70	13,865.19	20,878.89

⁶ Due date for conduct of annual general meeting was extended by two months (i.e. by 30 November 2021) beyond normal due date (i.e by 30 September 2021) by ROC, Ministry of Corporate affairs in view of Covid-19 pandemic.

Sources of investment	As on 31 March 2019			As on 31 March 2020			As on 31 March 2021		
	Equity	Long Term Loans	Total	Equity	Long Term Loans	Total	Equity	Long Term Loans	Total
Share of State Government in total investment (in %)	95.14	6.54	36.67	95.14	5.53	37.26	95.14	5.23	35.43

Source: Compiled from latest financial statements received as on 30 September 2021 and information provided by PSUs.

The total investment in these PSUs increased marginally by 1.26 *per cent* in 2019-21. As on 31 March 2021, the total investment in 30 State PSUs comprised 33.59 *per cent* of equity capital and 66.41 *per cent* of long term loans. The long term loans in 30 State PSUs consisted of ₹1,017.61 crore advanced by the Central and State Governments and ₹12,847.58 crore raised from other sources (**Appendix 5.2**). The thrust of the State Government's investment in PSUs was mainly in power sector during the last three years. Out of the total investment (equity, loans and subsidies/grants) of ₹778.30 crore during the period from 2018-19 to 2020-21, the share of power sector was 78.12 *per cent* (₹607.98 crore).

5.6.2 Adequacy of Assets

In order to be considered solvent, the value of an entity's assets must be greater than the sum of its long-term loans/debts. Seven Public Sector Undertakings do not meet this criterion as 31 March 2021 (**Table 5.5**).

Table 5.5: Coverage of long-term loans with total assets

(₹ in crore)

Type of PSUs	Positive Coverage				Negative Coverage			
	Number PSUs	Long Term Loans	Total Assets	Percentage of Assets to Loans	Number of PSUs	Long Term Loans	Total Assets	Percentage of Assets to Loans
Government Companies	3	1,703.36	3,090.58	181.44	7	11,862.14	7,593.19	64.01
Statutory Corporations	1	67.98	656.62	965.90	--	--	--	--

Source: Compiled on the basis of latest finalized accounts of PSUs

5.6.3 Information on Subsidy, Grants by Central/State Government

The State Government provides financial support to PSUs in the form of loan, grants and subsidies through annual budget. In addition, the Government provides Guarantee for loans raised by PSUs for which it charges Guarantee commission upto the rate of half a *per cent*. Details are in **Table 5.6**.

Table 5.6: Details of budgetary support to Public Sector Undertakings

Particulars ⁷	2018-19		2019-20		2020-21	
	No of PSUs	Amount	No of PSUs	Amount	No of PSUs	Amount
(i) Loans	2	82.71	2	51.89	1	62
(ii) Grants/Subsidy	10	6,190.2	11	9,546.26	9	8,445.74
Total Outgo (i+ii)	12	6,272.91	13	9,598.15	10	8,507.74
Guarantees Outstanding	4	2,398.25	4	3,764.41	2	3,426.34
Guarantee Commitment	4	6,753.59	4	6,752.59	3	6,682.28

Source: Information furnished by PSUs

As can be seen from the Table above, annual budgetary assistance received by the PSUs increased from ₹6,272.91 crore in 2018-19 to ₹8,507.74 crore during the period 2020-21. Budgetary assistance in the form of loan (₹62 crore) was given to Chhattisgarh Mineral Development Corporation Limited for mineral exploration work. The major portion of subsidy/grants was given to Chhattisgarh State Power Distribution Company Limited (₹4,752.85 crore) for implementation of various schemes such as single Bulb Connection, free supply of Electricity to Agriculture pump, *Mukhyamantri Majra-tola Vidyutikaran Yojana*, energisation of Agriculture pumps etc. and revenue subsidy and Chhattisgarh State Civil Supplies Corporation Limited (₹3,417.77 crore) to provide food grains at concessional rate to the public.

5.7 Returns from Public Sector Undertakings

5.7.1 Profit earned by PSUs

The profit earned by 15 PSUs out of 25 PSUs (covered in this report) was ₹697.56 crore in 2020-21 as compared to 14 PSUs which earned profit of ₹991.41 crore in 2018-19. The main reason for decrease in profit was due to increase in loss of Chhattisgarh State Power Distribution Company Limited from ₹42.27 crore (2018-19) to ₹972.64 crore (2020-21). Four top PSUs that earned profit in 2020-21 are summarised in **Table 5.7**.

Table 5.7: PSUs which contributed maximum profit

Name of State Public Sector Undertaking	Net profit earned (₹ in crore)
Chhattisgarh State Power Generation Company Limited	402.68
Chhattisgarh State Warehousing Corporation	138.69
Chhattisgarh State Power Transmission Company Limited	78.13
Chhattisgarh <i>Rajya Van Vikas Nigam</i> Limited	30.26
Total	649.76

Source: Compiled on the basis of latest finalized accounts of PSUs

5.7.2 Dividend paid by Public Sector Undertakings

The State Government had not formulated any dividend policy under which all profit making PSUs are required to pay a minimum *per cent* of return of the profit after tax/paid up capital.

Dividend payout relating to 19 PSUs where equity was infused by the State Government during the period is shown in **Table 5.8**.

⁷Amount represents outgo from State Budget.

Table 5.8: Details of Dividend Payout of PSUs

Year	Total PSUs where equity infused by State Government		PSUs which earned profit during the year		PSUs which declared/paid dividend during the year		Dividend Payout Ratio (%)
	Number of PSUs	Equity infused by GoCG	Number of PSUs	Profit	Number of PSUs	Dividend declared/paid by PSUs	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8=7/5*100)
2018-19	19	6,670.87	13	991.25	2	3.14	0.38
2019-20	19	6,670.87	13	950.52	2	3.84	0.48
2020-21	19	6,670.87	14	697.51	2	3.84	0.72

Out of these 19 PSUs, 14 PSUs earned an aggregate profit of ₹697.51 crore. Only two PSUs viz. *Chhattisgarh Rajya Van Vikas Nigam Limited* and *Chhattisgarh State Warehousing Corporation* declared/paid dividend of ₹3.03 crore and ₹0.81 crore respectively.

5.8 Debt Servicing

5.8.1 Interest Coverage Ratio

Interest coverage ratio (ICR) is used to determine the ability of a company to pay interest on outstanding debt and is calculated by dividing a company's earnings before interest and taxes (EBIT) by interest expenses of the same period. A ratio below one indicates that the company was not generating sufficient revenues to meet its expenses on interest. The details of interest coverage ratio of PSUs which had outstanding loans during the period from 2018-19 to 2020-21 are given in Table 5.9.

Table 5.9: ICR of Public Sector Undertakings

Year	Interest (₹ in crore)	EBIT (₹ in crore)	No. of PSUs having interest burden	No. of PSUs having ICR more than one	No. of PSUs having ICR less than one
2018-19	1,451.82	2,486.19	10	6	2
2019-20	1,480.67	1,024.85	12	5	3
2020-21	1,490.98	1,303.82	12	6	2

Source: Compiled on the basis of latest finalized accounts of PSUs

It was observed that out of 12 PSUs having interest burden, one PSU (*Chhattisgarh State Power Distribution Company Limited*) had ICR of less than one throughout the period from 2018-19 to 2020-21. The number of PSUs having ICR of less than one included, *Chhattisgarh Rural Housing Corporation Limited*, which received long term loans from public sector banks on the guarantee of State Government.

Further, the Statutory Auditors report on the annual accounts of those Government Company, whenever available shows that *Chhattisgarh Nishakt Jan Vitt Avam Vikas Nigam* defaulted in servicing their debts during 2019-20.

5.9 Operating Efficiency of Government Companies

5.9.1 Profit earned (analysis of profit reporting from operating activities/other income)

As on 31 March 2021, 15 profit earning PSUs earned total profit of ₹697.56 crore. Major

profit making PSUs during 2020-21 were, Chhattisgarh State Power Generation Company Limited (₹402.68 crore), Chhattisgarh State Warehousing Corporation (₹138.69 crore), Chhattisgarh State Power Transmission Company Limited (₹78.13 crore), while Chhattisgarh State Power Distribution Company Limited reported substantial losses (₹972.64 crore).

Out of 15 profit earning State Public Sector Undertakings, seven State Public Sector Undertakings earned profit only from its operations⁸ and eight State Public Sector Undertakings earned profit only from other/extraordinary income as detailed in **Appendix 5.3**.

5.9.2 Return on Capital Employed

Return on Capital Employed measures a company's profitability and the efficiency with which its capital is employed. It is calculated by dividing a company's earnings before interest and taxes by the capital employed⁹.

Table 5.10: Return on Capital Employed

Nature of PSUs	Year	No. of PSUs	EBIT (₹ in crore)	Capital Employed (₹ in crore)	Return on Capital Employed (in per cent)
	1	2	3	4	5 = 3/4*100
Profit Earning	2018-19	14	2,233.28	15,720.66	14.21
	2019-20	14	2,138.93	15,473.92	13.82
	2020-21	15	1,931.44	16,115.05	11.99
Loss incurring	2018-19	8	316.31	-385.52	-82.05
	2019-20	8	-539.41	-649.71	83.02
	2020-21	7	-569.71	-988.77	57.62
Nil Profit / Loss	2018-19	3	0	1,151.98	0.00
	2019-20	3	0	200.93	0.00
	2020-21	3	0	200.93	0.00
Total	2018-19	25	2,549.59	16,487.12	15.46
	2019-20	25	1,599.52	15,025.14	10.65
	2020-21	25	1,361.73	15,327.21	8.88

Source: Compiled on the basis of latest finalized accounts of PSUs

Return on Capital Employed is on downward trend from 15.46 per cent to 8.88 per cent during the period 2019-21 (**Table 5.10**).

5.9.3 Rate of Real Return on the basis of Historical Cost of Investment

As on 31 March 2021, total investment of State Government in 25 PSUs on the basis of historical cost stood at ₹20,540.89 crore. The sector-wise RoI on historical cost basis for the period 2018-19 to 2020-21 is given in **Table 5.11**.

⁸ Profit from Operating activities = Turnover – Total expenditure.

⁹ Capital employed = Paid up share capital + long term loans + accumulated profit / – accumulated losses. Figures are as per the latest year for which accounts of the PSUs are finalised.

Table 5.11: Return on the basis of historical cost of investment

(₹ in crore)

Year	Funds invested by State Government in Equity and Long term loans	Funds invested by Central Government in Equity and Long term loans	Funds invested by Others in Equity and Long term loans	Total investment in Equity and Long term loans	Total Earnings/ Losses for the year	RoRR (in per cent)
Government Companies						
2018-19	7,421.47	25.42	12,693.52	20,140.41	788.12	3.9
2019-20	7,263.70	311.95	11,773.29	19,348.94	-165.78	-0.9
2020-21	7,325.70	318.20	12,824.97	20,468.87	-422.34	-2.1
Statutory Corporations						
2018-19	139.02	0.00	2.02	141.04	138.69	98.3
2019-20	114.31	0.00	2.02	116.33	138.69	119.2
2020-21	70.00	0.00	2.02	72.02	138.69	192.6
Grand Total						
2018-19	7,560.49	25.42	12,695.54	20,281.45	926.81	4.6
2019-20	7,378.01	311.95	11,775.31	19,465.27	-27.09	-0.1
2020-21	7,395.70	318.20	12,826.99	20,540.89	-283.65	-1.4

Source: Latest finalised accounts and information furnished by PSUs

During the years 2018-19 to 2020-21, the return of Government companies on the basis of historical cost of Investment ranged from -2.1 per cent to 3.9 per cent, while the return of Statutory Corporation on the basis of historical cost of Investment ranged from 98.3 per cent to 192.6 per cent.

5.9.4 Return on Investment on the basis of Present Value of Investment

Traditional calculation of return based only on the basis of historical cost of investment may not be a correct indicator of the adequacy of the return on the investment since such calculations ignore the present value of money. Therefore, real return on investment has also been calculated after considering the Present Value of money.

The Present Value (PV) of the investment in these PSUs was computed on the basis of following assumptions:

- The State Government's investment was computed where funds were infused in the form of equity, defaulted long term loans and operational/management expenses as on 31 March 2021.
- Long term loans on which interest payments were defaulted by the PSUs were considered as investment of State Government. In case of repayment of loans by these PSUs, the PV was calculated on the reduced balances of loans over the period.
- The funds provided in the form of Grants/Subsidy have not been reckoned as investment except capital grant since they do not qualify to be considered as investment.

- The average rate of interest on Government borrowings for the concerned financial year¹⁰ was adopted as discount rate for arriving at Present Value since they represent the cost incurred by the Government towards investment of funds for the year and therefore, considered as the minimum expected Rate of Return on investments made by the Government.

Further, consolidated position of Present Value of the State Government investment relating to these PSUs for the same period is indicated in **Table 5.12**.

Table 5.12: Year wise details of investment by the State Government and Present Value of Government investment

Financial year	Present value of total investment at the beginning of the year	Equity infused by the state government during the year	Net Interest Free Loan / Defaulted Loan	Interest free loans converted during the year	Capital and Establishment Grant / Subsidy	Total investment during the year	Total investment at the end of the year	Average rate of interest on government borrowings (in %)	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings for the year	Percentage of Total earnings for the year
A	B	C	D	E	F	G = (C+D-E+F)	H = B + G	I	J = $H \times (1 + I/100)$	K = $H \times I/100$	L	M = $L \times 100/H$
Upto 2016-17		6649.27	268.64	20.11	2253.92	9151.72	13635.69	6.62	14538.38			
2017-18	14538.38	21.6	84.23	0	1353.68	1459.51	15997.89	6.38	17018.55	1020.66	1124.26	7.03
2018-19	17018.55	0	81.86	0	269.88	351.74	17370.29	6.1	18429.89	1059.58	928.65	5.35
2019-20	18429.89	0	-57.77	0	271.8	214.03	18643.92	6.83	19917.29	1273.38	-25.07	-0.13
2020-21	19917.29	0	0	0	331.89	331.89	20249.18	6.57	21579.56	1330.37	-280.83	-1.39
Total		6670.87	376.96	20.11	4481.17	11508.89						

Source: Compiled on the basis of latest finalized accounts of PSUs

The total investment of the State Government in 19 PSUs at the end of the year 2020-21 was ₹11,508.89 crore consisting of equity (₹6,670.87 crore), defaulted long term loans (₹356.85 crore excluding ₹20.11 crore interest free loan converted into equity) and capital grants/subsidy (₹4,481.17 crore). The PV of investments of the State Government as on 31 March 2021 was worked out to ₹21,579.56 crore. Since 2017-18, the returns have been coming down and turned negative during 2019-20 and 2020-21.

5.10 Public Sector Undertakings incurring losses

5.10.1 Losses incurred

There were seven PSUs that incurred losses as per their latest finalised accounts at the end of March 2021. The losses incurred by these PSUs increased to ₹978.50 crore as per their latest finalised accounts from ₹62.70 crore in 2018-19 as given below in **Table 5.13**.

¹⁰The average rate of interest on Government borrowings was adopted from the Reports of the C&AG of India on State Finances (Government of Chhattisgarh) for the concerned year wherein the calculation for the average rate for interest paid = Interest Payment/ [(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2]*100.

Table 5.13: Number of Public Sector Undertakings that incurred losses during 2018-19 to 2020-21

(₹ in crore)

Year	No of loss making State PSUs	Net loss for the year	Accumulated loss	Net worth
Government Companies				
2018-19	8	-62.70	-6,338.60	-3,668.41
2019-20	8	-980.19	-7,259.71	-4,915.14
2020-21	7	-978.50	-7,259.77	-4,915.20
Statutory Corporation				
2018-19	-	-	-	-
2019-20	-	-	-	-
2020-21	-	-	-	-
Total				
2018-19	8	-62.70	-6,338.60	-3,668.41
2019-20	8	-980.19	-7,259.71	-4,915.14
2020-21	7	-978.50	-7,259.77	-4915.2

Source: Compiled on the basis of latest finalized accounts of PSUs

In 2020-21, out of total loss of ₹978.50 crore incurred by seven PSUs, loss of ₹972.64 crore was contributed by one power sector PSU¹¹.

5.10.2 Erosion of Capital in Public Sector Undertakings

Net worth means the sum total of the paid-up capital and free reserves and surplus minus accumulated losses and deferred revenue expenditure. Essentially it is a measure of what an entity is worth to the owners. A negative net worth indicates that the entire investment by the owners has been wiped out by accumulated losses and deferred revenue expenditure.

As against the equity (paid up capital *plus* defaulted loans) of ₹7,263.26 crore, overall accumulated losses reported by 25 PSUs were ₹4,872.05 crore, resulting in depletion in net worth to ₹2,391.21 crore as on 31 March 2021. One PSU viz., Chhattisgarh State Power Distribution Company Limited (CSPDCL) which incurred losses amounting to ₹972.64 crore during the year 2020-21, reported total accumulative loss of ₹7,290.33 crore as on 31 March 2021.

The net worth of three¹² out of 25 PSUs had been completely eroded by accumulated losses and their net worth was either zero or negative. Out of these three PSUs, whose capital had been eroded (being zero or negative net worth), two¹³ PSUs had earned profit of ₹5.03 crore during 2020-21.

5.11 Oversight role of Comptroller and Auditor General of India

5.11.1 Audit of Public Sector Undertakings

The financial statements of the Government Companies (as defined in Section 2 (45) of the Companies Act, 2013) are audited by Statutory Auditors, who are appointed by the Comptroller and Auditor General of India as per the provisions of Section 139 (5) or (7) of

¹¹ Chhattisgarh State Power Distribution Company Limited

¹² Chhattisgarh State Civil Supplies Corporation Limited, Chhattisgarh State Power Distribution Company Limited and Chhattisgarh State Power Trading Company Limited

¹³ Chhattisgarh State Civil Supplies Corporation Limited and Chhattisgarh State Power Trading Company Limited

the Companies Act, 2013. The Statutory Auditors submit a copy of the Audit Report to the Comptroller and Auditor General of India including, among other things, financial statements of the Company under Section 143 (5) of the Act 2013. These financial statements are also subject to supplementary audit by the Comptroller and Auditor General of India within sixty days from the date of receipt of the audit report under the provisions of Section 143(6) of the Companies Act, 2013.

Audit of Statutory Corporations is governed by their respective legislations. In respect of Chhattisgarh State Warehousing Corporation, the audit is conducted by Chartered Accountants and supplementary audit is conducted by the Comptroller and Auditor General of India.

Further, as per sub-Section 7 of Section 143 of the Companies Act, 2013, Comptroller and Auditor General of India may, in case of any company covered under sub-Section (5) or sub-Section (7) of Section 139, if considered necessary, by an order, cause test audit to be conducted of the accounts of such Company and the provisions of Section 19A of the Comptroller and Auditor General of India's (Duties, Powers and Conditions of Service) Act, 1971 shall apply to the report of such test Audit. Thus, a Government Company or any other Company owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by Central Government and partly by one or more State Governments, is subject to audit by the Comptroller and Auditor General of India.

5.11.2 Appointment of Statutory Auditors of Public Sector Undertakings by Comptroller and Auditor General of India

The Comptroller and Auditor General of India appoints the statutory auditors of a Government Company and Government Controlled Other Company under Section 139 (5) and (7) of the Companies Act, 2013. Section 139 (5) of the Act, 2013 provides that the statutory auditors in case of a Government Company or Government Controlled Other Company are to be appointed by the Comptroller and Auditor General of India within a period of 180 days from the commencement of the financial year. Section 139 (7) of the Companies Act, 2013 provides that in case of a Government Company or Government Controlled Other Company, the first auditor is to be appointed by the Comptroller and Auditor General of India within sixty days from the date of registration of the company and in case Comptroller and Auditor General of India does not appoint such auditor within the said period, the Board of Directors of the Company or the members of the Company have to appoint such auditor.

The Statutory Auditors of all the PSUs (except Chhattisgarh State Power Distribution Company Limited and Chhattisgarh State Industrial Development Corporation) for the year 2020-21 were appointed by the Comptroller and Auditor General of India during August 2020.

5.12 Submission of accounts by Public Sector Undertakings

5.12.1 Need for timely submission

According to Section 395 of the Companies Act 2013, Annual Report on the working and affairs of a Government Company, is to be prepared within three months of its Annual

General Meeting (AGM) and as soon as may be after such preparation laid before the House or both Houses of the State Legislature together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the CAG. Almost similar provisions exist in the respective Acts regulating Statutory Corporations. This mechanism provides the necessary legislative control over the utilisation of public funds invested in the Companies and Corporations from the Consolidated Fund of State.

5.12.2 Timeliness in preparation of accounts by Public Sector Undertakings

Section 96 of the Companies Act, 2013 requires every company to hold Annual General Meeting of the shareholders once in every calendar year. It is also stated that not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next. The section further provides that in case of the first Annual General Meeting, it shall be held within a period of nine months from the date of closing of the first financial year of the company and in any other case, within a period of six months, from the date of closing of the financial year. Accordingly, the Companies were required to hold Annual General Meeting upto 30 September 2021¹⁴ for the financial year 2020-21.

Further, Section 129 of the Act 2013 stipulates that the audited Financial Statement for the financial year has to be placed in the said Annual General Meeting for their consideration. Section 129 (7) of the Act 2013 also provides for levy of penalty like fine and imprisonment on the persons including directors of the Company responsible for non-compliance with the provisions of Section 129 of the Companies Act, 2013.

As of 31 March 2021, there were 29 Government Companies and one Statutory Corporation under the purview of Comptroller and Auditor General of India's audit. Of these, only seven Government Companies submitted its account (2020-21) for audit by Comptroller and Auditor General of India on or before 30 November 2021.

The break-up of arrears in accounts of Government Companies and Statutory Corporation are detailed in **Table 5.14**.

Table 5.14: Break up of arrear in accounts

Particulars		State Public Sector Undertakings		
		Government companies	Statutory corporation	Total
Number of accounts in arrears		38	2	40
Extent of arrear		Up to 4 years	2 years	
Break- up of arrears	(i) Under Liquidation	-	-	-
	(ii) Inactive	2	--	2
	(iii) First Accounts not submitted	4	--	4
	(iv) Others	32	2	34

Source: Compiled on the basis of latest finalised accounts of PSUs

¹⁴ Due date for conduct of annual general meeting was extended by two months (i.e. by 30 November 2021) beyond normal due date (i.e. by 30 September 2021) by ROC, Ministry of Corporate affairs in view of Covid-19 pandemic.

5.13 Comptroller and Auditor General of India's oversight-Audit of accounts and supplementary audit

5.13.1 Financial reporting framework

Companies are required to prepare their financial statements in the format laid down in Schedule III to the Companies Act, 2013 and in adherence to the mandatory Accounting Standards prescribed by the Central Government, in consultation with National Advisory Committee on Accounting Standards. The Listed Companies and Companies having net worth of more than ₹ 250 crore are required to comply with the Indian Accounting Standards. Further parent, subsidiary, associate and joint venture of aforesaid companies are also required to comply with Indian Accounting Standards. The Companies not covered by the above shall continue to apply Accounting Standards. Out of the 29 Government Companies, eight Companies follow the Indian Accounting Standards while the remaining prepare their accounts as per Accounting Standards.

The Statutory Corporations are required to prepare their accounts in the format prescribed under the rules, framed in consultation with the Comptroller and Auditor General of India and any other specific provision relating to accounts in the Act governing such Corporations.

5.13.2 Supplementary Audit of accounts of Public Sector Undertakings

The prime responsibility for preparation of financial statements in accordance with the financial reporting framework prescribed under the Companies Act, 2013 or other relevant Act is of the management of an entity.

The statutory auditors appointed by the Comptroller and Auditor General of India are responsible for expressing an opinion on the financial statements under Section 143 of the Companies Act, 2013 based on independent audit in accordance with the Standard Auditing Practices of Institute of Chartered Accountants of India and directions given by the Comptroller and Auditor General of India. The statutory auditors are required to submit the Audit Report to the Comptroller and Auditor General of India under Section 143 of the Companies Act, 2013. The Statutory Auditors reported that three PSUs¹⁵ did not comply with mandatory Accounting Standards (AS)/Ind AS.

The certified accounts of selected Government Companies along with the report of the statutory auditors are reviewed by Comptroller and Auditor General of India by carrying out a supplementary audit. Based on such review, significant audit observations, if any, are reported under Section 143 (6) of the Companies Act, 2013 to be placed before the Annual General Meeting.

5.14 Result of Comptroller and Auditor General of India's oversight role

5.14.1 Audit of accounts of Public Sector Undertakings under Section 143 of the Companies Act, 2013

During the period under review (January 2020 to September 2021), 19 financial statements were received for audit, out of which 14 pertained to the previous years. The status of the

¹⁵ Chhattisgarh State Power Distribution Company Limited, Chhattisgarh Rural Housing Corporation Limited and Chhattisgarh Infrastructure Development Corporation Limited

financial statements received, reviewed and comments issued is given in **Table 5.15**.

Table 5.15: Status of Financial Statements of Public Sector Undertakings

Particulars of Financial Statement	Financial Year 2020-21			Previous Years		
	Government Company	Statutory Corporation	Total	Government Company	Statutory Corporation	Total
Received	7	--	7	14	-	14
Not Reviewed	1	--	1	1	--	1
Reviewed	-	--	-	8	--	8
Audit in progress*	5	-	5	5	--	5
Nil comment issued	1	-	1	3	0	3
Comments issued	--	--	--	5	--	5

*As on 30 September 2021

Comments of the Comptroller and Auditor General of India on financial statements of five PSUs were issued during the period under review.

5.14.2 Significant comments of the Comptroller and Auditor General of India issued as supplement to the Statutory Auditors' reports

Subsequent to the audit of the financial statements by the Statutory Auditors, the Comptroller and Auditor General of India conducted supplementary audit of the financial statements of the PSUs. Some of the significant comments issued on the financial statements of the Government Companies are listed below:

Comments on Profitability

Sl. No.	Name of Company	Comment
1.	Chhattisgarh Rural Housing Corporation Limited (2018-19)	Finance Costs did not include ₹6.05 crore towards interest accrued but not due on loan received from the Canara Bank for the period from 2 March 2019 to 31 March 2019. This resulted in understatement of Finance cost, Short Term Provision and Loss by ₹6.05 crore.
2.	Chhattisgarh Medical Services Corporation Limited (2018-19)	Other expenses did not include ₹58.60 lakh being the liability towards disposal of expired drugs dispatched from various Drug warehouses during the year 2018-19. Non provision resulted in understatement of Current Liabilities (Short Term Provisions), Other Expenses-Disposal of expiry drug and corresponding overstatement of Profit by ₹58.60 lakh.
3.	Chhattisgarh State Beverages Corporation Limited (2019-20)	Current liabilities did not include ₹1.26 crore being the amount payable to various parties as on 31 March 2020 resulting in understatement of Short Term Provisions and overstatement of profit by ₹1.26 crore.
4.	Chhattisgarh State Power Distribution Company Limited (2018-19)	Other income includes interest of ₹6.32 crore received from fixed deposit of State Government shares for scheme fund of SAUBHAGYA, IPDS and DDUGJY. This resulted in overstatement of Other Income by ₹6.32 crore and understatement of Current Liabilities and Loss to the same extent.

Comments on Financial Position

Sl. No.	Name of Company	Comment
1.	Chhattisgarh Infrastructure Development Corporation	Other current liabilities include ₹2.63 crore being the amount of unspent grant received from Government of Chhattisgarh instead of current liability resulting in overstatement of current liability and understatement of non-

	Limited (2017-18)	current liability by ₹2.63 crore.
2.	Chhattisgarh Medical Services Corporation Limited (2018-19)	The Long Term Liabilities (Fund from Govt.) did not include ₹76.47 lakh recoverable from various suppliers of drugs on account of rate difference resulting in understatement of “Long Term Liabilities (Fund from Govt.)” and understatement of “Other Current Assets- Recovery Against Drug Payment” by ₹76.47 lakh each.
3.	Chhattisgarh Rajya Van Vikas Nigam Limited (2019-20)	Non-current assets includes ₹2.00 crore advance given to Chhattisgarh Housing Board for construction of residential building for Company’s employees instead of recognising as capital work-in-progress resulting in understatement of Capital Work-in-Progress and overstatement of other non-current assets by ₹2.00 crore.
4.	Chhattisgarh State Power Generation Company Limited (2019-20)	The non- current assets have been reduced by ₹45 crore being the amount of liquidated damages recovered for Plant, machinery and equipments (capitalized in September 2013) along with corresponding depreciation of ₹15.56 crore. instead of recognising it as Other Income resulting in understatement of Gross Block (Assets) & Other Income by ₹45 crore, Depreciation by ₹15.56 crore and Profit by ₹29.44 crore.
5.	Chhattisgarh State Power Transmission Company Limited (2019-20)	Non- current assets includes 29 capital works amounting to ₹32.47 crore which were completed up to 2019-20; however, the same were not capitalised resulting in overstatement of Capital Work in Progress by ₹32.47 crore, understatement of Property, Plant and Equipments by ₹19.79 crore understatement of Depreciation by ₹12.68 crore and overstatement of Profit to the same extent.

Comments on Auditor's Report

Independent Auditor’s Report of four¹⁶ PSUs failed to report upon all the CAG’s Sub-directions in compliance with Section 143(5) of the Companies Act, 2013.

5.15 Non-compliance with provisions of Accounting Standards/Indian Accounting Standards

In exercise of the powers conferred by Section 469 of the Act, 2013, read with Section 129 (1), Section 132 and Section 133 of the said Act, the Central Government prescribed Accounting Standards. Besides these, the Central Government notified 42 Indian Accounting Standards through Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Three Indian Accounting Standards namely Indian Accounting Standards 11, 17 & 18 have been withdrawn after the notification of Indian Accounting Standard 115 & 116.

During the course of supplementary audit carried out between January 2020 and September 2021, the Comptroller and Auditor General of India observed that the following companies had also not complied with the Accounting Standards/Indian Accounting Standards which were not reported by their statutory auditors:

¹⁶ Chhattisgarh State Beverages Corporation Limited (2019-20), Chhattisgarh Road & Infrastructure Development Corporation Limited (2018-19), Chhattisgarh State Power Holding Company Limited (2018-19) and Uttar Chhattisgarh Rajya Vidyut Utpadan Limited (2018-19)

Accounting Standards/ Indian Accounting Standards	Name of the Company	Deviation
Indian AS 110 - Consolidated Financial Statements	Chhattisgarh State Power Holding Company Limited	Consolidated Financial Statements were not prepared although the Company was parent Company of its subsidiary Companies namely IFFCO Chhattisgarh Power Company Ltd. (now <i>Uttar Chhattisgarh Rajya Vidyut Utpadan Limited</i>) and CSPGCL AEL <i>Parsa Collieries Limited</i> .
AS 12 - Government Grants	Chhattisgarh Rural Housing Corporation Limited	The company did not disclose any accounting policy for government grant in their notes to financial statement.

5.16 Management Letters

One of the objectives of financial audit is to establish communication on audit matters arising from the audit of financial statements between the auditor and those charged with the responsibility of governance of the corporate entity.

The material observations on the financial statements of PSUs were reported as comments by the Comptroller and Auditor General of India under Section 143 (5) of the Companies Act, 2013. Besides these comments, irregularities or deficiencies observed by Comptroller and Auditor General of India in the financial reports or in the reporting process, were also communicated to the management through a 'Management Letter' for taking corrective action.

During the period 1 January 2020 to 30 September 2021 Management Letters were issued to three¹⁷ PSUs. The deficiencies were generally related to:

- adjustments arising out of audit that could have a significant effect on the financial statements;
- lack of internal Control on the part of Management; and
- application and interpretation of accounting policies and practices.

5.17 Conclusion

As on 31 March 2021, there were 30 PSUs including one Statutory Corporation. Out of 30, there are two inactive PSUs. Out of 28 working PSUs, only 25 PSUs (24 Companies and one Statutory Corporation), whose accounts were in arrears for two or less years as on 30 September 2021 have been considered for detailed analysis of financial performances.

During 2020-21, these 25 PSUs registered turnover of ₹39,964.32 crore, which was equal to 11.41 per cent of the GSDP of Chhattisgarh. The contribution of Power sector PSUs alone accounts for over 57 per cent of the total turnover of PSUs during 2020-21.

The investment of the State Government in equity and long-term loans in 30 PSUs was ₹7,397.35 crore against total investment of ₹20,878.89 crore at the end of 31 March 2021. The outstanding long term loans of these PSUs as on 31 March 2021 increased to ₹13,865.19 crore from ₹12,789.57 crore during the previous year (2019-20).

¹⁷Chhattisgarh State Power Holding Company Limited, Chhattisgarh Police Housing Corporation Limited and Chhattisgarh State Marketing Corporation Limited

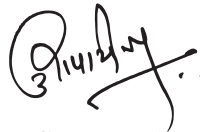
The Profit earned by 15 PSUs out of 25 PSUs (covered in this Report) was ₹697.56 crore in 2020-21 as compared to 14 PSUs which earned profit of ₹991.45 crore in 2018-19. Chhattisgarh State Power Generation Company Limited (₹402.68 crore) and Chhattisgarh State Warehousing Corporation (₹138.69 crore) contributed the major portion of the profit. Out of the total loss of ₹978.50 crore incurred by seven PSUs, major loss was incurred by Chhattisgarh state Power Distribution company Limited (₹972.64 crore).

Out of 30 PSUs, accounts of 23 PSUs were in arrears (22 Government Companies, one Statutory Corporation) for various reasons for the year 2020-21. PSUs were not adhering with the prescribed timeline regarding submission of their Financial Statements as per the Companies Act, 2013. As a result, 40 accounts of 23 PSUs were in arrears.

5.18 Recommendations

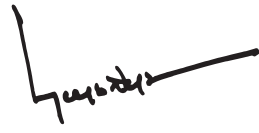
- (i) Government of Chhattisgarh may review the functioning of all loss making PSUs and take necessary steps to improve their financial performance.
- (ii) Government of Chhattisgarh may issue necessary instructions to Administrative Departments to set targets for individual PSUs to furnish the accounts in time and to strictly monitor the clearance of arrears, and take steps expeditiously in order to liquidate the arrears in finalisation of accounts.
- (iii) Government of Chhattisgarh may review the inactive Government Companies and take appropriate decision on their revival/winding up.

Raipur
The 25 April 2022


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

Countersigned

New Delhi
The 27 April 2022


(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 = 21.92 <i>per cent</i>)		39.93 <i>per cent</i>
5	Literacy (as per 2011 Census) (all India average = 73.00 <i>per cent</i>)		70.30 <i>per cent</i>
6	Infant mortality (as of 2019) (per 1000 live births) (all India average = 30 per 1000 live births)		40 per 1000 live births
7	Life expectancy at birth (All India average in years 2014-18 = 69.40)		65.20
8	Population Growth (2011-2021)	All India	12.30
		Chhattisgarh	15.17
9	Gross State Domestic Product (GSDP) 2020-21 at current price		3,50,270 crore

B. Financial Data

Particulars					
CAGR		2011-12 to 2019-20		2019-20 to 2020-21	
		General Category States	Chhattisgarh	General Category States	Chhattisgarh
		(in per cent)			
a.	of Revenue Receipts	11.61	11.96	-4.56	-1.08
b.	of Tax Revenue	9.88	9.49	-4.43	3.49
c.	of Non Tax Revenue	13.20	8.74	-35.60	-10.04
d.	of Total Expenditure	12.18	14.41	4.54	-3.64
e.	of Capital Expenditure	10.10	6.20	-2.36	5.24
f.	of Revenue Expenditure on Education, Sports arts and culture	11.12	15.90	-1.50	-11.21
g.	of Revenue Expenditure on Health	15.33	20.74	14.65	20.02
h.	of Salary and Wages	10.18	14.34	2.27	1.33
i.	of Pension	13.31	17.10	6.02	7.50

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

Appendix 2.1
(Reference: Paragraphs 2.4.1, Page 28)
Time Series Data on State Government Finances

(₹ in crore)

	2016-17	2017-18	2018-19	2019-20	2020-21
Part A- Receipts					
1. Revenue Receipts	53,685(90)	59,647(86)	65,095 (82)	63,869(76)	63,176(74)
(i) Own Tax Revenue	18,945(35)	19,895(33)	21,427(33)	22,118(35)	22,889(36)
Taxes on Agricultural Income	0	0	0	0	0
VAT/Taxes on Sales, Trade, etc.	9,927(52)	6,450(32)	4,088(19)	3,931(18)	4,236(19)
State Excise	3,444(18)	4,054(20)	4,489(21)	4,952(22)	4,636(20)
Taxes on Vehicles	985(5)	1,180(6)	1,205(06)	1,275(06)	1,148(05)
Stamps and Registration Fees	1,211(6)	1,197(6)	1,108(05)	1,635(07)	1,585(07)
Land Revenue	504(3)	446(2)	488(02)	552(02)	938(04)
Taxes on Goods and Passengers	1,340(7)	478(2)	54(0)	41(0)	80(0)
State Goods and Service Tax	0	4,387(22)	8,203(38)	7,895(36)	7,925(35)
Other Taxes	1,534(8)	1,703(09)	1,792(08)	1,838(09)	2,341(10)
(ii) Non Tax Revenue	5,669(11)	6,340(11)	7,703(12)	7,934(12)	7,137(11)
(iii) State's share in Union taxes and duties	18,809(35)	20,755(35)	23,459(36)	20,206(32)	20,338(32)
(iv) Grants in aid from GOI	10,262(19)	12,657(21)	12,506(19)	13,611(21)	12,812(20)
2. Misc. Capital Receipts	02	03	05	04	05
3. Recoveries of Loans and Advances	173	138	162	257	105
3(a) Inter-State Settlement	00	01	02	00	00
4. Total Revenue and Non Debt Capital Receipts (1+2+3)	53,860	59,789	65,264	64,130	63,286
5. Public Debt Receipts	5,480(9)	9,652(14)	14,370(18)	19,588(53)	21,582(25)
Internal Debt (Excluding Ways & Means Advances & overdrafts)	5,098	9,188	13,817	19,308	17,961¹
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	382	465	553	279	3,620
6. Total Receipt in the consolidated fund (4+5)	59,340	69,441	79,634	83,718	84,868
7. Contingency Fund Receipts	60	00	00	05	00
8. Public Account Receipts	62,694	72,058	76,903	89,910	81,446
9. Total receipts of the State (6+7+8)	1,22,094	1,41,499	1,56,537	1,73,628	1,66,314

¹ including Special Drawing Facility

	2016-17	2017-18	2018-19	2019-20	2020-21
Part B: Expenditure/Disbursement					
10. Revenue Expenditure	48,165(83)	56,230(84)	64,411(88)	73,477(89)	70,033(89)
General Services (incl. interest payments)	11,496(24)	12,870(23)	15,280(24)	19,095(26)	19,586(28)
Social Services	21,342(44)	24,372(43)	23,455(37)	26,653(36)	25,066(35)
Economic Services	14,176(29)	17,623(31)	24,781(39)	26,609(36)	24,255(35)
Grants-in-aid and Contributions	1,151(02)	1,365(02)	895(01)	1,120(02)	1,125(02)
11. Capital Expenditure	9,471(16)	10,001(15)	8,903(12)	8,566 (10)	9,024(11)
General Services	188(1.99)	303(3)	255(03)	194(02)	509(06)
Social Services	2,461(26)	2,652(27)	1,774(20)	1,912(22)	2,935(33)
Economic Services	6,822(72)	7,046(70)	6,874(77)	6,460(76)	5,581(62)
12. Disbursement of Loans and Advances	273	369	240	56	51
12(a) Inter-State Settlement	0.44	1.00	0.25	0.05	0.01
13.Total (10+11+12+12[a])	57,909	66,600	73,555	82,100	79,108
14. Repayment of Public Debt	1,153	1,000	1,146	8,696	8,020
Internal Debt (excluding Ways & Means Advances and Overdrafts)	983(85)	828(83)	953(83)	8,480(98)	7,805(97)
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	170(15)	172(17)	193(17)	216(02)	215(03)
15. Appropriation to Contingency Fund	60.00	0.00	0.00	0.00	0.00
16. Total disbursement out of Consolidated Fund (13+14+15)	59,122	67,600	74,700	99,419	87,128
17. Contingency Fund disbursements	0.00	0.00	5.00	0.00	0.00
18.Public Account disbursements	61,149	71,754	76,357	83,719	81,120
19.Total disbursement by the State (16+17+18)	1,20,271	1,39,354	1,51,057	1,83,138	1,68,248
Part C: Deficits					
20. Revenue Deficit (-) (1-10)/surplus (+)	5,521	3,417	684	(-) 9,609	(-) 6,857
21.Fiscal Deficit(-)/ Surplus (+) (4-13)	(-) 4,047	(-) 6,810	(-) 8,292	(-) 17,970	(-) 15,822
22. Primary Deficit (-)/Primary Surplus (+)	(-) 1,361	(-) 3,712	(-) 4,640	(-) 12,999	(-) 10,189
Part D: Other Data					
23. Interest Payments	2,687	3,098	3,652	4,971	5,633
24. Ways and Means Advances/Overdraft availed (days)	0.00	0.00	0.00	0.00	0.00
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

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	2016-17	2017-18	2018-19	2019-20	2020-21
25. Interest on WMA/Overdraft	0.00	0.00	0.00	0.00	0.00
26. Gross State Domestic Product (GSDP)	2,62,801	2,82,283	3,18,101	3,44,955	3,50,270
27. Outstanding Debt (year-end)	44,258	52,907	66,750	78,712	92,714²
28. Outstanding Guarantees (year-end)	3,983	3,882	10,769	18,459	19,836
29. Maximum Amount Guaranteed (year-end)	12,641	6,550	19,574	27,995	26,695
30. Number of Incomplete Projects	145	110	107	145	149
31. Capital Blocked in Incomplete Projects	5,937	4,067	4,365	3,355	4,444
Part E: Fiscal Health Indicator					
I-Resource Mobilisation					
Own Tax Revenue/GSDP (Ratio)	0.07	0.07	0.07	0.06	0.07
Own Non-Tax Revenue/GSDP (Ratio)	0.02	0.02	0.02	0.02	0.02
Central Transfers/GSDP (Ratio)	0.07	0.07	0.07	0.06	0.06
II- Expenditure Management					
Total Expenditure/GSDP (Ratio)	0.22	0.24	0.23	0.24	0.23
Total Expenditure/Revenue Receipts (Ratio)	1.08	1.12	1.13	1.29	1.25
Revenue Expenditure/Total Expenditure Ratio)	0.83	0.84	0.88	0.89	0.89
Capital Expenditure/Total Expenditure (ratio)	0.16	0.15	0.12	0.10	0.11
Capital Expenditure on Social and Economic Services/Total Expenditure (ratio)	0.16	0.15	0.12	0.10	0.11
III- Management of Fiscal Imbalances					
Revenue Deficit(Surplus)/GSDP (ratio)	0.02	0.01	0.00	(-)0.03	(-)0.02
Fiscal Deficit(-)/Surplus (+)/GSDP (Ratio)	(-)0.02	(-)0.02	(-)0.03	(-)0.05	(-)0.05
Primary Deficit(Surplus)/GSDP (Ratio)	(-)0.01	(-)0.01	(-)0.01	(-)0.04	(-)0.03
Revenue Deficit (surplus)/Fiscal Deficit (Ratio)	(-)1.36	(-)0.50	(-) 0.08	(-)0.53	(-)0.43
IV- Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP (Ratio)	0.17	0.19	0.21	0.23	0.25 ³
Fiscal Liabilities/RR(Ratio)	0.81	0.89	1.03	1.23	1.47
V- Other fiscal Indicators					
Return on Investment (in per cent)	0.01	0.07	0.02	0.03	0.06
Financial Assets/Liabilities (Ratio)	1.53	1.48	1.43	1.23	1.13

² After excluding back to back loan (₹3,109 crore), the amount of outstanding debt would be ₹89,605 crore

³ Calculated after excluding back to back loan of ₹3,109 crore from the amount of total liabilities of ₹92,714 crore.

Appendix 3.1

(Reference: Paragraph 3.3.1, Page 54)

Details of schemes which are 100% women-centric during 2020-21

(₹ in crore)

Sl. No.	Scheme Name	Original Budget	Supplementary	Total Budget	Expenditure
1	761-Girls Education Campus	23.84	0.01	23.85	15.48
2	1206-Tour and exhibition direction for rural women	1.50	0.00	1.50	0.74
3	2216-Integration of Public Health through Basic Nursing Education Programme	49.86	0.00	49.86	22.28
4	3459-Women Sports Competition	2.00	0.00	2.00	0.00
5	4663-Grant for Spinning Mills	0.07	0.00	0.07	0.05
6	4691-Incentive schemes for teaching of Girls	6.00	0.00	6.00	5.01
7	5534-Grant for Health <i>Mitanin</i> Project	1.40	0.00	1.40	1.40
8	5551-Free cycle Distribution to High School Girls	64.50	0.00	64.50	63.69
9	5645- <i>Mukhyamantri Kanyadaan Yojna</i>	19.00	0.00	19.00	14.00
10	6388-Training Centre of Nurses	65.56	0.00	65.56	30.95
11	7330-Mitanin Welfare fund	110.00	25.00	135.00	185.00
12	7336-Indira Gandhi National Widow Pension	68.19	18.51	86.70	88.36
13	7361-Sabala Yojana	8.45	0.00	8.45	3.49
14	7435-Nutrition	38.50	0.00	38.50	33.05
15	7490-National Rural Livelihood Mission	400.00	0.00	400.00	267.77
16	7747- <i>Mahtari Jatan Yojana</i>	31.00	0.00	31.00	13.93
17	7807- <i>Pradhan Mantri Awas Yojana</i> (Rural)	1,600.00	0.00	1,600.00	254.24
18	7875-Suchita Yojana	10.00	0.00	10.00	0.00
19	7884- <i>Pradhan Mantri Matru Vandana</i>	38.00	0.00	38.00	21.70
20	8977- <i>Asangathith Safai Karmkar Kalyan Mandal</i>	8.00	0.00	8.00	1.07
21	8989-Contract Labour , Domestic Laborious and porter Welfare Assembly	15.00	0.00	15.00	4.36
22	9131-Training to anganwadies workers under Integrated Child Development service schemes	7.00	0.00	7.00	0.00
23	9369- <i>Mahila Jagriti Shivir</i>	4.85	0.00	4.85	3.45
Total		2,572.71	43.52	2,616.23	1,030.03

Appendix 3.2

(Reference: Paragraph 3.3.2, Page 55)

Details of schemes which are 100% youth-centric during 2020-21

(₹ in crore)

Sl. No.	Scheme Name	Original Budget	Supplementary	Total Budget	Expenditure
1	436-Special Coaching Classes	0.12	0.00	0.12	0.01
2	1079-Training of Sportsmen	4.00	0.00	4.00	1.10
3	1190-Rural Sports Competition	5.00	0.00	5.00	0.40
4	1853-Supply of Drawing Material	1.25	0.00	1.25	0.47
5	2216-Integration of Public Health through Basic Nursing Education Programme	49.86	0.00	49.86	22.28
6	3459-Women Sports Competition	2.00	0.00	2.00	0.00
7	3673-State Scholarship	330.00	0.00	330.00	237.88
8	4699-Supply of Books etc. to scheduled caste students	1.10	0.00	1.10	0.80
9	5223-Incentives to Sportsmen	5.50	0.00	5.50	0.43
10	5428-Prizes for State Level Sports	0.70	0.00	0.70	0.02
11	5429-Youth Welfare Activities	3.00	0.00	3.00	1.07
12	5551-Free Cycle Distribution to High School Girls	64.50	0.00	64.50	63.69
13	5571-Student Accidental Insurance Scheme	4.10	0.00	4.10	3.93
14	5645-Mukhyamantri Kanyadaan Yojna	19.00	0.00	19.00	14.00
15	5646-Establishment of Sainik School	3.66	0.00	3.66	0.93
16	5671-B.P.L Book Bank Scheme	0.50	0.00	0.50	0.45
17	5672-B.P.L. Scholarship Schemes	6.15	0.00	6.15	6.06
18	5904-Free supply of text books	109.18	0.00	109.18	1.82
19	6047-Grant to Local Bodies for Training	0.14	0.00	0.14	0.14
20	6386-Medical Dental Physiotherapy College	601.46	70.43	671.89	420.31
21	6425-Chief Minister Polytechnic Quality Development Scheme	5.00	0.00	5.00	0.00
22	6728-Rashtriya Gramin Rozgar Guarantee Yojana	1,602.73	0.00	1,602.73	971.90
23	6889-Mukhya Mantri Gyan Prohtasan Yojana	1.50	0.00	1.50	1.44
24	6913-Kumbhkar Terakota craft scheme	1.55	0.00	1.55	0.70
25	6944-Library Schemes	1.12	0.00	1.12	0.00
26	7341-Establishment of I.I.T	25.00	0.00	25.00	8.00
27	7363-Youth Career Development Scheme	12.03	0.00	12.03	3.54
28	7366-Civil Services Examination incentive Schemes	0.28	0.00	0.28	0.01
29	7367-Model school scheme	30.76	0.00	30.76	14.77
30	7430-Design and Development Education for Craft	0.55	0.00	0.55	0.38
31	7434-Grant for Fishery College Kawardha	4.00	0.00	4.00	2.40
32	7435-Non-organised Labour, Security and Welfare Board	38.50	0.00	38.50	33.05
33	7627-Professional Training Schemes	9.80	0.00	9.80	4.15
34	7632-Yuva Kshamta Vikas Yojana	9.10	0.00	9.10	0.21
35	7683-Mukhya mantri kaushal vikas yojna	84.85	0.00	84.85	0.00
36	7751-Swami Vivekanand Gyandeep Scheme	7.29	0.00	7.29	3.55
37	7867-Pradhan Mantri Kaushal Vikas Yojana	22.14	0.00	22.14	0.00
38	7884-Pradhan Mantri Matra Vandana	38.00	0.00	38.00	21.70
39	7914-Kaushal Self - Employment Scheme	1.62	0.00	1.62	0.00
40	7979-Samgra Shiksha	1,590.00	0.00	1,590.00	539.89
41	8050-Scholarships	39.90	0.00	39.90	31.00
42	8539-Foundation of Agricultural Engineering	10.00	0.00	10.00	0.00

	Services Centre				
43	8899-Pashudhan Mitra Yojana	3.30	0.00	3.30	3.30
44	8918-Vivekanand Yuva Protsahan Yojana	10.00	0.00	10.00	6.76
45	8928-Mukhya Mantri Yuva Swarojgar Yojana	3.01	0.00	3.01	2.42
46	8935-Livelihood College	27.82	0.00	27.82	8.08
47	8977-Asangathith Safai Karmkar Kalyan Mandal	8.00	0.00	8.00	1.07
48	8979-Integrated Umbrella Scheme	124.81	0.00	124.81	79.46
49	8989-Contract Labour , Domestic Laborious and porter Welfare Assembly	15.00	0.00	15.00	4.36
50	9381-Book Bank	0.10	0.00	0.10	0.04
51	9805-Free Distribution of Books and Stationary to Tribal Students	0.83	0.00	0.83	0.74
Total		4,939.81	70.43	5,010.24	2,518.71

Appendix 3.3

(Reference: Paragraph 3.3.4, Page 55)

**Details of Major policy initiatives/new schemes (₹1 crore or more in each case)
where entire Grant was not utilized**

(₹ in crore)

Sl. No	Scheme Name	Original Budget	Supplementary	Total Budget	Expenditure
1	6369-Construction and renovation of Major Irrigation Projects	80.00	0.00	80.00	0.00
2	6371-Construction and renovation of Medium Irrigation Projects	18.60	0.00	18.60	0.00
3	6372-Construction and renovation of Minor Irrigation Projects.	1.40	0.00	1.40	0.00
4	6373-Grant for minor forest produce	50.00	0.00	50.00	0.00
5	6375-Solar powered Tri Cycle Scheme for handicapped	3.51	0.00	3.51	0.00
6	6378-Skada Yojna	61.04	0.00	61.04	0.00
7	6380-Sirpur Integrated Development Scheme	1.00	0.00	1.00	0.00
8	6381-Establishment of Gems and Jewellery park	1.00	0.00	1.00	0.00
9	6382-Establishment of Centre of Excellence	2.00	0.00	2.00	0.00
10	6390-Mukhy Mantri Haat Bazar Clinic Yojna	13.00	0.00	13.00	0.00
11	6394-Directorate of Religion and subordinate office	2.02	0.00	2.02	0.00
12	6396-Construction of Ropeway in Kudurgarh	3.00	0.00	3.00	0.00
13	6397-Infrastructure Development in Damakheda	3.00	0.00	3.00	0.00
14	6401-Rice Fortification	5.80	0.00	5.80	0.00
15	6407-Rajya Yuva Mahotsav	5.00	0.00	5.00	0.00
16	6408-Rajya Yuva Mitran Club	50.00	0.00	50.00	0.00
17	6409-Mukhya Mantri Khiladi Protsahan Yojna	1.00	0.00	1.00	0.00
18	6410-Mukhya Mantri E-Sameeksha	4.00	0.00	4.00	0.00
19	6415-P.M. Kusum Yojna	189.90	0.00	189.90	0.00
20	6416-Scheme for filling ponds with water from rivers/anicut through solar pumps	20.00	0.00	20.00	0.00
21	6417-Mukhya Mantri Vidyut Adhoshanrachna Vikas	25.00	0.00	25.00	0.00
22	6425-Mukhya Mantri Polytechnic Gunvata Vikas Yojna	5.00	0.00	5.00	0.00
23	6426-Establishment of Green Khadi Production Centre	1.00	0.00	1.00	0.00
24	6427-State Level Training and Research Institution.	1.00	0.00	1.00	0.00
25	6434-Water supply scheme to IIT Bhilai	3.00	0.00	3.00	0.00
26	6436-Mukhya Mantri Prodhogik Prothsahan Evam Vikas Yojna	1.00	0.00	1.00	0.00
27	6437-Sports Authority	2.00	0.00	2.00	0.00
28	6452-Chief Minister Infrastructure Maintenance & Upgradation Authority	0.00	200.00	200.00	0.00
29	6454-Development of Basic Amenities	0.00	200.00	200.00	0.00
30	6457-Expenditure from State Disaster Mitigation Fund	0.00	115.20	115.20	0.00
Total		553.27	515.20	1,068.47	0.00

Appendix 3.4

(Reference: Paragraph 3.5.3, Page 59)

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 Expenditure	Saving out of Original Budget
Revenue (Voted)					
01	General Administration	264.56	1.00	176.60	-87.96
02	Other expenditure pertaining to General Administration Department	27.15	120.00	13.40	-13.75
03	Police	4,947.02	50.60	4,069.53	-877.49
04	Other expenditure pertaining to Home Department	111.31	5.54	46.14	-65.17
10	Forest	1,760.92	213.80	1,516.28	-244.64
13	Agriculture	4,034.38	509.29	4,006.97	-27.40
14	Expenditure pertaining to Animal Husbandry Department	499.09	11.78	374.40	-124.69
21	Expenditure pertaining to Housing and Environment Department	233.48	2.00	147.71	-85.77
24	Public Works-Roads and Bridges	1,190.99	1.00	786.14	-404.85
27	School Education	5,149.81	25.89	4,106.56	-1,043.24
29	Administration of Justice and Elections	445.70	11.35	309.62	-136.08
30	Expenditure pertaining to Panchayat and Rural Development Department	3,056.73	162.74	1,486.53	-1,570.21
33	Tribal Welfare	4,858.73	8.02	4,217.57	-641.17
34	Social Welfare	94.01	19.89	79.72	-14.29
36	Transport	88.11	0.50	45.93	-42.18
41	Tribal Area Sub-Plan	15,741.75	901.19	12,486.69	3,255.06
47	Technical Education and Manpower Planning Department	354.63	11.30	218.73	-135.90
55	Expenditure pertaining to Women and Child Welfare	1,083.75	9.47	650.92	-432.83
64	Special Component Plan for Scheduled Castes	5,515.18	365.93	4,780.56	-734.62
71	Information Technology and Bio-Technology	125.86	1.72	35.63	-90.23
79	Expenditure pertaining to Medical Education Department	919.83	10.00	713.23	-206.60
81	Financial Assistance to Urban Bodies	1,745.02	392.74	1,656.59	-88.42
Total-Revenue Voted		52,248.00	2,835.74	41,925.45	-3,812.43
Capital (Voted)					
2	Other expenditure pertaining to General Administration Department	0.00	80.00	0.00	0.00
3	Police	128.88	6.51	106.21	-22.66
4	Other expenditure pertaining to Home Department	21.55	0.80	0.80	-20.75
6	Expenditure pertaining to Finance Department	0.39	80.00	0.06	-0.33
12	Expenditure pertaining	703.54	0.50	369.89	-333.62

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	to Energy Department				
23	Water Resources Department	430.11	8.00	291.41	-138.70
41	Tribal Area Sub-Plan	3,070.06	301.90	2,208.78	-861.28
64	Special Component Plan for Scheduled Castes	990.61	136.07	741.52	-249.09
67	Public Works- Buildings	914.81	22.11	377.48	-537.33
75	NABARD Aided Projects pertaining to Water Resources Department	697.31	0.50	176.87	-520.44
79	Expenditure pertaining to Medical Education Department	131.81	88.25	100.22	-31.60
Total-Capital Voted		7,089.07	724.64	4,373.24	-2,715.81
Grant Total		59,337.07	3,560.38	46,298.69	-6,528.24

Appendix 3.5

(Reference: Paragraph 3.5.5, Page 61)

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

(₹ in crore)

Sl. No.	Scheme Name	Original Budget	Supplementary Budget	Total Budget
1	2-2052-90-6452-Chief Minister Infrastructure Maintenance & Upgradation Authority	0.00	120.00	120.00
2	2-4070-800-101-6452-Chief Minister Infrastructure Maintenance & Upgradation Authority	0.00	80.00	80.00
3	3-2055-109-8333-Expenditure from Road Security Fund	20.00	0.00	20.00
4	4-4070-800-7718-Emergency services	16.34	0.00	16.34
5	6-2052-90-6454-Development of Basic Facilities	0.00	120.00	120.00
6	6-4070-800-101-6454-Development of Basic Facilities	0.00	80.00	80.00
7	7-2040-1-1201-7919-Chhattisgarh Public Finance Management Project	10.00	0.00	10.00
8	8-2029-797-6753-Transfer of Environment Fund	57.82	0.00	57.82
9	8-2029-797-6754-Transfer to Infrastructure Development Funds	75.40	0.00	75.40
10	10-2406-1-105-252-Other Expenditure Compensate Grants Financial Assistance	14.84	0.00	14.84
11	10-2406-1-203-5641-Forest Management Committee	35.94	0.00	35.94
12	10-2406-1-797-3885-Transfer to Forest Development Fund	10.00	0.00	10.00
13	11-4851-101-101-5385-Establishment of New Industrial Sectors	20.60	0.00	20.60
14	12-4801-2-190-101-7498-Capital Expenditure on Transmission / Production / Distribution Company	47.50	0.00	47.50
15	12-4801-5-52-101-6378-Scada Scheme	61.04	0.00	61.04
16	12-4801-80-800-101-6417-Mukhyamantri Vidyut Adhoshanrachna Vikas	12.50	0.00	12.50
17	12-4810-101-101-6416-Scheme to fill Ponds with Water from river /anlicats through Solar Pump	10.00	0.00	10.00
18	12-4810-101-311-6415-P.M. Kusum Yojana	85.20	0.00	85.20
19	13-2401-102-101-8972-Incentive Scheme on Paddy Production	2,397.00	0.00	2,397.00
20	13-2401-800-1201-6353-Chirag Yojana	25.00	0.00	25.00
21	17-4425-108-101-7678-Share Capital for Co-opertive Societies	10.50	0.00	10.50
22	20-6215-1-101-101-2182-New Urban Water Supply Schemes	50.00	0.00	50.00
23	21-2216-2-190-101-7670-Mukhyamantri Avasiya Yojana	10.00	0.00	10.00
24	21-4217-1-50-101-5371-Naya Raipur Development Authority	34.00	0.00	34.00
25	21-6217-1-800-101-7669-Sewerage Treatment Plant In Raipur	50.00	0.00	50.00
26	21-6217-1-800-101-7883-Water supply scheme	15.00	0.00	15.00
27	22-2217-80-1-7761-Salary of Teachers	11.00	0.00	11.00
28	23-4700-1-800-101-5685-Dam Security and Strengthening	10.00	0.00	10.00
29	23-4700-80-800-701-6354-Dam Rehabilitation And Improvement Project Phase II	5.50	5.50	11.00
30	24-5054-5-337-101-7818-Engineering Procurement & Construction	79.29	0.00	79.29
31	27-2202-1-108-101-5904-Free supply of text books	13.13	0.00	13.13
32	27-2202-1-109-101-1394-Uniform to Girls (for Basic Minimum Services)	20.67	0.00	20.67
33	27-2202-2-106-101-5904-Free supply of text books	12.83	0.00	12.83

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34	30-5054-4-101-101-4871-Construction of Bridges on P.M.G.S.Y. Roads	20.00	0.00	20.00
35	30-5054-4-337-101-4855-Pradhan Mantri Gram Sadak Yojana	30.00	0.00	30.00
36	39-2408-1-3-101-8919-Fully computerisation of Public Distribution System	14.90	0.00	14.90
37	39-2408-1-102-101-7894-Financial Assistance to Co-operative Stores	42.50	0.00	42.50
38	39-6408-2-190-311-8545-NABARD Assistance Godown Construction	77.00	0.00	77.00
39	40-4705-209-701-7907-Supply of Irrigation in Command Area	115.52	0.00	115.52
40	41-2202-1-796-108-102-5904-Free supply of text books	21.00	0.00	21.00
41	41-2202-1-796-109-102-1394-Uniform to Girls (for Basic Minimum Services)	43.00	0.00	43.00
42	41-2202-2-796-106-102-5904-Free supply of text books	17.80	0.00	17.80
43	41-2204-796-103-102-6408-Rajya Yuva Mitan Club	19.00	0.00	19.00
44	41-2216-3-796-105-702-7807-Pradhan Mantri Awas Yojana (Rural)	608.00	0.00	608.00
45	41-2230-3-796-3-802-7867-Pradhan Mantri Kaushal Vikas Yojana	10.00	0.00	10.00
46	41-2230-3-796-101-102-7683-Mukhyamantri kaushal vikas yojna	33.85	0.00	33.85
47	41-2236-2-796-101-102-6359-Mukhyamantri Nutrition Campaign	23.00	0.00	23.00
48	41-2401-796-102-102-8972-Insentive Scheme on Paddy Production	1,938.00	0.00	1,938.00
49	41-2401-796-800-1202-6353-Chirag Yojana	19.00	0.00	19.00
50	41-2402-796-102-702-7350-Integrated Water Shed Management Programme	76.00	0.00	76.00
51	41-2406-1-796-105-702-6373-Grant for Small Forest Produce Processing	50.00	0.00	50.00
52	41-2408-1-796-3-102-8919-Fully computerisation of Public Distribution System	11.32	0.00	11.32
53	41-2408-1-796-102-102-7894-Financial Assistance to Co-operative Stores	32.30	0.00	32.30
54	41-4202-1-796-202-1002-1400-Vivekanand Gurukul Unanyan Yojna	55.00	0.00	55.00
55	41-4202-1-796-202-1202-1400-Vivekanand Gurukul Unanyan Yojna	16.00	0.00	16.00
56	41-4425-796-108-102-7678-Share Capital for Co-opertive Societies	29.38	0.00	29.38
57	41-4801-2-796-190-102-7498-Capital Expenditure on Transmission /Production / Distribution Company	36.10	0.00	36.10
58	41-4810-796-101-312-6415-P.M. Kusum Yojona	64.75	0.00	64.75
59	41-5054-4-796-101-102-4871-Construction of Bridges on P.M.G.S.Y. Roads	20.00	0.00	20.00
60	41-5054-4-796-337-102-4855-Pradhan Mantri Gram Sadak Yojana	30.00	0.00	30.00
61	41-6215-1-796-101-102-2182-New Urban Water Supply Schemes	20.00	0.00	20.00
62	41-6408-2-796-190-312-8545-NABARD Assistance Godown Construction	57.72	0.00	57.72
63	42-5054-4-796-101-702-7842-R.R.P. PHASE - II	60.00	0.00	60.00
64	42-5054-5-796-337-102-7818-Engineering Procurement & Construction	62.68	0.00	62.68

65	43-2204-103-101-6408-Rajya Yuva Mitan Club	25.00	0.00	25.00
66	43-2204-104-101-7473-37th National Game	15.00	0.00	15.00
67	47-2230-3-3-101-7683-Mukhyamantri Kaushal Vikas Yojna	41.00	0.00	41.00
68	47-2230-3-3-801-7867-Mukhyamantri Panchayat Sashaktikaran Yojana	10.00	0.00	10.00
69	55-2236-2-101-101-6359-Mukhyamantri Nutrition Campaign	30.00	0.00	30.00
70	57-4700-13-800-1202-6369-Mukhyamantri Nutrition Campaign	20.00	0.00	20.00
71	57-4700-14-800-1202-6369-Mukhyamantri Nutrition Campaign	20.00	0.00	20.00
72	57-4700-15-800-1202-6369-Mukhyamantri Nutrition Campaign	20.00	0.00	20.00
73	57-4700-16-800-1201-6369-Mukhyamantri Nutrition Campaign	20.00	0.00	20.00
74	57-4701-80-800-1201-6371-Construction & Renovation Works of Medium Irrigation Scheme	15.00	0.00	15.00
75	58-2245-1-101-7710-Assistance for destruction of harvest	30.00	0.00	30.00
76	58-2245-2-122-6457-Expenditure from State Disaster Renewal Fund	0.00	60.00	60.00
77	58-2245-2-122-989-Re-establishment and repairs of damaged irrigation and flood control works	10.00	0.00	10.00
78	58-2245-80-103-4849-Transfer from National Disaster Contingency Fund to Disaster Relief Fund	50.00	0.00	50.00
79	58-2245-80-800-6457-Expenditure from State Disaster Renewal Fund	0.00	53.20	53.20
80	64-2202-1-789-109-103-1394-Uniform to Girls (for Basic Minimum Services)	12.83	0.00	12.83
81	64-2202-2-789-106-103-5904-Free supply of text books	10.00	0.00	10.00
82	64-2230-3-789-3-103-7683-Mukhyamantri Kaushal Vikas Yojna	10.00	0.00	10.00
83	64-2401-789-102-103-8972-Incentive Scheme on Paddy Production	765.00	0.00	765.00
84	64-2408-1-789-102-103-7894-Financial Assistance to Co-operative Stores	10.20	0.00	10.20
85	64-4202-1-789-202-1203-1400-Vivekanand Gurukul Unanyan Yojna	12.38	0.00	12.38
86	64-4801-2-789-190-103-7498-Capital Expenditure on Transmission / Production / Distribution Company	11.40	0.00	11.40
87	64-4810-789-101-313-6415-P.M. Kusum Yojana	20.45	0.00	20.45
88	64-5054-5-789-337-103-7818-Engineering Procurement & Construction	40.41	0.00	40.41
89	64-6408-2-789-190-313-8545-NABARD Assistance Godown Construction	19.28	0.00	19.28
90	65-5053-2-102-101-4727-Construction and Extension of Air Strips	21.05	0.00	21.05
91	67-4202-2-105-101-515-Construction of building for Engineering/Technical College and institutions	10.17	0.00	10.17
92	71-3275-800-101-7276-Establishment of Data Centre	31.38	0.00	31.38
93	71-5275-101-701-7892-Implementation for Bharat Net Project	15.00	0.00	15.00
94	75-4700-7-800-311-5516-Major Irrigation Project Construction work (NABARD)	15.00	0.00	15.00
95	75-4700-9-800-311-5516-Major Irrigation Project Construction work (NABARD)	45.00	0.00	45.00
96	76-5054-3-337-1201-7433-Chhattisgarh State Road	10.00	0.00	10.00

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	Development Sector Projects, PHASE-II			
97	80-2515-198-7675-Grant received under the recommendation of 14th Finance Commission	173.05	0.00	173.05
98	81-2217-5-191-7675-Grant received under the recommendation of 14th Finance Commission	63.93	0.00	63.93
99	81-2217-5-192-7675-Grant received under the recommendation of 14th Finance Commission	22.01	0.00	22.01
100	81-2217-5-193-7675-Grant received under the recommendation of 14th Finance Commission	18.86	0.00	18.86
101	81-6217-60-192-101-7241-Development of Urban Basic Infrastructure	20.10	0.00	20.10
102	82-2202-1-796-196-102-8403-Grant-in-aid for salaries to <i>shiksha karmies</i> for Basic Minimum Services	20.00	0.00	20.00
103	CH1-6003-110-637-Ways and Means Advances	660.00	0.00	660.00
104	CH1-6003-110-779-Advance to meet Shortfall	264.51	0.00	264.51
105	CH1-6004-9-101-3052-Blocks Loans	67.60	0.00	67.60
106	CH1-6004-9-101-6718-Consolidated Loans as per Recommendations of 12th Finance Commission	93.26	0.00	93.26
107	CH2-2049-1-101-2199-New Market Loan	275.00	0.00	275.00
Total		9,918.79	518.70	10,437.49

Appendix 3.6

(Reference: Paragraph 3.5.6, Page 62)

List of grants having large savings (savings above ₹100 crore) during the year 2021

(₹ in crore)

Gr No.	Name of the grant	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Saving(-)/Excess(+)	Surrender	Savings excluding surrender
Revenue (Voted)								
02	Other expenditure pertaining to General Administration Department	27.15	120.00	147.15	13.40	-133.75	-129.80	-3.95
03	Police	4,947.02	50.60	4,997.62	4,070.15	-927.47	-892.78	-34.70
07	Expenditure pertaining to Commercial Tax Department	291.15	0.00	291.15	187.19	-103.96	-102.96	-1.00
08	Land Revenue and District Administration	937.11	0.00	937.11	620.38	-316.73	-303.99	-12.74
10	Forest	1,760.92	213.80	1,974.72	1,516.28	-458.44	-372.64	-85.80
13	Agriculture	4,034.38	509.29	4,543.66	4,006.97	-536.69	-536.94	0.25
14	Expenditure pertaining to Animal Husbandry Department	499.09	11.78	510.87	374.40	-136.47	-136.30	-0.17
17	Co-operation	232.26	0.00	232.26	125.96	-106.29	-106.37	0.08
19	Public Health and Family Welfare	2,233.56	387.31	2,620.86	2,412.44	-208.42	0.00	-208.42
20	Public Health Engineering	337.39	0.00	337.39	219.07	-118.32	-116.94	-1.39
23	Water Resources Department	631.58	0.00	631.58	460.48	-171.10	-171.70	0.61
24	Public Works-Roads and Bridges	1,190.99	1.00	1,191.99	786.14	-405.85	-748.24	342.39
25	Expenditure pertaining to Mineral Resources Department	374.52	0.15	374.67	99.86	-274.81	-274.88	0.06
27	School Education	5,149.81	25.89	5,175.70	4,106.56	-1,069.13	-1,075.04	5.91
29	Administration of Justice	445.70	11.35	457.05	309.62	-147.43	0.00	-147.43

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	and Elections							
30	Expenditure pertaining to Panchayat and Rural Development Department	3,056.73	162.74	3,219.47	1,486.53	-1,732.95	-1,742.47	9.52
33	Tribal Welfare	4,858.73	8.02	4,866.75	4,217.57	-649.19	-658.80	9.61
39	Expenditure pertaining to Food Civil Supplies and Consumer Protection Department	2,416.30	0.00	2,416.30	2,182.00	-234.30	-234.02	-0.28
41	Tribal Area Sub-Plan	15,741.75	901.19	16,642.94	12,486.69	-4,156.25	-3,838.94	-317.31
44	Higher Education	767.36	0.00	767.36	594.97	-172.39	-177.29	4.90
47	Technical Education and Manpower Planning Department	354.63	11.30	365.93	218.73	-147.20	-91.87	-55.33
55	Expenditure pertaining to Women and Child Welfare	1,083.75	9.47	1,093.22	650.92	-442.29	-443.16	0.87
58	Expenditure on Relief on account of Natural Calamities and Scarcity	695.07	924.48	1,619.55	1,095.63	-523.92	-524.10	0.18
64	Special Component Plan for Scheduled Castes	5,515.18	365.93	5,881.11	4,780.56	-1,100.55	-1,035.51	-65.04
67	Public Works-Buildings	688.51	25.00	713.51	564.89	-148.62	-80.23	-68.39
69	Urban Administration and Development Department-Urban Welfare	906.44	0.10	906.54	796.47	-110.07	-110.07	0.00
79	Expenditure pertaining to Medical Education Department	919.83	10.00	929.82	713.23	-216.60	0.00	-216.60
80	Financial Assistance to	2,676.54	668.72	3,345.26	2,944.74	-400.52	-412.69	12.17

	Three Tier Panchayati Raj Institutions							
81	Financial Assistance to Urban Bodies	1,745.02	392.74	2,137.75	1,656.59	-481.16	-484.29	3.13
82	Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Area Sub-Plan	360.66	0.00	360.66	238.86	-121.80	-136.09	14.28
Total		64,879.13	4,810.86	69,689.95	53,937.28	-15,752.70	-14,938.10	-814.59
Revenue (Charged)								
CH 2	Interest Payments and Servicing of Debt	5,855.79	414.78	6,270.57	5,695.91	-574.66	-6,845.23	-0.00
Total		5,855.79	414.78	6,270.57	5,695.91	-574.66	-6,845.23	0.00
Capital (Voted)								
11	Expenditure pertaining to Commerce and Industry	132.81	0.00	132.81	8.53	-124.28	-124.22	-0.06
12	Expenditure pertaining to Energy Department	703.54	0.50	704.04	369.89	-334.15	-334.15	0.00
21	Expenditure pertaining to Housing and Environment Department	315.93	0.00	315.93	82.60	-233.33	-233.33	0.00
23	Water Resources Department	430.11	8.00	438.11	291.41	-146.70	-146.66	-0.04
24	Public Works- Roads and Bridges	1,484.94	0.05	1,484.99	1,040.82	-444.17	-480.20	36.02
30	Expenditure pertaining to Panchayat and Rural Development Department	868.59	0.00	868.59	765.12	-103.47	-102.70	-0.76
40	Expenditure pertaining to Ayacut Department	117.52	0.00	117.52	1.38	-116.14	-115.52	-0.61
41	Tribal Area Sub-Plan	3,070.06	301.90	3,371.96	2,208.78	-1,163.18	-964.64	-198.54
42	Public Works	947.23	0.04	947.27	474.55	-472.72	-484.78	12.06

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	relating to Tribal Area Sub-Plan-Roads and Bridges							
57	Externally Aided Projects pertaining to Water Resources Department	100.00	0.00	100.00	0.00	-100.00	-100.00	0.00
64	Special Component Plan for Scheduled Castes	990.61	136.07	1,126.68	741.52	-385.16	-376.82	-8.33
67	Public Works-Buildings	914.81	22.11	936.92	377.48	-559.43	-555.02	-4.41
68	Public Works relating to Tribal Area Sub-Plan-Buildings	165.57	0.00	165.57	59.77	-105.80	-106.00	0.20
75	NABARD Aided Projects pertaining to Water Resources Department	697.31	0.50	697.81	176.87	-520.94	-520.13	-0.81
76	Externally Aided Projects pertaining to Public Works Department	730.00	0.00	730.00	453.03	-276.97	-275.69	-1.28
79	Expenditure pertaining to Medical Education Department	131.81	88.25	220.07	100.22	-119.85	0.00	-119.85
82	Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Area Sub-Plan	130.00	0.00	130.00	22.50	-107.50	-107.50	0.00
Total		11,930.84	557.42	12,488.27	7,174.47	-5,313.79	-5,027.36	-286.41
Grand Total		82,665.76	5,783.06	88,448.79	66,807.66	-21,641.10	-26,810.70	-1,101.00

Appendix 3.7

(Reference: Paragraph 3.5.6, Page 62)

List of grants having large savings (savings above ₹500 crore) during the year 2021

(₹ in crore)

Gr No.	Name of the grant	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Savings(-) /Excess(+)	Surrender	Savings excluding surrender
Revenue (Voted)								
03	Police	4,947.02	50.60	4,997.62	4,070.15	-927.47	-892.78	-34.70
13	Agriculture	4,034.38	509.29	4,543.66	4,006.97	-536.69	-536.94	0.25
27	School Education	5,149.81	25.89	5,175.70	4,106.56	-1,069.13	-1,075.04	5.91
30	Expenditure pertaining to Panchayat and Rural Development Department	3,056.73	162.74	3,219.47	1,486.53	-1,732.95	-1,742.47	9.52
33	Tribal Welfare	4,858.73	8.02	4,866.75	4,217.57	-649.19	-658.80	9.61
41	Tribal Area Sub-Plan	15,741.75	901.19	16,642.94	12,486.69	-4,156.25	-3,838.94	-317.31
58	Expenditure on Relief on account of Natural Calamities and Scarcity	695.07	924.48	1,619.55	1,095.63	-523.92	-524.10	0.18
64	Special Component Plan for Scheduled Castes	5,515.18	365.93	5,881.11	4,780.56	-1,100.55	-1,035.51	-65.04
Total - Revenue Voted		43,998.67	2,948.14	46,946.80	36,250.66	-10,696.15	-10,304.56	-391.58
Capital (Voted)								
41	Tribal Area Sub-Plan	3,070.06	301.90	3,371.96	2,208.78	-1,163.18	-964.64	-198.54
67	Public Works-Buildings	914.81	22.11	936.92	377.48	-559.43	-555.02	-4.41
75	NABARD Aided Projects pertaining to Water Resources Department	697.31	0.50	697.81	176.87	-520.94	-520.13	-0.81
Total - Capital Voted		4,682.18	324.51	5,006.69	2,763.13	-2,243.55	-2,039.79	-203.76
Grand Total		48,680.86	3,272.65	51,953.49	39,013.79	-12,939.70	-12,344.37	-595.34

Appendix 3.8

(Reference: Paragraph 3.5.6, Page 62)

Details of surrender of funds in excess of (₹10 crore) at the end of March 2021

(₹ in crore)						
Grant Name	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Saving (-)/ Excess (+)	Amount Surrendered
01-General administration	353.59	1.18	354.77	232.03	-122.74	94.43
02-Other expenditure pertaining to General Administration Department	27.15	200.00	227.15	13.40	-213.75	209.80
03-Police	5,076.86	57.11	5,133.97	4,176.47	-957.50	918.19
04-Other expenditure pertaining to Home Department	132.86	6.34	139.20	47.24	-91.96	90.25
05-Jail	196.71	0.00	196.71	141.50	-55.21	55.20
06-Finance	358.32	0.00	358.32	248.45	-109.87	108.87
07-Commercial Tax Department	1,168.73	0.00	1,168.73	832.48	-336.25	318.24
08-Land Revenue and District administration	21.24	0.00	21.24	5.12	-16.12	16.11
10-Forest	1,793.83	217.19	2,011.01	1,533.55	-477.46	388.45
11-Expenditure pertaining to Commerce and Industry	349.02	0.00	349.02	173.73	-175.29	175.22
12-Energy	2,962.21	208.95	3,171.16	2,812.89	-358.28	353.28
13-Agriculture	4,050.24	509.29	4,559.53	4,011.93	-547.60	547.88
14-Animal Husbandry	509.83	11.78	521.61	379.54	-142.08	141.91
15-PRI under special component plan for SC	252.39	0.00	252.39	147.18	-105.21	113.02
16-Fisheries	70.06	0.00	70.06	55.46	-14.61	14.51
17-Co-operation	256.26	0.00	256.26	138.96	-117.29	117.37
18-Labour	215.85	0.00	215.85	150.95	-64.90	65.42
19-Public Health and Family Welfare	639.45	225.36	864.81	641.17	-223.64	225.03
20-Public Health Engineering	614.91	2.00	616.91	230.82	-386.10	386.09
21-Housing and Environment Department	23.46	0.00	23.46	5.66	-17.80	17.80
23-Water Resources Department	1,070.25	8.00	1,078.25	751.89	-326.36	326.92
25-Mineral Resources	2,706.95	1.05	2,708.00	1,845.46	-862.54	1,240.95
26-Expenditure pertaining to Culture Department	501.21	0.15	501.36	188.43	-312.94	313.01
27-School Education	45.70	0.05	45.75	29.49	-16.26	16.27
29-Administration of Justice and elections	5,188.67	25.89	5,214.56	4,131.93	-1,082.63	1,088.54
30-Panchayat and Rural Development	3,925.51	162.74	4,088.25	2,251.65	-1,836.60	1,845.36

31-Planning, Economic and Statistics Department	52.01	0.15	52.16	28.51	-23.64	23.67
32-Public relations department	233.01	0.00	233.01	176.13	-56.88	56.92
33-Tribal Welfare	4,859.18	8.02	4,867.20	4,217.69	-649.51	659.12
34-Social Welfare	94.11	19.89	114.01	79.81	-34.19	35.19
36-Transport	101.08	0.50	101.58	49.90	-51.68	36.14
37-Tourism	103.50	0.00	103.50	32.71	-70.79	70.79
39-Food Civil Supplies and Consumer Production	2,495.68	0.00	2,495.68	2,182.00	-313.68	313.40
40-Ayacut	120.85	0.00	120.85	3.16	-117.69	117.06
41-Tribal Area Sub-Plan	18,916.89	1,203.09	20,119.98	14,719.48	-5,400.50	4,884.65
42-Public Works relating to Tribal Area Sub-Plan-Roads and Bridges	960.48	0.04	960.52	474.80	-485.72	497.77
43-Sports and Youth Welfare	84.40	0.00	84.40	11.11	-73.29	73.28
44-Higher Education	779.46	0.00	779.46	595.03	-184.43	189.32
45-Minor Irrigation Works	448.60	0.00	448.60	389.69	-58.91	59.17
46-Science and Technology	25.50	0.00	25.50	8.76	-16.74	16.74
47-Technical Education and man power planning	392.09	11.30	403.39	225.74	-177.65	115.51
54-Expenditure pertaining to Agriculture Research and Education	238.50	0.00	238.50	180.33	-58.17	51.87
55-Women and Child Welfare	1,117.16	9.47	1,126.63	667.49	-459.14	460.01
56-Rural Industries	134.18	0.00	134.18	91.78	-42.39	42.40
57-Externally Aided Projects pertaining to Water Resources Department	100.00	0.00	100.00	0.00	-100.00	100.00
58-Relief on account of Natural Calamities and Scarcity	695.27	924.48	1,619.75	1,095.63	-524.12	524.30
64-Special Component plan for SC	6,543.37	502.00	7,045.37	5,535.09	-1,510.29	1,436.91
65-Aviation Department	130.01	0.00	130.01	53.57	-76.44	76.44
66-Welfare of backward classes	257.26	0.00	257.26	150.68	-106.58	106.58
67-Public Works-Buildings	1,604.19	47.11	1,651.30	942.67	-708.63	635.82
Public Works relating to Tribal Area Sub-Plan-Buildings	165.57	0.00	165.57	59.77	-105.80	106.00
69-Urban Administration and Development Department-Urban Welfare	906.44	0.10	906.54	796.47	-110.07	110.07
71-Information technology and Biotechnology	190.86	1.72	192.58	70.63	-121.95	66.96
75-NABARD aided projects pertaining to WRD	697.31	0.50	697.81	176.87	-520.94	520.13

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76-Externally Aided Projects pertaining to Public Works Department	730.00	0.00	730.00	453.03	-276.97	275.69
80-Financial Assistance to three-tier PRI	2,824.54	668.72	3,493.26	3,016.84	-476.42	488.59
81-Financial Assistance to urban bodies	2,361.82	421.74	2,783.56	2,265.40	-518.16	521.29
82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal area Sub-Plan	490.66	0.00	490.66	261.36	-229.30	243.59
CH1-Public Debt	4,841.47	0.00	4,841.47	8,020.29	3,178.82	847.70
CH2-Interest Payments and Servicing of Debt	5,855.79	414.78	6,270.57	5,695.91	-574.66	574.66
Total	92,062.50	5,870.69	97,933.19	77,905.71	-20,027.50	23,525.86

Appendix 3.9

(Reference: Paragraph 3.5.7, Page: 64)

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	48	9	14
2	2-Other expenditure pertaining to General Administration Department	15	6	2
3	3- Police	45	13	18
4	4-Other expenditure pertaining to General Administration Department	27	7	9
5	5-Jail	7	1	4
6	6-Finance	54	25	0
7	7-Commercial Tax Department	30	14	3
8	8-Land Revenue and District administration	33	16	5
9	9-Expenditure pertaining to revenue department	6	0	5
10	10-Forest	75	44	11
11	11-Expenditure pertaining to Commerce and Industry	46	19	1
12	12-Energy	39	2	13
13	13-Agriculture	93	16	34
14	14-Animal Husbandry	47	0	23
15	15-PRI under special component plan for SC	20	7	7
16	16-Fisheries	16	6	1
17	17-Co-operation Voted	19	1	6
18	18-Labour	16	13	0
19	19-Public Health and Family Welfare	68	37	0
20	20-Public Health Engineering	81	9	18
21	21-Housing and Environment Department	23	2	16
22	22-Urban administration and development department-urban bodies	5	2	3
23	23-Water Resources Department	107	14	35
24	24-Public works-roads and bridges	45	20	12
25	25-Mineral Resources	13	2	7
26	26-Expenditure pertaining to Culture Department	29	3	9
27	27-School Education	76	6	33
28	28-State legislature	5	4	1
29	29-Administration of Justice and elections	32	24	0
30	30-Panchayat and Rural Development	47	20	11
31	31-Planning, Economic and Statistics Department	9	3	2
32	32-Public relations department	50	1	5
33	33-Tribal Welfare	18	12	2
34	34-Social Welfare	42	12	0
35	35-Rehabilitation	3	0	1
36	36-Transport	18	10	0
37	37-Tourism	11	0	11
38	39-Food Civil Supplies and Consumer Production	34	3	12
39	40-Ayacut	5	4	0
40	41-Tribal Area Sub-Plan	496	133	139
41	42-Public works relating to tribal area sub-plan roads	18	6	7

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	and bridges			
42	43-Sports and Youth Welfare	22	1	13
43	44-Higher education	34	8	9
44	45-Minor Irrigation Works	17	2	8
45	46-Science and Technology	4	0	4
46	47-Technical Education and man power planning	39	18	10
47	49-Scheduled Castes welfare	2	2	0
48	50-Expenditure pertaining to the Departments implementing 20-point programmes	1	1	0
49	51-Religious trusts and endowments	10	0	4
50	53-Financial assistance to urban bodies under special component plan for Scheduled Castes	18	2	1
51	54-Expenditure pertaining to Agriculture Research and Education	11	7	3
52	55-Women and Child Welfare	52	12	27
53	56-Rural Industries	41	0	19
54	57-Externally Aided Projects pertaining to Water Resources Department	8	0	8
55	58-Relief on account of Natural Calamities and Scarcity	60	26	5
56	60-Expenditure pertaining to district plan schemes	2	1	1
57	64-Special Component plan for SC	368	67	90
58	65-Aviation Department	3	0	3
59	66-Welfare of backward classes	29	13	5
60	67-Public Works building	192	41	33
61	68-Public works relating to Tribal area sub-plan buildings	39	1	14
62	69-Urban Administration and Development Department-Urban Welfare	18	1	10
63	71-Information technology and Biotechnology	33	14	2
64	75-NABARD aided projects pertaining to WRD	22	0	21
65	76-Externally aided projects pertaining to Public Works Department	6	2	4
66	79-Medical Education	41	30	0
67	80-Financial Assistance to three-tier PRI	54	6	24
68	81-Financial Assistance to urban bodies	93	8	21
69	82-Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal area Sub-Plan	26	12	6
70	83-Financial assistance to urban bodies under Tribal area sub-plan	23	2	1
71	CH1-Interest Payments and Servicing of Debt	14	18	0
72	CH2- Public Debt	77	5	4
Total		3,230	826	830

Appendix 3.10

(Reference: Paragraph 3.5.8, Page 65)

Excess Expenditure over provisions for the years 2000-01 to 2019-20

			(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	
2016-17	2 Grants	06 and 50	0.92
	3 Appropriations	06, 55 and Interest payments and servicing of debt	

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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
2019-20	3 Grants	6,33 and 44	646.07
	3 Appropriations	55, Public Debt and Interest payments and servicing of debt	6,036.62
Total			9,944.52

Appendix 3.11

(Reference: Paragraph 3.5.8, Page: 66)

Details of Major Heads having Excess expenditure in 2020-21

(C in crore)

Gr. No.	Major Head	Major Head Description	Original Budget	Supplementary Budget	Total Provision	Expenditure	Excess Expenditure
06	2071	Pensions and Other Retirement benefits	6,320.06	381.00	6,701.06	7,136.62	435.56
06	2235	Social Security and Welfare	0.00	0.00	0.00	2.60	2.60
08	4059	Capital Outlay on Public Works	151.27	0.00	151.27	155.43	4.17
15	2235	Social Security and Welfare	37.96	0.00	37.96	45.51	7.55
19	2071	Pensions and Other Retirement benefits	2.30	0.00	2.30	5.62	3.32
32	2029	Land Revenue	0.60	0.00	0.60	0.68	0.08
32	2051	Public Service Commission	0.45	0.00	0.45	0.46	0.01
32	2055	Police	0.70	0.00	0.70	0.79	0.09
32	2056	Jails	0.10	0.00	0.10	0.15	0.05
32	2202	Education	0.32	0.00	0.32	0.34	0.02
32	2210	Medical and Public Health	1.20	0.00	1.20	1.33	0.13
32	2235	Social Security and Welfare	0.35	0.00	0.35	0.36	0.01
32	2406	Forestry and Wild Life	1.50	0.00	1.50	2.02	0.52
32	2701	Medium Irrigation	4.00	0.00	4.00	4.52	0.52
32	2853	Non-ferrous Mining and Metallurgical Industries	0.07	0.00	0.07	0.17	0.10
32	3054	Roads and Bridges	4.00	0.00	4.00	4.25	0.25
53	2235	Social Security and Welfare	7.24	0.00	7.24	7.68	0.44
64	2501	Public Service Commission	49.99	0.00	49.99	76.53	26.53
64	4216	Capital Outlay on Housing	0.10	0.00	0.10	0.57	0.47
82	2235	Social Security and Welfare	77.06	0.00	77.06	89.11	12.05
83	2235	Social Security and Welfare	9.60	0.00	9.60	10.34	0.74
CH1	6003	Internal Debt of the State Government	4,680.08	0.00	4,680.08	7,805.22	3,125.15
CH1	6004	Loans and Advances from the Central Government	161.39	0.00	161.39	215.06	53.67
Total			11,510.34	381.00	11,891.34	15,565.35	3,674.01

Appendix 3.12

(Reference: Paragraph 3.6.1, Page: 67)

Sub-Head (Schemes) where entire expenditure was incurred in March 2021

(in crore)			
Sl. No.	Grant No.	Head of Accounts (up to Sub-Head)	100% expenditure during March only
1	10	2406-1-800 -6447-Biodiversity management committee	13.00
2	24	5054-3-337-101-7991-Expenditure by the State Government in Construction under C.R.F.	7.00
3	44	2202-5-102-101-7461-Sanskrit Bhasha Samman	0.16
4	55	2235-2-102-101-7916-Kishore Nayay Nidhi	0.50
5	56	2851 -103-101-7885-Hathkargha Shetr ke Purashkrit Bunkaro ke Masik Arthik Sahaiyata	0.15
6	56	2851 -105-101-6428-Establishment of Khadi Store	1.00
7	66	4225-3-800-101-7978-Integrated Development of Damakheda	2.00
8	66	4225-4-800-101-7978-Integrated Development of Damakheda	2.00
9	71	3275 -800-101-7823-Expansion of SWAN Project	1.72
10	80	2405 -101-101-7756-National Agriculture Development Scheme (Normal)	0.25
Total			27.78

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 2017-18		2018-19		2019-20	
		No. of UCs	Amount	No. of UCs	Amount	No. of UCs	Amount
1.	2070/Other Administrative Services	0	0.00	0	0.00	2	0.00*
2.	2202/General Education	1	0.01	7	5.92	0	0.00
3.	2203/Technical Education	12	54.06	0	0.00	0	0.00
4.	2205/Art & Culture	0	0.00	0	0.00	1	1.00
5.	2215/ Water Supply and Sanitation	0	0.00	0	0.00	2	3.00
6.	2216/Housing	3	119.58	17	1,927.97	12	625.94
7.	2217/Urban Administration	5	7.19	75	843.04	133	1,198.90
8.	2245/Relief on account of Natural Calamity	8	0.80	5	0.53	0	0.00
9.	2401/Crop Husbandry	3	4.32	2	1.61	3	35.59
10	2402/Soil and Water Conservation	0	0.00	1	4.36	7	89.88
11	2403/Animal Husbandry	4	1.69	0	0.00	0	0.00
12	2405/ Fisheries	0	0.00	0	0.00	3	4.11
13	2501/Special Programme for Rural Development	1	9.72	0	0.00	1	0.01
14	2702/Minor Irrigation	0	0.00	1	0.01	0	0.00
15	3054/ Roads & Bridges	0	0.00	0	0.00	3	240.25
16	3275/Other Communication Services	0	0.00	0	0.00	6	13.41
17	3604/Compensation & Assignment to Local Bodies	30	48.24	47	661.77	65	1,114.02
Total		67	245.61	155	3,445.21	238	3,326.11

*UC amounting ₹ 2,900.00

Appendix 4.2

(Reference: Paragraph 4.3, Page 71)

Details of outstanding Detailed Contingent bills as of 31st March, 2021

(₹ in crore)

Major Head	Name of the Department	Year	Pending DC bills	Amount
2029	Land Revenue	2017-18	01	0.01
		2020-21	01	0.02
2054	Treasury and Accounts Administration	2019-20	01	*0.00
2070	Other Administrative Services	2020-21	01	#0.00
2202	General Education	2019-20	01	0.03
2203	Technical Education	2020-21	01	0.37
2230	Labor& Employment	2019-20	04	1.73
		2020-21	06	@0.00
2235	Social Security & Welfare	2017-18	14	0.18
		2018-19	60	0.80
		2019-20	99	0.92
		2020-21	93	0.71
2245	Relief on account of Natural Calamity	2018-19	05	0.02
2401	Crop Husbandry	2018-19	07	0.05
		2019-20	49	1.69
		2020-21	47	1.41
2403	Animal Husbandry	2018-19	02	\$0.00
		2019-20	03	0.01
2405	Fisheries	2018-19	09	0.10
		2019-20	15	0.35
		2020-21	15	0.34
2406	Forestry and Wild Life	2018-19	01	%0.00
		2019-20	02	**0.00
2408	Food Storage and Warehousing	2020-21	01	^0.00
2425	Co-operation	2019-20	05	184.26
		2020-21	03	100.00
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
2852	Industries	2019-20	06	0.05
		2020-21	04	0.03
Total		460		295.53

*DC amounting ₹9,790.00, #DC amounting ₹11,906.00, @DC amounting ₹45,000.00, \$DC amounting ₹58,000.00, %DC amounting ₹71,390.00, **DC amounting ₹16,600.00, ^DC amounting ₹33,000.00, ##DC amounting ₹29,227.00, ^^DC amounting ₹4,190.00

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 2020-21	Percentage of Receipts booked under Minor Head- 800- Other receipts to Total receipts
1.	0049	Interest Receipts	89.77	53.24	59.31
2.	0055	Police	29.06	25.90	89.13
3.	0058	Stationery and Printing	1.99	1.57	78.89
4.	0059	Public Works	32.23	31.70	98.36
5.	0070	Other Administrative Services	35.67	19.95	55.93
6.	0217	Urban Development	10.20	10.20	100.00
7.	0220	Information and Publicity	0.04	0.04	100.00
8.	0235*	Social Security and Welfare	13.33	13.34	100.07
9.	0408	Food Storage and Warehousing	1.30	1.30	100.00
10.	0435	Other Agriculture Programmes	1.86	1.75	94.09
11.	0515	Other Rural Development Programmes	37.69	34.72	92.12
12.	0702*	Minor Irrigation	232.72	233.63	100.39
13.	0852*	Industries	12.08	12.92	106.95
Total			497.94	440.26	

* Receipts under Major Head 0235, 0702 and 0852 appear to be more than the total receipts of the concerned major Heads due to refund of revenue. Refund of revenue under these major Heads was ₹0.01 crore, ₹2.26 crore and ₹0.84 crore respectively.

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 2020-21	Percentage of Expenditure booked under Minor Head-800-Other Expenditure to Total Expenditure
1.	2075	Miscellaneous General Services	0.20	0.20	100.00
2.	2245	Relief on account of Natural Calamities	1095.63*	517.30	47.21
3.	2810	New and Renewable Energy	49.70	29.70	59.76
4.	2853	Non-ferrous Mining and Metallurgical Industries	216.45	116.65	53.89
5.	3275	Other Communication Services	35.63	35.63	100.00
6.	4070	Capital Outlay on Other Administrative Services	2.70	2.70	100.00
7.	4700	Capital Outlay on Major Irrigation	335.25	204.60	61.03
8.	4701	Capital Outlay on Medium Irrigation	71.12	56.47	79.40
9.	4801	Capital Outlay on Power Project	202.10*	150.00	74.22
10.	5053	Capital Outlay on Civil Aviation	8.70	7.60	87.36
11.	5055	Capital Outlay on Road Transport	3.97	3.97	100.00
12.	5425	Capital Outlay on Other Scientific and Environmental Research	3.00	3.00	100.00
Total			1,156.95	1,127.82	

*Expenditure shown under Major Head 2245 and 4801 are Gross Expenditure

Appendix: 4.5

(Reference: Paragraph 4.14, Page 83)

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	1	0	2	0.81
3.	District Administration	1	0.68	5	0.8	1	3	7	4.48
4.	Treasury and Accounts Administration	3	0.19	0	0	3	11.81	6	12
5.	Technical Education	6	2.31	0	0	7	50.3	13	52.61
6.	Rural Development	4	1.08	3	0.2	14	16.7	21	17.98
7.	Panchayat And Social Welfare	0	0	0	0	2	1	2	1
8.	School Education	21	12.93	19	156.26	19	67.1	59	236.29
9.	Police	36	6.56	5	19.45	218	28.29	259	54.3
10.	Health and Family Welfare	3	0.29	2	0.31	7	0.85	12	1.45
11.	Land Revenue (Tehsil Dept.)	2	0.5	11	1.87	2	0.18	15	2.55
12.	Animal Veterinary Service	8	1.8	1	0.1	183	14.76	192	16.66
13.	Co-operation	0	0	1	96.26	0	0	1	96.26
14.	Woman and Child Welfare	1	3.5	0	0	2	0.31	3	3.81
15.	Dairy Development	1	0.2	1	0.02	0	0	2	0.22
16.	Village & Small Scale Industries (Resham) Dept.	0	0	0	0	1	0.37	1	0.37
17.	Law and Legislative Dept.	8	0.39	1	7.79	1	0.07	10	8.25
18.	Labour and Employment	10	3.9	0	0	4	0.75	14	4.65
19.	Food Civil Supply and Consumer Protection Department	0	0	1	0.08	3	0.15	4	0.23
20.	Crop Husbandry	0	0	1	2.98	3	0.48	4	3.46
21.	Welfare of SC ST and other Backward Classes	3	1.14	4	20.48	8	1.23	15	22.85

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22.	Health and Medical Services	5	0.85	9	34.84	4	9.91	18	45.6
23.	Forest	1	5.72	0	0	952	951.14	953	956.86
24.	PWD	2	0.24	0	0	476	10,269.69	478	10,269.93
25.	WRD	7	1.25	0	0	15	548.18	22	549.43
26.	Finance and Statistical Directorate	1	0.05	0	0	0	0	1	0.05
27.	Collectorate	0	0	1	0.07	1	0.3	2	0.37
28.	Mining and Metallurgical Industries Dept.	0	0	0	0	1	0	1	0
29.	Cleaning and Water Supply	0	0	1	189.9	0	0	1	189.9
30.	Rural Engineering Services	0	0	0	0	2	4.41	2	4.41
31.	State Excise	1	3	0	0	0	0	1	3
Total		137	57.81	68	532.03	1933	11,983.49	2138	12,583.33

Appendix: 4.6

(Reference: Paragraph 4.14, Page 83)

Year wise analysis of loss to Government

(Cases where financial action was pending at the end of 31 March 2021)

(₹ in lakh)

Sl. No.	Name Of Department	Number of cases and amount						
		Up to 05 years	05 to 10 years	10 to 15 years	15 to 20 years	20 to 25 years	above 25 years	Total
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	-	-	-	2 (0.07)	1 (11.77)	3 (0.16)	6 (12.00)
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	152 (15.03)	57 (5.73)	30 (4.79)	11 (11.32)	3 (1.10)	6 (16.33)	259 (54.30)
10	Health and Family Welfare	-	-	-	-	-	12 (1.45)	12 (1.45)
11	Land Revenue (Tehsil)	-	-	2 (0.98)	1 (0.00)	-	12 (1.57)	15 (2.55)
12	Animal Veterinary Service	61 (4.83)	51 (5.55)	62 (3.40)	13 (2.19)	-	5 (0.69)	192 (16.66)
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 (0.37)	-	-	-	-	1 (0.37)
17	Law and Legislative Dept.	6 (0.36)	2 (0.00)	-	1 (0.10)	1 (7.79)	-	10 (8.25)
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	-	2 (0.16)	-	2 (3.30)	-	-	4 (3.46)
21	Welfare of SC ST and other Backward Classes	1 (0.17)	1 (0.00)	1 (19.58)	-	-	12 (3.10)	15 (22.85)

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22	Health and Medical Services	1 (0.00)	2 (9.90)	-	1 (30.75)	5 (2.27)	9 (2.68)	18 (45.60)
23	Forest	29 (31.90)	35 (82.27)	50 (98.73)	109 (144.37)	206 (411.77)	524 (187.82)	953 (956.86)
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)	8 (184.46)	-	-	-	22 (549.43)
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	State Excise	1 (3.00)	-	-	-	-	-	1 (3.00)
Total		291 (981.32)	510 (9,113.83)	256 (1141.21)	204 (351.70)	222 (447.66)	655 (537.61)	2,138 (12,573.33)

Appendix: 4.7*(Reference: Paragraph 4.14, 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.	100	2055	Police	Loss	2020	15,550	15,550
2.	101	2055		Loss	2021	3,310.33	3,310.33
3.	99	2406	Forest	Loss	2020	47,304	47,304
4.	102	2406		Loss	2021	23,670	23,670
5.	103	2406		Loss	2021	14,938	14,938
Total						104,722.33	104,722.33

Appendix 5.1

Statement showing the financial position and working results of PSUs whose accounts were in arrears for three or more years as on 30 September 2021

(Referred to in paragraph 5.4)

(₹ in crore)

Sl. No.	Sector, Type & Name of the PSU	Date of Incorporation	Period of accounts	Year in which finalized	Net Profit/loss after interest and tax	Turnover	Paid up capital	Equity at close of the year 2020-21		
								Equity \$	Long term loans	Total
1	2		3	4	6	7	8	9	10	11
I. Functional PSUs with arrears of accounts for three or more years/first accounts not received										
A. Government Companies										
1	Chhattisgarh State Industrial Development Corporation Limited (CSIDC)	16.11.1981	2016-17	2020-21	-2.60	52.45	1.60	1.6	0	1.6
2	Raipur Smart City Limited (RSCL)	16.09.2016	2016-17	2020-21	-0.02	2.98	0.10	0.10	0.00	0.1
3	Chhattisgarh State Information Infrastructure Corporation Limited (CSIIC)	12.12.2017	First accounts not submitted	-	0.00	0.00	0.00	0.05	0.00	0.05
Total - I					-2.62	55.43	1.70	1.75	0.00	1.75
II. Non functional PSUs										
A. Government Companies										
4	Chhattisgarh Sondiha Coal Company Limited (CSCCL)	30.12.2008	2019-20	2020-21	-0.09	0.00	21.94	21.94	0	21.94
5	CMDC ICPL Coal Limited (CICL)	11.04.2008	2018-19	2020-21	0.00	0.00	82.60	82.60	231.71	314.31
Total - II					-0.09	0.00	104.54	104.54	231.71	336.25
Grand Total (I + II)					-2.71	55.43	106.24	106.29	231.71	338.00

\$ Includes share application money pending allotment.

Appendix 5.2

Statement showing position of equity and outstanding loans relating to State PSUs as on 31 March 2021
(Referred to in paragraph 5.6.1)

(₹ in crore)

Sl. No.	Sector & Name of the PSUs	Name of the Department	Month and year of incorporation	Equity ^s at close of the year				Long term loans outstanding at close of the year				Total GOCG Equity plus Loans	Total Equity plus Loans
				GoCG	GoI	Others [£]	Total	GoCG	GoI	Others [£]	Total		
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8
Power													
1	Chhattisgarh State Power Generation Company Limited	Energy	19.05.2003	2814.30	0.00	0.00	2814.30	29.21	0.00	7270.08	7299.29	2843.51	10113.59
2	Chhattisgarh State Power Transmission Company Limited	Energy	19.05.2003	904.71	0.00	0.00	904.71	0.00	0.00	1316.49	1316.49	904.71	2221.20
3	Chhattisgarh State Power Distribution Company Limited	Energy	19.05.2003	2263.10	0.00	0.00	2263.10	21.17	292.78	1697.15	2011.10	2284.27	4274.20
4	Chhattisgarh State Power Holding Company Limited	Energy	31.12.2008	609.73 [£]	0.00	0.00	609.73	0.00	0.00	0.00	0.00	609.73	609.73
5	Chhattisgarh State Power Trading Company Limited	Energy	30.12.2008	0.05	0.00	0.00	0.05	0.00	0.00	0.80	0.80	0.05	0.85
6	Uttar Chhattisgarh Rajya Vidyut Utpadan Limited (UCRVUL)	Energy	13.03.2018	0	0	200	200.00	0	0	0	0.00	0.00	200.00

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Sl. No.	Sector & Name of the PSUs	Name of the Department	Month and year of incorporation	Equity ^s at close of the year				Long term loans outstanding at close of the year				Total GOCG Equity plus Loans	Total Equity plus Loans
				GoCG	GoI	Others [£]	Total	GoCG	GoI	Others [£]	Total		
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8
Agriculture & Allied													
7	Chhattisgarh Rajya Van Vikas Nigam Limited	Forest	22.05.2001	25.73	0.92	0.00	26.65	0.00	0.00	0.00	0.00	25.73	26.65
8	Chhattisgarh Rajya Beej Evam Krishi Vikas Nigam Limited	Agriculture	08.10.2004	0.50	0.00	0.00	0.50	0.00	0.00	19.40	19.40	0.50	19.90
Services													
9	Chhattisgarh State Beverages Corporation Limited	Commercial Tax	29.11.2001	0.15	0.00	0.00	0.15	0.00	0.00	0.00	0.00	0.15	0.15
10	Chhattisgarh State Marketing Corporation Limited (CSMCL)	Commercial Tax	27.02.2017	0.00 [#]	0.00	0.00	0.00	239.00	0.00	0.00	239.00	239.00	239.00
11	Chhattisgarh State Civil Supplies Corporation Limited	Food Civil Supplies and Consumer Protection	13.03.2001	4.43	0.00	0.00	4.43	0.00	0.00	0.00	0.00	4.43	4.43
12	Chhattisgarh Medical Services Corporation Limited	Health	07.10.2010	3.45	0.00	0.00	3.45	0.00	0.00	0.00	0.00	3.45	3.45
13	Chhattisgarh Police Housing Corporation Limited	Home	14.12.2011	2.00	0.00	0.00	2.00	0.00	0.00	538.63	538.63	2.00	540.63
14	Chhattisgarh State Warehousing Corporation	Food Civil Supplies and Consumer Protection	02.05.2002	2.02	0.00	2.02	4.04	67.98	0.00	0.00	67.98	70.00	72.02

Sl. No.	Sector & Name of the PSUs	Name of the Department	Month and year of incorporation	Equity ^s at close of the year				Long term loans outstanding at close of the year				Total GOCG Equity plus Loans	Total Equity plus Loans
				GoCG	GoI	Others [£]	Total	GoCG	GoI	Others [£]	Total		
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8
15	Chhattisgarh Railway Corporation Limited	Commerce and Industries	07.12.2016	25.5	24.5	0	50.00	0	0	0	0.00	25.50	50.00
16	Chhattisgarh Katghora Dongargarh Railway Limited	Commerce and Industries	29.05.2018	0.00	0.00	2.00	2.00	0	0	0	0.00	0.00	2.00
17	Chhattisgarh Kharsia Naya Raipur Railway Limited	Commerce and Industries	29.05.2018	0.00	0.00	2.00	2.00	0	0	0	0.00	0.00	2.00
Infrastructure													
18	Chhattisgarh Road and Infrastructure Development Corporation Limited	PWD/Urban Administrative and Development Department	11.11.2014	4.90	0.00	0.00	4.90	0.00	0.00	0.00	0.00	4.90	4.90
19	Nava Raipur Atal Nagar Smart City Corporation Limited	Urban Administrative and Development Department	16.10.2017	0.00	0.00	0.10	0.10	0.00	0.00	0.00	0.00	0.00	0.10
20	Bilaspur Smart City Limited	Urban Administrative and Development Department	19.09.2016	0	0	0.10	0.10	0	0	0	0.00	0.00	0.10
21	Chhattisgarh Infrastructure	Commerce and Industries	26.02.2001	4.20	0.00	0.00	4.20	0	0	0	0.00	4.20	4.20

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Sl. No.	Sector & Name of the PSUs	Name of the Department	Month and year of incorporation	Equity ^s at close of the year				Long term loans outstanding at close of the year				Total GOCG Equity plus Loans	Total Equity plus Loans
				GoCG	GoI	Others [£]	Total	GoCG	GoI	Others [£]	Total		
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8
	Development Corporation Limited												
22	Chhattisgarh Rural Housing Corporation Limited (CRHCL)	Panchayat & Rural Development Department	15.03.2018	0.10	0.00	0.00	0.10	0	0	1759.11	1759.11	0.10	1759.21
23	Chhattisgarh State Industrial Development Corporation Limited	Commerce and Industries	16.11.1981	1.60	0.00	0.00	1.60	0.00	0.00	0.00	0.00	1.60	1.60
24	Raipur Smart City Limited	Urban Administrative and Development Department	16.09.2016	0.00	0.00	0.10	0.10	0.00	0.00	0.00	0.00	0.00	0.10
25	Chhattisgarh State Information Infrastructure Corporation Limited	Electronic and Information Technology	12.12.2017	0.05	0.00	0.00	0.05	0.00	0.00	0.00	0.00	0.05	0.05
Finance													
26	Chhattisgarh Nishakt Jan Vitt Avam Vikas Nigam	Social Welfare	04.07.2004	5.00	0.00	0.00	5.00	0.00	0.00	0.00	0.00	5.00	5.00
Others													
27	Chhattisgarh Mineral Development Corporation Limited	Geology and Mining	07.06.2001	1.00	0.00	0.00	1.00	367.47 @	0.00	0.00	367.47	368.47	368.47
28	Kerwa Coal Limited	Geology and Mining	20.01.2015	0.00	0.00	4.90	4.90	0.00	0.00	14.21	14.21	0.00	19.11

Sl. No.	Sector & Name of the PSUs	Name of the Department	Month and year of incorporation	Equity ^{\$} at close of the year				Long term loans outstanding at close of the year				Total GOCG Equity plus Loans	Total Equity plus Loans
				GoCG	GoI	Others [£]	Total	GoCG	GoI	Others [£]	Total		
1	2	3	4	5 (a)	5 (b)	5 (c)	5 (d)	6 (a)	6 (b)	6 (c)	6 (d)	7	8
29	CMDC ICPL Coal Limited	Geology and Mining	11.04.2008	0.00	0.00	82.60	82.60	0.00	0.00	231.71	231.71	0.00	314.31
30	Chhattisgarh Sondiha Coal Company Limited	Geology and Mining	30.12.2008	0	0	21.94	21.94	0	0	0	0	0.00	21.94
Total				6672.52	25.42	315.76	7013.70	724.83	292.78	12847.58	13865.19	7397.35	20878.89

\$ Includes share application money pending allotment. £ includes financial institutions, Banks and PSEs etc.

€ ₹5,982.16 crore out of ₹6,591.89 crore equity released by State Government to CSPHCL was invested by CSPHCL (Holding Company) in its Subsidiary Companies viz., CSPGCL (₹2,814.30 crore), CSPTCL (₹904.71 crore), CSPDCL (₹2,263.10 crore) and CSPTCL (₹0.05 crore) as shown at Sl. No. 1, 2, 3 & 5. Therefore, the amount of equity in CSPHCL has been shown at ₹609.73 crore net after excluding ₹5,982.16 crore of investment in Subsidiary Companies.

@ The amount of loan has been received from Chhattisgarh Mineral Development Fund, Mineral Resources Department, GoCG and hence has been considered as GoCG investment.

₹7000

Appendix 5.3
Public Sector Undertakings information on profit from operating activities/other income
(Referred to in paragraph 5.9.1)

S.No.	Name of State Public Sector Enterprises
PSUs which earned profit only from its operations	
1	Chhattisgarh <i>Rajya Van Vikas Nigam</i> Limited
2	Chhattisgarh State Beverages Corporation Limited
3	Chhattisgarh State Marketing Corporation Limited
4	Chhattisgarh <i>Rajya Beej Evam Krishi Vikas Nigam</i> Limited
5	Chhattisgarh State Warehousing Corporation
6	Chhattisgarh State Power Generation Company Limited
7	Chhattisgarh State Power Transmission Company Limited
PSUs which earned profit only from other/extraordinary income	
1	Chhattisgarh State Civil Supplies Corporation Limited
2	Chhattisgarh <i>Nishakt Jan Vitt Avam Vikas Nigam</i>
3	Chhattisgarh Medical Services Corporation Limited
4	Chhattisgarh Road And Infrastructure Development Corporation Limited
5	Chhattisgarh Mineral Development Corporation Limited
6	Kerwa Coal Limited
7	Chhattisgarh State Power Holding Company Limited
8	Chhattisgarh State Power Trading Company Limited

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