



State Finances Audit Report of the Comptroller and Auditor General of India for the year ended 31 March 2022



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Madhya Pradesh
Report No. 4 of the year 2023

**STATE FINANCES AUDIT REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA
for the year ended 31 March 2022**

GOVERNMENT OF MADHYA PRADESH
Report No. 4 of the year 2023

TABLE OF CONTENTS

| Description | Paragraph | Page No. |
|--|-----------|----------|
| Preface | | v |
| Executive Summary | | vii |
| Chapter 1-Overview | | |
| Profile of the State | 1.1 | 1 |
| Basis and Approach to State Finances Audit Report | 1.2 | 4 |
| Report Structure | 1.3 | 5 |
| Overview of Structure of Government Account | 1.4 | 6 |
| Budgetary Processes | 1.5 | 8 |
| Snapshot of Finances | 1.6 | 9 |
| Fiscal Balance: Achievement of deficit and total debt targets | 1.7 | 11 |
| Deficits after examination in Audit | 1.8 | 15 |
| State Finance Commission | 1.9 | 16 |
| Chapter 2-Finances of the State | | |
| Introduction | 2.1 | 19 |
| Major changes in Key Fiscal Aggregates during 2021-22 <i>vis-à-vis</i> 2020-21 | 2.2 | 19 |
| Sources and Application of funds | 2.3 | 19 |
| Resources of the State | 2.4 | 20 |
| Receipts of the State | 2.5 | 21 |
| Revenue Receipts | 2.6 | 21 |
| Fourteenth/Fifteenth Finance Commission Grants | 2.7 | 30 |
| Capital Receipts | 2.8 | 30 |
| State's performance in mobilization of resources | 2.9 | 31 |
| Application of Resources | 2.10 | 32 |
| Public Account | 2.11 | 46 |
| Debt Management | 2.12 | 50 |
| Debt Sustainability Analysis (DSA) | 2.13 | 55 |
| Conclusion | 2.14 | 62 |
| Recommendations | 2.15 | 63 |
| Chapter 3-Budgetary Management | | |
| Introduction | 3.1 | 65 |
| Appropriation Accounts | 3.2 | 67 |
| Comments on integrity of budgetary and accounting process | 3.3 | 69 |
| Unnecessary supplementary provision | 3.4 | 70 |
| Excessive/Unnecessary Re-appropriation of funds | 3.5 | 71 |
| Savings | 3.6 | 75 |
| Grants/Appropriations where utilisation of budget was less than 50 <i>per cent</i> | 3.7 | 78 |
| Excess expenditure requiring regularisation | 3.8 | 79 |
| Lump sum Budgetary Provisions | 3.9 | 79 |
| Unutilised provisions under schemes | 3.10 | 81 |
| Major policy pronouncements in budget and their actual funding for ensuring implementation | 3.11 | 83 |

| Description | Paragraph | Page No. |
|--|-----------|----------|
| Rush of Expenditure | 3.12 | 85 |
| Gender Budget | 3.13 | 88 |
| Agriculture Budget | 3.14 | 89 |
| Environment Budget | 3.15 | 90 |
| Review of selected Grants | 3.16 | 91 |
| Conclusion | 3.17 | 102 |
| Recommendations | 3.18 | 102 |
| Chapter 4-Quality of Accounts and Financial Reporting Practices | | |
| Introduction | 4.1 | 103 |
| Accounting of Cess | 4.2 | 103 |
| Loans of State Government not being credited to the Consolidated Fund (Off Budget Borrowings) | 4.3 | 105 |
| Non-discharge of liability in respect of interest towards interest bearing deposits | 4.4 | 107 |
| Funds Transferred Directly to State Implementing Agencies | 4.5 | 108 |
| Amount lying in the bank account of Single Nodal Agency | 4.6 | 108 |
| Deposit of Local Funds | 4.7 | 109 |
| Delay in Submission of Utilisation Certificates | 4.8 | 110 |
| Recording of Grantee Institution as “Others” | 4.9 | 111 |
| Personal Deposit Accounts | 4.10 | 112 |
| Use of Minor Head 800 | 4.11 | 113 |
| Outstanding balances under Suspense and Debt, Deposit and Remittance (DDR) Heads | 4.12 | 115 |
| Reconciliation of Accounts | 4.13 | 116 |
| Reconciliation of Cash Balances | 4.14 | 117 |
| Compliance with Accounting Standards | 4.15 | 117 |
| Submission of Accounts/Separate Audit Reports of Autonomous Bodies | 4.16 | 119 |
| Misappropriations, losses, thefts, etc. | 4.17 | 119 |
| Follow-up Action on State Finances Audit Reports | 4.18 | 120 |
| Conclusion | 4.19 | 121 |
| Recommendations | 4.20 | 122 |
| Chapter 5-Financial Performance of State Public Sector Undertakings | | |
| Introduction | 5.1 | 123 |
| Definition of Government Companies/Corporations | 5.2 | 123 |
| Mandate of Audit | 5.3 | 123 |
| State Public Sector Undertakings and their contribution to the Gross State Domestic Product | 5.4 | 124 |
| Audit of State Public Sector Undertakings including Government Companies, Government Controlled Other Companies and Corporations | 5.5 | 125 |
| Investment in State Public Sector Undertakings and Budgetary Support | 5.6 | 126 |
| Return from State Public Sector Undertakings | 5.7 | 128 |
| Debt Servicing | 5.8 | 129 |

| Description | Paragraph | Page No. |
|--|-------------------|----------|
| Operating Efficiency of Government Companies | 5.9 | 131 |
| State Public Sector Undertakings incurring losses | 5.10 | 134 |
| Oversight role of the Comptroller and Auditor General of India | 5.11 | 136 |
| Submission of accounts by State Public Sector Undertakings | 5.12 | 137 |
| Comptroller and Auditor General of India's oversight-Audit of accounts and supplementary audit | 5.13 | 139 |
| Result of the Comptroller and Auditor General of India's oversight role | 5.14 | 139 |
| Non-compliance with provisions of Accounting Standards/Indian Accounting Standards | 5.15 | 145 |
| Management Letters | 5.16 | 145 |
| Conclusion | 5.17 | 146 |
| Recommendations | 5.18 | 147 |
| Appendices | 149 to 229 | |

Preface

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

Chapter 1 of this Report contains the basis and approach to State Finances Audit Report, structure of the Report, structure of Government Accounts, budgetary processes, snapshot of finances, compliance with Madhya Pradesh Fiscal Responsibility and Budget Management (MPFRBM) targets, trends in key fiscal parameters like revenue surplus/ deficit, fiscal surplus/ deficit, *etc.*

Chapters 2 and 3 of this 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 2022. Information has been obtained from Government of Madhya Pradesh, wherever necessary.

Chapter 4 provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

Chapter 5 discusses the financial performance of Madhya State Public Sector Undertakings (PSUs) and results of oversight role of the Comptroller and Auditor General of India (CAG) through monitoring the performance of Statutory Auditors and supplementary audit of accounts of the 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 Madhya Pradesh under provisions of Section 19A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) 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 the 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 Madhya Pradesh for the year ending March 2022, this Report provides an analytical review of the finances of the State Government.

2 Audit Findings

2.1 Finances of the State

The State achieved all of the three key fiscal targets i.e., maintenance of Revenue Surplus, targets of Fiscal Deficit to GSDP and total outstanding liabilities to GSDP. During the current year, the State registered a Revenue Surplus (₹4,815 crore). Both Tax Revenue and Non-Tax Revenue increased in comparison to preceding year. The State also received compensation towards revenue loss due to GST implementation.

The investment held in 'Cash Balance Investment Account' by the State Government stood at ₹18,069.32 crore and ₹17,296.25 crore at the end of 2020-21 and 2021-22 respectively. Keeping the huge amount in the Cash Balance Investment Account at lower rate of interest while borrowing at higher rate has financial implications. The high level of investment held in 'Cash Balance Investment Account' at the end of these financial years indicates that there is need for better cash management.

During 2021-22, return (₹138.73 crore) on investment of ₹41,058.88 crore made by the State Government up to 2021-22 in Statutory Corporations, Companies, Co-operative societies, etc. was only 0.34 per cent against the average borrowing cost of 6.13 per cent during the year; the rate of interest received on Loans and Advances (₹46,924 crore) given by the Government was also only 3.05 per cent.

Recommendation: The State Government should rationalise its investments and loans advanced to various entities, such that the return on investment and loans at least matches the Government borrowing costs.

The State Government should review the working of State PSUs which are incurring huge losses and work out their revival strategy.

The State Government may consider need-based borrowings and utilising the existing cash balances before resorting to fresh borrowing.

(Chapter 2)

2.2 Budgetary Management

Against the total provision of ₹2,82,779.61 crore during 2021-22, an expenditure of ₹2,42,993.35 crore was incurred leading to a saving of ₹39,786.26 crore (14.07 per cent). Out of the savings, an amount of ₹19,756.35 crore was allowed to lapse and the departments surrendered ₹19,978.53 crore (99.74 per cent of total surrendered amount of ₹20,029.91 crore) on the last day of the financial year.

Recommendation: An appropriate control mechanism needs to be instituted by the State Government to enforce proper implementation and monitoring of budget to ensure that savings are curtailed, large savings within the Grant/Appropriation are controlled and anticipated savings are identified and surrendered within the specified time frame.

Excess expenditure of ₹1,678.00 crore pertaining to 12 Grants and seven Appropriations for the years 2011-21 was yet to be regularised as per Article 205 of the Constitution of India.

Recommendation: The State Government should ensure that the excess expenditure over the past years should be regularised by the State Legislature at the earliest on priority basis.

Supplementary Grants/Appropriations and Excessive/Unnecessary/Inadequate Re-appropriation of funds were obtained without adequate justification which shows lack of coordination between the Finance and the line Departments.

Recommendation: The State Government should ensure that the unnecessary supplementary provisions and injudicious re-appropriation/surrender are avoided.

Out of total 3,937 sub-heads, explanation for variations in expenditure with reference to approved budgetary allocations, were required in 1,063 sub-heads, but the required explanations were received in only 493 cases (46.38 per cent).

Recommendation: Controlling Officers need to be made aware of their responsibilities to explain the variation in expenditure from the allocation to facilitate proper analysis of budget and preparation of more meaningful Appropriation Accounts.

(Chapter 3)

2.3 Quality of Accounts and Financial Reporting Practices

During 2021-22, the closing balance in the Personal Deposit Accounts decreased by 46.87 per cent as compared to 2020-21. Further, 253 Personal Deposit Accounts had negative balances and 234 Personal Deposit Accounts involving ₹132.74 crore (including some negative balances) were inoperative for more than three years. The Government should have monitored these Accounts closely and ensured that such inoperative Accounts are closed and the balances transferred to Government Account in accordance with the Treasury Code of the State.

Recommendation: The State Government should review all the Personal Deposit Accounts and ensure that funds lying idle in these accounts are immediately transferred to the Government account. Further, Government should also disclose details of unspent balances in PD Accounts.

There was a substantial reduction of the operation of the Minor Head 800 in Receipts during the last three years. However, there was no significant reduction in expenditure.

Recommendation: The State Government should discourage the use of omnibus Minor Head 800 to improve transparency in financial reporting. Government should chalk out a specific timeframe, in consultation with the Principal Accountant General (A&E), to identify appropriate Heads of Account to classify the transactions correctly in the books of accounts.

The reconciliation work of departmental figures with those booked by the Office of the Principal Accountant General (A&E) has been initiated online by Directorate of Treasury and Accounts in July 2020 and accounts have been reconciled to the extent of 87.59 per cent in respect of receipts and 94.72 per cent in respect of expenditure.

Recommendation: Internal control mechanism needs to be strengthened and the Government needs to ensure that the reconciliation of departmental figures with those booked by the office of the Principal Accountant General (A&E) should be hundred per cent, as it has been initiated online since 2019-20, to provide transparency and accuracy in accounting of Government transactions.

(Chapter 4)

2.4 Financial Performance of State Public Sector Undertaking

As on 31 March 2022, there were 72 State Public Sector Undertakings including three Statutory Corporations and nine Government Controlled other Companies. Out of 72, there are 40 inactive State Public Sector Undertakings. These State Public Sector Undertakings are inactive from three to 32 years. Thus, only 32 PSUs, which furnished information/accounts to Audit, were considered for analysis of financial performance.

During 2021-22, these 32 PSUs registered turnover of ₹89,699.74 crore, which was equal to 7.67 per cent of the GSDP of Madhya Pradesh. The contribution of Power sector PSUs alone accounts for over 98 per cent of the total turnover of PSUs during 2021-22.

The investment of the state Government in equity and long-term loans in 72 PSUs was ₹63,019.52 crore against total investment of ₹1,08,949.63 crore at the end of 31 March 2022. The outstanding long-term loans of these PSUs as on 31 March 2022 decreased to ₹31,597.77 crore from ₹31,820.52 crore over the previous year.

Recommendation: Government of Madhya Pradesh may review the functioning of all loss making PSUs and take necessary steps to improve their financial performance.

The Profit earned by 13 State Public Sector Undertakings out of 32 State Public Sector Undertakings (covered in this Report) was ₹1,797.34 crore in 2021-22 as compared to 18 State Public Sector Undertakings which earned profit of ₹671.29 crore in 2020-21. Major profit contributed by Madhya Pradesh Power Transmission Company Limited (₹1,072.27 crore) Madhya Pradesh warehousing and Logistic corporation (₹301.15 crore) and Madhya Pradesh Power Generating Company Limited (₹299.98 crore). Out of the total loss of ₹6,523.12 crore incurred by 11 State Public Sector Undertakings, major loss incurred by Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Limited, Madhya Pradesh Poorv Kshetra Vidyut Vitran Company Limited and Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited.

Recommendation: Government 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.

Out of 72, accounts of 55 Companies/corporations (45 Government Companies, all eight Government Controlled other Companies and two Corporations) were in arrears for various reasons for the year 2021-22. State Public Sector Undertakings were not adhering with the prescribed timeline regarding submission of their Financial Statements as per the Companies Act, 2013. As a result, 236 accounts of 55 State Public Sector Undertakings were in arrears.

Recommendation: Government may review the inactive Government Companies and take appropriate decision on their revival/winding up.

(Chapter 5)

Chapter 1

Overview

Chapter 1-Overview

This Chapter gives a brief profile of the state and the basis of the report. It also outlines key developments in state public finance, the budgetary process, structure of Government accounts, a snapshot of the state's finances and balance, and focuses on the deficit parameters.

1.1 Profile of the State

Madhya Pradesh is the second largest State in the country. The State is spread over a geographical area of 3,08,245 sq.km. (9.38 *per cent* of the country's total geographical area) and as per Census 2011, is home to around 7.33 crore persons (six *per cent* of the population of the country). At 15.82 *per cent*, the decadal (2012-2022) growth rate of population of the State was more than the all India decadal growth rate of 12.12 *per cent*.

The State has 52 districts, which are grouped into 10 administrative divisions. The per capita income¹ of the State at current prices is ₹1,37,339 in 2021-22, which is lower than the all India average of ₹1,72,913.

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

1.1.1 Gross State Domestic Product (GSDP)

Gross State Domestic Product (GSDP) is the value of all the goods and services produced within 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 Madhya Pradesh's GSDP (nominal) *vis-à-vis* that of the country are given in **Table 1.1**:

| Table 1.1: Trends in growth of GDP and GSDP | | | | | |
|--|-------------|-------------|-----------------|-----------------|------------------|
| (₹ in crore) | | | | | |
| Particulars | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| GDP (2011-12 Series) at current prices | 1,70,90,042 | 1,88,99,668 | 2,00,74,856 | 1,98,00,914 | 2,36,64,637 |
| Growth rate of GDP over previous year (<i>per cent</i>) at current prices | 11.03 | 10.59 | 6.22 | (-)1.36 | 19.51 |
| GSDP (2011-12 Series) at current prices | 7,26,284 | 8,31,024 | 9,38,602 (P.E.) | 9,76,281 (Q.E.) | 11,69,004 (A.E.) |
| Growth rate of GSDP over previous year (<i>per cent</i>) at current prices | 11.77 | 14.42 | 12.95 | 4.01 | 19.74 |

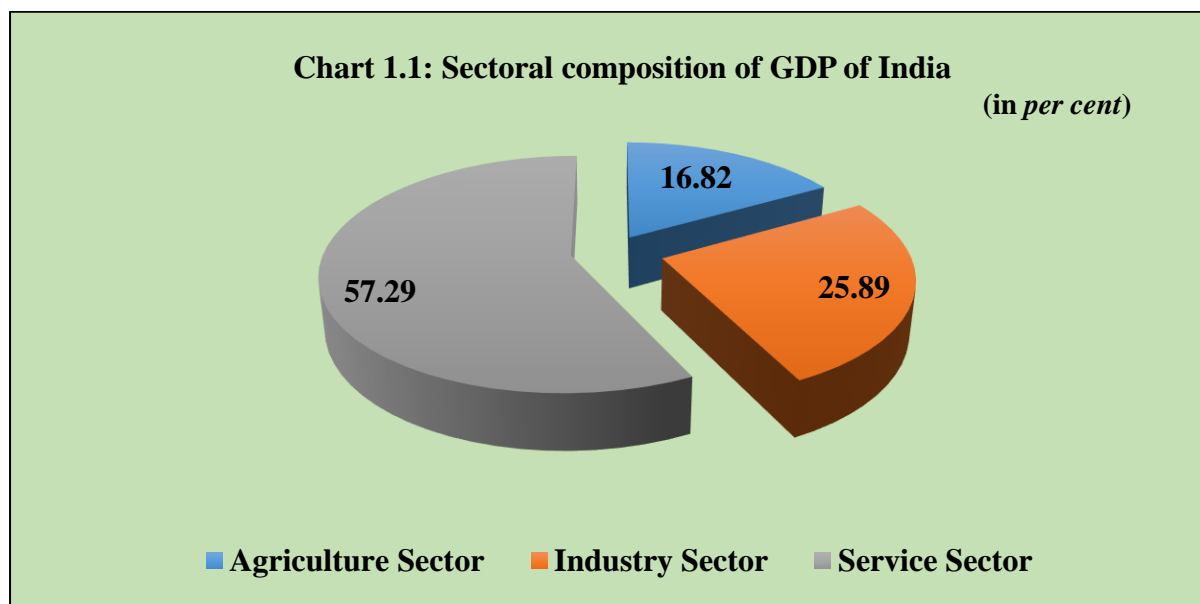
Source: Information furnished by Economic Advisor and Directorate of Economics and Statistics, Madhya Pradesh
P.E. – Provisional Estimates; Q.E. – Quick Estimates; A.E. – Advance Estimates

As can be seen from the above Table, the GSDP of Madhya Pradesh grew at a higher rate during the period 2017-18 to 2021-22 compared to the national growth rate. During 2020-21 GSDP growth rate of GoMP was minimum because of slowdown of economic activities due to Covid-19 pandemic while year 2021-22 economy was revive because economic activities were normalised and GSDP growth rate of GoMP suddenly spike compared to previous year.

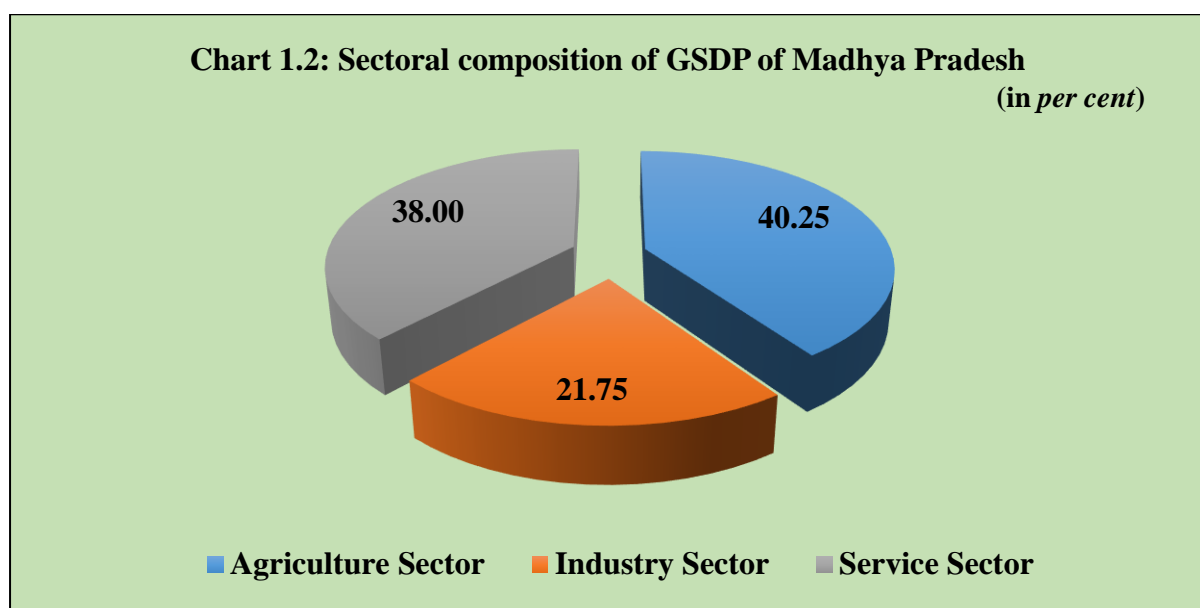
¹ Information furnished by National Account Statistics, CSO, MoSPI.

The economic activity is generally divided into Primary, Secondary and Tertiary sectors, which correspond to Agriculture, Industry and Service Sectors respectively. Change in sectoral contribution to GSDP is also important to understand the changing structure of economy.

The comparison of the sectoral composition between GDP of India and GSDP of Madhya Pradesh during 2021-22 is shown below in **Charts 1.1** and **1.2**.



Source: Press release of 31 May 2022, GoI

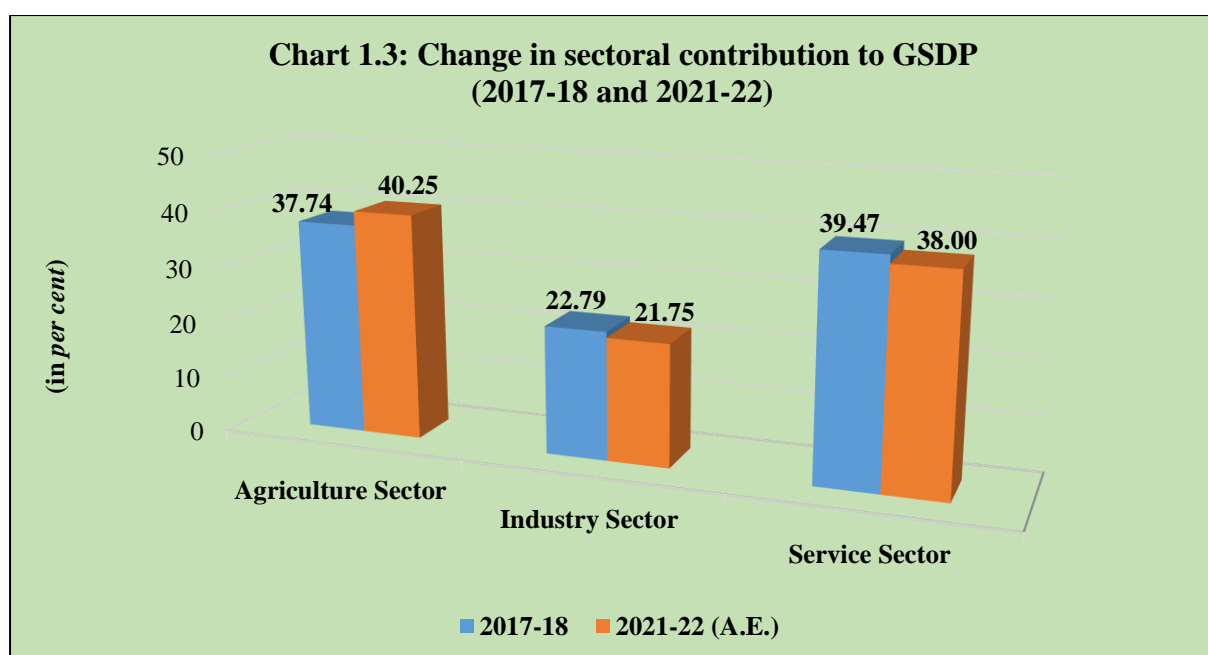


Source: Information furnished by Directorate of Economics and Statistics, Madhya Pradesh

Madhya Pradesh, with its large area, enjoys diverse climatic and soil conditions suitable for a broad range of agricultural products. The Agriculture Sector in Madhya Pradesh forms the backbone of its economy. As can be seen from the above Charts, during 2021-22, the contribution of Agriculture Sector to the GSDP of the State was 40.25 per cent, which was quite significant and much higher compared to the relative share of Agriculture Sector (16.82 per cent) in the GDP of India, while the contribution of Industry Sector and Service Sector to the GSDP of the State were 21.75 per cent and 38.00 per cent respectively which were lower

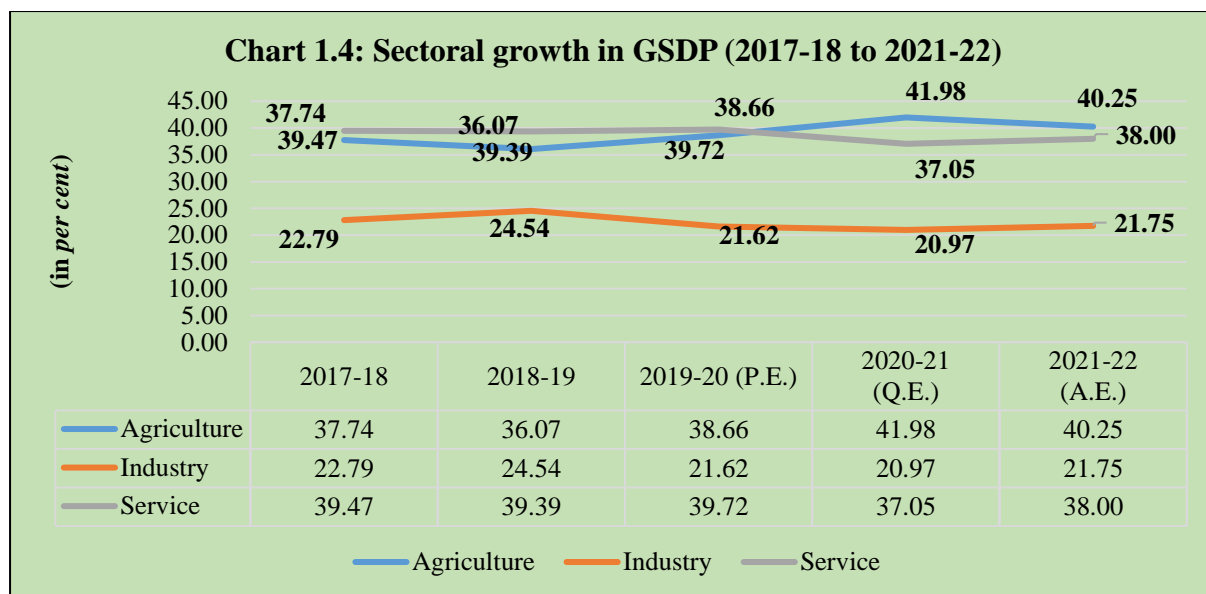
as compared to relative share of Industry Sector (25.89 *per cent*) and Service Sector (57.29 *per cent*) in the GDP of India.

Chart 1.3 reveals that during the period 2017-18 and 2021-22, there has been an increase in the relative share of Agriculture Sector in GSDP of the State from 37.74 *per cent* in 2017-18 to 40.25 *per cent* in 2021-22. During the same period, there has been a marginal decrease in the share of Industry Sector from 22.79 *per cent* in 2017-18 to 21.75 *per cent* in 2021-22 and Service Sector from 39.47 *per cent* in 2017-18 to 38.00 *per cent* in 2021-22. During 2021-22, Crops by 15.02 *per cent* over the previous year under Agriculture Sector while Mining and quarrying increased by 40.36 *per cent*, Construction and Manufacturing increased by 23.39 *per cent* and 23.81 *per cent* respectively under Industry Sector and Trades, Repairing, Hotel and Restaurant and Transportation and Storage by 27.11 *per cent* and 27.04 *per cent* respectively under Service Sector.



Source: Information furnished by Directorate of Economics and Statistics, Madhya Pradesh

The year-on-year change in contribution of various sectors to the GSDP of the State is given below in **Chart 1.4**:



Source: Information furnished by Directorate of Economics and Statistics, Madhya Pradesh

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 Madhya Pradesh for the year ending 31 March 2022 has been prepared by the CAG for submission to the Governor of Madhya Pradesh under Article 151 (2) of the Constitution of India.

The Principal Accountant General (Accounts & Entitlements) compiles 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.

The Finance Accounts and Appropriation Accounts of the State for the year 2021-22 constitute the core data for this report. Other sources include the following:

- Budget of the State for the year 2021-22 also forms an important source of data– both for assessing the fiscal parameters and allocative priorities *vis-à-vis* projections, as well as 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-I), Madhya Pradesh and Office of the Accountant General (Audit-II), Madhya Pradesh at the State Secretariat, as well as at the field level, during the year;
- Other data with Departmental Authorities and Treasuries;
- GSDP data and other State related statistics from the Directorate of Planning, Economics and Statistics, Government of Madhya Pradesh; and

- Various audit reports of the CAG of India during 2017-22, as appropriate.

The analysis has been carried out in the context of recommendations of the XIV/XV Finance Commission (FC), Madhya Pradesh Fiscal Responsibility and Budget Management (MPFRBM) Act, best practices and guidelines of the Government of India.

1.3 Report Structure

The SFAR is structured into the following five Chapters:

| | |
|--------------------|---|
| Chapter – 1 | Overview 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 – 2 | Finances of the State 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 period from 2017-18 to 2021-22, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State. |
| Chapter – 3 | Budgetary Management This chapter is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management. |
| Chapter – 4 | Quality of Accounts & Financial Reporting Practices This chapter comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations by various departmental officials of the State Government. |
| Chapter – 5 | Financial Performance of State Public Sector Undertakings This chapter presents the financial performance of State Public Sector Undertakings of the Government of Madhya Pradesh for the year 2021-22. The financial performance of State Public Sector Undertakings depicted in the report has been taken from their financial statements as well as the information received from the respective State Public Sector Undertakings. |

1.4 Overview of Structure of Government Accounts

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 functional Major Head concerned relating to the Consolidated Fund of the State.

3. Public Account of the State {Article 266(2) of the Constitution}

Apart from the 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 re-payables, 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 expenditure 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 expenditure.

Revenue receipts consist of tax revenue, non-tax revenue, State share of Union Taxes/ Duties, and grants from Government of India (GoI).

Revenue expenditure consists of all the expenditures of the Government which does 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).

Capital receipts consist of:

Debt receipts: Market loans, bonds, loans from financial institutions, net transactions under Ways and Means Advances, loans and advances from Central Government, *etc.*;

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

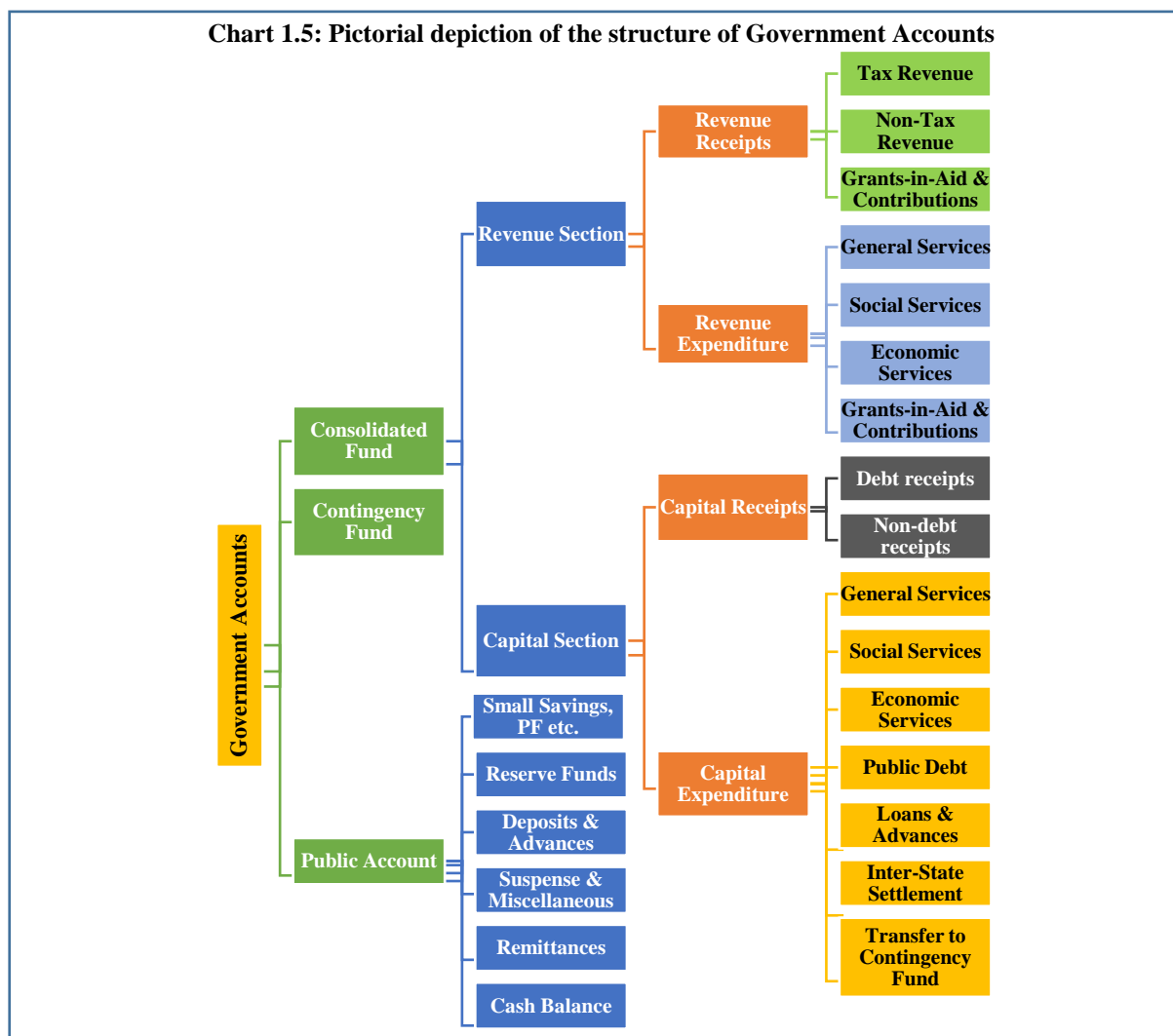
Capital Expenditure includes expenditure on the acquisition of land, buildings, machinery, equipment, investment in shares, and loans and advances by the Government to PSUs and other parties.

At present, we have an accounting classification system in Government that is both functional and economic, as detailed below:

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

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 1.5:**



1.5 Budgetary Processes

In terms of Article 202 of the Constitution of India, the Governor of Madhya Pradesh causes to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State for the year 2021-22, 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 67 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.

As mentioned in **Paragraph 1.2 ante**, Finance Accounts and Appropriation Accounts encompass the core data for preparation of this Report. These Accounts are based on actual receipts and expenditure of the State during the year 2021-22, including various inter-governmental and other adjustments carried out by the Reserve Bank of India (RBI). Considering that these receipts and expenditure are estimated in the budget and the expenditure has been approved by the State Legislature, it is important to study the budget of the State for

2021-22 closely and analyse the actual receipts and expenditure during the year with reference to the projections made in the budget.

The Madhya Pradesh Budget Manual details the process of budget preparation, budget execution and budget monitoring. Further, apart from one consolidated budget, the State Government also prepares sub-budgets, like Gender Budget and Agriculture Budget.

Gender Budget: The Gender Budget of the State is part of the overall budget and is designed to benefit women. As per the Gender Budget document, schemes relating to women were bifurcated into two categories: (1) Schemes in which 100 *per cent* budget provision is related to women, and (2) Schemes in which at least 30 *per cent* of budget provision is related to women.

Agriculture Budget: This budget includes the development of the Agriculture Sector and the interests of farmers' activities as well as information on expenditure on these activities.

In addition, an Outcome Budget was also required to be prepared which presents quantifiable deliverables proposed under each plan scheme, linked to the financial outlays that support these deliverables. However, the State Government stopped making the Outcome Budget from 2015-16 onwards, when the distinction between Plan and Non-Plan schemes was removed² by the Government of India. The Finance Department, Government of Madhya Pradesh stated (January 2021) that outcome budget was not prepared due to the closure of plan and non-plan schemes.

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

1.6 Snapshot of Finances

The following **Table 1.2** provides the details of actual financial results *vis-à-vis* Budget Estimates of 2021-22:

² The Controller General of Accounts has revised classification of Grants-in-Aid with effect from 1 April 2017. However, in the accounts of Madhya Pradesh, it has been revised only with effect from 1 April 2019.

| Table 1.2: Actual financial results vis-à-vis Budget Estimates for 2021-22 | | | | | | |
|--|---|---------------------|--------------------|----------------------------|-------------------------------|-------------------------------|
| (₹ in crore) | | | | | | |
| Sl. No. | Components | 2020-21 (Actuals) | 2021-22 (Actuals) | 2021-22 (Budget Estimates) | Percentage of Actuals to B.E. | Percentage of Actuals to GSDP |
| 1 | Tax Revenue (2+3) | 1,01,372.67 | 1,35,778.84 | 1,17,160.67 | 115.89 | 11.61 |
| 2 | Own Tax Revenue | 54,458.92 | 66,237.34 | 64,913.99 | 102.04 | 5.67 |
| 3 | Share of Union Taxes & Duties | 46,913.75 | 69,541.50 | 52,246.68 | 133.10 | 5.95 |
| 4 | Non-Tax Revenue | 9,902.13 | 15,304.88 | 11,742.17 | 130.34 | 1.31 |
| 5 | Grants-in-aid and Contributions | 35,101.99 | 34,792.13 | 35,774.61 | 97.25 | 2.98 |
| 6 | Revenue Receipts (2+3+4+5) | 1,46,376.79 | 1,85,875.85 | 1,64,677.45 | 112.87 | 15.90 |
| 7 | Recovery of Loans and Advances | 58.32 | 62.17 | 1,507.50 | 4.12 | 0.01 |
| 8 | Other Receipts (CR) | 14.46 | 1,597.70 | -- | -- | 0.14 |
| 9 | Borrowings and other Liabilities ^(a) | 59,707.87 | 36,444.27 | 49,769.30 | 73.23 | 3.12 |
| 10 | Capital Receipts (7+8+9) | 59,780.65 | 38,104.14 | 51,276.80 | 74.31 | 3.26 |
| 11 | Total Receipts (6+10) | 2,06,157.44 | 2,23,979.99 | 2,15,954.25 | 103.72 | 19.16 |
| 12 | Revenue Expenditure | 1,64,733.01 | 1,81,061.30 | 1,72,970.95 | 104.68 | 15.49 |
| 13 | Interest payments | 15,917.87 | 18,445.91 | 20,942.82 | 88.08 | 1.58 |
| 14 | Capital Expenditure | 31,586.09 | 43,961.80 | 44,152.23 | 99.57 | 3.76 |
| 15 | Capital Outlay | 30,355.77 | 40,733.11 | 40,666.76 | 100.16 | 3.48 |
| 16 | Loans and Advances | 1,230.32 | 3,228.69 | 3,485.47 | 92.63 | 0.28 |
| 17 | Total Expenditure (12+14) | 1,96,319.10 | 2,25,023.10 | 2,17,123.18 | 103.64 | 19.25 |
| 18 | Revenue Deficit (-)/ Surplus (+) | (-)18,356.22 | 4,814.55 | (-)8,293.50 | 158.05 | 0.41 |
| 19 | Fiscal Deficit | 49,869.53 | 37,487.38 | 50,938.22 | 73.59 | 3.21 |
| 20 | Primary Deficit | 33,951.66 | 19,041.46 | 13,631.36 | 139.69 | 1.63 |

Source: Finance Accounts and Budget books 2021-22

^(a) Borrowings and other Liabilities: Net of Public Debt (Receipts-Disbursements) + Net of Contingency Fund + Net (Receipts – Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

1.6.1 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 Account and Reserve Funds. Assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances. The position of the State in this regard in 2021-22 may be seen in **Table 1.3** below:

Table 1.3: Summarised position of Assets and Liabilities

| (₹ in crore) | | | | | | | |
|--------------------------------------|------------------------|------------------------|-------------------------------------|--|--------------------|--------------------|-------------------------------------|
| Liabilities | | | | Assets | | | |
| | 2020-21 | 2021-22 | Per cent Increase (+)/ Decrease (-) | | 2020-21 | 2021-22 | Per cent Increase (+)/ Decrease (-) |
| Consolidated Fund | | | | | | | |
| Internal Debt | 2,02,719.20 | 2,23,013.14 | 10.01 | Gross Capital Outlay | 2,72,754.80 | 3,13,487.91 | 14.93 |
| Loans and Advances from GoI | 30,522.71 ³ | 41,351.31 ⁴ | 35.48 | Loans and advances | 43,757.15 | 46,923.67 | 7.24 |
| Contingency Fund | 500.00 | 1,000.00 | 100.00 | | | | |
| Public Account | | | | | | | |
| Small Savings, Provident Funds, etc. | 19,894.09 | 19,310.64 | (-)2.93 | Advances | 3.48 | 3.48 | 0.00 |
| Deposits | 20,333.41 | 19,182.08 | (-)5.66 | Remittance | -- | -- | -- |
| Reserve Funds | 16,753.30 | 21,334.71 | 27.35 | Suspense and Miscellaneous | -- | -- | -- |
| Suspense and Miscellaneous balances | (-)252.75 | 880.60 | 448.41 | | | | |
| Remittances | 3,164.63 | 4,782.10 | 51.11 | Cash balance (including investment in Earmarked Funds) | 18,069.32 | 17,296.25 | (-)4.28 |
| | | | | Total | 3,34,584.75 | 3,77,711.31 | 12.89 |
| | | | | Deficit on Government Account | (-)40,950.16 | (-)46,856.73 | 14.42 |
| Total | 2,93,634.59 | 3,30,854.58 | 12.68 | Total | 2,93,634.59 | 3,30,854.58 | 12.68 |

Source: Finance Accounts of respective years

1.7 Fiscal Balance: Achievement of deficit and total debt targets

Government of Madhya Pradesh passed the Madhya Pradesh Fiscal Responsibility and Budget Management Act, 2005 (MPFRBM Act) with the objective of ensuring prudence in fiscal management by eliminating revenue deficit, reducing fiscal deficit and overall/outstanding debt to acceptable level, establishing improved debt management and improving transparency in a medium term framework. In this context, the Act provides quantitative targets to be adhered to by the State with regard to deficit measures and debt level.

1.7.1 MPFRBM Targets on Key Fiscal Parameters and Achievements thereon

As per the MPFRBM Act, the State Government was to eliminate revenue deficit by 31 March 2009 and maintain revenue surplus thereafter, reduce fiscal deficit to three *per cent* of the estimated GSDP by 31 March 2009 and maintain the same level thereafter. Further, the Act also envisaged that the State Government would limit the total outstanding debt to GSDP to 40 *per cent* as on 31 March 2015.

³ Loans and advances from GoI also includes back to back loan of ₹4,542 crore for 2020-21 in lieu of GST compensation.

⁴ Loans and advances from GoI also includes back to back loan of ₹11,553 crore (back to back loan of ₹7,011 crore for 2021-22 and ₹4,542 crore for 2020-21) in lieu of GST compensation received by the State Government (as on 31 March 2022).

The amendment to the MPFRBM Act in January 2016 incorporated the recommendations of the XIV FC relating to limit of fiscal deficit recommended for the States during its award period (2016-17 to 2019-20). The Act provided that the fiscal deficit be anchored to an annual limit of 3.50 *per cent* of GSDP in any financial year. The XV FC, during the year 2021-22, had recommended that the fiscal deficit be capped at 4.00 *per cent* of GSDP. During the year 2021-22, the GoI had also decided to extend the additional loan facility of 0.50 *per cent* on the basis of reforms in energy sector. Therefore, target set by GoI for fiscal deficit was 4.50 *per cent* of GSDP for the year 2021-22.

Revised targets relating to key fiscal parameters envisaged in the Medium Term Fiscal Policy Statement (MTFPS) under the MPFRBM Act/Rule of the State Government and their achievement during the five year period from 2017-18 to 2021-22 are given in **Table 1.4**:

| Table 1.4: Compliance with provisions of MPFRBM Act /MTFPS | | | | | | |
|---|--|---|---|---|--|--|
| Fiscal Parameters | Fiscal targets set in the Act | Achievement (₹ in crore) | | | | |
| | | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Revenue Deficit (-)/ Surplus (+) | Revenue Surplus | 4,629 | 6,744 | (-)2,801 | (-)18,356 | 4,815 |
| | | ✓ | ✓ | ✗ | ✗ | ✓ |
| Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP) | Given in brackets under individual years | 3.14 (Not exceeding 3.50% of GSDP) | 2.93 (Not exceeding 3.24% of GSDP) | 3.64 (Not exceeding 3.34% of GSDP) | 5.44 (Not exceeding 4.99% of GSDP) | 3.21 (Not exceeding 4.50% of GSDP) |
| | | ✓ | ✓ | ✗ | ✗ | ✓ |
| Ratio of total Outstanding Debt to GSDP (in <i>per cent</i>) | | 23.78 (Not exceeding 25.00% of GSDP) | 24.01 (Not exceeding 26.34% of GSDP) | 25.43 (Not exceeding 24.43% of GSDP) | 31.03 ⁵ (Not exceeding 28.83% of GSDP) | 26.71 ⁶ (Not exceeding 28.52% of GSDP) |
| | | ✓ | ✓ | ✗ | ✗ | ✓ |

Source: Finance Accounts of respective years

The State achieved Revenue Surplus during the period 2017-18, 2018-19 and 2021-22 but could not maintain the same during 2019-20 and 2020-21. During 2021-22, Revenue Deficit of the state turned into Revenue Surplus due to increase in Revenue Receipts by 26.98 *per cent* (₹1,85,876 crore in 2021-22 vis-à-vis ₹1,46,377 crore in 2020-21) over the previous year, while Fiscal Deficit also decreased by 24.83 *per cent* during 2021-22.

Revenue receipts increased by ₹39,499 crore in 2021-22 as compared to 2020-21 due to increase under Central Tax transfers by ₹22,628 crore in 2021-22 over the previous year, which was mainly under Central Goods and Services Tax (increase of ₹5,909 crore), Corporation Tax (increase of ₹6,408 crore) and Taxes on income other than Corporation Tax (increase of ₹6,077 crore). During current year, Non-Tax revenue increased by ₹5,403 crore over the previous year mainly under Non-Ferrous Mining and Metallurgical Industries by ₹1,623 crore

⁵ Debt to GSDP percentage has been calculated on total debt of ₹2,84,756 crore excluding back to back loan of ₹4,542 crore in lieu of GST compensation shortfall from the total outstanding debt of ₹2,89,298 crore.

⁶ Debt to GSDP percentage has been calculated on total debt of ₹3,12,241 crore excluding back to back loan of ₹11,553 crore in lieu of GST compensation shortfall from the total outstanding debt of ₹3,23,218 crore and including Off Budget borrowing ₹576 crore.

(35.62 per cent), Education, Sports, Art and Culture by ₹1,636 crore (118.35 per cent) and Interest Receipts by ₹1,401 crore (576.40 per cent).

Major contributors of Non-Tax Revenue in 2021-22 were Non-Ferrous Mining and Metallurgical Industries (40.38 per cent), Education, Sports, Art and Culture (19.72 per cent) and Interest Receipts (10.74 per cent).

The GST compensation is the revenue of the State Government under GST (Compensation to States) Act, 2017. However, due to inadequate balance in GST Compensation Fund during the year 2021-22, The Government of Madhya Pradesh received back to back loan of ₹7,011.17 crore loans from the Central Government in lieu of GST compensation (in addition to receiving the GST compensation amounting to ₹3,094.90 crore as revenue receipts) which would not be treated as debt of the State. Although, the total debt of ₹11,553.17 crore as on 31 March 2022 included back to back loan of ₹7,011.17 crore (received in 2021-22) and ₹4,542 crore (received in 2020-21), the same is not treated as debt of the State for any norms which may be prescribed by the Finance Commission as per the decision of Department of Expenditure, GoI. The revenue surplus of ₹4,814.55 crore and fiscal deficit of ₹37,487.36 crore of the State Government as depicted in the Finance Accounts 2021-22 should therefore, be read in conjunction with receipt of GST compensation of ₹7,011.17 crore as back to back loan with no repayment obligation on the State resources. Thus, revenue surplus and fiscal deficit would work out as ₹11,825.72 crore and ₹30,476.21 crore respectively during the year 2021-22, keeping in view the debt receipt of ₹7,011.17 crore in lieu of shortfall in GST compensation.

1.7.2 Medium Term Fiscal Policy Statement

As per the MPFRBM Act, the State Government shall, in each financial year, lay before the State Legislature the Medium Term Fiscal Policy Statement (MTFPS), which contains the fiscal objectives of the State Government and five-year rolling targets, along with the Budget.

Table 1.5 indicates the variations between the projections made for 2021-22 in MTFPS presented to the State Legislature along with the Annual Budget for 2021-22, and actuals of the year:

| Table 1.5: Actuals vis-à-vis projection in MTFPS for 2021-22 | | | |
|--|-------------------------|--------------------|-------------------------|
| (₹ in crore) | | | |
| Fiscal Variables | Projection as per MTFPS | Actuals (2021-22) | Variation (in per cent) |
| Own Tax Revenue | 64,913.99 | 66,237.34 | 2.04 |
| Non-Tax Revenue | 11,742.17 | 15,304.88 | 30.34 |
| Share of Central Taxes | 52,246.68 | 69,541.50 | 33.10 |
| Grants-in-Aid from GoI | 35,774.61 | 34,792.13 | (-)2.75 |
| Revenue Receipts | 1,64,677.45 | 1,85,875.85 | 12.87 |
| Revenue Expenditure | 1,72,970.95 | 1,81,061.30 | 4.68 |
| Revenue Deficit (-)/ Surplus (+) as a percentage of GSDP | (-)0.73 | 0.41 | 156.16 |
| Fiscal Deficit as a percentage of GSDP | 4.50 | 3.21 | (-)28.67 |
| Debt-GSDP ratio (per cent) | 28.52 | 26.71 ⁷ | (-)6.35 |
| GSDP growth rate at current prices | 23.38 | 19.74 | (-)15.57 |

Source: Finance Accounts and Budget documents 2021-22

⁷ Debt to GSDP percentage has been calculated on total debt of ₹3,12,241 crore excluding back to back loan of ₹11,553 crore in lieu of GST compensation shortfall from the total outstanding debt of ₹ 3,23,218 crore and included off budget borrowing ₹576 crore.

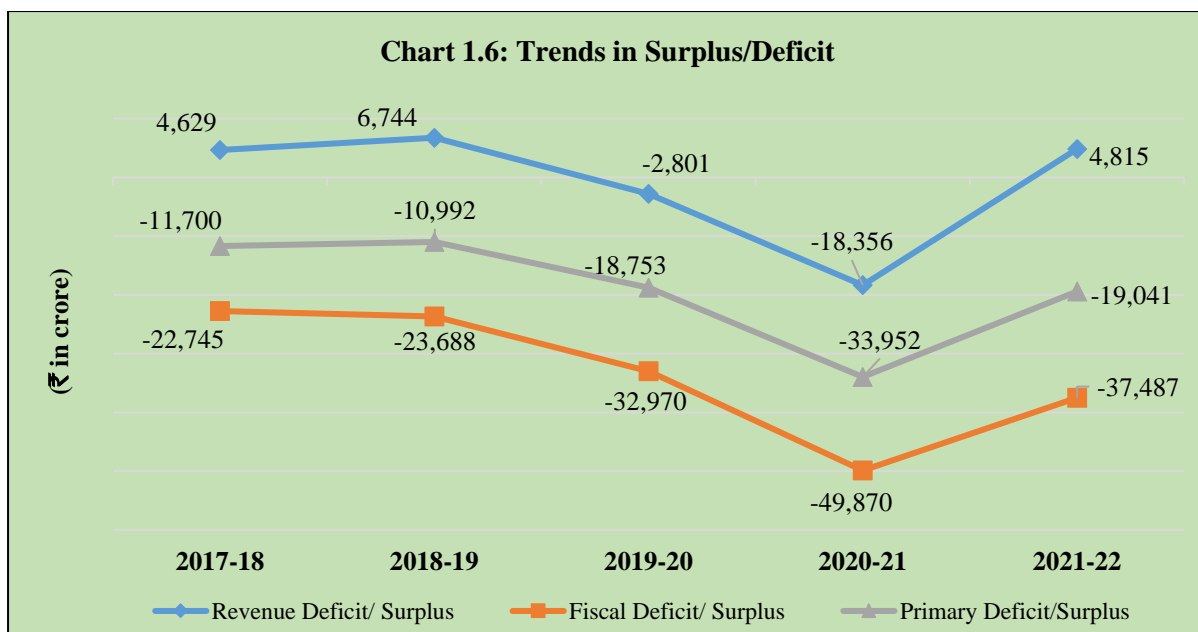
1.7.3 Deficit and Surplus

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

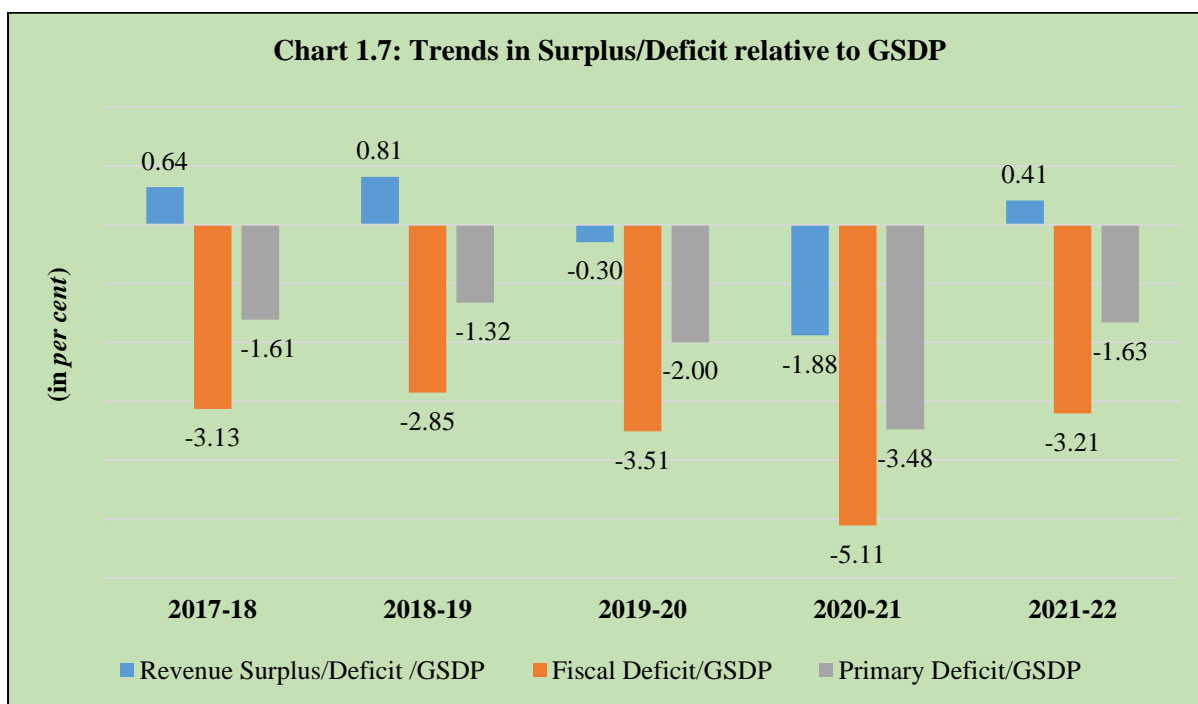
| | |
|---|--|
| Revenue Deficit/ Surplus (Revenue Expenditure – Revenue Receipts) | <i>Refers to the difference between revenue expenditure and revenue receipts.</i> <ul style="list-style-type: none"> When the government incurs a Revenue Deficit, it implies that the Government is dissaving and is using 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 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-debt creating capital receipts)) | <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> <ul style="list-style-type: none"> Fiscal Deficit is the difference between the government's total expenditure and its total receipts excluding borrowing. Non-debt creating capital receipts are those receipts, which are not borrowings, and, therefore, do not give rise to debt. Examples are recovery of loans and the proceeds from the sale of PSUs. The fiscal deficit will have to be financed through borrowing. Thus, it indicates the total borrowing requirements of the government from all sources. <p>Governments usually run fiscal deficits and borrow funds for capital/ assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream. Thus it is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest.</p> |

1.7.4 Trends of Deficit/Surplus

The State was within the targets specified by the XV FC during 2021-22 with regard to the key fiscal parameters. It had a Fiscal Deficit of ₹37,487 crore during the year 2021-22, representing 3.21 *per cent* of the GSDP and constituted 16.66 *per cent* of Total Expenditure. The Primary Deficit of ₹33,952 crore in 2020-21 decreased to ₹19,041 crore during the current year and the Revenue Deficit of ₹18,356 crore in 2020-21 also turned into revenue surplus of ₹4,815 crore in 2021-22. The trend of surplus and deficit over the five years period from 2017-18 to 2021-22 is depicted in **Chart 1.6** and trend in surplus or deficit relative to GSDP is given in **Chart 1.7** below:



Source: Finance Accounts of respective years



Source: Finance Accounts of respective years

1.8 Deficits after examination in Audit

Excessive focus on short-term objectives for overcoming budget deficit may encourage one-off deficit-reducing measures. **Table 1.6** below assesses actual surplus/ deficit after taking into account short/non-contribution to funds and incorrect classification/ booking by the State Government during 2021-22:

| Table 1.6: Actual Revenue Surplus and Fiscal Deficit | | |
|---|---|---|
| (₹ in crore) | | |
| Particulars | Impact on Revenue Surplus (Overstated) | Impact on Fiscal Deficit (Understated) |
| Misclassification of Revenue Expenditure as Capital Expenditure (Para no. 3(ii) of the Notes to Accounts, Finance Accounts Volume-I) | 2,199.14 | -- |
| Non-payment of interest (Para no. 3(viii) of the Notes to Accounts, Finance Accounts Volume-I) | 1.76 | 1.76 |
| Short transfer of contribution to NSDL/Trustee Bank (Para no. 5(i) of the Notes to Accounts, Finance Accounts Volume-I) | 10.30 | 10.30 |
| Non-contribution to Consolidated Sinking Fund (Para no. 5(ii)(B)(b) of the Notes to Accounts, Finance Accounts Volume-I) | 1,446.49 | 1,446.49 |
| Non-Transfer of Cess/fee/surcharge (Para no. 5(ii)(B)(b) of the Notes to Accounts, Finance Accounts Volume-I) | 26.59 | 26.59 |
| Non transfer of central grant of Central Road Fund into Public Account (Para no. 5(ii)(B)(b) of the Notes to Accounts, Finance Accounts Volume-I) | 49.19 | 49.19 |
| Total | 3,733.47 | 1,534.33 |

Source: Finance Accounts 2021-22

As can be seen from the above Table, there was an Overstatement of Revenue Surplus and Understatement of Fiscal Deficit by ₹3,733.47 crore and ₹1,534.33 crore respectively during the year. As per Finance Accounts, the Revenue Surplus and Fiscal Deficit were ₹4,814.55 crore and ₹37,487.38 crore respectively, which would actually be ₹1,081.08 crore and ₹39,021.71 crore respectively.

1.9 State Finance Commission

In response to the constitutional requirement, under Article 243(I) and 243(Y), the erstwhile state of Madhya Pradesh constituted the First State Finance Commission in 1995, under the M.P. Rajya Vitt Ayog Adhiniyam. The Commission submitted its reports, one relating to PRIs and the other to ULBs, in June 1999 and the recommendations of first State Finance Commission covered the period from April 1996 to March 2001.

1.9.1 Devolution of funds and auditing arrangements of Local Bodies

After enactment of the 73rd and 74th Constitution (Amendment) Act, 1992, the Urban Local Bodies (ULBs) and Panchayat Raj Institutions (PRIs) were made full-fledged and vibrant institutions of Local Self Government by vesting them with clearly defined functions and responsibilities. Accordingly, the State Government organised ULBs and PRIs into three types⁸.

⁸ ULBs: Municipal Corporations (MCs) for larger urban areas, Municipal Councils for smaller urban areas and Nagar Parishads (NPs) for a transitional area. PRIs: Zila Panchayats (ZPs) at district level, Janpad Panchayats (JPs) at block level and Gram Panchayats (GPs) at village level.

1.9.2 Devolution of Grants to PRIs and ULBs

As recommended by the Third State Finance Commission (SFC) and accepted by State Government in February 2010, four *per cent* and one *per cent* of divisible fund⁹ of the State Government should be devolved to PRIs and ULBs respectively. During the year 2017-22, the devolution of SFC grants was made by Finance Department (FD) in PRIs and ULBs, as shown in **Table 1.7**:

| Table 1.7: Devolution of Grants to PRIs and ULBs | | | | | | |
|--|-------------------------|------------------------|----------------|-------------------------|------------------------|-------------------------|
| Year | PRIs | | Short released | ULBs | | Short / Excess released |
| | Fund was to be devolved | Fund actually devolved | | Fund was to be devolved | Fund actually devolved | |
| 1 | 2 | 3 | 4 (2-3) | 5 | 6 | 7 (5-6) |
| 2017-18 | 1,278.43 | 1,099.96 | 178.47 | 319.61 | 326.65 | -7.04 |
| 2018-19 | 1,284.41 | 923.68 | 360.73 | 321.10 | 309.22 | 11.88 |
| 2019-20 | 1,473.77 | 381.26 | 1,092.51 | 368.44 | 305.98 | 62.46 |
| 2020-21 | 1,711.37 | 329.62 | 1,381.75 | 427.78 | 300.79 | 126.99 |
| 2021-22 | 1,660.08 | 295.67 | 1,364.41 | 415.02 | 330.00 | 85.02 |

Source: Information provided by Finance Department

It can be seen from above table the Finance Department devolved short fund to the tune of ₹1,364.41 crore and ₹85.02 crore to PRIs and ULBs respectively during 2021-22 due to second wave of COVID and depending on the financial resources available.

⁹ Divisible fund means net of State tax revenue of previous year after deduction of ten *per cent* towards expenditure for collection of taxes, minus assigned revenue to PRIs and ULBs.

Chapter 2

FINANCES OF THE STATE

Chapter 2-Finances of the State

The Chapter strives to unravel the underlying causes for deficit and seeks to diagnose the areas of fiscal concern as well as the positives.

2.1 Introduction

This chapter provides a broad perspective of the finances of the State, and analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the five-year period 2017-18 to 2021-22, debt sustainability of the State and key Public Account transactions, based on the Finance Accounts of the State.

2.2 Major changes in Key Fiscal Aggregates during 2021-22 vis-à-vis 2020-21

Table 2.1 gives a bird's eye view of the major changes in key fiscal aggregates of the State during 2021-22, compared to the previous year:-

| Table 2.1: Changes in key fiscal aggregates in 2021-22 compared to 2020-21 | |
|--|---|
| Revenue Receipts | <ul style="list-style-type: none">➤ Revenue Receipts of the State increased by 26.98 <i>per cent</i>➤ Own Tax Receipts of the State increased by 21.63 <i>per cent</i>➤ Own Non-Tax Receipts increased by 54.56 <i>per cent</i>➤ State's Share of Union Taxes and Duties increased by 48.23 <i>per cent</i>➤ Grants-in-Aid from Government of India decreased by 0.88 <i>per cent</i> |
| Revenue Expenditure | <ul style="list-style-type: none">➤ Revenue Expenditure increased by 9.91 <i>per cent</i>➤ Revenue Expenditure on General Services increased by 3.29 <i>per cent</i>➤ Revenue Expenditure on Social Services increased by 4.20 <i>per cent</i>➤ Revenue Expenditure on Economic Services increased by 25.22 <i>per cent</i> |
| Capital Expenditure | <ul style="list-style-type: none">➤ Capital Expenditure increased by 34.18 <i>per cent</i>➤ Capital Expenditure on General Services increased by 1.54 <i>per cent</i>➤ Capital Expenditure on Social Services increased by 76.49 <i>per cent</i>➤ Capital Expenditure on Economic Services increased by 19.50 <i>per cent</i> |
| Loans and Advances | <ul style="list-style-type: none">➤ Recoveries of Loans and Advances increased by 6.90 <i>per cent</i>➤ Capital Expenditure on Disbursement of Loans and Advances increased by 162.43 <i>per cent</i> |
| Public Debt | <ul style="list-style-type: none">➤ Public Debt Receipts decreased by 28.98 <i>per cent</i>➤ Repayment of Public Debt increased by 18.85 <i>per cent</i> |
| Public Account | <ul style="list-style-type: none">➤ Public Account Receipts decreased by 2.60 <i>per cent</i>➤ Disbursement of Public Account decreased by 1.63 <i>per cent</i> |
| Cash Balances | <ul style="list-style-type: none">➤ Cash balance decreased by ₹773.07 crore (4.28 <i>per cent</i>) |

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

2.3 Sources and Application of funds

Table 2.2 compares the sources and application of funds of the State during 2021-22 with 2020-21 in figures, while **Charts 2.1** and **2.2** give the details of receipts into and expenditure from the Consolidated Fund during 2021-22 in terms of percentages.

| Table 2.2: Details of Sources and Application of resources during 2020-21 and 2021-22 | | | | |
|---|------------------------------------|------------------------|--------------------------------|-----------------------------------|
| | | ₹ in crore | | Increase (+)/ Decrease (-) (%) |
| | Particulars | 2020-21 | 2021-22 | |
| Composition of resources | Opening Cash Balance with RBI | 7,060.93 | 18,069.31 | 155.91 |
| | Revenue Receipts | 1,46,376.79 | 1,85,875.85 | 26.98 |
| | Capital Receipts | 14.46 | 1,597.70 | 10949.10 |
| | Recoveries of Loans and Advances | 58.32 | 62.17 | 6.60 |
| | Public Debt Receipts (Net) | 52,413.20 ¹ | 31,122.54 ² | -40.62 |
| | Public Account Receipts (Net) | 7,956.47 | 5,542.49 | -30.34 |
| | Inter-State Settlement | (-)0.02 | 1.14 | 5800.00 |
| | Total | 2,13,880.15 | 2,42,271.20[#] | 13.27 |
| Application of resources | Revenue Expenditure | 1,64,733.01 | 1,81,061.30 | 9.91 |
| | Capital Expenditure | 30,355.75 | 40,733.11 | 34.19 |
| | Disbursement of Loans and Advances | 1,230.32 | 3,228.69 | 162.43 |
| | Inter-State Settlement | (-)0.25 | 1.20 | 580.00 |
| | Closing Cash Balance with RBI | 18,069.31* | 17,296.25 | -4.28 |
| | Total | 2,14,388.14 | 2,42,320.55 | 13.03 |

Source: Finance Accounts of the respective years

* Closing of cash balance with RBI includes ₹507.99 crore received under Guarantee Redemption Fund from Reserve Bank of India as interest of earlier years and the same had not been reconciled. Therefore, they do not tally.

There is a difference of ₹49.35 crore in the closing balance due to reinvestment of interest of ₹49.35 crore on Guarantee Redemption Fund by RBI which has not been reconciled with State Government.

Chart 2.1: Composition of resources

₹ comes from

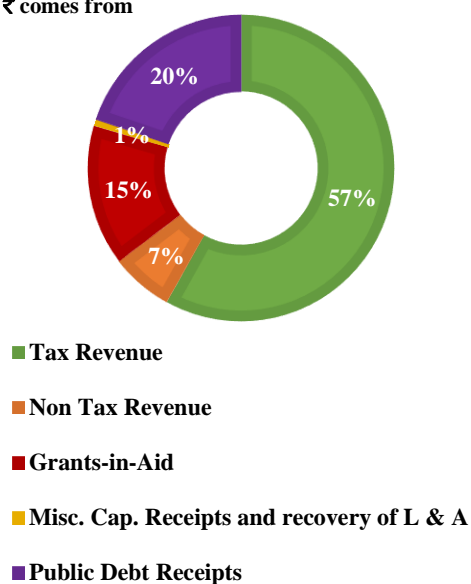
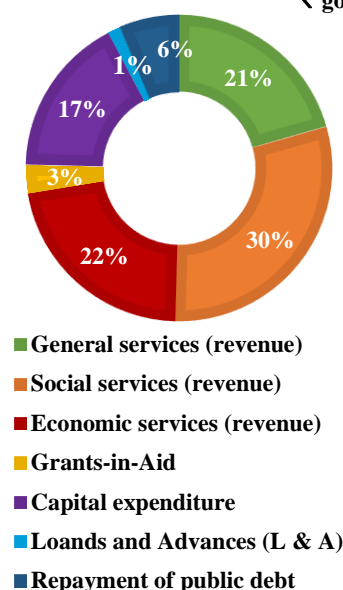


Chart 2.2: Application of resources

₹ goes to



Source: Finance Accounts 2021-22

2.4 Resources of the State

The resources of the State are described below:-

1. Revenue receipts consist of tax revenue, non-tax revenue, State's share of Union taxes

¹ Include Back to back loan in lieu of GST compensation shortfall of ₹4,542 crore.

² Include Back to back loan in lieu of GST compensation shortfall of ₹7,011 crore.

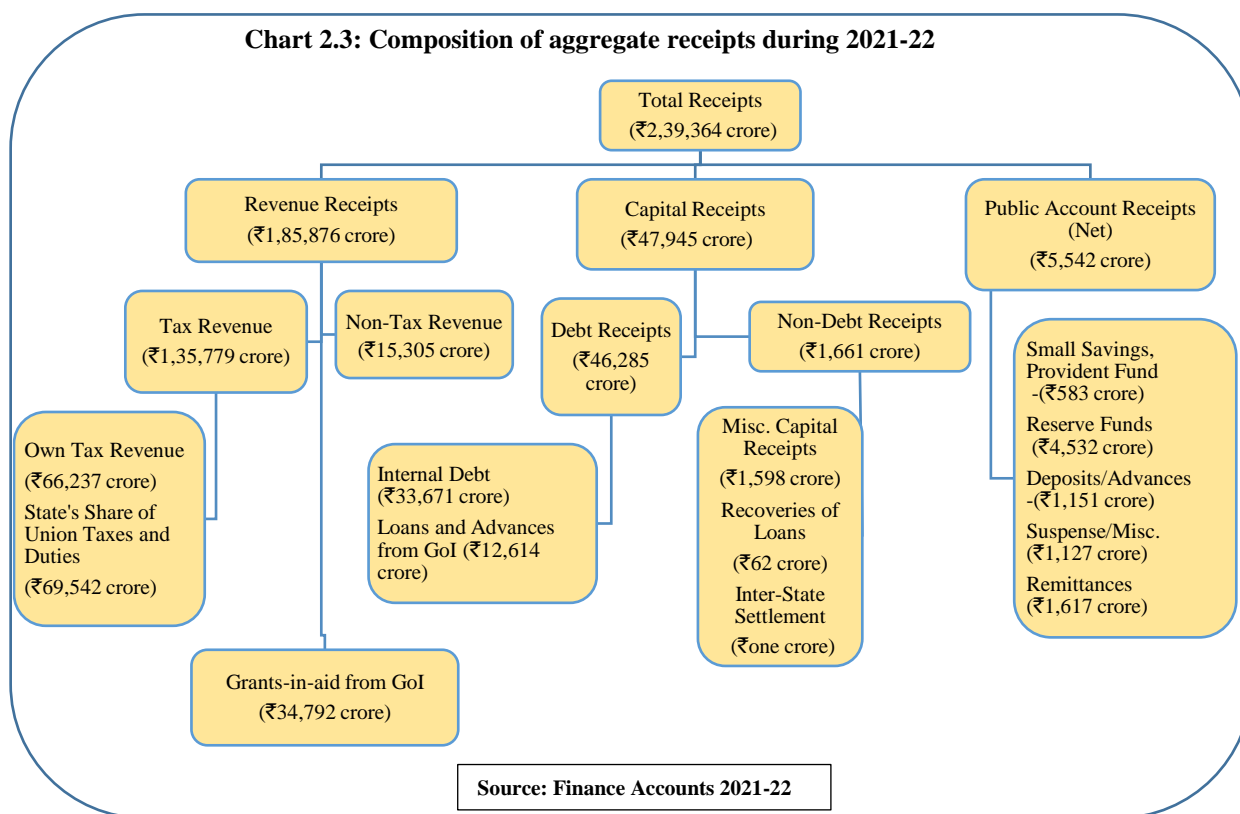
and duties, and Grants-in-Aid from the Government of India (GoI);

2. 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.

3. Net Public Account 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.

2.5 Receipts of the State

Chart 2.3 provides the composition of the overall receipts during 2021-22.



2.6 Revenue Receipts

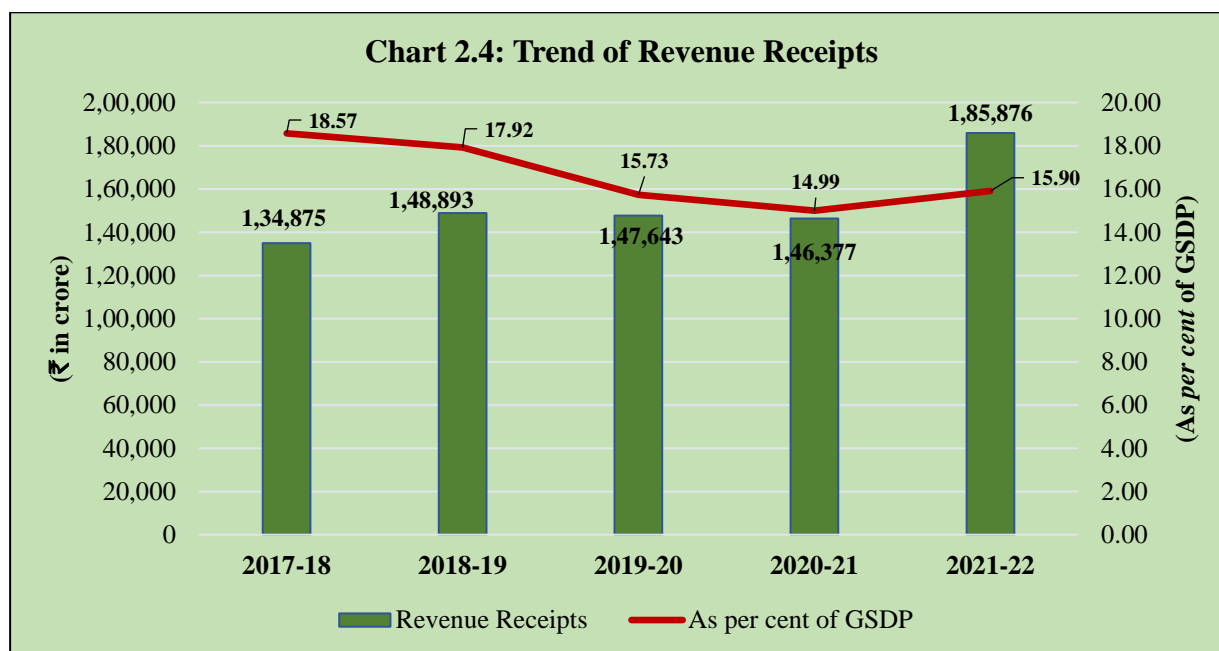
2.6.1 Trends and Growth of Revenue Receipts

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 2017-22. 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: Trends in Revenue Receipts

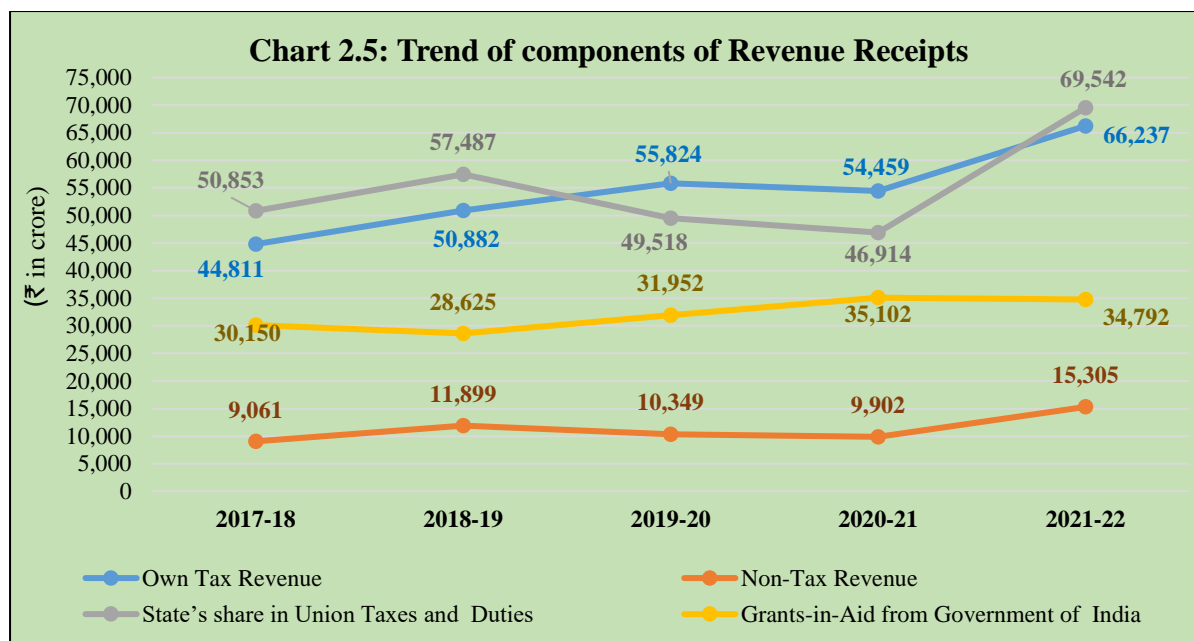
| Particulars | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| Revenue Receipts (RR) (₹ in crore) | 1,34,875 | 1,48,893 | 1,47,643 | 1,46,377 | 1,85,876 |
| Rate of growth of RR (<i>per cent</i>) | 9.38 | 10.39 | (-)0.84 | (-)0.86 | 26.98 |
| Tax Revenue (₹ in crore) | 95,664 | 1,08,369 | 1,05,342 | 1,01,373 | 1,35,779 |
| Own Tax Revenue | 44,811 | 50,882 | 55,824 | 54,459 | 66,237 |
| State's Share of Union Taxes and Duties | 50,853 | 57,487 | 49,518 | 46,914 | 69,542 |
| Non-Tax Revenue (₹ in crore) | 9,061 | 11,899 | 10,349 | 9,902 | 15,305 |
| Rate of growth of Revenue (Tax and Non-Tax Revenue) (<i>per cent</i>) | 4.52 | 14.84 | (-)3.81 | (-)3.82 | 35.78 |
| Gross State Domestic Product (₹ in crore) | 7,26,284 | 8,31,024 | 9,38,602 | 9,76,281 | 11,69,004 |
| Rate of growth of GSDP (<i>per cent</i>) | 11.77 | 14.42 | 12.95 | 4.01 | 19.74 |
| RR/GSDP (<i>per cent</i>) | 18.57 | 17.92 | 15.73 | 14.99 | 15.90 |
| Buoyancy Ratios³ | | | | | |
| Revenue Buoyancy w.r.t GSDP | 0.80 | 0.72 | (-)0.06 | (-)0.21 | 1.37 |
| State's Tax Revenue Buoyancy w.r.t GSDP | 0.51 | 0.92 | (-)0.22 | (-)0.94 | 1.72 |

Source: Finance Accounts of the respective years and information furnished by Directorate of Economic and Statistics, Government of Madhya Pradesh



Source: Finance Accounts of the respective years and information furnished by Directorate of Economic and Statistics, Government of Madhya Pradesh

³ Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy with respect to GSDP at 1.85 implies that Revenue Receipts tend to increase by 1.85 percentage points, if the GSDP increases by one *per cent*.



Source: Finance Accounts of the respective years

General trends relating to Revenue Receipts of the State are as follows:

- Madhya Pradesh registered growth of 26.98 *per cent* in Revenue Receipts during 2021-22 as compared to the previous year which was higher as compared with states⁴ like Telangana (26.13 *per cent*) and Chhattisgarh (26.08 *per cent*) while the growth rate was lower than Gujarat (30.18 *per cent*).
- During 2017-18, about 71 *per cent* of the Revenue Receipts came from the State's Tax Revenue resources, while Non-Tax Revenue and Grants-in-Aid contributed 29 *per cent*. In the year 2021-22, about 73 *per cent* of the Revenue Receipts came from the State's Tax Revenue resources, and Non-Tax Revenue and Grants-in-Aid together contributed 27 *per cent*.

2.6.2 State's Own Resources

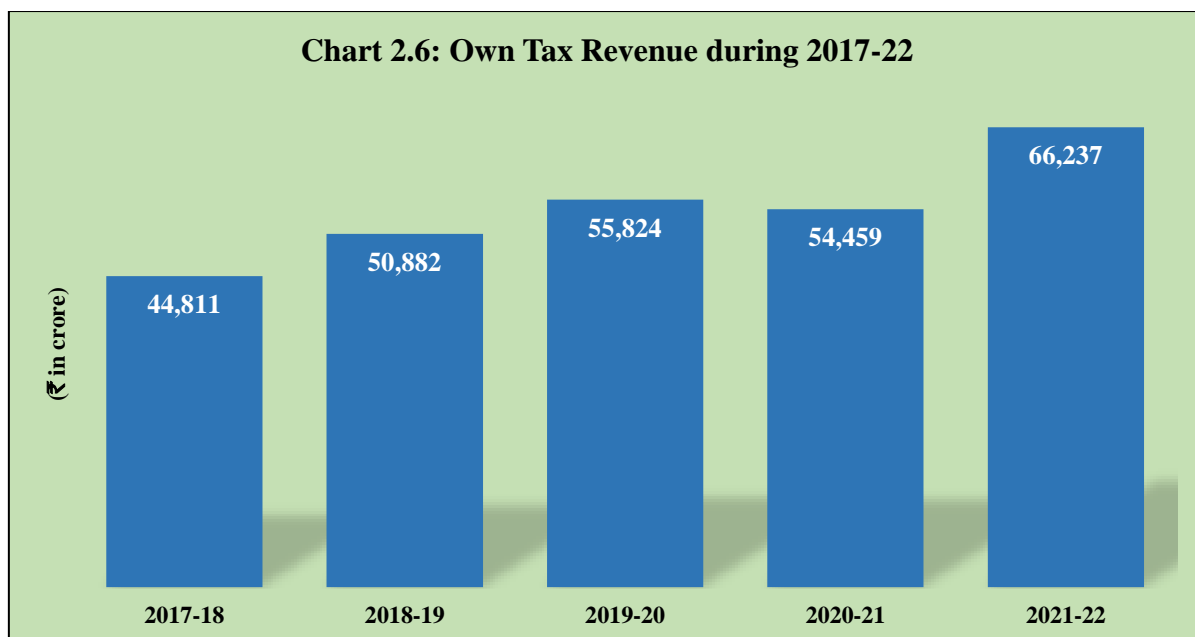
State's share in Central taxes is determined on the basis of recommendations of the Finance Commission. Grants-in-Aid from Central Government is determined by the quantum of collection of Central tax receipts and anticipated Central assistance for schemes. The State's performance in mobilisation of additional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

The gross collections in respect of major Tax and Non-Tax Revenue and their relative share in GSDP during 2017-22 are given in **Appendix 2.1**.

2.6.2.1 Own Tax Revenue

Own Tax Revenue of the State Government during the five-year period 2017-22 is given in **Chart 2.6**:

⁴ The comparison analysis was based on information provided by the respective states. Comparison could not be made with other neighbouring States as information had not been received, despite being called for (October 2022).



Source: Finance Accounts of the respective years

The component-wise details of Own Tax Revenue collected during the years 2017-22 are given in **Table 2.4**:

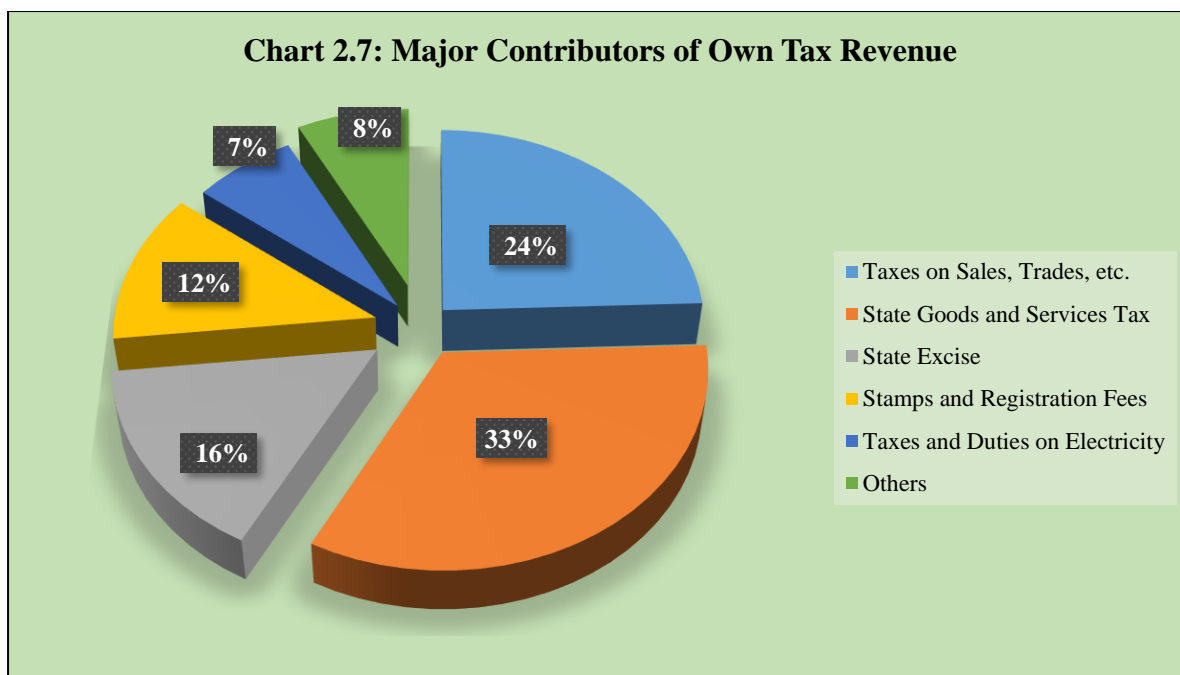
| Table 2.4: Component-wise Own Tax Revenue during 2017-22 | | | | | |
|---|---------------------|----------------|----------------|----------------|----------------|
| | (₹ in crore) | | | | |
| Revenue Head | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Taxes on Sales, Trades, etc. | 14,984 | 9,903 | 11,258 | 13,296 | 16,185 |
| State Goods and Services Tax | 8,696 | 18,508 | 20,448 | 17,258 | 22,028 |
| State Excise | 8,245 | 9,542 | 10,829 | 9,526 | 10,334 |
| Taxes on Vehicles | 2,692 | 3,008 | 3,251 | 2,749 | 3,029 |
| Stamps and Registration Fees | 4,789 | 5,278 | 5,569 | 6,817 | 8,098 |
| Land Revenue | 491 | 384 | 562 | 504 | 733 |
| Taxes on Goods and Passengers | 1,159 | 118 | 145 | 75 | 64 |
| Taxes and Duties on Electricity | 2,590 | 2,616 | 2,268 | 2,608 | 4,582 |
| Other Taxes ⁵ | 1,165 | 1,525 | 1,494 | 1,626 | 1,184 |
| Total | 44,811 | 50,882 | 55,824 | 54,459 | 66,237 |
| GSDP at current prices | 7,26,284 | 8,31,024 | 9,38,602 | 9,76,281 | 11,69,004 |
| Own Tax revenue as percentage of GSDP (in per cent) | 6.17 | 6.12 | 5.95 | 5.58 | 5.67 |

Source: Finance Accounts of the respective years

Own Tax Revenue of the State increased by 47.81 *per cent* during 2017-22. There was a marginal reduction in Own Tax Revenue from ₹55,824 crore in 2019-20 to ₹54,459 crore in 2020-21. Barring 2020-21, the Own Tax Revenue have continuously increased during five years.

During the current year, major contributors of Own Tax Revenue were State Goods and Services Tax (33.26 *per cent*), Taxes on Sales, Trades, etc. (24.43 *per cent*) and State Excise (15.60 *per cent*).

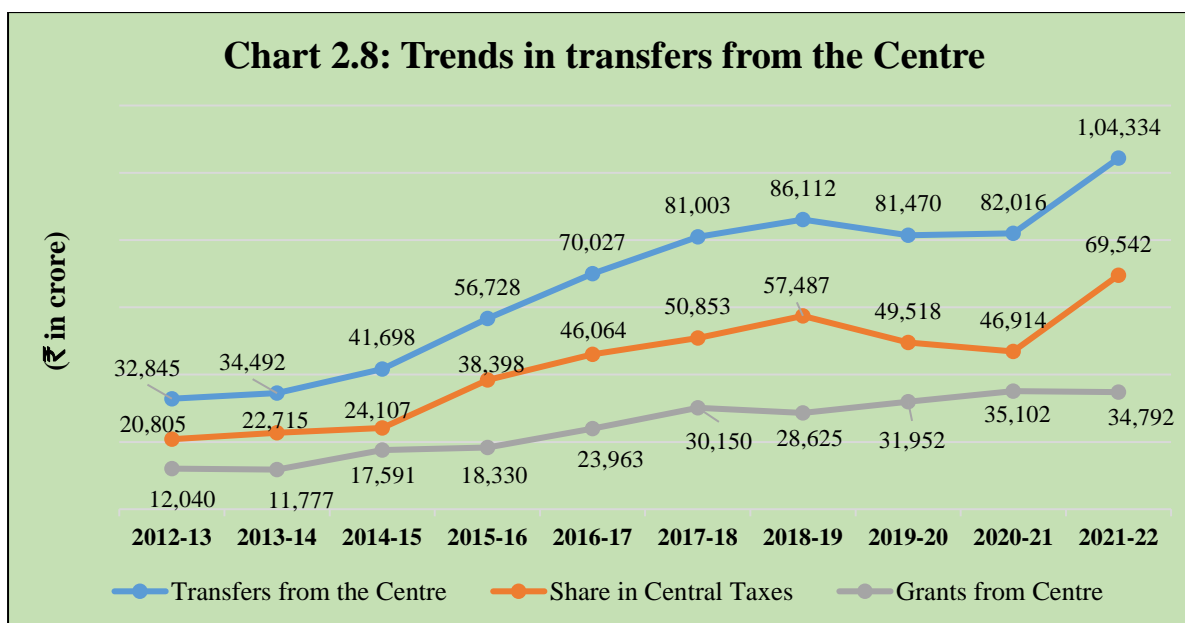
⁵ Other taxes include Taxes on Immovable Property other than Agricultural Land, Other Taxes on Income and Expenditure and Duties on Commodities and Services.



Source: Finance Accounts of the respective years

2.6.2.2 Transfer of funds from the Centre

Transfer of funds from Central Government are based on recommendations of Finance Commission are in the form of Share in Central Taxes and Grants from Centre.



Source: Finance Accounts of the respective years

The Fourteenth Finance Commission fixed State's share of Central Taxes at 42 *per cent* from 2015-16 onwards, instead of 32 *per cent* received earlier as per recommendation of the Thirteenth Finance Commission. Therefore, transfer of funds from the Centre increased from 2015-16 onwards, as shown in **Chart 2.8**. The Fifteenth Finance Commission recommended 41 *per cent* share of Central Taxes from 2020-21 onwards.

Central Tax transfers

Details of GoI transfers to the State Government during 2017-22 are given in **Table 2.5:**

| Table 2.5: Trends in Central Tax transfers | | | | | |
|--|---------------------|----------------|----------------|----------------|----------------|
| | (₹ in crore) | | | | |
| Particulars | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Central Goods and Services Tax | 716 | 14,188 | 14,052 | 13,947 | 19,855 |
| Integrated Goods and Services Tax | 5,132 | 1,132 | - | - | - |
| Corporation Tax | 15,569 | 19,990 | 16,884 | 14,155 | 20,563 |
| Taxes on income other than Corporation Tax | 13,147 | 14,722 | 13,229 | 14,512 | 20,589 |
| Customs | 5,131 | 4,075 | 3,139 | 2,495 | 4,950 |
| Union Excise Duties | 5,363 | 2,708 | 2,182 | 1,577 | 2,647 |
| Service Tax | 5,795 | 531 | - | 203 | 863 |
| Taxes on Wealth | 0 | 7 | 1 | - | 4 |
| Other Taxes and Duties on Commodities and Services | 0 | 30 | 31 | 25 | 71 |
| Other Taxes on Income and Expenditure | 0 | 104 | - | - | - |
| Total Central Tax transfers | 50,853 | 57,487 | 49,518 | 46,914 | 69,542 |
| Percentage of increase(+)/decrease(-) over previous year | 10.40 | 13.05 | (-)13.86 | (-)5.26 | 48.23 |
| Percentage of Central tax transfers to Revenue Receipts | 37.70 | 38.61 | 33.54 | 32.00 | 37.41 |

Source: Finance Accounts of the respective years

Central Tax transfers increased from ₹50,853 crore in 2017-18 to ₹69,542 crore in 2021-22 with inter year fluctuation. The increase of Central Tax transfers by ₹22,628 crore in 2021-22 over the previous year was mainly under Central Goods and Services Tax (increase of ₹5,908 crore), Corporation Tax (increase of ₹6,408 crore) and Taxes on income other than Corporation Tax (increase of ₹6,077 crore).

2.6.2.3 State Goods and Services Tax (SGST)

Goods and Services Tax (GST) was implemented with effect from 1 July 2017. According to GST (Compensation to the States) Act 2017, Central Government will compensate the States for loss of revenue arising on account of implementation of GST for a period of five years. As per the provisions of the Act, the projected revenue for Madhya Pradesh was calculated at ₹33,647 crore for the year 2021-22 by applying the projected growth at the rate of 14 per cent per annum over the base year (2015-16) revenue of ₹15,329 crore.

During 2021-22, the State Government collected ₹22,028 crore under Major Head '0006 State Goods and Services Tax'. GoI released ₹3,095 crore during the year as compensation for the loss of revenue arising out of implementation of GST. Thus the compensation received by the State from Government of India for projected loss of revenue was short by ₹8,524 crore. Besides, the State Government also received back to back loan of ₹7,011 crore from GoI to meet the resource gap due to shortfall in GST compensation during 2021-22.

2.6.2.4 Evasion of tax

The cases of evasion of tax detected by the Revenue departments, cases finalised and the demands for additional tax raised are important indicators of revenue collection efforts of the State Government. Promptness in disposal of refund cases is an indicator of performance of

the Department. High pendency of refund cases may indicate red tape, vested interests, prevalence of speed money, *etc.*

The details of cases of evasion of tax detected, cases finalised and the demands for additional tax raised as on 31 March 2022 as reported by the Mining Department and Stamps and Registration Department are given in **Table 2.6** below:

| Table 2.6: Evasion of Tax Detected | | | | | | |
|---|---------------------------------------|--------------------------------------|--------------------|--|---------------------|---------------------------------------|
| Nature of Revenue | No. of cases pending as on 31.03.2021 | No. of cases detected during 2021-22 | Total no. of cases | No. of cases in which investigation completed and additional demand including penalty raised | | No. of pending cases as on 31.03.2022 |
| | | | | No. of cases | Amount (₹ in crore) | |
| Mining | 4,650 | 9,018 | 13,668 | 6,522 | 27.17 | 7,146 |
| Stamps and Registration fees | 12,627 | 11,004 | 23,631 | 10,349 | 83.59 | 13,282 |
| Total | 17,277 | 20,022 | 37,299 | 16,871 | 110.76 | 20,428 |

Source: Information furnished by the concerned departments

Table 2.7 shows details of refund cases of Commercial tax, Stamps and Registration and State Excise Department.

| Table 2.7: Details of refund cases | | | | | | | |
|---|---|----------------|---------------------|------------------------------|---------------------|-------------------|---------------------|
| S. No. | Particulars | Commercial Tax | | Stamps and Registration fees | | Excise Department | |
| | | No. of cases | Amount (₹ in crore) | No. of cases | Amount (₹ in crore) | No. of cases | Amount (₹ in crore) |
| 1 | Claims outstanding at the beginning of the year 2021-22 | 844 | 19.40 | 3,256 | 10.01 | 96 | 1.80 |
| 2 | Claims received during the year | 2,555 | 255.64 | 10,900 | 53.00 | 335 | 27.74 |
| 3 | Refunds made during the year | 2,779 | 265.57 | 10,115 | 47.01 | 341 | 27.42 |
| 4 | Refunds rejected during the year | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Balance outstanding at the end of the year 2021-22 | 620 | 9.47 | 4,029 | 15.20 | 80 | 2.11 |

Source: Information furnished by Departments concerned

2.6.2.5 Non-Tax Revenue

The component-wise details of Non-Tax Revenue collected during the years 2017-22 are given in **Table 2.8**:

| Table 2.8: Component-wise Non-Tax Revenue during 2017-22 | | | | | |
|---|--------------|---------------|---------------|--------------|--------------------|
| (₹ in crore) | | | | | |
| Revenue Head | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Non-Ferrous Mining and Metallurgical Industries | 3,641 | 3,934 | 4,320 | 4,557 | 6,180 |
| Education, Sports, Art and Culture | 1,310 | 2,366 | 2,060 | 1,383 | 3,019 |
| Forestry and Wildlife | 1,112 | 1,043 | 833 | 1,240 | 1,406 |
| Interest Receipts | 639 | 880 | 443 | 243 | 1,644 |
| Dividends and Profits | 622 | 347 | 476 | 288 | 139 |
| Other Non-Tax Receipts | 1,737 | 3,329 | 2,217 | 2,191 | 2,917 ⁶ |
| Total | 9,061 | 11,899 | 10,349 | 9,902 | 15,305 |

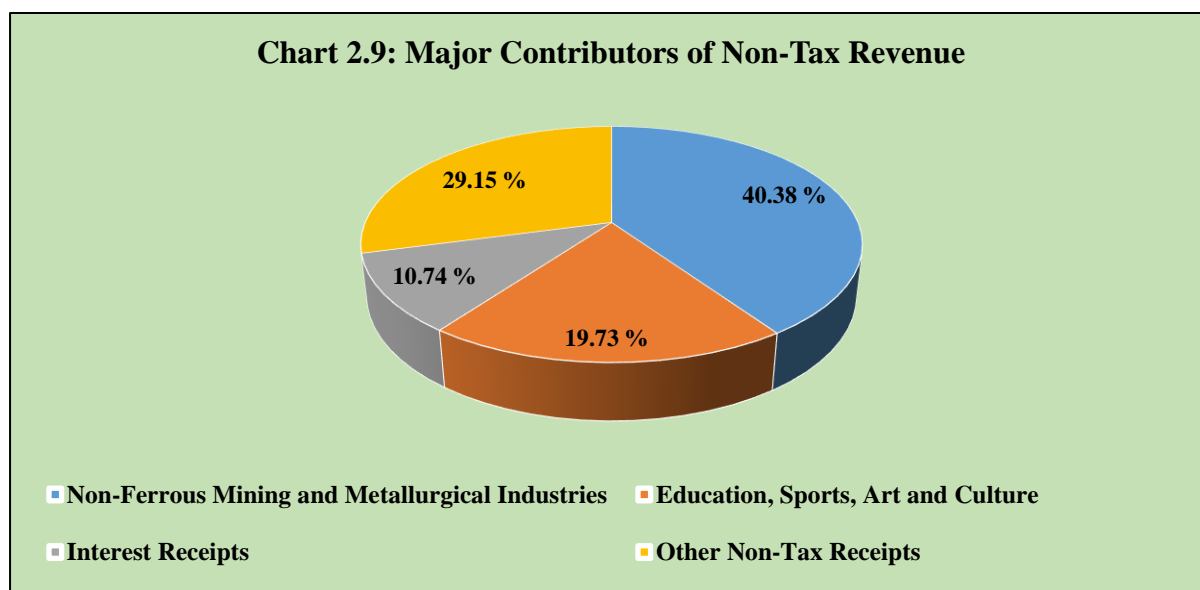
⁶ Includes receipts under Power (₹996.95 crore), Medium Irrigation (₹243.10 crore), Minor Irrigation (₹238.87 crore), Police (₹221.44 crore), Other Social Services (₹194.47 crore), Other Administrative Services (₹194.43 crore), Medical and Public Health (₹192.91 crore), Contribution and Recoveries towards Pension and other Retirement Benefits (₹124.27 crore) and Other Receipts (₹510.56 crore).

Table 2.8: Component-wise Non-Tax Revenue during 2017-22

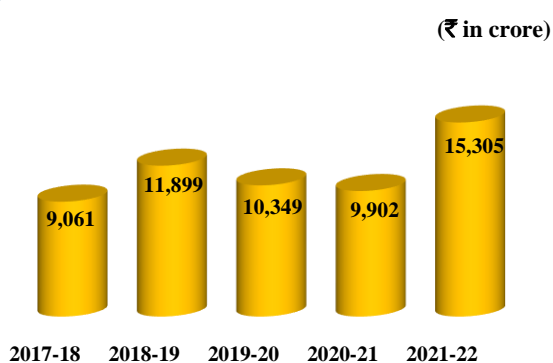
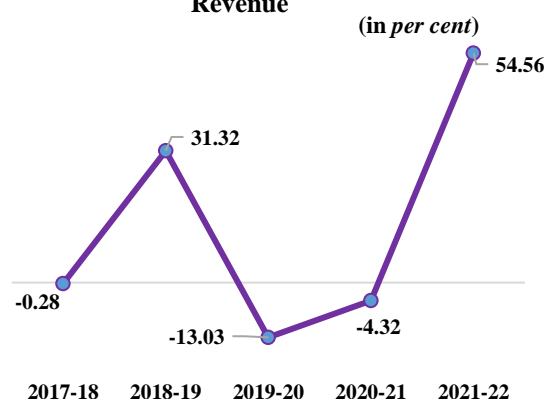
| (₹ in crore) | | | | | |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenue Head | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Revenue Receipts | 1,34,875 | 1,48,893 | 1,47,643 | 1,46,377 | 1,85,876 |
| Percentage to Revenue Receipts | 6.72 | 7.99 | 7.01 | 6.76 | 8.23 |

Source: Finance Accounts of the respective years

Non-Tax Revenue, which ranged between seven and eight *per cent* of total Revenue Receipts of the State during the five-year period 2017-18 to 2021-22 with inter year fluctuation, During 2021-22 it increased by ₹5,403 crore over the previous year, major contributors of Non-Tax Revenue were Non-Ferrous Mining and Metallurgical Industries (40.38 *per cent*), Education, Sports, Art and Culture (19.73 *per cent*) and Interest Receipts (10.74 *per cent*).

Chart 2.9: Major Contributors of Non-Tax Revenue

Source: Finance Accounts of the respective years

Chart 2.10: Non-Tax Revenue**Chart 2.11: Growth rate of Non-Tax Revenue**

Source: Finance Accounts of the respective years

During 2018-19, increase in non-tax revenue was mainly under education, sports, art and culture (by ₹1,056 crore) due to misclassification of receipts under Samagra Shiksha Abhiyan and during current year increase in non-tax revenue was mainly under

- Non-Ferrous Mining and Metallurgical Industries by ₹1,623 crore (35.62 *per cent*) on account of increase in “Mineral concession fees, rents and royalties”,
- Education, Sports, Art and Culture by ₹1,636 crore (118.35 *per cent*) on account of increase in “Elementary Education” and,
- Interest Receipts by ₹1,401 crore (576.54 *per cent*) on account of increase in “Interest from Public Sector and other Undertakings”.

2.6.2.6 Grants-in-Aid from GoI

The State Government receives Grants-in-Aid and share of Union Taxes and Duties, based on the recommendations of the Finance Commission. Details of GoI grants to the State are given below in **Table 2.9**:

| Table 2.9: Grants-in-Aid from GoI | | | | | |
|---|---------------------|----------------|----------------|----------------|----------------|
| | (₹ in crore) | | | | |
| Particulars⁷ | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Non-Plan Grants | 4,408 | 4,921 | - | - | - |
| Grants for State Plan schemes | 23,164 | 20,821 | - | - | - |
| Grants for Central Plan schemes | 67 | 17 | - | - | - |
| Grants for Centrally Sponsored Schemes | - | - | - | - | - |
| Centrally Sponsored Schemes | - | - | 19,548 | 21,340 | 25,488 |
| Other Grants to States (Compensation for loss of revenue arising out of implementation of GST and Grant towards contribution to NDRF) | 2,511 | 2,866 | 6,327 | 7,185 | 3,695 |
| Finance Commission Grants | - | - | 6,078 | 6,577 | 5,609 |
| Total | 30,150 | 28,625 | 31,953 | 35,102 | 34,792 |
| Percentage of increase(+)/decrease(-) over previous year | 25.82 | (-)5.06 | 11.63 | 9.86 | (-)0.88 |
| Revenue Receipts | 1,34,875 | 1,48,893 | 1,47,643 | 1,46,377 | 1,85,876 |
| Total Grants as a percentage of Revenue Receipts | 22.35 | 19.23 | 21.64 | 23.98 | 18.72 |

Source: Finance Accounts of the respective years

The Grants-in-Aid from GoI increased from ₹30,150 crore in 2017-18 to ₹34,792 crore in 2021-22. The Plan and non-Plan classification in annual accounts was abolished with effect from the financial year 2019-20 and the Grants-in-Aid from GoI were given in the form of funds for Centrally Sponsored Schemes, Finance Commission Grants and other Grants.

The Grants-in-Aid from GoI in 2021-22 marginally decreased by ₹310 crore (0.88 *per cent*) over the previous year mainly due to decrease in “Compensation for loss of revenue arising out of implementation of GST” under “Other Transfer/Grants to States/Union Territory with Legislature”. Further, the State Government received back to back loan of ₹7,011.17 crore in lieu of shortfall in GST compensation during 2021-22 as debt receipt which would otherwise be a transfer as GIA from GoI.

⁷ The Controller General of Accounts has revised classification of Grants-in-Aid with effect from 1 April 2017. However, in the accounts of Madhya Pradesh, it has been revised only with effect from 1 April 2019.

2.7 Fourteenth/Fifteenth Finance Commission Grants

As per Fourteenth/Fifteenth Finance Commission Grants are provided to the States for local bodies and State Disaster Response Fund (SDRF). Grants for local bodies (Panchayati Raj Institutions and Urban Local Bodies) are first transferred to State Government from GoI and the same is then transferred to local bodies by State Government. Details of grants provided by the GoI in this regard are given in **Table 2.10**:

| Table 2.10: Recommended amount, actual release and transfers of Grants-in-aid | | | | | | | | | |
|--|---|-----------------|------------------|------------------------------|-----------------|------------------|------------------------------------|-----------------|------------------|
| (₹ in crore) | | | | | | | | | |
| Transfers | Recommendations of the XIV/XV FC | | | Actual release by GoI | | | Release by State Government | | |
| | 2017-21 | 2021-22 | Total | 2017-21 | 2021-22 | Total | 2017-21 | 2021-22 | Total |
| (i) Grants to PRIs | 13,784.29 | 2,944.00 | 16,728.29 | 12,991.13 | 2,944.00 | 15,935.13 | 12,991.13 | 2,944.00 | 15,935.13 |
| (a) General Basic Grant | 12,694.49 | 2,944.00 | 15,638.49 | 12,694.49 | 2,944.00 | 15,638.49 | 12,694.49 | 2,944.00 | 15,638.49 |
| (b) General Performance Grants | 1,089.80 | - | 1,089.80 | 296.64 | - | 296.64 | 296.64 | 0.00 | 296.64 |
| (ii) Grants to ULBs | 5,706.90 | 1,450.00 | 7,156.90 | 5,104.35 | 1,445.20 | 6,549.55 | 5,104.35 | 1,445.20 | 6,549.55 |
| (a) General Basic Grant | 2,956.60 | - | 2,956.60 | 2,956.60 | - | 2,956.60 | 2,956.60 | 0.00 | 2,956.60 |
| (b) General Performance Grants | 832.30 | - | 832.30 | 229.75 | - | 229.75 | 229.75 | 0.00 | 229.75 |
| (c) Million plus Cities | 598.00 | 452.00 | 1,050.00 | 598.00 | 447.20 | 1,045.20 | 598.00 | 447.20 | 1,045.20 |
| (d) Non Million plus Cities | 1,320.00 | 998.00 | 2,318.00 | 1,320.00 | 998.00 | 2,318.00 | 1,320.00 | 998.00 | 2,318.00 |
| Total for Local Bodies | 19,491.19 | 4,394.00 | 23,885.19 | 18,095.48 | 4,389.20 | 22,484.68 | 18,095.48 | 4,389.20 | 22,484.68 |
| State Disaster Response Fund* | 4,565.00 | 1,820.00 | 6,385.00 | 4,106.75 | 1,820.00 | 5,926.75 | 4,106.75 | 607.00 | 4,713.75 |

Source: Information furnished by Finance Department, GoMP

* Including State share of 25 per cent of total grant.

Against the Fourteenth/Fifteenth Finance Commission recommended grant of ₹23,885.19 crore to local bodies⁸ for the period 2017-22, GoI short released ₹1,400.51 crore to GoMP.

Further, Fourteenth/Fifteenth Finance Commission recommended ₹6,385.00 crore under SDRF for the period 2017-22, against which GoI short released ₹458.25 crore to the State.

2.8 Capital Receipts

Capital Receipts comprise miscellaneous 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.

⁸ for PRIs ₹16,728.29 crore and for ULBs ₹7,156.90 crore.

Details of Capital Receipts of the GoMP during the five-year period 2017-22 are given below in **Table 2.11**:

| Table 2.11: Details of receipts under the Capital Section | | | | | | |
|--|--|--------------------|---------------|---------------|----------------------|----------------------|
| (₹ in crore) | | | | | | |
| Sl. No. | Sources of State's Receipts | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| 1 | Miscellaneous Capital Receipts | 19 | 13 | 14 | 14 | 1,598 |
| 2 | Inter-State settlement | - | - | - | - | 1 |
| 3 | Recovery of loans and advances | 5,070 ⁹ | 70 | 46 | 58 | 62 |
| 4 | Non-debt Capital Receipts (1+2+3) | 5,089 | 83 | 60 | 72 | 1,661 |
| 5 | Rate of growth of non-debt capital receipts (<i>per cent</i>) | 539.32 | (-)98.37 | (-)27.71 | 20.00 | 2,206.94 |
| 6 | Internal Debt | 19,975 | 28,701 | 29,496 | 54,242 | 33,671 |
| 7 | Growth rate of Internal Debt | (-)30.11 | 43.68 | 2.77 | 83.90 | (-)37.92 |
| 8 | Loans and Advances from the Central Government | 1,917 | 3,796 | 4,868 | 10,929 ¹⁰ | 12,614 ¹¹ |
| 9 | Growth rate of Loans and Advances from the Central Government | 51.30 | 98.02 | 28.24 | 124.51 | 15.42 |
| 10 | Public Debt Receipts (6+8) | 21,892 | 32,497 | 34,364 | 65,171 | 46,285 |
| 11 | Capital Receipts (4+10) | 26,981 | 32,580 | 34,424 | 65,243 | 47,946 |
| 12 | Rate of growth of Public Debt Receipts (<i>per cent</i>) | (-)26.65 | 48.44 | 5.75 | 89.65 | (-)28.98 |
| 13 | Rate of growth of GSDP (<i>per cent</i>) | 11.77 | 14.42 | 12.95 | 4.01 | 19.74 |
| 14 | Rate of growth of receipts under Capital Section (<i>per cent</i>) | (-)11.95 | 20.75 | 5.66 | 89.53 | (-)26.51 |

Source: Finance Accounts of the respective years

Capital Receipts of the State Government decreased by 26.51 *per cent* from ₹65,243 crore in 2020-21 to ₹47,946 crore in 2021-22 primarily due to decrease in Internal Debt from ₹54,242 crore in 2020-21 to ₹33,671 crore in 2021-22.

2.9 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 for the year 2021-22.

| Table 2.12: Own Tax and Non-Tax Receipts vis-à-vis projections | | | | | |
|---|-------------------|------------------|---------------|-------------------------------------|------------------|
| (₹ in crore) | | | | | |
| Particulars | XV FC projections | Budget Estimates | Actual | Percentage variation of actual over | |
| | | | | XV FC projections | Budget Estimates |
| Own Tax revenue | 58,138 | 64,914 | 66,237 | 13.93 | 2.04 |
| Non-Tax revenue | 15,443 | 11,742 | 15,305 | (-)0.90 | 30.34 |
| Total | 73,581 | 76,656 | 81,542 | 10.82 | 6.37 |

Source: Finance Accounts 2021-22, XV FC report and Budget estimates

From **Table 2.12**, it can be seen that State Government exceeded the targets set in Budget Estimates for mobilizing resources by 6.37 *per cent*, of which, the major contribution was from Non Tax Revenue where the actuals exceeded the estimates by ₹3,563 crore (30.34 *per cent*).

⁹ Of this, ₹4,622 crore pertains to recovery of 'loans for power projects'.

¹⁰ Of this, ₹4,542 crore pertains to back to back loan in lieu of GST compensation shortfall.

¹¹ Of this, ₹7,011 crore pertains to back to back loan in lieu of GST compensation shortfall.

2.10 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. This paragraph, along with sub-paragraphs, gives an analysis of allocation of expenditure in the State.

2.10.1 Growth and composition of expenditure

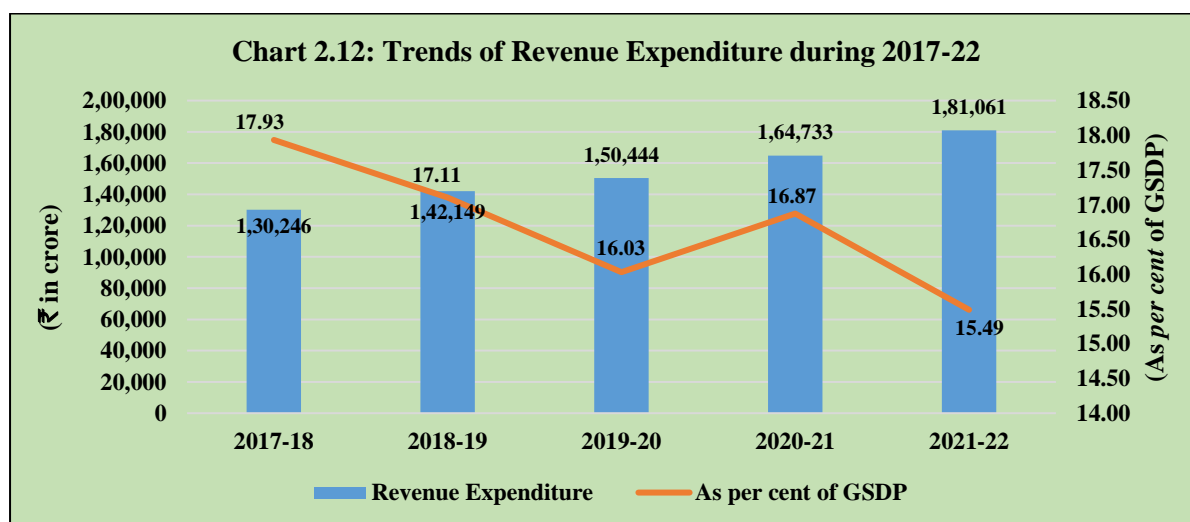
The total expenditure, its composition and relative share in GSDP during the years 2017-18 to 2021-22 are presented in **Table 2.13**:

| Table 2.13: Total Expenditure and its composition | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| (₹ in crore) | | | | | |
| Parameters | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Total Expenditure (TE) | 1,62,709 | 1,72,664 | 1,80,672 | 1,96,319 | 2,25,024 |
| Revenue Expenditure (RE) | 1,30,246 | 1,42,149 | 1,50,444 | 1,64,733 | 1,81,061 |
| Capital Expenditure (CE) | 30,913 | 29,424 | 29,241 | 30,356 | 40,733 |
| Loans and Advances | 1,550 | 1,090 | 987 | 1,230 | 3,229 |
| Inter-State Settlement | 0 | 1 | (-)0.62 | (-)0.25 | 1 |
| GSDP | 7,26,284 | 8,31,024 | 9,38,602 | 9,76,281 | 11,69,004 |
| As a percentage of GSDP | | | | | |
| Total Expenditure/GSDP | 22.40 | 20.78 | 19.25 | 20.11 | 19.25 |
| Revenue Expenditure/GSDP | 17.93 | 17.11 | 16.03 | 16.87 | 15.49 |
| Capital Expenditure/GSDP | 4.26 | 3.54 | 3.12 | 3.11 | 3.48 |
| Loans and Advances/GSDP | 0.21 | 0.13 | 0.11 | 0.13 | 0.28 |

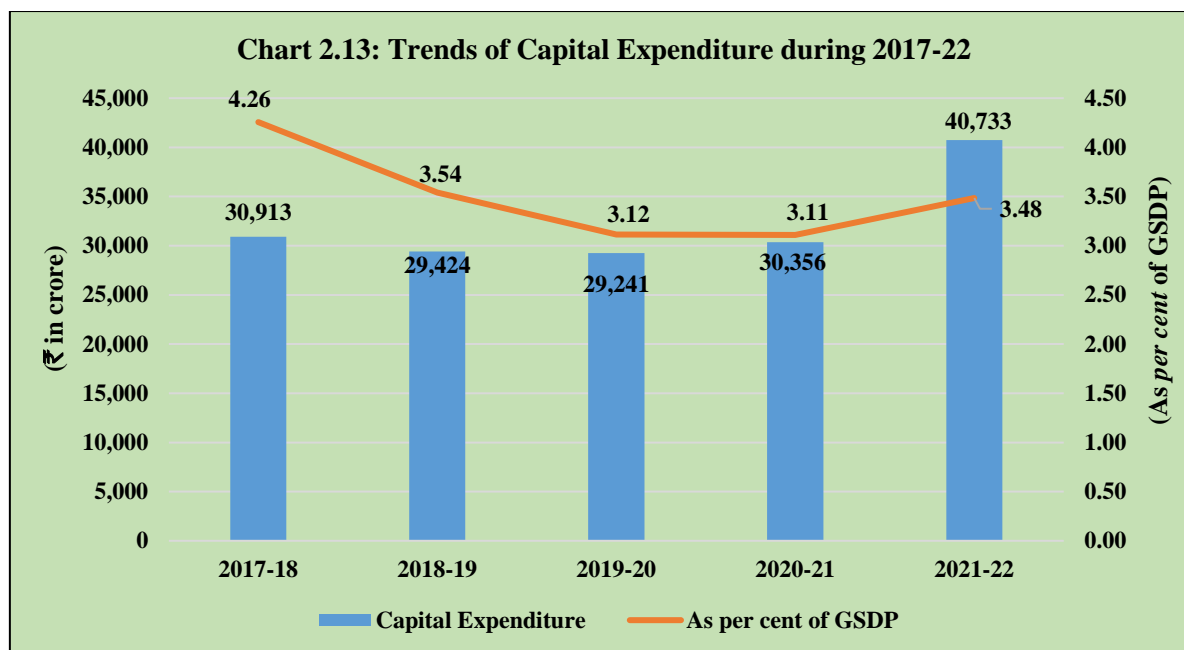
Source: Finance Accounts of the respective years

Total Expenditure of the State increased by 38 *per cent* from ₹1,62,709 crore in 2017-18 to ₹2,25,024 crore in 2021-22. During 2021-22, it increased by 14.62 *per cent* over the previous year. As a percentage of GSDP, the Total Expenditure decreased from 22.40 *per cent* to 19.25 *per cent* during 2017-22.

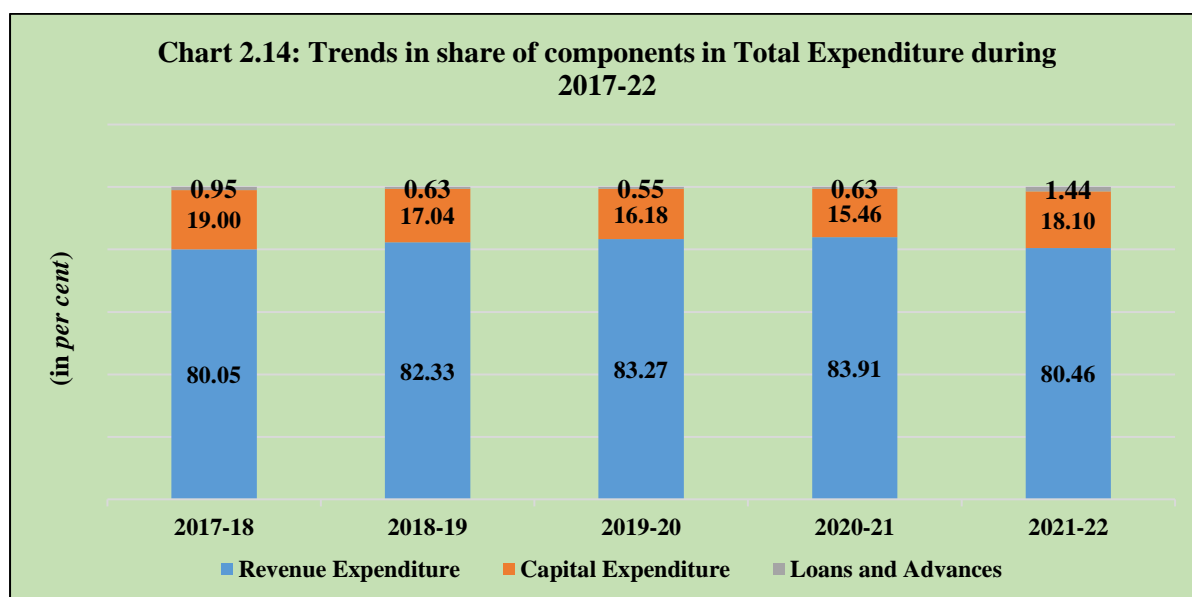
Charts 2.12 and **2.13** present the trends in Revenue Expenditure and Capital Expenditure over the period 2017-22 whereas **Chart 2.14** depicts the trend of the share of the components in Total Expenditure.



Source: Finance Accounts of the respective years and information furnished by Directorate of Economic and Statistics, Government of Madhya Pradesh



Source: Finance Accounts of the respective years and information furnished by Directorate of Economic and Statistics, Government of Madhya Pradesh



Source: Finance Accounts of the respective years

Capital Expenditure which was ₹30,913 crore in 2017-18 stood at ₹40,733 crore in 2021-22 witnessing a growth of 31.77 *per cent*. Capital Expenditure as a percentage of GSDP decreased from 4.26 *per cent* in 2017-18 to 3.48 *per cent* in 2021-22.

Capital Expenditure increased by ₹11,499 crore (34 *per cent*) during 2021-22 over the previous year due to increase under Water Supply, Sanitation, Housing and Urban Development (increase of ₹5,599 crore).

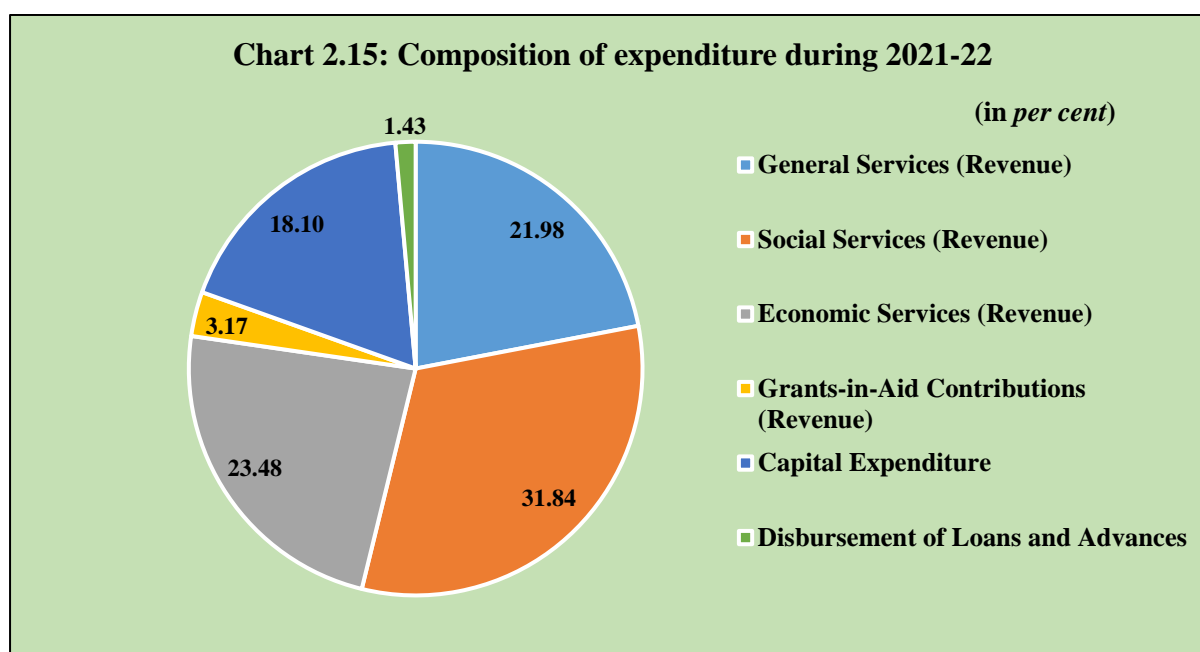
In terms of activities, Total Expenditure is composed of expenditure on General Services, including Interest Payments, Social Services, Economic Services and others. Relative share of these components in the Total Expenditure of ₹2,25,024 crore (refer *Appendix 2.1*) during 2021-22 is given in **Table 2.14**:

| Table 2.14: Relative Share of various sectors in expenditure | | | | | |
|--|---------------|---------|---------|---------|---------|
| Parameters | (in per cent) | | | | |
| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| General Services | 20.19 | 22.49 | 22.59 | 24.88 | 22.42 |
| Social Services | 39.15 | 37.31 | 39.38 | 39.17 | 38.22 |
| Economic Services | 35.37 | 35.12 | 34.22 | 32.32 | 34.76 |
| Others (Grants to Local Bodies and Loans and Advances) | 5.29 | 5.08 | 3.81 | 3.63 | 4.60 |

Source: Finance Accounts of the respective years

The relative shares of the above components of expenditure indicate that the share of Economic Services in the Total Expenditure increased by 2.44 *per cent* during 2021-22 over the previous year. This increase was, however, offset by decreases in the respective share of General Services and Social Services.

Chart 2.15 depicts the composition of expenditure during 2021-22.



Source: Finance Accounts 2021-22

2.10.2 Revenue Expenditure

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

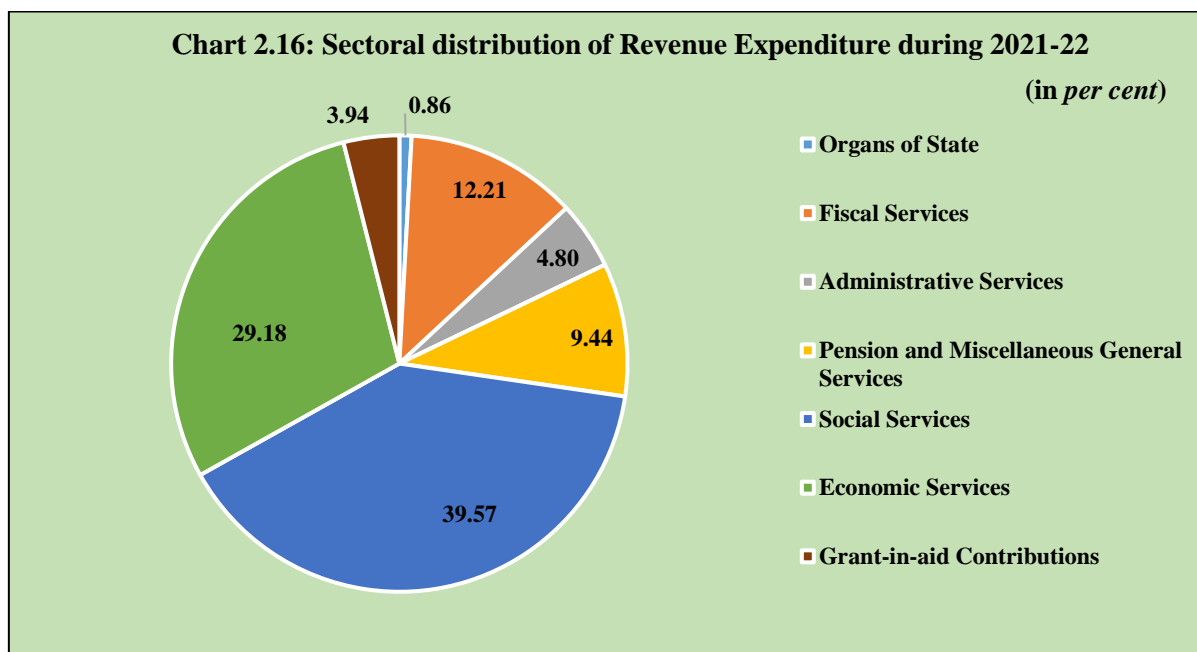
Rate of growth of Revenue Expenditure has displayed wide fluctuation during the five-year period 2017-22. The overall Revenue Expenditure, its rate of growth, its ratio to Total Expenditure and buoyancy *vis-à-vis* GSDP and Revenue Receipts are indicated in **Table 2.15**. The sectoral distribution of Revenue Expenditure pertaining to 2021-22 is given in **Chart 2.16**:

Table 2.15: Revenue Expenditure – basic parameters

| (₹ in crore) | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Parameters | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Total Expenditure (TE) | 1,62,709 | 1,72,664 | 1,80,672 | 1,96,319 | 2,25,024 |
| Revenue Expenditure (RE) | 1,30,246 | 1,42,149 | 1,50,444 | 1,64,733 | 1,81,061 |
| Rate of Growth of RE (<i>per cent</i>) | 8.96 | 9.14 | 5.84 | 9.50 | 9.91 |
| Revenue Expenditure as percentage of TE | 80.05 | 82.33 | 83.27 | 83.91 | 80.46 |
| GSDP | 7,26,284 | 8,31,024 | 9,38,602 | 9,76,281 | 11,69,004 |
| RE/GSDP (<i>per cent</i>) | 17.93 | 17.11 | 16.03 | 16.87 | 15.49 |
| Revenue Receipts (RR) | 1,34,875 | 1,48,893 | 1,47,643 | 1,46,377 | 1,85,876 |
| RE as percentage of RR | 96.57 | 95.47 | 101.90 | 112.54 | 97.41 |
| Buoyancy of Revenue Expenditure with | | | | | |
| GSDP (ratio) | 0.76 | 0.63 | 0.45 | 2.36 | 0.50 |
| Revenue Receipts (ratio) | 0.96 | 0.88 | (-)6.95 | (-)11.05 | 0.37 |

Source: Finance Accounts of the respective years

It can be seen from the above Table that Buoyancy of Revenue Expenditure with Revenue Receipts (ratio) increased by 11.42 during 2021-22 over the previous year.



Source: Finance Accounts 2021-22

During 2021-22, Revenue Expenditure as a percentage of GSDP has decreased by 1.38 *per cent*, due to increase in GSDP by ₹1,92,723 crore (19.74 *per cent*) over the previous year. Further, as compared to the assessment made in Medium Term Fiscal Plan (MTFP) (₹1,72,971 crore), Revenue Expenditure was higher by ₹8,090 crore.

2.10.2.1 Major changes in Revenue Expenditure

Table 2.16 details significant variations under various Heads of Account with regard to Revenue Expenditure of the State during 2021-22 compared to 2020-21.

| Table 2.16: Variation in Revenue Expenditure during 2021-22 compared to 2020-21 | | | |
|--|-----------|-----------|------------------------|
| (₹ in crore) | | | |
| Major Heads of Account | 2020-21 | 2021-22 | Variation (percentage) |
| 2029- Land Revenue | 2,436.27 | 1,002.28 | -1,433.99(58.86) |
| 2049- Interest Payment | 15,917.87 | 18,445.91 | 2,528.04(15.88) |

| Table 2.16: Variation in Revenue Expenditure during 2021-22 compared to 2020-21 | | | |
|--|----------------|----------------|-------------------------------|
| (₹ in crore) | | | |
| Major Heads of Account | 2020-21 | 2021-22 | Variation (percentage) |
| 2071- Pensions and Other Retirement benefits | 14,670.70 | 17,042.13 | 2,371.43(16.16) |
| 2210- Medical and Public Health | 8,432.79 | 11,163.45 | 2,730.66(32.38) |
| 2245- Relief on account of Natural Calamities | 4,944.37 | 2,771.83 | -2,172.54(43.94) |
| 2515- Other Rural development programmes | 6,118.29 | 3,675.83 | -2,442.46(39.92) |
| 2801- Power | 14,913.56 | 23,413.43 | 8,499.87(56.99) |
| 2852- Industries | 307.13 | 1,407.89 | 1,100.76(358.40) |
| 3604- Compensation and assignments to Local Bodies and Panchayati Raj Institutions | 5,900.28 | 7,125.46 | 1,225.18(20.76) |

Source: Finance Accounts of the respective years

Revenue Expenditure under Major Head 2801- Power increased significantly by ₹8,500¹² crore during the year, primarily due to increase in expenditure under “Assistance to Electricity Boards”. Further, increase in expenditure under the Head 2210- Medical and Public Health during 2021-22 as compared to the previous year, was due to increase in expenditure under “Hospital and Dispensaries” (under “Urban Health Services–Allopathy”). Revenue Expenditure under Major Head 2515- Other Rural development programmes decreased by ₹2,442 crore over the previous year due to decrease in expenditure under “Assistance to Gram Panchayats”.

2.10.2.2 Committed Expenditure

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

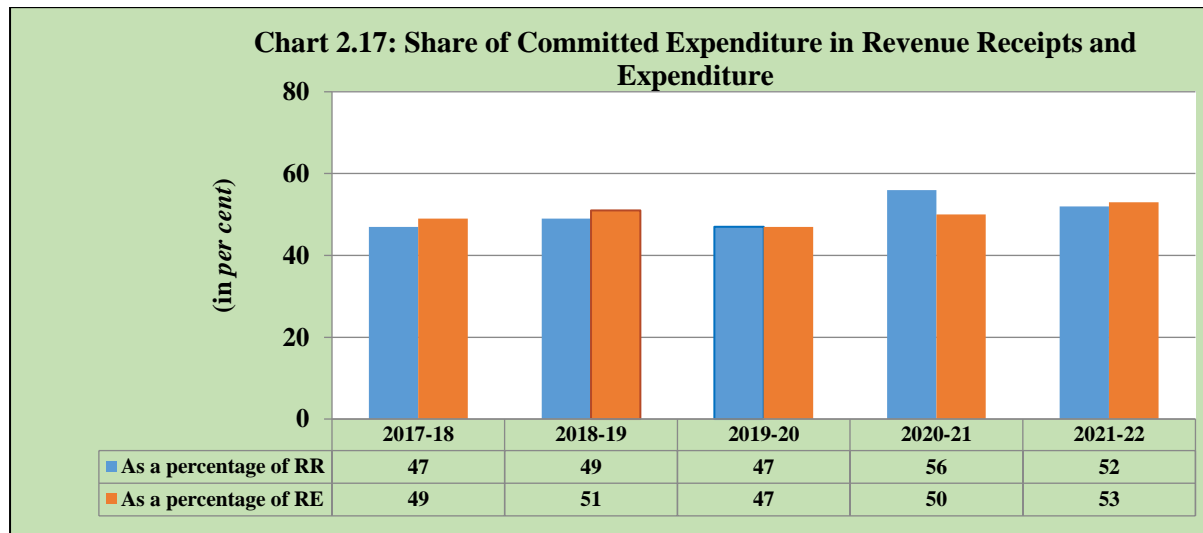
Table 2.17 presents the trends in the components of Committed Expenditure during 2017-22.

| Table 2.17: Components of Committed Expenditure | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| (₹ in crore) | | | | | |
| Components of Committed Expenditure | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Salaries and Wages | 24,026 | 27,256 | 31,160 | 37,759 | 41,096 |
| Expenditure on Pensions | 9,290 | 11,984 | 12,053 | 14,671 | 17,042 |
| Interest Payments | 11,045 | 12,696 | 14,217 | 15,918 | 18,446 |
| Subsidies | 19,381 | 21,222 | 12,642 | 13,669 | 19,285 |
| Total | 63,742 | 73,158 | 70,072 | 82,017 | 95,869 |
| As a percentage of Revenue Receipts (RR) | | | | | |
| Salaries and Wages | 17.81 | 18.31 | 21.10 | 25.80 | 22.11 |
| Expenditure on Pensions | 6.89 | 8.05 | 8.16 | 10.02 | 9.17 |
| Interest Payments | 8.19 | 8.53 | 9.63 | 10.87 | 9.92 |
| Subsidies | 14.37 | 14.25 | 8.56 | 9.34 | 10.38 |
| Total | 47.26 | 49.13 | 47.46 | 56.03 | 51.58 |
| As a percentage of Revenue Expenditure (RE) | | | | | |
| Salaries and Wages | 18.45 | 19.17 | 20.71 | 22.92 | 22.70 |
| Expenditure on Pensions | 7.13 | 8.43 | 8.01 | 8.91 | 9.41 |
| Interest Payments | 8.48 | 8.93 | 9.45 | 9.66 | 10.19 |
| Subsidies | 14.88 | 14.93 | 8.40 | 8.30 | 10.65 |
| Total | 48.94 | 51.47 | 46.58 | 49.79 | 52.95 |

Source: Finance Accounts of respective years

¹² Increase is mainly due to Acquisition of Loss amount of Company Under UDAY Yojna (₹1,388 crore), Atal Grah Jyoti Yojna (₹4,660 crore) and Payment of Subsidy to Madhya Pradesh Electricity Board (₹1,681 crore).

Committed Expenditure has grown from ₹63,742 crore (48.94 *per cent* of RE) in 2017-18 to ₹95,869 crore (52.95 *per cent* of RE) in 2021-22. However, as compared to 2020-21, Committed Expenditure increased by ₹13,852 crore (16.89 *per cent*) in 2021-22, mainly because of 41.09 *per cent* increase in Subsidies and 8.84 *per cent* increase in Salaries and Wages.



Source: Finance Accounts of the respective years

Committed expenditure (₹95,869 crore) accounted for 52.95 *per cent* of the total revenue expenditure (₹1,81,061 crore) during 2021-22 (**Chart 2.17**).

2.10.2.3 Undischarged liabilities in National Pension System payments

During 2021-22, expenditure on pension payments was ₹17,042.13 crore, out of which ₹2,469.74 crore was incurred towards National Pension System (NPS) applicable to employees recruited on or after 1 January 2005.

National Pension System (NPS)

New Pension Scheme was initially designed for Government employees with effect from 1 January 2005. It was further redesigned as National Pension System (NPS) in 2009. 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).

With effect from 1 October 2009, GoMP, in accordance with instructions issued by Ministry of Finance, GoI (September 2008), started classifying employees contribution under the Head 0071-01-500-‘Receipts Awaiting Transfer to other Minor Heads’, debiting Government contributions to the Head 2071-01-117-Government Contribution for Defined Contributory Pension Scheme and subsequently transferring the Government contribution to the Head 0071-01-500-‘Receipts Awaiting Transfer to other Minor Heads’.

Analysis of NPS based on Finance Accounts

Analysis of NPS based on Finance Accounts pertaining to the period 2012-13 to 2021-22 is given in **Table 2.18**:

| Table 2.18: Details of transactions under National Pension System | | | | | |
|---|---------------------------------------|-----------------|------------------|--------------------------|---------------------------------|
| Year | Details of contribution received from | | | Fund transferred to NSDL | (₹ in crore) |
| | Employees | GoMP | Total (2+3) | | Short transferred to NSDL (4-5) |
| 1 | 2 | 3 | 4 | 5 | 6 |
| 2012-13 | 113.86 | 122.72 | 236.58 | 228.78 | 7.80 |
| 2013-14 | 158.66 | 176.78 | 335.44 | 323.10 | 12.34 |
| 2014-15 | 216.73 | 239.40 | 456.13 | 438.47 | 17.66 |
| 2015-16 | 264.29 | 284.92 | 549.21 | 530.39 | 18.82 |
| 2016-17 | 313.40 | 336.94 | 650.34 | 628.48 | 21.86 |
| 2017-18 | 392.64 | 428.81 | 821.45 | 801.63 | 19.82 |
| 2018-19 | 424.82 | 728.88 | 1,153.70 | 1,040.60 | 113.10 |
| 2019-20 | 817.17 | 916.71 | 1,733.88 | 1,682.28 | 51.60 |
| 2020-21 | 1,516.40 | 1,614.75 | 3,131.15 | 3,116.94 | 14.21 |
| 2021-22 | 1,950.69 | 2,469.74 | 4,420.43 | 4,410.13 | 10.30 |
| Total | 6,168.66 | 7,319.65 | 13,488.31 | 13,200.80 | 287.51 |

Source: Finance Accounts of the respective years

As can be seen from **Table 2.18** above, out of the total collected contribution of ₹13,488.31 crore (employees' contribution and Government contribution) during the period 2012-22, the State Government transferred only ₹13,200.80 crore to the designated authority through NSDL, resulting in a short transfer of ₹287.51 crore to NSDL for further investment as per the provision of the scheme. Thus, the current liability of the State Government stands deferred to future years. Further, the State Government has created avoidable interest liability on the amount not transferred to NSDL.

The State Government (December 2022) intimated that the reconciliation of the excess amount contributed and short transferred to NSDL is under process.

2.10.2.4 Subsidies

Subsidies as a percentage of Revenue Receipts increased from 9.34 *per cent* in 2020-21 to 10.38 *per cent* in 2021-22 and as a percentage of revenue expenditure increased from 8.30 *per cent* in 2020-21 to 10.65 *per cent* in 2021-22. In absolute terms, expenditure on payment of subsidies increased from ₹13,669 crore in 2020-21 to ₹19,285 crore in 2021-22, which can be seen from the details given in **Table 2.19**.

| Table 2.19: Expenditure on subsidies during 2017-22 | | | | | |
|--|--------------|---------|----------|-----------|---------|
| Particulars | (₹ in crore) | | | | |
| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Subsidies | 19,381 | 21,222 | 12,642 | 13,669 | 19,285 |
| Subsidies as a percentage of Revenue Receipts | 14.37 | 14.25 | 8.56 | 9.34 | 10.38 |
| Subsidies as a percentage of Revenue Expenditure | 14.88 | 14.93 | 8.40 | 8.30 | 10.65 |
| Revenue Surplus(+)/Deficit(-) | 4,629 | 6,744 | (-)2,801 | (-)18,356 | 4,815 |
| Subsidies as a percentage of Revenue Surplus(+)/Deficit(-) | 419 | 315 | (-)451 | (-)74 | 401 |

Source: Finance Accounts of the respective years

During 2021-22, subsidies increased by ₹5,616 crore over the previous year due to increase in subsidies under Power sector by ₹3,433 crore and in Crop Husbandry by ₹1,603 crore (under Farmer Welfare and Agriculture Development Department).

2.10.2.5 Financial assistance by the State Government to Local Bodies and Other Institutions

The quantum of assistance provided by way of Grants and Loans to Local Bodies and other institutions during the period 2017-22 is presented in **Table 2.20**:

| Table 2.20: Financial assistance to Local bodies and other Institutions | | | | | |
|--|---------------------|------------------|------------------|------------------|------------------|
| | (₹ in crore) | | | | |
| Financial assistance to Institutions | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| (A) Local Bodies | | | | | |
| Panchayati Raj Institutions | 27,638.46 | 26,301.03 | 18,828.94 | 19,103.09 | 16,889.40 |
| Urban Local Bodies | 11,002.14 | 11,408.89 | 6,204.28 | 6,873.93 | 7,001.23 |
| Total (A) | 38,640.60 | 37,709.92 | 25,033.22 | 25,977.02 | 23,890.63 |
| (B) Others | | | | | |
| Public Sector Undertakings | 979.15 | 661.03 | 93.50 | 51.84 | 100.17 |
| Autonomous Bodies | 1,567.26 | 2,245.30 | 3,099.07 | 3,223.99 | 4,632.80 |
| Co-operative Societies and Co-operative Institutions | 146.35 | 80.28 | 0.00 | 0.00 | 0.00 |
| Non-Government Organisations | 3,097.42 | 1,280.38 | 689.03 | 880.53 | 1,090.95 |
| Others | 7,766.15 | 11,368.55 | 35,292.46 | 33,310.86 | 35,983.70 |
| Other Schemes having expenditure less than ₹10 crore | 1,258.06 | 1,082.58 | 1,051.05 | 826.71 | 899.72 |
| Total (B) | 14,814.39 | 16,718.12 | 40,225.11 | 38,293.93 | 42,707.34 |
| Grand Total (A+B) | 53,454.99 | 54,428.04 | 65,258.33 | 64,270.95 | 66,597.97 |
| Revenue Expenditure | 1,30,246.09 | 1,42,149.21 | 1,50,444.30 | 1,64,733.01 | 1,81,061.30 |
| Financial assistance as a percentage to Revenue Expenditure | 41.04 | 38.29 | 43.38 | 39.02 | 36.78 |

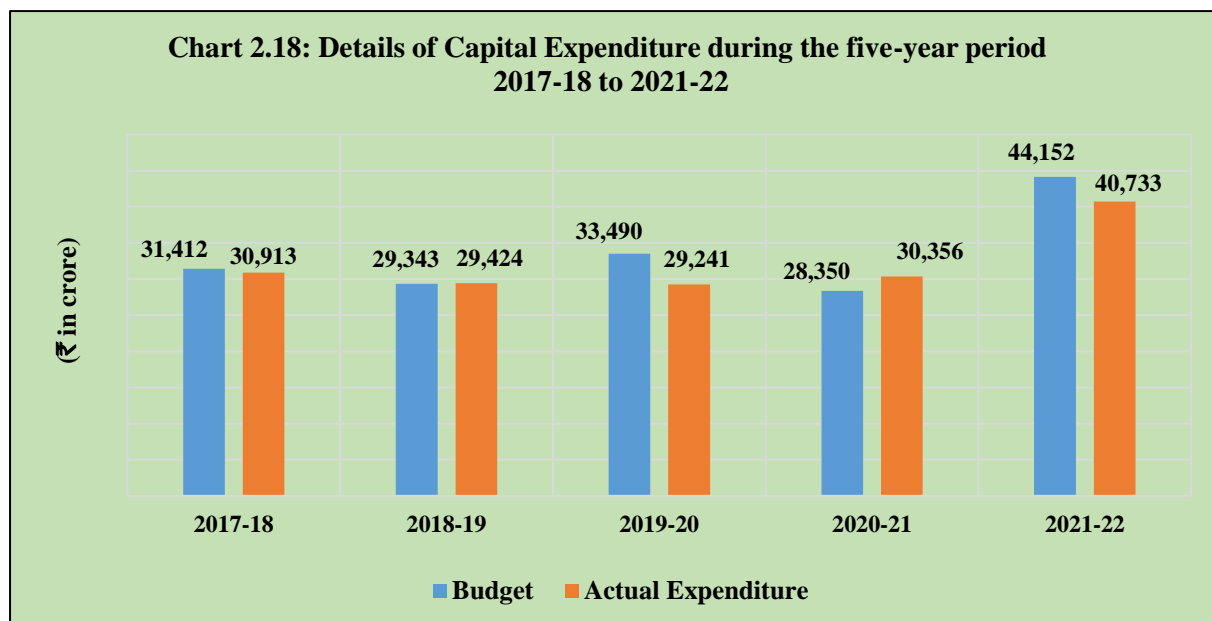
Source: Finance Accounts of the respective years

Financial assistance to Local Bodies and other Institutions increased by ₹13,142.98 crore from ₹53,454.99 crore in 2017-18 to ₹66,597.97 crore in 2021-22. During 2021-22, Financial assistance to Local Bodies decreased by ₹2,086.39 crore over the previous year.

Financial assistance as a percentage of Revenue Expenditure decreased from 41.04 *per cent* in 2017-18 to 36.78 *per cent* in 2021-22 with inter year fluctuation.

2.10.3 Capital Expenditure

Capital Expenditure includes primarily the expenditure on creation of fixed infrastructure assets, such as buildings, roads, bridges, *etc.* Details of Capital Expenditure *vis-à-vis* budget during the five-year period 2017-22 are given in **Chart 2.18**:



Source: Finance Accounts of the respective years and Budget books

Capital Expenditure of the State increased during the last five years from ₹30,913 crore in 2017-18 to ₹40,733 crore in 2021-22 with inter year fluctuation.

2.10.3.1 Major changes in Capital Expenditure

Table 2.21 highlights the cases of significant increase or decrease in various Heads of Account in Capital Expenditure during 2021-22 *vis-à-vis* the previous year:

| Table 2.21: Variation in Capital Expenditure during 2021-22 compared to 2020-21 | | | |
|---|------------------|------------------|-------------------------|
| (₹ in crore) | | | |
| Major Heads of Account | 2020-21 | 2021-22 | Variation (percentage) |
| 4202-Capital Outlay on Education, Sports, Art and Culture | 1,298.59 | 1,493.87 | 195.28(15.04) |
| 4210-Capital Outlay on Medical and Public Health | 738.98 | 962.76 | 223.78(30.28) |
| 4215-Capital Outlay on Water Supply and Sanitation | 3,951.35 | 8,928.65 | 4,977.30(125.96) |
| 4217-Capital Outlay on Urban Development | 1,208.28 | 1,831.03 | 622.75(51.54) |
| 4225-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities | 822.23 | 571.06 | -251.17(30.55) |
| 4515-Capital Outlay on Other Rural Development Programmes | 3,782.09 | 4,232.34 | 450.25(11.90) |
| 4700-Capital Outlay on Major Irrigation | 8,360.86 | 8,575.14 | 214.28(2.56) |
| 4801-Capital Outlay on Power Projects | 494.58 | 989.02 | 494.44(99.97) |
| 5054- Capital Outlay on Roads and Bridges | 5,401.89 | 7,086.26 | 1,684.37(31.18) |
| Total | 26,058.85 | 34,670.13 | 8,611.28(33.05) |
| Capital expenditure during the year | 30,355.77 | 40,733.11 | 10,377.34(34.19) |

Source: Finance Accounts of the respective years

The above Table reveals that 22 *per cent* of total Capital Expenditure was incurred on Water Supply and Sanitation though it has increased by ₹4,977.30 crore in 2021-22 as compared to the previous year. Also, 21 *per cent* of total Capital Expenditure was incurred on Major Irrigation.

2.10.3.2 Quality of Capital Expenditure

If the State Government keeps on making investments in loss-making Government companies whose net worth is completely eroded, there are no chances of return on investment. Similarly, experience has shown the inevitability of write-off of the loans given to loss-making corporations and to other bodies, such as sugar mills, financial corporations, *etc.* Requisite steps have to be taken to infuse transparency in such financial operations. This section presents an analysis of investments and other capital expenditure undertaken by the Government during the current year.

Quality of investment in the Companies, Corporations and other Bodies

Capital Expenditure in the 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 such companies, corporations, and co-operatives, 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.

Investment and Returns

As per the Finance Accounts of 2021-22, the Government of Madhya Pradesh had invested ₹41,058.88 crore in 35 Statutory Corporations, 44 Government Companies, 24 Joint Stock Companies and Partnership, one Bank and 129 Co-operatives in the State as on 31 March 2022. The State Government earned a return of ₹138.73 crore on these investments during 2021-22. Year-wise details of investment by the Government of Madhya Pradesh over the five-year period 2017-22 are as follows:

| Table 2.22: Details of Investment and return on Investment as of 31 March 2022 | | | | | |
|---|---------------------|-------------------|-------------------|-------------------|-------------------|
| | (₹ in crore) | | | | |
| Entities | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Statutory Corporations (No. of entities) | 8,760.96 (33) | 9,259.66 (34) | 10,038.35 (35) | 10,892.35 (35) | 12,019.72 (35) |
| Government Companies (No. of entities) | 20,521.26 (43) | 24,349.56 (41) | 24,713.23 (41) | 26,544.84 (44) | 26,657.70 (44) |
| Joint Stock Companies and Partnerships (No. of entities) | 0.11 (23) | 1.31 (24) | 1.31 (24) | 1.31 (24) | 1.31 (24) |
| Banks ¹³ (No. of entities) | Nil (01) | Nil (01) | Nil (01) | Nil (01) | Nil (01) |
| Co-operatives (No. of entities) | 254.93 (130) | 1,629.57 (130) | 1,620.63 (130) | 1,653.36 (129) | 2,380.15 (129) |
| Total Investment | 29,537.26 | 35,240.10 | 36,373.52 | 39,091.86 | 41,058.88 |
| Return on investment | 622.36 | 347.26 | 475.96 | 288.44 | 138.73 |
| Return on investment (<i>per cent</i>) | 2.11 | 0.99 | 1.31 | 0.74 | 0.34 |
| Average rate of interest on Government borrowings (<i>per cent</i>) | 6.73 | 6.92 | 6.69 | 6.18 | 6.13 |
| Difference between interest on Government borrowings and return on investment (<i>per cent</i>) | 4.62 | 5.93 | 5.38 | 5.44 | 5.79 |

Source: Finance Accounts of the respective years

¹³ It includes the Rural Bank and Urban and Industrial Co-operative Bank.

The average rate of return on investment was 1.10 *per cent* during the five-year period 2017-22, while the average rate of interest paid on borrowings by the State Government during the period was 6.53 *per cent*.

Loans and Advances by State Government

In addition to investments in Co-operative societies, Corporations and Companies, State Government has also provided Loans and Advances to many institutions/ organisations. **Table 2.23** presents the outstanding Loans and Advances as on 31 March 2022, along with interest receipts *vis-à-vis* interest payments during the five-year period 2017-22.

| Table 2.23: Outstanding Loans and Advances and interest receipts and payments by State Government | | | | | |
|--|----------------------------|----------------------------|----------------|----------------------------|----------------|
| (₹ in crore) | | | | | |
| Quantum of loans/interest receipts/ cost of Borrowings | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Opening Balance of Loans and Advances (1) | 44,989¹⁴ | 41,124¹⁵ | 42,144 | 42,585¹⁶ | 43,757 |
| Amount disbursed during the year (2) | 1,550 | 1,090 | 987 | 1,230 | 3,229 |
| Amount recovered during the year (3) | 5,070 | 70 | 46 | 58 | 62 |
| Closing Balance of Loans and Advances (4) | 41,469 | 42,144 | 43,085 | 43,757 | 46,924 |
| Net addition of Loans and Advances (5)=(2-3) | (-)3,520 | 1,020 | 941 | 1,172 | 3,167 |
| Interest received (6) | 97 | 235 | 130 | 88 | 1,432 |
| Interest receipts as percentage of outstanding loans and advances (7) | 0.23 | 0.56 | 0.30 | 0.20 | 3.05 |
| Average rate of interest on Government borrowings (<i>per cent</i>) (8) | 6.73 | 6.92 | 6.69 | 6.18 | 6.13 |
| Difference between interest rate on market borrowings and interest received on loans (<i>per cent</i>) (9) | 6.50 | 6.36 | 6.39 | 5.98 | 3.08 |

Source: Finance Accounts of the respective years

The total amount of outstanding Loans and Advances as on 31 March 2022 was ₹46,924 crore. The Economic Sector (₹40,225 crore) has huge outstanding Loans and Advances which increased by ₹1,388 crore over the previous year. The amount of Loans disbursed during the year increased by 162.52 *per cent* from ₹1,230 crore to ₹3,229 crore in current year.

The State received ₹1,432 crore as an interest during 2021-22 which increased by ₹1,344 crore over the previous year because of the assistance provided by the State Government for adjustment of interest amounting to ₹1,366 crore pertain to PSUs (Poorv Kshetra Vitaran Company, Madhya Kshetra Vitaran Company and Pakshim Kshetra Vitaran Company).

Average rate of interest paid on borrowings was 6.13 *per cent* during 2021-22, while the rate of interest received was only 3.05 *per cent* on Loans and Advances given by the Government.

2.10.4 Capital blocked in incomplete projects

An assessment of trends in capital blocked in incomplete capital works would also indicate the quality of capital expenditure.

¹⁴ Opening balance decreased by ₹6.74 crore due to proforma transfer to Chhattisgarh.

¹⁵ Opening balance decreased by ₹345.35 crore due to proforma transfer to Chhattisgarh.

¹⁶ Opening balance decreased by ₹500 crore due to proforma correction.

Blocking of funds on incomplete works impinges negatively on the quality of expenditure. The details of incomplete projects as on 31 March 2022 as per sample check are summarised below in **Table 2.24**.

| Table 2.24: Profile of incomplete projects as on 31 March 2022 | | | | | | | |
|---|-------------------------------|--|--|--|--|------------------------|--------------|
| Particulars | Number of incomplete projects | Initial budgeted cost of all incomplete projects | Cumulative actual expenditure of all incomplete projects | No. of projects for which costs were revised | (₹ in crore) | | |
| | | | | | Estimated cost of project for which costs were revised | | |
| | | | | | Initial | Revised estimated cost | Cost overrun |
| Public Work Department | 1,345 | 10,032.62 | 6,564.00 | 09 | 111.64 | 122.59 | 10.95 |
| Total | 1,345 | 10,032.62 | 6,564.00 | 09 | 111.64 | 122.59 | 10.95 |

Source: Information furnished by department

Delay in completion of projects resulted in cost overrun of ₹10.95 crore in nine projects apart from delaying the envisaged benefits.

The funds borrowed for implementation of these projects during the respective years proved futile while the State continued to bear the burden of servicing the debt and interest liabilities. Effective steps need to be taken to complete all these above projects without further delay to avoid cost overrun due to time overrun.

2.10.5 Implementation of Ujwal Discom Assurance Yojana (UDAY)

UDAY was launched by the GoI in November 2015 for operational and financial turnaround of the State owned Power Distribution Companies (DISCOMs). The Scheme aimed at reducing interest burden, cost of power, and power losses in distribution sector and improve operational efficiency of DISCOMs.

Government of Madhya Pradesh entered into a tripartite Memorandum of Understanding with Madhya Pradesh DISCOMs¹⁷ and Ministry of Power (Government of India) in August 2016, whereunder the State would take over the debt amounting to ₹26,055 crore (75 per cent of the total debt of Madhya Pradesh DISCOMs of ₹34,739 crore) as on 30 September 2015 in five¹⁸ years. Government of Madhya Pradesh was required to take over debt of ₹4,621 crore during 2020-21 and transfer the same amount to Madhya Pradesh DISCOMs in the form of grant. This was not done. However, as committed in the Memorandum of Understanding, Government of Madhya Pradesh took over five per cent of the losses of Madhya Pradesh DISCOMs for the year 2017-18 amounting to ₹253.21 crore, 10 per cent losses for the year 2018-19 amounting to ₹729.95 crore and 25 per cent losses for the year 2019-20 amounting to ₹711.63 crore in 2020-21. In the year 2021-22 budget provision of total amount ₹2,100 crore has been made for taking over of the losses of DISCOMs, entire amount has been released against this. Details may be seen in **Table 2.25** below:

¹⁷ MP DISCOMs comprise Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited (MPPKVVCL), Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited (MPMKVVCL) and Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited (MPPKVVCL).

¹⁸ During 2016-17, ₹7,568 crore, during 2017-18 ₹4,622 crore, during 2018-19 ₹4,622 crore, during 2019-20 ₹4,622 crore, during 2020-21 ₹4,621 crore.

| Table 2.25: Financial support to DISCOMs under UDAY | | | | | |
|---|-----------------------|----------|-----------------|------------------------|------------------|
| (₹ in crore) | | | | | |
| Year | For debts taking over | | | For losses taking over | Total |
| | Equity | Loan | Grant | Grant | |
| 2016-17 | 3,557.00 | - | 4,011.00 | - | 7,568.00 |
| 2017-18 | 4,011.00 | - | 611.00 | - | 4,622.00 |
| 2018-19 | - | - | 500.00 | 253.21 | 753.21 |
| 2019-20 | - | - | - | 729.95 | 729.95 |
| 2020-21 | - | - | - | 711.63 | 711.63 |
| 2021-22 | - | - | - | 2,100.00 | 2,100.00 |
| Total | 7,568.00 | - | 5,122.00 | 3,794.79 | 16,484.79 |

Source: Finance Accounts of the respective years and information furnished by Energy Department, GoMP

It can be seen from the above table the GoMP did not take over the balance debt amount of ₹13,365¹⁹ crore as per the tripartite Memorandum of Understanding with the State DISCOMs and Ministry of Power (Government of India).

2.10.6 Availability of resources for Public Private Partnership Projects

Public Private Partnership (PPP) is an arrangement between the Government or statutory entity and a private sector entity, to provide a framework that enables them to work together to meet the rising demand of the public for infrastructure development.

Audit noted that out of 183 PPP projects (project cost of ₹18,677.40 crore) initiated as of March 2022, 141 projects (77 per cent) were completed at a cost of ₹14,672.24 crore, while six projects (3.19 per cent) costing ₹1,061.51 crore were in progress and 36 projects (19.67 per cent) costing ₹2,943.65 crore were in the pipeline or under bidding. Details are given in **Table 2.26** below:

| Table 2.26: Status of PPP projects under various Departments as on 31 March 2022 | | | | | | | | | | | |
|--|--|----------------|------------------|--------------------------|-----------------|---------------|---------------|------------------------------------|-----------------|--------------------|------------------|
| (₹ in crore) | | | | | | | | | | | |
| Sl. No. | Department | Total Projects | | Under Planning /Pipeline | | Under bidding | | Under implementation/ construction | | Projects completed | |
| | | No. | Cost | No. | Cost | No. | Cost | No. | Cost | No. | Cost |
| 1 | Commerce, Industries and Employment | 3 | 176.48 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 3 | 176.48 |
| 2 | Energy | 3 | 382.70 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 3 | 382.70 |
| 3 | Farmers Welfare and Agriculture Development | 1 | 138.50 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 1 | 138.50 |
| 4 | Food, Civil Supplies and Consumer Protection | 2 | 374.92 | 0 | 0.00 | 1 | 125.00 | 0 | 0.00 | 1 | 249.92 |
| 5 | Forest | 4 | 196.68 | 1 | 130.00 | 1 | 50.00 | 1 | 15.68 | 1 | 1.00 |
| 6 | Housing and Environment | 3 | 47.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 3 | 47.00 |
| 7 | Medical Education | 1 | 105.73 | 1 | 105.73 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| 8 | Public Health and Family Welfare | 1 | 67.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 1 | 67.00 |
| 9 | Public Works | 132 | 12,427.71 | 6 | 69.37 | 6 | 145.48 | 0 | 0.00 | 120 | 12,212.86 |
| 10 | Sports and Youth Welfare | 1 | 900.00 | 0 | 0.00 | 0 | 0.00 | 1 | 900.00 | 0 | 0.00 |
| 11 | Tourism | 3 | 35.00 | 0 | 0.00 | 1 | 15.00 | 0 | 0.00 | 2 | 20.00 |
| 12 | Transport | 1 | 1,094.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 1 | 1,094.00 |
| 13 | Urban Development | 28 | 2,731.68 | 18 | 2,289.13 | 1 | 13.94 | 4 | 145.83 | 5 | 282.78 |
| Total | | 183 | 18,677.40 | 26 | 2,594.23 | 10 | 349.42 | 6 | 1,061.51 | 141 | 14,672.24 |

Source: Information provided by Directorate of Institutional Finance, M.P, Bhopal

¹⁹ The State would take over debt amounting to ₹26,055 crore but State take over ₹12,690 crore (₹7,568 crore + ₹5,122 crore) and remaining amount ₹13,365 crore did not take over the balance debt.

2.10.7 Expenditure priorities

Enhancing human development levels requires the State to step up its 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 2017-18 to 2021-22 are analysed in **Table 2.27** below:

| Table 2.27: Fiscal priority of the State in 2017-18 and 2021-22 | | | | | | | |
|--|---------------------|--------------|---------------|---------------|--------------|--------------------------|-----------------------------------|
| (in per cent) | | | | | | | |
| Fiscal Priority (percentage to GSDP) | TE/ GSDP | DE/TE | SSE/TE | ESE/TE | CE/TE | Education/ TE | Health & FW/TE |
| General Category States Average (Ratio) 2017-18 | 16.13 | 67.82 | 36.65 | 31.17 | 15.56 | 15.17 | 5.09 |
| Madhya Pradesh's (Ratio) 2017-18 | 22.40 | 75.38 | 39.28 | 36.10 | 19.95 | 14.72 | 4.58 |
| General Category States Average (Ratio) 2021-22 | 15.84 | 66.74 | 38.31 | 28.44 | 14.41 | 14.66 | 6.20 |
| Madhya Pradesh's (Ratio) 2021-22 | 19.25 | 74.34 | 38.96 | 35.38 | 19.54 | 13.54 | 5.63 |
| TE: Total Expenditure; DE: Development Expenditure; SSE: Social Services Expenditure; ESE: Economic Services Expenditure; CE: Capital Expenditure; GSDP: Gross State Domestic Product. | | | | | | | |

Allocation to education and health has been lower in Madhya Pradesh both during 2017-18 as well as the current year 2021-22 compared to the average allocation to these sectors by the General Category States during these years. The ratio of allocation to development expenditure of the State exceeded the average quantum allocated by the General Category States during 2017-18 as well as in the current year 2021-22.

2.10.8 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 2.28** below:

| Table 2.28: Object Head-wise expenditure vis-à-vis budget authorisation during 2021-22 | | | |
|---|---------------|--------------------|-----------------------------------|
| (₹ in crore) | | | |
| Head | Budget | Expenditure | Utilisation percentage |
| 11-Salaries | 45,480.08 | 39,157.86 | 86.10 |
| 12-Wages | 2,102.43 | 1,938.52 | 92.20 |
| 13-Pension and Pensionary benefits | 14,940.57 | 14,593.18 | 97.67 |
| 15- Social Security Pension | 2,331.51 | 2,324.72 | 99.71 |
| 19-Salary of works charged contingent employee | 1,337.48 | 1,081.76 | 80.88 |
| 22-Office Expenses | 1,393.74 | 1,031.25 | 73.99 |
| 31-Payment for Professional Services | 3,521.90 | 2,747.47 | 78.01 |
| 33-Maintenance | 2,146.45 | 1,486.98 | 69.28 |
| 34-Material and Supplies | 3,380.43 | 2,774.52 | 82.08 |
| 41-Stipend and Scholarship | 3,615.45 | 3,083.36 | 85.28 |
| 42-Grants-in-aid | 65,592.43 | 65,594.43 | 100.00 |
| 43-Contributions | 2,778.93 | 2,498.27 | 89.90 |

| Table 2.28: Object Head-wise expenditure vis-à-vis budget authorisation during 2021-22 | | | |
|---|--------------------|--------------------|-------------------------------|
| (₹ in crore) | | | |
| Head | Budget | Expenditure | Utilisation percentage |
| 44-Subsidies | 24,178.96 | 19,285.48 | 79.76 |
| 45- Grants-in-Aid for Creation of Capital Assets | 1,175.52 | 1,003.49 | 85.37 |
| 51-Other Charges | 2,732.09 | 1,011.22 | 37.01 |
| 52-Payment of Interest/Dividend | 23,689.20 | 18,677.45 | 78.84 |
| 64-Major Works | 40,912.41 | 33,392.71 | 81.62 |
| 65-Investment | 6,191.63 | 3,564.73 | 57.57 |
| 73-Inter Account Transfer | 6,049.42 | 5,641.63 | 93.26 |
| Total | 2,53,550.63 | 2,20,889.03 | 87.12 |

Source: Finance Accounts and VLC data 2021-22

As can be seen from the above Table, out of a total budgetary allocation of ₹2,53,550.63 crore on the above Object Heads, the actual expenditure on various Object Heads during 2021-22 was ₹2,20,889.03 crore (87.12 per cent). Out of the 19 Objects Heads mentioned above, three Object Heads (13-Pension, 15-Social Security Pension and 42-Grants-in-aid) utilised more than 95 per cent of their allocation.

2.11 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.

2.11.1 Net Public Account Balances

Component-wise net balances in the Public Account of the State as of end of March 2022 are given in **Table 2.29** below:

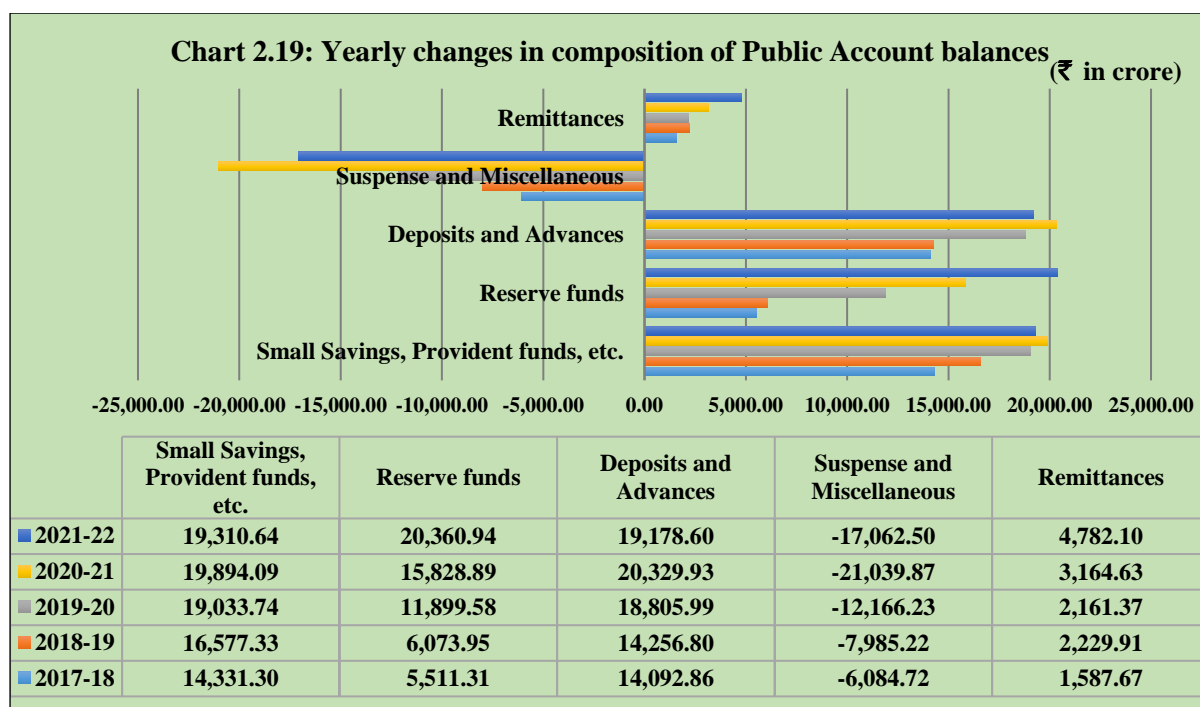
| Table 2.29: Component-wise net balances in Public Account as on 31 March of the year | | | | | | |
|---|---|----------------|----------------|----------------|----------------|----------------|
| (₹ in crore) | | | | | | |
| Sector | Sub Sector | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| I. Small Savings, Provident Fund, etc. | National Small Savings Fund, State Provident Funds and Other Accounts | 14,331.30 | 16,577.33 | 19,033.74 | 19,894.09 | 19,310.64 |
| J. Reserve Funds | (a) Reserve Funds bearing Interest | 102.46 | 75.43 | 5,199.92 | 5,684.40 | 7,997.82 |
| | (b) Reserve Funds not bearing Interest | 5,408.85 | 5,998.52 | 6,699.66 | 10,144.49 | 12,363.12 |
| K. Deposits and Advances | (a) Deposits bearing Interest | -16.63 | -31.54 | -44.45 | -66.79 | -94.80 |
| | (b) Deposits not bearing Interest | 14,112.89 | 14,291.74 | 18,853.92 | 20,400.20 | 19,276.88 |
| | (c) Advances | -3.40 | -3.40 | -3.48 | -3.48 | -3.48 |
| L. Suspense and Miscellaneous | (b) Suspense | -679.42 | -222.35 | -1,391.42 | -862.43 | -251.45 |
| | (c) Other Accounts | -5,405.15 | -7,762.72 | -10,774.66 | -20,177.29 | -16,810.90 |

| Table 2.29: Component-wise net balances in Public Account as on 31 March of the year | | | | | | |
|--|--|-----------|-----------|-----------|-----------|-----------|
| (₹ in crore) | | | | | | |
| Sector | Sub Sector | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| | (d) Accounts with Governments of Foreign Countries | -0.15 | -0.15 | -0.15 | -0.15 | -0.15 |
| | (e) Miscellaneous | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| M. Remittances | (a) Money Orders and other Remittances | 2,167.14 | 2,885.48 | 2,855.74 | 3,820.37 | 5,499.15 |
| | (b) Inter-Governmental Adjustment Account | -579.47 | -655.57 | -694.37 | -655.74 | -717.05 |
| Total | | 29,438.42 | 31,152.77 | 39,734.45 | 38,177.67 | 46,569.78 |

Source: Finance Accounts of respective years

Component-wise net balances in Public Account as on 31 March of the respective year increased progressively by 58.19 *per cent* in 2017-22. The net balances in Public Account increased by ₹8,392.11 crore in 2021-22 over the previous year, mainly due to increase in Reserve Funds by ₹4,532.05 crore and Remittances by ₹1,617.47 crore.

The yearly changes in composition of balances in Public Account over the five-year period 2017-22 are given in **Chart 2.19**:



Source: Finance Accounts of respective years

2.11.2 Reserve Funds

Reserve Funds are created for specific and well-defined purposes under the Public Account of the State Government. These funds are met from contributions or grants from the Consolidated Fund of India or the State or from outside agencies. The transactions under Reserve Funds during 2017-22 are summarised in **Table 2.30**:

| Table 2.30: Position of Reserve Funds during 2017-22 | | | | | | | |
|--|--|-------------------------|-------------|------------------------------------|-------------------------|------------------------------|-------------------------------------|
| (₹ in crore) | | | | | | | |
| Sl. No. | Heads of Account | Number of Reserve Funds | | Opening balance as on 1 April 2017 | Receipts during 2017-22 | Disbursements during 2017-22 | Closing balance as on 31 March 2022 |
| | | Operative | Inoperative | | | | |
| Reserve Funds bearing interest | | | | | | | |
| 1 | 8121-General and other Reserve Funds | 03 | 00 | 770.46 | 18,988.00 | 11,760.64 | 7,997.82 |
| Reserve Funds not bearing interest | | | | | | | |
| 1 | 8223-Famine Relief Fund | 00 | 01 | 5.93 | - | - | 5.93 |
| 2 | 8226-Depreciation/ Renewal Reserve Funds | 01 | 00 | 4.64 | 0.24 | - | 4.88 |
| 3 | 8228- Revenue Reserve Funds | 01 | 00 | 24.09 | - | 0.0015 | 24.09 |
| 4 | 8229-Development and Welfare Funds | 06 | 04 | 6,412.11 | 8,629.36 | 2,862.65 | 12,178.82 |
| 5 | 8235-General and Other Reserve Funds | 02 | 00 | 408.84 | 706.63 | - | 1,115.47 |
| Total | | 13 | 05 | 7,626.07 | 28,324.23 | 14,623.29 | 21,327.01 |

Source: Finance Accounts of respective years

Out of the total outstanding balance of ₹21,327.01 crore, available in various Reserve Funds as on 31 March 2022, during the year Government contributed only ₹26.59 crore as against ₹53.18 crore, which was required to be contributed to the Guarantee Redemption Fund. The total accumulation of the Guarantee Redemption Fund was ₹1,035.44 crore as on 31 March 2022.

Analysis of certain major Reserve Funds having a bearing on the liability position of the Government, its funding and expenditure are detailed in succeeding paragraphs.

2.11.2.1 State Disaster Response Fund

The State commenced operation of the “State Disaster Response Fund” in 2010-11 as recommended by the XIII Finance Commission. In terms of the guidelines and as per recommendation of XIV Finance Commission, the Central and State Governments are required to contribute to the State Disaster Response Fund in the proportion of 75:25. The contribution is to be transferred to Public Account under Major Head 8121 and the expenditure during the year is incurred by operating Major Head 2245. In terms of guidelines, in case of severe calamities, where requirement falls short of the balance in the SDRF, the Central Government may provide immediate relief from the National Disaster Relief Fund (NDRF). The State Government had issued sanction for ₹1,941.60 crore (₹1,456.00 crore Central Share and ₹485.60 crore State Share) under State Disaster Response Fund during the year 2021-22.

During the year 2021-22, Government of India released an additional assistance of ₹600.50 crore to the State Government, which was transferred by the State Government under National Disaster Response Fund. Thus, the total receipts during the year 2021-22 was ₹2,542.10 crore. Details of expenditure charged to State Disaster Response Fund is given below in **Table 2.31**:

| Table 2.31: Details of expenditure charged to SDRF | | | |
|--|---------------------------------|--|---|
| | | | (₹ in crore) |
| Major Head of Account | Sub-Major Head of Account | Minor Head of Account | Amount |
| 2245-Relief on Account of Natural Calamities | 01-Drought | 101-Gratuitous Relief | 21.83 |
| | | 102-Drinking Water Supply | 7.98 |
| | 02-Floods, Cyclones, etc. | 101-Gratuitous Relief | 814.46 |
| | 05-State Disaster Response Fund | 101-Transfer to Reserve Funds and Deposit Accounts- State Disaster Response Fund | 2,427.00 ²⁰ |
| | | 901- Deduct- Account met from State Disaster Response Fund | (-)1,654.36 ²¹ |
| | 80-General | 001-Direction and Administration | 1.62 |
| | | 102-Management to Natural Disaster, Contingency Plans in disaster prone areas | 468.32 |
| | | 103-Assistance to State from National Disaster Response Fund | 600.50 ²² (-)600.50 ²³ |
| | | 800-Other Expenditure | 684.99 |
| | Total | | |

Source: Finance Accounts 2021-22

2.11.2.2 Guarantee Redemption Fund

The State Government constituted the Guarantee Redemption Fund (GRF) in 2005-06 pursuant to the recommendation of XII Finance Commission. As per the guidelines of GRF, the Fund is required to be credited by the State Government with guarantee fees realised in the preceding year along with a matching contribution. This is however not in accordance with the guidelines of RBI, based on the Report of Committee of State Finance Secretaries, wherein the creation of the GRF is to be preceded by risk weighting of guarantees. Further, the State Government is required to contribute a minimum of one *per cent* of outstanding guarantees at the time of the creation of the fund and thereafter contribute a minimum of 0.50 *per cent* every year to achieve a minimum level of three *per cent* in the next five years. The right size of the Fund may be a minimum of three *per cent* of the outstanding guarantees of previous year.

The outstanding guarantees of ₹35,006 crore as on 31 March 2022, work out to 23.92 *per cent* of the State Revenue Receipts of the year 2020-21 (₹1,46,376.79 crore) and are within the limits prescribed.

During 2021-22, the GoMP contributed only ₹26.59 crore as against ₹53.18 crore, which was required to be contributed to the Guarantee Redemption Fund. The total accumulation of the Guarantee Redemption Fund was ₹1,035.44 crore as on 31 March 2022 (₹959.49 crore as on 31 March 2021).

²⁰ Central share of ₹1,456.00 crore and State share of ₹485.60 crore transferred to Major Head 8121-122- State Disaster Response Fund and Central share of ₹364.00 crore and State share of ₹121.40 crore transferred to Major Head 8121-130- State Disaster Mitigation Fund (Statement no. 21 of Finance Account).

²¹ ₹1,305.20 crore has been recouped from Major Head 8121-122- State Disaster Response Fund and ₹349.16 crore has been recouped from Major Head 8121-130- State Disaster Mitigation Fund (Statement no. 21 of Finance Account).

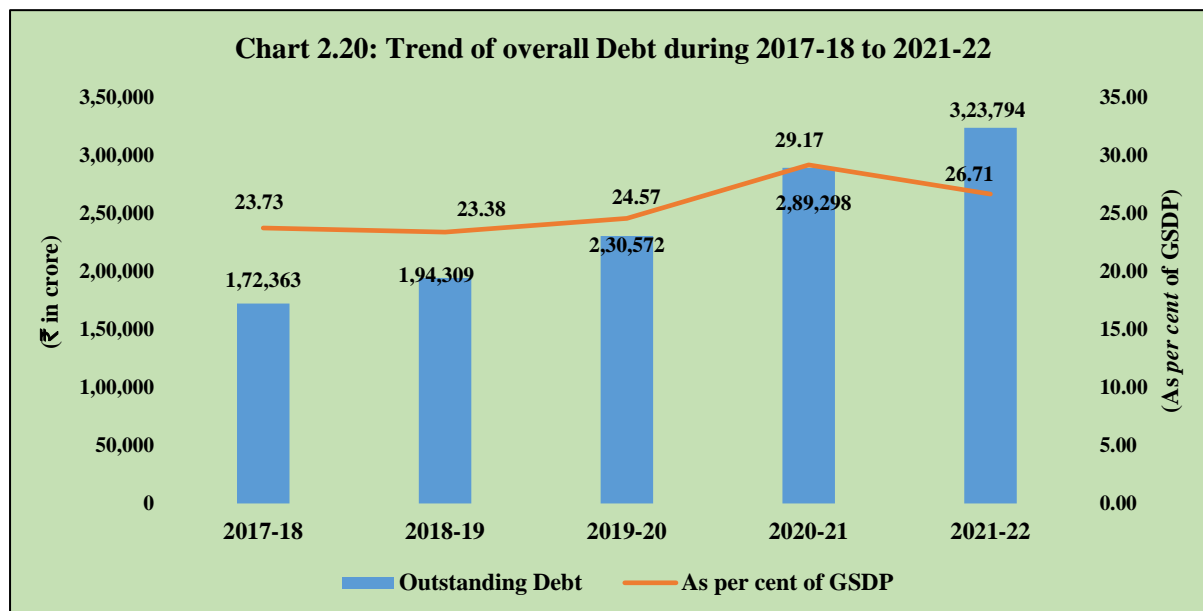
²² An additional assistance of ₹600.50 crore released by Government of India from NDRF transferred to Major Head 8121-122- State Disaster Response Fund (Statement no. 21 of Finance Account).

²³ Recouped from Major Head 8121-122- State Disaster Response Fund (Statement no. 21 of Finance Account).

2.12 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 meet any other sovereign debt management goals that the Government may have set through enactment or any other annual budget announcements.

The trend of overall Debt between 2017-22 may be seen in **Chart 2.20** below:



Source: Finance Accounts of the respective years and Information furnished by Directorate of Economic and Statistics, Government of Madhya Pradesh

Note: Debt/GSDP ratio (2020-21) has been calculated on total outstanding debt of ₹2,84,756 crore after excluding the amount of back to back loan (₹4,542 crore) from the total outstanding debt of ₹2,89,298 crore.

Note: Debt/GSDP ratio (2021-22) has been calculated on total outstanding debt of ₹3,12,241 crore after excluding the amount of back to back loan (₹11,553 crore) from the total outstanding debt of ₹3,23,218 crore and including off budget borrowing ₹576 crore.

2.12.1 Debt Profile: Components

As per Madhya Pradesh Fiscal Responsibility and Budget Management 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.

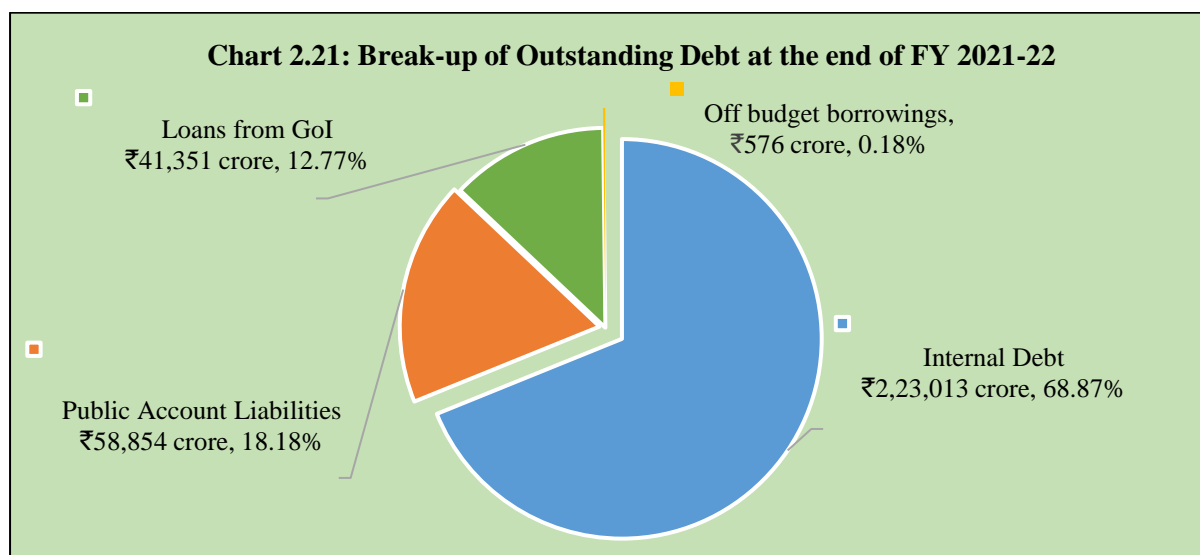
The details relating to total debt received, repayment of debt, ratio of debt to GSDP and the actual quantum available to the State during the five-year period 2017-22 are given in **Table 2.32**:

| Table 2.32: Trend of Debt | | | | | | | |
|---------------------------|------------------|---------------|----------|----------|----------|----------|----------|
| (₹ in crore) | | | | | | | |
| Sl. No. | Particulars | | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| 1. | Outstanding Debt | | 1,72,363 | 1,94,309 | 2,30,572 | 2,89,298 | 3,23,794 |
| 2. | Public Debt | Internal Debt | 1,23,683 | 1,40,009 | 1,59,793 | 2,02,719 | 2,23,013 |

| Table 2.32: Trend of Debt | | | | | | |
|---------------------------|---|----------|----------|----------|----------------------|----------------------|
| (₹ in crore) | | | | | | |
| Sl. No. | Particulars | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| | Loans from GoI | 14,741 | 17,389 | 21,036 | 30,523 ²⁴ | 41,351 ²⁵ |
| 3. | Liabilities on Public Account ²⁶ | 33,939 | 36,911 | 49,743 | 56,056 | 58,854 |
| 4. | Off Budget borrowing | - | - | - | - | 576 |
| 5. | Rate of growth of Overall Outstanding Debt (percentage) | 10.63 | 12.73 | 18.66 | 25.47 | 11.92 |
| 6. | Gross State Domestic Product (GSDP) | 7,26,284 | 8,31,024 | 9,38,602 | 9,76,281 | 11,69,004 |
| 7. | Debt/GSDP (<i>per cent</i>) | 23.73 | 23.38 | 24.57 | 29.63 | 27.70 |
| 8. | Total Debt Receipts | 52,579 | 71,063 | 85,613 | 1,37,196 | 88,536 |
| 9. | Total Debt Repayments | 34,506 | 49,087 | 49,351 | 78,470 | 54,616 |
| 10. | Total Debt Available (7-8) | 18,073 | 21,976 | 36,262 | 58,726 | 33,920 |
| 11. | Debt Repayments/Debt Receipts (percentage) | 65.63 | 69.08 | 57.64 | 57.20 | 61.69 |
| 12. | Target under XIV/XV Finance Commission (Debt-GSDP (<i>in per cent</i>)) | 23.80 | 23.90 | 24.90 | 28.80 | 31.70 |

Source: Finance Accounts of respective years, Recommendations of XIV/XV FC and Finance Department GoMP.

Debt repayment decreased by ₹23,854 crore (30.40 *per cent*) in 2021-22 as compared to 2020-21 while total debt receipts also decreased by ₹48,660 crore (35.47 *per cent*) as compared to 2020-21. The amount of total outstanding debt shown above included back to back loan of ₹11,553 crore (₹4,542 crore for 2020-21 and ₹7,011 crore for 2021-22) provided *in lieu of* shortfall in GST compensation as debt receipt to the State Government without repayment liability for the State and including off budget borrowing of ₹576 crore as a liability of the State. The effective outstanding debt after excluding the back to back loan and including off budget borrowing would be ₹3,12,241 crore. Component-wise break-up of debt is shown below in **Chart 2.21**:



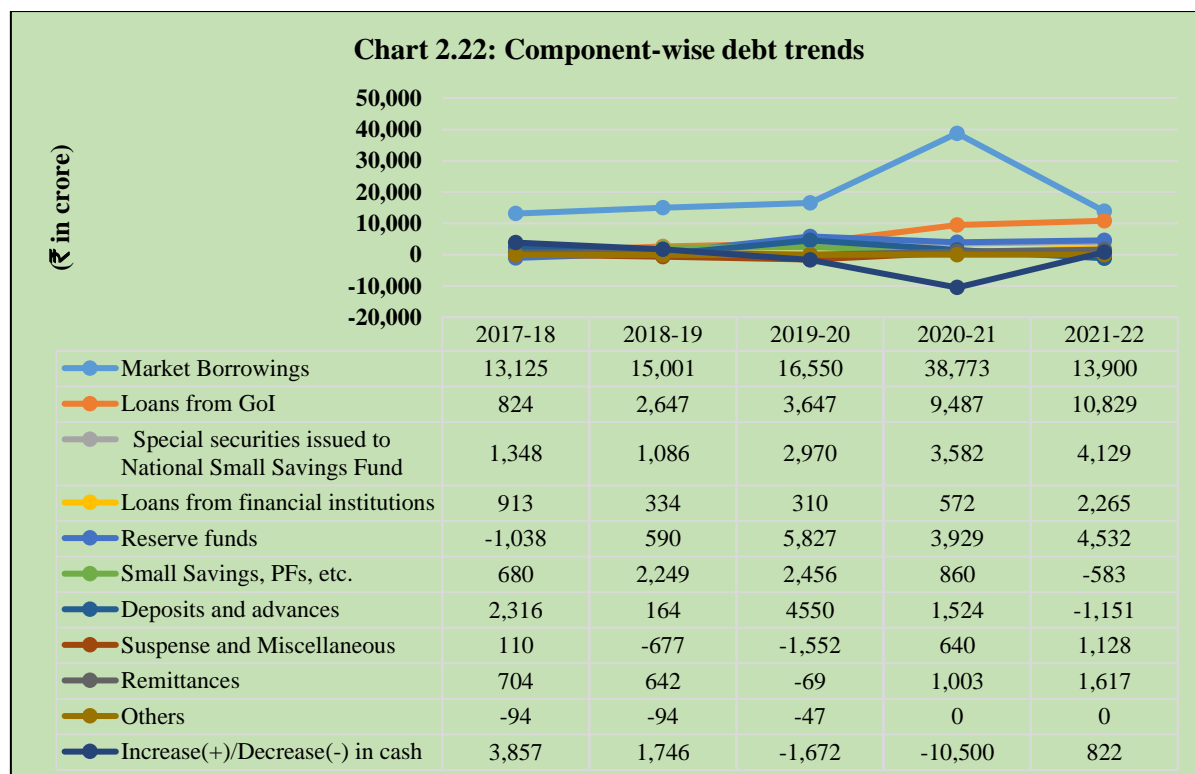
Source: Finance Accounts 2021-22

²⁴ Includes back to back loan in lieu of GST compensation shortfall of ₹4,542 crore.

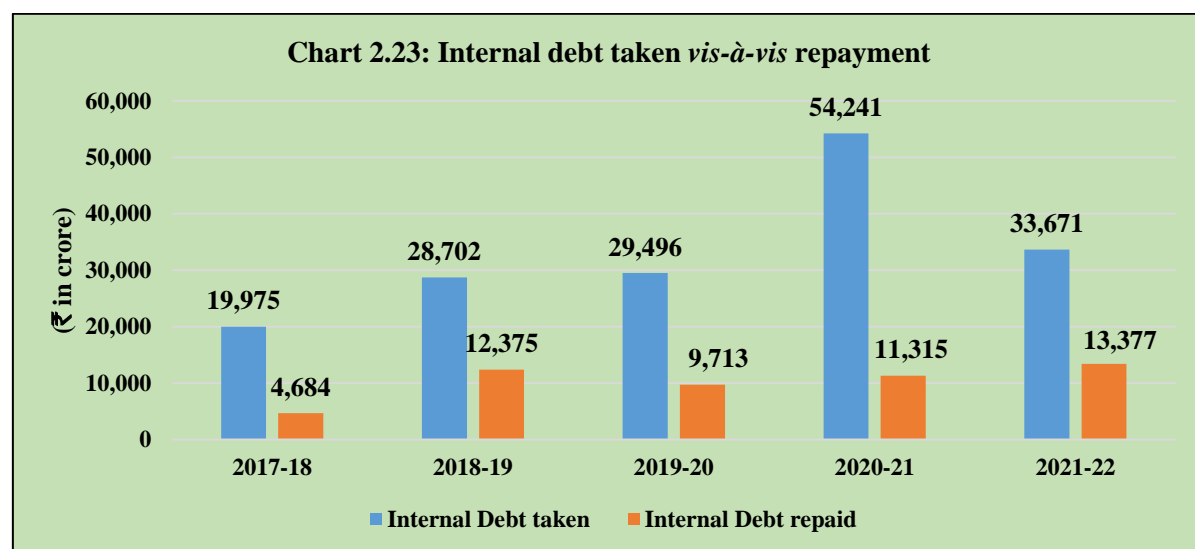
²⁵ Includes back to back loan in lieu of GST compensation shortfall of ₹11,553 crore.

²⁶ Liabilities on Public Account includes Small Savings Provident Funds, *etc.*, Reserve Funds bearing interest, Reserve Funds not bearing interest and Deposit bearing interest and Deposit not bearing interest.

Chart 2.22 below shows financing pattern of Fiscal Deficit during the last five years while **Chart 2.23** depicts Internal Debt taken by the State Government and repayment for the same period.



Source: Finance Accounts of respective years



Source: Finance Accounts of respective years

2.12.1.1 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. The financing pattern of Fiscal Deficit is reflected in **Table 2.33**:

| Table 2.33: Components of Fiscal Deficit and its financing pattern | | | | | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| (₹ in crore) | | | | | |
| Particulars | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Fiscal Deficit (-)/Surplus (+) (FD/GSDP) | (-)22,745 (3.12) | (-)23,688 (2.93) | (-)32,970 (3.64) | (-)49,870 (5.44) | (-)37,487 (3.21) |
| Composition of Fiscal Deficit/Surplus | | | | | |
| 1 Revenue Deficit (-) /Surplus(+) | 4,629 | 6,744 | (-)2,801 | (-)18,356 | 4,815 |
| 2 Net Capital Expenditure | (-)30,894 | (-)29,411 | (-)29,228 | (-)30,342 | (-)39,135 |
| 3 Net Loans and Advances | 3,520 | (-)1,021 | (-)941 | (-)1,172 | (-)3,167 |
| Financing Pattern of Fiscal Deficit | | | | | |
| 1 Market Borrowings | 13,125 | 15,001 | 16,550 | 38,773 | 13,900 |
| 2 Loans from GoI | 824 | 2,647 | 3,647 | 9,487 | 10,829 |
| 3 Special Securities issued to NSSF | 1,348 | 1,086 | 2,970 | 3,582 | 4,129 |
| 4 Loans from Financial Institutions | 913 | 334 | 310 | 572 | 2,265 |
| 5 Reserve Funds | (-)1,038 | 590 | 5,827 | 3,929 | 4,532 |
| 6 Small Savings, PF, etc. | 680 | 2,249 | 2,456 | 860 | (-)583 |
| 7 Deposits and Advances | 2,316 | 164 | 4,550 | 1,524 | (-)1,151 |
| 8 Suspense and Miscellaneous | 110 | (-)677 | (-)1,552 | 640 | 1,128 |
| 9 Remittances | 704 | 642 | (-)69 | 1,003 | 1,617 |
| 10 Others ²⁷ | (-)94 | (-)94 | (-)47 | 0 | 0 |
| 11 Increase (+)/Decrease (-) in cash | 3,857 | 1,746 | (-)1,672 | (-)10,500 | 822 |
| 12 Gross Fiscal Deficit | 22,745 | 23,688 | 32,970 | 49,870 | 37,487 |

Source: Finance Accounts of respective years

It can be seen from the above Table that Revenue deficit turned into surplus and Fiscal Deficit decreased by 24.83 *per cent* during 2021-22 over the previous year.

Receipts and Disbursements under different components financing the Fiscal Deficit are shown in **Table 2.34**:

| Table 2.34: Receipts and Disbursements under components financing the fiscal deficit | | | | |
|--|-----------------------------------|-------------|---------------|------------------|
| (₹ in crore) | | | | |
| Sl. No. | Particulars | Receipts | Disbursements | Net |
| 1 | Market Borrowings | 22,000.00 | 8,100.00 | 13,900.00 |
| 2 | Loans from GoI | 12,614.33 | 1,785.73 | 10,828.60 |
| 3 | Special Securities Issued to NSSF | 7,448.09 | 3,319.08 | 4,129.01 |
| 4 | Loans from Financial Institutions | 4,222.56 | 1,957.63 | 2,264.93 |
| 5 | Small Savings, PF, etc. | 4,457.66 | 5,041.11 | (-)583.45 |
| 6 | Deposits and Advances | 30,561.25 | 31,712.59 | (-)1,151.34 |
| 7 | Suspense and miscellaneous | 1,68,976.97 | 1,67,849.22 | 1,127.75 |
| 8 | Remittances | 18,125.58 | 16,508.11 | 1,617.47 |
| 9 | Reserve Funds | 7,232.00 | 2,699.95 | 4,532.05 |
| 10 | Others | 0.00 | 0.00 | 0.00 |
| 11 | Increase (+)/Decrease (-) in cash | 17,146.51 | 16,324.17 | 822.34 |
| 12 | Gross Fiscal Deficit | -- | -- | 37,487.36 |

Source: Finance Accounts 2021-22

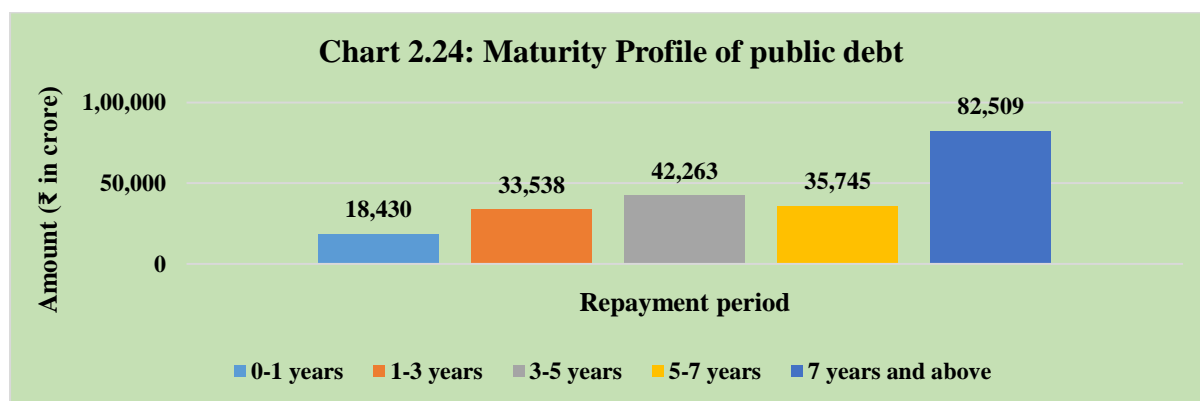
2.12.2 Debt Profile: Maturity and Repayment

The details of public debt and its maturity profile are given in **Table 2.35** and **Chart 2.24** below.

²⁷ Transactions under Contingency Fund and Investment and Bonds.

| Table 2.35: Maturity Profile of Public Debt | | | | | |
|--|------------------|--------------------|---------------------------|--------------------|-------------------------------|
| Year of Maturity | Maturity Profile | Amount | | | (₹ in crore) |
| | | Internal Debt | Loans & Advances from GoI | Total | Per cent of total Public Debt |
| By 2022-23 | 0-1 year | 17,795.06 | 635.20 | 18,430.26 | 6.97 |
| Between 2023-24 & 2024-25 | 1-3 years | 32,610.71 | 927.75 | 33,538.46 | 12.69 |
| Between 2025-26 & 2026-27 | 3-5 years | 41,925.97 | 337.37 | 42,263.34 | 15.99 |
| Between 2027-28 & 2028-29 | 5-7 years | 35,496.14 | 248.58 | 35,744.72 | 13.52 |
| 2029-30 onwards | Above 7 years | 82,134.73 | 374.12 | 82,508.85 | 31.21 |
| Other (Under reconciliation with the State Government/ Loan repayment details awaited) | | 13,050.54 | 38,828.29 | 51,878.83 | 19.62 |
| Total | | 2,23,013.15 | 41,351.31 | 2,64,364.46 | - |

Source: Finance Accounts 2021-22



Source: Finance Accounts 2021-22

The maturity profile of outstanding stock of public debt as on 31 March 2022 indicates that out of the outstanding public debt of ₹2,64,364.46 crore, 49.17 per cent (₹1,29,976.77 crore) is payable within the next seven years while the remaining 50.83 per cent (₹1,34,387.68 crore) is in the maturity bracket of more than seven years. Of the total outstanding public debt, internal debt consisting of market borrowings, loans from NABARD and special securities issued to National Small Savings Fund of Central Government constituted 84.36 per cent (₹2,23,013.15 crore).

The details of actual pay-out *vis-à-vis* that indicated in our earlier reports of 2020-21 and 2021-22 are tabulated below in **Table 2.36**:

| Table 2.36: Pay out of Public Debt | | | |
|------------------------------------|---------------------------------|-------------------|------------------|
| (₹ in crore) | | | |
| Year | Outstanding Debt as on 31 March | Indicated payment | Actual repayment |
| 2020-21 | 2,33,241.93 | 10,328.67 | 12,757.30 |
| 2021-22 | 2,64,364.46 | 11,271.05 | 15,162.44 |

Source: Finance Accounts of respective years

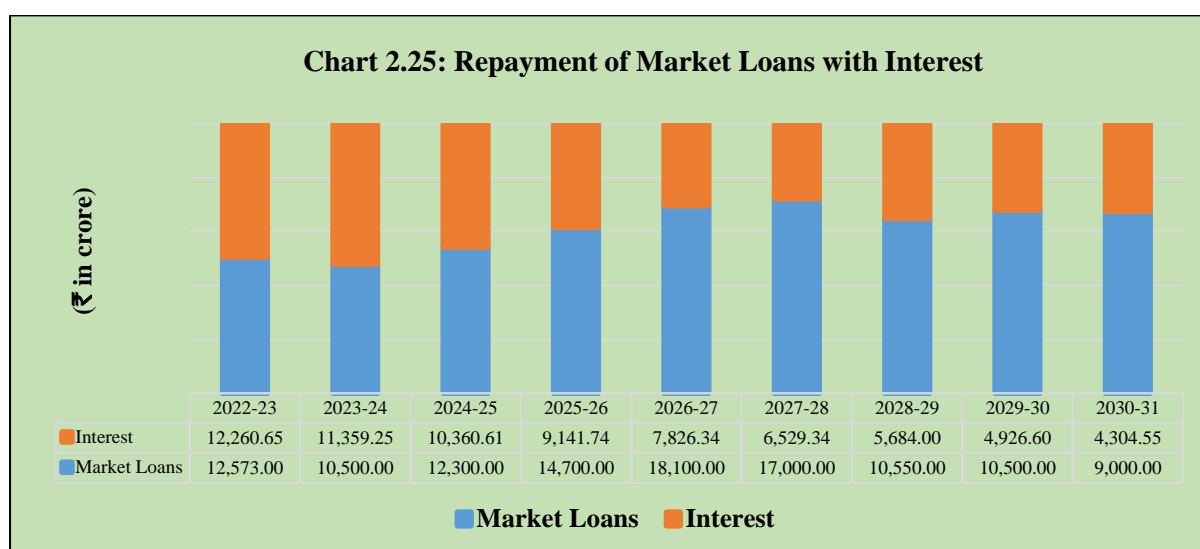
2.12.3 Repayment of Market borrowings and Interest

The borrowings of State Government are governed by Article 293 of the Constitution of India. The State Government takes loans/borrowings from market for implementation of various State Plan programmes and fulfilment of fiscal liabilities.

As per Finance Accounts, the repayment schedule of Market Loans with interest on these loans for the years 2022-23 onwards is depicted below in **Table 2.37** and **Chart 2.25**.

| Table 2.37: Repayment of Market Loans and Interest | | | |
|---|---------------------|------------------|--------------------|
| (₹ in crore) | | | |
| Year | Market Loans | Interest | Total |
| Upto 2022-23 | 12,573.00 | 12,260.65 | 24,833.65 |
| 2023-24 | 10,500.00 | 11,359.25 | 21,859.25 |
| 2024-25 | 12,300.00 | 10,360.61 | 22,660.61 |
| 2025-26 | 14,700.00 | 9,141.74 | 23,841.74 |
| 2026-27 | 18,100.00 | 7,826.34 | 25,926.34 |
| 2027-28 | 17,000.00 | 6,529.34 | 23,529.34 |
| 2028-29 | 10,550.00 | 5,684.00 | 16,234.00 |
| 2029-30 | 10,500.00 | 4,926.60 | 15,426.60 |
| 2030-31 | 9,000.00 | 4,304.55 | 13,304.55 |
| Total | 1,15,223.00 | 72,393.08 | 1,87,616.08 |

Source: Finance Accounts 2021-22



As can be seen from above table and chart the State Government will have to repay of ₹1,15,223 crore of Market Loans and interest payment of Market Loans ₹72,393.08 crore total ₹1,87,616.08 crore by 2030-31.

2.13 Debt Sustainability Analysis (DSA)

Debt is considered sustainable if the borrower (in this case the State), is in a position to service its debt now, and in future. Debt Sustainability Indicators accordingly seek to assess the credit worthiness and the liquidity position of the borrower by examining their ability to service the debt through timely interest payments and repay debt out of current and regular sources of revenue.

This section assesses the sustainability of debt of the State Government in terms of debt/ GSDP ratio, Fiscal Deficit, burden of interest payments (measured by ratio of interest payments to Revenue Receipts) and maturity profile of the State Government Public debt.

Table 2.38 shows the debt sustainability of the State according to these indicators for the period 2017-18 to 2021-22.

| Table 2.38: Debt Sustainability: Indicators and Trends | | | | | |
|--|--------------|----------|----------|------------------------|------------------------|
| | (₹ in crore) | | | | |
| Debt Sustainability indicators | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Outstanding Public Debt | 1,38,424 | 1,57,398 | 1,80,829 | 2,33,242 ²⁸ | 2,64,364 ²⁹ |
| Rate of growth of Outstanding Public Debt (percentage) | 13.18 | 13.71 | 14.89 | 28.98 | 13.34 |
| Gross State Domestic Product (GSDP) | 7,26,284 | 8,31,024 | 9,38,602 | 9,76,281 | 11,69,004 |
| Rate of growth of GSDP (percentage) | 11.77 | 14.42 | 12.95 | 4.01 | 19.74 |
| Public Debt/GSDP (<i>per cent</i>) | 19.06 | 18.94 | 19.27 | 23.43 ³⁰ | 21.63 ³¹ |
| Receipts under Public Debt | 21,892 | 32,497 | 34,364 | 65,171 | 46,285 |
| Repayment of Public Debt | 5,776 | 13,524 | 10,934 | 12,757 | 15,162 |
| Interest Payment | 9,964 | 11,483 | 12,755 | 13,987 | 16,937 |
| Average interest rate on Outstanding Public Debt (<i>per cent</i>) | 7.64 | 7.76 | 7.54 | 6.83 ³² | 6.97 ³³ |
| Interest Payments/Revenue Receipts Ratio | 7.39 | 7.71 | 8.64 | 9.56 | 9.14 |
| Percentage of Debt repayment to Debt receipt | 26.38 | 41.62 | 31.82 | 19.57 | 32.76 |
| Net Debt available to the State [#] | 16,116 | 18,973 | 23,430 | 52,414 | 31,123 |
| Net Debt available as <i>per cent</i> to Debt Receipts [#] | 73.62 | 58.38 | 68.18 | 80.43 | 67.24 |

Source: Finance Accounts of the respective years

[#]Net debt available to the State Government is calculated as excess of Public debt receipts over Public debt repayment and interest payment on Public debt.

It can be seen from **Table 2.38** that receipts under Public debt decreased by 28.98 *per cent* during the year 2021-22 over the previous year. Interest payment to Revenue receipts ratio increased from 7.39 *per cent* in 2017-18 to 9.14 *per cent* in 2021-22.

Chart 2.26 below depicts the sustainability of debt of the State Government in terms of debt/GSDP ratio.

²⁸ Includes back to back loan of ₹4,542 crore in lieu of GST compensation shortfall.

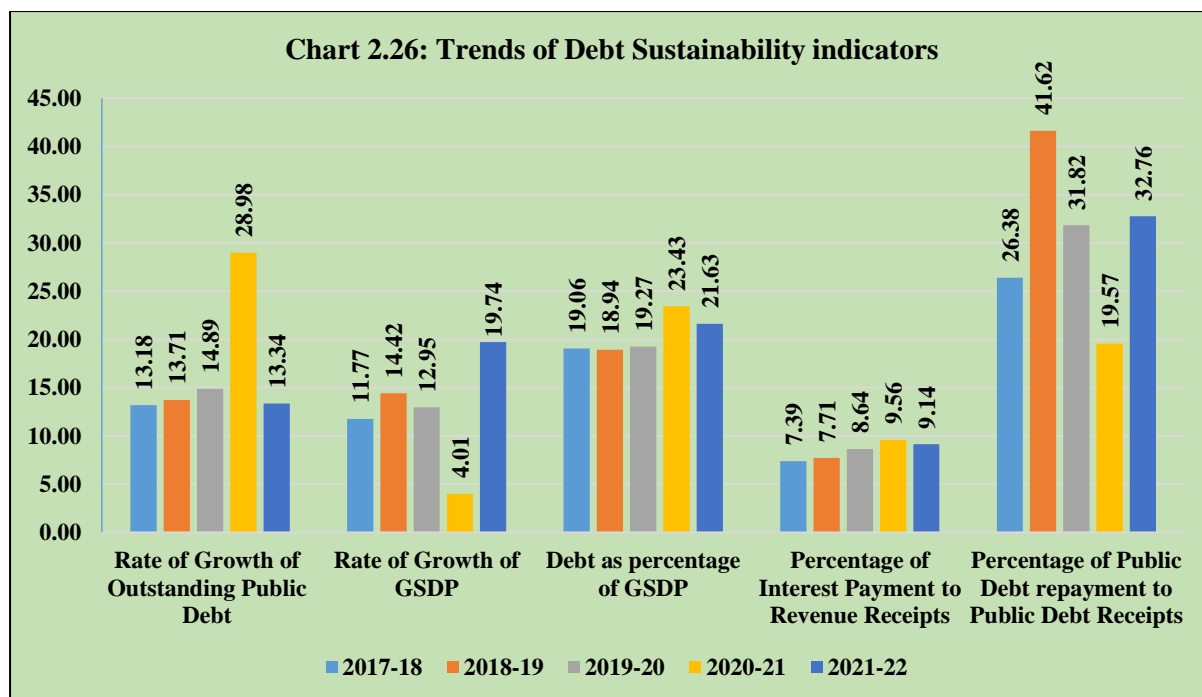
²⁹ Includes back to back loan of ₹11,553 crore in lieu of GST compensation shortfall.

³⁰ Public debt/GSDP ratio has been calculated on Outstanding Public Debt of ₹2,28,700 crore after excluding the amount of back to back loan (₹4,542 crore) from the Outstanding Public Debt ₹2,33,242 crore.

³¹ Public debt/GSDP ratio has been calculated on Outstanding Public Debt of ₹2,52,811 crore after excluding the amount of back to back loan (₹11,553 crore) from the Outstanding Public Debt ₹2,64,364 crore.

³² Average interest rate calculated on Outstanding Public Debt after excluding the back to back loan of ₹4,542 crore.

³³ Average interest rate calculated on Outstanding Public Debt after excluding the back to back loan of ₹11,553 crore.



Source: Finance Accounts of the respective years

Note: Debt/GSDP ratio has been calculated on outstanding public debt of ₹2,28,700 crore after excluding the amount of back to back loan (₹4,542 crore) from the total public outstanding debt of ₹2,33,242 crore.

Note: Debt/GSDP ratio has been calculated on outstanding public debt of ₹2,52,811 crore after excluding the amount of back to back loan (₹11,553 crore) from the total public outstanding debt of ₹2,64,364 crore.

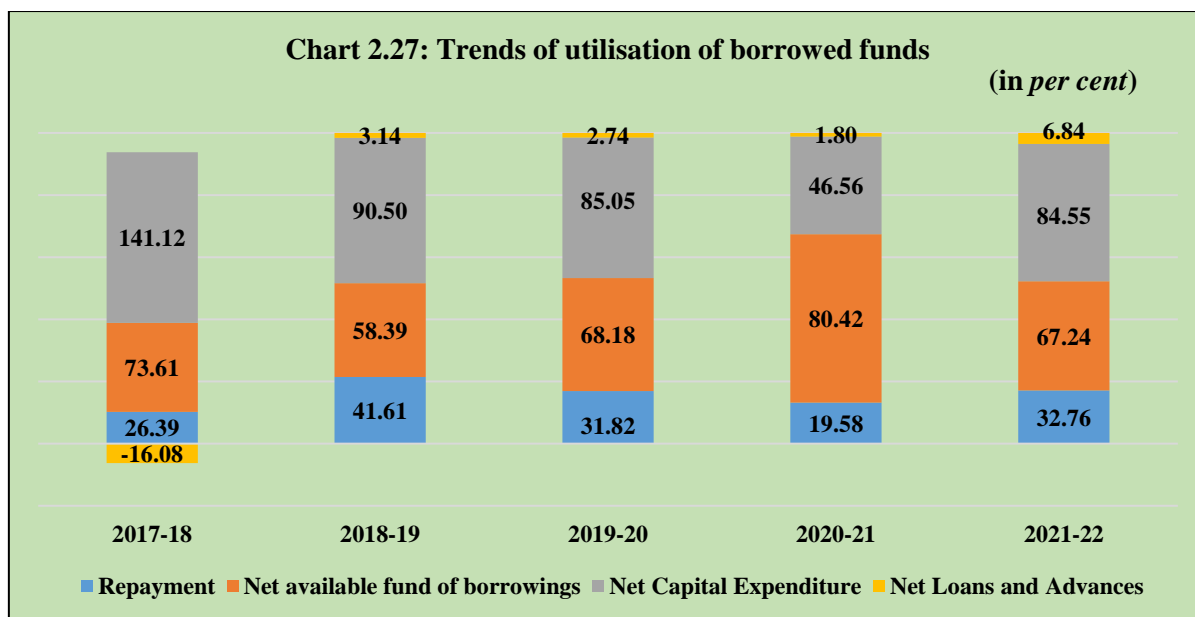
The Outstanding Public Debt steadily increased over the years from ₹1,38,424 crore in 2017-18 to ₹2,64,364 crore at the end of 2021-22. These liabilities increased by 13.34 *per cent* during 2021-22 as against 28.98 *per cent* in 2020-21. However, Outstanding Public Debt during 2021-22 also included ₹11,553 crore received as back to back loan from Government of India in lieu of GST compensation shortfall with no repayment liability for the State. Excluding this back to back loan, the state's Public debt growth rate during 2021-22 was 10.54 *per cent*.

2.13.1 Utilisation of borrowed funds

Borrowed funds should ideally be used to fund capital creation and development activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable. Details and trends of utilisation of borrowed funds during 2017-22 are given in **Table 2.39** and **Chart 2.27**:

| Table 2.39: Utilisation of borrowed funds | | | | | |
|--|---------------------|----------------------|----------------------|----------------------|----------------------|
| | (₹ in crore) | | | | |
| Particular | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Total Borrowings | 21,892.17 | 32,497.42 | 34,364.41 | 65,170.50 | 46,284.98 |
| Repayment of earlier borrowings (Principal) (percentage) | 5,776.38 (26.39) | 13,523.72 (41.61) | 10,933.62 (31.82) | 12,757.30 (19.58) | 15,162.44 (32.76) |
| Net available fund of borrowings | 16,115.79 | 18,973.70 | 23,430.79 | 52,413.20 | 31,122.54 |
| Net Capital Expenditure | 30,893.87 | 29,411.17 | 29,227.82 | 30,341.31 | 39,135.41 |
| Net Loans and Advances | (-)3,519.33 | 1,019.78 | 941.30 | 1,172.00 | 3,166.52 |
| Portion of Revenue Expenditure met out of net available borrowings | NIL | NIL | NIL | 20,899.89 | NIL |

Source: Finance Accounts of the respective years



Source: Finance Accounts of the respective years

It can be seen from the above Table/Chart that the State Government expended 32 *per cent* of its total borrowings towards servicing past debt/liabilities, thereby leaving less scope for Capital Expenditure out of the borrowed funds.

The percentage of net available fund of borrowings after repaying the debt ranged between 58.39 *per cent* to 80.42 *per cent* during the period from 2017-22, leaving limited funds for development activities.

2.13.2 Status of Guarantees - Contingent Liabilities

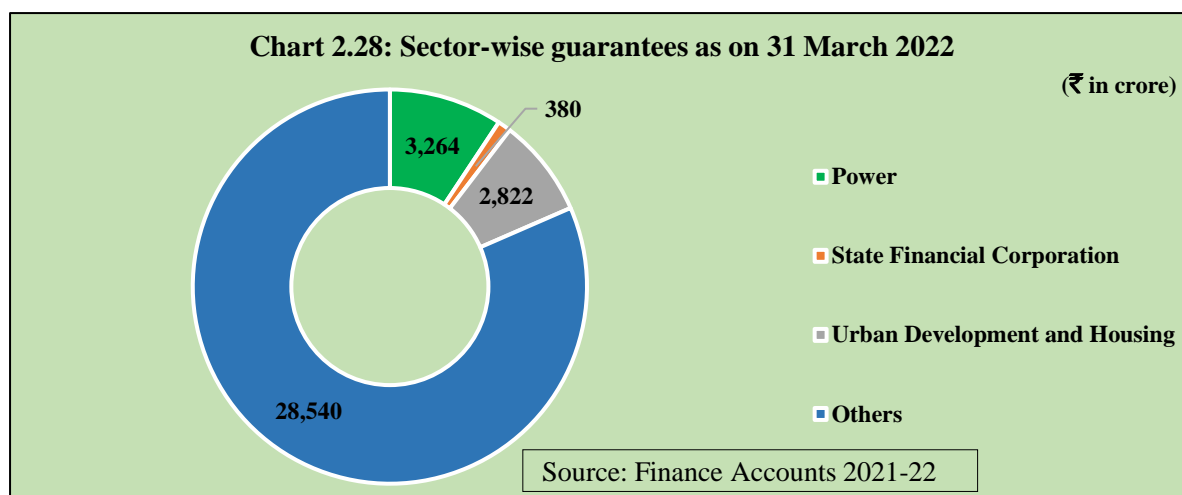
Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. The total outstanding guarantees of the State Government were within the ceilings fixed under the Fiscal Responsibility Budget Management Act³⁴. Guarantees given by the State Government during 2017-22 are shown in **Table 2.40** below:

| Table 2.40: Guarantees given by the State Government | | | | | |
|---|---------|----------|----------|----------|----------|
| (₹ in crore) | | | | | |
| Guarantees | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Ceiling applicable to the outstanding amount of guarantees, including interest (Criteria) | 98,646 | 1,07,900 | 1,19,114 | 1,18,115 | 1,17,101 |
| Outstanding amount of guarantees including interest | 14,003 | 30,763 | 30,930 | 37,010 | 35,006 |

Source: Finance Accounts of the respective years

The details of outstanding guarantees given by GoMP and maximum guaranteed amount are given in **Appendix 2.1**. Sector-wise composition of guarantees outstanding as on 31 March 2022 is shown in **Chart 2.28**.

³⁴ Total guarantees should not exceed 80 *per cent* of the total revenue receipts in the preceding year.



GoMP did not pay any amount towards guarantees on account of default by the borrowers during 2021-22. The composition of the maximum amount guaranteed was towards six³⁵ entities of Power Sector (₹7,690 crore), six³⁶ institutions of Urban Development and Housing (₹7,309 crore), seven³⁷ institutions of Other Sectors (₹38,485 crore), State Financial Corporation (₹1,150 crore) and Co-operatives (₹6,000 crore).

Guarantee fee is charged from the principal debtors unless exempted specifically. During 2021-22, GoMP received ₹15.72 crore as guarantee fees out of the total receivable of ₹31.59 crore.

2.13.3 Management of Cash Balances

As per an agreement with the Reserve Bank of India, State Government has to maintain a minimum daily cash balance of ₹1.96 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking Ordinary and Special Ways And Means advances/overdraft from time to time. The limit for ordinary Ways And Means advances to the State Government was ₹1,600 crore with effect from 1 February 2016 and the limit of Special Ways And Means advances is revised by the bank from time to time.

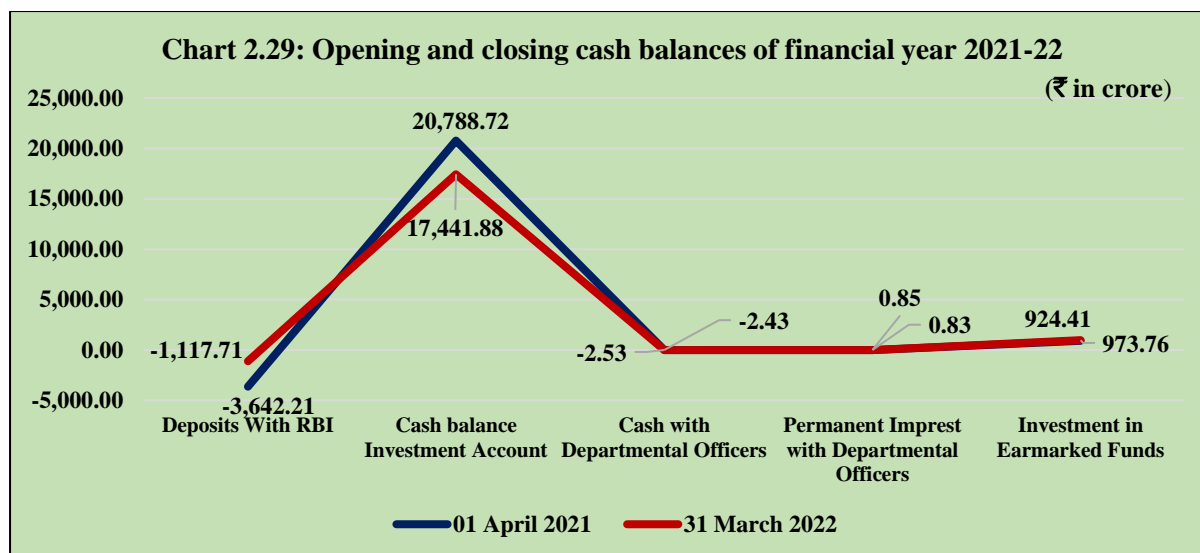
2.13.3.1 Cash Balances

The details of cash balances with the Government of Madhya Pradesh as of 1 April 2021 and 31 March 2022 are shown in **Chart 2.29**:

³⁵ M.P. Power Generating Company Ltd., Jabalpur, M.P. Power Transmission Company Ltd., Jabalpur, M.P. Poorv Kshetra Power Distribution Company Ltd., Jabalpur, M.P. Madhya Kshetra Power Distribution Company Ltd., Bhopal, M.P. Paschim Kshetra Power Distribution Company Ltd., Indore, M.P. Power Management Co. Ltd., Jabalpur.

³⁶ Nagar Nigam, Nagar Palika, State Development Agency, M.P. Urban Development Company Ltd, Nagar Parishad, M.P. Police Housing Corporation Ltd.

³⁷ M.P. Industrial Policy and Investment Promotional Department, M.P. Khadi Gramoudyog Board, M.P. Food, Civil Supplies and Consumer Protection Department, Public Works Department, Narmada Ghati Development Department, Higher Education and Animal Husbandry.



Source: Finance Accounts 2021-22

The State Government maintained the minimum daily cash balance with the RBI during 2021-22 and no ordinary and special ways and means of advances/overdraft was availed during the year.

2.13.3.2 Investment of Cash Balances

Table 2.41 depicts the cash balances and investments made out of these by the State Government during the year:

| Table 2.41: Cash balances and their investment | | |
|--|---|--|
| | (₹ in crore) | |
| Particulars | Opening balance as on 1 April 2021 | Closing balance as on 31 March 2022 |
| (a) General Cash Balance | | |
| Cash in Treasuries | -- | -- |
| Deposits with Reserve Bank of India | (-)3,642.21 ³⁸ | (-)1,117.71 ³⁹ |
| Remittances in transit - local | -- | -- |
| Total | (-)3,642.21 | (-)1,117.71 |
| Investments held in Cash Balance Investment account | 20,788.72 | 17,441.88 |
| Total (a) | 17,146.51 | 16,324.17 |
| (b) Other Cash Balances and Investments | | |
| Departmental cash balances | (-)2.43 | (-)2.53 |
| Permanent imprest | 0.83 | 0.85 |
| Investment out of earmarked funds | 924.41 | 973.76 |
| Total (b) | 922.81 | 972.08 |
| Grand Total (a)+(b) | 18,069.32 | 17,296.25 |
| Interest realised | 144.73 | 196.99 |

Source: Finance Accounts of respective years

Cash Balances of the State Government at the end of the current year decreased significantly by ₹773 crore, from ₹18,069 crore in 2020-21 to ₹17,296 crore in 2021-22. This was mainly

³⁸ At the close of March 2021 there was a net difference of ₹57.97 crore (Credit) between the figures reflected in Accounts of Accountant General ₹3,642.21 crore (Credit) and those intimated by RBI ₹3,584.24 crore (Debit) – under “Deposits with Reserve Bank”. The difference under Deposits with Reserve Bank is due to misreporting of transactions by Agency Bank to RBI and Treasury Officers in the accounts.

³⁹ At the close of March 2022, there was a net difference of ₹960.69 crore (Credit) between the figures reflected in Accounts of Accountant General ₹1,117.71 crore (Credit) and those intimated by RBI ₹157.02 crore (Debit) – under “Deposits with Reserve Bank”. The difference under Deposits with Reserve Bank is due to misreporting of transactions by Agency Bank to RBI and Treasury Officers in the accounts.

due to decrease in investment in Treasury Bills by ₹3,347 crore from ₹20,789 crore in 2020-21 to ₹17,442 crore in 2021-22.

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'. The State Government has earned an interest of ₹196.99 crore during 2021-22 from the investments made in GoI Securities and Treasury Bills.

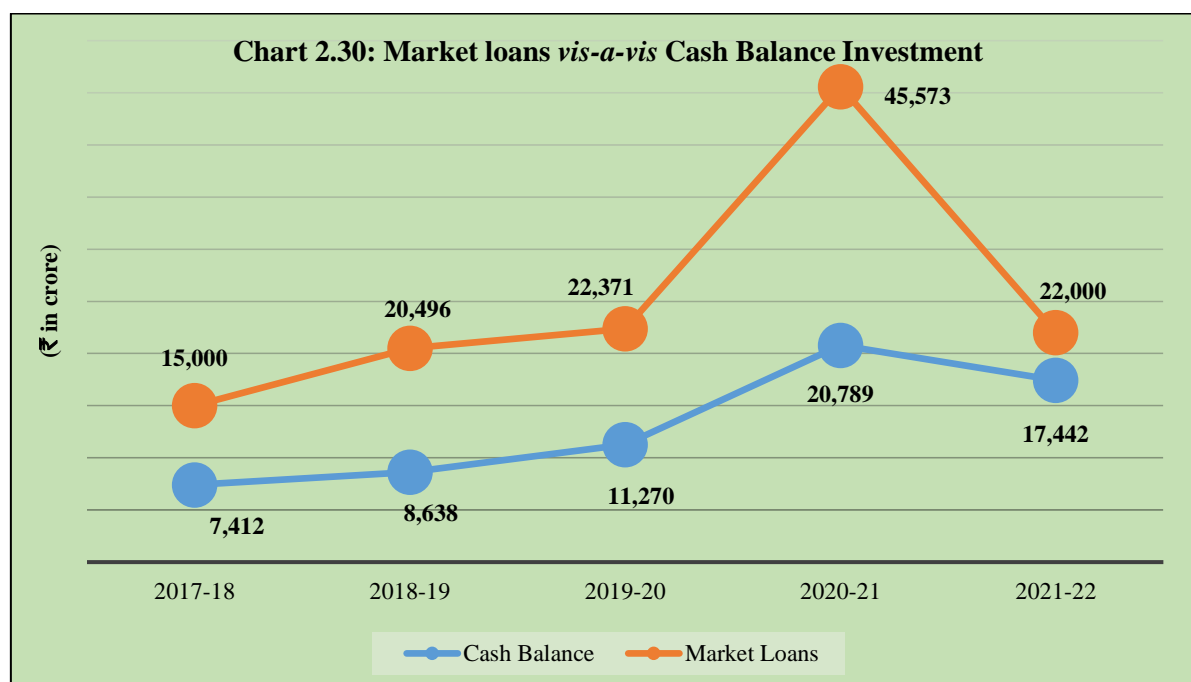
The interest earned for the entire period from 2017-18 to 2021-22 is given in **Table 2.42**:

| Table 2.42: Cash Balance Investment Account (Major Head-8673) | | | | |
|--|------------------------|------------------------|----------------------------------|------------------------|
| (₹ in crore) | | | | |
| Year | Opening Balance | Closing Balance | Increase (+)/ decrease(-) | Interest earned |
| 2017-18 | 10,628.22 | 7,412.19 | (-)3,216.03 | 491.39 |
| 2018-19 | 7,412.19 | 8,638.46 | 956.27 | 146.45 |
| 2019-20 | 8,638.46 | 11,270.17 | 2,631.71 | 145.29 |
| 2020-21 | 11,270.17 | 20,788.72 | 9,518.55 | 144.73 |
| 2021-22 | 20,788.72 | 17,441.88 | (-)3,346.84 | 196.99 |

Source: Finance Accounts of respective years

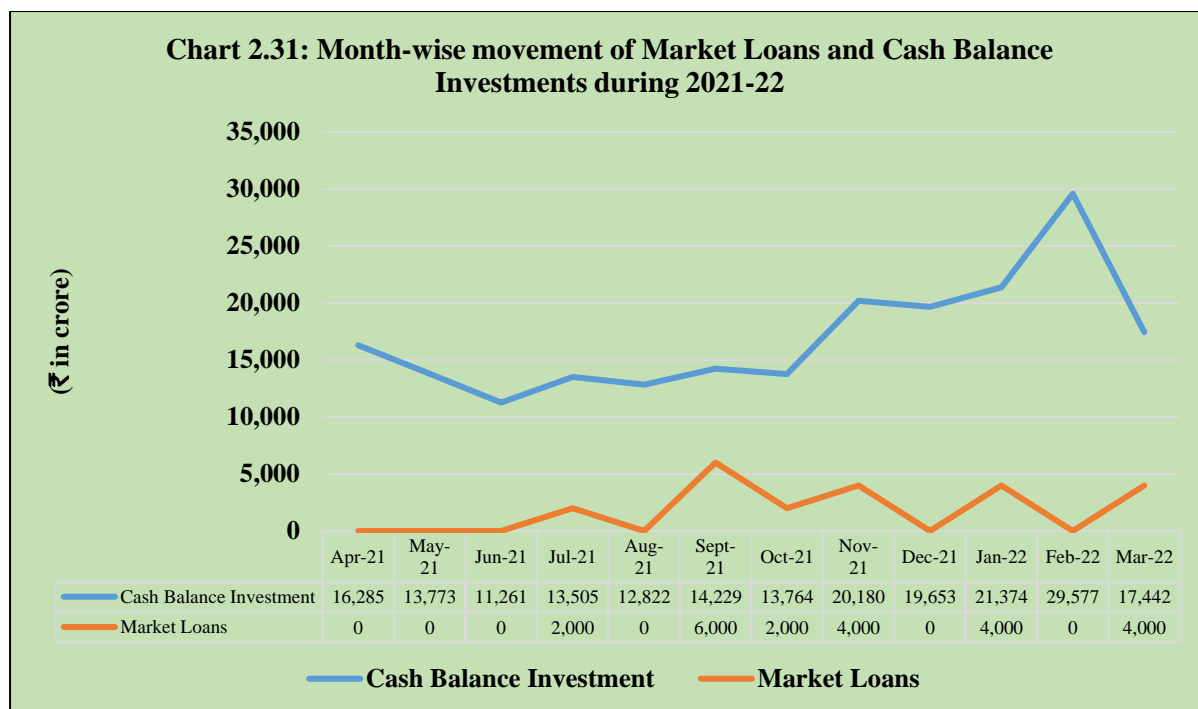
The trend analysis of the closing balance of cash balance investment of the State Government show an increase by ₹10,029.69 crore from ₹7,412.19 crore as on 31 March 2018 to ₹17,441.88 crore as on 31 March 2022.

Chart 2.30 below compares the balances available in the Cash Balance Investment Account and the Market Loans taken by the State during the period 2017-22. Market Loans were taken at higher interest rates whereas investment in Treasury Bills yielded interest at lower rates.



Source: Finance Accounts of respective years

Chart 2.31 below depicts month-wise Market Loans and Cash Balances investment during 2021-22.



Source: Information furnished by O/o PAG(A&E-I), M.P., Gwalior

Month-wise cash balance investment by State Government ranged between ₹11,261 crore to ₹29,577 crore while Market Loans ranged between ₹2,000 crore to ₹6,000 crore from April 2021 to March 2022. Further, in 2021-22 the interest payment on borrowings by the State Government was ₹18,446 crore, whereas interest received on cash balance investment was ₹196.99 crore.

The State Government should adopt the policy of need-based borrowing and maintain minimum cash balance. The high level of investment held in 'Cash Balance Investment Account' at the end of these financial years indicates that there is need for better cash management.

2.14 Conclusion

The State achieved all of the three key fiscal targets i.e., maintenance of Revenue Surplus, targets of Fiscal Deficit to GSDP and total outstanding liabilities to GSDP. During the current year, the State registered a Revenue Surplus (₹4,815 crore). Both Tax Revenue and Non-Tax Revenue increased in comparison to preceding year. The State also received compensation towards revenue loss due to GST implementation.

The investment held in 'Cash Balance Investment Account' by the State Government stood at ₹18,069.32 crore and ₹17,296.25 crore at the end of 2020-21 and 2021-22 respectively. Keeping the huge amount in the Cash Balance Investment Account at lower rate of interest while borrowing at higher rate has financial implications. The high level of investment held in 'Cash Balance Investment Account' at the end of these financial years indicates that there is need for better cash management.

During 2021-22, return (₹138.73 crore) on investment of ₹41,058.88 crore made by the State Government up to 2021-22 in Statutory Corporations, Companies, Co-operative societies, etc. was only 0.34 per cent against the average borrowing cost of 6.13 per cent during the year;

the rate of interest received on Loans and Advances (₹46,924 crore) given by the Government was also only 3.05 per cent.

2.15 Recommendations

- i) The State Government has to initiate measures for creating increased fiscal space through augmenting own revenues so as to avoid utilisation of capital receipts (borrowings) to meet revenue expenditure. The budget preparation exercise, so that the persisting gap between budget estimates and actuals may be bridged;
- ii) The State Government should rationalise its investments and loans advanced to various entities, such that the return on investment and loans at least matches the Government borrowing costs.
- iii) The State Government should review the working of State PSUs which are incurring huge losses and work out their revival strategy.
- iv) The State Government may consider need-based borrowings and utilising the existing cash balances before resorting to fresh borrowing.

Chapter 3

BUDGETARY MANAGEMENT

Chapter 3-Budgetary Management

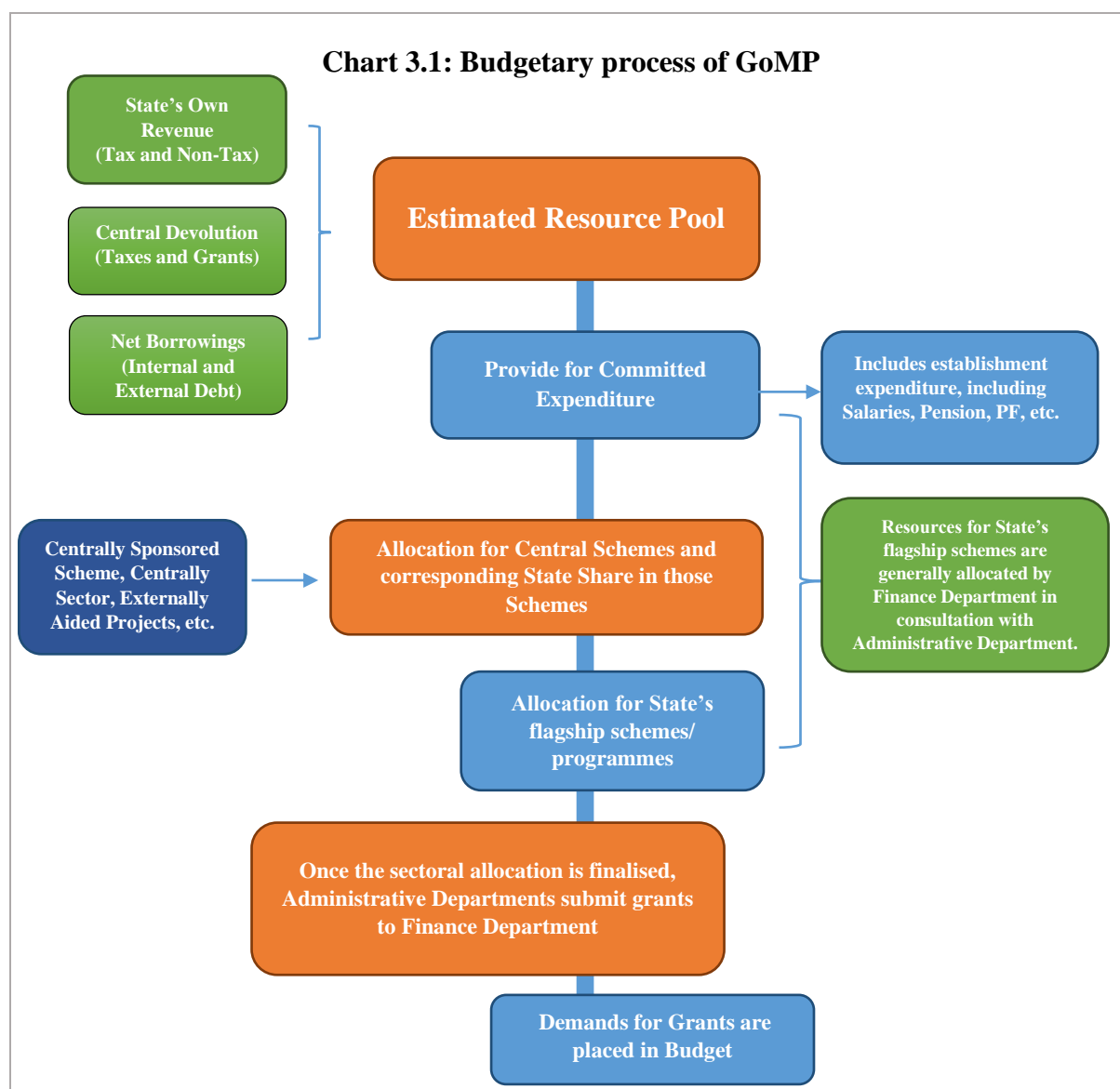
This Chapter provides a review of the integrity, transparency and effectiveness of the budgetary process and allocative priorities, including supplementary grants, and the concomitant financial management, assessing whether decisions taken at the policy level are implemented at the administrative level without diversion of funds.

3.1 Introduction

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

3.1.1 Budget Preparation Process

The process followed by Government of Madhya Pradesh in budget preparation is broadly as follows:

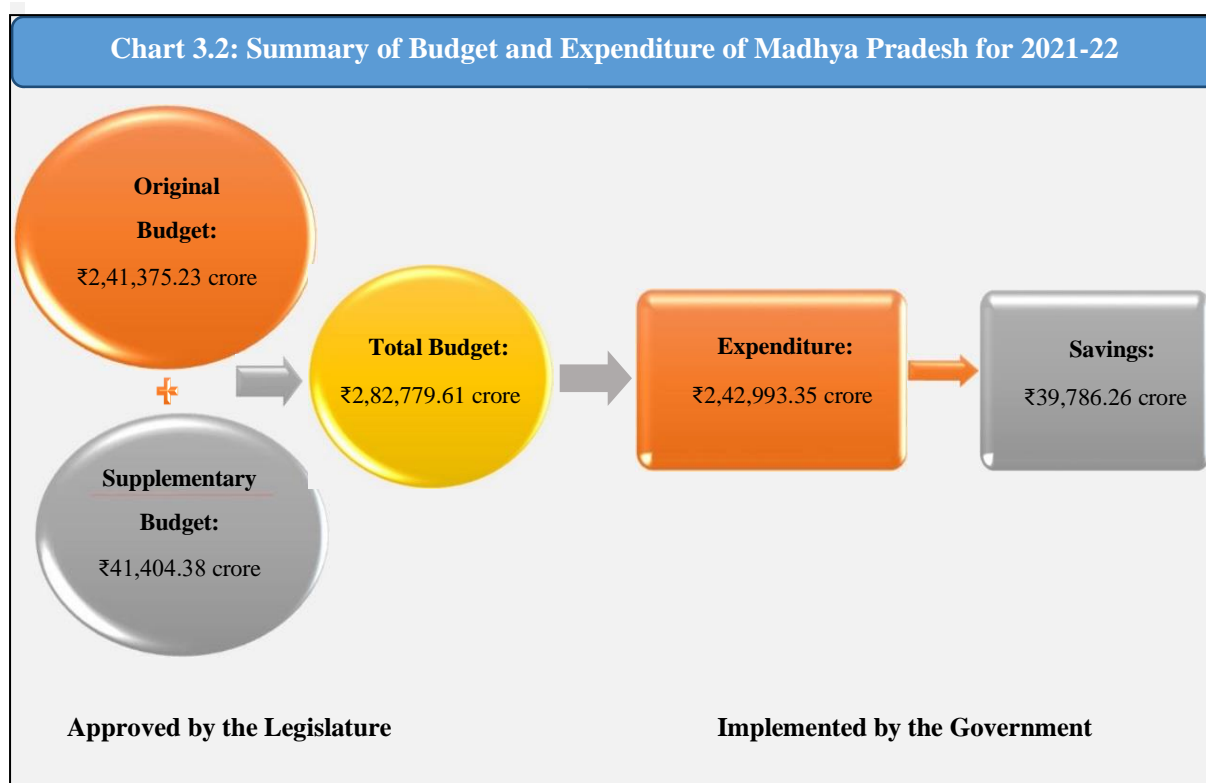


The State Government secures legislative approval for expenditure out of the Consolidated Fund of the State by presenting its annual Budget and 67 Demands for Grants/Appropriations. Normally, every Department has one Demand for Grant, to ensure that the Head of the Department takes responsibility for the policy decisions and expending public funds for the intended purposes.

Supplementary or additional Grant/Appropriation is provided during the course of the financial year for meeting expenditure in excess of the originally budgeted amount. Further, the State Government also re-appropriates/re-allocates funds from various Units of Appropriation where savings are anticipated within the same section (Revenue-Voted, Revenue-Charged, Capital-Voted, Capital-Charged) to Units where additional expenditure is envisaged (within the Grant/Appropriation) during the year by the competent authority.

Normally, the budget of Madhya Pradesh is passed in the month of February-March of every financial year. During the financial year 2021-22 three supplementary bills were brought on 23 August 2021, 28 December 2021 and 14 March 2022.

The total amount approved by the State Legislature, including the original and supplementary budgets, expenditure and savings during the year 2021-22 is given in **Chart 3.2** below:



Source: Appropriation Accounts 2021-22

3.1.2 Summary of total provisions, actual disbursements and savings during financial year

Appropriation Accounts are accounts of the expenditure, Voted and Charged, of the Government for each financial year compared with the amounts of Voted Grants and Appropriation Charged for different purposes, as specified in the schedules appended to the Appropriation Acts.

A summarised position of total budget provision, disbursement and saving/excess with its further bifurcation into voted/charged is given in **Table 3.1**.

| Table 3.1: Total Budget Provision and Disbursement into Charged and Voted during 2017-22 | | | | | | |
|---|------------------------|-----------|---------------|-----------|-------------------------|------------------------|
| Year | (₹ in crore) | | | | | |
| | Total Budget Provision | | Disbursements | | Saving(-)/Excess(+) | |
| | Voted | Charged | Voted | Charged | Voted | Charged |
| 2017-18 | 1,83,449.30 | 23,020.25 | 1,54,183.67 | 17,948.74 | (-)29,265.63 (15.95) | (-)5,071.51 (22.03) |
| 2018-19 | 2,10,639.84 | 27,662.83 | 1,59,729.03 | 28,101.14 | (-)50,910.81 (24.17) | (+)438.31 (1.58) |
| 2019-20 | 2,24,923.47 | 32,001.93 | 1,68,171.91 | 26,621.87 | (-)56,751.56 (25.23) | (-)5,380.06 (16.81) |
| 2020-21 | 2,00,259.26 | 35,667.76 | 1,82,689.33 | 30,294.31 | (-)17,569.93 (8.77) | (-)5,373.45 (15.06) |
| 2021-22 | 2,38,758.86 | 44,020.75 | 2,07,213.45 | 35,779.90 | (-)31,545.41 (13.21) | (-)8,240.85 (18.72) |

Source: Appropriation Accounts of respective years

It can be seen from the Table that the savings in Voted Budget was more than 13 *per cent* whereas the savings in Charged Budget was around 19 *per cent* during 2021-22.

3.2 Appropriation Accounts

Appropriation Accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of Voted Grants and Charged Appropriations for various purposes specified in the schedules appended to the Appropriation Act by the Legislature passed under Article 204 and 205 of the Constitution of India. These Accounts list the original budget provision, supplementary grants, surrenders and re-appropriations distinctly. They also indicate actual capital and revenue expenditure on various specified services, *vis-à-vis* those authorized by the Appropriation Act in respect of both Charged and Voted items of budget. Thus, the Appropriation Accounts facilitate an understanding of utilisation of funds, the management of finances and monitoring of budgetary provisions, and are, therefore, complementary to the Finance Accounts.

3.2.1 Audit of Appropriations

Audit of Appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various Grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

3.2.2 Summary of Appropriation Accounts

The summarised position of budget including supplementary budget, actual expenditure and excess/savings during 2021-22 against 67 Grants/Appropriations is given below in **Table 3.2**.

Table 3.2: Summarised position of Expenditure vis-à-vis Budget Provision

| (₹ in crore) | | | | | | | | |
|---------------------------|--|------------------------------|---------------------------|-----------------------------------|--------------------------|---|--|--|
| Voted/ Charged | Nature of Expen- diture | Budget (Original) | Budget (Supp.) | Total Budget (O+S) | Expen- diture | Excess (+)/ Savings (-) (per cent) | Surrender Amount (per cent) | Not Surrender Amount (per cent) |
| Voted | Revenue | 1,55,814.87 | 25,045.67 | 1,80,860.54 | 1,63,089.47 | (-)17,771.07 (9.82) | 10,517.72 (59.18) | 7,253.35 (40.82) |
| | Capital Outlay | 40,704.22 | 11,597.80 | 52,302.02 | 40,394.09 | (-)11,907.93 (22.77) | 8,937.33 (75.05) | 2,970.60 (24.95) |
| | Loans and Advances* | 3,485.47 | 2,110.83 | 5,596.30 | 3,729.89 | (-)1,866.41 (33.35) | 467.14 (25.03) | 1,399.27 (74.97) |
| | Total Voted | 2,00,004.56 | 38,754.30 | 2,38,758.86 | 2,07,213.45 | (-)31,545.41 (13.21) | 19,922.19 (63.15) | 11,623.22 (36.85) |
| Charged | Revenue Expenditure | 22,859.48 | 2,650.08 | 25,509.56 | 20,278.44 | (-)5,231.12 (20.50) | 98.62 (1.89) | 5,132.50 (98.11) |
| | Capital | 716.80 | Nil | 716.80 | 339.02 | (-)377.78 (52.70) | 0.61 (0.16) | 377.17 (99.84) |
| | Public Debt | 17,794.39 | Nil | 17,794.39 | 15,162.44 | (-)2,631.95 (14.79) | 8.49 (0.32) | 2,623.46 (99.68) |
| | Total Charged | 41,370.67 | 2,650.08 | 44,020.75 | 35,779.90 | (-)8,240.85 (18.72) | 107.72 (1.31) | 8,133.13 (98.69) |
| Grand Total | | 2,41,375.23 | 41,404.38 | 2,82,779.61 | 2,42,993.35 | (-)39,786.26 (14.07) | 20,029.91 (50.34) | 19,756.35 (49.66) |

Source: VLC Data and Appropriation Accounts 2021-22

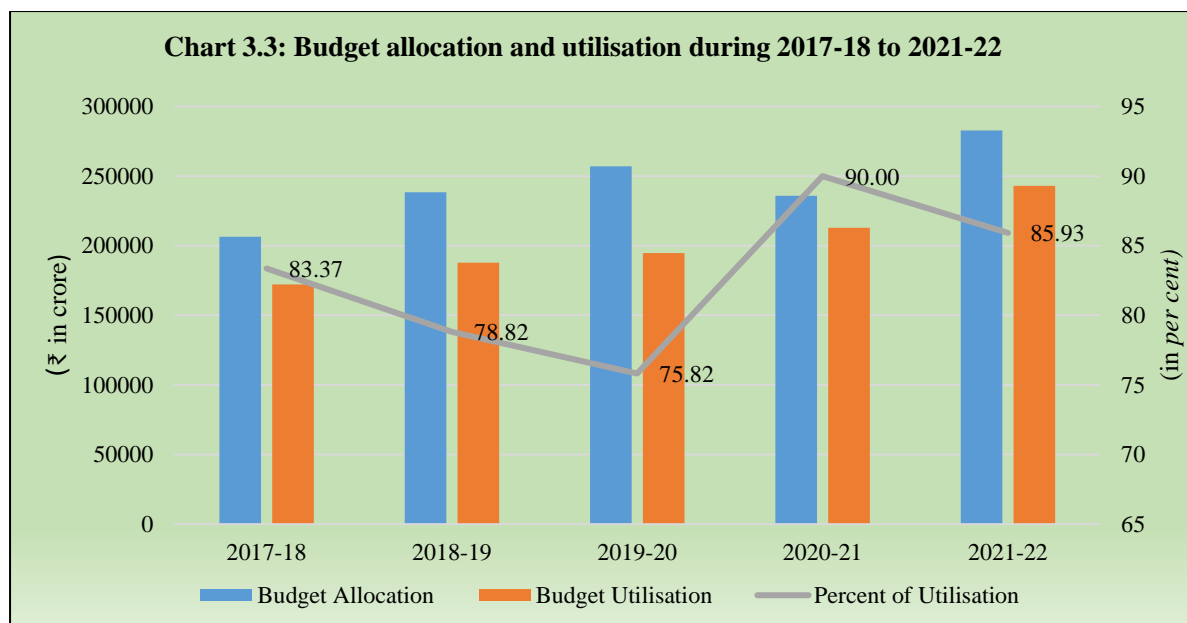
Note: Figures in bracket indicates percentage of Savings and Surrenders

*Including "Inter State Settlement" and "Appropriation to the Contingency Fund"

An overall saving of ₹39,786.26 crore was on account of saving of ₹23,002.19 crore in 64 Grants and 52 Appropriations under Revenue section, and a saving of ₹12,285.71 crore in 58 Grants and four Appropriations under Capital section. This resulted in overall savings of 14.07 *per cent* of total Grants and Appropriations of the amount saved. However, the Departments surrendered ₹19,978.53 crore (99.74 *per cent* of total surrendered amount of ₹20,029.91 crore) on the last day of the financial year while ₹19,756.35 crore was allowed to lapse. The reasons for Savings/Excess (Detailed Appropriation Accounts) in various schemes during the financial year were sought from (July-August 2022) the Departmental Controlling Officers requesting them to explain the significant variations. However, only partial replies were received from the Department (October 2022). It raises questions on whether the State Government prepared an inflated budget or the Departments concerned had not done the ground work to utilise the allocated funds within the envisaged timeframe.

3.2.3 Utilisation of Budgeted Funds

Utilisation of budget by the State Government had improved to 90 *per cent* in 2020-21 in comparison to 2019-20, while it slightly decreased down to 86 *per cent* in 2021-22 as given in **Chart 3.3** below:



Source: Appropriation Accounts of the respective years

3.3 Comments on integrity of budgetary and accounting process

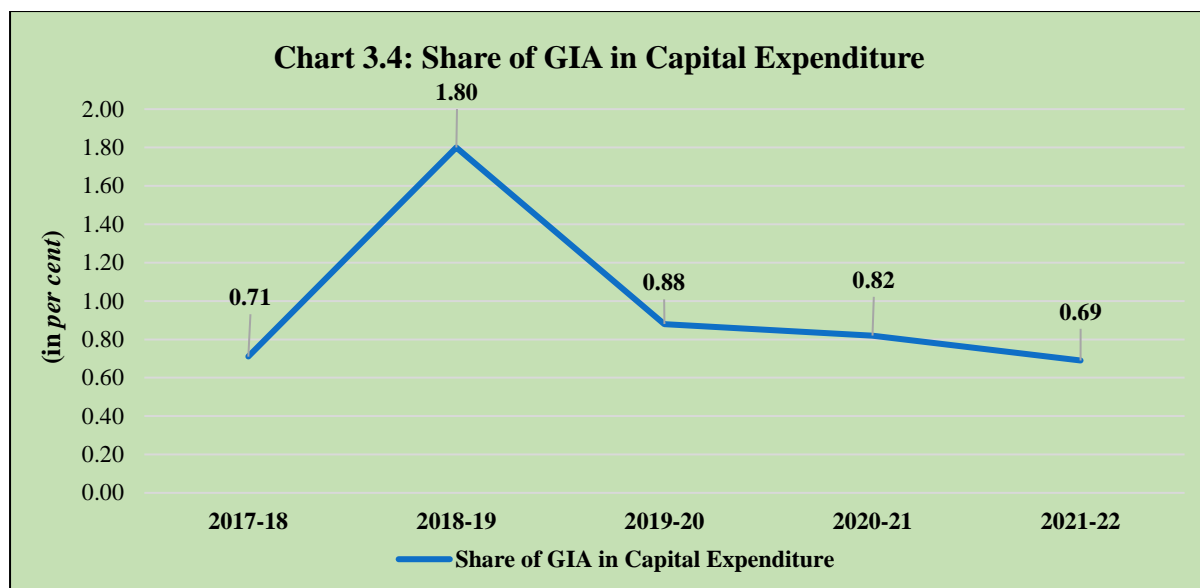
3.3.1 Misclassification of Expenditure

The Indian Government Accounting Standard-2 was notified by the GoI in 2011 for accounting and classification of Grants-in-Aid received or given by both Central as well as State Governments. As per Indian Government Accounting Standard-2, Grants-in-aid are payments in the nature of assistance, donations or contributions made by one Government to another Government, body, institutions or individual. Further, expenditure on Grants-in-Aid is recorded as Revenue Expenditure in the books of the grantor and as Revenue Receipts in the books of the recipient. Capital Expenditure is defined as expenditure incurred with the objective of increasing concrete assets of a material or permanent character, or for reducing recurrent liabilities.

Details of the extent of classification of GIA as Capital Expenditure instead of Revenue Expenditure by the State Government during 2017-22 as well as the impact of non-compliance with the provisions of IGAS-2 by the State Government in absolute terms during the same period are given in **Table 3.3**, whereas **Chart 3.4** highlights the share of Grants-in-Aid in Capital Expenditure.

| Table 3.3: Extent of classification of GIA as Capital Expenditure | | | | | |
|--|--------------|---------|----------|-----------|---------|
| | (₹ in crore) | | | | |
| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| GIA booked as Capital Expenditure | 233 | 541 | 257 | 250 | 280 |
| Total Capital Expenditure | 32,588 | 29,999 | 29,241 | 30,357 | 40,733 |
| Share of GIA in Capital Expenditure (In per cent) | 0.71 | 1.80 | 0.88 | 0.82 | 0.69 |
| Revenue Deficit (-)/Revenue Surplus (+) | 4,629 | 6,744 | (-)2,801 | (-)18,356 | 4,815 |
| Impact on Revenue Deficit (-)/Revenue Surplus (+), if expenditure from GIA is treated as Revenue Expenditure | 4,396 | 6,203 | (-)3,058 | (-)18,606 | 4,535 |

Source: Finance Accounts of respective years



Source: Finance Accounts of respective years

However, during 2021-22, an amount of ₹2,207.00 crore was misclassified by the State Government as Capital Expenditure instead of accounting for it under Revenue Expenditure. Out of this, ₹280.38 crore pertains to Grants-in-Aid and ₹1,926.62 crore pertains to other expenditure. Due to this, Revenue Expenditure was understated by ₹2,207.00 crore, and Capital expenditure was overstated by ₹2,207.00 crore. Details are given in **Appendix 3.1**.

Similarly, an amount of ₹8.26 crore was incorrectly budgeted and expended (for 'Machinery' and 'Survey, Investigation and Design and Preparation of DPRs') as Revenue Expenditure instead of Capital Expenditure by the State Government, due to which Revenue Expenditure was overstated by ₹8.26 crore and Capital Expenditure was understated by ₹8.26 crore. Details are given in **Appendix 3.2**.

3.4 Unnecessary supplementary provision

The Madhya Pradesh Budget Manual, 2012 permits obtaining a Supplementary Grant/Appropriation if the budgetary provision falls short and a commitment for expenditure has already been made under the orders of the competent authority.

The State Legislature approved supplementary budget on 23 August 2021, 28 December 2021 and 14 March 2022 for a total of ₹41,404.38 crore (in respect of 54 Grants and six Appropriations) for the year 2021-22. Audit analysis of utilisation of these supplementary provisions showed that provision of only ₹25,397.20 crore was required in 27 Grants and three Appropriations where the final expenditure exceeded the original budget provision as detailed in **Appendix 3.3**. Thus, there was excess supplementary provisioning of ₹16,007.18 crore. Further, supplementary provisions amounting to ₹8,568.76 crore proved unnecessary in 36 Grants and three Appropriations as the expenditure was not even up to the level of the original provision as detailed in **Appendix 3.4**. Twelve Grants and one Appropriation where there were savings of ₹100 crore and above out of original budget provision, and yet supplementary provision was obtained, are detailed below in **Table 3.4**.

Table 3.4: Cases where supplementary provision obtained but there were savings of ₹100 crore and above out of original budget provision

| (₹ in crore) | | | | | | | |
|--------------|-----------|---|------------|--------------------|--------------------|-----------------------------------|-------------------------|
| Sl. No. | Grant No. | Name of the Grant/Appropriation | RV/ CV/ RC | Original provision | Actual expenditure | Savings out of original provision | Supplementary provision |
| 1 | CH-II | Charged Appropriation-Interest Payments and Servicing of Debt | RC | 20,942.82 | 18,445.91 | 2,496.90 | 2,511.33 |
| 2 | 1 | General Administration | RV | 746.63 | 470.35 | 276.29 | 10.26 |
| 3 | 3 | Police | RV | 7,832.24 | 6,673.66 | 1,158.57 | 1.50 |
| 4 | 29 | Law and Legislative Affairs | RV | 1,653.30 | 1,221.74 | 431.55 | 4.23 |
| 5 | 33 | Tribal Affairs | RV | 8,045.52 | 6,865.77 | 1,179.76 | 109.70 |
| 6 | 39 | Food, Civil Supplies and Consumer Protection | RV | 1,053.81 | 797.47 | 256.34 | 3.03 |
| 7 | 40 | Other Expenditure pertaining to School Education Department (Excluding Primary Education) | RV | 4,307.44 | 3,180.57 | 1,126.87 | 25.00 |
| 8 | 44 | Higher Education | RV | 2,640.05 | 2,236.37 | 403.68 | 169.29 |
| 9 | 47 | Technical Education, Skill Development and Employment | RV | 1,041.36 | 908.10 | 133.27 | 80.68 |
| 10 | 47 | Technical Education, Skill Development and Employment | CV | 333.61 | 219.78 | 113.83 | 1.45 |
| 11 | 50 | Horticulture and Food Processing | RV | 663.65 | 455.17 | 208.49 | 97.27 |
| 12 | 52 | Medical Education | CV | 1,269.54 | 586.13 | 683.41 | 0.99 |
| 13 | 55 | Women and Child Development | RV | 5,072.44 | 4,681.73 | 390.70 | 206.49 |
| 14 | 62 | Panchayat | RV | 4,767.02 | 3,441.78 | 1,325.24 | 500.00 |
| Total | | | | 60,369.43 | 50,184.53 | 10,184.90 | 3,721.22 |

Source: Appropriation Accounts 2021-22

Abbreviation: Revenue Voted (RV), Revenue Charged (RC), Capital Voted (CV)

As can be seen from the above **Table 3.4**, the Supplementary provisions made in scheme upgradation of Mental Hospital, Indore and Mental Health Centre, Gwalior, Dental College, Nursing College, Indore under Grant No. 52 Medical Education, in scheme Grant against additional Stamp Duty Recovery under Grant No. 62 Panchayat, in scheme Organic Farming Support Programme (Re-imbursement) under Grant No. 33 Tribal Affairs and in scheme Expenditure incurred in connection with the issue of New Loans under Grant No. CH-II Charged Appropriation-Interest Payments and Servicing of Debt were not spent completely in these schemes. It shows that Supplementary Grants made by the State Government were without adequate assessment of requirement and monitoring by the Administration which reflects poor budget management.

3.5 Excessive/Unnecessary Re-appropriation of funds

Re-appropriation is transfer of funds within a Grant from one unit of appropriation, where savings are anticipated, to another unit where need for additional funds is identified. Finance Department has the power to sanction/authorise any re-appropriation within a Grant, which does not involve the undertaking of a recurring liability. As per paragraph 26.6 of the Madhya Pradesh Budget Manual (MPBM), 2012, powers to sanction re-appropriations are regulated by rules framed by the Finance Department.

During 2021-22, re-appropriation was done in a total of 85 Sub-heads pertaining to 25 Grants and one Appropriation as detailed in **Appendix 3.5**. In 32 Sub-heads pertaining to 11 Grants

and one Appropriation, even after re-appropriation of ₹7,882.08 crore, excess expenditure of ₹3,806.09 crore incurred. In the remaining 53 Sub-heads pertaining to 20 Grants, where ₹3,067.21 crore were re-appropriated, the final savings in the same Sub-heads were ₹507.15 crore. In Grant No. 30 Rural Development under Major-Head 2216-Housing, 2501-Special Programme for Rural Development, 2505-Rural Employment, 2515-Other Rural Development Programmes and 4515-Capital Outlay on Other Rural Development Programmes, the re-appropriation of ₹2,946.36 crore proved injudicious as the actual expenditure was more than the original and supplementary provisions by ₹1,957.70 crore.

3.5.1 Substantial surrenders

During 2021-22, substantial surrenders, i.e. 50 *per cent* or more, amounting to ₹7,152.39 crore (85.12 *per cent* of original budget provision of ₹8,403.10 crore) were made in 180 Sub-heads pertaining to 35 Grants, which included 100 *per cent* surrender in 75 Sub-heads (₹2,623.68 crore) pertaining to 25 Grants as detailed in **Appendix 3.6**. In, Grants pertaining to Energy Department, Public Health Engineering Department, Tribal Affairs Department, Other expenditure pertaining to School Education Department (Excluding Primary Education), Narmada Valley Development Authority there were substantial surrenders exceeding ₹200 crore and above in each Grant, due to certain reasons like non receipt of necessary approval from the Government for investment in Narmada Basin Projects Company Limited, non-posting of staff according to the sanctioned post, Restriction of monthly withdrawal by the Finance Department and non-receiving of proposal from Company, *etc.*

3.5.2 Anticipated savings not surrendered

During 2021-22, total savings against budget estimates were ₹39,786.26 crore. There were 103 cases in which savings were ₹ one crore and above in each case, with the total amounting to ₹39,101.14 crore. Out of this, an amount of ₹19,753.75 crore was not surrendered (**Appendix 3.7**). This amounted to 50.52 *per cent* of the savings of above 103 cases (i.e. ₹39,101.14 crore) and 49.65 *per cent* of the total savings (i.e. ₹39,786.26 crore).

In 32 cases (involving savings of ₹6,936.76 crore) out of the total cases amounting to savings of ₹39,786.26 crore, no part of the savings in any of these cases was surrendered by the respective Departments. Details are given in **Appendix 3.8**.

It was observed that the total surrendered amount on 31 March 2022 was more than the savings in seven Grants under Revenue Voted Section and in three Grants under Capital Voted section. The details are given in **Table 3.5**.

| Table 3.5: Excess surrendered against the savings | | | | | | |
|---|-----------|-----------------------------|-------|----------|-----------|------------------|
| (₹ in crore) | | | | | | |
| Sl. No. | Grant No. | Nomenclature | RV/CV | Savings | Surrender | Excess Surrender |
| 1 | 12 | Energy | RV | 9.25 | 9.27 | 0.02 |
| 2 | 12 | Energy | CV | 1,296.62 | 1,440.54 | 143.92 |
| 3 | 27 | School Education | RV | 1,543.39 | 1,637.48 | 94.09 |
| 4 | 29 | Law and Legislative Affairs | CV | 95.73 | 95.77 | 0.04 |

| Table 3.5: Excess surrendered against the savings | | | | | | |
|---|-----------|---|-------|-----------------|-----------------|------------------|
| | | | | | | (₹ in crore) |
| Sl. No. | Grant No. | Nomenclature | RV/CV | Savings | Surrender | Excess Surrender |
| 5 | 33 | Tribal Affairs | RV | 1,289.46 | 1,300.44 | 10.98 |
| 6 | 35 | Micro, Small and Medium Enterprises | RV | 28.81 | 30.74 | 1.93 |
| 7 | 49 | Scheduled Caste Welfare | RV | 204.13 | 205.50 | 1.37 |
| 8 | 60 | Expenditure pertaining to District Plan Schemes | RV | 6.26 | 6.27 | 0.01 |
| 9 | 60 | Expenditure pertaining to District Plan Schemes | CV | 49.72 | 50.59 | 0.87 |
| 10 | 65 | Aviation | RV | 10.47 | 20.49 | 10.02 |
| Total | | | | 4,533.84 | 4,797.09 | 263.25 |

Source: Appropriation Accounts 2021-22

This is very unrealistic and happened due to non-reconciliation of Departmental figures with figures of the O/o the PrAG (A&E)-I.

3.5.3 Surrender/Re-appropriation orders not accepted by Principal Accountant General (PrAG)

As per instructions (February 2012) of the State Government, all sanctions for re-appropriations/ surrenders should be issued before the end of the financial year and should be received in the O/o the PrAG (A&E)-I well on time for incorporation in the accounts. Proper details of schemes should be furnished and the total of sanctions should be correct. Provisions should be available in Heads concerned from which surrenders/re-appropriations were sanctioned.

We noticed that 26 sanctions for surrender amounting to ₹5,961.63 crore pertains to 19 Grants/Appropriations, were in violation of the State Government's instructions mentioned above, and were not accepted by the O/o the PrAG (A&E)-I for inclusion in the accounts. Details are given in **Appendix 3.9**.

3.5.4 Advances from the Contingency Fund

In terms of Article 267(2) and 283(2) of the Constitution of India the Contingency Fund of the State has been established under the Madhya Pradesh Contingency Fund Act 1957. Advances from the Contingency Fund are to be made only for meeting expenditure of an unforeseen and emergent character pending authorisation of such expenditure by the State Legislature under appropriation made by Law. The Fund in the nature of an Imprest and its corpus was ₹40 crores at the time of establishment now increased to ₹1,000 crore. The corpus of the Fund was increased to ₹1,000 crore through an ordinance on 27 March 2021.

During 2021-22, six sanctions under five Grants were issued by Finance Department of ₹49.33 crore, six withdrawals amounting to ₹49.30 crore were made from the Contingency Fund and remaining amount of ₹0.03 crore of Grant No. 65 Aviation was surrendered by Director, Aviation, Bhopal on 31 March 2022. The details of withdrawals from the Contingency Fund during 2021-22 is given in **Table 3.6**.

| Table 3.6: Contingency Fund sanction orders and utilisation against sanctions | | | | | | | |
|---|--|--|------------|---|-------------------|--------------|--------------------|
| (₹ in crore) | | | | | | | |
| Sl. No. | Sanction No. and Date | Name of the Grant | Major Head | Purpose for withdrawn | Sanctioned Amount | Expenditure | Recovery Month |
| 1 | 725/217/2021/B-7/D.M.C./4/Bhopal Dated 24.08.2021 | 8-Land Revenue and District Administration | 2053 | Payment of decretal fund | 9.82 | 9.82 | 03/2022 |
| 2 | 93/R-50/B-7/D.M.C./4/2022/Bhopal, Dated 04.02.2022 | 26-Culture | 2205 | To complete the construction work of the spiritual estate of Sant Gulabrao Maharaj Sahitya Mandir | 1.25 | 1.25 | 03/2022 |
| 3 | 98/54/B-7/2021/D.M.C./4/Bhopal, Dated 08.02.2022 | 45-Public Assets Management | 2029 | Public Asset Management-Other Charges | 14.46 | 14.46 | 03/2022 |
| 4 | 528/R-84/B-07/2021/D.M.C./4/Bhopal, Dated 25.05.2021 | 55-Women and Child Development | 2235 | Covid-19 for C.M. Relief Fund | 1.80 | 1.80 | 03/2022 |
| 5 | 674/159/B-7/2021/D.M.C./4/Bhopal, Dated 15.07.2021 | 65-Aviation | 2052 | Chartered Plane Rent | 10.00 | 9.99 | 07/2021 to 10/2021 |
| 6 | 920/389/B-7/2021/D.M.C./4/Bhopal, Dated 29.10.2021 | 65-Aviation | 2052 | Chartered Plane Rent | 12.00 | 11.98 | 11/2021 to 03/2022 |
| Total | | | | | 49.33 | 49.30 | |

Source: Information received from O/o PAG (A&E)-I, Madhya Pradesh, Gwalior

3.5.5 Errors in Budgeting

Government of India provides annual grants under the Central Road Fund to the State Government to incur expenditure on specific road projects. In terms of the extant accounting procedure, the grants are to be initially booked as Revenue Receipts under Major Head “1601-Grants-in-Aid”. Thereafter the amount so received is to be transferred by the State Government to the Public Account under Major Head “8449-Other Deposits-103 Subvention from Central Road Fund”, through Revenue Expenditure Major Head “3054-Roads and Bridges”. This process ensures that receipt of the grants do not result in overstatement of Revenue Surplus or understatement of Revenue Deficit in the accounts. The expenditure on prescribed road works under Central Road Fund will first be accounted for under the relevant Capital or Revenue Expenditure section (Major Heads 5054 or 3054) and reimbursed out of the Public Account under Major Head 8449 as a deduct expenditure to the concerned Major Head (5054 or 3054 as the case may be).

During the year 2021-22, it was observed that the State Government received grants of ₹622.93 crore towards Central Road Fund which had not been transferred to the Deposit Head 8449-Other Deposits-103-Subvention from Central Road Fund as the Central Road Fund had not been operated in Public Account. The State Government incurred expenditure

of ₹577.74 crore directly from Major Head 5054 without routing it through Public Account. Further, it was noticed that the amount of ₹45.19 crore remained unspent out of the grant received from Central Government resulting in overstatement of revenue surplus and understatement of fiscal deficit.

3.6 Savings

Anticipated savings in expenditure are required to be submitted by the BCOs to Finance Department by 15 January (para 26.9 of MPBM), so that they could be utilised where additional funds are required. Summary of cases pertaining to Grants/Appropriation with savings of ₹10 crore and above and also more than 20 *per cent* of budget provision, is given in **Table 3.7** below and detailed in **Appendix 3.10**.

| Table 3.7: Cases pertaining to Grants/Appropriations with savings ranging ₹10 crore and above and more than 20 <i>per cent</i> of total provisions | | | | | | | | |
|--|--------------------------|-----------|---------------------------------------|------------------|--------------------|------------------|--|--------------------|
| (₹ in crore) | | | | | | | | |
| Sl. No. | Savings Range | Sub-heads | Total Number of Grants/Appropriations | Total Budget | Actual Expenditure | Savings | Percentage of savings w.r.t. Total Grant | Surrendered Amount |
| 1 | 10 crore to < 100 crore | 26 | 20 | 2,584.85 | 1,583.85 | 1,001.00 | 38.73 | 507.30 |
| 2 | 100 crore to < 500 crore | 14 | 14 | 9,335.24 | 5,843.25 | 3,491.99 | 37.41 | 782.67 |
| 3 | Above 500 crore | 11 | 10 | 56,543.15 | 39,604.95 | 16,938.20 | 29.96 | 7,395.47 |
| Total | | 51 | 44 | 68,463.24 | 47,032.05 | 21,431.19 | 31.30 | 8,685.44 |

Source: Appropriation Accounts 2021-22

From the above Table, it is evident that during the year 2021-22, there were 51 cases involving savings of ₹21,431.19 crore including Interest Payments and Servicing of Debt where savings exceeded ₹10 crore and more than 20 *per cent* of total provisions in each case. Out of the total savings of ₹21,431.19 crore, ₹8,685.44 crore was surrendered during the financial year.

Appendix 3.10 provides detailed Grant wise analysis of savings ranging from ₹10 crores to ₹5,008.23 crores in 51 cases. In 23 cases, pertaining to 19 Grants and four Appropriation under Revenue section and 28 cases pertaining to 27 Grants and one Appropriation under Capital section, savings range between ₹10 crore to ₹500 crore and above.

Out of the Grants mentioned in **Appendix 3.10**, Savings under Revenue Section of account exceeding ₹100 crore and above and more than 20 *per cent* of the total provisions occurred in seven Grants under Grant No. 1-General Administration, 29-Law and Legislative Affairs, 39-Food Supplies and Consumer Production, 40-Other Expenditure pertaining to School Education (Excluding Primary Education), 44-Higher Education, 50-Horticulture and Food Processing, 62-Panchayat and two Appropriation i.e. 6-Finance and CH II-Charged Appropriation-Interest Payments and Servicing of Debt.

Similarly, savings under the Capital Section of account exceeding ₹100 crore and above and more than 20 *per cent* of the total provisions occurred in 15 Grants under Grant No. 3-Police, 6-Finance, 11-Industrial Policy and Investment and Promotion, 12-Energy, 19-Public Health and Family Welfare, 22-Urban Development and Housing, 33-Tribal Welfare, 40-Other Expenditure pertaining to School Education (Excluding Primary Education) 44-Higher Education, 47-Technical Education, Skill Development and Employment, 48-Narmada Valley Development, 49-Scheduled Caste Welfare, 52-Medical Education, 58-Expenditure on Relief on account of Natural Calamities and Scarcity, 63-Minority Welfare and one Appropriation i.e. 24-Public Works and Roads and Bridges.

Huge savings of ₹500 crore and above had occurred in one Grant during 2020-21 and 2021-22 as detailed in **Table 3.8** below:

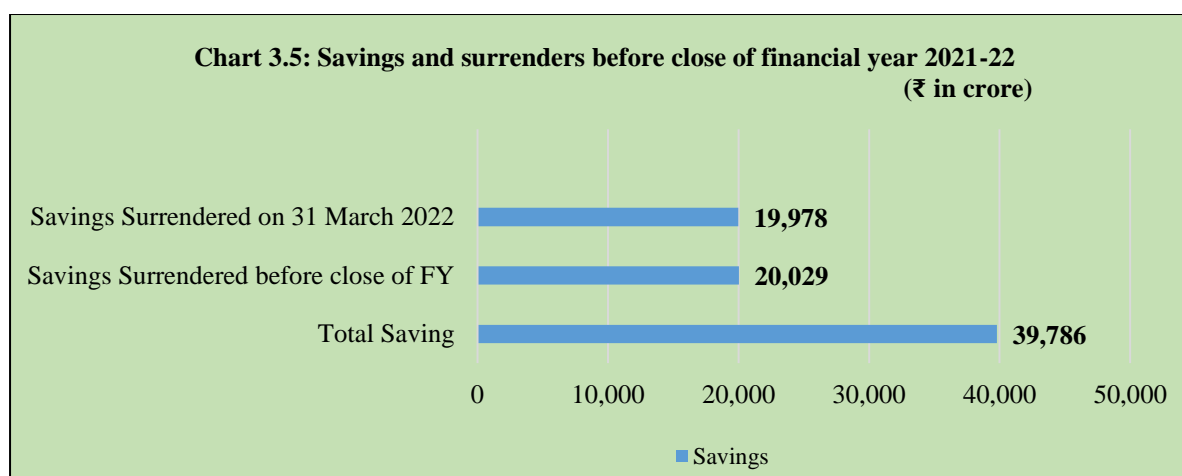
| Table 3.8: Grant indicating savings of ₹500 crore and above | | | | |
|--|-----------|------------------------|--------------------------------|---------------------|
| Sl. No. | Grant No. | Name of the Grant | (₹ in crore) | |
| | | | Savings (exceeding ₹500 crore) | |
| | | | 2020-21 | 2021-22 |
| 1 | 12 | Energy (Capital Voted) | 651.68 (56.22) | 1,296.62 (39.48) |

Source: Appropriation Accounts of respective years

Note: Figures in bracket indicate percentage of savings out of total provision

As per the reasons provided by the Department non-release of allotment by GoI, delay in approval of Scholarships by educational institutions for the year 2021-22, non-utilisation of amount by districts as hostels were closed due to Covid-19, Receipt of 3rd Supplementary Budget on 14 March 2022 and late approval by educational institutions, 20 *per cent* deduction, restriction in post by the Finance Department, Post remain vacant, restricted by the Finance Department, bill not passed by the Treasury because Detail Head 18-001 was mapped in the IFMIS instead of interim relief 18-031.

Huge savings under this Grant indicated incorrect estimation of the anticipated expenditure during the period and lack of control over expenditure. Details of savings surrendered before close of financial year is given in **Chart 3.5** below:



Source: Appropriation Accounts 2021-22

3.6.1 Expenditure without Budget Provision

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. Expenditure on a new scheme should not be incurred without provision of funds except after obtaining additional funds by re-appropriation, supplementary grant or appropriation or an advance from the Contingency Fund of the State

Audit scrutiny revealed that in two cases, expenditure of ₹11.90 crore was incurred without budget provision. Head of Account-wise details are given below in **Table 3.9**.

| Table 3.9: Expenditure without Budget Provision during 2021-22 | | | | | | | | | |
|--|-----------|-------------------|---------------------------------------|-----|-----------------|--------------------------------|--------------|--------------|--------------|
| (₹ in crore) | | | | | | | | | |
| Sl. No. | Grant No. | Name of the Grant | Heads of Account (upto Detailed Head) | V/C | Original Budget | Re-appropriation and Surrender | Total Budget | Expenditure | Excess |
| 1 | 6 | Finance | 7810-800-0122 | V | 0.00 | 0.00 | 0.00 | 1.20 | 1.20 |
| 2 | 12 | Energy | 6801-205-1201-5523-67-001 | V | 0.00 | 0.00 | 0.00 | 10.70 | 10.70 |
| Total | | | | | 0.00 | 0.00 | 0.00 | 11.90 | 11.90 |

Source: Detailed Appropriation Account 2021-22

3.6.2 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 (September 2004) by the Public Accounts Committee (PAC).

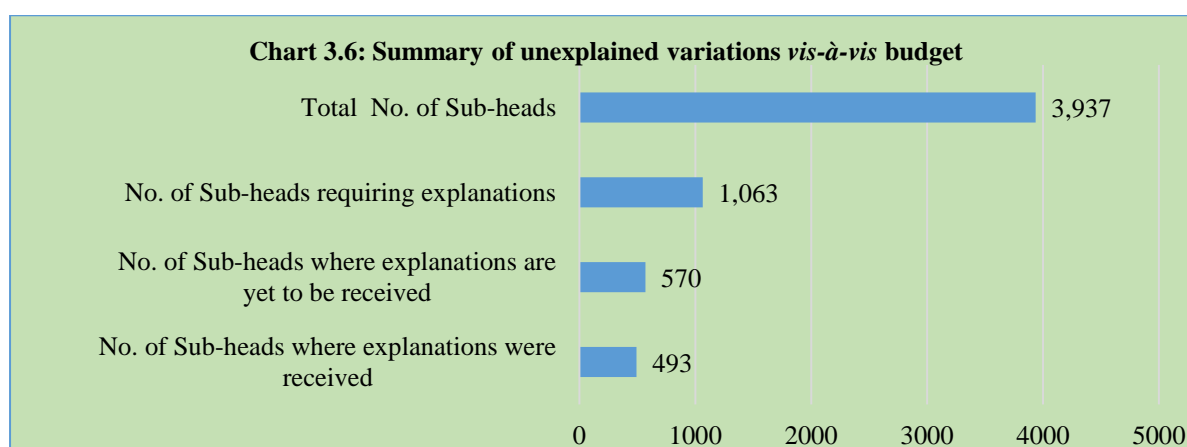
PrAG (A&E) provides the draft Appropriation Accounts to the Controlling Officers of the Departments and seeks the reasons/explanations for the variations in expenditure with reference to approved budgetary allocation, in keeping with the limits set by the PAC, as given below:

| | |
|----------------|--|
| Savings | <ul style="list-style-type: none"> Comments are to be made if total savings under the Grant is five per cent or more of the total provision. Comments are to be made if total savings under the Sub-head is 10 per cent or more of the total provision of the Sub-head, provided the amount of savings is: <ul style="list-style-type: none"> (a) Not less than ₹40 lakh in case the total provision exceeds ₹30 crore, (b) Not less than ₹20 lakh in case the total provision is between ₹10 crore and ₹30 crore, or (c) Not less than ₹10 lakh in case the total provision is less than ₹10 crore. Comments are to be made if total savings under Charged Expenditure of the Grant is not less than ₹10 lakh. |
| Excess | <ul style="list-style-type: none"> General comments are to be made for regularisation of excess over the provision in all cases where there is an overall excess in any Grant or Appropriation. Comments are to be made in cases where excess under individual Sub-head exceeds ₹10 lakh and also 10 per cent of the total provision under the Sub-head. Comments are to be made in cases where excess under individual Sub-head does not exceed 10 per cent of total provision under the Sub-head provided: |

- (a) Excess in each Sub-head is more than ₹40 lakh where total provision exceeds ₹30 crore,
 (b) Excess in each Sub-head is more than ₹20 lakh where total provision is between ₹10 crore and ₹30 crore, or
 (c) Excess in each Sub-head is more than ₹10 lakh where total provision is less than ₹10 crore.

Source: Appropriation Accounts 2021-22

Audit of Appropriation Accounts for the year 2021-22 and an analysis of the underlying accounting data revealed that in all 67 Grants/Appropriations, reasons for variation from budget were required. However, in respect of 20 Grants/Appropriations, reasons were not furnished by the Controlling Officers of Government Departments, while partial responses were received in respect of the remaining 47 Grants/Appropriations. In terms of the Sub-heads involved, out of total 3,937 Sub-heads, receipt or otherwise of explanation for variations is depicted in **Chart 3.6** below. Details in this regard are given in **Appendix 3.11**.



Source: Appropriation Accounts 2021-22

During 2021-22, out of the total number of sub-heads 3,937, in 93 cases, expenditure of ₹33,486.56 crore occurred against the total budget allotted of ₹27,026.58 crore resulting in excess expenditure of ₹6,459.98 crore, whereas in 69 Sub-heads under 26 Grants/Appropriations, the surrender and re-appropriation was done without proper/adequate analysis and estimation due to which the excess expenditure occurred in Sub-heads. Details are given in **Appendix 3.12**. Absence of explanation of excess expenditure and reasons for variation between the budget allocation and its utilisation, limits legislative control over budget as a means of ensuring financial accountability of the Government.

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

During 2021-22, out of 67 Grants/Appropriations, savings were noticed in one Grant where utilisation of budget was less than 50 per cent and provisions were ₹100 crore or more. Utilisation of budgetary allocation in these one Grant for the period 2017-22 is shown in **Table 3.10** below:

Table 3.10: Grants/Appropriations where utilisation of budget was less than 50 per cent against budget provisions were ₹100 crore or more

| (₹ in crore) | | | | | | | | | |
|--------------|---------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------|----------------|---------------------------|
| Sl. No. | Grant | 2017-18 (in per cent) | 2018-19 (in per cent) | 2019-20 (in per cent) | 2020-21 (in per cent) | 2021-22 (in per cent) | No. of Years | Budget 2021-22 | Total Budget (five Years) |
| 1 | 63-Minority Welfare | 66.16 | 52.73 | 38.12 | 11.57 | 14.50 | 3 | 196.11 | 405.02 |

Source: Information received from O/o PAG (A&E)-I, Madhya Pradesh, Gwalior

The reasons for low utilisation of budget during 2021-22 in Grant No. 63 were not provided by the concerned Department.

3.8 Excess expenditure requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excess expenditure over a Grant/Appropriation regularised by the State Legislature. It was observed, however that the State Government did not regularise the excess expenditure amounting to ₹1,678.00 crore covering 12 Grants and seven Appropriations pertaining to the period 2011-21. Details are given in **Appendix 3.13**.

Though no excess expenditure was observed in Grants and Appropriations during 2021-22, the same during previous years requires regularisation, in terms of Article 205 of the Constitution. Further, it is in violation of Article 204 of the Constitution, which provides that no money shall be withdrawn from the Consolidated Fund except under Appropriation made by law by the State Legislature in accordance with the provisions of this Article. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

3.9 Lump sum Budgetary Provisions

Lump sum provisions are those provisions where Detailed Object Heads are not defined. However, in some cases, where the lump sum provision may become unavoidable and barring the cases where expenditure from lump sum allotments is regulated by standing sanctions, instructions or rules, detailed explanations justifying proposed provision shall be given in the Budget Note accompanying the lump sum estimates.

During 2021-22, in 44 cases (where surrender was more than ₹25 crore and above and more than 50 per cent of budget provision) pertains to 17 Grants, lump sum provision of ₹7,420.80 crore was made in the estimates. Out of this, an amount of ₹6,331.43 crore (85.32 per cent) remained unutilised and was surrendered at the fag end of the year. Significant cases involving a lump sum provision of over ₹100 crore under nine Grants are tabulated below while complete details are given in **Appendix 3.14**.

| Table 3.11: Details of Lump sum provision above ₹100 crore or more | | | | | |
|--|--------------------------------------|---|-------------------------|--------------------|--------------|
| Grant No. | Name of the Grant | Heads of Account | Total Provision (O + S) | Amount Surrendered | (₹ in crore) |
| | | | | | Surrender |
| 1 | General Administration | 2015-101-6757-Election Expenditure of Local Bodies | 221.00 | 159.10 | 71.99 % |
| 12 | Energy | 4801-02-190-0101-6323-2*660 Megawatt Shri Singaji Thermal Power Project | 100.00 | 100.00 | 100.00 % |
| | | 4801-05-190-0102-7837-Assistance for Making Required Improvements as per 15 th Finance Commission | 160.00 | 160.00 | 100.00 % |
| | | 4801-05-190-0101-7837-Assistance for Making Required Improvements as per 15 th Finance Commission | 796.00 | 796.00 | 100.00 % |
| | | 6801-205-1201-9655-Loan for Smart Meter and Skada Scheme | 171.00 | 171.00 | 100.00 % |
| 20 | Public Health Engineering | 4215-01-102-1203-2316-Rural Group Water Supply Scheme | 140.50 | 137.00 | 97.51 % |
| | | 4215-01-102-1202-2316-Rural Group Water Supply Scheme | 193.00 | 161.00 | 83.42 % |
| | | 4215-01-102-1201-2316-Rural Group Water Supply Scheme | 544.00 | 391.00 | 71.88 % |
| 27 | School Education (Primary Education) | 2202-01-101-0103-4396-Establishment of Government Primary Schools | 117.79 | 74.19 | 62.98 % |
| 33 | Tribal Affairs | 2225-02-277-0102-0494-Ashram | 188.67 | 112.84 | 59.81 % |
| | | 2225-02-800-0602-5211-Local Development Programme Under Integrated Tribal Development Project/MADA POCKET/CLUSTER | 150.00 | 78.41 | 52.27 % |
| | | 4202-01-202-0102-0581-Government High/Higher Secondary Schools | 330.00 | 272.84 | 82.68 % |
| | | 4225-02-277-0422-9516-C. M. Rise | 116.00 | 116.00 | 100.00 % |
| | | 4225-02-277-0102-1398-Senior Hostel | 200.00 | 177.01 | 88.51 % |
| | | 4225-02-277-0102-9516-C. M. Rise | 118.00 | 118.00 | 100.00 % |
| 40 | Other Expenditure pertaining to | 4202-02-103-0102-9516-C.M. Rise | 120.00 | 120.00 | 100.00 % |

| Table 3.11: Details of Lump sum provision above ₹100 crore or more | | | | | |
|--|---|---|--------------------------------------|--------------------|----------------|
| | | | | | (₹ in crore) |
| Grant No. | Name of the Grant | Heads of Account | Total Provision (O + S) | Amount Surrendered | Surrender |
| | School Education Department (Excluding Primary Education) | 4202-02-103-0101-9516-C.M. Rise | 331.00 | 281.00 | 84.89 % |
| 44 | Higher Education | 4202-01-203-0701-7600-Implementation of National Higher Education Campaign Scheme | 115.70 | 101.36 | 87.61 % |
| 48 | Narmada Valley Development | 4700-80-800-0801-1953-Narmada (I-S-P-) Parvati Link Project | 115.78 | 115.78 | 100.00 % |
| | | 4700-80-800-0101-2333-Investment of N.B. Company Limited | (O)300.00 (S)1,500.00 1,800.00 | 1,500.00 | 83.33 % |
| 49 | Scheduled Caste Welfare | 4225-01-277-0103-4717-Harijan Hostels | 100.00 | 54.11 | 54.11 % |
| Total | | | 6,128.44 | 5,196.64 | 84.80 % |

Source: Appropriation Accounts 2021-22

Major nine Grants where lump sum provision were made during the year tabulated above involving 21 cases out of the total 44 cases and constituted 82.58 *per cent* of the total amount of lump sum provisions. The amount unutilised was ₹5,196.64 crore (84.80 *per cent*) for nine Grants due to certain reasons like late release of fund from the GoI, delay in doing the allotted work by the Agencies, non-release of funds by the Finance Department and non-availability of sanctions by the Competent Authorities, *etc.*

3.10 Unutilised provisions under schemes

During 2021-22, in 57 cases, the entire provision made under various schemes (₹10 crore or more in each case) aggregating ₹14,266.10 crore remained unutilised as detailed in **Appendix 3.15**. Significant cases out of these, where the unutilised budget provision was ₹100 crore or more, are detailed in **Table 3.12** below. The major Grants/Appropriations where provisions remain unutilised to the extent of ₹11,853.31 crore were Public Debt, Interest payments and Servicing of Debt, Energy and Finance.

| Table 3.12: Schemes in which provision above ₹100 crore or more remained unutilised | | | | | | | |
|---|-----------|-----------------------------------|---|-----|-----------------------|-------------|------------------|
| | | | | | | | (₹ in crore) |
| Sl. No. | Grant No. | Name of the Grant/ Appropriation | Name of Scheme | V/C | Total Provision (O+S) | Expenditure | Saving |
| 1 | CH-I | Charged Appropriation-Public Debt | 6003-110-0637-66-Ways and Means Advances | C | 1,685.00 | 0.00 | 1,685.00 (100 %) |
| 2 | CH-I | Charged Appropriation-Public Debt | 6003-110-0779-66-Advances for Recoupment of Short fall | C | 2,000.00 | 0.00 | 2,000.00 (100 %) |
| 3 | CH-II | Charged Appropriation- | 2049-01-101-9931-52-7.00 <i>per cent</i> Madhya Pradesh | C | 140.00 | 0.00 | 140.00 (100 %) |

| Table 3.12: Schemes in which provision above ₹100 crore or more remained unutilised | | | | | | | |
|---|-----------|--|--|-----|-----------------------|-------------|--------------------------|
| (₹ in crore) | | | | | | | |
| Sl. No. | Grant No. | Name of the Grant/ Appropriation | Name of Scheme | V/C | Total Provision (O+S) | Expenditure | Saving |
| | | Interest Payments and Servicing of Debt | State Development Loan, 2031 | | | | |
| 4 | CH-II | Charged Appropriation- Interest Payments and Servicing of Debt | 2049-60-701-0716- Miscellaneous Loans Payment | C | 1,679.00 | 0.00 | 1,679.00 (100 %) |
| 5 | 6 | Finance | 2054-095-5329-51- Payment of Pending Bills | V | 888.41 | 0.00 | 888.41 (100 %) |
| 6 | 6 | Finance | 2054-095-5329-53- Payment of Pending Bills | C | 100.00 | 0.00 | 100.00 (100 %) |
| 7 | 6 | Finance | 2070-800-0101-0224-51- Other Expenditure | V | 100.00 | 0.00 | 100.00 (100 %) |
| 8 | 6 | Finance | 6075-800-6787-66- Provision for settlement of Guaranteed Loan | V | 600.91 | 0.00 | 600.91 (100 %) |
| 9 | 12 | Energy | 2801-80-101-0101-7837- 44-Assistance for making required improvements as per 15 th Finance Commission | V | 3,849.04 | 0.00 | 3,849.04 (100 %) |
| 10 | 12 | Energy | 2801-80-101-0102-7837- 44-Assistance for making required improvements as per 15 th Finance Commission | V | 612.68 | 0.00 | 612.68 (100 %) |
| 11 | 12 | Energy | 2801-80-101-0103-7837- 44-Assistance for making required improvements as per 15 th Finance Commission | V | 198.27 | 0.00 | 198.27 (100 %) |
| 12 | 22 | Urban Development and Housing | 2217-05-800-0701-7839- 42-Urban Swachh Bharat Mission | V | 200.00 | 0.00 | 200.00 (100 %) |
| 13 | 30 | Rural Development | 2515-800-0550-9216-33- Renewable and upgradation of constructed Roads under Pradhan Mantri Sadak Yojana | V | 213.50 | 0.00 | 213.50 (100 %) |
| 14 | 30 | Rural Development | 4515-800-0701-7467-42- Prime Minister Gram Sadak Yojana | V | 150.00 | 0.00 | 150.00 (100 %) |
| 15 | 39 | Food, Civil Supplies and Consumer Protection | 2408-01-102-0701-1299- 44-Reimbursement of Transport Commission expenses under targeted public distribution system | V | 139.91 | 0.00 | 139.91 (100 %) |
| 16 | 52 | Medical Education | 4210-03-105-0101-7853- 64-Establishment of New Medical Colleges | V | 183.00 | 0.00 | 183.00 (100 %) |
| Total | | | | | 12,739.72 | 0.00 | 12,739.72 (100 %) |

Source: VLC Data furnished by O/o PAG (A&E)-I, Madhya Pradesh, Gwalior

Specific reasons for non-utilisation of the entire provision were not intimated by concerned Budget Controlling Officer (BCO), which indicates unrealistic budget estimation.

3.11 Major policy pronouncements in budget and their actual funding for ensuring implementation

According to Paras 30.1 and 30.2 of Madhya Pradesh Budget Manual, a Department should carry out budget monitoring by reviewing expenditure incurred by it during a financial year. The primary objective of such monitoring is to ensure that State budget presented and approved by the legislature remains a reliable guide to the actual expenditure incurred during the financial year. The monitoring should include not only expenditure incurred in the current financial year but also a comparison and analysis for the last three years.

It was observed that there were savings of ₹ one crore and above in 20 schemes started newly during 2021-22, as shown in **Table 3.13**:

| Table 3.13: Schemes in which budget provision was ₹10 crore or more | | | | | | |
|---|-----------|----------------------------------|---|----------------------------|-------------|----------------------|
| (₹ in crore) | | | | | | |
| Sl. No. | Grant No. | Name of the Grant/ Appropriation | Name of Scheme | Total Provision (Original) | Expenditure | Saving (in per cent) |
| 1 | 3 | Police | 4055-207-7823-Construction of Police Hospital | 10.00 | 0.00 | 10.00 (100.00 %) |
| 2 | 12 | Energy | 2801-80-101-7837-Assistance for making required improvements as per 15 th Finance Commission | 4,660.00 | 0.00 | 4,660.00 (100.00 %) |
| 3 | 12 | Energy | 4801-05-190-7837-Assistance for making required improvements as per 15 th Finance Commission | 1,000.00 | 0.00 | 1,000.00 (100.00 %) |
| 4 | 19 | Public Health and Family Welfare | 2210-01-001-7833-Maintenance Work of Health Institutes | 52.00 | 23.28 | 28.72 (55.23 %) |
| 5 | 19 | Public Health and Family Welfare | 2210-01-001-7834-Safety and Sanitisation arrangement of Health Institutes | 60.72 | 55.25 | 5.47 (9.00 %) |
| 6 | 19 | Public Health and Family Welfare | 4210-01-001-7835-Upgradation and Strengthening of Health Services | 100.00 | 30.62 | 69.38 (69.38 %) |
| 7 | 22 | Urban Development and Housing | 2217-05-800-7838-Jal Jeevan Mission (Urban) | 200.00 | 89.00 | 111.00 (55.50 %) |
| 8 | 22 | Urban Development and Housing | 2217-05-800-7839-Urban Swachchh Bharat Mission 2.0 | 200.00 | 0.00 | 200.00 (100.00 %) |
| 9 | 33 | Tribal Affairs | 2225-02-277-7912-Maintenance of Rural Schools and other works with education Cess | 24.00 | 0.00 | 24.00 (100.00 %) |
| 10 | 33 | Tribal Affairs | 2225-02-277-9516-C.M. Rise | 50.00 | 0.00 | 50.00 (100.00 %) |
| 11 | 33 | Tribal Affairs | 4225-02-277-7912- | 23.00 | 0.00 | 23.00 |

| Table 3.13: Schemes in which budget provision was ₹10 crore or more | | | | | | |
|---|-----------|---|---|----------------------------|---------------|----------------------|
| (₹ in crore) | | | | | | |
| Sl. No. | Grant No. | Name of the Grant/ Appropriation | Name of Scheme | Total Provision (Original) | Expenditure | Saving (in per cent) |
| | | | Maintenance of Rural Schools and other works with education Cess | | | (100.00 %) |
| 12 | 33 | Tribal Affairs | 4225-02-277-9516-C.M. Rise | 350.00 | 0.00 | 350.00 (100.00 %) |
| 13 | 40 | Other expenditure pertaining to School Education Department (Excluding Primary Education) | 2202-02-109-7912-Maintenance of Rural Schools and other works with education Cess | 83.00 | 0.00 | 83.00 (100.00 %) |
| 14 | 40 | Other expenditure pertaining to School Education Department (Excluding Primary Education) | 4202-01-202-7912-Maintenance of Rural Schools and other works with education Cess | 83.00 | 0.00 | 83.00 (100.00 %) |
| 15 | 43 | Sports and Youth Welfare | 2204-103-7662-Khelo India | 25.00 | 0.00 | 25.00 (100.00 %) |
| 16 | 43 | Sports and Youth Welfare | 4202-03-003-7662-Khelo India | 20.00 | 0.00 | 20.00 (100.00 %) |
| 17 | 45 | Public Assets Management | 4059-80-051-7875-Development Works of Properties entrusted to Public Assets Management Department | 10.00 | 6.08 | 3.92 (39.20 %) |
| 18 | 50 | Horticulture and Food Processing | 2401-119-7848-Prime Minister Micro Food Enterprises Upgradation Scheme | 179.87 | 39.78 | 140.09 (77.88 %) |
| 19 | 52 | Medical Education | 4210-03-105-7853-Establishment of New Medical Colleges | 300.00 | 0.00 | 300.00 (100.00 %) |
| 20 | 58 | Expenditure on Relief on account of Natural Calamities and Scarcity | 2245-80-102-7667-Capacity Building under 15 th Finance Commission | 239.70 | 11.83 | 227.87 (95.06 %) |
| Total | | | | 7,670.29 | 255.84 | 7,414.45 |

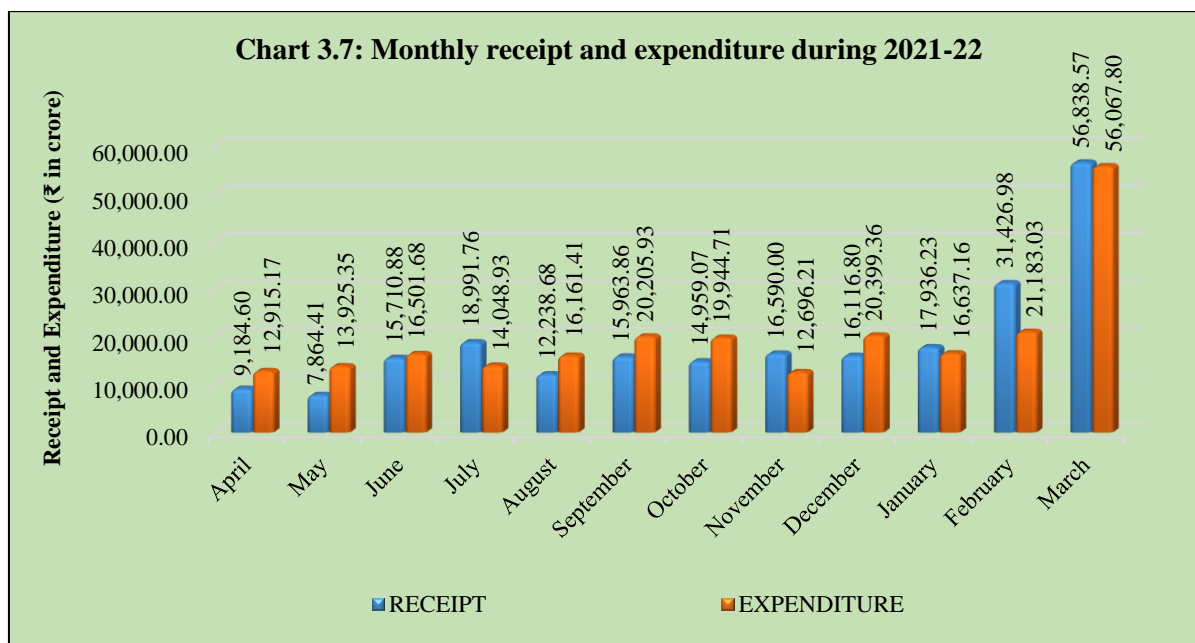
Source: Finance Accounts 2021-22

It can be seen from the above **Table 3.13** that substantial savings in newly started schemes during 2021-22 were mainly in six Grants, *i.e.* Grant No. 12 Energy, Major Head 2801-Power, 4801-Capital Outlay on Power Projects, Grant No. 19 Public Health and Family Welfare, Major Head 4210-Capital Outlay on Medical and Public Health, Grant No. 22 Urban Development and Housing, Major Head 2217-Urban Development, Grant No. 50 Horticulture and Food Processing, Major Head 2401-Crop Husbandry, Grant No. 52 Medical Education, Major Head 4210-Capital Outlay on Medical and Public Health, Grant No. 58 Expenditure on Relief on account of Natural Calamities and Scarcity, Major Head 2245-Relief on account of Natural Calamities. Out of savings of ₹7,414.45 crore an amount of ₹1,623.00 crore was surrendered, which indicates possible lack of planning, unrealistic estimation of the anticipated expenditure and inadequate budgetary monitoring.

3.12 Rush of Expenditure

As per Para 26.13 of the Madhya Pradesh Budget Manual, a rush of expenditure particularly in the closing months of the financial year, is regarded as breach of financial regularity. Further, as per the standing orders of Finance Department, the Administrative Departments should target their annual expenditure during four quarters in the first two quarters upto 45 *per cent*, in the third quarter 25 *per cent* and in the last quarter 30 *per cent* of the total expenditure for effective budget execution.

The monthly flow of receipts into the State exchequer and disbursements during 2021-22 is given in the following **Chart 3.7**.



Source: VLC Data furnished by O/o PAG (A&E)-I, Madhya Pradesh, Gwalior

As can be seen from the Chart above, the receipts were paced more or less evenly across all the months except in February and March. In the month of February there was a sudden rise because of huge receipts received under Internal Debt of the State Government, Education, Sports, Art and Culture, Land Revenue and Dividend and Profits. Similarly, in the month of March there was also a sudden rise due to more receipts received in Central Goods and Service tax, Corporation Tax, Other Taxes on Income and Expenditure, Stamps and Registration Fees, Taxes on Sales and Trade etc., Taxes and Duties on Electricity, Service Tax, Other Social Services, Forestry and Wildlife and Power during the financial year 2021-22.

The State Government incurred an expenditure of ₹56,067.80 crore, constituting about 23.29 *per cent* of the total expenditure of ₹2,40,686.74 crore¹, in March 2022 alone, of this, 100 *per cent* expenditure was incurred in 34 cases² of 16 Grants/Appropriations amounting to ₹13,683.50 crore during March 2022. Details are given in **Table 3.14**. Further it was also observed that during 2021-22, in 86 cases (32 Grants/Appropriation) more than the 50 *per cent* of the total expenditure was incurred in March 2022 as detailed in **Appendix 3.16**.

¹ Including expenditure on public debt.

² Where expenditure during last quarter exceeded ₹10 crore.

| Table 3.14: Quantum of Expenditure in March | | | | | | | |
|---|---|------------|--|------------------------------------|-------------------|---|------------|
| (₹ in crore) | | | | | | | |
| Sl. No. | Grant number and name | Scheme No. | Expenditure incurred during Jan-March 2022 | Expenditure incurred in March 2022 | Total Expenditure | Percentage of total expenditure incurred during | |
| | | | | | | Jan-March 2022 | March 2022 |
| 1 | CH-I Charged Appropriation-Public Debt | 5437 | 1,100.00 | 1,100.00 | 1,100.00 | 100.00 | 100.00 |
| 2 | CH-I Charged Appropriation-Public Debt | 6622 | 1,500.00 | 1,500.00 | 1,500.00 | 100.00 | 100.00 |
| 3 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9932 | 59.90 | 59.90 | 59.90 | 100.00 | 100.00 |
| 4 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9323 | 42.59 | 42.59 | 42.59 | 100.00 | 100.00 |
| 5 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9623 | 71.30 | 71.30 | 71.30 | 100.00 | 100.00 |
| 6 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9928 | 82.80 | 82.80 | 82.80 | 100.00 | 100.00 |
| 7 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9929 | 190.85 | 190.85 | 190.85 | 100.00 | 100.00 |
| 8 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9933 | 274.00 | 274.00 | 274.00 | 100.00 | 100.00 |
| 9 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9326 | 50.17 | 50.17 | 50.17 | 100.00 | 100.00 |
| 10 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 7824 | 550.00 | 550.00 | 550.00 | 100.00 | 100.00 |
| 11 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9930 | 142.28 | 142.28 | 142.28 | 100.00 | 100.00 |
| 12 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 7245 | 87.30 | 87.30 | 87.30 | 100.00 | 100.00 |
| 13 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9926 | 41.00 | 41.00 | 41.00 | 100.00 | 100.00 |
| 14 | CH-II Charged Appropriation-Interest Payments and Servicing of Debt | 9925 | 45.00 | 45.00 | 45.00 | 100.00 | 100.00 |
| 15 | 3-Police | 1416 | 40.00 | 40.00 | 40.00 | 100.00 | 100.00 |
| 16 | 6-Finance | 6857 | 26.59 | 26.59 | 26.59 | 100.00 | 100.00 |
| 17 | 6-Finance | 1005 | 212.23 | 212.23 | 212.23 | 100.00 | 100.00 |
| 18 | 7-Commercial Tax | 817 | 457.57 | 457.57 | 457.57 | 100.00 | 100.00 |
| 19 | 10-Forest | 8859 | 20.85 | 20.85 | 20.85 | 100.00 | 100.00 |
| 20 | 12-Energy | 7255 | 140.33 | 140.33 | 140.33 | 100.00 | 100.00 |
| 21 | 12-Energy | 3218 | 884.45 | 884.45 | 884.45 | 100.00 | 100.00 |
| 22 | 13-Farmer Welfare and Agriculture Development | 1227 | 13.80 | 13.80 | 13.80 | 100.00 | 100.00 |

Table 3.14: Quantum of Expenditure in March

| (₹ in crore) | | | | | | | |
|--------------|--|------------|--|------------------------------------|-------------------|---|---------------|
| Sl. No. | Grant number and name | Scheme No. | Expenditure incurred during Jan-March 2022 | Expenditure incurred in March 2022 | Total Expenditure | Percentage of total expenditure incurred during | |
| | | | | | | Jan-March 2022 | March 2022 |
| 23 | 13-Farmer Welfare and Agriculture Development | 7847 | 3,000.00 | 3,000.00 | 3,000.00 | 100.00 | 100.00 |
| 24 | 17-Co-operation | 9937 | 500.00 | 500.00 | 500.00 | 100.00 | 100.00 |
| 25 | 17-Co-operation | 2091 | 48.58 | 48.58 | 48.58 | 100.00 | 100.00 |
| 26 | 19-Public Health and Family Welfare | 9923 | 31.57 | 31.57 | 31.57 | 100.00 | 100.00 |
| 27 | 22-Urban Development and Housing | 7838 | 89.00 | 89.00 | 89.00 | 100.00 | 100.00 |
| 28 | 22-Urban Development and Housing | 9492 | 32.00 | 32.00 | 32.00 | 100.00 | 100.00 |
| 29 | 25-Mineral Resources | 6606 | 738.44 | 738.44 | 738.44 | 100.00 | 100.00 |
| 30 | 27-School Education (Primary Education) | 6716 | 60.00 | 60.00 | 60.00 | 100.00 | 100.00 |
| 31 | 33-Tribal Affairs | 8861 | 38.00 | 38.00 | 38.00 | 100.00 | 100.00 |
| 32 | 58-Expenditure on Relief on account of Natural Calamities and Scarcity | 475 | 2,427.00 | 2,427.00 | 2,427.00 | 100.00 | 100.00 |
| 33 | 58-Expenditure on Relief on account of Natural Calamities and Scarcity | 7024 | 600.50 | 600.50 | 600.50 | 100.00 | 100.00 |
| 34 | 61-Expenditure pertaining to Bundelkhand Package | 6080 | 85.40 | 85.40 | 85.40 | 100.00 | 100.00 |
| Total | | | 13,683.50 | 13,683.50 | 13,683.50 | 100.00 | 100.00 |

Source: Information furnished by O/o the PAG (A&E)-I, Madhya Pradesh, Gwalior

As can be seen from **Table 3.15** below, during the financial year 2021-2022, there were eight cases, where more than 50 *per cent* of the expenditure was incurred in March 2022. Out of these eight cases, huge expenditure was incurred in various schemes like Share Capital for Marketing Federation (MARKFED), Chief Minister Farmer's Co-operative Loan assistance schemes, Transfer to Reserve Fund and Deposit Account-Natural Calamities unspent margin-money fund famine relief fund, the amount received from National Contingency Disaster Relief Fund and Transfer of Mineral Surcharge to Reserve Fund under Grant No. 58 Expenditure on Relief on Account of Natural Calamities and Scarcity, Grant No. 17 Co-operation, Grant No. 11 Industrial Policy and Investment Promotion and Grant No. 25 Mineral Resources.

| Table 3.15: Grants with more than 50 per cent of expenditure in March alone | | | | | | | | | |
|---|-----------|---|---------|---------|---------|----------|----------|----------------------|---|
| (₹ in crore) | | | | | | | | | |
| Sl. No. | Grant No. | Description | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | Total | Expenditure in March | Expenditure in March as percentage of total expenditure |
| 1 | 11 | Industrial Policy and Investment Promotion | 347.92 | 332.19 | 216.28 | 1,055.40 | 1,951.79 | 1,040.18 | 53.29 |
| 2 | 17 | Co-operation | 33.19 | 28.82 | 474.14 | 1,175.08 | 1,711.23 | 1,122.25 | 65.58 |
| 3 | 25 | Mineral Resources | 9.02 | 9.61 | 10.10 | 747.08 | 775.81 | 742.81 | 95.75 |
| 4 | 45 | Public Assets Management | 0.02 | 0.05 | 4.45 | 19.33 | 23.85 | 18.61 | 78.00 |
| 5 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | 366.45 | 590.95 | 408.52 | 4,048.66 | 5,414.58 | 3,454.12 | 63.79 |
| 6 | 61 | Expenditure pertaining to Bundelkhand Package | 0.00 | 0.24 | 1.04 | 93.47 | 94.75 | 87.90 | 92.77 |
| 7 | 63 | Minority Welfare | 2.09 | 2.60 | 4.83 | 18.92 | 28.44 | 15.81 | 55.58 |
| 8 | 64 | Welfare of Backward Classes | 35.75 | 202.63 | 307.58 | 825.56 | 1,371.52 | 741.13 | 54.04 |

Source: Information furnished by O/o PAG (A&E)-I, Madhya Pradesh, Gwalior

Thus, contrary to the spirit of financial regulation, substantial expenditure was incurred by the Government at the end of the year, indicating inadequate control over the expenditure and budgetary management.

3.13 Gender Budget

Gender budget of the State discloses the expenditure proposed to be incurred within the overall budget on schemes which are designed to benefit women fully or partially. Gender budgeting was introduced in Madhya Pradesh during 2007-08. Schemes relating to gender budget were bifurcated in two categories:

Category 1: Schemes in which 100 per cent budget provisions were related to women and

Category 2: Schemes in which at least 30 per cent of budget provisions were related to women.

Gender budget was incorporated in the State budget as a significant statement highlighting the need to segregate budgetary allocations on the basis of gender under the demands for grants.

Table 3.16 shows details of budgetary provision under Gender Budget during 2017-22:

| Table 3.16: Provision under Gender Budget during 2017-22 | | | | | |
|---|---------------------|----------------|----------------|----------------|----------------|
| | (₹ in crore) | | | | |
| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Gender Budget | 47,009 | 52,344 | 58,309 | 55,244 | 60,379 |
| Total Budget | 2,06,470 | 2,38,303 | 2,56,925 | 2,35,927 | 2,82,780 |

Source: Budget Books and Appropriation Accounts of respective years

Budget allocation under Gender Budget increased by ₹5,135 crore from ₹55,244 crore in 2020-21 to ₹60,379 crore in 2021-22. This allocation was made across 28 departments on schemes designed specifically to benefit women under Category 1 and Category 2. Year-wise allocation and expenditure in respect of categories 1 and 2 for the period 2017-22 are given in **Table 3.17**:

| Table 3.17: Gender Budgetary allocations during 2017-22 | | | | | | |
|--|---------------------|--------------------|--|-------------------|--------------------|--|
| | (₹ in crore) | | | | | |
| Year | Category 1 | | | Category 2 | | |
| | Outlay | Expenditure | Percentage of expenditure to outlay | Outlay | Expenditure | Percentage of expenditure to outlay |
| 2017-18 | 2,617.70 | 2,411.88 | 92.14 | 44,391.09 | 45,689.86 | 102.93 |
| 2018-19 | 3,396.34 | 3,396.34 | 100.00 | 48,948.00 | 36,574.24 | 74.72 |
| 2019-20 | 2,695.08 | 1,611.02 | 59.78 | 55,614.20 | 50,571.92 | 90.93 |
| 2020-21 | 3,375.37 | NA* | - | 51,868.72 | NA* | - |
| 2021-22 | 1,797.05 | NA* | - | 58,582.69 | NA* | - |

Source: Information provided by Finance Department, GoMP

*NA- Information not provided by Finance Department

The State Government has not reported on the performance of Gender Budget during 2021-22 to gauge the effectiveness of the schemes targeted to benefit women. The Finance Department should insist that the respective Departments submit performance reports along with the proposal for Gender Budget of current year to bring about transparency in public spending for the socio-economic empowerment of women in the State through various schemes.

3.14 Agriculture Budget

Agriculture Budget of the State discloses the expenditure proposed to be incurred within the overall budget on schemes, which are targeted to benefit farmers. The Agriculture Budget was introduced in Madhya Pradesh during 2012-13. This budget includes the development of agriculture sector and interests of farmers activities to benefit the farmers. Agriculture Budget was incorporated in the State budget as a significant statement highlighting the need to segregate budgetary allocations based on agriculture sector under the demands for grants.

Table 3.18 shows details of provision under Farmer Welfare and Agriculture Development made by the State during 2017-22.

| Table 3.18: Budgetary allocation of Agriculture Budget vis-à-vis Farmers Welfare and Agriculture Development Grant during 2017-22 | | | | | |
|--|---------------------|----------------|----------------|----------------|----------------|
| | (₹ in crore) | | | | |
| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Farmers Welfare and Agriculture Development (Grant No. 13) | 8,383 | 16,865 | 22,609 | 14,062 | 15,991 |
| Agriculture Budget | 33,564 | 37,499 | 46,560 | 26,265 | 35,354 |

Source: Budget Books and Appropriation Accounts of respective years

Agriculture Budget allocation increased by ₹9,089 crore from ₹26,265 crore in 2020-21 to ₹35,354 crore in 2021-22. Year-wise allocation and expenditure in Farmers Welfare and Agriculture Development (Grant No. 13) during 2017-22 are given in **Table 3.19**:

| Table 3.19: Budget Allocation and Expenditure under Farmers Welfare and Agriculture Development | | | |
|--|--------------------------|--------------------|--------------------------|
| (₹ in crore) | | | |
| Year | Budget Allocation | Expenditure | Saving (Per cent) |
| 2017-18 | 8,383 | 5,183 | 3,200 (38.17) |
| 2018-19 | 16,865 | 9,746 | 7,119 (42.21) |
| 2019-20 | 22,609 | 15,021 | 7,588 (33.56) |
| 2020-21 | 14,062 | 13,542 | 520 (3.70) |
| 2021-22 | 15,991 | 15,389 | 602 (3.76) |

Source: Appropriation Accounts of respective years

As can be seen from the above Tables, there were substantial savings under Grant No. 13 during 2017-22, ranging from 3.70 per cent to 42.21 per cent.

3.15 Environment Budget

The National Environment Policy, 2006 is intended to emphasize on conservation, prevention of degradation and equity of Natural Resources. During the financial year 2020-21, Environment Budget was introduced by Madhya Pradesh State Government under Grant No. 57 Environment. The Budget includes the data relating to Environment, Waste Management, Prevention and Control of Pollution, Environment Research and Education, Environmental Protection, etc. rendered by the State Government.

During 2021-22, budget allocation of ₹25.25 crore was made under Grant No. 57 Environment, against which expenditure of ₹25.03 crore was incurred resulting in saving of only ₹0.22 crore. Further, it observed that the saving of ₹0.22 crore was surrendered after the close of the financial year which was not accepted by the PrAG (A&E)-I for inclusion in the accounts, whereas in the previous year 2020-21, the Government of Madhya Pradesh incurred ₹41.02 crore against the budget allocation of ₹41.37 crore in Major Heads 2215-Water Supply and Sanitation, 2217-Urban Development and 4217-Capital outlay on Urban Development instead of Major Head 3435-Ecology and Environment under Grant No. 57 Environment. The PrAG (A&E)-I has taken up (09 May 2022) the matter with the State Government for necessary corrections in the budget documents of 2022-23.

Budget allocation and Expenditure incurred during 2021-22 by the State Government under Grant No. 57 Environment is shown below in **Table 3.20**:

| Table 3.20: Budget Allocation and utilisation under Grant No. 57 Environment | | | | | | |
|---|------------------------------|--|-------------------------------------|--------------------|---------------|--|
| (₹ in crore) | | | | | | |
| Sl. No. | Grant Number and Name | Head of account up to minor head and name of Scheme | Total Budget Provision (O+S) | Expenditure | Saving | Percentage of utilisation w.r.t. Total Budget Provision |
| 1 | 57-Environment | 2215-02-800-Other Expenditure | 1.00 | 1.00 | 0.00 | 100.00 |
| 2 | | 2217-05-191-Assistance to Local Bodies Corporations, Urban Development Authorities, Improvement of | 17.10 | 17.10 | 0.00 | 100.00 |

Table 3.20: Budget Allocation and utilisation under Grant No. 57 Environment

| (₹ in crore) | | | | | | |
|--------------|-----------------------|---|------------------------------|--------------|-------------|---|
| Sl. No. | Grant Number and Name | Head of account up to minor head and name of Scheme | Total Budget Provision (O+S) | Expenditure | Saving | Percentage of utilisation w.r.t. Total Budget Provision |
| | | City Bodies, etc. | | | | |
| 3 | | 2215-02-106-Prevention of Air and Water Pollution | 6.90 | 6.68 | 0.22 | 96.81 |
| 4 | | 4217-01-051-Construction | 0.25 | 0.25 | 0.00 | 100.00 |
| Total | | | 25.25 | 25.03 | 0.22 | 99.13 |

Source: Finance Accounts 2021-22

3.16 Review of selected Grants

After voting on Demands for Grants in the Legislative Assembly, an Appropriation Bill is introduced for appropriation out of the Consolidated Fund of the State for moneys required to meet (a) the grants made by the Assembly and (b) the expenditure charged on the Consolidated Fund. After the Governor's assent to the Bill, amounts shown in the Appropriation Act and schedules thereof become the sanctioned grants for expenditure under various Demands.

During the year 2021-22, Audit selected two Grants, *i.e.* Grant No. 10 Forest and Grant No. 48 Narmada Valley Development, for detailed scrutiny to review compliance with prescribed budgetary procedures, monitoring of funds, control mechanisms and implementation of schemes within these grants.

3.16.1 Grant No. 10 Forest

Audit reviewed (August 2022) the budgetary procedure and control over expenditure pertaining to the Grant No. 10 Forest at the Additional Principal Chief Conservator of Forest (APCCF) (Finance & Budget), Bhopal. He is the Budget Controlling Officer (BCO) of Grant No.10. Outcome of the audit is discussed in the succeeding paragraphs.

3.16.1.1 Summarised position of Budget and Expenditure

The details of amount budgeted for and the expenditure incurred under Grant No. 10 during 2021-22 is summarised below in **Table 3.21**:

Table 3.21: Summarised Appropriation during 2021-22

| (₹ in crore) | | | | | | | | |
|--------------------------|-----------------|----------------------|-----------------|------------------------|-------------------------------|-----------------|-------------------------------|---------------|
| Section | Original Budget | Supplementary Budget | Total Budget | Budget released to BCO | Expenditure | | Savings | |
| | | | | | As per Appropriation Accounts | As per BCO | As per Appropriation Accounts | As per BCO |
| Revenue (Voted) | 1,791.39 | 26.55 | 1,817.94 | 1,797.96 | 1,524.74 | 1,512.71 | 293.20 | 285.25 |
| Revenue (Charged) | 0.80 | 0.00 | 0.80 | 0.80 | 0.53 | 0.53 | 0.27 | 0.27 |
| Capital (Voted) | 1,115.47 | 0.00 | 1,115.47 | 1,115.47 | 981.45 | 981.46 | 134.02 | 134.01 |
| Total | 2,907.66 | 26.55 | 2,934.21 | 2,914.23 | 2,506.72 | 2,494.70 | 427.49 | 419.53 |

Source: Appropriation Accounts 2021-22 and information furnished by the BCO

As can be seen from the **Table 3.21** above, under Revenue section (Voted), the savings as per Appropriation Account was ₹293.20 crore (against the allotted budget approved by the State Legislature ₹1,817.94 crore), whereas the total savings as per BCO was ₹285.25 crore (against the budget released to BCO ₹1,797.96 crore by the Finance Department).

- Such margin of savings indicates that BCO had not exercised due care while preparing estimates and also not complied with the applicable provisions of the Madhya Pradesh Budget Manual (MPBM) at the time of preparation of budget estimates.
- As per paragraph 24.9.3 of MPBM, the BCO is responsible for reconciliation of accounts maintained by BCO with those appearing in Accountant General's (AG's) books and for identifying and correcting misclassifications. The difference in figures between the O/o the PrAG (A&E)-I and the BCO is due to absence of system of non-reconciliation which was in violation of the MPBM provision.

3.16.1.2 Inflated provisions under original and supplementary grants

In the 15 Heads of Account under the Grant, where savings were ₹ five crore and above and more than the 20 *per cent* of total budget received (₹528.01 crore), significant savings of ₹218.48 crore (41.38 *per cent* of the total budget) have occurred, which indicates an improper budget estimation. Details are given in **Appendix 3.17**.

3.16.1.3 Opaqueness in Government Accounts – Operation of Minor Head 800

As per paragraph 8.3 (5) (VI) of Budget Manual volume-I, since most of the government activities are well defined in the List of Major and Minor Heads of Accounts of Union and States, issued by the Controller General of Accounts, operation of the minor head '800-Other Receipts/Expenditure' should be minimised. In case, classification of expenditure under this minor head is necessitated by special circumstances, estimates should be accompanied with a detailed explanation and would require vetting by the Accountant General.

Test check of records of APCCF (Finance/Budget), Bhopal (August 2022) revealed that huge amount was booked under the head "800- other expenses". The extent of operation of Minor Head 800 for the head of accounts 2406-01-800 and 4406-01-800 are given in **Table 3.22**:

| Table 3.22: Summarised position of minor head 800 during 2017-22 | | | | | | |
|---|-------------------------|--------------------|-------------------------|--------------------|-------------------------|--------------------|
| (₹ in crore) | | | | | | |
| Year | Major Head 2406 | | Major Head 4406 | | Total | |
| | Budget Provision | Expenditure | Budget Provision | Expenditure | Budget Provision | Expenditure |
| 2017-18 | 17.08 | 15.12 | 0.00 | 0.00 | 17.08 | 15.12 |
| 2018-19 | 18.94 | 15.02 | 22.08 | 14.24 | 41.02 | 29.26 |
| 2019-20 | 15.99 | 12.47 | 317.81 | 4.85 | 333.80 | 17.32 |
| 2020-21 | 17.14 | 15.94 | 510.12 | 465.89 | 527.26 | 481.83 |
| 2021-22 | 17.75 | 15.62 | 623.88 | 568.36 | 641.63 | 583.98 |

Source: Information furnished by BCO

The above Table depicts that booking of expenditure under the head of account 800-other receipt/expenditure has increased gradually, especially in the year 2020-21 and 2021-22.

Thus, there was lack of effort to minimising the expenditure under the minor head “800-other expenses”.

Indiscriminate booking of receipts and expenditure under Minor Head 800 affects transparency and nature of transactions and renders the accounts opaque.

Reply of the department is still awaited (October 2022).

3.16.1.4 Substantial and Persistent Savings

(a) Persistent Savings

Audit observed that in violation of paragraphs 30.1 and 30.2 of MPBM, during the last five years from 2017-18 to 2021-22, there were persistent savings of more than ₹ eight crore in six schemes ranging between 3.16 *per cent* and 84.26 *per cent* of the total budget allotment under the relevant appropriation as shown in **Table 3.23**.

| Table 3.23: List of appropriations indicating persistent savings during 2017-22 | | | | | | |
|---|---|---|-------------------|-------------------|------------------|-------------------|
| (₹ in crore) | | | | | | |
| Sl. No. | Scheme Name | Amount of Savings (Per cent to total budget allotment in the scheme) | | | | |
| | | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| 1 | 7882-Implementation of working plan | 11.45 (3.16) | 10.96 (3.21) | 70.89 (16.70) | 15.10 (4.33) | 20.74 (5.93) |
| 2 | 3730- Integrated development of Wildlife | 56.92 (19.55) | 94.14 (47.52) | 190.89 (78.62) | 40.55 (29.71) | 43.66 (43.95) |
| 3 | 7458- Composite bamboo development | 9.25 (45.00) | 151.81 (84.26) | 22.76 (63.51) | 11.60 (42.73) | 20.82 (69.39) |
| 4 | 3555-Head Quarter | 12.24 (22.94) | 13.49 (24.05) | 19.72 (33.22) | 17.47 (29.87) | 19.36 (31.69) |
| 5 | 0812-Establishment of executing organization and ranges | 245.44 (22.23) | 203.20 (18.44) | 55.13 (5.57) | 85.62 (8.09) | 174.77 (15.63) |
| 6 | 2899-National Park | 12.52 (9.98) | 15.52 (12.41) | 14.68 (11.78) | 8.68 (6.40) | 13.11 (9.71) |

Source: Information furnished by BCO

Persistent savings are indicative of unrealistic budgetary allocation, sub-optimal utilisation of budgeted funds and monitoring or resource utilisation. This also showed that budget allocations were made without considering the previous years' trends in expenditure which resulted in persistent savings.

The APCCF (Finance & Budget) stated (August 2022) that the savings was due to setting expenditure limit by Finance Department, not receiving decision of Finance Department on incurring expenditure in Central Government schemes to the extent of available funds and imposition of lockdown due to Covid-19.

The reason cited by the Department is not acceptable as the lockdown due to Covid-19 was imposed on 25 March 2020 and savings had also occurred during 2017-18 to 2021-22. These indicate that trends in previous years were not analysed while preparing the budget estimates. Substantial savings in these schemes had defeated the main objectives of the schemes and deprived the beneficiaries of the envisaged benefits of the schemes.

(b) Substantial Savings

The main objectives of the schemes under Grant No. 10 Forest are to manage forest scientifically so that forest produces may be obtained sustainably, forest produce required for local forest dwellers and supply of raw material to forest based industries.

Audit observed that during 2021-22, there were substantial savings of ₹283.32 crore in 17 schemes, where savings were ₹ five crore or more, ranging between 6.85 *per cent* and 100 *per cent* of the total budget. The details are shown in **Appendix 3.18**.

The APCCF (Finance & Budget) stated (August 2022) that the savings was due to bar of expenditure limit by Finance Department, not receiving decision of re-appropriation timely from Government and Covid-19.

The reason of Covid-19 is not acceptable as there was no lockdown in the year 2021-22 and there was lack of pursuance by the BCO to get re-appropriation timely.

3.16.1.5 Non-utilisation of entire provision

During 2021-22, in seven cases where provision was ₹ one crore or more, the entire provision of the schemes aggregated to ₹58.01 crore was not utilised by the Department from the funds released as detailed in **Table 3.24** below:

| Table 3.24: Non-utilisation of provision | | | | | |
|---|--|------------------------|------------------------------|--------------------|----------------|
| (₹ in crore) | | | | | |
| Sl. No. | Scheme head | Total provision | Funds released to BCO | Expenditure | Savings |
| 1 | 2406-01-190-0705-7458-42-007 Composite bamboo development plan (Bamboo mission, Centrally sponsored) | 3.26 | 3.26 | 0.00 | 3.26 |
| 2 | 2406-01-190-0706-7458-42-007 Composite bamboo development plan (Bamboo mission, Centrally sponsored) | 3.18 | 3.18 | 0.00 | 3.18 |
| 3 | 4406-01-102-0703-3730-54 Integrated development of Wildlife | 23.10 | 23.10 | 0.00 | 23.10 |
| 4 | 4406-01-102-0706-3730-54 Integrated development of Wildlife | 15.40 | 15.40 | 0.00 | 15.40 |
| 5 | 4406-01-101-0705-7488-42-007 National Afforestation Programme (Green India) | 6.00 | 6.00 | 0.00 | 6.00 |
| 6 | 4406-01-101-0704-7488-42-007 National Afforestation Programme (Green India) | 5.05 | 5.05 | 0.00 | 5.05 |
| 7 | 4406-01-101-0706-7488-42-007 National Afforestation Programme (Green India) | 2.02 | 2.02 | 0.00 | 2.02 |
| Total | | 58.01 | 58.01 | 0.00 | 58.01 |

Source: Information furnished by BCO

The APCCF (Finance & Budget) in its reply (August 2022) stated that the main reasons for savings were as non-approval of re-appropriation from Government.

3.16.1.6 Unnecessary supplementary provision/re-appropriation

According to paragraphs 28.8 and 28.9 of MPBM Vol-1, the primary responsibility of preparing and justifying supplementary grants rests with BCOs. Proposals for supplementary

grants or appropriation should be submitted by the controlling officer to the administrative Department concerned, who should then examine the proposals carefully and recommend to the Finance Department only those that are considered to be fully justified.

Audit observed that during the year 2021-22, supplementary provision/re-appropriation amounting to ₹34.91 crore proved unnecessary in six schemes, as the expenditure was not even upto the level of original provision, as detailed in **Table 3.25** below:

| Table 3.25: Details of unnecessary supplementary provision/re-appropriation of provision | | | | | | |
|---|--|---------------------------------------|-------------------------|--------------|--------------------|----------------|
| (₹ in crore) | | | | | | |
| Sl. No. | Schemes | Original Provision³ | Re-appropriation | Total | Expenditure | savings |
| 1 | 10-2406-01-190-0705-7458-42-007 Composite bamboo development plan (Bamboo mission, Centrally sponsored) | 0.00 | 3.26 | 3.26 | 0.00 | 3.26 |
| 2 | 10-2406-01-190-0706-7458-42-007 Composite bamboo development plan (Bamboo mission, Centrally sponsored) | 0.00 | 3.18 | 3.18 | 0.00 | 3.18 |
| 3 | 10-4406-01-102-0706-3730-54 Integrated development of Wildlife | 0.00 | 15.40 | 15.40 | 0.00 | 15.40 |
| 4 | 10-4406-01-101-0705-7488-42-007 National Afforestation Programme (Green India) | 0.00 | 6.00 | 6.00 | 0.00 | 6.00 |
| 5 | 10-4406-01-101-0704-7488-42-007 National Afforestation Programme (Green India) | 0.00 | 5.05 | 5.05 | 0.00 | 5.05 |
| 6 | 10-4406-01-101-0706-7488-42-007 National Afforestation Programme (Green India) | 0.00 | 2.02 | 2.02 | 0.00 | 2.02 |
| Total | | 0.00 | 34.91 | 34.91 | 0.00 | 34.91 |

Source: Information furnished by BCO

This indicates that proposals for supplementary budget were sent to the Finance Department without assessing the actual requirement. As unnecessary provisioning reflects injudicious budgetary exercise, robust checks should be put in place to avoid such occurrences. Further, re-appropriation of funds, which is an exercise of the grant controlling authorities with reference to the budget/expenditure, needs to be carried out with rigorous checks, to ensure that funds are spent for envisaged purposes.

The APCCF (Finance & Budget) in reply (August 2022) stated that expenditure could not be incurred due to non-approval of re-appropriation from Government.

3.16.1.7 Surrender of funds by DDOs

Scrutiny of records made available by the BCO (APCCF, Finance & Budget) revealed that in eight cases, more than 50 *per cent* of budget allocated to DDOs during 2021-22 remained unutilised. Details are shown in **Table 3.26** below:

³ Token Money.

| Table 3.26: Statement showing significant non-utilisation of funds by DDOs | | | | | | |
|--|---|----------------------------------|------------------|--------------|--------------|---|
| (₹ in lakh) | | | | | | |
| Sl. No. | Name of Scheme | Budget Allotment to DDOs 2021-22 | Utilised by DDOs | Savings | Surrender | Percentage non-utilisation of funds by DDOs |
| 1 | 10-2406-02-110-0101-2899-33-006 National Park (Establishment) | 0.26 | 0.00 | 0.26 | 0.26 | 100.00 |
| 2 | 10-2406-01-001-0101-3555-22-006 Head Quarters | 7.50 | 0.98 | 6.52 | 6.52 | 86.94 |
| 3 | 10-4406-01-800-9668-22-001 CAMPA Interest | 2.00 | 0.00 | 2.00 | 2.00 | 100.00 |
| 4 | 10-4406-01-800-9668-22-009 CAMPA Interest | 10.00 | 0.27 | 9.73 | 9.73 | 97.30 |
| 5 | 10-4406-01-800-9668-16-009 CAMPA Interest | 21.00 | 0.70 | 20.30 | 20.30 | 96.67 |
| 6 | 10-4406-01-800-9668-22-007 CAMPA Interest | 5.00 | 0.45 | 4.55 | 4.55 | 91.00 |
| 7 | 10-4406-01-800-9668-31-007 CAMPA Interest | 3.00 | 0.35 | 2.65 | 2.65 | 88.34 |
| 8 | 10-4406-01-800-9668-11-009 CAMPA Interest | 10.00 | 0.63 | 9.37 | 9.37 | 93.70 |
| Total | | 58.76 | 3.38 | 55.38 | 55.38 | 94.25 |

Source: Information furnished by BCO

As can be seen from **Table 3.26** above, the budget allotted to DDOs was ₹58.76 lakh, against which, ₹3.38 lakh was utilised, resulting in unspent balance of ₹55.38 lakh. This indicates that the BCO had prepared the budget estimates on *ad hoc* basis, without assessing the actual requirement and without proposals from DDOs.

The APCCF (Finance & Budget) in reply (August 2022) stated that remaining amounts were surrendered by the Department (May 2022) but it was not accepted by the O/o The PrAG (A&E)-I due to delay in receipt of sanctions after closing and finalisation of the accounts.

3.16.1.8 Non-surrender of savings within prescribed time

According to paragraph 26.9 of the MPBM Vol-I, statements of anticipated savings in expenditure are required to be submitted by the Budget Controlling Officers to the Finance Department by 15th January for each financial year so that resources can be allocated by the Finance Department to other Demands for Grants.

During 2021-22, in 48 schemes, savings aggregating to ₹427.00 crore (14.55 *per cent*) of total provision of ₹2,934.21 crore⁴ were proposed for surrender in the month of March 2022 (31.3.2022) but approval of Government was not found on record. However, the total savings during the year 2021-22 was only ₹419.53 crore against the total budget released to BCO of ₹2,914.23 crore. As per information provided (August 2022) by the PrAG (A&E)-I, Madhya Pradesh, Gwalior, the proposal for surrender was received (03.06.2022) after the cut-off dated (10.05.2022) and hence was not accepted.

⁴ As per Budget Books.

It was further observed that according to IFMIS ₹449.78 crore was not released to DDOs by the BCO.

The APCCF (Finance & Budget) did not offer any comment regarding delay in surrender (October 2022).

3.16.1.9 Preparation of budget estimates on *ad hoc* basis

As per paragraphs B-7 and B-8 of MPBM Vol-I (Part-B), all BCOs are responsible for collating estimates of expenditure and receipts prepared by the DDOs under them as well as for preparing estimates of off budget funds likely to be received for departmental schemes during the ensuing financial year and for finalisation of estimates of expenditure and receipts, BCOs should collate all estimates prepared by DDOs and review the same.

During Audit it was observed (August 2022) that while preparing the budget estimates by the BCO, information was not collated from the DDOs before finalisation of the budget estimates. Further, it was observed that the department had spent only ₹2,494.70 crore against the allotted amount of ₹2,914.23 crore, which indicates that budget estimates were made without following the provision of said Manual and without assessing the actual requirement at DDOs level, which resulted in blockage of funds as well as violation of said provisions.

On this being pointed out, APCCF (Finance & Budget) while admitting the facts (October 2022) stated that budget estimates were prepared on the basis of information called for from the budget managers.

The fact however remains that budget estimate were prepared on an arbitrary basis, without following the set procedures.

3.16.2 Grant No. 48 Narmada Valley Development

Audit reviewed (July 2022) the budgetary procedure and control over expenditure pertaining to Grant No. 48 Narmada Valley Development. The Chairman, Narmada Valley Development Authority, Bhopal is the Budget Controlling Officer (BCO) of Grant No. 48.

3.16.2.1 Summarised position of Budget and Expenditure

The details of amount budgeted for and the expenditure incurred under Grant No. 48 Narmada Valley Development during 2021-22 is summarised below in **Table 3.27**:

| Table 3.27: Summarised Appropriation during 2021-22 | | | | | | | | |
|---|-----------------|----------------------|-----------------|------------------------|-------------------------------|-----------------|-------------------------------|-----------------|
| Section | Original Budget | Supplementary Budget | Total Budget | Budget released to BCO | Expenditure | | Savings | |
| | | | | | As per Appropriation Accounts | As per BCO | As per Appropriation Accounts | As per BCO |
| Revenue (Voted) | 14.04 | 0.88 | 14.92 | 14.92 | 12.74 | 12.79 | 2.18 | 2.13 |
| Capital (Voted) | 3,665.13 | 3,185.48 | 6,850.61 | 6,850.61 | 4,763.00 | 4,763.96 | 2,087.61 | 2,086.65 |
| Capital (Charged) | 1.00 | 0.00 | 1.00 | 1.00 | 0.46 | 0.46 | 0.54 | 0.54 |
| Total | 3,680.17 | 3,186.36 | 6,866.53 | 6,866.53 | 4,776.20 | 4,777.21 | 2,090.33 | 2,089.32 |

Source: Appropriation Accounts 2021-22 and information furnished by the BCO

As can be seen from **Table 3.27** above, under Capital Section (Voted), the original budget as approved by the legislature was ₹6,850.61 crore and actual budget released to Budget Controlling Officers (BCO) by Finance Department (FD) ₹6,850.61 crore (100.00 *per cent*).

Similarly, against the total provision of ₹14.92 crore under Revenue Section (Voted), actual budget released to BCO was ₹14.92 crore (100.00 *per cent*).

As per Appropriation Accounts 2021-22, against the provision of ₹6,866.53 crore, an expenditure of ₹4,776.20 crore was incurred resulting in unspent provision of ₹2,090.33 crore (30.44 *per cent*). Further, as per the records of BCO, against the total budget released to BCO ₹6,866.53 crore, an expenditure of ₹4,777.21 crore was incurred resulting in an unspent amount of ₹2,089.32 crore (30.43 *per cent*). Out of the total savings of ₹2,089.32 crore at BCO level ₹191.74 crore (9.20 *per cent*) was released during the month of February and March 2022.

Such margin of savings, indicates that the BCO had not given due care during estimation and also not complied with the applicable provisions of the Madhya Pradesh Budget Manual (MPBM) at the time of preparation of the Budget Estimates.

3.16.2.2 Persistent Savings

Audit observed that in violation of paras 30.1 and 30.2 of Madhya Pradesh Budget Manual, during the last four years from 2018-19 to 2021-22, there were persistent savings of ₹ one crore and above in seven schemes ranging between 5.32 *per cent* and 69.38 *per cent* of the total budget allotment as shown in **Table 3.28** below:

| Table 3.28: Schemes indicating persistent savings during 2018-22 | | | | | |
|--|---|---|------------------|------------------|------------------|
| (₹ in crore) | | | | | |
| Sl. No. | Scheme Name | Amount of Savings (Per cent to total budget allotment in the scheme) | | | |
| | | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| 1 | 2428-Executive Establishment (Unit-I and Unit-II) | 35.58 (38.43) | 16.48 (16.39) | 17.08 (18.00) | 27.14 (26.55) |
| 2 | 2872-Bargi Canal Diversion | 12.54 (33.53) | 4.96 (12.75) | 6.89 (18.16) | 11.78 (28.72) |
| 3 | 3561-Headquarter Establishment | 20.03 (69.38) | 3.22 (13.01) | 6.46 (23.88) | 13.38 (40.27) |
| 4 | 4406-Expenditure for land acquisition and other work in submerged area and Sardar Sarovar | 16.47 (26.83) | 13.80 (21.12) | 11.16 (17.70) | 17.30 (25.44) |
| 5 | 5287-Director and Staff of land acquisition and rehabilitation, Khandwa | 1.76 (51.39) | 1.51 (41.07) | 1.37 (37.51) | 1.36 (37.54) |
| 6 | 8191-Headquarter Establishment (Unit-II) | 12.23 (30.33) | 3.75 (9.23) | 6.54 (15.76) | 11.92 (26.87) |
| 7 | 9091-Omkareshwar Project | 7.14 (7.89) | 10.04 (10.07) | 4.27 (5.32) | 21.08 (15.40) |

Source: Information furnished by BCO

Reasons for persistent savings were mainly in the activities i.e., salary allowances and Maintenance. This shows poor budgetary monitoring or shortfall in performance or both and also shows that budget allocations were made without considering the previous years' trends in expenditure which resulted in persistent savings.

3.16.2.3 Substantial Savings

The main objective of the schemes under Grant No. 48 Narmada Valley Development is to prepare a detailed plan to avoid exploitation of the water resources of the Narmada river and its tributaries and to undertake all necessary major engineering works for the harnessing of the river and its tributaries for the purpose of irrigation, power, navigation flood control and other development works.

Audit observed that during 2021-22, there were substantial savings of ₹2,040.27 crore in 20 schemes, where savings were ₹ five crore or more and ranging between 5.30 *per cent* and 97.87 *per cent*. The details are shown in **Appendix 3.19**.

Out of total Savings of ₹2,040.27 crore an amount ₹1,732.98 crore (84.94 *per cent*) occurred mainly in three schemes which are shown in **Table 3.29** below:

| Table 3.29: List of schemes indicating Substantial savings during 2021-22 | | | | | | | | | |
|---|---|------------------|----------------------|------------------|-----------------|------------------------|-----------------|-----------------|-------------------------------|
| (₹ in crore) | | | | | | | | | |
| Sl. No. | Scheme | Budget Provision | Supplementary Budget | Re-appropriation | Total provision | Budget released to BCO | Expenditure | Savings | Savings (in <i>per cent</i>) |
| 1 | 2333-Narmada Basin Company Limited investment | 300.00 | 1,500.00 | 0.00 | 1,800.00 | 300.00 | 300.00 | 1,500.00 | 83.33 |
| 2 | 1406-Kali Sindh Link Project | 275.00 | 282.20 | (-)5.00 | 552.20 | 435.00 | 435.00 | 117.20 | 21.22 |
| 3 | 1953-Narmada Paravati Link Project | 400.00 | 515.78 | (-)44.00 | 871.78 | 756.00 | 756.00 | 115.78 | 13.28 |
| Total | | 975.00 | 2,297.98 | (-)49.00 | 3,223.98 | 1,491.00 | 1,491.00 | 1,732.98 | 53.75 |

Source: Information furnished by BCO

On being asked about the reasons for savings, the Department replied (31.03.2022) that the savings were due to non-receipt of necessary approval from the government for investment in Narmada Basin Project Company Limited.

Further, it was also observed that the supplementary budget of ₹2,297.98 crore was released in the month of December 2021 and ₹1,732.98 crore remained unspent against it which shows that the controlling officer of the concerned administrative department recommended for supplementary budget without examining which shows budget utilisation was without planning and monitoring. Huge savings of 53.75 *per cent* in these three schemes had defeated the main purpose of the schemes.

3.16.2.4 Preparation of budget estimates on *ad hoc* basis

As per para B-7 & B-8 of Madhya Pradesh Budget Manual Vol-I (Part-B), all BCOs are responsible for collating estimates of expenditure and receipts from the DDOs under them as well as estimates of Off Budget funds likely to be received for departmental schemes during the ensuing financial year for finalisation of estimates of expenditure and receipts. BCOs should collate all estimates prepared by DDOs and review the same.

However, during audit of Grant No. 48 Narmada Valley Development, it was observed that department had spent ₹4,777.21 crore against the allotted budget amount ₹6,866.53 crore released to BCO. This indicates that the budget estimate was prepared on *ad hoc* basis. Non-compliance to provisions of Budget Manual resulted in unnecessary supplementary provisions and substantial savings which indicate that either the budgeting was done without due prudence or there were serious slippages in programme implementation.

3.16.2.5 Non-utilisation of provision

During 2021-22, in seven schemes where provision was ₹ one crore in each scheme was not utilised for that particular scheme/purpose intended to and the unspent amount was either re-appropriated or surrendered at the end of the financial year 2021-22 resulting in savings of entire provision and the provision of ₹ one crore in each scheme remained unutilised as detailed in **Table 3.30**.

| Table 3.30: Non-utilisation of provision | | | | | | | | |
|--|---------------------------------|--|-----------------|------------------|----------------|--------------|-------------|-------------|
| (₹ in crore) | | | | | | | | |
| Sl. No. | Scheme head | Nomenclature | Original Budget | Re-appropriation | Surrender | Total Budget | Expenditure | Savings |
| 1 | 48-4700-80-800-0101-6399-64-001 | 6399-Indira Sagar Project (Unit-I) | 1.00 | (-)0.90 | (-)0.10 | 0.00 | 0.00 | 1.00 |
| 2 | 48-4700-80-800-0101-9662-64-001 | 9662- Hoshangabad Bairaj Project | 1.00 | (-)1.00 | 0.00 | 0.00 | 0.00 | 1.00 |
| 3 | 48-4700-80-800-0101-9663-64-001 | 9663-Handia Project | 1.00 | (-)1.00 | 0.00 | 0.00 | 0.00 | 1.00 |
| 4 | 48-4801-01-203-0101-6403-64-001 | 6403-Payment of share of Indira Sagar Project (Unit-I) to NSDC | 1.00 | (-)0.90 | (-)0.10 | 0.00 | 0.00 | 1.00 |
| 5 | 48-4801-01-800-0101-8824-64-001 | 8824-Raghubar Project | 1.00 | (-)0.98 | (-)0.02 | 0.00 | 0.00 | 1.00 |
| 6 | 48-4801-01-800-0101-8825-64-001 | 8825-Basaniya Project | 1.00 | (-)0.98 | (-)0.02 | 0.00 | 0.00 | 1.00 |
| 7 | 48-4801-001-0101-8808-64-002 | 8808-Work related to Information Technology | 1.00 | (-)0.24 | (-)0.76 | 0.00 | 0.00 | 1.00 |
| Total | | | 7.00 | (-)6.00 | (-)1.00 | 0.00 | 0.00 | 7.00 |

Source: Information furnished by O/o PAG (A&E)-I, M.P., Gwalior

Thus, the provision in the above seven schemes remained unutilised which indicates unrealistic budget provisioning by concerning BCO of Departments.

3.16.2.6 Non-Submission of Utilisation Certificates (UCs)

The State Financial Rules provide that every order sanctioning a grant would specify its objective clearly, as well as the time limit within which the grant is to be spent. The departmental officers drawing the Grants-in-Aid would be primarily responsible for certifying to the Accountant General, where necessary, the fulfilment of the conditions attached to the grant and submission of certificates (Utilisation Certificates) in such form and at such interval as may be agreed between the PrAG (A&E)-I and the Head of the Department concerned.

In terms of Rule 179 and 182 of the Madhya Pradesh Financial Code, Utilisation Certificates in respect of Grants-in-Aid received by the grantee should be furnished by the grantee to the authority that sanctioned it on or before 1st June every year, following from the date of receipt of grant or before applying for a further grant on the same object, whichever is earlier. Audit observed that in five projects, Utilisation Certificates amounting of ₹115.14 crore were outstanding as on 31 March 2022, as depicted in **Table 3.31**.

| Table 3.31: Statement showing Outstanding Utilisation Certificate during 2017-22 | | | | | | | |
|---|-------------------------------|---|----------------|----------------|----------------|----------------|---------------|
| (₹ in crore) | | | | | | | |
| Sl. No. | Name of the Project | Outstanding Utilisation Certificates | | | | | |
| | | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Total |
| 1 | Indira Sagar Project-I&II | 7.34 | 0.00 | 0.00 | 0.00 | 0.00 | 7.34 |
| 2 | Indira Sagar Project-III | 51.29 | 2.08 | 0.00 | 0.00 | 0.00 | 53.37 |
| 3 | Omkareshwar Canal Project-II | 2.67 | 0.00 | 0.00 | 0.00 | 0.00 | 2.67 |
| 4 | Omkareshwar Canal Project-III | 5.55 | 0.00 | 0.00 | 0.00 | 0.00 | 5.55 |
| 5 | Bargi Diversion Project-III | 0.00 | 0.00 | 16.48 | 0.00 | 29.73 | 46.21 |
| Total | | 66.85 | 2.08 | 16.48 | 0.00 | 29.73 | 115.14 |

Source: Information furnished by the BCO

Further, it was also observed that Government of India (GoI) released ₹277.78 crore for Indira Sagar Project, Omkareshwar Canal Project and Bargi Diversion Project as central share during 2017-18 to 2021-22, against which Utilisation Certificates of ₹162.64 crore were issued, an amounting to ₹115.14 crore still outstanding, its Department-wise break-up is given in **Appendix 3.20**. Pending submission of Utilisation Certificates, there is no assurance that the amount had reached the beneficiaries and thus the expenditure cannot be vouched as correct or final.

The Departmental authorities have not yet explained as to how an amount of ₹115.14 crore was spent over the years. It is therefore 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. In the absence of the Utilisation Certificates, it could not be ascertained whether the recipients had utilised the grants for the purposes for which those were given. Huge pendency in submission of Utilisation Certificates is fraught with the risk of fraud and misappropriation of funds.

3.17 Conclusion

Against the total provision of ₹2,82,779.61 crore during 2021-22, an expenditure of ₹2,42,993.35 crore was incurred leading to a saving of ₹39,786.26 crore (14.07 per cent). Out of the savings, an amount of ₹19,756.35 crore was allowed to lapse and the departments surrendered ₹19,978.53 crore (99.74 per cent of total surrendered amount of ₹20,029.91 crore) on the last day of the financial year.

Excess expenditure of ₹1,678.00 crore pertaining to 12 Grants and seven Appropriations for the years 2011-21 was yet to be regularised as per Article 205 of the Constitution of India.

Supplementary Grants/Appropriations and Excessive/Unnecessary/Inadequate Re-appropriation of funds were obtained without adequate justification which shows lack of coordination between the Finance and the line Departments.

Out of total 3,937 sub-heads, explanation for variations in expenditure with reference to approved budgetary allocations, were required in 1,063 sub-heads, but the required explanations were received in only 493 cases (46.38 per cent).

3.18 Recommendations

- i) An appropriate control mechanism needs to be instituted by the State Government to enforce proper implementation and monitoring of budget to ensure that savings are curtailed, large savings within the Grant/Appropriation are controlled and anticipated savings are identified and surrendered within the specified time frame.
- ii) The State Government should ensure that the excess expenditure over the past years should be regularised by the State Legislature at the earliest on priority basis.
- iii) The State Government should ensure that the unnecessary supplementary provisions and injudicious re-appropriation/surrender are avoided.
- iv) Controlling Officers need to be made aware of their responsibilities to explain the variation in expenditure from the allocation to facilitate proper analysis of budget and preparation of more meaningful Appropriation Accounts.

Chapter 4

QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES

Chapter 4-Quality of Accounts and Financial Reporting Practices

This Chapter provides an overview on the quality of accounts and compliance of the State Government in its 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.

Issues related to completeness of accounts

4.2 Accounting of cess

4.2.1 Building and Other Construction Workers Welfare Cess

Building and Other Construction Workers (BOCW) Welfare Cess is levied under the provisions of the BOCW Welfare Act, 1996.

In terms of the provisions of the BOCW Welfare Act, the Government of Madhya Pradesh constituted (April 2003) the Madhya Pradesh Building and Other Construction Workers Welfare Board (Board). The Board was assigned with duty to regulate the employment and conditions of service of Building and Other Construction Workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto. The Board had fixed cess at the rate of one *per cent* of the cost of construction to be collected from the employers for utilising it in implementation of its schemes. Various Government Departments collect the cess and must remit the same to the Board within one month of collection/deduction.

Section 27(1) of BOCW Welfare Act requires the Board to maintain proper accounts and other relevant records and prepare an annual statement of accounts in such forms as may be prescribed.

As per practice, the labour cess collected under the provisions of the BOCW Welfare Act is deposited into the bank accounts of the Board.

Audit has observed that the Board had not prepared annual statement of accounts since 2013-14. Despite drawing attention of the State Government to this issue year after year in the Audit Reports of the CAG, the situation remains the same.

Details of receipts and expenditure of labour cess during 2017-22 are given in **Table 4.1**.

| Table 4.1: Details of receipts and expenditure of cess during 2017-22 | | | | | | | | | |
|--|-----------------|--------------------------|----------------------|----------------------|-----------------------------------|-----------------------|-------------|-----------------|--|
| (₹ in crore) | | | | | | | | | |
| Year | Opening Balance | Amount of cess collected | Registration charges | Interest on deposits | Capital amount and other receipts | Total funds available | Expenditure | Closing Balance | Percentage of utilisation of available funds |
| 2017-18 | 1,793.60 | 377.80 | 0.00 | 116.29 | 0.11 | 2,287.80 | 261.70 | 2,026.10 | 11.44 |
| 2018-19 | 2,026.10 | 548.32 | 0.00 | 112.93 | 7.59 | 2,694.94 | 314.15 | 2,380.79 | 11.66 |
| 2019-20 | 2,380.79 | 565.38 | 0.00 | 147.91 | (-)6.84 | 3,087.24 | 584.43 | 2,502.81 | 18.93 |
| 2020-21 | 2,502.81 | 437.39 | 0.00 | 139.29 | 0.00 | 3,079.49 | 453.09 | 2,626.40 | 14.71 |
| 2021-22 | 2,626.40 | 522.51 | 0.00 | 108.73 | 0.69 | 3,258.33 | 1,119.72 | 2,138.61 | 34.36 |

Source: Information provided by Madhya Pradesh Building and other Construction Workers Welfare Board, Bhopal

In the absence of certified annual accounts, Audit cannot comment on the correctness of accounts. The Government should review the performance of the Board in the light of the facts that accounts have not been prepared and/or submitted to the Accountant General and funds remaining unutilised.

4.2.2 Labour Cess

The State Government notified various schemes/activities *viz.*, maternity benefits, pension, advance for purchase/construction of houses, funeral assistance, medical assistance, cash awards for meritorious students, financial assistance for education/marriage of children of beneficiaries, *etc.*, for benefit of the construction workers from the BOCW Welfare Fund. Details of expenditure in this regard during 2017-22 are given in **Table 4.2**:

| Table 4.2: Expenditure on schemes against available funds | | | | | | | |
|--|-----------------|------------------------------|-----------|-----------------|--------------------|--------------------|-----------------|
| (₹ in crore) | | | | | | | |
| Year | Available funds | Budget allotment for schemes | | Scheme operated | | Registered workers | Workers covered |
| | | No. of schemes | Allotment | No. of schemes | Actual Expenditure | | |
| 2017-18 | 2,287.80 | 24 | 233.10 | 21 | 287.98 | 25,87,175 | 4,98,182 |
| 2018-19 | 2,694.94 | 24 | 76.01 | 24 | 316.83 | 12,19,230 | 3,63,289 |
| 2019-20 | 3,087.24 | 24 | 304.84 | 24 | 350.16 | 13,12,673 | 1,75,702 |
| 2020-21 | 3,079.49 | 19 | 258.55 | 19 | 279.85 | 10,99,497 | 56,318 |
| 2021-22 | 3,258.33 | 19 | 551.52 | 19 | 569.49 | 13,32,899 | 96,971 |

Source: Information provided by Madhya Pradesh Building and other Construction Workers Welfare Board, Bhopal

As is evident from the above Table, the Board could utilise only 17.48 *per cent* of the available funds and only 7.28 *per cent* of the registered workers were benefited under various schemes, *viz.* education scholarship, accommodation, medical aid, *etc.* during 2021-22.

For most of the schemes which the Building and Other Construction Workers Welfare Board is operating for the welfare of construction workers, corresponding schemes also exists that are being operated by the State Government. Hence, the Board may consider concentrating on those welfare activities which are not implemented by the State Government in their existing schemes.

Further, the Government should review the performance of the Board with reference to the activities being taken by the Board and the accounting and management of funds, especially in the light of huge sums remaining unutilised.

4.2.3 Non-transfer of Labour Cess to Board

As per information provided by Madhya Pradesh Building and Other Construction Workers Welfare Board, the State Government collected cess amounting to ₹3,469.13 crore during the period 2011-12 to 2021-22. However, an amount of ₹8.50 crore was pending for transfer for a period ranging between one and 10 years. The details are given in **Table 4.3** below:

| Table 4.3: Workers' Welfare Cess collected and credited to the Board | | | |
|---|---------------------------------|-------------------------------------|---|
| (₹ in lakh) | | | |
| Financial Year | Amount of Cess collected | Amount credited to the Board | Amount not credited to the Board |
| 2011-12 | 13,654.55 | 13,560.79 | 93.76 |
| 2012-13 | 22,576.05 | 22,303.72 | 272.33 |
| 2013-14 | 26,449.51 | 26,220.71 | 228.80 |
| 2014-15 | 30,393.02 | 30,294.52 | 98.50 |
| 2015-16 | 28,643.93 | 28,578.47 | 65.46 |
| 2016-17 | 34,699.78 | 34,659.48 | 40.30 |
| 2017-18 | 28,195.10 | 28,152.94 | 42.16 |
| 2018-19 | 35,190.36 | 35,184.51 | 5.85 |
| 2019-20 | 31,115.68 | 31,115.63 | 0.05 |
| 2020-21 | 43,741.86 | 43,740.57 | 1.29 |
| 2021-22 | 52,252.68 | 52,251.36 | 1.32 |
| Total | 3,46,912.52 | 3,46,062.70 | 849.82 |

Source: Information provided by Madhya Pradesh Building and other Construction Workers Welfare Board, Bhopal

The Board stated (September 2022) that the amount remained non-credited as the same was received through cheques which were dishonoured by the bank. The Board further stated that the dishonoured Cheques had been returned to the agencies/Departments concerned for renewal.

Consequently, Due to non-transfer of Workers' Welfare Cess amount, the Board incurred loss of interest on the non-transferred amount.

The reply indicates lackadaisical approach of the Board towards ensuring proper and timely receipt of funds. Despite non-receipt of the dishonoured/ timebarred cheques after renewal, the board has not made any efforts to follow up with the Departments.

4.3 Loans of State Government not being credited to the Consolidated Fund (Off Budget Borrowings)

The borrowings of the State Government are governed by Article 293 (1) of the constitution of India. Off budget borrowings or off-budget financing generally refer to use of those financial resources by the Government for meeting expenditure requirements in a particular year or years, which are not reflected in the budget for that year/those years for seeking grant/appropriation, hence remaining outside legislative control. They are financed through Government owned or controlled public sector enterprises of departmental commercial undertaking, which raise the resources through market borrowing on behalf of the Government. Therefore, off-budget borrowing/financing involve payment of interest on recurrent basis and repayment of the borrowings from budget as and when it is due.

Borrowings by State Public Sector companies/corporations, special purpose vehicles (SPVs) and other equivalent instruments where principal and/or interest are to be serviced out of the State budgets and/or by assignment of taxes/cess or any other states revenue during last three year is given in **Table 4.4**.

| Table 4.4: Borrowings by State Public Sector Companies/Corporations | | | | |
|--|--|--------------------|--|---|
| (₹ in crore) | | | | |
| Financial year | Name of State PSU/undertaking or any other entity under the control of the State Government | Fund raised | Source of revenue/tax/cess of the State from which the principal and/or interest is to be repaid | Purpose for which funds has been raised |
| 2019-20 | Madhya Pradesh Urban Development Co. Limited | 478.48 | Cess of two <i>per cent</i> on stamp duty in Urban Local Bodies area for deposit into Stamp Duty surcharge fund (Reserved) for repayment of Loan under the State Budget head 1425. | Chief Minister Urban Infrastructure and Development fund Phase II and Pradhan Mantri Awas Yojana. |
| | Urban Administration and Housing Department | 50.32 | | Mukhya Mantri Swachh Peyjal Yojana |
| | Madhya Pradesh Poorva Kshetra Vidyut Vitaran Company Ltd. Jabalpur | 109.61 | State Revenue | Capex Projects (Integrated Power Development Scheme/DeenDayal Upadhyaya Gram Jyoti Yojana) |
| | Madhya Pradesh Kshetra Vidyut Vitaran Company Ltd. Bhopal | 98.94 | State Revenue | Capex Projects (Integrated Power Development Scheme/DeenDayal Upadhyaya Gram Jyoti Yojana) |
| | Total | 737.35 | | |
| 2020-21 | Madhya Pradesh Urban Development Co. Limited | 151.33 | Cess of two <i>per cent</i> on stamp duty in Urban Local Bodies area for deposit into Stamp Duty surcharge fund (Reserved) for repayment of Loan under the State Budget head 1425. | Chief Minister Urban Infrastructure and Development fund Phase II |
| | Urban Administration and Housing Department | 24.99 | | Mukhya Mantri Swachh Payjal Yojana |
| | Madhya Pradesh Poorva Kshetra Vidyut Vitaran Company Ltd. Jabalpur | 72.41 | State Revenue | Capex Projects (Integrated Power Development Scheme/DeenDayal Upadhyaya Gram Jyoti Yojana) |
| | Madhya Pradesh Kshetra Vidyut Vitaran Company Ltd. Bhopal | 27.67 | State Revenue | Capex Projects (Integrated Power Development Scheme/DeenDayal Upadhyaya Gram Jyoti Yojana) |
| | Narmada Basin Projects Company Ltd. (MP. Govt. Undertaking) | 978.60 | Dividend receipts from NHDC and revenue receipts from SSP on account of energy | Construction of multiple irrigation projects of Narmada Valley Development Authority under MP Govt. |
| | Total | 1,255.00 | | |
| 2021-22 | Madhya Pradesh Urban Development Co. Limited | 223.20 | Cess of two <i>per cent</i> on stamp duty in Urban Local Bodies area for deposit into Stamp Duty surcharge fund (Reserved) for repayment | Chief Minister Urban Infrastructure and Development fund Phase II |
| | Urban Administration and Housing Department | 65.27 | | Mukhya Mantri Swachh Peyjal Yojana |

| Financial year | Name of State PSU/undertaking or any other entity under the control of the State Government | Fund raised | Source of revenue/tax/cess of the State from which the principal and/or interest is to be repaid | Purpose for which funds has been raised |
|----------------|---|---------------|--|---|
| | | | of Loan under the State Budget head 1425. | |
| | Narmada Basin Projects Company Ltd. (MP. Govt. Undertaking) | 287.77 | Dividend receipts from NHDC and revenue receipts from SSP on account of energy | Construction of multiple irrigation projects of Narmada Valley Development Authority under MP Govt. |
| | Total | 576.24 | | |

Source: Finance Department

During 2021-22 off budget fiscal operation such as borrowings by State Public Sector Companies, special purpose vehicles and other equivalent instrument on behalf of the State Government where the principal and/or interest are to be serviced out of the State budget is ₹576.24 crore and it decreased by ₹678.76 crore when compared to previous year.

The borrowings of these concerns ultimately turn out to be the liabilities of the State Government and the Government had been repaying the loans availed of by these Companies/Corporations including interest through regular budget provision under capital account.

4.4 Non-discharge of liability in respect of interest towards interest bearing deposits

The Government has liability to provide and pay interest on the amount in the interest bearing deposits (Major Heads of Account 8338 to 8342). Further, as per order of the Ministry of Finance, Department of Expenditure, O/o Controller General of Accounts order dated 2 September 2008, the contributions made by Government employees, as also the matching contributions paid by the Government, were retained by the Government below the Major Head-8342-Other Deposits-117-Defined Contribution Pension Scheme under Public Account of India and interest as applicable under the GPF (CS) Rules was allowed thereon. The details of liability in respect of interest towards interest bearing deposits is given in **Table 4.5**:

| Table 4.5: Non discharge of liability in respect of interest towards interest bearing deposits | | | |
|--|-------------------------|--|------------------------------------|
| (₹ in crore) | | | |
| Name of the Interest bearing deposit | Balance on 1 April 2021 | Balance as 31 st March 2022 | Amount of Interest not provisioned |
| Defined Contribution Pension Scheme for Government Employees | 20.39 | 20.29 | 1.45 |

Source: Finance Accounts 2021-22

As can be seen from the above table, ₹20.29 crore related to Defined Contribution Pension Scheme for Government Employees under Major Head-8342-Other Deposits-117 was available as on 31 March 2022. The entire above amount should have been transferred to the individual pension account along with interest thereon but the same was not transferred. Due to this the GoMP was required to pay interest of ₹1.45 crore (calculated at the rate of 7.10 per cent taking into account the conservative estimate of the borrowing cost). Non-payment of the interest by the State Government resulted in overstatement of Revenue Surplus by ₹1.45 crore.

4.5 Funds Transferred Directly to State Implementing Agencies

The Government of India schemes are implemented by the State Implementing Agencies. In April 2014, the Government of India decided that all assistance to implementing agencies under Centrally Sponsored Schemes would be provided through the State Government. Thus the Annual Finance Accounts of the State would provide a complete picture of all the resources under the control of the State Government. However, Government of India released ₹64.96 crore directly to Implementing Agencies in Madhya Pradesh during 2021-22 as against ₹27.09 crore in 2020-21, an increase of 139.79 *per cent*. This constituted 0.03 *per cent* of total Revenue Receipts (₹1,85,875.85 crore) and 0.19 *per cent* of Grants-in-Aid (₹34,792.13 crore). The State Government accounts for the year 2021-22 depicts ₹25,487.96 crore under central share of Centrally Sponsored to the extent of ₹64.96 crore, the assets created and employment generated to the public were out of the State Government Accounts making it incomplete.

Details of funds transferred directly to State Implementing Agencies in respect of the Centrally Sponsored Schemes during the year 2021-22 are shown in **Table 4.6**:

| Table 4.6: Fund transferred directly to State Implementing Agencies | | | |
|--|--|---|--|
| (₹ in lakh) | | | |
| Sl. No. | Name of the Schemes of Government of India | Name of the Implementing Agencies | Government of India releases during 2021-22 |
| 1 | Rashtriya Pashudhan Vikas Yojana | M.P. Rajya Pashudhan Evam Kukkut Vikas Nigam-(MPLPDC) | 3,715.24 |
| 2 | National Food Security Mission | M.P. Rajya Beej Evam Farm Vikas Nigam | 453.22 |
| 3 | Conservation of Aquatic ECO Systems | Environment Planning and Coordination Organisation (EPCO) | 2.75 |
| 4 | Integrated Scheme on Agriculture Census and Statistics | Rajmata Vijayaraje Scindia Krishi Vishwa Vidyalaya (RVSKVV) | 4.30 |
| 5 | Rashtriya Gokul Mission | M.P. Rajya Pashudhan Evam Kukkut Vikas Nigam-(MPLPDC) | 2,309.72 |
| 6 | Paramparagat Krishi Vikas Yojana | Biocert International Private Limited, Best Recognition Private Limited | 10.64 |
| Total | | | 6,495.87 |

Source: Finance Accounts 2021-22

As can be seen from the above Table, ₹6,024.96 lakh was released to Madhya Pradesh Rajya Pashudhan Evam Kukkut Vikas Nigam under the scheme Rashtriya Gokul Mission and Rashtriya Pashudhan Vikas Yojana, which was 92.75 *per cent* of the total released amount. Further, Audit observed that the amount released to Madhya Pradesh Rajya Pashudhan Evam Kukkut Vikas Nigam in 2021-22 was higher about 185 *per cent* as compared to the amount released ₹2,113.44 lakh in 2020-21.

4.6 Amount lying in the bank account of Single Nodal Agency

In accordance with the directions of Ministry of Finance, Government of India, funds received by the State Government under Centrally Sponsored Schemes (CSS) are restricted for use by the State Government and was required to be transferred to concerned Single Nodal Agency's (SNA's) account within a period of 21 days of its receipt.

In compliance with GoI's directions, the State Government has transferred CSS funds amounting to ₹26,399.11 crore to SNA accounts. As on 31 March 2022, an amount of ₹8,132.33 crore including both Central and State Share, remained unspent in Accounts of Single Nodal Agencies in respect of 82 schemes. The details are given in **Appendix 4.1**.

4.7 Deposit of Local Funds

Madhya Pradesh Panchayati Raj Act, 1993 provides that Zila Parishad (ZP), Panchayat Samiti (PS) and Gram Panchayat (GP) would maintain Zila Parishad Fund, Panchayat Samiti Fund and Gram Panchayat Fund respectively (under Major Head 8448- Deposits of Local Funds-109-Panchayat Bodies Funds) which would include all the money realised or realisable under the Act and all money otherwise received by the PRIs, such as grants received from Central Finance Commission and State Government as part of the State Finance Commission award and its own revenue, which includes tax and non-tax receipts of a Panchayat. Similarly, Section 86 of Madhya Pradesh Municipal Corporation Act, 1956 envisages that the Municipal Fund is to be held by the Corporation in trust. All the money realised or realisable under this Act and all money otherwise received by the Municipalities are kept in the Municipal Fund under Major Head 8448- Deposits of Local Funds-102-Municipal Funds. The position of Deposits of Local Funds in PRI's and Municipal Fund from 2017-18 to 2021-22 is given in **Table 4.7**:

| Table 4.7: Deposit of Local Funds | | (₹ in lakh) | | | | |
|--|-----------------|--------------------|----------------|----------------|----------------|----------------|
| | | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| District Funds- 8448-101 | Opening Balance | 1.08 | 396.87 | 1,258.94 | 1,258.94 | 1,346.59 |
| | Receipts | 395.79 | 862.07 | -- | 87.65 | 2.15 |
| | Expenditure | -- | -- | -- | -- | -- |
| | Closing Balance | 396.87 | 1,258.94 | 1,258.94 | 1,346.59 | 1,348.75 |
| Municipal Funds- 8448-102 | Opening Balance | 24.04 | 47.45 | 1,479.55 | 1,993.32 | 2,964.70 |
| | Receipts | 23.41 | 1,432.10 | 513.77 | 971.38 | 154.68 |
| | Expenditure | -- | -- | -- | -- | -- |
| | Closing Balance | 47.45 | 1,479.55 | 1,993.32 | 2,964.70 | 3,119.38 |
| Panchayat Bodies Funds- 8448-109 | Opening Balance | 672.15 | 1,331.54 | 1,332.75 | 1,361.40 | 1,361.41 |
| | Receipts | 659.39 | 1.21 | 28.65 | 0.01 | -- |
| | Expenditure | -- | -- | -- | -- | -- |
| | Closing Balance | 1,331.54 | 1,332.75 | 1,361.40 | 1,361.41 | 1,361.41 |
| Other Funds- 8448-120 | Opening Balance | 2,57,070.72 | 4,19,882.11 | 5,48,203.10 | 6,95,251.96 | 9,49,270.35 |
| | Receipts | 1,72,949.57 | 1,71,789.38 | 1,98,276.57 | 2,55,156.85 | 1,17,131.72 |
| | Expenditure | 10,138.18 | 43,468.39 | 51,227.71 | 1,138.46 | 6,041.62 |
| | Closing Balance | 4,19,882.11 | 5,48,203.10 | 6,95,251.96 | 9,49,270.35 | 10,60,360.45 |

Source: Finance Accounts of the respective years

As can be seen from the above Table, no expenditure is being done from the Major Heads 8448-101-District Funds, 8448-102-Municipal Funds and 8448-109-Panchayat Bodies Funds in the last five years but funds are continuously being deposited in these heads. Non-utilisation of funds resulting in accumulation and idling of funds has also deprived the intended beneficiaries from getting benefits from the schemes.

Reasons for year on year continues transfer of funds despite insignificant expenditure has not been intimated to Audit.

4.8 Delay in Submission of Utilisation Certificates

The State Financial Rules provide that every order sanctioning a grant would specify its objective clearly, as well as the time limit within which the grant is to be spent. The departmental officers drawing the Grants-in-Aid would be primarily responsible for certifying to the Accountant General, where necessary, the fulfillment of the conditions attached to the grant and submission of certificate (Utilisation Certificate) in such form and at such interval as may be agreed between the Accountant General (Accounts and Entitlement) and the Head of the Department concerned.

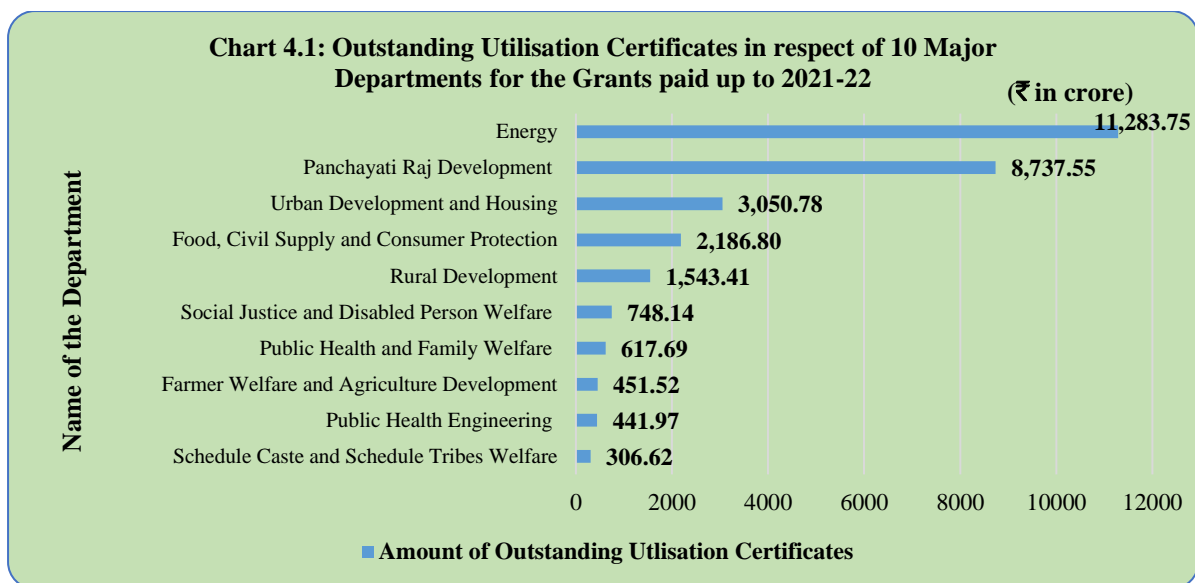
In terms of Rule 182 to 184 of the Madhya Pradesh Financial Code, Utilisation Certificates in respect of Grants-in-Aid received by the grantee should be furnished by the departmental officers to the Accountant Generals on or before 30 September every year. To the extent of non-submission of Utilisation Certificates, there is a risk that the amount shown in Finance Accounts may not have reached the beneficiaries.

As on 31 March 2022, a total of 20,114 Utilisation Certificates involving ₹30,926.48 crore which have become due were not submitted by the bodies and authorities of the State against the Grants-in-Aid provided by 29 Departments. Age-wise details of delays in submission of Utilisation Certificates is given in **Table 4.8**:

| Table 4.8: Year-wise breakup of pending Utilisation Certificates | | |
|--|------------------------------------|------------------|
| | | (₹ in crore) |
| Year | Number of Utilisation Certificates | Amount |
| Upto 2013-14 | 19,553 | 13,209.63 |
| 2014-15 | 02 | 401.49 |
| 2015-16 | 09 | 39.18 |
| 2016-17 | 02 | 5.15 |
| 2017-18 | 0 | 0.00 |
| 2018-19 | 20 | 479.56 |
| 2019-20 | 14 | 1,398.95 |
| 2020-21 | 0 | 0.00 |
| 2021-22 | 514 | 15,392.52 |
| Total | 20,114 | 30,926.48 |

Source: Information furnished by O/o PAG (A&E)-I, Madhya Pradesh, Gwalior

As can be seen from the above Table, 43 *per cent* amount of outstanding utilisation certificates pertain to the period prior to 2014-15, while 50 *per cent* amount of outstanding utilisation certificates pertain to 2021-22 only. Department-wise break-up of outstanding Utilisation Certificates for the grants paid up to the year 2021-22 is given in **Appendix 4.2**. The Departmental authorities have not yet explained as to how an amount of ₹30,926.48 crore was spent over the years. It is therefore 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. In the absence of accountability for expenditure relating to funds provided as far back as eight years or more, the possibility of misappropriation of these funds cannot be ruled out. Further, delay in submission of Utilisation Certificates may affect receipt of performance grants from GoI. Status of outstanding Utilisation Certificates in respect of 10 Major Departments is given in **Chart 4.1**:



Source: Information furnished by O/o Principal Accountant General (A&E)-I, Madhya Pradesh, Gwalior

In the absence of the Utilisation Certificates, it could not be ascertained whether the recipients had utilised the grants for the purposes for which those were given. Huge pendency in submission of Utilisation Certificates is fraught with the risk of fraud and misappropriation of funds. Despite drawing attention of the State Government to this issue year after year in the Audit Reports of the CAG, there has been no improvement.

State Government needs to institute a rigorous monitoring mechanism to identify the issue holding up submission of UCs and ensure that the Departments comply with the prescribed rules and procedures with regard to timely submission of UCs.

4.9 Recording of Grantee Institution as “Others”

There is a mechanism of giving institute code to various bodies and authorities receiving Grants-in-Aid from the Government. These grants are also recorded in Voucher Level Computerisation system of the Office of the PrAG (A&E)-I and submission of UCs is monitored against outstanding amount for each institute. Needless to say, for this system to work, grantee institute should be recorded properly.

Finance Accounts reflect an amount of ₹36,883.42 crore (55.38 *per cent* of total grants-in-aid ₹66,597.97 crore) during the year 2021-22 as having been disbursed to Grantee Institutions of type “Others”. Details of total funds released to Grantee Institutions as “Others” during the years 2017-22 is given in **Table 4.9**:

| Table 4.9: Details of funds released to Grantee Institutions as “Others” during 2017-22 | | | | | |
|--|--------------|-----------|-----------|-----------|-----------|
| | (₹ in crore) | | | | |
| Name of Grantee | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Others | 9,024.21 | 12,451.13 | 36,343.51 | 34,137.57 | 36,883.42 |
| Total Grants-in-Aid | 53,454.99 | 54,428.05 | 65,258.33 | 64,270.95 | 66,597.97 |
| Percentage of others to total GIA | 16.88 | 22.88 | 55.69 | 53.11 | 55.38 |

Source: Finance Accounts of the respective years

As can be seen from the above Table, a significant portion of total Grants-in-Aid is being disbursed to Grantee Institutions of type “Others” during 2017-22. The percentage of funds

disbursed to Grantee Institution as “Others” during 2017-22 varies from 16.88 *per cent* to 55.69 *per cent*.

In the absence of proper code, outstanding amounts against all institutes cannot be worked out. Since grants-in-aid constitute a significant portion of the total expenditure of the State, it is essential that the Government provides the details and nature of the Grantee Institution to which it is providing funds, in the interests of transparency of accounts.

4.10 Personal Deposit Accounts

Personal Deposit (PD) Accounts are Deposit Accounts kept in Treasuries in the name of the Administrators of the Accounts. The moneys are placed under 8443-Civil Deposits-106 Personal Deposit. These accounts can be opened with the approval of the Finance Department. The unspent balances in PD Accounts are required to be transferred back to the Consolidated Fund before the end of the financial year and if an eventuality so arises, the PD Accounts may be opened again in the next year.

PD Accounts which remain inoperative for three years continuously should be closed by the Treasury Officer and balances should be transferred to Government Account after following the prescribed procedure.

Previous CAG Audit Reports have repeatedly commented on violation of financial provisions by several departments of the Government of Madhya Pradesh, where unspent funds are routinely transferred to various Personal Deposit Accounts under the Public Account to avoid lapse of grant at the end of the financial year.

The age-wise analysis of Personal Deposit Accounts for the period from 2017-22 is given in **Table 4.10**:

| Table 4.10: Age-wise position of Personal Deposit Accounts | | | | | | | | |
|--|-----------------|----------|--------------------------|-------------------------|-----------------------------|---------------------------------|-----------------|----------|
| (₹ in crore) | | | | | | | | |
| Year | Opening Balance | | Addition during the year | Receipt during the year | Expenditure during the year | Accounts closed during the year | Closing Balance | |
| | Number | Amount | Number | Amount | Amount | Number | Number | Amount |
| 2017-18 | 799 | 5,350.37 | 63 | 1,653.50 | 1,633.81 | 15 | 847 | 5,370.06 |
| 2018-19 | 847 | 5,370.06 | 168 | 4,868.83 | 6,300.41 | 284 | 731 | 3,938.48 |
| 2019-20 | 731 | 3,938.48 | 70 | 9,267.05 | 6,936.83 | 0 | 801 | 6,268.70 |
| 2020-21 | 801 | 6,268.70 | 23 | 7,561.86 | 8,867.97 | 8 | 816 | 4,962.59 |
| 2021-22 | 816 | 4,962.59 | Nil | 4,064.64 | 6,390.83 | 2 | 814 | 2,636.40 |

Source: Finance Accounts of the respective years

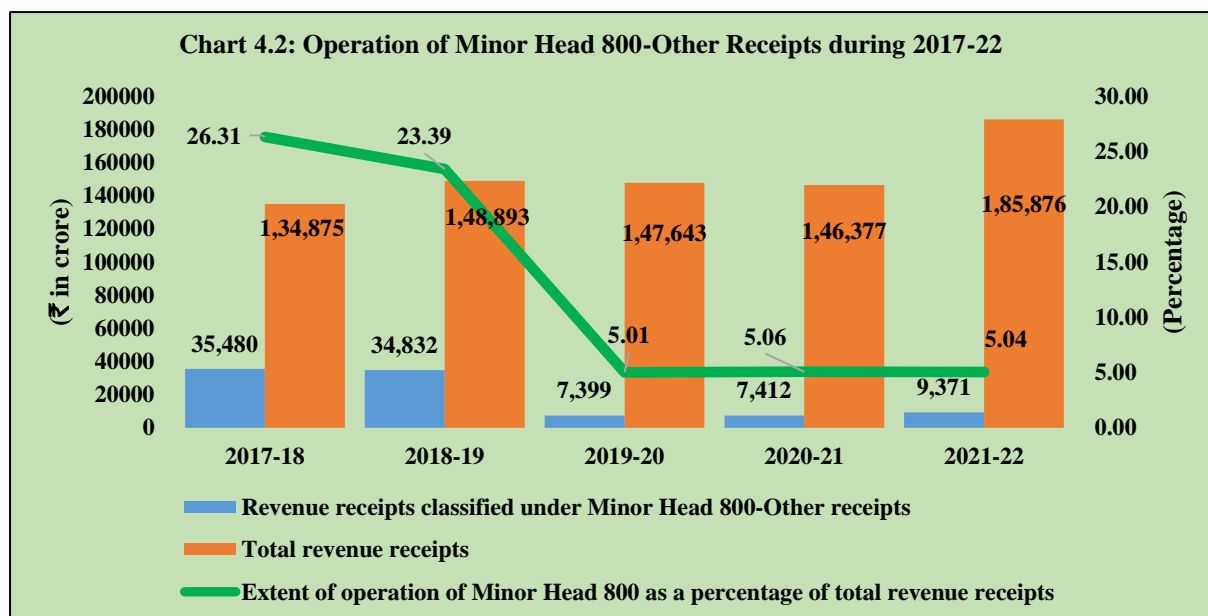
Analysis of above table revealed that, out of 814 Personal Deposit Accounts as on 31 March 2022, 253 Personal Deposit Accounts had negative balances (amounting to ₹2,570.37 crore) and 234 Personal Deposit Accounts involving ₹132.74 crore (167 Personal Deposit Accounts with ₹319.45 crore and 67 Personal Deposit Accounts with (-) ₹186.71 crore) were inoperative for more than three years. The details of inoperative Personal Deposit Accounts are given in **Appendix 4.3**. The closing balance in PD accounts indicated that the administrators did not close the PD accounts by minus debit to the relevant service head at the close of financial year. Non transfer of unspent balances lying in the PD accounts to Consolidated Fund of the State entails the risk of misuse of public fund, fraud and misappropriation.

4.11 Use of Minor Head 800

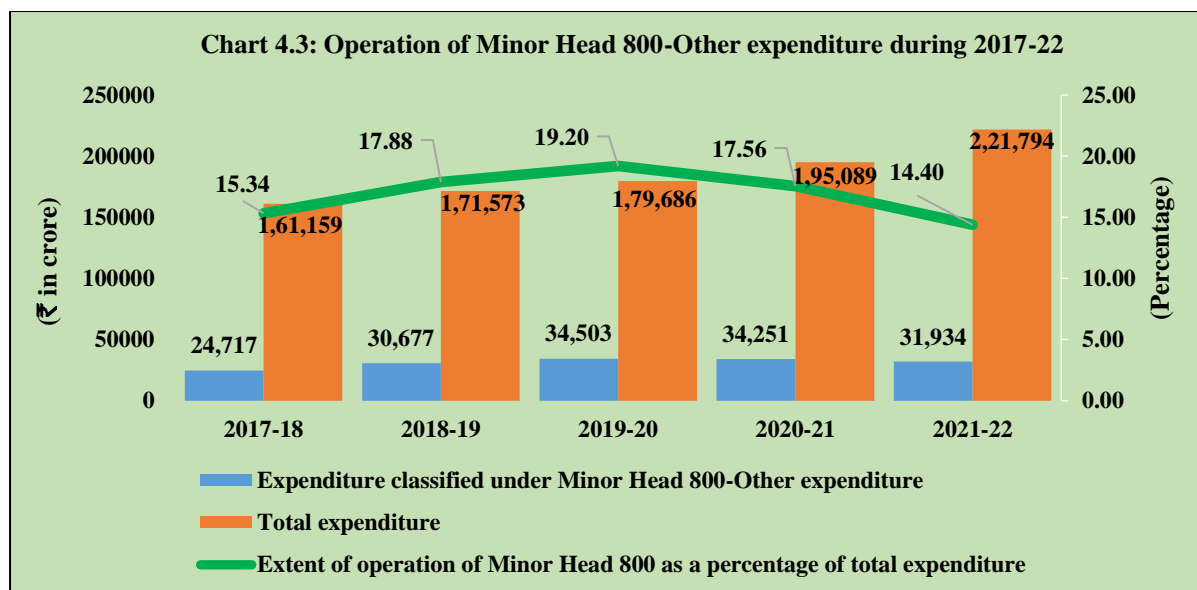
The omnibus Minor Head 800 relating to Other Receipts/Other Expenditure is to be operated only in cases where the appropriate Minor Head has not been provided under a Major Head in the accounts. Indiscriminate booking of receipts and expenditure under Minor Head 800 affects transparency and nature of transactions, and renders the accounts opaque.

Receipts of ₹9,371.07 crore, constituting 5.04 *per cent* of the total Revenue Receipts (₹1,85,875.85 crore) were recorded under 49 Major Heads, and classified under the Minor Head '800-Other Receipts' in the Accounts during 2021-22. Similarly, expenditure of ₹31,934.23 crore under 66 Major Heads of accounts constituting 14.40 *per cent* of the total expenditure (₹2,21,794.41 crore) were classified under the Minor Head '800-Other Expenditure' in the accounts under 42 Revenue and 24 Capital Major Heads of Accounts during 2021-22.

The extent of operation of Minor Head 800 for receipts and expenditure, as a percentage of Total Receipts and Expenditure during 2017-22, is given in **Charts 4.2** and **4.3**:



Source: Finance Accounts of the respective years



Source: Finance Accounts of the respective years

Audit noted that there was a substantial reduction of the operation of the Minor Head 800 in Receipts during the last three years. However, there was no significant reduction in expenditure. The fact that such substantial proportion of receipts and expenditure are booked under the Minor Head 800 is a cause of serious concern, since it severely impacts transparency of accounts.

Instances where a substantial portion (50 *per cent* or more of the total receipts/expenditure under the Major Head concerned) of the receipts/expenditure have been classified under Minor Head 800-Other Receipts/Expenditure are given in **Appendices 4.4** and **4.5** and summarised in **Table 4.11**:

| Table 4.11: Amount booked under Minor Head 800- 'Other Receipts' and 'Other Expenditure' | | | | |
|--|------------------------|--|------------------------|---|
| Particulars | Receipts | | Expenditure | |
| | Amount (₹ in crore) | Heads of Account | Amount (₹ in crore) | Heads of Account |
| 100 <i>per cent</i> | 996.95 | 0801, 1452 | 1,809.54 | 2250, 2705, 2852, 4070, 4705, 4875, 5475 |
| Between 75 <i>per cent</i> and 99 <i>per cent</i> | 408.68 | 0059, 0211, 0215, 0217, 0220, 0235, 0404, 0435, 0700, 0702, 0852 | 12,666.69 | 2702, 2851, 4515, 4700, 4701 |
| Between 50 <i>per cent</i> and 74 <i>per cent</i> | 445.54 | 0029, 0403, 0408 | 4,141.79 | 2204, 2217, 3454, 4403, 4406 |
| Less than 50 <i>per cent</i> | 7,519.90 | Other Major Heads | 13,316.21 | Other Major Heads |
| Total | 9,371.07 | | 31,934.23 | |

Source: Finance Accounts 2021-22

Further, Audit examined selected cases of booking under Minor Head 800, and noted that in some instances, a valid Minor Head, other than 800 was available in the List of Major and Minor Head (LMMH) for booking these transactions which is summarised in **Table 4.12** and details are given in **Appendix 4.6**.

Table 4.12: Booking under Minor Head 800 instead of Valid Minor Head

| (₹ in crore) | | | |
|--|--|--|---|
| Entity Name | Expenditure booked under Minor Head 800- Other expenditure | Major Head | Minor head to be used |
| Madhya Pradesh Power Management Company Limited | 1,908.00 | 2801-Power | 190- 'Assistance to public sector and other undertakings' |
| Madhya Pradesh Urban Development Company Limited, | 686.48 | 6217- Loans for Urban Development, 2217- Urban Development | 190- 'Loans to public sector and other undertakings', 190- 'Assistance to public sector and other undertakings' |
| Madhya Pradesh Metro Rail Corporation Limited | 161.00 | 6217- Loans for Urban Development, 4217- Capital Outlay on Urban Development | 190- 'Loans to public sector and other undertakings', 190 Investments in public sector and other undertakings |
| Madhya Pradesh Rajya Pashudhan and Kukkut Vikas Nigam | 5.40 | 2403- Animal Husbandry | 190- 'Assistance to public sector and other undertakings' |
| Madhya Pradesh State Co-operative Marketing Federation Limited | 16.52 | 2401- Crop Husbandary | 195- 'Assistance to farming cooperation |
| Total | 2,777.40 | | |

4.12 Outstanding balances under Suspense and Debt, Deposit and Remittance (DDR) Heads

Certain intermediary/adjusting heads of accounts known as 'Suspense heads' are opened in Government accounts to reflect transactions of receipts and payments which cannot be booked to a final head of accounts due to lack of information, such as non-furnishing of Schedule of Settlement by the Treasuries/PAOs, non-receipt of clearance memos from RBI, non-receipt of vouchers, *etc.* These heads of accounts are finally cleared by minus debit or minus credit when the accounts under them are booked to their respective final heads of accounts. If these amounts remain uncleared, the balance under the suspense heads would accumulate and would not reflect Government's receipts and expenditure accurately.

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 under various heads, (-) ₹251.45 crore (debit) under Major Head 8658 and ₹5,499.15 crores (credit) under Major Head 8782 as on 31 March 2022. The position of main components under Suspense and Remittances heads for the last three years is given in **Table 4.13:**

| Table 4.13: Balances under Suspense and Remittance Heads | | | | | | |
|--|--------------|-------------|--------------|-------------|--------------|-------------|
| (₹ in crore) | | | | | | |
| Major/Minor Head | 2019-20 | | 2020-21 | | 2021-22 | |
| 8658 - Suspense Accounts | Dr. | Cr. | Dr. | Cr. | Dr. | Cr. |
| 101 – Pay and Accounts Office Suspense | 48.60 | 47.70 | 394.24 | 93.49 | 545.43 | (-)200.10 |
| Net | Dr. 0.90 | | Dr. 300.75 | | Dr. 745.53 | |
| 102 - Suspense Account (Civil) | 0.19 | 0.01 | 0.19 | 0.01 | 0.19 | 0.01 |
| Net | Dr. 0.18 | | Dr. 0.18 | | Dr. 0.18 | |
| 107 - Cash Settlement Suspense Account | 141.60 | 28.05 | 141.60 | 28.05 | 141.60 | 28.05 |
| Net | Dr. 113.55 | | Dr. 113.55 | | Dr. 113.55 | |
| 110 - Reserve Bank Suspense – Central Account Office | 1,810.57 | 3.82 | 1,365.14 | 4.59 | 436.59 | 5.47 |
| Net | Dr. 1,806.75 | | Dr. 1,360.55 | | Dr. 431.12 | |
| 112 - Tax Deducted at Source (TDS) Suspense | -- | 177.45 | -297.06 | 233.26 | (-)297.06 | 319.97 |
| Net | Cr. 177.45 | | Cr. 530.32 | | Cr. 617.03 | |
| 113-Provident Fund Suspense | 14.55 | -- | 12.40 | -- | 9.05 | -- |
| Net | Dr. 14.55 | | Dr. 12.40 | | Dr. 9.05 | |
| 123 - AIS Officers Group Insurance Scheme | 3.06 | 13.88 | 3.69 | 14.57 | 4.06 | 15.18 |
| Net | Cr. 10.82 | | Cr. 10.88 | | Cr. 11.12 | |
| 129-Material Purchase Settlement suspense Account | 36.10 | 223.11 | 36.10 | 223.11 | 36.10 | 223.11 |
| Net | Cr. 187.01 | | Cr. 187.01 | | Cr. 187.01 | |
| 139-GST-Tax Deducted at Source Suspense | 77.21 | 96.16 | 341.66 | 394.91 | 676.97 | 1,089.01 |
| Net | Cr. 18.95 | | Cr. 53.25 | | Cr. 412.04 | |
| 8782-Cash Remittances | | | | | | |
| 102 – Public Works Remittances | 1,38,040.17 | 1,42,048.94 | 1,52,426.98 | 1,57,465.68 | 1,68,749.56 | 1,75,495.91 |
| Net | Cr. 4,008.77 | | Cr. 5,038.70 | | Cr. 6,746.35 | |
| 103 – Forest Remittances | 4,492.03 | 4,607.38 | 4,499.40 | 4,572.31 | 4,505.36 | 4,581.45 |
| Net | Cr. 115.35 | | Cr. 72.91 | | Cr. 76.09 | |
| 110-Miscellaneous Remittances | 8,554.27 | 7,287.74 | 8,708.39 | 7,417.03 | 8,826.65 | 7,503.25 |
| Net | Dr. 1,266.53 | | Dr. 1,291.36 | | Dr. 1,323.40 | |

Source: Finance Accounts of the respective years

The above Table reflects the net balances under Suspense and Remittance Heads. 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.

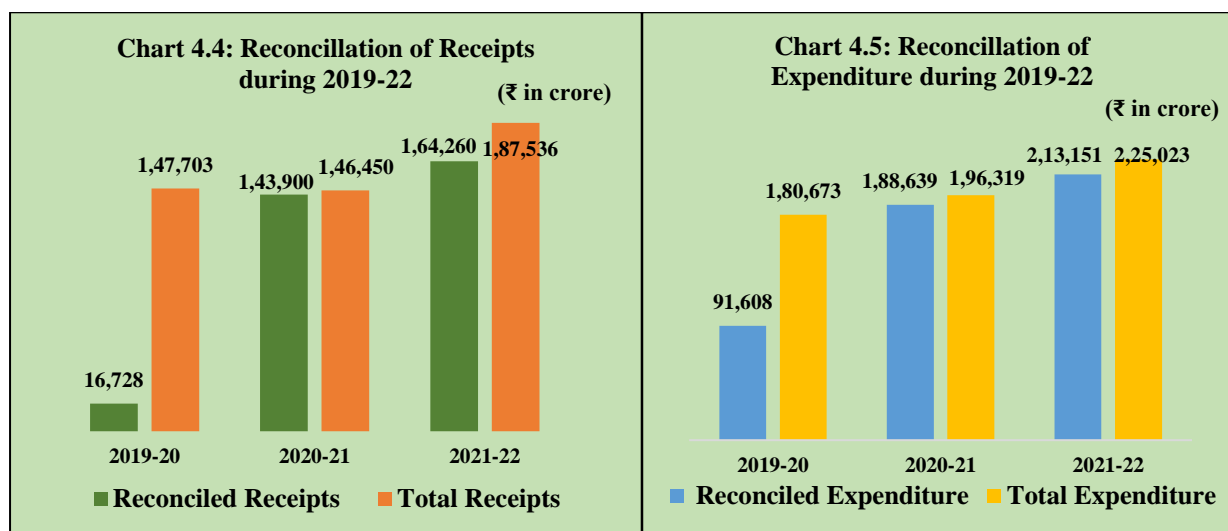
4.13 Reconciliation of Accounts

Para 24.9.3 of the Madhya Pradesh Budget Manual requires all Controlling Officers (COs) to reconcile the receipts and expenditure of the Government with the figures accounted for by the Principal Accountant General. In Madhya Pradesh, instead of Budget Controlling Officers,

Directorate of Treasuries and Accounts is primarily reconciling the figures with the A&E office.

During 2021-22, Directorate of Treasuries and Accounts has reconciled expenditure of ₹2,13,151.46 crore (94.72 *per cent* of the total expenditure of ₹2,25,023.10 crore under Revenue and Capital Expenditure) and receipt of ₹1,64,260.33 crore (87.59 *per cent* of total receipts of ₹1,87,535.72 crore under Revenue and Miscellaneous Capital Receipts).

The status of reconciliation of receipts and expenditure figures during the last three-year period 2019-22 is shown in **Chart 4.4** and **4.5**:



Source: Information furnished by O/o Principal Accountant General (A&E)-I, Madhya Pradesh, Gwalior

After the introduction of system of online reconciliation by the Directorate of Treasury and Accounts in July 2020, Audit observed that there has been significant improvement in the reconciliation process since 2020-21.

4.14 Reconciliation of Cash Balances

1. The date-wise monthly sheets along with pension payment scroll are also being furnished by the bank branches to the Treasuries.
2. The corresponding bank scrolls are being furnished by the bank branches to the Treasuries as required under the directives of RBI.
3. As on 31 March 2022, there was a difference of ₹960.69 crore (Cr) between the Cash Balance of the State Government as per the Books of Accounts of the Principal Accountant General (A&E) (₹1,117.71 crore (Cr)) and the Cash Balance as reported by the Reserve Bank of India (₹157.02 crore (Dr)). The difference of ₹960.69 crore was due to incorrect reporting by Agency Bank and Treasury Officers.

4.15 Compliance with Accounting Standards

Government Accounting Standards Advisory Board (GASAB), set up by the Comptroller and Auditor General of India in 2002, has been formulating standards for government accounting and financial reporting, to enhance accountability mechanisms. As of end of March 2022, 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 Madhya Pradesh in its financial statements for the year 2021-22 are given in **Table 4.14**:

| Table 4.14: Compliance with Accounting Standards | | | |
|--|--|--------------------|---|
| IGAS | Essence of IGAS | Status | Impact of non-compliance |
| IGAS 1 <i>Guarantees given by Government – Disclosure requirements</i> | This standard requires the government to disclose the maximum amount of guarantees given during the year in its financial statements, along with additions, deletions, invoked, discharged and outstanding at the end of the year. | Partially Complied | State Government disclosed in final accounts the maximum amount guaranteed during the year 2021-22, along with additions during the year, discharged, invoked and outstanding as of end of March 2022. |
| IGAS 2 <i>Accounting and Classification of Grants-in-Aid</i> | Grants-in-Aid are to be classified as revenue expenditure in the accounts of the grantor and as revenue receipts in the accounts of the grantee, irrespective of the end use. | Not complied | State Government classified GIA amounting to ₹596.42 crore as Capital expenditure instead of as Revenue expenditure. Non-compliance led to overstatement of Revenue surplus and overstatement of Capital expenditure. |
| IGAS 3 <i>Loans and Advances given by Government</i> | This Standard relates to recognition, measurement, valuation and reporting in respect of loans and advances made by the Government in its Financial Statements to ensure complete, accurate and uniform accounting practices. | Partially complied | Disclosures regarding “Write-off of irrecoverable loans and advances”, “Interest payment in arrears”, “Cases of a loan having been sanctioned as Loan in Perpetuity” “Repayment in arrears from loanee entities”, “Fresh Loans and Advances made during the year” and “Disclosures indicating extraordinary transactions relating to Loans and Advances” were not made in the Finance Accounts, as the information was not provided by the State Government. It is therefore not possible to report on these aspects of State finances. |

4.15.1 Misclassification of Expenditure in Grants-in-Aid

As per Indian Government Accounting Standard-2 (IGAS-2), expenditure relating to Grants-in-aid should be classified as revenue expenditure even if it involves creation of assets, except in cases specifically authorized by the President on the advice of the Comptroller and Auditor General of India.

The extent of classification of Grants-in-Aid as Capital Expenditure instead of Revenue Expenditure by the State Government during 2017-22 is given in **Table 4.15**:

| Table 4.15: Extent of classification of Grants-in-Aid as Capital Expenditure | | | | | |
|---|---------------------|----------------|----------------|----------------|----------------|
| | (₹ in crore) | | | | |
| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| Grants-in-Aid booked as Capital Expenditure | 232.95 | 541.41 | 257.04 | 250.27 | 280.38 |
| Grants-in-Aid for creation of capital assets | 695.61 | 207.95 | 237.64 | 82.73 | 316.04 |
| Total | 928.56 | 749.36 | 494.68 | 333.00 | 596.42 |

Source: Finance Accounts of respective years

4.16 Submission of Accounts/Separate Audit Reports of Autonomous Bodies

The State Government has set up several Autonomous Bodies (ABs)/Authorities in the fields of Agriculture, Housing, Labour Welfare, Urban Development, *etc.* These bodies and authorities are required to prepare annual accounts and submit the same to the Accountant General (Audit) for audit. The audit of accounts of seven ABs in the State has been entrusted to the Comptroller and Auditor General of India. The status of pending accounts are given in **Tables 4.16:**

| Table 4.16: Arrears of accounts of Autonomous Bodies/Authorities | | | |
|---|--|-------------------------------|---|
| Sl. No. | Name of Body or Authority | Accounts pending since | No. of Accounts pending up to F.Y. 2021-22 |
| 1 | Madhya Pradesh Building and Other Construction Workers Welfare Board, Bhopal | 2013-14 | 09 |
| 2 | Madhya Pradesh State Legal Services Authority | 2010-11 | 12 |
| 3 | Madhya Pradesh Human Rights Commission, Bhopal | 2017-18 | 05 |
| 4 | Madhya Pradesh Khadi and Village Industries Board, Bhopal | 2020-21 | 02 |
| 5 | Madhya Pradesh Housing and Infrastructure Development Board | 2021-22 | 01 |

**Cut-off date of the pendency of any previous financial year is to be taken on 30 September of succeeding financial year.*

During 2021-22, no accounts were submitted to the O/o the AsG (Audit-I and II) Madhya Pradesh by any of the ABs. As such, we did not form any opinion on the accounts during the year.

4.17 Misappropriations, losses, thefts, etc.

Rule 22(1) of Madhya Pradesh Financial Code Vol.-I, provides that any loss of public money, caused by defalcation or otherwise, should be immediately reported to the Accountant General, even when such loss has been made good by the party responsible for it.

The State Government reported 3,165 cases of misappropriation, losses, thefts, etc., involving ₹38.12 crore up to 31 March 2022 on which final action was pending as of June 2022. Major cases relate to Forestry and Wild Life (2,626 cases of ₹16.18 crore), Treasury and Accounts Administration (11 cases of ₹8.30 crore), School Education (92 cases of ₹6.94 crore) and Police Department (314 cases of ₹3.93 crore). Major Head-wise details of cases of misappropriation, losses, thefts, etc. pending recovery as of 31 March 2022 are given in **Table 4.17:**

| Table 4.17: Cases of misappropriation, losses, theft, etc. pending recovery as of 31 March 2022 | | | | | | | | |
|--|--|-----------------|--|-----------------|--|-----------------|--|---------------|
| (₹ in lakh) | | | | | | | | |
| Major Head | Cases of misappropriation/ losses/ theft of Government material | | Action taken for the delay in final disposal of pending cases of misappropriation, losses theft, etc. | | | | | |
| | | | Awaiting departmental and criminal investigation | | Departmental action initiated but not finalized | | Criminal Proceedings finalized but recovery of the amount pending | |
| | No. of cases | Amount | No. of cases | Amount | No. of cases | Amount | No. of cases | Amount |
| 2210-Medical and Public Health | 09 | 48.40 | 0 | 0.00 | 07 | 25.80 | 02 | 22.60 |
| 2211-Family Welfare | 03 | 47.67 | 0 | 0.00 | 02 | 47.35 | 01 | 0.32 |
| 2014-Administration of Justice | 05 | 16.57 | 0 | 0.00 | 05 | 16.57 | 0 | 0.00 |
| 2015-Election | 01 | 7.90 | 0 | 0.00 | 01 | 7.90 | 0 | 0.00 |
| 2055-Police | 314 | 312.90 | 158 | 170.45 | 156 | 142.45 | 0 | 0.00 |
| 2225- Welfare of SC/ST/OBC | 06 | 7.05 | 06 | 7.05 | 0 | 0.00 | 0 | 0.00 |
| 2235-Women and Child Welfare | 07 | 16.13 | 07 | 16.13 | 0 | 0.00 | 0 | 0.00 |
| 2058-Stationery and Printing | 02 | 8.58 | 0 | 0.00 | 01 | 0.17 | 01 | 8.41 |
| 4801- Narmada Ghati Vikas Pradhikaran | 01 | 2.88 | 0 | 0.00 | 01 | 2.88 | 0 | 0.00 |
| 2202-School Education | 92 | 693.63 | 21 | 277.99 | 54 | 390.80 | 17 | 24.84 |
| 2203- Technical Education | 32 | 78.12 | 08 | 8.43 | 16 | 40.24 | 08 | 29.45 |
| 2204-Sports and Youth Services | 03 | 4.20 | 02 | 1.70 | 01 | 2.50 | 0 | 0.00 |
| 2501-Special Programmes for Rural Development | 04 | 46.56 | 02 | 3.34 | 01 | 42.31 | 01 | 0.91 |
| 2401-Crop Husbandry | 28 | 50.63 | 14 | 28.51 | 09 | 11.11 | 05 | 11.01 |
| 2402-Soil and Water Conservation | 01 | 0.00 | 01 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| 2403-Animal Husbandry | 16 | 17.24 | 12 | 10.74 | 02 | 0.90 | 02 | 5.60 |
| 2054-Treasury and accounts | 11 | 830.44 | 11 | 830.44 | 0 | 0.00 | 0 | 0.00 |
| 2853-Non-ferrous mining and metallurgical industries | 03 | 4.22 | 02 | 4.22 | 01 | 0.00 | 0 | 0.00 |
| 2040-Taxes on sales, trade, etc. | 01 | 0.70 | 01 | 0.70 | 0 | 0.00 | 0 | 0.00 |
| 2406-Forestry and Wild Life | 2626 | 1,618.13 | 1097 | 593.29 | 1498 | 1,003.39 | 31 | 21.45 |
| Total | 3165 | 3,811.95 | 1342 | 1,952.99 | 1755 | 1,734.37 | 68 | 124.59 |

Source: Information furnished by Department concerned.

As can be seen from the above Table, out of 3165 cases, 1342 cases amounting to ₹19.53 crore are pending for departmental and criminal investigation. The Department should take prompt action for finalizing the pending case of misappropriation, loss, theft, etc.

4.18 Follow-up Action on State Finances Audit Reports

In his Audit Reports on the Finances of the Government of Madhya Pradesh, the Comptroller and Auditor General of India has been flagging year after year, issues of concern relating to various aspects of financial and budgetary management, areas of non-compliance with the prescribed procedures, rules and regulations, etc. by the State Government departments/ authorities. These Reports can achieve the desired results only when they evoke positive and adequate response from the Government/administration itself. Separate report on State Finance is being prepared from the year 2008-09 onwards and is being presented to the State Legislature. The details for the years 2011-21 are given in **Table 4.18**:

Table 4.18: Status of SFARs discussed by PAC

| Report Year | Whether the PAC discussed the SFARs | Number of sittings PAC had on that Report | Discussed in the financial year | Number and nature of paragraphs of Audit Report pending for discussion | Action Taken Note by the Department |
|-------------|---|---|---------------------------------|--|-------------------------------------|
| 2011-12 | Yes | 1 | 2018-19 | 1 Para: • 2.3.6- Excess expenditure requiring regularisation, Grant No.33 (₹10.87 crore) | - |
| 2013-14 | Yes | 1 | 2018-19 | 1 Para: • 2.3.5- Excess expenditure requiring regularisation, Grant No.2 (₹18.19 crore) | - |
| 2014-15 | Yes | 2 | 2019-20 2018-19 | 1 Para: • 2.3.5- Excess expenditure requiring regularisation, Grant No.2 (₹23.50 crore), Grant No. 42 (₹3.19 crore), | - |
| 2015-16 | No paragraph of Audit Report 2015-16 has been selected till date for oral discussion by the PAC | | | | |
| 2016-17 | Yes | 01 | 2021-22 | 4 Paras: • 1.5.2.1- Setting-up of Sinking Fund for amortisation of all loans • 2.2.1- Excess expenditure requiring regularisation, Grant No.2 (₹23.77 crore) • 3.1.3- Irregularities in maintenance of PD accounts • 3.6- Submission of false Utilisation Certificates | - |
| 2017-18 | Yes | 01 | 2021-22 | 1 para: • 3.2.2- Unauthorised retention of Government money in bank accounts instead of Personal Deposit Accounts was selected for written reply but PAC has selected this para for oral discussion and discussed. | - |
| 2018-19 | No paragraph of Audit Report 2018-19 has been selected till date for oral discussion by the PAC | | | | |
| 2019-20 | No paragraph of Audit Report 2019-20 has been selected till date for oral discussion by the PAC | | | | |
| 2020-21 | SFAR in the State Legislature was tabled on 15.09.2022. No paragraph of Audit Report 2020-21 has been selected till date for oral discussion by the PAC | | | | |

4.19 Conclusion

During 2021-22, the closing balance in the Personal Deposit Accounts decreased by 46.87 per cent as compared to 2020-21. Further, 253 Personal Deposit Accounts had negative balances and 234 Personal Deposit Accounts involving ₹132.74 crore (including some negative balances) were inoperative for more than three years. The Government should have monitored these Accounts closely and ensured that such inoperative Accounts are closed and the balances transferred to Government Account in accordance with the Treasury Code of the State.

There was a substantial reduction of the operation of the Minor Head 800 in Receipts during the last three years. However, there was no significant reduction in expenditure.

The reconciliation work of departmental figures with those booked by the Office of the Principal Accountant General (A&E) has been initiated online by Directorate of Treasury and Accounts in July 2020 and accounts have been reconciled to the extent of 87.59 per cent in respect of receipts and 94.72 per cent in respect of expenditure.

4.20 Recommendations

- i) The State Government may review the performance of the Building and Other Construction Workers Welfare Board and Labour Cess considering the fact that accounts have not been prepared and/or funds are not being utilised.
- ii) The State Government should review all the Personal Deposit Accounts and ensure that funds lying idle in these accounts are immediately transferred to the Government account. Further, Government should also disclose details of unspent balances in PD Accounts.
- iii) The State Government should discourage the use of omnibus Minor Head 800 to improve transparency in financial reporting. Government should chalk out a specific timeframe, in consultation with the Principal Accountant General (A&E), to identify appropriate Heads of Account to classify the transactions correctly in the books of accounts.
- iv) Internal control mechanism needs to be strengthened and the Government needs to ensure that the reconciliation of departmental figures with those booked by the office of the Principal Accountant General (A&E) should be hundred *per cent*, as it has been initiated online since 2019-20, to provide transparency and accuracy in accounting of Government transactions.

Chapter 5

Financial Performance of State Public Sector Undertakings

Chapter 5-Financial Performance of State Public Sector Undertakings

This chapter presents the financial performance of State Public Sector Undertakings of the Government of Madhya Pradesh for the year 2021-22. The term State Public Sector Undertakings encompasses the Government Companies (including Government Controlled Other Companies) set up under the Companies Act, 2013 and the Statutory Corporations set up under the statutes enacted by Parliament/ State Legislature.

5.1 Introduction

The financial performance of State Public Sector Undertakings depicted in the report has been taken from their financial statements as well as the information received from the respective State Public Sector Undertakings. Impact of revision of accounts as well as significant comments¹ issued as a result of sole audit /supplementary audit conducted by the Comptroller and Auditor General of India on the financial statements of the State Public Sector Undertakings for the year 2021-22 (or of earlier years which were finalised during the current year) have also been covered in this report.

5.2 Definition of Government Companies/Corporations

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

As defined under the Companies (Removal of Difficulties) Seventh Order, 2014 notified (4 September 2014) any other company owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments are called Government Controlled Other Company. Further, any Corporation set up under a statute enacted by Parliament/ State Legislature is called a Statutory Corporation.

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 the 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

¹ Based on the certificates finalised/ issued from 1 October 2021 to 30 September 2022.

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 2022, there were 72 State Public Sector Undertakings in Madhya Pradesh as detailed in **Appendix 5.1**, including 60 Government Companies, three Statutory Corporations² and nine Government Controlled Other Companies³. During the year, no Government Companies got dissolved/merged, whereas one Government Company⁴ and one Government Controlled Other Company⁵ came under the audit jurisdiction of the Comptroller and Auditor General of India. None of the companies were listed on the stock exchange. Further, the Government Companies included 15 companies⁶, which had ceased their operations for last three to 32 years.

Out of 72 State Public Sector Undertakings, 49 State Public Sector Undertakings had submitted at least one account for the period 2019-20, 2020-21 and 2021-22 by 30 September 2022. However, this report covers only 32 working State Public Sector Undertakings. This report does not include 40 State Public Sector Undertakings (17 State Public Sector Undertakings whose latest accounts⁷ were available but nil turnover for the last three or more years, and 18 State Public Sector Undertakings which have been inactive for over three to 32 years and in respect of five State Public Sector Undertakings of which first accounts have not been received).

Based on nature of activities undertaken, these 32 State Public Sector Undertakings (including eight Government Controlled Other Companies) have been categorised into six sectors. The turnover (₹89,699.74 crore) of these 32 State Public Sector Undertakings was 7.67 per cent of the Gross State Domestic Product of Madhya Pradesh (₹11,69,004 crore) for the year 2021-22. Power sector alone accounts for over 98 per cent of the total turnover of the State Public Sector Undertakings during 2021-22 as depicted in **Table 5.1**:

² Madhya Pradesh State Road Transport Corporation, Madhya Pradesh State Warehousing and Logistic Corporation and Madhya Pradesh Financial Corporation.

³ Bhopal Smart City Development Corporation Limited, Jabalpur Smart City Limited, Ujjain Smart City Limited, Gwalior Smart City Development Corporation Limited, Indore Smart City Development Limited, Satna Smart City Development Limited, Sagar Smart City Development Limited, B-Nest Foundation and Indore Idea Factory Foundation.

⁴ Madhya Pradesh State Assets Management Company Limited.

⁵ Indore Idea Factory Foundation.

⁶ Madhya Pradesh AMRL (Semaria) Coal Company Ltd, Madhya Pradesh AMRL (Morga) Coal Company Ltd, Madhya Pradesh AMRL (Bicharpur) Coal Company Ltd, Madhya Pradesh AMRL (Marki Barka) Coal Company Ltd, Madhya Pradesh Jaypee Coal Ltd, Madhya Pradesh Monnet Mining Company Ltd, Madhya Pradesh Jaypee Coal Fields Ltd, Madhya Pradesh Jaypee Minerals Ltd, Madhya Pradesh Sainik Coal Mining Private Ltd, Madhya Pradesh State Road Transport Corporation, Madhya Pradesh and Maharashtra Minerals and Chemicals Limited, Madhya Pradesh Panchayati Raj Vitta Evam Gramin Vikas Nigam Ltd, Madhya Pradesh Film Development Corporation Ltd, Optel Telecommunication Ltd and Madhya Pradesh Vidyut Yantra Ltd.

⁷ Any/all of the accounts for the period 2019-20 to 2021-22.

Table 5.1: Sector wise turnover vis-à-vis share of turnover of State Public Sector Undertakings in Gross State Domestic Product of Madhya Pradesh

| (₹ in crore) | | | | |
|--------------|------------------------|--|-----------------------|--|
| Sl. No. | Name of the Sector | Number of State Public Sector Undertakings | Turnover for the year | Percentage Share of Turnover in Gross State Domestic Product |
| 1 | Power | 7 | 88,423.00 | 7.56 |
| 2 | Agriculture and Allied | 2 | 1,013.19 | 0.09 |
| 3 | Service | 8 | 58.36 | 0.00 |
| 4 | Infrastructure | 9 | 23.50 | 0.00 |
| 5 | Manufacturing | 5 | 120.08 | 0.01 |
| 6 | Finance | 1 | 61.61 | 0.01 |
| Total | | 32 | 89,699.74 | 7.67 |

Source: Information compiled on the basis of latest financial statements of State Public Sector Undertakings

Compared with the last year, the gross turnover has been reduced to 7.67 per cent from 10.81 per cent.

5.5 Audit of State Public Sector Undertakings including Government Companies, Government Controlled Other Companies and Corporations

The Comptroller and Auditor General of India, as per mandate, conducts supplementary audit of the annual accounts of all the 69 Companies (i.e. 60 Government Companies and nine Government Controlled Other Companies). In case of three Statutory Corporations, the Comptroller and Auditor General of India is the sole auditor for Madhya Pradesh State Road Transport Corporation whereas in respect of Madhya Pradesh Warehousing and Logistics Corporation and Madhya Pradesh Financial Corporation, the audit is conducted by the Chartered Accountants appointed under the respective statutes and thereafter, supplementary audit is conducted by the Comptroller and Auditor General of India.

The status of accounts of these 72 State Public Sector Undertakings, based on their latest finalised financial statements, which were received till 30 September 2022, is detailed in **Table 5.2** and the company wise pendency of the accounts is depicted in **Appendix 5.2**.

Table 5.2: State Public Sector Undertakings and status of finalisation of accounts

| Nature of State Public Sector Undertakings | Total Number | Number of State Public Sector Undertakings of which accounts received during the reporting period | | | | Number of State Public Sector Undertakings of which accounts are in arrear (total accounts in arrear) as on 30 September 2022 |
|---|--------------|---|----------------------|----------------------|-----------|---|
| | | Accounts for 2021-22 | Accounts for 2020-21 | Accounts for 2019-20 | Total | |
| Government Companies | 60 | 14 | 22 | 09 | 45 | 45*(213) ⁸ |
| Statutory Corporations | 03 | 01 | 01 | 00 | 02 | 02(15) |
| Total | 63 | 15 | 23 | 09 | 47 | 47(228) |
| Government Controlled Other Companies | 09 | 00 | 08 | 04 | 12 | 08*(08) |
| Total State Public Sector Undertakings | 72 | 15 | 31 | 13 | 59 | 55(236) |

Source: Information furnished by the State Public Sector Undertakings

* One newly incorporated government company whose first account will due in the financial year 2022-23.

⁸ Including 15 Public Sector Undertakings, which ceased their operations for last three to 32 years.

The summary of financial performance based on the latest finalised accounts of 32 State Public Sector Undertakings, covered in this Report is detailed in **Table 5.3**.

| Table 5.3: Summary of financial performance of State Public Sector Undertakings covered in this Report (Government Companies and Statutory Corporations) | |
|---|------------------|
| I. Total number of State Public Sector Undertakings, whose | 24 |
| Paid up capital (₹ in crore) | 47,085.30 |
| Long term Loans (₹ in crore) | 51,203.78 |
| Total Assets (₹ in crore) | 1,51,270.40 |
| Net worth (₹ in crore) | (-)11,094.28 |
| II. Financial performance | |
| Profit earning (in numbers) | 11 |
| Net profit (₹ in crore) | 1,796.91 |
| Dividend declared/paid (in five) (₹ in crore) | 25.95 |
| Loss making (in numbers) | 9 |
| Net loss (₹ in crore) | (-)6,523.07 |
| No Profit No Loss (in numbers) | 04 ⁹ |
| First Accounts Not Received (in numbers) | 04 ¹⁰ |
| Government Controlled Other Companies | |
| I. Total number of State Public Sector Undertakings, whose | 08 |
| Paid up capital (₹ in crore) | 1,041.20 |
| Long term Loans (₹ in crore) | -- |
| Total Assets (₹ in crore) | 3,600.97 |
| Net worth (₹ in crore) | 1,294.09 |
| II. Financial performance | |
| Profit earning (in numbers) | 02 |
| Net profit (₹ in crore) | 0.43 |
| Dividend declared/paid | -- |
| Loss making (in numbers) | 02 |
| Net loss (₹ in crore) | (-)0.05 |
| No Profit No Loss (in numbers) | 04 ¹¹ |
| First Accounts Not Received (in numbers) | 01 ¹² |

5.6 Investment in State Public Sector Undertakings and Budgetary Support

5.6.1 Equity holding and loans

The Government investment in the 72 State Public Sector Undertakings- equity and loans for the three-year period ended 31 March 2022 is given in **Table 5.4**:

| Table 5.4: Equity investment and loans in State Government Public Sector Undertakings | | | | | | | | | |
|--|----------------------------|------------------------|--------------|----------------------------|------------------------|--------------|----------------------------|------------------------|--------------|
| Sources of investment | As on 31 March 2020 | | | As on 31 March 2021 | | | As on 31 March 2022 | | |
| | Equity | Long Term Loans | Total | Equity | Long Term Loans | Total | Equity | Long Term Loans | Total |
| State Government | 28,502.37 | 31,382.78 | 59,885.15 | 30,244.60 | 31,820.52 | 62,065.12 | 31,421.75 | 31,597.77 | 63,019.52 |

⁹ Madhya Pradesh Power Management Company Limited, Madhya Pradesh Urja Vikas Nigam Limited, Bhopal Electronics Manufacturing Park Limited and Jabalpur Electronics Manufacturing Park Limited.

¹⁰ Burhanpur City Transport Services, Ratlam Bus Services Limited, Madhya Pradesh State Assets Management Company Limited and Singrauli Airport Company Limited.

¹¹ Ujjain Smart City Limited, Bhopal Smart City Development Corporation Limited, Satna Smart City Development Corporation Limited and B-Nest Foundation.

¹² Indore Idea Factory Foundation.

| | | | | | | | | | |
|--|------------------|------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|--------------------|
| Central Government | 45.79 | 0.00 | 45.79 | 221.88 | 0.00 | 221.88 | 649.79 | 419.09 | 1,068.88 |
| Others | 19,276.31 | 24,247.83 | 43,524.14 | 19,327.67 | 24,538.08 | 43,865.75 | 19,445.90 | 25,415.33 | 44,861.23 |
| Total | 47,824.47 | 55,630.61 | 1,03,455.08 | 49,794.15 | 56,358.60 | 1,06,152.75 | 51,517.44 | 57,432.19 | 1,08,949.63 |
| Share of State Government in Total Investment (in per cent) | 59.60 | 56.41 | 57.89 | 60.74 | 56.46 | 58.47 | 60.99 | 55.02 | 57.84 |

Source: Compiled from latest financial statements received as on 30 September 2022 and information provided by State Public Sector Undertakings

The total investment in these State Public Sector Undertakings marginally increased by five *per cent* in 2020-22. Over the years, investment in equity is being raised to bring it closer to the loan component. During 2020-22, the Long Term loans in these State Public Sector Undertakings registered a marginal increase. Out of the total loans of State Public Sector Undertakings as on 31 March 2022, loans from State Government was ₹31,597.77 crore (55.02 *per cent*).

Besides this, State Government has also extended its guarantee to the tune of ₹ 5,091.49 crore against the loans availed by nine¹³ PSUs from various financial institutions. This contingent liability may become actual liability for the State Government in the event of default by the borrowing entities.

During 2021-22, Equity investment registered a net increase of ₹1,179.83 crore of which over 60 *per cent* was in Madhya Pradesh Power Transmission Company Limited. The details are given in **Table 5.5**:

| Table 5.5: Equity investment during the year 2021-22 | |
|--|-----------------|
| (₹ in crore) | |
| Name of the State Government Public Sector Undertakings | Amount |
| Madhya Pradesh Power Transmission Company Limited | 711.92 |
| Madhya Pradesh Metro Rail Company Limited | 427.91 |
| Madhya Pradesh Power Generating Company Limited | 30.00 |
| Madhya Pradesh State Assets Management Company Limited | 10.00 |
| Total | 1,179.83 |

Source: Information received from State Public Sector Undertakings up to 30 September 2022

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. As on 31 March 2022, out of the 32 State Public Sector Undertakings covered in this Report, all the 13 State Public Sector Undertaking which have outstanding long-term loan, meet this criterion as depicted in **Table 5.6**:

¹³ MP Power Generating Company Limited, MP Power Transmission Company Limited, MP Poorva Kshetra Vidyut Vitran Company Limited, MP Madhya Kshetra Vidyut Vitran Company Limited, MP Paschim Kshetra Vidyut Vitran Company Limited, MP Power Management Company Limited, MP Financial Corporation, MP Urban Development Company Limited and MP Police Housing Corporation Limited.

Table 5.6: Coverage of long-term loans with total assets

(₹ in crore)

| Type of State PSUs | Positive Coverage | | | | Negative Coverage | | | |
|------------------------|----------------------|-----------------|--------------|-------------------------------|----------------------|-----------------|--------------|-------------------------------|
| | Number of State PSUs | Long Term Loans | Total Assets | Percentage of Assets to Loans | Number of State PSUs | Long Term Loans | Total Assets | Percentage of Assets to Loans |
| Government Companies | 12 | 50,846.38 | 1,44,078.84 | 283.36 | -- | -- | -- | -- |
| Statutory Corporations | 01 | 357.40 | 956.64 | 267.67 | -- | -- | -- | -- |

Source: Compiled on the basis of latest finalised accounts of State Public Sector Undertakings

In respect of Government Controlled Other Companies, there is no outstanding long-term loan as on 31 March 2022.

5.6.3 Information on Subsidy, Grants by Central/State Government

The Government of Madhya Pradesh provides financial support to State Public Sector Undertakings in the form of grants and subsidies through the annual budget. In addition, the government provides guarantees for loans raised by the State Public Sector Undertakings for which it charges guarantees commission at the rate of half a *per cent* to one *per cent* per annum. Outstanding guarantees stood at ₹9,107.71 crore in 2021-22. The details are given in **Table 5.7:**

Table 5.7: Details regarding budgetary support to State Public Sector Undertakings

(₹ in crore)

| Sl.No. | Particulars ¹⁴ | 2019-20 | | 2020-21 | | 2021-22 | |
|--------|---------------------------|---|-----------|---|-----------|---|-----------|
| | | No. of State Public Sector Undertakings | Amount | No. of State Public Sector Undertakings | Amount | No. of State Public Sector Undertakings | Amount |
| (i) | Grants/Subsidies provided | 12 | 20,058.08 | 13 | 20,414.17 | 09 | 32,768.78 |
| (ii) | Guarantees Outstanding | 06 | 5,795.61 | 05 | 5,297.52 | 05 | 9,107.71 |
| (iii) | Guarantee Commitment | 03 | 5,382.50 | 04 | 9,022.50 | 03 | 2,160.10 |

Source: Annual accounts/ information furnished by the State Public Sector Undertakings

5.7 Returns from State Public Sector Undertakings

5.7.1 Profit earned by State Public Sector Undertakings

The Profit earned by 13 State Public Sector Undertakings out of 32 State Public Sector Undertakings (covered in this Report) was ₹1,797.34 crore in 2021-22 as compared to 18 State Public Sector Undertakings which earned profit of ₹671.29 crore in 2020-21. Three top State Public Sector Undertakings contributed 93.10 *per cent* of the total profit in 2021-22. The details are given in **Table 5.8:**

¹⁴ Amount represents outgo from State Budget only.

Table 5.8: Top State Public Sector Undertakings which contributed maximum profit

| (₹ in crore) | | |
|--|-------------------|---|
| Name of State Public Sector Undertakings | Net earned profit | Percentage of profit to total State Public Sector Undertakings profit |
| MP Power Transmission Company Ltd (MPPTCL) | 1,072.27 | 59.66 |
| MP Warehousing and Logistics Corporation | 301.15 | 16.75 |
| MP Power Generating Company Ltd (MPPGCL) | 299.98 | 16.69 |
| Total | 1,673.40 | 93.10 |

Source: Compiled on the basis of latest finalised accounts of State Public Sector Undertakings

5.7.2 Dividend paid by State Public Sector Undertakings

As per State Government policy (July 2005), all profit-making State Public Sector Undertakings are required to pay a minimum return of 20 per cent of the profit after tax.

Table 5.9: Dividend Payout of State Public Sector Undertakings

| (₹ in crore) | | | | | | |
|--------------|---|---------------------|------------------------------|----------|---|-------------------------------|
| Year | Total State Public Sector Undertakings | | | | | |
| | Which receive equity infusion from Government of Madhya Pradesh | which earned profit | which declared/paid dividend | | | Dividend Payout (in per cent) |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | | | | | | 8=7*100/5 |
| 2019-20 | 21 | 28,234.03 | 15 | 669.75 | 6 | 25.29 |
| 2020-21 | 21 | 28,287.59 | 15 | 669.75 | 6 | 25.29 |
| 2021-22 | 13 | 28,826.42 | 08 | 1,794.39 | 5 | 25.95 |

Source: Information furnished by the State Public Sector Undertakings

As can be seen from the above table, out of 32 State Public Sector Undertakings covered in this Report, eight State Public Sector Undertakings earned an aggregate profit of ₹1,794.39 crore. Out of eight, five State Public Sector Undertakings declared/paid dividend. Out of which only three¹⁵ State Public Sector Undertakings paid the minimum return and the remaining two¹⁶ State Public Sector Undertaking did not adhere to the State Government dividend policy.

5.8 Debt Servicing

5.8.1 Interest Coverage Ratio

Interest coverage ratio 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 by interest expenses of the same period. The ratio below one indicates that the company was not generating sufficient revenues to meet its expenses on interest. The number of State Public Sector Undertakings with interest coverage ratio of more than one decreased from four in 2019-20 to two in 2021-22 as depicted in **Table 5.10**:

¹⁵ Madhya Pradesh State Mining Corporation limited, Madhya Pradesh State Electronics Development Corporation, Madhya Pradesh Rajya Van Vikas Nigam.

¹⁶ Madhya Pradesh Warehousing Logistic Corporation and Madhya Pradesh Public Health Services Corporation Limited.

| Table 5.10: Interest Coverage Ratio | | | | | |
|-------------------------------------|----------|----------------------------------|--|--|--|
| (₹ in crore) | | | | | |
| Year | Interest | Earnings Before interest and tax | Number of State Public Sector Undertakings | | |
| | | | With liability of loans | With interest coverage ratio more than One | With interest coverage ratio less than One |
| 2019-20 | 7,236.99 | 3,663.41 | 17 | 4 | 13 |
| 2020-21 | 7,236.99 | 3,663.41 | 17 | 4 | 13 |
| 2021-22 | 5,674.47 | 184.44 | 13 | 2 | 11 |

Source: Compiled on the basis of latest financial statement of State Public Sector Undertakings

Further, the Statutory Auditors reports on the annual accounts of those Government Companies (where the reports have been received as on 30 September 2022) show that six Government Companies defaulted in servicing their debts as detailed in **Table 5.11** below:

| Table 5.11: State Public Sector Undertakings which defaulted in servicing of interest charges and repayment of principal | | | | | |
|--|---|-----------------------------|------------------------------|----------------------|-------------------------|
| (₹ in crore) | | | | | |
| Sl.No. | Name of the SPSUs | Year of Financial Statement | Source of loan | | Total amount of default |
| | | | Government of Madhya Pradesh | Others ¹⁷ | |
| 1 | Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited | 2021-22 | 4,308.39 | 119.97 | 4,428.36 |
| 2 | Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited | 2020-21 | 5,145.82 | 176.65 | 5,322.47 |
| 3 | Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited | 2020-21 | 5,332.78 | 512.84 | 5,845.62 |
| 4 | Madhya Pradesh Power Generating Company Limited | 2020-21 | 221.73 | 0 | 221.73 |
| 5 | Madhya Pradesh Power Transmission Company Limited | 2021-22 | 5,063.94 | 0 | 5,063.94 |
| 6 | MP Jaypee Coal Limited | 2021-22 | 0 | 6.12 | 6.12 |

Source: Compiled based on Statutory Auditor Report receive upto 30 september 2022

5.8.2 Age wise analysis of Interest outstanding on State Government Loans

As on 31 March 2022, interest amounting to ₹4,803.48 crore was outstanding against four State Public Sector Undertakings on the long-term loans provided by the State Government, of which 34.24 *per cent* was outstanding for more than three years. The details are given in **Table 5.12**:

¹⁷ Major sources of others are Power Financial Corporation, Asian Development Bank, ICICI Bank etc.

| Table 5.12: Age wise analysis of Interest outstanding on State Government Loans | | | | | | |
|---|---|-------------------------------|------------------------------------|------------------------------------|---------------------------------------|--|
| (₹ in crore) | | | | | | |
| Sl. No. | Name of State Public Sector Undertakings | Outstanding interest on loans | Outstanding for less than one year | Outstanding for one to three years | Outstanding for more than three years | |
| 1 | DMIC Vikram Udyogpuri Limited | 73.77 | 19.93 | 48.59 | 5.25 | |
| 2 | Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited | 4,725.90 | 771.96 | 2,315.88 | 1,638.06 | |
| 3 | Madhya Pradesh Power Management Company Limited | 3.81 | 0.31 | 1.95 | 1.55 | |
| | Grand Total | 4,803.48 | 792.20 | 2,366.42 | 1,644.86 | |

Source: Information received from State Public Sector Undertakings

5.9 Operating Efficiency of Government Companies

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

Out of 32 State Public Sector Undertakings covered in this Report, 13 State Public Sector Undertakings earned profit. Out of the 13 profit earning State Public Sector Undertakings, six State Public Sector Undertakings earned profit only from their operations¹⁸ and seven 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. Return on Capital Employed is calculated by dividing a company's earnings before interest and taxes by the capital employed¹⁹. The details of Return on Capital Employed of 32 working State Public Sector Undertakings during the period 2019-20 to 2021-22 are given in **Table 5.13**.

| Table 5.13: Return on Capital Employed | | | | | |
|--|---------|--|----------------------------------|------------------|--|
| (₹ in crore) | | | | | |
| | Year | No of State Public Sector Undertakings | Earnings Before Interest and Tax | Capital Employed | Return on Capital Employed (in per cent) |
| Government Companies | | | | | |
| Profit earning | 2019-20 | 17 | 4,027.28 | 26,367.14 | 15.27 |
| | 2020-21 | 17 | 4,027.28 | 26,367.14 | 15.27 |
| | 2021-22 | 12 | 3,475.95 | 24,961.21 | 13.93 |
| Loss incurring | 2019-20 | 13 | -348.96 | 4,525.85 | -7.71 |
| | 2020-21 | 13 | -348.96 | 4,525.85 | -7.71 |
| | 2021-22 | 10 | -3,139.90 | -3,999.67 | -- |
| No profit / No loss | 2019-20 | 7 | 209.56 | 1,015.63 | 20.63 |
| | 2020-21 | 7 | 209.56 | 1,015.63 | 20.63 |
| | 2021-22 | 8 | -32.65 | 18,311.45 | -0.18 |
| Statutory Corporation | | | | | |
| Profit earning | 2019-20 | 1 | 353.87 | 1,213.62 | 29.16 |
| | 2020-21 | 1 | 353.87 | 1,213.62 | 29.16 |
| | 2021-22 | 1 | 554.48 | 1,348.42 | 41.12 |

¹⁸ Profit from Operating activities = Turnover – Total expenditure.

¹⁹ Capital Employed = Paid up Share capital + Free Reserves and surplus + Long-term loans – Accumulated losses – Deferred Revenue Expenditure.

| | | | | | |
|---------------------|----------------|-----------|-----------------|------------------|--------------|
| Loss incurring | 2019-20 | 1 | 25.41 | 855.25 | 2.97 |
| | 2020-21 | 1 | 25.41 | 855.25 | 2.97 |
| | 2021-22 | 1 | -6.92 | 782.18 | -0.88 |
| No profit / No loss | 2019-20 | -- | -- | -- | -- |
| | 2020-21 | -- | -- | -- | -- |
| | 2021-22 | -- | -- | -- | -- |
| Total | 2019-20 | 39 | 4,057.60 | 32,965.98 | 12.31 |
| | 2020-21 | 39 | 4,057.60 | 32,965.98 | 12.31 |
| | 2021-22 | 32 | 850.96 | 41,403.59 | 2.06 |

Source: Compiled on the basis of latest financial statement of State Public Sector Undertaking

As can be seen from the above table, Return on Capital Employed (RoCE) in 32 State Public Sector Undertakings is on downward trend from 12.31 *per cent* to 2.06 *per cent* during the period 2019-22. Further, the RoCE of 13 out of 32 State Public Sector Undertakings (all the seven²⁰ Power Sector PSUs and six²¹ non Power Sector PSUs) which generate their own revenue and run on commercial line was positive (2.13 *per cent*) for the year 2021-22. The RoCE of the remaining 19 PSUs in Non-Power Sector which run on non-commercial line was positive (1.32 *per cent*) for the year 2021-22. Out of the 13 PSUs running on commercial line, six²² PSUs (five Government Companies and one Statutory Corporation) incurred losses during 2021-22.

5.9.3 Rate of Real Return on Investment

As on 31 March 2022, total investment of State Government in 32 State Public Sector Undertakings on the basis of historical cost²³ stood at ₹56,537.28 crore as depicted in **Table 5.14**.

| Table 5.14: 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 | Rate of Real Return (in <i>per cent</i>) |
| 1 | 2 | 3 | 4 | 5 = (2+3+4) | 6 | 7 = 6/5*100 |
| Government Companies | | | | | | |
| 2019-20 | 58,400.97 | 3.26 | 41,158.29 | 99,562.52 | -3,541.98 | -3.56 |
| 2020-21 | 58,892.27 | 3.26 | 41,498.90 | 1,00,394.43 | -3,541.98 | -3.53 |
| 2021-22 | 56,033.54 | 1.39 | 41,483.98 | 97,518.91 | -4,978.01 | -5.10 |
| Statutory Corporations | | | | | | |
| 2019-20 | 387.98 | 0 | 456.60 | 1,559.74 | 204.31 | 13.10 |

²⁰ MP Power Generating Company Limited, MP Power Transmission Company Limited, MP Power Management Company Limited, MP Urja Vikas Nigam Limited, MP Poorva Kshetra Vidyut Vitran Company Limited, MP Paschim Kshetra Vidyut Vitran Company Limited, MP Madhya Kshetra Vidyut Vitran Company Limited.

²¹ MP Rajya Van Vikas Nigam Limited, MP Hotel Corporation Limited, MP State Mining Corporation Limited, MP Jal Nigam Maryadit, MP Warehousing and Logistics Corporation, MP Financial Corporation.

²² Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited, MP Jal Nigam Maryadit, M.P Hotel Corporation and MP Finance Corporation.

²³ In the case of State Public Sector Undertakings formed due to demerger, the initial investment in equity and loans was considered at the carrying amounts as on the date of their incorporation. Further, apportionment of assets and liabilities between the successor demerged State Public Sector Undertakings resulted in a Reorganisation/ Demerger Adjustment Reserve (surplus/deficit), which was considered as investment of the State Government.

Table 5.14: 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 | Rate of Real Return (in per cent) |
| 1 | 2 | 3 | 4 | 5 = (2+3+4) | 6 | 7 = 6/5*100 |
| 2020-21 | 387.98 | 0 | 456.60 | 844.58 | 204.31 | 24.19 |
| 2021-22 | 503.74 | 0 | 267.82 | 771.56 | 251.85 | 32.64 |
| Government Controlled other Companies | | | | | | |
| 2019-20 | 0.00 | 0.00 | 1,040.20 | 1,040.20 | -0.06 | -0.01 |
| 2020-21 | 0.00 | 0.00 | 1,040.20 | 1,040.20 | -0.06 | -0.01 |
| 2021-22 | 0.00 | 0.00 | 1,041.20 | 1,041.20 | 0.38 | 0.01 |
| Grand Total | | | | | | |
| 2019-20 | 58,788.95 | 3.26 | 42,655.09 | 1,02,162.46 | -3,337.73 | -3.27 |
| 2020-21 | 59,280.25 | 3.26 | 42,995.70 | 1,02,279.21 | -3,337.73 | -3.26 |
| 2021-22 | 56,537.28 | 1.39 | 42,791.61 | 99,330.28 | -4,725.78 | -4.76 |

On the basis of historical cost, the State Government investment decreased from ₹58,788.95 crore in 2019-20 to ₹56,537.28 crore in 2021-22. Further, return on investment also decreased by 1.49 per cent.

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

Traditional calculation of return based only on 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 of the State Government investments in these State Public Sector Undertakings was computed on the following assumptions:

- Loans have been considered as fund infusion by the State Government. However, in case of repayment of loans by the State Public Sector Undertakings, the Present Value was calculated on the reduced balances of loans over the period. The funds made available in the form of grant/ 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 year²⁴ 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 State Public Sector Undertakings for the same period is indicated in **Table 5.15**:

²⁴ The average rate of interest on Government borrowings was adopted from the State Finances Audit Report of the Comptroller and Auditor General of India (Government of Madhya Pradesh) for the concerned year.

Table 5.15: Year wise details of investment by the State Government and Present Value of Government investment for the period 2012-13 to 2021-22

(₹ in crore)

| Financial year | Present value of total investment at the beginning of the year | Equity infused by the State Government during the year | Interest free/ defaulted Loan and capital grants given by the state government during the year | Total investment during the year | Average rate of interest on government borrowings (in per cent) | Total investment at the end of the year | 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 |
|----------------|--|--|--|----------------------------------|---|---|--|---|-----------------------------|
| i | ii | iii | iv | v=iii+iv | vi | vii=ii+v | viii={vii*(1+vi)/100} | ix={vii*vi}/100} | x |
| 2012-13 | 21,301.67 | 938.46 | 6,685.95 | 7,624.41 | 6.75 | 28,926.08 | 30,878.59 | 1,952.51 | -4,059.11 |
| 2013-14 | 30,878.59 | 923.44 | 3,833.47 | 4,756.91 | 6.69 | 35,635.50 | 38,019.52 | 2,384.01 | -5,910.12 |
| 2014-15 | 38,019.52 | 1,298.63 | 9,474.37 | 10,773.00 | 6.73 | 48,792.52 | 52,076.25 | 3,283.74 | -6,263.86 |
| 2015-16 | 52,076.25 | 678.95 | 2,399.57 | 3,078.52 | 6.86 | 55,154.77 | 58,938.39 | 3,783.62 | -4,627.30 |
| 2016-17 | 58,938.39 | 146.2 | 4,610.38 | 4,756.58 | 6.72 | 63,694.97 | 67,975.27 | 4,280.30 | -5,202.73 |
| 2017-18 | 67,975.27 | 5,073.94 | -7,602.08 | -2,528.14 | 6.67 | 65,447.13 | 69,812.45 | 4,365.32 | -4,001.19 |
| 2018-19 | 69,812.45 | 1,863.90 | 1,084.32 | 2,948.22 | 6.92 | 72,760.67 | 77,795.71 | 5,035.04 | -6,614.05 |
| 2019-20 | 77,795.71 | 1,447.69 | 502.45 | 1,950.14 | 6.69 | 79,745.85 | 85,080.85 | 5,335.00 | -3,337.73 |
| 2020-21 | 85,080.85 | 1,742.23 | 437.74 | 2,179.97 | 6.12 | 87,260.82 | 92,601.18 | 5,340.36 | -3,337.73 |
| 2021-22 | 92,601.18 | 1,179.83 | -222.75 | 957.08 | 6.02 | 93,558.26 | 99,190.47 | 5,632.21 | -4,725.78 |
| | | 15,293.27 | 21,203.42 | 36,496.69 | | | | | |

Investment by the State Government in these State Public Sector Undertakings at the end of the 10 year period increased to ₹57,798.36 crore in 2021-22 by ₹21,301.67 crore over the period 2012-22 as the State Government infused funds in form of equity and loan totaling ₹36,496.69 crore which have yielded negative returns throughout the period. During the period 2012-13 to 2021-22, the negative earnings increased by approximately 16 per cent.

5.10 State Public Sector Undertakings incurring losses

5.10.1 Losses incurred

There were 11 State Public Sector Undertakings that incurred losses as per their latest finalised accounts. The losses incurred by these State Public Sector Undertakings increased to (-) ₹6,523.12 crore in 2021-22 as per their latest finalised accounts from (-) ₹4,009.02 crore in 2019-20 as given in **Table 5.16** below:

Table 5.16: Number of State Public Sector Undertakings that incurred losses during 2019-20 to 2021-22

(₹ in crore)

| Year | No. of loss making State Public Sector Undertakings | Net Loss for the year | Accumulated loss | Net worth ²⁵ |
|------------------------------|---|-----------------------|------------------|-------------------------|
| Government Companies | | | | |
| 2019-20 | 11 | -3,970.75 | -52,983.52 | -34,126.92 |
| 2020-21 | 11 | -3,970.75 | -52,983.52 | -34,076.56 |
| 2021-22 | 08 | -6,473.77 | -58,728.72 | -39,924.63 |
| Statutory Corporation | | | | |
| 2019-20 | 01 | -37.89 | 12.09 | 424.83 |

²⁵ Net worth = Paid-up Capital + Free Reserves and Surplus – (Accumulated losses + Deferred Revenue Expenditure).

| | | | | |
|--|-----------|------------------|-------------------|-------------------|
| 2020-21 | 01 | -37.89 | 12.09 | 424.83 |
| 2021-22 | 01 | -49.30 | 12.09 | 424.78 |
| Government Controlled other Companies | | | | |
| 2019-20 | 02 | -0.38 | -0.16 | 239.94 |
| 2020-21 | 02 | -0.38 | -0.16 | 239.94 |
| 2021-22 | 02 | -0.05 | -0.07 | 498.33 |
| Grand Total | | | | |
| 2019-20 | 14 | -4,009.02 | -52,971.59 | -33,462.15 |
| 2020-21 | 14 | -4,009.02 | -52,971.59 | -33,411.79 |
| 2021-22 | 11 | -6,523.12 | -58,716.70 | -39,001.52 |

In 2021-22, out of total loss of ₹6,523.12 crore incurred by 11 State Public Sector Undertakings, loss of ₹6,447.85 crore was contributed by three²⁶ power sector State Public Sector Undertakings.

5.10.2 Erosion of Capital in State 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 on 31 March 2022, there were 14 State Public Sector Undertakings with accumulated losses of ₹61,975.60 crore. Of these 14 State Public Sector Undertakings, eight State Public Sector Undertakings incurred losses amounting to ₹6,473.50 crore during 2021-22 and six State Public Sector Undertakings had not incurred loss, even though they had accumulated loss of ₹3,240.22 crore as per their latest finalised accounts.

The net worth of four out of 14 State Public Sector Undertakings had been completely eroded by accumulated loss and their net worth was either zero or negative. The net worth of these four State Public Sector Undertakings was (-) ₹40,563.23 crore against equity investment of ₹17,889.68 crore as on 31 March 2022. In four State Public Sector Undertakings whose capital had been eroded, State Government loans outstanding as on 31 March 2022 amounted to ₹25,286.89 crore.

Table 5.17: Detail of SPSUs whose Net worth has eroded as per their latest finalised accounts

| (₹ in crore) | | | | | | | | |
|---------------------|--|-----------------------------------|-----------------------|---|--------------------|------------|---|---|
| Sl. No. | Name of SPSU | Latest year of finalised Accounts | Total paid up capital | Net profit/ Loss after interest, tax and dividend | Accumulated losses | Net Worth | State Government equity as on 31 March 2022 | State Government loan as on 31 March 2022 |
| 1 | MP Madhya Kshetra Vidyut Vitaran Company Limited | 2020-21 | 5,999.70 | -1,449.74 | -24,689.71 | -18,620.86 | 0.00 | 8,056.44 |
| 2 | MP Poorv Kshetra Vidyut | 2020-21 | 6,092.01 | -2,754.14 | -22,003.58 | -15,801.53 | 0.00 | 9,275.79 |

²⁶ Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited (MPPoKVVCL), Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited (MPPaKVVCL) and Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited (MPMKVVCL).

| | | | | | | | | |
|--------------|---|---------|------------------|------------------|-------------------|-------------------|-------------|------------------|
| | Vitaran Company Limited | | | | | | | |
| 3 | MP Paschim Kshetra Vidyut Vitaran Company Limited | 2021-22 | 5,762.97 | -2,243.97 | -11,976.94 | -6,134.75 | 0.00 | 7,954.66 |
| 4 | DMIC Pithampur Jal Prabhandhan Limited | 2020-21 | 35.00 | -18.67 | -41.09 | -6.09 | 0.00 | 0.00 |
| Total | | | 17,889.68 | -6,466.52 | -58,711.32 | -40,563.23 | 0.00 | 25,286.89 |

Source: Compiled on the basis of latest financial statement of State Public Sector Undertaking

5.11 Oversight role of the Comptroller and Auditor General of India

5.11.1 Audit of State 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 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 Companies Act, 2013. These financial statements are also subject to supplementary audit by the Comptroller and Auditor General of India within 60 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. Out of three Statutory Corporations, the Comptroller and Auditor General of India is sole auditor for Madhya Pradesh State Road Transport Corporation. In respect of Madhya Pradesh Warehousing and Logistics Corporation and Madhya Pradesh Financial 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 19(A) 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 State Public Sector Undertakings by the 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 (Act). Sections 139 (5) of the Act, 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 Act 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 60 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 State Public Sector Undertakings for the year 2021-22 were appointed by the Comptroller and Auditor General of India during October 2022 except the companies (Madhya Pradesh State Assets Management Company Limited and Indore Idea Factory Foundation) which came under the ambit of Comptroller and Auditor General of India for the first time in 2021-22.

5.12 Submission of accounts by State 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 State Public Sector Undertakings

Section 96 of the Companies Act, 2013 requires every company to hold AGM 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 AGM and that of the next. The section further provides that in case of the first AGM, 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 AGM up to 30 September 2022 for the financial year 2021-22.

Further, Section 129 of the Act stipulates that the audited Financial Statement for the financial year has to be placed in the said AGM 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 Act.

As of 31 March 2022, there were 60 Government Companies, nine Government Controlled Other Companies and three Statutory Corporations under the purview of Comptroller and Auditor General of India's audit. Of these, accounts for the year 2021-22 were due from 45 Government Companies, eight Government Controlled Other Companies and two Statutory Corporation.

Out of 72 Companies/corporations, accounts of 55 Companies/corporations were in arrears (45 Government Companies, eight Government Controlled Other Companies and two Corporations) for varied reasons²⁷. Further, 14 Government Companies²⁸ and one Statutory Corporation²⁹ timely have submitted their accounts (2021-22) for audit by Comptroller and Auditor General of India within stipulated time (before 30 September 2022). While two companies recently incorporated and there no account were in arrears. Status of arrear of accounts is given in **Table 5.18**:

| Table 5.18: Status of arrear in accounts | | | | |
|--|---|--|------------------------------|--------------|
| Particulars | State Public Sector Undertakings | | | |
| | Government Companies | Government Controlled Other Companies | Statutory Corporation | Total |
| Total number of Companies under the purview of Comptroller and Auditor General of India's Audit as on 31 March 2022 | 60 | 09 | 03 | 72 |
| Number of companies which presented the accounts (2021-22) for the Comptroller and Auditor General of India's audit by 30 September 2022 | 14 | -- | 01 | 15 |
| Company recently incorporated and no arrear of account for 2021-22 | 01 | 01 | -- | 02 |

The break-up of arrears of 45 Government companies, eight Government Controlled Other Companies and two statutory corporations are detailed in **Table 5.19** below:

| Table 5.19: Break-up of arrear in accounts | | | | |
|---|---|---|---|--------------|
| Particulars | State Public Sector Undertakings | | | |
| | Account of Government Companies | Account of Government Controlled Other Companies | Account of Statutory Corporation | Total |
| Number of accounts in arrears | 213 | 08 | 15 | 236 |
| Extent of arrear | Up to 32 years | Up to one year | Up to 14 years | |
| Break-up of Arrears | (i) Under Liquidation | 72 | -- | 72 |
| | (ii) Non-functional | 21 | 14 | 35 |
| | (iii) First Accounts not submitted | 21 | -- | 21 |
| | (iv) Others | 99 | 08 | 108 |

²⁷ Reasons for arrears in accounts include non-conducting of AGM and Board of Directors meeting, Shortage of man power (specially non functional companies) etc.

²⁸ MP Metro Rail Corporation Limited Bhopal, Madhya Pradesh Plastic City Development Corporation Gwalior Limited, Pithampur Auto Cluster Limited, MP Sainik Coal Mining Private Limited (New), MP Jaypee Coal Limited, MP Jaypee Coal Field Limited, MP Jaypee Mineral Limited, MP AMRL(Morga) Coal Company Limited, MP AMRL(Marki bakra) Coal Company Limited, MP AMRL(semaria) Coal Company Limited, MP AMRL(Bicharpur) Coal Company Limited, Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore, Madhya Pradesh Power Transmission Company Limited, Shri Singa Ji Power Project Limited.

²⁹ Madhya Pradesh Finance Corporation.

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

5.13.1 Financial reporting framework

The Companies are required to prepare the 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 the 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 69 State Public Sector Undertakings, 29 State Public Sector Undertakings 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 State 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 six companies as detailed in **Appendix 5.4** did not comply with mandatory Accounting Standards/Indian Accounting Standards.

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 AGM.

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

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

During the period under review (October 2021 to September 2022), 70 financial statement were received for audit (**Table 5.20**) of which 55 pertained to the previous year. The status of the financial statements received, reviewed and comments issued is given in the **Table 5.20** below:

| Table 5.20: Status of Financial Statements of State Public Sector Undertakings | | | | | | | | |
|--|------------------------|-------------------------------------|-----------------------|-------|--------------------|-------------------------------------|-----------------------|-------|
| Particulars of Financial Statement | Financial Year 2021-22 | | | | Previous Years | | | |
| | Government company | Government Controlled Other Company | Statutory corporation | Total | Government company | Government Controlled Other Company | Statutory Corporation | Total |
| Received | 14 | -- | 01 | 15 | 41 | 13 | 01 | 55 |
| Not Reviewed | 07 | -- | -- | 07 | 14 | 01 | -- | 15 |
| Reviewed | 01 | -- | -- | 01 | 12 | 09 | -- | 21 |
| Audit in progress* | 06 | -- | 01 | 07 | 15 | 03 | 01 | 19 |
| Nil comment issued | -- | -- | -- | -- | 03 | 01 | -- | 04 |
| Comments issued | 01 | -- | -- | 01 | 09 | 08 | -- | 17 |

*As on 30 September 2022

Out of 70 financial statements received, 22 financial statements were reviewed and in respect of another 22 financial statements, Non Review Certificates were issued. Further, out of the 22 financial statements which were reviewed, comments have been issued in respect of 18 financial statements (**Appendix 5.5**), while nil comments were issued for four financial statements.

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 State Public Sector Undertakings received during the reporting period (October 2021 to September 2022). Some of the significant comments on the financial statements of Government Companies and Government controlled other Companies are listed below:

Comments on Profitability

| Sl. No. | Name of Company | Comment |
|---------|---|---|
| 1 | Madhya Pradesh Van Vikas Nigam Limited, 2019-20 | <p>1. As per the Accounting Policy 8 (Government and Other Grants), Government Grants, Plantation Grants/Subsidies are recognized as income in the period in which these are received. Government/Plantation Grants from the plantation received during the year are taken as revenue receipts of Nigam. The total expenses done on the plantation are added to Work in Progress (WIP), which are then reduced by the Grant amount.</p> <p>During the year 2019-20, the Company had received ₹21.36 crore as CAMPA grant and incurred afforestation expense of ₹19.31 crore, however, the same was treated as Deposit work and income was neither credited nor WIP was booked for the expenses in non compliance with the Accounting Policy. This had resulted in under statement of Income and overstatement of other Liabilities by ₹2.05 crore.</p> <p>2. The Provision does not include an amount of ₹5.23 crore to be paid to the employees of the Company for the period 01.01.2016 to 31.03.2018 as second and third installment of the pay arrears approved (June 2018) by the Board of Directors. Non creation- of provision has resulted in understatement of Non-Current Liabilities to the extent of ₹5.23 crore and overstatement of Profit for the year to the same extent.</p> |

| | | |
|---|---|--|
| 2 | Madhya Pradesh Metro Rail Corporation Limited Bhopal 2021-22 | The Other Expenses does not include an amount of ₹11.40 lakh (towards rent expenses ₹8.64 lakh and ₹2.76 lakh towards electricity charges for the month of March 2022). Non creation of provision for rent and electricity charges has resulted in understatement of Other Expenses (Note-29), understatement of provision (Note-23) and understatement of profit by ₹11.40 lakh. |
| 3 | Bhopal Smart City Development Corporation Limited 2019-20 | Other Income includes interest of ₹0.41 lakh received on mobilization advance given to contractor. As per contract condition, the interest rate was to be calculated at the rate of 10 per cent per annum (Simple) which amounts to ₹150 lakh instead of ₹0.41 lakh as calculated by the Company. This has resulted in understatement of Interest on Mobilisation Advance (Note-23), understatement of Advances to Contractors (Note-9-Other Financial Assets) and understatement of Profit by ₹149.59 lakh. |
| 4 | Indore Smart City Development Limited 2020-21 | (i) Capital Work in Progress incorrectly includes an amount of ₹658.89 lakh in respect of Work Flow Management System (WFM) which went live on 01.11.2020 and last instalment of the contract of ₹73.21 lakh was also paid on 18.06.2021, prior to the closure (15.09.2021) of the Financial Statements for the year 2020-21. This has resulted in overstatement of Capital Work in Progress by Rs. 658.89 lakh, understatement of Financial liabilities by ₹73.21 lakh, understatement of Property, Plant and Equipment-Gross Block by ₹732.10 lakh and corresponding understatement of depreciation by ₹57.95 lakh and overstatement of profit to the same extent. (ii) Operation and maintenance expenses amounting to ₹15.25 lakh relating to Work Flow Management System for the period November 2020 to March 2021 has neither been paid nor provided for by the Company in the financial statements. This has resulted in understatement of financial liabilities and understatement of Project expenditure-by ₹15.25 lakh and corresponding overstatement of profit to the same extent. |
| 5 | Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore 2020-21 | (1) Madhya Pradesh State Electricity Regulatory Commission (MPERC) allowed enhanced power purchase cost through Retail Supply Tariff Order for FY 2020-21. The tariff determined by the order was applicable from 26 December 2020. The Company, however, accounted for the enhanced power purchase cost from 1 January 2021 which resulted in short accounting of power purchase cost as well as current liabilities by 28.10 crore and overstatement of profit for the year to the same extent. (2) The Company gets the actuarial valuation done at the end of each year in order to record the liabilities on account of terminal benefits to the employees. IND AS 19 provides that remeasurement of net liabilities is to be recognized in 'Other Comprehensive Income'. The Company, in violation of IND AS 19, adjusted the re-measurement gains in respect of Leave Encashment ₹37.66 crore against the expenditure for the year 2020-21. This has resulted in understatement of expenses 'Earned Leave Encashment' as well as Other Comprehensive Income by ₹37.66 crore and overstatement of profit for the year to the same extent. |
| 6 | Madhya Pradesh Power Generating Company Limited, Jabalpur 2020-21 | The Company gets the actuarial valuation done at the end of each year in order to record the liabilities on account of terminal benefits to the employees. IND AS 19 provides that re measurement of net liabilities is to be recognized in 'Other Comprehensive Income'. The Company, in violation of IND AS 19, adjusted the re-measurement gains in respect of Leave Encashment amounting to ₹26.55 crore against the expenditure for the year 2020-21. This has resulted in understatement of expenses 'Earned Leave Encashment' as well as Other Comprehensive Income by ₹26.55 crore and overstatement of profit for the year to the same extent. |
| 7 | Madhya Pradesh Power Transmission Company Limited 2020-21 | Revenue from Operations includes amount of ₹276.17 crore (de-recognition of transmission charges, incentive) pertaining to the financial year 2019-20. This is not a revenue of the Company for the reporting period and due to incorrect recognition of the revenue instead of making accounting adjustment in the Regulatory Assets, that arise as a result of the binding orders of the regulator for recovery of incurred costs has resulted |

| | | |
|---|---|---|
| | | in overstatement of Revenue from Operations and Regulatory Assets by ₹276.17 crore and overstatement of profit for the reporting period to the same extent. |
| 8 | Madhya Pradesh Pichda Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam 2011-12 | The Financial expenses above does not include ₹6.94 lakh being interest payable for the current year to the Chhattisgarh Antavyavasai Sahakari Vitta Evam Vikas Nigam (CASVEVN). This has resulted in understatement of financial expenses to the extent of ₹6.94 lakh for the current year and prior period expenses to the extent of ₹34.70 lakh (from April 2006 to March 2011) and understatement of Current Liabilities and Provisions by ₹41.64 lakh. |

Comments on Financial Position

| Sl. No. | Name of Company | Comments |
|---------|--|---|
| 1 | Madhya Pradesh Van Vikas Nigam Limited 2019-20 | Other Non-Current Assets includes advance of ₹8.50 crore paid by the Company for Van Bhawan, of which the Company received utilisation details of ₹2.50 crore only. The same should have been accounted under Capital Work in Progress. This has resulted in overstatement of Non-Current Assets and understatement of Capital Work in Progress by ₹2.50 crore. |
| 2 | Madhya Pradesh Metro Rail Corporation Limited Bhopal 2019-20 | The Company paid ₹6.48 crore to Research Designs and Standards Organisation (RDSO) as consultancy charges for various Metro projects in Indore and Bhopal and booked the same as Other Expenses (Note-16) instead of Capital Work in Progress (Note-7) resulting in understatement of Capital Work in Progress (Note-7), overstatement of Other Expenses (Note-16) and overstatement of Loss by ₹6.48 crore. |
| 3 | Madhya Pradesh Metro Rail Corporation Limited Bhopal 2020-21 | <p>1. Company made provision for rent for the period from October 2020 to March 2021 at the rate of ₹6.64 lakh per month instead of ₹8.65 lakh per month payable to Bhopal Smart City Development Corporation Limited. Short provisioning resulted in understatement of Other Expenses, understatement of Provisions, understatement of loss and overstatement of Other Equity (Note-14) by ₹12.06 lakh.</p> <p>2. Company paid rent of ₹198.21 lakh for the period from November 2018 to September 2020 and the same was shown as Exceptional Items in Statement of profit and loss. However, the rent of ₹51,89,340 paid for the period from April 2020 to September 2020 should have been treated as expenditure and included in Other expenses. This has resulted in understatement of Other expenses, overstatement of Exceptional Items by ₹51.89 lakh and understatement of loss to the same extent.</p> |
| 4 | Bhopal Smart City Development Corporation Limited 2019-20 | <p>1. Other Financial Liabilities do not include an amount of ₹323.53 lakh towards bills payable to M/s Shree Krishna Infrastructure for the month of January 2020 but not paid during the financial year (2019-20). Non creation of liability has resulted in understatement of Other Financial Liabilities (Note-19) and utilization of grant for Up-gradation of Transfer Station (Note-17) by ₹323.53lakh.</p> <p>2. Other Financial Liabilities do not include an amount of ₹230.92 lakh towards bills payable to M/s Cube Construction Engineering Limited for the month of February 2020 but not paid during the financial year (2019-20). Non creation of liability has resulted in understatement of Other Financial Liabilities (Note-19) and utilization of grant for Govt. Housing Phase-II (Note-17) by ₹230.92 lakh.</p> <p>3. Other Financial Liabilities do not include an amount of ₹568.32 lakh towards bills payable to M/s Shapers Construction Limited for the month of February 2020 but not paid during the financial year (2019-20). Non creation of liability has resulted in understatement of Other Financial Liabilities (Note-19) and utilization of grant for Boulevard Street Project Expense (Note-17) by ₹568.32 lakh.</p> |

| Sl. No. | Name of Company | Comments |
|---------|---|---|
| | | 4. Other Financial Liabilities does not include an amount of ₹251.32 lakh towards bills payable to M/s Hyva India Private Limited pertaining to the period of December 2019, but not paid during the financial year (2019-20). Non creation of liability has resulted in understatement of Other Financial Liabilities (Note-19) and utilization of grant for Supply, Erection & Commissioning Transfer Station (Note-17) by ₹251.32 lakh. |
| 5 | Ujjain Smart City Limited 2020-21 | <p>1. Other Non-Current Liabilities shows deduction of ₹2.89 crore for Ujjain Municipal Corporation-Pradhan Mantri Awas Yojna (UMC-PMAY) for Mahakaal Rudrasagar Integrated Development Approach (MIRDA) from the Project Grant of ₹16.86 crore. As the Company had paid ₹2.89 crore for clearing the land parcel at Maharajbada-III for MIRDA Project instead of construction of PMAY houses, which is a separate project being implemented by UMC, the expenditure should have been booked in MIRDA Project under Capital Work in Progress. Non booking of the expenditure in Capital Work in Progress has resulted in understatement of Capital Work in Progress and overstatement of Project Grant under Other Non-Current Liabilities by ₹2.89 Crore.</p> <p>2. Current Liabilities does not include ₹0.34 crore being expenses payable in respect of Dynamic Roof Top Solar and ₹0.32 crore payable in respect of tender advertisement expenses for which the bills were received during the year but not paid in the financial year 2020-21. Non creation of liability for these expenses has resulted in understatement of Capital Work in Progress and understatement of Financial Liabilities by ₹0.66 crore.</p> |
| 6 | Gwalior Smart City Development Corporation Limited 2019-20 | <p>1. Non-Current Assets includes an amount of ₹1.08 crore towards the expenses incurred by the Company for Operation and Maintenance of Integrated Command and Control Centre during the financial year 2019-20 payable to M/s Hewlett Packard Pvt. Ltd. The expenses being of revenue nature should have been booked under Project Expenses instead of under Capital Work in Progress. This has resulted in overstatement of Capital Work in Progress and understatement of Project Expenses by ₹1.08 crore and consequent overstatement of Other Equity to the same extent.</p> <p>2. Other Equity includes ₹224.26 crore as grant received from Governments (Gol and GoMP) for Smart City Mission. The Company has depicted the grant as Capital Reserve under Other Equity. However, as per Ind AS 20 relating to Accounting for Government Grants and disclosure of Government Assistance, Government Grant for Assets should be accounted for as Deferred Income under Other Non-Current Liabilities instead of Capital Reserve under Other Equity. This has resulted in overstatement of Other Equity and understatement of Other Non-Current Liabilities by ₹224.26 crore.</p> <p>3. The Company earned ₹22.67 crore as interest on fixed deposits out of funds received as grant which is also shown as Capital Reserve under Other Equity. As the interest relates to unutilised government grant which is liable to be returned to the Government, it should be accounted for as Other Current Liabilities instead of Other Equity. This has resulted in overstatement of Other Equity and understatement of Other Current Liabilities by ₹22.67 crore.</p> |
| 7 | Satna Smart City Development Limited 2019-20 | 1. The Capital Work in progress includes PAN City Integrated Command and Control Centre (ICCC) Refurbishment amounting to ₹19.80 crore. The PAN City ICCC went live on 28.01.2020 but was not capitalized. This has resulted in understatement of Gross Block of Property, Plant and Equipment by ₹19.80 crore, overstatement of Capital Work in Progress by ₹19.80 crore, understatement of depreciation and amortization Expenses by ₹1.56 crore. |

| Sl. No. | Name of Company | Comments |
|---------|--|---|
| | | 2. The operation and maintenance expenses amounting to ₹0.14 crore for the period January 2020 to March 2020 in respect of PAN City Integrated Command and Control Centre (ICCC), has neither been paid nor provided by the Company. This has resulted in understatement of Current Financial Liabilities and understatement of other expenses by ₹0. 14 crore. |
| 8 | Satna Smart City Development Limited 2020-21 | 1. PAN City Integrated Command and Control Centre (ICCC) Refurbishment amounting to ₹19.80 crore. The PAN City ICCC went live on 28.01.2020 but was not capitalized. This has resulted in understatement of Gross Block of Property, Plant and Equipment by ₹19.80 crore, overstatement of Capital Work in Progress by ₹19.80 crore, understatement of depreciation and amortization Expenses by ₹8.22 crore and understatement of accumulated depreciation by ₹1.56 crore. 2. The operation and maintenance expenses amounting to ₹0.52 crore for the period September 2020 to March 2021 in respect of PAN City Integrated Command and Control Centre (ICCC), has neither been paid nor provided by the Company. This has resulted in understatement of Current Financial Liabilities and understatement of other expenses by ₹0.52 crore. |
| 9 | Madhya Pradesh Kshetra Vidyut Company Bhopal 2020-21 | 1. Madhya Pradesh State Electricity Regulatory Commission (MPERC) allowed enhanced power purchase cost through Retail Supply Tariff Order for FY 2020-21. The tariff determined by the order was applicable from 26 December 2020. The Company, however, accounted for the enhanced power purchase cost from 1 January 2021 which resulted in short accounting of power purchase cost as well as current liabilities by ₹37.49 crore and understatement of loss to the same extent. 2. The works under DDUGJY and IPDS Schemes were completed till 2019-20. The company capitalised ₹7.14 crore of finance cost under DDUGJY and ₹6.26 crore of finance cost under IPDS during 2020-21 against its accounting policy (2.07) which states that borrowing cost attributable to the qualifying assets during their construction are capitalised based on the weighted average interest rate. This had resulted in overstatement of CWIP by ₹13.40 crore and understatement of finance cost and loss for the year to the same extent. |
| 10 | Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited Jabalpur 2020-21 | 1. Madhya Pradesh State Electricity Regulatory Commission (MPERC) allowed enhanced power purchase cost through Retail Supply Tariff Order for FY 2020-21. The tariff determined by the order was applicable from 26 December 2020. The Company, however, accounted for the enhanced power purchase cost from 1 January 2021 which resulted in understatement of power purchase cost as well as current liabilities by ₹10.54 crore and understatement of Loss to the same extent. 2. The works under RGGVY, Feeder Separation and SAUBHAGYA schemes were completed till 2019-20. As per Note 2.11 (Borrowing Costs) borrowing cost directly related to a particular project under constellation or acquisition of qualifying assets are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. However, against the policy, the Company capitalised ₹0.97 crore under RGGVY, ₹12.09 crore under Feeder Separation and ₹20.85 crore under SAUBHAGYA scheme totaling ₹33.91 crore during 2020-21. This resulted in overstatement of CWIP by ₹33.91 crore and understatement of finance cost and loss for the year to the same extent. |
| 11 | Madhya Pradesh Pichda Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam 2011-12 | 1. Cash and Bank Balances include balances in twenty-five bank accounts amounting to ₹17.13 crore. The financial statements were prepared without reconciliation of balances between the balances shown in bank statements and cashbook in the case of fifteen bank accounts (as detailed in the Annexure A). Further, it was also noticed that in the case of eleven bank accounts the bank statements were not available on record |

| Sl. No. | Name of Company | Comments |
|---------|-----------------|---|
| | | <p>(Annexure A). Thus, we could not authenticate the closing bank balances. Furthermore, in the Bank Reconciliation Statement (BRS) for A/c No.0030104000255325 with IDBI Ltd, as at the end of the year 2011-12 the closing balance has been incorrectly shown as ₹34.56 lakh instead of ₹4.51 lakh.</p> <p>Further, in view of the above, Audit is unable to express any opinion on the veracity of closing bank balance and the balance reflected in the head Cash and Bank Balances.</p> <p>2. As per order (2006) of Government of India, an amount of ₹57.86 lakh was to be paid by the Company to Chhattisgarh Antavyavasai Sahakari Vitta Evam Vikas Nigam (CASVEVN). However, as per the financial statements of the current year (2011-12), an amount of ₹65.33 lakh is payable to CASVEVN.</p> <p>Thus, this needs reconciliation.</p> |

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

In exercise of the powers conferred by Section 469 of the Companies 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 and 18 have been withdrawn after the notification of Indian Accounting Standard 115 and 116.

During the course of supplementary audit carried out between October 2021 to September 2022, 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:

| Accounting Standards/ Indian Accounting Standards | Name of the Company | Deviation |
|--|---|---|
| Indian Accounting Standard 8: Accounting policies, changes in accounting estimates and errors | Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited (2020-21) Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited (2020-21) | The Company neither disclosed significant accounting policy pertaining to accounting of power purchase costs nor the accounting practice followed by it during the year. |
| Accounting Standards 4: Contingencies and Events Occurring After the Balance Sheet Date and Accounting Standards 9: Revenue Recognition | Madhya Pradesh Pichda Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam (2011-12) | Non-disclosure of the several fact of amalgamation of the Corporation in to Madhya Pradesh Pichda Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam. In violation of the requirement of AS- 9 the Company accounted for the interest income on loan to different beneficiaries which were uncertain at the time of booking on accrual basis. |

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 State Public Sector Undertakings 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 the 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. These deficiencies generally related to application and interpretation of accounting policies and practices, adjustments arising out of audit that could have a significant effect on the financial statements and inadequate or non-disclosure of certain information on which management of the concerned State Public Sector Undertakings gave assurances that corrective action would be taken in the subsequent year.

During the period under review, the Comptroller and Auditor General of India issued 21 'Management Letters' to State Public Sector Undertakings. The broad nature of irregularities in financial statements of Companies/Corporations highlighted in these Management Letters is shown in **Appendix 5.6**.

5.17 Conclusion

As on 31 March 2022, there were 72 State Public Sector Undertakings including three Statutory Corporations and nine Government Controlled other Companies. Out of 72, there are 40 inactive State Public Sector Undertakings. These State Public Sector Undertakings are inactive from three to 32 years. Thus, only 32 PSUs, which furnished information/accounts to Audit, were considered for analysis of financial performance.

During 2021-22, these 32 PSUs registered turnover of ₹89,699.74 crore, which was equal to 7.67 per cent of the GSDP of Madhya Pradesh. The contribution of Power sector PSUs alone accounts for over 98 per cent of the total turnover of PSUs during 2021-22.

The investment of the state Government in equity and long-term loans in 72 PSUs was ₹63,019.52 crore against total investment of ₹1,08,949.63 crore at the end of 31 March 2022. The outstanding long-term loans of these PSUs as on 31 March 2022 decreased to ₹31,597.77 crore from ₹31,820.52 crore over the previous year.

The Profit earned by 13 State Public Sector Undertakings out of 32 State Public Sector Undertakings (covered in this Report) was ₹1,797.34 crore in 2021-22 as compared to 18 State Public Sector Undertakings which earned profit of ₹671.29 crore in 2020-21. Major profit contributed by Madhya Pradesh Power Transmission Company Limited (₹1,072.27 crore) Madhya Pradesh warehousing and Logistic corporation (₹301.15 crore) and Madhya Pradesh Power Generating Company Limited (₹299.98 crore). Out of the total loss of ₹6,523.12 crore incurred by 11 State Public Sector Undertakings, major loss incurred by Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Limited, Madhya Pradesh Poorv Kshetra Vidyut Vitran Company Limited and Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited.

Out of 72, accounts of 55 Companies/corporations (45 Government Companies, all eight Government Controlled other Companies and two Corporations) were in arrears for various reasons for the year 2021-22. State Public Sector Undertakings were not adhering with the prescribed timeline regarding submission of their Financial Statements as per the Companies Act, 2013. As a result, 236 accounts of 55 State Public Sector Undertakings were in arrears.

5.18 Recommendations

- i) Government of Madhya Pradesh may review the functioning of all loss-making PSUs and take necessary steps to improve their financial performance.
- ii) Government 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 expeditious steps in order to reduce the arrears in finalisation of accounts.
- iii) Government may review the inactive Government Companies and take appropriate decision on their revival/dissolution.



(Priya Parikh)
Accountant General (Audit-II)
Madhya Pradesh

Bhopal
The 28 February 2023

Countersigned



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

New Delhi
The 06 March 2023

APPENDICES

Appendix 1.1
State profile (Madhya Pradesh)
(Reference: Paragraph 1.1; Page 1)

| A | General Data | | | | | | | | | |
|-------------|--|---|-----------------------------------|-------|-----------------------|--------|----------------------------|--------|-----------------------|-------|
| Sl. No. | Particulars | | | | | | Figures | | | |
| 1 | Area | | | | | | 3,08,245 sq km | | | |
| 2 | Population | | | | | | | | | |
| | a. | As per 2001 Census | | | | | 6.03 crore | | | |
| | b. | As per 2011 Census | | | | | 7.33 crore | | | |
| 3 | a. | Density of Population (2001 Census) (All India Density = 325 persons per sq. km) | | | | | 196 persons per sq km | | | |
| | b. | Density of Population (2011 Census) (All India Density = 382 persons per sq. km) | | | | | 236 persons per sq km | | | |
| 4 | Population below poverty line (All India Average = 21.92 <i>per cent</i>) | | | | | | 31.93 <i>per cent</i> | | | |
| 5 | a. | Literacy (as per 2001 Census) (All India Average = 64.80 <i>per cent</i>) | | | | | 63.74 <i>per cent</i> | | | |
| | b. | Literacy (as per 2011 Census) (All India Average = 73.00 <i>per cent</i>) | | | | | 69.30 <i>per cent</i> | | | |
| 6 | Infant mortality rate (per 1000 live births) (All India Average = 30 per 1000 live births) (2020) | | | | | | 46 per 1000 live births | | | |
| 7 | Life Expectancy at birth (All India Average in years 2015-19 = 69.70 years) | | | | | | 67.00 years | | | |
| 8 | Gross State Domestic Product (GSDP) 2021-22 at current price | | | | | | ₹11,69,004 crore | | | |
| 9 | Gross State Domestic Product (GSDP) 2021-22 at constant price | | | | | | ₹6,21,653 crore | | | |
| 10 | Per Capita GSDP CAGR (2012 to 2022) | | Madhya Pradesh (M.P.) | | | | 11.62 <i>per cent</i> | | | |
| | | | All India (Inclusive of UTs) | | | | 8.86 <i>per cent</i> | | | |
| 11 | GSDP CAGR (2012 to 2022) | | Madhya Pradesh | | | | 13.27 <i>per cent</i> | | | |
| | | | All India (Inclusive of UTs) | | | | 10.11 <i>per cent</i> | | | |
| 12 | Decadal Population Growth (2012 to 2022) | | Madhya Pradesh | | | | 15.82 <i>per cent</i> | | | |
| | | | All India (Inclusive of UTs) | | | | 12.12 <i>per cent</i> | | | |
| B | Financial Data | | | | | | | | | |
| | | | Growth rate (in <i>per cent</i>) | | | | | | | |
| Particulars | | | 2012-13 to 2015-16 | | 2016-17 to 2019-20 | | 2019-20 to 2020-21 | | 2020-21 to 2021-22 | |
| | | | M.P. | GCS | M.P. | GCS | M.P. | GCS | M.P. | GCS |
| a | Revenue Receipts | | 14.42 | 13.79 | 6.19 | 8.68 | -0.86 | -4.12 | 26.98 | 25.60 |
| b | Own Tax Revenue | | 9.56 | 8.92 | 8.10 | 9.15 | -2.44 | -4.06 | 21.63 | 25.62 |
| c | Non Tax Revenue | | 6.97 | 9.80 | 4.43 | 15.41 | -4.32 | -34.63 | 54.56 | 45.35 |
| d | State's shares in Union Taxes & Duties | | 22.66 | 19.36 | 2.44 | 2.46 | -5.26 | -8.21 | 48.23 | 48.60 |
| e | Grants-in-aids from GoI | | 15.04 | 26.45 | 10.07 | 14.27 | 9.86 | 18.80 | -0.88 | -5.37 |
| f | Total Receipts | | 16.60 | 16.78 | 5.75 | 9.29 | 16.23 | 7.00 | 10.49 | 15.57 |
| g | Revenue Expenditure | | 16.58 | 14.51 | 7.97 | 9.59 | 9.50 | 6.12 | 9.91 | 12.25 |
| h | Capital Expenditure | | 5.67 | 25.38 | -2.11 | -4.95 | 4.49 | -2.09 | 39.18 | 25.59 |
| i | Disbursement of Loans & Advances | | -16.26 | 46.06 | -41.53 | -30.87 | 24.63 | 2.31 | 162.43 | 1.22 |
| j | Total Expenditure | | 14.44 | 16.32 | 5.98 | 6.99 | 8.66 | 4.99 | 14.62 | 13.96 |
| k | Revenue Expenditure on Education | | 16.13 | 12.31 | 11.08 | 9.26 | 0.17 | -0.90 | 2.21 | 11.47 |
| l | Revenue Expenditure on Health & Family Welfare | | 18.67 | 17.22 | 16.43 | 11.86 | 5.47 | 15.29 | 30.83 | 19.71 |
| m | Revenue Expenditure on Salary & Wages | | 8.70 | 10.50 | 13.60 | 9.86 | 21.00 | 2.83 | 8.81 | 11.23 |
| n | Revenue Expenditure on Pension | | 16.48 | 12.16 | 11.08 | 15.01 | 21.71 | 6.48 | 16.16 | 11.88 |
| o | Revenue Expenditure on Subsidies | | 27.19 | 26.05 | -8.52 | 7.89 | 7.94 | 10.77 | 41.34 | 18.29 |

Source: Information provided by Economic Advisor

Appendix 2.1
Time series data on the State Government Finances¹
(Reference: Paragraphs 2.6.2, 2.10.1 and 2.13.2; Pages 23, 33 and 58)

(₹ in crore)

| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Part A. Receipts | | | | | |
| 1. Revenue Receipts (A+B+C) | 1,34,875 | 1,48,893 | 1,47,643 | 1,46,377 | 1,85,876 |
| A. Tax Revenue (i+ii) | 95,664(71) | 1,08,369(73) | 1,05,342(71) | 1,01,373(69) | 1,35,779(73) |
| (i) Own Tax Revenue | 44,811(33) | 50,882(34) | 55,824(38) | 54,459(37) | 66,237(49) |
| State Goods and Service Tax | 8,696 (19) | 18,508(36) | 20,448(37) | 17,258(32) | 22,028(33) |
| Taxes on Sales, Trade etc. | 14,984(33) | 9,903(20) | 11,258(20) | 13,296(24) | 16,185(24) |
| State Excise | 8,245(18) | 9,542(19) | 10,829(19) | 9,526(17) | 10,334(16) |
| Taxes on Vehicles | 2,692(6) | 3,008(6) | 3,251(6) | 2,749(5) | 3,029(5) |
| Stamps and Registration fees | 4,789(11) | 5,278(10) | 5,569(10) | 6,817(13) | 8,098(12) |
| Land Revenue | 491(1) | 384(1) | 562(1) | 504(1) | 733(1) |
| Taxes on Goods and Passengers | 1,159(3) | 118(0) | 145(0) | 75(0) | 64(0) |
| Other Taxes | 3,755(8) | 4,141(8) | 3,762(7) | 4,234(8) | 5,766(9) |
| (ii) State's Share of Union Taxes and Duties | 50,853(53) | 57,487(53) | 49,518(47) | 46,914(46) | 69,542(51) |
| B. Non-Tax Revenue | 9,061(7) | 11,899(8) | 10,349(7) | 9,902(7) | 15,305(8) |
| C. Grants-in-Aid from Government of India | 30,150(22) | 28,625(19) | 31,952(22) | 35,102(24) | 34,792(19) |
| 2. Miscellaneous Capital Receipts | 19 | 13 | 14 | 14 | 1,598 |
| 2A. Inter-State Settlement | 0 | 0 | (-)0.25 | (-)0.02 | 1.14 |
| 3. Recoveries of Loans and Advances | 5,070 | 70 | 46 | 58 | 62 |
| 4. Total Revenue and Non-Debt Capital Receipts (1+2+2A+3) | 1,39,964 | 1,48,976 | 1,47,703 | 1,46,449 | 1,87,537 |
| 5. Public Debt Receipts | 21,892 | 32,497 | 34,364 | 65,171 | 46,285 |
| Internal Debt (excluding Ways and Means Advances and Overdrafts) | 19,975 | 25,325 | 29,496 | 54,242 | 33,671 |
| Net transactions under Ways and Means Advances and Overdrafts | -- | 3,376 | -- | -- | -- |
| Loans and Advances from Government of India | 1,917 | 3,796 | 4,868 | 10,929 ² | 12,614 ³ |
| 6. Total Receipts in the Consolidated Fund (4+5) | 1,61,856 | 1,81,473 | 1,82,067 | 2,11,620 | 2,33,822 |
| 7. Contingency Fund Receipts | -- | -- | -- | -- | -- |
| 8. Public Account Receipts | 1,71,665 | 1,86,344 | 2,00,611 | 2,35,479 | 2,29,353 |
| 9. Total Receipts of the State (6+7+8) | 3,33,521 | 3,67,817 | 3,82,678 | 4,47,099 | 4,63,175 |
| Part B. Expenditure/Disbursement | | | | | |
| 10. Revenue Expenditure | 1,30,246(80) | 1,42,149(82) | 1,50,444(83) | 1,64,733(84) | 1,81,061(80) |
| General Services (including interest payments) | 32,100(25) | 38,112(27) | 39,827(26) | 47,885(29) | 49,461(27) |
| Social Services | 58,346(45) | 58,707(41) | 64,224(43) | 68,757(42) | 71,644(40) |
| Economic Services | 32,735(25) | 37,658(27) | 40,493(27) | 42,191(25) | 52,831(29) |
| Grants-in-Aid and Contributions | 7,065(5) | 7,672(5) | 5,900(4) | 5,900(4) | 7,125(4) |
| 11. Capital Expenditure | 30,913(19) | 29,424(17) | 29,241(16) | 30,356(15) | 40,733(18) |
| General Services | 743(3) | 723(3) | 982(3) | 974(3) | 989(2) |
| Social Services | 5,358(17) | 5,719(19) | 6,922(24) | 8,132(27) | 14,352(36) |

¹ Figures in parenthesis represents percentages rounded to total of each sub-heading.² Includes back to back loan in lieu of GST compensation shortfall of ₹4,542 crore.³ Includes back to back loan in lieu of GST compensation shortfall of ₹7,011 crore.

| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|-----------------|-----------------|-----------------|-----------------------|-----------------------|
| Economic Services | 24,812(80) | 22,982(78) | 21,337(73) | 21,250(70) | 25,392(62) |
| 12. Disbursement of Loans and Advances | 1,550(1) | 1,090(1) | 987(1) | 1,230(1) | 3,229(1) |
| 13. Inter-State Settlement | 0 | 1 | (-)0.62 | (-)0.25 | 1 |
| 14. Total Expenditure (10+11+12+13) | 1,62,709 | 1,72,664 | 1,80,672 | 1,96,319 | 2,25,024 |
| 15. Repayments of Public Debt | 5,776 | 13,524 | 10,934 | 12,757 | 15,162 |
| Internal Debt (excluding Ways and Means Advances and Overdrafts) | 4,683 | 8,999 | 9,713 | 11,315 | 13,376 |
| Net transactions under Ways and Means Advances and Overdraft | -- | 3,376 | -- | -- | -- |
| Loans and Advances from Government of India | 1,093 | 1,149 | 1,221 | 1,442 | 1,786 |
| 16. Appropriation to Contingency Fund | -- | -- | -- | -- | -- |
| 17. Total disbursement out of Consolidated Fund (14+15+16) | 1,68,485 | 1,86,188 | 1,91,606 | 2,09,076 | 2,40,186 |
| 18. Contingency Fund disbursements | -- | -- | -- | -- | -- |
| 19. Public Account disbursements | 1,68,893 | 1,83,377 | 1,89,401 | 2,27,522 | 2,23,811 |
| 20. Total disbursement by the State (17+18+19) | 3,37,378 | 3,69,565 | 3,81,007 | 4,36,598 | 4,63,997 |
| Part C. Deficits | | | | | |
| 21. Revenue Deficit(-)/Revenue Surplus(+) (1-10) | 4,629 | 6,744 | -2,801 | -18,356 | 4,815 |
| 22. Fiscal Deficit (-)/Fiscal Surplus(+) (4-14) | -22,745 | -23,688 | -32,970 | -49,870 | -37,487 |
| 23. Primary Deficit(-)/Surplus(+) (22+24) | -11,700 | -10,992 | -18,753 | -33,952 | -19,041 |
| Part D. Other data | | | | | |
| 24. Interest Payments (included in revenue expenditure) | 11,045 | 12,696 | 14,217 | 15,918 | 18,446 |
| 25. Financial Assistance to local bodies etc. | 36,462 | 36,735 | 28,659 | 30,101 | 28,645 |
| 26. Ways and Means Advances/Overdraft availed (days) | -- | 25 | -- | -- | -- |
| - Ways and Means Advances availed (days) | -- | 25 | -- | -- | -- |
| - Overdraft availed (days) | -- | -- | -- | -- | -- |
| 27. Interest on Ways and Means Advances/ Overdraft | -- | 1.16 | 0.41 | -- | -- |
| 28. Gross State Domestic Product (GSDP) ⁴ | 7,26,284 | 8,31,024 | 9,38,602 | 9,76,281 | 11,69,004 |
| 29. Outstanding Fiscal liabilities (year-end) | 1,72,363 | 1,94,309 | 2,30,572 | 2,89,298 ⁵ | 3,23,218 ⁶ |
| 30. Outstanding guarantees (year-end) (including interest) | 14,003 | 30,763 | 30,930 | 37,010 | 35,006 |
| 31. Maximum amount guaranteed (year-end) | 31,653 | 55,640 | 43,017 | 54,464 | 60,634 |
| 32. Number of incomplete projects | - | 55 | 81 | 72 | 1,345 |

⁴ Revised GSDP figures as communicated by the Government adopted for the year 2017-18 to 2020-21.

⁵ Includes back to back loan in lieu of GST compensation shortfall of ₹4,542 crore.

⁶ Include Back to back loan in lieu of GST compensation shortfall of ₹11,553 (₹7,011+₹4,542) crore.

| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|--|---------|---------|---------|--------------------|--------------------|
| 33. Capital blocked in incomplete projects | - | 2,951 | 29,606 | 15,461 | 6,564 |
| Part E. Fiscal Health Indicators | | | | | |
| I Resource Mobilization | | | | | |
| Own Tax Revenue/GSDP (per cent) | 6.17 | 6.12 | 5.95 | 5.58 | 5.67 |
| Own Non-Tax Revenue/GSDP (per cent) | 1.25 | 1.43 | 1.10 | 1.01 | 1.30 |
| Central Transfers ⁷ /GSDP (per cent) | 11.15 | 10.36 | 8.68 | 8.40 | 8.92 |
| Revenue Buoyancy with reference to State's own taxes | 6.70 | 0.77 | -0.09 | 0.35 | 1.25 |
| II Expenditure Management | | | | | |
| Total Expenditure/GSDP (per cent) | 22.40 | 20.78 | 19.25 | 20.10 | 19.24 |
| Total Expenditure/Revenue Receipts (per cent) | 120.64 | 115.97 | 122.37 | 134.12 | 121.06 |
| Revenue Expenditure/Total Expenditure (per cent) | 80.05 | 82.33 | 83.27 | 83.91 | 80.46 |
| Expenditure on General Services/Total Expenditure (per cent) | 20.19 | 22.49 | 22.59 | 24.88 | 22.42 |
| Expenditure on Social Services/Total Expenditure (per cent) | 39.15 | 37.31 | 39.38 | 39.17 | 38.22 |
| Expenditure on Economic Services/Total Expenditure (per cent) | 35.37 | 35.12 | 34.22 | 32.32 | 34.76 |
| Capital Expenditure/Total Expenditure (per cent) | 19.00 | 17.04 | 16.18 | 15.46 | 18.10 |
| Capital Expenditure on Social and Economic Services/Total Expenditure (per cent) | 18.54 | 16.62 | 15.64 | 14.97 | 17.66 |
| III Management of Fiscal Imbalances | | | | | |
| Revenue Deficit(-)/Surplus(+)/GSDP (per cent) | 0.64 | 0.81 | -0.30 | -1.88 | 0.41 |
| Fiscal Deficit(-)/GSDP (per cent) | -3.13 | -2.85 | -3.51 | -5.11 | -3.21 |
| Primary Deficit(-)/Surplus(+)/GSDP (per cent) | -1.61 | -1.32 | -1.99 | -3.48 | 1.63 |
| Revenue Deficit/Fiscal Deficit | NA | NA | 0.08 | 0.37 | -0.13 |
| Primary Revenue Balance/GSDP (per cent) | 16.41 | 15.58 | 14.51 | 15.24 | 13.91 |
| IV Management of Fiscal Liabilities | | | | | |
| Fiscal Liabilities/GSDP (per cent) | 23.73 | 23.38 | 24.57 | 31.03 ⁸ | 26.71 ⁹ |
| Fiscal Liabilities/RR (per cent) | 127.79 | 130.50 | 156.17 | 197.64 | 173.89 |

⁷ Central Transfers comprising of Share of Union Taxes/Duties and Grants from GoI.

⁸ Debt/GSDP ratio has been calculated on total outstanding debt of ₹2,84,756 crore after excluding the amount of back to back loan (₹4,542 crore) from the total outstanding debt ₹2,89,298 crore.

⁹ Debt/GSDP ratio has been calculated on total outstanding debt of ₹3,12,241 crore after excluding the amount of back to back loan (₹11,553 crore) from the total outstanding debt of ₹3,23,218 crore and including off budget borrowing ₹576 crore.

| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|------------------|------------------|------------------|------------------|------------------|
| V Other Fiscal Health Indicators | | | | | |
| Return on Investment (<i>per cent</i> in bracket) | 622.36 (2.11) | 347.26 (0.99) | 475.96 (1.31) | 288.44 (0.74) | 138.73 (0.34) |
| Ratio of Financial Assets to Liabilities | 0.67 | 0.68 | 0.74 | 0.86 | 0.86 |

Appendix 3.1
Statement of misclassification of Revenue Expenditure under the Capital section
(Reference: Paragraph 3.3.1; Page 70)

(₹ in crore)

| Sl. No. | Grant No. | Major Head | Budget Provision (O+S) | Expenditure |
|---|-----------|--|------------------------|---------------|
| Object Head 11-Salary | | | | |
| 1 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 2.16 | 0.21 |
| 2 | 20 | 4215-Capital Outlay on Forestry and Wild Life | 23.52 | 16.10 |
| 3 | 23 | 4700-Capital Outlay on Major Irrigation | 43.95 | 33.36 |
| 4 | 48 | 4700-Capital Outlay on Major Irrigation | 140.26 | 100.68 |
| 5 | 48 | 4701-Capital Outlay on Medium Irrigation | 6.11 | 4.92 |
| 6 | 48 | 4801-Capital Outlay on Power Projects | 77.90 | 54.72 |
| Total (Object Head 11-Salary) | | | 293.90 | 209.99 |
| Object Head 12-Wages | | | | |
| 7 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 561.84 | 614.55 |
| 8 | 20 | 4215-Capital Outlay on Water supply and Sanitation | 7.63 | 6.99 |
| 9 | 23 | 4700-Capital Outlay on Major Irrigation | 28.28 | 27.05 |
| 10 | 23 | 4701-Capital Outlay on Medium Irrigation | 5.44 | 5.56 |
| 11 | 23 | 4702-Capital Outlay on Minor Irrigation | 0.25 | 0.44 |
| 12 | 48 | 4700-Capital Outlay on Major Irrigation | 42.82 | 34.16 |
| 13 | 48 | 4701-Capital Outlay on Medium Irrigation | 3.91 | 3.64 |
| 14 | 48 | 4801-Capital Outlay on Power Projects | 15.71 | 9.77 |
| 15 | 61 | 4406-Capital Outlay on Forestry and Wild Life | 4.91 | 0.24 |
| Total (Object Head 12-Wages) | | | 670.79 | 702.40 |
| Object Head 13-Pension and Pensionary Benefits | | | | |
| 16 | 48 | 4801-Capital Outlay on Power Projects | 0.07 | 0.06 |
| Total (Object Head 13-Pension and Pensionary Benefits) | | | 0.07 | 0.06 |
| Object Head 16-Salary Allowances-All India Services | | | | |
| 17 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 2.16 | 0.17 |
| 18 | 48 | 4801-Capital Outlay on Power Projects | 1.95 | 1.15 |
| Total (Object Head 16-Salary Allowances-All India Services) | | | 4.11 | 1.32 |
| Object Head 19-Salary of Charged/Contingent works employee | | | | |
| 19 | 20 | 4215-Capital Outlay on Water supply and Sanitation | 40.92 | 31.27 |
| 20 | 23 | 4700-Capital Outlay on Major Irrigation | 15.28 | 10.19 |
| 21 | 23 | 4701-Capital Outlay on Medium Irrigation | 2.35 | 2.32 |
| 22 | 23 | 4702-Capital Outlay on Minor Irrigation | 2.15 | 1.76 |
| 23 | 48 | 4700-Capital Outlay on Major Irrigation | 45.25 | 34.03 |
| 24 | 48 | 4701-Capital Outlay on Medium Irrigation | 2.64 | 1.96 |
| 25 | 48 | 4801-Capital Outlay on Power Projects | 5.20 | 3.92 |
| Total (Object Head 19-Salary of Charged/Contingent works employee) | | | 113.79 | 85.45 |
| Object Head 21-Travelling Allowance | | | | |
| 26 | 23 | 4700-Capital Outlay on Major Irrigation | 0.42 | 0.22 |
| 27 | 48 | 4700-Capital Outlay on Major Irrigation | 2.20 | 0.72 |
| 28 | 48 | 4701-Capital Outlay on Medium Irrigation | 0.10 | 0.02 |
| 29 | 48 | 4801-Capital Outlay on Power Projects | 0.97 | 0.22 |

| Sl. No. | Grant No. | Major Head | Budget Provision (O+S) | Expenditure |
|---|-----------|---|------------------------|---------------|
| Total (Object Head 21-Travelling Allowance) | | | 3.69 | 1.18 |
| Object Head 22-Office Expenses | | | | |
| 30 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 9.45 | 10.23 |
| 31 | 20 | 4215-Capital Outlay on Water supply and Sanitation | 0.29 | 0.09 |
| 32 | 23 | 4700-Capital Outlay on Major Irrigation | 0.46 | 0.12 |
| 33 | 23 | 4701-Capital Outlay on Medium Irrigation | 0.21 | 0.13 |
| 34 | 24 | 5054-Capital Outlay on Roads and Bridges | 5.01 | 1.50 |
| 35 | 48 | 4700-Capital Outlay on Major Irrigation | 2.19 | 1.45 |
| 36 | 48 | 4701-Capital Outlay on Medium Irrigation | 0.14 | 0.09 |
| 37 | 48 | 4801-Capital Outlay on Power Projects | 4.48 | 2.71 |
| Total (Object Head 22-Office Expenses) | | | 22.23 | 16.32 |
| Object Head 24-Examination and Training | | | | |
| 38 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 5.34 | 5.19 |
| 39 | 48 | 4801-Capital Outlay on Power Projects | 0.08 | 0.02 |
| Total (Object Head 24-Examination and Training) | | | 5.42 | 5.21 |
| Object Head 26-Seminar, Workshop and Conference | | | | |
| 40 | 20 | 4215-Capital Outlay on Water supply and Sanitation | 18.40 | 4.97 |
| 41 | 23 | 4701-Capital Outlay on Medium Irrigation | 0.20 | 0.09 |
| Total (Object Head 26-Seminar, Workshop and Conference) | | | 18.60 | 5.06 |
| Object Head 27-Macro Information Technology System | | | | |
| 42 | 52 | 4210 -Capital Outlay on Medical and Public Health | 7.35 | 1.21 |
| Total (Object Head 27-Macro Information Technology System) | | | 7.35 | 1.21 |
| Object Head 31-Payment for Professional Services | | | | |
| 43 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 53.60 | 33.66 |
| 44 | 23 | 4700-Capital Outlay on Major Irrigation | 0.25 | 0.11 |
| 45 | 48 | 4700-Capital Outlay on Major Irrigation | 5.55 | 5.43 |
| 46 | 48 | 4701-Capital Outlay on Medium Irrigation | 0.28 | 0.27 |
| 47 | 48 | 4801-Capital Outlay on Power Projects | 9.50 | 5.18 |
| Total (Object Head 31-Payment for Professional Services) | | | 69.18 | 44.65 |
| Object Head 32-Minor Works | | | | |
| 48 | 30 | 4515-Capital Outlay on Other Rural Development Programmes | 114.04 | 32.44 |
| 49 | 33 | 4225-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities | 60.00 | 56.52 |
| 50 | 56 | 4851-Capital Outlay on Village and Small Industries | 1.22 | 0.05 |
| Total (Object Head 32-Minor Works) | | | 175.26 | 89.01 |
| Object Head 33-Maintenance | | | | |
| 51 | 20 | 4215-Capital Outlay on Water supply and Sanitation | 0.65 | 0.68 |
| 52 | 23 | 4701-Capital Outlay on Medium Irrigation | 0.60 | 0.39 |
| 53 | 48 | 4700-Capital Outlay on Major Irrigation | 126.59 | 114.01 |
| 54 | 48 | 4701-Capital Outlay on Medium Irrigation | 2.13 | 1.52 |
| 55 | 48 | 4801-Capital Outlay on Power Projects | 21.68 | 17.90 |
| Total (Object Head 33-Maintenance) | | | 151.65 | 134.50 |

| Sl. No. | Grant No. | Major Head | Budget Provision (O+S) | Expenditure |
|--|-----------|--|------------------------|-----------------|
| Object Head 34-Material and Supplies | | | | |
| 56 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 363.93 | 261.91 |
| 57 | 20 | 4215-Capital Outlay on Water supply and Sanitation | 15.50 | 4.19 |
| 58 | 48 | 4801-Capital Outlay on Power Projects | 0.03 | 0.03 |
| Total (Object Head 34-Material and Supplies) | | | 379.46 | 266.13 |
| Object Head 35-Advertisement and Publicity | | | | |
| 59 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 0.04 | 0.03 |
| 60 | 20 | 4215-Capital Outlay on Water supply and Sanitation | 9.50 | 1.11 |
| Total (Object Head 35-Advertisement and Publicity) | | | 9.54 | 1.16 |
| Total (Object Head 35-Advertisement and Publicity) | | | | |
| Object Head 42-Grants-in-Aid | | | | |
| 61 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 37.00 | 19.91 |
| 62 | 19 | 4210-Capital Outlay on Medical and Public Health | 126.25 | 31.57 |
| 63 | 20 | 4215-Capital Outlay on Water supply and Sanitation | 3.00 | 3.00 |
| 64 | 30 | 4515-Capital Outlay on Other Rural Development Programmes | 220.00 | 220.00 |
| 65 | 34 | 4235-Capital Outlay on Social Security and Welfare | 7.06 | 5.90 |
| Total (Object Head 42-Grants-in-Aid) | | | 393.31 | 280.38 |
| Object Head 43-Contributions | | | | |
| 66 | 48 | 4700-Capital Outlay on Major Irrigation | 3.00 | 3.00 |
| 67 | 48 | 4801-Capital Outlay on Power Projects | 4.08 | 7.50 |
| Total (Object Head 43-Contributions) | | | 7.08 | 10.50 |
| Object Head 45-Grants-in-Aid for Creation of Capital Assets | | | | |
| 68 | 11 | 4875-Capital Outlay on Other Industries | 285.00 | 246.07 |
| 69 | 22 | 4217-Capital Outlay on Urban Development | 51.00 | 51.00 |
| 70 | 44 | 4202-Capital Outlay on Education, Sports, Arts and Culture | 116.85 | 18.97 |
| Total (Object Head 45-Grants-in-Aid for Creation of Capital Assets) | | | 452.85 | 316.04 |
| Object Head 51-Other Charges | | | | |
| 71 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 29.86 | 26.02 |
| Total (Object Head 51-Other Charges) | | | 29.86 | 26.02 |
| Object Head 53-Payment of Decretal Amount | | | | |
| 72 | 23 | 4701-Capital Outlay on Medium Irrigation | 1.00 | 0.99 |
| 73 | 23 | 4702-Capital Outlay on Minor Irrigation | 0.20 | 0.13 |
| 74 | 48 | 4700-Capital Outlay on Major Irrigation | 1.00 | 0.47 |
| Total (Object Head 53-Payment of Decretal Amount) | | | 2.20 | 1.59 |
| Object Head 54-Compensation | | | | |
| 75 | 10 | 4406-Capital Outlay on Forestry and Wild Life | 49.79 | 8.82 |
| Total (Object Head 54-Compensation) | | | 49.79 | 8.82 |
| Grand Total | | | 2,861.13 | 2,207.00 |

Source: Information furnished by O/o the PAG (A&E)-I, Madhya Pradesh, Gwalior

Appendix 3.2
Statement of misclassification of Capital Expenditure under the Revenue section
(Reference: Paragraph 3.3.1; Page 70)

(₹ in crore)

| Sl. No. | Grant No. | Major Head | Budget Provision (O+S) | Expenditure |
|--|-----------|---|------------------------|-------------|
| Object Head 61-Survey, Investigation and Design and Preparation of DPRs | | | | |
| 1 | 9 | 2810-New and Renewable Energy | 2.21 | 0.59 |
| 2 | 25 | 2853-Non-Ferrous Mining and Metallurgical Industries | 0.20 | 0.01 |
| 3 | 33 | 2225-Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities | 1.55 | 1.52 |
| 4 | 55 | 2235-Social Security and Welfare | 0.45 | 0.45 |
| Total (Object Head 61-Survey, Investigation and Design and Preparation of DPRs) | | | 4.41 | 2.57 |
| Object Head 63-Machinery | | | | |
| 5 | 1 | 2015-Elections | 2.00 | 0.25 |
| 6 | 5 | 2056-Jails | 1.50 | 0.93 |
| 7 | 10 | 2406-Forestry and wild life | 0.00 | 0.10 |
| 8 | 13 | 2401-Crop Husbandry | 22.18 | 0.50 |
| 9 | 13 | 2402-Soil and Water Conservation | 0.02 | 0.01 |
| 10 | 14 | 2403-Animal Husbandry | 0.22 | 0.02 |
| 11 | 18 | 2210-Medical and Public Health | 0.50 | 0.50 |
| 12 | 20 | 2215-Water Supply and Sanitation | 0.10 | 0.07 |
| 13 | 22 | 2217-Urban Development | 3.20 | 3.14 |
| 14 | 35 | 2851-Village and Small Industries | 0.04 | 0.02 |
| 15 | 39 | 3475-Other General Economic Services | 0.23 | 0.06 |
| 16 | 56 | 2851-Village and Small Industries | 1.38 | 0.09 |
| Total (Object Head 63-Machinery) | | | 31.37 | 5.69 |
| Grand Total | | | 35.78 | 8.26 |

Source: Information furnished by O/o the PAG (A&E)-I, Madhya Pradesh, Gwalior

Appendix 3.3
Supplementary Budget Requirement
(Reference: Paragraph 3.4; Page 70)

(₹ in crore)

| Sl. No. | Grant No. | Nomenclature | RV/ CV/ CC/ RC | Original Budget | Supplementary Budget | Total Budget | Actual Expenditure | Excess Expenditure/ Saving | Actual Supplementary Requirement |
|---------|-----------|--|-------------------------|-----------------|----------------------|--------------|--------------------|-------------------------------|----------------------------------|
| 1 | 8 | Land Revenue and District Administration | RC | 4.04 | 9.82 | 13.86 | 10.80 | 3.06 | 6.76 |
| 2 | 11 | Industrial Policy and Investment Promotion | RV | 1,020.98 | 400.00 | 1,420.98 | 1,418.58 | 2.40 | 397.60 |
| 3 | 12 | Energy | RV | 9,953.36 | 8,694.70 | 18,648.06 | 18,638.81 | 9.25 | 8,685.45 |
| 4 | 13 | Farmers Welfare and Agriculture Development | RV | 14,940.79 | 1,049.67 | 15,990.46 | 15,388.85 | 601.61 | 448.06 |
| 5 | 17 | Co-Operation | CV | 26.67 | 500.00 | 526.67 | 507.65 | 19.02 | 480.98 |
| 6 | 18 | Labour | RV | 921.52 | 730.00 | 1,651.52 | 1,601.77 | 49.75 | 680.25 |
| 7 | 19 | Public Health and Family Welfare | RV | 7,529.69 | 2,499.10 | 10,028.79 | 9,365.39 | 663.40 | 1,835.7 |
| 8 | 20 | Public Health Engineering | CV | 7,778.76 | 2,300.52 | 10,079.28 | 8,919.58 | 1,159.70 | 1,140.82 |
| 9 | 22 | Urban Development and Housing | RV | 9,904.93 | 207.53 | 10,112.46 | 9,939.78 | 172.68 | 34.85 |
| 10 | 22 | Urban Development and Housing | CV | 2,203.97 | 2,031.53 | 4,235.5 | 3,246.61 | 988.89 | 1,042.64 |
| 11 | 23 | Water Resources Department | CV | 5,175.39 | 1,159.50 | 6,334.89 | 5,589.14 | 745.75 | 413.75 |
| 12 | 24 | Public Works- Roads and Bridges | CV | 5,034.33 | 2,424.00 | 7,458.33 | 6,954.82 | 503.51 | 1,920.49 |
| 13 | 25 | Mineral Resources | RC | 650.05 | 88.44 | 738.49 | 738.44 | 0.05 | 88.39 |
| 14 | 30 | Rural Development | RV | 8,019.05 | 6,181.86 | 14,200.91 | 12,726.18 | 1,474.73 | 4,707.13 |
| 15 | 32 | Public Relations | RV | 353.84 | 43.00 | 396.84 | 369.65 | 27.19 | 15.81 |
| 16 | 34 | Social Justice and Disabled Person Welfare | RV | 3,718.21 | 138.50 | 3,856.71 | 3,781.25 | 75.46 | 63.04 |
| 17 | 35 | Micro, Small and Medium Enterprises | RV | 424.57 | 259.00 | 683.57 | 654.76 | 28.81 | 230.19 |
| 18 | 35 | Micro, Small and Medium Enterprises | RC | 0.00 | 0.10 | 0.10 | 0.10 | 0.00 | 0.10 |
| 19 | 37 | Tourism | RV | 98.28 | 6.25 | 104.53 | 104.14 | 0.39 | 5.86 |
| 20 | 38 | Ayush | RV | 524.67 | 91.06 | 615.73 | 560.63 | 55.10 | 35.96 |
| 21 | 39 | Food, Civil Supplies and Consumer Protection | CV | 61.33 | 500.00 | 561.33 | 493.77 | 67.56 | 432.44 |
| 22 | 45 | Public Assets Management | RV | 8.36 | 14.46 | 22.82 | 17.77 | 5.05 | 9.41 |
| 23 | 48 | Narmada Valley Development | CV | 3,665.13 | 3,185.48 | 6,850.61 | 4,763.01 | 2,087.60 | 1,097.88 |
| 24 | 49 | Scheduled Caste Welfare | RV | 1,285.43 | 303.02 | 1,588.45 | 1,384.33 | 204.12 | 98.90 |
| 25 | 52 | Medical Education | RV | 1,392.27 | 154.11 | 1,546.38 | 1,447.80 | 98.58 | 55.53 |

| Sl. No. | Grant No. | Nomenclature | RV/ CV/ CC/ RC | Original Budget | Supplementary Budget | Total Budget | Actual Expenditure | Excess Expenditure/ Saving | Actual Supplementary Requirement |
|--------------|-----------|---|----------------|------------------|----------------------|--------------------|--------------------|----------------------------|----------------------------------|
| 26 | 53 | Public Works-Buildings | RV | 222.85 | 131.00 | 353.85 | 342.85 | 11.00 | 120.00 |
| 27 | 57 | Environment | RV | 21.00 | 4.00 | 25.00 | 24.78 | 0.22 | 3.78 |
| 28 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | RV | 4,371.49 | 950.50 | 5,321.99 | 5,028.17 | 293.82 | 656.68 |
| 29 | 60 | Expenditure pertaining to District Plan Schemes | RV | 44.65 | 50.00 | 94.65 | 88.39 | 6.26 | 43.74 |
| 30 | 64 | Welfare Of Backward Classes | RV | 742.28 | 809.50 | 1,551.78 | 1,368.77 | 183.01 | 626.49 |
| 31 | 65 | Aviation | RV | 38.28 | 29.00 | 67.28 | 56.80 | 10.48 | 18.52 |
| Total | | | | 90,136.17 | 34,945.65 | 1,25,081.82 | 1,15,533.37 | 9,548.45 | 25,397.20 |

Source: Appropriation Accounts 2021-22

Appendix 3.4
Unnecessary Supplementary Provision
(Reference: Paragraph 3.4; Page 70)

(₹ in crore)

| Sl. No. | Grant No. | Nomenclature | RV/CV/CC/RC | Original Budget | Supplementary Budget | Actual Expenditure | Unnecessary Supplementary Provision |
|---------|-----------|---|-------------|-----------------|----------------------|--------------------|-------------------------------------|
| 1 | CH-II | Charged Appropriation-Interest Payments and Servicing Of Debt | RC | 20,942.82 | 2,511.33 | 18,445.91 | 2,511.33 |
| 2 | 1 | General Administration | RV | 746.63 | 10.26 | 470.35 | 10.26 |
| 3 | 1 | General Administration | RC | 45.43 | 33.91 | 43.39 | 33.91 |
| 4 | 1 | General Administration | CV | 90.48 | 26.77 | 77.65 | 26.77 |
| 5 | 2 | Other Expenditure pertaining to General Administration Department | RV | 133.33 | 0.17 | 77.44 | 0.17 |
| 6 | 3 | Police | RV | 7,832.24 | 1.50 | 6,673.66 | 1.50 |
| 7 | 29 | Law and Legislative Affairs | RV | 1,653.30 | 4.23 | 1,221.74 | 4.23 |
| 8 | 29 | Law and Legislative Affairs | RC | 184.85 | 6.48 | 141.13 | 6.48 |
| 9 | 30 | Rural Development | RV | 8,019.05 | 6,181.86 | 12,726.18 | 1,474.73 |
| 10 | 31 | Planning, Economics and Statistics | RV | 142.93 | 0.93 | 117.54 | 0.93 |
| 11 | 32 | Public Relations | RV | 353.84 | 43.00 | 369.65 | 27.18 |
| 12 | 33 | Tribal Affairs | RV | 8,045.52 | 109.70 | 6,865.77 | 109.70 |
| 13 | 34 | Social Justice and Disabled Person Welfare | RV | 3,718.21 | 138.50 | 3,781.25 | 75.46 |
| 14 | 35 | Micro, Small and Medium Enterprises | RV | 424.57 | 259.00 | 654.76 | 28.81 |
| 15 | 36 | Transport | RV | 103.26 | 2.19 | 57.07 | 2.19 |
| 16 | 36 | Transport | CV | 13.60 | 2.00 | 1.00 | 2.00 |
| 17 | 37 | Tourism | RV | 98.28 | 6.25 | 104.14 | 0.38 |
| 18 | 38 | Ayush | RV | 524.67 | 91.06 | 560.63 | 55.10 |
| 19 | 39 | Food, Civil Supplies and Consumer Protection | RV | 1,053.81 | 3.03 | 797.47 | 3.03 |
| 20 | 39 | Food, Civil Supplies and Consumer Protection | CV | 61.33 | 500.00 | 493.77 | 67.57 |
| 21 | 40 | Other Expenditure pertaining to School Education Department (Excluding Primary Education) | RV | 4,307.44 | 25.00 | 3,180.57 | 25.00 |
| 22 | 42 | Bhopal Gas Tragedy Relief and Rehabilitation | RV | 124.24 | 1.00 | 114.49 | 1.00 |
| 23 | 43 | Sports and Youth Welfare | RV | 154.79 | 10.69 | 127.37 | 10.69 |
| 24 | 43 | Sports and Youth Welfare | CV | 72.28 | 5.25 | 72.24 | 5.25 |
| 25 | 44 | Higher Education | RV | 2,640.05 | 169.29 | 2,236.37 | 169.29 |
| 26 | 45 | Public Assets Management | RV | 8.36 | 14.46 | 17.77 | 5.05 |
| 27 | 46 | Science and Technology | RV | 138.78 | 0.13 | 127.33 | 0.13 |
| 28 | 47 | Technical Education, Skill Development and Employment | RV | 1,041.36 | 80.68 | 908.10 | 80.68 |
| 29 | 47 | Technical Education, Skill Development and Employment | CV | 333.61 | 1.45 | 219.78 | 1.45 |
| 30 | 48 | Narmada Valley Development | RV | 14.04 | 0.88 | 12.74 | 0.88 |
| 31 | 48 | Narmada Valley Development | CV | 3,665.13 | 3,185.48 | 4,763.01 | 2,087.60 |
| 32 | 49 | Scheduled Caste Welfare | RV | 1,285.43 | 303.02 | 1,384.33 | 204.13 |
| 33 | 50 | Horticulture and Food Processing | RV | 663.65 | 97.27 | 455.17 | 97.27 |
| 34 | 52 | Medical Education | RV | 1,392.27 | 154.11 | 1,447.80 | 98.58 |
| 35 | 52 | Medical Education | CV | 1,269.54 | 0.99 | 586.13 | 0.99 |
| 36 | 53 | Public Works-Buildings | RV | 222.85 | 131.00 | 342.85 | 11.00 |
| 37 | 53 | Public Works-Buildings | CV | 78.25 | 18.96 | 26.83 | 18.96 |
| 38 | 55 | Women and Child Development | RV | 5,072.44 | 206.49 | 4,681.73 | 206.49 |
| 39 | 56 | Cottage and Rural Industry | RV | 105.87 | 5.69 | 89.01 | 5.69 |
| 40 | 57 | Environment | RV | 21.00 | 4.00 | 24.78 | 0.22 |
| 41 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | RV | 4,371.49 | 950.50 | 5,028.17 | 293.82 |
| 42 | 60 | Expenditure pertaining to District | RV | 44.65 | 50.00 | 88.39 | 6.26 |

| Sl. No. | Grant No. | Nomenclature | RV/CV/CC/RC | Original Budget | Supplementary Budget | Actual Expenditure | Unnecessary Supplementary Provision |
|--------------|-----------|---|-------------|------------------|----------------------|--------------------|-------------------------------------|
| | | Plan Schemes | | | | | |
| 43 | 61 | Expenditure pertaining to Bundelkhand Package | RV | 44.80 | 0.04 | 22.44 | 0.04 |
| 44 | 61 | Expenditure pertaining to Bundelkhand Package | CV | 99.60 | 1.91 | 72.31 | 1.91 |
| 45 | 62 | Panchayat | RV | 4,767.02 | 500.00 | 3,441.78 | 500.00 |
| 46 | 63 | Minority Welfare | CV | 78.00 | 101.16 | 19.73 | 101.16 |
| 47 | 64 | Welfare of Backward Classes | RV | 742.28 | 809.50 | 1,368.77 | 183.01 |
| 48 | 65 | Aviation | RV | 38.28 | 29.00 | 56.80 | 10.48 |
| Total | | | | 86,985.65 | 16,790.12 | 84,597.29 | 8,568.76 |

Source: Appropriation Accounts 2021-22

Appendix 3.5
Excessive/Unnecessary Re-appropriation of funds
(Reference: Paragraph 3.5; Page 71)

(₹ in crore)

| Sl. No. | Grant No. | Name of the Grant | Heads of account | Provision O:Original S:Supplementary R:Reappropriation/ Surrender | Total Budget | Actual Expenditure | Final Saving (-)/ Excess (+) |
|---------|-----------|-----------------------------------|--|---|--------------|--------------------|---------------------------------|
| 1 | CH-I | Charged Appropriation-Public Debt | 6004-02-101-9086-Back to Back Loans for Externally Aided Projects | (O) 675.00 (R) 315.00 | 990.00 | 1,150.47 | (+) 160.47 |
| 2 | 1 | General Administration | 4059-01-051-0101-7213- Construction of Annexe in Chief Minister's Residential Premises | (O) 5.00 (R) 2.50 | 7.50 | 7.49 | (-) 0.01 |
| 3 | 3 | Police | 2055-108-0101-7185-Establishment of State Industrial Security Force Batallion | (O) 46.83 (S) Token (R) 11.68 | 58.51 | 58.09 | (-) 0.41 |
| 4 | | | 2055-115-0704-2643-Modernisation of Police Force | (S) 0.00 (R) 4.38 | 4.38 | 4.67 | (+) 0.29 |
| 5 | 6 | Finance | 2071-01-101-9998-Madhya Pradesh Pension | (O) 17.57 (R) 3,000.00 | 3,017.57 | 3,699.24 | (+) 681.67 |
| 6 | | | 2071-01-104-9998-Madhya Pradesh Pension | (O) 2,051.98 (R) 850.00 | 2,901.98 | 2,938.60 | (+) 36.62 |
| 7 | | | 2071-01-105-9998-Madhya Pradesh Pension | (O) 550.00 (R) 425.00 | 975.00 | 1,249.71 | (+) 274.71 |
| 8 | | | 2071-01-111-9998-Madhya Pradesh Pension | (O) 6.00 (R) 4.00 | 10.00 | 12.47 | (+) 2.47 |
| 9 | | | 2071-01-115- 9999-Composite State of Madhya Pradesh Pension | (O) 373.00 (R) 400.00 | 773.00 | 764.02 | (-) 8.98 |
| 10 | 10 | Forest | 2406-01-001-704-5317-Intensive Forest Management | (S) 0.00 (R) 1.12 | 1.12 | 0.00 | (-) 1.12 |
| 11 | | | 2406-01-101-0103-0812- Establishment of Executive Planning Organisation and Executive Forest Circles | (O) 53.56 (R) 17.00 | 70.56 | 52.83 | (-) 17.73 |
| 12 | | | 2406-01-190-0705-7458- Composite Bamboo Development Plan (Bamboo Mission) | (S) Token (R) 3.26 | 3.26 | 0.00 | (-) 3.26 |
| 13 | | | 2406-01-190-0704-7458- Composite Bamboo Development Plan (Bamboo Mission) | (R) 1.81 | 1.81 | 0.44 | (-) 1.37 |
| 14 | | | 2406-02-110-0701-8862- Habitat development of wild animals in national parks and sanctuaries | (S) 0.00 (R) 5.54 | 5.54 | 5.64 | (+) 0.10 |
| 15 | | | 4406-01-800-9664-Campa Compensatory Afforestation | (O) 210.99 (R) 103.66 | 107.33 | 98.39 | (-) 8.93 |

| Sl. No. | Grant No. | Name of the Grant | Heads of account | Provision O:Original S:Supplementary R:Reappropriation/ Surrender | Total Budget | Actual Expenditure | Final Saving (-)/ Excess (+) |
|---------|-----------|---|--|---|--------------|--------------------|---------------------------------|
| 16 | | | 4406-01-800-9665- Campa help zone Treatment charge | (O) 4.39 (R) 3.66 | 8.05 | 6.30 | (-) 1.75 |
| 17 | | | 4406-01-800-9667- Campa Net Present Value | (O) 388.49 (R) 90.00 | 478.49 | 445.60 | (-) 32.89 |
| 18 | 14 | Animal Husbandry and Dairying | 2403-102-2567-Cattle Breeding Farms | (O) 11.88 (R) 1.36 | 13.24 | 13.22 | (-) 0.02 |
| 19 | 16 | Fisherman Welfare and Fisheries Development | 2405-101-0706-7858- Pradhan Mantri Matsya Sampda Yojana | (S) Token (R) 3.95 | 3.95 | 2.81 | (-) 1.14 |
| 20 | | | 2405-101-0705-7858- Pradhan Mantri Matsya Sampda Yojana | (S) Token (R) 4.43 | 4.43 | 3.21 | (-) 1.22 |
| 21 | | | 2405-101-0704-7858- Pradhan Mantri Matsya Sampda Yojana | (S) Token (R) 21.64 | 21.64 | 16.47 | (-) 5.17 |
| 22 | 19 | Public Health and Family Welfare | 2210-01-110-0704- 5724- National Health Mission | (S) Token (R) 118.84 | 118.84 | 480.30 | (+) 361.45 |
| 23 | | | 2210-03-103-0101- 5507- Mukhyamantri Sushen Sanjivani Yojana | (O) 4.04 (R) 16.00 | 20.04 | 18.00 | (-) 2.04 |
| 24 | | | 4210-01-110-1702- 7648-Construction Buildings of Hospital and Dispensaries | (O) 0.00 (R) 9.00 | 9.00 | 8.23 | (-) 0.77 |
| 25 | | | 4210-01-110-0704- 9923-Pradhan Mantri Ayushman bharat health infrastructure mission | (O) Token (R) 50.50 | 50.50 | 12.63 | (-) 37.87 |
| 26 | | | 4210-01-110-0103- 7648-Construction Buildings of Hospital and Dispensaries | (O) 21.23 (R) 23.00 | 44.23 | 42.86 | (-) 1.36 |
| 27 | 20 | Public Health Engineering | 4215-01-101-0705- 3862- Public Health Engineering Laboratories | (R) 0.75 | 0.75 | 0.45 | (-) 0.30 |
| 28 | | | 4215-01-101-0704- 3862- Public Health Engineering Laboratories | (R) 3.50 | 3.50 | 2.10 | (-) 1.40 |
| 29 | | | 4215-01-102-0706- 5468- Jal Jeevan Mission | (S) 195.00 (R) 195.25 | 390.25 | 390.10 | (-) 0.15 |
| 30 | | | 4215-01-102-0705- 5468- Jal Jeevan Mission | (S) 255.00 (R) 258.00 | 513.00 | 512.95 | (-) 0.05 |
| 31 | | | 4215-01-102-0704- 5468- Jal Jeevan Mission | (S) 700.00 (R) 1,186.03 | 1,886.03 | 1,856.94 | (-) 29.09 |
| 32 | | | 4215-01-800-0705- 7163- Assistance Activities | (R) 1.05 | 1.50 | 0.85 | (-) 0.65 |
| 33 | | | 4215-01-800-0704- 7163- Assistance Activities | (R) 6.50 | 6.50 | 5.33 | (-) 1.17 |

| SL. No. | Grant No. | Name of the Grant | Heads of account | Provision O:Original S:Supplementary R:Reappropriation/ Surrender | Total Budget | Actual Expenditure | Final Saving (-)/ Excess (+) |
|---------|-----------|---------------------------------|---|---|--------------|--------------------|---------------------------------|
| 34 | 22 | Urban Development and Housing | 4217-01-051-0101-4339- Construction of Roads and Bridges | (O) 25.00 (R) 8.00 | 33.00 | 34.28 | (+) 1.28 |
| 35 | 23 | Water Resources Department | 2700-13-101-0102-2894- Barrage and Canals | (O) 1.59 (R) 0.93 | 2.52 | 2.47 | (-) 0.05 |
| 36 | | | 2700-21-101-0101-2894- Barrage and Canals | (O) 2.01 (R) 0.89 | 2.90 | 2.89 | (-) 0.01 |
| 37 | | | 4700-C3-800-0101-2897- Dam and Appurtenant Work | (O) 50.00 (R) 21.64 | 71.64 | 0.00 | (-) 71.64 |
| 38 | | | 4701-25-800-0102-3366- Construction of Medium Projects | (O) 4.40 (R) 2.03 | 6.44 | 6.39 | (-) 0.05 |
| 39 | | | 4705-800-0704-6648- Command Area Development of Major and Medium Project, Construction of field Channels Corrections of System Deficiency | (S) Token (R) 17.07 | 17.07 | 1.00 | (-) 16.07 |
| 40 | 24 | Public Works- Roads and Bridges | 5054-05-337-1201-7368- Financing from N.D.B. (Road Construction) | (O) 340.00 (S) 282.00 (R) 138.00 | 760.00 | 610.46 | (-) 149.54 |
| 41 | | | 5054-03-101-1202-2342- Financed by N.D.B. (Bridge Construction) | (O) 40.00 (S) 35.00 (R) 13.00 | 88.00 | 87.41 | (-) 0.59 |
| 42 | | | 5054-03-101-1201-2342- Financed by N.D.B. (Bridge Construction) | (O) 110.00 (S) 100.00 (R) 60.00 | 270.00 | 248.09 | (-) 21.91 |
| 43 | | | 5054-03-101-0101-4149- Major Construction Work | (O) 93.00 (S) 25.00 (R) 13.00 | 131.00 | 218.00 | (+) 87.00 |
| 44 | | | 5054-04-337-1403-5226- Construction of Rural Roads (NABARD) | (O) 10.00 (S) 5.00 (R) 6.00 | 21.00 | 33.54 | (+) 12.54 |
| 45 | | | 5054-04-337-0102-2457- Construction of Rural Roads | (O) 84.00 (S) 60.00 (R) 17.00 | 161.00 | 190.02 | (+) 29.02 |
| 46 | | | 5054-04-337-0101-2457- Construction of Rural Roads | (O) 355.00 (S) 300.00 (R) 138.00 | 793.00 | 993.00 | (+) 200.00 |
| 47 | 25 | Mineral Resources | 2853-02-102-0420-0182- Establishment of Survey of Minerals | (O) 16.16 (R) 0.41 | 16.57 | 10.72 | (-) 5.85 |
| 48 | 26 | Culture | 2205-102-6379- Establishment Expenditure of Directorate of Culture | (O) 3.15 (R) 0.10 | 3.25 | 2.23 | (-) 1.02 |
| 49 | | | 2205-102-0101-6042- Establishment Expenditure of Ravindra Bhawan | (O) 1.65 (S) 0.20 (R) 1.66 | 3.51 | 2.57 | (-) 0.93 |
| 50 | 29 | Law and Legislative Affairs | 2015-102-1304- Education and Electrol Participation (SWEEP) | (O) 6.00 (R) 1.00 | 7.00 | 7.01 | (+) 0.01 |

| SL No. | Grant No. | Name of the Grant | Heads of account | Provision O:Original S:Supplementary R:Reappropriation/ Surrender | Total Budget | Actual Expenditure | Final Saving (-)/ Excess (+) |
|--------|-----------|-----------------------------------|---|---|--------------|--------------------|---------------------------------|
| 51 | | | 2015-105-4311-Charges for Conduct of Election to Parliament | (O) 5.22 (R) 12.08 | 17.31 | 17.82 | (+) 0.52 |
| 52 | 30 | Rural Development | 2216-03-198-0706-5198- Pradhanmantri Housing Scheme | (S) Token (R) 228.54 | 228.54 | 352.00 | (+) 123.46 |
| 53 | | | 2216-03-198-0705-5198- Pradhanmantri Housing Scheme | (S) Token (R) 325.57 | 325.57 | 510.42 | (+) 184.85 |
| 54 | | | 2216-03-198-0704-5198- Pradhanmantri Housing Scheme | (S) Token (R) 871.30 | 871.30 | 1342.00 | (+) 470.70 |
| 55 | | | 2501-06-198-0706-6836- National Rural Livelihood Mission | (S) Token (R) 26.52 | 26.52 | 33.42 | (+) 6.90 |
| 56 | | | 2501-06-198-0705-6836- National Rural Livelihood Mission | (S) Token (R) 39.65 | 39.65 | 50.93 | (+) 11.27 |
| 57 | | | 2501-06-198-0704-6836- National Rural Livelihood Mission | (S) Token (R) 97.33 | 97.33 | 136.44 | (+) 39.10 |
| 58 | | | 2505-01-198-0706-6923- National Rural Employment Guarantee Scheme | (S) Token (R) 50.37 | 50.37 | 130.37 | (+) 80.00 |
| 59 | | | 2505-01-198-0704-6923- National Rural Employment Guarantee Scheme | (S) Token (R) 192.05 | 192.05 | 497.05 | (+) 305.00 |
| 60 | | | 2515-198-0706-6931- Mid-Day Meal Programme | (S) 13.50 (R) 70.66 | 84.16 | 137.43 | (+) 53.26 |
| 61 | | | 2515-198-0705-6931- Mid-Day Meal Programme | (S) 19.41 (R) 79.47 | 98.88 | 166.52 | (+) 67.63 |
| 62 | | | 2515-198-0704-6931- Mid-Day Meal Programme | (S) 51.48 (R) 176.61 | 228.10 | 395.09 | (+) 167.00 |
| 63 | | | 4515-800-0706-7467- Prime Minister Gram Sadak Yojna | (S) Token (R) 156.87 | 156.87 | 187.20 | (+) 30.33 |
| 64 | | | 4515-800-0705-7467- Prime Minister Gram Sadak Yojna | (S) Token (R) 186.81 | 186.81 | 269.10 | (+) 82.29 |
| 65 | | | 4515-800-0704-7467- Prime Minister Gram Sadak Yojna | (S) Token (R) 444.61 | 444.61 | 780.52 | (+) 335.91 |
| 66 | 38 | Ayush | 4210-03-101-0101-0469- Ayush College | (O) 4.50 (R) 0.94 | 5.44 | 5.19 | (-) 0.25 |
| 67 | 39 | Food, Civil Supplies and Consumer | 2408-01-102-0701-7367- Computerisation of Targeted Public Distribution System | (O) Token (R) 1.88 | 1.88 | 1.41 | (-) 0.47 |
| 68 | 43 | Sports and Youth Welfare | 2204-800-0102-4938- Yuva Sandhi | (O) 1.72 (R) 0.54 | 2.26 | 2.19 | (-) 0.07 |
| 69 | | | 2204-800-0101-4938- Yuva Sandhi | (O) 2.51 (R) 2.44 | 4.95 | 4.74 | (-) 0.21 |
| 70 | | | 4202-03-800-0103-6703- Construction of Stadium and Sports | (O) 4.64 (R) 1.70 | 6.34 | 6.32 | (-) 0.01 |

| SL. No. | Grant No. | Name of the Grant | Heads of account | Provision O:Original S:Supplementary R:Reappropriation/ Surrender | Total Budget | Actual Expenditure | Final Saving (-)/ Excess (+) |
|---------|-----------|---|---|---|--------------|--------------------|---------------------------------|
| | | | Infrastructure | | | | |
| 71 | | | 4202-03-800-0101-6703- Construction of Stadium and Sports Infrastructure | (O) 12.25 (R) 6.10 | 18.35 | 18.40 | (+) 0.05 |
| 72 | 47 | Technical Education, Skill Development and Employment | 2230-02-001-3795- Directorate of Employment and Training | (O) 4.58 (R) 0.12 | 4.70 | 3.24 | (-) 1.46 |
| 73 | | | 2203-104-0101-8885- Assistance to Autonomous Technical Institutes | (O) 75.00 (R) 13.00 | 88.00 | 84.25 | (-) 3.75 |
| 74 | 48 | Narmada Valley Development | 4700-41-800-0701-2872- Bargi Canal Diversion Project | (O) 70.00 (S) 125.00 (R) 116.89 | 311.89 | 299.86 | (-) 12.03 |
| 75 | 49 | Scheduled Caste Welfare | 2225-01-277-0103-0671- Grant to Voluntary Organisations for Education and Development | (O) 23.16 (R) 3.31 | 26.47 | 26.65 | (+) 0.18 |
| 76 | 52 | Medical Education | 2210-05-105-0102-9080- Ratlam/Datia/Shivpuri/Chindwara/Satna Medical College | (O) 41.00 (S) 0.75 (R) 27.15 | 68.90 | 61.82 | (-) 7.08 |
| 77 | | | 4210-03-105-0701-9080- Ratlam/Datia/Shivpuri/Chindwara/Satna Medical College | (O) 31.64 (R) 52.00 | 83.64 | 80.66 | (-) 2.98 |
| 78 | | | 4210-03-105-0102-5402- Chhindwara Institute of Medical Science | (O) 3.00 (R) 15.00 | 18.00 | 11.88 | (-) 6.12 |
| 79 | | | 4210-03-105-0102-9077- Seoni Medical College (P.P.P.) | (O) 0.01 (R) 24.20 | 24.21 | 4.78 | (-) 19.43 |
| 80 | | | 4210-03-105-0101-5402- Chhindwara Institute of Medical Science | (O) 10.10 (R) 15.00 | 25.10 | 21.95 | (-) 3.15 |
| 81 | 55 | Women and Child Development | 4235-02-102-0101-5360- Construction of Building For Anganwadi Centres | (O) 0.00 (R) 70.13 | 70.13 | 70.12 | (-) 0.01 |
| 82 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | 2245-80-102-6436- Training Relating to Calamity and Purchase of Equipments | (O) 0.50 (R) 9.07 | 9.57 | 9.58 | (+) 0.01 |
| 83 | 62 | Panchayat | 2515-198-0706-0647- Village Swaraj Campaign | (S) Token (R) 8.70 | 8.70 | 5.00 | (-) 3.70 |
| 84 | | | 2515-198-0704-0647- Village Swaraj Campaign | (S) Token (R) 33.18 | 33.18 | 19.12 | (-) 14.07 |

| Sl. No. | Grant No. | Name of the Grant | Heads of account | Provision O:Original S:Supplementary R:Reappropriation/ Surrender | Total Budget | Actual Expendi- ture | Final Saving (-)/ Excess (+) |
|--------------|-----------|-------------------|---|---|------------------|-------------------------|------------------------------------|
| 85 | | | 2515-198-0705-0647- Village Swaraj Campaign | (S) Token (R) 12.51 | 12.51 | 6.67 | (-) 5.85 |
| Total | | | | | 18,761.69 | 22,060.63 | (-) 507.15 (+) 3,806.09 |

Source: Appropriation Accounts 2021-22

Appendix 3.6
Substantial Surrender 50 per cent and more
(Reference: Paragraph 3.5.1; Page 72)

(₹ in crore)

| Sl. No. | Grant No. | Nomenclature | Heads of Accounts | Budget (O+S) | Amount Surrendered | Surrender (in per cent) |
|---------|-----------|---|--|---------------------------------|--------------------|-------------------------|
| 1 | 1 | General Administration | 2013-102-1922-Honorarium and Allowances to Ex Chief Ministers | (O) 1.29 | 0.73 | 56.59 |
| | | | 2015-101-6757-Election Expenditure of Local Bodies | (O) 221.00 | 159.10 | 71.99 |
| | | | 2051-102-3689-State Public Service Commission | (O) 30.20 (S) 33.60 63.80 | 31.91 | 50.02 |
| | | | 4059-01-051-0101-1343-Development of Infrastructure for Establishment of Proposed Offices in New Delhi | (O) 1.65 | 1.65 | 100.00 |
| | | | 4059-01-051-6925-Construction of Proposed Madhyanchal Bhawan in New Delhi | (S) 15.00 | 15.00 | 100.00 |
| 2 | 2 | Other Expenditure pertaining to General Administration Department | 2070-105-4079-Special Commission of Enquiry | (O) 0.82 | 0.82 | 100.00 |
| | | | 2070-800-4678-Office of the Reception and Estate Officer | (O) 6.17 | 3.64 | 59.00 |
| 3 | 3 | Police | 2055-116-0801-5430-Upgradation of Forensic Science Lab | (O) 1.40 | 1.10 | 78.57 |
| | | | 2055-800-6329-Expenditure on New Recruitment Process | (O) 11.10 | 11.10 | 100.00 |
| | | | 2055-800-8333-Expenditure from Road Safety Fund | (O) 20.02 | 11.97 | 59.79 |
| | | | 2055-800-0701-7347-Reformation of Narcotics Branch | (O) 0.43 | 0.43 | 100.00 |
| | | | 2055-800-0101-1418-Strengthening Home Land Security | (O) 3.00 | 2.52 | 84.00 |
| | | | 2070-107-0701-7867-Modernisation of Nagar Sena | (O) 1.50 | 1.50 | 100.00 |
| | | | 2055-109-4491-General Expenditure (District Establishment) | (O) 1.50 | 1.23 | 82.00 |
| | | | 4055-109-6065-Strengthening of Police Stations | (O) 10.00 | 6.40 | 64.00 |
| | | | | | | |

| | | | | | | |
|---|---|---|--|-----------|-------|--------|
| | | | 4055-207-7823-Construction of Police Hospital | (O) 10.00 | 10.00 | 100.00 |
| | | | 4055-800-8333-Expenditure from Road Safety Fund | (O) 21.00 | 13.44 | 64.00 |
| | | | 4055-800-0801-1948-National Emergency Response System | (O) 3.90 | 2.45 | 62.82 |
| | | | 4055-800-0703-5172-Establishment of Scheduled Caste/Scheduled Tribe Police Station | (O) 3.00 | 3.00 | 100.00 |
| | | | 4055-800-0101-7346-Centralized Police Call Center and Control Room System | (O) 30.10 | 29.93 | 99.44 |
| 4 | 4 | Other Expenditure pertaining to Home Department | 2235-60-200-0101-7331-Disaster Management Capacity Development | (O) 1.35 | 0.94 | 69.63 |
| 5 | 5 | Jail | 2056-101-0101-5048-Industrial Training to Prisoners | (O) 1.46 | 0.79 | 54.11 |
| | | | 2056-102-7817-Onetime Aid for Construction of Item by Prisoners | (O) 6.00 | 4.56 | 76.00 |
| | | | 4059-01-051-0101-0849-Construction Work for Strengthening Security of Jails | (O) 12.00 | 9.93 | 82.75 |
| | | | 4059-01-051-0101-6405-Construction of Jail Buildings | (O) 50.00 | 25.56 | 51.12 |
| 6 | 6 | Finance | 2052-091-1349-Lump-sum payment of Higher Education loan | (O) 0.50 | 0.50 | 100.00 |
| | | | 2052-091-4296-Directorate of Institutional Finance | (O) 8.13 | 5.03 | 61.87 |
| | | | 2052-091-6357-Strengthening of P.P.P. Cell | (O) 15.30 | 14.31 | 93.53 |
| | | | 2052-091-0101-5652-M.P. Project Development Fund Scheme | (O) 0.75 | 0.75 | 100.00 |
| 7 | 7 | Commercial Tax | 2043-001-7816-M.P. Bhama Shah Award Scheme | (O) 2.00 | 2.00 | 100.00 |
| | | | 4059-01-051-0101-1267-Construction of Commercial Tax Office Buildings | (O) 8.50 | 8.50 | 100.00 |
| 8 | 8 | Land Revenue and District Administration | 2029-103-0101-5390-Prime Minister Kissan Award Fund Scheme | (O) 6.00 | 5.85 | 97.50 |

| | | | | | | |
|----|----|--|--|------------|--------|--------|
| | | | 2052-099-3657-Board of Revenue | (O) 1.82 | 0.95 | 52.20 |
| | | | 4070-800-3657-Board of Revenue | (O) 0.40 | 0.40 | 100.00 |
| | | | 4070-800-6846-Land Management | (O) 10.00 | 7.65 | 76.50 |
| 9 | 11 | Industrial Policy and Investment Promotion | 4875-60-190-0101-9842-Development of Industrial Area Under Land Pooling Scheme | (O) 95.00 | 95.00 | 100.00 |
| 10 | 12 | Energy | 4801-02-190-0101-6323-2*660 Megawatt Shri Singaji Thermal Power Project | (O) 100.00 | 100.00 | 100.00 |
| | | | 4801-05-190-0103-7837-Assistance for Making Required Improvements as per 15 th Finance Commission | (O) 44.00 | 44.00 | 100.00 |
| | | | 4801-05-190-0102-7837-Assistance for Making Required Improvements as per 15 th Finance Commission | (O) 160.00 | 160.00 | 100.00 |
| | | | 4801-05-190-0101-7837-Assistance for Making Required Improvements as per 15 th Finance Commission | (O) 796.00 | 796.00 | 100.00 |
| | | | 6801-205-1201-9655-Loan for Smart Meter and Skada Scheme | (O) 171.00 | 171.00 | 100.00 |
| | | | 6801-190-0101-5336-Renovation and Modernisation Work of Vidhut Grah | (O) 20.00 | 20.00 | 100.00 |
| 11 | 14 | Animal Husbandry and Dairying | 2403-101-5393-Establishment of University of Dairy Science and Food Technology | (O) 2.00 | 2.00 | 100.00 |
| | | | 2403-101-0703-1458-Systematic Control of Important Animal Diseases | (O) 0.66 | 0.39 | 59.09 |
| | | | 2403-101-0701-0752-P.P.R. Disease Control | (O) 0.83 | 0.50 | 60.24 |
| | | | 2403-101-0103-7647-109-Mobile Animal Welfare Services | (O) 2.35 | 2.35 | 100.00 |
| | | | 2403-109-9512-Establishment of Educational Institution for Veterinary Diploma in Mandla | (O) 1.00 | 1.00 | 100.00 |

| | | | | | | |
|----|----|----------------------------|---|------------|--------|--------|
| | | | 2403-800-0801-6625-Scheme of Animal Census | (O) 1.85 | 1.77 | 95.68 |
| | | | 4403-01-0701-1926-Strengthening of Veterinary Hospitals and Veterinary Dispensaries | (O) 0.27 | 0.27 | 100.00 |
| 12 | 17 | Co-operation | 2425-108-2352-Computerisation of Primary Agriculture Credit Co-operative Societies | (O) 20.00 | 20.00 | 100.00 |
| | | | 2425-800-0703-5626-National Agriculture Development Scheme | (O) 4.80 | 2.88 | 60.00 |
| | | | 2425-800-0702-5626-National Agriculture Development Scheme | (O) 6.90 | 4.14 | 60.00 |
| | | | 2425-800-0701-5626-National Agriculture Development Scheme | (O) 18.30 | 10.98 | 60.00 |
| 13 | 20 | Public Health Engineering | 2215-01-001-2294-Establishment of Directorate | (O) 3.00 | 2.00 | 66.67 |
| | | | 4215-01-102-1203-2316-Rural Group Water Supply Scheme | (O) 140.50 | 137.00 | 97.51 |
| | | | 4215-01-102-1202-2316-Rural Group Water Supply Scheme | (O) 193.00 | 161.00 | 83.42 |
| | | | 4215-01-102-1201-2316-Rural Group Water Supply Scheme | (O) 544.00 | 391.00 | 71.88 |
| | | | 4215-01-102-0702-9029-Solar Energy Based Drinking Water Supply Scheme (N.C.E.F.) | (O) 10.00 | 9.00 | 90.00 |
| | | | 4215-01-800-1702-7301-Implementation of Water Supply Schemes through Water Corporations | (O) 12.30 | 11.00 | 89.43 |
| 14 | 21 | Public Services Management | 4059-01-051-6783-Construction of Public Service Centres | (O) 1.00 | 0.98 | 98.00 |
| 15 | 23 | Water Resources Department | 2702-80-800-0102-6360-Arrangement of Funds to Elected Agricultural Institutions | (O) 6.00 | 3.70 | 61.67 |
| | | | 2705-800-0101-6544-Grant to irrigation societies and other works | (O) 0.64 | 0.49 | 76.56 |
| | | | 4700-78-800-0103-2897-Dam and Appurtenant Work | (O) 2.40 | 2.40 | 100.00 |

| | | | | | | |
|----|----|--------------------------------------|---|------------|-------|--------|
| | | | 4700-78-800-0102-2897-Dam and Appurtenant Work | (O) 2.50 | 2.50 | 100.00 |
| | | | 4701-80-800-0102-3366-Construction of Medium Projects | (O) 1.00 | 1.00 | 100.00 |
| | | | 4702-101-0702-3828-Minor Irrigation Scheme | (O) 10.00 | 10.00 | 100.00 |
| | | | 4702-101-0701-3803-Minor and Micro minor Irrigation Schemes | (O) 50.00 | 49.95 | 99.90 |
| | | | 4702-101-0701-7819-Pradhan Mantri Krishi Sinchai Yojna (Har Khet ko Pani) | (O) 5.00 | 5.00 | 100.00 |
| | | | 4711-01-103-0101-5455-Construction of Ghats from Gwari ghat to Tilwara Ghat | (O) 1.00 | 1.00 | 100.00 |
| | | | 4700-01-800-0101-2897-Dam and Appurtenant Work | (O) 0.10 | 0.10 | 100.00 |
| | | | 4701-25-800-0102-3366-Construction of Medium Projects | (O) 4.41 | 2.47 | 56.01 |
| | | | 4701-80-800-0102-1913-Hirwar Minor Irrigation Project | (O) 7.50 | 5.53 | 73.73 |
| 16 | 27 | School Education (Primary Education) | 2202-01-101-0103-3491-Middle Schools | (O) 51.26 | 25.84 | 50.41 |
| | | | 2202-01-101-0103-4396-Establishment of Government Primary Schools | (O) 117.79 | 74.19 | 62.98 |
| | | | 2202-01-101-0101-0729-Scout Guide Activities | (O) 0.80 | 0.65 | 81.25 |
| | | | 2202-01-102-0101-1235-Grant to Madarasa Board and Infrastructure Development of Madarasas | (O) 13.00 | 9.34 | 71.85 |
| | | | 2202-02-101-0101-1233-Upgradation of Current Schools in to English Medium School | (O) 0.60 | 0.60 | 100.00 |
| 17 | 28 | State Legislature | 2011-02-101-6801-Purchase of Laptop for honourable members of Legislative Assembly | (O) 0.75 | 0.58 | 77.33 |
| | | | 2011-02-103-8808-Works Related to Information Technology | (O) 4.00 | 3.01 | 75.25 |
| | | | 2011-02-101-0125-Pay and Allowances of Speaker and Deputy Speaker | (O) 0.66 | 0.38 | 57.58 |

| | | | | | | |
|----|----|------------------------------------|--|-----------|-------|--------|
| 18 | 29 | Law and Legislative Affairs | 2014-105-5446-Maintenance work of Residential Houses of Subordinate Courts | (O) 3.00 | 1.78 | 59.33 |
| | | | 2014-105-6211-Special Courts Constituted for Central Bureau of Investigation | (O) 8.16 | 5.22 | 63.97 |
| | | | 2014-114-6251-Payment of fee and other Payments to Advocates of High Courts/Supreme Courts | (O) 1.16 | 0.60 | 51.72 |
| | | | 2052-800-1950-Reorganisation of State Law Commission | (O) 1.67 | 1.61 | 96.41 |
| | | | 2235-60-200-0101-5104-Permanent Public Court | (O) 0.90 | 0.78 | 86.67 |
| | | | 2014-102-7702-Computerisation in High Court | (O) 11.60 | 7.53 | 64.91 |
| | | | 2014-102-0101-0573-High Court (Charged) | (O) 6.00 | 3.25 | 54.17 |
| | | | 2015-106-4006-Charges for Conduct of Election of State Legislature | (O) 0.20 | 0.19 | 95.00 |
| | | | 4059-01-051-0101-9073-Construction and upgradation of Advocate General Office Building | (O) 10.00 | 10.00 | 100.00 |
| | | | 4059-01-051-0101-9074-Construction of High Court Building and Residential Campus | (O) 15.00 | 15.00 | 100.00 |
| | | | 4059-01-051-0101-9511-Establishment of the building for M.P. State Judicial academy | (O) 10.00 | 10.00 | 100.00 |
| | | | 4059-01-106-0101-9074-Construction of High Court Building and Residential Campus | (O) 10.00 | 10.00 | 100.00 |
| 19 | 30 | Rural Development | 4515-198-0703-6099-Construction of Mid-Day Meal Kitchen Shed | (O) 10.00 | 10.00 | 100.00 |
| | | | 4515-198-0702-6099-Construction of Mid-Day Meal Kitchen Shed | (O) 16.00 | 16.00 | 100.00 |
| | | | 4515-198-0702-6099-Construction of Mid-Day Meal Kitchen Shed | (O) 35.00 | 35.00 | 100.00 |
| 20 | 31 | Planning, Economics and Statistics | 3451-101-0101-5612-Strengthening of Decentralised Scheme | (O) 1.02 | 1.02 | 100.00 |

| | | | | | | |
|----|----|----------------|---|------------|--------|--------|
| | | | 3451-101-0101-7613-Monitoring, Advisory Services, Innovation and Evaluation of Projects Implemented in the State | (O) 10.94 | 10.01 | 91.50 |
| | | | 3454-02-201-0512-State Sample Surveys | (O) 0.60 | 0.53 | 88.33 |
| 21 | 33 | Tribal Affairs | 2225-01-102-0102-8861-Organic Farming Support Programme (Re-Imbursement) | (S) 38.00 | 37.80 | 99.47 |
| | | | 2225-02-001-0802-5155-Monitoring and Evaluation of Schemes Article-275 (1) | (O) 7.00 | 6.28 | 89.71 |
| | | | 2225-02-001-0102-9843-Monitoring and Evaluation Units | (O) 0.99 | 0.55 | 55.56 |
| | | | 2225-02-102-0102-2321-Leadership Development and Bharat Darshan | (O) 1.18 | 1.18 | 100.00 |
| | | | 2225-02-102-0102-7215-Chief Minister Self Employment Scheme | (O) 2.20 | 2.20 | 100.00 |
| | | | 2225-02-277-1702-9516-C. M. Rise | (O) 16.67 | 13.64 | 81.82 |
| | | | 2225-02-277-0422-9516-C. M. Rise | (O) 16.67 | 13.64 | 81.82 |
| | | | 2225-02-277-0102-0494-Ashram | (O) 188.67 | 112.84 | 59.81 |
| | | | 2225-02-277-0102-0978-Sports Complex | (O) 16.06 | 8.44 | 52.55 |
| | | | 2225-02-277-0102-6175-State Scholarship Class 9 th and 10 th | (O) 11.00 | 9.96 | 90.55 |
| | | | 2225-02-800-0602-5211-Local Development Programme Under Integrated Tribal Development Project/MADA POCKET/CLUSTER | (O) 150.00 | 78.41 | 52.27 |
| | | | 2225-02-800-0102-6462-Kol Scheduled Tribal Development Agency | (O) 0.50 | 0.50 | 100.00 |
| | | | 2225-02-800-0102-8808-Works Related to Information Technology | (O) 8.00 | 6.18 | 77.25 |
| | | | 2225-02-800-0102-9819-Special Backward Tribal Group Agencies | (O) 1.00 | 0.84 | 84.00 |

| | | | | | | |
|----|----|---|--|------------|--------|--------|
| | | | 4202-01-202-0102-0581-Government High/Higher Secondary Schools | (O) 330.00 | 272.84 | 82.68 |
| | | | 4225-02-277-0422-9516-C. M. Rise | (O) 116.00 | 116.00 | 100.00 |
| | | | 4225-02-277-0102-1398-Senior Hostel | (O) 200.00 | 177.01 | 88.51 |
| | | | 4225-02-277-0102-7912-Maintenance of Rural Schools and other Works with Education Cess | (O) 23.00 | 23.00 | 100.00 |
| | | | 4225-02-277-0102-9516-C. M. Rise | (O) 118.00 | 118.00 | 100.00 |
| 22 | 34 | Social Justice and Disabled Person Welfare | 2235-60-102-0703-7084-National Family Support Scheme | (O) 17.50 | 9.83 | 56.17 |
| | | | 2235-60-102-0102-6693-Girls Guardian Pension Scheme | (O) 4.60 | 3.29 | 71.52 |
| 23 | 35 | Micro, Small and Medium Enterprises | 4851-800-0101-7623-Venture Capital Company | (O) 1.00 | 0.64 | 64.00 |
| | | | 4851-800-0101-7624-Investment in M.S.M.E.-Venture Capital Fund | (O) 1.00 | 0.64 | 64.00 |
| 24 | 36 | Transport | 2041-001-7638-Smart Card Scheme | (O) 25.95 | 25.95 | 100.00 |
| | | | 3055-004-0701-8858-Women Security on Public Road Transport (Nirbhaya Fund) | (S) 2.19 | 2.19 | 100.00 |
| | | | 4059-80-201-0101-7311-Construction of Office Buildings | (O) 13.60 | 12.60 | 92.65 |
| 25 | 40 | Other Expenditure pertaining to School Education Department (Excluding Primary Education) | 2202-02-109-0103-2078- Laboratory and Sitting Arrangement for Study in High/Higher Secondary Schools | (O) 23.40 | 23.40 | 100.00 |
| | | | 2202-02-109-0103-7912-Maintenance of Rural Schools and other Works with Education Cess | (O) 15.00 | 15.00 | 100.00 |
| | | | 2202-02-109-0101-7912-Maintenance of Rural Schools and other Works with Education Cess | (O) 49.00 | 49.00 | 100.00 |
| | | | 2202-80-001-0101-6813-Supply of Cycles | (S) 25.00 | 25.00 | 100.00 |
| | | | 2202-80-107-0102-5133-Other Scholarships | (O) 2.34 | 2.26 | 96.58 |

| | | | | | | |
|----|----|------------------|---|--------------------------------|--------|--------|
| | | | 4202-01-202-0101-7128-Construction of Office Buildings for Head Office/Joint Director/District Education Officers | (O) 2.00 | 1.36 | 68.00 |
| | | | 4202-02-103-0422-9516-C.M. Rise | (O) 66.00 | 66.00 | 100.00 |
| | | | 4202-02-103-0420-9516-C.M. Rise | (O) 68.00 | 68.00 | 100.00 |
| | | | 4202-02-103-0103-9516-C.M. Rise | (O) 99.00 | 99.00 | 100.00 |
| | | | 4202-02-103-0102-9516-C.M. Rise | (O) 120.00 | 120.00 | 100.00 |
| | | | 4202-02-103-0101-9516-C.M. Rise | (O) 331.00 | 281.00 | 84.89 |
| | | | 4202-01-202-1701-6007-Establishment and Operation of Models Schools | (O) 10.00 | 6.23 | 62.30 |
| 26 | 44 | Higher Education | 2202-03-103-0102-4699-Supply of Books etc-to SC Students | (O) 2.30 (S) 35.50 37.80 | 33.00 | 87.30 |
| | | | 2202-03-103-0102-5476-Pratibha Kiran Yojna | (O) 0.78 (S) 1.41 2.19 | 1.25 | 57.08 |
| | | | 2202-03-104-0103-3444-Maintenance Grants to Colleges | (O) 27.53 | 22.25 | 80.82 |
| | | | 2202-03-104-0102-3444-Maintenance Grants to Colleges | (O) 60.43 | 56.60 | 93.66 |
| | | | 2202-03-107-0101-5766-Incentive Scheme | (O) 0.50 | 0.50 | 100.00 |
| | | | 4202-01-203-0703-7600-Implementation of National Higher Education Campaign Scheme | (O) 60.00 | 57.23 | 95.38 |
| | | | 4202-01-203-0702-7600-Implementation of National Higher Education Campaign Scheme | (O) 58.00 | 56.14 | 96.79 |
| | | | 4202-01-203-0701-7600-Implementation of National Higher Education Campaign Scheme | (O) 115.70 | 101.36 | 87.61 |
| | | | 4202-01-203-0101-9620-Chhindwara University | (O) 1.00 | 1.00 | 100.00 |
| | | | 4202-03-102-0103-2329-Grant to National Law University, Jabalpur | (O) 4.80 | 4.80 | 100.00 |

| | | | | | | |
|----|----|---|---|---------------------------------------|----------|--------|
| | | | 4202-03-102-0102-2329-Grant to National Law University, Jabalpur | (O) 6.90 | 6.90 | 100.00 |
| | | | 4202-03-102-0101-2329-Grant to National Law University, Jabalpur | (O) 18.30 | 18.00 | 98.36 |
| 27 | 46 | Science and Technology | 3425-60-600-0101-9521-Establishment of State computer security incident/response operation center | (O) 1.50 | 0.90 | 60.00 |
| | | | 3425-60-600-0101-9522-Technology contract with Nasscom | (O) 1.00 | 0.76 | 76.00 |
| 28 | 47 | Technical Education, Skill Development and Employment | 2230-03-101-0801-5392-Strive Scheme | (O) 20.00 | 10.78 | 53.90 |
| 29 | 48 | Narmada Valley Development | 4700-80-001-0101-2046-Chinki Boraj Baorage Joint Multipurpose Micro Irrigation Project | (S) 5.00 | 5.00 | 100.00 |
| | | | 4700-80-800-0801-1953-Narmada (I-S-P-) Parvati Link Project | (S) 115.78 | 115.78 | 100.00 |
| | | | 4700-80-800-0101-1952-Namami Devi Narmade | (S) 0.50 | 0.50 | 100.00 |
| | | | 4700-80-800-0101-2333-Investment of N.B. Company Limited | (O) 300.00 (S)1,500.00 1,800.00 | 1,500.00 | 83.33 |
| 30 | 49 | Scheduled Caste Welfare | 2225-01-001-0101-9094-Survey for Integrated Development | (O) 1.00 | 1.00 | 100.00 |
| | | | 2225-01-277-0706-7764-Post Metric Scholarships (Colleges and Others) | (S) 30.00 | 21.59 | 71.97 |
| | | | 2225-01-277-0603-0538-Grant for Training and Infrastructure for Self Employment to Educated Youth | (O) 5.00 | 5.00 | 100.00 |
| | | | 2225-01-277-0103-8829-Establishment of Government Gyanoday Schools | (O) 50.01 | 27.10 | 54.19 |
| | | | 4225-01-277-0103-4717-Harijan Hostels | (O) 100.00 | 54.11 | 54.11 |
| | | | 4225-01-277-0103-8829-Establishment of Government Gyanoday Schools | (O) 22.00 | 11.31 | 51.41 |
| 31 | 51 | Spirituality | 2250-800-1477-Establishment of | (O) 2.18 | 1.41 | 64.68 |

| | | | | | | |
|----|----|---|---|------------|-------|--------|
| | | | Religious Trust and Endowment | | | |
| | | | 2250-800-5384-Rampath Gaman Anchal Development Scheme | (O) 12.01 | 11.51 | 95.84 |
| | | | 2250-800-5805-Construction of Dharmshalas | (O) 0.91 | 0.59 | 64.84 |
| | | | 2250-800-6273-Establishment of Pilgrim Place and Fair Authority | (O) 5.00 | 2.80 | 56.00 |
| | | | 2250-800-0101-2104-Dialect Regional Languages and Religious Publication | (O) 0.50 | 0.50 | 100.00 |
| | | | 2250-800-0101-7227-Pilgrimage Scheme | (O) 30.01 | 29.95 | 99.80 |
| | | | 4250-800-5384-Rampath Gaman Anchal Development Scheme | (O) 18.00 | 18.00 | 100.00 |
| 32 | 55 | Women and Child Development | 2235-02-103-0701-2367-Mahila Shakti Kendra | (S) 14.30 | 14.30 | 100.00 |
| | | | 2235-02-103-0103-5033-Jabali Yojna | (O) 1.00 | 0.73 | 73.00 |
| | | | 2236-02-101-0703-6392-Kishori Balika Yojna | (O) 8.89 | 8.89 | 100.00 |
| | | | 2236-02-101-0702-6392-Kishori Balika Yojna | (O) 13.33 | 13.33 | 100.00 |
| | | | 2236-02-101-0701-6392-Kishori Balika Yojna | (O) 22.78 | 22.78 | 100.00 |
| | | | 4235-02-102-1501-7449-Construction for Buildings of Sector Level Office cum Training Centre | (O) 13.52 | 13.52 | 100.00 |
| 33 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | 2245-80-102-6276-Disaster Management Planning | (O) 100.00 | 68.84 | 68.84 |
| | | | 4250-101-7667-Capacity Building in the 15 th Finance Commission | (O) 106.00 | 97.99 | 92.44 |
| | | | 4250-800-6436-Training Relating to Calamity and Purchase of Equipments | (O) 1.50 | 1.50 | 100.00 |
| 34 | 61 | Expenditure pertaining to Bundelkhand Package | 2515-102-0701-6109-Improvement, Restoration and Recharge of Water Composition | (O) 22.40 | 22.40 | 100.00 |
| | | | 4515-01-102-1501-2580-Piped Water | (O) 33.00 | 22.00 | 66.67 |

| | | | | | | |
|--------------|----|----------|---|-----------------|-----------------|--------------|
| | | | Supply Scheme to Village | | | |
| 35 | 65 | Aviation | 5053-80-800-0101-0690-Development of Infrastructure and Airport | (O) 1.00 | 0.64 | 64.00 |
| Total | | | | 8,403.10 | 7,152.39 | 85.12 |

Source: Appropriation Accounts 2021-22

Appendix 3.7
Anticipated Savings not Surrendered
(Reference: Paragraph 3.5.2; Page 72)

(₹ in crore)

| Sl. No. | Grant No. | Nomenclature | RV/CV/CC/RC | Savings | Total Surrendered | Savings not Surrendered |
|---------|-----------|---|-------------|----------|-------------------|-------------------------|
| 1 | CH-I | Charged Appropriation- Public Debt | CC | 2,631.95 | 8.49 | 2,623.46 |
| 2 | CH-II | Charged Appropriation-Interest Payments and Servicing of Debt | RC | 5,008.23 | 11.42 | 4,996.81 |
| 3 | 1 | General Administration | RV | 286.54 | 240.78 | 45.76 |
| 4 | 1 | General Administration | RC | 35.95 | 32.04 | 3.91 |
| 5 | 1 | General Administration | CV | 39.59 | 35.46 | 4.13 |
| 6 | 2 | Other Expenditure pertaining to General Administration Department | RV | 56.06 | 5.78 | 50.28 |
| 7 | 3 | Police | RV | 1,160.07 | 1,052.95 | 107.12 |
| 8 | 4 | Other Expenditure pertaining to Home Department | RV | 17.39 | 8.24 | 9.15 |
| 9 | 5 | Jail | RV | 46.82 | 46.32 | 0.50 |
| 10 | 6 | Finance | RV | 1,706.96 | 31.37 | 1,675.59 |
| 11 | 6 | Finance | RC | 124.63 | 0.04 | 124.59 |
| 12 | 6 | Finance | CV | 1,091.45 | 0.00 | 1,091.45 |
| 13 | 7 | Commercial Tax | RV | 382.24 | 76.91 | 305.33 |
| 14 | 7 | Commercial Tax | CV | 11.58 | 8.50 | 3.08 |
| 15 | 8 | Land Revenue and District Administration | RV | 321.11 | 174.32 | 146.79 |
| 16 | 8 | Land Revenue and District Administration | RC | 3.05 | 0.98 | 2.07 |
| 17 | 8 | Land Revenue and District Administration | CV | 47.37 | 8.06 | 39.31 |
| 18 | 9 | New and Renewable Energy | RV | 5.91 | 0.00 | 5.91 |
| 19 | 10 | Forest | RV | 293.20 | 2.84 | 290.36 |
| 20 | 10 | Forest | CV | 134.02 | 0.00 | 134.02 |
| 21 | 11 | Industrial Policy and Investment Promotion | RV | 2.40 | 2.39 | 0.01 |
| 22 | 12 | Energy | RV | 9.25 | 9.27 | (-)0.02 |
| 23 | 12 | Energy | CV | 1,296.62 | 1,440.54 | (-)143.92 |
| 24 | 13 | Farmers Welfare and Agriculture Development | RV | 601.61 | 600.69 | 0.92 |
| 25 | 14 | Animal Husbandry and Dairying | RV | 192.68 | 192.64 | 0.04 |
| 26 | 14 | Animal Husbandry and Dairying | CV | 3.56 | 3.40 | 0.16 |
| 27 | 15 | Denotified, Nomadic and Semi-Nomadic Tribes Welfare | RV | 14.07 | 0.00 | 14.07 |
| 28 | 15 | Denotified, Nomadic and Semi-Nomadic Tribes Welfare | CV | 3.05 | 0.00 | 3.05 |
| 29 | 16 | Fisherman Welfare and Fisheries Development | RV | 39.43 | 0.00 | 39.43 |
| 30 | 17 | Co-operation | RV | 144.57 | 132.38 | 12.19 |
| 31 | 18 | Labour | RV | 49.75 | 39.15 | 10.60 |
| 32 | 19 | Public Health and Family Welfare | RV | 663.40 | 0.00 | 663.40 |
| 33 | 19 | Public Health and Family Welfare | CV | 297.86 | 0.00 | 297.86 |
| 34 | 20 | Public Health Engineering | RV | 74.47 | 41.15 | 33.32 |
| 35 | 20 | Public Health Engineering | RC | 3.13 | 2.00 | 1.13 |
| 36 | 20 | Public Health Engineering | CV | 1,159.70 | 1,075.65 | 84.05 |
| 37 | 22 | Urban Development and Housing | RV | 172.68 | 4.63 | 168.05 |
| 38 | 22 | Urban Development and Housing | CV | 988.89 | 0.30 | 988.59 |
| 39 | 22 | Urban Development and Housing | CC | 10.00 | 0.00 | 10.00 |
| 40 | 23 | Water Resources Department | RV | 245.91 | 196.29 | 49.62 |

| Sl. No. | Grant No. | Nomenclature | RV/CV/CC/RC | Savings | Total Surrendered | Savings not Surrendered |
|---------|-----------|---|-------------|----------|-------------------|-------------------------|
| 41 | 23 | Water Resources Department | CV | 745.75 | 711.21 | 34.54 |
| 42 | 24 | Public Works-Roads and Bridges | RV | 262.56 | 0.00 | 262.56 |
| 43 | 24 | Public Works-Roads and Bridges | CV | 503.51 | 0.00 | 503.51 |
| 44 | 24 | Public Works-Roads and Bridges | CC | 367.17 | 0.00 | 367.17 |
| 45 | 25 | Mineral Resources | RV | 21.87 | 0.00 | 21.87 |
| 46 | 25 | Mineral Resources | CV | 8.50 | 0.00 | 8.50 |
| 47 | 26 | Culture | RV | 50.55 | 6.84 | 43.71 |
| 48 | 26 | Culture | CV | 95.51 | 0.00 | 95.51 |
| 49 | 27 | School Education (Primary Education) | RV | 1,543.39 | 1,637.48 | (-)94.10 |
| 50 | 28 | State Legislature | RV | 22.05 | 21.82 | 0.23 |
| 51 | 29 | Law and Legislative Affairs | RV | 435.78 | 428.74 | 7.04 |
| 52 | 29 | Law and Legislative Affairs | RC | 50.20 | 49.26 | 0.94 |
| 53 | 29 | Law and Legislative Affairs | CV | 95.74 | 95.77 | (-)0.03 |
| 54 | 30 | Rural Development | RV | 1,474.73 | 1,124.28 | 350.45 |
| 55 | 30 | Rural Development | CV | 405.04 | 404.94 | 0.10 |
| 56 | 31 | Planning, Economics and Statistics | RV | 26.32 | 26.10 | 0.22 |
| 57 | 32 | Public Relations | RV | 27.18 | 0.00 | 27.18 |
| 58 | 32 | Public Relations | CV | 4.78 | 0.00 | 4.78 |
| 59 | 33 | Tribal Affairs | RV | 1,289.46 | 1,300.44 | (-)10.98 |
| 60 | 33 | Tribal Affairs | CV | 1,252.26 | 1,220.29 | 31.97 |
| 61 | 34 | Social Justice and Disabled Person Welfare | RV | 75.46 | 74.90 | 0.56 |
| 62 | 35 | Micro, Small and Medium Enterprises | RV | 28.81 | 30.74 | (-)1.93 |
| 63 | 36 | Transport | RV | 48.38 | 47.19 | 1.19 |
| 64 | 36 | Transport | CV | 14.60 | 12.60 | 2.00 |
| 65 | 38 | Ayush | RV | 55.10 | 46.78 | 8.32 |
| 66 | 38 | Ayush | CV | 1.90 | 1.35 | 0.55 |
| 67 | 39 | Food, Civil Supplies and Consumer Protection | RV | 259.37 | 4.53 | 254.84 |
| 68 | 39 | Food, Civil Supplies and Consumer Protection | CV | 67.57 | 0.09 | 67.48 |
| 69 | 40 | Other Expenditure pertaining to School Education Department (Excluding Primary Education) | RV | 1,151.87 | 1,146.42 | 5.45 |
| 70 | 40 | Other Expenditure pertaining to School Education Department (Excluding Primary Education) | CV | 978.66 | 960.08 | 18.58 |
| 71 | 42 | Bhopal Gas Tragedy Relief and Rehabilitation | RV | 10.75 | 10.16 | 0.59 |
| 72 | 43 | Sports and Youth Welfare | RV | 38.10 | 0.00 | 38.10 |
| 73 | 43 | Sports and Youth Welfare | CV | 5.30 | 0.00 | 5.30 |
| 74 | 44 | Higher Education | RV | 572.97 | 529.77 | 43.20 |
| 75 | 44 | Higher Education | CV | 327.06 | 289.32 | 37.74 |
| 76 | 47 | Technical Education, Skill Development and Employment | RV | 213.95 | 60.97 | 152.98 |
| 77 | 47 | Technical Education, Skill Development and Employment | CV | 115.28 | 17.55 | 97.73 |
| 78 | 48 | Narmada Valley Development | RV | 2.18 | 2.13 | 0.05 |
| 79 | 48 | Narmada Valley Development | CV | 2,087.60 | 2,086.65 | 0.95 |
| 80 | 49 | Scheduled Caste Welfare | RV | 204.13 | 205.50 | (-)1.37 |
| 81 | 49 | Scheduled Caste Welfare | CV | 108.47 | 108.29 | 0.18 |
| 82 | 50 | Horticulture and Food Processing | RV | 305.76 | 0.00 | 305.76 |
| 83 | 50 | Horticulture and Food Processing | CV | 27.03 | 0.00 | 27.03 |
| 84 | 51 | Spirituality | RV | 59.11 | 58.06 | 1.05 |
| 85 | 52 | Medical Education | RV | 98.58 | 0.00 | 98.58 |
| 86 | 52 | Medical Education | CV | 684.40 | 0.00 | 684.40 |

| Sl. No. | Grant No. | Nomenclature | RV/CV/CC/RC | Savings | Total Surrendered | Savings not Surrendered |
|--------------|-----------|---|-------------|------------------|-------------------|-------------------------|
| 87 | 53 | Public Works-Buildings | RV | 11.00 | 0.00 | 11.00 |
| 88 | 53 | Public Works-Buildings | RC | 1.58 | 0.00 | 1.58 |
| 89 | 53 | Public Works-Buildings | CV | 70.38 | 16.34 | 54.04 |
| 90 | 55 | Women and Child Development | RV | 597.19 | 536.50 | 60.69 |
| 91 | 55 | Women and Child Development | CV | 13.65 | 13.64 | 0.01 |
| 92 | 56 | Cottage and Rural Industry | RV | 22.55 | 0.00 | 22.55 |
| 93 | 56 | Cottage and Rural Industry | CV | 1.32 | 0.00 | 1.32 |
| 94 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | RV | 293.82 | 286.30 | 7.52 |
| 95 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | CV | 207.49 | 196.29 | 11.20 |
| 96 | 60 | Expenditure pertaining to District Plan Schemes | CV | 49.72 | 50.59 | (-)0.87 |
| 97 | 61 | Expenditure pertaining to Bundelkhand Package | CV | 29.20 | 22.00 | 7.20 |
| 98 | 62 | Panchayat | RV | 1,825.24 | 0.00 | 1,825.24 |
| 99 | 63 | Minority Welfare | RV | 8.25 | 0.00 | 8.25 |
| 100 | 63 | Minority Welfare | CV | 159.42 | 0.00 | 159.42 |
| 101 | 64 | Welfare of Backward Classes | RV | 183.01 | 0.00 | 183.01 |
| 102 | 64 | Welfare of Backward Classes | CV | 14.95 | 0.00 | 14.95 |
| 103 | 65 | Aviation | RV | 10.48 | 20.49 | (-)10.01 |
| Total | | | | 39,101.14 | 19,347.38 | 19,753.75 |

Source: Appropriation Accounts 2021-22

Appendix 3.8
Statement of various Grants/Appropriations in which savings occurred
(₹ one crore or more in each case) but no part of which had been surrendered
(Reference: Paragraph 3.5.2; Page 72)

(₹ in crore)

| Sl. No. | Grant No. | Nomenclature | RV/CV/CC/RC | Savings |
|--------------|-----------|---|-------------|-----------------|
| 1 | 6 | Finance | CV | 1,091.45 |
| 2 | 9 | New and Renewable Energy | RV | 5.91 |
| 3 | 10 | Forest | CV | 134.02 |
| 4 | 15 | Denotified, Nomadic and Semi-Nomadic Tribes Welfare | RV | 14.07 |
| 5 | 15 | Denotified, Nomadic and Semi-Nomadic Tribes Welfare | CV | 3.05 |
| 6 | 16 | Fisherman Welfare and Fisheries Development | RV | 39.43 |
| 7 | 19 | Public Health and Family Welfare | RV | 663.40 |
| 8 | 19 | Public Health and Family Welfare | CV | 297.86 |
| 9 | 22 | Urban Development and Housing | CC | 10.00 |
| 10 | 24 | Public Works-Roads and Bridges | RV | 262.56 |
| 11 | 24 | Public Works-Roads and Bridges | CV | 503.51 |
| 12 | 24 | Public Works-Roads and Bridges | CC | 367.17 |
| 13 | 25 | Mineral Resources | RV | 21.87 |
| 14 | 25 | Mineral Resources | CV | 8.50 |
| 15 | 26 | Culture | CV | 95.51 |
| 16 | 32 | Public Relations | RV | 27.18 |
| 17 | 32 | Public Relations | CV | 4.78 |
| 18 | 43 | Sports and Youth Welfare | RV | 38.10 |
| 19 | 43 | Sports and Youth Welfare | CV | 5.30 |
| 20 | 50 | Horticulture and Food Processing | RV | 305.76 |
| 21 | 50 | Horticulture and Food Processing | CV | 27.03 |
| 22 | 52 | Medical Education | RV | 98.58 |
| 23 | 52 | Medical Education | CV | 684.40 |
| 24 | 53 | Public Works-Buildings | RV | 11.00 |
| 25 | 53 | Public Works-Buildings | RC | 1.58 |
| 26 | 56 | Cottage and Rural Industry | RV | 22.55 |
| 27 | 56 | Cottage and Rural Industry | CV | 1.32 |
| 28 | 62 | Panchayat | RV | 1,825.24 |
| 29 | 63 | Minority Welfare | RV | 8.25 |
| 30 | 63 | Minority Welfare | CV | 159.42 |
| 31 | 64 | Welfare of Backward Classes | RV | 183.01 |
| 32 | 64 | Welfare of Backward Classes | CV | 14.95 |
| Total | | | | 6,936.76 |

Source: Appropriation Accounts 2021-22

Appendix 3.9
Surrender orders not accepted by Principal Accountant General
 (Reference: Paragraph 3.5.3; Page 73)

(₹ in crore)

| Sl. No. | Number of Sanctions | Grant/Appropriation No. | Amount | Particulars of Irregularities |
|--------------|---------------------|-----------------------------------|-----------------|--|
| 1 | 12 | 1, 15, 19, 22, 43, 47, 50, 57, 63 | 1,801.70 | Sanction issued after closing of the Financial Year i.e. 31 March 2022 |
| 2 | 9 | 7, 10, 24, 26, 32, 53, 56 | 2,270.71 | Delayed receipt of sanction in Principal Accountant General (A&E) office after the due date i.e. 10 May 2022 |
| 3 | 5 | 17, 25, 62 | 1,889.22 | Non-receipt of complete details in the sanction orders. |
| Total | | | 5,961.63 | |

Source: Information furnished by O/o the PAG, (A&E)-I, Madhya Pradesh, Gwalior

Appendix 3.10
Statement of various Grants/Appropriations where savings exceeded ₹10 crore and more than 20 per cent of the total provisions in each case
(Reference: Paragraph 3.6; Page 75)

(₹ in crore)

| Sl. No. | Grant No. | Nomenclature | RV/CV/CC/RC | Total Budget | Actual Expenditure | Savings | Savings (in per cent) |
|--|-----------|---|-------------|-----------------|--------------------|-----------------|-----------------------|
| Cases where savings ranging between ₹10 crore and ₹100 crore | | | | | | | |
| 1 | 1 | General Administration | RC | 79.35 | 43.39 | 35.96 | 45.31 |
| 2 | 1 | General Administration | CV | 117.25 | 77.65 | 39.60 | 33.77 |
| 3 | 2 | Other Expenditure pertaining to General Administration Department | RV | 133.50 | 77.44 | 56.06 | 41.99 |
| 4 | 4 | Other Expenditure pertaining to Home Department | RV | 56.01 | 38.62 | 17.39 | 31.05 |
| 5 | 5 | Jail | CV | 70.50 | 31.57 | 38.93 | 55.22 |
| 6 | 7 | Commercial Tax | CV | 11.72 | 0.14 | 11.58 | 98.80 |
| 7 | 8 | Land Revenue and District Administration | CV | 171.40 | 124.03 | 47.37 | 27.64 |
| 8 | 15 | Denotified, Nomadic and Semi-Nomadic Tribes Welfare | RV | 29.39 | 15.32 | 14.07 | 47.87 |
| 9 | 16 | Fisherman Welfare and Fisheries Development | RV | 195.61 | 156.18 | 39.43 | 20.16 |
| 10 | 25 | Mineral Resources | RV | 59.24 | 37.38 | 21.86 | 36.92 |
| 11 | 26 | Culture | RV | 209.32 | 158.77 | 50.55 | 24.15 |
| 12 | 26 | Culture | CV | 104.85 | 9.34 | 95.51 | 91.11 |
| 13 | 28 | State Legislature | RV | 100.23 | 78.19 | 22.04 | 22.00 |
| 14 | 29 | Law and Legislative Affairs | RC | 191.33 | 141.13 | 50.20 | 26.24 |
| 15 | 29 | Law and Legislative Affairs | CV | 237.50 | 141.76 | 95.74 | 40.31 |
| 16 | 36 | Transport | RV | 105.45 | 57.07 | 48.38 | 45.88 |
| 17 | 36 | Transport | CV | 15.60 | 1.00 | 14.60 | 93.59 |
| 18 | 43 | Sports and Youth Welfare | RV | 165.48 | 127.37 | 38.11 | 23.02 |
| 19 | 50 | Horticulture and Food Processing | CV | 35.00 | 7.97 | 27.03 | 77.23 |
| 20 | 51 | Spirituality | RV | 105.30 | 46.19 | 59.11 | 56.13 |
| 21 | 51 | Spirituality | CV | 18.00 | 0.00 | 18.00 | 100.00 |
| 22 | 53 | Public Works-Buildings | CV | 97.21 | 26.83 | 70.38 | 72.40 |
| 23 | 56 | Cottage and Rural Industry | RV | 111.56 | 89.01 | 22.55 | 20.21 |
| 24 | 61 | Expenditure pertaining to Bundelkhand Package | RV | 44.84 | 22.44 | 22.40 | 49.95 |
| 25 | 61 | Expenditure pertaining to Bundelkhand Package | CV | 101.51 | 72.31 | 29.20 | 28.76 |
| 26 | 64 | Welfare of Backward Classes | CV | 17.70 | 2.75 | 14.95 | 84.46 |
| | | Total | | 2,584.85 | 1,583.85 | 1,001.00 | 38.73 |
| Cases where savings ranging between ₹100 crore and ₹500 crore | | | | | | | |
| 27 | 1 | General Administration | RV | 756.89 | 470.35 | 286.54 | 37.86 |
| 28 | 3 | Police | CV | 841.86 | 637.50 | 204.36 | 24.27 |
| 29 | 6 | Finance | RC | 131.16 | 6.53 | 124.63 | 95.02 |
| 30 | 11 | Industrial Policy and Investment Promotion | CV | 826.00 | 533.22 | 292.78 | 35.45 |
| 31 | 19 | Public Health and Family Welfare | CV | 651.48 | 353.62 | 297.86 | 45.72 |

| Sl. No. | Grant No. | Nomenclature | RV/CV/CC/RC | Total Budget | Actual Expenditure | Savings | Savings (in per cent) |
|---|-----------|---|-------------|------------------|--------------------|------------------|-----------------------|
| 32 | 24 | Public Works-Roads and Bridges | CC | 504.60 | 137.43 | 367.17 | 72.76 |
| 33 | 29 | Law and Legislative Affairs | RV | 1,657.53 | 1,221.74 | 435.79 | 26.29 |
| 34 | 39 | Food, Civil Supplies and Consumer Protection | RV | 1,056.84 | 797.47 | 259.37 | 24.54 |
| 35 | 44 | Higher Education | CV | 827.63 | 500.57 | 327.06 | 39.52 |
| 36 | 47 | Technical Education, Skill Development and Employment | CV | 335.06 | 219.78 | 115.28 | 34.41 |
| 37 | 49 | Scheduled Caste Welfare | CV | 212.20 | 103.73 | 108.47 | 51.12 |
| 38 | 50 | Horticulture and Food Processing | RV | 760.93 | 455.17 | 305.76 | 40.18 |
| 39 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | CV | 593.90 | 386.41 | 207.49 | 34.94 |
| 40 | 63 | Minority Welfare | CV | 179.16 | 19.73 | 159.43 | 88.98 |
| Total | | | | 9,335.24 | 5,843.25 | 3,491.99 | 37.41 |
| Cases where savings ranging between ₹500 crore and above | | | | | | | |
| 41 | CH-II | Charged Appropriation-Interest Payments and Servicing of Debt | RC | 23,454.14 | 18,445.91 | 5,008.23 | 21.35 |
| 42 | 6 | Finance | CV | 1,963.84 | 872.39 | 1,091.45 | 55.58 |
| 43 | 12 | Energy | CV | 3,284.43 | 1,987.81 | 1,296.62 | 39.48 |
| 44 | 22 | Urban Development and Housing | CV | 4,235.50 | 3,246.61 | 988.89 | 23.35 |
| 45 | 33 | Tribal Affairs | CV | 1,751.17 | 498.90 | 1,252.27 | 71.51 |
| 46 | 40 | Other Expenditure pertaining to School Education Department (Excluding Primary Education) | RV | 4,332.44 | 3,180.57 | 1,151.87 | 26.59 |
| 47 | 40 | Other Expenditure pertaining to School Education Department (Excluding Primary Education) | CV | 1,324.13 | 345.47 | 978.66 | 73.91 |
| 48 | 44 | Higher Education | RV | 2,809.34 | 2,236.37 | 572.97 | 20.40 |
| 49 | 48 | Narmada Valley Development | CV | 6,850.61 | 4,763.01 | 2,087.60 | 30.47 |
| 50 | 52 | Medical Education | CV | 1,270.53 | 586.13 | 684.40 | 53.87 |
| 51 | 62 | Panchayat | RV | 5,267.02 | 3,441.78 | 1,825.24 | 34.65 |
| Total | | | | 56,543.15 | 39,604.95 | 16,938.20 | 29.96 |
| Grand Total | | | | 68,463.24 | 47,032.05 | 21,431.19 | 31.30 |

Source: Appropriation Accounts 2021-22

Appendix 3.11
Missing/Incomplete Explanation for Variation from Budget
(Reference: Paragraph 3.6.2; Page 78)

(₹ in crore)

| Sl. No. | Grant No. | Nomenclature | Total Heads | Heads Requiring Explanation | Heads where explanation was given |
|---------|-----------|---|-------------|-----------------------------|-----------------------------------|
| 1 | CH-I | Public Debt | 31 | 22 | 0 |
| 2 | CH-II | Interest Payments and Servicing of Debt | 153 | 40 | 3 |
| 3 | 1 | General Administration | 56 | 21 | 8 |
| 4 | 2 | Other expenditure pertaining to General Administration Department | 11 | 5 | 2 |
| 5 | 3 | Police | 96 | 34 | 32 |
| 6 | 4 | Other expenditure pertaining to Home Department | 21 | 7 | 1 |
| 7 | 5 | Jail | 13 | 6 | 4 |
| 8 | 6 | Finance | 72 | 36 | 6 |
| 9 | 7 | Commercial Tax | 31 | 11 | 1 |
| 10 | 8 | Land Revenue and District Administration | 40 | 19 | 10 |
| 11 | 9 | New and Renewable Energy | 15 | 4 | 0 |
| 12 | 10 | Forest | 95 | 27 | 8 |
| 13 | 11 | Industrial Policy and Investment Promotion | 11 | 2 | 0 |
| 14 | 12 | Energy | 53 | 10 | 7 |
| 15 | 13 | Farmers Welfare and Agriculture Development | 180 | 0 | 0 |
| 16 | 14 | Animal Husbandry and Dairying | 93 | 21 | 21 |
| 17 | 15 | Denotified, Nomadic and Semi-Nomadic Tribes Welfare | 44 | 6 | 1 |
| 18 | 16 | Fisherman Welfare and Fisheries Development | 33 | 10 | 8 |
| 19 | 17 | Co-operation | 45 | 10 | 10 |
| 20 | 18 | Labour | 18 | 0 | 0 |
| 21 | 19 | Public Health and Family Welfare | 161 | 52 | 27 |
| 22 | 20 | Public Health Engineering | 75 | 25 | 16 |
| 23 | 21 | Public Services Management | 12 | 5 | 3 |
| 24 | 22 | Urban Development and Housing | 187 | 27 | 0 |
| 25 | 23 | Water Resources Department | 267 | 62 | 59 |
| 26 | 24 | Public Works-Roads and Bridges | 91 | 48 | 0 |
| 27 | 25 | Mineral Resources | 9 | 5 | 0 |
| 28 | 26 | Culture | 71 | 13 | 3 |
| 29 | 27 | School Education (Primary Education) | 117 | 26 | 11 |
| 30 | 28 | State Legislature | 10 | 5 | 5 |
| 31 | 29 | Law and Legislative Affairs | 56 | 27 | 17 |
| 32 | 30 | Rural Development | 111 | 32 | 29 |
| 33 | 31 | Planning, Economics and Statistics | 11 | 5 | 1 |
| 34 | 32 | Public Relations | 58 | 6 | 0 |
| 35 | 33 | Tribal Affairs | 100 | 39 | 9 |
| 36 | 34 | Social Justice and Disabled Person Welfare | 143 | 7 | 6 |
| 37 | 35 | Micro, Small and Medium Enterprises | 34 | 6 | 1 |
| 38 | 36 | Transport | 10 | 6 | 1 |
| 39 | 37 | Tourism | 22 | 0 | 0 |
| 40 | 38 | Ayush | 49 | 18 | 0 |
| 41 | 39 | Food, Civil Supplies and Consumer Protection | 68 | 22 | 11 |
| 42 | 40 | Other expenditure pertaining to School Education Department (Excluding Primary Education) | 96 | 25 | 23 |
| 43 | 41 | Overseas Indian | 1 | 1 | 0 |
| 44 | 42 | Bhopal Gas Tragedy Relief and Rehabilitation | 18 | 4 | 4 |
| 45 | 43 | Sports and Youth Welfare | 48 | 15 | 10 |
| 46 | 44 | Higher Education | 106 | 21 | 5 |
| 47 | 45 | Public Assets Management | 2 | 2 | 2 |

| Sl. No. | Grant No. | Nomenclature | Total Heads | Heads Requiring Explanation | Heads where explanation was given |
|--------------|-----------|--|--------------|-----------------------------|-----------------------------------|
| 48 | 46 | Science and Technology | 47 | 12 | 6 |
| 49 | 47 | Technical Education, Skill Development and Employment | 105 | 33 | 7 |
| 50 | 48 | Narmada Valley Development | 157 | 34 | 34 |
| 51 | 49 | Scheduled Caste Welfare | 67 | 18 | 13 |
| 52 | 50 | Horticulture and Food Processing | 55 | 14 | 0 |
| 53 | 51 | Spirituality | 19 | 9 | 0 |
| 54 | 52 | Medical Education | 78 | 31 | 19 |
| 55 | 53 | Public Works-Buildings | 29 | 17 | 0 |
| 56 | 54 | Agricultural Research and Education | 5 | 0 | 0 |
| 57 | 55 | Women and Child Development | 94 | 29 | 29 |
| 58 | 56 | Cottage and Rural Industry | 44 | 10 | 1 |
| 59 | 57 | Environment | 14 | 0 | 0 |
| 60 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | 33 | 15 | 10 |
| 61 | 59 | Externally Aided Projects pertaining to Rural Development Department | 3 | 0 | 0 |
| 62 | 60 | Expenditure pertaining to District Projects | 17 | 3 | 0 |
| 63 | 61 | Expenditure pertaining to Bundelkhand Package | 16 | 3 | 1 |
| 64 | 62 | Panchayat | 58 | 17 | 3 |
| 65 | 63 | Minority Welfare | 20 | 9 | 2 |
| 66 | 64 | Welfare of Backward Classes | 26 | 11 | 1 |
| 67 | 65 | Aviation | 6 | 3 | 2 |
| Total | | | 3,937 | 1,063 | 493 |

Source: Appropriation Accounts 2021-22

Appendix 3.12
Excess Expenditure against the allotted Budget
(Reference: Paragraph 3.6.2; Page 78)

(₹ in crore)

| Sl. No. | Grant No. | Name of the Grant | Heads of account | Provision O: Original S: Supplementary R:Reappropriation/ Surrender | Actual Expenditure | Final Saving (-)/ Excess(+) |
|---------|-----------|---|---|---|--------------------|--------------------------------|
| 1 | CH-I | Charged Appropriation- Public Debt | 6003-109-1216- Loans from Rural Electrification Corporation | (O) 34.00 | 42.94 | 8.94 |
| 2 | | | 6003-111-6835- Special Securities Issued to National Small Savings Fund of the Central Government | (O) 2,200.00 | 3,319.08 | 1,119.08 |
| 3 | | | 6004-02-101-9086- Back to Back Loans for Externally Aided Projects | (O) 675.00 (R) 315.00 990.00 | 1,150.47 | 160.47 |
| 4 | CH-II | Charged Appropriation- Interest Payments and Servicing of Debt | 2049-03-104-4033- Interest on Departmental Provident Fund | (O) 80.00 | 124.39 | 44.39 |
| 5 | | | 2049-01-101-7584- 8.95 Percent Madhya Pradesh State Development Loan, 2024 | (O) 93.98 | 138.73 | 44.75 |
| 6 | | | 2049-01-101-9318- 8.64 Percent Madhya Pradesh State Development Loan, 2033 | (O) 86.40 | 118.45 | 32.05 |
| 7 | 1 | General Administration | 2052-090-4327- Secretariat | (O) 144.88 (R) (-) 40.28 104.60 | 105.44 | 0.84 |
| 8 | 3 | Police | 2055-116-3593- Medico Legal Institute | (O) 5.57 (R) (-) 2.32 3.25 | 3.26 | 0.01 |
| 9 | | | 2055-115-0704-2643- Modernisation of Police Force | (S) 0.00 (R) 4.38 4.38 | 4.67 | 0.29 |
| 10 | | | 4055-211-0101-3059- Chief Minister-Police Residential Scheme | (O) 249.00 (S) 60.00 (R) (-) 60.00 249.00 | 274.71 | 25.71 |
| 11 | 4 | Other Expenditure pertaining to Home Department | 2235-60-200-3700- Rajya Sainik Board | (O) 2.62 (R) (-) 0.44 2.18 | 2.21 | 0.03 |
| 12 | | | 2235-60-200-9262- District Sainik Board | (O) 13.41 (R) (-) 2.09 11.32 | 11.43 | 0.11 |
| 13 | 5 | Jail | 2056-101-0101-5044- Modernisation of Jails | (O) 5.80 (R) (-) 2.06 3.74 | 3.76 | 0.02 |
| 14 | 6 | Finance | 2071-01-101-9998- Madhya Pradesh Pension | (O) 17.57 (R) 3,000.00 3,017.57 | 3,699.24 | 681.67 |
| 15 | | | 2071-01-104-9998- Madhya Pradesh Pension | (O) 2,051.98 (R) 850.00 2,901.98 | 2,938.60 | 36.62 |
| 16 | | | 2071-01-105-9998- Madhya Pradesh Pension | (O) 550.00 (R) 425.00 975.00 | 1,249.71 | 274.71 |
| 17 | | | 2071-01-111-9998- Madhya Pradesh Pension | (O) 6.00 (R) 4.00 10.00 | 12.42 | 2.42 |
| 18 | 8 | Land Revenue and District Administration | 2029-103-1472- District Expenditure | (O) 924.61 (R) (-) 128.68 795.93 | 798.60 | 2.67 |

| Sl. No. | Grant No. | Name of the Grant | Heads of account | Provision O: Original S: Supplementary R: Reappropriation/ Surrender | Actual Expenditure | Final Saving (-)/ Excess(+) |
|---------|-----------|----------------------------------|--|--|--------------------|--------------------------------|
| 19 | | | 2052-099-3657- Board of Revenue | (O) 7.13 (R) (-) 2.84 4.29 | 4.32 | 0.03 |
| 20 | | | 2052-099-3657- Board of Revenue | (O) 1.82 (R) (-) 0.95 0.87 | 0.97 | 0.10 |
| 21 | | | 4070-800-6846- Land Management | (O) 10.00 (R) (-) 9.00 1.00 | 2.11 | 1.11 |
| 22 | 10 | Forest | 2406-02-110-0705-3730- Coordinated Development of Wild Life Habitat | (S) 0.00 | 10.34 | 10.34 |
| 23 | | | 2406-02-110-0704-3730- Coordinated Development of Wild Life Habitat | (S) 0.00 | 11.98 | 11.98 |
| 24 | | | 2406-02-110-0704-8862- Habitat development of wild animals in national parks and sanctuaries | (S) 0.00 | 3.74 | 3.74 |
| 25 | | | 2406-02-110-0701-8862- Habitat development of wild animals in national parks and sanctuaries | (S) 0.00 (R) 5.54 5.54 | 5.64 | 0.10 |
| 26 | 12 | Energy | 2801-80-101-0101-7313- Tariff Grant | (O) 250.00 (S) 238.00 488.00 | 613.00 | 125.00 |
| 27 | | | 4801-05-190-0410-7900- Strengthening of Sub Transmission and Distribution System | (O) 125.00 | 217.43 | 92.43 |
| 28 | | | 6801-190-1201-5523- Arrangement of Independent Feeder for Agriculture Use | (S) 178.16 (R) (-) 4.21 173.95 | 314.32 | 140.37 |
| 29 | 14 | Animal Husbandry and Dairying | 2403-102-0101-1108- Intensive Cattle Development | (O) 460.76 (R) (-) 92.17 368.59 | 368.82 | 0.23 |
| 30 | 19 | Public Health and Family Welfare | 2210-01-110-0706-5724- National Health Mission | (S) 0.00 | 94.81 | 94.81 |
| 31 | | | 2210-01-110-0705-5724- National Health Mission | (S) 0.00 | 127.81 | 127.81 |
| 32 | | | 2210-01-110-0704-5724- National Health Mission | (S) 0.00 (R) 118.84 118.84 | 480.29 | 361.45 |
| 33 | 22 | Urban Development and Housing | 2217-05-800-0701-1237- Housing for All | (O) 800.00 | 1,221.85 | 421.85 |
| 34 | | | 2217-05-800-0101-1947- Real State Regulation and Development Appellate Tribunal | (O) 1.20 | 3.30 | 2.10 |
| 35 | | | 2217-05-800-0701-1238- Atal Mission for Rejuvenation and Urban Transformation | (O) 610.00 | 689.48 | 79.48 |
| 36 | | | 4217-01-051-0101-4339- Construction of Roads and Bridges | (O) 25.00 (R) 8.00 33.00 | 34.28 | 1.28 |
| 37 | 23 | Water Resources Department | 2701-80-001-0101-0815- Executive Establishment | (O) 386.17 (R) (-) 78.09 308.08 | 308.24 | 0.16 |
| 38 | | | 4700-60-800-0101-2897- Dam and Appurtenant Work | (O) 200.00 (S) 75.00 (R) (-) 152.03 122.97 | 122.98 | 0.01 |

| Sl. No. | Grant No. | Name of the Grant | Heads of account | Provision O: Original S: Supplementary R: Reappropriation/ Surrender | Actual Expenditure | Final Saving (-)/ Excess(+) |
|---------|-----------|---------------------------------|--|--|--------------------|--------------------------------|
| 39 | | | 4700-01-800-0101-2897- Dam and Appurtenant Work | (O) 0.10 (R) (-) 0.10 0.00 | 71.64 | 71.64 |
| 40 | 24 | Public Works- Roads and Bridges | 5054-03-101-1403-5225- Construction of Bridges (NABARD) | (O) 3.00 | 8.00 | 5.00 |
| 41 | | | 5054-03-101-0103-4149- Major Construction Work | (O) 2.00 (S) 10.00 12.00 | 15.89 | 3.89 |
| 42 | | | 5054-03-101-0101-4149- Major Construction Work | (O) 93.00 (S) 25.00 (R) 13.00 131.00 | 218.00 | 87.00 |
| 43 | | | 5054-03-337-1203- 5337- M-P- Road Development Programme (A-D-B-) | (O) 72.00 (S) 50.00 122.00 | 160.00 | 38.00 |
| 44 | | | 5054-03-337-1201- 5337- M-P- Road Development Programme (A-D-B-) | (O) 235.00 (S) 230.00 465.00 | 526.90 | 61.90 |
| 45 | | | 5054-04-337-1403-5226- Construction of Rural Roads (NABARD) | (O) 10.00 (S) 5.00 (R) 6.00 21.00 | 33.54 | 12.54 |
| 46 | | | 5054-04-337-0102-2457- Construction of Rural Roads | (O) 84.00 (S) 60.00 (R) 17.00 161.00 | 190.02 | 29.02 |
| 47 | | | 5054-04-337-0101-2457- Construction of Rural Roads | (O) 355.00 (S) 300.00 (R) 138.00 793.00 | 993.00 | 200.00 |
| 48 | | | 5054-80-800-0101-9686- Payment on Completion of B-O-T- Project | (O) 25.00 | 40.00 | 15.00 |
| 49 | 29 | Law and Legislative Affairs | 2015-103-3307- Preparation and printing of electoral rolls | (O) 77.28 (R) (-) 26.24 51.04 | 51.25 | 0.21 |
| 50 | | | 2015-102-1304- Education and Electrol Participation (SWEEP) | (O) 6.00 (R) 1.00 7.00 | 7.01 | 0.01 |
| 51 | | | 2015-105-4311- Charges for Conduct of Election to Parliament | (O) 5.22 (R) 12.08 17.30 | 17.82 | 0.52 |
| 52 | 30 | Rural Development | 2216-03-198-0706-5198- Pradhanmantri Housing Scheme | (S) 0.00 (R) 228.54 228.54 | 352.00 | 123.46 |
| 53 | | | 2216-03-198-0705-5198- Pradhanmantri Housing Scheme | (S) 0.00 (R) 325.57 325.57 | 510.42 | 184.85 |
| 54 | | | 2216-03-198-0704-5198- Pradhanmantri Housing Scheme | (S) 0.00 (R) 871.30 871.30 | 1342.00 | 470.70 |
| 55 | | | 2501-06-198-0706-6836- National Rural Livelihood Mission | (S) 0.00 (R) 26.52 26.52 | 33.42 | 6.90 |
| 56 | | | 2501-06-198-0705-6836- National Rural Livelihood Mission | (S) 0.00 (R) 39.65 39.65 | 50.92 | 11.27 |
| 57 | | | 2501-06-198-0704-6836- National Rural Livelihood Mission | (S) 0.00 (R) 97.33 97.33 | 136.44 | 39.11 |

| Sl. No. | Grant No. | Name of the Grant | Heads of account | Provision O: Original S: Supplementary R: Reappropriation/ Surrender | Actual Expenditure | Final Saving (-)/ Excess(+) |
|---------|-----------|--|---|--|--------------------|--------------------------------|
| 58 | | | 2505-01-198-0706-6923- National Rural Employment Guarantee Scheme | (S) 0.00 (R) 50.37 50.37 | 130.37 | 80.00 |
| 59 | | | 2505-01-198-0704-6923- National Rural Employment Guarantee Scheme | (S) 0.00 (R) 192.05 192.05 | 497.05 | 305.00 |
| 60 | | | 2515-198-0706-6931- Mid-Day Meal Programme | (S) 13.50 (R) 70.66 84.16 | 137.42 | 53.26 |
| 61 | | | 2515-198-0705-6931- Mid-Day Meal Programme | (S) 19.41 (R) 79.47 98.88 | 166.51 | 67.63 |
| 62 | | | 2515-198-0704-6931- Mid-Day Meal Programme | (S) 51.48 (R) 176.61 228.09 | 395.09 | 167.00 |
| 63 | | | 4515-800-0706-7467- Prime Minister Gram Sadak Yojna | (S) 0.00 (R) 156.87 156.87 | 187.20 | 30.33 |
| 64 | | | 4515-800-0705-7467- Prime Minister Gram Sadak Yojna | (S) 0.00 (R) 186.81 186.81 | 269.10 | 82.29 |
| 65 | | | 4515-800-0704-7467- Prime Minister Gram Sadak Yojna | (S) 0.00 (R) 444.61 444.61 | 780.52 | 335.91 |
| 66 | 33 | Tribal Affairs | 2202-01-101-0102-2773- Primary Schools | (O) 2,986.57 (R) (-) 378.96 2,607.61 | 2,616.87 | 9.26 |
| 67 | | | 2202-01-101-0102-3496- Middle Schools | (O) 1,768.78 (R) (-) 242.98 1,525.80 | 1,527.41 | 1.61 |
| 68 | | | 2225-01-001-0103-2304- Direction and Administration | (O) 2.15 (R) (-) 0.72 1.43 | 1.48 | 0.05 |
| 69 | | | 2225-02-001-0102-9843- Monitoring and Evaluation Units | (O) 0.99 (R) (-) 0.55 0.44 | 0.45 | 0.01 |
| 70 | | | 2225-02-277-0102-0762- Madhya Pradesh Special and Residential Academic Society | (O) 100.45 (R) (-) 26.17 74.28 | 74.53 | 0.25 |
| 71 | | | 2225-02-800-0334- Tribal Research Institute | (O) 6.97 (R) (-) 2.32 4.65 | 4.66 | 0.01 |
| 72 | 34 | Social Justice and Disabled Person Welfare | 2235-02-800-0101-6693- Girls Guardian Pension Scheme | (O) 12.20 (R) (-) 0.55 11.65 | 26.65 | 15.00 |
| 73 | | | 2235-60-102-0103-6693- Girls Guardian Pension Scheme | (O) 3.20 | 8.20 | 5.00 |
| 74 | | | 2235-60-102-0102-6693- Girls Guardian Pension Scheme | (O) 4.60 (R) (-) 3.29 1.31 | 6.31 | 5.00 |
| 75 | 35 | Micro, Small and Medium Enterprises | 2851-111-0101- 9921- Mukhyamantri Udhyam Kranti | (S) 0.64 (R) (-) 0.12 0.52 | 0.53 | 0.01 |
| 76 | | | 2851-800-0101-2124- M-S-M-E- Incentive Business Investment Promotion/Facility Supply Scheme | (O) 117.30 (S) 122.00 (R) (-) 6.82 232.48 | 234.56 | 2.08 |
| 77 | 40 | Other Expenditure pertaining to School Education | 2202-02-001-9230- Establishment of Joint Director Offices | (O) 26.89 (R) (-) 5.68 21.21 | 21.34 | 0.13 |

| Sl. No. | Grant No. | Name of the Grant | Heads of account | Provision O: Original S: Supplementary R: Reappropriation/ Surrender | Actual Expenditure | Final Saving (-)/ Excess(+) |
|--------------|-----------|---|---|--|--------------------|--------------------------------|
| 78 | | Department (Excluding Primary Education) | 2202-02-109-0581- Government High/Higher Secondary Schools | (O) 2,980.48 (R) (-) 756.08 2,224.40 | 2,227.87 | 3.47 |
| 79 | | | 2202-02-109-0103-0701- Honorarium to Guest Teachers | (O) 59.50 (R) (-) 16.21 43.29 | 43.56 | 0.27 |
| 80 | | | 2202-02-109-0102-0701- Honorarium to Guest Teachers | (O) 77.00 (R) (-) 12.15 64.85 | 64.94 | 0.09 |
| 81 | | | 2202-02-109-0101-0701- Honorarium to Guest Teachers | (O) 213.50 (R) (-) 44.46 169.04 | 169.93 | 0.89 |
| 82 | | | 2202-80-001-3858- Directorate of Public Instructions | (O) 36.58 (R) (-) 9.75 26.83 | 27.01 | 0.18 |
| 83 | | | 2205-105-4395- Establishment and Operation of Library | (O) 12.48 (R) (-) 1.63 10.85 | 10.86 | 0.01 |
| 84 | 43 | Sports and Youth Welfare | 4202-03-800-0101-6703- Construction of Stadium and Sports Infrastructure | (O) 12.25 (R) 6.10 18.35 | 18.40 | 0.05 |
| 85 | 47 | Technical Education, Skill Development and Employment | 2230-03-003-0704-2327- Sankalp Project | (S) 0.00 | 1.32 | 1.32 |
| 86 | 48 | Narmada Valley Development | 4700-80-800-0801-1953- Narmada (I-S-P-) Parvati Link Project | (S) 115.78 (R) (-) 115.78 0.00 | 8.00 | 8.00 |
| 87 | 49 | Scheduled Caste Welfare | 2225-01-800-0103-7763- Housing Assistance to Scheduled Caste/Scheduled Tribe Students | (O) 74.00 (S) 57.00 (R) (-) 40.82 90.18 | 91.34 | 1.16 |
| 88 | | | 2225-01-277-0103-0671- Grant to Voluntary Organisations for Education and Development | (O) 23.16 (R) 3.31 26.47 | 26.65 | 0.18 |
| 89 | 53 | Public Works- Buildings | 2059-01-053-3383- Special Maintenance Building | (O) 4.60 (S) 10.00 14.60 | 17.93 | 3.33 |
| 90 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | 2245-80-102-6436- Training Relating to Calamity and Purchase of Equipments | (O) 0.50 (R) 9.07 9.57 | 9.58 | 0.01 |
| 91 | 60 | Expenditure Pertaining to District Plan | 4515-103-0101-8284- MadhyaPradesh Legislature Constituency Area Development Scheme | (O) 275.65 (R) (-) 37.34 238.31 | 239.28 | 0.97 |
| 92 | 64 | Welfare of Backward Classes | 2225-03-800-0101-7065- Examination for U-P-S-C- and State P-S-C- | (O) 0.40 | 0.43 | 0.03 |
| 93 | 65 | Aviation | 2052-091-4043- Directorate of Aviation | (O) 29.28 (S) 29.00 (R) (-) 17.17 41.11 | 51.12 | 10.01 |
| Total | | | | 27,026.58 | 33,486.56 | 6,459.98 |

Source: Appropriation Accounts 2021-22

Appendix 3.13
Excess Expenditure Requiring Regularisation
(Reference: Paragraph 3.8; Page 79)

(₹ in crore)

| Year | Number of Grants/ Appropriations | Grant/Appropriation number | Amount of excess |
|--------------|--|--|------------------|
| 2011-12 | 04 Grants | Revenue (Voted): 33 Capital (Voted): 15, 52, 74 | 135.10 |
| | 02 Appropriations | Revenue (Charged): 23 Capital (Charged): 23 | |
| 2013-14 | 02 Grants | Revenue (Voted): 2 Capital (Voted): 10 | 34.31 |
| | 01 Appropriation | Capital (Charged): 21 | |
| 2014-15 | 03 Grants | Revenue (Voted): 2, 6 Capital (Voted): 42 | 446.28 |
| | 03 Appropriations | Revenue (Charged): 24, 67 Capital (Charged): 41 | |
| 2016-17 | 01 Grant | Revenue (Voted): 2 | 23.77 |
| 2018-19 | 01 Grant | Revenue (Voted): 4 | 1,028.62 |
| | 01 Appropriation | Capital (Charged): Public Debt | |
| 2020-21 | 01 Grant | Revenue (Voted): 20 | 9.92 |
| Total | 12 Grants and 07 Appropriations | | 1,678.00 |

Source: Appropriation Accounts of the respective years

Appendix 3.14

Details of Lump sum provisions (where surrender was more than ₹25 crore in each case and also 50 per cent or more of total budget provision)

(Reference: Paragraph 3.9; Page 79)

(₹ in crore)

| Sl. No. | Grant No. | Nomenclature | Heads of account | Original Budget Provision O:Original S:Supplementary | Amount Surrendered | Surrender (in per cent) |
|---------|-----------|--|--|--|--------------------|-------------------------|
| 1 | 1 | General Administration | 2015-101-6757-Election Expenditure of Local Bodies | (O) 221.00 | 159.10 | 71.99 |
| | | | 2051-102-3689-State Public Service Commission | (O) 30.20 (S) 33.60 63.80 | 31.91 | 50.02 |
| 2 | 3 | Police | 4055-800-0101-7346-Centralized Police Call Center and Control Room System | (O) 30.10 | 29.93 | 99.44 |
| 3 | 5 | Jail | 4059-01-051-0101-6405-Construction of Jail Buildings | (O) 50.00 | 25.56 | 51.12 |
| 4 | 11 | Industrial Policy and Investment Promotion | 4875-60-190-0101-9842-Development of Industrial Area Under Land Pooling Scheme | (O) 95.00 | 95.00 | 100.00 |
| 5 | 12 | Energy | 4801-02-190-0101-6323-2*660 Megawatt Shri Singaji Thermal Power Project | (O) 100.00 | 100.00 | 100.00 |
| | | | 4801-05-190-0103-7837-Assistance for Making Required Improvements as per 15 th Finance Commission | (O) 44.00 | 44.00 | 100.00 |
| | | | 4801-05-190-0102-7837-Assistance for Making Required Improvements as per 15 th Finance Commission | (O) 160.00 | 160.00 | 100.00 |
| | | | 4801-05-190-0101-7837-Assistance for Making Required Improvements as per 15 th Finance Commission | (O) 796.00 | 796.00 | 100.00 |
| | | | 6801-205-1201-9655-Loan for Smart Meter and Skada Scheme | (O) 171.00 | 171.00 | 100.00 |
| | | | | | | |
| 6 | 20 | Public Health Engineering | 4215-01-102-1203-2316-Rural Group Water Supply Scheme | (O) 140.50 | 137.00 | 97.51 |
| | | | 4215-01-102-1202-2316-Rural Group Water Supply Scheme | (O) 193.00 | 161.00 | 83.42 |
| | | | 4215-01-102-1201-2316-Rural Group Water Supply Scheme | (O) 544.00 | 391.00 | 71.88 |

| Sl. No. | Grant No. | Nomenclature | Heads of account | Original Budget Provision O:Original S:Supplementary | Amount Surrendered | Surrender (in per cent) |
|---------|-----------|---|---|--|--------------------|-------------------------|
| 7 | 23 | Water Resources Department | 4702-101-0701-3803-Minor and Micro minor Irrigation Schemes | (O) 50.00 | 49.95 | 99.90 |
| 8 | 27 | School Education (Primary Education) | 2202-01-101-0103-3491-Middle Schools | (O) 51.26 | 25.84 | 50.41 |
| | | | 2202-01-101-0103-4396-Establishment of Government Primary Schools | (O) 117.79 | 74.19 | 62.98 |
| 9 | 30 | Rural Development | 4515-198-0702-6099-Construction of Mid-Day Meal Kitchen Shed | (O) 35.00 | 35.00 | 100.00 |
| 10 | 33 | Tribal Affairs | 2225-01-102-0102-8861-Organic Farming Support Programme (Reimbursement) | (S) 38.00 | 37.80 | 99.47 |
| | | | 2225-02-277-0102-0494-Ashram | (O) 188.67 | 112.84 | 59.81 |
| | | | 2225-02-800-0602-5211-Local Development Programme Under Integrated Tribal Development Project/MADA POCKET/CLUSTER | (O) 150.00 | 78.41 | 52.27 |
| | | | 4202-01-202-0102-0581-Government High/Higher Secondary Schools | (O) 330.00 | 272.84 | 82.68 |
| | | | 4225-02-277-0422-9516-C. M. Rise | (O) 116.00 | 116.00 | 100.00 |
| | | | 4225-02-277-0102-1398-Senior Hostel | (O) 200.00 | 177.01 | 88.51 |
| | | | 4225-02-277-0102-9516-C. M. Rise | (O) 118.00 | 118.00 | 100.00 |
| | | | | | | |
| 11 | 36 | Transport | 2041-001-7638-Smart Card Scheme | (O) 25.95 | 25.95 | 100.00 |
| 12 | 40 | Other Expenditure pertaining to School Education Department (Excluding Primary Education) | 2202-02-109-0101-7912-Maintenance of Rural Schools and other Works with Education Cess | (O) 49.00 | 49.00 | 100.00 |
| | | | 2202-80-001-0101-6813-Supply of Cycles | (S) 25.00 | 25.00 | 100.00 |
| | | | 4202-02-103-0422-9516-C.M. Rise | (O) 66.00 | 66.00 | 100.00 |
| | | | 4202-02-103-0420-9516-C.M. Rise | (O) 68.00 | 68.00 | 100.00 |

| Sl. No. | Grant No. | Nomenclature | Heads of account | Original Budget Provision O:Original S:Supplementary | Amount Surrendered | Surrender (in per cent) |
|--------------|-----------|---|---|--|--------------------|-------------------------|
| | | | 4202-02-103-0103-9516-C.M. Rise | (O) 99.00 | 99.00 | 100.00 |
| | | | 4202-02-103-0102-9516-C.M. Rise | (O) 120.00 | 120.00 | 100.00 |
| | | | 4202-02-103-0101-9516-C.M. Rise | (O) 331.00 | 281.00 | 84.89 |
| 13 | 44 | Higher Education | 2202-03-103-0102-4699-Supply of Books etc.-to SC Students | (O) 2.30 (S) 35.50 37.80 | 33.00 | 87.30 |
| | | | 2202-03-104-0102-3444-Maintenance Grants to Colleges | (O) 60.43 | 56.60 | 93.66 |
| | | | 4202-01-203-0703-7600-Implementation of National Higher Education Campaign Scheme | (O) 60.00 | 57.23 | 95.38 |
| | | | 4202-01-203-0702-7600-Implementation of National Higher Education Campaign Scheme | (O) 58.00 | 56.14 | 96.79 |
| | | | 4202-01-203-0701-7600-Implementation of National Higher Education Campaign Scheme | (O) 115.70 | 101.36 | 87.61 |
| 14 | 48 | Narmada Valley Development | 4700-80-800-0801-1953-Narmada (I-S-P-) Parvati Link Project | (S) 115.78 | 115.78 | 100.00 |
| | | | 4700-80-800-0101-2333-Investment of N.B. Company Limited | (O) 300.00 (S) 1,500.00 1,800.00 | 1,500.00 | 83.33 |
| 15 | 49 | Scheduled Caste Welfare | 2225-01-277-0103-8829-Establishment of Government Gyanoday Schools | (O) 50.01 | 27.10 | 54.19 |
| | | | 4225-01-277-0103-4717-Harijan Hostels | (O) 100.00 | 54.11 | 54.11 |
| 16 | 51 | Spirituality | 2250-800-0101-7227-Pilgrimage Scheme | (O) 30.01 | 29.95 | 99.80 |
| 17 | 58 | Expenditure on Relief on Account of Natural Calamities and Scarcity | 2245-80-102-6276-Disaster Management Planning | (O) 100.00 | 68.84 | 68.84 |
| | | | 4250-101-7667-Capacity Building in the 15 th Finance Commission | (O) 106.00 | 97.99 | 92.44 |
| Total | | | | 7,420.80 | 6,331.43 | 85.32 |

Source: Appropriation Accounts 2021-22

Appendix 3.15

Schemes in which total provision of ₹10 crore and above remained unutilised

(Reference: Paragraph 3.10; Page 81)

(₹ in crore)

| Sl. No. | GNCD | MHCD | SMCD | MICD | GHCD | SHCD | DHCD | V/C | Total Budget | Expenditure | Saving |
|---------|-------|------|------|------|------|------|------|-----|--------------|-------------|----------|
| 1 | CH-I | 6003 | | 101 | | 0716 | 66 | C | 70.34 | 0.00 | 70.34 |
| 2 | CH-I | 6003 | | 110 | | 0637 | 66 | C | 1,685.00 | 0.00 | 1,685.00 |
| 3 | CH-I | 6003 | | 110 | | 0779 | 66 | C | 2,000.00 | 0.00 | 2,000.00 |
| 4 | CH-II | 2049 | 01 | 101 | | 9320 | 52 | C | 32.12 | 0.00 | 32.12 |
| 5 | CH-II | 2049 | 01 | 101 | | 9321 | 52 | C | 43.27 | 0.00 | 43.27 |
| 6 | CH-II | 2049 | 01 | 101 | | 9931 | 52 | C | 140.00 | 0.00 | 140.00 |
| 7 | CH-II | 2049 | 60 | 701 | | 0716 | 52 | C | 1,679.00 | 0.00 | 1,679.00 |
| 8 | CH-II | 2049 | 60 | 701 | | 6587 | 52 | C | 80.00 | 0.00 | 80.00 |
| 9 | 6 | 2054 | | 095 | | 5329 | 51 | V | 888.41 | 0.00 | 888.41 |
| 10 | 6 | 2054 | | 095 | | 5329 | 53 | C | 100.00 | 0.00 | 100.00 |
| 11 | 6 | 2070 | | 800 | 0101 | 0224 | 51 | V | 100.00 | 0.00 | 100.00 |
| 12 | 6 | 6075 | | 800 | | 6787 | 66 | V | 600.91 | 0.00 | 600.91 |
| 13 | 6 | 6075 | | 800 | | 6788 | 66 | V | 10.00 | 0.00 | 10.00 |
| 14 | 10 | 4406 | 01 | 102 | 0703 | 3730 | 54 | V | 23.10 | 0.00 | 23.10 |
| 15 | 10 | 4406 | 01 | 102 | 0706 | 3730 | 54 | V | 15.40 | 0.00 | 15.40 |
| 16 | 12 | 2801 | 80 | 101 | 0101 | 7837 | 44 | V | 3,849.04 | 0.00 | 3,849.04 |
| 17 | 12 | 2801 | 80 | 101 | 0102 | 7837 | 44 | V | 612.68 | 0.00 | 612.68 |
| 18 | 12 | 2801 | 80 | 101 | 0103 | 7837 | 44 | V | 198.27 | 0.00 | 198.27 |
| 19 | 12 | 4801 | 02 | 190 | 0101 | 5332 | 65 | V | 53.90 | 0.00 | 53.90 |
| 20 | 12 | 4801 | 02 | 190 | 0101 | 7254 | 65 | V | 38.53 | 0.00 | 38.53 |
| 21 | 19 | 4210 | 04 | 107 | 0101 | 1070 | 63 | V | 10.46 | 0.00 | 10.46 |
| 22 | 22 | 2217 | 05 | 192 | 1302 | 9638 | 42 | V | 58.30 | 0.00 | 58.30 |
| 23 | 22 | 2217 | 05 | 193 | 1301 | 9638 | 42 | V | 98.40 | 0.00 | 98.40 |
| 24 | 22 | 2217 | 05 | 800 | 0701 | 7839 | 42 | V | 200.00 | 0.00 | 200.00 |
| 25 | 22 | 4217 | 01 | 050 | 0101 | 3115 | 62 | C | 10.00 | 0.00 | 10.00 |
| 26 | 23 | 4700 | C3 | 800 | 0101 | 2897 | 64 | V | 71.64 | 0.00 | 71.64 |
| 27 | 24 | 5054 | 80 | 800 | 0101 | 5701 | 62 | V | 20.00 | 0.00 | 20.00 |
| 28 | 24 | 5054 | 80 | 800 | 0103 | 3115 | 62 | C | 80.00 | 0.00 | 80.00 |
| 29 | 26 | 2205 | | 102 | 0101 | 7060 | 45 | V | 20.00 | 0.00 | 20.00 |
| 30 | 26 | 4202 | 04 | 800 | 0101 | 0749 | 64 | V | 90.00 | 0.00 | 90.00 |
| 31 | 30 | 2515 | | 800 | 0550 | 9216 | 33 | V | 213.50 | 0.00 | 213.50 |
| 32 | 30 | 2515 | | 800 | 0552 | 9216 | 33 | V | 80.50 | 0.00 | 80.50 |
| 33 | 30 | 2515 | | 800 | 0553 | 9216 | 33 | V | 56.00 | 0.00 | 56.00 |
| 34 | 30 | 4515 | | 800 | 0701 | 7467 | 42 | V | 150.00 | 0.00 | 150.00 |
| 35 | 33 | 4225 | 02 | 277 | 0422 | 0762 | 64 | V | 33.38 | 0.00 | 33.38 |
| 36 | 39 | 2408 | 01 | 102 | 0701 | 1299 | 44 | V | 139.91 | 0.00 | 139.91 |
| 37 | 39 | 2408 | 01 | 102 | 0702 | 1299 | 44 | V | 51.31 | 0.00 | 51.31 |
| 38 | 39 | 2408 | 01 | 102 | 0703 | 1299 | 44 | V | 35.69 | 0.00 | 35.69 |
| 39 | 39 | 6408 | 02 | 190 | 1401 | 7272 | 67 | V | 30.50 | 0.00 | 30.50 |
| 40 | 39 | 6408 | 02 | 190 | 1402 | 7272 | 67 | V | 11.50 | 0.00 | 11.50 |
| 41 | 43 | 2204 | | 103 | 0101 | 7662 | 31 | V | 10.00 | 0.00 | 10.00 |
| 42 | 50 | 2401 | | 109 | 0701 | 7692 | 42 | V | 10.94 | 0.00 | 10.94 |
| 43 | 50 | 2401 | | 119 | 0101 | 5153 | 42 | V | 31.83 | 0.00 | 31.83 |
| 44 | 50 | 4401 | | 119 | 0101 | 5474 | 64 | V | 12.20 | 0.00 | 12.20 |
| 45 | 52 | 4210 | 03 | 105 | 0101 | 6335 | 64 | V | 10.00 | 0.00 | 10.00 |
| 46 | 52 | 4210 | 03 | 105 | 0101 | 7296 | 63 | V | 10.00 | 0.00 | 10.00 |
| 47 | 52 | 4210 | 03 | 105 | 0101 | 7853 | 64 | V | 183.00 | 0.00 | 183.00 |
| 48 | 52 | 4210 | 03 | 105 | 0102 | 7853 | 64 | V | 69.00 | 0.00 | 69.00 |
| 49 | 52 | 4210 | 03 | 105 | 0103 | 7853 | 64 | V | 48.00 | 0.00 | 48.00 |
| 50 | 52 | 4210 | 03 | 105 | 0701 | 1210 | 63 | V | 23.56 | 0.00 | 23.56 |

| Sl. No. | GNCD | MHCD | SMCD | MICD | GHCD | SHCD | DHCD | V/C | Total Budget | Expenditure | Saving |
|--------------|------|------|------|------|------|------|------|-----|------------------|-------------|------------------|
| 51 | 52 | 4210 | 03 | 105 | 0701 | 2064 | 63 | V | 19.00 | 0.00 | 19.00 |
| 52 | 52 | 4210 | 03 | 105 | 0701 | 6460 | 63 | V | 69.92 | 0.00 | 69.92 |
| 53 | 52 | 4210 | 03 | 105 | 0704 | 2061 | 63 | V | 15.29 | 0.00 | 15.29 |
| 54 | 52 | 4210 | 03 | 105 | 0704 | 2061 | 64 | V | 23.04 | 0.00 | 23.04 |
| 55 | 52 | 4210 | 03 | 105 | 0704 | 6460 | 63 | V | 22.08 | 0.00 | 22.08 |
| 56 | 52 | 4210 | 03 | 105 | 0705 | 2061 | 64 | V | 12.18 | 0.00 | 12.18 |
| 57 | 53 | 4059 | 01 | 051 | 0101 | 9494 | 64 | V | 15.00 | 0.00 | 15.00 |
| Total | | | | | | | | | 14,266.10 | 0.00 | 14,266.10 |

Source: Appropriation Accounts 2021-22

Appendix 3.16
Rush of Expenditure
(Reference: Paragraph 3.12; Page 85)

(₹ in crore)

| Sl. No. | Grant Number and Name | Scheme No. | Expenditure incurred during Jan-March 2022 | Expenditure incurred in March 2022 | Total Expenditure | Percentage of total expenditure incurred during | |
|---------|---|------------|--|------------------------------------|-------------------|---|------------|
| | | | | | | Jan-March 2022 | March 2022 |
| 1 | CH I-Charged Appropriation-Public Debt | 5437 | 1,100.00 | 1,100.00 | 1,100.00 | 100.00 | 100.00 |
| 2 | CH I-Charged Appropriation-Public Debt | 6622 | 1,500.00 | 1,500.00 | 1,500.00 | 100.00 | 100.00 |
| 3 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9932 | 59.90 | 59.90 | 59.90 | 100.00 | 100.00 |
| 4 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9323 | 42.59 | 42.59 | 42.59 | 100.00 | 100.00 |
| 5 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9623 | 71.30 | 71.30 | 71.30 | 100.00 | 100.00 |
| 6 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9928 | 82.80 | 82.80 | 82.80 | 100.00 | 100.00 |
| 7 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9929 | 190.85 | 190.85 | 190.85 | 100.00 | 100.00 |
| 8 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9933 | 274.00 | 274.00 | 274.00 | 100.00 | 100.00 |
| 9 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9326 | 50.17 | 50.17 | 50.17 | 100.00 | 100.00 |
| 10 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 7824 | 550.00 | 550.00 | 550.00 | 100.00 | 100.00 |
| 11 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9930 | 142.28 | 142.28 | 142.28 | 100.00 | 100.00 |
| 12 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 7245 | 87.30 | 87.30 | 87.30 | 100.00 | 100.00 |
| 13 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9926 | 41.00 | 41.00 | 41.00 | 100.00 | 100.00 |
| 14 | CH II-Charged Appropriation-Interest Payments and Servicing of Debt | 9925 | 45.00 | 45.00 | 45.00 | 100.00 | 100.00 |
| 15 | 3-Police | 8333 | 14.15 | 10.41 | 14.62 | 96.76 | 71.17 |
| 16 | 3-Police | 1416 | 40.00 | 40.00 | 40.00 | 100.00 | 100.00 |
| 17 | 6-Finance | 6857 | 26.59 | 26.59 | 26.59 | 100.00 | 100.00 |
| 18 | 6-Finance | 1005 | 212.23 | 212.23 | 212.23 | 100.00 | 100.00 |
| 19 | 7-Commercial Tax | 817 | 457.57 | 457.57 | 457.57 | 100.00 | 100.00 |
| 20 | 10-Forest | 8859 | 20.85 | 20.85 | 20.85 | 100.00 | 100.00 |

| Sl. No. | Grant Number and Name | Scheme No. | Expenditure incurred during Jan-March 2022 | Expenditure incurred in March 2022 | Total Expenditure | Percentage of total expenditure incurred during | |
|---------|--|------------|--|------------------------------------|-------------------|---|------------|
| | | | | | | Jan-March 2022 | March 2022 |
| 21 | 11-Industrial Policy and Investment Promotion | 2123 | 955.45 | 946.49 | 1,587.35 | 60.19 | 59.63 |
| 22 | 12-Energy | 5381 | 3,423.25 | 3,415.25 | 3,423.25 | 100.00 | 99.77 |
| 23 | 12-Energy | 7255 | 140.33 | 140.33 | 140.33 | 100.00 | 100.00 |
| 24 | 12-Energy | 3218 | 884.45 | 884.45 | 884.45 | 100.00 | 100.00 |
| 25 | 12-Energy | 7313 | 385.00 | 385.00 | 760.00 | 50.66 | 50.66 |
| 26 | 12-Energy | 5855 | 3,419.00 | 3,419.00 | 3,615.00 | 94.58 | 94.58 |
| 27 | 12-Energy | 5523 | 170.42 | 170.42 | 325.02 | 52.43 | 52.43 |
| 28 | 13-Farmers Welfare and Agriculture Development | 8768 | 2,126.36 | 1,109.91 | 2,211.37 | 96.16 | 50.19 |
| 29 | 13-Farmers Welfare and Agriculture Development | 1227 | 13.80 | 13.80 | 13.80 | 100.00 | 100.00 |
| 30 | 13-Farmers Welfare and Agriculture Development | 7494 | 57.45 | 48.85 | 78.37 | 73.30 | 62.33 |
| 31 | 13-Farmers Welfare and Agriculture Development | 7451 | 28.27 | 18.03 | 29.72 | 95.13 | 60.68 |
| 32 | 13-Farmers Welfare and Agriculture Development | 7847 | 3,000.00 | 3,000.00 | 3,000.00 | 100.00 | 100.00 |
| 33 | 17-Co-operation | 9937 | 500.00 | 500.00 | 500.00 | 100.00 | 100.00 |
| 34 | 17-Co-operation | 2341 | 90.07 | 69.35 | 90.07 | 100.00 | 77.00 |
| 35 | 17-Co-operation | 2091 | 48.58 | 48.58 | 48.58 | 100.00 | 100.00 |
| 36 | 17-Co-operation | 9254 | 507.22 | 490.80 | 937.15 | 54.12 | 52.37 |
| 37 | 19-Public Health and Family Welfare | 9923 | 31.57 | 31.57 | 31.57 | 100.00 | 100.00 |
| 38 | 22-Urban Development and Housing | 7838 | 89.00 | 89.00 | 89.00 | 100.00 | 100.00 |
| 39 | 22-Urban Development and Housing | 9492 | 32.00 | 32.00 | 32.00 | 100.00 | 100.00 |
| 40 | 22-Urban Development and Housing | 7039 | 7.57 | 7.56 | 14.91 | 50.78 | 50.71 |
| 41 | 22-Urban Development and Housing | 9640 | 302.50 | 302.50 | 452.00 | 66.92 | 66.92 |
| 42 | 25-Mineral Resources | 6606 | 738.44 | 738.44 | 738.44 | 100.00 | 100.00 |
| 43 | 27-School Education (Primary Education) | 9675 | 62.36 | 46.32 | 62.36 | 100.00 | 74.28 |
| 44 | 27-School Education (Primary Education) | 6344 | 12.22 | 12.22 | 14.40 | 84.87 | 84.87 |
| 45 | 27-School Education (Primary Education) | 6716 | 60.00 | 60.00 | 60.00 | 100.00 | 100.00 |
| 46 | 29-Law and Legislative Affairs | 4311 | 13.44 | 9.52 | 17.82 | 75.39 | 53.40 |
| 47 | 30-Rural Development | 5206 | 432.56 | 289.50 | 500.00 | 86.51 | 57.90 |
| 48 | 33-Tribal Affairs | 6502 | 9.13 | 7.98 | 12.47 | 73.26 | 64.03 |
| 49 | 33-Tribal Affairs | 8805 | 54.00 | 54.00 | 62.71 | 86.11 | 86.11 |
| 50 | 33-Tribal Affairs | 3728 | 12.15 | 11.99 | 15.89 | 76.48 | 75.46 |
| 51 | 33-Tribal Affairs | 5211 | 137.21 | 131.17 | 217.52 | 63.08 | 60.30 |
| 52 | 33-Tribal Affairs | 4722 | 48.51 | 36.41 | 56.53 | 85.83 | 64.42 |
| 53 | 33-Tribal Affairs | 6175 | 101.77 | 101.77 | 114.49 | 88.89 | 88.89 |
| 54 | 33-Tribal Affairs | 7881 | 85.97 | 76.54 | 110.03 | 78.13 | 69.56 |
| 55 | 33-Tribal Affairs | 8861 | 38.00 | 38.00 | 38.00 | 100.00 | 100.00 |
| 56 | 33-Tribal Affairs | 9853 | 64.31 | 46.45 | 79.90 | 80.49 | 58.13 |
| 57 | 33-Tribal Affairs | 6500 | 115.76 | 93.80 | 126.82 | 91.28 | 73.97 |

| Sl. No. | Grant Number and Name | Scheme No. | Expenditure incurred during Jan-March 2022 | Expenditure incurred in March 2022 | Total Expenditure | Percentage of total expenditure incurred during | |
|---------|--|------------|--|------------------------------------|-------------------|---|------------|
| | | | | | | Jan-March 2022 | March 2022 |
| 58 | 35-Micro, Small and Medium Enterprises | 2124 | 283.63 | 221.87 | 395.21 | 71.77 | 56.14 |
| 59 | 40-Other expenditure pertaining to School Education Department (excluding Primary Education) | 2078 | 20.47 | 20.47 | 20.60 | 99.40 | 99.40 |
| 60 | 40-Other expenditure pertaining to School Education Department (excluding Primary Education) | 5133 | 11.13 | 11.08 | 13.90 | 80.05 | 79.72 |
| 61 | 40-Other expenditure pertaining to School Education Department (excluding Primary Education) | 9516 | 79.81 | 74.82 | 79.84 | 99.96 | 93.71 |
| 62 | 44-Higher Education | 6916 | 61.41 | 60.43 | 94.19 | 65.20 | 64.16 |
| 63 | 45-Public Assets Management | 7656 | 17.50 | 17.40 | 17.77 | 98.47 | 97.90 |
| 64 | 47-Technical Education, Skill Development and Employment | 7490 | 10.68 | 8.29 | 12.42 | 85.94 | 66.74 |
| 65 | 47-Technical Education, Skill Development and Employment | 2377 | 8.63 | 7.32 | 11.58 | 74.49 | 63.21 |
| 66 | 48-Narmada Valley Development | 7369 | 8.95 | 8.00 | 15.00 | 59.67 | 53.33 |
| 67 | 49-Scheduled Caste Welfare | 5133 | 103.40 | 103.40 | 110.00 | 94.00 | 94.00 |
| 68 | 49-Scheduled Caste Welfare | 1213 | 72.67 | 60.90 | 90.04 | 80.71 | 67.64 |
| 69 | 49-Scheduled Caste Welfare | 8844 | 18.05 | 18.05 | 24.00 | 75.21 | 75.21 |
| 70 | 49-Scheduled Caste Welfare | 8805 | 58.00 | 58.00 | 80.00 | 72.50 | 72.50 |
| 71 | 49-Scheduled Caste Welfare | 2294 | 33.03 | 28.27 | 41.49 | 79.60 | 68.14 |
| 72 | 49-Scheduled Caste Welfare | 5635 | 16.72 | 13.43 | 22.52 | 74.23 | 59.61 |
| 73 | 50-Horticulture and Food Processing | 5116 | 24.90 | 23.22 | 34.01 | 73.22 | 68.26 |
| 74 | 50-Horticulture and Food Processing | 5626 | 19.26 | 14.99 | 27.98 | 68.85 | 53.57 |
| 75 | 53-Public Works-Buildings | 3387 | 11.81 | 7.94 | 14.92 | 79.19 | 53.20 |
| 76 | 55-Women and Child Development | 5067 | 1,035.39 | 1,028.62 | 1,128.42 | 91.76 | 91.16 |
| 77 | 55-Women and Child Development | 1291 | 140.16 | 135.42 | 166.00 | 84.43 | 81.58 |
| 78 | 58-Expenditure on Relief on account of Natural Calamities and Scarcity | 475 | 2,427.00 | 2,427.00 | 2,427.00 | 100.00 | 100.00 |
| 79 | 58-Expenditure on Relief on account of Natural Calamities and Scarcity | 8030 | 45.65 | 28.01 | 45.65 | 100.00 | 61.36 |
| 80 | 58-Expenditure on Relief on account of Natural Calamities and Scarcity | 7024 | 600.50 | 600.50 | 600.50 | 100.00 | 100.00 |
| 81 | 61-Expenditure pertaining to Bundelkhand Package | 6080 | 85.40 | 85.40 | 85.40 | 100.00 | 100.00 |
| 82 | 62-Panchayat | 7668 | 158.50 | 158.15 | 295.68 | 53.60 | 53.49 |
| 83 | 62-Panchayat | 4610 | 494.06 | 482.93 | 583.73 | 84.64 | 82.73 |
| 84 | 63-Minority Welfare | 5617 | 14.86 | 14.36 | 19.73 | 75.33 | 72.80 |

| Sl. No. | Grant Number and Name | Scheme No. | Expenditure incurred during Jan-March 2022 | Expenditure incurred in March 2022 | Total Expenditure | Percentage of total expenditure incurred during | |
|--------------|--------------------------------|------------|--|------------------------------------|-------------------|---|--------------|
| | | | | | | Jan-March 2022 | March 2022 |
| 85 | 64-Welfare of Backward Classes | 6175 | 242.84 | 242.84 | 372.00 | 65.28 | 65.28 |
| 86 | 64-Welfare of Backward Classes | 2676 | 567.74 | 490.06 | 948.19 | 59.88 | 51.68 |
| Total | | | 29,878.81 | 28,333.00 | 33,278.12 | 89.79 | 85.14 |

Source: Information furnished by O/o the PAG (A&E)-I, Madhya Pradesh, Gwalior

Appendix 3.17
Inflated Provisions
(Reference: Paragraph 3.16.1.2; Page 92)

| Sl. No. | Budget Head | Scheme Nomenclature | Budget | Re-appropriation | Total Budget | Expenditure | Saving | (₹ in crore) |
|---------|------------------------------------|---|--------|------------------|--------------|-------------|--------|----------------------|
| | | | | | | | | Saving (in per cent) |
| 1 | 010-2406-01-101-0101-0812-V-11-003 | (0812) Establishment of executing organisation and ranges | 177.02 | 0.00 | 177.02 | 97.76 | 79.26 | 44.77 |
| 2 | 010-2406-01-190-0702-5231-V-42-007 | (5231) Grant to minor forest produce Federation | 33.00 | 0.00 | 33.00 | 21.81 | 11.19 | 33.90 |
| 3 | 010-2406-01-101-0101-0812-V-16-001 | (0812) Establishment of executing organisation and ranges | 23.61 | 0.00 | 23.61 | 14.55 | 9.06 | 38.37 |
| 4 | 010-2406-02-110-0101-2899-V-11-003 | (2899) Establishment of National Parks | 18.69 | 0.00 | 18.69 | 10.85 | 7.84 | 41.95 |
| 5 | 010-2406-01-001-0101-3555-V-16-001 | (3555) Head Quarters | 14.59 | 0.00 | 14.59 | 7.99 | 6.60 | 45.23 |
| 6 | 010-2406-01-190-0702-7458-V-42-007 | (7458) Integrated Bamboo Development Programme (Bamboo Mission) (Centrally sponsored) | 10.00 | (-) 3.26 | 6.74 | 1.19 | 5.55 | 82.39 |
| 7 | 010-2406-01-190-0703-7458-V-42-007 | (7458) Integrated Bamboo Development Programme (Bamboo Mission) (Centrally sponsored) | 9.31 | (-) 3.18 | 6.13 | 0.88 | 5.25 | 85.69 |
| 8 | 010-2406-01-101-0102-0812-V-12-003 | (0812) Establishment of executing organisation and ranges | 24.98 | 0.00 | 24.98 | 19.76 | 5.21 | 20.87 |
| 9 | 010-4406-01-102-0703-3730-V-54-000 | (3730) Integrated development of Wildlife habitat | 38.50 | (-) 15.40 | 23.10 | 0.00 | 23.10 | 100.00 |
| 10 | 010-4406-01-102-0706-3730-V-54-000 | (3730) Integrated development of Wildlife habitat | 0.00 | 15.40 | 15.40 | 0.00 | 15.40 | 100.00 |
| 11 | 010-4406-01-800-9999-9667-V-31-007 | (9667) Net Present Value (CAMPA) | 43.83 | 0.00 | 43.83 | 29.05 | 14.78 | 33.72 |
| 12 | 010-4406-01-101-0102-7882-V-34-001 | (7882) Implementation of working plan (Conservation Circle) | 48.93 | (-) 5.18 | 43.75 | 30.48 | 13.26 | 30.32 |

| | | | | | | | | |
|--------------|------------------------------------|---|---------------|------------------|---------------|---------------|---------------|--------------|
| 13 | 010-4406-01-800-9999-9664-V-34-000 | (9664) Compensatory Afforestation (CAMPA) | 85.55 | (-) 45.00 | 40.55 | 29.62 | 10.93 | 26.96 |
| 14 | 010-4406-01-101-0705-7488-V-42-007 | (7488) National Afforestation Programme (Green India) | 0.00 | 6.00 | 6.00 | 0.00 | 6.00 | 100.00 |
| 15 | 010-4406-01-101-0704-7488-V-42-007 | (7488) National Afforestation Programme (Green India) | 0.00 | 5.05 | 5.05 | 0.00 | 5.05 | 100.00 |
| Total | | | 528.01 | (-) 45.57 | 482.44 | 263.94 | 218.48 | 45.29 |

Source: Information furnished by the BCO

Appendix 3.18
Substantial Savings
(Reference: Paragraph 3.16.1.4; Page 94)

| Sl. No. | Budget Head | Scheme Nomenclature | Budget | Re-appropriation | Total Budget | Expenditure | Saving | (₹ in crore) |
|---------|------------------------------------|--|--------|------------------|--------------|-------------|--------|----------------------|
| | | | | | | | | Saving (in per cent) |
| 1 | 010-2406-01-101-0101-0812-V-11-003 | (0812) Establishment of executing organisation and ranges | 177.02 | 0.00 | 177.02 | 97.76 | 79.26 | 44.77 |
| 2 | 010-2406-01-101-0101-0812-V-11-001 | (0812) Establishment of executing organisation and ranges | 737.56 | (-) 15.10 | 722.46 | 672.94 | 49.52 | 6.85 |
| 3 | 010-4406-01-102-0703-3730-V-54-000 | (3730) Integrated development of Wildlife habitat | 38.50 | (-) 15.40 | 23.10 | 0.00 | 23.10 | 100.00 |
| 4 | 010-2406-01-190-0702-5231-V-42-007 | (5231) Grant to Minor Forest Produce Federation | 33.00 | 0.00 | 33.00 | 21.81 | 11.19 | 33.90 |
| 5 | 010-2406-01-101-0101-0812-V-16-001 | (0812) Establishment of executing organisation and ranges | 23.61 | 0.00 | 23.61 | 14.56 | 9.05 | 38.33 |
| 6 | 010-2406-02-110-0101-2899-V-11-003 | (2899) Establishment of National Parks | 18.69 | 0.00 | 18.69 | 10.85 | 7.84 | 41.95 |
| 7 | 010-2406-01-001-0101-3555-V-16-001 | (3555) Head Quarters | 14.59 | 0.00 | 14.59 | 7.99 | 6.60 | 45.24 |
| 8 | 010-2406-01-190-0702-7458-V-42-007 | (7458) Composite bamboo Development Programme (Bamboo Mission) (Centrally Sponsored) | 10.00 | (-) 3.26 | 6.74 | 1.19 | 5.55 | 82.39 |
| 9 | 010-2406-01-190-0703-7458-V-42-007 | (7458) Composite bamboo Development Programme (Bamboo Mission) (Centrally Sponsored) | 9.31 | (-) 3.18 | 6.13 | 0.88 | 5.25 | 85.69 |
| 10 | 010-2406-01-101-0102-0812-V-12-003 | (0812) Establishment of executing organisation and ranges | 24.98 | 0.00 | 24.98 | 19.76 | 5.21 | 20.87 |
| 11 | 010-4406-01-102-0706-3730-V-54-000 | (3730) Integrated development of Wildlife habitat | 0.00 | 15.40 | 15.40 | 0.00 | 15.40 | 100.00 |
| 12 | 010-4406-01-800-9999-9667-V-34-000 | (9667) CAMPA Net Present Value | 173.18 | (-) 8.00 | 165.18 | 149.85 | 15.33 | 9.28 |
| 13 | 010-4406-01-800-9999-9667-V-31-007 | (9667) CAMPA Net Present Value | 43.83 | 0.00 | 43.83 | 29.05 | 14.78 | 33.72 |

| | | | | | | | | |
|--------------|------------------------------------|---|-----------------|------------------|-----------------|-----------------|---------------|--------------|
| 14 | 010-4406-01-101-0102-7882-V-34-001 | (7882) Implementation of Working Plan (Conservation Circle) | 48.93 | (-) 5.18 | 43.75 | 30.48 | 13.26 | 30.32 |
| 15 | 010-4406-01-800-9999-9664-V-34-000 | (9664) Compensatory Afforestation (CAMPA) | 85.55 | (-) 45.00 | 40.55 | 29.62 | 10.93 | 26.96 |
| 16 | 010-4406-01-101-0705-7488-V-42-007 | (7488) National Afforestation Programme (Green India) | 0.00 | 6.00 | 6.00 | 0.00 | 6.00 | 100.00 |
| 17 | 010-4406-01-101-0704-7488-V-42-007 | (7488) National Afforestation Programme (Green India) | 0.00 | 5.05 | 5.05 | 0.00 | 5.05 | 100.00 |
| Total | | | 1,438.75 | (-) 68.67 | 1,370.08 | 1,086.74 | 283.32 | 20.68 |

Source: Information furnished by the BCO

Appendix 3.19
Statement of Substantial Savings of ₹ five crore and above
(Reference: Paragraph 3.16.2.3; Page 99)

(₹ in crore)

| Sl. No. | Year | Scheme No. and Name | Original Provision | Supplementary Provision | Re-appropriation Amount | Total | Budget Distribution | Expenditure | Saving | Saving (in per cent) |
|---------|---------|---|--------------------|-------------------------|-------------------------|----------|---------------------|-------------|----------|----------------------|
| 1 | 2021-22 | (2333) N. B. company limited investment | 300.00 | 1,500.00 | 0.00 | 1,800.00 | 300.00 | 300.00 | 1,500.00 | 83.33 |
| 2 | 2021-22 | (1406) Kali Sindh Link Project | 275.00 | 282.20 | (-) 5.00 | 552.20 | 435.00 | 435.00 | 117.20 | 21.22 |
| 3 | 2021-22 | (1953) Narmada (ISP) Parvati Link Project | 400.00 | 515.78 | (-) 44.00 | 871.78 | 756.00 | 756.00 | 115.78 | 13.28 |
| 4 | 2021-22 | (9838) Kali Sindh Lift micro irrigation Project | 100.00 | 90.00 | (-) 1.00 | 189.00 | 103.97 | 103.97 | 85.03 | 44.99 |
| 5 | 2021-22 | (2428) Executive Establishment (Unit I and Unit II) | 101.91 | 0.30 | 1.09 | 103.30 | 75.94 | 75.94 | 27.36 | 26.48 |
| 6 | 2021-22 | (9091) Onkareshwar Project | 101.80 | 71.50 | 35.18 | 208.39 | 183.48 | 183.48 | 24.91 | 11.95 |
| 7 | 2021-22 | (5013) Morand Ganjal Project | 24.11 | 15.84 | (-) 13.00 | 26.95 | 7.27 | 7.27 | 19.68 | 73.02 |
| 8 | 2021-22 | (4406) Expenditure for Land acquisition and other work in submerged area and Sardar Sarovar | 127.95 | 20.00 | 13.17 | 161.13 | 140.85 | 140.85 | 20.28 | 12.58 |
| 9 | 2021-22 | (1250) Alirajpur Lift Irrigation Project | 200.00 | 0.00 | (-) 159.30 | 40.70 | 25.00 | 25.00 | 15.70 | 38.57 |
| 10 | 2021-22 | (2336) Killaud Lift Micro Irrigation Project | 40.00 | 15.00 | 18.00 | 73.00 | 59.50 | 59.50 | 13.50 | 18.49 |
| 11 | 2021-22 | (3561) Headquarter Establishment | 33.74 | 0.00 | (-) 0.52 | 33.22 | 19.84 | 19.84 | 13.38 | 40.27 |
| 12 | 2021-22 | (8191) Headquarter Establishment (Unit - II) | 44.37 | 0.00 | 0.01 | 44.38 | 32.46 | 32.46 | 11.92 | 26.87 |
| 13 | 2021-22 | (2872) Bargi Canal Diversion Project | 120.96 | 137.50 | 175.70 | 434.16 | 409.01 | 409.01 | 25.16 | 5.79 |
| 14 | 2021-22 | (5344) Khalwa Lift Micro Irrigation Project | 28.00 | 10.00 | (-) 26.00 | 12.00 | 3.24 | 3.24 | 8.76 | 73.00 |
| 15 | 2021-22 | (2335) Pati Lift Micro Irrigation Project | 10.00 | 15.00 | 46.80 | 71.80 | 63.46 | 63.46 | 8.34 | 11.61 |
| 16 | 2021-22 | (0822) Jawar Lift Irrigation project | 60.00 | 25.00 | 0.20 | 85.20 | 77.80 | 77.80 | 7.40 | 8.69 |

| | | | | | | | | | | |
|--------------|---------|--|-----------------|-----------------|--------------|-----------------|-----------------|-----------------|-----------------|--------------|
| 17 | 2021-22 | (1408) Bistan Lift Irrigation Project | 25.00 | 18.00 | 8.00 | 51.00 | 44.00 | 44.00 | 7.00 | 13.73 |
| 18 | 2021-22 | (1925) Ghat construction on the banks of river Narmada | 8.00 | 8.00 | 7.50 | 23.50 | 16.73 | 16.73 | 6.77 | 28.81 |
| 19 | 2021-22 | (2046) Chinki Bauraj Barrage Joint Multipurpose Micro Irrigation Project | 50.00 | 5.00 | (-) 48.50 | 6.50 | 0.14 | 0.14 | 6.36 | 97.87 |
| 20 | 2021-22 | (2884) Canal and Appurtenant Work | 30.00 | 20.00 | 58.15 | 108.15 | 104.02 | 102.41 | 5.74 | 5.30 |
| Total | | | 2,080.84 | 2,749.12 | 66.48 | 4,896.36 | 2,857.71 | 2,856.10 | 2,040.27 | 41.67 |

Source: Information furnished by the BCO

Appendix 3.20
Outstanding Utilisation Certificates for the Year 2018-19 to 2021-22
(Reference: Paragraph 3.16.2.6; Page 101)

| Name of Project | Phase wise Released Amount | | | | | | Amount of Utilisation Certificate Issued | | | | | | (₹ in crore) |
|-------------------------------|----------------------------|--------------|--------------|-------------|--------------|---------------|--|--------------|-------------|-------------|--------------|---------------|---------------------------|
| | | | | | | | | | | | | | Amount of Outstanding UCs |
| | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Total | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | Total | 2017-22 |
| Indira Sagar Project-I&II | 7.34 | 0.00 | 0.00 | 0.00 | 0.00 | 7.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 7.34 |
| Indira Sagar Project-III | 51.29 | 14.97 | 0.00 | 0.00 | 0.00 | 66.26 | 0.00 | 12.89 | 0.00 | 0.00 | 0.00 | 12.89 | 53.37 |
| Indira Sagar Project-IV | 24.55 | 31.70 | 0.00 | 0.00 | 0.00 | 56.25 | 24.55 | 31.70 | 0.00 | 0.00 | 0.00 | 56.25 | 0.00 |
| Total | 83.18 | 46.67 | 0.00 | 0.00 | 0.00 | 129.85 | 24.55 | 44.59 | 0.00 | 0.00 | 0.00 | 69.14 | 60.71 |
| Omkareshwar Canal Project-II | 5.92 | 0.00 | 0.00 | 0.00 | 0.00 | 5.92 | 3.25 | 0.00 | 0.00 | 0.00 | 0.00 | 3.25 | 2.67 |
| Omkareshwar Canal Project-III | 12.87 | 2.50 | 2.50 | 0.00 | 0.00 | 17.87 | 7.32 | 2.50 | 2.50 | 0.00 | 0.00 | 12.32 | 5.55 |
| Omkareshwar Canal Project-IV | 4.50 | 1.74 | 2.07 | 0.00 | 0.00 | 8.31 | 4.50 | 1.74 | 2.07 | 0.00 | 0.00 | 8.31 | 0.00 |
| Total | 23.29 | 4.24 | 4.57 | 0.00 | 0.00 | 32.10 | 15.07 | 4.24 | 4.57 | 0.00 | 0.00 | 23.88 | 8.22 |
| Bargi Diversion Project-I | 0.00 | 1.93 | 0.96 | 0.00 | 0.00 | 2.89 | 0.00 | 1.93 | 0.96 | 0.00 | 0.00 | 2.89 | 0.00 |
| Bargi Diversion Project-II | 0.00 | 0.00 | 0.59 | 0.00 | 0.00 | 0.59 | 0.00 | 0.00 | 0.59 | 0.00 | 0.00 | 0.59 | 0.00 |
| Bargi Diversion Project-III | 0.00 | 28.19 | 16.48 | 8.21 | 59.47 | 112.35 | 0.00 | 28.19 | 0.00 | 8.21 | 29.74 | 66.14 | 46.21 |
| Total | 0.00 | 30.12 | 18.03 | 8.21 | 59.47 | 115.83 | 0.00 | 30.12 | 1.55 | 8.21 | 29.74 | 69.62 | 46.21 |
| Grand Total | 106.47 | 81.03 | 22.60 | 8.21 | 59.47 | 277.78 | 39.62 | 78.95 | 6.12 | 8.21 | 29.74 | 162.64 | 115.14 |

Source: Information furnished by the BCO

Appendix 4.1
Details of amount released to Single Nodal Agency
(Reference: Paragraph 4.6; Page 109)

(₹ in crore)

| Sl. No. | Controller Name | Scheme Name | Total Amount Released by Treasury to SNA | Balance in the Bank Account of SNA |
|---------|----------------------------|--|--|------------------------------------|
| 1 | Agriculture | 2009-Rainfed Area Development and Climate Change | 0.00 | 0.00 |
| 2 | | 2010- National Project on Agro- Forestry | 0.00 | 0.00 |
| 3 | | 3031 - Seed and Planting Material | 10.76 | 0.54 |
| 4 | | 3540- National Bamboo Mission | 3.81 | 21.84 |
| 5 | | 9005-Agriculture Census and Statistics | 0.00 | 0.00 |
| 6 | | 9120-Integrated Development of Horticulture | 4.82 | 0.91 |
| 7 | | 9140 - Food and Nutrition Security | 318.70 | 106.43 |
| 8 | | 9144- Agriculture Extension | 25.79 | 11.08 |
| 9 | | 9145 Rashtriya Krishi Vikas Yojna | 123.45 | 55.45 |
| 10 | | 9347-Pradhan Mantri Krishi Sinchai Yojana (PMKSY)- Per Drop More Crop | 0.00 | 0.00 |
| 11 | | 9422-Paramparagat Krishi Vikas Yojana | 13.80 | 40.43 |
| 12 | | 9423-Digital Agriculture | 0.00 | 0.00 |
| 13 | | 9503-National Project on Soil Health and Fertility | 0.00 | 0.00 |
| 14 | | 9505-Sub-Mission on Agriculture Mechanisation | 20.82 | 14.12 |
| 15 | Civil Aviation and Tourism | 3974-Safe Tourist Destination for Women | 7.91 | 1.94 |
| 16 | Environment and Forests | 0257-Forest Fire Prevention and Management Scheme | 0.00 | 0.00 |
| 17 | | 0260 - Project Elephant | 0.08 | 0.04 |
| 18 | | 3095-Conservation of Aquatic Eco Systems | 0.00 | 0.00 |
| 19 | | 9153-Green India Mission-National Afforestation Programme | 4.98 | 5.20 |
| 20 | | 9155-Project Tiger | 9.23 | 0.89 |
| 21 | | 9186-Integrated Development of wildlife habitats | 3.08 | 1.43 |
| 22 | Food Processing Industries | 3887-PM formalization of micro food processing enterprises PM-FME | 0.00 | 0.00 |
| 23 | Health and Family Welfare | 2035-Tertiary Care Programs | 0.00 | 0.00 |
| 24 | | 3663-Strengthening of State Drug Regulatory Systems | 0.00 | 31.07 |
| 25 | | 3991-Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (pm-abhim) | 0.00 | 0.00 |
| 26 | | 9156-National Rural Health Mission | 0.00 | 721.31 |
| 27 | | 9157-Human Resources for Health and Medical Education | 17.58 | 0.00 |
| 28 | | 9158-National AYUSH Misson (NAM) | 107.66 | 117.49 |
| 29 | Higher Education | 9170-Rashtriya Uchhatar Shiksha Abhiyan (RUSA) | 18.50 | 59.88 |
| 30 | Home Affairs | 3194-Modernisation of Police Forces | 13.27 | 0.00 |
| 31 | Law and Justice | 3690-National Mission for Safety of | 0.00 | 0.00 |

| | | | | |
|----|---|--|----------|----------|
| | | Women (Fast Track Spl Courts-Nirbhaya Fund) | | |
| 32 | | 9174-Infrastructure Facilities for Judiciary | 38.58 | 38.17 |
| 33 | Ministry of Drinking water and Sanitation | 9150- Jal Jeevan Mission/National Rural Drinking Water Mission | 4,244.06 | 3,067.07 |
| 34 | | 9151-SBM-Rural (DWS) | 415.80 | 108.75 |
| 35 | Ministry of Fisheries Animal Husbandry and Dairying | 3890-Pradhan Mantri Matsya Sampada Yojana (PMMSY) | 80.52 | 42.52 |
| 36 | | 9008-National Livestock Mission | 18.03 | 0.00 |
| 37 | | 9978-Livestock Census and Integrated Sample Survey | 0.00 | 0.00 |
| 38 | Ministry of Housing and Urban Affairs | 1989- Other items of State/UT component-PMAY urban | 1,838.39 | 190.78 |
| 39 | | 2000-National Urban livelihood mission -state component | 72.72 | 105.08 |
| 40 | | 3666-City Investment to Innovate, Integrate and Sustain (CITIIS) | 32.00 | 8.43 |
| 41 | | 9556-Urban Rejuvenation Mission-500 cities | 639.48 | 1,030.78 |
| 42 | | 9757-Swachh Bharat Mission (SBM) - Urban | 54.50 | 117.13 |
| 43 | Ministry of Minority Affairs | 3674-Pradhan Mantri Jan Vikas Karyakaram | 0.00 | 0.00 |
| 44 | | 9169-Education Scheme for Madrasas and Minorities | 12.22 | 6.76 |
| 45 | Ministry of Skill Development and Entrepreneurship | 3212-Development of skills | 7.78 | 0.00 |
| 46 | | 3640-Strengthening of Infrastructure for Institutional Training | 0.00 | 0.00 |
| 47 | | 3821-Skill Acquisition and Knowledge Awareness for Livelihood Promotion | 4.42 | 6.54 |
| 48 | Panchayati Raj | 3617-Rashtriya Gram Swaraj Abhiyan(RGSA) | 76.89 | 162.83 |
| 49 | Rural Development | 2049-Shyama Prasad Mukherjee Urban Mission | 0.00 | 68.41 |
| 50 | | 3163-Indira Gandhi National old age pension scheme (IGNOAPS) | 4.68 | 0.00 |
| 51 | | 3166-National Family Benefit Scheme | 0.00 | 11.69 |
| 52 | | 3167-Indira Gandhi National Widow Pension Scheme(IGNWPS) | 3.18 | 0.00 |
| 53 | | 3169-Indira Gandhi National Disability Pension Scheme(IGNDPS) | 13.07 | 1.56 |
| 54 | | 9179-Pradhan Mantri Gram Sadak Yojna | 2,385.23 | 0.07 |
| 55 | | 9180-Pradhan Mantri Awas Yojna-Rural | 5,500.00 | 63.98 |
| 56 | | 9181-National Rural livelihood mission | 468.38 | 207.04 |
| 57 | | 9183-Pradhan Mantri Krishi Sinchayi Yojna-Watershed Development Component | 162.72 | 70.30 |
| 58 | | 9219-Mahatma Gandhi National Rural Guarantee Program | 3,749.33 | 330.39 |
| 59 | School Education and Literacy | 1903-Teachers Training and Adult Education | 7.41 | 0.00 |
| 60 | | 3667 - Samagra Shiksha | 3,818.64 | 907.52 |
| 61 | | 3927-Strengthening Teaching, learning and results for states (stars) | 62.36 | 16.04 |
| 62 | | 9165-Pradhan Mantri Poshan Shakti Nirman (erstwhile national programme of mid-day meal in schools) | 1,382.12 | 44.49 |

| | | | | |
|----|--------------------------------|--|------------------|-----------------|
| 63 | Social Justice and Empowerment | 2063- Post-Matric Scholarship(scs) | 0.00 | 0.00 |
| 64 | | 3967-Pradhan Mantri Anusuchit Jaati Abhyuday Yojana (PM AJAY) | 68.66 | 121.96 |
| 65 | | 9185-State Scheduled Castes Development Corporations | 0.00 | 0.00 |
| 66 | | 9488-Strengthening of machinery for enforcement of protection of civil rights act 1995 and prevention of atrocities act 1989 (DAMA) | 0.00 | 0.00 |
| 67 | | 9492-Pre-Matric Scholarship for SC Students | 0.00 | 0.00 |
| 68 | | 9494-Post Matric Scholarship for OBCs, EBCs and DNTs- PM YASASVI | 0.00 | 72.35 |
| 69 | | 9495-Boys and Girls Hostel OBC | 0.00 | 0.00 |
| 70 | Tribal Affairs | 1111-Minimum support price for minor forest produce(MSP for MFP) | 0.00 | 7.04 |
| 71 | | 2068-Development of particularly vulnerable tribal groups | 85.39 | 128.79 |
| 72 | | 3380-Special central assistance to tribal sub-schemes | 122.69 | 0.00 |
| 73 | | 3548-Support to tribal research institutes | 0.48 | 0.00 |
| 74 | | 9272-Pre Matric Scholarship-Tribal | 0.00 | 0.00 |
| 75 | Water Resources | 2027-Irrigation Census | 0.00 | 0.00 |
| 76 | | 2052-Har Khet Ko Pani | 0.00 | 0.00 |
| 77 | | 3993-PMKSY-Accelerated Irrigation Benefit Programme and National/Special Projects | 0.00 | 0.00 |
| 78 | | 3994-PMKSY-Command Area Development and Water Management | 0.00 | 3.72 |
| 79 | Woman and Child Development | 3975-Saksham Anganwadi and Poshan2.0 (umbrella icds-anganwadi services poshan abhiyan schme for adolescent girls national creche scheme) | 291.45 | 0.00 |
| 80 | | 3976- Mission Vatsalya (child protection services and child welfare services) | 11.10 | 0.00 |
| 81 | | 3979-Sambal (beti bachao beti padhao one stop centre mahila police volunteer women helpline nari adalat etc) | 0.13 | 0.13 |
| 82 | | 3980-SAMARTHYA (Shakti Sadan (Swadhar Ujjawala Widow Home) Shakhi Niwas Palna PMMVY Naional Hub for Women Empowerment Gender Budgeting Research Skilling Training Media etc) | 22.48 | 1.96 |
| | | Total | 26,399.13 | 8,132.33 |

Source: Information furnished by O/o Principal Accountant General (A&E)-I, Madhya Pradesh, Gwalior

Appendix 4.2
Department wise position of pending Utilisation Certificates
(Reference: Paragraph 4.8; Page 110)

(₹ in crore)

| Sl. No. | Department | Major Head | Description | No. of UCs | Amount |
|--------------|---|------------|--|---------------|------------------|
| 1. | Parliamentary Affairs | 2011 | Parliament/State/Union Territory Legislatures | 30 | 1.29 |
| 2. | General Administration | 2013 | Council of Minister | 37 | 0.74 |
| | | 2014 | Administration of Justice | 375 | 1.55 |
| | | 2015 | Election | 02 | 0.16 |
| | | 2052 | Secretariat-General Services | 93 | 87.72 |
| | | 2053 | District Administration | 05 | 12.52 |
| 3. | Revenue Department | 2029 | Land Revenue | 104 | 1.20 |
| 4. | Commercial Tax | 2045 | Other Taxes and Duties on Commodities | 04 | 0.17 |
| 5. | Finance | 2047 | Other Fiscal Services | 04 | 0.01 |
| | | 2075 | Miscellaneous General Services | 532 | 4.95 |
| 6. | Sports and Youth Welfare | 2204 | Sports and Youth Services | 91 | 21.04 |
| 7. | Culture | 2205 | Art and Culture | 34 | 34.24 |
| 8. | Public Health and Family Welfare Department | 2210 | Medical and Public Health | 03 | 617.69 |
| 9. | Public Health Engineering | 2215 | Water Supply and Sanitation | 552 | 441.97 |
| 10. | Urban Development and Housing | 2216 | Housing | 22 | 2,628.48 |
| | | 2217 | Urban Development | 35 | 422.30 |
| 11. | Public Relation (Jansampark) | 2220 | Information and Publicity | 35 | 1.50 |
| 12. | Schedule Caste and Schedule Tribes Welfare | 2225 | Welfare of Schedule Castes, Schedule Tribes and Other Backward Classes | 83 | 306.62 |
| 13. | Labour | 2230 | Labour and Employment | 1,269 | 44.61 |
| 14. | Social Justice and Disabled Person Welfare Department | 2235 | Social Security and Welfare | 1,147 | 748.14 |
| 15. | Farmer Welfare and Agriculture Development | 2401 | Crop Husbandry | 3,138 | 450.27 |
| | | 4402 | Capital Outlay on Soil and Water Conservation | 11 | 1.25 |
| 16. | Animal Husbandry | 2403 | Animal Husbandry | 527 | 256.79 |
| 17. | Fisherman Welfare and Fisheries Development | 2405 | Fisheries | 3,359 | 10.48 |
| 18. | Food, Civil Supplies & Consumer Protection | 2408 | Food, Storage and Warehousing | 1,453 | 2,186.80 |
| 19. | Co-operation | 2425 | Co-operation | 722 | 278.69 |
| 20. | Rural Development | 2505 | Rural Development | 18 | 1,156.03 |
| | | 2501 | Special work of Rural Development | 32 | 386.49 |
| | | 2515 | Other work of Rural Development | 03 | 0.89 |
| 21. | Water Resources | 2702 | Minor Irrigation | 280 | 12.55 |
| 22. | Energy | 2801 | Power | 51 | 11,283.75 |
| 23. | New and Renewable Energy | 2810 | New and Renewable Energy | 28 | 23.36 |
| 24. | Cottage and Rural Industries | 2851 | Village and Small Industries | 704 | 222.96 |
| 25. | Industry Policy and Investment Promotion | 2852 | Industries | 2,988 | 191.07 |
| 26. | Mineral Resources | 2853 | Non-ferrous Mining and Metallurgical Industries | 871 | 234.49 |
| 27. | Science and Technology | 3425 | Other Scientific Research | 02 | 2.24 |
| 28. | Tourism | 3452 | Tourism | 198 | 113.92 |
| 29. | Panchayati Raj Development | 3604 | Compensation and Assignments to Local Bodies and Panchayati Raj Institutions | 1,272 | 8,737.55 |
| Total | | | | 20,114 | 30,926.48 |

Source: Information furnished by O/o Principal Accountant General (A&E)-I, Madhya Pradesh, Gwalior

Appendix 4.3
Details of Inoperative Personal Deposit Accounts as on 31 March 2022
(Reference: Paragraph 4.10; Page 112)

| Sl. No. | Name of Treasury | No. of PD Accounts | (₹ in lakh) |
|---------|------------------|--------------------|-------------|
| | | | Amount |
| 1 | Alirajpur | 01 | 2.81 |
| 2 | Anuppur | 02 | -74.93 |
| 3 | Ashok Nagar | 01 | 13.01 |
| 4 | Badwani | 05 | -465.62 |
| 5 | Balaghat | 07 | 67.56 |
| 6 | Betul | 08 | -122.36 |
| 7 | Bhind | 02 | -34.26 |
| 8 | Bhopal | 04 | 331.06 |
| 9 | Burhanpur | 02 | 0.46 |
| 10 | Chhatarpur | 07 | -211.06 |
| 11 | Chhindwada | 07 | 958.78 |
| 12 | Datia | 04 | 1,272.76 |
| 13 | Dhar | 03 | 147.72 |
| 14 | Dindori | 02 | 16.05 |
| 15 | Guna | 03 | 6.13 |
| 16 | Gwalior | 02 | -0.77 |
| 17 | Harda | 05 | 48.92 |
| 18 | Hoshangabad | 10 | 40.00 |
| 19 | Indore city | 13 | 16,867.73 |
| 20 | Indore | 06 | 4,932.55 |
| 21 | Jabalpur city | 04 | 119.88 |
| 22 | Jabalpur | 04 | 18.40 |
| 23 | Jhabua | 06 | 233.15 |
| 24 | Khargone | 07 | -247.12 |
| 25 | Khandwa | 03 | -359.23 |
| 26 | Mandla | 05 | 4,052.24 |
| 27 | Mandsaur | 04 | 7.71 |
| 28 | Morena | 02 | 7.54 |
| 29 | Narsinghpur | 10 | 59.16 |
| 30 | Panna | 01 | 0.13 |
| 31 | Rajgarh | 04 | -35.97 |
| 32 | Ratlam | 08 | -145.33 |
| 33 | Rewa | 06 | 65.80 |
| 34 | Raisen | 12 | 1,489.03 |
| 35 | Sagar | 03 | 7.75 |
| 36 | Shajapur | 05 | 4.14 |
| 37 | Satna | 07 | 10.97 |
| 38 | Seoni | 05 | 12.21 |
| 39 | Shahdol | 06 | 184.62 |
| 40 | Shivpuri | 01 | 0.13 |
| 41 | Sidhi | 03 | 3.29 |
| 42 | Singrauli | 05 | -22.36 |
| 43 | Tikamgarh | 02 | 32.76 |
| 44 | Ujjain | 03 | 94.01 |

| | | | |
|--------------|---------------------|------------|------------------|
| 45 | Umaria | 02 | -2.61 |
| 46 | Vallabh Bhawan | 12 | -16,949.80 |
| 47 | Vidisha | 02 | 48.62 |
| 48 | Vindhyanchal Bhawan | 08 | 788.20 |
| Total | | 234 | 13,273.86 |

Source: Information furnished by O/o Principal Accountant General (A&E)-I, Madhya Pradesh, Gwalior

Appendix 4.4
Booking under Minor Head '800-Other Receipts'
(Reference: Paragraph 4.11; Page 114)

(₹ in crore)

| Sl. No. | Major Head | Description | Receipt under Minor Head 800-Other Receipts | Total Receipt under the Major Head | Percentage |
|--------------|---|---|---|------------------------------------|-------------|
| 1 | 0029 | Land Revenue | 444.12 | 732.72 | 60.61 |
| 2 | 0059 | Public Works | 59.18 | 62.38 | 94.88 |
| 3 | 0211 | Family Welfare | 0.30 | 0.30 | 99.98 |
| 4 | 0215 | Water Supply and Sanitation | 15.93 | 19.78 | 80.52 |
| 5 | 0217 | Urban Development | 14.55 | 15.32 | 94.98 |
| 6 | 0220 | Information and Publicity | 0.09 | 0.09 | 97.61 |
| 7 | 0235 | Social Security and Welfare | 9.20 | 10.01 | 91.93 |
| 8 | 0403 | Animal Husbandry | 1.34 | 2.36 | 56.55 |
| 9 | 0404 | Dairy Development | 0.03 | 0.03 | 98.59 |
| 10 | 0408 | Food Storage and Warehousing | 0.08 | 0.12 | 67.11 |
| 11 | 0435 | Other Agricultural Programmes | 6.81 | 6.97 | 97.83 |
| 12 | 0700 | Major Irrigation | 67.02 | 85.74 | 78.17 |
| 13 | 0702 | Minor Irrigation | 235.46 | 238.87 | 98.57 |
| 14 | 0801 | Power | 996.95 | 996.95 | 100.00 |
| 15 | 0852 | Industries | 0.11 | 0.12 | 99.05 |
| 16 | 1452 | Tourism | 0.00* | 0.00* | 100.00 |
| 17 | Other Major Heads having percentage less than 50 per cent | Other Major Heads having percentage less than 50 per cent | 7,519.90 | 1,83,704.09 | 4.09 |
| Total | | | 9,371.07 | 1,85,875.85 | 5.04 |

Source: Finance Accounts 2021-22

* ₹150

Appendix 4.5
Booking under Minor Head '800-Other Expenditure'
(Reference: Paragraph 4.11; Page 114)

(₹ in crore)

| Sl. No. | Major Head | Description | Expenditure under Minor Head 800-Other Expenditure | Total Expenditure under the Major Head | Percentage |
|--------------|---|---|--|--|--------------|
| 1 | 2204 | Sports and Youth Services | 112.05 | 170.97 | 65.54 |
| 2 | 2217 | Urban Development | 3,397.17 | 4,729.10 | 71.84 |
| 3 | 2250 | Other Social Services | 46.35 | 46.35 | 100.00 |
| 4 | 2702 | Minor Irrigation | 143.84 | 146.04 | 98.49 |
| 5 | 2705 | Command Area Development | 7.70 | 7.70 | 100.00 |
| 6 | 2851 | Village and Small Industries | 574.05 | 748.91 | 76.65 |
| 7 | 2852 | Industries | 1,407.89 | 1,407.89 | 100.00 |
| 8 | 3454 | Census, Surveys and Statistics | 59.94 | 114.12 | 52.53 |
| 9 | 4070 | Capital Outlay on Other Administrative Services | 6.07 | 6.07 | 100.00 |
| 10 | 4403 | Capital Outlay on Animal Husbandry | 4.27 | 6.62 | 64.45 |
| 11 | 4406 | Capital Outlay on Forestry and Wild Life | 568.36 | 981.69 | 57.90 |
| 12 | 4515 | Capital Outlay on other Rural Development Programmes | 3,831.18 | 4,232.34 | 90.52 |
| 13 | 4700 | Capital Outlay on Major Irrigation | 6,907.82 | 8,575.14 | 80.56 |
| 14 | 4701 | Capital outlay on Medium Irrigation | 1,209.80 | 1,237.85 | 97.73 |
| 15 | 4705 | Capital Outlay on Command Area Development | 6.90 | 6.90 | 100.00 |
| 16 | 4875 | Capital Outlay on Other Industries | 333.22 | 333.22 | 100.00 |
| 17 | 5475 | Capital Outlay on other General Economic Services | 1.41 | 1.41 | 100.00 |
| 18 | Other Major Heads having percentage less than 50 per cent | Other Major Heads having percentage less than 50 per cent | 13,316.21 | 1,99,042.09 | 6.69 |
| Total | | | 31,934.23 | 2,21,794.41 | 14.40 |

Source: Finance Accounts 2021-22

Appendix 4.6
List of Vouchers Manually & Randomly selected to find Appropriate Minor Head
instead of Minor Head 800

(Reference: Paragraph 4.11; Page 114)

(₹ in crore)

| Sl.No. | Voucher No./Treasury | Classification | Amount | Entity Name | Minor Head to be used As per General Guidelines of LMMH |
|--------------|---|---|-----------------|---|---|
| 1 | 04/08-2021/ JBP - Jabalpur City Treasury | 13 -2801 -06 -800 - 0101 -5381 -42 -007- V | 300.00 | MP Power Management Company Limited | 190-‘Assistance to public sector and other undertakings’ |
| 2 | 09/10-2021/ JBP - Jabalpur City Treasury | 13 -2801 -06 -800 - 0103 -5381 -00000000 -42 -007- V | 133.00 | MP Power Management Company Limited | 190-‘Assistance to public sector and other undertakings’ |
| 3 | 10/10-2021/ JBP - Jabalpur City Treasury | 13 -2801 -06 -800 - 0102 -5381 -00000000 -42 -007- V | 133.00 | MP Power Management Company Limited | 190-‘Assistance to public sector and other undertakings’ |
| 4 | 11/10-2021/ JBP - Jabalpur City Treasury | 13 -2801 -06 -800 - 0101 -5381 -00000000 -42 -007- V | 238.00 | MP Power Management Company Limited | 190-‘Assistance to public sector and other undertakings’ |
| 5 | 12/10-2021/ JBP - Jabalpur City Treasury | 13 -2801 -06 -800 - 0101 -5381 -00000000 -42 -007- V | 300.00 | MP Power Management Company Limited | 190-‘Assistance to public sector and other undertakings’ |
| 6 | 03/2801/11-2021/ JBP - Jabalpur Distt. Treasury | 13 -2801 -06 -800 - 0101 -5381 -00000000 -42 -007- V | 300.00 | MP Power Management Company Limited | 190- ‘Assistance to public sector and other undertakings’ |
| 7 | 04/2801/11-2021/ JBP - Jabalpur Distt. Treasury | 13 -2801 -06 -800 - 0101 -5381 -00000000 -42 -007- V | 300.00 | MP Power Management Company Limited | 190- ‘Assistance to public sector and other undertakings’ |
| 8 | 05/2801/11-2021/ JBP - Jabalpur Distt. Treasury | 13 -2801 -06 -800 - 0101 -5381 -00000000 -42 -007- V | 204.00 | MP Power Management Company Limited | 190- ‘Assistance to public sector and other undertakings’ |
| Total | | | 1,908.00 | | |
| 9 | 146/09-2021/ VIN – Bhopal Treasury | 13 -2401 -00 -800 - 0703 -5626 -00000000 -42 -007- V | 3.00 | Madhya Pradesh State Co-operative Marketing Fedration Limited | 195-‘Assistance to farming cooperation |
| 10 | 147/09-2021/ VIN – Bhopal Treasury | 13 -2401 -00 -800 - 0701 -5626 -00000000 -42 -007- V | 3.67 | Madhya Pradesh State Co-operative Marketing Fedration Limited | 195-‘Assistance to farming cooperation |
| 11 | 148/09-2021/ VIN – Bhopal Treasury | 13 -2401 -00 -800 - 0703 -5626 -00000000 -42 -007- V | 4.00 | Madhya Pradesh State Co-operative Marketing Fedration Limited | 195-‘Assistance to farming cooperation |
| 12 | 151/09-2021/ VIN – Bhopal Treasury | 13 -2401 -00 -800 - 0701 -5626 -00000000 -42 -007- V | 5.85 | Madhya Pradesh State Co-operative Marketing Fedration Limited | 195-‘Assistance to farming cooperation |
| Total | | | 16.52 | | |
| 13 | 02/08-2021/ VIN – Bhopal Treasury | 022 -6217 -60 -800 - 1201 -7336 -00000000 -67 -001- V | 2.75 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 14 | 1/6217/07-2021/ VIN – Bhopal Treasury | 022 -6217 -60 -800 - 1201 -7336 -00000000 -67 -001- V | 63.45 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 15 | 9/2217/06-2021/ VIN – Bhopal Treasury | 022 -2217 -05 -800 - 0101 -7664 -00000000 -42 -00- V | 5.03 | Madhya Pradesh Urban Development Company Limited | 190- ‘Assistance to public sector and other undertakings’ |

| | | | | | |
|--------------|--|---|---------------|---|---|
| 16 | 54/2217/06-2021/ VIN – Bhopal Treasury | 022 -2217 -05 -800 - 1201 -7336 -00000000 -31 -002- V | 4.84 | Madhya Pradesh Urban Development Company Limited | 190- ‘Assistance to public sector and other undertakings’ |
| 17 | 2/6217/05-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1201 -5374 -00000000 -67 -001- V | 60.90 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 18 | 1/6217/05-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1201 -7711 -00000000 -67 -001- V | 70.00 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 19 | 1/6217/10-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1201 -7336 -00000000 -67 -001- V | 97.50 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 20 | 1/6217/12-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1201 -7336 -00000000 -67 -001- V | 22.90 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 21 | 2/6217/12-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1201 -7711 -00000000 -67 -001- V | 65.00 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 22 | 04/6217/02-2022/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1203 -7336 -00000000 -67 -001- V | 67.00 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 23 | 05/6217/02-2022/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1202 -7336 -00000000 -67 -001- V | 46.00 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 24 | 06/6217/02-2022/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1202 -7336 -00000000 -67 -001- V | 53.10 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 25 | 01/6217/11-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1201 -5374 -00000000 -67 -001- V | 70.00 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 26 | 02/6217/11-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1201 -7711 -00000000 -67 -001- V | 47.00 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 27 | 03/6217/11-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1201 -1262 -00000000 -67 -001- V | 8.01 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| 28 | 04/6217/11-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 1202 -1262 -00000000 -67 -001- V | 3.00 | Madhya Pradesh Urban Development Company Limited | 190-‘Loans to public sector and other undertakings’ |
| Total | | | 686.48 | | |
| 29 | 1/6217/06-2021/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 0801 -2043 -00000000 -67 -002- V | 9.90 | Madhya Pradesh Metro Rail Corporation Limited | 190-‘Loans to public sector and other undertakings’ |
| 30 | 03/4217/02-2022/ VIN – Bhopal Treasury | 022 -4217 -60-800 - 1201 -2043 -00000000 -65 -000- V | 150.00 | Madhya Pradesh Metro Rail Corporation Limited | 190 Investments in public sector and other undertakings |
| 31 | 03/6217/02-2022/ VIN – Bhopal Treasury | 022 -6217 -60-800 - 0801 -2043 -00000000 -67 -002- V | 1.10 | Madhya Pradesh Metro Rail Corporation Limited | 190-‘Loans to public sector and other undertakings’ |
| Total | | | 161.00 | | |
| 32 | 115/2403/11- 2021/ VAL - Bhopal Treasury | 014 -2403 -00 -800 - 0701 -5626 -00000000 -45 -000- V | 3.20 | Madhya Pradesh Rajya Pashudhan and Kukkut Vikas Nigam | 190-‘Assistance to public sector and other undertakings’ |
| 33 | 02/2403/12-2021/ VAL - Bhopal Treasury | 014 -2403 -00 -800 - 0702 -5626 -00000000 -42 -007- V | 2.20 | Madhya Pradesh Rajya Pashudhan and Kukkut Vikas Nigam | 190-‘Assistance to public sector and other undertakings’ |
| Total | | | 5.40 | | |

Appendix 5.1
List of State Public Sector Undertakings in Madhya Pradesh
(Reference: Paragraph 5.4; Page 124)

| Sl. No. | Government Companies |
|---|---|
| SPSUs covered in this Report | |
| | Power Sector |
| 1 | Madhya Pradesh Power Generating Company Limited (MPPGCL) |
| 2 | Madhya Pradesh Power Transmission Company Limited (MPPTCL) |
| 3 | Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited (MPPoKVVCL) |
| 4 | Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited (MPPaKVVCL) |
| 5 | Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited (MPMKVVCL) |
| 6 | Madhya Pradesh Urja Vikas Nigam Limited (MPUVNL) |
| 7 | Madhya Pradesh Power Management Company Limited (MPPMCL) |
| | Agriculture and Allied |
| 8 | Madhya Pradesh Rajya Van Vikas Nigam Limited |
| 9 | Madhya Pradesh Warehousing and Logistics Corporation |
| | Service |
| 10 | DMIC Pithampur Jal Prabhandhan Limited |
| 11 | Madhya Pradesh Plastic Park Development Corporation Limited |
| 12 | Madhya Pradesh Plastic City Development Corporation Gwalior Limited |
| 13 | Madhya Pradesh Hotel Corporation Limited |
| 14 | DMIC Vikram Udyogpuri Limited |
| 15 | Madhya Pradesh Public Health Services Corporation Limited |
| 16 | Madhya Pradesh Jal Nigam Maryadit |
| 17 | Madhya Pradesh Tourism Board |
| | Infrastructure |
| 18 | Madhya Pradesh Urban Development Corporation Limited |
| 19 | Ujjain Smart City Development Corporation Limited |
| 20 | Bhopal Smart City Development Corporation Limited |
| 21 | Gwalior Smart City Development Corporation Limited |
| 22 | Jabalpur Smart City Development Corporation Limited |
| 23 | Indore Smart City Development Corporation Limited |
| 24 | Satna Smart City Development Corporation Limited |
| 25 | Sagar Smart City Development Corporation Limited |
| 26 | B-Nest Foundation |
| | Manufacturing |
| 27 | Pithampur Auto Cluster Limited |
| 28 | Madhya Pradesh State Electronics Development Corporation Limited |
| 29 | Bhopal Electronics Manufacturing Park Limited |
| 30 | Jabalpur Electronics Manufacturing Park Limited |
| 31 | Madhya Pradesh State Mining Corporation Limited |
| | Finance |
| 32 | Madhya Pradesh Financial Corporation |
| SPSUs not-covered in this Report | |
| | Power Sector |
| 1 | Shahpura Thermal Power Company Limited (STPCL) |
| 2 | Bansagar Thermal Power Company Limited (BTPCL) |
| 3 | Shri Singaji Power Project Limited (SSPPL) |
| | Agriculture and Allied |
| 4 | Madhya Pradesh State Agro Industries Development Corporation Limited |
| | Service |
| 5 | Madhya Pradesh Industrial Development Corporation Limited |
| 6 | Madhya Pradesh Laghu Udyog Nigam Limited |
| 7 | Madhya Pradesh State Civil Supplies Corporation Limited |
| 8 | Madhya Pradesh State Tourism Development Corporation Limited |

| Sl. No. | Government Companies |
|---------|--|
| 9 | Madhya Pradesh State Assets Company Management Limited |
| 10 | Burhanpur City Transport Service Limited |
| 11 | Ratlam Bus Services Limited, Ratlam |
| 12 | Sagar City Transport Services Limited |
| 13 | Madhya Pradesh and Maharashtra Minerals and Chemicals Limited |
| 14 | Madhya Pradesh State Road Transport Corporation |
| | Infrastructure |
| 15 | Madhya Pradesh Road Development Corporation Limited |
| 16 | Singrauli Airport Company Limited |
| 17 | Madhya Pradesh Police Housing and Infrastructure Development Corporation Limited |
| 18 | Narmada Basin Projects Company Limited |
| 19 | Madhya Pradesh Metro Rail Company Limited |
| 20 | Indore Idea Factory Foundation |
| | Manufacturing |
| 21 | Sant Ravidas MP Hastha Shilp Evam Hath Kargha Vikas Nigam Limited |
| 22 | Madhya Pradesh AMRL (Semaria) Coal Company Limited |
| 23 | Madhya Pradesh AMRL (Morga) Coal Company Limited |
| 24 | Madhya Pradesh AMRL (Bicharpur) Coal Company Limited |
| 25 | Madhya Pradesh AMRL (Marki Barka) Coal Company Limited |
| 26 | Madhya Pradesh Jaypee Coal Limited |
| 27 | Madhya Pradesh Monnet Mining Company Limited |
| 28 | Madhya Pradesh Jaypee Coal Fields Limited |
| 29 | Madhya Pradesh Jaypee Minerals Limited |
| 30 | Madhya Pradesh Sainik Coal Mining Private Limited |
| 31 | Optel Telecommunication Limited |
| 32 | Madhya Pradesh Vidyut Yantra Limited |
| | Finance |
| 33 | Madhya Pradesh State Industrial Development Corporation Limited |
| 34 | The Provident Investment Company Limited |
| 35 | Madhya Pradesh Pichhara Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam Limited |
| 36 | Madhya Pradesh Adivasi Vitta Evam Vikas Nigam Limited |
| 37 | Madhya Pradesh Venture Finance Limited |
| 38 | Madhya Pradesh Venture Finance Trustee Limited |
| 39 | Madhya Pradesh Panchayati Raj Vitta Evam Gramin Vikas Nigam Limited |
| 40 | Madhya Pradesh Film Development Corporation Limited |

Appendix 5.2
Statement showing number of State Public Sector Undertakings
whose accounts are in arrear as on 30 September 2022
(Reference: Paragraph 5.5; Page 125)

| Sl. No. | Name of the Company | Accounts received upto | No. of Accounts in arrear |
|---------------------------------|--|----------------------------|---------------------------|
| (A) Government Companies | | | |
| 1 | Madhya Pradesh State Electronics Development Corporation Limited | 2020-21 | 1 |
| 2 | Jabalpur Electronics Manufacturing Park Limited | 2020-21 | 1 |
| 3 | Bhopal Electronics Manufacturing Park Limited | 2020-21 | 1 |
| 4 | DMIC Pithampur Jal Prabhandhan Limited | 2020-21 | 1 |
| 5 | Madhya Pradesh Plastic Park Development Corporation Limited | 2020-21 | 1 |
| 6 | Madhya Pradesh State Mining Corporation Limited | 2020-21 | 1 |
| 7 | Madhya Pradesh Monnet Mining Company Limited | 2020-21 | 1 |
| 8 | Madhya Pradesh Power Generating Company Limited | 2020-21 | 1 |
| 9 | Madhya Pradesh Poorv Kshetra Vidyut Vitaran Comp\any Limited | 2020-21 | 1 |
| 10 | Madhya Pradesh Power Management Company Limited | 2020-21 | 1 |
| 11 | Shahpura Thermal Power Company Limited | 2020-21 | 1 |
| 12 | Bansagar Thermal Power Company Limited | 2020-21 | 1 |
| 13 | Madhya Pradesh Madhya Kshetra Vidyut Vitaran Comp\any Limited | 2020-21 | 1 |
| 14 | Narmada Basin Projects Company Limited | 2020-21 | 1 |
| 15 | Madhya Pradesh Public Health Services Corporation Limited | 2020-21 | 1 |
| 16 | Madhya Pradesh Rajya Van Vikas Nigam Limited | 2019-20 | 2 |
| 17 | Madhya Pradesh Urban Development Corporation Limited | 2019-20 | 2 |
| 18 | Madhya Pradesh Tourism Board | 2019-20 | 2 |
| 19 | Madhya Pradesh Hotel Corporation Limited | 2019-20 | 2 |
| 20 | DMIC Vikram Udyogpuri Limited | 2019-20 | 2 |
| 21 | Madhya Pradesh Venture Finance Limited | 2019-20 | 2 |
| 22 | Madhya Pradesh Venture Finance Trustee Limited | 2019-20 | 2 |
| 23 | Madhya Pradesh Jal Nigam Maryadit | 2019-20 | 2 |
| 24 | Madhya Pradesh Urja Vikas Nigam Limited (MPUVNL) | 2019-20 | 2 |
| 25 | Sagar City Transport Company limited | 2019-20 | 2 |
| 26 | Madhya Pradesh Industrial Development Corporation Limited | 2018-19 | 3 |
| 27 | Madhya Pradesh Laghu Udyog Nigam Limited | 2018-19 | 3 |
| 28 | The Provident Investment Company Limited | 2018-19 | 3 |
| 29 | Sant Ravidas Madhya Pradesh Hastha Shilp Evam Hath Kargha Vikas Nigam Limited | 2018-19 | 3 |
| 30 | Madhya Pradesh State Agro Industries Development Corporation Limited | 2018-19 | 3 |
| 31 | Madhya Pradesh State Tourism Development Corporation Limited | 2017-18 | 4 |
| 32 | Madhya Pradesh Road Development Corporation Limited | 2017-18 | 4 |
| 33 | Madhya Pradesh State Civil Supply Corporation | 2017-18 | 4 |
| 34 | Madhya Pradesh Police Housing and Infrastructure Development Corporation Limited | 2017-18 | 4 |
| 35 | Ratlam Bus Services Limited, Ratlam | FANR (arrear from 2017-18) | 5 |
| 36 | Madhya Pradesh State Industrial Development Corporation Limited | 2015-16 | 6 |
| 37 | Burhanpur City Transport Service Limited | FANR (arrear from 2014-15) | 8 |
| 38 | Singrauli Airport Company Limited | FANR (arrear from 2014-15) | 8 |
| 39 | Madhya Pradesh Pichhara Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam Limited | 2011-12 | 10 |
| 40 | Optel Telecommunication Limited | 2009-10 | 12 |
| 41 | Madhya Pradesh Film Development Corporation Limited | 2009-10 | 12 |

| Sl. No. | Name of the Company | Accounts received upto | No. of Accounts in arrear |
|--|---|------------------------|---------------------------|
| 42 | Madhya Pradesh Panchayati Raj Vitta Evam Gramin Vikas Nigam Limited | 2005-06 | 16 |
| 43 | Madhya Pradesh Adivasi Vitta Evam Vikas Nigam Limited | 2003-04 | 18 |
| 44 | Madhya Pradesh and Maharashtra Minerals and Chemicals Limited | 2001-02 | 20 |
| 45 | Madhya Pradesh Vidyut Yantra Limited | 1989-90 | 32 |
| (A) Government Companies Total | | | 213 |
| (B) Statutory Corporations | | | |
| 1 | Madhya Pradesh Warehousing and Logistics Corporation | 2020-21 | 1 |
| 2 | Madhya Pradesh State Road Transport Corporation | 2007-08 | 14 |
| (B) Statutory Corporation Total | | | 15 |
| (C) Government Controlled other Companies | | | |
| 1 | Ujjain Smart City Development Corporation Limited | 2020-21 | 1 |
| 2 | Jabalpur Smart City Development Corporation Limited | 2020-21 | 1 |
| 3 | Indore Smart City Development Corporation Limited | 2020-21 | 1 |
| 4 | Sagar Smart City Development Corporation Limited | 2020-21 | 1 |
| 5 | Bhopal Smart City Development Corporation Limited | 2020-21 | 1 |
| 6 | Gwalior Smart City Development Corporation Limited | 2020-21 | 1 |
| 7 | Satna Smart City Development Corporation Limited | 2020-21 | 1 |
| 8 | B-Nest Foundation | 2020-21 | 1 |
| (C) Government Controlled other Companies Total | | | 8 |
| Grand Total (A+B+C) | | | 236 |

Appendix 5.3

State Public Sector Undertakings information on profit from operating activities/other income

(Reference: Paragraph 5.9.1; Page 131)

| Sl. No. | Name of the State Public Sector Undertakings |
|---|--|
| SPSUs which earned profit only from its operations | |
| 1 | Madhya Pradesh Warehousing and Logistics Corporation |
| 2 | Madhya Pradesh Power Generating Company Limited (MPPGCL) |
| 3 | Madhya Pradesh Rajya Van Vikas Nigam Limited |
| 4 | Madhya Pradesh State Mining Corporation Limited |
| 5 | Madhya Pradesh Power Transmission Company Limited (MPPTCL) |
| 6 | Madhya Pradesh Public Health Services Corporation Limited |
| SPSUs which earned profit only from other/extraordinary income | |
| 1 | Madhya Pradesh State Electronics Development Corporation Limited |
| 2 | Madhya Pradesh Tourism Board |
| 3 | DMIC Vikram Udyogpuri Limited |
| 4 | MP Plastic City Development Corporation Gwalior Limited |
| 5 | Jabalpur Smart City Limited |
| 6 | Indore Smart City Development Limited |
| 7 | Pithampur Auto Cluster Limited |

Appendix 5.4
Non-compliance of mandatory Accounting Standards/Ind-AS
Reported by Statutory Auditors
(Reference: Paragraph 5.13.2; Page 139)

| Sl. No. | Name of the Company | Ind-AS/AS | Brief comment on Ind-AS/AS |
|---------|--|-----------|---|
| 1 | Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company (2020-21) | Ind AS | Non follow of Ind AS 19 'Employee benefit' as company has provided for post employment benefits and other long term employee benefits as per the actuarial valuation report dated 19.02.2010, which is not accordance with Ind AS 19. |
| 2 | Madhya Pradesh Power Management Company (2020-21) | Ind AS | <p>Non follow of Ind AS 7 'Statement of Cash Flow'. An entity shall disclose the component of cash and cash equivalent and shall present a reconciliation of the amount in cash flow statement however the company has not given such disclosure.</p> <p>Qualification on the basis that Statutory Auditor are not in position to assure the provisions of Ind AS 36.</p> <p>The Company has neither quantified the amount involved nor has made any provision as per Ind AS 37.</p> <p>Ind AS-108: "Operating Segments", an entity shall disclose the information required under paragraph 32 to 34 of the said Ind AS even if the entity have a single reportable segment. However, no such disclosure is given in Note No. 38.</p> <p>Ind AS-109: Financial Instruments, The company has maintained investments in subsidiaries at cost in the books of accounts. However, the cost of investment in subsidiaries is higher than the net worth of subsidiaries and the subsidiaries are running in huge losses. As per Ind AS 109, read with Ind AS 36, the investment in subsidiaries should be tested for impairment. The company should impair the investments in its books by Rs.14,411.03 Crores (excess of Investment value over the Net Worth of the subsidiaries as on the acquisition date).</p> |
| 3 | Madhya Pradesh Tourism Board (2019-20) | AS | AS-11 the effect of changes in foreign exchange rates regarding foreign currency transaction. |
| 4 | Madhya Pradesh Madhya Kshetra Vidyut Vitaran Co. Limited (2020-21) | Ind AS | <p>Ind AS-8: Accounting Policies, Changes in Accounting Estimates and Errors regarding prior period errors.</p> <p>Ind AS-16: Property, Plant Equipment regarding Company is not Capitalize all its assets commissioned up to the date of balance sheet.</p> <p>Ind AS-19: Employee Benefits regarding the Company has not obtained actuarial valuation report of post-retirement benefits and Company has not fulfilled the disclosure requirements.</p> <p>Ind AS-20: Accounting for Government Grant and Discloser of Government Assistance regarding the Company has not recognized benefit of a government loan as government grant. Moreover, the company has neither made any provision against it nor booked any contingent liability. Also, the company has not complied with the disclosure requirement of the Ind AS.</p> <p>Ind AS-21: Accounting for Foreign exchange gain or loss regarding the Company has not made any adjustment with regard to gain/loss on account of foreign exchange.</p> <p>Ind AS-23: Borrowing Costs regarding.</p> <p>Ind AS-36: Impairment of Assets, during the year, the Company has not assessed whether there is any indication that an asset may be impaired. There is no working for impairment so SA are unable to comment on the same.</p> <p>Ind AS-37: Provisions, Contingent Liabilities and Contingent Assets regarding Contingent Liabilities.</p> |

| Sl. No. | Name of the Company | Ind-AS/AS | Brief comment on Ind-AS/AS |
|---------|--|-----------|--|
| | | | Ind AS-105: Non-current Assets held for sale and Discontinued operations regarding the Company does not measure its unserviceable/Damaged/Obsolete capital stores held for sale as required by the Ind AS. |
| 5 | Madhya Pradesh State Electronics Development Corporation (2020-21) | AS | <p>Impairment of Assets indication for impairment of assets not provided as indicated in the AS 28.</p> <p>AS 10: Accounting for Fixed Assets as company not shown retired assets as per AS.</p> <p>AS 6: 'Depreciation accounting', company not assessed useful life of assets.</p> |
| 6 | Madhya Pradesh Financial Corporation (2021-22) | AS | Corporation has not measured its deferred tax assets or liabilities as per AS 22. |

Appendix 5.5
Comments issued to State Public Sector Undertakings
(Reference: Paragraph 5.14.1; Page 140)

| Sl. No. | Name of the Public Sector Undertakings | Period of comment issued |
|---------|---|--------------------------|
| 1 | Madhya Pradesh Van Vikas Nigam Limited | 2019-20 |
| 2 | MP Metro Rail Corporation Limited Bhopal | 2019-20 |
| 3 | MP Metro Rail Corporation Limited Bhopal | 2020-21 |
| 4 | MP Metro Rail Corporation Limited Bhopal | 2021-22 |
| 5 | Bhopal Smart City Development Corporation Limited | 2019-20 |
| 6 | Indore Smart City Development Limited | 2020-21 |
| 7 | Ujjain Smart City Limited | 2020-21 |
| 8 | Gwalior Smart City Development Corporation Limited | 2019-20 |
| 9 | Satna Smart City Development Limited | 2019-20 |
| 10 | Satna Smart City Development Limited | 2020-21 |
| 11 | B-Nest Foundation, Bhopal | 2018-19 |
| 12 | B-Nest Foundation, Bhopal | 2019-20 |
| 13 | Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal | 2020-21 |
| 14 | Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Jabalpur | 2020-21 |
| 15 | Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore | 2020-21 |
| 16 | Madhya Pradesh Power Generating Company Limited, Jablpur | 2020-21 |
| 17 | Madhya Pradesh Power Transmission Company Limited | 2020-21 |
| 18 | Madhya Pradesh Pichda Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam | 2011-12 |

Appendix 5.6
Broad nature of irregularities highlighted in Management Letters
(Reference: Paragraph 5.16; Page 146)

| Sl. No. | Name of Company |
|---------|---|
| 1 | Madhya Pradesh Van Vikas Nigam Limited (2019-20) |
| 2 | MP Metro Rail Corporation Limited Bhopal (2019-20) |
| 3 | MP Metro Rail Corporation Limited Bhopal (2020-21) |
| 4 | MP Metro Rail Corporation Limited Bhopal (2021-22) |
| 5 | Bhopal Smart City Development Corporation Limited (2019-20) |
| 6 | Indore Smart City Development Limited (2020-21) |
| 7 | Ujjain Smart City Limited (2020-21) |
| 8 | Jabalpur Smart City limited (2020-21) |
| 9 | Gwalior Smart City Development Corporation Limited (2019-20) |
| 10 | Satna Smart City Development Limited (2019-20) |
| 11 | Satna Smart City Development Limited (2020-21) |
| 12 | B-Nest Foundation, Bhopal (2018-19) |
| 13 | B-Nest Foundation, Bhopal (2019-20) |
| 14 | DMIC Vikram Udyogpuri Limited (2019-20) |
| 15 | Madhya Pradesh State Mining Corporation Limited (2020-21) |
| 16 | Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal (2020-21) |
| 17 | Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Jabalpur (2020-21) |
| 18 | Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore (2020-21) |
| 19 | Madhya Pradesh Power Generating Company Limited, Jabalpur (2020-21) |
| 20 | Madhya Pradesh Power Transmission Company Limited (2020-21) |
| 21 | Madhya Pradesh Pichda Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam (2011-12) |

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

www.agmp.nic.in