



सत्यमेव जयते

State Finances Audit Report of the Comptroller and Auditor General of India for the year ended 31 March 2023



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



Government of Madhya Pradesh
Report No. 1 of the year 2024

**STATE FINANCES AUDIT REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA
for the year ended 31 March 2023**

GOVERNMENT OF MADHYA PRADESH
Report No. 1 of the year 2024

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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 2023. 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

About the Report

This Report of the CAG of India is on the State Finances for the year 2022-23. It provides an overview of the finances, budgetary management and quality of accounts, financial reporting practices and other matters relevant to State Finances.

This executive summary highlights the contents of this report and through snapshots of the important figures and aspects, provides insight into fiscal sustainability, performance against the budget intent, revenue and expenditure projection, the reasons for variations and its impact.

Gross State Domestic Product

The growth rate of GSDP of the Madhya Pradesh has gone through ups and downs between 2018-19 and 2022-23, same as the National Gross Domestic Product. The main reason for this fluctuation can be considered to be the spread of Covid-19 pandemic at the global level in the year 2020-21. During the pandemic, in the year 2020-21, the growth rate of GSDP compared to previous year 2019-20 had fallen from 11.82 per cent to 3.64 per cent, whereas in the same period, the national GDP growth rate was (-)1.36 per cent. However, post pandemic, the rate of GSDP significantly increased from 3.64 per cent in 2020-21 to 18.15 per cent in the year 2021-22, which was almost equal to the national growth rate of GDP at 18.36 per cent during this period. Although, there has been a decrease of 1.72 per cent in growth rate of GSDP of Madhya Pradesh in 2022-23 as compared to the financial year 2021-22, the growth rate was higher than the national GDP growth rate (16.06 per cent).

Receipt-Expenditure Mismatch

The continuous mismatch between receipts and expenditure indicates rising fiscal stress. The State has different sources of receipts such as State Own Tax Revenue, Non-tax Revenue, Devolution of States' share in taxes, Grants in aid and transfers from the Union Government and non-debt capital receipts. The State Government's expenditure includes revenue expenditure on revenue account as well as capital expenditure (assets creation, loans and advances, investments, etc).

From 2018-19 to 2022-23, revenue receipts increased by 37 per cent from ₹1,48,893 crore in 2018-19 to ₹2,03,986 crore in 2022-23. Grants-in-aid from GoI increased by 29.10 per cent during 2018-23.

The revenue buoyancy with reference to GSDP decreased from 0.73 per cent in 2018-19 to 0.59 per cent in 2022-23. The State's own revenue buoyancy with reference to GSDP also decreased from 0.93 per cent in 2018-19 to 0.51 per cent in 2022-23.

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

service network. Between 2018-19 and 2022-23, revenue expenditure increased from ₹1,42,149 crore (17.13 *per cent* of GSDP) to ₹1,99,895 crore (15.11 *per cent* of GSDP). It consistently made up a significant portion (80 to 84 *per cent*) of the total expenditure during this period, growing at an average annual rate of 8.10 *per cent*.

Result of expenditure beyond means

The gap between the revenue receipt and revenue expenditure results in revenue deficit. The State experienced revenue deficit during 2019-21 (₹2,801 crore in 2019-20 and ₹18,356 crore in 2020-21). However, from 2021-22 onwards, the State has been revenue surplus and in the current year (2022-23) the revenue surplus was ₹4,091 crore. The revenue surplus as percentage of GSDP decreased marginally in 2022-23 (0.31 *per cent*) compared to previous year (0.42 *per cent*).

Capital Expenditure which was ₹29,424 crore in 2018-19 stood at ₹44,438 crore in 2022-23 witnessing a growth of 51.03 *per cent*. Capital Expenditure as a percentage of GSDP decreased from 3.55 *per cent* in 2018-19 to 3.36 *per cent* in 2022-23.

Total Expenditure is composed of expenditure on General Services, including Interest Payments, Social Services, Economic Services and others. Total Expenditure of the State increased by 43 *per cent* from ₹1,72,664 crore in 2018-19 to ₹2,46,692 crore in 2022-23. During 2022-23, it increased by 9.63 *per cent* over the previous year. As a percentage of GSDP, the Total Expenditure decreased from 20.81 *per cent* to 18.65 *per cent* during 2018-23.

The gap between the total expenditure and total non-debt receipt of the State results in fiscal deficit. The fiscal deficit is reflective of the total borrowing requirements of Government, increased substantially to ₹41,202 crore (3.11 *per cent* of GSDP) in 2022-23 from ₹37,487 crore (3.30 *per cent* of GSDP) in 2021-22.

Primary Deficit, which indicates the excess of primary expenditure (total expenditure net of interest payments) over non debt receipts, increased to ₹21,749 crore (1.64 *per cent* of GSDP) in 2022-23 from ₹10,992 crore (1.32 *per cent* of GSDP) in 2018-19.

The State was within the targets specified by the XV FC during 2022-23 with regard to the key fiscal parameters. It had a Fiscal Deficit of ₹41,202 crore during the year 2022-23, representing 3.11 *per cent* of the GSDP and constituted 16.70 *per cent* of Total Expenditure. The Primary Deficit of ₹19,041 crore in 2021-22 increased to ₹21,749 crore and Revenue Surplus of ₹4,815 crore in 2021-22 decreased to ₹4,091 crore in 2022-23.

Committed Expenditure has grown from ₹73,158 crore (51.47 *per cent* of RE) in 2018-19 to ₹1,05,232 crore (52.64 *per cent* of RE) in 2022-23. However, as compared to 2021-22, Committed Expenditure increased by ₹9,363 crore (9.77 *per cent*) in 2022-23, mainly because of 15.54 *per cent* increase in Expenditure on Pensions and 13.88 *per cent* increase in Salaries and Wages.

The components of Inflexible expenditure showed a continued increase during the period 2018-19 to 2022-23. As a percentage of revenue expenditure, the inflexible expenditure increased from 7.86 *per cent* to 13.99 *per cent*. Further, the inflexible expenditure (₹27,969.59 crore) increased by 82.91 *per cent* during 2022-23 over the previous year (₹15,291.21 crore).

Contingent Liabilities on account of Guarantees

As on 31 March 2023, the outstanding guarantees of ₹39,788.47 crore which is 21.41 *per cent* of the State Revenue Receipts (₹1,85,875.85 crore) of the year 2021-22 and are within the limits prescribed.

GoMP did not pay any amount towards guarantees on account of default by the borrowers during 2022-23. The composition of the maximum amount guaranteed was towards six¹ entities of Power Sector (₹17,858 crore), six² institutions of Urban Development and Housing (₹7,332 crore), seven³ institutions of Other Sectors (₹38,485 crore), Co-operatives (₹3,250 crore) and State Financial Corporation (₹700 crore).

Guarantee fee is charged from the principal debtors unless exempted specifically. During 2022-23, GoMP received ₹36.58 crore as guarantee fees out of the total receivable of ₹112.09 crore.

Fiscal sustainability

Fiscal sustainability is examined in terms of macro-fiscal parameters such as deficits, level of debt and liabilities, commitments on account of off-budget borrowings, guarantees, subsidies, etc. So far as revenue and expenditure mismatch is concerned, one of the important constraints is committed and inflexible expenditure, which includes salaries and wages, pension payments, interests, etc. and also other inflexible expenditure such as those arising out of commitment for centrally sponsored schemes, transfer to reserve funds, transfer to local bodies, etc.

FRBM requirements and compliance with fiscal parameters

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 2022-23, had recommended that the fiscal deficit be capped at 3.50 *per cent* of GSDP. During the year 2022-23, 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 4.00 *per cent* of GSDP for the year 2022-23.

The State achieved Revenue Surplus during the period 2018-19, 2021-22 and 2022-23 but could not maintain the same during 2019-20 and 2020-21. During 2022-23, Revenue Surplus decreased by 15.04 *per cent* over the previous year, while Fiscal Deficit increased by 9.91 *per cent* during 2022-23.

As per the debt stabilisation analysis, Debt-GSDP ratio rose from 18.97 *per cent* in 2018-19 to 23.78 *per cent* in 2020-21. However, it went down marginally to 21.90 *per cent* in 2022-23.

¹ 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.

² Nagar Nigam, Nagar Palika, State Development Agency Ltd., M.P. Urban Development Company Ltd., Nagar Parishad, M.P. Police Housing Corporation Ltd.

³ 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.

During 2018-23 the State had primary deficit. The Domar gap (g-r) remained positive from 2018-19 to 2019-20 and turned into negative during 2020-21 indicating that the Public Debt as a percentage of GSDP would increase indefinitely, without converging to a stable level. However, in 2021-22 the Domar gap again turned positive although its value increased from the preceding years. Thus, as per the Domar model analysis of Debt sustainability, it may be stated that the public debt would converge to a stable level. The Domar gap (g-r) was negative during the Covid year (2020-21). However, in the post Covid years, the Domar gap turned positive due to high growth rate in GSDP. Positive Domar gap due to high growth rate may also be seen with reference to low base for comparison in the previous year.

Overall Budget reliability assessment

Overall Budget reliability assessment indicated that the against the total budget provision of ₹3,21,658.21 crore, an expenditure of ₹2,71,114.46 crore incurred leading to a savings of ₹50,543.75 crore (15.71 *per cent* of total budget provision) out of the savings an amount of ₹27,559.07 crore was allowed to lapse and the Department surrendered ₹22,914.55 crore (99.69 *per cent* of the total surrendered amount of ₹22,984.68 crore) on the last day of the financial year whereas Supplementary provisions of ₹42,421.41 crore obtained in 53 Grants and seven Appropriations for the year 2022-23 out of which ₹17,973.35 crore proved unnecessary which shows a reliable budget practice should be adopted while preparing the budget.

Budget performance

Aggregate Budget Outturn

Budget performance in terms of budget intent and budget implementation is examined to assess extent to which the aggregate budget expenditure outturn reflects the amount originally approved. In Revenue section, deviation in outturn compared with BE was (-) 1.41 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 41 Grants, between ± 25 *per cent* and ± 50 *per cent* in eight Grants, and above ± 50 *per cent* in nine Grants. In Capital section, deviation in outturn compared with BE was (-) 7.04 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 16 Grants, between ± 25 *per cent* to ± 50 *per cent* in 11 Grants, and above ± 50 *per cent* in 22 Grants.

Expenditure composition outturn

Budget performance also looks at the extent to which the re-allocation between the main budget categories during the execution have contributed to variance in expenditure composition. This measure indicates the extent of variation between the original budget and the actual expenditure. In Revenue section, deviation in outturn compared with RE was (-) 3.09 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 45 Grants, between ± 25 *per cent* to ± 50 *per cent* in nine Grants, and above ± 50 *per cent* in four Grants. In Capital section, deviation in outturn compared with RE was (-) 3.00 *per cent*. This was due to deviation between 0 and ± 25 *per cent* in 29 Grants, between ± 25 *per cent* to ± 50 *per cent* in five Grants, and above ± 50 *per cent* in 15 Grants.

Quality of Accounts and Financial Reporting

Quality of accounts and financial reporting covers items, transactions and events which relate to gaps in compliance, regularity weaknesses and issues relating to delay in receipt of those

accounting records or adjustment records which evidence the actual expenditure. It also highlights issues pertaining to the accounts and financial reporting such as parking of funds outside the Government accounts, non or short discharging of liabilities and misclassification of transactions and data gaps.

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

During 2022-23, 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 was ₹564.40 crore and it increased by ₹30.62 crore (5.74 per cent) as compared to the previous year.

Regularisation of Excess over Grants/Appropriations

The State Government has to get excesses over Grants/Appropriations regularized by the State Legislature as per article 204 and 205(1)(b) of the constitution. It was observed excess expenditure amounting to ₹1,678.00 crore pertaining to the years 2011-12 to 2020-21 was done without Legislative approval, yet to be regularised by the State Legislature.

Misclassification in Accounts

Expenditure of ₹2,381.53 crore was booked under Capital expenditure instead of accounting for it under Revenue expenditure, due to this Revenue expenditure was understated by ₹2,381.53 crore and Capital expenditure was overstated by ₹2,381.53 crore. Similarly, an amount of ₹89.25 crore was incorrectly budgeted as Revenue expenditure instead of Capital expenditure, due to this Revenue expenditure was overstated by ₹89.25 crore and Capital expenditure was understated by ₹89.25 crore.

Reconciliation (Reconciliation of Accounts)

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 Accountant General (A&E)-I. In Madhya Pradesh, instead of Budget Controlling Officers, Directorate of Treasuries and Accounts is primarily reconciling the figures with the A&E office.

During 2022-23, Directorate of Treasuries and Accounts has reconciled expenditure of ₹2,36,395.56 crore (87.98 per cent of the total expenditure of ₹2,68,699.09 crore under the Consolidated Fund) and receipt of ₹1,77,121.05 crore (67 per cent of total receipts of ₹2,64,357.62 crore under the Consolidated Fund).

Compliance with IGAS (Compliance with Accounting Standards)

As against the requirements of the Indian Government Accounting Standards (IGAS), the State Government did not make compliance with IGAS-2: Accounting and Classification of Grants-in-Aid.

Personal Deposit Accounts

As of 31 March 2023, 821 personal Deposit Accounts were in existence and the closing balance in these accounts was ₹2,353.57 crore. Out of total number of 821 PD accounts, 199 PD

accounts having a total balance of ₹214.39 crore were inoperative for more than three years as of 31 March 2023.

Funds to Single Nodal Agency

The State Government received ₹21,237.40 crore being Central share during the year 2022-23 in its Treasury Accounts. The State share was ₹15,603.02 crore as on 31 March 2023, the Government transferred Central share of ₹19,883.83 crore received in Treasury Accounts and State share of ₹14,298.04 crore to the SNAs. Detailed vouchers and supporting documents of actual expenditure were not received by AG office from the SNAs. As informed by the State Government / SNAs, ₹12,081.03 crore are lying unspent in the bank accounts of SNAs as on 31st March 2023.

Delay in Submission of Utilisation Certificates

Despite the requirement of submitting Utilisation Certificates (UCs) against conditional grants within a stipulated time period, 19,965 outstanding UCs of ₹20,685.36 crore were pending as on 31 March 2023.

Compliance with prevailing rules and codal provisions are meant to ensure control and accountability in accounting and financial reporting. Non-compliance and deviations impact the quality of accounting and financial reporting adversely. Non-timely submission of UCs against conditional grants; non-compliance with IGAS; funds remaining outside Government accounts; and non-supply of details of expenditure from SNAs have impacted the quality of accounts adversely.

Working of State Public Sector Undertakings

As on 31 March 2023, there were 73 State Public Sector Undertakings (SPSUs) in Madhya Pradesh, including 61 Government Companies (including 14 inactive Government Companies), three Statutory Corporations (including one inactive corporation) and nine Government Controlled Other Companies under the audit jurisdiction of the Comptroller and Auditor General of India (CAG). Audit noticed that the prescribed timelines regarding submission of Financial Statements were not adhered to by 66 SPSUs whose 258 accounts were in arrears. Out of the total profit of ₹552.22 crore earned by 11 working SPSUs, 74.18 per cent was contributed by three SPSUs only. Out of total loss of ₹1,940.50 crore incurred by 12 working SPSUs, loss of ₹1,779.26 crore was incurred by three Power Sector SPSUs.

The State Government may impress upon the managements of SPSUs to ensure timely submission of their financial statements. In the absence of finalised accounts, Government investments in such SPSUs remain outside the oversight of the State Legislature. The State Government may also analyse the reasons of losses in loss making SPSUs and initiate steps to make their operations efficient and profitable.

Chapter I

OVERVIEW

Chapter I-Overview

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 3,08,252 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 15.29 *per cent*, the decadal (2013-2023) growth rate of population of the State was more than the all India decadal growth rate of 11.68 *per cent*.

The State has 52 districts, which are grouped into 10 administrative divisions. The per capita Gross State Domestic Product at current prices was ₹1,53,550 in 2022-23, which was lower than the per capita Gross Domestic Product (GDP) of ₹1,96,983.

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.

Gross Value Added (GVA) is the value of goods and services produced in an economy in a financial year. It is the total value of output produced, without including the intermediary costs that went into producing them.

Gross Value Added is being used for economic analysis by Government of India and international organisations like International Monetary Fund and World Bank as GVA is considered better indicator of economic growth compared to GDP, as it ignores the impact of taxes and subsidies. While GDP can be and is also computed as the sum total of the various expenditures incurred in the economy including private consumption spending and gross fixed capital formation or investment spending, reflecting essentially on the demand conditions in the economy. Both measures have difference in treatment of net taxes as a result of which the inclusion of taxes in GDP may differ from the real output situation. From a policymaker's perspective it is therefore vital to have a comparison of the GVA and Gross State Value Added (GSVA) data for better analysis and making policy interventions.

A Comparison between the trends in GSDP to GDP and GVA to GSVA during the period 2018-19 to 2022-23 is shown in **Table 1.1** below:-

Table 1.1: Trends in growth of GDP and GSDP

Particulars	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
INDIA					
GDP (2011-12 Series) at current prices	1,88,99,668	2,01,03,593	1,98,29,927	2,34,71,012	2,72,40,712
GVA (2011-12 Series) at current price	1,71,75,128	1,83,81,117	1,81,88,780	2,14,38,883	2,47,42,871
Growth rate of GDP over previous year (<i>per cent</i>) at current prices	10.59	6.37	(-) 1.36	18.36	16.06
Growth rate of GVA over previous year (<i>percent</i>) at current prices`	10.77	7.02	(-) 1.05	17.87	15.41
Per Capita GDP	0.014	0.015	0.015	0.017	0.020
Madhya Pradesh					
GSDP (2011-12 Series) at current prices	8,29,805	9,27,855	9,61,643 (P.E)	11,36,137 (Q.E)	13,22,821 (A.E)
GSVA (2011-12 Series) at current price	7,83,520	8,69,608	9,09,410 (P.E)	10,66,160 (Q.E)	12,41,882 (A.E)
Growth rate of GSDP over previous year (<i>per cent</i>) at current prices	14.25	11.82	3.64	18.15	16.43
Growth rate of GSVA over previous year (<i>per cent</i>) at current prices	14.64	10.99	4.58	17.24	16.48
Per Capita GSDP	0.010	0.011	0.011	0.012	0.015

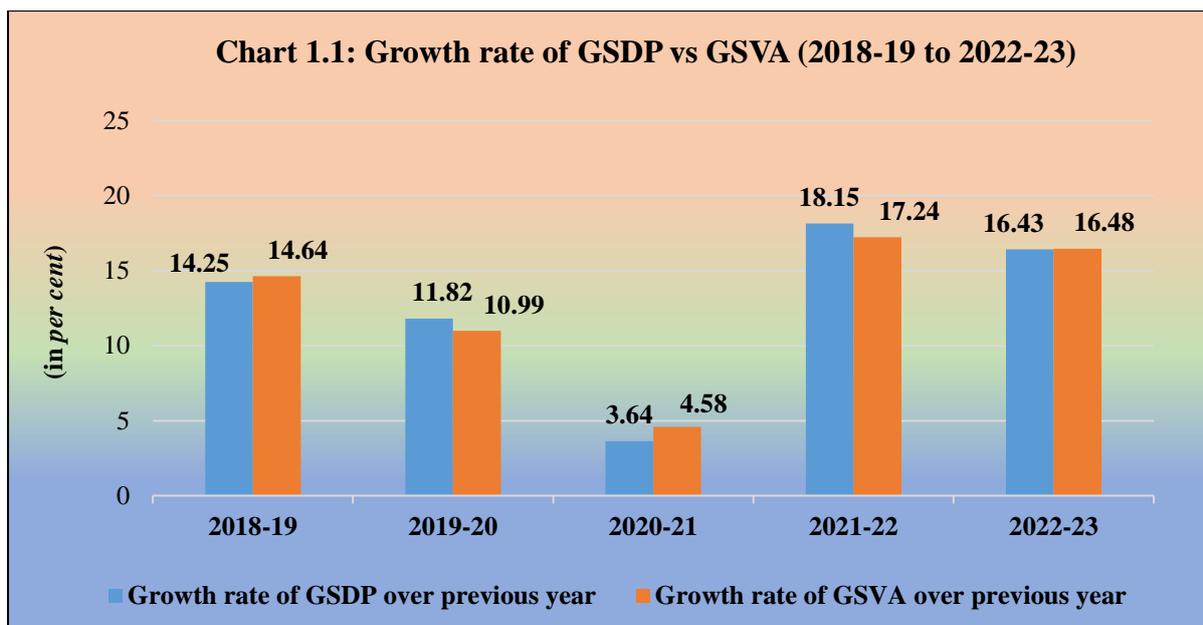
Source: Information furnished by Economic Advisor, Ministry of Statistics and Programme Implementation, GoI and Directorate of Economics and Statistics, Madhya Pradesh

P.E. – Provisional Estimates; Q.E. – Quick Estimates; A.E. – Advance Estimates

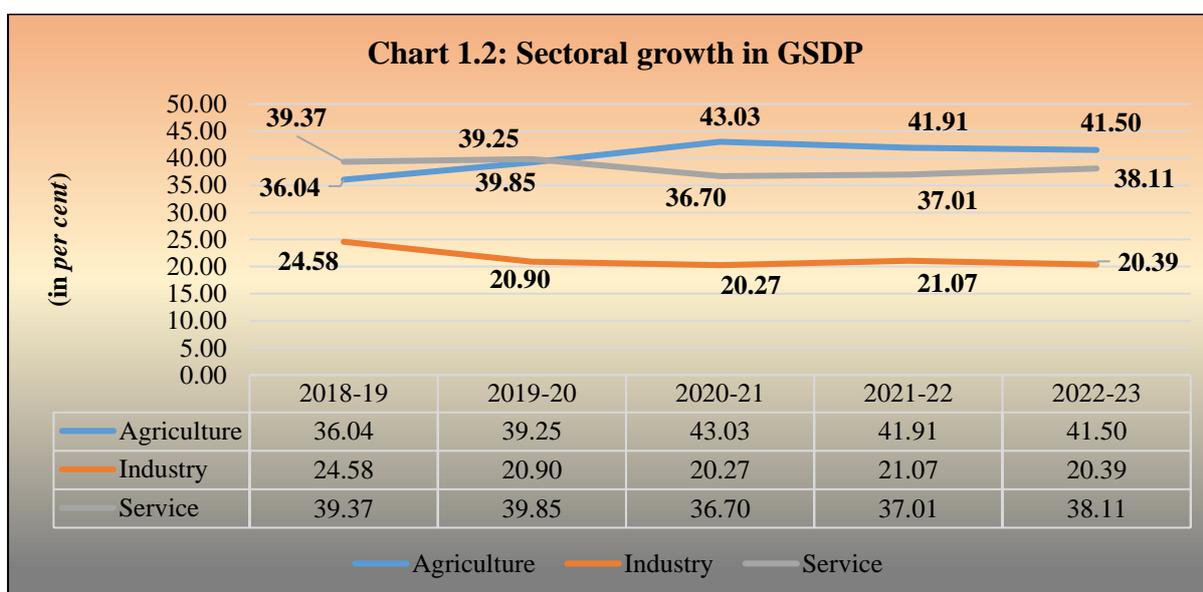
As can be seen from the above Table, the GSDP of the Madhya Pradesh has gone through ups and downs between the financial year 2018-19 and 2022-23 same as the National Gross Domestic Product. The main reason for this fluctuation can be considered to be the spread of Covid-19 pandemic at the global level in the year 2020-21. During the pandemic, in the year 2020-21, the growth rate of GSDP compared to previous year 2019-20 had fallen from 11.82 *per cent* to 3.64 *per cent*, whereas in the same period, the national GDP growth rate was (-)1.36 *per cent*. Immediately after the pandemic, the rate of GSDP took off from 3.64 *per cent* to 18.15 *per cent* in the year 2021-22 itself, showing good recovery signs by the economy of Madhya Pradesh, which was almost equal to the national growth rate of GDP at 18.36 *per cent* during this period. Although there has been a decrease of 1.72 *per cent* in GSDP of Madhya Pradesh in 2022-23 as compared to the financial year 2021-22, the growth rate was higher than the national GDP growth rate (16.06 *per cent*).

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 trends of GSDP and GSVA for the period from 2018-19 to 2022-23 are indicated in the **Chart 1.1** below:



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



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

Chart 1.2 shows that during the period 2018-19 to 2022-23, there has been an increase in the relative share of Agriculture sector in GSDP of the State from 36.04 *per cent* in 2018-19 to 41.50 *per cent* in 2022-23. During the same period, there has been decrease in the share of Industry Sector from 24.58 *per cent* in 2018-19 to 20.39 *per cent* in 2022-23 and Service Sector from 39.37 *per cent* in 2018-19 to 38.11 *per cent* in 2022-23.

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 2023

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 2022-23 constitute the core data for this report. Other sources include the following:

- Budget of the State for the year 2022-23 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 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 (accounting as well as MIS);
- 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 2018-23.

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.

The Audit analysis/findings of Chapter I to V of the Report were communicated to the Government in November 2023. Their replies have not been received (November 2023).

1.3 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

(Vote 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.

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;

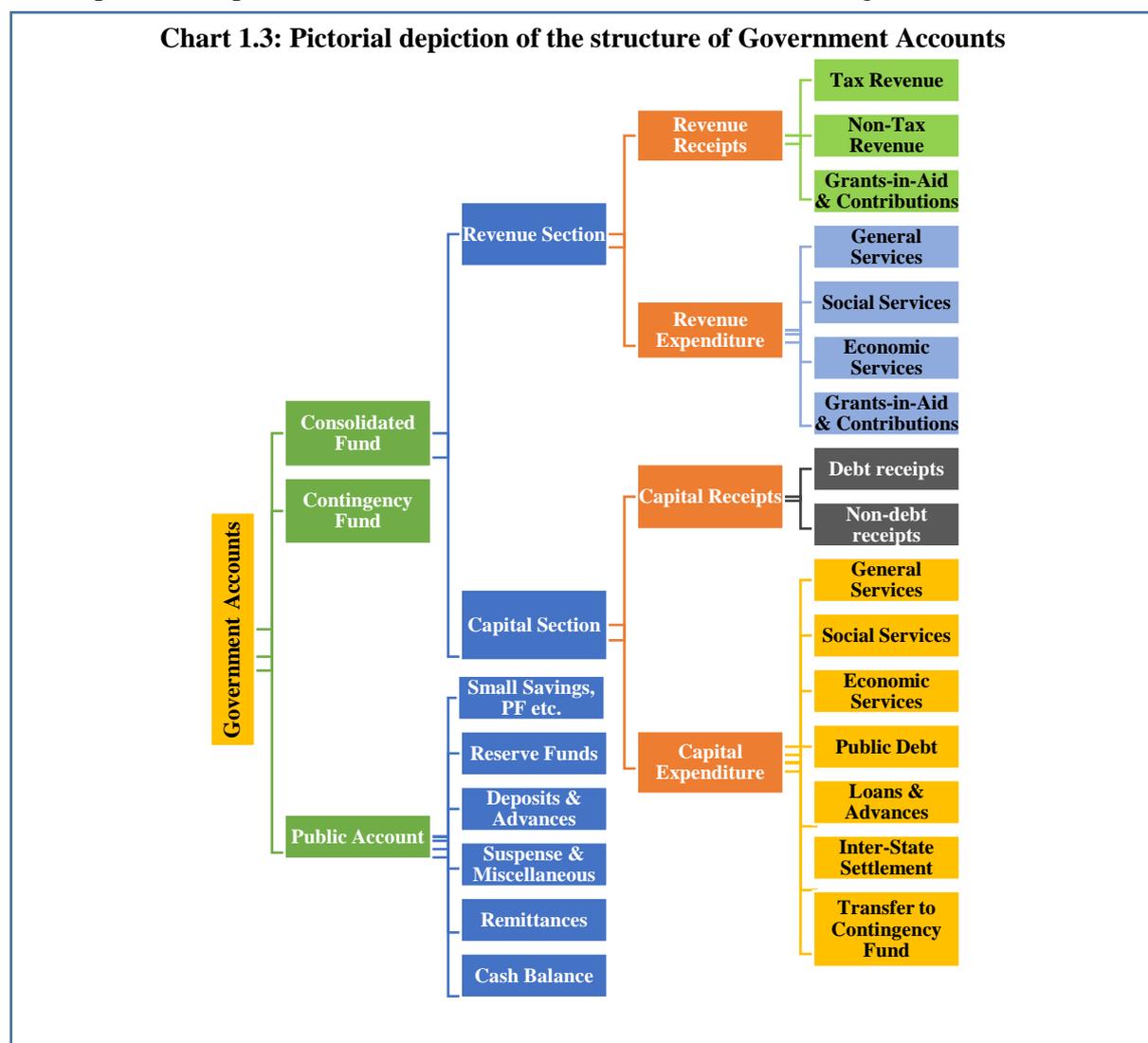
Capital Expenditure includes expenditure on the acquisition of land, buildings, machinery, equipment, investment in shares, and loans and advances by the Government to PSUs and other parties.

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 1.3:**



Source: Finance Accounts

Public Debt and Public Liability: In this Report, ‘Public Debt’ has been taken to comprise market borrowings, institutional loans, special securities issued to National Small Savings Fund (NSSF), loan given by Central Government etc. For this purpose, the major heads 6003 and 6004– Public Debt have been taken into consideration.

Further, the transactions relating to ‘Small Savings, Provident Fund, *etc.*’, ‘Reserve Funds’ and ‘Deposit and Advances’ under Public Account are such that the Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid. The transactions relating to ‘Remittances’ and ‘Suspense’ under Public Account, includes merely adjusting heads such as transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles.

In this Report, ‘Public Liability’ has been taken to include the transactions under major heads 8001 to 8554 relating to ‘Small Savings, Provident Fund, *etc.*’, ‘Reserve Funds’ and ‘Deposit and Advances’ along with the transactions under major heads 6003 and 6004.

1.4 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 2022-23, 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 59 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 2022-23, 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 2022-23 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, Agriculture Budget and Child 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.

Child Budget: The Child Budget of the State is part of the overall budget and is designed to benefit child under 18 years old. As per the Child Budget document, schemes relating to Child Budget directly and indirectly for the development of children are bifurcated in two categories: (1) Schemes in which 100 *per cent* budget provision are related to children, and (2) Schemes in which at least 30 *per cent* of budget provision are related to children.

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 removed¹ 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.

1.5 Snapshot of Finances

The following **Table 1.2** provides the details of actual financial results *vis-à-vis* Budget Estimates (BE) of 2022-23:

Table 1.2: Actual financial results *vis-à-vis* Budget Estimates for 2022-23

(₹ in crore)						
Sl. No.	Components	2021-22 (Actuals)	2022-23 (Actuals)	2022-23 (BE)	Percentage of Actuals to BE	Percentage of Actuals to GSDP
1	Tax Revenue (2+3)	1,35,778.84	1,47,153.40	1,36,966.68	107.44	11.12
2	Own Tax Revenue	66,237.34	72,610.55	72,859.69	99.66	5.49
3	Share of Union Taxes & Duties	69,541.50	74,542.85	64,106.99	116.28	5.64
4	Non-Tax Revenue	15,304.88	19,878.34	13,618.20	145.97	1.50
5	Grants-in-aid and Contributions	34,792.13	36,954.45	44,594.81	82.87	2.79
6	Revenue Receipts (2+3+4+5)	1,85,875.85	2,03,986.19	1,95,179.69	104.51	15.42
7	Recovery of Loans and Advances	62.17	1,458.12	24.42	5971.01	0.11
8	Other Receipts (CR)	1,597.70	46.77	--	--	0.00
9	Borrowings and other Liabilities ^(a)	37,487.38	41,202.22	53,947.79	76.37	3.11
10	Capital Receipts (7+8+9)	38,104.14	48,414.86	53,972.21	89.70	3.66
11	Total Receipts (6+10)	2,23,979.99	2,52,401.05	2,49,152.21	101.30	19.08
12	Revenue Expenditure	1,81,061.30	1,99,895.26	1,98,915.70	100.49	15.11
13	Interest payments	18,445.91	19,453.27	22,166.43	87.76	1.47
14	Capital Expenditure	40,733.11	44,438.37	45,685.98	97.27	3.36
15	Loans and Advances	3,228.69	2,360.17	3,113.76	75.80	0.18

¹ 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.

Sl. No.	Components	2021-22 (Actuals)	2022-23 (Actuals)	2022-23 (BE)	Percentage of Actuals to BE	Percentage of Actuals to GSDP
16	Total Expenditure (12+14+15)	2,25,023.10	2,46,693.80	2,47,715.44	99.59	18.65
17	Revenue Deficit (-)/ Surplus (+)	4,814.55	4,090.93	(-),3,736.01	209.50	0.31
18	Fiscal Deficit	37,487.38	41,202.22	52,511.34	78.46	3.11
19	Primary Deficit	19,041.46	21,748.95	30,344.91	71.67	1.64

Source: Finance Accounts and Budget books 2022-23

^(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.

1.5.1 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 debt, 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 2022-23 may be seen in **Table 1.3** below:

Table 1.3: Summarised position of Assets and Liabilities

(₹ in crore)

Liabilities				Assets			
	2021-22	2022-23	Per cent Increase (+)/ Decrease (-)		2021-22	2022-23	Per cent Increase (+)/ Decrease (-)
Consolidated Fund							
Internal Debt	2,23,013.14	2,51,427.60	12.74	Gross Capital Outlay	3,13,487.91	3,57,926.28	14.18
Loans and Advances from GoI	41,351.31 ²	49,797.93	20.43	Loans and advances	46,923.67	47,825.72	1.92
Contingency Fund	1,000.00	1,000.00	0.00				
Public Account							
Small Savings, Provident Funds, etc.	19,310.64	18,019.74	(-),6.68	Advances	3.48	3.49	0.29
Deposits	19,182.08	21,711.25	13.19	Remittance	--	--	--
Reserve Funds	21,334.71	23,969.69	12.35				
Suspense and Miscellaneous balances	880.60	2,330.93	164.70	Suspense and Miscellaneous	--	--	--
Remittances	4,782.10	5,677.34	18.72	Cash balance (including investment in	17,296.25	19,151.56	10.73

² 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).

Liabilities				Assets			
				Earmarked Funds)			
				Total	3,77,711.31	4,24,907.05	12.50
				Deficit on Government Account	(-46,856.73	(-50,991.97	(-8.83
Total	3,30,854.58	3,73,934.48	13.02	Total	3,30,854.58	3,73,915.08*	13.01

Source: Finance Accounts of respective year

*Difference due to non recoupment of an amount of ₹19.40 crore in the Contingency Fund of the state.

1.6 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.

1.6.1 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.

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 2022-23, had recommended that the fiscal deficit be capped at 3.50 *per cent* of GSDP. During the year 2022-23, 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 4.00 *per cent* of GSDP for the year 2022-23.

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 2018-19 to 2022-23 are given in **Table 1.4 (a)**:

Table 1.4(a): Compliance with provisions of MPFRBM Act /MTFPS

Fiscal Parameters	Fiscal targets set in the Act	Achievement (₹ in crore)				
		2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Deficit (-)/ Surplus (+)	Revenue Surplus	6,744	(-)2,801	(-)18,356	4,815	4,091
		✓	✗	✗	✓	✓
Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP)	Given in brackets under individual years	2.85 (Not exceeding 3.24% of GSDP)	3.55 (Not exceeding 3.34% of GSDP)	5.19 (Not exceeding 4.99% of GSDP)	3.30 (Not exceeding 4.50% of GSDP)	3.11 (Not exceeding 4.56% of GSDP)
		✓	✗	✗	✓	✓
Ratio of total Outstanding liability to GSDP (in per cent)		23.42 (Not exceeding 26.34% of GSDP)	24.85 (Not exceeding 24.43% of GSDP)	29.61 ³ (Not exceeding 28.83% of GSDP)	27.48 ⁴ (Not exceeding 28.52% of GSDP)	26.68 ⁵ (Not exceeding 33.31% of GSDP)
		✓	✗	✗	✓	✓

Source: Finance Accounts of respective years

The targets set by 15th FC and those projected in the State budget vis-à-vis achievements in respect of major fiscal aggregates with reference to GSDP during 2022-23 are given in **Table 1.4(b)**:

Table 1.4(b): Targets vis-à-vis achievements in respect of major fiscal aggregates for the year 2022-23

Fiscal Variables	Targets as prescribed by 15 th FC	Targets in the Budget	Actuals	Percentage variation of actuals over	
				Targets of 15 th FC	Targets in Budget
Revenue Surplus/Deficit/GSDP (per cent)	-2.60	-0.32	0.31	2.91	0.63
Fiscal Deficit/GSDP (per cent)	4.00	4.56	3.11	0.89	1.45
Total outstanding liability/GSDP (per cent)	32.90	33.31	26.85	6.05	6.46

Source: Recommendation of 15th FC and Finance Accounts

The State achieved Revenue Surplus during the period 2018-19, 2021-22 and 2022-23 but could not maintain the same during 2019-20 and 2020-21. During 2022-23, Revenue Surplus decreased by 15.04 per cent over the previous year, while Fiscal Deficit increased by 9.91 per cent during 2022-23.

³ 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.

⁴ 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.

⁵ Debt to GSDP percentage has been calculated on total debt of ₹3,52,963 crore excluding back to back loan of ₹11,553 crore in lieu of GST compensation shortfall from the total outstanding debt of ₹3,63,952 crore and including Off Budget borrowing ₹564 crore.

Revenue receipts increased by ₹18,110 crore in 2022-23 as compared to 2021-22 due to increase under Own Tax Revenue by ₹6,374 crore in 2022-23 over the previous year, which was mainly under State Excise (increase of ₹2,621 crore), Taxes on Sales, Trade etc (increase of ₹1,534 crore) and State Goods and Service Tax (increase of ₹1,369 crore). During current year, Non-Tax revenue increased by ₹4,573 crore over the previous year mainly under Interest Receipts by ₹2,925 crore (177.92 per cent), Crop Husbandry by ₹2,197 crore (8788 per cent) and Non-Ferrous Mining and Metallurgical Industries by ₹1,180 crore (19.09 per cent).

During the current year, major contributors of own Tax Revenue were State Goods and Services Tax (32.22 per cent), Taxes on Sales, Trades, etc. (24.40 per cent) and State Excise (17.84 per cent).

Major contributors of Non-Tax Revenue in 2022-23 were Non-Ferrous Mining and Metallurgical Industries (37.03 per cent), Interest Receipts (22.99 per cent) and Crop Husbandry (11.18 per cent).

1.6.2 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.

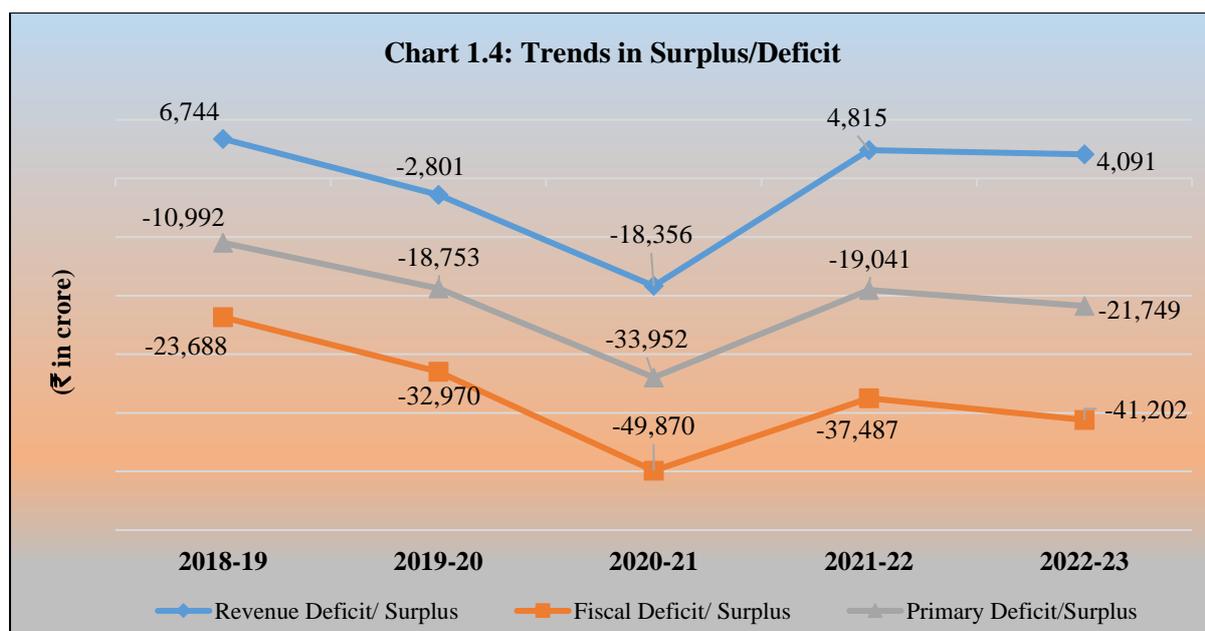
Table 1.5 indicates the variations between the projections made for 2022-23 in MTFPS presented to the State Legislature along with the Annual Budget for 2022-23, and actuals of the year:

Table 1.5: Actuals vis-à-vis projection in MTFPS for 2022-23

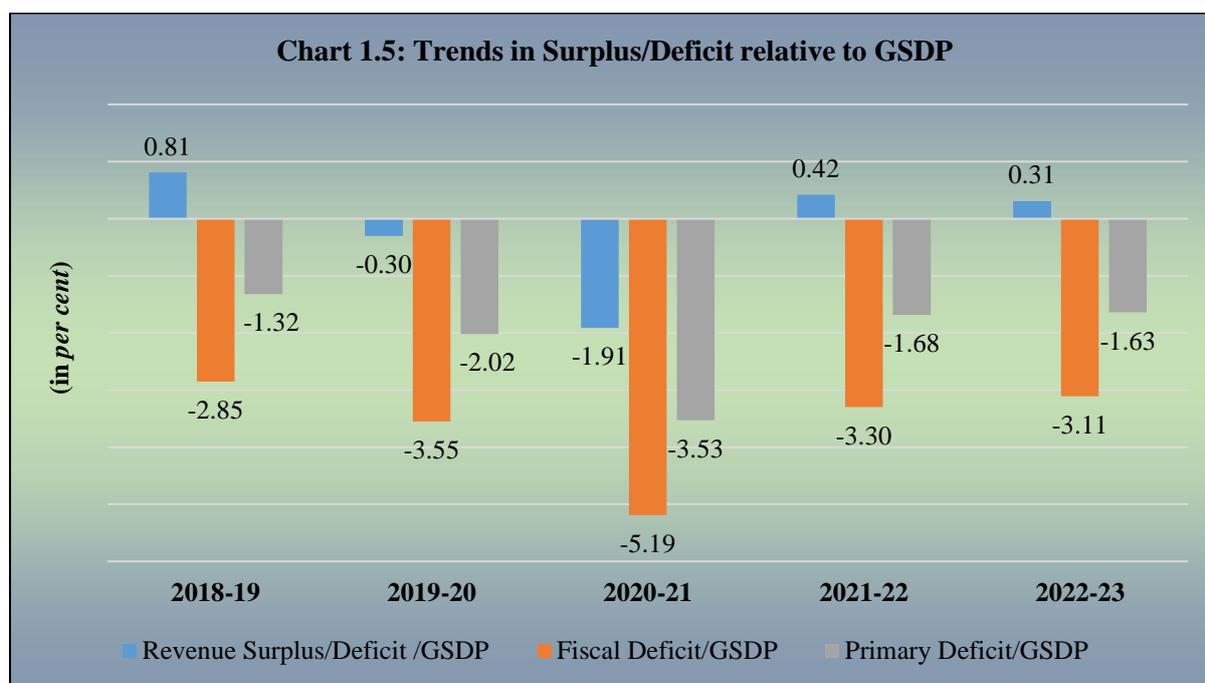
Fiscal Variables	(₹ in crore)		
	Projection as per MTFPS	Actuals (2022-23)	Variation (in per cent)
Own Tax Revenue	72,859.69	72,610.55	(-)0.34
Non-Tax Revenue	13,618.20	19,878.34	45.97
Share of Central Taxes	64,106.99	74,542.85	16.28
Grants-in-Aid from GoI	44,594.81	36,954.45	(-)17.13
Revenue Receipts	1,95,179.69	2,03,986.19	4.51
Revenue Expenditure	1,98,915.70	1,99,895.26	0.49
Revenue Deficit (-)/ Surplus (+) as a percentage of GSDP	(-)0.32	0.31	196.88
Fiscal Deficit as a percentage of GSDP	4.56	3.11	(-)31.80
Debt-GSDP ratio (per cent)	33.31	26.68	(-)19.90
GSDP growth rate at current prices	11.10	16.43	48.01

Source: Finance Accounts and Budget documents 2022-23

The trend of surplus and deficit over the five years period from 2018-19 to 2022-23 is depicted in **Chart 1.4** and trend in surplus or deficit relative to GSDP is given in **Chart 1.5** below:



Source: Finance Accounts of respective years



Source: Finance Accounts of respective years

Revenue Surplus refers to the difference between revenue expenditure and revenue receipts, decreased to ₹4,091 (0.31 per cent of GSDP) in 2022-23 from ₹6,744 crore (0.81 per cent of GSDP) in 2018-19. The revenue surplus as percentage of GSDP decreased marginally in 2022-23 (0.31 per cent) compared to previous year (0.42 per cent).

Fiscal Deficit is reflective of the total borrowing requirements of Government, increased substantially to ₹41,202 crore (3.11 per cent of GSDP) in 2022-23 from ₹37,487 crore (3.30 per cent of GSDP) in 2021-22.

Primary Deficit, which indicates the excess of primary expenditure (total expenditure net of interest payments) over non debt receipts, increased to ₹21,749 crore (1.64 *per cent* of GSDP) in 2022-23 from ₹10,992 crore (1.32 *per cent* of GSDP) in 2018-19.

The State was within the targets specified by the XV FC during 2022-23 with regard to the key fiscal parameters. It had a Fiscal Deficit of ₹41,202 crore during the year 2022-23, representing 3.11 *per cent* of the GSDP and constituted 16.70 *per cent* of Total Expenditure. The Primary Deficit of ₹19,041 crore in 2021-22 increased to ₹21,749 crore and Revenue Surplus of ₹4,815 crore in 2021-22 decreased to ₹4,091 crore in 2022-23.

1.7 Performance of the State Government with respect to borrowings according to the limits fixed by Government of India

Article 293 (3) of the Constitution of India, inter alia, provides that a State may not raise any loan without the consent of Government of India (GoI) if any part of a loan, which has been made to the State by GoI, is still outstanding.

The GoI, Ministry of Finance, Department of Expenditure fixed (March 2022) the net borrowing ceiling of the State Government for the financial year 2022-23 as ₹52,913 crore and instructed the State Government to ensure that its incremental borrowings from all sources remained within this ceiling. Borrowing ceiling of ₹52,913 crore included additional ceiling of ₹6,614 crore (0.50 *per cent* of GSDP) which was to be allowed if the State Government had undertaken reforms in power sector. As per budget documents, State Government had undertaken reforms in the power sector, thus State Government was eligible for the additional ceiling of 0.50 *per cent* of the GSDP.

As per Statement 6 of the Finance Accounts viz. statement of borrowings and other liabilities, incremental borrowings and other liabilities of the State Government were ₹40,734 crore during the financial year 2022-23 which remained within the borrowing ceiling of ₹52,913 crore (four *per cent* of GSDP of ₹13,22,821 crore).

1.8 Deficits after examination in Audit

As per the FRBM act, the State Government must ensure compliance to the targets fixed for the fiscal indicators such as deficits, ceiling on debt and on guarantees, etc. The Revenue Deficit and the Fiscal Deficit as worked out for the State gets impacted due to various circumstances such as misclassification of revenue expenditure as capital expenditure and off-budget fiscal operations. Besides, deferment of clear-cut liabilities, not depositing cess/royalty to Consolidated Fund, short contribution to New Pension Scheme, Sinking Fund and Guarantee Redemption Fund, etc. also impacts the revenue and fiscal deficit figures. In order to arrive to actual deficit figures, the effect of misclassification of revenue expenditure/capital outlay and/or any such misclassification needs to be included and the impact of such irregularities needs to be reversed. Analysis of deficits after examination in audit are given in **Table 1.6**:

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)	2,378.00	--
Non-payment of interest (Para no. 3(viii) of the Notes to Accounts, Finance Accounts Volume-I)	307.39	307.39
Non-Transfer of Guarantee Redemption Fund (Para no. 5(ii)(B)(b) of the Notes to Accounts, Finance Accounts Volume-I)	15.72	15.72
Non-Transfer of Cess/fee/surcharge (Para no. 5(v) of the Notes to Accounts, Finance Accounts Volume-I)	389.02	389.02
Total	3,090.13	712.13

Source: Finance Accounts 2022-23

As can be seen from the above Table, there was an Overstatement of Revenue Surplus and Understatement of Fiscal Deficit by ₹3,090.13 crore and ₹712.13 crore respectively during the year. As per Finance Accounts, the Revenue Surplus and Fiscal Deficit were ₹4,090.93 crore and ₹41,202.22 crore respectively, which would actually be ₹1,000.80 crore and ₹41,914.35 crore respectively.

1.9 Post Audit – Total Outstanding Debt

As per the Madhya Pradesh Fiscal Responsibility and Budget Management Act, 2005, total liabilities means the liabilities under the Consolidated Fund and the Public Account of the State referred to in Article 266 of the Constitution of India. The outstanding debt/liabilities can be split into various components as given in **Table 1.7**:

Table 1.7: Components of outstanding debt/liabilities

(₹ in crore)

Sl. No.	Borrowings and other liabilities	Balance as on 31 March 2023
A	Internal Debt	2,51,427.60
1	Market Loans	1,95,625.66
2	Compensation and other Bonds	6,624.44
3	Loans from other institutions, etc.	13,255.77
4	Special Securities issued to the National Small Savings Fund of the Central Government	35,921.73
B	Loans and Advances from Central Government	49,797.93
1	Non-plan Loans	14.36
2	Loans for State Plan Schemes	10,705.20
3	Pre 1984-85 Loans	1.88
4	Others	39,076.49
C	Liabilities upon Public Accounts	62,726.91
1	Small Savings, Provident Funds, etc.	18,019.74
2	Reserve Funds bearing interest	8,963.55
3	Reserve Funds not bearing interest	14,032.37
4	Deposits bearing interest	204.43
5	Deposits not bearing interest	21,506.82

Sl. No.	Borrowings and other liabilities	Balance as on 31 March 2023
D	Off Budget borrowings (₹801.05 crore in 2019-20, ₹1,255 crore in 2020-21, ₹533.78 crore in 2021-22 and ₹564.40 crore in 2022-23)	3,154.23
E	Back to back loan (₹4,542 crore in 2020-21 and ₹7,011 crore in 2021-22)	11,553.00
	Total (A+B+C+D-E)	3,55,553.67

Source: Finance Accounts 2022-23

At the end of the year 2022-23, the overall outstanding debt/liabilities of the State was overstated by ₹8,398.77 crore. However, it can be seen from the above table that the outstanding debt to GSDP as a percentage decreased from 27.48 *per cent* (2021-22) to 26.68 *per cent* (2022-23) after adjusting the off-budget borrowings and back-to-back loan.

1.10 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.

1.10.1 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 types⁶.

1.10.2 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 fund⁷ of the State Government should be devolved to PRIs and ULBs respectively. During the year 2018-23, the devolution of SFC grants was made by Finance Department (FD) in PRIs and ULBs, as shown in **Table 1.8**:

⁶ 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.

⁷ 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.

Table 1.8: Devolution of Grants to PRIs and ULBs

(₹ in crore)

Year	PRIs		Short released	ULBs		Short released
	Fund to be devolved	Fund actually devolved		Fund to be devolved	Fund actually devolved	
1	2	3	4 (2-3)	5	6	7 (5-6)
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
2022-23	1,985.91	1,884.44	101.47	576.56	530.82	45.74
Total	8,115.54	3,814.67	4,300.87	2,108.90	1,776.81	332.09

Source: Information provided by Finance Department

It can be seen from above table that there was short devolution of funds to the tune of ₹101.47 crore and ₹45.74 crore to PRIs and ULBs respectively during 2022-23.

Chapter II

FINANCES OF THE STATE

Chapter II-Finances of the State

2.1 Introduction

This chapter provides a broad perspective of the finances of the State, and analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the five-year period 2018-19 to 2022-23, 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 2022-23 vis-à-vis 2021-22

Table 2.1 gives a bird's eye view of the major changes in key fiscal aggregates of the State during 2022-23, compared to the previous year:

Table 2.1: Changes in key fiscal aggregates in 2022-23 compared to 2021-22

Revenue Receipts	<ul style="list-style-type: none">➤ Revenue Receipts of the State increased by 9.74 per cent➤ Own Tax Receipts of the State increased by 8.38 per cent➤ Own Non-Tax Receipts increased by 29.88 per cent➤ State's Share of Union Taxes and Duties increased by 7.19 per cent➤ Grants-in-Aid from Government of India increased by 6.21 per cent
Revenue Expenditure	<ul style="list-style-type: none">➤ Revenue Expenditure increased by 10.40 per cent➤ Revenue Expenditure on General Services increased by 10.81 per cent➤ Revenue Expenditure on Social Services increased by 14.57 per cent➤ Revenue Expenditure on Economic Services increased by 4.35 per cent➤ Revenue Expenditure on Grants-in-Aid and Contributions increased by 10.55 per cent
Capital Receipts	<ul style="list-style-type: none">➤ Debt Capital Receipts increased by 27.18 per cent➤ Non-debt Capital Receipts decreased by 9.45 per cent
Capital Expenditure	<ul style="list-style-type: none">➤ Capital Expenditure increased by 9.10 per cent➤ Capital Expenditure on General Services increased by 17.80 per cent➤ Capital Expenditure on Social Services increased by 1.95 per cent➤ Capital Expenditure on Economic Services increased by 12.80 per cent
Loans and Advances	<ul style="list-style-type: none">➤ Recoveries of Loans and Advances increased by 2245.38 per cent➤ Capital Expenditure on Disbursement of Loans and Advances decreased by 26.91 per cent
Public Debt	<ul style="list-style-type: none">➤ Public Debt Receipts increased by 27.18 per cent➤ Repayment of Public Debt increased by 45.15 per cent
Public Account	<ul style="list-style-type: none">➤ Public Account Receipts increased by 14.98 per cent➤ Disbursement of Public Account increased by 15.05 per cent
Cash Balances	<ul style="list-style-type: none">➤ Cash balance increased by ₹1,855.31 crore (10.73 per cent)

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 2022-23 with 2021-22 in figures, while **Charts 2.1** and **2.2** give the details of receipts into and expenditure from the Consolidated Fund during 2022-23 in terms of percentages.

Table 2.2: Details of Sources and Application of resources during 2021-22 and 2022-23

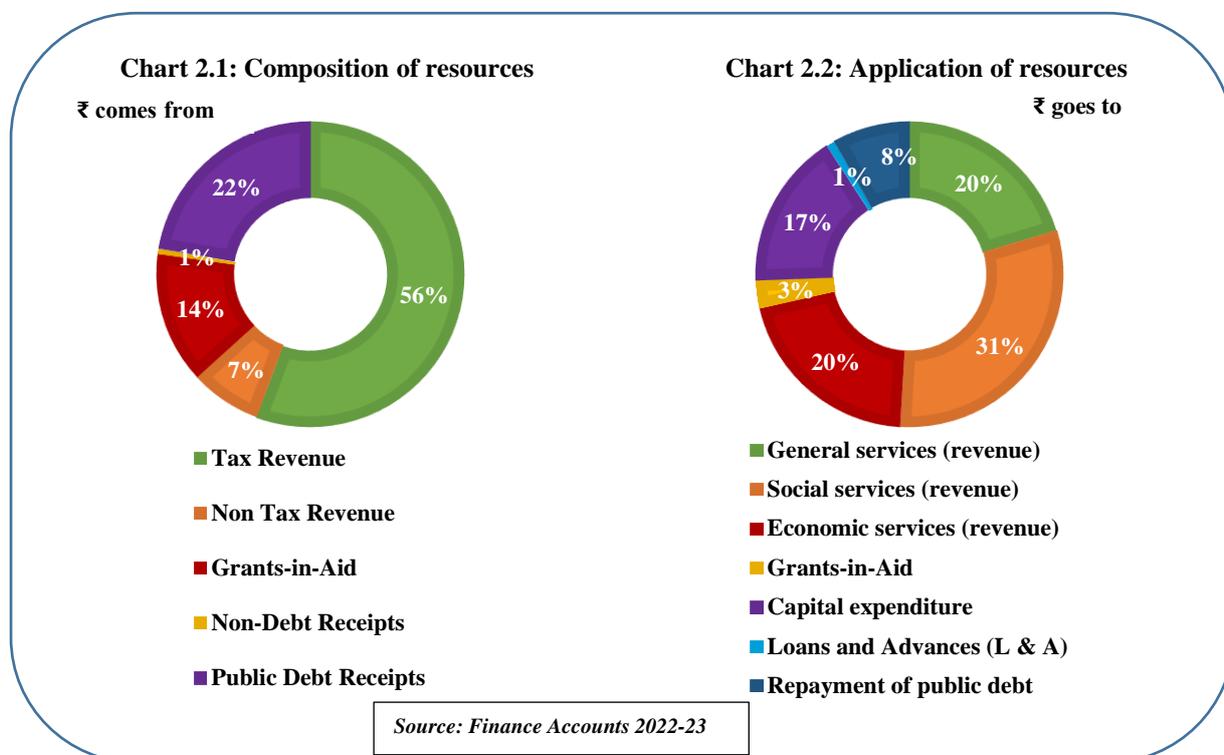
(₹ in crore)				
	Particulars	2021-22	2022-23	Increase (+)/ Decrease (-) (%)
Composition of resources	Opening Cash Balance with RBI	18,069.31	17,296.25	(-)4.28
	Revenue Receipts	1,85,875.85	2,03,986.19	9.74
	Capital Receipts	1,597.70	46.77	(-)97.07
	Recoveries of Loans and Advances	62.17	1,458.12	2245.38
	Public Debt Receipts (Net)	31,122.54 ⁸	36,861.08	18.44
	Public Account Receipts (Net)	5,542.49	6,216.19	12.16
	Inter-State Settlement	1.14	(-)0.78	(-)168.42
	Total	2,42,271.20[#]	2,65,863.82*	9.74
Application of resources	Revenue Expenditure	1,81,061.30	1,99,895.26	10.40
	Capital Expenditure	40,733.11	44,438.37	9.10
	Disbursement of Loans and Advances	3,228.69	2,360.17	(-)26.90
	Inter-State Settlement	1.20	(-)0.95	(-)179.17
	Closing Cash Balance with RBI	17,296.25	19,151.56	10.73
	Total	2,42,320.55	2,65,844.41	9.71

Source: Finance Accounts of the respective years

There is a difference of ₹49.35 crore due to reinvestment of interest on Guarantee Redemption Fund by RBI.

*Difference due to non recoupment of an amount ₹19.40 crore in the Contingency Fund of the State.

Appendix 2.1 provides details of receipts and disbursements and the overall fiscal position of the State during current year as well as previous year.



⁸ Include Back-to-back loan in lieu of GST compensation shortfall of ₹7,011 crore.

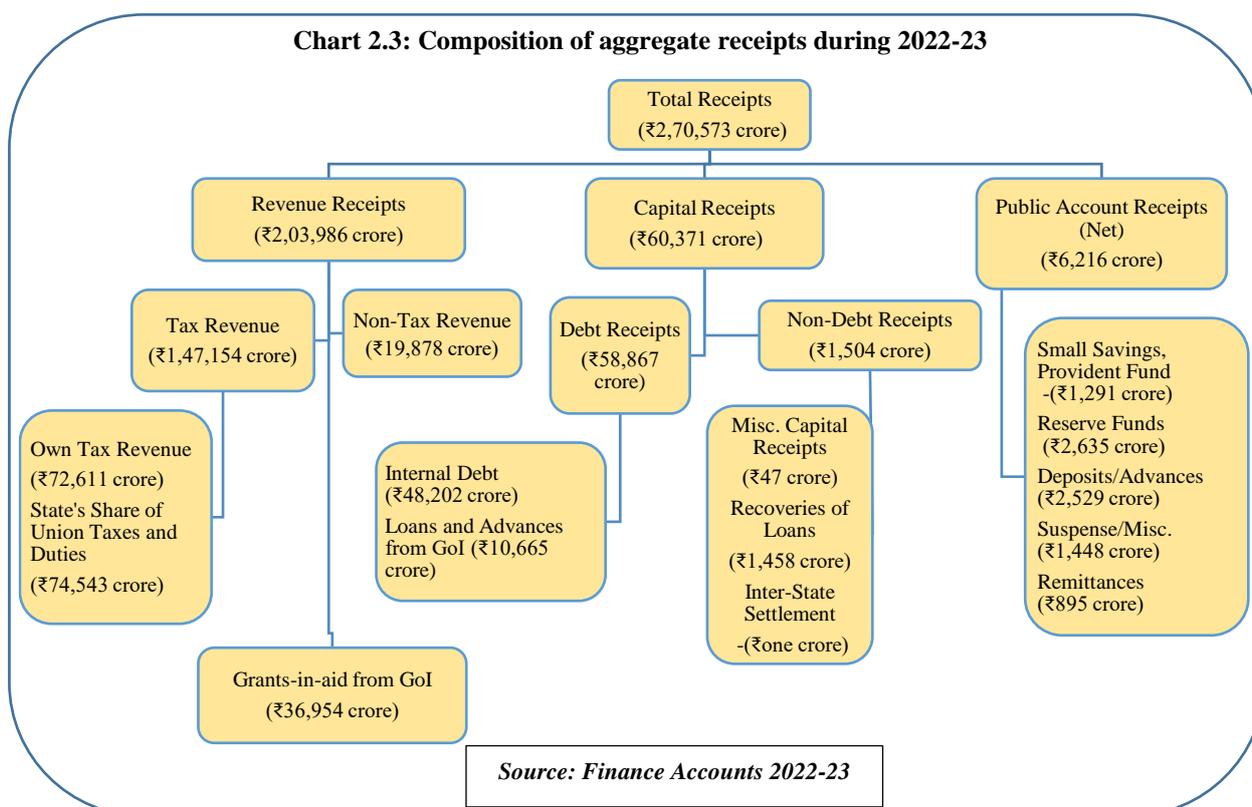
2.4 Resources of the State

The resources of the State are described below:-

- 1. Revenue receipts** consist of tax revenue, non-tax revenue, State's share of Union taxes and duties, and Grants-in-Aid from the Government of India (GoI);
- 2. Capital receipts** (debt and non-debt 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 2022-23.



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 2018-23. 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	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Receipts (RR) (₹ in crore)	1,48,893	1,47,643	1,46,377	1,85,876	2,03,986
Rate of growth of RR (<i>per cent</i>)	10.39	(-)0.84	(-)0.86	26.98	9.74
Tax Revenue (₹ in crore)	1,08,369	1,05,342	1,01,373	1,35,779	1,47,154
Own Tax Revenue	50,882	55,824	54,459	66,237	72,611
State's Share of Union Taxes and Duties	57,487	49,518	46,914	69,542	74,543
Non-Tax Revenue (₹ in crore)	11,899	10,349	9,902	15,305	19,878
Rate of growth of Revenue (Tax and Non-Tax Revenue) (<i>per cent</i>)	14.84	(-)3.81	(-)3.82	35.78	10.56
Grants-in-aid from GoI (₹ in crore)	28,625	31,952	35,102	34,792	36,954
Gross State Domestic Product (₹ in crore)	8,29,805	9,27,855	9,61,643	11,36,137	13,22,821
Rate of growth of GSDP (<i>per cent</i>)	14.25	11.82	3.64	18.15	16.43
RR/GSDP (<i>per cent</i>)	17.94	15.91	15.22	16.36	15.42
Buoyancy Ratios⁹					
Revenue Buoyancy w.r.t GSDP	0.73	--*	--*	1.49	0.59
State's Tax Revenue Buoyancy w.r.t GSDP	0.93	--*	--*	1.87	0.51

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

(* indicates negative figures)

Table 2.3 shows that revenue receipts increased by 37 *per cent* from ₹1,48,893 crore in 2018-19 to ₹2,03,986 crore in 2022-23. During 2018-19, about 73 *per cent* of the Revenue Receipts came from the State's Tax Revenue resources, while Non-Tax Revenue and Grants-in-Aid contributed 27 *per cent*. In the year 2022-23, about 72 *per cent* of the Revenue Receipts came from the State's Tax Revenue resources, and Non-Tax Revenue and Grants-in-aid together contributed 28 *per cent*.

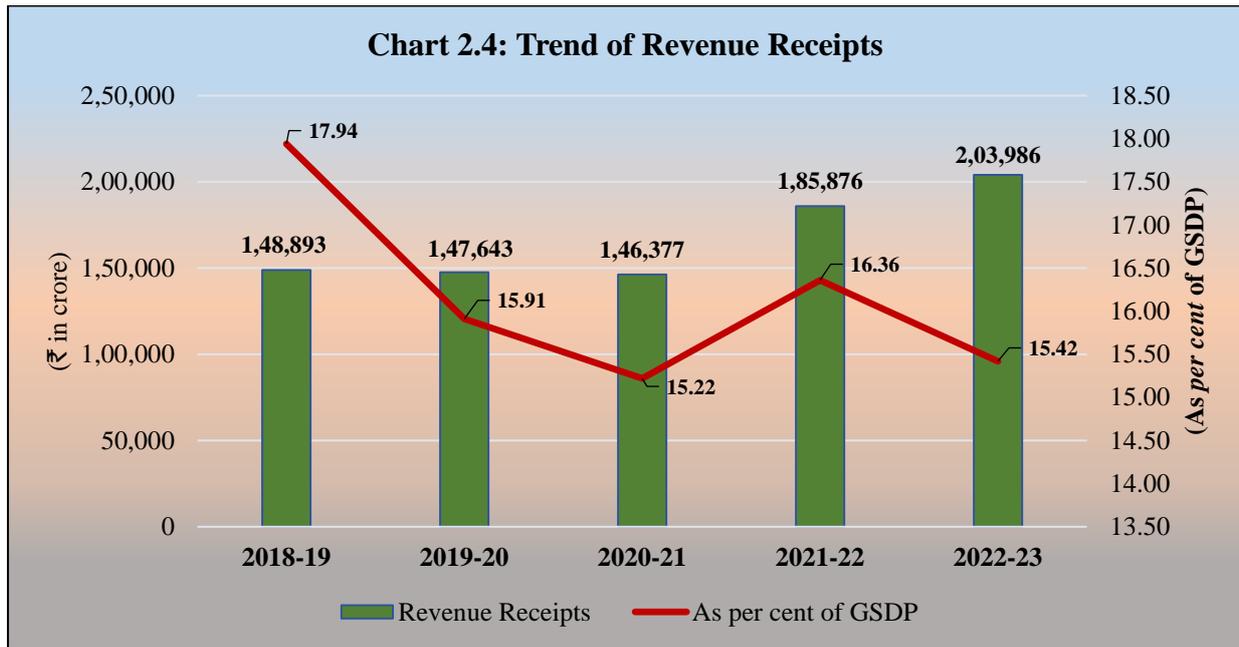
Grants-in-aid from GoI increased by 29.10 *per cent* during 2018-23. Barring 2021-22, the Grants-in-aid from GoI have continuously increased during last five years.

The revenue buoyancy with reference to GSDP decreased from 0.73 *per cent* in 2018-19 to 0.59 *per cent* in 2022-23. The State's own revenue buoyancy with reference to GSDP also decreased from 0.93 *per cent* in 2018-19 to 0.51 *per cent* in 2022-23.

Diversifying revenue sources and strengthening the local tax base are essential for sustainable fiscal stability and development.

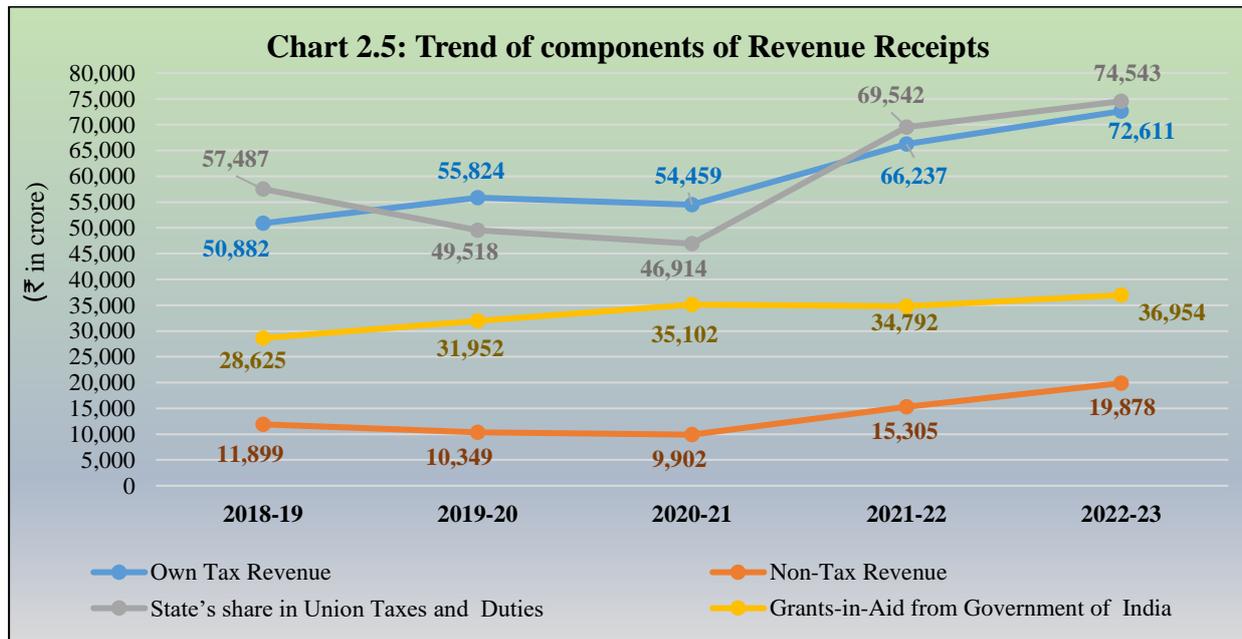
⁹ Buoyancy indicates the degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy with respect to GSDP at 0.59 in 2022-23 implies that Revenue Receipts increased by 0.59 percentage points, whenever the GSDP increased by one per cent.

Trends of Revenue Receipts are shown in **Chart 2.4:**



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

Trends in composition of Revenue Receipts are given in **Chart 2.5:**



Source: Finance Accounts of the respective years

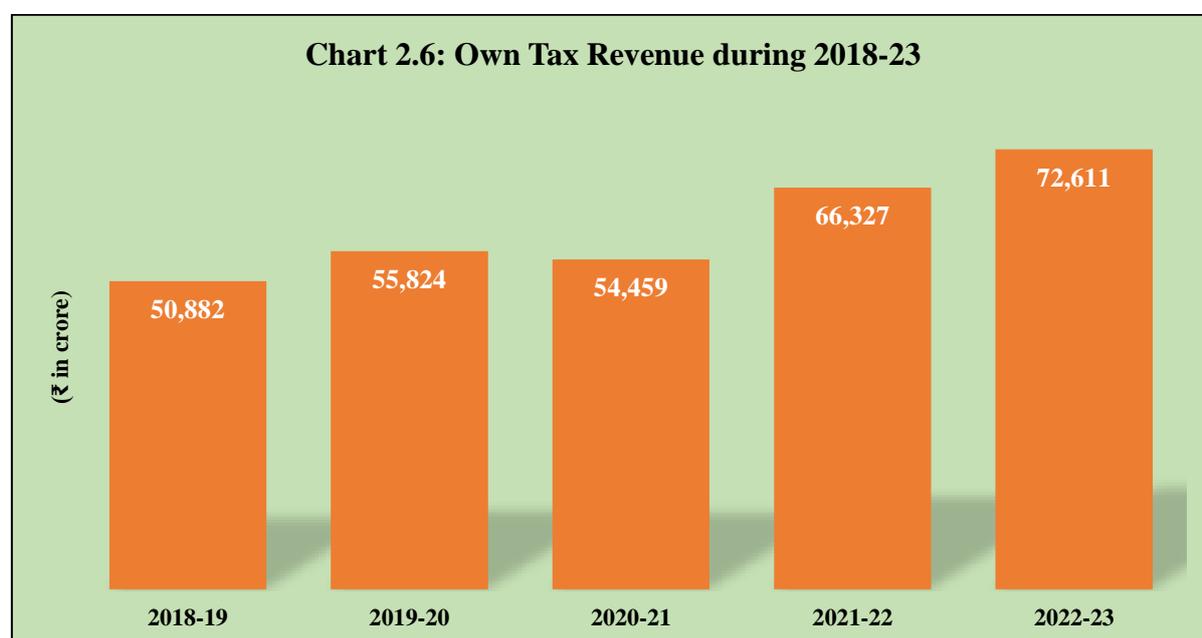
2.6.2 State's Own Resources

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 2018-23 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 2018-23 is given in **Chart 2.6**:



Source: Finance Accounts of the respective years

The component-wise details of Own Tax Revenue collected during the years 2018-23 are given in **Table 2.4**:

Table 2.4: Component-wise Own Tax Revenue during 2018-23

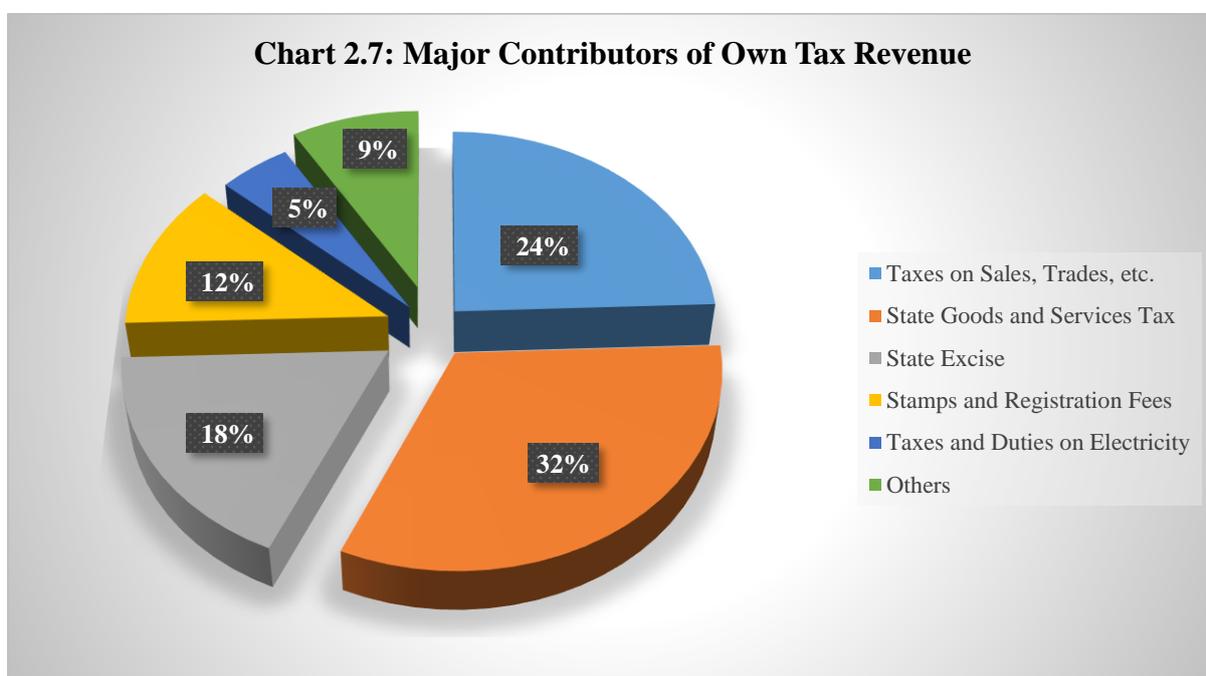
Revenue Head	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Taxes on Sales, Trades, etc.	9,903	11,258	13,296	16,185	17,719
State Goods and Services Tax	18,508	20,448	17,258	22,028	23,397
State Excise	9,542	10,829	9,526	10,334	12,955
Taxes on Vehicles	3,008	3,251	2,749	3,029	4,028
Stamps and Registration Fees	5,278	5,569	6,817	8,098	8,812
Land Revenue	384	562	504	733	956
Taxes on Goods and Passengers	118	145	75	64	59
Taxes and Duties on Electricity	2,616	2,268	2,608	4,582	3,498

Revenue Head	2018-19	2019-20	2020-21	2021-22	2022-23
Other Taxes ¹⁰	1,525	1,494	1,626	1,184	1,187
Total	50,882	55,824	54,459	66,237	72,611
GSDP at current prices	8,29,805	9,27,855	9,61,643	11,36,137	13,22,821
Own Tax revenue as percentage of GSDP	6.13	6.02	5.66	5.83	5.49

Source: Finance Accounts of the respective years

Own Tax Revenue of the State increased by 42.70 per cent during 2018-23. 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, State's own Tax Revenue have continuously increased during five years.

During the current year, major contributors (Chart 2.7) of own Tax Revenue were State Goods and Services Tax (32.22 per cent), Taxes on Sales, Trades, etc. (24.40 per cent) and State Excise (17.84 per cent).



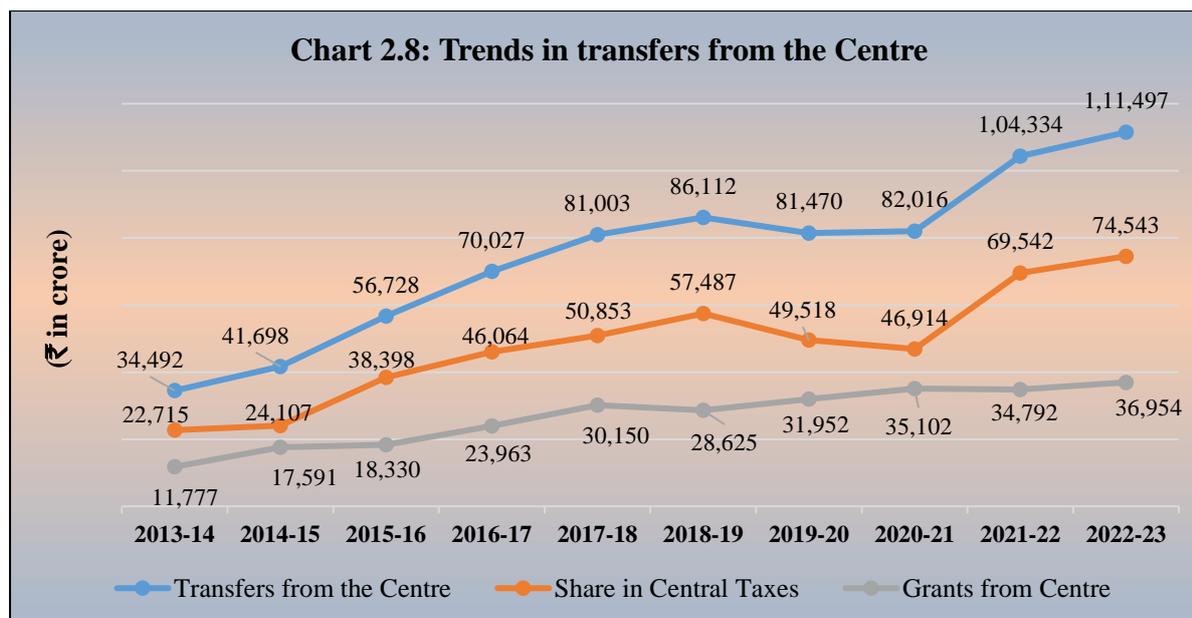
Source: Finance Accounts of the respective years

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.

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.

¹⁰ 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

Central Tax transfers

Details of GoI transfers to the State Government during 2018-23 are given in **Table 2.5**:

Table 2.5: Trends in Central Tax transfers

Particulars	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Central Goods and Services Tax	14,188	14,052	13,947	19,855	21,064
Integrated Goods and Services Tax	1,132	-	-	-	-
Corporation Tax	19,990	16,884	14,155	20,563	24,991
Taxes on income other than Corporation Tax	14,722	13,229	14,512	20,589	24,399
Customs	4,075	3,139	2,495	4,950	2,930
Union Excise Duties	2,708	2,182	1,577	2,647	919
Service Tax	531	-	203	863	117
Taxes on Wealth	7	1	-	4	-
Other Taxes and Duties on Commodities and Services	30	31	25	71	123
Other Taxes on Income and Expenditure	104	-	-	-	-
Total Central Tax transfers	57,487	49,518	46,914	69,542	74,543
Percentage of increase(+)/decrease(-) over previous year	13.05	(-)13.86	(-)5.26	48.23	7.19
Percentage of Central tax transfers to Revenue Receipts	38.61	33.54	32.00	37.41	36.54

Source: Finance Accounts of the respective years

Central Tax transfers increased from ₹57,487 crore in 2018-19 to ₹74,543 crore in 2022-23 with inter year fluctuation (during 2019-20 and 2020-21). The increase of Central Tax transfers by ₹5,001 crore in 2022-23 over the previous year was mainly under Corporation Tax (increase of ₹4,428 crore) and Taxes on income other than Corporation Tax (increase of ₹3,810 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 (from 1st July 2017 to 30th June 2022). As per the provisions of section 5(5) of the Act, the projected revenue for Madhya Pradesh was calculated at ₹15,398 crore for the base year (2015-16). As per the provision of section 6 of the Act, the projected revenue for subsequent years by applying growth at the rate of 14 *per cent* per annum over the base year revenue is shown in **Table 2.6** below.

Till the compensation period (from 1st July 2017 to 30th June 2022), the projected revenue is ₹1,36,902 crore against which the State Government collected ₹98,129 crore under SGST and other acts subsumed in GST. For the year 2022-23, the State Government collected ₹23,397 crore under SGST and other acts subsumed in GST as against the budget estimates of ₹25,000 crore. In this period GoI released ₹22,868 crore 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 ₹15,905 crore.

As per the books of RBI the amount of SGST for compensation period is ₹42,037 crore and for the same period as per the Finance Accounts the amount of SGST is ₹41,739 crore. The difference is under reconciliation.

Table 2.6: Net Compensation Amount payable to GoMP after revision of Base Year Revenue

(₹ in crore)					
Finance Year	Projected Revenue @ 14% growth over BYR	Actual Revenue collected & certified by AG	Compensation Amount Receivable	Compensation amount received (As per Finance Account)	Compensation Amount yet to be received
01.07.17 to 31.03.18	15,008.03	12,213.98	2,794.05	2,511.00	283.05
2018-19	22,812.21	19,410.05	3,402.16	2,866.00	536.16
2019-20	26,005.92	19,270.78	6,735.14	4,530.78	2,204.36
2020-21	29,646.74	18,307.11	11,339.63	5,293.23	6,046.40
2021-22	33,797.29	22,191.98	11,605.31	3,094.90	8,510.41
2022-23 (Up to June 22)	9,632.23	6,735.37	2,896.86	4,571.80	(-)1,674.94
Total (2017-18 to 2022-23)	1,36,902.42	98,129.27	38,773.15	22,867.71	15,905.44

Source: Finance Accounts of the respective years

However, the State Government also received back to back loan of ₹4,542 crore (2020-21) and ₹7,011 crore (2021-22) from GoI to meet the resource gap due to shortfall in GST compensation.

2.6.2.4 Analysis of arrears of revenue and arrears of assessment

The arrears of revenue indicate delayed realization of revenue due to the Government. Similarly, arrears of assessment indicate potential revenue which is blocked due to delayed

assessment. Both deprive the State of potential revenue receipts and ultimately affect the revenue deficit

Arrears of revenue

As on 31 March 2023, the arrears of revenue in respect of principal heads of revenue were ₹8,611.86 crore, of which ₹4,603.18 crore were outstanding for more than five years, as depicted in **Table 2.7**.

Table 2.7: Arrears of Revenue

(₹ in crore)

Sl. No.	Head of Revenue	Amount outstanding as on 31 March 2023	Amount outstanding for more than five years as on 31 March 2023
1.	Stamps and Registration Fees	404.65	211.51
2.	Taxes/VAT on Sales, Trades, etc.	5,755.49	4,386.90
3.	Goods and Service Tax	2,450.91	4.77
	Total	8,611.05	4,603.18

Source: Departmental Information

Other Departments did not furnish details (November 2023) pertaining to arrears in revenue and assessments, despite being requested (July 2023) followed by reminders in August 2023.

Arrears in assessment

The information on number of cases pending at the beginning of the year, cases becoming due for assessment, cases disposed off during the year and number of cases pending for finalization at the end of the year, as furnished by the Stamps and Registration and Commercial department is depicted in **Table 2.8**.

Table 2.8: Arrears in Assessment

Head of Revenue	Cases pending at the beginning of 2022-23	New cases due for assessment during 2022-23	Total cases due for assessment	Cases disposed of during 2022-23	Balance at the end of the year	Percentage of disposal
Stamps and Registration fees	33,762	1,215	34,977	1,757	33,220	5.02
Taxes/VAT on Sales, Trades, etc.	31,923	22,269	54,192	45,931	8,261	84.76
Goods and Service Tax	10,062	14,543	24,605	17,422	7,183	70.81

Source: Departmental Information

2.6.2.5 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 2023 as reported by the Stamps and Registration Department are given in **Table 2.9** below:

Table 2.9: Evasion of Tax Detected

Nature of Revenue	No. of cases pending as on 31.03.2022	No. of cases detected during 2022-23	Total no. of cases	No. of cases in which investigation completed and additional demand including penalty raised		No. of pending cases as on 31.03.2023
				No. of cases	Amount (₹ in crore)	
Stamps and Registration fees	13,295	12,169	25,464	11,651	81.82	13,813

Source: Information furnished by the concerned department

Table 2.10 shows details of refund cases of Stamps and Registration Department.

Table 2.10: Details of refund cases

Sl. No.	Particulars	Stamps and Registration fees	
		No. of cases	Amount (₹ in crore)
1	Claims outstanding at the beginning of the year 2022-23	4,029	15.20
2	Claims received during the year	13,089	59.24
3	Refunds made during the year	11,972	51.37
4	Refunds rejected during the year	0	0
5	Balance outstanding at the end of the year 2022-23	5,146	23.07

Source: Information furnished by the concerned department

2.6.2.6 Non-Tax Revenue

The component-wise details of Non-Tax Revenue collected during the years 2018-23 are given in **Table 2.11**:

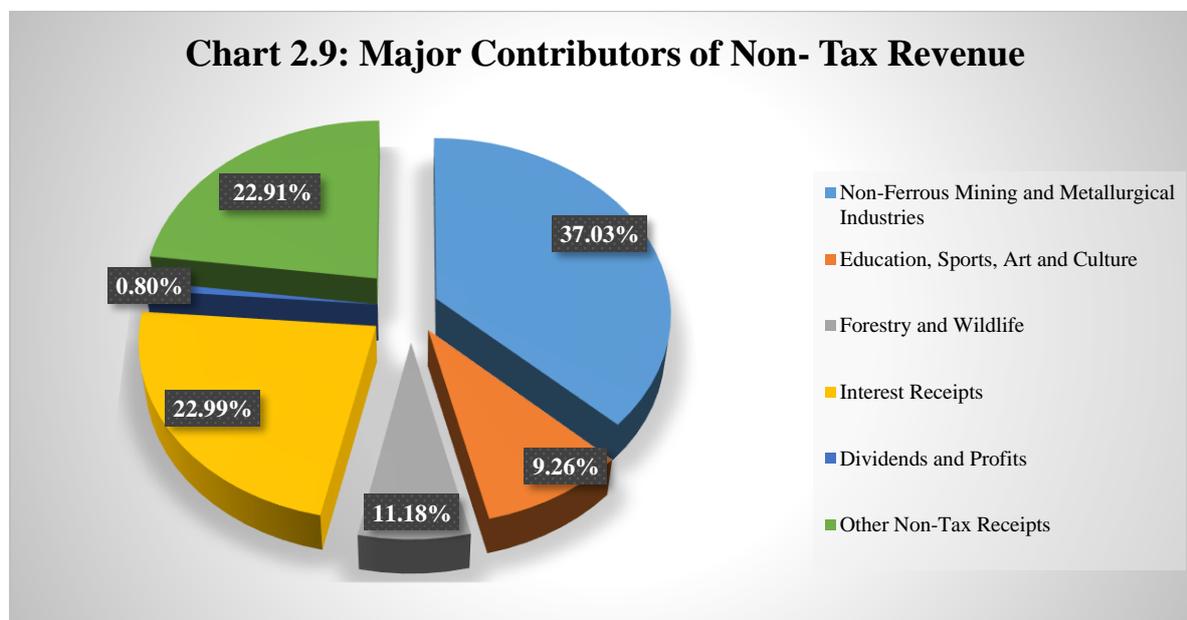
Table 2.11: Component-wise Non-Tax Revenue during 2018-23

Revenue Head	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Non-Ferrous Mining and Metallurgical Industries	3,934	4,320	4,557	6,180	7,360
Education, Sports, Art and Culture	2,366	2,060	1,383	3,019	1,840
Forestry and Wildlife	1,043	833	1,240	1,406	1,395
Interest Receipts	880	443	243	1,644	4,569
Dividends and Profits	347	476	288	139	160
Other Non-Tax Receipts	3,329	2,217	2,191	2,917	4,554 ¹¹
Total	11,899	10,349	9,902	15,305	19,878
Revenue Receipts	1,48,893	1,47,643	1,46,377	1,85,876	2,03,986
Percentage to Revenue Receipts	7.99	7.01	6.76	8.23	9.74

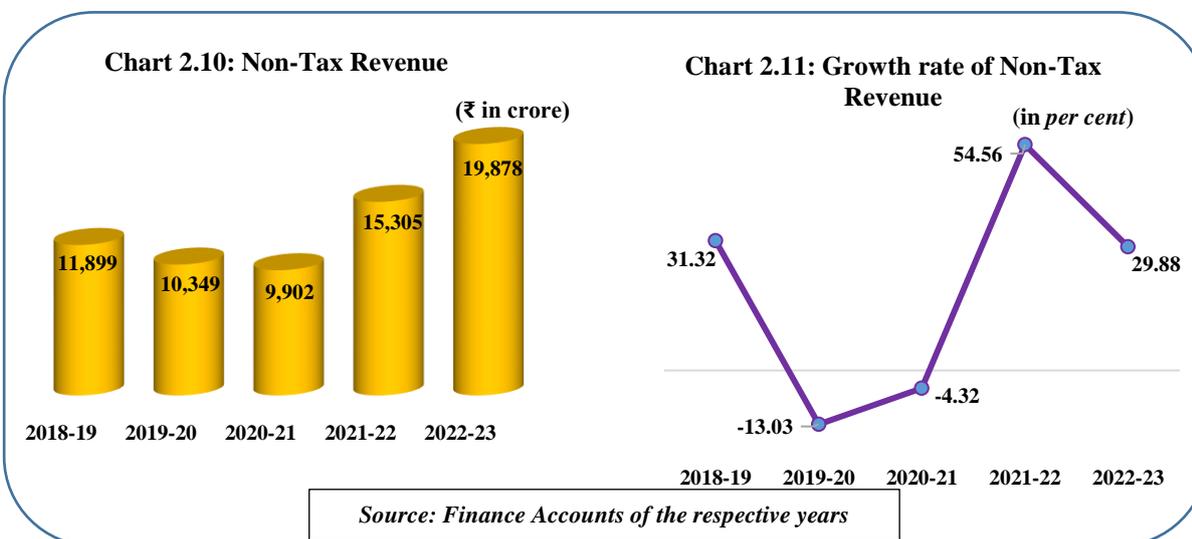
Source: Finance Accounts of the respective years

¹¹ Includes receipts under Crop Husbandry (₹2,221.62 crore), Minor Irrigation (₹331.97 crore), Power (₹329.07 crore), Police (₹263.05 crore), Medium Irrigation (₹195.06 crore), Medical and Public Health (₹179.78 crore), Other Administrative Services (₹179.31 crore) and Other Receipts (₹854.14 crore).

Non-Tax Revenue ranged between seven and 10 per cent of total Revenue Receipts of the State during the five-year period 2018-19 to 2022-23 with inter year fluctuation (during 2019-20 and 2020-21). During 2022-23 it increased by ₹4,573 crore over the previous year, and the major contributors of Non-Tax Revenue were Non-Ferrous Mining and Metallurgical Industries (37.03 per cent), Interest Receipts (22.99 per cent), Crop Husbandry (11.18 per cent) and Education, Sports, Art and Culture (9.26 per cent).



Source: Finance Accounts of the respective years



During 2022-23, increase in non-tax revenue was mainly under

- Interest Receipts by ₹2,925 crore (177.92 per cent) on account of increase in “Interest from Public Sector and other Undertakings”.
- Crop Husbandry by ₹2,197 crore (8797 per cent) on account of increase in “Other Receipts” and,

- Non-Ferrous Mining and Metallurgical Industries by ₹1,180 crore (19.09 per cent) on account of increase in “Mineral concession fees, rents and royalties”,

2.6.2.7 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 2.12**:

Table 2.12: Grants-in-Aid from GoI

Particulars ¹²	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Non-Plan Grants	4,921	-	-	-	-
Grants for State Plan schemes	20,821	-	-	-	-
Grants for Central Plan schemes	17	-	-	-	-
Centrally Sponsored Schemes	-	19,548	21,340	25,488	26,291
Other Grants to States (Compensation for loss of revenue arising out of implementation of GST and Grant towards contribution to NDRF)	2,866	6,327	7,185	3,695	5,169
Finance Commission Grants	-	6,078	6,577	5,609	5,495
Total	28,625	31,953	35,102	34,792	36,955
Percentage of increase(+)/decrease(-) over previous year	(-)5.06	11.63	9.86	(-)0.88	6.22
Revenue Receipts	1,48,893	1,47,643	1,46,377	1,85,876	2,03,986
Total Grants as a percentage of Revenue Receipts	19.23	21.64	23.98	18.72	18.12

Source: Finance Accounts of the respective years

The Grants-in-Aid from GoI increased from ₹28,625 crore in 2018-19 to ₹36,955 crore in 2022-23. 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 2022-23 increased by ₹2,163 crore (6.22 per cent) over the previous year mainly due to increase in “Compensation for loss of revenue arising out of implementation of GST” and “Grants from Central Road and Infrastructure Fund” under “Other Transfer/Grants to States/Union Territory with Legislature”.

Grants for Centrally Sponsored Schemes

Out of the Grants of ₹26,291 crore for Centrally Sponsored Schemes during 2022-23, the major amounts were given to:

- General Education – Sarva Siksha Abhiyan/Samagra Siksha Abhiyan (₹2,774 crore-97 per cent decrease over previous year);
- Medical and Public health – National Mission of Ayush including Medicinal Plant Mission (₹595 crore-210 per cent increase over previous year);

¹² 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.

- Water supply and sanitation – Total cleanliness programme (₹1,264 crore-96 per cent decrease over the previous year);
- Social Security and Welfare – Integrated Child Development Service (₹805 crore- 108 per cent increase over the previous year);
- Capital Outlay on Education, Sports, Art and Culture – Overall Education Programme (₹1,208 crore-167 per cent increase over the previous year).

2.6.2.8 Single Nodal Agency

Ministry of Finance, Government of India vide letter No. 1(13)PFMS/FCD/2020 dated 23 March 2021 had notified procedure for release of funds under Centrally Sponsored Scheme (CSS) and monitoring utilization of the funds released through Single Nodal Agency (SNA). For each CSS, SNA is set up with own Bank Account in scheduled Commercial Bank authorised to conduct Government business by the State Government. As per the procedure, the State Government is to transfer the Central share received in its accounts to the concerned SNA's account along with corresponding State share.

The State Government received ₹21,237.40 crore being Central share during the year 2022-23 in its Treasury Accounts. The State share was ₹15,603.02 crore as on 31 March 2023, the Government transferred Central share of ₹19,883.83 crore received in Treasury Accounts and State share of ₹14,298.04 crore to the SNAs. Detailed vouchers and supporting documents of actual expenditure were not received by AG office from the SNAs. As informed by the State Government / SNAs, ₹12,081.03 crore are lying unspent in the bank accounts of SNAs as on 31st March 2023.

It is recommended that the SNAs are registered in the Public Financial Management (PFMS) and the bank account of each SNA is opened and mapped in PFMS for better monitoring of availability and utilization of funds released to the States under the Centrally Sponsored Scheme

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 2.13**:

Table 2.13: 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		
	2018-22	2022-23	Total	2018-22	2022-23	Total	2018-22	2022-23	Total
(i) Grants to PRIs	14,085.89	3,050.00	17,135.89	12,121.56	2,387.00[@]	14,508.56	12,121.56	2,387.00	14,508.56
(a) General Basic Grant	13,296.92	3,050.00	16,346.92	11,824.92	2,387.00	14,211.92	11,824.92	2,387.00	14,211.92
(b) General Performance Grants	788.97	-	788.97	296.64	-	296.64	296.64	-	296.64
(ii) Grants to ULBs	6,132.35	1,502.00	7,634.35	5,440.65	948.85[#]	6,389.50	5,440.65	948.85	6,389.50
(a) General Basic Grant	2,161.80	-	2,161.80	2,161.80	-	2,161.80	2,161.80	-	2,161.80
(b) General Performance Grants	602.55	-	602.55	229.75	-	229.75	229.75	-	229.75
(c) Million plus Cities	1,050.00	468.00	1,518.00	1,030.50	132.45	1,162.95	1,030.50	132.45	1,162.95
(d) Non Million plus Cities	2,318.00	1,034.00	3,352.00	2,018.60	816.40	2,835.00	2,018.60	816.40	2,835.00
Total for Local Bodies	20,218.24	4,552.00	24,770.24	17,562.21	3,335.85	20,898.06	17,562.21	3,335.85	20,898.06
State Disaster Response Fund*	5,514.00	1,911.00	7,425.00	5,201.50	1,719.90	6,921.40	5,201.50	1,719.90	6,921.40

Source: Information furnished by Finance Department, GoMP

[@]Grants to PRIs in FY 2022-23- Including ₹1,472.00 crore towards FY2021-22

[#] Grants to ULBs in FY 2022-23- Including ₹314.10 crore towards FY2021-22

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

Against the Fourteenth/Fifteenth Finance Commission recommended grant of ₹24,770.24 crore to local bodies for the period 2018-23, GoI short released ₹3,872.18 crore to GoMP.

Further, Fourteenth/Fifteenth Finance Commission recommended ₹7,425.00 crore under SDRF for the period 2018-23, against which GoI short released ₹503.60 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.

Details of Capital Receipts of the GoMP during the five-year period 2018-23 are given below in **Table 2.14**:

Table 2.14: Details of receipts under the Capital Section

(₹ in crore)						
Sl. No.	Sources of State's Receipts	2018-19	2019-20	2020-21	2021-22	2022-23
1	Miscellaneous Capital Receipts	13	14	14	1,598	47
2	Inter-State settlement	-	-	-	1	(-)1
3	Recovery of loans and advances	70	46	58	62	1,458
4	Non-debt Capital Receipts (1+2+3)	83	60	72	1,661	1,504
5	Rate of growth of non-debt capital receipts (<i>per cent</i>)	(-)98.37	(-)27.71	20.00	2,206.94	(-)9.45
6	Internal Debt	28,701	29,496	54,242	33,671	48,202
7	Growth rate of Internal Debt	43.68	2.77	83.90	(-)37.92	43.16
8	Loans and Advances from the Central Government	3,796	4,868	10,929 ¹³	12,614 ¹⁴	10,665
9	Growth rate of Loans and Advances from the Central Government	98.02	28.24	124.51	15.42	(-)15.45
10	Public Debt Receipts (6+8)	32,497	34,364	65,171	46,285	58,867
11	Capital Receipts (4+10)	32,580	34,424	65,243	47,946	60,371
12	Rate of growth of Public Debt Receipts (<i>per cent</i>)	48.44	5.75	89.65	(-)28.98	27.18
13	Rate of growth of GSDP (<i>per cent</i>)	14.25	11.82	3.64	18.15	16.43
14	Rate of growth of receipts under Capital Section (<i>per cent</i>)	20.75	5.66	89.53	(-)26.51	25.91

Source: Finance Accounts of the respective years

Capital Receipts of the State Government increased by 25.91 *per cent* from ₹47,946 crore in 2021-22 to ₹60,371 crore in 2022-23 primarily due to increase in Internal Debt from ₹33,671 crore in 2021-22 to ₹48,202 crore in 2022-23 (43 *per cent*).

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 2022-23.

Table 2.15: 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	64,211	72,860	72,611	13.08	(-)0.34
Non-Tax revenue	17,035	13,618	19,878	16.69	45.97
Total	81,246	86,478	92,489	13.84	6.95

Source: Finance Accounts 2022-23, XV FC report and Budget estimates

From **Table 2.15**, it can be seen that State Government exceeded the targets set in Budget Estimates for mobilizing resources by 6.95 *per cent*, of which, the major contribution was from Non-Tax Revenue where the actuals exceeded the estimates by ₹6,260 crore (45.97 *per cent*).

¹³ Of this, ₹4,542 crore pertains to back to back loan in lieu of GST compensation shortfall.

¹⁴ 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

Revenue Expenditure: Charges on maintenance, repair, unkeep and working expenses, which are required to maintain the assets in a running order as also all other expenses incurred for the day-to-day running of the organisation, including establishment and administrative expenses shall be classified as revenue expenditure.

Capital Expenditure: All charges for the first construction of a projects as well as charges for intermediate maintenance of the work while not opened for service and also charges for such further additions and improvements as may be sanctioned under the rules made by competent authority shall be classified as capital expenditure.

Loans and Advances: Loans and Advances by the Government to Public Sector Undertakings (PSU) and other parties.

The total expenditure, its composition and relative share in GSDP during the years 2018-19 to 2022-23 are presented in **Table 2.16**:

Table 2.16: Total Expenditure and its composition

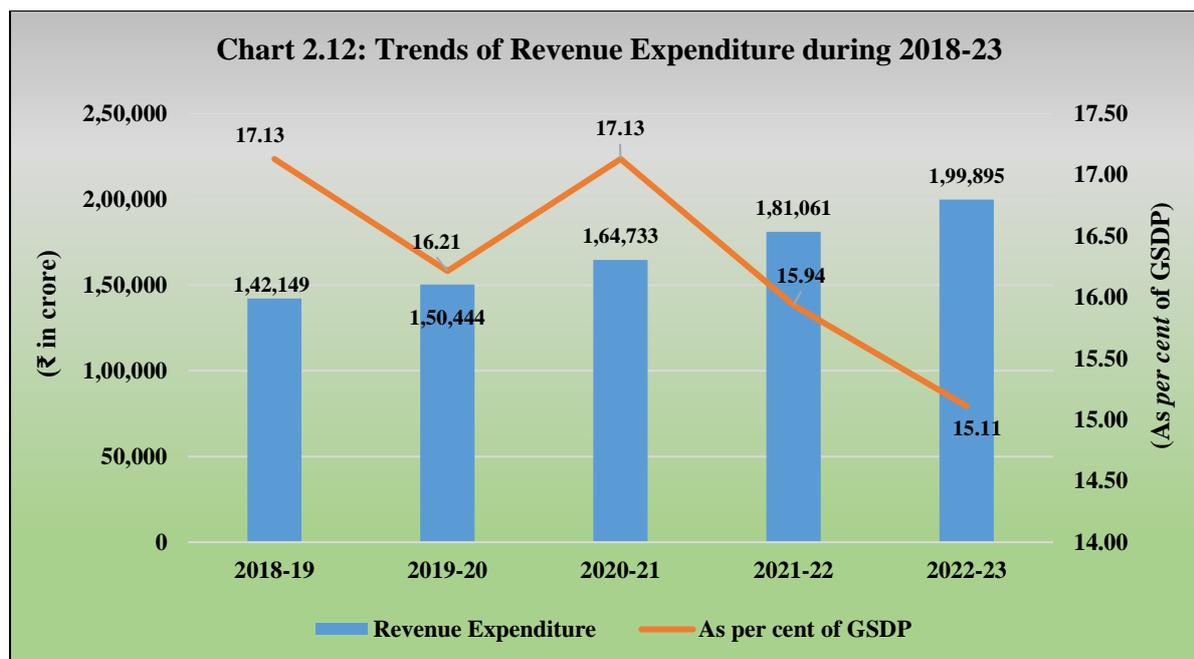
(₹ in crore)

Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
Total Expenditure (TE)	1,72,664	1,80,672	1,96,319	2,25,024	2,46,692
Revenue Expenditure (RE)	1,42,149	1,50,444	1,64,733	1,81,061	1,99,895
Capital Expenditure (CE)	29,424	29,241	30,356	40,733	44,438
Loans and Advances	1,090	987	1,230	3,229	2,360
Inter-State Settlement	1	(-)0.62	(-)0.25	1	(-)0.95
GSDP	8,29,805	9,27,855	9,61,643	11,36,137	13,22,821
As a percentage of GSDP					
Total Expenditure/GSDP	20.81	19.47	20.41	19.81	18.65
Revenue Expenditure/GSDP	17.13	16.21	17.13	15.94	15.11
Capital Expenditure/GSDP	3.55	3.15	3.16	3.59	3.36
Loans and Advances/GSDP	0.13	0.11	0.13	0.28	0.18

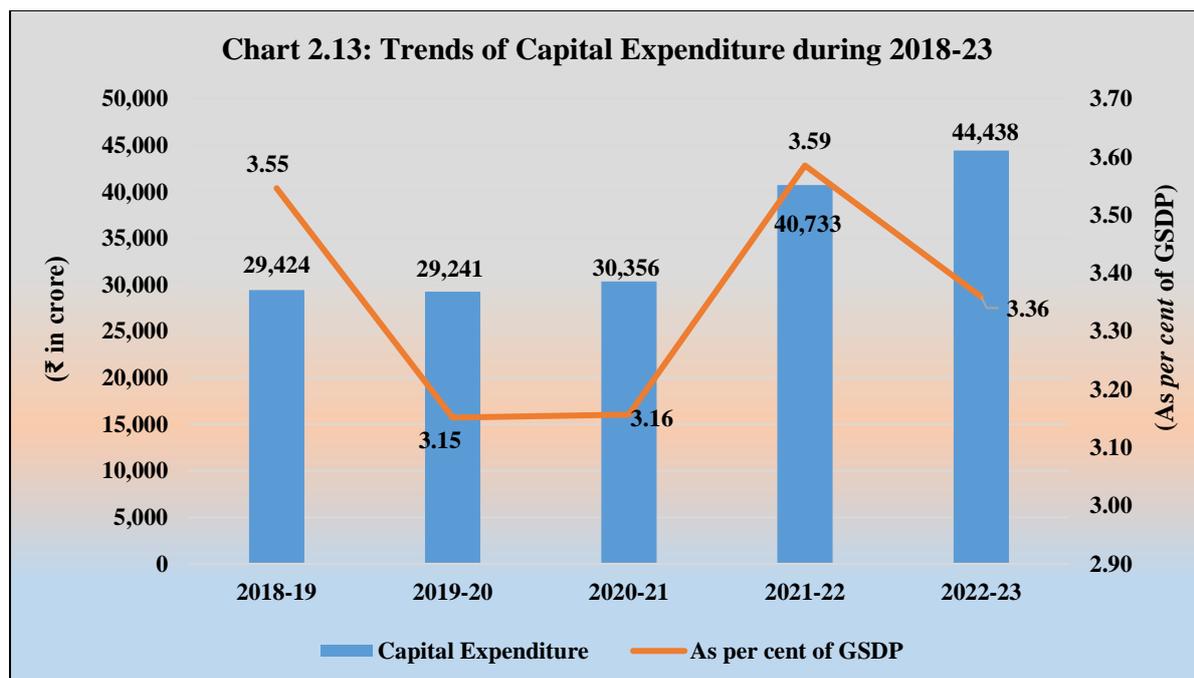
Source: Finance Accounts of the respective years

Total Expenditure of the State increased by 43 per cent from ₹1,72,664 crore in 2018-19 to ₹2,46,692 crore in 2022-23. During 2022-23, it increased by 9.63 per cent over the previous year. As a percentage of GSDP, the Total Expenditure decreased from 20.81 per cent to 18.65 per cent during 2018-23.

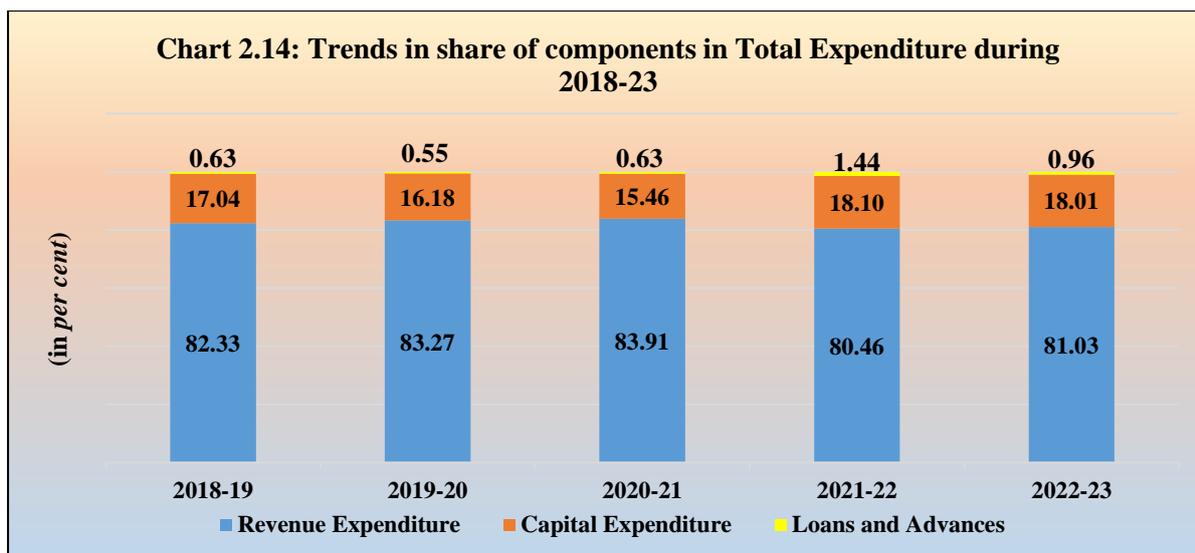
Charts 2.12 and **2.13** present the trends in Revenue Expenditure and Capital Expenditure over the period 2018-23 whereas **Chart 2.14** depicts the trend of the share of the components in Total Expenditure.



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 ₹29,424 crore in 2018-19 stood at ₹44,438 crore in 2022-23 witnessing a growth of 51.03 per cent. Capital Expenditure as a percentage of GSDP decreased from 3.55 per cent in 2018-19 to 3.36 per cent in 2022-23.

Capital Expenditure increased by ₹3,705 crore (9.10 per cent) during 2022-23 over the previous year due to increase under Major Irrigation (by ₹1,987 crore) and Education, Sports, Art and Culture (by ₹651 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 ₹2,46,692 crore (refer *Appendix 2.1*) during 2022-23 is given in **Table 2.17**:

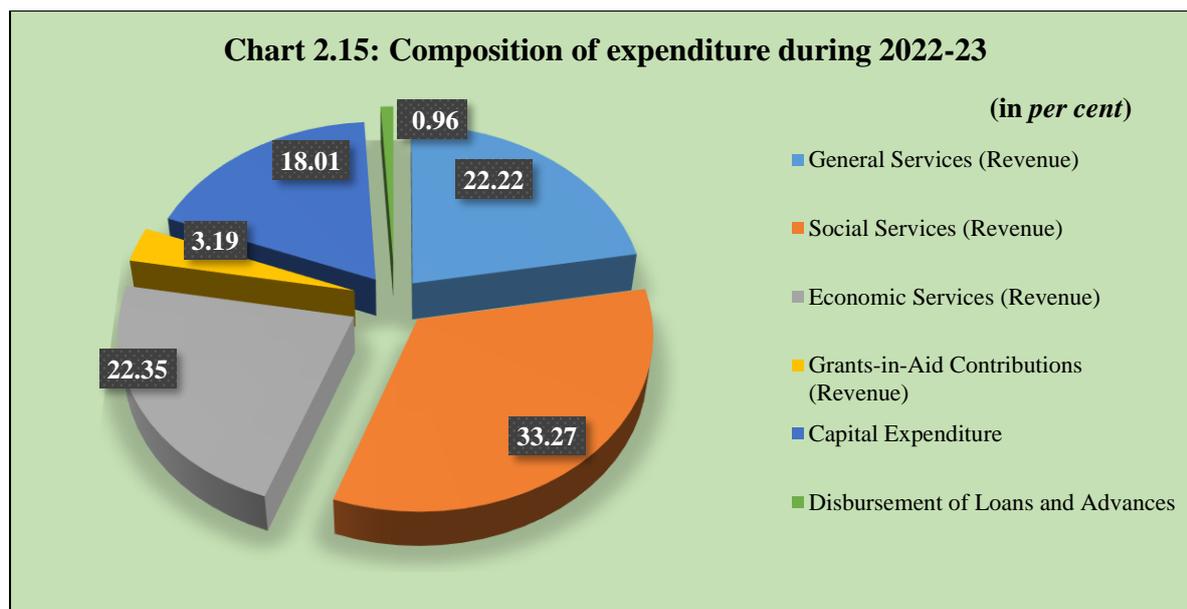
Table 2.17: Relative Share of various sectors in expenditure

Parameters	(in per cent)				
	2018-19	2019-20	2020-21	2021-22	2022-23
General Services	22.49	22.59	24.88	22.42	22.69
Social Services	37.31	39.38	39.17	38.22	39.21
Economic Services	35.12	34.22	32.32	34.76	33.96
Others (Grants to Local Bodies and Loans and Advances)	5.08	3.81	3.63	4.60	4.14

Source: Finance Accounts of the respective years

The relative shares of the above components of expenditure indicate that the share of General Services and Social Services in the Total Expenditure increased by 0.27 per cent and 0.99 per cent respectively during 2022-23 over the previous year. This increase was, however, offset by decreases in the respective share of Economic Services.

Chart 2.15 depicts the composition of expenditure during 2022-23.



Source: Finance Accounts 2022-23

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.

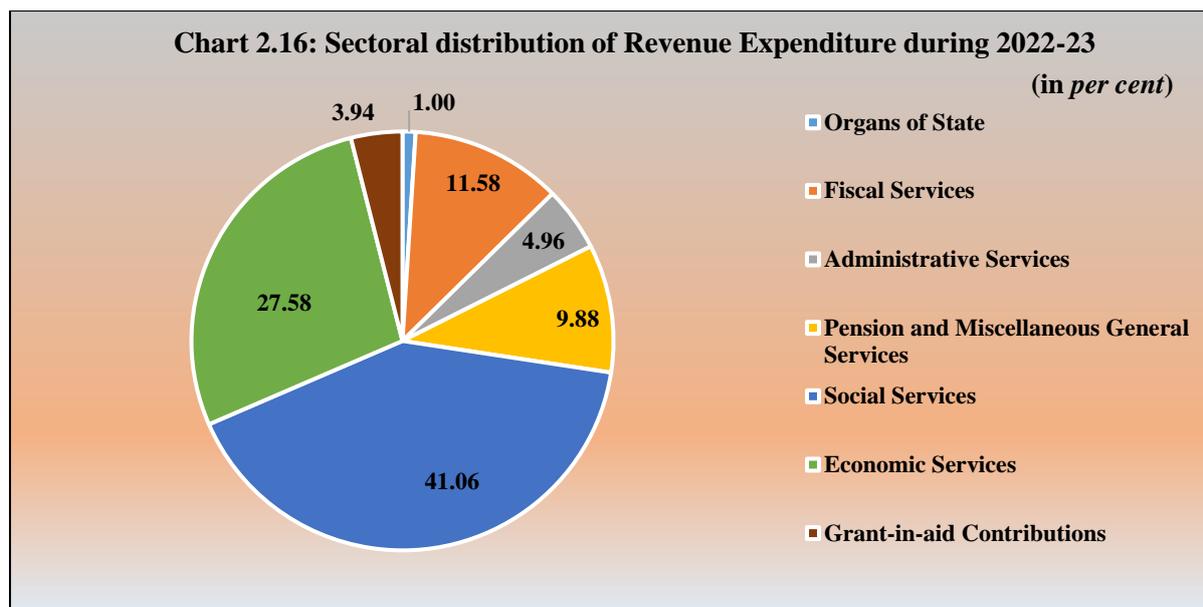
The overall Revenue Expenditure, its rate of growth, its ratio to Total Expenditure and buoyancy *vis-à-vis* GSDP and Revenue Receipts are indicated in **Table 2.18**. The sectoral distribution of Revenue Expenditure pertaining to 2022-23 is given in **Chart 2.16**:

Table 2.18: Revenue Expenditure – basic parameters

Parameters	2018-19	2019-20	2020-21	2021-22	2022-23
Total Expenditure (TE)	1,72,664	1,80,672	1,96,319	2,25,024	2,46,692
Revenue Expenditure (RE)	1,42,149	1,50,444	1,64,733	1,81,061	1,99,895
Rate of Growth of RE (<i>per cent</i>)	9.14	5.84	9.50	9.91	10.40
Revenue Expenditure as percentage of TE	82.33	83.27	83.91	80.46	81.03
GSDP	8,29,805	9,27,855	9,61,643	11,36,137	13,22,821
RE/GSDP (<i>per cent</i>)	17.13	16.21	17.13	15.94	15.11
Revenue Receipts (RR)	1,48,893	1,47,643	1,46,377	1,85,876	2,03,986
RE as percentage of RR	95.47	101.90	112.54	97.41	97.99
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	0.64	0.49	2.61	0.55	0.63
Revenue Receipts (ratio)	0.88	(-)6.95	(-)11.08	0.37	1.07

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 0.70 during 2022-23 over the previous year.



Source: Finance Accounts 2022-23

During 2022-23, Revenue Expenditure as a percentage of GSDP has decreased by 0.83 per cent, due to increase in GSDP by ₹1,86,684 crore (16.43 per cent) over the previous year. Further, as compared to the assessment made in Medium Term Fiscal Plan (MTFP) (₹1,98,916 crore), Revenue Expenditure was higher by ₹979 crore.

2.10.2.1 Major changes in Revenue Expenditure

Table 2.19 details significant variations under various Heads of Account with regard to Revenue Expenditure of the State during 2022-23 compared to 2021-22.

Table 2.19: Variation in Revenue Expenditure during 2022-23 compared to 2021-22

Major Heads of Account	(₹ in crore)		
	2021-22	2022-23	Variation (percentage)
2049- Interest Payment	18,445.91	19,453.27	1,007.36(5.46)
2071- Pensions and Other Retirement benefits	17,042.13	19,690.62	2,648.49(15.54)
2202- General Education	28,573.06	31,256.22	2,683.16(9.39)
2216- Housing	6,102.20	10,817.73	4,715.53(77.28)
2235- Social Security and Welfare	7,308.11	8,520.75	1,212.64(16.59)
2245- Relief on account of Natural Calamities	2,771.83	1,873.82	-898.01(32.40)
2408- Food, Storage and Warehousing	3,780.40	1,225.97	-2,554.43(67.57)
2505- Rural employment	3,756.03	1,558.79	-2,197.24(58.50)
2801- Power	23,413.43	27,135.71	3,722.28(15.90)

Source: Finance Accounts of the respective years

Revenue Expenditure under Major Head 2216-Housing increased significantly by ₹4,715 crore during the year, primarily due to increase in expenditure on “Assistance to Gram Panchayats” under “Rural Housing”. Further, increase in expenditure under the Head 2801- Power during 2022-23 as compared to the previous year, was due to increase in expenditure on “Other Expenditure” under “Rural Electrification”. Revenue Expenditure under Major Head 2408- Food, Storage and Warehousing decreased by ₹2,554 crore over the previous year due to decrease in expenditure on “Food Subsidies” under “Food”.

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.

Apart from above, there are certain items of inflexible expenditure which cannot be ordinarily altered or varied or are statutorily required on an annual basis, unlike for variable transactions such as capital expenditure, etc. For example, the following items may be considered as inflexible expenditure:

- (i) Devolution to local bodies – statutory devolutions to local bodies for pay and allowances (devolution/transfer for capital expenditure).
- (ii) Statutory requirements of contribution to Reserve Funds – Contribution to Consolidated Sinking Fund (CSF), Guarantee Redemption Fund (GRF), State Disaster Mitigation / Response Fund (SDMF/SDRF), etc.
- (iii) Recoupment of Contingency Fund – Amount recouped within the year.
- (iv) Transfer of cess to reserve fund / other body, which are statutorily required.
- (v) Share contribution of CSS against the Central Fund received – Amount of State share to be transferred to SNAs / spent by the State.
- (vi) Payment of interest on the balances of the interest-bearing funds as if they could have been invested and payment of interest on public debt as charged expenditure – Interest payment.

Upward trend on committed expenditure leaves the Government with lesser flexibility for development sector. Trend analysis of committed and inflexible expenditure and its component is depicted in **Table 2.20** and share of committed expenditure in revenue expenditure is shown in **Chart 2.17**.

Table 2.20: Components of Committed and Inflexible-Expenditure

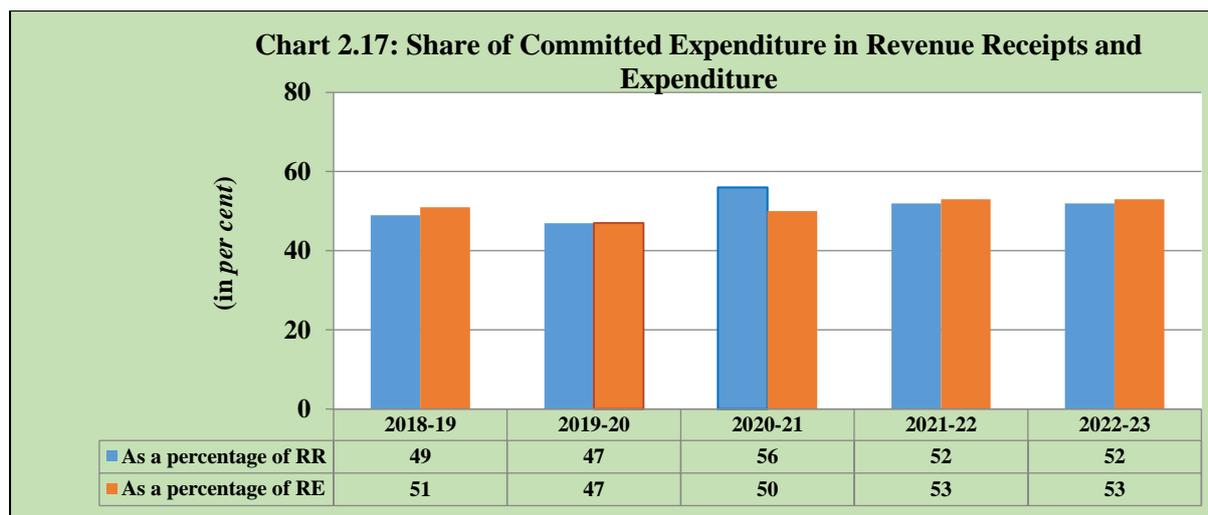
(₹ in crore)					
Components of Committed Expenditure	2018-19	2019-20	2020-21	2021-22	2022-23
Salaries and Wages	27,256	31,160	37,759	41,096	46,799
Expenditure on Pensions	11,984	12,053	14,671	17,042	19,691
Interest Payments	12,696	14,217	15,918	18,446	19,453
Subsidies	21,222	12,642	13,669	19,285	19,289
Total	73,158	70,072	82,017	95,869	1,05,232

Components of Inflexible Expenditure	2018-19	2019-20	2020-21	2021-22	2022-23
Statutory devolution to local bodies	7,671.66	5,900.24	5,900.29	7,125.46	7,877.50
Contribution to Reserve Fund	2,231.96	9,012.96	8,284.84	7,232.00	5,030.36
Recoupment of Contingency Fund	225.96	256.48	386.97	49.30	263.69
Transfer of cess to reserve fund / other body	1,037.45	442.45	1,065.00	884.45	500.00
Share contribution of CSS against the Central Fund received*	--	--	--	--	14,298.04
Payment of interest on the balances of the interest-bearing funds as if they could have been invested and payment of interest on public debt as charged expenditure – Interest payment*	--	--	--	--	--
Total	11,167.03	15,612.13	15,637.10	15,291.21	27,969.59
Committed Expenditure as a percentage of Revenue Receipts (RR)					
Salaries and Wages	18.31	21.10	25.80	22.11	22.94
Expenditure on Pensions	8.05	8.16	10.02	9.17	9.65
Interest Payments	8.53	9.63	10.87	9.92	9.54
Subsidies	14.25	8.56	9.34	10.38	9.46
Total	49.13	47.46	56.03	51.58	51.59
Inflexible Expenditure as a percentage of RR	7.50	10.57	10.68	8.23	13.71
Committed Expenditure as a percentage of Revenue Expenditure (RE)					
Salaries and Wages	19.17	20.71	22.92	22.70	23.41
Expenditure on Pensions	8.43	8.01	8.91	9.41	9.85
Interest Payments	8.93	9.45	9.66	10.19	9.73
Subsidies	14.93	8.40	8.30	10.65	9.65
Total	51.47	46.58	49.79	52.95	52.64
Inflexible Expenditure as a percentage of RE	7.86	10.38	9.49	8.45	13.99

Source: Finance Accounts of respective years

*Data not available

Committed Expenditure has grown from ₹73,158 crore (51.47 per cent of RE) in 2018-19 to ₹1,05,232 crore (52.64 per cent of RE) in 2022-23. However, as compared to 2021-22, Committed Expenditure increased by ₹9,363 crore (9.77 per cent) in 2022-23, mainly because of 15.54 per cent increase in Expenditure on Pensions and 13.88 per cent increase in Salaries and Wages.



Source: Finance Accounts of the respective years

Committed expenditure (₹1,05,232 crore) accounted for 52.64 per cent of the total revenue expenditure (₹1,99,895 crore) during 2022-23 (**Chart 2.17**).

Inflexible Expenditure

The components of Inflexible expenditure showed a continued increase during the period 2018-19 to 2022-23. As a percentage of revenue expenditure, the inflexible expenditure increased from 7.86 per cent to 13.99 per cent. Further, the inflexible expenditure (₹27,969.59 crore) increased by 82.91 per cent during 2022-23 over the previous year (₹15,291.21 crore).

2.10.2.3 Undischarged liabilities in National Pension System payments

During 2022-23, expenditure on pension payments was ₹19,690.61 crore, out of which ₹3,390.24 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 1st April 2019 employer's share increased from 10 per cent to 14 per cent as contribution towards NPS.

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’.

During the year 2022-23, total contribution to Defined Contribution Pension Scheme was ₹5,862.80 crore (Employees contribution ₹2,472.56 crore and Government contribution

₹3,390.24 crore). Detailed information on government contribution is available in Statement No.15 of the Finance Accounts. The Government transferred the entire amount to Minor Head 500-‘Receipt awaiting transfer below Major Head 0071’ and ₹5,865.24 crore was transferred to the NSDL during the year.

2.10.2.4 Subsidies

Subsidies as a percentage of Revenue Receipts decreased from 10.38 *per cent* in 2021-22 to 9.46 *per cent* in 2022-23 and as a percentage of revenue expenditure decreased from 10.65 *per cent* in 2021-22 to 9.65 *per cent* in 2022-23, which can be seen from the details given in **Table 2.21**.

Table 2.21: Expenditure on subsidies during 2018-23

(₹ in crore)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Subsidies	21,222	12,642	13,669	19,285	19,289
Subsidies as a percentage of Revenue Receipts	14.25	8.56	9.34	10.38	9.46
Subsidies as a percentage of Revenue Expenditure	14.93	8.40	8.30	10.65	9.65
Revenue Surplus(+)/Deficit(-)	6,744	(-)2,801	(-)18,356	4,815	4,091
Subsidies as a percentage of Revenue Surplus(+)/Deficit(-)	315	(-)451	(-)74	401	471

Source: Finance Accounts of the respective years

During 2022-23, there was a marginal increase in subsidies over the previous year.

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

The quantum of assistance provided by way of Grants and Loans to Local Bodies and other institutions during the period 2018-23 is presented in **Table 2.22**:

Table 2.22: Financial assistance to Local bodies and other Institutions

(₹ in crore)

Financial assistance to Institutions	2018-19	2019-20	2020-21	2021-22	2022-23
(A) Local Bodies					
Panchayati Raj Institutions	26,301.03	18,828.94	19,103.09	16,889.40	20,441.40
Urban Local Bodies	11,408.89	6,204.28	6,873.93	7,001.23	6,989.61
Total (A)	37,709.92	25,033.22	25,977.02	23,890.63	27,431.01
(B) Others					
Public Sector Undertakings	661.03	93.50	51.84	100.17	107.86
Autonomous Bodies	2,245.30	3,099.07	3,223.99	4,632.80	4,265.04
Co-operative Societies and Co-operative Institutions	80.28	0.00	0.00	0.00	0.00
Non-Government Organisations	1,280.38	689.03	880.53	1,090.95	1,047.81
Others	11,368.55	35,292.46	33,310.86	35,983.70	38,626.00
Other Schemes having expenditure less than ₹10 crore	1,082.58	1,051.05	826.71	899.72	1,029.08
Total (B)	16,718.12	40,225.11	38,293.93	42,707.34	45,075.79
Grand Total (A+B)	54,428.04	65,258.33	64,270.95	66,597.97	72,506.80

Financial assistance to Institutions	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Expenditure	1,42,149.21	1,50,444.30	1,64,733.01	1,81,061.30	1,99,895.26
Financial assistance as a percentage to Revenue Expenditure	38.29	43.36	39.02	36.78	36.27

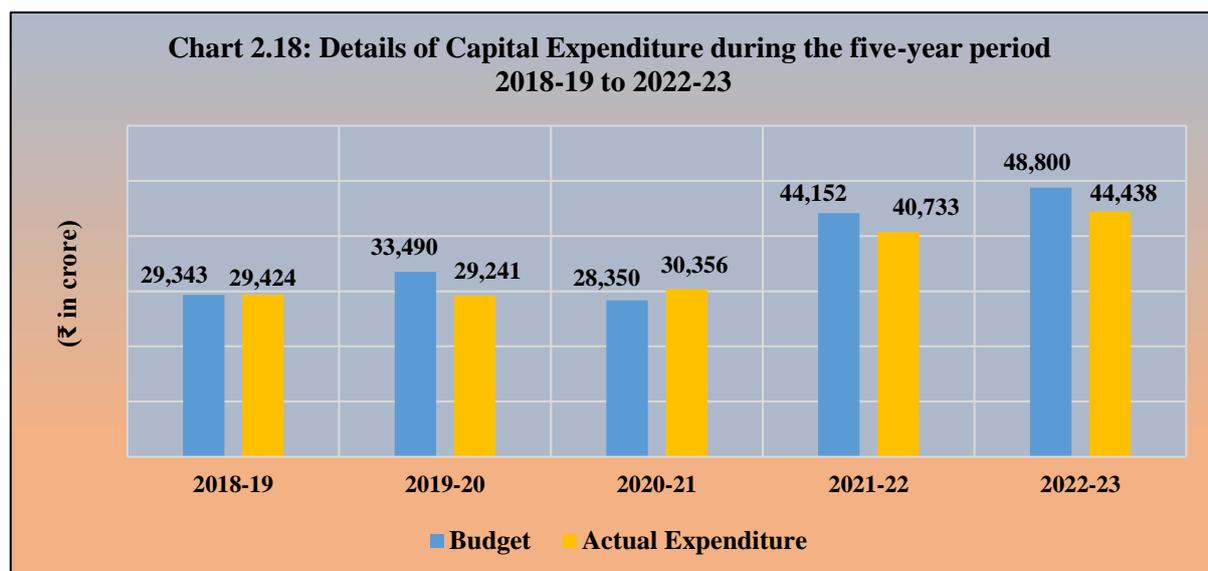
Source: Finance Accounts of the respective years

Financial assistance to Local Bodies and other Institutions increased by ₹18,078.76 crore from ₹54,428.04 crore in 2018-19 to ₹72,506.80 crore in 2022-23. During 2022-23, Financial assistance to Local Bodies increased by ₹3,540.38 crore over the previous year.

Financial assistance as a percentage of Revenue Expenditure increased from 38.29 *per cent* in 2018-19 to 43.36 *per cent* in 2019-20 and thereafter it continually decreased to 36.27 *per cent* in 2022-23.

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 2018-23 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 ₹29,424 crore in 2018-19 to ₹44,438 crore in 2022-23 except in 2019-20.

2.10.3.1 Major changes in Capital Expenditure

Table 2.23 highlights the cases of significant increase or decrease in various Heads of Account in Capital Expenditure during 2022-23 *vis-à-vis* the previous year:

Table 2.23: Variation in Capital Expenditure during 2022-23 compared to 2021-22

(₹ in crore)

Major Heads of Account	2021-22	2022-23	Variation (percentage)
4202-Capital Outlay on Education, Sports, Art and Culture	1,493.87	2,145.07	651.20(43.59)
4210-Capital Outlay on Medical and Public Health	962.76	1,609.82	647.06(67.21)
4215-Capital Outlay on Water Supply and Sanitation	8,928.65	6,739.49	-2,189.16(24.52)
4217-Capital Outlay on Urban Development	1,831.03	2,339.13	508.10(27.75)
4225-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	571.06	1,114.14	543.08(95.10)
4700-Capital Outlay on Major Irrigation	8,575.14	10,562.18	1,987.04(23.17)
4801-Capital Outlay on Power Projects	989.02	1,202.37	213.35(21.57)
Total	23,351.53	25,712.20	2,360.67(10.11)
Capital expenditure during the year	40,733.11	44,438.37	3,705.26(9.10)

Source: Finance Accounts of the respective years

The above Table reveals that ₹10,562.18 crore was incurred on Major Irrigation which is 24 per cent of the total Capital Expenditure of ₹44,438.37 crore, and the expenditure on Major Irrigation has been increased by 23 per cent over the previous year. Overall capital expenditure has increased by nine per cent in 2022-23 over 2021-22.

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 2022-23, the Government of Madhya Pradesh had invested ₹43,384.04 crore in 35 Statutory Corporations, 52 Government Companies, 24 Joint Stock Companies and Partnership, one Bank and 129 Co-operatives in the State during 2022-23. The State Government earned a return of ₹159.58 crore on these investments during 2022-23. Year-wise details of investment by the Government of Madhya Pradesh over the five-year period 2018-23 are as follows:

Table 2.24: Details of Investment and return on Investment as of 31 March 2023

	(₹ in crore)				
Entities	2018-19	2019-20	2020-21	2021-22	2022-23
Statutory Corporations (No. of entities)	9,259.66 (34)	10,038.35 (35)	10,892.35 (35)	12,019.72 (35)	13,018.59 (35)
Government Companies (No. of entities)	24,349.56 (41)	24,713.23 (41)	26,544.84 (44)	26,657.70 (44)	27,992.26 (52)
Joint Stock Companies and Partnerships (No. of entities)	1.31 (24)	1.31 (24)	1.31 (24)	1.31 (24)	1.31 (24)
Banks ¹⁵ (No. of entities)	Nil (01)	Nil (01)	Nil (01)	Nil (01)	Nil (01)
Co-operatives (No. of entities)	1,629.57 (130)	1,620.63 (130)	1,653.36 (129)	2,380.15 (129)	2,371.88 (129)
Investment at the end of the year	35,240.10	36,373.52	39,091.86	41,058.88	43,384.04
Return on investment	347.26	475.96	288.44	138.73	159.58
Return on investment (<i>per cent</i>)	0.99	1.31	0.74	0.34	0.37
Average rate of interest on Government borrowings (<i>per cent</i>)	6.92	6.69	6.18	6.13	5.66
Difference between return on investment and interest on Government borrowings (<i>per cent</i>)	5.93	5.38	5.44	5.79	5.29
Difference between cost of Government borrowings and return on investment	2,089.74	1,956.90	2,126.60	2,377.31	2,295.02

Source: Finance Accounts of the respective years

The average rate of return on investment was 0.75 *per cent* during the five-year period 2018-23, while the average rate of interest paid on borrowings by the State Government during the period was 6.32 *per cent*. Over the past five years, the difference in cost of Government borrowings and return on investments in PSUs was to the tune of ₹10,845.57 crore.

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 2.25** presents the outstanding Loans and Advances as on 31 March 2023, along with interest receipts *vis-à-vis* interest payments during the five-year period 2018-23.

Table 2.25: Outstanding Loans and Advances and interest receipts and payments by State Government

	(₹ in crore)				
Quantum of loans/interest receipts/ cost of Borrowings	2018-19	2019-20	2020-21	2021-22	2022-23
Opening Balance of Loans and Advances (1)	41,124¹⁶	42,144	42,585¹⁷	43,757	46,924
Amount disbursed during the year (2)	1,090	987	1,230	3,229	2,360
Amount recovered during the year (3)	70	46	58	62	1,458
Closing Balance of Loans and Advances (4)	42,144	43,085	43,757	46,924	47,826

¹⁵ It includes the Rural Bank and Urban and Industrial Co-operative Bank.

¹⁶ Opening balance decreased by ₹345.35 crore due to proforma transfer to Chhattisgarh.

¹⁷ Opening balance decreased by ₹500 crore due to proforma correction.

Quantum of loans/interest receipts/ cost of Borrowings	2018-19	2019-20	2020-21	2021-22	2022-23
Net addition of Loans and Advances (5)=(2-3)	1,020	941	1,172	3,167	902
Interest received (6)	235	130	88	1,432	4,033
Interest receipts as percentage of outstanding loans and advances (7)	0.56	0.30	0.20	3.05	8.43
Average rate of interest on Government borrowings (per cent) (8)	6.92	6.69	6.18	6.13	5.66
Difference between interest rate on market borrowings and interest received on loans (per cent) (9)	6.36	6.39	5.98	3.08	2.77

Source: Finance Accounts of the respective years

The total amount of outstanding Loans and Advances as on 31 March 2023 was ₹47,826 crore, which was mainly under Government Companies (₹27,059 crore), Statutory Corporation (₹6,781 crore) and Municipalities/Municipal Councils/Municipal Corporations (₹2,522 crore). The Economic Services Sector¹⁸ (₹39,880 crore) has huge outstanding Loans and Advances which decreased by ₹345 crore over the previous year. The amount of Loans disbursed during the year increased by 116.51 per cent from ₹1,090 crore in 2018-19 to ₹2,360 crore in current year.

The State received ₹4,033 crore as an interest during 2022-23 which increased by ₹2,601 crore over the previous year mainly because of increase in Interest received from Energy Sector.

Average rate of interest paid on borrowings was 5.66 per cent during 2022-23, while the rate of interest received was 8.43 per cent on Loans and Advances given by the Government during 2022-23.

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.

Blocking of funds on incomplete works impinges negatively on the quality of expenditure. The details of incomplete projects as on 31 March 2023 as per sample check are summarised below in **Table 2.26**.

¹⁸ Economic Services Sector mainly comprises of Loans for Power Projects (₹35,143 crore), Loans to Petro chemical industries (₹1,602 crore) and Loans for Co-operation (₹1,479 crore).

Table 2.26: Profile of incomplete projects as on 31 March 2023

(₹ in crore)

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	Estimated cost of project for which costs were revised		
					Initial	Revised estimated cost	Cost overrun
Public Works Department	718	5,411.45	2,882.63	9	248.43	388.87	140.44
Public Health Engineering Department	31	2,640.09	1,670.27	0	0	0	0
Narmada Valley Development Authority	16	26,459.64	7,060.97	5	2,330.53	2,871.10	540.57
Urban Administration & Development	27	1,155.86	435.03	8	232.20	238.74	6.54
Total	792	35,667.04	12,048.90	22	2,811.16	3,498.71	687.55

Source: Information furnished by departments

Delay in completion of projects resulted in cost overrun of ₹687.55 crore in 22 projects besides delaying the envisaged benefits from these incomplete projects.

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 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 194 PPP projects (project cost of ₹20,855.37 crore) initiated as of March 2023, 141 projects (72.68 per cent) were completed at a cost of ₹14,522.99 crore, while 12 projects (6.19 per cent) costing ₹1,206.99 crore were in progress and 41 projects (21.13 per cent) costing ₹5,125.39 crore were in the pipeline and under bidding. Details are given in **Table 2.27** below:

Table 2.27: Status of PPP projects under various Departments as on 31 March 2023

(₹ 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	138	14,418.46	12	2,209.37	0	0	6	145.48	120	12,063.61
10	Sports and Youth Welfare	1	900.00	0	0.00	0	0.00	1	900.00	0	0.00
11	Tourism	6	84.22	3	49.22	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	30	2,869.68	20	2,427.13	1	13.94	4	145.83	5	282.78
Total		194	20,855.37	37	4,921.45	4	203.94	12	1,206.99	141	14,522.99

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

2.10.6 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 2018-19 to 2022-23 are analysed in **Table 2.28** below:

Table 2.28: Fiscal priority of the State in 2018-19 and 2022-23

(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) 2018-19	16.38	67.24	36.60	30.65	15.58	14.76	5.07
Madhya Pradesh's (Ratio) 2018-19	20.81	73.03	37.46	35.57	17.67	15.55	4.48
General Category States Average (Ratio) 2022-23	15.79	67.28	38.11	29.17	15.22	14.85	5.68
Madhya Pradesh's (Ratio) 2022-23	18.65	74.10	39.71	34.38	18.97	13.90	5.68

TE: Total Expenditure; DE: Development Expenditure; SSE: Social Services Expenditure; ESE: Economic Services Expenditure; CE: Capital Expenditure; GSDP: Gross State Domestic Product.

Source: Information provided by Economic Advisor

Allocation to education was lower in Madhya Pradesh during 2022-23 as compared to the average allocation to these sectors by the General Category States during these years although it was higher during 2018-19. The ratio of allocation to development expenditure of the State exceeded the average quantum allocated by the General Category States during 2018-19 as well as in the current year 2022-23.

2.10.7 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 2.29** below:

Table 2.29: Object Head-wise expenditure vis-à-vis budget authorisation during 2022-23

(₹ in crore)

Head	Budget	Expenditure	Utilisation percentage
11-Salaries	45,349.69	44,529.23	98.19
12-Wages	2,436.34	2,269.88	93.17
13-Pension and Pensionary benefits	17,269.31	16,320.76	94.51
15- Social Security Pension	2,634.22	2,634.23	100.00
19-Salary of works charged contingent employee	1,249.83	1,112.72	89.03
22-Office Expenses	1,301.87	1,215.99	93.40
31-Payment for Professional Services	3,857.86	3,591.04	93.08
33-Maintenance	4,045.39	3,398.58	84.01
34-Material and Supplies	2,610.38	2,450.89	93.89
41-Stipend and Scholarship	3,428.30	3,241.82	94.56
42-Grants-in-aid	72,542.94	69,746.08	96.14
43-Contributions	4,151.20	3,441.28	82.90
44-Subsidies	22,676.18	19,288.77	85.06
46-Grants-in-Aid conditional	1,766.40	1,798.20	101.80
64-Major Works	43,968.63	37,740.65	85.84
65-Investment	2,161.15	2,371.94	109.75
73-Inter Account Transfer	5,766.73	5,015.26	86.97
Total	2,37,216.42	2,20,167.32	92.81

Source: Finance Accounts and VLC data 2022-23

As can be seen from the above Table, out of a total budgetary allocation of ₹2,37,216.42 crore on the above Object Heads, the actual expenditure during 2022-23 was ₹2,20,167.32 crore (92.81 per cent). Out of the 17 Objects Heads mentioned above, five Object Heads (11-Salaries, 15-Social Security Pension, 42-Grants-in-aid, 46-Grants-in-Aid conditional and 65-Investment) 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 2023 are given in **Table 2.30** below:

Table 2.30: Component-wise net balances in Public Account as on 31 March 2023

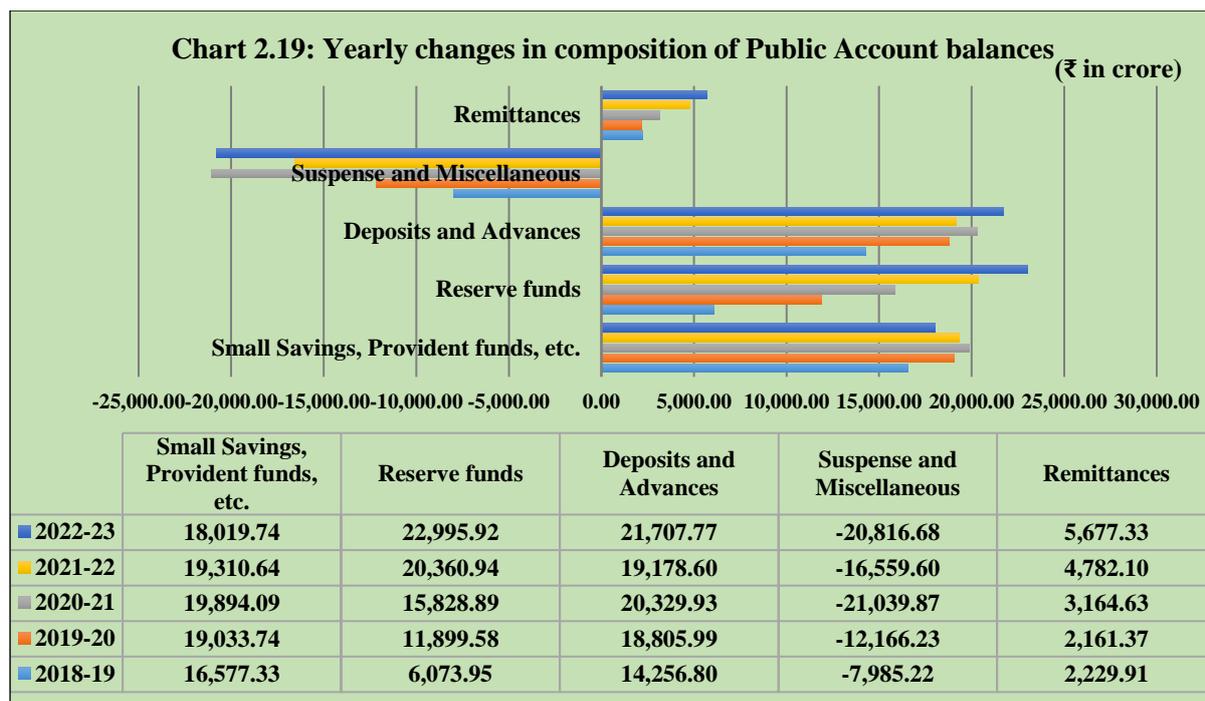
		(₹ in crore)				
Sector	Sub Sector	2018-19	2019-20	2020-21	2021-22	2022-23
I. Small Savings, Provident Fund, etc.	National Small Savings Fund, State Provident Funds and Other Accounts	16,577.33	19,033.74	19,894.09	19,310.64	18,019.74
J. Reserve Funds	(a) Reserve Funds bearing Interest	75.43	5,199.92	5,684.40	7,997.82	8,963.55
	(b) Reserve Funds not bearing Interest	5,998.52	6,699.66	10,144.49	12,363.12	14,032.37
Total		6,073.95	11,899.58	15,828.89	20,360.94	22,995.92
K. Deposits and Advances	(a) Deposits bearing Interest	(-)31.54	(-)44.45	(-)66.79	(-)94.80	204.43
	(b) Deposits not bearing Interest	14,291.74	18,853.92	20,400.20	19,276.88	21,506.83
	(c) Advances	(-)3.40	(-)3.48	(-)3.48	(-)3.48	(-)3.49
Total		14,256.80	18,805.99	20,329.93	19,178.60	21,707.77
L. Suspense and Miscellaneous	(b) Suspense	(-)222.35	(-)1,391.42	(-)862.43	251.45	573.27
	(c) Other Accounts	(-)7,762.72	(-)10,774.66	(-)20,177.29	(-)16,810.90	(-)21,389.80
	(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
Total		(-)7,985.22	(-)12,166.23	(-)21,039.87	(-)16,559.60	(-)20,816.68
M. Remittances	(a) Money Orders and other Remittances	2,885.48	2,855.74	3,820.37	5,499.15	6,402.02
	(b) Inter-Governmental Adjustment Account	(-)655.57	(-)694.37	(-)655.74	(-)717.05	(-)724.69
Total		2,229.91	2,161.37	3,164.63	4,782.10	5,677.33
Grand Total		31,152.77	39,734.45	38,177.67	47,072.68	47,584.08

Source: Finance Accounts of respective years

Note: +ve figures denotes debit balance and -ve figures denotes credit balance

Total Component-wise net balances in Public Account as on 31 March of the respective year increased progressively by 52.74 per cent in 2018-23. The net balances in Public Account increased by ₹511.40 crore in 2022-23 over the previous year.

The yearly changes in composition of balances in Public Account over the five-year period 2018-23 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. It comprises interest bearing reserve funds and reserve funds not bearing interest.

Details of Reserve funds are available in Statements 21 and 22 of the Finance Accounts. There were three interest bearing funds and five Reserve Funds not bearing interest as on 31 March 2023. The fund balances lying in these Reserve Funds as on 31 March 2023 are given in **Table 2.31**:

Table 2.31: Details of Reserve Funds

Sl. No.	Name of Reserve Funds	Balance as on 31 March 2023
A	Reserve Funds bearing Interest	8,963.55
1	State Disaster Response Fund	1,825.51
2	State Compensatory Afforestation Fund	6,739.99
3	State Disaster Mitigation Fund	398.05
B	Reserve Funds not bearing Interest	14,032.37
1	Famine Relief Fund	5.93
2	Depreciation/Renewal Reserve Fund	4.96
3	Revenue Reserve Funds	24.09
4	Development and Welfare Funds	13,814.34
5	General and Other Reserve Funds	183.05
	Grand Total	22,995.92

Source: Finance Accounts 2022-23

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).

During the year 2022-23, the State Government received ₹1,528.80 crore as Central Government’s share. The State Government’s share during the year was ₹509.60 crore. The State Government transferred ₹2,043.12 crore (Central share ₹1,528.80 crore, State share ₹509.60 crore of SDRF and Interest ₹4.72 crore) to the Fund under Major Head 8121-122 SDRF.

Details of expenditure charged to State Disaster Response Fund is given below in **Table 2.32:**

Table 2.32: 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	27.78
		102-Drinking Water Supply	5.92
	02-Floods, Cyclones, etc.	101-Gratuitous Relief	381.25
		05-State Disaster Response Fund	101-Transfer to Reserve Funds and Deposit Accounts- State Disaster Response Fund
	901- Deduct- Account met from State Disaster Response Fund		-1,342.18 ²⁰
	80-General	001-Direction and Administration	1.77
		102-Management to Natural Disaster, Contingency Plans in disaster prone areas	192.03
		103-Assistance to State from National Disaster Response Fund	--
		800-Other Expenditure	314.06
	Total		

Source: Finance Accounts 2022-23

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

¹⁹ Central share of ₹1,52,880.00 lakh and State share of ₹50,960.00 lakh transferred to Major Head 8121-122- State Disaster Response Fund and Central share of ₹19,110.00 lakh and State share of ₹6,370.00 lakh transferred to Major Head 8121-130- State Disaster Mitigation Fund (Statement no. 21 of Finance Accounts)

²⁰ ₹85,400.53 lakh has been recouped from Major Head 8121-122- State Disaster Response Fund and ₹48,816.97 lakh has been recouped from Major Head 8121-130- State Disaster Mitigation Fund (Statement no. 21 of Finance Accounts)

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.

As on 31 March 2023, the outstanding guarantees of ₹39,788.47 crore which is 21.41 *per cent* of the State Revenue Receipts of the year 2021-22 (₹1,85,875.85 crore) and are within the limits prescribed.

During 2022-23, the GoMP contributed only ₹15.72 crore as against ₹31.44 crore to the Fund. The total Fund accumulation was ₹1,051.16 crore as on 31 March 2023 (₹1,035.44 crore as on 31 March 2022), out of which ₹966.12 crore has been invested. Short Contribution of ₹15.72 crore resulted in understatement of Revenue Expenditure during 2022-23.

2.12 Funds outside Consolidated Fund/Public Account of the State and dedicated Funds

Article 266 (1) of the Constitution of India subject to the provisions of Article 267, provides that all revenues received by the Government of a State, all loans raised by that Government by the issue of treasury bills, loans or ways and means advances and all moneys received by that Government in repayment of loans shall form one consolidated fund to be entitled “the Consolidated Fund of the State”. Article 266(2) provides that all other public moneys received by or on behalf of the Government of a State shall be credited to the public account of the State, as the case may be.

The State Government imposed various Cess for meeting expenditure for specific purposes. Audit collected information/data regarding cesses being levied by the Departments concerned which are discussed below:

2.12.1 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 2018-23 are given in **Table 2.33**.

Table 2.33: Details of receipts and expenditure of cess during 2018-23

(₹ 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
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
2022-23	2,138.61	623.00	0.00	108.60	2.04	2,872.25	483.40	2,388.85	16.83

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 Madhya Pradesh Building and other Construction Workers Welfare Board in the light of the facts that accounts have not been prepared and/or submitted to the Accountant General and funds remaining unutilised.

2.12.2 Energy Development Cess

Every Generating Company shall pay to the State Government at the prescribed time and in the prescribed manner an energy development cess at the rate of fifteen paise per unit on the total units of electrical energy sold or supplied to a distribution license or consumer in the State of Madhya Pradesh or consumed by itself or its employees during prescribed period. The Energy Development Cess collected in previous year must be transferred into the fund in the following year. The energy development cess collected is deposited to the Consolidated Fund of the State Government.

During 2022-23, an amount of ₹500.00 crore was transferred to the Electricity Development fund by the State Government out of total collection of ₹889.02 crore in 2021-22. This resulted in understatement of Revenue Expenditure to that extent (₹389.02 crore). This resulted in overstatement of Revenue Surplus by ₹389.02 crore and understatement of Fiscal Deficit by ₹389.02 crore. During the year 2022-23, the Government collected ₹710.25 crore Energy Development Cess.

2.12.3 Operation of bank accounts without permission and keeping funds outside the Consolidated Fund

Rule 9 of Madhya Pradesh Treasury Code (MPTC) Part-I provides that a Government servant may not, except with the special permission of the Government, deposit in bank, moneys withdrawn from the Consolidated Fund and Public Account of the State. Rule 284 of MPTC Part-I provides that no money shall be drawn from the treasury unless it is required for immediate disbursement. Further, Finance Department, Government of Madhya Pradesh issued (February 2009) instructions to close the bank accounts operational in Government offices and deposit the amount lying in these accounts into Government account by 28 February 2009. If any officer fails to do so, a penalty of two *per cent* per month deposited in the bank account will be imposed.

Test check of records of Collector, Rewa (May 2023) revealed that an account (No. 684621867311) of Jila Sahakari Kendriya Bank Maryadit was operational in the name of *Prabhari Adhikari* and *Nazir* since 1997 and the same was not closed despite the above instructions of the Finance Department.

We observed that ₹6.21 crore was drawn from the Consolidated Fund and deposited in this account during 2018-2023. Out of ₹6.21 crore, ₹3.08 crore pertained to discretionary grants sanctioned by Chief Minister/Ministers, sanction of which were issued in the names of beneficiaries by the General Administration Department, GoMP. Moreover, as of 31st March 2023, the bank statement showed a closing balance of ₹59.79 lakh, whereas the cash book recorded only ₹36.69 lakh. Thus, there was difference of ₹23.10 lakh between bank statement and cashbook which was not reconciled.

The practice of drawing funds from the Consolidated Fund and keeping them in a bank account, as adopted by the Collector of Rewa district, is highly irregular and contravenes Rule 9 and 284 of MPTC Code-I. It also indicates deficiency in financial management and failure to comply with rules and instructions.

The matter was referred to the Government (August 2023); their reply was awaited (September 2023).

2.12.4 Non-deposit of administrative cost of ₹29.77 lakh into Consolidated Fund of the State

Revenue Department, Government of Madhya Pradesh in its notification (March 2019) specified that administrative cost of 2.5 *per cent* of the cost of compensation shall be charged for acquisition of the land from all the departments and undertakings of the State and GoI. Revenue Department also instructed (March 2019) to deposit the administrative cost under the head 0029-800-0018 “administrative process cost received from land acquisition”.

Scrutiny of records of offices of Collector, Gwalior, revealed that award for compensation amount of ₹11.88 crore was passed on 03 January 2023 for acquisition of land in Ohadpur village, Gwalior for construction of District Court and administrative cost of ₹29.71 lakh was also charged and received. However, the same had not been deposited into Consolidated Fund of the State under the head 0029-800-0018 till August 2023. In addition, ₹0.06 lakh collected as administrative cost during 2020-21 was also not deposited in the above head till August

2023. This was violation of established rules leading to understatement of tax revenue of the State for the year 2020-21 and 2022-23 by ₹0.06 lakh and ₹29.71 lakh respectively.

On being pointed out, Collector, Gwalior replied (August 2023) that the amount would be deposited soon. Further details have not been intimated (November 2023).

2.12.5 Parking of ₹8.47 crore in bank account opened without permission of Finance Department

Rule 284 of MPTC Volume-I stipulates that no money shall be drawn from the treasury unless it is required for immediate disbursement. Rule 6 of Madhya Pradesh Financial Code (MPFC) Volume-I provides that moneys may not be removed from the Consolidated Fund for investment or deposited elsewhere without the consent of the Finance Department.

Finance Department (FD) instructed (February 2009 and March 2019) to close bank accounts that were opened without permission of the Finance Department. The accounts were to be closed by 28 February 2009 and 25 March 2019 respectively and the funds were then to be transferred into the Consolidated Fund of the State.

During scrutiny of records of Collector, Gwalior, Audit noticed that a current account bearing number 10554232197 was opened in the name of Collector, Gwalior (Chief Minister Relief Fund Account) at State Bank of India on 28 January 2000. This account held a closing balance of ₹8.47 crore as of 31 March 2023. Despite the repeated instructions of the Finance Department, neither the account was closed nor were the funds in the account transferred into the Consolidated Fund of the State.

On being asked about permission of Finance Department, Collector, Gwalior replied (August 2023) that permission of the Finance Department would be made available as and when received. Further, details have not been intimated (November 2023).

However, reasons for opening the account without authorization and continuously operating it without permission were not intimated to audit. Further, details have not been furnished (December 2023).

2.13 Public Liability Management

Management of public liability is the process of establishing and executing a strategy for managing the Government's liabilities 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.

Outstanding liability of the State along with its percentage to GSDP for the years 2018-19 to 2022-23 is depicted in **Chart 2.20**.



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.

Note: Debt/GSDP ratio (2022-23) has been calculated on total outstanding debt of ₹3,52,963 crore after excluding the amount of back to back loan (₹11,553 crore) from the total outstanding debt of ₹3,63,952 crore and including off budget borrowing ₹564 crore.

2.13.1 Liability Profile: Components

Total liabilities of the State Government typically constitute Internal Debt of the State (Market Loans, Ways and Means advances from RBI, Special Securities issued to National Small Savings Fund of Central Government Compensation and other Bonds, Loans from Financial Institutions) and Loans and Advances from Central Government and Public Accounts Liabilities. The component-wise liability trends of the State for the period of five years beginning from 2018-19 are presented in the **Table 2.34** below:

Table 2.34: Component-wise liability trends

Particulars	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Outstanding Total Liability	1,94,309	2,30,572	2,89,298	3,23,794	3,64,516
Public Debt	1,57,398	1,80,829	2,33,242	2,64,364	3,01,226
Internal Debt	1,40,009	1,59,793	2,02,719	2,23,013	2,51,428
Loans from GoI	17,389	21,036	30,523 ²¹	41,351 ²²	49,798
Liabilities on Public Account ²³	36,911	49,743	56,056	58,854	62,726
Small Savings Provident Funds etc.	16,577	19,034	19,894	19,311	18,020
Reserve Funds bearing interest	75	5,200	5,684	7,998	8,964
Reserve Funds not bearing interest	5,999	6,700	10,144	12,363	14,032
Deposits bearing interest	-32	-44	-67	(-)95	204
Deposits not bearing interest	14,292	18,854	20,400	19,277	21,507
Off Budget borrowing	-	-	-	576	564

²¹ Includes back to back loan in lieu of GST compensation shortfall of ₹4,542 crore.

²² Includes back to back loan in lieu of GST compensation shortfall of ₹11,553 crore. (₹4,542 crore for 2020-21 and ₹7,011 crore for 2021-22).

²³ 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.

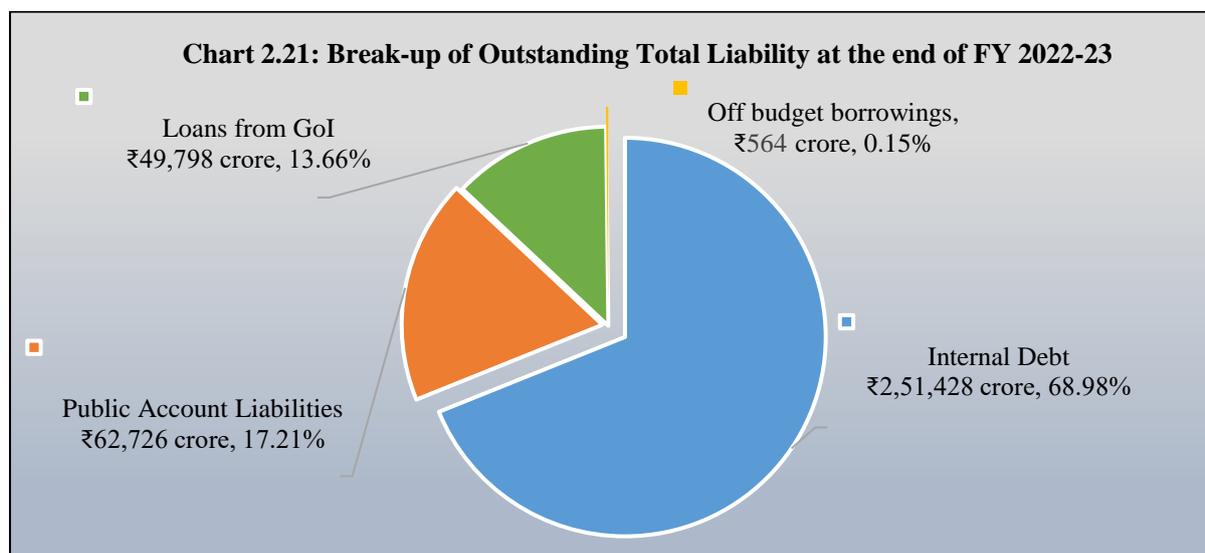
Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Rate of growth of Overall Outstanding liability (percentage)	12.73	18.66	25.47	11.92	12.58
Gross State Domestic Product (GSDP)	8,29,805	9,27,855	9,61,643	11,36,137	13,22,821
Liabilities/GSDP (<i>per cent</i>)	23.42	24.85	30.08	28.50	27.56
Borrowings and Other Liabilities					
Total Receipts	71,063	85,613	1,37,196	88,536	1,19,552
Total Repayments	49,087	49,351	78,470	54,616	78,818
Net fund available	21,976	36,262	58,726	33,920	40,734
Repayments/Receipts (<i>per cent</i>)	69.08	57.64	57.20	61.69	65.93

Source: Finance Accounts of respective years

The total liabilities of the State Government has been continuously on the rise as it increased by 87.60 *per cent* from ₹1,94,309 crore in 2018-19 to ₹3,64,516 crore in 2022-23. Public debt increased by ₹36,862 crore (13.94 *per cent*) over the previous year. The amount of total outstanding liability shown above included off-budget borrowing of ₹1,140 crore and back-to-back loan of ₹11,553 crore provided *in lieu of* shortfall in GST compensation as debt receipt to the State Government (without repayment liability).

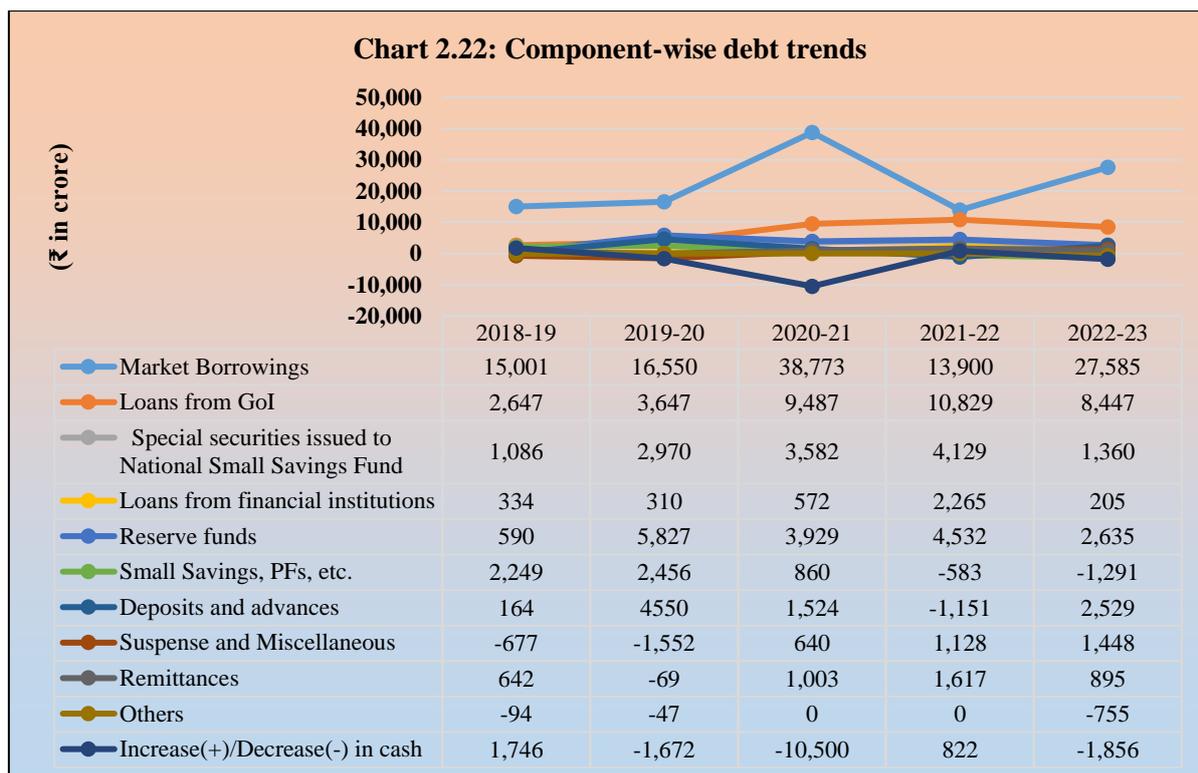
Liabilities on Public Account increased by ₹25,815 crore (69.94 *per cent*) during the period 2018-23. Major increase was under 'Reserve Funds bearing Interest' (₹8,889 crore), 'Reserve Funds not bearing Interest' (₹8,033 crore) and 'deposits not bearing interest' (₹7,215 crore).

Break-up of outstanding total liabilities at the end of 2022-23 as shown in **Chart 2.21**:

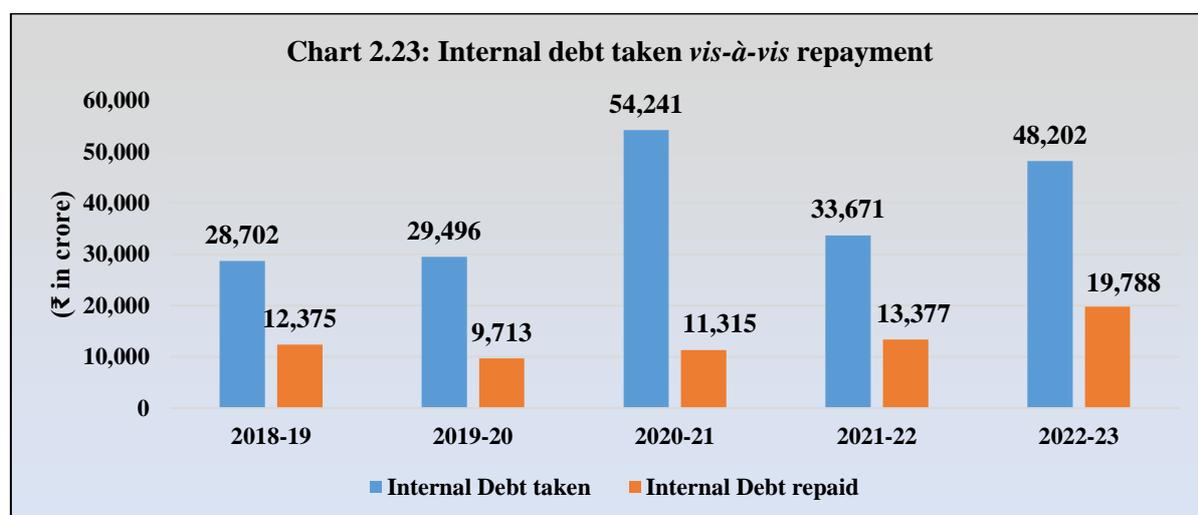


Source: Finance Accounts 2022-23

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

Internal debt of the State Government increased by ₹1,11,419 crore (79.58 per cent) from ₹1,40,009 crore in 2018-19 to ₹2,51,428 crore in 2022-23.

2.13.1.1 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 2.35**:

Table 2.35: Components of Fiscal Deficit and its financing pattern

		(₹ in crore)				
Particulars		2018-19	2019-20	2020-21	2021-22	2022-23
Fiscal Deficit (-)/Surplus (+) (FD/GSDP)		(-23,688) (2.93)	(-32,970) (3.64)	(-49,870) (5.44)	(-37,487) (3.21)	(-41,202) (3.12)
Composition of Fiscal Deficit/Surplus						
1	Revenue Deficit (-) /Surplus(+)	6,744	(-)2,801	(-)18,356	4,815	4,091
2	Net Capital Expenditure	(-)29,411	(-)29,228	(-)30,342	(-)39,135	(-)44,391
3	Net Loans and Advances	(-)1,021	(-)941	(-)1,172	(-)3,167	(-)902
Financing Pattern of Fiscal Deficit						
1	Market Borrowings	15,001	16,550	38,773	13,900	27,585
2	Loans from GoI	2,647	3,647	9,487	10,829	8,447
3	Special Securities issued to NSSF	1,086	2,970	3,582	4,129	1,360
4	Loans from Financial Institutions	334	310	572	2,265	205
5	Reserve Funds	590	5,827	3,929	4,532	2,635
6	Small Savings, PF, etc.	2,249	2,456	860	(-)583	(-)1,291
7	Deposits and Advances	164	4,550	1,524	(-)1,151	2,529
8	Suspense and Miscellaneous	(-)677	(-)1,552	640	1,128	1,448
9	Remittances	642	(-)69	1,003	1,617	895
10	Others	(-)94	(-)47	0	0	(-)755
11	Increase (+)/Decrease (-) in cash	1,746	(-)1,672	(-)10,500	822	(-)1,856
12	Gross Fiscal Deficit	23,688	32,970	49,870	37,487	41,202

Source: Finance Accounts of respective years

It can be seen from the above Table that Revenue surplus decreased by ₹724 crore (15.04 per cent) and Fiscal Deficit increased by 9.91 per cent during 2022-23 over the previous year.

Receipts and Disbursements under different components financing the Fiscal Deficit are shown in **Table 2.36**:

Table 2.36: Receipts and Disbursements under components financing the fiscal deficit

		(₹ in crore)		
Sl. No.	Particulars	Receipts	Disbursements	Net
1	Market Borrowings	40,158.00	12,573.05	27,584.95
2	Loans from GoI	10,665.20	2,218.58	8,446.62
3	Special Securities Issued to NSSF	5,845.57	4,485.74	1,359.83
4	Loans from Financial Institutions	2,198.55	1,992.87	205.68
5	Small Savings, PF, etc.	4,057.27	5,348.17	(-)1,290.90
6	Deposits and Advances	51,597.17	49,068.00	2,529.17
7	Suspense and miscellaneous	1,82,733.97	1,81,286.28	1,447.69
8	Remittances	20,288.18	19,392.93	895.25
9	Reserve Funds	5,030.36	2,395.37	2,634.99
10	Others ²⁴	0.00	755.40	(-)755.40
11	Increase (+)/Decrease (-) in cash	16,324.17	18,179.83	(-)1,855.66
12	Gross Fiscal Deficit	3,38,898.44	2,97,696.22	41,202.22

Source: Finance Accounts 2022-23

²⁴ Transactions under Contingency Fund and Investment and Bonds.

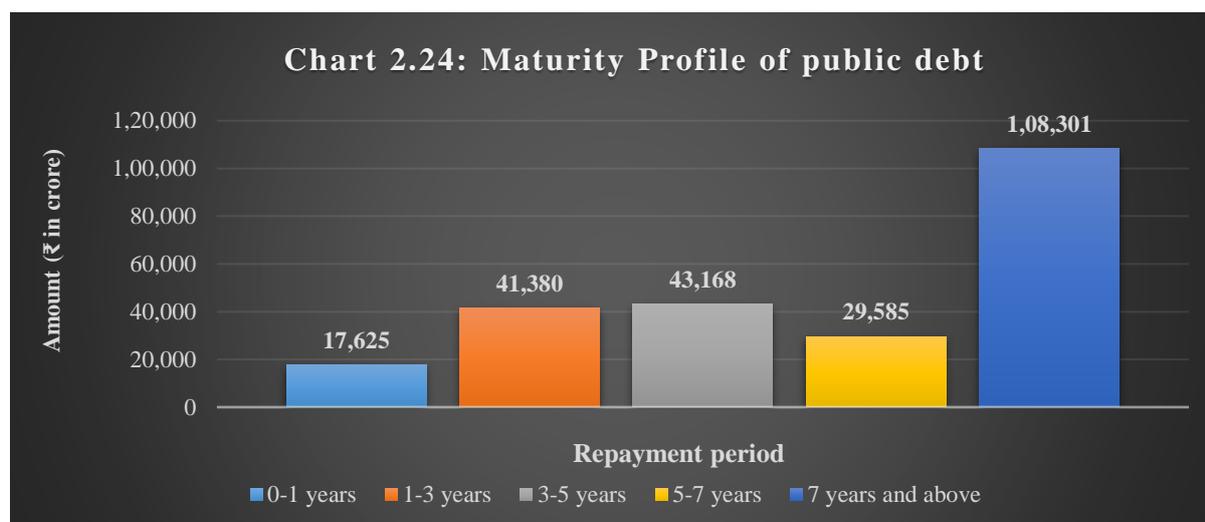
2.13.2 Debt Profile: Maturity and Repayment

The details of public debt and its maturity profile are given in **Table 2.37** and **Chart 2.24** below.

Table 2.37: Maturity Profile of Public Debt

Year of Maturity	Maturity Profile	Amount			Per cent of total Public Debt
		Internal Debt	Loans & Advances from GoI	Total	
By 2023-24	0-1 year	16,990.17	635.14	17,625.31	5.85
Between 2024-25 and 2025-26	1-3 years	40,909.98	470.20	41,380.18	13.74
Between 2026-27 and 2027-28	3-5 years	42,874.08	293.72	43,167.80	14.33
Between 2028-29 and 2029-30	5-7 years	29,379.77	204.99	29,584.76	9.82
2030-31 onwards	Above 7 years	1,08,017.38	283.77	1,08,301.15	35.95
Other (Under reconcillation with the State Government/ Loan repayment details awaited)		13,256.22	47,910.11	61,166.33	20.31
Total		2,51,427.60	49,797.93	3,01,225.53	-

Source: Finance Accounts 2022-23



Source: Finance Accounts 2022-23

The maturity profile of outstanding stock of public debt as on 31 March 2023 indicates that out of the outstanding public debt of ₹3,01,225.53 crore, 43.74 per cent (₹1,31,758.05 crore) is payable within the next seven years while the remaining 56.26 per cent (₹1,69,467.48 crore) is in the maturity bracket of more than seven years. Of the total outstanding public debt, internal debt consisting of market borrowings, compensation & other bonds, loans from financial institutions and special securities issued to National Small Savings Fund of Central Government constituted 83.47 per cent (₹2,51,427.60 crore).

The details of actual pay-out *vis-à-vis* that indicated in our earlier reports of 2021-22 and 2022-23 are tabulated below in **Table 2.38**:

Table 2.38: Pay out of Public Debt

(₹ in crore)			
Year	Outstanding Debt as on 31 March	Indicated payment	Actual repayment
2021-22	2,64,364.46	11,271.05	15,162.44
2022-23	3,01,225.53	18,430.25	22,006.24

Source: Finance Accounts of respective years

2.13.3 Repayment of Market borrowings and Interest

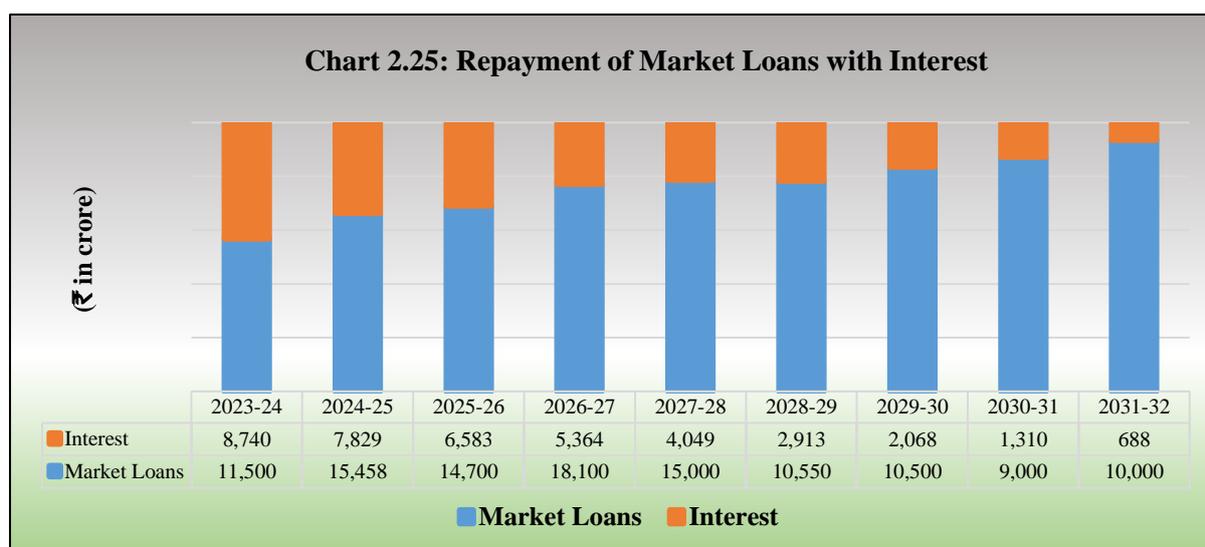
The borrowings of State Government are governed by Article 293 of the Constitution of India. The State Government takes loans/borrows from market for implementation of various State Plan programmes and fulfilment of fiscal liabilities.

As per Finance Accounts, the repayment schedule of Market Loans with interest on these loans for the years 2023-24 onwards is depicted below in **Table 2.39** and **Chart 2.25**.

Table 2.39: Repayment of Market Loans and Interest

(₹ in crore)			
Year	Market Loans	Interest	Total
Upto 2023-24	11,500	8,740	20,240
2024-25	15,458	7,829	23,287
2025-26	14,700	6,583	21,283
2026-27	18,100	5,364	23,464
2027-28	15,000	4,049	19,049
2028-29	10,550	2,913	13,463
2029-30	10,500	2,068	12,568
2030-31	9,000	1,310	10,310
2031-32	10,000	688	10,688
Total	1,14,808	39,544	1,54,352

Source: Finance Accounts 2022-23 and Interest has been worked out by audit



As can be seen from above table and chart the State Government will have to repay a total of ₹1,54,352 crore, which includes ₹1,14,808.00 crore of Market Loans and interest payment of ₹39,544 crore, by 2031-32.

2.14 Debt Sustainability Analysis (DSA)

Debt sustainability analysis has been carried out on the basis of fiscal and debt parameters; Domar approach and compliance of macro-fiscal parameters to the respective FRBM targets. The results of the analysis are given in the following paragraphs:

(A) Analysis of variations in DSA

Debt sustainability indicates the ability of the State to service its debts in future. This section assesses the sustainability of debt of the State Government using Domar Model and in terms of other indicators i.e. composition of debt, share of public account liabilities in overall debt, maturity profile of the debt, net funds available on account of public debt and other liabilities, interest payment to revenue receipts ratio and trends in average interest cost of debt.

Debt sustainability refers to the ability of the State to service its debt obligation now and in future. Analysis of variations in debt sustainability indicators is given in **Table 2.40** and **Chart 2.26**.

Table 2.40: Debt Sustainability: Indicators and Trends

	(₹ in crore)				
Debt Sustainability indicators	2018-19	2019-20	2020-21	2021-22	2022-23
Outstanding Public Debt	1,57,398	1,80,829	2,33,242²⁵	2,64,364²⁶	3,01,226²⁷
Rate of Growth of Outstanding Public Debt	13.71	14.89	28.98	13.34	13.94
GSDP	8,29,805	9,27,855	9,61,643	11,36,137	13,22,821
Rate of Growth of GSDP	14.25	11.82	3.64	18.15	16.43
Public Debt/GSDP	18.97	19.49	23.78 ²⁸	22.25 ²⁹	21.90 ³⁰
Debt maturity profile of repayment of State debt – including default history, if any	13,524	10,934	12,757	15,162	22,006
Receipts under Public Debt	32,497	34,364	65,171	46,285	58,867
Average interest rate on Public Debt (<i>per cent</i>)	7.76	7.54	6.83 ³¹	6.97 ³²	6.52
Interest Payment on Public Debt	11,483	12,755	13,987	16,937	18,073
Revenue Deficit/Surplus without Interest Payment	(-)4,739	9,954	(-)4,369	(-)11,582	(-)13,982
Percentage of Interest Payment to Revenue Deficit/Surplus	170.27	(-)21.96	(-)76.20	351.76	441.77
Percentage of Interest Payment to Revenue Receipts	7.71	8.64	9.56	9.14	8.86

²⁵ Includes back to back loan of ₹4,542 crore in lieu of GST compensation shortfall.

²⁶ Includes back to back loan of ₹11,553 crore in lieu of GST compensation shortfall.

²⁷ Includes back to back loan of ₹11,553 crore in lieu of GST compensation shortfall.

²⁸ 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.

²⁹ 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.

³⁰ Public debt/GSDP ratio has been calculated on Outstanding Public Debt of ₹2,89,673 crore after excluding the amount of back to back loan (₹11,553 crore) from the Outstanding Public Debt ₹3,01,226 crore.

³¹ Average interest rate calculated on Outstanding Public Debt after excluding the back to back loan of ₹4,542 crore.

³² Average interest rate calculated on Outstanding Public Debt after excluding the back to back loan of ₹11,553 crore.

Debt Sustainability indicators	2018-19	2019-20	2020-21	2021-22	2022-23
Percentage of Debt Repayment to Debt Receipts	41.62	31.82	19.57	32.76	37.38
Net Debt available to the State [#]	7,490	10,675	38,427	14,186	18,788
Net Debt available as <i>per cent</i> to Debt Receipts	23.05	31.06	58.96	30.65	31.92
Primary deficit (-)/ surplus (+)	(-)10,992	(-)18,753	(-)33,952	(-)19,041	(-)21,749
Debt Stabilisation (Quantum spread ^{\$} + Primary Deficit)	(-)776.87	(-)11,013.52	(-)41,392.42	10,514.90	8,102.50

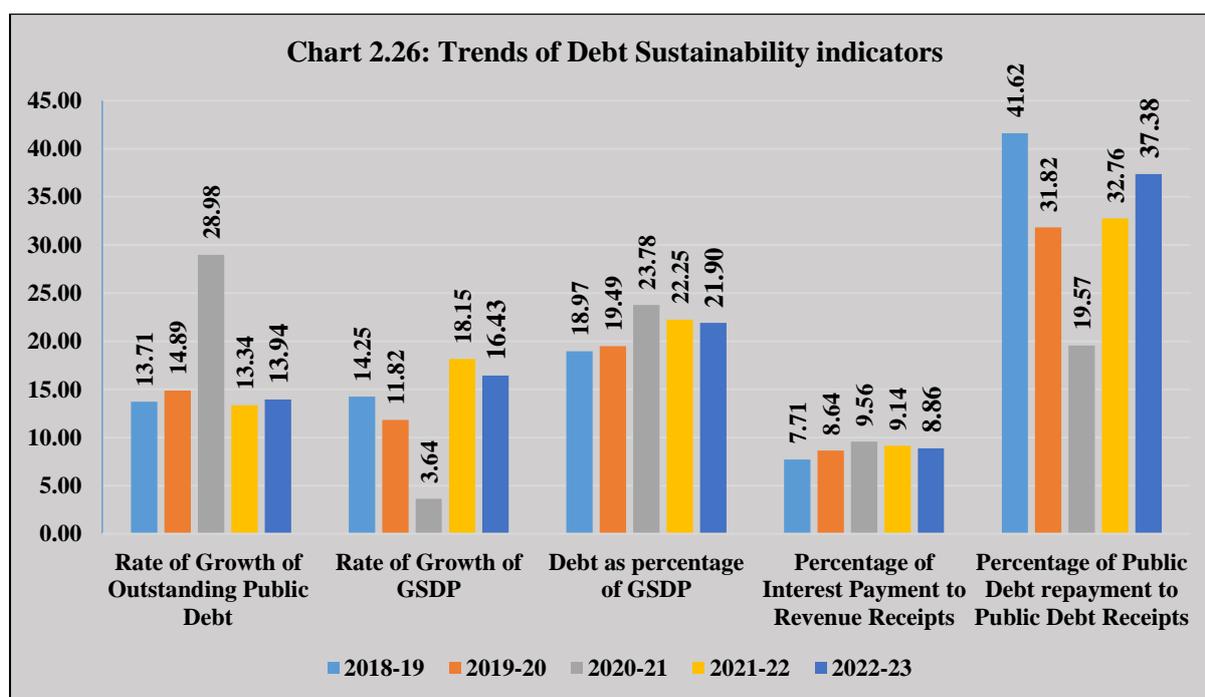
Source: Finance Accounts of the respective years

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.

\$ Quantum spread=(Debt * rate spread) where rate spread = (GSDP growth rate – interest rate).

It can be seen from **Table 2.40** that receipts under Public debt increased by 27.18 *per cent* during the year 2022-23 over the previous year. Interest payment to Revenue receipts ratio increased from 7.71 *per cent* in 2018-19 to 8.86 *per cent* in 2022-23 with inter-year fluctuation.

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



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.

Note: Debt/GSDP ratio has been calculated on outstanding public debt of ₹2,89,673 crore after excluding the amount of back to back loan (₹11,553 crore) from the total public outstanding debt of ₹3,01,226 crore.

- A falling debt-GSDP ratio can be considered as leading towards stability. Debt-GSDP ratio rose from 18.97 *per cent* in 2018-19 to 23.78 *per cent* in 2020-21. However, it went down marginally to 21.90 *per cent* in 2022-23. Also, debt stabilisation condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio

would tend to be constant or debt would stabilise eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt/GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling. In case of Madhya Pradesh, debt/GSDP ratio has been continuously falling since 2020-21 onwards.

- The ratio of interest payments on public debt increased from 351.76 *per cent* of revenue surplus in 2021-22 to 441.77 *per cent* in 2022-23.
- The ratio of interest payments to revenue receipts is also a good measure of debt sustainability. This ratio ranged between 7.71 *per cent* and 9.56 *per cent* during the period 2018-23, which is substantially high.
- Higher the percentage of public debt repayments to public debt receipts, the greater the proportion of debt utilized for debt servicing rather than for productive purpose. Ratio of public debt receipts ranged between 19.57 *per cent* and 41.62 *per cent* during the period 2018-23, which means that considerable portion of public borrowings were used for repayment of earlier borrowings leaving less space to use the same productively.

(B) Debt sustainability of the State using Domar Model

An analysis on debt sustainability was carried out through a study by E. D. Domar. The Domar Model states that the necessary premise for ensuring stability of public indebtedness is that the interest rates for government loans should not exceed the growth rate of GSDP.

The dynamics of public debt depending on the interest rate, growth rate of GSDP and the primary budget balance are as follows:

g-r (g-real economic growth rate; r-real interest rate)	S<0 (primary deficit)	S>0 (primary surplus)
g-r>0 (Strong economic growth)	Public debt as a percentage of GSDP should converge to a stable level greater than zero.	Public debt as a percentage of GSDP should converge to a stable level less than zero leading to public savings.
g-r<0 (Slow economic growth)	Public debt as a percentage of GSDP should increase indefinitely without converging to a stable level.	Undefined situation

The result applying the above parameters in the case of Madhya Pradesh, are shown in **Table 2.41**.

Table 2.41: Debt sustainability analysis based on Domar model

Year	Real growth* rate (g)	Real Interest# rate (r)	g-r (Domar gap)	S=Primary Deficit (-) /Surplus (+) (₹ in crore)	Remark
1	2	3	4	5	6
2018-19	9.29	3.42 (6.92-3.50)	5.87	-10,992	As $g-r > 0$ and $s < 0$, Public Debt as percentage of GSDP should converge to a stable level greater than zero.
2019-20	4.46	1.22 (6.69-5.47)	3.24	-18,753	As $g-r > 0$ and $s < 0$, Public Debt as percentage of GSDP should converge to a stable level greater than zero.
2020-21	-4.16	(-)0.65 (6.18-6.83)	(-)3.51	-33,952	As $g-r < 0$ and $s < 0$, Public debt as a percentage of GSDP should increase indefinitely without converging to a stable level.
2021-22	10.43	(-)0.32 (6.13-6.45)	10.75	-19,041	As $g-r > 0$ and $s < 0$, Public Debt as percentage of GSDP should converge to a stable level greater than zero.
2022-23	7.06	(-)1.80 (5.66-7.46)	8.86	-21,749	As $g-r > 0$ and $s < 0$, Public Debt as percentage of GSDP should converge to a stable level greater than zero.

Source: Information furnished by Economic Advisor

* Real growth is calculated for GSDP on Constant price

Real interest rate is the nominal interest rate adjusted for inflation

During 2018-23 the State had primary deficit. The Domar gap ($g-r$) remained positive from 2018-19 to 2019-20 and turned into negative during 2020-21 indicating that the Public Debt as a percentage of GSDP would increase indefinitely, without converging to a stable level. However, in 2021-22 the Domar gap again turned positive although its value increased from the preceding years. Thus, as per the Domar model analysis of Debt sustainability, it may be stated that the public debt would converge to a stable level. The Domar gap ($g-r$) was negative during the Covid year (2020-21). However, in the post Covid years, the Domar gap turned positive due to high growth rate in GSDP. Positive Domar gap due to high growth rate may also be seen with reference to low base for comparison in the previous year³³.

(C) Details of the achievements vis-a-vis targets set in the FCR are shown below:

Fiscal Parameters		Achievement vis-à-vis targets set in the FCR				
		2018-19	2019-20	2020-21	2021-22	2022-23
Ratio of Revenue Deficit (-)/ Surplus (+) to GSDP (in per cent)	T	0.03	0.08	-1.85	-0.73	-0.32
	A	0.81	-0.30	-1.91	0.42	0.31
Ratio of Fiscal Deficit to GSDP (in per cent)	T	3.24	3.34	4.99	4.50	4.56
	A	2.85	3.55	5.19	3.30	3.11
Ratio of total outstanding debt liability to GSDP (in per cent)	T	26.34	24.43	28.83	28.52	33.31
	A	23.42	24.85	29.61	27.48	26.68
	T	80.00	80.00	80.00	80.00	80.00

³³ 2020-21 was affected by Covid-19 pandemic which significantly affected the GSDP.

Fiscal Parameters		Achievement <i>vis-à-vis</i> targets set in the FCR				
		2018-19	2019-20	2020-21	2021-22	2022-23
Guarantees in terms of percentage of Revenue Receipts of previous year	A	22.81	20.77	25.07	23.91	21.41

Source: Budget Documents and Finance Accounts of respective years

During 2018-23, the Revenue deficit/surplus-GSDP ratios fluctuated between (-)1.91 and 0.81, Fiscal deficit-GSDP ranged from 5.19 to 2.85, and outstanding liability-GSDP varied between 23.42 and 29.61. Although the State Government failed to meet the RD-GSDP, FD-GSDP, and outstanding liability-GSDP targets fixed in the Fiscal Consolidation Roadmap for 2019-20 and 2020-21, there was substantial improvement in its performance during 2021-22 and 2022-23. The guarantees given by the State Government were within the limits prescribed in the FRBM Act during 2018-23.

Further, there has been an increase trend in the committed expenditure as a percentage of the revenue receipts from 49.13 *per cent* in 2018-19 to 51.59 *per cent* in 2022-23 with inter-year fluctuation. However, it has been consistently around 52 *per cent*, thereby showing the limited availability of revenue resources for other purposes including debt servicing.

Fiscal sustainability risk:

- i) As per various fiscal and debt parameters depicted in Table above, debt stabilization trend is increasing.
- ii) As per the Domar model analysis, the growth of rate of interest is generally higher/lower than the rate of growth of the GSDP. This indicates that the GSDP rate and the interest rate would converge in the medium term/would not converge in the short to medium term.
- iii) As per the macro fiscal parameters, such as ceiling on public debt, revenue and fiscal deficit and ceiling on guarantees given by the State Government in a particular year and as on 31 March of that year, the government's fiscal sustainability appears reasonable as indicated by the trends of revenue deficit-GSDP, fiscal deficit-GSDP, and outstanding liability-GSDP. These trends emphasize the need for the government to focus on fostering sustainable financial management to enhance and maintain the ongoing fiscal sustainability.

On the basis of the above, it is inferred that the State fiscal sustainability appears reasonable as of 31 March 2023. However, to enhance and maintain financial stability, initiatives like rationalizing expenditures, exploring further sources, expanding the revenue base, and investing in revenue generating assets should be considered.

2.14.1 Utilisation of borrowed funds

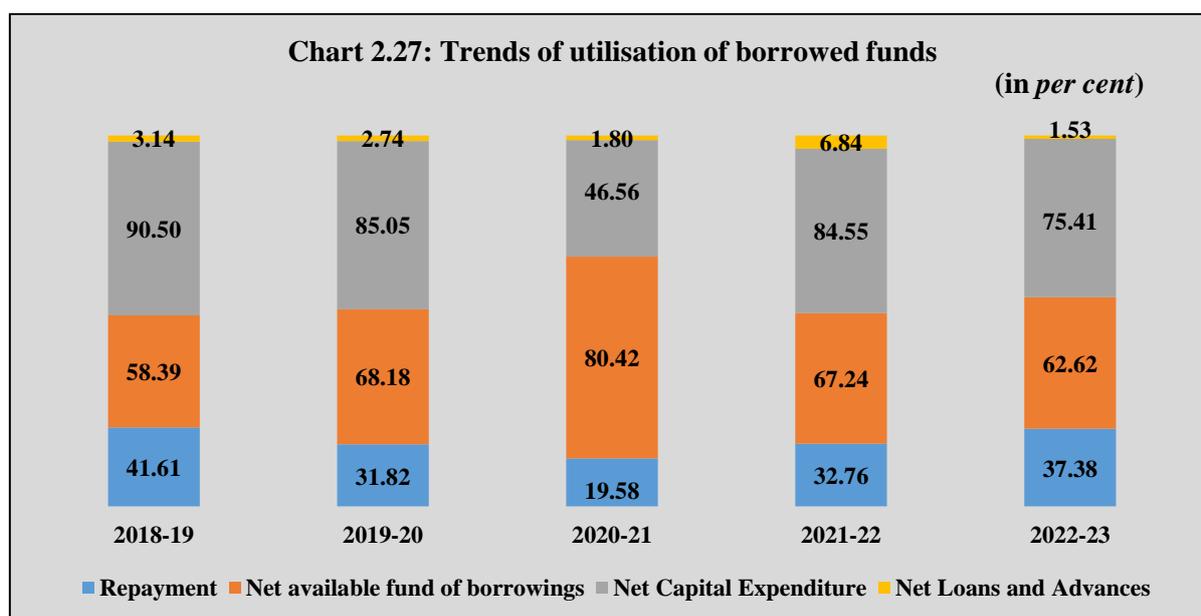
Borrowed funds should ideally be used to fund capital creation and development activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable. Details and trends of utilisation of borrowed funds during 2018-23 are given in **Table 2.42** and **Chart 2.27**:

Table 2.42: Utilisation of borrowed funds

(₹ in crore)

Particular	2018-19	2019-20	2020-21	2021-22	2022-23
Total Borrowings	32,497.42	34,364.41	65,170.50	46,284.98	58,867.32
Repayment of earlier borrowings (Principal) (percentage)	13,523.72 (41.61)	10,933.62 (31.82)	12,757.30 (19.58)	15,162.44 (32.76)	22,006.24 (37.38)
Net available fund of borrowings	18,973.70	23,430.79	52,413.20	31,122.54	36,861.08
Net Capital Expenditure	29,411.17	29,227.82	30,341.31	39,135.41	44,391.60
Net Loans and Advances	1,019.78	941.30	1,172.00	3,166.52	902.05
Portion of Revenue Expenditure met out of net available borrowings	NIL	NIL	20,899.89	NIL	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 37 per cent of its total borrowings towards servicing past debt/liabilities during 2022-23 (average expenditure of 32.63 per cent during the last five years), thereby leaving less funds available for incurring 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 and 80.42 per cent during the period from 2018-23, leaving limited funds for development activities.

2.14.2 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 2018-23 are shown in **Table 2.43** below:

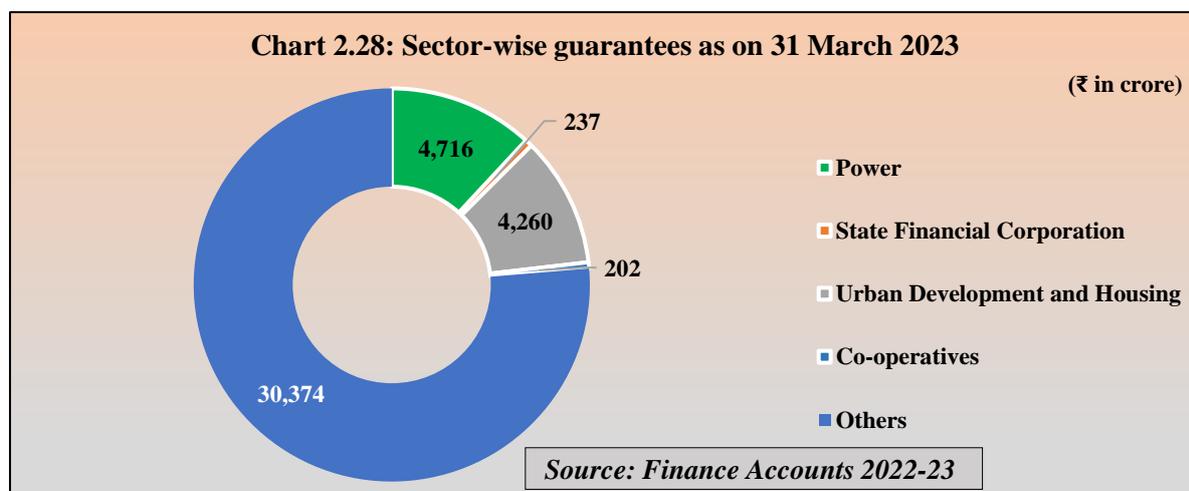
³⁴ Total guarantees should not exceed 80 per cent of the total revenue receipts in the preceding year.

Table 2.43: Guarantees given by the State Government

Guarantees	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Ceiling applicable to the outstanding amount of guarantees, including interest (Criteria)	1,07,900	1,19,114	1,18,115	1,17,101	1,48,701
Outstanding amount of guarantees including interest	30,763	30,930	37,010	35,006	39,788

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 2023 is shown in **Chart 2.28**.



GoMP did not pay any amount towards guarantees on account of default by the borrowers during 2022-23. The composition of the maximum amount guaranteed was towards six³⁵ entities of Power Sector (₹17,858 crore), six³⁶ institutions of Urban Development and Housing (₹7,332 crore), seven³⁷ institutions of Other Sectors (₹38,485 crore), Co-operatives (₹3,250 crore) and State Financial Corporation (₹700 crore).

Guarantee fee is charged from the principal debtors unless exempted specifically. During 2022-23, GoMP received ₹36.58 crore as guarantee fees out of the total receivable of ₹112.09 crore.

2.14.3 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

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.

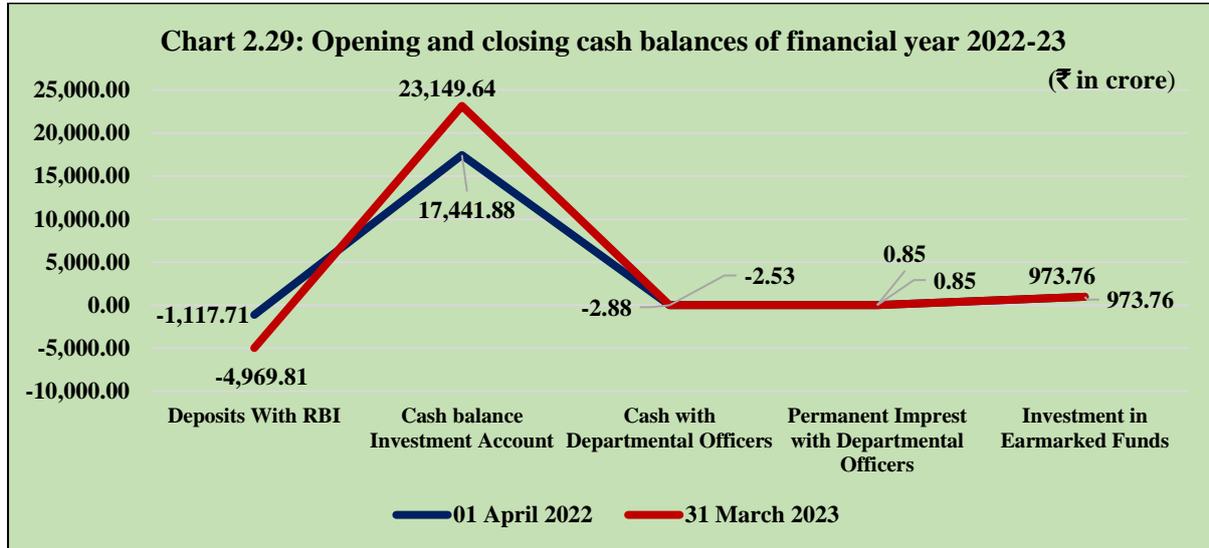
³⁶ Nagar Nigam, Nagar Palika, State Development Agency Ltd., M.P. Urban Development Company Ltd., Nagar Parishad, M.P. Police Housing Corporation Ltd.

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.

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.

2.14.3.1 Cash Balances

The details of cash balances with the Government of Madhya Pradesh as of 1 April 2022 and 31 March 2023 are shown in **Chart 2.29**:



Source: Finance Accounts 2022-23

The State Government maintained the minimum daily cash balance with the RBI during 2022-23 and no ordinary and special ways and means of advances/overdraft was availed during the year.

2.14.3.2 Investment of Cash Balances

Table 2.44 depicts the cash balances and investments made out of these by the State Government during the year:

Table 2.44: Cash balances and their investment

Particulars	(₹ in crore)	
	Opening balance as on 1 April 2022	Closing balance as on 31 March 2023
(a) General Cash Balance		
Cash in Treasuries	--	--
Deposits with Reserve Bank of India	(-)1,117.71	(-)4,969.81 ³⁸
Remittances in transit - local	--	--
Total	(-)1,117.71	(-)4,969.81
Investments held in Cash Balance Investment account	17,441.88	23,149.64
Total (a)	16,324.17	18,179.83

³⁸ At the close of March 2023, there was a net difference of ₹4,850.77 crore (Credit) between the figures reflected in Accounts of Accountant General ₹4,969.81 crore (Credit) and those intimated by RBI ₹119.04 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.

Particulars	Opening balance as on 1 April 2022	Closing balance as on 31 March 2023
(b) Other Cash Balances and Investments		
Departmental cash balances	(-)2.53	(-)2.88
Permanent imprest	0.85	0.85
Investment out of earmarked funds	973.76	973.76
Total (b)	972.08	971.73
Grand Total (a)+(b)	17,296.25	19,151.56
Interest realised	196.99	166.17

Source: Finance Accounts of respective years

Cash Balances of the State Government at the end of the current year significantly increased from ₹17,296 crore in 2021-22 to ₹19,152 crore in 2022-23. The increase of ₹1,856 crore was mainly due to increase in investments held in Treasury Bills by ₹5,708 crore from ₹17,442 crore in 2021-22 to ₹23,150 crore in 2022-23.

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 ₹166.17 crore during 2022-23 from the investments made in Treasury Bills.

The interest earned for the entire period from 2018-19 to 2022-23 is given in **Table 2.45**:

Table 2.45: Cash Balance Investment Account (Major Head-8673)

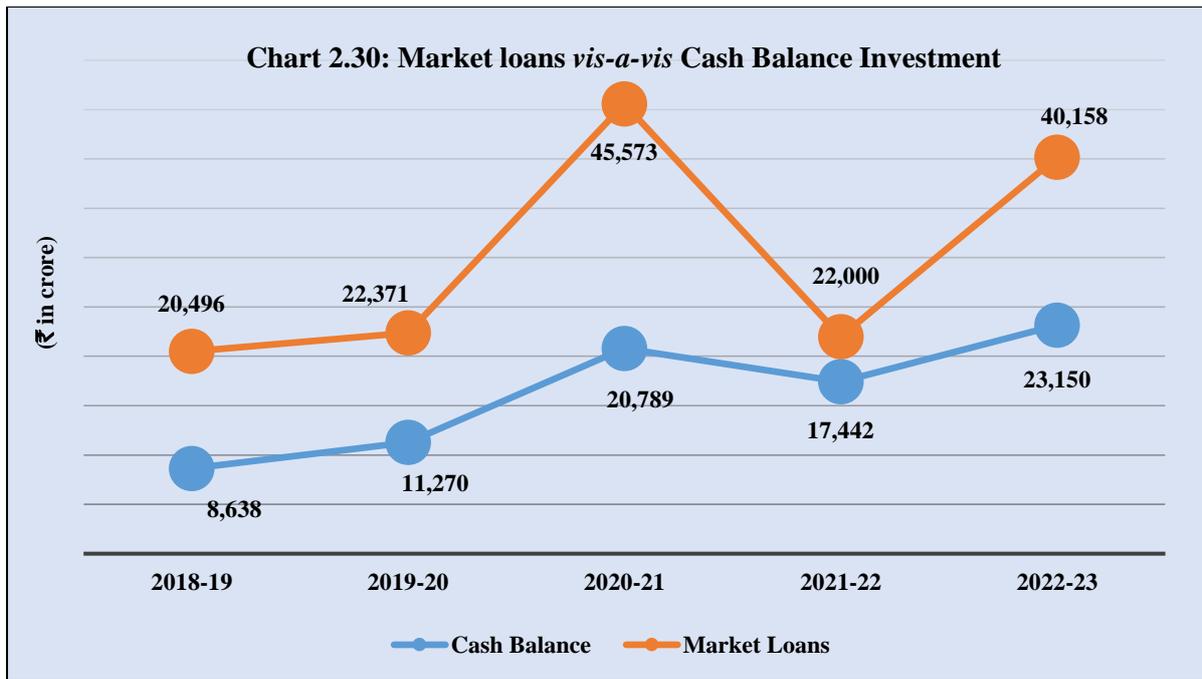
(₹ in crore)

Year	Opening Balance	Closing Balance	Increase (+)/ decrease(-)	Interest earned
2018-19	7,412.19	8,638.46	1,226.27	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
2022-23	17,441.88	23,149.64	5,707.76	166.17

Source: Finance Accounts of respective years

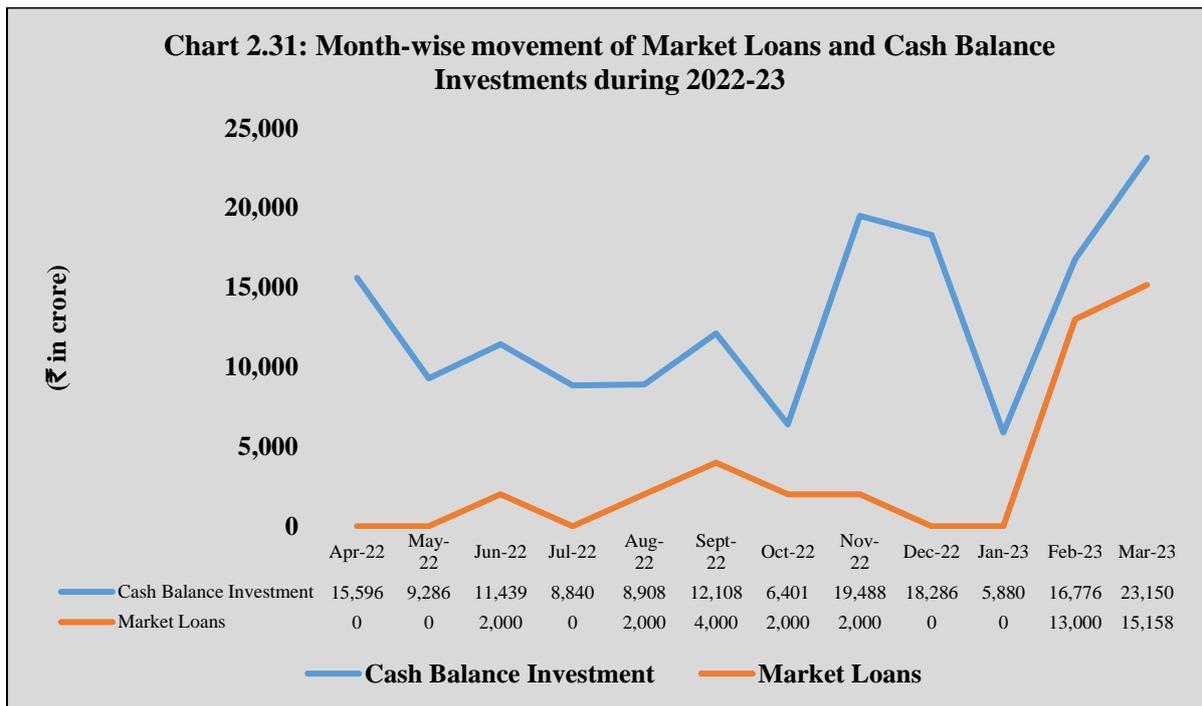
The trend analysis of the closing balance of cash balance investment of the State Government show an increase by ₹14,511.18 crore from ₹8,638.46 crore as on 31 March 2019 to ₹23,149.64 crore as on 31 March 2023.

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 2018-23. 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 2022-23.



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

Month-wise cash balance investment by the State Government ranged between ₹5,880 crore and ₹23,150 crore while Market Loans ranged between ₹2,000 crore and ₹15,158 crore from April 2022 to March 2023. Further, in 2022-23 the interest payment on borrowings by the State Government was ₹19,453 crore, whereas interest received on cash balance investment was only ₹166.17 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.

2.15 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 (₹4,091 crore). Both Tax Revenue and Non-Tax Revenue increased in comparison to preceding year.

The investment held in 'Cash Balance Investment Account' by the State Government stood at ₹17,296.25 crore and ₹19,151.53 crore at the end of 2021-22 and 2022-23 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 2022-23, return (₹159.58 crore) on investment of ₹43,384.04 crore made by the State Government up to 2022-23 in Statutory Corporations, Companies, Co-operative societies, etc. was only 0.37 per cent against the average borrowing cost of 5.66 per cent during the year; the rate of interest received on Loans and Advances (₹47,826 crore) given by the Government was also only 9.12 per cent.

2.16 Recommendations

- The State Government may 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 may be done to ensure that the persisting gap between budget estimates and actuals is bridged;
- 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 III

BUDGETARY MANAGEMENT

Chapter III-Budgetary Management

3.1 Introduction

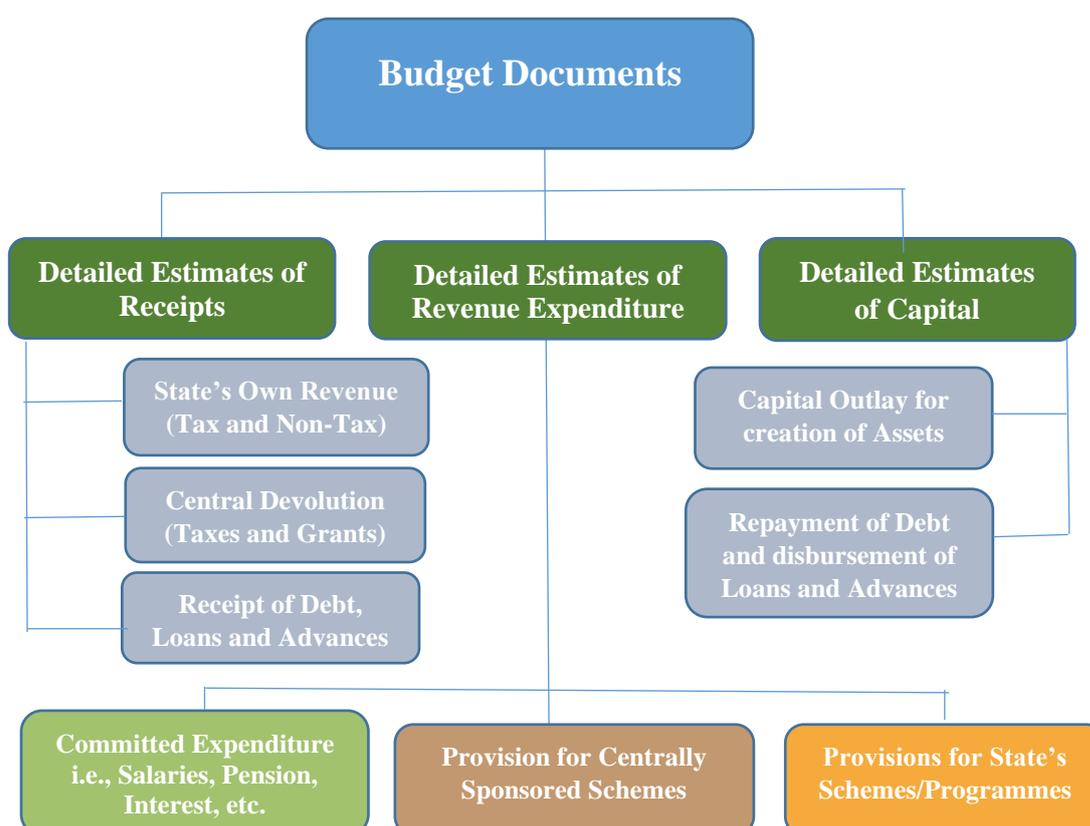
Effective financial management ensures that decisions taken at the policy level are implemented successfully at the administrative level without wastage or diversion of funds. This Chapter reviews the allocative priorities of the State Government and comments on the transparency of budget formulation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

3.1.1 Budget Preparation Process

In compliance with Article 202 of the Constitution of India, in respect of every financial year, a statement of the estimated receipts and expenditure of the state for that year, called "the annual financial statement (Budget)" is to be laid before the State legislature. The estimates of the expenditure show 'charged' and 'voted' items of expenditure separately and distinguish expenditure on revenue account from other expenditure. Legislative authorisation is necessary before incurring any expenditure by the State Government.

As per the Madhya Pradesh Budget Manual, the Finance Department is responsible for preparation of the annual budget by obtaining estimates from various departments. The departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the heads of departments and submitted to the Finance Department on prescribed dates. The Finance department consolidates the estimates and prepares the Detailed Estimates called 'Demand for Grants'. The State budget comprised following documents as given in **Chart 3.1**.

Chart 3.1: Details of State Budget Documents



The Finance Bill, Annual Financial Statement (Budget), and Demands for Grants are mandated by Article 199, 202 and 203 of the Constitution of India respectively.

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with provisions of Article 204 of the Constitution. Supplementary or Additional Grant or Appropriation is provided during a financial year, in accordance with Article 205 of the Constitution.

Legislative authorisation is the *sine qua non* for incurrence of all expenditure by the State Government. To guide individual Government Departments, the State Government frames financial rules and provides for delegation of financial powers. These delegations establish limits for incurring of expenditure and the levels authorised to sanction such expenditure together with restrictions on appropriation and re-appropriations.

The State Government secures legislative approval for expenditure out of the Consolidated Fund of the State by presenting its annual Budget and 59 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 2022-23, three supplementary bills were brought on 15 September 2022, 21 December 2022 and 15 March 2023.

The total amount approved by the State Legislature, including the original and supplementary budgets, expenditure, and savings during the year 2022-23 is given in **Chart 3.2** below:

Table 3.2: Total Budget Provision and Disbursement into Charged and Voted during 2018-23

(₹ in crore)

Year	Total Budget Provision		Disbursements		Saving(-)/Excess(+) (Per cent)	
	Voted	Charged	Voted	Charged	Voted	Charged
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)
2022-23	2,72,402.42	49,255.79	2,27,268.63	43,845.83	(-)45,133.79 (16.57)	(-)5,409.96 (10.98)

Source: Appropriation Accounts of respective years

It can be seen from the Table that during 2022-23, the savings in Voted Budget was 16.57 per cent (of voted provision) whereas the savings in Charged Budget was around 10.98 per cent (of charged provision) during 2022-23.

3.1.4 Budget Marksmanship

3.1.4 (a) Aggregate Budget Outturn

Aggregate Budget Outturn measures the extent to which the aggregate budget expenditure outturn/actual expenditure reflects the amount originally approved, both in terms of less than approved and in excess of approved.

Table 3.3: Aggregate Budget Outturn during the financial year 2022-23

(₹ in crore)

Nature of Expenditure	Original Approved Budget Estimate (BE)	Actual Outturn	Difference between Actual and BE
Revenue Section	2,04,982.50	2,02,087.70	(-) 2,894.80
Capital Section	74,254.30	69,026.76	(-) 5,227.54
Total	2,79,236.80	2,71,114.46	(-) 8,122.34

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

In Revenue section, deviation in outturn compared with BE was (-) 1.41 per cent. This was due to deviation between 0 and ± 25 per cent in 41 Grants, between ± 25 per cent and ± 50 per cent in eight Grants and above ± 50 per cent in nine Grants.

In Capital section, deviation in outturn compared with BE was (-) 7.04 per cent. This was due to deviation between 0 and ± 25 per cent in 16 Grants, between ± 25 per cent to ± 50 per cent in 11 Grants and above ± 50 per cent in 22 Grants.

3.1.4 (b) Expenditure Composition Outturn

Expenditure Composition Outturn measures the extent to which reallocations between the main budget categories during execution have contributed to variance in expenditure composition.

Table 3.4: Expenditure Composition Outturn during the financial year 2022-23

Nature of expenditure	(₹ in crore)				
	Original Approved Budget Estimate (BE)	Revised Estimate (RE)	Actual Outturn	Difference between BE and RE	Difference between Actual and RE
Revenue Section	2,04,982.50	2,08,538.59	2,02,087.70	(-) 3,556.09	(-) 6,450.89
Capital Section	74,254.30	71,158.63	69,026.76	3,095.67	(-) 2,131.87
Total	2,79,236.80	2,79,697.22	2,71,114.46	(-) 460.42	(-) 8,582.76

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

In Revenue section, deviation in outturn compared with RE was (-) 3.09 per cent. This was due to deviation between 0 and ± 25 per cent in 45 Grants, between ± 25 per cent to ± 50 per cent in nine Grants and above ± 50 per cent in four Grants.

In Capital section, deviation in outturn compared with RE was (-) 3.00 per cent. This was due to deviation between 0 and ± 25 per cent in 29 Grants, between ± 25 per cent to ± 50 per cent in five Grants and above ± 50 per cent in 15 Grants.

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, 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.

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.

3.3 Integrity of budgetary and accounting process

3.3.1 Expenditure incurred without authority of law

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of Article 204 of the Constitution. 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 eight cases, expenditure of ₹2.37 crore was incurred without budget provision. Head of Account-wise details are given below in **Table 3.5**.

Table 3.5: Expenditure without Budget Provision during 2022-23

(₹ in crore)

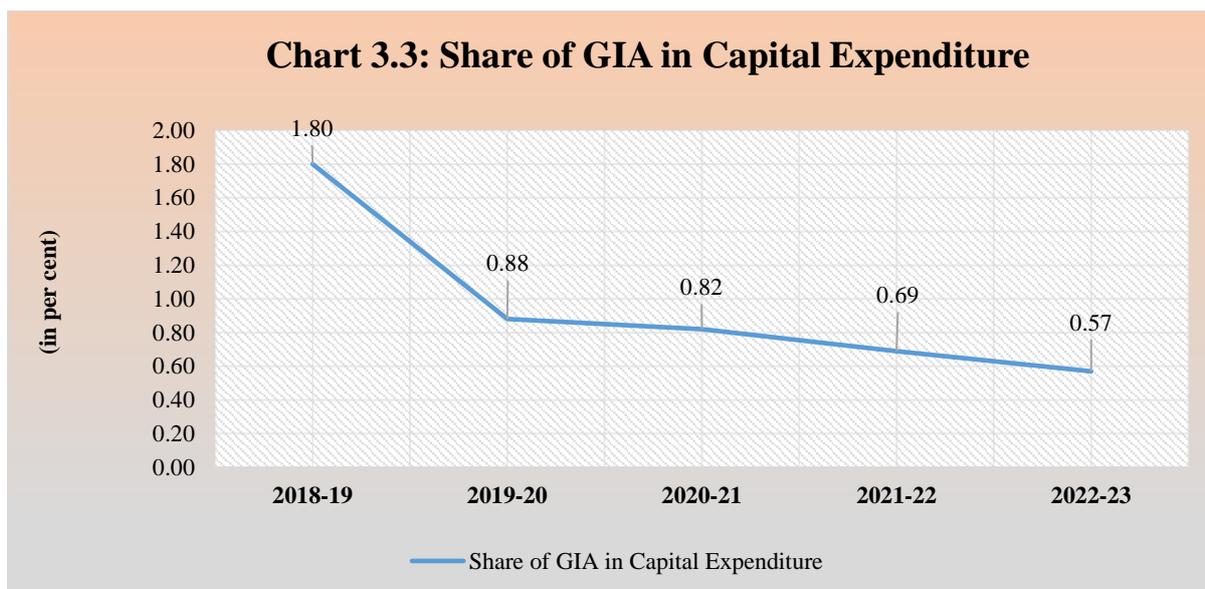
Sl. No.	Grant No.	Name of the Grant	Heads of Account (upto Detailed Head)	V/C	Original Budget	Re-appropriation and Surrender	Total Budget	Expenditure	Excess
1	3	Home	2070-107-0492-21-004	V	0.10	(-) 0.10	0.00	0.23	0.23
2	3	Home	2216-80-001-5347-11-009	V	0.03	(-) 0.03	0.00	0.01	0.01
3	3	Home	2216-80-001-5347-11-025	V	0.11	(-) 0.11	0.00	0.05	0.05
4	20	Public Health Engineering	4215-01-102-0103-7788-64-001	V	0.00	0.00	0.00	0.02	0.02
5	23	Water Resources	2702-80-800-0102-0207-12	V	0.00	0.00	0.00	0.36	0.36
6	23	Water Resources	4702-101-0101-3803-64-001	V	0.00	0.00	0.00	1.64	1.64
7	CH-I	Charged Appropriation - Public Debt	6003-101-65-66	C	0.00	0.00	0.00	0.05	0.05
8	6	Finance	7610-201-9085-67	V	0.00	0.00	0.00	0.01	0.01
Total					0.24	(-) 0.24	0.00	2.37	2.37

Source: Detailed Appropriation Account 2022-23

3.3.2 Incorrect classification of Head of Account in Budget Estimates

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 2018-19 to 2022-23 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 3.6**, whereas **Chart 3.3** highlights the share of Grants-in-Aid in Capital Expenditure.



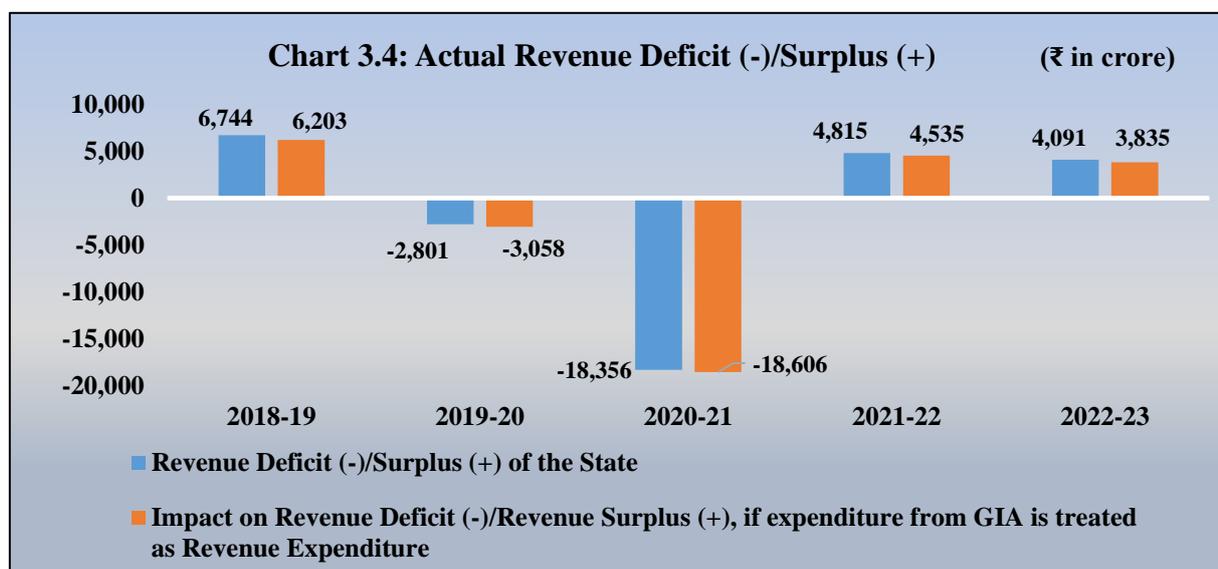
Source: Finance Accounts of respective years

Table 3.6 and **Chart 3.4** indicate that the impact of non-compliance with the provisions of IGAS-2 by the State in absolute terms during 2018-23 was that Revenue Surplus was overstated and Revenue Deficit was understated during the period. Moreover, Capital Expenditure during the period was also overstated to that extent.

Table 3.6: Extent of classificaiton of GIA as Capital Expenditure

	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
GIA booked as Capital Expenditure	541	257	250	280	256
Total Capital Expenditure	29,999	29,241	30,357	40,733	44,661
Share of GIA in Capital Expenditure (In per cent)	1.80	0.88	0.82	0.69	0.57
Revenue Deficit (-)/Revenue Surplus (+)	6,744	(-) 2,801	(-) 18,356	4,815	4,091
Impact on Revenue Deficit (-)/Revenue Surplus (+), if expenditure from GIA is treated as Revenue Expenditure	6,203	(-) 3,058	(-) 18,606	4,535	3,835

Source: Finance Accounts of respective years



Source: Finance Accounts of respective years

However, during 2022-23, an amount of ₹2,381.53 crore was misclassified by the State Government as Capital Expenditure instead of accounting for it under Revenue Expenditure. Out of this, ₹256.18 crore pertains to Grants-in-Aid and ₹2,125.35 crore pertains to other expenditure. Due to this, Revenue Expenditure was understated by ₹2,381.53 crore, and Capital expenditure was overstated by ₹2,381.53 crore. Details are given in **Appendix 3.1**.

Similarly, an amount of ₹89.25 crore was incorrectly budgeted and expended (for ‘Purchase of Vehicles³⁹’, ‘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 ₹89.25 crore and Capital Expenditure was understated by ₹89.25 crore. Details are given in **Appendix 3.2**.

3.3.3 Unnecessary/excessive supplementary grants

As per Article 205 of the Constitution, a Supplementary or Additional Grant or Appropriation over the provision made by the Appropriation Act for the year can be made during the current financial year but not after the expiry of the current financial year. When such additional expenditure is found to be inevitable and there is no possibility of effecting savings within the grant to cover the excess by re-appropriation, the Secretary in the Department concerned proposes to the Finance Department for Supplementary or Additional Grant or Appropriation.

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 budgets on 15 September 2022, 21 December 2022 and 15 March 2023 for a total of ₹42,421.41 crore (in respect of 53 Grants and seven Appropriations) for the year 2022-23. Audit analysis of utilisation of these supplementary provisions showed that provision of only ₹24,448.10 crore was required in 28 Grants and four Appropriations where the final expenditure exceeded the original budget provision as detailed in **Appendix 3.3**. Thus, there was excess supplementary provisioning of ₹17,973.31 crore. Further, supplementary provisions amounting to ₹17,973.35 crore proved unnecessary in 52 Grants and seven Appropriations as the expenditure was not even up to the level of the original provision as detailed in **Appendix 3.4**. Twelve Grants where there were savings of ₹1,000 crore and above out of original budget provision, and yet supplementary provision was obtained, are detailed below in **Table 3.7**.

³⁹ As per the Gazette notification of Ministry of Finance dated 16.12.2022, Purchases of Vehicles are classified as Capital Expenditure.

Table 3.7: Cases where supplementary provision obtained but there were savings of ₹1,000 crore and above out of total budget provision

(₹ in crore)							
Sl. No.	Grant No.	Name of the Grant/Appropriation	RV/ CV	Original provision	Actual expenditure	Savings out of total provisions	Supplementary provision
1	3	Home	RV	8,745.19	7,665.84	1,145.69	66.34
2	6	Finance	RV	21,783.12	19,916.98	3,846.56	1,980.42
3	8	Expenditure on Land Revenue, District Administration and Disaster Relief	RV	7,444.52	5,218.26	2,362.50	136.24
4	13	Farmers Welfare and Agricultural Development	RV	15,690.34	19,196.05	3,204.80	6,710.51
5	19	Public Health and Family Welfare	RV	9,472.28	9,875.56	1,273.62	1,676.90
6	20	Public Health Engineering	CV	7,781.52	6,728.35	1,073.17	20.00
7	22	Urban Development and Housing	RV	9,299.24	10,913.23	1,218.38	2,832.37
8	27	School Education	RV	26,332.47	23,515.07	2,820.65	3.25
9	30	Rural Development	RV	17,498.92	14,797.70	4,822.73	2,121.51
10	33	Tribal Affairs	RV	8,860.64	7,992.31	1,319.55	451.22
11	40	Panchayat	RV	6,536.12	5,461.92	2,546.20	1,472.00
12	55	Women and Child Development	RV	5,715.17	5,583.23	1,209.80	1,077.86
Total				1,45,159.53	1,36,864.50	26,843.65	18,548.62

Source: Appropriation Accounts 2022-23

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

As can be seen from the above **Table 3.7**, the Supplementary provisions made under Grant No. 13-Farmers Welfare and Agricultural Development (in Soil Health Card Scheme, Interest waiver solution scheme of defaulter farmers eligible for loan waiver scheme), Grant No. 19-Public Health and Family Welfare (in scheme Grant to Health Sector as per the recommendation of 15th Finance Commission National Health Mission, Prime Minister Ayushman Bharat Health Infrastructure Mission, Construction Buildings of Health Hospitals and Dispensaries), Grant No. 22-Urban Development and Housing (in scheme Grant to Million Cities as per the recommendation of 15th Finance Commission, Grant to Local Bodies as per the recommendation of 15th Finance Commission), Grant No. 30-Rural Development (in scheme Pradhan Mantri Housing Scheme, Additional interest payment scheme to women self-help group 2018), Grant No. 40-Panchayat (in scheme Grant to Local Bodies as per the recommendation of 15th Finance Commission) and Grant No. 55-Women and Child Development (in scheme Anganwadi Services "Saksham Anganwadi Aur Poshan 2.0") 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.

3.3.4 Unnecessary Reappropriation 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 2022-23, re-appropriation was done in a total of 42 Sub-heads pertaining to 18 Grants and two Appropriation as detailed in **Appendix 3.5**. In 12 Sub-heads pertaining to six Grants and two Appropriation, even after re-appropriation of ₹1,130.04 crore, excess expenditure of ₹1,069.35 crore was incurred. In the remaining 30 Sub-heads pertaining to 14 Grants and one Appropriation where ₹1,368.10 crore were re-appropriated, the final savings in the same Sub-heads were ₹1,218.01 crore, Major savings were in Grant No. 10-Forest, Grant No. 19-Public Health and Family Welfare, Grant No. 20-Public Health Engineering and Grant No. 30-Rural Development. In CH-I Charged Appropriation-Public Debt, CH-II Charged Appropriation-Interest Payment and Servicing of Debt and Grant No. 24-Public Works, the re-appropriation of ₹1,033.94 crore proved injudicious as the actual expenditure was more than the original and supplementary provisions by ₹645.70 crore.

3.3.5 Unspent amount and surrendered appropriations and/or large savings/surrenders

Complete accuracy of estimates may not always be possible; but where the omission or inaccuracy is the result of lack of forethought, neglect of the obvious or unrealistic estimating, it is a matter of concern. All Estimating Officers should strive to provide in the budget for everything that can be foreseen and to provide only as much as is necessary the administrative and Finance Department should consider this while exercising final check on the estimates.

Budgetary allocations based on unrealistic proposals, overstretching the potential of resource mobilisation, poor expenditure monitoring mechanism, weak scheme implementation capacities/weak internal controls promote release of funds towards the end of the financial year. Excessive savings in some heads also deprive other Departments of the funds which they could have utilised.

3.3.5.1 Substantial surrenders

During 2022-23, substantial surrenders *i.e.*, 50 *per cent* or more, amounting to ₹7,391.48 crore (71.37 *per cent* of original budget provision of ₹10,357.23 crore) were made in 217 Sub-heads pertaining to 22 Grants which included 100 *per cent* surrender in 124 Sub-heads (₹2,085.46 crore) pertaining to 20 Grants as detailed in **Appendix 3.6**. In Grants pertaining to Expenditure on Land Revenue, District Administration and Disaster Relief Department, Farmers Welfare and Agriculture Development Department, Co-operation Department and Rural Development Department there were substantial surrenders exceeding ₹200 crore and above in each Grant due to certain reasons like non-release of funds from GoI and Directives issued by the Finance Department for restrictions on expenditure, non-receipt of approval from the Finance Department, non-receipt of central share from GoI, *etc.*

3.3.5.2 Anticipated savings not surrendered

During 2022-23, total savings against budget estimates were ₹50,543.75 crore. There were 95 cases in which savings were ₹ one crore and above in each case, with the total amounting to ₹47,984.81 crore. Out of this, an amount of ₹27,556.42 crore was not surrendered

(Appendix 3.7). This amounted to 57.43 per cent of the savings of above 95 cases and 54.52 per cent of the total savings (i.e. ₹50,543.75 crore).

In 39 cases (involving savings of ₹13,498.89 crore) out of the total cases amounting to savings of ₹50,543.75 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 2023 was more than the savings in one Grant i.e., Grant No. 49-Scheduled Caste Welfare under Revenue Voted Section. The details are given in Table 3.8.

Table 3.8: Excess surrendered against the savings

(₹ in crore)						
Sl. No.	Grant No.	Nomenclature	RV/CV	Savings	Surrender	Excess Surrender
1	49	Scheduled Caste Welfare	RV	280.37	280.42	0.05

Source: Appropriation Accounts 2022-23

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

3.3.5.3 Details of surrenders of funds

As per paragraph 26.11 of Madhya Pradesh Budget Manual (MPBM) Volume-I, the anticipated savings should be worked out by the Disbursing officer as far as possible not later than 15th December, whereas as per paragraph 26.9 of MPBM Volume-I, statements of anticipated savings in expenditure are required to be submitted by all BCOs to the Finance Department by 15th January for each financial year. This is done in order that the resources can be allocated by the Finance Department to other demands for grants.

Details of surrenders of funds ₹1,000 crore and above in each case which was surrendered on the last day of the financial year i.e. on 31 March 2023 are given in Table 3.9.

Table 3.9: Details of surrenders of funds ₹1,000 crore and above in each case

(₹ in crore)								
Sl. No.	Grant No. and Nomenclature	RV/RC/CV/CC	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Excess Expenditure (+) / Savings (-)	Amount Surrendered on 31 March 2023
1	3-Home	RV	8,745.19	66.34	8,811.53	7,665.84	1,145.69	1,128.68
2	8-Expenditure on Land Revenue, District Administration and Disaster Relief	RV	7,444.52	136.24	7,580.76	5,218.26	2,362.49	1,269.48
3	13-Farmer's Welfare and Agriculture Development	RV	15,690.34	6,710.51	22,400.85	19,196.05	3,204.80	3,204.41
4	17-Co-operation	CV	1,020.12	0.00	1,020.12	0.08	1,020.05	1,020.05

Sl. No.	Grant No. and Nomenclature	RV/RC/CV/CC	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Excess Expenditure (+) / Savings (-)	Amount Surrendered on 31 March 2023
5	27-School Education	RV	26,332.47	3.25	26,335.72	23,515.07	2,820.65	2,812.68
6	30-Rural Development	RV	17,498.92	2,121.51	19,620.43	14,797.70	4,822.73	4,790.66
7	33-Tribal Affairs	RV	8,860.64	451.22	9,311.86	7,992.31	1,319.55	1,311.11
8	55-Women and Child Development	RV	5,715.17	1,077.86	6,793.03	5,583.23	1,209.80	1,209.57
Total			91,307.37	10,566.93	1,01,874.30	83,968.54	17,905.76	16,746.64

Source: Appropriation Accounts 2022-23

It can be seen from the above **Table 3.9** in 8 cases that ₹1,000 crore and above were surrendered on the last day of the year amounting to ₹16,746.64 crore by the State Government. This indicates that the BCO had prepared the budget estimates without assessing the actual requirement and without proposal from the concerned DDO's.

3.3.5.4 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 16 sanctions for surrender amounting to ₹3,298.75 crore pertaining to 16 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**.

3.3.5.5 Unutilised provisions under schemes

During 2022-23, in 81 cases, the entire provision made under various schemes (₹10 crore and above in each case) aggregating ₹19,105.10 crore remained unutilised as detailed in **Appendix 3.10**. Significant cases out of these, where the unutilised budget provision was ₹500 crore and above, are detailed in **Table 3.10** below. The major Grants/Appropriations where provisions remain unutilised to the extent of ₹13,241.12 crore were Finance, Energy, Public Debt, Interest payments and Servicing of Debt.

Table 3.10: Schemes in which provision above ₹500 crore and above remained unutilised

Sl. No.	Grant No.	Name of the Grant/Appropriation	Name of Scheme	V/C	Total Provision (O+S+R)	Expenditure	(₹ in crore)	
							Saving (per cent)	
1	CH-I	Charged Appropriation-Public Debt	6003-110-0637-66-Ways and Means Advances	C	736.11	0.00	736.11 (100%)	

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Name of Scheme	V/C	Total Provision (O+S+R)	Expenditure	Saving (per cent)
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-Interest Payments and Servicing of Debt	2049-01-200-7824-52-Interest payment on Compensatory Afforestation Fund	C	550.00	0.00	550.00 (100%)
4	CH-II	Charged Appropriation-Interest Payments and Servicing of Debt	2049-60-701-0716-52-Miscellaneous Loans Payment	C	776.88	0.00	776.88 (100%)
5	6	Finance	2054-095-5329-51-Payment of Pending Bills	V	1,983.00	0.00	1,983.00 (100%)
6	6	Finance	6075-800-6787-66-Provision for settlement of Guaranteed Loan	V	793.13	0.00	793.13 (100%)
7	12	Energy	2801-80-101-0101-7837-44-Assistance for making requisite improvements as per 15 th Finance Commission	V	1,860.00	0.00	1,860.00 (100%)
8	12	Energy	2801-80-101-0102-7837-44-Assistance for making requisite improvements as per 15 th Finance Commission	V	660.00	0.00	660.00 (100%)
9	12	Energy	4801-05-190-0101-7837-64-Assistance for making requisite improvements as per 15 th Finance Commission	V	1,767.00	0.00	1,767.00 (100%)
10	12	Energy	4801-05-190-0102-7837-64-Assistance for making requisite improvements as per 15 th Finance Commission	V	627.00	0.00	627.00 (100%)
11	12	Energy	4801-05-190-0701-9542-64-Revamped distribution sector scheme (R.D.S.S.)	V	930.00	0.00	930.00 (100%)
12	12	Energy	4801-05-190-1901-9542-64-Revamped distribution sector scheme (R.D.S.S.)	V	558.00	0.00	558.00 (100%)
Total					13,241.12	0.00	13,241.12 (100%)

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

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

3.3.6 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 crore at the time of establishment. The corpus of the Fund was since increased to ₹1,000 crore through an ordinance on 27 March 2021.

During 2022-23, ten sanctions under seven Grants of ₹264.39 crore were issued by the Finance Department, ten withdrawals amounting to ₹283.09 crore were made from the Contingency Fund. Audit observed that against a sanction of ₹10 crore, an expenditure of ₹29.40 crore was incurred from the Contingency Fund by the General Administrative Department. The excess withdrawals of ₹19.40 crore were made in Grant No. 1-General Administration from the Contingency Fund without the prior approval of the Governor of Madhya Pradesh which is in violation of the provisions of Article 267(2) of the Constitution of India also it was seen that in Grant No. 8-Expenditure on Land Revenue, District Administration and Disaster Relief, against the sanction of ₹89.06 crore an expenditure of ₹89.01 crore was made and in Grant No. 23-Water Resources, against the sanction of ₹28.00 crore, an expenditure of ₹27.35 crore was made. This kind of activity of the State Government deteriorates the system of financial control and promotes financial indiscipline. The State's Contingency Fund was not recouped till 31 March 2023. The details of withdrawals from the Contingency Fund during 2022-23 are given in **Table 3.11**.

Table 3.11: Contingency Fund sanction orders and utilisation against sanctions

(₹ in crore)

Sl. No.	Sanction No. and Date	Name of the Grant	Major Head	Purpose for withdrawal	Sanctioned Amount	Expenditure	Recoupment Month
1	889/R-1005593/B-7/D.M.C./4/2022/Bhopal Dated 09.12.2022	1-General Administration	2013	Chief Minister Voluntary Grant	10.00	29.40	03/2023
2	691/R-395/B-7/D.M.C./4/2022/Bhopal, Dated 29.08.2022	45-Public Assets Management	2029	Grant in Aid for Payment from Revenue derived from Liquidator's Assets	14.03	14.03	03/2023
3	614/348/B-7/D.M.C./4/2022/Bhopal, Dated 20.07.2022	45- Public Assets Management	2029	Grant in Aid for Payment from Revenue derived from Liquidator's Assets	6.51	6.51	03/2023
4	824/R-487/B-07/D.M.C./4/2022/Bhopal, Dated 04.11.2022	2-Aviation	2052	Aviation Department for Spare Parts	6.00	6.00	01/2023 and 02/2023
5	888/R-1006971/B-7/D.M.C./4/2022/Bhopal, Dated 09.12.2022	2-Aviation	2052	Transportation Arrangements of Aviation Authority	5.00	5.00	03/2023
6	412/R-215/B-7/D.M.C./4/2022/Bhopal, Dated 04.05.2022	8-Expenditure on Land Revenue, District Administration	2053	Payment of Decretal amount	89.06	89.01	12/2022

Sl. No.	Sanction No. and Date	Name of the Grant	Major Head	Purpose for withdrawal	Sanctioned Amount	Expenditure	Recoupment Month
		and Disaster Relief					
7	560/R-318/B-7/D.M.C./4/2022/Bhopal, Dated 29.06.2022	3-Home	4055	Development Programmes in Minority Dominated Districts	20.00	20.00	12/2022
8	610/R-344/B-7/D.M.C./4/2022/Bhopal, Dated 18.07.2022	53-Minority Welfare	4225	Development Programmes in Minority Dominated Districts	11.55	11.55	12/2022
9	768/R-440/B-7/D.M.C./4/2022/Bhopal, Dated 30.09.2022	53-Minority welfare	4225	Development Programmes in Minority Dominated Districts	74.24	74.24	12/2022
10	540/R-306/B-7/D.M.C./4/2022/Bhopal, Dated 22.06.2022	23-Water Resources	4701	Payment of Decretal amount	28.00	27.35	12/2022
Total					264.39	283.09	

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

3.3.7 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 Infrastructure 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 Infrastructure 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 2022-23, it was observed that the State Government received grants of ₹573.96 crore towards Central Road Infrastructure Fund against the Budget allocation of ₹800.00 crore under Grant No. 24-Public Works in the Scheme 0948 which had not been transferred to the Deposit Head 8449-Other Deposits-103-Subvention from Central Road Fund as the Central Road Infrastructure Fund had not been operated in Public Account. The State Government incurred expenditure of ₹725.69 crore directly from Major Head 5054 without routing it through Public Account.

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

During 2022-23, out of 59 Grants/Appropriations, savings were noticed in two Grants where utilisation of budget was less than 50 per cent and budget provision were ₹100 crore and above. Utilisation of budgetary allocation in these two Grants for the period 2018-19 to 2022-23 is shown in **Table 3.12** below:

Table 3.12: Grants/Appropriations where utilisation of budget was less than 50 per cent against budget provisions of ₹100 crore and above

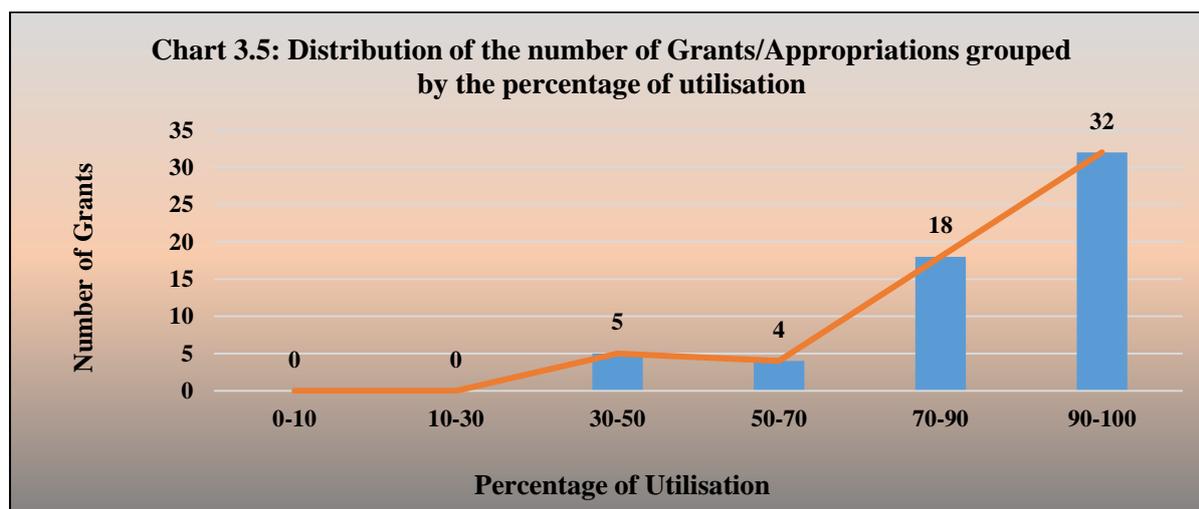
Sl. No.	Grant						(₹ in crore)	
		2018-19 (in per cent)	2019-20 (in per cent)	2020-21 (in per cent)	2021-22 (in per cent)	2022-23 (in per cent)	Budget 2022-23	Total Budget (five Years)
1	16-Fisherman Welfare and Fisheries Development	79.90	79.18	87.54	79.79	47.61	254.20	771.18
2	26-Culture	85.82	64.75	89.66	53.51	45.10	694.90	1,668.84

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

The reasons for low utilisation of budget during 2022-23 in Grant No. 16-Fisherman Welfare and Fisheries Development was due to restriction imposed by the Finance Department and non-receipt of approval of GoI whereas in Grant No. 26-Culture was due to post remaining vacant and non-receipt of bills.

3.3.8.1 Distribution of the number of Grants/Appropriations grouped by the percentage of utilisation

Details of distribution of the number of Grants/Appropriation grouped by the percentage of utilisation are given in the **Chart 3.5** below:



Source: VLC data furnished by O/o the PrAG (A&E)-I, Madhya Pradesh, Gwalior

As it is evident from the above chart in 18 Grants/Appropriation the utilisation was between 70 per cent and 90 per cent and in 26 Grants/Appropriation, the utilisation of budget was 90 per cent to 100 per cent and in six Grants/Appropriations, the utilisation of budget was 100 per cent against the allotted budget. There were five Grants/Appropriation where utilisation of

budget was below 50 per cent of the budget allocation and they were Grant No. 2-Aviation, 16-Fisherman Welfare and Fisheries Development, 26-Culture, 41-Overseas Indian Department and 45-Public Assets Management during 2022-23.

3.3.9 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 3.13** below and detailed in *Appendix 3.11*.

Table 3.13: Cases pertaining to Grants/Appropriations with savings ranging ₹10 crore and above and more than 20 per cent 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	13	12	1,323.50	906.25	417.23	31.52	94.81
2	100 crore to < 500 crore	15	15	12,706.45	8,569.64	4,136.82	32.56	1,917.45
3	500 crore and above	10	9	52,650.32	33,106.88	19,543.44	37.12	8,981.06
Total		38	36	66,680.27	42,582.77	24,097.49	36.14	10,993.32

Source: *Appropriation Accounts 2022-23*

From the above Table, it is evident that during the year 2022-23, there were 38 sub-heads involving savings of ₹24,097.49 crore where savings exceeded ₹10 crore and above and more than 20 per cent of total provisions in each case. Out of the total savings of ₹24,097.49 crore, ₹10,993.32 crore (46 per cent) was surrendered during the financial year.

Grant wise analysis of savings ranging from ₹11.34 crore to ₹4,822.73 crore in 38 cases, have been detailed in *Appendix 3.11*. In 21 cases, pertaining to 17 Grants and four Appropriations under Revenue section and 17 cases pertaining to 16 Grants and one Appropriation under Capital section, savings ranged between ₹10 crore and ₹500 crore and above.

Out of the Grants mentioned in *Appendix 3.11*, Savings under Revenue Section of account exceeding ₹100 crore and above and more than 20 per cent of the total provisions occurred in 12 Grants under Grant No. 1-General Administration, 8-Expenditure on Land Revenue, District Administration and Disaster Relief, 14-Animal Husbandry and Dairying, 16-Fisherman Welfare and Fisheries Development, 23-Water Resources, 24-Public Works, 29-Law and Legislative Affairs, 30-Rural Development, 35-Micro, Small and Medium Enterprises, 40-Panchayat, 44-Higher Education and 50-Horticulture and Food Processing and two Appropriations 6-Finance and 22-Urban Development and Housing.

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 11 Grants under Grant No. 2-Aviation, 6-Finance, 8-Expenditure on Land Revenue, District Administration and Disaster Relief,

12-Energy, 17-Co-operation, 19-Public Health and Family Welfare, 26-Culture, 27-School Education, 33-Tribal Affairs, 45-Public Assets Management and 49-Scheduled Caste Welfare. Huge savings of ₹500 crore and above had occurred in four Grants during 2021-22 and 2022-23 as detailed in **Table 3.14** below:

Table 3.14: Grants indicating savings of ₹500 crore and above

Sl. No.	Name of the Grant	(₹ in crore)	
		Savings (exceeding ₹500 crore)	
		2021-22	2022-23
1	Finance (Capital Voted)	1,091.45 (55.58)	1,325.91 (96.51)
2	Energy (Capital Voted)	1,296.62 (39.48)	4,771.71 (73.67)
3	Panchayat (Revenue Voted)	1,825.24 (34.65)	2,546.20 (31.80)
4	Higher Education (Revenue Voted)	572.97 (20.40)	664.10 (22.74)

Source: Appropriation Accounts of respective years

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

The reasons provided by the Department were non-release of funds and restriction on expenditure by the Finance Department. Huge savings under these Grants 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 3.6** below:



Source: Appropriation Accounts 2022-23

3.3.10 Non-Operational Suspense Transactions

'Suspense' record transactions of temporary character which are either not adjustable as final outlay of the work concerned or the correct classification of which cannot be determined immediately. Accordingly, the transactions under this head, if not adjusted to the final head of account, are carried forward from year to year. The 'Suspense' Head consists of four subdivisions are (i) Purchase (ii) Stock (iii) Miscellaneous Works Advances (iv) Workshop Suspense.

The nature of transactions and accounting procedure falling under each sub-division are explained below:

- (i) **Purchase**-This Sub-division had become in-operative in view of the new accounting procedure introduced in the State from 1983-84. However, only previous balances are carried forward and no transaction had appeared in the subsequent years.
- (ii) **Stock**-This head is debited with the value of materials acquired not for any particular work but for the general use of the division. It is credited with the value of materials issued for use on works or sold or transferred to other divisions. This head will, therefore, show a debit balance indicating the book value of materials held in stock plus unadjusted charges connected with the manufacture of materials if any.
- (iii) **Miscellaneous Work Advances**-This head comprises debit for the value of stores sold on credit, expenditure incurred on deposit work in excess of deposits received, losses of cash or stores not written off and sums recoverable from government servants *etc.* The debit balances under this head represent recoverable amount.
- (iv) **Workshop Suspense**-Charges for jobs or other operations in Public Works departmental workshops are debited to this head pending their recovery of adjustment.

It was observed that under 'Suspense Transactions' accounted in Grant No. 20-Public Health Engineering and Grant No. 23-Water Resources under Revenue Voted, opening and closing balances in different suspense sub heads during the last five years *i.e.*, from 2018-19 to 2022-23, no transactions were done, details are given below in **Table 3.15**.

Table 3.15: Suspense Transaction in Revenue Voted during the Year 2022-23

(₹ in crore)					
Grant and Nomenclature	Sub-Divisions	Opening Balance as on 1 April 2022 Debit (+) Credit (-)	Debit during the year	Credit during the year	Closing Balance as on 31 March 2023 Debit (+) Credit (-)
20-2215-Water Supply and Sanitation	(i) Purchase	(-) 44.10	0.00	0.00	(-) 44.10
	(ii) Stock	(+) 9.44	0.00	0.00	(+) 9.44
	(iii) Miscellaneous Works Advances	(+) 203.09	0.00	0.00	(+) 203.09
Total		(+) 168.43	0.00	0.00	(+) 168.43
23-2701-Medium Irrigation	(i) Purchase	(-) 23.10	0.00	0.00	(-) 23.10
	(ii) Stock	(+) 5.34	0.00	0.00	(+) 5.34
	(iii) Miscellaneous Works Advances	(+) 37.57	0.00	0.05	(+) 37.52
	(iv) Workshop suspense	(+) 6.64	0.00	0.00	(+) 6.64
Total		(+) 26.45	0.00	0.05	(+) 26.40
Net Total		(+) 194.88	0.00	0.05	(+) 194.83

Source: Appropriation Accounts 2022-23

Similarly, under 'Suspense Transactions' accounted in Grant No. 23-Water Resources and Grant No. 48-Narmada valley Development Capital Voted along with opening and closing balances in different suspense sub-heads during the last five years *i.e.*, from 2018-19 to 2022-23, no transactions were done, details are given in **Table 3.16**.

Table 3.16: Suspense Transaction in Capital Voted during the Year 2022-23

(₹ in crore)					
Grant and Nomenclature	Sub-Divisions	Opening Balance as on 01 April 2022 Debit (+) Credit (-)	Debit during the year	Credit during the year	Closing Balance as on 31 March 2023 Debit (+) Credit (-)
23-4700-Capital Outlay on Major Irrigation	(i) Purchase	(-) 22.89	0.00	0.00	(-) 22.89
	(ii) Stock	(+) 40.23	0.00	0.00	(+) 40.23
	(iii) Miscellaneous Works Advances	(+) 11.89	0.00	0.00	(+) 11.89
	(iv) Workshop suspense	(-) 2.11	0.00	0.00	(-) 2.11
Total		(+) 27.12	0.00	0.00	(+) 27.12
23-4801-Capital Outlay on Power Projects	(i) Purchase	(-) 0.13	0.00	0.00	(-) 0.13
	(ii) Stock	(+) 0.63	0.00	0.00	(+) 0.63
	(iii) Miscellaneous Works Advances	(+) 0.13	0.00	0.00	(+) 0.13
	(iv) Workshop suspense	(+) 0.02	0.00	0.00	(+) 0.02
Total		(+) 0.65	0.00	0.00	(+) 0.65
23-4701-Capital Outlay on Medium Irrigation	(i) Purchase	(-) 1.95	0.00	0.00	(-) 1.95
	(ii) Stock	(+) 11.80	0.00	0.00	(+) 11.80
	(iii) Miscellaneous Works Advances	(+) 8.02	0.00	0.00	(+) 8.02
	(iv) Workshop suspense	(+) 0.50	0.00	0.00	(+) 0.50
Total		(+) 18.37	0.00	0.00	(+) 18.37
23-4702-Capital Outlay on Minor Irrigation	(i) Purchase	(-) 1.32	0.00	0.00	(-) 1.32
	(ii) Stock	(-) 0.27	0.00	0.00	(-) 0.27
	(iii) Miscellaneous Works Advances	(+) 0.65	0.00	0.00	(+) 0.65
Total		(-) 0.93	0.00	0.00	(-) 0.93
48-4700-Capital Outlay on Major Irrigation	(i) Stock	(+) 0.14	0.00	0.00	(+) 0.14
	(ii) Miscellaneous Works Advances	(-) 0.04	0.00	0.00	(-) 0.04
Total		(+) 0.10	0.00	0.00	(+) 0.10
48-4701-Capital Outlay on Medium Irrigation	(i) Purchase	(-) 0.55	0.00	0.00	(-) 0.55
	(ii) Stock	(-) 21.12	0.00	0.00	(-) 21.12
	(iii) Miscellaneous Works Advances	(-) 1.03	0.00	0.00	(-) 1.03
	(iv) Workshop suspense	(-) 2.59	0.00	0.00	(-) 2.59
Total		(-) 25.28	0.00	0.00	(-) 25.28
48-4801-Capital Outlay on Power Projects	(i) Stock	(+) 0.67	0.00	0.00	(+) 0.67
	(ii) Miscellaneous Works Advances	(-) 2.38	0.00	0.00	(-) 2.38
Total		(-) 1.71	0.00	0.00	(-) 1.71
Net Total		(+) 18.30	0.00	0.00	(+) 18.30

Source: Appropriation Accounts 2022-23

As can be seen from the above **Table 3.15** and **Table 3.16**, Suspense transactions under Revenue voted section was ₹194.83 crore and under Capital voted section was ₹18.30 crore which remained unutilised under the Grant over a long period. This vitiates the system of budgetary and financial and encourages financial indiscipline in management of public resources.

3.3.11 Large variation from Budget at Sub-head level remaining unexplained

As explained earlier, the limit for variation of expenditure from budgeted provisions beyond which explanation is to be provided in the Appropriation Accounts was set by the Public Accounts Committee in September 2004.

A similar approach is followed in case of Appropriation Accounts for the Union Government, where the limits were set by the Central PAC. The PAC (17th Lok Sabha, 2019-20) in its first report of December 2019 titled 'Revision of ceiling for exception reporting in Appropriation Accounts', had reviewed the ceiling for Sub-head level comments in the Appropriation Accounts and raised the limits. The proposal for revision was intimated by Ministry of Finance on the grounds that the current limits were effective since 1993-94, and since then, the size of the Union Budget had gone up by 28 times, necessitating an upward revision of the materiality level or ceiling for comment/explanation in Appropriation Accounts.

The revised and earlier limits for explaining variation at Sub-head level along with the corresponding figures in case of Government of Madhya Pradesh is given in **Table 3.17**.

Table 3.17: Norms for Explaining Variation at Sub-Head Level-Comparison with Union

Norms set by Central PAC		Norms by State PAC
Pre-Revised Norms (from 1994-95)	Revised Norms (from 2018-19)	Extant Norms (from September 2004)
Variation (Excess or Savings) exceeding ₹100 lakh are explained	Variation (Excess or Savings) exceeding ₹500 lakh are explained	Comments are to be made, in cases where the total savings is 10 <i>per cent</i> or more and in cases where excess exceeds ₹10 lakh and also 10 <i>per cent</i> of the total provision under the Sub-heads.
All cases where the variation (Excess and Savings) exceeds 10 <i>per cent</i> of the sanctioned provision or ₹50 lakh whichever is higher, are explained	All cases where the variation (Excess and Savings) exceeds 10 <i>per cent</i> of the sanctioned provision or ₹250 lakh whichever is higher, are explained	Cases where the variation (Excess or Savings) is : a) More than ₹40 lakhs where total provision exceeds ₹30 crore in the Sub-head. b) More than ₹20 lakhs where total provision is between ₹10 crore and ₹30 crore in the Sub-head. c) More than ₹10 lakhs where total provision is less than ₹10 crore in the Sub-head.
If there is a supplementary, all cases where savings exceeds 10 <i>per cent</i> of the supplementary or ₹5 lakh, whichever is higher, are explained	If there is a supplementary, all cases where savings exceeds 10 <i>per cent</i> of the supplementary or ₹100 lakh, whichever is higher, are explained	<i>No analogous norms</i>
When Grant as a whole exceeded, Sub-heads involving excess of ₹1 lakh are picked up	When Grant as a whole exceeded, Sub-heads involving excess of ₹25 lakh are picked up	When Grant as a whole is exceeded, comments are to be made for regularisation of excess over the provision in all cases.

Source: Information maintained by Controller General of Accounts, Department of Expenditure, GoI and Appropriation Accounts 2022-23

As can be seen, the norms set by Central PAC cover a wider range of cases requiring explanation for variation. Where the norm is similar, the limits are understandably different owing to the difference in the budget size of the Central and State Government, and the different time period when the norms were set by the respective PAC.

Of immediate relevance in case of Madhya Pradesh is the absence of any norm for explanation based on absolute/size of deviation, and explanation for large savings at the Grant level. Thus, while Central PAC had set a limit of ₹100 lakh, which has now been raised to ₹500 lakh, for explaining variation (Excess or Savings) irrespective of the percentage of deviation from the Budget provision, there is no analogous norm in Madhya Pradesh. Thus, in cases of Charged Expenditure, comments are to be made if total savings of the Grant is not less than ₹10 lakh whereas in cases of Excess, comments are to be made if individual Sub-head exceeds ₹10 lakh and also 10 *per cent* of the total provision under the Sub-head.

3.3.12 Preparation of budget estimates on adhoc basis

As per paragraph 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 of Detailed Appropriation Account under Grants/Appropriation, it was observed that Token money was allotted during 2022-23 in 285 Sub-heads pertains to 25 Grants/Appropriations and the Token money was either surrendered or re-appropriated at the fag end of the financial year 2022-23. It indicates that while preparing the budget estimates by the BCO, information was not collated from the DDOs before finalisation of the budget estimates. Thus, that budget estimates appear to have been made on adhoc basis without following the provision of said Manual which resulted in violation of said provisions. Details are given in *Appendix 3.12*.

3.3.13 Excess expenditure and its regularisation

As per Article 205 of the Constitution of India, it is mandatory for the 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 2022-23, 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.

3.4 Effectiveness of Budgetary and Accounting Process

3.4.1 Budget projection and gap between expectation and actual

Efficient management of tax administration/other receipts and public expenditure holds the balance for achievement of various fiscal indicators. Budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities and weak internal controls lead to sub-optimal allocation among various developmental needs. Excessive savings in some departments deprive other departments of the funds which they could have utilised.

The position of State budget including supplementary budget, actual expenditure and excess/savings during 2022-23 against 59 Grants/Appropriations is given below in **Table 3.18**.

Table 3.18: Actual expenditure vis-à-vis budget provision during the financial year 2022-23

(₹ in crore)								
Voted/ Charged	Nature of Expen- diture	Budget (Original)	Budget (Supp.)	Total Budget (O+S)	Expen- diture	Excess (+)/ Savings (-) (per cent)	Amount Surrendered (per cent)	Amount not Surrendered (per cent)
Voted	Revenue	1,80,743.43	32,229.86	2,12,973.29	1,80,621.33	(-) 32,351.96 (15.19)	19,141.54 (8.99)	13,210.42 (6.20)
	Capital Outlay	46,625.25	9,010.12	55,635.37	44,288.08	(-) 11,347.29 (20.40)	3,660.82 (6.58)	7,686.47 (13.82)
	Loans and Advances	3,113.76	680.00	3,793.76	2,359.22	(-) 1,434.54 (37.81)	109.58 (2.89)	1,324.96 (34.92)
	Total Voted	2,30,482.44	41,919.98	2,72,402.42	2,27,268.63	(-) 45,133.79 (16.57)	22,911.94 (8.41)	22,221.85 (8.16)
Charged	Revenue Expenditure	24,239.07	438.43	24,677.50	21,466.37	(-) 3,211.13 (13.01)	70.58 (0.28)	3,140.55 (12.73)
	Capital	401.20	63.00	464.20	373.22	(-)90.98 (19.60)	0.45 (0.10)	90.53 (19.50)
	Public Debt	24,114.09	0.00	24,114.09	22,006.24	(-) 2,107.85 (8.74)	1.71 (0.01)	2,106.14 (8.73)
	Total Charged	48,754.36	501.43	49,255.79	43,845.83	(-) 5,409.96 (10.98)	72.74 (0.15)	5,337.22 (10.83)
Grand Total		2,79,236.80	42,421.41	3,21,658.21	2,71,114.46	(-) 50,543.75 (15.71)	22,984.68 (7.14)	27,559.07 (8.57)

Source: VLC Data and Appropriation Accounts 2022-23

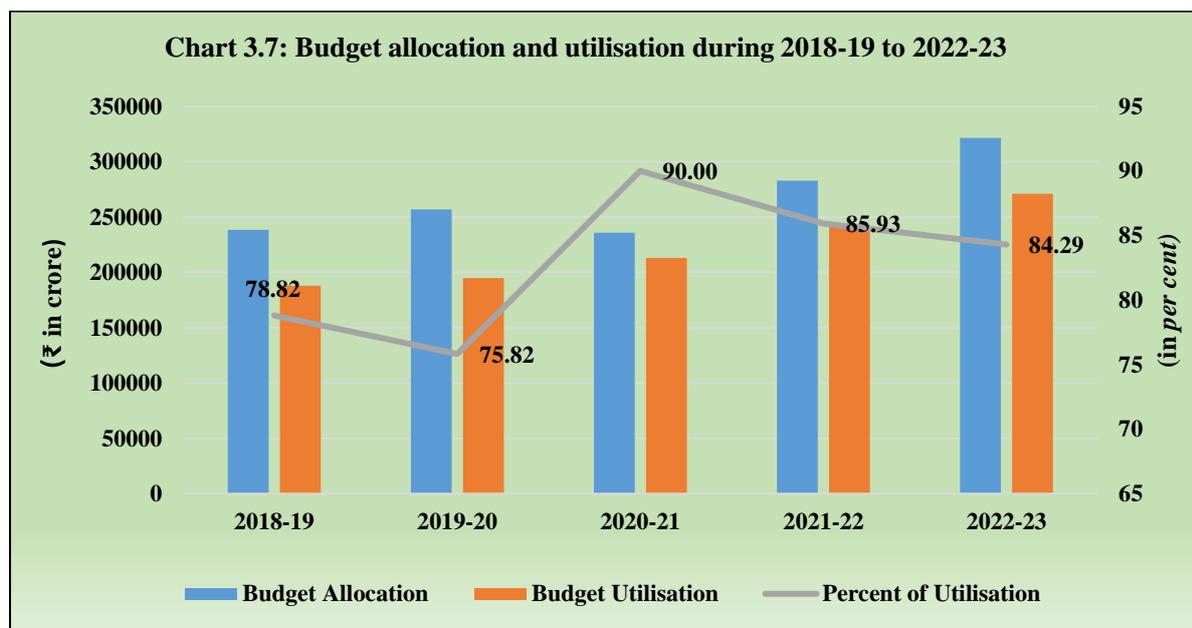
Note: Figures in bracket indicates percentage of Savings and Surrenders

An overall saving of ₹50,543.75 crore was on account of saving of ₹35,563.09 crore in 57 Grants and 50 Appropriations under Revenue section, and a saving of ₹11,438.27 crore in 48 Grants and four Appropriations under Capital section. This resulted in overall savings of 15.71 per cent of total Grants and Appropriations of the amount saved. However, the Departments surrendered ₹22,914.55 crore (99.69 per cent of total surrendered amount of ₹22,984.68 crore) on the last day of the financial year while ₹27,559.07 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 2023) the Departmental Controlling Officers requesting them to explain the significant variations. However, only partial replies were received from the Department (August 2023). 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.

3.4.2 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, it slightly decreased to 86 per cent in 2021-22 and further decreased to 84 per cent in 2022-23, as given in **Chart 3.7** below:



Source: Appropriation Accounts of the respective years

Trends in the original budget, revised estimate, actual expenditure for the period 2018-19 to 2022-23 are given in **Table 3.19** below:

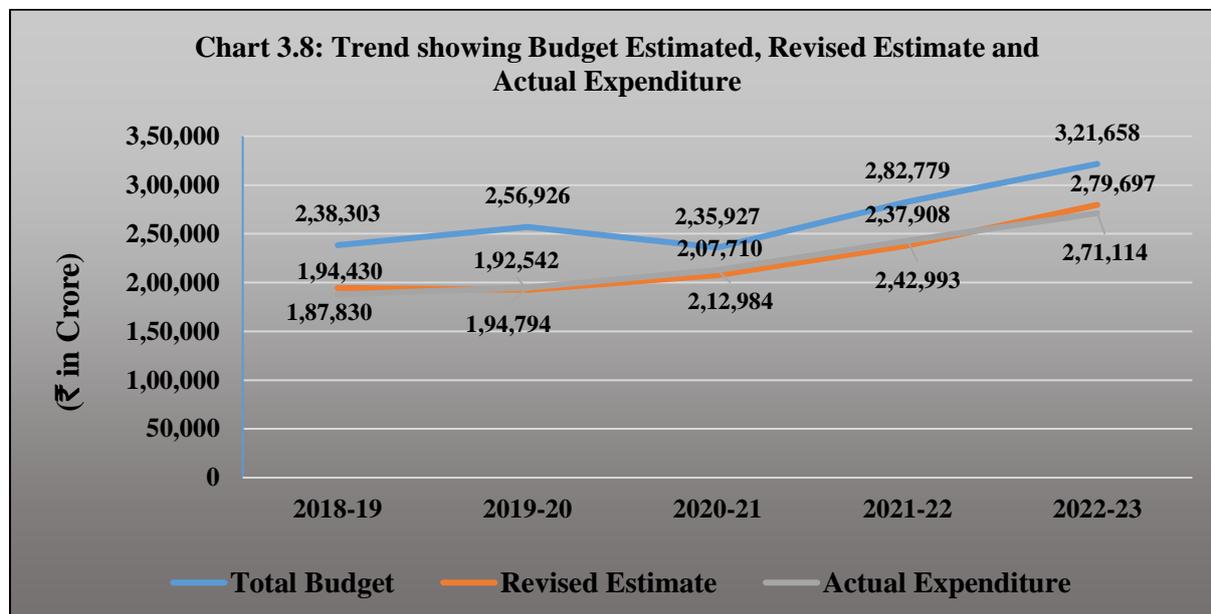
Table 3.19: Original Budget, Revised Estimate and Actual Expenditure during 2018-23

	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Original Budget	2,04,643	2,33,606	2,05,397	2,41,375	2,79,237
Supplementary budget	33,660	23,320	30,530	41,404	42,421
Total budget (TB)	2,38,303	2,56,926	2,35,927	2,82,779	3,21,658
Revised Estimate (RE)	1,94,430	1,92,542	2,07,710	2,37,909	2,79,697
Actual Expenditure (AE)	1,87,830	1,94,794	2,12,983	2,42,993	2,71,114
Savings	50,473	62,132	22,944	39,786	50,544
Percentage of supplementary to the original budget	16.45	9.98	14.86	17.15	15.19
Percentage of overall saving/excess to the total budget	21.18	24.18	9.73	14.07	15.71
TB-RE	43,873	64,384	28,217	44,870	41,961
RE-AE	6,600	(-),2,252	(-),5,273	(-),5,084	8,583
(TB-RE) as % of TB	18.41	25.06	11.96	15.87	13.05
(RE-AE) as % of TB	2.77	(-),0.88	(-),2.24	(-),1.80	2.67

Source: Budget Documents and Appropriation Accounts of respective years

Table 3.19 shows that supplementary provision of ₹42,421 crore during 2022-23 constituted 15.19 per cent of the original provision as against 17.15 per cent in the previous year.

From the above **Table 3.19**, it can be seen that over the years from 2018-19 to 2022-23, the Revised Estimated (RE) was always lower than the Total Budget (TB) of the State. The gap between Revised Estimate (RE) and the Total Budget (TB) ranged between 11.96 *per cent* and 25.06 *per cent*. During the period 2018-19 to 2022-23, the continued fluctuation in RE v/s TB indicated poor budgetary practices, resulting in estimation errors.



Source: Budget Documents and Appropriation Accounts of respective years

From the above **Chart 3.8**, it can be seen that over the year from 2018-19 to 2022-23, the TB was always higher than the RE of the State and the AE was at par with RE. Further, as per the above **Table 3.19**, the AE was always lower than the TB during the respective years which indicates that the supplementary provisions made during the respective years were unnecessary since the expenditure did not come up even to the level of the original budget provisions.

This reflects that budgetary allocations were based on unrealistic proposals as Budget Estimates of the State were always inflated and the Actual Expenditure was less than the budgetary provisions.

3.4.3 Lump sum Budgetary Provision

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 2022-23, in 23 cases (where surrender was ₹50 crore and above and more than 50 *per cent* of total budget provision) pertains to seven Grants, lump sum provision of ₹6,744.70 crore was made in the estimates. Out of this, an amount of ₹4,464.93 crore (66.20 *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 six Grants are tabulated below while complete details are given in **Appendix 3.14**.

Table 3.20: Details of Lump sum provision of ₹100 crore or above and more than 50 per cent of total budget provision

(₹ in crore)					
Grant No.	Name of the Grant	Heads of Account	Total Provision (O + S)	Amount Surrendered	Surrender (in per cent)
8	Expenditure on Land Revenue, District Administration and Disaster Relief	2245-80-102-6276-Disaster Management Planning	(O) 105.00 (S) 136.24 241.24	144.59	59.94 %
		4250-101-6276-Disaster Management Planning	(O) 890.00	498.48	56.01 %
		4250-101-7667-Capacity Building Under 15th Finance Commission	(O) 157.30	110.33	70.14 %
		4250-101-8030-Assistance for Restoration and Other Works	(O) 105.00	105.00	100.00 %
13	Farmers Welfare and Agriculture Development	2401-102-0701-7501-National Food Security Mission	(O) 142.10	112.61	79.25 %
17	Co-operation	4425-107-0101-5318-Share Capital of Co-operative Banks	(O) 800.00	800.00	100.00 %
		4425-107-0102-5318-Share Capital of Co-operative Banks	(O) 115.00	115.00	100.00 %
30	Rural Development	2215-02-198-0701-5206-Nirmal Bharat Abhiyan	(O) 146.40	87.50	59.77 %
		2505-01-198-0701-6923-National Rural Employment Guarantee Scheme	(O) 1,601.25	847.82	52.95%
		2505-01-198-0702-6923-National Rural Employment Guarantee Scheme	(O) 603.75	323.30	53.55%
		2505-01-198-0703-6923-National Rural Employment Guarantee Scheme	(O) 420.00	224.91	53.55 %
		2505-01-198-0704-6923-National Rural Employment Guarantee Scheme	(O) 533.75	275.41	51.60 %
		2505-01-198-0705-6923-National Rural Employment Guarantee Scheme	(O) 201.25	104.53	51.94 %
33	Tribal Affairs	2225-02-102-0802-6500-Development of Special Backward Tribes	(O) 100.00	78.16	78.16 %
		2225-02-102-0802-7881-Article 275 (1) Miscellaneous Development Work in Scheduled Tribes	(O) 123.87	123.16	99.43 %
49	Schedule Caste Welfare	4225-01-277-0103-4717-Scheduled Caste Hoste-	(O) 100.00	70.00	70.00 %
Total			6,280.91	4,020.80	64.02 %

Source: Appropriation Accounts 2022-23

Major six Grants where lump sum provisions were made during the year tabulated above involving 16 cases out of the total 23 cases and constituted 93.12 *per cent* of the total amount of lump sum provisions. The amount unutilised was ₹4,020.80 crore (64.02 *per cent*) for six Grants due to certain reasons like non-release of funds from GoI and Directives issued by the Finance Department for restrictions on expenditure, non-receipt of approval form the Finance Department, non-receipt of central share form the GoI, *etc.*

3.4.4 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 expenditure incurred in the current financial year.

It was observed that there were savings of ₹ five crore and above in 18 schemes started newly during 2022-23, as shown in **Table 3.21**:

Table 3.21: Schemes in which budget provision was ₹50 crore and above

(₹ in crore)						
Sl. No.	Grant No.	Name of the Grant/ Appropriation	Name of Scheme	Total Provision (O+S+R)	Expenditure	Saving
1	3	Home	03-2055-001-9545-Maintenance of departmental assets	90.00	61.41	28.59
2	8	Expenditure on Land Revenue, District Administration and Disaster Relief	08-2245-80-102-9594-SDRF / SDMF Fund (interest payment)	50.00	14.50	35.50
3	12	Energy	12-4801-05-190-9542-Revamped Distribution Sector Scheme (RDSS)	930.00	0.00	930.00
4	14	Animal Husbandry and Dairying	14-2403-101-9570-Movable Services for Animal Welfare	142.16	64.96	77.20
5	14	Animal Husbandry and Dairying	14-2403-101-9612-Chief Minister Animal Husbandry Development Scheme	99.81	47.21	52.60
6	16	Fisherman Welfare and Fisheries Development	16-2405-101-9613-Chief Minister Fishery Development Plan	50.00	3.92	46.08
7	19	Public Health and Family Welfare	19-2210-01-001-9545-Maintenance of departmental assets	161.66	154.26	7.40
8	20	Public Health Engineering	20-4215-01-001-9551-Solarization of Irrigation and Drinking Water Schemes	178.50	0.02	178.48
9	20	Public Health Engineering	20-4215-01-102-5468-Jal Jeevan Mission (J.J.M.) National Rural Drinking	6,320.00	5,581.70	738.30

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Name of Scheme	Total Provision (O+S+R)	Expenditure	Saving
			Water Mission			
10	23	Water Resources	23-4700-80-001-9551-Solarisation of Irrigation and Drinking Water Schemes	500.00	0.00	500.00
11	24	Public Works	24-5054-03-337-9609-Construction of Narmada Express Way	58.00	0.00	58.00
12	33	Tribal Affairs	33-2225-01-001-9545-Maintenance of departmental assets	191.94	114.59	77.35
13	33	Tribal Affairs	33-2225-02-102-9604-Employment Economic Assistance for Scheduled Tribes Youth	60.00	18.00	42.00
14	45	Public Assets Management	45-4070-190-9549-M.P. Assistance to State Asset Management Company Limited	100.00	16.09	83.91
15	48	Narmada Valley Development	48-4801-80-001-9551-Solarisation of Irrigation and Drinking Water Schemes	500.00	0.00	500.00
16	54	Backward Class Welfare	54-2225-03-800-9607-Employment Economic Assistance for Backward Class Youth	50.00	0.00	50.00
17	55	Women and Child Development	55-2235-02-001-9545-Maintenance of departmental assets	84.01	40.48	43.53
18	55	Women and Child Development	55-2235-02-103-9614-Employment Oriented Financial Assistance for Women	50.00	0.00	50.00
Total				9,616.08	6,117.14	3,498.94

Source: Finance Accounts 2022-23

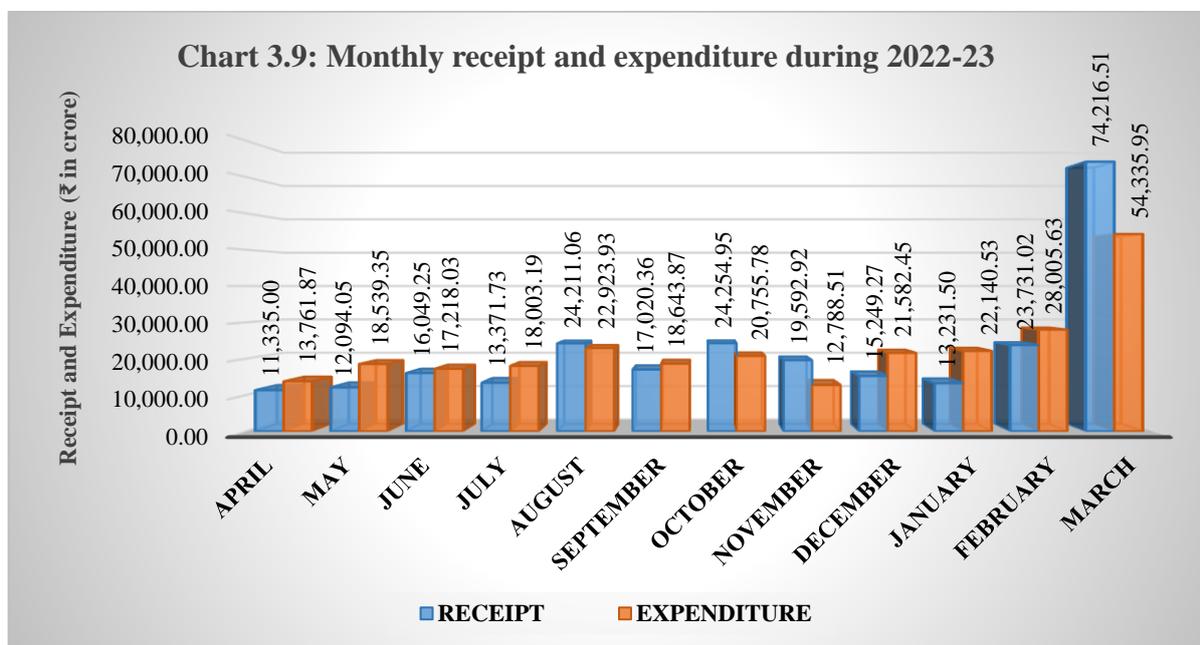
It can be seen from the above **Table 3.21** that substantial savings of ₹500 crore and above in newly started schemes during 2022-23 were mainly in four Grants, *i.e.*, Grant No. 12-Energy, Major Head 4801-Capital Outlay on Power Projects, Grant No. 20-Public Health Engineering, Major Head 4215-Capital Outlay on Water Supply and Sanitation, Grant No. 23-Water Resources, Major Head 4700-Capital Outlay on Major Irrigation, Grant No. 48-Narmada Valley Development, Major Head 4801-Capital Outlay on Power Projects. Further, it was observed that out of savings of ₹3,498.94 crore in these 14 Grants an amount of ₹948.66 crore was surrendered which indicates possible lack of planning, unrealistic estimation of the anticipated expenditure and inadequate budgetary monitoring.

3.4.5 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 2022-23 is given in the following **Chart 3.9**.



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

As can be seen from the Chart above, in expenditure there was a sudden decrease in month of November as compared to other months whereas in receipts they were paced more or less evenly across all the months except in March. In the month of November the sudden decrease was due to less expenses incurred under Salary head and Payment of Professional Services.

The State Government incurred an expenditure of ₹54,335.95 crore, constituting about 20.22 per cent of the total expenditure of ₹2,68,699.09 crore⁴⁰, in March 2023 alone, Of this, 100 per cent expenditure was incurred in 40 cases⁴¹ of 17 Grants/Appropriations amounting to ₹12,042.96 crore during March 2023. Details are given in **Table 3.22**.

Table 3.22: Quantum of Expenditure in March 2023

Sl. No.	Grant number and name	Scheme No.	Expenditure incurred during Jan-March 2023	Expenditure incurred in March 2023	Total Expenditure	Percentage of total expenditure incurred during	
						Jan-March 2023	March 2023
1	CH-I Charged Appropriation- Public Debt	9927	100.00	100.00	100.00	100.00	100.00
2	CH-I Charged Appropriation- Public Debt	9930	4,473.00	4,473.00	4,473.00	100.00	100.00

⁴⁰ Including expenditure on public debt.

⁴¹ Where expenditure during last quarter exceeded ₹10 crore.

Sl. No.	Grant number and name	Scheme No.	Expenditure incurred during Jan-March 2023	Expenditure incurred in March 2023	Total Expenditure	Percentage of total expenditure incurred during	
						Jan-March 2023	March 2023
3	CH-I Charged Appropriation- Public Debt	9032	1,500.00	1,500.00	1,500.00	100.00	100.00
4	CH-I Charged Appropriation- Public Debt	9497	736.00	736.00	736.00	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	9326	116.10	116.10	116.10	100.00	100.00
7	CH-II Charged Appropriation- Interest Payments and Servicing of Debt	9835	50.17	50.17	50.17	100.00	100.00
8	CH-II Charged Appropriation- Interest Payments and Servicing of Debt	7824	288.50	288.50	288.50	100.00	100.00
9	CH-II Charged Appropriation- Interest Payments and Servicing of Debt	9318	102.43	102.43	102.43	100.00	100.00
10	CH-II Charged Appropriation- Interest Payments and Servicing of Debt	9125	86.40	86.40	86.40	100.00	100.00
11	CH-II Charged Appropriation- Interest Payments and Servicing of Debt	9321	41.25	41.25	41.25	100.00	100.00
12	CH-II Charged Appropriation- Interest Payments and Servicing of Debt	9897	70.80	70.80	70.80	100.00	100.00
13	3-Home	1416	40.00	40.00	40.00	100.00	100.00
14	6-Finance	6857	15.72	15.72	15.72	100.00	100.00
15	7-Commercial Tax	2359	178.28	178.28	178.28	100.00	100.00
16	7-Commercial Tax	2360	396.81	396.81	396.81	100.00	100.00
17	8-Expenditure on Land Revenue, District Administration and Disaster Relief	9597	992.23	992.23	992.23	100.00	100.00
18	12-Energy	3218	500.00	500.00	500.00	100.00	100.00
19	12-Energy	7254	38.53	38.53	38.53	100.00	100.00
20	12-Energy	7861	14.18	14.18	14.18	100.00	100.00
21	12-Energy	7253	55.50	55.50	55.50	100.00	100.00
22	13-Farmers Welfare and Agricultural Development	9576	25.00	25.00	25.00	100.00	100.00

Sl. No.	Grant number and name	Scheme No.	Expenditure incurred during Jan-March 2023	Expenditure incurred in March 2023	Total Expenditure	Percentage of total expenditure incurred during	
						Jan-March 2023	March 2023
23	14-Animal Husbandry and Dairying	5418	20.19	20.19	20.19	100.00	100.00
24	14- Animal Husbandry and Dairying	9570	64.96	64.96	64.96	100.00	100.00
25	22-Urban Development and Housing	8333	11.50	11.50	11.50	100.00	100.00
26	22- Urban Development and Housing	9492	32.00	32.00	32.00	100.00	100.00
27	25-Mineral Resources	6606	813.05	813.05	813.05	100.00	100.00
28	30-Rural Development	7660	25.00	25.00	25.00	100.00	100.00
29	39-Food, Civil Supplies and Consumer Protection	1299	361.80	361.80	361.80	100.00	100.00
30	45-Public Assets Management	3837	27.20	27.20	27.20	100.00	100.00
31	45-Public Assets Management	9848	48.06	48.06	48.06	100.00	100.00
32	48-Narmada Valley Development	9539	27.17	27.17	27.17	100.00	100.00
33	48-Narmada Valley Development	9663	30.58	30.58	30.58	100.00	100.00
34	48-Narmada Valley Development	5177	22.00	22.00	22.00	100.00	100.00
35	49-Scheduled Caste Welfare	7765	38.39	38.39	38.39	100.00	100.00
36	49-Scheduled Caste Welfare	8844	21.43	21.43	21.43	100.00	100.00
37	55-Women and Child Development	9586	500.00	500.00	500.00	100.00	100.00
38	55-Women and Child Development	4065	10.51	10.51	10.51	100.00	100.00
39	55-Women and Child Development	9499	73.90	73.90	73.90	100.00	100.00
40	55-Women and Child Development	7660	23.02	23.02	23.02	100.00	100.00
Total			12,042.96	12,042.96	12,042.96	100.00	100.00

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

It was also observed that during 2022-23, in 103 cases (34 Grants/Appropriations) more than the 50 per cent of the total expenditure was incurred in March 2023 as detailed in **Appendix 3.15**.

Further, as Government funds should be spent evenly throughout the year. Maintaining a steady pace of expenditure is a crucial component of sound public financial management as it obviates fiscal imbalances and temporary cash crunches arising out of unanticipated heavy expenditure. Audit scrutiny revealed that during the financial year 2022-23, out of 59 Grants/Appropriations, in three Grants more than 50 per cent of the expenditure was incurred in March 2023 alone, in 16 Grants/Appropriations, expenditure ranging between 30 per cent and 50 per cent was incurred in March 2023 while in other 29 Grants/Appropriations, expenditure ranging between 10 per cent and 30 per cent was incurred in March 2023. Detailed in **Appendix 3.16**.

Rush of expenditure at the end of the year indicates inadequate control over the expenditure and budgetary management.

3.4.6 Missing/Incomplete Explanation for variation from Budget

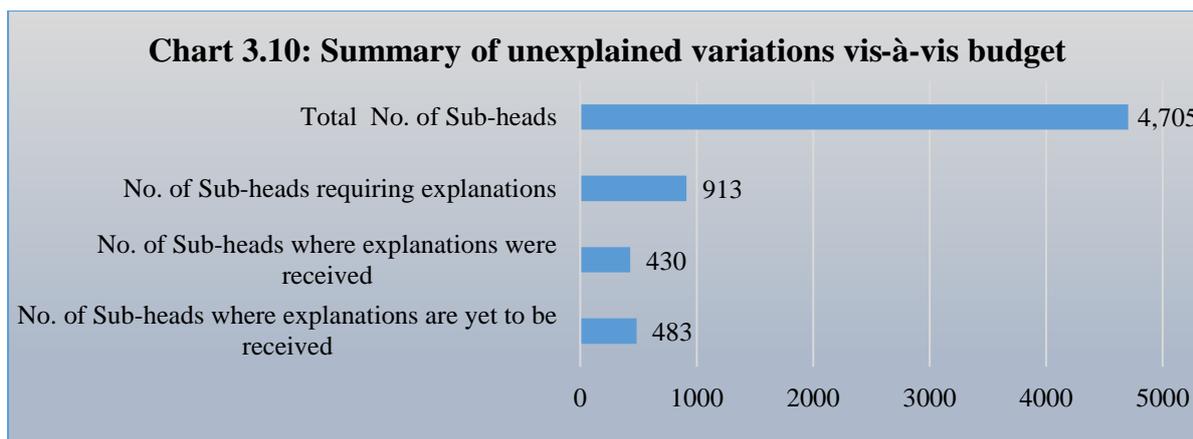
Apart from showing the expenditure against the approved budget, Appropriation Accounts also provide explanation for cases where the expenditure varies significantly from the budgeted provision (Original *plus* Supplementary). The limit beyond which such variation at the Sub-Head level (unit of Appropriation) to be explained in the Appropriation Accounts is set (September 2004) by the Public Accounts Committee (PAC).

PrAG (A&E)-I 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: <ul style="list-style-type: none"> (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 2022-23

Audit of Appropriation Accounts for the year 2022-23 and an analysis of the underlying accounting data revealed that in all 59 Grants/Appropriations, reasons for variation from budget were required. However, in respect of 17 Grants/Appropriations, reasons were not furnished by the Controlling Officers of Government Departments, while partial responses were received in respect of the remaining 31 Grants/Appropriations. In terms of the Sub-heads involved, out of total 4,705 Sub-heads, receipt or otherwise of explanation for variations is depicted in **Chart 3.10** below. Details in this regard are given in **Appendix 3.17**.



Source: Appropriation Accounts 2022-23

During 2022-23, out of the total number of Sub-heads 4,705, in 84 cases, expenditure of ₹30,896.57 crore occurred against the total budget allotted of ₹23,748.70 crore resulting in excess expenditure of ₹7,147.87 crore, whereas in 33 Sub-heads under 18 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 3.18**. 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.

3.4.7 Non-operational schemes

Audit observed that in 30 schemes during 2018-19 to 2022-23, while preparing the budget estimates by the BCO, information was not collated from the DDOs before finalisation of the budget estimates as the department did not incurred expenditure against the allotted budget of ₹10,344.84 crore resulting in overall saving of ₹10,344.84 crore. It indicates that budget estimate were made without following the provision of said Manual and was on adhoc basis that is without assessing the actual requirement at DDOs level which resulted in blockage of funds as well as violation of said provisions. The details are shown in **Table 3.23**:

Table 3.23: Non-operational schemes during last five years

Sl. No.	Schemes	(₹ in crore)							
		2018-19	2019-20	2020-21	2021-22	2022-23	Total Budget (five Years)	Expenditure	Savings
1	Kitchen shade device – (0656)	10.00	10.00	25.52	25.52	3.00	74.04	0.00	74.04
2	Advances to meet short fall – (0779)	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	10,000.00	0.00	10,000.00
3	Karanjia Medium Irrigation Project – (1911)	25.00	Token	Token	1.00	0.01	26.01	0.00	26.01
4	Namami Devi Narmade – (1952)	10.00	5.00	0.25	0.50	0.10	15.85	0.00	15.85

Sl. No.	Schemes	2018-19	2019-20	2020-21	2021-22	2022-23	Total Budget (five Years)	Expenditure	Savings
5	Strengthening and Development of NCC – (2081)	0.45	0.45	0.31	5.40	4.27	10.88	0.00	10.88
6	B.Ed/B.P.Ed for Disabled – (2083)	0.13	0.12	0.12	Token	Token	0.37	0.00	0.37
7	Dialect Regional language and religious publication – (2104)	0.02	0.50	Token	0.50	0.50	1.52	0.00	1.52
8	Veterinary and Animal Health Services Program – (2553)	0.05	Token	Token	Token	Token	0.05	0.00	0.05
9	Loan for Redressal of Water Scarcity Arises Due to Natural Calamities – (2750)	1.00	1.00	1.00	1.00	0.01	4.01	0.00	4.01
10	Lending for land and water conservation – (3128)	Token	Token	Token	1.87	Token	1.87	0.00	1.87
11	Interest on Government Servants Family Benefit Fund Schemes – (4209)	2.22	4.88	2.00	2.00	Token	11.10	0.00	11.10
12	Relief/Financial Assistance to Earthquake Victims – (5500)	0.11	0.09	0.11	0.11	0.11	0.53	0.00	0.53
13	Post Harvest Technology and Management(S MAM) – (5907)	0.35	0.06	Token	Token	Token	0.41	0.00	0.41
14	Reimbursement of electrical expenditure for drinking water schemes according to the State Finance Commission – (6062)	10.00	0.40	0.40	0.20	Token	11.00	0.00	11.00
15	Specific grant according to the recommendation of State Finance	10.00	0.40	0.40	0.20	Token	11.00	0.00	11.00

Sl. No.	Schemes	2018-19	2019-20	2020-21	2021-22	2022-23	Total Budget (five Years)	Expenditure	Savings
	Commission – (6063)								
16	Construction work in gas affected areas – (6281)	5.00	2.04	Token	Token	Token	7.04	0.00	7.04
17	Kol Scheduled Tribe Development Agency – (6462)	1.00	0.18	0.01	0.50	Token	2.41	0.00	2.41
18	Minority Service State Award – (6626)	0.51	0.46	0.46	0.46	0.46	2.35	0.00	2.35
19	Implementation of NADRS Scheme – (6641)	0.05	0.05	0.05	0.05	0.05	0.25	0.00	0.25
20	Provision for Settlement of S.L.R. Bonds issued by Undertaking and Subordinate Institutions of State Government – (6788)	10.00	10.00	10.00	10.00	10.00	50.00	0.00	50.00
21	Interest Account of Corporation /Circle-K.P.D. – (6848)	0.20	0.20	0.20	0.20	0.20	1.00	0.00	1.00
22	National Disaster Response Fund – (6949)	7.00	7.32	Token	Token	Token	14.32	0.00	14.32
23	Bheema Neyak Motivation Centre – (7011)	0.08	0.07	Token	Token	Token	0.15	0.00	0.15
24	Late Sheetla Sahai Memory Award - (7214)	0.01	0.01	0.01	0.01	0.01	0.05	0.00	0.05
25	Construction of Buildings of Sector Level Office and Training Centers – (7449)	13.52	13.52	Token	13.52	13.52	54.08	0.00	54.08
26	Establishment of Electronic Manufacturing Cluster in State – (7615)	9.00	5.00	0.10	Token	Token	14.10	0.00	14.10
27	Transfer in Reserve Fund and Deposit Accounts – (8094)	1.00	0.91	0.95	0.95	1.00	4.81	0.00	4.81

Sl. No.	Schemes	2018-19	2019-20	2020-21	2021-22	2022-23	Total Budget (five Years)	Expenditure	Savings
28	Construction and Upgradation of Advocate General Office Building – (9073)	1.00	1.00	Token	10.00	10.00	22.00	0.00	22.00
29	House Building Advances to A.I.S. officers – (9084)	0.50	0.50	0.50	0.50	0.50	2.50	0.00	2.50
30	Payra Flood Control Scheme Damoh – (9194)	0.50	0.50	Token	0.03	0.01	1.14	0.00	1.14
Total							10,344.84	0.00	10,344.84

Sources: Detailed Appropriation Accounts of the respective years

3.4.8 Review of State Specific Budgets

3.4.8.1 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 into 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 3.24 shows details of budgetary provision under Gender Budget during 2018-23:

Table 3.24: Provision under Gender Budget during 2018-23

	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-2023
Gender Budget	52,344	58,309	55,244	60,379	84,512
Total Budget	2,38,303	2,56,925	2,35,927	2,82,780	3,21,658

Source: Budget Books and Appropriation Accounts of respective years

Budget allocation under Gender Budget increased by ₹24,133 crore from ₹60,379 crore in 2021-22 to ₹84,512 crore in 2022-23. This allocation was made across 33 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 2018-23 are given in **Table 3.25**:

Table 3.25: Gender Budgetary allocations during 2018-23

Year	Category 1			Category 2		
	Outlay	Expenditure	Percentage of expenditure to outlay	Outlay	Expenditure	Percentage of expenditure to outlay
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	3,424.08	101.44	51,868.72	64,217.26	123.81
2021-22	1,797.05	NA*	-	58,582.69	NA*	-
2022-23	3,776.88	NA*	-	80,734.84	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 2022-23 to gauge the effectiveness of the schemes targeted to benefit women. In 2020-21, against the allocated outlay budget of ₹3,375.37 crore in Category 1, an expenditure of ₹3,424.08 crore was incurred resulting in excess expenditure of ₹48.71 crore (101.44 per cent). Similarly, against outlay budget of ₹51,868.72 crore in Category 2, an expenditure of ₹64,217.26 crore was incurred, resulting in excess expenditure of ₹12,348.54 crore (123.81 per cent). The Finance Department in its reply (October 2023) stated that the reasons of excess expenditure of ₹12,348.54 crore in 2020-21 could have been due to the budget allocations in 1st Supplementary, 2nd Supplementary, 3rd Supplementary and also on account of re-appropriation.

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.

3.4.8.2 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 farmer's 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 3.26 shows details of provision under Farmer Welfare and Agriculture Development made by the State during 2018-23.

Table 3.26: Budgetary allocation of Agriculture Budget vis-à-vis Farmers Welfare and Agriculture Development Grant during 2018-23

	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Farmers Welfare and Agriculture Development (Grant No. 13)	16,865	22,609	14,062	15,991	22,426
Agriculture Budget	37,499	46,560	26,265	35,354	40,916

Source: Budget Books and Appropriation Accounts of respective years

Agriculture Budget allocation increased by ₹5,562 crore from ₹35,354 crore in 2021-22 to ₹40,916 crore in 2022-23. Year-wise allocation and expenditure in Farmers Welfare and Agriculture Development (Grant No. 13) during 2018-23 are given in **Table 3.27**:

Table 3.27: Budget Allocation and Expenditure under Farmers Welfare and Agriculture Development

(₹ in crore)			
Year	Budget Allocation	Expenditure	Saving (per cent)
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)
2022-23	22,426	19,221	3,205 (14.29)

Source: Appropriation Accounts of respective years

As can be seen from the above Table, savings increased substantially to 14.29 per cent during 2022-23 as compared to years 2020-21 and 2021-22 under Grant No. 13, whereas it ranged from 3.70 per cent to 42.21 per cent during 2018-23.

3.4.8.3 Child Budget

Child Budget is introduced by the State Government for the first time in 2022-23 for the children under various programmes/scheme with the aim of focusing on the needs of the children. The main goal of the Child Budget is to help achieve the desired outcomes for the child development in building the bright future of the country, state and society, therefore, it is necessary to focus on the academics, social, emotional and physical development of children special priority is given to meet the needs of children belonging to socially and economically weaker societies. So, that arrangements for their education, health, nutrition etc. can be ensured.

Schemes relating to Child Budget directly and indirectly for the development of children are bifurcated in two categories:

Category 1: Schemes in which 100 per cent budget provisions are related to children and

Category 2: Schemes in which at least 30 per cent of budget provisions are related to children

Child Budget's incorporation in the State Budget for the first time highlights the need for segregating budgeting allocation specifically devoted to children under the demands for grants.

During 2022-23, budget allocation of ₹60,974.55 crore was made across 17 departments on schemes designed specifically to benefit children under Category 1 and 2. Allocation and expenditure in respect of Category 1 and 2 for the period 2022-23 are given in **Table 3.28**:

Table 3.28: Child Budget allocations during 2022-23

(₹ in crore)						
Year	Category 1			Category 2		
	Outlay Allocation	Expenditure	% of Demand covered (% with 2 of 3)	Outlay Allocation	Expenditure	% of Demand covered (% with 5 of 6)
1	2	3	4	5	6	7
2022-23	39,309.68	32,897.07	83.69	21,664.87	18,729.26	86.45

Source: Budget Documents and information furnished by Finance Department, GoMP

As can be seen from the above table, 83.69 *per cent* expenditure incurred in the Category 1 whereas 86.45 *per cent* of expenditure incurred in the Category 2 against the outlay allocation in Category 1 and Category 2. The reasons for savings in Category 1 and Category 2 were not provided by the Finance Department.

3.4.8.4 Environment Budget

The National Environment Policy, 2006 is intended to emphasize on conservation, prevention of degradation and equity of Natural Resources. During 2020-21, Environment Budget was introduced by Madhya Pradesh State Government under Grant No. 57-Environment which is now re-classified under Grant No. 4 during 2022-23. 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 2022-23, budget allocation of ₹22.15 crore was made under Grant No. 4-Environment, against which expenditure of ₹14.21 crore was incurred resulting in saving of ₹7.94 crore in Major Heads 2215-Water Supply and Sanitation, 2217-Urban Development. Further, it was observed that against the saving of ₹7.94 crore, no amount was surrendered by the close of the financial year, whereas in the previous year 2021-22, the Government of Madhya Pradesh incurred expenditure of ₹25.03 crore against the budget allocation of ₹25.25 crore in Major Heads 2215-Water Supply and Sanitation, 2217-Urban Development and 4217-Capital outlay on Urban Development. Moreover, it was also observed that in 2021-22 under Grant No. 57-Environment, Suspense Transaction was operated under Major Head 4700 and 4701 amounting to ₹0.02 crore and ₹18.37 crore which has now been transferred to Grant No. 23-Water Resources under Suspense Transactions.

Budget allocation and Expenditure incurred during 2022-23 by the State Government under Grant No. 4-Environment is shown below in **Table 3.29**:

Table 3.29: Budget Allocation and utilisation under Grant No. 4-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	4-Environment	2215-02-106-Prevention of Air and Water Pollution	3.33	2.30	1.03	69.07
2		2215-02-800-Other Expenditure	1.00	1.00	0.00	100.00
3		2217-05-191-0101-Assistance to Local Bodies Corporations, Urban Development Authorities, Improvement of City Bodies, etc.	11.35	9.00	2.35	79.30
4		2217-05-191-0701-Assistance to Local Bodies Corporations, Urban Development Authorities, Improvement of City Bodies, etc.	3.88	1.14	2.74	29.38
5		2217-05-191-0704-Assistance to Local Bodies Corporations, Urban Development Authorities, Improvement of City Bodies, etc.	2.59	0.77	1.82	29.73
Total			22.15	14.21	7.94	64.15

Source: Finance Accounts 2022-23

3.4.9 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 2022-23, two Grants were selected for audit, *i.e.* Grant No. 7-Commercial Tax and Grant No. 40-Panchayat for detailed scrutiny to review compliance with prescribed budgetary procedures, monitoring of funds, control mechanisms and implementation of schemes within these grants.

3.4.9.1 Grant No. 7-Commercial Tax

Audit reviewed (August 2023) the budgetary procedure and control over expenditure pertaining to Grant No. 7-Commercial Tax. The Commissioner, Commercial Tax (CT), Indore, Inspector General Registration and Superintendent Stamps (IGRS), Bhopal, Commissioner Excise, Gwalior and Chairman Commercial Tax Appellate Board, Bhopal are the Budget Controlling Officers (BCOs) of Grant No. 7-Commercial Tax.

(i) Summarised position of Budget and Expenditure

The details of amount budgeted for, the expenditure incurred under Grant No. 7-Commercial Tax, during 2022-23 are summarised below in **Table 3.30**:

Table 3.30: Summarised Appropriation during 2022-23

Section	Original Budget	Supplementary Budget	Total Budget	Budget Released to BCOs	Expenditure		Savings	
					As per Appropriation Accounts	As per BCOs	As per Appropriation Accounts	As per BCOs
Revenue (Voted)	1,813.49	292.14	2,105.63	2,105.63	1,867.45	1,864.74	238.18	240.89
Revenue (Charged)	0.12	0.00	0.12	0.12	0.00	0.00	0.12	0.12
Capital (Voted)	18.00	0.00	18.00	18.00	1.55	1.55	16.45	16.45
Total	1,831.61	292.14	2,123.75	2,123.75	1,869.00	1,866.29	254.75	257.46

Source: Appropriation Accounts 2022-23 and Information furnished by the BCOs

As can be seen from the above **Table 3.30**, under Revenue Section (Voted), the savings as per Appropriation Accounts was ₹238.18 crore (against the allotted budget approved by the State Legislature ₹2,105.63 crore), whereas the total savings as per the BCO was ₹240.89 crore against the budget released to the BCO ₹2,105.63 crore by the Finance Department.

- Such margin of savings indicates that BCO had not exercised due care while preparing budget estimates and also not complied with the applicable provisions of the Madhya Pradesh Budget Manual (MPBM) at the time of preparation of the budget estimates.

- As per above **Table 3.30**, in Revenue Section (Voted), expenditure of ₹1,864.74 crore and ₹1,867.45 crore was incurred as per BCO and Appropriation Account respectively against the total allotted budget of ₹2,105.63 crore resulting in a difference of ₹2.71 crore between BCO and appropriation accounts. According to the paragraph 24.9.3 of MPBM, the BCO is responsible for reconciliation of accounts maintained by BCO with those appearing in Accountant General'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.

(ii) Persistent Savings

Audit observed that in violation of paras 30.1 and 30.2 of Madhya Pradesh Budget Manual, during last three years from 2020-21 to 2022-23, there were persistent savings ranging between ₹0.20 crore and ₹360.78 crore and ranging between 2.10 per cent and 100 per cent of the total budget provision in 10 schemes as shown in **Table 3.31**.

Table 3.31: Persistent Savings during 2020-21 to 2022-23

Sl. No.	Major Head / Scheme Name	Amount of savings (per cent)		
		(₹ in crore)		
		2020-21	2021-22	2022-23
1	7-4059-01-051-0101-7382	3.22 (100.00)	3.08 (95.65)	2.68 (89.33)
2	7-2039-800-4034	0.00 ⁴² (100.00)	1.38 (95.17)	1.00 (100.00)
3	7-2039-102-1111	0.48 (48.00)	0.20 (20.00)	0.21 (21.00)
4	7-2039-001-0101-1470	20.38 (13.27)	33.57 (20.70)	35.43 (19.94)
5	7-2039-001-0101-0123	360.78 (23.92)	6.47 (2.10)	2.67 (26.12)
6	7-2039-001-0101-8808	6.77 (61.21)	9.34 (67.34)	11.71 (78.22)
7	7-2030-03-001-5815	0.66 (22.68)	1.06 (34.08)	0.86 (26.58)
8	7-2030-03-001-1480	4.70 (9.18)	9.68 (17.42)	7.94 (13.50)
9	7-2030-02-102-2455	10.13 (15.27)	72.98 (97.36)	90.96 (97.62)
10	7-2030-01-001-9858	1.93 (12.55)	0.51 (2.75)	1.80 (7.28)

Source: Appropriation Accounts of the respective years

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

The IGRS, Bhopal stated (August 2023) that due to quarterly limitations implemented by Finance Department over expenditure, concerned DDOs could not utilise the budget. Commissioner, Excise stated that the budget provision was made for e-Excise Project and

⁴² Token money

expenditure was made on stages of completion of the project. Further, due to vacancy on various posts these savings were occurred.

Reply is not acceptable as savings were persisting during last three years ranging between 2.10 per cent and 100 per cent.

(iii) Substantial Savings

The main objectives of the schemes under Grant No. 7-Commercial Tax is to bring dealers into the tax net who reach the tax liability limit, get them registered under CT and GST Act, monitoring return filing and deposit of admitted tax if due. Besides this audit, assessment, collection of arrear dues, disposal of case related to refund.

Audit observed that during 2022-23, there were substantial savings of ₹152.86 crore in 10 schemes, where savings were ₹ two crore and above, ranging between 21.04 per cent and 100 per cent of the total budget, as detailed in **Table 3.32**.

Table 3.32: Substantial Savings

(₹ in crore)

Sl. No.	Scheme head	Budget (O+S+R)	Expenditure	Savings	Savings (in per cent)
1	7-2030-01-101-4612-59	10.00	7.27	2.73	27.30
2	7-2030-02-102-2455-31-008	93.17	2.21	90.96	97.63
3	7-2030-03-001-0801-9942-31-002	5.85	0.00	5.85	100.00
4	7-2030-03-001-9545-33-001	8.17	0.99	7.18	87.88
5	7-2039-001-0101-8808-27-001	3.00	0.00	3.00	100.00
6	7-2039-001-0101-8808-27-002	9.00	2.82	6.18	68.67
7	7-2039-001-1470-11-001	115.36	91.09	24.27	21.04
8	7-2039-001-1470-11-003	37.00	29.21	7.79	21.05
9	7-2039-001-9545-33-001	2.58	0.36	2.22	86.05
10	7-4059-01-051-0101-7382-64-002	3.00	0.32	2.68	89.33
Total		287.13	134.27	152.86	53.24

Source: Monthly Appropriation Accounts

(iv) Anticipated savings not surrendered

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.

Audit observed that in Grant No. 7-Commercial Tax, out of the savings of ₹256.17 crore (16.54 per cent of total provision) ₹77.24 crore (30.15 per cent of the total savings) were surrendered after 15 January and the net savings of ₹178.93 crore (69.85 per cent of total saving) was not surrendered at the end of the year. Details are given in **Table 3.33**.

Table 3.33: Anticipated Savings Not Surrendered

(₹ in crore)							
Sl. No.	Grant No.	Major Head	Total Budget (O + S)	Expenditure	Savings	Total Surrendered	Savings not surrendered
1	7- Commercial Tax	2043	284.40	223.14	61.26	62.19	(-) 0.93
2		4059	18.00	1.55	16.45	13.77	2.68
3		2030	1,030.61	907.84	122.77	Nil	122.77
4		2039	208.01	154.62	53.39	Nil	53.39
5		2040	7.63	5.33	2.30	1.28	1.02
Total			1,548.65	1,292.48	256.17	77.24	178.93

Source: Monthly Appropriation Accounts

(v) Non utilisation of entire budget provisions

As per Paragraphs A-6 and 8 of MP Budget Manual Volume 6-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 for finalisation of estimates of expenditure and receipts. The BCOs should collate all estimates prepared by the DDOs and review the same. Further, B-13 of MP Budget Manual stated that BCO is responsible for control of expenditure, surrender of saving and preparation of monthly statements of anticipated revenue and expenditure for submission to the Finance Department.

During 2022-23, in three schemes where budget provision was ₹ one crore and above, the entire provision in each scheme was not utilised for that particular scheme/ intended purpose and the unspent amount of ₹9.96 crore was neither re-appropriated nor surrendered at the end of the financial year resulting in savings of entire budget provision, as detailed in **Table 3.34** below:

Table 3.34: Entire budget provision not utilised

(₹ in crore)						
Sl. No.	Scheme head	Total Budget (O+S)	Expenditure	Surrender	Total savings	
1	7-2030-01-102-2455-31-008	1.11	0.00	Nil	1.11	
2	7-2030-03-001-0801-9942-31-002	5.85	0.00	Nil	5.85	
3	7-2039-001-0101-8808-27-001	3.00	0.00	Nil	3.00	
Total		9.96	0.00	Nil	9.96	

Source: Monthly Appropriation Accounts

Thus, the entire budget provision in the above three schemes remained unutilised which indicates unrealistic budget provisioning by concerning BCOs of the Departments.

The IGRS stated (August 2023) that budget estimates were prepared based on requirement and analysis of demand of DDOs. Savings occurred on the level of DDOs due to restriction of drawls in last quarter by Finance Department as well as delay in processing of procurement, submission of bills and sanctions for payment and the Commissioner Excise stated (July 2023) in his reply that budget was provisioned for establishment of Control and Command Centre and purchase of Hand hold device but due to non-availability of sanction from Government, the said budget was surrendered.

Reply of the BCOs is not acceptable as budget estimation was not done in a realistic manner. Also, budget and expenditure under the schemes were not properly monitored at BCOs level, resulting in substantial/anticipated savings.

(vi) Non demand of Budget Provisions from construction agency

Audit observed that BCOs did not demand the budget provision before the preparation of budget estimates for construction of building from construction agency. Therefore, BCOs estimated the budget provision on ad hoc basis. This resulted in savings of an amount of ₹16.45 crore. Further, it was noticed that the Inspector General Registration and Superintendent Stamps (IGRS), Bhopal neither demanded the utilisation certificate of funds before 15th January 2023 nor watched the expenditure as well as did not issue instructions to construction agency to surrender the unutilised funds in due time. Details are shown in **Table 3.35**.

Table 3.35: Budget Provisions without Demand

Sl. No.	BCO Code	Provision of Funds	Release of funds to construction agency	Expenditure	(₹ in lakh)
					Savings
1	The Commissioner (CT), Indore	1,500.00	637.28	123.09	1,376.91
2	The IGRS, Bhopal	300.00	300.00	31.50	268.50
Total		1,800.00	937.28	154.59	1,645.41

Source: Information furnished by the BCOs

The said findings indicate inadequate financial control by the BCOs resulting in non-utilisation of funds for other developmental purposes of the State during 2022-23.

The Commissioner, Commercial Tax (CT), Indore stated in his reply (July 2023) that budget estimates were prepared based on construction of new office buildings and the budget was transferred to PWD, PIU but the said budgets were not utilised by the construction agency. In addition to this, some of the proposals were under the process for Administrative Approval thus, budget provision could not be utilised. IGRS, Bhopal stated that estimate for the construction of office buildings was under process.

Reply of the BCOs is not acceptable as budget estimation were made on ad hoc basis and expenditure under the schemes were not properly monitored at BCOs level.

3.4.9.2 Grant No. 40-Panchayat

Audit reviewed (July 2023) the budgetary procedure and control over expenditure pertaining to the Grant No. 40-Panchayat at Directorate of Panchayat Raj, Bhopal. Commissioner, Panchayat Raj is the Budget Controlling Officer (BCO) of Grant No. 40-Panchayat.

(i) Summarised position of Budget and Expenditure

The details of amount budgeted for and the expenditure incurred under the Grant No. 40-Panchayat during 2022-23 is summarised below in **Table 3.36**.

Table 3.36: Summarised Appropriation during 2022-23

Section	Original Budget	Supplementary Budget	Total Grant	Budget released to BCO	Expenditure		Savings	
					As per Appropriation Accounts	As per BCO	As per Appropriation Accounts	As per BCO
Revenue (Voted)	6,536.12	1,472.00	8,008.12	6,469.44	5,461.92	5,461.98	2,546.20	1,007.46
Revenue (Charged)	0.00 ⁴³	0.00	0.00 ⁴³	0.00	0.00	0.00	0.00 ⁴³	0.00
Total	6,536.12	1,472.00	8,008.12	6,469.44	5,461.92	5,461.98	2,546.20	1,007.46

Source: Appropriation Accounts 2022-23 and information furnished by the BCO

As can be seen from the above **Table 3.36**, legislature approved the original budget of ₹8,008.12 crore, however, Finance Department (FD) allotted ₹6,469.44 crore to the BCO. Thus, there was short release of ₹1,538.68 crore to the BCO from the actual budget approved by the legislature.

The expenditure reported by the BCO exceeded the amount depicted in the appropriation accounts by ₹0.06 crore.

As per the Appropriation Accounts 2022-23, an expenditure of ₹5,461.92 crore was incurred out of the allotted ₹8,008.12 crore leaving unspent provision of ₹2,546.20 crore (31.80 per cent). The substantial savings suggest that the BCO did not exercise due care and did not adhere to the budget manual during the budget estimation process.

Further, audit observed that supplementary provision of ₹1,472.00 crore proved unnecessary as the Department could not even spend the original provision. This indicates lack of careful examination of proposals for supplementary grants, resulted in unnecessary supplementary provision.

(ii) Substantial savings

The main objective of the schemes under Grant No. 40-Panchayat is to strengthen three tier Panchayat Raj. This mainly includes augmentation of capacity and training for public representatives and executive members, enhancement of infrastructure, provision of honorariums to Gram Panchayat officials, meeting fundamental needs and facilitating structural and institutional development.

During 2022-23, we observed substantial savings of ₹2,543.37 crore in 13 schemes, where savings were ₹ one crore or more, ranging from 1.13 per cent to 100 per cent of the total budget allotment. The details are shown in **Table 3.37** below.

Table 3.37: Substantial savings where savings were ₹ one crore or more in each case

Sl. No.	Name of scheme	Total Budget	Expenditure	Savings	Savings	
					(in per cent)	(in per cent)
1	0647-Village swaraj Campaign	170.00	24.89	145.11	85.36	
2	2467- Directorate of panchayat	7.29	5.83	1.46	20.08	
3	2474-Charges related to Panchayat Raj Institute	227.96	188.24	39.72	17.42	

⁴³ ₹50,000

Sl. No.	Name of scheme	Total Budget	Expenditure	Savings	Savings (in per cent)
4	4610-Grant Against additional stamp Duty Recovery	200.00	155.62	44.38	22.19
5	6107-Grant for General Purpose to the Janpad Panchayats on Recommendation of State Finance Commission	4.00	1.43	2.57	64.25
6	6299-Transfer to Panchayat of Revenue Received form Miner Minerals of Rural Areas	597.00	577.93	19.07	3.19
7	7668-Lump-sum Grant to Local Bodies for Basic Services	1,906.00	1,884.44	21.56	1.13
8	8214-Secretarial Management	176.00	172.56	3.44	1.95
9	8775-District Level Administration Plan	48.00	1.94	46.06	95.95
10	9579-Grant for Gram Panchayats Located on Narmada Coast on the Recommendation of State Finance Commission	5.00	0.00	5.00	100.00
11	9580-Grant on the Recommendation of the State Finance Commission for Tamia	1.00	0.00	1.00	100.00
12	9611-Incentive Scheme for Local Bodies	79.00	0.00	79.00	100.00
13	9638-Grant to Local bodies as per the Recommendation of the 15th Finance commission	4,522.00	2,387.00	2,135.00	47.21
Total		7,943.25	5,399.88	2,543.37	32.02

Source: Monthly Appropriation Accounts

Directorate stated (August 2023) the reasons of savings as non-receipt of funds from GoI, non-receipt of approval/permission from FD and discontinuation of schemes by GoI.

Reply is not acceptable as savings of ₹1,825.24 crore also occurred under this grant during 2021-22 which indicates that trends in the previous year were not kept in view while preparing the budget estimates. Fact remains that substantial savings in these schemes had defeated the objectives of the schemes and deprived the beneficiaries of the benefits of the schemes which ultimately resulted in non-attainment of goal of the Government.

(iii) Original provision remained unutilised

During 2022-23, the original budget provision of ₹2,479.30 crore made under 15 sub-heads remained unutilised, details of which are given in **Table 3.38** below. Out of this, ₹2,305.80 crore was related to grants from the 15th Finance Commission (FC).

Table 3.38: Unutilised provisions under various sub-heads

(₹ in crore)					
Sl. No.	Budget Head	Original Budget	Expen-diture	Saving	Saving (in per cent)
1	40-3604-00-198-0101-9579-V-42-008-Grant for Gram Panchayat located on Narmada Coast on the Recommendation of state Finance commission.	3.05	0.00	3.05	100.00
2	40-3604-00-198-0102-9579-V-42-008-Grant for Gram Panchayat located on Narmada Coast on the Recommendation of state Finance commission.	1.15	0.00	1.15	100.00
3	40-2515-00-198-0702-0647-V-42-009-Gram swaraj Abhiyan	26.59	0.00	26.59	100.00
4	40-2515-00-198-0703-0647-V-42-009-Gram swaraj Abhiyan	18.50	0.00	18.50	100.00
5	40-2515-00-198-0705-0647-V-42-009-Gram swaraj Abhiyan	12.51	0.00	12.51	100.00

Sl. No.	Budget Head	Original Budget	Expen-diture	Saving	Saving (in per cent)
6	40-2515-00-198-0706-0647-V-42-009-Gram swaraj Abhiyan	8.70	0.00	8.70	100.00
7	40-2515-00-198-1302-9638-V-42-009-Grant to Local Bodies as per the Recommendation of the 15 th Finance Commission	280.60	0.00	280.60	100.00
8	40-2515-00-198-1303-9638-V-42-009-Grant to Local Bodies as per the Recommendation of the 15 th Finance Commission	195.20	0.00	195.20	100.00
9	40-3604-00-198-0103-4610-V-42-008-Against collection of stamp duty	24.00	0.00	24.00	100.00
10	40-2515-00-198-1301-9638-V-42-011-Grant to Local Bodies as per the Recommendation of the 15 th Finance Commission.	1,116.30	0.00	1,116.30	100.00
11	40-2515-00-198-1302-9638-V-42-011-Grant to Local Bodies as per the Recommendation of the 15 th Finance Commission.	420.90	0.00	420.90	100.00
12	40-2515-00-198-1303-9638-V-42-011-Grant to Local Bodies as per the Recommendation of the 15 th Finance Commission.	292.80	0.00	292.80	100.00
13	40-3604-00-198-0101-9611-V-42-007-Incentive Scheme for Local Bodies	48.19	0.00	48.19	100.00
14	40-3604-00-198-0102-9611-V-42-007-Incentive Scheme for Local Bodies	18.17	0.00	18.17	100.00
15	40-3604-00-198-0103-9611-V-42-007-Incentive Scheme for Local Bodies	12.64	0.00	12.64	100.00
Total		2,479.30	0.00	2,479.30	100.00

Source: Monthly Appropriation Accounts

On this being pointed out, Directorate attributed (August 2023) the reasons for savings as non-receipt of funds from GoI, non-receipt of approval/permission from FD and discontinuation of schemes by GoI.

(iv) Savings not surrendered

According to clause 26.9 of the Madhya Pradesh Budget Manual, the details of expected savings in expenditure have to be submitted by the BCOs to the Finance Department (FD) by 15th January. FD also instructed (July 2021) to surrender all the savings as far as possible before 15th January, so as to use the available resources elsewhere.

During 2022-23, there was savings of ₹2,546.20 crore out of total budget of ₹8,008.12 crore, however, no amount was surrendered till 31 March 2023.

Audit also observed persistent savings under this Grant during 2018-19 to 2022-23 as per the appropriation accounts of the respective years, However, no amount was surrendered. Details of the savings that were not surrendered during 2018-19 to 2022-23 is given in **Table 3.39**:

Table 3.39: Details of savings not surrendered

Year	Original Budget	Supplementary Budget	Total Grant	Expenditure	Savings	Amount surrendered
2018-19	196.48	0.00	196.48	171.60	24.88	0.00
2019-20	211.41	0.00	211.41	183.17	28.24	0.00
2020-21	200.27	0.00	200.27	180.27	20.00	0.00
2021-22	4,767.01	500.00	5,267.01	3,441.77	1,825.24	0.00
2022-23	6,536.12	1,472.00	8,008.12	5,461.92	2,546.20	0.00

Source: Appropriation Accounts of the respective years

On this being pointed out, Directorate replied (August 2023) that savings could not be surrendered during 2022-23 due to slowdown in server performance at the end of the financial year. In the previous years, surrender orders were sent to Principal Accountant General (A&E-I), Madhya Pradesh by ordinary post.

Reply is not acceptable as Department failed to surrender anticipated savings by 15th January as prescribed in budget manual.

(v) Unspent balance of ₹43.14 crore lying idle in Personal Deposit (PD) Account

PD Accounts are maintained at the treasury like a banking deposit account, and the receipts and payments are recorded in personal ledgers of the Administrators. Further, as per Rule 543 of the Madhya Pradesh Treasury Code (MPTC), the balances in PD Accounts, which have been credited into the Account by debiting the Consolidated Fund of the State, should 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. Subsidiary Rule 284 of MPTC also provides that the withdrawal of funds from the consolidated fund of the State without immediate need is completely prohibited.

FD (March 2019) also issued instructions to all the Departments of GoMP regarding operation of PD Accounts. Point 1.1(ii) of which provides that if there is any unutilised amount from a particular scheme in the PD account, along with funds from other existing schemes, the unspent amount should be calculated and subsequently transferred to the state's Consolidated Fund.

On scrutiny of records of Directorate of Panchayat Raj, audit observed that FD permitted (March 2015) the Department to open a Personal Deposit (PD) Account No. 53 for transferring the funds of the various schemes of the Department to three tier Panchayats. During 2017-23, ₹2,481.52 crore of 18 schemes⁴⁴ was transferred into this PD account and ₹2,437.95 crore was spent from it. Out of the remaining ₹43.57 crore, ₹43.15 crore pertains to six schemes that was transferred from the Consolidated Fund to this PD account during 2017-20. However, only ₹0.01 crore was spent and ₹43.14 crore was lying unspent as on 31 March 2023. Details are given in **Table 3.40**:

Table 3.40: Details of schemes amount of which lying unspent in PD account

(₹ in crore)					
Sl. No.	Name of the scheme	Year in which funds deposited in PD account	Amount	Expenditure incurred	Balance available as on 31 March 2023
1	MP Steps	2017-18	0.01	0.00	0.01
2	1213-Pradhan Mantri Adarsh Gram Yojana	2017-18	0.27	0.00	0.27
3	6087-Grant for Maintenance	2017-18	10.00	0.00	10.00

⁴⁴ 1. MP Steps, 2. 1213-Pradhan Mantri Adarsh Gram Yojana, 3. 6093- Grant for reimbursement of electricity bills of Nal Jal Yojana 4. 0658- Integrated Child Development Services, 5. 1221- 14th FC grants, 6. 4610-197 (Stamp fees), 7. 6086-Infrastructure Development Grant, 8. 6087-Grant for Maintenance, 9. 6098: Panchayat Building construction, 10. 6107- General purpose, 11. 6299- Gound minerals, 12. 7668- basic grants to local bodies (State Finance Commission), 13. 8209-196-8888 (Zila Panchayat officials honorarium, 14. 8209-197-8888- Panchayat officials honorarium, 15. 8214-8888- Secretarial management, 16. 8392-8888-Zila Panchayat Sammelan, 17. 0647- Rashtriya Gram Swaraj Abhiyaan, 18. 2018 - Relief to flood victims

Sl. No.	Name of the scheme	Year in which funds deposited in PD account	Amount	Expenditure incurred	Balance available as on 31 March 2023
4	8293-8888-Zila Panchayat Sammelan	2017-18	0.00 ⁴⁵	0.00	0.00 ⁴⁵
5	2018 - Relief to flood victims	2019-20	26.44	0.00	26.44
6	6086-Infrastructure Development Grant	2017-18	6.43	0.01	6.42
Total			43.15	0.01	43.14

Source: Information furnished by the Directorate

It is evident from the **Table 3.40** that ₹43.14 crore pertaining the above six schemes were withdrawn from the Consolidated Fund without immediate need and the same is still lying unspent after elapse of more than three years. This was violation of subsidiary rule 284 of MPTC and instruction issued by FD.

(vi) Parking of ₹896.68 crore of different schemes into a bank account

Rule 173 of Madhya Pradesh Financial Code (MPFC) Vol-I stipulates that unless it is otherwise ordered by Government, every grant made for a specific object is subject to the following conditions (i) that the grant will be spent upon the object within a reasonable time, if no time limit has been fixed by the sanctioning authority; and (ii) that any portion of the amount which is not ultimately required for expenditure upon the object should be duly surrendered to Government.

FD instructed (March 2019) that any amount exceeding the minimum requirement in the permitted bank accounts should be deposited in the Consolidated Fund of the State.

Audit observed that the Directorate of Panchayat Raj opened bank account, bearing number 3245631946, at Arera Hills Bhopal branch of the Central Bank of India for "Rajiv Gandhi Panchayat Sashaktikaran Abhiyan". This account was opened with the post facto approval of the FD with the condition that after making the necessary provisions in the second supplementary, this scheme would be operated through the budgetary process, ensuring that the receivable funds are mainly received in the Consolidated Fund of the State.

On scrutiny of records of the Directorate of Panchayat Raj, audit observed that Directorate instructed (June 2020) all Chief Executive Officers of Zila Panchayats to transfer the unutilised funds from various schemes held by both Zila Panchayats and Janpad Panchayats into the aforementioned bank account by 29 June 2020. Consequently, ₹456.12 crore was deposited in this account. Further, ₹440.78 crore pertaining to various schemes lying in different bank accounts was also transferred in this account. As of 31 March 2023, the bank's statement showed a balance of ₹896.68 crore, whereas the Directorate's records indicated a balance of ₹896.90 crore. This resulted in a discrepancy of ₹0.22 crore in the account balance between the bank and the Directorate. The scheme-wise balances in this account, along with accrued interest, as reported by the Directorate is detailed in **Table 3.41**.

⁴⁵ ₹12,400

Table 3.41: Details of amount of various schemes parked in Central Bank of India

		(₹ in crore)
Sl. No.	Particulars	Amount
1	Panch Parmeshwar Yojna	18.11
2	NIC refund	0.83
3	PESA act	0.15
4	UN women/Pradhan Mantri Adarsh gram Yojna	2.45
5	Sansad Adarsh gram Yojna	0.23
6	Performance Grant	0.20
7	12 th Finance Commission	0.58
8	Mukhya Mantri Hat Baazar Yojna	0.23
9	BRGF Administrative fund	33.86
10	RGPSA	54.87
11	Amount returned by GoI and Gram Panchayats	51.51
12	Rajya Grameen Aajivika Mission	23.00
13	Interest from 2017-18 to 22.02.2023	82.85
14	Amount returned by Pradhan Mantri Aavas Mission (borrowed)	171.43
15	Amount returned by Swachh Bharat Mission	0.48
16	Amount of various schemes returned by Zila Panchayats/Janpad Panchayats (Panchayat Shasaktikaran)	456.12
Total		896.90

Source: Information provided by Directorate, Panchayat Raj, Bhopal

FD also directed (May 2023) the Department to deposit amount lying in the bank account, along with interest, into Consolidated Fund of the State immediately. If any need arises for unspent amount lying in the bank account in future, the same would be made available by making provision in budget. However, Directorate did not transfer the amount into Consolidated Fund of the State till August 2023.

On being pointed out, Directorate replied (August 2023) that action was being taken as per the instructions of the FD.

Reply is not acceptable as amount was not transferred into Consolidated Fund of the State till August 2023. Further, parking of ₹896.68 crore in the aforementioned bank account was against the directives of the FD and rule 173 of MPFC Vol-I. This not only represents a breach of established rules/regulations but also hampers the intended flow of funds for their designated purpose.

(vii) Non-remission of interest of ₹8.49 crore accrued in Single Nodal Agency (SNA) account to respective Consolidated Funds of GoI and GoMP

With a view to having more effective cash management and bring more efficiency in the public expenditure management, Department of expenditure, Ministry of Finance, Government of India (GoI) decided (March 2021) that every State Government will designate a Single Nodal Agency (SNA) for implementing each CSS with effect from 01 July 2021. The SNA will open a Single Nodal Account for each CSS. The SNAs shall ensure that the interest earned from the funds released should be mandatorily remitted to the respective Consolidated Funds on pro-rata basis. Implementing Agencies at all levels shall return all unspent amounts lying in their accounts to the Single Nodal Account of the SNA.

In compliance of the instructions of GoI, Directorate of Panchayat Raj had been designated as SNA for operating Rashtriya Gram Swaraj Scheme (Scheme code 0647) and a bank account number 6310000100007970 was opened in Punjab National Bank under SNA's name.

Scrutiny of bank account statement and Receipt and Payment statement of SNA certified by authorized Chartered Accountant revealed that the above SNA account accrued interest of ₹8.49 crore from the funds credited in the account during 2021-23. Thus, SNA was required to remit ₹5.09 crore and ₹3.40 crore (60:40) to Consolidated Fund to India and Consolidated Fund of State respectively. However, no amount was remitted to these funds.

The above act by SNA not only contravened the GoI's directives but also resulted in a non-realization of non-tax revenue for both the GoI and GoMP.

(viii) Delayed release of tied grants to RLBs resulting in interest burden of ₹15.54 crore on State exchequer

Finance Commission Division, Department of Expenditure, Ministry of Finance, GoI issued (July 2021) operational guidelines for the implementation of 15th FC recommendations on Rural Local Bodies (RLBs). Point 6 thereof provides that State Governments on receipt of the 15th FC recommended grants from the Union Government shall transfer the same to the RLBs/Excluded Areas concerned only within ten working days. Any delay beyond 10 working days will require the State Governments to release the grants with interest for the period of delay as per the average effective rate of interest on market borrowing/State Development Loans (SDLs) for the previous year.

GoI released (August 2022) ₹883.20 crore to Madhya Pradesh towards second instalment of the RLBs Tied Grant, in accordance with the recommendations of the 15th FC for the year 2021-22. This disbursement was subject to the conditions specified in point 6 of operational guidelines for the implementation of 15th FC recommendations on RLBs.

It is, however, observed that Department released the ₹883.20 crore to RLBs comprising Zila Panchayats, Janpad Panchayats and Gram Panchayats on 03 December 2022 with a significant delay of 92 days. As a consequence of the delayed release of funds to the Rural Local Bodies (RLBs), the Department had to release ₹883.20 crore to RLBs, along with an interest of ₹15.54 crore, calculated at a rate of 6.98 *per cent*.

On being pointed out, Directorate replied (August 2023) that GoI instructed to disburse the tied and untied grants of 15th FC through distinct budget line and process of opening new heads of tied and untied grants caused delay in disbursement of funds to RLBs.

Fact remains that substantial delay in disbursement resulted in an extra interest cost of ₹15.54 crore for the State Government, signifying a substantial financial burden that could have been entirely avoided.

(ix) Non-compliance of guidelines relating to utilisation of grants recommended by 5th State Finance Commission (5th SFC)

Directorate issued (July 2022) guidelines relating to utilization of grants recommended by 5th SFC. Point 1.1 to 1.3 of these guidelines stipulate that Gram Panchayat, Janpad Panchayat and Zila Panchayat will formulate development plans, namely Gram Panchayat Development Plan

(GPDP), Block Panchayat Development Plan (BPDP), and District Panchayat Development Plan (DPDP), respectively. These plans will be finalised after discussion and uploaded onto Panchayat Darpan portal.

Point 2.1.2 of these guidelines provides that no electricity bills will be paid from the State level from 2022-23. In the event of an electricity disconnection, the respective Panchayats will bear full responsibility. It will be obligatory to process all electricity bill payments exclusively through the Panchayat Darpan portal.

On scrutiny of records, we observed that out of a total of 23,377 Gram Panchayats, Janpad Panchayats and Zila Panchayats, 23,086 (99 per cent) panchayats had not submitted their plans on the Panchayat Darpan portal. Nevertheless, a sum of ₹1,884.44 crore was expended, out of the ₹1,906 crore allocated under scheme 7668 - a lump sum grant to local bodies for basic services (Share in state taxes) for the year 2022-23. Out of ₹1,884.44 crore, ₹569.29 crore was paid directly to electricity distribution companies from State level which was clear violation of Point 2.1.2 of the above guidelines.

This indicates that the BCO had not ensured compliance with the guidelines before allocating the budget to Gram Panchayats, Janpad Panchayats and Zila Panchayats and making payments to electricity distribution companies. Consequently, this led to expenditures without corresponding plans and a reduced release of grants by ₹569.29 crore to Gram Panchayats, Janpad Panchayats and Zila Panchayats.

On being pointed out, Directorate replied (July 2023) that payments to electricity distribution companies were made as per the instructions of the FD of Government of Madhya Pradesh and directions were being issued again to Gram Panchayats, Janpad Panchayats and Zila Panchayats for uploading GPDP, BPDP and DPDP.

Reply is not acceptable as grants recommended by 5th SFC was utilised without adhering to the guidelines.

3.5 Conclusions

Variations between the total Grants/Appropriation and expenditure incurred led to savings which indicates improper scrutiny of budget estimates at various levels of Government and poor budget management.

During 2022-23, there was an overall saving of ₹50,543.75 crore against the total Grants and Appropriations of ₹3,21,658.21 crore.

Excess expenditure amounting to ₹1,678.00 crore pertaining to the years 2011-12 to 2020-21 was done without Legislative approval, yet to be regularised by the State Legislature.

Supplementary provisions of ₹42,421.41 crore obtained in 53 Grants and 7 Appropriations for the year 2022-23 whereas actual requirement was ₹24,448.10 crore in 28 Grants and 4 Appropriations resulting in excess supplementary provisioning of ₹17,973.31 crore.

Expenditure of ₹2,381.53 crore was booked under Capital expenditure instead of accounting for it under Revenue expenditure, due to this Revenue expenditure was understated by ₹2,381.53 crore and Capital expenditure was overstated by ₹2,381.53 crore. Similarly, an

amount of ₹89.25 crore was incorrectly budgeted as Revenue expenditure instead of Capital expenditure, due to this Revenue expenditure was overstated by ₹89.25 crore and Capital expenditure was understated by ₹89.25 crore.

Out of total 4,705 sub-heads, explanation for variations in expenditure with reference to approved budgetary allocations, were required in 913 sub-heads, but the required explanations were received in only 430 cases (47.10 per cent).

3.6 Recommendations

- Controlling Officers need to be made aware of their responsibility to explain the variation in expenditure from the allocation to facilitate proper analysis of budget and preparation of meaningful Appropriation Accounts.
- The State Government should be more realistic in its budgetary estimates and ensure efficient control mechanisms to curtail savings/excess expenditure.
- Excess expenditure over grants approved by the Legislature is in violation of the will of the Legislature. Therefore, it needs to be viewed seriously and regularised at the earliest.
- The State Government should assess the actual requirement of supplementary Grants in various schemes before the close of the financial year, so that it can be effectively utilised in other areas/schemes.
- The State Government should take appropriate steps to control the use of capital expenditure for issues related to revenue expenditure and vice-versa.

Chapter IV

QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES

Chapter IV-Quality of Accounts and Financial Reporting Practices

4.1 Introduction

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

Issues related to completeness of accounts

4.2 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 involves payment of interest on a 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 four years are given in **Table 4.1**.

Table 4.1: 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	474.48	Cess of 2 percent 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 Madhya Kshetra Vidyut Vitaran Company Ltd. Bhopal	98.94	State Revenue	Capex Projects (Integrated Power Development Scheme/DeenDayal Upadhyaya Gram Jyoti Yojana)
	Madhya Pradesh Pashchim Kshetra Vidyut Vitran Company Ltd. Indore	63.70	State Revenue	Capex Projects ((Integrated Power Development Scheme /DeenDayal Upadhyaya Gram Jyoti Yojana)
	Total	797.05		
2020-21	Madhya Pradesh Urban Development Co. Limited	151.33	Cess of 2 percent 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 Peyjal 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 Madhya 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		

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
2021-22	Madhya Pradesh Urban Development Co. Limited	223.20	Cess of 2 per cent 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 III
	Urban Administration and Housing Department	22.81		Mukhya Mantri Shahri Peyjal Yojana
	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	533.78		
2022-23	Madhya Pradesh Urban Development Co. Limited	227.22	Cess of 2 per cent 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 Scheme Phase II and III
	Urban Administration and Housing Department	5.60		Mukhya Mantri Shahri Peyjal Yojana
	Narmada Basin Projects Company Ltd. (MP. Govt. Undertaking)	331.58	Dividend receipts from NHDC and revenue receipts from SSP on account of energy charges	Construction of multiple irrigation projects of Narmada Valley Development Authority under MP Govt.
	Total	564.40		

Source: Information furnished by Finance Department

During 2022-23, 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 was ₹564.40 crore and it increased by ₹30.62 crore (5.74 per cent) as compared to the 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.

4.3 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 8336 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 are given in **Table 4.2:**

Table 4.2: Non discharge of liability in respect of interest towards interest bearing deposits

(₹ in crore)				
Name of the Interest bearing deposit	Opening Balance as on 1 April 2022	Closing Balance as on 31 March 2023	Basis for calculation of interest	Amount of Interest not provisioned
Defined Contribution Pension Scheme for Government Employees	20.29	20.29	Interest calculated as per the rate of interest notified by the Government/payable to General Provident Fund @7.1 per cent	1.44
State Compensatory Afforestation Deposit	13.42	22.26	As per circular issued by the Ministry of Environment, Forest and Climate Change @3.35 per cent	0.45
Total	33.71	42.55		1.89

Source: Finance Accounts 2022-23

As can be seen from the above table, ₹1.89 crore were required to be paid as interest on the balance of ₹33.71 crore lying under interest bearing deposit as on 1 April 2022. Non-payment of the interest by the State Government resulted in understatement of Revenue Expenditure by ₹1.89 crore.

4.4 Funds Transferred Directly to State Implementing Agencies

The Union Government transfers substantial funds directly to State Implementing Agencies/Non-Governmental Organizations for implementation of various schemes and Programmes. 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. During 2022-23, the Government of India released ₹15,466.75 crore under 29 Centrally Sponsored Schemes directly to the Implementing Agencies in Madhya Pradesh as against ₹64.96 crore in 2021-22. This constituted 7.58 per cent of total Revenue Receipts (₹2,03,986.19 crore) and 41.85 per cent of Grants-in-Aid (₹36,954.45 crore) of the State. The State Government accounts for the year 2022-23 depicts ₹26,290.90 crore under central share of Centrally Sponsored Schemes. However, to the extent of ₹15,466.75 crore, the assets created and employment generated for 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 2022-23 are shown in **Table 4.3:**

Table 4.3: 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 2022-23
1	Training Schemes-PPG&P	RCVP Noronha Academy of Administration & Management, Madhya Pradesh (State Govt. Institute)	25.28
2	Sugar Subsidy Payable Under PDS	Madhya Pradesh State Civil Supplies Corporation Ltd (State Govt. Institute)	1,293.11
3	Scheme for Protection of the Handlooms and Implementation of Handlooms	Director Handlooms and Handicraft MP (State Govt. Institute)	19.51
4	SAMBAL (One Stop Centre Mahila Police Volunteer Women Helpline Swadhar Ujjawala Widow Homes etc.)	District Collector Women Helpline, Bhopal (State Govt. Institute)	15.64
5	SAMBAL (Beti Bachao Beti Padhao, One Stop Centre, Mahila Police Volunteer Women Helpline, Nari Adalat etc.)	One Stop Centre (OSC), Various Implementing Agencies (State Govt. Institute)	261.55
6	SAMARTHYA (Shakti Sadan (Swadhar Ujjawala Widow Homes) Shakhi Niwas Palna PMMVY National Hub for Women Empowerment Gender Budgeting Research Skilling Training	Directorate of Integrated Child Development Services, Madhya Pradesh (State Govt. Institute)	18,218.70
7	SAMARTHYA (BBBP Creche PMMVY Gender Budget Research Skilling Training	Directorate of Integrated Child Development Services, Madhya Pradesh (State Govt Institute)	2,183.00
8	Pradhan Mantri Kisan Samman Nidhi (PM-Kisan)	Department of Agriculture, MP (State Govt. Institute)	4,93,038.86
9	Pradhan Mantri Ayushman Bharat Health Infrastructure Mission	National Health Mission (NHM) PM Ayushman Bharat Health Infrastructure Mission (ABHIM) MP (State Govt Institute)	308.41
10	PDs Evaluation Monitoring and Research	Atal Bihari Vajpayee Institute of Good Governance & Policy Analysis (State Govt. Institute)	6.80
11	Other Renewable Energy Applications	Mahatma Gandhi Chitrakoot Gramodaya Vishwavidyalaya, Satna (State Govt Institute)	2.30
12	National Livestock Mission	Nana Deshmukh Veterinary Science University (NDVSU) Jabalpur M.P (State Govt Institute)	63.08
13	National Hydrology Project	Water Resources Department, Government of Madhya Pradesh (State Govt Institute)	595.00
14	National Digital Health Mission	Deen Dayal Swasthya Suraksha Parishad (State Govt Institute)	83.73
15	National Action Plan For Drug Demand Reduction	NGO-New Pratap Shiksha Samiti, Mandideep (State Govt Institute)	25.13

Sl. No.	Name of the Schemes of Government of India	Name of the Implementing Agencies	Government of India releases during 2022-23
16	Integrated Management Of Public Distribution System	Commissioner and Director Food & Civil Supplies and Consumer Protection (State Govt Institute)	158.95
17	Incentivization Of Panchayat	Gram Panchayat Jaurasi, various implementing agencies (State Govt Institute)	277.00
18	Grants To Other Institutions	Indore Centre of UGC DAE CSR, Indore (State Govt Institute)	15.29
19	Food Subsidy for Decentralized Procurement of Food grains under NFSA	Madhya Pradesh State Civil Supplies Corporation Limited (State Govt Institute)	9,47,149.68
20	Exploration Activities Under National Mineral Exploration Trust	Director Geology and Mining, Madhya Pradesh (State Govt Institute)	800.00
21	CIC and RTI	RCVP Noronha Academy of Administration and Management, Madhya Pradesh (State Govt Institute)	56.86
22	Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana	Deen Dayal Swasthya Suraksha Parishad (State Govt Institute)	66,572.85
23	Atal Innovation Mission (AIM) Including Self Employment And Talent Utilization	Principal Govt Excellence Higher Secondary School Sagar (Various Implementing Agencies) (State Govt Institute)	16.00
24	Atal Bhujal Yojna	Project Director SPMU Atal Bhujal Yojana (State Govt Institute)	6,284.32
25	Rashtriya Krishi Vikas Yojna	State Institute of Agriculture Extension and Training (SIAET)	2.87
26	Jal Jeevan Mission (JJM)/National Rural Drinking Water Mission	Centre for Advanced Research & Development, Bhopal (State Govt PSU)	23.01
27	Agriculture Census and Statistics/Integrated Scheme On Agriculture Census And Statistics	Rajmata Vijayaraje Scindia Krishi Vishwa Vidyalaya (RVSKVV) (State Govt PSU)	8.48
		R.D. Silawat TRS (State Govt Institute)	5.30
28	Seed And Planting Material/Sub-Mission On Seed And Planting Material	Rajmata Vijayaraje Scindia Krishi Vishwa Vidyalay/Madhya Pradesh Rajya Beej Evam Farm Vikas Nigam (State Govt PSU)	114.33
29	Rashtriya Gokul Mission	M.P. Rajya Pashudhan Evam Kukkut Vikas Nigam-(MPLPDC) (State Govt PSU)	8,937.43
		Nana Deshmukh Veterinary Science University (NDVSU) Jabalpur, M.P. (State Govt Institute)	112.08
Total			15,46,674.55

Source: Finance Accounts 2022-23

4.5 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 2018-19 to 2022-23 is given in **Table 4.4:**

Table 4.4: Deposit of Local Funds

		(₹ in lakh)				
Name of Funds (Major Head- Minor Head)		2018-19	2019-20	2020-21	2021-22	2022-23
District Funds (8448-101)	Opening Balance	396.87	1,258.94	1,258.94	1,346.59	1,348.75
	Receipts	862.07	--	87.65	2.15	--
	Expenditure	--	--	--	--	--
	Closing Balance	1,258.94	1,258.94	1,346.59	1,348.75	1,348.75
Municipal Funds (8448-102)	Opening Balance	47.45	1,479.55	1,993.32	2,964.70	3,119.38
	Receipts	1,432.10	513.77	971.38	154.68	--
	Expenditure	--	--	--	--	--
	Closing Balance	1,479.55	1,993.32	2,964.70	3,119.38	3,119.38
Panchayat Bodies Funds (8448- 109)	Opening Balance	1,331.54	1,332.75	1,361.40	1,361.41	1,361.41
	Receipts	1.21	28.65	0.01	--	--
	Expenditure	--	--	--	--	--
	Closing Balance	1,332.75	1,361.40	1,361.41	1,361.41	1,361.41
Other Funds (8448-120)	Opening Balance	4,19,882.11	5,48,203.10	6,95,251.96	9,49,270.35	10,60,360.45
	Receipts	1,71,789.38	1,98,276.57	2,55,156.85	1,17,131.72	1,44,047.30
	Expenditure	43,468.39	51,227.71	1,138.46	6,041.62	5,811.36
	Closing Balance	5,48,203.10	6,95,251.96	9,49,270.35	10,60,360.45	11,98,596.39

Source: Finance Accounts of the respective years

As can be seen from the above Table, no expenditure has been done from the District Funds, Municipal Funds and Panchayat Bodies Funds in the last five years but ₹40.54 crore has been deposited in these heads over the last five years. Non-utilisation of these funds has not only resulted in accumulation and idling of funds but has also deprived the intended beneficiaries from getting benefits from the schemes. The cumulative closing balance in all the funds (including Other Funds) as on 31 March 2023 stands at ₹12,044.26 crore.

Reasons for year on year continues transfer of funds despite insignificant expenditure has not been intimated to Audit (November 2023).

Issues related to transparency

4.6 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 fulfilment 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 (UC) in respect of Grants-in-Aid received by the grantee should be furnished by the Departmental Officers to the Accountant Generals on or before 30th 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 2023, a total of 19,965 UCs involving ₹20,685.36 crore which have become due were not submitted by the bodies and authorities of the State against the Grants-in-Aid provided by 28 Departments. Age-wise details of delays in submission of UCs are given in **Table 4.5:**

Table 4.5: Age-wise analysis of pending Utilisation Certificates

			(₹ in crore)
Age wise analysis of UCs	Period	Number of Utilisation Certificates	Amount
More than 9 years	Upto 2013-14	19,487	13,205.99
8-9	2014-16	11	440.67
6-7	2016-18	2	5.15
4-5	2018-20	21	480.26
1-3	2020-23	444	6,553.29
Total		19,965	20,685.36

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

As can be seen from the above **Table**, 98 *per cent* of outstanding utilisation certificates (19,487) pertain to the period prior to 2014-15. Department-wise break-up of outstanding Utilisation Certificates for the grants paid up to the year 2022-23 is given in **Appendix 4.1**. The Departmental authorities have not yet explained as to how an amount of ₹20,685.36 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 programs/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 nine 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 the PrAG (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 UCs 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 reasons for non/delay in submission of UCs and ensure that the Departments comply with the prescribed rules and procedures with regard to timely submission of UCs.

4.7 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 AG (A&E-I) and submission of Utilisation Certificates is monitored against outstanding amount for each institute. Needless to say, for this system to work, grantee institute details should be recorded properly.

As per the Finance Accounts of the Government of Madhya Pradesh for the year 2022-23, out of the total grants-in-aid ₹72,506.80 crore during 2022-23, an amount of ₹39,655.08 crore (54.69 per cent of total) was shown as disbursed to Grantee Institutions of type “Others”. Details of total funds released to Grantee Institutions as “Others” during the years 2018-23 are given in **Table 4.6**:

Table 4.6: Details of funds released to Grantee Institutions as “Others” during 2018-23

Name of Grantee	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Others	12,451.13	36,343.51	34,137.57	36,883.42	39,655.08
Total Grants-in-Aid	54,428.05	65,258.33	64,270.95	66,597.97	72,506.80
Percentage of others to total GIA	22.88	55.69	53.11	55.38	54.69

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 2018-23. The percentage of funds disbursed to Grantee Institution as “Others” during 2018-23 varies from 22.88 *per cent* to 55.69 *per cent*. No further details of the Grantee Institutions have been made available by the Government. In the absence of proper codes, outstanding amounts against all such Grantee institutions 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 interest of transparency of accounts.

4.8 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.

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 2018-23 is given in **Table 4.7:**

Table 4.7: Age-wise position of Personal Deposit Accounts

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	Amount	Number	Number	Amount
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	0	4,064.64	6,390.83	2	814	2,636.40	
2022-23	814	2,636.40	10	5,417.63	5,700.45	3	821	2,353.57	

Source: Finance Accounts of the respective years

Analysis of above table revealed that, during 2018-19 to 2022-23, a total number of 271 PD account were opened while another 297 PD accounts were closed. As of 31 March 2023, 821 personal Deposit Accounts were in existence and the closing balance in these accounts was ₹2,353.57 crore. Out of 821 Personal Deposit Accounts, 157 PD accounts amounting to ₹2,272.26 crore disclosed negative balances. The closing balance in PD accounts showed a decrease of 10.73 *per cent* during 2022-23 when compared to 2021-22.

The continued existence of PD accounts indicated that the administrators, in violation of the rules, failed to transfer the unspent balances to the relevant service head at the close of financial year through minus debit.

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.

4.8.1 Inoperative Personal Deposit Accounts

Madhya Pradesh Treasury Code states that the Administrator shall maintain detailed account of the scheme/projects for which it has been opened. However, if any PD Account is not operated upon for a period of three years and there is reason to believe that the need for such deposit accounts has ceased, the same shall be closed.

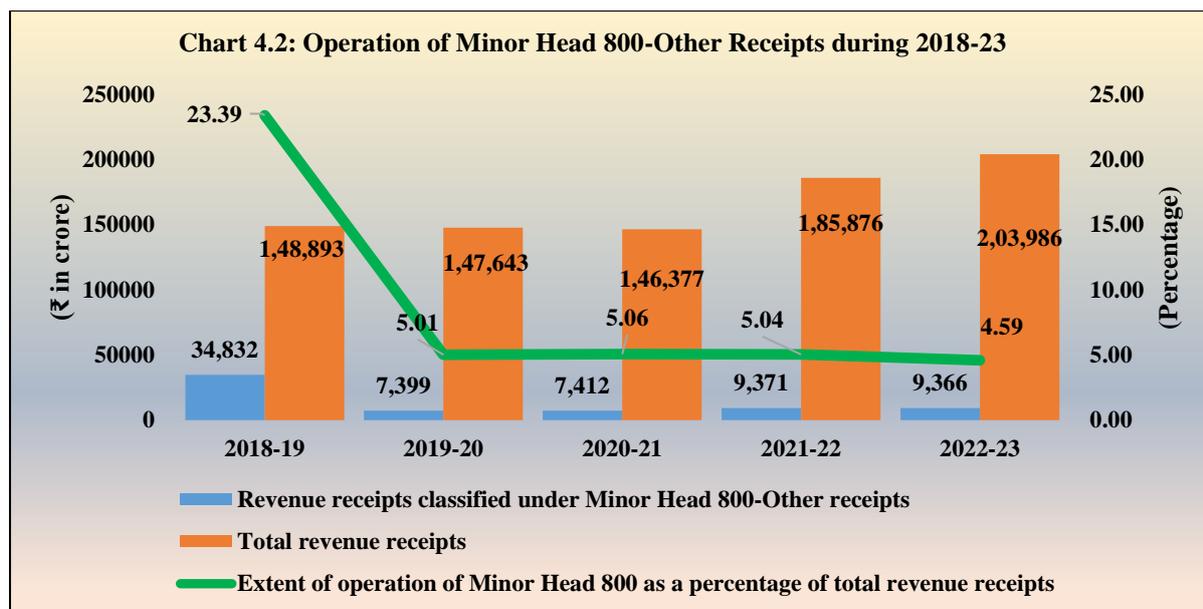
Audit noticed that out of total number of 821 PD accounts, 199 PD accounts having a total balance of ₹214.39 crore were inoperative for more than three years as of 31 March 2023. However, no action has been taken for closing these accounts by the concerned treasuries. The details of inoperative Personal Deposit Accounts are given in **Appendix 4.2**.

4.9 Use of Minor Head 800

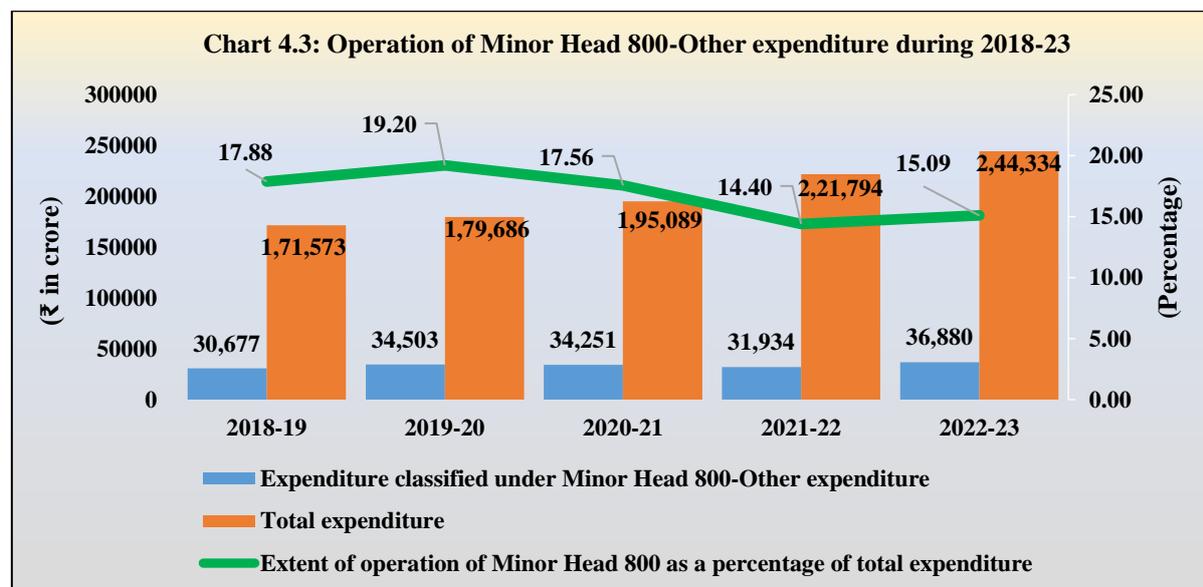
The omnibus Minor Head 800 relating to Other Receipts/Other Expenditure is to be operated only in cases where the appropriate Minor Head has not been provided under a Major Head in the accounts. Indiscriminate booking of receipts and expenditure under Minor Head 800 affects transparency and nature of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

Receipts of ₹9,366.41 crore, constituting 4.59 *per cent* of the total Revenue Receipts (₹2,03,986.19 crore) were recorded under 50 Major Heads, and classified under the Minor Head '800-Other Receipts' in the Accounts during 2022-23. Similarly, expenditure of ₹36,879.90 crore under 67 Major Heads of accounts constituting 15.09 *per cent* of the total expenditure (₹2,44,333.63 crore) were classified under the Minor Head '800-Other Expenditure' in the accounts under 42 Revenue and 25 Capital Major Heads of Accounts during 2022-23.

The extent of operation of Minor Head 800 for receipts and expenditure, as a percentage of total Receipts and Expenditure during 2018-23, 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 (as a *per cent*) in the operation of the Minor Head 800 in Receipts during the last three years. However, in respect of expenditure, booking under Minor Head 800 increase from ₹30,677 crore in 2018-19 to ₹36,880 crore in 2022-23 (20 *per cent*). The fact that such a significant proportion of expenditure continued to be booked under the Minor Head 800 is a cause of concern, since it adversely 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 4.3** and **4.4** and summarised in **Table 4.8**:

Table 4.8: 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 per cent	727.42	0047, 0059, 0211, 0220, 0235, 0404, 0408, 0702, 0801, 0852, 1452	2,289.10	2250, 2705, 2852, 4401, 4408, 4705, 4853, 5475
Between 75 per cent and 99 per cent	2,372.26	0217, 0401, 0435, 0515, 0700, 0802	15,016.40	2217, 2702, 4700, 4701, 4875
Between 50 per cent and 74 per cent	95.47	0210	1,570.28	2075, 2851, 3454, 4406
Less than 50 per cent	6,171.26	Other Major Heads	18,004.12	Other Major Heads
Total	9,366.41		36,879.90	

Source: Finance Accounts 2022-23

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 Heads (LMMH) for booking these transactions which is summarised in **Table 4.9** and details are given in **Appendix 4.5**.

Table 4.9: Booking under Minor Head 800 instead of Valid Minor Head

Name of the Scheme	Expenditure booked under Minor Head 800- Other expenditure	Major Head	(₹ in crore)
			Minor head to be used as per List of Major and Minor Heads
6693-Mukhya Mantri kanya Abhibhavak Yojna	10.05	2235-Social Security and Welfare	104-Welfare of aged, infirm and destitute
5159-Khel Akadmiyon ki sthapna	23.68	4202- Capital Outlay on Education, Sports, Art and Culture	101-Youth Hostels or 102- Sports Stadia
6703-Khel stadium evam khel adhosanrachna	10.00		102- Sports Stadia
0654-Mukhya Mantri Gram Sadak Yojana	384.00	4515- Capital Outlay on other Rural Development Programmes	103- Rural Development
7352-Prashashkiya bhavano ka Nirman	52.86	4055- Capital Outlay on Police	207- State Police or 211-Police Housing
6345-Mukhya Mantri Kisan Kalyan Yojana	1,671.00	2401- Crop Husbandary	115- Scheme of small /Marginal farmers and agricultural labour
5722-Establishment of Call Centre	13.00	2053- District Administration	094-Other Establishment
2087- Acharya Vidyasagar Gau Samvardhan Yojana	3.20	2403-Animal Husbandary	102- Cattle and Buffalo Development
Total	2,167.79		

Source: VLC data compiled by O/o the PrAG (A&E-I), Madhya Pradesh, Gwalior

Issues related to Measurement

4.10 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, (-)₹573.26 crore (debit) under Major Head 8658 and ₹6,402.02 crore (credit) under Major Head 8782 as on 31 March 2023. The position of main components under Suspense and Remittances heads for the last three years is given in **Table 4.10**:

Table 4.10: Balances under Suspense and Remittance Heads

Major/Minor Head	2020-21		2021-22		2022-23	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
8658 - Suspense Accounts						
101 – Pay and Accounts Office Suspense	394.24	93.49	545.43	(-)200.10	615.00	(-)116.75
Net	Dr. 300.75		Dr. 745.53		Dr. 731.75	
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	1,365.14	4.59	436.59	5.47	455.24	5.21
Net	Dr. 1,360.55		Dr. 431.12		Dr. 450.03	
112 - Tax Deducted at Source (TDS) Suspense	-297.06	233.26	(-)297.06	319.97	(-) 297.06	627.21
Net	Cr. 530.32		Cr. 617.03		Cr.924.27	
113-Provident Fund Suspense	12.40	--	9.05	--	8.83	--
Net	Dr. 12.40		Dr. 9.05		Dr. 8.83	
123 - AIS Officers Group Insurance Scheme	3.69	14.57	4.06	15.18	4.56	15.73
Net	Cr. 10.88		Cr. 11.12		Cr. 11.17	
129-Material Purchase Settlement suspense Account	36.10	223.11	36.10	223.11	36.10	223.11

Major/Minor Head	2020-21		2021-22		2022-23	
Net	Cr. 187.01		Cr. 187.01		Cr. 187.01	
139-GST-Tax Deducted at Source Suspense	341.66	394.91	676.97	1,089.01	1,060.28	1,489.59
Net	Cr. 53.25		Cr. 412.04		Cr. 429.31	
8782-Cash Remittances						
102 – Public Works Remittances	1,52,426.98	1,57,465.68	1,68,749.56	1,75,495.91	1,87,976.06	1,95,677.65
Net	Cr. 5,038.70		Cr. 6,746.35		Cr. 7,701.59	
103 - Forest Remittances	4,499.40	4,572.31	4,505.36	4,581.45	4,506.19	4,585.54
Net	Cr. 72.91		Cr. 76.09		Cr. 79.35	
110-Miscellaneous Remittances	8,708.39	7,417.03	8,826.65	7,503.25	8,984.61	7,604.80
Net	Dr. 1,291.36		Dr. 1,323.40		Dr. 1,379.81	

Source: Finance Accounts of the respective years

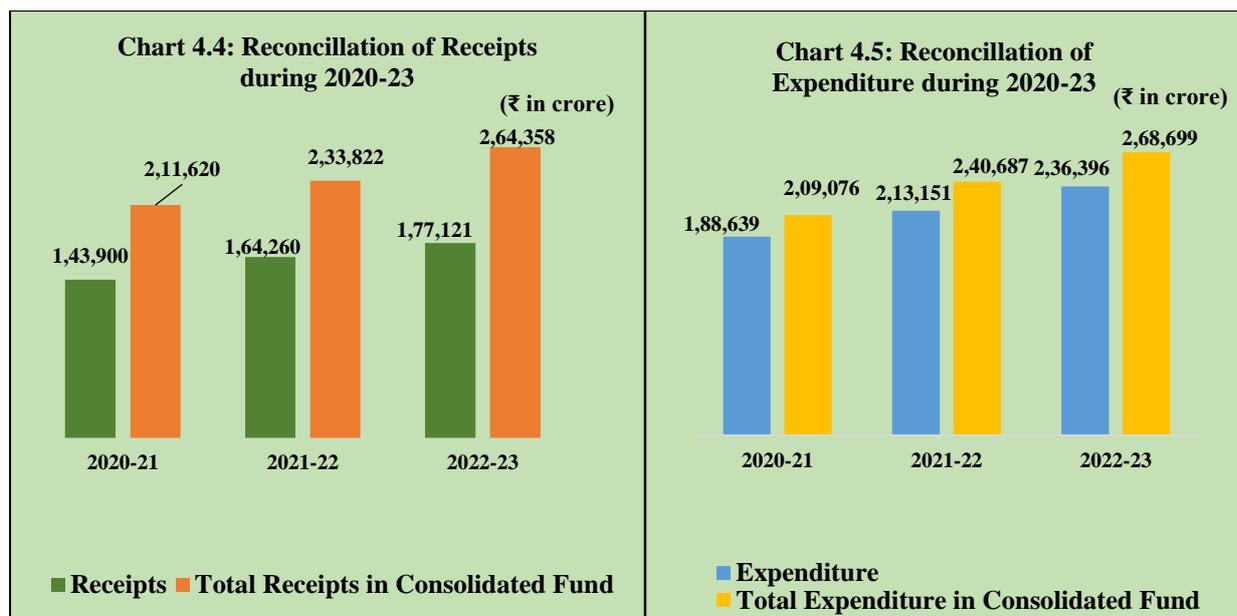
The above Table reflects the net balances under Suspense and Remittance Heads. If the amounts under these suspense heads remain unadjusted, the balances under these heads get accumulated, resulting in understatement of Government's receipts and payments. Further, non-clearance of outstanding balances 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.

4.11 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 Accountant General (A&E-I). In Madhya Pradesh, instead of Budget Controlling Officers, Directorate of Treasuries and Accounts is primarily reconciling the figures with the A&E office.

During 2022-23, Directorate of Treasuries and Accounts has reconciled expenditure of ₹2,36,395.56 crore (87.98 per cent of the total expenditure of ₹2,68,699.09 crore under the Consolidated Fund) and receipt of ₹1,77,121.05 crore (67 per cent of total receipts of ₹2,64,357.62 crore under the Consolidated Fund).

The status of reconciliation of receipts and expenditure figures during the last three-year period 2020-23 is shown in **Charts 4.4 and 4.5:**



Source: Finance Accounts of the respective years

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.

4.12 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 consolidated bank scrolls data is not being sent by Bhopal treasury.
3. As on 31 March 2023, there was a difference of ₹4,850.77 crore (Cr) between the Cash Balance of the State Government as per the Books of Accounts of the Principal Accountant General (A&E) (₹4,969.81 (Cr)) and the Cash Balance as reported by the Reserve Bank of India (₹119.04 crore (Dr)). The difference of ₹4,850.77 crore was due to incorrect reporting by Agency Bank and Treasury Officers.

Issues related to disclosure

4.13 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 2023, 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 2022-23 are given in **Table 4.11**:

Table 4.11: 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 2022-23, along with additions during the year, discharged, invoked and outstanding as of end of March 2023.
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 ₹671.18 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 loans 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.

4.13.1 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 2018-23 is given in **Table 4.12:**

Table 4.12: Extent of classification of Grants-in-Aid as Capital Expenditure

	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Grants-in-Aid booked as Capital Expenditure	541.41	257.04	250.27	280.38	256.18
Grants-in-Aid for creation of capital assets	207.95	237.64	82.73	316.04	415.00
Total	749.36	494.68	333.00	596.42	671.18

Source: Finance Accounts of respective years

4.14 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 4.13:**

Table 4.13: 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. 2022-23
1	Madhya Pradesh Building and Other Construction Workers Welfare Board, Bhopal	2013-14	10
2	Madhya Pradesh State Legal Services Authority, Jabalpur	2022-23	01
3	Madhya Pradesh Human Rights Commission, Bhopal	2022-23	01
4	Madhya Pradesh Khadi and Gramodhyog Board, Bhopal	2020-21	03
5	Madhya Pradesh Housing and Infrastructure Development Board	2022-23	01

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

As can be seen from the above table pendency in submission of accounts ranged between one and 10 years. Madhya Pradesh Building and Other Construction Workers Welfare Board has not submitted its accounts since 2013-14 (November 2023). During 2022-23, no accounts were submitted to the O/o the Accountants General (Audit-I and II) Madhya Pradesh by any of the ABs. As such, Audit did not form any opinion on the accounts during the year. Delay in finalization of accounts carries the risk of financial irregularities, therefore, the accounts need to be finalized and submitted to Audit at the earliest.

Other Issues

4.15 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 3,123 cases of misappropriation, losses, thefts, *etc.*, involving ₹39.13 crore up to 31 March 2023 on which final action was pending as of June 2023. Major cases relate to Forestry and Wildlife (2,589 cases of ₹17 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 ₹3.25 crore). Major Head-wise details of cases of misappropriation, losses, thefts, *etc.* pending recovery as of 31 March 2023 are given in **Table 4.14:**

Table 4.14: Cases of misappropriation, losses, theft, etc. pending recovery as of 31 March 2023

(₹ 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
2210-Medical and Public Health	08	44.75	0	0.00	06	22.15	02	22.60
2211-Family Welfare	03	47.67	0	0.00	02	47.35	01	0.32
2014-Administration of Justice	07	31.02	02	14.45	05	16.57	0	0.00
2015-Election	01	7.90	0	0.00	01	7.90	0	0.00
2055-Police	314	324.99	158	182.54	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
2202-School Education	92	693.63	21	277.99	54	390.80	17	24.84
2203- Technical Education	33	78.12	09	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 Programs for Rural Development	04	46.56	02	3.34	01	42.31	01	0.91
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
2401-Crop Husbandry	23	49.35	12	27.51	07	11.05	04	10.79
2403-Animal Husbandry	16	17.24	12	10.73	02	0.91	02	5.60
2406-Forestry and Wild Life	2589	1,700.18	1133	593.12	1425	1,085.60	31	21.46
Total	3123	3,912.73	1378	1,978.35	1678	1,810.00	67	124.38

Source: Information furnished by Department concerned

As can be seen from the above Table, out of 3123 cases, 1378 cases amounting to ₹19.78 crore are pending for departmental and criminal investigation. The Department should take prompt action for finalizing the pending case of misappropriation, loss, theft, etc.

4.16 Follow-up Action on State Finances Audit Reports

In every State, the Public Accounts Committee (PAC)/Finance Department require the line Departments to provide suo-moto Explanatory Notes on the paragraphs featuring in the Audit Reports within one month of placing the Reports in the Legislature. The line Departments are also required to provide Action Taken Notes (ATNs) to the AG (for vetting and onward transmission to the PAC) within three months of tabling the Reports.

Separate report on State Finance is being prepared from the year 2008-09 onwards and is being presented to the State Legislature. The details of the paragraphs selected for discussion in PAC for the years 2011-22 are given in **Table 4.15**:

Table 4.15: Follow-up action on State Finance Audit Reports

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 action	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	2018-19 2019-20	1 Para: • 2.3.5- Excess expenditure requiring regularisation, Grant No.2 (₹23.50 crore), Grant No. 42 (₹3.19 crore),	-
2016-17	Yes	2	2021-22	3 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)	-
			2022-23	• 3.6- Submission of false Utilisation Certificates	
2019-20	No	--	--	1 para: • 3.8- Excess expenditure requiring regularisation	-
2020-21	No	--	--	1 para: • 3.8.1- Excess expenditure by Public Health Engineering	-
2021-22	SFAR in the State Legislature was tabled on 08.02.2024				

As can be seen from the above table, action taken note by the Department has been pending since 2011-12.

The Finance Departments may issue instructions to all the Departments to initiate suo-moto action on all paragraphs and reviews featuring in the Audit Reports irrespective of whether the cases had been taken up for examination by PAC or not. Further, action taken notes in respect of paras discuss in the PAC meetings may be finalized and submitted to the PAC.

4.17 Conclusion

During 2022-23, the closing balance in the Personal Deposit Accounts decreased by 10.73 per cent as compared to 2021-22. Further, 157 Personal Deposit Accounts had negative balances and 199 Personal Deposit Accounts involving ₹214.39 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, but no significant reduction in the expenditure side.

The reconciliation work of departmental figures with those booked by the Office of the Accountant General (A&E)-I has been initiated online by Directorate of Treasury and Accounts in July 2020 and accounts have been reconciled to the extent of 67 per cent in respect of receipts and 87.98 per cent in respect of expenditure.

4.18 Recommendations

- 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.
- 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.
- 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 V

FINANCIAL PERFORMANCE OF STATE PUBLIC SECTOR UNDERTAKINGS

Chapter V-Financial Performance of State Public Sector Undertakings

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 comments⁴⁶ 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 2022-23 (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 supplementary audit after the audit is conducted by the Chartered Accountants appointed under the statutes.

⁴⁶ Based on the certificates finalised/issued from 1 October 2022 to 30 September 2023.

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

As on 31 March 2023, there were 73 State Public Sector Undertakings in Madhya Pradesh as detailed in **Appendix 5.1**, including 61 Government Companies, three Statutory Corporations⁴⁷ and nine Government Controlled other Companies⁴⁸. During the year, no Government Companies got dissolved/merged, whereas one Government Company⁴⁹ came under the audit jurisdiction of the Comptroller and Auditor General of India. None of the companies were listed on the stock exchange. Further, there are 15 State Public Sector Undertakings⁵⁰ which had ceased their operations from last three to 33 years.

Out of 73 State Public Sector Undertakings, 46 State Public Sector Undertakings had submitted at least one account for the period 2020-21, 2021-22 and 2022-23 by 30 September 2023. However, this report covers only 32 working State Public Sector Undertakings. This report does not include 41 State Public Sector Undertakings (14 State Public Sector Undertakings whose latest accounts⁵¹ were available but nil turnover for the last three or more years, and 21 State Public Sector Undertakings which have been inactive or accounts arrear for over three to 33 years and in respect of six State Public Sector Undertakings 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 (₹95,645.11 crore) of these 32 State Public Sector Undertakings was 7.23 per cent of the Gross State Domestic Product of Madhya Pradesh (₹13,22,821 crore) for the year 2022-23. Power sector alone accounts for over 98 per cent of the total turnover of the State Public Sector Undertakings during 2022-23 as depicted in **Table 5.1**:

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	94,513.83	7.14
2	Agriculture and Allied	2	680.89	0.05
3	Service	2	30.92	0.01
4	Infrastructure	10	138.02	0.01
5	Industries	10	219.84	0.01

⁴⁷ Madhya Pradesh State Road Transport Corporation, Madhya Pradesh State Warehousing & Logistic Corporation and Madhya Pradesh Financial Corporation.

⁴⁸ 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.

⁴⁹ Madhya Pradesh Building Development Corporation Limited.

⁵⁰ Madhya Pradesh AMRL (Semaria) Coal Company Limited, Madhya Pradesh AMRL (Morga) Coal Company Limited, Madhya Pradesh AMRL (Bicharpur) Coal Company Limited, Madhya Pradesh AMRL (Marki Barka) Coal Company Limited, Madhya Pradesh Jaypee Coal Limited, Madhya Pradesh Monnet Mining Company Limited, Madhya Pradesh Jaypee Coal Fields Limited, Madhya Pradesh Jaypee Minerals Limited, Madhya Pradesh Sainik Coal Mining Private Limited, Madhya Pradesh State Road Transport Corporation, Madhya Pradesh and Maharashtra Minerals and Chemicals Limited, Madhya Pradesh Panchayati Raj Vitta Evam Gramin Vikas Nigam Limited, Madhya Pradesh Film Development Corporation Limited, Optel Telecommunication Limited and Madhya Pradesh Vidyut Yantra Limited.

⁵¹ Any/all of the accounts for the period 2020-21 to 2022-23.

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
6	Finance	1	61.61	0.01
Total		32	95,645.11	7.23

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

As compared with the last year, the gross turnover has been marginally reduced to 7.23 per cent from 7.67 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 70 Companies (i.e. 61 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 73 State Public Sector Undertakings, based on their latest finalised financial statements, which were received till 30 September 2023, 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 2023
		Accounts for 2022-23	Accounts for 2021-22	Accounts for 2020-21	Total	
Government Companies	61	07	18	07	32	54(231) ⁵²
Statutory Corporations	03	00	01	00	01	03(17)
Total	64	07	19	07	33	57(248)
Government Controlled other Companies	09	00	07	00	07	09(10)
Total State Public Sector Undertakings	73	07	26	07	40	66(258)

Source: Information furnished by the State Public Sector Undertakings

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**.

⁵² Including 15 State Public Sector Undertakings, which ceased their operations for last three to 33 years.

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)	47,921.01
Long term Loans (₹ in crore)	51,401.61
Total Assets (₹ in crore)	1,58,382.49
Net worth (₹ in crore)	(-11,908.38)
II. Financial performance	
Profit earning (in numbers)	09
Net profit (₹ in crore)	550.27
Dividend declared/paid (in five) (₹ in crore)	42.45
Loss making (in numbers)	11
Net loss (₹ in crore)	(-1,940.45)
No Profit No Loss (in numbers)	04 ⁵³
First Accounts Not Received (in numbers)	05 ⁵⁴
Government Controlled other Companies	
I. Total number of State Public Sector Undertakings, whose	08
Paid up capital (₹ in crore)	1,201.10
Long term Loans (₹ in crore)	--
Total Assets (₹ in crore)	4,283.10
Net worth (₹ in crore)	1,369.62
II. Financial performance	
Profit earning (in numbers)	02
Net profit (₹ in crore)	1.95
Dividend declared/paid	--
Loss making (in numbers)	01
Net loss (₹ in crore)	(-)0.05
No Profit No Loss (in numbers)	05 ⁵⁵
First Accounts Not Received (in numbers)	01 ⁵⁶

5.6 Investment in State Public Sector Undertakings and Budgetary Support

5.6.1 Equity holding and loans

The Government investment in the 73 State Public Sector Undertakings- equity and loans for the three-year period ended 31 March 2023 is given in **Table 5.4:**

⁵³ Madhya Pradesh Power Management Company Limited, Madhya Pradesh Urja Vikas Nigam Limited, Bhopal Electronics Manufacturing Park Limited and Jabalpur Electronics Manufacturing Park Limited.

⁵⁴ Burhanpur City Transport Services, Ratlam Bus Services Limited, Madhya Pradesh State Assets Management Company Limited, Singrauli Airport Company Limited and Madhya Pradesh Building Development Corporation Limited.

⁵⁵ Ujjain Smart City Limited, Bhopal Smart City Development Corporation Limited, Gwalior Smart City Development Corporation Limited, Satna Smart City Development Corporation Limited and B-Nest Foundation.

⁵⁶ Indore Idea Factory Foundation.

Table 5.4: Equity investment and loans in State Government Public Sector Undertakings

Sources of investment	As on 31 March 2021			As on 31 March 2022			As on 31 March 2023		
	Equity	Long Term Loans	Total	Equity	Long Term Loans	Total	Equity	Long Term Loans	Total
State Government	30,244.60	31,820.52	62,065.12	31,421.75	31,597.77	63,019.52	32,674.64	32,204.26	64,878.90
Central Government	221.88	0.00	221.88	649.79	419.09	1,068.88	649.79	653.85	1303.64
Others	19,327.67	24,538.08	43,865.75	19,445.90	25,415.33	44,861.23	19,742.66	23,334.04	43,076.70
Total	49,794.15	56,358.60	1,06,152.75	51,517.44	57,432.19	1,08,949.63	53,067.09	56,192.15	1,09,259.24
Share of State Government in Total Investment (in per cent)	60.74	56.46	58.47	60.99	55.02	57.84	61.57	57.31	59.38

Source: Compiled from latest financial statements received as on 30 September 2023 and information provided by State Public Sector Undertakings

The total investment in these State Public Sector Undertakings marginally increased by three per cent in 2021-23. Over the years, investment in equity is being raised to bring it closer to the loan component. During 2021-23, the Long Term loans in these State Public Sector Undertakings registered a marginal decrease. Out of the total loans of State Public Sector Undertakings as on 31 March 2023, loans from State Government was ₹32,204.26 crore (57.31 per cent).

During 2022-23, Equity investment registered a net increase of ₹1,549.65 crore of which over 36 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 2022-23

Name of the State Government Public Sector Undertakings	Amount
Madhya Pradesh Power Transmission Company Limited	568.10
Madhya Pradesh Metro Rail Company Limited	242.78
Madhya Pradesh Power Management Company Limited	74.95
Madhya Pradesh Poorv Kshetra Vidyut Vitran Company Limited	41.00
Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Limited	73.00
Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited	58.86
Madhya Pradesh State Electronics Development Corporation Limited	20.00
Narmada Basin Project Limited	302.42
Sagar Smart City Limited	159.90
Madhya Pradesh Urban Development Company Limited	9.00
Madhya Pradesh Pichhara Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam Limited	(-)0.36 ⁵⁷
Total	1,549.65

Source: Compiled from latest financial statements received as on 30 September 2023

⁵⁷ Share Capital of Chattisgarh is deducted by the company.

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 2023, out of the 32 State Public Sector Undertakings covered in this Report, all the 15 State Public Sector Undertaking which have outstanding long-term loan, meet this criterion as depicted in **Table 5.6:**

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	13	50,669.56	1,50,473.06	296.97	--	--	--	--
Statutory Corporations	02	732.05	4,323.94	590.66	--	--	--	--

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 2023.

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. Out of 73 State Public Sector Undertakings, outstanding guarantees of five State Public Sector Undertakings stood at ₹5,548.58 crore in 2022-23. 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 ⁵⁸	2020-21		2021-22		2022-23	
		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	13	20,414.17	09	32,768.78	06	37,592.06
(ii)	Guarantees Outstanding	05	5,297.52	05	9,107.71	05	5,548.58
(iii)	Guarantee Commitment	04	9,022.50	03	2,160.10	05	10,211.87

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

5.7 Return from State Public Sector Undertakings

5.7.1 Profit earned by State Public Sector Undertakings

The Profit earned by 11 State Public Sector Undertakings out of 32 State Public Sector Undertakings (covered in this Report) was ₹552.22 crore in 2022-23 as compared to 13 State Public Sector Undertakings which earned profit of ₹1,797.34 crore in 2021-22. Three top State

⁵⁸ Amount represents outgo from State Budget only.

Public Sector Undertakings contributed 74.18 *per cent* of the total profit in 2022-23. The details are given in **Table 5.8**:

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

Name of State Public Sector Undertakings	Net profit earned	Percentage of profit to total State Public Sector Undertakings profit	
MP Warehousing and Logistics Corporation	208.53		37.76
MP Power Transmission Company Limited	141.66		25.65
MP Rajya Van Vikas Nigam Limited	59.49		10.77
Total	409.68		74.18

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

Year	Total State Public Sector Undertakings				Dividend Payout in <i>per cent</i>
	which earned profit		which declared/ paid dividend		
	2	3	4	5	
1	2	3	4	5	6=5*100/3
2020-21	18	671.29	6	25.29	3.78
2021-22	13	1,797.34	5	25.95	1.44
2022-23	11	552.22	5	42.45	7.68

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, 11 State Public Sector Undertakings earned an aggregate profit of ₹552.22 crore. Out of 11, five State Public Sector Undertakings declared/paid dividend. Out of which only three⁵⁹ State Public Sector Undertakings paid the minimum return and the remaining two⁶⁰ 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. Out of 32 State Public Sector Undertakings, 15 State Public Sector Undertakings have liability of loans. Of these, the number of State Public Sector Undertakings having interest coverage ratio of more than one decreased from four in 2020-21 to two in 2022-23 as depicted in **Table 5.10**:

⁵⁹ Madhya Pradesh State Mining Corporation Limited, Madhya Pradesh State Electronics Development Corporation, Madhya Pradesh Rajya Van Vikas Nigam.

⁶⁰ 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
2020-21	7,236.99	3,663.41	17	4	13
2021-22	5,674.47	184.44	13	2	11
2022-23	5,823.48	3,727.34	15	2	13

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 2023) show that five 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 principle

(₹ in crore)

Sl.No.	Name of the SPSUs	Year of Financial Statement	Source of loan		Total amount of default
			Government of Madhya Pradesh	Others ⁶¹	
1.	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited	2022-23	3,589.08	5.82	3,594.90
2.	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited	2021-22	5,722.34	176.65	5,898.99
3.	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited	2021-22	6,195.04	5.97	6,201.01
4.	Madhya Pradesh Power Generating Company Limited	2021-22	1,002.98	2,203.83	3,206.81
5.	Madhya Pradesh Power Transmission Company Limited	2022-23	5,290.88	2.31	5,293.19

Source: Compiled based on Statutory Auditor Report receive upto 30 september 2023

5.8.2 Age wise analysis of Interest outstanding on State Government Loans

As on 31 March 2023, out of 73 State Public Sector Undertakings, six State Public Sector Undertakings have outstanding interest amounting to ₹11,264.51 crore on the long-term loans provided by the State Government, of which 53.85 per cent was outstanding for more than three years. The details are given in **Table 5.12:**

⁶¹ 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	MP Plastic Park Development Corporation Limited	5.74	0.97	1.78	2.99
2	Madhya Pradesh Power Transmission Company Limited	37.21	4.64	8.23	24.34
3	Madhya Pradesh Power Management Company Limited	4.28	0.47	1.48	2.33
4	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited	2,714.15	135.38	225.30	2,353.47
5	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited	4,000.69	895.84	2,461.65	643.20
6	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited	4,502.44	309.27	1,153.67	3,039.50
	Grand Total	11,264.51	1,346.57	3,852.11	6,065.83

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, 11 State Public Sector Undertakings earned profit. Out of the 11 profit earning State Public Sector Undertakings, five State Public Sector Undertakings earned profit only from their operations⁶² and six 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 employed⁶³. The details of Return on Capital Employed of 32 working State Public Sector Undertakings during the period 2020-21 to 2022-23 are given in **Table 5.13**.

⁶² Profit from Operating activities = Turnover – Total expenditure.

⁶³ Capital Employed = Paid up Share capital + Free Reserves and surplus + Long-term loans – Accumulated losses – Deferred Revenue Expenditure.

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/ Government Controlled other Companies					
Profit earning	2020-21	17	4,027.28	26,367.14	15.27
	2021-22	12	3,475.95	24,961.21	13.93
	2022-23	10	2,535.27	23945.41	10.59
Loss incurring	2020-21	13	-348.96	4,525.85	-7.71
	2021-22	10	-3,139.90	-3,999.67	--
	2022-23	11	1426.10	-4,593.48	-31.05
No profit / No loss	2020-21	07	209.56	1,015.63	20.63
	2021-22	08	-32.65	18,311.45	-0.18
	2022-23	09	-359.37	18,785.21	-1.91
Statutory Corporation					
Profit earning	2020-21	1	353.87	1,213.62	29.16
	2021-22	1	554.48	1,348.42	41.12
	2022-23	1	289.11	1943.53	14.88
Loss incurring	2020-21	1	25.41	855.25	2.97
	2021-22	1	-6.92	782.18	-0.88
	2022-23	1	-6.92	782.18	-0.88
No profit / No loss	2020-21	--	--	--	--
	2021-22	--	--	--	--
	2022-23	--	--	--	--
Total	2020-21	39	4,057.60	32,965.98	12.31
	2021-22	32	850.96	41,403.59	2.06
	2022-23	32	3,884.19	40,862.85	9.51

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 9.51 per cent during the period 2020-23. Further, the RoCE of 13 out of 32 State Public Sector Undertakings (all the seven⁶⁴ Power Sector PSUs and six⁶⁵ non Power Sector PSUs) which generate their own revenue and run on commercial line was positive (11.49 per cent) for the year 2022-23. The RoCE of the remaining 19 PSUs in Non-Power Sector which run on non-commercial line was negative (0.55 per cent) for the year 2022-23. Out of the 13 PSUs running on commercial line, six⁶⁶ PSUs (five Government Companies and one Statutory Corporation) incurred losses during 2022-23.

⁶⁴ 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.

⁶⁵ 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.

⁶⁶ Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited and MP Jal Nigam Maryadit and M.P Hotel corporation and MP Financial Corporation.

5.9.3 Rate of Real Return on Investment

As on 31 March 2023, total investment of State Government in 32 State Public Sector Undertakings on the basis of historical cost⁶⁷ stood at ₹59,922.45 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 per cent)
1	2	3	4	5 = (2+3+4)	6	7 = 6/5*100
Government Companies						
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
2022-23	59,044.06	1.39	39,130.96	98,176.41	-1,549.41	-1.58
Statutory Corporations						
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
2022-23	878.39	0	267.82	1,146.21	159.23	13.89
Government Controlled other Companies						
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
2022-23	0.00	0.00	1,201.10	1,201.10	1.90	0.16
Grand Total						
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
2022-23	59,922.45	1.39	40,599.88	1,00,523.72	-1,388.28	-1.38

On the basis of historical cost, the State Government investment increased from ₹59,280.25 crore in 2020-21 to ₹59,922.45 crore in 2022-23. Further, percentage rate of real return on investment also increased to (-)1.38 per cent in 2022-23 from (-)3.26 per cent in 2020-21.

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:

⁶⁷ 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.

- 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 year⁶⁸ 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 73 State Public Sector Undertakings for the same period is indicated in **Table 5.15**:

Table 5.15: Year wise details of investment by the State Government and Present Value of Government investment for the period 2013-14 to 2022-23

(₹ 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
2013-14	28,926.08	923.44	3,833.47	4,756.91	6.69	33,682.99	35,936.38	2,253.39	-5,910.12
2014-15	35,936.38	1,298.63	9,474.37	10,773.00	6.73	46,709.38	49,852.92	3,143.54	-6,263.86
2015-16	49,852.92	678.95	2,399.57	3,078.52	6.86	52,931.44	56,562.54	3,631.10	-4,627.30
2016-17	56,562.54	146.2	4,610.38	4,756.58	6.72	61,319.12	65,439.77	4,120.64	-5,202.73
2017-18	65,439.77	5,073.94	-7,602.08	-2,528.14	6.67	62,911.63	67,107.83	4,196.21	-4,001.19
2018-19	67,107.83	1,863.90	1,084.32	2,948.22	6.92	70,056.05	74,903.93	4,847.88	-6,614.05
2019-20	74,903.93	1,447.69	502.45	1,950.14	6.69	76,854.07	81,995.61	5,141.54	-3,337.73
2020-21	81,995.61	1,742.23	437.74	2,179.97	6.12	84,175.58	89,327.12	5,151.55	-3,337.73
2021-22	89,327.12	1,179.83	-222.75	957.08	6.02	90,284.20	95,719.31	5,435.11	-4,725.78
2022-23	95,719.31	1,252.89	606.49	1,859.38	5.66	97,578.69	1,03,101.64	5,522.95	-1,388.28
		15,607.70	15,123.96	30,731.66					

Investment by the State Government in these State Public Sector Undertakings at the end of the 10-year period increased to ₹59,657.74 crore in 2022-23 from ₹28,926.08 crore over the period 2013-23 as the State Government infused funds in form of equity and loan totaling

⁶⁸ 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.

₹30,731.66 crore which have yielded negative returns throughout the period. During the period 2013-14 to 2022-23, the negative earnings have decreased by approximately 76 per cent.

5.10 State Public Sector Undertakings incurring losses

5.10.1 Losses incurred

Out of 32 State Public Sector Undertakings, there were 12 State Public Sector Undertakings that incurred losses as per their latest finalised accounts. The losses incurred by these State Public Sector Undertakings decreased to (-) ₹1,940.50 crore in 2022-23 as per their latest finalised accounts from (-) ₹4,009.02 crore in 2020-21 as given in **Table 5.16** below:

Table 5.16: Number of State Public Sector Undertakings that incurred losses during 2020-21 to 2022-23

(₹ in crore)				
Year	No. of loss making State Public Sector Undertakings	Net Loss for the year	Accumulated loss	Net worth ⁶⁹
Government Companies				
2020-21	11	-3,970.75	-52,983.52	-34,076.56
2021-22	08	-6,473.77	-58,728.72	-39,924.63
2022-23	10	-1,891.15	-60,702.30	-41,622.36
Statutory Corporation				
2020-21	01	-37.89	12.09	424.83
2021-22	01	-49.30	12.09	424.78
2022-23	01	-49.30	12.09	424.78
Government Controlled other Companies				
2020-21	02	-0.38	-0.16	239.94
2021-22	02	-0.05	-0.07	498.33
2022-23	01	-0.05	-0.12	199.88
Total				
2020-21	14	-4,009.02	-52,971.59	-33,411.79
2021-22	11	-6,523.12	-58,716.70	-39,001.52
2022-23	12	-1,940.50	-60,690.33	-40,997.70

In 2022-23, out of total loss of ₹1,940.50 crore incurred by 12 State Public Sector Undertakings, loss of ₹1,779.26 crore was contributed by three⁷⁰ power sector State Public Sector Undertakings which constitutes 91 percent of the total loss. Keeping in view of its importance for the economic development of the state and to ensure its continuity, the power sector companies operate on the subsidy/grant by the government.

⁶⁹ Net worth = Paid-up Capital + Free Reserves and Surplus – (Accumulated losses + Deferred Revenue Expenditure).

⁷⁰ 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).

Table 5.17: Investment in SPSUs which have incurred losses in 2022-23

(₹ in crore)										
Sl. No.	Name of Companies/ Corporation	Paid-up capital				Long Term Borrowing				Net Profit after Tax
		GoMP	GoI	Others	Total	GoMP	GoI	Others	Total	
Government Companies										
1	MP Poorv Kshetra Vidyut Vitaran Company Limited	0	0	6133.01	6133.01	9237.63	0	1903.83	11141.46	-617.84
2	MP Paschim Kshetra Vidyut Vitaran Company Limited	36	0	5785.83	5821.83	7976.62	0	1492.86	9469.48	-903.88
3	MP Madhya Kshetra Vidyut Vitaran Company Limited	0	0	6072.7	6072.7	8022.65	0	3891.47	11914.12	-257.54
4	DMIC Pithampur Jal Prabhandhan Ltd	0	0	35	35	0	0	218.47	218.47	-12.69
5	MP Plastic Park Development Corporation Limited	0	0	13.40	13.40	0	0	0	0	-0.53
6	MP Hotel Corporation Limited	0	0	1.60	1.60	0	0	4.00	4.00	-3.74
7	DMIC Vikram Udyogpuri Limited	0	0	112.86	112.86	0	0	260.54	260.54	-76.39
8	MP Jal Nigam Maryadit	100	0	0	100	0	0	0	0	-0.28
9	MP Industrial Development Corporation Limited	0.80	0	0	0.80	2581.72	0	50.39	2632.11	-14.85
10	M.P. Urban Development Corporation Limited	10	0	0	10	0	0	1188.82	1188.82	-3.41
	Total	146.80	0	18154.40	18301.20	27818.62	0.00	9010.38	36829.00	-1891.15
Statutory Corporations										
11	MP Financial Corporation	383.70	0	22.40	406.10	115.76	0.00	241.64	357.40	-49.30
	Total	383.70	0	22.40	406.10	115.76	0.00	241.64	357.40	-49.30
Government Controlled Other Companies										
12	Sagar Smart City Limited	0	0	200	200	0	0	0	0	-0.05
	Total	0	0	200.00	200.00	0	0	0	0	-0.05
	Grand total	530.50	0	18376.80	18907.30	27934.38	0.00	9252.02	37186.40	-1940.50

Source: Compiled from latest financial statements received as on 30 September 2023 and information provided by State Public Sector Undertakings

As on 31 March 2023, the total investment in 12 loss making PSUs was ₹56,093.70 crore in which 33.71 per cent of equity capital and 66.29 per cent of long-term loans. Out of the total investment, the state government investment is ₹28,464.88 crore in terms of equity and long-term loan. However, an investment of ₹27,628.82 crore was raised from the other sources.

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 2023, out of 32 State Public Sector Undertakings, there were 14 State Public Sector Undertakings with accumulated losses of ₹63,830.51 crore. Of these 14 State Public Sector Undertakings, nine State Public Sector Undertakings incurred losses amounting to ₹1,876.07 crore during 2022-23 and five State Public Sector Undertakings had not incurred loss, even though they had accumulated loss of ₹3,035.74 crore as per their latest finalised accounts.

The net worth of six 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 six State Public Sector Undertakings was (-)₹42,410.39 crore against equity investment of ₹18,177.00 crore as on 31 March 2023. In six State Public Sector Undertakings whose capital had been eroded, State Government loans outstanding as on 31 March 2023 amounted to ₹25,236.90 crore.

Table 5.18: Detail of SPSUs whose Net worth has eroded as per their latest finalised accounts
(₹ in crore)

Sl. No.	Name of SPSE	Latest year of finalised Accounts	Total paid up capital	Net profit Loss after interest, tax and dividend	Accumulated losses	Net Worth	Net Worth eroded since the accounting period	State Government equity as on 31 March 2023	State Government loan as on 31 March 2023
1	MP Madhya Kshetra Vidyut Vitaran Company Limited	2021-22	6,072.70	-257.54	-24,854.81	-18,712.96	2007-08	0.00	8,022.65
2	MP Poorv Kshetra Vidyut Vitaran Company Limited	2021-22	6,133.01	-617.84	-22,621.39	-16,378.34	2007-08	0.00	9,237.63
3	MP Paschim Kshetra Vidyut Vitaran Company Limited	2022-23	5,821.83	-903.88	-13,107.28	-7,285.45	2007-08	36.00	7,976.62
4	DMIC Vikram Udyogpuri Limited	2021-22	112.86	-76.39	-125.12	-12.26	2021-22	0.00	0.00
5	DMIC Pithampur Jal Prabhandhan Limited	2021-22	35.00	-12.69	-53.79	-18.79	2020-21	0.00	0.00
6	MP Hotel Corporation Limited	2020-21	1.60	-3.74	-4.19	-2.59	2020-21	0.00	0.00
Total			18,177.00	-1,872.08	-60,766.58	-42,410.39		36.00	25,236.90

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

The net worth of the above mentioned six PSUs had been completely eroded by accumulated losses and their net worth was negative. The net worth of these six PSUs has remained negative for a period ranging from one year to 16 years. The main source of receipt of these six PSUs

were revenue from operations, revenue from the subsidy⁷¹ from the Government of Madhya Pradesh and other miscellaneous receipts. Out of these six PSUs, all the three Power Sector PSUs namely MP Madhya Kshetra Vidyut Vitaran Company Limited, MP Poorv Kshetra Vidyut Vitaran Company Limited and MP Paschim Kshetra Vidyut Vitaran Company Limited, the erosion of net worth was significant. On analysis of major parameters constituting both revenue and expenditure of these three DISCOMs, it is observed that major expenses incurred for Power Purchasing, Transmission Cost, Employee Benefit Expenses (EBE) and Finance Cost. While the Receipts portion constitutes Revenue from Sale of Power and subsidy from the State Government. It has also been observed that revenue earned from the sale of power does not fully mitigate the primary expenses of Power purchase cost and Transmission charges. Hence, for other major expenses like EBE, Finance Cost and Other Expenses, subsidy/grant from the State Government falls short. Hence, it can be concluded that revenue from Sale of Power and subsidy from the State Government is not enough to overcome the increasing administrating expenses of the DISCOMs and hence the accumulated losses are increasing on year-on-year basis resulting in erosion of net worth. In the remaining three PSUs the erosion is less significant.

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

⁷¹ 1. MP Madhya Kshetra Vidyut Vitaran Company Limited., 2. MP Poorv Kshetra Vidyut Vitaran Company Limited and 3. MP Paschim Kshetra Vidyut Vitaran Company Limited

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). Section 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 2022-23 were appointed by the Comptroller and Auditor General of India during October 2023 except the company (Madhya Pradesh Building Development Corporation Limited) which came under the ambit of Comptroller and Auditor General of India for the first time in 2022-23.

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 2023 for the financial year 2022-23.

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 2023, there were 61 Government Companies, nine Government Controlled other Companies and three Statutory Corporations under the purview of Comptroller and Auditor General of India's audit.

Out of 73 Companies/corporations, accounts of 66 Companies/corporations were in arrears (54 Government Companies, nine Government Controlled other Companies and three Corporations) for varied reasons⁷². Further, seven Government Companies⁷³ have submitted their accounts (2022-23) for audit by Comptroller and Auditor General of India within stipulated time (before 30 September 2023). While one company recently incorporated. Status of arrear of accounts is given in **Table 5.19**:

Table 5.19: 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 2023	61	09	03	73
Number of companies which presented the accounts (2022-23) for the Comptroller and Auditor General of India's audit by 30 September 2023	07	00	00	07

The break-up of arrears of 54 Government companies, nine Government Controlled Other Companies and three statutory corporations are detailed in **Table 5.20** below:

Table 5.20: 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		
	No. of PSUs	No. of A/Cs	No. of PSUs	No. of A/Cs	No. of PSUs	No. of A/Cs	No. of PSUs	No. of A/Cs	
Number of accounts in arrears	54	231	09	10	03	17	66	258	
Extent of arrear	Up to 33 years		Up to two years		Up to 15 years				
Break-up of Arrears	(i) Under Liquidation	04	76	--	--	--	--	04	76
	(ii) Non-functional	10	29	--	--	01	15	11	44
	(iii) First Accounts not submitted	05	26	01	01	--	--	06	27
	(iv) Others	35	100	08	09	02	02	45	111

⁷² Reasons for arrears in accounts include non-conducting of AGM and Board of Directors meeting, Shortage of man power (specially nonfunctional companies) etc.

⁷³ MP Metro Rail Corporation Limited Bhopal, Pithampur Auto Cluster Limited, M.P. Sainik Coal Mining Private Limited (New), Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore, Madhya Pradesh Power Transmission Company Limited, Shri Singa Ji Power Project Limited and MP Plastic Park Development Corporation Limited.

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 70 State Public Sector Undertakings, 32 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 2022 to September 2023), 51 financial statements were received for audit (**Table 5.21**) of which 44 pertained to the previous year. The status of the financial statements received, reviewed and comments issued is given in the **Table 5.21** below:

Table 5.21: Status of Financial Statements of State Public Sector Undertakings

Particulars of Financial Statement	Financial Year 2022-23				Previous Years			
	Government company	Government Controlled Other Company	Statutory corporation	Total	Government company	Government Controlled Other Company	Statutory Corporation	Total
Received	07	--	--	07	36	07	01	44
Not Reviewed	03	--	--	03	09	--	--	09
Reviewed	04	--	--	04	27	07	01	35
Audit in progress*	--	--	--	--	07	03	--	10
Nil comment issued	01	--	--	01	05	--	--	05
Comments issued	03	--	--	03	15	04	01	20

*As on 30 September 2023

Out of 51 financial statements received, 39 financial statements were reviewed and in respect of remaining 12 financial statements, Non Review Certificates were issued. Further, out of the 39 financial statements which were reviewed, comments have been issued in respect of 23 financial statements (**Appendix 5.5**), while nil comments were issued for six 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 2022 to September 2023). 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 State Tourism Development Corporation	1. Other income (₹2,530.66 lakh) includes an amount of ₹1,123.01 lakh received from lease rent which further includes an amount of ₹1,055.81 lakh and ₹33.01 lakh towards the License Fees (Lease Premium) and Lease Rent

Sl. No.	Name of Company	Comment
	Limited 2018-19	<p>(Annual License Fees) respectively during 2018-19 against leased out Government Properties to private party as per Tourism Policy 2016.</p> <p>As per clause 9.1 and 9.2 of Tourism Policy 2016 (policy), “ To fulfill the objective of tourism promotion and establishment of Tourism Projects through private investment, the government land/ heritage properties shall be transferred free of cost to Tourism Department and Madhya Pradesh State Tourism Development Corporation (Corporation) shall be authorized for disposal of such land/ heritage properties on behalf of Tourism Department”</p> <p>Further, as per clause 9.8 of the policy, “Bid amount received against leased land and annual lease rent shall be kept with the Corporation as an amount received from the Government under a separate head ‘Disposal of Government Land and Infrastructure Development’. Corporation can spend this money on survey of land, transfer, tendering process, power-road-water supply, area planning, area development, security of assets and other essential infrastructure development as per the guidelines issued by the Tourism Department.” The Corporation had leased out total 9 units till 22/09/2018.</p> <p>The Corporation received ₹1,055.81 lakh and ₹33.01 lakh towards the License Fees (Lease Premium) and Lease Rent (Annual License Fees) respectively during 2018-19 against leased out Government Properties to private party as per Tourism Policy 2016 and shown the same as its own income from Lease Rent under Note-18(A)-Other Income in contravention of clause 9.8 of the Tourism Policy. This has resulted in overstatement of Note-18 (A)-Other Income, understatement of Note-5-Other Long-Term Liabilities and consequent overstatement of profit by ₹1,088.82 lakh.</p> <p>2. Employees Benefit Expenses (₹6,438.58 lakh) does not include an amount of ₹185.70 lakh towards payment of arrears of seventh pay commission to the employees of the Corporation pertaining to the period April 2018 to September 2018, which was paid during June 2021 to December 2021.</p> <p>Since, the Financial Statements of the Company for 2018-19 were approved by the Board on 01/03/2023, the Corporation should have booked this as an expenditure under the subject head in the Financial Statement for the year 2018-19 by providing the liabilities for the corresponding amount.</p> <p>Non-booking of the same as an expenditure under the head ‘Employee Benefit Expenses’ has resulted in understatement of Employee Benefit Expenses (Note-21), understatement of</p>

Sl. No.	Name of Company	Comment
		<p>Current Liabilities and consequent overstatement of profit to the extent of ₹185.70 lakh.</p> <p>3. Other Expenses (₹1,144.00 lakh) The above does not include an amount of ₹183.18 lakh towards bills payable to Urban Systems India Private Limited, and Abhishek Julka in respect of consultancy fess pertaining to year 2018-19 (Bill dt. 22/03/2019 & 08.03.2019), which were paid during the 2019-20. As per para 10.2 of AS 29, a liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits. Non-booking of the above expenditure in the Financial Statement for the year 2018-19 under the head 'Other Expenses', has resulted in understatement of Other Expenses (Note-22), understatement of Trade Payables (Note-7) and consequent overstatement of profit by ₹183.18 lakh.</p>
2	Madhya Pradesh State Civil Supplies Corporation Limited 2018-19	<p>1. Revenue from Operations (₹23,976.61 crore) includes ₹9.82 crore towards Price differential/Subsidy on wheat issued under two schemes in excess of allotted quantity. The subsidy had been booked on distributed quantity out of DCP stock instead of allocated quantity. As the Government of India (GoI) restricts the claim on the DCP stock to the extent of allocated quantity of foodgrains only, the booking of Price differential/Subsidy of ₹9.82 crore for the quantity issued over and above the allocated quantity, is not correct. This had resulted in overstatement of Revenue from Operations and Recoverable from Government of India (Note –15) by ₹9.82 crore and consequent overstatement of Profit to the same extent.</p> <p>The above includes ₹16.91crore towards the interest recoverable from the Madhya Pradesh State Co-operative Marketing Federation (M.P. Markfed) on an outstanding balance of ₹195.06 crore (₹181.96 crore for Gunny Bags and ₹13.10 crore for transportation expenses thereon) recoverable from M.P. Markfed in connection with procurement of Gram, Masoor and Sarson in Rabi Marketing Season 2018-19 under PSS Scheme for NAFED (National Agricultural Cooperative Marketing Federation of India), from June, 2018 to March, 2019. In spite of the agreed arrangement that the Company would arrange for gunny bags for Markfed too and the claim would also be made by Company to NAFED for the same and a joint letter by MP Markfed and Company was issued to NAFED on 04/05/2019. In spite of this, the MP Markfed had collected the expenditure incurred from NAFED and did not remit the same to Company. As there was no agreement between the Company and M.P. Markfed for levy of interest on outstanding balance, the recovery of the interest from MP Markfed is doubtful. The accounting of doubtful claim on account of interest from MP Markfed has resulted in overstatement of 'Revenue from Operations', overstatement of</p>

Sl. No.	Name of Company	Comment
		<p>'Trade Receivable' by ₹16.91 crore and consequent overstatement of profit to the same extent.</p> <p>2. Finance Cost (₹1,697.62 crore) does not include ₹5.00 crore towards the interest payable for the financial year 2018-19 on Working Capital Demand Loan (WC DL) provided by Bank of India (BoI) for meeting its working capital requirements. Accordingly, the BoI had charged the interest of ₹13.64 crore on the Company for the period from 21/03/19 to 19/04/19. Out of which the interest of ₹5.00 crore pertained to the financial year 2018-19 (from 21/3/2019 to 31/3/2019) which was not booked as expenditure under the 'Finance Cost' and the liability was also not provided for the same in the books of accounts. This had resulted in understatement of Finance Cost (Note-27) and understatement of Provision for Other Expenses (Note no 11) by ₹5.00 crore and consequent overstatement of Profit to the same extent.</p>
3	Madhya Pradesh Industrial Development Corporation Limited 2019-20	Other Expenses (₹217.30 crore) does not include an amount of ₹3.90 crore towards supplementary bills raised during the year 2020-21 by the MP Power Management Company Limited for supply of power during the financial year 2019-20. Since the bills were received during the year before the finalization and signing of financial statements by the Company for financial year 2019-20, the same should have been accounted for in the books of accounts of the Company for the year 2019-20. Thus, non-accounting of the same has resulted in understatement of current liability as well as expenses to the extent of ₹3.90 crore.
4	The Provident Investment Company Limited 2019-20	<p>1. The Company maintains various properties on behalf of Government of Madhya Pradesh (GoMP), out of which three properties relate to the Company. Therefore, the income earned on these three properties should be shown as income in the statement of profit and loss account. The non-charging of income related to these three properties of the Company, resulted in understatement of current year's Income by ₹4.65 lakhs, understatement of Prior Period Income by ₹412.03 lakh, and overstatement of current year's losses by ₹416.68 lakh.</p> <p>2. The Company maintains various properties on behalf of Government of Madhya Pradesh (GoMP), out of which three properties relates to the Company. Therefore, expenditure incurred on above three properties should be charged to the statement of profit and loss account. The non-charging of expenses related to these three properties of the Company, resulted in understatement of both Prior Period Expenditure and current year's losses by ₹4.41 crore.</p> <p>3. The Company maintains various properties on behalf of Government of MP (GOMP), out of which three properties relate to the Company. The Company booked income of these</p>

Sl. No.	Name of Company	Comment
		<p>three properties in previous years in the GoMP control account and commission on rent received on these properties was accounted for as Company's income. The income from commission on account of properties belonging to the Company booked in previous years should have been reversed through prior period adjustments. The non-reversal of commission on these three properties has resulted in understatement of Prior Period Expenses and overstatement of Reserve and Surplus (Note-3) to the extent of ₹12.24 lakh.</p> <p>4. Other expenses ₹19.28 crore being the amount to be paid to Mumbai Port Trust (MPT) towards the renewal of leased properties at Colaba and Mandlik Road Mumbai. The lease has not been renewed since 1990. MPT raised (Sept 2018) demand of ₹85.57 crore which includes rental amounts of ₹19.28 crore and penalty and interest amounts of ₹66.29 crore. The liability of ₹19.28 crore is accepted by the Company. However, the same has not been accounted for in the books. Thus, non-accounting of the same has resulted in understatement of expenses, understatement of provision for expense by ₹19.28 Crore. and consequent understatement of losses of the company to the same extent.</p>
5	Madhya Pradesh Jal Nigam Maryadit 2020-21	<p>1. The company has not made the provision of ₹0.20 crore of known liability for various expenditure pertaining to the accounting year 2020-21. This has resulted in understatement of Other Expenses and understatement of Short-term provision by ₹0.20 crore and understatement of Loss for the year to the same extent.</p> <p>2. The Company made payment of GST liability pertaining to the financial year 2017-18 to 2020-21 during January 2020 to September 2021. However, in this respect, the Company did not make provisions of ₹0.23 crore for interest on delayed payment of GST, as per provisions of GST Act. This has resulted in understatement of Other Expenses and understatement of Short-term provision by ₹0.23 crore and understatement of Loss for the year to the same extent.</p> <p>3. Employee Benefit Expenses (₹6.59 crore) does not include an amount of ₹0.06 crore being the instalment of salary arrears of 7th Pay Commission. As per Government of Madhya Pradesh Circular, this expenses pertains to the year 2020-21. Though the amount of ₹0.06 crore is paid in the year 2021-22, provision should have been made in the FY 2020-21. This has resulted in understatement of Other Expenses and understatement of Short-term provision by ₹0.06 crore and understatement of Loss for the year to the same extent.</p> <p>4. The Prior Period Adjustments (₹0.53 crore) does not include an amount of ₹0.18 crore being the instalment of salary arrears of 7th</p>

Sl. No.	Name of Company	Comment
		Pay Commission. This amount pertains to the financial year 2018-19 and 2019-20 but the same is paid and booked in the year 2020-21 as Employee Benefit Expenses. This has resulted in overstatement of Employee Benefit Expenses and understatement of Prior Period Expenses by ₹0.18 crore. Consequentially, Profit before exceptional and extra ordinary items and tax is understated to the same extent.
6	Madhya Pradesh Jal Nigam Maryadit 2021-22	The Capital Work in Progress (₹31.41 crore) includes an amount of ₹21.26 lakh being the expenditure incurred by the Company on preparation of Detailed Project Report (DPR) of GWSS Banetha Scheme (Rural water supply scheme). The Scheme was transferred to Public Health Engineering Department (PHED). Since, the scheme was transferred to PHED and there was no use of the DPR prepared by the Company. Hence, the cost of preparation of DPR should be charged to P&L Account instead of under Capital Work in Progress. This has resulted in overstatement of Capital Work in Progress and understatement of loss for the year to the extent of ₹21.26 lakh.
7	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal 2021-22	The finance cost (₹1,219.91 crore) does not include ₹5.30 crore ⁷⁴ towards the works completed and bills presented by the contractor/suppliers under IPDS and DDUGJY schemes during 2021-22. The above were included under capital work-in-progress (CWIP) for the year 2021-22. Though the works under IPDS and DDUGJY were completed and closed till the financial year 2020-21. This has resulted in overstatement of CWIP by ₹5.30 crore, understatement of finance cost and understatement of loss for the year to the same extent.
8	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Jabalpur 2021-22	Madhya Pradesh State Electricity Regulatory Commission (MPERC) reduced power purchase cost (₹9,386.03 crore) through Retail Supply Tariff Order for FY 2021-22. The tariff determined by the order was applicable from 08 July 2021. The Company, however, accounted for the reduced power purchase cost from 1 July 2021 which resulted in understatement of the power purchase expenses and understatement of Current Liabilities by ₹17.18 crore, consequential understatement of Loss to the same extent.
9	Indore Smart City Development Limited 2021-22	Trade receivable includes ₹116.71 lakh receivable from M/s. Swift Intermedia Convergence Private Limited in respect of Advertisement License Fees. Since, the contract was terminated and deposit was seized in June 2022, the chances of recovery of outstanding amount seems doubtful. Hence, provision should have been made. Non-provisioning has resulted in

⁷⁴ IPDS scheme- ₹2.46 crore and DDUGJY scheme- ₹2.84 crore.

Sl. No.	Name of Company	Comment
		overstatement of Trade receivable (Note-10) and understatement of Other Expense (Note-30) by ₹116.71 lakh.
10	Ujjain Smart City Limited 2021-22	Other Expenses (₹745.28 lakh) does not include an amount of ₹5.35 lakh towards bills payable to various agencies pertaining to the period from January to March, 2022 but not paid during the financial year (2021-22). Non creation of liability for this expense has resulted in understatement of Other Expenses (Note-17) and Short-Term Provision (Note-13) by ₹5.35 lakh.
11	Narmada Basin Projects Company Limited 2021-22	<p>The Company booked an expenditure of ₹822.87 Lakh (Guarantee fee of ₹576.21 lakh for the year 2021-22 and ₹246.66 lakh for the year 2020-21) towards the guaranteed fee payable (@ 0.5% per-cent per annum) to the Government of Madhya Pradesh (GoMP) for providing Guarantee to NABARD against the loan amounting to ₹978.60 crore and ₹287.77 crore taken by the company during the financial year 2020-21 and 2021-22 respectively.</p> <p>Para 5 of the Ind-As 23 “Borrowing Cost” states that the Borrowing Costs are interest and other costs that an entity incurs in connection with the borrowing of funds. Further, para -8 of this standard state that an entity shall capitalize borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. As the expenditure of guarantee fees payable to the GoMP was a part of borrowing cost and directly attributable to the construction of a qualifying assets as part of the cost of that asset, the same should have been capitalized in the books of accounts of the company instead of treating the same as a revenue expenditure. This has resulted in overstatement of Expenses (Note-2.20) by ₹822.87 Lakh (Guarantee fee by ₹576.21 lakh and Prior Period Expenses by ₹246.66 lakh), understatement of “Capital Work in Progress” under “Non-Current Assets” and consequent understatement of Company’s Profit to the same extent.</p>
12	Madhya Pradesh Power Management Company Limited 2021-22	Madhya Pradesh State Electricity Regulatory Commission (MPERC) revised power purchase cost through Retail Supply Tariff Order for FY 2021-22. The tariff determined by the order was applicable from 8 July 2021. The Company however, accounted for the revised power purchase cost to all its subsidiary DISCOMs from 1 July 2021 which resulted in excess account of Sale of Power by ₹63.12 Crore (MPMKVVCL ₹37.28 crore, MPPaKVVCL ₹43.02 crore and MPPoKVVCL ₹(-) 17.18 crore) and corresponding Trade Receivables are overstated along with resultant understatement of Loss to the same extent.
13	Madhya Pradesh Power Generating Company	Other cost of Generation (₹202.11 crore) does not include an amount of ₹16.51 crore being dues verified by appropriate

Sl. No.	Name of Company	Comment
	Limited, Jablpur 2021-22	authority of Madhya Pradesh State Electricity Board (MPSEB) relating to inter-state hydel projects with the State of Rajasthan pertaining to the period upto 2005-06. Since after restructuring, hydel projects became the Assets of the Company, hence, the liability of ₹16.51 crore should have been provided against this claim. The non-accountal of the same has resulted in understatement of Other cost of Generation and overstatement of Profit for the year by ₹16.51 crore.
14	Madhya Pradesh Warehousing and Logistics Corporation 2021-22	<p>1. As per the Companies Act, 2013, useful life of Building other than RCC structure is considered as 30 years and depreciation at the rate of 9.5 per cent is to be charged. However, the Corporation considered useful life of Godown other than RCC frame structure as 60 years and charged depreciation at the rate of 4.87 per cent. This has resulted in understatement of depreciation by ₹15.60 crore and overstatement of profit for the current year.</p> <p>2. Corporation constructs Pacca CAP (Covered and Plinth Area) for storage purpose as per requirement. The life of Pacca CAP structure was considered as five years and the same life span is also adopted by the Central Warehousing Corporation. However, Corporation had written off expenditure of ₹74.96 crore incurred on construction of 59 Pacca CAP from their current year income instead of charging depreciation of ₹9.16 crore at the rate of 20 per cent per annum considering five years life. This has resulted in overstatement of expenses written off by ₹65.80 crore (₹74.96 crore-₹9.16 crore) and understatement of profit to that same extent.</p> <p>The above includes 16 incomplete CAPs construction works on which ₹20.96 crore was spent during the current year. The Corporation has also written off this expenditure from their current income instead of treating these as work in progress. The expenditure on incomplete works should be carried over to the upcoming financial years for accounting purpose. This has resulted in overstatement of expenses and understatement of profit and understatement of capital work in progress by ₹20.96 crore.</p> <p>The Corporation adopted Corporate Social Responsibility (CSR) policy on 16 March 2018 as per Companies Act, 2013. The Corporation spent ₹2.35 crore on CSR Activities during 2019-20 to 2021-22 instead of ₹9.99 crore required as per Companies Act, 2013 for the above period. Thus, the Corporation neither made adequate expenditure nor made provision for CSR expense. This has resulted in overstatement of profit by ₹7.63 crore with corresponding understatement of provision for CSR expense by ₹7.63 crore.</p>
15	Madhya Pradesh Paschim Kshetra Vidyut	1. Other income (₹601.53 crore) includes the amortisation amount of ₹61.57 crore and ₹27.09 crore against the

Sl. No.	Name of Company	Comment
	Vitaran Company Limited, Indore 2022-23	<p>Government grant and against the consumer contribution respectively. The rate of depreciation on the assets created out of grant/ consumer contribution was revised to 4.30 <i>per cent</i> from 5.28 <i>per cent</i> in 2022-23. However, the company did not match the percentage rate of amortisation with the present rate of depreciation, in line with the stated policy vide Para 2.10 (Government Grants) of Notes to Accounts. Due to this, the Company amortised ₹12.87 crore and ₹5.16 crore in excess against the Government Grant and against the consumer contribution respectively. This has resulted in overstatement of Other Non-operating Income and understatement of Deferred Income under Liabilities by ₹18.03 crore, leading to overstatement of Loss for the year to the same extent.</p> <p>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 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 ₹36.85 crore against the expenditure for the year 2022-23. This has resulted in understatement of expenses 'Earned Leave Encashment' as well as Other Comprehensive Income by ₹36.85 crore and understatement of Loss for the year to the same extent.</p>

Comments on Financial Position

Sl. No.	Name of Company	Comments
1	Madhya Pradesh Road Development Corporation Limited 2018-19	<p>1. Trade Payables (₹5.80 crore) does not include an amount of ₹50.62 crore of the works executed and bills issued by the contractors before 31 March 2019, whereas the payment was made in April 2019. However, the Company had not made any provision for executed works in the books of accounts, which pertains to the year 2018-19. This has resulted in understatement of Current Liabilities (Trade payables- Note 13) and overstatement of Other Current Liabilities: Note 15 (Balance of Project Funds received from GoMP) by ₹50.62 crore.</p> <p>2. Trade Payables (₹5.80 crore) does not include an amount of ₹31.22 crore of the works executed (which attracts supervision charges of ₹1.87 as well) and bills issued by the contractors before 31 March 2019, whereas the payment was made in April 2019. However, the Company had not made any provision for executed works in the books of accounts, which pertains to the year 2018-19. This has resulted in understatement of Current</p>

Sl. No.	Name of Company	Comments
		Liabilities (Trade payables- Note 13) and overstatement of Other Current Liabilities: Note 15 (Balance of Project Funds received from GoMP) by ₹31.22 crore. Also, resulted into understatement of Revenue from Operation and Profit for the year by ₹1.87 crore, as the provision of supervision charges of the executed works not being made.
2	The Provident Investment Company Limited 2019-20	<p>1. As per the Note 2 of the Financial Statements for the year ended 31 March 2020, out of the issued share capital of 4966 equity shares of 1000 each, the shareholding of Madhya Pradesh Government was 3,645 shares and that of the newly formed State of Chhattisgarh is 1,281 shares but share of Government of Chhattisgarh (GoCG) was not transferred. Finance Department, GoMP issued (March 2008) its sanction for issue of dividend of ₹247.40 lakh and share capital amounting of ₹12.81 lakh to GoCG. However, no action was taken on same by the Company. As bifurcation of MP and Chhattisgarh was done in the year 2000, the total dividend declared from 2000-01 to 2014-15 was ₹11.28 crore out of which dividend of ₹2.93 crore (26 per cent) should have been paid to GoCG. Further, share distribution amount of ₹12.81 lakh should have also been transferred to GoCG. The above facts were to be disclosed by the Company in its financial statements. However, the same was not disclosed. Thus, the Financial Statement of the company for the year 2019-20 is deficient to the extent of above non-disclosure.</p> <p>2. Other current liabilities (₹72.78 lakh) does not include liability of ₹43.98 lakh towards salary payable in respect of four officials who joined the Company on deputation basis from Finance Department, GoMP. At present salaries of these officials is being paid by Treasury and Accounts on the condition that it will be reimbursed by the Company. Till March 2020, salary of ₹43.98 lakh has been paid by Treasury on behalf of the Company to these officials. However, the company has not yet reimbursed the salary, therefore liability of ₹43.98 lakh should have been created by the Company in its books. However, the Company has neither booked the same under expenditure nor created any liability for the same in its books resulting in understatement of current year's expenditure and current liabilities by ₹43.98 lakh and consequent understatement of loss to the same extent.</p> <p>3. Provision for taxation (₹26,01,191) does not tally with the amount as per the Income Tax Return (Assessment year 2008-09</p>

Sl. No.	Name of Company	Comments
		<p>onwards). As per income tax returns, figure of provision for taxation should be ₹7.70 lakh leading to the difference between two figures. Hence, Provision for Taxation of ₹26.01 lakh should be reconciled with the income tax returns filed by the company.</p> <p>4. As per the physical verification of report given by the management of the Company, cash amounting to ₹5.87 lakh has been found short with respect to cash balance shown in Balance sheet as at 31.03.2019 (Note 12-Accounts 2018-19). However, the cash found short has not been recovered till date i.e., even after a lapse of more than four years. Therefore, a provision for shortage of cash should have been made by the Company as on 31.03.2020. However, this has not been done by the Company resulting in overstatement of cash on hand and understatement of current year's provisions to the extent of ₹5.87 lakh and consequent understatement of loss to the same extent.</p>
3	Madhya Pradesh Urja Vikas Nigam Limited 2020-21	<p>A reference is invited to Para 22 of Notes to Accounts, stating that Annual Project Management Charges (PMC) are being taken from joint venture namely Rewa Ultra Mega Solar Limited (RUMS), but due to decision not taken by RUMS Board for the year 2020-21, income not recognized. However, the PMC charges receivables from RUMS were being recognized by the Company in previous years consistently. Therefore, the Company based on accrual basis of accounting and the consistent accounting policy should have made provision for the PMC charges which was due to be received amounting to ₹97.94 lakh from the RUMSL in the financial year 2020-21 also. This has resulted in understatement of Long Term Advances by ₹97.94 lakh and understatement of Other Income to the same extent.</p>
4	Madhya Pradesh Rajya Van Vikas Nigam Limited, 2020-21	<p>Other Financial Liabilities (₹32.67 lakh) does not include and amount of ₹2.80 crore payable to the employees of the Company for the period January 2016 to March 2018 as third installment of the seventh pay arrears. This was approved (June 2018) by the Board of Directors. Therefore, the provision of the same should have made in the Accounts. Not doing so, has resulted in understatement of Other Financial Liabilities to the extent of ₹2.80 crore and overstatement of Profit for the arrear to the same extent.</p>
5	Madhya Pradesh Jal Nigam Maryadit 2021-22	<p>1. Other Current Liabilities (₹897.80 crore) includes an amount of ₹9.87 crore being interest earned on Jal Jeevan Mission fund during the financial year 2021-22 from the Banks. The same</p>

Sl. No.	Name of Company	Comments
		<p>should have been deposited to the Government Account as per provision of Rule 230 (8) of GFR, 2017. However, the amount of interest earned was not deposited to the Government Account, instead it was treated as fund received from Government under Jal Jeevan Scheme and shown under Other Current Liabilities. This has resulted in overstatement of Other Current Liabilities and overstatement of Cash and cash equivalents of the Company by ₹9.87 crore.</p> <p>2. Cash & Cash Equivalents (₹793.70 crore) does not include an amount of ₹96.86 lakh towards “Operation & Maintenance” charges being charged under the head of “Operation & Maintenance Collection of Multi Village Rural Water Supply Scheme (MVRWSS)” under the head of “Other Current liabilities”. However, the company has not deducted/adjusted the amount of ₹96.86 lakh from “Cash and Cash Equivalents” and instead of that the amount has been booked under the head of “Sundry Creditor”. This has resulted in overstatement of “Sundry Creditor” and overstatement of “Cash and Cash Equivalents” by ₹96.86 lakh.</p> <p>3. A reference is invited to the Note-18 (Other Current Liabilities) under Note-2: Notes to Accounts, which stipulated that ‘the company has received fund from GoMP for implementation of various Multi Village Rural Water Supply Scheme (MVRWSS) for NABARD funded scheme, under Jal Jeevan Mission, for execution of various Multi Village Rural Water Supply Scheme under Mining Development, Central Sponsored Bundelkhand, NDB funded and state funded schemes for expenditure on work payment for construction of projects/schemes.</p> <p>The above said funds from GoMP are not payable/refundable on the part of the company, hence credit balance of the same are shown under current liabilities and the Receivables on account of expenditures incurred are adjusted from the total fund received’.</p> <p>The company has deposited security deposits amounting to ₹15.83 crore to Water Resource Department (WRD) for supply of water to various villages under different MVRWSS through its Project Implementing Units (PIU). However, instead of adjusting the above amount to the respective schemes, it has been shown as “Short-term Loans and Advances” under “Current Assets”. This has resulted in overstatement of “Current Assets” and overstatement of “Other Current Liabilities” by ₹15.83 crore.</p>

Sl. No.	Name of Company	Comments
6	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal 2021-22	<p>1. Property, Plant & Equipment (₹8,187.33 crore) does not include an amount of ₹310.32 crore⁷⁵ being amount included in the Capital work-in-progress pertaining to the Saubhagya and Feeder Separation Scheme as on 31st March 2022. As the works under Saubhagya and Feeder Separation scheme were completed and closed till the financial year 2020-21, the total cost should have been capitalised in the financial statement. This resulted in overstatement of CWIP, understatement of Property, Plant & Equipment by ₹310.32 crore and Depreciation for the year was understated by ₹16.38 crore⁷⁶ and understatement of loss for the year 2021-22 to the same extent.</p> <p>2. Provisions (₹2,593.23 crore) does not include an amount of ₹313.58 crore being liability of Leave encashment provision as on 31st March 2022, as per the actuarial valuation report. However, the Company had not made any provision in this regards which was required as per IND AS 19. This has resulted in understatement of loss and provision of employee benefit by ₹313.58 crore for the year 2021-22.</p>
7	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Jabalpur 2021-22	<p>1. Provisions (₹2,246.99 Crore) does not include an amount of ₹380.17 crore being liability of Leave encashment as on 31st March 2022, as per the actuarial valuation report. However, the Company had not made any provision in this regards which was required as per provisions of IND AS 19. This has resulted in understatement provision of employee benefit and understatement of loss to the extent of ₹313.58 crore.</p> <p>2. Property, Plant and equipment (₹7,881.24 Crore) does not include an amount of ₹1,337.36 crore⁷⁷ being amount included in the Capital work-in-progress pertaining to the SAUBHAGYA, Feeder Separation, RGGVY XII Plan, IPDS and DDUGJY Scheme as on 31st March 2022. As the works under SAUBHAGYA, Feeder Separation, RGGVY XII Plan, IPDS and DDUGJY Scheme were completed and closed till the financial year 2020-21, the total cost should have been capitalised in the financial statement. Not doing so has resulted in overstatement of CWIP, understatement of Property, Plant & Equipment by ₹1,337.36 crore and Depreciation for the year</p>

⁷⁵ Saubhagya Scheme- ₹218.56 crore and Feeder Separation Scheme- ₹91.76 Crore

⁷⁶ Saubhagya Scheme- ₹11.54 crore and Feeder Separation Scheme- ₹4.84 crore

⁷⁷ SAUBHAGYA-₹598.60 crore, Feeder Separation-₹307.56 crore, RGGVY XII Plan-₹258.24 crore, IPDS-₹34.85 crore and DDUGJY Scheme-₹138.11 crore.

Sl. No.	Name of Company	Comments
		was understated by ₹70.60 crore ⁷⁸ and understatement of loss for the year 2021-22 to the same extent.
8	Ujjain Smart City Limited 2021-22	<p>1. Non-Current Liabilities (₹258.26 crore) shows deduction of ₹2.89 crore for Ujjain Municipal Corporation-Pradhan Mantri Aawas Yojna (UMC-PMAY) for Mahakaal Rudrasagar Integrated Development Approach (MRIDA). As the Company had paid ₹2.89 crore during the year 2019 for clearing the land parcel at Maharajbada-III for MRIDA Project instead of construction of PMAY houses, which is a separate project being implemented by UMC, the expenditure should have been booked in MRIDA Project under Capital Work in Progress. Non booking of the expenditure under Capital Work in Progress, has resulted in understatement of Capital Work in Progress and Understatement of Project Grant under Other Non-Current Liabilities by ₹2.89 crore.</p> <p>2. Trade Payable (₹360.61 lakh) does not include an amount of ₹31.91 lakh (invoice dated 09.11.2021) towards expenses payable to M/s Vimal Chand Jain Limited for crowd management civil work. Non creation of liability for this expense has resulted in understatement of Capital Work in Progress (Note-3) and Trade Payable (Note-11) by ₹31.91 lakh.</p>
9	Gwalior Smart City Development Corporation Limited 2021-22	Provisions (₹364.44 lakh) does not include an amount of ₹51.16 lakh towards bills payable to M/s Sudershan Engineering Works for civil work pertaining to the period from December, 2021 to February, 2022 and ₹36.53 lakh payable to M/s IPE Global for consultancy charges for March, 2022, for which the Company had neither made any payment nor made any provision for the same during the financial year 2021-22. This has resulted in understatement of Provision (Note-11) by ₹87.69 lakh, understatement of Capital Work in Progress (Note-2) by ₹51.16 lakh and understatement of Other Expenses (Note-14) by ₹36.53 lakh.
10	Madhya Pradesh Power Management Company Limited 2021-22	1. Provisions (₹3.83 crore) does not include an amount of ₹172.75 crore (including interest) payable to M/s. Mahindra Renewables Private Limited as per order (24 January 2021) of Central Electricity Regulatory Commission (CERC). Despite the confirmed liability as per CERC's order, no provision against the

⁷⁸ SAUBHAGYA-₹31.60 crore, Feeder Separation-₹16.24 crore, RGGVY XII Plan-₹13.63 crore, IPDS-₹1.84 crore and DDUGJY Scheme-₹7.29 crore.

Sl. No.	Name of Company	Comments
		<p>above decision was made by the Company in its financial statements. This has resulted in understatement of Provision as well as Expenses by ₹172.75 crore and understatement of loss for the year to the same extent.</p> <p>2. Provisions (₹3.83 crore) does not include an amount of ₹45.57 crore payable to M/s Mahindra Renewable Private Limited in compliance of CERC's order dated 12 November 2021 and approved (August 2022) by BOD of the Company, for grant of consequential relief to protect from the increase in capital cost due to introduction of the Central Goods and Services Tax Act, 2017. Despite the confirmed liability as per CERC's order, no provision against the above decision was made by the Company in its financial statements. This has resulted in understatement of Provision as well as Expenses by ₹45.57 crore and understatement of loss for the year to the same extent.</p> <p>3. Provisions (₹3.83 crore) does not include an amount of ₹115.80 crore payable to two Independent Power Producers (IPPs) in compliance of Hon'ble Supreme Court/MPERC orders. Despite the confirmed liability as per Hon'ble Supreme Court/MPERC orders, no provision was made by the Company in its financial statements. This has resulted in understatement of Provision as well as Expenses by ₹115.80 crore and understatement of Loss for the year to the same extent.</p>
11	Madhya Pradesh Public Health Services Corporation Limited 2021-22	<p>1. Sundry Debtors for PBG Invoked (₹2.60 crore) includes ₹16.03 lakh as penalty levied for non-supply of 81000 no. quantity of drug enoxaparin 60 Mg against the RC PO No 10281815883 dated 31-03-2018. The PO No 10281815883 was for order quantity 9000 but erroneously ordered quantity was entered as 90,000 and penalty amount was levied for non-supply of 81000 no. of quantity. The request of cancellation of PO for excess quantity was issued on 09-04-2018 and same was acknowledged by the supplier but penalty amount remained unadjusted. This has resulted in overstatement of sundry debtors as well as current liabilities by ₹16.03 lakh.</p> <p>2. The Company received an amount of ₹215.10 lakh which relates to the interest received on fixed deposit. The Company has classified it as cash flows arising from operating activities. This amount related to interest income should have been classified as cash flows arising from investing activities. Thus, wrong accounting treatment resulted in overstatement of cash</p>

Sl. No.	Name of Company	Comments
		flows arising from operating activities with corresponding understatement of cash flows arising from investing activities by ₹215.10 lakh.
12	Madhya Pradesh Warehousing and Logistics Corporation 2021-22	<p>1. As per Notes on Accounts (Note no. 16), the Corporation has booked regular income from storage charges on accrual basis, whereas arrears arising due to rate revision was accounted for on cash basis, which is inconsistent and contradictory. As a result, the income of ₹216.51 crore due to rate revision for the period 2008-09 to 2014-15 has not been recognised as income in the relevant years. This has resulted in understatement of Sundry Debtors by ₹216.51 crore with corresponding understatement of Reserve & Surplus.</p> <p>2. Other Debtors (₹142.07 crore) includes an amount of ₹17.68 crore towards deduction by Madhya Pradesh State Civil Supplies Corporation Limited & NAFED on account of shortage and damaged foodgrains. The above amount being not recoverable should have been booked as operational loss in the financial years concerned. Not doing so, has resulted in overstatement of Other Debtors and Reserve and Surplus by ₹17.68 crore.</p> <p>3. The Corporation paid ₹65.42 lakh as Goods and Services Tax (GST) on supervision charges (in PEG scheme) for the year 2017-18, 2018-19 & 2019-20 receivable from Food Corporation of India (FCI). However, it was not shown as receivable from FCI. This has resulted in understatement of Other Debtors by ₹65.42 lakh and Reserve & Surplus to the same extent.</p> <p>4. Sundry Debtors NAN (₹10.48 crore) includes an amount of ₹4.35 crore towards claims lodged with insurance companies in respect of damaged stock for the year 2018-19 to 2021-22 which were either rejected or partially rejected by the insurance companies. In case the stock is damaged, MPSCSC (Nagrik Aapurti Nigam - NAN) deducts the loss from the storage charges, but the Corporation continues to show the deducted amount as Sundry Debtor NAN. This has resulted in overstatement of Sundry Debtor NAN and Reserve & Surplus by ₹4.35 crore.</p>
13	Jabalpur Smart City Development Corporation Limited 2021-22	Government Grant (₹412.46 Crore) amount includes ₹16.62 crore as interest on deposit of grant received from central government grants. As per GoI order dated 02/02/2022, interest on grants was to be remitted to the Consolidated Fund of India. Accordingly, the Company has to create the liability for interest

Sl. No.	Name of Company	Comments
		payable. Not doing the same had resulted in overstatement of Government Grants (Note-11) and understatement of Other non-current liabilities (Note-12) by ₹16.62 crore.
14	Madhya Pradesh Power Transmission Company Limited 2022-23	<p>1. Trade Receivables (₹4,812.17 crore) includes an amount of ₹5.45 crore on account of levy of transmission charges⁷⁹ on the generators, levied by the Company w.e.f. 2022-23 according to the MPERC (Terms and Conditions for Intra-State open access in Madhya Pradesh) Regulations (Revision-I) 2021. Subsequently, applicability of subject transmission charges was stayed (12.05.2023) by the Hon'ble High Court of Madhya Pradesh, Indore till next further order. The Company was still raising transmission charges and showed an amount of ₹5.45 crore recoverable under Trade Receivable. Since, the Hon'ble High Court stayed levying the said transmission charges before approving (02.08.2023) the accounts of the by Company by BoD. Therefore, the Company should have created corresponding liability, as the issue was sub-judice and billing on the consumers was stayed by the Hon'ble High Court. Not doing so has resulted in overstatement of Trade Receivable (Note-9), understatement of Other Financial Liability (Note 26) by ₹5.45 crore and corresponding overstatement of Profit before tax to the same extent.</p> <p>2. Other Financial Liability (₹4,589.90 crore) does not include an amount of ₹457.68 crore being 'parallel operation charges', as per the true-up order (07 March 2023) of Madhya Pradesh Electricity Regulatory Commission (MPERC) for Transmission Tariff of the Company for the financial year 2021-22. The MPERC in true up order stipulated that 'Parallel operation charges' and 'point of connection charges' are sub-judice and in view of that, the Company was directed to hold the received amounts of the "Parallel operation charges" and "Point of connection charges" under the aforesaid heads distinctly. However, the Company accounted for only 'Point of connection charges pending for distribution' as of March 2023 under Other Financial Liabilities. Whereas the 'Parallel operation charges' to</p>

⁷⁹ Transmission charges on the generators injecting power at Distribution system (at 33 KV voltage level) at Extra High Volt (EHV) sub stations of the MPPTCL and drawl of power by their Open access beneficiary (Other than MPPMCL/ state distribution companies (DISCOMs) at distribution system (at 33 KV voltage level) but within the jurisdiction of another DISCOM.

Sl. No.	Name of Company	Comments
		<p>the tune of ₹457.68 crore as of March 2023 had not been accounted for.</p> <p>This has resulted in understatement of Other Financial Liabilities (Note-26), overstatement of Revenue from Operation (Note-31) by ₹457.68 crore and corresponding overstatement of Profit before tax to the same extent.</p>
15	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore 2022-23	<p>1. Property, Plant and Equipment (₹4,473.65 crore) does not include ₹7.41 crore towards the departmental works completed and bills presented by the contractor/suppliers during 2022-23. The above were included under capital work-in-progress (CWIP) for the year 2022-23, although the works were completed till 2019-20. This has resulted in understatement of depreciation to the tune of ₹1.61 crore and understatement of Loss for the year to same extent and corresponding overstatement of CWIP and understatement of Fixed Assets amounting to ₹7.41 crore.</p> <p>2. Capital work in progress (₹3,415.31 crore) does not include pending bills of smart meters installation (service charges on achievement of first milestone) amounting to ₹4.19 crore pertaining to financial year 2022-23. However, the same was paid and accounted in the financial year 2023-24 (April 2023 to May 2023) by the Company. This has resulted in understatement of Other Current Liability and understatement of Capital work in progress to the tune of ₹4.19 crore.</p> <p>3. Other current Liabilities (₹245.43 crore) does not include pending bills of Manpower supply and AMC bills of IT system amounting to ₹21.29 crore for the period till 31.03.2023. However, the same was paid and accounted in the financial year 2023-24 (April 2023 to June 2023). This has resulted in understatement of Other Current Liability and understatement of Expenses to the tune of ₹21.29 crore and corresponding understatement of Loss for the year to the same extent.</p> <p>4. Other current Liabilities (₹245.43 crore) does not include an amount of ₹4.26 crore being the enhanced Dearness Allowance (DA) from 38 per cent to 42 per cent w.e.f. 01.03.2023 vide order dated 25.07.2023. The DA arrears for the period 01.01.2023 to 30.06.2023 was to be paid in three equal instalments along with the salary of September, October and November 2023. As the order for DA arrear payment was released on 25.07.2023 well before approval (11.08.2023) of accounts by BoD of the</p>

Sl. No.	Name of Company	Comments
		<p>Company. Therefore, the provision for outstanding DA arrear for the period 01.01.2023 to 31.03.2023 amounting to ₹4.26 Crore should have been made in the accounts for the year 2022-23. However, the company did not provide same in the accounts. This has resulted in understatement of Other Current Liabilities and understatement of Expenses to the tune of ₹4.26 crore and corresponding understatement of Loss for the year to the same extent.</p> <p>5. Deferred Income (₹2,157.25 crore) includes the conversion of loan and overdue interest into grant by PFC under R-APDRP scheme. As per the conversion order, ₹88.62 crore of principal amount was converted into grant. However, the Company considered ₹110.29 crore, including principal and interest ₹21.67 crore of as grant. Since the amount of loan of ₹88.62 crore was converted and considered as grant, the company considered ₹21.67 crore as excess grant and included in deferred income. This has resulted in overstatement of ₹21.67 crore of Deferred Income under Liabilities and understatement of Income, leading to overstatement of Loss to the same extent.</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 2022 and September 2023, 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 10: Events after the reporting period	Gwalior Smart City Development Corporation limited, 2021-22	The company does not include the disclosure regarding the date when the financial statement were approved and who gave approval.
Accounting Standards 3: Cash Flow Statement	Madhya Pradesh Warehousing and Logistics Corporation, 2021-22	The Corporation has not disclosed the components of cash and cash equivalents in its Cash Flow Statement
Accounting Standards 12: Accounting for Government Grants	Madhya Pradesh State Civil Supplies Corporation Limited, Bhopal, 2018-19	The Company has not disclosed the accounting policy with regard to accounting treatment of government grants
Accounting Standards 20: Earning per share	Provident Investment Company Limited, 2019-2020	The Company has not calculated and presented the basic and diluted earnings per share on the face of Statement of profit and loss for the current year 2019-20 as well as for the previous year 2018-19
Accounting Standards 29: Provisions, Contingent Liabilities and Contingent Assest	Madhya Pradesh Jal Nigam Maryadit, 2020-21	The company did not disclose the pending court case under “Contingent Liability”.
Indian Accounting Standards 41: Agriculture	Madhya Pradesh Rajya Van Vikas Nigam Limited, 2020-21	The company did not disclose the commitment of plantation in the financial statements.

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 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 27 '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 2023, there were 73 State Public Sector Undertakings including three Statutory Corporations and nine Government Controlled other Companies. Out of 73, there are 41 inactive State Public Sector Undertakings. These State Public Sector Undertakings are inactive from three to 33 years. Thus, only 32 PSUs, which furnished information/accounts to Audit, were considered for analysis of financial performance.

During 2022-23, these 32 PSUs registered turnover of ₹95,645.11 crore, which was equal to 7.23 per cent of the GSDP of Madhya Pradesh. The contribution of Power Sector PSUs alone accounted for over 98 per cent of the total turnover of PSUs during 2022-23.

The investment of the State Government in equity and long-term loans in 73 PSUs was ₹64,878.90 crore against total investment of ₹1,09,259.24 crore at the end of 31 March 2023. The outstanding long-term loans of these PSUs as on 31 March 2023 increased to ₹32,204.26 crore from ₹31,597.77 crore over the previous year.

The profit earned by 11 State Public Sector Undertakings out of 32 State Public Sector Undertakings (covered in this Report) was ₹552.22 crore in 2022-23 as compared to 13 State Public Sector Undertakings which earned profit of ₹1,797.34 crore in 2021-22. Major profit contributed by Madhya Pradesh Warehousing and Logistic Corporation (₹208.53 crore), Madhya Pradesh Power Transmission Company Limited (₹141.66 crore) and Madhya Pradesh Rajya Van Vikas Nigam Limited (₹59.49 crore). Out of the total loss of ₹1,940.50 crore incurred by 12 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 73, accounts of 66 Companies/corporations were in arrears (54 Government Companies, all nine Government Controlled other Companies and three Corporations) for various reasons for the year 2022-23. State Public Sector Undertakings were not adhering to the prescribed timeline regarding submission of their Financial Statements as per the Companies Act, 2013. As a result, 258 accounts of 66 State Public Sector Undertakings were in arrears.

5.18 Recommendations

- Government of Madhya Pradesh may review the functioning of all loss-making PSUs and take necessary steps to improve their financial performance.
- 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.
- Government may review the inactive Government Companies and take appropriate decision on their revival/dissolution.

Bhopal
The 06 May 2024



(PRIYA PARIKH)
Accountant General (Audit-II)
Madhya Pradesh

Countersigned

New Delhi
The 09 May 2024



(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

APPENDICES

Appendix 1.1
State profile (Madhya Pradesh)
(Reference: Paragraph 1.1; Page 1)

A		General Data							
Sl. No.	Particulars							Figures	
1	Area							3,08,252 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 (2022 Census*) (All India Density = 422 persons per sq. km)					281 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 per cent)							31.65 per cent	
5	a.	Literacy (as per 2001 Census) (All India Average = 64.80 per cent)					63.74 per cent		
	b.	Literacy (as per 2011 Census) (All India Average = 73.00 per cent)					69.30 per cent		
6	Infant mortality rate (per 1000 live births) (All India Average = 28 per 1000 live births) (2022-23)							43 per 1000 live births	
7	Life Expectancy at birth (All India Average in years 2016-20 = 70.00 years)							67.40 years	
8	Gross State Domestic Product (GSDP) 2022-23 at current price							₹13,22,821 crore	
9	Gross State Domestic Product (GSDP) 2022-23 at constant price							₹6,43,124 crore	
10	Per Capita GSDP CAGR (2013 to 2023)		Madhya Pradesh (M.P.)				11.43 per cent		
			All India (Inclusive of UTs)				9.12 per cent		
11	GSDP CAGR (2013 to 2023)		Madhya Pradesh				13.02 per cent		
			All India (Inclusive of UTs)				10.34 per cent		
12	Decadal Population Growth (2013 to 2023)		Madhya Pradesh				15.29 per cent		
			All India (Inclusive of UTs)				11.68 per cent		
B		Financial Data							
Particulars		Growth rate (in per cent)							
		2013-14 to 2016-17		2017-18 to 2020-21		2020-21 to 2021-22		2021-22 to 2022-23	
		M.P.	GCS	M.P.	GCS	M.P.	GCS	M.P.	GCS
a	Revenue Receipts	17.63	14.30	2.77	3.41	26.98	25.59	9.74	13.41
b	Own Tax Revenue	9.62	8.51	6.72	3.52	21.63	25.62	9.62	19.78
c	Non Tax Revenue	5.65	8.62	3.00	-1.04	54.56	44.81	29.88	12.94
d	State's shares in Union Taxes & Duties	26.58	23.21	-2.65	-3.67	48.23	48.60	7.19	7.25
e	Grants-in-aids from GoI	26.72	24.64	5.20	16.10	-0.88	-5.37	6.21	5.49
f	Total Receipts	21.70	17.81	9.35	9.71	10.49	15.57	13.06	10.83
g	Revenue Expenditure	19.60	14.85	8.14	8.21	9.91	12.29	10.40	11.45
h	Capital Expenditure	26.58	28.89	-0.91	1.13	39.18	25.62	6.45	18.93
i	Capital Outlay	36.15	21.84	-0.60	0.89	34.19	28.23	9.10	14.18
j	Disbursement of Loans & Advances	-0.91	72.50	-7.41	3.48	162.43	1.22	-26.90	75.33
k	Total Expenditure	20.96	17.18	6.46	7.17	14.62	14.00	9.63	12.53
l	Revenue Expenditure on Education	15.69	12.20	7.12	6.72	2.21	11.47	10.11	13.21
m	Revenue Expenditure on Health & Family Welfare	17.86	18.84	11.77	12.25	30.83	19.71	6.03	0.88
n	Revenue Expenditure on Salary & Wages	4.86	11.04	16.41	7.63	8.81	11.82	13.90	8.52
o	Revenue Expenditure on Pension	14.02	11.71	16.45	10.39	16.16	11.88	15.54	11.38
p	Revenue Expenditure on Subsidies	35.98	18.96	11.04	5.92	41.34	18.29	0.00	15.24

Source: Information provided by Economic Advisor

*Population- Population Projections for India and States 2011-2036 by National Commission on Population, Ministry of Health & Family Welfare

Appendix 2.1

Time series data on the State Government Finances⁸⁰

(Reference: Paragraphs 2.3, 2.6.2, 2.10.1 and 2.14.2; Pages 20, 24, 37 and 70)

(₹ in crore)

	2018-19	2019-20	2020-21	2021-22	2022-23
Part A. Receipts					
1. Revenue Receipts (A+B+C)	1,48,893	1,47,643	1,46,377	1,85,876	2,03,986
A. Tax Revenue (i+ii)	1,08,369(73)	1,05,342(71)	1,01,373(69)	1,35,779(73)	1,47,154(72)
(i) Own Tax Revenue	50,882(34)	55,824(38)	54,459(37)	66,237(49)	72,611(49)
State Goods and Service Tax	18,508(36)	20,448(37)	17,258(32)	22,028(33)	23,397(32)
Taxes on Sales, Trade etc.	9,903(20)	11,258(20)	13,296(24)	16,185(24)	17,719(24)
State Excise	9,542(19)	10,829(19)	9,526(17)	10,334(16)	12,955(18)
Taxes on Vehicles	3,008(6)	3,251(6)	2,749(5)	3,029(5)	4,028(6)
Stamps and Registration fees	5,278(10)	5,569(10)	6,817(13)	8,098(12)	8,812(12)
Land Revenue	384(1)	562(1)	504(1)	733(1)	956(1)
Taxes on Goods and Passengers	118(0)	145(0)	75(0)	64(0)	59(0)
Other Taxes	4,141(8)	3,762(7)	4,234(8)	5,766(9)	4,685(6)
(ii) State's Share of Union Taxes and Duties	57,487(53)	49,518(47)	46,914(46)	69,542(51)	74,543(51)
B. Non-Tax Revenue	11,899(8)	10,349(7)	9,902(7)	15,305(8)	19,878(10)
C. Grants-in-Aid from Government of India	28,625(19)	31,952(22)	35,102(24)	34,792(19)	36,954(18)
2. Miscellaneous Capital Receipts	13	14	14	1,598	47
2A. Inter-State Settlement	0	(-0.25)	(-0.02)	1.14	(-0.78)
3. Recoveries of Loans and Advances	70	46	58	62	1,458
4. Total Revenue and Non-Debt Capital Receipts (1+2+2A+3)	1,48,976	1,47,703	1,46,449	1,87,537	2,05,490
5. Public Debt Receipts	32,497	34,364	65,171	46,285	58,867
Internal Debt (excluding Ways and Means Advances and Overdrafts)	25,325	29,496	54,242	33,671	48,202
Net transactions under Ways and Means Advances and Overdrafts	3,376	--	--	--	--
Loans and Advances from Government of India	3,796	4,868	10,929 ⁸¹	12,614 ⁸²	10,665
6. Total Receipts in the Consolidated Fund (4+5)	1,81,473	1,82,067	2,11,620	2,33,822	2,64,357
7. Contingency Fund Receipts	--	--	--	--	--
8. Public Account Receipts	1,86,344	2,00,611	2,35,479	2,29,353	2,63,707
9. Total Receipts of the State (6+7+8)	3,67,817	3,82,678	4,47,099	4,63,175	5,28,064
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	1,42,149(82)	1,50,444(83)	1,64,733(84)	1,81,061(80)	1,99,895(81)

⁸⁰ Figures in parenthesis represents percentages rounded to total of each sub-heading.⁸¹ Includes back to back loan in lieu of GST compensation shortfall of ₹4,542 crore.⁸² Includes back to back loan in lieu of GST compensation shortfall of ₹7,011 crore.

	2018-19	2019-20	2020-21	2021-22	2022-23
General Services (including interest payments)	38,112(27)	39,827(26)	47,885(29)	49,461(27)	54,807(27)
Social Services	58,707(41)	64,224(43)	68,757(42)	71,644(40)	82,084(41)
Economic Services	37,658(27)	40,493(27)	42,191(25)	52,831(29)	55,127(28)
Grants-in-Aid and Contributions	7,672(5)	5,900(4)	5,900(4)	7,125(4)	7,877(4)
11. Capital Expenditure	29,424(17)	29,241(16)	30,356(15)	40,733(18)	44,438(18)
General Services	723(3)	982(3)	974(3)	989(2)	1,165(3)
Social Services	5,719(19)	6,922(24)	8,132(27)	14,352(36)	14,632(33)
Economic Services	22,982(78)	21,337(73)	21,250(70)	25,392(62)	28,641(64)
12. Disbursement of Loans and Advances	1,090(1)	987(1)	1,230(1)	3,229(1)	2,360(1)
13. Inter-State Settlement	1	(-0.62)	(-0.25)	1	(-0.95)
14. Total Expenditure (10+11+12+13)	1,72,664	1,80,672	1,96,319	2,25,024	2,46,692
15. Repayments of Public Debt	13,524	10,934	12,757	15,162	22,007
Internal Debt (excluding Ways and Means Advances and Overdrafts)	8,999	9,713	11,315	13,376	19,788
Net transactions under Ways and Means Advances and Overdraft	3,376	--	--	--	--
Loans and Advances from Government of India	1,149	1,221	1,442	1,786	2,219
16. Appropriation to Contingency Fund	--	--	--	--	--
17. Total disbursement out of Consolidated Fund (14+15+16)	1,86,188	1,91,606	2,09,076	2,40,186	2,68,699
18. Contingency Fund disbursements	--	--	--	--	--
19. Public Account disbursements	1,83,377	1,89,401	2,27,522	2,23,811	2,57,491
20. Total disbursement by the State (17+18+19)	3,69,565	3,81,007	4,36,598	4,63,997	5,26,190
Part C. Deficits					
21. Revenue Deficit(-)/Revenue Surplus(+) (1-10)	6,744	-2,801	-18,356	4,815	4,091
22. Fiscal Deficit (-)/Fiscal Surplus(+) (4-14)	-23,688	-32,970	-49,870	-37,487	-41,202
23. Primary Deficit(-)/Surplus(+) (22+24)	-10,992	-18,753	-33,952	-19,041	-21,749
Part D. Other data					
24. Interest Payments (included in revenue expenditure)	12,696	14,217	15,918	18,446	19,453
25. Financial Assistance to local bodies etc.	36,735	28,659	30,101	28,645	31,980
26. Ways and Means Advances/Overdraft availed (days)	25	--	--	--	--
- Ways and Means Advances availed (days)	25	--	--	--	--
- Overdraft availed (days)	--	--	--	--	--

	2018-19	2019-20	2020-21	2021-22	2022-23
27. Interest on Ways and Means Advances/ Overdraft	1.16	0.41	--	--	--
28. Gross State Domestic Product (GSDP) ⁸³	8,29,805	9,27,855	9,61,643	11,36,137	13,22,821
29. Outstanding Fiscal liabilities (year-end)	1,94,309	2,30,572	2,89,298 ⁸⁴	3,23,218 ⁸⁵	3,63,952
30. Outstanding guarantees (year-end) (including interest)	30,763	30,930	37,010	35,006	39,788
31. Maximum amount guaranteed (year-end)	55,640	43,017	54,464	60,634	67,624
32. Number of incomplete projects	55	81	72	1,345	792
33. Capital blocked in incomplete projects	2,951	29,606	15,461	6,564	12,049
Part E. Fiscal Health Indicators					
I Resource Mobilization					
Own Tax Revenue/GSDP (per cent)	6.13	6.01	5.67	5.83	5.49
Own Non-Tax Revenue/GSDP (per cent)	1.43	1.12	1.03	1.35	1.50
Central Transfers ⁸⁶ /GSDP (per cent)	10.38	8.78	8.53	9.18	8.43
Revenue Buoyancy with reference to State's own taxes	0.77	-0.09	0.35	1.25	1.01
II Expenditure Management					
Total Expenditure/GSDP (per cent)	20.80	19.47	20.41	19.81	18.65
Total Expenditure/Revenue Receipts (per cent)	115.97	122.37	134.12	121.06	120.94
Revenue Expenditure/Total Expenditure (per cent)	82.33	83.27	83.91	80.46	81.03
Expenditure on General Services/Total Expenditure (per cent)	22.49	22.59	24.88	22.42	22.68
Expenditure on Social Services/Total Expenditure (per cent)	37.31	39.38	39.17	38.22	39.20
Expenditure on Economic Services/Total Expenditure (per cent)	35.12	34.22	32.32	34.76	33.96
Capital Expenditure/Total Expenditure (per cent)	17.04	16.18	15.46	18.10	18.01

⁸³ Revised GSDP figures as communicated by the Government adopted for the year 2018-19 to 2021-22

⁸⁴ Includes back to back loan in lieu of GST compensation shortfall of ₹4,542 crore

⁸⁵ Include Back to back loan in lieu of GST compensation shortfall of ₹11,553 (₹7,011+₹4,542) crore

⁸⁶ Central Transfers comprising of Share of Union Taxes/Duties and Grants from GoI

	2018-19	2019-20	2020-21	2021-22	2022-23
Capital Expenditure on Social and Economic Services/Total Expenditure (<i>per cent</i>)	16.62	15.64	14.97	17.66	17.54
III Management of Fiscal Imbalances					
Revenue Deficit(-)/Surplus(+)/GSDP (<i>per cent</i>)	0.81	-0.30	-1.91	0.42	0.31
Fiscal Deficit(-)/GSDP (<i>per cent</i>)	-2.85	-3.55	-5.19	-3.30	-3.11
Primary Deficit(-)/Surplus(+)/GSDP (<i>per cent</i>)	1.32	-2.02	-3.53	-1.67	-1.64
Revenue Deficit/Fiscal Deficit	NA	0.08	0.37	NA	NA
Primary Revenue Balance/GSDP (<i>per cent</i>)	15.60	14.68	15.48	14.31	13.64
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP (<i>per cent</i>)	23.41	24.85	30.08	28.45	27.51
Fiscal Liabilities/RR (<i>per cent</i>)	130.50	156.17	197.64	173.89	178.42
V Other Fiscal Health Indicators					
Return on Investment (<i>per cent</i> in bracket)	347.26 (0.99)	475.96 (1.31)	288.44 (0.74)	138.73 (0.34)	159.58 (0.37)

Appendix 3.1
Statement of misclassification of Revenue Expenditure under the Capital section
(Reference: Paragraph 3.3.2; Page 82)

(₹ in crore)

Sl. No.	Grant No.	Major Head	Budget Provision (O+S+R)	Expenditure
Object Head 11-Salary				
1	10	4406-Capital Outlay on Forestry and Wild Life	0.98	0.52
2	20	4215-Capital Outlay on Water supply and Sanitation	24.94	9.44
3	23	4700-Capital Outlay on Major Irrigation	32.98	32.94
4	48	4700-Capital Outlay on Major Irrigation	98.63	98.71
5	48	4701-Capital Outlay on Medium Irrigation	5.60	5.59
6	48	4801-Capital Outlay on Power Projects	58.18	58.22
Total (Object Head 11-Salary)			221.31	205.42
Object Head 12-Wages				
7	10	4406-Capital Outlay on Forestry and Wild Life	732.33	717.20
8	20	4215-Capital Outlay on Water supply and Sanitation	24.92	17.45
9	23	4700-Capital Outlay on Major Irrigation	28.39	29.48
10	23	4701-Capital Outlay on Medium Irrigation	4.97	4.97
11	23	4702-Capital Outlay on Minor Irrigation	0.39	0.49
12	48	4700-Capital Outlay on Major Irrigation	37.14	37.11
13	48	4701-Capital Outlay on Medium Irrigation	4.06	4.03
14	48	4801-Capital Outlay on Power Projects	11.42	11.42
Total (Object Head 12-Wages)			843.62	822.15
Object Head 13-Pension and Pensionary Benefits				
15	48	4801-Capital Outlay on Power Projects	0.06	0.06
Total (Object Head 13-Pension and Pensionary Benefits)			0.06	0.06
Object Head 16-Salary Allowances-All India Services				
16	10	4406-Capital Outlay on Forestry and Wild Life	0.95	0.18
17	48	4801-Capital Outlay on Power Projects	1.29	1.29
Total (Object Head 16-Salary Allowances-All India Services)			2.24	1.47
Object Head 19-Salary of Charged/Contingent works employee				
18	20	4215-Capital Outlay on Water supply and Sanitation	43.11	30.84
19	23	4700-Capital Outlay on Major Irrigation	11.73	10.66
20	23	4701-Capital Outlay on Medium Irrigation	2.41	2.29
21	23	4702-Capital Outlay on Minor Irrigation	1.84	1.73
22	48	4700-Capital Outlay on Major Irrigation	34.04	33.97
23	48	4701-Capital Outlay on Medium Irrigation	1.87	1.87
24	48	4801-Capital Outlay on Power Projects	4.37	4.35
Total (Object Head 19-Salary of Charged/Contingent works employee)			99.37	85.71
Object Head 21-Travelling Allowance				
25	20	4215-Capital Outlay on Water supply and Sanitation	0.25	0.01
26	23	4700-Capital Outlay on Major Irrigation	0.09	0.09
27	48	4700-Capital Outlay on Major Irrigation	0.60	0.60
28	48	4701-Capital Outlay on Medium Irrigation	0.04	0.04

Sl. No.	Grant No.	Major Head	Budget Provision (O+S+R)	Expenditure
29	48	4801-Capital Outlay on Power Projects	0.36	0.36
Total (Object Head 21-Travelling Allowance)			1.34	1.10
Object Head 22-Office Expenses				
30	10	4406-Capital Outlay on Forestry and Wild Life	11.60	9.67
31	20	4215-Capital Outlay on Water supply and Sanitation	0.26	0.20
32	23	4700-Capital Outlay on Major Irrigation	0.16	0.15
33	23	4701-Capital Outlay on Medium Irrigation	0.20	0.20
34	24	5054-Capital Outlay on Roads and Bridges	5.05	2.07
35	48	4700-Capital Outlay on Major Irrigation	1.43	1.43
36	48	4701-Capital Outlay on Medium Irrigation	0.06	0.06
37	48	4801-Capital Outlay on Power Projects	2.78	2.78
Total (Object Head 22-Office Expenses)			21.54	16.56
Object Head 24-Examination and Training				
38	10	4406-Capital Outlay on Forestry and Wild Life	10.50	5.04
39	48	4801-Capital Outlay on Power Projects	0.07	0.07
Total (Object Head 24-Examination and Training)			10.57	5.11
Object Head 26-Seminar, Workshop and Conference				
40	23	4701-Capital Outlay on Medium Irrigation	0.20	0.20
Total (Object Head 26-Seminar, Workshop and Conference)			0.20	0.20
Object Head 27-Macro Information Technology System				
41	52	4210 -Capital Outlay on Medical and Public Health	7.33	2.01
Total (Object Head 27-Macro Information Technology System)			7.33	2.01
Object Head 31-Payment for Professional Services				
42	10	4406-Capital Outlay on Forestry and Wild Life	105.57	77.82
43	23	4700-Capital Outlay on Major Irrigation	0.10	0.10
44	48	4700-Capital Outlay on Major Irrigation	5.85	5.85
45	48	4701-Capital Outlay on Medium Irrigation	0.25	0.25
46	48	4801-Capital Outlay on Power Projects	5.96	5.96
Total (Object Head 31-Payment for Professional Services)			117.73	89.98
Object Head 33-Maintenance				
47	23	4701-Capital Outlay on Medium Irrigation	0.25	0.25
48	48	4801-Capital Outlay on Power Projects	0.01	0.01
Total (Object Head 33-Maintenance)			0.26	0.26
Object Head 34-Material and Supplies				
49	10	4406-Capital Outlay on Forestry and Wild Life	328.85	266.44
50	48	4801-Capital Outlay on Power Projects	0.03	0.03
Total (Object Head 34-Material and Supplies)			328.88	266.47
Object Head 35-Advertisement and Publicity				
51	10	4406-Capital Outlay on Forestry and Wild Life	0.04	0.04
Total (Object Head 35-Advertisement and Publicity)			0.04	0.04
Object Head 42-Grants-in-Aid				
52	10	4406-Capital Outlay on Forestry and Wild Life	45.00	40.45
53	19	4210-Capital Outlay on Medical and Public Health	26.33	26.33

Sl. No.	Grant No.	Major Head	Budget Provision (O+S+R)	Expenditure
54	30	4515-Capital Outlay on Other Rural Development Programmes	189.40	189.40
Total (Object Head 42-Grants-in-Aid)			260.73	256.18
Object Head 43-Contributions				
55	48	4700-Capital Outlay on Major Irrigation	22.00	22.00
56	48	4801-Capital Outlay on Power Projects	7.75	7.75
Total (Object Head 43-Contributions)			29.75	29.75
Object Head 44-Subsidies				
57	24	5054-Capital Outlay on Roads and Bridges	4.10	4.10
Total (Object Head 44-Subsidies)			4.10	4.10
Object Head 45-Grants-in-Aid for Creation of Capital Assets				
58	13	4401- Capital Outlay on Crop Husbandry	25.00	25.00
59	22	4217- Capital Outlay on Urban Development	390.00	390.00
Total (Object Head 45-Grants-in-Aid for Creation of Capital Assets)			415.00	415.00
Object Head 50-Payment of Compensation				
60	48	4700-Capital Outlay on Major Irrigation	20.57	14.57
Total (Object Head 50- Payment of Compensation)			20.57	14.57
Object Head 51-Other Charges				
61	10	4406-Capital Outlay on Forestry and Wild Life	7.00	6.67
Total (Object Head 51-Other Charges)			7.00	6.67
Object Head 53-Payment of Decretal Amount				
62	23	4701-Capital Outlay on Medium Irrigation	28.60	27.95
63	23	4702-Capital Outlay on Minor Irrigation	0.20	0.20
64	24	4059-Capital Outlay on Public Works	35.00	17.76
65	48	4700-Capital Outlay on Major Irrigation	0.96	0.96
Total (Object Head 53-Payment of Decretal Amount)			64.76	46.87
Object Head 54-Compensation				
66	10	4406-Capital Outlay on Forestry and Wild Life	112.87	111.85
Total (Object Head 54-Compensation)			112.87	111.85
Grand Total			2,569.27	2,381.53

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

Appendix 3.2

Statement of misclassification of Capital Expenditure under the Revenue section

(Reference: Paragraph 3.3.2; Page 82)

(₹ in crore)

Sl. No.	Grant No.	Major Head	Budget Provision (O+S+R)	Expenditure
Object Head 23-Purchase of Vehicles				
1	9	2014-Administration of Justice	0.92	0.92
2	1	2015-Elections	0.19	0.18
3	9	2015-Elections	0.10	0.10
4	5	2029-Land Revenue	0.15	0.06
5	6	2041-Taxes on Vehicles	0.23	0.08
6	1	2051-Public Service Commission	0.10	0.10
7	1	2052-Secretariat-General Services	0.71	0.71
8	9	2052-Secretariat-General Services	0.10	0.10
9	8	2053-District Administration	4.10	2.33
10	6	2054-Treasury and Accounts Administration	1.04	0.51
11	3	2055-Police	12.66	12.66
12	1	2062-Vigilance	0.06	0.06
13	3	2070-Other Administrative Services	1.21	1.21
14	6	2075-Miscellaneous General Services	0.10	0.10
15	7	2204-Sports and Youth Services	0.21	0.21
16	2	2210-Medical and Public Health	0.10	0.10
17	2	2217-Urban Development	0.18	0.15
18	50	2401-Crop Husbandry	0.10	0.10
19	14	2403-Animal Husbandry	64.96	64.96
20	10	2406-Forest	0.69	0.42
21	17	2425-Co-operation	0.10	0.10
22	31	3454-Census Surveys and Statistics	0.10	0.10
23	11	3475-Other General Economic Services	0.07	0.07
Total (Object Head 23- Purchase of Vehicles)			88.18	85.33
Object Head 61-Survey, Investigation and Design and Preparation of DPRs				
24	9	2810-New and Renewable Energy	2.22	1.01
25	25	2853-Non-Ferrous Mining and Metallurgical Industries	0.10	0.09
26	54	2225-Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	0.28	0.11
Total (Object Head 61-Survey, Investigation and Design and Preparation of DPRs)			2.60	1.21
Object Head 63-Machinery				
27	22	2217-Urban Development	3.17	2.71
Total (Object Head 63-Machinery)			3.17	2.71
Grand Total			93.95	89.25

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

Appendix 3.3
Supplementary Budget Requirement
(Reference: Paragraph 3.3.3; Page 82)

(₹ 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	2	Aviation	RV	51.91	36.15	88.06	82.40	5.66	30.49
2	3	Home	CV	697.43	400.20	1,097.63	993.28	104.35	295.85
3	7	Commercial Tax	RV	1,813.50	292.14	2,105.64	1,867.45	238.19	53.95
4	8	Expenditure on Land Revenue, District Administration and Disaster Relief	RC	3.92	89.06	92.98	89.83	3.15	85.91
5	10	Forest	RC	0.83	0.80	1.63	1.39	0.24	0.57
6	11	Industrial Policy and Investment Promotion	RV	1,251.78	550.00	1,801.78	1,493.41	308.37	241.63
7	12	Energy	RV	9,957.19	6,984.44	16,941.63	16,716.63	225.00	6,759.44
8	13	Farmers Welfare and Agricultural Development	RV	15,690.34	6,710.51	22,400.85	19,196.05	3,204.80	3,505.71
9	13	Farmers Welfare and Agricultural Development	CV	15.00	10.00	25.00	25.00	0.00	10.00
10	18	Labour	RV	931.69	936.09	1,867.78	1,793.55	74.23	861.85
11	19	Public Health and Family Welfare	RV	9,472.28	1,676.90	11,149.18	9,875.56	1,273.62	403.28
12	20	Public Health Engineering	RV	958.68	151.00	1,109.68	991.98	117.70	33.30
13	22	Urban Development and Housing	RV	9,299.24	2,832.37	12,131.61	10,913.23	1,218.38	1,613.99
14	22	Urban Development and Housing	CV	2,795.05	400.52	3,195.57	3,120.16	75.41	325.11
15	23	Water Resources	CV	4,585.31	1,050.00	5,635.31	5,444.76	190.55	859.45
16	23	Water Resources	CC	1.20	28.00	29.20	28.15	1.05	26.95
17	24	Public Works	RV	1,960.57	807.50	2,768.07	2,147.04	621.03	186.47
18	24	Public Works	CV	5,312.45	2,319.60	7,632.05	7,350.90	281.15	2,038.45
19	25	Mineral Resources	RV	271.35	125.00	396.35	373.15	23.20	101.80
20	25	Mineral Resources	RC	700.05	113.05	813.10	813.05	0.05	113.00
21	25	Mineral Resources	CV	301.00	375.00	676.00	674.93	1.07	373.93
22	31	Planning, Economics and Statistics	RV	195.51	97.88	293.39	265.88	27.51	70.36

Sl. No.	Grant No.	Nomenclature	RV/ CV/ CC/ RC	Original Budget	Supplementary Budget	Total Budget	Actual Expenditure	Excess Expenditure/ Saving	Actual Supplementary Requirement
23	31	Planning, Economics and Statistics	CV	488.17	171.98	660.15	623.04	37.11	134.87
24	32	Public Relations	RV	504.27	157.00	661.27	647.89	13.38	143.61
25	34	Social Justice and Disabled Person Welfare	RV	3,744.23	353.31	4,097.54	4,009.61	87.93	265.38
26	35	Micro, Small and Medium Enterprises	RV	520.73	677.33	1,198.06	906.20	291.86	385.47
27	35	Micro, Small and Medium Enterprises	CV	133.20	2.82	136.02	136.01	0.01	2.81
28	37	Tourism	RV	116.62	51.85	168.47	143.38	25.09	26.76
29	41	Overseas Indian Department	RV	0.83	20.00	20.83	9.45	11.38	8.62
30	43	Sports and Youth Welfare	RV	180.56	78.01	258.57	235.73	22.84	55.17
31	43	Sports and Youth Welfare	CV	166.79	51.00	217.79	216.95	0.84	50.16
32	45	Public Assets Management	RV	13.79	60.00	73.79	28.58	45.21	14.79
33	46	Science and Technology	RV	151.85	20.00	171.85	171.84	0.01	20.00
34	46	Science and Technology	CV	105.12	229.15	334.27	334.27	0.00	229.15
35	47	Technical Education, Skill Development and Employment	RV	1,124.50	354.74	1,479.24	1,220.34	258.90	95.84
36	47	Technical Education, Skill Development and Employment	CV	413.44	49.00	462.44	424.25	38.19	10.81
37	48	Narmada Valley Development	RV	260.56	205.70	466.26	450.98	15.28	190.43
38	48	Narmada Valley Development	CV	3,001.73	4,304.89	7,306.62	7,159.36	147.26	4,157.63
39	52	Medical Education	RV	1,490.94	294.47	1,785.41	1,707.03	78.38	216.09
40	53	Minority Welfare	CV	78.00	85.79	163.79	163.79	0.00	85.79
41	54	Backward Classes Welfare	RV	987.76	598.42	1,586.18	1,335.13	251.05	347.37
42	55	Women and Child Development	CV	162.10	27.44	189.54	177.96	11.58	15.86
Total				79,911.47	33,779.11	1,13,690.58	1,04,359.57	9,331.01	24,448.10

Source: Appropriation Accounts 2022-23

Appendix 3.4
Unnecessary Supplementary Provision
(Reference: Paragraph 3.3.3; Page 82)

(₹ in crore)

Sl. No.	Grant No.	Nomenclature	RV/CV/CC/RC	Original Budget	Supplementary Budget	Actual Expenditure	Unnecessary Supplementary Provision
1	1	General Administration	RV	924.47	90.82	748.24	90.82
2	1	General Administration	RC	75.50	15.23	49.86	15.23
3	1	General Administration	CV	65.31	0.13	48.46	0.13
4	2	Aviation	RV	51.91	36.15	82.40	5.66
5	3	Home	RV	8,745.19	66.34	7,665.84	66.34
6	3	Home	CV	697.43	400.20	993.28	104.35
7	5	Jail	RV	491.41	0.50	465.27	0.50
8	6	Finance	RV	21,783.12	1,980.42	19,916.98	1,980.42
9	7	Commercial Tax	RV	1,813.50	292.14	1,867.45	238.19
10	8	Expenditure on Land Revenue, District Administration and Disaster Relief	RV	7,444.52	136.24	5,218.26	136.24
11	8	Expenditure on Land Revenue, District Administration and Disaster Relief	RC	3.92	89.06	89.83	3.16
12	10	Forest	RV	1,995.37	13.71	1,710.72	13.71
13	10	Forest	RC	0.83	0.80	1.39	0.23
14	10	Forest	CV	1,398.80	8.00	1,286.69	8.00
15	11	Industrial Policy and Investment Promotion	RV	1,251.78	550.00	1,493.41	308.37
16	12	Energy	RV	9,957.19	6,984.44	16,716.63	225.00
17	13	Farmers Welfare and Agricultural Development	RV	15,690.34	6,710.51	19,196.05	3,204.80
18	14	Animal Husbandry and Dairying	RV	1,433.00	6.12	1,098.25	6.12
19	15	Denotified, Nomadic and Semi-Nomadic Tribes Welfare	RV	30.51	0.35	16.30	0.35
20	16	Fisherman Welfare and Fisheries Development	RV	250.10	4.00	120.99	4.00
21	17	Co-operation	RV	903.34	126.00	841.13	126.00
22	18	Labour	RV	931.69	936.09	1,793.55	74.24
23	19	Public Health and Family Welfare	RV	9,472.28	1,676.90	9,875.56	1,273.62
24	19	Public Health and Family Welfare	CV	907.17	118.61	550.52	118.61
25	20	Public Health Engineering	RV	958.68	151.00	991.98	117.70
26	20	Public Health Engineering	CV	7,781.52	20.00	6,728.35	20.00
27	21	Public Service Management	RV	74.21	7.96	70.50	7.96
28	22	Urban Development and Housing	RV	9,299.24	2,832.37	10,913.23	1,218.38
29	22	Urban Development and Housing	RC	947.02	220.29	870.40	220.29
30	22	Urban Development and Housing	CV	2,795.05	400.52	3,120.16	75.41
31	23	Water Resources	RV	1,419.49	80.00	1,192.53	80.00
32	23	Water Resources	CV	4,585.31	1,050.00	5,444.76	190.55

Sl. No.	Grant No.	Nomenclature	RV/CV/CC/RC	Original Budget	Supplementary Budget	Actual Expenditure	Unnecessary Supplementary Provision
33	23	Water Resources	CC	1.20	28.00	28.15	1.05
34	24	Public Works	RV	1,960.57	807.50	2,147.04	621.03
35	24	Public Works	CV	5,312.45	2,319.60	7,350.90	281.15
36	24	Public Works	CC	305.00	35.00	260.12	35.00
37	25	Mineral Resources	RV	271.35	125.00	373.15	23.20
38	25	Mineral Resources	RC	700.05	113.05	813.05	0.05
39	25	Mineral Resources	CV	301.00	375.00	674.93	1.07
40	26	Culture	RV	293.14	23.26	258.91	23.26
41	26	Culture	CV	377.50	1.00	54.55	1.00
42	27	School Education	RV	26,332.47	3.25	23,515.07	3.25
43	28	State Legislature	RV	103.68	0.10	92.34	0.10
44	29	Law and Legislative Affairs	RV	1,804.60	120.48	1,474.21	120.48
45	30	Rural Development	RV	17,498.92	2,121.51	14,797.70	2,121.51
46	31	Planning, Economics and Statistics	RV	195.51	97.88	265.88	27.52
47	31	Planning, Economics and Statistics	CV	488.17	171.98	623.04	37.11
48	32	Public Relations	RV	504.27	157.00	647.89	13.39
49	33	Tribal Affairs	RV	8,860.64	451.22	7,992.31	451.22
50	33	Tribal Affairs	CV	1,493.11	15.00	1,096.71	15.00
51	34	Social Justice and Disabled Person Welfare	RV	3,744.23	353.31	4,009.61	87.93
52	35	Micro, Small and Medium Enterprises	RV	520.73	677.33	906.20	291.86
53	35	Micro, Small and Medium Enterprises	CV	133.20	2.82	136.01	0.01
54	36	Transport	RV	111.39	21.25	91.85	21.25
55	37	Tourism	RV	116.62	51.85	143.38	25.09
56	38	Ayush	RV	563.35	37.31	524.97	37.31
57	39	Food, Civil Supplies and Consumer Protection	RV	1,155.45	0.07	944.23	0.07
58	40	Panchayat	RV	6,536.12	1,472.00	5,461.92	1,472.00
59	41	Overseas Indian Department	RV	0.83	20.00	9.45	11.38
60	42	Bhopal Gas Tragedy Relief and Rehabilitation	RV	129.44	0.14	116.85	0.14
61	43	Sports and Youth Welfare	RV	180.56	78.01	235.73	22.85
62	43	Sports and Youth Welfare	CV	166.79	51.00	216.95	0.84
63	44	Higher Education	RV	2,833.58	87.16	2,256.63	87.16
64	45	Public Assets Management	RV	13.79	60.00	28.58	45.21
65	45	Public Assets Management	CV	150.00	50.00	67.03	50.00
66	47	Technical Education, Skill Development and Employment	RV	1,124.50	354.74	1,220.34	258.90
67	47	Technical Education, Skill Development and Employment	CV	413.44	49.00	424.25	38.19
68	48	Narmada Valley Development	RV	260.56	205.70	450.98	15.27
69	48	Narmada Valley Development	CV	3,001.73	4,304.89	7,159.36	147.26
70	49	Scheduled Caste Welfare	RV	1,385.50	210.39	1,315.52	210.39

Sl. No.	Grant No.	Nomenclature	RV/CV/CC/RC	Original Budget	Supplementary Budget	Actual Expenditure	Unnecessary Supplementary Provision
71	51	Religious Trusts and Endowments	RV	88.24	20.36	87.55	20.36
72	52	Medical Education	RV	1,490.94	294.47	1,707.03	78.38
73	53	Minority Welfare	RV	14.43	0.04	9.11	0.04
74	54	Backward Classes Welfare	RV	987.76	598.42	1,335.13	251.05
75	55	Women and Child Development	RV	5,715.17	1,077.86	5,583.23	1,077.86
76	55	Women and Child Development	CV	162.10	27.44	177.96	11.58
77	56	Cottage and Rural Industry	RV	120.04	0.20	91.03	0.20
Total				2,12,103.32	42,076.49	2,18,355.80	17,973.35

Source: Appropriation Accounts 2022-23

Appendix 3.5
Excessive/Unnecessary Re-appropriation of funds
(Reference: Paragraph 3.3.4; Page 84)

(₹ 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	6003-111.6835- Special Securities Issued to National Small Savings Fund of the Central Government	(O) 3,300.00 (R) 763.89	4,063.89	4,485.74	(+) 421.85
2	CH-II	Charged Appropriation -Interest Payments and Servicing of Debt	2049-01.123.5042 Interest on Special Securities Issued to National Small Saving Fund to Central Government by the Government of India	(O) 2,550.00 (R) 235.05	2,785.05	3,176.91	(+) 391.86
3			2049-01.101.9897-7.08 Percent Madhya Pradesh State Development Loan, 2029	(O) Token (R) 141.60	141.60	70.80	(-) 70.80
4	1	General Administration	4059-01.051.0101.7213- Construction of Annexe in the Chief Minister Residential Premises	(O) 7.00 (R) 16.58	23.58	19.50	(-) 4.08
5	3	Home	2235-60.200.0686- Aid to the Victims of Communal Riots	(O) 0.10 (R) 2.00	2.10	0.92	(-) 1.18
6	5	Jail	4059-01.051.0101.2374- Construction of Barracks/Workshops	(O) 6.00 (R) 4.00	10.00	8.93	(-) 1.07
7	7	Commercial Tax	2039-001.0101.1470- District Executive Establishment	(O) 176.16 (R) 1.50	177.66	142.24	(-) 35.42
8	10	Forest	2406-01.101.0101.0812- Establishment of Executive Planning Organisation and Executive Forest Circles	(O) 1,086.31 (R) 6.67	1,092.98	944.34	(-) 148.64
9			2406-02.110.0702.8862- Wildlife Habitat Development in National Parks and Sanctuaries	(O) 0.00 (R) 0.80	0.80	0.77	(-) 0.03
10			2406-02.110.0703.8862- Wildlife Habitat Development in National Parks and Sanctuaries	(O) 0.00 (R) 0.80	0.80	0.77	(-) 0.03
11			2406-02.110.0705.8862- Wildlife Habitat Development in National Parks and Sanctuaries	(O) 0.00 (R) 0.53	0.53	0.52	(-) 0.01
12			2406-02.110.0706.8862- Wildlife Habitat Development in National Parks and Sanctuaries	(O) 0.00 (R) 0.53	0.53	0.52	(-) 0.01
13			4406-01.102.0102.6397- Plant Preparation in Nurseries	(O) 12.00 (R) 11.15	23.15	19.91	(-) 3.24
14			17	Co-operation	2425-107.0704.1081- Computerisation of	(S) Token (R) 6.01	6.01

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 (+)
			Primary Agriculture Credit Cooperative Institutions (Central)				
15			2425-107.0705.1081- Computerisation of Primary Agriculture Credit Cooperative Institutions (Central)	(S) Token (R) 2.13	2.13	3.08	(+) 0.95
16			2425-107.0706.1081- Computerisation of Primary Agriculture Credit Cooperative Institutions (Central)	(S) Token (R) 1.55	1.55	2.24	(+) 0.69
17	19	Public Health and Family Welfare	2210-01.110.0701.5724- National Health Mission	(O)1,427.40 (R) 396.50	1,823.90	1,228.16	(-) 595.74
18	2210-01.110.0702.5724- National Health Mission		(O) 538.20 (R) 149.50	687.70	445.03	(-) 242.67	
19	2210-03.103.0101.5507- Chief Minister Sushane Sanjivani Scheme		(O) 16.03 (R) 5.00	21.03	19.88	(-) 1.15	
20	20	Public Health Engineering	4215-01.102.0101.2580- Piped Water Supply Scheme to Villages	(O) 30.50 (R) 18.30	48.80	48.27	(-) 0.53
21	4215-01.102.0101.4379- Drinking Water Supply Scheme in Problematic Villages		(O) 91.50 (R) 57.70	149.20	147.15	(-) 2.05	
22	4215-01.102.0102.4379- Drinking Water Supply Scheme in Problematic Villages		(O) 34.50 (R) 16.10	50.60	50.24	(-) 0.36	
23	4215-01.800.1401.7301- Implementation of Water Supply Schemes Through Water Corporations		(O) 280.60 (R) 167.50	448.10	404.03	(-) 44.07	
24	4215-01.800.1403.7301- Implementation of Water Supply Schemes Through Water Corporations		(O) 73.60 (R) 45.00	118.60	117.92	(-) 0.68	
25	21		Public Services Management	2053-093.5379- Establishment of Public Service Centers	(O) 3.71 (R) 0.78	4.49	4.21
26	2053-094.9079- Establishment of M.P. Public Service Agency	(O) 6.00 (R) 0.60		6.60	6.63	(+) 0.03	
27	22	Urban Development and Housing	2217-05.800.0701.7839- Urban Clean India Mission 2.0	(O) 0.00 (R) 30.50	30.50	30.42	(-) 0.08
28	2217-05.800.0704.7839- Urban Clean India Mission 2.0		(O) 0.00 (R) 23.50	23.50	23.33	(-) 0.17	
29	23	Water Resources Department	4700-69.800.0103.2884- Canal and Related Construction work	(O) 0.10 (R) 0.21	0.31	0.32	(+) 0.01
30	4701-48.800.0102.3366- Medium Projects Construction Work		(O) 5.00 (R) 7.00	12.00	12.01	(+) 0.01	
31	24	Public Works	5054.04.337.1901.2457- Rural Roads	(O) 310.00 (S) 497.99 (R) 35.00	842.99	1,066.84	(+) 223.85

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 (+)
32			5054-02.102.0101.3115- Compensation for Land Acquisition	(O) 5.00 (R) 201.13	206.13	206.12	(-) 0.01
33	26	Culture	2205-102.6379- Establishment Expenditure of Directorate of Culture	(O) 3.60 (R) 0.13	3.73	2.40	(-) 1.33
34	28	State Legislature	2011-02.103.4009- Vidhan Sabha Secretariat	(O) 45.15 (S) 0.10 (R) 0.38	45.63	39.95	(-) 5.68
35			2011-02.103.8808- Works Related to Infromation Technology	(O) 2.75 (R) 3.55	6.30	6.22	(-) 0.08
36	30	Rural Development	4515-800.0420.6084- Chief Minister Gram Road and Infrastructure Scheme	(O) 50.00 (R) 100.00	150.00	107.54	(-) 42.46
37	40	Panchyat	4515-800.0420.6084- Chief Minister Gram Road and Infrastructure Scheme	(O) 30.50 (R) 50.00	80.50	74.25	(-) 6.25
38			3604-197.0102.4610- Grant Against Additional Stamp Duty Recovery	(O) 11.50 (R) 20.00	31.50	21.66	(-) 9.84
39	44	Higher Education	2202-03.103.0103.8855- Assistance to Scholars Studying in Ph.D	(O) 0.56 (R) 1.72	2.28	2.21	(-) 0.07
40			4202-01.203.0102.7643- Building Construction of Government Colleges	(O) 24.10 (R) 15.00	39.10	55.21	(+) 16.11
41			4202-01.203.0102.7643- Building Construction of Government Colleges	(O) 16.80 (R) 10.00	26.80	32.12	(+) 5.32
42	48	Narmada Valley Development	4700-66-800-0102-5091- Lower GOI Project	(O) 2.50 (S) 10.00 (R) 53.60	66.10	72.10	(+) 6.0
Total					13,258.75	13,110.09	(-) 1,218.01 (+) 1,069.35

Source: Appropriation Accounts 2022-23

Appendix 3.6
Substantial Surrender 50 per cent and more
(Reference: Paragraph 3.3.5.1; Page 84)

(₹ in crore)

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
1	1	General Administration	2070-105-4079- Special Inquiry Commission	(O) 0.91	0.91	100.00
2	3	Home	2055-109-0707-5172- Establishment of Scheduled Caste/Scheduled Tribe Police Station	(S) 59.29	41.83	70.55
			2055-115-0701-2643- Modernisation of Police Force	(O) 7.50	4.81	64.13
			2055-115.0704.2643- Modernisation of Police Force	(O) 5.00	3.21	64.20
			2055-116.9545- Maintenance of Department Assets	(O) 1.40	1.40	100.00
			2055-800.0101.1418- Strengthening Home Land Security	(O) 2.61	1.64	62.84
			2070-107.0701.7867- Modernization of City Army	(O) 0.90	0.90	100.00
			2235-60.200.9545- Maintenance of Department Assets	(O) 1.40	1.34	95.71
			4055-207.0701.2643- Modernisation of Police Force	(O) 10.80	5.94	55.00
			4055-207.0704.2643- Modernisation of Police Force	(O) 7.20	5.24	72.78
			4055-207.1309- Security Arrangement for High Court and Subordinate Courts	(O) 0.40	0.40	100.00
			4055-207.3680- Police Headquarters	(O) 7.00	5.57	79.57
			4055-207.8333- Expenditure from Road Safety Fund	(O) 20.00	18.94	94.70
			4055-208.0101.7185- Establishment of State Industrial Security Force Battalion	(O) 2.86	2.86	100.00
			4055-800.0101.7186- Traffic Management in Major Cities	(O) 8.00	7.35	91.88
			4055-800.0101.7346- Centralized Police Call Center and Control Room System	(O) 30.00	17.49	58.30
3	7	Commercial Tax	4059-01.051.0101.1267- Construction of Commercial Tax Office Buildings	(O) 15.00	13.77	91.80
4	8	Expenditure on Land Revenue, District	2245-01.101.6422- Assistance for Drought Related Crop Damage and Other Works	(O) 6.62	6.60	99.70

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)	
		Administration and Diaster Relief	2245-01.102.6434- Drinking Water Transportation in Rural Areas	(O) 11.00	10.90	99.09	
			2245-02.122.0989- Re-establishment and Repair of Damaged Irrigation and Flood Control Works	(O) 50.00	50.00	100.00	
			2245-80.001-9545- Maintenance of Department Assets	(O) 1.00	1.00	100.00	
			2245-80.102.6276- Disaster Management Planning	(O) 105.00 (S) 136.24 241.24	144.59	59.94	
			2245-80.102.6374- Advertisement and Publicity of Calamity Management	(O) 1.05	1.05	100.00	
			2245-80.800.8030- Assistance for Restoration and Other Works	(O) 5.25	5.25	100.00	
			4250-101.6276- Disaster Management Planning	(O) 890.00	498.48	56.01	
			4250-101.7667- Capacity Building Under 15th Finance Commission	(O) 157.30	110.33	70.14	
			4250-101.8030- Assistance for Restoration and Other Works	(O) 105.00	105.00	100.00	
			4250-800.6436- Training and Purchase of Equipments Related to Calamity	(O) 1.50	1.50	100.00	
5	11		Industrial Policy and Investment Promotion	2852-80.102.0101.9531- Operating Scheme for One District One Product	(O) 6.10	6.10	100.00
				2852-80.102.0102.9531- Operating Scheme for One District One Product	(O) 2.30	2.30	100.00
		2852-80.102.0103.9531- Operating Scheme for One District One Product		(O) 1.60	1.60	100.00	
6	13	Farmers Welfare and Agriculture Development	2401-102.0102.9899- Interest Waiver Solution Scheme of Defaulter Farmers Eligible for Loan Waiver Scheme	(S) 77.00	77.00	100.00	
			2401-102.0103.9899- Interest Waiver Solution Scheme of Defaulter Farmers Eligible for Loan Waiver Scheme	(S) 56.00	56.00	100.00	
			2401-102.0701.7501- National Food Security Mission	(O) 142.10	112.61	79.25	
			2401-102.0702.7501- National Food Security Mission	(O) 53.13	43.85	82.53	

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			2401-102.0703.7501- National Food Security Mission	(O) 36.96	28.49	77.08
			2401-102.0704.7501- National Food Security Mission	(O) 94.73	75.07	79.25
			2401-102.0705.7501- National Food Security Mission	(O) 35.42	29.23	82.52
			2401-102.0706.7501- National Food Security Mission	(O) 24.64	19.00	77.11
			2401-105.0701.1227- Traditional Agriculture Development Scheme	(O) 16.63	13.60	81.78
			2401-105.0701.1229- Soil Health Card Scheme	(O) 3.93 (S) 14.06 17.99	16.83	93.55
			2401-108.0704.7500- National Oil Seed and Oil Palm Mission Under National Food Security Mission	(O) 15.07	11.77	78.10
			2401-109.0101.9529- Agricultural Deversification Scheme for Demand Based Agriculture	(O) 12.40	12.22	98.55
			2401-109.0101.9530- Promotion of Organic Farming	(O) 18.60	18.10	97.31
			2401-109.0101.9531- Operating Scheme for One District One Product	(O) 6.20	6.20	100.00
			2401-109.0103.9531- Operating Scheme for One District One Product	(O) 2.10	2.10	100.00
			2401-109.0101.9532- G.I. Tag Scheme for Specific Crops/Varieties of Madhya Pradesh	(O) 3.10	3.10	100.00
			2401-109.0101.9533- M.P. State Millet Mission	(O) 6.20	6.20	100.00
			2401-109.0103.9533- M.P. State Millet Mission	(O) 2.10	2.10	100.00
			2401-109.0101.9534- Constitution and Promotion of Farm Product Organisations (F.P.O.)	(O) 6.20	6.20	100.00
			2401-109.0103.9534- Constitution and Promotion of Farm Product Organisations (F.P.O.)	(O) 2.10	2.10	100.00
			2401-109.0101.9537- Operation of Agricultural Infrastructure Funds	(O) 3.10	3.10	100.00
			2401-109.0101.9538- Export Incentive Scheme	(O) 6.82	6.82	100.00

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			2401-109.0103.9538- Export Incentive Scheme	(O) 2.31	2.31	100.00
			2401-109.0701.7494- Sub Mission on Seed and Planning Material	(O) 31.85	16.52	51.87
			2401-109.0704.7494- Sub Mission on Seed and Planning Material	(O) 21.23	12.33	58.08
			2401-113.0701.7500- National Oil Seed and Oil Palm Mission Under National Food Security Mission	(O) 2.10	2.10	100.00
			2401-113.0701.7501- National Food Security Mission	(O) 7.32	7.32	100.00
			2401-113.0702.7501- National Food Security Mission	(O) 2.76	2.76	100.00
			2401-113.0704.7501- National Food Security Mission	(O) 4.88	4.88	100.00
			2401-113.0704.5626- National Agriculture Development Scheme	(O) 18.00	12.14	67.44
			2408-01.102.7847- Chief Minister Farmer Crop Earning Aid Scheme	(O) 1,500.00	1,199.82	80.00
			2401-113.0701.5626- National Agriculture Development Scheme	(O) 27.00	18.21	67.44
7	17	Co-operation	2425-107.0101.2352- Computerization of Primary Agriculture Credit Co-operative Societies	(S) 38.00	38.00	100.00
			2425-800.0701.5626- National Agriculture Development Scheme	(O) 10.98	10.98	100.00
			2425-800.0702.5626- National Agriculture Development Scheme	(O) 4.14	4.14	100.00
			2425-800.0703.5626- National Agriculture Development Scheme	(O) 2.88	2.88	100.00
			2425-800.0704.5626- National Agriculture Development Scheme	(O) 7.32	7.32	100.00
			2425-800.0705.5626- National Agriculture Development Scheme	(O) 2.76	2.76	100.00
			2425-800.0706.5626- National Agriculture Development Scheme	(O) 1.92	1.92	100.00
			2425-800.0910.6965- Integrated Co-operative Development Project	(O) 5.89	5.89	100.00

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			4425-107.0101.5318- Share Capital of Co-operative Banks	(O) 800.00	800.00	100.00
			4425-107.0102.5318- Share Capital of Co-operative Banks	(O) 115.00	115.00	100.00
			4425-107.0103.5318- Share Capital of Co-operative Banks	(O) 85.00	85.00	100.00
			4425-107.0910.6965- Integrated Co-operative Development Project	(O) 9.80	9.80	100.00
			6425-107.0910.6965- Integrated Co-operative Development Project	(O) 9.82	9.82	100.00
8	21	Public Services Management	4059-01.051.6783- Construction of Public Service Centres	(O) 0.25	0.25	100.00
9	23	Water Resources	2700-13.101.0102.2894- Dam and Canals	(O) 3.01	1.66	55.15
			2700-38.101.0101.2894- Dam and Canals	(O) 0.40	0.40	100.00
			2700-39.101.0101.2894- Dam and Canals	(O) 0.40	0.40	100.00
			2702-80.800.0103.6360- Arrangement of Funds to Elected Agricultural Institutions	(O) 4.00	2.50	62.50
10	27	School Education	2202-01.001.0101.9560- Enriched Education Repercussions from the Arts	(O) 6.10	6.10	100.00
			2202-01.001.0102.9560- Enriched Education Repercussions from the Arts	(O) 2.30	2.30	100.00
			2202-01.001.0103.9560- Enriched Education Repercussions from the Arts	(O) 1.60	1.60	100.00
			2202-01.104.0701.9675- Stars Project	(O) 15.01	15.01	100.00
			2202-01.104.0702.9675- Stars Project	(O) 5.66	5.66	100.00
			2202-01.104.0703.9675- Stars Project	(O) 3.94	3.94	100.00
			2202-01.104.0704.9675- Stars Project	(O) 10.00	10.00	100.00
			2202-01.104.0705.9675- Stars Project	(O) 3.77	3.77	100.00
			2202-01.104.0706.9675- Stars Project	(O) 2.62	2.62	100.00
			4202-01.202.0704.5330- Samagra Shiksha Abhiyaan	(O) 41.48	41.48	100.00

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			4202-01.202.0705.5330-Samagra Shiksha Abhiyaan	(O) 15.64	15.64	100.00
11	29	Law and Legislative Affairs	2014-102.0101.9545-Maintenance of Departmental Assets	(O) 16.00	11.62	72.63
			2014-103.0707.9634-Establishment of Fast Track Courts Under Pocso Act	(S) 42.87	29.12	67.93
			2014-105.0101.1486-Upgradation of Facilities of Stake Holders	(O) 3.50	3.50	100.00
			2014-105.5315- Special Court M.P. and M.L.A.	(O) 3.78	3.18	84.13
			2014-105.6211- Special Courts Constituted for Central Bureau of Investigation	(O) 7.36	4.17	56.66
			2015-102.9545- Maintenance of Departmental Assets	(O) 2.09	1.46	69.86
			2225-01.800.0707.5171-Establishment of Special Courts	(S) 42.27	29.09	68.82
			2235-60.200.0101.1489-Construction of A.D.R. Centres	(O) 5.00	3.96	79.20
			2235-60.200.0101.5104-Permanent Public Court	(O) 0.90	0.63	70.00
			2014-102.7702-Computerisation in High Court	(O) 15.00	8.85	59.00
			2014-102.9545- Maintenance of Departmental Assets	(O) 8.00	5.35	66.00
			4059-01.051.0101.9073-Construction and upgradation of Advocate General Office Building	(O) 10.00	10.00	100.00
			4216-01.106.0701.6222-Construction of Residential Quarters for Judges	(O) 33.00	33.00	100.00
			2014-102.0101.0573- High Court (Charged)	(O) 8.00	4.20	52.50
12	30	Rural Development	2215-02.198.0701.5206-Nirmal Bharat Abhiyan	(O) 146.40	87.50	59.77
			2501-06.198.0101.9567-Additional Interest Payment Scheme to Women Self-help Group 2018	(S) 51.06	51.06	100.00
			2501-06.198.0102.9567-Additional Interest Payment Scheme to Women Self-help Group 2018	(S) 19.25	19.25	100.00
			2501-06.198.0103.9567-Additional Interest Payment Scheme to Women Self-help Group 2018	(S) 13.39	13.39	100.00

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			2501-06.198.0701.9526- Deendayal Upadhyay Rural Skills Yojna (D.D.U.G.K.Y.)	(O) 25.62	25.24	98.52
			2501-06.198.0702.9526- Deendayal Upadhyay Rural Skills Yojna (D.D.U.G.K.Y.)	(O) 9.66	9.52	98.55
			2501-06.198.0703.9526- Deendayal Upadhyay Rural Skills Yojna (D.D.U.G.K.Y.)	(O) 6.72	6.62	98.51
			2501-06.198.0704.9526- Deendayal Upadhyay Rural Skills Yojna (D.D.U.G.K.Y.)	(O) 17.08	16.82	98.48
			2501-06.198.0705.9526- Deendayal Upadhyay Rural Skills Yojna (D.D.U.G.K.Y.)	(O) 6.44	6.34	98.45
			2501-06.198.0706.9526- Deendayal Upadhyay Rural Skills Yojna (D.D.U.G.K.Y.)	(O) 4.48	4.41	98.44
			2501-06.198.0801.9527- Rural Self Employment Training Institute-(R.C.T.)	(O) 25.00	25.00	100.00
			2515-198.0701.0656- Kitchen Shade Devices	(O) 3.00	3.00	100.00
			2515-198.0701.0660- Shyama Prasad Mukherjee Urban Mission	(O) 7.32	7.32	100.00
			2515-198.0702.0660- Shyama Prasad Mukherjee Urban Mission	(O) 2.76	2.76	100.00
			2515-198.0703.0660- Shyama Prasad Mukherjee Urban Mission	(O) 1.92	1.92	100.00
			2515-198.0704.0656- Kitchen Shade Devices	(O) 2.00	2.00	100.00
			2515-198.0704.0660- Shyama Prasad Kukherjee Rurban Mission	(O) 4.88	4.88	100.00
			2515-198.0705.0660- Shyama Prasad Kukherjee Rurban Mission	(O) 1.84	1.84	100.00
			2515-198.0706.0660- Shyama Prasad Kukherjee Rurban Mission	(O) 1.28	1.28	100.00
			4515-800.0101.7251- Vikas Bhawan	(O) 10.00	10.00	100.00
			2505-01.198.0701.6923- National Rural Employment Guarantee Scheme	(O) 1,601.25	847.82	52.95
			2505-01.198.0702.6923- National Rural Employment Guarantee Scheme	(O) 603.75	323.30	53.55
			2505-01.198.0703.6923- National Rural Employment Guarantee Scheme	(O) 420.00	224.91	53.55

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			2505-01.198.0704.6923- National Rural Employment Guarantee Scheme	(O) 533.75	275.41	51.60
			2505-01.198.0705.6923- National Rural Employment Guarantee Scheme	(O) 201.25	104.53	51.94
13	31	Planning, Economics and Statistics	3451-092.0101.9602- Monitoring and Evaluation of Government Schemes	(O) 5.00	5.00	100.00
14	33	Tribal Affairs	2225-01.800.0102.9545- Maintenance of Department Assets	(O) 1.00	1.00	100.00
			2225-02.001.0102.9843- Monitoring and Evaluation Units	(O) 1.08	0.62	57.41
			2225-02.102.0102.2321- Leadership Development and Bharat Darshan	(O) 1.12	1.12	100.00
			2225-02.102.0102.2324- Akansha Yojna	(O) 10.35	7.96	76.91
			2225-02.102.0102.4719- Scheme for Assistance to Scheduled Tribes/Scheduled Castes	(O) 0.50	0.45	90.00
			2225-02.102.0102.7826- Transport Scheme for Studying in Class 9th to 12th	(O) 7.50	7.50	100.00
			2225-02.102.0102.9604- Employment Oriented Financial Assistance for Scheduled Tribes Youth	(O) 60.00	42.00	70.00
			2225-02.102.0102.9819- Special Backward Tribal Group Agencies	(O) 1.00	0.83	83.00
			2225-02.102.0802.6500- Development of Special Backward Tribes	(O) 100.00	78.16	78.16
			2225-02.102.0802.7881- Article 275 (1) Miscellaneous Development Work in Scheduled Tribes	(O) 123.87	123.16	99.43
			2225-02.277.0102.5205- Pre Examination Training for All India Services Examination Through Public Coaching Institute	(O) 1.00	0.63	63.00
			4225-02.800.0802.3728- Promotion, Research, Training and Development of Tribal Culture	(O) 9.00	9.00	100.00
15	35	Micro, Small and Medium Enterprises	2851-108.0102.7690- Supply of Electricity at Concessional rates/Interest Grant to Powerloom Weavers	(O) 1.84	1.84	100.00

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			2851-108.0103. 7690- Supply of Electricity at Concessional rates/Interest Grant to Powerloom Weavers	(O) 1.28	1.28	100.00
16	38	Ayush	2210-02.101.0702.1277- National Ayush Mission	(O) 10.07	9.04	89.77
			2210-02.101.0703.1277- National Ayush Mission	(O) 7.01	5.73	81.74
			2210-02.101.0705.1277- National Ayush Mission	(O) 6.72	6.03	89.73
			2210-02.101.0706.1277- National Ayush Mission	(O) 4.67	3.82	81.80
17	42	Bhopal Gas Tragedy Relief and Rehabilitation	4210-01.110.0101.0775- Health Services Gas Relief	(O) 3.00	1.72	57.33
			4235-01.201.0101.3171- Claims Directorate Connected to Bhopal Gas Tragedy	(O) 0.10	0.10	100.00
18	44	Higher Education	2202-03.103.0101.9574- Virtual teaching System in Government Colleges	(O) 7.61	7.61	100.00
			2202-03.103.0102.9574- Virtual teaching System in Government Colleges	(O) 2.86	2.86	100.00
			2202-03.103.0103.9574- Virtual teaching System in Government Colleges	(O) 2.00	2.00	100.00
			2202-03.103.1201.7464- Improvement in MP Higher Education	(O) 37.60	18.85	50.13
			2202-03.103.1202.7464- Improvement in MP Higher Education	(O) 18.64	10.25	55.99
			2202-03.107.0101.5766- Incentive Scheme	(O) 0.50	0.50	100.00
			4202-01.203.0701.7600- Implementation of National Higher Education Campaign Scheme	(O) 45.40	25.33	55.79
			4202-01.203.0702.7600- Implementation of National Higher Education Campaign Scheme	(O) 17.12	15.01	87.68
			4202-01.203.0704.7600- Implementation of National Higher Education Campaign Scheme	(O) 30.27	16.89	55.80
			4202-01.203.0705.7600- Implementation of National Higher Education Campaign Scheme	(O) 11.41	10.00	87.64
			4202-01.203.0706.7600- Implementation of National Higher Education Campaign Scheme	(O) 7.94	5.12	64.48

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)			
19	47	Technical Education, Skill Development and Employment	2203-112.0101.9545- Maintenance of Departmental Assets	(O) 6.05	4.13	68.26			
			2230-02.101.0101.0724- Upgradation and Modernisation of Employment offices on the basis of Public Partnership	(O) 4.40	4.39	99.77			
			2230-03.003.0701.1232- Upgradation of I.T.I. as Model I.T.I.	(O) 7.00	7.00	100.00			
			2230-03.003.0702.1232- Upgradation of I.T.I. as Model I.T.I.	(O) 0.70	0.70	100.00			
			2230-03.003.0703.1232- Upgradation of I.T.I. as Model I.T.I.	(O) 0.70	0.70	100.00			
			2230-03.003.0704.1232- Upgradation of I.T.I. as Model I.T.I.	(O) 3.00	3.00	100.00			
			2230-03.101.0801.5392- Strive Scheme	(O) 32.00	25.30	79.06			
			2230-03.101.0802.7490- Prime Minister Skill Development Scheme	(O) 9.03	9.03	100.00			
			2230-03.101.0803.7490- Prime Minister Skill Development Scheme	(O) 7.98	7.98	100.00			
			4202-02.104.0801.2667- Polytechnic Institutes	(O) 0.83	0.67	80.72			
			20	49	Scheduled Caste Welfare	2225-01.001.0603.9094- Survey for Integrated Development	(O) 1.00	1.00	100.00
						2225-01.196.0703.0327- Scholarships for Children of People Engaged in Unclean Occupations	(O) 3.15	3.15	100.00
2225-01.196.0706.0327- Scholarships for Children of People Engaged in Unclean Occupations	(O) 2.10	2.10				100.00			
2225-01.277.0803.7765- Post Matric Scholarships (Higher Secondary Level)	(O) 8.00	8.00				100.00			
2225-01.793.0703.0326- Organizing eradication of Untouchability	(O) 9.60	5.75				59.90			
2225-01.793.0703.5191- Relief Under Scheduled Caste and Scheduled Tribe Prevention of Atrocities (Contingency Scheme) 2015	(O) 66.40	39.24				59.10			
4225-01.190.0103.3185- M.P. Scheduled Caste Cooperative Finance and Development Corporation	(O) 2.00	2.00				100.00			

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			4225-01.800.0703.1400- Ashram and Hostel Building	(O) 0.60	0.60	100.00
			2225-01.227.0103.2324- Akansha Yojna	(O) 10.00	7.60	76.00
			4225-01.277.0103.4717- Scheduled Caste Hostel	(O) 100.00	70.00	70.00
21	50	Horticulture and Food Processing	2401-109.0701.7692- National Medicinal Plant Mission	(O) 3.00	3.00	100.00
			2401-109.0704.7692- National Medicinal Plant Mission	(O) 2.00	2.00	100.00
			2401-119.0101.2816- Crop Insurance Scheme	(O) 27.45	27.45	100.00
			2401-119.0102.2816- Crop Insurance Scheme	(O) 10.35	10.35	100.00
			2401-119.0102.6496- Incentive Scheme of Infrastructure Development of Integrated Cold Storage Series Under Horticulture Post Crop Management	(O) 2.30	2.30	100.00
			2401-119.0102.6497- Incentive Scheme of Protected Farming of Commercial Horticulture Crops	(O) 0.46	0.46	100.00
			2401-119.0103.2816- Crop Insurance Scheme	(O) 7.20	7.20	100.00
			2401-119.0103.6496- Incentive Scheme of Infrastructure Development of Integrated Cold Storage Series Under Horticulture Post Crop Management	(O) 1.60	1.60	100.00
			2401-119.0701.1482- Micro Irrigation Scheme Under Prime Minister Agriculture Irrigation Scheme	(O) 58.56	45.06	76.95
			2401-119.0701.5116- National Horticulture Mission	(O) 18.30	10.67	58.31
			2401-119.0701.7848- Prime Minister Micro Food Enterprises Upgradation	(O) 40.26	40.26	100.00
			2401-119.0702.7848- Prime Minister Micro Food Enterprises Upgradation	(O) 15.18	15.18	100.00
			2401-119.0703.7848- Prime Minister Micro Food Enterprises Upgradation	(O) 10.56	10.56	100.00
			2401-119.0704.1482- Micro Irrigation Scheme Under Prime	(O) 39.04	30.04	76.95

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			Minister Agriculture Irrigation Scheme			
			2401-119.0704.7848- Prime Minister Micro Food Enterprises Upgradation	(O) 26.84	26.84	100.00
			2401-119.0705.7848- Prime Minister Micro Food Enterprises Upgradation	(O) 10.12	10.12	100.00
			2401-119.0706.7848- Prime Minister Micro Food Enterprises Upgradation	(O) 7.04	7.04	100.00
			4401-119.0701.5116- National Horticulture Mission	(O) 3.00	3.00	100.00
			4401-119.0704.5116- National Horticulture Mission	(O) 2.00	2.00	100.00
22	55	Women and Child Development	2235-02.001.9545- Maintenance of Departmental Assets	(O) 84.01	43.54	51.83
			2235-02.102.0701.0851- National Creche Scheme (Saksham Anganwadi Aur Poshan 2.0)	(O) 0.60	0.60	100.00
			2235-02.102.0704.0851- National Creche Scheme (Saksham Anganwadi Aur Poshan 2.0)	(O) 0.40	0.40	100.00
			2235-02.102.0707.1291- Nutrition Mission (NNM) (Saksham Anganwadi Aur Poshan 2.0)	(S) 0.52	0.52	100.00
			2235-02.103.0101.5033- Jabali Yojana	(O) 0.50	0.50	100.00
			2235-02.103.0101.9601- Aid for Domestic Violence Victims	(O) 5.41	5.00	92.42
			2235-02.103.0101.9614- Employment Oriented Financial Assistance for Women	(O) 50.00	50.00	100.00
			2235-02.103.0701.1326- Swadhar Scheme (Mission Shakti-Sambal)	(O) 1.50	1.50	100.00
			2235-02.103.0701.2367- Mahila Shakti Kendra	(O) 4.21	4.21	100.00
			2235-02.103.0701.2375- Safe City Programme	(O) 1.05	1.05	100.00
			2235-02.103.0704.1326- Swadhar Scheme (Mission Shakti-Sambal)	(O) 1.00	1.00	100.00
			2235-02.103.0704.2367- Mahila Shakti Kendra	(O) 2.81	2.81	100.00
			2235-02.103.0707.2367- Mahila Shakti Kendra	(S) 5.00	5.00	100.00

Sl. No.	Grant No.	Nomenclature	Heads of Accounts	Budget (O+S)	Amount Surrendered	Surrender (in per cent)
			2235-02.103.0707.6917- Prime Minister Matra Vandana Yojana (PMMVY) (Mission Shakti Samarthya)	(S) 43.61	43.56	99.89
			2235-02.102.0101.6442- Atal Bal Arogya Mission	(O) 15.52	13.44	86.60
Total				10,357.23	7,391.48	71.37

Source: Appropriation Accounts 2022-23

Appendix 3.7
Anticipated Savings not Surrendered
(Reference: Paragraph 3.3.5.2; Page 85)

(₹ 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	2,107.86	1.71	2,106.15
2	CH-II	Charged Appropriation-Interest Payments and Servicing of Debt	RC	2,713.17	0.74	2,712.43
3	1	General Administration	RV	267.05	236.70	30.35
4	1	General Administration	RC	40.86	22.29	18.57
5	1	General Administration	CV	16.99	11.41	5.58
6	2	Aviation	RV	5.66	0.00	5.66
7	2	Aviation	CV	120.92	0.00	120.92
8	3	Home	RV	1,145.70	1,128.68	17.02
9	3	Home	RC	1.07	0.03	1.04
10	4	Environment	RV	7.94	0.00	7.94
11	5	Jail	RV	26.64	0.00	26.64
12	5	Jail	CV	32.84	0.00	32.84
13	6	Finance	RV	3,846.55	8.22	3,838.33
14	6	Finance	RC	101.88	0.01	101.87
15	6	Finance	CV	1,325.91	0.00	1,325.91
16	7	Commercial Tax	RV	238.19	62.04	176.15
17	7	Commercial Tax	CV	16.45	13.77	2.68
18	8	Expenditure on Land Revenue, District Administration and Disaster Relief	RV	2,362.50	1,269.48	1,093.02
19	8	Expenditure on Land Revenue, District Administration and Disaster Relief	RC	3.16	0.00	3.16
20	8	Expenditure on Land Revenue, District Administration and Disaster Relief	CV	868.73	721.11	147.62
21	9	New and Renewable Energy	RV	8.11	0.00	8.11
22	10	Forest	RV	298.36	2.43	295.93
23	10	Forest	CV	120.10	0.00	120.10
24	12	Energy	RV	225.00	0.00	225.00
25	12	Energy	CV	4,771.71	0.00	4,771.71
26	13	Farmers Welfare and Agricultural Development	RV	3,204.80	3,204.41	0.39
27	14	Animal Husbandry and Dairying	RV	340.87	0.00	340.87
28	14	Animal Husbandry and Dairying	CV	2.15	0.00	2.15
29	15	Denotified, Nomadic and Semi-Nomadic Tribes Welfare	RV	14.55	0.65	13.90
30	15	Denotified, Nomadic and Semi-Nomadic Tribes Welfare	CV	2.57	0.00	2.57
31	16	Fisherman Welfare and Fisheries Development	RV	133.11	0.00	133.11
32	17	Co-operation	RV	188.21	188.15	0.06
33	18	Labour	RV	74.24	69.08	5.16
34	19	Public Health and Family Welfare	RV	1,273.62	0.00	1,273.62
35	19	Public Health and Family Welfare	CV	475.26	0.00	475.26
36	20	Public Health Engineering	RV	117.70	0.00	117.70
37	20	Public Health Engineering	RC	3.24	0.00	3.24

Sl. No.	Grant No.	Nomenclature	RV/CV/CC/RC	Savings	Total Surrendered	Savings not Surrendered
38	20	Public Health Engineering	CV	1,073.17	70.13	1,003.04
39	21	Public Service Management	RV	11.67	3.35	8.32
40	22	Urban Development and Housing	RV	1,218.38	4.04	1,214.34
41	22	Urban Development and Housing	RC	296.91	0.00	296.91
42	22	Urban Development and Housing	CV	75.41	0.29	75.12
43	22	Urban Development and Housing	CC	10.00	0.00	10.00
44	23	Water Resources	RV	306.97	295.27	11.70
45	23	Water Resources	CV	190.55	173.73	16.82
46	23	Water Resources	CC	1.05	0.40	0.65
47	24	Public Works	RV	621.03	0.00	621.03
48	24	Public Works	RC	1.82	0.00	1.82
49	24	Public Works	CV	281.15	4.91	276.24
50	24	Public Works	CC	79.88	0.00	79.88
51	25	Mineral Resources	RV	23.20	0.00	23.20
52	25	Mineral Resources	CV	1.07	0.00	1.07
53	26	Culture	RV	57.49	12.22	45.27
54	26	Culture	CV	323.95	0.00	323.95
55	27	School Education	RV	2,820.65	2,812.68	7.97
56	28	State Legislature	RV	11.44	0.73	10.71
57	29	Law and Legislative Affairs	RV	450.87	445.17	5.70
58	29	Law and Legislative Affairs	RC	46.37	46.26	0.11
59	30	Rural Development	RV	4,822.73	4,790.66	32.07
60	30	Rural Development	CV	298.13	255.67	42.46
61	31	Planning, Economics and Statistics	RV	27.52	25.48	2.04
62	31	Planning, Economics and Statistics	CV	37.11	12.03	25.08
63	32	Public Relations	RV	13.39	0.00	13.39
64	32	Public Relations	CV	2.11	0.00	2.11
65	33	Tribal Affairs	RV	1,319.55	1,311.11	8.44
66	34	Social Justice and Disabled Person Welfare	RV	87.93	42.88	45.05
67	35	Micro, Small and Medium Enterprises	RV	291.86	56.25	235.61
68	36	Transport	RV	40.79	0.05	40.74
69	36	Transport	CV	8.25	0.00	8.25
70	38	Ayush	RV	75.69	57.28	18.41
71	38	Ayush	CV	2.35	0.04	2.31
72	39	Food, Civil Supplies and Consumer Protection	RV	211.29	6.12	205.17
73	39	Food, Civil Supplies and Consumer Protection	CV	31.36	0.28	31.08
74	40	Panchayat	RV	2,546.20	0.00	2,546.20
75	41	Overseas Indian Department	RV	11.38	0.12	11.26
76	42	Bhopal Gas Tragedy Relief and Rehabilitation	RV	12.73	12.30	0.43
77	43	Sports and Youth Welfare	RV	22.85	20.10	2.75
78	44	Higher Education	RV	664.10	639.29	24.81
79	44	Higher Education	CV	119.47	88.53	30.94
80	45	Public Assets Management	RV	45.21	0.00	45.21
81	45	Public Assets Management	CV	132.97	0.00	132.97

Sl. No.	Grant No.	Nomenclature	RV/CV/CC/RC	Savings	Total Surrendered	Savings not Surrendered
82	47	Technical Education, Skill Development and Employment	RV	258.90	233.46	25.44
83	47	Technical Education, Skill Development and Employment	CV	38.19	35.81	2.38
84	48	Narmada Valley Development	RV	15.27	15.26	0.01
85	48	Narmada Valley Development	CV	147.26	145.22	2.04
86	49	Scheduled Caste Welfare	RV	280.37	280.42	(-) 0.05
87	50	Horticulture and Food Processing	RV	374.63	364.49	10.14
88	51	Religious Trusts and Endowments	RV	21.05	0.00	21.05
89	52	Medical Education	RV	78.38	0.00	78.38
90	52	Medical Education	CV	32.33	15.88	16.45
91	53	Minority Welfare	RV	5.36	0.00	5.36
92	54	Backward Classes Welfare	RV	251.05	0.00	251.05
93	54	Backward Classes Welfare	CV	11.34	0.00	11.34
94	55	Women and Child Development	RV	1,209.80	1,209.57	0.23
95	56	Cottage and Rural Industry	RV	29.21	0.00	29.21
Total				47,984.81	20,428.39	27,556.42

Source: Appropriation Accounts 2022-23

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 3.3.5.2; Page 85)

(₹ in crore)				
Sl. No.	Grant No.	Nomenclature	RV/CV/CC/RC	Savings
1	2	Aviation	RV	5.66
2	2	Aviation	CV	120.92
3	4	Environment	RV	7.94
4	5	Jail	RV	26.64
5	5	Jail	CV	32.84
6	6	Finance	CV	1,325.91
7	8	Expenditure on Land Revenue, District Administration and Disaster Relief	RC	3.16
8	9	New and Renewable Energy	RV	8.11
9	10	Forest	CV	120.10
10	12	Energy	RV	225.00
11	12	Energy	CV	4,771.71
12	14	Animal Husbandry and Dairying	RV	340.87
13	14	Animal Husbandry and Dairying	CV	2.15
14	15	Denotified, Nomadic and Semi-Nomadic Tribes Welfare	CV	2.57
15	16	Fisherman Welfare and Fisheries Development	RV	133.11
16	19	Public Health and Family Welfare	RV	1,273.62
17	19	Public Health and Family Welfare	CV	475.26
18	20	Public Health Engineering	RV	117.70
19	20	Public Health Engineering	RC	3.24
20	22	Urban Development and Housing	RC	296.91
21	22	Urban Development and Housing	CC	10.00
22	24	Public Works	RV	621.03
23	24	Public Works	RC	1.82
24	24	Public Works	CC	79.88
25	25	Mineral Resources	RV	23.20
26	25	Mineral Resources	CV	1.07
27	26	Culture	CV	323.95
28	32	Public Relations	RV	13.39
29	32	Public Relations	CV	2.11
30	36	Transport	CV	8.25
31	40	Panchayat	RV	2,546.20
32	45	Public Assets Management	RV	45.21
33	45	Public Assets Management	CV	132.97
34	51	Religious Trusts and Endowments	RV	21.05
35	52	Medical Education	RV	78.38
36	53	Minority Welfare	RV	5.36
37	54	Backward Classes Welfare	RV	251.05
38	54	Backward Classes Welfare	CV	11.34
39	56	Cottage and Rural Industry	RV	29.21
Total				13,498.89

Source: Appropriation Accounts 2022-23

Appendix 3.9
Surrender orders not accepted by Principal Accountant General

(Reference: Paragraph 3.3.5.4; Page 86)

(₹ in crore)

Sl. No.	Number of Sanctions	Grant/Appropriation No.	Amount	Particulars of Irregularities
1	8	1, 19, 22, 30, 32, 47, 54, 57	2,020.29	Sanction issued after closing of the Financial Year i.e. 31 March 2023
2	6	5, 16, 23, 24, 26, 33	1,253.34	Delayed receipt of sanction in Principal Accountant General (A&E) office after the due date i.e. 10 May 2023
3	2	25, 53	25.12	Non-receipt of complete details in the sanction orders.
Total			3,298.75	

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

Appendix 3.10
Schemes in which total provision of ₹10 crore and above remained unutilised

(Reference: Paragraph 3.3.5.5; Page 86)

(₹ 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	76.46	0.00	76.46
2	CH-I	6003		110		0637	66	C	736.11	0.00	736.11
3	CH-I	6003		110		0779	66	C	2,000.00	0.00	2,000.00
4	CH-II	2049	01	101		5025	52	C	200.00	0.00	200.00
5	CH-II	2049	01	101		5437	52	C	78.98	0.00	78.98
6	CH-II	2049	01	101		9898	52	C	157.00	0.00	157.00
7	CH-II	2049	01	200		7824	52	C	550.00	0.00	550.00
8	CH-II	2049	60	701		0716	52	C	776.88	0.00	776.88
9	CH-II	2049	60	701		6971	52	C	70.00	0.00	70.00
10	CH-II	2049	60	701		6972	52	C	80.00	0.00	80.00
11	1	2070		800		9608	42	V	15.00	0.00	15.00
12	2	5053	80	800	0101	6592	23	V	120.00	0.00	120.00
13	6	2054		095		5329	51	V	1,983.00	0.00	1,983.00
14	6	2054		095		5329	53	C	100.00	0.00	100.00
15	6	2070		800	0101	0224	51	V	82.00	0.00	82.00
16	6	4425		107	0101	1005	65	V	20.00	0.00	20.00
17	6	6075		800		6787	66	V	793.13	0.00	793.13
18	6	6075		800		6788	66	V	10.00	0.00	10.00
19	12	2801	80	101	0101	7837	44	V	1,860.00	0.00	1,860.00
20	12	2801	80	101	0102	7837	44	V	660.00	0.00	660.00
21	12	2801	80	101	0102	7861	44	V	25.00	0.00	25.00
22	12	2801	80	101	0103	7837	44	V	480.00	0.00	480.00
23	12	4801	05	190	0101	7837	64	V	1,767.00	0.00	1,767.00
24	12	4801	05	190	0102	7837	64	V	627.00	0.00	627.00
25	12	4801	05	190	0103	7837	64	V	456.00	0.00	456.00
26	12	4801	05	190	0410	9654	65	V	100.00	0.00	100.00
27	12	4801	05	190	0701	9542	64	V	930.00	0.00	930.00
28	12	4801	05	190	0702	9542	64	V	330.00	0.00	330.00
29	12	4801	05	190	0703	9542	64	V	240.00	0.00	240.00
30	12	4801	05	190	0704	9542	67	V	62.00	0.00	62.00
31	12	4801	05	190	0705	9542	67	V	22.00	0.00	22.00
32	12	4801	05	190	0706	9542	67	V	16.00	0.00	16.00
33	12	4801	05	190	1901	9542	67	V	558.00	0.00	558.00
34	12	4801	05	190	1902	9542	67	V	198.00	0.00	198.00
35	12	4801	05	190	1903	9542	67	V	144.00	0.00	144.00
36	12	6801		190	0101	5336	65	V	12.74	0.00	12.74
37	12	6801		205	1201	9655	67	V	100.00	0.00	100.00
38	14	2403		101	0701	9570	42	V	32.61	0.00	32.61
39	14	2403		101	0704	9570	42	V	21.74	0.00	21.74
40	14	2403		800	0701	5626	42	V	10.83	0.00	10.83
41	19	4210	01	110	1301	9922	63	V	117.00	0.00	117.00
42	19	4210	01	110	1301	9922	64	V	130.00	0.00	130.00
43	19	4210	01	110	1302	9922	63	V	35.00	0.00	35.00
44	19	4210	01	110	1302	9922	64	V	39.00	0.00	39.00
45	20	4215	01	001	0102	9551	64	V	43.00	0.00	43.00
46	20	4215	01	001	0103	9551	64	V	35.00	0.00	35.00
47	20	4215	01	102	1701	5468	64	V	30.00	0.00	30.00
48	20	4215	01	102	1702	5468	64	V	11.00	0.00	11.00
49	22	2217	05	800	0701	1238	42	V	16.84	0.00	16.84
50	22	3604		191		1425	45	C	128.00	0.00	128.00
51	22	3604		191		9611	42	V	14.03	0.00	14.03

Sl. No.	GNCD	MHCD	SMCD	MICD	GHCD	SHCD	DHCD	V/C	Total Budget	Expenditure	Saving
52	22	3604		191	0101	9578	42	V	30.00	0.00	30.00
53	22	4217	01	050	0101	3115	62	C	10.00	0.00	10.00
54	22	4217	01	051	0101	7715	64	V	10.00	0.00	10.00
55	22	4217	03	190	0703	7705	65	V	84.00	0.00	84.00
56	22	6217	60	191	0101	7913	67	V	10.00	0.00	10.00
57	22	6217	60	800	0101	9619	67	V	400.00	0.00	400.00
58	22	6217	60	800	1202	1262	67	V	10.00	0.00	10.00
59	22	6217	60	800	1203	7336	67	V	67.00	0.00	67.00
60	24	2059	80	800		9587	42	V	10.00	0.00	10.00
61	24	5054	03	337	1901	9609	62	C	30.00	0.00	30.00
62	24	5054	03	337	1902	9609	62	C	20.00	0.00	20.00
63	24	5054	04	337	0101	9876	64	V	12.00	0.00	12.00
64	24	5054	04	337	0101	9892	64	V	12.00	0.00	12.00
65	26	4202	04	800		9571	64	V	18.00	0.00	18.00
66	39	2408	01	102	0702	1299	44	V	59.23	0.00	59.23
67	39	2408	01	102	0703	1299	44	V	41.20	0.00	41.20
68	39	2408	01	102	0705	1299	44	V	59.23	0.00	59.23
69	39	2408	01	102	0706	1299	44	V	41.20	0.00	41.20
70	40	2515		198	0702	0647	42	V	26.59	0.00	26.59
71	40	2515		198	0703	0647	42	V	18.50	0.00	18.50
72	40	2515		198	0705	0647	42	V	12.51	0.00	12.51
73	40	2515		198	1302	9638	42	V	498.36	0.00	498.36
74	40	2515		198	1303	9638	42	V	346.69	0.00	346.69
75	40	3604		198	0101	9611	42	V	48.19	0.00	48.19
76	40	3604		198	0102	9611	42	V	18.17	0.00	18.17
77	40	3604		198	0103	4610	42	V	14.00	0.00	14.00
78	40	3604		198	0103	9611	42	V	12.64	0.00	12.64
79	47	2230	03	003	0101	9617	42	V	15.25	0.00	15.25
80	51	2250		800	0101	7227	42	V	20.00	0.00	20.00
81	54	2225	03	800	0101	9607	42	V	50.00	0.00	50.00
Total									19,105.10	0.00	19,105.10

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

Appendix 3.11

Statement of various Grants/Appropriations where savings were ₹10 crore and above and more than 20 per cent of the total provisions in each case

(Reference: Paragraph 3.3.9; Page 91)

(₹ 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	90.73	49.86	40.86	45.04
2	1	General Administration	CV	65.45	48.46	16.99	25.95
3	5	Jail	CV	87.50	54.66	32.84	37.54
4	7	Commercial Tax	CV	18.00	1.55	16.45	91.41
5	15	Denotified, Nomadic and Semi-Nomadic Tribes Welfare	RV	30.86	16.30	14.55	47.16
6	24	Public Works	CC	340.00	260.12	79.88	23.49
7	29	Law and Legislative Affairs	RC	223.20	176.83	46.37	20.78
8	36	Transport	RV	132.64	91.85	40.79	30.75
9	39	Food, Civil Supplies and Consumer Protection	CV	102.56	71.20	31.36	30.58
10	41	Overseas Indian Department	RV	20.83	9.45	11.38	54.64
11	45	Public Assets Management	RV	73.79	28.58	45.21	61.27
12	54	Backward Classes Welfare	CV	17.70	6.36	11.34	64.08
13	56	Cottage and Rural Industry	RV	120.24	91.03	29.21	24.29
Total				1,323.50	906.25	417.23	31.52
Cases where savings ranging between ₹100 crore and ₹500 crore							
14	1	General Administration	RV	1,015.30	748.24	267.05	26.30
15	2	Aviation	CV	121.00	0.08	120.92	99.93
16	6	Finance	RC	111.74	9.86	101.88	91.18
17	14	Animal Husbandry and Dairying	RV	1,439.12	1,098.25	340.87	23.69
18	16	Fisherman Welfare and Fisheries Development	RV	254.10	120.99	133.11	52.39
19	19	Public Health and Family Welfare	CV	1,025.78	550.52	475.26	46.33
20	22	Urban Development and Housing	RC	1,167.31	870.40	296.91	25.44
21	23	Water Resources	RV	1,499.49	1,192.53	306.97	20.47
22	26	Culture	CV	378.50	54.55	323.95	85.59
23	29	Law and Legislative Affairs	RV	1,925.08	1,474.21	450.87	23.42
24	33	Tribal Affairs	CV	1,508.11	1,096.71	411.41	27.28
25	35	Micro, Small and Medium Enterprises	RV	1,198.06	906.20	291.86	24.36
26	45	Public Assets Management	CV	200.00	67.03	132.97	66.48
27	49	Scheduled Caste Welfare	CV	200.00	91.84	108.16	54.08
28	50	Horticulture and Food Processing	RV	662.86	288.23	374.63	56.52
Total				12,706.45	8,569.64	4,136.82	32.56
Cases where savings ranging between ₹500 crore and above							
29	6	Finance	CV	1,373.83	47.92	1,325.91	96.51
30	8	Expenditure on Land Revenue, District Administration and Disaster Relief	RV	7,580.76	5,218.26	2,362.50	31.16
31	8	Expenditure on Land Revenue, District Administration and Disaster Relief	CV	1,422.01	553.28	868.73	61.09
32	12	Energy	CV	6,476.94	1,705.23	4,771.71	73.67
33	17	Co-operation	CV	1,020.12	0.08	1,020.05	99.99

Sl. No.	Grant No.	Nomenclature	RV/CV/CC/RC	Total Budget	Actual Expenditure	Savings	Savings (in per cent)
34	24	Public Works	RV	2,768.07	2,147.04	621.03	22.44
35	27	School Education	CV	1,459.30	918.82	540.48	37.04
36	30	Rural Development	RV	19,620.43	14,797.70	4,822.73	24.58
37	40	Panchayat	RV	8,008.12	5,461.92	2,546.20	31.80
38	44	Higher Education	RV	2,920.74	2,256.63	664.10	22.74
Total				52,650.32	33,106.88	19,543.44	37.12
Grand Total				66,680.27	42,582.77	24,097.49	36.14

Source: Appropriation Accounts 2022-23

Appendix 3.12
Budget Estimates on adhoc basis
(Reference: Paragraph 3.3.12; Page 96)

(Amount in ₹)

Sl. No.	Grant No.	Nomenclature	Head of Accounts	Total Budget (O+S)	Re-appropriation/ Surrender
1	1	General Administration	2052-800-7660	100	100
2			4059-01-051-0101-1343	1,000	1,000
3			4059-01-051-0101-6375	1,000	1,000
4			4059-01-051-0101-7376	1,000	1,000
5	3	Home Department	2055-109-7822	1,000	1,000
6			2055-109-0702-9953	100	100
7			2055-109-0705-9953	100	100
8			2070-107-0704-7867	1,000	1,000
9			4055-109-0702-9953	200	200
10			4055-109-0705-9953	200	200
11			4055-207-0702-6919	1,000	1,000
12			4055-207-0704-8333	1,000	1,000
13			4055-207-0801-5430	1,000	1,000
14	8	Expenditure on Land Revenue and District Administration and Disaster Relief	2245-80-103-6949	1,000	1,000
15			2245-80-103-7024	1,000	1,000
16	13	Farmers Welfare and Agriculture Development	2401-001-0101-5669	1,000	1,000
17			2401-001-0101-7660	100	100
18			2401-103-0102-5081	100	100
19			2401-103-0102-8769	100	100
20			2401-105-0101-6410	1,000	1,000
21			2401-105-0102-6410	1,000	1,000
22			2401-105-0103-6410	1,000	1,000
23			2401-109-0101-9901	100	100
24			2401-109-0701-9920	100	100
25			2401-109-0702-9920	100	100
26			2401-109-0703-9920	100	100
27			2401-109-0704-9920	100	100
28			2401-109-0705-9920	100	100
29			2401-109-0706-9920	100	100
30			2401-113-0101-6674	1,000	1,000
31	2401-113-0101-9598	1,000	1,000		

Sl. No.	Grant No.	Nomenclature	Head of Accounts	Total Budget (O+S)	Re-appropriation/ Surrender
32			2401-113-0102-6674	1,000	1,000
33			2401-113-0102-9598	1,000	1,000
34			2401-113-0102-9599	1,000	1,000
35			2401-113-0103-6674	1,000	1,000
36			2401-113-0103-9598	1,000	1,000
37			2401-113-0103-9599	1,000	1,000
38			2401-113-0801-0903	1,000	1,000
39			2401-113-0802-5907	1,000	1,000
40			2401-113-0803-5907	1,000	1,000
41			2401-800-1920	1,000	1,000
42			2401-800-0101-5319	1,000	1,000
43			2401-800-0101-5321	1,000	1,000
44			2401-800-0102-5319	1,000	1,000
45			2401-800-0103-5319	1,000	1,000
46			4401-103-6287	1,000	1,000
47	17	Co-operation	2425-107-0101-9134	1,000	1,000
48			2425-107-0102-9134	1,000	1,000
49			2425-107-0103-9134	1,000	1,000
50	23	Water Resources	2700-21-101-0102-2894	1,000	1,000
51			2701-80-001-0101-5669	1,000	1,000
52			4700-23-800-0101-2884	1,000	1,000
53			4700-23-800-0101-6596	1,000	1,000
54			4700-54-800-0101-2884	1,000	1,000
55			4700-56-800-1401-2884	1,000	1,000
56			4700-56-800-1402-2884	1,000	1,000
57			4700-56-800-1403-2884	1,000	1,000
58			4700-68-800-0101-2884	1,000	1,000
59			4700-68-800-0801-2884	1,000	1,000
60			4700-68-800-1901-2897	1,000	1,000
61			4700-83-800-0801-2884	1,000	1,000
62			4700-83-800-1901-2897	1,000	1,000
63			4700-84-800-1901-2897	1,000	1,000
64			4700-86-800-0801-2897	1,000	1,000
65			4700-B4-800-0801-2897	1,000	1,000
66			4700-B9-800-0801-2897	1,000	1,000
67			4700-C1-800-0801-2897	1,000	1,000

Sl. No.	Grant No.	Nomenclature	Head of Accounts	Total Budget (O+S)	Re-appropriation/ Surrender
68			4700-C8-800-0101-2897	1,000	1,000
69			4700-C8-800-1901-2897	1,000	1,000
70			4700-C9-800-0101-2897	1,000	1,000
71			4700-C9-800-1901-2897	1,000	1,000
72			4701-48-800-0802-3366	1,000	1,000
73			4701-80-800-0101-5591	1,000	1,000
74			4701-98-800-0802-2897	1,000	1,000
75			4701-99-800-0801-2897	1,000	1,000
76			4701-A5-800-0801-2884	1,000	1,000
77			4701-A7-800-0801-2884	1,000	1,000
78			4701-B1-800-1901-2884	1,000	1,000
79			4701-B2-800-0801-2884	1,000	1,000
80			4701-B8-800-0101-2884	1,000	1,000
81			4701-B8-800-0101-2894	1,000	1,000
82			4701-B9-800-0101-2884	1,000	1,000
83			4701-B9-800-0101-2894	1,000	1,000
84			4701-B9-800-1901-2884	1,000	1,000
85			4701-C1-800-0101-2884	1,000	1,000
86			4701-C1-800-0101-2894	1,000	1,000
87			4701-C1-800-1901-2884	1,000	1,000
88			4701-C2-800-0101-2884	1,000	1,000
89			4701-C2-800-0101-2894	1,000	1,000
90			4701-C2-800-1901-2884	1,000	1,000
91			4701-C3-800-0101-2884	1,000	1,000
92			4701-C3-800-0101-2894	1,000	1,000
93			4701-C3-800-1901-2884	1,000	1,000
94			4701-C4-800-0101-2884	1,000	1,000
95			4711-01-103-0101-9553	1,000	1,000
96	26	Culture	2205-102-0101-8001	1,000	1,000
97			2205-102-0102-7876	1,000	1,000
98			2205-102-0103-7876	1,000	1,000
99			2205-107-0701-4283	1,000	1,000
100			2205-107-0704-4283	1,000	1,000
101			4202-04-800-0101-8001	1,000	1,000
102			4202-04-800-0102-7011	1,000	1,000
103	27	School Education	2202-01-001-7300	1,000	1,000

Sl. No.	Grant No.	Nomenclature	Head of Accounts	Total Budget (O+S)	Re-appropriation/ Surrender
104			2202-01-102-0101-6344	1,000	1,000
105			2202-01-102-0801-6344	1,000	1,000
106			2202-01-102-0802-6344	1,000	1,000
107			2202-01-102-0803-6344	1,000	1,000
108			2202-01-107-0701-9678	1,000	1,000
109			2202-01-107-0702-9678	1,000	1,000
110			2202-01-107-0703-9678	1,000	1,000
111			2202-01-107-0704-9678	1,000	1,000
112			2202-01-107-0705-9678	1,000	1,000
113			2202-01-107-0706-9678	1,000	1,000
114			2202-02-101-0101-1233	1,000	1,000
115			2202-03-103-0101-2071	1,000	1,000
116			2202-03-103-0101-7618	1,000	1,000
117			2202-80-001-0101-4065	100	100
118			2202-80-001-0101-5669	1,000	1,000
119			2202-80-001-0101-7660	100	100
120			4202-01-201-0101-7617	1,000	1,000
121			4202-01-202-1701-6970	1,000	1,000
122			4202-01-202-1702-6970	1,000	1,000
123			4202-01-202-1703-6970	1,000	1,000
124			4202-02-103-0101-5732	1,000	1,000
125			4202-02-105-0101-0067	1,000	1,000
126			4202-04-105-0101-5473	1,000	1,000
127			4202-04-105-0102-5473	1,000	1,000
128			4202-04-105-0103-5473	1,000	1,000
129	28	State Legislature	2011-02-103-5669	1,000	1,000
130			2011-02-103-9545	1,000	1,000
131	29	Law and Legislative Affairs	2052-090-5669	1,000	1,000
132			2235-60-200-0101-7209	1,000	1,000
133	30	Rural Development	2501-06-198-0101-2372	1,000	1,000
134			2501-06-198-0103-5127	1,000	1,000
135			2501-06-198-0701-9528	1,000	1,000
136			2501-06-198-0702-9528	1,000	1,000
137			2501-06-198-0703-9528	1,000	1,000
138			2501-06-198-0704-9528	1,000	1,000
139			2501-06-198-0705-9528	1,000	1,000

Sl. No.	Grant No.	Nomenclature	Head of Accounts	Total Budget (O+S)	Re-appropriation/ Surrender
140			2501-06-198-0706-9528	1,000	1,000
141			2505-01-198-0101-2368	1,000	1,000
142			2505-01-198-0801-1072	100	100
143			2505-01-198-0801-1073	100	100
144			2505-01-198-0801-6923	100	100
145			2505-01-198-0802-6923	100	100
146			2505-01-198-0803-6923	100	100
147			2515-001-0101-5669	1,000	1,000
148			2515-198-0801-0656	1,000	1,000
149			4515-103-0101-5129	1,000	1,000
150			4515-103-0102-5129	1,000	1,000
151			4515-103-0103-5129	1,000	1,000
152			4515-198-0701-6099	1,000	1,000
153			4515-198-0702-6099	1,000	1,000
154			4515-198-0703-6099	1,000	1,000
155			4515-198-0704-6099	1,000	1,000
156			4515-198-0705-6099	1,000	1,000
157			4515-198-0706-6099	1,000	1,000
158			4515-800-0550-5129	1,000	1,000
159			4515-800-0551-5129	1,000	1,000
160			4515-800-0552-5129	1,000	1,000
161	31	Planning, Economics and	2401-102-1501-6080	1,000	1,000
162		Statistics	2401-102-1503-6080	1,000	1,000
163			2515-102-0701-6109	1,000	1,000
164			2515-102-0704-6109	1,000	1,000
165			3454-02-001-5669	1,000	1,000
166			3454-02-800-0801-6612	1,000	1,000
167			4401-102-0701-6080	1,000	1,000
168			4401-102-0703-6080	1,000	1,000
169			4401-102-1501-6080	1,000	1,000
170			4401-102-1503-6080	1,000	1,000
171	33	Tribal Welfare	2202-01-101-0102-7831	1,000	1,000
172			2202-01-102-0101-7828	1,000	1,000
173			2225-01-001-0102-5669	1,000	1,000
174			2225-01-102-0102-8861	1,000	1,000

Sl. No.	Grant No.	Nomenclature	Head of Accounts	Total Budget (O+S)	Re-appropriation/ Surrender
175			2225-02-001-0102-6130	100	100
176			2225-02-102-0102-6462	1,000	1,000
177			2225-02-102-0102-7829	1,000	1,000
178			2225-02-102-0102-9900	100	100
179			2225-02-102-0702-9771	1,000	1,000
180			2225-02-102-0705-9771	1,000	1,000
181			2225-02-277-0102-9952	100	100
182			4225-02-277-0102-0978	1,000	1,000
183			4225-02-277-0702-6502	1,000	1,000
184			4225-02-277-0705-6502	1,000	1,000
185	34	Social Justice and	2235-02-001-0101-5669	1,000	1,000
186		Disabled Person Welfare	2235-02-101-0101-2083	1,000	1,000
187			2235-02-101-0102-2083	1,000	1,000
188			2235-02-101-0103-2083	1,000	1,000
189			2235-02-800-0101-5389	1,000	1,000
190			2235-02-800-0101-6677	1,000	1,000
191	35	Micro, Small and Medium	2851-001-0101-5669	1,000	1,000
192		Enterprises	2851-102-0101-7064	1,000	1,000
193			2851-800-0101-7623	1,000	1,000
194			4851-800-0101-7623	1,000	1,000
195			4851-800-0101-7624	1,000	1,000
196	37	Tourism	3452-80-001-0101-2529	1,000	1,000
197			3452-80-001-0101-5669	1,000	1,000
198	39	Food, Civil Supplies and	3475-106-0101-6113	1,000	1,000
		Consumer Protection			
199	42	Bhopal Gas Tragedy	2235-02-001-0101-3171	1,000	1,000
200		Relief and Rehabilitation	2210-01-001-0101-5669	1,000	1,000
201			2235-02-001-0101-6735	1,000	1,000
202			2235-02-001-0101-7187	1,000	1,000
203			2235-02-001-0102-6735	1,000	1,000
204			2235-02-001-0103-6735	1,000	1,000
205			4235-01-201-0101-4889	1,000	1,000
206			4235-01-201-0701-6281	1,000	1,000
207			4235-01-201-0704-6281	1,000	1,000
208	44	Higher Education	2202-03-107-0102-5766	1,000	1,000
209			2202-03-107-0103-5766	1,000	1,000

Sl. No.	Grant No.	Nomenclature	Head of Accounts	Total Budget (O+S)	Re-appropriation/ Surrender		
210	46	Science and Technology	3425-60-200-0102-5525	1,000	1,000		
211			3425-60-200-0103-5525	1,000	1,000		
212			3425-60-600-0101-5669	1,000	1,000		
213			3425-60-600-0101-9522	1,000	1,000		
214			3425-60-600-0701-7615	1,000	1,000		
215			3425-60-600-0704-7615	1,000	1,000		
216			47	Technical Education, Skill Development and Employment	2203-001-0101-5669	1,000	1,000
217	2203-104-0101-2376	1,000			1,000		
218	2203-104-0101-5700	1,000			1,000		
219	2230-03-003-0101-7303	1,000			1,000		
220	2230-03-101-0101-2376	1,000			1,000		
221	2230-03-101-0102-2376	1,000			1,000		
222	2230-03-101-0103-2376	1,000			1,000		
223	4202-02-104-0801-5392	1,000			1,000		
224	4202-02-104-1401-6952	1,000			1,000		
225	4250-201-0102-6952	1,000			1,000		
226	48	Narmada Valley Development			4801-80-800-0101-3561	1,000	1,000
227					2801-01-001-0101-5669	1,000	1,000
228			2801-01-001-0101-6818	1,000	1,000		
229			4700-80-001-0101-5781	1,000	1,000		
230			4700-80-001-0101-9539	1,000	1,000		
231			4700-80-001-0101-9540	1,000	1,000		
232			4700-80-001-0101-9541	1,000	1,000		
233			4700-80-001-0101-9552	1,000	1,000		
234			4700-80-001-1901-5011	1,000	1,000		
235			4700-80-001-1901-9552	1,000	1,000		
236			4700-80-800-0801-1001	1,000	1,000		
237			4700-80-800-0801-1406	1,000	1,000		
238			4700-80-800-0801-2332	1,000	1,000		
239			4801-01-205-0101-9133	1,000	1,000		
240			4801-01-205-0102-9133	1,000	1,000		
241	4801-01-205-0103-9133	1,000	1,000				
242	49	Scheduled Caste Welfare	2225-01-001-0103-5669	1,000	1,000		
243			2225-01-196-0103-5133	1,000	1,000		
244			2225-01-196-0803-5133	1,000	1,000		
245			2225-01-277-0703-0538	1,000	1,000		

Sl. No.	Grant No.	Nomenclature	Head of Accounts	Total Budget (O+S)	Re-appropriation/ Surrender
246			2225-01-277-0703-7765	1,000	1,000
247			2225-01-277-0706-0538	1,000	1,000
248			2225-01-793-0703-1213	1,000	1,000
249			2225-01-793-0703-2040	1,000	1,000
250			2225-01-793-0706-1213	1,000	1,000
251			2225-01-793-0706-2040	1,000	1,000
252			2225-01-800-0703-5635	1,000	1,000
253			2225-01-800-0706-5635	1,000	1,000
254			4225-01-190-0703-3185	1,000	1,000
255			4225-01-190-0706-3185	1,000	1,000
256			4225-01-277-0103-2294	1,000	1,000
257			4225-01-277-0103-7912	1,000	1,000
258			4225-01-800-0103-1032	1,000	1,000
259			4225-01-800-0103-6101	100	100
260			4225-01-800-0703-4722	1,000	1,000
261			4225-01-800-0703-5635	1,000	1,000
262			4225-01-800-0706-4722	1,000	1,000
263			4225-01-800-0706-5635	1,000	1,000
264	50	Horticulture and Food	2401-119-0101-5669	1,000	1,000
265		Processing	4401-119-0101-5116	1,000	1,000
266			4401-119-0101-5474	1,000	1,000
267			4401-119-0102-5474	1,000	1,000
268			4401-119-0103-5474	1,000	1,000
269	55	Women and Child	2235-02-001-0101-5669	1,000	1,000
270		Development	2235-02-102-0102-6442	1,000	1,000
271			2235-02-102-0103-6442	1,000	1,000
272			2235-02-102-0707-9647	500	500
273			2235-02-103-0102-5033	1,000	1,000
274			2235-02-103-0707-9632	100	100
275			2235-02-103-0707-9646	500	500
276			2236-02-101-0701-7854	1,000	1,000
277			2236-02-101-0702-6392	1,000	1,000
278			2236-02-101-0703-6392	1,000	1,000
279			2236-02-101-0704-7854	1,000	1,000
280			4235-02-102-0702-0658	1,000	1,000
281			4235-02-102-0703-0658	1,000	1,000

Sl. No.	Grant No.	Nomenclature	Head of Accounts	Total Budget (O+S)	Re-appropriation/ Surrender
282			4235-02-102-0705-0658	1,000	1,000
283			4235-02-102-0706-0658	1,000	1,000
284			4235-02-800-0701-9646	1,000	1,000
285			4235-02-800-0704-9646	1,000	1,000
Total				2,59,900	2,59,900

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

Appendix 3.13
Excess Expenditure Requiring Regularisation
(Reference: Paragraph 3.3.13; Page 96)

(₹ 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 ₹50 crore and above in each case and also 50 per cent or more of total budget provision)**

(Reference: Paragraph 3.4.3; Page 99)

(₹ in crore)						
Sl. No.	Grant No.	Nomenclature	Heads of account	Original Budget Provision O:Original S:Supplementary	Amount Surrendered	Surrender (in per cent)
1	8	Expenditure on Land Revenue, District Administration and Disaster Relief	2245-02.122.0989- Re-establishment and Repair of Damaged Irrigation and Flood Control Works	(O) 50.00	50.00	100.00
2	2245-80.102.6276- Disaster Management Planning		(O)105.00 (S) 136.24 241.24	144.59	59.94	
3	4250-101.6276- Disaster Management Planning		(O) 890.00	498.48	56.01	
4	4250-101.7667- Capacity Building Under 15th Finance Commission		(O) 157.30	110.33	70.14	
5	4250-101.8030- Assistance for Restoration and Other Works		(O) 105.00	105.00	100.00	
6	13	Farmers Welfare and Agriculture Development	2401-102.0102.9899- Interest Waiver Solution Scheme of Defaulter Farmers Eligible for Loan Waiver Scheme	(S) 77.00	77.00	100.00
7	2401-102.0103.9899- Interest Waiver Solution Scheme of Defaulter Farmers Eligible for Loan Waiver Scheme		(S) 56.00	56.00	100.00	
8	2401-102.0701.7501- National Food Security Mission		(O) 142.10	112.61	79.25	
9	2401-102.0704.7501- National Food Security Mission		(O) 94.73	75.07	79.25	
10	17		Co-operation	4425-107.0101.5318- Share Capital of Co-operative Banks	(O) 800.00	800.00
11	4425-107.0102.5318- Share Capital of Co-operative Banks	(O) 115.00		115.00	100.00	
12	4425-107.0103.5318- Share Capital of Co-operative Banks	(O) 85.00		85.00	100.00	

Sl. No.	Grant No.	Nomenclature	Heads of account	Original Budget Provision O:Original S:Supplementary	Amount Surrendered	Surrender (in per cent)		
13	30	Rural Development	2215-02.198.0701.5206-Nirmal Bharat Abhiyan	(O) 146.40	87.50	59.77		
14			2501-06.198.0101.9567-Additional Interest Payment Scheme to Women Self-help Group 2018	(S) 51.06	51.06	100.00		
15			2505-01.198.0701.6923-National Rural Employment Guarantee Scheme	(O) 1,601.25	847.82	52.95		
16			2505-01.198.0702.6923-National Rural Employment Guarantee Scheme	(O) 603.75	323.30	53.55		
17			2505-01.198.0703.6923-National Rural Employment Guarantee Scheme	(O) 420.00	224.91	53.55		
18			2505-01.198.0704.6923-National Rural Employment Guarantee Scheme	(O) 533.75	275.41	51.60		
19			2505-01.198.0705.6923-National Rural Employment Guarantee Scheme	(O) 201.25	104.53	51.94		
20			33	Tribal Affairs	2225-02.102.0802.6500-Development of Special Backward Tribes	(O) 100.00	78.16	78.16
21					2225-02.102.0802.7881-Article 275 (1) Miscellaneous Development Work in Scheduled Tribes	(O) 123.87	123.16	99.43
22	49	Schedule Caste Welfare	4225-01.277.0103.4717-Scheduled Caste Hostel	(O) 100.00	70.00	70.00		
23	55	Women and Child Development	2235-02.103.0101.9614-Employment Oriented Financial Assistance for Women	(O) 50.00	50.00	100.00		
Total				6,744.70	4,464.93	66.20		

Source: Appropriation Accounts 2022-23

Appendix 3.15 Rush of Expenditure

(Reference: Paragraph 3.4.5; Page 105)

(₹ in crore)

Sl. No.	Grant Number and Name	Scheme No.	Expenditure incurred during Jan-March 2023	Expenditure incurred in March 2023	Total Expenditure	Percentage of total expenditure incurred during	
						Jan-March 2023	March 2023
1	CH I-Charged Appropriation-Public Debt	9927	100.00	100.00	100.00	100.00	100.00
2	CH I-Charged Appropriation-Public Debt	9930	4,473.00	4,473.00	4,473.00	100.00	100.00
3	CH I-Charged Appropriation-Public Debt	9032	1,500.00	1,500.00	1,500.00	100.00	100.00
4	CH I-Charged Appropriation-Public Debt	9497	736.00	736.00	736.00	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	9326	116.10	116.10	116.10	100.00	100.00
7	CH II-Charged Appropriation-Interest Payments and Servicing of Debt	9835	50.17	50.17	50.17	100.00	100.00
8	CH II-Charged Appropriation-Interest Payments and Servicing of Debt	7824	288.50	288.50	288.50	100.00	100.00
9	CH II-Charged Appropriation-Interest Payments and Servicing of Debt	6587	15.54	15.54	15.55	99.91	99.91
10	CH II-Charged Appropriation-Interest Payments and Servicing of Debt	9318	102.43	102.43	102.43	100.00	100.00
11	CH II-Charged Appropriation-Interest Payments and Servicing of Debt	9324	286.15	286.15	403.33	70.95	70.95
12	CH II-Charged Appropriation-Interest Payments and Servicing of Debt	9821	17.78	17.78	35.55	50.00	50.00
13	CH II-Charged Appropriation-Interest Payments and Servicing of Debt	9125	86.40	86.40	86.40	100.00	100.00
14	CH II-Charged Appropriation-Interest Payments and Servicing of Debt	9321	41.25	41.25	41.25	100.00	100.00
15	CH II-Charged Appropriation-Interest Payments and Servicing of Debt	9897	70.80	70.80	70.80	100.00	100.00
16	3-Home	1416	40.00	40.00	40.00	100.00	100.00
17	6-Finance	6857	15.72	15.72	15.72	100.00	100.00
18	7-Commercial Tax	8808	14.72	13.09	26.10	56.41	50.17
19	7-Commercial Tax	2360	396.81	396.81	396.81	100.00	100.00
20	7-Commercial Tax	2359	178.28	178.28	178.28	100.00	100.00
21	8-Expenditure on Land Revenue, District Administration and Disaster Relief	9597	992.23	992.23	992.23	100.00	100.00
22	10-Forest	8859	25.00	25.00	25.10	99.61	99.60
23	11-Industrial Policy And Investment Promotion	5531	28.61	23.61	41.61	68.76	56.74

Sl. No.	Grant Number and Name	Scheme No.	Expenditure incurred during Jan-March 2023	Expenditure incurred in March 2023	Total Expenditure	Percentage of total expenditure incurred during	
						Jan-March 2023	March 2023
24	11-Industrial Policy And Investment Promotion	2123	938.00	888.00	1,686.00	55.63	52.67
25	12-Energy	7900	440.78	440.78	647.83	68.04	68.04
26	12-Energy	0700	35.96	35.96	39.13	91.90	91.90
27	12-Energy	3218	500.00	500.00	500.00	100.00	100.00
28	12-Energy	7254	38.53	38.53	38.53	100.00	100.00
29	12-Energy	7861	14.18	14.18	14.18	100.00	100.00
30	12-Energy	6929	415.00	415.00	547.89	75.75	75.75
31	12-Energy	7253	55.50	55.50	55.50	100.00	100.00
32	13-Farmers Welfare And Agriculture Development	7498	44.42	44.42	51.57	86.14	86.14
33	13-Farmers Welfare And Agriculture Development	7717	30.07	30.07	34.84	86.31	86.31
34	13-Farmers Welfare And Agriculture Development	7847	300.05	300.02	300.18	99.96	99.95
35	13-Farmers Welfare And Agriculture Development	7450	33.33	33.06	65.13	51.18	50.76
36	13-Farmers Welfare And Agriculture Development	0715	57.55	51.28	76.38	75.35	67.13
37	13-Farmers Welfare And Agriculture Development	6673	108.61	105.17	116.19	93.48	90.52
38	13-Farmers Welfare And Agriculture Development	9576	25.00	25.00	25.00	100.00	100.00
39	13-Farmers Welfare And Agriculture Development	8768	2,516.38	1,608.63	3,206.50	78.48	50.17
40	14-Animal Husbandry and Dairying	5418	20.19	20.19	20.19	100.00	100.00
41	14-Animal Husbandry and Dairying	2087	32.95	31.64	38.20	86.27	82.83
42	14-Animal Husbandry and Dairying	9570	64.96	64.96	64.96	100.00	100.00
43	17-Co-operation	1081	35.02	24.25	35.02	100.00	69.25
44	19-Public Health and Family Welfare	2315	690.24	636.90	903.57	76.39	70.49
45	19-Public Health and Family Welfare	9548	91.10	78.12	151.99	59.94	51.40
46	19-Public Health and Family Welfare	7659	25.83	25.15	25.83	100.00	97.34
47	22-Urban Development and Housing	9886	99.00	67.76	99.00	100.00	68.44
48	22-Urban Development and Housing	9882	99.00	74.00	99.00	100.00	74.75
49	22-Urban Development and Housing	7838	387.36	387.36	581.36	66.63	66.63
50	22-Urban Development and Housing	9492	32.00	32.00	32.00	100.00	100.00
51	22-Urban Development and Housing	8333	11.50	11.50	11.50	100.00	100.00
52	22-Urban Development and Housing	9488	353.25	350.00	361.79	97.64	96.74
53	22-Urban Development and Housing	9880	99.00	71.30	99.00	100.00	72.02
54	23-Water Resources	3368	37.69	35.33	43.77	86.11	80.72
55	24-Public Works	6841	450.00	400.00	530.00	84.91	75.47
56	24-Public Works	1316	54.57	47.34	93.18	58.56	50.80
57	25-Mineral Resources	6606	813.05	813.05	813.05	100.00	100.00
58	27-School Education	2267	92.64	92.64	101.74	91.06	91.06
59	27-School Education	5133	13.16	8.95	13.45	97.87	66.54

Sl. No.	Grant Number and Name	Scheme No.	Expenditure incurred during Jan-March 2023	Expenditure incurred in March 2023	Total Expenditure	Percentage of total expenditure incurred during	
						Jan-March 2023	March 2023
60	27-School Education	6813	121.00	105.22	125.00	96.80	84.17
61	30-Rural Development	6084	76.72	61.67	107.73	71.22	57.25
62	30-Rural Development	7660	25.00	25.00	25.00	100.00	100.00
63	32-Public Relations	7660	43.72	39.10	57.99	75.39	67.43
64	33-Tribal Affairs	6175	147.20	97.20	148.05	99.43	65.65
65	33-Tribal Affairs	9853	39.09	34.34	48.91	79.93	70.21
66	35-Micro, Small And Medium Enterprises	2124	515.67	457.64	700.13	73.65	65.37
67	35-Micro, Small And Medium Enterprises	7690	43.65	42.87	46.77	93.32	91.65
68	37-Tourism	1271	60.99	56.27	86.90	70.18	64.75
69	38-Ayush	1277	28.60	28.60	39.33	72.72	72.72
70	39-Food, Civil Supplies and Consumer Protection	1299	361.80	361.80	361.80	100.00	100.00
71	40-Panchayat	0647	23.33	23.33	24.89	93.75	93.75
72	40-Panchayat	7668	1,375.86	1,331.44	1,884.44	73.01	70.65
73	40-Panchayat	6093	30.80	30.80	55.00	56.00	56.00
74	44-Higher Education	4699	36.34	34.87	42.54	85.42	81.98
75	44-Higher Education	6916	59.50	43.30	71.13	83.65	60.87
76	45-Public Assets Management	3837	27.20	27.20	27.20	100.00	100.00
77	45-Public Assets Management	9848	48.06	48.06	48.06	100.00	100.00
78	46-Science and Technology	7608	24.11	23.71	25.68	93.87	92.34
79	46-Science and Technology	9891	185.00	165.00	185.00	100.00	89.19
80	47-Technical Education, Skill Development and Employment	2377	27.93	27.93	31.54	88.56	88.56
81	47-Technical Education, Skill Development and Employment	0820	208.33	202.83	369.49	56.38	54.89
82	48-Narmada Valley Development	9540	45.00	25.00	45.00	100.00	55.56
83	48-Narmada Valley Development	8825	49.46	49.46	49.48	99.96	99.96
84	48-Narmada Valley Development	9539	27.17	27.17	27.17	100.00	100.00
85	48-Narmada Valley Development	8824	17.46	17.46	17.48	99.90	99.89
86	48-Narmada Valley Development	9663	30.58	30.58	30.58	100.00	100.00
87	48-Narmada Valley Development	9838	891.60	541.46	1,047.42	85.12	51.69
88	48-Narmada Valley Development	5012	44.44	44.42	44.49	99.88	99.84
89	48-Narmada Valley Development	5177	22.00	22.00	22.00	100.00	100.00
90	49-Scheduled Caste Welfare	8805	39.22	25.09	39.22	100.00	63.96
91	49-Scheduled Caste Welfare	5133	40.00	40.00	40.00	99.99	99.99
92	49-Scheduled Caste Welfare	5191	31.82	31.82	57.42	55.42	55.42
93	49-Scheduled Caste Welfare	8844	21.43	21.43	21.43	100.00	100.00
94	49-Scheduled Caste Welfare	7765	38.39	38.39	38.39	100.00	100.00
95	49-Scheduled Caste Welfare	0671	34.37	33.56	54.88	62.63	61.16
96	49-Scheduled Caste Welfare	3185	11.74	10.87	21.71	54.08	50.07
97	50-Horticulture And Food Processing	1482	33.33	33.33	59.57	55.96	55.96
98	54-Backward Classes Welfare	6175	222.00	147.63	222.00	100.00	66.50
99	55-Women and Child Development	7660	23.02	23.02	23.02	100.00	100.00
100	55-Women and Child Development	5067	904.64	797.78	922.57	98.06	86.47

Sl. No.	Grant Number and Name	Scheme No.	Expenditure incurred during Jan-March 2023	Expenditure incurred in March 2023	Total Expenditure	Percentage of total expenditure incurred during	
						Jan-March 2023	March 2023
101	55-Women and Child Development	9586	500.00	500.00	500.00	100.00	100.00
102	55-Women and Child Development	4065	10.51	10.51	10.51	100.00	100.00
103	55-Women and Child Development	9499	73.91	73.91	73.91	100.00	100.00
Total			25,324.65	23,311.27	29,210.51	86.70	79.80

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

Appendix 3.16
Statement showing Quarter wise expenditure for all Grants/Appropriations during 2022-23
(Reference: Paragraph 3.4.5; Page 105)

Sl. No.	Grant No.	Description	Allocation during 2022-23	Expenditure in 1 st Quarter	Expenditure in 2 nd Quarter	Expenditure in 3 rd Quarter	Expenditure in 4 th Quarter	Expenditure in March	Total Expenditure during 2022-23	Expenditure in 4 th Quarter as percentage of total expenditure	Expenditure in March 2023 as percentage of total expenditure
1	1	General Administration	1,171.47	188.64	250.11	188.44	219.38	102.33	846.57	25.91	12.09
2	2	Aviation	209.06	25.90	17.67	10.04	28.87	8.78	82.48	35.00	10.65
3	3	Home Department	9,910.71	2,311.23	2,026.65	2,320.80	2,000.91	703.69	8,659.59	23.11	8.13
4	4	Environment	22.15	0.00	0.00	0.00	14.21	14.21	14.21	100.00	100.00
5	5	Jail	579.46	142.49	112.54	124.23	140.66	45.78	519.92	27.05	8.81
6	6	Finance	25,249.10	5,199.10	5,152.57	5,164.94	4,458.15	1,474.69	19,974.76	22.32	7.38
7	7	Commercial Tax	2,123.76	125.42	131.93	119.66	1,491.99	648.31	1,869.00	79.83	34.69
8	8	Expenditure on Land Revenue, District Administration and Disaster Relief	9,095.76	810.71	905.63	2,034.70	2,110.32	705.73	5,861.36	36.00	12.04
9	9	New and Renewable Energy	61.86	27.85	0.19	7.92	17.79	17.49	53.75	33.10	32.54
10	10	Forest	3,417.50	634.39	694.54	678.98	990.90	490.78	2,998.81	33.04	16.37
11	11	Industrial Policy and Investment Promotion	2,746.78	428.68	239.96	287.80	1,481.97	1,102.12	2,438.41	60.78	45.20
12	12	Energy	23,418.58	3,065.50	2,865.04	2,723.50	9,767.83	5,900.21	18,421.87	53.02	32.03

Sl. No.	Grant No.	Description	Allocation during 2022-23	Expenditure in 1 st Quarter	Expenditure in 2 nd Quarter	Expenditure in 3 rd Quarter	Expenditure in 4 th Quarter	Expenditure in March	Total Expenditure during 2022-23	Expenditure in 4 th Quarter as percentage of total expenditure	Expenditure in March 2023 as percentage of total expenditure
13	13	Farmers Welfare and Agriculture and Development	22,426.30	3,839.82	2,477.61	4,830.53	8,073.33	6,303.09	19,221.29	42.00	32.79
14	14	Animal Husbandry and Dairy	1,449.59	262.52	212.48	252.16	379.33	255.25	1,106.49	34.28	23.07
15	15	Denotified, Nomadic and Semi-Nomadic Tribes Welfare	36.53	2.20	2.47	6.35	8.37	4.16	19.39	43.17	21.45
16	16	Fisherman Welfare and Fisheries Development	254.20	15.83	22.19	47.44	35.56	9.35	121.02	29.38	7.73
17	17	Co-operation	2,049.58	35.58	297.93	67.31	440.39	165.02	841.21	52.35	19.62
18	18	Labour	1,867.85	61.12	395.62	332.87	1,003.94	656.18	1,793.55	55.98	36.59
19	19	Public Health and Family Welfare	12,175.36	2,115.00	2,403.17	2,138.33	3,769.76	2,003.77	10,426.26	36.16	19.22
20	20	Public Health Engineering	8,914.45	348.96	3,125.11	587.11	3,659.18	506.61	7,720.36	47.40	6.56
21	21	Public Services Management	82.42	19.16	8.46	13.37	29.51	13.77	70.50	41.86	19.53
22	22	Urban Development and Housing	16,588.50	3,533.85	2,928.87	2,983.84	5,541.24	3,241.81	14,987.80	36.97	21.63
23	23	Water Resources	7,164.00	1,642.94	1,538.79	1,699.24	1,784.45	836.15	6,665.42	26.77	12.54
24	24	Public Works-Roads and Bridges	10,742.12	2,404.94	1,471.39	2,131.65	3,750.25	1,692.92	9,758.23	38.43	17.35
25	25	Mineral Resources	1,885.45	173.46	277.62	242.76	1,167.30	919.84	1,861.14	62.72	49.42

Sl. No.	Grant No.	Description	Allocation during 2022-23	Expenditure in 1 st Quarter	Expenditure in 2 nd Quarter	Expenditure in 3 rd Quarter	Expenditure in 4 th Quarter	Expenditure in March	Total Expenditure during 2022-23	Expenditure in 4 th Quarter as percentage of total expenditure	Expenditure in March 2023 as percentage of total expenditure
26	26	Culture	694.90	45.73	30.27	91.73	145.73	56.83	313.46	46.49	18.13
27	27	School Education	27,795.42	5,274.92	5,338.06	5,522.49	8,298.43	2,232.16	24,433.90	33.96	9.14
28	28	State Legislature	104.51	29.80	19.74	20.40	22.74	9.02	92.68	24.54	9.73
29	29	Law and Legislative Affairs	2,385.78	445.80	527.83	425.81	471.20	169.90	1,870.64	25.19	9.08
30	30	Rural Development	23,510.49	3,389.60	6,868.89	4,401.37	3,729.71	1,861.18	18,389.57	20.28	10.12
31	31	Planning, Economics and Statistics	953.55	89.31	124.15	212.58	462.87	289.52	888.91	52.07	32.57
32	32	Public Relations	664.28	78.73	135.13	111.86	323.06	214.30	648.78	49.79	33.03
33	33	Tribal Welfare	10,820.06	2,075.51	2,068.26	2,201.15	2,744.09	1,136.57	9,089.01	30.19	12.50
34	34	Social Justice and Disabled Person Welfare	4,097.55	965.27	943.70	1,165.82	934.82	398.83	4,009.61	23.31	9.95
35	35	Micro, Small and Medium Enterprises	1,334.08	193.75	78.92	122.60	646.94	550.94	1,042.21	62.07	52.86
36	36	Transport	146.49	16.82	25.33	26.48	28.82	15.36	97.45	29.57	15.76
37	37	Tourism	296.47	41.82	16.04	96.59	116.93	78.78	271.38	43.09	29.03
38	38	Ayush	624.24	136.22	130.43	126.92	152.55	86.25	546.12	27.93	15.79
39	39	Food, Supplies and Consumer Protection	1,258.08	110.96	96.61	210.96	596.90	478.67	1,015.43	58.78	47.14
40	40	Panchayat	8,008.12	320.68	1,081.63	1,478.62	2,580.99	2,371.54	5,461.92	47.25	43.42
41	41	Overseas Indian	20.83	0.01	0.00	0.00	9.44	0.44	9.45	99.89	4.66
42	42	Bhopal Gas Tragedy Relief	132.73	33.70	27.30	26.40	30.73	14.46	118.13	26.01	12.24

Sl. No.	Grant No.	Description	Allocation during 2022-23	Expenditure in 1 st Quarter	Expenditure in 2 nd Quarter	Expenditure in 3 rd Quarter	Expenditure in 4 th Quarter	Expenditure in March	Total Expenditure during 2022-23	Expenditure in 4 th Quarter as percentage of total expenditure	Expenditure in March 2023 as percentage of total expenditure
		and Rehabilitation									
43	43	Sports and Youth Welfare	476.37	57.32	51.09	53.50	290.77	137.95	452.68	64.23	30.47
44	44	Higher Education	3,600.03	790.42	632.52	630.73	762.76	324.40	2,816.43	27.08	11.52
45	45	Public Asset Management	273.79	2.24	17.04	0.06	76.27	75.37	95.61	79.77	78.83
46	46	Science and Technology	506.12	60.71	52.23	74.56	318.60	212.91	506.10	62.95	42.07
47	47	Technical Education, Skill Development and Employment	1,941.78	312.72	335.13	374.48	622.27	440.48	1,644.60	37.84	26.78
48	48	Narmada Valley Development	7,773.88	1,305.95	1,115.00	1,466.63	3,723.73	1,795.27	7,611.31	48.92	23.59
49	49	Scheduled Caste Welfare	1,795.99	216.57	314.03	302.08	574.68	404.39	1,407.36	40.83	28.73
50	50	Horticulture and Food Processing	667.87	46.75	94.59	56.65	90.24	58.70	288.23	31.31	20.37
51	51	Spirituality	108.61	10.55	26.20	17.14	33.66	9.34	87.55	38.45	10.67
52	52	Medical Education	2,852.86	501.91	1,199.21	444.38	596.64	314.01	2,742.14	21.76	11.45
53	53	Minority Welfare	178.26	1.76	80.23	87.64	3.27	0.17	172.90	1.89	0.10
54	54	Welfare of Backward Classes	1,603.89	90.99	104.17	269.11	877.22	373.80	1,341.49	65.39	27.86
55	55	Women and Child Development	6,982.62	541.62	1,074.59	632.11	3,512.88	1,765.66	5,761.20	60.97	30.65
56	56	Cottage and Rural Industry	120.50	35.51	17.71	16.97	20.90	10.28	91.09	22.94	11.28

Sl. No.	Grant No.	Description	Allocation during 2022-23	Expenditure in 1 st Quarter	Expenditure in 2 nd Quarter	Expenditure in 3 rd Quarter	Expenditure in 4 th Quarter	Expenditure in March	Total Expenditure during 2022-23	Expenditure in 4 th Quarter as percentage of total expenditure	Expenditure in March 2023 as percentage of total expenditure
57	57	Happiness	5.00	0.00	2.64	0.00	1.58	1.58	4.22	37.44	37.44
58	CH-I	Charged Appropriation- Public Debt	24,114.09	1,880.16	3,688.43	2,380.96	14,056.69	8,589.37	22,006.24	63.88	39.03
59	CH-II	Charged Appropriation- Interest Payments and Servicing of Debt	22,166.43	3,000.18	5,695.34	3,083.96	7,673.79	4,450.85	19,453.27	39.45	22.88
	Total		3,21,658.21	49,519.28	59,570.98	55,126.71	1,06,897.49	56,751.32	2,71,114.46	39.43	20.93

Source: Monthly Appropriation Accounts

Appendix 3.17
Missing/Incomplete Explanation for Variation from Budget

(Reference: Paragraph 3.4.6; Page 106)

Sl. No.	Grant No.	Nomenclature	Total Sub-Heads	Sub-Heads Requiring Explanation	Sub-Heads where explanation was given
1	CH-I	Public Debt	32	15	3
2	CH-II	Interest Payments and Servicing of Debt	157	29	0
3	1	General Administration	77	15	9
4	2	Aviation	6	3	0
5	3	Home	135	34	25
6	4	Environment	15	5	2
7	5	Jail	15	7	3
8	6	Finance	75	28	0
9	7	Commercial Tax	37	12	4
10	8	Expenditure on Land Revenue, District Administration and Disaster Relief	78	23	18
11	9	New and Renewable Energy	21	6	0
12	10	Forest	102	25	4
13	11	Industrial Policy and Investment Promotion	22	5	2
14	12	Energy	67	13	0
15	13	Farmers Welfare and Agriculture Development	237	39	30
16	14	Animal Husbandry and Dairying	129	29	5
17	15	Denotified, Nomadic and Semi-Nomadic Tribes Welfare	40	6	0
18	16	Fisherman Welfare and Fisheries Development	39	9	9
19	17	Co-operation	49	19	18
20	18	Labour	21	0	0
21	19	Public Health and Family Welfare	183	40	0
22	20	Public Health Engineering	75	28	1
23	21	Public Services Management	11	7	6
24	22	Urban Development and Housing	232	27	2
25	23	Water Resources	342	22	4
26	24	Public Works	158	21	1
27	25	Mineral Resources	17	3	1
28	26	Culture	77	13	4
29	27	School Education (Primary Education)	242	44	37
30	28	State Legislature	13	6	6
31	29	Law and Legislative Affairs	57	26	14
32	30	Rural Development	164	44	44
33	31	Planning, Economics and Statistics	52	5	1
34	32	Public Relations	62	1	0
35	33	Tribal Affairs	115	37	32
36	34	Social Justice and Disabled Person Welfare	147	0	0
37	35	Micro, Small and Medium Enterprises	41	6	6
38	36	Transport	15	6	0
39	37	Tourism	20	5	5
40	38	Ayush	60	14	7
41	39	Food, Civil Supplies and Consumer Protection	71	21	1
42	40	Panchayat	72	20	0
43	41	Overseas Indian	1	1	0
44	42	Bhopal Gas Tragedy Relief and Rehabilitation	20	6	1
45	43	Sports and Youth Welfare	55	7	7
46	44	Higher Education	109	19	19
47	45	Public Assets Management	8	5	0

Sl. No.	Grant No.	Nomenclature	Total Sub-Heads	Sub-Heads Requiring Explanation	Sub-Heads where explanation was given
48	46	Science and Technology	55	0	0
49	47	Technical Education, Skill Development and Employment	125	25	10
50	48	Narmada Valley Development	245	16	12
51	49	Scheduled Caste Welfare	82	26	25
52	50	Horticulture and Food Processing	65	24	23
53	51	Religious Trusts and Endowments	19	5	0
54	52	Medical Education	105	0	0
55	53	Minority Welfare	25	8	0
56	54	Backward Classes Welfare	28	10	0
57	55	Women and Child Development	130	31	29
58	56	Cottage and Rural Industry	51	11	0
59	57	Happiness	2	1	0
Total			4,705	913	430

Source: Appropriation Accounts 2022-23

Appendix 3.18
Excess Expenditure against the allotted Budget

(Reference: Paragraph 3.4.6; Page 107)

(₹ 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	6003-111.6835- Special Securities Issued to National Small Savings Fund of the Central Government	(O) 3,300.00 (R) 763.89 4,063.89	4,485.74	421.85
2			6004-02.101.9086- Back to Back Loans for Externally Aided Projects	(O) 700.00 (R) 500.00 1,200.00	1,583.38	383.38
3			6003-101.65- 9.00% Madhya Pradesh State Development Loan, 1999	(S) 0.00	0.05	0.05
4			6004-02.101.3052- Block Loans	(O) 260.00	268.75	8.75
5	CH-II	Charged Appropriation- Interest Payments and Servicing of Debt	2049-01.123.5042 Interest on Special Securities Issued to National Small Saving Fund to Central Government by the Government of India	(O) 2,550.00 (R) 235.05 2,785.05	3,176.91	391.86
6			2049-01.200.0845- Interest Payment of Uday Bonds	(O) 565.25	585.41	20.16
7			2049-01.101.9319- 8.64 Percent Madhya Pradesh State Development Loan, 2038	(O) 35.60	71.20	35.60
8			2049-03.104.0095- Interest on All India Services Provident Fund	(O) 8.73	10.87	2.14
9			2049-03.104.4033- Interest on Departmental Provident Fund	(O) 80.00	107.31	27.31
10			2049-04.101.3707- Interest on Loans for State/Union Territory Plan Scheme	(O) 800.00	949.95	149.95
11			1	General Administration	2052-090.4327- Secretariat	(O) 156.10 (R) (-) 49.62 106.48
12	3	Home	2055-109.4491- General Expenditure (District Establishment)	(O) 4,873.61 (S) 1.50 (R) (-) 519.23 4,355.88	4,359.40	3.52
13			2070-107.4670- Training of Volunteers	(O) 1.73 (R) (-) 1.09 0.64	0.66	0.02

Sl. No.	Grant No.	Name of the Grant	Heads of account	Provision O: Original S: Supplementary R:Reappropriation/ Surrender	Actual Expenditure	Final Saving (-)/ Excess(+)		
14	6	Finance	2071-01.101.9998- Madhya Pradesh Pension	(O) 2,050.00 (S) 980.00 3,030.00	4,653.17	1,623.17		
15			2071-01.102.9999- Composite State of Madhya Pradesh Pension	(O) 30.00	85.55	55.55		
16			2071-01.104.9999- Composite State of Madhya Pradesh Pension	(O) 120.00	861.08	741.08		
17			2071-01.111.9998- Madhya Pradesh Pension	(O) 6.00	14.70	8.70		
18			2071-01.115.9998- Madhya Pradesh Pension	(O) 600.00	766.97	166.97		
19			2071-01.200.5653- Payment of Pension to All India Service Officers	(O) 0.02	25.09	25.07		
20			2071-01.106.9998- Madhya Pradesh Pension	(O) 5.00	6.55	1.55		
21			2071-01.106.9999- Composite State of Madhya Pradesh Pension	(O) 0.80	1.64	0.84		
22			2071-01.105.9998- Madhya Pradesh Pension	(O) 660.00	1,514.42	854.42		
23			8	Expenditure on Land Revenue, District Administration and Disaster Relief	2245-02.101.2018- Relief for Flooding and Excessive Rain Victims	(O) 550.00 (R) (-)189.02 360.98	360.99	0.01
24			12	Energy	4801-05.190.1201.0700- Green Corridor	(O) Token	16.96	16.96
25					6801-190.0704.9542- Revamped Distribution Sector Scheme (R.D.S.S.)	(S) Token	62.00	62.00
26	6801-190.0705.9542- Revamped Distribution Sector Scheme (R.D.S.S.)	(S) Token			22.00	22.00		
27	6801-190.0706.9542- Revamped Distribution Sector Scheme (R.D.S.S.)	(S) Token			16.00	16.00		
28	6801-190.1901.9542- Revamped Distribution Sector Scheme (R.D.S.S.)	(S) Token			93.00	93.00		
29	6801-190.1902.9542- Revamped Distribution Sector Scheme (R.D.S.S.)	(S) Token			33.00	33.00		

Sl. No.	Grant No.	Name of the Grant	Heads of account	Provision O: Original S: Supplementary R:Reappropriation/ Surrender	Actual Expenditure	Final Saving (-)/ Excess(+)
30			6801-190.1903.9542- Revamped Distribution Sector Scheme (R.D.S.S.)	(S) Token	24.00	24.00
31			6801-205.1201.0700- Green Corridor	(S) Token	22.17	22.17
32	17	Co-operation	2425-107.0704.1081- Computerisation of Primary Agriculture Credit Cooperative Institutions (Central	(S) Token (R) 6.01 6.01	8.68	2.67
33			2425-107.0705.1081- Computerisation of Primary Agriculture Credit Cooperative Institutions (Central)	(S) Token (R) 2.13 2.13	3.08	0.95
34			2425-107.0706.1081- Computerisation of Primary Agriculture Credit Cooperative Institutions (Central)	(S) Token (R) 1.55 1.55	2.24	0.69
35	19	Public Health and Family Welfare	2210-01.001.0101.2283- Direction and Administration	(S) 100.76 (R) 0.49 101.25	120.36	19.11
36			2210-01.001.0103.7834- Safety and Hygiene System of Health Institutions	(O) 9.73	12.71	2.98
37			2210-01.110.0703.5724- National Health Mission	(O) 194.40 (S) 104.00 298.40	666.86	368.46
38			2210-01.110.0706.5724- National Health Mission	(O) 129.60	247.33	117.73
39			2210-03.103.0103.7317- Upgradation of Rural Medical Institutions	(O) 9.49 (S) 0.06 9.55	11.34	1.79
40			2210-03.197.0103.5998- Community Health Center	(O) 10.63	11.93	1.30
41			2211-198.0802.0621- Sub-health Center	(O) 96.47	108.88	12.41
42			4210-01.110.0101.7648- Construction Buildings of Hospital and Dispensaries	(O) 54.77 (S) 25.00 79.77	99.32	19.55
43			4210-01.110.0102.7648- Construction Buildings of Hospital and Dispensaries	(O) 12.38 (S) 5.00 17.38	22.82	5.44
44			4210-01.110.0103.7648- Construction Buildings of Hospital and Dispensaries	(O) 21.23 (S) 25.00 46.23	69.43	23.20

Sl. No.	Grant No.	Name of the Grant	Heads of account	Provision O: Original S: Supplementary R:Reappropriation/ Surrender	Actual Expenditure	Final Saving (-)/ Excess(+)
45			4210-02.104.0101.5056- Construction of Building of Community Health/Sub Health/Primary Health Centers	(O) 52.94 (S) 5.00 57.94	64.58	6.64
46			4210-02.104.0102.5056- Construction of Building of Community Health/Sub Health/Primary Health Centers	(O) 58.93 (S) 3.00 61.93	68.93	7.00
47	21	Public Services Management	2053-094.9079- Establishment of M.P. Public Service Agency	(O) 6.00 (R) 0.60 6.60	6.63	0.03
48	22	Urban Development and Housing	2217-05.800.0702.1237- Housing for All	(O) 207.00	252.74	45.74
49	2217-05.800.0704.1237- Housing for All		(O) 366.00 (S) 400.32 766.32	858.45	92.13	
50	2217-05.800.0705.1237- Housing for All		(O) 138.00	292.84	154.84	
51	4217-03.190.0705.9880- Jabalpur Smart City		(S) Token	10.75	10.75	
52	4217-03.190.0705.9882- Gwalior Smart City		(S) Token	50.00	50.00	
53	4217-03.190.0706.9880- Jabalpur Smart City		(S) Token	39.25	39.25	
54	4217-03.190.0706.9886 Satna Smart City		(S) Token	50.00	50.00	
55	4217-60.051.0101.9631- Infrastructure Construction in Urban Areas		(O) 20.00	195.09	175.09	
56	6217-60.191.0101.9935- Working Capital Loans to Urban Bodies		(O) 200.00	400.00	200.00	
57	23		Water Resources Department	4700-19.800.0101.6596- Reforms, Re-inforcement and Re-establishment	(O) 30.00 (R) (-) 12.46 17.54	17.73
58	4701-48.800.0102.3366- Medium Projects Construction Work	(O) 5.00 (R) 6.99 11.99		12.01	0.02	
59	24	Public Works	3054-03.337.0102.0134- Maintenance and Repair- Ordinary Repair	(O) 23.00	108.00	85.00
60	3054-03.337.0103.0134- Maintenance and Repair- Ordinary Repair		(O) 18.00	28.00	10.00	
61	5054.04.337.1901.2457- Rural Roads		(O) 310.00 (S) 497.99 (R) 35.00 842.99	1,066.84	223.85	

Sl. No.	Grant No.	Name of the Grant	Heads of account	Provision O: Original S: Supplementary R:Reappropriation/ Surrender	Actual Expenditure	Final Saving (-)/ Excess(+)
62			5054.04.337.1903.2457- Rural Roads	(O) 80.00 (S) 64.00 144.00	179.04	35.04
63			5054.05.337.1201.7368- N.D.B. Financing (Road Construction)	(O) 320.15	365.11	44.96
64			5054.05.337.1202.7368- N.D.B. Financing (Road Construction)	(O) 112.45	127.45	15.00
65	29	Law and Legislative Affairs	2014-103.0707.9634- Establishment of Fast Track Courts Under Pocso Act	(S) 42.87 (R) (-) 29.12 13.74	13.81	0.07
66			2225-01.800.0707.5171- Establishment of Special Courts	(S) 42.26 (R) (-) 29.08 13.18	13.20	0.02
67	33	Tribal Affairs	2225-02.001.0102.9843- Monitoring and Evaluation Units	(O) 1.08 (R) (-) 0.62 0.46	0.47	0.01
68			4225-02.277.0102.0494- Asharm	(O) 10.00 (R) (-) 8.86 1.14	1.24	0.10
69	39	Food, Civil Supplies and Consumer Protection	2408-01.102.0701.1299- Re-imbursement of Transport Commission Expenses Under Targeted Public Distribution System	(O) 157.07	180.90	23.83
70			2408-01.102.0704.1299- Re-imbursement of Transport Commission Expenses Under Targeted Public Distribution System	(O) 157.07	180.90	23.83
71	43	Sports and Youth Welfare	2204-103.0101.2304- Direction and Administration	(O) 18.87 (R) (-) 3.08 15.79	15.89	0.10
72			2204-800.0101.6239- Sports Material to Sport Training Centers	(O) 2.05 (R) (-) 0.95 1.10	1.15	0.05
73			2204-800.0101.8841- Stadium etc. for Development Improvement of Basic Facilities	(O) 8.46 (S) 0.38 (R) (-) 1.49 7.35	7.36	0.01
74	44	Higher Education	4202-01.203.0102.7643- Building Construction of Government Colleges	(O) 24.10 (R) 15.00 39.10	55.21	16.11
75			4202-01.203.0103.7643- Building Construction of Government Colleges	(O) 16.80 (R) 10.00 26.80	32.11	5.31
76	47	Technical Education, Skill	2203-105.0102.2667- Polytechnic Institutes	(O) 40.24 (R) (-) 14.38 25.86	25.92	0.06

Sl. No.	Grant No.	Name of the Grant	Heads of account	Provision O: Original S: Supplementary R:Reappropriation/ Surrender	Actual Expenditure	Final Saving (-)/ Excess(+)
		Development and Employment				
77	48	Narmada Valley Development	4700-41.800.1901.2872-Bargi Canal Diversion Project	(O) 190.00 (S) 202.73 (R) (-)164.80 227.93	232.45	4.52
78			4700-66.800.0102.5091-Lower Goi Project	(O) 2.50 (S) 10.00 (R) 53.60 66.10	72.10	6.00
79			4700-80.001.0101.3115-Compensation for Land Acquisition	(O) 15.00 (R) (-) 5.69 9.31	9.67	0.36
80			4700-80.001.1401.1002-Bheekangaon Binzalwada Lift Irrigation Scheme	(O) 25.00 (S) 40.00 (R) (-) 3.47 61.53	87.53	26.00
81			4700-80.800.0101.6360-Arrangement of Funds to Elected Agricultural Institutions	(O) 3.50 (R) (-) 0.33 3.17	3.54	0.37
82			4700-80.800.0101.7665-Sanwer Micro Lift Irrigation Scheme	(O) 0.50 (R) (-) 0.48 0.02	0.96	0.94
83	49		Scheduled Caste Welfare	2225-01.277.0803.7764-Post Matric Scholarships (Colleges and Others)	(O) 102.74 (R) (-) 33.67 69.07	69.35
84	55	Women and Child Development	4235-02.102.0102.5360-Construction of Building for Anganwadi Centers	(O) 30.34 (R) (-) 8.36 21.98	24.44	2.46
Total				23,748.70	30,896.57	7,147.87

Source: Appropriation Accounts 2022-23

Appendix 4.1
Department wise position of pending Utilisation Certificates

(Reference: Paragraph 4.6; Page 136)

(₹ 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	02	5.08
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	School Education Department	2202	General Education	06	8.19
7	Sports and Youth Welfare	2204	Sports and Youth Services	91	21.04
8	Culture	2205	Art and Culture	21	20.54
9	Public Health Engineering	2215	Water Supply and Sanitation	552	441.97
10	Urban Development and Housing	2216	Housing	14	2,534.81
		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	1,081	744.50
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	10.49
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	16	1,155.78
		2501	Special work of Rural Development	32	386.49
		2515	Other work of Rural Development	16	1798.20
21	Water Resources	2702	Minor Irrigation	280	12.55
22	New and Renewable Energy	2810	New and Renewable Energy	34	30.77
23	Cottage and Rural Industries	2851	Village and Small Industries	686	218.44

Sl. No.	Department	Major Head	Description	No. of UCs	Amount
24	Industry Policy and Investment Promotion	2852	Industries	2,988	191.07
25	Mineral Resources	2853	Non-ferrous Mining and Metallurgical Industries	871	234.49
26	Science and Technology	3425	Other Scientific Research	02	2.24
27	Tourism	3452	Tourism	188	84.54
28	Panchayati Raj Development	3604	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	1,272	8,737.55
Total				19,965	20,685.36

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

Appendix 4.2
Details of Inoperative Personal Deposit Accounts as on 31 March 2023
(Reference: Paragraph 4.8.1; Page 139)

Sl. No.	Name of Treasury	No. of PD Accounts	(₹ in lakh)
			Amount
1	Alirajpur	2	3.46
2	Anuppur	1	0.24
3	Ashoknagar	1	13.01
4	Betul	10	-121.72
5	Bhopal	5	331.92
6	Burhanpur	2	0.46
7	Chhatarpur	12	-191.08
8	Chhindwada	8	936.80
9	Datia	3	183.77
10	Dhar	3	147.72
11	Dindori	2	16.05
12	Guna	2	3.33
13	Harda	7	47.06
14	Indore City	16	17,091.44
15	Indore	1	2.61
16	Jabalpur city	4	119.88
17	Jabalpur	6	140.74
18	Jhabua	4	179.72
19	Khargone	6	2,819.29
20	Khandwa	3	-359.23
21	Mandla	1	55.12
22	Mandsaur	6	75.78
23	Morena	5	28.14
24	Narsinghpur	9	53.75
25	Rajgarh	7	-40.33
26	Ratlam	4	67.83
27	Rewa	7	73.66
28	Raisen	11	252.18
29	Sagar	5	53.68
30	Sajapur	2	-0.95
31	Satna	7	17.07
32	Sehore	1	10.30
33	Seoni	7	33.38
34	Shahdol	7	194.98
35	Sidhi	3	3.29
36	Singrauli	4	18.80
37	Tikamgarh	2	32.76
38	Ujjain	2	11.52
39	Umaria	1	35.57
40	Vallabh bhawan	1	-2,044.66
41	Vidisha	3	308.66
42	Vindhyachal	6	833.07
Total		199	21,439.07

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

Appendix 4.3
Booking under Minor Head '800-Other Receipts'
(Reference: Paragraph 4.9; Page 140)

(₹ in crore)

Sl. No.	Major Head	Description	Receipt under Minor Head 800-Other Receipts	Total Receipt under the Major Head	Percentage
1	0047	Other Fiscal Services	0.00*	0.00*	100
2	0059	Public Works	53.35	53.54	99.63
3	0210	Medical and Public Health	95.47	179.78	53.11
4	0211	Family Welfare	0.22	0.22	100
5	0217	Urban Development	35.98	36.91	97.49
6	0220	Information and Publicity	0.42	0.42	99.56
7	0235	Social Security and Welfare	12.53	12.58	99.67
8	0401	Crop Husbandry	2,210.25	2,221.62	99.49
9	0404	Dairy Development	0.04	0.04	99.87
10	0408	Food Storage and Warehousing	0.48	0.44	109.5
11	0435	Other Agricultural Programmes	2.45	2.51	97.72
12	0515	Other Rural Development Programmes	18.14	20.36	89.05
13	0700	Major Irrigation	105.44	136.06	77.49
14	0702	Minor Irrigation	331.25	331.97	99.78
15	0801	Power	329.07	329.07	100
16	0802	Petroleum	0.00*	0.00*	96.54
17	0852	Industries	0.06	0.06	100
18	1452	Tourism	0.00*	0.00*	100
19	Other Major Heads having percentage less than 50 per cent	Other Major Heads having percentage less than 50 per cent	6,171.26	2,00,660.60	3.07
Total			9,366.41	2,03,986.19	4.59

Source: Finance Accounts 2022-23

*Negligible

Appendix 4.4
Booking under Minor Head '800-Other Expenditure'
(Reference: Paragraph 4.9; Page 140)

(₹ in crore)

Sl. No.	Major Head	Description	Expenditure under Minor Head 800-Other Expenditure	Total Expenditure under the Major Head	Percentage
1	2075	Miscellaneous General Services	36.97	53.33	69.33
2	2217	Urban Development	4,303.82	5,518.53	77.99
3	2250	Other Social Services	88.88	88.88	100
4	2702	Minor Irrigation	209.50	212.47	98.61
5	2705	Command Area Development	7.18	7.18	100
6	2851	Village and Small Industries	704.95	1,002.26	70.34
7	2852	Industries	1,487.21	1,491.57	99.71
8	3454	Census, Surveys and Statistics	92.30	150.48	61.33
9	4401	Capital Outlay on Crop Husbandry	25.00	25.00	100
10	4406	Capital Outlay on Forestry and Wild Life	736.06	1,286.69	57.21
11	4408	Capital outlay on Food, Storage and Warehousing	0.79	0.79	100
12	4700	Capital Outlay on Major Irrigation	8,648.44	10,562.18	81.88
13	4701	Capital outlay on Medium Irrigation	1,254.64	1,279.12	98.09
14	4705	Capital Outlay on Command Area Development	3.89	3.89	100
15	4853	Capital Outlay on Non-Ferrous Mining and Metallurgical Industries	674.93	674.93	100
16	4875	Capital Outlay on Other Industries	600.00	695.00	86.33
17	5475	Capital Outlay on other General Economic Services	1.22	1.22	100
18	Other Major Heads having percentage less than 50 per cent	Other Major Heads having percentage less than 50 per cent	18,004.12	2,21,280.11	8.14
Total			36,879.90	2,44,333.63	15.09

Source: Finance Accounts 2022-23

Appendix 4.5

List of Vouchers Manually and Randomly selected to find Appropriate Minor Head instead of Minor Head 800

(Reference: Paragraph 4.9; Page 141)

(₹ in crore)

Sl. No.	Voucher No./Treasury	Classification	Amount	Scheme Name	Minor Head to be used As per General Guidelines of LMMH
1	02_2235_VAL_111_24/02/2023	34-2235-02-800-0101-6693-44-001-V	2.42	6693-Mukhyamantri Kanya AbhibhavakYojna	104-Welfare of aged, infirm and destitute
2	04_2235_VAL_72_06/04/2022	34-2235-02-800-0101-6693-44-001-V	2.00	6693-Mukhyamantri Kanya AbhibhavakYojna	104-Welfare of aged, infirm and destitute
3	05_2235_VAL_93_04/05/2022	34-2235-02-800-0101-6693-44-001-V	2.00	6693-Mukhyamantri Kanya AbhibhavakYojna	104-Welfare of aged, infirm and destitute
4	06_2235_VAL_61_01/06/2022	34-2235-02-800-0101-6693-44-001-V	1.37	6693-Mukhyamantri Kanya AbhibhavakYojna	104-Welfare of aged, infirm and destitute
5	11_2235_VAL_61_04/11/2022	34-2235-02-800-0101-6693-44-001-V	2.26	6693-Mukhyamantri Kanya AbhibhavakYojna	104-Welfare of aged, infirm and destitute
		Total	10.05		
6	04_4202_VAL_17_18/04/2022	43-4202-03-800-0101-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
7	06_4202_VAL_4_06/06/2022	43-4202-03-800-0102-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels
8	06_4202_VAL_7_10/06/2022	43-4202-03-800-0103-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
9	07_4202_VAL_12_04/07/2022	43-4202-03-800-0101-5159-63-002-V	1.34	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
10	10_4202_VAL_5_27/10/2022	43-4202-03-800-0101-5159-64-002-V	2.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
11	10_4202_VAL_6_27/10/2022	43-4202-03-800-0102-5159-64-002-V	1.50	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
12	10_4202_VAL_7_27/10/2022	43-4202-03-800-0103-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
13	10_4202_VAL_11_31/10/2022	43-4202-03-800-0101-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
14	10_4202_VAL_13_31/10/2022	43-4202-03-800-0101-5159-64-002-V	1.99	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
15	04_4202_VAL_17_18/04/2022	43-4202-03-800-0101-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
16	06_4202_VAL_4_06/06/2022	43-4202-03-800-0102-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
17	06_4202_VAL_7_10/06/2022	43-4202-03-800-0103-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
18	10_4202_VAL_7_27/10/2022	43-4202-03-800-0103-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels or 102- Sports Stadia
19	10_4202_VAL_11_31/10/2022	43-4202-03-800-0101-5159-64-002-V	1.00	5159-Khel Akadmiyon ki sthapna	101-Youth Hostels.
20	10_4202_VAL_13_31/10/2022	43-4202-03-800-0101-5159-64-002-V	1.99	5159-Khel Akadmiyon ki sthapna	102- Sports Stadia
21	10_4202_VAL_6_27/10/2022	43-4202-03-800-0102-5159-64-002-V	1.50	5159-Khel Akadmiyon ki sthapna	102- Sports Stadia
22	10_4202_VAL_5_27/10/2022	43-4202-03-800-0101-5159-64-002-V	2.00	5159-Khel Akadmiyon ki sthapna	102- Sports Stadia
23	11_4202_VAL_3_04/11/2022	43-4202-03-800-0101-5159-63-002-V	1.36	5159-Khel Akadmiyon ki sthapna	102- Sports Stadia
		Total	23.68		

Sl. No.	Voucher No./Treasury	Classification	Amount	Scheme Name	Minor Head to be used As per General Guidelines of LMMH
24	02_4202_VAL_46_25/02/2023	43-4202-03-800-0102-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102-Sports Stadia
25	02_4202_VAL_37_25/02/2023	43-4202-03-800-0101-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102-Sports Stadia
26	10_4202_VAL_10_31/10/2022	43-4202-03-800-0101-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102- Sports Stadia
27	07_4202_VAL_9_04/07/2022	43-4202-03-800-0101-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102- Sports Stadia
28	07_4202_VAL_8_04/07/2022	43-4202-03-800-0102-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102- Sports Stadia
29	07_4202_VAL_7_04/07/2022	43-4202-03-800-0101-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102- Sports Stadia
30	07_4202_VAL_6_04/07/2022	43-4202-03-800-0103-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102-Sports Stadia
31	04_4202_VAL_16_18/04/2022	43-4202-03-800-0101-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102-Sports Stadia
32	06_4202_VAL_9_16/06/2022	43-4202-03-800-0101-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102- Sports Stadia
33	06_4202_VAL_5_06/06/2022	43-4202-03-800-0102-6703-64-002-V	1.00	6703-Khel stadium evam khel adhosanrachna	102- Sports Stadia should be used
		Total	10.00		
34	04_4515_VIN_1_13/04/2022	30-4515-800-1201-0654-64-001-V	61.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
35	04_4515_VIN_2_13/04/2022	30-4515-800-1202-0654-64-001-V	23.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
36	04_4515_VIN_3_13/04/2022	30-4515-800-1203-0654-64-001-V	16.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
37	05_4515_VIN_8_18/05/2022	30-4515-800-1201-0654-64-001-V	61.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
38	05_4515_VIN_5_18/04/2022	30-4515-800-1202-0654-64-001-V	23.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
39	09_4515_VIN_10_28/09/2022	30-4515-800-1201-0654-64-001-V	61.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
40	09_4515_VIN_11_28/09/2022	30-4515-800-1202-0654-64-001-V	23.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
41	09_4515_VIN_12_28/09/2022	30-4515-800-1203-0654-64-001-V	16.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
42	12_4515_VIN_5_16/12/2022	30-4515-800-1202-0654-64-001-V	23.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
43	12_4515_VIN_6_16/12/2022	30-4515-800-1203-0654-64-001-V	16.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
44	12_4515_VIN_4_16/12/2022	30-4515-800-1201-0654-64-001-V	61.00	0654- Mukhya Mantri Gram Sadak Yojana	103- Rural Development
		Total	384.00		
45	05_4055_VIN_9_25/05/2022	03-4055-800-0103-7352-64-001-V	3.60	7352- Prashashkiya bhavano ka Nirman	207- State Police or 211-Police Housing .
46	05_4055_VIN_7_25/05/2022	03-4055-800-0101-7352-64-001-V	13.95	7352- Prashashkiya bhavano ka Nirman	207- State Police or 211-Police Housing
47	05_4055_VIN_8_25/05/2022	03-4055-800-0102-7352-64-001-V	4.95	7352- Prashashkiya bhavano ka Nirman	207- State Police or 211-Police Housing
48	11_4055_VIN_8_29/11/2022	03-4055-800-0102-7352-64-001-V	4.12	7352- Prashashkiya bhavano ka Nirman	207- State Police or 211-Police
49	11_4055_VIN_7_29/11/2022	03-4055-800-0101-7352-64-001-V	11.62	7352- Prashashkiya bhavano ka Nirman	207- State Police or 211-Police Housing
50	12_4055_VIN_11_08/12/2022	03-4055-800-0103-7352-64-001-V	3.00	7352- Prashashkiya bhavano ka Nirman	207- State Police or 211-Police Housing

Sl. No.	Voucher No./Treasury	Classification	Amount	Scheme Name	Minor Head to be used As per General Guidelines of LMMH
51	12_4055_VIN_9_08/12/2022	03-4055-800-0101-7352-64-001-V	11.62	7352- Prashashkiya bhavano ka Nirman	207- State Police or 211-Police Housing
		Total	52.86		
52	05_2401_GWL_69_13/05/2022	13-2401-800-0101-6345-44-001-V	260.00	6345-Mukhya Mantri Kisan Kalyan Yojana	115- Scheme of small /Marginal farmers and agricultural labour
53	05_2401_GWL_65_13/05/2022	13-2401-800-0102-6345-44-001-V	112.00	6345-Mukhya Mantri Kisan Kalyan Yojana	115-Scheme of small /Marginal farmers and agricultural labour
54	05_2401_GWL_70_13/05/2022	13-2401-800-0101-6345-44-001-V	279.00	6345-Mukhya Mantri Kisan Kalyan Yojana	115- Scheme of small /Marginal farmers and agricultural labour
55	05_2401_GWL_71_13/05/2022	13-2401-800-0101-6345-44-001-V	260.00	6345-Mukhya Mantri Kisan Kalyan Yojana	115- Scheme of small /Marginal farmers and agricultural labour
56	05_2401_GWL_72_13/05/2022	13-2401-800-0103-6345-44-001-V	250.00	6345-Mukhya Mantri Kisan Kalyan Yojana	115- Scheme of small /Marginal farmers and agricultural labour
57	05_2401_GWL_67_13/05/2022	13-2401-800-0101-6345-44-001-V	260.00	6345-Mukhya Mantri Kisan Kalyan Yojana	115- Scheme of small /Marginal farmers and agricultural labour
58	05_2401_GWL_68_13/05/2022	13-2401-800-0102-6345-44-001-V	250.00	6345-Mukhya Mantri Kisan Kalyan Yojana	115-Scheme of small /Marginal farmers and agricultural labour
		Total	1,671.00		
59	02_2053_VAL_23_11/02/2023	21-2053-800-0101-5722-42-002-V	5.00	5722- Establishment of call centre	094- Other Establishment
60	06_2053_VAL_51_24/06/2022	21-2053-800-0101-5722-42-002-V	5.00	5722- Establishment of call centre	094- Other Establishment
61	12_2053_VAL_10_01/12/2022	21-2053-800-0101-5722-42-002-V	3.00	5722- Establishment of call centre	094- Other Establishment
		Total	13.00		
62	04_2403_VAL_124_29/04/2022	14-2403-800-0101-2087-44-001-V	2.20	2087- Acharya Vidyasagar Gau Samvardhan Yojana	102-Cattle and Buffalo Development
63	10_2403_VAL_148_22/10/2022	14-2403-800-0101-2087-44-001-V	1.00	2087- Acharya Vidyasagar Gau Samvardhan Yojana	102-Cattle and Buffalo Development
		Total	3.20		

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

Appendix 5.1
List of State Public Sector Undertakings in Madhya Pradesh
(Reference: Paragraph 5.4; Page 152)

Sl. No.	Sl. No.	Government Companies
SPSUs covered in this Report		
Power Sector		
1	1	Madhya Pradesh Power Generating Company Limited
2	2	Madhya Pradesh Power Transmission Company Limited
3	3	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited
4	4	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited
5	5	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited
6	6	Madhya Pradesh Urja Vikas Nigam Limited
7	7	Madhya Pradesh Power Management Company Limited
Agriculture and Allied		
8	1	Madhya Pradesh Rajya Van Vikas Nigam Limited
9	2	Madhya Pradesh Warehousing and Logistics Corporation
Service		
10	1	Madhya Pradesh Hotel Corporation Limited
11	2	Madhya Pradesh Public Health Services Corporation Limited
Infrastructure		
12	1	Madhya Pradesh Urban Development Corporation Limited
13	2	Madhya Pradesh Jal Nigam Maryadit
14	3	Ujjain Smart City Development Corporation Limited
15	4	Bhopal Smart City Development Corporation Limited
16	5	Gwalior Smart City Development Corporation Limited
17	6	Jabalpur Smart City Development Corporation Limited
18	7	Indore Smart City Development Corporation Limited
19	8	Satna Smart City Development Corporation Limited
20	9	Sagar Smart City Development Corporation Limited
21	10	B-Nest Foundation
Industries		
22	1	Pithampur Auto Cluster Limited
23	2	Madhya Pradesh State Electronics Development Corporation Limited
24	3	Bhopal Electronics Manufacturing Park Limited
25	4	Jabalpur Electronics Manufacturing Park Limited
26	5	Madhya Pradesh State Mining Corporation Limited
27	6	DMIC Pithampur Jal Prabhandhan Company Limited
28	7	Madhya Pradesh Plastic Park Development Corporation Limited
29	8	Madhya Pradesh Plastic City Development Corporation Gwalior Limited
30	9	DMIC Vikram Udyogpuri Limited
31	10	Madhya Pradesh Industrial Development Corporation Limited
Finance		
32	1	Madhya Pradesh Financial Corporation
SPSUs not-covered in this Report		
SPSUs whose first accounts were arrear		
33	1	Madhya Pradesh State Assets Company Management Limited
34	2	Singrauli Airport Company Limited
35	3	Burhanpur City Transport Service Limited
36	4	Ratlam Bus Services Limited, Ratlam
37	5	Madhya Pradesh Building Development Corporation Limited
38	6	Indore Idea Factory Foundation
SPSUs whose latest accounts were available but nil turnover for the last three or more years		
39	1	Bansagar Thermal Power Company Limited (BTPCL)
40	2	Shri Singaji Power Project Limited (SSPPL)

Sl. No.	Sl. No.	Government Companies
41	3	Shahpura Thermal Power Company Limited (STPCL)
42	4	Madhya Pradesh AMRL (Semaria) Coal Company Limited
43	5	Madhya Pradesh AMRL (Morga) Coal Company Limited
44	6	Madhya Pradesh AMRL (Bicharpur) Coal Company Limited
45	7	Madhya Pradesh AMRL (Marki Barka) Coal Company Limited
46	8	Madhya Pradesh Jaypee Coal Limited
47	9	Madhya Pradesh Monnet Mining Company Limited
48	10	Madhya Pradesh Jaypee Coal Fields Limited
49	11	Madhya Pradesh Jaypee Minerals Limited
50	12	Madhya Pradesh Sainik Coal Mining Private Limited
51	13	Narmada Basin Projects Company Limited
52	14	Madhya Pradesh Metro Rail Company Limited
SPSUs which have been inactive or accounts arrear for over three to 33 years		
53	1	Madhya Pradesh Tourism Board
54	2	Madhya Pradesh Laghu Udyog Nigam Limited
55	3	Madhya Pradesh State Civil Supplies Corporation Limited
56	4	Madhya Pradesh State Tourism Development Corporation Limited
57	5	Madhya Pradesh State Agro Industries Development Corporation Limited
58	6	Sagar City Transport Services Limited
59	7	Madhya Pradesh and Maharashtra Minerals and Chemicals Limited
60	8	Madhya Pradesh State Road Transport Corporation
61	9	Madhya Pradesh Road Development Corporation Limited
62	10	Madhya Pradesh Police Housing and Infrastructure Development Corporation Limited
63	11	Sant Ravidas MP Hastha Shilp Evam Hath Kargha Vikas Nigam Limited
64	12	Madhya Pradesh State Industrial Development Corporation Limited
65	13	The Provident Investment Company Limited
66	14	Madhya Pradesh Pichhara Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam Limited
67	15	Madhya Pradesh Adivasi Vitta Evam Vikas Nigam Limited
68	16	Madhya Pradesh Venture Finance Limited
69	17	Madhya Pradesh Venture Finance Trustee Limited
70	18	Madhya Pradesh Panchayati Raj Vitta Evam Gramin Vikas Nigam Limited
71	19	Madhya Pradesh Film Development Corporation Limited
72	20	Optel Telecommunication Limited
73	21	Madhya Pradesh Vidyut Yantra Limited

Appendix 5.2
Statement showing number of State Public Sector Undertakings
whose accounts are in arrear as on 30 September 2023
(Reference: Paragraph 5.5; Page 153)

Sl. No.	Name of the Company	A/c received upto 30 September 2023	No. of account in arrear
A. Government Companies			
1	Madhya Pradesh State Electronics Development Corporation Limited	2021-22	1
2	Jabalpur Electronics Manufacturing Park Limited	2021-22	1
3	Bhopal Electronics Manufacturing Park Limited	2021-22	1
4	DMIC Vikram Udyogpuri Limited	2021-22	1
5	DMIC Pithampur Jal Prabhandhan Limited	2021-22	1
6	Madhya Pradesh State Mining Corporation Limited	2021-22	1
7	Madhya Pradesh AMRL (Semaria) Coal Company Limited	2021-22	1
8	Madhya Pradesh AMRL (Morga) Coal Company Limited	2021-22	1
9	Madhya Pradesh AMRL (Bicharpur) Coal Company Limited	2021-22	1
10	Madhya Pradesh AMRL (Marki Barka) Coal Company Limited	2021-22	1
11	Madhya Pradesh Plastic City Development Corporation Gwalior Limited	2021-22	1
12	Madhya Pradesh Jaypee Coal Limited	2021-22	1
13	Madhya Pradesh Monnet Mining Company Limited	2021-22	1
14	Madhya Pradesh Jaypee Coal Fields Limited	2021-22	1
15	Madhya Pradesh Jaypee Minerals Limited	2021-22	1
16	Narmada Basin Projects Company Limited	2021-22	1
17	Madhya Pradesh Power Generating Company Limited	2021-22	1
18	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Comp\any Limited	2021-22	1
19	Madhya Pradesh Power Management Company Limited	2021-22	1
20	Shahpura Thermal Power Company Limited	2021-22	1
21	Bansagar Thermal Power Company Limited	2021-22	1
22	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited	2021-22	1
23	Madhya Pradesh Urja Vikas Nigam Limited	2021-22	1
24	Madhya Pradesh Jal Nigam Maryadit	2021-22	1
25	Madhya Prades State Assets Management Company Limited	(First Ac arrear from 2022-23)	1
26	Madhya Pradesh Building Development Corporation Limited	(First Ac arrear from 2022-23)	1
27	Madhya Pradesh Public Health Services Corporation Limited	2021-22	1
28	Madhya Pradesh Rajya Van Vikas Nigam Limited	2020-21	2
29	Madhya Pradesh Hotel Corporation Limited	2020-21	2
30	Madhya Pradesh Industrial Development Corporation Limited	2020-21	2
31	Madhya Pradesh Urban Development Corporation Limited	2020-21	2
32	Madhya Pradesh Tourism Board	2019-20	3
33	Madhya Pradesh Laghu Udyog Nigam Limited	2019-20	3
34	Sant Ravidas MP Hastha Shilp Evam Hath Kargha Vikas Nigam Limited	2019-20	3
35	Madhya Pradesh State Agro Industries Development Corporation Limited	2019-20	3
36	The Provident Investment Company Limited	2019-20	3
37	Madhya Pradesh Venture Finance Limited	2019-20	3

Sl. No.	Name of the Company	A/c received upto 30 September 2023	No. of account in arrear
38	Madhya Pradesh Venture Finance Trustee Limited	2019-20	3
39	Sagar City Transport Company limited	2019-20	3
40	Madhya Pradesh Police Housing and Infrastructure Development Corporation Limited	2019-20	3
41	Madhya Pradesh State Tourism Development Cor. Limited	2018-19	4
42	Madhya Pradesh state civil supply corporation	2018-19	4
43	Madhya Pradesh Road Development Corporation Limited	2018-19	4
44	Ratlam Bus Services Limited, Ratlam	FANR (arrear from 2017-18)	6
45	Madhya Pradesh State Industrial Development Corporation Limited	2015-16	7
46	Singrauli Airport Company Limited	FANR (arrear from 2014-15)	9
47	Burhanpur City Transport Service Limited	FANR (arrear from 2014-15)	9
48	Madhya Pradesh Pichhara Varg Tatha Alpsankhyak Vitta Evam Vikas Nigam Limited	2012-13	10
49	Optel Telecommunication Limited	2009-10	13
50	Madhya Pradesh Film Development Corporation Limited	2009-10	13
51	Madhya Pradesh Panchayati Raj Vitta Evam Gramin Vikas Nigam Limited	2005-06	17
52	Madhya Pradesh Adivasi Vitta Evam Vikas Nigam Limited	2003-04	19
53	Madhya Pradesh and Maharashtra Minerals and Chemicals Limited	2001-02	21
54	Madhya Pradesh Vidyut Yantra Limited	1989-90	33
A. Government Companies Total			231
B. Statutory Corporations			
1	Madhya Pradesh Warehousing and Logistics Corporation	2021-22	1
2	Madhya Pradesh Finance Corporation	2021-22	1
3	Madhya Pradesh State Road Transport Corporation	2007-08	15
B. Statutory Corporation Total			17
C. Government Controlled other Companies			
1	Ujjain Smart City Development Corporation Limited	2021-22	1
2	Jabalpur Smart City Development Corporation Limited	2021-22	1
3	Indore Smart City Development Corporation Limited	2021-22	1
4	Sagar Smart City Development Corporation Limited	2021-22	1
5	Bhopal Smart City Development Corporation Limited	2021-22	1
6	Gwalior Smart City Development Corporation Limited	2021-22	1
7	B-Nest Foundation	2021-22	1
8	Indore Idea Factory Fundation	(First Ac arrear from 2022-23)	1
9	Satna Smart City Development Corporation Limited	2020-21	2
C. Government Controlled other Companies Total			10
Grand Total (A+B+C)			258

Appendix 5.3
State Public Sector Undertakings information on profit from
operating activities/other income

(Reference: Paragraph 5.9.1; Page 159)

Sl. No.	Name of the State Public Sector Undertakings
SPSUs which eared profit only from its operations	
1	Madhya Pradesh Warehousing and Logistics Corporation
2	Madhya Pradesh Rajya Van Vikas Nigam Limited
3	Madhya Pradesh State Mining Corporation Limited
4	Madhya Pradesh Power Transmission Company Limited
5	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	MP Plastic City Development Corporation Gwalior ltd
3	Jabalpur Smart City ltd
4	Indore Smart City Development ltd
5	Pithampur Auto Cluster Limited
6	Madhya Pradesh Power Generating Company Limited

Appendix 5.4
Non-compliance of mandatory Accounting Standards/Ind-AS
Reported by Statutory Auditors
(Reference: Paragraph 5.13.2; Page 169)

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	Qualification on the basis that Statutory Auditor are not in position to assure the provisions of Ind AS 36. The Company has neither quantified the amount involved nor has made any provision regarding Contingent Liability as per Ind AS 37. As per Ind AS 109, read with Ind AS 36, the company does not have any proper control system for testing investment in subsidiaries for impairment.
3	The Provident Investment Company Limited (2019-20)	AS	Non-compliance of AS-15 regarding provision of gratuity & Leave Encashment for employees. Non-compliance of revised AS-10 regarding non-maintenance of fixed assets register. Non-compliance of AS-19 regarding leasehold properties. Non-compliance of AS-28 regarding physical verification of assets. Valuation of stock of the company is not at net realizable value, in compliance of AS-2.
4	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Co. Limited(2020-21)	Ind AS	Ind AS-8: Accounting Policies, Changes in Accounting Estimates and Errors regarding prior period errors. Ind AS-16: Property, Plant & Equipment regarding Company is not Capitalize all its assets commissioned up to the date of balance sheet. 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. Ind AS-20: Accounting for Government Grant and Disclosure 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. 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. Ind AS-23: Borrowing Costs regarding. 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. 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	Jabalpur Smart City Development Corporation Limited(2021-22)	Ind AS	In event of liquidation, The GST credit may be loss to the company and cost of all the projects developed and transferred by the company would not include GST credit in its transfer price, as the same is non-refundable tax credits which needs to be included in cost of assets as per Ind AS- 16. The company has not complied with the provisions of Ind AS- 16.
6	Madhya Pradesh Road Development Corporation Limited(2018-19)	Ind AS	Provisions of Ind AS 19 regarding 'Employee benefit' is not followed in case of Gratuity provision and Leave Encashment.

Appendix 5.5
Comments issued to State Public Sector Undertakings
(Reference: Paragraph 5.14.1; Page 170)

Sl. No.	Name of the Public Sector Undertakings	Period of comment issued
1	Madhya Pradesh State Tourism Development Corporation Limited	2018-19
2	Madhya Pradesh Road Development Corporation Limited	2018-19
3	Madhya Pradesh State Civil Supplies Corporation Limited	2018-19
4	Madhya Pradesh Industrial Development Corporation Limited	2019-20
5	The Provident Investment Company Limited	2019-20
6	Madhya Pradesh Urja Vikas Nigam Limited	2020-21
7	Madhya Pradesh Jal Nigam Maryadit	2020-21
8	Madhya Pradesh Jal Nigam Maryadit	2021-22
9	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal	2021-22
10	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Jabalpur	2021-22
11	Indore Smart City Development Limited	2021-22
12	Ujjain Smart City Limited	2021-22
13	Gwalior Smart City Development Corporation Limited	2021-22
14	Narmada Basin Projects Company Limited	2021-22
15	Madhya Pradesh Power Management Company Limited	2021-22
16	Madhya Pradesh Public Health Services Corporation Limited	2021-22
17	Madhya Pradesh Power Generating Company Limited, Jablpur	2021-22
18	Madhya Pradesh Warehousing and Logistics Corporation	2021-22
19	Jabalpur Smart City Development Corporation Limited	2021-22
20	Madhya Pradesh Power Transmission Company Limited	2022-23
21	MP Metro Rail Corporation Limited Bhopal	2022-23
22	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore	2022-23
23	Madhya Pradesh Rajya Van Vikas Nigam Limited	2020-21

Appendix 5.6

Broad nature of irregularities highlighted in Management Letters

(Reference: Paragraph 5.16; Page 189)

Sl. No.	Name of the Public Sector Undertakings	Period of Accounts
1	Madhya Pradesh State Tourism Development Corporation Limited	2018-19
2	Madhya Pradesh Road Development Corporation Limited	2018-19
3	Madhya Pradesh State Civil Supplies Corporation Limited	2018-19
4	Madhya Pradesh Industrial Development Corporation Limited	2019-20
5	The Provident Investment Company Limited	2019-20
6	Madhya Pradesh Urja Vikas Nigam Limited	2020-21
7	Madhya Pradesh Jal Nigam Maryadit	2020-21
8	Madhya Pradesh Jal Nigam Maryadit	2021-22
9	Madhya Pradesh Madhya Kshetra Vidyut Vitaran Company Limited, Bhopal	2021-22
10	Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited, Jabalpur	2021-22
11	Indore Smart City Development Limited	2021-22
12	Ujjain Smart City Limited	2021-22
13	Gwalior Smart City Development Corporation Limited	2021-22
14	Narmada Basin Projects Company Limited	2021-22
15	Madhya Pradesh Power Management Company Limited	2021-22
16	Madhya Pradesh Power Generating Company Limited, Jablpur	2021-22
17	Madhya Pradesh Warehousing and Logistics Corporation	2021-22
18	Jabalpur Smart City Development Corporation Limited	2021-22
19	Madhya Pradesh Power Transmission Company Limited	2022-23
20	MP Metro Rail Corporation Limited Bhopal	2022-23
21	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, Indore	2022-23
22	Jabalpur Electronics Manufacturing Park Limited	2021-22
23	Bhopal Electronics Manufacturing Park Limited	2021-22
24	DMIC Vikram Udyogpuri Limited	2020-21
25	DMIC Vikram Udyogpuri Limited	2021-22
26	Madhya Pradesh State Mining Corporation Limited	2021-22
27	Madhya Pradesh Rajya Van Vikas Nigam Limited	2020-21

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