

ACCOUNTS AT A GLANCE 2021-2022



SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest



GOVERNMENT OF KERALA



ACCOUNTS AT A GLANCE FOR THE YEAR 2021-2022

**PRINCIPAL ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENT)
KERALA**

GOVERNMENT OF KERALA

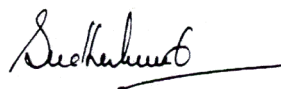
PREFACE

The Annual Accounts of the State Government are prepared and examined by the Principal Accountant General (A&E) under the directions of Comptroller and Auditor General of India in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State.

The Annual Accounts consist of (a) Finance Accounts and (b) Appropriation Accounts. Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and Public Account. Appropriation Accounts show the Grant-wise expenditure against provision approved by the State Legislature and offer explanations for variations between the actual expenditure and the funds provided.

'Accounts at a Glance' provides a broad overview of Government's activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented with brief explanations, statements and graphs.

We look forward to suggestions that will help us in improving this publication.



Thiruvananthapuram
20-01-2023

G SUDHARMINI
Principal Accountant General (A&E)
Kerala

Our Vision, Mission and Core Values

VISION

The Vision of the Office of the institution of Comptroller and Auditor General of India represents what we aspire to become.

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognized for independent, credible, balanced and timely reporting on public finance and governance

MISSION

Our mission enunciates our current role and describes what we are doing today.

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders: the Legislature, the Executive and the Public- that public funds are being used efficiently and for the intended purposes.

CORE VALUES

Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.

- Independence
- Objectivity
- Integrity
- Reliability
- Professional Excellence
- Transparency
- Positive Approach

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CHAPTER I

OVERVIEW

1.1 Introduction

The monthly accounts of the State Government are consolidated from the accounts submitted to the Principal Accountant General (Accounts and Entitlement) by the District Treasuries, e-treasury and advices of Reserve Bank of India. Every month a Monthly Civil Account is presented by the Office of the Principal Accountant General (A&E) to the Government of Kerala. The Office of the Principal Accountant General (A&E) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. In addition, the Principal Accountant General (A&E) prepares the Finance Accounts and Appropriation Accounts annually under the directions of the Comptroller and Auditor General of India in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

1.2 Structure of Government Accounts

1.2.1 Government Accounts are kept in three parts

Part I CONSOLIDATED FUND

Comprises all receipts of the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon). All expenditure and disbursements of the Government, including release of loans and repayment of loans taken (and interest thereon) are met from this Fund

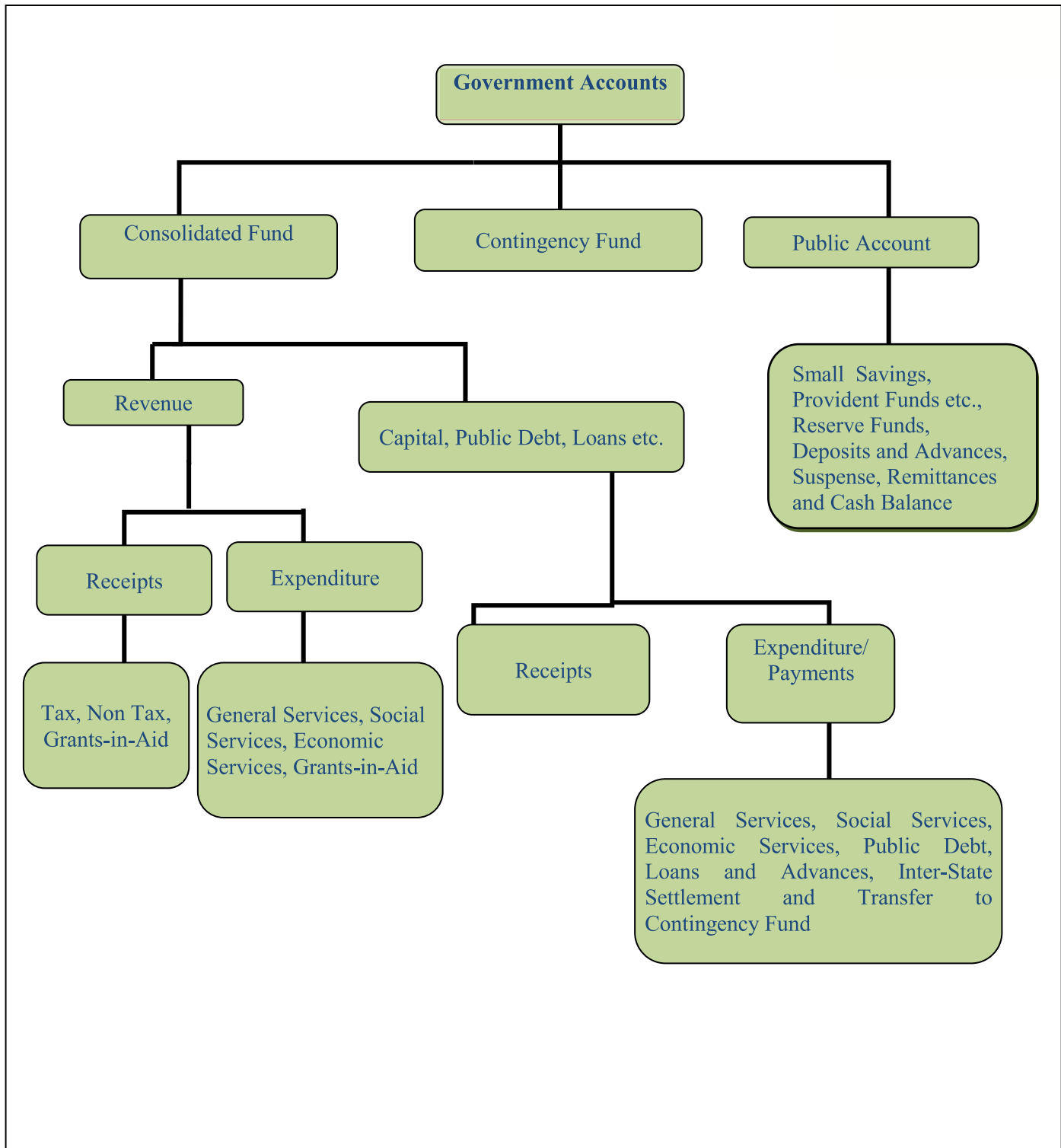
PART II CONTINGENCY FUND

The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorisation by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund. The corpus of this Fund for the Government of Kerala is ₹ 100 crore.

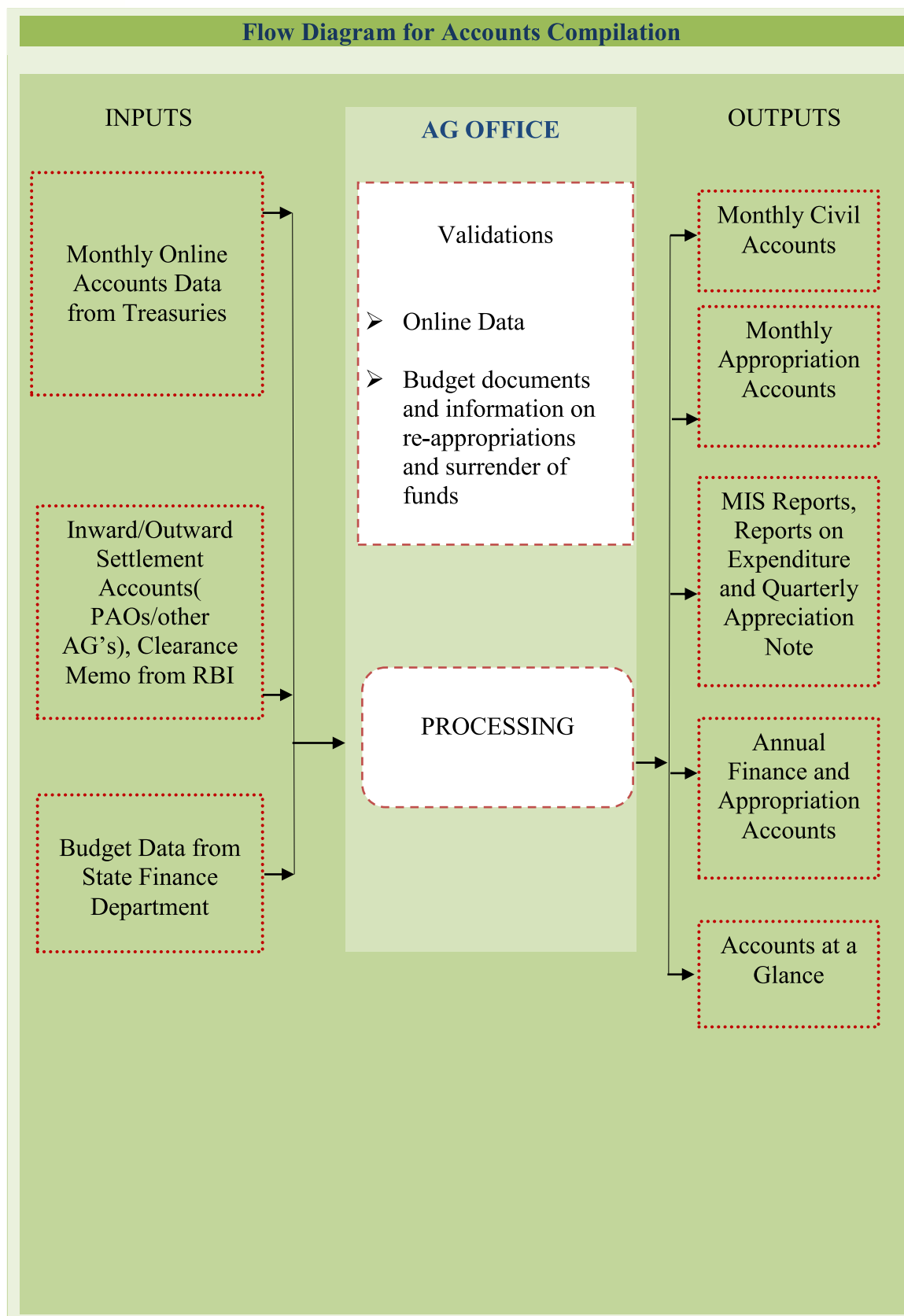
Part III PUBLIC ACCOUNT

In Public Account, the transactions relating to Debt (Other than those included in Part I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' shall be recorded. The transactions under Debt, Deposit and Advances in this part are such in respect of which Government incurs a liability to repay the moneys received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and the recoveries of the latter (Advances). The transactions relating to 'Remittances' and 'Suspense' in this Part shall embrace all merely adjusting heads under which shall appear such transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles. The initial debits or credits to these heads will be cleared eventually by booking to the final heads of accounts

1.2.2 Pictorial representation of Structure of Government Accounts



1.2.3 Compilation of Accounts



1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts present the accounts of receipts and outgoings of the Government for the year together with the financial results disclosed by the revenue and capital accounts, the accounts of Public Debt and the Liabilities and Assets as worked out from the balances recorded in the accounts. Volume I contains the Report of the Comptroller and Auditor General of India, summarized Statements which give information on the financial position and transactions of the State Government for the financial year, 'Notes to Accounts' containing summary of significant accounting policies, disclosures and explanatory notes, basis of budget and financial reporting, form of accounts and other items. Volume II contains detailed Statements (Part I) and Appendices I to XII (Part II).

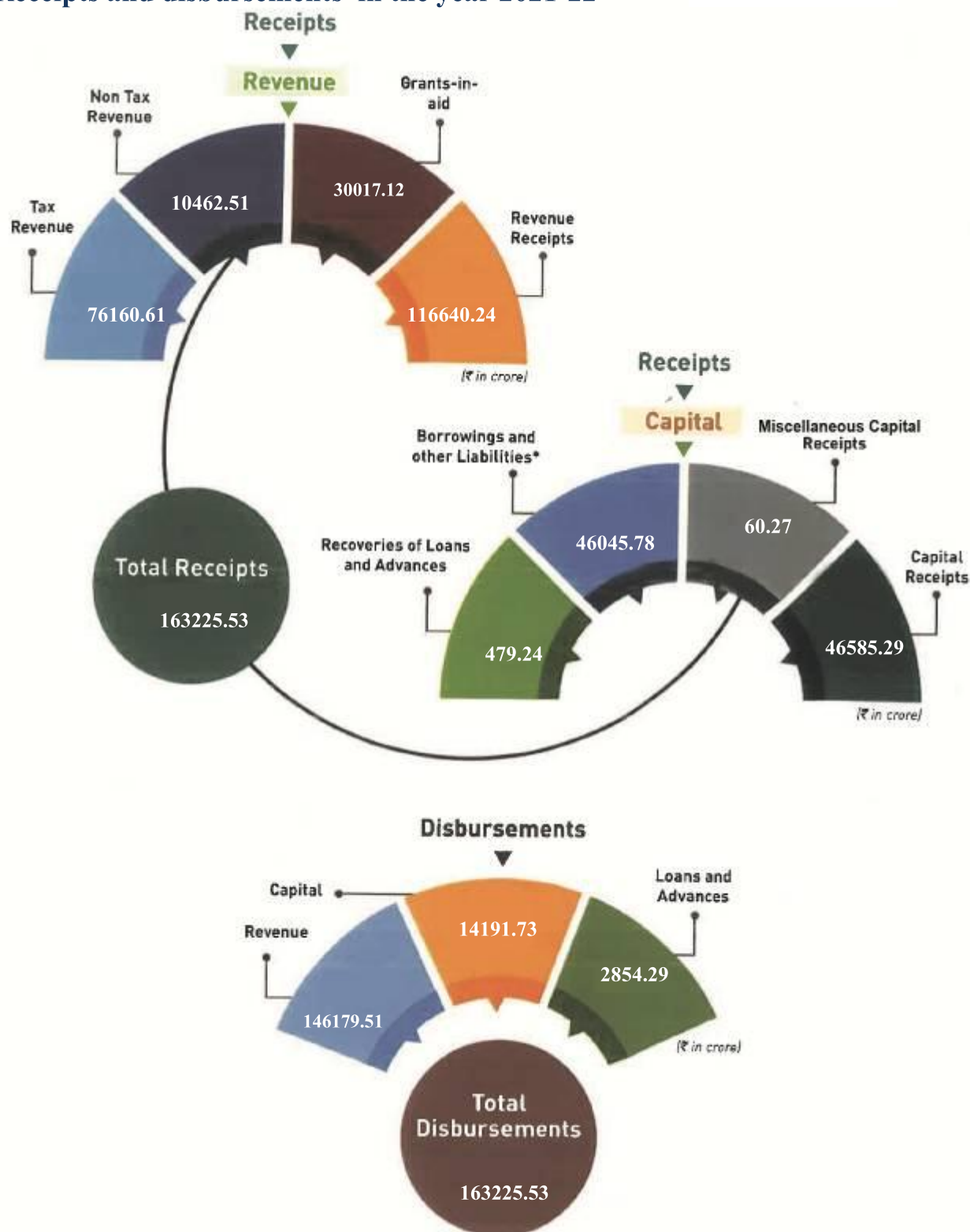
Receipts and Disbursements of the State Government during 2021-22 are as given below:-

(₹ in crore)

Receipts Total: 163225.53	Revenue Total: 116640.24	Tax Revenue	76160.61
		Non -Tax Revenue	10462.51
		Grants-in-aid	30017.12
	Capital Total: 46585.29	Miscellaneous Capital Receipts	60.27
		Recovery of Loans and Advances	479.24
		Borrowings and other Liabilities(*)	46045.78
Disbursements Total: 163225.53	Revenue		146179.51
	Capital		14191.73
	Loans and Advances		2854.29

(*) Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts-Disbursements) of Public Account + Net of Opening and Closing Cash Balances.

Receipts and disbursements in the year 2021-22



(*) Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts-Disbursements) of Public Account + Net of Opening and Closing Cash Balances.

1.3.2 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts and show the expenditure of the State Government against amounts charged and voted by the State Legislature. Excluding one Grant, viz., “Contingency Fund” there are 47 Grants, of which, 19 are exclusively voted Grants, two are exclusively charged Appropriations and 26 include both voted Grants and charged Appropriations.

1.3.3 Efficiency on Budget Preparation

The Appropriation Acts passed by the State Legislature had estimated a gross expenditure of ₹237016.12 crore, including the supplementary provision of ₹21202.33 crore during the year 2021-22. An amount of ₹1335.14 crore was estimated as recoveries in reduction of expenditure.

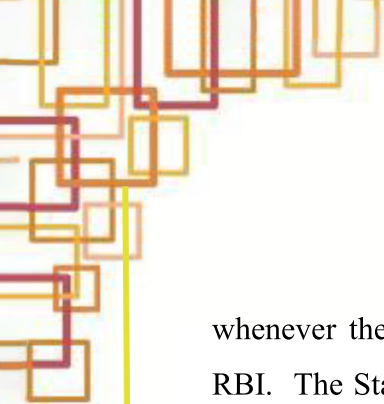
The Appropriation Accounts 2021-22 show disbursements aggregating ₹205451.40 crore against the budget provision of ₹237016.12 crore, resulting in overall savings of ₹31564.72 crore against Grants and Appropriations. The overall savings of ₹31564.72 crore was the result of savings of ₹31833.19 crore in 38 Grants and 25 Appropriations under the Revenue section and 26 Grants and 11 Appropriations under Capital section, offset by excess of ₹237.69 crore (Stamps and Registration, Jails, Pension, Miscellaneous Economic Services, Animal Husbandry and Ports) in the Revenue Section and ₹30.78 crore (Police, Education and Forest) in the Capital Section.

Recoveries in reduction of expenditure amounted to ₹6325.87 crore showing an increase of ₹4990.73 crore vis-à-vis budget estimates.

1.4 Source and Application of Funds

1.4.1 Ways and Means Advances

Government, in order to maintain and sustain its liquidity position, takes Ways and Means Advances from the Reserve Bank of India (RBI) and thereafter, draws upon overdraft



whenever there is shortfall from the agreed minimum cash balance in its account with the RBI. The State Government is required to maintain a minimum cash balance of ₹1.66 crore with the RBI. The larger the amount and greater the number of times such ways and means advances are taken or drawals made, the more it reflects the adverse position of the cash balance of the Government. During 2021-22 Government of Kerala has availed ₹22874.48 crore as Ways and Means Advance on Eighty four times (both Ordinary Ways and Means and Special Drawing Facility). During the year 2021-22, overdraft was drawn by the State Government on 14 times .

1.4.2 Fund Flow Statement (Source and Application of Funds)

The State had a revenue deficit of ₹29539.27crore and a fiscal deficit of ₹46045.78 crore representing 3.27 *per cent* and 5.10 *per cent* respectively of the Gross State Domestic Product (GSDP). The fiscal deficit constituted 28.21 *per cent* of the total expenditure. This deficit was financed from Public Debt (₹29032.14 crore) and other liabilities (₹17013.64 crore). 81.30 *per cent* of the revenue receipts (₹116640.24 crore) of the State Government was spent on committed expenditure like salaries (₹44625.28 crore), interest payments (₹23302.82 crore) and pensions (₹26898.69 crore).

Source and Application of Funds

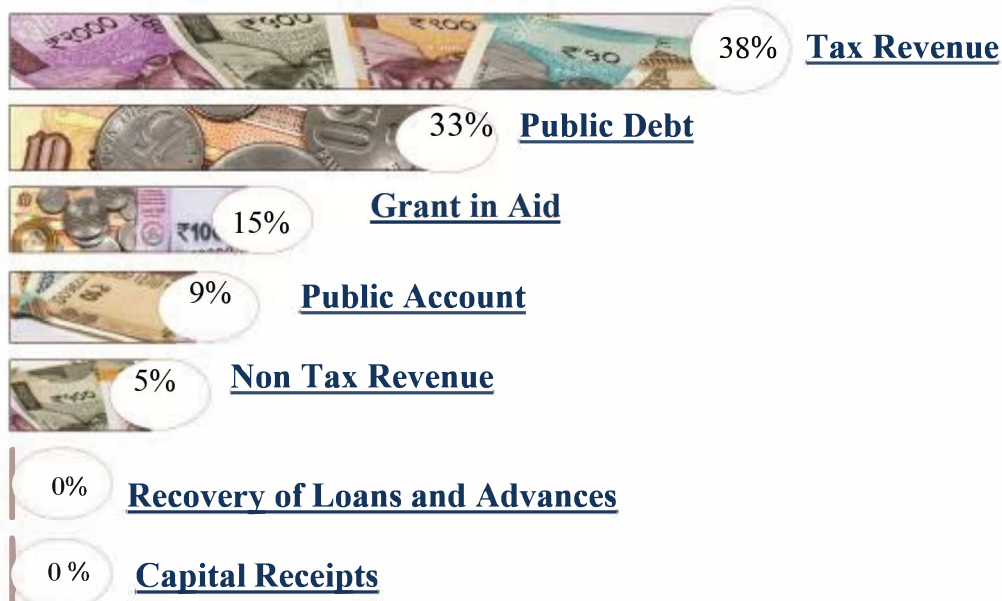
(₹ in crore)

SOURCE	PARTICULARS	Amount
	Opening Cash Balance	-206.42
	Revenue Receipts	116640.24
	Capital Receipts	60.27
	Recovery of Loans & Advances	479.24
	Public Debt	64932.14
	Small Savings, Provident Fund etc	167886.07
	Reserves & Sinking Funds	1505.69
	Deposits Received	5997.48
	Civil Advances recovered	2.14
	Suspense & Miscellaneous	249944.60
	Contingency Fund	0.00
	Remittances	3161.83
	Total	610403.28

APPLICATION	PARTICULARS	Amount
	Revenue Expenditure	146179.51
	Capital Expenditure	14191.73
	Loans Given	2854.29
	Repayment of Public Debt (*)	35900.00
	Payment towards Small Savings, Provident Fund and others	149438.60
	Reserves & Sinking Funds	1765.00
	Deposits Returned	4211.03
	Civil Advances Given	0.16
	Suspense and Miscellaneous	252563.87
	Contingency Fund	0
	Remittances	3592.95
	Closing Cash Balance	-293.86
	Total	610403.28

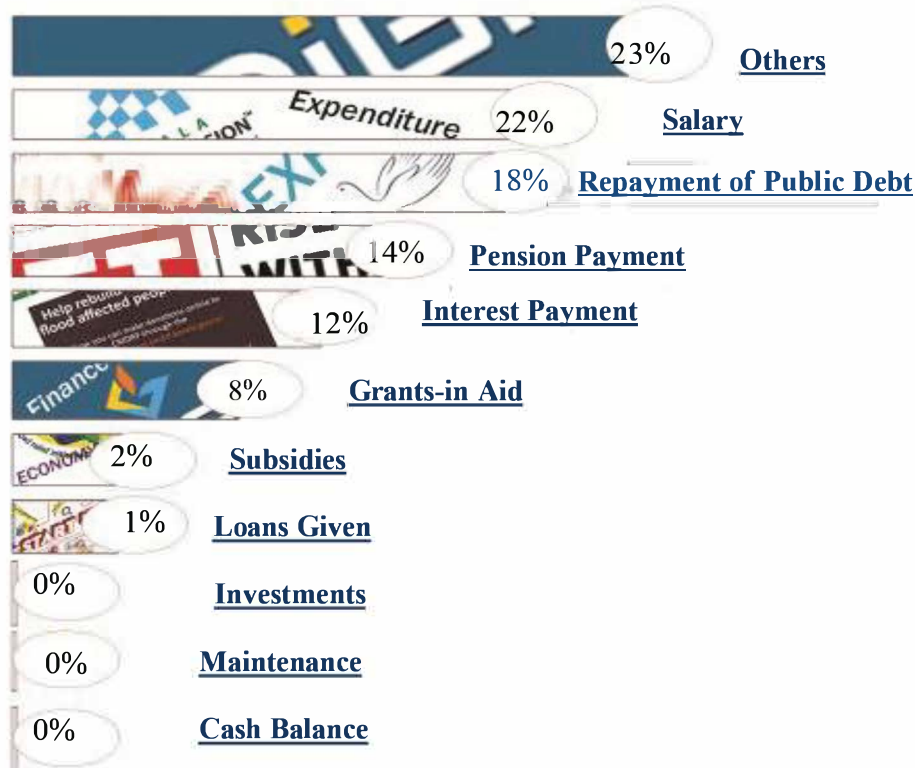
(*)To Central Government (₹ 750.38 crore) and others (₹35149.62) crore

1.4.3 Where the Rupee came from



Note: (i) Public Account is taken as 'net' (ii) Recovery of loans and advances and Capital receipts were ₹479.24 crores and ₹60.27 crores respectively. The percentage contribution is negligible hence value is shown as zero.

1.4.4 Where the Rupee went



Note: (i) Cash balance components above are taken as 'net'.
(ii) Investments and Maintenance, were ₹ 357.61 and ₹ 160.87 which were negligible, hence value is shown as Zero.

1.5 Highlights of Accounts

(₹ in crore)

Sl. No.	Particulars	B.E 2021-22	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP(*)
1	Tax Revenue	84645.36	76160.61	89.98	8.44
2	Non-Tax Revenue	14335.79	10462.51	72.98	1.16
3	Grants-in-aid and Contributions	31440.91	30017.12	95.47	3.33
4	Revenue Receipts (1+2+3)	130422.06	116640.24	89.43	12.93
5	Recovery of Loans & Advances	303.66	479.24	157.82	0.05
6	Other Receipts	50.10	60.27	120.30	0.01
7	Borrowings & Other Liabilities (#)	52446.57	46045.78	87.80	5.10
8	Capital Receipts (5+6+7)	52800.33	46585.29	88.23	5.16
9	Total Receipts (4+8)	183222.39	163225.53	89.09	18.10
10	Non-Plan Expenditure (NPE)	144295.58	128765.74	89.24	14.28
11	NPE on Revenue Account	139995.59	127746.49	91.25	14.16
12	NPE on Interest Payments (out of 11)	23533.72	23302.82	99.02	2.58
13	NPE on Capital Account	4299.99	1019.25	23.70	0.11
14	Plan Expenditure	38926.81	34459.79	88.52	3.82
15	Plan Expenditure on Revenue Account	22404.46	18433.02	82.27	2.04
16	Plan Expenditure on Capital Account	16522.35	16026.77	97.00	1.78
17	Total Expenditure (10+14)	183222.39	163225.53	89.09	18.10
18	Expenditure on Revenue Account (11+15)	162400.05	146179.51	90.01	16.21
19	Expenditure on Capital Account (13 +16)**	20822.34	17046.02	81.86	1.89
20	Revenue Deficit[18-4]	31977.99	29539.27	92.37	3.27
21	Fiscal Deficit 17-(4+5+6)	-52446.57	-46045.78	87.80	-5.10

(*) Gross State Domestic Product (₹901997.83 crore)(Projected Estimate)-Figures communicated by Director of Economics and Statistics of the State Government

(#) Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net of Public Account + Net of Opening and Closing Cash Balance.

(**) Expenditure on Capital Account consists of Capital Expenditure (₹14191.73 crore) and Loans and Advances disbursed (₹2854.29 crore)

1.6. What do the Deficits and Surpluses indicate?

● DEFICIT

Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed and application of funds are important indicators of prudence in Financial Management.

● REVENUE DEFICIT/SURPLUS

Refers to the gap between Revenue Receipts and Revenue Expenditure

● FISCAL DEFICIT/ SURPLUS

Refers to the gap between total Receipts (excluding Borrowings) and total Expenditure in the Consolidated Fund. This gap, therefore indicates the extent to which expenditure is financed by Borrowings

The revenue deficit of the State which indicates the excess of its revenue expenditure over revenue receipts showed inter-year variations during 2017-2022. It increased from ₹16928.21 crore in 2017-18 to ₹29539.27 crore in 2021-22.

The fiscal deficit increased from ₹26837.41 crore in 2017-18 to ₹46045.78 crore in 2021-22. The increase in fiscal deficit by ₹5076.09 crore during the year over the previous year was mainly due to the net effect of increase in revenue deficit (₹3709.77 crore), increase in non-debt capital receipts (₹241.54 crore), increase in Capital expenditure (₹1302.08 crore) and increase in disbursement of loans and advances (₹305.78 crore). As a proportion of GSDP, the revenue deficit decreased to 3.27 *per cent*, the fiscal deficit decreased to 5.10 *per cent* and State's total debt liabilities decreased to 38.65 *per cent* in 2021-22 from 3.40 *per cent*, 5.40 *per cent* and 40.63 *per cent* respectively in 2020-21.

1.6.1 Fiscal Responsibility (Amendment) Act, 2022

The Kerala Fiscal Responsibility Amendment Act 2022 has mandated the State to eliminate the Revenue Deficit completely by 2021-2022 to 2025-2026 and to make revenue surplus in the order of 0.5 per cent, 0.8 per cent, 1.2 per cent, 1.7 per cent, and 2.5 per cent of GSDP in the years 2021-2022 to 2025-2026, to reduce Fiscal Deficit to 3 per cent of estimated GSDP in 2025-2026 by maintaining the fiscal deficit at a level not exceeding 4.5 per cent, 4 per cent, 3.5 per cent, 3.5 per cent for the periods 2021-2022 to 2024-2025 and to reduce State's total debt liabilities to 34.70 per cent of GSDP during the year 2021-2022. Achievements during the year 2021-2022 against fiscal targets laid down in the Act and rules framed there under are as follows:

Sl. No	Financial Parameter	Actual(₹in crore)	Ratio to GSDP*	
			Target	Achievement
1	Revenue Deficit	29539.27	Zero/ to make revenue surplus of 0.5%	3.27 per cent
2	Fiscal Deficit	46045.78	4.5 per cent**	5.10 per cent
3	Debt and other obligations	348653.46***	34.70 per cent	38.65 per cent

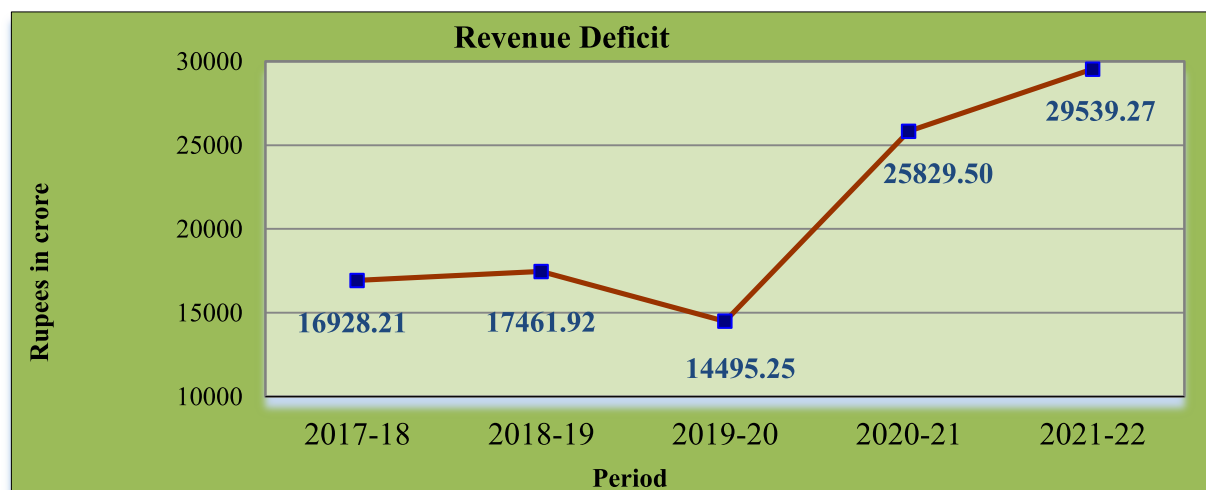
*The GSDP was ₹901997.83 crore as communicated by Director of Economics and Statistics of the State Government.

**The limit of fiscal deficit is inclusive of 0.5 per cent capital expenditure linked borrowing space and an additional borrowing space of 0.5 per cent of GSDP linked performance in power sector during 2021-2022 to 2024-2025.

*** This debt does not include ₹ 8739.31 crore which was passed on as back to back loans by Government of India in lieu of shortfall in GST Compensation, vide GOI's letter No.40(1)PF-S/2021-22 dated 10.12.2021

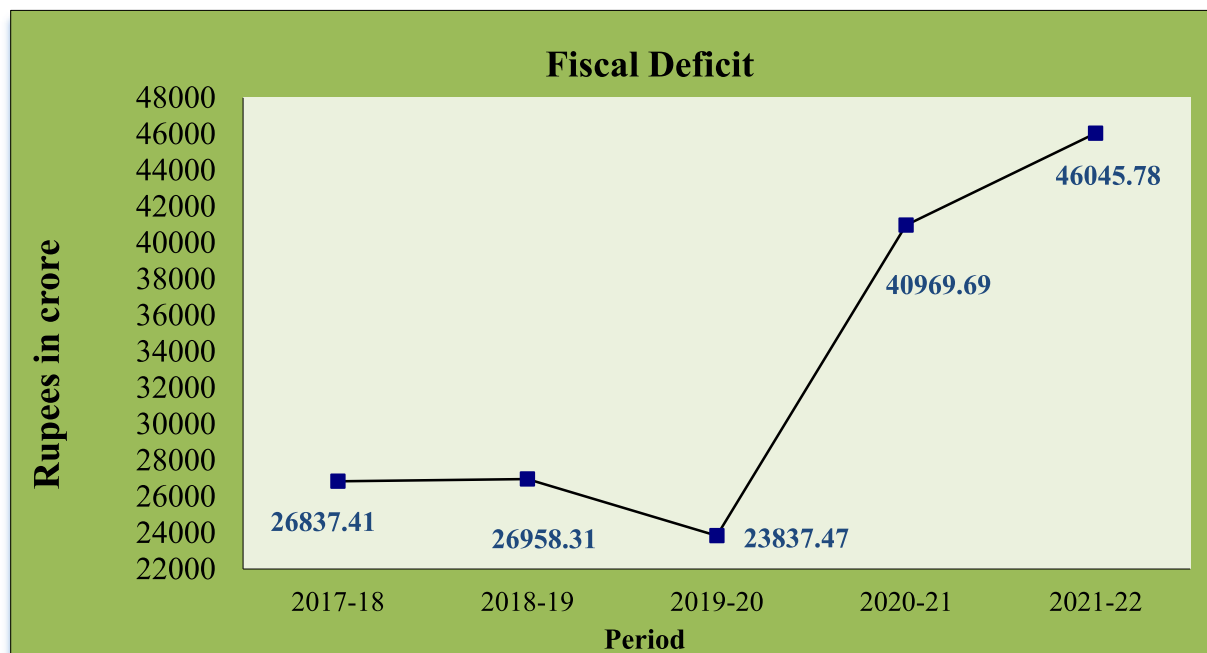
The percentages of Revenue Deficit, Fiscal Deficit and Debt and Other liabilities during 2021-22 is more than the targets mandated in Kerala Fiscal Responsibility Amendment Act, 2022.

1.6.2 Trend of Revenue Deficit



1.6.3 Trend of Fiscal Deficit

Budget Estimates for 2021-22 provided a fiscal deficit of ₹52446.57 crore (5.81 per cent of GSDP) where as the actual fiscal deficit was ₹46045.78 crore (5.10 per cent of GSDP). The position for the last five years is as below:

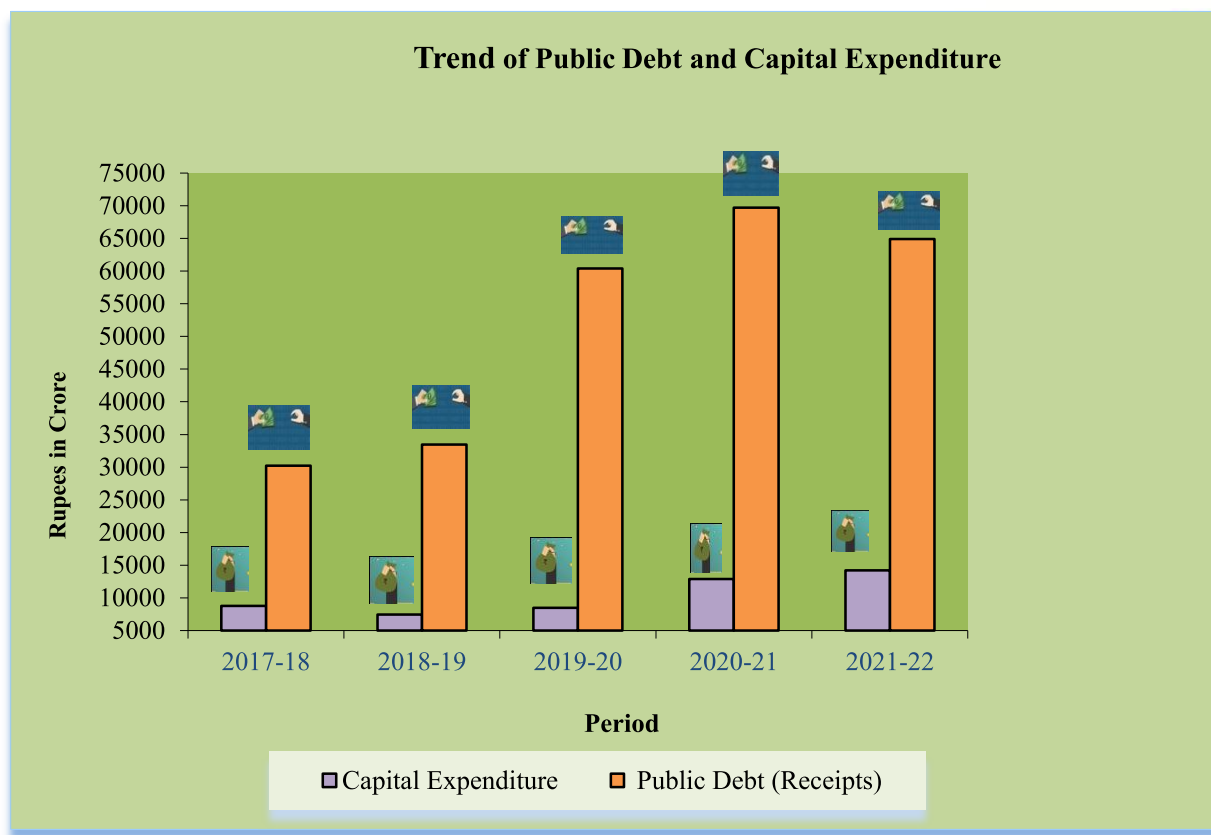


1.6.4 Proportion of borrowed funds spent on Capital expenditure

The capital expenditure is usually met from borrowed funds. It is desirable to fully utilise borrowed funds for the creation of capital assets. Total receipts under Public Debt and the Capital expenditure as a percentage of Public Debt receipts during the last five years are given below:

(₹ in crore)

Year	Public Debt (Receipt)	Capital Expenditure	Capital Expenditure as a percentage of Public Debt receipt
2017-18	30233.77	8748.47	28.94
2018-19	33445.92	7430.54	22.22
2019-20	60407.05	8454.80	14.00
2020-21	69735.36	12889.65	18.48
2021-22	64932.14	14191.73	21.86



CHAPTER II

RECEIPTS

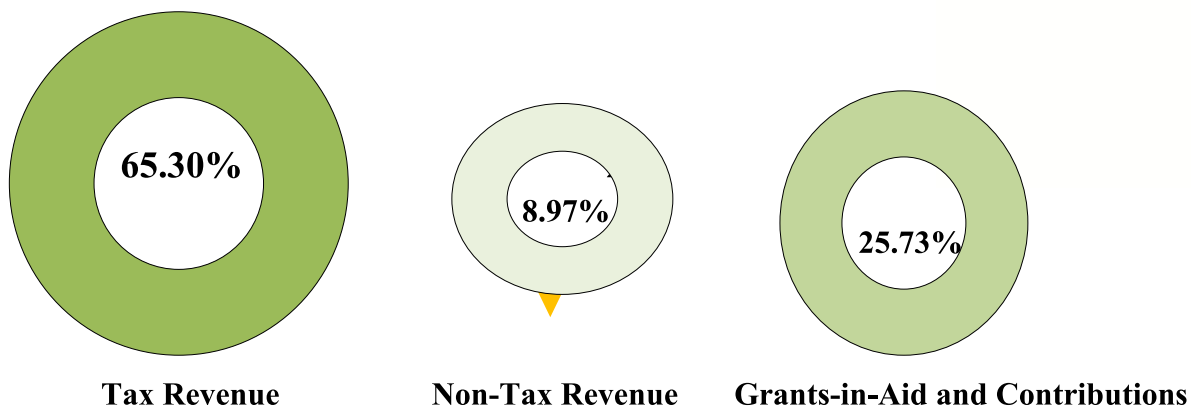
2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2021-22 were ₹ 163225.53 crore (Revenue Receipts ₹116640.24 crore and Capital Receipts ₹46585.29 crore). Revenue receipts comprises Tax Revenue (₹76160.61 crore), Non-Tax Revenue (₹10462.51 crore) and Grants-in-aid and Contributions (₹30017.12 crore).

2.2 Revenue Receipts

Tax Revenue	Comprises taxes collected and retained by the State and State's Share of Union taxes under Article 280(3) of the Constitution
Non-Tax Revenue	Includes interest receipts, dividends, profits etc.
Grants-in-aid	A form of assistance to the State Government from the Union Government. It includes 'External Grant' and 'Aid, Material & Equipment' received from foreign Governments and channelised through the Union Government

Revenue Receipts



2.3 Revenue Receipts Components (2021-22)

Share of various Taxes, Non-Tax revenue and Grants-in-aid and Contributions to total revenue receipts are given below:

(₹ in crore)

Components	Actuals
A. Tax Revenue	76160.61
Goods and Services Tax	29002.48
Taxes on Income and Expenditure	10343.47
Taxes on Property, Capital and Other Transactions	5488.98
Taxes on Commodities and Services other than Goods and Services Tax	31325.68
B. Non-Tax Revenue	10462.51
Interest Receipts, Dividends and Profits	405.03
General Services	8474.18
Social Services	583.62
Economic Services	999.68
C. Grants-in-aid and Contributions	30017.12
Total - Revenue Receipts	116640.24

2.4 Trend of Receipts

The trend of revenue receipts and its percentage to GSDP are presented below:

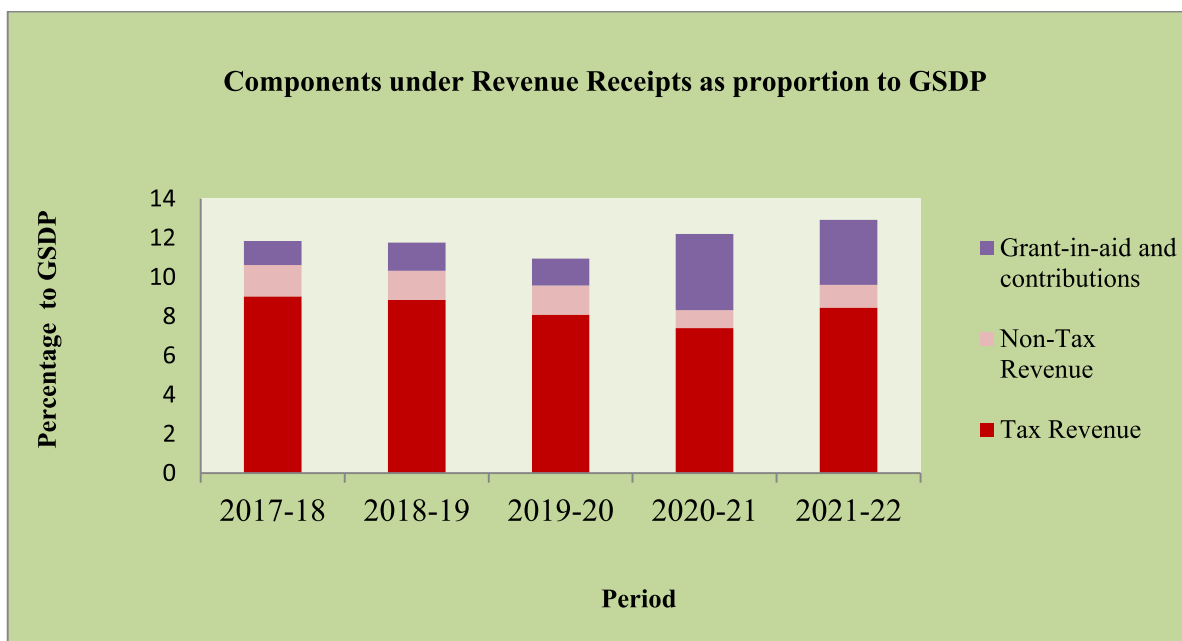
Particulars	₹ in crore)				
	2017-18	2018-19	2019-20	2020-21#	2021-22
Tax Revenue	63292.69	69682.27	66724.19	59221.24	76160.61
	(9.02)	(8.84)	(8.09)	(7.41)	(8.44)
Non-Tax Revenue	11199.61	11783.24	12265.22	7327.31	10462.51
	(1.60)	(1.49)	(1.49)	(0.92)	(1.16)
Grants-in-aid	8527.84	11388.96	11235.26	31068.28	30017.12
	(1.22)	(1.44)	(1.36)	(3.89)	(3.33)
Total Revenue Receipts	83020.14	92854.47	90224.67	97616.83	116640.24
	(11.83)	(11.78)	(10.94)	(12.21)	(12.93)
GSDP (*)	701588	788285	824374	799571	901998

Note: (*) GSDP figures communicated by Director of Economics and Statistics of the State Government. The figures for 2020-21 are Quick Revised Estimate. The figures for 2021-22 are Projected Estimate. Figures in parenthesis indicate percentage to GSDP.

(#) Change in figures with respect to previous report is due to adoption of revised GSDP figures.

The GSDP increased by 12.81 *per cent* between 2020-21 and 2021-22, while revenue receipts increased by 19.49 *per cent*. Tax Revenue of ₹76160.61 crore and Non-Tax Revenue of ₹10462.51 crore during 2021-22 formed 8.44 *per cent* and 1.16 *per cent* respectively of the GSDP. Major portion of Tax Revenue was collected under Taxes on Sales, Trade etc. i.e., ₹22487.42 crore and State Goods and Services Tax ₹24169.81 crore representing 2.49 *per cent* and 2.68 *per cent* of the GSDP. Out of the Tax Revenue of ₹76160.61 crore, the contributions of State's Own Taxes and Central Tax transfers were ₹58340.52 crore and ₹17820.09 crore respectively.

Trend of Revenue Receipts relative to GSDP is presented below:



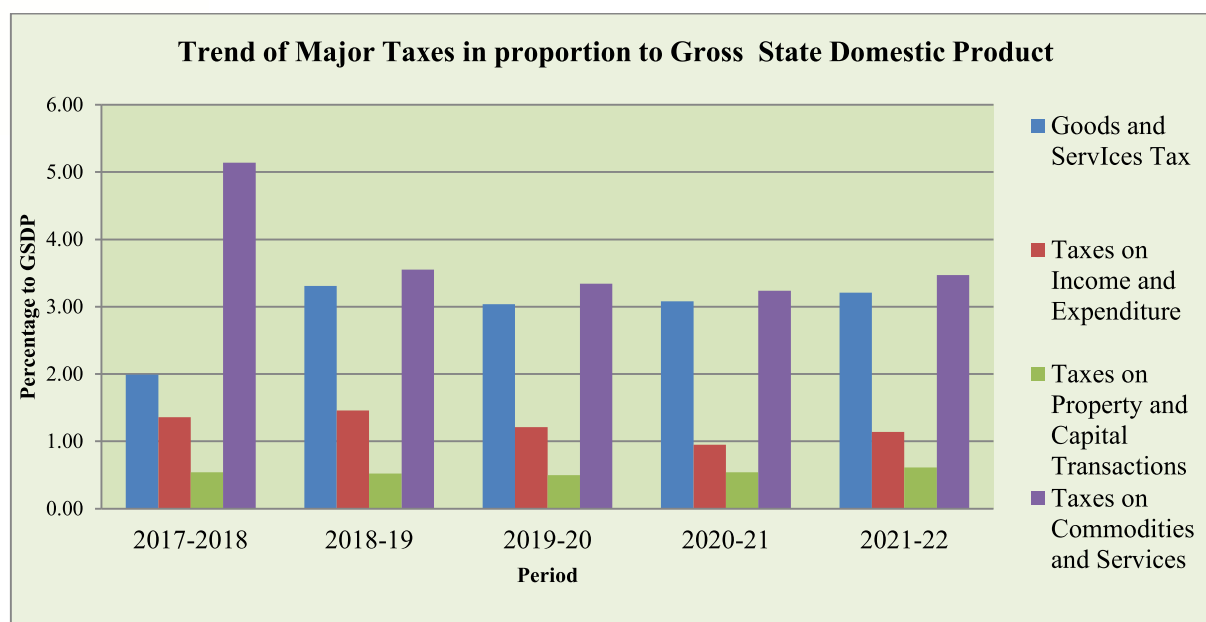
2.5 Tax Revenue

2.5.1 Sector-wise Tax Revenue

Sector-wise composition of Tax Revenue for the period 2017-18 to 2021-22 is given below:

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Goods and Services Tax	13947.53	26088.85	25101.14	23353.94	29002.48
Taxes on Income and Expenditure	9513.90	11532.30	9974.66	7189.22	10343.47
Taxes on Property and Capital Transactions	3801.36	4075.42	4142.31	4121.22	5488.98
Taxes on Commodities and Services other than Goods and Services Tax	36029.90	27985.70	27506.08	24556.86	31325.68
Total Tax Revenue	63292.69	69682.27	66724.19	59221.24	76160.61



2.6 Performance of State's Own Tax Revenue collection

An analysis of State's Own Tax Revenue and its percentage to GSDP for the period 2017-18 to 2021-22 are shown below:

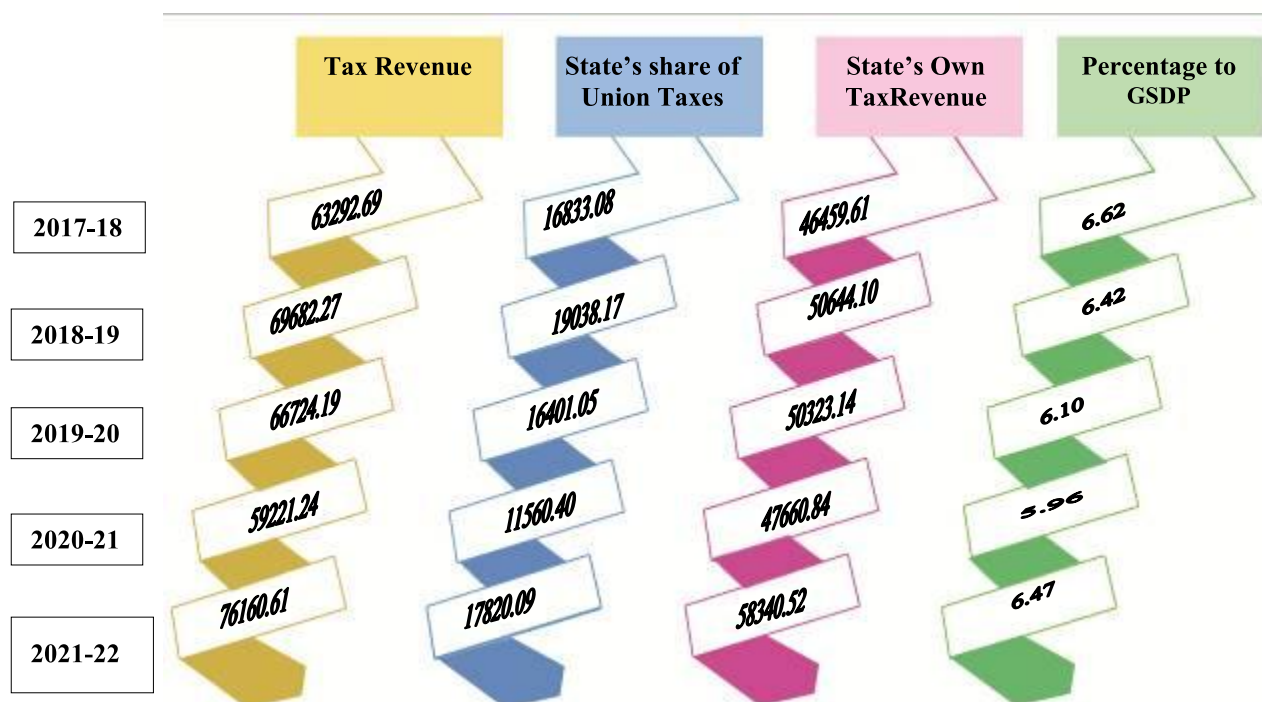
(₹ in crore)

Year	Tax Revenue	State's share of Union Taxes	State's Own Tax Revenue	
			Amount	Percentage to GSDP
2017-18	63292.69	16833.08	46459.61	6.62
2018-19	69682.27	19038.17	50644.10	6.42
2019-20	66724.19	16401.05	50323.14	6.10
2020-21	59221.24	11560.40	47660.84	5.96
2021-22	76160.61	17820.09	58340.52	6.47

The State's Own Tax Revenue collected during 2021-22 was ₹10679.68 crore more than the year 2020-21 and ₹527.37 crore less than the budget estimate for the year 2021-22 given in the Medium Term Fiscal Plan 2022-23 to 2024-2025 (₹58867.89 crore).

State's Own Tax Revenue

(₹ in crore)



Following table depicts the comparative position of amount of Tax Revenue received from the two sources over a period of five years:

(₹ in crore)

	2017-18	2018-19	2019-20	2020-21	2021-22
State's own Tax collection	46459.61	50644.10	50323.14	47660.84	58340.52
Devolution of Union Taxes	16833.08	19038.17	16401.05	11560.40	17820.09
Total Tax Revenue	63292.69	69682.27	66724.19	59221.24	76160.61
Percentage of State's own tax revenue to Total tax revenue	73.40	72.68	75.42	80.48	76.60

2.7 Efficiency of Tax Collection

Tax collection under the major sectors and expenditure on collection for the period 2017-18 to 2021-22 are given below.

A. Taxes on Property, Capital and other Transactions

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue Collection	3801.36	4075.42	4142.31	4121.22	5488.98
Expenditure on Collection	845.71	882.96	872.09	818.68	1221.85
Percentage of expenditure on collection to revenue collection	22.25	21.66	21.05	19.86	22.26

B. Taxes on Commodities and Services other than Goods and Services Tax

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue collection	36029.90	27985.70	27506.08	24556.86	31325.68
Expenditure on collection	743.03	771.27	765.33	731.84	679.76
Percentage of expenditure on collection to Revenue collection	2.06	2.76	2.78	2.98	2.17

2.8 Trend in State's Share of Union Taxes over the past five years

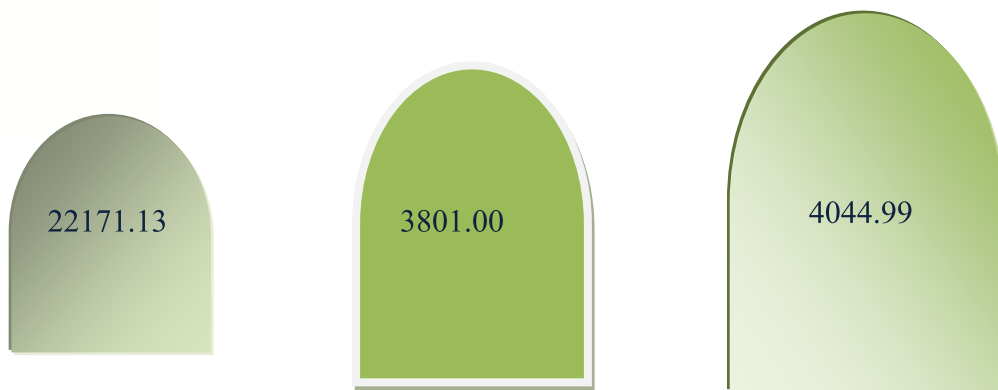
Share of various taxes to total revenue receipts are given below:

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Central Goods and Service Tax	239.88	4699.14	4654.19	3325.63	4832.67
Corporation Tax	5156.64	6621.02	5592.06	3546.02	5238.12
Taxes on Income other than Corporation Tax	4354.40	4876.10	4381.76	3642.70	5104.81
Taxes on Wealth	(-)0.15	2.44	0.25	0	1.48
Customs	1699.40	1349.57	1039.60	591.59	1431.33
Union Excise Duties	1776.40	896.86	722.80	380.78	898.09
Service Tax	1906.55	173.73	0	62.54	294.96
Others	1699.96	419.31	10.39	11.14	18.63
Total State Share of Union Taxes	16833.08	19038.17	16401.05	11560.40	17820.09
Total Tax Revenue	63292.69	69682.27	66724.19	59221.24	76160.61
Percentage of State's share of Union Taxes to total Tax Revenue	26.60	27.32	24.58	19.52	23.40

2.9 Grants-in-Aid

Grants-in-aid represent assistance from Government of India and comprise Grants for Centrally Sponsored Schemes approved by NITI Aayog, Grants recommended by the Finance Commission and Other grants. Total receipts during the year 2021-22 under Grants-in-aid were ₹30017.12 crore as shown below

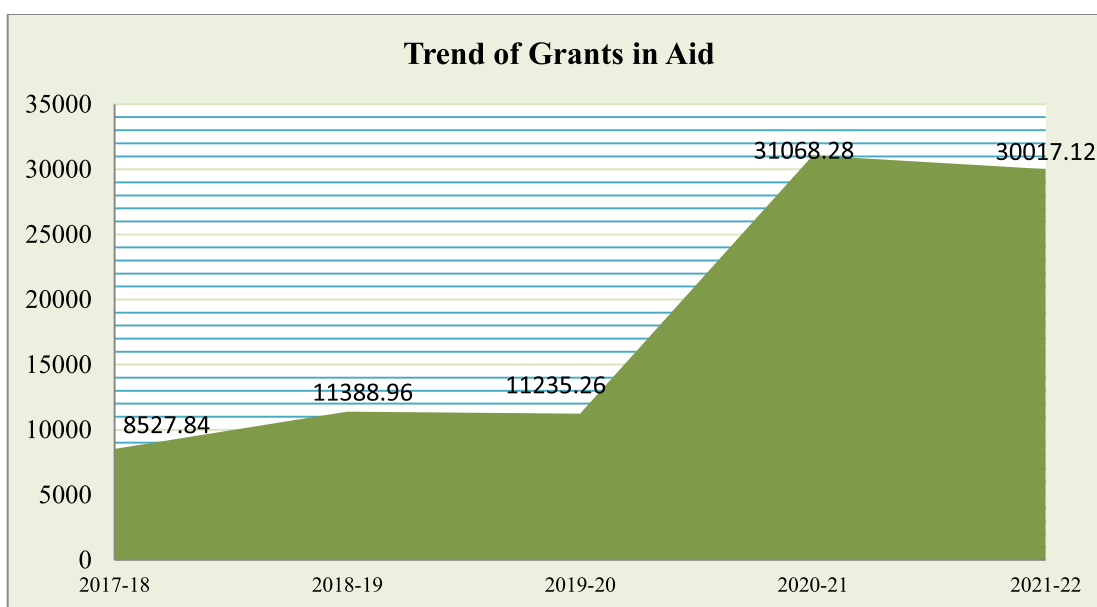


Finance Commission Grants

Centrally Sponsored Schemes

Other Grants/Grants to States

2.9.1 Trend of Grants-in-Aid received for the period 2017-18 to 2021-22 is given below:



2.10 Public Debt

The section Public Debt comprises 'Internal Debt' and 'Loans and Advances from Central Government' and their repayments made by Government.

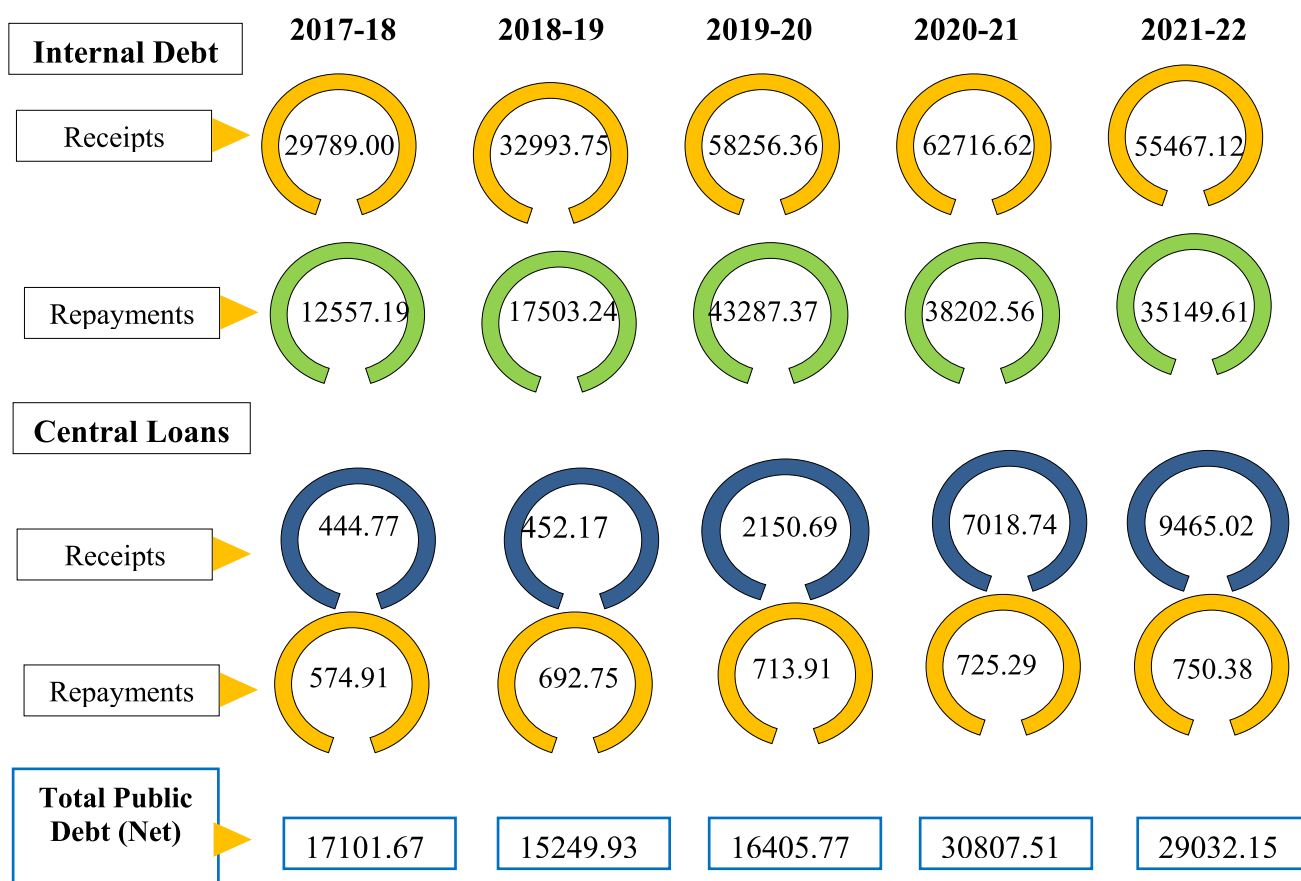
2.10.1 Trend of Public Debt over the past five years

The trend of Public Debt receipts and repayments over the past five years is as under:

(₹ in crore)

Year	Internal Debt		Loans and Advances from Central Government		Total Public Debt (Net)
	Receipts	Repayments	Receipts	Repayments	
2017-18	29789.00	12557.19	444.77	574.91	17101.67
2018-19	32993.75	17503.24	452.17	692.75	15249.93
2019-20	58256.36	43287.37	2150.69	713.91	16405.77
2020-21	62716.62	38202.56	7018.74	725.29	30807.51
2021-22	55467.12	35149.61	9465.02	750.38	29032.15

(₹ in crore)



3.1 Introduction

Expenditure is classified as Revenue expenditure and Capital expenditure. It is further classified as Plan and Non-Plan. Revenue expenditure is incurred to meet expenses for the day-to-day running of the Government. Capital expenditure is used to create permanent assets to enhance the utility of such assets or to reduce permanent liabilities.

In Government accounts, expenditure is classified into three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned in table given below:

● General Services	Include Administration of Justice, Police, Jail, PWD, Pension etc.
● Social Services	Include Education, Health & Family Welfare, Water Supply, Welfare of SC-ST etc.
● Economic Services	Include Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.

3.2 Revenue Expenditure

Revenue expenditure for 2021-22, ₹146179.51 crore (comprising Non-Plan expenditure of ₹127746.49 crore and Plan expenditure of ₹18433.02 crore) was less than the budget estimates by ₹16220.54 crore (less by ₹12249.10 crore under 'Non-Plan' and ₹3971.44 crore under 'Plan'). The shortfall of expenditure against Budget Estimates under Revenue Section during the past five years is given below.

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Budget Estimates	116069.49	129163.06	131087.24	145222.93	162400.05
Actuals	99948.35	110316.39	104719.92	123446.33	146179.51
Shortfall	16121.14	18846.67	26367.32	21776.60	16220.54
Percentage of shortfall over Budget Estimates	13.89	14.59	20.11	15.00	9.99

Around 65.66 per cent of the total revenue expenditure was incurred on committed expenses viz. on Salaries and Wages (₹45780.08 crore) , Interest payment (₹23302.82 crore) and Pension Payments (₹26898.69 crore) which is the committed liability of the State Government.

The position of committed and uncommitted revenue expenditure over the last five years is given below:

(₹ in crore)

Component	2017-18	2018-19	2019-20	2020-21	2021-22
Total Revenue Expenditure	99948.35	110316.39	104719.92	123446.33	146179.51
Committed Revenue Expenditure	68885.17	69943.53	72649.90	75233.15	95981.59
Percentage of committed expenditure to Revenue Expenditure	68.92	63.40	69.38	60.94	65.66
Uncommitted revenue Expenditure	31063.18	40372.86	32070.02	48213.18	50197.92

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased during the year 2021-22. The total revenue expenditure increased by 46.25 per cent from ₹99948.35 crore in 2017-18 to ₹146179.51 crore in 2021-22.

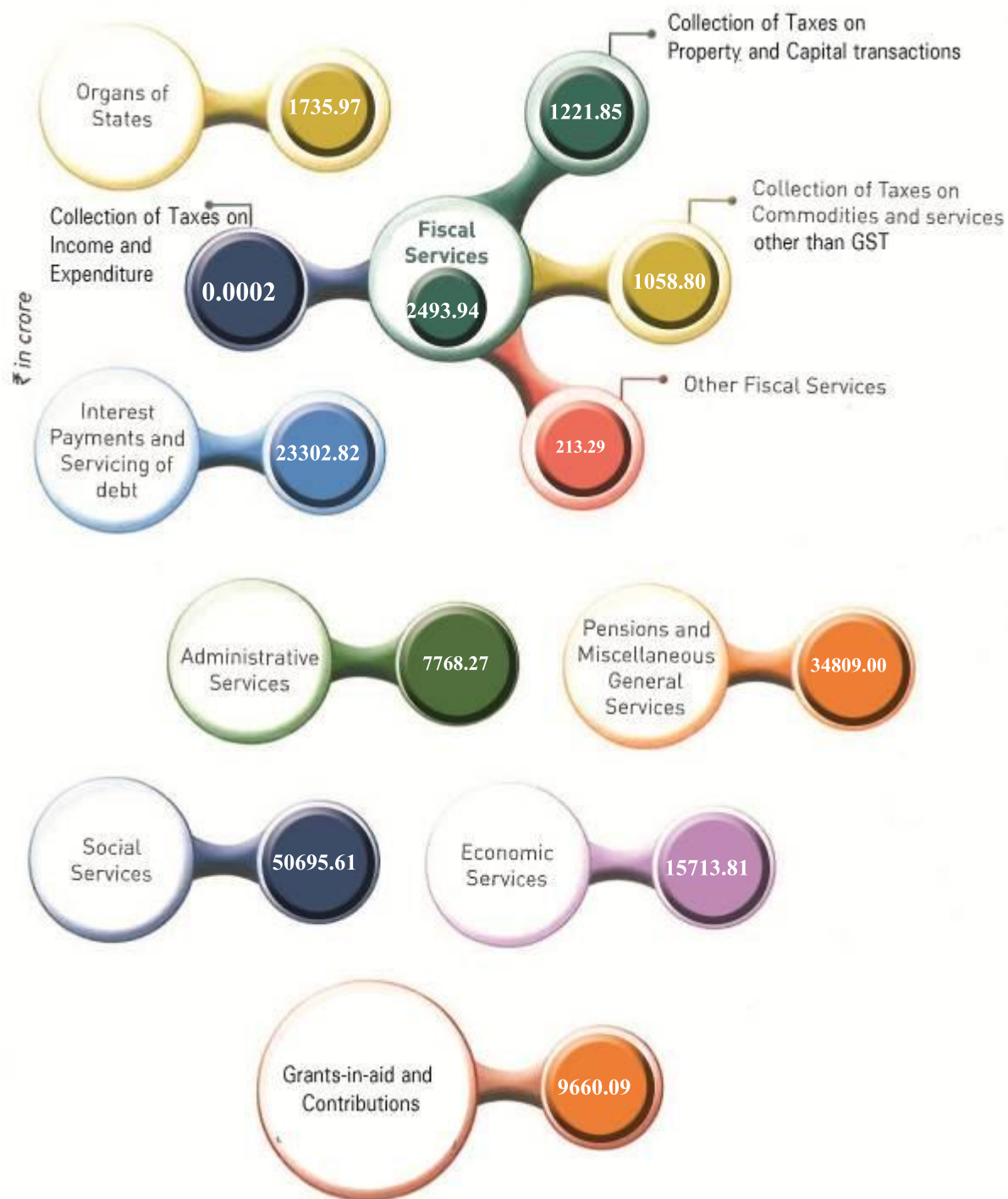
3.2.1 Sectoral distribution of Revenue Expenditure

Sectoral distribution of expenditure and its percentage to total revenue expenditure are given below:

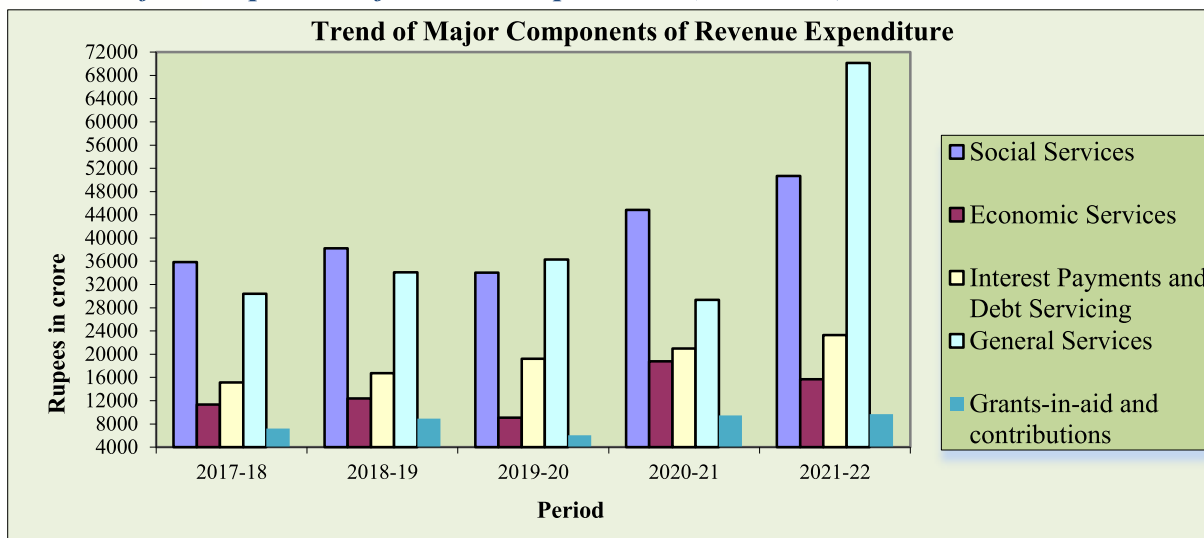
(₹ in crore)

	Components	Amount	Percentage to Total Revenue Expenditure
A	General Services	70110.00	47.96
a	Organs of State	1735.97	1.19
b	Fiscal Services	2493.94	1.71
i)	Collection of Taxes on Income and Expenditure	0.0002	0.00*
ii)	Collection of Taxes on Property and Capital transactions	1221.85	0.84
iii)	Collection of Taxes on Commodities and Services other than Goods and Services Tax	1058.80	0.72
iv)	Other Fiscal Services	213.29	0.15
c	Interest Payments and Servicing of Debt	23302.82	15.94
d	Administrative Services	7768.27	5.31
e	Pensions and Miscellaneous General Services	34809.00	23.81
B	Social Services	50695.61	34.68
C	Economic Services	15713.81	10.75
D	Grants-in-aid and Contributions	9660.09	6.61
	Total Expenditure (Revenue Account)	146179.51	100.00

* Amount negligible



3.2.2 Major Components of Revenue Expenditure (2017-2022)



Note: - General Services excludes MH 2049 (Interest payments).

3.3 Capital Expenditure

Capital disbursements for 2021-22, ₹17046.02 crore (comprising Non-Plan expenditure of ₹1019.25 crore and Plan expenditure of ₹16026.77 crore) were less than the budget estimates by ₹3776.32 crore due to less disbursement under Non-Plan (₹3280.74 crore) and less under Plan (₹495.58 crore).

The growth in Capital Expenditure and growth of GSDP since 2017-18 can be seen from the table below:

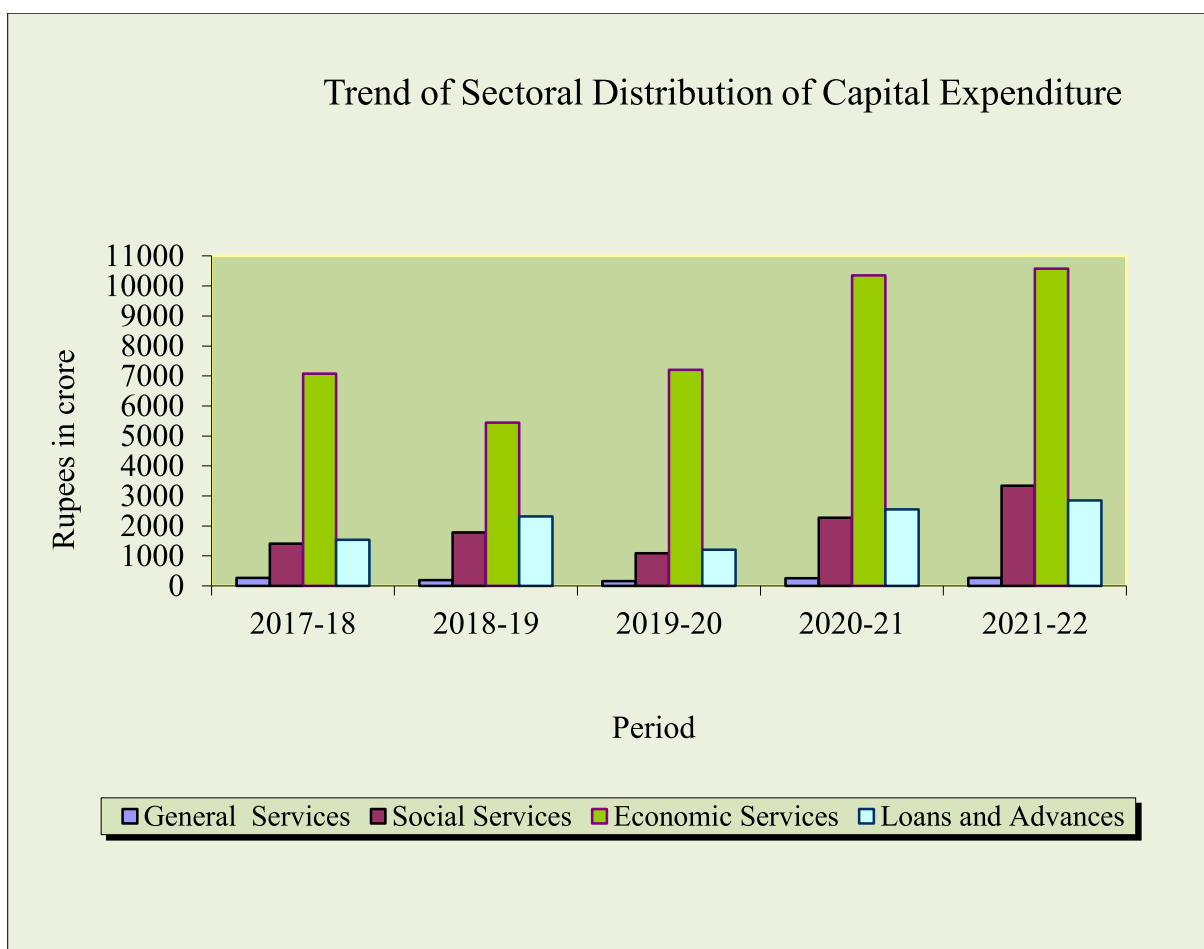
(₹ in crore)

S.No	Components	2017-18	2018-19	2019-20	2020-21	2021-22
1	Budget(B.E)	14516.53	15495.40	18816.79	17643.28	20822.34
2	Actual Expenditure	10289.46	9753.43	9665.02	15438.16	17046.02
3	Percentage of Actual Expenditure to B.E	70.88	62.94	51.36	87.50	81.86
4	Yearly Growth in Capital Expenditure	(-) 9%	(-)5.21%	(-)0.91%	59.73%	10.41%
5	GSDP	701588	788285	824374	799571	901998
6	Yearly Growth in GSDP	10.51%	12.36%	4.58%	-3.01%	12.81%

3.3.1 Sectoral distribution of Capital Expenditure

Sectoral distribution of capital expenditure and its percentage to total capital expenditure in 2021-22 is given below:

SI No.	Sectors	Amount	(₹ in crore)
			Percentage to Capital Expenditure
1	General Services	268.26	1.57
2	Social Services	3342.63	19.61
3	Economic Services	10580.84	62.07
4	Loans and Advances	2854.29	16.75
	Total	17046.02	100.00



3.3.2 Sectoral distribution of capital expenditure and revenue expenditure over the past five years

The comparative sectoral distribution of capital and revenue expenditure over the past five years is given below:

(₹ in crore)

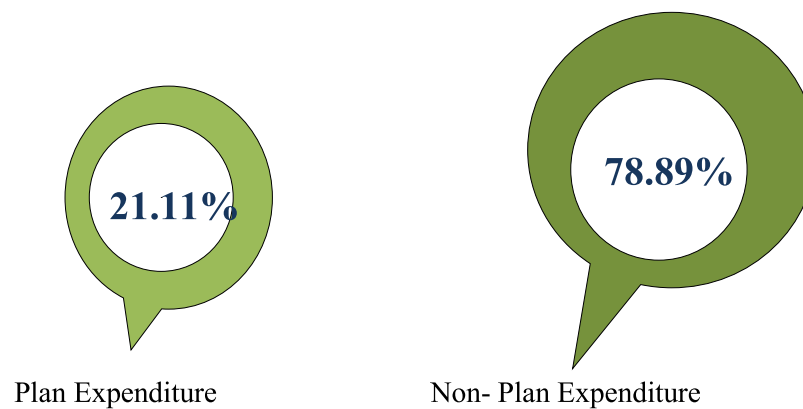
S.No	Sectors		2017-18	2018-19	2019-20	2020-21	2021-22
1	General Services	Capital	268.01	197.96	157.42	259.84	268.26
		Revenue	45523.77	50827.13	55504.03	50360.72	70110.00
2	Social Services	Capital	1405.89	1784.29	1090.64	2277.90	3342.63
		Revenue	35876.27	38210.77	34044.77	44832.44	50695.61
3	Economic Services	Capital	7074.97	5448.29	7206.74	10351.91	10580.84
		Revenue	11351.08	12379.77	9107.25	18760.72	15713.81
4	Grants-in-aid and contributions	Capital	-	-			
		Revenue	7197.23	8898.72	6063.87	9492.45	9660.09

CHAPTER IV

PLAN & NON-PLAN EXPENDITURE

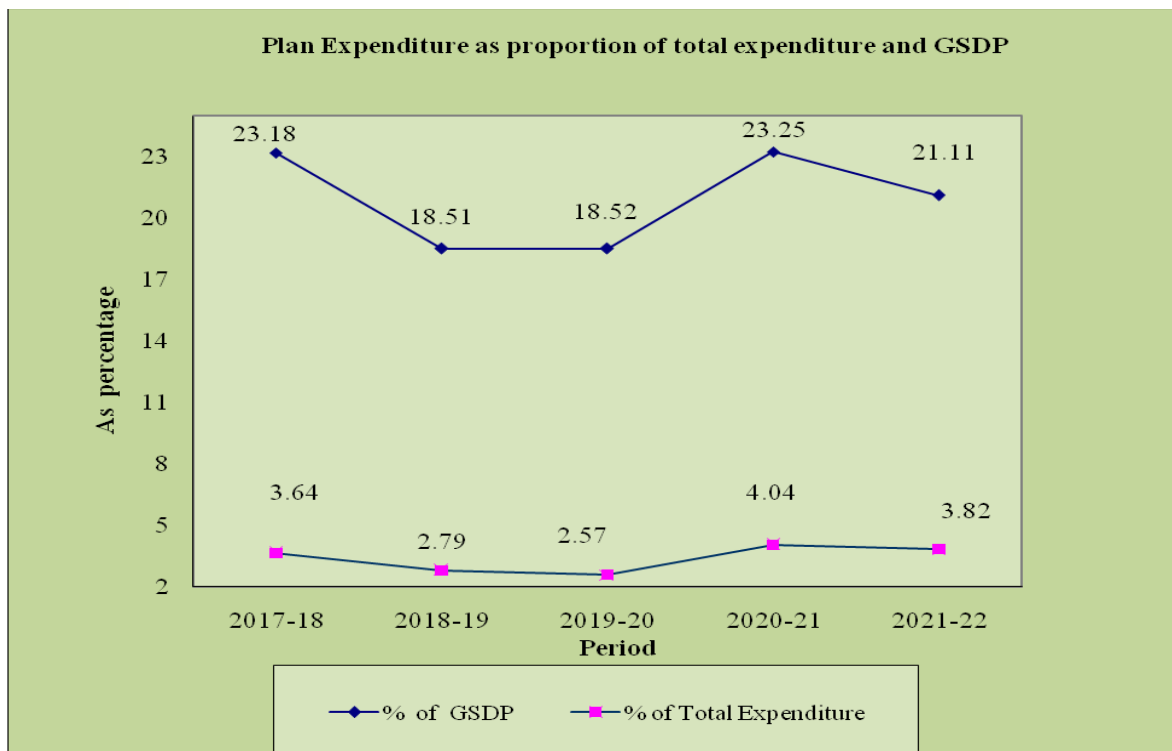
4.1 Distribution of Expenditure

The distribution of disbursement under Plan and Non-Plan expenditure is given below:



4.2 Plan Expenditure

Plan Expenditure during 2021-22 (₹34459.79 crore) consists of ₹18433.02 crore under Revenue and ₹16026.77 crore under Capital. It represents 21.11 *per cent* of the total expenditure of ₹163225.53 crore and comprises ₹30605.62 crore under State Plan and ₹3859.51 crore under Centrally Sponsored Schemes/Central Assistance Schemes.



4.2.1 Plan expenditure under Capital Account

The plan expenditure under Capital Account during the past five years is given below

(₹ in crore)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Total Capital Expenditure	10289.46	9753.43	9665.02	15438.16	17046.02
Capital Expenditure(plan) (Includes Loans and Advances)	9374.50	8107.39	9146.54	14350.49	16026.77
Percentage of Capital Expenditure (plan) to Total Capital Expenditure	91.11	83.12	94.64	92.95	94.02

(₹ in crore)

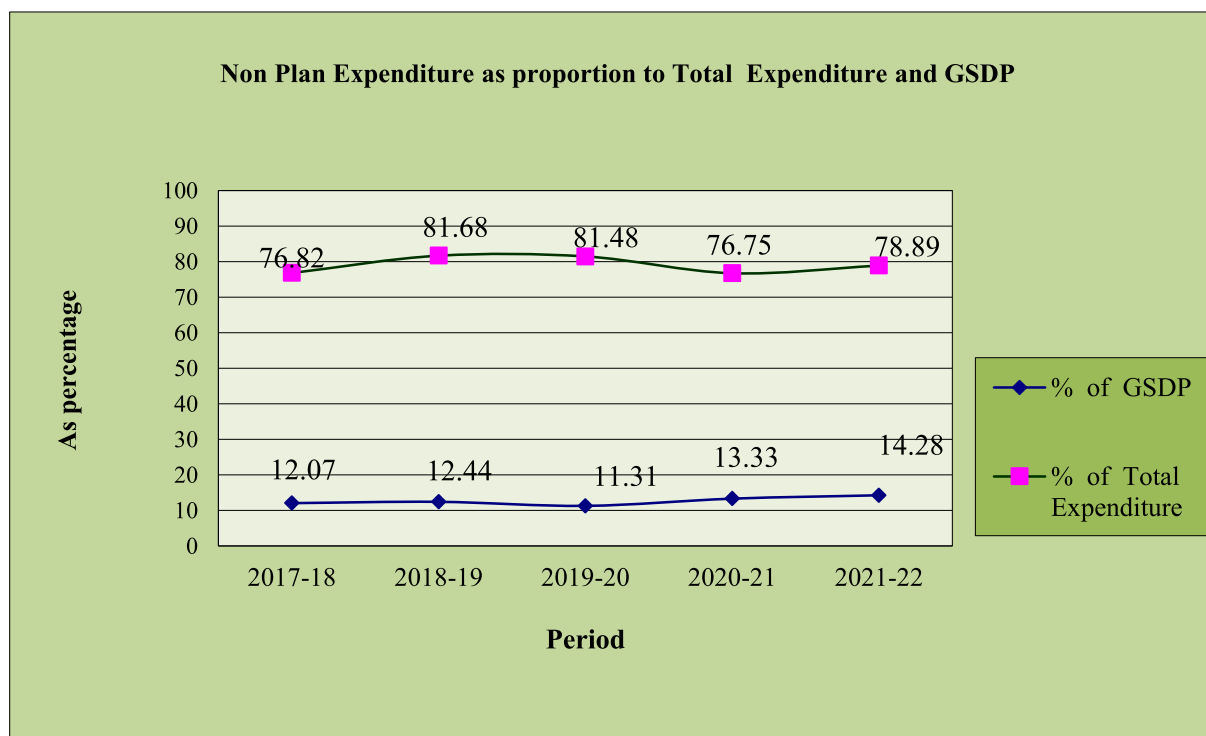
Total Capital Expenditure	10289.46	9753.43	9665.02	15438.16	17046.02
Capital Expenditure(plan)	9374.50	8107.39	9146.54	14350.49	16026.77
Percentage of Capital Expenditure (plan) to Total Capital Expenditure	91.11	83.12	94.64	92.95	94.02
	2017-18	2018-19	2019-20	2020-21	2021-22

4.2.2 Plan expenditure on Loans and Advances

Plan expenditure on Loans and Advances during 2021-22 was ₹2819.096 crore under 22 Loan Major Heads of Account.

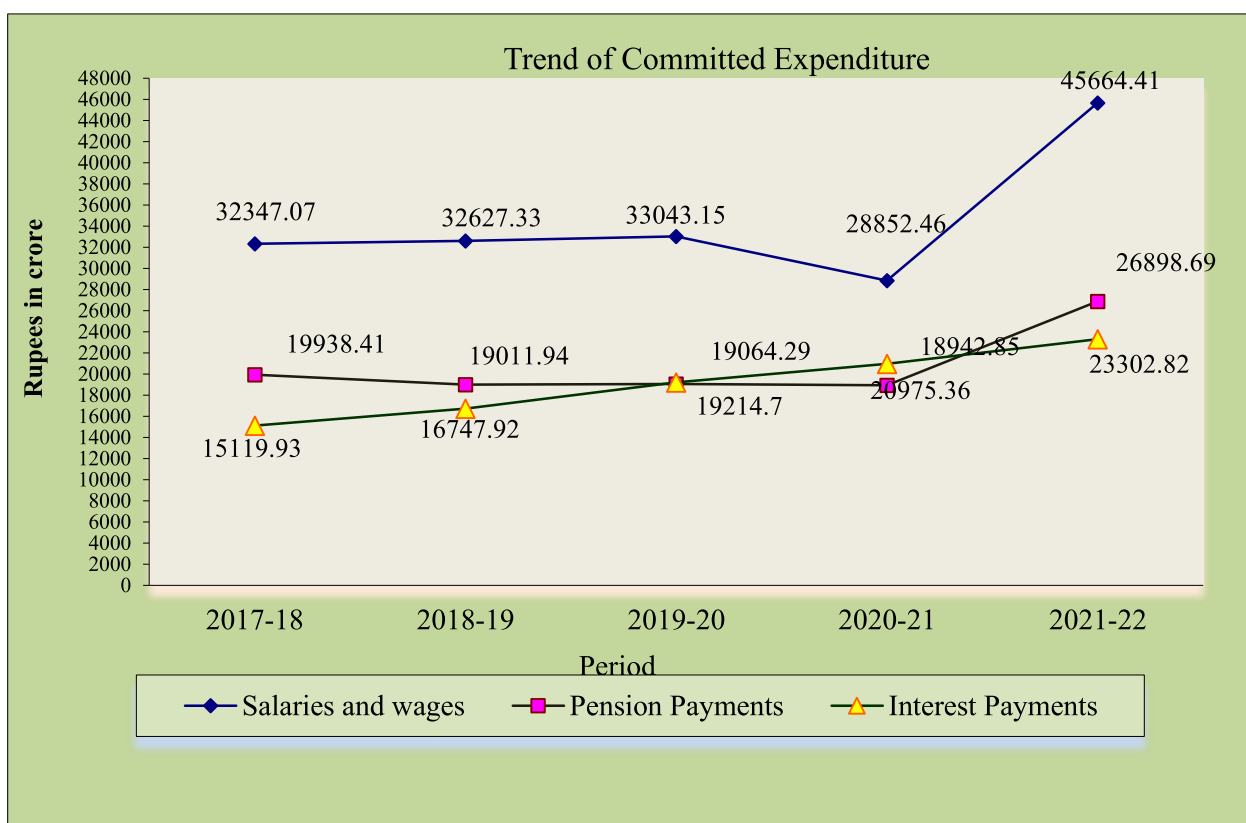
4.3 Non-Plan Expenditure

Non-Plan expenditure during 2021-22 (₹128765.74 crore) consists of ₹127746.49 crore under Revenue and ₹1019.25 crore under Capital. It represents 78.89 *per cent* of the total expenditure of ₹ 163225.53 crore.



4.4 Committed Expenditure

The committed expenditure of the State Government mainly consists of expenditure on interest, pension, salaries and wages. Chart representing trends of committed expenditure during the last five years is given below:



The ratio of salaries and wages, interest payments and pension (Committed Expenditure) to Revenue Receipts of the State during the current year was 82.40 *per cent*.

Committed expenditure and its percentage to Revenue Receipts and Revenue Expenditure during the past five years are given below:

(₹ in crore)

Component	2017-18	2018-19	2019-20	2020-21	2021-22
Committed Expenditure	68989.25	70050.20	72751.15	75318.15	96115.89
Revenue Expenditure	99948.35	110316.39	104719.92	123446.33	146179.51
Percentage of committed expenditure to Revenue Receipts	83.10	75.44	80.63	77.16	82.40
Percentage of committed expenditure to Revenue Expenditure	69.03	63.50	69.47	61.01	65.75

Pension payments during 2021-22 was ₹60.53 crore less than the projection made by State Government in Medium Term Fiscal Plan (₹26959.22 crore). The expenditure on salaries and wages (including the salary of staff of State aided educational institutions paid by Government) during the year 2021-22 was ₹45914.38 crore constituting 39.36 *per cent* of the revenue receipts and 31.41 *per cent* of the revenue expenditure. The salary expenditure is 46.49 *per cent* of revenue expenditure net of interest and pension payments and it is ₹219.54 crore more than the projection made by State Government in Medium Term Fiscal Plan (₹44405.74 crore).

CHAPTER V

APPROPRIATION ACCOUNTS

5.1 Summary of Appropriation Accounts

The Appropriation Accounts of the Government of Kerala for the year 2021-22 present the accounts of sums expended in the year ended 31 March 2022 compared with the sums specified in the Schedules appended to the Appropriation Acts passed by the State Legislature under Articles 204 and 205 of the Constitution of India.

As per the Appropriation Accounts of the State for the year 2021-22, the actual expenditure was ₹205451.40 crore and it comprised ₹152342.62 crore Revenue Expenditure, ₹14354.49 crore Capital Expenditure, ₹35900.00 crore repayment of Public Debt and ₹2854.29 crore Loans and Advances. There were Savings under these sections with reference to total Grants/Appropriation allocated by the State Legislature as indicated below:

(₹ in crore)

Sl. No.	Nature of expenditure	Original Grant/ Appropriation	Supple mentary Grant/Appro - priation	Total	Actual Expendi- ture	Savings (-) Excess (+)
1	Revenue Voted Charged	126690.58 22518.07	12905.52 1603.35	139596.10 24121.42	128469.90 23872.72	11126.20 248.70
2	Capital Voted Charged	12580.85 33.10	5351.50 138.75	17932.35 171.85	14210.00 144.49	3722.35 27.36
3	Public Debt Charged	52446.25	12.33	52458.58	35900.00	16558.58
4	Loans and Advances Voted Charged	1544.94	1167.10 23.78	2712.04 23.78	2830.51 23.78	-118.47 0.00
	Total	215813.79	21202.33	237016.12	205451.40	31564.72

5.2 Trend of Savings/Excess during the past five years

Trend of Savings/Excess during the past five years is given below:

(₹ in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2017-18	(-)7349.83	(-)3355.04	(-)473.91	(-)246.18	(-)11424.96
2018-19	(-)14623.76	(-)5271.53	3363.84	(-)121.85	(-)16653.30
2019-20	(-)21866.16	(-)8689.97	336.63	(-)427.31	(-)30646.81
2020-21	16293.53	2271.61	5865.03	(-)360.76	24069.41
2021-22	11374.90	3749.71	16558.58	(-)118.47	31564.72

5.2.1 Excess over provision requiring regularisation

The Appropriation Accounts disclosed excess expenditure of ₹237.69 crore under Revenue voted Section, ₹30.78 crore under Capital voted section. This excess expenditure of ₹268.47 crore requires regularisation under Article 205 of the Constitution of India.

(₹ in crore)

Sl. No.	Number and title of Grant/Appropriation		Total grant/appropriation	Expenditure	Excess
	Voted Grants -Revenue				
1	VII	Stamps and Registration	341.56	345.66	4.10
2	XIII	Jails	182.56	200.25	17.69
3	XVI	Pension and Miscellaneous	38308.07	38498.35	190.28
4	XXVIII	Miscellaneous Economic Services	243.41	244.24	0.83
5	XXXI	Animal Husbandry	813.55	837.89	24.34
6	XL	Ports	72.38	72.83	0.45
	Total Voted Grant Revenue		39961.53	40199.22	237.69

Sl. No	Number and title of Grant/Appropriation	Total grant/appropriation	Expenditure	Excess
	Voted Grants - Capital			
1	XII Police	54.77	69.58	14.81
2	XVII Education, Sports, Art and Culture	513.02	528.79	15.77
3	XXXIV Forest	82.40	82.60	0.20
	Total Voted Grants- Capital	650.19	680.97	30.78
	Grand Total	40611.72	40880.19	268.47

5.2.2 Significant Savings

Some Grants with significant savings (percentage) during the last five years are given below:

(₹ in crore)

Grant No.	Nomenclature	2017-18	2018-19	2019-20	2020-21	2021-22
REVENUE VOTED						
XXII	Urban Development	67	61	47	37	52
XXXVI	Rural Development	75	69	80	60	75
CAPITAL VOTED						
XXVIII	Miscellaneous Economic Services	57	51	62	27	16
XXIX	Agriculture	26	44	40	21	17

5.2.3 Unnecessary Supplementary Grants

Supplementary provisions aggregating ₹1934.19 crore, obtained in 21 cases during the year, proved unnecessary as the expenditure did not come up to the level of the original provisions as given below:

(₹ in crore)

Grant No.	Nomenclature	Original provision	Supplementary provision	Actual Expenditure
Revenue Voted				
I	State Legislature	160.00	16.03	154.16
II	Heads of States, Ministers and Headquarters Staff	793.00	52.88	787.76
VI	Land Revenue	896.02	41.00	876.84
XV	Public Works	3711.23	256.03	3419.19
XXI	Housing	111.06	20.29	108.95
XXII	Urban Development	1899.43	0.0002	919.09
XXIV	Labour, Labour Welfare and Welfare of Non Residents	1103.78	122.41	975.62
XXV	Welfare of SC,ST, Other Backward Classes and Minorities	2961.9	80.00	2802.43
XXXVII	Industries	538.98	42.16	524.10
XXXIX	Power	415.44	0.03	380.91
XLIII	Compensation and Assignment	10448.43	1056.75	9734.72
XLVI	Social Security and Welfare	10701.02	110.48	8845.93
	Total	33740.29	1798.06	29529.70
Revenue Charged				
I	State Legislature	0.78	0.08	0.63
XXXVIII	Irrigation	0.05	1.31	0
	Total	0.83	1.39	0.63
Capital – Voted				
XXI	Housing	36.21	8.90	21.84
XXIV	Labour, Labour Welfare and Welfare of Non Residents	177.42	6.89	153.27
XXV	Welfare of SC,ST, Other Backward Classes and Minorities	240.14	63.92	199.76
XXVII	Cooperation	135.35	3.00	57.80
XXIX	Agriculture	281.99	19.23	248.62
XXXVII	Industries	1074.37	32.80	758.21
	Total	1945.48	134.74	1439.50

5.3 Advances from Contingency Fund

The Contingency Fund of the State has been established under the Kerala Contingency Fund Act, 1957 in terms of provisions of Article 267 (2) of the Constitution of India. Advances from the Fund are to be made only for meeting expenditure of an unforeseen and emergent nature, postponement of which, till its authorisation by the Legislature, would be undesirable. The Fund is in the nature of an imprest and its current corpus is ₹100 crore. The following details indicate the extent to which this fund was used during the last five years.

(₹ in crore)

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Number of withdrawals from Contingency Fund	2	1	1	Nil	Nil
Total withdrawals from Contingency Fund (Rupees in crore)	88.08	2.12	75.00	Nil	Nil
Withdrawals from Contingency Fund as percentage to total Budget provision	0.07	0.001	0.05	Nil	Nil

CHAPTER VI

ASSETS AND LIABILITIES

6.1 Assets

In the existing Government accounting system, comprehensive accounting of fixed assets like land and building owned by the Government is not done. However, the government accounts do capture the financial liabilities of Government and the assets created out of the expenditure incurred.

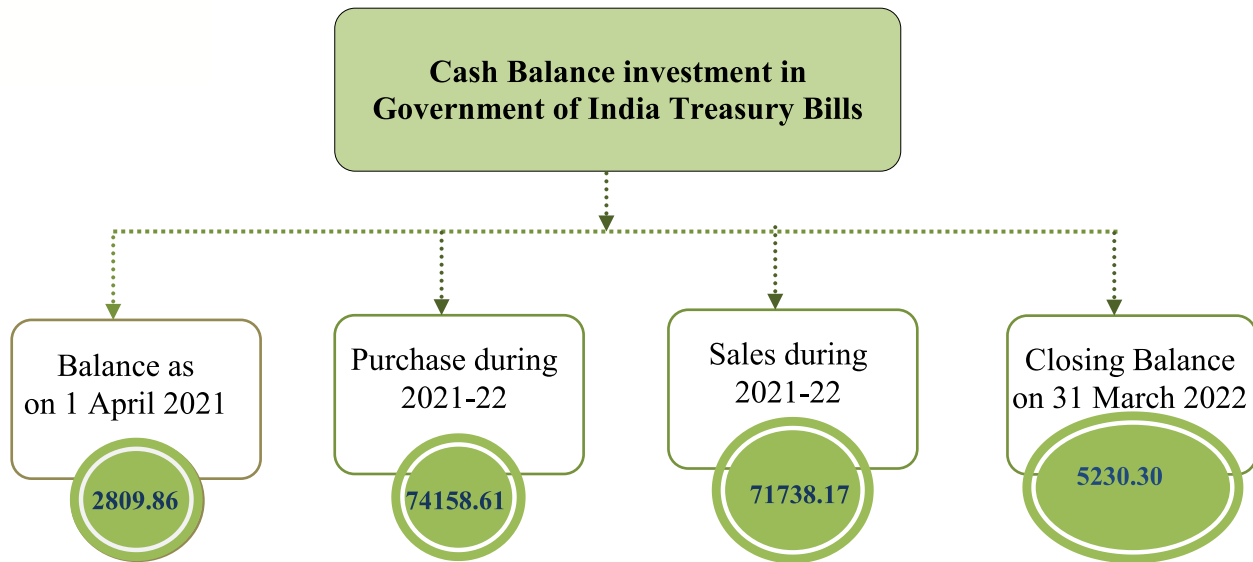
Total investments as share capital in Statutory Corporations, Government Companies, Other Joint Stock Companies, Co-operative Banks and Societies etc. stood at ₹10480.96 crore at the end of 2021-22. Dividends received during the year were ₹227.97 crore (2.18 per cent of investment). During 2021-22, investments increased by ₹337.44 crore and dividend income increased by ₹117.78 crore.

The cash balance with the Government excluding departmental balances (PWD, Forest etc.) decreased from ₹ (-)206.42 crore at the beginning of the year 2021-22 to ₹(-)293.86 crore at its end. Government had invested an amount of ₹ 74158.61 crore on treasury bills on 87 occasions and rediscounted Treasury Bills worth ₹ 71738.17 crore on 202 occasions during the year 2021-22.

(₹ in crore)

Cash Balance investment in Government of India Treasury Bills			
Balance as on 1 April 2021	Purchases during 2021-22	Sales during 2021-22	Closing Balance on 31 March 2022
2809.86	74158.61	71738.17	5230.30

(₹ in crore)



6.2 Debt and Liabilities

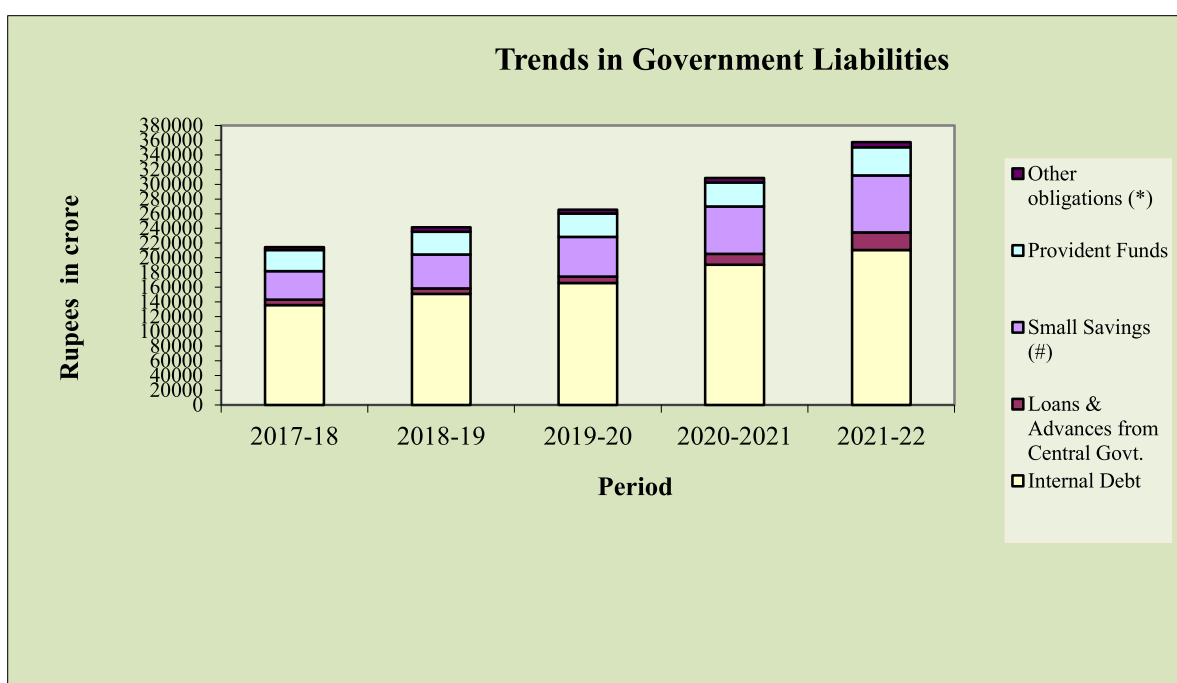
Outstanding Public Debt of the State at the end of 2021-22 was ₹234479.86 crore, comprising Internal Debt (₹210791.59 crore) and Loans and Advances from Central Government (₹23688.27 crore). Other liabilities accounted under Public Account were ₹122912.90 crore. The State also acts as a banker and trustee in respect of Small Savings, Provident Funds and Deposits. There was an overall increase of ₹20233.93 crore in respect of such liabilities of the State Government during 2021-22.

Interest payments on debt and other liabilities totaling ₹23285.08 crore constituted 15.93percentage of revenue expenditure of ₹146179.51 crore. Interest payments on Public Debt were ₹15774.79 crore ((Internal Debt: ₹15540.80 crore (excluding Management debt of ₹30.23 crore and Recovery of overpayments ₹12.33 crore), Loans and Advances from Central Government: ₹233.99 crore)).Expenditure on account of interest payments increased by ₹2344.10 crore during 2021-22.

Internal debt of ₹55467.11 crore was raised during 2021-22.The debt obligations discharged on this account were ₹35149.61 crore. Details of the Public Debt and the total liabilities of the State Government are as under:

(₹ in crore)

	Internal Debt	Loans & Advances from Central Govt.	Total Public Debt	Small Savings (#)	Provident Funds	Other obligations (*)	Total Liabilities	Percentage of total liabilities to GSDP
2017-18	135500.53	7483.99	142984.52	38974.15	28803.70	3755.85	214518.22	30.58
2018-19	150991.04	7243.41	158234.45	46401.37	30995.69	5983.00	241614.51	30.65
2019-20	165960.03	8680.19	174640.22	53597.11	32074.06	5050.97	265362.36	32.19
2020-21	190474.09	14973.64	205447.73	64363.07	32856.07	5719.14	308386.01	38.57
2021-22	210791.59	23688.27	234479.86	77415.12	38251.48	7246.29	357392.77	39.62



(*) Includes Reserve Funds and Deposits

(#) Includes Trusts and Endowments and Insurance and Pension Funds.

6.3 Guarantees

Government gives guarantees for due discharge of certain liabilities like repayment of loans, share capital, payment of interest, dividend etc. by Statutory Corporations, Government Companies, Co-operative Banks, Societies etc. As per section 3 of the Kerala Government Guarantees Act, 2003 amended vide 'Kerala Finance (No.2) Act, 2018', the total outstanding

Government Guarantees shall be within the limit of 'five percent of the Gross State Domestic Product (GSDP) of the State as calculated by the Department of Economics and Statistics for the respective financial year'. This Act came into force with effect from 01 April 2018. The position of guarantees for the period 2017-18 to 2021-22 is given below:

(₹ in crore)

At the end of the year	Amount Guaranteed	Amount outstanding
2017-18	25104.33	17356.47
2018-19	46795.99	26834.65
2019-20	43433.30	27757.01
2020-21	49076.88	36600.98
2021-22	60604.04	44369.85

(₹ in crore)

At the end of the year	Amount Guaranteed (Principal only)	Amount outstanding (Principal and Interest)
2017-18	25104.33	17356.47
2018-19	46795.99	26834.65
2019-20	43433.30	27757.01
2020-21	49076.88	36600.98
2021-22	60604.04	44369.85

As per the statement furnished by the Government the outstanding guarantees as on 31 March 2022 was ₹44369.85 crore. An amount of ₹230.76 crore was received by Government during 2021-22 towards guarantee fee. Arrears of guarantee fee as on 31 March 2022 amounted to ₹306.22 crore.

CHAPTER VII

OTHER ITEMS

7.1 Adverse Balances under Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India. State Government receives loans from Central Government, LIC of India, NCDC, NABARD, RBI etc. It also raises loans from open market to finance certain projects, schemes, etc. As on 31.3.2022 there are no instances of adverse balance under Internal Debt.

7.2 Loans and Advances by the State Government

Total Loans and Advances disbursed by the State Government at the end of the year 2021-22 was ₹22100.44 crore. During the year 2021-22, the State Government disbursed Loans and Advances amounting to ₹2854.29 crore. Recovery of ₹18171.99 crore (Principal: 12198.21 crore and Interest: ₹5973.78 crore) was in arrears as on 31 March 2022.

Of the above arrears 71.95 per cent pertains to four institutions/organizations viz., Kerala Water Authority (₹3929.82 crore), Kerala State Housing Board (₹1755.52 crore), Kerala State Electricity Board (₹1794.70 crore) and Kerala State Road Transport Corporation (₹5595.42 crore). The loans for which terms and conditions had not been fixed by Government is ₹152.89 crore.

As on 31.3.2022 there are 7 instances of adverse balances under Loan major heads amounting to ₹2.94 crore.

7.3 Financial Assistance to Local Bodies and Others

Assistance given to local bodies and others in 2021-22 was ₹16258.55 crore. It decreased from ₹17956.34 crore in 2020-21 to ₹16258.55 crore in 2021-22 representing a decrease of 9.45 per cent over the previous year. During the year 2021-22, Grants to Zilla Parishads, Panchayat Samities, Gram Panchayats and Municipal Corporations and

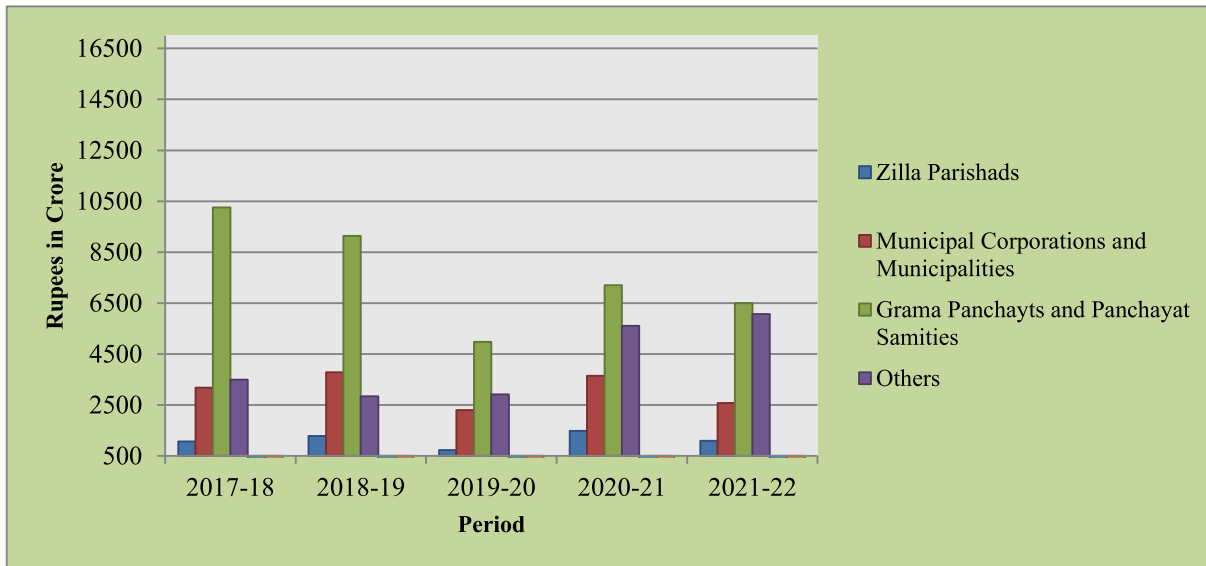
Municipalities (₹10186.09) represented 62.65 per cent of the total grants .

Details of financial assistance for the past five years are given below:

(₹ in crore)

Financial Assistance to Local bodies and Others	2017-18	2018-19	2019-20	2020-21	2021-22
Zilla Parishads	1074.62	1281.20	736.96	1482.57	1096.28
Municipal Corporations and Municipalities	3178.62	3287.46	2296.24	3653.02	2584.33
Gram Panchayats and Panchayat Samitis	10261.25	9145.36	4974.15	7209.57	6505.48
Others*	3498.52	3345.71	2914.47	5611.18	6072.46
Total	18013.01	17059.73	10921.82	17956.34	16258.55

* Other Institutions include Government Companies, Statutory Corporations, universities, Development Authorities etc.



7.4 Cash Balance and investment of Cash Balance

(₹ in crore)

Particulars	As on March 31.03.2021	As on March 31.03.2022	Increase(+)/ Decrease(-)
Cash balances	-206.42	-293.86	-87.44
Investments from cash balances (a+b)	2809.86	5230.30	2420.44
a. GOI Treasury Bills	2808.19	5230.30	2422.11
b. GOI Securities	1.67	0.00	-1.67
Other Cash Balances	-7.10	-6.50	0.60
1) Departmental Balances	-7.63	-7.63	0.00
2) Permanent CashImprest	0.53	1.13	0.60
Fund-wise break-up of investments from earmarked balances (a to d)	2371.65	2545.51	173.86
a. Sinking Fund	2358.26	2532.12	173.86
b. Agriculturists' Rehabilitation Fund	2.39	2.39	0
c. Kudikidappukars' Benefit Fund	1.00	1.00	0
d. Kerala Consumer Welfare Fund	10.00	10.00	0
Interest realised during the year on investment of cash balances	4.05	14.80	10.75

The cash balance of the State Government had decreased from (-)206.42 crore in 2020-21 to ₹(-)293.86 crore in 2021-22. An investment of ₹7775.81 crore were made from earmarked fund balances, GOI securities etc. There was 265.43 *per cent* increase in interest realized on investment of cash balance.

7.5 Reconciliation of Accounts

All Controlling Officers are required to reconcile receipts and expenditure of the Government with the figures accounted for by the Principal Accountant General (A&E), Kerala. Such reconciliation of receipts has been completed for a value of ₹66442.18 crore (95.00*per cent* of total reconcilable receipts of ₹69939.14 crore) by the Controlling Officers. Reconciliation of expenditure has been completed for a value of ₹138431.10 crore (93.00 *per cent* of total reconcilable expenditure of ₹ 148850.65 crore) by the Controlling Officers.

7.6 Submission of Accounts by Treasuries

There are 23 District Treasuries, e-treasury and Advices of Reserve Bank of India rendering accounts to the Principal Accountant General (A&E). The Cheque drawing system by PWD/Forest Division had been withdrawn. The transactions of the Public Works (70), Forest (102) Irrigation (82) and National Highway(12) Divisions are being routed through Treasuries like other Departments. During 2021-22, there was no delay in monthly rendition of accounts by treasuries and no accounts were excluded at the end of the year.

7.7 Status of Suspense Account Balances

Details of outstanding balances under major suspense items below 8658 Suspense Account is as under:-

(₹ in crore)

Name of Minor Head	2019-20		2020-21		2021-22	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
8658-Suspense Account						
101-PAO Suspense	333.57	-8.72	358.50	-0.06	391.56	-0.34
Net	Dr 342.29		Dr.358.56		Dr.391.90	
102-Suspense Account (Civil)	21.21	-344.83	21.11	-670.25	20.92	-915.51
Net	Cr.-366.04		Cr.-691.35		Cr -936.43	
107-Cash Settlement Suspense	20.03	0.00	0.00	0.00	0.00	0.00
Net	Dr.20.03		0.00		0.00	
110-Reserve Bank Suspense (CAO)	-9.19	-78.31	3.08	-1.40	12.24	4.40
Net	Dr.69.12		Dr.4.48		Dr 7.84	

7.8 Commitments on account of Incomplete Projects/Works

There were 274 projects/works (each costing above rupees one crore) on which an expenditure of ₹1199.78 crore was incurred up to March 2022 which were not completed at the end of March 2022 though the stipulated period of completion was over.

7.9 New Pension Scheme

All India Service (AIS) officers recruited on or after 1 January 2004 and the State Government Employees recruited on or after 1 April 2013 are covered under the National Pension Scheme (NPS), which is a Defined Contribution Pension Scheme. In terms of the scheme, the employee contributes 10 *per cent* of his basic pay and dearness allowance and the similar amount is being contributed by State Government. The entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

In 2021-22, ₹1668.41 crore has been credited to MH 8342-117 Defined Contribution Pension Scheme under Public Account which includes Employees contribution ₹833.42 crore and Government's contribution of ₹834.99 crore. Out of total balances of ₹1668.58 crore including opening balance, an amount of ₹1668.23 crore was transferred to NSDL/Trustee Bank during the year 2021-22 leaving a balance of ₹0.35 crore under the head of account as on 31 March, 2022 on which the Government is required to pay interest, which was not done.

During 2021-22, ₹830.85 crore has been debited from the Revenue Expenditure head 2071-00-117 towards Government contribution to NPS. But the amount credited under the Public Account under 8342-00-117 during the year was ₹834.99 crore. Excess credit of ₹4.14 crore to the Public Account is under reconciliation. The interest outstanding to the Fund since its inception has not been estimated. Uncollected, unmatched and untransferred amounts, with accrued interest, represent outstanding liabilities under the New Pension Scheme.

7.10 Personal Deposit Accounts

From time to time, the State Government orders the opening of Personal Deposit (PD) accounts for specific purposes, where, funds are transferred from the Consolidated Fund by booking the transfer as expenditure under Service heads. Para 282(d) of Kerala Financial Code Vol-I, Chapter X, stipulates that Administrators of these Personal Deposit accounts should close these Personal Deposit accounts at the end of the financial year and credit the unspent balances back to the Consolidated Fund under the concerned expenditure heads of

accounts from where the amount initially transferred, unless such Personal Deposit accounts were created by Law or Rules having the force of Law.

Details of PD accounts as provided by State Government as on 31 March 2022 are given below:

Opening Balance as on April 2021(*)		Addition during the year 2021-22		Closed/withdrawal during the year 2021-22		Closing Balance as on 31 March 2022	
Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators**	Amount
801	68.03	29	102.80	52	111.56	778	59.27

(*) Variation in figure with respect to closing balance, number of accounts for the year 2020-21 is due to subsequent revision by treasuries.

(**) Information pertaining to number of administrators is as provided by Director of Treasuries.

7.11 Plan Scheme Treasury Savings Bank Account (PSTSB)

The State Government has introduced a new category of non-interest bearing Special Treasury Savings Bank Account namely Plan Scheme Treasury Savings Bank Account (PSTSB) for managing the release and utilization of Plan fund of Government Departments and agencies from 2018-19 onwards for managing the Utilisation and Monitoring of Plan Fund of Government Departments, Agencies and Organizations.

This PSTSB system is completely IT enabled and captures each and every deposit and withdrawal so as to have separate administrative sanction/scheme wise accounts. As per the information furnished by the Directorate of Treasuries, details of live PSTSB Accounts as on 31 March 2022 is as follows:

Opening Balance as on April 2021		Addition during the year 2021-22		Closed/withdrawal during the year 2021-22		Closing Balance as on 31 March 2022	
Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount
Not available	264.37	Not available		Not available		2196	117.10

Reconciliation is pending

7.12 Investment

The State Government invests in the equity and shares of Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Institutions. As per the accounts, the investment of Government as on 31st March, 2022 was ₹9767.48 crore excluding ₹713.48 crore being Sewerage schemes of Kerala Water Authority (₹69.50 crore), Seed capital for NBCFDC & NMDFC schemes (₹5.50 crore), Providing common facilities for Working Women at Industrial Parks (₹3.00 crore), Upgradation of the Infrastructure in Existing Industrial Parks (₹16.40 crore), Integrated Water Transport System to Kochi (₹164.30 crore), Smart City Project (₹31.20 crore), Hotel Management at Kottayam (₹0.01 crore), Electronic Fabrication Laboratory (₹3.55 crore) Companies producing Neera (₹5.00 crore), LAC-ADS (₹5.27 crore), Solar Cruise Boat (₹4.25 crore), Kerala Maritime Board (₹0.01 crore), Construction of POL Carrier Barge (₹2.50 crore), Share Capital Contribution to Kerala State Co operative Bank (₹400.00 crore), Construction of Acid Carrier Barges (₹2.99 crore). An amount of ₹227.97 crore (2.33 *per cent* of investment) was received as dividends from 14 entities. During 2021-22, investments increased by ₹337.44 crore and dividend income increased by ₹117.78 crore.

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