

ACCOUNTS AT A GLANCE 2021-22



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



GOVERNMENT OF TAMIL NADU



ACCOUNTS AT A GLANCE

FOR THE YEAR 2021-22

GOVERNMENT OF TAMIL NADU

This is the twenty fourth issue of our annual publication **“Accounts At A Glance”**.

The Annual Accounts (Finance Accounts and Appropriation Accounts) of the Government of Tamil Nadu are prepared under the directions of Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for being laid on the table of the Legislature of the State.

“Accounts At A Glance” provides a broad overview of Governmental activities, as reflected in Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs. It has been our endeavour to rely on the figures in the certified Finance Accounts and Appropriation Accounts. In case of any doubt, the figures in the certified Annual Accounts should be referred to.

We look forward to the readers' views and suggestions that would help us in further improving the publication.



(D.K. SEKAR)
PR. ACCOUNTANT GENERAL
(ACCOUNTS & ENTITLEMENTS)

Place: Chennai
Date : 05.01.2023

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1.1. Introduction

The Principal Accountant General (Accounts and Entitlements), Tamil Nadu compiles the monthly accounts of receipts and expenditure of the Government of Tamil Nadu. This compilation is based on (a) initial accounts rendered by 37 District Treasuries, 09 Pay and Accounts Offices, 01 Pension Pay Office and (b) Inter State transactions and advices of the Reserve Bank of India. The initial accounts include the receipts and payments in respect of Public Works and Forest Divisions.

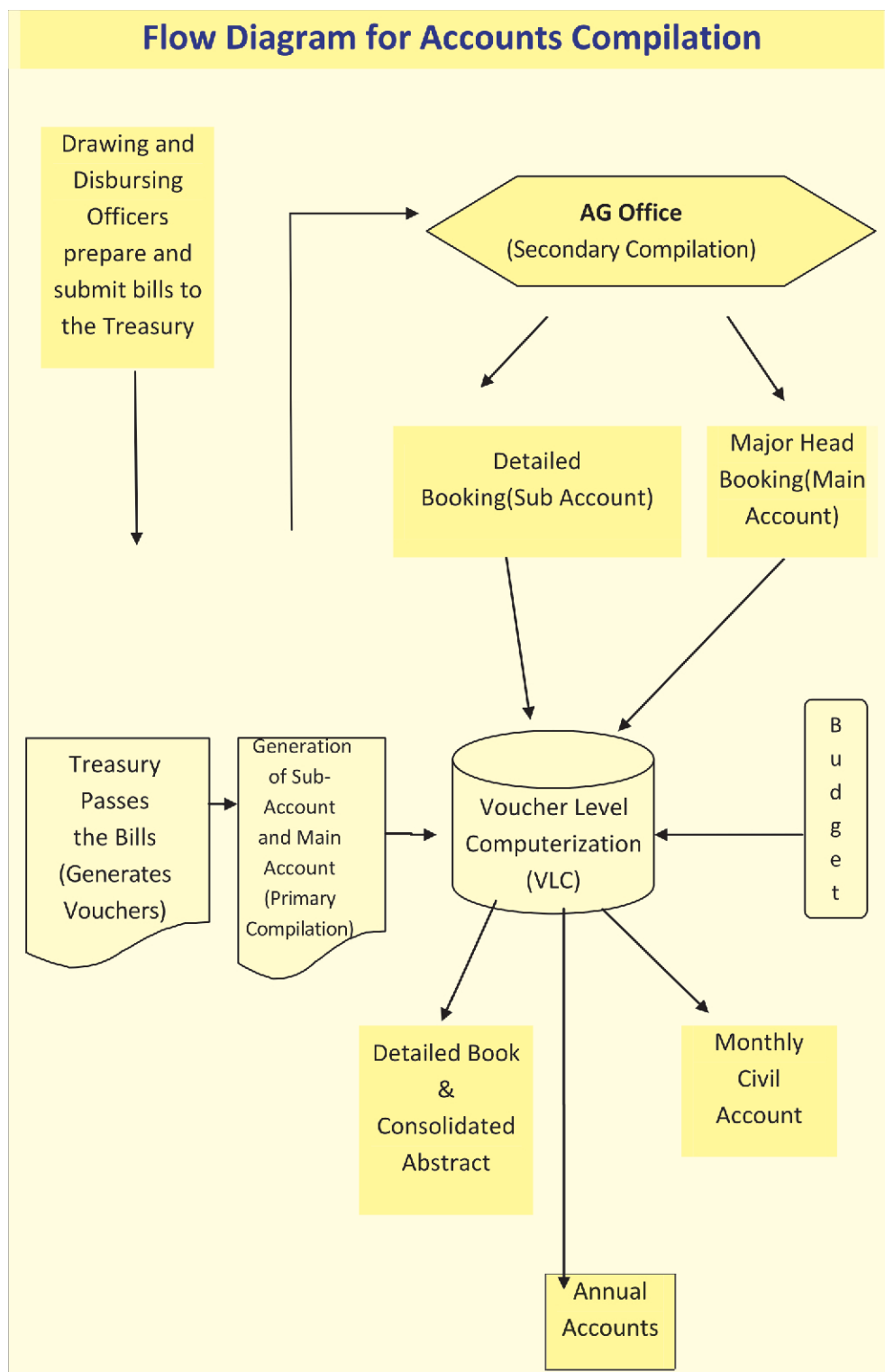
Following such monthly compilation, the Principal Accountant General (A&E) prepares the Finance Accounts and Appropriation Accounts annually, which are placed before the State Legislature after audit by the Principal Accountant General (Audit-I) Tamil Nadu and certification by the Comptroller and Auditor General of India.

1.2. Structure of Accounts

1.2.1. Government Accounts are maintained in the following three parts:

Part I Consolidated Fund	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans & Advances.
Part II Contingency Fund	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
Part III Public Account	Comprises of Debts, Deposits, Advances, Remittances and Suspense transactions. Debts and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entries that are required to be cleared eventually by booking to final heads of account.

1.2.2. Compilation of Accounts



1.3. Finance Accounts and Appropriation Accounts

1.3.1. Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. The Finance Accounts are presented in two Volumes.

Volume I of the Finance Accounts contains the summarised statements of receipts & disbursements (revenue expenditure, capital expenditure, loans and advances and public debt), investments, guarantees, grants-in-aid and 'Notes to Accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains detailed statements (Part-I) and appendices (Part-II).

Receipts and Disbursements of the Government of Tamil Nadu as depicted in the Finance Accounts 2021-22 are given below:-

1.3.2 Receipts and Disbursements

(₹ in crore)

Receipts (Total: ₹2,94,682)	Revenue (Total: ₹2,07,492)	Tax Revenue	1,60,325
		Non-tax Revenue	12,116
	(1+2+3)	Grants-in-aid	35,051
	Capital (Total: ₹87,190)	Misc. Capital Receipts	NIL
		Recovery of Loans and Advances	5,355
	(1+2+3)	Borrowings and other Liabilities*	81,835
Disbursements (Total: ₹2,94,682)	Revenue		2,54,030
	Capital		37,011
	Loans and Advances		3,641

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

1.3.3 Direct Release of Funds by Government of India to Implementing Agencies

During 2021-22, ₹23,156 crore was released directly to implementing agencies. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts. Majority of direct transfers, during 2021-22, were made to MGNREGA (₹7,404 crore), Tamil Nadu Civil Supplies Corporation Limited (₹6,251 crore) and MFL & SPIC (₹2,878 crore).

1.3.4 Appropriation Accounts

The Appropriation Accounts which supplement the Finance Accounts depict the expenditure of the State Government against amounts '*charged*' on the Consolidated Fund or '*voted*' by the State Legislature. There are 2 *charged* and 54 *voted* grants. The Appropriation Act, 2021-22 provided for gross expenditure of ₹3,49,740 crore and reduction of expenditure (recoveries) of ₹6,253 crore. Against this, the actual gross expenditure was ₹3,19,362 crore and the reduction of total expenditure was ₹4,943 crore.

1.4. Sources and Application of Funds

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹3.25 crore) maintained with the RBI. During 2021-22, the Government of Tamil Nadu did not resort to OD facilities and WMA.

1.4.2 Funds Flow Statement

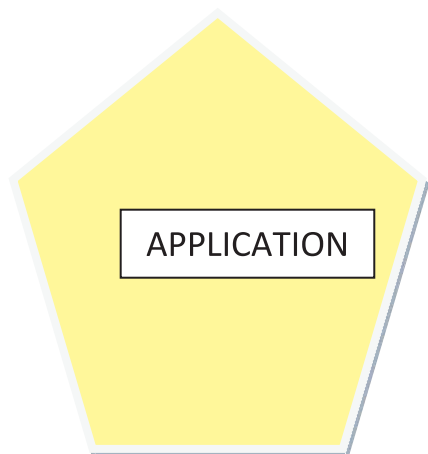
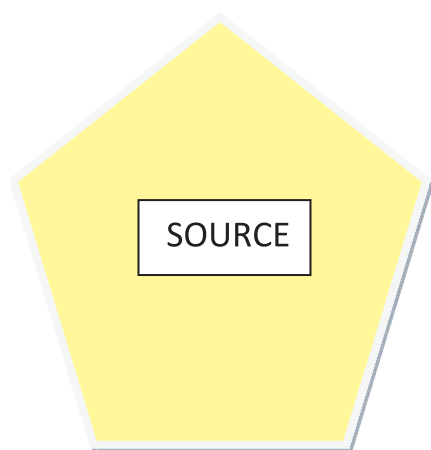
The State had a revenue deficit of ₹46,538 crore which represents 2.25 *per cent* of GSDP*. The fiscal deficit of ₹81,835 crore accounted for 3.96 *per cent* of the GSDP and 27.77 *per cent* of total expenditure. The fiscal deficit was met from Public Debt receipts (₹1,04,485 crore).

Around 74.46 *per cent* of the revenue receipts (₹2,07,492 crore) of the State Government was spent on committed expenditure (₹1,54,491 crore) like Salaries (₹42,933 crore), Interest Payments (₹41,564 crore), Pensions (₹25,662 crore), Subsidies (₹21,689 crore), Salary Grants (₹8,416 crore), Social Security and other Pension (₹1,272 crore), Wages (₹33 crore) and Compensation and Assignment to Local Bodies and Panchayati Raj Institutions (₹1,245 crore) and Dearness Allowances (₹11,677 crore).

*The Gross State Domestic Product (GSDP) is defined as a measure, in monetary terms, of the volume of all goods and services produced within the boundaries of the State during a given period of time. The GSDP for the year 2021-2022, ₹20,65,436 crore used in this publication is adopted from the Economic Survey of the Planning Department, Government of India.

1.4.3 Sources and Application of Funds

(₹ in crore)



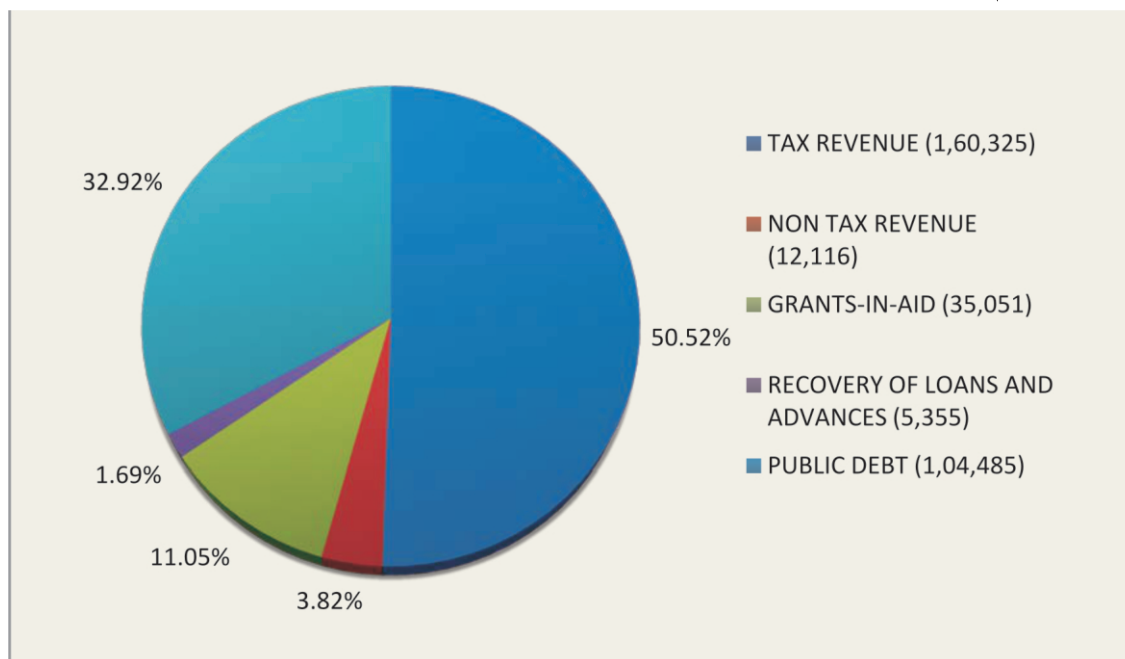
PARTICULARS	AMOUNT
❖ Opening Cash Balance as on 01.04.2021 ^{\$}	(-) 450
❖ Revenue Receipts	2,07,492
❖ Capital Receipts	NIL
❖ Recovery of Loans and Advances	5,355
❖ Public Debt	1,04,485
❖ Small Savings, Provident Fund and Others	9,054
❖ Reserve Funds	6,373
❖ Deposits Received	1,29,084
❖ Contingency Fund	NIL
❖ Suspense Account*	5,92,162
TOTAL	10,53,555
PARTICULARS	AMOUNT
❖ Revenue Expenditure	2,54,030
❖ Capital Expenditure	37,011
❖ Loans Given	3,641
❖ Repayment of Public Debt	19,737
❖ Small Savings, Provident Fund and Others	6,374
❖ Reserve Funds	6,131
❖ Deposits Disbursed	1,24,883
❖ Suspense Account*	6,01,458
❖ Remittances	6
❖ Closing Cash Balance as on 31.03.2022	284
TOTAL	10,53,555

* The suspense account includes ₹2,94,573 crore invested in treasury bills which is shown on the “Application” side, and ₹2,85,319 crore worth of treasury bills sold through the RBI (a process known as “re-discounting”) which is shown on the “Sources” side.

\$ The minus balance denotes excess of expenditure over the receipts due to non-reporting of receipts by the Banks to the Treasuries.

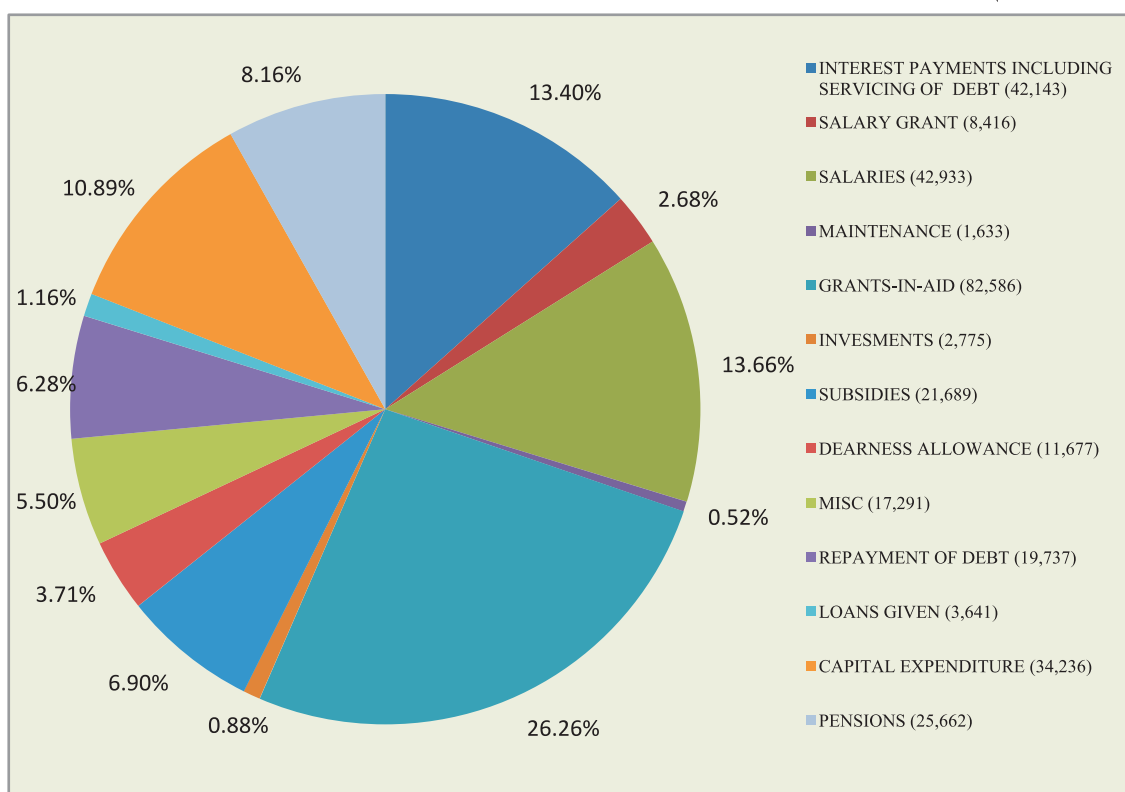
1.4.4 Where the Rupee came from:

(₹ in crore)



1.4.5 Where the Rupee went:

(₹ in crore)



1.4.6 Total Receipts and Expenditure

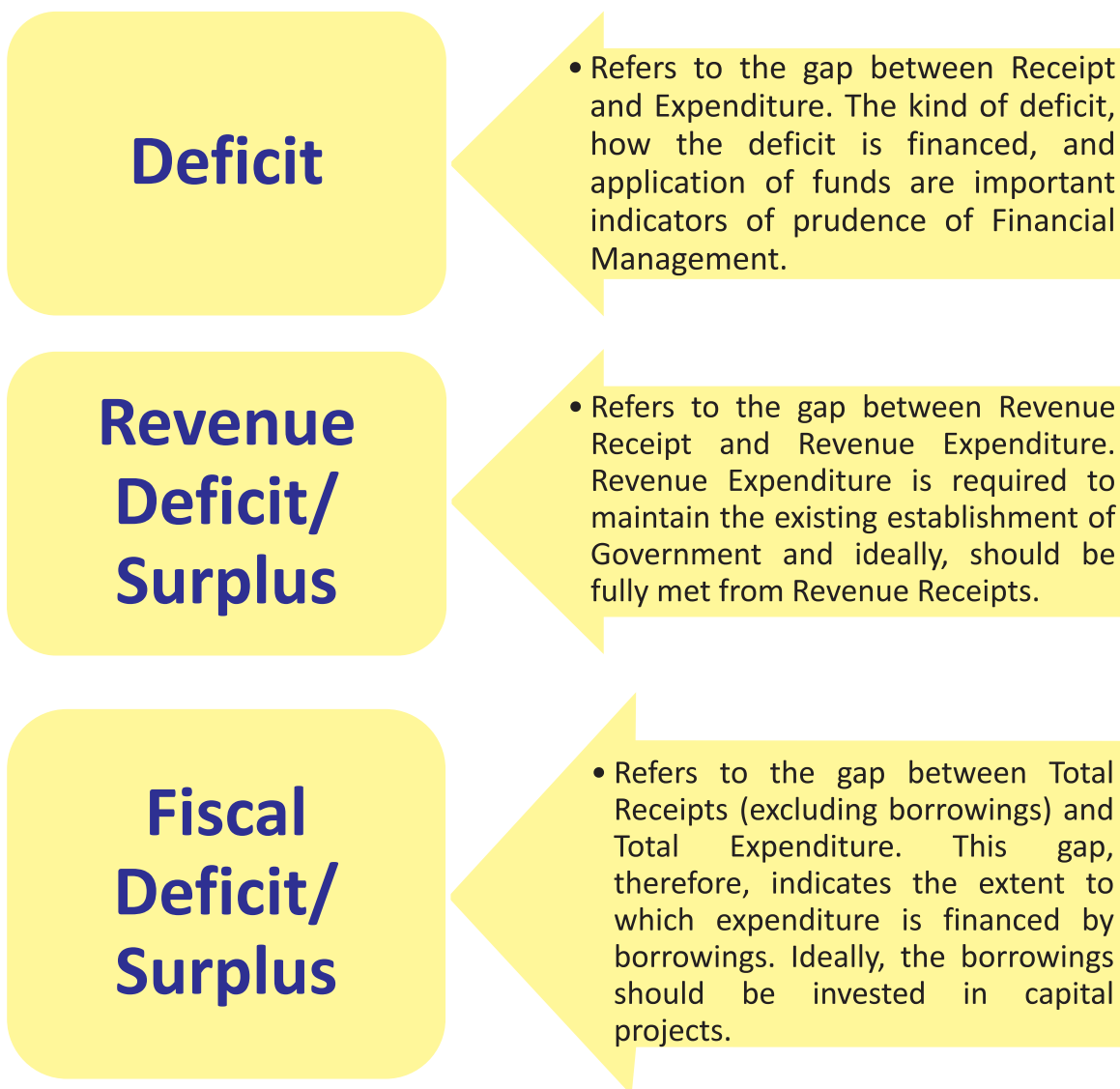
Sl. No.	Components	Budget Estimates (B.E) 2021-22	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP [@]
(₹ in crore)					
1.	Tax Revenue*	1,53,792	1,60,325	104.25	7.76
2.	Non-Tax Revenue	14,139	12,116	85.69	0.59
3.	Grants-in-aid and Contributions	34,564	35,051	101.41	1.70
4.	Revenue Receipts (1+2+3)	2,02,495	2,07,492	102.47	10.05
5.	Receipts on Capital Account	..	..	..	..
6.	Recoveries of Loans and Advances	6,057	5,355	88.41	0.25
7.	Net Borrowings and Other Liabilities	1,00,626	81,835	81.33	3.96
8.	Total Capital Receipts (5+6+7)	1,06,683	87,190	81.73	4.22
9.	Total Receipts (4+8)	3,09,178	2,94,682	95.31	14.27
10.	Expenditure on Revenue Account	2,61,189	2,54,030	97.26	12.30
11.	Expenditure on Capital Account	42,181	37,011	87.74	1.79
12.	Loans and Advances	5,808	3,641	62.69	0.18
13.	Total Expenditure (10+11+12)	3,09,178	2,94,682	95.376	14.27
14.	Revenue Deficit (-)/ Surplus (+) ** (4-10)	(-) 58,693	(-)46,538	..	..
15.	Fiscal Deficit** [13-(4+5+6)] = 7	(-)1,00,626	(-)81,835	..	..

[@] Broadly, sum of the products of all goods and services rendered by the State in monetary terms during a year before making any provision for Consumption of Fixed Capital (C.F.C.) is known as Gross State Domestic Product GSDP at current prices is ₹20,65,436 crore.

* Includes share of net proceeds assigned to State (₹37,459 crore) received from the Government of India.

** The Revenue Deficit is the excess of revenue expenditure over revenue receipt. The Fiscal Deficit may be defined as the excess of revenue and capital expenditure (including loans and advance disbursed) over the revenue receipts, recoveries of loans and advances and other receipts.

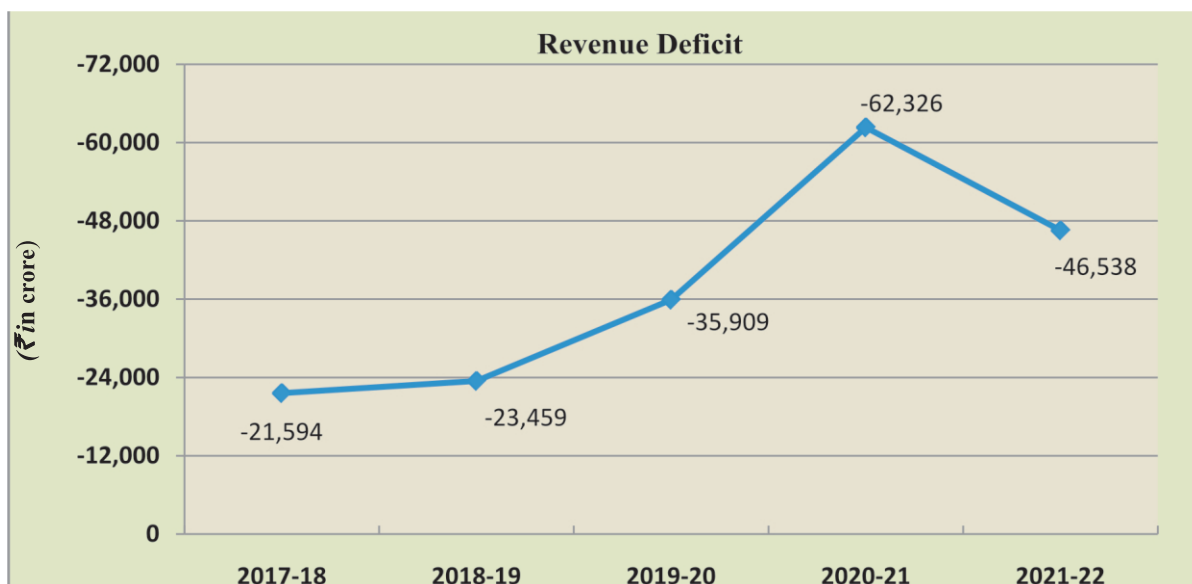
1.4.7 What do the Deficits and Surplus indicate ?



1.4.8 Revenue Deficit/Surplus

There is a Revenue Deficit trend from 2013-14 onwards. The Revenue Deficit during 2021-22 has decreased from ₹62,326 crore (2020-21) to ₹46,538 crore, registering a decrease of 25.33 *per cent* over previous year. It would be pertinent to note that as per the Tamil Nadu Fiscal Responsibility Act 2003 the Government of Tamil Nadu presented the Medium Term Fiscal Policy and Strategy Statement to eliminate Revenue Deficit by 2021-22 and adhere to it, thereafter as per TNFR (Amendment) Act 2020. The Government of Tamil Nadu had a Revenue Deficit of ₹46,538 crore in 2021-22 (2.25 *per cent* of GSDP).

1.4.9 Trend of Revenue Deficit/Surplus



1.4.10 Fiscal Deficit

As per Tamil Nadu Fiscal Responsibility Act, 2003, the Government has committed to reduce Fiscal Deficit to 3 per cent of GSDP to be attained by 31 March 2022 and adhere to it there after.

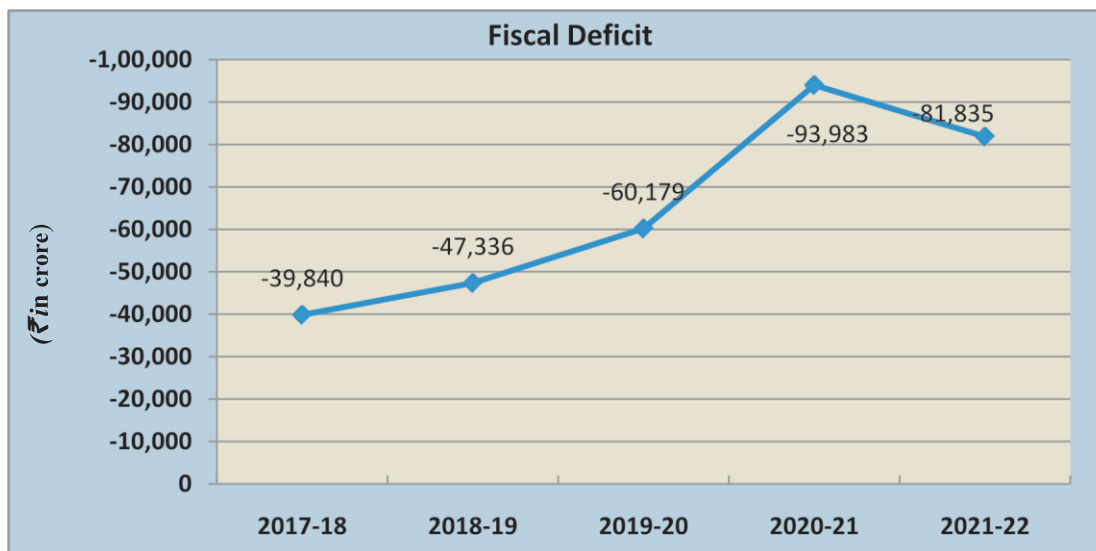
The Fiscal Deficit of the State during the year decreased from ₹93,983 crore (2020-21) to ₹81,835 crore (2021-22). This constituted 3.96 per cent of GSDP.

Fiscal deficit compared to GSDP and trend of fiscal deficit for the years from 2017-18 to 2021-22 is indicated below.

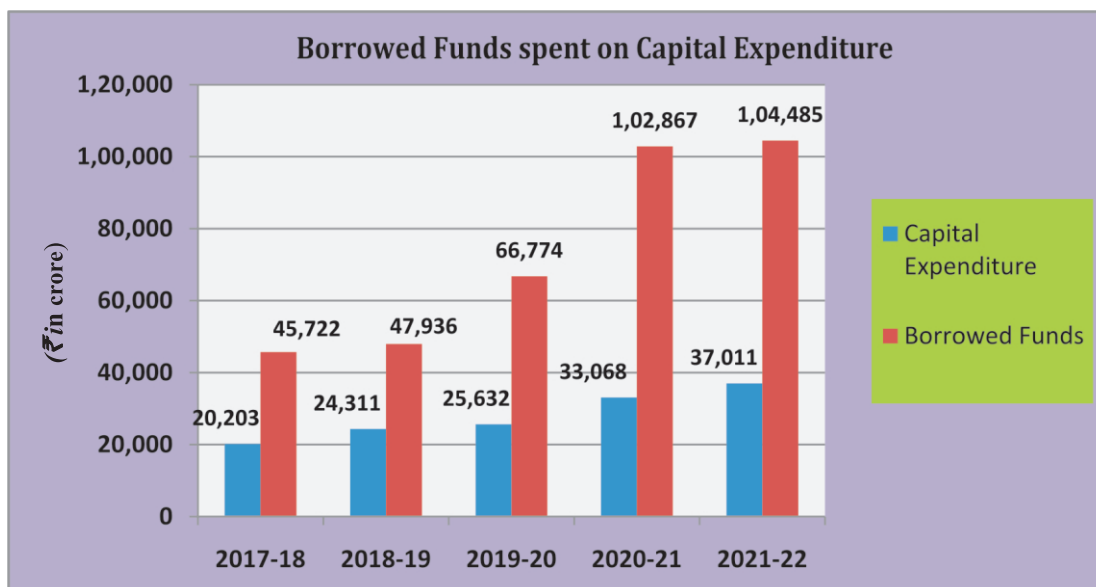
Fiscal Deficit compared to GSDP

Year	Percentage of Fiscal Deficit to GSDP	Increase/Decrease
2017-18	2.79	(+) 0.23
2018-19	2.84	(+) 0.05
2019-20	3.26	(+) 0.42
2020-21	4.94	(+) 1.68
2021-22	3.96	(-) 0.98

Trend of Fiscal Deficit



1.4.11 Trend of borrowed funds spent on Capital Expenditure

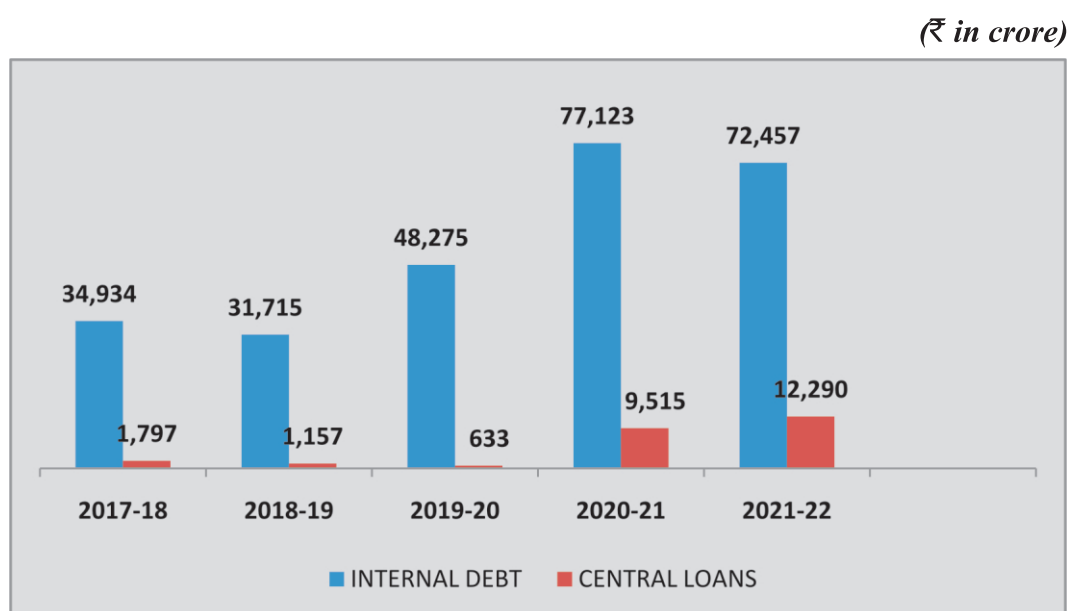


It is prudent to fully utilize borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest thereon. However, the State Government had spent less expenditure on Capital account (₹37,011 crore) out of the borrowings of current year (₹1,04,485 crore) and remaining borrowings of (₹67,474 crore) were mainly utilized to disburse loans and advances (₹3,641 crore), repayment of Public Debt (₹19,737 crore) and other revenue expenditure (₹44,096 crore).

1.4.12 Trend of Public Debt

In 2021-22, loans totaling ₹87,000 crore were raised at par at interest rates varying from 5.65 *per cent* to 7.43 *per cent*. Out of these loans, 1 loan in 2025, 2 loans in 2029, 8 loans in 2030, 19 loans in 2031, 7 loans in 2032, 2 loans in 2038, 4 loans in 2041 will redeem.

Trend of Public Debt (net) over the past five years is as follows:



2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2021-22 were ₹2,94,682 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, royalties etc.
Grants-in-Aid	Essentially, a form of Central Assistance to the State Government from the Union Government includes 'External Grant Assistance' received from Foreign Governments and channelized through the Union Government. In turn, the State Government also gives Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous Bodies etc.

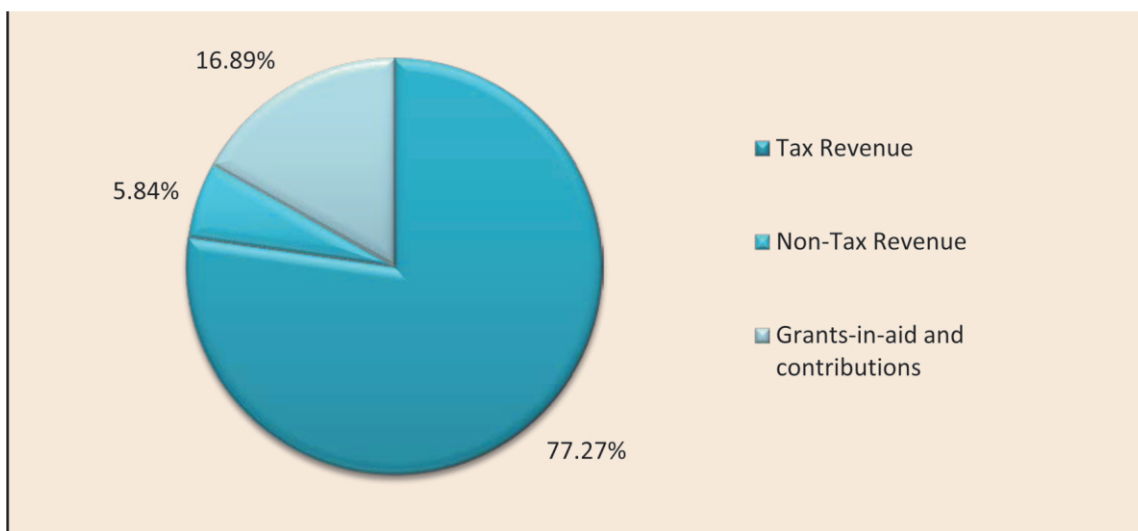
2.2.1 Components of Revenue Receipts (2021-22)

(₹ in crore)

Components	Actual's	Percentage to Total Revenue Receipt
A. Tax Revenue *	1,60,325	77.27
Goods and Service Tax (GST)	55,585	26.79
Taxes on Income and Expenditure	21,824	10.52
Taxes on Property and Capital Transactions	14,553	7.01
Taxes on Commodities and Services Other than GST	68,363	32.95
B. Non-Tax Revenue	12,116	5.84
Interest Receipts, Dividends and Profits	4,190	2.02
General Services	2,216	1.07
Social Services	4,064	1.96
Economic Services	1,646	0.79
C. Grants-in-aid and Contributions	35,051	16.89
Total- Revenue Receipts(A+B+C)	2,07,492	100.00

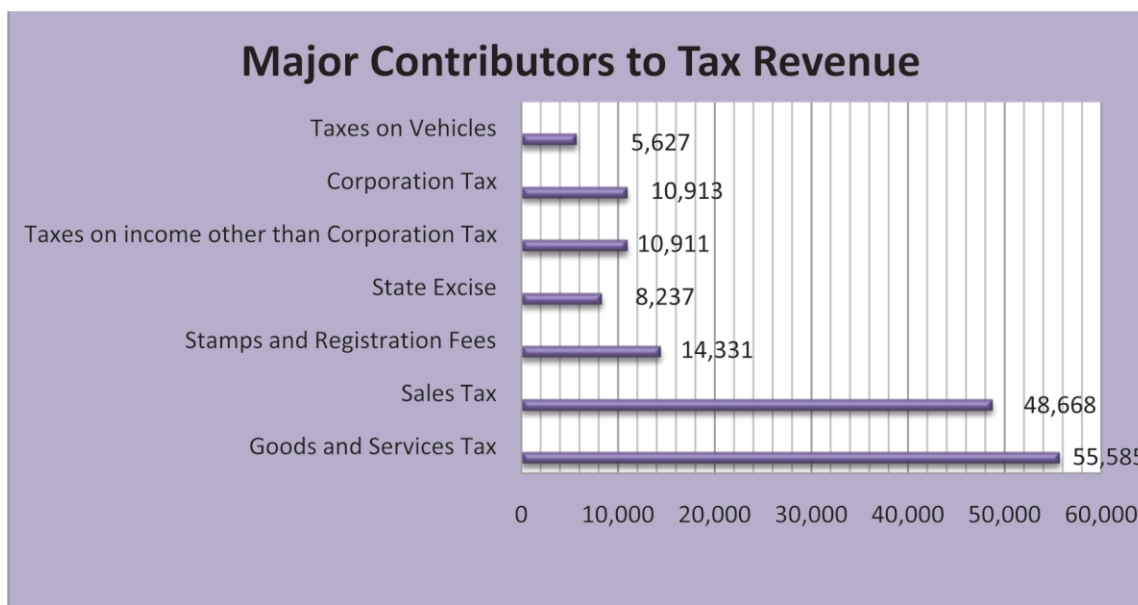
*Includes share of net proceeds (₹37,459 crore) assigned to State received from the Government of India.

2.2.1.a.Components of Revenue Receipts



2.2.2.Major contributors to Tax Revenue

(₹ in crore)



2.2.3 Net Tax Revenue - Comparison between Budget estimates and Actuals

During the year, the Budget Estimates for Tax Revenue was ₹1,53,792 crore and the Actuals was ₹1,60,325 crore. The Net Tax Revenue was more than Budget Estimates by ₹6,533 crore. The major variations are given as a percentage of the Budget estimates.

(₹ in crore)

Where Actual Receipt was more than Budget Estimates				Where Actual Receipt was less than Budget Estimates			
Heads	Budget	Actuals	Increase in percentage	Heads	Budget	Actuals	Decrease in percentage
State Goods and Services Tax (0006)	42,300	45,276	7.04	Taxes on Duties and Electricity (0043)	1,355	494	63.54
Central Goods and Services Tax (0005)	8,772	10,308	17.51	Land Revenue (0029)	560	205	63.39
Stamps and Registration Fees (0030)	13,253	14,331	8.13	Taxes on Vehicles (0041)	6,582	5,627	14.51
Corporation Tax (0020)	7,899	10,913	38.16	Taxes on Sales, Trade, etc (0040)	53,798	48,668	9.54
Service Tax (0044)	17	610	3,488.24				
Taxes on Income other than Corporation Tax (0021)	8,027	10,911	35.93				
Union Excise Duties (0038)	794	1,754	120.91				
Customs (0037)	1,640	2,920	78.05				

2.3. Trend of Receipts

During the year, the GSDP increased by 8.55 *per cent* and the increase in total revenue collection was 19.20 *per cent* in comparison to previous year. The Tax Revenue increased by 22.31 *per cent*, Non Tax Revenue increased by 16.25 *per cent* and Grants-in-aid increased by 7.59 *per cent* respectively in comparison to previous year.

(₹ in crore)

Receipts	2017-18	2018-19	2019-20	2020-21	2021-22
Tax Revenue	1,20,836 (8.47)	1,36,173 (8.18)	1,33,855 (7.25)	1,31,077 (6.89)	1,60,325 (7.76)
Non-Tax Revenue	10,764 (0.75)	14,200 (0.85)	12,888 (0.70)	10,422 (0.55)	12,116 (0.59)
Grants-in-aid	14,680 (1.03)	23,368 (1.40)	27,783 (1.51)	32,577 (1.71)	35,051 (1.70)
Total Revenue Receipts	1,46,280 (10.25)	1,73,741 (10.44)	1,74,526 (9.45)	1,74,076 (9.15)	2,07,492 (10.05)
GSDP	14,27,074	16,64,159	18,45,853	19,02,689	20,65,436

Note: Figures in parentheses represent percentage to GSDP at current prices during the respective years.

2.3.1 Sector-wise Tax Revenue

(₹ in crore)

Revenue Receipts	2017-18	2018-19	2019-20	2020-21	2021-22
Goods and Services Tax	27,708 (1.94)	46,698 (2.81)	45,866 (2.48)	45,349 (2.38)	55,585 (2.69)
Taxes on Income and Expenditure	15,305 (1.07)	18,577 (1.12)	16,050 (0.87)	15,230 (0.80)	21,824 (1.06)
Taxes on Property and Capital Transactions	9,355 (0.66)	11,259 (0.68)	11,123 (0.60)	11,894 (0.63)	14,553 (0.70)
Taxes on Commodities and Services	68,468 (4.80)	59,659 (3.58)	60,816 (3.29)	58,604 (3.08)	68,363 (3.31)
Total Tax Revenue	1,20,836 (8.46)	1,36,173 (8.18)	1,33,855 (7.25)	1,31,077 (6.89)	1,60,325 (7.76)
GSDP	14,27,074	16,64,159	18,45,853	19,02,689	20,65,436

Note: Figures in parentheses represent percentage to GSDP at current prices during the respective years.

2.4. Performance of State's own tax revenue collection

Tax Revenue of the State Government comes from two sources viz. State's Own Tax Collections and Devolution of Union Taxes. The growth rate of Tax Revenue from 2017-18 to 2021-22 is 32.68 *per cent*. However, the State's own Tax Revenue collection with reference to GSDP showed decreasing trend from 6.57 *per cent* in 2017-18 to 5.95 *per cent* in 2021-22.

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	State's Own Tax Revenue as <i>Percentage</i> to GSDP
2017-18	1,20,836	27,099	93,737	6.57
2018-19	1,36,173	30,639	1,05,534	6.34
2019-20	1,33,855	26,393	1,07,462	5.82
2020-21	1,31,077	24,925	1,06,153	5.58
2021-22	1,60,325	37,459	1,22,866	5.95

2.4.1. Efficiency of Tax Collection

Taxes on commodities and services form a major chunk of tax revenue. Tax collection efficiency in respect of both taxes on commodities and services and Taxes on Property and Capital Transactions have marginally increased during 2021-22.

A. Taxes on Property and Capital Transactions

(₹ in crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue Collection	9,355	11,259	11,123	11,894	14,553
Expenditure on Collection	480	522	587	596	688
Efficiency of Tax Collection (in <i>per cent</i>)	5.13	4.64	5.28	5.01	4.73

B. Taxes on Commodities and Services

(₹ in crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue Collection	68,468	59,659	60,816	58,604	68,363
Expenditure on Collection	615	705	845	821	846
Efficiency of Tax Collection (in per cent)	0.90	1.18	1.39	1.40	1.24

2.5. Trend in State's Share of Union Taxes during the past five years

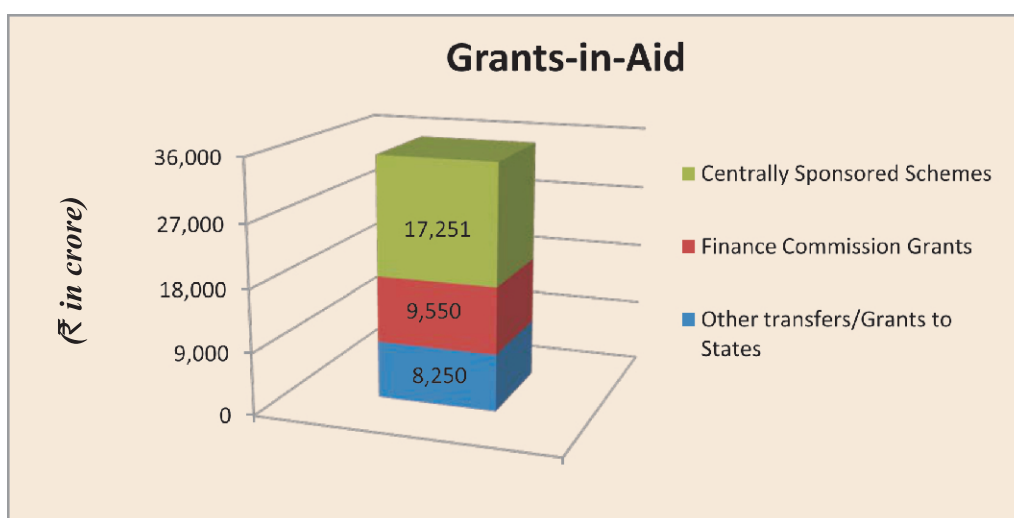
The State share of Union Taxes to the Total Tax Revenue has increased from 19.02 per cent during 2020-21 to 23.36 per cent during 2021-22.

(₹ in crore)

Major Head description	2017-18	2018-19	2019-20	2020-21	2021-22
Goods and Services Tax (CGST+IGST)	3,118	8,165	7,489	7,407	10,308
Other taxes on income and expenditure	..	55	..	..	..
Corporation Tax	8,298	10,655	8,999	7,520	10,913
Taxes on Income other than Corporation Tax	7,007	7,847	7,051	7,710	10,911
Taxes on Wealth	(-) 0.25	4	0.39	..	3
Customs	2,735	2,172	1,673	1,324	2,920
Union Excise Duties	2,859	1,443	1,163	838	1,754
Service Tax	3,083	282	..	108	610
Other Taxes and Duties on Commodities and Services	..	16	17	18	40
State Share of Union Taxes	27,099	30,639	26,393	24,925	37,459
Total Tax Revenue	1,20,836	1,36,173	1,33,855	1,31,077	1,60,325
Per cent of Union Taxes to Total Tax Revenue	22.43	22.50	19.72	19.02	23.36

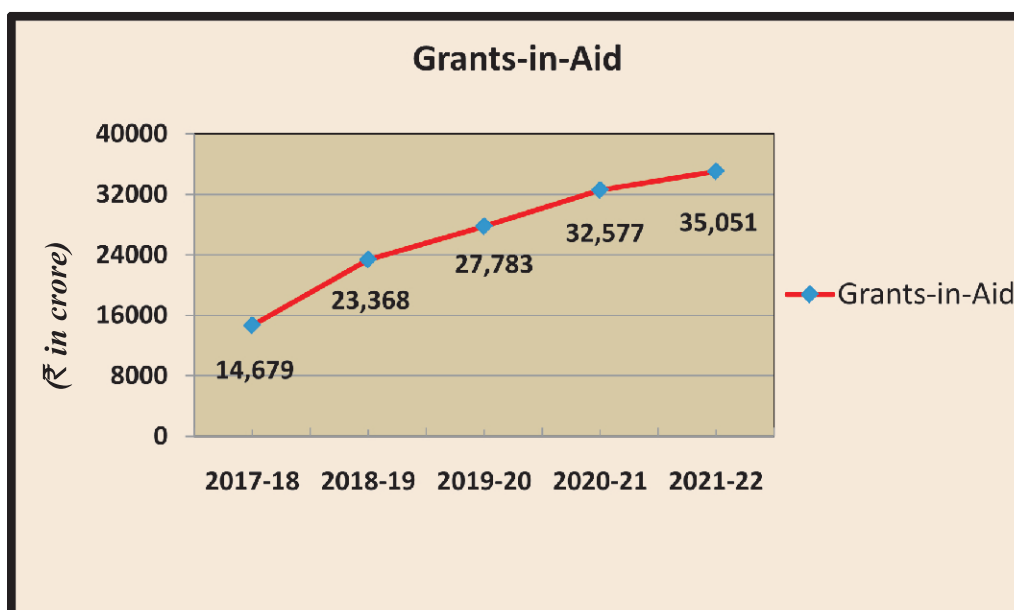
2.6. Grants-in-Aid

Grants-in-Aid represent assistance from the Government of India and comprise grants for Centrally Sponsored Schemes approved by the NITI Aayog, Finance Commission Grants recommended by the Finance Commission and other transfers/Grants to States. During 2021-22 total receipts under Grants-in-aid were ₹35,051 crore (No amount was refunded under Grants for States /Union Territories towards Plan Schemes for the year).



2.6.1 Trend of Grants-in-Aid from Central Government

The Trend of Grants-in-Aid received from Central Government has increased by ₹2,474 crore during 2021-22 from that of 2020-21.



3.1. Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is incurred for the day-to-day management of the Government. Capital expenditure is incurred to create permanent assets like buildings, roads and bridges or to enhance the utility of such assets, or to reduce liabilities like Loans from Government of India, Open market Loans, etc. Further, expenditure is distributed among the sectors, viz., General Services, Social Services and Economic Services as follows:

General Sector Services	Includes Justice, Interest Payments, Police, Jail, PWD, Pension, etc.
Social Sector Services	Includes Education, Health and Family Welfare, Water Supply, Welfare of SC, ST, OBC and Minorities, Social Security, Nutrition and Relief on account of Natural Calamities, etc.
Economic Sector Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport, Science and Technology, etc.

3.2. Revenue Expenditure

The total estimates for Revenue Expenditure stood at ₹2,72,517 crore during 2021-22. (The Original Budget for Revenue expenditure was estimated at ₹2,61,189 crore and the State had obtained provision for Supplementary Grant of ₹2,372 crore in January 2022 and ₹8,956 crore in March 2022). However, the actual Revenue Expenditure was ₹2,54,030 crore only which was less than the estimated Original Budget Estimates by ₹7,159 crore. The shortfall/excess of Revenue Expenditure against Original Budget Estimates during the past five years is given below:

(₹ in crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
Original Budget Estimates	1,75,293	1,93,742	2,12,036	2,40,993	2,61,189
Actuals	1,67,874	1,97,201	2,10,435	2,36,402	2,54,030
Gap	7,419	(-) 3,459	1,601	4,591	7,159
Percentage of gap over BE	4.23	(-) 1.78	0.75	1.91	2.74

Around 60.82 *per cent* of the Revenue Expenditure was "committed" to Salaries (₹42,933 crore), Interest Payments (₹41,564 crore), Pensions (₹25,662 crore), Subsidies (₹21,689 crore), Salary Grants (₹8,416 crore), Social Security and other Pensions (₹1,272 crore), Wages (₹33 crore), Dearness Allowances (₹11,677 crore) and Compensation and Assignment to Local Bodies (₹1,245 crore).

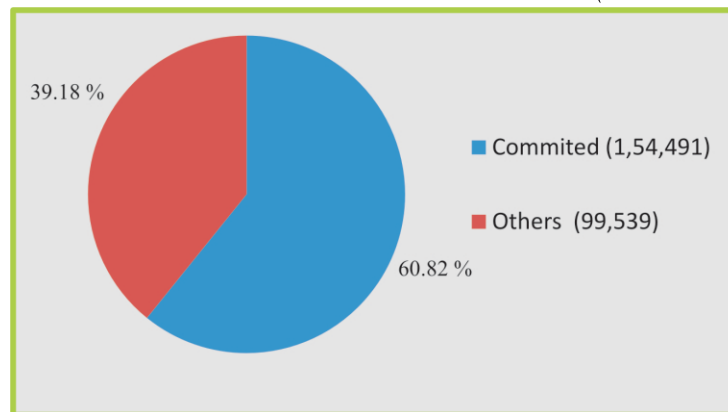
The position of Committed and Other Revenue Expenditure over the last five years is given below:

(₹ in crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue Expenditure	1,67,874	1,97,201	2,10,435	2,36,402	2,54,030
Revenue Receipts	1,46,280	1,73,741	1,74,526	1,74,076	2,07,492
Committed Revenue Expenditure	1,17,438	1,32,156	1,43,179	1,49,399	1,54,491
Uncommitted Revenue Expenditure	50,436	65,045	67,256	87,003	99,539
Committed Revenue Expenditure to Revenue Receipts (in <i>per cent</i>)	80.18	76.06	82.03	85.82	74.46
Committed Revenue Expenditure to total Revenue Expenditure (in <i>per cent</i>)	69.96	67.01	68.04	63.20	60.82

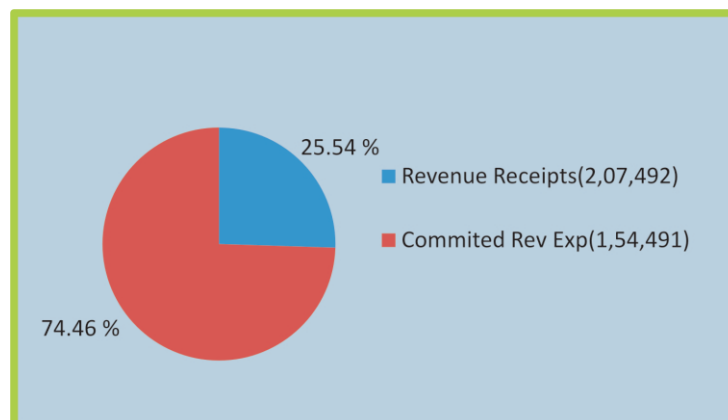
3.2.1 Total Revenue Expenditure Vs Committed Revenue Expenditure

(₹ in crore)



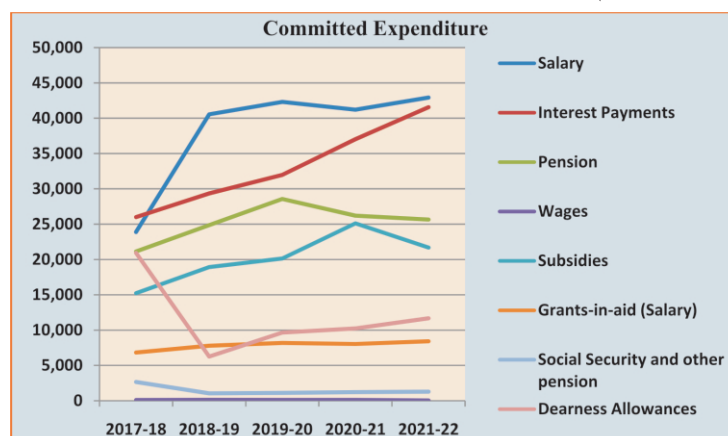
Revenue Receipts Vs Committed Revenue Exp

(₹ in crore)



3.2.2 Trend of Committed Expenditure

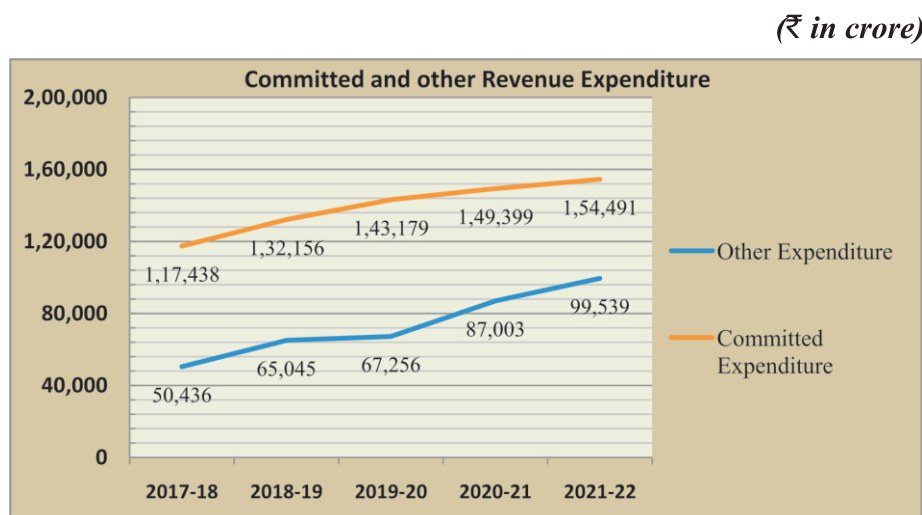
(₹ in crore)



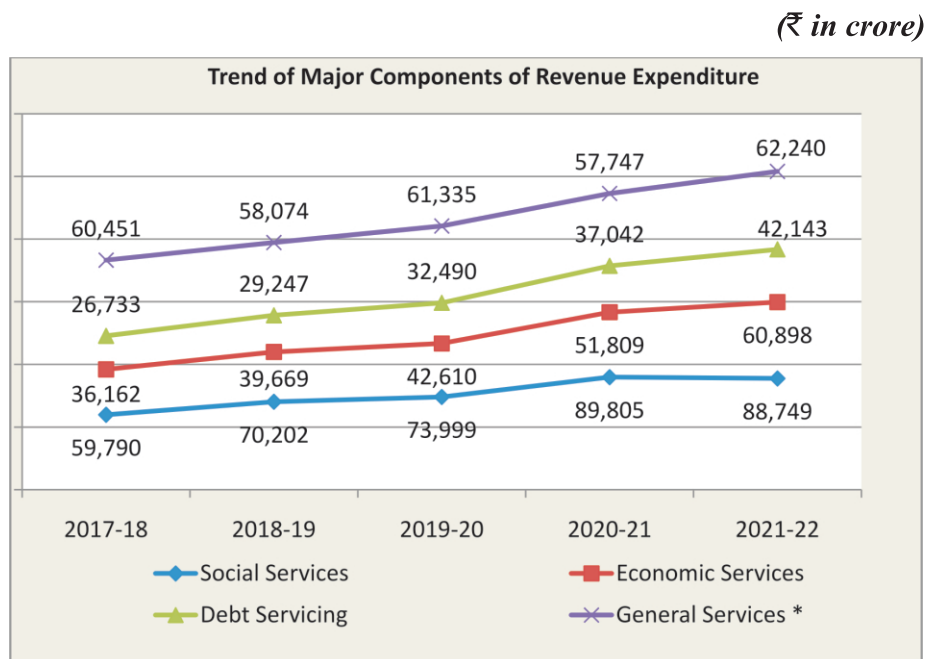
The upward trend on committed expenditure leaves the government with lesser flexibility for developmental spending.

3.2.3 Trend of Committed Revenue expenditure and Other Revenue Expenditure

The total Revenue Expenditure during 2021-22 was ₹2,54,030 crore which consists of Committed Revenue Expenditure of ₹1,54,491 crore and Other Revenue Expenditure of ₹99,539 crore. The Committed Revenue Expenditure are for Salaries, Interest Payments, Pensions etc., which are committed to be spent by the Government.



3.2.4 Major Components of Revenue Expenditure



* General Services excludes MH 2049 (Interest Payments) and includes MH 3604 (Compensation and assignment to Local Bodies and Panchayati Raj Institutions).

3.2.5 Sectoral Distribution of Revenue Expenditure

The Revenue Expenditure is distributed among fiscal services, Organs of State, Interest payment, Pension payment and Social, General and Economic Services. The State Government during the year 2021-22 has spent ₹1,543 crore on collection of taxes, ₹2,328 crore on Legislature, Governor's Office and Administration of Justice, ₹42,143 crore on Interest Payment and Servicing of debt, ₹11,867 crore on Administrative Services, ₹27,012 crore on Pension and Miscellaneous General Services, ₹88,749 crore on Social Services, ₹60,898 crore on Economic Services and ₹19,490 crore on Grants-in-aid and Contributions. Thus, the total sectoral distribution of Revenue Expenditure works out to ₹2,54,030 crore.

Components	Amount (₹ in crore)	Percentage
A. General Services		
a. Organs of State	2,328	0.92
b. Fiscal Services	1,543	0.61
Collection of Taxes on Property and Capital Transactions	688	0.27
Collection of Taxes on Commodities and Services	846	0.33
Other Fiscal Services	9	..
c. Interest Payments and Servicing of Debt	42,143	16.60
d. Administrative Services	11,867	4.67
e. Pensions and Miscellaneous General Services	27,012	10.63
B. Social Services	88,749	34.94
C. Economic Services	60,898	23.96
D. Grants-in-aid and Contributions	19,490	7.67
Total Expenditure (Revenue Account)	2,54,030	100.0

3.3. Capital Expenditure

Capital Disbursements of ₹40,652 crore (includes Loans and Advances disbursed ₹3,641 crore) for 2021-22 at 1.97 *per cent* of GSDP, fell short of Original Budget Estimates by ₹7,337 crore.

3.3.1 Sectoral Distribution of Capital Expenditure

The Capital Expenditure is distributed among General Services, Economic Services, Social Services and Loans and Advances. During 2021-22, the total sectoral distribution of Capital Expenditure was ₹40,652 crore which increased by ₹3,750 crore over the previous year.

3.3.2 Sectoral Distribution of Capital Expenditure over the past five years

(₹ in crore)

Description	2017-18	2018-19	2019-20	2020-21	2021-22
General Services	847 (3.17)	858 (2.79)	1,065 (3.59)	937 (2.54)	780 (1.92)
Social Services	4,731 (17.71)	6,996 (22.72)	5,860 (19.76)	10,831 (29.35)	14,985 (36.86)
Economic Services	14,625 (54.73)	16,457 (53.45)	18,707 (63.09)	21,300 (57.72)	21,246 (52.26)
Loans and Advances	6,517 (24.39)	6,478 (21.04)	4,022 (13.56)	3,834 (10.39)	3,641 (8.96)
Total	26,720	30,789	29,654	36,902	40,652

Note: Figures in parentheses represent percentage to total capital expenditure

3.4. State Fund Expenditure

Due to the merger of Non-plan/Plan Schemes during 2017-18, the expenditure has been classified as State Fund Expenditure and Central Assistance Schemes.

State Fund expenditure during 2021-22 was ₹2,25,701 crore (88.85 *per cent* of total revenue expenditure), ₹28,774 crore (77.74 *per cent* of total capital expenditure) and ₹3,641 crore (100 *per cent* total loan disbursements) under Revenue, Capital and Loans and Advances respectively. The Central Assistance during 2021-22 was ₹28,329 crore (11.15 *per cent* of total revenue expenditure) under 'Revenue' and ₹8,237 crore (22.26 *per cent* of total capital expenditure) under 'Capital' section.

The demands for grants are prepared by the State Government for incurring expenditure by each service department annually. The funds for the demands for grant are allocated through the Appropriation Act approved by the State Legislature. The grants are prepared by each department as “Voted” and “Charged” for obtaining approval of the Legislature.

The Appropriation Act of the Government of Tamil Nadu for the year 2021-22 provided for gross expenditure of ₹3,49,740 crore and reduction of expenditure (recoveries) of ₹6,253 crore. Against this, the actual gross expenditure was ₹3,19,362 crore and reduction of expenditure was ₹4,943 crore. The actual expenditure resulted in a net saving of ₹30,378 crore (8.69 *per cent*).

Appropriation Accounts is comprehensive presentation of Grant-wise information of sums expended for any particular year with respect to the Appropriation Act. These accounts list the Original budget estimates, supplementary grants, surrenders and reappropriations and indicate the actual expenditure, excess/saving schemes authorised by the Appropriation Act and are complimentary to the Finance Accounts. The funds indicated in the Budget are appropriated out of the Consolidated Fund of the State.

4.1. Summary of Appropriation Accounts

(₹ in crore)

Nature of expenditure	Original grant	Supplementary grant	Total	Actual expenditure	Net Saving	Surrender
Revenue						
Voted	2,20,116	11,280	2,31,396	2,16,331	15,064	14,572
Charged	45,140	48	45,188	42,603	2,585	2,427
Capital						
Voted	44,340	2,324	46,664	36,948	9,716	9,864
Charged	27	128	155	102	53	53
PublicDebt						
Charged	19,857	..	19,857	19,737	120	117
Loans and Advances						
Voted	5,808	672	6,480	3,641	2,840	2,846
Appropriation to Contingency Fund	..	..	..	..	..	..
Voted						
Total	3,35,288	14,452	3,49,740	3,19,362	30,378	29,879

4.2. Trends of Saving / Excess during the past five years

(₹ in crore)

Year	Saving (-)/ Excess (+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
2017-18	(-)13,738	(-)10,981	(-)2,257	(-)1,204	(-)28,180
2018-19	(-) 10,248	(-)7,985	(-)290	(-)1,301	(-)19,824
2019-20	(-)13,019	(-)11,464	(-)63	(-)2,548	(-)27,094
2020-21	(-)33,363	(-)8,084	(-)75	(-)3,696	(-)45,219
2021-22	(-)17,649	(-)9,769	(-)120	(-)2,840	(-)30,378

4.3. Significant saving in the approved grants

The Appropriation Accounts provide explanations for excess/saving incurred under sub-heads i.e., on the schemes for each grant, which are selected based on Public Accounts Committee norms, Tamil Nadu. The term 'Saving' indicate spending less than the allotment either because of non-implementation or delay in implementation of certain schemes/programmes. The term 'Excess' indicates spending more than the budget allotment.

4.3.1 Grants with Significant Persistent Saving

(₹ in crore)

Grant No.	Nomenclature of the Grant	2017-18	2018-19	2019-20	2020-21	2021-22
01	State Legislature (Revenue) - (Charged)	0.20	0.27	0.17	0.22	0.27
02	Governor and Council of Ministers (Revenue)- (Voted)	3.40	4.05	6.84	12.78	12.07
	Revenue (Charged)	2.37	2.55	1.31	2.41	0.87
03	Administration of Justice (Revenue) - (Charged)	27.82	52.35	71.26	65.08	29.93
04	Adi-Dravidar and Tribal Welfare Department (Capital) (Voted)	143.46	75.90	42.55	103.95	177.81
05	Agriculture and Farmers welfare Department (Capital) (Voted)	242.91	113.29	160.65	100.60	295.40
	(Loan) (Voted)	130.03	130.00	130.54	130.14	130.00
09	Backward Classes, Most Backward Classes & Minorities Welfare Department (Revenue) (Voted)	352.63	114.75	142.35	245.67	413.55
	(Capital) (Voted)	4.17	4.85	5.91	24.45	48.63
11	Stamps and Registration (Commercial Taxes and Registration Department) (Revenue) (Voted)	27.28	40.19	36.28	69.59	35.92
13	Food and Consumer Protection (Co-operation, Food and Consumer Protection Department) (Capital) (Voted)	92.27	69.50	270.72	350.99	774.06
15	Environment and Climate Change (Environment, Climate Change and Forest Department) (Loan) (Voted)	19.30	20.01	20.00	1.05	1.15

(₹ in crore)

Grant No.	Nomenclature of the Grant	2017-18	2018-19	2019-20	2020-21	2021-22
16	Finance Department (Capital) (Voted)	2,000.00	768.90	768.41	500.00	572.64
	(Loan) (Voted)	9.15	23.74	37.43	64.26	62.43
19	Health and Family Welfare Department (Revenue) (Charged)	0.87	0.85	1.24	1.45	0.93
20	Higher Education Department (Capital) (Voted)	53.04	38.63	45.84	132.17	169.08
21	Highways and Minor Ports Department (Capital) (Voted)	1,743.31	1,990.87	2,865.26	1,407.31	2,797.83
22	Police (Home, Prohibition and Excise Department) (Loan) (Voted)	3.26	5.00	3.61	1.69	4.81
23	Fire and Rescue services (Home, Prohibition and Excise Department)(Revenue) (Voted)	22.58	25.92	33.87	64.22	21.33
29	Tourism, Art and Culture (Tourism, Culture and Religious Endowments Department) (Capital) (Voted)	28.72	33.33	137.29	56.65	8.98
31	Information Technology Department (Revenue) (Voted)	49.66	35.61	46.98	45.00	19.70
35	Human Resources Management Department (Revenue) (Voted)	5.76	12.08	7.03	34.80	7.42
38	Public Department (Revenue) (Voted)	89.52	99.98	80.45	58.50	94.99
	(Revenue) (Charged)	0.13	0.08	0.88	0.36	6.67
40	Water Resources Department (Capital) (Voted)	1,730.56	1,336.56	1,514.88	1,534.52	1,329.78
	(Capital) (Charged)	4.29	12.02	55.69	4.35	2.66
43	School Education Department (Capital) (Voted)	31.19	78.69	163.68	145.59	26.53
46	Tamil Development (Tamil Development and Information Department (Revenue) (Voted)	9.89	20.18	5.97	9.59	11.86
47	Hindu Religious and Charitable Endowments (Tourism, Culture and Religious Endowments Department) (Revenue) (Voted)	28.42	28.89	26.61	125.30	38.66
49	Youth Welfare and Sports Development Department (Revenue) (Voted)	10.32	16.13	21.96	121.15	63.54

The reasons for saving are detailed grant wise in the Appropriation Accounts. Persistent saving indicates the need for critical review of budgeting process.

Further, notwithstanding above under utilization, even supplementary grants proved to be unnecessary under certain schemes where there were significant saving at the end of the year against original allocations, the details of which are given below:

(₹ in crore)

Grant No.	Nomenclature of the Grant & Head of Account	Original Estimate	Supplementary Estimate	Actual Expenditure	% of Saving
10	Commercial Taxes (Commercial Taxes and Registration Department) 2040.00.001.JB	48.78	3.57	36.88	29.55
16	Finance Department 2052.00.090.AD	35.97	..	30.58	14.98
20	Higher Education Department 2202.03.103.AA	806.60	..	742.84	7.90
21	Highways and Minor Ports Department 5054.04.337.KC	500.52	..	415.38	17.01
22	Police Department (Home, Prohibition and Excise Department) 2055.00.003.AG	75.87	..	49.30	35.02
	2055.00.101.AU	38.45	..	30.67	20.23
	2055.00.108.AC	120.93	..	77.25	36.12
24	Prisons and Correctional Services (Home, Prohibition and Excise Department) 2056.00.101.AA	243.39	2.97	210.78	14.44
28	Information and Publicity (Tamil Development and Information Department) 2220.60.106.AC	26.88	..	26.17	2.64
29	Tourism – Arts and Culture (Tourism, Culture and Religious Endowments Department) 2205.00.103.AB	11.35	0.38	11.19	4.60
32	Labour Welfare and Skill Development Department 2230.03.101.KC	35.10	..	28.05	20.09
41	Revenue and Disaster Management Department 2029.00.102.AG	156.09	..	144.74	7.27
47	Hindu Religious and Charitable Endowments (Tourism, Culture and Religious Endowments Department) 2250.00.102.AF	63.39	0.75	43.64	32.01

4.4. Expenditure on New Service

In respect of the heads mentioned below, expenditure has been incurred without provision either in the Budget or in the supplementary estimates and exceeded the limits prescribed in the "New Service Rules" constituting "New Service/New Instrument of Service". Failure to observe the prescribed procedure had led to incurring of the expenditure on the schemes without the authority of the Legislature.

(₹ in lakh)

Grant No.	Head of Account	Total Grant (Reappropriation)	Actual expenditure
31	2852.07.800.UA	5.00	5.00
36	3475.00.800.JK	0.13	0.13
43	2202.02.800.UB	205.19	205.19
50	2071.01.101.AR	2.54	2.54
54	4406.01.102.JM	7.89	7.89
54	4406.02.110.JK	5.25	5.25

4.5. Expenditure without budget provision/reappropriation

In respect of the heads mentioned below, expenditure was incurred without provision/reappropriation or after withdrawal of provision through reappropriation which led to unauthorized expenditure.

(₹ in lakh)

Grant No.	Head of Account	Expenditure
11	2030.01.102.AA	0.06
16	7610.00.202.AB	0.32
16	7610.00.800.AE	2.34
16	7610.00.800.AH	0.25
29	4202.04.106.KA	0.06
38	2075.00.104.AD	0.15
41	2053.00.093.AJ	0.51
41	2053.00.094.FH	12.01
41	5053.02.102.AD	3,450.58
44	4851.00.102.LG	186.40
51	2245.02.111.AB (C)	66.25
52	2235.02.101.CL	0.10
Debt charges	2049.60.101.AB (C)	1.34
Debt charges	2049.60.101.AJ (C)	72.00
Debt charges	2049.60.701.AC (C)	0.17

5.1. Assets

The accounts represent the actual cash receipts and disbursement during the accounting period. Physical Assets and Financial Assets such as Government Investments, etc., are shown at historical cost, i.e., the value at the year of acquisition/purchase. The Physical Assets are not depreciated or amortized.

Liabilities and retirement benefits disbursed during the current accounting period have been reflected in the accounts. The pensionary liability of the Government i.e., the liability towards payment of retirement benefits for the past service of its employees is not, however included in the accounts. The details of Assets and Liabilities of Government of Tamil Nadu are exhibited in Statement No. 1 of Finance Accounts Vol.I.

5.1.1. Investments and Returns

As per the details furnished by the Companies/Corporations and included in the Finance Accounts, total investments as share capital in non-financial Public Sector Undertakings (PSU's) stood at ₹42,167 crore at the end of 2021-22. Dividends received during the year as per accounts was ₹272 crore (0.65 *per cent*) on investment. During 2021-22, investments increased by ₹589 crore (net) and income from dividend increased by ₹67 crore. The major investment was made in Tamil Nadu Transport Development Finance Corporation Limited (₹424 crore).

(₹ in crore)

Nature	2017-18	2018-19	2019-20	2020-21	2021-22
Investments	33,579	36,480	39,866	41,578	42,167
Dividends	159	156	192	205	272
Returns in percentage	0.47	0.43	0.48	0.49	0.65

5.1.2. Cash Balance and investment of Cash Balances

Cash Balance with RBI stood at ₹(-)450 crore on 1 April 2021 and increased to ₹284 crore at the end of 31 March 2022. The cash balance investment in Treasury Bills increased from ₹5,622 crore on 1 April 2021 to ₹14,876 crore as of 31 March 2022. The interest realised on Cash Balance Investments made during the year was ₹121 crore.

The position of cash balance and investment of cash balance was as under:

Cash Balances and Investments

(₹ in crore)

Component	As on 1 April 2021	As on 31 March 2022	Net increase(+)/ decrease(-)
Cash Balances*	(-)450	284	(+)734
Investments from cash balance (GOI Treasury Bills)	5,622	14,876	(+)9,254
Other cash balances	12	12	..
(a) Departmental Balances	4	4	..
(b) Permanent Cash Imprest **	8	8	..
Investment from earmarked fund balances	49,889	57,215	(+)7,326
(a) Guarantee Redemption Fund	769	1,008	(+)239
(b) Other Funds	49,120	56,207	(+)7,087
Interest realized***	215	121	(-)94

* The minus balance on 1 April 2021 denotes excess of expenditure over the receipts due to non-reporting of receipts by the Banks to the Treasuries.

** This permanent cash imprest is maintained by drawing officers namely Tahsildars, Treasury Officers.

*** It includes interest on investments out of Guarantee Redemption Fund (₹29 crore) .

5.1.3. Loans and Advances made by the State Government

Total loans and advances made by the State Government during 2021-22 was ₹3,641 crore.

(₹ in crore)

Sector-wise services/loanees	2021-22
Social Sector	2,071
Economic Sector	1,308
Loans to Government Servants	262

5.1.4 Summary of Loans and Advances by the State Government Sector wise

(₹ in crore)

Sector	Balance as on 1 April 2021	Disbursements during the year	Repayments during the year	Loans and advances written off	Balance as on 31 March 2022	Net increase(+)/Decrease(-) during the year
Social	13,141	2,071	435	..	14,777	(+)1,636
Economic	24,819	1,308	4,678	..	21,449	(-)3,370
Government servants	1,225	262	242	..	1,245	(+)20
Miscellaneous	(-)599	..	..	..	(-)599	..
Total	38,586	3,641	5,355	..	36,872	(-)1,714

5.1.5. Significant disbursement of Loans and Advances by State Government

As on 31 March 2022 a sum of ₹36,872 crore was due to be received by the State Government. The summary of Loans and Advances by the State Government are given in Statement 7 of Vol-I of Finance Accounts with analysis of increase/decrease in the quantum. The detailed statements are given in Statement 18 of Vol-II of Finance Accounts

(₹ in crore)

Major Heads	Purpose	Amount
Urban Development	Loans to Chennai Metro Rail Corporation Limited (₹1500 crore) and Loans to Tamil Nadu Urban Development Fund (₹349 crore)	2,070
Co-operation	Loans to Co-operatives under Integrated Co-operative Development Programme – controlled by the Registrar of Co-operative Societies	196
Power Projects	Tamil Nadu Transmission System Improvement Project with Loan assistance from JICA-01-Loans to TANTRANSCO	780
Consumer Industries	Soft loans to Industrial units under structured assistance package controlled by Industries Commissioner and Director of Industries and Commerce	204
Road Transport	Ways and Means Advance to various Transport Corporations	100

5.1.6. Repayment of Loans and Advances by Government Servants and Public Sector Undertakings

During 2021-22 ₹5,355 crore has been received towards repayment of loans and advances.

(₹ in crore)

Sector-wise services/loanees	2021-22
Social Sector	435
Economic Sector	4,678
Repayment by Government Servants	242

The major repayments received were from Power Projects(₹4,622 crore) and Government servants (₹242 crore). Effective steps to recover the outstanding loans (₹36,872 crore) would help the Government's fiscal position.

5.2. Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be fixed from time to time by the State Legislature.

The target fixed by the Tamil Nadu State Government as per the Tamil Nadu Fiscal Responsibility Act, 2003, is to maintain the ratio of total outstanding debt to GSDP with medium term goal of not being more than 25.2 *per cent* during 2015-16 and thereafter maintain such *per cent* as may be prescribed.

The outstanding debt for 2021-22 (₹5,96,331 crore) was 28.87 *per cent* of GSDP. This debt does not include ₹6,241 crore (2020-21) and ₹8,095 crore (2021-22) 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. F.No.40(1)/2021-22, dated 10.12.2021.

Details of Public Debt and Other Liabilities of the State Government are as under (Figures are progressive balances to end of the year):

Government Liabilities to GSDP

(₹ in crore)

Year	Public Debt*	Percentage to GSDP	Public Account**	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2017-18	2,88,769	20.24	37,749	2.65	3,26,518	22.88
2018-19	3,21,642	19.33	47,094	2.83	3,68,736	22.16
2019-20	3,70,550	20.07	53,193	2.88	4,23,743	22.96
2020-21	4,57,188	24.02	61,608	3.24	5,18,796	27.27
2021-22	5,41,936	26.24	68,731	3.33	6,10,667	29.57

* Taken as net of balances.

** Excludes Advances, Suspense & Miscellaneous and Remittance balances.

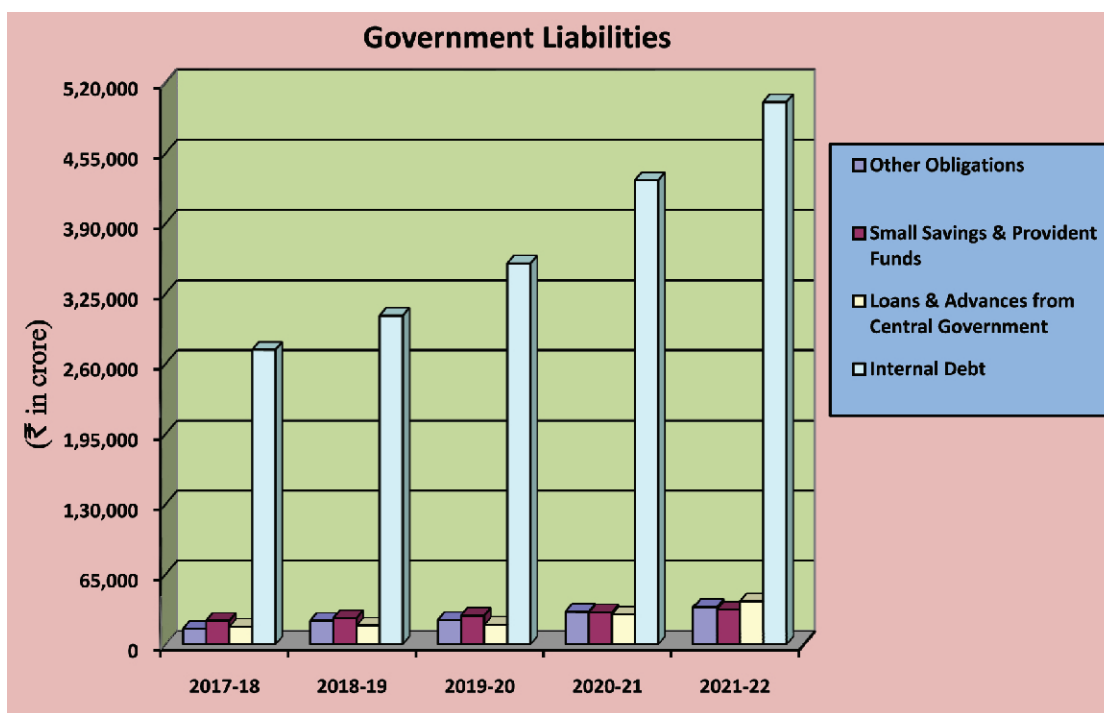
5.3. Government Liabilities:

The Liabilities of the Government comprise repayments of the market loans raised by it (Internal Debt) and Loans and Advances received from the Government of India. 'Other Liabilities' comprise of 'Small Savings, Provident Funds etc.', 'Reserve Funds' and 'Deposits'. The details of liabilities are noted below to show the increasing trend of components of the total Government liabilities shown under Para 5.2

Trends of outstanding Fiscal Liabilities

(₹ in crore)

Liabilities	2017-18	2018-19	2019-20	2020-21	2021-22
Internal Debt	2,72,634	3,04,350	3,52,625	4,29,748	5,02,205
Loans and Advances from Central Government	16,135	17,292	17,925	27,440	39,731
Small Savings and Provident Funds	21,660	24,110	26,475	29,352	32,033
Reserve Funds	1,877	1,330	2,158	2,144	2,386
Deposits and Advances	14,212	21,654	24,560	30,111	34,312



Public debt and other liabilities of the Government increased from 27.27 *per cent* of GSDP at the end of 2020-21 to 28.87 *per cent* of GSDP at the end of 2021-22. This was not within the FRBM target of 25.2 *per cent*.

5.4. Guarantees (Contingent Liabilities)

The Government Companies and Corporations raise loans for Financial necessities. The State Governments in addition to directly raising loans, also guarantee loans raised by Government Companies and Corporations from the market and financial institutions for implementation of various plan schemes and programmes.

Guarantee Redemption Fund was constituted by Government in March 2003. The Fund is meant for meeting the expenditure incurred towards discharging the 'Guarantees invoked'. The investment as on 31 March 2022 was ₹1,008 crore.

The position of guarantees issued by the State Government for repayment of loans (payment of principal and interest thereon) raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc., is given below:

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed	Guarantees outstanding at the end of year
2017-18	15,517	36,131
2018-19	83,140	43,661
2019-20	4,667	47,319
2020-21	4,465	65,659
2021-22	64,176	91,975

Note: Details are available in Statement No. 20 of Finance Accounts and these are based on information received from the Government.

During 2021-22, the State Government received an amount of ₹296 crore as Guarantee Fee. The receipt is accounted for under the major head “0075-Miscellaneous General Services”. Out of total balance of ₹1,146 crore in the Guarantee Redemption Fund, ₹1,008 crore was invested in Treasury Bills.

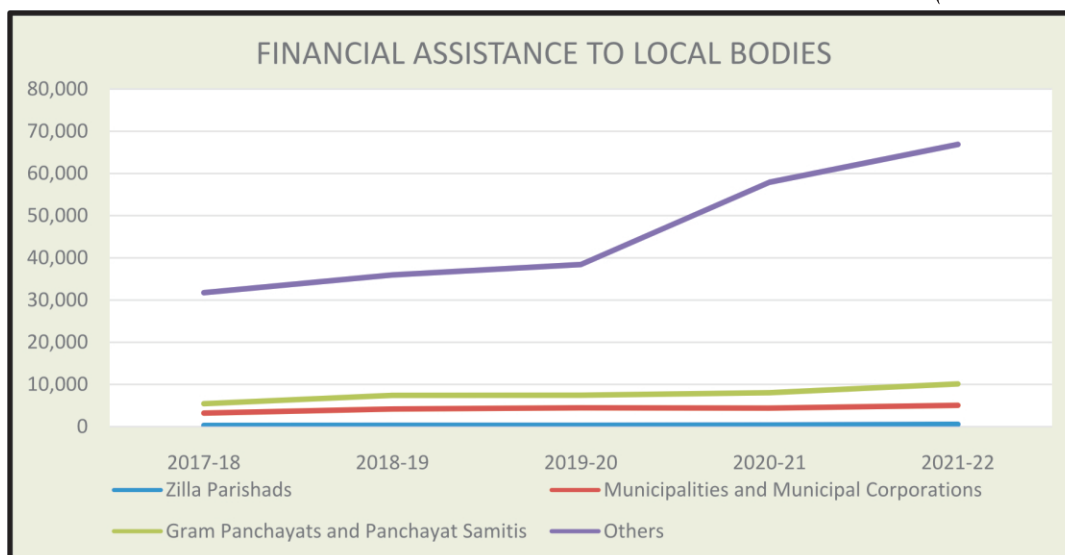
6.1 Financial Assistance To Local Bodies and Others

During the past five years, Grants-in-aid to local bodies etc., increased from ₹40,631 crore in 2017-18 to ₹82,586 crore in 2021-22. The grants to Zilla Parishads, Panchayat Samitis and Municipalities/Municipal Corporation (₹15,730 crore) represented 19.10 *per cent* of total grants given during the year. The Financial assistance to others (₹66,856 crore) represent the assistance to individual beneficiaries through various social welfare schemes. Details of Grants-in-aid released in last 5 years are as under:-

(₹ in crore)

Year	2017-18	2018-19	2019-20	2020-21	2021-22
Zilla Parishads	285	337	323	388	568
Municipalities and Municipal Corporations	3,210	4,161	4,447	4,370	5,039
Gram Panchayats and Panchayat Samitis	5,416	7,394	7,433	8,037	10,123
Others	31,720	35,934	38,401	57,884	66,856
Total	40,631	47,826	50,604	70,679	82,586

(₹ in crore)



6.2. Goods and Service Tax

Goods and Services Tax (GST) was introduced with effect from 1 July 2017. During the year 2021-22, the State GST collection was ₹45,276.49 crore compared to ₹37,942.10 crore in 2020-21, registering an increase of ₹7,334.39 crore (19.33 *per cent*). This includes Advance Apportionment of IGST amounted to ₹2,587.72 crore. In addition, the State received ₹10,308.10 crore as its share of net proceeds assigned to the State under Central Goods and Services Tax. The total receipts under GST were ₹55,584.59 crore. The State received compensation of ₹7,235.80 crore as Revenue receipt on account of loss of revenue arising out of implementation of GST during 2021-22. Out of ₹7,235.80 crore received as compensation towards loss of revenue, an amount of ₹539.08 crore is towards the loss for the year 2018-19.

Further, the state also received ₹8,095.25 crore debt during 2021-22 (total debt of ₹14,336.25 crore as on 31 March 2022) as back-to-back loan from the Central Government in lieu of GST compensation which would not be treated as debt of the State for any norms which may be prescribed by the Finance Commission as per the decision of Department of Expenditure, Government of India.

6.3. State Disaster Response Fund (SDRF)

In terms of guidelines on constitution and administration of the State Disaster Response Fund (under Major Head- '8121 General and Other Reserve Funds' which is under interest bearing section), the Central and State Governments are required to contribute to the fund in the proportion of 75 and 25 *per cent*. During the year 2021-22, the State Government received ₹816.00 crore as Central Government's share. The State Government's share during the year is ₹272.00 crore. The State Government transferred ₹1,088 crore (Central share ₹816.00 crore, State share ₹272.00 crore) to the Fund under Major Head 8121-122 SDRF. The State received ₹566.36 crore from the Central Government towards NDRF.

6.4. Non-transfer of Fund to Pension Fund Regulatory & Development Authority (PFRDA)

The State Government employees recruited on or after 1 April 2003 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his/her basic pay and dearness allowance, and 10 *per cent* of basic pay and dearness allowance is contributed by the State Government (in respect of AIS employees the Government contribution is at 14 *per cent*). As per the provisions of Defined Contribution Pension Scheme (DCPS) (GO No.430 of Govt. of Tamil Nadu dated 6th August 2004), the total accumulation of the fund (including interest if any) needs to be transferred to the Third Party Fund Manager, Pension Fund Regulatory and Development Authority (PFRDA) or any other agency authorized by PFRDA. However, even after lapse of 18 years, the State Government has not transferred fund accumulation of DCPS of State Government Employees (other than AIS) to the PFRDA; instead, the State Government has invested the amount in Auction Treasury Bills and in LIC (GO No. 158 of Govt. of Tamil Nadu dated 24th May 2019) since 2019-20. As on 31st March 2022, the total accumulations in the fund is ₹53,462.93 crore, out of which ₹36,510.00 crore has been invested in LIC (₹11,000.00 crore during 2021-22 and ₹25,510.00 crore during 2020-21) and ₹11,803.19 crore in Auction Treasury Bills. The interest amount of ₹1,995.50 crore received from the LIC for the year 2021-22 has been reinvested in the same fund. The amount of interest and amount of investment were not brought into the accounts during 2021-22.

During the year 2021-22, total contribution to the NPS which is a Defined Contribution Pension Scheme was ₹5,786.34 crore (Employees' contribution ₹2,916.26 crore and Government's contribution ₹2,870.08 crore which includes ₹3.35 crore pertaining to AIS officers Tier I contribution & ₹0.32 crore pertaining to Divisional Accountants). The detailed information on government contribution is available in Statement No. 15 of the Finance Accounts. The Government transferred ₹9,004.15 crore (i.e) (i) Employees contribution: ₹2,916.26 crore. (ii) Government contribution: ₹2,870.08 crore. (iii) Interest paid by Government on DCPS fund balance: ₹3,172.90. (iv) Contribution through treasuries and rectification transfer entries of earlier misclassification: ₹30.27 crore. (v) AIS Tier -2 contribution: ₹14.96 crore. (vi) ₹0.32 crore towards Divisional Accountant to the Public Account under Major Head 8342-117 Defined Contribution Pension scheme.

As on 31st March 2022, ₹16,952.93 crore is lying un-transferred in the Public Account under MH 8342-117. The un-transferred amount is part of government Cash balance either facilitating avoidance in availing of ways and means advances and overdrafts from RBI and/or offsetting the borrowing of the State Government.

6.5 Non-receipt of Utilisation Certificates for Grants-in-Aid

As per the instructions given in Chapter 16 of Manual of Standing Orders (Accounts and Entitlements), Utilization Certificates (UCs) in respect of Grants-in-Aid received by the grantee should be furnished by the grantee to the authority that sanctioned it, by the end of June for the grant received up to March of the previous financial year. To the extent of non-submission of UCs, there is a risk that the amount shown in the Finance Accounts may not have reached the beneficiaries and thus the expenditure cannot be vouched as correct or final.

During the year 2021-22, ₹3,432.76 crore pertaining to 78 outstanding UCs due as on 31 March 2022 was cleared. The position of outstanding UCs as on 31 March 2022 is given below:

Year*	Number of UCs Outstanding	Amount (₹ in crore)
Up to 2020-21	17	154.88
2021-22	17	648.41 #
Total	34	803.29

* The year mentioned above relates to “Due year” i.e., after 15 months of actual drawal.

Additions during the year 2021-22 is 80 UCs amounting to ₹4,062.16 crore.

The details of pending UCs as on 31 March 2021 is given below:

Year	Number of UCs Outstanding	Amount (₹ in crore)
Upto 2018-19	5	38.34
2019-20	10	97.10
2020-21	17	38.45
Total	32	173.89

6.6. Outstanding Temporary Advances:

Financial rules (Rule 290 of Central Treasury Rules) envisage that no moneys should be drawn from Government Treasury unless it is required for immediate disbursement. In Emergent circumstances, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money through Abstract Contingent (AC) bills.

The Government of Tamil Nadu does not follow the system of drawal of (AC) bills in emergent situations followed by submission of Detailed Contingency (DC) bills, as is the practice in other States. Instead, the Drawing and Disbursing Officers (DDOs) have been empowered to draw Temporary Advances (TAs) under Article 99 of Tamil Nadu Financial Code, Volume I. Accordingly, it is mandatory on the part of DDOs to submit adjustment bills within three months from the date of drawal of such advances.

Out of 3,073 TA bills amounting to ₹248.10 crore drawn during the year 2021-22, 1,238 TA bills amounting to ₹139.50 crore (56.22 *per cent*) were drawn in March 2022. Adjustment Bills in respect of a total of 1,371 TA bills drawn during 2021-22 amounting to ₹154.88 crore as on 31 March 2022 were not received. Details of unadjusted TA bills as on 31 March 2022 pending submission of the Adjustment bills are given below:

Year	No. of unadjusted TA Bills	Amount (₹ in crore)
Up to 2020-21	278	162.93
2021-22	1371	154.88
Total	1649	317.81

The balance for the previous year 2020-21 is given below:

Year	No. of Pending TAs	Amount (₹ in crore)
Up to 2018-19	119	185.12
2019-20	460	108.40
2020-21	1497	318.74
Total	2076	612.26

6.7. State Compensatory Afforestation Fund (SCAF)

In compliance with the instructions issued by the Ministry of Environment, Forests and Climate Change, Government of India, the State Governments are required to establish the State Compensatory Afforestation Fund under interest bearing section in Public Account of the State for amounts received from user agencies for undertaking Compensatory Afforestation.

During the year 2021-22, the State Government did not receive any amount ('Nil' in previous year) from the user agencies. The Government also did not receive any amount ('Nil' in previous year) from the National Compensatory Afforestation Deposit. The total balance in the State Compensatory Afforestation Fund as on 31 March 2022 was ₹113.42 crore.

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