



# **ACCOUNTS AT A GLANCE**

## **FOR THE YEAR 2022-23**

**GOVERNMENT OF TAMIL NADU**





This is the twenty fifth 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 : 31.01.2024**



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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.

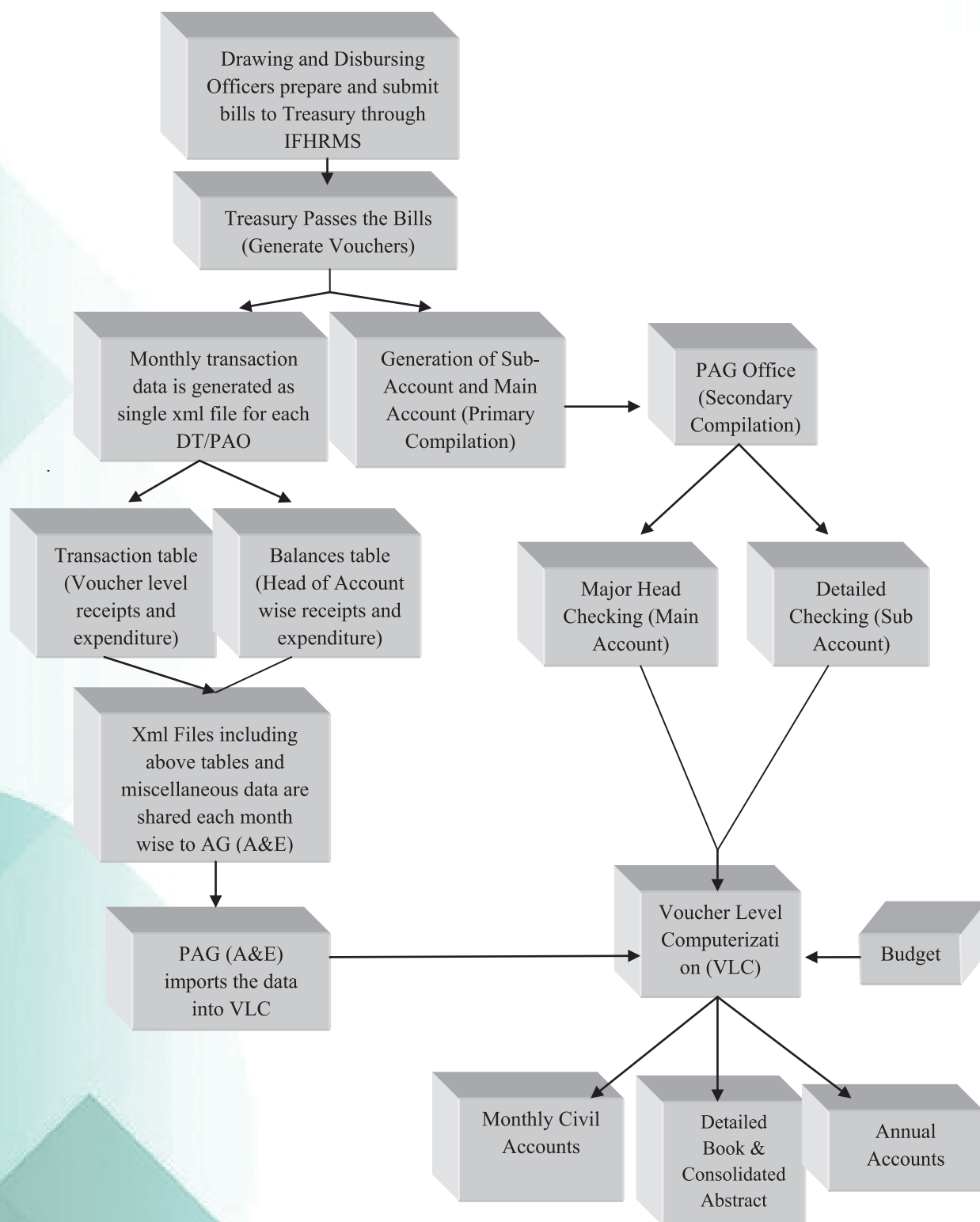
### 1.2. Structure of Accounts

#### 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

### Flow Diagram for Accounts Compilation



## 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 Report of the Comptroller and Auditor General of India, the Summarized 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 2022-23 are given below:-

### 1.3.2 Receipts and Disbursements

(₹ in crore)

Receipts (Total: ₹3,26,755)	Revenue (Total: ₹2,43,749) (1+2+3)	Tax Revenue	1,88,954
		Non-tax Revenue	17,061
		Grants-in-aid	37,734
	Capital (Total: ₹83,006) (1+2+3)	Misc. Capital Receipts	42
		Recovery of Loans and Advances	1,078
		Borrowings and other Liabilities*	81,886
Disbursements (Total: ₹3,26,755)	Revenue		2,79,964
	Capital		39,530
	Loans and Advances		7,261

\*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 2022-23, ₹27,817 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 2022-23, were made to Tamil Nadu Civil Supplies Corporation Limited (₹8,686 crore), MGNREGP (₹7,501 crore), MFL and SPIC (₹5,236 crore) and Department of Agriculture (₹1,607 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, 2022-23 provided for gross expenditure of ₹3,94,256 crore and reduction of expenditure (recoveries) of ₹3,728 crore. Against this, the actual gross expenditure was ₹3,59,166 crore and the reduction of total expenditure was ₹5,307 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 2022-23, the Government of Tamil Nadu did not resort to overdraft facilities and Ways and Means Advances.

### 1.4.2 Funds Flow Statement

The State had a Revenue Deficit of ₹36,215 crore which represents 1.53 *per cent* of GSDP\*. The Fiscal Deficit of ₹81,886 crore accounted for 3.46 *per cent* of the GSDP and 25.06 *per cent* of total expenditure. The Fiscal Deficit was met from Public Debt receipts (₹1,01,062 crore).

Around 75.50 *per cent* of the revenue receipts (₹2,43,749 crore) of the State Government was spent on committed expenditure (₹1,84,029 crore) like Salaries (₹44,418 crore), Interest Payments (₹46,911 crore), Pensions (₹30,777 crore), Subsidies (₹29,559 crore), Salary Grants (₹9,248 crore), Social Security and other Pension (₹1,407 crore), Wages (₹59 crore) and Compensation and Assignment to Local Bodies and Panchayati Raj Institutions (₹1,380 crore) and Dearness Allowances (₹20,270 crore).

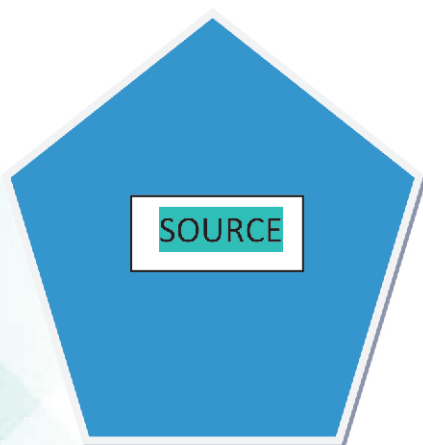
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\*The Gross State Domestic Product (GSDP) is defined as a measure, in monetary terms, of the volume of all goods and services produced within the boundaries of the State during a given period of time.

The GSDP for the year 2022-2023, ₹23,64,514 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



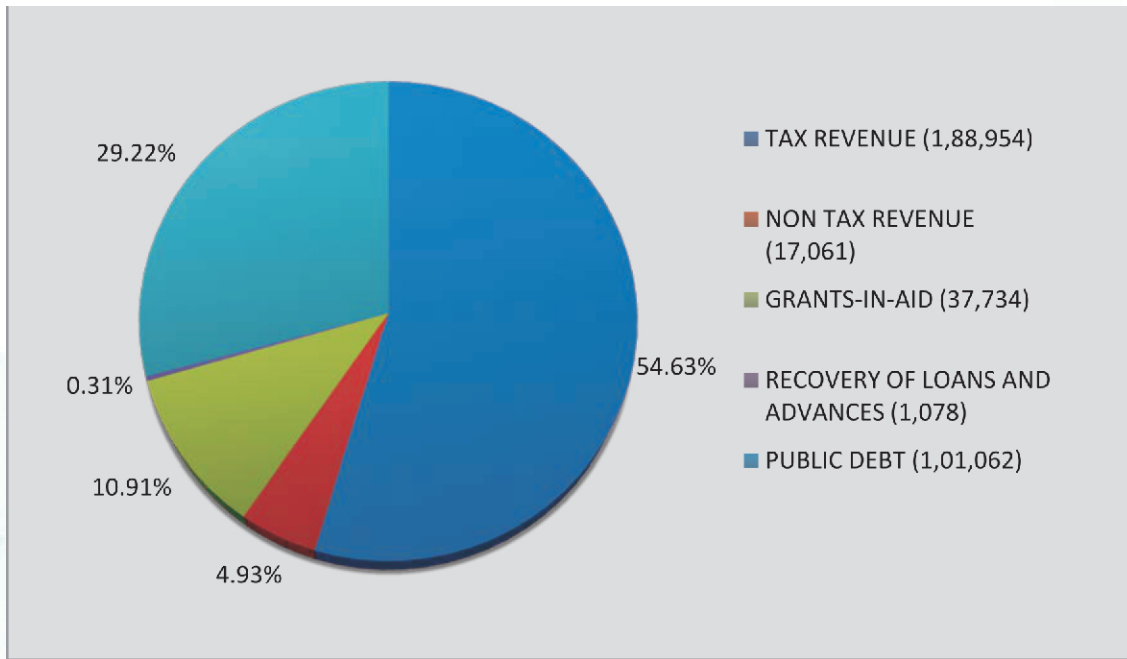
(₹ in crore)	
PARTICULARS	AMOUNT
❖ Opening Cash Balance as on 01.04.2022	284
❖ Revenue Receipts	2,43,749
❖ Capital Receipts	42
❖ Recovery of Loans and Advances	1,078
❖ Public Debt	1,01,062
❖ Small Savings, Provident Fund and Others	9,177
❖ Reserve Funds	8,353
❖ Deposits Received	1,10,314
❖ Contingency Fund	NIL
❖ Suspense Account*	6,86,401
<b>TOTAL</b>	<b>11,60,460</b>
PARTICULARS	AMOUNT
❖ Revenue Expenditure	2,79,964
❖ Capital Expenditure	39,530
❖ Loans Given	7,261
❖ Repayment of Public Debt	27,104
❖ Small Savings, Provident Fund and Others	7,326
❖ Reserve Funds	7,329
❖ Deposits Disbursed	1,06,223
❖ Suspense Account*	6,85,769
❖ Remittances	(-) 4
❖ Closing Cash Balance as on 31.03.2023 \$	(-) 42
<b>TOTAL</b>	<b>11,60,460</b>

\* The suspense account includes ₹3,19,121 crore invested in treasury bills which is shown on the “Application” side, and ₹3,19,873 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.

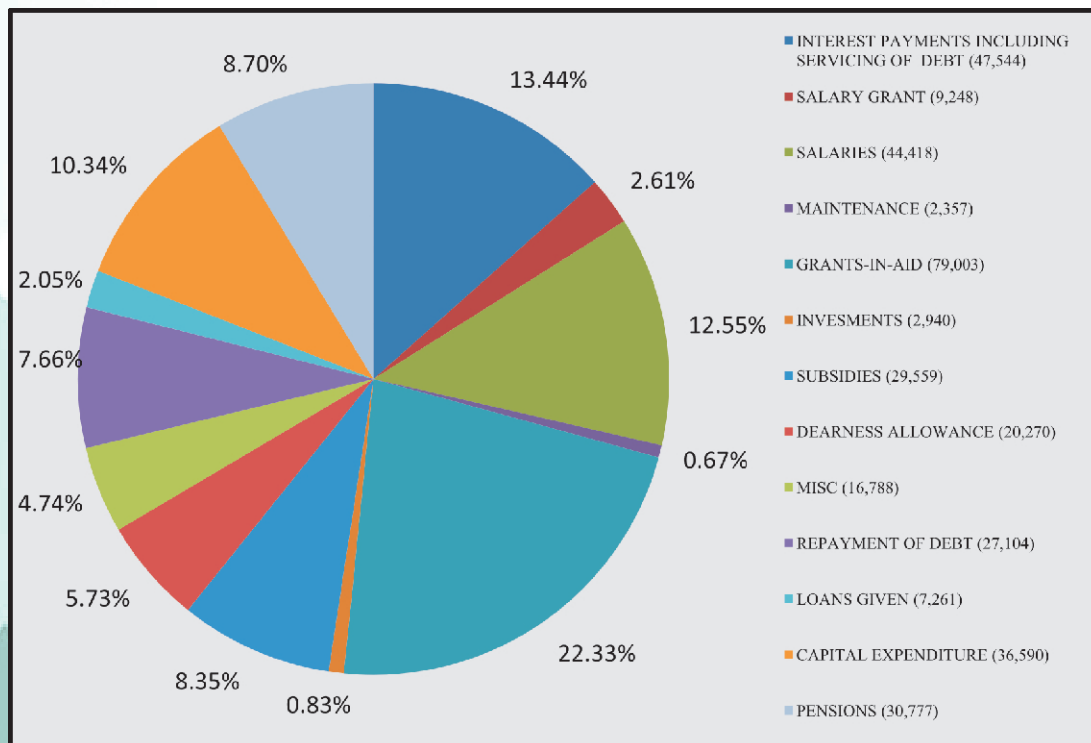
#### 1.4.4 Where the Rupee came from:

(₹ in crore)



#### 1.4.5 Where the Rupee went:

(₹ in crore)



## 1.4.6 Total Receipts and Expenditure

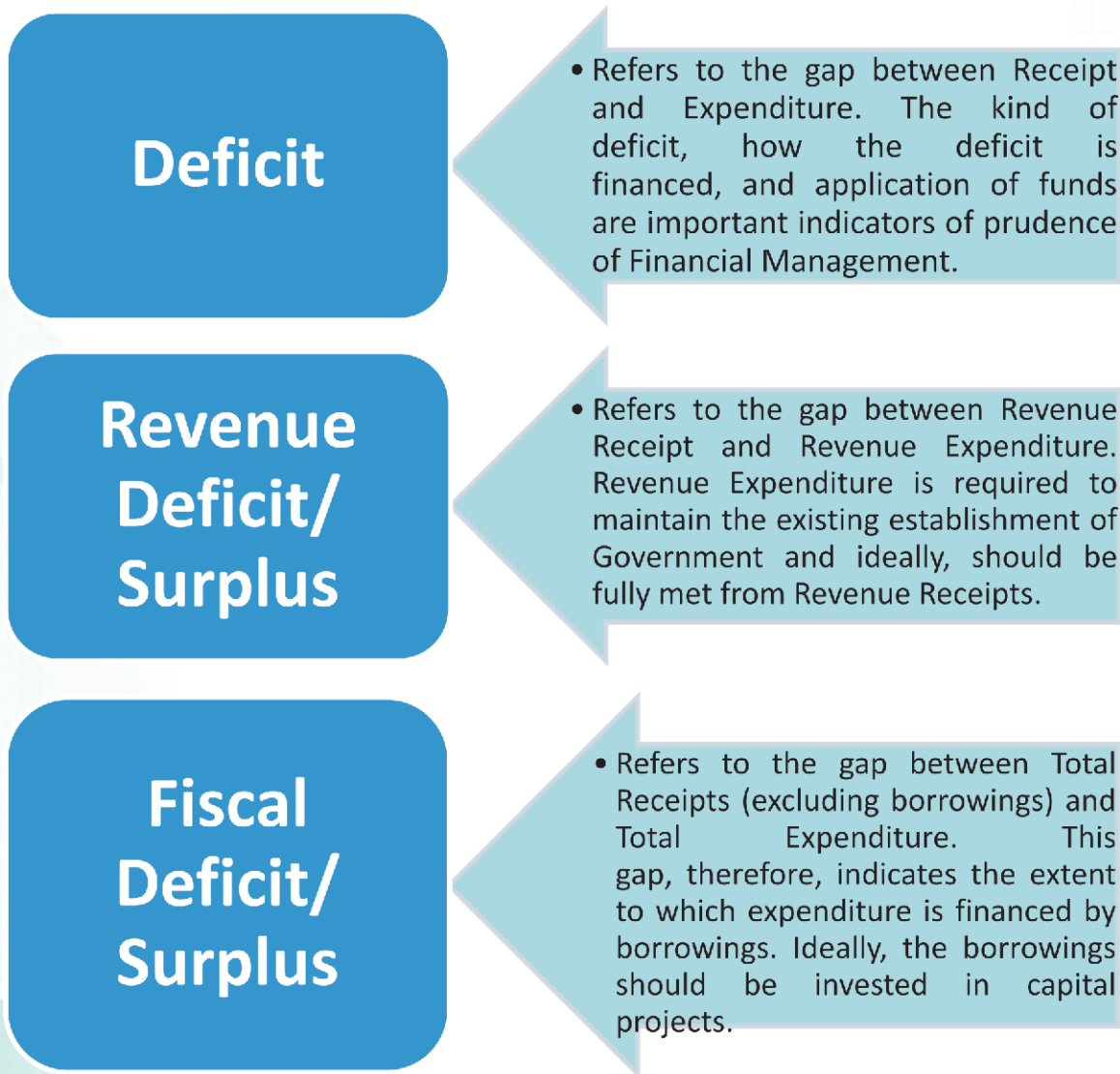
Sl. No.	Components	Budget Estimates (B.E) 2022-23	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP <sup>@</sup>
<i>(₹ in crore)</i>					
1.	Tax Revenue*	1,76,111	1,88,954	107.29	7.99
2.	Non-Tax Revenue	15,537	17,061	109.81	0.72
3.	Grants-in-aid and Contributions	39,759	37,734	94.91	1.60
4.	Revenue Receipts (1+2+3)	2,31,407	2,43,749	105.33	10.31
5.	Receipts on Capital Account	..	42	..	..
6.	Recoveries of Loans and Advances	5,230	1,078	20.61	0.05
7.	Net Borrowings and Other Liabilities	96,614	81,886	84.76	3.46
8.	Total Capital Receipts (5+6+7)	1,01,844	83,006	81.50	3.51
9.	Total Receipts (4+8)	3,33,251	3,26,755	98.05	13.82
10.	Expenditure on Revenue Account	2,84,188	2,79,964	98.51	11.84
11.	Expenditure on Capital Account	43,043	39,530	91.84	1.67
12.	Loans and Advances	6,020	7,261	120.61	0.31
13.	Total Expenditure (10+11+12)	3,33,251	3,26,755	98.05	13.82
14.	Revenue Deficit (-)/ Surplus (+) ** (4-10)	(-) 52,781	(-)36,215	..	..
15.	Fiscal Deficit** [13-(4+5+6)] = 7	(-)96,614	(-)81,886	..	..

<sup>@</sup> 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 ₹23,64,514 crore.

\* Includes share of net proceeds assigned to State (₹38,731 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.

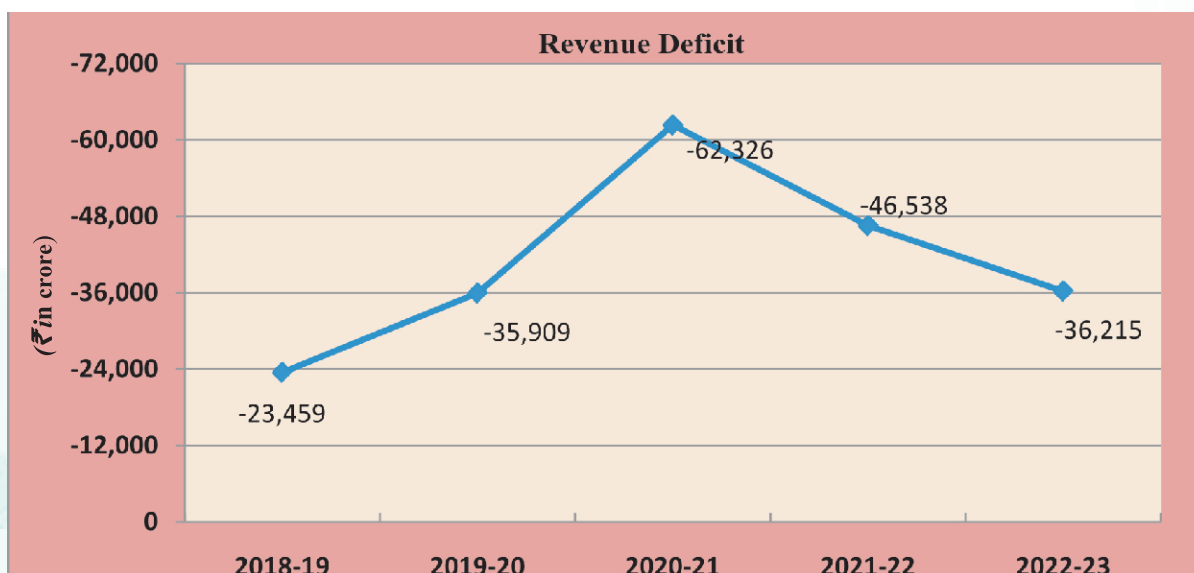
#### 1.4.7 What do the Deficits and Surplus indicate ?



#### 1.4.8 Revenue Deficit/Surplus

There is a Revenue Deficit trend from 2013-14 onwards. The Revenue Deficit during 2022-23 has decreased from ₹46,538 crore (2021-22) to ₹36,215 crore, registering a decrease of 22.18 *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 ₹36,215 crore in 2022-23 (1.53 *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.

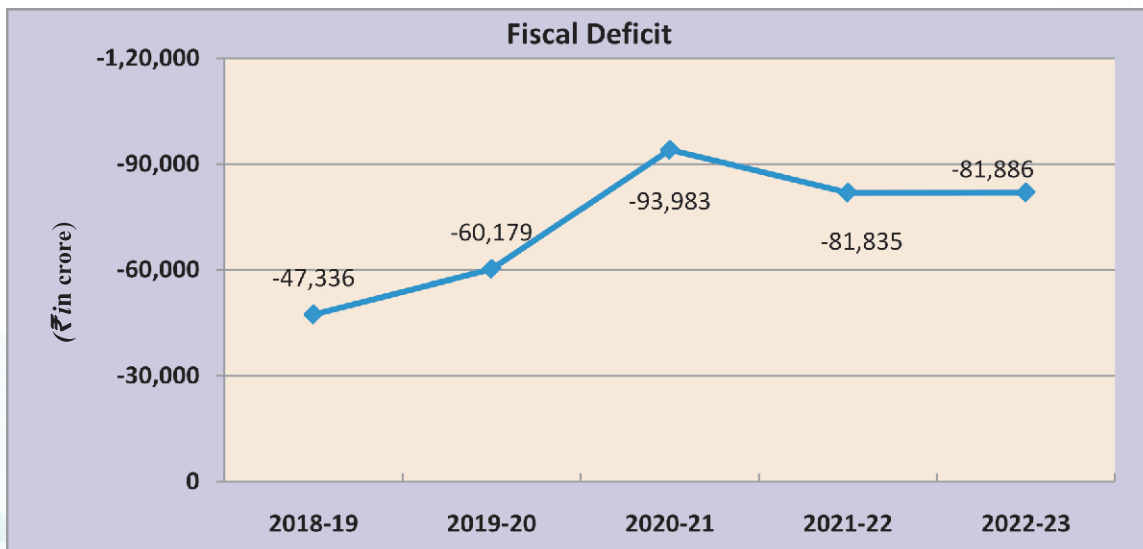
The Fiscal Deficit of the State during the year increased from ₹81,835 crore (2021-22) to ₹ 81,886 crore (2022-23). This constituted 3.46 per cent of GSDP.

Fiscal Deficit compared to GSDP and trend of fiscal deficit for the years from 2018-19 to 2022-23 is indicated below:-

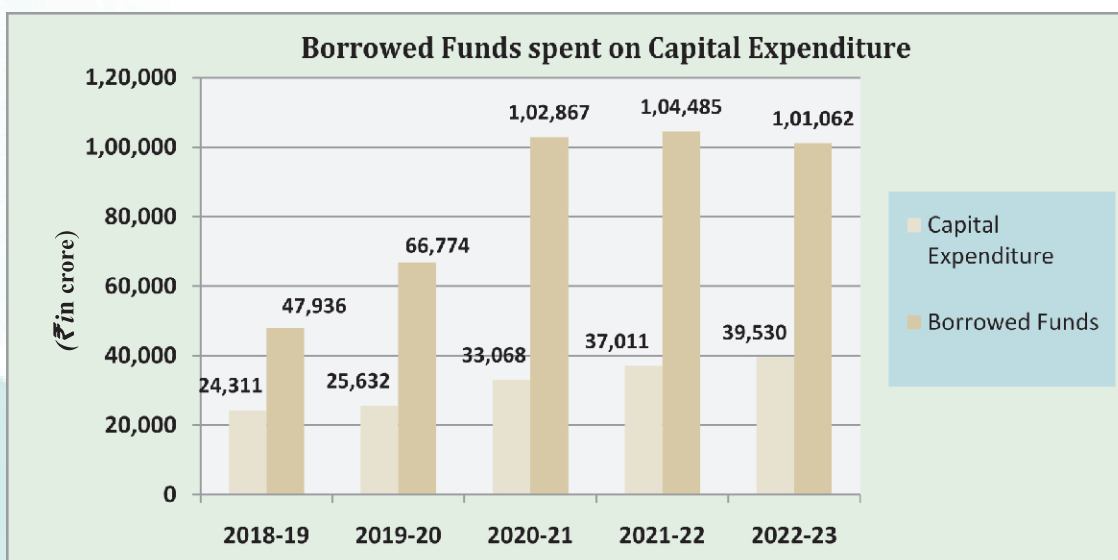
#### Fiscal Deficit compared to GSDP

Year	Percentage of Fiscal Deficit to GSDP	Increase/Decrease
2018-19	2.84	(+) 0.05
2019-20	3.26	(+)0.42
2020-21	4.94	(+) 1.68
2021-22	3.96	(-) 0.98
2022-23	3.46	(-)0.50

### Trend of Fiscal Deficit



#### 1.4.11 Trend of borrowed funds spent on Capital Expenditure

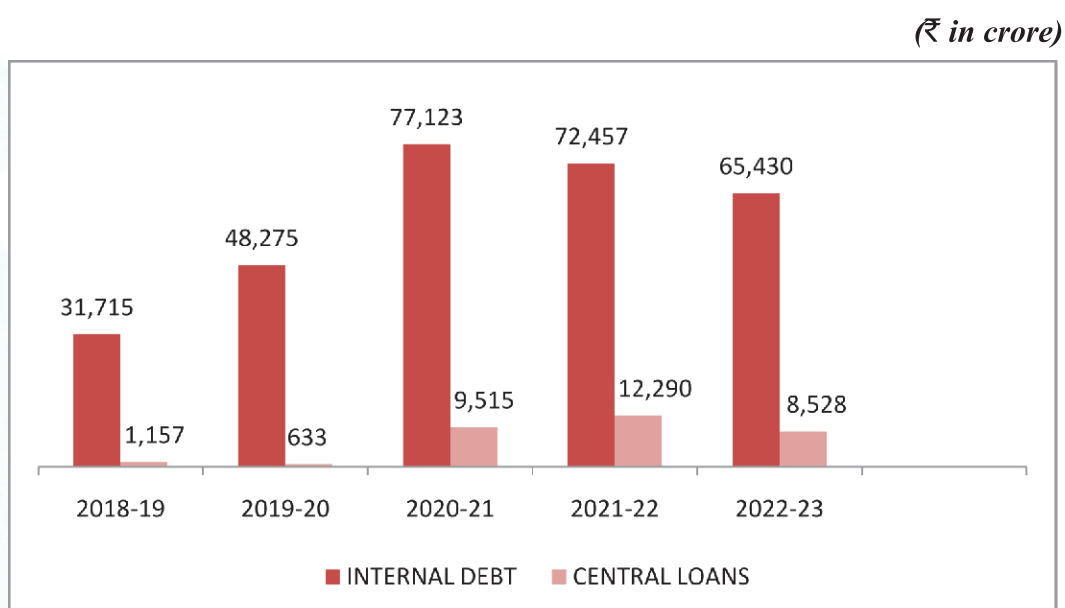


It is prudent to fully utilize borrowed funds for the creation of Capital assets, and to use revenue receipts for the repayment of principal and interest thereon. However, the State Government had spent less expenditure on Capital account (₹39,530 crore) out of the borrowings of current year (₹1,01,062 crore) and remaining borrowings of (₹61,532 crore) were mainly utilized to disburse Loans and Advances (₹7,261 crore), repayment of Public Debt (₹27,104 crore) and other revenue expenditure (₹27,167 crore).

#### 1.4.12 Trend of Public Debt

In 2022-23, loans totalling ₹87,000 crore were raised at par at interest rates varying from 6.63 *per cent* to 7.99 *per cent*. Out of these loans, 2 loans in 2029, 11 loans in 2032, 4 loans in 2033, 1 loan in 2035, 1 loan in 2037, 5 loans in 2042 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 2022-23 were ₹3,26,755 crore.

### 2.2. Revenue Receipts

<b>Tax Revenue</b>	Comprises taxes collected and retained by the State and State's share of union taxes under Article 280(3) of the Constitution.
<b>Non-Tax Revenue</b>	Includes interest receipts, dividends, profits, royalties etc.
<b>Grants-in-Aid</b>	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 (2022-23)

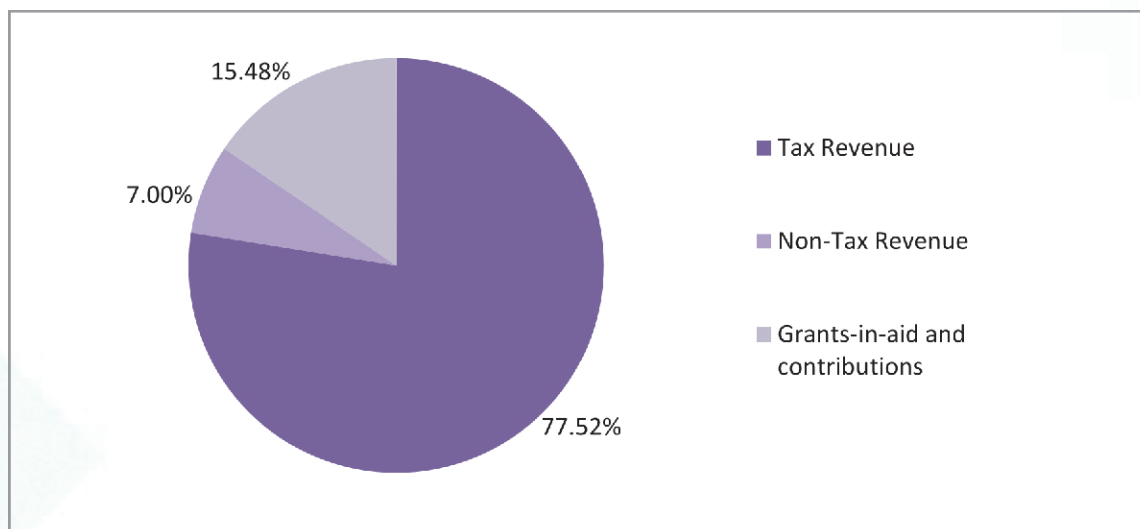
(₹ in crore)

Components	Actuals	Percentage to Total Revenue Receipt
A. Tax Revenue *	1,88,954	77.52
Goods and Service Tax (GST)	64,768	26.57
Taxes on Income and Expenditure	25,661	10.53
Taxes on Property and Capital Transactions	17,818	7.31
Taxes on Commodities and Services Other than GST	80,707	33.11
B. Non-Tax Revenue	17,061	7.00
Interest Receipts, Dividends and Profits	5,048	2.07
General Services	3,726	1.53
Social Services	6,083	2.50
Economic Services	2,204	0.90
C. Grants-in-aid and Contributions	37,734	15.48
Total- Revenue Receipts( A+B+C)	2,43,749	100.00

\*Includes share of net proceeds (₹38,731 crore) assigned to State received from the Government of India.

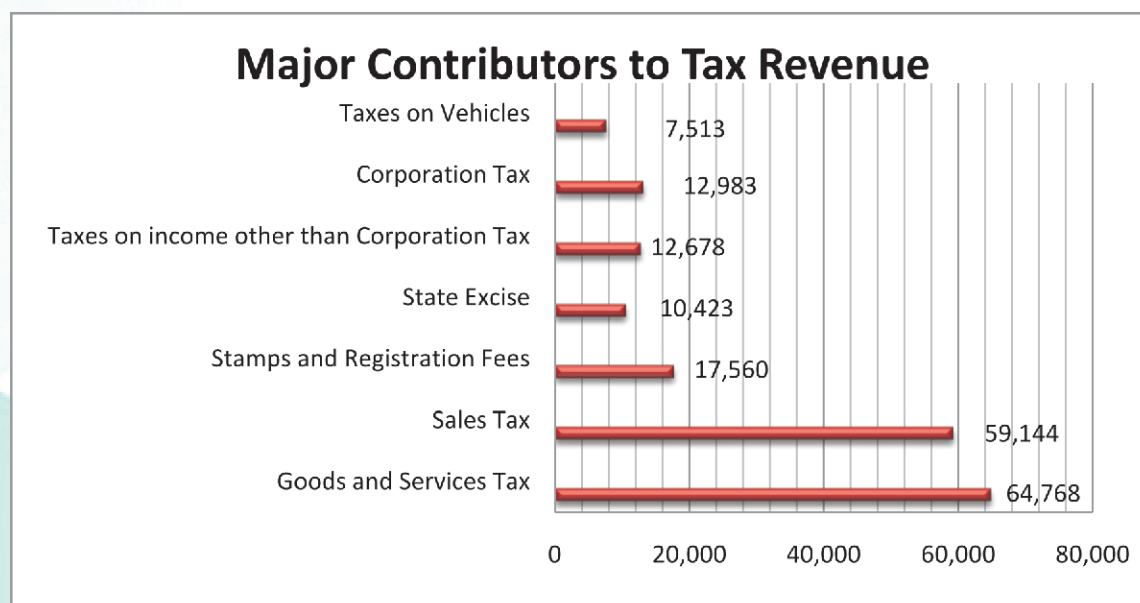


### 2.2.1.a. Components of Revenue Receipts



### 2.2.2. Major contributors to Tax Revenue

(₹ in crore)



## 2.3. Trend of Receipts

During the year, the GSDP increased by 14.48 *per cent* and the increase in total revenue collection was 17.47 *per cent* in comparison to previous year. The Tax Revenue increased by 17.86 *per cent*, Non Tax Revenue increased by 40.81 *per cent* and Grants-in-aid increased by 7.65 *per cent* respectively in comparison to previous year.

(₹ in crore)

	2018-19	2019-20	2020-21	2021-22	2022-23
Tax Revenue	1,36,173 (8.18)	1,33,855 (7.25)	1,31,077 (6.89)	1,60,325 (7.76)	1,88,954 (7.99)
Non-Tax Revenue	14,200 (0.85)	12,888 (0.70)	10,422 (0.55)	12,116 (0.59)	17,061 (0.72)
Grants-in-aid	23,368 (1.40)	27,783 (1.51)	32,577 (1.71)	35,051 (1.70)	37,734 (1.60)
Total Revenue Receipts	1,73,741 (10.44)	1,74,526 (9.45)	1,74,076 (9.15)	2,07,492 (10.05)	2,43,749 (10.31)
GSDP	16,64,159	18,45,853	19,02,689	20,65,436	23,64,514

*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	2018-19	2019-20	2020-21	2021-22	2022-23
Goods and Services Tax	46,698 (2.81)	45,866 (2.48)	45,349 (2.38)	55,585 (2.69)	64,768 (2.74)
Taxes on Income and Expenditure	18,577 (1.12)	16,050 (0.87)	15,230 (0.80)	21,824 (1.06)	25,661 (1.09)
Taxes on Property and Capital Transactions	11,259 (0.68)	11,123 (0.60)	11,894 (0.63)	14,553 (0.70)	17,818 (0.75)
Taxes on Commodities and Services	59,659 (3.58)	60,816 (3.29)	58,604 (3.08)	68,363 (3.31)	80,707 (3.41)
Total Tax Revenue	1,36,173 (8.18)	1,33,855 (7.25)	1,31,077 (6.89)	1,60,325 (7.76)	1,88,954 (7.99)
GSDP	16,64,159	18,45,853	19,02,689	20,65,436	23,64,514

*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 2018-19 to 2022-23 is 38.76 *per cent*. However, the State's own Tax Revenue collection with reference to GSDP showed increasing trend from 6.34 *per cent* in 2018-19 to 6.35 *per cent* in 2022-23.

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	State's Own Tax Revenue as Percentage to GSDP
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
2022-23	1,88,954	38,731	1,50,223	6.35

### 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 has marginally increased during 2022-23.

#### A. Taxes on Property and Capital Transactions

(₹ in crore)

Description	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Collection	11,259	11,123	11,894	14,553	17,818
Expenditure on Collection	522	587	596	688	751
Efficiency of Tax Collection (in <i>per cent</i> )	4.64	5.28	5.01	4.73	4.21

## B. Taxes on Commodities and Services

(₹ in crore)

Description	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Collection	59,659	60,816	58,604	68,363	80,707
Expenditure on Collection	705	845	821	846	939
Efficiency of Tax Collection (in <i>per cent</i> )	1.18	1.39	1.40	1.24	1.16

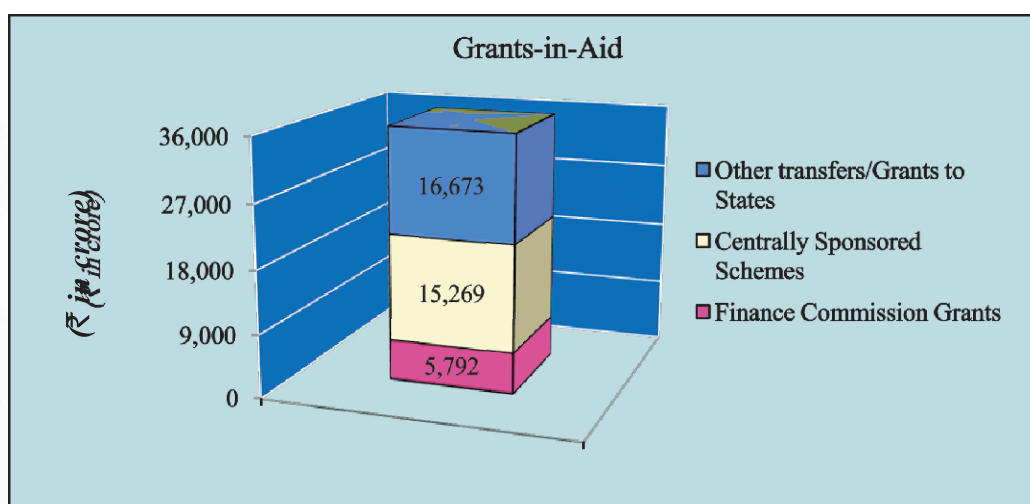
### 2.5. Trend in State's Share of Union Taxes during the past Five years

The State share of Union Taxes to the Total Tax Revenue has decreased from 23.36 *per cent* during 2021-22 to 20.50 *per cent* during 2022-23.

Major Head description	2018-19	2019-20	2020-21	2021-22	2022-23
Goods and Services Tax (CGST+IGST)	8,165	7,489	7,407	10,308	10,945
Other taxes on income and expenditure	55	..	..	..	..
Corporation Tax	10,655	8,999	7,520	10,913	12,983
Taxes on Income other than Corporation Tax	7,847	7,051	7,710	10,911	12,678
Taxes on Wealth	4	0.39	..	3	..
Customs	2,172	1,673	1,324	2,920	1,523
Union Excise Duties	1,443	1,163	838	1,754	478
Service Tax	282	..	108	610	60
Other Taxes and Duties on Commodities and Services	16	17	18	40	64
State Share of Union Taxes	30,639	26,393	24,925	37,459	38,731
Total Tax Revenue	1,36,173	1,33,855	1,31,077	1,60,325	1,88,954
<i>Per cent of Union Taxes to Total Tax Revenue</i>	22.50	19.72	19.02	23.36	20.50

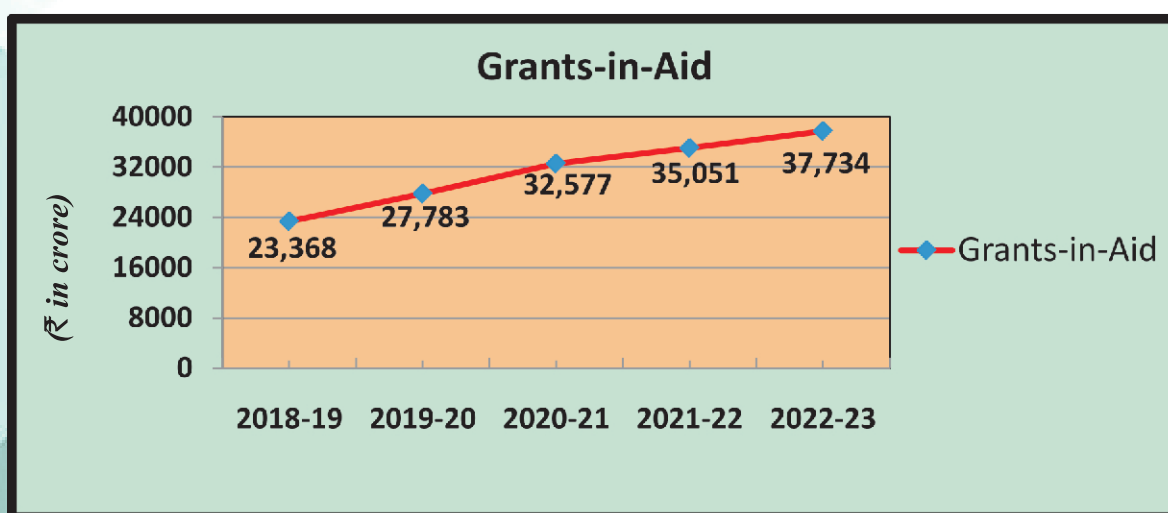
## 2.6. Grants-in-Aid

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 2022-23 total receipts under Grants-in-aid were ₹37,734 crore.



### 2.6.1 Trend of Grants-in-Aid from Central Government

The Trend of Grants-in-Aid received from Central Government has increased by ₹2,683 crore during 2022-23 from that of 2021-22.



### 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:

<b>General Sector Services</b>	Includes Justice, Interest Payments, Police, Jail, PWD, Pension, etc.
<b>Social Sector Services</b>	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.
<b>Economic Sector Services</b>	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 ₹3,05,687 crore during 2022-23. (The Original Budget for Revenue Expenditure was estimated at ₹2,84,188 crore and the State had obtained provision for Supplementary Grant of ₹1,722 crore in November 2022 and ₹19,777 crore in March 2023). However, the actual Revenue Expenditure was ₹2,79,964 crore only which was less than the estimated Original Budget Estimates by ₹4,224 crore. The shortfall/excess of Revenue Expenditure against Original Budget Estimates during the past five years is given below:



(₹ in crore)

Description	2018-19	2019-20	2020-21	2021-22	2022-23
Original Budget Estimates	1,93,742	2,12,036	2,40,993	2,61,189	2,84,188
Actuals	1,97,201	2,10,435	2,36,402	2,54,030	2,79,964
Gap	(-) 3,459	1,601	4,591	7,159	4,224
Percentage of gap over BE	(-) 1.78	0.75	1.91	2.74	1.49

Around 65.73 *per cent* of the Revenue Expenditure was "committed" to Salaries (₹44,418 crore), Interest Payments (₹46,911 crore), Pensions (₹30,777 crore), Subsidies (₹29,559 crore), Salary Grants (₹9,248 crore), Social Security and other Pensions (₹1,407 crore), Wages (₹59 crore), Dearness Allowances (₹20,270 crore) and Compensation and Assignment to Local Bodies (₹1,380 crore).

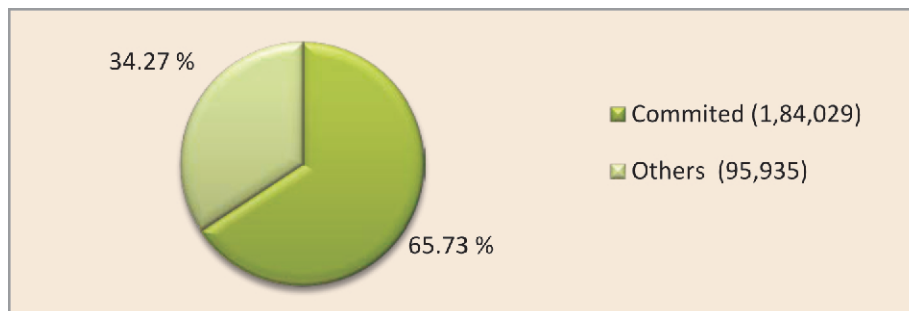
The position of Committed and Other Revenue Expenditure over the last five years is given below:

(₹ in crore)

Description	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Expenditure	1,97,201	2,10,435	2,36,402	2,54,030	2,79,964
Revenue Receipts	1,73,741	1,74,526	1,74,076	2,07,492	2,43,749
Committed Revenue Expenditure	1,32,156	1,43,179	1,49,399	1,54,491	1,84,029
Uncommitted Revenue Expenditure	65,045	67,256	87,003	99,539	95,935
Committed Revenue Expenditure to Revenue Receipts (in <i>per cent</i> )	76.06	82.03	85.82	74.46	75.50
Committed Revenue Expenditure to total Revenue Expenditure (in <i>per cent</i> )	67.01	68.04	63.20	60.82	65.73

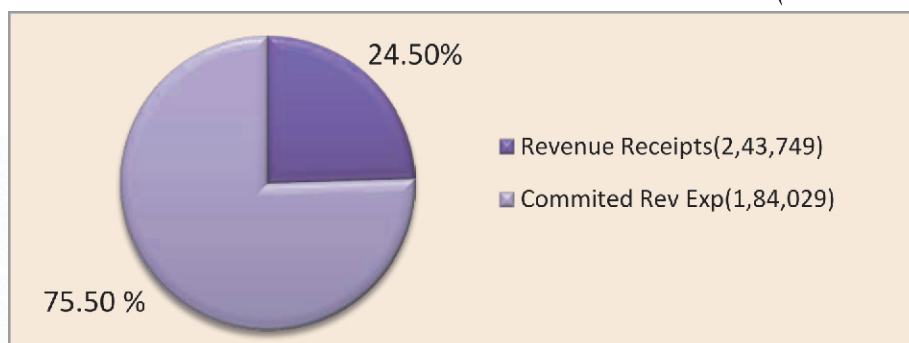
### 3.2.1 Total Revenue Expenditure Vs Committed Revenue Expenditure

(₹ in crore)



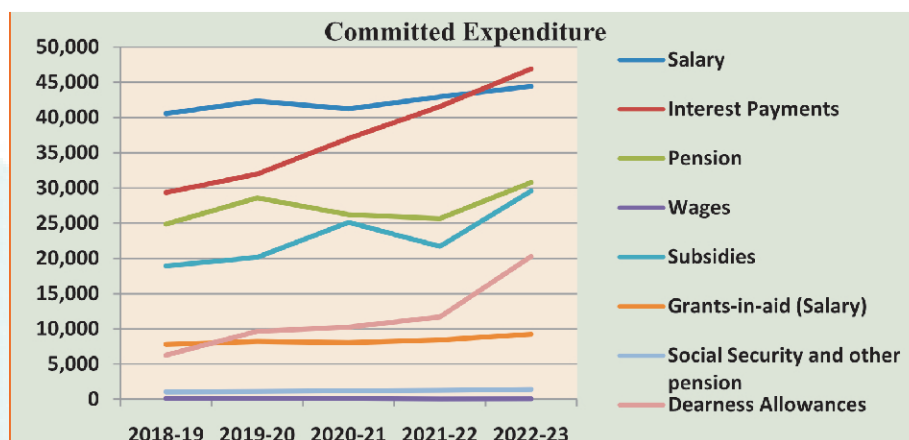
### Revenue Receipts Vs Committed Revenue Expenditure

(₹ in crore)



### 3.2.2 Trend of Committed Expenditure

(₹ in crore)

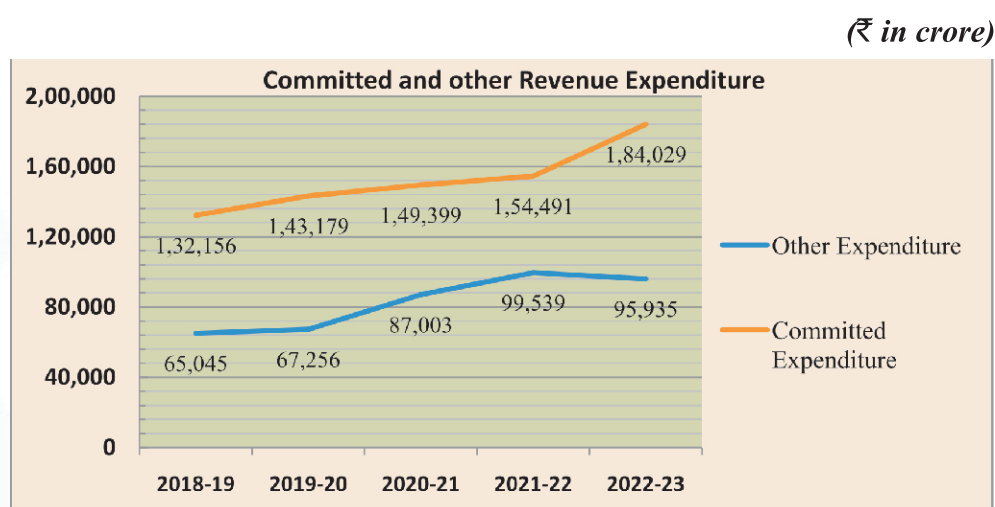


The upward trend on Committed Expenditure leaves the Government with lesser flexibility for developmental spending.

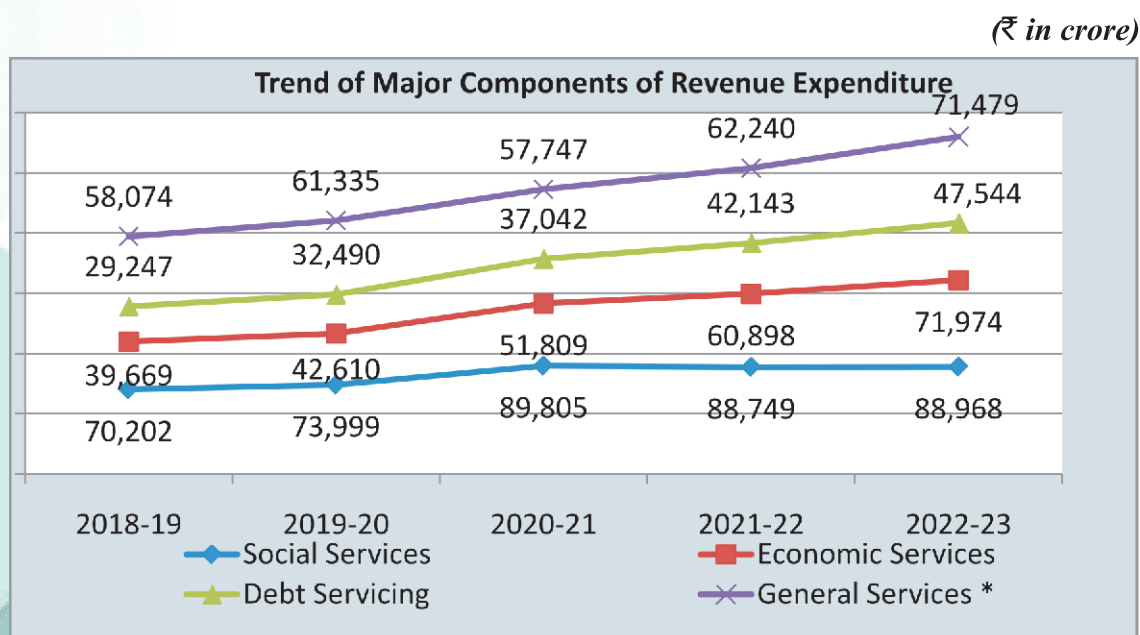


### 3.2.3 Trend of Committed Revenue Expenditure and Other Revenue Expenditure

The total Revenue Expenditure during 2022-23 was ₹2,79,964 crore which consists of Committed Revenue Expenditure of ₹1,84,029 crore and Other Revenue Expenditure of ₹95,935 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 2022-23 has spent ₹1,699 crore on collection of taxes, ₹1,978 crore on Legislature, Governor's Office and Administration of Justice, ₹47,544 crore on Interest Payment and Servicing of/ debt, ₹14,340 crore on Administrative Services, ₹33,536 crore on Pension and Miscellaneous General Services, ₹88,967 crore on Social Services, ₹71,974 crore on Economic Services and ₹19,926 crore on Grants-in-aid and Contributions. Thus, the total sectoral distribution of Revenue Expenditure works out to ₹2,79,964 crore.

Components	Amount (₹ in crore)	Percentage
A. General Services		
a. Organs of State	1,978	0.71
b. Fiscal Services	1,699	0.60
Collection of Taxes on Property and Capital Transactions	751	0.27
Collection of Taxes on Commodities and Services	939	0.33
Other Fiscal Services	9	..
c. Interest Payments and Servicing of Debt	47,544	16.98
d. Administrative Services	14,340	5.12
e. Pensions and Miscellaneous General Services	33,536	11.98
B. Social Services	88,967	31.78
C. Economic Services	71,974	25.71
D. Grants-in-aid and Contributions	19,926	7.12
Total Expenditure (Revenue Account)	2,79,964	100.00

### 3.3. Capital Expenditure

Capital Disbursements of ₹46,791 crore (includes Loans and Advances disbursed ₹7,261 crore) for 2022-23 at 1.98 *per cent* of GSDP, fell short of Original Budget Estimates by ₹2,272 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 2022-23, the total sectoral distribution of Capital Expenditure was ₹46.791 crore which increased by ₹6,139 crore over the previous year.

### 3.3.2 Sectoral Distribution of Capital Expenditure over the past five years

(₹ in crore)

Description	2018-19	2019-20	2020-21	2021-22	2022-23
General Services	858 (2.79)	1,065 (3.59)	937 (2.54)	780 (1.92)	1041 (2.23)
Social Services	6,996 (22.72)	5,860 (19.76)	10,831 (29.35)	14,985 (36.86)	14,324 (30.61)
Economic Services	16,457 (53.45)	18,707 (63.09)	21,300 (57.72)	21,246 (52.26)	24,165 (51.64)
Loans and Advances	6,478 (21.04)	4,022 (13.56)	3,834 (10.39)	3,641 (8.96)	7,261 (15.52)
Total	30,789	29,654	36,902	40,652	46,791

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 2022-23 was ₹2,52,292 crore (90.12 *per cent* of total revenue expenditure), ₹32,656 crore (82.61 *per cent* of total capital expenditure) and ₹7,261 crore (100 *per cent* total loan disbursements) under Revenue, Capital and Loans and Advances respectively. The Central Assistance during 2022-23 was ₹27,672 crore (9.88 *per cent* of total revenue expenditure) under 'Revenue' and ₹6,873 crore (17.39 *per cent* of total capital expenditure) under 'Capital' section.

## CHAPTER 4

### APPROPRIATION ACCOUNTS

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 2022-23 provided for gross expenditure of ₹3,94,256 crore and reduction of expenditure (recoveries) of ₹3,728 crore. Against this, the actual gross expenditure was ₹3,59,166 crore and reduction of expenditure was ₹5,307 crore. The actual expenditure resulted in a net saving of ₹35,090 crore (8.90 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 under the 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
<b>Revenue</b>						
Voted	2,36,831	21,307	2,58,138	2,36,906	21,232	21,078
Charged	51,055	192	51,247	48,123	3,125	3,193
<b>Capital</b>						
Voted	43,068	5,201	48,269	39,548	8,721	8,758
Charged	5	231	236	224	12	12
<b>Public Debt</b>						
Charged	27,128	...	27,128	27,104	23	23
<b>Loans and Advances</b>						
Voted	6,020	3,218	9,238	7,261	1,977	1,976
<b>Appropriation to Contingency Fund</b>						
Voted	..	..	..	..	..	..
<b>Total</b>	<b>3,64,107</b>	<b>30,149</b>	<b>3,94,256</b>	<b>3,59,166</b>	<b>35,090</b>	<b>35,040</b>

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

(₹ in crore)

Year	Saving (-)/ Excess (+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
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
2022-23	(-)24,357	(-)8,733	(-)23	(-)1,977	(-)35,090

## 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	2018-19	2019-20	2020-21	2021-22	2022-23
01	State Legislature (Revenue) - (Charged)	0.27	0.17	0.22	0.27	0.57
02	Governor and Council of Ministers (Revenue)-(Voted)	4.05	6.84	12.78	12.07	7.08
	Revenue (Charged)	2.55	1.31	2.41	0.87	4.16
04	Adi-Dravidar and Tribal Welfare Department (Capital) (Voted)	75.90	42.55	103.95	177.81	50.58
05	Agriculture and Farmers welfare Department (Capital) (Voted)	113.29	160.65	100.60	295.40	103.29
09	Backward Classes, Most Backward Classes & Minorities Welfare Department (Revenue) (Voted)	114.75	142.35	245.67	413.55	69.17
11	Stamps and Registration (Commercial Taxes and Registration Department) (Revenue) (Voted)	40.19	36.28	69.59	35.92	31.53
13	Food and Consumer Protection (Co-operation, Food and Consumer Protection Department) (Capital) (Voted)	69.50	270.72	350.99	774.06	28.24
14	Energy Department (Loan)(Voted)	456.19	475.59	1,148.29	485.72	1,464.18
15	Environment and Climate Change (Environment, Climate Change and Forest Department) (Loan) (Voted)	20.01	20.00	1.05	1.15	0.25
16	Finance Department (Capital) (Voted)	768.90	768.41	500.00	572.64	675.45
	(Loan) (Voted)	23.74	37.43	64.26	62.43	71.89



(₹ in crore)

Grant No.	Nomenclature of the Grant	2018-19	2019-20	2020-21	2021-22	2022-23
19	Health and Family Welfare Department (Revenue) (Charged)	0.85	1.24	1.45	0.93	0.46
20	Higher Education Department (Capital) (Voted)	38.63	45.84	132.17	169.08	172.49
21	Highways and Minor Ports Department (Capital) (Voted)	1,990.87	2,865.26	1,407.31	2,797.83	2,247.78
22	Police (Home, Prohibition and Excise Department) (Capital) (Voted)	28.37	29.40	178.17	274.21	126.83
	(Loan) (Voted)	5.00	3.61	1.69	4.81	11.94
23	Fire and Rescue services (Home, Prohibition and Excise Department) (Revenue) (Voted)	25.92	33.87	64.22	21.33	42.29
28	Information and Publicity (Tamil Development and Information Department) (Revenue) (Voted)	9.78	13.19	22.49	40.58	28.90
29	Tourism, Art and Culture (Tourism, Culture and Religious Endowments Department) (Capital) (Voted)	33.33	137.29	56.65	8.98	60.51
31	Information Technology Department (Revenue) (Voted)	35.61	46.98	45.00	19.70	109.17

(₹ in crore)

Grant No.	Nomenclature of the Grant	2018-19	2019-20	2020-21	2021-22	2022-23
32	Labour Welfare and Skill Development Department (Capital) (Voted)	38.78	27.22	19.57	14.31	56.47
38	Public Department (Revenue) (Voted)	99.98	80.45	58.50	94.99	51.14
	(Revenue) (Charged)	0.08	0.88	0.36	6.67	0.31
40	Water Resources Department (Capital) (Voted)	1,336.56	1,514.88	1,534.52	1,329.78	819.66
43	School Education Department (Capital) (Voted)	78.69	163.68	145.59	26.53	327.42
46	Tamil Development (Tamil Development and Information Department (Revenue) (Voted)	20.18	5.97	9.59	11.86	13.03
47	Hindu Religious and Charitable Endowments (Tourism, Culture and Religious Endowments Department) (Revenue) (Voted)	28.89	26.61	125.30	38.66	32.62
49	Youth Welfare and Sports Development Department (Revenue) (Voted)	16.13	21.96	121.15	63.54	69.64

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 major items are given below:



(₹ in crore)

Grant No.	Nomenclature of the Grant & Head of Account	Original Estimate	Supplementary Estimate	Actual Expenditure
3	Administration of Justice 2014.00.107.I.AA	24.00	2.28	23.18
6	Animal Husbandry (Animal Husbandry, Dairying, Fisheries and Fishermen Welfare Department) 2415.03.277.I.AA	275.19	6.44	212.52
9	Backward Classes, Most Backward Classes and Minorities Welfare Department 2225.03.277.I.AA	183.76	*	163.31
	2225.03.277.I.BC	114.06	*	98.64
	2225.80.101.I.AF	39.14	*	35.21
10	Commercial Taxes (Commercial Taxes and Registration Department) 2040.00.001.I.AA	41.58	*	41.26
	2040.00.101.I.AA	69.00	0.35	67.54
19	Health and Family Welfare Department 2210.05.105.I.AL	596.73	2.65	569.03
	2210.06.101.I.AB	17.53	*	15.78
20	Higher Education Department 2202.03.103.I.AB	319.42	*	310.50
	4202.01.203.I.JB	247.78	3.00	154.34
21	Highways and Minor Ports Department 5054.03.101.I.JG	132.31	7.32	63.47
	5054.80.800.I.JT	268.04	41.00	166.92
22	Police (Home, Prohibition and Excise Department) 2055.00.109.I.AA	4,527.16	0.75	4,243.16
29	Tourism - Art and Culture (Tourism, Culture and Religious Endowments Department) 2205.00.103.I.AB	13.55	*	11.49

(₹ in crore)

38	Public Department 2052.00.090.I.AA	43.82	1.08	39.84
	2052.00.090.I.AM	22.59	4.48	20.11
41	Revenue and Disaster Management Department 2029.00.001.I.AA	17.56	*	16.54
	2029.00.102.I.AG	179.63	*	164.86
	2053.00.094.I.DX	84.40	*	45.20
45	Social Welfare and Women Empowerment Department 2236.02.101.I.UG	94.86	*	86.57
	2236.02.101.I.UL	23.72	*	20.31
46	Tamil Development(Tamil Development and Information Department) 2202.03.102.I.AI	28.93	0.95	28.01

\* Token provision provided in Supplementary Estimate.

#### 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
5	2401.00.104.AD	1.10	1.10
5	2401.00.107.JA	0.76	0.76
19	2210.01.001.AS	4.81	4.81
29	3452.01.101.PA	1.65	1.65
39	4210.02.103.JA	17.48	17.48
43	4202.01.202.JH	2.90	2.90
44	2851.00.102.MC	3.37	3.37
45	2235.02.103.UO	8.02	8.02

#### 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
4	2225.02.277.SA	0.51
5	2401.00.108.UD	143.99
5	2408.01.103.AD	52.83
5	2408.01.103.UA	245.76
5	2408.01.793.AA	1.14
5	2408.01.793.UA	45.18
5	2408.01.794.AA	0.49
5	2408.01.794.UA	6.70
26	2216.02.190.UH	0.01
26	2216.02.190.UK	0.01
34	2217.05.191.AJ	5,600.00
34	2217.05.800.AB	14.35
34	3604.00.192.SD	8,047.50
34	4217.03.051.UA	0.01
34	4217.60.051.UA	0.01
34	7610.00.201.AY	39.14

### 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 ₹44,526 crore at the end of 2022-23. Dividends received during the year as per accounts was ₹301 crore (0.68 *per cent*) on investment. During 2022-23, investments increased by ₹2,359 crore (net) and income from dividend increased by ₹29 crore. The major investment was made in Tamil Nadu Transport Development Finance Corporation Limited (₹949 crore).

(₹ in crore)

Nature	2018-19	2019-20	2020-21	2021-22	2022-23
Investments	36,480	39,866	41,578	42,167	44,526
Dividends	156	192	205	272	301
Returns in percentage	0.43	0.48	0.49	0.65	0.68

#### 5.1.2. Cash Balance and investment of Cash Balances

Cash Balance with RBI stood at ₹284 crore on 1 April 2022 and decreased to ₹(-)42 crore at the end of 31 March 2023. The cash balance investment in Treasury Bills decreased from ₹14,876 crore on 1 April 2022 to ₹14,124 crore as of 31 March 2023. The interest realised on Cash Balance Investments made during the year was ₹130 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 2022	As on 31 March 2023	Net increase(+)/ decrease(-)
Cash Balances*	284	(-)42	(-)326
Investments from cash balance (GOI Treasury Bills)	14,876	14,124	(-)752
Other cash balances	12	11	(-)1
(a) Departmental Balances	4	4	..
(b) Permanent Cash Imprest **	8	7	(-)1
Investment from earmarked fund balances	57,215	67,248	(+)10,033
(a) Guarantee Redemption Fund	1,008	2,139	(+)1,131
(b) Other Funds	56,207	65,109	(+)8,902
Interest realized***	121	130	(+)9

\* The minus balance on 31 March 2023 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 (₹34 crore) .

#### 5.1.3. Loans and Advances made by the State Government

Total loans and advances made by the State Government during 2022-23 was ₹7,261 crore.

(₹ in crore)

Sector-wise services/loanees	2022-23
Social Sector	4,558
Economic Sector	2,383
Loans to Government Servants	320

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

(₹ in crore)

Sector	Balance as on 1 April 2022	Disbursements during the year	Repayments during the year	Loans and advances written off	Balance as on 31 March 2023	Net increase(+)/ Decrease(-) during the year
Social	14,777	4,558	456	..	18,879	(+)4,102
Economic	21,449	2,383	386	..	23,446	(+)1,997
Government servants	1,245	320	236	..	1,329	(+)84
Miscellaneous	(-)599	..	..	..	(-)599	..
Total	36,872	7,261	1,078	..	43,055	(+)6,183

#### 5.1.5. Significant disbursement of Loans and Advances by State Government

As on 31 March 2023 a sum of ₹43,055 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 and Loans to Tamil Nadu Urban Development Fund	4,542
Co-operation	Ways and Means Advance to various Co-operative Sugar Mills	253
Power Projects	Tamil Nadu Transmission System Improvement Project with Loan assistance from JICA-01-Loans to TANTRANSCO	379
Consumer Industries	Soft loans to Industrial units under structured assistance package controlled by Industries Commissioner and Director of Industries and Commerce	457
Road Transport	Ways and Means Advance to various Transport Corporations	701



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

During 2022-23 ₹1,078 crore has been received towards repayment of loans and advances.

(₹ in crore)

Sector-wise services/loanees	2022-23
Social Sector	456
Economic Sector	386
Repayment by Government Servants	236

The major repayments received were from Urban development (₹363 crore) and from Government servants (₹236 crore). Effective steps to recover the outstanding loans (₹43,055 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 25.20 *per cent* during 2015-16 and thereafter maintain such *per cent* as may be prescribed.

The outstanding debt for 2022-23 (₹6,77,255 crore) was 28.64 *per cent* of GSDP. This debt does not include ₹8,095 crore (2021-22) and ₹6,241 crore (2020-21) which was passed on as back to back loans by Government of India in lieu of shortfall in GST Compensation, vide GoI's letter 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
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
2022-23	6,15,893	26.05	75,698	3.20	6,91,591	29.25

\* Taken as net of balances.

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

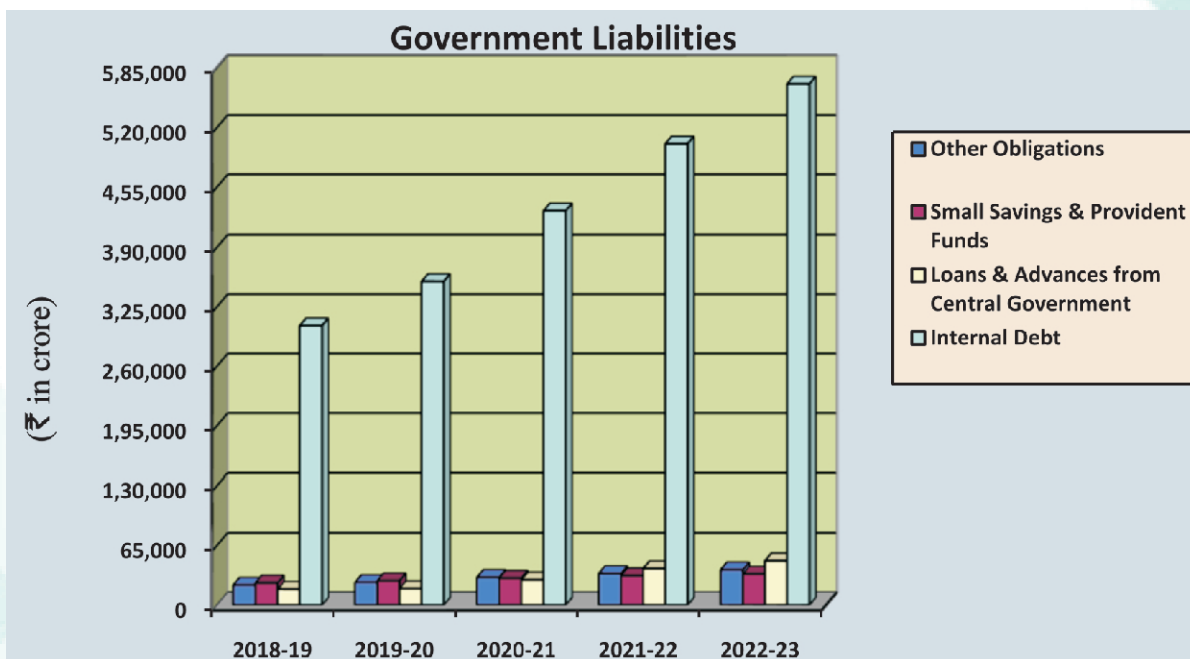
### 5.3. Government Liabilities:

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	2018-19	2019-20	2020-21	2021-22	2022-23
Internal Debt	3,04,350	3,52,625	4,29,748	5,02,205	5,67,635
Loans and Advances from Central Government	17,292	17,925	27,440	39,731	48,258
Small Savings and Provident Funds	24,110	26,475	29,352	32,033	33,884
Reserve Funds	1,330	2,158	2,144	2,386	3,411
Deposits and Advances	21,654	24,560	30,111	34,312	38,403



Public debt and other liabilities of the Government slightly decreased from 28.87 *per cent* of GSDP at the end of 2021-22 to 28.64 *per cent* of GSDP at the end of 2022-23. This was not within the FRBM target of 25.20 *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 2023 was ₹2,139 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
2018-19	83,140	43,661
2019-20	4,667	47,319
2020-21	4,465	65,659
2021-22	64,176	91,975
2022-23	40,565	90,709

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

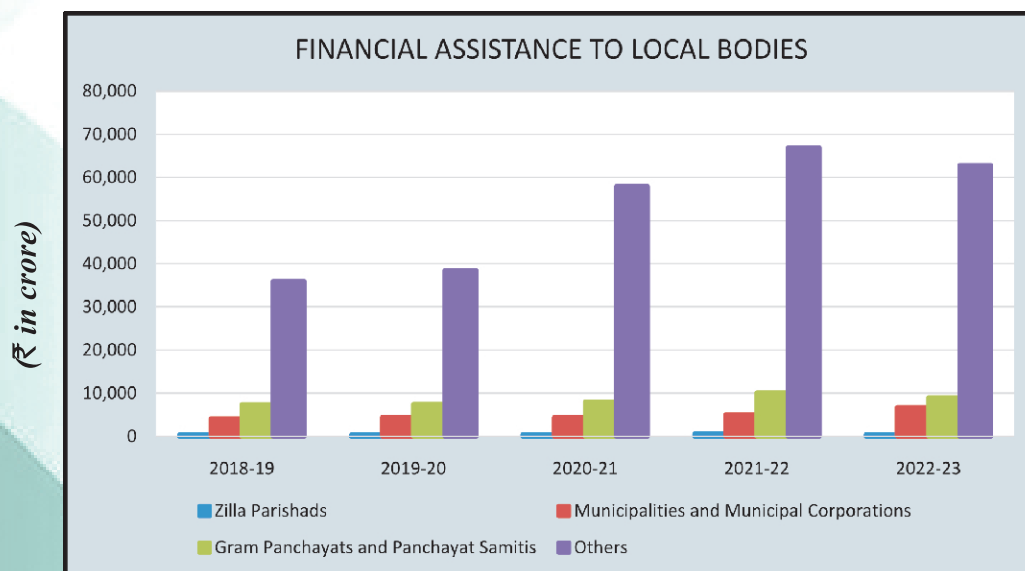
During 2022-23, the State Government received an amount of ₹968 crore as Guarantee Fee. The receipt is accounted for under the major head “0075-Miscellaneous General Services”. Out of total balance of ₹2,150 crore in the Guarantee Redemption Fund, ₹2,139 crore was invested in Treasury Bills.

### 6.1 Financial Assistance To Local Bodies and Others

During the past five years, Grants-in-aid to local bodies etc., increased from ₹47,826 crore in 2018-19 to ₹79,003 crore in 2022-23. The grants to Zilla Parishads, Panchayat Samitis and Municipalities/Municipal Corporation (₹16,215 crore) represented 20.52 per cent of total grants given during the year. Details of Grants-in-aid released in last 5 years are as under -

(₹ in crore)

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Zilla Parishads	337	323	388	568	432
Municipalities and Municipal Corporations	4,161	4,447	4,370	5,039	6,795
Gram Panchayats and Panchayat Samitis	7,394	7,433	8,037	10,123	8,988
Others	35,934	38,401	57,884	66,856	62,788
<b>Total</b>	<b>47,826</b>	<b>50,604</b>	<b>70,679</b>	<b>82,586</b>	<b>79,003</b>



## 6.2. Goods and Service Tax

Goods and Services Tax (GST) was introduced with effect from 1 July 2017. During the year 2022-23, the State GST collection was ₹53,822.69 crore compared to ₹45,276.49 crore in the year 2021-22, registering an increase of ₹8,546.20 crore (18.88 *per cent*). This includes Advance Apportionment of IGST amounted to ₹1,730.71 crore. In addition, the State received ₹10,945.36 crore as its share of net proceeds assigned to the State under Central Goods and Services Tax. The total receipts under GST were ₹64,768.05 crore. The State received compensation of ₹16,214.83 crore as Revenue receipt on account of loss of revenue arising out of implementation of GST during 2022-23. Out of ₹16,214.83 crore received as compensation towards loss of revenue, an amount of ₹4,223.93 crore is towards loss for the year 2020-21, ₹8,169.18 crore is towards loss for the year 2021-22 and ₹3,821.72 crore is towards loss for the year 2022-23.

## 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 & 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* respectively. During the year 2022-23, the State Government received ₹856.80 crore as Central Government's share. The State Government's share during the year was ₹285.60 crore. The State Government transferred ₹1,142.40 crore (Central share ₹856.80 crore, State share ₹285.60 crore) to the Fund under Major Head 8121-122 SDRF. The State received no amount from the Central Government towards National Disaster Response Fund (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*).

During the year 2022-23, total contribution to the NPS, which is a Defined Contribution Pension Scheme was ₹6,746.66 crore (Employees' contribution ₹3,409.52 crore and Government's contribution ₹3,337.14 crore which includes ₹4.37 crore pertaining to AIS Officers Tier-I Contribution and ₹0.15 crore pertaining to Divisional Accountants). The Government transferred ₹10,683.32 crore (includes (i) Employees contribution: ₹3,409.52 crore, (ii) Government contribution: ₹3,337.14 crore, (iii) Interest paid by Government on DCPS fund balance: ₹3,844.93 crore, (iv) Contribution through treasuries and rectification transfer entries of earlier misclassification: ₹75.33 crore and (v) AIS Tier-2 Contribution (₹16.40 crore) to the Public Account under Major Head "8342-117. Defined Contribution Pension Scheme".

As per the provisions of Defined Contribution Pension Scheme (DCPS) (GO No.430 of Government of Tamil Nadu dated 6<sup>th</sup> 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 19 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 Government of Tamil Nadu dated 24<sup>th</sup> May 2019) since 2019-20. As on 31 March 2023, the total accumulation in the Fund is ₹63,675.06 crore, out of which ₹56,638.64 crore had been invested in LIC (₹20,128.65 crore during 2022-23 and ₹36,509.99 crore during 2021-22). The interest amount of ₹1,149.55 crore received from the LIC for the year 2019-20 has been reinvested in the same Fund after adjusting the management charges of ₹20.90 crore.



## 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 upto March of the previous financial year . To the extent of non-submission of UCs, there is a risk that the amount shown in Finance Accounts may not have reached the beneficiaries and thus, the expenditure cannot be vouched as correct or final.

During the year 2022-23, ₹4,195.60 crore pertaining to 97 outstanding UCs (66.90 *per cent*) due as on 31 March 2023 was cleared. (Further, 111 UCs amounting to ₹4,827.74 crore pertaining to 2022-23, were not due as on 31 March 2023.)

The position of outstanding UCs as on 31 March 2023 is given below:

Year*	Number of UCs Outstanding	Amount (₹ in crore)
Up to 2021-22	26	618.09
2022-23	22	817.34
<b>Total</b>	48	1,435.43

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

The details as pending UCs as on 31 March 2022 is given below :

Year	Number of UCs Outstanding	Amount (₹ in crore)
Upto 2020-21	17	154.88
2021-22	17	648.41
<b>Total</b>	34	803.29



## 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 Abstract Contingent (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 drawl of such advances.

Out of 1,802 TA bills amounting to ₹274.88 crore drawn during the year 2022-23, 648 TA bills amounting to ₹168.30 crore (61.23 *per cent*) were drawn in March 2023. Adjustment bills in respect of a total of 425 TA bills drawn during 2022-23 amounting to ₹41.60 crore due for submission as on 31 March 2023 were not received. Details of unadjusted TA bills as on 31 March 2023 pending submission of the adjustment bills are given below:

Year	No. of unadjusted TA Bills	Amount (₹ in crore)
Up to 2021-22	112	110.73
2022-23	425*	41.60
<b>Total</b>	<b>537</b>	<b>152.33</b>

\* TA bills drawn after December 2022 and not due during 2022-23 have been excluded.

The balance for the previous year 2021-22 is given below:

Year	No. of Pending TAs	Amount (₹ in crore)
Upto 2020-21	278	162.93
2021-22	1,371	154.88
<b>Total</b>	<b>1,649</b>	<b>317.81</b>

## **6.7. Unspent amount lying in the bank account of Single Nodal Agency (SNA)**

Ministry of Finance, Government of India vide letter No.1(13)PFMS/FCD/2020 dated 23.03.2021 had notified procedure for release of funds under Centrally Sponsored Scheme (CSS) and monitoring utilization of the funds released through Single Nodal Agency (SNA). For each CSS, SNA is set up with own Bank Account in scheduled Commercial Bank authorised to conduct Government Business by the State Government. As per the procedure, the State Government is to transfer the Central share received in its accounts to the concerned SNA's account along with State Share.

As per SNA report of PFMS, the State Government received ₹14,137.90 crore being Central Share during the year 2022-23 in its Treasury Accounts. As on 31 March 2023, the Government transferred Central Share of ₹13,629.21 crore received in Treasury Accounts and State Share of ₹11,311.31 crore to the SNAs.

The State government did not furnish the type of bills through which the amount was transferred to SNA. Detailed vouchers and supporting documents of actual expenditure were not received by the Principal Accountant General office from SNAs. An amount of ₹11,453.81 crore was lying unspent in the bank accounts of SNAs as on 31 March 2023.



