



सत्यमेव जयते

# Accounts At A Glance 2017-18



लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest



**GOVERNMENT OF CHHATTISGARH**

# **Accounts at A Glance**

**2017-18**

**GOVERNMENT OF CHHATTISGARH**



## PREFACE

I am happy to present our annual publication, the 'Accounts At a Glance' for the year 2017-18, which provides a broad overview of Governmental activities, as reflected in the Finance and Appropriation Accounts of Government of Chhattisgarh.

The Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and Public Account. The Appropriation Accounts record the grant wise expenditure against provisions approved by the State Legislature and depict explanations for variations between the actual expenditure and the funds allocated.

Finance and Appropriation Accounts are prepared annually by my office under the direction of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Power and Conditions of Services) Act, 1971 for being laid before the Legislature of the State.

We look forward to reader's feedback that would help us in improving the publication.



( RAJIV KUMAR )  
Accountant General (A&E)  
Chhattisgarh

Place : Raipur

Date : 8<sup>th</sup> August 2019





# Our Vision, Mission and Core Values

## **VISION:**

*(The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become.)*

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

## **MISSION:**

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

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

## **CORE VALUES:**

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

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



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# Chapter I

## Overview

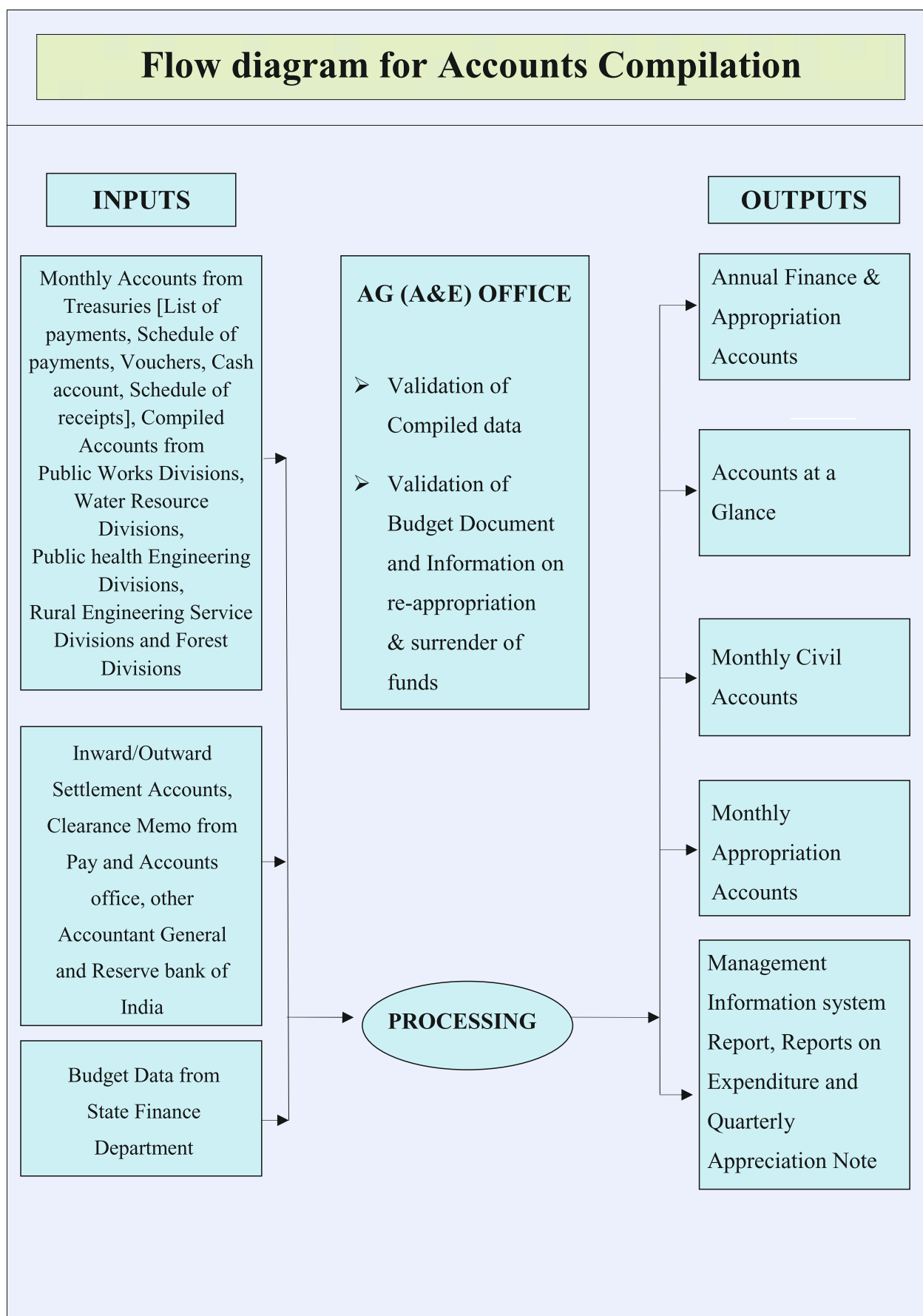
### 1.1 Introduction

The Accountant General (Accounts and Entitlements), Chhattisgarh collates, classifies, compiles the accounts data rendered by multiple agencies, and prepares the accounts of the Government of Chhattisgarh. The compilation is done from the initial accounts rendered by the 28 Treasuries, 57 Public Works Divisions, 29 Rural Engineering Service Divisions, 62 Irrigation Divisions & 36 Public Health Divisions, 53 Forest Divisions, Accounts rendered by the other states/accounting offices and advices of Reserve Bank of India. Every month a Monthly Civil Account is presented by the Office of the Accountant General (A&E) to the Government of Chhattisgarh. The Office Accountant General (A&E) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The Accountant General (A&E) also prepare annually Finance Accounts and the Appropriation Accounts which are placed before the State Legislature after audited by the Principal Accountant General (Audit), Chhattisgarh and Certification by the Comptroller and Auditor General of India.

### 1.2 Structure of Government Accounts

#### 1.2.1 Government Accounts are kept in three parts

Structure of Government Accounts	
Part- 1 CONSOLIDATED FUND	All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given including interest thereon) form the Consolidated Fund. All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this fund.
Part- 2 CONTINGENCY FUND	The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure not provided in the budget, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund. The corpus of this fund for the Government of Chhattisgarh is ₹ 100.00 crore.
Part- 3 PUBLIC ACCOUNT	In Public Account, the transactions relating to Debt (Other than those included in part-1), 'Deposits', 'Advances' (In respect of which Government incurs a liability to pay the money received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and recoveries of the latter (Advances), 'Remittances' and 'Suspense' (embracing all merely adjusting heads under which shall appear such transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles) shall be recorded. The initial debits or credits of these heads will be cleared eventually by corresponding receipts or payments either within the same circle or in another account circle or by booking to the final heads 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 prepared in two volumes, to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to Accounts' containing summary of significant accounting policies, comments on quality of accounts and other items; Volume-II contains detailed statements (Part-I) and appendices (Part-II).

The Union Government transferred ₹ 19,598.65 crore towards central assistance to State Scheme, comprising ₹ 11,740.95 crore which was allotted to the State directly, ₹ 6,490.81 crore which was paid directly to the various implementing agencies/NGOs and was not routed through State Budget and ₹ 1,366.89 crore to Central Bodies located in the State as well as various other organizations were also not routed through the Budget. Therefore, ₹ 7,857.70 crore (₹ 6,490.81 crore + ₹ 1,366.89 crore) has not been depicted in the State Accounts. These transfers are exhibited in appendix VI of Volume-II of the Finance Accounts.



### 1.3.2 Financial Highlights of year 2017-18

The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2017-18:

(₹ in crore)

Sl. No.	Description	Budget Estimate 2017-18	Actual 2017-18	Percentage of actual to B.E.	Percentage of actual to GSDP <sup>1</sup>
1	Tax Revenue <sup>2</sup>	44,288.60	40,649.49	91.78	13.94
2	Non- Tax Revenue	7,704.20	6,340.42	82.30	2.17
3	Grants in Aid & Contributions	14,101.00	12,657.16	89.76	4.34
4	<b>Revenue Receipts (1+2+3)</b>	<b>66,093.80</b>	<b>59,647.07</b>	<b>90.25</b>	<b>20.45</b>
5	Recovery of Loans and Advances	291.18	138.59	47.60	0.05
6	Borrowings & other Liabilities	9,567.13	6,810.32 <sup>3</sup>	71.18	2.34
6 a	Capital Receipts	0.00	4.56	0.00	0.00
7	<b>Capital Receipts(5+6)</b>	<b>9,858.31</b>	<b>6,953.47</b>	<b>70.53</b>	<b>2.38</b>
8	<b>Total Receipts (4+7)</b>	<b>75,952.11</b>	<b>66,600.54</b>	<b>68.97</b>	<b>17.96</b>
9	<b>Revenue Expenditure</b>	<b>61,312.83</b>	<b>56,229.75</b>	<b>91.71</b>	<b>19.28</b>
10	<b>Capital Expenditure</b>	<b>14,718.79</b>	<b>10,370.79<sup>4</sup></b>	<b>70.46</b>	<b>3.56</b>
11	<b>Total Expenditure (9+10)</b>	<b>76,031.62</b>	<b>66,600.54</b>	<b>87.60</b>	<b>22.84</b>
12	<b>Revenue Deficit/Surplus {4-9}</b>	<b>4,780.97</b>	<b>3,417.32</b>	<b>71.48</b>	<b>1.17</b>
13	<b>Fiscal Deficit {4+5+6a-11}</b>	<b>9,646.64</b>	<b>6,810.32</b>	<b>70.60</b>	<b>2.33</b>

During the year 2017-18 revenue surplus of ₹ 3,417 crore (₹ 5,521 crore surplus in 2016-17) and fiscal deficit of ₹ 6,810 crore (₹ 4,047 crore deficit in 2016-17) represent 1 *per cent* and 2 *per cent* of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 10 *per cent* of the total expenditure.

<sup>1</sup> GSDP figure of ₹ 2,91,680.72 crore was adopted from the Directorate of Economic and Statistics, State Government.

<sup>2</sup> Includes State Share of Union Taxes of ₹ 20,754.81 crore and States own Tax Revenue of ₹ 19,894.68 crore.

<sup>3</sup> Includes Net Public Debt (₹ 8,652.56 crore), Public Account (₹ 1,543.82 crore) and Net Cash Balance (₹ 298.42 crore) in Borrowings and Other Liabilities of ₹ 6,810.32 crore.

<sup>4</sup> Includes Net Capital Expenditure (₹ 10,000.96 crore), Loans and Advances (₹ 368.76 crore) and Inter State Settlement (₹ 1.07 crore) in Capital Expenditure of ₹ 10,370.79 crore.

### 1.3.3 Receipt and disbursement in year 2017-18

Receipts and Disbursements of the Government of Chhattisgarh as depicted in the Finance Accounts 2017-18 are given below:

Receipt and disbursement			
			(₹ in crore)
Receipts (Total: ₹ 66,600.54)	Revenue	Tax Revenue	40,649.49
		(a) Own Tax Revenue	19,894.68
		(b) Share of net Proceeds of Taxes	20,754.81
		Non Tax Revenue	6,340.42
		Grant-in-Aid	12,657.16
	Capital	Capital Receipts	3.32
		Recoveries of Loans and Advances	138.59
		Borrowings and other Liabilities*	6,810.32
		Inter State Settlement	1.24
Disbursements (Total: ₹ 66,600.54)	Revenue		56,229.75
	Capital		10,000.96
	Loans and Advances		368.76
	Inter State Settlement		1.07

\* Borrowings and other Liabilities:- Net (Receipt-Disbursements) of Public debt + Net (Receipt-Disbursements) of Contingency Fund + Net Public Accounts + Net of Opening and Closing Cash Balance.

### 1.3.4 Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as "Charged" on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be "voted". The budget of the Chhattisgarh has 45 Charged Appropriation and 69 voted Grant. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure conferred with the appropriation authorized by the Legislature through the Appropriation Act of each year.

### 1.3.5 Efficiency of budget preparation

At the end of the year, the actual expenditure of the Government of Chhattisgarh against the budget approved by the legislature, showed a net saving of ₹ 18,887 crore 21 *per cent* of budget estimates of ₹ 88,599 crore and over estimation of 544 crore 20 *per cent* of the estimates of ₹ 2,656 crore on reduction of expenditure. Certain grants, like those relating to medical education department, State legislature, transport showed substantial savings.

## 1.4 Sources and Application of Funds

### 1.4.1 Ways and Means Advances

Ways and means advances are taken from the Reserve Bank of India to maintain liquidity by making good the deficiency in the agreed minimum cash balance (₹ 0.72 crore) which the State Government required to maintain with the Reserve Bank of India. During 2017-18, the Government of Chhattisgarh had not availed such facility.

### 1.4.2 Overdraft form the Reserve Bank of India

Overdraft is taken from Reserve Bank of India while the limit of minimum cash balance falls below i.e. ₹ 0.72 crore, even after taking ways and means advances which is required to be maintained with the Reserve Bank of India. During the year 2017-18 there was no overdraft of the State.

### 1.4.3 Fund flow Statement

The State had a Revenue surplus of ₹ 3,417.32 crore and a Fiscal Deficit of ₹ 6,810.32 crore as on 31 March 2018. Representing 2.33 *per cent* of the Gross State Domestic Product\*. The State Government spent ₹ 12,911.85 crore towards salary, ₹ 3,098.33 crore towards interest payment ₹ 3,923.58 crore towards pension, ₹ 5004.96 crores towards subsidies and ₹ 24293.17 crores towards Grant-in-Aid.

\* GSDP for the year 2017-18 was ₹ 2,91,680.72 crore.

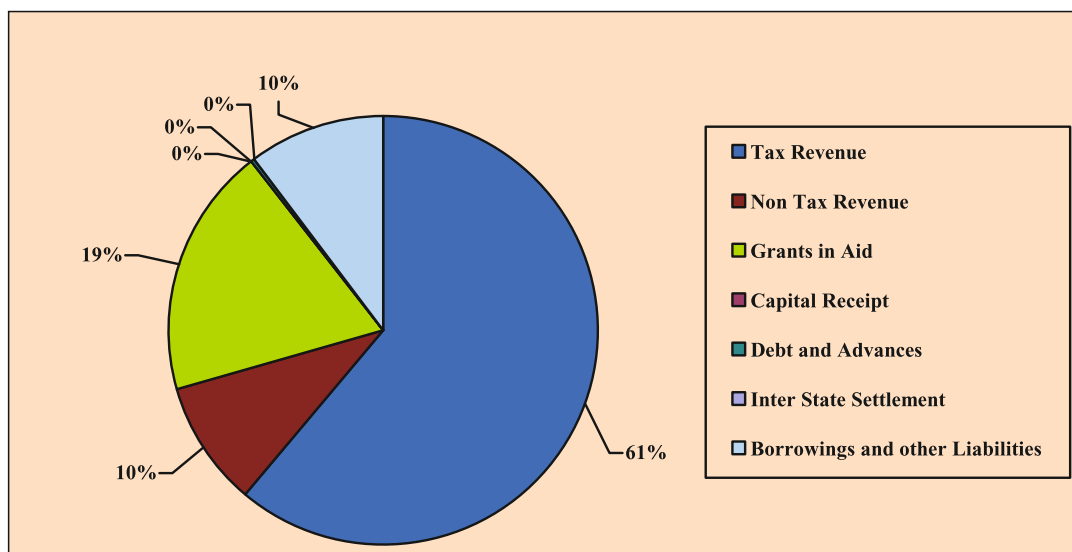
Sources and Application of Funds			(₹ in crore)
SOURCES	PARTICULARS	AMOUNT	
	Opening Cash Balances as on 01.04.2017	339.18	
	Revenue Receipts	59,647.07	
	Capital Receipts	3.32	
	Recovery of Loans and Advances	138.59	
	Public Debt	9,652.44	
	Small Savings, Provident Fund etc.	1,435.87	
	Reserves Fund & Sinking Funds	1,224.59	
	Deposits Received	3,538.42	
	Civil Advances Received	500.75	
	Suspense Accounts	1,55,385.53*	
	Remittances	10,003.60	
	Inter State Settlement	1.24	
	<b>Total</b>	<b>2,41,870.60</b>	
APPLICATION	Revenue Expenditure	56,229.75	
	Capital Expenditure	10,000.96	
	Loans Given	368.76	
	Repayment of Public Debt	999.88	
	Small Savings, Provident Fund etc.	795.26	
	Reserves & Sinking Funds	1,989.73	
	Deposits Repaid	3,417.65	
	Civil Advance Given	500.56	
	Suspense Accounts and Miscellaneous	1,56,996.70**	
	Remittances	9,932.68	
	Inter State Settlement	1.07	
	Closing Cash Balance as on 31.03.2018	637.60	
	<b>Total</b>	<b>2,41,870.60</b>	

\* Includes ₹ 1,00,028.39 crore on account of cash balance investment account.

\*\* Includes ₹ 1,01,587.24 crore on account of cash balance investment account.

#### 1.4.4 Where the Rupee came from

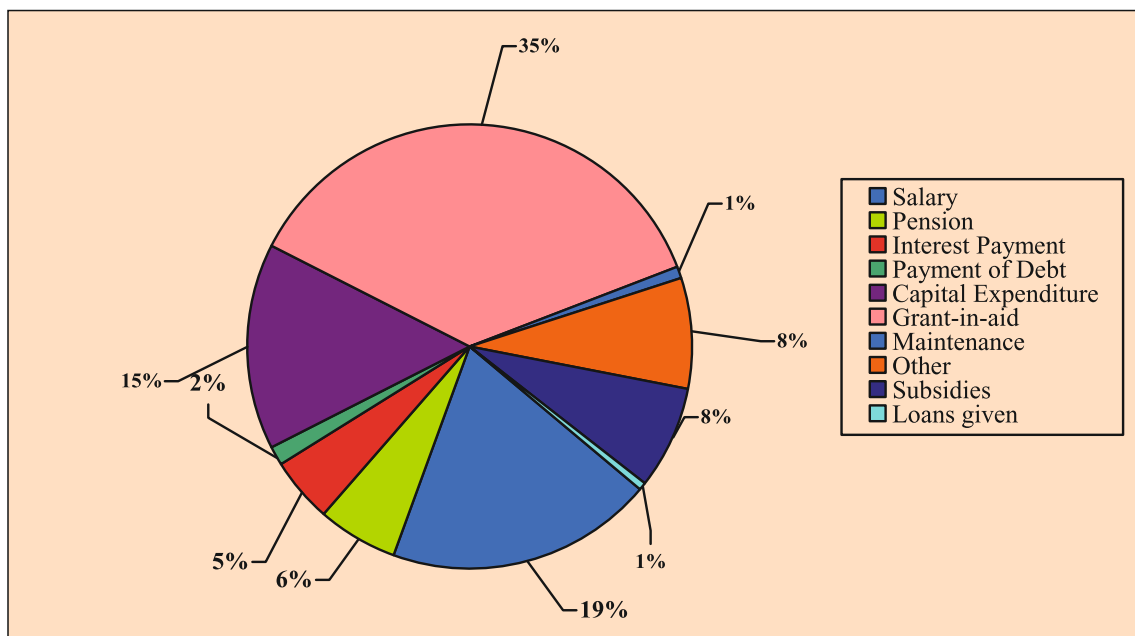
##### Actual Receipt



(Capital Receipts, Inter State Settlement and Recovery of loans and advances were negligible hence value is shown as zero).

#### 1.4.5 Where the Rupee went

##### Actual Expenditure



During the year 2017-18, Revenue surplus of ₹ 3417.32 crore (₹ 5520.65 crore surplus in 2016-17) and fiscal deficit of ₹ 6810.32 crore (₹ 4047.27 crore deficit in 2016-17) represent 1.17 per cent and 2.33 per cent of the gross state domestic product (GSDP) respectively. The fiscal deficit constituted 10 per cent of total expenditure.

<i>What do the Deficits and Surpluses indicate?</i>	
<b>Deficit</b>	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed and application of funds are important indicators of prudence in Financial Management.
<b>Revenue Deficit/Surplus</b>	Refers to the gap between Revenue Receipt and Revenue Expenditure. Revenue expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
<b>Fiscal Deficit/Surplus</b>	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings and ideally should be invested in Capital Projects.

### 1.5 Fiscal Responsibility and Budget Management (FRBM) Act. 2005

Deficit indicators, Revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. The Government of Chhattisgarh has enacted the Fiscal Responsibility and Budget Management (FRBM) Act-2005. As per this Act, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2017-18 against fiscal targets laid down in the Act and rules framed there under, were as follows:-

S. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP*	
			Target	Achievement
	Revenue Deficit	3,417 (Surplus)	Surplus	Surplus(achieved)
2	Fiscal Deficit	6,810	3.5 or less	2.33 (achieved)
3	Debt and Other Obligation	52,907.08	25 or less	18.14 (achieved)

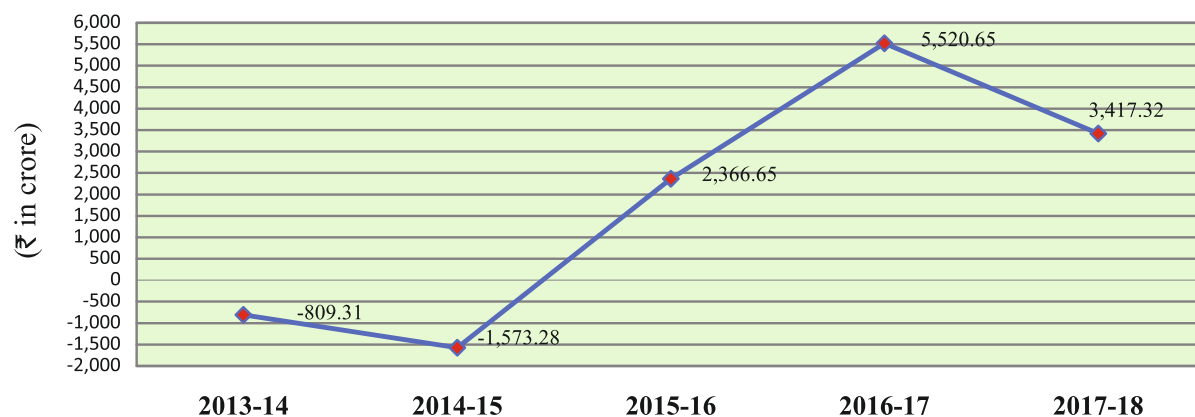
\*GSDP figure of ₹ 2,91,680.72 crore for the year 2017-18 has been taken from the website of ministry of statistics and progress implementation, Government of India.

The State Government had made disclosure to the legislature required under the Chhattisgarh fiscal responsibility and budget management rules 2005.

The State Government had Revenue surplus of ₹ 5520.65 crore in 2016-17 and ₹ 3417.32 crore during the year 2017-18 which was as per the target of FRBM act. Fiscal deficit increased by ₹ 2763.05 crore from ₹ 4047.27 crore in 2016-17 to ₹ 6810.32 crore in the current year and was 2.33 per cent of GSDP which confirmed to the target of 3 per cent of FRBM act.

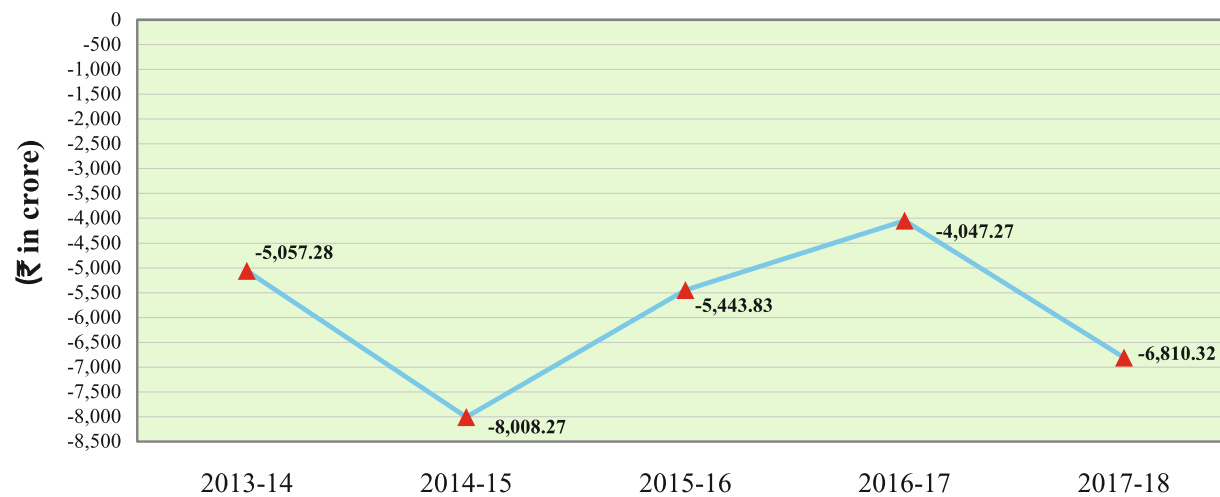
### 1.5.1 Trend of Revenue Deficit/Surplus

**Trend of Revenue Surplus/Deficit**



### 1.5.2 Trend of Fiscal Deficit

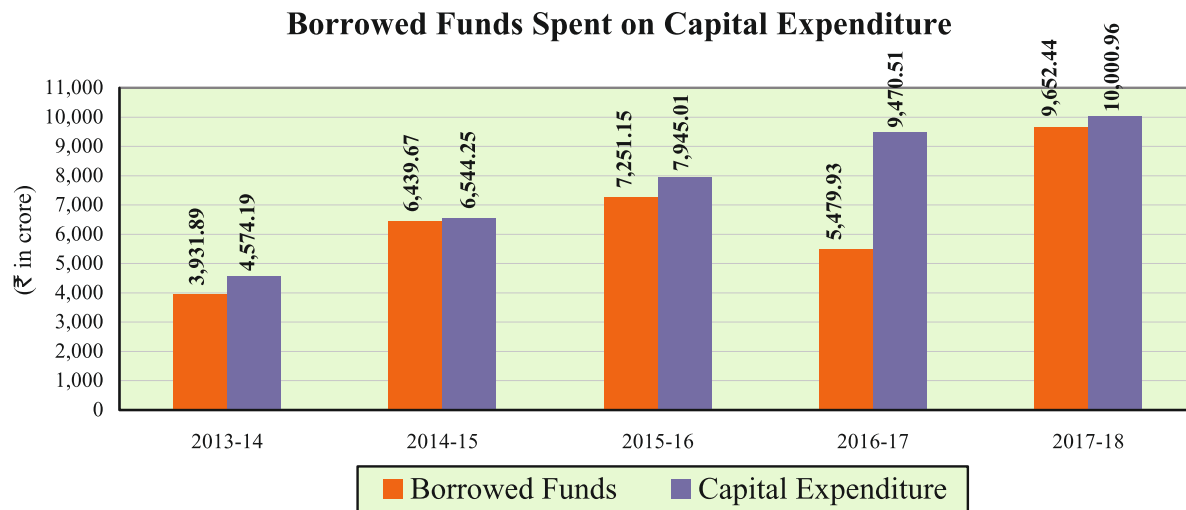
**Trend of Fiscal Deficit/Surplus**



### 1.5.3 Proportion of borrowed funds spent on Capital Expenditure

(₹ in crore)

Year	Borrowed Fund	Capital Expenditure
2013-14	3,931.89	4,574.19
2014-15	6,439.67	6,544.25
2015-16	7,251.15	7,945.01
2016-17	5,479.93	9,470.51
2017-18	9,652.44	10,000.96



The government usually runs fiscal deficits and borrows funds for capital/assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream, therefore it is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent the entire borrowings of the current year (₹ 9,652.44 crore) on capital expenditure (₹ 10,000.96 crore).

## CHAPTER- II

### Receipts

#### 2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2017-18 was ₹ 66,600.54 crore.

#### 2.2. Revenue Receipts

The revenue receipts of the Government comprise three components viz. Tax Revenue, Non-Tax Revenue and Grant-in-Aid received from the Union Government.

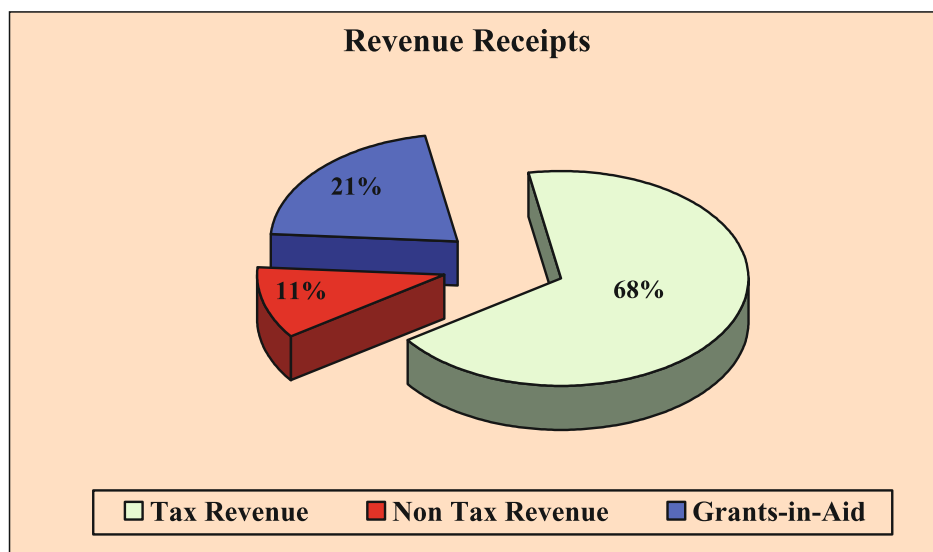
Tax Revenue	Comprises taxes collected and retained by the State and State's share of Union Taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividend, profits, departmental receipts etc.
Grants-in-aid	Grants-in-Aid represent central assistance to the State Government from the Union Government. It also includes "External Grant Assistance" received from Foreign Government and channelized through the Union Government. In turn, the State Government also give Grant-in-aid to institutions like Panchayati Raj Institution, Autonomous bodies etc.

##### 2.2.1 Revenue Receipts Components (2017-18)

(₹ in crore)		
Components	Actuals	Percentage to Revenue Receipt
<b>A. Tax Revenue</b>	<b>40,649.49</b>	<b>68</b>
Goods and Service Taxes	6,772.36	11
Taxes on Income and Expenditure	11,721.47	20
Taxes on Property & Capital Transactions	1,643.69	3
Taxes on Commodities & Services	20,511.97	34
<b>B. Non –Tax Revenue</b>	<b>6,340.42</b>	<b>11</b>
Interest Receipts, Dividends and Profits	185.24	0
General Services	141.75	0
Social Services	154.62	0
Economic Services	5,858.81	10
<b>C. Grants-in-Aid &amp; Contributions</b>	<b>12,657.16</b>	<b>21</b>
<b>Total – Revenue Receipts</b>	<b>59,647.07</b>	<b>100</b>



The Revenue Receipts of the State in 2017-18 comprises **68 per cent** of Tax Revenue and **11 per cent** of Non-Tax Revenue while balance **21 per cent** had been sourced from Grants-in-Aid.



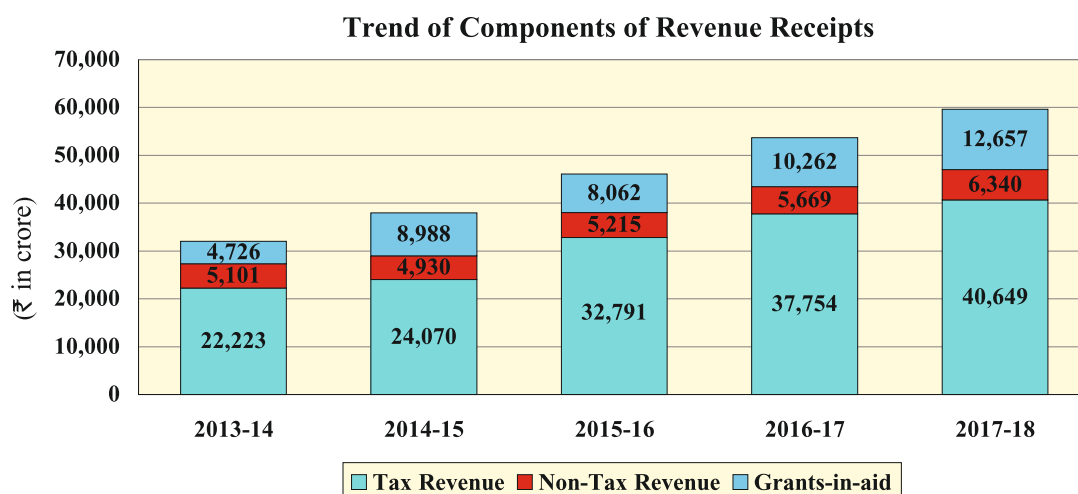
### 2.2.2 Trend of Revenue Receipts

*(₹ in crore)*

	2013-14	2014-15	2015-16	2016-17	2017-18
Tax Revenue (Raised by the state)	14,342.71 (7)	15,707.26 (7)	17,074.86 (7)	18,945.21 (7)	19,894.68 (7)
State share of union Taxed/Duties	7,880.22 (4)	8,363.03 (3)	15,716.47 (6)	18,809.16 (6)	20,754.81 (7)
Non-Tax Revenue	5,101.17 (2)	4,929.91 (2)	5,214.79 (2)	5,669.25 (2)	6,340.42 (2)
Grants-in-Aid	4,726.16 (2)	8,987.81 (4)	8,061.59 (3)	10,261.63 (4)	12,657.16 (4)
<b>Total- Revenue Receipts</b>	<b>32,050.26 (15)</b>	<b>37,988.01 (16)</b>	<b>46,067.71 (18)</b>	<b>53,685.25 (19)</b>	<b>59,647.07 (20)</b>
<b>GSDP</b>	<b>2,06,690.00</b>	<b>2,34,982.00</b>	<b>2,60,776.00</b>	<b>2,90,140.00</b>	<b>2,91,680.72</b>

Note:- Figures in parentheses represent percentage to GSDP(Gross State Domestic Product).

Though the GSDP increased by 0.53 per cent in 2017-18 compared to previous year, growth in revenue receipt was only 11.11 per cent. Tax revenue increased by 7.67 per cent, the Non-tax revenue decreased by 11.84 per cent and the Grants-in-Aid increased by 23.34 per cent compared to previous year.



## 2.3 Tax Revenue

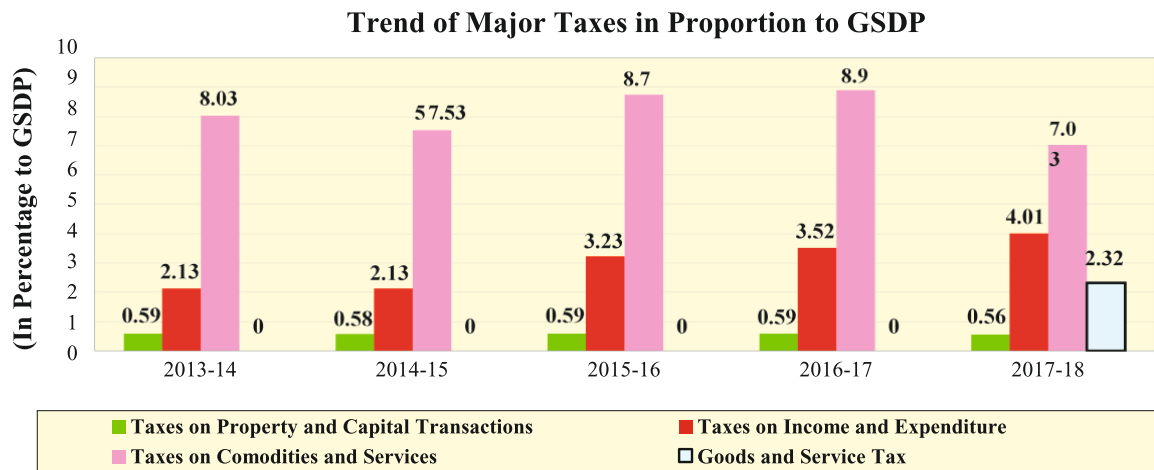
*(₹ in crore)*

Sector-wise Tax Revenue					
	2013-14	2014-15	2015-16	2016-17	2017-18
Goods and Service Tax	NA*	NA*	NA*	NA*	6,772.36 (2.32)
Taxes on Income and Expenditure	4,402.86 (2.13)	5,013.09 (2.13)	8,413.19 (3.23)	10,212.43 (3.52)	11,721.47 (4.02)
Taxes on Property and Capital Transactions	1,223.58 (0.59)	1,362.77 (0.58)	1,549.98 (0.59)	1,728.79 (0.59)	1,643.69 (0.56)
Taxes on Commodities and Services	16,596.49 (8.03)	17,694.43 (7.53)	22,828.16 (8.75)	25,813.15 (8.90)	20,511.97 (7.03)
<b>Total -Tax Revenue</b>	<b>22,222.93 (10.75)</b>	<b>24,070.29 (10.24)</b>	<b>32,791.33 (12.57)</b>	<b>37,754.37 (13.01)</b>	<b>40,649.49 (13.94)</b>
<b>GSDP</b>	<b>2,06,690.00</b>	<b>2,34,982.00</b>	<b>2,60,776.00</b>	<b>2,90,140.00</b>	<b>2,91,680.72</b>

*Note: Figures in parentheses represent percentage to GSDP.*

*\* Not Applicable.*

The increase in total tax during 2017-18 was mainly attributable to allocation of State share from Government of India and higher collection under Corporation Tax (₹ 6,352.98 crore) Taxes on Income other than corporation Tax (₹ 5,364.62 crore) union Excise Duties (₹ 2,188.50 crore), Taxes on Sales, Trade etc. (₹ 6,449.60 crore) and State Excise (₹ 4,054.00 crore).



### 2.3.1 State's own Tax and State's Share of Union Taxes

Tax Revenue of the State Government comes from two sources viz. State's own tax collections and devolution of Union taxes.

(₹ in crore)

Year	Tax Revenue	State's Share of Union Taxes/Duties	State's Own Tax Revenue	
			Tax Revenue	Percentage to GSDP
2013-14	22,222.93	7,880.22	14,342.71	6.94
2014-15	24,070.29	8,363.03	15,707.26	6.68
2015-16	32,791.33	15,716.47	17,074.86	6.55
2016-17	37,754.37	18,809.16	18,945.21	6.53
2017-18	40,649.49	20,754.81	19,894.68	6.82

Following table depicts the comparative position of tax revenue received from the two sources over a period of five years:

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
State's own Tax Collection	14,342.71	15,707.26	17,074.86	18,945.21	19,894.68
Devolution of Union Taxes	7,880.22	8,363.03	15,716.47	18,809.16	20,754.81
<b>Total Tax Revenue</b>	<b>22,222.93</b>	<b>24,070.29</b>	<b>32,791.33</b>	<b>37,754.37</b>	<b>40,649.49</b>
Percentage of State's own tax to total tax revenue	65	65	52	50	49

The proportion of State's own tax collection in overall tax revenue has remained steady at 65 per cent during the year 2013-14 and 2014-15 decreased to 52 per cent in 2015-16, 50 per cent in 2016-17 and 49 per cent in 2017-18 respectively.

### 2.3.2 Trend in state's own Tax collection over the past five years

(₹ in crore)

Taxes	2013-14	2014-15	2015-16	2016-17	2017-18
1. Taxes on Sales. Trade etc.	7,929.51	8,428.61	8,908.36	9,927.21	6,449.60
2. State Excise	2,549.14	2,892.45	3,338.40	3,443.51	4,054.00
3. Taxes on Vehicles	651.07	703.48	829.22	985.27	1,180.01
4. Stamp and Registration fees	990.24	1,023.33	1,185.22	1,211.35	1,197.47
5. Taxes and Duties on electricity	1,020.43	1,312.93	1,372.84	1,495.48	1,688.96
6. Land Revenue	226.06	331.56	363.84	503.66	446.41
7. Taxes on Goods and Passengers	945.44	981.88	1,040.26	1,340.36	477.66
8. State Goods and Service Tax	-	-	-	-	4,386.56
9. Other Taxes	30.82	33.02	36.72	38.37	14.01
<b>Total State's own Taxes</b>	<b>14,342.71</b>	<b>15,707.26</b>	<b>17,074.86</b>	<b>18,945.21</b>	<b>19,894.68</b>

### 2.4 Cost of Tax Collection

(₹ in crore)

Taxes	2013-14	2014-15	2015-16	2016-17	2017-18
Taxes on Sales Trade etc. (0040) (2040)					
Revenue Collection	7,929.51	8,428.61	8,908.36	9,927.21	6,449.60
Expenditure on Collection	41.31	48.54	51.22	56.71	67.23
Cost of Tax Collection	0.52	0.58	0.57	0.57	1.04
2. State Excise 0039 and 2039					
Revenue Collection	2,549.14	2,892.45	3,338.40	3,443.51	4,054.00
Expenditure on Collection	55.53	59.74	58.79	131.45	171.67
Cost of Tax Collection	2.18	2.07	1.76	3.82	4.23
3. Taxes on Vehicles, Goods and Passengers 0041 and 2041					
Revenue Collection	651.07	703.48	829.22	985.27	1,180.01
Expenditure on Collection	11.39	12.42	12.85	14.95	15.52
Cost of Tax Collection	1.75	1.77	1.55	1.52	1.32
4. Stamp and Registration Fee 0030 and 2030					
Revenue Collection	990.24	1,023.33	1,185.21	1,211.35	1,197.47
Expenditure on Collection	16.67	26.98	25.12	24.77	22.26
Cost of Tax Collection	1.68	2.64	2.12	2.04	1.86

The expenditure on collection of Taxes on State excise was very high as compared to expenditure on collection of other taxes.

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

(₹ in crore)

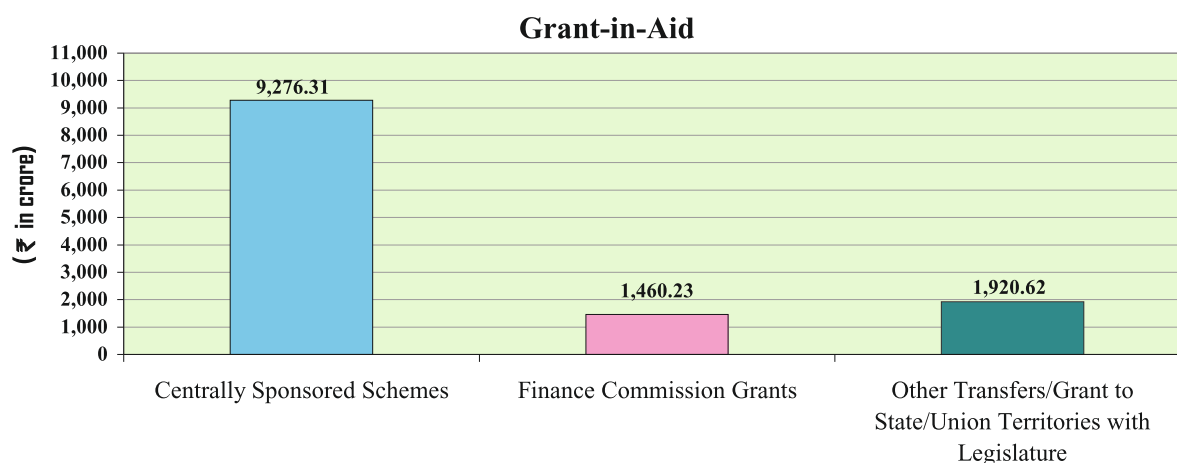
Description	2013-14	2014-15	2015-16	2016-17	2017-18
Central Goods and Service Tax	00	00	00	00	291.44
Integrated Goods and Service Tax	00	00	00	00	2,094.36
Corporation Tax	2,650.20	2,920.41	4,950.08	6,019.53	6,352.98
Taxes on Income other than Corporation Tax	1,745.08	2,085.45	3,455.09	4,183.59	5,364.62
Taxes on Wealth	7.28	7.88	0.92	13.78	(-) 0.19
Customs	1,285.73	1,352.54	2,504.03	2,589.37	2,093.70
Union Excise Duties	908.08	763.73	2,069.99	2,956.84	2,188.50
Service Tax	1,283.85	1,232.95	2,727.11	3,045.99	2,369.40
Other Taxes and Duties on Commodities and Services	00	00	9.16	0.06	0.00
<b>State Share of Union Taxes/ Duties</b>	<b>7,880.22</b>	<b>8,363.03</b>	<b>15,716.47</b>	<b>18,809.16</b>	<b>20,754.81</b>
<b>Total Tax Revenue</b>	<b>22,222.93</b>	<b>24,070.29</b>	<b>32,791.33</b>	<b>37,754.37</b>	<b>40,649.49</b>
Percentage of Union Taxes to Total Tax Revenue	35	35	48	50	51

Government of Chhattisgarh received share of Tax Revenue ranging between 35 *per cent* to 51 *per cent* from the net proceeds of all sharable Union taxes/ duties during the period 2013-14 to 2017-18.

## 2.6 Grants-in-Aid

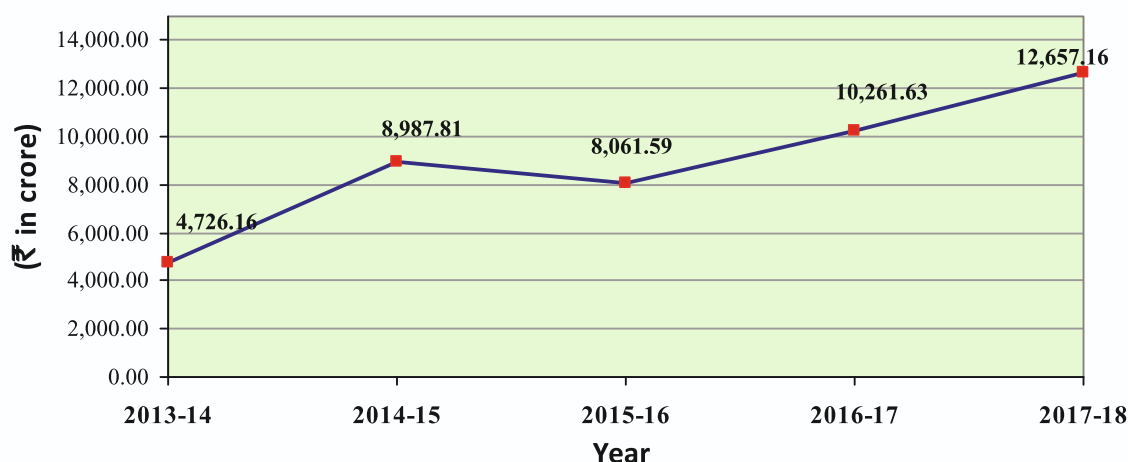
Grant-in-aid represent assistance from the Government of India, and comprise, grant for State schemes, Central schemes and Centrally Sponsored Schemes approved by the planning commission and State Grants recommended by the Finance Commission.

Total receipts during 2017-18 under Grants-in-aid were ₹ 12,657.16 crore as shown below.



Due to abolition of distinction between Plan and Non-Plan schemes from 2017-18, the Grants-in-Aid are received from Government of India under three categories i.e. Grants for Centrally Sponsored Schemes, Finance Commission Grants and Other Transfers/Grant to State/Union Territories with Legislature. Grants-in-aid received from Government of India increased by 23.34 *percent* from ₹ 10,261.63 crore in 2016-17 to ₹ 12,657.16 crore in 2017-18.

### Trend of Grants-in-aid



## 2.7 Public Debt

Trend of position of public Debt over the five years:

(₹ in crore)					
Description	2013-14	2014-15	2015-16	2016-17	2017-18
Internal Debt	12,943.37	18,194.80	24,214.56	28,330.29	36,690.44
Central Loans	2,002.87	1,854.38	1,835.59	2,047.16	2,339.57
<b>Total</b>	<b>14,946.24</b>	<b>20,049.18</b>	<b>26,050.15</b>	<b>30,377.45</b>	<b>39,030.01</b>

During the year 2017-18, nine loans totalling ₹ 8,100.00 crore were raised from the open market at interest rates varying from 7.47 to 8.13 *per cent* and the same are redeemable during the period between the year 2027-28. In addition, the State Government raised loan of ₹ 1,087.89 crore from the National Bank for Agriculture and Rural Development. Thus the Internal Debt raised by Government during the year 2017-18 was ₹ 9,187.89 crore. The Government also received ₹ 464.55 crore from Government of India as loans and advances.

### 2.7.1 Debt Service Ratio

(₹ in crore)					
	Amount discharge during the year	Interest paid	Total Service Payment	Closing Balance as on 31.03.2018	Debt Service Ratio
6003-Interenal Debt of The State Government	827.73	2,474.18	3,301.91	36,690.44	9.00:100
6004-Loan and Advance from Central Govt.	172.15	133.83	305.98	2,339.57	13.08:100
<b>Total Public Debt</b>	<b>999.88</b>	<b>2,608.01</b>	<b>3,607.89</b>	<b>39,030.01</b>	<b>9.24:100</b>

## 2.8 Trend of Net Public Debt over the last five years

The table below exhibits the net increase of public debt compared to previous years. This is calculated taking into account closing balance of previous year, receipts during the year and repayment during the year.

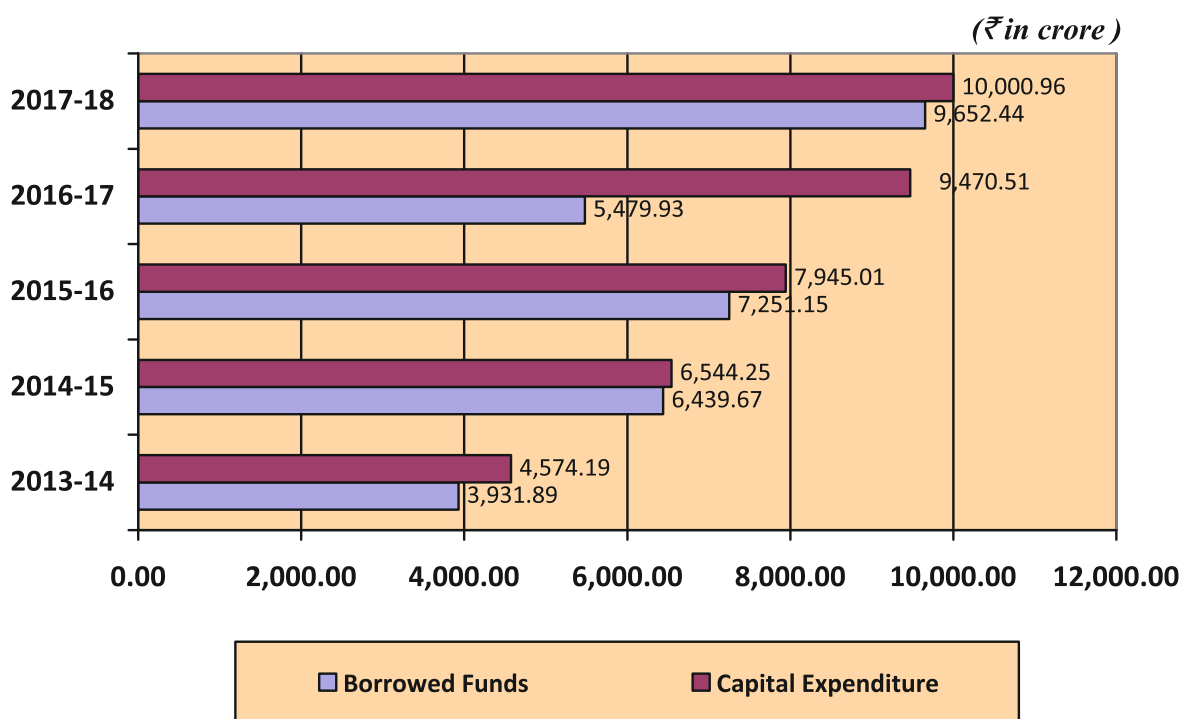
*(₹ in crore)*

Items	2013-14	2014-15	2015-16	2016-17	2017-18
Internal Debt	3,376.74	5,251.43	6,019.76	4,115.73	8,360.15
Central Loans	(-) 134.50	(-) 148.49	(-) 18.79	211.57	292.41
<b>Total Public Debt</b>	<b>3,242.24</b>	<b>5,102.94</b>	<b>6,000.79</b>	<b>4,327.30</b>	<b>8,652.56</b>

Note:- 1. Minus figure indicates over repayments against receipts.

2. Net figure = Receipt- Disbursements.

### Borrowed funds viz-a-viz Capital Expenditure



## CHAPTER-III

### Expenditure

#### 3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities.

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

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

#### 3.2 Revenue Expenditure

The percentage of gap over the Expenditure against Budget Estimates of State Government during the past five years are as under:-

	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Budget Estimates (BE)	34,981.20	46,190.78	53,726.82	56,389.53	61,312.83
Actual	32,859.57	39,561.29	43,701.06	48,164.60	56,229.75
Gap	2,121.63	6,629.49	10,028.76	8,224.93	5,083.08
Percentage of variation of Actual against BE	6	14	19	15	8

From the above table it is evident that the percentage of variation of actual expenditure against budget estimates started showing a decreasing trend from the year 2015-16, thus reflecting the improvement in budget preparation process.

##### 3.2.1 Committed Revenue Expenditure

Around 45 *per cent* of the total revenue expenditure was incurred on Salaries and Wages, (₹ 13,419.95 crore) Interest payment, (₹ 3,098.33 crore) Pensions (₹ 3,897.54 crore) and subsidies (₹ 5,004.96 crore) which are the committed liability of the State Government.



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

(₹ in crore)

Component	2013-14	2014-15	2015-16	2016-17	2017-18
Total Revenue Expenditure	32,859.57	39,561.29	43,701.06	48,164.60	56,229.75
Committed Revenue Expenditure	16,267.57	18,858.32	24,092.83	21,989.62	25,420.78
Percentage of committed revenue expenditure to total revenue expenditure	50	48	55	46	45
Uncommitted revenue expenditure	16,592.00	20,702.97	19,608.23	26,174.98	30,808.97

# Committed revenue expenditure included expenditure on Salaries & Wages, Interest Payment, Pensions and Subsidies.

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased by 86 per cent from ₹ 16,592.00 crore in 2013-14 to ₹ 30,808.97 crore in 2017-18. The total revenue expenditure increased by 71 per cent from ₹ 32,859.57 crore in 2013-14 to ₹ 56,229.75 crore in 2017-18 and committed revenue expenditure increased by 56 per cent over the same period.

### 3.2.2 Sectoral distribution of Revenue Expenditure 2017-18

(₹ in crore)

Components	Amount	Percentage
<b>(a) Organ of State</b>	<b>371.14</b>	<b>0.66</b>
<b>(b) Fiscal Services</b>	<b>1,084.21</b>	<b>1.92</b>
(i) Collection of Taxes on Property and Capital transactions	598.00	1.06
(ii) Collection of Taxes on Commodities and Services	486.15	0.86
(iii) Other Fiscal Services	0.06	--
<b>(c) Interest Payments and Servicing of debt</b>	<b>3,298.33</b>	<b>5.87</b>
<b>(d) Administrative Services</b>	<b>4,192.13</b>	<b>7.46</b>
<b>(e) Pensions and Miscellaneous General Services</b>	<b>3,924.60</b>	<b>6.98</b>
<b>B. Social Services</b>	<b>24,371.59</b>	<b>43.34</b>
<b>C. Economic services</b>	<b>17,623.09</b>	<b>31.34</b>
<b>D. Grants-in-aid and Contributions</b>	<b>1,364.66</b>	<b>2.43</b>
<b>Total Expenditure (Revenue Account)</b>	<b>56,229.75</b>	<b>100</b>

It is evident from the above that the State Government has given priority to Social Sector incoming 43 per cent out of total expenditure in comparison with other sector.

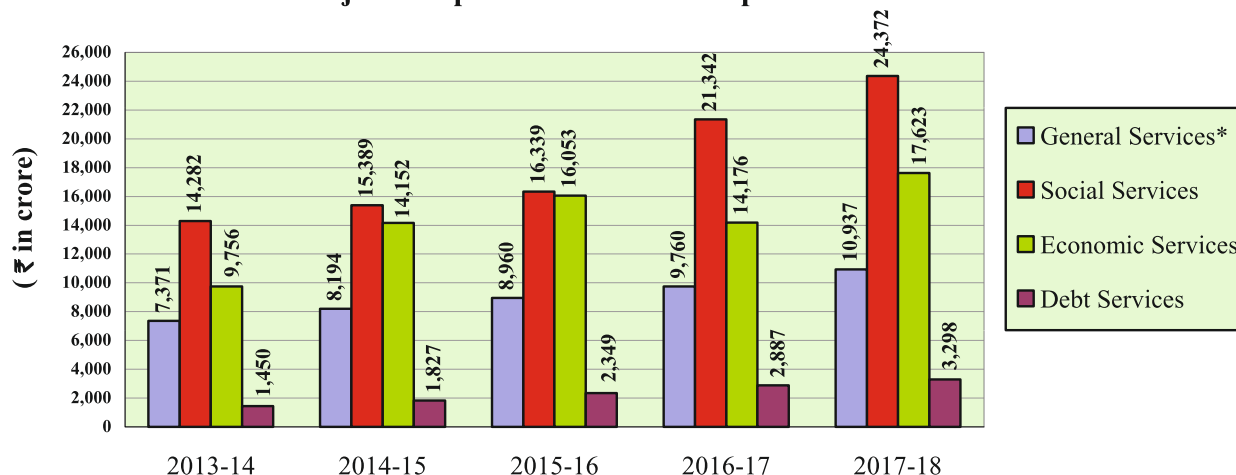
The above indicates that the Government attaches importance towards the Social Services.

### 3.2.3 Major components of Revenue Expenditure 2013-14 to 2017-18

(₹ in crore)

S. No.	Components	2013-14	2014-15	2015-16	2016-17	2017-18
1	General Services (Excluding Expenditure on debt Servicing)	7,371	8,194	8,960	9,760	10,937
2	Social Services	14,282	15,389	16,339	21,342	24,372
3	Economic Services	9,756	14,152	16,053	14,176	17,623
4	Debt Services	1,450	1,827	2,349	2,887	3,298

**Trend of Major Components of revenue expenditure**



\* General Services excludes interest payments (MH 2049) and includes compensation and assignment to Local Bodies and Panchayati Raj Institutions (MH 3604).

### 3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital Expenditure during 2017-18 amounting for ₹ 10,370.79 crore ( 4 per cent of GSDP ) were less than Budget Estimates by ₹ 4,348 crore. The growth in capital expenditure has not kept pace with the steady growth of GSDP since 2013-14 onwards. This can be seen from the table below:

(₹ in crore)

S. No.	Components	2013-14	2014-15	2015-16	2016-17	2017-18
1	Budget (B.E.)	9,153.15	8,519.12	11,283.12	13,669.18	14,718.79
2	Actual Expenditure	5,898.02	6,632.57	8,110.23	9,743.66	10,370.79
3	Percentage of Actual Exp. to B.E.	64.43	77.86	71.88	71.28	70.46
4	Yearly growth in Capital Expenditure	(-)13.36	12.45	22.28	20.14	6.44
5	GSDP	2,06,690	2,34,982	2,60,776	2,90,140	2,91,681
6	Yearly growth in GSDP	29.03	13.69	10.98	11.26	0.53

### 3.3.1 Sectoral distribution of Capital Expenditure

During 2017-18, the Government spent ₹ 1,678.71 crore on various Irrigation Projects of which ₹ 763.66 crore were spent on Major Irrigation, ₹ 109.21 crore on Medium Irrigation, ₹ 784.99 crore on Minor Irrigation, ₹ 9.84 crore on Command Area Development and ₹ 11.01 crore on Flood Control. Besides, the Government spent ₹ 3,703.03 crore on Road and Bridges and invested ₹ 89.57 crore in various Statutory Corporations/Government Companies/Co-Operatives.

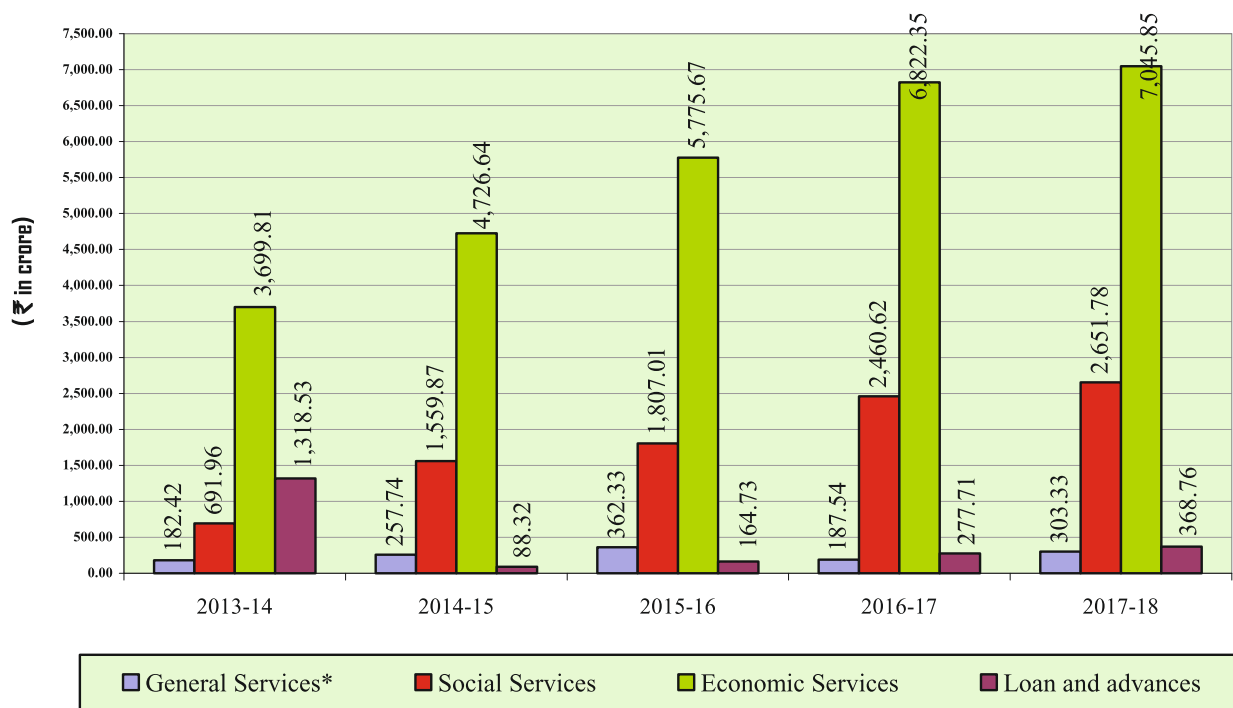
### 3.3.2 Sectoral distribution of Capital expenditure over past five years

(₹ in crore)

S. No.	Sector	2013-14	2014-15	2015-16	2016-17	2017-18
1	General Services	182.42 (3)	257.74 (4)	362.33 (5)	187.54 (2)	303.33 (3)
2	Social Services	691.96 (12)	1,559.87 (24)	1,807.01 (22)	2,460.62 (25)	2,651.78 (26)
3	Economic Services	3,699.81 (63)	4,726.64 (71)	5,775.67 (71)	6,822.35 (70)	7,045.85 (68)
4	Loan and Advances	1,318.53 (22)	88.32 (1)	164.73 (2)	277.71 (3)	368.76 (3)
5	<b>Total</b>	<b>5,892.72</b>	<b>6,632.57</b>	<b>8,109.74</b>	<b>9,743.22</b>	<b>10,369.72</b>

Note: Figures in parentheses represents percentage to total Capital expenditure.

#### Trend of Sectoral Distribution of Capital Expenditure



### 3.3.3 Sectoral distribution of Capital and revenue expenditure

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

(₹ in crore)

S.No.	Sector	Section	2013-14	2014-15	2015-16	2016-17	2017-18
A.	General Services	Capital	182.42	257.74	362.33	187.54	303.33
		Revenue	7,851.15	9,041.58	10,408.76	11,496.23	12,870.41
B.	Social Services	Capital	691.96	1,559.87	1,807.01	2,460.62	2,651.78
		Revenue	14,282.10	15,388.85	16,339.35	21,341.61	24,371.59
C.	Economic Services	Capital	3,699.81	4,726.64	5,775.67	6,822.35	7,045.85
		Revenue	9,755.93	14,152.22	16,062.54	14,176.21	17,623.08
D.	Grants-in-aid & Contribution	Capital	0.00	0.00	0.00	0.00	0.00
		Revenue	970.39	978.63	900.41	1,150.55	1,364.66

### 3.4 Committed Expenditure

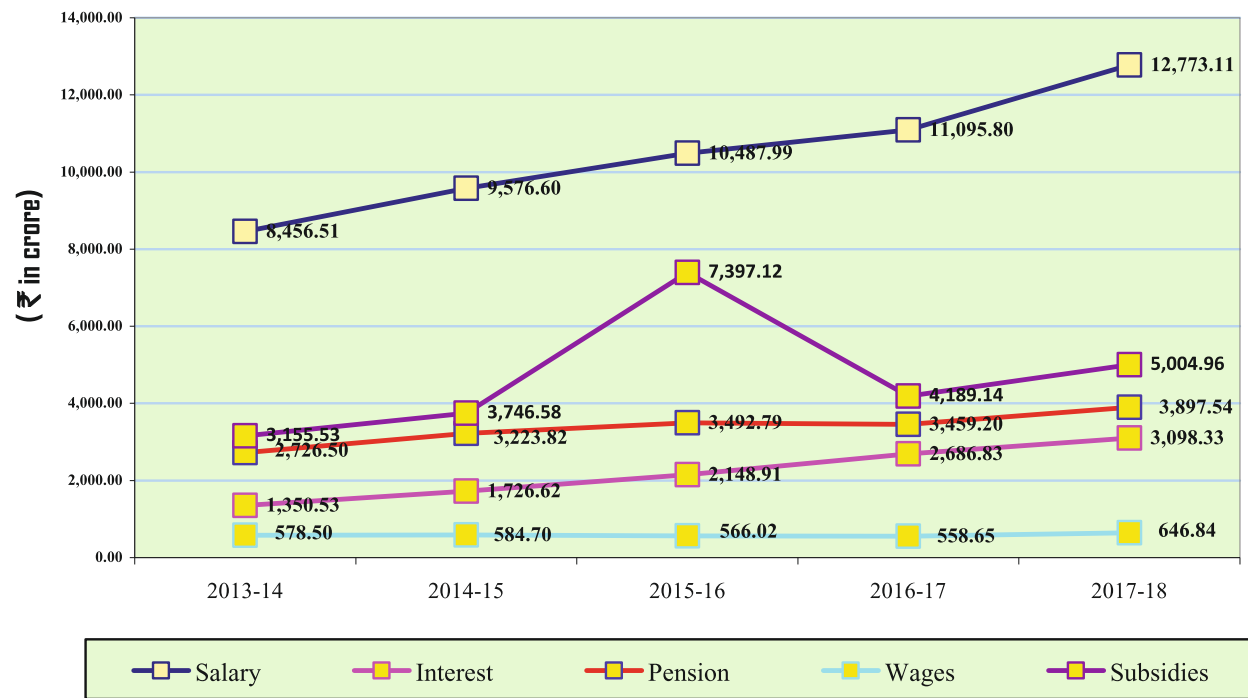
The trend of committed expenditure in comparison to revenue expenditure and revenue receipts over the past five years is depicted below:

(₹ in crore)

Component	2013-14	2014-15	2015-16	2016-17	2017-18
Committed Expenditure	16,267.57	18,858.32	24,092.83	21,989.62	25,420.78
Revenue Expenditure	32,859.57	39,561.29	43,701.06	48,164.60	56,229.75
Revenue Receipt	32,050.26	37,988.01	46,067.71	53,685.25	59,647.07
Percentage to committed expenditure to Revenue Receipt	51	50	52	41	43
Percentage of committed expenditure to Revenue Expenditure	50	48	55	46	45

The committed Expenditure increased by 56 per cent from 2013-14 to 2017-18 while Revenue Expenditure registered the growth of 71 per cent during the same period.

## Trend of Committed Expenditure



## CHAPTER-IV

### Appropriation Accounts

#### 4.1 Summary of Appropriation Accounts 2017-18

(₹ in crore)

S. No.	Nature of Expenditure	Original Grant/Appropriation	Supplementary Grant/Appropriation	Surrender/Re-appropriation	Total Budget	Actual Expenditure	Savings (-) Excesses (+)
1	<b>Revenue</b>						
	Voted	58,776.18	6,217.44	9,227.67	55,765.95	53,549.30	(-)2,216.65
	Charged	3,757.47	235.97	212.56	3,780.88	3,720.18	(-)60.70
2	<b>Capital</b>						
	Voted	16,113.32	951.83	3,229.16	13,835.99	11,048.94	(-)2,787.05
	Charged	28.02	4.50	1.07	31.45	24.17	(-)7.28
3	<b>Public Debt</b>						
	Charged	1,917.38	0.00	917.50	999.88	999.88	0.00
4	<b>Loans and Advances</b>						
	Voted	366.30	230.50	225.24	371.56	368.76	(-)2.80
5	<b>Inter State Settlement</b>						
	Voted	0.10	0.00	0.00	0.10	1.07	+0.97
<b>Total</b>	<b>Voted</b>	<b>75,255.90</b>	<b>7,399.77</b>	<b>12,682.07</b>	<b>69,973.60</b>	<b>64,968.07</b>	<b>(-)5,005.53</b>
	<b>Charged</b>	<b>5,702.87</b>	<b>240.47</b>	<b>1,131.13</b>	<b>4,812.21</b>	<b>4,744.23</b>	<b>(-)67.98</b>

#### 4.2 Trend of Savings/Excess over the past five years

(₹ in crore)

Year	Savings (-)Excess (+)					Total
	Revenue	Capital	Public Debt	Loans & Advances	Inter State Settlement	
2013-14	(-) 6,015.23	(-) 3,002.07	(-)243.49	(-)737.30	+5.30	(-) 9,992.79
2014-15	(-) 9,152.28	(-) 2,573.29	+107.20	(-)397.23	+1.12	(-) 12,014.48
2015-16	(-) 14,705.23	(-) 4,735.41	(-)472.19	(-) 118.23	+0.39	(-) 20,030.67
2016-17	(-) 13,676.60	(-)4,842.10	(-)793.70	(-) 419.45	+0.34	(-) 19,731.51
2017-18	(-) 11,717.58	(-) 6,024.56	(-)917.50	(-) 228.04	+0.97	(-) 18,790.68

### 4.3 Significant Savings

Substantial savings under a grant indicate either non-implementation or slow implementation of certain schemes/programmes. Some grants with persistent final savings and significant savings are given below:

<i>(Saving in Percentage)</i>							
Grant No.	Nomenclature	Voted/ Charged	2013-14	2014-15	2015-16	2016-17	2017-18
	Revenue -						
28	State Legislature	C	83.66	76.66	68.62	75.55	89.41
		V	33.64	26.59	34.17	37.43	40.85
36	Transport	C	100.00	100.00	63.58	99.50	73.73
		V	38.52	36.58	2.32	9.16	50.00
64	Special Component Plan for Scheduled Caste	V	10.53	12.26	7.33	5.46	16.29
67	Public Works-Buildings	V	4.33	16.08	24.98	13.44	25.61
79	Expenditure Pertaining to Medical Education Department	C	100.00	26.19	73.81	73.81	100.00
		V	25.94	10.26	4.37	9.49	27.10
	Capital -						
41	Tribal Area Sub-Plan	V	5.00	6.00	4.29	1.18	35.66

The persistent huge savings under State legislature, Transport and medical education department are on account of schemes through approved by the legislature have been given lesser priority during implementation. This can be attributed either to increase budget estimation or the Government desire to keep its fiscal deficit below the ceiling.

#### 4.4 Supplementary Grants/Appropriation Proved Unnecessary

In the year 2017-18, supplementary provision was ₹ 7640.24 crore (10 *per cent*) of total expenditure. Out of total supplementary grants, ₹ 4181.65 crore (53 *per cent*) proved unnecessary, as significant saving were found against original allocation. A few instances are given below:-

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
01	General Administration	Revenue	221.83	9.97	187.09
02	Other Expenditure pertaining to General Administration Department	Revenue	28.73	0.23	18.69
03	Police	Revenue	3,647.52	367.59	3,205.33
04	Other Expenditure pertaining to Home Department	Revenue	33.41	10.04	29.28
06	Expenditure pertaining to Finance Department	Revenue	5,344.92	5.21	4,018.78
07	Expenditure pertaining to Commercial Tax Department	Revenue	482.45	12.04	360.58
08	Land Revenue and District Administration	Revenue	923.90	50.35	723.05
12	Expenditure pertaining to Energy Department	Revenue	1,647.72	241.63	1,542.89
14	Expenditure pertaining to Animal Husbandry Department	Revenue	433.29	1.60	360.32
15	Financial Assistance to Three Tier Panchayati Raj Institutions under Special Component Plan for Scheduled Castes	Revenue	535.33	36.89	519.40
17	Co-operation	Revenue	127.92	0.31	101.95
18	Labour	Revenue	136.24	0.07	94.33
19	Public Health and Family Welfare	Revenue	1,776.66	109.14	1,667.48
20	Public Health Engineering	Revenue	355.12	0.13	279.49
21	Expenditure Pertaining to Housing and Environment Department	Revenue	130.10	4.78	59.02
26	Expenditure pertaining to Culture Department	Revenue	40.96	5.57	34.35
27	School Education	Revenue	2,878.88	15.68	2,636.67
28	State Legislature	Revenue	62.95	3.25	38.76
29	Administration of Justice and Elections	Revenue	385.53	1.11	290.13
34	Social Welfare	Revenue	85.60	9.04	77.62
37	Tourism	Revenue	32.72	1.52	19.11
39	Expenditure Pertaining to Food, Civil Supplies and Consumer Protection Department	Revenue	1,787.37	82.64	1,405.43
41	Tribal Area Sub-Plan	Revenue	11,558.71	1,642.71	10,773.90



(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
43	Sports and Youth Welfare		70.95	0.16	18.22
44	Higher Education	Revenue	682.45	0.10	567.95
47	Technical Education and Man-Power Planning Department	Revenue	378.23	7.29	295.73
51	Religious Trusts and Endowments	Revenue	11.26	0.57	9.69
55	Expenditure pertaining to Women and Child Welfare	Revenue	914.17	16.00	669.00
58	Expenditure on Relief on Account of Natural Calamities and Scarcity	Revenue	294.80	675.00	260.26
66	Welfare of Backward Classes	Revenue	226.75	7.20	176.29
69	Urban Administration and Development Department - Urban Welfare	Revenue	730.09	4.00	612.69
71	Information Technology and Bio-Technology	Revenue	100.74	2.79	61.77
79	Expenditure pertaining to Medical Education Department	Revenue	577.48	14.27	431.36
80	Financial Assistance to Three Tier Panchayati Raj Institutions	Revenue	3,669.63	94.96	3,516.22
82	Financial Assistance to Three Tier Panchayati Raj Institutions under Tribal Area Sub-Plan	Revenue	1,894.79	20.56	1,593.56
03	Police	Capital	58.68	5.61	47.63
19	Public Health and Family Welfare	Capital	83.26	6.00	42.31
20	Public Health Engineering	Capital	256.93	41.57	220.19
23	Water Resources Department	Capital	473.38	5.50	359.48
24	Public Works-Roads and Bridges	Capital	1,968.11	4.30	1,314.12
29	Administration of Justice and Elections	Capital	36.82	1.61	12.74
30	Expenditure pertaining to Panchayat and Rural Development Department	Capital	739.17	50.00	530.51
39	Expenditure pertaining to Food Civil Supplies and Consumer Protection Department	Capital	6.99	0.25	2.61
41	Tribal Area Sub-Plan	Capital	2,687.20	257.32	1,906.10
42	Public Works relating to Tribal Area Sub-Plan-Roads and Bridges	Capital	1,555.81	11.50	634.23
47	Technical Education and Manpower Planning Department	Capital	38.46	0.67	15.14
55	Expenditure pertaining to Women and Child Welfare	Capital	50.72	5.93	44.96

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
64	Special Component Plan for Scheduled Castes	Capital	1,082.29	71.77	666.85
67	Public Works – Buildings	Capital	430.61	58.28	334.99
68	Public Works relating to Tribal Area Sub-Plan-Buildings	Capital	256.81	0.33	115.63
81	Financial Assistance to Urban Bodies	Capital	402.00	106.31	362.21

A few instances where there was excess expenditure at the end of the year even after supplementary allocations were made are given below:

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
03	2055-Police 109-District Police	Revenue	665.80	123.00	1,040.87
03	2070-Other Administrative Services 107-Home Guards	Revenue	80.00	14.00	114.10
30	2215-Water Supply and Sanitation 02-Severage and Sanitation 107-Severage Services	Revenue	467.69	81.36	591.92
30	2505-Rural Employment 60-Other Programmes 196-Loans to Zilla Parishads	Revenue	594.10	42.50	780.07
41	2505-Rural Employment 60-Other Programmes 196-Loans to Zilla Parishads	Revenue	456.00	32.30	645.49
64	2505-Rural Employment 60-Other Programmes 196-Loans to Zilla Parishads	Revenue	144.00	10.20	165.26

## 4.5 Rush of Expenditure

Regular flow of expenditure in the year is a primary requirement of Budgetary Control. Rush of expenditure particularly in the closing months of the financial year is regarded as breach of financial rules. It was, however, noticed that in the following cases the expenditure incurred during March 2018 ranged between *50 per cent* to *100 per cent* of the total expenditure during the year indicating the tendency to utilise the Budget provision at the fag end of the financial year:-

(₹ in crore)

Major Head	Nomenclature	Ist Quarter	Iist Quarter	IIist Quarter	IVst Quarter	Total	Exp. of March 2018	Percentage of March 2018 w.r.t. Total exp.
2075	MISCELLANEOUS GENERAL SERVICES	0.01	0.00	0.00	0.31	0.32	0.31	96.87
3053	CIVIL AVIATION	0.00	0.03	0.00	0.11	0.14	0.07	50.00
4070	CAPITAL OUTLAY ON OTHER ADMINISTRATIVE SERVICES	0.71	0.12	0.20	26.41	27.44	26.15	95.33
4415	CAPITAL OUTLAY ON AGRICULTURAL RESEARCH AND EDUCATION	0.75	0.10	0.00	15.73	16.58	15.73	94.87
4711	CAPITAL OUTLAY ON FLOOD CONTROL PROJECTS	1.47	0.01	0.02	9.52	11.02	7.96	72.23
4801	CAPITAL OUTLAY ON POWER PROJECT	0.00	0.00	53.12	224.10	277.23	224.09	80.83
4810	CAPITAL OUTLAY ON NEW AND RENEWABLE ENERGY	0.00	221.70	10.63	541.00	773.33	402.46	52.04
5053	CAPITAL OUTLAY ON CIVIL AVIATION	0.79	2.07	7.13	14.44	24.43	14.59	59.72
5275	CAPITAL OUTLAY ON THE COMMUNICATION SERVICES	0.00	0.00	0.00	1.78	1.78	1.78	100.00

## CHAPTER-V

### Assets and Liabilities

#### 5.1 Assets

The existing form of accounts does not clearly depict valuation of Government assets like land, buildings etc., except in the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities for future generations.

Total investments as share capital in Government corporations, Government Companies and joint stock companies stood at ₹ 6,642 crore at the end of 2017-18. However, dividends received during the year were ₹ 4.80 crore (0.07 *per cent*) on total investment (₹ 6,866 crore). At the end of the year 2017-18, investments increased by ₹ 87.77 crore, and dividend income increased by ₹ 4.25 crore.

Cash Balance with RBI stood at ₹ 339.18 crore on 01 April 2017 and the same stood at ₹ 637.60 crore at the end of March 2018. In addition, Government had invested an amount of ₹ 1,01,587 crore on 144 occasions in 14 days Treasury Bills during year 2017-18. The rediscounted amount during the year was ₹ 39,022.91 crore on 136 occasions and the maturity amount was ₹ 61,005.48 crore on 76 occasions. The position of investment during the year 2017-18 is depicted in the table given below:

(₹ in crore)

Cash Balance Investment in Government of India Treasury Bills			
Balance as on 1 April 2017	Purchase during 2017-18	Sales during 2017-18	Closing balance on 31 March 2018
2,512	1,01,587	1,00,028	4,071

#### 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 by the State legislature from time to time.

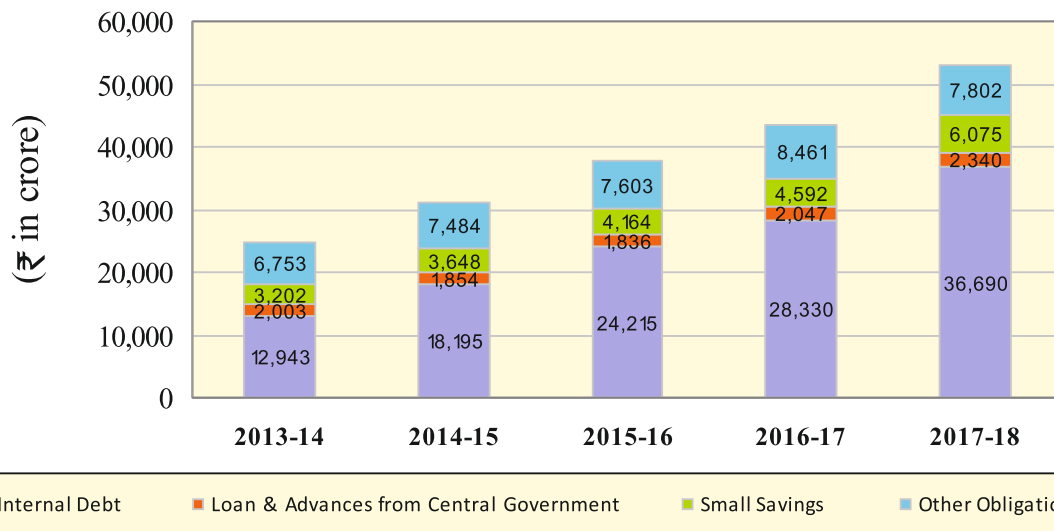
Details of the Public Debt and total liabilities of the State Government for the last five years are as under-

(₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Account	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2013-14	14,946.24	7.23	9,955.74	4.82	24,901.98	12.05
2014-15	20,049.18	8.53	11,131.84	4.74	31,181.02	13.27
2015-16	26,050.15	9.99	11,766.44	4.51	37,816.59	14.50
2016-17	30,377.45	10.47	13,053.41	4.50	43,430.86	14.97
2017-18	39,030.01	13.38	13,877.07	4.76	52,907.08	18.14

There is a net increase of ₹ 9,476.22 crore (21.82 *per cent*) in Public Debt and Public Account in 2017-18 as compared to 2016-17.

## Trends in Government Liabilities



\* Other Obligations includes Small Saving, Provident Funds etc., Reserve Funds and Deposits.

### 5.3 Guarantees

In addition to directly raising loans, State Government also guarantee loans raised by the Statutory Corporation, Government Companies and Corporations, Co-operative Societies etc., from the market and financial institutions for implementation of various schemes and programmes. These guarantees are contingent liability on the consolidated fund of the State in case of default in the payment of loans and capital and payment of interest thereon raised by statutory corporation, Government companies, Corporations, Co-operative Societies etc., for whom the guarantee was extended and are projected outside the State budget. The position of guarantees by the state Government for the re-payment of Loans (payment of principle and interest thereon) raised by Statutory Corporations, Government Companies and Corporations, Co-operative societies, etc. for the last five years is given below.

(₹ in crore)

Year	Maximum Amount Guaranteed (Principal only)	Amount Outstanding at the end of the year	
		Principal	Interest
2013-14	7,571.99	3,358.57	NA
2014-15	9,080.06	2,314.47	NA
2015-16	14,883.41	1,988.24	NA
2016-17	12,641.13	3,982.97	NA
2017-18	6,549.89	3,881.92	NA

It would be seen from above that Guarantee amount decrease considerably in 2017-18. Details are available at St. No.- 20 of Finance Accounts and these are based on information received from the State Government, Finance Department.

## **5.4 Off budget liabilities of State Government**

In addition to the budgeted liabilities of 52,904.96 crore, the State Government has an off budget liability towards various financial Institutions as detailed below:

### **5.4.1 Chhattisgarh State Power Distribution Company Limited (CSPDCL):**

Government of Chhattisgarh had a Liability of ₹ 1,955.00 crore on CSPDCL for providing free electricity to BPL consumers under two sub schemes " Grant for Single lamp connection" and "Grants for providing free electricity to agriculture pumps of 5 HP" of "*Krishak Jivan Jyoti Yojna*". In order to discharge this liability, Government of Chhattisgarh, issued guarantees to CSPDCL in 2016-17 (valid for five years) for availing Loans of ₹ 1,955.00 crore from various financial institutions with the condition that the liability to repay the loans availed under the above Guarantee along with interest rests with the State Government. The loan and interest due would be repaid initially by CSPDCL to the Financial Institutions and the State Government would pay the same to CSPDCL. CSPDCL availed the entire loan during 2016-17 and repaid ₹ 136.88 crore of principal and ₹ 191.22 crore of interest during 2017-18 against which the State Government paid ₹ 4.88 crore to CSPDCL as Interest.

### **5.4.2 Chhattisgarh Housing Board (CHB):**

During 2017-18, Government of Chhattisgarh issued guarantees to CHB (valid up to 2031) for availing Loans of ₹ 800.00 crore from Canara Bank for construction of 6,424 residential buildings for Government Officers and Employees. In this connection, an agreement was executed between Housing and Environment Department, Government of Chhattisgarh and Chhattisgarh Housing Board on 14 July 2017. As per the agreement, the Housing and Environment Department shall pay interest and installment amount on the loan obtained for the activity to CHB on actual basis. During 2017-18, CHB availed loans of ₹ 161.02 crore till March, 2018 and paid interest of ₹ 2.59 crore against which no amount was paid by the State Government to CHB.

### **5.4.3 Chhattisgarh Police Housing Corporation Limited (CPHCL):**

Government of Chhattisgarh issued guarantees to CPHCL in June/July, 2017 (valid up to 2027) for availing Loans of ₹ 800.00 crore from two financial institutions i.e. Allahabad Bank (₹ 400.00 crore) and Canara Bank (₹ 400.00 crore) for construction of 10,000 residential houses for Police Officers and Employees. During 2017-18, CPHCL availed loans of ₹ 170.15 crore till March, 2018 and paid interest of ₹ 5.87 crore against which ₹ 6.00 crore was paid as interest by the State Government to CPHCL.

## 5.5 Liabilities on Retirement benefits

The expenditure during the year on pension and other retirement benefits to State Government employees recruited prior to 31 October 2004 (including High Court Judges and Legislators and Government contribution to Pension Fund) was ₹ 3,530.01 crore (6.28 *per cent* of total Revenue Expenditure). State Government employees recruited on or after 1 November 2004 are eligible for the New Pension Scheme (NPS) which is a Defined Contributory Pension Scheme. As per the guidelines of the scheme, the employee contributes 10 *per cent* of the basic pay and Dearness allowance with a matching contribution by the State Government, both of which are to be initially credited to the Public Accounts under Major Head 8342 and thereafter transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank. While Chhattisgarh State followed the guidelines in respect of employees' contributions, employers' contributions are directly debited to Major Head 2071 and transferred to NSDL/Trustee Bank without routing through the Public Account.

During the year 2017-18, ₹ 381.97 crore was credited to the fund which consists of ₹ 379.20 crore of Employee contribution and ₹ 2.77 crore of Employee and Employer contribution of employees posted on deputation to Zilla Panchayat, etc. Against the total amount credited to the fund during the year, an amount of ₹ 395.59 crore consisting of ₹ 394.58 crore and ₹ 1.01 crore of Employee and Employer contribution of deputation employees was transferred to trustee bank resulting in excess transfer to the tune of ₹ 13.62 crore (untransferred amount of previous years). Further, against the employee contribution of ₹ 379.20 crore, the State Government contributed ₹ 393.57 crore resulting in excess contribution of ₹ 14.37 crore (untransferred amounts of previous years). As on 31 March 2018, ₹ 42.53 crore remained under the Deposit head 8342-117. Discrepancy between the figures of closing balance of this head is shown in the Finance Accounts (₹ 42.53 crore) and those intimated by the State Government (₹ 14.51 crore) is under reconciliation.

Uncollected, unmatched and untransferred amounts, with accrued interest, represent outstanding liabilities under the Scheme.



## CHAPTER- VI

### Other Items

#### 6.1 Adverse Balances under Internal Debt

Borrowings of State Government are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government also guarantees loans raised by government companies and corporations from the market and financial institutions for implementation of various plan schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Government Companies Corporations etc and do not appear in the books of the Government. However, the loan repayments appear in Government account, resulting in under statement of liabilities in Government accounts. As on 31 March 2018 no adverse balance is appearing in the accounts of Chhattisgarh Government.

#### 6.2 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of the 2017-18 was ₹ 1,172.15 crore which related to loans and advances to Government Corporations/Companies, Non-Government Institutions and Local Bodies. Recovery of Principal aggregating to ₹ 359.45 crore and interest amounting to ₹ 46.28 crore are in arrears at the end of March 2018.

#### 6.3 Financial assistances to local bodies and others

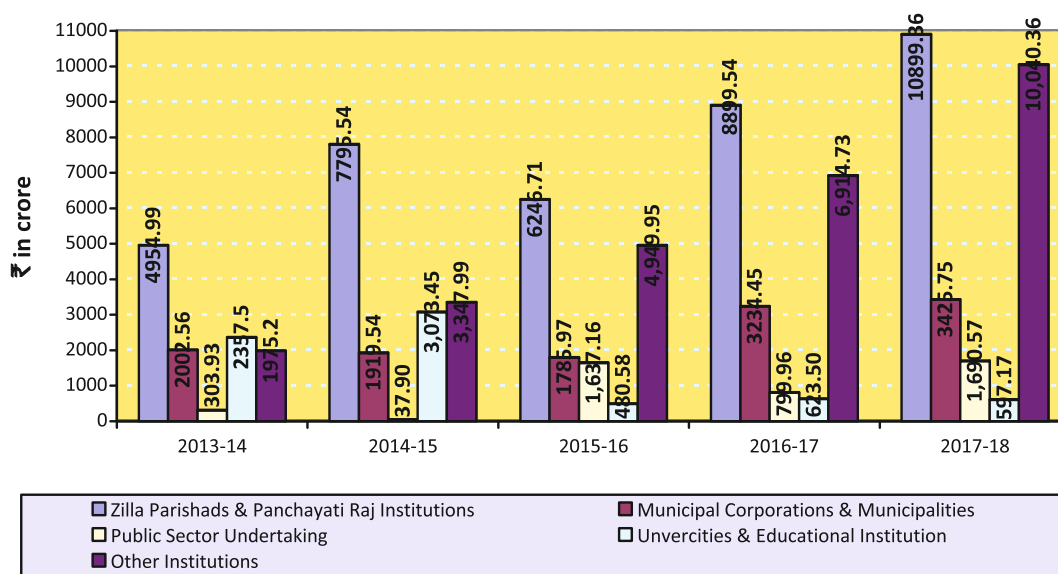
Grants-in-aid given to local bodies, autonomous bodies etc. increased from ₹ 11,600.18 crore in 2013-14 to ₹ 26,653.21 crore in 2017-18. Grants to Zilla Parishads and Panchayati Raj Institution, Municipal Corporation and Municipalities (₹ 14,325.11 crore) represent 54 *per cent* of total grants given during the year.

Details of Grants-in-aid given for the past 5 years are as under:

(₹ in crore)						
S.No	Name of Institutions	2013-14	2014-15	2015-16	2016-17	2017-18
1	Zilla Parishads & Panchayati Raj Institutions	4,954.99	7,797.54	6,246.71	8,899.54	10,899.36
2	Municipal Corporations & Municipalities	2,002.56	1,919.54	1,785.97	3,234.45	3,425.75
3	Public Sector Undertakings	309.93	37.90	1,637.16	799.96	1,690.57
4	Universities & Educational Institution	2,357.50	3,073.45	480.58	623.50	5,97.17
5	Other Institutions	1,975.20	3,347.99	4,949.95	6,914.73	10,040.36
	<b>Total</b>	<b>11,600.18</b>	<b>16,176.42</b>	<b>15,100.37</b>	<b>20,472.18</b>	<b>26,653.21</b>



## Grant-in-aid



## 6.4 Cash Balance and investment of Cash Balance

The Status of cash balance and investment of cash balance of the State Government for the year 2017-18 is given below:-

(₹ in crore)			
Component	As on 01 April 2017	As on 31 March 2018	Net increase (+)/decrease(-)
<b>Cash Balance</b>	339.18	637.60	(+)298.42
<b>Investment from Cash Balances (GOI Treasury Bills &amp; GOI Securities)</b>	2,512.00	4,070.85	(+)1,558.85
<b>Investment from earmarked fund balances</b>	1,798.63	2,085.84	(+)287.21
(A) Sinking Fund	1,746.94	1,946.94	(+)200.00
(B) Guarantee Redemption Fund	0.00	0.00	0.00
(C) Other Funds	51.69	138.90	(+)87.21
<b>Interest Realised</b>	134.83	140.28	(+)5.45

## 6.5 Reconciliation of accounts

To exercise effective control of expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, all budget controlling officers (BCOs) are required to reconcile the figure of Receipts and Expenditure recorded in their books every month with the figures accounted for by the office of the Accountant General (A&E). During the year, Out of 94 Budget controlling officers, 24 budget controlling officers have fully reconcile and one Budget controlling officer has partially reconciled expenditure of ₹ 15,778.00 crore out of ₹ 67,600.42 crore. Similarly on receipt side, out of 40 budget controlling officers 12 Budget Controlling Officers have fully reconciled receipts of ₹ 20,199.98 crore out of ₹ 69,442.66 crore.

## 6.6 Submission of Accounts by Accounts Rendering Units

The Accounts of receipt of expenditure of the Government of Chhattisgarh have been compiled based on the initial Accounts rendered by 28 Treasuries, 57 Public Works Divisions, 53 Forest Divisions, 62 Irrigation Divisions, 29 Rural Engineering Services and 36 Public Health Divisions and Advices of the Reserve Bank of India. Rendition of Monthly Accounts by the Accounts rendering Units of State Government was by and large Satisfactory.

## 6.7 Unadjusted Abstract Contingent (AC) Bills

The controlling, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money by presenting Abstract Contingent (AC) bills by debiting Service Heads and they are required to present Detailed Contingent (DC) bills (vouchers in support of final expenditure) in all these cases. Out of ₹ 3,846.56 crore drawn against AC bills in 2017-18, AC bills amounting to ₹ 575.73 crore (14.97 *per cent*) were drawn in the month of March 2018 alone, of which AC bills for ₹ 44.64 crore (7.75 *per cent* of the amount drawn in March) were drawn on the last day of the financial year. As on 31 March 2018, DC bills are yet to be submitted for 160 AC bills amounting to ₹ 132.95 crore drawn during 2017-18. Significant expenditure against AC bills in March indicates that the drawl was primarily to exhaust the budget and reveals inadequate budgetary planning.

## 6.8 Status of Suspense and Remittance Balances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads have been worked out by aggregating the outstanding debit and credit balances separately under various heads. The position of net figures under major suspense heads for the year 2017-18 is given below.

( ₹ in crore)

Minor Head	2013-14		2014-15		2015-16		2016-17		2017-18	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
(a) 8658- Suspense Accounts										
101-Pay and Officer accounts and Suspense	21.60	2.51	26.88	2.37	47.52	2.50	48.21	0.44	54.38	0.14
Net	Dr. 19.09		Dr. 24.51		Dr. 45.02		Dr. 47.77		Dr. 54.24	
102-Suspense Accounts (Civil)	55.45	46.08	56.84	48.24	60.39	49.21	2.20	0.16	19.26	0.98
Net	Dr. 9.37		Dr. 8.60		Dr. 11.18		Dr. 2.04		Dr. 18.28	
107-Cash Settlement Suspense Accounts	38.68	6.70	38.68	6.70	38.68	6.70	0.00	0.00	0.00	0.00
Net	Dr. 31.98		Dr. 31.98		Dr. 31.98		Dr. 0.00		Dr. 0.00	
109-Reserve Bank Suspense- Headquarters	(-)0.25	(-)3.20	(-)0.47	(-)6.13	(-)0.19	(-)11.31	(-)0.37	(-)3.08	(-)0.67	(-)0.08
Net	Dr. 2.95		Dr. 5.66		Dr. 11.12		Dr. 2.71		Cr. 0.59	
110- Reserve Bank Suspense- Central Accounts Office	(-)3.96	(-)5.53	(-)2.72	(-)3.03	(-)5.21	(-)3.03	0.73	0.15	0.14	0.00
Net	Dr. 1.57		Dr. 0.31		Cr. 2.18		Dr. 0.58		Dr. 0.14	

## 6.9 Status of Outstanding Utilization Certificates

As per Rule 182 of Chhattisgarh Financial Code Volume - I, in case of an annual or non-recurring conditional grant, the Departmental officer on whose signature or counter-signature the Grants-in-aid bill is drawn, shall furnish the Utilisation Certificate to the Accountant General (A&E) on or before 30 September of the year following that to which the grant is related. As on 31 March 2018, 317 UCs amounting to ₹ 2,413.40 crore are outstanding, details of which are given below:-

(₹ in crore)

Year	Number of Utilization Certificate awaited	Amount
Up to 2014-15	62	89.76
2015-16	07	1.82
2016-17	05	18.03
2017-18*	243	2,303.79
<b>Total</b>	<b>317</b>	<b>2,413.40</b>

\* Except where the sanction order specifies otherwise, UCs in respect of grants drawn during 2017-18 become due only in 2018-19.

## 6.10 Transfer of Funds to various Implementing Agencies

The State Government provides funds to State/Districts Level Agencies/Autonomous Bodies and Authorities, Societies, Non-Governmental Organisations, etc., as grants for implementation of Central Sector Schemes, Centrally Sponsored Schemes and State Schemes. During 2017-18, an amount of ₹ 24,293.17 crore was disbursed by the State Government to various implementing agencies for implementation of Government Scheme/Works/Programmes as Grants. The exact amount utilized out of the amount released and the balance lying in the Bank Accounts of all the implementing agencies are not available. Hence, the Government expenditure as reflected in the Accounts to that extent is, therefore, not final. However, information regarding Grants received from the State Government, expenditure met there from and amount lying in the Bank Accounts as informed by few implementing agencies are as under:-

(₹ in crore)

Name of the Institution	Scheme	Grants received from State Government during the year	Expenditure made during the year	Balance lying in the bank account
<i>Chhattisgarh Road Development Corporation Ltd.</i>	1. Engineering, Procurement and Construction 2. Transport Network (Roads)	853.54	391.86	461.68
<i>Chhattisgarh Rajya Antya-vasayi Sahkari Vitt evam Vikas Nigam</i>	Local Development Programme funded by Special Central Assistance	20.00	3.78	16.22

Source:- Information received from Institutions.

## 6.11 Gross State Domestic Product (GSDP) over the past five years

GSDP is the market value of all officially recognized final goods and services produced within the State in a given period. The growth of GSDP of the State is an important economic indicator of the State's economy, as it depicts the increase in total value of production activities in the State. The trends in the annual growth of India's GDP and GSDP of the State at current prices are indicated below:-

### 6.11.1 Annual growth rate of GDP and GSDP (at current prices)

(₹ in crore)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
India's GDP	1,12,33,522	1,24,67,959	1,37,64,037	1,52,53,714	1,67,73,145
Growth rate of GDP (in percentage)	12.97	10.99	10.40	10.82	9.96
State's GSDP	2,06,833	2,21,142	2,34,212	2,62,263	2,91,681
Growth rate of GSDP (in percentage)	16.52	6.92	5.91	11.98	11.22

(Source: Website of the Ministry of Statistics and Programme Implementation, Government of India.)

## 6.12 Commitment on Account of Incomplete Capital Works

A total expenditure of ₹ 7713.50 crore was incurred up to the year 2017-18 by the State Government on 419 incomplete projects, each involving ₹ 10 crore and above, against estimated cost for ₹ 12763.23 crore as detailed in appendix IX in volume-II of the Finance Accounts. A summaries view on commitments on account of "incomplete capital /works" is furnished below:

(₹ in crore)

S. No.	Category of works (No. of works)	Estimated cost of works	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Estimated cost after revision (No. of works)
1	Water Resources Department (171)	6,904.50	988.61	5,786.01	NA	5,445.88 (53)
2	Building Works (21)	617.72	107.56	744.16	NA	932.08 (9)
3	Bridge Works (41)	798.25	99.68	505.10	NA	62.42 (4)
4	Road Works (103)	4,442.76	201.62	678.23	NA	376.17 (6)
<b>Total</b>		<b>12,763.23</b>	<b>1,397.47</b>	<b>7,713.50</b>	<b>NA</b>	<b>6,816.55</b>

### 6.13 Transfer of funds to Personal Deposit (PD) Accounts

As per subsidiary rule 543 of the State Treasury Code, the State Government is authorized to open Personal Deposit Account (which forms part of the Public Account) wherein, funds are drawn from the Consolidated Fund (by debiting expenditure head) to be utilized for specific purposes. Unspent balances lying in PD accounts are required to be transferred back to the Consolidated Fund before the closure of the Financial Year. The State Government drew an amount of ₹ 1.98 crore from several Major Heads during March 2018 and deposited in the PD Accounts. Such transfers at the end of the Financial Year indicate that transfer was done to prevent lapse of Budgetary provision. The position of PD account as on 31.03.2018 is given below:

(₹ in crore)

Details of Personal Deposit Accounts							
Opening Balance		Addition during the year/Receipts		Closed during the year/Disbursements		Outstanding	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
281	1,892.47	02	643.80*	20	779.27*	263**	1,757.00

\* Includes receipts and disbursements during the year.

\*\* Out of the total 263 number of Personal Deposit Accounts, 10 accounts having a total balance of 1.37 crores remained inoperative as on 31.03.2018.

### 6.14 Investments

The State Government invest in the equity and shares of Statutory corporations, Government Companies, Joint Stock Companies and Co-operative Institutions. As per the accounts the investment of the Government in 1543 entities was ₹ 6866.37 crore as on 31 March 2018 on which an amount of ₹ 4.80 crore was received as dividend (i.e. 0.07 of total invested amount). The total amount invested in statutory Corporation Chhattisgarh was ₹ 37.82 crore, out of those ₹ 0.81 crore was received as dividend and rest of dividend amount of ₹ 3.99 crore only was received on invested amount of ₹ 6828.55 crore in 1542 entities. The details are given in Statement - 19 of the Finance Accounts. This figures however, have not been reconciled with the figures of the investee organizations, which is to be done.

### 6.15 Status of Reserve Funds

Details of Reserve funds are available in Statement - 21 and 22 of the Finance Accounts. There were 09 Reserve Funds earmarked for specific purposes. Details of some major Reserve funds are given below:

#### 6.15.1 Consolidated sinking funds

The State Government of Chhattisgarh in 2006-07 constitutes the consolidated sinking fund (CSF) scheme for redemption of outstanding liabilities. As per guidelines the Government is required to contribute to the fund at 0.5 *per cent* of the outstanding liabilities at the end of the previous year.

The State Government, however, during the year 2017-18 contributed ₹ 200.00 crore against the minimum of ₹ 217.15 crore resulting in a short contribution of ₹ 17.15 crore. The balance in the consolidated sinking fund as on 31 March 2018 was ₹ 1946.94 crore was invested in the securities of the Government of India.

### ***6.15.2 Guarantees Redemption Funds (GRF)***

The 12th Finance Commission has recommended the constitution of a GRF to meet the States obligation on guarantees. However, Government of Chhattisgarh vide their letter dated 15.05.2018 has decided not to created Guarantee Redemption Fund as the maximum guarantee sanctioned by the State Government were of medium and low risk. Guarantees outstanding as on 31 March 2018 was ₹ 3881.92 crore.

### ***6.15.3 State Disaster Response Funds (SDRF)***

Government of India, Ministry of Home affairs vide Office Memorandum dated 30 July 2015 issued guidelines on constitutions and administration of SDRF based on the recommendation of 14th Finance Commission. In term of the guidelines, the Central and State Governments are required to contribute to the fund in the proportion of 75:25.

During the year 2017-18, The State Government transfer ₹ 259.00 crore (₹ 194.25 crore of Central share and ₹ 64.75 crore of State share) to the fund. An amount of ₹ 49.31 crore of Grant-in-Aid from National Disaster Response Fund received in March 2018 was not transferred to the fund. From the available balance in the fund expenditure of ₹ 780.69 crore initially incurred under Major Head 2245- Relief on Account of Natural Calamities was set off, leaving a balance of ₹ 175.55 crore in the fund as of 31 March 2018.

As per the notification on SDRF, the balance of the fund to be invested in Government of India securities, auctioned treasury bills, interest earning deposits and certificate of deposits with scheduled commercial bank. The Finance Department of the State Government has informed that, no proposal was received from the Revenue and Disaster Management Department for investment of available funds due to drought situation during the year, hence, the balance available in the fund during the year has been invested by Reserve Bank of India in 14 days Treasury bill keeping in view the availability of cash balance and interest earned thereon in credited to the accounts of the State Government.

### ***6.15.4 Gramin Vikas Nidhi***

The State Government constituted the Gramin Vikas Nidhi in 2001-02 for providing employment in rural areas. During 2017-18, an amount of ₹ 29.08 crore was transferred to the fund from Major Head 2030-02-797 and the balance of the fund as on 31 March 2018 was ₹ 214.76 crore. No transaction has been made from this fund since inception.



### 6.15.5 Building and Other Construction Workers Welfare Cess

As per the provision enshrined in "Building and Other Construction Workers Welfare Cess Act, 1996" at the rate of one *per cent* of the cost of work is to be collected and transferred to the Building and Other Construction Workers Welfare Board. During the year 2017-18 the Public Works Department, Water Resources Department, Public Health Engineering Department and Panchayat and Rural Development Department collected ₹ 54.97 crore and transferred ₹ 58.21 crore (Includes Balance of previous year also) to the Welfare Board and balance of ₹ 3.29 crore has been kept under Public Account Major Head 8443 as detailed below:

(₹ in crore)

Name of Department	Amount not transferred
Public Works Department	2.49
Public Health Engineering Department	0.23
Rural Engineering Services (Panchayat and Rural Development Department)	0.35
Rural Development Department	0.22
<b>Total</b>	<b>3.29</b>

Accounting Rules have not been framed for account of the Building and Other Construction Worker's Welfare Cess.

## 6.16 Compliance of Indian Government accounting standards

### 6.16.1 Accounting Standards on Guarantees (IGAS-1)

These standards require the state government to:

- Set up tracking unit for Guarantees under the Department of Finance for maintaining a database of Guarantees sanctioned, annulled and outstanding.
- Form a Guarantee Redemption Fund or make arrangement for Automatic Debit Mechanism for discharging the obligations arising out of such Guarantees executed by the Government.
- Disclose the details of Guarantees in budget documents.
- Other material details.

**Compliance:** The work of tracking of Guarantees is done by the concerned Administrative Department and Finance Department of the State Government. The State Government has not created Guarantees Redemption Fund as the maximum guarantees sanctioned by the State Government were of medium and low risk. Details of Guarantees are shown in Budget Documents (Volume 5) of the State Government.

### ***6.16.2 Accounting Standards on Grant-in-aid (IGAS-2)***

These standards require the state government to:

- a. Grant-in-aid received by a Government shall be classified and accounted as revenue receipts of the State Government.
- b. Grant-in-aid disbursed by a Grantor shall be classified and accounted as revenue expenditure.
- c. The expenditure on Grants-in-aid for creation of Capital assets shall not except specifically authorized by the Governor on the advice of the Accountant General, be debited to Capital Head.
- d. Grants-in-aid in kind shall be disclosed in the Financial Statements of the grantee at the time of their receipt.

**Compliance:** Grants-in-aid received by a Government is classified and accounted as revenue receipts of the State Government. Grants-in-aid disbursed by the Government are accounted as revenue expenditure of the State Government. However, as required under the standards set under IGAS-2 the expenditure on Grants-in-aid for creation of capital assets is been classified under capital expenditure instead of classifying under revenue expenditure. During 2017-18 an amount of ₹ 2359.39 crores relating to Grants-in-aid for creation of Capital assets have been classified under capital expenditure. However, Grants-in-aid in kind are not been accounted as receipts of the State Government.

### ***6.16.3 The Accounting Standards on Loans and Advance (IGAS-3)***

These standards is compiled in the Finance Accounts of Chhattisgarh State.



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