



# ACCOUNTS AT A GLANCE 2020-2021



लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest



GOVERNMENT OF KERALA





**ACCOUNTS AT A GLANCE  
FOR THE YEAR 2020-2021**

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

**GOVERNMENT OF KERALA**



## PREFACE

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

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

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

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

**Thiruvananthapuram**  
**04 March 2022**

  
**G SUDHARMINI**  
**Principal Accountant General (A&E)**  
**Kerala**



## Our Vision, Mission and Core Values

### VISION

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

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

### MISSION

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

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

### CORE VALUES

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

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



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## *CHAPTER I*

## **OVERVIEW**

### **1.1 Introduction**

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

## 1.2 Structure of Government Accounts

### 1.2.1 Government Accounts are kept in three parts

#### Part I CONSOLIDATED FUND

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

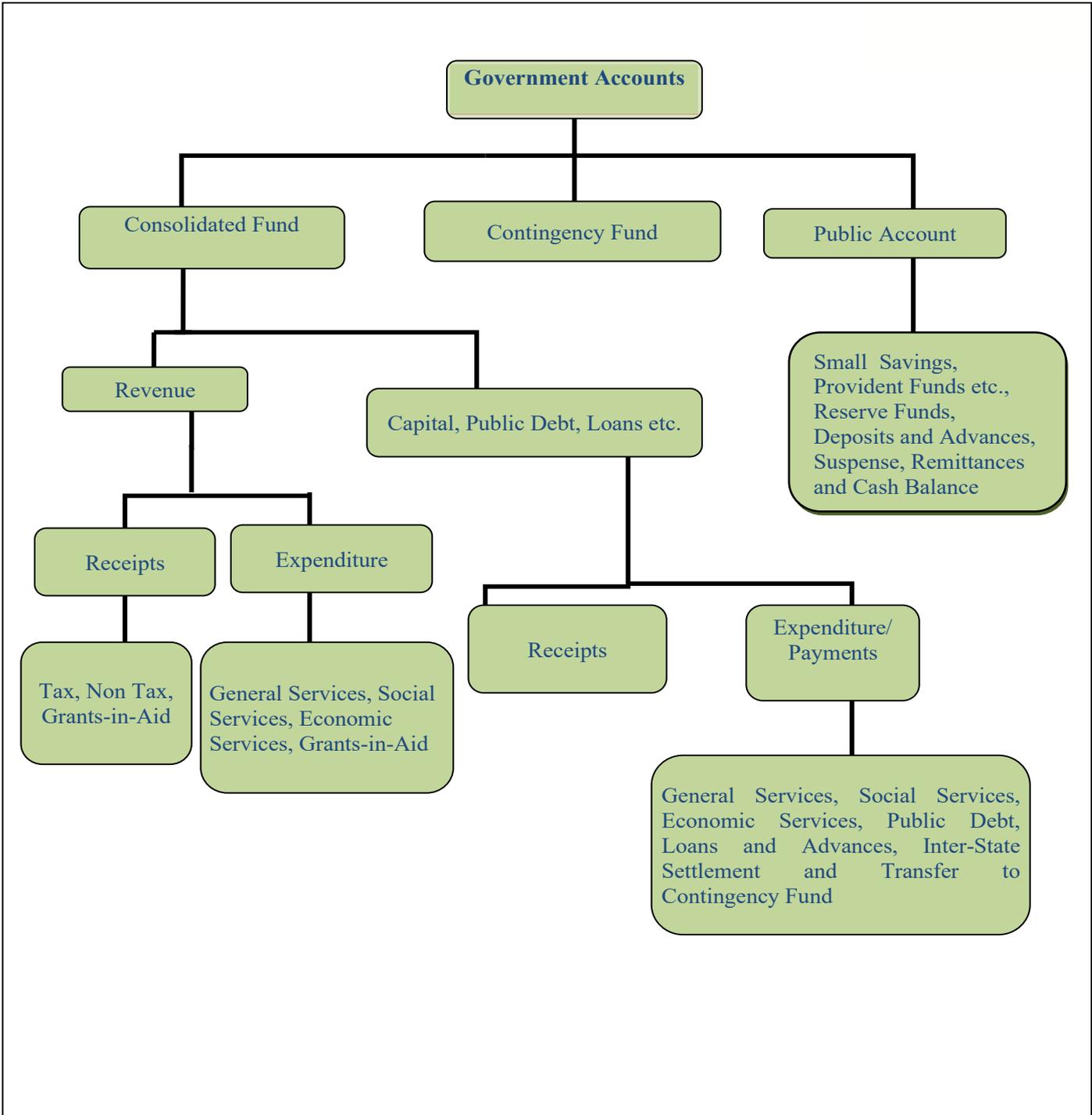
#### PART II CONTINGENCY FUND

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

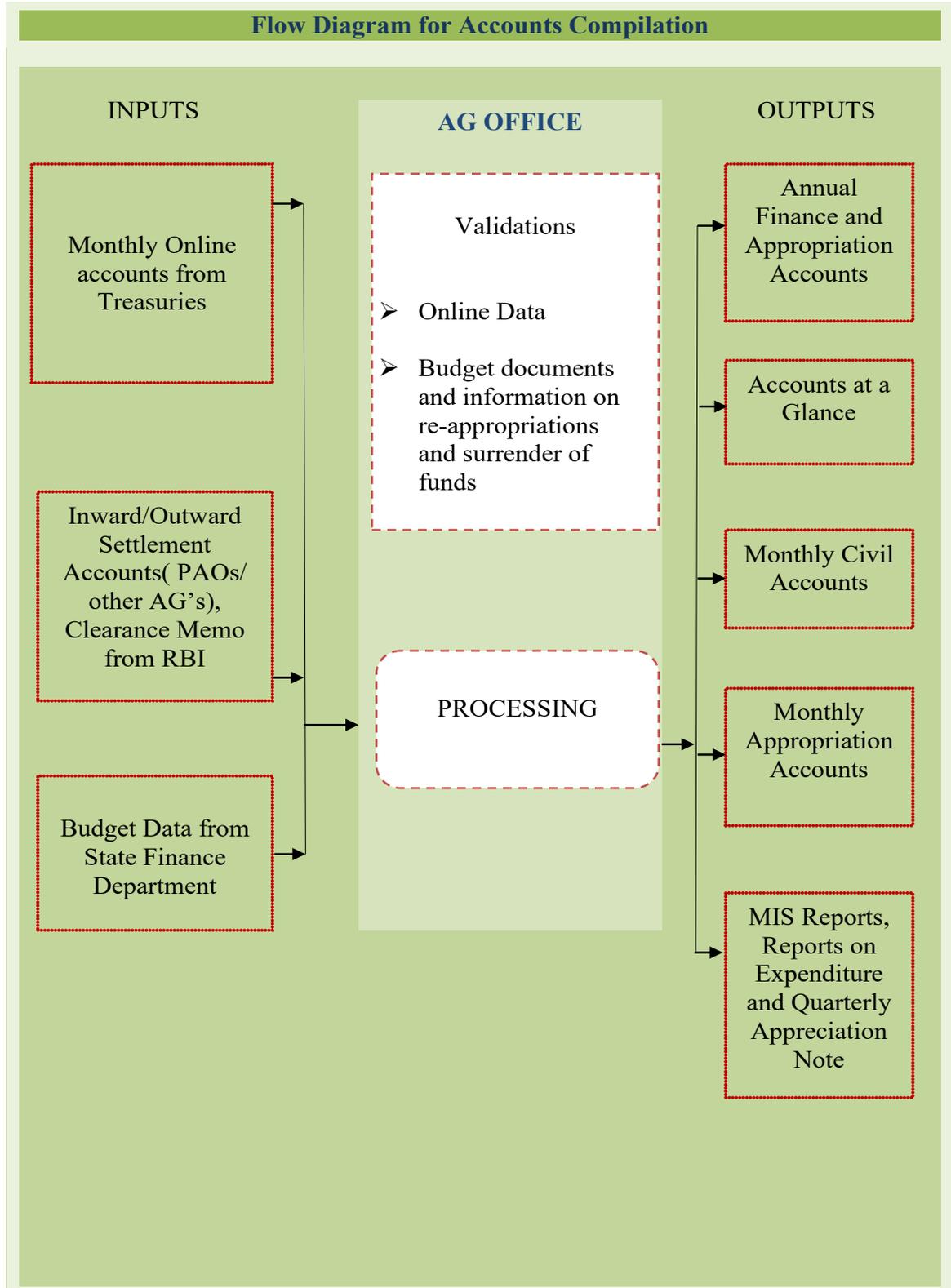
#### Part III PUBLIC ACCOUNT

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

## 1.2.2 Pictorial representation of Structure of Government Accounts



### 1.2.3 Compilation of Accounts



## 1.3 Finance Accounts and Appropriation Accounts

### 1.3.1 Finance Accounts

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

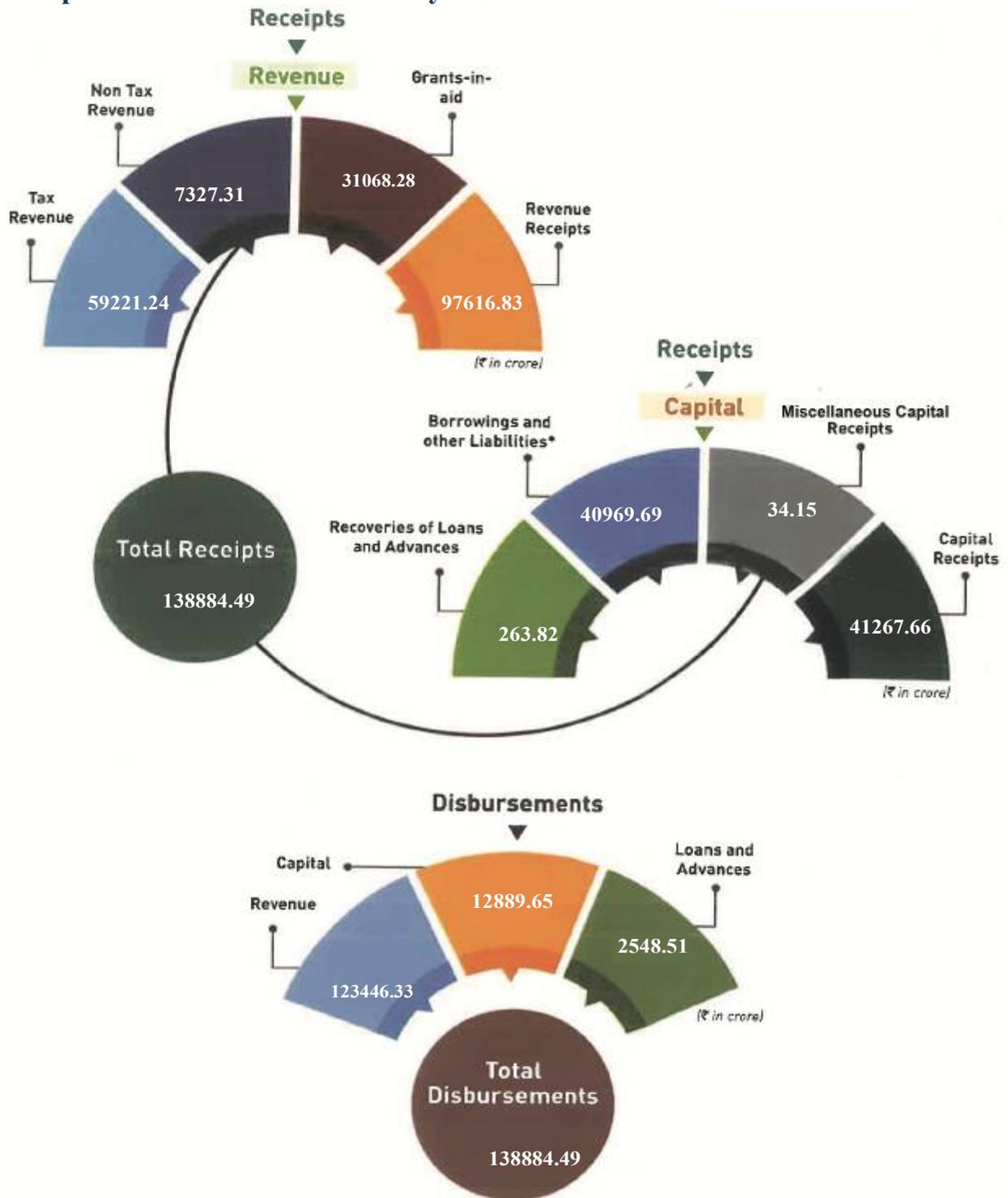
Receipts and Disbursements of the State Government during 2020-21 are as given below:-

(₹ in crore)

<b>Receipts</b> <b>Total: 138884.49</b>	<b>Revenue</b> <b>Total: 97616.83</b>	Tax Revenue	59221.24
		Non -Tax Revenue	7327.31
		Grants-in-aid	31068.28
	<b>Capital</b> <b>Total: 41267.66</b>	Miscellaneous Capital Receipts	34.15
		Recovery of Loans and Advances	263.82
		Borrowings and other Liabilities (*)	40969.69
<b>Disbursements</b> <b>Total: 138884.49</b>	Revenue	123446.33	
	Capital	12889.65	
	Loans and Advances	2548.51	

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

## Receipts and disbursement in the year 2020-21



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

### ***1.3.2 Appropriation Accounts***

The Appropriation Accounts supplement the Finance Accounts and show the expenditure of the State Government against amounts charged and voted by the State Legislature. Excluding one Grant, viz., “Contingency Fund” there are 47 Grants, of which, 17 are exclusively voted Grants, two are exclusively charged Appropriations and 28 include both voted Grants and charged Appropriations.

### ***1.3.3 Efficiency on Budget Preparation***

The Appropriation Acts passed by the State Legislature had estimated a gross expenditure of ₹208946.79 crore, including the supplementary provision of ₹38515.61 crore during the year 2020-21. An amount of ₹1263.20 crore was estimated as recoveries in reduction of expenditure.

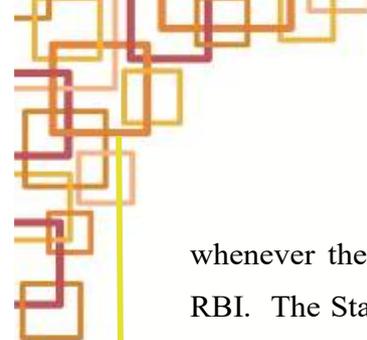
The Appropriation Accounts 2020-21 show disbursements aggregating ₹184877.38 crore against the budget provision of ₹208946.79 crore, resulting in overall savings of ₹ 24069.41 crore against Grants and Appropriations. The overall savings of ₹ 24069.41 crore was the result of savings of ₹25532.20 crore in 40 Grants and 23 Appropriations under the Revenue section and 22 Grants and 10 Appropriations under Capital section, offset by excess of ₹1131.84 crore (Elections, Debt Charges, Public Works, Water Supply and Sanitation, Transport and Tourism) in the Revenue Section and ₹ 330.95 crore (Public Works, Medical and Public Health, Water Supply and Sanitation, Co-operation, Fisheries, Forest and Tourism) in the Capital Section.

Recoveries in reduction of expenditure amounted to ₹ 7065.04 crore showing an increase of ₹ 5801.85 crore vis-à-vis budget estimates.

## **1.4 Source and Application of Funds**

### ***1.4.1 Ways and Means Advances***

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



whenever there is shortfall from the agreed minimum cash balance in its account with the RBI. The State Government is required to maintain a minimum cash balance of ₹ 1.66 crore with the RBI. The larger the amount and greater the number of times such ways and means advances are taken or drawals made, the more it reflects the adverse position of the cash balance of the Government. During 2020-21 Government of Kerala has availed ₹29222.75 crore as Ways and Means Advance on one hundred and thirty-two times (both Ordinary Ways and Means and Special Drawing Facility). During the year 2020-21, overdraft was drawn by the State Government on 35 times.

#### ***1.4.2 Fund Flow Statement (Source and Application of Funds)***

The State had a revenue deficit of ₹ 25829.50 crore and a fiscal deficit of ₹ 40969.69 crore representing 3.40 *per cent* and 5.40 *per cent* respectively of the Gross State Domestic Product (GSDP). The fiscal deficit constituted 29.50 *per cent* of the total expenditure. This deficit was financed from Public Debt (₹ 30807.51 crore) and other liabilities (₹ 10162.18 crore). 69.38 *per cent* of the revenue receipts (₹ 97616.83 crore) of the State Government was spent on committed expenditure like salaries (₹ 27810.94 crore), interest payments (₹ 20975.36 crore) and pensions (₹ 18942.85 crore).

## Source and Application of Funds

(₹ in crore)

SOURCE	PARTICULARS	Amount
	Opening Cash Balance	-184.97
	Revenue Receipts	97616.83
	Capital Receipts	34.15
	Recovery of Loans & Advances	263.82
	Public Debt	69735.36
	Small Savings, Provident Fund and others	170413.72
	Reserves & Sinking Funds	1166.06
	Deposits Received	4465.72
	Civil Advances recovered	1.21
	Suspense & Miscellaneous	203279.09
	Contingency Fund	75.00
	Remittances	4610.66
	<b>Total</b>	<b>551476.65</b>

APPLICATION	PARTICULARS	Amount
	Revenue Expenditure	123446.33
	Capital Expenditure	12889.65
	Loans Given	2548.51
	Repayment of Public Debt (*)	38927.85
	Payment towards Small Savings, Provident Fund and others	158865.76
	Reserves & Sinking Funds	994.96
	Deposits Returned	3968.65
	Civil Advances Given	3.39
	Suspense and Miscellaneous	205466.72
	Contingency Fund	0
	Remittances	4571.25
	Closing Cash Balance	-206.42
	<b>Total</b>	<b>551476.65</b>

(\*) To Central Government (₹ 725.29 crore) and others (₹ 38202.56) crore

### 1.4.3 Where the Rupee came from



Note: (i) Public Account is taken as 'net' (ii) Recovery of loans and advances, Contingency Fund and Capital receipts were ₹ 263.82 crores, ₹ 75.00 crores and ₹ 34.15 crores respectively which were negligible, hence value is shown as zero.

### 1.4.4 Where the Rupee went



Note: (i) Cash balance components above are taken as 'net'.  
(ii) Maintenance, were ₹108.61 which were negligible, hence value is shown as Zero.

## 1.5 Highlights of Accounts

(₹ in crore)					
Sl. No.	Particulars	B.E 2020-21	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP(***)
1	Tax Revenue	88354.80	59221.24	67.03	7.80
2	Non-Tax Revenue	14587.00	7327.31	50.23	0.97
3	Grants-in-aid and Contributions	11694.09	31068.28	265.68	4.09
4	Revenue Receipts ( 1+2+3)	114635.89	97616.83	85.15	12.86
5	Recovery of Loans & Advances	282.21	263.82	93.48	0.03
6	Other Receipts	50.01	34.15	68.29	0.00*
7	Borrowings & Other Liabilities (#)	47898.10	40969.69	85.54	5.40
8	Capital Receipts (5+6+7)	48230.32	41267.66	85.56	5.44
9	Total Receipts (4+8)	162866.21	138884.49	85.28	18.30
10	Non-Plan Expenditure (NPE)	130293.73	106594.46	81.81	14.05
11	NPE on Revenue Account	124967.95	105506.79	84.43	13.90
12	NPE on Interest Payments (out of 11)	20178.03	20975.36	103.95	2.76
13	NPE on Capital Account	5325.78	1087.67	20.42	0.14
14	Plan Expenditure	32572.48	32290.03	99.13	4.25
15	Plan Expenditure on Revenue Account	20254.98	17939.54	88.57	2.36
16	Plan Expenditure on Capital Account	12317.50	14350.49	116.50	1.89
17	Total Expenditure (10+14)	162866.21	138884.49	85.28	18.30
18	Expenditure on Revenue Account (11+15)	145222.93	123446.33	85.00	16.27
19	Expenditure on Capital Account (13 +16)**	17643.28	15438.16	87.50	2.03
20	Revenue Deficit[18-4]	30587.04	25829.50	84.45	3.40
21	Fiscal Deficit 17-(4+5+6)	-47898.10	-40969.69	85.54	-5.40

(\*\*\*) Gross State Domestic Product (₹758941.61 crore) (Quick Estimate) - Figures communicated by Director of Economics and Statistics of the State Government

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

(\*\*) Expenditure on Capital Account consists of Capital Expenditure (₹ 12889.65 crore) and Loans and Advances disbursed (₹ 2548.51 crore)

(\*) Amount negligible.

## 1.6. What do the Deficits and Surpluses indicate?

### DEFICIT

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

### REVENUE DEFICIT/SURPLUS

Refers to the gap between Revenue Receipts and Revenue Expenditure

### FISCAL DEFICIT/SURPLUS

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

The revenue deficit of the State which indicates the excess of its revenue expenditure over revenue receipts showed inter-year variations during 2016-2021. It increased from ₹ 15484.59 crore in 2016-17 to ₹ 25829.50 crore in 2020-21.

The fiscal deficit increased from ₹ 26448.35 crore in 2016-17 to ₹ 40969.69 crore in 2020-21. The increase in fiscal deficit by ₹ 17132.22 crore during the year over the previous year was mainly due to the net effect of increase in revenue deficit (₹ 11334.25 crore), decrease in non-debt capital receipts (₹ 24.83 crore), increase in Capital expenditure (₹ 4434.85 crore) and increase in disbursement of loans and advances (₹ 1338.29 crore).

As a proportion of GSDP, the revenue deficit increased to 3.40 *per cent*, the fiscal deficit increased to 5.40 *per cent* and State's total debt liabilities increased to 40.63 *per cent* in 2020-21 from 1.70 *per cent*, 2.79 *per cent* and 31.05 *per cent* respectively in 2019-20.

### 1.6.1 Fiscal Responsibility Act, 2003

The Kerala Fiscal Responsibility Act, 2003, read with the Kerala Fiscal Responsibility (Second Amendment) Ordinance, 2020 has mandated the State to eliminate the Revenue Deficit completely during the period 2020-21 to maintain Fiscal Deficit to 3 per cent of GSDP and to reduce State's total debt liabilities to 29.67 per cent of estimated GSDP during the year 2020-21. Achievements during the year 2020-21 against fiscal targets laid down in the Act and rules framed there under are as follows:

S.No.	Financial Parameter	Actual (₹in crore)	Ratio to GSDP*	
			Target	Achievement
1	Revenue Deficit	25829.50	Zero	3.40
2	Fiscal Deficit	40969.69	3 per cent**	5.40 per cent
3	Debt and other obligations	302620.01***	29.67 per cent	39.87 per cent

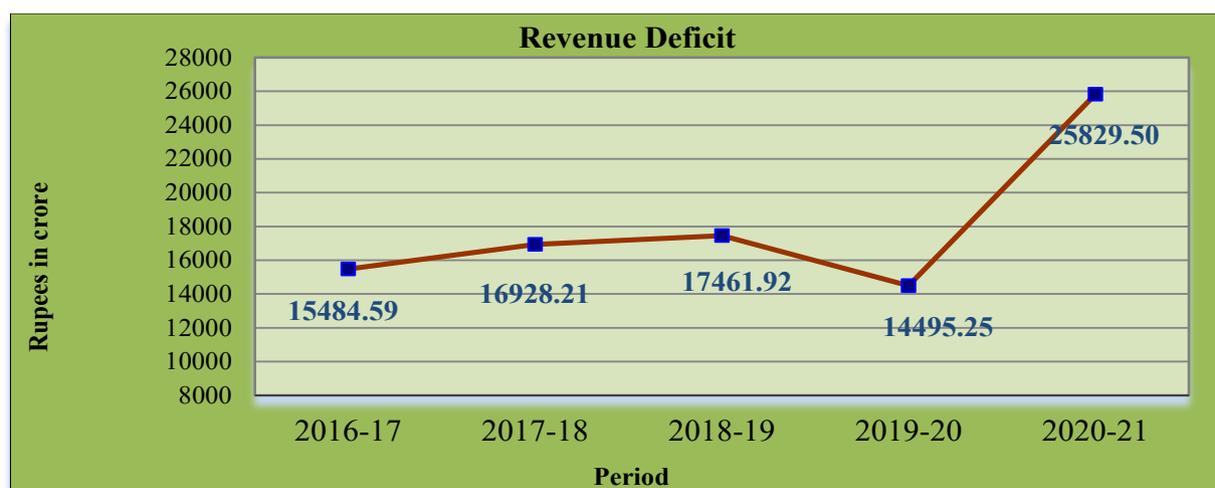
\* The GSDP was ₹ 758941.60 crore as communicated by Director of Economics and Statistics of the State Government.

\*\* As per the Kerala Fiscal Responsibility (Second Amendment) ordinance 2020 dated 28/08/2020 the State was eligible for additional borrowing of 2 per cent of the GSDP subject to fulfilling of four specific State level reform (one Nation One Ration card System, Ease of doing business reforms, Urban Local body/Utility reforms and Power Sector reforms).

\*\*\* This debt does not include ₹ 5766.00 crore which was passed on as back to back loans by Government of India in lieu of shortfall in GST Compensation, vide GOI's letter No.40(1)PF-S/2021-22 dated 10.12.2021

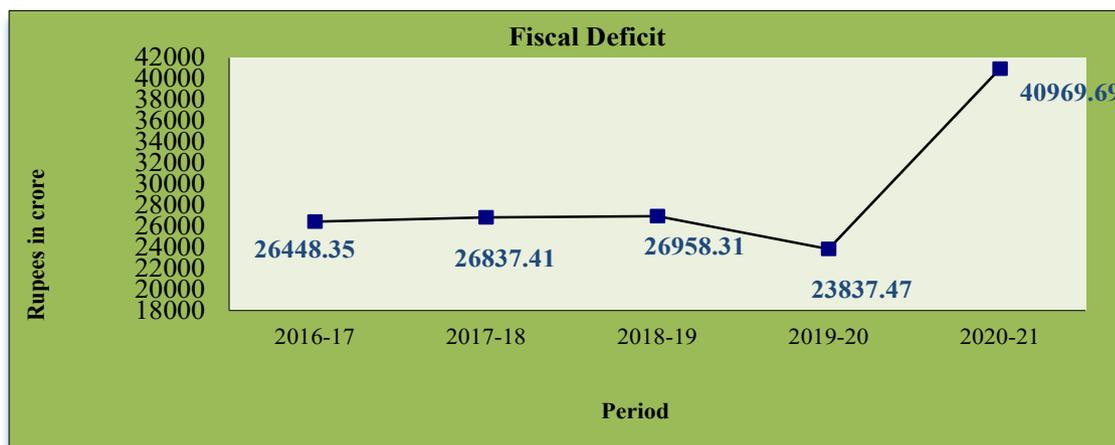
The percentages of Revenue Deficit, Fiscal Deficit and Debt and Other liabilities during 2020-21 is more than the targets mandated in Kerala Fiscal Responsibility (Second Amendment) Ordinance,2020.

### 1.6.2 Trend of Revenue Deficit



### 1.6.3 Trend of Fiscal Deficit

Budget Estimates for 2020-21 provided a fiscal deficit of ₹ 47916.36 crore (6.31 per cent of GSDP) whereas the actual fiscal deficit was ₹ 40969.69 crore (5.40 per cent of GSDP). The position for the last five years is as below:

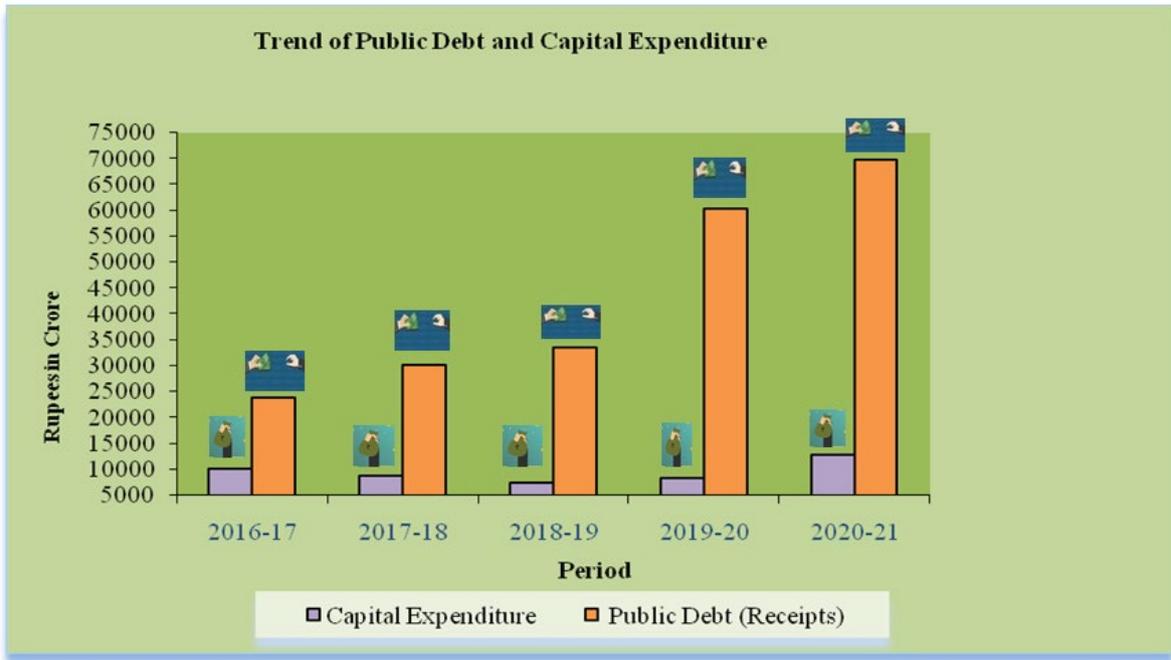


### 1.6.4 Proportion of borrowed funds spent on Capital expenditure

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

(₹ in crore)

Year	Public Debt (Receipt)	Capital Expenditure	Capital Expenditure as a percentage of Public Debt receipt
2016-17	23857.89	10125.95	42.44
2017-18	30233.77	8748.47	28.94
2018-19	33445.92	7430.54	22.22
2019-20	60407.05	8454.80	14.00
2020-21	69735.36	12889.65	18.48



## CHAPTER II

### RECEIPTS

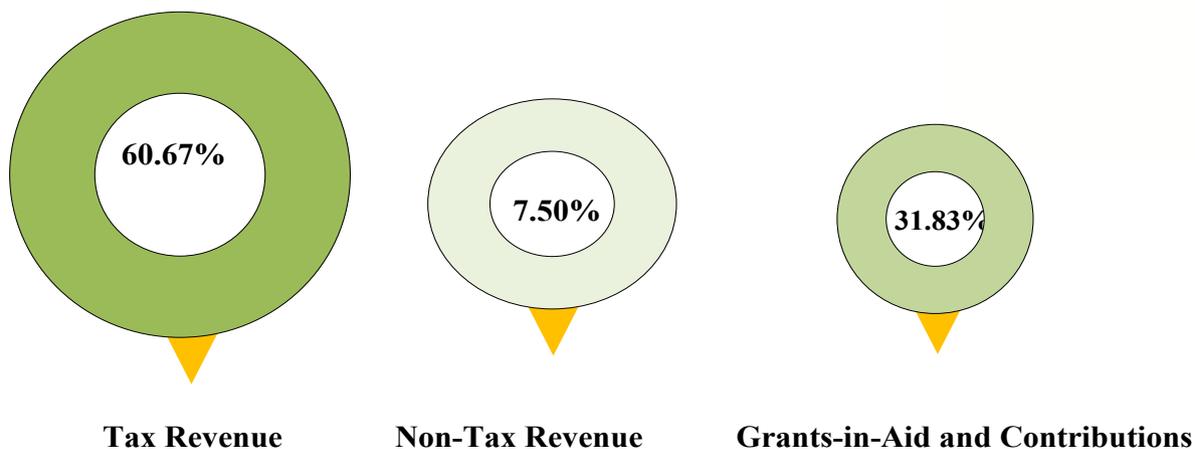
#### 2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Receipts for 2020-21 were ₹ 138884.49 crore (Revenue Receipts ₹ 97616.83 crore and Capital Receipts ₹ 41267.66 crore). Revenue receipts comprises Tax Revenue (₹ 59221.24 crore), Non-Tax Revenue (₹ 7327.31 crore) and Grants-in-aid and Contributions (₹ 31068.28 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 etc.
<b>Grants-in-aid</b>	A form of assistance to the State Government from the Union Government. It includes 'External Grant' and 'Aid, Material & Equipment' received from foreign Governments and channelised through the Union Government

## Revenue Receipts



### 2.3 Revenue Receipts Components (2020-21)

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

(₹ in crore)

Components	Actuals
<b>A. Tax Revenue</b>	<b>59221.24</b>
Goods and Services Tax	23353.94
Taxes on Income and Expenditure	7189.22
Taxes on Property, Capital and Other Transactions	4121.22
Taxes on Commodities and Services other than Goods and Services Tax	24556.86
<b>B. Non-Tax Revenue</b>	<b>7327.31</b>
Interest Receipts, Dividends and Profits	356.83
General Services	5529.08
Social Services	549.73
Economic Services	891.67
<b>C. Grants-in-aid and Contributions</b>	<b>31068.28</b>
<b>Total - Revenue Receipts</b>	<b>97616.83</b>

## 2.4 Trend of Receipts

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

Particulars	₹ in crore)				
	2016-17	2017-18 #	2018-19 #	2019-20#	2020-21
Tax Revenue	57401.39	63292.69	69682.27	66724.19	59221.24
	(9.04)	(9.02)	(8.84)	(8.09)	(7.80)
Non-Tax Revenue	9699.98	11199.61	11783.24	12265.22	7327.31
	(1.53)	(1.60)	(1.49)	(1.49)	(0.97)
Grants-in-aid	8510.35	8527.84	11388.96	11235.26	31068.28
	(1.34)	(1.22)	(1.44)	(1.36)	(4.09)
Total Revenue Receipts	75611.72	83020.14	92854.47	90224.67	97616.83
	(11.91)	(11.83)	(11.78)	(10.94)	(12.86)
<b>GSDP (*)</b>	<b>634886</b>	<b>701588</b>	<b>788285</b>	<b>824374</b>	<b>758942</b>

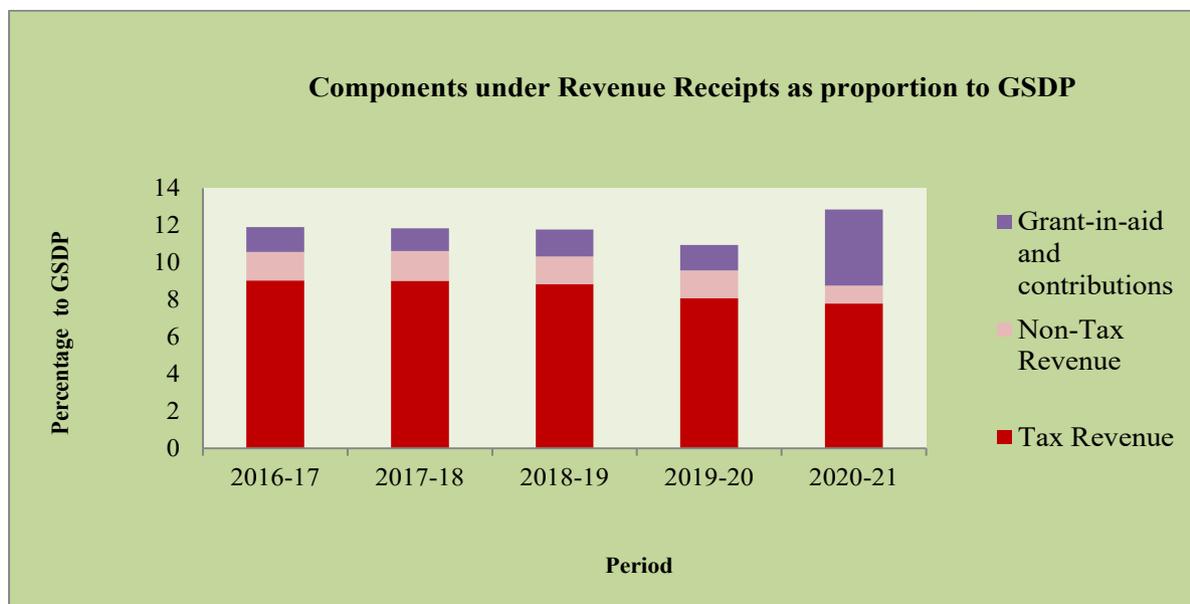
Note: (\*) GSDP figures communicated by Director of Economics and Statistics of the State Government. The figures for 2019-20 are Provisional Estimate. The figures for 2020-21 are Quick Estimate .

Figures in parenthesis indicate percentage to GSDP.

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

The GSDP decreased by 7.94 per cent between 2019-20 and 2020-21, while revenue receipts increased by 8.19 per cent. Tax Revenue of ₹ 59221.24 crore and Non-Tax Revenue of ₹ 7327.31 crore during 2020-21 formed 7.80 per cent and 0.97 per cent respectively of the GSDP. Major portion of Tax Revenue was collected under Taxes on Sales, Trade etc. i.e, ₹ 17689.17 crore and State Goods and Services Tax ₹20028.31 representing 2.33 per cent and 2.64 per cent of the GSDP. Out of the Tax Revenue of ₹ 59221.24 crore, the contributions of State's Own Taxes and Central Tax transfers were ₹ 47660.84 crore and ₹ 11560.40 crore respectively.

Trend of Revenue Receipts relative to GSDP is presented below:

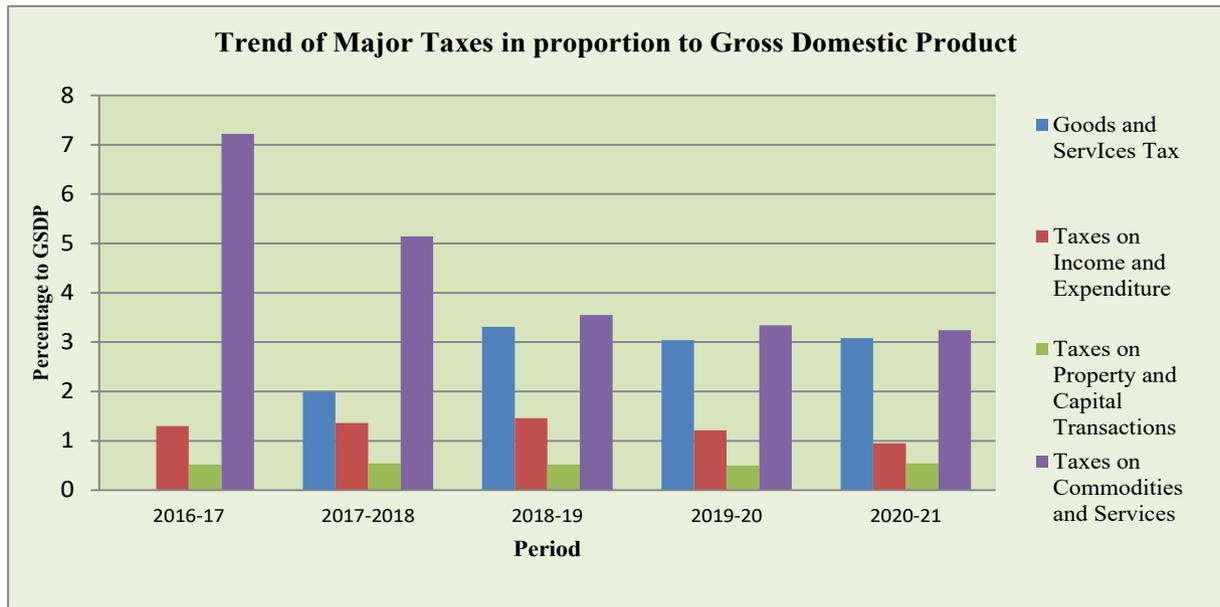


## 2.5 Tax Revenue

### 2.5.1 Sector-wise Tax Revenue

Sector-wise composition of Tax Revenue for the period 2016-17 to 2020-21 is given below:  
(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Goods and Services Tax		13947.53	26088.85	25101.14	23353.94
Taxes on Income and Expenditure	8284.11	9513.90	11532.30	9974.66	7189.22
Taxes on Property and Capital Transactions	3301.11	3801.36	4075.42	4142.31	4121.22
Taxes on Commodities and Services other than Goods and Services Tax	45816.17	36029.90	27985.70	27506.08	24556.86
<b>Total Tax Revenue</b>	<b>57401.39</b>	<b>63292.69</b>	<b>69682.27</b>	<b>66724.19</b>	<b>59221.24</b>



## 2.6 Performance of State's Own Tax Revenue collection

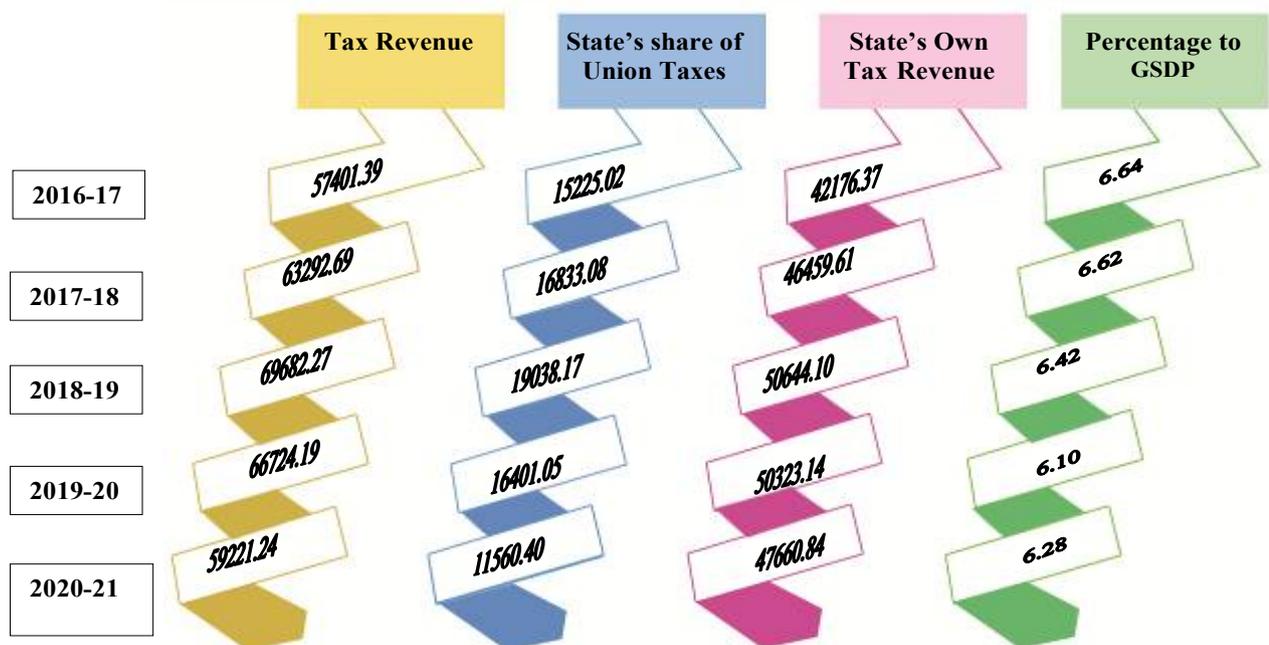
An analysis of State's Own Tax Revenue and its percentage to GSDP for the period 2016-17 to 2020-21 are shown below:

(₹ in crore)

Year	Tax Revenue	State's share of Union Taxes	State's Own Tax Revenue	
			Amount	Percentage to GSDP
2016-17	57401.39	15225.02	42176.37	6.64
2017-18	63292.69	16833.08	46459.61	6.62
2018-19	69682.27	19038.17	50644.10	6.42
2019-20	66724.19	16401.05	50323.14	6.10
2020-21	59221.24	11560.40	47660.84	6.28

The State's Own Tax Revenue collected during 2020-21 was ₹ 2662.30 crore less than the year 2019-20 and ₹ 19759.17 crore less than the budget estimate for the year 2020-21 given in the Medium Term Fiscal Plan 2020-21 (₹ 67420.01 crore).

### State's Own Tax Revenue (₹ in crore)



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

	(₹ in crore)				
	2016-17	2017-18	2018-19	2019-20	2020-21
State's own Tax collection	42176.37	46459.61	50644.10	50323.14	47660.84
Devolution of Union Taxes	15225.02	16833.08	19038.17	16401.05	11560.40
Total Tax Revenue	57401.39	63292.69	69682.27	66724.19	59221.24
Percentage of State's own tax revenue to Total tax revenue	73.48	73.40	72.68	75.42	80.48

## 2.7 Efficiency of Tax Collection

Tax collection under the major sectors and expenditure on collection for the period 2016-17 to 2020-21 are given below.

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

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Collection	3301.11	3801.36	4075.42	4142.31	4121.22
Expenditure on Collection	762.25	845.71	882.96	872.09	818.68
Percentage of expenditure on collection to revenue collection	23.09	22.25	21.66	21.05	19.86

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

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue collection	45816.17	36029.90	27985.70	27506.08	24556.86
Expenditure on collection	679.26	743.03	771.27	765.33	731.84
Percentage of expenditure on collection to Revenue collection	1.48	2.06	2.76	2.78	2.98

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

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

(₹ in crore)

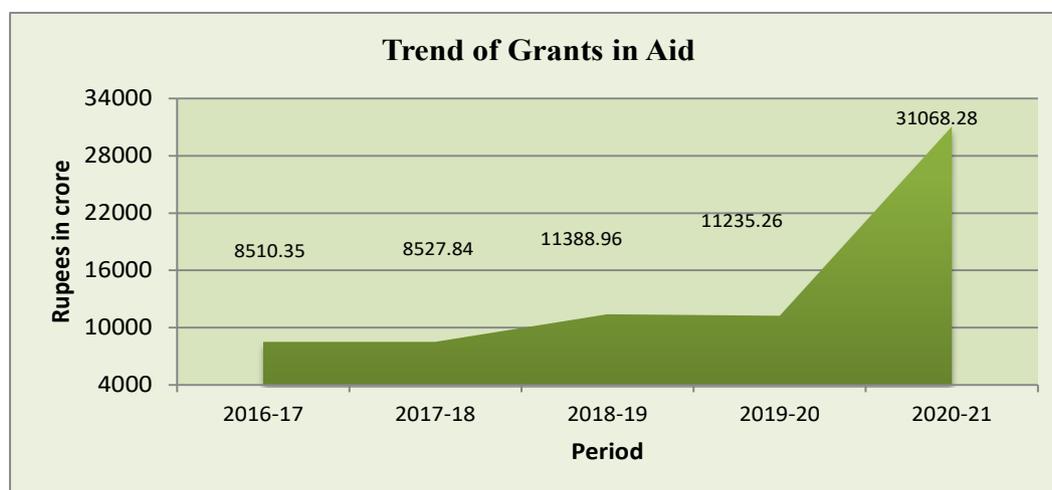
Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Central Goods and Service Tax	Nil	239.88	4699.14	4654.19	3325.63
Corporation Tax	4885.98	5156.64	6621.02	5592.06	3546.02
Taxes on Income other than Corporation Tax	3395.77	4354.40	4876.10	4381.76	3642.70
Taxes on Wealth	11.18	(-)0.15	2.44	0.25	0
Customs	2101.76	1699.40	1349.57	1039.60	591.59
Union Excise Duties	2400.03	1776.40	896.86	722.80	380.78
Service Tax	2430.25	1906.55	173.73	0	62.54
Others	0.05	1699.96	419.31	10.39	11.14
<b>Total State Share of Union Taxes</b>	<b>15225.02</b>	<b>16833.08</b>	<b>19038.17</b>	<b>16401.05</b>	<b>11560.40</b>
<b>Total Tax Revenue</b>	<b>57401.39</b>	<b>63292.69</b>	<b>69682.27</b>	<b>66724.19</b>	<b>59221.24</b>
<b>Percentage of State's share of Union Taxes to total Tax Revenue</b>	<b>26.52</b>	<b>26.60</b>	<b>27.32</b>	<b>24.58</b>	<b>19.52</b>

## 2.9 Grants-in-Aid

Grants-in-aid represent assistance from Government of India and comprise Grants for Centrally Sponsored Schemes approved by NITI Aayog, Grants recommended by the Finance Commission and Other grants. Total receipts during the year 2020-21 under Grants-in-aid were ₹ 31068.28 crore as shown below



**2.9.1** Trend of Grants-in-Aid received for the period 2016-17 to 2020-21 is given below:



## 2.10 Public Debt

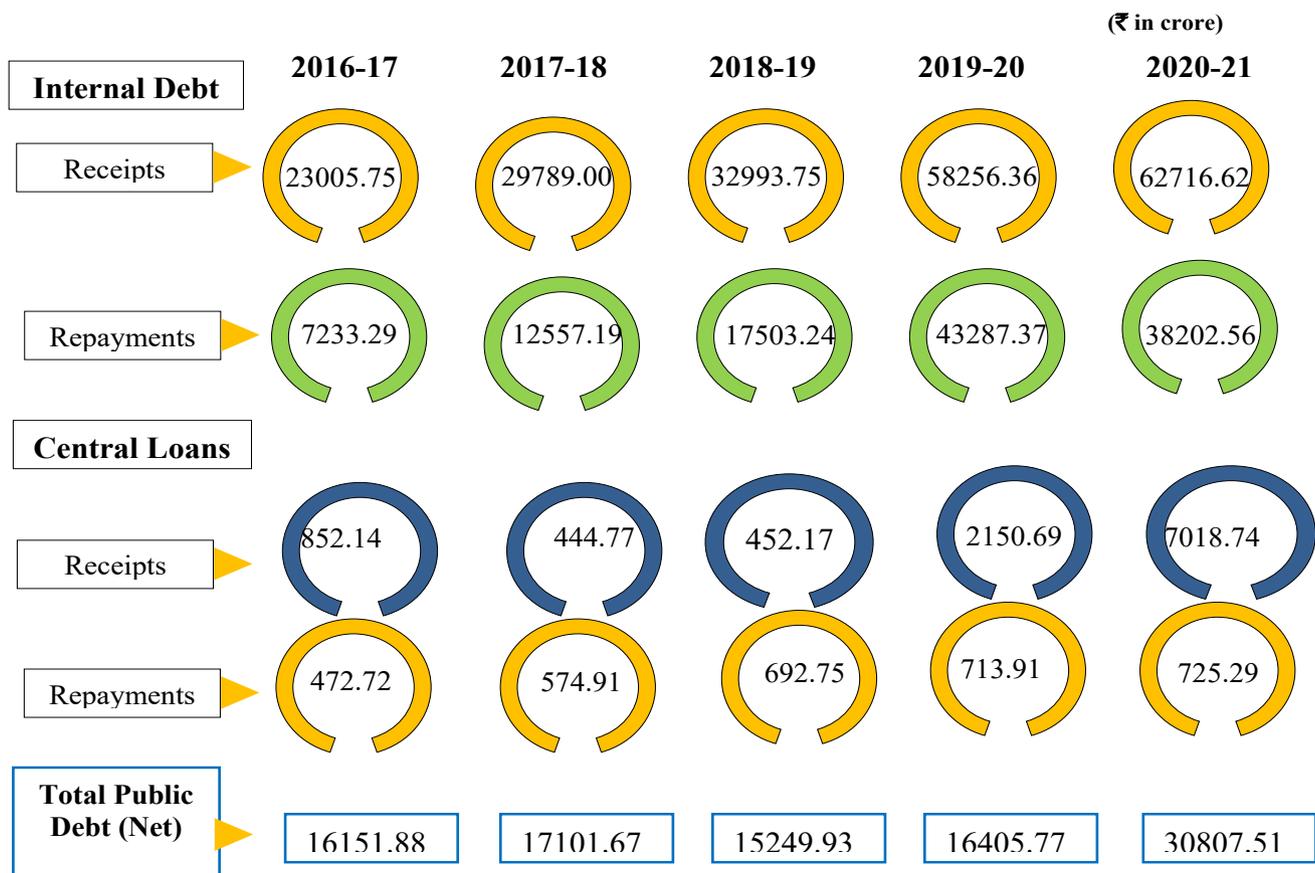
The section Public Debt comprises 'Internal Debt' and 'Loans and Advances from Central Government' and their repayments made by Government.

### 2.10.1 Trend of Public Debt over the past five years

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

(₹ in crore)

Year	Internal Debt		Loans and Advances from Central Government		Total Public Debt (Net)
	Receipts	Repayments	Receipts	Repayments	
2016-17	23005.75	7233.29	852.14	472.72	16151.88
2017-18	29789.00	12557.19	444.77	574.91	17101.67
2018-19	32993.75	17503.24	452.17	692.75	15249.93
2019-20	58256.36	43287.37	2150.69	713.91	16405.77
2020-21	62716.62	38202.56	7018.74	725.29	30807.51



## CHAPTER III

### EXPENDITURE

#### 3.1 Introduction

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

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

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

### 3.2 Revenue Expenditure

Revenue expenditure for 2020-21, ₹ 123446.33 crore (comprising Non-Plan expenditure of ₹ 105506.79 crore and Plan expenditure of ₹ 17939.54 crore) was less than the budget estimates by ₹ 21776.60 crore (less by ₹ 19461.16 crore under 'Non-Plan' and ₹ 2315.44 crore under 'Plan'). The shortfall of expenditure against Budget Estimates under Revenue Section during the past five years is given below.

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Budget Estimates</b>	103289.25	116069.49	129163.06	131087.24	145222.93
<b>Actuals</b>	91096.31	99948.35	110316.39	104719.92	123446.33
<b>Shortfall</b>	12192.94	16121.14	18846.67	26367.32	21776.60
<b>Percentage of shortfall over Budget Estimates</b>	11.80	13.89	14.59	20.11	15.00

Around 60.94 *per cent* of the total revenue expenditure was incurred on committed expenses viz. on Salaries and Wages (₹ 28767.46 crore), Interest payment (₹20975.36 crore) Pension Payments (₹18942.85 crore) and subsidies (₹6547.48 crore) which is the committed liability of the State Government.

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

(₹ in crore)

Component	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Total Revenue Expenditure</b>	91096.31	99948.35	110316.39	104719.92	123446.33
<b>Committed Revenue Expenditure</b>	57497.31	68885.17	69943.53	72649.90	75233.15
<b>Percentage of committed expenditure to Revenue Expenditure</b>	63.12	68.92	63.40	69.38	60.94
<b>Uncommitted revenue Expenditure</b>	33599.00	31063.18	40372.86	32070.02	48213.18

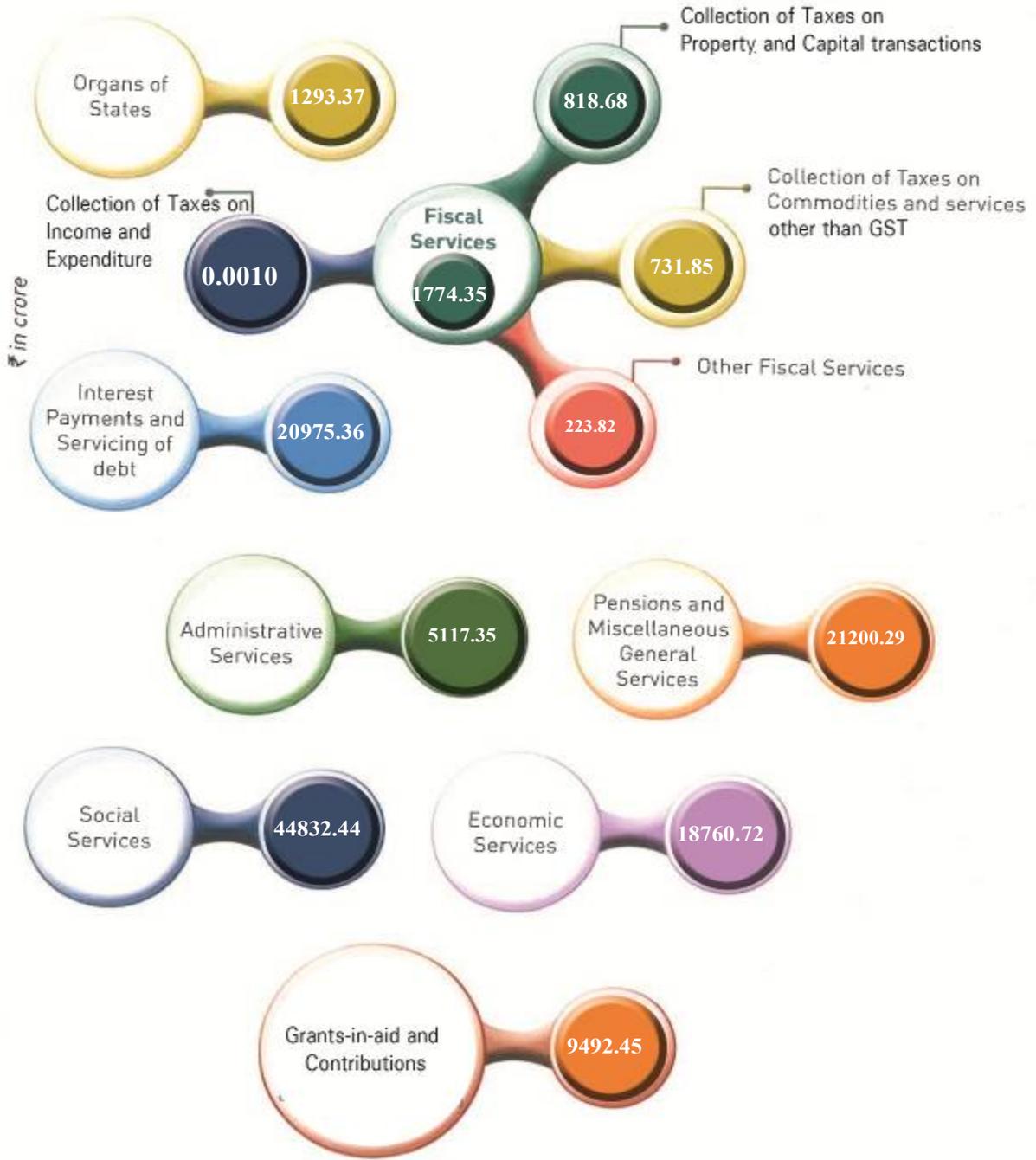
It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased during the year 2020-21. The total revenue expenditure increased by 35.51 *per cent* from ₹ 91096.31 crore in 2016-17 to ₹ 123446.33 crore in 2020-21 and committed revenue expenditure increased by 30.85 *per cent* over the same period.

### 3.2.1 Sectoral distribution of Revenue Expenditure

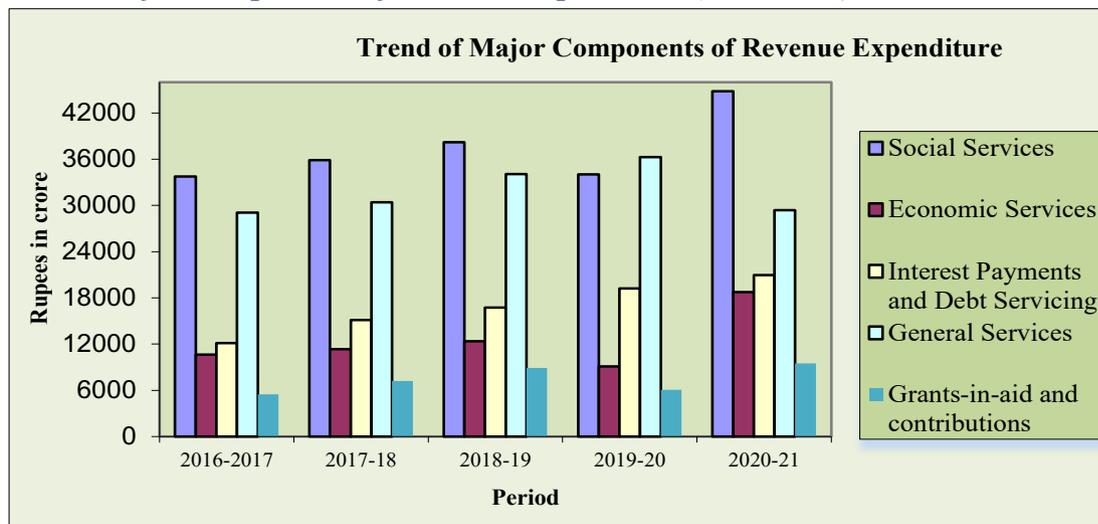
Sectoral distribution of expenditure and its percentage to total revenue expenditure are given below:

(₹ in crore)

	Components	Amount	Percentage to Total Revenue Expenditure
<b>A</b>	<b>General Services</b>	<b>50360.72</b>	<b>40.79</b>
<b>a</b>	<b>Organs of State</b>	<b>1293.37</b>	<b>1.05</b>
<b>b</b>	<b>Fiscal Services</b>	<b>1774.35</b>	<b>1.43</b>
i)	Collection of Taxes on Income and Expenditure	0.0010	0.00
ii)	Collection of Taxes on Property and Capital transactions	818.68	0.66
iii)	Collection of Taxes on Commodities and Services other than Goods and Services Tax	731.85	0.59
iv)	Other Fiscal Services	223.82	0.18
<b>c</b>	<b>Interest Payments and Servicing of Debt</b>	<b>20975.36</b>	<b>16.99</b>
<b>d</b>	<b>Administrative Services</b>	<b>5117.35</b>	<b>4.15</b>
<b>e</b>	<b>Pensions and Miscellaneous General Services</b>	<b>21200.29</b>	<b>17.17</b>
<b>B</b>	<b>Social Services</b>	<b>44832.44</b>	<b>36.32</b>
<b>C</b>	<b>Economic Services</b>	<b>18760.72</b>	<b>15.20</b>
<b>D</b>	<b>Grants-in-aid and Contributions</b>	<b>9492.45</b>	<b>7.69</b>
	<b>Total Expenditure (Revenue Account)</b>	<b>123446.33</b>	<b>100.00</b>



### 3.2.2 Major Components of Revenue Expenditure (2016-2020)



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

### 3.3 Capital Expenditure

Capital disbursements for 2020-21, ₹ 15438.16 crore (comprising Non-Plan expenditure of ₹ 1087.67 crore and Plan expenditure of ₹ 14350.49 crore) were less than the budget estimates by ₹ 2205.12 crore due to less disbursement under Non-Plan (₹ 4238.11 crore) and more under Plan (₹ 2032.99 crore).

The growth in capital expenditure and growth of GSDP since 2016-17 can be seen from the table below:

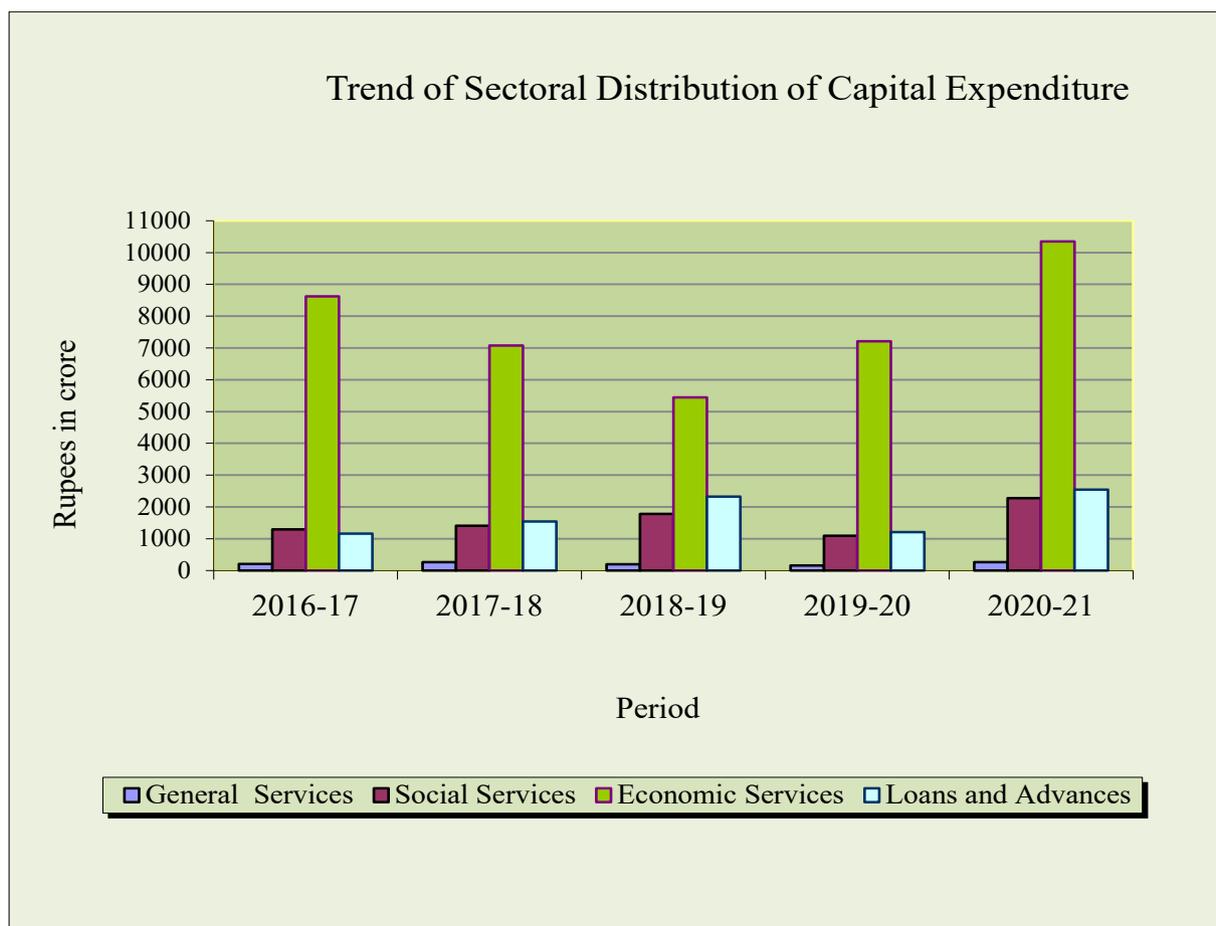
(₹ in crore)

S.No	Components	2016-17	2017-18	2018-19	2019-20	2020-21
1	Budget (B.E)	14171.86	14516.53	15495.40	18816.79	17643.28
2	Actual Expenditure	11286.24	10289.46	9753.43	9665.02	15438.16
3	Percentage of Actual Expenditure to B.E	79.64	70.88	62.94	51.36	87.50
4	Yearly Growth in Capital Expenditure	35%	(-) 9%	(-)5.21%	(-)0.91%	59.73%
5	GSDP	634886	701588	788285	824374	758942
6	Yearly Growth in GSDP	12.97%	10.51%	12.36%	4.58%	-7.94%

### 3.3.1 Sectoral distribution of Capital Expenditure

Sectoral distribution of capital expenditure and its percentage to total capital expenditure in 2020-21 is given below:

Sl No.	Sectors	Amount	(₹ in crore)
			Percentage to Capital Expenditure
1	General Services	259.84	1.68
2	Social Services	2277.90	14.75
3	Economic Services	10351.91	67.06
4	Loans and Advances	2548.51	16.51
	<b>Total</b>	<b>15438.16</b>	<b>100.00</b>



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

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

(₹ in crore)

S.No	Sectors		2016-17	2017-2018	2018-19	2019-20	2020-21
1	General Services	Capital	210.86	268.01	197.96	157.42	259.84
		Revenue	41195.33	45523.77	50827.13	55504.03	50360.72
2	Social Services	Capital	1292.68	1405.89	1784.29	1090.64	2277.90
		Revenue	33764.72	35876.27	38210.77	34044.77	44832.44
3	Economic Services	Capital	8622.41	7074.97	5448.29	7206.74	10351.91
		Revenue	10655.35	11351.08	12379.77	9107.25	18760.72
4	Grants-in-aid and contributions	Capital	-	-	-	-	-
		Revenue	5480.91	7197.23	8898.72	6063.87	9492.45

## CHAPTER IV

### PLAN & NON-PLAN EXPENDITURE

#### 4.1 Distribution of Expenditure

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



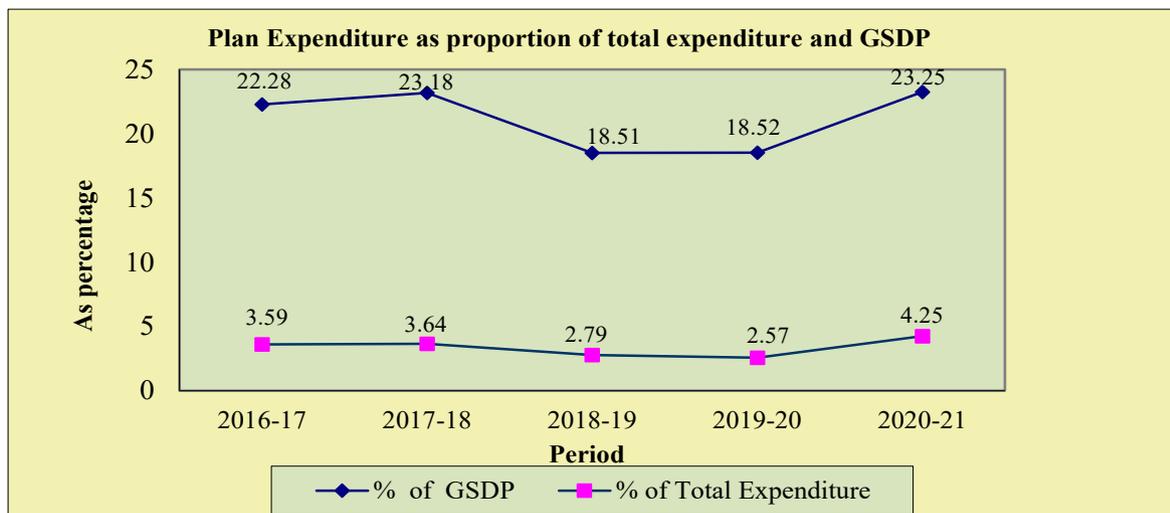
Plan Expenditure



Non- Plan Expenditure

#### 4.2 Plan Expenditure

Plan Expenditure during 2020-21 (₹ 32290.03crore) consists of ₹ 17939.54 crore under Revenue and ₹ 14350.49 crore under Capital. It represents 23.25 *per cent* of the total expenditure of ₹ 138884.49 crore and comprises ₹ 27330.25 crore under State Plan and ₹ 4959.78 crore under Centrally Sponsored Schemes/Central Assistance Schemes.



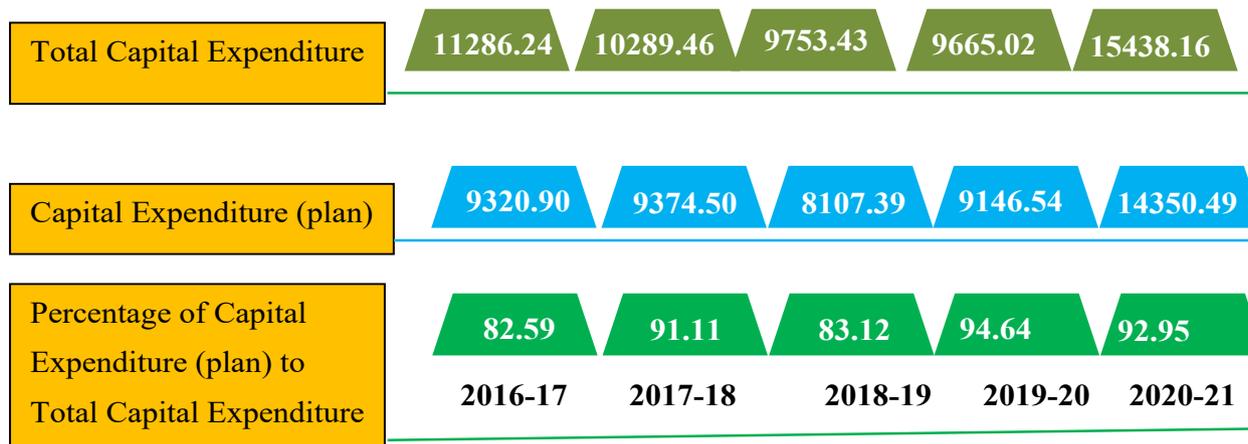
#### 4.2.1 Plan expenditure under Capital Account

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

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Total Capital Expenditure	11286.24	10289.46	9753.43	9665.02	15438.16
Capital Expenditure (plan) (Includes Loans and Advances)	9320.90	9374.50	8107.39	9146.54	14350.49
Percentage of Capital Expenditure (plan) to Total Capital Expenditure	82.59	91.11	83.12	94.64	92.95

(₹ in crore)

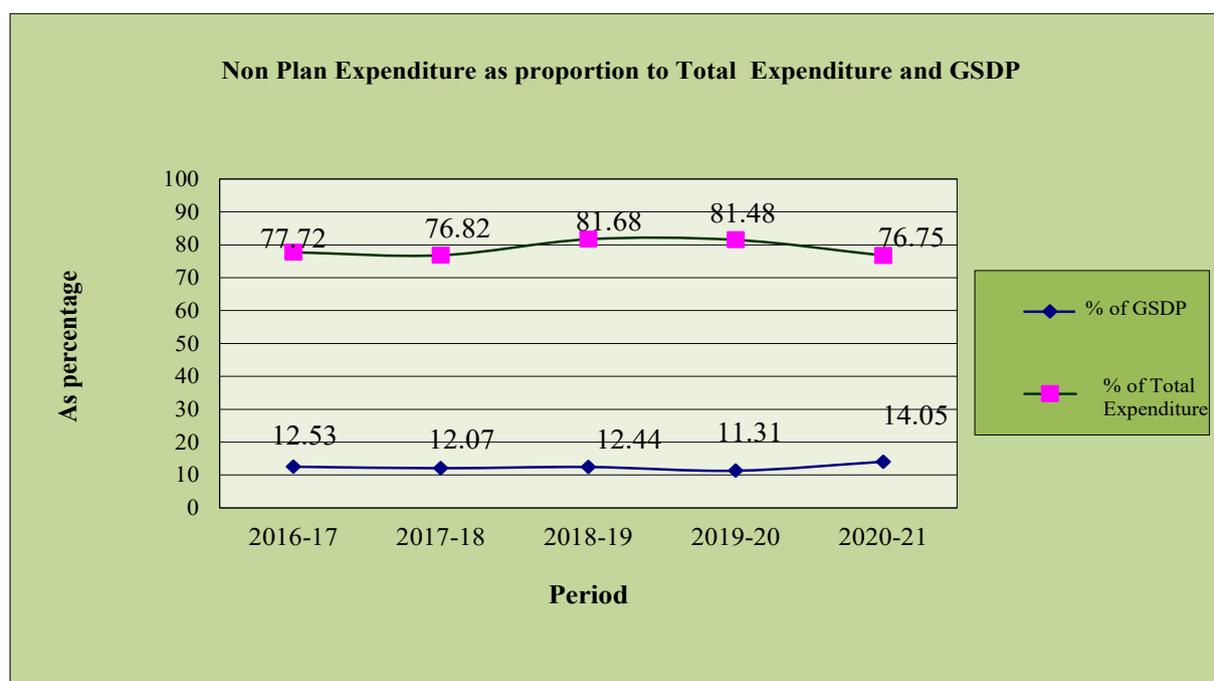


#### 4.2.2 Plan expenditure on Loans and Advances

Plan expenditure on Loans and Advances during 2020-21 was ₹ 2414.73 crore under 20 Loan Major Heads of Account.

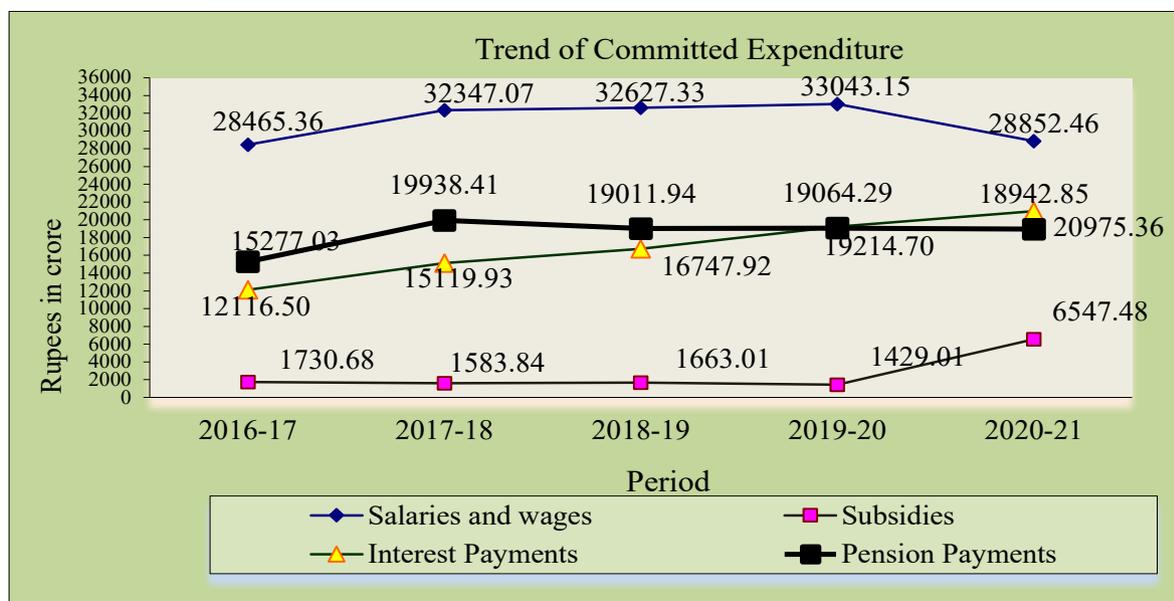
#### 4.3 Non-Plan Expenditure

Non-Plan expenditure during 2020-21 (₹ 106594.46 crore) consists of ₹ 105506.79 crore under Revenue and ₹ 1087.67 crore under Capital. It represents 76.75 per cent of the total expenditure of ₹ 138884.49 crore.



#### 4.4 Committed Expenditure

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

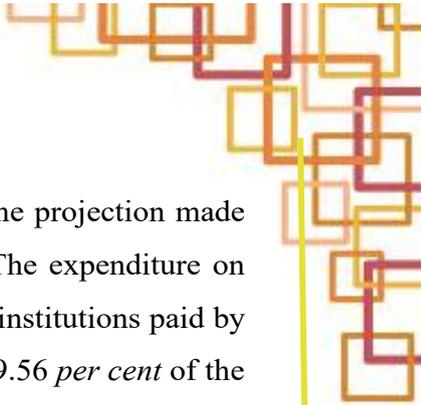


The ratio of salaries and wages, interest payments, pension and subsidies (Committed Expenditure) to Revenue Receipts of the State during the current year was 77.16 per cent.

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

(₹ in crore)

Component	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Committed Expenditure</b>	57589.57	68989.25	70050.20	72751.15	75318.15
<b>Revenue Expenditure</b>	91096.31	99948.35	110316.39	104719.92	123446.33
<b>Percentage of committed expenditure to Revenue Receipts</b>	76.16	83.10	75.44	80.63	77.16
<b>Percentage of committed expenditure to Revenue Expenditure</b>	63.22	69.03	63.50	69.47	61.01



Pension payments during 2020-21 was ₹ 2027.56 crore less than the projection made by State Government in Medium Term Fiscal Plan (₹ 20970.41 crore). The expenditure on salaries and wages (including the salary of staff of State aided educational institutions paid by Government) during the year 2020-21 was ₹ 28852.46 crore constituting 29.56 *per cent* of the revenue receipts and 23.37 *per cent* of the revenue expenditure. The salary expenditure is 34.54 *per cent* of revenue expenditure net of interest and pension payments and it is ₹ 4078.94 crore less than the projection made by State Government in Medium Term Fiscal Plan (₹ 32931.40 crore).

## CHAPTER V

### APPROPRIATION ACCOUNTS

#### 5.1 Summary of Appropriation Accounts

The Appropriation Accounts of the Government of Kerala for the year 2020-21 present the accounts of sums expended in the year ended 31 March 2021 compared with the sums specified in the Schedules appended to the Appropriation Acts passed by the State Legislature under Articles 204 and 205 of the Constitution of India.

As per the Appropriation Accounts of the State for the year 2020-21, the actual expenditure was ₹184877.38 crore and it comprised ₹130207.96 crore Revenue Expenditure, ₹13193.06 crore Capital Expenditure, ₹38927.85 crore repayment of Public Debt and ₹2548.51 crore Loans and Advances. There were Savings under these sections with reference to total Grants/Appropriation allocated by the State Legislature as indicated below:

(₹ in crore)

Sl. No.	Nature of expenditure	Original Grant/Appropriation	Supplementary Grant/Appropriation	Total	Actual Expenditure	Savings (-) Excess (+)
1	<b>Revenue</b> Voted Charged	110796.40 20319.53	15054.01 331.55	125850.41 20651.08	108953.03 21254.93	16897.38 -603.85
2	<b>Capital</b> Voted Charged	12885.74 36.62	2295.99 246.32	15181.73 282.94	12935.44 257.62	2246.29 25.32
3	<b>Public Debt</b> Charged	24878.18	19914.70	44792.88	38927.85	5865.03
4	<b>Loans and Advances</b> Voted Charged	1514.71	672.56 0.48	2187.27 0.48	2548.35 0.16	-361.08 0.32
	<b>Total</b>	170431.18	38515.61	208946.79	184877.38	24069.41

## 5.2 Trend of Savings/Excess during the past five years

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

(₹ in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2016-17	(-)11466.04	(-)2610.87	(-)6268.77	(-)114.61	(-)20460.29
2017-18	(-)7349.83	(-)3355.04	(-)473.91	(-)246.18	(-)11424.96
2018-19	(-)14623.76	(-)5271.53	3363.84	(-)121.85	(-)16653.30
2019-20	(-)21866.16	(-)8689.97	336.63	(-)427.31	(-)30646.81
2020-21	16293.53	2271.61	5865.03	(-)360.76	24069.41

### 5.2.1 Excess over provision requiring regularisation

The Appropriation Accounts disclosed excess expenditure of ₹334.23 crore under Revenue voted Section, ₹ 797.61 crore under Revenue charged section, ₹330.89 crore under Capital voted section and ₹ 0.06 under Capital Charged section. This excess expenditure of ₹1462.79 crore requires regularisation under Article 205 of the Constitution of India.

(₹ in crore)

Sl. No.	Number and title of Grant/Appropriation	Total grant/appropriation	Expenditure	Excess
<b>Voted Grants - Revenue</b>				
1	IV Elections	282.24	336.98	54.74
2	XV Public Works	3548.18	3816.28	268.10
3	XX Water Supply and Sanitation	401.93	406.40	4.47
4	XLI Transport	69.04	69.78	0.74
5	XLII Tourism	182.44	188.62	6.18
	<b>Total Voted Grant Revenue</b>	<b>4483.83</b>	<b>4818.06</b>	<b>334.23</b>

Sl. No	Number and title of Grant/Appropriation	Total grant/appropriation	Expenditure	Excess
<b>Charged Appropriation - Revenue</b>				
1	Debt charges	20178.03	20975.64	797.61
<b>Total Charged Appropriation-Revenue</b>		<b>20178.03</b>	<b>20975.64</b>	<b>797.61</b>
<b>Voted Grants - Capital</b>				
1	XV Public Works	2813.32	2954.46	141.14
2	XVIII Medical and Public Health	390.87	417.46	26.59
3	XX Water Supply and Sanitations	1037.75	1146.16	108.41
4	XXVII Co-operations	127.78	147.08	19.30
5	XXXIII Fisheries	212.76	235.88	23.12
6	XXXIV Forest	87.99	88.39	0.40
7	XLII Tourism	233.34	245.27	11.93
<b>Total Voted Grants - Capital</b>		<b>4903.81</b>	<b>5234.70</b>	<b>330.89</b>
<b>Charged Appropriation - Capital</b>				
1	XVIII Medical and Public Health	0.0040	0.06	0.06
<b>Total Charged Appropriation - Capital</b>		<b>0.0040</b>	<b>0.06</b>	<b>0.06</b>
<b>Grand Total</b>		<b>29565.67</b>	<b>31028.46</b>	<b>1462.79</b>

### 5.2.2 Significant Savings

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

(₹ in crore)

Grant No.	Nomenclature	2016-17	2017-18	2018-19	2019-20	2020-21
<b>REVENUE VOTED</b>						
XXII	Urban Development	42	67	61	47	37
XXXVI	Rural Development	74	75	69	80	60
<b>CAPITAL VOTED</b>						
XXVIII	Miscellaneous Economic Services	29	57	51	62	27
XXIX	Agriculture	40	26	44	40	21

### 5.2.3 Unnecessary Supplementary Grants

Supplementary provisions aggregating ₹ 947.52 crore, obtained in 25 cases during the year, proved unnecessary as the expenditure did not come up to the level of the original provisions as given below:

(₹ in crore)

GrantNo.	Nomenclature	Original provision	Supplementary provision	Actual Expenditure
<b>Revenue Voted</b>				
I	State Legislature	110.72	17.82	109.06
XII	Police	3777.57	3.00	3324.21
XVI	Pension and Miscellaneous	30642.72	100.00	26281.35
XVII	Education, Sports, Art and Culture	20823.11	140.67	16768.78
XXII	Urban Development	2159.41	201.47	1480.83
XXIV	Labour, Labour Welfare and Welfare of Non-Residents	951.53	199.49	849.24
XXV	Welfare of Schedules Castes, Scheduled Tribes, Other Backward Classes and Minorities	2817.70	6.17	2695.28
XXVII	Co-operation	423.69	.0002	353.00
XXVIII	Miscellaneous Economic Services	192.59	.0001	155.29
XXIX	Agriculture	3235.29	.0002	2716.12
XXXI	Animal Husbandry	692.36	.0002	624.21
XXXIII	Fisheries	415.63	1.50	323.23
XXXV	Panchayat	820.13	177.00	805.64
XXXVI	Rural Development	3988.97	.0003	1568.23
XXXVII	Industries	601.75	44.96	582.99
	<b>Total</b>	<b>71653.17</b>	<b>892.08</b>	<b>58637.46</b>
<b>Revenue Charged</b>				
I	State Legislature	0.81	0.15	0.73
XI	District Administration and Miscellaneous	1.12	0.22	1.09
XII	Police	5.19	0.45	4.77

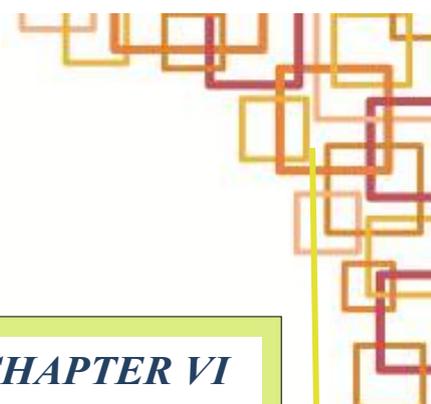
XV	Public Works	2.68	0.01	1.65
XVIII	Medical and Public Health	0.13	0.03	0.11
	<b>Total</b>	<b>9.93</b>	<b>0.86</b>	<b>8.35</b>
<b>Capital – Voted</b>				
XXII	Urban Development	187.01	9.51	103.00
XXV	Welfare of Schedules Castes, Scheduled Tribes, Other Backward Classes and Minorities	227.89	.0001	130.48
XXIX	Agriculture	240.94	42.88	223.46
XXXVIII	Irrigation	470.20	.0001	178.83
	<b>Total</b>	<b>1126.04</b>	<b>52.39</b>	<b>635.77</b>
<b>Capital-Charged</b>				
XXXVIII	Irrigation	6.61	2.19	6.35
	<b>Total</b>	<b>6.61</b>	<b>2.19</b>	<b>6.35</b>

### 5.3 Advances from Contingency Fund

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

(₹ in crore)

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Number of withdrawals from Contingency Fund	Nil	2	1	1	Nil
Total withdrawals from Contingency Fund (Rupees in crore)	Nil	88.08	2.12	75.00	Nil
Withdrawals from Contingency Fund as percentage to total Budget provision	Nil	0.07	0.001	0.05	Nil



## CHAPTER VI

### ASSETS AND LIABILITIES

#### 6.1 Assets

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

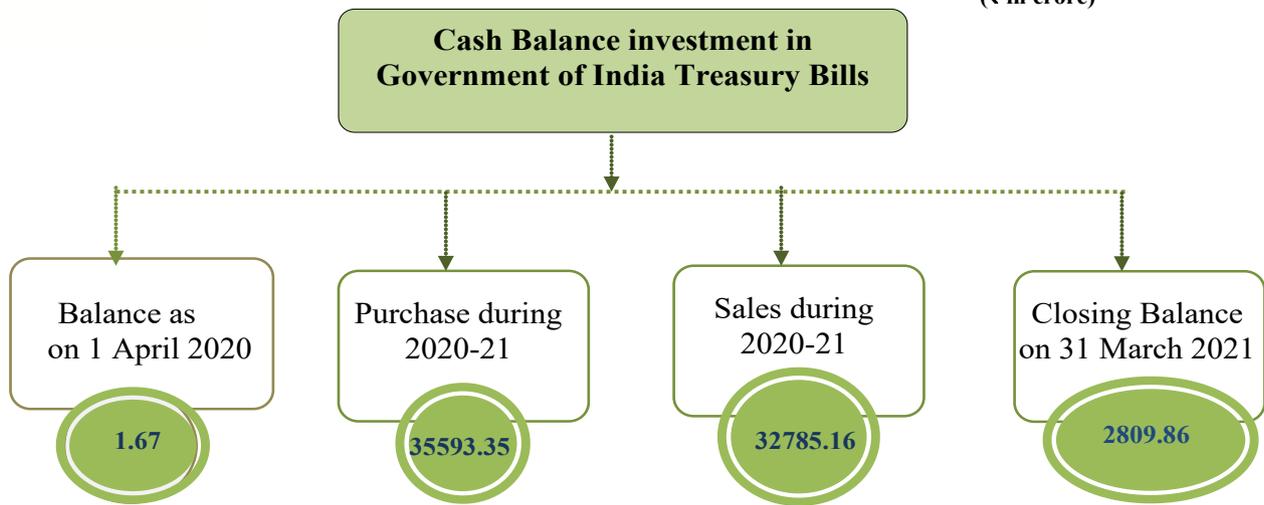
Total investments as share capital in Statutory Corporations, Government Companies, Other Joint Stock Companies, Co-operative Banks and Societies etc. stood at ₹ 10063.07 crore at the end of 2020-21. Dividends received during the year were ₹ 110.19 crore (1.09 per cent of investment). During 2020-21, investments increased by ₹ 661.99 crore and dividend income increased by ₹ 9.86 crore.

The cash balance with the Government excluding departmental balances (PWD, Forest etc.) decreased from ₹ (-)184.97 crore at the beginning of the year 2020-21 to ₹(-)206.42 crore at its end. Government had invested an amount of ₹ 35593.35 crore on treasury bills on 57 occasions and rediscounted Treasury Bills worth ₹ 32785.16 crore on 131 occasions during the year 2020-21.

(₹ in crore)

Cash Balance investment in Government of India Treasury Bills			
Balance as on 1 April 2020	Purchases during 2020-21	Sales during 2020-21	Closing Balance on 31 March 2021
1.67	35593.35	32785.16	2809.86

(₹ in crore)



## 6.2 Debt and Liabilities

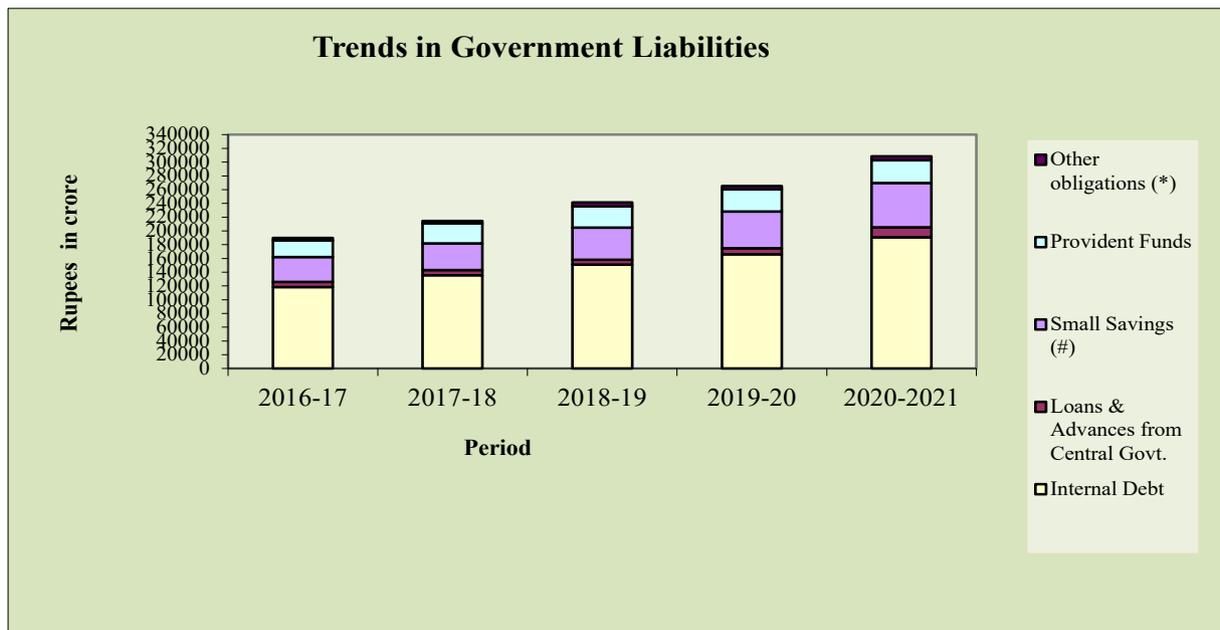
Outstanding Public Debt of the State at the end of 2020-21 was ₹205447.73 crore, comprising Internal Debt (₹190474.09 crore) and Loans and Advances from Central Government (₹14973.64 crore). Other liabilities accounted under Public Account were ₹ 102938.27 crore. The State also acts as a banker and trustee in respect of Small Savings, Provident Funds and Deposits. There was an overall increase of ₹ 12045.02 crore in respect of such liabilities of the State Government during 2020-21.

Interest payments on debt and other liabilities totaling ₹ 20940.98 crore constituted 16.96 percentage of revenue expenditure of ₹ 123446.33 crore. Interest payments on Public Debt were ₹ 14409.57 crore ((Internal Debt: ₹ 14124.26 crore (excluding Management of debt ₹ 34.66 crore), Loans and Advances from Central Government: ₹ 285.31 crore)). Expenditure on account of interest payments increased by ₹ 1755.72 crore during 2020-21.

Internal debt of ₹ 62716.62 crore was raised during 2020-21. The debt obligations discharged on this account were ₹ 38202.56 crore. Details of the Public Debt and the total liabilities of the State Government are as under:

(₹ in crore)

	Internal Debt	Loans & Advances from Central Govt.	Total Public Debt	Small Savings (#)	Provident Funds	Other obligations (*)	Total Liabilities	Percentage of total liabilities to GSDP
2016-17	118268.72	7614.13	125882.85	36040.07	24530.94	3314.69	189768.55	29.89
2017-18	135500.53	7483.99	142984.52	38974.15	28803.70	3755.85	214518.22	30.58
2018-19	150991.04	7243.41	158234.45	46401.37	30995.69	5983.00	241614.51	30.65
2019-20	165960.03	8680.19	174640.22	53597.11	32074.06	5050.97	265362.36	32.19
2020-21	190474.09	14973.64	205447.73	64363.07	32856.07	5719.14	308386.01	40.63



(\*) Includes Reserve Funds and Deposits

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

### 6.3 Guarantees

Government gives guarantees for due discharge of certain liabilities like repayment of loans, share capital, payment of interest, dividend etc. by Statutory Corporations, Government

Companies, Co-operative Banks, Societies etc. As per section 3 of the Kerala Government Guarantees Act, 2003 amended vide 'Kerala Finance (No.2) Act, 2018', the total outstanding Government Guarantees shall be within the limit of 'five percent of the Gross State Domestic Product (GSDP) of the State as, calculated by the Department of Economics and Statistics for the respective financial year'. This Act came into force with effect from 01 April 2018. The position of guarantees for the period 2016-17 to 2020-21 is given below:

(₹ in crore)

At the end of the year	Amount Guaranteed	Amount outstanding
2016-17	20204.10	16245.56
2017-18	25104.33	17356.47
2018-19	46795.99	26834.65
2019-20	43433.30	27757.01
2020-21	49076.88	36600.98

(₹ in crore)

At the end of the year	Amount Guaranteed (Principal only)	Amount outstanding (Principal and Interest)
<b>2016-17</b>	<b>20204.10</b>	<b>16245.56</b>
<b>2017-18</b>	<b>25104.33</b>	<b>17356.47</b>
<b>2018-19</b>	<b>46795.99</b>	<b>26834.65</b>
<b>2019-20</b>	<b>43433.30</b>	<b>27757.01</b>
<b>2020-21</b>	<b>49076.88</b>	<b>36600.98</b>

As per the statement furnished by the Government the outstanding guarantees as on 31 March 2021 was ₹ 36600.98 crore. An amount of ₹ 216.57 crore was received by Government during 2020-21 towards guarantee fee. Arrears of guarantee fee as on 31 March 2021 amounted to ₹ 257.67 crore.



## CHAPTER VII

### OTHER ITEMS

#### 7.1 Adverse Balances under Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India. State Government receives loans from Central Government, LIC of India, NCDC, NABARD, RBI etc. It also raises loans from open market to finance certain projects, schemes, etc. As on 31.3.2021 there are no instances of adverse balance under Internal Debt.

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

Total Loans and Advances disbursed by the State Government at the end of the year 2020-21 was ₹ 19756.77 crore. During the year 2020-21, the State Government disbursed Loans and Advances amounting to ₹ 2548.51 crore. Recovery of ₹ 16832.46 crore (Principal: 10938.91 crore and Interest: ₹ 5893.55 crore) was in arrears as on 31 March 2021.

Of the above arrears 73.17 per cent pertains to four institutions/organisations viz., Kerala Water Authority (₹ 4532.84 crore), Kerala State Housing Board (₹ 1752.76 crore), Kerala State Electricity Board (₹ 1786.23 crore) and Kerala State Road Transport Corporation (₹ 4245.27 crore). The loans for which terms and conditions had not been fixed by Government is ₹ 92.39 crore.

As on 31.3.2021 there are 6 instances of adverse balances under Loan major heads amounting to ₹ 15.37 crore.

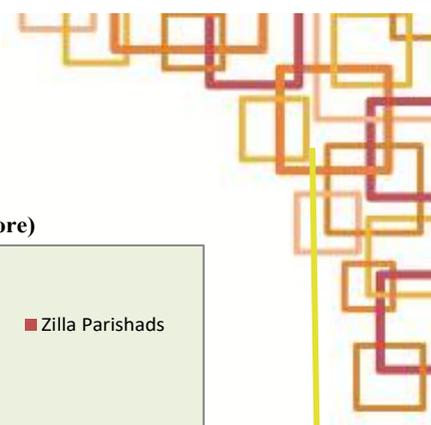
### 7.3 Financial Assistance to Local Bodies and Others

Assistance given to local bodies and others in 2020-21 was ₹ 17956.34 crore. It increased from ₹ 10921.82 crore in 2019-20 to ₹ 17956.34 crore in 2020-21 representing an increase of 64.41 *per cent* over the previous year. During the year 2020-21, Grants to Zilla Parishads, Panchayat Samities, Gram Panchayats and Municipal Corporations and Municipalities (₹ 12345.16) represented 68.75 *per cent* of the total grants.

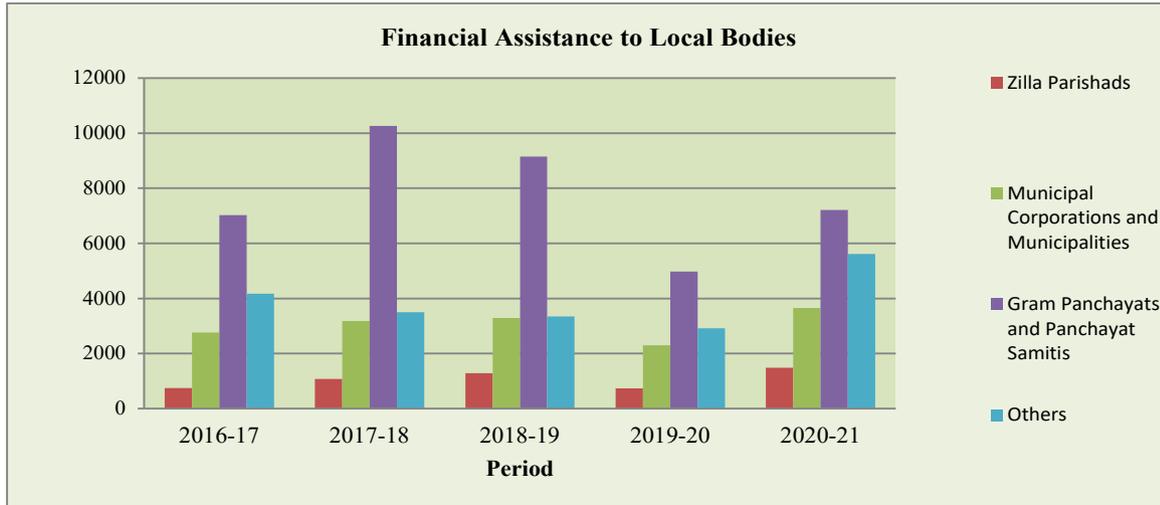
Details of financial assistance for the past five years are given below:

	(₹ in crore)				
Financial Assistance to Local bodies and Others	2016-17	2017-18	2018-19	2019-20	2020-21
Zilla Parishads	746.37	1074.62	1281.20	736.96	1482.57
Municipal Corporations and Municipalities	2756.55	3178.62	3287.46	2296.24	3653.02
Gram Panchayats and Panchayat Samitis	7029.61	10261.25	9145.36	4974.15	7209.57
Others*	4174.02	3498.52	3345.71	2914.47	5611.18
<b>Total</b>	<b>14706.55</b>	<b>18013.01</b>	<b>17059.73</b>	<b>10921.82</b>	<b>17956.34</b>

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



(₹ in crore)



#### 7.4 Cash Balance and investment of Cash Balance

(₹ in crore)

Particulars	As on March 31.03.2020	As on March 31.03.2021	Increase(+)/ Decrease(-)
<b>Cash balances</b>	<b>-184.97</b>	<b>-206.42</b>	<b>-21.45</b>
<b>Investments from cash balances (a+b)</b>	<b>1.67</b>	<b>2809.86</b>	<b>2808.19</b>
a. GOI Treasury Bills	0	2808.19	<b>2808.19</b>
b. GOI Securities	1.67	1.67	<b>0</b>
<b>Other Cash Balances</b>	<b>-5.18</b>	<b>-7.10</b>	<b>-1.92</b>
1) Departmental Balances	-5.70	-7.63	<b>-1.93</b>
2) Permanent Cash Imprest	0.52	0.53	<b>0.01</b>
<b>Fund-wise break-up of investments from earmarked balances (a to d)</b>	<b>2198.70</b>	<b>2371.65</b>	<b>172.95</b>
a. Sinking Fund	2185.31	2358.26	<b>172.95</b>
b. Agriculturists' Rehabilitation Fund	2.39	2.39	<b>0</b>
c. Kudikidappukars' Benefit Fund	1.00	1.00	<b>0</b>
d. Kerala Consumer Welfare Fund	10.00	10.00	<b>0</b>
<b>Interest realised during the year on investment of cash balances</b>	<b>7.85</b>	<b>4.05</b>	<b>-3.80</b>

The cash balance of the State Government had decreased from (-)184.97 crore in 2019-20 to ₹ (-)206.42 crore in 2020-21. An investment of ₹ 5181.51 crore was made from earmarked fund balances, GOI securities etc. There was 48.41 per cent decrease in interest realized on investment of cash balance.

## 7.5 Reconciliation of Accounts

All Controlling Officers are required to reconcile receipts and expenditure of the Government with the figures accounted for by the Principal Accountant General (A&E), Kerala. Such reconciliation of receipts has been completed for a value of ₹53,837.23 crore (99.83 per cent of total reconcilable receipts of ₹ 53,930.14 crore) by the Controlling Officers. Reconciliation of expenditure has been completed for a value of ₹1,14,283.13 crore (95.09 per cent of total reconcilable expenditure of ₹1,20,184.93 crore) by the Controlling Officers.

## 7.6 Submission of Accounts by Treasuries

There are 23 District Treasuries, e-treasury and Advices of Reserve Bank of India rendering accounts to the Principal Accountant General (A&E). The Cheque drawing system by PWD/Forest Division had been withdrawn. The transaction of the Divisions are being routed through Treasuries like other departments. During 2020-21, there was no delay in monthly rendition of accounts by treasuries and no accounts were excluded at the end of the year.

## 7.7 Status of Suspense Account Balances

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

(₹ in crore)

Name of Minor Head	2018-19		2019-20		2020-21	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
<b>8658-Suspense Account</b>						
101-PAO Suspense	307.76	14.87	333.57	-8.72	358.50	-0.06
<b>Net</b>	<b>Dr.292.89</b>		<b>Dr 342.29</b>		<b>Dr.358.56</b>	
102-Suspense Account (Civil)	96.74	-334.76	21.21	-344.83	21.11	-670.25
<b>Net</b>	<b>Cr.-431.50</b>		<b>Cr.-366.04</b>		<b>Cr.-691.35</b>	
107-Cash Settlement Suspense	43.10	0.00	20.03	0.00	0.00	0.00
<b>Net</b>	<b>Dr.43.10</b>		<b>Dr.20.03</b>		<b>0.00</b>	
110-Reserve Bank Suspense (CAO)	97.38	85.19	-9.19	-78.31	3.08	-1.40
<b>Net</b>	<b>Dr.12.19</b>		<b>Dr.69.12</b>		<b>Dr.4.48</b>	

## 7.8 Commitments on account of Incomplete Projects/Works

There were 354 projects/works (each costing above rupees one crore) on which an expenditure of ₹ 1362.55 crore was incurred up to March 2021 which were not completed at the end of March 2021 though the stipulated period of completion was over.

## 7.9 New Pension Scheme

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

In 2020-21, ₹945.22 crore has been credited to MH 8342- Mnh 117 Defined Contribution Pension Scheme under Public Account which includes Employees contribution ₹472.78 crore and Government's contribution of ₹ 472.44 crore. Out of total balances of ₹945.56 crore including opening balance of ₹0.34 crore an amount of ₹945.39 crore was transferred to NSDL/Trustee Bank during the year 2020-21 leaving a balance of ₹0.17 crore under the head of account as on 31 March, 2021 on which the Government is required to pay interest, which was not done.

The interest outstanding to the Fund since its inception has not been estimated. Uncollected, unmatched and untransferred amounts, with accrued interest, represent outstanding liabilities under the New Pension Scheme.

## 7.10 Personal Deposit Accounts

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

accounts from where the amount initially transferred, unless such Personal Deposit accounts were created by Law or Rules having the force of Law. During the year 2020-21 no amount was transferred from Consolidated Fund of the State to the PD accounts under Public Account.

Details of PD accounts as provided by State Government as on 31 March 2021 are given below:

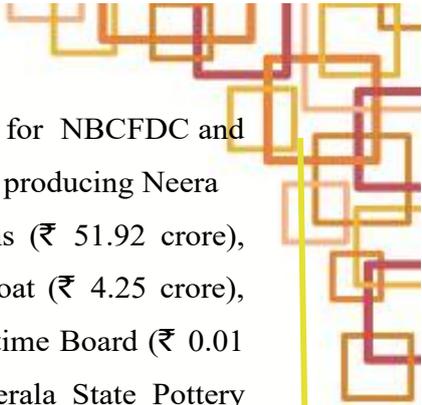
Opening Balance as on April 2020(*)		Addition during the year 2020-21		Closed/withdrawal during the year 2020-21		Closing Balance as on 31 March 2021	
Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount	Number of Administrators	Amount
823	169.13	5	122.58	13	125.21	815	166.50

(\*) Variation in figure with respect to closing balance, number of accounts for the year 2019-20 is due to subsequent revision by treasuries.

Director of Treasuries has confirmed that the mismatch of figures of PD Accounts as per the records of Principal Accountant General and as per details furnished by Director of Treasuries was due to non-transfer of all PD Accounts data from Treasury Information System to Core Treasury information system. Treasury officials also stated that this discrepancy will be cleared after the closing of all the inoperative PD accounts. The difference between the figures of Principal Accountant General (A&E) and State Government is under reconciliation.

## 7.11 Investment

The State Government invests in the equity and shares of Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Institutions. As per the accounts, the investment of Government as on 31<sup>st</sup> March, 2021 was ₹ 9430.04 crore excluding ₹ 633.03 crore being expenditure incurred for equity participation in Smart City Project (₹ 31.20 crore), State Institute for Hotel Management at Kottayam (₹0.01 crore),



setting up of Electronics Fabrication Laboratory (₹3.55 crore), seed capital for NBCFDC and NMDFC schemes (₹4.50 crore) and Capital Assistance given to companies producing Neera (₹ 5.00 crore) and various schemes under Water Supply and Sanitations (₹ 51.92 crore), Projects under LAC-ADS (₹5.27 crore), Construction of Solar Cruise Boat (₹ 4.25 crore), Integrated Water Transport system to Kochi (₹ 92.00 crore), Kerala Maritime Board (₹ 0.01 crore), and Construction of a POL Tanker Barge (₹ 8.32 crore), Kerala State Pottery Manufacturing and Marketing Development Corporation (₹1.25 crore), Upgradation of infrastructure in existing industrial parks (₹ 8.94 crore) and providing common facilities for working women at Industrial Parks (₹ 2.50 crore), Construction of POL Carrier Barge (₹ 2.50 crore), Kerala State Co-operative Bank (₹ 4,00.00 crore), Construction of Acid Carrier Barges (₹ 2.99 crore), Kerala Waterways and Infrastructure Limited (₹ 8.82 crore). An amount of ₹ 110.19 crore (1.17 *per cent* of investment) was received as dividends from 16 entities. During 2020-21, investments increased by ₹ 661.99 crore and dividend income increased by ₹ 9.86 crore.

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