



सत्यमेव जयते

FINANCE ACCOUNTS VOLUME - I

2018 - 19



लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest



GOVERNMENT OF KARNATAKA



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GOVERNMENT OF KARNATAKA

TABLE OF CONTENTS

Statement/ Appendix Reference	Particulars	Reference to page
	Volume I	
	• Certificate of the Comptroller and Auditor General of India	iv
	• Guide to the Finance Accounts	viii
Statement No.1	Statement of Financial Position	2
Statement No.2	Statement of Receipts and Disbursements	4
	Annexure A. Cash Balances and Investments of Cash Balances	6
Statement No.3	Statement of Receipts (Consolidated Fund)	10
Statement No.4	Statement of Expenditure (Consolidated Fund)	16
Statement No.5	Statement of Progressive Capital Expenditure	24
Statement No.6	Statement of Borrowings and Other Liabilities	31
Statement No.7	Statement of Loans and Advances given by the Government	37
Statement No.8	Statement of Investments of the Government	42
Statement No.9	Statement of Guarantees given by the Government	43
Statement No.10	Statement of Grants-in-Aid given by the Government	44
Statement No.11	Statement of Voted and Charged Expenditure	45
Statement No.12	Statement on Sources and Application of funds for expenditure other than on Revenue Account	46
Statement No.13	Summary of Balances under Consolidated Fund, Contingency Fund and Public Account	50
	• Notes to Accounts	56

TABLE OF CONTENTS		
Statement/ Appendix Reference	Particulars	Reference to page
	Volume II Part - I	
Statement No.14	Detailed Statement of Revenue and Capital Receipts by Minor Heads	94
Statement No.15	Detailed Statement of Revenue Expenditure by Minor Heads	118
Statement No.16	Detailed Statement of Capital Expenditure by Minor Heads and Sub-heads	170
Statement No.17	Detailed Statement of Borrowings and other Liabilities	252
Statement No.18	Detailed Statement on Loans and Advances given by the Government	266
Statement No.19	Detailed Statement of Investments of the Government	286
Statement No.20	Detailed Statement of Guarantees given by the Government	318
Statement No.21	Detailed Statement on Contingency Fund and Other Public Account Transactions	328
Statement No.22	Detailed Statement on Investment of Earmarked Balances	342

TABLE OF CONTENTS		
Statement/ Appendix Reference	Particulars	Reference to page
	Part - II Appendices	
Appendix I	Comparative Expenditure on Salary	348
Appendix II	Comparative Expenditure on Subsidy	354
Appendix III	Grants-in-Aid/Assistance given by the State Government (Institution-wise and Scheme-wise)	366
Appendix IV	Details of Externally Aided Projects	402
Appendix V	Expenditure on Schemes A. Central Schemes (Centrally Sponsored Schemes and Central Schemes)	412
	B. State Schemes	417
Appendix VI	Direct Transfer of Central Scheme Funds to Implementing Agencies in the State (Funds routed outside State Budget) (Unaudited Figures)	418
Appendix VII	Acceptance and Reconciliation of Balances	419
Appendix VIII	(i) Financial Results of Irrigation Works	423
	(ii) Financial Results of Electricity Schemes	424
Appendix IX	Statement of Commitments on Incomplete Public Works Contracts as on 31 March 2019	427
Appendix X	Maintenance Expenditure with Segregation of Salary and non-salary portion	598
Appendix XI	Major Policy Decisions during the year or New Schemes Proposed in the Budget	604
Appendix XII	Committed Liabilities of the Government	627
Appendix XIII	Statements of Items for which allocation of balances as a result of Re-Organisation of States has not been finalised	628



Certificate of the Comptroller and Auditor General of India

This compilation containing the **Finance Accounts** of the Government of Karnataka for the year ending 31 March 2019 presents the financial position along with accounts of the receipts and disbursements of the Government for the year. These accounts are presented in two volumes, Volume I contains the consolidated position of the state of Finances and Volume-II depicts the Accounts in detail. The Appropriation Accounts of the Government for the year for Grants and Charged Appropriations are presented in a separate compilation.

The Finance Accounts have been prepared under my supervision in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and have been compiled from the initial and subsidiary accounts rendered by the treasuries, offices, and departments responsible for the keeping of such accounts functioning under the control of the Government of Karnataka and the statements received from the Reserve Bank of India. Statements (No. 7 Section 3, 9, 17 – Annexure B to D, 19 and 20) and Appendices (VII, VIII, IX, XI, XII and XIII) in this compilation have been prepared directly from the information received from the Government of Karnataka/ Corporations/ Companies/ Societies who are responsible to ensure the correctness of such information.

The treasuries, offices and/or departments functioning under the control of the Government of Karnataka are primarily responsible for preparation and correctness of the initial and subsidiary accounts as well as ensuring the regularity of transactions in accordance with the applicable laws, standards, rules and regulations relating to such accounts and transactions. I am responsible for preparation and submission of Annual Accounts to the State Legislature. My responsibility for the preparation of Accounts is discharged through the office of the Principal Accountant General (Accounts & Entitlement) Karnataka. The audit of these accounts is independently conducted through the office of the Principal Accountant General (General & Social Sector Audit) Karnataka in accordance with the requirements of Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971, for expressing an opinion on these Accounts based on the results of such audit. These offices are independent organisations with distinct cadres, separate reporting lines and management structure.

The audit was conducted in accordance with the Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain

reasonable assurance that the accounts are free from material misstatement. The audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

On the basis of the information and explanations that my officers required and have obtained and according to the best of my information as a result of test audit of the accounts and on consideration of explanations given, I certify that, to the best of my knowledge and belief, the Finance Accounts read with the explanatory 'Notes to Accounts' give a true and fair view of the financial position and the receipts and disbursements of the Government of Karnataka for the year 2018-19.

Points of interest arising from study of these accounts as well as test audit conducted during the year or earlier years are contained in my Financial, Compliance and Performance Audit Reports on the Government of Karnataka being presented separately for the year ended 31 March 2019.

Emphasis of Matter

I would draw attention to the following significant issues, which are important from the point of view of accuracy, transparency and completeness of the accounts and maintaining legislative financial control over public finances.

1. Goods and Services Tax

With automation of the collection of Goods and Services Tax (GST) having taken place, it is essential for Audit to transition from sample checks to a comprehensive check of all transactions, to fulfill the CAG's Constitutional mandate of certifying the Accounts. The required access to data is yet to be provided. Not having access to the data pertaining to all GST transactions has come in the way of comprehensively auditing the GST receipts. The accounts for the year 2018-19 are, therefore, certified on the basis of test audit, as was done when records were manually maintained, as a one-time exception.

2. PD Accounts

Article 286A of the Karnataka Financial Code stipulates that unspent balances under Personal Deposit (PD) Account created by debit to the Consolidated Fund should be closed at the end of the financial year. At the end of 31 March 2019, there were 73 PD Accounts with an unspent balance of ₹4,085.14 crore (Major Head 8443-00-106), which were not closed. Out of the unspent balance of ₹4,085.14 crore, ₹2,741.52 crore of the scheme funds under these Accounts were lying unspent for a period more than three years and none of these

accounts were closed at the end of the year. Such practices violate legislative intent, which is to ensure that funds approved by it for the financial year are spent during the financial year itself. Further, not transferring the unspent balance lying in PD Accounts to the Consolidated Fund of the State before the closure of the financial year entails the risk of misuse of public funds, fraud and misappropriation.

3. Investment in PSU's

The Government made an investment of ₹1,375.69 crore in 22 Public Sector Undertakings in the form of equity and loans. These companies did not finalise their accounts for the last 1 to 6 years, which was in gross violation of the provisions of the Companies Act, 1956. I am, therefore unable to discharge my responsibilities with regard to certification of accounts of these PSUs as required under the CAG's DPC act, 1971 and the Companies Act.

The audit observations on the above issues have been detailed in the State Finances Audit Report for the year ended March 2019.



(RAJIV MEHRISHI)

**Comptroller and Auditor General of
India**

Date : 23 June 2020

Place: New Delhi

**GUIDE TO THE FINANCE
ACCOUNTS**

A. Broad overview of the structure of Government accounts

1. The Finance Accounts of the State of Karnataka 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 the Public Debt and the liabilities and assets of the State Government as worked out from the balances recorded in the accounts.

2. The Accounts of the Government are kept in three parts:

Part I: The Consolidated Fund: This Fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), Ways and Means advances extended by the Reserve Bank of India and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this Fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. Certain categories of expenditure (e.g., salaries of Constitutional authorities, loan repayments etc.), constitute a charge on the Consolidated Fund of the State (*Charged* expenditure) and are not subject to vote by the Legislature. All other expenditure (*Voted* expenditure) is voted by the Legislature.

The Consolidated Fund comprises two sections: Revenue and Capital (including Public Debt, Loans & Advances). These are further categorised under 'Receipts' and 'Expenditure'. The Revenue Receipts section is divided into three sectors, viz., 'Tax Revenue', 'Non Tax Revenue' and 'Grants-in-Aid and Contributions'. These three sectors are further divided into sub-sectors like 'Taxes on Income and Expenditure', 'Fiscal Services', etc. The Capital Receipts section does not contain any sectors or sub-sectors. The Revenue Expenditure section is divided into four sectors, viz., 'General Services', 'Social Services', 'Economic Services' and 'Grants-in-Aid and Contributions'. These sectors in the Revenue Expenditure section are further divided into sub-sectors like, 'Organs of State', 'Education, Sports, Art and Culture' etc. The Capital Expenditure section is sub-divided into seven sectors, viz., 'General Services', 'Social Services', 'Economic Services', 'Public Debt', 'Loans and Advances', 'Inter-State Settlement' and 'Transfer to Contingency Fund'.

Guide to the Finance Accounts – contd.

Part II: The Contingency Fund: This Fund is in the nature of an imprest which is established by the State Legislature by law, and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head relating to the Consolidated Fund of the State. The corpus of Contingency Fund of the Government of Karnataka for 2018-19 is ₹80.00 crore.

Part III: The Public Account: All other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense heads (both of which are transitory heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public Account comprises six sectors, viz., ‘Small Savings, Provident Funds etc.’, ‘Reserve Funds’, ‘Deposit and Advances’, ‘Suspense and Miscellaneous’, ‘Remittances’, and ‘Cash Balance’. These sectors are further sub-divided into sub-sectors. The Public Account is not subject to the vote of the Legislature.

3. Government accounts are presented under a six tier classification, viz., Major Heads (four digits), Sub-Major Heads (two digits), Minor Heads (three digits), Sub-Heads (one digit), Detailed Heads (two digits), and Object Heads (three digits). Major Heads represent functions of Government, Sub- Major Heads represent sub-functions, Minor Heads represent programmes/activities, Sub-Heads represent schemes, Detailed Heads represent sub-schemes, and Object Heads represent purpose/ object of expenditure.

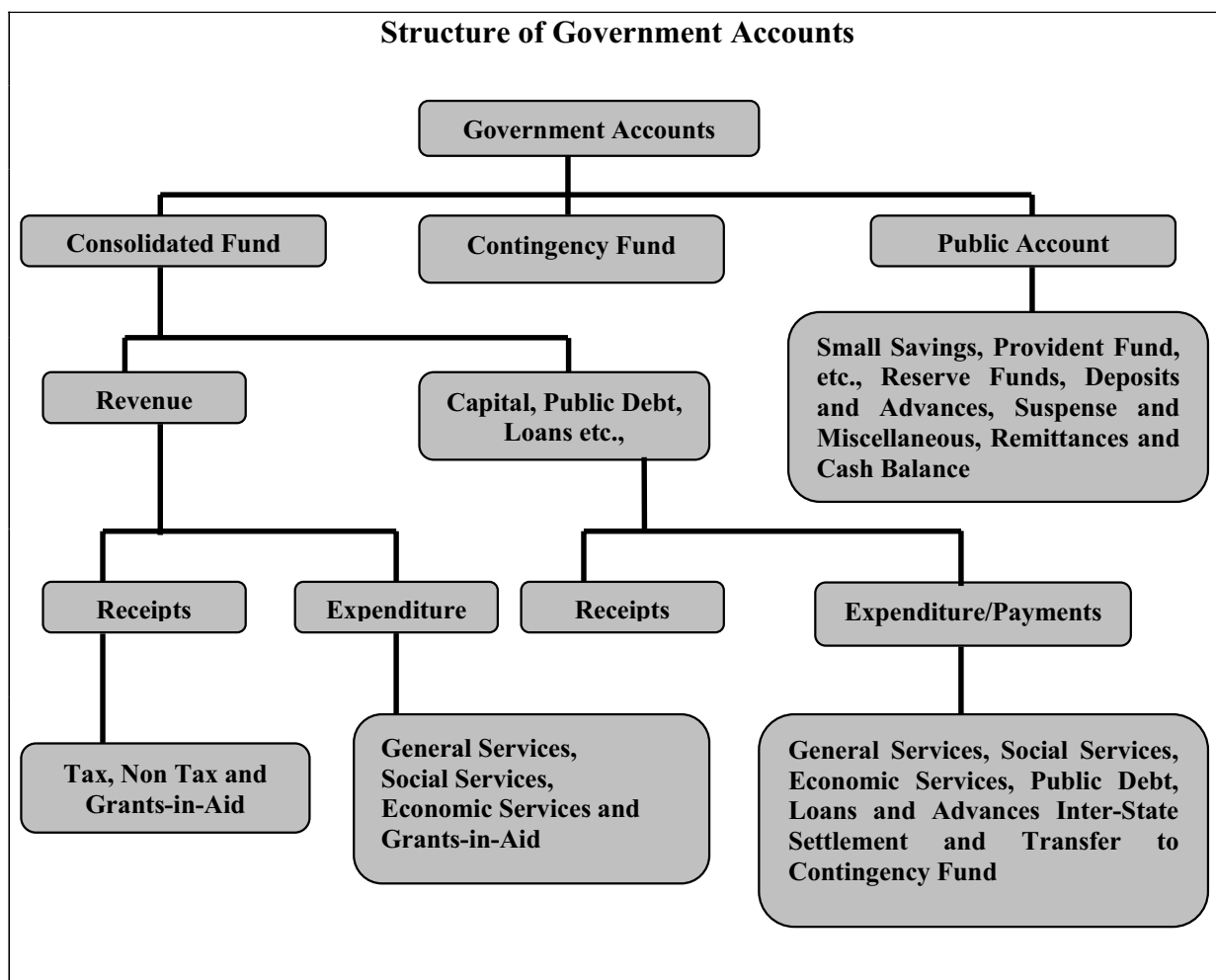
4. The main unit of classification in accounts is the Major Head which contains the following coding pattern (according to the List of Major and Minor Heads corrected upto 31 March 2019)

0020 to 1606	Revenue Receipts
2011 to 3606	Revenue Expenditure
4000	Capital Receipts
4046 to 7810	Capital Expenditure (including Public Debt, Loans & Advances)
7999	Appropriation to the Contingency Fund
8000	Contingency Fund
8001 to 8999	Public Account

Guide to the Finance Accounts – contd.

5. The Finance Accounts, generally (with some exceptions), depict transactions upto the Minor Head. The figures in the Finance Accounts are depicted at net level, i.e., after accounting for recoveries as reduction of expenditure. This treatment is different from the depiction in the Demands for Grants presented to the Legislature and in the Appropriation Accounts, where, expenditure is depicted at the gross level.

6. A pictorial representation of the structure of accounts is given below:



B. What the Finance Accounts contain

The Finance Accounts are presented in two volumes.

Volume I contains the Certificate of the Comptroller and Auditor General of India, the Guide to the Finance Accounts, 13 statements which give summarised information on the financial position and transactions of the State Government for the current financial year,

Guide to the Finance Accounts – contd.

Notes to Accounts and annexure to the Notes to Accounts. Description of the 13 statements in **Volume I** are given below:

1. **Statement of Financial Position:** This statement depicts the cumulative figures of assets and liabilities of the State Government, as they stand at the end of the year, and as compared to the position at the end of the previous year.
2. **Statement of Receipts and Disbursements:** This statement depicts all receipts and disbursements of the State Government during the year in all the three parts in which Government accounts are kept, viz., the Consolidated Fund, Contingency Fund and Public Account. In addition, it contains an annexure, showing alternative depiction of Cash Balances (including investments) of the Government. The Annexure also depicts the Ways and Means position of the Government in detail.
3. **Statement of Receipts (Consolidated Fund):** This statement comprises revenue and capital receipts and borrowings and repayments of the loans given by the State Government. This statement corresponds to detailed statements 14, 17 and 18 in Part I Volume II of the Finance Accounts.
4. **Statement of Expenditure (Consolidated Fund):** In departure from the general depiction of the Finance Accounts up to the Minor Head level, this statement gives details of expenditure by nature of activity (objects of expenditure) also. This statement corresponds to detailed statements 15, 16, 17 and 18 in Part I Volume II.
5. **Statement of Progressive Capital Expenditure:** This statement corresponds to the detailed statement 16 in Part I Volume II.
6. **Statement of Borrowings and Other Liabilities:** Borrowings of the Government comprise market loans raised by it (Internal Debt) and Loans and Advances received from the Government of India. 'Other Liabilities' comprise 'Small Savings, Provident Funds etc.', 'Reserve Funds' and 'Deposits'. This statement also contains a note on service of debt, and corresponds to the detailed Statement 17 in Part I Volume II.
7. **Statement of Loans and Advances given by the Government:** This statement depicts all loans and advances given by the State Government to various categories of loanees like Statutory Corporations, Government Companies, Autonomous and Other Bodies/Authorities and recipient individuals (including Government servants). This statement corresponds to the detailed statement 18 in Part I Volume II.

- 8. Statement of Investments of the Government:** This statement depicts investments of the State Government in the equity capital of Statutory Corporations, Government Companies, other Joint Stock Companies, Cooperative institutions and Local Bodies. This statement corresponds to the detailed statement 19 in Part I Volume II.
- 9. Statement of Guarantees given by the Government:** This statement summarises the guarantees given by the State Government on repayment of principal and interest on loans raised by Statutory Corporations, Government Companies, Local Bodies and Other institutions. This statement corresponds to the detailed statement 20 in Part I Volume II.
- 10. Statement of Grants-in-Aid given by the Government:** This statement depicts all Grants-in-Aid given by the State Government to various categories of grantees like Statutory Corporations, Government Companies, Autonomous and Other Bodies/ Authorities and individuals. Appendix III provides details of the recipient institutions.
- 11. Statement of Voted and *Charged* Expenditure:** This statement assists in the agreement of the net figures appearing in the Finance Accounts with the gross figures appearing in the Appropriation Accounts.
- 12. Statement on Sources and Application of Funds for Expenditure other than on Revenue Account:** This statement is based on the principle that revenue expenditure is expected to be defrayed from revenue receipts, while capital expenditure of the year is met from revenue surplus, net credit balances in the public account, cash balance at the beginning of the year and borrowings.
- 13. Summary of balances under Consolidated Fund, Contingency Fund and Public Account:** This statement assists in proving the accuracy of the accounts. The statement corresponds to the detailed statement 14, 15, 16, 17, 18 and 21 in Part I Volume II.

Volume II of the Finance Accounts contains two parts – 9 detailed statements in Part I and 13 Appendices in Part II.

Part I of Volume II

- 14. Detailed Statement of Revenue and Capital Receipts by Minor Heads:** This statement corresponds to the summary statement 3 in Volume I of the Finance Accounts.
- 15. Detailed Statement of Revenue Expenditure by Minor Heads:** This statement, which corresponds to the summary statement 4 in Volume I, depicts the revenue expenditure of the State Government under State Fund Expenditure, Central Assistance (including Centrally Sponsored Schemes and Central Schemes), *Charged* and Voted expenditure are exhibited distinctly.
- 16. Detailed Statement of Capital Expenditure by Minor Heads and Subheads:** This statement, which corresponds to the summary statement 5 in Volume I, depicts the capital expenditure (during the year and cumulatively) of the State Government under State Fund Expenditure, Central Assistance (including Centrally Sponsored Schemes and Central Schemes), *Charged* and Voted expenditure are exhibited distinctly. In addition to representing details of capital expenditure at Minor Head level, in respect of significant schemes, this statement depicts details at Sub-head levels also.
- 17. Detailed Statement of Borrowings and Other Liabilities:** This statement, which corresponds to the summary statement 6 in Volume I contains details of all loans raised by the State Government (Market Loans, Bonds, Loans from the Central Government, Loans from Financial Institutions, Special Securities issued to National Small Savings Fund, etc.), and Ways and Means advances extended by the Reserve Bank of India. This statement presents the information on loans under 4 categories: (a) details of individual loans; (b) Maturity Profile, i.e., amounts payable in respect of each category of loans in different years; (c) Interest rate profile of outstanding loans and annexure depicting Market Loans and (d) Off-Budget Borrowings of the State as an additional disclosure.

- 18. Detailed Statement on Loans and Advances given by the Government:** This statement corresponds to the summary statement 7 in Volume I.
- 19. Detailed Statement of Investments of the Government:** This statement depicts details of investments entity wise and Major and Minor Head wise details of discrepancies, if any, between Statements 16 and 19. This statement corresponds to Statement 8 in Volume I.
- 20. Detailed Statement of Guarantees given by the Government:** This statement depicts entity wise details of Government Guarantees. This statement corresponds to Statement 9 in Volume I.
- 21. Detailed Statement on Contingency Fund and Other Public Account Transactions:** This statement depicts at Minor Head level the details of un-recouped amounts under Contingency Fund, consolidated position of Public Accounts transactions during the year, and outstanding balances at the end of the year.
- 22. Detailed Statement on Investment of Earmarked Balances:** This statement depicts details of investments from the Reserve Funds and Deposits (Public Account).

Part II of Volume II

Part II contains 13 Appendices on various items including salaries, subsidies, grants-in-aid, externally aided projects, scheme wise expenditure under State Fund Expenditure, Central Assistance (including Centrally Sponsored Schemes and Central Schemes), in respect of major Central Schemes and State Schemes, etc. These details are present in the accounts at sub head level or below (i.e. below Minor Head levels) and so are not generally depicted in the Finance accounts. A detailed list of Appendices appears at the ‘Table of Contents’ in Volume I and II. The statements read with the Appendices give a complete picture of the state of finances of the State Government.

C. Ready Reckoner

The section below links the summary statements appearing in Volume I with the detailed statements and appendices in Volume II.

Guide to the Finance Accounts – contd.

(Appendices which do not have a direct link with the Summary Statements are not shown below).

Parameter	Summary Statements (Volume I)	Detailed Statements (Volume II)	Appendices
Revenue Receipts (including Grants received), Capital Receipts	2, 3	14	...
Revenue Expenditure	2, 4	15	I (Salary), II (Subsidy)
Grants-in-Aid given by the Government	2, 10	...	III (Grants-in-Aid)
Capital expenditure	1, 2, 4, 5, 12	16	I (Salary)
Loans and Advances given by the Government	1, 2, 7	18	...
Debt Position/Borrowings	1, 2, 6	17	...
Investments of the Government in Companies, Corporations etc	8	19	...
Cash	1, 2, 12, 13	...	...
Balances in Public Account and Investments thereof	1, 2, 12, 13	21, 22	...
Guarantees	9	20	...
Schemes			IV (Externally Aided Projects), V (Expenditure on Scheme)

D. Periodical adjustments and Book Adjustments

Certain transactions that appear in the accounts do not involve actual movement of cash at the time of booking. Some of these transactions take place at the level of the account rendering units (e.g. treasuries, divisions etc.) themselves. For instance, transactions involving adjustment of all deductions (GPF, recoveries of advances given etc.) from salaries are recorded by debiting functional major heads (pertaining to the concerned department) by book adjustment to revenue receipts/loans/public account. Similarly 'Nil' bills where moneys transferred between the Consolidated Fund and Public Account represent non-cash transactions occurring at the level of the accounts rendering units.

In addition of the above the Principal Accountant General/Accountant General (A&E) carries out periodical adjustments and book adjustments of the following nature in the

accounts of the State Government, details of which appear in Annexure to Notes to Accounts (Volume I) and footnotes to the relevant statements.

Examples of periodical adjustments and book adjustments are given below:

(1) Creation of funds/adjustment of contribution to Funds in Public Account by debit to Consolidated Fund e.g., State Disaster Response Fund, Central Road Fund, Reserve Funds, Sinking Fund, etc.

(2) Crediting of deposit heads of accounts in Public Account by debit to Consolidated Fund.

(3) Annual adjustment of interest on General Provident Fund (GPF) and State Government Group Insurance Scheme where interest is adjusted by debiting Major Head 2049 – Interest and crediting Major Head 8009 – State Provident Fund and Major Head 8011 – Insurance and Pension Fund.

(4) Adjustment of Debt waiver under the scheme of Government of India based on the recommendations of the Central Finance Commissions. These adjustments (where Central loans are written off by crediting Major Head 0075 – Miscellaneous General Services by contra entry in the Major Head 6004 – Loans and Advances from the Central Government) impact both Revenue Receipts and Public Debt heads.

E. Rounding:

Difference of ₹0.01 lakh/crore wherever occurring, is due to rounding.

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STATEMENTS

STATEMENT NO.1 - STATEMENT OF FINANCIAL POSITION

<i>ASSETS</i> ⁽¹⁾	<i>Reference (Sl. No.)</i>		<i>As at</i>	<i>As at</i>
	<i>Notes to Accounts</i>	<i>Statement/ Appendix</i>	<i>31 March 2019</i>	<i>31 March 2018</i>
(1)	(2)	(3)	<i>(₹ in crore)</i>	
(1)	(2)	(3)	(4)	(5)
Cash		Annexure to Stt. 2	2,20,03.87	2,61,84.05
(i) Cash in Treasuries and Local Remittances		Annexure to Stt. 2, 21	0.01	0.01
(ii) Departmental Balances		Annexure to Stt. 2, 21	2.09	2.09
(iii) Permanent Cash Imprest		Annexure to Stt. 2, 21	1.87	1.75
(iv) Cash Balance Investments account		Annexure to Stt. 2,	51,39.28	1,26,55.49
(v) Deposits with Reserve Bank	Para 2 (viii)	Annexure to Stt. 2, 22	9,89.96	7,23.77
(vi) Investment from Earmarked Funds		Annexure to Stt. 2, 22	1,58,70.66	1,28,00.94
Capital Expenditure		Stt. 5, 16	27,02,69.76	23,56,13.73
(i) Investments in shares of Companies, Corporations etc.		Stt. 8, 19	6,65,18.28 ^(a)	6,51,45.88
(ii) Other Capital expenditure		Stt. 16	20,37,51.48	17,04,67.85
F. Loans and Advances	Para 3 (iii)	Stt. 7, 18	2,49,80.59	2,05,24.59 ^(b)
Contingency Fund (un-recouped)		Stt. 21	...	...
K. (c) Advances		Stt. 21	6.94	6.94
L. Suspense and Miscellaneous Balances	Para 3 (xi)		...	...
M. Remittances	Para 3 (xi)	Stt. 21	6,90.50	6,51.19
Cumulative excess of expenditure over receipts ⁽²⁾		
Total			31,79,51.66	28,29,80.50

1. The figures of assets and liabilities are cumulative figures. Please also see note 1 (ii) of 'Notes to Accounts' Page No.56.

2. The cumulative excess of 'Receipts over Expenditure' or 'Expenditure over Receipts' is different from and not the Fiscal/ Revenue Deficit for the current year. This represents the cumulative excess of Receipts over Expenditure or Expenditure over Receipts under the heads of accounts closed to Government Accounts excluding the expenditure on Capital Outlay.

(a) Balance to the end of 2018-19 decreased by ₹3.29 Crore due to the reasons stated at Explanatory Note 2 on Page No.30 below "Statement No.5, Statement of Progressive Capital Expenditure" in this Volume.

(b) Balance to the end of 2017-18 decreased proforma by ₹8.28 Crore due to Conversion of Loan given to India Coffee Marketing co-operative Ltd. (COMARK) as grant..

STATEMENT NO.1 - STATEMENT OF FINANCIAL POSITION – conclud.

<i>LIABILITIES</i> ⁽¹⁾	<i>Reference (Sl. No.)</i>		<i>As at</i>	<i>As at</i>
	<i>Notes to Accounts</i>	<i>Statement/ Appendix</i>	<i>31 March 2019</i>	<i>31 March 2018</i>
(1)	(2)	(3)	<i>(₹ in crore)</i>	
(1)	(2)	(3)	(4)	(5)
Borrowings (Public Debt)		6, 17	19,39,66.80	16,31,35.36
(i) Internal Debt of the State Government		6, 17	17,93,09.31	14,85,80.67
(ii) Loans and Advances from the Central Government		6, 17	1,46,57.49	1,45,54.69
Pre 1984-85 Loans		6, 17	0.07	0.07
Non-Plan Loans		6, 17	40.37	45.50
Loans for State Plan Schemes		6, 17	1,12,41.18	1,25,89.53
Loans for Central Plan Schemes ⁽²⁾		6, 17	6.56	(-) 5.41
Loans for Centrally Sponsored Plan Schemes ⁽²⁾		6, 17	(-)18.25	(-) 18.25
Other Loans for States		6, 17	33,87.56	19,43.25
Contingency Fund		21	80.00	80.00
Liabilities in Public Account			9,89,40.66	9,54,70.95
(i) I. Small Savings, Provident Funds, etc.		17, 21	3,10,23.42	2,77,31.13
(ii) J. Reserve Funds ⁽³⁾	Para 3 (viii), (ix)	21	3,28,71.47	2,96,74.61
(iii) K. Deposits ⁽⁴⁾		21	2,83,85.41	2,53,17.89
(iv) L. Suspense and Miscellaneous Balances ⁽⁵⁾	Para 3 (xi)	21	66,60.36	1,27,47.32
(v) M. Remittances	Para 3 (xi)		...	...
Cumulative excess of receipts over expenditure ⁽⁶⁾			2,49,64.20	2,42,94.19 ^(#)
Total			31,79,51.66	28,29,80.50

1. The Figures of Assets and Liabilities are cumulative figures. Liabilities shown above do not include the amount of off budget borrowings (₹1,48,61.56 crore) reported by the Government of Karnataka. Please refer Paragraph 3(xxiv) of 'Notes to Accounts'.

2. Adverse balances are due to the reasons explained in Statement No.6 at footnote (a) on Page No.31.

3. Gross balances under J. Reserve Funds are shown here. The investment out of J. Reserve Funds is included in the Assets side under 'Investment from Earmarked Funds'.

4. Gross balance under K (a) – Deposits bearing Interest and K (b) – Deposits not bearing Interest are shown here. The investment out of K. Deposits is included in the Assets side under 'Investment from Earmarked Funds'.

5. In this statement the line item 'Suspense and Miscellaneous Balances' does not include Cash Balance Investment Account, Department Balances and Permanent Cash Imprest which is included separately above (Assets side), though the later forms part of this sector elsewhere in these Accounts. Correspondingly, the total amount shown against Public Account differs from that shown elsewhere in these Accounts.

6. The Cumulative excess of receipts over expenditure is arrived as under:

Cumulative excess of expenditure over receipts in Government account as in Statement No.13.	24,53,05.56
Less: Cumulative expenditure on Capital Outlay as indicated under Assets above	<u>27,02,69.76</u>
	(-) 2,49,64.20 ^(*)

(*) Minus Sign indicates that the receipts are in excess of expenditure.

(#) Balance to the end of March 2018 differs by ₹8.28 Crore due to the proforma correction as per Government order No CO: 104 Dated 30-03-2019 due to Conversion of Loan given to COMARK as Grant.



STATEMENT NO. 2 - STATEMENT OF RECEIPTS AND DISBURSEMENTS

<i>Receipts</i>			<i>Disbursements</i>		
<i>2018-19</i>		<i>2017-18</i>	<i>2018-19</i>		<i>2017-18</i>
<i>(₹ in crore)</i>					
(1)	(2)	(3)	(4)	(5)	(6)
Part-I Consolidated Fund					
Section-A: Revenue					
Revenue Receipts <i>(Ref Statement 3 & 14)</i>	16,49,78.66	14,69,99.65	Revenue Expenditure <i>(Ref Statement 4-A, 4-B & 15)</i>	16,42,99.85	14,24,82.33
Tax Revenue <i>(Raised by the State)</i> <i>(Ref Statement 3 & 14)</i>	9,68,29.71	8,71,30.38	Salaries ⁽¹⁾ <i>(Ref Statement 4-B, 15 & Appendix I)</i>	1,34,20.67	1,05,45.87
Non-Tax Revenue <i>(Ref Statement 3 & 14)</i>	67,72.87	64,76.53	Subsidies ⁽¹¹⁾ <i>(Ref Statement 15 & Appendix-II)</i>	1,53,99.80	1,41,47.59
Interest receipts <i>(Ref Statement 3 & 14)</i>	11,12.04	11,78.40	Grants-in-Aid ⁽²⁾ <i>(Ref Statement 4-B, 10, 15 & Appendix III)</i>	4,51,77.25	4,06,06.73
Others ⁽³⁾ <i>(Ref Statement 3 and 14)</i>	56,60.83	52,98.13	General Service	3,42,67.32	2,81,90.54
States Share of Union Taxes/Duties <i>(Ref Statement 3 & 14)</i>	3,58,94.83	3,17,51.96	Interest Payment and service of debt ⁽⁴⁾	1,54,22.91 ^(S)	1,39,29.58
			Pension and other retirement benefits	1,51,08.63	1,16,83.75
			Others	37,35.78	25,77.21
			Social Services	2,98,18.36	2,34,84.92
			Economic Services	2,07,91.14	1,90,16.92
Grant-in-Aid and contributions from Central Government <i>(Ref Statement 3 & 14)</i>	2,54,81.25	2,16,40.78	Compensation and assignment to Local Bodies and PRIs <i>(Ref Statement 4-A)</i>	54,25.31	64,89.76
Revenue Deficit	...	...	Revenue Surplus	6,78.81	45,17.32
Section-B: Capital					
Capital Receipts <i>(Ref Statement 3 & 14)</i>	(-) 5.51	3.70	Capital Expenditure <i>(Ref Statement 4-A, 4-B, 5 & 16)</i>	3,46,59.32	3,06,66.76
Miscellaneous Capital Receipts	(-) 5.51	3.70	Salaries ⁽⁵⁾		
			General Services <i>(Ref Statement 4-A, 5 & 16)</i>	8,27.41	9,77.45
			Social Services <i>(Ref Statement 4-A, 5 & 16)</i>	97,93.56	86,76.76
			Economic Services ⁽⁵⁾ <i>(Ref Statement 4-A, 5 & 16)</i>	2,40,38.35	2,10,12.55
Recoveries of Loans and Advances <i>(Ref Statement 7 & 18)</i>	31.23	1,36.93	Loans and Advances disbursed <i>(Ref Statement 4-A, 7 & 18)</i>	44,87.22	50,92.22
General Services <i>(Ref Statement 7 & 18)</i>	...	...	General Services <i>(Ref Statement 4-A, 7 & 18)</i>	...	...
Social Services <i>(Ref Statement 7 & 18)</i>	0.13	0.05	Social Services <i>(Ref Statement 4-A, 7 & 18)</i>	24,41.02	11,77.79
Economic Services <i>(Ref Statement 7 & 18)</i>	24.66	34.28	Economic Services <i>(Ref Statement 4-A, 7 & 18)</i>	20,35.12	39,09.91
Others <i>(Ref Statement 7 & 18)</i>	6.44	1,02.60	Others <i>(Ref Statement 4-A, 7 & 18)</i>	11.08	4.52
Fiscal Deficit	3,84,42.01	3,11,01.03	Fiscal Surplus	...	...

(1) Salary, Subsidy and Grants-in-Aid figures summed up across all sectors to present a consolidated figure. The expenditure in this statement under the sectors 'General', 'Social', 'Economic Services' and 'Grants-in-Aid and Contributions' does not include expenditure on salaries, subsidies and Grants-in-Aid (explained in foot Note 2). Salaries include expenditure booked under object heads Pay-Officers, Pay-Staff, Interim Relief, Dearness Allowances, Other Allowance, Medical Allowance and Reimbursement of Medical Expenses' only.

(2) Grants-in-Aid are given to Statutory Corporations, Companies, Autonomous Bodies, Local Bodies etc., by the Government, which is included as a line item above. These grants are distinct from Compensation and Assignment of Taxes, Duties to the Local Bodies, which is depicted as a separate line item 'Compensation and Assignment to Local Bodies and Panchayat Raj Institutes' - Please refer footnote (A) on Page No.23.

(S) Includes Expenditure under object head '241 – Commitment Charges' (₹3.68 crore).

STATEMENT NO. 2 - STATEMENT OF RECEIPTS AND DISBURSEMENTS – conclud.

	<i>Receipts</i>		<i>Disbursements</i>		
	<i>2018-19</i>	<i>2017-18</i>	<i>2018-19</i>	<i>2017-18</i>	
	<i>(₹ in crore)</i>		<i>(₹ in crore)</i>		
(1)	(2)	(3)	(4)	(5)	(6)
Public Debt Receipts <i>(Ref Statement 3, 6 & 17)</i>	4,19,14.06	2,51,21.86	Repayment of Public Debt <i>(Ref Statement 4-A, 6 & 17)</i>	1,10,82.62	82,69.16
Internal Debt (Market Loans etc.) ⁽⁶⁾	4,04,69.67	2,31,78.61	Internal Debt (Market Loans etc.) ⁽⁶⁾	97,41.03	70,86.99
Loans from GOI <i>(Ref Statement 3, 6 & 17)</i>	14,44.39	19,43.25	Loans from GOI <i>(Ref Statement 4-A, 6 & 17)</i>	13,41.59	11,82.17
Net of Inter –State-Settlement	...	...	Net of Inter – State - Settlement	...	...
Total Receipts Consolidated Fund <i>(Ref Statement 3)</i>	20,69,18.44	17,22,62.14	Total Expenditure Consolidated Fund <i>(Ref Statement 4)</i>	21,45,29.01	18,65,10.47
Deficit in Consolidated Fund	76,10.57	1,42,48.33	Surplus in Consolidated Fund	...	...
Part II Contingency Fund					
Contingency Fund⁽⁷⁾ <i>(Ref Statement 21)</i>	...	...	Contingency Fund⁽⁷⁾ <i>(Ref Statement 21)</i>	...	...
Part III Public Account⁽⁸⁾					
Small savings, Provident Fund, etc. <i>(Ref Statement , 6,17 & 21)</i>	71,35.54	62,62.21	Small Savings, Provident Fund, etc. <i>(Ref Statement 6,17 & 21)</i>	38,43.25	34,50.71
Reserve Funds <i>(Ref Statement 6,17 & 21)</i>	45,47.07	56,67.50	Reserve Funds <i>(Ref Statement 6,17 & 21)</i>	44,19.93	51,77.71
Deposits <i>(Ref Statement 6,17 & 21)</i>	5,77,56.86	5,09,68.86	Deposits <i>(Ref Statement 6,17 & 21)</i>	5,46,89.35	4,91,35.43
Advances <i>(Ref Statement 21)</i>	...	0.43	Advances <i>(Ref Statement 21)</i>	...	...
Suspense and Miscellaneous ⁽⁹⁾ <i>(Ref Statement 21)</i>	44,73.61.72	43,72,33.48	Suspense and Miscellaneous ⁽⁹⁾ <i>(Ref Statement 21)</i>	44,59,32.59	42,74,20.78
Remittances <i>(Ref Statement 21)</i>	36.14	36.57	Remittances <i>(Ref Statement 21)</i>	75.45	1,12.37
Total Receipts Public Account <i>(Ref Statement 21)</i>	51,68,37.33	50,01,69.05	Total Disbursements Public Account <i>(Ref Statement 21)</i>	50,89,60.57	48,52,97.00
Deficit in Public Account	...	...	Surplus in Public Account	78,76.76	1,48,72.05
Opening Cash Balance	7,23.78	1,00.06	Closing Cash Balance⁽¹⁰⁾	9,89.97	7,23.78
Increase in Cash Balance	2,66.19	6,23.72	Decrease in Cash Balance		

(3) Includes Dividends and Profits of ₹38.30 crore (Major Head 0050) during the year 2018-19. The details of Non-Tax Revenue are given in Statement No. 3.

(4) Payment of interest on 'Off-Budget borrowings' – Please refer Foot Note (A1) (ii) on Page No.23.

(5) Includes Salaries under Capital Expenditure (₹16.54 crore for 2018-19 and ₹14.73 crore for 2017-18)

(6) Includes repayment of ₹15,95.46 crore towards National Small Savings Fund during 2018-19.

(7)	Expenditure debited to Contingency Fund during the current year and not recouped.	Nil
	Expenditure debited to Contingency Fund during the previous year and recouped during the current year:	Nil

(8) For details please refer to Statement No.21 in Part I Volume II.

(9) Excludes 8675 RBD and includes 'Other Accounts' such as Cash Balance Investment Account (Major Head 8673). The figures may appear huge on account of these other accounts. Details are given in Statement No.21 in Volume II.

(10) The closing cash balance comprises Deposits with the Reserve Bank ₹9,89.96 crore and Remittances in Transit – Local ₹0.01 crore. For details please see Annexure at Page No.6.

(11) Refer to Foot Note of Appendix.2 at Page No.365.

ANNEXURE A. CASH BALANCES AND INVESTMENTS OF CASH BALANCES

<i>Particulars</i>		<i>As on 31 March 2019</i>	<i>As on 31 March 2018</i>
		<i>(₹ in crore)</i>	
(a)	General Cash Balance:		
	1. Cash in Treasuries	...	...
	2. Deposits with the Reserve Bank ⁽¹⁾	9,89.96 ⁽⁴⁾	7,23.77
	3. Remittances in Transit – Local	0.01	0.01
	Total (1 to 3)	9,89.97	7,23.78
	4. Investments held in the Cash Balance Investment Account ⁽²⁾	51,39.28	1,26,55.49
	Total (a)	61,29.25	1,33,79.27
(b)	Other Cash Balances and Investments:		
	1. Cash with Departmental Officers	2.09	2.09
	2. Permanent Advances for Contingent expenditure with Departmental Officers	1.87	1.75
	3. Investments of Earmarked Funds ⁽³⁾	1,58,70.66	1,28,00.94
	Total (b)	1,58,74.62	1,28,04.78
	Total (a) and (b)	2,20,03.87	2,61,84.05

Explanatory Notes

a) Cash and Cash Equivalents: Cash and cash equivalents consist of cash in treasuries and deposits with Reserve Bank of India and Remittances in Transit as detailed above. The balance under the head ‘Deposits with Reserve Bank’ above depicts the combined balance of the Consolidated Fund, Contingency Fund and the Public Account at the end of the year. To arrive at the overall cash position, the cash balances with treasuries, departments and investments out of the cash balances/Earmarked funds etc are added to the balance in ‘Deposits with Reserve Bank of India’.

(1) The balance under the head ‘Deposits with the Reserve Bank’ is arrived at after taking into account the Inter Government Monetary settlements pertaining to transactions of the financial year 2018-19 advised to the Reserve Bank upto 15 April 2019.

(2) For details please refer explanatory Note.

(3) Fund-wise break-up of the investment from out of the earmarked balances is given in Statement No.22 in part I volume II.

(4) There was a difference of ₹9,91.44 crore (Dr.) between the figures reflected in the accounts {₹9,89.96 crore (Dr.)} and that intimated by the Reserve Bank of India {₹1.48 crore (Dr.)} as on March (S) 2019. The difference is under reconciliation.

**ANNEXURE A. CASH BALANCES AND INVESTMENTS OF CASH BALANCES
– contd.**

b) Daily Cash and Cash Equivalents: Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum cash balance of ₹2.63 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking special and ordinary ways and means advances/overdrafts from time to time.

For arriving at the daily cash balance for the purpose of grant of Ways and Means advances/Overdraft, the RBI evaluates the holdings of the 14 days and 91 days Treasury Bills along with the transactions reported (at RBI counters, Inter-Government transactions and Treasury transactions reported by the agency banks) for the day. To the cash balance so arrived, the maturity of 14 days Treasury Bills if any, is added and excess balance, if any, after maintaining the minimum cash balance is reinvested in Treasury Bills. **If the net cash balance arrived at results in less than the minimum cash balance** or a credit balance and if there are no 14 day Treasury Bills maturing on that day, RBI rediscounts the holdings of the 14 days Treasury Bills and makes good the shortfall. If there is no holding of 14 days Treasury Bills on that day Special Ways and Means advances/Over Draft are granted to the State Government.

c) Ways and Means Advances: The limit for Normal Ways and Means Advances to the State Government was raised from ₹9,37.50 crore during 01 April 2015 to ₹19,85.00 crore with effect from 01 February 2016. The Bank has also agreed to give Special Ways and Means advances against the pledge of Government Securities. The limit of Special Ways and Means advances are revised by the Bank from time to time.

The extent to which the Government maintained the minimum cash balance with the Reserve Bank during 2018-19, is given in the table below:-

(i)	Number of days on which the minimum balance was maintained without taking any advance	365
(ii)	Number of days on which the minimum balance was maintained by taking ordinary ways and means advance	NIL
(iii)	Number of days on which the minimum balance was maintained by taking special ways and means advances	NIL
(iv)	Number of days on which there was shortfall in minimum balance even after taking the above advances, but no overdraft was taken	NIL
(v)	Number of days on which overdrafts were taken	NIL

**ANNEXURE A. CASH BALANCES AND INVESTMENTS OF CASH BALANCES
– contd.**

Ways and Means Advances (Ordinary and Special) are granted by the Bank upto a limit, mutually agreed upon between the Bank and the Government. The operative limit for normal Ways and Means Advance and limits of Special Ways and Means Advances are fixed by the Reserve Bank of India from time to time. If even after the maximum advance is given, if the balance is below the minimum, the deficit is left uncovered. Overdrafts are given by the Bank, if the State has a minus balance after availing of the maximum advance.

The details of investments held in Cash Balance Investment Account are given below. Interest realized during the year was ₹9,36.47 crore.

<i>(₹ in crore)</i>		
(i)	Government of India Treasury Bills	51,38.95
(ii)	Government of India Securities	0.32
(iii)	Other Investments	0.01
Total		51,39.28

The Government of Karnataka had invested in 14 days Treasury Bills and 91 days Treasury Bills. The operative limits of Normal Ways and Means advances and Special Ways and Means Advances, for the year 2018-19 is given in the tables below:

<i>(1) Limits of Normal Ways and Means advances</i>		<i>(₹ in crore)</i>	
<i>Effective date</i>	<i>Amount</i>		
01-04-2018	19,85.00		

<i>(2) Limits of Special Ways and Means advances</i>			
<i>Effective date</i>	<i>Amount</i>	<i>Effective date</i>	<i>Amount</i>
02-04-2018	1,49.31	12-11-2018	1,41,34.72
03-04-2018	1,73.09	15-11-2018	1,69,36.64
14-05-2018	1,74.15	26-11-2018	1,69,42.10
15-05-2018	1,73.09	27-11-2018	1,69,36.56
24-05-2018	20,43.45	29-11-2018	1,74,03.87
25-05-2018	20,43.60	03-12-2018	1,74,13.65
02-06-2018	20,34.58	04-12-2018	1,74,04.11
04-06-2018	20,44.06	05-12-2018	1,74,04.75
05-06-2018	20,45.86	06-12-2018	1,97,40.57
07-06-2018	39,15.46	10-12-2018	1,97,48.85
11-06-2018	39,39.41	11-12-2018	1,97,40.83
12-06-2018	39,15.48	14-12-2018	1,74,06.20
14-06-2018	57,85.08	27-12-2018	2,11,44.26
02-07-2018	57,45.80	01-01-2019	2,11,24.21
09-07-2018	57,55.34	08-01-2019	2,11,24.36

**ANNEXURE A. CASH BALANCES AND INVESTMENTS OF CASH BALANCES
– conclud.**

(₹ in crore)

<i>Effective date</i>	<i>Amount</i>	<i>Effective date</i>	<i>Amount</i>
10-07-2018	57,45.64	09-01-2019	2,11,24.08
11-07-2018	57,46.10	10-01-2019	1,92,56.19
12-07-2018	76,15.70	11-01-2019	1,92,57.86
16-07-2018	76,19.87	16-01-2019	1,92,57.91
17-07-2018	76,15.63	24-01-2019	1,64,56.70
24-07-2018	76,15.98	28-01-2019	1,64,66.41
26-07-2018	1,04,19.24	29-01-2019	1,64,57.40
30-07-2018	1,04,19.92	31-01-2019	1,41,22.78
02-08-2018	1,04,20.52	02-02-2019	1,41,21.42
16-08-2018	1,04,22.15	04-02-2019	1,41,23.08
23-08-2018	85,51.79	08-02-2019	1,13,21.53
28-08-2018	85,52.23	14-02-2019	85,19.69
30-08-2018	1,04,20.50	15-02-2019	85,19.81
06-09-2018	85,50.90	28-02-2019	61,85.21
12-09-2018	66,81.30	07-03-2019	38,49.40
14-09-2018	90,15.92	18-03-2019	38,49.48
17-09-2018	90,16.00	19-03-2019	38,49.85
19-09-2018	90,16.01	20-03-2019	38,50.60
21-09-2018	90,16.85	21-03-2019	38,47.34
24-09-2018	90,19.06	22-03-2019	38,50.80
25-09-2018	90,17.01	25-03-2019	38,53.02
01-10-2018	90,22.24	26-03-2019	38,50.92
03-10-2018	90,00.82	27-03-2019	41,78.32
11-10-2018	89,99.11	28-03-2019	4,40.26
25-10-2018	89,97.40	29-03-2019	7,70.86
01-11-2018	1,13,32.02		

During 2018-19, Government of Karnataka has not availed any Ways and Means advances or Overdrafts with the Reserve Bank of India.

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**STATEMENT NO. 3 - STATEMENT OF RECEIPTS (CONSOLIDATED FUND)**

**I TAX AND NON-TAX REVENUE**

| <i>Description</i>                                                         | <i>Actuals</i>      |                    |
|----------------------------------------------------------------------------|---------------------|--------------------|
|                                                                            | <i>2018-19</i>      | <i>2017-18</i>     |
|                                                                            | <i>(₹ in crore)</i> |                    |
| <b>(1)</b>                                                                 | <b>(2)</b>          | <b>(3)</b>         |
| <b>A. Tax Revenue</b>                                                      |                     |                    |
| <b>A.1. Own Tax Revenue</b>                                                | <b>9,68,29.71</b>   | <b>8,71,30.38</b>  |
| State Goods and Service Tax <sup>(1)</sup>                                 | 4,19,56.03          | 2,41,82.18         |
| State Excise                                                               | 1,99,43.93          | 1,79,48.51         |
| Taxes on Sales, Trade etc.                                                 | 1,40,03.06          | 2,50,93.16         |
| Stamps and Registration Fees                                               | 1,07,74.70          | 90,23.68           |
| Taxes on Vehicles                                                          | 65,67.67            | 62,08.57           |
| Taxes and Duties on Electricity                                            | 23,34.08            | 14,84.99           |
| Other Taxes on Income and Expenditure                                      | 10,56.82            | 9,64.41            |
| Land Revenue                                                               | 1,44.07             | 1,95.42            |
| Other Taxes and Duties on Commodities and Services                         | 21.25               | 7,35.64            |
| Taxes on Goods and Passengers                                              | 27.92               | 12,79.13           |
| Taxes on Agricultural Income                                               | 0.18                | 14.69              |
| <b>A.2. Share of net proceeds of Union Taxes and Duties</b>                | <b>3,58,94.83</b>   | <b>3,17,51.96</b>  |
| Corporation Tax                                                            | 1,24,81.94          | 97,21.29           |
| Taxes on Income other than Corporation Tax                                 | 91,92.40            | 82,08.94           |
| Central Goods and Service Tax                                              | 88,58.76            | 4,47.56            |
| Customs                                                                    | 25,44.18            | 32,03.80           |
| Union Excise Duties                                                        | 16,90.77            | 33,48.80           |
| Integrated Goods and Service Tax                                           | 7,07.00             | 32,04.72           |
| Service Tax                                                                | 3,31.65             | 36,17.15           |
| Other Taxes on Income and Expenditure                                      | 65.01               | ...                |
| Other Taxes and Duties on Commodities and Services                         | 18.54               | (-) 0.01           |
| Taxes on Wealth                                                            | 4.58                | (-) 0.29           |
| <b>Total A</b>                                                             | <b>13,27,24.54</b>  | <b>11,88,82.34</b> |
| <b>B. Non-Tax Revenue</b>                                                  |                     |                    |
| Non-Ferrous Mining and Metallurgical Industries                            | 30,26.58            | 27,46.80           |
| Interest Receipts                                                          | 11,12.04            | 11,78.40           |
| Miscellaneous General Services                                             | 4,11.00             | 1,99.87            |
| Medical and Public Health                                                  | 3,30.36             | 3,64.22            |
| Forestry and Wild Life                                                     | 3,09.06             | 3,14.16            |
| Other Administrative Services                                              | 2,52.92             | 2,70.79            |
| Police                                                                     | 2,41.35             | 2,53.08            |
| Education, Sports, Art and Culture                                         | 1,99.71             | 1,75.54            |
| Other General Economic Services                                            | 1,30.01             | 1,31.80            |
| Roads and Bridges                                                          | 1,05.15             | 1,02.67            |
| Housing                                                                    | 72.92               | 65.29              |
| Contributions and Recoveries towards Pension and Other Retirement Benefits | 70.73               | 1,07.85            |
| Labour and Employment                                                      | 63.10               | 61.38              |
| Minor Irrigation                                                           | 57.25               | 16.68              |

**STATEMENT NO. 3 - STATEMENT OF RECEIPTS (CONSOLIDATED FUND)**

**contd.**

**I TAX AND NON-TAX REVENUE**

| <i>Description</i>                 | <i>Actuals</i>      |                 |
|------------------------------------|---------------------|-----------------|
|                                    | <i>2018-19</i>      | <i>2017-18</i>  |
|                                    | <i>(₹ in crore)</i> |                 |
| <b>(1)</b>                         | <b>(2)</b>          | <b>(3)</b>      |
| <b>B. Non-Tax Revenue</b>          |                     |                 |
| Power                              | 48.06               | 30.45           |
| Co-operation                       | 42.79               | 43.48           |
| Village and Small Industries       | 41.52               | 45.60           |
| Dividends and Profits              | 38.30               | 78.83           |
| Public Works                       | 34.23               | 24.96           |
| Stationery and Printing            | 29.45               | 28.32           |
| Fisheries                          | 18.98               | 10.50           |
| Medium Irrigation                  | 17.08               | 14.37           |
| Other Social Services              | 16.83               | 21.98           |
| Shipping                           | 15.71               | 11.75           |
| Crop Husbandry                     | 14.67               | 16.88           |
| Animal Husbandry                   | 12.41               | 8.02            |
| Other Rural Development Programmes | 8.49                | 40.98           |
| Public Service Commission          | 8.08                | 21.51           |
| Food Storage and Warehousing       | 8.00                | 4.55            |
| Urban Development                  | 7.65                | 18.80           |
| Social Security and Welfare        | 6.72                | 15.47           |
| Ports and Light Houses             | 5.66                | 5.42            |
| Jails                              | 4.09                | 3.20            |
| Land Reforms                       | 2.21                | 0.19            |
| Inland Water Transport             | 2.17                | 2.03            |
| Information and Publicity          | 2.04                | 1.58            |
| Water Supply and Sanitation        | 1.77                | 1.52            |
| Civil Aviation                     | 1.25                | 29.19           |
| Tourism                            | 1.09                | 1.52            |
| Industries                         | 0.84                | 6.28            |
| Civil Supplies                     | 0.41                | 0.44            |
| Other Agricultural Programmes      | 0.10                | 0.03            |
| Family Welfare                     | 0.07                | 0.07            |
| Non-Conventional Sources Of Energy | 0.02                | 0.01            |
| Major Irrigation                   | 0.00                | 0.06            |
| Road Transport                     | 0.00                | 0.01            |
| Hill Areas                         | 0.00                | ...             |
| Other                              | 0.00                | ...             |
| <b>Total B</b>                     | <b>67,72.87</b>     | <b>64,76.53</b> |

(1) It includes Provisional/Advance settlement of Integrated Goods and Service Tax (IGST) of ₹55,59.04 crore received from Central Government.

**STATEMENT NO. 3 - STATEMENT OF RECEIPTS (CONSOLIDATED FUND) –  
contd.**

**II GRANTS-IN-AID AND CONTRIBUTIONS FROM GOVERNMENT OF INDIA**

| <i>Description</i>                                                    | <i>Actuals</i>                   |                    |
|-----------------------------------------------------------------------|----------------------------------|--------------------|
|                                                                       | <i>2018-19</i>                   | <i>2017-18</i>     |
|                                                                       | <i>(₹ in crore)</i>              |                    |
| <b>(1)</b>                                                            | <b>(2)</b>                       | <b>(3)</b>         |
| <b>C. Grants-in-Aid and Contributions</b>                             |                                  |                    |
| <b>Grants-in-Aid from Central Government</b>                          |                                  |                    |
| <b>Non-Plan Grants</b>                                                | ...                              | ...                |
| Other Grants                                                          | ...                              | ...                |
| Grants from National Disaster Response Fund                           | ...                              | ...                |
| Grants towards contribution to State Disaster Response Fund           | ...                              | ...                |
| Grants under the proviso to Article 275 (1) of the Constitution       | ...                              | ...                |
| <b>Grants for State/Union Territory Plan Schemes</b>                  | ...                              | ...                |
| Other Grants                                                          | ...                              | ...                |
| Block Grants                                                          | ...                              | ...                |
| Grant from Central Road Fund                                          | ...                              | ...                |
| Grants under the proviso to Article 275 (1) of the Constitution       | ...                              | ...                |
| Externally Aided Projects out of Block Grants                         | ...                              | ...                |
| <b>Grants for Central Plan Schemes</b>                                | ...                              | ...                |
| <b>Grants for Centrally Sponsored Plan Schemes</b>                    | ...                              | ...                |
| <b>Grants for Special Plan Schemes</b>                                | ...                              | ...                |
| <b>Centrally Sponsored Schemes</b>                                    | <b>1,03,93.44</b> <sup>(a)</sup> | <b>1,16,17.25</b>  |
| Central Assistance/Share                                              | 90,51.48                         | 1,11,62.79         |
| Externally Aided Projects for Centrally Sponsored Schemes             | 11.84                            | 24.52              |
| Grants under proviso to Article 275(1) of constitution                | 52.21                            | ...                |
| Grants from Central Road Fund                                         | 5,08.39                          | 4,30.00            |
| Special Component Plan for Schedule Castes                            | 4,95.08                          | ...                |
| Tribal Area Sub-Plan                                                  | 2,77.19                          | ...                |
| Deduct Refund                                                         | (-) 2.75                         | (-) 0.06           |
| <b>Finance Commission Grants</b>                                      | <b>33,73.89</b> <sup>(b)</sup>   | <b>27,08.18</b>    |
| Grants for Rural Local Bodies                                         | 20,45.62                         | 15,80.18           |
| Grants for Urban Local Bodies                                         | 10,40.27                         | 8,99.25            |
| Grants- in-Aid for State Disaster Response Fund                       | 2,88.00                          | 2,28.75            |
| <b>Other Transfer/Grants to State/UT with Legislature</b>             | <b>1,17,13.92</b> <sup>(c)</sup> | <b>73,15.35</b>    |
| Grants Towards Contribution to National Disaster Response Fund        | 9,59.92                          | 9,13.04            |
| Compensation for loss of revenue arising out of implementation of GST | 1,07,54.00                       | 62,46.00           |
| Other Receipts                                                        | ...                              | 1,56.31            |
| <b>Total C</b>                                                        | <b>2,54,81.25</b>                | <b>2,16,40.78</b>  |
| <b>Total Revenue Receipts (A+B+C)</b>                                 | <b>16,49,78.66</b>               | <b>14,69,99.65</b> |

**STATEMENT NO. 3 - STATEMENT OF RECEIPTS (CONSOLIDATED FUND) –  
concl.**

**III CAPITAL, PUBLIC DEBT AND OTHER RECEIPTS**

| <i>Description</i>                                            | <i>Actuals</i>      |                    |
|---------------------------------------------------------------|---------------------|--------------------|
|                                                               | <i>2018-19</i>      | <i>2017-18</i>     |
|                                                               | <i>(₹ in crore)</i> |                    |
| <b>(1)</b>                                                    | <b>(2)</b>          | <b>(3)</b>         |
| <b>D. Miscellaneous Capital Receipts</b>                      |                     |                    |
| Disinvestments proceeds                                       | 3.29                | ...                |
| Others                                                        | (-) 8.80            | 3.70               |
| <b>Total D</b>                                                | <b>(-) 5.51</b>     | <b>3.70</b>        |
| <b>E. Public Debt receipts</b>                                |                     |                    |
| <b>Internal Debt</b>                                          | <b>4,04,69.67</b>   | <b>2,31,78.61</b>  |
| Market Loans                                                  | 3,95,99.94          | 2,20,98.00         |
| Special Securities issued to National Small Savings Fund      | ...                 | ...                |
| Loans from Financial Institutions                             | 8,69.73             | 10,80.61           |
| Ways and Means Advances from the RBI                          | ...                 | ...                |
| Bonds                                                         | ...                 | ...                |
| <b>Loans and Advances from Central Government</b>             | <b>14,44.39</b>     | <b>19,43.25</b>    |
| Non-Plan Loans                                                | ...                 | ...                |
| Loans for State Plan Schemes                                  | ...                 | ...                |
| Loans for Central Plan Schemes                                | ...                 | ...                |
| Loans for Centrally Sponsored Plan Schemes                    | ...                 | ...                |
| Other Loans for States                                        | 14,44.39            | 19,43.25           |
| <b>Total E</b>                                                | <b>4,19,14.06</b>   | <b>2,51,21.86</b>  |
| <b>F. Loans and Advances by State Government (Recoveries)</b> | <b>31.23</b>        | <b>1,36.93</b>     |
| <b>Total Receipts in Consolidated Fund (A+B+C+D+E+F)</b>      | <b>20,69,18.44</b>  | <b>17,22,62.14</b> |

- (a) It includes NMSA – Rain fed Area Development (₹5.54 crore), National Project on Management of Soil Health (₹22.69 crore), Paramparagat Krishi Vikas Yojane (₹4.08 crore), Integrated Watershed Management Programme (IWMP) (₹74.59 crore), National Food Security Mission (₹1,07.48 crore), National Mission on Agriculture Extension and Technology (₹19.87 crore), Submission on Agricultural Mechanization (₹74.74 crore), Rashtriya Krishi Vikasa Yojane (RKYY) (₹1,04.21 crore), Agricultural Submission on Seed and Planting Material (₹3.60 crore), National Horticulture Mission (₹55.61 crore), National Oil Seed and Oil Palm Mission (₹7.30 crore), Grants for Implementing Coconut Development Board (₹14.74 crore), Per Drop More Crop (PMKSY) (₹3,04.17 crore), National Livestock Health and Disease Control Programme (₹15.95 crore), National Livestock Mission (₹0.86 crore), Statistics & Livestock Census (₹5.09 crore), Integrated Sample Survey for Estimation of Production of Major Live Stock Products (₹1.62 crore), Integrated Development & Management of Fisheries (₹56.53 crore), India Reserve Battalion (₹3.34 crore), Modernisation of Police Forces (₹7.94 crore), Strengthening of State Disaster Management Authorities (SDMAs) and District Disaster Management Authorities (₹0.51 crore), Strengthening their Enforcement Capabilities for Combating Illicit Traffic in Narcotic Drugs & Psychotropic Substance (₹0.13 crore), Shyama Prasad Mukherjee Urban Mission (15.68 crore), Swach Bharath – Rural (₹2,13.04 crore), National Rural – Drinking Water Programme (NRDWP) (₹2,70.87 crore), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) (₹11,80.37 crore), National Rural Livelihood Mission (NRLM) (₹1,12.28 crore), Pradhan Mantri Gram Sadak Yojana (₹47.20 crore), Krishonnati Yojane (Agro Forestry under NMSA) (₹50.42 crore), Intensification of Forest Management (₹1.75 crore), National Afforestation Programme (National Mission for a Green India) (₹12.12 crore), Integrated Development of Wildlife Habitats (₹6.46 crore), Project Tiger (₹22.67 crore), Project Elephant Karnataka (₹3.54 crore), Pre Matric Scholarship to OBC (₹11.05 crore), Post-Matric Scholarship to OBC (₹52.05 crore), Multi-Sectoral Development Programme for Minorities (₹73.95 crore), Pre Matric Scholarship for students belonging to Minority Communities (₹0.36 crore), Post Matric Scholarship Scheme to minority communities (₹0.24 crore), Integrated Child Development Service (ICDS) (₹9,19.01 crore), National Nutrition Mission (₹98.71 crore), National Mission for Empowerment of Women including Indira Gandhi

Matritva Sahyog Yojana (IGMSY) (₹7.35 crore), Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA) (₹9.24 crore), Rajiv Gandhi National Creche Scheme for the Children of Working Mothers (₹4.81 crore), Integrated Child Protection Scheme (ICPS) (₹40.23 crore), National Mission for Empowerment of Women (NMEW) (₹1.70 crore), Swadhar Greh (₹2.74 crore), Nirbhaya Scheme (₹1,67.26 crore), National Policy for Prevention of Alcoholism (₹1.13 crore), Kerosene Distribution & Reforms (₹37.81 crore), Intra-State Movement and handling of food grains and FPS dealers (₹1,76.10 crore), Strengthening of Weights and Measures Infrastructure (₹0.07 crore), Strengthening of Prize Monitoring Cell (PMC) (₹0.14 crore), National Social Assistance Programme (NSAP) (₹5,21.69 crore), National Cyclone Risk Mitigation (NCRMP) (₹14.50 crore), Pradhan Mantri Awas Yojane (Grameena) (₹1,88.22 crore), Pradhan Mantri Awas Yojane (Urban) (₹56.21 crore), Rashtriya Uchchar Shiksha Abhiyan (RUSA) (₹65.49 crore), Sarva Shiksha Abhiyan (SSA) (₹4,58.99 crore), Rashtriya Madhyamika Shiksha Abhiyan (RMSA) (₹54.05 crore), Support for Educational Development including Teachers Training & Adult Education (₹15.54 crore), Mid Day Meal (MDM) (₹3,79.78 crore), Market Development Assistance to Coir Sector (₹1.00 crore), Atal Mission for Rejuvenation and Urban Transformation (AMRUT) (₹5,74.90 crore), Urban Development and Urban Poverty Alleviation Mission for 100 Smart Cities (₹3,46.64 crore), Swachh Bharat (Urban) (₹3,12.73 crore), Development of Infrastructure facilities for Judiciary including Gram Nyayalayas (₹38.12 crore), Sagarmala Project (₹34.08 crore), Accelerated Irrigation Benefits Programme (₹2,10.49 crore), Rationalisation of Minor Irrigation Statistics under Dispute of Water Resources Information System (₹1.81 crore), National Urban Health Mission (₹58.60 crore), National Health Mission (₹11,04.72 crore), National Ayush Mission (₹26.88 crore), Human Resource in Health & Medical Education (₹10.19 crore), National Health Protection Scheme (₹21.93 crore), Upgradation of existing State Govt/Central Govt Medical College to increase MBBS seats in the Country (₹1,11.63 crore), Labour Welfare Scheme Housing (₹0.60 crore), Upgradation of ITIs (₹5.96 crore), Sankalp M/O Skill Development & Entrepreneurship (₹0.20 crore), Agricultural Census (₹5.00 crore), Action Research and Studies on Judicial Reforms (₹0.60 crore), Externally Aided Projects (₹11.84 crore), Grants under Proviso to Article 275(1) of Constitution (₹52.21 crore), Grants from Central Road Fund (₹5,08.39 crore). It includes Special Component Plan for Scheduled Castes – SCP for SC – National Project on Management of Soil Health (₹3.28 crore), SCP for SC – National Food Security Mission (₹17.39 crore), SCP for SC – National Mission on Agriculture Extension and Technology (₹4.42 crore), SCP for SC – Submission on Agriculture Mechanisation (₹22.02 crore), SCP for SC – Rashtriya Krishi Vikasa Yojane (RKVY) (₹16.01 crore), SCP for SC – National Horticulture Mission (₹23.60 crore), SCP for SC – National Oil Seed and Oil Palm Mission (₹1.64 crore), SCP for SC – Per Drop More Crop (PMKSY) (₹67.91 crore), SCP for SC – National Livestock Health and Disease Control Programme (₹2.26 crore), SCP for SC – National Livestock Mission (₹0.42 crore), SCP for SC – Integrated Development & Management of Fisheries (₹1.23 crore), SCP for SC – National Rural – Drinking Water Programme (NRDWP) (₹3.95 crore), SCP for SC – Krishnonnati Yojane (Agro Forestry under NMSA) (₹0.95 crore), Post Matric Scholarship for SC Students (₹29.18 crore), SCP for SC – Pradhan Mantri Adarsh Gram Yojana (PMAGY) (₹13.00 crore), Special Assistance to SCP (₹63.55 crore), SCP for SC – Strengthening of Machinery for Enforcement of Protection of Civil Rights Act, 1955 (₹60.21 crore), SCP for SC – Pradhana Mantri Awas Yojane (Urban) (₹36.34 crore), SCP for SC – Sarva Shiksha Abhiyan (SSA) (₹70.54 crore), SCP for SC – Mid Day Meal (MDM) (₹19.37 crore), SCP for SC – National Health Mission (NHM) (₹3.58 crore), SCP for SC – Upgradation of existing State Govt/Central Govt Medical College to increase MBBS seats in the Country (₹33.93 crore), SCP for SC – Up-gradation of ITIs (₹0.30 crore), TSP – National Project on Management of Soil Health (₹1.64 crore), TSP – National Food Security Mission (₹7.05 crore), TSP – National Mission on Agricultural Extension and Technology (₹1.54 crore), TSP – Submission on Agricultural Mechanisation (₹8.23 crore), TSP – Rashtriya Krishi Vikasa Yojane (RKVY) (₹7.14 crore), TSP – National Horticulture Mission (₹8.36 crore), TSP – National Oil seed and Oil Palm Mission (₹0.67 crore), TSP – Per Drop More Crop (PMKSY) (₹26.43 crore), TSP – National Livestock Health and Disease Control Programme (₹1.11 crore), TSP – National Livestock Mission (₹0.42 crore), TSP – Integrated Development & Management of Fisheries (₹0.71 crore), TSP – National Rural – Drinking Water Programme (NRDWP) (₹1.24 crore), TSP – Krishnonnati Yojane (Agro Forestry under NMSA) (₹0.40 crore), TSP – National Afforestation Programme (National Mission for a Green India) (₹0.48 crore), TSP – Development of particularly vulnerable tribal groups (₹4.60 crore), Support to Tribal Research Institute (₹1.06 crore), CSS of post matric scholarships for ST (₹73.41 crore), Pre-Matric Scholarship for ST Students (₹12.56 crore), Special Assistance to TSP (₹53.48 crore), TSP – Pradhana Mantri Awas Yojane (Urban) (₹10.55 crore), TSP – Sarva Shiksha Abhiyan (SSA) (₹28.72 crore), TSP – Mid Day Meal (MDM) (₹7.92 crore), TSP – National Urban Health Mission (₹0.21 crore), TSP – National Health Mission (₹1.45 crore), TSP – Upgradation of existing State Govt/Central Govt Medical College to increase MBBS seats in the Country (₹17.62 crore), TSP – National career service (₹0.18 crore), Deduct Refunds (₹2.75 crore), amount released as Non-Plan grant during 2017-18 was released as grant under Centrally Sponsored Schemes during 2018-19.

- (b) It includes Grants for Rural Local Bodies – XIV FCG Basic Grants to PRIs (₹18,41.54 crore), XIV FCG – Performance Grants to PRIs (₹2,04.08 crore), Grants for Urban Local Bodies – XIV FCG Basic Grants to ULBs (₹10,40.27 crore), Grants-in-Aid for State Disaster Response Fund XIV FCG – (₹2,88.00 crore) – amounts released as Non-Plan Grants during 2017-18 was released as grant under Finance Commission Grants during 2018-19.
- (c) It includes Contribution from National Disaster Relief Fund (NDRF) (₹9,59.92 crore), amounts released as Non-Plan Grants during 2017-18 was released as grant under Other Transfer/Grants to State/UT with Legislature during 2018-19, Compensation for loss of revenue due to implementation of GST (₹1,07,54.00 crore).



**STATEMENT NO. 4 - STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)**

**A. EXPENDITURE BY FUNCTION**

| <i>Description</i>                                                        | <i>Revenue</i>      | <i>Capital</i> | <i>Loans and Advances</i> | <i>Total</i>      |
|---------------------------------------------------------------------------|---------------------|----------------|---------------------------|-------------------|
|                                                                           | <i>(₹ in crore)</i> |                |                           |                   |
| <b>(1)</b>                                                                | <b>(2)</b>          | <b>(3)</b>     | <b>(4)</b>                | <b>(5)</b>        |
| <b>A. General Services</b>                                                |                     |                |                           |                   |
| <b>A. 1 Organs of State</b>                                               |                     |                |                           |                   |
| Parliament/State/Union Territory Legislatures                             | 1,64.07             | ...            | ...                       | 1,64.07           |
| President, Vice-President/Governor/<br>Administrator of Union Territories | 9.64                | ...            | ...                       | 9.64              |
| Council of Ministers                                                      | 16.84               | ...            | ...                       | 16.84             |
| Administration of Justice                                                 | 15,61.35            | ...            | ...                       | 15,61.35          |
| Elections                                                                 | 5,28.52             | ...            | ...                       | 5,28.52           |
| <b>TOTAL A.1</b>                                                          | <b>22,80.42</b>     | <b>...</b>     | <b>...</b>                | <b>22,80.42</b>   |
| <b>A. 2 Fiscal Services</b>                                               |                     |                |                           |                   |
| Collection of Taxes on Income and Expenditure                             | 5.64                | ...            | ...                       | 5.64              |
| Land Revenue                                                              | 6,56.69             | ...            | ...                       | 6,56.69           |
| Stamps and Registration                                                   | 86.52               | ...            | ...                       | 86.52             |
| State Excise                                                              | 1,72.97             | ...            | ...                       | 1,72.97           |
| Taxes on Sales, Trade etc.                                                | (-) 0.01            | ...            | ...                       | (-) 0.01          |
| Taxes on Vehicles                                                         | 1,31.42             | ...            | ...                       | 1,31.42           |
| Collection charges under State Goods and Services<br>Tax                  | 3,59.69             | ...            | ...                       | 3,59.69           |
| Other Taxes and Duties on Commodities and<br>Services                     | 26.24               | ...            | ...                       | 26.24             |
| Other Fiscal Services                                                     | 11.05               | ...            | ...                       | 11.05             |
| Appropriation for reduction or<br>Avoidance of Debt                       | 7,00.00             | ...            | ...                       | 7,00.00           |
| Interest Payments                                                         | 1,54,22.91          | ...            | ...                       | 1,54,22.91        |
| <b>Total A 2</b>                                                          | <b>1,75,73.12</b>   | <b>...</b>     | <b>...</b>                | <b>1,75,73.12</b> |
| <b>A. 3 Administrative Services</b>                                       |                     |                |                           |                   |
| Public Service Commission                                                 | 55.54               | ...            | ...                       | 55.54             |
| Secretariat - General Services                                            | 2,19.71             | ...            | ...                       | 2,19.71           |
| District Administration                                                   | 3,67.21             | ...            | ...                       | 3,67.21           |
| Treasury and Accounts Administration                                      | 1,87.95             | ...            | ...                       | 1,87.95           |
| Police                                                                    | 51,75.17            | 2,88.06        | ...                       | 54,63.23          |
| Jails                                                                     | 1,70.94             | ...            | ...                       | 1,70.94           |
| Stationery and Printing                                                   | 1,02.45             | ...            | ...                       | 1,02.45           |
| Public Works                                                              | 8,43.29             | 5,36.12        | ...                       | 13,79.41          |
| Vigilance                                                                 | 61.23               | ...            | ...                       | 61.23             |
| Other Administrative Services                                             | 3,90.81             | 3.23           | ...                       | 3,94.04           |
| <b>TOTAL A.3</b>                                                          | <b>75,74.30</b>     | <b>8,27.41</b> | <b>...</b>                | <b>84,01.71</b>   |
| <b>A. 4 Pensions and Miscellaneous General Services</b>                   |                     |                |                           |                   |
| Pensions and Other Retirement Benefits                                    | 1,51,08.63          | ...            | ...                       | 1,51,08.63        |
| Miscellaneous General Services                                            | 1,18.58             | ...            | ...                       | 1,18.58           |
| <b>TOTAL A.4</b>                                                          | <b>1,52,27.21</b>   | <b>...</b>     | <b>...</b>                | <b>1,52,27.21</b> |
| <b>TOTAL A. General Services</b>                                          | <b>4,26,55.05</b>   | <b>8,27.41</b> | <b>...</b>                | <b>4,34,82.46</b> |

**STATEMENT NO. 4 - STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)**

– contd.

**A. EXPENDITURE BY FUNCTION – contd.**

| <i>Description</i>                                                                                    | <i>Revenue</i>      | <i>Capital</i>  | <i>Loans and Advances</i> | <i>Total</i>      |
|-------------------------------------------------------------------------------------------------------|---------------------|-----------------|---------------------------|-------------------|
|                                                                                                       | <i>(₹ in crore)</i> |                 |                           |                   |
| <b>(1)</b>                                                                                            | <b>(2)</b>          | <b>(3)</b>      | <b>(4)</b>                | <b>(5)</b>        |
| <b>B. Social Services</b>                                                                             |                     |                 |                           |                   |
| <b>B. 1 Education, Sports, Art and Culture</b>                                                        |                     |                 |                           |                   |
| General Education <sup>(*)</sup>                                                                      | 2,20,43.36          | 11,07.31        | ...                       | 2,31,50.67        |
| Technical Education                                                                                   | 8,18.90             | ...             | ...                       | 8,18.90           |
| Sports and Youth Services                                                                             | 2,23.13             | ...             | ...                       | 2,23.13           |
| Art and Culture                                                                                       | 3,38.83             | ...             | ...                       | 3,38.83           |
| <b>TOTAL B.1</b>                                                                                      | <b>2,34,24.22</b>   | <b>11,07.31</b> | <b>...</b>                | <b>2,45,31.53</b> |
| <b>B. 2 Health and Family Welfare</b>                                                                 |                     |                 |                           |                   |
| Medical and Public Health                                                                             | 75,97.38            | 11,07.97        | ...                       | 87,05.35          |
| Family Welfare                                                                                        | 7,71.88             | ...             | ...                       | 7,71.88           |
| <b>TOTAL B.2</b>                                                                                      | <b>83,69.26</b>     | <b>11,07.97</b> | <b>...</b>                | <b>94,77.23</b>   |
| <b>B. 3 Water Supply, Sanitation, Housing and Urban Development</b>                                   |                     |                 |                           |                   |
| Water Supply and Sanitation                                                                           | 30,75.32            | 16,12.29        | 4,62.78                   | 51,50.39          |
| Housing                                                                                               | 30,06.73            | 2,57.93         | 10,00.00                  | 42,64.66          |
| Urban Development                                                                                     | 25,28.92            | 21,53.64        | 9,73.24                   | 56,55.80          |
| <b>TOTAL B.3</b>                                                                                      | <b>86,10.97</b>     | <b>40,23.86</b> | <b>24,36.02</b>           | <b>1,50,70.85</b> |
| <b>B. 4 Information and Broadcasting</b>                                                              |                     |                 |                           |                   |
| Information and Publicity                                                                             | 1,81.63             | 45.19           | ...                       | 2,26.82           |
| <b>TOTAL B.4</b>                                                                                      | <b>1,81.63</b>      | <b>45.19</b>    | <b>...</b>                | <b>2,26.82</b>    |
| <b>B. 5 Welfare of Scheduled Castes, Scheduled Tribes &amp; Other Backward Classes and Minorities</b> |                     |                 |                           |                   |
| Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities                  | 84,87.81            | 34,22.37        | ...                       | 1,19,10.18        |
| <b>TOTAL B.5</b>                                                                                      | <b>84,87.81</b>     | <b>34,22.37</b> | <b>...</b>                | <b>1,19,10.18</b> |
| <b>B. 6 Labour and Labour Welfare</b>                                                                 |                     |                 |                           |                   |
| Labour, Employment and Skill Development                                                              | 5,19.87             | ...             | ...                       | 5,19.87           |
| <b>TOTAL B.6</b>                                                                                      | <b>5,19.87</b>      | <b>...</b>      | <b>...</b>                | <b>5,19.87</b>    |
| <b>B. 7 Social Welfare and Nutrition</b>                                                              |                     |                 |                           |                   |
| Social Security and Welfare                                                                           | 1,46,68.13          | 66.44           | 5.00                      | 1,47,39.57        |
| Nutrition                                                                                             | 18,89.29            | ...             | ...                       | 18,89.29          |
| Relief on Account of Natural Calamities                                                               | 16,28.92            | ...             | ...                       | 16,28.92          |
| <b>TOTAL B.7</b>                                                                                      | <b>1,81,86.34</b>   | <b>66.44</b>    | <b>5.00</b>               | <b>1,82,57.78</b> |
| <b>B. 8 Others</b>                                                                                    |                     |                 |                           |                   |
| Other Social Services                                                                                 | 1,10.10             | 20.42           | ...                       | 1,30.52           |
| Secretariat-Social Services                                                                           | 44.15               | ...             | ...                       | 44.15             |
| <b>TOTAL B.8</b>                                                                                      | <b>1,54.25</b>      | <b>20.42</b>    | <b>...</b>                | <b>1,74.67</b>    |
| <b>TOTAL B. Social Services</b>                                                                       | <b>6,79,34.35</b>   | <b>97,93.56</b> | <b>24,41.02</b>           | <b>8,01,68.93</b> |

(\*) The amount shown under capital section includes Capital Outlay on General Education ₹7,28.16 crore, Technical Education ₹3,28.72 crore, Sports and Youth Services ₹21.11 crore and Art and Culture ₹29.32 crore.



**STATEMENT NO. 4 - STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)**

– contd.

**A. EXPENDITURE BY FUNCTION – contd.**

| <i>Description</i>                            | <i>Revenue</i>      | <i>Capital</i>    | <i>Loans and Advances</i> | <i>Total</i>      |
|-----------------------------------------------|---------------------|-------------------|---------------------------|-------------------|
|                                               | <i>(₹ in crore)</i> |                   |                           |                   |
| <b>(1)</b>                                    | <b>(2)</b>          | <b>(3)</b>        | <b>(4)</b>                | <b>(5)</b>        |
| <b>C. Economic Services</b>                   |                     |                   |                           |                   |
| <b>C. 1 Agriculture and Allied Activities</b> |                     |                   |                           |                   |
| Crop Husbandry                                | 48,07.77            | 23.90             | ...                       | 48,31.67          |
| Soil and Water Conservation                   | 4,13.73             | ...               | ...                       | 4,13.73           |
| Animal Husbandry                              | 10,06.55            | 73.98             | ...                       | 10,80.53          |
| Dairy Development                             | 14,71.13            | ...               | ...                       | 14,71.13          |
| Fisheries                                     | 2,64.08             | 99.82             | ...                       | 3,63.90           |
| Forestry and Wild Life                        | 16,28.51            | 16.82             | ...                       | 16,45.33          |
| Food, Storage and Warehousing                 | 36,33.06            | ...               | ...                       | 36,33.06          |
| Agricultural Research and Education           | 6,37.32             | ...               | ...                       | 6,37.32           |
| Agricultural Financial Institutions           | ...                 | ...               | 4.56                      | 4.56              |
| Co-operation                                  | 64,42.43            | ...               | ...                       | 64,42.43          |
| <b>TOTAL C.1</b>                              | <b>2,03,04.58</b>   | <b>2,14.52</b>    | <b>4.56</b>               | <b>2,05,23.66</b> |
| <b>C. 2 Rural Development</b>                 |                     |                   |                           |                   |
| Special Programmes for Rural Development      | 2,16.87             | ...               | ...                       | 2,16.87           |
| Rural Employment                              | 19,92.79            | ...               | ...                       | 19,92.79          |
| Land Reforms                                  | 14.89               | ...               | ...                       | 14.89             |
| Other Rural Development Programmes            | 47,76.82            | 66.83             | ...                       | 48,43.65          |
| <b>TOTAL C.2</b>                              | <b>70,01.37</b>     | <b>66.83</b>      | <b>...</b>                | <b>70,68.20</b>   |
| <b>C. 3 Special Areas Programmes</b>          |                     |                   |                           |                   |
| Hill Areas                                    | 3.59                | ...               | ...                       | 3.59              |
| Other Special Area Programmes                 | 3,02.57             | 11,62.89          | ...                       | 14,65.46          |
| <b>TOTAL C.3</b>                              | <b>3,06.16</b>      | <b>11,62.89</b>   | <b>...</b>                | <b>14,69.05</b>   |
| <b>C. 4 Irrigation and Flood Control</b>      |                     |                   |                           |                   |
| Major Irrigation                              | 3,57.48             | 6.25              | ...                       | 3,63.73           |
| Medium Irrigation                             | 12,79.28            | 99,63.87          | ...                       | 1,12,43.15        |
| Minor Irrigation                              | 2,70.24             | 19,90.67          | ...                       | 22,60.91          |
| Command Area Development                      | 1,51.86             | 79.38             | ...                       | 2,31.24           |
| Flood Control and Drainage                    | 0.49                | 55.50             | ...                       | 55.99             |
| <b>TOTAL C.4</b>                              | <b>20,59.35</b>     | <b>1,20,95.67</b> | <b>...</b>                | <b>1,41,55.02</b> |
| <b>C. 5 Energy</b>                            |                     |                   |                           |                   |
| Power                                         | 1,00,57.83          | 6,27.85           | 15,00.00                  | 1,21,85.68        |
| New and Renewable Energy                      | 3.58                | ...               | ...                       | 3.58              |
| <b>TOTAL C.5</b>                              | <b>1,00,61.41</b>   | <b>6,27.85</b>    | <b>15,00.00</b>           | <b>1,21,89.26</b> |
| <b>C. 6 Industry and Minerals</b>             |                     |                   |                           |                   |
| Village and Small Industries                  | 8,36.75             | 2,59.09           | 4.50                      | 11,00.34          |
| Industries <sup>(^)</sup>                     | 5,86.18             | 2,30.87           | 3,21.10                   | 11,38.15          |

(^) The amount shown under Revenue Section includes Revenue Expenditure on Engineering Industries ₹0.16 crore and Consumer Industries ₹2,37.24 crore.

**STATEMENT NO. 4 - STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)**

– contd.

**A. EXPENDITURE BY FUNCTION – conclud.**

| <i>Description</i>                                                           | <i>Revenue</i>      | <i>Capital</i>                      | <i>Loans and Advances</i> | <i>Total</i>       |
|------------------------------------------------------------------------------|---------------------|-------------------------------------|---------------------------|--------------------|
|                                                                              | <i>(₹ in crore)</i> |                                     |                           |                    |
| <b>(1)</b>                                                                   | <b>(2)</b>          | <b>(3)</b>                          | <b>(4)</b>                | <b>(5)</b>         |
| <b>C. Economic Services – conclud.</b>                                       |                     |                                     |                           |                    |
| <b>C. 6 Industry and Minerals – conclud.</b>                                 |                     |                                     |                           |                    |
| Non-Ferrous Mining and Metallurgical Industries                              | 63.37               | ...                                 | ...                       | 63.37              |
| Consumer Industries                                                          | ...                 | 57.73                               | 2,04.96                   | 2,62.69            |
| Other Capital Outlays on Industries and Minerals                             | ...                 | 68.45                               | ...                       | 68.45              |
| <b>TOTAL C.6</b>                                                             | <b>14,86.30</b>     | <b>6,16.14</b>                      | <b>5,30.56</b>            | <b>26,33.00</b>    |
| <b>C. 7 Transport</b>                                                        |                     |                                     |                           |                    |
| Ports and Light Houses                                                       | 29.62               | 1,32.36                             | ...                       | 1,61.98            |
| Civil Aviation                                                               | 6.29                | ...                                 | ...                       | 6.29               |
| Roads and Bridges                                                            | 24,65.92            | 83,27.05                            | ...                       | 1,07,92.97         |
| Road Transport                                                               | 11,89.22            | 3,99.39                             | ...                       | 15,88.61           |
| Inland Water Transport                                                       | 4.67                | ...                                 | ...                       | 4.67               |
| <b>TOTAL C.7</b>                                                             | <b>36,95.72</b>     | <b>88,58.80</b>                     |                           | <b>1,25,54.52</b>  |
| <b>C. 8 Science, Technology and Environment</b>                              |                     |                                     |                           |                    |
| Other Scientific Research                                                    | 80.46               | ...                                 | ...                       | 80.46              |
| Ecology and Environment                                                      | 4.18                | ...                                 | ...                       | 4.18               |
| <b>TOTAL C.8</b>                                                             | <b>84.64</b>        | <b>...</b>                          | <b>...</b>                | <b>84.64</b>       |
| <b>C. 9 General Economic Services</b>                                        |                     |                                     |                           |                    |
| Secretariat – Economic Services                                              | 3,94.27             | ...                                 | ...                       | 3,94.27            |
| Tourism                                                                      | 1,48.79             | 2,65.67                             | ...                       | 4,14.46            |
| Census, Surveys and Statistics                                               | 45.61               | ...                                 | ...                       | 45.61              |
| Meteorology                                                                  | ...                 | ...                                 | ...                       | ...                |
| Civil Supplies                                                               | 22.01               | ...                                 | ...                       | 22.01              |
| General Financial and Trading Institutions                                   | ...                 | 57.23                               | ...                       | 57.23              |
| Other General Economic Services                                              | 26,74.93            | 72.75                               | ...                       | 27,47.68           |
| <b>TOTAL C.9</b>                                                             | <b>32,85.61</b>     | <b>3,95.65</b>                      | <b>...</b>                | <b>36,81.26</b>    |
| <b>TOTAL C. Economic Services</b>                                            | <b>4,82,85.14</b>   | <b>2,40,38.35</b>                   | <b>20,35.12</b>           | <b>7,43,58.61</b>  |
| <b>D. Grants-in-Aid and Contributions</b>                                    |                     |                                     |                           |                    |
| Compensation and Assignments to Local Bodies and Panchayati Raj Institutions | 54,25.31            | ...                                 | ...                       | 54,25.31           |
| <b>TOTAL D. Grants-in-Aid and Contributions</b>                              | <b>54,25.31</b>     | <b>...</b>                          | <b>...</b>                | <b>54,25.31</b>    |
| <b>E. Public Debt</b>                                                        |                     |                                     |                           |                    |
| Internal Debt of the State Government                                        | ...                 | 97,41.03                            | ...                       | 97,41.03           |
| Loans and Advances from the Central Government                               | ...                 | 13,41.59                            | ...                       | 13,41.59           |
| <b>TOTAL E. Public Debt</b>                                                  | <b>...</b>          | <b>1,10,82.62</b>                   | <b>...</b>                | <b>1,10,82.62</b>  |
| <b>F. Loans and Advances</b>                                                 |                     |                                     |                           |                    |
| Loans to Government Servants etc.                                            | ...                 | ...                                 | 11.08                     | 11.08              |
| Miscellaneous Loans                                                          | ...                 | ...                                 | ...                       | ...                |
| <b>TOTAL F. Loans and Advances</b>                                           | <b>...</b>          | <b>...</b>                          | <b>11.08</b>              | <b>11.08</b>       |
| <b>Total Expenditure in Consolidated Fund<sup>1</sup> (A+B+C+D+E+F)</b>      | <b>16,42,99.85</b>  | <b>4,57,41.94<sup>(&amp;)</sup></b> | <b>44,87.22</b>           | <b>21,45,29.01</b> |

(1) Details are given in Statements No.15, 16, 17 and 18 in Part I Volume II.

(&) Includes expenditure on Capital Outlay ₹3,46,59.32 crore.

**STATEMENT NO. 4 - STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)**

– contd.

**B. EXPENDITURE BY NATURE**

| Object of Expenditure                                 | 2018-19                    |            |            | 2017-18                    |          |            | 2016-17    |          |            |
|-------------------------------------------------------|----------------------------|------------|------------|----------------------------|----------|------------|------------|----------|------------|
|                                                       | Revenue                    | Capital    | Total      | Revenue                    | Capital  | Total      | Revenue    | Capital  | Total      |
| (₹ in crore)                                          |                            |            |            |                            |          |            |            |          |            |
| (1)                                                   | (2)                        | (3)        | (4)        | (5)                        | (6)      | (7)        | (8)        | (9)      | (10)       |
| Subsidies                                             | 1,53,99.80                 | ...        | 1,53,99.80 | 1,51,65.52                 | ...      | 1,51,65.52 | 1,52,54.09 | ...      | 1,52,54.09 |
| Debt Servicing <sup>(A1)</sup>                        | 1,80,36.88 <sup>(A1)</sup> | 1,24,23.44 | 3,04,60.32 | 1,55,16.56 <sup>(A1)</sup> | 88,41.17 | 2,43,57.73 | 1,33,92.24 | 78,64.21 | 2,12,56.45 |
| Commitment Charges                                    | 3.68                       | ...        | 3.68       | 4.12                       | ...      | 4.12       | 5.35       | ...      | 5.35       |
| Pension and Other Retirement Benefits <sup>(A2)</sup> | 1,65,87.78 <sup>(A2)</sup> | ...        | 1,65,87.78 | 1,29,62.23 <sup>(A2)</sup> | ...      | 1,29,62.23 | 1,24,86.41 | ...      | 1,24,86.41 |
| Other Expenses <sup>(A)</sup>                         | 1,38,44.52                 | 19,40.90   | 1,57,85.42 | 1,77,78.34                 | 12,10.90 | 1,89,89.24 | 1,25,27.89 | 7,76.07  | 1,33,03.96 |
| Capital Expenses                                      | 11,40.02                   | 1,17,34.34 | 1,28,74.36 | 12,82.98                   | 93,43.35 | 1,06,26.33 | 22,59.37   | 80,78.44 | 1,03,37.81 |
| Grants-In-Aid Salaries <sup>(A)</sup>                 | 43,08.66                   | 0.20       | 43,08.86   | 39,39.34                   | 0.19     | 39,39.53   | 45,25.26   | 0.66     | 45,25.92   |
| Pay-Staff <sup>(@)</sup>                              | 75,77.30                   | 7.00       | 75,84.30   | 45,57.43                   | 4.73     | 45,62.16   | 43,15.00   | 4.58     | 43,19.58   |
| Lump sum – Zilla Parishads                            | 81,37.70                   | ...        | 81,37.70   | 72,57.94                   | ...      | 72,57.94   | 66,62.76   | ...      | 66,62.76   |
| Special Component Plan <sup>(A)</sup>                 | ...                        | 96.36      | 96.36      | 3,32.45                    | 21.72    | 3,54.17    | 4.54       | 32.06    | 36.60      |
| Grants for creation of Capital Asset <sup>(A)</sup>   | 23,11.56                   | ...        | 23,11.56   | 29,59.34                   | 80.00    | 30,39.34   | 28,83.80   | 24.00    | 29,07.80   |
| Special Development Plan <sup>(A)</sup>               | 6,98.18                    | 17,96.42   | 24,94.60   | 8,01.15                    | 15,33.93 | 23,35.08   | 11,27.78   | 13,60.28 | 24,88.06   |
| Improvements                                          | ...                        | 30,59.76   | 30,59.76   | ...                        | 29,54.42 | 29,54.42   | ...        | 34,57.84 | 34,57.84   |
| Maintenance Expenditure <sup>(A)</sup>                | 29,68.90                   | ...        | 29,68.90   | 28,00.44                   | ...      | 28,00.44   | 27,29.40   | 20.87    | 27,50.27   |
| Major Works                                           | 10,82.37                   | 16,65.97   | 27,48.34   | 11,91.01                   | 23,35.79 | 35,26.80   | 10,80.71   | 13,27.32 | 24,08.03   |
| Belagavi <sup>(*)</sup>                               | 22,87.18                   | ...        | 22,87.18   | 19,17.47                   | ...      | 19,17.47   | 18,57.64   | ...      | 18,57.64   |
| Pay-Officers <sup>(@)</sup>                           | 19,93.96                   | 5.71       | 19,99.67   | 13,81.89                   | 4.11     | 13,86.00   | 15,32.57   | 3.62     | 15,36.19   |
| Financial Assistance / Relief                         | 1,56,08.43                 | 0.20       | 1,56,08.63 | 22,60.06                   | 1.05     | 22,61.11   | 40,47.47   | 4.17     | 40,51.64   |
| Tribal Sub Plan                                       | 34,76.55                   | 18,35.19   | 53,11.74   | 30,92.26                   | 17,77.32 | 48,69.58   | 19,58.43   | 15,07.98 | 34,66.41   |
| Grants-in-Aid – General <sup>(A)</sup>                | 23,09.31                   | 0.50       | 23,09.81   | 24,93.35                   | 0.97     | 24,94.32   | 23,78.31   | 0.50     | 23,78.81   |
| Investment                                            | ...                        | 15,54.90   | 15,54.90   | ...                        | 22,37.28 | 22,37.28   | ...        | 18,91.64 | 18,91.64   |
| Dearness Allowance <sup>(@)</sup>                     | 16,92.33                   | 1.49       | 16,93.82   | 30,24.26                   | 3.94     | 30,28.20   | 26,15.99   | 3.18     | 26,19.17   |
| Deduct – SCP Pooled Upfront                           | ...                        | ...        | ...        | ...                        | ...      | ...        | ...        | ...      | ...        |

**STATEMENT NO. 4 - STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)**

– contd.

**B. EXPENDITURE BY NATURE – contd.**

| Object of Expenditure                | 2018-19  |          |          | 2017-18  |          |          | 2016-17  |          |          |
|--------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
|                                      | Revenue  | Capital  | Total    | Revenue  | Capital  | Total    | Revenue  | Capital  | Total    |
| (₹ in crore)                         |          |          |          |          |          |          |          |          |          |
| (1)                                  | (2)      | (3)      | (4)      | (5)      | (6)      | (7)      | (8)      | (9)      | (10)     |
| Construction                         | 4.36     | 35,09.11 | 35,13.47 | ...      | 31,15.20 | 31,15.20 | 6.63     | 24,66.95 | 24,73.58 |
| Roads                                | 3,12.34  | 19,55.23 | 22,67.57 | 2,96.22  | 22,30.09 | 25,26.31 | 2,63.16  | 16,42.56 | 19,05.72 |
| Tumakuru (*)                         | 14,58.56 | ...      | 14,58.56 | 12,99.47 | ...      | 12,99.47 | 12,30.56 | ...      | 12,30.56 |
| Other Allowance (@)                  | 19,75.04 | 2.25     | 19,77.29 | 14,41.54 | 1.86     | 14,43.40 | 11,84.83 | 1.75     | 11,86.58 |
| NABARD Works                         | 74.54    | 7,18.32  | 7,92.86  | 1,10.60  | 9,00.53  | 10,11.13 | 1,13.00  | 16,79.95 | 17,92.95 |
| Bengaluru (Urban) (*)                | 14,20.50 | ...      | 14,20.50 | 12,01.30 | ...      | 12,01.30 | 11,65.19 | ...      | 11,65.19 |
| Kalaburagi (*)                       | 13,53.78 | ...      | 13,53.78 | 11,98.53 | ...      | 11,98.53 | 11,85.60 | ...      | 11,85.60 |
| Mysuru (*)                           | 12,30.07 | ...      | 12,30.07 | 10,70.93 | ...      | 10,70.93 | 10,47.16 | ...      | 10,47.16 |
| Vijayapura (*)                       | 12,84.23 | ...      | 12,84.23 | 10,86.10 | ...      | 10,86.10 | 10,29.10 | ...      | 10,29.10 |
| General Expenses (A)                 | 10,38.53 | 3.17     | 10,41.70 | 14,16.29 | 3.72     | 14,20.01 | 9,28.33  | 0.94     | 9,29.27  |
| Davanagere (*)                       | 10,64.18 | ...      | 10,64.18 | 9,08.77  | ...      | 9,08.77  | 8,66.79  | ...      | 8,66.79  |
| Hassan (*)                           | 10,62.54 | ...      | 10,62.54 | 9,06.95  | ...      | 9,06.95  | 8,82.92  | ...      | 8,82.92  |
| Uttara Kannada (*)                   | 9,04.35  | ...      | 9,04.35  | 7,71.48  | ...      | 7,71.48  | 7,60.38  | ...      | 7,60.38  |
| Ballari (*)                          | 10,79.92 | ...      | 10,79.92 | 9,43.31  | ...      | 9,43.31  | 9,03.05  | ...      | 9,03.05  |
| Chitradurga (*)                      | 9,68.08  | ...      | 9,68.08  | 8,68.08  | ...      | 8,68.08  | 8,29.62  | ...      | 8,29.62  |
| Shivamogga (*)                       | 9,99.95  | ...      | 9,99.95  | 8,22.58  | ...      | 8,22.58  | 8,17.03  | ...      | 8,17.03  |
| Consolidated Salaries (A)            | 12,00.40 | ...      | 12,00.40 | 9,09.39  | ...      | 9,09.39  | 8,53.88  | ...      | 8,53.88  |
| Loans                                | ...      | 42,78.88 | 42,78.88 | ...      | 57,53.89 | 57,53.89 | ...      | 15,65.45 | 15,65.45 |
| Bidar (*)                            | 9,93.65  | ...      | 9,93.65  | 8,38.80  | ...      | 8,38.80  | 8,13.50  | ...      | 8,13.50  |
| Mandya (*)                           | 8,85.80  | ...      | 8,85.80  | 7,35.55  | ...      | 7,35.55  | 7,50.55  | ...      | 7,50.55  |
| Bagalkot (*)                         | 10,45.91 | ...      | 10,45.91 | 9,17.64  | ...      | 9,17.64  | 8,55.39  | ...      | 8,55.39  |
| Raichur (*)                          | 9,23.67  | ...      | 9,23.67  | 7,87.44  | ...      | 7,87.44  | 7,72.72  | ...      | 7,72.72  |
| Haveri (*)                           | 8,70.14  | ...      | 8,70.14  | 7,45.78  | ...      | 7,45.78  | 7,09.99  | ...      | 7,09.99  |
| Dakshina Kannada (*)                 | 7,84.86  | ...      | 7,84.86  | 6,88.97  | ...      | 6,88.97  | 6,66.05  | ...      | 6,66.05  |
| Chikkamagaluru (*)                   | 7,34.24  | ...      | 7,34.24  | 6,50.63  | ...      | 6,50.63  | 6,22.85  | ...      | 6,22.85  |
| Dharwad (*)                          | 8,21.38  | ...      | 8,21.38  | 6,64.58  | ...      | 6,64.58  | 6,56.94  | ...      | 6,56.94  |
| Kolar (*)                            | 7,60.41  | ...      | 7,60.41  | 6,29.85  | ...      | 6,29.85  | 6,24.22  | ...      | 6,24.22  |
| Chikkaballapura (*)                  | 6,36.82  | ...      | 6,36.82  | 5,54.15  | ...      | 5,54.15  | 5,29.48  | ...      | 5,29.48  |
| Grants-In-Aid for Asset Creation (A) | 4,20.25  | ...      | 4,20.25  | 7,37.10  | ...      | 7,37.10  | 5,69.53  | ...      | 5,69.53  |
| Renewals                             | ...      | 1,59.14  | 1,59.14  | ...      | 84.99    | 84.99    | ...      | 1,01.62  | 1,01.62  |

**STATEMENT NO. 4 - STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)**

– contd.

**B. EXPENDITURE BY NATURE – contd.**

| Object of Expenditure                            | 2018-19 |             |             | 2017-18 |              |              | 2016-17  |             |          |
|--------------------------------------------------|---------|-------------|-------------|---------|--------------|--------------|----------|-------------|----------|
|                                                  | Revenue | Capital     | Total       | Revenue | Capital      | Total        | Revenue  | Capital     | Total    |
| (₹ in crore)                                     |         |             |             |         |              |              |          |             |          |
| (1)                                              | (2)     | (3)         | (4)         | (5)     | (6)          | (7)          | (8)      | (9)         | (10)     |
| Koppal (*)                                       | 7,21.19 | ...         | 7,21.19     | 5,90.79 | ...          | 5,90.79      | 5,73.43  | ...         | 5,73.43  |
| Gadag (*)                                        | 6,00.24 | ...         | 6,00.24     | 5,25.80 | ...          | 5,25.80      | 4,87.56  | ...         | 4,87.56  |
| Udupi (*)                                        | 4,96.82 | ...         | 4,96.82     | 4,34.88 | ...          | 4,34.88      | 4,21.28  | ...         | 4,21.28  |
| Yadgir (*)                                       | 5,61.86 | ...         | 5,61.86     | 4,71.60 | ...          | 4,71.60      | 4,55.59  | ...         | 4,55.59  |
| Ramanagara (*)                                   | 5,29.46 | ...         | 5,29.46     | 4,49.85 | ...          | 4,49.85      | 4,44.47  | ...         | 4,44.47  |
| Chamarajanagar (*)                               | 4,80.71 | ...         | 4,80.71     | 4,30.59 | ...          | 4,30.59      | 4,11.31  | ...         | 4,11.31  |
| Bengaluru (Rural) (*)                            | 5,04.15 | ...         | 5,04.15     | 4,27.70 | ...          | 4,27.70      | 3,99.28  | ...         | 3,99.28  |
| Subsidiary Expenses                              | 3,68.03 | ...         | 3,68.03     | 2,60.12 | ...          | 2,60.12      | 3,43.80  | ...         | 3,43.80  |
| Modernisation                                    | 2,42.79 | 17.44       | 2,60.23     | 2,89.71 | 8.23         | 2,97.94      | 2,30.50  | 40.94       | 2,71.44  |
| Transport Expenses                               | 3,08.46 | 0.67        | 3,09.13     | 2,97.16 | 0.63         | 2,97.79      | 2,88.42  | 0.52        | 2,88.94  |
| Loans to PSU's and Local Bodies                  | ...     | 2,08.34     | 2,08.34     | ...     | 2,32.19      | 2,32.19      | ...      | 3,11.57     | 3,11.57  |
| Scholarships and Incentives                      | 4,60.04 | ...         | 4,60.04     | 4,58.48 | ...          | 4,58.48      | 4,03.74  | ...         | 4,03.74  |
| Kodagu (*)                                       | 2,94.83 | ...         | 2,94.83     | 2,51.92 | ...          | 2,51.92      | 2,60.47  | ...         | 2,60.47  |
| Drugs and Chemicals                              | 3,58.71 | ...         | 3,58.71     | 4,29.22 | ...          | 4,29.22      | 4,13.37  | ...         | 4,13.37  |
| Travel Expenses                                  | 1,89.85 | 0.21        | 1,90.06     | 1,98.14 | 0.20         | 1,98.34      | 1,98.29  | 0.17        | 1,98.46  |
| Building Expenses                                | 2,31.21 | 0.28        | 2,31.49     | 2,32.42 | 0.29         | 2,32.71      | 2,07.16  | 0.27        | 2,07.43  |
| Materials and Supplies                           | 4,42.80 | 0.21        | 4,43.01     | 4,79.24 | 0.11         | 4,79.35      | 2,97.62  | 0.08        | 2,97.70  |
| Reimbursement of Medical Expenses <sup>(@)</sup> | 1,29.89 | 0.08        | 1,29.97     | 1,16.18 | 0.08         | 1,16.26      | 1,17.24  | 0.08        | 1,17.32  |
| Inter Account Transfers                          | 5,54.77 | (-)16,49.89 | (-)10,95.12 | 6,66.66 | (-) 29,66.79 | (-) 23,00.13 | 17,35.74 | (-) 1,75.91 | 15,59.83 |
| Machinery and Equipments                         | 60.72   | 4.50        | 65.22       | 66.22   | 4.00         | 70.22        | 52.76    | 19.52       | 72.28    |
| Diet Expenses                                    | 57.86   | ...         | 57.86       | 53.89   | ...          | 53.89        | 59.06    | ...         | 59.06    |
| Land and Buildings                               | 7.32    | 17.13       | 24.45       | 16.29   | 10.38        | 26.67        | 22.66    | 39.77       | 62.43    |
| Medical Allowance <sup>(@)</sup>                 | 29.19   | 0.02        | 29.21       | 23.90   | 0.01         | 23.91        | 23.88    | 0.02        | 23.90    |
| Advances                                         | ...     | ...         | ...         | ...     | 3.60         | 3.60         | ...      | 3.66        | 3.66     |
| Telephone Charges                                | 14.82   | ...         | 14.82       | 14.65   | ...          | 14.65        | 16.78    | ...         | 16.78    |

**STATEMENT NO. 4 - STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)**

– conclud.

**B. EXPENDITURE BY NATURE – conclud.**

| Object of Expenditure                   | 2018-19            |                                 |                    | 2017-18            |                                 |                    | 2016-17            |                   |                    |
|-----------------------------------------|--------------------|---------------------------------|--------------------|--------------------|---------------------------------|--------------------|--------------------|-------------------|--------------------|
|                                         | Revenue            | Capital                         | Total              | Revenue            | Capital                         | Total              | Revenue            | Capital           | Total              |
| (₹ in crore)                            |                    |                                 |                    |                    |                                 |                    |                    |                   |                    |
| (1)                                     | (2)                | (3)                             | (4)                | (5)                | (6)                             | (7)                | (8)                | (9)               | (10)               |
| Contributions                           | 11,69.75           | ...                             | 11,69.75           | 27,89.72           | ...                             | 27,89.72           | 36,92.69           | ...               | 36,92.69           |
| Interim Relief                          | 22.97              | ...                             | 22.97              | 0.68               | ...                             | 0.68               | 0.28               | ...               | 0.28               |
| Contract/<br>Outsource                  | 5,71.23            | 4.36                            | 5,75.59            | 4,52.37            | 4.54                            | 4,56.91            | ...                | ...               | ...                |
| Grants-in-Aid<br>Pensions               | 3,66.05            | ...                             | 3,66.05            | 3,35.32            | ...                             | 3,35.32            | ...                | ...               | ...                |
| Daily Wages                             | 1,38.27            | ...                             | 1,38.27            | 1,10.47            | ...                             | 1,10.47            | ...                | ...               | ...                |
| Acquisition<br>of Land                  | ...                | ...                             | ...                | ...                | 86.07                           | 86.07              | ...                | ...               | ...                |
| Recoveries                              | (-)2,76.72         | ...                             | (-)2,76.72         | (-) 1,70.75        | ...                             | (-) 1,70.75        | (-) 8,03.73        | ...               | (-) 8,03.73        |
| Grants-in-Aid<br>Contract/<br>Outsource | 3,08.94            | ...                             | 3,08.94            | ...                | ...                             | ...                | ...                | ...               | ...                |
| Others <sup>(B)</sup>                   | 85,80.03           | 48,77.33                        | 1,34,57.36         | 78,58.94           | 42,03.45                        | 1,20,62.39         | 58,83.64           | 34,47.72          | 93,31.36           |
| <b>Total</b>                            | <b>16,42,99.85</b> | <b>5,02,29.16<sup>(#)</sup></b> | <b>21,45,29.01</b> | <b>14,24,82.33</b> | <b>4,40,28.14<sup>(#)</sup></b> | <b>18,65,10.47</b> | <b>13,19,20.75</b> | <b>3,75,05.05</b> | <b>16,94,25.80</b> |

(A) Expenditure under Revenue Section against Object Head marked with (A) includes amount released to Urban Local Bodies under Consolidated Salaries (₹7,97.95 crore), Grants for Creation of Capital Assets (₹17,81.52 crore), Maintenance (₹4,76.76 crore), Debt Servicing (₹5,73.67 crore), Pension and Other Retirement Benefits (₹35.93 crore), Other Expenses (₹6,30.22 crore), Scheduled Caste Sub Plan (₹4,62.74 crore), Tribal Sub Plan (₹1,96.02 crore), Grants-in-Aid – General (₹5,37.70 crore), General Expenses (₹78.79 crore), Financial Assistance/Relief (₹11,58.31 crore), Grants-in-Aid – Salaries (₹18.78 crore) and Grants-in-Aid – Asset Creation (₹2,75.00 crore).

(A1) (i) Includes Debt Servicing under MH 2048 (₹7,00.00 crore), MH 2049 (₹1,54,19.23 crore), MH 2071 (₹0.67 crore), MH 3055 (₹80.97 crore) and MH 3604 (₹5,73.67 crore).

(ii) Includes payments of interest on off-budget borrowings under MH 2055 (₹0.71 crore), MH 2216 (₹94.86 crore), MH 2700 (₹85.51 crore), MH 2701 (₹10,67.36 crore) and MH 3054 (₹13.90 crore).

(A2) Includes expenditure under MH 2071 (₹1,51,79.90 crore), MH 2205 (₹21.98 crore), MH 2235 (₹13,24.71 crore) and MH 3604 (₹61.19 crore).

(@) Components of Salaries. See Appendix I in Part II Volume II of Finance Accounts.

(\*) The amounts shown against these represent the grants released to the Panchayati Raj Institutions (Zilla Panchayat, Taluk Panchayat and Gram Panchayat) in those districts. See Statement 10 in Volume I of Finance Accounts.

(#) Includes of Capital Expenditure (₹3,46,59.32 crore), Repayment of Public Debt (₹1,10,82.62 crore) and Disbursement of Loans and Advances (₹44,87.22 crore).

(B) Includes expenditure under Schedule Caste Sub Plan (₹1,23,82.18 crore), HKRDP (₹4,19.69 crore), HKRDP-SCSP (₹2,57.96 crore), Special Development Plan-NABARD (₹34.00 crore), HKRDP-TSP (₹1,04.54 crore), Examination Expenses (₹24.41 crore), Minor Works (₹18.11 crore), SDP - TSP (₹46.07 crore), Hospital Accessories (₹15.33 crore), Repairs and Carriages (₹10.79 crore), Office Expenses (₹5.61 crore), Purchase of Furniture/Fixture (₹5.81 crore), Interest on Capital (₹0.73 crore), Pensionary Charges (₹0.40 crore), Depreciation (₹0.01 crore), Deduct-Recoveries {(-)₹86.09 crore}, Stock Credits {(-) ₹0.01 crore}, HKRDP-SDP (₹2,17.81 crore), Compensatory cost (₹0.01 crore).

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STATEMENT NO.5 - STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE

Description	Expenditure during 2017-18	Progressive Expenditure upto 2017-18	Expenditure during 2018-19	Progressive Expenditure upto 2018-19	Increase (+) / Decrease (-) (Per cent)
	(2)	(3)	(4)	(5)	(6)
EXPENDITURE HEADS (CAPITAL ACCOUNT)					
A Capital Account of General Services					
4047 Capital Outlay on other Fiscal Services	...	0.08	...	0.08	...
4055 Capital Outlay on Police	3,69.45	28,46.31	2,88.06	31,34.37	(-) 22.03
4059 Capital Outlay on Public Works	6,05.74	57,58.38	5,36.12	62,94.50	(-) 11.49
4070 Capital Outlay on Other Administrative Services	2.26	25.81	3.23	29.04	(+) 42.92
Total A - Capital Account of General Services	9,77.45	86,30.58	8,27.41	94,57.99	(-) 15.35
B Capital Account of Social Services					
(a) Capital Account of Education, Sports, Art and Culture					
4202 Capital Outlay on Education, Sports, Art and Culture	11,43.12	56,56.26	11,07.31	67,63.57	(-) 3.13
Total (a)	11,43.12	56,56.26	11,07.31	67,63.57	(-) 3.13
(b) Capital Account of Health and Family Welfare					
4210 Capital Outlay on Medical and Public Health	11,32.32	67,81.60	11,07.97	78,89.57	(-) 2.15
4211 Capital Outlay on Family Welfare	...	1,76.93	...	1,76.93	...
Total (b)	11,32.32	69,58.53	11,07.97	80,66.50	(-) 2.15
(c) Capital Account of Water Supply, Sanitation, Housing and Urban Development					
4215 Capital Outlay on Water Supply and Sanitation	5,43.62	1,29,38.34	16,12.29	1,45,50.63	(+) 1,96.58
4216 Capital Outlay on Housing	3,02.39	31,55.62	2,57.93	34,13.55	(-) 14.70
4217 Capital Outlay on Urban Development	22,80.01	73,38.82	21,53.64	94,92.46	(-) 5.54
Total (c)	31,26.02	2,34,32.78	40,23.86	2,74,56.64	(+) 28.72
(d) Capital Account of Information and Broadcasting					
4220 Capital Outlay on Information and Publicity	33.29	1,04.73	45.19	1,49.92	(+) 35.75
Total (d)	33.29	1,04.73	45.19	1,49.92	(+) 35.75

	(1)	(2)	(3)	(4)	(5)	(6)
EXPENDITURE HEADS (CAPITAL ACCOUNT) – contd.						
B Capital Account of Social Services – contd.						
<i>(e) Capital Account of Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities</i>						
4225 Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities		29,93.40	1,18,04.76	34,22.37	1,52,27.13	(+) 14.33
Total (e)		29,93.40	1,18,04.76	34,22.37	1,52,27.13	(+) 14.33
<i>(g) Capital Account of Social Welfare and Nutrition</i>						
4235 Capital Outlay on Social Security and Welfare		1,65.18	9,33.03	66.44	9,99.47	(-) 59.78
4236 Capital Outlay on Nutrition		...	2.23	...	2.23	...
Total (g)		1,65.18	9,35.26	66.44	10,01.70	(-) 59.78
<i>(h) Capital Account of Other Social Services</i>						
4250 Capital Outlay on Other Social Services		83.43	3,71.12	20.42	3,91.54	(-) 75.52
Total (h)		83.43	3,71.12	20.42	3,91.54	(-) 75.52
Total B - Capital Account of Social Services		86,76.76	4,92,63.44	97,93.56	5,90,57.00	(+) 12.87
C Capital Account of Economic Services						
<i>(a) Capital Account of Agriculture and Allied Activities</i>						
4401 Capital Outlay on Crop Husbandry		71.54	7,75.79	23.90	7,99.69	(-) 66.59
4402 Capital Outlay on Soil and Water Conservation		...	27.82	...	27.82	...
4403 Capital Outlay on Animal Husbandry		90.77	7,71.32	73.98	8,45.30	(-) 18.50
4404 Capital Outlay on Dairy Development		...	28.16	...	28.16	...
4405 Capital Outlay on Fisheries		45.42	5,15.11	99.82	6,14.93	(+) 119.82
4406 Capital Outlay on Forestry and Wild Life		9.99	2,11.19	16.82	2,28.01	(+) 68.37
4408 Capital Outlay on Food Storage and Warehousing		...	19.79	...	19.79	...
4415 Capital Outlay on Agricultural Research and Education		...	11.55	...	11.55	...
4416 Investments in Agricultural Financial Institutions		...	21.25	...	21.25	...
4425 Capital Outlay on Co-operation		7.40	1,46.33	...	1,43.04 ^(a)	(-) 100.00
Total (a)		2,25.12	25,28.31	2,14.52	27,39.54	(-) 4.70
<i>(b) Capital Account of Rural Development</i>						
4515 Capital Outlay on other Rural Development Programmes		1,13.74	12,98.56	66.83	13,65.39	(-) 41.24
Total (b)		1,13.74	12,98.56	66.83	13,65.39	(-) 41.24

(a) Please refer Explanatory Note 2

STATEMENT NO.5 - STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE – contd

Description	Expenditure during 2017-18	Progressive Expenditure upto 2017-18	Expenditure during 2018-19	Progressive Expenditure upto 2018-19	Increase (+) / Decrease (-) (Per cent)
	(2)	(3)	(4)	(5)	(6)
(c) Capital Outlay of Special Areas Programmes					
4575 Capital Outlay on Other Special Area Programmes	9,20.11	50,82.50	11,62.89	62,45.39	(+)
Total (c)	9,20.11	50,82.50	11,62.89	62,45.39	(+)
(d) Capital Account of Irrigation and Flood Control					
4700 Capital Outlay on Major Irrigation	5.23	80,36.47	6.25	80,42.72	(+)
4701 Capital Outlay on Medium Irrigation	79,43.52	7,08,26.08	99,63.87	8,07,89.95	(+)
4702 Capital Outlay on Minor Irrigation	22,29.85	1,27,84.07	19,90.67	1,47,74.74	(-)
4705 Capital Outlay on Command Area Development	1,39.34	5,83.06	79.38	6,62.44	(-)
4711 Capital Outlay on Flood Control Projects	73.89	6,48.59	55.50	7,04.09	(-)
Total (d)	1,03,91.83	9,28,78.27	1,20,95.67	10,49,73.94	(+)
(e) Capital Account of Energy					
4801 Capital Outlay on Power Projects	8,27.00	1,06,49.24	6,27.85	1,12,77.09	(-)
Total (e)	8,27.00	1,06,49.24	6,27.85	1,12,77.09	(-)
(f) Capital Account of Industry and Minerals					
4851 Capital Outlay on Village and Small Industries	1,47.33	7,43.45	2,59.09	10,02.54	(+)
4852 Capital Outlay on Iron and Steel Industries	4,57.23	12,88.60	2,30.87	15,19.47	(-)
4853 Capital Outlay on Non-Ferrous Mining and Metallurgical Industries	...	3.20	...	3.20	...
4854 Capital Outlay on Cement and Non-metallic Mineral Industries	...	0.42	...	0.42	...
4855 Capital Outlay on Fertilizer Industries	...	0.01	...	0.01	...
4856 Capital Outlay on Petrochemical Industries	...	3.61	...	3.61	...
4858 Capital Outlay on Engineering Industries	...	63.86	...	63.86	...
4859 Capital Outlay on Telecommunication and Electronic Industries	...	20.18	...	20.18	...
4860 Capital Outlay on Consumer Industries	53.27	8,56.19	57.73	9,13.92	(+)
4875 Capital Outlay on Other Industries	...	35.52	...	35.52	...
4885 Other Capital Outlay on Industries and Minerals	75.00	11,91.80	68.45	12,60.25	(-)
Total (f)	7,32.83	42,06.84	6,16.14	48,22.98	(-)

	(1)	(2)	(3)	(4)	(5)	(6)
EXPENDITURE HEADS (CAPITAL ACCOUNT) – conclud.						
C Capital Account of Economic Services – conclud.						
(g) Capital Account of Transport						
5051 Capital Outlay on Ports and Light Houses	1,20.05	4,81.32	1,32.36	6,13.68	(+)	10.25
5052 Capital Outlay on Shipping	...	3.07	...	3.07		...
5053 Capital Outlay on Civil Aviation	...	12.73	...	12.73		...
5054 Capital Outlay on Roads and Bridges	69,63.22	5,31,24.53	83,27.05	6,14,51.58	(+)	19.59
5055 Capital Outlay on Road Transport	2,95.24	21,19.93	3,99.39	25,19.32	(+)	35.27
5056 Capital Outlay on Inland Water Transport	...	0.19	...	0.19		...
5075 Capital Outlay on Other Transport Services	...	1,20.97	...	1,20.97		...
Total (g)	73,78.51	5,58,62.74	88,58.80	6,47,21.54	(+)	20.06
(i) Capital Account of Science Technology and Environment						
5425 Capital Outlay on Other Scientific and Environmental Research	0.21	0.40	...	0.40	(-)	1,00.00
Total (i)	0.21	0.40	...	0.40	(-)	1,00.00
(j) Capital Account of General Economic Services						
5452 Capital Outlay on Tourism	2,58.71	17,44.82	2,65.67	20,10.49	(+)	2.69
5465 Investments in General Financial and Trading Institutions	1,00.83	29,73.42	57.23	30,30.65	(-)	43.24
5475 Capital Outlay on other General Economic Services	63.66	4,94.62	72.75	5,67.37	(+)	14.28
Total (j)	4,23.20	52,12.86	3,95.65	56,08.51	(-)	6.51
Total C – Capital Account of Economic Services	2,10,12.55	17,77,19.72	2,40,38.35	20,17,54.78	(+)	14.40
GRAND TOTAL	3,06,66.76	23,56,13.73	3,46,59.32	27,02,69.76	(+)	13.02

STATEMENT NO.5 - STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE – contd

Explanatory Notes

A summary of the financial results of the working of the departmentally managed Government Undertakings as disclosed by the latest available proforma accounts is given below:

Sl. No.	Name of the Undertaking	Major Head under which working expenses are accounted for	Year of account	Mean Capital as at the close of the year (₹ in crore)	Total Profit (+) or loss (-) after adding back interest charged	Percentage of profit in relation to mean capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Karnataka Government Insurance Department, Bengaluru	2235 – Social Security and Welfare				There is no capital account. The excess of recoveries over expenditure is credited to Insurance Fund, which closes to balance. The balance in the Fund is shown on the Liability side of the balance sheet.
2.	Government Saw Mills, Joida	2406 – Forestry and Wild Life				Proforma Accounts prepared to end of 1968-69 were defective. Accounts for 1969-70, 1970-71 and 1971-72 are in arrears. Undertaking closed with effect from 27 April 1971. Decisions of Government for waiving the preparation of Proforma Accounts, which are in arrears, are awaited (August 2012).
3.	Dasara Exhibition Committee, Mysuru	2852 – Industries				Proforma Accounts for the years from 1981-82 to 1995-96 are in arrears.
4.	Bangalore Dairy, Bengaluru	2404 – Dairy Development				Proforma Accounts for the period from 01.04.1975 to 30.11.1975 were furnished. In the absence of certified accounts for the period upto 31.03.1975 audit could not be taken up. The undertaking was transferred to Karnataka Dairy Development Corporation, a Government Company with effect from 1 December 1975. The assets and liabilities of this Company were transferred to Karnataka Milk Producers Co-operative Federation Limited in November 1984.
5.	Government Milk Supply Scheme, Hubballi-Dharwar	2404 – Dairy Development				Proforma Accounts for the year 1981-82 to 1984-85 (up to 31.01.1985) are in arrears.
6.	Government Milk Supply Scheme, Mysuru	2404 – Dairy Development				Proforma Accounts prepared to end of 1968-69 were defective. Accounts from 1969-70 to 30 November 1975 are in arrears. The undertaking was transferred to Karnataka Dairy Development Corporation, a Government Company with effect from 1 December 1975.
7.	Government Milk Supply Scheme, Belagavi	2404 – Dairy Development				Proforma Accounts for 1975-76 and 1976-77 were defective and therefore, have not been certified. Proforma accounts for 1977-78 to 1984-85 (upto 31.01.1985) are in arrears.
8.	Government Milk Supply Scheme, Kalaburagi	2404 – Dairy Development				Proforma Accounts for the year 1983-84 and 1984-85 (upto 31.01.1985) are in arrears.
9.	Government Milk Supply Scheme, Bhadravathi	2404 – Dairy Development				Proforma Accounts for 1980-81 were found to be defective. Proforma accounts for 1983-84 and 1984-85 (upto 14.02.1985) are in arrears.

(1)	(2)	(3)	(4)	(5)	(6)	(7)
10.	Government Milk Supply Scheme, Mangaluru	2404 – Dairy Development	Proforma Accounts for 1983-84 and 1984-85 (upto 14.02.1985) are in arrears.			
11.	Vaccine Institute, Belagavi	2210 – Medical and Public Health	Proforma Accounts from 1993-94 are in arrears.			
12.	Government Milk Supply Scheme, Kudige	2404 – Dairy Development	Proforma Accounts from 1967-68 to 1972-73 have been prepared. These could not be certified as replies to audit observations are awaited from the Department. Proforma Accounts for 1973-74 and 1974-75 (upto 30.11.1975) are in arrears. The undertaking was transferred to Karnataka Dairy Development Corporation, a Government Company, with effect from 1 December 1975.			
13.	Government Silk Filature, Kollegal	2852 – Industries	2015-16	1.69	(-) 1.35	
14.	Government Silk Filature, Chamarajanagar	2852 – Industries	2015-16	1.68	(-) 1.04	
15.	Government Silk Filature, Santhematrahally	2852 – Industries	2016-17	1.24	(-) 1.39	
16.	Government Silk Filature, Mambally	2852 – Industries	2015-16	2.38	(-) 1.47	
17.	Government Silk Twisting and Weaving Factory, Mudigundam	2852 – Industries	2015-16	1.81	(-) 0.66	
18.	Government Central Workshop, Madikeri	2852 – Industries	2008-09	0.07	(-) 0.14	
19.	Chamarajendra Technical Institute, Mysuru	2852 – Industries	Proforma Accounts up to the date of closure is in arrears (July 2019).			
			Proforma Accounts from 1985-86 are in arrears.			

STATEMENT NO.5 - STATEMENT OF PROGRESSIVE CAPITAL EXPENDITURE – conold.

Explanatory Notes

1. During the year 2018-19, the Government has invested ₹13,75.69 crore as equity, The break-up being, under Statutory Corporations (₹68.45 crore), Government Companies (₹9,23.37 crore), Joint Stock Companies (₹3,00.00 crore) and Co-operative Institutions (₹83.87 crore) which includes ₹4.04 crore being the purchase consideration in respect of Karnataka Silk Industries Corporation (Government Order dated 30-03-2019). The Net Government investment for the year 2018-19 is ₹13,72.40 crore.
2. The progressive capital expenditure under '4425 – Capital Outlay on Co-operation', decreased by ₹3.29 crore, due to retirement of Government investment in share capital of co-operative institutions, proceeds of which stands accounted under 'Miscellaneous Capital Receipts' in 2018-19.
3. The total investment of Government in the share capital of different concerns at the end of 2017-18 and 2018-19 was ₹6,51,45.88 crore and ₹6,65,18.28 crore respectively. The dividend/interest received on Government Investments was ₹78.83 crore (0.12 *per cent*) in 2017-18 and ₹38.30 crore (0.06 *per cent*) in 2018-19. Further details are given in Statement No.8.



STATEMENT NO. 6 - STATEMENT OF BORROWINGS AND OTHER LIABILITIES
(i) Statement of Public Debt and Other Liabilities⁽¹⁾

Nature of Borrowings	Balance as on	Receipts	Repayments	Balance as on	Net Increase (+)/	As a
	1 April 2018	during the year	during the year	31 March 2019	Decrease (-)	per cent of
(1)	(2)	(3)	(4)	(5)	(6)	total
			(₹ in crore)			liabilities
						(7)
A. Public Debt						
6003 Internal Debt of the State Government						
Market Loans	12,57,07.50	3,95,99.94	74,17.00	15,78,90.44	(+)	58.40
Ways and Means Advances from Reserve Bank of India	...	...	...	...	...	...
Special Securities issued to National Small Savings Fund of the Central Government	1,85,84.06	...	15,95.46	1,69,88.60	(-)	6.28
Loans from Financial Institutions	42,89.08	8,69.73	7,28.57	44,30.24	(+)	1.64
Loans from other Institutions	0.03	...	...	...	...	...
Total 6003	14,85,80.67	4,04,69.67	97,41.03	17,93,09.31	(+)	66.32
6004 Loans and Advances from the Central Government						
Non-Plan Loans	45.50	...	5.13	40.37	(-)	0.01
Loans for State/Union Territory Plan Schemes	1,25,89.53	...	13,48.35	1,12,41.18	(-)	4.16
Loans for Central Plan Schemes	(-) 5.41	...	(-) 11.97	6.56	(+)	...
Loans for Centrally Sponsored Plan Schemes	(-) 18.25	...	...	(-) 18.25	...	...
Pre-1984-85 Loans	0.07	...	...	0.07	...	...
Other Loans for States	19,43.25	14,44.39	0.08	33,87.56	(+)	1.25
Total 6004	1,45,54.69	14,44.39	13,41.59	1,46,57.49	(+)	5.42
Total A. Public Debt (6003 and 6004)	16,31,35.36	4,19,14.06	1,10,82.62	19,39,66.80	(+)	71.74
B. Other Liabilities						
Small Savings and Other Liabilities						
Small Savings, Provident Fund etc.	2,77,31.13	71,35.54	38,43.25	3,10,23.42	(+)	11.47
Reserve Funds bearing Interest	41.92	12,79.85	8,87.20	4,34.57	(+)	0.16
Reserve Funds not bearing Interest	1,68,31.76 (*)	32,67.22	35,32.73	1,65,66.25	(-)	6.13
Deposits bearing Interest	3,40.37	15,94.76	15,33.13	4,02.00	(+)	0.15
Deposits not bearing Interest	2,49,77.53 (*)	5,61,62.10	5,31,56.22	2,79,83.41	(+)	10.35
Total B. Other Liabilities	6,99,22.71	6,94,39.47	6,29,52.53	7,64,09.65	(+)	28.26
Total Public Debt and Other Liabilities	23,30,58.07	11,13,53.53	7,40,35.15	27,03,76.45	(+)	100.00

(1) Detailed Account given in Statement No.17 and Statement No.21. Figures of 'Borrowings and Other Liabilities' excluding balance of Off-budget borrowings (₹1,48,61.56 crore) reported by the Government. Entity-wise details of Off Budget Borrowings furnished in Annexure D to Statement No.17.

(a) Minus balance under these heads is due to repayment of Principal and payment of Interest for 2010-11 and 2011-12 against the balance of Loans as on 31-03-2010, which was later written-off during 2011-2012 in terms of recommendations of 13th Finance Commission. Excess repayment is under reconciliation with the Union Government, for suitable adjustment.

(*) OB differs by ₹0.01 crore due to rounding.

STATEMENT NO. 6 - STATEMENT OF BORROWINGS AND OTHER LIABILITIES – contd.
Explanatory Notes

The 'Karnataka Fiscal Responsibility Act, 2002' (KFRA) (which came into being from 1 April, 2003) the Government had committed to reduce the fiscal deficit to not more than 3 *per cent* of the estimated Gross State Domestic Product (GSDP) within a period of four financial years commencing from 1st April, 2002.

Further, the Government of Karnataka has enacted the Karnataka Fiscal Responsibility (Amendment) Act, 2014 dated 28 February 2014, which has redefined the scope of "Total Liabilities" to include borrowings by the Public Sector Undertakings and Special Purpose Vehicles and other equivalent instruments, where the principal and/ or interest are to be serviced out of the budget of the Government of Karnataka. For this purpose, the Government has furnished the balance of off-budget borrowings as on 31 March 2019.

During 2018-19, the Fiscal Deficit works out to 2.73 *per cent* of GSDP. The GSDP is adopted as ₹1,40,81,12 crore for the financial year 2018-19.

The indebtedness of the Government increased by ₹5,21,79.94 crore during the year, which is inclusive of off budget borrowings of ₹1,48,61.56 crore. The ratio of the outstanding Public Debt and Other Liabilities including the balance of off-budget borrowings (₹28,52,38.01 crore) works out to 20.26 *per cent* of GSDP to the end of the year 2018-19.

(i) Statement of Public Debt and Other Liabilities – Explanatory Notes

(1) Market Loans: These were long-term loans raised in the open market to finance development schemes etc. In recent years, the borrowing profile of the State has shown an increasing trend towards more reliance on Open Market Borrowings. The outstanding Market Borrowings at the end of the year works out to 58.40 *per cent* of the Gross Public Debt and Other Liabilities. During the year, the Government has raised Market Loans amounting to ₹3,95,99.94 crore. The entire loan was subscribed fully in cash. Details of loans raised by Government and outstanding as on 31 March 2019 is given in the Annexure to Statement No.17.

Pending determination of the proportionate capital expenditure under Section 82 of the States Re-organisation Act, 1956, the liability on account of the open market loans was shared provisionally by the successor States according to the population ratio. The provisional liability of the State Government in respect of the loans raised by the former Madras and Bombay States amounting to ₹1.79 crore and ₹4.88 crore respectively, had been discharged fully (the last repayment relating to Madras State Loans was made in 1968-69 and that relating to Bombay State Loans in 1972-73).

The liability of the State Government in respect of the ex-Hyderabad State, which was outstanding on 31 October 1956, has been estimated by the Andhra Pradesh Government at ₹26.65 crore on the basis of Capital Outlay incurred territory-wise under the provision of the States Re-organisation Act, 1956. Although, on the basis of the reallocation of liability, the State Government has to pay ₹14.81 crore to Maharashtra, the final allocation is under correspondence between Karnataka and Maharashtra. So far, ₹13.00 crore has been paid to Maharashtra on this account.

(2) Consolidated Sinking Fund (CSF): The Reserve Bank of India maintains a consolidated sinking fund, on behalf of the State Governments, to provide a cushion for amortisation of market borrowing/liabilities. During 2012-13, the State Government set up a consolidated sinking fund in the Public Account through an executive order and contributed a sum of ₹10,00.00 crore to the CSF managed by the Reserve Bank of India. There has been no contribution during the years 2013-14, 2014-15 and during the year 2015-16 the contribution to the CSF was ₹10,69.99 crore. During the years 2016-17 and 2017-18, there has been no contribution to CSF. The details of the balance in the Fund invested for the year 2018-19 as furnished by the Reserve Bank of India (₹34,65.77 crore) is given in Annexure to Statement No.22.

(3) Ways and Means Advances from the Reserve Bank of India: These are borrowings of a purely temporary nature. These advances are obtained to make good the deficiency in the minimum cash balance with the Reserve Bank of India. If even after the maximum advance is given, the balance is below the minimum, the deficit is left uncovered. Overdrafts are given by the Bank if the State has minus balance after availing of the maximum advance. Ways and Means advances have not been availed during the year 2018-19.

STATEMENT NO. 6 - STATEMENT OF BORROWINGS AND OTHER LIABILITIES – contd.
Explanatory Notes – contd.

(4) Loans from National Small Savings Fund: A separate fund viz., 'National Small Savings Fund' was created in 1999-2000 for the purpose of release of Loans out of Small Savings collections.

The XIV Finance Commission has recommended that State Governments be excluded from the operations of the NSSF with effect from 1 April 2015. Based on this recommendation, the Union Cabinet on 18 January 2017 approved the exclusion of all States and Union Territories (except Arunachal Pradesh, Delhi, Kerala and Madhya Pradesh) from investment of National Small Savings Fund collections in their securities w.e.f 01-04-2016 and that the investments of the State will be limited solely to discharge the debt obligations already incurred by them until that date. Accordingly, the State Government has not received any loans under NSSF from Government of India in the FY 2017-18.

At the beginning of the year 2018-19, the outstanding loans amounted to ₹1,85,84.06 crore. During the year ₹15,95.46 crore was repaid, leaving a balance of ₹1,69,88.60 crore at the close of the year.

(5) Loans from Financial Institutions and Other Institutions: - At the beginning of the year 2018-19, an amount of ₹42,89.08 crore was outstanding as loans, obtained from Life Insurance Corporation of India, General Insurance Corporation of India, National Bank for Agricultural and Rural Development, Canara Bank and Other Autonomous Bodies. ₹8,69.73 crore was obtained by Government as fresh loans from these institutions. After making repayment of ₹7,28.57 crore, ₹44,30.24 crore remained outstanding at the close of the year.

(6) Loans and Advances from the Government of India: During the year no Ways and Means Advances were obtained from the Government of India. However, other loans obtained from the Government of India during 2018-19 amounted to ₹14,44.39 crore, ₹14,44.39 crore represents back to back external loans (details are given in Annexure to Statement No.17). The repayments made during the year is ₹13,41.59 crore .

(7) Other Obligations: In addition to the above, the balances at the credit of earmarked and other Funds and certain deposits to the extent to which they have not been invested but are merged with the general cash balance of Government also constitute the liability of Government. Such liability at the end of March 2019 was ₹4,53,86.22 crore. More details are given in Statements 21 and 22 in Part I Volume II.

STATEMENT NO. 6 - STATEMENT OF BORROWINGS AND OTHER LIABILITIES – conclud.
Explanatory Notes – conclud.

(ii) Service of Debt

Interest on Debt and Other Obligations: The outstanding gross debt and other obligation and the total net amount of interest charges met from revenue during 2017-18 and 2018-19 are given in the table below:

<i>Particulars</i>	<i>2018-19</i>		<i>2017-18</i>		<i>Net increase (+)/ Decrease (-) during the year</i>
	<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	
Gross debt and other obligations outstanding at the end of the year ⁽⁵⁾		27,03,76.45	23,30,58.04		(+) 3,73,18.41
(a) Public Debt and Small Savings, Provident Funds etc.		22,49,90.23	19,08,66.49		(+) 3,41,23.74
(b) Other obligations		4,53,86.22	4,21,91.55		(+) 31,94.67
Interest paid by Government					
(a) On Public Debt (including expenditure on Management), Small Savings, Provident Funds etc., and Miscellaneous debts.		1,54,22.83	1,39,29.50		(+) 14,93.33
(b) Off Budget Borrowings		12,62.33	10,43.20		(+) 2,19.13
(c) Other obligations		0.08	0.08		(-) ...
Total (i)		1,66,85.24	1,49,72.78		(+) 17,12.46
(ii) Deduct -					
(a) Interest received on loans and advances given by Government		1,74.86 ⁽⁶⁾	77.29		(+) 97.57
(b) Interest charged to major heads (outside the Revenue Account)	
(c) Interest realised on investment of cash balance		9,36.47	10,78.30		(-) 1,41.83
Net interest charges (i) – (ii)		1,55,73.91	1,38,17.19		(+) 17,56.72
Percentage of gross interest [item (i)] to total Revenue Receipts		10.11	10.18		(-) 0.07
Percentage of net interest [item (iii)] to total Revenue Receipts		9.44	9.40		(+) 0.04

⁽⁵⁾ Excludes 0049-04-800-5-06 (₹42.52 crore) and 0049-04-800-5-08 (₹94.91 crore).

STATEMENT NO. 6 - STATEMENT OF BORROWINGS AND OTHER LIABILITIES – conold.
Explanatory Notes – conold.

(ii) Service of Debt

In addition, there were certain other receipts and adjustments such as interest received from Commercial Department etc, totaling to ₹0.73 crore and Deduct Refunds amounting to (-) ₹0.02 crore. If these are also deducted net burden of interest on the revenue was ₹1,55,73.20 crore working out to 9.44 *per cent* of the total Revenue Receipts (₹16,49,78.66 crore). During the year, Government also received ₹38.30 crore as dividend on investment in various Commercial and Other Undertakings etc.



STATEMENT NO. 7 - STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT ⁽¹⁾
Section: 1 Summary of Loans and Advances – Loanee Group Wise

Loanee Groups	(1)	(2)	(3)	(4)	(5)	(6)	Net Increase		
							(+) decrease (-) during the year	(-) increase (+) during the year	
		Balance on 1 April 2018	Disbursements during the year	Repayments during the year	Write-off of irrecoverable Loans and advances	Balance on 31 March 2019	(2+3)-(4+5)	(3-4)	(8)
		(2)	(3)	(4)	(5)	(6)	(7)	(7)	(8)
(₹ in crore)									
I SOCIAL SERVICES									
1 Universities/Academic Institutions		2.04	...	...	...	2.04	...	...	...
2 Municipalities/Municipal Councils/Municipal Corporations		1,56.88	12,23.24	...	...	13,80.12	(+)	12,23.24	...
3 Urban Development Authorities		39,69.41	...	...	...	39,69.41	...	...	...
4 Housing Boards		1,73.31	10,00.00	0.13	...	11,73.18	(+)	9,99.87	...
5 Statutory Corporations		59,11.97	2,12.78	...	...	61,24.75	(+)	2,12.78	...
6 Government Companies		5,86.02	...	...	...	5,86.02	...	...	...
7 Co-operative Societies/Co-operative Corporations/Banks		0.70	...	...	...	0.70	...	...	...
8 Others		15,49.09	5.00	...	...	15,54.09	(+)	5.00	...
Total - Social Services		1,23,49.42	24,41.02	0.13	...	1,47,90.31	(+)	24,40.89	...
II ECONOMIC SERVICES									
1 Panchayat Raj Institutions		2.72	...	...	...	2.72	...	...	...
2 Statutory Corporations		1,46.22	15,00.00	...	...	16,46.22	(+)	15,00.00	...
3 Government Companies		27,11.59	1,76.06	14.74	...	28,72.91	(+)	1,61.32	...
4 Co-operative Societies/Co-operative Corporations/Banks		43,12.28 ^(#)	23.56	7.98	...	43,27.86	(+)	15.58	...
5 Others		10,93.12	3,35.50	1.94	...	14,26.68	(+)	3,33.56	...
Total - Economic Services		82,65.93	20,35.12	24.66	...	1,02,76.39	(+)	20,10.46	...
III Loans to Government Servants etc.		(-) 12.16 ^(#)	11.08	3.87	...	(-) 4.95	(+)	7.21	...
IV Miscellaneous Loans		(-) 78.59	...	2.57	...	(-) 81.16	(-)	2.57	...
Total - Loans and Advances		2,05,24.60	44,87.22	31.23	...	2,49,80.59	(+)	44,55.99	...

(#) Proforma correction made against HOA 6425-00-108-3-52 for ₹8.28 crore which is converted into Grant vide G. O. No. CO:104, dated: 30.03.2019.

(*) Opening Balance differs by ₹0.01 crore due to rounding off.

STATEMENT NO. 7 - STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT ⁽¹⁾

Section: 2 Summary of Loans and Advances – Sector Wise

Sector	Balance on	Disbursements	Repayments	Write-off of	Balance on	Net Increase (+)/	Interest
	1 April 2018	during the	during the	irrecoverable	31 March	decrease (-)	Payment in
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		year	year	Loans and	(2+3)-(4+5)	during the year	arrears ^(a)
				advances		(3-4)	
				(₹ in crore)			
B Loans for Social Services							
(a) Education, Sports, Art and Culture	2.43	...	...	...	2.43	...	...
(b) Health and Family Welfare	16.12	...	...	...	16.12	...	...
(c) Water Supply, Sanitation, Housing and Urban Development	1,22,73.00	24,36.02	0.13	...	1,47,08.89	(+)	24,35.89
(d) Information and Broadcasting	0.47	...	...	...	0.47	...	...
(e) Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	15.08	...	...	...	15.08	...	...
(g) Social Welfare and Nutrition	41.86	5.00	...	...	46.86	(+)	5.00
(h) Other Social Services	0.46	...	...	...	0.46	...	...
Total B. Loans for Social Services	1,23,49.42	24,41.02	0.13	...	1,47,90.31	(+)	24,40.89
C Loans for Economic Services							
(a) Loans for Agriculture and Allied Activities	39,54.67 ⁽¹⁾	4.56	8.20	...	39,51.03	(-)	3.64
(b) Loans for Rural Development	6.71	...	...	...	6.71	...	...
(c) Loans for Special Areas Programmes	0.13	...	...	...	0.13	...	...
(d) Loans for Irrigation and Flood Control	9.56	...	...	...	9.56	...	...
(e) Loans for Energy	14,95.83	15,00.00	14.74	...	29,81.09	(+)	14,85.26
(f) Loans for Industry and Minerals	27,31.49	5,30.56	1.72	...	32,60.33	(+)	5,28.84
(g) Loans for Transport	3.76	...	...	...	3.76	...	...
(j) General Economic Services	63.78	...	...	...	63.78	...	...
Total C. Loans for Economic Services	82,65.93	20,35.12	24.66	...	1,02,76.39	(+)	20,10.46
III. Loans to Government Servants etc.	(-) 12.16	11.08	3.87	...	(-) 4.95	(+)	7.21
IV. Miscellaneous Loans	(-) 78.59	...	2.57	...	(-) 81.16	(-)	2.57
Total F. Loans and Advances	2,05,24.60	44,87.22	31.23	...	2,49,80.59	(+)	44,55.99

(1) Proforma correction made against HOA 6425-00-108-3-52 for ₹ 8.28 crore which is converted into Grant vide G O No. CO:104, dated: 30.03.2019.

STATEMENT NO. 7 - STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT
Section: 3 - Summary of repayments in arrears from Loanee Entities

Loanee-Entity	Amount of Arrears as on 31 March 2019		Earliest period to which arrears relate	Total Loan outstanding against the entity on 31 March 2019 (₹ in crore)	
	Principal	Interest ^(*) (₹ in crore)			Total
(1)	(2)	(3)	(4)	(5)	(6)
Detailed accounts maintained by Accountant General					
6215 Loans to Bangalore Water Supply and Sewerage Board	42,62.06	28,42.33	71,04.40	1977	44,43.79
6215 Loans to Karnataka Urban Water Supply and Drainage Board.	2,11.35	6,00.75	8,12.10	1986	2,60.66
6216 Loans to Karnataka Housing Board	23.61	92.97	1,16.58	1990	0.29
6217 Loans to Bangalore Development Authority (for repayment of HUDCO Loans)	17.17	32.99	50.16	1987	2,25.32
6220 Loans to Karnataka State Film Industries Development Corporation	0.41	1.79	2.20	1987	0.42
6401 Loans to Karnataka Agro Proteins Limited	0.70	3.67	4.37	1982	0.70
6401 Loans to Karnataka State Co-operative Oil Seeds Growers Federation	0.75	7.22	7.97	1992	0.63
6401 Loans to Karnataka State Seeds Corporation Ltd.	2.88	5.96	8.84	1977	1.44
6851 Loans to Leather Industries Development Corporation	1.26	4.21	5.47	2007	0.68
6852 Loans to Dandeli Steel and Ferro Alloys Limited	0.31	1.35	1.66	1991	0.31
6853 Loans to Hutti Gold Mines Company Limited ^(*)	0.30	1.69	1.99	1985	3.02
6858 Loans to Karnataka Implements and Machinery Company	1.10	5.12	6.22	1984	2.16
6858 Loans to Electro Mobile India Limited	0.61	2.70	3.31	1981	0.61
6858 Loans to Chamundi Machine Tools ^(#)	0.18	0.33	0.51	1991	2.22
6858 Loans to New Government Electric Factory ^(#)	67.47	1,92.16	2,59.63	1992	2,14.79
6859 Loans to Karnataka Telecommunication Limited ^(#)	1.65	6.32	7.97	1996	3.01
6860 Loans to Mysore Sugar Company	47.00	27.89	74.89	1993	1,36.04
6860 Loans to Karnataka Soaps and Detergents Limited	2.25	15.44	17.69	1983	2.25
6860 Loans to Mysore Tobacco Company Limited	1.34	12.29	13.63	1984	3.88
6885 Loans to Karnataka State Finance Corporation	0.40	0.73	1.13	1985	13.08
7452 Loans to Karnataka State Tourism Development Corporation	1.01	3.49	4.50	1981	1.20

STATEMENT NO. 7 - STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT
Section: 3 - Summary of repayments in arrears from Loanee Entities

Loanee-Entity	Amount of Arrears as on 31 March 2019		Earliest period to which arrears relate	Total Loan outstanding against the entity on 31 March 2019 (₹ in crore)	
	Principal	Interest ^(^) (₹ in crore)			Total
(1)	(2)	(3)	(4)	(5)	(6)
Detailed Accounts maintained by the State Government^(S)					
6225 Loans to Backward Classes	8.76	...	8.76	2013-14	8.76
6401 Loans to Karnataka State Co-operative Oil Seeds Growers Federation	1.94	4.78	6.72	...	6.72
6401 Loans to Karnataka State Seeds Corporation Ltd.,	0.01	1.12	1.13	1993-94	1.13
6406 Loans to Karnataka State Forest Industries Corporation Ltd.,	0.23	0.32	0.55	2001 & 2011	0.55
6801 Loans to Power Transmission Corporation Ltd.,	2.97	0.32	3.29	...	3.29
6851 Loans to Karnataka State Khadi and Village Industries Board	0.14	...	0.14	...	0.14
6851 Loans to Karnataka State Coir Development Corporation Ltd.,	2.05	1.00	3.05	...	3.05
6851 Loans to Karnataka State Coir Development Corporation Ltd.,	0.41	0.64	1.05	...	1.05
6851 Loans to Karnataka Handloom Development Corporation Ltd.,	14.40	13.15	27.55	...	27.55
6852 Loans to Shree Kanteerava Studios Ltd.,	0.21	---	0.21	...	0.21
6852 Loans to The Mysore Lamp Works Limited	52.96	77.61	130.57	...	130.57
6852 Loans to Karnataka State Agro-Corn Products Ltd.,	24.32	13.45	37.77	2009-2010	37.77
6858 Loans to Mysore Lamp Works Ltd.,	60.42	88.50	148.92	1999	148.92
6858 Loans to Mysore Electrical Industries Ltd.,	17.50	33.05	50.55	...	50.55
6860 Loans to Karnataka Silk Marketing Board Ltd.,	22.00	4.62	26.62	...	26.62
6860 Loans to Karnataka Soaps & Dtergents Ltd.,	3.50	...	3.50	...	3.50
6860 Loans to Vani Vilas Co-operative Sugar Factory, Hiriyr	28.68	...	28.68	1986-2012	28.68
7055 Loans to Karnataka State Road Transport Corporation	...	3.19	3.19	1996-97	3.19
7452 Loans to Karnataka State Tourism Development Corporation	2.00	2.90	4.90	1994 & 1996	4.90

([^]) Interest calculation has been revised in accordance with Government of Karnataka order No. FD/01/BLA 2002, Bangalore dated: 10 July 2003 for the new loans sanctioned from that date onwards. Interest includes penal interest of ₹8.86 crore.

(*) The Karnataka Copper Consortium Limited and Chitradurga Copper Company Limited were merged with Hutti Gold Mines Co. Ltd., with effect from 12.07.1984. The Loan shown against this Company is under reconciliation.

(#) These Companies have applied for Liquidation and the matter is sub-judice in the High Court – (1:CA.No.838/09, 2: CA No.944/09 and 3: CA No.919/09)

(\$) The details of repayment in arrears outstanding as on 31 March 2019 is as furnished by the entities and is under reconciliation.

Note: The figures in the Column (1) indicate the code of the Major Head under which the transactions of the Loanee Entity is accounted.

STATEMENT NO. 7 - STATEMENT OF LOANS AND ADVANCES GIVEN BY THE GOVERNMENT – conclud.

Cases of Loans having been sanctioned as ‘Loan in Perpetuity’

Following are the cases of Loan having been sanctioned as ‘Loan in Perpetuity’^(**):

Sl. No.	Loanee Entity	Year of Sanction	Sanction Order Number	Amount (₹ in crore)	Rate of Interest
(1)	(2)	(3)	(4)	(5)	(6)

(**) Information is awaited from Government (July 2019).

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STATEMENT NO. 8 - STATEMENT OF INVESTMENTS OF THE GOVERNMENT

Comparative Summary of Government Investment in the Share Capital of different concerns for 2018-19 and 2017-18

Name of the concern	2018-19			2017-18		
	Number of concerns	Investment at the end of the year	Dividend/ interest received during the year	Number of concerns	Investment at the end of the year	Dividend/ interest received during the year
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1 Statutory Corporations	9	26,63.82	...	9	25,95.37	Dividend: ...
2 Regional Rural Banks	6	21.15	...	6	21.14	...
3 Government Companies (Working)	71	6,02,10.77	35.26	69	5,92,87.40	Dividend: 75.67
Government Companies (Non-working)	16	67.63	...	16	67.63	...
Government Companies (Total)	87	6,02,78.40	35.26	85	5,93,55.03	Dividend: 75.67
4 Joint Stock Companies	44	30,33.29	1.22	43	27,33.29	Dividend: 1.16
5 Co-operative Institutions and Local Bodies	...	5,21.62	1.82	...	4,41.05	Dividend: 2.00
Total	146	6,65,18.28	38.30	143	6,51,45.88	78.83

Note:

- Number of Government Companies (Working) is increased to 71 due to inclusion of new entities "Karnataka Uppara Development Corporation limited" & "Nijasharana Ambigara Chowdaiah Development Corporation limited" (Sl. No.70 & 71).
- The expenditure towards equity booked under the various Capital Outlay heads are (i) object head 211 below the minor head '190' (ii) Object heads - 059 (Karnataka Bhovi Development Corporation) & 132 (Karnataka Maharshi Valmiki ST Development Corporation Limited) under head of account 4225-190 (iii) Object head 059 under head of account 5465-190 (KEONICS) and (iv) object head 211 under Head of Account 4851-102 (Co-operative Spinning Mills) which is in conformity with the Government Orders, where the expenditure is also towards equity.
- During the year 2018-19 the Government invested ₹13,75.69 crore as equity: Statutory Corporations (₹68.45 crore), Government Companies (₹9,23.37 crore), Joint Stock Companies (₹3,00.00 crore) and Co-operative Institutions (₹83.87 crore) which includes ₹4.04 crore being the purchase consideration in respect of Karnataka Silk Industries Corporation (Government Order dated 30-03-2019). The Net Government investment for the year 2018-19 is ₹13,72.40 crore. The progressive balance of Investments reduced by ₹3.29 crore due to retirement of Government investment in Other Co-operatives.
- The dividend/interest received on Government Investments was ₹78.83 crore (0.12 per cent) in 2017-18 and ₹38.30 crore (0.06 per cent) in 2018-19.
- Details of investment in JSC M/s Karnataka Estate Ltd is under examination. Only Dividend is received from the entity & correspondence with Finance Department is underway.

STATEMENT NO.9 - STATEMENT OF GUARANTEES GIVEN BY THE GOVERNMENT

Disclosure of Guarantees given by the Government to Statutory Corporations, Government Companies, Local Bodies and other Institutions to raise loans from Financial Institutions as on 31.03.2019. The Statement has been prepared as per the GOI Notification dated 20 December 2010. The information for this Statement was furnished by the Finance Department, Government of Karnataka.

Sector (Number of Guarantees)	Maximum Amount Guaranteed (up to the end of 31.03.2019)	Outstanding at the beginning of the year ^(a)		Additions during the year		Deletions (other than invoked) during the year		Invoked during the year	Outstanding at the end of the year	Guarantee Commission or Fee	Other material details			
		Principal	Interest	Principal	Interest	Principal	Interest							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
SECTOR-WISE DETAILS OF GUARANTEES														
Power (18)	46,68.23	28,66.91	27.69	15,00.84	2,96.13	1,65.12	2,92.21	...	...	42,02.63	31.61	46.15	46.04	...
Co-operation (9)	20,17.86	17,50.26	45.12	5,67.57	1,43.37	5,88.89	1,19.84	...	...	17,28.94	68.65	1,35.52	...	...
Irrigation (24)	1,67,15.00	1,14,76.96	17.30	35,22.17	10,74.05	11,49.67	10,91.35	...	...	1,38,49.46	...	1,30.42	1,30.18	...
Roads and Transport (2)	4,21.20	1,96.71	4.15	90.43	24.72	12.50	15.66	...	...	2,74.64	13.21	4.40	1.83	...
Urban Development and Housing (47)	44,69.10	23,08.52	7.49	88.13	1,89.62	3,20.60	1,89.96	...	...	20,76.05	7.15	76.16	31.11	...
Other Infrastructure State Financial Corporation (11)	15,85.00	13,95.00	...	...	1,25.00	1,10.00	1,25.00	...	...	12,85.00	...	13.74	13.74	...
Any other (47)	8,42.74	5,59.49	48.55	10.00	28.10	73.25	18.87	...	...	4,96.24	57.78	23.99	3.76	...
GRAND TOTAL (158)	3,07,19.13	2,05,53.85	1,50.30	57,79.14	18,80.99	24,20.03	18,52.89	...	...	2,39,12.96	1,78.40	4,33.30	2,26.66	...

(a) Differences in Closing Balance of 2017-18 and Opening Balance 2018-19 in respect of certain institutions are due to reconciliation of figures.

(b) The Receivable Guarantee Commission amount shown in the statement is tentative.

STATEMENT No.10 – STATEMENT OF GRANTS-IN-AID GIVEN BY THE GOVERNMENT

Name / Category of the Grantee	Total Funds released as Grants-in-Aid		Funds allocated for creation of Capital Assets out of total funds released shown in Column (No.2)	
	2018-19	2018-19	2017-18	2017-18
(1)	(2)	(3)	(4)	(5)
(₹ in crore)				
1. Urban Local Bodies				
(i) Municipal Corporation	34,39.51	44,56.85	8,98.32	14,30.25
(ii) Municipalities/ Municipal Council	16,23.58	16,60.20	3,03.46	4,08.57
(iii) Nagara Panchayats/Notified Area Committees	3,62.22	3,72.71	1,28.61	1,32.58
Total Urban Local Bodies	54,25.31	64,89.76	13,30.39	19,71.40
2. Panchayat Raj Institutions				
(i) Zilla Panchayats	1,17,49.97	98,11.41	...	...
(ii) Taluk Panchayat	1,92,21.80	1,57,04.88	...	...
(iii) Grama Panchayats	49,25.43	55,33.12	...	...
(iv) Others (^)	0.41	5.22	...	...
Total Panchayat Raj Institutions	3,58,97.61	3,10,54.63	...	...
3. Public Sector Undertakings – Government Companies	57.02	75.17	...	...
4. Non-Governmental Organisations (NGOs)	18,48.23	17,62.07	...	...
5. Autonomous Bodies - Universities	10,81.29	12,93.70	...	...
6. Co-operative Societies and Co-operative Institutions	14,77.76	11,91.32	...	...
7. Statutory Bodies and Developmental Authorities	18,48.83	23,39.77	11,49.28	8,24.51
8. Others (#)	29,66.51	28,90.07	...	...
TOTAL Grants-in-Aid	5,06,02.56	4,70,96.49	24,79.67	27,95.91

(^) Includes "Grants-in-Aid – Salaries" released to "Karnataka Panchayat Raj" below the Major Head "2515 Other Rural Development Programmes".

(#) Institutions not coming under category 1 to 7 have been included under category 8-Others. Details of Grantee Institutions are given in Appendix III.

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STATEMENT NO.11 - STATEMENT OF VOTED AND CHARGED EXPENDITURE

Particulars	Actual for 2018-19			Actual for 2017-18		
	Charged	Voted	Total	Charged	Voted	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Expenditure Heads (Revenue Account)	1,82,57.00	14,60,42.85	16,42,99.85	1,56,31.59	12,68,50.74	14,24,82.33
Expenditure Heads (Capital Account)	13,41.53	3,33,17.79	3,46,59.32	5,74.04	3,00,92.72	3,06,66.76
Disbursements under Public Debt, Loans and Advances, Inter State Settlement and transfer to Contingency Fund	1,10,82.62	44,87.22	1,55,69.84	82,69.16	50,92.22	1,33,61.38
TOTAL	3,06,81.15	18,38,47.86	21,45,29.01	2,44,74.79	16,20,35.68	18,65,10.47
(f) The figures have been arrived at as follows:						
E. Public Debt ⁽¹⁾						
Internal Debt of the State Government	97,41.03		97,41.03	70,86.99	...	70,86.99
Loans and Advances from the Central Government	13,41.59		13,41.59	11,82.17	...	11,82.17
F. Loans and Advances ⁽²⁾						
Loans for General Services	...	...	...	...	...	...
Loans for Social Services	...	24,41.02	24,41.02	...	11,77.79	11,77.79
Loans for Economic Services	...	20,35.12	20,35.12	...	39,09.91	39,09.91
Loans to Government Servants, etc.	...	11.08	11.08	...	3.60	3.60
Loans for Miscellaneous Purpose	...	...	...	...	0.92	0.92
G. Inter-State Settlement						
Inter-State Settlement	...	...	...	...	...	...
H. Transfer to Contingency Fund						
Transfer to Contingency Fund	...	...	...	...	...	...
TOTAL (Sectors E + F + G + H)	1,10,82.62	44,87.22	1,55,69.84	82,69.16	50,92.22	1,33,61.38

The per cent of Charged Expenditure and Voted Expenditure to Total Expenditure for 2017-18 and 2018-19 was as under:

Year	Per cent to Total Expenditure	
	Charged	Voted
(1)	(2)	(3)
2017-18	13.12	86.88
2018-19	14.30	85.70

(1) A more detailed account is given in Statement No. 17 in Part I Volume II.

(2) A more detailed account is given in Statement No. 18 in Part I Volume II.

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STATEMENT NO. 12 - STATEMENT ON SOURCES AND APPLICATION OF FUNDS FOR EXPENDITURE OTHER THAN ON REVENUE ACCOUNT

<i>Heads</i>	<i>On 1 April 2018</i>	<i>During the year 2018-19</i>	<i>On 31 March 2019</i>
(1)	(2)	(3)	(4)
	(₹ in crore)		
CAPITAL AND OTHER EXPENDITURE			
Capital Expenditure			
(i) General Services			
Capital Outlay on Public Works	57,58.38	5,36.12	62,94.50
Other General Services	28,72.19	2,91.29	31,63.48
Total General Services	86,30.57	8,27.41	94,57.98
(ii) Social Services			
(a) Education, Sports, Art and Culture	56,56.25	11,07.31	67,63.56
(b) Health and Family Welfare	69,58.53	11,07.97	80,66.50
(c) Water Supply, Sanitation, Housing and Urban Development	2,50,34.44	46,51.22	2,96,85.66
(d) Information and Broadcasting	1,04.73	45.19	1,49.92
(e) Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	1,18,04.76	34,22.37	1,52,27.13
(g) Social Welfare and Nutrition	9,35.50	66.44	10,01.94
(h) Other Social Services	3,71.12	20.42	3,91.54
Total Social Services	5,08,65.33	1,04,20.92	6,12,86.25
(iii) Economic Services			
(a) Agriculture and Allied Activities	25,28.31	2,14.52	27,39.54 ^(b)
(b) Rural Development	12,98.56	66.83	13,65.39
(c) Special Area Programmes	50,82.50	11,62.89	62,45.39
(d) Irrigation and Flood Control	9,28,78.27	1,20,95.68	10,49,73.95
(e) Energy	1,24,49.07	6,27.85	1,30,76.92
(f) Industry and Minerals	42,06.84	6,16.14	48,22.98
(g) Transport	5,94,93.57	93,81.30	6,88,74.87
(i) Capital Account of Science and Technology and Environment	0.40	...	0.40
(j) General Economic Services	90,40.79	8,95.65	99,36.44
Total Economic Services	18,69,78.31	2,50,60.86	21,20,35.88
Total Capital Expenditure	24,64,74.21	3,63,09.19	28,27,80.11

(1)	(2)	(3)	(4)
LOANS AND ADVANCES -			
Loans and Advances for Various Services			
(i) General Services			
(ii) Social Services			
(a) Education, Sports, Art and Culture	2.44	...	2.44
(b) Health and Family Welfare	16.12	...	16.12
(c) Water Supply, Sanitation, Housing and Urban Development	1,47,85.62	37,59.62	1,85,45.24
(d) Information and Broadcasting	0.47	...	0.47
(e) Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	15.08	...	15.08
(g) Social Welfare and Nutrition	41.86	5.00	46.86
(h) Other Social Services	0.45	...	0.45
Total Social Services	1,48,62.04	37,64.62	1,86,26.66
(iii) Economic Services			
(a) Agriculture and Allied Activities	39,66.94 ^(a)	(-) 3.64	39,63.30
(b) Rural Development	6.71	...	6.71
(c) Special Areas Programme	0.13	...	0.13
(d) Irrigation and Flood Control	9.56	14,85.26	14,94.82
(e) Energy	14,95.81	5,28.84	20,24.65
(f) Industry and Minerals	27,44.06	...	27,44.06
(g) Transport	3.76	...	3.76
(j) General Economic Services	63.79	...	63.79
Total Economic Services	82,90.76	20,10.46	1,03,01.22
(iv) Loans to Government Servants etc.	(-) 12.17	7.21	(-) 4.96
(v) Miscellaneous Loans	(-) 78.59	(-) 2.57	(-) 81.16
Total Loans and Advances	2,30,62.04	57,79.72	2,88,41.76
Total Capital and Other Expenditure	26,95,36.25	4,20,88.91	31,16,25.16
Deduct -			
(i) Contribution from Contingency Fund for Capital and Other Expenditure	...	...	...
(ii) Contribution from Miscellaneous Capital Receipts	11,73.46	(-) 5.51	11,64.66 ^(b)
(iii) Contribution from Development Funds, Reserve Funds etc.	1,33,97.92	29,73.61	1,63,71.53
Add-			
Adjustment on Account of disinvestments	71.98	...	71.98
Net Capital and Other Expenditure	25,50,36.85	3,91,20.81	29,41,57.66 ^(x)

(a) Differs from previous year balance by ₹8.28 crore (decreased proforma) due to conversion of loan into equity.

(b) Progressive Capital Expenditure under Major Head 4425 – below this sector, reduced proforma by ₹3.29 crore due to 'Retirement of Capital/Disinvestments of Co-operative Societies/Bank in lieu of remittances of proceeds under the Major Head -4000 – Miscellaneous Capital Receipts' during 2018-19.

(X) The difference between the Net Capital and Other Expenditure (X) and the Net Provision of Funds (Y) - i.e., ₹2,38,71.54 crore to the end of 2018-19, explained below in the table.

STATEMENT NO. 12 - STATEMENT ON SOURCES AND APPLICATION OF FUNDS FOR EXPENDITURE OTHER THAN ON REVENUE ACCOUNT – conold.

<i>Heads</i>	<i>On 1 April 2018</i>	<i>During the year 2018-19</i>	<i>On 31 March 2019</i>
(1)	(2)	(3)	(4)
<i>(₹ in crore)</i>			
PRINCIPAL SOURCES OF FUNDS			
Revenue Surplus (+)/ Revenue Deficit (-)	...	6,78.81	...
Debt –			
Internal Debt of the State Government	14,85,80.67	3,07,28.64	17,93,09.31
Loans and Advances from Central Government	1,45,54.68	1,02.80	1,46,57.48
Small Savings, Provident Funds etc.	2,77,31.13	32,92.29	3,10,23.42
Total Debt	19,08,66.48	3,41,23.73	22,49,90.21
Other Receipts			
Contingency Fund	80.00	...	80.00
Reserve Funds	2,96,74.61	31,96.86	3,28,71.47
Deposits and Advances	2,53,10.95	30,67.51	2,83,78.46
Suspense and Miscellaneous (Other than amounts closed to Government Account and Cash Balance Investment Account)	1,27,43.47	(-) 60,87.09	66,56.38
Remittances	(-) 6,51.19	(-) 39.31	(-) 6,90.50
Total Other Receipts	6,71,57.84	1,37.97	6,72,95.81
Total Debt and Other Receipts	25,80,24.32	3,42,61.70	29,22,86.02
Deduct –			
(i) Cash Balance	7,23.78	2,66.19	9,89.97
(ii) Investments	2,54,56.42	(-) 44,46.49	2,10,09.93
Add -			
Amount closed to Government Account	...	...	...
Net Provision of Funds	23,18,44.12	3,91,20.81	27,02,86.12 (Y)

(Y) The difference between the Net Capital and Other Expenditure (X) and the Net Provision of Funds (Y) - i.e., ₹2,38,71.54 crore to the end of 2018-19, explained below in the table.

Note: 1 (i) The Capital Expenditure and Loans and Advances shown above is Gross Expenditure, which includes expenditure met out of contributions from Development Funds, Reserve Funds etc.
(ii) The Expenditure on Capital Outlay and Loans and Advances during the year considered for mention in this statement:- (a) includes the expenditure spent from out of advances obtained from the Contingency Fund during the year but not recouped till the close of the year and (b) excludes the expenditure spent from out of advances obtained from the Contingency Fund during the previous years but recouped to the Fund during the current year.

<i>Details</i>	<i>Amount (₹ in crore)</i>
Net Balances available to end of 1950-51	4.31
Balances transferred to Miscellaneous Government Account -	
a) Sinking Fund on Maturity of Loans from 1962-63 to 2018-19	13,16.89
b) Write-off of balances under Special sanctions etc. from 1951-52 to 2018-19	5.69
c) Write-off of amount classified under 'Sinking Fund – Other Appropriations'	4,90.13
Net effect of transfer of balances of Capital and Other Expenditure consequent on Reorganisation of States (allocation of balance) from 1954-55 to 2018-19	(-) 17.59
Proforma correction of balances consequent on formation of Mysore State Electricity Board 1962-63	0.16
Proforma correction of balances consequent on transfer of Kolar Gold Mining Undertakings to Central Government 1964-65	0.58
Cumulative balance of Revenue Surplus (+)/Revenue Deficit (-) from 1951-52 to 2018-19	2,19,53.63
Write off of Central Loans under CSS/CPS by various Ministries of Government of India as per the recommendations of the Finance Commission	1,70.14
Proforma correction of balances to rectify the wrong accounting/adjustments in the accounts of earlier years from 1951-52 to 2018-19	43.14
Inter State Settlement	(-) 15.54
Appropriation to Contingency Fund	(-) 80.00
TOTAL	2,38,71.54

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STATEMENT No. 13 - SUMMARY OF BALANCES UNDER CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT

A. The following is a summary of the balances as on 31 March 2019:

Sector of the General Account		Name of Account	Credit Balances
(1)	(2)	(3)	(4)
24,53,05.56	A, B, C, D, G, H and Parts of L	GOVERNMENT ACCOUNT ⁽¹⁾	
		CONSOLIDATED FUND	
	E	Public Debt	19,39,66.80
2,49,80.59	F	Loans and Advances ⁽²⁾	
		CONTINGENCY FUND	
		Contingency Fund	80.00
		PUBLIC ACCOUNT	
	I	Small Savings, Provident Funds, etc.	3,10,23.42
	J	RESERVE FUNDS –	
		(a) Reserve Funds bearing Interest	
		Gross Balance	4,34.57
		(b) Reserve Funds not bearing Interest	
		Gross Balance	3,24,36.90
1,58,70.65		Investment	
	K	DEPOSITS AND ADVANCES	
		(a) Deposits bearing Interest	
		Gross Balance	4,02.00
		(b) Deposits not bearing Interest	
		Gross Balance	2,79,83.41
0.01		Investment	
6.94		(c) Advances	
	L	SUSPENSE AND MISCELLANEOUS	
		(b) Suspense	1,08.63

(1)	(2)	(3)	(4)
51,39.28			
		(c) Other Accounts Investment	
		Other items (Net)	65,47.77
		(d) Accounts with Governments of Foreign Countries	...
6,90.50	M	REMITTANCES	
9,89.97	N	CASH BALANCE ⁽³⁾	
29,29,83.50		TOTAL	29,29,83.50

(1) For details please see para (B) and table there under.

(2) Progressive balance under Loans and Advances to the end of 2018-19 has been decreased proforma by ₹8.28 crore due to conversion of Loan into Grant.

(3) There was a difference between the figures reflected in the accounts and that intimated by the Reserve Bank of India under 'Reserve Bank Deposits' which is a component of the cash balance of the Government. Please also refer footnote (4) under Annexure to Statement No.2 at Page No.6.

B. Government Account: Under the system of Book Keeping in Government Accounts, the amounts booked under Revenue, Capital and other transactions of Government, the balances of which are not carried forward from year to year in the accounts are closed to a single head called 'Government Account'. The balance under this head represents the cumulative result of all such transactions.

The balances under Public Debt, Loans and Advances, Small Savings, Provident Fund etc., Reserve Funds, Deposits and Advances, Suspense and Miscellaneous (other than Miscellaneous Government Account) Remittances and Contingency Fund etc., are added and the closing balance at the end of the year worked out and proved.

**STATEMENT No. 13 - SUMMARY OF BALANCES UNDER CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT –
contd.**

The other heading in this summary takes into account the balances under all account heads in the Government books where Government has a liability to repay the moneys received or has a claim to recover the amounts paid and heads of accounts opened in the books for adjustments of remittance transactions.

It must be understood that these balances cannot be regarded as a complete record of the financial position of the Government of Karnataka, as these do not take into account all the physical assets of the State, such as Lands, Buildings, Communications etc., nor any accrued dues or outstanding liabilities which are not brought to account under the cash basis of accounting followed by Government.

The net amount at the Debit of Government Account at the end of the year 2018-19 has been arrived at as under:

<i>Debit</i>	<i>Details</i>	<i>Credit</i>
21,13,19.54 (*)	Opening Balance	
	Net effect of Prior Period Adjustments (#)	
	Receipt Heads (Revenue Account)	16,49,78.66
16,42,99.85	Expenditure Heads (Revenue Account)	
	Receipt Heads (Capital Account)	(-) 5.51
3,46,59.32	Expenditure Heads (Capital Account)	
	Miscellaneous	...
	Closing Balance	24,53,05.56
41,02,78.71	Total	41,02,78.71

(*) Revenue Expenditure has been increased proforma by ₹8.28 crore under 'Government Accounts'. For details please refer to explanatory Note to Statement No.7 at Page No.37.

(#) The sector wise details of the prior period adjustments mentioned above are given below:

STATEMENT No. 13 - SUMMARY OF BALANCES UNDER CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT -
contd.

		(₹ in crore)	
Sl. No.	Particulars	Dr.	Cr.
1.	Government Accounts	8.28	...
2.	E. Public Debt	...	...
3.	F. Loans and Advances	(-) 8.28	...
4.	G. Interstate Settlement	...	...
5.	H. Transfer to Contingency Funds	...	...
6.	I. Small Savings and Provident Funds etc.	...	...
7.	J. Reserve Funds	...	...
8.	K. Deposits and Advances	...	...
9.	L. Suspense and Miscellaneous	...	...
10.	M. Remittances	...	...
	Total	...	...

STATEMENT No. 13 - SUMMARY OF BALANCES UNDER CONSOLIDATED FUND, CONTINGENCY FUND AND PUBLIC ACCOUNT – conclud.

The net prior period adjustments involves proforma correction of ₹8.28 crore between Revenue Expenditure and Loans and Advances.

The following are the details of the sum shown against 'F – Miscellaneous':

	(₹ in crore)	
	<i>Debit</i>	<i>Credit</i>
Unreconciled Balances written off under special sanction
Ledger Balance Adjustment Account
Total
Net

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NOTES TO ACCOUNTS

NOTES TO ACCOUNTS

1. Summary of Significant Accounting Policies

(i) Entity and Accounting Period: These accounts present the transactions of the Government of Karnataka for the period 01 April 2018 to 31 March 2019 and are based on the initial accounts rendered by 34 District Treasuries, 103 Public Works and 103 Forest Divisions of the Government of Karnataka and advices of the Reserve Bank of India. In Karnataka, the treasuries are responsible for the primary compilation of the accounts and for rendition of the monthly accounts to the Accountant General (A&E) for secondary compilation. No accounts were excluded at the end of the year.

(ii) Basis of Accounting: With the exception of some book adjustments **(Annexure-A)** the accounts represent the actual cash receipts and disbursements during the account period. Physical Assets and Financial Assets such as land and buildings, investments etc., are valued and shown at historical cost i.e., the value at the year of acquisition/purchase. Physical assets are not depreciated or amortised. The losses of physical assets at the end of their life are also not expensed or recognised.

Retirement benefits disbursed during the accounting period have been reflected in the Finance Account-Volume II **(Statement No.15)**.

(iii) Currency in which Accounts are kept: The accounts of the Government of Karnataka are maintained in Indian Rupee (₹).

(iv) Form of Accounts

Under Article 150 of the Constitution of India, the Accounts of the States are kept in such form as the President may, on the advice of the Comptroller and Auditor General of India, prescribe. The word 'form' used in Article 150 has a comprehensive meaning, so as to include the prescription not only of the broad form in which the accounts are to be kept, but also the basis for selecting appropriate heads under which the transactions are to be classified.

(v) Classification between Revenue and Capital

Revenue Expenditure is recurring in nature and is intended to be met from revenue receipts. Capital Expenditure is defined as expenditure incurred with the object of increasing concrete assets of a material and permanent character or of reducing permanent liabilities.

NOTES TO ACCOUNTS

(a) Expenditure of ₹28.06 crore relating to salaries, general and capital expenses was booked under the Capital section (4202-04-800-1-08-101- Grants-in-Aid Salaries, 103-GIA General and 132-Capital expenses) instead of revenue expenditure.

(b) Expenditure of ₹64.28 crore for repayment of principal amount by the BMTC towards loan borrowed for purchase of buses was debited to the revenue section (3055-00-190-0-03-240-Debt Servicing) instead of Capital expenditure.

This sort of misclassification of expenditure between Revenue and Capital has a bearing on fiscal indicators. The booking of Capital expenditure instead of Revenue expenditure has resulted in overstatement of revenue surplus by ₹28.06 crore. Similarly booking of Revenue expenditure instead of Capital section resulted in understatement of Revenue surplus by ₹64.28 crore. The net impact on revenue surplus, thus, stands at ₹36.22 crore.

2. Quality of accounts

(i) Goods and Service Tax

Advance apportionment and assignment of un-apportioned Integrated GST

The total collections under the GST during the year were ₹51,521.79 crore (total amount under Major heads 0005, 0006 and 0008). As per Sanction Orders issued by the Ministry of Finance, Government of India, an amount of ₹5,559.04 crore was received on account of advance apportionment of IGST. An amount of ₹9,565.76 crore was also received by the State, which includes share of net proceeds out of Central Goods and Service Tax (₹8,858.76 crore) and Integrated Goods and Service Tax (₹707.00 crore) as per the recommendations of the Fourteenth Finance Commission. This amount of IGST is un-apportioned and upon its apportionment in the next fiscal year, the advance apportionment of IGST in 2019-20 would be adjusted to the extent the amount of ₹707.00 crore now being apportioned.

(ii) Unadjusted Abstract Contingent Bills

Rule 36 of the Manual of Contingent Expenditure, 1958, of the Government of Karnataka authorises the Controlling and Disbursing Officers to draw sums in the nature of temporary advances, on Abstract Contingent (AC) bills, by debiting service Heads of Account. These AC bills are required to be finally settled through submission of Non-payment Detailed Contingent (NDC) bills through treasury to the Accountant General (A&E) before the 15th of the month following the month to which the bill relates. As per the

NOTES TO ACCOUNTS

Government Order issued in September 2004, the NDC bills are to be routed through treasuries and shall be enforced by the treasury by not honouring further AC Bills till the unadjusted AC Bills are cleared by submission of NDC Bills. Prolonged non-submission of NDC bills renders the expenditure under AC bills opaque.

The details of AC bills unadjusted as on 31 March 2019 are given below:

(₹ in crore)		
Year	Number of unadjusted AC Bills	Amount
Up to 2016-17	840	26.55
2017-18	648	14.35
2018-19*	607	52.37
Total	2,095	93.27

* Excludes AC bills drawn during the month of March 2019.

The major departments, which had defaulted in rendering the NDC bills were Elections (₹33.22 crore – 35.62 per cent), Police (₹32.93 crore - 35.31 per cent), Forestry and Wildlife (₹6.80 crore – 7.29 per cent), General Education [₹4.57 crore - 4.90 per cent (₹2.40 crore under revenue account and ₹2.17 crore under capital account)], Social Welfare (₹2.50 crore- 2.68 per cent) and Rural Development (₹2.29 crore - 2.46 per cent).

(iii) Outstanding Utilisation Certificates for Grants-in-Aid Bills

The State Government, while sanctioning Grants-in-Aid (GIA) to various bodies, may stipulate that the Utilisation Certificates (UCs) for the grants released are to be forwarded to Accountant General (A&E), who will watch utilization of these grants. Utilisation Certificates outstanding beyond the specified period (18 months) indicates absence of assurance on utilisation of grants for intended purposes. The status of outstanding UCs is shown in the table below:

(₹ in crore)		
Year	Number of UCs awaited	Amount
Up to 2016-17	55	195.91
2017-18	32	223.14
2018-19*	23	345.76
Total	110	764.81

* The year mentioned above relates to “Due Year”, i.e., after 18 months of actual drawal.

Major defaulting departments, which did not submit UCs were Medical & Public Health Department (₹426.00 crore) and Urban Development Department (₹326.90 crore), constituting 55.70 and 42.74 per cent respectively of the outstanding balance (₹764.81 crore).

NOTES TO ACCOUNTS

The Indian Government Accounting Standards (IGAS-2) prescribes the principles for accounting and classification of Grant-in-aid in the financial statements of the Government, both as Grantor as well as Grantee. Appendix III of the Finance Accounts, which depicts Institution-wise and Scheme-wise grants released by the State Government, has been prepared in accordance with the format prescribed under IGAS-2.

(iv) Transfer of Funds to Personal Deposit Accounts

As per Article 286A of Karnataka Financial Code (KFC), 1958, Personal Deposit (PD) accounts are created in favour of Drawing and Disbursing Officers to make payments through cheques instead of presenting bills at the treasury. Amounts are transferred to PD accounts by debiting functional heads under the Consolidated Fund of the State with a contra credit to the Public Account against the respective Deposit head classifications. Unspent balances under these PD accounts created by debit to the Consolidated Fund should be closed at the end of the financial year by minus debit of the balance to the relevant service head under the Consolidated Fund through book adjustment as reduction of expenditure. However, such adjustments had not been carried out at the end of the financial year.

Details of the PD accounts are indicated below:

(₹ in crore)

PD accounts existing at the beginning of the year		Transactions during the year (Amount)		PD accounts existing at the close of the year	
Number	Amount	Credit	Debit	Number	Amount
70	Cr.2,741.52	5,350.98	4,007.36	73*	Cr.4,085.14

(*) During the year 2018-19, 3 PD accounts were opened amounting to ₹0.40 crore.

The Administrators of PD accounts are required under Article 286 of the KFC to reconcile the cash book balances with reference to the monthly extract of their account as appearing in the treasury records on the fifth of the succeeding month. Information on reconciliation of figures by the Administrators of the Accounts with the treasuries is not available.

As per Article 286A of Karnataka Financial Code, if a PD account is not operated upon for a considerable period, the same should be closed in consultation with the officer, on whose favour the PD account was opened. Out of 73 PD accounts, 21 are inoperative (11 PD accounts with a credit balance of ₹4.75 crore and 08 PD accounts with a debit balance of ₹1.24 crore and 02 PD accounts with Nil balance), as at the end of 31 March 2019.

Further 50 PD accounts are operative (32 PD accounts with a credit balance of

NOTES TO ACCOUNTS

₹8,913.66 crore and 11 PD accounts with a debit balance of ₹4,832.05 crore and 07 PD accounts with Nil balance), as on 31 March 2019.

In respect of the remaining two PD accounts which were opened during February-March 2019, no transactions occurred during the year.

Analysis of the transactions showed that ₹1,343.61 crore (32.89 *per cent*) was remaining unspent in the PD accounts out of the total amount transferred to 10 PD accounts during 2018-19. The closing balance included an amount of ₹2,741.52 crore lying unspent for a period of three years or more.

(v) Reconciliation of Receipts and Expenditure between CCOs and Accountant General (A&E)

As per the instructions contained in G.O. No. FD 02 TFC 2004 dated 09 September 2004, the Chief Controlling Officers of the Government of Karnataka are responsible to reconcile the receipts and expenditure figures as furnished by the AG (A&E) with those compiled by them and also to furnish to the AG (A&E), certificates of final reconciliation.

Reconciliation of receipts has been completed for a value of ₹1,64,817.41 crore (99.91 *per cent* of total receipts of ₹1,64,973.15 crore, which excludes receipts from Loan Heads of Account). Reconciliation of expenditure has been completed for a value of ₹1,97,933.22 crore (99.48 *per cent* of total expenditure of ₹1,98,959.17 crore which excludes expenditure from Loan Heads of Account).

No reconciliation has been carried out in respect of receipts (₹31.23 crore) and disbursement (₹4,487.22 crore) accounted during the year under F-Loans and Advances. There is no assurance about the completeness and correctness of the receipts and expenditure figures depicted in the Finance Accounts to the extent of non-reconciliation.

(vi) Consumer Welfare Fund-Corpus Fund

The Government of India notified (2007) the revised guidelines for strengthening the Consumer Welfare Fund in all State and envisaged for the establishment of a Corpus of ₹10.00 crore as State Consumer Welfare Fund, supported by 75 *per cent* of the corpus by the Central Government.

NOTES TO ACCOUNTS

The Corpus Fund was established during 2013-14 by crediting the Central share of ₹7.50 crore and the State share of ₹2.50 crore under Interest bearing Deposit account under '8342-Other Deposits-120 Miscellaneous Deposits-29 Deposits of Consumer Welfare Fund'.

As per the guidelines, the Corpus should not be spent on any activities and only the interest generated out of the investment of the Corpus Fund should be utilized for meeting the expenditure on local programmes and activities relating to welfare and protection of consumers.

During 2018-19, an amount of ₹0.52 lakh was credited to the Fund and the balance at the credit of the Corpus Fund stood at ₹11.20 crore as at the end of March 2019, which was not invested.

(vii) Cash Balances

(a) The Cash Balances of the Government of Karnataka are maintained at the Reserve Bank of India (RBI). There was a difference of ₹991.44 crore (Debit) as of March 2019 between the figures reflected in the accounts {₹989.96 crore (Debit)} and that intimated by the Reserve Bank of India {₹1.48 crore (Debit)}. The difference is under reconciliation. The net difference is mainly due to non-reporting and non-reconciliation of figures by the Agency Banks.

(b) Attachment of the Consolidated Fund by the Courts

Based on the Prohibitory orders issued by different Courts in execution cases the amount is directly debited by the Reserve Bank of India to the Consolidated Fund of the State and it is subsequently accounted by the Accountant General under the Inter Government Transitory Account and is carried forward till the final Head of Account is communicated by the department.

As at the end of March 2019, the RBI had directly debited the Government of Karnataka account by an amount of ₹237.73 crore on account of Attachment/Prohibitory Orders issued by few subordinate Civil Courts in the State. As the final head of account, to which the expenditure is classifiable under the Consolidated Fund is not known due to non-provision of budget, this expenditure has been classified under the Public Account under the head of account '8443-00-104-0-00-Civil Court deposits' in the books of this office. The Government needs to reconcile the expenditure figures booked under this head of account and also to identify the functional head of account under the Consolidated Fund to facilitate

NOTES TO ACCOUNTS

appropriate classification of these transactions.

3. Other items

(i) New Pension System

The expenditure during the year 2018-19 on 'Pension and Other Retirement Benefits' of Government of Karnataka was ₹14,321.81¹ crore (8.72 *per cent* of total revenue expenditure of ₹1,64,299.85 crore). State Government employees recruited on or after 1 April 2006 are covered under the New Pension System (NPS), a defined contribution pension system, the recovery for which commenced from 1 April 2010. Under this Scheme, the employee contributes 10 *per cent* of basic pay and dearness allowance, which is matched by an equivalent amount paid by the State Government. The entire amount is transferred to the designated Fund manager for investment through the National Securities Depository Limited (NSDL)/ Trustee Bank.

The employees' contribution, as intimated by the NPS Cell of the State Government was ₹3,447.75 crore (Regular + Backlog Contribution). The figures received from NPS Cell represent the amount actually matched and booked by NSDL whereas the figures as per records of Accountant General (A&E) represent the actual contribution/transfers made during 2018-19.

As per the records of Accountant General (A&E), State Government had contributed ₹755.39 crore (Major Head 2071-01-117) towards NPS during the year 2018-19. The actual amount transferred from the Fund to NSDL/Trustee bank (Employees' and Employer's contribution) was ₹1,531.67 crore (Head of account 8342-00-117-0-01, 02 and 03). The balance of ₹3.27 crore under the head of account 8342-00-117 as at the end of March 2019 represents outstanding liabilities of the Government.

In terms of instructions contained at Para F(iii) of the G.O dated 19 May 2017, NPS Cell has to carry out reconciliation of the schedules and challans received from the treasuries for the month and match the totals with the figures booked by AG (A&E) on a monthly basis and differences, if any, have to be reconciled. However, till date the NPS Cell has not carried out the reconciliation of the balances reflected under NPS account.

¹ This Amount excludes those transactions relating to the contribution of the Government to the defined contribution Pension scheme (MH 2071-01-117), payment of Service charges to NSDL (MH 2071-01-119) and those relating to Pension paid to Legislators (MH 2071-01-111)

NOTES TO ACCOUNTS

During 2018-19, ₹4.69 crore has been paid from Consolidated Fund as 'New Contributory Pension Schemes – Extension of Benefit to the cases of Persons/Families who retired/died while in Service (2071-01-104-2-07) and are covered under New Defined Pension Scheme.

(ii) Guarantees

Guarantees reported in **Statement 9** of Finance Accounts are based on information furnished by the State Government and as per the format prescribed in Indian Government Accounting Standards (IGAS-1). The Karnataka Ceiling on Government Guarantees Act, 1999, prescribes that the total outstanding Government guarantees as on 1 April of any year shall not exceed 80 *per cent* of the State's Revenue Receipts of the second preceding year. The total outstanding guarantees as on 1 April 2018 amounted to ₹20,553.85 crore and constituted 15.43 *per cent* of the total Revenue Receipts for 2016-17 (₹1,33,213.79 crore), which was within the limits prescribed under the Act.

Even though the Act did not provide for setting up of Guarantee Redemption Fund, the Government of Karnataka had set up a Fund during 1999-2000 with a corpus of Rupees one crore under the head of account 8235-00-200-0-02. The amount represents merely book adjustment, as the balance at the credit of this Fund had not been invested.

Under Section 5 of the said Act, the Government shall charge a minimum of one *per cent* as guarantee commission on the amount guaranteed, which shall not be waived under any circumstances. Against the total estimated guarantee commission of ₹433.30 crore receivable (as reported by the State Government), only ₹226.66 crore was received during the year. Outstanding Guarantees stood at ₹24,091.36 crore (Principal ₹23,912.96 crore and Interest ₹178.40 crore) as on 31 March 2019.

Normally the borrowing institution is liable to pay the guarantee commission to the Government. However, in four cases shown in **Annexure A** (A- Periodical adjustments & Part B-Other adjustments), an amount of ₹60.65 crore being the guarantee commission payable by the concerned institutions to the Government of Karnataka was accounted as a receipt under the head of account '0075-00-108-0-01,' through book adjustments, by debiting the functional heads of account concerned.

NOTES TO ACCOUNTS

(iii) Loans and Advances

In respect of detailed accounts of loans which are maintained by the Heads of the Departments/ Chief Controlling Officers of the Government of Karnataka, information on overdue Principal and Interest contained in **Statement 7** (Volume-I) and **Statement 18** (Volume-II/Part I) of Finance Accounts has been received only from 19 out of 842 such institutions. Indian Government Accounting Standards (IGAS-3) requires disclosure of loans that were sanctioned without specific terms and conditions governing such loans. Out of 82 loans valued at ₹4,487.22 crore, which were sanctioned by the Government of Karnataka in 2018-19, 35 loans valued at ₹3,149.23 crore were sanctioned without specifying any terms and conditions. Details are available as additional disclosures under **Statement 18** of the Finance Accounts.

In the records of the Accountant General (A&E), Karnataka, there is an adverse balance of ₹96.74 crore, mainly due to non-reconciliation by the respective departments (**Annexure-C**).

Such adverse balances are caused mainly due to booking of repayments under a classification other than the one against which the loan was disbursed initially and non-reconciliation of the figures by the concerned Chief Controlling Officers of the respective departments of the Government.

(iv) Investments

Information on Government investments appearing in **Statement 8** of the Finance Accounts is based on the accounts and sanctions received by the Accountant General (A&E), Karnataka. These figures require confirmation by the concerned Department of the Government of Karnataka and the entity in which investment was made. The Government invested an amount of ₹66,518.28 crore in 146 entities to the end of 2018-19. One entity namely M/s “ETA Karnataka Estate Limited” has paid ₹0.003 crore as dividend. The investment made in this entity is not known and is under examination by Finance Department. Out of ₹66,518.28 crore invested in these entities as on 31 March 2019, ₹38.30 crore was received towards dividend (0.06 *per cent* of invested amount) from 28 entities, which includes ₹0.003 crore received from M/s “ETA Karnataka Estate Limited” and 118 entities did not pay any dividend to the State Government. The investment figures have not been reconciled with the records of the concerned entities.

NOTES TO ACCOUNTS

(v) District Mineral Foundation Fund

In pursuance of Section 9B of the Mines and Minerals (Development and Regulation) Act, 1957, the State Government by issuing a G.O. dated 5 November 2015 established the District Mineral Foundation Fund (DMFF) in each of the districts of Karnataka. The State Government in Gazette Notification dated 11 January 2016 framed the District Mineral Foundation Rules, 2016.

The object of the DMFF is to work for the interest and benefit of persons and areas affected by mining related operations. The major source of income to the Fund is the contribution collected from the holders of a mining lease, wherein, an amount equivalent to such percentage of royalty prescribed under the Act is collected, besides grants/subventions made by the Central Government, State Government or any local authority.

The DMFF is accounted as a non-interest bearing Deposit under the head of account 8449-00-120-9-45 in each of the districts. The opening balance at the credit of the DMFF was ₹909.96 crore. During the year, receipts to the tune of ₹255.61 crore were credited to the Fund and expenditure of ₹60.60 crore had been incurred out of the Fund. The balance in the Fund was ₹1,104.97 crore as on 31 March 2019.

(vi) Labour Cess

Government of India enacted the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, with the objective of providing social security schemes and welfare measures for the benefit of building and other construction workers.

The Government of Karnataka framed the Karnataka Building and Other construction Workers' (Regulation of employment and Conditions of Services) Rules, 2006 u/s 40 and 62 of the said Act. The Act and the Rules framed there under stipulates levy of a cess at such rate not exceeding two *per cent*, but not less than one *per cent*, of the cost of construction incurred by an employer and remitted to the Karnataka Building and Other construction Workers' Welfare Board within 30 days.

The cess levied under the said Act is accounted under the Public Account under the head of account '8449-00-120-0-18-660' (in *Khajane 2*). The transactions under this head of account had commenced from November 2017.

NOTES TO ACCOUNTS

As at the end of March 2019, receipts amounting to ₹225.37 crore (₹37.94 crore related to 2017-18 and ₹187.43 crore related to 2018-19) was credited to this account and no expenditure had been booked. The balance amount of Labour Cess held in the Public account represents undischarged liability, which the State Government owes to the Karnataka Building and Other construction Workers' Welfare Board.

(vii) Reserve Funds

Detailed information on Reserve Funds and investments from earmarked Funds are available in **Statement 21** and **Statement 22** of the Finance Accounts respectively. Out of the total outstanding balance of ₹32,871.46 crore (Cr.) available in various reserve Funds as on 31 March 2019, the Government of Karnataka invested ₹15,870.65 crore (48.28 *per cent*). An amount of ₹16,566.25 crore is available in Reserve Funds not bearing interest and ₹434.57 crore under Reserve Funds bearing interest. The status of the Major Reserve Funds is given below:

(a) Consolidated Sinking Fund

The Government of Karnataka constituted a Sinking Fund in 2012-13 for the amortization of all loans as recommended by the Twelfth Finance Commission and transferred ₹1,000.00 crore towards its corpus in 2012-13 and ₹1,070.00 crore during 2015-16. The Fund is administered by the Reserve Bank of India, which has invested the corpus in Government of India Securities.

As per Government Notification (February 2013), the State Government proposed to make minimum annual contributions to the Fund at 0.50 *per cent* of the outstanding liabilities (Internal Debt + Public Account Liabilities) at the end of the previous financial year and efforts were to be made to raise the minimum contribution every year.

As on 31 March 2018, the outstanding liabilities of the Government of Karnataka were ₹2,33,058.04 crore. The State Government contributed ₹700.00 crore (0.30 *per cent*) to the Fund during the year 2018-19.

The balance under the Fund at the end of 2018-19 remained at ₹2,770.00 crore as per books of accounts. However, the State Government in letter (15 May 2019) intimated that the total balance under Consolidated sinking fund as forwarded by RBI is ₹903.71 crore including the interest accrued from the date of establishment of fund to the end of March 2019 out of the interest a sum of ₹25.43 crore was further invested in Government securities. Further an amount of ₹0.07 crore being the interest earned in 2018-19, but not invested remained with the RBI.

NOTES TO ACCOUNTS

(b) State Disaster Response Fund

In accordance with the recommendations of XIII Finance Commission, the State Government constituted 'State Disaster Response Fund (SDRF)' under Public Account below the 'Reserve Funds bearing Interest' under the Head '8121-00-122-1-00' by replacing the 'Calamity Relief Fund', which was maintained under the Head of account '8235-00-111-0-01.' Natural Calamities such as drought, flood, cyclone, earthquake, fire, etc., qualify for relief under this scheme.

As per the recommendations of XIV Finance Commission from 2018-19, the annual contribution to the SDRF is in the ratio of 90:10 by Government of India and State Government respectively of the total yearly allocation in the form of a revenue grant. During the year 2018-19, an aggregate amount of ₹1279.84 crore was transferred to the Fund account (contribution from Government of India ₹288.00 crore and the State's contribution ₹32.00 crore to SDRF) and Government of India contribution to NDRF amounting ₹959.84 crore. Out of the total Fund balance of ₹1,321.82 crore (Opening balance of ₹41.98 crore *plus* ₹1,279.84 crore received during the year), expenditure of ₹887.20 crore was released to the Deputy Commissioners of the Districts under the Major head '2245-Relief on account of Natural calamities,' was shown as met out of the SDRF. The balance in the Fund as on 31 March 2019 was ₹434.62 crore.

The Guidelines on constitution and administration of the State Disaster Response Fund (SDRF) issued under section 62 of the Disaster Management Act, 2005 stipulates that the State Government shall pay interest to the SDRF at the rate applicable to overdrafts under overdraft Regulation Guidelines of the RBI. The interest will be credited on a half yearly basis to the Fund by a charge to Major Head '2049 – Interest Payments.' However no provision was made in the Budget estimates for payment of interest on the Fund balances.

An account of transactions of the Fund is shown in **Statement No.21** of the Finance Accounts 2018-19.

NOTES TO ACCOUNTS

(c) Infrastructure Initiative Fund

The Government sanctioned (March 1999) the creation of Infrastructure Initiative Fund to transfer the infrastructure cess collections to finance the infrastructure projects across the State under the head of account 8229-00-200-0-19. The infrastructure cess so collected was to be used for the infrastructure projects (57 *per cent*), Chief Minister's Rural Road Development Fund (15 *per cent*) and the Bangalore Metro Rail Corporation Limited (28 *per cent*).

The fund had an opening balance of ₹6,275.81 crore and during the year 2018-19, an amount of ₹1,266.30 crore was transferred to the Fund (₹694.30 crore from the Consolidated Fund out of the Infrastructure Cess collection and ₹572.00 crore from the general revenue by operating revenue expenditure under Major head 3475). Expenditure of ₹1,046.00 crore was booked to the Fund during the year. The Fund balance was ₹6,496.11 crore at the end of March 2019. Even though the amount had been transferred from the General revenues to the Fund account, the amount was neither utilised for the purpose nor invested.

(d) Green Tax

Government of Karnataka vide the Karnataka Motor Vehicles Taxation (Amendment) Act, 2002 introduced collection of Green Tax for the purpose of implementation of various measures to control air pollution. This tax is levied on old vehicles, which have completed 15 years (in respect of two wheelers and non-transport vehicles) and 7 years (in respect of transport vehicles).

The collection of Green Tax which is initially accounted as revenue receipt under the head "0041-00-102-0-11- Green Tax," needs to be subsequently transferred to the Reserve Fund specifically created for the purpose under the head of account 8229-00-200-0-63-Green Tax through adjustment entries. However, till date no transactions are recorded under the Reserve Fund opened for the purpose. Total amount of ₹35.93 crore accounted as Green Tax from 2016-17 onwards, which also includes ₹27.20 crore collected during 2018-19, was not transferred to the Reserve Fund created for the purpose.

(e) Karnataka Forest Development Fund

Revenue realized from Forest Development Tax is credited as revenue of the Government and an equal amount is transferred to the Karnataka Forest Development Fund (KFDF) maintained under the Public Account. Actual expenditure incurred on certain works

NOTES TO ACCOUNTS

related to conservation and development of forest is transferred to KFDF under the head of account 8229-00-200-0-04 through accounting adjustments.

There was a balance of ₹2,947.09 crore as on 1 April 2018 and during the year an amount of ₹26.38 crore was credited to the Fund by way of Forest Development Fee accounted under the head of account '0406-01-800-0-12' and Forest Development Tax accounted under '0045-00-115-0-01'. However, expenditure of ₹299.20 crore incurred during the year had not been transferred to the Fund. Transferring only the revenue receipts to the Fund, without transferring the corresponding expenditure resulted in the understatement of Revenue Surplus as well as overstatement of Fiscal Deficit by ₹299.20 crore. The balance in the Fund was ₹2,973.47 crore at the end of March 2019.

(f) Consumer Welfare Fund

State Consumer Welfare Fund was established under Rule 3 of the Karnataka State Consumer Welfare Fund Rules, 2005, under Reserve Funds, (not bearing interest) under the Major Head '8229-00-123-Consumer Welfare Fund' in the Public Account.

According to the provisions contained in these Rules, the Fund shall be credited with the seed money released by the Government of India, assistance/grants provided by the Central Government for strengthening consumer movement in the State, matching grants or any other assistance by the State Government and the Court fee accrued with the District and State Consumer Fora, any penalty paid by the manufacturers of consumer products or service providers and any income from the investment of the Fund balances and any other amount received by the State Government for the purpose of the Fund.

The accumulation in the Fund shall be utilized by the State Government for the welfare of the consumers.

During 2018-19, receipts amounting to ₹41.14 lakh accounted under the Head 1456-00-800-0-01 were to be transferred to the Fund account. Though provision was also made in the budget (Head of account 3456-00-797-0-04-261) for transfer of receipts, no amount was transferred to the Fund.

As regards expenditure, provision of ₹42.00 lakh was made in the budget (3456-00-104-0-02), but no expenditure had been booked during the year. The opening and the closing balances at the credit of the Fund remained at ₹1.43 crore.

NOTES TO ACCOUNTS

(viii) Inoperative Reserve Funds

As at the end of March 2019, out of 125 Reserve Funds, 106 Funds remained inoperative. Of these 106 inoperative Reserve Funds, 83 Reserve Funds had zero balance, 12 Reserve Funds had credit balance of ₹3,514.84 crore and 11 Reserve Funds had debit balance of ₹5,239.89 crore as on 31 March 2019. The closing balance at the credit of J-Reserve Funds was ₹17,000.82 crore.

(ix) Adjustment of interest against Interest Bearing Reserve Funds and Deposits

The State Government is required to pay interest on the un-invested balances lying under the head 'Reserve Funds' and 'Deposits' bearing interest. The interest liabilities in respect of Reserve Funds bearing interest and Deposits bearing interest under sectors J and K respectively of Public Account are annual liabilities that the State Government is required to discharge. No Budget provision has been made by the State Government despite substantial balances held under these accounts in 2018-19 as detailed below:

(₹in crore)				
Sector	Sub-sector	Rate of interest applicable/ applied	Balance at the beginning of the year 2018-19	Interest liability
J- Reserve Funds	(a) Reserve funds bearing Interest	7.5 <i>per cent</i> (average interest rate for Ways and Means Advances)	41.92	3.14
K- Deposits and Advances	(a) Deposits bearing Interest (Other interest bearing deposits)*	7.5 <i>per cent</i> (average interest rate for Ways and Means Advances)	334.13	25.06
Total				28.20

* Consumer Welfare Fund etc.

Consequent to non-provision of interest payment in the Budget, adjustment of ₹28.20 crore (computed with reference to the opening balances for 2018-19) have also not been carried out in the accounts for 2018-19. Non-adjustment of interest against the interest-bearing Reserve Funds and Deposits had resulted in the overstatement of Revenue Surplus and understatement of Fiscal Deficit by ₹28.20 crore.

NOTES TO ACCOUNTS

(x) Suspense and Remittance balance

Suspense and Remittance transactions are adjusting entries that are to be cleared eventually by booking to the Final Head of Account. The Finance Accounts reflect the net balances under different Suspense and Remittance Heads of Account. The outstanding balances under the Major Head of account '8658 – Suspense Accounts' and '8782 – Cash Remittances and adjustment between officers rendering accounts to the same Accounts Officer' are worked out by aggregating the outstanding debit and credit balances separately.

The position of net balances under some of the significant Suspense and Remittance items to the end of last three years is indicated in **Annexure-B**.

(xi) Un-encashed cheques under Major Head 8670 - Cheques and Bills

Major Head of Account '8670 – Cheques and Bills' is credited when cheques are issued by the treasury for payment with contra debit to the functional Major Head of Account. Credits under Major Head '8670 – Cheques and Bills' are offset when the cheques are encashed. Balances under Major Head '8670-00-104-Treasury Cheques' represent cheques issued but not encashed. Opening balance of un-encashed cheques at the beginning of the year was ₹12,637.18 crore (Credit). Against issue of cheques worth ₹1,66,604.02 crore during 2018-19, cheques worth ₹1,72,676.13 crore were encashed during the year. The balance of un-encashed cheques amounts to ₹6,565.08 crore (Credit) as on 31 March 2019.

During 2018-19, an amount of ₹25.83 crore has been transferred to the Revenue/Capital Major heads on account of receipt of alteration memos from the respective treasuries, which has the effect of reducing the Revenue/Capital expenditure.

(xii) Adverse Balances under Public Debt

Details of adverse Balances and reasons thereof under Major Head 6003 – Internal Debt of the State Government, 6004 – Loans and Advances from Central Government are depicted in **Annexure-C**.

NOTES TO ACCOUNTS

(xiii) Interest earned on bank deposits

Interest of ₹1,112.04 crore accounted under the Major Head '0049-Interest receipts' includes ₹18.24 crore, being the interest received on the balances held in Savings Bank accounts by various Departmental officers (booked under 0049-04-800-6-01).

(xiv) Refund of unutilized grants

(a) Receipts of ₹2.75 crore has been accounted during the year through adjustment entries under the Head of account 1601-03-287-0-08, which represents refund of unspent grants pertaining to the Period from 2011-12 to 2015-16, released by the Government of India for the purpose of Sixth Economic Census, a Central Plan scheme.

(b) An amount of ₹2.63 crore, being the unspent Finance Commission grants was transferred from the receipt head of account 0515-00-800-0-03 during the year to the Major head of account '2515-Other Rural Development Programmes' as recovery of over payments.

(xv) Cess levied by the State Government

The major types of cess levied by the State Government are as detailed below.

(₹ in crore)

Name of the Cess	Amount Collected	Amount transferred
Cess on Stamps (M.H 0030)	625.47	625.47
Infrastructure Cess on Motor vehicle tax (M.H 0041)	512.15	512.15
Cess on State Urban Transport (M.H 0041)	51.21	51.21
Excise Cess (M.H 0039)	80.45	80.45

In respect of above cess levied, the State Government has specified the Accounting Rules/Policies and their utilisation. The above transfers and their utilisation have been commented under different funds accounts in the part of this report.

(xvi) Transfer of excess funds relating to Zilla Panchayats to the Public Account from the Consolidated Fund

The funds to Zilla Panchayats are provided by transferring the amounts from the consolidated Fund to the Deposit accounts, '8448-00-101-District Fund' in the Public account through book adjustments.

NOTES TO ACCOUNTS

During 2018-19, an amount of ₹28.46 crore, being assistance to Zilla Panchayats was transferred to the District Fund in excess of budgetary provision under the following Major Heads of accounts:

(₹in crore)

Major Heads	Budget provision	Expenditure	Excess
2202	144.43	155.17	10.74
2225	6.90	9.02	2.13
2236	213.10	219.53	6.43
2403	10.84	11.77	0.93
2515	139.00	144.47	5.47
2810	0.75	1.35	0.60
2852	0.43	0.54	0.11
3054	204.42	206.47	2.05
Total	719.87	748.32	28.46

The excess expenditure was not covered either by providing additional funds in the Supplementary Provision or by re-appropriation. Transfer of excess funds was against the Canons of financial propriety and Budget Control System.

(xvii) Write back of unspent Panchayat Raj Institutions grant

(a) Out of the block grants released by the State Government to the Taluk Panchayats (TP) during 2018-19, an amount of ₹546.33 crore representing unspent balances of the current year in TP Fund II was written back in Government Order No FD 81 EXP-6 dated 13 February 2019 and accounted for as reduction of expenditure under the functional Major head 2202.

(b) Government of Karnataka in GO No FD 358/EXP6 dated 30 March 2019 had approved the write back of an unspent amount of ₹468.88 crore in respect of Zilla Panchayats and ₹900.24 crore in respect of Taluk Panchayats related to the year 2016-17 from the Public account (Major head 8448). Write back of unspent balances of the previous years to the Consolidated Fund during 2018-19 resulted in the overstatement of Revenue Surplus and understatement of Fiscal Deficit to the extent of ₹1,369.12 crore. The liabilities of the Government have also reduced by an equivalent amount.

NOTES TO ACCOUNTS

(xviii) Closure of inoperative Gram Panchayat accounts

The Finance Department issued Circular instructions (18 May 2018) the Director of Treasuries to close the Gram Panchayat (GP) accounts, which were inoperative for more than 10 years and to transfer the provisional balance remaining in these accounts temporarily to Suspense Account under “8658-00-102-0-81-Treasury Suspense for transfer of GP unspent balances,” as the balances related both to releases made from the Consolidated Fund, as well as GP’s own resources. The suspense was to be cleared within two months, by transferring the balances finally to the Consolidated Fund after due reconciliation by the Rural Development and Panchayat Raj Department.

An amount of ₹3.95 crore transferred during the year to the Suspense account continued to be held under 8658-00-102-0-81 as on 31 March 2019 without being transferred to the Consolidated Fund.

(xix) Drawals from Contingency Fund of the State

The Government can draw amount from Contingency Fund of the State for meeting expenditure of an unforeseen and emergent character, the postponement of which till its authorisation by the legislature is not possible. The amount drawn from the fund would be subsequently recouped through supplementary provision/revised budget.

During the year, the State Government drew ₹119.64 crore from the Contingency Fund and the entire amount was recouped by providing amount in the supplementary estimates and also including in revised budget. Further no amount can be withdrawn from Contingency Fund after inclusion in the revised budget or by supplementary provisions. It is noticed that a sum of ₹2.82 crore was drawn from the Contingency Fund after the supplementary estimates were passed by the Legislature. This contravenes the rules governing the withdrawal of amounts from Contingency Fund.

(xx) Investments in Public Sector Undertakings

The State Government invested a sum of ₹1,375.69 crore in 22 Public Sector Undertakings and other co-operative institutions during the year 2018-19. A perusal of submission of Accounts for audit by these Public Sector Undertakings revealed that several companies where investments were made had not submitted the Annual Accounts for periods ranging from 1 to 6 years as detailed in **Annexure-D**.

NOTES TO ACCOUNTS

(xxi) Commitments made on incomplete Capital Works

A scrutiny of information furnished by the different Public Works/Irrigation Departments revealed that large number of works in which substantial amount were spent are remaining incomplete as detailed below:

(₹ in crore)

Projects	Upto 05 Years (From 2015 to 2019)		Between 05 to 10 years (From 2010 to 2015)		Prior to 2010 (More than 10 years)	
	No. of Works	Amount	No. of Works	Amount	No. of Works	Amount
Irrigation	583	316.06	21	12.45	3	1.64
Buildings	84	116.36	15	36.63	2	1.22
Roads	1,326	1,512.00	84	159.17	...	...
Bridges	33	35.47	6	2.96	...	...
Others	13	60.00	...	...	...	...
Total	2,039	2,039.89	126	211.21	5	2.86

Note: The details are provided in **Appendix-ix**

The Public Work Divisions however did not provide the reasons for the non-completion of works.

(xxii) Compliance to the targets fixed under Karnataka Fiscal Responsibility Act

(a) The Karnataka Fiscal Responsibility Act, 2002, (KFRA) was amended in 2011 to fix a new set of ceilings relating to Fiscal Deficit and Outstanding Debt as a *per cent* of Gross State Domestic Product (GSDP). This act was further amended in 2014. In terms of the amended Act, the Government of Karnataka has made additional disclosures which are reflected as separate statements annexed to the Medium Term Fiscal Plan (MTFP) 2019-2023. In compliance with the amended provisions of the KFRA 2014, the Government of Karnataka furnished the amount of off-budget borrowings during 2018-19 and the same had been depicted as additional disclosures in **Statements 6** and **17** of Finance Accounts.

(b) The balances of off-budget borrowings do not form part of the Consolidated Fund of the Government of Karnataka. During the year 2018-19, repayment of Principal (₹1,340.83 crore) and payment of Interest (₹1,262.34 crore) was, however, made from the Consolidated Fund of the State and accounted for in the accounts of the Government of Karnataka.

NOTES TO ACCOUNTS

(c) Details of targets fixed by the Government of Karnataka and achievements as worked out from the accounts are given below, in the table.

Sl. No.	Target for 2018-19	Achievement in 2018-19
1.	Revenue Surplus: Revenue Surplus to be maintained.	Government of Karnataka has maintained the Revenue Surplus at ₹678.81 crore for the year 2018-19
2.	Fiscal Deficit: Not more than 3 <i>per cent</i> of GSDP ⁽¹⁾ during 2018-19, subject to the fiscal limits fixed by the Government of India from time to time.	Fiscal Deficit of the Government of Karnataka stood at ₹38,442.01 crore and constituted 2.73 <i>per cent</i> of the GSDP ⁽¹⁾
3.	Outstanding Liabilities⁽²⁾: Not to exceed 25 <i>per cent</i> of GSDP ⁽¹⁾ for the year 2018-19.	Outstanding Liabilities ⁽²⁾ (₹2,85,238.00 crore) as on 31 March 2019 works out to 20.26 <i>per cent</i> of GSDP

Note 1 GSDP ₹14,08,112.00 crore {Source: MTFP 2019-2023 by Government of Karnataka} as conveyed by Ministry of Finance, Government of India vide letter No.40(6) PF-S/2017-18 dated 20 March 2018.

Note 2 Outstanding Liabilities worked out with the amount of off budget borrowings (₹14,861.56 crore) furnished by the Government of Karnataka, together with those appearing (₹2,70,376.44 crore) in the Consolidated Fund and Public Account of the State, in terms of KFR (Amendment) Act, 2014.

(xxiii) Committed liabilities of the State - MTFP

The total committed liabilities as indicated by the State Government in Medium Term Fiscal Plan 2019-23 was ₹30,702.64 crore, which is the total expenditure commitments, covering the Major policy changes made by the State Government for the period 2019-20 to 2021-22.

(xxiv) Impact on Revenue Surplus and Fiscal Deficit

The Impact of transactions indicated in the paragraphs 1(v) and 3(vii) (e), (f), 3(ix) and 3(xviii) on the Revenue Surplus and Fiscal Deficit of the State Government is given below.

NOTES TO ACCOUNTS

(₹ in crore)

Paragraph No.	Subject	Revenue surplus		Fiscal deficit	
		Overstatement	Understatement	Overstatement	Understatement
1(v)	Booking of Capital expenditure instead of Revenue expenditure	28.06	0.00	0.00	0.00
1(v)	Booking of Revenue expenditure instead of Capital expenditure	0.00	64.28	0.00	0.00
3 (vii) (e)	Karnataka Forest Development Fund	0.00	299.20	299.20	0.00
3 (vii) (f)	Non Transfer of Consumer Welfare Fund	0.41	0.00	0.00	0.41
3 (ix)	Non-adjustment of interest against Reserve Fund and Deposits, bearing interest	28.20	0.00	0.00	28.20
3(xviii)	Write back of unspent PRI grants	1,369.12	0.00	0.00	1369.12
Total		1,425.79	363.48	299.20	1,397.73
Net Impact		1,062.31	0.00	0.00	1,098.53

ANNEXURE

Annexure – A
Statements of Periodical /Other adjustments
[Para 1 (ii) and Para 3 (ii) of Notes to Accounts]

A–Periodical Adjustments:

Sl. No.	Adjustment	Heads of Account affected		Amount (₹ in crore)	Remarks
1.	Transport Subsidies	3055-00-190-0-04-106 Free Bus Pass Facilities to Students	0041-00-102-0-06 NWKRTC	71.29	Adjustment of Concessional value of Bus passes issued to Students as Subsidy to State owned transport companies against Motor Vehicle Tax dues
		3055-00-190-0-05-106 Free Bus Pass Facilities to Students	0041-00-102-0-08 NEKRTC	71.79	
		3055-00-190-0-10-106 Subsidy towards Students and Other Concessions	0041-00-102-0-05 KSRTC	1,63.52	
			0049-04-190-0-09 Interest on Loans to Other Undertakings	3.19		Penal interest payable by KSRTC to Govt. on loan amount
2.	Karnataka Forest Development Fund	2406-01-797-0-01-261 Transfer of Forest Development Tax	8229-00-200-0-04 - Karnataka Forest Development Fund	26.38	Adjustment of Forest Development Tax and the relevant expenditure that was initially booked under Consolidated Fund to the Public Accounts
3.	Protected Area Management Fund	2406-02-797-0-01-261 Transfer of Receipts from Sanctuaries	8229-00-200-0-29 Protected Area Management Fund	0.15	Adjustment of Receipts from Sanctuaries and the relevant expenditure that was initially booked under Consolidated Fund to the Public Accounts
		2406-02-902-0-00-261 Deduct Expenditure met from Protected Area Management Fund		3.49	
4.	Forestry and Wild Life Afforestation Fund	2406-01-797-0-04-261 Transfer of Receipts to Afforestation Fund	8229-00-200-0-34 Afforestation Fund for Compensating Environmental Losses	49.24	Adjustment of receipts and the relevant expenditure that was initially booked under Consolidated Fund to the Public Accounts
		2406-01-902-0-03-261 Deduct Expenditure met from Afforestation Fund		18.21	
5.	Karnataka Government Insurance Fund	2049-03-108-3-00-240 (C) Interest on Insurance and Pension Funds	8011-00-107-0-01 and 8011-00-107-0-02 State Government Employees' Group insurance Scheme	2,20.26	Adjustment of interest on Fund balances
6.	Karnataka General Provident Fund	2049-03-104-1-00-240 (C) Interest on General Provident Fund	8009-01-101-0-01-105 State General Provident Fund	11,57.97	Adjustment of interest on GP Fund balances
			8009-01-104-0-01-105 All India Services Provident Fund	6.43	

Annexure – A - contd.
Statements of Periodical /Other adjustments
[Para 1 (ii) and Para 3 (ii) of Notes to Accounts]

A–Periodical Adjustments: – contd.

Sl. No.	Adjustment	Heads of Account affected		Amount (₹ in crore)	Remarks	
7.	Adjustment of Government dues from State PSUs against the Rural Energy Subsidy	2801-80-101-1-04-106 Subsidy due to Karnataka Power Transmission Corporation Limited	0043-00-101-0-01 Taxes on Consumption and Sale of Electricity Tax Collection	19,43.44	Adjustment of Rural Energy Subsidy payable to Electricity Supply Company for the year 2018-19 against the Government dues (Guarantee fees, Royalty, Electricity Tax, Repayment of loan instalment etc.) by KPCL/KPTCL	
			6801-00-190 Repayment of loans by Karnataka Power Transmission Corporation Ltd. (KPTCL)	14.74		
			0801-01-201-0-01 Royalty etc., recovered from Karnataka Power Transmission Corporation Ltd. (KPTCL)	44.97		
			0075-00-108-0-01 [Miscellaneous General Services – Guarantee Fees]	6.46		
			0049-04-190-0-01 Interest on Loans to KPCL	8.66		
8.	Departmentally managed Government Commercial Undertakings (GCU's)	2852-08-202-1-05-243 Government Silk Filature - Kollegal	0049-04-103-0-02 Government Silk Filature - Kollegal	0.13	Adjustment of interest on Capital invested in GCU's	
			2852-08-202-2-01-243 Government Silk Filature - Santemarahalli	0049-04-103-0-04 Government Silk Filature - Santemarahalli		0.17
			2852-08-202-3-01-243 Government Silk Filature - Chamarajanagar	0049-04-103-0-03 Government Silk Filature - Chamarajanagar		0.04
			2852-08-202-4-01-243 Government Silk Filature - Mamballi	0049-04-103-0-05 Government Silk Filature - Mamballi		0.23
			2852-08-202-5-01-243 Government Silk Twisting and Weaving Factory - Mudigundam	0049-04-103-0-06 Government Silk Twisting and Weaving Factory - Mudigundam		0.07
			2852-08-202-6-01-243 Government Mini Silk Filature unit - Tolahunse	0049-04-103-0-07 Government Mini Silk Filature unit - Tolahunse		0.08
			2852-08-202-Government Silk Filature Santhemarahalli]	8115-00-103 Government Silk Filature Santhemarahalli		0.01	Amount transferred to Depreciation/ Renewal Reserve Funds
9.	Departmentally managed Government Commercial Undertakings	2852-08-202-Government Silk Filature Santhemarahalli]	8115-00-103 Government Silk Filature Santhemarahalli	0.01	Amount transferred to Depreciation/ Renewal Reserve Funds	

Annexure – A - contd.
Statements of Periodical /Other adjustments
[Para 1 (ii) and Para 3 (ii) of Notes to Accounts]

A–Periodical Adjustments: – contd.

Sl. No.	Adjustment	Heads of Account affected		Amount (₹ in crore)	Remarks
10.	Departmentally managed Government Commercial Undertakings (GCUs)	2049-05-101-1-03-240 (C) Government Silk Filature - Chamarajanagar	0852-08-202-3-02 Government Silk Filature - Chamarajanagar	0.02	Adjustment of Interest on Depreciation Reserve Fund
		2049-05-101-1-04-240 (C) Government Silk Filature – Santemarahalli	0852-08-202-2-02 Government Silk Filature - Santemarahalli	0.02	
		2049-05-101-1-01-240 (C) Interest on Reserve Funds. Government Silk Filature, Kollegal	0852-08-202-1-02 Textiles – Government Silk Filature, Kollegal	0.01	
		2049-05-101-1-05-240 (C) Government Silk Filature - Mamballi	0852-08-202-4-02 Government Silk Filature - Mamballi	0.03	
		2049-05-101-1-06-240 (C) Government Silk Twisting and Weaving Factory - Mudigundam	0852-08-202-5-02 Government Silk Twisting and Weaving Factory - Mudigundam	0.01	
11.	Environmental Protection Fund	2853-02-797-0-01-261 Non Ferrous and Mining Metallurgical Industries	8229-00-200-0-24 Other Development and Welfare Fund	7.38	Transfer of Environmental Protection Fund to Reserve Fund and the relevant expenditure that was initially booked under Consolidated Fund to the Public Accounts
		2853-02-902-0-00-261 Deduct amount met from EPF		2.20	
12.	Karnataka Silk Worm Seed Cocoon Yarn Development and Price Stabilisation Fund	2851-00-797-0-01-261 Transfer of receipts to Karnataka Silk Worm Seed Cocoon Yarn Development and Price Stabilisation Fund	8229-00-200-0-09 Karnataka Silk Worm Seed Cocoon Yarn Development and Price Stabilisation Fund	34.91	Adjustment of Receipts from Licence Fee and Renewal Fee and the relevant expenditure that was initially booked under Consolidated Fund to the Public Accounts
		2851-00-902-0-00-261 Expenditure met from Karnataka Silk Worm Seed Cocoon Yarn Development and Price Stabilisation Fund		15.97	
13.	Port Development Fund	3051-02-797-0-01-261 Transfer of Receipts under Ports and Light Houses to Port Development Fund	8229-00-112-0-00 Port Development Fund	21.37	Adjustment of Receipts under Ports and Light Houses and the Expenditure that was initially booked under Consolidated Fund, to the Public Accounts
		3051-02-902-0-00-261 Deduct Expenditure met out of Port Development Fund		17.29	
		5051-80-902-0-00-261 Deduct Expenditure met from Port Development Fund		12.14	

Annexure – A - contd.
Statements of Periodical /Other adjustments
[Para 1 (ii) and Para 3 (ii) of Notes to Accounts]

A–Periodical Adjustments: – contd.

Sl. No.	Adjustment	Heads of Account affected		Amount (₹ in crore)	Remarks
14.	Adjustment of Travel Concession	2011-02-800-0-03-041 [Travel Concession to Ex Members of Legislative Assembly]	0041-00-102-0-05 [Taxes on Vehicles and Service Tax]	0.19	Motor Vehicles Tax due to Government by State Transport Corporations adjusted towards free bus passes provided by the Corporation to Ex- MLAs and Ex – MLCs
		2011-02-800-0-04-041 [Travel Concession to Ex Members of Legislative Council]		0.07	
15.	Subvention from Central Road Fund	3054-80-797-0-02-261 Transfer of Grants from Central Road Fund	8449-00-103-0-00 Subvention from Central Road Fund	5,08.39	Adjustment of grants from Central Road Fund and the relevant expenditure that was initially booked under Consolidated Fund to the Public Accounts
		5054-04-902-0-01-261 Deduct Expenditure met from Central Road Fund		5,10.37	
16.	Pensionary Charges	2700-03-001-0-02-250 Major Irrigation	0071-01-101-0-04 Subscriptions and Contributions	0.02	Pensionary Charges of work charged Establishment to 0071 Pension and Other Retirement Benefits
		2701-80-001-0-08-250 Medium Irrigation		0.08	
		4700-01-001-0-01-250 4700-02-001-0-01-250 4700-03-001-0-01-250 4700-09-001-0-02-250 4700-10-001-0-03-250 Capital Outlay on Major Irrigation		0.31	
17.	Karnataka Government Insurance Fund	2235-60-902-0-00-261 Expenditure met from Karnataka State Government Insurance Fund	8011-00-105-1-01 Karnataka State Life Insurance Fund	28.88	The recurring cost of the management of the Fund initially booked under Consolidated Fund met out of Fund Account under Public Accounts
18.	State Urban Transport Fund	2217-80-797-0-02-261 2217-80-797-0-03-261 2217-80-797-0-04-261 [Transfer of Cess collected on Motor Vehicle Tax]	8229-00-200-0-33 State Urban Transport Fund	65.70	Adjustment of urban transport cess collected on Motor Vehicle Tax to the Public Accounts
		4217-60-902-0-03-261 [Deduct Amount met from SUTF]		81.38	

Annexure – A - contd.
Statements of Periodical /Other adjustments
[Para 1 (ii) and Para 3 (ii) of Notes to Accounts]

A–Periodical Adjustments: – contd.

Sl. No.	Adjustment	Heads of Account affected		Amount (₹ in crore)	Remarks
19.	Infrastructure Initiative Fund (IIF)	3475-00-797-0-01-261 Transfer of cess to IIF	8229-00-200-0-19 Infrastructure Initiative Fund	6,94.30	Adjustment of Infrastructure cess and the relevant expenditure that was initially booked under Consolidated Fund to the Public Accounts
		3475-00-800-0-07-104 Transfer of General Revenue to IIF		5,72.00	
		5465-01-902-0-00-261 Deduct amount met from Infrastructure Initiative Fund		5,00.00	
		4217-01-902-0-00-261 Deduct amount met from Infrastructure Initiative Fund		5,46.00	
20.	Bangalore Metro Rail Corporation Ltd., Fund (BMRCL)	3475-00-797-0-01-261 Transfer of cess to Bangalore Metro Rail Corporation Ltd. Fund	8229-00-200-0-21 Bangalore Metro Rail Corporation Ltd. Fund	3,41.06	Adjustment of Infrastructure cess and the relevant expenditure that was initially booked under Consolidated Fund to the Public Accounts
		3475-00-800-0-07-104 Transfer of General Revenue to Bangalore Metro Rail Corporation Ltd. Fund		5,72.00	
		6217-60-902-0-01-261 Deduct amount met from Bangalore Metro Rail Corporation Ltd. Fund		13,23.72	
21.	Chief Minister's Rural Road Development Fund (CMRRD)	3475-00-797-0-01-261 Transfer of cess to Chief Minister's Rural Road Development Fund	8229-00-200-0-31 Chief Minister's Rural Road Development Fund	1,82.71	Adjustment of Infrastructure cess and the relevant expenditure that was initially booked under Consolidated Fund to the Public Accounts
		3054-80-902-0-00-261 Expenditure met from Chief Minister's Rural Road Development Fund		3,12.34	
22.	State Disaster Response Fund	2245-05-101-0-07-261 Transfer of Central share to State Disaster Response Fund	8121-00-122-1-00 State Disaster Response Fund and	2,88.00	Adjustment of State and Central Share to SDRF, grants from NDRF and the expenditure that was initially booked under Consolidated Fund to the Public Accounts
		2245-05-101-0-04-261 Transfer of State Share to State Disaster Response Fund		32.00	
		2245-05-101-0-05-261 Transfer of grants from National Disaster Response Fund	8121-00-122-2-00 National Disaster Response Fund	9,59.84	
		2245-05-901-0-03-261 and 2245-05-901-0-04-261 Expenditure met from State Disaster Response Fund		8,87.20	

Annexure – A - contd.
Statements of Periodical /Other adjustments
[Para 1 (ii) and Para 3 (ii) of Notes to Accounts]

A–Periodical Adjustments – contd.

Sl. No.	Adjustment	Heads of Account affected		Amount (₹ in crore)	Remarks
23.	Adjustment of Interest on fund balances under Karnataka Government Insurance Schemes	2049-03-108-1-01 (C) State Government Insurance Fund	8011-00-105-State Government Insurance Fund	9,24.20	Adjustment of amount of interest on fund balances under Karnataka Government Insurance Schemes
		2049-03-108-1-02 (C) Motor Insurance Fund		31.45	
		2049-03-108-1-03 (C) Hyderabad State Life Insurance Fund		0.78	
		2049-03-108-2-00 (C) Government Employees Family Benefit Fund		16.46	
24.	Panchayat Raj Institutions Deposit Accounts	2202-01-911-0-05 Deduct Recovery of over payment	8448-00-109-4-00 Taluk Panchayat Funds	3,01.79	Write Back of unspent balances under PRI Deposit Accounts to Consolidated Funds of the State for the year 2016-17
		2202-02-911-0-05 Deduct Recovery of over payment		1,72.85	
		2210-80-911-0-05 Deduct Recovery of over payment		8.53	
		2215-01-911-0-05 Deduct Recovery of over payment		2.22	
		2225-01-911-0-05 Deduct Recovery of over payment		53.45	
		2225-02-911-0-05 Deduct Recovery of over payment		24.60	
		2225-03-911-0-05 Deduct Recovery of over payment		7.66	
		2230-03-911-0-05 Deduct Recovery of over payment		0.26	
		2235-02-911-0-05 Deduct Recovery of over payment		1.56	
		2401-00-911-0-05 Deduct Recovery of over payment		7.17	
		2402-00-911-0-05 Deduct Recovery of over payment		0.36	
		2403-00-911-0-05 Deduct Recovery of over payment		3.52	
		2425-00-911-0-05 Deduct Recovery of over payment		0.13	
		2501-01-911-0-05 Deduct Recovery of over payment		0.50	
		2515-00-911-0-05 Deduct Recovery of over payment		3,15.09	
		2851-00-911-0-05 Deduct Recovery of over payment		0.19	
		3054-80-911-0-05 Deduct Recovery of over payment		0.36	
		2059-80-911-0-04 Deduct Recovery of over payment		8448-00-109-2-00 Zilla Panchayat Funds		21.89

Annexure – A - contd.
Statements of Periodical /Other adjustments
[Para1 (ii) and Para 3 (ii) of Notes to Accounts]

A–Periodical Adjustments – contd.

Sl. No.	Adjustment	Heads of Account affected	Amount (₹ in crore)	Remarks
		2202-01-911-0-04 Deduct Recovery of over payment	10.11	
		2202-02-911-0-04 Deduct Recovery of over payment	94.76	
		2202-80-911-0-04 Deduct Recovery of over payment	0.02	
		2204-00-911-0-04 Deduct Recovery of over payment	1.60	
		2205-00-911-0-04 Deduct Recovery of over payment	0.08	
		2211-00-911-0-04 Deduct Recovery of over payment	8.39	
		2225-01-911-0-04 Deduct Recovery of over payment	54.12	
		2225-02-911-0-04 Deduct Recovery of over payment	13.96	
		2225-03-911-0-04 Deduct Recovery of over payment	27.60	
		2230-03-911-0-04 Deduct Recovery of over payment	0.90	
		2235-02-911-0-04 Deduct Recovery of over payment	6.26	
		2401-00-911-0-04 Deduct Recovery of over payment	8.69	
		2402-00-911-0-04 Deduct Recovery of over payment	2.55	
		2403-00-911-0-04 Deduct Recovery of over payment	26.73	
		2405-00-911-0-04 Deduct Recovery of over payment	1.08	
		2406-01-911-0-04 Deduct Recovery of over payment	0.75	
		2425-00-911-0-04 Deduct Recovery of over payment	0.22	
		2515-00-911-0-04 Deduct Recovery of over payment	1,66.67	
		2702-80-911-0-04 Deduct Recovery of over payment	3.28	
		2851-00-911-0-04 Deduct Recovery of over payment	9.19	
		2852-80-911-0-04 Deduct Recovery of over payment	0.73	
		3054-80-911-0-04 Deduct Recovery of over payment	6.73	
		3425-60-911-0-04 Deduct Recovery of over payment	0.14	
		3451-00-911-0-04 Deduct Recovery of over payment	2.03	
		3456-00-911-0-04 Deduct Recovery of over payment	0.02	
		3475-00-911-0-04 Deduct Recovery of over payment	0.38	

Annexure – A - conclud.
Statements of Periodical /Other adjustments
[Para 1 (ii) and Para 3 (ii) of Notes to Accounts]

B–Other Adjustments:

Sl. No.	Adjustment	Heads of Account affected		Amount (₹ in crore)	Remarks
1.	Guarantee Commission	2216-03-101-2-05-100 [Rajiv Gandhi Rural Housing Corporation]	0075-00-108-0-01 [Miscellaneous General Services – Guarantee Fees]	12.78	Guarantee Commission payable by Rajiv Gandhi Rural Housing Corporation
		3054-80-800-0-10-100 [KRDC Ltd]		1.83	Guarantee Commission Payable by KRDC Ltd
		2515-00-198-1-12-300 [Other Rural Dev. Prog.]		39.58	Guarantee Commission Payable by Power Company of Karnataka Ltd
2.	Conversion of Purchase consideration of Departmental Commercial Undertakings into Equity	4860-01-190-0-02-211 [Investment in Public Sector and Other Undertakings]	0075-00-800-0-05 [Miscellaneous General Services - Other Receipts]	4.04	Adjustments carried out for conversion Purchase consideration of Departmental Commercial Undertakings into Equity in respect of KSIC.
3.	State Goods and Service Tax	2043-00-800-0-01-100 [Other Grants to State Goods and Service]	0049-04-800-5-08 [Waiver of Interest]	0.15	Waiver of interest payable by M/s. GAIL (India) Ltd.
4.	Conversion of purchase tax into interest free loan	6860-04-190-1-16-394 [Conversion of purchase tax into interest free loan]	0040-00-102-0-01 [Sales Tax]	11.40	Adjustments carried out for Conversion of purchase tax into interest free loan in respect of Loans to Sugar Factories.

Annexure – B
Details of Suspense and Remittance balances
[Para 3 (x) of Notes to Accounts]

(₹ in crore)

Details of Minor Head	2016-17		2017-18		2018-19	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
1 8658-00-101 Pay and Accounts Office Suspense	1,18.86	0.45	1,89.66	0.25	288.08	16.93
Net	Dr. 1,18.41		Dr. 1,89.41		Dr. 2,71.15	
2 8658-00-102- Suspense Account (Civil)	17.22	60.78	17.37	175.77	17.76	296.45
Net	Cr. 43.56		Cr. 1,58.40		Cr. 2,78.69	
3 8658-00-110- Reserve Bank of India Suspense- Central Accounts Office	41.02	1,48.41	44.53	1,51.18	91.41	183.28
Net	Cr. 1,07.39		Cr. 1,06.65		Cr. 91.87	
4 8782-00-102-1 Public Works Remittances into treasury	81.40	...	81.72	...	82.61	...
Net	Dr. 81.40		Dr. 81.72		Dr. 82.61	
5 8782-00-102-2 Public Works Cheques	2.52	18.42	2.53	30.52	2.53	29.78
Net	Cr. 15.90		Cr. 27.99		Cr. 27.25	
6 8782-00-103-1 Forest Remittances into treasury	12.12	...	12.13	...	12.13	...
Net	Dr. 12.12		Dr. 12.13		Dr. 12.13	
7 8782-00-103-2 Forest Cheques	0.83	...	0.83	...	0.83	...
Net	Dr. 0.83		Dr. 0.83		Dr. 0.83	

Annexure – C
Adverse Balances appearing in the Finance Accounts
[Para 3 (xii)–Public Debt & Para 3(iii) – Loans & Advances of Notes to Accounts]

Head of Account	Description	Amount (₹in crore)	Reasons
Para 3 (xii): Public Debt			
6003-00-108-0-01	Internal debt of the State Government-Loans from National Co-operative Development Corporation Ltd.,	Dr. 1,74.40	Due to non-accounting of loan receipts from National Co-operative Development Corporation Ltd., in the Government accounts; whereas repayments were made through the Government accounts.
6004-03 & 6004-04	Loans and Advances from Central Government under Central Plan Scheme and Centrally Sponsored Scheme	Dr. 11.69	Balances of Loans as on 31-03-2010 under Central Plan Schemes & Centrally Sponsored Schemes were written off during 2011-12, by which time, the Repayment of Principal and Interest for 2010-11 & 2011-12 had already been made resulting in Adverse balance. In respect of Government of Karnataka, this excess payment amounted to ₹68.66 crore, of which, Ministry of Finance had adjusted ₹17.31 crore and ₹5.48 crore during 2012-13 & 2013-14 respectively against the dues payable to end of March 2014. The balance amount pending adjustment by the Ministry of Finance is ₹45.86 crore (Principal ₹23.66 crore and Interest ₹22.20 crore). Out of ₹45.86 crore, Ministry of Finance has adjusted ₹11.97 crore during 2018-19. Hence the adverse balance (net debit) outstanding is ₹11.69 crore against the loans of the Ministries in the books of the State Government and also overstates the Public Debt of the Government to this extent. Finance Department, Government of Karnataka is being appraised of the matter regarding the adjustment of ₹11.97 crore made during 2018-19 as per the Ministry of Finance letter stated supra.
Total		Dr. 1,86.09	
Para 3(iii): Loans and Advances			
6202, 6215, 6217, 6401, 6402, 6405, 6408, 6435, 6505, 6506, 6701, 7475 & 7615	Loans to State Institutions	Cr. 89.66	Adverse balance is due to misclassification, which is under reconciliation.
7610	Loans and Advances to Government servants	Cr. 7.08	Adverse balance is due to misclassification, which is under reconciliation.
Total		Cr. 96.74	

Annexure – D
Investments during the year 2018-19 for NTA
[Para 3 (xx) of Notes to Accounts]

Sl. No. of St. No.19	Name of the company	Total investment at the beginning of the year	Investments during the year	Adjustments	Total for 2018-19	Totals to the end of the year Amount in Cr.	year up to which accounts rendered to Audit
10	D. Devaraj Urs. BCDC. Ltd	46,599.75	2,500.00	...	2,500.00	490.99	2017-18
11	K.S.Women Development Corporation Ltd.	1,356.05	50.00	...	50.00	14.06	2017-18
12	Dr. B. R. Ambedkar DC. Ltd.	38,413.62	4,094.00	...	4,094.00	425.07	2017-18
13	Karnataka ST Develop Corporation	2,897.50	323.00	...	323.00	32.20	2017-18
14	Karnataka Minority Development Corporation	75,401.95	14,440.00	(-) 1,000.00	13,440.00	888.41	2015-16
17	KSIIDC	2,14,511.21	9656.00	...	9,656.00	2,241.67	2017-18
25	Dr. Babu Jagjivanram LIDC. Ltd.	19,393.67	3,800.00	...	3,800.00	231.93	2017-18
32	KEONICS	3,597.20	160.00	...	160.00	37.57	2017-18
33	Karnataka Silk Industries Corporation Limited, Bengaluru	905.00	404.47	...	404.47	13.09	2017-18
37	Mysore Sugar Co. Ltd.	29,878.43	3,700.00	...	3,700.00	335.78	2012-13
43	BESCOM	88,699.70	10,100.00	...	10,100.00	987.99	2017-18
44	HESCOM	97,755.30	10,700.00	...	10,700.00	1,084.55	2018-19
45	MESCOM	29,240.51	5,900.00	...	5,900.00	351.40	2017-18
46	GESCOM	76,967.43	8,996.00	...	8,996.00	859.63	2017-18
47	CESCOM	63,989.06	10,000.00	...	10,000.00	739.89	2017-18
66	KRIDE	4,36,183.11	7,033.70	...	7,033.70	4,432.16	2017-18
69	Karnataka Bhovi Devpt. Corporation	1,000.00	380.00	...	380.00	13.80	2017-18

Annexure – D – conclud.
Investments during the year 2018-19 for NTA
[Para 3 (xx) of Notes to Accounts]

Sl. No. of St. No.19	Name of the company	Total investment at the beginning of the year	investments during the year	Adjustments	Total for 2018-19	Totals to the end of the year Amount in Cr.	year up to which accounts rendered to Audit
70	Uppara Development Corporation Ltd.	...	50.00	500.00	550.00	5.50	2017-18
71	Nijasharana Ambigara Chowdaiah Development Corporation Ltd.,	...	50.00	500.00	550.00	5.50	2017-18
41	BMRCL	2,59,262.00	30,000.00	...	30,000.00	2,892.62	2017-18 ^(*)
2	KSFC	1,00,996.30	6,845.00	...	6,845.00	1,078.41	2018-19
8	Fishermen's Co-operatives	1,083.89	...	(-) 0.06	(-) 0.06	10.83	not under the preview of C&AG Audit
10	Co-op Spinning Mills	10,292.79	8,386.63	...	8,386.63	186.79	not under the preview of C&AG Audit
14	Other Co-op	1,263.00	...	(-) 329.23	(-) 329.23	9.33	not under the preview of C&AG Audit

(*) Audited by MAB, Hyderabad

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