

Note to Council of Ministers

The Final batch of Supplementary Demands for Grants for the financial year 2018-19 is scheduled to be presented in the Legislative Assembly on **31st January, 2019**.

2. The estimates of Supplementary Grants/Appropriation prepared on the basis of the proposals received from Controlling Officers/Administrative Departments are worked out as **₹ 12358.78** crore.

3. The composition of the Supplementary Grants sought for is as follows:

(Rupees in Crore)			
	Voted	Charged	Total
Expenditure on REVENUE ACCOUNT	8582.30	943.72	9526.02
Expenditure on CAPITAL ACCOUNT	2138.91	8.03	2146.94
LOANS AND ADVANCES	684.22	1.60	685.82
TOTAL	11405.43	953.35	12358.78

4. Out of the total supplementary grants of ₹ 12358.78 crore, ₹ 4520.48 crore is under Plan and ₹ 7838.30 crore is under Non Plan.

5. Supplementary grant of ₹ 8144.31 crore does not involve fresh cash out flows from State Exchequer, of which ₹ 8142.38 crore is for regularisation of additional expenditure authorised. The regularisation of additional expenditure authorised is inclusive of ₹ 2114.75 crore provided for compensating the amount resumed in the financial year 2017-18 from the

idling STSB accounts, ₹1545.05 crore is Additional Central Assistance received for flood relief activities, ₹ 31.24 crore under Centrally Sponsored Schemes and ₹ 4.62 crore towards Rural Infrastructure Development Fund.

6. Supplementary Grant of ₹ 2304.85 crore is for transfer crediting the amount to SDRF under Public Accounts Division of State received from NDRF in the wake of flood 2018.

7. The regularization of additional expenditure authorised includes the following major items:

- ₹ 1600.68 crore provided for releasing the fund transferable to KIIFB towards the share of MVT and additional sale tax collected on petrol and diesel as mandated in KIIFB Act, 2016
- ₹ 426.37 crore to transfer credit the festival allowance as government employees' contribution to Chief Minister's Distress Relief Fund and also to transfer the additional fund generated as excise duty and sales tax from the sale of Indian made foreign liquor to Chief Minister's Relief Fund
- ₹ 200 crore towards scholarship to OBC/SEBC/OEC students
- ₹ 192.78 crore for releasing the outstanding state share to National Health Mission
- ₹ 157.38 crore towards salary and pension requirements of KSRTC
- ₹ 153.82 crore to meet the requirement towards Education Loan Repayment Support Scheme
- ₹ 140 crore to KMRL towards Metro Rail System in Kochi
- ₹ 120.01 crore provided for making payment to crop damage and distribution of paddy seeds free of cost to farmers in connection with the flood

- ₹ 115.64 crore for disbursing pension to small and nominal farmers
- ₹ 96.97 crore for the payment of dues to HUDCO in connection with the takeover of Pariyaram Co-operative Medical College by the Govt.
- ₹ 93.13 crore for settling the arrears of superannuation benefits and ex-gratia as per the Kerala Agricultural Workers Welfare Fund Scheme
- ₹ 83.36 crore for payment of welfare pension to Cashew Workers
- ₹ 77.61 crore to Government Medical College Kochi, for clearing the pending bills in Treasury queue and for the settlement of interest due to District Co-operative Bank, Ernakulam

8. Supplementary grant aggregating to ₹ 1909.62 crore is likely to result in fresh cash outflow from State's Consolidated Fund. The breakup of fresh cash outflow is detailed below:

	(₹ in Crore)
(i) Centrally Sponsored Schemes	15.12
(ii) State's Direct Liability	1864.51
(iii) NCDC Assistance	29.99
TOTAL	1909.62

9. The major items of fresh expenditure involving State's direct liability include the following:

- ₹ 815 crore towards the payment of interest on Fixed Time Deposits
- ₹ 306.75 crore for providing loan to settle the dues of RUBCO, Rubber Mark and Marketfed for repaying the principal and interest against the loans availed by these Federations from Kerala State Co-operative Bank and District Co-operative Banks

- ₹ 154.91 crore to KMRL towards Metro Rail System in Kochi
- ₹ 96 crore towards the payment of interest on State Savings Bank Deposits
- ₹ 88.31 crore towards salary and pension requirements of KSRTC
- ₹ 50.56 crore to provide additional amount to the Expansion and Development Fund of Local Self Government Institutions
- ₹ 50 crore to provide fund for the settlement of backlog arrears of Kerala Medical Service Corporation Ltd.
- ₹ 50 crore to provide State Government's contribution to the Municipal Common Service Central Pension Fund
- ₹ 41.54 crore to provide allowance to ASHA workers
- ₹ 33 crore towards implementation of the Integrated Water Transport System

10. The additional expenditure on account of these supplementary grants can be financed to a certain extent through the central assistance received for Centrally Sponsored Schemes, from the savings anticipated under certain sectors and by augmentation of resources. Rest of the expenditure arising out of these supplementary grants shall be met by curtailing/deferring unproductive and non-essential items of expenditure for the financial year 2018-19.

11. Recommendation of the Hon'ble Governor under Article 203(3) read with Article 205 of the Constitution has been obtained for laying the Supplementary Financial Statement on the Table of the Legislative Assembly on 31/01/2019.

