

TABLE OF CONTENTS			
Sl. No.	Contents	Paragraph	Page No.
1.	Preface		v
2.	Executive Summary		vii
CHAPTER-1: OVERVIEW			
3.	Profile of the State	1.1	1
4.	Gross State Domestic Product of Uttarakhand	1.1.1	1
5.	Sectoral contribution to GSDP	1.1.2	2
6.	Basis and Approach to State Finances Audit Report	1.2	3
7.	Report Structure	1.3	4
8.	Overview of Government Accounts Structure and Budgetary Processes	1.4	4
9.	Snapshot of Finances	1.4.1	7
10.	Snapshot of Assets and Liabilities of the Government	1.4.2	7
11.	Fiscal Balance: Achievement of Deficit and Total Debt Targets	1.5	8
12.	FRBM Targets on Key Fiscal Parameters and Achievements thereon	1.5.1	9
13.	Medium Term Fiscal Plan	1.5.2	11
14.	Trends of Deficit/Surplus	1.5.3	11
15.	Deficits and Total Debt after Examination in Audit	1.6	13
16.	Post Audit-Deficits	1.6.1	13
17.	Post Audit-Total Public Debt	1.6.2	14
18.	Conclusions	1.7	14
19.	Recommendations	1.8	15
CHAPTER-2: FINANCES OF THE STATE			
20.	Major changes in Key Fiscal Aggregates during 2021-22 <i>vis-à-vis</i> 2020-21	2.1	17
21.	Sources and Application of Funds	2.2	17
22.	Resources of the State	2.3	18
23.	Receipts of the State	2.3.1	19
24.	State's Revenue Receipts	2.3.2	19
25.	Trends and growth of Revenue Receipts	2.3.2.1	19
26.	State's Own Resources	2.3.3	21
27.	Own Tax Revenue	2.3.3.1	21
28.	State Goods and Services Tax (SGST)	2.3.3.2	23
29.	Analysis of arrears of revenue and arrears of assessment	2.3.3.3	24
30.	Non-Tax Revenue	2.3.3.4	26
31.	Central Transfers	2.3.4	26
32.	Central Tax Transfer	2.3.4.1	27
33.	Grants-in-Aid from Government of India	2.3.4.2	28
34.	Fifteenth Finance Commission Grants	2.3.4.3	29
35.	Capital Receipts	2.4	29
36.	State's Performance in Mobilization of Resources	2.5	30
37.	Application of Resources	2.6	31
38.	Revenue Expenditure	2.6.1	33
39.	Major changes in Revenue Expenditure	2.6.1.1	35
40.	Committed Expenditure	2.6.2	35
41.	Other Committed Expenditure	2.6.2.1	37

42.	Salaries and Wages	2.6.2.2	38
43.	Interest Payments	2.6.2.3	38
44.	Pensions	2.6.2.4	39
45.	Subsidies	2.6.2.5	40
46.	Financial assistance by the State Government to Local Bodies and Other Institutions	2.6.2.6	41
47.	Capital Expenditure	2.6.3	42
48.	Major changes in Capital Expenditure	2.6.3.1	43
49.	Quality of Capital Expenditure	2.6.3.2	43
50.	Expenditure Priorities	2.7	48
51.	Public Account	2.8	50
52.	Net Balances in Public Account	2.8.1	50
53.	Reserve Funds	2.8.2	52
54.	In-operative Reserve Funds	2.8.2.1	53
55.	State Disaster Response Fund	2.8.2.2	53
56.	Guarantee Redemption Fund	2.8.2.3	54
57.	State Compensatory Afforestation Funds	2.8.2.4	55
58.	Interest liabilities against Reserve Funds and Deposits Bearing Interest not discharged	2.8.3	55
59.	Debt Management	2.9	56
60.	Trend of overall debt	2.9.1	56
61.	Debt profile: Components	2.9.2	57
62.	Break up of Outstanding Overall Debt at the end of 2021-22	2.9.3	57
63.	Component wise debt trends	2.9.4	58
64.	Internal Debt taken <i>vis-à-vis</i> repaid	2.9.5	58
65.	Debt profile: Maturity and Repayment	2.9.6	60
66.	Debt Sustainability Analysis	2.9.7	62
67.	Trend in Debt Sustainability indicators	2.9.8	63
68.	Utilisation of Borrowed Funds	2.9.9	64
69.	Status of Guarantees–Contingent Liabilities	2.10	65
70.	Management of Cash Balances	2.11	67
71.	Investment of Cash Balances	2.11.1	67
72.	Conclusions	2.12	69
73.	Recommendations	2.13	70
CHAPTER-3: BUDGETARY MANAGEMENT			
74.	Budget Process	3.1	71
75.	Budget Preparation Process	3.2	72
76.	Summary of total provisions, actual disbursements and savings during financial year	3.2.1	73
77.	Charged and voted disbursements	3.2.2	73
78.	Appropriation Accounts	3.3	74
79.	Comments on integrity of budgetary and accounting process	3.3.1	74
80.	Expenditure incurred without authority of law	3.3.1.1	74
81.	Misclassification of capital expenditure as revenue expenditure and vice versa	3.3.2	74
82.	Unnecessary or excessive supplementary grants	3.3.3	75
83.	Re-appropriations undertaken which require prior Legislative authorization	3.4	78
84.	Unnecessary/excessive re-appropriation	3.4.1	78

85.	Unspent amount and surrendered appropriations and/or large savings/surrenders	3.5	82
86.	Grants/Appropriations with budget utilisation of less than 50 per cent	3.5.1	84
87.	Details of surrenders of funds in excess of ₹ 1 crore	3.5.2	85
88.	Distribution of the number of Grants/Appropriations grouped by the percentage of utilisation	3.5.3	85
89.	Details of savings and surrenders before close of financial year 2021-22	3.5.4	86
90.	Budget Allocation and its utilisation	3.5.5	86
91.	Excess expenditure and its regularization	3.6	86
92.	Excess expenditure relating to 2021-22	3.6.1	87
93.	Details of Major Head wise disbursement over the authorisation	3.6.2	87
94.	Persistent excesses in certain Grants	3.6.3	87
95.	Regularisation of excess expenditure of previous financial years	3.6.4	88
96.	Grant-in-aid for creation of capital asset	3.7	89
97.	Budget projection and gap between expectation and actual	3.8	90
98.	Supplementary budget and opportunity cost	3.9	92
99.	Adherence of Financial Power in relation to re-appropriation	3.10	93
100.	Rush of expenditure	3.11	93
101.	Review of selected grants	3.12	95
102.	Outcome of Review of Selected Grants	3.12.1	95
103.	Conclusions	3.13	104
104.	Recommendations	3.14	104
CHAPTER-4: QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES			
105.	Funds outside Consolidated Fund or Public Account of the State	4.1	105
106.	Regulators	4.1.1	105
107.	Non-inclusion of clear cut liabilities of Departments	4.2	105
108.	Non-discharge of liability in respect of interest towards interest bearing deposits/reserves	4.3	106
109.	Funds transferred directly to implementing agencies	4.4	106
110.	Deposit of Local Funds	4.5	108
111.	Delay in submission of Utilisation Certificates	4.6	109
112.	Recording of Grantee Institution as "Others"	4.6.1	110
113.	Abstract Contingent Bills	4.7	110
114.	Funds Transferred to Own Accounts and Working Agencies	4.7.1	111
115.	Personal Deposit Accounts/Personal Ledger Account	4.8	112
116.	Inoperative and non-reconciled PD Accounts	4.8.1	114
117.	Indiscriminate use of Minor head 800	4.9	114
118.	Outstanding balance under major Suspense and Remittance heads	4.10	117
119.	Non-reconciliation of Departmental figures	4.11	119
120.	Reconciliation of Cash Balances	4.12	121
121.	Compliance with Accounting Standards	4.13	121
122.	Submission of Accounts/Separate Audit Reports of Autonomous Bodies	4.14	122
123.	Arrears of Accounts of Bodies or Authorities	4.14.1	123

124.	Non-submission of details of grants/loans given to bodies and authorities	4.15	123
125.	Timeliness and Quality of Accounts	4.16	124
126.	Misappropriations, losses, thefts, <i>etc.</i>	4.17	124
127.	Follow up Action on State Finances Audit Report	4.18	124
128.	Conclusions	4.19	124
129.	Recommendations	4.20	125
CHAPTER-5: ROLE OF GOVERNMENT IN PUBLIC SECTOR UNDERTAKINGS			
130.	Introduction	5.1	127
131.	Definition of Government Companies, Government Controlled other Companies and Statutory Corporations	5.1.1	127
132.	Mandate of Audit	5.1.2	127
133.	Nature of SPSUs and their coverage in the Chapter	5.1.3	128
134.	Investments in State Public Sector Undertakings and budgetary support	5.2	129
135.	Budgetary support to State Public Sector Undertakings	5.2.1	130
136.	Reconciliation with Finance Accounts of Government of Uttarakhand	5.2.2	131
137.	Dividend paid by State Public Sector Undertakings	5.2.3	132
138.	Erosion of net worth of State Public Sector Undertakings	5.2.4	133
139.	Submission of Accounts by State Public Sector Undertakings	5.3	133
140.	Need for timely submission	5.3.1	133
141.	Timelines in preparations of accounts by State Public Sector Undertakings	5.3.2	134
142.	Impact of delay in finalisation of accounts by State Public Sector Undertakings	5.3.2.1	136
143.	Inactive State Public Sector Undertakings	5.3.2.2	136
144.	Conclusion	5.4	136
145.	Recommendation	5.5	137

APPENDICES		
Appendix-1.1	State Profile	139
Appendix-2.1	Time series data on the State Government Finances	140
Appendix-3.1	Glossary of Important Budget related terms	143
Appendix-5.1	Statement showing Equity and Outstanding Loans relating to SPSUs (which submitted their accounts upto 2019-20 and onwards) as on 31 March 2022	145
Appendix-5.2	Statement showing Equity and Outstanding Loans relating to SPSUs (accounts in arrears for three years or more or were inactive or first accounts not received) as on 31 March 2022	146
Appendix-5.3	Statement showing Budgetary Support SPSUs as on 31 March 2022	147
Appendix-5.4	Statement showing difference between Finance Accounts of Government of Uttarakhand and Accounts of the SPSUs in respect of balances of Equity, Loans and Guarantees as on 30 September 2022	148
Appendix-5.5	Statement showing erosion of net worth of SPSUs as on 31 March 2022	149
Appendix-5.6	Statement showing position of State Government Investments (Equity, Loan and grant/ subsidy) in active SPSUs during the period for which accounts are in arrears	150
Appendix-6.1	Glossary of terms	151