



ACCOUNTS AT A GLANCE 2017-18



लोकहितार्थ सत्यमिच्छा
Dedicated to Truth in Public Interest



Government of Uttarakhand

Government of Uttarakhand



Accounts at a Glance for the year 2017-18

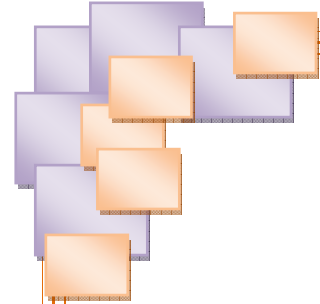
Accountant General
(Accounts and Entitlement),
Uttarakhand



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GOVERNMENT OF UTTARAKHAND



Preface

I am happy to present the twelfth issue of our annual publication, the 'Accounts at a Glance' for the year 2017-18, which provides an overview of Governmental activities, as reflected in the "Finance Accounts and Appropriation Accounts.

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

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

We look forward to suggestions.



Dehradun
Date: 05.04.2019

(Roli Shukla Malge)
Accountant General (A&E)

Our Vision, Mission and Core Values

VISION

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

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

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

MISSION

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

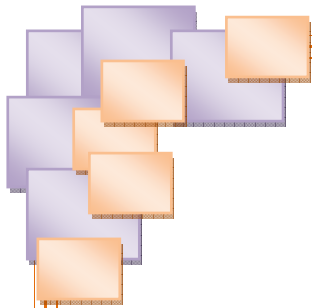
CORE VALUES

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

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

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Chapter I Overview

1.1. Introduction

The Accountant General (Accounts and Entitlements), Uttarakhand collates, classifies, compiles the accounts data rendered by multiple agencies and prepares the accounts of the Government of Uttarakhand. The compilation is done from the initial accounts rendered by the District Treasuries, Public Works Divisions, Irrigation & Public Health Divisions, Forest Divisions, accounts rendered by the other states/ accounting offices and advices of Reserve Bank of India. Every month a Monthly Civil Account is presented by the office of the Accountant General (A&E) to the Government of Uttarakhand. The office of Accountant General (A&E) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The Annual Finance Accounts and the Appropriation Accounts are placed before the State Legislature after audit by the Principal Accountant General (Audit), Uttarakhand and certification by the Comptroller and Auditor General of India.

1.2 Structure of Government Accounts

1.2.1 Government accounts are kept in three parts:

Structure of Government Accounts

Part 1 CONSOLIDATED FUND

All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) from the Consolidated Fund.

All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this fund.

The Contingency Fund is in the nature of an Imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund.

The corpus of this fund for the Government of Uttarakhand is ₹ 500.00 crore.

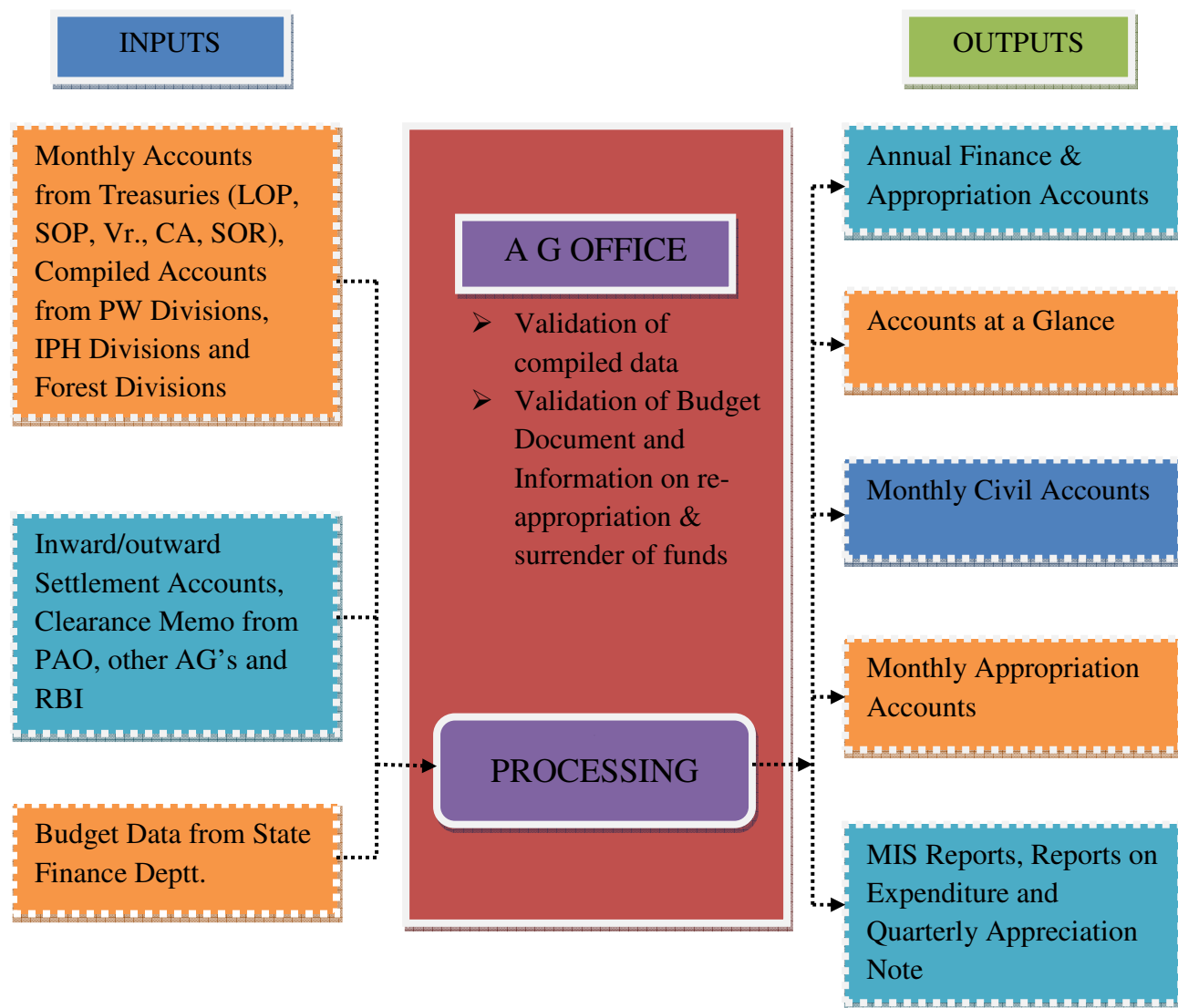
Part 2 CONTINGENCY FUND

Part 3 PUBLIC ACCOUNT

All public money received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, Government acts as a banker or trustee. The Public Account comprises : repayable like Small Savings and Provident Funds, Reserve Fund, Deposits and Advances, Suspense and Miscellaneous transaction (adjusting entries pending booking to final heads of account), Remittances between accounting entities and Cash Balance.

1.2.2 Compilation of Accounts

Flow diagram for Accounts Compilation



1.3 Finance Accounts and Appropriation Accounts

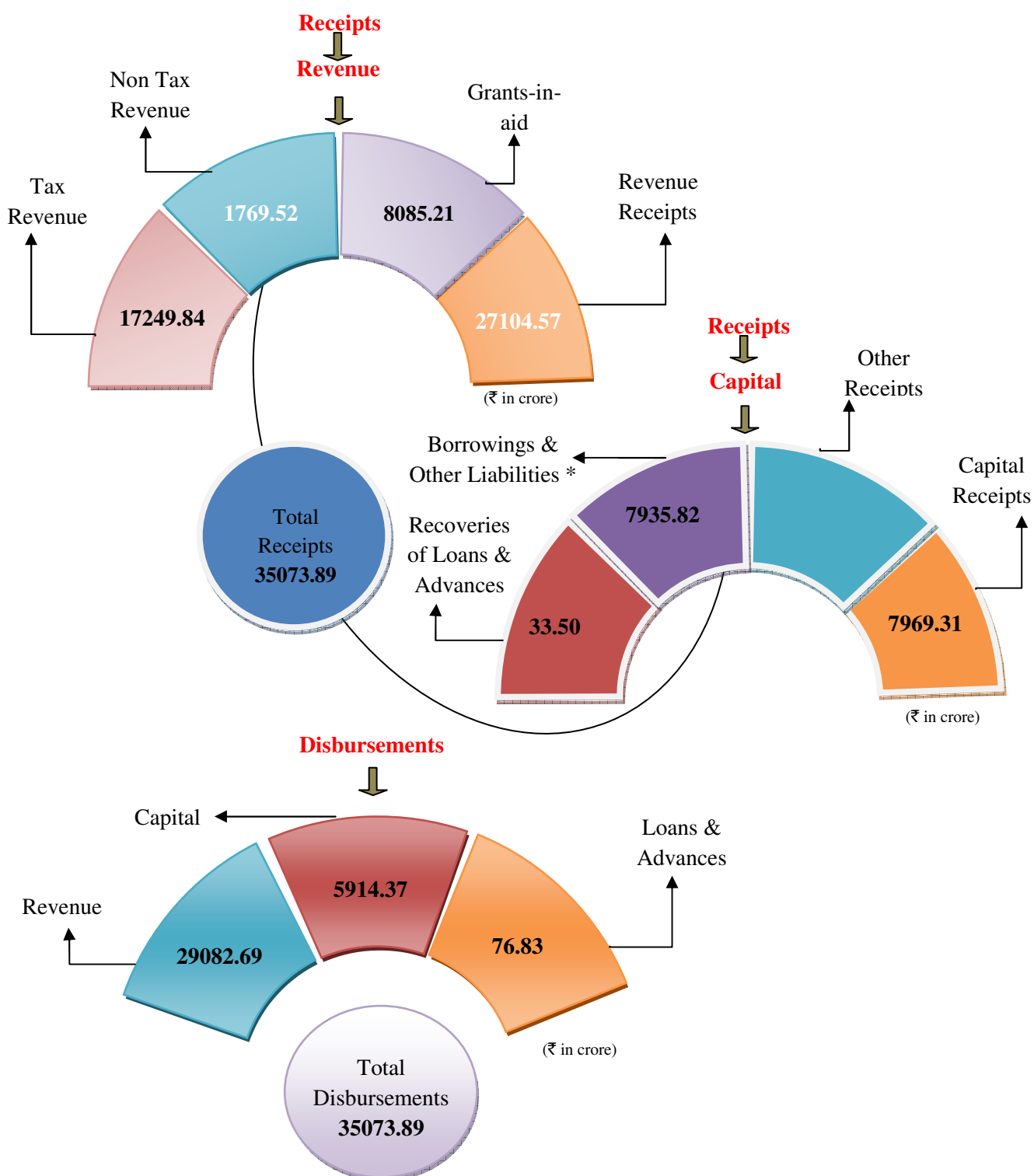
1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the Revenue and Capital Accounts, Public Debt and Public Account balances recorded in the accounts. Finance Accounts are prepared in two volumes to make them more comprehensive and informative. Volume-I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volume-II contains detailed statements (Part I) and appendices (Part II). Receipts and disbursement of the Government of Uttarakhand as depicted in the Finance Accounts 2017-18 are given below:

(₹ in crore)

Receipts	Total Receipts		3,50,73.89
	Revenue (Total 2,71,04.57)	Tax Revenue	1,72,49.84
		(a) Own Tax Revenue	1,01,64.93
		(b) Share of net proceeds of Taxes	70,84.91
		Non Tax Revenue	17,69.52
		Grant-in-Aid	80,85.21
	Capital (Total: 79,69.32)	Recovery of Loans and Advances	33.50
		Miscellaneous Capital Receipts	...
		Borrowings and Other Liabilities	79,35.82
Disbursements	Total Disbursements		3,50,73.89
	Revenue		2,90,82.69
	Capital		59,14.37
	Loans and Advances		76.83

Receipts and Disbursement in year 2017-18



* Net (receipts- disbursements) of Public Debt, Contingency Fund, Public Account, Opening and Closing Cash Balance and transfer from Contingency Fund on account of reduction of corpus of Contingency Fund.

In addition to the expenditure approved for the year by the Uttarakhand Legislature, Government of India transfers substantially funds directly to State Implementing Agencies/Non Government Organization (NGOs) in the State for various schemes and programmes. Such transfers (amounting to ₹ 10,01.37 crore for the year 2017-18) are not reflected in the accounts of the State Government, but have been shown at Appendix VI in Volume II of the Finance Accounts.

1.3.2 Appropriation Accounts

Under the Constitution, no expenditure can be incurred by the Government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as “charged” on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be “voted”. The budget of the Uttarakhand has 01 Charged Appropriation, 07 both Charged Appropriation and Voted Grants and 23 Voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure compares with the appropriation authorized by the Legislature through the Appropriation Act of each year.

1.3.3 Efficiency on Budget Preparation

The Appropriation Act, 2017-18, had provided for gross expenditure of ₹ 4,29,73.52 crore and reduction of expenditure (recoveries) of ₹ 23,95.00 crore. Against this, the actual gross expenditure was ₹ 4,34,44.76 crore and reduction of expenditure was ₹ 7,19.25 crore, resulting in net excess of ₹ 4,71.24 crore (1.10 *per cent*) and net saving of ₹ 16,75.75 crore (69.97 *per cent*) respectively. Certain grants, like those relating to ‘Finance, Tax Planning, Secretariat & Miscellaneous Services’ and ‘Food’ showed excess.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

Ways and Means Advances are taken from the Reserve Bank of India to make good the deficiency in the minimum cash balance which the State Government is required to maintain with the Reserve Bank of India. Ways and Means advance of ₹ 59,30.91 crore was obtained and ₹59,30.91 crore was repaid during the year 2017-18.

1.4.2 Overdraft from the Reserve Bank of India

Overdraft is taken from the Reserve Bank of India while the limit of minimum cash balance falls below i.e. ₹ 0.16 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During the year 2017-18, no overdraft was taken by the State Government.

1.4.3 Fund flow statement

The State had a Revenue Deficit of ₹ 1,978.12 crore and a Fiscal Deficit of ₹ 7,935.82 crore as on 31st March, 2018. The Fiscal Deficit was met from net Public Debt (₹ 58,05.36 crore) increase in Public Account (₹ 22,70.64 crore) and net increase of opening and closing cash balance (₹ 13.35 crore). Around 73 per cent of Revenue Receipts (₹ 2,71,04.57 crore) of the State Government was spent on committed expenditure like salaries (₹ 1,04,95.58 crore), interest payments (₹ 39,87.29 crore), pensions (₹ 50,33.47 crore) and subsidies (₹ 1,85.93 crore).

Sources and Application of Funds

SOURCES	PARTICULARS	AMOUNT (₹ in crore)
	Opening Cash Balance as on 01 April 2017	1157.65
	Revenue Receipts	27104.57
	Capital Receipts	....
	Recovery of Loans & Advances	33.50
	Public Debt	13456.98
	Small Savings Provident Fund and Others	1840.79
	Reserves & Sinking Funds	232.34
	Deposits Received	4593.46
	Civil Advances Repaid	134.01
	Suspense Account	46041.00*
	Remittances	(-) 1166.25
	Contingency Fund	104.66
	Transfer from Contingency Fund	250.00#
	TOTAL	93782.71
APPLICATION	Revenue Expenditure	29082.69
	Capital Expenditure	5914.37
	Loans Given	76.83
	Repayment of Public Debt	7651.62
	Small Savings Provident Fund etc.	1221.32
	Reserves & Sinking Funds	127.26
	Deposits Repaid	3874.79
	Civil Advances Given	134.00
	Suspense Account	45244.95**
	Remittances	(-) 1197.62
	Contingency Fund	481.50
	Closing Cash Balance as on 31.03.2018	1171.00
	TOTAL	93782.71

* Includes ₹ 1,40,71.85 crore on account of cash balance investment account.

** Includes ₹ 1,40,05.83 crore on account of cash balance investment account.

Corpus of Contingency Fund reduced by ₹ 2,50.00 crore.

Sources and Application of Funds

	(₹ in crore)
SOURCES	
• Opening Cash Balance as on 1st April, 2017	1157.65
• Revenue Receipts	27104.57
• Capital Receipts	...
• Recovery of Loans and Advances	33.50
• Public Debt	13456.98
• Small Savings, Provident Funds etc.	1840.79
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• TOTAL	93782.71

* Includes ₹ 1,40,71.85 crore on account of cash balance investment account.

** Includes ₹ 1,40,05.83 crore on account of cash balance investment account.

Corpus of Contingency Fund reduced by ₹ 2,50.00 crore.

1.4.4 Where the Rupee came from (figures are in per cent of the total)



1.4.5 Where the rupee went (figures are in per cent of the total)



1.5 Financial Highlight of year 2017-18

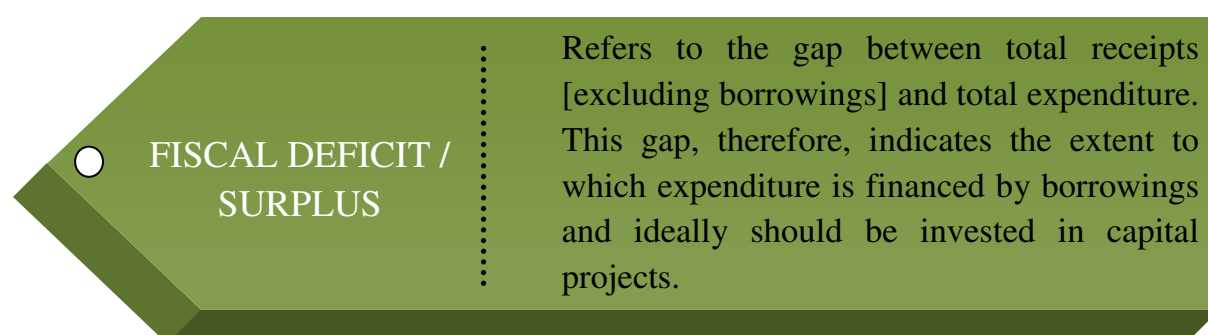
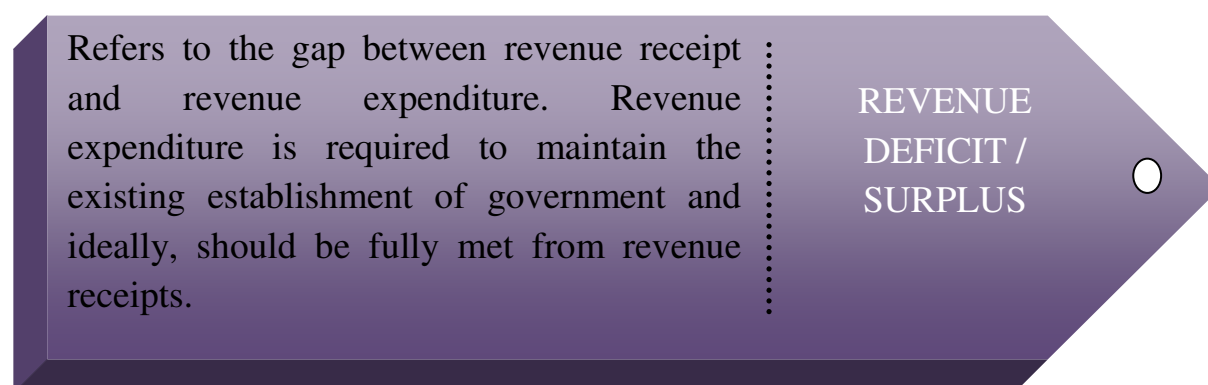
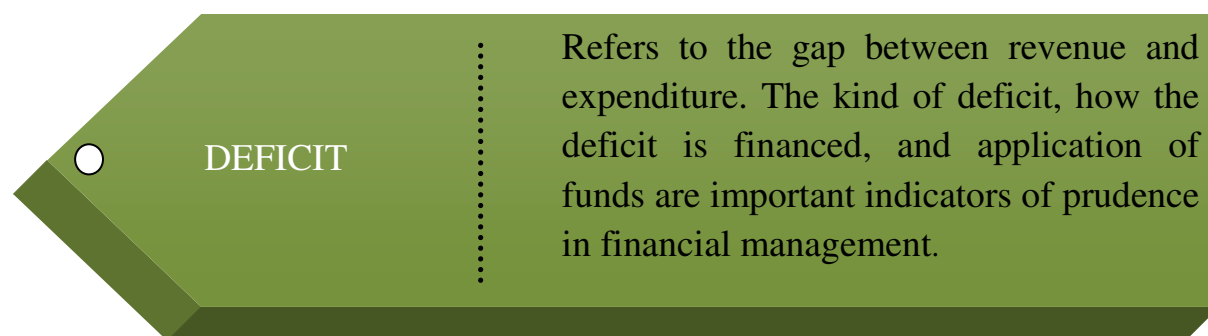
Sr. No	Description	Budget Estimates 2017-18	Actuals 2017-18	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP #
		(₹ in crore)			
1.	Tax Revenue (including Central Share) (a)	2,08,93.76	1,72,49.84	82.56	7.93
2.	Non-Tax Revenue	24,68.72	17,69.52	71.68	0.81
3.	Grants-in-Aid & Contributions	82,30.61	80,85.21	98.23	3.72
4.	Revenue Receipts (1+2+3)	3,15,93.09	2,71,04.57	85.79	12.46
5.	Recovery of Loans & Advances	2,53.05	33.50	13.24	0.02
6.	Other Receipts	...	...	...	...
7.	Borrowings & Other Liabilities (b)	54,71.42	79,35.82	1,45.04	3.65
8.	Capital Receipts (5+6+7)	57,24.47	79,69.31	1,39.21	3.66
9.	Total Receipts (4+8)	3,73,17.56	3,50,73.89	93.99	16.12
10.	Revenue Expenditure	3,15,50.83	2,90,82.69	92.18	13.36
11.	Expenditure on Interest Payments (out of revenue expenditure)	46,49.95	39,87.29	89.10	1.83
12.	Capital Expenditure	55,14.38	59,14.37	1,07.25	2.72
13.	Loans and Advances Disbursed	252.35	76.83	30.45	0.04
14.	Total Expenditure (10+12+13)	3,73,17.56	3,50,73.89	93.99	16.12
15.	Revenue Deficit(-) Surplus (+) (4-10)	(+) 42.26	(-) 19,78.12	(-) 46,80.83	(-) 0.91
16.	Fiscal Deficit (4+5+6-14)	54,71.42	79,35.82	1,45.04	3.65

(#) GSDP figure of ₹ 21,76,09.47 crore (Advance Estimate at current Prices-base year 2011-12) for the year 2017-18 as communicated by Central Statistical Organization Government of India and Director of Economics & Statistics Government of Uttarakhand.

- (a) Includes State's Share of Union Taxes of ₹ 70,84.91 crore.
- (b) Net (receipts- disbursements) of Public Debt, Contingency Fund, Public Account, Opening and Closing Cash Balance and transfer from Contingency Fund on account of reduction of corpus of Contingency Fund.
- (c) Expenditure on Capital Account includes Capital Expenditure (₹ 59,14.37 crore) and Loans and Advances disbursed (₹ 76.83 crore).

During the year 2017-18 Revenue Deficit of ₹ 19,78.12 crore (₹ 3,82.53 crore deficit in 2016-17) and fiscal deficit of ₹ 79,35.82 crore (₹ 54,66.95 crore deficit in 2016-17) represent 0.91 per cent and 3.65 per cent of Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 22.63 per cent of total expenditure.

What do the deficits and surpluses indicate?



1.6 Fiscal Responsibility and Budget Management (FRBM) Act

The Government of Uttarakhand has enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005. This Act has been modified in the year 2011 and 2016. As per provision of this Act, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2017-18 against fiscal targets laid down in the Act and rules framed there under were as follows:

Sr. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP#	
			Target	Achievement
1	Revenue Deficit	1978.12	Reduce to nil by 2014-15	0.91 (Not achieved)
2	Fiscal Deficit	7935.82	3 to 3.5*	3.65 (Not achieved)
3	Debt and other Obligations	7248.58	3 to 3.5**	3.33 (Achieved)
4	Outstanding Guarantees	1173.16	1	0.54 (Achieved)

GSDP figure of ₹ 21,76,09.47 crore (Advance Estimate at current Prices-base year 2011-12) for the year 2017-18 as communicated by Central Statistical Organization Government of India and Director of Economics & Statistics Government of Uttarakhand.

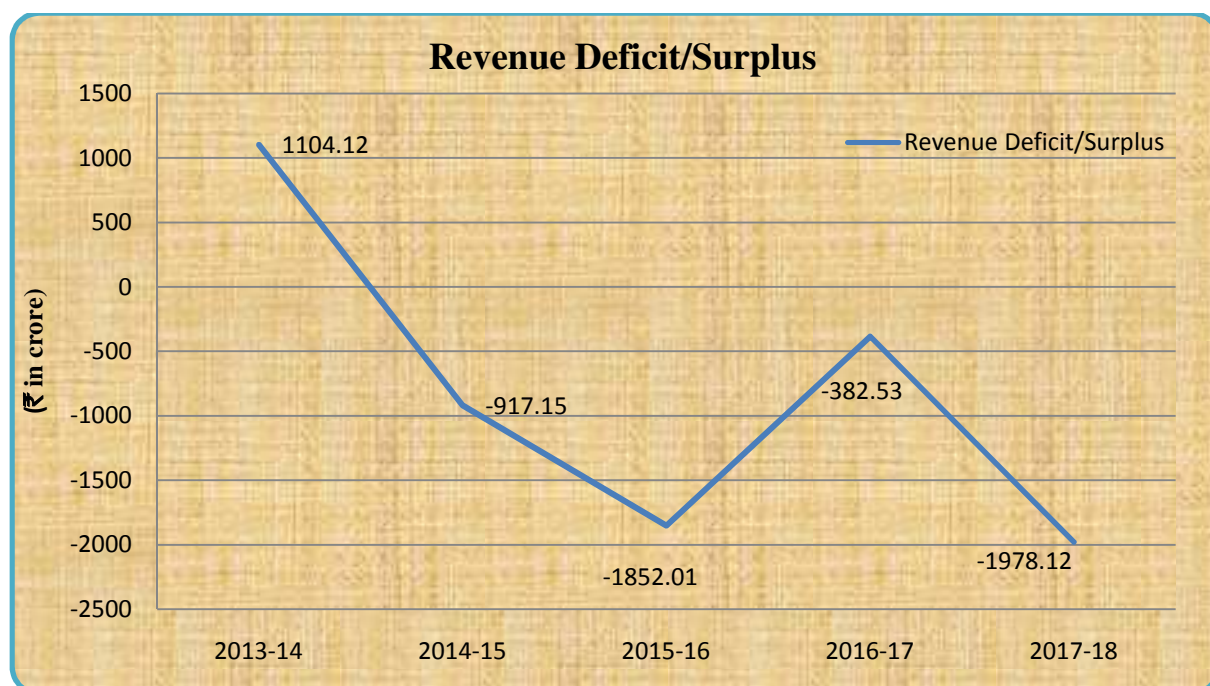
*As per FRBM Act 2016 the limit for Fiscal Deficit is 3 per cent of GSDP and conditional flexibility upto 3.5 per cent of GSDP.

** As per FRBM Act 2016 the limit for borrowings is 3 per cent of GSDP and conditional flexibility upto 3.5 per cent of GSDP.

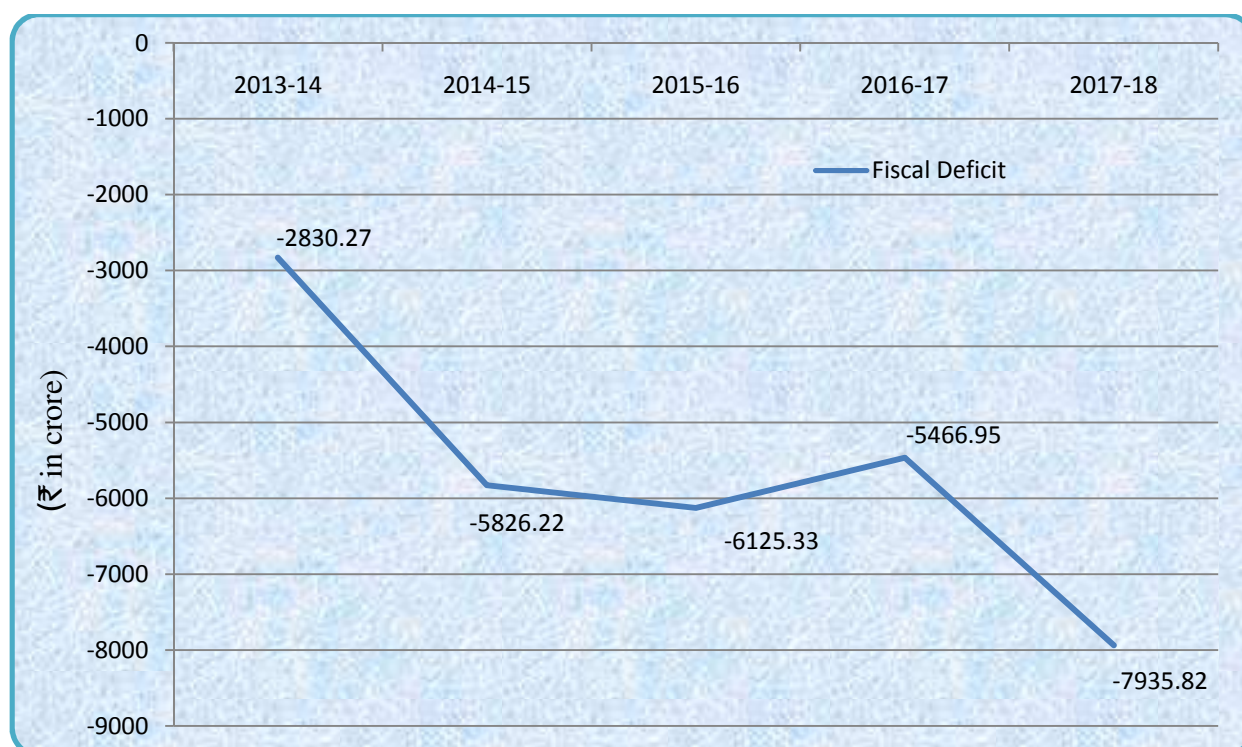
The State Government had made disclosures to the Legislature required under the Uttarakhand Fiscal Responsibility and Budget Management Rules, 2005.

The State Government had Revenue Deficit of ₹ 3,82.53 crore in 2016-17 and ₹ 19,78.12 crore during the year 2017-18 which does not conform the target of FRBM Act. Fiscal deficit increased by ₹ 24,68.87 crore from ₹ 54,66.95 crore in 2016-17 to ₹ 79,35.82 crore in the current year and was 3.65 per cent of GSDP which also does not conform to the target of 3 to 3.5 per cent of GSDP. Against, the target of reducing outstanding debt to 3 to 3.5 per cent of GSDP by the year 2017-18, the outstanding debt stood at ₹ 72,48.58 crore as on 31 March, 2018, being 3.33 per cent of GSDP. Similarly against the target of maintaining amount of outstanding guarantees below 1 per cent of GSDP, the amount of outstanding guarantees was ₹ 11,73.16 crore as on 31 March, 2018, being 0.54 per cent of GSDP (₹ 21,76,09.47 crore) which was well within the stipulated parameters.

1.6.1 Trend of Revenue Deficit / Surplus

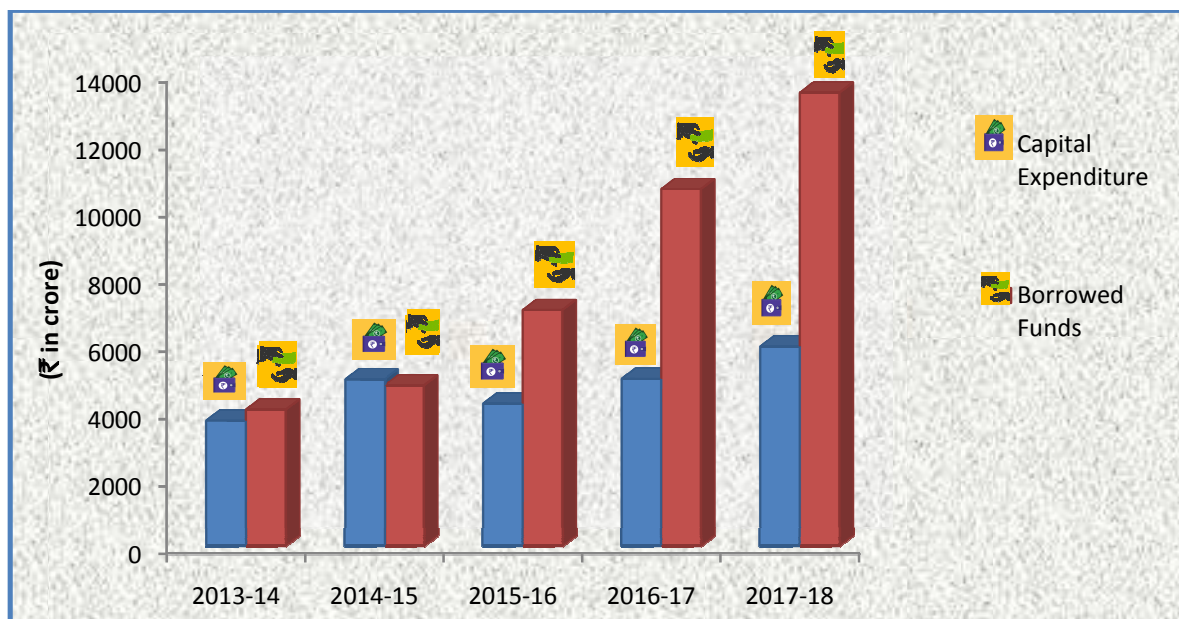


1.6.2 Trend of Fiscal Deficit



1.6.3 Proportion of borrowed funds spent on Capital

Borrowed funds and Capital Expenditure



The Governments usually run fiscal deficits and borrow funds for capital / assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream. Thus it is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent only 43.95 per cent of the borrowings of the current year (₹ 1,34,56.98 crore) on capital expenditure (₹ 59,14.37 crore). It would therefore appear that balance of borrowings in the public debt was utilized to repay the principal (₹76,51.62 crore) and part of interest on public debt of previous years.

Chapter II

Receipts

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2017-18 was ₹ 3,50,73.89 crore.

2.2 Revenue Receipts

The Revenue Receipts of the government comprise three components viz. Tax Revenue, Non-tax Revenue and Grants-in-aid received from the Union Government.

TAX REVENUE

Comprises taxes collected and retained by the state and State's Share of Union Taxes under Article 280(3) of the Constitution.

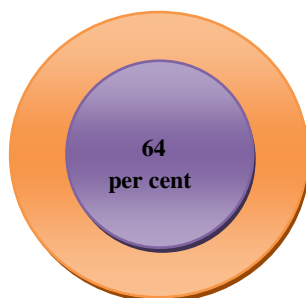
Includes interest receipts, dividends, profits, departmental receipts *etc.*

NON-TAX REVENUE

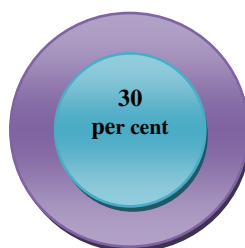
GRANTS-IN-AID

Grants-in-aid represent central assistance to the State Government from the Union Government. It also includes "External Grant Assistance" received from Foreign Government and channelized through the Union Government. In turn, the State Government also give Grants-in-aid to institutions like Panchayati Raj Institution, Autonomous bodies *etc.*

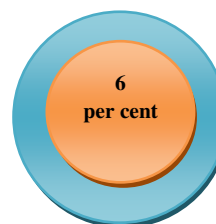
Revenue Receipts



Tax Revenue



Grants-in-aid



Non-Tax Revenue

2.2.1 Revenue Receipts Components (2017-18)

(₹ in crore)

Components	Actuals
A. Tax Revenue	1,72,49.84
Goods and Service Tax	27,87.70
Other Taxes on Income and Expenditure	40,21.32
Taxes on Property and Capital Transactions	9,06.28
Taxes on Commodities and Services	95,34.54
B. Non-Tax Revenue	17,69.52
Interest Receipts, Dividend and Profits	1,08.08
General Services	2,57.38
Social Services	2,73.42
Economic Services	11,30.63
C. Grants-in-aid & Contributions	80,85.21
Total- Revenue Receipts	2,71,04.57

2.2.2 Trend of Revenue Receipts

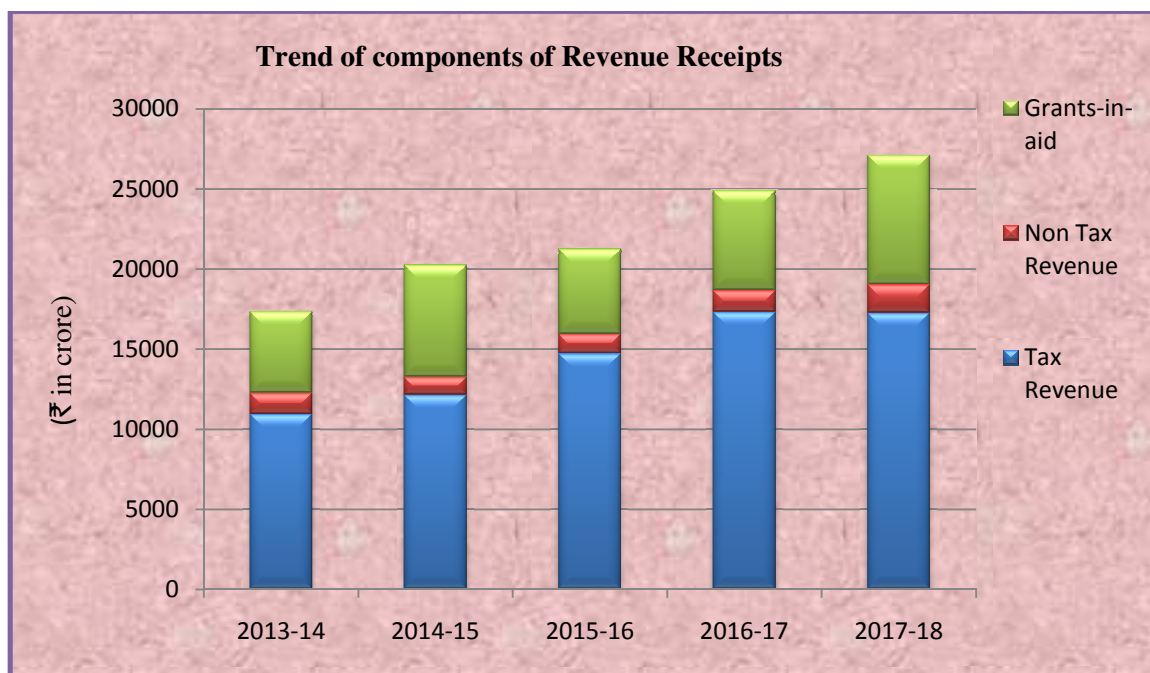
(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Tax Revenue	1,09,29 (7)	1,21,31 (8)	1,47,11 (8)	1,73,09 (9)	1,72,50 (8)
Non-Tax Revenue	13,17 (1)	11,10 (1)	12,20 (1)	13,46(1)	17,70 (1)
Grants in Aid	50,75 (3)	70,05 (4)	53,03(3)	62,34 (3)	80,85 (3)
Total Revenue Receipts	1,73,21 (12)	2,02,47 (13)	2,12,34 (12)	2,48,89 (13)	2,71,05 (12)
GSDP	14,90,74	16,14,39	17,61,71	19,51,92	21,76,09#

Note: Figures in parentheses represent percentage to GSDP.

Advance estimate

The GSDP increased by 11.48 per cent in 2017-18 compared to previous year, growth in revenue receipts was only 8.90 per cent. The tax revenue decreased by 0.34 per cent, the non-tax revenue increased by 31.50 per cent and the grants-in-aid increased by 29.69 per cent compared to previous year. The decrease of Tax Revenue impacted the Revenue Receipt of the State adversely.

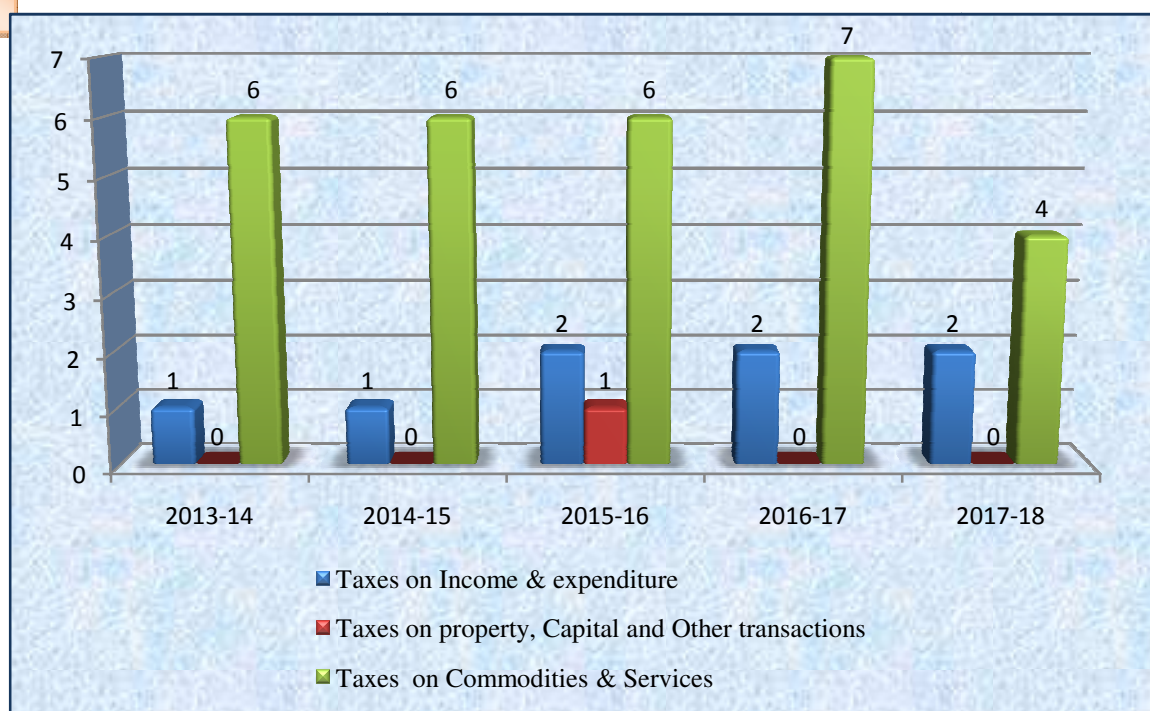


2.3 Tax Revenue

(₹ in crore)

Sector-wise Tax Revenue					
	2013-14	2014-15	2015-16	2016-17	2017-18
Goods and Service Tax	.....	.....	.....	.....	27,88
Other Taxes on Income and Expenditure	20,11	22,92	28,64	35,14	40,21
Taxes on Property and Capital Transactions	7,12	7,57	8,99	9,42	9,06
Taxes on Commodities and Services	82,06	90,82	1,09,48	1,28,53	95,35
Total Tax Revenues	1,09,29	1,21,31	1,47,11	1,73,09	1,72,50

The increase in total Tax Revenue during 2017-18 was mainly attributable to allocation of State share from Government of India and higher collection under Taxes on vehicles (₹ 2,59.60 crore), Taxes on Duties on Electricity (₹ 1,35.06 crore) and Power (₹ 1,56.13 crore). The decrease in total tax revenue during 2017-18 was mainly due to decrease in taxes on Sales, Trade etc. (₹ 34,51.07 crore), Union Excise Duties (₹ 2,62.44 crore) and Service Tax (₹ 2,23.27 crore).



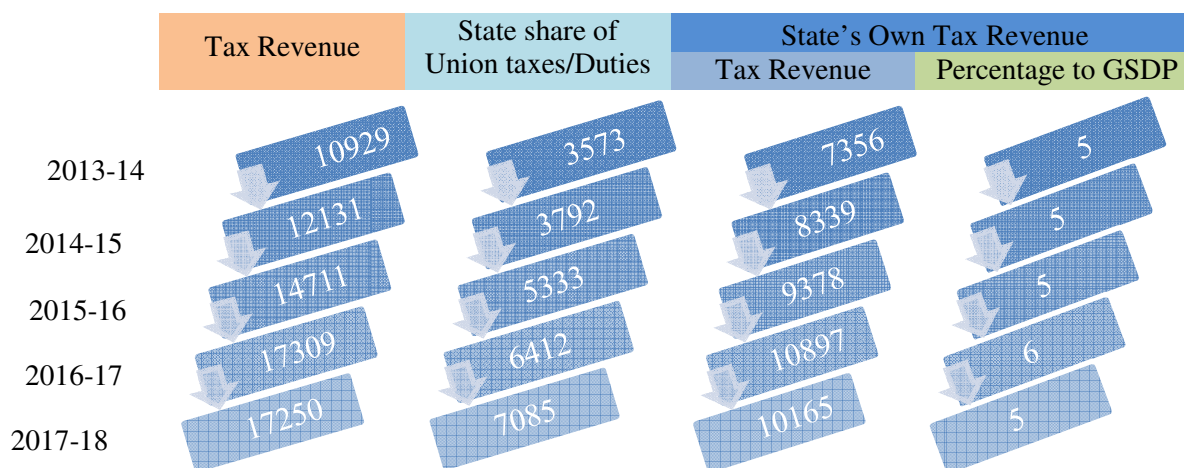
2.3.1 State's own Tax and State's share of Union Taxes

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

(₹ in crore)

Year	Tax Revenue	State's Share of Union Taxes/Duties	State's Own Tax Revenue	
			Tax Revenue	Percentage to GSDP
2013-14	1,09,29	35,73	73,56	5
2014-15	1,21,31	37,92	83,39	5
2015-16	1,47,11	53,33	93,78	5
2016-17	1,73,09	64,12	1,08,97	6
2017-18	1,72,50	70,85	1,01,65	5

The proportions of the State's Own Tax Revenue to GSDP in the years 2013-14, 2014-15, 2015-16 and 2017-18 was 5.00 per cent and in 2016-17 was 6 per cent.



Following table depicts the comparative position amount tax revenue received from the two sources over a period of five years: (₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
State's own Tax collection	73,56	83,39	93,78	1,08,97	1,01,65
Devolution of Union Taxes	35,73	37,92	53,33	64,12	70,85
Total Tax Revenue	1,09,29	1,21,31	1,47,11	1,73,09	1,72,50
Percentage of State's own Tax to total Tax Revenue	67.31	68.74	63.75	62.96	58.93

The proportion of State's own tax collection in overall tax revenue has shown a decreasing trend from 2014-15 to 2017-18. The share of tax revenue to total Tax Revenue decreased to 58.93 per cent in 2017-18 as compared to 67.31 per cent in 2013-14.

2.3.2 Trend in State's own tax collection over the past five years

	(₹ in crore)				
Taxes	2013-14	2014-15	2015-16	2016-17	2017-18
State Goods and Services Tax (SGST)	...	...	...	...	19,71.82
Taxes on Sales, Trade etc	49,02.91	54,64.84	61,05.43	71,53.76	37,02.69
State Excise	12,69.29	14,86.66	17,35.39	19,05.54	22,61.68
Stamp and Registration fees	6,86.71	7,14.06	8,70.67	7,77.58	8,82.26
Taxes on Vehicles	3,68.83	3,93.70	4,70.87	5,56.40	8,15.99
Taxes and Duties on electricity	64.66	1,92.65	1,14.76	1,88.56	3,23.62
Land Revenue	21.65	39.26	27.88	1,59.51	24.09
Other taxes	41.29	47.31	52.79	1,55.96	1,82.78
Total State's own Taxes	73,55.34	83,38.48	93,77.79	1,08,97.31	1,01,64.93

2.4 Efficiency of Tax Collection

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
1. Taxes on Sales, Trade etc.					
Revenue collection	49,03	54,65	61,05	71,54	37,03
Expenditure on Collection	59	1,68	2,83	1,86	1,90
Efficiency of Tax Collection	1.20%	3.07%	4.64%	2.60%	5.13%
2. State Excise					
Revenue collection	12,69	14,87	17,35	19,06	22,62
Expenditure on Collection	11	14	18	19	23
Efficiency of Tax Collection	0.87%	0.94%	1.04%	1.00%	1.02%
3. Stamps and Registration Fee					
Revenue collection	6,87	7,14	8,71	7,78	8,82
Expenditure on Collection	20	29	32	24	22
Efficiency of Tax Collection	2.91%	4.06%	3.67%	3.08%	2.49%
4. Taxes on vehicles					
Revenue collection	3,69	3,94	4,71	5,56	8,16
Expenditure on Collection	0.39	0.42	0.50	0.38	0.36
Efficiency of Tax Collection	0.11%	0.11%	0.11%	0.07%	0.04%

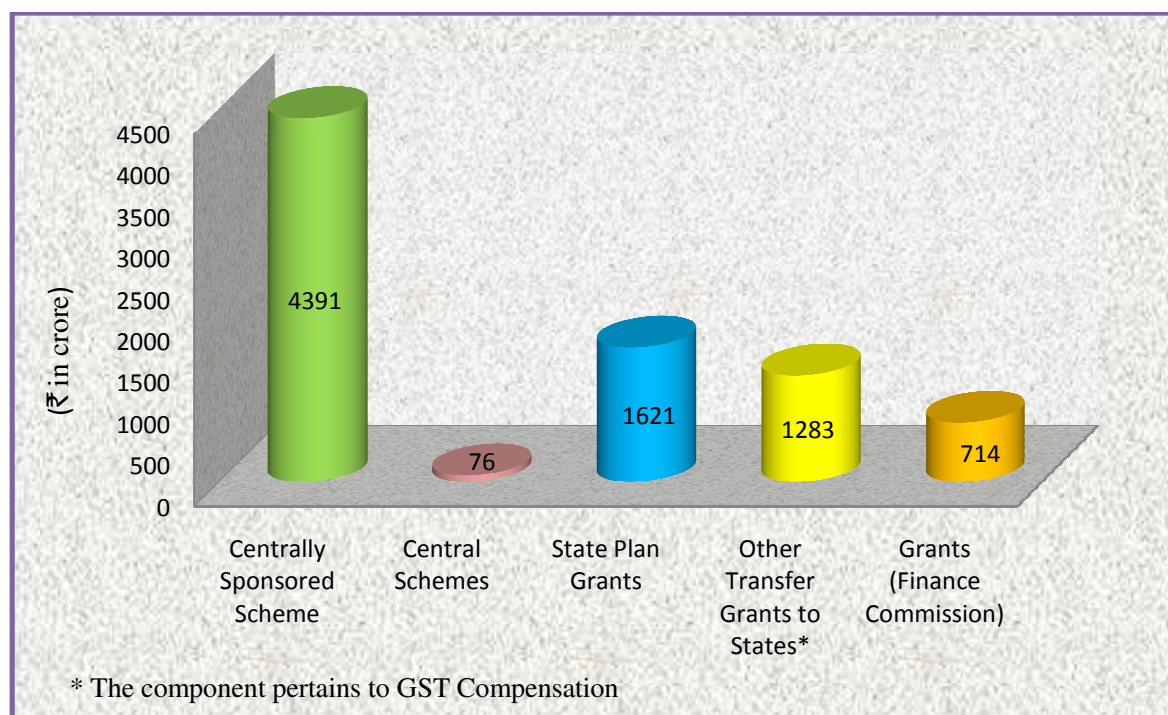
2.5 Trend in State's share of Union Taxes over the past five years

(₹ in crore)

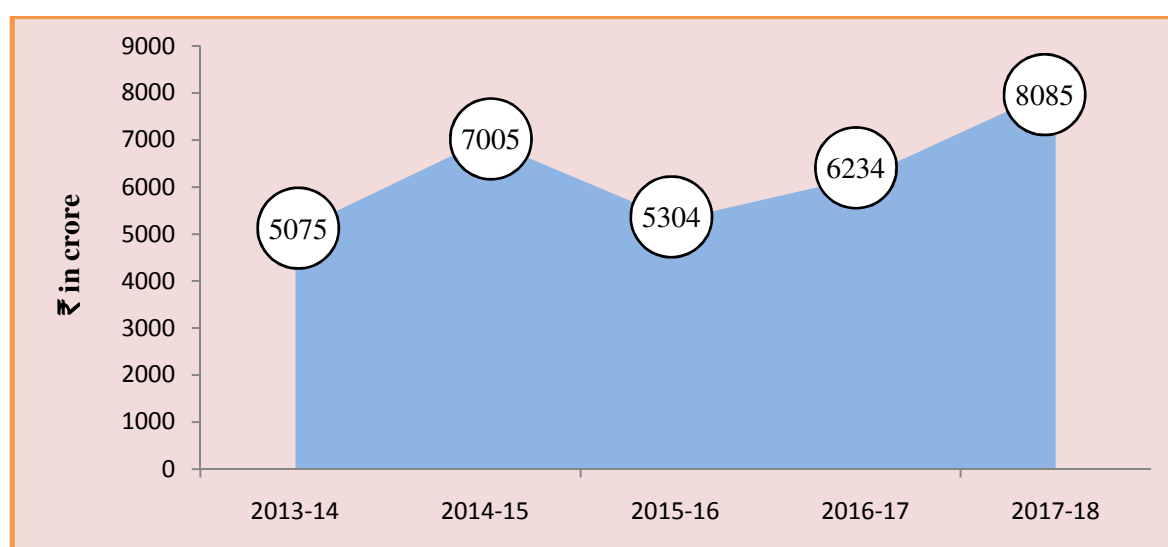
Description	2013-14	2014-15	2015-16	2016-17	2017-18
Central Goods and Services Tax (CGST)	...	...	...	...	1,01
Integrated Goods and Services Tax (IGST)	...	...	...	...	7,15
Corporation Tax	12,02	13,24	16,77	20,56	21,70
Taxes on Income other than Corporation Tax	7,91	9,46	11,63	14,29	18,32
Taxes on Wealth	3	4	0*	5	
Customs	5,83	6,13	8,55	8,84	7,15
Union Excise Duties	4,12	3,46	7,14	10,10	7,48
Service Tax	5,82	5,59	9,20	10,28	8,04
Other Taxes and Duties on Commodities and Services	..	..	4	2	
State Share of Union Taxes/Duties	35,73	37,92	53,33	64,12	70,85
Total Tax Revenue	1,09,29	1,21,31	1,47,11	1,73,09	1,72,50
Percentage of Union Taxes to total Tax Revenue	33	31	36	37	41

2.6 Grants-in-aid

Grants-in-aid represent assistance from the Government of India, grant for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Niti Aayog and Grants recommended by the Finance Commission. Total receipts during 2017-18 under Grants-in-aid were ₹ 80,85 crore as shown below:-



The Share of Centrally Sponsored Schemes, State Plan Grants and Central Plan Scheme increased in the year 2017-18 as compared to the year 2016-17 by about 13 *per cent* from ₹ 54,10.55 crore to ₹ 60,87.83 crore, whereas other transfer of grants to State was ₹12,83.00 crore.



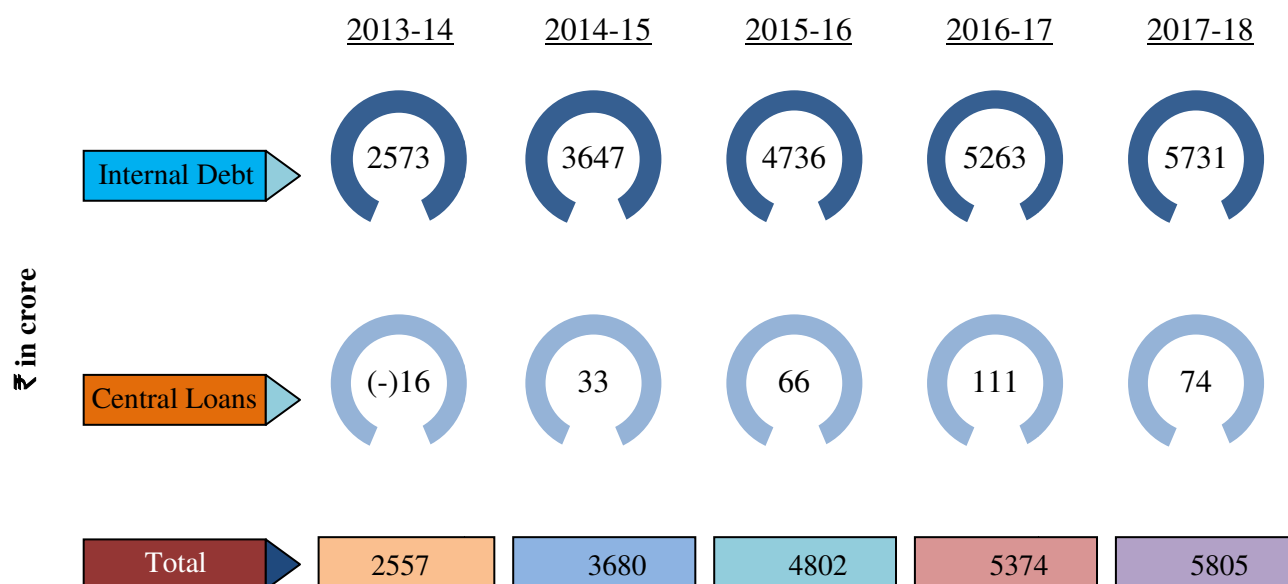
2.7 Public Debt

Trend of position of Public Debt over the past five years-

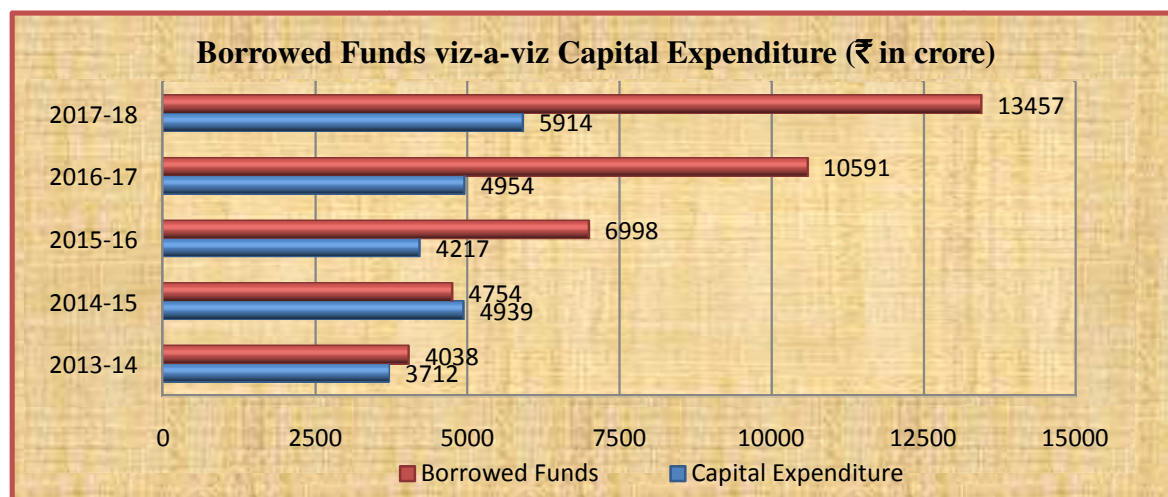
(₹ in crore)

Description	2013-14	2014-15	2015-16	2016-17	2017-18
Internal Debt	25,73	36,47	47,36	52,63	57,31
Central Loans	(-) 16	33	66	1,11	74
Total Public Debt	25,57	36,80	48,02	53,74	58,05

Note: Negative figures indicate that repayment is in excess of Receipts.



During the year 2017-18, Nineteen loans totaling ₹ 66,60.00 crore were raised from the open market at interest rates varying from 7.59 per cent to 8.14 per cent and the same are redeemable in the year 2028. In addition, the State Government raised loan of ₹ 7,51.72 crore from the financial institutions. An amount of ₹ 59,30.91 crore obtained from ways and Means Advances from the Reserve of India. Thus the total Internal Debt raised by the Government during the year 2017-18 aggregated to ₹ 1,33,42.62 crore. The Government also received ₹1,14.36 crore from Government of India as loans and advances.

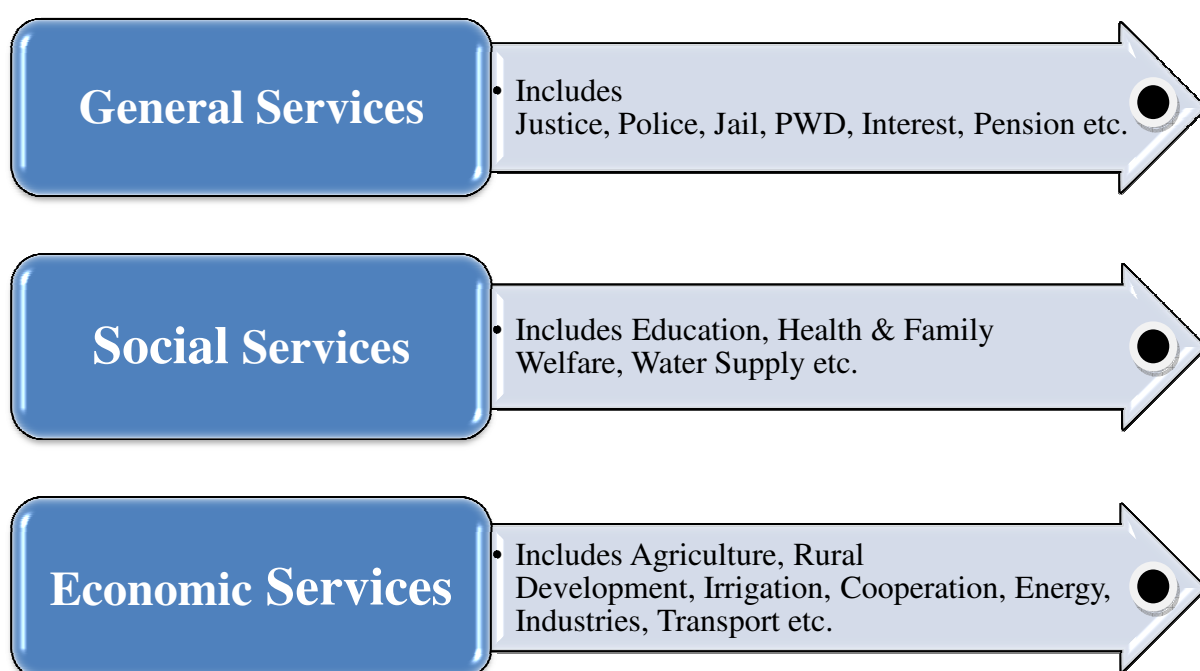


Chapter III Expenditure

3.1 Introduction

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

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



3.2 Revenue Expenditure

The excess of revenue expenditure against estimates during the past five years is given below:-

(₹ in crore)

Description	2013-14	2014-15	2015-16	2016-17	2017-18
Budget Estimates	1,80,54	2,37,92	2,57,39	3,22,50	3,15,51
Actuals	1,62,16	2,11,64	2,30,86	2,52,72	2,90,83
Gaps	18,38	26,28	26,53	69,78	24,68
Percentage of variation of Actuals against BE	10	11	10	22	8

Around 68 *per cent* of the total revenue expenditure was incurred on committed expenses viz. Salaries (₹ 1,04,96 crore), Interest payment (₹ 39,87 crore) and Pensions (₹ 50,33 crore) and subsidies (₹ 1,86 crore).

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

(₹ in crore)

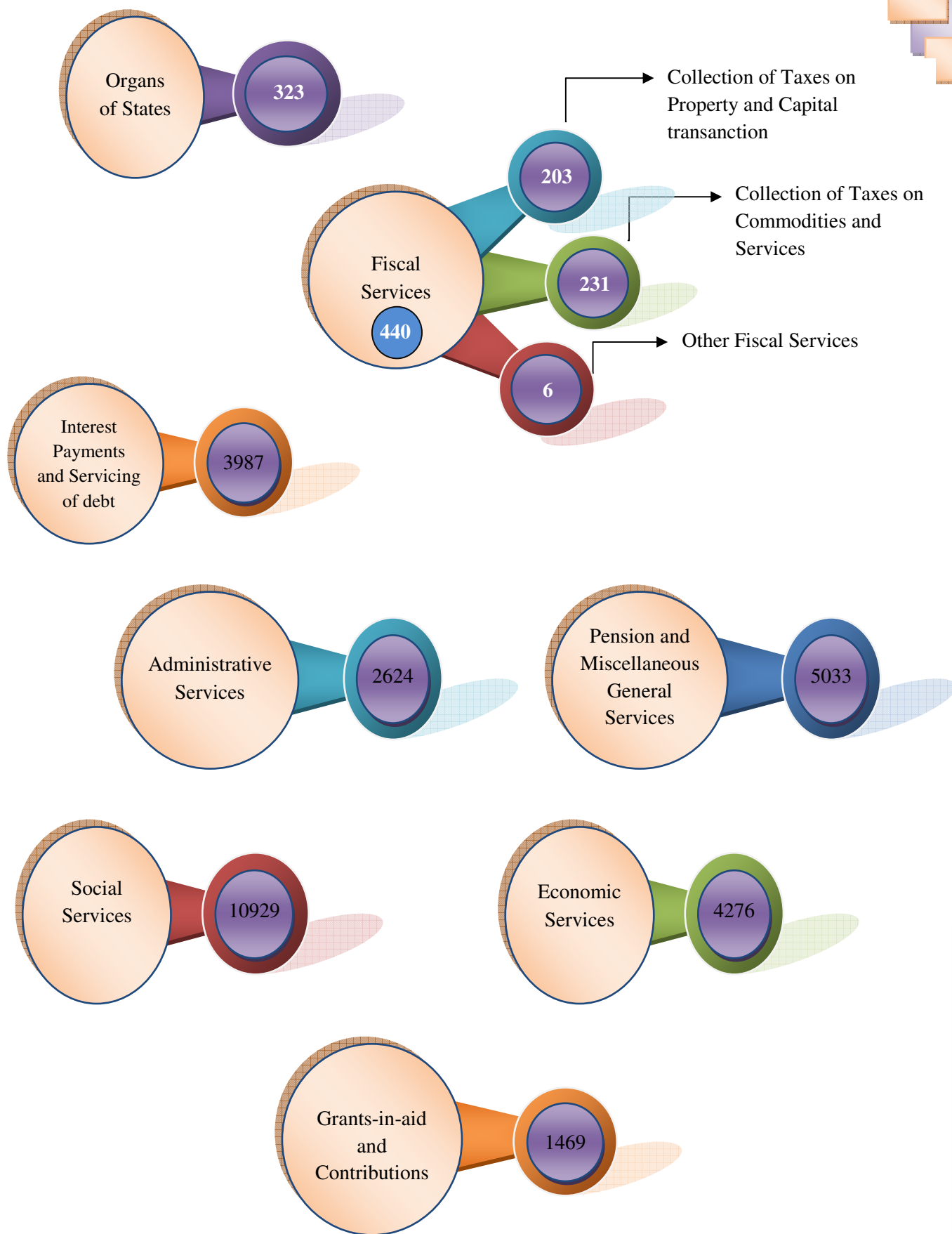
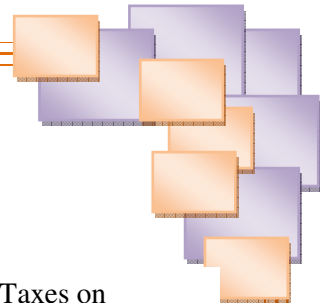
Component	2013-14	2014-15	2015-16	2016-17	2017-18
Committed Expenditure	1,06,42	1,23,75	1,36,58	1,57,71	1,97,02
Revenue Expenditure	1,62,16	2,11,64	2,30,86	2,52,72	2,90,83
Revenue Receipts	1,73,21	2,02,47	2,12,34	2,48,89	2,71,05
Percentage of Committed expenditure to Revenue expenditure	66	58	59	62	68
Uncommitted revenue expenditure	55,74	87,89	94,28	95,01	93,81

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has decrease during the 2017-18. The total revenue expenditure increased by 79 *per cent* from ₹ 1,62,16 crore in 2013-14 to ₹2,90,83 crore in 2017-18 and committed revenue expenditure increased by 85 *per cent* over the same period.

3.2.1 Sectoral distribution of Revenue Expenditure (2017-18)

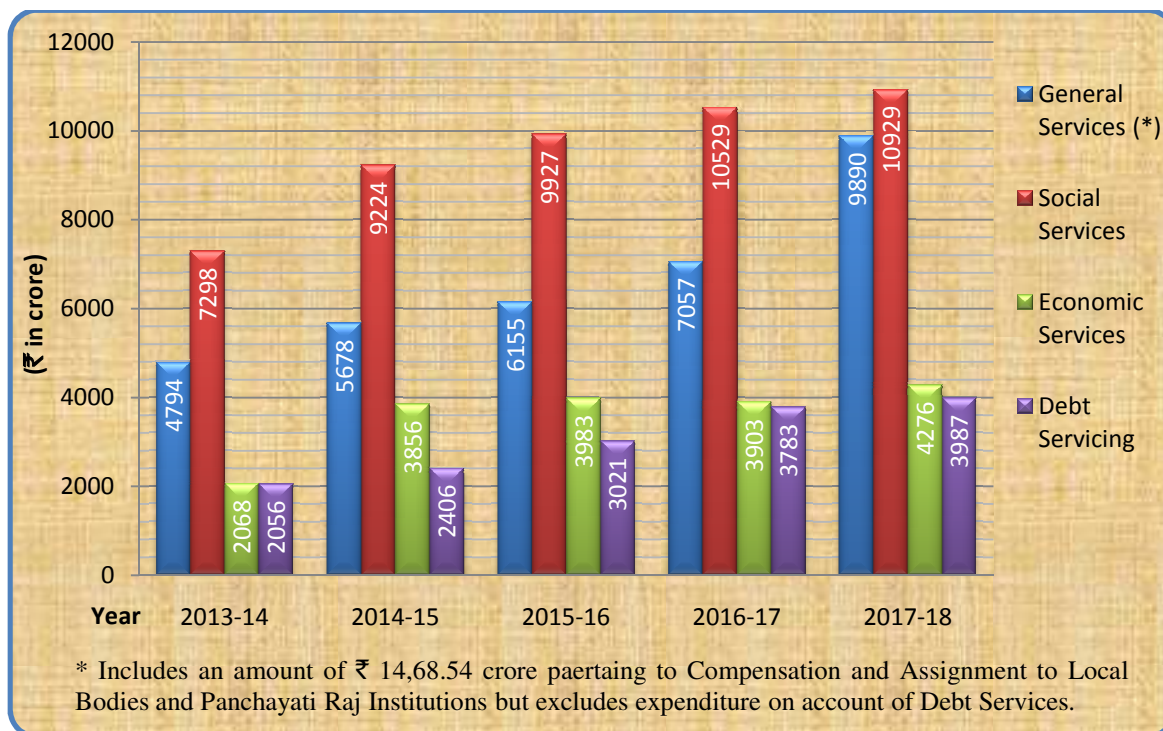
(₹ in crore)

	Components	Amount	Percentage
A.	Organs of State	3,22.80	1.11
B.	Fiscal Services	4,40.45	1.51
(i)	Collection of Taxes on Property and Capital transactions	2,03.20	0.70
(ii)	Collection of Taxes on Commodities and Services	2,31.35	0.80
(iii)	Other Fiscal Services	5.90	0.02
C.	Interest Payments and Servicing of debt	39,87.29	13.71
D.	Administrative Services	26,24.49	9.02
E.	Pension and Miscellaneous General Services	50,33.47	17.31
F.	Social Services	1,09,29.44	37.58
G.	Economic Services	42,76.21	14.70
H.	Grants-in-aid (Compensation and Assignment to local Bodies and Panchayati Raj Institution)	14,68.54	5.05
	Total Expenditure (Revenue Account)	2,90,82.69	1,00.00



3.2.2 Major components of Revenue Expenditure 2013-14 to 2017-18

Trend of major components of Revenue Expenditure



3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital disbursements during 2017-18 amounting for ₹ 59,14 crore (2.72 per cent of GSDP) were excess than Budget Estimates by ₹400 crore. The Capital Expenditure has grown by 59 per cent from ₹ 37,12 crore in 2013-14 to ₹ 59,14 crore in 2017-18. The yearly growth of GSDP has been in the range of 8 to 13 per cent:-

		(₹ in crore)				
S.No.	Components	2013-14	2014-15	2015-16	2016-17	2017-18
1	Budget (B.E.)	48,74	45,91	40,05	57,44	55,14
2	Actual Expenditure (#)	37,12	49,39	42,17	49,54	59,14
3	Percentage of Actual Exp. to B.E.	76.16	107.58	105.29	86.25	107.25
4	Yearly growth in Capital Expenditure	4.80	33.05	-14.62	17.48	19.38
5	GSDP	14,90,74	16,14,39	17,61,71	19,51,92	21,76,09
6	Yearly Growth in GSDP	13.27	8.29	9.13	10.80	11.48

(#) Does not include expenditure on Loans and Advances

3.3.1 Sectoral distribution of Capital Expenditure

During 2017-18, the Government spent ₹1,74.80 crore on various Irrigation Projects (₹1,38.37 crore on Major Irrigation and ₹32.33 crore on Minor Irrigation). Apart from above, ₹ 1,40.15 crore on Flood Control Projects, ₹ 87.01 crore on Power Projects, the Government spent ₹14,00.51 crore on construction of Roads and Bridges and invested ₹0.5 crore in Statutory Corporations/Boards, and ₹ 85 crore in Government and other Companies and Co-operative societies.

3.3.2 Sectoral distribution of capital and revenue expenditure

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

(₹ in crore)

S.No.	Sector		2013-14	2014-15	2015-16	2016-17	2017-18
1	General Services	Capital	1,38	2,14	1,11	72	8,04
		Revenue	61,82	74,02	84,10	99,34	1,24,09
2	Social Services	Capital	8,41	12,31	8,64	9,48	10,86
		Revenue	72,98	92,24	99,27	1,05,29	1,09,29
3	Economic Services	Capital	27,33	34,94	32,42	39,34	40,24
		Revenue	20,68	38,56	39,83	39,03	42,76
4	Grant-in-aid and Contribution	Capital	-	-	-	-	-
		Revenue	6,68	6,81	7,66	9,06	14,69

Chapter IV Appropriation Accounts

4.1 Summary of Appropriation Accounts for 2017-18

(₹ in crore)

S l.	Nature of Expenditure	Original Grant	Supplementary Grant	Surrender	Total	Actual Expenditure	Saving (-) Excess (+)
1	Revenue Voted Charged	2,68,34.00 47,16.83	21,65.44 4.69	1,62.72 3.64	2,88,36.72 47,17.88	2,50,32.46 40,50.41	(-) 38,04.26 (-) 6,67.47
2	Capital Voted Charged	55,11.37 3.00	8,27.61 0.00	70.93 0.00	62,68.05 3.00	66,33.44 0.00	(+) 3,65.39 (-) 3.00
3	Public Debt Charged	26,40.23	0.00	0.00	26,40.23	76,51.62	(+) 50,11.39
4	Loans and Advances Voted	2,52.35	18.00	0.00	2,70.35	76.83	(-) 1,93.52
	Grand Total	3,99,57.78	30,15.74	2,37.29	4,27,36.23	4,34,44.76	(+) 7,08.53

4.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Saving (-) / Excess (+)					
Year	Revenue	Capital	Public Debt	Loans and Advances	Total
2013-14	(-) 40,46.36	(+) 4,46.44	(-) 6,70.67	(-) 1,27.93	(-) 43,98.52
2014-15	(-) 59,02.83	(-) 1,71.44	(-) 6,83.74	(-) 1,96.52	(-) 69,54.53
2015-16	(-) 46,64.04	(+) 9,88.15	(-) 5,79.98	(-) 88.95	(-) 43,44.82
2016-17	(-) 73,41.18	(+) 3,58.67	(+) 31,86.45	(-) 2,45.97	(-) 40,42.03
2017-18	(-) 44,71.73	(+) 3,62.39	(+) 50,11.39	(-) 1,93.52	(+) 7,08.53

4.3 Significant Savings

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

(₹ in crore)

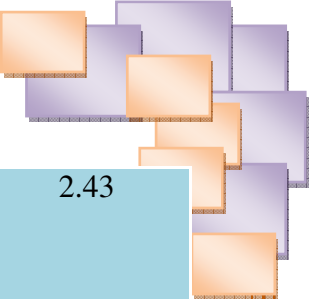
Grant No.	Nomenclature	2013-14	2014-15	2015-16	2016-17	2017-18
04	Judicial Administration	49	62	67	121	30
06	Revenue & General Administration	1482	1044	674	1360	969
11	Education, Sports, Youth Welfare and Culture	820	931	1182	1465	551
12	Medical, Health & Family Welfare	304	421	547	484	592
13	Water Supply, House & Urban Development	583	653	475	590	364
15	Welfare	184	416	436	522	368
19	Rural Development	242	871	178	555	612
21	Energy	326	383	107	314	196
30	Welfare of Scheduled Castes	510	569	625	660	307
31	Welfare of Scheduled Tribes	140	137	179	197	126

During 2017-18, supplementary grants totalling ₹ 30,15.74 crore (7.55 per cent of total original grant) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below-

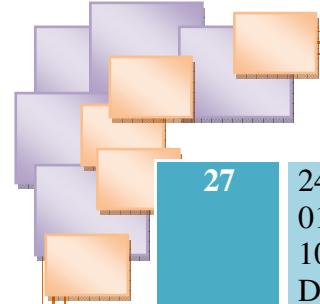
(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
03	2013-Council of Ministers 800-Other Expenditure 03-Miscellaneous Expenditure by Ministers & Deputy Ministers	Revenue Voted	8.11	0.40	4.84
04	2014-Administration of Justice 105-Civil and Session Courts 04-Family Court	Revenue Voted	6.42	2.05	5.63

04	2014-Administration of Justice 108-Criminal Courts 03-Regular Establishment	Revenue Voted	16.56	1.02	13.51
04	2014-Administration of Justice 102-High Courts 03-High Court	Revenue Charged	36.02	3.40	32.22
06	2029-Land Revenue 103-Land Records 03-District Establishment	Revenue Voted	1,26.45	1.75	1,15.25
07	2052-Secretariat-General Services 091-Attached Offices 03-State-Estate Department	Revenue Voted	34.39	6.51	33.76
07	2052-Secretariat-General Services 800-Other Expenditure 06-Amount related to Decree by Honorable Courts	Revenue Charged	2.00	0.50	0.90
10	2055-Police 108-State Headquarters Police 04-State Disaster Response Force	Revenue Voted	33.98	2.80	33.04
11	2202-General Education 02-Secondary Education 110-Assistance to Non-Govt. Secondary Schools 04- Assistance to Non-Govt. Secondary Schools	Revenue Voted	8.40	0.50	3.71
11	4202-Capital Outlay on Education, Sports, Art and Culture 01-General Education 202-Secondary Education 01-Central Plan/Centrally Sponsored Schemes	Capital Voted	45.10	10.00	35.00
12	4210-Capital Outlay on Medical and Public Health 03-Medical Education Training and Research 105-Allopathy 01-Central plan/Centrally Sponsored Schemes	Capital Voted	63.00	13.16	12.87



13	2217-Urban Development 80-General 001-Direction and Administration 03-Election in Nagar Panchayats	Revenue Voted	2.70	19.54	2.43
13	4215-Capital Outlay on Water Supply and Sanitation 02-Sewerage and Sanitation 105-Sanitation Services 01-Centrally Sponsored Schemes	Capital Voted	2,30.00	50.00	1,85.09
15	2225-Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities 03-Welfare of Backward Classes 277-Education 01- Central Plan/ Centrally Sponsored Schemes	Revenue Voted	16.50	5.70	7.39
15	2235-Social Security and Welfare 02-Social Welfare 200-Other Programmes 01-Centrally Sponsored Schemes	Revenue Voted	5.10	12.00	0.00
20	4700-Capital Outlay on Major Irrigation 04-Construction of Tube-wells 051-Construction 98- NABARD Funded	Capital Voted	45.00	5.00	38.21
26	3452-Tourism 80-General 104- Promotion and Publicity 18-Establishment of Government Hotel Management & Catering Institute	Revenue Voted	3.99	0.38	3.83

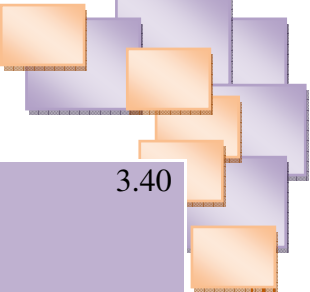


27	2406-Forestry and Wild Life 01-Forestry 101-Forest Conservation, Development and Regeneration 06-Multipurpose plantation and protection of forests	Revenue Voted	3.30	3.00	3.27
30	4215--Capital Outlay on Water Supply and Sanitation 02-Sewerage and Sanitation 105-Sanitation Services 01-Central Plan/Centrally Sponsored Schemes	Capital Voted	50.00	15.00	50.00
31	2202-General Education 02-Secondary Education 800-Other expenditure 01-Central Plan/Centrally Sponsored Schemes	Revenue Voted	8.45	2.00	4.98
31	2501-Special Programmes for Rural Development 01-Integrated Rural Development Programme 796-Tribal Area Sub-Plan 01-Central Plan/Centrally Sponsored Schemes	Revenue Voted	25.00	4.99	17.90

A few Instances where there was excess expenditure at the end of the year even after Supplementary allocations were made are given below-

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
10	2055-Police 109-District Police 04-Radio Establishment	Revenue Voted	70.61	12.62	83.87
15	2235-Social Security and Welfare 60-Other Social Security and Welfare Programmes 107-Swatantatrata Sainik samman pension scheme 03-Pension to Freedom Fighter and their Dependents	Revenue Voted	10.00	2.50	13.47



16	2230-Labour and Employment 03-Traning 001-Direction and Administration 01-Establishment of Training and Employment	Revenue Voted	2.89	0.32	3.40
20	2700-Major Irrigation 001-District and Administration 03-Direction	Revenue Voted	36.65	2.00	38.87
29	2401-Crop Husbandry 119-Horticulture and Vegetable Crops 06-Tea Development Scheme	Revenue Voted	7.00	2.00	10.50
31	2215-Water Supply and Sanitation 02-Sewerage and Sanitation 105-Sanitation Services 01- Central Plan/Centrally Sponsored Schemes	Revenue Voted	0.001	3.00	3.33
31	5054-Capital outlay on Road and Bridges 04-District and Other Roads 796-Tribal Area Sub-Plan 02-Running Work	Capital Voted	15.00	7.00	22.68

Chapter V

Assets and Liabilities

5.1 Assets

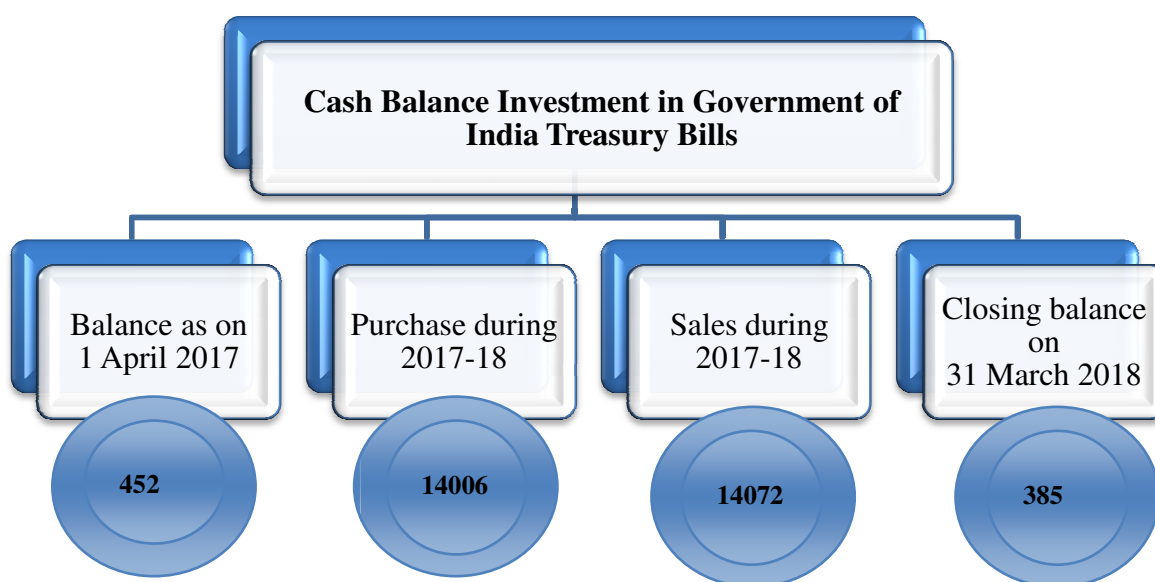
The existing forms of accounts do not clearly depict valuation of Government assets like land, building etc., except the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities arising in the current year, do not depict the overall impact of the liabilities to future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

Total investments as share capital in non-financial public sector undertakings (PSUs) stood at ₹32,09.24 crore at the end of the year of 2017-18. However, dividends received during the year were ₹22.69 crore (i.e. 0.71 *per cent*) on total investment. During 2017-18, investments increased by ₹85.51 crore while as dividend increased by ₹7.48 crore.

Cash Balance with RBI stood at ₹11,57.65 crore on 1 April 2017 and increased to ₹11,71.00 crore at the end of March 2018. In addition, Government had invested an amount of ₹14005.83 crore on 88 occasions in 14 days Treasury Bills and rediscounted Treasury Bills worth ₹14071.85 crore on 129 occasions during 2017-18. The position of investment during the year 2017-18 is depicted in the table given below:-

(₹in crore)

Cash Balance Investment in Government of India Treasury Bills			
Balance as on 1 April 2017	Purchase during 2017-18	Sales during 2017-18	Closing balance on 31 March 2018
4,52	1,40,06	1,40,72	3,85



5.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund. Government of India determines, from time to time, the limit up to which State Government can borrow from the market. The limit for 2017-18 was ₹76,16 crore. Against this Government of Uttarakhand has availed open market borrowing for ₹66,60 crore.

Details of the Public Debt and total liabilities of the State Government are as under:

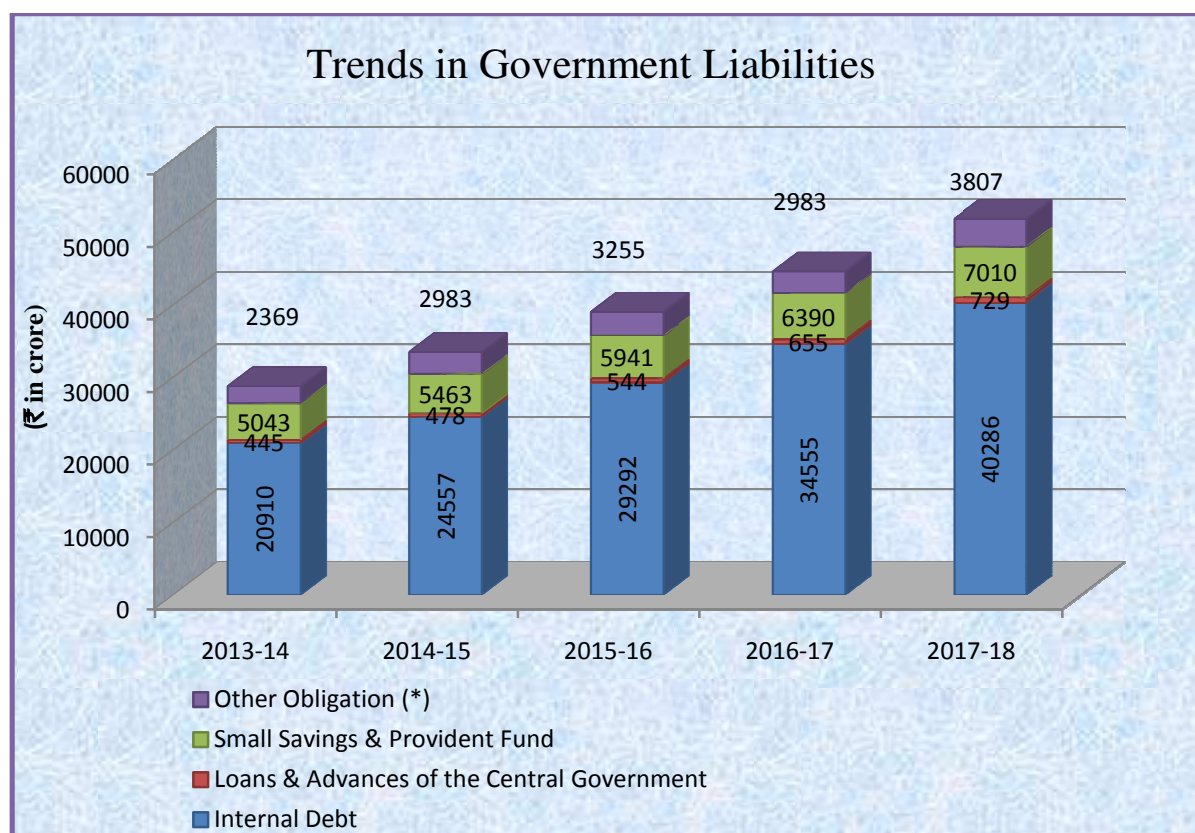
(₹ in crore)

Year	Public Debt	Per cent to GSDP	Public Account(*)	Per cent to GSDP	Total Liabilities	Per cent to GSDP
2013-14	2,13,55	14	74,12	5	2,87,67	19
2014-15	2,50,35	16	84,46	5	3,34,81	21
2015-16	2,98,36	17	91,96	5	3,90,32	22
2016-17	3,52,10	18	93,73	5	4,45,83	23
2017-18	4,10,15	19	1,08,16	5	5,18,31	24

(*) Excludes suspense and remittance balances.

Note: Figures are progressive balances to end of the year.

Public Debt and other liabilities showed a net increase of ₹ 72,49 crore (16 per cent) over the previous year.



(*) Interest & Non-interest bearing obligations such as deposits of Local Funds, other earmarked funds, etc.

5.3 Guarantees

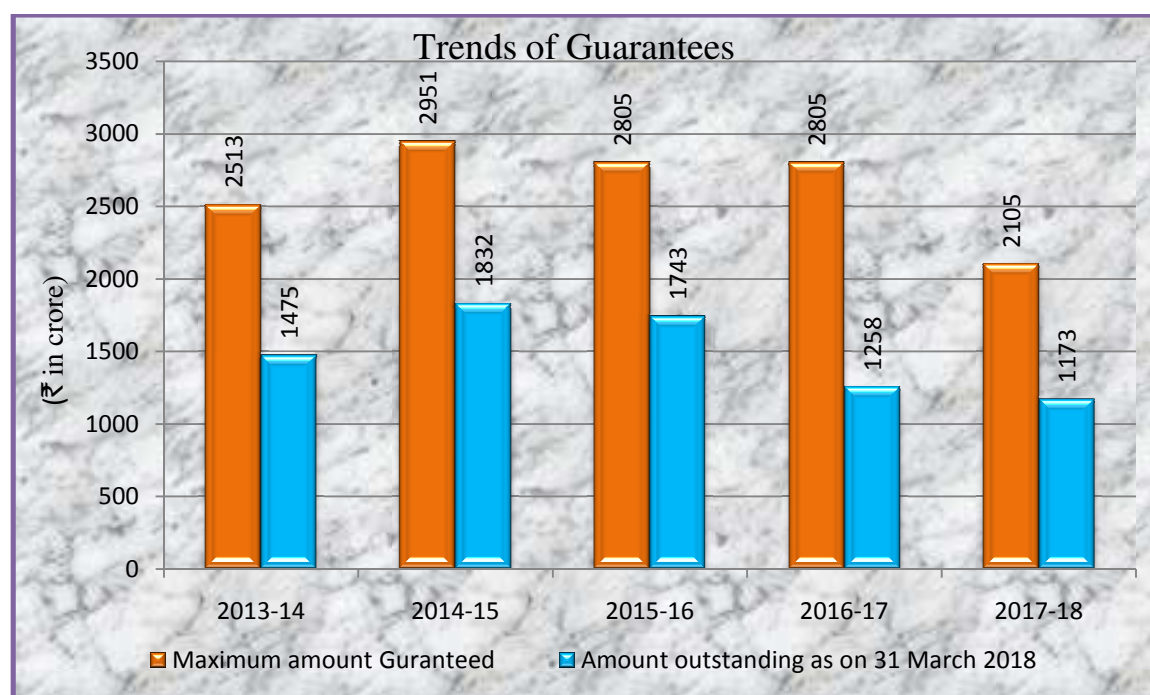
In addition to directly raising loans, State Governments also guarantees loans raised by Government companies and corporation from the market and financial institution for implementation of various plan schemes and programmes. These guarantees are projected in the State Budget. Statements 9 and 20 of the Finance Accounts on Guarantees given by the Government have been prepared as per the requirements of IGAS 1, to the extent the information was furnished by the State Government. The State Government has provided limited information on outstanding guarantees. Incomplete information regarding maximum amount of guarantees, added/ invoked/ discharged/ not discharged during the year, guarantee commission receivable/received etc., has been made available by the State Government. Information contained in the statement is incomplete to that extent.

The position of guarantees by State Government for the re-payment of loans (payment of principal and interest thereon) raised by statutory corporation, government companies, corporations, cooperative societies etc., is given below:

(₹ in crore)

At the end of the year	Maximum amount guaranteed (principal) only	Amount outstanding at the end of the year	
		Principal	Interest
2013-14	25,13(*)	14,75	Information not available
2014-15	29,51(*)	18,32	Information not available
2015-16	28,05(*)	17,43	Information not available
2016-17	28,05(*)	12,58	Information not available
2017-18	21,05(*)	11,73	Information not available

(*) Calculated on the basis of the partial information made available by the State Government.



6.1 Adverse Balances

Borrowings of State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government also guarantees loans raised by government companies and corporations from the market and financial institutions for implementation of various schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Administrative Departments and do not appear in the books of the Government. However, the loan repayments appear in Government account, resulting in irreconcilable adverse balances and understatement of liabilities in Government accounts. As on 31 March 2018 balances of Loans and Advances given by the State Government are under reconciliation.

6.2 Loans and Advances by the State Government

State Government departments maintain detailed accounts of Loans and Advances given to various beneficiaries including Government Servants. Statements 7 and 18 of the Finance Accounts on Loans and Advances given by the Government have been prepared as per the requirements of IGAS 3, to the extent the information was furnished by the State Government. State Government departments have not furnished details of outstanding principal and loans that are sanctioned in perpetuity. Consequently, the requirements of IGAS 3 have not been fully met in these accounts. Government is required to reconcile the Loans and Advances figures as shown in the Finance Accounts with those available in the books of various PSUs and other bodies which have not been done.

Total outstanding Loans and Advances made by the State Government at the end of 2017-18 was ₹ 17,69.97 crore. Out of this, loans and advances to Government Corporation/Companies, non-Government Institutions and Local Bodies amounted to ₹ 71.31 crore. The information relating to recovery of interest in arrear was not made available by the State Government. During 2017-18 only ₹ 33.51 crore was received towards repayment of loans and advances, out of which ₹ 1.97 crore relates to repayment of loans to Government Servants. Effective steps to recover the outstanding loans would help the Government to improve its fiscal position.

Yearly balances are communicated to the State Government for acceptance. From the year 2000-01 upto the year 2017-18 total 328 number of acceptance are awaited for an amount of ₹ 31,70.45 crore pertaining to following four Major Heads of Accounts. The balances are under reconciliation.

S.No.	Major Head	Number of Acceptance Awaited	Amount (₹ in crore)
1.	6401-Loans for Crop Husbandry	07	361.82
2.	6425-Loans for Co-operations	99	25.50
3.	6801- Loans for Power Projects	216	27,69.71
4.	7055-Loans for Road Transport	06	13.42
Total		328	31,70.45

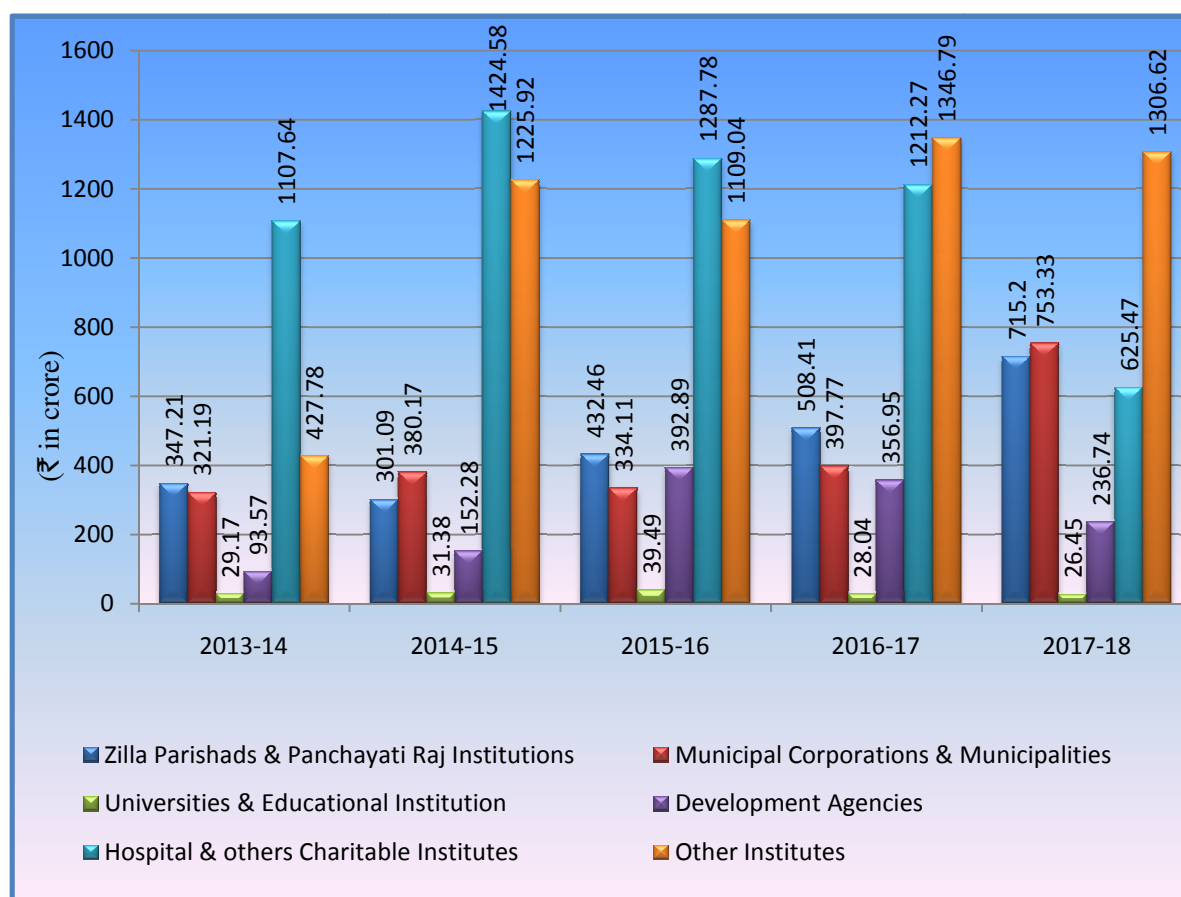
6.3 Financial Assistance to Local Bodies and others

As per Indian Government Accounting Standard (IGAS) 2, expenditure on Grants-in-Aid is recorded as revenue expenditure in the books of the grantor and as revenue receipt in the books of the recipient regardless of end utilization. The Government of Uttarakhand continued to operate and allot funds as Grants-in-Aid to State Government entities in the Capital Section besides Revenue Section. During the year 2017-18 such grants were given under six Capital Major Heads. This contravened the Indian Government Accounting Standards (IGAS) 2, notified by the Government of India, wherein it has been stated that, expenditure on Grants-in-Aid for the purpose of creating assets shall not, except in cases specifically authorized by the President on the advice of the Comptroller and Auditor General, be debited to a Capital Head of account in the financial statements of the Government. Further, one of the requirements of IGAS-2 is depiction of Grants-in-Aid in kind, regarding which no information has been given by the State Government.

Grants-in-aid given to local bodies, autonomous bodies etc, increased from ₹ 23,26.56 crore in 2013-14 to ₹ 36,63.81 crore in 2017-18. Grants to Zilla Parishads and Panchayats Raj institutions, Municipal Corporations and Municipalities (₹ 14,68.53 crore) represent 40.08 per cent of total grants given during the year. Details of Grants-in-aid for the past five years are as under:

(₹ in crore)

S.No	Name of Institutions	2013-14	2014-15	2015-16	2016-17	2017-18
1.	Zilla Parishads & Panchayati Raj Institutions	3,47.21	3,01.09	4,32.46	5,08.41	7,15.20
2.	Municipal Corporations & Municipalities	3,21.19	3,80.17	3,34.11	3,97.77	7,53.33
3.	Universities & Educational Institution	29.17	31.38	39.49	28.04	26.45
4.	Development Agencies	93.57	1,52.28	3,92.89	3,56.95	2,36.74
5.	Hospital & others Charitable Institutes	11,07.64	14,24.58	12,87.78	12,12.27	6,25.47
6.	Other Institutes	4,27.78	12,25.92	11,09.04	13,46.79	13,06.62
	Total	23,26.56	35,15.42	35,95.77	38,50.23	36,63.81



Details of Grants-in-aid for creation of Assets for the past five years are as under:

(₹ in crore)

S.No	Name of Institutions	2013-14	2014-15	2015-16	2016-17	2017-18
1.	Zilla Parishads & Panchayati Raj Institutions	...	...	...	...	...
2.	Municipal Corporations & Municipalities	...	...	...	...	...
3.	Universities & Educational Institution	56.54	30.65	13.22	4.75	4.00
4.	Development Agencies	...	...	...	...	...
5.	Hospital & others Charitable Institutes	...	...	...	...	...
6.	Other Institutes	319.19	368.56	518.74	544.80	712.52
	Total	375.73	399.21	531.96	549.55	716.52

6.4 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2017	As on 31 March 2018	Net increase (+)/ decrease (-)
Cash Balances	11,57.65	11,71.00	(+) 13.35
Investments from cash balance (GOI Treasury bills)	4,51.51	3,85.49	(-) 66.02
Investment from earmarked fund balances	11,88.62	11,88.62	0.00
(a) Sinking fund	11,53.62	11,53.62	0.00
(b) Guarantee Redemption Fund	35.00	35.00	0.00
Interest realized during the year	24.06	14.05	(-) 10.01

State Government had a positive closing cash balance at the end of 31 March 2018. Interest receipt on the investment of cash balance has decreased by 41.60 per cent from ₹ 24.06 crore to ₹ 14.05 crore.

6.5 Reconciliation of Accounts

Chief Controlling Officer (CCOs)/Controlling Officers (COs) are required to reconcile the receipts and expenditure figures of the Government with the figures accounted for by the office of the Accountant General (A&E). The status of reconciliation of accounts in respect of the Chief Controlling Officers (CCO's) of different departments is given below.

Particulars	Total number of CCOs	Fully reconciled	Partially reconciled	Not reconciled
Receipts	48	31	5	12
Expenditure	62	33	15	14

During the year 2017-18, such reconciliation has been done by 48 Chief Controlling Officers out of 62 Chief Controlling Officers (77.42 per cent) for an amount of ₹ 31,263.90 crore (89.33 per cent of total expenditure of ₹ 34,997.06 * crore) and by 36 Chief Controlling Officers out of 48 Chief Controlling Officers (75 per cent) for an amount of ₹ 23,860.46 crore (88.03 per cent of total receipts of ₹ 27,104.57 crore). Persistent defaulters in reconciliation are listed below.

Sl. no.	Name of the Department/ Chief Controlling Officer	Nature of Transaction	Year/ Years pending
1.	Commissioner Relief, Revenue Department, Uttarakhand Government	Expenditure	2013-14 to 2017-18
2.	Principal Secretary, Finance, Uttarakhand Government, Dehradun	Expenditure	2013-14 to 2017-18
3.	Secretary, State Estate Department, Uttarakhand Government, Dehradun	Expenditure	2013-14 to 2017-18
4.	Secretary, Public Service Commission, Gurukul Kangri, Haridwar	Expenditure	2013-14 to 2017-18

6.6 Submission of Accounts by Accounts rendering units

The accounts of receipts and expenditure of the Government of Uttarakhand have been compiled based on the initial account rendered by 20 Treasuries, 114 Public Works Divisions, 56 Forest Divisions, 84 Irrigation and other Divisions and Advices of the Reserve Bank of India. Rendition of monthly accounts by the Accounts Rendering Units of the State Government was satisfactory and no accounts remained excluded at the end of the financial year.

6.7 Advance Payments

When money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to calculate the exact amounts required, they are permitted to draw money without supporting documents through AC bills. Such AC bills are required to be settled, within a maximum of 30 days, through submission of DC bills. At the end of 31 March 2018, 16 DC Bills amounting to ₹ 0.59 crore remained outstanding. This indicates that rules have not been properly followed and expenditure shown cannot be vouched as final. The position of the outstanding AC bills as on 31 March 2018 is given below.

(₹ in crore)

Year	Number of AC Bills drawn		Number of AC Bills adjusted		Pending Bills	
	Number	Amount	Number	Amount	Number	Amount
Upto 2015-16	127	10.30	122	9.95	05	0.35
2016-17	171	9.90	164	9.72	07	0.18
2017-18	17	0.61	13	0.55	04	0.06
Total	315	20.81	299	20.22	16	0.59

Prolonged non-submission of supporting DCC bills renders the expenditure under AC bills opaque and expenditure shown in the Finance Accounts cannot be vouched as correct or final to that extent. Major defaulting departments/DDOs which have not submitted DC bills, are Deputy District Election Officer, Pithoragarh (₹ 0.35 crore, 59.32 per cent), Bal Vikas Pariyojana Adhikari, Almora (₹ 0.10 crore, 16.96 per cent), Sahayak Jila Nirvachan Adhikari, Uttarakashi (₹ 0.08 crore, 13.56 per cent), Chief Medical Officer, Pithoragarh (₹ 0.03 crore, 5.08 per cent). Out of outstanding DCC bills of ₹ 0.59 crore, DCC Bills to the tune of ₹ 0.48 crore have been received and adjusted upto July 2018, leaving only DCC Bills of ₹ 0.11 crore as outstanding.

6.8 Status of Suspense Balances

Details of outstanding balances under Major Head 8658 Suspense Account is as under:-

(₹ in crore)

Name of Minor Head	2014-15		2015-16		2016-17		2017-18	
	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr
8658-Suspense Accounts								
101-Pay and Accounts Office-Suspense	63.02	3.17	90.04	3.18	21.87	3.18	8.27	(-)38.97
Net	(Dr) 59.85		(Dr) 86.86		(Dr) 18.69		(Dr) 47.24	
102-Suspense Accounts (Civil)	555.05	330.17	555.18	366.95	565.00	367.15	5,52.63	4,09.83
Net	(Dr) 224.88		(Dr) 188.23		(Dr) 197.85		(Dr) 142.80	
107- Cash Settlement Suspense Account	3.16	0.26	3.16	0.26	3.16	0.26	3.16	0.26
Net	(Dr) 2.90		(Dr) 2.90		(Dr) 2.90		(Dr) 2.90	
109-Reserve Bank Suspense Headquarters'	0.00	0.01	0.00	0.01	-0.26	-0.25	(-)0.26	(-)0.25
Net	(Cr) 0.01		(Cr) 0.01		(Cr) 0.01		(Cr) 0.01	
110-Reserve Bank Suspense-Central Accounts Office	433.17	219.62	379.17	219.62	261.96	219.61	2,19.66	2,19.61
Net	(Dr) 213.55		(Dr) 159.55		(Dr) 42.35		(Dr) 0.05	
112-Tax Deducted at Source (TDS) Suspense	28.03	84.57	28.03	142.77	28.03	146.75	28.03	1,98.81
Net	(Cr) 56.54		(Cr) 114.74		(Cr) 118.72		(Cr) 1,70.78	
113-Provident Fund Suspense	24.40	24.39	24.42	24.50	24.72	25.14	24.74	25.47
Net	(Dr) 0.01		(Cr) 0.08		(Cr) 0.42		(Cr) 0.73	
117-Transaction on behalf of Reserve Bank	18.12	16.63	18.12	16.63	18.12	16.63	18.12	17.94
Net	(Dr) 1.49		(Dr) 1.49		(Dr) 1.49		(Dr) 0.18	
123-A.I.S Officers Group Insurance Scheme	0.15	0.39	0.21	0.42	0.21	0.45	0.25	0.48
Net	(Cr) 0.24		(Cr) 0.21		(Cr) 0.24		(Cr) 0.23	
129-Material Purchase Settlement Suspense Account	0.03	-0.73	0.03	-0.73	0.03	-0.73	0.03	(-)0.73
Net	(Dr) 0.76		(Dr) 0.76		(Dr) 0.76		(Dr) 0.76	
8782- Cash Remittances and adjustments between officers rendering Accounts to the Same Accounts Officer								
102-Public Works Remittances	30,38.64	45,36.15	65,26.29	81,66.23	2653.10	2759.28	12,83.25	14,06.60
Net	(Cr) 14,97.51		(Cr) 16,39.94		(Cr) 106.18		(Cr) 123.35	
103- Forest Remittances	4,92.16	6,29.93	9,02.39	9,72.98	38.70	67.40	2,46.94	2,53.29
Net	(Cr) 1,37.77		(Cr) 70.59		(Cr) 28.70		(Cr) 6.35	
8793-Inter State Suspense Account	21,14.39	13,07.95	20,81.28	13,08.85	2086.73	1309.31	20,71.79	13,09.85
Net	(Dr) 8,06.44		(Dr) 7,72.43		(Dr) 777.42		(Dr) 761.94	

6.9 Status of Outstanding Utilization Certificate

Details of outstanding utilization Certificate in respect of Grants sanctioned by the State Government as under:-

Year	Number of Utilization Certificates awaited	Amount (₹ in crore)
Up to 2015-16	63	1,23.62
2016-17	39	41.30
2017-18#	107	1,78.12
Total	209	3,43.04

Except where the Sanction order specifies otherwise, UC's in respect of Grants-in-aid drawn during 2017-18 become due only in 2018-19.

Major defaulting departments who have not submitted UC's as on 31 March 2018, are District Panchayat Raj Adhikari, Dehradun (₹ 53.56 crore, 15.61 per cent), District Magistrate, Dehradun (₹ 48.82 crore, 14.23 per cent), Managing Director, UPCL, Dehradun (₹ 43.31 crore, 12.63 per cent), District Panchayat Raj Adhikari, Almora (₹ 32.69 crore, 9.53 per cent), Additional Director, Directorate of urban Development Uttarakhand (₹ 24.63 crore, 7.18 per cent), District Panchayat Raj Adhikari, Champawat (₹ 18.03 crore, 5.26 per cent), District Panchayat Raj Adhikari, Rudrapur (₹ 15.72 crore, 4.58 per cent), District Panchayat Raj Adhikari, Uttarakashi (₹ 15.63 crore, 4.56 per cent). Out of the total UC's amounting to ₹ 343.04 crore, UCs to the tune of ₹ 71.43 crore have been received upto June 2018.

6.10 Commitments on account of Incomplete Capital works

A total expenditure of ₹ 6,31.94 crore as per Appendix IX in Volume II of the Finance Accounts was incurred upto the year 2017-18 by the State Government on various incomplete projects against an original estimated cost of ₹ 10,90.46 crore.

The original estimated cost (₹ 10,90.46) had escalated by 16.49 per cent on various projects. Abnormal increase in revised estimates was noticed in respect of Road Construction works. A summarized view on commitments on account of 'Incomplete Capital Works' is furnished below:

S. No	Category of works (no. of works)	Estimated cost of work	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Estimated cost after revision
1.	Building Works (19)	1,62,05.14	38,95.19	1,12,32.10	39,97.97	....
2.	Irrigation and Flood Control Works (14)	1,34,31.24	31,36.16	1,14,30.16	13,63.74	....
3.	Road Construction Works (227)	7,94,09.35	1,78,61.11	4,05,31.72	1,26,22.31	2,21,75.73
	Total	10,90,45.73	2,48,92.46	6,31,94.13	1,79,84.02	2,21,75.73

6.11 New Pension Scheme

State Government employees recruited with effect from 1 October 2005 are eligible for the New Pension Scheme, which is a defined contribution scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his basic pay and dearness allowance, which is matched by the State Government as employer share, the entire amount is transferred to designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

As per prescribed procedure, both the contributions are to be initially credited to the Public Account under Major Head 8342-Other Deposits-117 Defined Contribution Pension Scheme for Government Employees. Thereafter, the entire amount is to be transferred to the National Securities Depository Limited (NSDL)/ Trustee Bank through the designated fund manager in the same year itself.

The actual amount payable by employees and the matching Government contribution has not been estimated. However, as per the information furnished by the State Government, during the year, both employees contribution (₹ 308.76 crore) and matching government contribution (₹ 308.76 crore) amounting to ₹ 617.52 crore has been booked under MH-8342-117-Defined Contribution Pension Scheme for Government employees. A total amount of ₹ 637.05 crore has been transferred to NSDL.

Further, the State Government had parked the legacy balances of ₹ 170.38 crore in the Public Account under Major Head 8342-117 –Defined Contribution Pension Scheme for Government employees. During the year, no interest has been credited to the Fund. However an amount of ₹ 19.53 crore has been transferred to NSDL leaving a balance of ₹ 150.85 crore in the Fund. Uncollected, unmatched and untransferred amounts, with accrued interest, represent outstanding liabilities under the Scheme.

6.12 Personal Deposit Accounts

According to the provisions contained in General Financial and Accounts Rules (Rule 8), Personal Deposit Accounts are operated by transferring amounts from the Consolidated Fund to be utilized for specific purposes and booked as final expenditure against the concerned service Major Heads without any actual cash flow. Unspent balances lying in PD accounts are required to be transferred back to the Consolidated Fund on the last working day of the financial year, and are reopened next year, if necessary. These Rules have not been followed by the State Government, despite persistent correspondence over the past many years. Details of balances in personal Deposit Accounts are as under:-

(₹ in crore)

PD Accounts as on 01.04.2017		PD Accounts opened during the year 2017-18		PD Accounts closed During the year 2017-18		Closing Balance	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
19	185.33	15	135.76	19	85.57	15	235.52

As per the information provided by the State Government an amount of ₹ 2,02.58 crore is lying unspent in PD Accounts for more than one year out of which ₹ 98.99 crore is lying

unspent for more than three years. All the above 15 PD Accounts are operative, except Director General Medical Health and Family Welfare, in which no transaction occurred during 2017-18.

6.13 Investment

The State Government invests in the equity and shares of Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Institutions. The State Government has not made available/ confirmed the information on investments made by them. Consequently, the information contained in the Finance Accounts is primarily based on limited information on Government investments which are captured from vouchers by the Accountant General (A&E). The investment figures as shown in the Finance Accounts are under reconciliation with the records of the entities where the investments have been made by the State Government.

The details of investment as per Finance Accounts are as follows:-

Sl. No.	Name of the concern	2017-18		
		Number of Concerns	Investment at the end of the year (₹ in crore)	Dividend/interest received during the year
1	Statutory Corporations	1	97.87	...
2	Government Companies	16	31,11.37	...
	Total	17	32,09.24	22.69

6.14 Rush of Expenditure

Paragraph 183 of chapter XVII of UBM stipulates that rush of expenditure in the closing month of the financial year should be avoided. During March 2018, however, the State Government incurred capital expenditure of ₹ 10,89.94 crore including CSS of ₹ 4,18.12 crore (constituting 18.43 *per cent* of total the Capital Expenditure of ₹ 59,14.37) and ₹ 34,00.48 crore of revenue expenditure including CSS of ₹ 9,83.47 crore (constituting 11.69 *per cent* of Revenue Expenditure of ₹ 2,90,82.69 crore). In addition, an amount of ₹ 1,35.56 crore constituting 0.39 *per cent* of the total expenditure was transferred to the Public Account in March 2018. The trend of expenditure incurred during the last quarter, month of March and last three days of March 2018 as compared to the total expenditure during 2017-18 is as under:

Expenditure incurred during January to March 2018	Expenditure incurred in March 2018	Expenditure Incurred during Last three days of March 2018	Total Expenditure	Percentage of Total expenditure incurred during		
				January to March 2018	March 2018	Last three days of March 2018
1,00,04.88	44,90.54	68.94	3,49,97.06	28.59	12.83	0.20

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