

सत्यमेव जयते

# ACCOUNTS AT A GLANCE

2016-17



Government of Uttarakhand

**Government of Uttarakhand**





Government of Uttarakhand

# **ACCOUNTS AT A GLANCE**

## **2016-17**

**GOVERNMENT OF UTTARAKHAND**



## Preface

*The Annual Accounts of the State Government are prepared in accordance with the requirements of the Comptroller & Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the State Legislature. The Annual accounts consist of (a) Finance Accounts and (b) Appropriation Accounts. Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and Public Account. The Appropriation Accounts show the Grant-wise expenditure against provisions approved by the State Legislature and offer explanations for variations between the actual expenditure and the funds provided.*

*The publication, 'Accounts at a Glance' is prepared annually and is intended to make more accessible, the voluminous information contained in the Finance and Appropriation Accounts. The information is presented through brief explanations, statements and graphs and provides a broad overview of Government activities. While it has been our endeavour to rely on the figures in the certified Finance Accounts and Appropriation Accounts, the certified Annual Accounts should be referred to for authentic figures.*

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



**(Ashok Sinha)**

**Accountant General (A&E)  
Uttarakhand**

Place: Dehradun  
Date: 22-12-2017



## Table of Contents

	<i>Page</i>
<b>Chapter 1 Overview</b>	
1.1 Introduction	1
1.2 Structure of Accounts	1-2
1.3 Finance Accounts & Appropriation Accounts	3-4
1.4 Sources and Application of Funds	4-6
1.5 Highlights of Accounts	7
1.6 What do the Deficits and Surpluses indicate?	8-10
<b>Chapter 2 Receipts</b>	
2.1 Introduction	11
2.2 Revenue Receipts	11-12
2.3 Trend of Receipts	13-14
2.4 Performance of State's own Tax Revenue collection	15
2.5 Efficiency of Tax Collection	15
2.6 Trend in State's Share of Union Taxes over the past five years	16
2.7 Grants-in-Aid	16-17
2.8 Public Debt	17
<b>Chapter 3 Expenditure</b>	
3.1 Introduction	18
3.2 Revenue Expenditure	18-20
3.3 Capital Expenditure	20-21
<b>Chapter 4 Plan &amp; Non-plan Expenditure</b>	
4.1 Distribution of Expenditure (2016-17)	22
4.2 Non-plan Expenditure	22
4.3 Plan Expenditure	23
4.4 Committed Expenditure	24
<b>Chapter 5 Appropriation Accounts</b>	
5.1 Summary of Appropriation Accounts for 2016-17	25
5.2 Trend of savings / excess during the past 5 years	26
5.3 Significant Savings	26-28
<b>Chapter 6 Assets and Liabilities</b>	
6.1 Assets	29-30
6.2 Debt and Liabilities	30-31
6.3 Guarantees	31
<b>Chapter 7 Other Items</b>	
7.1 Financial Assistance to Local Bodies and Others	32
7.2 Reconciliation of Accounts	32-33
7.3 Rush of Expenditure	33-34
7.4 Submission of Accounts by Accounts rendering Units	34
7.5 Utilization Certificates for Grants-in-Aid	35
7.6 Abstract Contingent (AC) Bills/ Detailed Contingent (DC) Bills	35-36
7.7 Commitments on account of Incomplete Capital Works	36
7.8 Personal Deposits (PD) Accounts	36
7.9 Ujwal DISCOM Assurance Yojana (UDAY)	36-37







## OVERVIEW

### 1.1 Introduction

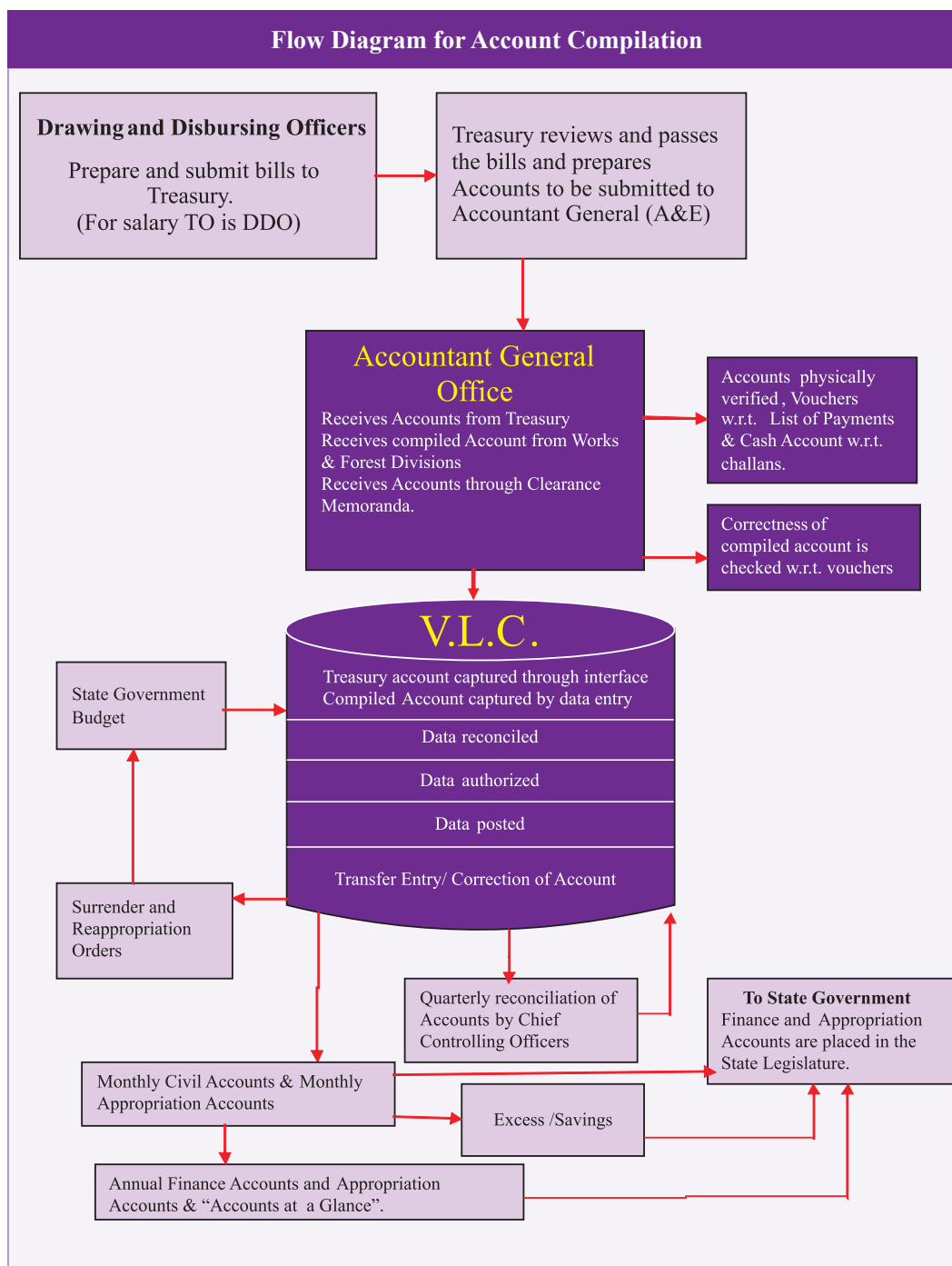
The Accountant General (Accounts and Entitlements), Uttarakhand compiles the accounts of receipts and expenditure of the Government of Uttarakhand. This compilation is based on the initial accounts rendered by District Treasuries, Public Works, Forest Divisions and Inter State transactions and advices of the Reserve Bank of India. Following such compilation, the Accountant General (A&E) prepares annually, the Finance Accounts and Appropriation Accounts which are placed before the State Legislature after audit by the Accountant General (Audit) Uttarakhand and certification by the Comptroller and Auditor General of India.

### 1.2 Structure of Accounts

#### *1.2.1 Government Accounts are kept in three parts:*

<b>Part I Consolidated Fund</b>	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
<b>Part II Contingency Fund</b>	Intended to meet unforeseen expenditure not provided for, in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
<b>Part III Public Account</b>	Comprises of Debts, Deposits, Advances, Remittances and Suspense transactions. Debt and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entities that are to be cleared eventually by booking to the final heads of account.

## 1.2.2 Compilation of Accounts



VLC: Voucher Level Compilation

## 1.3 Finance Accounts and Appropriation Accounts

### 1.3.1 Finance Accounts

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. To make the Finance Accounts more comprehensive and informative, it is prepared in two Volumes. Volume-I 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, quality of accounts and other items. Volume-II contains detailed statements (Part I) and appendices (Part II).

Receipts and disbursements of the Government of Uttarakhand as depicted in the Finance Accounts 2016-17 are given below:

(₹ in crore)

Receipts (Total: 3,03,90.77)	<b>Revenue</b> (Total 2,48,88.97)	Tax Revenue	1,73,08.88
		Non Tax Revenue	13,45.82
		Grant-in-Aid	62,34.27
	<b>Capital</b> (Total: 55,01.80)	Recovery of Loans and Advances	34.85
		Miscellaneous Capital Receipts	...
		Borrowings and other Liabilities	<b>54,66.95</b>
		(i) Public Debt (Net)	53,73.27
		(ii) Contingency Fund (Net)	1,67.07
		(iii) Public Account (Net)	10,80.42
		(iv) Cash balance (Net)	(-) 11,53.81
Disbursements (Total: 3,03,90.77)	Revenue		2,52,71.50
	Capital		49,54.22
	Loans and Advances		1,65.05

Till 31 March 2017, Government of India transferred some funds directly to the State Implementing Agencies/ Non-Government Organizations (NGOs) for implementation of various schemes/programmes. As per the PFMS portal of the CGA, Government of India released ₹ 7,19.50. crore to the implementing agencies outside the state Budget in 2016-17. The details are given in Appendix-VI of the Vol-II of the Finance Account. The direct transfer to the implementing agencies has increased by 8,72.79 per cent, as compared to 2015-16.

### 1.3.2 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts 'charged' on the Consolidated Fund or 'voted' by the State Legislature. There are 01 Charged Appropriation, 07 both Charged Appropriation and Voted Grants and 23 Voted Grants.

The Appropriation Act, 2016-17, had provided for gross expenditure of ₹ 4,19,30.08 crore and reduction of expenditure (recoveries) of ₹ 23,90.00 crore. Against this, the actual gross expenditure was ₹ 3,72,45.89 crore and reduction of expenditure was ₹ 16,36.45 crore, resulting in net savings of ₹ 46,84.19 crore (11.17 *per cent*) and ₹ 7,53.55 crore (31.53 *per cent*) respectively. The Actual Gross expenditure includes ₹ 9.90 crore drawn on Abstract Contingent (AC) Bills. Expenditure on account of AC Bills drawn amounting to ₹ 8.06 crore is still outstanding at the end of the year for want of supporting Detailed Contingent Bills (DC Bills).

## 1.4 Sources and Application of Funds

### 1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹ 0.16 crore) maintained with the RBI. During 2016-17, the Government of Uttarakhand maintained the minimum balance for 275 days without taking any advance, for 90 days Special Ways and Means Advance. No overdrafts were taken during the year 2016-17.

### 1.4.2 Fund flow statement

The State had a Revenue Deficit of ₹ 3,82.53 crore and a Fiscal Deficit of ₹ 54,66.95 crore representing 0.20 *per cent* and 2.80 *per cent* of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 17.99 *per cent* of total expenditure (₹ 3,03,90.77 crore). This deficit constituted of net of Public Debt (₹ (+)53,73.27 crore), net of Public Account (₹ (+)10,80.42 crore), net of Contingency Fund (₹ (+)1,67.07 crore) and net of Cash balance ₹ (-) 11,53.81. Around 63.37 *per cent*

of the revenue receipts (₹ 2,48,88.97 crore) of the State Government was spent on committed expenditure like salaries (₹ 86,69.59 crore), interest payments (₹ 37,23.05 crore), pension (₹ 31,70.28 crore) and subsidies (₹ 2,07.99 crore).

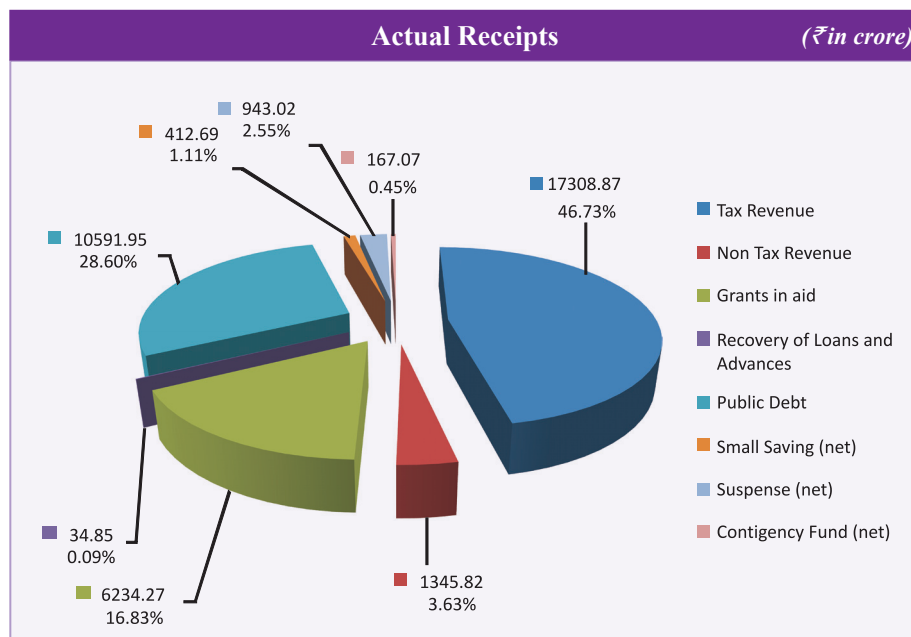
Advance value of GSDP = ₹ 19,51,92.21 crore ( as per Central Statistical Organization & Department of Economics and Statistics Govt. of Uttarakhand).

### Sources and Application of Funds

(₹ in crore)

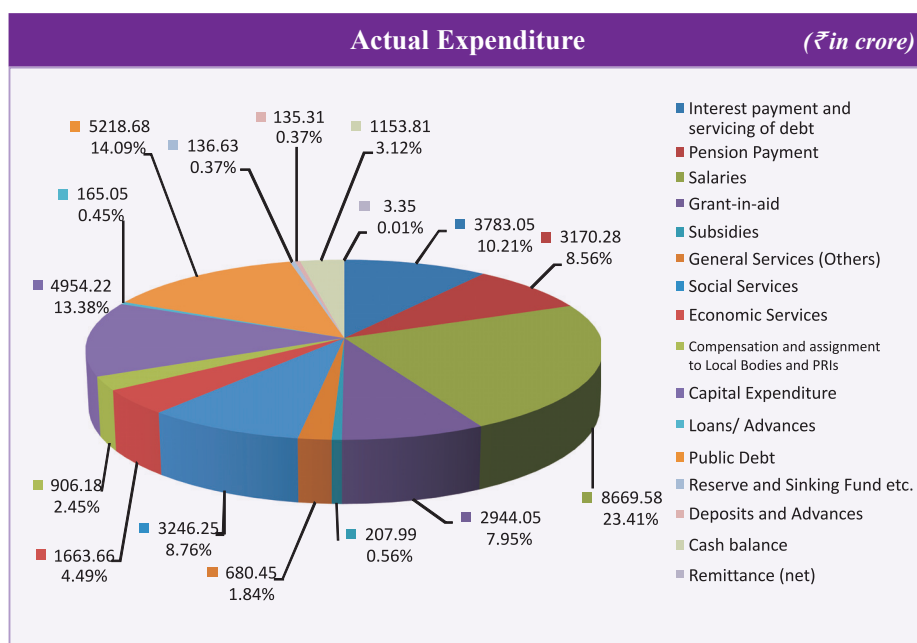
	PARTICULARS	AMOUNT
SOURCES	Opening Cash Balance as on 01.04.2016	3.84
	Revenue Receipts	2,48,88.97
	Recovery of Loans & Advances	34.85
	Public Debt	1,05,91.95
	Small Savings Provident Fund and Others	15,28.82
	Reserves & Sinking Funds	2,80.00
	Deposits received	31,47.47
	Civil Advances repaid	1,29.23
	Suspense Account	4,73,42.91
	Remittances	(-) 63,09.40
	Contingency Fund	3,94.77
	<b>TOTAL</b>	<b>8,20,33.41</b>
	Revenue Expenditure	2,52,71.50
	Capital Expenditure	49,54.22
	Loans Given	1,65.05
	Repayment of Public Debt	52,18.68
	Small Savings Provident Fund and Others	11,16.13
APPLICATION	Reserves & Sinking Funds	4,16.63
	Deposits spent	32,82.76
	Civil Advances given	1,29.25
	Suspense Account	4,63,99.89
	Remittances	(-) 63,06.05
	Contingency Fund	2,27.70
	Closing Cash Balance as on 31.03.2017	11,57.65
	<b>TOTAL</b>	<b>8,20,33.41</b>

### 1.4.3 Where the Rupee came from



Note: Contingency Fund, Public Account and Cash Balance component above are taken as 'net' and not 'gross' as shown in the Source and Application Table.

### 1.4.4 Where the Rupee went



Note: Contingency Fund, Public Account and Cash Balance component above are taken as 'net' and not 'gross' as shown in the Source and Application Table.

## 1.5 Highlights of Accounts

	Budget Estimates 2016-17	Actuals 2016-17	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP (a)
	<i>(₹ in crore)</i>			
1. Tax Revenue (b)	1,81,31.13	1,73,08.88	95.46	8.87
2. Non-Tax Revenue	27,93.43	13,45.82	48.18	0.69
3. Grant-in-Aid & Contributions	1,13,51.31	62,34.27	54.92	3.19
4. Revenue Receipts (1+2+3)	3,22,75.87	2,48,88.97	77.11	12.75
5. Capital Receipts Booked under Major Head- 4000	--	...	--	--
6. Recovery of Loans & Advances	41.13	34.85	84.73	0.02
7. Borrowings & Other Liabilities (c)	60,72.97	54,66.95	90.02	2.80
8. Capital Receipts (5+6+7)	61,14.10	55,01.80	89.99	2.82
9. Total Receipts (4+8)	3,83,89.97	3,03,90.77	79.16	15.57
10. Non-Plan Expenditure	2,24,58.37	1,99,04.91	88.63	10.20
11. Non Plan Expenditure on Revenue Account	2,22,50.37	1,89,27.54	85.07	9.70
12. Non Plan Expenditure on Interest Payments and servicing of debt out of 11	40,06.06	37,83.05	94.43	1.94
13. Non Plan Expenditure on Capital Account	2,08.00	9,77.36	4,69.88	0.50
14. Plan Expenditure	1,59,31.60	1,04,85.86	65.82	5.37
15. Plan Expenditure on Revenue Account	1,00,00.02	63,43.96	63.44	3.25
16. Plan Expenditure on Capital Account	59,31.58	41,41.90	69.83	2.12
17. Total Expenditure (10+14)	3,83,89.97	3,03,90.77	79.16	15.57
18. Revenue Expenditure (11+15)	3,22,50.39	2,52,71.50	78.36	12.95
19. Capital Expenditure (13+16) (d)	61,39.58	51,19.27	83.38	2.62
20. Revenue Deficit(-) Surplus (+) (4-18)	(+) 25.47	(-) 3,82.53	(-) 15,01.88	(-) 0.20
21. Fiscal Deficit (4+5+6-17)	(-) 60,72.97	(-) 54,66.95	90.02	(-) 2.80

- (a) *GSDP figure of ₹ 19,51,92.21 crore (Advance Estimate at current Prices-base year 2011-12) for the year 2016-17 as Communicated by Central Statistical Organization Government of India and Director of Economics & Statistics Government of Uttarakhand.*
- (b) *Includes State's Share of Union Taxes of ₹ 64,11.57 crore.*
- (c) *Net (receipts- disbursements) of Public Debt, Contingency Fund, Public Account, Opening and Closing Cash Balance and transfer to Contingency Fund.*
- (d) *Expenditure on Capital Account includes Capital Expenditure (₹ 49,54.22 crore) and Loans and Advances disbursed (₹ 1,65.05 crore).*

## 1.6 What do the Deficits and Surpluses indicate?

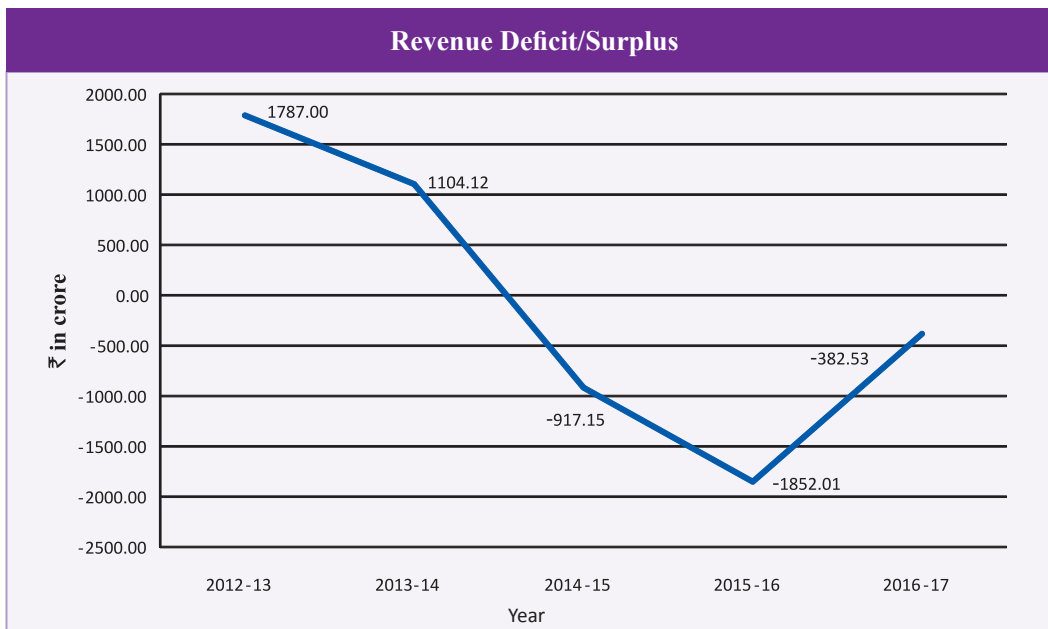
Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in financial management.
Revenue Deficit/ Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit/Surplus	Refers to the gap between total Receipts (excluding borrowings) and total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the borrowings should be invested in Capital Projects.

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. For proper financial management and prudence, the Government of Uttarakhand had enacted the Fiscal Responsibility and Budget Management (FRBM) Act in 2005 and amended it in the years 2011 and 2016 committing Government to reduce the Revenue deficit beginning from 1 April, 2011 so as to eliminate it by 31 March, 2015 and generate revenue surplus thereafter.

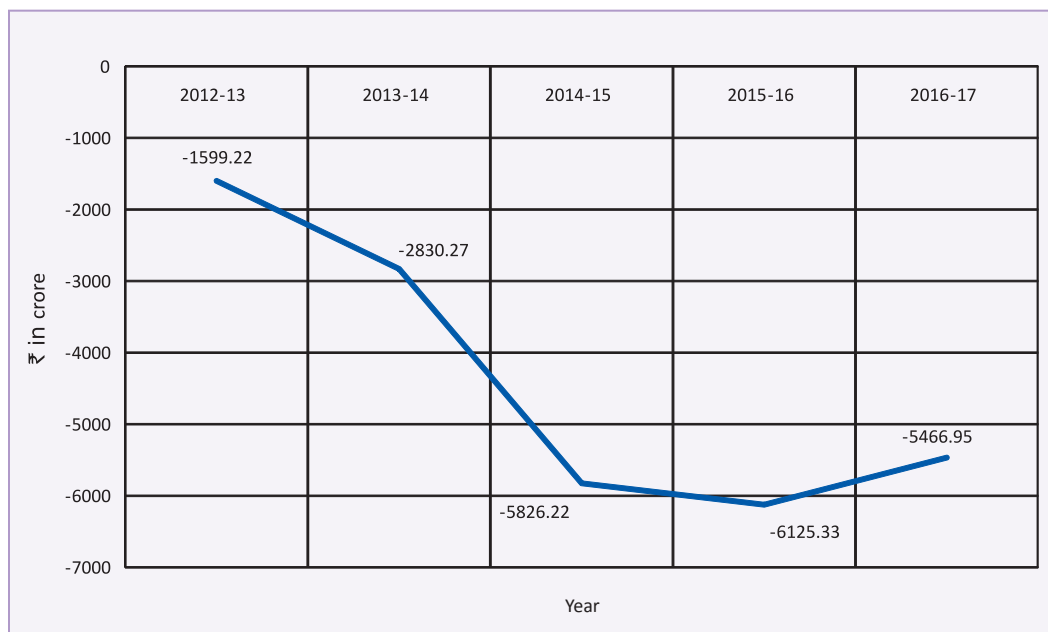
During the year 2016-17, the State Government could not generate revenue surplus as envisaged in the amended FRBM Act 2016 and instead there was Revenue Deficit of ₹ 3,82.53 crore that was 0.20 *per cent* of GSDP of ₹ 19,51,92.21 crore. Fiscal Deficit of ₹ 54,66.95 crore was 2.80 *per cent* of the GSDP of ₹ 19,51,92.21 crore and was well within the Fiscal Deficit targets of 3 *per cent* as given in the FRBM Act 2016.



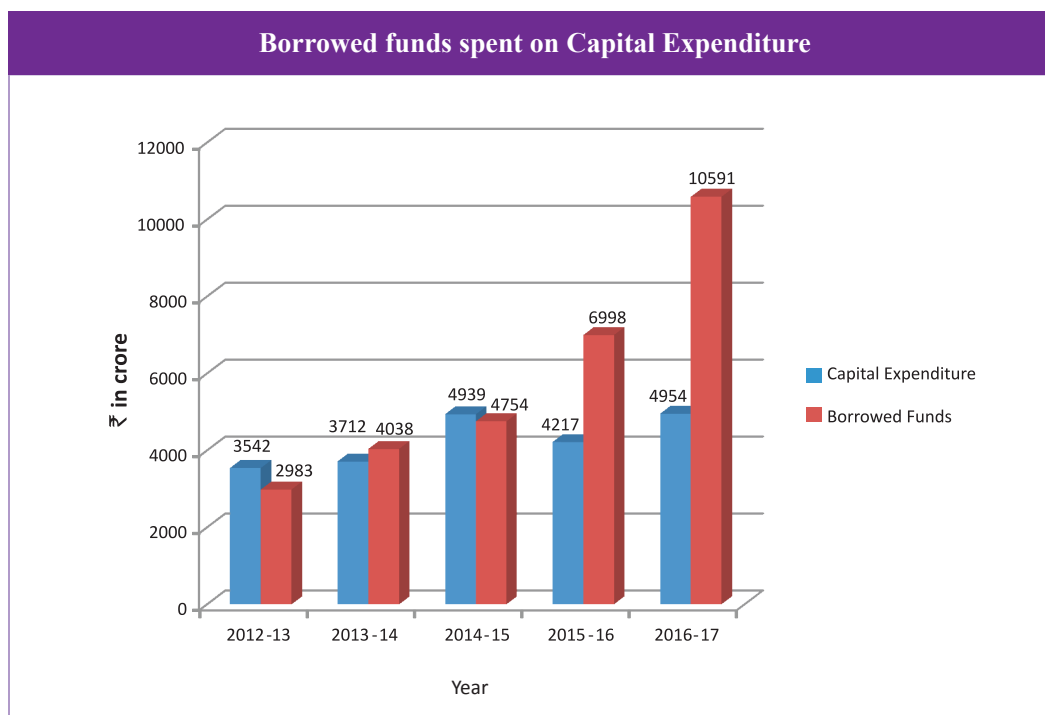
### 1.6.1 Trend of Revenue Deficit/Surplus



### 1.6.2 Trend of Fiscal Deficit



### 1.6.3 Proportion of borrowed funds spent as Capital Expenditure



Financial prudence envisages that the borrowed funds be fully utilized for creation of Capital Assets. The utilization of these funds during the last five years has not been consistent. During the years 2013-14, 2015-16 and 2016-17 all borrowed funds have not been utilized for creation of Capital Assets.



## RECEIPTS

### 2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue Receipts for 2016-17 were ₹ 2,48,88.97 crore.

### 2.2 Revenue Receipts

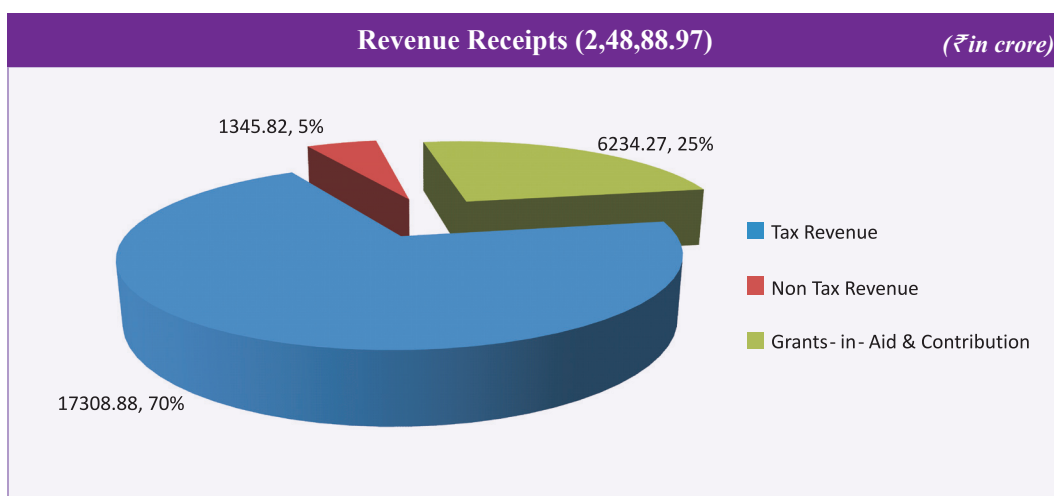
Tax Revenue	Comprises Taxes collected and retained by the State and State's share of Union Taxes under Article 280(3) of the Constitution.
Non-tax Revenue	Includes interest receipts, dividends, profits etc.
Grant-in-Aid	Essentially, a form of central assistance to the State Government from the Union Government. Includes 'External Grant/Assistance' and 'Aid, material and Equipment' received from foreign Governments and channelized through the Union Government. In turn, the State Government also gives Grants-in-Aid to Institutions like Panchayati Raj Institutions, Autonomous Bodies etc.

#### 2.2.1 Revenue Receipt Components (2016-17)

(₹ in crore)

Components	Actuals	Percentage to Revenue Receipt
<b>A. Tax Revenue*</b>	<b>1,73,08.87</b>	<b>69.54</b>
Taxes on Income & Expenditure	35,14.39	14.12
Taxes on Property, Capital and Other Transactions	9,41.80	3.78
Taxes on Commodities & Services	1,28,52.68	51.64
<b>B. Non-Tax Revenue</b>	<b>13,45.82</b>	<b>5.41</b>
Interest Receipts, Dividends and Profits	86.97	0.35
General Services	1,78.40	0.72
Social Services	2,53.61	1.02
Economic Services	8,26.84	3.32
<b>C. Grants-in-aid &amp; Contributions</b>	<b>62,34.27</b>	<b>25.05</b>
<b>Total- Revenue Receipts</b>	<b>2,48,88.97</b>	<b>100.00</b>

\* Includes share of net proceeds assigned to State received from the Government of India.



### 2.2.2 Major contributors to Tax Revenue

Components	Actuals	Percentage to GSDP
Taxes on Sales, Trade etc.	71,53.76	3.66
Corporation Tax	20,56.02	1.05
Taxes on Income other than Corporation Tax	14,28.94	0.73
State Excise	19,05.54	0.98
Service Tax	10,27.52	0.53
Union Excise Duties	10,09.94	0.52
Customs	8,84.42	0.45
Taxes on Vehicles	5,56.40	0.29
Stamps and Registration Fees	7,77.58	0.40

During the year, Net Tax Revenue was less than Budget Estimates by ₹ 8,22.25 crore. The major variations are as under :

Where Actual Receipts were less than Budget Estimates		Where Actual Receipts were more than Budget Estimates	
Taxes on Sales, Trade etc	1,69.57	Corporation Tax	1,67.22
Taxes on Income other than Corporation Tax	34.82	Hotel Receipt Tax	4.13
Stamps and Registration Fees	4,24.76	Land Revenue	1,32.75
State Excise	2,93.73	Union Excise Duties	2,58.00
Taxes on Vehicles	53.60	Service Tax	58.63
Taxes and Duties on Electricity	1,61.44	Taxes on Wealth	4.71
Other Taxes and Duties on Commodities and Services	2,53.15		
Customs	56.71		

## 2.3 Trend of Receipts

(₹ in crore)

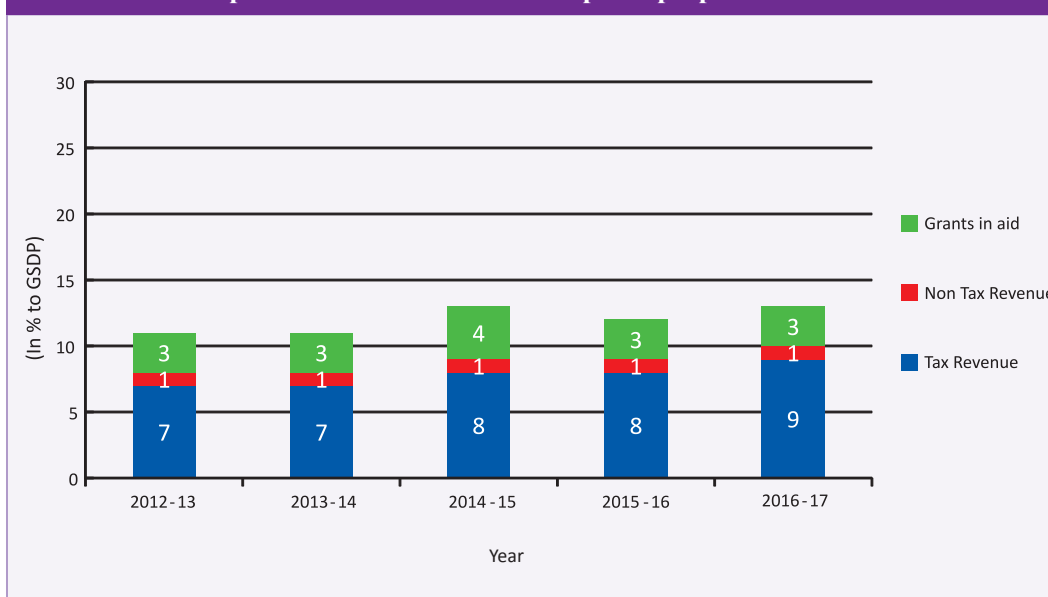
	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Tax Revenues</b>	96,87 (7)	1,09,29(7)	1,21,31(8)	1,47,11(8)	1,73,09(9)
<b>Non-Tax Revenues</b>	16,03 (1)	13,17 (1)	11,10 (1)	12,20 (1)	13,46(1)
<b>Grants in Aid</b>	44,57 (3)	50,75 (3)	70,05 (4)	53,03(3)	62,34 (3)
<b>Total Revenue Receipts</b>	1,57,47 (12)	1,73,21 (12)	2,02,47 (13)	2,12,34 (12)	2,48,89 (13)
<b>GSDP at current Prices, (base year 2011-12)</b>	13,16,13	14,90,74	16,14,39	17,61,71	19,51,92#

Note: Figures in parentheses represent percentage to GSDP.

(#) Advanced Estimate

The GSDP of the State of Uttarakhand increased from ₹ 13,16,13 crore in 2012-13 to ₹ 19,51,92 crore (Advance Estimate at current Prices- (base year 2011-12) in 2016-17, an increase of about 48.31 *per cent*. Revenue receipts showed a substantial increase from ₹ 1,57,47 crore in 2012-13 to ₹ 2,48,89 crore in 2016-17, an increase of 58.06 *per cent*. The components of the Revenue receipts increased and maintained their share of GSDP (Tax Revenue 7-9 *per cent of GSDP*), Non Tax Revenue (1 *per cent of GSDP*) and Grants-in-Aid (3-4 *per cent of GSDP*).

Components under Revenue Receipts as proportion to GSDP



## Sector-wise Tax Revenue

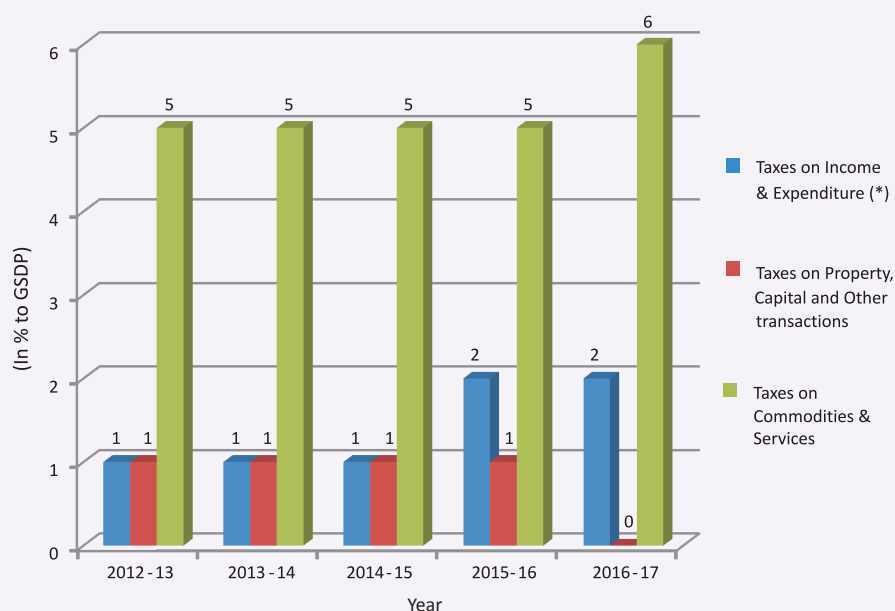
(*₹ in crore*)

	2012-13	2013-14	2014-15	2015-16	2016-17
Taxes on Income and Expenditure	18,97 (1.44)	20,11 (1.35)	22,92 (1.41)	28,64 (1.63)	35,14 (1.80)
Taxes on Property, Capital and other Transactions	6,61 (0.50)	7,12 (0.48)	7,57 (0.47)	8,99 (0.51)	9,42 (0.48)
Taxes on Commodities and Services	71,29 (5.42)	82,06 (5.50)	90,82 (5.63)	1,09,48 (6.21)	1,28,53 (6.58)
Total Tax Revenues	96,87 (7.36)	1,09,29 (7.33)	1,21,31 (7.51)	1,47,11 (8.35)	1,73,09 (8.86)

The Figures in brackets show ratio with GSDP.

All the sectors of the Tax Revenue have shown positive growth.

## Trend of Major Taxes in proportion to GSDP



(\*) Primarily net proceeds of Central Share to the State.

## 2.4 Performance of State's own Tax Revenue collection

(₹ in crore)

Year	Tax Revenue	State's Share on Union Taxes	State's Own Tax Revenue	Percentage to GSDP
			(₹ in crore)	
(1)	(2)	(3)	(4)	(5)
2012-13	96,87	32,73	64,14	5
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

The proportions of the State's Own Tax Revenue to GSDP in the years 2012-13, 2013-14, 2014-15, 2015-16 was 5.00 *per cent* and in 2016-17 was 6 *per cent*.

## 2.5 Efficiency of Tax collection

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

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue collection	6,61	7,12	7,57	8,99	9,42
Expenditure on Collection	1,41	1,54	2,05	2,01	1,89
Efficiency of Tax Collection in <i>per cent</i>	21	22	27	22	20

### B. Taxes on Commodities and Services

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue collection	71,29	82,06	90,82	1,09,48	1,28,53
Expenditure on Collection	61	78	1,91	3,11	2,21
Efficiency of Tax Collection in <i>per cent</i>	1	1	2	3	2

Taxes on Commodities and Services form a major chunk of Tax Revenue. Tax collection efficiency is good.

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

(₹ in crore)

Major Head Description	2012-13	2013-14	2014-15	2015-16	2016-17
Corporation Tax	11,76	12,02	13,24	16,77	20,56
Taxes on Income other than Corporation Tax	7,04	7,91	9,46	11,63	14,29
Customs	5,44	5,83	6,13	8,55	8,84
Union Excise Duties	3,70	4,12	3,46	7,14	10,10
Service Tax	4,78	5,82	5,59	9,20	10,28
Taxes on Wealth	2	3	4	0*	5
Other Taxes and Duties on Commodities and Services	..	..	..	4	2
<b>State Share of Union Taxes</b>	<b>32,73</b>	<b>35,73</b>	<b>37,92</b>	<b>53,33</b>	<b>64,12</b>
<b>Total Tax Revenue</b>	<b>96,87</b>	<b>1,09,29</b>	<b>1,21,31</b>	<b>1,47,11</b>	<b>1,73,09</b>
<b>Percentage of Union Taxes to total Tax Revenue</b>	<b>34</b>	<b>33</b>	<b>31</b>	<b>36</b>	<b>37</b>

As per the recommendations of the 14<sup>th</sup> Finance Commission the share of the State in net proceeds of shareable central taxes (except Service Tax ) shall be 1.052 *per cent* of the divisible pool of central taxes and in the Service Tax 1.068 *per cent* of the divisible pool of Service tax, from the year 2015-16 to 2019-20. During the year 2016-17, the State Government received an amount of ₹ 53,84.05 crore as share of net proceeds of taxes excluding service tax of ₹ 10,27.52 crore.

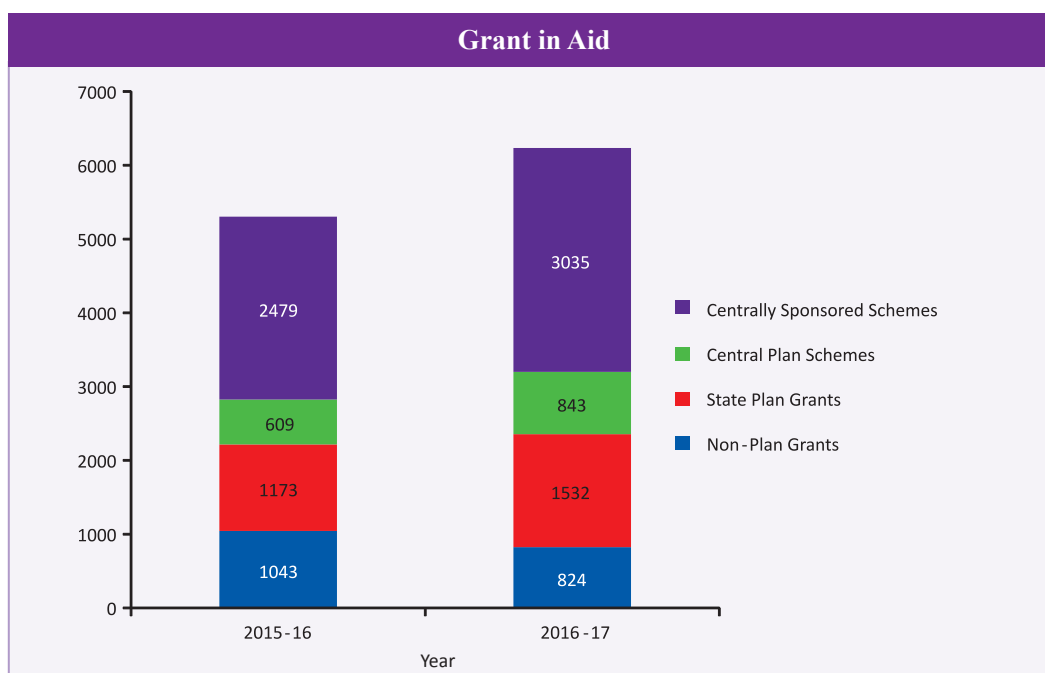
## 2.7 Grants-in-Aid

Grants-in-Aid represents assistance from the Government of India, and comprises Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by NITI Ayog and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2016-17 under Grants-in-Aid were ₹ 62,34 crore as shown below:

(₹ in crore)

Year	Non-Plan Grants	State Plan Grants	Central Plan Schemes	Centrally Sponsored Schemes
2015-16	10,43	11,73	6,09	24,79
2016-17	8,24	15,32	8,43	30,35





The Share of Centrally Sponsored Schemes, State Plan Grants and Central Plan Scheme increased in the year 2016-17 as compared to the year 2015-16 by about 27 *per cent* from ₹ 42,60.94 crore to ₹ 54,10.55 crore, whereas Non Plan Grants decreased by about 21.01 *per cent* from ₹ 10,42.85 crore to ₹ 8,23.72 crore.

## 2.8 Public Debt

Trend of Public Debt over the past five years

(₹ in crore)

Description	2012-13	2013-14	2014-15	2015-16	2016-17
Internal Debt	14,89	25,73	36,47	47,36	52,63
Central Loans	6	(-) 16	33	66	1,11
Total Public Debt	14,95	25,57	36,80	48,02	53,74

Note :- Negative figures Indicate that repayment is in excess of Receipts

In 2016-17, 10 loans totaling ₹ 54,50.00 crore at interest rates varying from 6.97 *per cent* to 8.06 *per cent* and redeemable in the year 2026 were raised at par.

The total receipts during the year was ₹ 1,05,92 crore. Out of this, an amount of ₹ 52,19 crore was used to repay the debt leaving only an amount of ₹ 53,74 (50.74 *per cent*) crore for developmental purpose. Out of this an amount of ₹ 49,54 crore was expended for Capital purposes indicating the fact that the whole of the public debt was not utilized for developmental purposes.



## 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. Expenditure is further classified under Plan and Non-Plan.

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

### 3.2 Revenue Expenditure

Revenue Expenditure of ₹ 2,52,72 crore for 2016-17 fell short of Budget estimate by ₹ 69,78 crore due to less disbursement under Plan as well as Non-Plan Expenditure. The shortfall of expenditure against budget estimates under Revenue Section during the past 5 years is given below:

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Budget Estimates</b>	1,57,17	1,80,54	2,37,92	2,57,39	3,22,50
<b>Actuals</b>	1,39,60	1,62,16	2,11,64	2,30,86	2,52,72
<b>Gaps</b>	17,57	18,38	26,28	26,53	69,78
<b>Percentage of gap over BE</b>	11	10	11	10	22

During the year 2016-17, there was a Revenue Deficit of ₹ 3,83 crore. However, a major portion about 62 *per cent* of the revenue expenditure was “committed”, on Salaries (₹ 86,70 crore), Interest Payments (₹ 37,23 crore), Pension Payments (₹ 31,70 crore) and Subsidies (₹ 2,08 crore).

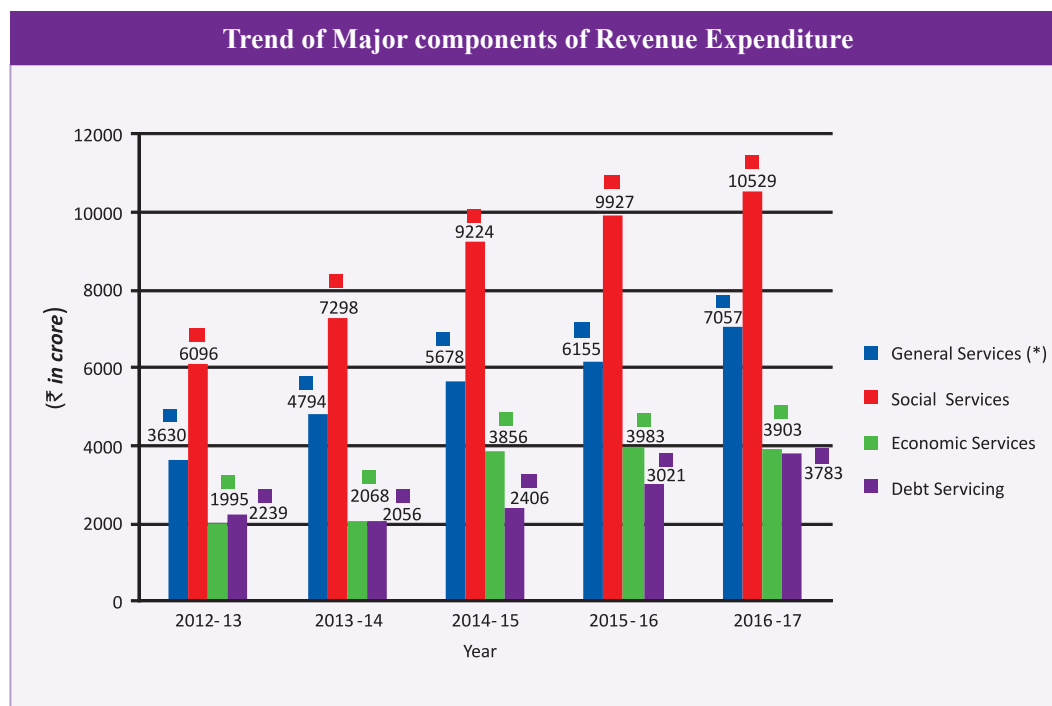
The position of committed/uncommitted Revenue Expenditure over the last five years is given below.

(₹ in crore)

Components	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue Expenditure	1,39,60	1,62,16	2,11,64	2,30,86	2,52,72
Committed revenue expenditure (*)	93,42	1,06,42	1,23,76	1,36,58	1,57,71
Uncommitted revenue expenditure	46,18	55,74	87,88	94,28	95,01

(\*) Includes Salaries, Interest Payments, Pension Payments and Subsidies.

### 3.2.1 Major Components of Revenue Expenditure



\* General Services excludes Major Head 2048- Appropriation for Reduction or Avoidance of Debt, 2049- Interest Payments and includes Major Head 3604 (Compensation and Assignment to Local Bodies and Panchayati Raj Institutions).

### 3.2.2 Sectoral distribution of Revenue Expenditure (2016-17)

(₹ in crore)

	Components	Amount	Percentage
A.	General Services	99,34.09	39.31
a.	Organs of State	3,10.90	1.23
b.	Fiscal Services	4,15.76	1.65
b(i)	Collection of Taxes on Property and Capital transactions	1,89.34	0.75
b(ii)	Collection of Taxes on Commodities and Services	2,21.31	0.88
b(iii)	Other Fiscal Services	5.11	0.02
c.	Interest Payments and Servicing of debt	37,83.05	14.97
d.	Administrative Services	22,54.10	8.92
e.	Pension and Miscellaneous General Services	31,70.28	12.54
B.	Social Services	1,05,28.57	41.66
C.	Economic Services	39,02.66	15.44
D.	Grants-in-aid and Contributions	9,06.18	3.59
	<b>Total Expenditure (Revenue Account)</b>	<b>2,52,71.50</b>	<b>1,00.00</b>

## 3.3 Capital Expenditure

Capital Expenditure for 2016-17 at 2.54 *per cent* of GSDP was less than Budget Estimates by ₹10,20.31 crore (less disbursement of ₹ 17,89.68 crore under Plan Expenditure and excess disbursement of ₹ 7,69.36 crore under Non Plan Expenditure)

### 3.3.1 Sectoral distribution of Capital Expenditure

During 2016-17, the Government spent ₹ 2,88.00 crore on various Projects (₹ 2,05 crore on Major Irrigation, ₹ 3 crore on Medium Irrigation, and ₹ 80 crore on Minor Irrigation). Apart from above, the Government spent ₹ 1,77 crore on Flood Control Projects, ₹ 1,32 crore on Power Projects and ₹ 13,63 crore on Roads & Bridges. During 2016-17 the Government of Uttarakhand invested a sum of ₹ 1,66 crore on investments in various Companies, Corporations etc.

(*₹ in crore*)

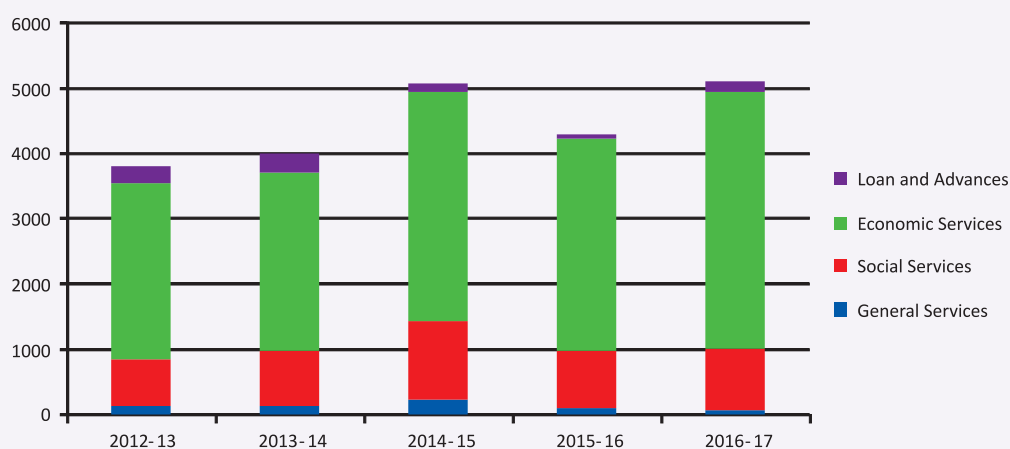
Sl. No.	Sector	Amount	Percentage
1.	<b>General Services-</b> Police, Land Revenue etc.	72	1.41
2.	<b>Social Services-</b> Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc	9,48	18.52
3.	<b>Economic Services-</b> Agriculture, Rural Development, Irrigation Cooperation, Energy, Industries, Transport etc.	39,34	76.85
4.	Loans and Advances Disbursed	1,65	3.22
<b>Total</b>		<b>51,19</b>	<b>1,00.00</b>

### 3.3.2 Sectoral distribution of Capital Expenditure over the past 5 years

(*₹ in crore*)

Sl. No.	Sector	2012-13	2013-14	2014-15	2015-16	2016-17
1.	General Services	1,29	1,38	2,14	1,11	72
2.	Social Services	7,15	8,41	12,31	8,64	9,48
3.	Economic Services	26,98	27,33	34,94	32,42	39,34
4.	Loans & Advances	2,73	2,78	1,49	83	1,65
<b>Total</b>		<b>38,15</b>	<b>39,90</b>	<b>50,88</b>	<b>43,00</b>	<b>51,19</b>

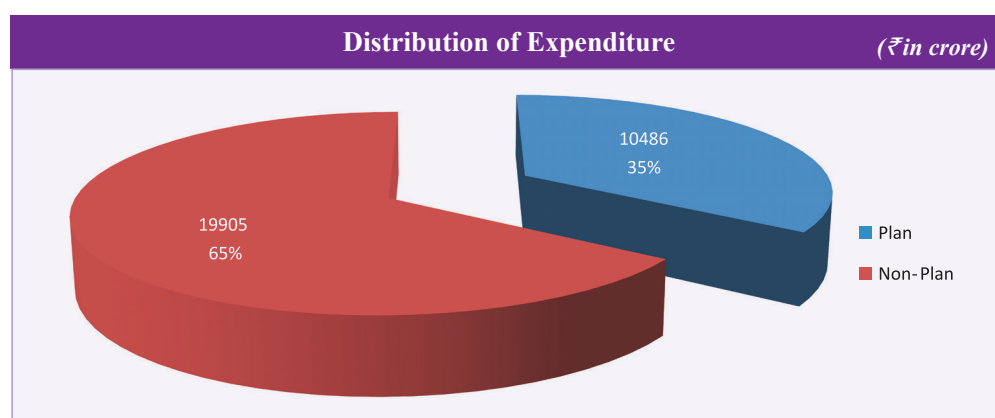
**Trend in Sector wise distribution of Capital**





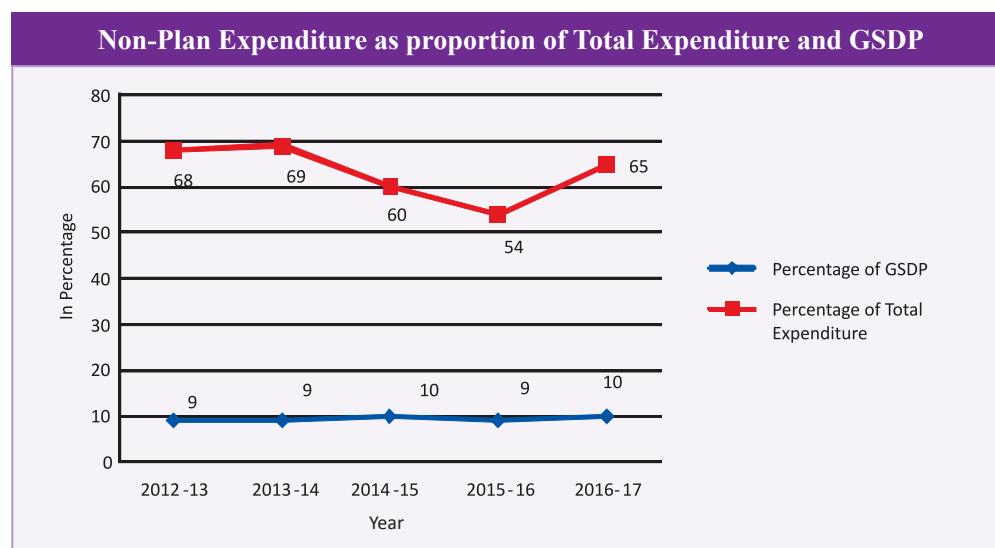
## PLAN & NON PLAN EXPENDITURE

### 4.1 Distribution of Expenditure (2016-17)



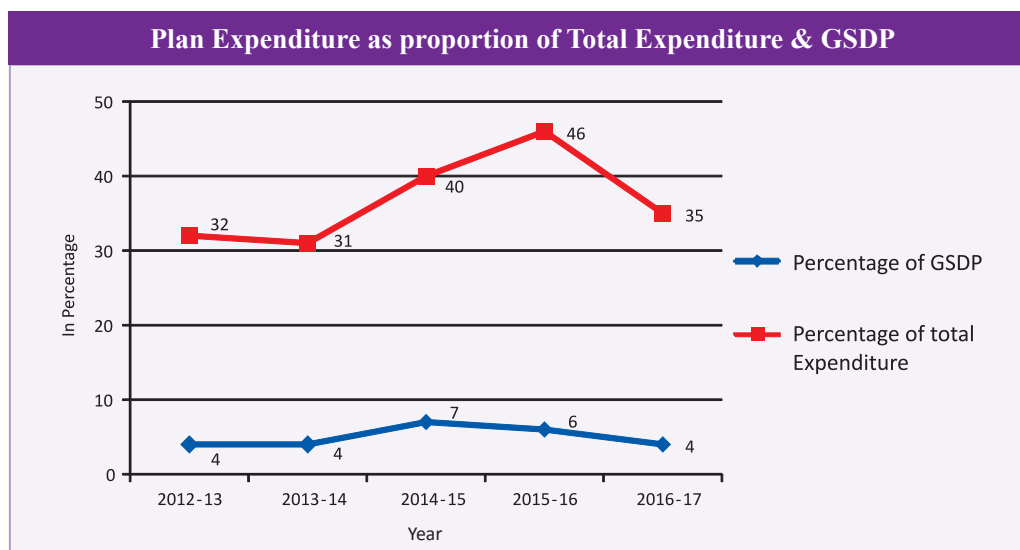
### 4.2 Non-Plan Expenditure

Non-Plan Expenditure during 2016-2017, representing 65 *per cent* of total expenditure of ₹ 3,03,91 crore was ₹ 1,99,05 crore (₹ 1,89,28 crore under Revenue and ₹ 8,78 crore under Capital Account and ₹ 99 crore under Loans and Advances).



### 4.3 Plan Expenditure

During 2016-17, Plan Expenditure, representing 35 per cent of total expenditure of ₹ 3,03,91 crore was ₹ 1,04,86 crore (₹ 69,73 crore under State Plan ₹ 34,47 crore under Centrally Sponsored Plan Schemes and ₹ 66 crore under Loans and Advances).



#### 4.3.1 Plan expenditure under Capital Account

(₹ in crore)

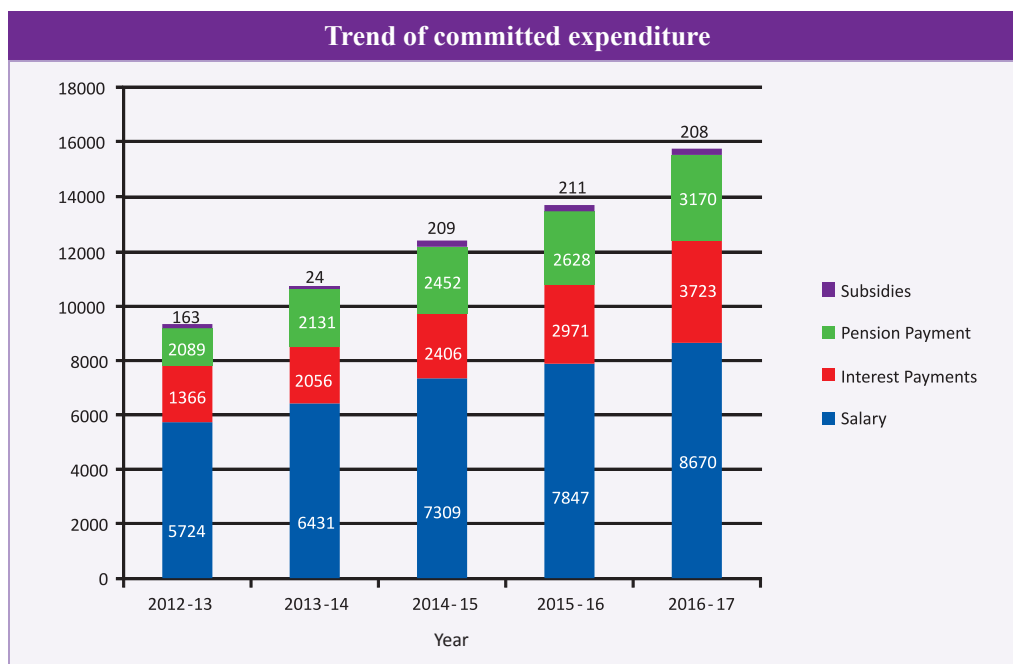
	2012-13	2013-14	2014-15	2015-16	2016-17
Total Capital Expenditure	35,42	37,12	49,39	42,17	49,54
Capital Expenditure (Plan)	29,72	31,38	47,79	41,97	40,76
Percentage of Capital Expenditure (Plan) to Total Capital Expenditure	84	85	97	1,00	82

#### 4.3.2 Plan expenditure of Loans and Advances

Significant disbursement of Loans and Advances are as under:-

Major Heads	Amount (₹ in crore)	Purpose
6217-Loans for Urban Development	5.80	Loans to Almora Municipality.
6401-Loans for Crop Husbandry	98.40	Loans for Commercial Crops
6801-Loans for Power Projects	55.42	Loans to Power Projects financed by NABARD & external aid (ADB).
7055-Loans for Road Transport	4.18	Grants for payment of interest on loans for purchase of buses.

## 4.4 Committed Expenditure



(₹ in crore)

Component	2012-13	2013-14	2014-15	2015-16	2016-17
Committed Expenditure	93,42	1,06,42	1,23,75	1,36,58	1,57,71
Revenue Expenditure	1,39,60	1,62,16	2,11,64	2,30,86	2,52,72
Revenue Receipts	1,57,47	1,73,21	2,02,47	2,12,34	2,48,89
<i>Per cent of Committed expenditure to Revenue Receipts</i>	59	61	61	64	63
<i>Per cent of Committed Expenditure to Revenue expenditure</i>	67	66	58	59	62

From the year 2012-13, there has been an upward trend in the committed expenditure. It has increased by about 69 *per cent* from 2012-13 to 2016-17 and ranged between 58 and 67 *per cent* of the Revenue Expenditure. This leaves the Government with lesser flexibility for developmental spending.





## APPROPRIATION ACCOUNTS

### 5.1 Summary of Appropriation Accounts for 2016-17

The Appropriation Accounts of the Government of Uttarakhand for the year 2016-17 presents the accounts of sums expended in the year ended 31 March 2017 compared with the sums specified in the Schedules appended to the Appropriation Acts passed by the State Legislatures under Articles 204 and 205 of the Constitution of India.

As per the Appropriation Accounts of the State for the year 2016-17, there was actual expenditure of ₹ 3,72,45.89 crore comprising ₹ 2,52,72.36 crore Revenue Expenditure, ₹ 65,89.80 crore Capital Expenditure, ₹ 52,18.68 crore repayment of Public Debt and ₹ 1,65.05 crore Loans and Advances. There were Savings/Excess under these sections with reference to total Grants/Appropriation allocated by the State Legislature and surrender orders passed by the Finance Department as indicated below:

(₹ in crore)

Sl.	Nature of Expenditure	Original Grant	Supplementary Grant	Surrender	Total	Actual Expenditure	Saving (-) Excess (+)
1	Revenue Voted Charged	2,81,43.15 41,07.25	8,35.38 8.98	4,50.00 31.22	2,85,28.53 40,85.01	2,14,27.68 38,44.68	(-) 71,00.85 (-) 2,40.33
2	Capital Voted Charged	57,39.36 5.00	6,47.71 0.00	1,60.94 0.00	62,26.13 5.00	65,87.90 1.90	(+) 3,61.77 (-) 3.10
3	Public Debt Charged	20,32.23	0.00	0.00	20,32.23	52,18.68	(+) 31,86.45
4	Loans and Advances Voted	3,95.22	15.80	0.00	4,11.02	1,65.05	(-) 2,45.97
	<b>Grand Total</b>	<b>4,04,22.21</b>	<b>15,07.87</b>	<b>6,42.16</b>	<b>4,12,87.92</b>	<b>3,72,45.89</b>	<b>(-) 40,42.03</b>

Actual Expenditure under Revenue Section includes O.B. Suspense adjustment of previous years for ₹ 0.84 crore.

## 5.2 Trend of Savings / Excess during the past 5 years

(₹ in crore)

Year	Saving (-) /Excess (+)				Overall Saving(-)/ Excess(+)
	Revenue	Capital	Public Debt	Loans and Advances	
2012-13	(-)18,89.84	(+)6,39.56	(-)8,09.76	(-)1,46.69	(-)22,06.73
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

## 5.3 Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/ programmes.

Some grants with persistent and significant savings (in *per cent*) are given below:

Grant No.	Nomenclature	2012-13	2013-14	2014-15	2015-16	2016-17
01	Legislature (Capital, Voted)	89.43	45.64	17.65	92.16	49.14
04	Judicial Administration (Revenue, Voted)	37.61	26.67	24.19	21.66	30.84
04	Judicial Administration (Capital, Voted)	17.90	31.77	56.63	40.36	80.55
04	Judicial Administration (Revenue, Charged)	20.62	21.02	23.51	26.86	53.85
06	Revenue & General Administration (Capital, Voted)	17.87	51.04	54.55	33.27	91.32
11	Education, Sports, Youth Welfare and Culture (Capital, Voted)	33.95	38.97	31.81	60.89	27.32
13	Water Supply, House & Urban Development (Revenue, Voted)	24.60	37.66	18.50	32.25	35.85
13	Water Supply, House & Urban Development (Capital, Voted)	55.05	55.05	66.97	29.30	36.02
15	Welfare (Revenue, Voted)	27.08	22.47	24.30	26.65	30.34
15	Welfare (Capital, Voted)	13.43	20.74	47.31	69.17	48.69

Grant No.	Nomenclature	2012-13	2013-14	2014-15	2015-16	2016-17
16	Labour and Employment (Revenue, Voted)	32.26	19.66	27.77	40.60	32.93
21	Energy (Capital, Voted)	38.73	52.55	73.40	47.88	65.34
25	Food (Revenue, Voted)	60.24	89.43	52.45	38.88	45.50
26	Tourism (Capital, Voted)	74.41	61.06	67.08	40.18	37.73
27	Forest (Capital, Voted)	28.26	27.76	14.16	41.63	39.03
30	Welfare of Scheduled Castes (Revenue, Voted)	22.55	32.41	23.95	38.59	43.69
30	Welfare of Scheduled Castes (Capital, Voted)	56.34	55.60	52.83	43.10	36.27
31	Welfare of Scheduled Tribes (Revenue, Voted)	23.89	30.80	32.49	37.66	40.10
31	Welfare of Scheduled Tribes (Capital, Voted)	57.27	58.12	25.98	52.49	50.24

During 2016-17, supplementary grants totaling ₹ 15,07.87 crore (3.73 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
01	Legislature	Capital, Voted	15.20	5.00	10.27
02	Governor	Revenue, Charged	8.92	3.33	7.44
04	Judicial Administration	Revenue, Voted	1,69.55	7.71	1,22.58
06	Revenue & General Administration	Revenue, Voted	26,63.58	2,03.23	15,81.83
06	Revenue & General Administration	Capital, Voted	80.70	1.00	7.09
07	Finance, Tax, Planning, Secretariat & Miscellaneous Services	Revenue, Voted	59,36.34	2.22	49,18.03
07	Finance, Tax, Planning, Secretariat & Miscellaneous Services	Capital, Voted	88.13	3,06.00	83.60

Overview

Receipts

Expenditure

Plan &  
Non-plan  
ExpenditureAppropriation  
AccountsAssets and  
Liabilities

Other Items

Grant No.	Nomenclature	Section	Original	Supple- mentary	Actual Expenditure
09	Public Service Commission	Revenue, Charged	23.42	5.55	19.48
10	Police and Jail	Revenue, Voted	15,75.88	13.95	14,40.06
10	Police and Jail	Capital, Voted	20.00	4.00	6.88
11	Education, Sports, Youth Welfare and Culture	Revenue, Voted	64,20.74	93.19	52,00.75
12	Medical, Health & Family Welfare	Revenue, Voted	17,64.16	11.78	13,23.63
13	Water Supply, Housing & Urban Development	Capital, Voted	3,78.79	1,05.53	3,09.87
15	Welfare	Revenue, Voted	14,61.33	2,01.88	11,58.55
16	Labour and Employment	Revenue, Voted	2,14.03	5.71	1,47.37
20	Irrigation and Flood	Capital, Voted	7,69.88	2.80	4,76.41
22	Public Work	Capital, Voted	16,14.57	65.00	13,56.02
23	Industries	Revenue, Voted	2,09.48	21.10	1,24.18
24	Transport	Capital, Voted	60.00	10.00	25.59
25	Food	Revenue, Voted	3,47.27	30.00	2,05.60
27	Forest	Revenue, Voted	6,46.38	2.00	4,38.31
27	Forest	Capital, Voted	1,55.15	10.00	1,00.69
28	Animal Husbandry	Revenue, Voted	2,58.99	18.69	2,03.81
29	Horticulture Development	Revenue, Voted	2,53.14	6.54	2,10.21
30	Welfare of Scheduled Castes	Revenue, Voted	12,28.68	12.43	6,98.90
30	Welfare of Scheduled Castes	Capital, Voted	3,23.23	2.00	2,07.28
31	Welfare of Scheduled Tribes	Revenue, Voted	3,40.89	3.60	2,06.34
31	Welfare of Scheduled Tribes	Capital, Voted	1,14.12	5.00	59.27



## ASSETS AND LIABILITIES

### 6.1 Assets

The existing form of accounts does not easily 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, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

#### 6.1.1 Investments and Returns

Total investments as share capital in non-financial Public Sector Undertakings (PSUs) stood at ₹ 31,24 crore at the end of 2016-17. During the year 2016-17, investments increased by ₹ 2,10 crore, which included ₹ 43 crore on account of allocation from the unallocated balances between Uttar Pradesh and Uttarakhand. The dividend received from these investments was ₹ 15.21 crore. The major investments were in the Power Sector.

#### 6.1.2 Cash Balances and investment of Cash Balances with RBI

The Cash Balance increased by ₹ 11,53.81 crore and stood at ₹ 11,57.65 crore at the end of March 2017.

Component	As on 1 April 2016	As on 31 March 2017	Net increase (+)/ decrease (-)
<b>Cash Balances</b>	3.84	11,57.65	(+)11,53.81
Investments from cash balance (GOI Treasury bills)	3,44.74	4,51.51	(+) 1,06.77
<b>Investment from earmarked fund balances</b>	11,28.62	11,88.62	(+) 60.00
(a) Sinking fund	11,03.62	11,53.62	(+) 50.00
(b) Guarantee Redemption Fund	25.00	35.00	(+)10.00
(c) Other Funds	...		...
<b>Interest realized</b>	37.56	24.06	(-) 13.50

State Government had a positive closing cash balance at the end of 2016-17. The State Government had an investment of ₹ 11,88.62 crore from earmarked funds at the end of 2016-17.

### 6.1.3 Loans and Advances by the State Government

Total Loans & Advances made by the State Government at the end of 2016-17 was ₹ 17,26.65 crore. Of this, Loans and Advances to Government Corporations/ Companies amounted to ₹ 2,72.68 crore and for commercial crops ₹ 8,81.08 crore. Details regarding the due principal and interest amount separately is not available. Total disbursement during the year 2016-17 was to the tune ₹ 1,65.05 crore. Also an amount of ₹ 34.85 crore was refunded during the period.

## 6.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature.

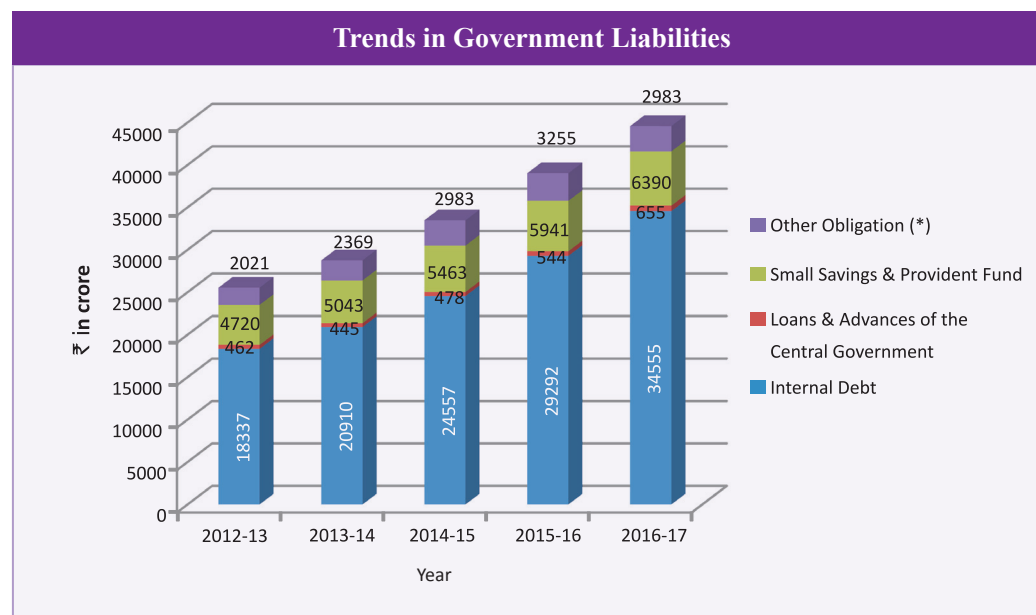
Details of the Public Debt and total Liabilities of the State Government are as under:

(₹ in crore)

Year	Public Debt	Per cent to GSDP	Public Account(*)	Per cent to GSDP	Total Liabilities	Per cent to GSDP
2012-13	1,87,99	14	67,41	5	2,55,40	19
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

(\*) Excludes suspense and remittance balances.

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



There was a net increase of ₹ 55,51 crore (14 *per cent*) in Public Debt and Other liabilities of the Government during 2016-17. These liabilities jumped from ₹ 3,90,32 crore in 2015-16 to ₹ 4,45,83 crore in 2016-17 due to increase in Public Debt. There was marginal increase in the total liability GSDP ratio from 2015-16 to 2016-17.

(\*) Non-interest bearing obligations such as deposits of local Funds, other earmarked funds, etc. Government of India determines, from time to time, the limits up to which State Governments can borrow from the market.

### 6.3 Guarantees

In addition to directly raising Loans, State Governments also guarantee loans raised by Government companies and corporations from the markets and financial Institutions for implementation of various plan schemes and programmes. These Guarantees are projected outside the State Budget. The Position of Guarantees by the State Government for the payment of loans and interest thereon raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies, etc., is given below.

(₹ in crore)

At the end of the year	Maximum amount guaranteed (principal) only	Amount outstanding as on 31 March 2017	
		Principal	Interest
2012-13	27,22(*)	15,70	Information not available
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

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



## OTHER ITEMS

### 7.1 Financial assistance to Local bodies and others

During the past five years, Grants-in-Aid to Local Bodies etc. increased from ₹ 4,96.87 crore in 2012-13 to ₹ 9,06.18 crore in 2016-17. Grants to Municipal Corporations, Municipalities, Zila Panchayats, Nagar Panchayats (₹ 4,92.53 crore) represented 54.35 *per cent* of total grants given during the year.

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

(₹ in crore)

Year	Municipal Corporations	Municipalities	Zila Panchayats	Nagar Panchayat	Others	Total
2012-13	64.68	1,53.07	77.94	88.53	1,12.65	4,96.87
2013-14	1,08.39	1,29.85	1,27.28	82.95	2,19.93	6,68.40
2014-15	1,19.97	1,36.24	1,08.40	1,23.96	1,92.70	6,81.26
2015-16	1,17.63	1,37.11	97.00	79.37	3,35.46	7,66.57
2016-17	1,46.06	1,60.11	94.76	91.60	4,13.65	9,06.18

### 7.2 Reconciliation of Accounts

Accuracy and reliability of accounts depend, among other things on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Accountant General (Accounts & Entitlements). This exercise is to be conducted by respective Heads of Departments. During the year 2016-17, such reconciliation has been completed fully by 32 Chief Controlling Officer out of 62 CCOs (51.61 *per cent*) for an amount of ₹ 2,42,65.73 crore (80.28 *per cent* of total expenditure of ₹ 3,02,25.72 crore). Out of total receipts of ₹ 2,48,88.97



crore, an amount of ₹ 2,14,82.01 crore (86.31 *per cent* has been reconciled by 8 CCOs out of 48 CCOs (16.67 *per cent*)). 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	8	4	36
Expenditure	62	32	18	12

**Defaulters in reconciliation are listed below.**

Sl. No.	Name of the Department/ Chief Controlling Officer	Nature of Transaction	Year/ Years pending
1.	Relief Commissioner, Revenue Department, Uttarakhand Government	Expenditure	2013-14 to 2016-17
2.	Principal Secretary, Finance, Uttarakhand Government	Expenditure	2013-14 to 2016-17
3.	Secretary, State Estate Department, Uttarakhand Government	Expenditure	2013-14 to 2016-17
4.	Secretary, Public Service Commission, Gurukul Kangri, Haridwar	Expenditure	2013-14 to 2016-17

### 7.3 Rush of expenditure

The financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. During March 2017, however, the State Government incurred capital expenditure of ₹ 889.55 crore (constituting 17.96 *per cent* of total the Capital Expenditure of ₹ 49,54.22) and ₹ 28,44.51 crore of revenue expenditure (constituting 11.26 *per cent* of Revenue Expenditure of ₹ 2,52,71.50 crore). In addition, an amount of ₹ 5,73.25 crore constituting 1.90 *per cent* of the total expenditure was transferred to the Public Account in March 2017. Details of Major Heads of account where a substantial portion (50 *per cent* or more of the total expenditure under relevant Major Heads) was incurred in March, 2017 are given on next page:-

(₹ in crore)

Major Head		Yearly Expenditure 2016-17	Expenditure in Month of March 2017	Per cent of Expenditure wrt to Total Expenditure
2015	Elections	56.76	28.52	50.25
2216	Housing	2.96	2.29	77.36
2408	Food Storage and Warehousing	1,97.71	1,71.51	86.75
2711	Flood Control and Drainage	4.52	2.53	55.97
4058	Capital Outlay on Stationery and Printing	0.21	0.21	1,00.00
4211	Capital Account of Family Welfare	0.06	0.06	1,00.00
4217	Capital Outlay on Urban Development	1,10.48	70.56	63.87
4405	Capital Outlay on Fisheries	5.17	5.12	99.03
5053	Capital Outlay on Civil Aviation	9.57	9.38	98.01

Significant expenditure/transfers in March, specially on the last working day of March, indicates that the expenditure was primarily used for the purpose of exhausting the budget provisions and reveals inadequate budgetary control.

## 7.4 Submission of Accounts by Accounts rendering Units

- 20 Treasuries of the State Government submit their Account to the Accountant General (A&E), Uttarakhand. All the Accounts were sent in time.
- The total number of divisions in the Works Department as on March 2017 was 200. Total Accounts received during the year 2016-17 were 2355. Out of these 541 Accounts were received late. The delay ranged from 1 to 8 days.
- All the 32 Pay & Accounts Offices sent their 308 Accounts in time.
- Out of the total number of 55 divisions in the Forest department, 660 Accounts were sent during the year 2016-17. 132 Accounts were received late. The delay ranged from 1 to 10 days.

## 7.5 Utilization Certificates for Grants-in-aid

Under the General Financial Rules and Accounts Rules, Utilization Certificates (UCs), in respect of grants provided for specific purpose should be obtained by departmental officers from the grantees, which, after verification, should be forwarded to the Accountant General (A&E), Uttarakhand within 12 months from the date for their sanction unless specified otherwise. The State Government gives Grants-in-Aid to various bodies for various purposes and schemes. UCs outstanding beyond the specified periods indicate absence of assurance on utilization of the grants for the intended purpose. Further, to the extent of non-receipt of UCs, the expenditure shown in the accounts cannot be treated as final and cannot be confirmed that the amount has been expended for the purpose it was sanctioned.

Details of utilization certificates outstanding as on 31 March 2017 are given below:

Year	Number of Utilization Certificates awaited	Amount (₹ in crore)
Up to 2014-15	142	1,86.79
2015-16	82	1,40.56
2016-17#	129	1,62.69
<b>Total</b>	<b>353</b>	<b>4,90.04</b>

# Except where the sanction order specifies otherwise, UC's in respect of Grants-in-aid drawn during 2016-17 become due only in 2017-18

## 7.6 Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

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 2017, 123 DC Bills amounting to ₹ 8.06 crore remained outstanding. This indicates that rules have not been properly followed and expenditure shown can not be vouched as final. The position of the outstanding AC bills is given on next page.

Year	Number of outstanding DC bills	Amount Outstanding (₹ in crore)
Upto 2014-15	06	0.35
2015-16	03	0.01
2016-17	114	7.70
<b>Total</b>	<b>123</b>	<b>8.06</b>

## 7.7 Commitments on account of Incomplete Capital Works

An expenditure of ₹ 4,35.12 crore was incurred during the year 2016-17 by different Engineering departments(i.e. Public Works, Irrigation etc.) of the State Government on various incomplete Capital works.

## 7.8 Personal Deposit (PD) Accounts

Government is authorized to open Personal Deposit Accounts in order to deposit money by transferring funds from the Consolidated Fund for discharging liabilities of the Government. The Administrators are required to close such accounts on the last working day of the financial year and transfer the unspent balances back to the Consolidated Fund of State. At the end of 2016-17, unspent balances to the tune of ₹ 1,85.33 crore remained untransferred to the Consolidated Fund.

The status of PD accounts during 2016-17 is as under:

(₹ in crore)

Opening Balance		Additions during the year		Closed during the year		Closing Balance	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
25	2,29.24	19	84.24	25	1,28.15	19	1,85.33

## 7.9 Ujwal DISCOM Assurance Yojana (UDAY)

UDAY is a Government of India scheme for financial turnaround of power Distribution Companies (DISCOMs) and expected to improve the operational and financial efficiency of the State Discoms. In operationalisation of this scheme the State government of Uttarakhand issued an order in March 2016 where under following decisions were taken.

- Uttarakhand Power Corporation Limited (UPCL) had a loan of ₹ 5,20.37 crore from Rural Electrification Corporation (REC) as on 30.09.2015. The interest

on this loan was 12 *per cent* per annum. It has been decided that UPCL will issue bonds on lower rates of interest. The guarantees on these bonds will be given by the Government of Uttarakhand.

- (b) UPCL had a loan of ₹1,41.04 crore as on 30.09.2015 from Uttar Pradesh and the rate of interest on it was 17.5 *per cent* per annum. The Uttarakhand Government will convert this loan into Share Capital thus benefiting UPCL.
- (c) UPCL had also a loan of ₹ 10.09 crore as on 30.09.2015 from Government of Uttarakhand and the rate of interest on it was 6.50 *per cent* per annum. The Government of Uttarakhand will convert this loan to Share Capital.

The State Government has not intimated whether further action has been taken on these decisions during 2016-17.





© COMPTROLLER AND  
AUDITOR GENERAL OF INDIA  
[www.cag.gov.in](http://www.cag.gov.in)

<http://agua.cag.gov.in>