



सत्यमेव जयते

ACCOUNTS AT A GLANCE (2022-23)



SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थं सत्यनिष्ठा

Dedicated to Truth in Public Interest



Government of Uttarakhand

Government of Uttarakhand



Accounts at a Glance for the year 2022-23

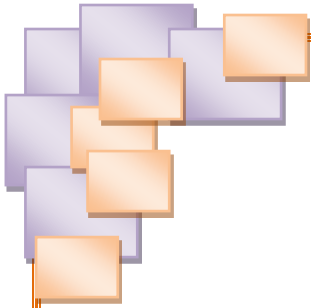
Accountant General
(Accounts and Entitlement),
Uttarakhand



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



GOVERNMENT OF UTTARAKHAND



Preface


I am happy to present the seventeenth issue of our annual publication, the 'Accounts at a Glance' for the year 2022-23, which provides a broad 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 reader's feedback that would help us in improving the Publication.

Dehradun
Date: 28 NOV 2023


(RAJIV KUMAR SINGH)
Accountant General (A&E)
Uttarakhand

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 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

Table of Contents

		Page No.
Chapter I	Overview	
1.1	Introduction	1
1.2	Structure of Government Accounts	2
1.3	Finance Accounts and Appropriation Accounts	4
1.4	Sources and Application of Funds	6
1.5	Fiscal Responsibility and Budget Management (FRBM) Act, 2005	10
Chapter II	Receipts	
2.1	Introduction	14
2.2	Revenue Receipts	14
2.3	Tax Revenue	16
2.4	Cost of Tax Collection	19
2.5	Trend in State's share of Union Taxes over the past five years	19
2.6	Grants-in-Aid	20
2.7	Public Debt	21
Chapter III	Expenditure	
3.1	Introduction	22
3.2	Revenue Expenditure	22
3.3	Capital Expenditure	26
3.4	Committed Expenditure	29
Chapter IV	Appropriation Accounts	
4.1	Summary of Appropriation Accounts for 2022-23	30
4.2	Trend of Saving/Excess during the past five years	30
4.3	Significant Savings	31
Chapter V	Assets and Liabilities	
5.1	Assets	35
5.2	Debt and Liabilities	36
5.3	Guarantees	37

Chapter VI	Other Items	
6.1	Adverse Balances under Internal Debt	38
6.2	Loans and Advances given by the State Government	38
6.3	Financial Assistance to Local Bodies and others	39
6.4	Cash Balance and Investment of Cash Balance	41
6.5	Reconciliation of Accounts	41
6.6	Submission of Accounts by Accounts Rendering Units	41
6.7	Unadjusted Abstract Contingent Bills	42
6.8	Status of Suspense and Remittance Balances	42
6.9	Status of Outstanding Utilization Certificates	43
6.10	Commitments on account of Incomplete Capital Works	44
6.11	National Pension System	44
6.12	Personal Deposit Accounts	45
6.13	Investments	45
6.14	Rush of Expenditure	46
6.15	Status of Reserve Funds	46
6.16	Major Cess	48

1.1.Introduction

The Accountant General (Accounts and Entitlement), 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 20 Treasuries, 106 Public Works Divisions (85 Building and Roads, 21 Rural Works Divisions), 85 Irrigation Divisions, 57 Forest Divisions (46 Forest and 11 Jalagam), 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 to the Government of Uttarakhand. The AG (A&E) also prepares, annually, Finance Accounts and the Appropriation Accounts which 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) form 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, not provided in the budget, 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.

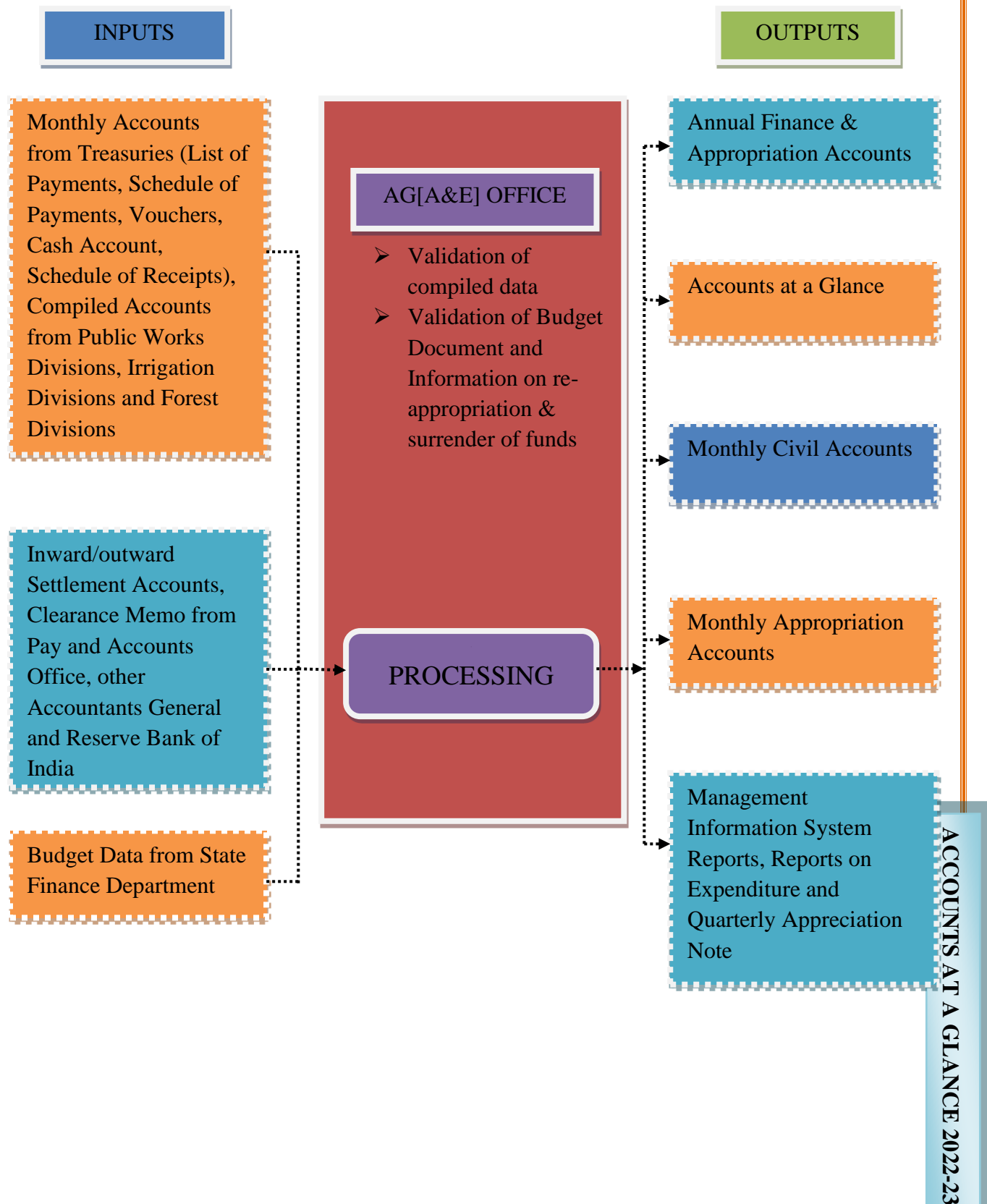
Part 2 CONTINGENCY FUND

Part 3 PUBLIC ACCOUNT

In Public Account, the transactions relating to Debt (Other than those included in Part 1), 'Deposits', 'Advances' [in respect of which Government incurs a liability to pay the money received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and recoveries of the latter (Advances)], 'Remittances' and 'Suspense' (embracing all merely adjusting heads under which shall appear such transactions as remittances of cash between treasuries and currency chests and transfer between different account circles) shall be recorded. The initial debits or credits of these heads will be cleared eventually by corresponding receipts or payments either within the same circle or in another account circle or by booking to the final heads of accounts.

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, thirteen (13) summarized statements of overall receipts and disbursements and 'Notes to Finance accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volume-II contains nine (9) detailed statements (Part I) and thirteen (13) appendices (Part II).

The Union Government transfers substantial funds directly to State Implementing Agencies/ Non-Governmental Organisations for implementation of various schemes and programmes. During the year 2022-23, the Government of India (GOI) released ₹ 4,335.37 crore directly to the implementing agencies in Uttarakhand. Since these funds are not routed through the State Budget, these are not reflected in the Accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts.

1.3.2 Financial Highlight of year 2022-23: The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2022-23:

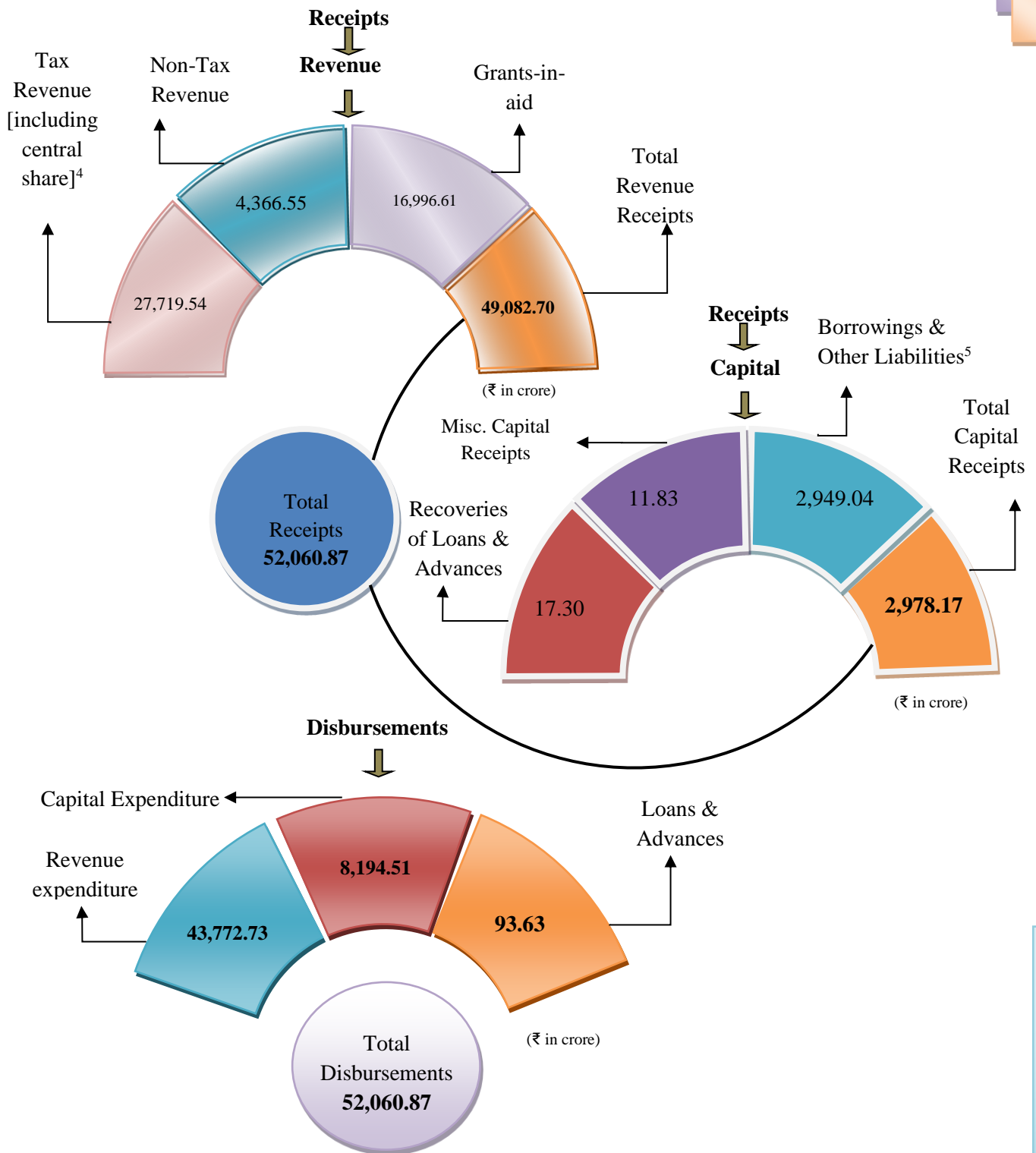
Sr. No	Component	Budget Estimates (₹ in crore)	Actuals (₹ in crore)	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP ¹
1.	Tax Revenue (including Central Share)	24,500.72	27,719.54 ²	113.14	9.16
2.	Non-Tax Revenue	5,520.79	4,366.55	79.09	1.44
3.	Grants-in-Aid & Contributions	21,452.76	16,996.61	79.23	5.62
4.	Revenue Receipts (1+2+3)	51,474.27	49,082.70	95.35	16.22
5.	Recovery of Loans & Advances	25.28	17.30	68.43	0.01
6.	Misc. Capital Receipts	0.00	11.83	...	...
7.	Borrowings & Other Liabilities	12,275.00	2,949.04 ³	24.02	0.97
8.	Capital Receipts (5+6+7)	12,300.28	2,978.17	24.21	0.98
9.	Total Receipts (4+8)	63,774.55	52,060.87	81.63	17.20
10.	Revenue Expenditure	51,289.74	43,772.73	85.34	14.46
11.	Expenditure on Interest Payments (out of revenue expenditure)	6,017.85	5,103.63	84.81	1.69
12.	Capital Outlay	11,987.68	8,194.51	68.36	2.71
13.	Loans and Advances Disbursed	156.26	93.63	59.92	0.03
14.	Total Expenditure (10+12+13)	63,433.68	52,060.87	82.07	17.20
15.	Revenue Deficit(-)/ Surplus (+) (4-10)	(+)184.53	(+) 5,309.97	2877.56	1.75
16.	Fiscal Deficit(-)/ Surplus (+) (4+5+6-14)	(-)11,934.13	(-)2,949.04	24.71	(-)0.97

¹ Provisional estimates of GSDP for the year 2022-23 is ₹ 3,02,620.68 crore (at current prices) as per information on website of Directorate of Economics & Statistics, Department of Planning, Government of Uttarakhand.

² Includes share of net (tax) proceeds assigned to state amounting to ₹ 10,617.01 crore. [State Government Own Tax receipts were ₹ 17,102.53 crore which was 5.65 per cent of GSDP].

³ Borrowing and other Liabilities: Net (receipts- disbursements) of Public Debt (₹ 956.30 crore) + Net of Contingency Fund (₹ 90.16 crore) + Net [Receipts-Disbursement] of Public Account (₹ 1,658.29 crore) + net of Opening and Closing Cash Balance (₹ 244.29 crore).

Receipts and Disbursement in year 2022-23



⁴Includes share of net (tax) proceeds assigned to state amounting to ₹ 10,617.01 crore. [State Government Own Tax receipts were ₹ 17,102.53 crore which was 5.65 per cent of GSDP]

⁵Borrowing and other Liabilities: Net (receipts- disbursements) of Public Debt + Net of Contingency Fund,+ Net [Receipts-Disbursement] of Public Account + net of Opening and Closing Cash Balance

1.3.3 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 Appropriation Accounts supplement the Finance Accounts. The budget of the Uttarakhand has 01 Charged Appropriation, 08 Charged Appropriation / Voted Grants and 22 Voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure complied with the appropriation authorized by the Legislature through the Appropriation Act of each year.

1.3.4 Efficiency on Budget Preparation

The Appropriation Act, 2022-23, had provided for gross expenditure of ₹ 71,011.92 crore. Against this, the actual gross expenditure was ₹ 60,592.90 crore and reduction of expenditure was ₹ 57.26 crore, resulting in saving of ₹ 10,419.02 crore (14.67 per cent) and less estimation of "in reduction of expenditure" was ₹ 57.26 crore (100.00 per cent). One grant, relating to 'Finance, Tax, Planning, Secretariat & Miscellaneous Services', 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 maintain liquidity by making good the deficiency in the agreed minimum cash balance (₹ 0.16 crore) which the State Government is required to maintain with the Reserve Bank of India. During 2022-23, the Government of Uttarakhand availed Ways and Means advance of ₹ 4,395.47 crore however, ₹ 4,395.47 crore was repaid during the year. The WMA was taken on 36 occasions (00 ordinary and 36 special). However, no ways and Means Advances remained unpaid as on 31st March 2023. An amount of ₹ 2.21 crore was paid as interest on WMA during the year.

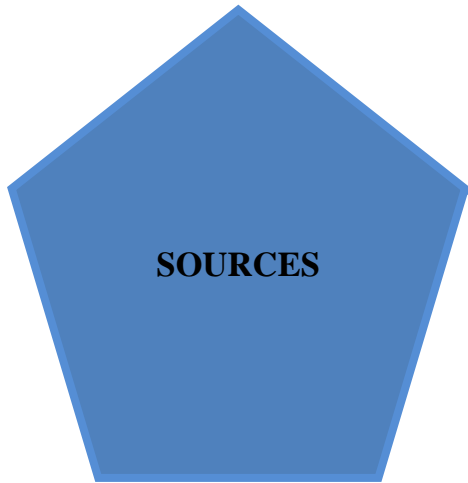
1.4.2 Overdraft from the Reserve Bank of India

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 2022-23, overdraft was taken on 03 occasions by the State Government.

1.4.3 Fund flow statement

The State had a Revenue Surplus of ₹ 5,309.97 crore and a Fiscal Deficit of ₹ 2,949.04 crore in 2022-23 representing 1.75 and 0.97 percent of GSDP respectively. The Fiscal Deficit was met from net Public Debt (₹ 956.30 crore), net Public Account (₹ 1,658.29 crore), net of Contingency Fund (₹ 90.16 crore) and net decrease in closing cash balance (₹ 244.29 crore). Around 53.15 per cent of Revenue Receipts (₹ 49,082.70 crore) of the State Government was spent on committed expenditure like salaries (₹ 13,515.35 crore), interest payments (₹ 5,103.63 crore), pensions (₹ 7,180.52 crore) and subsidies (₹ 289.20 crore).

Sources and Application of Funds



PARTICULARS	AMOUNT
• Opening Cash Balance as on 1st April, 2022	112.47
• Revenue Receipts	49,082.70
• Misc. Capital Receipts	11.83
• Recovery of Loans and Advances	17.30
• Public Debt	9,431.07
• Small Savings, Provident Funds etc.	1,886.73
• Reserve Funds & Sinking Funds	1,483.87
• Deposits Received	5,386.61
• Civil Advances Repaid	0.00
• Suspense Account	96,401.56 ⁶
• Remittances	1.26
• Contingency Fund	268.66
• Total	1,64,084.06



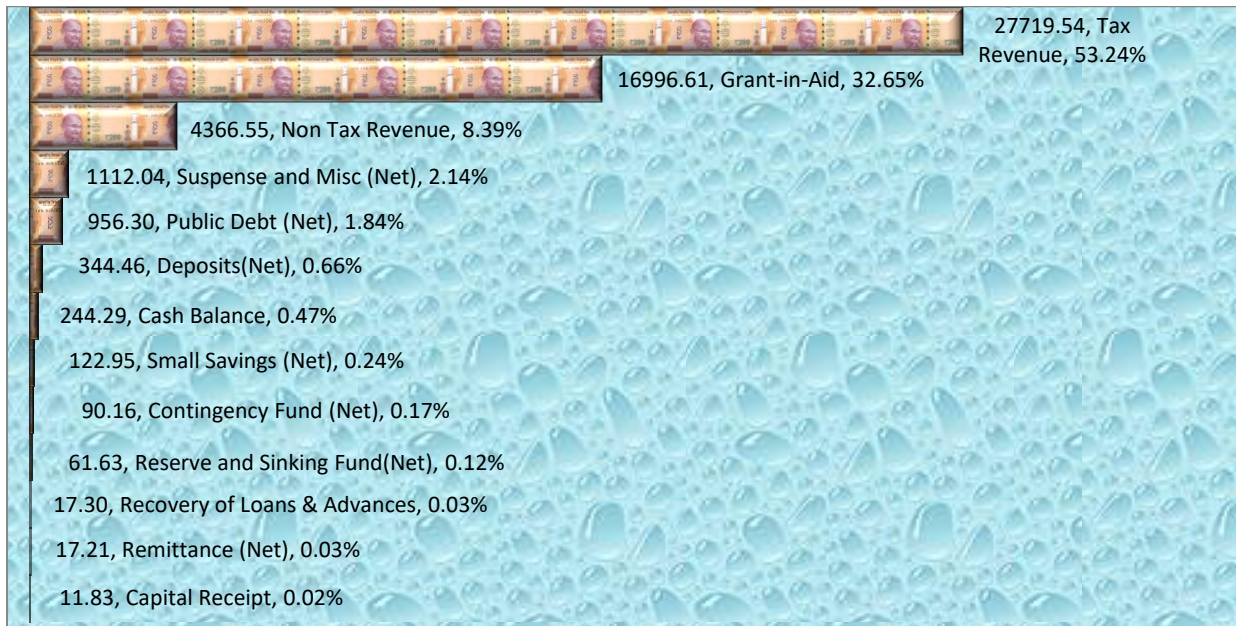
• Revenue Expenditure	43,772.73
• Capital Expenditure	8,194.51
• Loans Given	93.63
• Repayment of Public Debt	8,474.77
• Small Savings, Provident Funds etc.	1,763.78
• Reserve Funds & Sinking Funds	1,422.24
• Deposits Repaid	5,042.15
• Civil Advances Given	0.00
• Suspense Account	95,289.52 ⁷
• Remittances	-15.95
• Contingency Fund	178.50
• Closing Cash Balance as on 31st March, 2022	-131.82
• Total	1,64,084.06

⁶Includes ₹ 45,727.35 crore on account of cash balance investment account.

⁷Includes ₹ 44,343.10 crore on account of cash balance investment account.

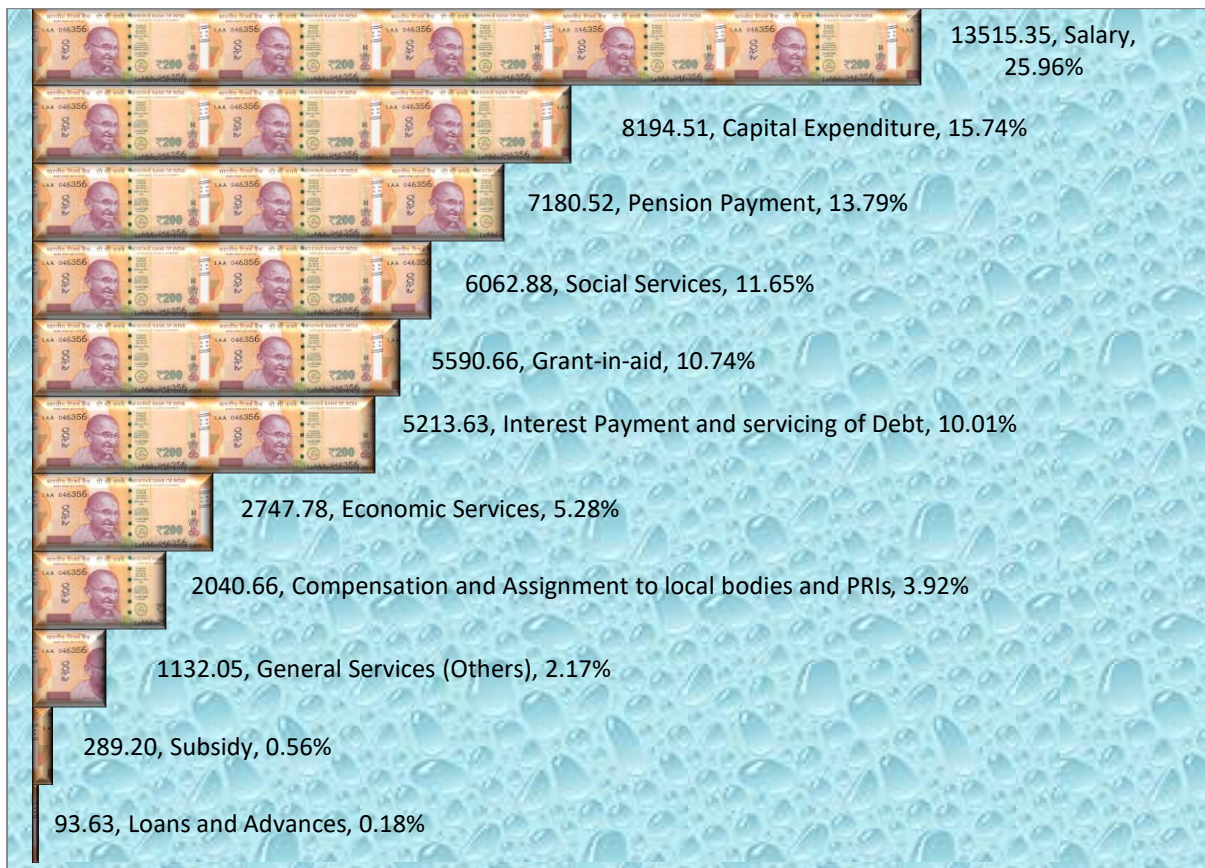
1.4.4 Where the ₹ came from ?

Actual Receipts (₹ 52,060.87 crore)



1.4.5 Where the ₹ went ?

Actual Expenditure (₹ 52,060.87 crore)



During the year 2022-23, Revenue Surplus of ₹ 5,309.97 crore (₹ 4,128.04 crore revenue Surplus in 2021-22) and fiscal deficit of ₹ 2,949.04 crore (₹ 3,735.84 crore fiscal deficit in 2021-22) represent 1.75 *per cent* and 0.97 *per cent* of Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 5.66 *per cent* of total expenditure (₹ 52,060.87 crore).

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.

Refers to the gap between revenue receipt and revenue expenditure. Revenue expenditure is required to maintain the existing establishment of government and ideally, should be fully met from revenue receipts.

REVENUE DEFICIT / SURPLUS

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 and ideally should be invested in capital projects.

1.5 Fiscal Responsibility and Budget Management (FRBM) Act, 2005

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. The Government of Uttarakhand has enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005. This Act has been amended in the year 2011, 2016, 2020 and 2023. As per provision of this Act, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2022-23 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 ⁸	
			Target	Achievement
1	Revenue Surplus	5,309.97	State to be revenue surplus	1.75 (Achieved)
2	Fiscal Deficit	2,949.04	3.5 ⁹	0.97(Achieved)
3	Public Debt and Other Liabilities	72,860.01 ¹⁰	33.3	24.08 ¹⁰ (Achieved)
4	Primary Surplus	2,154.59	...	0.71

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

The State Government had Revenue Surplus of ₹ 4,128.04 crore in 2021-22 whereas Revenue Surplus of ₹ 5,309.97 crore during the year 2022-23 which conformed to the target of FRBM Act. Fiscal deficit decreased by ₹ 786.80 crore from ₹ 3,735.84 crore in 2021-22 to ₹ 2,949.04 crore in 2022-23 and was 0.97 per cent of GSDP which was well within the stipulated target of 3.5 per cent of GSDP. Against, the target of keeping Public Debt and Other Liabilities during the year upto 33.3 per cent of GSDP by the year 2022-23, the Public Debt and Other Liabilities during the year stood at ₹ 72,860.01 crore, being 24.08 per cent of GSDP.

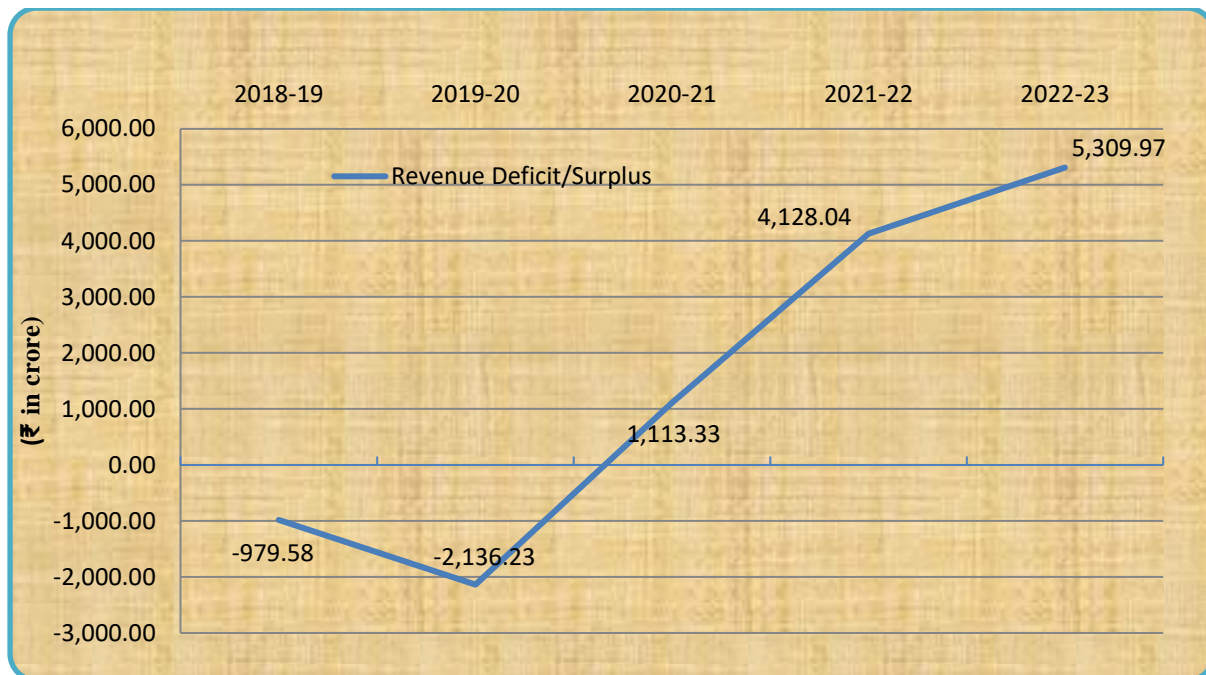
⁸Provisional estimates of GSDP for the year 2022-23 is ₹ 3,02,620.68 crore (at current prices) as per information on website of Directorate of Economics & Statistics, Department of Planning, Government of Uttarakhand.

⁹As per FRBM Act 2023, the limit for Fiscal Deficit is 3.5 per cent of GSDP.

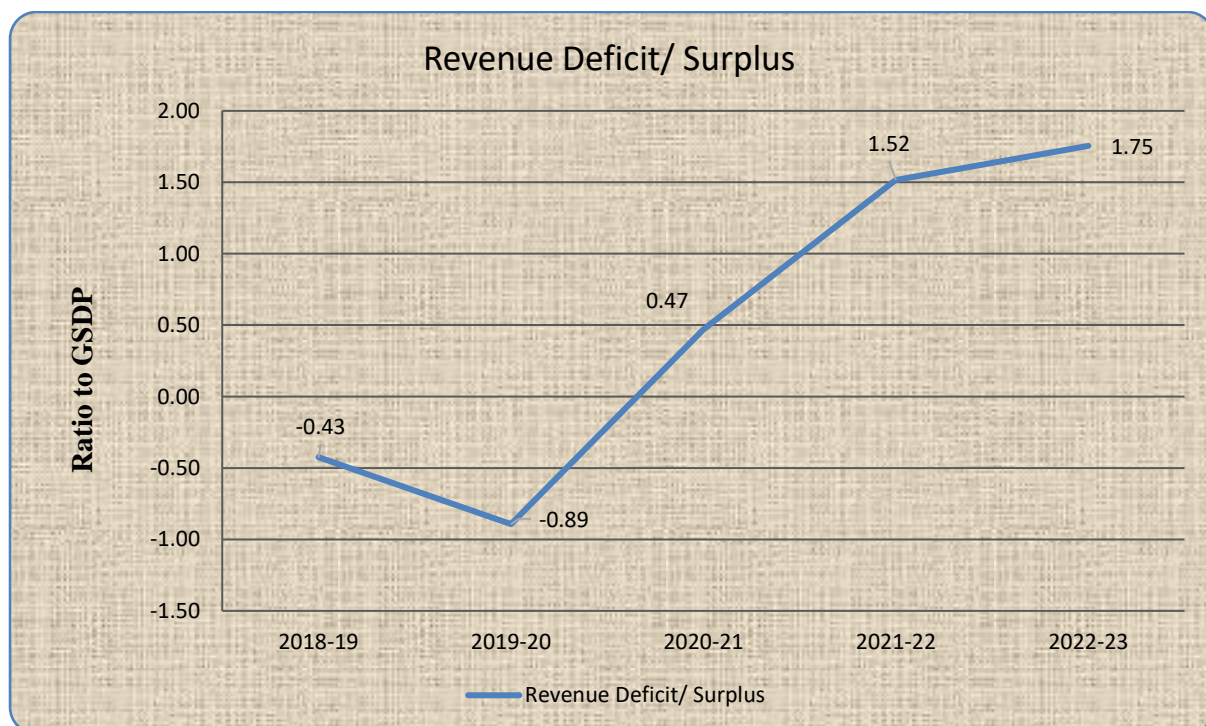
¹⁰Back to Back loan of ₹ 5,649.03 Crore (₹ 2,316.00 Crore for 2020-21 + ₹ 3333.03 Crore for 2021-22) received from GoI in lieu of GST compensation shortfall has been excluded for computing the ratio of outstanding debt to GSDP. As per GoI clarification vide letter no. F. No. 40 (1) PF-S/2021-22 dated 10-12-2021 this borrowing would not be treated as debt of the State for any norms which may be prescribed by the Finance Commission.

1.5.1 Trend of Revenue Deficit / Surplus

Trend of Revenue Deficit / Surplus



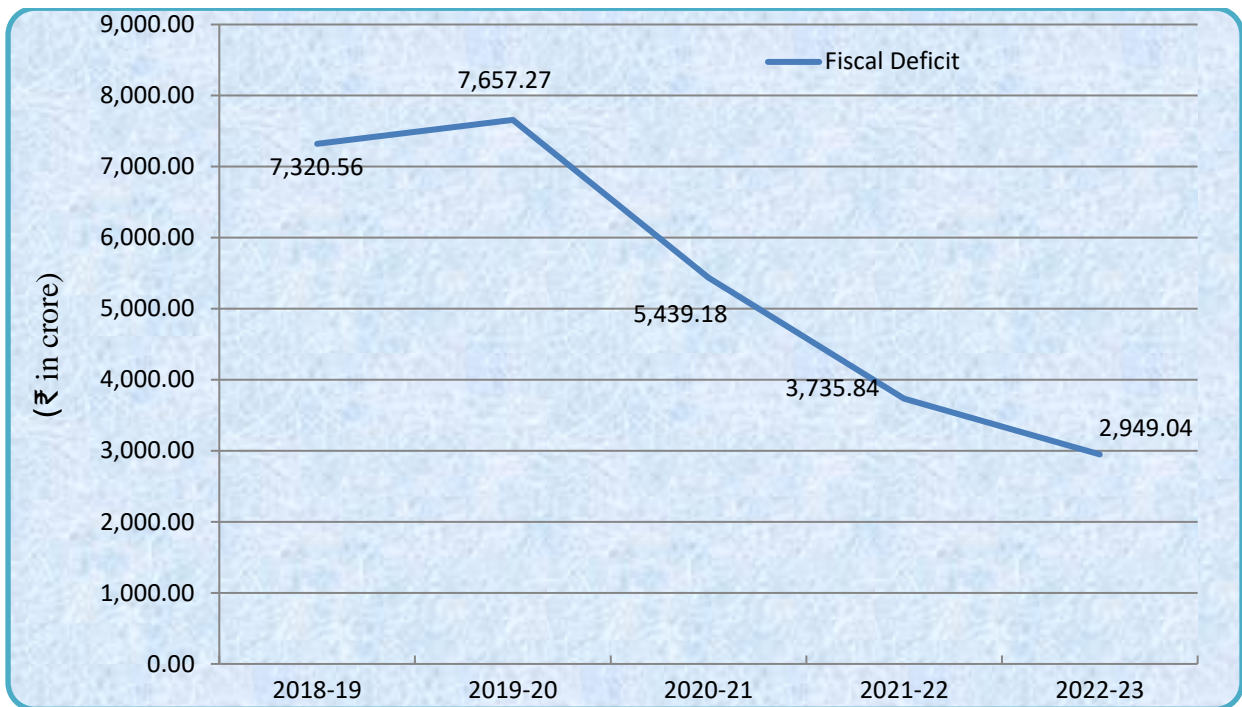
Trend of Revenue Deficit / Surplus proportion to the GSDP



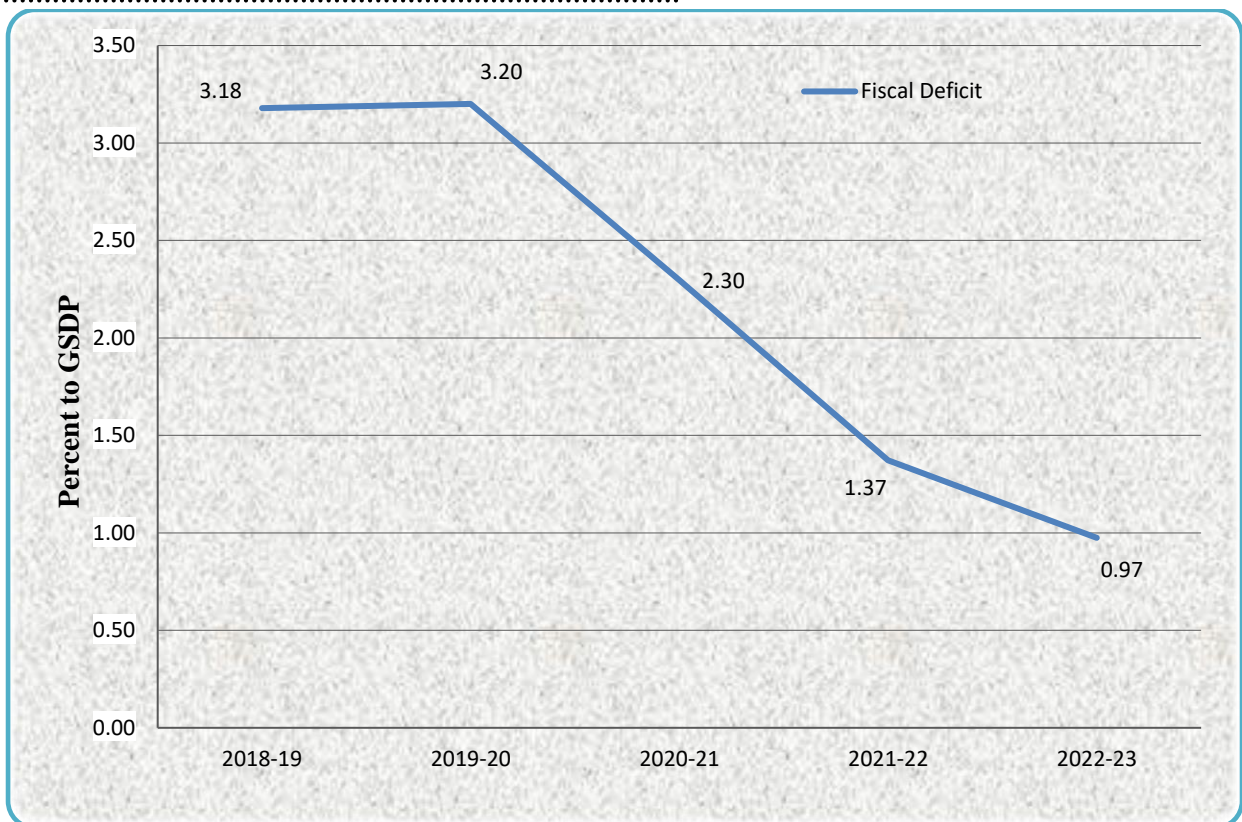
Note: Minus (-) value of ratio represents Revenue Deficit and plus (+) value represents Revenue Surplus.

1.5.2 Trend of Fiscal Deficit

Trend of Fiscal Deficit



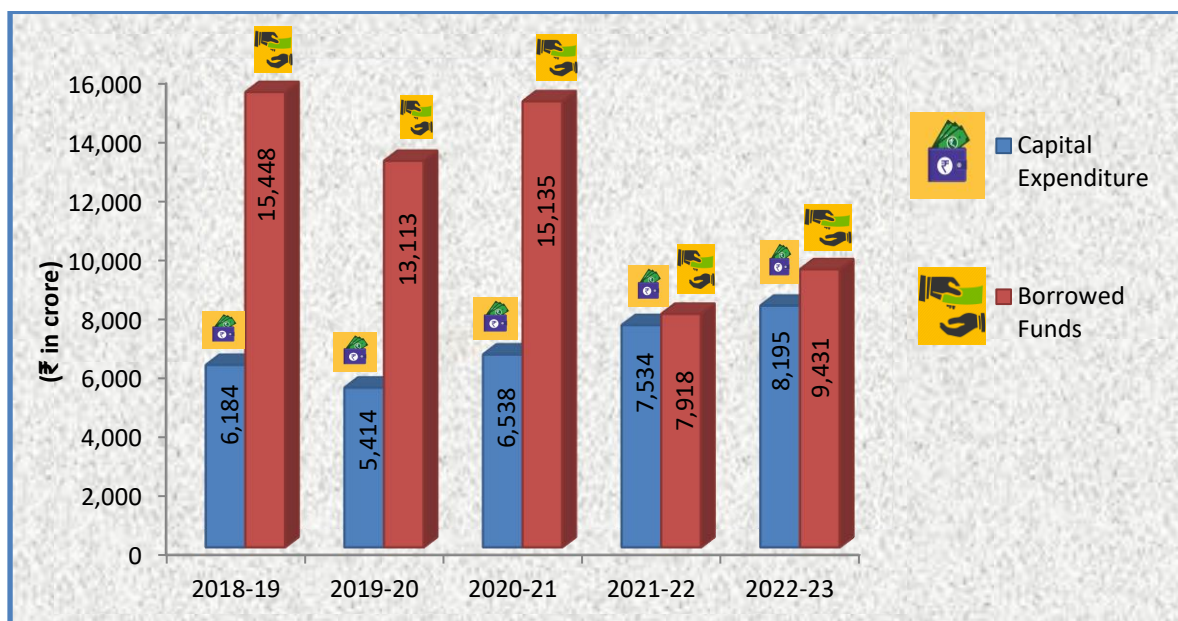
Trend of Fiscal Deficit in proportion to the GSDP



1.5.3 Proportion of borrowed funds spent on Capital Expenditure

(₹ in crore)

Year	Borrowed Fund ¹¹	Capital Expenditure
2018-19	15,448	6,184
2019-20	13,113	5,414
2020-21	15,135	6,538
2021-22	7,918	7,534
2022-23	9,431	8,195



The Governments usually run on 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 86.89 *per cent* of the borrowings of the current year (₹ 9,431 crore) on capital expenditure (₹ 8,195 crore) and 0.99 *per cent* on the loans given by the State Government (₹ 93.63 crore). It would, therefore, appear that balance 12.12 *per cent* of borrowings in the public debt was utilized to repay the part of public debt of previous years.

¹¹Represents receipts of Public Debt during the year.

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2022-23 was ₹ 58,542.90 crore (₹ 49,082.70 crore of Revenue Receipts and ₹ 9,460.20 crore of Capital Receipts).

2.2 Revenue Receipts

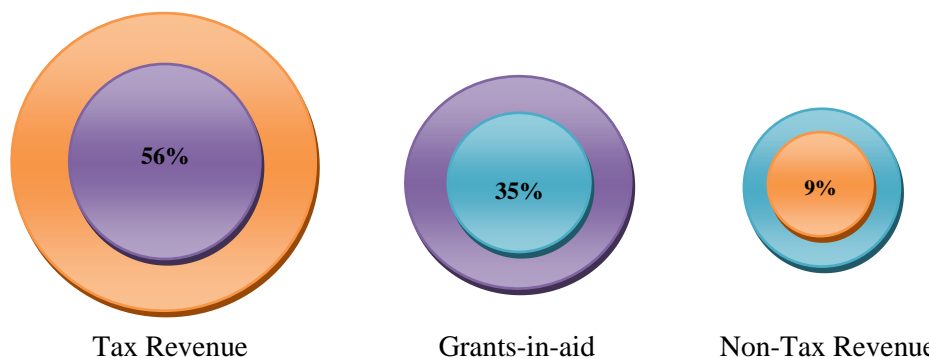
The Revenue Receipts of the government comprise three components viz. Tax Revenue (Own Tax Revenue + Share of Net Proceeds of Taxes), Non-tax Revenue and Grants-in-aid received from the Union Government.

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' and 'Aid, Material and Equipment' received from Foreign Government 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.

Revenue Receipts



2.2.1 Revenue Receipts Components (2022-23)

Components	Actuals (₹ in crore)	Percent to Revenue Receipt
A. Tax Revenue¹	27,719.54	56.47
Goods and Service Tax	10,340.67	21.07
Taxes on Income and Expenditure	7,034.55	14.33
Taxes on Property, Capital and other Transactions	2,052.26	4.18
Taxes on Commodities and Services other than goods and service tax	8,292.06	16.89
B. Non-Tax Revenue	4,366.55	8.90
Fiscal Services	0.00	0.00
Interest Receipts, Dividend and Profits	784.11	1.60
General Services	1,933.79	3.94
Social Services	526.54	1.07
Economic Services	1,122.11	2.29
C. Grants-in-aid & Contributions	16,996.61	34.63
Total- Revenue Receipts	49,082.70	100

2.2.2 Trend of Revenue Receipts

(₹ in crore)

	2018-19	2019-20	2020-21	2021-22	2022-23
Tax Revenue [Raised by the State]	12,188 (5)	11,513 (5)	11,937(5)	14,176 (5)	17,102(6)
State Share of Union Taxes/ Duties	8,011 (4)	6,902 (3)	6,569(3)	9,906 (4)	10,617(3)
Non-Tax Revenue	3,310 (1)	3,999 (2)	4,171(2)	2,756 (1)	4,367(1)
Grants in Aid	7,707 (3)	8,309 (3)	15,527(6)	16,219 (6)	16,997(6)
Total Revenue Receipts	31,216 (13)	30,723 (13)	38,204(16)	43,057 (16)	49,083(16)
GSDP	2,30,314	2,39,247	2,36,860	2,72,159	3,02,621 ²

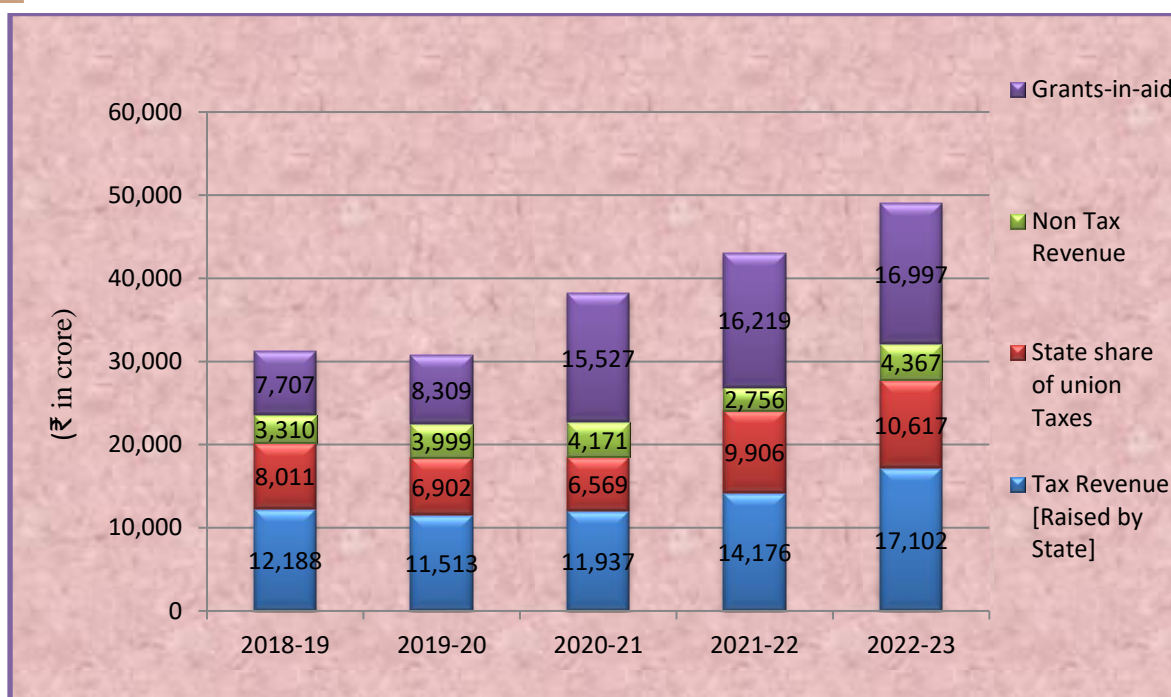
Note: Figures in parentheses represent percentage to GSDP. GSDP for the year 2022-23 is ₹ 3,02,620.68 crore (at current prices) as per information on website of Directorate of Economics & Statistics, Department of Planning, Government of Uttarakhand.

Though the GSDP increased by 11.19 per cent in 2022-23 as compared to previous year whereas revenue receipts increased by 14.00 per cent. The total tax revenue (including State Share of Union Taxes/ Duties) increased by 15.10 per cent, the non-tax revenue increased by 58.45 per cent and the grants-in-aid increased by 4.80 per cent compared to the previous year.

¹Includes share of net proceeds assigned to State [received from the Government of India].

²Advance estimate

Trend of components of Revenue Receipts



2.3 Tax Revenue

(₹ in crore)

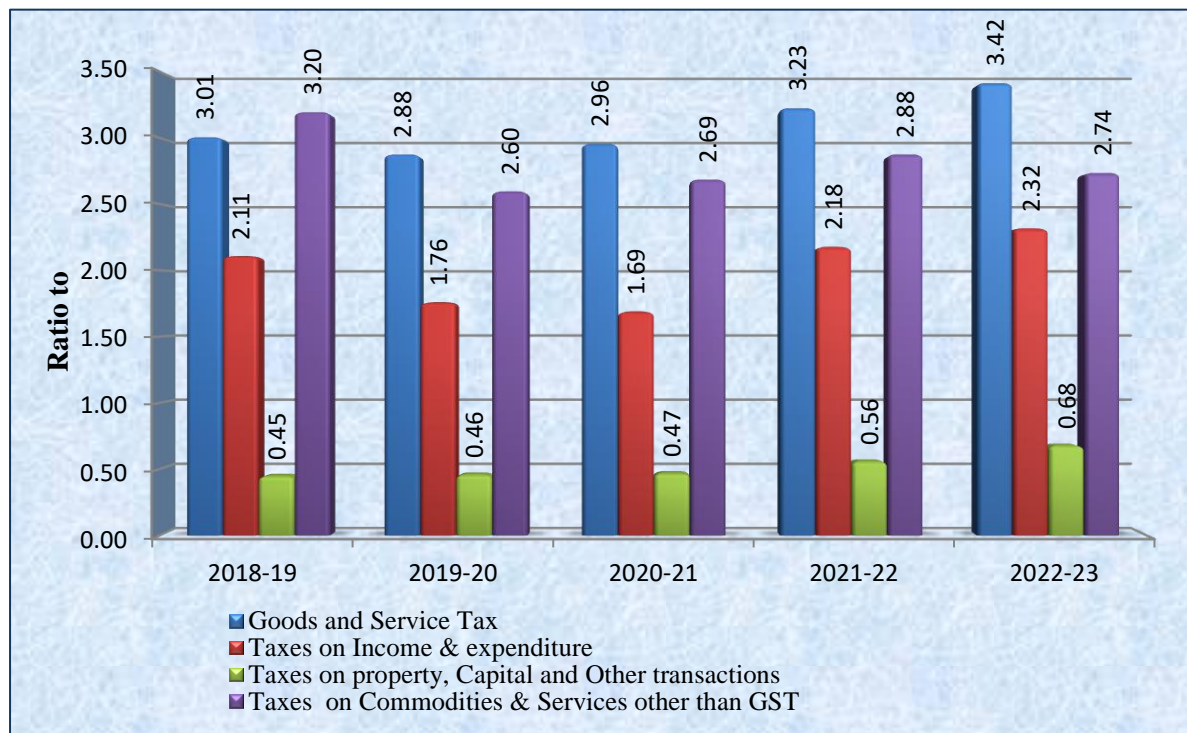
	2018-19	2019-20	2020-21	2021-22	2022-23
a. Goods and Service Tax³	6,937(3.01)	6,890 (2.88)	7,007(2.96)	8,803 (3.23)	10,341 (3.42)
b. Taxes on Income and Expenditure	4,853(2.11)	4,197(1.76)	4,012(1.69)	5,924 (2.18)	7,035 (2.32)
c. Taxes on Property and Capital Transactions	1,051(0.45)	1,096 (0.46)	1,124(0.47)	1,529 (0.56)	2,052 (0.68)
d. Taxes on Commodities and Services other than GST	7,359(3.20)	6,232 (2.60)	6,363(2.69)	7,826 (2.88)	8,292 (2.74)
Total Tax Revenues	20,200(8.77)	18,415(7.70)	18,506(7.81)	24,082 (8.85)	27,720 (9.16)
GSDP	2,30,314	2,39,247	2,36,860	2,72,159	3,02,621

Note: Figures in Parentheses represents percentage to GSDP.

³GST was introduced w.e.f. 01/07/2017.

The increase in total Tax Revenue during 2022-23 was mainly attributable to more collection under Goods and Service Tax (₹ 1,538 crore), Taxes on Income and Expenditure (₹ 1,111 crore) and Taxes on Property and Capital Transactions (₹ 523 crore).

Trend of Major Taxes in proportion to GSDP



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.

Year	Tax Revenue (₹ in crore)	State share of Union taxes/Duties (₹ in crore)	State's Own Tax Revenue	
			Tax Revenue (₹ in crore)	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2018-19	20,200	8,012	12,188	5.29
2019-20	18,415	6,902	11,513	4.81
2020-21	18,506	6,569	11,937	5.04
2021-22	24,082	9,906	14,176	5.21
2022-23	27,720	10,617	17,102	5.65

Following table depicts the comparative position about tax revenue received from the two sources over a period of five years:

(₹ in crore)

Description	2018-19	2019-20	2020-21	2021-22	2022-23
State's own Tax collection	12,188	11,513	11,937	14,176	17,102
Devolution of Union Taxes	8,012	6,902	6,569	9,906	10,617
Total Tax Revenue	20,200	18,415	18,506	24,082	27,720
Percentage of State's own Tax to total Tax Revenue	60.34	62.52	64.50	58.87	61.70

The proportion of State's own tax collection in overall tax revenue increased to 60 per cent in 2018-19 and increased to 63 per cent in 2019-20, to 65 per cent in 2020-2021, decreased to 59 per cent in 2021-22 and increased to 62 per cent in 2022-23.

2.3.2 Trend in State's Own Tax collection over the past five years

(₹ in crore)

Description	2018-19	2019-20	2020-21	2021-22	2022-23
1. State Goods and Services Tax (SGST)	4,802	4,931	5,053	5,973	7341
2. Taxes on Sales, Trade, etc.	1,883	1,811	1,858	2,302	2555
3. State Excise	2,871	2,727	2,966	3,258	3526
4. Taxes on Vehicles	909	908	741	889	1211
5. Stamp and Registration fees	1,015	1,072	1,107	1,488	1987
6. Taxes and Duties on electricity	506	39	189	224	294
7. Land Revenue	34	24	17	40	65
8. Other taxes	168	01	06	02	123
Total State's own Taxes	12,188	11,513	11,937	14,176	17102

2.4 Cost of Tax Collection

(₹ in crore)

Taxes	2018-19	2019-20	2020-21	2021-22	2022-23
1.Stamps and Registration Fee					
Revenue collection	1,015	1,072	1,107	1,488	1987
Expenditure on Collection	12	13	17	15	32
Cost of Tax Collection	1.18%	1.21%	1.54%	1.01%	1.61%
2.State Excise					
Revenue collection	2,871	2,727	2,966	3,258	3526
Expenditure on Collection	26	25	28	30	32
Cost of Tax Collection	0.91%	0.92%	0.94%	0.92%	0.91%
3.Taxes on Sales, Trade, etc.					
Revenue collection	1,883	1,811	1,858	2,302	2555
Expenditure on Collection	41	8	35	38	20
Cost of Tax Collection	2.18%	0.44%	1.88%	1.65%	0.78%
4.Taxes on vehicles					
Revenue collection	909	908	741	889	1212
Expenditure on Collection	0.28	0.21	0.20	0.48	0.90
Cost of Tax Collection	0.03%	0.02%	0.03%	0.05%	0.07%
5.State Goods and Services Tax					
Revenue collection	4,802	4,931	5,054	5,973	7341
Expenditure on Collection	86	87	90	97	120
Cost of Tax Collection	1.79%	1.76%	1.78%	1.62%	1.63%

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

(₹ in crore)

Description	2018-19	2019-20	2020-21	2021-22	2022-23
Central Goods and Services Tax (CGST)	1,977	1,959	1,953	2,830	3,000
Integrated Goods and Services Tax (IGST)	158	...	...	...	...
Corporation Tax	2,786	2,353	1,981	2,986	3,560
Taxes on Income other than Corporation Tax	2,052	1,844	2,031	2,938	3,475
Other taxes on Income and Expenditure	15	...	...	...	...
Taxes on Wealth	1	...	...	01	...
Customs	568	438	350	676	417
Union Excise Duties	377	304	221	338	131
Service Tax	74	...	28	128	17
Other Taxes and Duties on Commodities and Services	4	4	5	09	17
State Share of Union Taxes/Duties	8,012	6,902	6,569	9,906	10617
Total Tax Revenue	20,200	18,415	18,506	24,082	27720
Percentage of State Share of Union Taxes to Total Tax Revenue	39.66	37.48	35.50	41.13	38.30

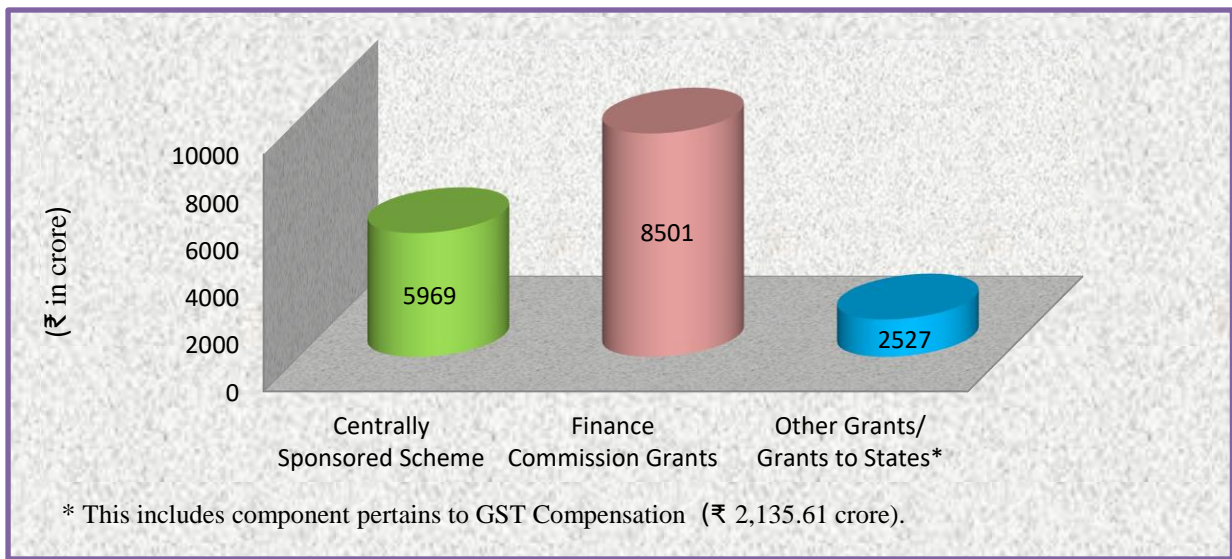
Government of Uttarakhand received share of Tax Revenue from the net proceeds of all shareable Union Taxes ranging between 35.50 per cent to 41.13 per cent during the period 2018-19 to 2022-23.

2.6 Grants-in-aid

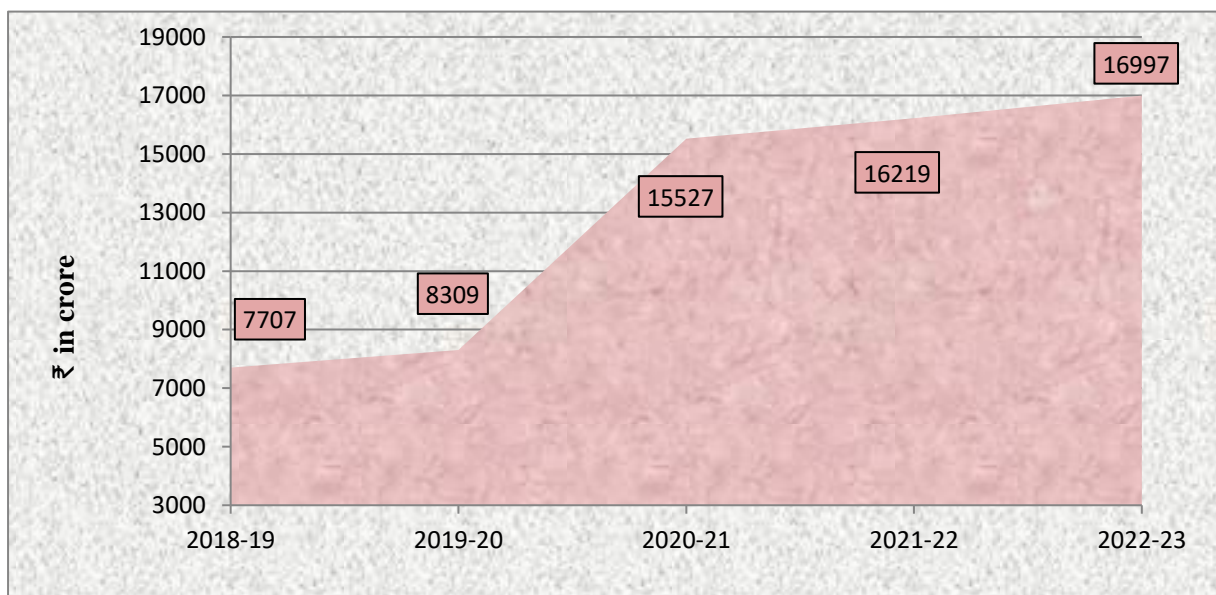
Grants-in-aid represent assistance from the Government of India, and comprises, grant for State Schemes, Central Schemes and Centrally Sponsored Schemes approved by the Niti Aayog and State Grants recommended by the Finance Commission.

Total receipts during 2022-23 under Grants-in-aid were ₹ 16,997 crore as shown below:

Grants – in – Aid

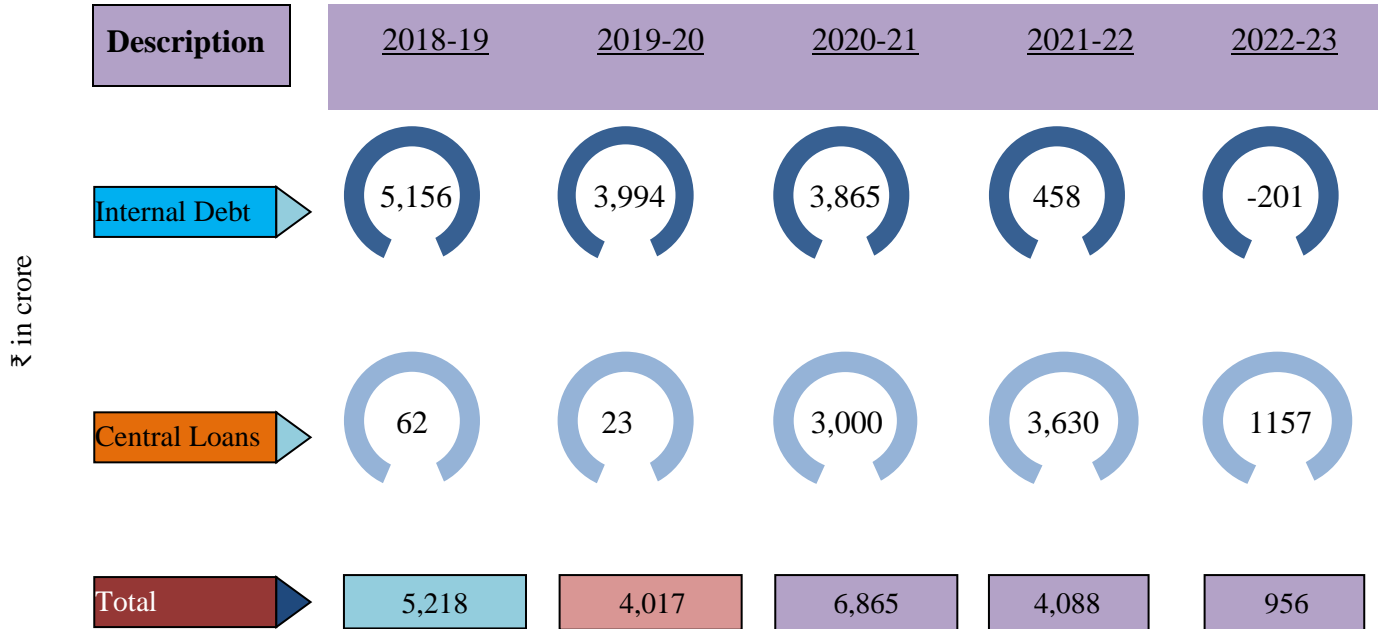


Trend of Grants-in-Aid



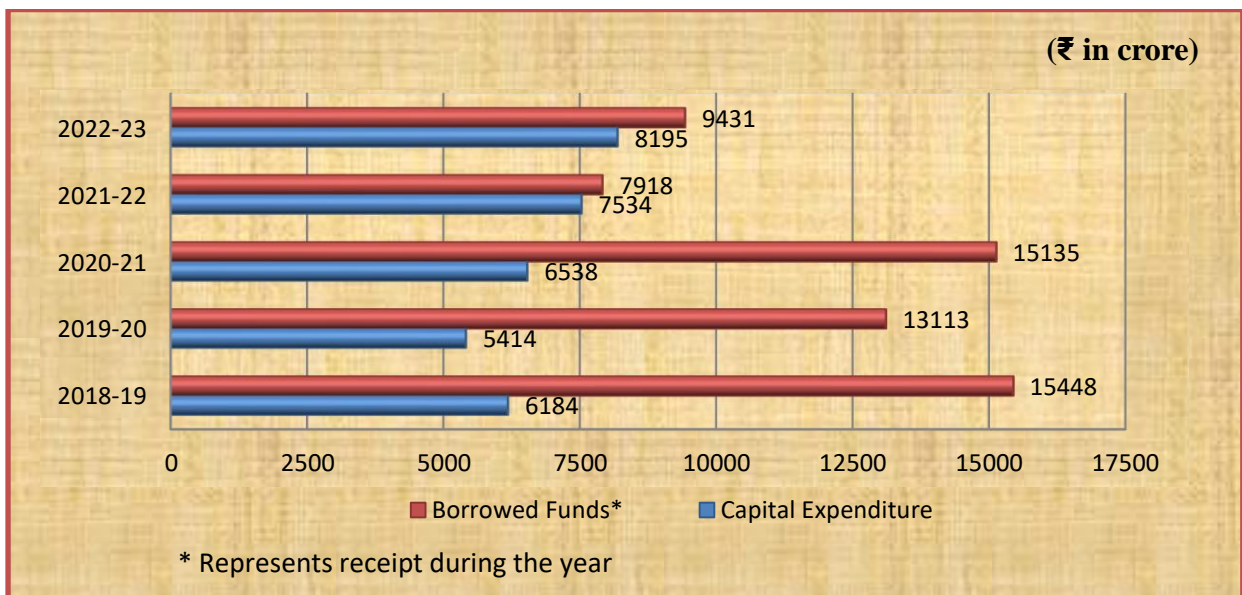
2.7 Public Debt

Trend of position of Public Debt (figures represent net increase / decrease during the year 2022-23) over the past five years:



During the year 2022-23, five loans totaling ₹ 32,00.00 crore were raised from the open market at interest rates varying from 7.62 per cent to 7.85 per cent and the same are redeemable in the year 2032 and 2033. In addition, the State Government raised loan of ₹ 616.38 crore from the financial institutions. An amount of ₹ 4395.47 crore obtained from Ways and Means Advances from the Reserve Bank of India. Thus, the total Internal Debt raised by the Government during the year 2022-23 aggregated to ₹ 8,211.85 crore. The Government also received ₹ 1,219.22 crore from Government of India as loans and advances.

Borrowed Funds viz-a-viz Capital Expenditure (during the year)



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:-

GENERAL SERVICES

Includes Justice, Police, Jail, PWD, Interest and Pension etc.

Includes Education, Health & Family Welfare, Water Supply and Welfare of SC-ST etc.

SOCIAL SERVICES

ECONOMIC SERVICES

Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries and Transport etc.

3.2 Revenue Expenditure

The shortfall of revenue expenditure against budget estimates as per Appropriation Accounts during the past five years is given below: -

(₹ in crore)

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Budget Estimates	37,334	40,539	44,461	48,193	51,290
Actuals	32,196	32,859	37,091	38,929	43,773
Gaps	5,138	7,680	7,370	9,264	7,517
Percentage of variation of Actuals against BE	14	19	17	19	15

(Source: Appropriation Accounts of respective years)

Around 60 *per cent* of the total revenue expenditure was incurred on committed expenses viz. Salaries (₹ 13,515 crore), Interest payments (₹ 5,104 crore) and Pensions (₹ 7,181 crore) and subsidies (₹ 289 crore).

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

(₹ in crore)

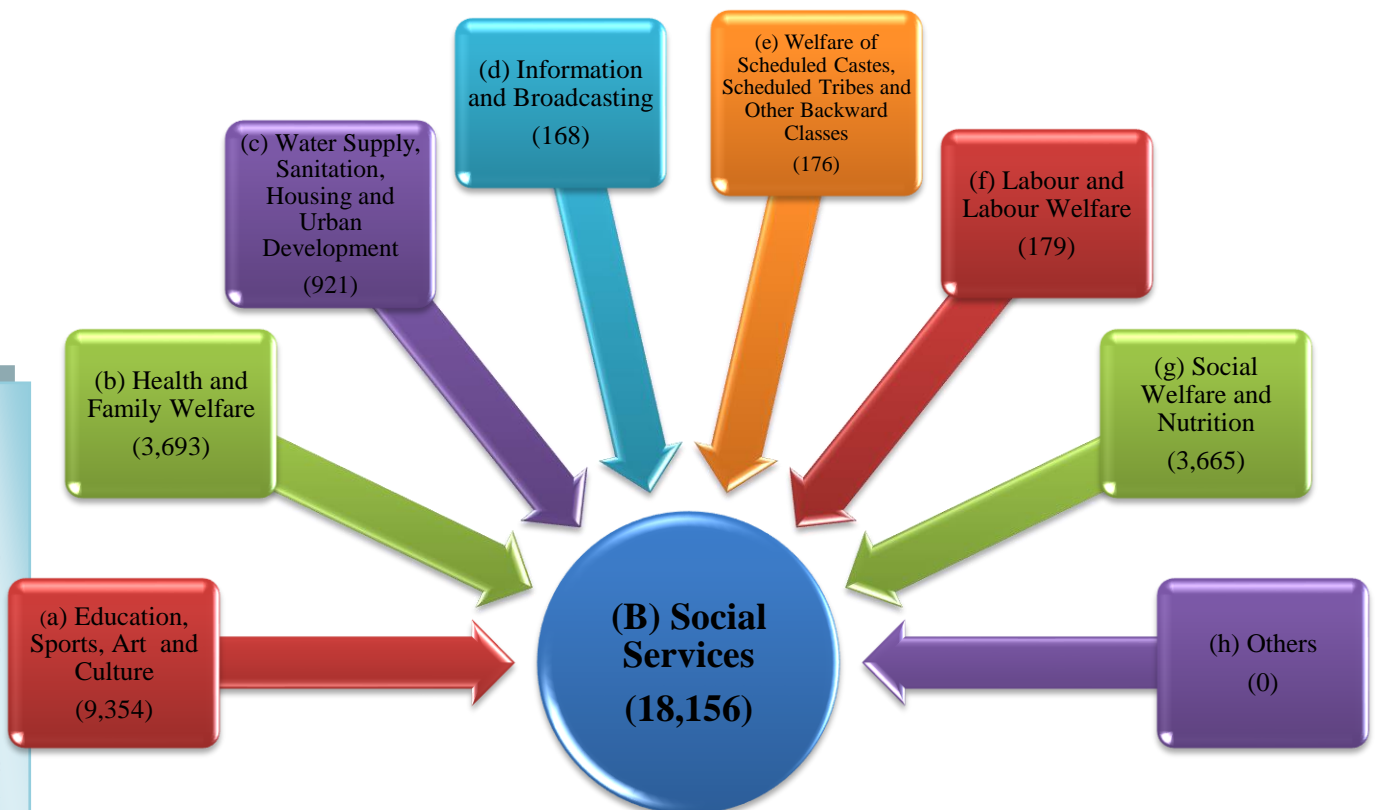
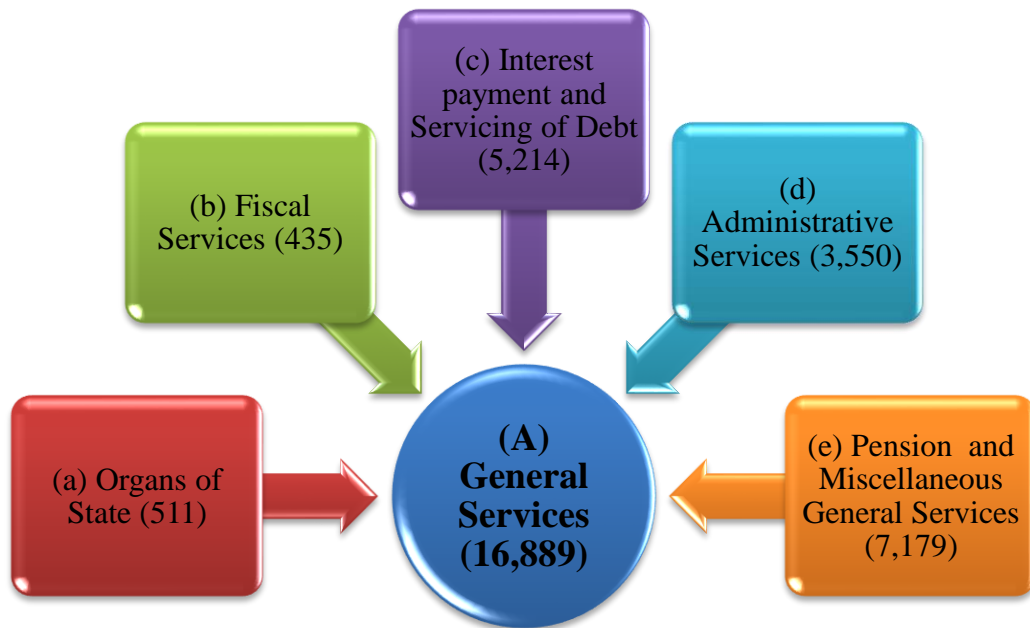
Component	2018-19	2019-20	2020-21	2021-22	2022-23
Total Revenue Expenditure	32,196	32,859	37,091	38,929	43,773
Committed Revenue Expenditure ¹	21,570	21,760	22,835	23,865	26,089
Percentage of Committed Revenue expenditure to Total Revenue expenditure	67	66	62	61	60
Uncommitted revenue expenditure	10,626	11,099	14,256	15,064	17,684

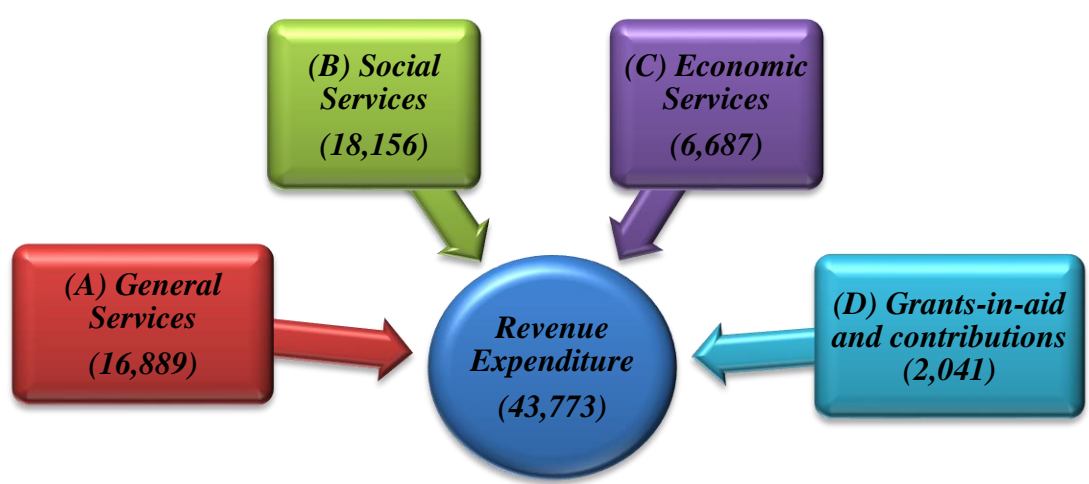
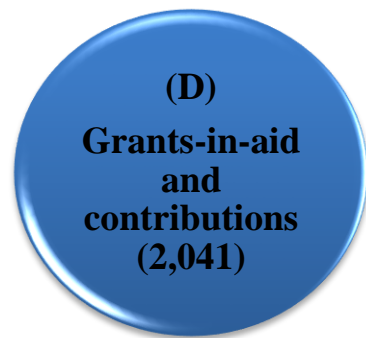
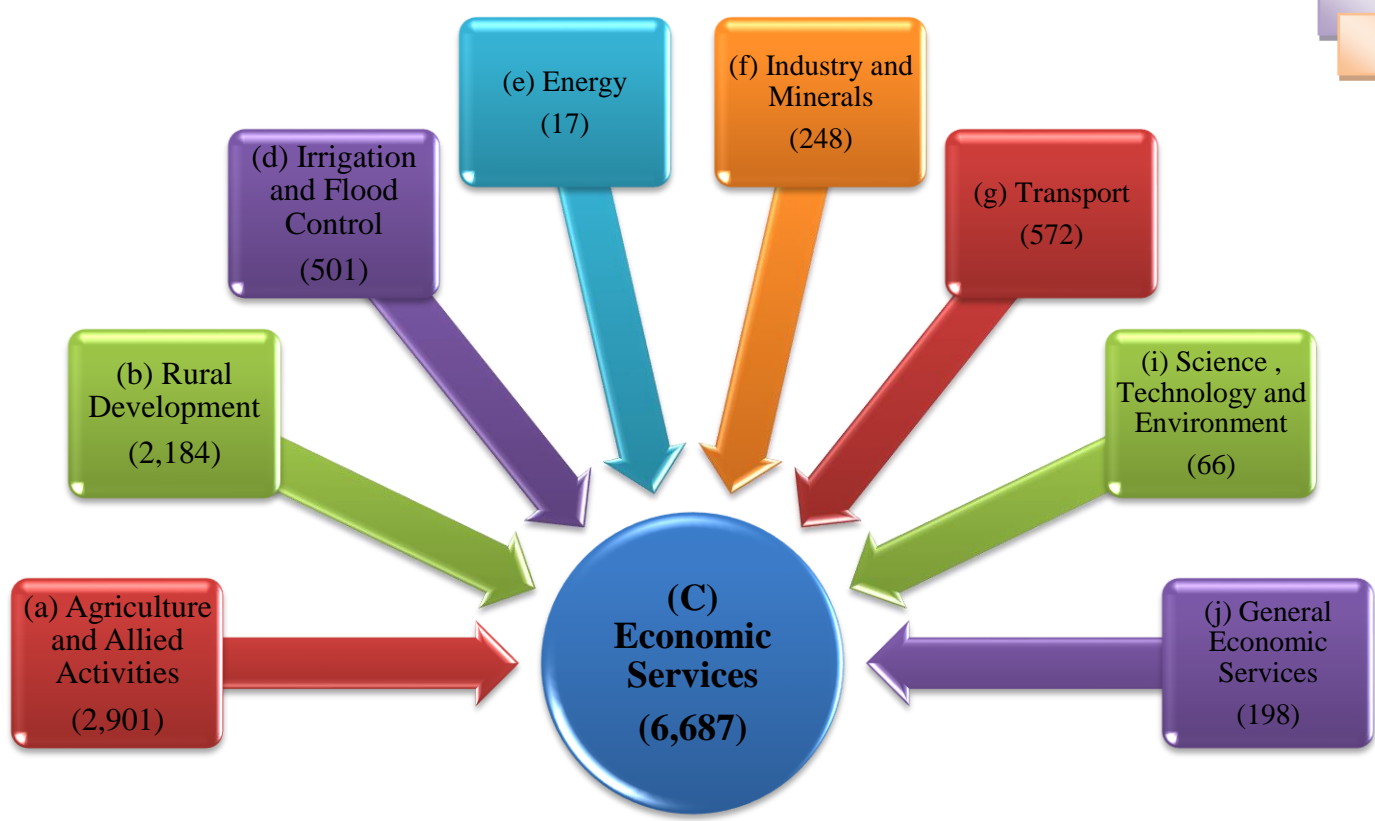
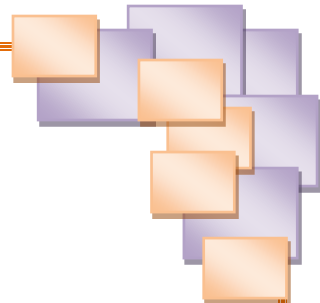
It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased by 66.42 *per cent* from ₹ 10,626 crore in 2018-19 to ₹ 17,684 crore in 2022-23. The total revenue expenditure increased by 35.96 *per cent* from ₹ 32,196 crore in 2018-19 to ₹ 43,773 crore in 2022-23 and committed revenue expenditure increased by 20.95 *per cent* over the same period.

¹Committed Revenue expenditure includes expenditure on Salaries, Interest Payment, Subsidies and Pensions

3.2.1 Sectoral distribution of Revenue Expenditure (2022-23)

(₹ in crore)

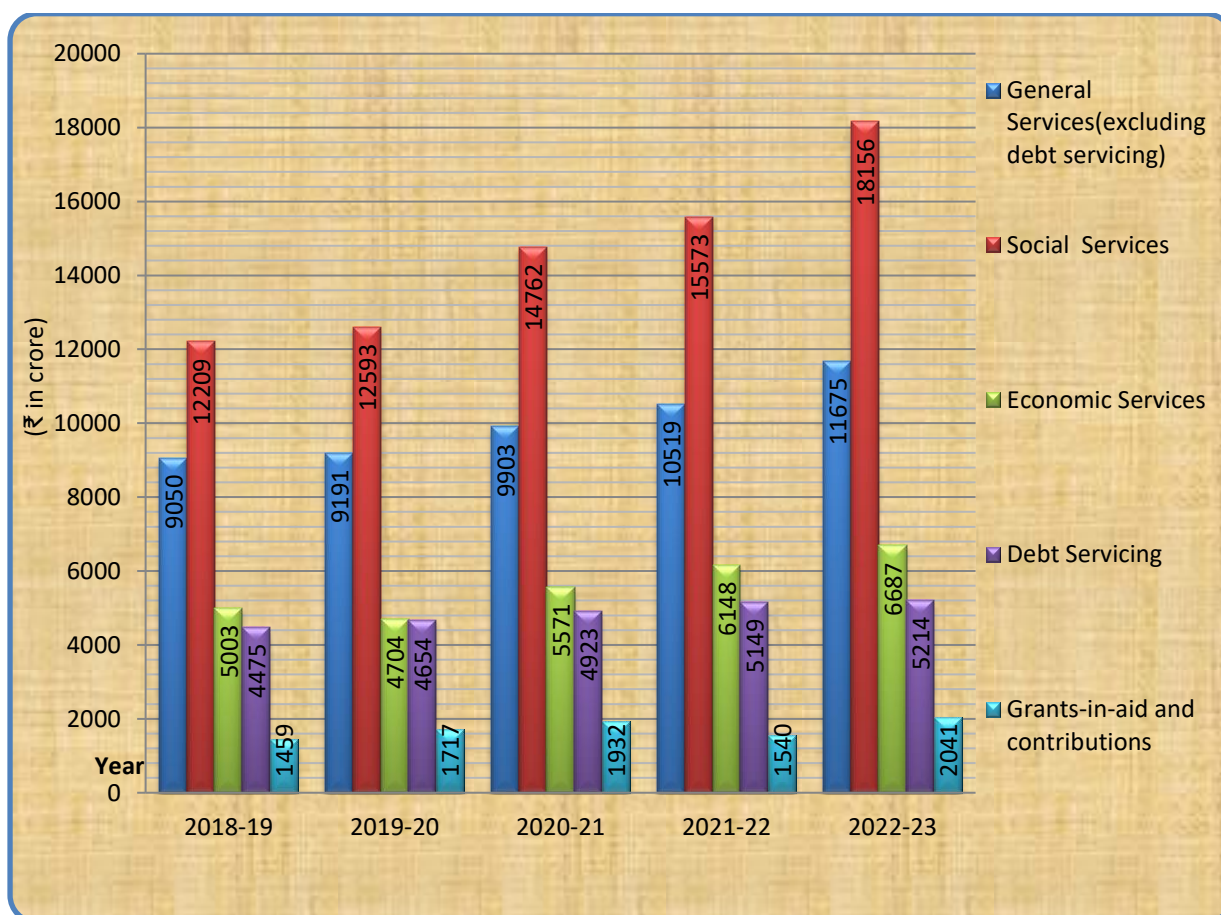




3.2.2 Major components of Revenue Expenditure 2018-19 to 2022-23

Components	₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Social Services	12,209	12,593	14,762	15,573	18,156
Economic Services	5,003	4,704	5,571	6,148	6,687
Debt Servicing	4,475	4,654	4,923	5,149	5,214
General Services (excluding expenditure on debt servicing)	9,050	9,191	9,903	10,519	11,675
Grants-in-aid and contributions	1,459	1,717	1,932	1,540	2,041

Trend of Major Components of Revenue Expenditure



3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital Expenditure during 2022-23 amounting for ₹ 8,195 crore (2.71 per cent of GSDP) were less than Budget Estimates (₹ 11,988 crore) by ₹ 3,793 crore. The growth in capital expenditure has kept pace with the steady growth of GSDP since 2018-19 onwards (except 2020-21).

This can be seen from the table below:

(₹ in crore)

S.No.	Components	2018-19	2019-20	2020-21	2021-22	2022-23
1	Budget (B.E.)	6,584	6,572	7,383	8,973	11,988
2	Actual Expenditure ²	6,184	5,414	6,538	7,534	8,195
3	Percentage of Actual Exp. to B.E.	94	82	89	84	68
4	Yearly growth in Capital Expenditure	5%	(-) 12%	21%	15%	9%
5	GSDP	2,30,314	2,39,247	2,36,860	2,72,159	3,02,621
6	Yearly Growth in GSDP	4.58%	3.88%	-1.00%	14.90%	11.19%

3.3.1 Sectoral distribution of Capital Expenditure

During 2022-23, the Government spent ₹ 197 crore on various Irrigation Projects (₹ 137 crore on Major Irrigation, ₹ 6 crore on Medium Irrigation and ₹ 54 crore on Minor Irrigation). Apart from above, the Government spent ₹ 1,298 crore on construction of Roads and Bridges and invested ₹ 225 crore in Government and other Companies and Co-operative societies.

3.3.2 Sectoral distribution of Capital Expenditure over the past five years

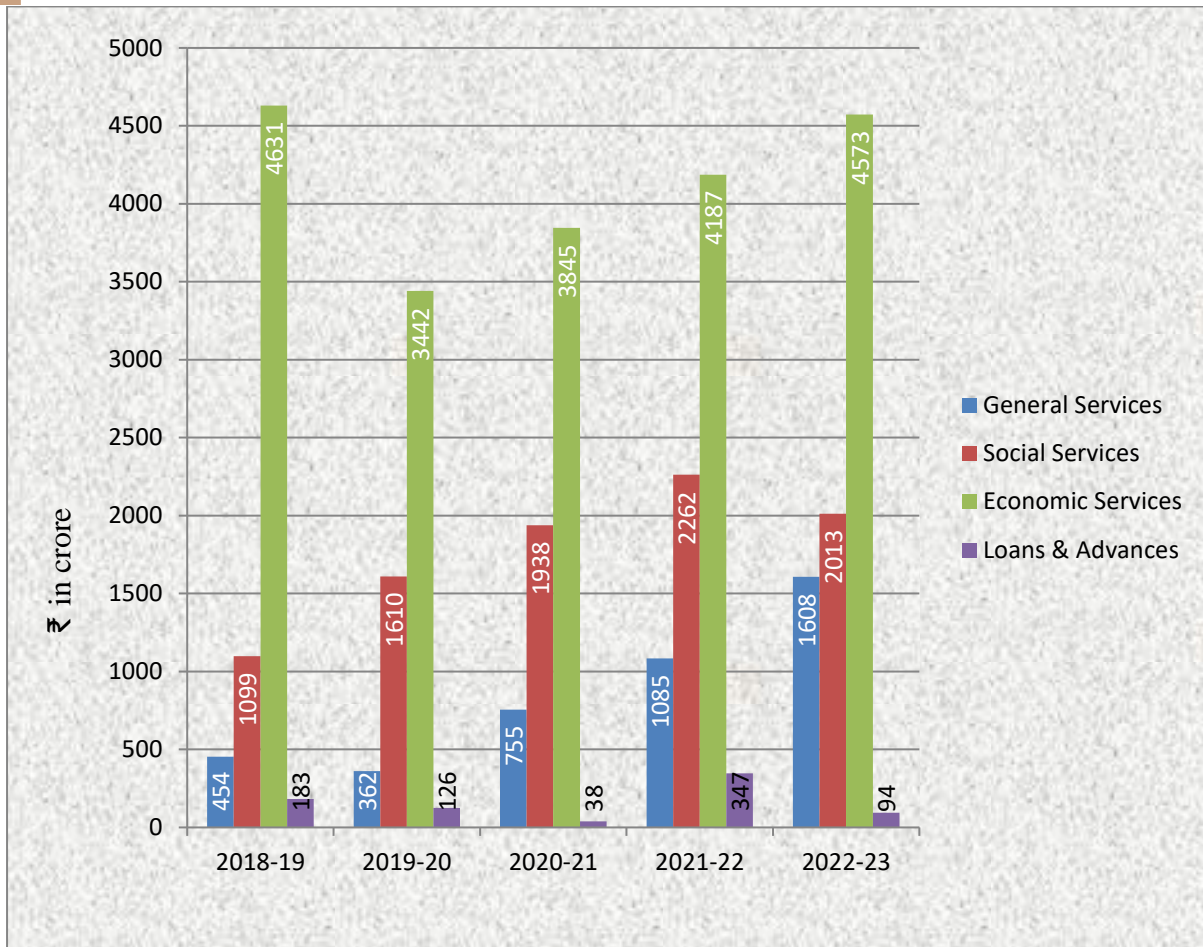
(₹ in crore)

Sector	2018-19	2019-20	2020-21	2021-22	2022-23
General Services	454(7)	362 (7)	755(12)	1,085 (14)	1,608 (20)
Social Services	1,099(17)	1,610 (29)	1,938(29)	2,262 (29)	2,013 (24)
Economic Services	4,631(73)	3,442(62)	3,845(58)	4,187 (53)	4,573 (55)
Loans and Advances	183(3)	126 (2)	38(1)	347 (4)	94 (1)
Total	6,367	5,540	6,576	7,881	8,288

Note: Figures in parentheses represent percentage to total capital expenditure.

²Does not include expenditure on Loans and Advances.

Trend of Sectoral Distribution of Capital Expenditure



3.3.3 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)

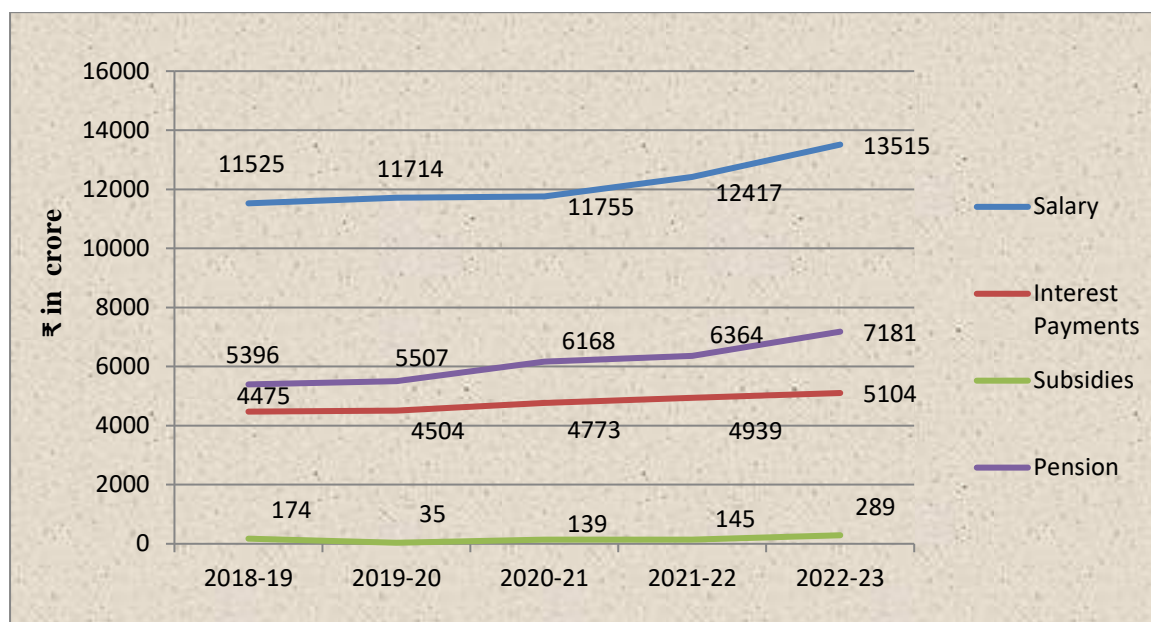
S. No.	Sector		2018-19	2019-20	2020-21	2021-22	2022-23
[A]	General Services	Capital	454	362	755	1,085	1,608
		Revenue	13,525	13,845	14,826	15,668	16,889
[B]	Social Services	Capital	1,099	1,610	1,938	2,262	2,013
		Revenue	12,209	12,593	14,762	15,573	18,156
[C]	Economic Services	Capital	4,631	3,442	3,845	4,187	4,573
		Revenue	5,003	4,704	5,571	6,148	6,687
[D]	Grant-in-aid and Contribution	Capital	NA ³	NA ³	NA ³	NA ³	NA ³
		Revenue	1,459	1,717	1,932	1,540	2,041

³Not Applicable

3.4 Committed Expenditure

Expenditure on salaries, pensions, subsidies and interest payments showed increase in 2022-23 over the previous year:

Trend of Committed Expenditure



The trend of committed expenditure in comparison to revenue expenditure and revenue receipts over the past five years is depicted below:

Component	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Committed Expenditure	21,570	21,760	22,835	23,865	26,089
Revenue Expenditure	32,196	32,859	37,091	38,929	43,773
Revenue Receipts	31,216	30,723	38,204	43,057	49,083
Percentage of committed expenditure to Revenue Receipts	69	71	60	55	53
Percentage of Committed expenditure to Revenue Expenditure	67	66	62	61	60

The committed expenditure increased by 21 per cent from 2018-19 to 2022-23 while revenue expenditure registered growth of 36 per cent during the same period, leaving the Government with lesser flexibility in development spending.

Chapter IV Appropriation Accounts

4.1 Summary of Appropriation Accounts for 2022-23

(₹ in crore)

Sl. No.	Nature of Expenditure	Original Grant	Supplementary Grant	Surrender	Total	Actual Expenditure	Saving (-) Excess (+)
1	Revenue Voted Charged	42,594.08	2,072.46	0.00	44,666.54	38,434.43	(-)6,232.11
		6,419.23	203.97	0.00	66,23.20	5,338.30	(-)1,284.90
2	Capital Voted Charged	10,835.27	1,147.41	0.00	11,982.68	8,251.77	(-)3,730.91
		0.00	0.00	0.00	0.00	0.00	0.00
3	Public Debt Charged	5,568.24	2,010.00	0.00	7,578.24	8,474.77	(+)896.53
4	Loans and Advances Voted	154.67	6.59	0.00	161.26	93.63	(-)67.63
	Grand Total	65,571.49	5,440.43	0.00	71,011.92	60,592.90	(-)10,419.02

4.2 Trend of Savings / Excess during the past five years

(₹ in crore)

Year	Saving (-) / Excess (+)				
	Revenue	Capital	Public Debt	Loans and Advances	Total
2018-19	(-) 4,443.90	(-) 100.84	(+) 7,048.14	(-) 100.50	(+) 2,402.90
2019-20	(-)7,429.38	(-)1,596.81	(+)6,219.72	(-)157.03	(-)2,963.50
2020-21	(-)7,370.06	(-)2,772.89	(+)4,766.28	(-)213.98	(-)5,590.65
2021-22	(-)9,263.80	(-)4,758.81	(-)411.42	(+)115.98	(-)14,318.05
2022-23	(-)7,517.01	(-)3,730.91	(+)896.53	(-)67.63	(-)10,419.02

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	2018-19	2019-20	2020-21	2021-22	2022-23
13	Water Supply Housing & Urban Development	661	577	1,364	1,326	573
15	Welfare Schemes	410	454	558	772	774
23	Industries	100	97	247	172	105
30	Welfare of Scheduled Castes	417	469	404	940	757
31	Welfare of Scheduled Tribes	176	180	184	235	240

During 2022-23 supplementary grants totalling ₹ 5,440.43 crore (8.30 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 Budget	Actual Expenditure	Savings against Original Budget	Supplementary Budget
04	2014- Administration of Justice 102- High Courts 03- High Court	Revenue Charged	64.03	54.79	9.24	3.76
06	4059-Capital Outlay on Public Works 60- Other Buildings 051- Construction 97- External Aided Schemes	Capital Voted	210.00	187.00	23.00	10.00
07	3604- Compensation and Assignments to Local Bodies and Panchayati Raj Institutions 200- Other Miscellaneous Compensation and Assignments 02- State Finance Commission	Revenue Voted	1,727.88	1,550.05	177.83	105.84

Grant No.	Nomenclature	Section	Original Budget	Actual Expenditure	Savings against Original Budget	Supplementary Budget
10	2055- Police 104- Special Police 03- State Arms Constabulary-Main	Revenue Voted	291.36	257.09	34.27	0.92
11	2203- Technical Education 105- Polytechnics 03- General Polytechnics	Revenue Voted	127.42	115.35	12.07	1.40
12	2210- Medical and Public Health 03- Rural Health Services-Allopathy 110- Hospital and Dispensaries 95- State Share in Centrally sponsored Scheme	Revenue Voted	141.87	133.54	8.33	60.00
13	2217- Urban Development 03- Integrated Development of Small and Medium Towns 191- Assistance to Local bodies, Corporations, Urban Development Authorities, Town Improvement Boards etc. 97- External Aided Scheme	Revenue Voted	41.47	22.60	18.87	2.01
15	2235- Social Security and Welfare 02- Social Welfare 102- Child Welfare 01- Centrally Sponsored Scheme	Revenue Voted	476.08	255.38	220.70	25.92
17	4401- Capital Outlay on Crop Husbandry 800- Other Expenditure 98- NABARD Funded	Capital Voted	10.00	6.29	3.71	16.72

Grant No.	Nomenclature	Section	Original Budget	Actual Expenditure	Savings against Original Budget	Supplementary Budget
19	2515- Other Rural Development Programmes 102- Community Development 01- Centrally Sponsored Scheme	Revenue Voted	232.00	141.79	90.21	45.28
22	5054- Capital Outlay on Roads and Bridges 04- District & Other Roads 337- Road Works 01- Centrally Sponsored Scheme	Capital Voted	340.00	334.34	5.66	70.00
28	2404- Dairy Development 102- Dairy Development Projects 98- NABARD	Revenue Voted	10.00	7.64	2.36	3.00
30	2235- Social Security and Welfare 02- Social Welfare 102- Child Welfare 02- Special Component Plan for Scheduled Castes	Revenue Voted	17.24	15.64	1.60	2.89
31	2235- Social Security and Welfare 02- Social Welfare 102- Child Welfare 01- Centrally Sponsored Scheme	Revenue Voted	13.48	9.37	4.11	11.55

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 Budget	Supplementary Budget	Total Budget	Actual Expenditure	Excess against Total Budget
07	6003- Internal Debt of the State Government 110- Ways and Means Advances from the Reserve Bank of India 03- Redemption of Ways and Means Advance	Capital Charged	1,200.00	2,000.00	3,200.00	4,395.47	1,195.47

Chapter V Assets and Liabilities

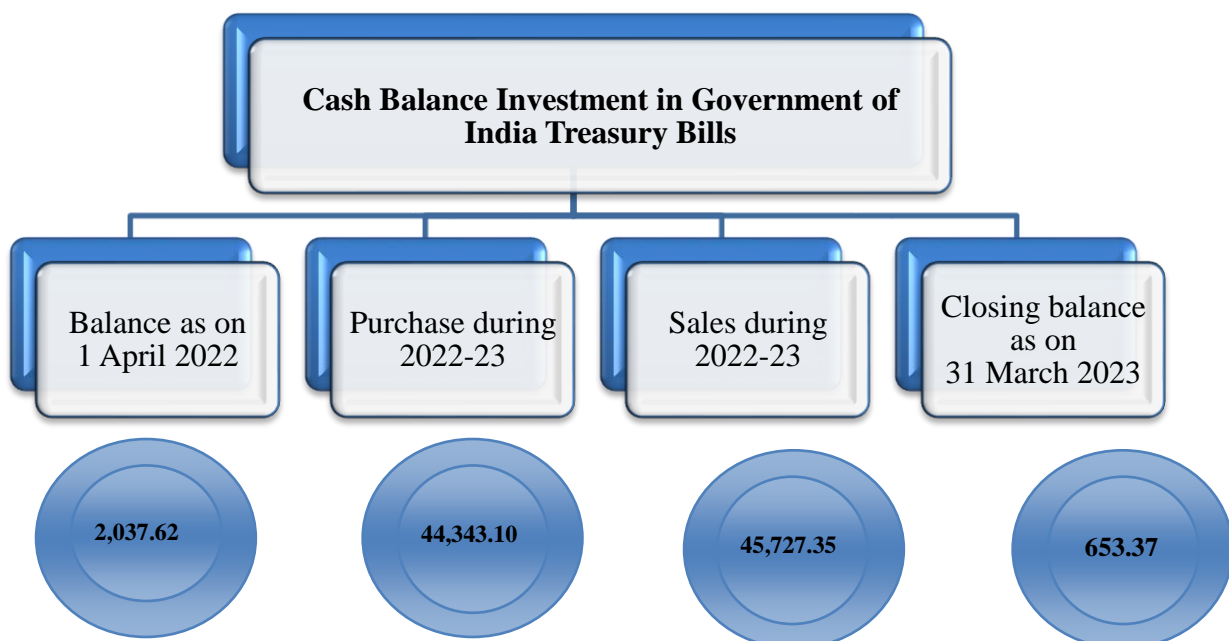
5.1 Assets

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, 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.

Total investments as share capital in non-financial public sector undertakings (PSUs) stood at ₹ 4,043.90 crore at the end of the year 2022-23. However, dividends received during the year were ₹ 25.07 crore (i.e. 0.62 *per cent*) on total investment. During 2022-23, investments increased by ₹ 224.96 crore and dividend income decreased by ₹ 9.98 crore over the previous year.

Cash Balance with RBI stood at ₹ 112.47 crore (Dr.) on 1 April 2022 and decreased to ₹ 131.82 crore (Cr.) at the end of March 2023. In addition, Government had invested an amount of ₹ 44,343.10 crore on 136 occasions in 14 days Treasury Bills and rediscounted Treasury Bills worth ₹ 45,727.35 crore on 189 occasions during 2022-23. The position of investment during the year 2022-23 is depicted in the table given below: -

(₹ in crore)



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. As per FRBM Act of the Government of Uttarakhand, the total Debt to GSDP ratio for the financial year 2022-23 shall be less than 33.3 per cent. However, at the end of March 2023 the total debt of the Government of Uttarakhand stood at ₹ 72,860 crore (i.e., 24.08 per cent of GSDP).

Details of the Public Debt and total liabilities of the State Government for the past five years are as under:

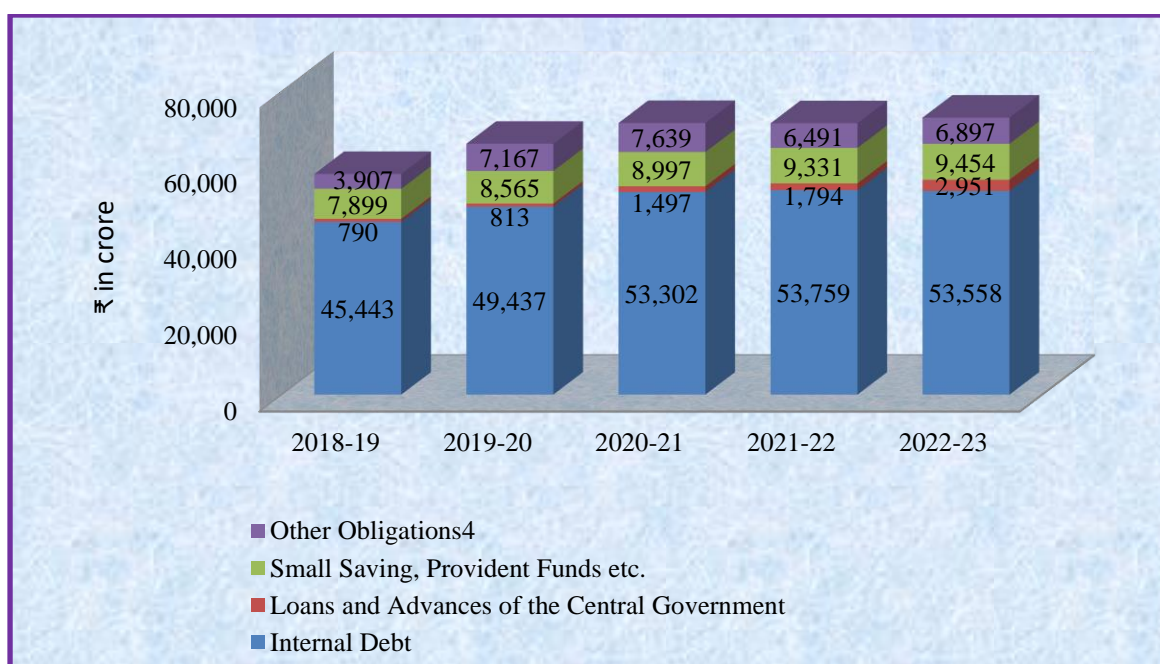
(₹ in crore)

Year	Public Debt	Per cent to GSDP	Public Account ²	Per cent to GSDP	Total Liabilities	Per cent to GSDP
2018-19	46,233	20	11,806	5	58,039	25.20
2019-20	50,249	21	15,733	7	65,982	27.58
2020-21	54,799	23 ³	16,636	7	71,435	30.16 ³
2021-22	55,554	20 ³	15,821	6	71,375	26.23 ³
2022-23	56,510	19	16,350	5	72,860	24.08

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

Public Debt and other liabilities showed a net increase of ₹ 1,485 crore (2.08 per cent) in 2022-23 over the previous year.

Trends in Government Liabilities



²Excludes suspense and remittance balances.

³Back to Back loan of ₹ 5,649.03 Crore (₹ 2,316.00 Crore for 2020-21 + ₹ 3,333.03 Crore for 2021-22) received from GoI in lieu of GST compensation shortfall has been excluded for computing the ratio of outstanding debt to GSDP. As per GoI clarification vide letter no. F. No. 40 (1) PF-S/2021-22 dated 10-12-2021 this borrowing would not be treated as debt of the State for any norms which may be prescribed by the Finance Commission.

⁴Interest & 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 Statutory Corporations, Government companies and corporation, Co-operative societies, etc., from the market and financial institution for implementation of various schemes and programs. These guarantees are contingent liability on the Consolidated Fund of the State in case of default in the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government companies and corporation, Co-operative societies, etc., for whom the guarantee was extended and are projected outside 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
2018-19	2,105 ⁵	1,311	Not Available
2019-20	NA ⁶	582	Not Available
2020-21	NA ⁶	729	Not Available
2021-22	NA ⁶	374	Not Available
2022-23	407 ⁵	117	Not Available

⁵Calculated on the basis of the partial information made available by the State Government.

⁶No information made available by the State Government.

6.1 Adverse Balances

Minus balances appearing in the accounts during the year are given below.

Major Head	Description	Minus Balance (₹ in crore)
6851	Loans for Village and small Industries	(-)0.18
7610	Loans to Government Servants	(-)20.08

These balances were previously given by Government of U.P. and recovery has been affected by Government of Uttarakhand after bifurcation of the State of U.P. Since balances have not been allocated under these Major Heads, hence, the balances appear adverse.

6.2 Loans and Advances given by the State Government

The details of loan and advances reported in the Finance Accounts are based on information maintained by the Accountant General (A&E) in respect of loans and advances made to 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 2022-23 was ₹ 2,454.61 crore. Out of this, loans and advances to Government Corporation/Companies, non-Government Institutions and Local Bodies amounted to ₹ 1,896.93 crore. The information relating to recovery of interest in arrear was not made available by the State Government. During 2022-23, only ₹ 17.30 crore was received towards repayment of loans and advances, out of which ₹ 0.76 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 2022-23, total 372 number of acceptances are awaited for an amount of ₹ 3,951.75 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	10	475.50
2.	6425-Loans for Co-operations	103	199.78
3.	6801- Loans for Power Projects	238	3,178.35
4.	7055-Loans for Road Transport	21	98.12
Total		372	3,951.75

6.3 Financial Assistance to Local Bodies and others

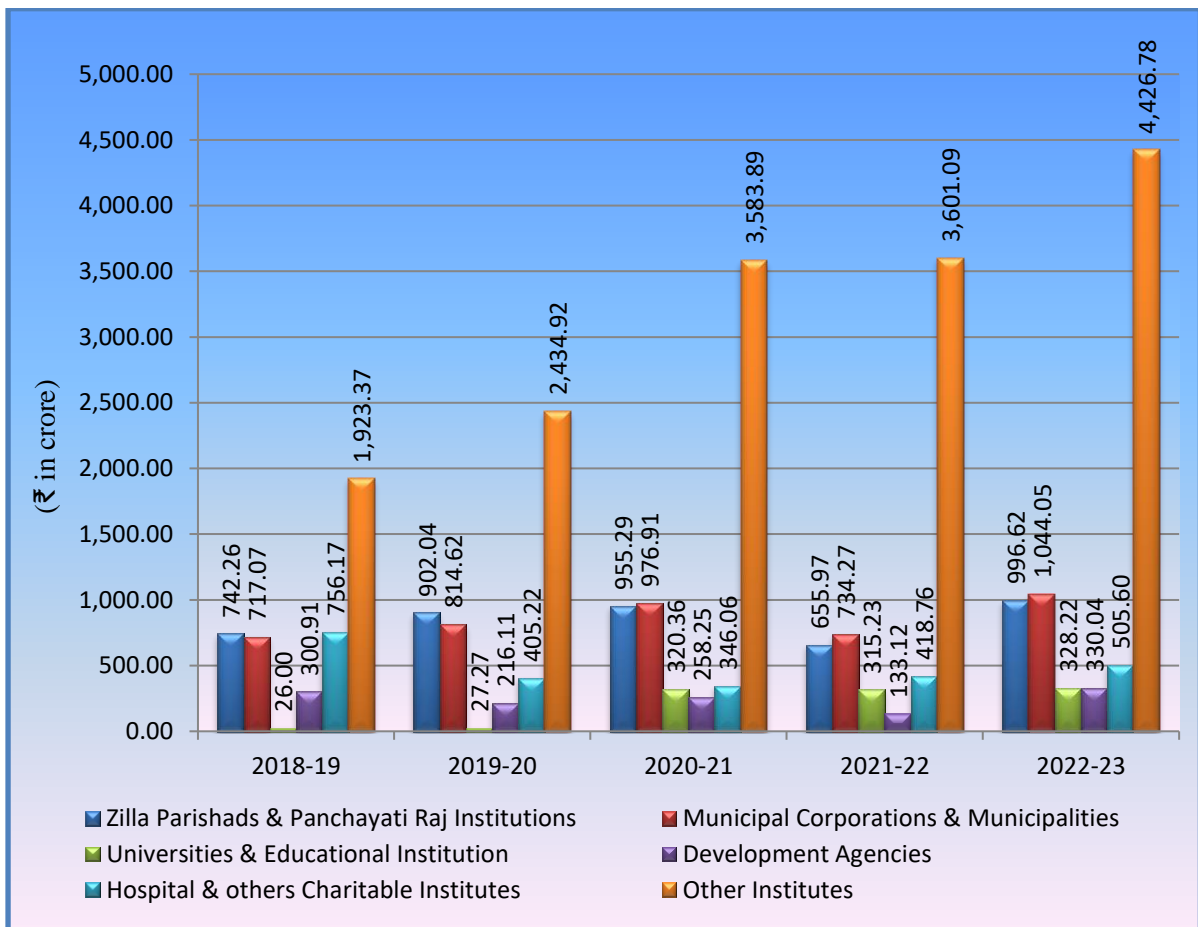
As per Indian Government Accounting Standard (IGAS) 2, expenditure on Grants-in-Aid is recorded as revenue expenditure in the books of the grantor and as revenue receipt in the books of the recipient regardless of end utilization. One of the requirements of IGAS-2 is depiction of Grants-in-Aid in kind, regarding which no information has been provided by the State Government.

Grants-in-aid given to local bodies, autonomous bodies, etc., increased by ₹ 3,165.53 crore from ₹ 4,465.78 crore in 2018-19 to ₹ 7,631.31 crore in 2022-23. Grants to Zila Parishads and Panchayati Raj institutions, Municipal Corporations and Municipalities (₹ 2,040.67 crore) represent 26.74 per cent of total grants (excluding grants for creation of Capital Assets) given during the year. Details of Grants-in-aid for the past five years are as under:

(₹ in crore)

S.No	Name of Institutions	2018-19	2019-20	2020-21	2021-22	2022-23
1.	Zilla Parishads & Panchayati Raj Institutions	742.26	902.04	955.29	655.97	996.62
2.	Municipal Corporations & Municipalities	717.07	814.62	976.91	734.27	1,044.05
3.	Universities & Educational Institution	26.00	27.27	320.36	315.23	328.22
4.	Development Agencies	300.91	216.11	258.25	133.12	330.04
5.	Hospital & other Charitable/ Co-operative Institutes	756.17	405.22	346.06	418.76	505.60
6.	Other Institutes	1,923.37	2,434.92	3,583.89	3,601.09	4,426.78
Total		4,465.78	4,800.18	6,440.76	5,858.45	7,631.31

Grant-in-aid Given



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

(₹ in crore)

S.No	Name of Institutions	2018-19	2019-20	2020-21	2021-22	2021-22
1.	Zilla Parishads & Panchayati Raj Institutions	Nil	Nil	Nil	Nil	Nil
2.	Municipal Corporations & Municipalities	Nil	Nil	Nil	Nil	Nil
3.	Universities & Educational Institution	5.50	12.64	13.06	2.14	11.80
4.	Development Agencies	Nil	Nil	Nil	Nil	Nil
5.	Hospital & others Charitable Institutes	Nil	Nil	Nil	Nil	Nil
6.	Other Institutes	610.21	541.34	506.41	703.96	438.67
	Total	615.71	553.98	519.47	706.10	450.47

6.4 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2022	As on 31 March 2023	Net increase (+)/ decrease (-)
Cash Balances	112.47	131.82	(-) 244.29
Investments from cash balance (GOI Treasury bills)	2,037.62	653.37	(-) 1,384.25
Investment from earmarked fund balances	1,698.62	1,808.62	(+) 110.00
(a) Sinking fund Investment Account	1,603.62	1,703.62	(+) 100.00
(b) Guarantee Redemption Fund Investment Account	95.00	105.00	(+) 10.00
Interest realized during the year	34.23	44.17	(+) 9.94

Cash with departmental officers viz public work department officers, forest department officers, district collectors was ₹ 10.71 crore (credit) and permanent advances for contingent expenditure with departmental officer was ₹ 0.81 crore (credit). State Government had a Credit closing cash balance at the end of 31 March 2023. Interest receipt on the investment of cash balance has increased by 29.04 per cent from ₹ 34.23 crore in 2021-22 to ₹ 44.17 crore in 2022-23.

6.5 Reconciliation of Accounts

To exercise effective control of expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, all Chief Controlling Officer (CCOs)/Controlling Officers (COs) are required to reconcile the Receipts and Expenditure recorded in their books every month with the figures accounted for by the office of the Accountant General (A&E). During the year 2022-23, receipts amounting to ₹ 58,266.57 crore (99.53 per cent of total receipts) and expenditure amounting to ₹ 56,992.72 crore (94.15 per cent of total expenditure) were reconciled by the State Government.

6.6 Submission of Accounts by Accounts Rendering units

The Finance Accounts 2022-23 present the transaction of the Government of Uttarakhand for the period 1 April 2022 to 31 March 2023. The accounts of receipts and expenditure of the Government of Uttarakhand have been compiled based on the initial accounts rendered by 20 Treasuries, 106 Public Works Divisions (85 Building and Road and 21 Rural Works Divisions), 57 Forest Divisions (46 Forest and 11 Jalagam), 85 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 Unadjusted Abstract Contingent Bill

Financial rules (Rule 290 of Central Treasury Rules) envisage that no moneys should be drawn from government treasury unless it is required for immediate disbursement. In emergent circumstances, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money through Abstract Contingent (AC) bills. In terms of the Uttarakhand Financial Handbook, Vol-5, Part-I, 2008, DDOs are required to present Detailed Countersigned Contingent (DCC) bills containing vouchers in support of final expenditure within one month from the date of completion of the purpose for which the advance was drawn.

Out of 271 AC bills amounting to ₹ 8.98 crore drawn during the year 2022-23, 05 AC bills amounting to ₹ 0.24 crore (2.67 per cent) were drawn in March 2023. DCC Bills in respect of a total of 74 AC bills amounting to ₹ 11.37 crore as on 31 March 2023 were not received.

Details of unadjusted AC bills as on 31 March 2023 pending submission of DCC bills are given below:

Year	Number of unadjusted AC Bills	Amount (₹ in crore)
2021-22	37	10.60
2022-23	37	0.77
Total	74	11.37

At the end of 31 March 2022 (previous year), DCC Bills in respect of a total of 243 AC bills amounting to ₹ 27.33 crore were not received.

6.8 Status of Suspense and Remittance Balances

The Finance Accounts reflect the net balances under Suspense and Remittances Heads. The outstanding balances under these heads are worked out aggregating the outstanding debit and credit balances separately under various heads. Significant suspense items shown as gross debit and credit balances under Major Head-8658-Suspense Account and 8782-Remittances for the last four years, are as under:

(₹ in crore)

Name of Minor Head	2019-20		2020-21		2021-22		2022-23	
	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr
8658-Suspense Accounts								
101-Pay and Accounts Office-Suspense	54.71	3.61	115.24	23.40	189.51	89.35	331.63	186.12
Net	(Dr) 51.10		(Dr)91.84		(Dr)100.16		(Dr)145.51	
102-Suspense Accounts (Civil)	566.35	411.83	574.13	379.40	289.18	386.82	295.03	392.38
Net	(Dr) 154.52		(Dr)194.73		(Cr) 97.64		(Cr)97.35	
107- Cash Settlement Suspense Account	966.77	885.52	81.39	0.26	99.71	0.26	1233.79	1133.42
Net	(Dr) 81.25		(Dr)81.13		(Dr) 99.45		(Dr) 100.37	

110-Reserve Bank Suspense-Central Accounts Office	214.67	219.61	214.67	219.61	221.31	219.61	224.32	219.61
Net	(Cr) 4.94		(Cr) 4.94		(Dr)1.70		(Dr) 4.71	
112-Tax Deducted at Source (TDS) Suspense	28.03	266.57	28.03	241.27	28.03	267.44	28.03	330.23
Net	(Cr) 238.54		(Cr)213.24		(Cr)239.41		(Cr)302.20	
113-Provident Fund Suspense	24.75	24.64	24.75	24.64	24.75	24.64	24.75	24.64
Net	(Dr) 0.11		(Dr)0.11		(Dr)0.11		(Dr)0.11	
117-Transaction on behalf of Reserve Bank	18.12	17.94	18.12	20.33	18.12	20.33	18.12	20.33
Net	(Dr) 0.18		(Cr)2.21		(Cr)2.21		(Cr)2.21	
123-I.A.S Officers Group Insurance Scheme	0.29	0.53	0.32	0.57	0.34	0.61	0.36	0.64
Net	(Cr) 0.24		(Cr)0.25		(Cr)0.27		(Cr)0.28	
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	296.13	372.74	296.13	372.74	296.13	372.70	296.45	372.70
Net	(Cr) 76.61		(Cr)76.61		(Cr)76.57		(Cr)76.25	
103- Forest Remittances	107.23	166.95	107.23	166.95	107.23	166.95	107.23	166.95
Net	(Cr) 59.72		(Cr)59.72		(Cr)59.72		(Cr)59.72	
8793-Inter State Suspense Account	2,087.89	2,013.35	2,095.05	2,014.10	2,083.81	2,015.19	2,067.53	2,016.45
Net	(Dr) 74.54		(Dr)80.95		(Dr)68.62		(Dr)51.08	

6.9 Status of Outstanding Utilization Certificate

Where grants are sanctioned for specific purposes, the departmental officers concerned should furnish Utilization Certificate (UCs) to the Accountant General (A&E), within the stipulated period. UCs outstanding beyond the specified periods indicate absence of assurance on utilization of the grants for intended purposes. The details of outstanding Utilization Certificate as on 31 March 2023 as per the records of the Accountant General (A&E) as under:

Year	Number of Utilization Certificates awaited	Amount (₹ in crore)
Up to 2021-22	01	20.29
2022-23	267	844.03
Total	268	864.32

The number of outstanding UCs as on 31 March 2022 (previous year) was 321 amounting to ₹ 1,390.08 crore.

6.10 Commitments on Account of Incomplete Capital works

A total expenditure of ₹ 564.45 crore was incurred up to the year 2022-23 by the State Government on 143 incomplete projects, against original estimate cost of ₹ 784.22 crore as detailed in Appendix IX in Volume II of the Finance Accounts.

A summarized view on commitments on account of 'Incomplete Capital Works' is given below: (₹ in crore)

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.	Road Construction Works (129)	680.74	163.81	487.06	193.53	NA
2.	Bridge (14) Construction	103.48	11.63	77.39	27.67	NA
	Total	784.22	175.44	564.45	221.20	NA

6.11 National Pension System

State Government employees recruited on or after 1 October 2005 are covered under the National Pension System (NPS), which is a defined contribution scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his basic pay and dearness allowance and the Government contribute 14 *per cent* of the basic pay and dearness allowance. The entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

During the year 2022-23, total contribution to Defined Contribution Pension Scheme was ₹ 1,411.77 crore (Employee's contribution ₹ 589.63 crore and Government contribution ₹ 822.14 crore). The Government transferred ₹ 1,431.77 crore (including Interest Payment of ₹ 20.00 crore) to the Public Account under Major Head 8342-117 Defined Contribution Pension scheme for Government Employees. The Government contribution to NPS was less by ₹ 3.34 crore, which resulted in understatement of Revenue surplus and overstatement of Fiscal deficit to that extent.

During the year 2022-23, ₹ 1,447.98 crore was transferred to NSDL/Trustee Bank Balance amount of ₹ 67.00 crore is yet to be transferred to NSDL. Uncollected, unmatched, and untransferred amounts, with accrued interest, represent outstanding liabilities of the Government under the Scheme.

6.12 Personal Deposit Accounts

PD accounts enable designated Drawing Officers to incur expenditure for specific purposes pertaining to a scheme; by debiting the service heads in the Consolidated Fund of the State and crediting the Personal Deposits under the Major Head 8443-Civil Deposits and the Minor Head 106-Personal Deposits. Administrators of PD accounts 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.

During 2022-23, an amount of ₹ 5.85 crore was transferred from the Consolidated Fund of the State to these PD Accounts. This includes ₹ 4.31 crore transferred in March 2023 from the Consolidated Fund of the State. This is 73.68 *per cent* of the total credit to PD account during the year.

No Administrator (out of 25) of Personal Deposit Accounts had reconciled and verified their balances with the treasury figures and no annual verification certificates were furnished by them to the Treasury officer for onward submission to Accountant General office.

Details of PD accounts as on 31 March 2023 are given below: (₹ in crore)

Opening Balance as on 1 April 2022		Addition during the year 2022-23		Closed/Withdrawal during the year 2022-23		Closing Balance as on 31 March 2023	
Number of Adminis trators	Amount	Number of Administ rators	Amount	Number of Adminis trators	Amount	Number of Adminis trators	Amount
45	188.07	0	5.85	20	64.64	25	129.28

Appendix 20 to Financial Handbook Vol-5 Part-I, state that the Administrator shall maintain detailed account of the scheme/projects for which it has been opened. Moreover, if any PD Account is not operated upon for a period of 03 years and there is reason to believe that the need for such deposit accounts has ceased, the same shall be closed. At the end of the year ₹ 0.74 crore were lying unspent for more than one year under 06 PD Accounts and ₹ 6.85 crore were lying unspent for more than three years under 13 PD Accounts.

6.13 Investments

The State Government has not made available/confirmed the information on investments made by them during the year 2022-23. Consequently, the information contained in the Statements 8 and 19 of Finance Accounts is primarily based on limited information on Government investments which are captured from vouchers by the Accountant General (A &E). During the year 2022-23, State Government invested to the tune of ₹ 224.96 crore in Government

Companies and Statutory Corporations. At the end of the financial year 2022-23, total investment of the Government was ₹ 4,043.90 crore. 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.

6.14 Rush of Expenditure

Principles of prudent Financial Management and paragraph 183 of chapter XVII of Uttarakhand Budget Manual (UBM) stipulates that rush of expenditure in the closing month of the financial year should be avoided. The trend of expenditure incurred during the last quarter and March 2023 as compared to the total expenditure during 2022-23 is as under:

Expenditure incurred during January to March 2023 (₹ in crore)	Expenditure incurred in March 2023 (₹ in crore)	Total Expenditure (₹ in crore)	Percentage of Total expenditure incurred during (₹ in crore)	
			January to March 2023	March 2023
16,997.63	8,664.84	51,967.24*	32.71	16.67

*Includes Revenue Expenditure ₹ 43,772.73 crore and Capital Expenditure ₹8,194.51 crore.

6.15 Status of Reserve Funds

(A) Reserve Funds bearing Interest:

(a) State Disaster Response Fund (SDRF):

In terms of guidelines on constitution and administration of the State Disaster Response Fund (under Major Head- '8121 General & Other Reserve Funds' which is under interest bearing section), the Central and State Governments are required to contribute to the fund in the proportion of 90:10. During the year 2022-23, the State Government received ₹ 787.20 crore as Central Government's share. The State Government's share during the year is ₹ 87.20 crore. The State Government transferred ₹ 874.40 crore (Central share ₹ 787.20 crore, State share ₹ 87.20 crore) to the Fund under Major Head 8121-122 SDRF. No amount was received by the State from the Central Government towards NDRF.

(b) State Disaster Mitigation Fund (SDMF):

The State Disaster Mitigation Fund (SDMF) is to be constituted under section 48 (1) (c) of the Disaster Management Act, 2005. This Fund is exclusively for the purpose of mitigation project in respect of disaster covered under State Disaster Response Fund (SDRF)/National Disaster Response Fund (NDRF) guidelines and the State specific local disaster notified by the State Government from time to time. The State Government has created the SDMF, vide Notification No. 710/XVIII (2)/08-3(15)/2007 dated:05.05.2008 under Major Head 8121-130- State Disaster Mitigation Fund. During the year 2022-23, the State Government received ₹ 98.40 crore from the Central Government. The State Government's share during the year is ₹ 21.80 crore. The State Government transferred ₹ 120.20 crore to the Fund.

(c) **State Compensatory Afforestation Fund:**

In compliance with the instructions issued by the Ministry of Environment, Forests and Climate Change, Government of India, the State Governments are required to establish the State Compensatory Afforestation Fund under interest bearing section in Public Account of the State for amounts received from user agencies for undertaking Compensatory Afforestation.

During the year 2022-23, the State Government booked an amount of ₹ 256.68 crore (₹ 150.00 crore of interest + ₹ 106.68 crore of user charges) (₹198.52 crore in previous year) in State Compensatory Afforestation Fund under Major Head '8121-General and Other Reserve Fund'. The Government also received ₹ 119.00 crore (*no amount received in previous year*) from National Compensatory Afforestation Deposit. The total balance in the State Compensatory Afforestation Fund as on 31 March 2023 was ₹ 3,019.57 crore.

The State Government has not followed the accounting guidelines issued by Government of India on 20 November 2018. As per the Rule 2 (6) of GoI guidelines, the monies received by the State Governments from the user agencies need to be credited in 'State Compensatory Afforestation Deposits' under interest bearing section in Public Account of the State at Minor head level below the Major Head **8336 Civil Deposits**. 90 *per cent* of the Fund needs to be transferred to the Major Head **8121 General and Other Reserve Funds** in Public Account of State and balance 10 *per cent* is to be credited into the National Fund on yearly basis provided that the credit of 10 *per cent* Central share of funds should be ensured on monthly basis so that the same is transferred to the National Fund. The State Government of Uttarakhand has not yet opened 'State Compensatory Afforestation Deposits' under Major Head **8336 Civil Deposits** and the monies from User Agencies are received directly in Major Head **8121 General and Other Reserve Funds**.

The State Government transferred the whole amount i.e., ₹ 375.68 crore directly to the Fund under Major Head -8121-129-State Compensatory Afforestation Fund in Public Account as on 31 March 2023.

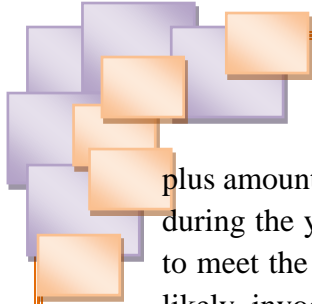
(B) **Reserve Funds not bearing Interest:**

(a) **Consolidated Sinking Fund:**

The Government of Uttarakhand set up the Consolidated Sinking Fund for amortization of loans in 2006-07. According to the guidelines of the Fund, States may contribute a minimum of 0.5 *per cent* of their outstanding liabilities (internal debt + public account) as at the end of the previous year to the Consolidated Sinking Fund. In the year 2022-23, Government contributed only ₹ 100.00 crore as against ₹ 385.12 crore it was required to contribute to the fund. The total accumulation of the Fund was ₹ 4,304.72 crore as on 31 March 2023 (₹ 3,888.55 crore as on 31 March 2022). The short contribution of ₹ 285.12 crore has resulted in understatement of Revenue expenditure.

(b) **Guarantee Redemption Fund:**

The State Government constituted the Guarantee Redemption Fund to be administered by RBI. The latest amendment to the Fund notification issued by the State Government, effective from the year 2016, stipulates that the State Government shall initially contribute an amount of ₹ 10.00 crore and there after a minimum of 1/5 of outstanding invoked guarantees



plus amount of guarantees likely to be invoked as a result of the incremental guarantees issued during the year. The Fund shall be gradually increased to a desirable level deemed sufficient to meet the amount of anticipated guarantees devolving on the government as a result of the likely invocation of outstanding guarantees in the succeeding 5 years. During the year Government contributed only ₹ 10.00 crore as against ₹ 74.87 crore it was required to contribute to the fund. The total accumulation of the Fund was ₹ 176.75 crore as on 31 March 2023 (₹ 153.92 crore as on 31 March 2022). The short contribution of ₹ 64.87 crore has resulted in understatement of Revenue expenditure.

(c) **Central Road and Infrastructure Fund (CRIF):** The erstwhile Central Road Fund (CRF) has been renamed as the Central Road and Infrastructure Fund (CRIF) vide GoI's Gazette notification dated 31-03-2018. The CRIF will be used for development and maintenance of National Highways, Railway projects, improvement of safety in Railways, State and Rural roads and other infrastructure etc.

In terms of the extant accounting procedure, the grants received by the State from the Centre are to be initially booked as Revenue Receipts under Major Head 1601. Thereafter, the amount so received is to be transferred by the State Government to the Public Account under Major Head 8449-103 Subvention from Central Road and Infrastructure Fund through functional Major Head(s).

During the year 2022-23, the State Government received grants of ₹ 378.17 crore towards CRIF. The State Government did not transfer any amount to the Fund in the Public Account as on 31 March 2023. The non-transfer of ₹ 378.17 crore has understated the Revenue Expenditure to that extent.

6.16 Major Cess

During the year 2022-23, the Government collected ₹ 70.56 crore (2021-22: ₹ 72.00) being the collection of cess / fee / surcharge (other than Labour Cess). The total collection of ₹ 72.00 crores has been booked as revenue of the Government under MH 0801-Power-01 Hydel Generation -800 Other Receipts. As per section 6 & 7 (1) of The Uttarakhand Green Energy Cess Act 2014, the State Government is required to establish a fund called 'Green Energy Fund' and proceeds of the cess are to be transferred to this fund from Consolidated Fund of the State. No such fund has been established by the State Government as on 31 March 2023.

© COMPTROLLER AND
AUDITOR GENERAL OF INDIA
www.cag.gov.in

<https://cag.gov.in/ae/uttarakhand/en>