



सत्यमेव जयते

State Finances Audit Report of the Comptroller and Auditor General of India

for the year ended 31 March 2018



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Uttar Pradesh
Report No. 3 of the year 2019

**State Finances Audit Report of the
Comptroller and Auditor General of India
for the year ended 31 March 2018**

**Government of Uttar Pradesh
Report No. 3 of the year 2019**

TABLE OF CONTENTS

Particulars	Reference to	
	Paragraph	Page
Preface	-	v
Executive Summary	-	vii
CHAPTER 1 FINANCES OF THE GOVERNMENT		
Gross State Domestic Product	1.1	1
Summary of fiscal transactions	1.2	1
Review of fiscal situation	1.3	4
Financial Resources of the State	1.4	8
Arrears of revenue	1.5	16
Cost of collection	1.6	17
Application of resources	1.7	18
Government Expenditure and Investments	1.8	24
Assets and Liabilities	1.9	27
Debt Management	1.10	33
Follow up	1.11	35
CHAPTER 2 FINANCIAL MANAGEMENT AND BUDGETARY CONTROL		
Summary of Appropriation Accounts	2.1	37
Financial Accountability and Budget Management	2.2	38
CHAPTER 3 FINANCIAL REPORTING AND COMMENTS ON ACCOUNTS		
Personal Deposit Accounts	3.1	43
Non-submission of Utilisation Certificates	3.2	44
Outstanding Detailed Contingent Bills	3.3	45
Non-maintenance/ Incomplete Cash Books	3.4	46
Variation in Cash Balance	3.5	47
Non-transfer of amounts to the Central Road Fund	3.6	47
Adjustment of Interest	3.7	47
Impact on Revenue Surplus and Fiscal Deficit	3.8	48
Building and Other Construction Workers Welfare Cess	3.9	49
Transfer of additional stamp duty to Development Authorities	3.10	51
Reporting of pending cases	3.11	52

Proforma Accounts of Departmental Commercial Undertakings	3.12	53
Delay in finalisation of accounts of PSUs/Corporations	3.13	53
Dividend not declared	3.14	55
Un-reconciled Equities/Loans	3.15	55
Opaqueness in accounts	3.16	56
Apportionment of balances on reorganisation of the State	3.17	57
APPENDICES		
Appendix 1.1	State Profile	59
Appendix 1.2	Structure and Form of Government Accounts and Layout of Finance Accounts	61
Appendix 1.3	Abstract of receipts and disbursements for the year 2017-18	63
Appendix 1.4	Budget Estimates, Actual Receipts and Expenditure for 2017-18	66
Appendix 1.5	Time series data on the State Government Finances	68
Appendix 1.6	(A) Own Tax Revenue during 2013-18 (B) Own Non-Tax Revenue during 2013-18	71
Appendix 1.7	Summarised financial position of the Government as on 31 March 2018	72
Appendix 1.8	Details of Reserve Funds	74
Appendix 2.1	(A) Excess expenditure requiring regularisation during 2017-18	77
	(B) Excess expenditure relating to previous years requiring regularisation	78
Appendix 2.2	Savings of ₹ 100 crore or more under each grant/appropriation	79
Appendix 2.3	Grants with persistent savings	81
Appendix 2.4	Cases where supplementary provision (₹ one crore or more in each case) proved unnecessary	82
Appendix 2.5	Excess/unnecessary re-appropriation of funds	85
Appendix 2.6	Substantial surrenders made during 2017-18	90
Appendix 2.7	Surrenders in excess of actual savings (₹ 50 lakh or more)	101
Appendix 2.8	Grants/appropriations where savings occurred but were not surrendered	102
Appendix 2.9	Savings of ₹ one crore and above not surrendered	105
Appendix 3.1	Non-maintenance/ Incomplete Cash Books	109
Appendix 3.2	Disbursement of two <i>per cent</i> additional stamp duty	110

Appendix 3.3	Department-wise/duration-wise break-up of the pending cases (cases where final action was pending at the end of March 2018)	111
Appendix 3.4	Department-wise/category-wise details of loss to Government due to theft, misappropriation, losses and defalcation	112
Appendix 3.5	Department-wise details of cases settled/ written off during 2017-18	113
Appendix 3.6	Statement of finalisation of accounts and investments in Departmental Commercial Undertakings	114
Appendix 3.7	Investments made by the State Government in PSUs whose accounts were in arrears	115
Appendix 3.8	Dividend from profit earning PSUs	118
Appendix 4	GLOSSARY (ADDITIONAL DATA)	
	Basis of Calculation	120
	Explanation of Terms	121
	Acronyms	123

PREFACE

This Report has been prepared for submission to the Governor of Uttar Pradesh under Article 151 of the Constitution.

This Report on the finances of the Government of Uttar Pradesh (GoUP) intends to assess the financial performance of the State during 2017-18 and to provide the State Legislature with inputs based on audit analysis of financial data. The Report attempts to analyse the financial performance against the targets envisaged by the Uttar Pradesh Fiscal Responsibility and Budget Management (Amendment) Act, 2016, the Fourteenth Finance Commission Report and the Budget Estimates of 2017-18. The Report is structured in three Chapters.

Chapter-1 is based on the audit of the Finance Accounts and makes an assessment of the Uttar Pradesh Government's (GoUP) fiscal position as on 31 March 2018. It provides an insight into trends in expenditure on interest payments, salaries and wages, pensions and repayment of debt and borrowing patterns.

Chapter-2 is based on the audit of Appropriation Accounts and gives grant-wise description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

Chapter-3 is an inventory of the GoUP's compliance to various reporting requirements and financial rules.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

Fiscal situation of the State

Revenue receipts as well as revenue expenditure had increased during 2013-14 to 2017-18 even after accounting for inflation. Capital expenditure had also increased from 2013-14 to 2016-17 but during 2017-18, it recorded a decline of 44 *per cent* as compared to 2016-17.

(Paragraph 1.2)

The State has achieved revenue surplus (₹ 12,552 crore) during 2017-18 as targeted in budget estimates and Medium Term Fiscal Restructuring Policy (MTFRP) 2017.

During 2017-18, the ratio of fiscal deficit to GSDP was within the targets as set in the budget estimates, MTFRP and Fourteenth Finance Commission. Further, the fiscal deficit (₹ 27,810 crore) of the State decreased by 32 *per cent* as compared to 2016-17 (after excluding UDAY impact during 2016-17). However, it was concomitant with a significant reduction of capital expenditure which reduced by 44 *per cent* in 2017-18 as compared to 2016-17.

Further, State could not achieve the ratio of total outstanding debt to GSDP as per targets in budget estimates, MTFRP and Fourteenth Finance Commission.

(Paragraphs 1.3 and 1.3.1)

Resource mobilisation

Revenue receipts grew by ₹ 21,900 crore (nine *per cent*) over 2016-17 receipts, which was lower (₹ 40,622 crore) than the budget estimates.

Revenue expenditure increased by ₹ 29,632 crore (13 *per cent*) over 2016-17, which was lower (₹ 40,895 crore) than the budget estimates.

Capital expenditure decreased by ₹ 30,701 crore (44 *per cent*) over 2016-17, which was lower (₹ 14,170 crore) than the budget estimates. Due to substantial increase in the budget provision of ₹ 36,000 crore for waiving crop loans of small and marginal farmers under revenue expenditure during 2017-18, budget provision for capital expenditure in 2017-18 (₹ 53,258 crore) was 26 *per cent* less than the budget provision during 2016-17 (₹ 71,878 crore).

Recommendation: *The Finance Department should rationalise the budget preparation exercise, so that the persisting gap between the budget estimate and actuals are bridged.*

(Paragraphs 1.3.3, 1.4 and 1.7.1)

Defined Contribution Pension Scheme

State Government employees recruited on or after 1 April 2005 are covered under the Defined Contribution Pension Scheme. State Government did not discharge its statutory

liability as it failed to contribute ₹ 465.10 crore during the financial year 2017-18 as its matching share under Defined Contribution Pension Scheme in respect of employees of Government aided institutions and autonomous bodies. During the previous financial years 2008-09 to 2016-17, State Government did not contribute ₹ 211.69 crore as its matching share under Defined Contribution Pension Scheme in respect of Government employees and employees of Government aided institutions and autonomous bodies.

Further, State Government collected ₹ 8,205.66 crore as share of Government employees, employees of Government aided institutions and autonomous bodies as well as Government share, under Defined Contribution Pension Scheme during 2008-09 to 2017-18, but did not deposit ₹ 703.16 crore with the designated authority for further investment as per provisions of the Scheme. Thus, as on 31 March 2018, there was a short transfer of ₹ 1,379.95 crore (₹ 465.10 crore + ₹ 211.69 crore + ₹ 703.16 crore) to the designated authority and the current liability stands deferred to future year(s). Further, the State Government has created uncertainty in respect of benefits due to the employees/ avoidable financial liability to Government in future, and, thus leading to possible failure of the scheme itself.

Recommendation: *The State Government should initiate action immediately to ensure that employees recruited on or after 1 April 2005 are fully covered under the Defined Contribution Pension Scheme from the date of their recruitment. This is to be done by ensuring that employees' deductions are fully deducted, fully matched by Government contributions, and fully transferred to the designated fund manager through NSDL in a timely manner.*

(Paragraph 1.7.1.3)

Adequacy of public expenditure

During 2017-18, the ratio of development expenditure, economic services expenditure and expenditure on education to aggregate expenditure was less than the average of General Category States.

(Paragraph 1.7.2.1)

Financial results of irrigation works

The Thirteenth and Fourteenth Finance Commissions had prescribed cost recovery rates of irrigation projects (revenue receipts as compared to revenue expenditure) for assessing the commercial viability of these projects. The gap in cost recovery improved during 2015-16 and 2016-17, however, it increased by one *per cent* during 2017-18. It has to improve in comparison with the other States of Chhattisgarh and Madhya Pradesh.

Recommendation: *The State Government may initiate measures to improve further cost recovery on irrigation projects.*

(Paragraph 1.8.1)

Investments and Returns and Loans advanced

During 2013-18, the State Government has incurred a notional loss of ₹ 25,737 crore on return on investment on account of difference between the Government's borrowing cost and the return on investment on working PSUs. Also, the State Government has incurred a notional loss of ₹ 1,172 crore on account of difference in the interest received on the loans advanced and that the Government incurred on its borrowings.

Recommendation: *The State Government should rationalise its investments and loans advanced to various entities in such a way that the return on investment and loans at least matches the Government borrowing costs.*

(Paragraphs 1.8.3 and 1.8.4)

Transactions under Reserve Funds

The total accumulated balance at the end of 2017-18 in 35 Reserve Funds was ₹ 59,280.07 crore. However, transactions depicted by the State Government against reserve funds were merely the book entries, which violates the spirit underlying the creation and operation of reserve funds. There was no real investment against the reserve funds, except in respect of two inoperative Reserve Funds against which ₹ 45.20 crore was invested decades ago. Negative and debit balances against specific reserve funds need regularisation by way of appropriation from the Consolidated Fund.

Recommendation: *The Finance Department should review the practice of treating transaction and balances under reserve funds as book entries and adhere to the principles of cash accounting by actual investment of balances with the Reserve Bank of India.*

(Paragraph 1.9.2)

Sinking Fund

The Twelfth Finance Commission (XII FC) recommended creation of Consolidated Sinking Fund (CSF) for amortisation of outstanding liabilities by the State Governments. The guidelines of the Reserve Bank of India (RBI), which is responsible for administering the fund, stipulate a minimum annual contribution of 0.5 per cent of outstanding liabilities at the end of the previous financial year. Accordingly, the State Government was required to contribute ₹ 2,116.12 crore (0.5 per cent of ₹ 4,23,223.78 crore, i.e., the outstanding liabilities as on 31 March 2017) in 2017-18. The State Government, however, has not taken any action to setup the CSF (subsuming the existing Fund) in terms of these guidelines.

During 2017-18, the State Government transferred ₹ 12,232.23 crore to the existing Sinking Fund by book transfer. Out of this fund, an amount of ₹ 4,422 crore, equivalent to repayment of market loans, was transferred and credited to Revenue Receipts under the Consolidated Fund without involving any cash outflow from sinking fund. The amount transferred from the Sinking Fund (₹ 4,422 crore) to the Revenue Account overstated the

Revenue Surplus of the Year. Further, there was no investment against the closing balance of ₹ 57,469.61 crore in the Sinking Fund as on 31.03.2018. Apart from this, the net addition of ₹ 7,810 crore to the Sinking Fund during the year 2017-18 resulted in increasing the outstanding liabilities of the State to that extent.

Recommendation: *The State Government may consider accepting the recommendation of the XII FC and create a Consolidated Sinking Fund to be invested by RBI. Further, the transfers out of the fund are not to be treated as Revenue Receipts. In any event, the State Government should ensure that the Fund balances are actually invested and are not mere book entries.*

(Paragraph 1.9.2.1)

State Disaster Response Fund (SDRF)

Contrary to GoI guidelines that the SDRF should be operated under the category “Reserve Funds bearing Interest”, State Government operates its SDRF under the category “Reserve Funds not bearing Interest”. Further, the balances in the Fund being only book entries are not invested as laid down in the SDRF guidelines. The interest of ₹ 37.22 crore for the year 2017-18 had not been paid by the State Government.

Further, the State Government received ₹ 119.67 crore from NDRF during the year 2017-18 which was booked under MH 1601- Grants-in-aid from Central Government and treated as receipt. However, this grants-in-aid of ₹ 119.67 crore was not transferred to the State’s SDRF account during the year 2017-18. As a result the revenue surplus of State Government was overstated and fiscal deficit understated by ₹ 119.67 crore.

Recommendation: *The State Government should transfer the SDRF balances to MH 8121- General and Other Reserve Funds under the category “Reserve Funds bearing Interest” and remit to the Fund accrued interest as per SDRF guidelines. The State Government is also required to invest the fund balances in the manner prescribed in the guidelines.*

(Paragraph 1.9.2.3)

Contingent Liabilities – Status of Guarantees

The State Government has not created any Guarantee Redemption Fund as per recommendations of twelfth finance commission. The State Government was required to make minimum annual contributions of ₹ 290.75 crore (0.5 per cent of outstanding guarantee of ₹ 58,149.03 crore at the beginning of the year 2017-18) which was not done. This has impact of overstating the revenue surplus and understating the fiscal deficit by ₹ 290.75 crore.

The State Government issued guarantees in respect of 16 institutions, of which only two institutions were to pay guarantee fee and the remaining 14 institutions were exempted. It was noticed that out of total receivable guarantee fee of ₹ 10.56 crore from two

institutions, U.P. Rajya Vidyut Utpadan Nigam Limited had not paid the guarantee fee of ₹ 9.74 crore.

Recommendation: *The State Government should create and operate the guarantee redemption fund as per the guidelines of XII FC. State Government should also ensure that guarantee fees are realised promptly. The Government should stop financial support to these institutions which have not paid the guarantee fees and/or are also in arrears of accounts.*

(Paragraph 1.9.3)

Excess expenditure requiring regularisation

There was an excess disbursement of ₹ 1,337.17 crore over the authorisation made by the State Legislature under two Grants and two Appropriations during the financial year 2017-18. Excess disbursements of ₹ 29,648.64 crore under 96 Grants and 40 Appropriations pertaining to the years 2005-06 to 2016-17 remained to be regularised by the State Legislature. This is in violation of Articles 204 and 205 of the Constitution which provides that no money shall be withdrawn from the Consolidated Fund except under appropriation made by Law by the State Legislature. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

Recommendation: *The State Government should ensure that all the existing cases of excess disbursement are placed before the State Legislature for regularisation at the earliest. State Government should examine the reasons for excess disbursements and fix responsibility. Further, Treasury Officers should be directed not to pass expenditure beyond budget provision and in future such excess expenditure may be completely stopped.*

(Paragraph 2.2.1)

Savings

Savings of ₹ 92,681.47 crore occurred in 58 cases relating to 40 grants/ appropriations exceeding ₹ 100 crore in each case. Further, there were 16 cases, out of above 58 cases, where savings exceeds ₹ 1,000 crore in each case. In 26 cases involving 20 grants, there were persistent savings (₹ 100 crore and above) ranging between ₹ 100.12 crore and ₹ 17,493.77 crore during the preceding five years.

Recommendation: *The Finance Department should review the reasons for non-utilisation of the provisions under various schemes and take steps to make more judicious provisions in future years.*

(Paragraph 2.2.2)

Advances from the Contingency Fund - Not recouped

As on 31 March 2018, the amount of ₹ 463.08 crore drawn from the Contingency Fund remained un-recouped, which included previous year's un-recouped balances of ₹ 300 crore. During the year 2017-18, ₹ 413 crore was disbursed, out of which the advances of

₹ 125 crore drawn during the year 2017-18 for loan to U.P. Cooperative Sugar Mills Federation Limited was to be recouped from the supplementary budget of 2018-19. As against the remaining outstanding advance of ₹ 288 crore drawn during the year 2017-18, only ₹ 249.92 crore was recouped till 31 March 2018.

Recommendation: *The State Government should ensure timely recoupment of advances taken from the Contingency Fund.*

(Paragraph 2.2.9)

Personal Deposit (PD) Accounts

State Government did not provide details of addition to and disbursements from PD Accounts during the financial year 2017-18. Out of the balance of ₹ 4,688.14 crore in 1,328 PD Accounts as on 31 March 2018, ₹ 2,460.82 crore pertained to 31 PD Accounts under Major Heads 8342-120-Miscellaneous Deposits, which is not the designated head of accounts for PD Accounts. Further, in contravention of codal provisions, an amount of ₹ 108.70 crore was irregularly parked in 641 PD Accounts, despite these PD Accounts remaining inoperative for more than three years. Such practices violate Legislative intent, which is to ensure that funds approved by it for the financial year are spent during the financial year itself. Further, non-reconciliation of balances in PD accounts and not transferring the unspent balances lying in PD accounts to Consolidated Fund of State before the closure of the financial year entails the risk of misuse of public funds, fraud and misappropriation.

Recommendation: *The Finance Department should review all PD accounts to ensure that all amounts unnecessarily lying in these PD accounts are immediately remitted to the Consolidated Fund. Further, the Finance Department should reiterate the instructions contained in the financial rules and ensure that appropriate action is taken against departmental officers who fail to follow the rules.*

(Paragraph 3.1)

Non-submission of Utilisation Certificates

As on 31 March 2018, a total of 1,53,949 number of Utilisation Certificates (UCs) for non-recurring grants involving ₹ 83,979.44 crore released during financial years 2001-02 to 2017-18 remained outstanding. Therefore, there is no assurance that the amount of ₹ 83,979.44 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs was fraught with the risk of misappropriation of funds and fraud.

Recommendation: *The State Government should take action on recommendation made in Para No. 3.11 of the Comptroller and Auditor General of India's Report No. 1 of 2018 – Government of Uttar Pradesh and ensure that internal control mechanism of the Departments to watch timely submission of the UCs is put in place without further delay and all pendencies are reviewed before release of fresh grants.*

(Paragraph 3.2)

Building and Other Construction Workers (BOCW) Welfare Cess

BOCW Board has not finalised its accounts since its constitution (November 2009). Since the Board has not prepared accounts since inception, the authenticity of receipts and expenditure could not be ascertained in Audit.

Orders of the Government (August 2013 and September 2016) to transfer the cess directly to the bank account of the Board without bringing it into the Consolidated Fund of the State violates the provision of Article 266 (1) of the Constitution of India. Consequently, it is not ascertainable from the Accounts of State Government as to how much money was collected by the Cess Assessment Officers and Cess Collectors on account of cess, fee etc. and how much money was transferred to the Board.

As per the provisional data made available by the Board, the expenditure incurred by the Board for welfare of workers against available funds ranged from only five to seven *per cent* and covered just eight to 15 *per cent* of the registered workers.

Recommendation: *The U.P. BOCW Welfare Board should fulfil its mandate of improving the working conditions of building and other construction workers and providing adequate financial assistance to them. The State Government should also review its orders to transfer the cess directly to the bank account of the Board instead of Consolidated Fund of the State.*

(Paragraph 3.9)

Transfer of additional stamp duty to Development Authorities

State Government has not opened a distinct sub-head to account for the additional stamp duty, in the absence of which, it is not clear how much money was received by the Government on account of two *per cent* additional stamp duty and whether all the moneys received were transferred to the concerned municipal corporations/municipalities/parishads/development authorities in specified proportions.

State Government issued order (September 2013) authorising transfer of 25 *per cent* of the additional stamp duty to a Dedicated Urban Transport Fund. This contravenes the U.P. Urban Planning and Development Act which does not provide for any such apportionment.

Recommendation: *The State Government should ensure that the accounts fully and transparently capture the receipts and transfer of the additional stamp duty to the authorities/municipalities etc. as specified under the U.P. Urban Planning and Development Act. State Government should also review the Order authorising transfer of 25 per cent of the additional stamp duty to a Dedicated Urban Transport Fund which is not provided under the Act.*

(Paragraph 3.10)

Delay in Finalisation of accounts of PSUs/Corporations

The accounts of 54 working PSUs/ Corporations (207 accounts) and 34 non-working PSUs/ Corporations (531 accounts) were in arrears of one to 36 years. State Government

had provided budgetary support of ₹ 57,780.21 crore (equity: ₹ 19,605.36 crore, loans: ₹ 4,581.27 crore, capital grants: ₹ 11,210.69 crore, other grants: ₹ 9,773.86 crore and subsidies: ₹ 12,609.03 crore) and guarantees of ₹ 42,527.09 crore to 24 working Companies/Statutory Corporation during the period for which accounts of these PSUs were in arrears. Thus, even in the absence of accounts to judge the genuineness of demands for financial support from these PSUs, the Finance Department has regularly provided budgetary support to these PSUs. State Government needs to see if this is value-for-money expenditure.

Recommendation: *The Finance Department should review the cases of all PSUs that are in arrears of accounts, ensure that the accounts are made current within a reasonable period, and review continued financial support in all cases where accounts continue to be in arrears.*

(Paragraph 3.13)

Dividend not declared

Contrary to the State Government's policy that all profit earning PSUs should pay a minimum return of five *per cent* on the paid up share capital contributed by the State Government, nine profit earning PSUs did not declare dividend of ₹ 540.36 crore.

Recommendation: *The State Government should ensure that the profit earning PSUs deposit the specified dividend invariably into the Government account at the close of the year.*

(Paragraph 3.14)

Opaqueness in accounts

The State Government departments routinely operated minor head 800 which is intended to be operated when the appropriate minor head has not been provided in the accounts. During 2017-18, ₹ 18,383.80 crore under receipts and ₹ 27,162.32 crore under expenditure were booked under minor head 800 resulting in opaqueness of transactions.

Recommendation: *The Finance Department should, in consultation with the Accountant General (A&E), conduct a comprehensive review of all items presently appearing under minor head 800 and ensure that all such receipts and expenditure are in future booked under the appropriate heads of account.*

(Paragraph 3.16)

Apportionment of balances as on reorganisation of the State

The State Government was yet (since November 2000) to apportion ₹ 8,757.37 crore under the Deposits and Advances between the successor States of Uttar Pradesh and Uttarakhand.

Recommendation: *The State Government should expedite the apportionment of balances under Deposits and Advances (₹ 8,757.37 crore) between the two successor States.*

(Paragraph 3.17)



FINANCES OF THE GOVERNMENT



FINANCES OF THE GOVERNMENT

This chapter provides an audit perspective on finances of the State Government during 2017-18 and analyses changes in major fiscal aggregates relative to 2016-17 keeping in view overall trends during the preceding five years.

The analysis is based on details contained in the Finance Accounts of the Government of Uttar Pradesh (State Government). The profile of the State is given in *Appendix 1.1*.

1.1 Gross State Domestic Product (GSDP)¹

The trends in annual growth of Gross Domestic Product (GDP) of India and GSDP of the State at current prices and constant prices (Base year: 2011-12) are given in **Table 1.1**.

Table 1.1: GDP of India and GSDP of the State

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
GDP of India at current prices (₹ in crore)	1,12,33,522	1,24,67,959	1,37,64,037	1,52,53,714	1,67,73,145
Growth rate of GDP (in per cent)	12.97	10.99	10.40	10.82	9.96
GSDP of the State at current prices (₹ in crore)	9,40,356	10,11,790	11,37,210	12,50,213	13,75,607 ²
Growth rate of GSDP at current prices (in per cent)	14.3	7.6	12.4	9.9	10.0
GSDP of the State at constant prices (₹ in crore)	8,02,070	8,34,432	9,07,700	9,74,120	10,36,149
Growth rate of GSDP at constant prices (in per cent)	5.8	4.0	8.8	7.3	6.4

(Source: GDP/GSDP figures issued by Ministry of Statistics and Programme Implementation, Government of India (MoSPI, GoI) dated 28.08.2018)

The structure of the Government Accounts is explained in *Part A* and the layout of the Finance Accounts in *Part B* of *Appendix 1.2*.

1.2 Summary of fiscal transactions

Summary of fiscal transactions of the State Government during the years 2013-14 to 2017-18 is depicted in **Table 1.2** and **Table 1.3**. Details of the receipts and disbursements as well as the overall fiscal position during 2017-18 were given in *Appendix 1.3*.

¹ GDP and GSDP are the market value of all officially recognised final goods and services produced within the Country and the State respectively in a given period of time and are an important indicator of the Country and State's economy.

² State Government informed (June 2019) that as per projected GSDP estimates (01.08.2017), GSDP of the State for the year 2017-18 was ₹ 13,78,643 crore. However, the revised GSDP figure for the year 2017-18, as per GSDP Statement released by MoSPI on 28.08.2018, has been included in this Audit Report.

Table 1.2: Summary of Receipts during 2013-18

(₹ in crore)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	Percentage increase in 2017-18 with respect to 2016-17
Section A: Revenue						
Revenue Receipts	1,68,214	1,93,422	2,27,076	2,56,875	2,78,775	8.53
Own Tax Revenue (OTR)	66,582	74,172	81,106	85,966	97,393	13.29
OTR/RR (per cent)	39.58	38.35	35.72	33.47	34.94	1.47
Own Non-Tax Revenue (NTR)	16,450	19,935	23,135	28,944	19,795	(-) 31.61
Own NTR/ RR (per cent)	9.78	10.31	10.19	11.27	7.10	(-) 4.17
Share of Union Taxes/ Duties	62,777	66,623	90,974	1,09,428	1,20,939	10.52
Grants from GoI	22,405	32,692	31,861	32,537	40,648	24.93
Section B: Capital and Others						
Miscellaneous Receipts under the Capital Section	-	-	-	-	-	-
Recoveries of Loans and Advances	589	262	726	259	236	(-) 8.88
Inter State Settlement	-	-	-	-	-	-
Public Debt Receipts	14,900	35,520	74,514	67,685	47,417	(-) 29.94
Contingency Fund	262	1	201	173	258	49.13
Public Account Receipts	2,26,078	2,30,199	2,65,972	3,06,406	3,20,471	4.59
Opening Cash Balance ³	15,218	4,066	(-) 356	(-) 157	944	701.27
Total	4,25,261	4,63,470	5,68,133	6,31,241	6,48,101	2.67

(Source: Finance Accounts of the respective years)

State's own revenue receipts form 42.04 *per cent* of total receipts for the year 2017-18. Further, the share of own tax revenue in total revenue receipt of the State decreased from 39.58 *per cent* in 2013-14 to 34.94 *per cent* in 2017-18. While the share of own non-tax revenue increased from 9.78 *per cent* in 2013-14 to 11.27 *per cent* in 2016-17, during 2017-18, it decreased to seven *per cent*. The decrease in non-tax revenue during 2017-18 was mainly due to change in accounting procedure for receipts under the head 'Education, Sports, Art and Culture' as detailed in **Para 1.4.1.1**.

³ The opening and closing cash balances includes the investment of earmarked fund, whereas in the preceding years report the cash balances excluding the investment of earmarked fund was exhibited.

Table 1.3: Summary of Expenditure during 2013-18

(₹ in crore)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	Percentage increase in 2017-18 with respect to 2016-17
Section A: Revenue						
Revenue Expenditure	1,58,147	1,71,027	2,12,736	2,36,592	2,66,224	12.52
General Services	61,984	64,305	72,228	88,255	1,05,782	19.86
Social Services	60,756	60,906	82,487	91,861	84,252	(-)8.28
Economic Services	25,711	34,885	47,881	45,834	64,635	41.02
Grants-in-aid and Contributions	9,696	10,931	10,140	10,642	11,555	8.58
Section B: Capital and Others						
Capital Expenditure	32,863	53,297	64,423	69,789	39,088	(-)43.99
Loans and Advances disbursed	1,473	1,873	9,118	6,741	1,509	(-)77.61
Inter State Settlement	-	-	-	-	-	-
Repayment of Public Debt	8,167	9,411	17,673	20,303	15,002	(-)26.11
Appropriation to Contingency Fund	87	203	44	349	413	18.34
Public Account Disbursements	2,20,459	2,28,014	2,64,294	2,96,523	3,14,384	6.02
Closing Cash Balance	4,066	-356	-157	944	11,481	1116.21
Total	4,25,262	4,63,469	5,68,131	6,31,241	6,48,101	2.67

(Source: Finance Accounts of the respective years)

The trends of Revenue Receipts (RR) / Revenue Expenditure (RE) / Capital Expenditure (CE) relative to GSDP at current as well as constant prices are presented in **Table 1.4**.

Table 1.4: Trends in RR/ RE/ CE relative to GSDP

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue Receipts relative to GSDP					
RR at current prices (₹ in crore)	1,68,214	1,93,422	2,27,076	2,56,875	2,78,775
Rate of growth of RR at current prices (<i>per cent</i>)	15.29	14.99	17.40	13.12	8.53
RR at constant prices (₹ in crore)	1,43,478	1,59,523	1,81,255	2,00,152	2,09,984
Rate of growth of RR at constant prices (<i>per cent</i>)	6.66	11.18	13.62	10.43	4.91
RR / GSDP at current as well as constant price (<i>per cent</i>)	17.89	19.12	19.97	20.55	20.27
Revenue Expenditure relative to GSDP					
RE at current prices (₹ in crore)	1,58,147	1,71,027	2,12,736	2,36,592	2,66,224
Rate of growth of RE at current prices (<i>per cent</i>)	12.38	8.14	24.39	11.21	12.52
RE at constant prices (₹ in crore)	1,34,892	1,41,053	1,69,808	1,84,348	2,00,530
Rate of growth of RE at constant prices (<i>per cent</i>)	3.97	4.57	20.39	8.56	8.78
RE/ GSDP at current as well as constant price (<i>per cent</i>)	16.82	16.90	18.71	18.92	19.35
Capital Expenditure relative to GSDP					
CE at current prices (₹ in crore)	32,863	53,297	64,423	69,789	39,088
Rate of growth of CE at current prices (<i>per cent</i>)	37.88	62.18	20.88	8.33	(-) 43.99
CE at constant prices (₹ in crore)	28,031	43,956	51,423	54,378	29,443
Rate of growth of CE at constant prices (<i>per cent</i>)	27.56	56.81	16.99	5.75	(-) 45.85
CE/ GSDP at current as well as constant price (<i>per cent</i>)	3.49	5.27	5.67	5.58	2.84

- Revenue receipts as well as revenue expenditure had an upward trend during 2013-14 to 2017-18. However, the revenue receipts as a *per cent* of GSDP increased from 2013-14 to 2016-17 but dipped in 2017-18, whereas revenue expenditure as a *per cent* of GSDP increased from 2013-14 to 2017-18 even after accounting for inflation.
- Capital expenditure had increased from 2013-14 to 2016-17 but during 2017-18, it recorded a decline of 44 *per cent*. Further, the capital expenditure as a *per cent* of GSDP also declined to 2.84 *per cent* in 2017-18 as compared to 3.49 *per cent* in 2013-14. The decline in capital expenditure during 2017-18 was on account of the fact that capital expenditure of ₹ 6,083 crore and ₹ 3,700 crore were expended during 2015-16 and 2016-17 respectively on UDAY⁴, whereas there was no such expenditure during 2017-18. Further, some schemes were non-operational during the year 2017-18 which led to decline in capital expenditure such as roads in Bharat Nepal frontline districts, Agra Lucknow Expressway and road works Samajwadi Purvanchal Expressway. Besides, there was decline of 26 *per cent* in the budget provision for capital expenditure during the year 2017-18 (₹ 53,258 crore) as compared to the year 2016-17 (₹ 71,878 crore) due to substantial budget provision of ₹ 36,000 crore for farm loan waiver of small/marginal farmers.

1.3 Review of fiscal situation

The performance of the State during 2017-18 under key fiscal indicators provided in the recommendations of the Fourteenth Finance Commission (XIV FC), budget estimates and targeted in the Uttar Pradesh Fiscal Responsibility Management (UPFRBM) Act as well as Medium Term Fiscal Restructuring Policy (MTFRP), 2017 laid under UPFRBM Act, is given in **Table 1.5**.

Table 1.5: Performance of the State during 2017-18

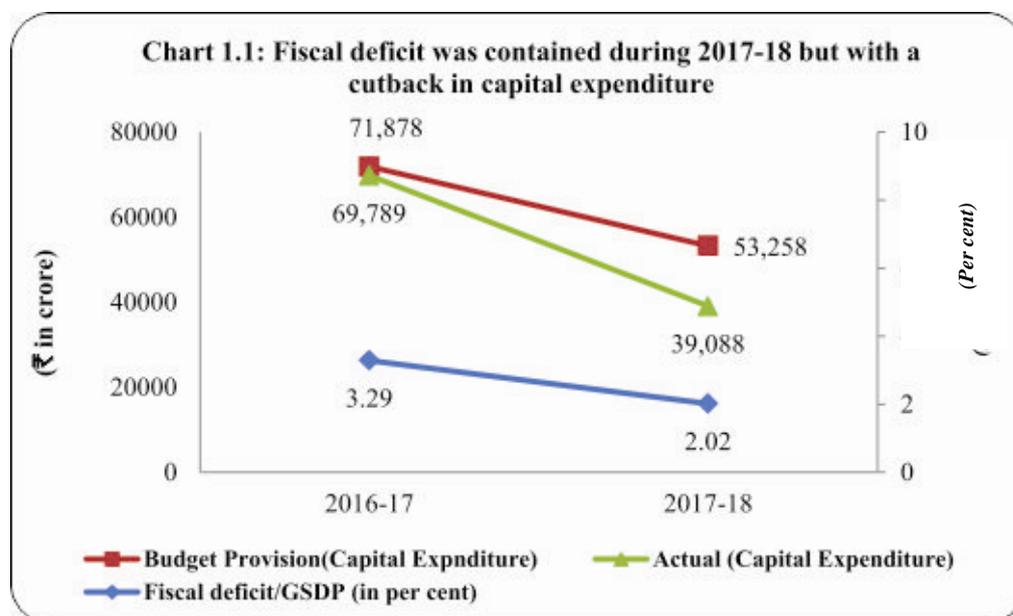
Key fiscal indicators	Targets set by the XIV FC	Targets as per UPFRBM Act	Targets as per Budget Estimate/ MTFRP	Actuals
Revenue deficit (-) /surplus(+) (₹ in crore)	Nil deficit	Nil deficit	Surplus of ₹ 12,279 crore	Surplus of ₹ 12,552 crore
Fiscal deficit (-) / GSDP (<i>per cent</i>)	3.25	Not more than three <i>per cent</i>	2.97	2.02
Ratio of total outstanding debt to GSDP (<i>per cent</i>)	32.44	30.50	28.60	34.01

(Source: Budget documents of the State Government, Report of Fourteenth Finance Commission, UPFRBM Act, 2004 and UPFRBM (Amendment) Act, 2016)

Though the State has achieved revenue surplus of ₹ 12,552 crore, but the same is overstated by ₹ 6,341 crore. Similarly, the fiscal deficit (₹ 27,810 crore) was also understated by ₹ 6,405 crore as detailed in **Para 3.8**.

⁴ Under Ujjwal Discom Assurance Yojana (UDAY) scheme launched by GoI in November 2015, State Governments were required to take over 75 *per cent* of the Discom debt as on 30 September 2015 (50 *per cent* in the year 2015-16 and 25 *per cent* in the year 2016-17).

During 2017-18, the ratio of fiscal deficit to GSDP was within the targets as set in the budget estimates, MTFRP and Fourteenth Finance Commission. Further, the fiscal deficit (₹ 27,810 crore) of the State decreased by 32 per cent as compared to 2016-17 (after excluding UDAY impact during 2016-17). However, it was concomitant with a significant reduction of capital expenditure which reduced by 44 per cent in 2017-18 as compared to 2016-17, as reflected in **Chart 1.1**.



1.3.1 Composition and financing of Fiscal Deficit

Fiscal deficit represents the total financing the State requires (predominantly by drawing on its cash and investment balances with the RBI and by borrowing) to meet the excess of the revenue and capital expenditure (including loans and advances) over revenue and non-debt receipts. The financing pattern of the fiscal deficit is reflected in **Table 1.6**.

Table 1.6: Component and financing of Fiscal Deficit

Particulars		(₹ in crore)				
		2013-14	2014-15	2015-16	2016-17	2017-18
Fiscal deficit (1 to 3)* (figures in brackets indicate <i>per cent</i> to GSDP)		(-) 23,680 (2.52)	(-) 32,513 (3.21)	(-) 58,475 (5.14)	(-) 55,988 (4.48)	(-) 27,810 (2.02)
1	Revenue Surplus	(+) 10,067	(+) 22,394	(+) 14,340	(+) 20,283	(+) 12,552
2	Net Capital Expenditure ⁵	(-) 32,863	(-) 53,297	(-) 64,423	(-) 69,789	(-) 39,088
3	Net Loans and Advances ⁶	(-) 884	(-) 1,610	(-) 8,392	(-) 6,482	(-) 1,274

*The fiscal deficit in this table included the expenditure on UDAY during 2015-16 and 2016-17 so as to match the figures in Finance Accounts given in the financing pattern. As per the guidelines of UDAY, the debt taken over by the State under UDAY would not be counted against the fiscal deficit limit of the State. The fiscal deficit after excluding UDAY was ₹ 34,143 crore and ₹ 41,187 crore during 2015-16 and 2016-17 respectively.

⁵ Net Capital Expenditure = Capital Receipt *minus* Capital Expenditure; minus figure indicate that the capital expenditure was more than the capital receipt during the year.

⁶ Net Loans and advances = Recoveries of Loans and Advances *minus* disbursement of loans and advances; minus figure indicate that disbursement of loans and advances was more than the recovery during the year.

Financing pattern [#] of fiscal deficit						
Particulars		2013-14	2014-15	2015-16	2016-17	2017-18
1	Market Borrowings	5,054	13,513	25,301	36,904	37,178
2	Loans from GoI	(-)1,075	(-) 875	(-) 803	(-)409	(-)438
3	Special Securities issued to NSSF	2,768	6,325	4,339	(-)4,532	(-)4,643
4	Loans from Financial Institutions	(-)12	7,146	28,005	15,441	317
5	Small Savings, PF etc.	2,363	1,686	1,534	1,619	2,530
6	Deposits and Advances	5,037	1,050	(-) 1,543	(-)301	1,414
7	Suspense and miscellaneous	(-)9,637	535	(-) 677	592	(-)2,215
8	Remittances	(-)98	1,608	(-) 197	748	(-)3,906
9	Others ⁷	19,280	1,525	2,516	5,926	(-)2,427
Total		23,680	32,513	58,475	55,988	27,810

#All the figures are net of disbursements/ outflows during the year.
(Source: Finance Accounts of the respective years)

1.3.2 Quality of Deficit/Surplus

The decomposition of primary deficit⁸ into primary revenue deficit⁹, capital expenditure and loans and advances, as well as the ratio of revenue deficit to fiscal deficit, as given in **Table 1.7**, indicates the quality of deficit in the State's finances.

Table 1.7: Primary Deficit/Surplus

Year	Non-debt Receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	₹ in crore)	
						Primary Revenue deficit (-) /surplus (+)	Primary deficit (-)/ surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2013-14	1,68,803	1,40,735	32,863	1,473	1,75,071	(+)28,068	(-)6,268
2014-15	1,93,684	1,52,162	53,297	1,873	2,07,332	(+)41,522	(-)13,648
2015-16	2,27,802	1,91,288	64,423	9,118	2,64,829	(+)35,514	(-)37,027
2016-17	2,57,134	2,09,656	69,789	6,741	2,86,186	(+)47,478	(-)29,052
2017-18	2,79,011	2,37,088	39,088	1,509	2,77,685	(+)41,923	(+)1,326

(Source: Finance Accounts of the respective years)

Thus, the primary deficit of the State Government improved from (-) ₹ 6,268 crore (2013-14) to ₹ 1,326 crore during 2017-18 which indicates that during the year, non-debt receipts were enough to meet the primary expenditure of the State. However, this was accompanied by a significant contraction of capital expenditure during 2017-18 as depicted in **Chart 1.1 (Para 1.3)**.

1.3.3 Budget Estimates and Actuals

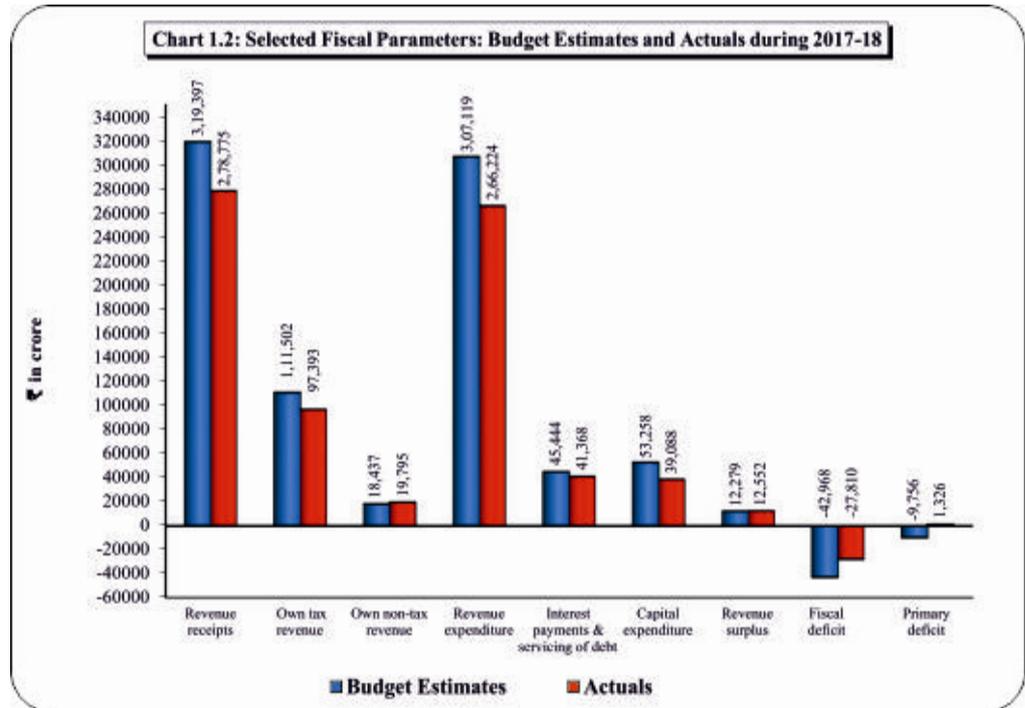
Shortfalls of actual receipts and expenditure against budget estimates, either due to unanticipated and unforeseen events or under/over estimation of expenditure or revenue at the stage of budget preparation, adversely impacts the desired fiscal objectives.

Actuals *vis-à-vis* Budget Estimates of selected fiscal parameters for 2017-18 are shown in **Chart 1.2** and **Appendix 1.4**.

⁷ Transactions under Contingency Fund, Reserve Fund, Cash Balances, Investment and Bonds.

⁸ Primary deficit is fiscal deficit excluding interest payments.

⁹ Primary revenue deficit is the gap between non-interest revenue expenditure of the State and its non- debt receipts and indicates the extent to which the non-debt receipts are sufficient to meet the primary expenditure incurred under revenue account.



(Source: Budget documents and Finance Accounts 2017-18)

- Shortfalls in revenue receipts (₹ 40,622 crore) vis-à-vis estimates were due to shortfall in own tax revenue (₹ 14,109 crore), grants-in-aid from GoI (₹ 27,404 crore) and share of union taxes and duties (₹ 467 crore) though there was an increase of ₹ 1,358 crore under own non-tax revenue.
- Shortfalls in own tax revenue (₹ 14,109 crore) vis-à-vis estimates were mainly under taxes on sales, trade etc. (₹ 5,285 crore) followed by stamps and registration fee (₹ 4,061 crore) and State excise (₹ 3,723 crore). State Excise Department attributed the shortfall to excessive budget projection wherein though the Compound Annual Growth Rate (CAGR) of last 10 years was 15.9 per cent, during the year 2017-18, the budget estimate was 44.3 per cent higher than the actual receipts during 2016-17. The actual receipts under State Excise increased by 21.34 per cent during 2017-18 as compared to 2016-17. State Excise Department further attributed the less State Excise receipts to higher Maximum Retail Price of liquor as compared to neighbouring States leading to smuggling of liquor from other States, specifically Haryana¹⁰.
- Due to substantial increase in the budget provision of ₹ 36,000 crore for waiver of crop loans of small and marginal farmers under revenue expenditure during 2017-18, budget provision for capital expenditure in 2017-18 (₹ 53,258 crore) was 26 per cent less than the budget provision during 2016-17 (₹ 71,878 crore).
- The major shortfalls in revenue expenditure (₹ 40,895 crore) were in Economic Services (₹ 18,460 crore), Social Services (₹ 17,155 crore),

¹⁰ Also see CAG's Report No. 1 of 2019 – Government of Uttar Pradesh.

General Services (₹ 5,257 crore) and Grants-in-aid and contribution (₹ 23 crore). Decreases in capital expenditure (₹ 14,170 crore) were due to decrease in expenditure on Economic Services (₹ 9,859 crore), Social Services (₹ 3,486 crore) and under General Services (₹ 825 crore). The shortfall in revenue and capital expenditure, as ascertained from the Appropriation Accounts 2017-18 of the State Government, was due to excess budget provision, non-issuance of financial sanction, non-release of fund, non-sanction of scheme, vacant posts, etc.

Recommendation: The Finance Department should rationalise the budget preparation exercise, so that the persisting gaps between the budget estimate and actuals are bridged.

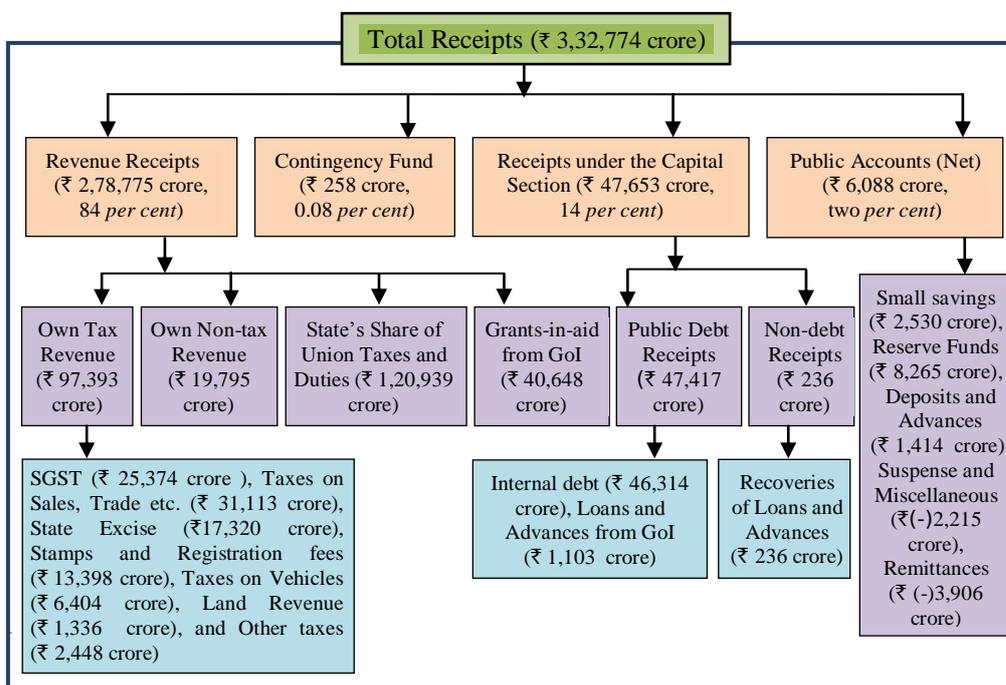
1.4 Financial Resources of the State

Resources of the State as per Annual Finance Accounts

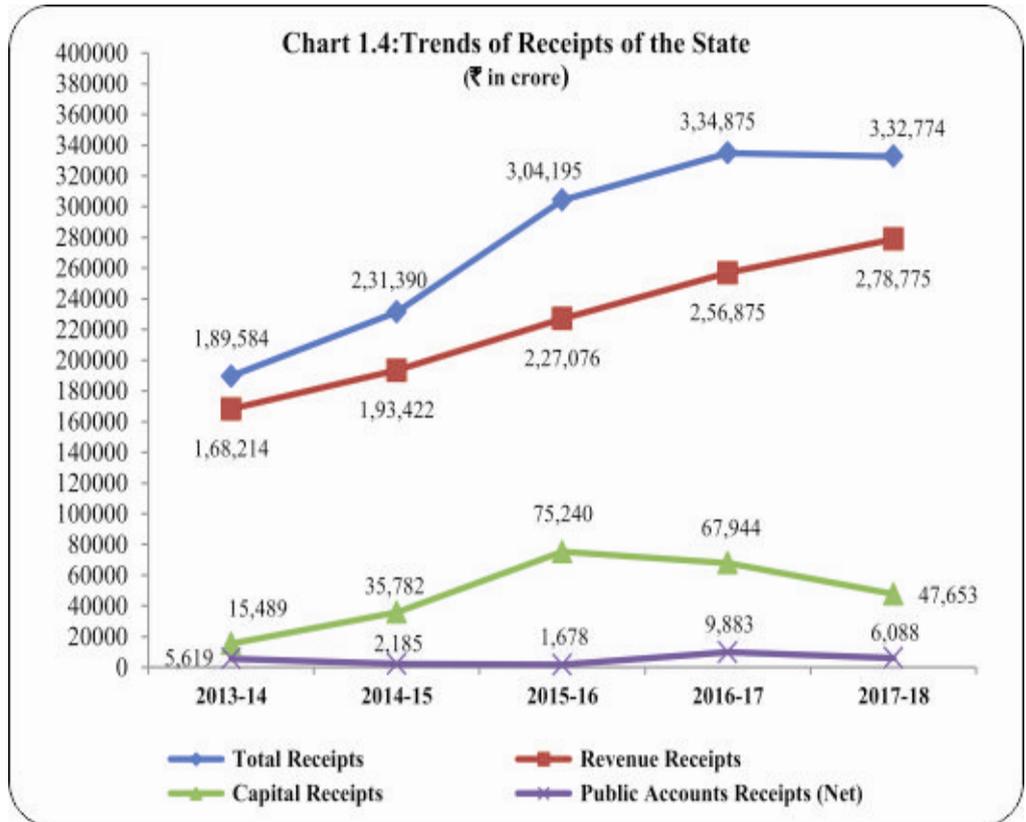
Revenue receipts consist of own tax revenues, own non-tax revenues, State’s share of union taxes and duties and grants-in-aid from Government of India (GoI). Receipts under capital section comprise miscellaneous capital receipts under the capital section such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI as well as balances in Public Accounts.

Chart 1.3 and **Chart 1.4** depict the composition of aggregate receipts, the trends in various components of receipts during 2013-18 and the composition of resources during 2017-18 respectively.

Chart 1.3: Composition of aggregate receipts during 2017-18



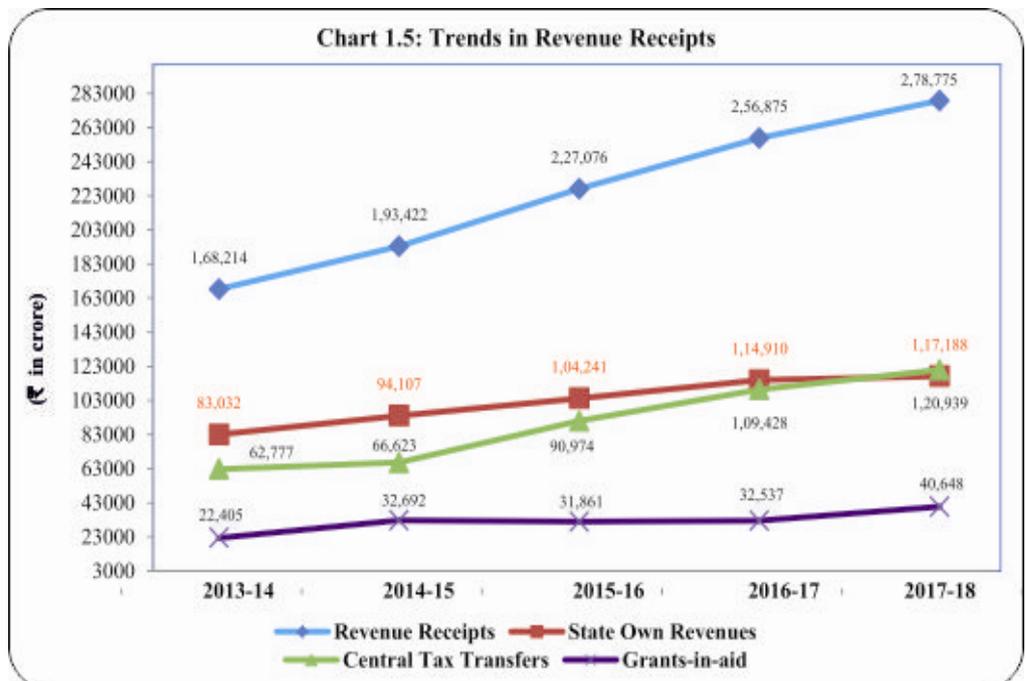
(Source: Finance Accounts 2017-18)



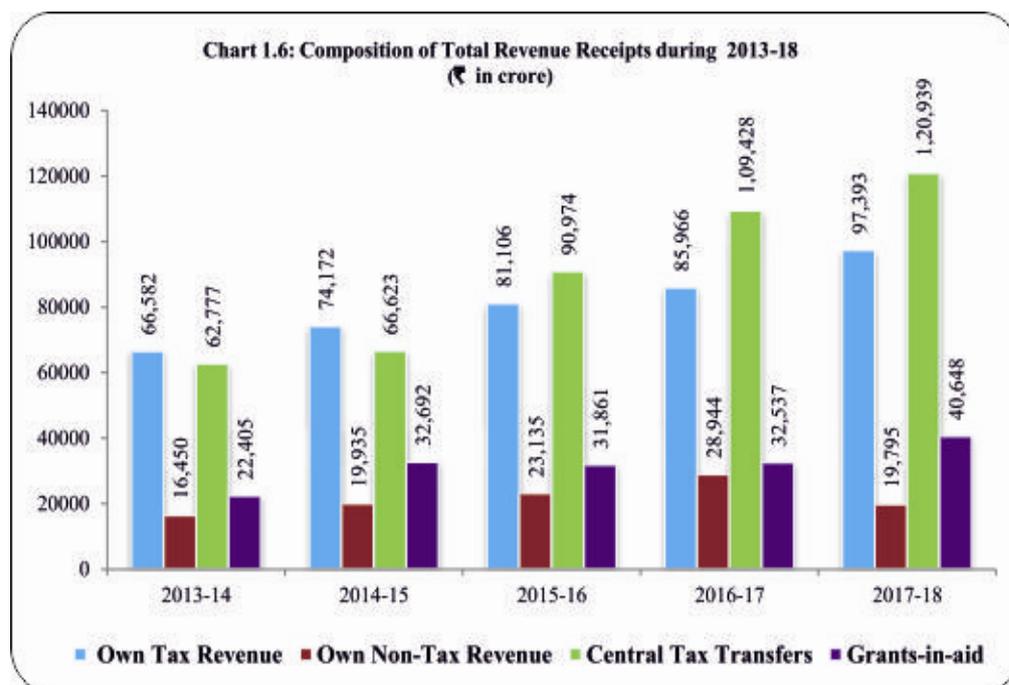
(Source: Finance Accounts of the respective years)

1.4.1 Revenue Receipts

Statement 14 of the Finance Accounts gives details of the revenue receipts of the Government. The trends and composition of revenue receipts during 2013-18 are presented in *Appendix 1.5* and also depicted in **Chart 1.5** and **Chart 1.6** respectively.



(Source: Finance Accounts of the respective years)



(Source: Finance Accounts of the respective years)

The revenue receipt of ₹ 2,78,775 crore during 2017-18 include ₹ 1,17,188 crore from State's own (tax/non-tax) revenue and ₹ 1,61,587 crore received from GoI. While there was overall increase of ₹ 21,900 crore in the revenue receipts during 2017-18 as compared to 2016-17, State's own resources grew by ₹ 2,278 crore (1.98 per cent) whereas the receipts from GoI increased by ₹ 19,622 crore (12 per cent); these are further analysed in the succeeding paragraphs.

1.4.1.1 State's Own Resources

The State's performance in mobilisation of resources is assessed in terms of own tax revenue and own non-tax revenue, not including the State's share in central taxes and grants-in-aid which is based on the recommendations of the Finance Commission.

Details of collections of own tax revenue and own non-tax revenue for 2013-18 are presented in **Appendix 1.6**. These increased by ₹ 34,156 crore (41 per cent) from ₹ 83,032 crore in 2013-14 to ₹ 1,17,188 crore in 2017-18.

The own tax revenue and own non-tax revenue of the State for 2017-18, vis-à-vis budget projections are given in **Table 1.8**.

Table 1.8: Actuals of Own Tax and Own Non-tax Revenue for 2017-18 vis-à-vis Budget Estimates
(₹ in crore)

Particulars	Budget Estimates	Actuals
Own Tax Revenue	1,11,502	97,393
Own Non-Tax Revenue	18,436	19,795
Total	1,29,938	1,17,188

(Source: Budget documents and Finance Accounts 2017-18)

Own Tax Revenue

Details of own tax revenue during 2013-18 are given in **Table 1.9**.

Table 1.9: Components of own tax revenue

Particulars	(₹ in crore)					Variation (<i>per cent</i>) during 2017-18 over 2016-17
	2013-14	2014-15	2015-16	2016-17	2017-18	
Taxes on sales, trade etc.	39,645 (60)	42,934 (58)	47,692 (59)	51,883 (60)	31,113 (32)	(-) 40.03
SGST	-	-	-	-	25,374 (26)	-
State excise	11,644 (17)	13,483 (18)	14,084 (17)	14,274 (17)	17,320 (18)	21.34
Taxes on vehicles	3,441 (5)	3,797 (5)	4,410 (5)	5,148 (6)	6,404 (7)	24.40
Stamps and registration fees	9,521 (14)	11,803 (16)	12,404 (15)	11,564 (13)	13,398 (14)	15.86
Land revenues	772 (1)	527 (1)	505 (1)	760 (1)	1,336 (1)	75.79
Taxes and duties on Electricity	1,048 (2)	1,085 (1)	1,338 (2)	1,556 (2)	2,124 (2)	36.50
Other taxes	511 (1)	543 (1)	673 (1)	781 (1)	324 (0)	(-) 58.39
Total	66,582	74,172	81,106	85,966	97,393	13.29
GSDP (at current price)	9,40,356	10,11,790	11,37,210	12,50,213	13,75,607	10.03
Own tax revenue as <i>per cent</i> of GSDP	7.08	7.33	7.13	6.88	7.08	-

(Source: Finance accounts of the respective years) (Figures in brackets are percentage of collection to total)

- The overall growth of 13.29 *per cent* in own-tax revenue during 2017-18 was mainly due to increase in ‘State Excise’ (by ₹ 3,047 crore), ‘Stamp and Registration’ (by ₹ 1,834 crore), ‘Taxes on Vehicle’ (by ₹ 1,255 crore), ‘Land Revenue’ (by ₹ 576 crore) and ‘Taxes and Duties on Electricity’ (by ₹ 568 crore).
- Taxes on sales, trade etc. decreased by ₹ 20,770 crore during 2017-18 in comparison to the previous year, as this tax was subsumed in Goods and Services Tax (GST) which was implemented from 1 July 2017. However, State GST (SGST) collection during the year was ₹ 25,374 crore.
- The growth in ‘State Excise’ was due to increase in sale of country liquor (by ₹ 892 crore), India Made Foreign Liquor (by ₹ 795 crore) and Beer (by ₹ 279 crore). The State Excise Department also received ₹ 373 crore

during the year from e-lottery tendering process for shops for the year 2018-19.

- The receipts under ‘Stamp and Registration’ increased mainly due to annual revision of circle rates of land, more receipts from fees for registering documents (58 *per cent*) and sale of judicial and non-judicial stamps (23 *per cent*). The increase of receipts ‘Taxes and Duties on Electricity’ was due to more collection on taxes on sale and consumption of electricity (41 *per cent*).
- Own tax revenue relative to GSDP of the State was 7.08 *per cent* during 2017-18 which was higher as compared to other States i.e. Chhattisgarh (6.82 *per cent*), Madhya Pradesh (6.34 *per cent*), Rajasthan (6.02 *per cent*), Gujarat (5.42 *per cent*), Jharkhand (4.84 *per cent*) and Bihar (4.74 *per cent*).

Own Non-tax Revenue

Details of receipts from own non-tax revenues during 2013-18 are given in Table 1.10.

Table 1.10: Own Non-tax revenue and its major components

Particulars	(₹ in crore)					Variation (<i>per cent</i>) during 2017-18 over 2016-17
	2013-14	2014-15	2015-16	2016-17	2017-18	
Non-ferrous Mining and Metallurgical Industries	913(6)	1,029(5)	1,222(5)	1,548(5)	3,259(16)	110.53
Power	1,061(6)	966 (5)	1,322(6)	2,939 (10)	4,696(24)	59.78
Interest receipts	1,619(10)	2,303(12)	633(3)	1,165(4)	1,093(6)	(-) 6.18
Misc. General Services	3,194(19)	6,400(32)	4,949(21)	4,460 (15)	4,841(24)	8.54
Medium Irrigation	325(2)	326(1)	557(3)	652(2)	834 (4)	27.91
Education, Sports, Art and Culture	6,414 (39)	5,799(29)	10,652(46)	14092(49)	432 (2)	(-)96.93
Other non-tax receipts	2,924(18)	3,112(16)	3,800(16)	4,088(15)	4,640(24)	(-)13.50
Total	16,450	19,935	23,135	28,944	19,795	(-) 31.61

(Source: Finance Accounts of the respective years) (Figures in brackets are percentage of collection to total)

There was overall decrease of 31.61 *per cent* in own non-tax receipts amounting to ₹ 9,149 crore during 2017-18 over 2016-17. The decrease was mainly on account of the receipts under the head ‘Education, Sports, Art and Culture’ due to the fact that during 2017-18, the compensation by the Department in lieu of salary to the teachers appointed under *Sarva Shiksha Abhiyan* was accounted for as reduction in expenditure of the Primary

Education Department, which was earlier was shown as own non-tax receipts of the Government. Further, the increase in realisation of mineral concession fees, rent and royalties (186 per cent) led to higher receipts under 'Non-ferrous mining and metallurgical industry', which was mainly due to revision of rates of royalty/dead rent of various minerals.

1.4.1.2 Grants- in-aid from GoI

The State Government receives grants-in-aid and share of Union taxes and duties, based on the recommendations of the Finance Commission. Details of GoI grants are given in **Table 1.11**.

Table 1.11: Grants-in-aid from Government of India

Particulars (sub major head)	₹ in crore				
	2013-14	2014-15	2015-16	2016-17	2017-18
Non plan grants (01)	7,934	6,809	8,274	9,335	-
Grants for State plan schemes (02)	6,595	6,577	1,933	232	-
Grants for Central plan schemes (03)	226	17	16	56	-
Grants for Centrally sponsored plan schemes (04)	7,650	19,289	21,638	22,914	-
Grants for Centrally sponsored schemes (06)	-	-	-	-	27,731
Finance Commission Grants (07)	-	-	-	-	8,849
Other Transfer/Grants (08)	-	-	-	-	4,068
Total grants	22,405	32,692	31,861	32,537	40,648
Percentage of increase/ decrease over previous year	29.22	45.91	(-) 2.54	2.12	24.93
Revenue receipts	1,68,214	1,93,422	2,27,076	2,56,875	2,78,775
Total grants as a percentage of revenue receipts	13.32	16.90	14.03	12.67	14.58

(Source: Finance Accounts of the respective years)

State Government received grants-in-aid under different sub-major heads 'Grants for Centrally Sponsored Schemes' (₹ 27,731 crore), 'Finance Commission Grants' (₹ 8,849 crore) and 'Other transfer/grants' (₹ 4,068 crore) during 2017-18 due to modification of accounting sub-heads by the Controller General of Accounts with effect from 1 April 2017. The increase in grants-in-aid by ₹ 8,111 crore in 2017-18 over the previous year was mainly due to compensation given for loss of revenue arising out of implementation of GST (₹ 2,124 crore) and increase in grants for Rural Development (₹ 1,464 crore), Panchayati Raj and Youth Welfare (₹ 1,579 crore), Urban Development (₹ 1,247 crore), Bundelkhand Project (₹ 917 crore) and Central Road Fund (₹ 671 crore).

1.4.1.3 Central Tax Transfers

The GoI transfers share of State Government in Union Taxes and Duties such as Income Tax, Service Tax, Union Excise Duties etc. (also Central Goods and Service Tax and Integrated Goods and Service Tax since 2017-18). The trends in these Central tax transfers during 2013-18 are given in **Table 1.12**.

Table 1.12: Central Tax Transfers

(₹ in crore)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Total Central Tax Transfers	62,777	66,623	90,974	1,09,428	1,20,939
Central Goods and Services Tax (CGST)	-	-	-	-	1,718
Integrated Goods and Services Tax (IGST)	-	-	-	-	12,212
Service Tax	10,227	9,822	15,682	17,515	13,719
Taxes on income other than Corporation Tax	13,902	16,614	19,815	24,394	31,280
Union Excise Duties	7,234	6,084	12,206	17,241	12,761
Corporation Tax	21,113	23,265	28,603	35,099	37,043
Taxes on wealth	58	63	08	81	(-2)
Customs	10,243	10,775	14,587	15,098	12,208
Other taxes and duties on commodities and services	0	0	73	0	0

(Source: Finance Accounts of the respective years)

Out of total Central tax transfer of ₹ 1,20,939 crore, ₹ 13,930 crore was on account of IGST and CGST. The overall increase in the Central tax transfers was ₹ 11,511 crore (11 per cent) in the year 2017-18 as compared to the year 2016-17.

1.4.1.4 Goods and Services Tax (GST)

The State Government implemented the Goods and Services Tax (GST) Act, which became effective from 1 July 2017. Under GST (Compensation to States) Act, 2017, Central Government will compensate the States for loss of revenue arising on account of implementation of GST for a period of five years. A base year (2015-16) revenue figures of taxes subsumed under GST was finalised under GST Act. The projected revenue for any year in a State was to be calculated by applying the projected growth rate (14 per cent per annum) over the base year revenue of that State.

Revenue figure under GST for the year 2017-18 has been depicted in Finance Accounts as per nature of receipts i.e. State Goods and Services Tax (SGST), Input Tax Credit Cross Utilization of SGST and IGST (Integrated Goods and Services Tax), Apportionment of IGST-transfer-in of Tax Component of SGST and Advance apportionment from IGST. In case of Uttar Pradesh, the revenue from subsumed taxes was ₹ 33,359 crore during the base year (2015-16). Thus, projected revenue for the year 2017-18 in accordance with the base year figure was ₹ 32,514.75 crore for July 2017 to March 2018 against which SGST amounting to ₹ 25,374 crore was collected. This amount was inclusive of ₹ 1,460 crore received from the GoI as provisional/ advance settlement of IGST with the condition that amount will be adjusted in the year 2018-19 from the regular settlement of IGST on the basis of monthly returns in ten equal instalments starting from April 2018.

1.4.2 Receipts under the Capital Section

Trends of receipts under the Capital Section during 2013-18 are given in **Table 1.13**.

Table 1.13: Trends in receipts under the Capital Section

Sources of State's Receipts under the Capital Section	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Receipts under the capital section	15,489	35,782	75,240	67,944	47,653
Recovery of loans and advances	589	262	726	259	236
Public debt receipts	14,900	35,520	74,514	67,685	47,417
Rate of growth of non-debt receipts under the capital section (<i>per cent</i>)	41	(-) 56	177	(-) 64	(-) 9
Rate of growth of debt receipts under the capital section (<i>per cent</i>)	(-) 5	138	110	(-) 9	(-) 30

(Source: Finance Accounts of the respective years)

Out of total public debt receipts of ₹ 47,417 crore, ₹ 1,103 crore was loans and advances from the GoI and remaining ₹ 46,314 crore was internal debt of the State Government.

1.4.2.1 Receipts from internal debt of the State Government

Details of debt receipts from internal sources during 2013-14 to 2017-18 are given in **Table 1.14**.

Table 1.14: Debt receipts from internal debt of the State Government

Particulars	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Market loans	8,000	17,500	30,000	41,050	41,600
Ways and Means Advances from RBI	8	1,732	4,499	8,695	2,933
Loans from financial institutions	1,494	7,176	31,669	16,909	1,781
Special Securities issued to National Small Savings Fund	5,008	8,626	7,752	0	0
Total	14,510	35,034	73,920	66,654	46,314
Percentage of receipt of internal debt to total public debt and other liabilities receipts	26.35	49.03	65.12	58.90	51.43

(Source: Finance Accounts of the respective years)

Debt receipts from internal sources declined to ₹ 46,314 crore in 2017-18 due to a decrease in loans from financial institutions and special securities issued to National Small Savings Fund.

During the year 2014-17, the debt receipts from internal sources had increased from ₹ 35,034 crore to ₹ 66,654 crore due to loans raised by issue of Bonds under financial restructuring (UDAY) scheme during the year 2015-16 (₹ 24,332 crore) and 2016-17 (₹ 14,801 crore) which increased the loans from financial institution vis-à-vis public debt receipts.

The impact of borrowings at a higher rate of interest than investments by the State is discussed in **Para 1.8.4**.

1.4.2.2 Loans and advances from GoI

Details of loans and advances received by the State Government from GoI during 2013-18 are given in **Table 1.15**.

Table 1.15: Loans and advances from GoI

(₹ in crore)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Loans and advances from GoI	390	486	594	1,031	1,103

(Source: Finance Accounts of the respective years)

1.4.3 Public accounts receipts

Receipts and disbursements under small savings, provident funds and reserve funds etc., which do not form a part of the Consolidated Fund, are kept in Public Accounts set up under Article 266(2) of the Constitution of India and are not subject to vote by the Legislature. Here, the Government acts as a banker or trustee. The status of receipts and disbursement under Public Accounts are shown in **Statement-21** of the Finance Accounts and the details of Public Accounts (Net) are given in **Table 1.16**.

Table 1.16: Status of Public Accounts (Net)

(₹ in crore)

Resources under various heads	2013-14	2014-15	2015-16	2016-17	2017-18
Public Accounts (Net)	5,619	2,185	1,678	9,883	6,088
A. Small savings, provident fund etc.	2,363	1,686	1,534	1,619	2,530
B. Reserve funds	7,954	(-) 2,694	2,561	7,225	8,265
C. Deposits and advances	5,037	1,050	(-)1,543	(-)301	1,414
D. Suspense and miscellaneous	(-) 9,637	535	(-)677	592	(-)2,215
E. Remittances	(-) 98	1,608	(-)197	748	(-)3,906

(Source: Finance Accounts of the respective years)

The impact of transactions under Reserve Funds are discussed in **Para 1.9.2**.

1.5 Arrears of revenue

Arrears of revenue as on 31 March 2018 in respect of some principal heads of revenue amounted to ₹ 22,457.97 crore, of which ₹ 10,516.93 crore were outstanding for more than five years. Details as provided by the Departments are given in **Table 1.17**.

Table 1.17: Arrears of revenue

(₹ in crore)

Sl. No.	Head of revenue	Name of Department	Total amount outstanding as on 31 March 2018	Amount outstanding for more than five years
1.	Commercial Taxes	Sales Tax Department	21,548.61	10,257.17
2.	Entertainment Tax	Entertainment and Betting Tax Department	348.74	13.14
3.	State Excise	Excise Department	52.37	52.08
4.	Stamps and Registration fee	Stamps and Registration Department	398.47	140.71
5.	Taxes on Vehicles, Goods and Passengers	Transport Department	109.78	53.83
Total			22,457.97	10,516.93

(Source: Concerned Departments)

Recommendation: The Finance Department should evolve a mechanism whereby arrears of revenue are expeditiously collected.

1.6 Cost of collection

Details of collection and cost thereof in respect of major revenue receipts during 2017-18 are given in **Table 1.18**.

Table 1.18: Cost of collection

Particulars	Gross collection	Expenditure on collection	Percentage of cost of collection to gross collection	All India average of previous year
	(₹ in crore)			
Taxes on sales, trade etc.	56,487	790	1.40	0.69
Stamps duty and registration fees	13,398	268	2.00	2.99
State excise	17,320	188	1.09	2.01
Taxes on vehicles	6,404	169	2.67	2.61

(Source: Information provided by concerned Departments and Finance Accounts)

Though the cost of collection of state excise and stamps duty and registration fees was lower than the all India average of the preceding year, the cost of collection of taxes on vehicles was higher than the all India average while the cost of collection of VAT, GST and other subsumed taxes by the State Government was nearly twice as high as the all India average.

A trend analysis of the taxes on sales, trade etc. to GSDP ratio of Uttar Pradesh compared to the Union Taxes (receipts under State Sales Tax) to GDP ratio, also indicates a higher ratio as given in **Table 1.19**.

Table 1.19: Taxes on sales, trade and SGST with GSDP ratio

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Taxes on sales, trade and SGST (₹ in crore)	39,645	42,934	47,692	51,883	56,487
Taxes on sales, trade etc. with SGST/GSDP ratio of Uttar Pradesh	0.04	0.04	0.04	0.04	0.04
Union taxes (Receipts under State Sales Tax) to GDP ratio	0.01	0.02	0.02	0.02	0.01

(Source: State Finance Accounts and Union Finance Accounts of the respective years)

A further trend analysis of the actual collection of taxes on sales, trade and SGST indicated that it has been lower than budget estimates as shown in **Table 1.20**.

Table 1.20: Trend analysis of budget estimate and actuals

Taxes on sales, trade etc. and SGST	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Budget estimates	43,936	47,500	52,673	57,940	68,000
Actuals	39,645	42,934	47,692	51,883	56,487

(Source: Finance Accounts and budget documents of the respective years)

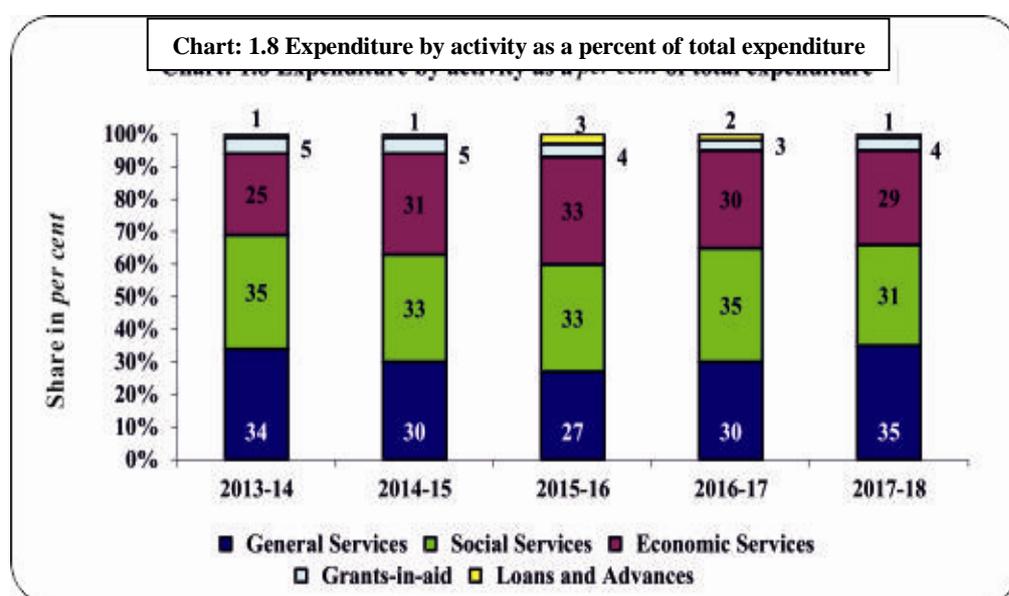
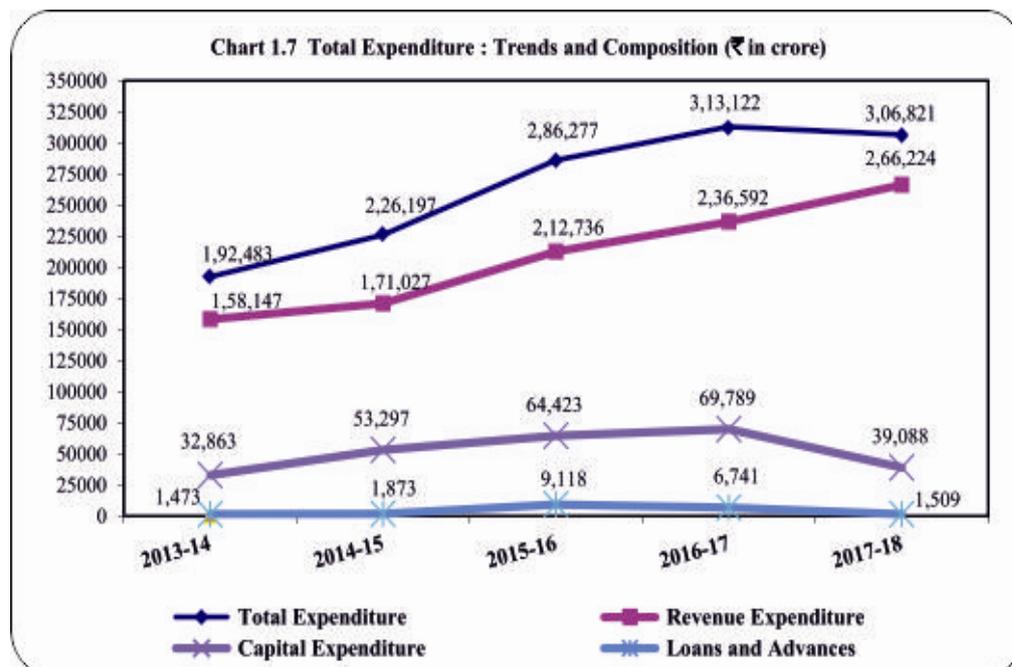
The shortfall in collection of taxes on sales, trade and SGST during the past five years reveals the extent of imbalance between the estimation and the actual tax collected.

Recommendation: The Finance Department and the Sales Tax Department should analyse why the cost of collection of VAT, GST and other subsumed taxes is nearly twice as high as the all India average and introduce measures to reduce the cost of collection.

1.7 Application of resources

1.7.1 Growth and composition of expenditure

Chart 1.7 and Chart 1.8 present the trends and composition of total expenditure during 2013-18 respectively.



(Source: Finance Accounts of the respective years)

1.7.1.1 Revenue Expenditure

Details of revenue expenditure are given in Table 1.21.

Table 1.21: Details of Revenue Expenditure

Particulars	2013-14	2014-15	2015-16	2016-17	(₹ in crore)	
					2017-18	
Revenue expenditure	1,58,147	1,71,027	2,12,736	2,36,592	2,66,224	
Rate of growth of revenue expenditure (in per cent)	12.38	8.14	24.39	11.21	12.52	

(Source: Finance Accounts of the respective years)

There was an overall increase of ₹ 29,632 crore (13 per cent) in revenue expenditure of 2017-18 over 2016-17. The increases during 2017-18 were mainly under crop husbandry¹¹ (₹ 21,500 crore), pension and other retirement benefits (₹ 10,250 crore), interest payments (₹ 2,200 crore), police (₹ 1,767 crore), medical and public health (₹ 1,600 crore), urban development (₹ 1,216 crore), public works (₹ 942 crore) and minor irrigation (₹ 740 crore). The decreases over previous year were mainly under power¹² (52 per cent) and social security and welfare¹³ (28 per cent).

1.7.1.2 Committed Expenditure

Committed expenditure of the Government under revenue head mainly consists of interest payments (₹ 29,136 crore), expenditure on salaries and wages (₹ 85,076 crore), pensions (₹ 38,476 crore) and subsidies (₹ 9,284 crore). Trends of committed expenditure during 2013-18 are presented in Table 1.22.

Table 1.22: Trends in Components of Committed Expenditure

Components of Committed Expenditure	2013-14	2014-15	2015-16	2016-17	(₹ in crore)	
					BE	Actuals
Salaries* and wages, of which	54,892 (33)	62,147 (32)	74,439 (33)	85,416 (33)	95,080	85,076 (31)
Non-Plan	47,654	51,195	58,537	66,424		
Plan **	7,238	10,952	15,902	18,992		
Interest payments	17,412 (10)	18,865 (10)	21,448 (9)	26,936 (11)	33,212	29,136 (10)
Expenditure on pensions	19,521 (12)	22,305 (11)	24,150 (11)	28,227 (11)	35,889	38,476 (14)
Subsidies	6,608 (4)	7,661 (4)	7,691 (3)	8,045 (3)	10,060	9,284 (3)
Total committed expenditure	98,433 (59)	1,10,978 (57)	1,27,728 (56)	1,48,624 (58)	1,74,241	1,61,972 (58)
Figures in the parentheses indicate percentage to Revenue Receipts. *Includes salaries paid out of Grants-in-aid. **Distinction of plan and non-plan are merged since 2017-18.						

(Source: Finance Accounts and data compiled by the Accountant General (A&E))

Committed expenditure (₹ 1,61,972 crore), which was 58 per cent of revenue receipt (₹ 2,78,775 crore) during 2017-18, constitutes a major component of revenue expenditure and consumed 61 per cent of the revenue expenditure (₹ 2,66,224 crore).

¹¹ Increase was mainly due to expenditure on farm loan waiver under the scheme for small/ marginal farmers.

¹² Decrease was mainly under the head 'Other expenditure' of Power Department (decrease by ₹ 7,533 crore)

¹³ Decrease was mainly under 'Tribal Area sub-plan' and 'Special component plan for Scheduled Castes' (decrease by ₹ 3,840 crore)

1.7.1.3 Defined Contribution Pension Scheme

State Government employees recruited on or after 1 April 2005 are covered under the Defined Contribution Pension Scheme. It is also applicable to the new entrants of Government aided educational institutions and autonomous bodies financed by the Government as well. In terms of the Scheme, the Government employees contribute 10 *per cent* of basic pay and dearness allowance, which is matched by the State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

State Government did not discharge its statutory liability as it failed to contribute ₹ 465.10 crore during the financial year 2017-18 as its matching share under Defined Contribution Pension Scheme in respect of employees of Government aided institutions and autonomous bodies. During the previous financial years 2008-09 to 2016-17, State Government did not contribute ₹ 211.69 crore as its matching share under Defined Contribution Pension Scheme in respect of Government employees and employees of Government aided institutions and autonomous bodies.

Further, State Government collected ₹ 8,205.66 crore as share of Government employees, employees of Government aided institutions and autonomous bodies as well as Government share, under Defined Contribution Pension Scheme during 2008-09 to 2017-18, but did not deposit ₹ 703.16 crore with the designated authority for further investment as per provisions of the Scheme. Thus, as on 31 March 2018, there was a short transfer of ₹ 1,379.95 crore (₹ 465.10 crore + ₹ 211.69 crore+ ₹ 703.16 crore) to the designated authority and the current liability stands deferred to future year(s). Further, the State Government has created uncertainty in respect of benefits due to the employees/ avoidable financial liability to Government in future, and, thus leading to possible failure of the scheme itself.

There was an outstanding balance of ₹ 545.68 crore at the beginning of the year 2017-18 under Deposits bearing interest, relating to Defined Contribution Pension Scheme and the State Government had paid interest thereon of ₹ 25.78 crore which was calculated on the basis of annual interest rate applicable on the interest rate of GPF of the Government employees. However, the adequacy of interest paid on outstanding balance could not be vouched, as Directorate of Pension did not provide the related calculation for audit examination.

Recommendation: *The State Government should initiate action immediately to ensure that employees recruited on or after 1 April 2005 are fully covered under the Defined Contribution Pension Scheme from the date of their recruitment. This is to be done by ensuring that employees' deductions are fully deducted, fully matched by Government contributions and fully transferred to the designated fund manager through NSDL in a timely manner.*

1.7.1.4 Capital Expenditure

Details of capital expenditure are given in **Table 1.23**.

Table 1.23: Details of Capital Expenditure

Particulars	₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Capital expenditure	32,863	53,297	64,423	69,789	39,088
Rate of growth of Capital expenditure (in <i>per cent</i>)	37.88	62.18	20.88	8.33	(-) 43.99
Capital expenditure as a percentage of GSDP at current prices (in <i>per cent</i>)	3.49	5.27	5.67	5.58	2.84

(Source: Finance Accounts of the respective years)

Out of total capital expenditure of ₹ 39,088 crore during 2017-18, State Government made an investment of ₹ 8,380 crore in Public Sector Undertakings (PSUs), Statutory Corporations and Cooperative Societies, of which ₹ 8,271 crore was invested as Share Capital in Power Sector PSUs for rural electrification, strengthening of distribution network, Deen Dayal Upadhyay Gram Jyoti Yojna, Har Ghar Bijli Yojna, etc. Other major areas included a spending of ₹ 7,635 crore on roads and bridges, ₹ 2,313 crore on rural development programme, ₹ 5,617 crore on housing, ₹ 1,811 crore on water supply and sanitation and ₹ 1,010 crore on public works.

There was an overall decrease in capital expenditure by ₹ 30,701 crore (44 *per cent*) over the previous year. Decreases were mainly under roads and bridges, power projects, food storage and warehousing, housing and forestry and wild life as detailed in **Table 1.24**.

Table 1.24: Details on decrease in capital expenditure in 2017-18

Major Head of Expenditure	Decrease in capital expenditure from 2016-17		Main Reason for decrease in expenditure in 2017-18 as compared to 2016-17
	₹ in crore)	Percentage	
5054-Capital Outlay on Roads and Bridges	14,724	66	Decrease in expenditure on construction work of State Highways and upgradation of district roads.
4801-Capital Outlay on Power Projects	3,369	29	Decrease in expenditure on investment in Uttar Pradesh State Electricity Production Nigam Limited and share capital to Uttar Pradesh Power Corporation Limited for strengthening of transmission and distribution; no expenditure on account of UDAY in 2017-18.
4408-Capital Outlay on Food Storage and Warehousing	1,748	61	It was due to decrease in expenditure on Food Grains Supply Projects.
4700-Capital Outlay on Major Irrigation	1,586	44	Decrease in expenditure on Upper Ganga Canal, Lower Ganga Canal, Sharda Canal and Sharda Sahayak Canal etc.
4202-Capital Outlay on Education, Sports, Art and Culture	1,080	55	Decrease in expenditure on establishment of Government Schools and State University.

Major Head of Expenditure	Decrease in capital expenditure from 2016-17		Main Reason for decrease in expenditure in 2017-18 as compared to 2016-17
	(₹ in crore)	Percentage	
4216-Capital Outlay on Housing	1,045	16	Decrease in expenditure on Lohiya Gramin Awas Yojna, Ashrya Yojana and construction of Government residential buildings.
4406-Capital Outlay on Forestry and Wild Life	491	67	Decrease in expenditure on Green Belt Development Scheme, Social Forestry and forestry related project.

(Source: Finance Accounts 2017-18)

Capital expenditure relative to GSDP of the State was 2.84 *per cent* during 2017-18 which was lower than other States of Bihar (5.93 *per cent*), Jharkhand (4.68 *per cent*), Madhya Pradesh (4.37 *per cent*) and Chhattisgarh (3.43 *per cent*), but was higher than Rajasthan (2.45 *per cent*) and Gujarat (1.99 *per cent*).

1.7.2 Quality of Expenditure

Quality of expenditure basically involves three aspects, *viz.*, adequacy of the expenditure (i.e., adequate provisions for providing public services); efficiency of expenditure use, and effectiveness (assessment of outlay-outcome relationships for services).

1.7.2.1 Adequacy of Public Expenditure

The fiscal priorities of the State Government with regard to development expenditure, social services expenditure, economic services expenditure and capital expenditure during 2013-14 and 2017-18 are compared with General Category States in **Table 1.25**.

Table 1.25: Fiscal Priorities of the State during 2013-14 and 2017-18

(in *per cent*)

Fiscal Priority (Percentage to GSDP)	AE/ GSDP	DE [#] / AE	SSE/ AE	ESE/ AE	CE/ AE	Education/ AE	Health/ AE
General Category States* Average (Ratio) 2013-14	14.7	66.5	37.6	28.9	13.6	17.2	4.5
Uttar Pradesh Average (Ratio) 2013-14	20.5	60.9	35.4	25.5	17.1	16.7	4.8
General Category States* Average (Ratio) 2017-18	16.1	67.9	36.7	29.6	14.4	15.5	4.9
Uttar Pradesh (Ratio) 2017-18	22.3	60.8	31.3	29.5	12.7	15.3	5.5
AE: Aggregate Expenditure; DE: Development Expenditure; SSE: Social Services Expenditure; ESE: Economic Services Expenditure; CE: Capital Expenditure. *Excluding Goa. #Development expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed.							

During 2017-18, the ratio of aggregate expenditure to GSDP and expenditure on health services to aggregate expenditure was higher than the average for the General Category States. However, the ratio of development expenditure, expenditure on education and expenditure on economic services to aggregate expenditure was less than the average of the General Category States. The decline in ratio of social services expenditure for 2017-18 was on account of

the lower rate of increase in the social services expenditure (41 *per cent*) as compared to the increase in the aggregate expenditure (59 *per cent*) during the period 2013-18.

1.7.2.2 Efficiency of Expenditure use

Details of capital and revenue expenditure on maintenance of social and economic services are given in **Table 1.26**.

Table 1.26: Efficiency of expenditure use in selected social and economic services

Social/Economic infrastructure	2016-17			2017-18		
	Ratio of CE to TE	Revenue expenditure (₹ in crore)		Ratio of CE to TE	Revenue expenditure (₹ in crore)	
		S&W	O&M		S&W	O&M
Total (SS)	15.54	55,711	269	12.08	50,533	393
Total (ES)	47.90	9,918	2,685	27.31	11,544	4,567
Total (SS+ES)	30.76	65,629	2,954	19.46	62,077	4,960
Major components of Social Services (SS)						
Education	3.72	46,892	28	1.99	40,757	13
Health and Family Welfare	18.51	7,002	144	12.49	8,050	152
Water Supply, Sanitation, Housing and Urban Development	64.44	153	68	52.63	159	204
Major components of Economic Services (ES)						
Agriculture and Allied Activities	37.94	2,754	29	5.55	3,228	22
Irrigation and Flood Control	48.76	2,570	517	30.80	2,840	2,205
Power and Energy	39.15	27	00	53.72	38	00
Transport	82.29	107	2,136	66.87	120	2,323
TE: Total Expenditure; CE: Capital Expenditure; S&W: Salaries and Wages; O&M: Operations and Maintenance.						

(Source: Finance Accounts and voucher level computerisation data of AG (A&E) for 2016-17 and 2017-18)

The share of capital expenditure to total expenditure during 2017-18 under social services decreased by 3.46 *per cent* and under economic services by 20.59 *per cent* over the previous year. Under the social services, the decrease in the ratio of capital expenditure to total expenditure during 2017-18 over the previous year was mainly in the area of water supply, education, sanitation and urban housing development (11.81 *per cent*). Under the economic services, there was decrease of 32.39 *per cent* in agriculture and allied activities.

The share of salaries and wages in revenue expenditure decreased by ₹ 3,552 crore (five *per cent*) in 2017-18 as compared to 2016-17. The overall share of O&M expenditure in the revenue expenditure increased by ₹ 2,006 crore (68 *per cent*), comprising an increase of ₹ 1,882 crore (70 *per cent*) under economic services and ₹ 124 crore (40 *per cent*) under social services in 2017-18 as compared to 2016-17.

1.7.2.3 Development and Non-Development Expenditure

All expenditure relating to revenue head, capital outlay and loans and advances are categorised into social services, economic services and general services. Broadly, the social and economic services constitute development expenditure, while expenditure on general services is treated as non-development expenditure.

The rate of growth of development and non-development expenditure of the Government during 2013-18 are given in **Table 1.27**.

Table 1.27: Development and Non-Development Expenditure

(₹ in crore)					
Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue expenditure	1,58,147	1,71,027	2,12,736	2,36,592	2,66,224
Capital expenditure	32,863	53,297	64,423	69,789	39,088
Loans and advances	1,473	1,873	9,118	6,741	1,509
Total expenditure	1,92,483	2,26,197	2,86,277	3,13,122	3,06,821
Development expenditure	1,17,209	1,46,705	1,98,456	2,08,290	1,86,578
Rate of growth of development expenditure (<i>per cent</i>)	20	25	35	05	(-)10
Non-development expenditure	75,274	79,492	87,821	1,04,832	1,20,243
Rate of growth of non-development expenditure (<i>per cent</i>)	11	6	10	19	15

(Source: Finance Accounts of the respective years)

The rate of growth of development expenditure exceeded in comparison to the rate of growth of non-development expenditure significantly in 2015-16. Subsequently, it decreased sharply up-to minus 10 *per cent* during 2017-18. The rate of growth of non-development expenditure increased from 11 *per cent* in 2013-14 to 19 *per cent* in 2016-17 but decreased to 15 *per cent* in 2017-18.

1.8 Government Expenditure and Investments

1.8.1 Financial results of Irrigation Works

The Thirteenth and Fourteenth Finance Commissions had prescribed cost recovery rates of irrigation projects (revenue receipts as compared to revenue expenditure) for assessing the commercial viability of these projects. The position of cost recovery of irrigation projects in the State for the period 2013-18 is depicted in **Table 1.28**.

Table 1.28: Cost recovery position of irrigation projects

Year	Revenue expenditure	Revenue receipts	Cost recovery assessment of XIII FC(2010-15)/XIV FC (2015-20)	Revenue receipts to revenue expenditure	Gap in cost recovery
₹ in crore		In per cent			
2013-14	4,472	550	60	12	48
2014-15	5,009	397	75	8	67
2015-16	4,891	651	35	13	22
2016-17	5,230	782	35	15	20
2017-18	6,706	953	35	14	21

(Source: Finance Accounts of the respective years and Reports of Thirteenth and Fourteenth Finance Commission)

The gap in cost recovery improved during 2015-16 and 2016-17, but increased slightly by one *per cent* during 2017-18. Though, it is better than the neighbouring State of Bihar (29 *per cent*), yet it has to further improve in comparison with the other States (Chhattisgarh (-) 76 *per cent* and Madhya Pradesh (-) 47 *per cent*).

Recommendation: *The State Government may initiate measures to further improve cost recovery on irrigation projects.*

1.8.2 Incomplete Projects

Blocking of funds on incomplete works impinge negatively on the quality of expenditure. The details of incomplete projects as given in the Finance Accounts is summarised in **Table 1.29**.

Table 1.29: Department-wise profile of incomplete projects as on 31 March 2018

(₹ in crore)

Department	No. of incomplete projects	Initial estimated cost	No. of projects for which costs were revised	Estimated cost of project for which costs were revised	
				Initial estimated cost	Revised estimated cost
Public Works Department (Roads & Bridges)	1,006	12,953	08	355	460
Irrigation Department	59	5,344	01	657	1,514
Total	1,065	18,297	09	1,012	1,974

(Source: Appendix IX of Finance Accounts 2017-18)

Out of total 1,065 incomplete projects, the estimated cost was revised for only nine projects (overall increase of estimated cost by 95 per cent). Since the State Government has not evaluated the cost of remaining incomplete projects, the funds required to complete these projects could not be ascertained.

Recommendation: The Finance Department and the concerned departments may re-evaluate the cost of all incomplete projects and evolve a mechanism to ensure timely completion of projects.

1.8.3 Investments and Returns

The position of return on investments¹⁴ during 2013-18 is given in **Table 1.30**.

Table 1.30: Return on investments

Investment/return/cost of borrowings	2013-14	2014-15	2015-16	2016-17	2017-18
Investment at the end of the year (₹ in crore)	52,467	58,606	84,357	96,400	1,04,779
Returns (₹ in crore)	5.23	8.08	42.66	86.34	30.84
Returns (per cent)	0.01	0.01	0.05	0.09	0.03
Average rate of interest on Government borrowings ¹⁵ (per cent)	6.43	6.40	6.35	6.82	6.54
Difference between interest rate on Government borrowings and interest received on returns (per cent)	6.42	6.39	6.30	6.73	6.51
Notional loss due to difference between interest rate of Government borrowings and return on investments (₹ in crore)	3,368	3,745	5,315	6,488	6,821

(Source: Finance Accounts of the respective years)

Over the past five years the State Government has incurred a notional loss of ₹ 25,737 crore on return on investment on account of difference between the Government's borrowing cost and the return on investment on working PSUs. It is of specific interest to observe that in spite of the poor return on

¹⁴ In Statutory Corporations, Government Companies, Co-operative Societies and Banks.

¹⁵ Interest payment / [(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2]*100

investments, the Finance Department has regularly provided budgetary support to these PSUs by way of infusion of equity, loans, grants-in-aid, subsidies which had not even finalised their accounts as per the provisions of the Companies Act, as discussed in **Para 3.13**.

As per the dividend policy, all profit earning PSUs are required to pay a minimum dividend of five *per cent* on the paid up share capital contributed by the State Government. However, out of 20 profit earning PSUs only 11 PSUs declared a dividend of ₹ 8.56 crore and the remaining nine profit earning PSUs did not declare dividend of ₹ 540.36 crore, as discussed in **Para 3.14**.

1.8.4 Loans and Advances by State Government

In addition to investments in co-operative societies, corporations and companies, State Government has also been providing loans and advances to many of these institutions/organisations, including loans and advances to the Government Servants. Details are given in **Table 1.31**.

Table 1.31: Outstanding loans and advances and interest receipts and payments by State Government

Particulars	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Opening balance of loans and advances	11,572	12,456	14,067	22,459	28,447
Amount advanced during the year	1,473	1,873	9,118	6,741	1,509
Amount repaid during the year	589	262	726	259	236
Closing balance of loans and advances	12,456	14,067	22,459	28,447*	29,720
Net addition of loans and advances	884	1,611	8,392	5,988	1,273
Interest receipts	19	14	26	566	606
Interest receipts as <i>per cent</i> to outstanding Loans and Advances ¹⁶	0.15	0.10	0.12	1.99	2.08
Average rate of interest on Government borrowings ¹⁷ (<i>per cent</i>)	6.43	6.40	6.35	6.82	6.54
Difference between interest rate on Government borrowings and interest received on loans (<i>per cent</i>)	6.28	6.30	6.23	4.83	4.46
Loss due to the difference between interest rate of Government borrowings and interest received on loans (₹ in crore)	93	118	568	326	67

(Source: Finance Accounts of the respective years)

(*₹ 494 crore pertaining to the period of the composite State of Uttar Pradesh was allocated to Uttarakhand)

Out of total amount repaid during the year (₹ 236 crore), ₹ 102 crore (43 *per cent*) was repaid by the Government servants. Over the past five years the State Government has incurred a notional loss of ₹ 1,172 crore towards interest on account of difference in the interest received on the loans advanced and that the Government incurred on its borrowings.

Details of loans and advances made by the Government are detailed in **Section-1** of **Statement-18** of Finance Accounts and details of entities that were in arrears of repayment of loans are detailed in **Section-2** of **Statement-18** of Finance Accounts.

¹⁶ Interest Received/ [(Opening balance + Closing balance of Loans and Advance)/2] *100.

¹⁷ Interest payment / [(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2]*100.

Recommendation: The State Government should rationalise its investments and loans advanced to various entities in such a way that the return on investment and loans at least matches the Government borrowing costs.

1.8.5 Public Private Partnership Projects

The State Government has informed details of 71 Public Private Partnership (PPP) projects involving ₹ 92,621.88 crore (**Annexure-I of Finance Accounts Volume-1**) to the Accountant General (A&E), where developers have been selected. The Government has not intimated its financial obligations under the PPP arrangement.

1.8.6 Cash Balances and Investment of Cash Balances

Details of cash balance and investment of cash balance is given in **Table 1.32**.

Table 1.32: Cash balances and investment of cash balances

(₹ in crore)		
Particulars	Opening balance as on 01 April 2017	Closing balance as on 31 March 2018
(a) General cash balances		
Cash in Treasuries	00	00
Deposits with Reserve Bank	(-) 1,280.65	265.21
Remittances in Transit- local	00	00
Total	(-) 1,280.65	265.21
Investment held in Cash Balance Investment Account	2,168.23	11,159.38
Total (a)	887.58	11,424.59
(b) Other cash balances and investments		
Cash with Departmental Officers viz., Public Works Departmental Officers, Forest Departmental Officers, District Collectors	10.69	10.87
Permanent Advances for contingency expenditure with Departmental Officers	0.44	0.49
Investment of Earmarked Funds	45.20	45.20
Total (b)	56.33	56.56
Grand Total (a) + (b)	943.91	11,481.15

(Source: Finance Accounts 2017-18)

During 2017-18, the opening balance of investment held in cash balance investment accounts was ₹ 2,168.23 crore. Treasury Bills amounting to ₹ 3,52,907.61 crore were purchased and instruments amounting to ₹ 3,43,916.47 crore were sold during the year, leaving a balance of ₹ 11,159.38 crore. An amount of ₹ 471.26 crore and ₹ 15.35 crore were received as interest on investment under Treasury Bills and Long Term Government of India's Securities respectively.

1.9 Assets and Liabilities

1.9.1 Growth and Composition of Assets and Liabilities

While the Government accounting system does not provide for comprehensive accounting of fixed assets like land and buildings owned by the Government,

these can be derived from the accounting of financial liabilities and assets created out of expenditure incurred. *Appendix 1.7* gives an abstract of such liabilities and assets, as on 31 March 2018, compared with the corresponding position on 31 March 2017. While the liabilities consist mainly of internal borrowings, loans and advances from GoI, and receipts from public accounts and reserve funds, the assets comprise mainly of capital outlay and loans and advances given by the State Government and the cash balances.

1.9.2 Transactions under Reserve Funds

During the year 2017-18, the State Government made a net transfer of ₹ 8,264.72 crore to various Reserve Funds under Public Accounts of the State, which have been created for specific purposes. Details are given in *Appendix 1.8* and summarised in **Table 1.33**.

Table 1.33: Position of Reserve Funds during 2017-18

(₹ in crore)

Sl. No.	Head of accounts	Opening balance as on 1 April 2017	Receipts during 2017-18	Disbursements during 2017-18	Closing balance as on 31 March 2018
(a) Reserve Funds bearing interest					
1	8115-Depreciation/ Renewal Reserve Fund <i>Investment</i>	00 (-) 44.42	00	00	00 (-) 44.42
2	8121-General and other Reserve Fund	(-) 0.06 0.06	00	00	(-) 0.06 0.06
Total (a) <i>Investment</i>		00 (-) 44.42	00	00	00 (-) 44.42
(b) Reserve Funds not bearing interest					
1	8222-Sinking Fund	49,659.39	12,232.23	4,422.00	57,469.62
2	8223-Famine Relief Fund <i>Investment</i>	00 (-) 0.78	00	00	00 (-) 0.78
3	8225-Roads and Bridges Fund	(-)321.46	2,000.00	2,000.00	(-)321.46
4	8226-Depreciation/ Renewal Reserve Fund	(-)7.99	00	00	(-)7.99
5	8229-Development and Welfare Funds	888.31	218.44	143.95	962.80
6	8235-General and Other Reserve Funds	797.10	816.86	436.86	1,177.10
Total (b) <i>Investment</i>		51,015.35 (-) 0.78	15,267.53	7,002.81	59,280.07 (-) 0.78
Grand Total <i>Investment</i>		51,015.35 (-) 45.20	15,267.53	7,002.81	59,280.07 (-) 45.20

(Source: Finance Accounts 2017-18)

Out of 44 reserve funds (with an opening balance of ₹ 51,015.35 crore) at the beginning of 2017-18, 32 were operative and three reserve funds were not operated during the period 2014-18 having balance of ₹ 20.67 crore and nine funds were closed during 2017-18. Out of operative 32 reserve funds (having balance of ₹ 59,259.40 crore), 19 funds were having zero balance. The total accumulated balance at the end of 2017-18 in these 35 reserve funds was ₹ 59,280.07 crore. It was however, observed that no investment of this huge balance of reserve funds was made during the last five years. It was also

observed that in respect of two inoperative reserve funds, an amount of ₹ 45.20 crore (which was debit book balance) under MH 8115- Depreciation Reserve Fund (₹ 44.42 crore) and MH 8223- Famine Relief Fund (₹ 0.78 crore) was invested decades ago, but no interest thereon has been credited in the account.

Transfers into reserve funds and disbursement therefrom are effected through debit and credit entries under the appropriate revenue and expenditure heads under the Consolidated Fund. These represent actual cash transfers only if they impact the Reserve Bank Deposits (RBD) either directly or by way of investment. The transfer of ₹ 15,268 crore to reserve fund and disbursements of ₹ 7,003 crore therefrom (i.e. net transfer of ₹ 8,265 crore) during the year 2017-18 were in nature of book adjustments. Since there was no actual cash outflow, these transactions depicted by the State Government against reserve funds were merely the book entries which violates the spirit underlying the creation and operation of reserve funds.

Nevertheless, these balances in the funds lying outstanding over the years represent huge liability of the State. Negative and debit balances against specific reserve funds need regularisation by way of appropriation from the Consolidated Fund. Detailed analysis of some reserve fund transactions are discussed in subsequent paragraphs.

Recommendation: *The Finance Department should review the practice of treating transactions and balances under reserve funds as book entries and adhere to the principles of cash accounting by actual investment of balances with the Reserve Bank of India.*

1.9.2.1 Sinking Fund

Creation of Consolidated Sinking Fund

The Twelfth Finance Commission (XII FC) recommended creation of Consolidated Sinking Fund (CSF) for amortisation of outstanding liabilities¹⁸ by the State Governments. The guidelines of the Reserve Bank of India (RBI), which is responsible for administering the fund, stipulate a minimum annual contribution of 0.5 per cent of outstanding liabilities at the end of the previous financial year. Accordingly, the State Government was required to contribute ₹ 2,116.12 crore (0.5 per cent of ₹ 4,23,223.78 crore, i.e. the outstanding liabilities as on 31 March 2017) in 2017-18.

The State Government, however, has not taken any action to setup the CSF (subsuming the existing Fund) in terms of these guidelines¹⁹.

¹⁸ Defined as comprising Internal Debt and Public Account liabilities of the State Government.

¹⁹ Unlike States like Andhra Pradesh, Gujarat, Karnataka, West Bengal, Telangana, Odisha and Jammu & Kashmir which have set up Consolidated Sinking Funds in terms of the guidelines.

Operation of existing Sinking Fund

During 2017-18, the State Government made a provision of ₹ 12,232.23 crore for reduction or avoidance of debt (under Major Head 2048) and appropriated to Sinking Fund (Major Head 8222) under Public Accounts by book transfer. Out of this fund, an amount of ₹ 4,422 crore, equivalent to repayment of market loans, was transferred and credited to Revenue Receipts (under Major Head 0075-Miscellaneous General Services) under the Consolidated Fund without involving any cash outflow from Sinking Fund. The amount transferred from the Sinking Fund (₹ 4,422 crore) to the Revenue Account overstated the Revenue Surplus of the Year.

Unlike in the case of the CSF maintained by the other State Governments which have accepted the XII FC recommendations, the transactions of the Government of Uttar Pradesh against the Sinking Fund are only book entries and do not represent actual movement of cash. This militates against the spirit underlying the creation and operation of Sinking Funds. Further, there was no investment against the closing balance of ₹ 57,469.61 crore in the Sinking Fund as on 31.03.2018. Apart from this, the net addition of ₹ 7,810 crore to the Sinking Fund during the year 2017-18 resulted in increasing the outstanding liabilities of the State to that extent.

Recommendation: *The State Government may consider accepting the recommendation of the XII FC and create a Consolidated Sinking Fund to be invested by RBI. Further, the transfers out of the fund are not to be treated as Revenue Receipts. In any event, the State Government should ensure that the Fund balances are actually invested and are not mere book entries.*

1.9.2.2 State Roads and Bridges Fund

State Government had created Roads and Bridges Fund for meeting expenditure on the development of roads and communications (Bridges) in the State. During 2017-18, the State Government made provision of ₹ 1,500 crore and ₹ 500 crore under MH 3054 and MH 5054 relating to revenue and capital expenditure respectively on Roads and Bridges and transferred these amounts to the Reserve Fund MH 8225- Roads and Bridges Fund. The same amounts (i.e., ₹ 1,500 crore and ₹ 500 crore respectively) were shown as expended during the year on Roads and Bridges and booked as deduct entries under MH 3054 and MH 5054 respectively. In this connection, Audit observed as under:

- The State Government has been making such identical transfers and reverse transfers between MH 3054/5054 and MH 8225- Roads and Bridges Fund for many years.
- Further, the Fund had a negative balance of (-) ₹ 321.46 crore as on 31 March 2018, indicating excess of disbursement over available balances. This negative figure has been appearing from the accounts of 2014-15 onwards. The negative balance is to be regularised by appropriation from the Consolidated Fund.

Recommendation: *The Finance Department should immediately regularise the negative balance of (-) ₹ 321.46 crore.*

1.9.2.3 State Disaster Response Fund (SDRF)

Non-accounting of SDRF as interest bearing Reserve Fund

Government of India (GoI) replaced the erstwhile Calamity Relief Fund with the State Disaster Response Fund (SDRF) with effect from 1 April 2010. The guidelines of SDRF stipulate the following:

- The Fund should be operated under the category “Reserve Fund bearing Interest” below Major Head-8121-General and Other Reserve Funds-122-State Disaster Response Funds.
- The State Government shall pay interest to the SDRF at the interest applicable to overdrafts under Overdraft Regulation Guidelines of the RBI.

It was observed, however, that the State Government operates its SDRF under the category “Reserve Funds not bearing Interest” below Major Head 8235-General and Other Reserve Funds-111- State Disaster Response Funds. The balances in the Fund are also not invested in the manner specified by the GoI under the SDRF guidelines. Consequently, the balances in the Fund are only book entries and do not represent actual cash balances. Further, as per Finance Accounts 2017-18, the interest of ₹ 37.22 crore due for the year 2017-18 had not been paid by the State Government.

The State Government stated (June, 2018) that since only a negligible amount remains in the Fund at the end of the year, the Fund has not been categorised as “Interest bearing Reserve Fund” and no provision has been made for interest payment. The reply is not relevant. By categorising the Fund under “Reserve Funds not bearing Interest” and by not investing the balances in the Fund or paying interest thereon, the fund balances are essentially only book entries, militating against the letter and spirit of the guidelines of the Fund and also of Government accounting itself, which follows the principle of cash accounting.

In terms of the National Disaster Response Fund (NDRF) guidelines (July 2015), the Government of India provides additional assistance to the States from NDRF which does not require State’s share, when natural calamities require expenditure in excess of the balances available under SDRF. As per Para 11.3 and 11.4 of the guidelines, the State Governments would make suitable budget provisions on expenditure side of their budget under the head 2245-80-103, and the actual expenditure out of NDRF should be booked thereunder. Direct expenditure by the State Government from the Public Account should not be made.

The State Government received ₹ 119.67 crore from NDRF during the year 2017-18 which was booked under MH 1601- Grants-in-aid from Central Government and treated as receipt. However, no budget provision was made nor expenditure booked under Major Head 2245-80-103-Assistance from NDRF during the year as per the prescribed procedure. Thus, the grants-in-aid of ₹ 119.67 crore received from NDRF was not transferred to the State's SDRF account during the year 2017-18. As a result, the revenue surplus of the State Government was also overstated and fiscal deficit understated by ₹ 119.67 crore.

Recommendation: The State Government should transfer the SDRF balances to MH 8121- General and Other Reserve Funds under the category "Reserve Funds bearing Interest" and remit to the Fund accrued interest as per SDRF guidelines. The State Government is also required to invest the fund balances in the manner prescribed in the guidelines.

1.9.3 Contingent Liabilities – Status of Guarantees

1.9.3.1 Guarantee Redemption Fund

For the purpose of redemption of guarantees, the State Government was required to create a Guarantee Redemption Fund as per the recommendations of Twelfth Finance Commission. However, State Government has not created a Guarantee Redemption Fund. Under the RBI Guidelines 2013, it was required to make minimum annual contributions of ₹ 290.75 crore (0.5 per cent of outstanding guarantee of ₹ 58,149.03 crore²⁰ at the beginning of the year 2017-18) which was not done. This has impact of overstating the revenue surplus and understating the fiscal deficit by ₹ 290.75 crore.

As per **Statement-9** of the Finance Accounts, the maximum amount for which guarantees were given by the Government and those outstanding for the last three years is given in **Table 1.34**.

Table 1.34: Guarantees given by the Government

Particulars	(₹ in crore)		
	2015-16	2016-17	2017-18
Maximum amount guaranteed (Principal)	78,826	66,702 ²¹	74,303
Total revenue receipts	2,27,076	2,56,875	2,78,775
Outstanding amount of guarantees at the end of the year	57,618	55,825	74,841
Percentage of maximum amount guaranteed to total revenue receipts	34.71	25.97	26.65

(Source: Finance Accounts of the respective years)

²⁰ There was a difference of ₹ 2,324 crore between outstanding guarantee at the end of 2016-17 (₹ 55,825 crore) and that at the beginning of 2017-18 (₹ 58,149 crore), which was under reconciliation.

²¹ Decrease was due to discharge of guarantee amount of ₹ 36,282 crore during the year pertaining to U.P. Power Corporation Ltd. (₹ 33,726 crore), U.P. Power Transmission Corporation Ltd. (₹ 270 crore), U.P. Rajya Vidhyut Utpadan Nigam Ltd. (₹ 71 crore), U.P. Co-operative Village Development Bank Ltd. (₹ 627 crore), U.P. Cooperative Sugar Mill Federation Ltd., Lucknow (₹ 1,584 crore) and Co-operative Spinning Mills Federation (₹ four crore).

The composition of the maximum amount guaranteed was towards: four power sector entities²² (₹ 65,507 crore), two co-operative banks²³ (₹ 4,583 crore), nine institutions of other sectors²⁴ (₹ 3,002 crore) and U.P. State Financial Corporation (₹ 1,211 crore).

1.9.3.2 Guarantee Fee

As per recommendations of XII FC, the guarantee redemption fund should be set up through earmarked guarantee fees which should be preceded by risk weighting of guarantees. The State Government issued guarantees in respect of 16 institutions, of which only two institutions were to pay guarantee fee and the remaining 14 institutions²⁵ were exempted. It was noticed that out of total receivable guarantee fee of ₹ 10.56 crore from two institutions, only ₹ 0.82 crore was paid by U.P. Power Transmission Corporation Limited, whereas, the U.P. Rajya Vidyut Utpadan Nigam Limited had not paid the guarantee fee of ₹ 9.74 crore.

Recommendation: *The State Government should create and operate the guarantee redemption fund as per the guidelines of XII FC. State Government should also ensure that guarantee fees are realised promptly. The Government should stop financial support to the institutions which have not paid the guarantee fees and/or are also in arrears of accounts.*

1.10 Debt Management

1.10.1 Net availability of funds on account of Public Debt and Public Account liabilities

Details of net availability of funds on account of public debt and public account liabilities during 2013-18 are given in **Table 1.35**.

Table 1.35: Net available fund on account of public debt and other obligations

Particulars	₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Receipts under public debt and other liabilities	55,057	71,455	1,13,502	1,13,172	90,052
Repayments (principal and interest) under public debt and other liabilities	50,316	64,103	75,557	84,034	74,570
Net funds available	4,741	7,352	37,945	29,138	15,482
Percentage of net funds available to receipts under public debt	8.61	10.29	33.43	25.75	17.19

(Source: Finance Accounts of the respective years)

²² U.P. Power Corporation Ltd., U.P. Power Transmission Corporation Ltd., U.P. Rajya Vidyut Utpadan Nigam Ltd. and Jawaharpur Vidyut Utpadan Nigam Ltd.

²³ U.P. Cooperative Bank Ltd. and U.P. Cooperative Village Development Bank Ltd.

²⁴ U.P. Cooperative Sugar Mills Federation Ltd., U.P. Backward Finance and Development Corporation, U.P. State Hortico, U.P. (Madhya) Cane Seed and Development Corporation Ltd., U.P. (West) Cane Seed and Development Corporation Ltd., U.P. Khadi and Gramodhyog Board, ITR Company Ltd., Pradeshiya Industrial and Investment Corporation of U.P. Ltd. and Cooperative Spinning Mills Federation.

²⁵ U.P. Power Corporation Ltd., Jawaharpur Vidyut Utpadan Nigam Ltd., U.P. Cooperative Bank Limited, U.P. Cooperative Village Development Bank Ltd., U.P. Cooperative Sugar Mills Federation Ltd., U.P. Backward Finance and Development Corporation, U.P. State Hortico, U.P. (Madhya) Cane Seed and Development Corporation Ltd., U.P. (West) Cane Seed and Development Corporation Ltd., U.P. Khadi and Gramodhyog Board, ITR Company Ltd., Pradeshiya Industrial and Investment Corporation of U.P. Ltd, Cooperative Spinning Mills Corporation and U.P. State Financial Corporation Ltd.

As evident from **Table 1.35**, 82.81 *per cent* of borrowed funds were used for discharging existing liabilities during 2017-18 and could not be used for capital formation/development activities of the State. As compared to the other States, net availability of borrowed funds of Uttar Pradesh (17.19 *per cent*) was less than that of Chhattisgarh (35.01 *per cent*) and Jharkhand (22.24 *per cent*) though it was more than that of Madhya Pradesh (13.37 *per cent*) and Bihar (15.15 *per cent*).

1.10.2 Debt Sustainability

Debt sustainability indicates the ability of the State to service its debts in future. **Table 1.36** presents indicators of debt sustainability for the period of five years beginning from 2013-14.

Table 1.36: Debt Sustainability- Indicators and Trends

(₹ in crore)					
Indicators of debt sustainability	2013-14	2014-15	2015-16	2016-17	2017-18
Net availability of borrowed funds	4,741	7,352	37,945	29,138	15,482
Burden of interest payments (interest payment/revenue receipt ratio)	10.35	9.75	9.45	10.48	10.45
Revenue receipts	1,68,214	1,93,422	2,27,076	2,56,875	2,78,775
Outstanding debt (excluding UDAY for 2015-16 and 2016-17)	2,81,709	3,07,859	3,42,920	4,08,422	4,67,842
Rate of growth of outstanding debt (in <i>per cent</i>)	9	9	11	19	15
Outstanding debt (Fiscal Liabilities)/ GSDP (in <i>per cent</i>)	30	30	30	33	34
Interest payment	17,412	18,865	21,448	26,936	29,136
Average interest rate of outstanding debt (in <i>per cent</i>)	6.43	6.40	6.35	6.82	6.54

(Source: Finance Accounts of the respective years)

An important condition for debt sustainability is stabilisation in terms of debt/GSDP ratio. However, the ratio of interest payment to revenue receipts increased from 9.45 *per cent* to 10.45 *per cent* during 2015-18 and the debt/GSDP ratio also spiked from 30 *per cent* to 34 *per cent* during the same period.

State Government in its reply (June 2019) contended that the outstanding debt of State Government as on 31 March 2018 was ₹ 4,08,716.49 crore as against ₹ 4,67,842 crore mentioned by Audit. State Government further stated that Sinking Fund was created for amortisation of market loan on their maturity in lump sum. Accordingly, for this purpose funds from the revenue head were transferred in installments against maturity value of market loan on a recurring basis. For repayment of market loan, funds were provisioned in Account Head “6003-Internal debt of State Government” and the same amount was credited in Account Head “0075-Miscellaneous General Services” as revenue receipts debiting Sinking Fund Account Head “8222-Sinking Fund”. Thus, a part of the market loan under public debt was included in the balances of the Sinking Fund which was shown as liabilities in the Finance Accounts. Therefore, due

to this reason, the outstanding liabilities of the State Government depicted in the Finance Accounts increased by the same amount of the balances of Sinking Fund.

The contention of the State Government is not acceptable, as the sinking fund to the extent to which it has not been invested constitute the liability of the State Government. Further, outstanding balance of ₹ 57,469.61 crore as on 31 March 2018 under Sinking Fund was not invested by the State Government. Pertinently, while communicating (August 2017) annual borrowing ceiling of the State Government for the year 2017-18, Ministry of Finance, GoI also mentioned that borrowings include open market borrowings, Central Government loans, other liabilities arising out of public account transfers under small savings, Provident Funds, Reserve Funds, Deposits, etc., as reflected in **Statement-6** of the State's Finance Accounts.

1.11 Follow up

Separate Report on State Finances is being prepared from the year 2008-09 onwards and presented to the State Legislature. The Public Accounts Committee is yet to discuss these reports.



FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

The Comptroller and Auditor General of India performs the audit of appropriations to ascertain whether the expenditure actually incurred under various grants underlying the budget is within authorisations given under the Appropriation Act for the year, expenditure required to be charged under provisions of the Constitution is so charged, and whether, expenditure is incurred in conformity with the law, relevant rules, regulations and instructions.

2.1 Summary of Appropriation Accounts

Uttar Pradesh Budget Manual stipulates that all final savings must be surrendered by Controlling Officers to the Finance Department by 25 March. Officers making belated surrenders will be held responsible if the Finance Department is not able to accept such surrender.

The summarised position of actual expenditure during 2017-18 against the provision made under 93 grants/appropriations is given in **Table 2.1**.

Table 2.1: Summarised position of Actual Expenditure, against provision

(₹ in crore)

Nature of expenditure		Total Grant/ Appropriation	Actual Expenditure	Savings(-) /Excess(+)	Amount surrendered	Amount surrendered on 31 March 2018	Percentage of savings surrendered by 31 March 2018
	1	2	3	4	5	6	Col.5/ Col.4
Voted	I- Revenue	2,85,769.12	2,26,083.41	(-)59,685.71	44,360.90	44,360.90	74
	II -Capital	72,444.36	50,464.12	(-)21,980.24	10,376.48	10,376.48	47
	III -Loans and Advances	2,529.24	1,509.29	(-) 1,019.95	562.52	562.52	55
	Total Voted	3,60,742.72	2,78,056.82	(-)82,685.90	55,299.90	55,299.90	67
Charged	IV -Revenue	45,916.47	41,805.71	(-)4,110.76	2,435.98	2,435.98	59
	V- Capital	16.81	11.99	(-)4.82	00	00	0
	VI- Public Debt-Repayment	21,969.12	15,002.10	(-)6,967.02	0.72	0.72	0
	Total Charged	67,902.40	56,819.80	(-)11,082.60	2,436.70	2,436.70	22
Grand Total		4,28,645.12	3,34,876.62	(-)93,768.50	57,736.60	57,736.60	62

Note: Figures of actual expenditure includes recoveries adjusted as reduction of expenditure under voted revenue expenditure (₹ 1,665.60 crore) and voted capital expenditure (₹11, 388.12 crore).

(Source: Appropriation Accounts, Finance Accounts and Budget documents 2017-18)

Overall savings of ₹ 93,768.50 crore was the result of savings of ₹ 95,349.48 crore in 127 cases of grants/appropriations under revenue section and 78 cases of grants/appropriations under capital section including loan section (public debt-repayments), offset by excess of ₹ 1,580.98 crore in four grants/

appropriations under revenue section and three grants/appropriations under capital section.

The fact that as much as 38 *per cent* savings (amounting to ₹ 36,031.90 crore) was allowed to lapse at the end of the year and the remaining savings of ₹ 57,736.60 crore (62 *per cent*) was surrendered on the last day of the financial year 2017-18 without being available to the Finance Department for re-appropriation to other purposes makes it evident that the Finance Department exercised very little financial control.

Recommendation: *The Finance Department should monitor trend of expenditure by Departmental Controlling Officers, so that funds are not retained unnecessarily and are surrendered at the earliest, without resorting to last minute surrenders and lapse of allocations.*

2.2 Financial Accountability and Budget Management

2.2.1 Excess Expenditure requiring regularisation

There was an excess disbursement of ₹ 1,337.17 crore over the authorisation made by the State Legislature under two grants and two appropriations during the financial year 2017-18 (**Appendix 2.1 A**). Excess disbursements of ₹ 29,648.64 crore under 96 grants and 40 appropriations pertaining to the years 2005-06 to 2016-17 are yet to be regularised by the State Legislature (**Appendix 2.1 B**). This is in violation of Articles 204 and 205 of the Constitution which provides that no money shall be withdrawn from the Consolidated Fund except under appropriation made by Law by the State Legislature. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

Additionally, it is of special interest to note that the Finance Department itself failed to maintain financial discipline as excess expenditure of ₹ 1,311.10 crore under superannuation allowances and pension (grant number 62-Superannuation Allowances and Pension) was incurred during the year without authorisation of State Legislature. These failures are compounded by the fact that similar irregularities have regularly been reported in previous CAG Reports, but no effective steps have been taken by the Finance Department and concerned budget controlling officers.

Recommendation: *The State Government should ensure that all the existing cases of excess disbursement are placed before the State Legislature for regularisation at the earliest. State Government should examine the reasons for excess disbursements and fix responsibility. Further, Treasury Officers should be directed not to pass expenditure beyond budget provision and in future such excess expenditure may be completely stopped.*

2.2.2 Savings

Savings of ₹ 92,681.47 crore occurred in 58 cases relating to 40 grants/appropriations exceeding ₹ 100 crore in each case as detailed in *Appendix 2.2*.

Further, out of above 58 cases, there were 16 cases, where savings exceeds ₹ 1,000 crore in each case. In six out of these 16 cases, savings exceed ₹ 1,000 crore during 2016-17 also as detailed in **Table 2.2**.

Table 2.2: Grants indicating savings more than ₹ 1,000 crore during 2016-17 and 2017-18

Sl. No.	Grant no.	Name of the grant	Savings during	
			2016-17	2017-18
1.	13	Agriculture and Other Allied Departments (Rural Development) -Capital Voted	3,300.96	5,179.06
2.	37	Urban Development Department – Revenue Voted	2,751.47	5,574.84
3.	49	Women and Child Welfare Department – Revenue Voted	1,106.73	2,247.92
4.	71	Education Department (Primary Education)- Revenue Voted	2,414.62	17,493.77
5.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)- Revenue Voted	1,704.21	5,573.74
6.		Social Welfare Department (Special Component Plan for Scheduled Castes)- Capital Voted	2,477.98	1,637.34

(₹ in crore)

(Source: Appropriation Accounts 2016-17 and 2017-18)

It was further noticed that in 26 cases involving 20 grants, there were persistent savings (₹ 100 crore and above) ranging between ₹ 100.12 crore and ₹ 17,493.77 crore during the preceding five years as detailed in *Appendix 2.3*. Large savings is indicative of poor budgeting or shortfall in performance or both, in respect of concerned scheme being implemented by the Department.

Recommendation: *The Finance Department should review the reasons for non-utilisation of the provisions under various schemes and take steps to make more judicious provisions in future years.*

2.2.3 Unnecessary/inadequate supplementary provision

During 2017-18, in 56 cases, supplementary provisions amounting to ₹ 6,098.04 crore (₹ one crore or more in each case) proved unnecessary as the expenditure was not even up to the level of the original provision as detailed in *Appendix 2.4*.

2.2.4 Excess/ unnecessary re-appropriation of funds

Despite re-appropriation, there was a savings of ₹ 781.80 crore in 119 sub-heads involving 42 grants and excess of ₹ 852.75 crore in 59 sub-heads involving 31 grants indicating injudicious re-appropriation without assessing actual requirements (*Appendix 2.5*).

2.2.5 Substantial surrenders

During 2017-18, substantial surrenders (50 *per cent* or more of the total provision) amounting to ₹ 25,181.03 crore (81 *per cent* of total provision of ₹ 31,239.80 crore) were made in 201 sub-heads, which included 100 *per cent* surrenders in 84 schemes/ programmes (₹ 4,167.01 crore) as detailed in *Appendix 2.6*. Such substantial surrenders indicated that either the budgeting was done without due prudence or there were serious slippages in programme implementation.

2.2.6 Surrender in excess of actual savings

In 10 cases involving nine grants (₹ 50 lakh or more in each case) as against savings of ₹ 25,686.79 crore, ₹ 25,927.80 crore was surrendered resulting in excess surrender of ₹ 241.01 crore during 2017-18 as detailed in *Appendix 2.7*. Such surrenders in excess of actual savings indicated that the departments did not exercise adequate budgetary controls by watching flow of expenditure through monthly expenditure statements.

Recommendation: The Government should ensure that excessive, unnecessary supplementary provisions and injudicious surrenders are avoided.

2.2.7 Anticipated savings not surrendered

As per U.P. Budget Manual, spending departments are required to surrender grants/ appropriations or portion thereof to the Finance Department as and when savings are anticipated. All final savings must be surrendered to the Finance Department by 25 March. At the end of 2017-18, though savings of ₹ 19,653.58 crore occurred in 81 cases of grants/ appropriations, no part of it was surrendered by the spending departments (*Appendix 2.8*).

Similarly, out of savings of ₹ 67,808.40 crore in 120 cases (savings of ₹ one crore and above in each case), an amount of ₹ 37,842.25 crore (56 *per cent*) was not surrendered (*Appendix 2.9*). This is indicative of inadequate financial control and resultant blocking of funds.

2.2.8 Misclassification of expenditure

Revenue expenditure is recurring in nature and is intended to be met from revenue receipts. Further, as per Indian Government Accounting Standard-2 (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 recipient. Capital expenditure is defined as expenditure incurred with the object of increasing concrete assets of a material of permanent character, or of reducing recurring liabilities.

However, during 2017-18, the State Government made budget provision and booked expenditure on 'minor construction works' amounting to

₹ 47.71 crore, 'payment for commercial and special services' amounting to ₹ 1.41 crore, 'maintenance of computers, purchase of related stationery' amounting to ₹ 0.16 crore and 'subsidiary grant for capital expenditure' amounting to ₹ 0.40 crore as capital expenditure, whereas it should be booked as revenue expenditure. These overstates the revenue surplus by ₹ 49.68 crore.

On the other hand, expenditure of ₹ 64.37 crore for essential infrastructure for hospitals and expenditure of ₹ 49.57 crore for purchase of staff car was booked as revenue expenditure instead of capital expenditure, which understates the revenue surplus by ₹ 113.94 crore.

Thus, the above misclassification understated the revenue surplus of the State by ₹ 64.26 crore.

2.2.9 Advances from the Contingency Fund - Not recouped

Under the provisions of U.P. Contingency Fund Act, 1950, State Government maintains Contingency Fund with a corpus amount of ₹ 600 crore. As per the Uttar Pradesh Contingency Fund Rules, 1962, advances from the Fund shall be made only to meet unforeseen and emergent expenditure, pending its authorisation by the Legislature following which, it is recouped.

As on 31 March 2018, the amount of ₹ 463.08 crore drawn from the Contingency Fund remained unrecouped, which included previous year's unrecouped balances of ₹ 300 crore. During the year 2017-18, ₹ 413 crore was disbursed, out of which the advances of ₹ 125 crore drawn during the year 2017-18 for loan to U.P. Cooperative Sugar Mills Federation Limited was to be recouped from the supplementary budget of 2018-19. As against the remaining outstanding advance of ₹ 288 crore drawn during the year 2017-18, only ₹ 249.92 crore was recouped till 31 March 2018.

It was further observed that State Government had drawn advance of ₹ 300 crore during the year 2016-17 for payment of salary and pensionary benefits to the employees of U.P. Jal Nigam, which was to be recouped by provision of fund under Grant No. 37- Urban Development Department. The non-recoument of this advance till 31 March 2017 was reported in the Audit Report No. 1 of 2018. However, State Government had not recouped this amount to the Contingency Fund till 31 March 2018.

Recommendation: The State Government should ensure timely recoument of advances taken from the Contingency Fund.



FINANCIAL REPORTING AND COMMENTS ON ACCOUNTS



Financial Reporting and Comments on Accounts

This Chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

3.1 Personal Deposit Accounts

Article 202 of the Constitution of India provides for Legislative financial control over public expenditure through the annual financial statement/budget. As per para 4 of Uttar Pradesh Personal Ledger Account Rules 1998, the State Government is authorised to open Personal Deposit (PD) accounts for specific purposes in consultation with the Accountant General. Designated Administrators are authorised to operate these PD accounts by transfer of funds from the Consolidated Fund of the State. If there is no transaction in any PD accounts for three years, the treasury officer would make written request to the competent authority for closure of such account, and if no reply is received within three months, PD Accounts would be closed after transfer of the balance, if any, to the corresponding head of account on the advice of Accountant General.

Audit noticed that PD Accounts were also being operated by the State Government under other than the designated heads of account, i.e., MH- 8443 - Civil Deposits-106 – Personal Deposits. State Government did not provide details of addition to and disbursements from PD Accounts during the financial year 2017-18. Out of balance of ₹ 4,688.14 crore in 1,328 PD Accounts as on 31 March 2018, ₹ 2,460.82 crore pertained to 31 PD accounts under Major Head-8342-Other Deposits-120-Miscellaneous Deposits, which is not a designated heads of account for PD Accounts. Further, in contravention of codal provisions, an amount of ₹ 108.70 crore was irregularly parked in 641 PD Accounts, despite these PD Accounts remaining inoperative for more than three years. Such practices violate Legislative intent, which is to ensure that funds approved by it for the financial year are spent during the financial year itself.

Further, out of 77 treasuries of the State, only 17 treasuries have reconciled the PD accounts maintained by them during the year 2017-18. The status of reconciliation of remaining 60 treasuries has not been made available by respective treasuries.

Non-reconciliation of balances in PD accounts and not transferring the unspent balances lying in PD accounts to Consolidated Fund of State before the

closure of the financial year entails the risk of misuse of public funds, fraud and misappropriation.

Recommendation: *The Finance Department should review all PD accounts to ensure that all amounts unnecessarily lying in these PD accounts are immediately remitted to the Consolidated Fund. Further, the Finance Department should reiterate the instructions contained in the financial rules and ensure that appropriate action is taken against departmental officers who fail to follow the rules.*

3.2 Non-submission of Utilisation Certificates

The financial rules stipulate that where grants-in-aid are given for specific purposes, concerned departmental offices should obtain Utilisation Certificates (UCs) from grantees, which, after verification, should be forwarded to the Accountant General (A&E), to ensure that the funds have been utilised for intended purpose.

As on 31 March 2018, a total of 1,53,949 number of Utilisation Certificates (UCs) for non-recurring grants involving ₹ 83,979.44 crore released during financial years 2001-02 to 2017-18 remained outstanding. Therefore, there is no assurance that the amount of ₹ 83,979.44 crore has actually been incurred for the purpose for which it was sanctioned/authorised by the Legislature. High pendency of UCs was fraught with the risk of misappropriation of funds and fraud. The details are given in **Table 3.1**.

Table 3.1: Outstanding Utilisation Certificates

Period	Number of Utilisation Certificates awaited	Amount (₹ in crore)
Up to 2015-16	1,30,773	46,393.80
2016-17	8,653	13,745.16
2017-18	14,523	23,840.48
Total	1,53,949	83,979.44

(Source: Finance Accounts 2017-18)

Major cases of non-submission of UCs pertain to Social Welfare Department, Education Department and Agriculture Department, as summarised in **Table 3.2**.

Table 3.2: List of Departments, where UCs were outstanding

Sl. No.	Name of the Department	Number of UCs awaited	Amount Outstanding (₹ in crore)	Percentage
1	Social Welfare Department	31,582	10,409.94	12.40
2	Education Department (Primary Education)	19,044	8,739.89	10.41
3	Agriculture and Other Allied Department	3,527	6,662.95	7.93
4	Education Department (Secondary Education)	10,576	2,673.41	3.18
5	Women Child Welfare Department	10,124	869.13	1.03
6	Minorities Welfare Department	7,973	678.16	0.81
7	Education Department (Higher Education)	2,949	606.77	0.72

(Source: Finance Accounts 2017-18)

Though such instances of non-submission of UCs are being reported in the reports of the C&AG regularly, there has been no improvement. In many cases, the same recipients continue to receive further grants from the same departments, even while the UCs for earlier grants are pending.

Recommendation: *The State Government should take action on recommendation made in Para No. 3.11 of the Comptroller and Auditor General of India's Report No. 1 of 2018 – Government of Uttar Pradesh and ensure that internal control mechanism of the Departments to watch timely submission of the UCs is put in place without further delay and all pendencies are reviewed before release of fresh grants.*

3.3 Outstanding Detailed Contingent Bills

The financial rules require that advances drawn through Abstract Contingent (AC) bills are adjusted promptly through Detailed Contingent (DC) bills. It was observed, however, that 3,497 AC bills of ₹ 33.33 crore were lying unadjusted as on 31 March 2018, as per details given in **Table 3.3**. Prolonged non-submission of supporting DC bills renders the expenditure under AC bills opaque.

Table 3.3: Outstanding Abstract Contingent Bills

Year	Number of pending DC bills	Amount (₹ in crore)
Up to 2015-16	3,430	24.07
2016-17	20	0.70
2017-18	47	8.56
Total	3,497	33.33

(Source: Finance Accounts 2017-18)

It was seen that during 2017-18, out of 228 AC bills amounting to ₹ 21.57 crore, 51 AC bills amounting to ₹ 7.79 crore were drawn in March 2018 alone which includes 10 AC bills amounting to ₹ 7.07 crore drawn between 26 and 31 March 2018. Significant expenditure against AC bills in the month of March, 2018, especially in the last week, indicates that the drawls were primarily for exhausting the budget provisions and displays inadequate budgetary control.

Out of 51 AC bills amounting to ₹ 7.79 crore drawn in March 2018, four bills amounting to ₹ 6.48 crore (83.18 *per cent*) were drawn by the Personnel Department (Public Service Commission) and 15 bills for ₹ 0.98 crore drawn by Department of Civil Aviation. Majority of the DC Bills were awaited from the Departments listed in **Table 3.4**.

Table 3.4: List of Department, where DC bills were pending

Sl. No.	Name of the Department	Number of pending DC bills	Amount Outstanding (₹ in crore)	Percentage
1	Personnel Department (Public Service Commission)	05	7.10	21.30
2	Secretariat Administration Department	127	7.00	21.00
3	Education Department (Higher Education)	153	3.62	10.86
4	Education Department (Secondary Education)	520	1.67	5.01
5	Women and Child Welfare	113	1.40	4.20
6	Home Department (Home Guards)	21	1.39	4.17
7	Revenue Department (Relief on Account of Natural Calamities)	30	1.28	3.84
8	Civil Aviation	49	1.22	3.66

(Source: Finance Accounts 2017-18)

Unnecessary withdrawal through AC bills and non-submission of DC bills within the prescribed time breaches financial discipline and entails risk of misappropriation of public money.

Recommendation: *The Finance Department should ensure that all controlling officers adjust in a time bound manner, all AC bills pending beyond the prescribed period, and also ensure that AC bills are not drawn merely to avoid lapse of budget.*

3.4 Non-maintenance/ Incomplete Cash Books

The Cash Book is a primary record of financial transactions of receipts and disbursements which is required to be maintained mandatorily in each office to ensure proper receipt and custody of Government money. Non-maintenance/improper maintenance of cash books not only impacts the accuracy and completeness of accounts but is also a red flag for probable fraud, misappropriation and embezzlement of Government funds.

The reports of the C&AG submitted to the State Legislature and individual inspection reports of the Accountant General issued to various departments have flagged many instances of non-maintenance/improper maintenance of cash books by various entities under the State Government. Some instances noticed in recent audits are listed at **Appendix 3.1**. These cases were noticed during the test audit of 390 entities audited during April 2018 to September 2018, however, such cases may reflect in other entities. Finance Department may, therefore, like to internally examine the position in case of other DDOs with a view to ensure that the essential records are maintained.

Recommendation: *The Finance Department should ensure that all departments and subordinate entities of State Government maintain Cash Books in the manner prescribed in the financial rules.*

3.5 Variation in Cash Balance

As per the Certificate of confirmation of balances issued by Reserve Bank of India, the State had a debit balance of ₹ 125.55 crore while the closing cash balance of the State for the month of March 2018 as certified by the Accountant General (A&E) was ₹ 265.21 crore. Thus, there was a difference of ₹ 139.66 crore (net debit) including the previous years' balances, between the cash balance of the State Government, as worked out by the Accountant General (A&E) and as reported by the Reserve Bank of India (as on 31.03.2018), which was under reconciliation.

3.6 Non-transfer of amounts to the Central Road Fund

The list of Major and Minor Heads prescribes the accounting procedure relating to the Central Road Fund (CRF). In terms of this procedure, such grants received from Government of India (GoI) are first to be transferred to the Public Accounts, from where expenditure on maintenance and repairs of roads and bridges is to be set off. State Government, however, failed to transfer the ₹ 890.24 crore received as CRF grant from Government of India in 2017-18 to the Public Accounts, and though expenditure of ₹ 3,901.73 crore was incurred against maintenance and repairs of roads and bridges, it could not be ascertained how much of GoI release of ₹ 890.24 crore was utilised for the intended purposes.

The State Government contended that as the Central Government provided grants from Central Road Fund (created by the Central Government) to the State Government for construction of roads which was credited under the Major Head 1601- "Grants-in-aid from Central Government" and that the expenditure was incurred from the concerned Major Head 3054/5054 for maintenance of State Roads which were the assets of the State Government and therefore, it was not desirable to transfer an amount equivalent to the said grant to the Major Head 8449-103-Central Road Fund.

The reply of the State Government is not acceptable, as it deviated from the prescribed accounting procedure of the Central Road Fund due to which there was opaqueness in actual utilisation of grants received from GoI for the Central Road Fund.

3.7 Adjustment of Interest

The State Government is liable to pay/adjust interest in respect of balances under categories "I-Small Savings Provident Funds etc., J-Reserve Funds (a) Reserve Funds bearing Interest" and "K-Deposits and Advances (a) Deposits bearing Interest". The position of adjustment in this respect in 2017-18 was as below:

- (a) The Government paid interest of ₹ 3,655.47 crore (under Major Head '2049 Interest Payment-03-Interest on Small Savings, Provident Fund

etc.) on Small Savings, Provident Fund etc. during the year 2017-18. In respect of Class IV employees of the State, there was a balance of ₹ 14,707.65 crore under the GPF Class IV Head in the State Accounts as on 31 March 2018. However, the information of interest thereon was not made available by the State Government. It was worked out to be ₹ 1,071.78 crore based on credits and debits as intimated by the treasuries.

- (b) Similarly, there was an outstanding balance of ₹ 545.68 crore at the beginning of the year 2017-18 under K-(a) Deposits bearing Interest, relating to Defined Contribution Pension Scheme and the State Government had paid interest thereon of ₹ 25.78 crore. In addition, there was also net credit outstanding balance of ₹ 3,221.51 crore under K-(a) Deposits bearing Interest (excluding ₹ 545.68 crore of the balance under Defined Contribution Pension Scheme) at the beginning of the year 2017-18. However, the State Government had not paid any interest thereon.

Recommendation: *The Finance Department should review the balances under Small Savings Provident Funds, Reserve Funds and Deposits and Advances for appropriate action to book interest in respect of all interest bearing deposits.*

3.8 Impact on Revenue Surplus and Fiscal Deficit

The impact of incorrect booking/accounting of expenditure and revenue, as depicted in the Finance Accounts 2017-18, resulted in a net overstatement of revenue surplus by ₹ 6,340.88 crore. Further, fiscal deficit was also understated to the tune of ₹ 6,405.14 crore as is given in **Table 3.5**.

Table 3.5: Impact on Revenue Surplus and Fiscal Deficit as per State Accounts

(₹ in crore)

Item	Impact on Revenue Surplus		Impact on Fiscal Deficit	
	Over-statement of Revenue Surplus	Under-statement of Revenue Surplus	Over-statement of Fiscal Deficit	Under-statement of Fiscal Deficit
Expenditure on minor construction works, Grants-in-aid, payment of commercial and special services and maintenance of computer and purchase of its stationery booked under Capital Section instead of Revenue <i>(Para no. 1(v) of Notes to Account, Volume-I Finance Accounts)</i>	49.68	..	..	..
Expenditure on essential infrastructure for Hospital and Purchase of Staff Car booked under Revenue Section instead of Capital <i>(Para no. 1(v) of Notes to Account, Volume-I Finance Accounts)</i>	..	113.94	..	..
Transfer of un-utilised grants for BPL families (for the year 2013-14) to the	600.00	..	..	600.00

Item	Impact on Revenue Surplus		Impact on Fiscal Deficit	
	Over-statement of Revenue Surplus	Under-statement of Revenue Surplus	Over-statement of Fiscal Deficit	Under-statement of Fiscal Deficit
receipt head in 2017-18 (Para no. 2(xi)(a) of Notes to Account, Volume-I Finance Accounts)				
Government contribution on account of Defined Contribution pension scheme transferred back to the receipt head as Government receipts (Para no. 2(xi)(d) of Notes to Account, Volume-I Finance Accounts)	470.39	..	..	470.39
Non-contribution by State Government under Defined Contribution Pension Scheme during 2017-18 (Para no. 3(i) of Notes to Account, Volume-I Finance Accounts)	465.11	..	..	465.11
Non-contribution to Guarantee Redemption Fund (Para no. 3(ii) of Notes to Account, Volume-I Finance Accounts)	290.75	..	..	290.75
Amount transferred as Revenue Receipts to Consolidated Fund from Sinking Fund (Para no. 3(v)(a) of Notes to Account, Volume-I Finance Accounts)	4,422.00	..	..	4,422.00
Non-utilisation/ transfer of NDRF grants (Para no. 3(v)(b) of Notes to Account, Volume-I Finance Accounts)	119.67	..	..	119.67
Non-payment of interest on Reserve Funds balances (State Disaster Response Fund) (Para no. 3(viii) (b) of Notes to Account, Volume-I Finance Accounts)	37.22	..	..	37.22
Total	6,454.82	113.94	-	6,405.14

(Source: Finance Accounts 2017-18)

In view of the above, the revenue surplus and fiscal deficit of the State which was ₹ 12,552 crore and ₹ 27,810 crore would actually be ₹ 6,211 crore and ₹ 34,215 crore respectively.

3.9 Building and Other Construction Workers Welfare Cess

The Building and Other Construction Workers (BOCW) Welfare Cess Act, 1996 and the BOCW (Regulation of Employment and Conditions of Service) Act, 1996 covers establishments employing ten or more building workers in any building or other construction work. The Acts, *inter alia*, provide for constitution of Welfare Boards with the aim of improving the working conditions of workers and to provide financial aid to them, and to augment the resources of the Welfare Boards through the levy and collection of cess on the cost of construction works. Accordingly, the State Government created (November 2009) the U.P. BOCW Welfare Board and in terms of the Cess Act, levies cess at the rate of one *per cent*. The U.P. BOCW Rules, 2009 provides for collection of registration fee of ₹ 50 and annual membership fee

of ₹ 50 from registered workers. In this connection, the findings of Audit are given below.

3.9.1 Accounting of Cess

It was observed that the Welfare Board has not finalised its accounts since its constitution (November 2009). Details of receipts and utilisation of cess over the past five years (2013-18) are given in **Table 3.6**.

Table 3.6: Financial status of registration charges, cess realised and utilisation

(₹ in crore)

Year	Opening balance	Receipts				Total funds available	Expenditure	Closing balance
		Registration fee and annual membership fee	Labour cess received in board account	Cess realised from treasury (State Govt.)	Interest on deposits			
2013-14	730.11	17.84	458.46	165.00	49.58	1,420.99	98.12	1,322.87
2014-15	1,322.87	28.59	500.44	9.25	97.07	1,958.22	127.63	1,830.59
2015-16	1,830.59	14.55	686.81	0	128.37	2,660.32	202.41	2,457.91
2016-17	2,457.91	13.00	829.60	10.00	162.23	3,472.74	277.78	3,194.96
2017-18	3,194.96	10.54	789.79	36.96	214.36	4,246.61	324.14	3,922.47

(Source: Secretary, BOCW) (Provisional data)

Since the Board has not prepared accounts since inception, the authenticity of receipts and expenditure could not be ascertained in Audit. The State Government appointed (September 2010) the officers of 16 Departments as Cess Assessment Officer and Cess Collectors. State Government issued (August 2013 and September 2016) orders to deposit the receipts of cess collected by the concerned officials into the Nationalised Bank account being operated by the Board for this purpose. The orders to transfer the cess directly to the bank account without bringing it into the Consolidated Fund of the State violates the provision of Article 266 (1) of the Constitution of India. Consequently, it is not ascertainable from the Accounts of State Government as to how much money was collected by the Cess Assessment Officers and Cess Collectors on account of cess, fee etc. and how much money was transferred to the Board.

3.9.2 Utilisation of Labour Cess

The State Government notified various schemes/ activities, viz., maternity benefits, pension, advances for purchase/ construction of houses, funeral assistance, medical assistance, cash awards for meritorious students, financial assistance for education/ marriage of children of beneficiaries, etc., for welfare of the construction workers from the BOCW Welfare Fund. Details of expenditure on these schemes during 2013-18 are given in **Table 3.7**.

Table 3.7: Expenditure on schemes against allotment and available fund

Year	Available funds (₹ in crore)	Schemes Operated		Actual expenditure on schemes (₹ in crore)	Registered workers at the end of the year	Workers covered	Percentage		
		No.	Allotment (₹ in crore)				Workers covered	Funds utilised against allotment	Funds utilised against availability
2013-14	1,420.99	18	301.90	93.39	10,90,192	95,295	8.74	30.93	6.57
2014-15	1,958.22	22	457.90	105.96	19,58,544	2,14,121	10.93	23.14	5.41
2015-16	2,660.32	21	605.61	141.82	27,41,452	2,77,909	10.14	23.42	5.33
2016-17	3,472.74	23	752.83	249.88	34,27,104	5,16,851	15.08	33.19	7.20
2017-18	4,246.61	18	514.06	282.57	42,08,744	3,50,384	8.33	54.97	6.65

(Source: Secretary, BOCW) (Provisional data)

As seen from the table, the expenditure incurred by the Board for welfare of workers against available funds ranged from only five to seven *per cent* and covered just eight to 15 *per cent* of the registered workers.

As compared to the neighbouring States, Uttar Pradesh has utilised the available funds (seven *per cent*) much less than Chhattisgarh (42 *per cent*), Jharkhand (21 *per cent*) and Madhya Pradesh (14 *per cent*) during 2017-18. This indicated the poor level of utilisation of the cess funds in Uttar Pradesh as compared to other States.

Recommendation: *The U.P. BOCW Welfare Board should fulfil its mandate of improving the working conditions of building and other construction workers and providing adequate financial assistance to them. The State Government should also review its orders to transfer the cess directly to the bank account of the Board instead of Consolidated Fund of the State.*

3.10 Transfer of additional stamp duty to Development Authorities

The Uttar Pradesh Urban Planning and Development Act, 1973 provides for collection of additional stamp duty by the Stamps and Registration Department, which is thereafter, to be transferred to Development Authority, Uttar Pradesh Avas Evam Vikas Parishad, municipal corporations/ municipalities in specified proportions.

The amount of realised stamp duty and additional stamp duty are accounted for under the Major Head 0030-Stamps and Registration Fees, 02-Stamps Non-Judicial, 102-Sale of Stamps. However, no distinct sub-head has been opened by the State Government for accounting of the additional stamp duty in the absence of which, it is not clear how much money was received by the Government on account of two *per cent* additional stamp duty and whether all the moneys received were transferred to the concerned municipal corporations/municipalities/parishads/development authorities in specified proportions.

State Government issued orders (April 2017) stipulating that Housing and Urban Planning Department (HUPD) would release money to all Authorities for implementation of schemes approved by the Department. During 2017-18,

against the budget provision of ₹ 624 crore, HUPD disbursed only ₹ 201.91 crore. Details of funds transferred (₹ 201.91 crore) to various authorities is given in *Appendix 3.2*.

As regards the transfer of funds to development authorities/municipalities/parishads, it was noticed that the Government was booking expenditure in respect of transferred additional stamp duty under the Major Head 3475-800-03 instead of MH 2216-Housing or 2217-Urban Development as the case may be.

Further, the Government while determining the procedure (September 2013) for distribution of the additional two *per cent* stamp duty, ordered transfer of 25 *per cent* of the amount collected to a Dedicated Urban Transport Fund (DUTF) which was against the provisions of the Act. As per the provisions of the Act, the additional amount of two *per cent* stamp duty collected was to be allocated to development authority, Uttar Pradesh Avas Evam Vikas Parishad, municipal corporations/ municipalities and therefore transferring 25 *per cent* of the fund to Dedicated Urban Transport Fund was irregular. It was noticed that the Government had been constantly making provisions towards the DUTF from the year 2014-15 onwards. The provisions made and expenditure on this account are detailed in **Table 3.8**.

Table 3.8: Details of provision/ expenditure for Dedicated Urban Transport Fund

(₹in crore)

Year	Provision	Expenditure
2014-15	300	285
2015-16	434	430
2016-17	375	00
2017-18	375	00

(Source: Appropriation Accounts of the respective years)

The amount of ₹ 375 crore provisioned during 2017-18 could not be expended due to non-receipt of approval from Finance Department.

Recommendation: *The State Government should ensure that the accounts fully and transparently capture the receipts and transfer of the additional stamp duty to the authorities/municipalities etc. as specified under the U.P. Urban Planning and Development Act. State Government should also review the Order authorising transfer of 25 per cent of the additional stamp duty to a Dedicated Urban Transport Fund which is not provided under the Act.*

3.11 Reporting of pending cases

The State Government reported 136 cases of defalcation or losses of Government money involving ₹ 9.35 crore on which final action was pending as on 31 March 2018. First Information Reports were lodged in 102 cases out of 136 cases. The department-wise break up of pending cases and their age-wise analysis is given in *Appendix 3.3*. The nature of these cases is given in

Appendix 3.4. The nature and age profile of the pending cases given in the appendices are summarised in **Table 3.9**.

Table 3.9: Profile of pending cases

Age-profile of the pending cases			Nature of the pending cases		
Years ranging	Number of cases	Amount involved (₹ in lakh)	Nature of the cases	Number of cases	Amount involved (₹ in lakh)
0 – 5	3	57.66	Theft	62	33.21
5 – 10	19	347.55	Misappropriations	09	111.95
10 – 15	19	53.95	Losses	23	171.78
15 – 20	13	75.11	Defalcations	42	618.28
20 – 25	32	12.67	Total	136	935.22
25 & above	50	388.28			
Total	136	935.22			

(Source: Records of concerned departments)

Out of total pending 135 cases (as on 31 March 2017) involving ₹ 8.83 crore, one case of ₹ 0.57 lakh was settled/ written off (**Appendix 3.5**) while two cases of ₹ 53.22 lakh were added during 2017-18 and therefore total 136 cases involving ₹ 9.35 crore were pending as on March 2018. The reasons for pendency, as reported by the departments are listed in **Table 3.10**.

Table 3.10: Reasons for pending cases

Reasons for the delay/outstanding cases		Number of cases	Amount (₹ in lakh)
1.	Awaiting departmental and criminal investigation	27	189.67
2.	Departmental action initiated but not finalised	73	541.06
3.	Criminal proceedings finalised but action on recoveries pending	1	4.14
4.	Awaiting orders for recovery or write off	9	6.40
5.	Pending in Courts of Law	26	193.95
Total		136	935.22

(Source: Records of concerned departments)

Recommendation: *The Government should expedite completion of departmental action as warranted, and strengthen internal control systems to prevent/ reduce recurrence of such cases.*

3.12 Proforma Accounts of Departmental Commercial Undertakings

Departmental Commercial Undertakings are required to finalise proforma annual accounts in prescribed format, and submit the same to the Accountant General for audit within three months of closure of accounts. It was observed, however, that out of the nine departmental commercial undertakings in the State, three had not finalised their accounts for many years (**Appendix 3.6**).

3.13 Delay in finalisation of accounts of PSUs/Corporations

Financial statements of Companies for each financial year are to be finalised within six months from the end of the relevant financial year, i.e., September

end under Section 166 and 210 of the Companies Act, 1956. Similar provisions also exist under Section 96(1) read with Section 129(2) of the Companies Act 2013. Failure to do so may attract penal provisions under section 129(7) of the Companies Act, 2013²⁶, which stipulates that every officer of the defaulting company responsible for non-compliance shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees, or with both. The accounts of statutory corporations are required to be finalised, audited and presented to the Legislature as per the provisions of their respective Acts.

In violation of the above provisions, more than 82 *per cent* of the Public Sector Undertakings (PSUs) in Uttar Pradesh are in arrears of accounts, as detailed in **Table 3.11**.

Table 3.11: Age-wise arrears of Annual Accounts of PSUs as of 31 March 2018

Sl. No.	Particulars	Working	Non-working	Total
1	Number of PSUs	61	46	107
2(a)	Number of PSUs/Corporations having accounts in arrears	54	34	88
2(b)	Number of accounts arrears	207	531	738
3(a)	Number of PSUs/Corporations with arrears of less than 5 years	36	11	47
3(b)	Number of accounts arrears in above PSUs	66	24	90
4(a)	Number of PSUs/Corporations with accounts in arrears for 5 to 10 years	14	5	19
4(b)	Number of accounts arrears in above PSUs/ Corporations	95	37	132
5(a)	Number of PSUs/ Corporations with accounts in arrears for 10 years and above	4	18	22
5(b)	Number of accounts arrears in above PSUs/Corporations	46	470	516
6	Extent of arrears of accounts (in years)	1 to 14	1 to 36	1 to 36

(Source: Latest finalised accounts of the PSUs up to 30 September 2018)

The above denotes failure of the concerned administrative departments and specifically of the Finance Department to ensure that the defaulting Companies and Corporations comply with the relevant Acts. Due to non-finalisation of accounts, the C&AG has been unable to perform the supplementary audit of Companies as stipulated in the Companies Act, and statutory audit of the Corporations as stipulated in their respective Acts.

Audit noticed that State Government had provided budgetary support of ₹ 57,780.21 crore (equity: ₹ 19,605.36 crore, loans: ₹ 4,581.27 crore, capital

²⁶ Earlier under section 210(5) of the Companies Act 1956 which stipulated that if any person, being a director of the company, fails to take reasonable steps to comply with the provisions of this section, shall be punishable for each offence with imprisonment for a term which may extend to six months, or with fine which may extend to ten thousand rupees or with both.

grants: ₹ 11,210.69 crore, other grants: ₹ 9,773.86 crore and subsidies: ₹ 12,609.03 crore) and guarantees of ₹ 42,527.09 crore to 24 working Companies/Statutory Corporation during the period for which accounts were in arrears, as detailed in *Appendix 3.7*. State Government had also provided loan of ₹ 2.44 crore during 2017-18 to two non-working companies²⁷ whose accounts were in arrears. Thus, even in the absence of accounts to judge the genuineness of demands for financial support from these PSUs, the Finance Department has regularly provided budgetary support to these PSUs by way of infusion of equity, loans and grants-in-aid/subsidies. State Government needs to see if this is value-for-money expenditure.

Recommendation: *The Finance Department should review the cases of all PSUs that are in arrears of accounts, ensure that the accounts are made current within a reasonable period, and review continued financial support in all cases where accounts continue to be in arrears.*

3.14 Dividend not declared

The State Government had formulated (October 2002) a dividend policy under which all profit earning PSUs are required to pay a minimum dividend of five *per cent* on the paid up share capital contributed by the State Government. Accordingly, 20 PSUs were required to declare dividend of ₹ 548.92 crore based on their last finalised accounts (*Appendix 3.8*). However, only 11 PSUs declared a dividend of ₹ 8.56 crore. The remaining nine profit earning PSUs²⁸ did not declare dividend of ₹ 540.36 crore, which is contrary to the State Government's policy regarding payment of the minimum dividend.

Recommendation: *The State Government should ensure that profit earning PSUs deposit the specified dividend invariably into the Government account at the close of the year.*

3.15 Unreconciled Equities/ Loans

The figures in respect of equity and loans outstanding as per records of the Investee Organisation/State PSUs should agree with the figures appearing in the Finance Accounts of the State. As of 31 March 2018, the Government had invested a total of ₹ 1,04,779 crore in various entities²⁹. However, the amount as per the books of accounts of the investee organisations was ₹ 1,15,216 crore. The difference of ₹ 10,437 crore require reconciliation.

²⁷ Uttar Pradesh State Textile Corporation Limited (Loan: ₹ 1.13 crore; accounts finalised up to 2016-17) and Uttar Pradesh State Yarn Company Limited (Loan: ₹ 1.31 crore; accounts finalised up to 2016-17).

²⁸ Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited, Uttar Pradesh Mahila Kalyan Nigam Limited, Uttar Pradesh Beej Vikas Nigam Limited, Uttar Pradesh Bhumi Sudhar Nigam Limited, Uttar Pradesh Matsya Vikas Nigam Limited, Uttar Pradesh Export Promotion Council, Auto Tractors Limited, Lucknow Mandaliya Vikas Nigam Limited, Uttar Pradesh Bundelkhand Vikas Nigam Limited.

²⁹ Statutory Corporations (₹ 906 crore), Government Companies (₹ 1,01,623 crore), Co-operatives (₹ 2,204 crore) and Banks (₹ 58 crore)- details of investment amounting to ₹ 12 crore are under reconciliation.

Further, as per Finance Accounts 2017-18, the loan amount of ₹ 2,264.62 crore out of the total loan of ₹ 29,720.31 crore was not reconciled by the recipient loanees with the Government account during the year 2017-18.

Recommendation: *The Finance Department and the concerned administrative departments should work closely with the Accountant General (A&E) to reconcile the differences in records and accounts relating to the State Government investments, loans, and guarantees extended to State PSUs.*

3.16 Opaqueness in accounts

Minor head 800 relating to Other Receipts and Other Expenditure is intended to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of minor head 800 is to be discouraged, since it renders the accounts opaque.

Scrutiny revealed that during the year 2017-18, under various revenue and capital Major Heads of accounts, the minor head 800 was operated. Thus, on the expenditure side, ₹ 27,162.32 crore, constituting 8.90 per cent of total expenditure (revenue and capital) was recorded under minor head 800-Other Expenditure under different Major Heads.

Similarly, ₹ 18,383.80 crore (constituting 6.59 per cent of the total revenue receipts) under various revenue Major Heads of accounts, was recorded under minor head 800-Other Receipts under different Major Heads.

Instances where a substantial proportion (50 per cent or more of the total receipts/expenditure under the concerned Major Head) of receipts/expenditure were classified under minor head 800 - Other Receipts/Expenditure are given as **Annexure B and C of Notes to Accounts (Finance Accounts Volume-I)**.

The issue has been continuously reported in previous reports of the C&AG. As compared to the year 2016-17, the omnibus booking under minor head 800 – other receipts during the year 2017-18 reduced from 14.34 per cent to 6.59 per cent of total revenue receipt, whereas the reduction under minor head 800-other expenditure was from 11.53 per cent to 8.90 per cent of total expenditure. However, the fact that such substantial proportion of the receipts and expenditure under the concerned Major Head are booked under minor head 800 is cause for serious concern since it severely impacts transparency.

Recommendation: *The Finance Department should, in consultation with the Accountant General (A&E), conduct a comprehensive review of all items presently appearing under minor head 800 and ensure that all such receipts and expenditure are in future booked under the appropriate heads of account.*

3.17 Apportionment of balances on reorganisation of the State

Even after two decades of reorganisation of the composite State of Uttar Pradesh with effect from 9 November 2000, balances amounting to ₹ 8,757.37 crore representing balances under the Deposits and Advances (MH 8336-Civil Deposits to MH 8550-Civil Advances) remain to be apportioned between the successor States of Uttar Pradesh and Uttarakhand.

Recommendation: *The State Government should expedite the apportionment of balances under Deposits and Advances (₹ 8,757.37 crore) between the two successor States.*



(SARIT JAFI)

Principal Accountant General (G&SSA)
Uttar Pradesh

ALLAHABAD
THE 19 NOVEMBER-2019

COUNTERSIGNED



(RAJIV MEHRISHI)

Comptroller and Auditor General of India

NEW DELHI
THE 21st November, 2019

APPENDICES

Appendix 1.1

State Profile

(Reference: Profile of the State; Page 1)

A. General Data			
Sl. No.	Particulars		Figures
1	Area		2,40,928 Sq. Km.
2	Population		
	a.	As per 2011 Census	19.98 crore
	b.	2017	22.35 crore
3	a.	Density of Population (as per 2001 Census) (All India Density = 325 persons per Sq. Km)	690 persons per Sq. Km.
	b.	Density of Population ¹ (as per 2011 Census) (All India Density = 382 persons per Sq. Km)	829 persons per Sq. Km.
4	Population below poverty line ² (BPL) (All India Average = 21.9 per cent)		29.4 per cent
5	a.	Literacy (as per 2001 Census) (All India Average = 64.80 per cent)	56.27 per cent
	b.	Literacy ³ (as per 2011 Census) (All India Average = 73 per cent)	67.7 per cent
6	Infant mortality rate ⁴ (2016) (per 1000 live births) (All India Average = 34 per 1000 live births)		43 per 1000 live births
7	Life Expectancy at birth ⁵ (2011-15) (All India Average =68.3 years)		64.5 years
8	Human Development Index ⁶		
	a.	2007-08 (All India HDI value = 0.467)	0.38
	b.	Rank	18
9	Gross State Domestic Product (GSDP) at current prices		₹ 13,75,607 crore
10	Per capita GSDP CAGR (2008-09 to 2017-18)	Uttar Pradesh	11.5 per cent
		General Category States	13.1 per cent
11	GSDP ⁷ CAGR (2008-09 to 2017-18)	Uttar Pradesh	13.4 per cent
		General Category States	14.5 per cent
12	Population Growth ⁸ (2008 to 2017)	Uttar Pradesh	16.2 per cent
		General Category States	11.6 per cent

¹ Census Info India 2011 Final Population Totals

² Economic Survey 2017-18 (January 2018), Vol.II, Page A 160-161

³ Economic Survey 2017-18 (January 2018), Vol.II, Page A 155

⁴ Economic Survey 2017-18 (January 2018), Vol.II, Page A 151

⁵ Economic Survey 2017-18 (January 2018), Vol.II, Page A 151

⁶ Economic Survey 2017-18 (January 2018), Vol.II, Page A 161

⁷ In the GSDP Statement released by MoSPI on July 28, 2018, figures for the year 2017-18 is not given for certain States such as Andhra Pradesh, Gujarat, Haryana, Kerala, Rajasthan, West Bengal, Arunachal Pradesh, Assam, Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. Therefore, GSDP figures for these have been obtained from respective PAsG/AsG.

⁸ Population projections for India and States 2001-2026 (Revised December 2006) - Report of the Technical Group on Population Projections constituted by the National Commission on Population Table-14 (Projected Total Population by Sex as on 1st October 2001-2026).

B. Financial Data						
Sl. No.	Particulars		Figures (in per cent)			
13	CAGR		2008-09 to 2016-17		2016-17 to 2017-18	
			General Category States	Uttar Pradesh	General Category States	Uttar Pradesh
	a.	Revenue Receipts	15.1	16.1	11.3	8.5
	b.	Own Tax Revenue	14.9	14.7	12.2	13.3
	c.	Own Non Tax Revenue	9.5	19.9	5.9	-31.6
	d.	Total Expenditure	15.8	15.5	4.7	-2.0
	e.	Capital Expenditure	14.0	15.3	1.0	-44.0
	f.	Revenue Expenditure on Education	14.5	19.0	6.2	-11.6
	g.	Revenue Expenditure on Health	16.2	16.8	10.7	15.0
	h.	Salary and Wages	13.4	17.3	8.9	-0.4
i.	Pension	16.2	19.2	22.9	36.3	

(Source: Financial data is based on figures in respective Finance Accounts)

Appendix 1.2

Structure and Form of Government Accounts and Layout of Finance Accounts

(Reference: Paragraph 1.1; Page 1)

Part A: Structure and form of Government Accounts	
<p>Structure of Government Accounts: The accounts of the State Government are kept in three parts: (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Accounts.</p>	
<p>Part I: Consolidated Fund : All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans form one consolidated fund titled 'The Consolidated Fund of State' established under Article 266 (1) of the Constitution of India.</p>	
<p>Part II: Contingency Fund: Contingency Fund of the State, established under Article 267(2) of the Constitution, is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.</p>	
<p>Part III: Public Accounts: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc., which do not form part of the Consolidated Fund, are kept in the Public Accounts, set up under Article 266 (2) of the Constitution and are not subject to vote by the State legislature.</p>	
Part B: Layout of Finance Accounts	
<p>The Finance Accounts have been divided into two volumes. Volume I presents the Financial Statements of the Government in the form of commonly understood summarised form while the details are presented in Volume II. Volume I contains the certificates of the Comptroller and Auditor General of India, 13 summary statements as given below and notes to accounts including accounting policy.</p>	
Volume I	
Statement No.	
1	Statement on Financial Position
2	Statement on Receipts and Disbursements with Annexure A of Cash Balances and Investment of Cash Balances
3	Statement on Receipts (Consolidated Fund)
4	Statement on Expenditure (Consolidated Fund)
5	Statement on Progressive Capital Expenditure
6	Statement on Borrowings and Other Liabilities
7	Statement on Loans and Advances given by the Government
8	Statement on Investments of the Government
9	Statement on Guarantees given by the Government
10	Statement on Grants-in-aid given by the Government
11	Statement on Voted and Charged Expenditure
12	Statement on Sources and Application of funds for expenditure other than revenue account
13	Summary of Balances under Consolidated Fund, Contingency Fund and Public Accounts

Volume II	
Part I	
14	Detailed Statement on Revenue and Capital Receipts by minor heads
15	Detailed Statement on Revenue Expenditure by minor heads
16	Detailed Statement on Capital Expenditure by minor heads and sub-heads
17	Detailed Statement on Borrowings and Other Liabilities
18	Detailed Statement on Loans and Advances given by the State Government
19	Detailed Statement on Investments of the Government
20	Detailed Statement on Guarantees given by the Government
21	Detailed Statement on Contingency Fund and Other Public Account transactions
22	Detailed Statement on Investments of Earmarked Balances
Part II (Appendices)	
Appendix I	Comparative Expenditure on Salary.
Appendix II	Comparative Expenditure on Subsidy.
Appendix III	Grants-in-aid/ Assistance given by the State Government (Institution-wise and Scheme-wise).
Appendix IV	Details of Externally Aided Projects.
Appendix V	Expenditure on Schemes A. Central Schemes (Centrally Sponsored Schemes and Central Schemes). B. State Schemes.
Appendix VI	Direct Transfer of Central Scheme Funds to Implementing Agencies in the State (Funds routed outside State Budget) (Un-audited Figures).
Appendix VII	Acceptance and Reconciliation of balances (as depicted in Statements 18 and 21).
Appendix VIII	Financial Results of Irrigation Schemes.
Appendix IX	Commitments of the Government - List of Incomplete Capital Works.
Appendix X	Maintenance Expenditure with segregation of Salary and Non-Salary portion.
Appendix XI	Major policy decisions of the Government during the year or New Schemes proposed in the Budget.
Appendix XII	Committed Liabilities of the Government.
Appendix XIII	Re-organisation of the States- Items for which allocation of balances between/ among the States has not been finalised.

Appendix 1.3
Abstract of receipts and disbursements for the year 2017-18
(Reference: Paragraph 1.2; Page 1)

(₹ in crore)

		Receipts		Disbursements			
2016-17			2017-18	2016-17			2017-18
Part A							
2,56,875.15	I	Revenue Receipts	2,78,775.45	2,36,592.26	I	Revenue Expenditure	2,66,223.52
85,965.92		Tax Revenue	97,393.00	88,254.81		General Services	1,05,781.67
				91,861.12		Social Services	84,251.68
28,944.07		Non-tax Revenue	19,794.86	52,219.91		Education, Sports, Art and Culture	46,140.89
				12,861.53		Health and Family Welfare	14,792.46
1,09,428.29		State's Share of Union Taxes	1,20,939.14	4,535.76		Water Supply, Sanitation, Housing and Urban Development	6,504.18
				612.93		Information and Broadcasting	338.93
9,334.95		Non-Plan Grants	00	4,171.04		Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	4,686.84
232.32		Grants for State Plan Schemes	00	635.91		Labour and Labour Welfare	880.39
				16,729.29		Social Welfare and Nutrition	10,803.71
22,969.60		Grants for Central and Centrally Sponsored Plan Schemes	00	94.75		Others	104.28
00		External Grants Assistance	00	45,834.17		Economic Services	64,634.76
00		Grants for centrally sponsored schemes	27,730.91	5,599.28		Agriculture and Allied Activities	27,265.39
				13,848.25		Rural Development	17,086.30
00		Finance Commission Grants	8,849.23	11.98		Special Areas Programme	72.61
				5,466.12		Irrigation and Flood control	6,980.61
				14,539.74		Energy	7,161.54
				672.51		Industry and Minerals	1,308.40
				4,825.92		Transport	4,125.24
00		Other transfer/ grants to State	4,068.31	62.65		Science, Technology and Environment	56.17
				807.70		General Economic Services	578.50
				10,642.16		Grants-in-aid & Contributions	11,555.41
2,56,875.15		Total	2,78,775.45	2,36,592.26		Total	2,66,223.52
Nil	II	Revenue deficit carried over to Part B	Nil	20,282.89	II	Revenue Surplus carried over to Part B	12,551.93
2,56,875.15		Total	2,78,775.45	2,56,875.15		Total	2,78,775.45
Part B							
(-157.08)	III	Opening Cash balance including Permanent Advances & Cash Balance Investment	943.91	-	III	Opening Overdraft from Reserve Bank of India	-

State Finances Audit Report for the year ended 31 March 2018

		Receipts		Disbursements			
2016-17			2017-18	2016-17			2017-18
-	IV	Miscellaneous Capital receipts		69,789.12	IV	Capital Outlay	39,087.97
				5,727.30		General Services	2,775.78
				17,150.47		Social Services	11,625.13
				2,018.30		Education, Sports, Art and Culture	938.27
				2,922.30		Health and Family Welfare	2,111.98
				10,657.60		Water Supply, Sanitation, Housing and Urban Development	7,576.16
				85.31		Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	275.53
				1,109.70		Social Welfare and Nutrition	421.05
				357.25		Others	302.14
				46,911.35		Economic Services	24,687.06
				3,921.13		-Agriculture and Allied Activities	1,614.43
				2,249.22		-Rural Development	2,313.12
				698.02		-Special Areas Programmes	591.16
				5,200.76		-Irrigation and Flood Control	3,107.33
				11,735.08		-Energy	8,312.88
				152.03		-Industry and Minerals	69.39
				22,653.07		-Transport	8,324.75
				297.60		-General Economic Services	354.00
				4.42		Science Technology and Environment	00
258.79	V	Recoveries of Loans and Advances	235.77	6,741.09	V	Loans and Advances disbursed	1,509.29
00		-From Power Projects	00	3,700.32		-For Power Projects	00
102.41		-From Govt. Servants	101.81	91.54		-To Government Servants	88.42
157.38		-From Others	133.96	2,949.24		-To Others	1,420.87
20,282.89	VI	Revenue Surplus brought down	12,551.93	-	VI	Revenue Deficit brought down	-
67,685.07	VII	Public Debt Receipts-	47,416.56	20,302.67	VII	Repayment of Public Debt	15,002.10
57,958.94		-Internal debt other than Ways and Means Advances and overdrafts	43,380.45	10,167.95		-Internal debt other than Ways and Means Advances and Overdrafts	10,528.18
8,695.05		- Net transactions under Ways and Means Advances	2,932.95	8,695.05		- Net transactions under Ways and Means Advances	2,932.95
-		- Net transactions under overdraft	-	-		- Net transactions under overdraft	-
1,031.08		-Loans and Advances from Central Government	1,103.16	1,439.67		-Repayment of Loans and Advances to Central Government	1,540.97
-	VIII	Appropriation from Contingency Fund	-	-	VIII	Appropriation to Contingency Fund	-

		Receipts		Disbursements			
2016-17			2017-18	2016-17			2017-18
173.12	IX	Amount transferred to Contingency Fund	258.04	349.16	IX	Expenditure from Contingency Fund	413.00
3,06,406.38	X	Public Account Receipts	3,20,471.07	2,96,523.22	X	Public Account Disbursements	3,14,383.77
10,171.49		-Small Savings & Provident Funds	11,718.07	8,552.40		-Small Savings & Provident Funds	9,187.94
20,005.79		-Reserve Funds	15,267.53	12,780.77		-Reserve Funds	7,002.81
15,762.62		-Suspense & Miscellaneous	2,48,680.18	16,063.24		-Suspense and Miscellaneous	2,50,894.80
2,27,377.96		-Remittances	28,928.93	2,26,786.07		-Remittances	32,835.24
33,088.52		-Deposits & Advances	15,876.36	32,340.74		-Deposits and Advances	14,462.98
-	XI	Closing Overdraft from RBI		943.91	XI	Cash Balance at end	11,481.15
				00		-Cash in Treasuries and Local Remittances	00
				(-)1,280.65		-Deposits with Reserve Bank	265.21
				11.13		-Departmental Cash Balance including permanent Advances	11.36
				2,168.23		-Cash Balance Investment Account	11,159.38
				45.20		Investment of Earmarked Fund	45.20
6,51,524.32		Total	6,60,652.73	6,51,524.32		Total	6,60,652.73

Appendix 1.4

Budget Estimates, Actual Receipts and Expenditure for 2017-18

(Reference: Paragraph 1.3.3; Page 6)

(₹ in crore)

Particulars	Budget Estimates	Actuals	Increase/ Decrease (-) (3-2)	Increase/ Decrease(-) in per cent
1	2	3	4	5
Revenue Receipts of which	3,19,397.43	2,78,775.45	(-)40,621.98	(-)12.72
Own Tax Revenue	1,11,501.90	97,393.00	(-)14,108.90	(-)12.65
State Goods and Services Tax	28,602.70	25,373.96	(-)3,228.74	(-)11.29
Taxes on Sales, Trade etc.	36,397.30	31,112.52	(-)5,284.78	(-)14.52
State Excise	20,593.23	17,320.27	(-)3,272.96	(-)15.89
Taxes on Vehicles	5,481.20	6,403.65	922.45	16.83
Stamps and Registration Fees	17,458.34	13,397.57	(-)4,060.77	(-)23.26
Taxes on Goods and Passenger	00	0.04	0.04	00
Land Revenue	706.04	1,336.46	630.42	89.29
Other Taxes	2,263.09	2,448.53	185.44	8.19
Own Non Tax Revenue	18,436.71	19,794.86	1,358.15	7.37
Interest Receipts	800.00	1,093.38	293.38	36.67
Miscellaneous General Services	4,502.00	4,841.11	339.11	7.53
Non-ferrous Mining and Metallurgical Industries	3,200.00	3,258.88	58.88	1.84
Other Non-Tax Revenue	17,628.71	10,601.49	(-)7,027.22	(-)39.86
Share of Union Taxes and Duties	1,21,406.51	1,20,939.14	(-)467.37	(-)0.38
Grants-in-aid from GOI	68,052.31	40,648.45	(-)27,403.86	(-)40.27
Revenue Expenditure of which	3,07,118.63	2,66,223.52	(-)40,895.11	(-)13.32
General Services	1,11,039.05	1,05,781.67	(-)5,257.38	(-)4.73
Administrative services	21,827.57	19,338.33	(-)2,489.24	(-)11.40
Pension and Miscellaneous General Services	35,936.12	38,518.36	2,582.24	7.19
Interest Payments & Servicing of Debt	45,444.39	41,368.06	(-)4,076.33	(-)8.97
Fiscal Services	4,581.43	4,009.56	(-)571.87	(-)12.48
Organs of State	3,249.52	2,547.37	(-)702.15	(-)21.61
Social Services	1,01,406.86	84,251.68	(-)17,155.18	(-)16.93
Education, Sports, Art and Culture	50,490.46	46,140.89	(-)4,349.57	(-)8.61
Social Welfare and Nutrition	15,507.96	10,803.71	(-)4,704.25	(-)30.33
Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	4,910.93	4,686.84	(-)224.09	(-)4.56
Health and Family Welfare	16,316.55	14,792.45	(-)1,524.10	(-)9.34
Water Supply, Sanitation, Housing and Urban Development	12,460.52	6,504.18	(-)5,956.34	(-)47.80
Information and Broadcasting	355.91	338.93	(-)16.98	(-)4.77
Labour and Labour Welfare	1,227.72	880.39	(-)347.33	(-)28.29
Others	136.80	104.28	(-)32.52	(-)23.77
Economic Services	83,094.58	64,634.76	(-)18,459.82	(-)22.22
Agriculture and Allied Services	43,695.41	27,265.39	(-)16,430.02	(-)37.60

Particulars	Budget Estimates	Actuals	Increase/Decrease (-) (3-2)	Increase/Decrease(-) in per cent
Rural Development	17,279.93	17,086.30	(-)193.63	(-)1.12
Special Area Programme	265.81	72.61	(-)193.20	(-)72.68
Irrigation & Flood Control	7,898.77	6,980.61	(-)918.16	(-)11.62
Energy	7,060.80	7,161.54	100.74	1.53
Industry & Minerals	1,775.60	1,308.40	(-)467.20	(-)26.31
Transport	4,002.54	4,125.24	122.70	3.07
Science, Technology and Environment	70.61	56.17	(-)14.44	(-)20.45
General Economic Services	1,045.11	578.50	(-)466.61	(-)44.65
Grants-in-aid and Contributions	11,578.15	11,555.41	(-)22.74	(-)0.20
Capital expenditure of which	53,257.60	39,087.97	(-)14,169.63	(-)26.61
General Services	3,601.05	2,775.78	(-)825.27	(-)22.92
Social Services	15,111.06	11,625.13	(-)3,485.93	(-)23.07
Education, Sports, Art and Culture	1,721.94	938.27	(-)783.67	(-)45.51
Health and Family Welfare	2,333.08	2,111.98	(-)221.10	(-)9.48
Water Supply, Sanitation, Housing and Urban Development	9,789.21	7,576.16	(-)2,213.05	(-)22.61
Welfare of Scheduled Caste, Scheduled Tribe and Other Backward Classes	227.93	275.53	47.60	20.88
Social Welfare & Nutrition	689.32	421.05	(-)268.27	(-)38.92
Other Social Services	349.58	302.14	(-)47.44	(-)13.57
Economic Services	34,545.49	24,687.06	(-)9,858.43	(-)28.54
Agriculture and Allied Services	722.38	1,614.43	892.05	123.49
Rural Development	3,377.60	2,313.12	(-)1,064.48	(-)31.52
Special Area Programme	977.85	591.16	(-)386.69	(-)39.54
Irrigation & Flood Control	4,093.24	3,107.33	(-)985.91	(-)24.09
Energy	7,383.51	8,312.88	929.37	12.59
Industries and Minerals	106.02	69.39	(-)36.63	(-)34.55
Transport	15,453.89	8,324.75	(-)7,129.14	(-)46.13
Science, Technology and Environment	00	00	00	00
General Economic Services	2,431.00	354.00	(-)2,077.00	(-)85.44
Revenue Surplus (+)/Deficits (-)	(+)12,278.80	(+)12,551.93	273.13	2.22
Fiscal Deficits (-)	(-)42,967.86	(-)27,809.56	(-)15,158.30	(-)35.28
Primary Surplus (+)/Deficits (-)	(-)9,755.69	(+)1,326.27	(-)8,429.42	(-)86.41

Appendix 1.5

Time series data on the State Government Finances

(Reference: Paragraph 1.4.1; Page 9)

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
PART A – RECEIPTS					
1. Revenue Receipts	1,68,214	1,93,422	2,27,076	2,56,875	2,78,775
(i) Own Tax Revenue	66,582(40)	74,172(38)	81,106(36)	85,966(33)	97,393(35)
SGST	-	-	-	-	25,374(26)
Taxes on Sales, Trade, etc.	39,645(60)	42,934(58)	47,692(59)	51,883(60)	31,113(32)
State Excise	11,644(18)	13,483(18)	14,084(17)	14,274(17)	17,320(18)
Taxes on Vehicles	3,441(5)	3,797(5)	4,410(5)	5,148(6)	6,404(7)
Stamps and Registration fees	9,521(14)	11,803(16)	12,404(15)	11,564(13)	13,398(14)
Land Revenue	772(1)	527(1)	505(1)	760(1)	1,336(1)
Taxes on Goods and Passengers	1(0)	1(0)	1(0)	0	0
Other Taxes	1,558(2)	1,627(2)	2,010(3)	2,337(3)	2,448(2)
(ii) Own Non Tax Revenue	16,450(10)	19,935(10)	23,135(10)	28,944(11)	19,795(7)
(iii) State's Share of Union Taxes and Duties	62,777(37)	66,623(35)	90,974(40)	1,09,428(43)	1,20,939(43)
(iv) Grants-in-aid from GoI	22,405(13)	32,692(17)	31,861(14)	32,537(13)	40,648(15)
2. Miscellaneous Capital Receipts	-	-	-	-	-
3. Recoveries of Loans and Advances	589	262	726	259	236
4. Total Revenue and Non debt Capital Receipts (1+2+3)	1,68,803	1,93,684	2,27,802	2,57,134	2,79,011
5. Public Debt Receipts	14,900	35,520	74,514	67,685	47,417
Internal Debt (excluding Ways and Means Advances and Overdrafts)	14,502(97)	33,302(94)	69,421(93)	57,959(86)	43,381(92)
Net transactions under Ways and Means Advances and Overdrafts	8(0)	1,732(5)	4,499(6)	8,695(13)	2,933(6)
Loans and Advances from GoI	390(3)	486(1)	594(1)	1,031(1)	1,103(2)
6. Total Receipts in the Consolidated Fund(4+5)	1,83,703	2,29,204	3,02,316	3,24,819	3,26,428
7. Contingency Fund Receipts	262	1	201	173	258
8. Public Account Receipts	2,26,078	2,30,199	2,65,972	3,06,406	3,20,471
9. Total Receipts of the State (6+7+8)	4,10,043	4,59,404	5,68,489	6,31,398	6,47,157
PART B - EXPENDITURE/ DISBURSEMENT					
10. Revenue Expenditure	1,58,147(82)	1,71,027(76)	2,12,736(74)	2,36,592(76)	2,66,224(87)
Plan	31,657(20)	33,262(19)	43,251(20)	49,706(21)	
Non Plan	1,26,490(80)	1,37,765(81)	1,69,485(80)	1,86,886(79)	
General Services (including interest payments)	61,983(39)	64,305(38)	72,228(34)	88,255(37)	1,05,782(40)
Social Services	60,756(39)	60,906(36)	82,487(39)	91,861(39)	84,252(32)
Economic Services	25,711(16)	34,885(20)	47,881(22)	45,834(19)	64,635(24)
Grants-in-aid and contributions	9,696(6)	10,931(6)	10,140(5)	10,642(5)	11,555(4)
11. Capital Expenditure	32,863(17)	53,297(23)	64,423(23)	69,789(22)	39,088(13)
Plan	30,608(93)	44,416(83)	49,045(76)	60,573(87)	
Non Plan	2,255(7)	8,881(17)	15,378(24)	9,216(13)	
General Services	3,463(10)	4,009(7)	5,259(8)	5,727(8)	2,776(7)

	2013-14	2014-15	2015-16	2016-17	2017-18
Social Services	6,760(21)	12,755(24)	11,707(18)	17,151(25)	11,625(30)
Economic Services	22,640(69)	36,534(69)	47,457(74)	46,911(67)	24,687(63)
12. Disbursement of Loans and Advances	1,473(1)	1,873(1)	9,118(3)	6,741(2)	1,509(0)
13. Total Expenditure (10+11+12)	1,92,483	2,26,197	2,86,277	3,13,122	3,06,821
14. Repayments of Public Debt	8,167	9,411	17,673	20,303	15,002
Internal Debt (excluding Ways and Means Advances and Overdrafts)	6,694(82)	8,051(86)	10,045(57)	10,168(50)	10,528(70)
Net transactions under Ways and Means Advances and Overdraft	8(0)	-	6,231(35)	8,695(43)	2,933(20)
Loans and Advances from Government of India	1,465(18)	1,360(14)	1,397(8)	1,440(7)	1,541(10)
15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total Disbursement out of Consolidated Fund (Total Expenditure) (13+14+15)	2,00,650	2,35,608	3,03,950	3,33,425	3,21,823
17. Contingency Fund disbursements	87	203	44	349	413
18. Public Account disbursements	2,20,459	2,28,014	2,64,294	2,96,523	3,14,384
19. Total disbursement by the State (16+17+18)	4,21,196	4,63,825	5,68,288	6,30,297	6,36,620
PART C. DEFICITS					
20. Revenue Deficit(-)/Revenue Surplus(+) (1-10)	(+)10,067	(+) 22,394	(+) 14,340	(+)20,283	(+)12,552⁹
21. Fiscal Deficit (-)/Fiscal Surplus (+)(4-13)	(-)23,680	(-) 32,513	(-) 58,475	(-)55,988	(-)27,810
22. Primary Deficit (21+23)	(-)6,268	(-) 13,648	(-) 37,027	(-)29,052	(+)1,326
PART D. OTHER DATA					
23. Interest Payments (included in revenue expenditure)	17,412	18,865	21,448	26,936	29,136
24. Financial Assistance to local bodies, etc.	45,576	52,241	77,069	82,378	92,221
25. Ways and Means Advances/ Overdraft availed (days)	-	-	14	-	5
Ways and Means Advances availed (days)	-	-	14	-	5
Overdraft availed (days)	-	-	-	-	-
26. Interest on Ways and Means Advances/ Overdraft	-	-	-	-	-
27. Gross State Domestic Product (GSDP) at current prices	9,40,356	10,11,790	11,37,210	12,50,213	13,75,607
28. Outstanding Fiscal liabilities (year end)	2,81,709	3,07,859	3,67,252	4,23,224	4,67,842
29. Outstanding guarantees (year end) (including interest)	62,822	70,740	57,618	55,825	74,841
30. Maximum amount guaranteed (year end)	69,752	78,023	78,826	66,702	74,303
31. Number of incomplete projects	412	545	924	611	1,065
32. Capital blocked in incomplete projects	3,032	7,714	14,407	12,987	11,195

⁹ Revenue receipts ₹ 2,78,775.45 crore – revenue expenditure ₹ 2,66,223.52 crore = ₹ 12,551.93 crore

	2013-14	2014-15	2015-16	2016-17	2017-18
PART E. FISCAL HEALTH INDICATORS					
I Resource Mobilisation					
Tax Revenue/GSDP	7.08	7.33	7.13	6.88	7.08
Non-Tax Revenue/GSDP	1.75	1.97	2.03	2.32	1.44
Central Transfers/GSDP	6.68	6.58	8.00	8.75	8.79
II Expenditure Management					
Total Expenditure/GSDP	20.47	22.36	25.17	25.05	22.30
Total Expenditure/Revenue Receipts	114.43	116.94	126.07	121.90	110.06
Revenue Expenditure/Total Expenditure	82.16	75.61	74.31	75.56	86.77
Expenditure on Social Services/ Total Expenditure	35	33	33	35	31
Expenditure on Economic Services/ Total Expenditure	25	32	33	30	29
Capital Expenditure/Total Expenditure	17	24	23	22	13
Capital Expenditure on Social and Economic Services/Total Expenditure	15	22	21	20	12
III Management of Fiscal Imbalances					
Revenue Deficit (Surplus)/GSDP	(+)1.07	(+)2.21	(+)1.26	(+)1.62	(+)0.91
Fiscal Deficit/GSDP	(-)2.52	(-)3.21	(-)5.14	(-)4.48	(-)2.02
Primary Deficit (Surplus) /GSDP	(-)0.67	(-)1.35	(-)3.26	(-)2.32	(+)0.10
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	30	30	32	34	34
Fiscal Liabilities/RR	167	159	162	165	168
V Other Fiscal Health Indicators					
Return on Investment	5.23	8.08	42.66	86.34	30.84
Financial Assets/Liabilities	0.89	0.97	1.02	1.06	1.08

Figures in brackets represent percentages (rounded) to total of each sub-heading.

Appendix 1.6
Collection of Own Tax/Non-tax Revenue during 2013-18
(Reference: Paragraph 1.4.1.1; Page 10)

(A) Own Tax Revenue during 2013-18

(₹ in crore)

Heads	2013-14	2014-15	2015-16	2016-17	2017-18	
					Budget Estimate	Actuals
State Goods and Service Tax	-	-	-	-	28,603	25,374
Taxes on Sales, Trade etc.	39,645	42,934	47,692	51,883	36,397	31,113
State Excise	11,644	13,483	14,084	14,274	20,593	17,320
Taxes on Vehicles	3,441	3,797	4,410	5,148	5,481	6,404
Stamp and Registration Fees	9,521	11,803	12,404	11,564	17,458	13,398
Land Revenue	772	527	505	760	706	1,336
Taxes and duties on Electricity	1,048	1,085	1,338	1,556	1,500	2,124
Other taxes	511	543	673	781	764	325
Total A	66,582	74,172	81,106	85,966	1,11,502	97,393

(B) Own Non-Tax Revenue during 2013-18

(₹ in crore)

Heads	2013-14	2014-15	2015-16	2016-17	2017-18	
					Budget Estimate	Actuals
Interest Receipts, Dividend and Profits	1,624	2,310	676	1,251	808	1,124
General Services	3,907	7,122	6,114	5,994	5,500	6,806
Social Services	7,159	6,514	11,264	14,653	1,039	1,571
Economic Services	3,760	3,988	5,081	7,046	11,089	10,294
Total B	16,450	19,935	23,135	28,944	18,436	19,795
Grand Total (A + B)	83,032	94,107	1,04,241	1,14,910	1,29,938	1,17,188

Appendix 1.7**Summarised financial position of the Government as on 31 March 2018***(Reference: Paragraph 1.9.1; Page 28)*

(₹ in crore)

As on 31.03.2017			As on 31.03.2018
Liabilities			
2,88,626.78	Internal Debt		3,21,479.05
1,64,872.76	Market Loans bearing interest	2,02,050.31	
2.63	Market Loans not bearing interest	3.08	
2.30	Loans from Life Insurance Corporation of India	1.61	
1,23,749.09	Loans from Other Institutions	1,19,424.05	
00	Ways and Means Advances	00	
00	Overdrafts from Reserve Bank of India	00	
13,249.62	Loans and Advances from Central Government		12,811.82
9.94	Pre 1984-85 Loans	9.94	
65.52	Non-Plan Loans and Loans for Centrally Sponsored Schemes	0.27	
13,162.54	Loans for State Plan Schemes	12,789.99	
00	Loans for Central Plan Schemes	00	
10.19	Loans for Centrally Sponsored Plan Schemes	10.19	
1.43	Ways and Means Advances	1.43	
600.00	Contingency Fund (Corpus)		600.00
48,237.64	Small Savings, Provident Funds, etc.		50,767.76
22,094.39	Deposits		23,503.49
51,015.35	Reserve Funds		59,280.07
3,480.54	Remittance Balances		00
23,891.38	Surplus in Government Account		36,443.29
3,608.49	(i) Accumulated surplus at the beginning of the year	23,891.36	
20,282.89	(ii) Add: Revenue Surplus of the current year	12,551.93	
4,51,195.70	Total		5,04,885.48
Assets			
4,20,315.71	Gross Capital Outlay on Fixed Assets		4,59,403.68
96,400.05	Investments in shares of Companies, Corporations, etc.	1,04,778.71	
3,23,915.66	Other Capital Outlay	3,54,624.97	
308.12	Contingency Fund (unrecouped)		463.08
28,446.79	Loans and Advances		29,720.31
11,713.87	Loans for Power Projects	11,713.87	
16,518.22	Other Development Loans	17,805.12	
214.70	Loans to Government servants and Miscellaneous loans	201.32	
45.20	Reserve Fund Investments		45.20
91.58	Advances		87.29
1,089.59	Suspense and Miscellaneous Balances		3,304.21
00	Remittance Balances		425.76

As on 31.03.2017			As on 31.03.2018
898.71	Cash		11,435.95
00	Cash in Treasuries and Local Remittances	00	
(-)1,280.65	Deposits with Reserve Bank	265.21	
10.69	Departmental Cash Balance	10.87	
0.44	Permanent Advances	0.49	
2,168.23	Cash Balance Investments	11,159.38	
4,51,195.70	Total		5,04,885.48

Explanatory Notes for Appendices 1.3 and 1.7

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in **Appendix 1.7**, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc. There was a difference of ₹ 139.66 crore (net debit) between the figures reflected in the Accounts and that intimated by the Reserve Bank of India under “Deposits with Reserve Bank”.

Appendix 1.8

Details of Reserve Funds

(Reference: Paragraph 1.9.2; Page 28)

(₹ in lakh)

Particulars	Opening Balance	Receipt	Disbursement	Closing Balance
2015-16				
Reserve Funds				
Reserve Fund bearing Interest				
8115-Depreciation/Renewal Reserve Fund	(-) 4,441.57	00	00	(-) 4,441.57
103-Depreciation Reserve Fund-Government Commercial Departments and Undertakings	00	00	00	00
105-Depreciation Reserve Fund-Investment Account	(-) 4,441.57	00	00	(-) 4,441.57
8121-General and other Reserve Fund	00	00	00	00
102-Development Fund for Agricultural Purposes	(-) 6.19	00	00	(-) 6.19
111-Contingency Reserve Fund-Electricity	6.19	00	00	6.19
Total	(-) 4,441.57	00	00	(-) 4,441.57
Reserve Fund not bearing Interest				
8222-Sinking Fund	40,76,490.33	6,96,678.20	4,69,904.00	43,03,264.53
01-Appropriation for Reduction or avoidance of debt 101-Sinking Funds	40,76,490.33	6,96,678.20	4,69,904.00	43,03,264.53
8223-Famine Relief Fund	(-) 78.01	00	00	(-) 78.01
102-Famine Relief Fund Investment Account	(-) 78.01	00	00	(-) 78.01
8225-Roads and Bridges Fund	(-) 32,173.73	2,50,000.00	2,49,972.76	(-) 32,146.49
101-State Roads and Bridges Fund	(-) 32,173.73	2,50,000.00	2,49,972.76	(-) 32,146.49
8226-Depreciation/Renewal Reserve Funds	4,029.97	2,000.00	6,829.00	(-) 799.03
102-Depreciation Reserve fund of Government Non-commercial Departments	4,029.97	2,000.00	6,829.00	(-) 799.03
8229-Development and Welfare Funds	43,992.77	2,00,003.47	1,76,389.06	67,607.18
101-Development Funds For Educational Purposes	1,84,790.17	(-) 2,00,557.11	(-) 20,102.35	4,335.41
102-Development Funds for Medical and Public Health Purposes	1,088.84	00	1,088.84	00
105-Sugar Development Funds	1,000.00	560.58	00	1,560.58
106-Industrial Development Funds	3,022.38	00	1,800.00	1,222.38
109-Cooperative Development Funds	4.78	00	4.77	0.01
200-Other Development and Welfare Funds	(-) 1,45,913.40	4,00,000.00	1,93,597.80	60,488.80
8235-General and other Reserve Funds	30,639.97	4,11,206.30	4,00,740.29	41,105.98
101-General Reserve Funds of Government commercial Departments/Undertakings	349.50	292.41	(-)735.56	1,377.47
102-Jamindari Abolition Funds	707.78	00	707.78	00
103-Religious And Charitable Endowment Fund	33.79	00	00	33.79
105-General Insurance Fund	27.78	00	27.78	00
107-Ethyl Alcohol Storage Facilities Fund	00	0.52	00	0.52
111-State Disaster Response Fund	19,556.57	4,06,725.51	3,99,841.60	26,440.48
200-Other Funds	9,964.55	4,187.86	898.69	13,253.72
Total	41,22,901.30	15,59,887.97	13,03,835.11	43,78,954.16
Grand Total	41,18,459.73	15,59,887.97	13,03,835.11	43,74,512.59

Particulars	Opening Balance	Receipt	Disbursement	Closing Balance
2016-17				
Reserve Funds				
Reserve Fund bearing Interest				
8115-Depreciation/Renewal Reserve Fund	(-) 4,441.57	00	00	(-) 4,441.57
105-Depreciation Reserve Fund-Investment Account	(-) 4,441.57	00	00	(-) 4,441.57
8121-General and other Reserve Fund	00	00	00	00
102-Development Fund for Agricultural Purposes	(-) 6.19	00	00	(-) 6.19
111-Contingency Reserve Fund-Electricity	6.19	00	00	6.19
Total	(-) 4,441.57	00	00	(-) 4,441.57
Reserve Fund not bearing Interest				
8222-Sinking Fund	43,03,264.53	10,77,235.00	4,14,560.80	49,65,938.73
01-Appropriation for Reduction or avoidance of debt 101-Sinking Funds	43,03,264.53	10,77,235.00	4,14,560.80	49,65,938.73
8223-Famine Relief Fund	(-) 78.01	00	00	(-) 78.01
102-Famine Relief Fund Investment Account	(-) 78.01	00	00	(-) 78.01
8225-Roads and Bridges Fund	(-) 32,146.49	4,40,000.00	4,40,000.00	(-) 32,146.49
101-State Roads and Bridges Fund	(-) 32,146.49	4,40,000.00	4,40,000.00	(-) 32,146.49
8226-Depreciation/Renewal Reserve Funds	(-) 799.03	00	00	(-) 799.03
102-Depreciation Reserve fund of Government Non-commercial Departments	(-) 799.03	00	00	(-) 799.03
8229-Development and Welfare Funds	67,607.18	2,50,000.00	2,28,775.63	88,831.55
101-Development Funds For Educational Purposes	4,335.41	00	00	4,335.41
105-Sugar Development Funds	1,560.58	00	00	1,560.58
106-Industrial Development Funds	1,222.38	00	00	1,222.38
109-Cooperative Development Funds	0.01	00	00	0.01
200-Other Development and Welfare Funds	60,488.80	2,50,000.00	2,28,775.63	81,713.17
8235-General and other Reserve Funds	41,105.98	2,33,344.64	1,94,740.64	79,709.98
101-General Reserve Funds of Government commercial Departments/Undertakings	1,377.47	5,089.33	00	6,466.80
103-Religious And Charitable Endowment Fund	33.79	0.03	00	33.82
107-Ethyl Alcohol Storage Facilities Fund	0.52	(-)0.52	00	00
111-State Disaster Response Fund	26,440.48	2,28,255.80	1,93,483.67	61,212.61
200-Other Funds	13,253.72	00	1,256.97	11,996.75
Total	43,78,954.16	20,00,579.64	12,78,077.07	51,01,456.73
Grand Total	43,74,512.59	20,00,579.64	12,78,077.07	50,97,015.16
2017-18				
Reserve Funds				
Reserve Fund bearing Interest				
8115-Depreciation/Renewal Reserve Fund	(-) 4,441.57	00	00	(-) 4,441.57
103-Depreciation Reserve Fund-Government Commercial Departments and Undertakings	00	00	00	00
105-Depreciation Reserve Fund-Investment Account	(-) 4,441.57	00	00	(-) 4,441.57
8121-General and other Reserve Fund	00	00	00	00
102-Development Fund for Agricultural Purposes	(-) 6.19	00	(-) 6.19	00
111-Contingency Reserve Fund-Electricity	6.19	00	6.19	00
Total	(-) 4,441.57	00	00	(-) 4,441.57

State Finances Audit Report for the year ended 31 March 2018

Particulars	Opening Balance	Receipt	Disbursement	Closing Balance
Reserve Fund not bearing Interest				
8222-Sinking Fund	49,65,938.73	12,23,222.60	4,42,200.00	57,46,961.33
01-Appropriation for Reduction or avoidance of debt 101-Sinking Funds	49,65,938.73	12,23,222.60	4,42,200.00	57,46,961.33
8223-Famine Relief Fund	(-) 78.01	00	00	(-) 78.01
102-Famine Relief Fund Investment Account	(-) 78.01	00	00	(-) 78.01
8225-Roads and Bridges Fund	(-) 32,146.49	2,00,000.00	2,00,000.00	(-) 32,146.49
101-State Roads and Bridges Fund	(-) 32,146.49	2,00,000.00	2,00,000.00	(-) 32,146.49
8226-Depreciation/Renewal Reserve Funds	(-) 799.03	00	00	(-) 799.03
102-Depreciation Reserve Fund of Government Non-commercial Departments	(-) 799.03	00	00	(-) 799.03
8229-Development and Welfare Funds	88,831.55	21,844.32	14,395.46	96,280.41
101-Development Funds for Educational Purposes	4,335.41	00	00	4,335.41
105-Sugar Development Funds	1,560.58	(-)1,000.00	560.58	00
106-Industrial Development Funds	1,222.38	(-)47.63	00	1,174.75
109-Cooperative Development Funds	0.01	00	00	0.01
200-Other Development and Welfare Funds	81,713.17	22,891.95	13,834.88	90,770.24
8235-General and other Reserve Funds	79,709.98	81,686.03	43,685.91	1,17,710.10
101-General Reserve Funds of Government Commercial Departments/Undertakings	6,466.80	(-)4,285.27	00	2,181.53
103-Religious and Charitable Endowment Fund	33.82	(-)33.82	00	00
111-State Disaster Response Fund	61,212.61	81,063.27	41,280.89	1,00,994.99
200-Other Funds	11,996.75	4,941.85	2,405.02	14,533.58
Total	51,01,456.73	15,26,752.95	7,00,281.37	59,27,928.31
Grand Total	50,97,015.16	15,26,752.95	7,00,281.37	59,23,486.74

Appendix 2.1

Excess Expenditure requiring regularisation

(Reference: Paragraph 2.2.1; Page 38)

(A) Excess Expenditure requiring regularisation during 2017-18

(₹ in lakh)

Sl. No.	Number and name of grant/ appropriation	Total grant/ appropriation	Expenditure	Excess expenditure	Adjustment of amounts during the year	Excess expenditure requiring regularisation
1	2	3	4	5	6	7
Revenue – Voted						
1.	62- Finance Department (Superannuation Allowances and Pensions)	36,63,572.63	37,94,682.23	1,31,109.60	00	1,31,109.60
Total		36,63,572.63	37,94,682.23	1,31,109.60	00	1,31,109.60
Revenue - Charged						
2.	91- Institutional Finance Department (Stamps and Registration)	0.03	0.33	0.30	00	0.30
Total		0.03	0.33	0.30	00	0.30
Capital – Voted						
3.	55- Public Works Department (Buildings)	4,281.07	7,183.16	2,902.09	391.04	2,511.05
Total		4,281.07	7,183.16	2,902.09	391.04	2,511.05
Capital – Charged						
4.	58- Public Works Department (Communications Roads)	500.00	595.76	95.76	00	95.76
Total		500.00	595.76	95.76	00	95.76
Grand Total		36,68,353.73	38,02,461.48	1,34,107.75	391.04	1,33,716.71

(Source: Appropriation Accounts 2017-18)

(B) Excess Expenditure relating to previous years requiring regularisation

(₹ in crore)

Sl. No.	Year	Number of grants/ appropriations	Details of grants/ appropriations	Amounts of excess
1.	2005-06	23- Grants 4-Appropriations	Revenue Voted- 8,12,53,55,57,58,72; Capital Voted-15,16,18,23,33,34,37,38,40, 55,56, 57,58,73,75,96; Revenue Charged-1,52; Capital Charged-52,55;	869.05
2.	2006-07	18-Grants 6-Appropriations	Revenue Voted-9,13,55,58,61,62,73,91,95; Capital Voted-3,16,31,37,55,57,58,89,96; Revenue Charged-2,3,10,52,62,89;	2,484.47
3.	2007-08	12-Grants 2-Appropriations	Revenue Voted-51,55,57,58,62; Capital Voted-13,16,55,58,63,83,96; Revenue Charged-51,66;	3,610.65
4.	2008-09	5-Grants 1-Appropriation	Revenue Voted-62,96; Capital Voted-55,58,96; Revenue Charged-52;	3,399.42
5.	2009-10	6-Grants 6-Appropriations	Revenue Voted-58; Capital Voted-1,16,55,58,59; Revenue Charged-3,10,16,48,52,66;	1,250.16
6.	2010-11	6-Grants 4-Appropriations	Revenue Voted-30,51,91; Capital Voted-10,55,58; Revenue Charged-10,23,61,82;	1,702.62
7.	2011-12	6-Grants 6-Appropriations	Revenue Voted-21,62,91; Capital Voted-1,55,58; Revenue Charged-13,18,23,61,62,82;	1,889.66
8.	2012-13	4-Grants 3-Appropriations	Revenue Voted-51,57; Capital Voted-55,58; Revenue Charged-55,62,89;	2,380.23
9.	2013-14	2- Grants 1- Appropriation	Capital Voted - 55,58; Capital Charged - 52;	2,608.18
10.	2014-15	7- Grants 1- Appropriation	Revenue Voted - 57,91; Capital Voted -1,40,55,57,58; Revenue Charged -13;	2,225.32
11.	2015-16	4- Grants 4- Appropriations	Capital Voted - 55,57,58,87; Revenue Charged - 2,23,52,62;	1,566.71
12.	2016-17	3- Grants 2- Appropriations	Capital Voted - 55,58,87; Revenue Charged - 89; Capital Charged - 61;	5,662.17
Total				29,648.64

(Source: Appropriation Accounts of the respective years)

Appendix 2.2
Savings of ₹ 100 crore or more under each grant/appropriation
(Reference: Paragraph 2.2.2; Page 39)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Provision			Expenditure	Savings
			Original	Supplementary	Total		
Revenue- Voted							
1.	02	Housing Department	837.95	1.36	839.31	385.94	453.37
2.	07	Industries Department (Heavy and Medium Industries)	1,133.01	11.83	1,144.84	565.42	579.42
3.	11	Agriculture and other Allied Departments (Agriculture)	36,042.29	34.43	36,076.72	21,443.46	14,633.26
4.	13	Agriculture and other Allied Departments (Rural Development)	2,775.08	23.55	2,798.63	2,225.44	573.19
5.	14	Agriculture and Other Allied Departments (Panchayati Raj)	12,054.78	1,215.39	13,270.17	12,189.28	1,080.89
6.	15	Agriculture and other Allied Departments (Animal Husbandry)	1,297.46	17.02	1,314.48	1,099.93	214.55
7.	21	Food and Civil Supplies Department	433.26	21.30	454.56	343.19	111.37
8.	26	Home Department (Police)	15,419.02	152.41	15,571.43	14,356.14	1,215.29
9.	31	Medical Department (Medical Education and Training)	2,376.40	338.35	2,714.75	2,465.76	248.99
10.	32	Medical Department (Allopathy)	5,838.64	101.94	5,940.58	5,073.42	867.16
11.	33	Medical Department (Ayurvedic and Unani)	979.75	0.00	979.75	750.89	228.86
12.	35	Medical Department (Family Welfare)	4,887.04	291.59	5,178.63	4,320.49	858.14
13.	36	Medical Department (Public Health)	667.06	11.85	678.91	578.79	100.12
14.	37	Urban Development Department	11,743.51	50.80	11,794.31	6,219.47	5,574.84
15.	40	Planning Department	424.37	0.67	425.04	222.90	202.14
16.	42	Judicial Department	1,981.73	3.00	1,984.73	1,502.67	482.06
17.	48	Minorities Welfare Department	2,127.88	74.00	2,201.88	1,113.69	1,088.19
18.	49	Women and Child Welfare Department	6,157.45	248.70	6,406.15	4,158.23	2,247.92
19.	50	Revenue Department (District Administration)	932.25	0.00	932.25	786.50	145.75
20.	51	Revenue Department (Relief on Account of Natural Calamities)	1,564.79	0.00	1,564.79	747.93	816.86
21.	52	Revenue Department (Board of Revenue and other Expenditure)	3,403.34	0.66	3,404.00	2,987.54	416.46
22.	54	Public Works Department (Establishment)	2,332.73	1.70	2,334.43	1,337.82	996.61
23.	60	Forest Department	746.14	0.00	746.14	589.68	156.46
24.	69	Vocational Education Department	687.30	0.00	687.30	501.99	185.31
25.	71	Education Department (Primary Education)	49,788.58	401.85	50,190.43	32,696.66	17,493.77
26.	72	Education Department (Secondary Education)	9,097.94	2.00	9,099.94	8,479.50	620.44
27.	73	Education Department (Higher Education)	2,412.61	0.00	2,412.61	1,961.22	451.39
28.	78	Secretariat Administration Department	964.32	25.65	989.97	718.65	271.32
29.	79	Social Welfare Department (Welfare of the Handicapped and Backward Classes)	1,970.59	362.51	2,333.10	2,116.24	216.86
30.	80	Social Welfare Department (Social Welfare and Welfare of Scheduled Castes)	4,334.51	74.77	4,409.28	3,706.48	702.80
31.	81	Social Welfare Department (Tribal Welfare)	261.84	146.11	407.95	257.44	150.51

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Provision			Expenditure	Savings
			Original	Supplementary	Total		
32.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	17,094.91	697.83	17,792.74	12,219.00	5,573.74
33.	94	Irrigation Department (Works)	3,209.11	100.00	3,309.11	3,146.72	162.39
34.	95	Irrigation Department (Establishment)	4,032.60	1.00	4,033.60	3,332.19	701.41
Total			2,10,010.24	4,412.27	2,14,422.51	1,54,600.67	59,821.84
Revenue – Charged							
35.	09	Power Department	4,668.23	0.00	4,668.23	3,485.23	1,183.00
36.	61	Finance Department (Debt Services and other Expenditure)	40,441.89	0.00	40,441.89	37,574.49	2,867.40
Total			45,110.12	0.00	45,110.12	41,059.72	4,050.40
Capital- Voted							
37.	07	Industries Department (Heavy and Medium Industries)	1,859.47	158.36	2,017.83	1,304.07	713.76
38.	11	Agriculture and other Allied Departments (Agriculture)	610.43	0.00	610.43	312.69	297.74
39.	13	Agriculture and other Allied Departments (Rural Development)	13,046.22	415.39	13,461.61	8,282.55	5,179.06
40.	14	Agriculture and Other Allied Departments (Panchayati Raj)	223.34	10.00	233.34	20.90	212.44
41.	21	Food and Civil Supplies Department	12,016.00	0.00	12,016.00	9,462.69	2,553.31
42.	24	Cane Development Department (Sugar Industry)	691.10	249.92	941.02	560.60	380.42
43.	32	Medical Department (Allopathy)	678.01	0.00	678.01	452.61	225.40
44.	37	Urban Development Department	1,445.50	100.00	1,545.50	1,029.62	515.88
45.	40	Planning Department	934.10	35.99	970.09	615.77	354.32
46.	42	Judicial Department	1,367.78	300.00	1,667.78	812.52	855.26
47.	44	Tourism Department	2,431.00	3.00	2,434.00	399.16	2,034.84
48.	48	Minorities Welfare Department	347.71	10.00	357.71	251.18	106.53
49.	49	Women and Child Welfare Department	196.01	0.00	196.01	67.16	128.85
50.	50	Revenue Department (District Administration)	317.15	0.00	317.15	151.09	166.06
51.	57	Public Works Department (Communications- Bridges)	422.58	0.00	422.58	141.31	281.27
52.	58	Public Works Department (Communications-Roads)	10,571.75	519.40	11,091.15	6,528.62	4,562.53
53.	61	Finance Department (Debt Services and other Expenditure)	1,136.00	0.00	1,136.00	433.69	702.31
54.	71	Education Department (Primary Education)	353.41	50.00	403.41	218.23	185.18
55.	72	Education Department (Secondary Education)	289.49	0.00	289.49	122.24	167.25
56.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	5,570.18	1,393.88	6,964.06	5,326.72	1,637.34
57.	94	Irrigation Department (Works)	3,710.71	140.67	3,851.38	3,275.42	575.96
Total			58,217.94	3,386.61	61,604.55	39,768.84	21,835.71
Capital – Charged							
58.	61	Finance Department (Debt Services and other Expenditure)	21,909.08	0.00	21,909.08	14,935.56	6,973.52
Total			21,909.08	0.00	21,909.08	14,935.56	6,973.52
Grand Total			3,35,247.38	7,798.88	3,43,046.26	2,50,364.79	92,681.47

Appendix 2.3

Grants with persistent savings

(Reference: Paragraph 2.2.2; Page 39)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant	Amount of Savings				
			2013-14	2014-15	2015-16	2016-17	2017-18
Revenue – Voted							
1.	11	Agriculture and other Allied Departments (Agriculture)	596.10	425.39	438.74	828.58	14,633.26
2.	13	Agriculture and other Allied Departments (Rural Development)	201.09	399.75	208.61	302.86	573.19
3.	26	Home Department (Police)	982.88	994.09	1,346.41	886.34	1,215.29
4.	32	Medical Department (Allopathy)	471.31	672.14	938.53	1,088.42	867.16
5.	35	Medical Department (Family Welfare)	169.95	210.71	1,404.12	1,263.58	858.14
6.	36	Medical Department (Public Health)	112.61	190.08	244.50	281.31	100.12
7.	37	Urban Development Department	654.69	2,762.12	1,390.72	2,751.47	5,574.84
8.	42	Judicial Department	223.31	330.65	329.12	432.26	482.06
9.	48	Minorities Welfare Department	201.19	815.40	852.81	973.77	1,088.19
10.	49	Women and Child Welfare Department	271.58	370.04	1,058.88	1,106.73	2,247.92
11.	52	Revenue Department (Board of Revenue and other expenditure)	202.58	337.40	456.79	599.42	416.46
12.	54	Public Works Department (Establishment)	1,041.27	1,265.68	1,384.03	1,778.37	996.61
13.	69	Vocational Education Department	106.87	169.83	181.79	123.86	185.31
14.	71	Education Department (Primary Education)	2,567.23	4,390.54	3,229.85	2,414.62	17,493.77
15.	72	Education Department (Secondary Education)	874.11	787.75	918.15	394.06	620.44
16.	73	Education Department (Higher Education)	348.28	422.39	278.80	460.29	451.39
17.	80	Social Welfare Department (Social Welfare and Welfare of Scheduled Castes)	437.65	1,612.85	667.45	386.58	702.80
18.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	1,315.74	2,509.94	2,306.78	1,704.21	5,573.74
19.	94	Irrigation Department (Works)	738.76	745.95	766.33	102.54	162.39
20.	95	Irrigation Department (Establishment)	597.47	739.30	933.97	1,180.41	701.41
Total			12,114.67	20,152.00	19,336.38	19,059.68	54,944.49
Capital – Voted							
21.	11	Agriculture and other Allied Departments (Agriculture)	470.53	286.17	533.67	432.83	297.74
22.	13	Agriculture and other Allied Departments (Rural Development)	145.76	2,017.90	1,669.11	3,300.96	5,179.06
23.	42	Judicial Department	336.17	153.89	241.77	581.42	855.26
24.	48	Minorities Welfare Department	148.22	640.44	635.44	345.00	106.53
25.	72	Education Department (Secondary Education)	157.95	356.71	616.56	236.07	167.25
26.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	524.04	1,634.76	1,357.70	2,477.98	1,637.34
Total			1,782.67	5,089.87	5,054.25	7,374.26	8,243.18
Grand Total			13,897.34	25,241.87	24,390.63	26,433.94	63,187.67

Appendix 2.4

Cases where supplementary provision (₹ one crore or more in each case) proved unnecessary

(Reference: Paragraph 2.2.3; Page 39)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Original Provision	Actual Expenditure	Supplementary Provision	Savings out of Original Provision
Revenue – Voted						
1.	02	Housing Department	837.95	385.94	1.36	452.01
2.	03	Industries Department (Small Industry and Export Promotion)	201.16	189.14	67.21	12.02
3.	04	Industries Department (Mines and Minerals)	37.19	31.06	1.21	6.13
4.	05	Industries Department (Handloom and Village Industries)	97.70	82.29	7.50	15.41
5.	07	Industries Department (Heavy and Medium Industries)	1,133.01	565.42	11.83	567.59
6.	10	Agriculture and other Allied Departments (Horticultural and Sericulture Development)	402.56	376.13	43.01	26.43
7.	11	Agriculture and other Allied Departments (Agriculture)	36,042.29	21,443.46	34.43	14,598.83
8.	13	Agriculture and other Allied Departments (Rural Development)	2,775.08	2,225.44	23.55	549.64
9.	15	Agriculture and other Allied Departments (Animal Husbandry)	1,297.46	1,099.93	17.02	197.53
10.	21	Food and Civil Supplies Department	433.26	343.19	21.30	90.07
11.	22	Sports Department	91.15	89.47	1.16	1.68
12.	25	Home Department (Jails)	667.57	612.23	7.00	55.34
13.	26	Home Department (Police)	15,419.02	14,356.14	152.41	1,062.88
14.	32	Medical Department (Allopathy)	5,838.65	5,073.42	101.94	765.23
15.	35	Medical Department (Family Welfare)	4,887.04	4,320.49	291.59	566.55
16.	36	Medical Department (Public Health)	667.06	578.79	11.85	88.27
17.	37	Urban Development Department	11,743.51	6,219.47	50.80	5,524.04
18.	41	Election Department	227.54	157.23	10.00	70.31
19.	42	Judicial Department	1,981.73	1,502.67	3.00	479.06
20.	43	Transport Department	264.80	236.55	1.48	28.25
21.	48	Minorities Welfare Department	2,127.88	1,113.69	74.00	1,014.19
22.	49	Women and Child Welfare Department	6,157.45	4,158.23	248.69	1,999.22
23.	54	Public Works Department (Establishment)	2,332.73	1,337.82	1.70	994.91
24.	59	Public Works Department (Estate Directorate)	209.34	190.90	1.31	18.44

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Original Provision	Actual Expenditure	Supplementary Provision	Savings out of Original Provision
25.	71	Education Department (Primary Education)	49,788.58	32,696.66	401.85	17,091.92
26.	72	Education Department (Secondary Education)	9,097.94	8,479.50	2.00	618.44
27.	75	Education Department (State Council of Educational Research and Training)	157.29	112.94	4.38	44.35
28.	76	Labour Department (Labour Welfare)	325.19	310.36	36.96	14.83
29.	77	Labour Department (Employment)	96.95	82.14	4.80	14.81
30.	78	Secretariat Administration Department	964.32	718.65	25.65	245.67
31.	80	Social Welfare Department (Social Welfare and Welfare of Scheduled Castes)	4,334.51	3,706.48	74.78	628.03
32.	81	Social Welfare Department (Tribal Welfare)	261.84	257.44	146.11	4.40
33.	82	Vigilance Department	52.67	50.14	1.52	2.53
34.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	17,094.91	12,219.00	697.83	4,875.91
35.	89	Institutional Finance Department (Commercial Tax)	814.10	745.41	3.04	68.69
36.	90	Institutional Finance Department	48.82	46.27	1.33	2.55
37.	92	Culture Department	75.53	55.64	3.00	19.89
38.	94	Irrigation Department (Works)	3,209.11	3,146.72	100.00	62.39
39.	95	Irrigation Department (Establishment)	4,032.60	3,332.19	1.00	700.41
Total			1,86,227.49	1,32,648.64	2,689.60	53,578.85
Capital – Voted						
40.	07	Industries Department (Heavy and Medium Industries)	1,859.47	1,304.07	158.36	555.40
41.	13	Agriculture and other Allied Departments (Rural Development)	13,046.22	8,282.55	415.39	4,763.67
42.	14	Agriculture and Other Allied Departments (Panchayati Raj)	223.34	20.90	10.00	202.44
43.	24	Cane Development Department (Sugar Industry)	691.10	560.60	249.92	130.50
44.	25	Home Department (Jails)	235.97	208.41	2.42	27.56
45.	26	Home Department (Police)	696.17	636.42	12.46	59.75
46.	37	Urban Development Department	1,445.50	1,029.62	100.00	415.88
47.	40	Planning Department	934.10	615.77	35.99	318.33
48.	42	Judicial Department	1,367.78	812.52	300.00	555.26
49.	43	Transport Department	130.05	105.22	1.83	24.83
50.	44	Tourism Department	2,431.00	399.16	3.00	2,031.84

Sl. No.	Grant No.	Name of the Grant/ Appropriation	Original Provision	Actual Expenditure	Supplementary Provision	Savings out of Original Provision
51.	48	Minorities Welfare Department	347.71	251.18	10.00	96.53
52.	58	Public Works Department (Communications-Roads)	10,571.75	6,528.62	519.40	4,043.13
53.	71	Education Department (Primary Education)	353.41	218.23	50.00	135.18
54.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	5,570.18	5,326.72	1,393.88	243.46
55.	92	Culture Department	59.73	44.25	5.12	15.48
56.	94	Irrigation Department (Works)	3,710.71	3,275.42	140.67	435.29
Total			43,674.19	29,619.66	3,408.44	14,054.53
Grand Total			2,29,901.68	1,62,268.30	6,098.04	67,633.38

Appendix 2.5

Excess/unnecessary re-appropriation of funds

(Reference: Paragraph 2.2.4; Page 39)

(₹ in lakh)

SL. No.	Grant No.	Name of the Grant	Head of Account	Re-appropriation	Excess	Savings
1	08	Industries Department (Printing and Stationery)	2058-103-03	45.00	0.00	719.50
2			2058-001-03	800.00	0.00	152.41
3	10	Agriculture and other Allied Departments (Horticultural and Sericulture Development)	2401-119-01	2,254.90	0.00	64.22
4			2401-119-03	4.67	0.10	0.00
5			2406-02-112-03	246.53	0.00	188.88
6			2415-80-004-07	64.22	0.00	57.73
7			2851-107-11	75.00	0.00	2.40
8			4401-103-03	67.56	0.00	0.10
9	11	Agriculture and other Allied Departments (Agriculture)	2401-001-03	10.00	2.94	0.00
10			2401-001-05	5.00	47.79	0.00
11			2401-103-03	1,400.00	246.36	0.00
12			2401-109-03	7,360.27	368.48	0.00
13			2402-102-02	1,000.00	0.00	35.25
14			2402-102-03	4,600.67	0.00	25.42
15			2402-103-09	2,400.00	0.00	23.18
16	13	Agriculture and other Allied Departments (Rural Development)	2515-001-04	2.43	0.00	0.22
17			2515-102-03	1,907.65	98.11	0.00
18			2515-102-06	912.96	1.23	0.00
19			2515-102-09	5.72	0.00	0.31
20	14	Agriculture and other Allied Departments (Panchayati Raj)	2070-800-03	114.83	0.00	4.57
21	15	Agriculture and other Allied Departments (Animal Husbandry)	2403-001-03	200.00	0.00	31.45
22			2403-101-06	342.38	9.79	0.00
23			4403-101-08	9.43	16.61	0.00
24	17	Agriculture and other Allied Departments (Fisheries)	2405-800-03	14.90	0.00	1,874.14
25			2405-800-05	3.00	0.00	0.82
26	18	Agriculture and other Allied Departments (Co-operative)	2425-001-04	52.25	0.00	0.74
27	25	Home Department(Jails)	2056-800-03	7.53	0.00	15.17
28	28	Home Department(Political Pension and other Expenditure)	2235-60-800-03	1,100.00	0.00	567.68
29			2251-200-03	43.00	0.00	38.03
30	31	Medical Department (Medical Education and Training)	2210-01-110-15	19.38	255.18	0.00
31			2210-05-105-03	188.96	185.28	0.00
32			4210-03-43	1,393.00	0.00	181.60
33	32	Medical Department (Allopathy)	2210-03-110-10	9,571.56	0.00	3,111.89
34			2210-01-110-04	6,500.00	3,471.02	0.00
35			4210-02-104-11	70.77	0.00	57.27
36			4210-02-104-03	1,840.43	0.00	1,166.34
37	33	Medical Department (Ayurvedic and Unani)	2210-05-101-03	90.00	0.00	312.29

SL. No.	Grant No.	Name of the Grant	Head of Account	Re-appropriation	Excess	Savings
38	34	Medical Department (Homoeopathy)	2210-05-102-03	716.16	0.00	129.68
39	37	Urban Development Department	2015-800-04	700.00	0.00	168.76
40			2053-094-03	813.50	0.00	10.66
41	40	Planning Department	3454-02-001-03	7.86	0.00	689.31
42			3451-092-05	6.00	6.67	0.00
43			4215-01-102-03	28,155.17	4,000.00	0.00
44			4575-02-800-04	400.00	34.65	0.00
45			4575-06-800-03	13.79	10.15	0.00
46	41	Election Department	2015-103-05	103.29	0.00	650.43
47			2015-106-03	50.49	0.00	2,822.80
48			2015-105-03	155.27	0.00	19.25
49			2015-105-04	95.47	0.00	74.39
50			2015-106-04	27.52	0.18	0.00
51			2015-106-06	3.44	0.00	0.06
52	42	Judicial Department	2014-105-03	1,120.00	0.00	21,744.99
53			2014-114-04	873.95	0.00	949.62
54			2014-114-03	40.00	324.57	0.00
55			2014-800-03	360.23	4.37	0.00
56			2235-60-200-04	100.00	61.37	0.00
57			2014-102-05	307.80	0.00	148.19
58			4216-01-700-10	1,653.92	0.00	808.00
59	43	Transport Department	4059-01-051-07	14.16	0.00	14.16
60			4059-80-800-01	497.76	0.00	9.44
61	44	Tourism Department	3452-80-104-03	6.00	0.00	124.99
62			3452-80-104-08	105.00	0.00	21.08
63			3452-80-800-03	550.00	6.54	0.00
64			3452-80-800-04	20.00	0.00	0.13
65			5452-80-104-06	280.47	0.00	6.82
66	47	Technical Education Department	2203-001-03	3.50	8.37	0.00
67			2203-001-04	54.86	0.73	0.00
68			2203-105-04	252.69	0.00	8.40
69	48	Minorities Welfare Department	2070-001-03	26.50	1.09	0.00
70			2070-001-04	110.00	0.00	13.79
71	49	Women and Child Welfare Department	2235-02-103-01	400.32	0.00	476.84
72			2235-02-103-02	1,510.85	62.94	0.00
73			2235-190-06	49.21	0.00	1.37
74	52	Revenue Department (Board of Revenue and other Expenditure)	2052-099-03	48.75	0.00	326.23
75			2235-60-110-05	300.00	11,482.97	0.00
76	55	Public Works Department (Buildings)	4059-80-051-18	1,200.00	118.85	0.00
77	57	Public Works Department (Communications-Bridges)	3054-04-800-03	400.00	205.97	0.00
78	58	Public Works Department (Communications-Roads)	5054-80-800-05	800.05	13.14	0.00

SL. No.	Grant No.	Name of the Grant	Head of Account	Re-appropriation	Excess	Savings
79	59	Public Works Department (Estate Directorate)	2013-800-03	3.68	0.00	156.15
80			2052-090-03	234.99	0.00	1,249.55
81			2059-01-053-08	4.06	0.00	4.06
82			2059-60-053-03	41.50	0.00	39.14
83			2059-01-053-09	286.82	0.00	9.55
84			2059-60-053-04	67.07	0.00	1.42
85			2216-01-700-09	53.96	332.19	0.00
86	60	Forest Department	4406-01-102-10	446.77	0.00	446.77
87			4406-01-102-12	660.00	0.00	211.24
88			4406-02-110-01	33.25	230.35	0.00
89	61	Finance Department (Debt Services and other expenditure)	2049-01-123-04	26,184.57	0.03	0.00
90			2049-01-305-03	203.01	25.35	0.00
91	68	Legislative Assembly Secretariat	2011-02-103-03	166.23	0.02	0.00
92	71	Education Department (Primary Education)	2202-01-102-23	9,936.00	25.20	0.00
93			2202-01-102-31	1,863.58	0.00	14.54
94			2202-01-104-03	1,180.00	0.00	12.11
95			2202-01-112-04	16,683.34	0.00	180.20
96			2202-800-04	11,920.00	0.00	392.45
97	72	Education Department (Secondary Education)	2202-02-109-03	154.90	49.60	0.00
98			2202-02-800-22	20.61	0.00	20.61
99			2202-05-103-05	200.00	172.49	0.00
100			2071-01-109-03	113.00	329.76	0.00
101			2071-01-117-03	710.00	5,623.28	0.00
102			2202-01-102-04	2,200.00	0.00	921.46
103			2202-02-101-03	1,500.00	802.33	0.00
104			2202-02-108-03	2,919.00	1,509.12	0.00
105			2204-102-04	898.72	112.11	0.00
106	73	Education Department (Higher Education)	2202-03-001-04	39.10	0.16	0.00
107			2202-03-104-13	1,000.00	0.00	501.33
108			4202-01-203-04	100.00	200.00	0.00
109	74	Home Department (Home Guards)	2070-107-04	22.00	0.00	782.65
110			2070-107-03	165.50	7.47	0.00
111			2070-107-06	374.29	0.00	20.89
112			2070-107-08	200.89	0.00	59.80
113	75	Education Department (State Council of Educational Research and Training)	2202-80-003-01	10.18	0.00	4,519.72
114			2202-80-800-03	14.50	0.00	14.51
115			2202-80-004-03	28.85	0.00	8.40
116	76	Labour Department (Labour Welfare)	2210-01-102-03	7.62	0.00	114.39
117	78	Secretariat Administration Department	2052-090-03	0.15	594.12	0.00
118			2052-090-11	45.00	0.00	32.59
119			2220-60-800-03	85.00	0.41	0.00

SL. No.	Grant No.	Name of the Grant	Head of Account	Re-appropriation	Excess	Savings
120	79	Social Welfare Department (Welfare of the Handicapped and Backward Classes)	2225-03-277-01	563.00	0.00	16,462.49
121			2235-02-101-14	138.08	33.67	0.00
122			2235-02-101-03	598.57	5.24	0.00
123			4235-02-101-05	879.35	330.41	0.00
124	80	Social Welfare Department (Social Welfare and Welfare of Scheduled Castes)	2235-02-200-09	84.98	0.00	83.79
125	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	2402-789-03	278.33	0.00	0.01
126			4801-06-789-07	10,112.00	52,611.60	0.00
127	86	Information Department	2220-60-106-03	36.00	0.00	345.59
128	87	Soldiers Welfare Department	2235-60-200-03	33.00	0.00	480.76
129			2235-60-200-06	7.00	0.11	0.00
130	88	Institutional Finance Department (Directorate)	2052-091-03	35.00	0.00	60.47
131	89	Institutional Finance Department (Commercial Tax)	2040-800-03	108.00	85.73	0.00
132			2040-800-05	13.22	3.64	0.00
133	91	Institutional Finance Department (Stamps and Registration)	2030-03-001-03	283.00	0.00	538.81
134			2030-03-001-04	177.00	0.00	1,084.01
135	94	Irrigation Department (Works)	2700-04-101-03	181.39	0.00	142.35
136			2700-06-101-03	68.16	0.00	205.82
137			2700-08-101-03	184.50	0.00	267.68
138			2700-10-101-03	92.98	0.00	103.31
139			2700-13-101-03	18.22	0.00	19.02
140			2701-06-101-03	6.80	0.00	6.64
141			2701-28-101-03	17.71	0.00	16.25
142			2701-33-101-03	3.10	0.00	24.85
143			2701-36-101-03	38.27	0.00	0.99
144			2711-03-103-03	189.91	0.00	230.90
145			2700-05-101-03	141.71	0.00	17.59
146			2700-14-101-03	30.00	0.00	0.09
147			2700-19-101-03	99.71	0.00	82.04
148			2701-05-101-03	30.49	0.00	26.12
149			2701-10-101-03	8.37	10.26	0.00
150			2701-26-101-03	44.71	0.00	1.74
151			2701-34-101-03	39.00	0.00	16.72
152			2701-38-101-03	10.50	0.00	1.62
153			2701-41-101-03	15.00	0.00	1.82
154			2701-44-101-03	11.00	0.00	1.33
155			2701-66-101-03	54.16	0.00	0.05
156	2701-68-101-03	33.16	0.00	0.70		
157	2701-76-101-03	16.06	0.00	0.05		
158	2702-03-101-03	24.99	0.00	13.00		
159	4700-14-051-10	173.15	0.00	415.25		

SL. No.	Grant No.	Name of the Grant	Head of Account	Re-appropriation	Excess	Savings
160			4702-101-04	216.00	0.00	441.65
161			4702-102-03	526.00	0.00	1,247.81
162			4711-01-103-06	113.24	0.00	1,396.46
163			4700-04-051-10	566.40	0.00	195.27
164			4700-14-051-11	1,565.00	0.00	964.92
165			4700-19-051-10	2,650.00	184.33	0.00
166			4700-20-051-10	2,500.00	921.76	0.00
167			4700-97-051-10	4,500.00	28.01	0.00
168			4701-60-051-10	3,288.00	0.00	251.00
169			4701-67-051-10	600.17	0.00	390.79
170			4701-78-051-10	550.48	0.00	0.07
171			4701-81-051-10	249.18	1.27	0.00
172			4701-93-051-16	414.72	0.00	0.01
173			4711-01-103-03	417.53	0.00	124.31
174			4711-01-103-08	11,051.64	0.00	1,328.06
175			4711-01-103-09	2,766.59	0.00	994.32
176	95	Irrigation Department (Establishment)	2701-02-001-05	100.00	0.00	68.89
177			2701-02-001-08	100.00	0.00	55.19
178			2701-80-800-03	17,500.00	0.00	2,505.26
Total				2,32,390.65	85,275.47	78,180.40

Appendix 2.6

Substantial surrenders made during 2017-18

(Reference: Paragraph 2.2.5; Page 40)

(₹ in lakh)

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
1.	5	Industries Department (Handloom and Village Industries)	2851-105-18- Pt. Deen Dayal Village Industries Employment Scheme	999.12	999.12	100
2.	7	Industries Department (Heavy and Medium Industries)	2852-80-800-06- Pursuance of suits in courts-	60.00	42.07	70
3.			2852-80-800-08-Dis-investment and Privatisation of Public- Private Projects and Public Sector & co-operative units	405.00	405.00	100
4.			2852-80-800-14- Re-imbursement of VAT/Interest etc. for re-habilitation of sick units Re-habilitation Policy-	20.00	20.00	100
5.	9	Power Department	6003-109-03- Re-payment of loans taken from R.E.C. for Rajiv Gandhi Rural Electrification Scheme-	4,520.21	3,857.12	85
6.	10	Agriculture and other Allied Departments (Horticultural and Sericulture Development)	2401-108-07-Implementation of Uttar Pradesh Potato Development Policy 2014	34.00	21.00	62
7.			2401-119-03- Nursery	3,169.22	2,360.39	74
8.			2401-001-03- Central Directorate	2.00	2.00	100
9.	11	Agriculture And Other Allied Departments (Agriculture)	2401-109-08- Utilisation of Information Technology for Agriculture Development-	3,919.69	2,291.91	58
10.			2401-111-01- Central Sponsored Schemes	1,176.98	783.47	67
11.			2401-111-05- Data Bank of Crops Production and Statistics of Production	761.68	530.27	70
12.			2401-113-05- Scheme of Grant on Establishment of Solar Photo Voltaic Irrigation Pumps	12,500.00	9,621.00	77
13.			2401-800-04- Sprinkler Irrigation System Distribution Scheme	1,041.60	537.13	52
14.			2402-101-04- Scheme for Strengthening of Soil Testing Laboratories of nine Districts in the State for Rhizobium Culture Production	219.89	123.80	56
15.			2401-101-05- Strengthening of Bio Fertilizer Production Laboratories/ Programme of Encouragement of use of Bio Fertilizers	406.00	406.00	100
16.			2402-102-01- Central Sponsored Schemes	17,009.63	8,544.96	50

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent		
17.	11	Agriculture And Other Allied Departments (Agriculture)	2402-103-06- Distribution of Gypsum to cure the deficiency of Micro Element in Soil and for Land Reclamation	500.00	494.35	99		
18.			2415-01-004-04- Centre of Excellence for Agricultural Universities	1,000.00	1,000.00	100		
19.			2415-80-120-23- Research Programme in Agricultural and Technological Universities	9.75	9.75	100		
20.			2415-80-120-28- Establishment of Agriculture Degree College Azamgarh under Agricultural and Technological University, Faizabad	337.66	172.66	51		
21.			2415-80-120-30- Uttar Pradesh Agriculture Scientist Award Scheme	5.00	5.00	100		
22.			4401-107-03- Purchase cost of Insecticides including incidental charges	4,000.00	2,508.45	63		
23.			4401-107-04- Control of Insects/Disease through different ecological resources	400.00	400.00	100		
24.			4401-190-02- National Agricultural Development Scheme (Central 60/ State 40 -C+S)	500.00	500.00	100		
25.			4401-800-02- National Agricultural Development Scheme (Central 60/ State 40 -C+S)	25,294.00	16,727.85	66		
26.			4402-102-01- Central Sponsored Schemes	1,645.05	1,645.05	100		
27.			4415-04-277-03- Dairy Engineering and Technological Degree College, Etawah	50.00	50.00	100		
28.			4415-05-277-03- Fisheries Degree College, Etawah	50.00	50.00	100		
29.			13	Agriculture and other Allied Departments (Rural Development)	2515-102-17- Establishment of Water ATM	2,000.00	2,000.00	100
30.					2702-80-800-01- Central Sponsored Schemes	594.12	517.61	87
31.	2702-80-800-10- GIS mapping	48.40			48.40	100		
32.	3054-04-105-03- Uttar Pradesh Rural Road Development Agency	5,000.00			3,203.05	64		
33.	2515-001-03- Development Commissioner (Headquarter)	10.00			5.26	53		
34.	2515-800-03- Rural Engineering Services	7.50			7.00	93		
35.	4215-01-102-04- Surface Source Ground Water Based Rural Drinking Water Scheme for Bundelkhand, Purvanchal and other regions of State (Vindhya Region)	2,21,200.00			2,21,200.00	100		

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
36.			4702-102-11- Construction of Ground Water Recharging Check Dam and Header	709.00	568.78	80
37.			4702-800-12- Prime Minister Agriculture Irrigation Scheme	9,210.00	7,397.15	80
38.	14	Agriculture and other Allied Departments (Panchayati Raj)	2070-800-04-Training and Prizes to National Level Winner Players in Rural Sports	5.00	5.00	100
39.	15	Agriculture and other Allied Departments (Animal Husbandry)	2403-101-07-Strengthening and operation of Veterinary Polyclinic	391.80	229.68	59
40.			2403-103-02-National Live Stock Management Programme	197.40	197.40	100
41.			2403-106-02- National Live Stock Management Programme	940.49	940.49	100
42.			2403-107-01- Central Sponsored Schemes	32.42	32.42	100
43.			2403-107-02-- National Live Stock Management Programme	25.20	25.20	100
44.			2403-104-01- Central Sponsored Schemes	14.66	14.66	100
45.			2403-113-01- Central Sponsored Schemes	476.28	296.11	62
46.			2403-001-03-Directorate	13.79	13.79	100
47.			4403-101-07-Vetrinary Service Centre/Veterinary Hospitals of "D" Category	200.00	108.71	54
48.			4403-101-14-Establishment of Veterinary Polyclinic (RIDF)	4,627.50	2,355.79	51
49.			4403-101-15- Establishment of Veterinary Hospital by Upgrading the D grade Animal Dispensary	84.04	59.91	71
50.			4403-107-01- Central Sponsored Schemes	42.85	42.85	100
51.			4403-101-08-Construction of Veterinary Hospitals RIDF	4,028.00	2,090.39	52
52.			4403-101-11-Strengthening and Operation of Veterinary Polyclinic	50.00	39.08	78
53.	21	Food and Civil Supplies Department	4059-60-051-01- Central Sponsored Schemes	600.00	500.00	83
54.	24	Cane Development Department (Sugar Industries)	6860-04-101-11-Establishment of New Sugar Mill and Cogeneration Plant and Aaswani in closed Sugar Mill, Munderwa (Basti)	27,000.00	18,000.00	67
55.			6860-04-101-12-Establishment of New Sugar Mill and Cogeneration Plant and Aaswani in closed Sugar Mill, Pipraich (Gorakhpur)	23,375.00	18,375.00	79

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
56.	31	Medical Department (Medical Education and Training)	4210-03-105-11- Laboratory Network for Epidemic etc. in King George Medical University	279.00	279.00	100
57.			4210-03-105-12- Human Resource Development in King George Medical University UP under National Mental Health Programme	500.00	500.00	100
58.			4210-03-105-64- Establishment of Intensive Care Unit (ICU) in Government Medical College	22.51	22.51	100
59.			4210-03-105-69- Drug De-addiction centre in Government Medical College, Agra	11.00	11.00	100
60.			6075-800-03- Revolving Fund for treatment of State Employees in S.G.P.G.I., Lucknow	100.00	100.00	100
61.			4210-03-105-36- Nehru Hospital, Gorakhpur	3.50	2.96	85
62.			32	Medical Department (Allopathy)	2210-01-110-06- Establishment of Dialysis Unit at Divisional Headquarter	1,000.00	920.11	92
63.	2210-01-110-10- Uttar Pradesh Medical Supplies Corporation	500.00			483.67	97
64.	2210-03-110-05- Consolidation of Primary Health Services with the help of B.M.G.F.	4,402.00			2,251.00	51
65.	2210-80-800-06- Establishment of health fund	500.00			360.76	72
66.	2210-80-800-09- Implementation of Departmental Website	500.00			500.00	100
67.	2235-60-110-01- Central Sponsored Schemes	20,311.60			20,311.60	100
68.	2210-01-001-03- Direction	20.00			13.57	68
69.	37	Urban Development Department	2215-01-101-01- Central Sponsored Schemes	1,900.00	1,900.00	100
70.			2215-01-191-04- Expenditure from Uttar Pradesh Trade Development Fund	1,000.00	802.94	80
71.			2215-02-106-01- Central Sponsored Schemes	1,500.00	1,500.00	100
72.			2215-02-107-01- Central Sponsored Schemes	24,000.00	14,703.17	61
73.			2215-02-107-04- Water Outlet Arrangements in Firozabad	500.00	500.00	100
74.			2217-05-051- 01- Central Sponsored Schemes	3,84,200.00	2,69,385.01	70
75.			2217-05-191- 01- Central Sponsored Schemes	1,08,000.00	62,024.35	57
76.			2217-05-192- 01- Central Sponsored Schemes	1,00,574.00	78,430.60	78

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
77.			2217-05-800- 07- Directorate of Urban Transport	270.75	243.75	90
78.			2217-80-191- 07- Urban Lake, Pond and Puddle Protection Scheme	1,250.00	1,250.00	100
79.			2217-80-800- 09- Transfer of two <i>Per cent</i> Additional Stamp Fee to Dedicated Urban Transport Fund by State Government	37,500.00	37,500.00	100
80.			2217-80-800- 12- Urban Traffic Development Fund	6,052.93	6,052.93	100
81.			2217-80-800- 14- Assistance for payment of interest of loans taken from financial institution by SUDA for PM Housing Scheme-Housing for All (Urban) Mission	2,956.00	2,956.00	100
82.			2230-02-101- 01- Central Sponsored Schemes	16,408.32	11,538.52	70
83.			4216-02-800- 03- "Aasra Yojna" (Residential House)	15,000.00	11,487.14	77
84.	38	Civil Aviation Department	3053-01-800-02- Voility Gap Funding under Regional Connectivity Scheme	500.00	500.00	100
85.			5053-80-800-04- Special maintenance of Helicopter/ Aeroplane	200.00	200.00	100
86.	40	Planning Department	2575-02-800-03- Special Schemes for Bundelkhand	15,000.00	13,731.44	92
87.			3425-60-004-03- Establishment of innovation Cell	30.00	27.10	90
88.			3454-02-001- 04- State Strategic Statistical Plan	284.00	208.18	73
89.			3454-02-800- 01- Central Sponsored Schemes	130.63	88.10	67
90.			4575-02-800-03- Special Schemes for Bundelkhand	30,000.00	30,000.00	100
91.	47	Technical Education Department	4202-02-104-01- Central Sponsored Schemes	2,150.00	1,906.12	89
92.	48	Minorities Welfare Department	2070-001-06- Registrar/ Inspector Arbi Farsi Madarsa, Uttar Pradesh, Allahabad	93.02	58.06	62
93.			2070-800-03- Uttar Pradesh Waqf Judicial Board	263.92	155.12	59
94.			2071-01-117-03- Contribution in Tier I account for teachers and non-teaching staff of aided Farsi Madarsas	1,000.00	1,000.00	100
95.			2202-01-800-01- Central Sponsored Schemes	33,636.90	28,772.73	86
96.			2202-02-800-12- State Teacher Award Schemes	7.25	7.25	100
97.			2225-80-800-01- Central Sponsored Schemes	60,751.43	60,751.43	100

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
98.			2235-02-800-01- Central Sponsored Schemes	3,750.00	3,717.79	99
99.	53	National Integration Department	2070-800-06-Facilities admissible to Vice-President of State Integration Council	6.40	6.40	100
100.			2070-800-08-Organisation of National Integration and Communal Harmony Programmes on the Birth Day of Great Idols	26.25	18.59	71
101.			2070-800-09-Expenditure on District Integration Committees	15.00	10.04	67
102.			2070-800-11-Expenditure on organization of Guru Govind Singh National Integration award distribution/function etc.	2.00	2.00	100
103.			2070-800-13-Incentive for Inter-religion marriage (Cash award) (State Share 100 per cent)-	10.00	5.50	55
104.	59	Public Works Department (Estate Directorate)	2013-800-06- Maintenance and Decoration of Chief Minister residence	505.00	402.93	80
105.	61	Finance Department (Debt Services and other Expenditure)	2052-090-03-Finance Department	692.94	501.33	72
106.			4070-800-03-Expenditure on D.P.R. of Projects	500.00	500.00	100
107.			6075-800-03-Loan Assistance for financial re-organisation of Public Sector Undertakings/Corporations/ Autonomous bodies	10,000.00	6,973.00	70
108.			6003-101-04-Non-interest Market loan	71.58	71.58	100
109.	62	Finance Department (Superannuation Allowances and Pensions)	6075-800-03-Loans for Voluntary Retirement Scheme to sick corporations etc.	10,000.00	8,905.00	89
110.	68	Legislative Assembly Secretariat	2059-80-053-03- Repairs of non-residential buildings of Legislative Assembly Secretariat	10.00	10.00	100
111.			2011-02-101-03-Legislative Assembly	143.20	79.92	56
112.			7610-201-03-Housing loan to members/ex-members of State Legislative Assembly	20.00	20.00	100
113.			7610-202-03-Loans for purchase of vehicles to members/ex-members of State Legislative Assembly	20.00	20.00	100
114.	69	Vocational Education Department	2230-03-003-17-Arrangement of Training expenditure for operation of Kausal Vikas Mission	15,000.00	7,500.00	50
115.			2230-03-101-01-Central Sponsored Schemes	75.00	75.00	100

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
116.			4250-203-01-Central Sponsored Schemes	610.00	610.00	100
117.			4250-203-03-Establishment of Government Industrial Training Institutes in Minority dominated development blocks and other areas	2,400.00	2,306.61	96
118.			4250-203-11-Craftsmen Training Scheme	10.00	6.00	60
119.	70	Science and Technology Department	4810-102-04-Encouragement Scheme for Electricity Production based on Solar Energy Source	1,000.00	549.93	55
120.	71	Education Department (Primary Education)	2071-01-117-03-Contribution in Tier-I account to teachers/teaching staff of primary schools/aided junior high schools	50,000.00	39,494.64	79
121.			2202-01-105-01- Central Sponsored Scheme	16,000.00	11,008.00	69
122.			2202-01-105-03- Establishment expenditure of Project Officer/Assistant Project Officer under Non-formal Education	2,090.63	1,853.45	89
123.			2202-01-105-11- Literate India Mission-2012	279.52	159.64	57
124.			2202-01-800-03-Contribution of State Government for Group Insurance Scheme of Non-Government Primary Schools	73.00	36.50	50
125.			2202-01-800-09- Construction of Hostel in compound of Sakshrata Niketan, Lucknow	100.00	100.00	100
126.			2202-01-111-01-Central Sponsored Scheme	15,36,620.90	12,76,091.30	83
127.			2202-80-800-04- Establishment of Cell for monitoring of Budget works and other schemes at Secretariat level under "Education for All" project of World Bank	10.69	10.69	100
128.			4202-01-201-01-Central Sponsored Schemes	34,736.16	20,889.20	60
129.			4202-01-201-03-Construction of Office Buildings of BSA's in Districts (District Plan)-	155.35	155.35	100
130.	72	Education Department (Secondary Education)	2202-02-107-11-National Scholarships to talented Students of Rural Areas of Secondary level (Class 9-10)	8.00	6.71	89
131.			2202-02-110-08-Provision for honorarium to subject experts of Non-government Higher Secondary Schools	50.00	48.92	98
132.			2202-02-110-11-Non-recurring grant for establishment of girls schools by private management system for unserved development blocks	10.00	10.00	100

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
133.			2202-02-110-12-Non-recurring grant for establishment of girls schools by private management system in another Nyay Panchayat of served development block of one girls schools (District Plan)	50.00	50.00	100
134.			2202-02-800-03-Contribution of State Government to Group Insurance Scheme in Non-Government Secondary Schools	23.76	23.76	100
135.			2202-02-800-07-Grading of Secondary Schools for improvement in the educational quality	50.00	45.92	92
136.			2202-02-800- 27- Payment of honorarium to part time teachers of non-Government non-aided schools recognized from Board of Secondary Education, Uttar Pradesh	100.00	100.00	100
137.			2202-05-103- 06-Subsidiary grant to Uttar Pradesh Madhyamik Sanskrit Shiksha Parishad	59.10	36.05	61
138.			2205-105-06-Grant to Public Libraries	10.00	10.00	100
139.			2202-01-110- 05-Educational tour of Teachers of aided higher secondary schools	5.00	5.00	100
140.			4202-01-202-01-Central Sponsored Schemes	21,693.82	16,212.85	75
141.			4202-01-202-18-Purchase of E-books/Establishment of E-library	500.00	318.97	64
142.			4202-01-202-23-Uttar Pradesh Sainik Schools	10.00	10.00	100
143.			4202-04-105-03 Construction of buildings of Government District Libraries	275.00	171.34	62
144.	73	Education Department (Higher Education)	2071-01-117-03-Contribution in Tier-I account for teaching/non-teaching staff in aided degree colleges by State Government	5,000.00	5,000.00	100
145.			2071-01-117-04-Contribution in Tier-I account for teaching/non-teaching staff of State Universities	5,000.00	4,909.78	98
146.			2202-03-102-14-Seminar and symposium in Universities in State	30.00	17.50	58
147.			2202-03-102-25-Assistance to Lucknow University for Development Research Institute	8.00	8.00	100
148.			2202-03-102-26-Siddharth University Kapilvastu, Siddharthnagar	263.08	145.08	55

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
149.			2202-03-102-32-Grant for Inter University Youth Festival	20.00	14.00	70
150.			2202-03-102-48-Establishment of Employment Bureau/Guidance cell/Placement cell	40.00	26.50	66
151.			2202-03-102-49-Establishment of Centre of Excellence	215.00	130.00	60
152.			2202-03-800-02-National Higher Education Campaign	556.36	556.36	100
153.			2202-03-800-05-Payment of residuals	128.10	128.10	100
154.			2202-03-800-12-Transparent of line arrangement of recognized degree colleges and universities	50.00	50.00	100
155.			2202-03-800-13-Research and Development in degree colleges/universities of the State	400.00	400.00	100
156.			2202-03-800-17-Ahilyabai Kanya Free Education Scheme	2,112.00	2,112.00	100
157.			2202-03-800-18-Wi-fi facilities in all colleges, universities	5,000.00	5,000.00	100
158.			2202-03-800-19-Chancellor Award in Universities/Institutions	16.90	16.90	100
159.			2204-102-01-Central Sponsored Schemes	1,435.01	1,397.85	97
160.			2204-102-03-Grants for programmes financed from Students Welfare Fund	10.00	10.00	100
161.			4202-01-203-33-Rajkiya Upadhi Maha Vidyalya	100.00	68.10	68
162.			4202-01-800-03-Public Library, Allahabad	1.50	1.50	100
163.	76	Labour Department (Labour Welfare)	2230-01-103-08- Abolition of Child Labour	28.92	14.63	51
164.			2230-01-103-09-Formation of committee for protection of women welfare	20.00	20.00	100
165.	78	Secretariat Administration Department	2013-800-03- Miscellaneous expenditure of Ministers and Dy. Ministers	185.00	141.07	76
166.			2052-090-04- Secretariat Script Centre and Development and Extension of Library	8.50	6.11	72
167.			2052-090-05- Parliamentary Affairs department	11.70	6.38	55
168.			2052-090-07- Modernisation of Secretariat	631.00	560.65	89
169.			2052-090-11- Purchase of Computer Laptop and other concomitant equipment in Secretariat under e-Governance Scheme	2,825.00	2,324.77	82

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
170.			2052-090-12- Attendance system based on Biometrics and Adhar	65.00	33.34	51
171.	79	Social Welfare Department (Welfare of the Handicapped and Backward Classes)	2235-02-101-19- Access Audit of Government and Public Friendly Buildings identified under the Scheme "Sugamya Bharat Abhiyan" and making Departmental Websites beneficial to Handicapped Persons	50.00	28.36	57
172.			2235-02-101-33- Government School "MAMTA" for mentally challenged girls	53.60	51.41	96
173.			2235-02-107-03- Assistance to Voluntary Organisations and Institutions for Welfare of different kinds of Handicapped	30.00	25.52	85
174.			2235-02-800-04- Grants to helpless handicapped persons for treatment of illness	620.00	548.03	88
175.			4235-02-101-01- Central Sponsored Scheme	500.00	430.14	86
176.			4235-02-101-04- Making Government Offices and Public Utility Buildings Hurdle Free identified under "Sugamya Bharat Abhiyan"	6,000.00	3,293.13	55
177.			4235-02-101-06- Construction of residential buildings and hostels of "SANKET" Government Deaf and Dumb School, Gorakhpur	158.72	158.72	100
178.			4235-02-101-10- "PRAYAS" Government School of Physically Handicapped Boys, Lucknow	196.73	196.73	100
179.			4235-02-101-12- Upgradation of "SANKET" Deaf and Dumb Junior High School, Mohan Road, Lucknow upto Intermediate Level	97.89	97.89	100
180.	81	Social Welfare Department (Tribal Welfare)	2202-03-796-01- Central Sponsored Schemes	57.25	57.25	100
181.			2217-05-796-01- Central Sponsored Schemes	5,800.00	4,269.86	74
182.			2401-796-02- National Agriculture Development Scheme	84.00	64.52	77
183.			4702-796-02- Prime Minister Agriculture Irrigation Scheme	57.00	44.95	79
184.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	2203-789-03- Establishment of IT Polytechnics	600.00	600.00	100
185.			2215-01-789-05- State Rural Drinking Water Scheme	300.00	300.00	100
186.			2217-05-789-01- Central Sponsored Scheme	60,000.00	43,034.26	72
187.			2230-02-789-01- Central Sponsored Schemes	5,450.00	3,771.52	69

Sl. No.	Grant No.	Name of Grant	Name of Scheme (Head of Account)	Provision	Amount Surrendered	Surrender in per cent
188.			2235-60-789-01- Central Sponsored Schemes	4,228.40	3,380.00	80
189.			2401-789-01- Central Sponsored Schemes	13,735.48	7,822.16	57
190.			2401-789-02- National Agriculture Development Scheme (C60/S40)	20,000.00	17,105.25	86
191.			2403-789-02- National Animal Health and Disease Control Programme	14.14	12.84	91
192.			2501-05-789-01- Central Sponsored Schemes	5,287.50	3,039.50	57
193.			2702-80-789-03- Minor Irrigation Scheme (District Plan)	2.50	2.50	100
194.			4210-01-789-03- Purchasing of equipment for District/Joint Dispensaries and Other Hospitals	1,500.00	887.72	59
195.			4210-02-789-04- Construction of Building of New Primary Health Centre (District Plan)	600.00	402.44	67
196.			4210-02-789-09- Purchasing of equipment for Community Health Centres	668.29	350.89	53
197.			4216-02-789-03- Aasra Yojna (Residential Buildings)	5,000.00	4,041.72	81
198.			4702-789-02- Prime Minister Agriculture Irrigation Scheme	2,000.00	1,463.96	73
199.			5054-04-789-01- Central Sponsored Schemes	4,255.00	4,255.00	100
200.	89	Institutional Finance Department (Commercial Tax)	2040-800-11- Traders Welfare Board	86.40	86.40	100
201.			2040-800-12- District Arbitration Authority	379.50	223.13	59
Total				31,23,980.46 say 31,239.80 crore	25,18,102.53 say 25,181.03 crore	

Appendix 2.7

Surrenders in excess of actual savings (₹ 50 lakh or more)

(Reference: Paragraph 2.2.6; Page 40)

(₹ in crore)

Sl. No.	Grant No.	Name of Grant	Total Grant	Savings	Amount Surrendered	Surrender in excess
Revenue- Voted						
1.	31	Medical Department (Medical Education and Training)	2,714.75	248.99	255.59	6.60
2.	32	Medical Department (Allopathy)	5,940.58	867.16	870.26	3.10
3.	71	Education Department (Primary Education)	50,190.43	17,493.77	17,579.40	85.63
4.	72	Education Department (Secondary Education)	9,099.94	620.44	689.03	68.59
5.	73	Education Department (Higher Education)	2,412.61	451.39	462.78	11.39
6.	78	Secretariat Administration Department	989.97	271.32	281.17	9.85
7.	89	Institutional Finance Department (Commercial Tax)	817.14	71.73	72.33	0.60
Total			72,165.42	20,024.80	20,210.56	185.76
Capital – Voted						
8.	11	Agriculture and other Allied Departments (Agriculture)	610.43	297.75	299.30	1.55
9.	13	Agriculture and other Allied Departments (Rural Development)	13,461.61	5,179.06	5,202.62	23.56
10.	71	Education Department (Primary Education)	403.41	185.18	215.32	30.14
Total			14,475.45	5,661.99	5,717.24	55.25
Grand Total			86,640.87	25,686.79	25,927.80	241.01

Appendix 2.8

Grants /appropriations where savings occurred but were not surrendered

(Reference: Paragraph 2.2.7; Page 40)

(₹ in crore)

Sl. No.	Grant No.	Name of Grant/ Appropriation	Saving	
			Revenue	Capital
I- Grants				
1.	01	Excise Department	14.41	0.15
2.	02	Housing Department	453.37	88.45
3.	03	Industries Department (Small Industry and Export Promotion)	79.24	9.00
4.	04	Industries Department (Mines and Minerals)	7.34	1.35
5.	06	Industries Department (Handloom Industry)	16.42	0.00
6.	08	Industries Department (Printing and Stationery)	15.89	0.01
7.	17	Agriculture and other Allied Departments (Fisheries)	32.88	0.00
8.	18	Agriculture and other Allied Departments (Co-operative)	16.79	0.00
9.	19	Personnel Department (Training and other Expenditure)	2.46	0.00
10.	20	Personnel Department (Public Service Commission)	27.28	0.00
11.	22	Sports Department	2.84	49.99
12.	25	Home Department (Jails)	62.35	29.99
13.	26	Home Department (Police)	1,215.29	72.20
14.	27	Home Department (Civil Defence)	6.82	0.00
15.	28	Home Department (Political Pension and other expenditure)	42.61	0.30
16.	30	Confidential Department (Revenue Special Intelligence Directorate and other Expenditure)	0.87	0.00
17.	32	Medical Department (Allopathy)	0.00	225.40
18.	33	Medical Department (Ayurvedic and Unani)	228.86	0.35
19.	34	Medical Department (Homoeopathy)	59.96	0.01
20.	35	Medical Department (Family Welfare)	858.14	26.27
21.	36	Medical Department (Public Health)	100.12	8.88
22.	39	Language Department	3.53	0.00
23.	41	Election Department	80.31	1.00
24.	42	Judicial Department	482.06	855.26
25.	43	Transport Department	0.00	26.65
26.	44	Tourism Department	2.52	2,034.83
27.	45	Environment Department	1.75	0.00
28.	48	Minorities Welfare Department	0.00	106.53
29.	49	Women and Child Welfare Department	2,247.92	128.85
30.	50	Revenue Department (District Administration)	145.75	166.06
31.	51	Revenue Department (Relief on Account of Natural Calamities)	816.86	22.50
32.	52	Revenue Department (Board of Revenue and other Expenditure)	0.00	54.83
33.	54	Public Works Department (Establishment)	996.61	0.00
34.	56	Public Works Department (Special Area Programme)	0.00	32.06

Sl. No.	Grant No.	Name of Grant/ Appropriation	Saving	
			Revenue	Capital
35.	57	Public Works Department (Communications- Bridges)	34.69	281.27
36.	58	Public Works Department (Communications-Roads)	0.00	4,562.53
37.	59	Public Works Department (Estate Directorate)	0.00	71.91
38.	60	Forest Department	156.45	15.48
39.	63	Finance Department (Treasury and Accounts Administration)	84.00	2.00
40.	67	Legislative Council Secretariat	10.37	0.04
41.	74	Home Department (Home Guards)	8.76	1.30
42.	75	Education Department (State Council of Educational Research and Training)	48.74	6.51
43.	76	Labour Department (Labour Welfare)	0.00	0.02
44.	77	Labour Department (Employment)	19.61	0.10
45.	78	Secretariat Administration Department	0.00	16.02
46.	80	Social Welfare Department (Social Welfare and Welfare of Scheduled Castes)	702.81	0.00
47.	82	Vigilance Department	4.05	0.00
48.	84	General Administration Department	15.94	11.12
49.	86	Information Department	17.79	1.00
50.	87	Soldiers' Welfare Department	7.16	0.02
51.	88	Institutional Finance Department (Directorate)	39.86	4.10
52.	90	Institutional Finance Department (Entertainment and Betting Tax)	3.87	0.00
53.	91	Institutional Finance Department (Stamps and Registration)	37.86	0.00
54.	92	Culture Department	22.89	20.61
55.	94	Irrigation Department (Works)	162.39	575.96
56.	95	Irrigation Department (Establishment)	701.41	0.00
Total			10,099.90	9,510.91
II-Appropriations				
57.	01	Excise Department	0.16	0.00
58.	03	Industries Department (Small Industry and Export Promotion)	0.06	0.00
59.	11	Agriculture and other Allied Departments (Agriculture)	0.01	0.00
60.	17	Agriculture and other Allied Departments (Fisheries)	0.05	0.00
61.	18	Agriculture and other Allied Departments (Co-operative)	0.55	0.00
62.	20	Personnel Department (Public Service Commission)	6.31	0.00
63.	23	Cane Development Department (Cane)	0.02	0.00
64.	25	Home Department (Jails)	0.10	0.00
65.	26	Home Department (Police)	0.89	0.00
66.	29	Confidential Department (Governor's Secretariat)	3.10	0.00
67.	35	Medical Department (Family Welfare)	0.17	0.00
68.	36	Medical Department (Public Health)	0.02	0.00
69.	42	Judicial Department	18.48	2.03
70.	49	Women and Child Welfare Department	0.10	0.00
71.	50	Revenue Department (District Administration)	0.15	0.00
72.	52	Revenue Department (Board of Revenue and other Expenditure)	0.21	0.13

Sl. No.	Grant No.	Name of Grant/ Appropriation	Saving	
			Revenue	Capital
73.	54	Public Works Department (Establishment)	0.04	0.00
74.	55	Public Work Department (Buildings)	0.01	0.00
75.	58	Public Works Department (Communications-Roads)	0.05	0.00
76.	60	Forest Department	0.14	0.00
77.	62	Finance Department (Superannuation Allowances and Pensions)	4.96	0.00
78.	67	Legislative Council Secretariat	0.56	0.00
79.	82	Vigilance Department	0.41	0.00
80.	94	Irrigation Department (Works)	0.00	3.74
81.	95	Irrigation Department (Establishment)	0.32	0.00
Total			36.87	5.90
Grand Total			10,136.77	9,516.81
Total of Revenue and Capital			19,653.58	

Appendix 2.9

Savings of ₹ one crore and above not surrendered

(Reference: Paragraph 2.2.7; Page 40)

(₹ in crore)

Sl. No.	Grant No.	Name of Grant/Appropriation	Savings	Surrender	Savings, not Surrendered
Revenue – Voted					
1.	01	Excise Department	14.41	0.00	14.41
2.	02	Housing Department	453.37	0.00	453.37
3.	03	Industries Department (Small Industry and Export Promotion)	79.24	0.00	79.24
4.	04	Industries Department (Mines and Minerals)	7.34	0.00	7.34
5.	06	Industries Department (Handloom Industry)	16.42	0.00	16.42
6.	07	Industries Department (Heavy and Medium Industries)	579.43	4.74	574.69
7.	08	Industries Department (Printing and Stationery)	15.89	0.00	15.89
8.	10	Agriculture and other Allied Departments (Horticultural and Sericulture Development)	69.44	50.91	18.53
9.	11	Agriculture and other Allied Departments (Agriculture)	14,633.26	14,621.81	11.45
10.	13	Agriculture and other Allied Departments (Rural Development)	573.19	310.51	262.68
11.	14	Agriculture and Other Allied Departments (Panchayati Raj)	1,080.89	7.51	1,073.38
12.	15	Agriculture and other Allied Departments (Animal Husbandry)	214.55	190.41	24.14
13.	17	Agriculture and other Allied Departments (Fisheries)	32.88	0.00	32.88
14.	18	Agriculture and other Allied Departments (Co-operative)	16.79	0.00	16.79
15.	19	Personnel Department (Training and other Expenditure)	2.46	0.00	2.46
16.	20	Personnel Department (Public Service Commission)	27.28	0.00	27.28
17.	21	Food and Civil Supplies Department	111.37	102.69	8.68
18.	22	Sports Department	2.84	0.00	2.84
19.	23	Cane Development Department (Cane)	33.31	1.37	31.94
20.	25	Home Department (Jails)	62.35	0.00	62.35
21.	26	Home Department (Police)	1,215.29	0.00	1,215.29
22.	27	Home Department (Civil Defence)	6.82	0.00	6.82
23.	28	Home Department (Political Pension and other expenditure)	42.61	0.00	42.61
24.	33	Medical Department (Ayurvedic and Unani)	228.86	0.00	228.86
25.	34	Medical Department (Homoeopathy)	59.96	0.00	59.96
26.	35	Medical Department (Family Welfare)	858.14	0.00	858.14
27.	36	Medical Department (Public Health)	100.12	0.00	100.12
28.	37	Urban Development Department	5,574.84	5,112.68	462.16
29.	39	Language Department	3.53	0.00	3.53
30.	40	Planning Department	202.14	186.74	15.40
31.	41	Election Department	80.31	0.00	80.31
32.	42	Judicial Department	482.06	0.00	482.06
33.	44	Tourism Department	2.52	0.00	2.52
34.	45	Environment Department	1.75	0.00	1.75
35.	47	Technical Education Department	38.26	35.54	2.72

Sl. No.	Grant No.	Name of Grant/Appropriation	Savings	Surrender	Savings, not Surrendered
36.	49	Women and Child Welfare Department	2,247.92	0.00	2,247.92
37.	50	Revenue Department (District Administration)	145.75	0.00	145.75
38.	51	Revenue Department (Relief on Account of Natural Calamities)	816.86	0.00	816.86
39.	52	Revenue Department (Board of Revenue and other Expenditure)	416.46	3.05	413.41
40.	54	Public Works Department (Establishment)	996.61	0.00	996.61
41.	57	Public Works Department (Communications- Bridges)	34.69	0.00	34.69
42.	59	Public Works Department (Estate Directorate)	19.75	5.72	14.03
43.	60	Forest Department	156.45	0.00	156.45
44.	61	Finance Department (Debt Services & other Expenditure)	30.99	27.40	3.59
45.	63	Finance Department (Treasury and Accounts Administration)	84.00	0.00	84.00
46.	65	Finance Department (Audit, Small Savings, etc.)	68.74	8.82	59.92
47.	67	Legislative Council Secretariat	10.37	0.00	10.37
48.	70	Science and Technology Department	14.45	2.04	12.41
49.	74	Home Department (Home Guards)	8.76	0.00	8.76
50.	75	Education Department (State Council of Educational Research and Training)	48.74	0.00	48.74
51.	76	Labour Department (Labour Welfare)	51.79	27.67	24.12
52.	77	Labour Department (Employment)	19.61	0.00	19.61
53.	79	Social Welfare Department (Welfare of the Handicapped and Backward Classes)	216.85	46.72	170.13
54.	80	Social Welfare Department (Social Welfare and Welfare of Scheduled Castes)	702.81	0.00	702.81
55.	81	Social Welfare Department (Tribal Welfare)	150.52	46.11	104.41
56.	82	Vigilance Department	4.05	0.00	4.05
57.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	5,573.74	1,906.04	3,667.70
58.	84	General Administration Department	15.94	0.00	15.94
59.	86	Information Department	17.79	0.00	17.79
60.	87	Soldiers' Welfare Department	7.16	0.00	7.16
61.	88	Institutional Finance Department (Directorate)	39.86	0.00	39.86
62.	90	Institutional Finance Department (Entertainment and Betting Tax)	3.87	0.00	3.87
63.	91	Institutional Finance Department (Stamps and Registration)	37.86	0.00	37.86
64.	92	Culture Department	22.89	0.00	22.89
65.	94	Irrigation Department (Works)	162.39	0.00	162.39
66.	95	Irrigation Department (Establishment)	701.41	0.00	701.41
Total			39,753.00	22,698.48	17,054.52
Capital – Voted					
67.	2	Housing Department	88.45	0.00	88.45
68.	3	Industries Department (Small Industry and Export Promotion)	9.00	0.00	9.00
69.	4	Industries Department (Mines and Minerals)	1.35	0.00	1.35
70.	7	Industries Department (Heavy and Medium Industries)	713.76	0.01	713.75
71.	9	Power Department	45.20	38.57	6.63

Sl. No.	Grant No.	Name of Grant/Appropriation	Savings	Surrender	Savings, not Surrendered
72.	14	Agriculture and Other Allied Departments (Panchayati Raj)	212.44	0.06	212.38
73.	21	Food and Civil Supplies Department	2,553.31	2,545.40	7.91
74.	22	Sports Department	49.99	0.00	49.99
75.	23	Cane Development Department (Cane)	60.15	0.15	60.00
76.	24	Cane Development Department (Sugar Industry)	380.43	363.75	16.68
77.	25	Home Department (Jails)	29.99	0.00	29.99
78.	26	Home Department (Police)	72.20	0.00	72.20
79.	32	Medical Department (Allopathy)	225.40	0.00	225.40
80.	35	Medical Department (Family Welfare)	26.27	0.00	26.27
81.	36	Medical Department (Public Health)	8.88	0.00	8.88
82.	37	Urban Development Department	515.88	117.14	398.74
83.	40	Planning Department	354.32	345.26	9.06
84.	41	Election Department	1.00	0.00	1.00
85.	42	Judicial Department	855.26	0.00	855.26
86.	43	Transport Department	26.65	0.00	26.65
87.	44	Tourism Department	2,034.83	0.00	2,034.83
88.	47	Technical Education Department	46.14	25.72	20.42
89.	48	Minorities Welfare Department	106.53	0.00	106.53
90.	49	Women and Child Welfare Department	128.85	0.00	128.85
91.	50	Revenue Department (District Administration)	166.06	0.00	166.06
92.	51	Revenue Department (Relief on Account of Natural Calamities)	22.50	0.00	22.50
93.	52	Revenue Department (Board of Revenue and other Expenditure)	54.83	0.00	54.83
94.	56	Public Works Department (Special Area Programme)	32.06	0.00	32.06
95.	57	Public Works Department (Communication Bridges)	281.27	0.00	281.27
96.	58	Public Works Department (Communications-Roads)	4,562.53	0.00	4,562.53
97.	59	Public Works Department (Estate Directorate)	71.91	0.00	71.91
98.	60	Forest Department	15.48	0.00	15.48
99.	61	Finance Department (Debt Services and other Expenditure)	702.31	74.73	627.58
100.	63	Finance Department (Treasury and Accounts Administration)	2.00	0.00	2.00
101.	73	Education Department (Higher Education)	83.97	64.75	19.22
102.	74	Home Department (Home Guards)	1.30	0.00	1.30
103.	75	Education Department (State Council of Educational Research and Training)	6.51	0.00	6.51
104.	78	Secretariat Administration Department	16.02	0.00	16.02
105.	79	Social Welfare Department (Welfare of the Handicapped and Backward Classes)	87.06	37.23	49.83
106.	81	Social Welfare Department (Tribal Welfare)	74.40	4.25	70.15
107.	83	Social Welfare Department (Special Component Plan for Scheduled Castes)	1,637.33	1,215.39	421.94
108.	84	General Administration Department	11.12	0.00	11.12
109.	86	Information Department	1.00	0.00	1.00
110.	88	Institutional Finance Department (Directorate)	4.10	0.00	4.10
111.	92	Culture Department	20.61	0.00	20.61

Sl. No.	Grant No.	Name of Grant/Appropriation	Savings	Surrender	Savings, not Surrendered
112.	94	Irrigation Department (Works)	575.96	0.00	575.96
Total			16,976.61	4,832.41	12,144.20
Revenue – Charged					
113.	09	Power Department	1,183.00	15.88	1,167.12
114.	20	Personnel Department (Public Service Commission)	6.31	0.00	6.31
115.	29	Confidential Department (Governor’s Secretariat)	3.10	0.00	3.10
116.	42	Judicial Department	18.48	0.00	18.48
117.	61	Finance Department (Debt Services and other Expenditure)	2,867.40	2,398.16	469.24
118.	62	Finance Department (Superannuation Allowances and Pensions)	4.96	0.00	4.96
119.	66	Finance Department (Group Insurance)	22.02	20.50	1.52
Total			4,105.27	2,434.54	1,670.73
Capital – Charged					
120.	61	Finance Department (Debt Services and other Expenditure)	6,973.52	0.72	6,972.80
Total			6,973.52	0.72	6,972.80
Grand total			67,808.40	29,966.15	37,842.25

Appendix 3.1

Non-maintenance/Incomplete Cash Books

(Reference: Paragraph 3.4; Page 46)

(₹ in crore)

Sl. No.	AIR No.	Name of Unit	Period of non-maintenance/ incomplete cash book	Amount not entered in Cash book
1.	09/2018-19	District Agriculture Officer, Jaunpur	04/2017 to 03/2018	1.87
2.	20/2018-19	Deputy Director Agriculture, Kushinagar	10/2017 to 03/2018	16.21
3.	03/2018-19	District Supply Officer, Agra	11/2012 to 03/2018	8.11
4.	18/2018-19	District Supply Officer/Regional Accounts Officer, Bareilly	04/2013 to 03/2018	839.89
5.	04/2018-19	Settlement Officer Consolidation, Bahraich	04/2005 to 03/2018	54.70
6.	18/2018-19	Settlement Officer Consolidation, Jaunpur	04/2014 to 03/2018	30.59
7.	03/2018-19	FAO (Basic Education), Jaunpur	06/2017 to 03/2018	710.72
8.	07/2018-19	District Minority Welfare Officer, Agra	11/2016 to 03/2018	3.66
9.	08/2018-19	FAO (Basic Education), Ballia	01/2017 to 03/2018	693.94
10.	12/2018-19	District Minority Welfare Officer, Ghazipur	11/2017 to 03/2018	16.47
11.	16/2018-19	FAO (Basic Education), Gonda	04/2014 to 03/2018	1,610.64
12.	24/2018-19	FAO (Basic Education), Ambedkarmagar	04/2014 to 03/2018	1,367.50
13.	19/2018-19	District Development Officer, Kushinagar	04/2014 to 03/2018	43.47
Grand Total				5,397.77

Appendix 3.2
Disbursement of two per cent additional stamp duty
(Reference: Paragraph 3.10; Page 52)

(₹ in crore)

Sl. No.	Name of Parishad/ Authorities	Amount disbursed
1.	EE, UP Housing Board Division-33, Aligarh	14.29
2.	EE, UP Housing Board Division-17, Kanpur	5.10
3.	EE, UP Housing Board Division-Cont. Unit, Jhansi	4.81
4.	EE, UP Housing Board Division-Unit 28, Agra	14.90
5.	EE, UP Housing Board Division-24, Moradabad	2.59
6.	EE, UP Housing Board Division-13, Lucknow	3.64
7.	EE, UP Housing Board Division-31, Lucknow	1.26
8.	EE, UP Housing Board Division-25, Moradabad	0.89
9.	EE, UP Housing Board Division-37, Gorakhpur	5.33
10.	EE, UP Housing Board Division-29, Agra	0.18
11.	EE, UP Housing Board Division-02, Lucknow	16.44
12.	EE, UP Housing Board Division-34, Varanasi	4.76
13.	EE, UP Housing Board Division-32, Saharanpur	3.56
14.	EE, UP Housing Board Division-34, Kanpur	2.56
15.	EE, UP Housing Board Division-18, Ghaziabad	44.60
16.	VC, Gorakhpur Development Authority	4.28
17.	Finance Controller, Agra Development Authority	5.27
18.	VC, Kanpur Development Authority	3.28
19.	VC/District Magistrate, Hapur/Pilkhuwa Development Authority	2.60
20.	VC/District Magistrate, Bulandshahar Development Authority	7.02
21.	VC, Khurja Development Authority	3.82
22.	Secretary, Mathura Vrindavan Development Authority	10.44
23.	VC/District Magistrate, Firozabad-Shikohabad Development Authority	1.24
24.	VC, Saharanpur Development Authority	2.15
25.	VC, Prayagraj Development Authority	3.37
26.	EE, UP Housing Board Division, Azamgarh	0.97
27.	EE, UP Housing Board Division-04, Lucknow	1.81
28.	EE, UP Housing Board Division Etawah	5.62
29.	Finance Controller, Lucknow Development Authority	12.96
30.	Secretary, Orai Development Authority	0.67
31.	Secretary, Jhansi Development Authority	2.14
32.	Secretary, Varanasi Development Authority	8.10
33.	Secretary, Mirzapur-Vindhyachal Development Authority	0.21
34.	Secretary, Raebareli Development Authority	1.05
Total		201.91

Appendix 3.3

Department-wise/duration-wise break-up of the pending cases (cases where final action was pending at the end of March 2018)

(Reference: Paragraph 3.11; Page 52)

(figures in bracket indicate ₹ in lakh)

Sl. No	Name of Department	Up to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	20 to 25 years	Above 25 years	Total no. of cases
1.	Agriculture	-	-	2(7.44)	-	-	1(0.18)	3(7.62)
2.	Animal Husbandry	-	-	-	2(3.46)	6(1.18)	8(1.91)	16(6.55)
3.	Co-operative	-	-	-	1(1.28)	1(0.17)	-	2(1.45)
4.	Education	2(53.22)	5(112.94)	-	1(5.00)	-	-	8(171.16)
5.	Fisheries	-	1(1.01)	-	-	-	2(1.60)	3(2.61)
6.	Food and Civil Supplies	-	-	1(3.06)	-	-	8(25.72)	9(28.78)
7.	Irrigation	-	6(110.96)	10(0.56)	5(3.60)	20(5.91)	-	41(121.03)
8.	Judiciary	-	-	1(4.44)	-	-	-	1(4.44)
9.	Land Acquisition	-	-	-	-	-	3(331.78)	3(331.78)
10.	Medical, Health and Family Welfare	-	-	-	-	2(3.95)	9(11.94)	11(15.89)
11.	Police	-	2(4.00)	-	-	-	4(4.10)	6(8.10)
12.	PAC	-	-	-	1(47.48)	-	1(0.51)	2(47.99)
13.	Public Works	-	4(111.96)	4(34.86)	1(0.98)	-	-	9(147.80)
14.	Revenue	-	1(6.68)	-	1(1.72)	-	3(6.09)	5(14.49)
15.	Rural Development	-	-	-	-	2(1.21)	7(2.07)	9(3.28)
16.	Social Welfare	1(4.44)	-	-	-	1(0.25)	2(0.70)	4(5.39)
17.	Technical Education	-	-	-	1(11.59)	-	-	1(11.59)
18.	Weight and Measurement	-	-	-	-	-	1(1.01)	1(1.01)
19.	Horticulture	-	-	1(3.59)	-	-	-	1(3.59)
20.	Finance	-	-	-	-	-	1(0.67)	1(0.67)
Total		3(57.66)	19(347.55)	19(53.95)	13(75.11)	32(12.67)	50(388.28)	136(935.22)

Appendix 3.4**Department-wise/category-wise details of loss to Government due to theft, misappropriation, losses and defalcation***(Reference: Paragraph 3.11; Page 53)***(₹ in lakh)**

Sl. No.	Name of Department	Theft cases		Misappropriation cases		Cases of Loss of the Government material		Defalcation cases		Total	
		Number of Cases	Amount	Number of Cases	Amount	Number of Cases	Amount	Number of Cases	Amount	Number of Cases	Amount
1.	Agriculture	-	-	1	5.45	2	2.17	-	-	3	7.62
2.	Animal Husbandry	11	1.78	-	-	3	1.55	2	3.22	16	6.55
3.	Co-operative	1	1.28	-	-	-	-	1	0.17	2	1.45
4.	Education	3	6.60	2	59.41	-	-	3	105.15	8	171.16
5.	Fisheries	-	-	-	-	1	1.23	2	1.38	3	2.61
6.	Food and Civil Supplies	-	-	-	-	4	10.15	5	18.63	9	28.78
7.	Irrigation	33	15.84	3	29.72	3	5.28	2	70.19	41	121.03
8.	Judiciary	-	-	-	-	-	-	1	4.44	1	4.44
9.	Land Acquisition	-	-	2	5.78	-	-	1	326.00	3	331.78
10.	Medical, Health and Family Welfare	6	4.13	-	-	1	1.09	4	10.67	11	15.89
11.	Police	-	-	-	-	2	4.00	4	4.10	6	8.10
12.	PAC	-	-	-	-	-	-	2	47.99	2	47.99
13.	PWD	3	1.63	-	-	6	146.17	-	-	9	147.80
14.	Revenue	-	-	-	-	-	-	5	14.49	5	14.49
15.	Rural Development	4	0.94	-	-	1	0.14	4	2.20	9	3.28
16.	Social Welfare	-	-	-	-	-	-	4	5.39	4	5.39
17.	Technical Education	-	-	1	11.59	-	-	-	-	1	11.59
18.	Weight and Measurement	1	1.01	-	-	-	-	-	-	1	1.01
19.	Horticulture	-	-	-	-	-	-	1	3.59	1	3.59
20.	Finance	-	-	-	-	-	-	1	0.67	1	0.67
Total		62	33.21	9	111.95	23	171.78	42	618.28	136	935.22

Appendix 3.5

Department-wise details of cases settled/ written off during 2017-18

(Reference: Paragraph 3.11; Page 53)

(₹ in lakh)

Sl. No.	Name of Department	Authority	Brief Particulars	No. of case	Amount
1	Public Works	Government of Uttar Pradesh	Departmental Jeep no. UAJ 2129 and UP 70 D/ 5630 burnt by violent mob	One	0.57
				Total	0.57

Appendix 3.6

Statement of finalisation of accounts and investments in Departmental Commercial Undertakings

(Reference: Paragraph 3.12; Page 53)

Sl. No.	Name of the undertaking	Accounts finalised up to	Investment as per the last account finalised (₹ in crore)
Irrigation Department			
1.	Irrigation Workshop Division, Kanpur	2017-18	1.78
2.	Irrigation Workshop Division, Jhansi	2017-18	10.95
3.	Irrigation Workshop Division, Bareilly	2017-18	11.79
4.	Irrigation Workshop Division, Meerut	2017-18	1.59
5.	Irrigation Workshop Division, Gorakhpur	2017-18	0.38
6.	Irrigation Workshop Division, Allahabad	2017-18	3.83
Food and Civil Supplies Department			
7.	Food Commissioner and CAO	2013-14	3,490.22
Animal Husbandry Department			
8.	Dy. Director, Animal Husbandry Farms Corporation	2014-15	27.97
Health Department			
9.	Dy. Director, State Ayurvedic & Unani Medicine Department	1987-88	Not available
Total			3,548.51

Appendix 3.7

Investments made by the State Government in PSUs whose accounts were in arrears

(Reference: Paragraph 3.13; Page 55)

Sl. No.	Name of PSU	Period upto which Accounts finalised	Period for which Accounts are in arrears	Paid up capital as per latest finalized Accounts	Budgetary support /guarantees given by State Government during the period for which accounts of the PSUs are in arrears					
					Equity	Loans	Capital Grant	Other Grant	Subsidy	Guarantee
Working Government Companies										
Social Sector										
1	Uttar Pradesh Alpsankhyak Vitya Avam Vikas Nigam Limited	2005-06	2006-07 to 2017-18	28.67	0.00	0.00	64.22	0.00	0.00	0.00
2	Uttar Pradesh Scheduled Caste Finance and Development Corporation Limited	2014-15	2015-16 to 2017-18	230.42	3.31	0.00	0.00	0.25	0.00	0.00
3	Uttar Pradesh Food & Essential Corporation Limited	2009-10	2010-11 to 2017-18	5.00	6.83	0.00	0.00	0.00	0.00	0.00
4	Uttar Pradesh Mahila Kalyan Nigam Limited	2013-14	2014-15 to 2017-18	5.19	0.00	0.00	0.00	50.62	0.00	0.00
5	Uttar Pradesh Waqf Vikas Nigam Limited	2003-04	2004-05 to 2017-18	5.25	4.50	0.00	0.00	0.00	0.00	0.00
6	Agra Smart City	Incorporated on 09-01-2017	2017-18	0.00	0.00	0.00	106.75	0.00	0.00	0.00
Social Sector Total					14.64	0.00	170.97	50.87	0.00	0.00
PSUs in competitive environment										
7	Uttar Pradesh State Agro Industrial Corporation Limited	2010-11	2011-12 to 2017-18	46.30	12.02	0.00	0.00	0.00	0.00	0.00
8	The Pradeshhiya Industrial and Investment Corporation of U P Limited	2015-16	2016-17 & 2017-18	135.58	0.00	30.27	0.00	0.00	0.00	0.00
9	Uttar Pradesh State Spinning Company Limited	2016-17	2017-18	93.24	0.00	7.99	0.00	0.00	0.00	0.00

Sl. No.	Name of PSU	Period upto which Accounts finalised	Period for which Accounts are in arrears	Paid up capital as per latest finalized Accounts	Budgetary support /guarantees given by State Government during the period for which accounts of the PSUs are in arrears					
					Equity	Loans	Capital Grant	Other Grant	Subsidy	Guarantee
10	Uttar Pradesh State Sugar Corporation Limited	2014-15	2015-16 to 2017-18	1,648.31	544.59	180.00	0.00	0.00	0.00	0.00
11	Uttar Pradesh Development Systems Corporation Limited	2016-17	2017-18	1.00	0.00	0.00	0.00	1.00	0.00	0.00
12	U.P. Handicrafts & Marketing Development Corporation Limited	2007-08	2008-09 to 2017-18	7.24	0.00	5.00	8.84	1.73	0.00	0.00
13	Lucknow City Transport Services Limited	Incorporated on 01-02-2010	2009-10 to 2017-18	0.00	17.84	0.00	9.00	41.46	0.00	0.00
14	Meerut City Transport Services Limited	2010-11	2011-12 to 2017-18	0.05	0.00	0.00	0.00	7.88	0.00	0.00
15	Allahabad City Transport Services Limited	2014-15	2015-16 to 2017-18	0.05	0.00	0.00	14.38	0.00	0.00	0.00
16	Agra Mathura City Transport Services Limited	Incorporated on 08-07-2010	2010-11 to 2017-18	0.00	0.05	0.00	0.00	0.00	0.00	0.00
17	Kanpur City Transport Services Limited	Incorporated w.e.f. 28-04-10	2010-11 to 2017-18	0.00	0.05	0.00	0.00	27.50	0.00	0.00
18	Varanasi City Transport Services Limited	Incorporated on 15-06-2010	2010-11 to 2017-18	0.00	0.05	0.00	15.39	0.00	0.00	0.00
Competitive Sector Total					574.60	223.26	47.61	79.57	0.00	0.00
Power Sector										
19	Uttar Pradesh Power Corporation Limited*	2015-16	2016-17 to 2017-18	66,429.38	16,562.10	3,700.32	158.40	9,629.86	12,609.03	41,554.69
20	Uttar Pradesh Jal Vidyut Nigam Limited	2015-16	2016-17 to 2017-18	434.53	0.80	0.00	0.00	0.00	0.00	0.00
21	UP Power Transmission Corporation Limited	2015-16	2016-17 to 2017-18	10,091.20	2,403.22	0.00	0.00	13.56	0.00	972.40
Power Sector Total					76,955.11	3,700.32	158.40	9,643.42	12,609.03	42,527.09

* Investment by State Government in Uttar Pradesh Power Corporation Limited includes funds provided by the State Government in its subsidiaries companies.

Sl. No.	Name of PSU	Period upto which Accounts finalised	Period for which Accounts are in arrears	Paid up capital as per latest finalized Accounts	Budgetary support /guarantees given by State Government during the period for which accounts of the PSUs are in arrears					
					Equity	Loans	Capital Grant	Other Grant	Subsidy	Guarantee
Others										
22	Uttar Pradesh Matsya Vikas Nigam Limited	2011-12	2012-13 to 2017-18	1.07	0.00	0.00	2.96	0.00	0.00	0.00
	Other Sector Total			1.07	0.00	0.00	2.96	0.00	0.00	0.00
	Total of Working PSUs			79,162.48	19,555.36	3,923.58	379.94	9,773.86	12,609.03	42,527.09
Statutory Corporations										
Social Sector										
23	Uttar Pradesh Jal Nigam	2011-12	2012-13 to 2017-18	0.00	0.00	657.69	10,830.75	0.00	0.00	0.00
	Social Sector Total			0.00	0.00	657.69	10,830.75	0.00	0.00	0.00
Statutory Corporation in competitive environment										
24	Uttar Pradesh State Road Transport Corporation	2016-17	2017-18	824.88	50.00	0.00	0.00	0.00	0.00	0.00
	Competitive Sector Total			824.88	50.00	0.00	0.00	0.00	0.00	0.00
	Statutory Corporations Total			824.88	50.00	657.69	10,830.75	0.00	0.00	0.00
	Grand Total			79,987.36	19,605.36	4,581.27	11,210.69	9,773.86	12,609.03	42,527.09

Appendix 3.8
Dividend from profit earning PSUs
(Reference: Paragraph 3.14; Page 55)

(₹ in crore)

Sl. No.	Name of the Company	Period of accounts	Net Profit	Accumulated Profit	Paid Up Capital (State Government)	Dividend to be declared	Dividend declared
1	Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited	2017-18	128.95	1,049.92	10,796.79	539.84	0.00
2	Uttar Pradesh Food and Essential Commodities Corporation Limited	2009-10	9.97	40.51	5.50	0.28	0.25
3	Uttar Pradesh Mahila Kalyan Nigam Limited	2013-14	0.36	2.07	5.19	0.26	0.00
4	U.P. Projects Corporation Limited	2015-16	23.08	86.92	6.40	0.32	0.64
5	Uttar Pradesh State Industrial Development Corporation Limited	2013-14	95.22	573.43	24.08	1.20	1.20
6	Uttar Pradesh Rajkiya Nirman Nigam Limited	2012-13	98.48	800.72	1.00	0.05	0.20
7	Uttar Pradesh State Construction & Infrastructure Development Corporation Limited (formely known as Uttar Pradesh Samaj Kalyan Nirman Nigam Limited)	2016-17	1.62	73.16	0.15	0.01	0.02
8	Uttar Pradesh State Bridge Corporation Limited	2014-15	27.91	188.14	15.00	0.75	3.71
9	Uttar Pradesh Electronics Corporation Limited.	2016-17	0.89	6.18	87.66	4.38	0.09
10	Uttar Pradesh Development Systems Corporation Limited	2016-17	4.35	11.02	1.00	0.05	0.05
11	Uttar Pradesh Purva Sainik Kalyan Nigam Limited	2016-17	38.73	218.79	0.43	0.02	0.02
12	Uttar Pradesh Beej Vikas Nigam Limited	2012-13	3.51	113.37	6.92	0.35	0.00
13	Uttar Pradesh Bhumi Sudhar Nigam	2015-16	0.08	0.82	1.50	0.08	0.00
14	Uttar Pradesh Matsya Vikas Nigam Limited	2011-12	1.10	3.83	1.07	0.05	0.00
15	Uttar Pradesh Police Avas Nigam Limited	2015-16	10.53	25.24	3.00	0.15	0.15

Sl. No.	Name of the Company	Period of accounts	Net Profit	Accumulated Profit	Paid Up Capital (State Government)	Dividend to be declared	Dividend declared
16	Uttar Pradesh Export Promotion Council	2017-18	0.22	0.44	0.05	0.003	0.00
17	Uttar Pradesh State Warehousing Corporation	2015-16	51.23	473.00	13.37	0.67	2.23
18	Auto Tractors Limited	1991-92	0.11	0.00	7.50	0.38	0.00
19	Lucknow Mandaliya Vikas Nigam Limited	1981-82	0.01	1.49	0.50	0.03	0.00
20	Uttar Pradesh Bundelkhand Vikas Nigam Limited	2010-11	0.09	0.01	1.23	0.06	0.00
Total			496.44	3,669.06	10,978.34	548.92	8.56

Appendix 4
Glossary (Additional Data)
Basis of Calculation

Terms	Basis of Calculation
Rate of Growth (ROG)	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	$\text{Interest payment} / [(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$
Interest received as <i>per cent</i> to Loans Outstanding	$\text{Interest Received} [(\text{Opening balance} + \text{Closing balance of Loans and Advances}) / 2] * 100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest Payments

Explanation of Terms

Terms	Explanation
Development expenditure	The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorised into social services, economic services and general services. Broadly, the social and economic services constitute development expenditure, while expenditure on general services is treated as non-development expenditure.
Debt sustainability	The Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.
Debt stabilisation	A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and quantum spread (Debt x rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilise eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.
Sufficiency of non-debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.
Net availability of borrowed funds	Defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.
Appropriation Accounts	Appropriation Accounts present the total amount of funds (Original and Supplementary) authorised by the Legislative Assembly in the budget grants under each voted grants and charged appropriation vis-à-vis the actual expenditure incurred against each and the unspent provisions or excess under each grant or appropriation. Any expenditure in excess of the grants requires regularisation by the Legislature.
Autonomous Bodies	Autonomous Bodies (usually registered Societies or Statutory Corporations) are set up whenever it is felt that certain functions need to be discharged outside the governmental set up with some amount of independence and flexibility without day-to-day interference of the governmental machinery.
Committed expenditure	The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies on which the present executive has limited control.
Contingent liability	Contingent liabilities may or may not be incurred by an entity depending on the outcome of a future event such as a court case.

Terms	Explanation
Sinking Fund	A Fund into which the government sets aside money over time in order to retire its debt.
Guarantee Redemption Fund	Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. As per the terms of the Guarantee Redemption Fund, the State Government was required to contribute an amount equal to at least 1/5 th of the outstanding invoked guarantees plus an amount likely to be invoked as a result of the incremental guarantees during the year.
Internal debt	Internal debt comprises regular loans from the public in India, also termed 'Debt raised in India'. It is confined to loans credited to the Consolidated Fund.
Primary revenue expenditure	Primary revenue expenditure means revenue expenditure excluding interest payments.
Primary expenditure	Primary revenue expenditure plus capital expenditure plus loan and advances
Primary Revenue Deficit/ Surplus	Non-debt receipt minus primary revenue expenditure
Primary Deficit/ Surplus	Fiscal deficit minus interest payments gives primary deficit. It can be interpreted as the excess of non-interest expenditure of the government over its revenue receipts and non debt capital receipts.
Re-appropriation	Means the transfer of funds from one Primary unit of appropriation to another such unit.
Public Accounts Committee	A Committee constituted by the Legislative Assembly for the examination of the reports of the Comptroller and Auditor General of India relating to the appropriation accounts of the State, the annual financial accounts of the State or such other accounts or financial matters as are laid before it or which the Committee deems necessary to scrutinise.

Acronyms

Acronyms	Full Form
AC Bill	Abstract Contingent Bill
AE	Aggregate Expenditure
CAG	Comptroller and Auditor General of India
CAGR	Compound Annual Growth Rate
CE	Capital Expenditure
CSF	Consolidated Sinking Fund
DC Bill	Detailed Contingent Bill
FRBM Act	Fiscal Responsibility and Budget Management Act
GDP	Gross Domestic Product
GoI	Government of India
GSDP	Gross State Domestic Product
GST	Goods and Services Tax
IGST	Integrated Goods and Services Tax
MH	Major Head
MTFRP	Mid Term Fiscal Restructuring Policy
NDRF	National Disaster Response Fund
NTR	Non-tax Receipts
OTR	Own Tax Revenue
PAC	Public Account Committee
PD Account	Personal Deposit Account
PSU	Public Sector Undertakings
RE	Revenue Expenditure
RR	Revenue Receipts
SDRF	State Disaster Response Fund
SGST	State Goods and Services Tax
UC	Utilisation Certificate
UDAY	Ujwal Discom Assurance Yojana

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

www.agup.nic.in