

CHAPTER-IV

QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is, thus, one of the attributes of good governance. Reports on compliance and controls, if effective and operational, assist the Government in meeting its basic stewardship responsibilities, including strategic planning and decision-making. This Chapter provides an overview on the quality of accounts and compliance of the State Government in its financial reporting practices, with prescribed financial rules, procedures and directives with regard to completeness, transparency, measurement and disclosure.

Issues related to completeness of accounts

4.1 Extra-budget borrowings through State owned PSEs/Authorities not being credited to the Consolidated Fund

The State Government resorted to extra-budget borrowings through State owned PSEs/Authorities, which were not being credited to the Consolidated Fund, for meeting expenditure having implication on debt parameter of the State.

The Uttar Pradesh Fiscal Responsibility and Budget Management (UPFRBM) Act, 2004 outlined that the State Government shall take suitable measures to ensure greater transparency in its fiscal operations in public interest by disclosing the contingent liabilities created by way of guarantees; the actual liabilities arising out of borrowings by Public Sector Enterprises and Special Purpose Vehicles and other equivalent instruments where liability for repayment is on the State Government allocations. Further, the Uttar Pradesh Fiscal Responsibility and Budget Management Rules, 2006 provided that the 'Medium Term Fiscal Restructuring Policy (MTFRP) Statement' laid before the Legislature along with Budget documents shall contain the five year rolling targets with respect to Revenue Deficit, Fiscal Deficit and total outstanding debt²³ of the State Government. For the year 2022-23 debt stock was targeted as 32.5 per cent of GSDP.

State Government did not provide the details of extra-budget borrowings in its budget. However, as per information furnished by the State Government, as on

²³ Total outstanding debt of the State indicates debt stock position or total indebtedness of the State which includes Internal Debt, Loans and Advances from GoI, Small Savings, Provident Funds, etc., Reserve funds and Deposits.

31 March 2023, the outstanding extra budget borrowing was ₹ 24,314.36 crore which included borrowings of ₹ 3,488 crore by Uttar Pradesh Power Corporation Limited during 2022-23.

4.2 Undischarged liabilities in Defined Contribution Pension Scheme

The State Government did not discharge its liability towards the Defined Contribution Pension Scheme as the contributions were not transferred to the designated fund managers for its further investment.

State Government employees recruited on or after 1 April 2005 are covered under the Defined Contribution Pension Scheme (DCPS). It is also applicable to the new entrants of government aided educational institutions and autonomous bodies financed by the State Government. In terms of the Scheme, the government employees contribute 10 *per cent* of basic pay and dearness allowance whereas State Government contributes 14 *per cent*. As per the procedure prescribed by the Government of Uttar Pradesh, both the contributions are to be initially credited to the Public Account under the concerned Head of Accounts 8342-Other Deposit-117 DCPS for Government employees and 8342-120-Miscellaneous Deposits for Government aided Educational Institutions and Autonomous Bodies. Thereafter, the entire amount (Government's contribution and employees' contribution) so contributed to DCPS is required to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank. Further, the Major Head 8342 falls under the category of 'deposits bearing interest' implying thereby, that the Government is required to pay interest on un-transferred balance.

During the year 2022-23, State Government booked expenditure of ₹ 6,744.03 crore under the head 2071-01-117-Government contribution for DCPS. This included ₹ 6,255.10 crore as Government contribution (₹ 3,772.71 crore for government employees, ₹ 2,476.96 crore for aided educational institutions employees and ₹ 5.43 crore for aided autonomous bodies employees) and ₹ 488.93 crore for payment of gratuity, family pension and interest on delayed deposits of employees covered under the scheme. Out of this, Government contribution of ₹ 6,237.81 crore was transferred to the heads designated for DCPS under Major Head 8342 in the Public Account. The difference between the amount booked as revenue expenditure (₹ 6,255.10 crore) and the amount actually transferred to designated head (₹ 6,237.81 crore) for DCPS was under reconciliation between the State Government and the Accountant General (Accounts & Entitlements).

As per Finance Accounts 2022-23, there was a closing balance of ₹ 481.05 crore under the head 8342-117-DCPS for Government Employees, which was not transferred to NSDL/Trustee Bank. The opening balance of DCPS at the beginning of the year was ₹ 440.62 crore in respect of Government

employees on which the Government was required to credit interest amounting to ₹ 31.28 crore calculated as per the rate of interest payable to General Provident Fund. However, Government paid interest of ₹ 0.53 crore. The short credit of interest had an impact on the Revenue Surplus and Fiscal Deficit of the State, which was overstated and understated respectively by ₹ 30.75 crore during the year 2022-23.

Further, as per data maintained by Accountant General (Accounts & Entitlements), in respect of aided educational institution and autonomous bodies, State Government transferred ₹ 3,992.44 crore to NSDL/Trustee Bank as against the receipts of ₹ 4,463.96 crore (employees' contribution: ₹ 2,019.43 crore and Government's contribution: ₹ 2,444.53 crore) under the head 8342-120 during 2022-23. Short transfers of contributions of DCPS to the designated fund manager were also reported earlier in the State Finances Audit Reports for the year ended 31 March 2017, 31 March 2018, 31 March 2019, 31 March 2020, 31 March 2021 and 31 March 2022. Thus, the State Government did not discharge its liability towards DCPS and the current liability stands deferred to future year(s). As a result, the non-remitted fund did not yield any value appreciation as it could not become part of the corpus of investment of the subscribers.

4.3 Uttar Pradesh Road Transport Accident Relief Fund

The State Government did not establish Uttar Pradesh Road Transport Accident Relief Fund (UPRTARF) which resulted in a sum of ₹ 915.46 crore not being credited to UPRTARF.

As per provisions of section 8(1) of Uttar Pradesh Motor Vehicle Taxation (UPMVT) Act, 1997, as amended in 2009, the State Government shall establish the Uttar Pradesh Road Transport Accident Relief Fund (UPRTARF) for the purpose of providing relief to the passengers or heirs of such passengers or other persons suffering casualty in which a public service vehicle is involved. An amount equivalent to two *per cent* of the tax levied under Section 4 and two *per cent* of the additional tax levied under Section 6 shall be credited to the fund.

A mention was made in the State Finances Audit Report for the year ended 31 March 2016 (Para No. 1.9.3.2 of Report No. 4 of the year 2016 – Government of Uttar Pradesh) regarding non-establishment of the UPRTARF by the State Government, which negated the very purpose of the provision in the UPMVT Act. In reply, the State Government had stated that the process of amendment on rules for creation of the UPRTARF was in progress. The matter was reiterated in Paragraph 4.4 of the State Finances Audit Reports for the year ended 31 March 2020, 31 March 2021 and 31 March 2022. However, it was observed that the State Government had not yet established the UPRTARF.

During the period 2015-23, Transport Department realised tax and additional tax of ₹ 45,772.30 crore under Section 4 and Section 6 of UPMVT Act as detailed in **Table 4.1** below.

Table 4.1: Details of tax to be credited to the UPRTARF during the period 2015-23
(₹ in crore)

Year	Tax realised under Section 4			Addl. Tax realised under Section 6	Total Tax realised under Section 4 and Section 6	Two per cent to be transferred to the UPRTARF
	Head of Accounts	0041-102-01	0041-102-03			
1	2	3	4 = 2+3	5	6 = 4+5	7= 2% of col. 6
2015-16	3710.60	159.40	3870.00	213.00	4083.00	81.66
2016-17	4357.84	168.27	4526.11	243.67	4769.78	95.40
2017-18	5186.72	186.02	5372.74	270.73	5643.47	112.87
2018-19	5585.21	199.77	5784.98	259.01	6043.99	120.88
2019-20	5843.87	203.25	6047.12	231.25	6278.37	125.57
2020-21	4809.33	153.75	4963.08	58.44	5021.52	100.43
2021-22	5816.77	176.97	5993.74	158.10	6151.84	123.04
2022-23	7359.76	234.98	7594.74	185.59	7780.33	155.61
Total	42670.10	1482.41	44152.51	1619.79	45772.30	915.46

Source: Information provided by the office of Transport Commissioner, Uttar Pradesh.

As evident from **Table 4.1**, a sum of ₹ 915.46 crore was credited to the UPRTARF for the period 2015-23 but could not be credited as the fund was not established. Out of ₹ 915.46 crore, ₹ 155.61 crore pertains to the year 2022-23. This also had an impact on Revenue Surplus and Fiscal Deficit of the State for the year 2022-23, which was overstated and understated respectively by ₹ 155.61 crore.

Transport Commissioner, Uttar Pradesh stated (September 2023) that the creation of UPRTARF was under process at the Government level. It was further intimated that a sum of ₹ 1.57 crore²⁴ was provided as financial assistance to the concerned entitled persons suffering from casualty during the period 2015-23 from the Major Head 2235-Social Security and Welfare under the Transport Department Grant Number 43.

However, the Government needs to comply with the provisions of the Act by establishing the UPRTARF in the Public Account of the State and financial assistance to the entitled persons due to casualty was not being provided from the UPRTARF established under the UPMVT Act, 1997.

²⁴ Year 2015-16- ₹ 5.85 lakh (41 casualties), year 2016-17- ₹ 19.35 lakh (77 casualties), year 2017-18- ₹ 24.00 lakh (121 casualties), year 2018-19- ₹ 19.15 lakh (143 casualties), year 2019-20- ₹ 33.07 lakh (176 casualties), year 2020-21- ₹ 21.60 lakh (164 casualties), year 2021-22- ₹ 18.85 lakh (135 casualties) and year 2022-23 ₹ 15.60 lakh (87 casualties).

4.4 Non creation of distinct sub head

4.4.1 Sub-Head/Detailed Head not created for accountal of Green Tax

The State Government did not create/operate distinct sub-head/detailed head for accountal of collected Green tax which resulted into receipt of ₹ 32.18 crore on account of Green Tax not being shown in the Government account distinctly.

Uttar Pradesh Motor Vehicles Taxation (Amendment) Act, 2014 provides that no motor vehicle other than a transport vehicle shall be used in any public place after the expiry of validity of registration under the Motor Vehicle Act, 1988 unless a Green Tax at the rate specified by a notification by the State Government has been paid in respect thereof. The purpose of Green Tax was to control environmental pollution and the revenue so collected was to be utilised for protection of environment. Government of Uttar Pradesh notified (January 2015) that Green Tax at the rate 10 *per cent* on onetime tax paid at the time of registration, would be payable at the time of renewal of registration of motor vehicle.

Information provided (September 2023) by Transport Commissioner, Government of Uttar Pradesh revealed that the Transport Department had realised Green Tax amounting to ₹ 8.32 crore was realised from 1.28 lakh vehicles during 2022-23. Realisation of Green Tax amounting to ₹ 23.86 crore from 6.38 lakh vehicles during 2015-16 to 2021-22 were reported in State Finances Audit Report for the year ended 31 March 2022.

Audit scrutiny revealed that no separate sub-head/detailed head has been created for accounting of Green Tax and therefore, the same was deposited in the Major Head-0041-Vehicle Tax along with other taxes levied by the State Government. As a result, realisation of Green tax was not ascertainable from the accounts of State Government. Further, the office of Transport Commissioner could not provide the status of actual utilisation of Green Tax for protection of the environment.

The matter was also highlighted in Paragraph 3.2.5, Paragraph 3.2.4 and Paragraph 3.2.4 of the State Finances Audit Reports for the year ended 31 March 2020, 31 March 2021 and 31 March 2022 respectively but no corrective action was taken by the Government.

The matter was again reported (November 2023 and February 2024) to the Government, the reply of the Government is awaited (February 2024).

4.4.2 Transfer of additional stamp duty to Development Authorities

The Uttar Pradesh Urban Planning and Development Act, 1973 provides for collection of two *per cent* additional stamp duty on any deed of transfer of immovable property in the case of an immovable property situated within a

development area. The collection resulting from the additional stamp duty was to be transferred, after deduction of incidental expenses, if any, to the local bodies²⁵ in specified proportions. 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). 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.

For transfer of two per cent additional stamp duty, budget provisions of ₹ 1,201.36 crore was made during the year 2022-23 under the head 2217-Urban Development-80-General-800-Other Expenditure under Grant No. 61- Finance Department (Debt Services and Other Expenditure). Against this, an amount of ₹ 932.62 crore was transferred to the Urban Bodies and DUTF.

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 local bodies and DUTF in specified proportions. On being pointed out (July 2023), the office of Commissioner, Stamp, Uttar Pradesh informed (August 2023) that the State Government had been requested (February 2023) for creation of distinct sub head for additional stamp duty.

4.4.3 Incorrect classification of subsidy under UDAY to UPPCL

Under Ujwal DISCOM Assurance Yojana (UDAY), a tripartite Memorandum of Understanding (MoU) was signed (January 2016) among the Ministry of Power (GoI), Government of Uttar Pradesh and Uttar Pradesh Power Corporation Limited (UPPCL) on behalf of all the DISCOMs. The MoU provided that the GoUP would take over the future losses of the DISCOM in a graded manner during the period 2017-18 to 2020-21.

Audit noticed that the State Government made provision of ₹ 6,154.00 crore under the head 2801-Electricity-05-Transmission and Distribution-800-Other Expenses-05-UDAY Yojana-20-Grant-in-aid (non-salary) of Grant No. 09. Against this provision, subsidy of ₹ 5,372.50 crore was released to UPPCL during 2021-22. Similarly, subsidy of ₹ 8,007.72 crore was released under UDAY to UPPCL during 2022-23. Thus, the subsidy of ₹ 13,380.22 crore was booked under UDAY during 2021-22 and 2022-23 despite there was no provision under MoU for UDAY for such taking over of losses of DISCOM during 2021-22 and 2022-23.

In reply (July 2023), State Government stated the aforesaid loss subsidy of ₹ 13,380.22 crore was sanctioned and released under 'UDAY' by mistake,

²⁵ Development Authorities, Uttar Pradesh Avastha Vikas Parishad, Municipal Corporations/ Municipalities

which was to be released under Action Plan/ Revamped Distribution Sector Scheme (RDSS).

Thus, there was incorrect account classification for release of subsidy to DISCOMs during 2021-22 and 2022-23. State Government may, therefore, create a specific head of accounts for assistance to DISCOM under RDSS.

4.5 Transfer of Central Scheme Funds to Implementing Agencies in the State

Appendix VI of Volume II of the Finance Accounts exhibits the direct transfer of central scheme funds to Implementing Agencies in the State, *i.e.*, fund routed outside State Budget, which is compiled from PFMS portal of GoI. During the year 2022-23, GoI directly transferred ₹ 1,062.78 crore to State Implementing Agencies (State Government DDOs: ₹ 1.13 crore, State Government PSUs: ₹ 4.25 crore, State Government Institutions: ₹ 1,017.69 crore, Local Bodies: ₹ 2.08 crore, Academic Institutions (Government): ₹ 1.15 crore and statutory bodies: ₹ 36.48 crore). Further, the direct transfer of Central Scheme funds to the State Government Implementing Agencies has increased by 158.74 *per cent* in the year 2022-23 as compared to the year 2021-22 (from ₹ 410.76 crore in 2021-22 to ₹ 1,062.78 crore in 2022-23).

Issues related to Transparency

4.6 Delay in submission of Utilisation Certificates

The Financial Hand Book Volume-V Part-I, Para 369-H prescribes that, where grants are sanctioned for specific purposes, the departmental officers concerned should obtain Utilisation Certificate (UC) from the grantee, which after verification should be forwarded to the Accountant General (A&E). Further, in respect of grants which are expected to be utilised during the next 12 months from the date of sanction, the competent authority should furnish to the Accountant General, the requisite certificate not later than 18 months from the date of sanction of the grant.

The purpose for which grants-in-aid were utilised can be confirmed only on receipt of UCs which would safeguard against diversion of funds for other purposes. Thus, expenditure shown in the accounts cannot be treated as final to the extent of non-receipt of UCs. The position of outstanding UCs as on 31 March 2023 for grants given up to 30 September 2021 is given in **Table 4.2**.

Table 4.2: Arrears in submission of Utilisation Certificates

Year ²⁶	Number of UCs awaited (as on 31 st March)	Amount (₹ in crore)
Up to 2019-20	27147	10753.67
2020-21	3148	8528.85
2021-22 (Up to September 2021)	611	698.72
Total	30906	19981.24

Source: Finance Accounts 2022-23

²⁶ The year mentioned above relates to “Due year” *i.e.*, after 18 months of actual drawal.

Table 4.2 shows that 30,906 UCs aggregating ₹ 19,981.24 crore were outstanding as on 31 March 2023 for grants released during the period 2001-02 to 2021-22 (up to September 2021). The total outstanding UCs include 8,449 UCs (₹ 11,368.55 crore) related to Centrally Sponsored Schemes/Central Schemes. Further, 28,786 number of UCs amounting to ₹ 36,336.54 crore in respect of grants-in-aid released during the period 2001-02 to 2021-22 (up to 30 September 2021) were cleared during 2022-23. The age-wise status of pendency of UCs is summarised in **Table 4.3**.

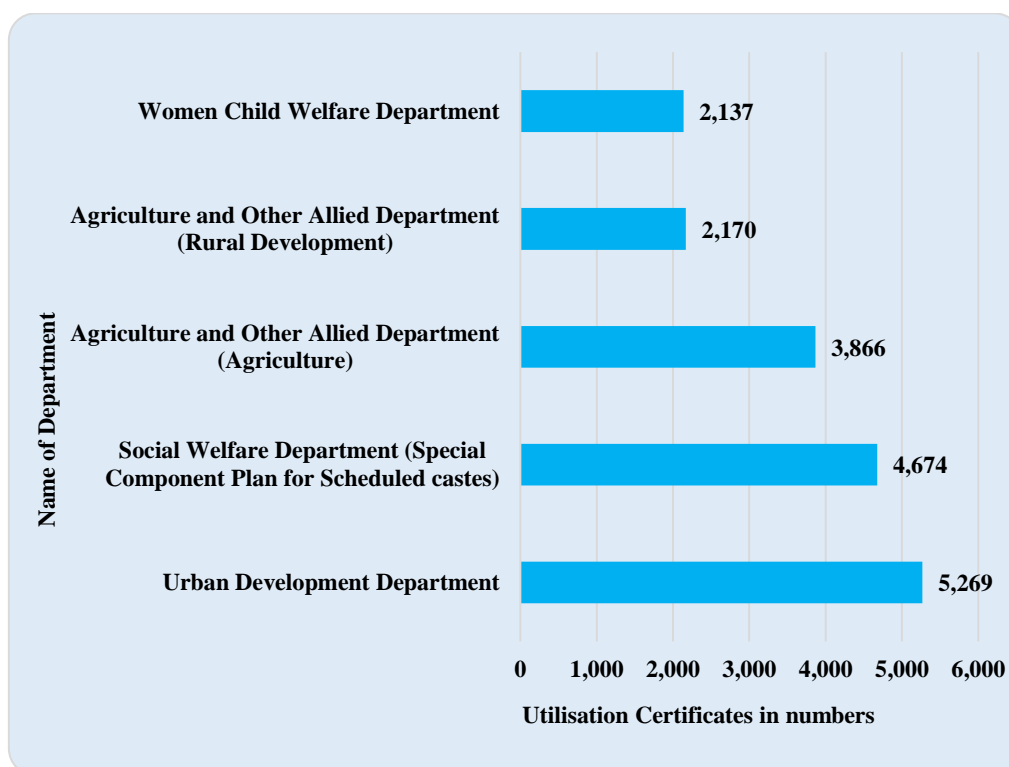
Table 4.3: Year wise break up of outstanding UCs

(₹ in crore)		
Year	Number of UCs	Amount
2001-02 to 2011-12	19468	5055.74
2012-13	321	158.93
2013-14	1187	600.36
2014-15	1635	899.75
2015-16	718	518.56
2016-17	532	425.95
2017-18	399	554.82
2018-19	766	1418.21
2019-20	2121	1121.35
2020-21	3148	8528.85
2021-22 (Up to September 2021)	611	698.72
Total	30906	19981.24

Source: Finance Accounts 2022-23 and information maintained by Accountant General (A&E) U.P.

Of the total outstanding UCs, 18,116 UCs (58.61 *per cent*) amounting to ₹ 16,476.42 crore (82.46 *per cent*) pertained to five departments: Urban Development Department, Social Welfare Department (Special Component Plan for Scheduled Castes), Agriculture and Other Allied Department (Agriculture), Agriculture and other Allied Departments (Rural Development), and Women and Child Welfare Department as presented in **Chart 4.1**.

Chart 4.1: Department wise outstanding UCs in numbers



Source: Information provided by AG(A&E-I)

In the absence of UCs, there is no assurance that grants-in-aid disbursed have actually been incurred for the purpose for which these were sanctioned/ authorised by the Legislature. Moreover, high pendency of UCs was fraught with the risk of embezzlement, diversion and misappropriation of funds.

4.7 Abstract Contingent Bills

The drawal of contingent charges on items of expenditure by a State Government, for which final classification and supporting vouchers are not available at the time of drawal are made on Abstract Contingent (AC) Bills. As per para 183 of Financial Hand Book (Volume V) Part I, in the case of contingent charges countersigned after payment, Detailed Countersigned Contingent (DCC) bills are required to be submitted by the Head of the Office to the controlling officer or if there is no controlling officers, to the Accountant General directly by the end of the next month. Delayed submission or prolonged non-submission of supporting DCC bills renders expenditure through AC Bills opaque. The details of pending DCC bills as on 31 March 2023 are given in **Table 4.4.**

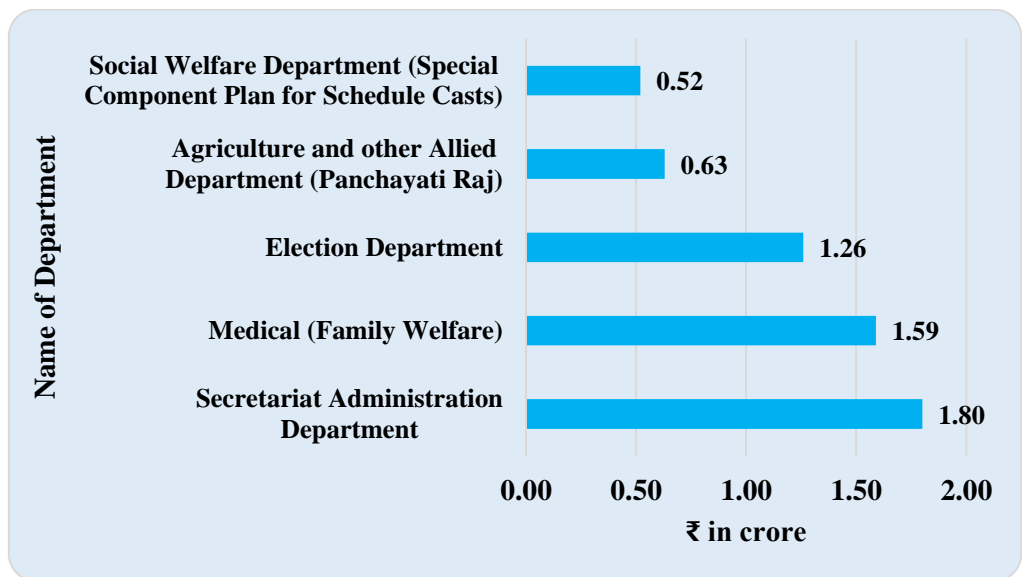
Table 4.4: Year wise status of pending DCC bills as on 31 March 2023

Year	Number of pending DCC Bills	Amount (₹ in crore)
Up to 2020-21	776	4.14
2021-22	12	0.95
2022-23	54	3.43
Total	842	8.52

Source: Finance Accounts 2022-23

As evident from **Table 4.4**, 788 DCC bills amounting to ₹ 5.09 crore were pending for long periods from the year 2001-02 to 2021-22 and 54 outstanding DCC bills amounting to ₹ 3.43 crore pertain to the year 2022-23. Of the total outstanding AC bills, 290 bills (34.44 *per cent*) amounting to ₹ 5.80 crore (68.03 *per cent*) pertained to five departments: Secretariat administration Department (93 AC bills amounting to ₹ 1.80 crore); Medical (Family Welfare) (three AC bills amounting to ₹ 1.59 crore); Election Department (55 AC bills amounting to ₹ 1.26 crore); Agriculture and other Allied Departments (Panchayati Raj) (120 AC bills amounting to ₹ 0.63 crore) and Social Welfare Department (Special Component Plan for Schedule Caste) (19 AC bills amounting to ₹ 0.52 crore) as depicted in **Chart 4.2**.

Chart 4.2: Pending DCC Bills of major defaulting departments



Source: Information provided by AG(A&E)-I

Delay in submission of detailed contingent bills indicates that funds were drawn without requirement for immediate payment. The withdrawal of money through an AC bill is accounted for against the functional Major Head in the Consolidated Fund. Unless the accounts are settled within the time specified, the expenditure stands inflated to that extent. Further, non-submission of DCC bills within the prescribed time not only breaches financial discipline but also increases the possibility of wastage/misappropriation/malfeasance, *etc.*

4.8 Personal Deposit Accounts

Under the List of Major and Minor Heads of Accounts of Union and States, Personal Deposits are of the nature of deposits not bearing interest opened under 8443-Civil Deposits-106-Personal Deposits. As per para 4 of Uttar Pradesh Personal Ledger Account (UPPLA) Rules 1998, the State Government is authorised to open Personal Deposit (PD) accounts/PLA 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.

During the year 2022-23, an amount of ₹ 2.96 crore was transferred from the Consolidated Fund of the State to PD Accounts under head 8443-106. This includes ₹ 0.17 crore of the total credit to PD Accounts, transferred in March 2023. Details of PD accounts as on 31 March 2023 are given in **Table 4.5**.

Table 4.5: Status of PD Accounts during the year 2022-23

(₹ in crore)

Opening Balance (As on 01-04-2022)		Addition during the year		Disbursement during the year		Closing Balance (As on 31-03-2023)	
No. of Administrators	Amount	No. of Administrators	Amount	No. of Administrators	Amount	No. of Administrators	Amount
13	11.08(Dr) ²⁷	nil	2.96	01	1.46	12	9.58(Dr) ²⁸

Source: Finance Accounts 2022-23

Further, Uttar Pradesh Government order (March 1999) provides that Administrators of PD Account were required to reconcile and verify their balances with the treasury figures and annual verification certificates were also required to be submitted to the Accountant General. However, during the year 2022-23, out of 12 Administrators of PD accounts of the State, only nine Administrators have reconciled and verified their balances with the treasury figures.

4.9 Indiscriminate use of Minor Head 800

As a crucial component of a transparent system of budgeting and accounting, the forms of accounts in which the receipts and expenditure of the Government are reported to the Legislature should constantly be reviewed and updated so that they truly reflect receipts and expenditure on all major activities of the Government in a transparent manner to meet the basic information needs of all important stakeholders. For the purpose, 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.

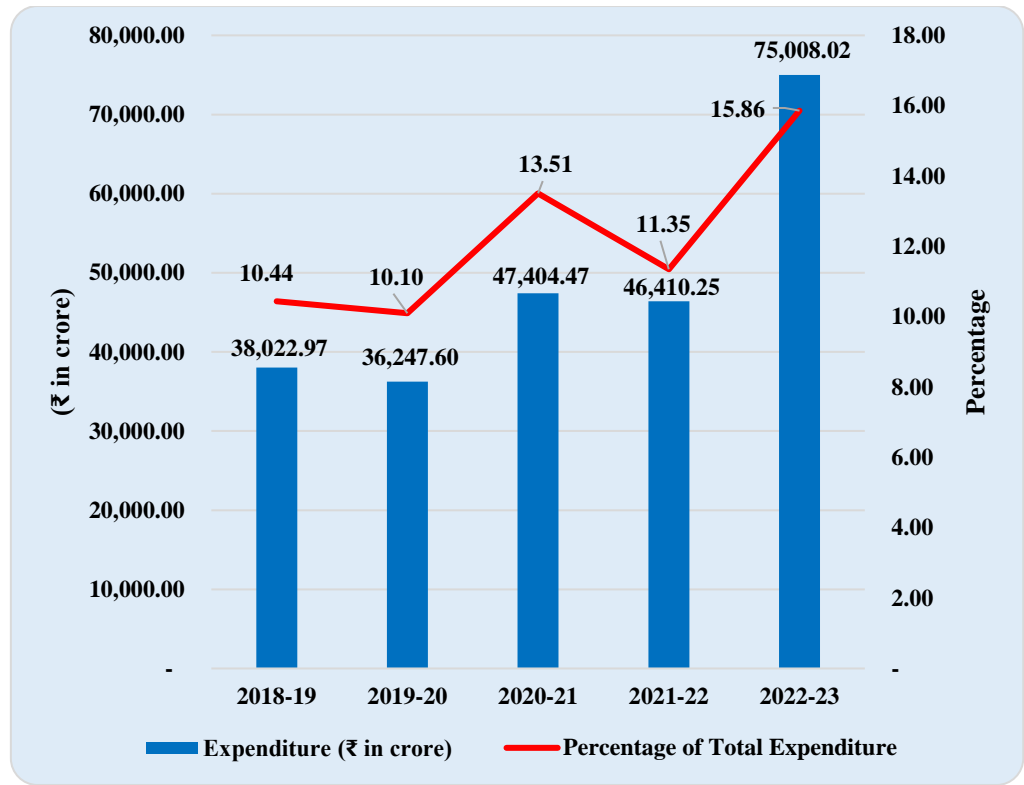
During the year 2022-23, ₹ 75,008.02 crore under 86 Major Heads of accounts on the expenditure side, constituting 15.86 per cent of the total Revenue and Capital expenditure of ₹ 4,73,006.45 crore, was classified under Minor Head 800-Other Expenditure. The trend of expenditure booked under Minor Head

²⁷ The State Government has intimated opening balance of ₹ 10.95 crore. The difference is under reconciliation and has been disclosed under Statement 21.

²⁸ The State Government has intimated closing balance of ₹ 12.65 crore. The difference is under reconciliation and has been disclosed under Statement 21.

800-Other Expenditure during the period 2018-23 and its percentage to total expenditure is depicted in **Chart 4.3**.

Chart 4.3: Operation of Minor Head 800 - Other Expenditure during the period 2018-23



Source: Finance Accounts of respective years

Instances where a substantial proportion (50 per cent or more of the total expenditure under the Major Head) of the expenditure was classified under minor head 800-Other Expenditure are listed in **Table 4.6**.

Table 4.6: Significant expenditure booked under Minor Head 800 – Other Expenditure during the year 2022-23

(₹ in crore)

Major Head	Major Head Description	Expenditure under Minor Head 800	Total Expenditure	Percentage
5053	Capital Outlay on Civil Aviation	2013.77	2013.77	100.00
4875	Capital outlay on other industries	921.91	921.91	100.00
2040	Taxes on Sales, Trade etc.	877.38	877.38	100.00
4070	Capital Outlay on other Administrative Services	645.97	645.97	100.00
4859	Capital Outlay on Telecommunication and Electronic Industries	389.47	389.47	100.00
2705	Command Area Development	209.13	209.13	100.00
2885	Other Outlays on Industries and Minerals	58.02	58.02	100.00
2575	Other Special Area Programmes	27.51	27.51	100.00
2043	Collection Charges under State Goods and Services Tax	25.26	25.26	100.00

Major Head	Major Head Description	Expenditure under Minor Head 800	Total Expenditure	Percentage
5425	Capital Outlay on Other Scientific and Environmental research	11.40	11.40	100.00
2407	Plantations	5.74	5.74	100.00
4853	Capital Outlay from Non-Ferrous Mining and Metallurgical Industries	3.87	3.87	100.00
4047	Capital Outlay on Other Fiscal Services	1.12	1.12	100.00
2041	Taxes on Vehicles	0.77	0.77	100.00
5475	Capital Outlay on Other General Economic Services	300.08	300.76	99.77
2801	Power	25884.81	27884.81	92.83
4216	Capital Outlay on Housing	8225.06	8984.05	91.55
3053	Civil Aviation	31.16	34.23	91.03
2852	Industries	3492.16	3839.86	90.94
2216	Housing	405.03	531.30	76.23
3452	Tourism	90.06	120.74	74.59
4403	Capital Outlay on Animal Husbandry	89.40	120.79	74.01
2211	Family Welfare	9459.88	12852.18	73.61
4575	Capital Outlay on Other Special Areas Programmes	598.69	828.17	72.29
4235	Capital Outlay on Social Security and Welfare	640.19	943.04	67.89
2700	Major Irrigation	546.08	836.96	65.25
2501	Special Programmes for Rural Development	1142.94	2044.64	55.90
2075	Miscellaneous General Services	18.81	33.87	55.54
4250	Capital Outlay on Other Social Services	457.02	840.88	54.35

Source: Finance Accounts 2022-23

Further examination of expenditure during the last four years 2019-20 to 2022-23 showed that in three Grants, viz., Grant No. 12-Agriculture and Other Allied Department (Land Development and Water Resources) (Major Heads 2515-Other Rural Development and 2705-Command Area Development), Grant No. 53-National Integration Department (Major Head 2070-Other Administrative Services) and Grant No. 85- Public Enterprises Department (Major Head-3475-Other General Economic Services), 100 per cent expenditure was booked under Minor Head 800.

Similarly, during the year 2022-23, revenue receipts aggregating 7,327.58 crore were booked under Minor Head 800-Other Receipts in 53 Major Heads of accounts on the receipt side constituting 1.76 per cent of the total revenue receipts of the State of 4,17,241.50 crore. Instances where a substantial proportion (50 per cent or more of the total receipts under the Major Head) of the revenue receipts was classified under minor head 800-Other Receipts during the year 2022-23 are listed in **Table 4.7**.

Table 4.7: Significant receipts booked under Minor Head 800 – Other Receipts during the year 2022-23

(₹ in crore)

Major Head	Major Head Description	Receipts under Minor Head 800	Total Receipts	Percentage
0801	Power	964.52	964.52	100.00
0810	Non-Conventional Sources of Energy-	293.35	293.35	100.00
0217	Urban Development	175.80	175.80	100.00
0425	Co-operation	59.01	59.01	100.00
0875	Other Industries	20.93	20.93	100.00
1452	Tourism	8.78	8.78	100.00
0215	Water Supply and Sanitation	4.68	4.68	100.00
1456	Civil Supplies	2.40	2.40	100.00
0023	Hotel Receipts Tax	0.87	0.87	100.00
0047	Other Fiscal Services	0.27	0.27	100.00
0415	Agricultural Research and Education	0.15	0.15	100.00
0852	Industries	0.08	0.08	100.00
0220	Information and Publicity	0.05	0.05	100.00
0211	Family Welfare	34.51	34.54	99.91
0235	Social Security and Welfare	78.84	79.10	99.67
1055	Road Transport	2.43	2.48	97.98
0230	Labour and Employment	798.73	820.59	97.34
0056	Jails	9.58	9.92	96.57
0059	Public Works	140.36	145.58	96.41
1054	Roads and Bridges	823.01	855.12	96.24
0700	Major Irrigation	19.49	20.80	93.70
0435	Other Agricultural Programmes	60.50	67.57	89.54
1053	Civil Aviation	0.12	0.14	85.71
0029	Land Revenue	229.91	284.94	80.69
0515	Other Rural Development Programmes	117.31	149.02	78.72
0406	Forestry and Wild Life	209.04	322.28	64.86
0071	Contributions and Recoveries towards Pension and Other Retirement benefits	293.64	505.91	58.04
0403	Animal Husbandary	12.02	22.22	54.10

Source: Finance Accounts 2022-23

The classification of large amounts under the omnibus Minor Head 800 affects transparency in financial reporting and distorts proper analysis of allocative priorities and quality of expenditure.

4.10 Expenditure under omnibus Object Head: ‘42- Other Expenditure’

With a view to bringing greater transparency in the budget of the State Government and effecting adequate security and control in planning and implementing, there is a need for budgeting provision under the appropriate heads instead of the omnibus object head ‘42- Other Expenditure’. As defined in budget documents, ‘Other Expenditure’ pertains to residual items and it also includes remuneration and award related expenses and expenditure from discretionary funds.

Scrutiny of the Accounts revealed that expenditure of ₹ 36,912.15 crore was made under Object Head ‘42- Other Expenditure’ which was 7.30 per cent of the total disbursements of ₹ 5,05,905.54 crore out of the Consolidated Fund of the State during 2022-23. Further, it was observed that in 25 grants, the expenditure under Object Head: ‘42-Other Expenditure’ was more than five per cent of the total expenditure of these grants and this contributed to 24.98 per cent of total expenditure of these grants as given in **Table 4.8**.

Table 4.8: Showing expenditure under Object Head ‘42 – other expenditure’ and Total Expenditure in various Grants

(₹ in crore)

Sl. No.	Grant No.	Grant Description	Total Expenditure	Expenditure under Object Head 42	Percentage of expenditure under OH 42 to Total Expenditure
1.	35	Medical Department (Family Welfare)	12270.89	9773.66	79.65
2.	53	National Integration Department	0.33	0.25	74.58
3.	03	Industries Department (Small Industry and Export Promotion)	1071.98	669.21	62.43
4.	76	Labour Department (Labour Welfare)	790.06	469.92	59.48
5.	13	Agriculture and Other Allied Departments (Rural Development)	21601.08	12126.14	56.14
6.	91	Institutional Finance Department (Stamps Registration)	329.28	176.67	53.65
7.	45	Environment Department	9.38	4.87	51.93
8.	28	Home Department (Political Pension and Other Expenditure)	283.48	138.53	48.87
9.	78	Secretariat Administration Department	1235.18	575.22	46.57
10.	21	Food and Civil Supplies Departments	5931.17	2292.55	38.65
11.	69	Vocational Education Department	1024.57	367.19	35.84
12.	33	Medical Department (Ayurvedic and Unani)	1147.56	241.89	21.08
13.	92	Cultural Department	172.60	32.90	19.06
14.	52	Revenue Department (Board of Revenue and other expenditure)	3584.67	645.45	18.01
15.	07	Industries Department (Heavy and Medium Industries)	8592.89	1376.35	16.02
16.	10	Agriculture and Other Allied Departments (Horticulture and Sericulture Development)	805.36	125.48	15.58
17.	66	Finance Department (Group Insurance)	259.90	40.00	15.39
18.	83	Social Welfare Department (Special Component Plan for Scheduled castes)	20600.17	3113.71	15.11
19.	43	Transport Department	672.31	100.08	14.89
20.	22	Sports Department	369.97	54.16	14.64
21.	34	Medical Department (Homoeopathy)	491.63	60.63	12.33
22.	81	Social Welfare Department (Tribal Welfare)	1251.64	147.04	11.75
23.	89	Institutional Finance Department (Commercial Tax)	931.05	94.24	10.12
24.	29	Confidential Department (Governor Secretariat)	19.26	1.63	8.46
25.	61	Finance Department (Debt services and Other Expenditure)	60910.73	3433.04	5.64
Total (Above 5 per cent)			144357.14	36060.81	24.98

Source: Information maintained by Accountant General (A&E) U.P.

The classification of large amounts under the Object Head ‘42-Other Expenditure’ does not give a clear picture in financial reporting.

Issues related to Measurement

4.11 Outstanding balances under major Suspense and Remittance Heads

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. Clearance of suspense and remittance items depends on the details furnished by the State Treasuries/Works, Forest Divisions, etc. The outstanding balances under certain major suspense heads of accounts are indicated in **Table 4.9**.

Table 4.9: Balances under Suspense and Remittance Heads

Suspense Head	2020-21		2021-22		2022-23	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Major Head 8658 - Suspense						
101 - PAO suspense	305.56	711.90	418.07	739.80	395.41	269.72
Net	Cr. 406.34		Cr. 321.73		Dr. 125.69	
102 - Suspense Account-Civil	15856.65	16415.75	15820.92	16389.57	15764.39	16431.30
Net	Cr. 559.10		Cr. 568.65		Cr. 666.91	
109 - Reserve Bank Suspense – Headquarters	0.00	0.00	0.00	0.00	0.00	0.01
Net	0.00 ²⁹		0.00 ³⁰		Cr. 0.01	
110 - Reserve Bank Suspense – Central Accounts Office	(-)84.60	(-)827.29	(-)94.54	(-)1,138.62	(-)94.12	(-)1,136.38
Net	Dr. 742.69		Dr. 1,044.08		Dr. 1,042.26	
Major Head 8782-Cash remittances and adjustments between officers rendering accounts to the same Accounts Officer						
102 - Public Works Remittances	180269.09	182097.49	2,16,990.54	2,18,840.01	2,32,556.35	2,35,417.30
Net	Cr. 1828.40		Cr. 1,849.47		Cr. 2,860.95	
103 - Forest Remittances	3206.05	3405.87	3391.12	3594.69	3,701.73	3,939.71
Net	Cr. 199.82		Cr. 203.57		Cr. 237.98	
8793-Inter State Suspense Account	62.96	0.01	66.72	0.05	56.76	0.01
Net	Dr. 62.95		Dr. 66.67		Dr. 56.75	

Source: Finance Accounts 2022-23

4.12 Compliance with Accounting Standards

As per Article 150 of the Constitution of India, the President of India may, on the advice of the Comptroller and Auditor General of India (CAG), prescribe the form of accounts of the Union and of the States. On the advice of the CAG, the President of India has so far notified three Indian Government Accounting Standards (IGAS). Compliance to these Accounting Standards by Government of Uttar Pradesh as well as deficiencies therein during 2022-23 is detailed in **Table 4.10**.

²⁹ Cr. 0.02 lakh

³⁰ Cr. 0.01 lakh

Table 4.10: Compliance to Accounting Standards

Sl. No.	Accounting Standards	Essence of IGAS	Compliance by State Government	Deficiency
1	IGAS-1	Guarantees Given by the Government – Disclosure requirements	Partially Complied (Statement 9 and 20 of Finance Accounts)	Information relating to the designated authority for guarantees given by the Government was not provided by the State Government.
2	IGAS-2	Accounting and Classification of Grants-in-aid	Partially complied (Statement 10 of Finance Accounts)	Information regarding total value of Grant-in-aid given in kind was not provided by State Government.
3	IGAS-3	Loans and Advances made by Government	Partially complied (Statement 7 and 18 of Finance Accounts)	Information regarding loans in perpetuity was not provided by State Government.

Source: Finance Account

4.13 Adverse balances of Loans and Advances

Adverse balances (credit balances in debit heads and debit balances in credit heads) are negative balances appearing under those heads of accounts, where there should not be a negative balance. For example, against the accounting head of any loan or advance, a negative balance will indicate more repayment than the original amount advanced.

Finance Accounts for the year 2022-23 contained the following adverse balances of Loans and Advances as on 31 March 2023: Loans to Uttar Pradesh State Electricity Board for construction of inter-State transmission lines (₹ 356.18 crore under the Accounts Head 6801-205), Advances for purchase of motor conveyances (₹ 17.47 crore under the Accounts Head 7610-202), Advances for purchase of other conveyances (₹ 25.37 crore under the Accounts Head 7610-203), Other advances (₹ 3.02 crore under the Accounts Head 7610-800).

These adverse balances were under reconciliation between the office of the Accountant General (A&E) Uttar Pradesh and the State Government.

4.14 Non-reconciliation of Departmental figures

To exercise effective budgetary control over revenue/expenditure and to ensure accuracy in accounts, as per para 124 of UP Budget Manual, Chief Controlling Officers (CCOs)/Controlling Officers (COs) are required to reconcile every month, the receipts and expenditure recorded in their books with the figures of

the Accountant General (A&E). The status of reconciliation of figures by the Controlling Officers is given in **Table 4.11**.

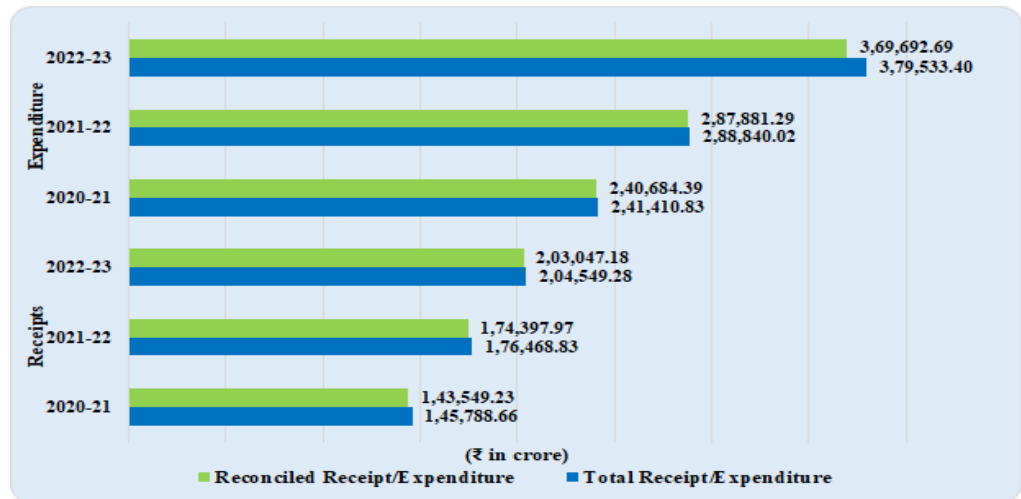
Table 4.11: Status of Reconciliation of Receipts and Expenditure by Controlling Officers

Year	Total No. of Controlling Officers	No. of controlling officers reconciled their receipts/ expenditure		
		Fully Reconciled	Partially Reconciled	Not reconciled at all
Receipts				
2020-21	48	45	--	03
2021-22	48	43	--	05
2022-23	48	43	--	05
Expenditure				
2020-21	179	173	--	06
2021-22	180	177	--	03
2022-23	180	179	--	01

Source: Information maintained by Accountant General (A&E) U.P.

Reconciliation of receipts was completed by 43 out of 48 CCOs, as they reconciled receipts of ₹ 2,03,047.18 crore (99.27 per cent of total receipts of ₹ 2,04,549.28 crore due for reconciliation) during 2022-23. Further out of 180 CCOs, 179 CCOs had reconciled their expenditure figures of ₹ 3,69,692.69 crore (97.41 per cent of total expenditure of ₹ 3,79,533.40 crore due for reconciliation) as shown in **Chart 4.4**.

Chart 4.4: Status of Reconciliation of Receipts and Expenditure during the year 2020-23



Source: Information maintained by Accountant General (A&E) U.P.

Necessary action for reconciliation in respect of all receipts and expenditure is required to be taken.

Issues related to Disclosure

4.15 Submission of Accounts/Separate Audit Reports of Autonomous Bodies/ Authorities

As per Section 19(3) of the CAG's DPC Act, the Governor/ Administrator may, in the public interest, request the CAG to audit the accounts of a corporation

established by law made by the legislature of the State or of the Union Territory, as the case may be, and where such request has been made, the CAG shall audit the accounts of such corporation and shall have, for the purposes of such audit, right of access to the books and accounts of such corporation.

Apart from Section 19, where the audit of the accounts of anybody or authority has not been entrusted to the CAG by or under any law, he shall, if requested so to do by the President, or the Governor of a State or the Administrator of a Union Territory having a Legislative Assembly, as the case may be, undertake the audit of the accounts of such body or authority on such terms and conditions as may be agreed upon between him and the concerned Government and shall have, for the purposes of such audit, right of access to the books and accounts of that body or authority (Section 20 of the CAG’s DPC Act).

Audit certificate to the accounts being ‘true and fair’ is issued in case of abovementioned autonomous bodies and authorities provided CAG is the sole auditor. Thus, these bodies and authorities are required to prepare annual accounts and submit the same to AG (Audit) for audit. Apart from Audit certificate, on completion of the financial audit, the audit office issues a separate audit report (SAR) that is part of the audit certificate on the accounts.

It was observed that 343 annual accounts of 55 Autonomous Bodies and Authorities (due up to 2022-23) for audit as on 30 June 2023 have not been submitted by the concerned entities. The Department-wise details of accounts due from Autonomous Bodies and Authorities are given in **Appendix 4.1**. Age wise pendency of these 343 accounts is given in **Table 4.12**.

Table 4.12: Age-wise analysis of Annual Accounts due for audit but not submitted

Delay in number of years	No. of Bodies/Authorities	No. of Accounts
1-2	9	12
3-4	16	50
5-10	23	140
More than 10	7	141
Total	55	343

Source: Information available in Office of the PAG (Audit)I and AG (Audit)II

In the absence of annual accounts and their audit, proper utilisation of grants-in-aid and loans disbursed to these Bodies/Authorities and their accounting cannot be vouched. Audit has been taking up the matter of non-submission of accounts of the defaulting bodies with the authorities concerned from time to time, but without perceivable improvement.

4.16 Proforma Accounts of Departmental Commercial Undertakings

Departmental Commercial Undertakings (DCUs) are required to finalise proforma annual accounts in the prescribed format and submit the same to the Accountant General for audit within three months of closure of accounts. However, out of the nine DCUs in the State, five DCU, (Irrigation Workshop Division, Kanpur, Jhansi, Bareilly, Meerut and Prayagraj) have finalised its

annual accounts for the financial year 2022-23 and two DCUs (Irrigation Workshop Division, Gorakhpur and Food Commissioner and CAO) have finalised their annual accounts for 2021-22 and one DCU (Dy. Director, Animal Husbandry Farms Corporation) has finalised its account for the year 2020-21 while remaining one DCU has not finalised their annual accounts for many years. The details are shown in **Appendix 4.2**.

4.17 Pending cases of misappropriations, losses, thefts, etc.

Para 82 of Financial Handbook, Volume-V Part-I lays down detailed instructions regarding fixing of responsibility for losses sustained through fraud or negligence of individuals, loss or destruction of Government property and report them to the Accountant General.

The State Government reported 135 cases³¹ of misappropriation/ losses/thefts, etc., of Government material/money involving ₹ 9.31 crore on which final action was pending as on 31 March 2023. The department-wise break up of pending cases of misappropriation, losses, theft, etc., and reasons for the delay in final disposal are given in **Table 4.13**.

Table 4.13: Pending cases of misappropriation, losses, theft etc.

(₹ in lakh)

Name of Department	Cases of misappropriation/ losses /theft of Government material		Reasons for the delay in final disposal of pending cases of misappropriation, losses, theft, etc.					
			Awaiting departmental and criminal investigation		Departmental action initiated but not finalised		Criminal proceedings finalised but recovery of the amount pending	
	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
Food and Civil Supplies	9	28.78	0	0	7	26.83	2	1.95
Social Welfare	3	0.95	0	0	2	0.70	1	0.25
Horticulture	1	3.59	0	0	1	3.59	0	0
Rural Development	9	3.28	1	0.74	7	2.34	1	0.20
Education	8	171.16	2	101.08	4	55.55	2	14.53
Technical Education	1	11.59	0	0	0	0	1	11.59
Animal Husbandry	16	6.55	7	5.20	9	1.35	0	0
Fisheries	3	2.61	0	0	3	2.61	0	0
Agriculture	3	7.62	2	2.17	1	5.45	0	0
Irrigation	41	121.03	4	16.07	35	36.95	2	68.01
Cooperative	2	1.45	0	0	1	0.17	1	1.28
Medical Health and Family Welfare	11	15.89	1	0.30	9	14.22	1	1.37
Police	6	8.10	6	8.10	0	0	0	0
PAC	2	47.99	1	0.51	0	0	1	47.48
Revenue	5	14.49	3	8.81	2	5.68	0	0
Finance	1	0.67	1	0.67	0	0	0	0

³¹ Pertaining to period January 1967 to 2022-23.

Name of Department	Cases of misappropriation/ losses /theft of Government material		Reasons for the delay in final disposal of pending cases of misappropriation, losses, theft, etc.					
			Awaiting departmental and criminal investigation		Departmental action initiated but not finalised		Criminal proceedings finalised but recovery of the amount pending	
	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
Weight and Measurements	1	1.09	0	0	0	0	1	1.09
Public Works Department	9	147.80	4	27.26	1	0.12	4	120.42
Revenue (Land Acquisition)	3	331.78	0	0	3	331.78	0	0
Judiciary	1	4.44	0	0	1	4.44	0	0
Total	135	930.86	32	170.91	86	491.78	17	268.17

Source: Information received from concerned departments

The age wise analysis of these pending cases is depicted in **Table 4.14**, which indicates that 96 cases involving ₹ 4.81 crore were pending as on 31 March 2023 since more than 20 years:

Table 4.14: Age-wise analysis of pending cases of misappropriation, losses, theft etc.

(₹ in lakh)

Years ranging	Number of cases	Amount involved
0 – 5 Years (2018-19 to 2022-23)	0	0
5 – 10 Years (2013-14 to 2017-18)	0	0
10 – 15 Years (2008-09 to 2012-13)	21	400.76
15 – 20 Years (2003-04 to 2007-08)	18	49.52
20 – 25 Years (1998-99 to 2002-03)	14	82.53
Above 25 Years (1997-98 and before)	82	398.05
Total	135	930.86

Source: Information received from concerned departments

Out of a total of 135 pending cases (as on 31 March 2023) involving ₹ 930.86 lakh, departmental and criminal investigation was not initiated in 32 cases amounting to ₹ 170.91 lakh. Departmental action was initiated in 86 cases (involving ₹ 491.78 lakh) which were not finalised. Criminal proceedings were finalised in 17 cases (involving ₹ 268.17 lakh), but recovery of the amount was pending.

4.18 Conclusion

- The State Government resorted to extra-budget borrowings through State owned PSEs/Authorities for meeting expenditure having implication on debt parameters of the State. Since these extra-budget borrowings do not form part of the Debt-Stock of the State, the debt position as reflected in Finance Accounts does not depict actual debt position.
- The State Government did not remit entire amount of employees' and employers' contributions towards the Defined Contribution Pension Scheme to the designated fund manager for its further investment.

- The State Government did not establish Uttar Pradesh Road Transport Accident Relief Fund, as required under Uttar Pradesh Motor Vehicle Taxation Act, 1997, meant to provide relief to the passengers or heirs of deceased passengers or other persons suffering casualty in which a public service vehicle is involved.
- 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 local bodies and DUTF in specified proportions.
- A large number (30,906) of UCs aggregating ₹ 19,981.24 crore were outstanding at the close of the year 2022-23. In the absence of UCs, there is no assurance that grants-in-aid disbursed have actually been incurred for the purpose for which they were sanctioned/authorised by the Legislature.
- Classification of large amounts booked under the Minor Heads '800-Other Receipts/Expenditure' does not give a complete picture in the financial reporting. Similarly, in respect of 25 grants, the expenditure under Object Head: '42- Other Expenditure' was more than five *per cent* of total expenditure of these grants, which affects transparency in financial reporting.
- 343 annual accounts of 55 Autonomous Bodies/Authorities (due up to 2022-23) for audit as of 30 June 2023 have not been submitted by the concerned entities. In absence of annual accounts and their audit, proper utilisation of grants and loans disbursed to these Autonomous Bodies/Authorities cannot be vouched.

4.19 Recommendations

11. *The State Government should avoid extra-budget borrowings and credit all loans taken by SPSEs/ Authorities on behalf of State Government but serviced by the State Government, to the Consolidated Fund.*
12. *The State Government should transfer the entire amount of Defined Contribution Pension Scheme to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank so that the un-transferred amount could become the part of corpus of investment of the subscribers and yield value appreciation.*
13. *Being the statutory requirement, the Government should create the 'Uttar Pradesh Road Transport Accident Relief Fund' so that the fund could be utilised for benefit of the affected persons.*
14. *A distinct head should be assigned for collection of additional stamp duty and all monies received should be transferred to the concerned local bodies and DUTF as per U.P. Urban Planning and Development Act.*

- 15. The Government may ensure timely submission of utilisation certificates by the departments in respect of the grants-in-aid released for specific purposes and all pendency may be reviewed before release of fresh grants to defaulting grantees.*
- 16. 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. Further, at the object head level, indiscriminate use of object head 42-Other expenditure should be minimised.*
- 17. The Finance Department should consider evolving a system for regular review to expedite the process of compilation and submission of annual accounts by Bodies/Authorities/Departmental Commercial Undertakings in order to assess their financial position.*