

Accounts At A Glance

2015-16

Government of Uttar Pradesh

REFACE

I am happy to present the eighteenth issue of our annual publication, the '**Accounts At A Glance**' of the Government of Uttar Pradesh. The purpose of this publication is to distil and make more accessible the voluminous information that is available in the annual Finance and Appropriation Accounts 2015-16 (total 1190 pages in this year) prepared by my office under the directions of the Comptroller and Auditor General of India in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971 and being placed before the Legislature in accordance with Article 149 of the Constitution of India.

'**Accounts At A Glance**' provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs. While it has been our endeavor to rely on the figures in the certified Finance Accounts and Appropriation Accounts, the certified Annual Accounts should be referred to for authentic figures.

We look forward to comments and suggestions that would help us in improving this publication.



(Uday Shankar Prasad)
Accountant General

Place: Allahabad

Date: 15 December 2016

Our Vision, Mission and Core Values

The **vision** of the institution of the Comptroller and Auditor General of India represents what we aspire to become:

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

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

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

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

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

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OVERVIEW

1.1 Introduction

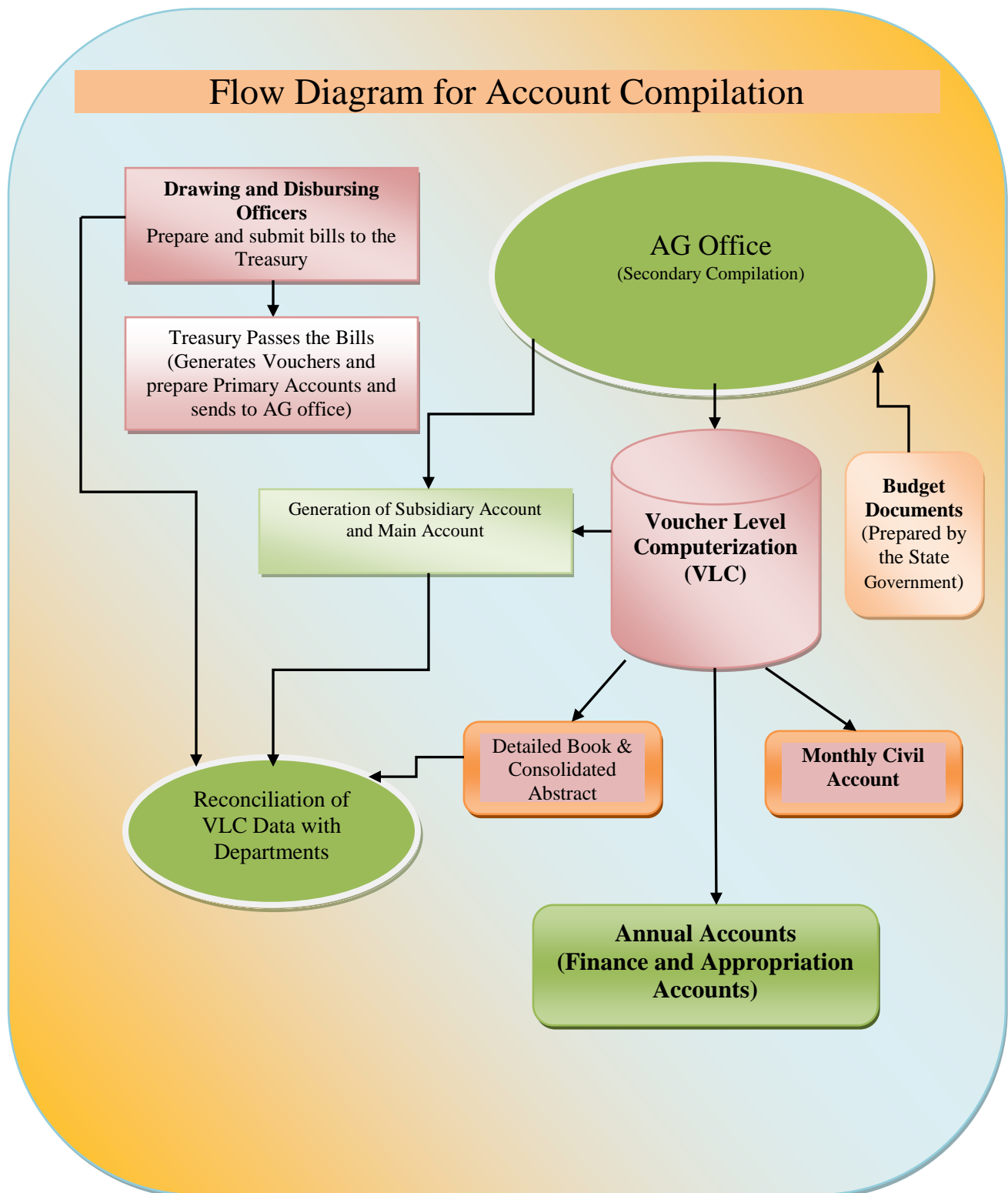
The Accountant General (Accounts and Entitlements), Uttar Pradesh compiles the accounts of receipts and expenditure of the Government of Uttar Pradesh (UP) (on monthly basis known as Monthly Civil Accounts). This compilation is based on the initial accounts rendered by the District Treasuries, Public Works and Forest Divisions, advices of the Reserve Bank of India and information received from Government of India and other State Governments on their financial transactions with the Government of UP. Following such compilation, the Accountant General (A&E) prepares, annually, the Finance Accounts and the Appropriation Accounts, which are placed before the State Legislature after audit by the Principal Accountant General (General & Social Sector Audit) Uttar Pradesh and certification by the Comptroller and Auditor General of India.

1.2 Structure of Accounts

1.2.1 Government Accounts are kept in three parts:

| | |
|--|--|
| <p>Part I CONSOLIDATED FUND</p> | <p>Comprises all the Receipts and Expenditures on Revenue and Capital Accounts, Public Debt and Loans and Advances.</p> |
| <p>Part II CONTINGENCY FUND</p> | <p>Intended to meet unforeseen expenditure, pending authorization by the Legislatures. Expenditure from this Fund is recouped subsequently from the Consolidated Fund. The corpus of this fund for the Government of UP is ₹ 600 crore.</p> |
| <p>Part III PUBLIC ACCOUNT</p> | <p>All public money received, other than those credited to Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, Government acts as a banker or trustee. Comprises Small Savings and Provident Funds, Reserve Funds, Deposits and Advances, Suspense and Remittances transactions. Small Savings and Provident Funds, Reserve Funds and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Suspense and Remittance transactions are adjusting entries that are to be cleared eventually by booking to the final heads of account.</p> |

1.2.2 Compilation of Accounts



1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

The Finance Accounts depict the Receipts and Disbursements of the Government for the year, together with the financial results disclosed by the Revenue and Capital accounts, Public Debt and Public Account balances recorded in the accounts. The Finance Accounts have been prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall Receipts and Disbursements and 'Notes to Accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains detailed statements (Part-I) and appendices (Part-II).

Receipts and Disbursements of the Government of Uttar Pradesh as depicted in the Finance Accounts 2015-16 are given below:

(₹ in crore)

| | | | |
|---|---|------------------------------------|-------------|
| Receipts (Total: 2,86,276.58) | Revenue (Total: 2,27,075.94) | Tax Revenue | 1,72,079.95 |
| | | Non-Tax Revenue | 23,134.65 |
| | | Grants-in-Aid | 31,861.34 |
| | Capital (Total: 59,200.64) | Recovery of Loans and Advances | 725.63 |
| | | Borrowings and other Liabilities * | 58,475.01 |
| Disbursements (Total: 2,86,276.58) | Revenue | 2,12,735.95 | |
| | Capital | 64,422.72 | |
| | Loans and Advances | 9,117.91 | |

(Refer to statement-2 of Finance Accounts)

* Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts-Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

The Government of India has decided to release all assistance to CSS/ACA directly to the State Government and not to the implementing agencies. Hence the Union Government has released no amount directly to the Implementing Agencies/NGOs from the year 2014-15 for implementation of any scheme and programme.

1.3.2 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts 'Charged' on the Consolidated Fund or 'Voted' by the State Legislature. There are 93 grants consisting of 51 voted grants, 01 charged appropriation and 41 grants (voted and charged appropriation both) in the state. The Appropriation Act, 2015-16 had provided for gross expenditure of ₹ 3,62,805.90 crore and reduction of expenditure (recoveries) of ₹ 12,538.62 crore. Against this, the actual gross

expenditure was ₹ 3,18,412.23 crore and reduction of expenditure was ₹ 14,462.88 crore, resulting in net savings of ₹ 44,393.67 crore (12 *per cent* of the total grant). The gross expenditure during the year includes the amount drawn on Abstract Contingent (AC) Bills, as against which bills for ₹ 301.13 crore was outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

Normally, unspent balances under PD Accounts are to be transferred back to the Government Accounts at the end of the financial year. There were 1456 PD accounts at the end of the year 2015-16. Of them, 1093 were operative and 363 were inoperative. The inoperative accounts with unspent balance of ₹ 98.45 crore were required to be closed, but the same has not been done as the procedure for closing of PD Accounts is being finalized by the State Government. Twenty five out of the 79 treasuries in the State informed that the 151 PD Accounts maintained by them had been reconciled. The status of reconciliation of the remaining 54 treasuries has not been made available by respective treasuries.

(Refer to Para 2(iii) of Notes to Accounts of Finance Accounts)

1.4 Sources and Application of funds

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Governments to maintain their liquidity. Overdraft (OD) facilities are also provided when there is a shortfall in the agreed minimum Cash Balance (₹ 4.71 crore) maintained with the RBI. During 2015-16, the Government of Uttar Pradesh has obtained an amount of ₹ 1,218.57 crore as special WMA and ₹ 3,279.99 crore as WMA. This has to be viewed against the fact that there were net savings of ₹ 44,393.67 crore in total 93 grants, resulting in a shortfall of 12 *per cent* in expenditure against estimates.

(Refer to Statement-2 (Annexure A) of Finance Accounts)

1.4.2 Fund flow statement

The State had a Revenue Surplus of ₹ 14,339.99 crore and a Fiscal Deficit of ₹ 58,475.01 crore representing 1.24 *per cent* and 5.07 *per cent* of the Gross State Domestic Product (GSDP) ¹ respectively at the end of the year 2015-16. The Fiscal Deficit constituted about 20.43 *per cent* of total expenditure (of ₹ 2,86,276.58 crore). This deficit was met from Public Debt (₹ 56,840.82 crore), increase in Public Account (₹1,076.92 crore), unrecouped contribution from the Contingency Fund (₹ 157.21 crore), and net of opening and closing cash balance (₹ 400.06 crore). About 56 *per cent* of the Revenue Receipts (₹ 2,27,075.94 crore) of the State Government was spent on committed expenditure of ₹ 1,27,728.12 crore (like salaries, wages and subsidiary grant for pay (₹ 74,439.34 crore), interest payments (₹ 21,447.87 crore), pensions (₹ 24,149.57 crore) and subsidies (₹ 7,691.34 crore)).

¹Except where indicated otherwise, GSDP figures for 2015-16 (₹ 11,53,795.00 crore used in this publication are adopted from Central Statistics Office, National Accounts Division, Ministry of Statistics and Programme Implementation, Government of India.

Sources and Application of Funds

(₹ in crore)

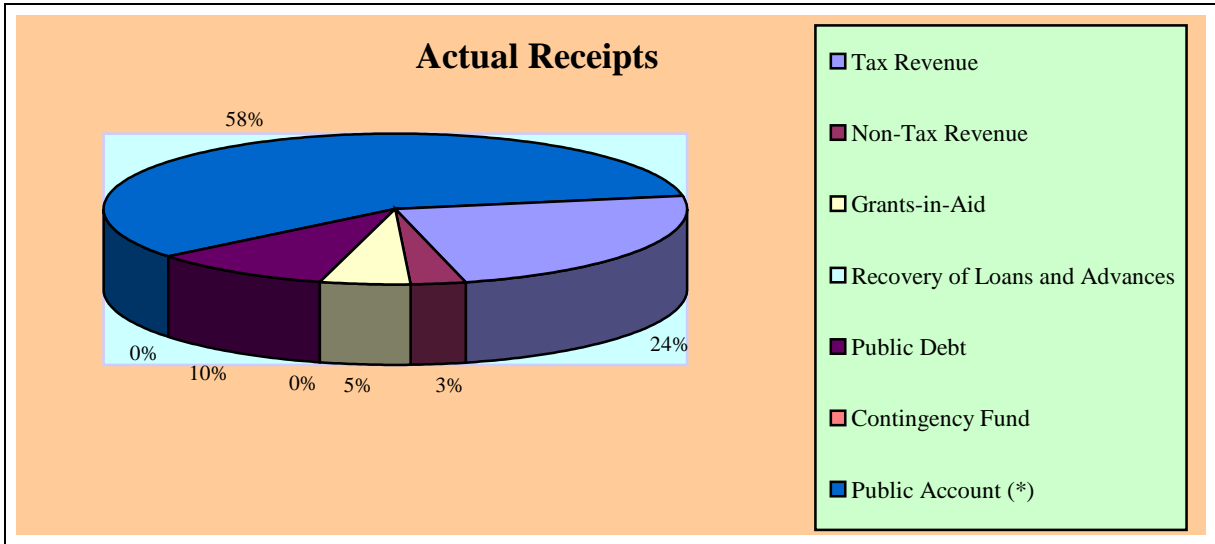
| SOURCES | PARTICULARS | AMOUNT |
|----------------|--|--------------------|
| | Opening Cash Balance as on 1.4.2015 | (-) 1,009.27 |
| | Revenue Receipts | 2,27,075.94 |
| | Recovery of Loans and Advances | 725.63 |
| | Public Debt | 74,513.58 |
| | Contingency Fund | 201.28 |
| | Small Savings, Provident Fund & Others | 10,302.77 |
| | Reserves & Sinking Funds | 15,598.88 |
| | Deposits Received | 13,086.93 |
| | Civil Advances Repaid | 272.16 |
| | Suspense Account | 3,41,850.87 |
| | Remittances | 27,976.77 |
| | Total | 7,10,595.54 |

| | | |
|--------------------|---|--------------------|
| APPLICATION | Revenue Expenditure | 2,12,735.95 |
| | Capital Expenditure | 64,422.72 |
| | Loans given | 9,117.91 |
| | Repayment of Public Debt | 17,672.76 |
| | Contingency Fund | 44.07 |
| | Small Savings, Provident Funds and Others | 8,768.41 |
| | Reserves & Sinking Funds | 13,038.35 |
| | Deposits spent | 14,629.97 |
| | Civil Advances given | 271.97 |
| | Suspense Account | 3,43,129.38 |
| | Remittances | 28,173.38 |
| | Closing Cash Balance as on 31.3.2016 | (-) 1,409.33 |
| | Total | 7,10,595.54 |

(Refer to statement-2 of Finance Accounts)

1.4.3 Where the Rupee came from

Source of fund (overall receipts) of the State Government during 2015-16 were ₹ 7,11,604.81 crore. Ratio of receipts under various components is shown in the chart below:

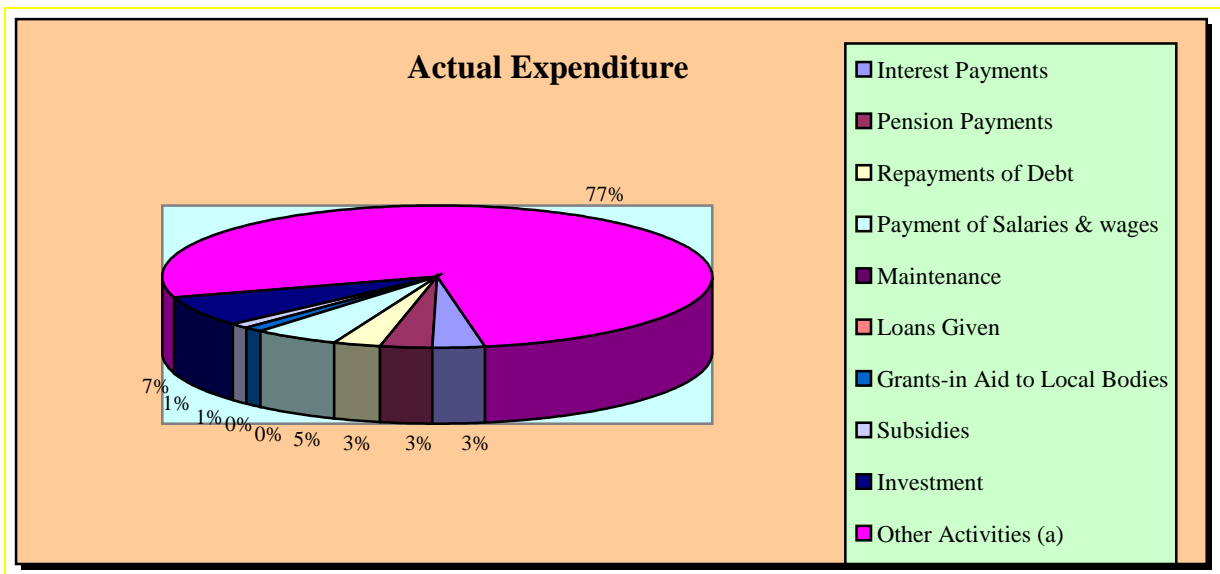


Note: Zero depicts negligible amount

(*) It includes receipts under various sectors of the Public Accounts viz- Small Savings, Provident Funds, Reserve Fund, Deposits & Advances, Remittances and Suspense Transaction etc.

1.4.4 Where the Rupee went

Application of fund (overall expenditure) of the State during 2015-16 were ₹ 7,12,004.87 crore. Ratio of expenditure under various components is shown in the chart below:



Note: Zero depicts negligible amount

(a) Other activities include expenses on different allowances and other expenses etc. from Revenue and Capital section, and disbursement from Public Accounts under different sectors viz. Small Savings, Provident Funds, Reserve Funds Deposits and Advances, Remittance and Suspense transactions etc.

1.5 Highlights of Accounts

(₹ in crore)

| Sl. No | Items | B.E 2015-16 | Actuals | Percentage of actuals to B.E | Percentage of actuals to GSDP(\$) |
|--------|--|---------------|---------------|------------------------------|-----------------------------------|
| 1. | Tax Revenue @ | 1,78,644.11 | 1,72,079.95 | 96.33 | 14.91 |
| 2. | Non-Tax Revenue | 21,636.32 | 23,134.65 | 106.93 | 2.01 |
| 3. | Grants-in-aid & Contributions | 49,599.80 | 31,861.34 | 64.24 | 2.76 |
| 4. | Revenue Receipts (1+2+3) | 2,49,880.23 | 2,27,075.94 | 90.87 | 19.68 |
| 5. | Recovery of Loans and Advances | 263.40 | 725.63 | 275.49 | 0.06 |
| 6. | Borrowings & other Liabilities (A) | 78,741.13 | 58,475.01 | 74.26 | 5.07 |
| 7. | Capital Receipts (5+6) | 79,004.53 | 59,200.64 | 74.93 | 5.13 |
| 8. | Total Receipts (4+7) | 3,28,884.76 | 2,86,276.58 | 87.04 | 24.81 |
| 9. | Non-Plan Expenditure (*) | 2,13,662.29 | 1,92,391.44 | 90.04 | 16.67 |
| 10. | NPE on Revenue Account | 1,89,463.35 | 1,69,484.63 | 89.46 | 14.69 |
| 11. | NPE on Interest Payments out of 10 above | 22,174.63 | 21,447.87 | 96.72 | 1.86 |
| 12. | NPE on Capital Account | 24,198.94 | 22,906.81 | 94.66 | 1.99 |
| 13. | Plan Expenditure (*) | 1,15,222.47 | 93,885.14 | 81.48 | 8.14 |
| 14. | PE on Revenue Account | 55,663.46 | 43,251.32 | 77.70 | 3.75 |
| 15. | PE on Capital Account | 59,559.01 | 50,633.82 | 85.01 | 4.39 |
| 16. | Total Expenditure (9+13) | 3,28,884.76 | 2,86,276.58 | 87.04 | 24.81 |
| 17. | Revenue Expenditure (10+14) | 2,45,126.81 | 2,12,735.95 | 86.79 | 18.44 |
| 18. | Capital Expenditure (12+15) (#) | 83,757.95 | 73,540.63 | 87.80 | 6.37 |
| 19. | Revenue Surplus (+)/Deficit (-) (4-17) | (+) 4,753.42 | (+) 14,339.99 | 301.68 | 1.24 |
| 20. | Fiscal Surplus (+)/Deficit (-) (4+5-16) | (-) 78,741.13 | (-) 58,475.01 | 74.26 | 5.07 |

(Refer to statement-2 of Finance Accounts)

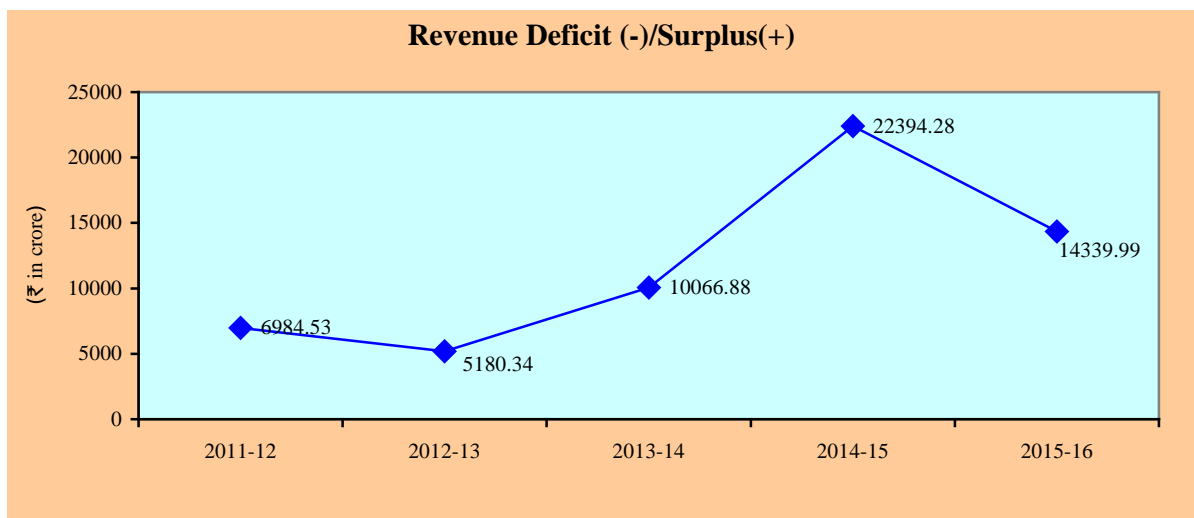
- @ Includes State's Share of Union Taxes of ₹ 90,973.69 crore
- (\$) GSDP figure of ₹ 11,53,795.00 crore received from Central Statistics Office, National Accounts Division, Ministry of Statistics and Programme Implementation, Government of India.
- (#) Expenditure on Capital Account includes Capital Expenditure (₹ 64,422.72 crore) and Loans and Advances disbursed (₹ 9,117.91 crore).
- (*) Expenditure includes ₹ 7,528.97 crore under Non-Plan and ₹ 1,588.94 crore under Plan which pertains to Loans and Advances.
- (A) Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund+ Net (Receipts- Disbursements) of Public Accounts + Net of Opening and Closing Cash Balance.

1.6 What do the Deficits and Surpluses indicate?

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

1.6.1 Trend of Revenue Deficit/ Surplus

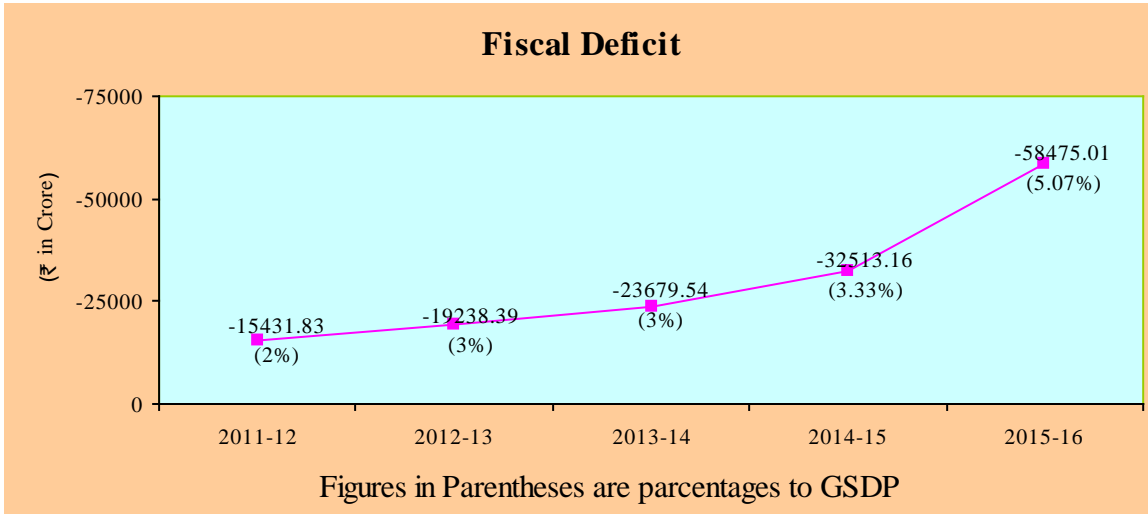
Against the norm fixed in U.P. F.R.B.M. Act (*), “Revenue deficit is to be maintained up to Zero”. The State Government has maintained the Revenue Surplus during the last five years as shown in the chart below:



(*) UP FRBM Act refers to Uttar Pradesh Fiscal Responsibility and Budget Management Act.

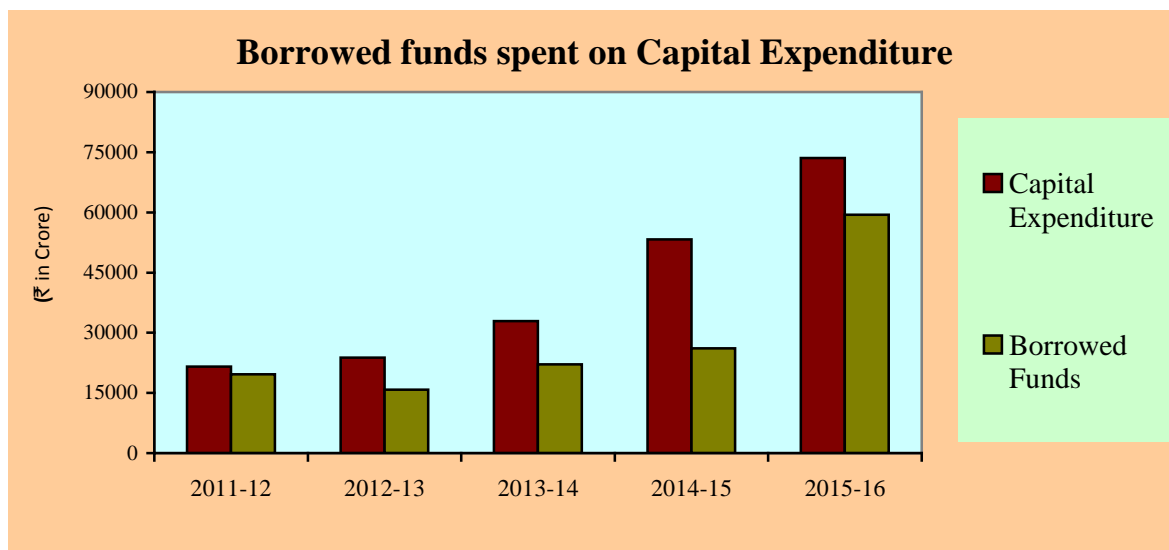
1.6.2 Trend of Fiscal Deficit

Similarly, Fiscal Deficit has also been maintained up to not more than 3 per cent of G.S.D.P. as per norm fixed in F.R.B.M. Act during the last five years except 2015-16 in which it is 5.07 per cent of GSDP. It has been shown in the chart below:



1.6.3 Proportion of borrowed funds spent on Capital expenditure

The Capital Expenditure is usually met from borrowed funds. It is desirable to fully utilise borrowed funds for the creation of capital assets, and to use Revenue Receipts for the repayment of principal and interest. During the year 2015-16, the State Government utilised the net borrowings and other liabilities (₹ 59,392.67 crore) for Capital Expenditure of ₹ 73,540.63 crore (including loans and advances disbursed). A chart showing comparison of borrowed funds spent on Capital expenditure is as under:



RECEIPTS

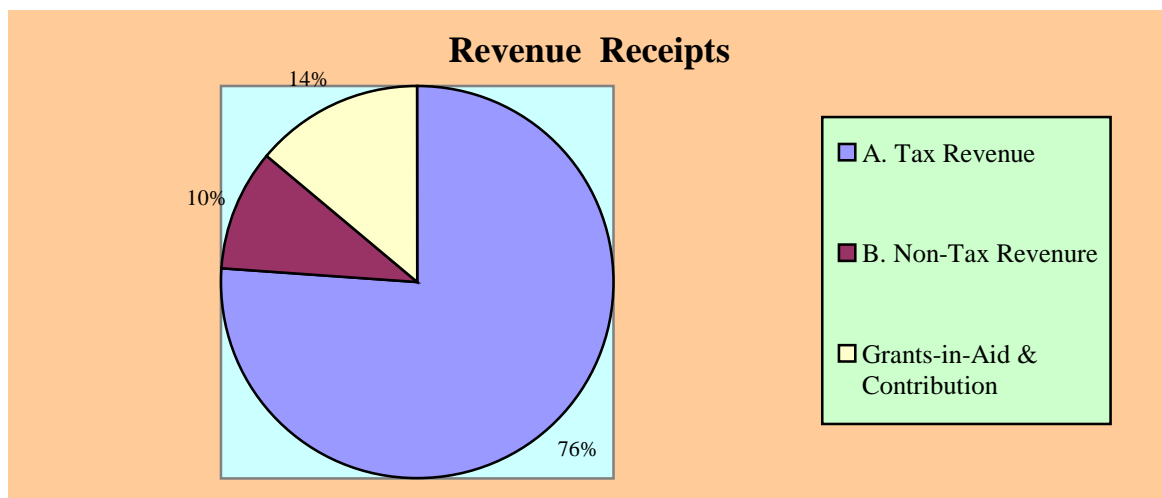
2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue receipts for 2015-16 were ₹ 2,27,075.94 crore.

2.2 Revenue Receipts

| | |
|------------------------|---|
| Tax Revenue | Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution. |
| Non-Tax Revenue | Includes interest receipts, dividends, profits etc. |
| Grants-in-Aid | Essentially, a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Material & Equipment' received from foreign Governments and channelised through the Union Government. In turn, the State Governments also give Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous bodies etc. |

Component wise position of total revenue receipts of the State of ₹ 2,27,075.94 crore is shown in the chart below:



(Refer to statement-2 of Finance Accounts)

Revenue Receipt Components (2015-16)

(₹ in crore)

| Components | Actuals |
|---|-------------|
| A. Tax Revenue | 1,72,079.95 |
| Taxes on Income & Expenditure | 48,468.96 |
| Taxes on Property & Capital Transactions | 12,916.75 |
| Taxes on Commodities & Services | 1,10,694.24 |
| B. Non-Tax Revenue | 23,134.65 |
| Fiscal Services | 0.03 |
| Interest Receipts, Dividends and Profits | 675.45 |
| General Services | 6,113.74 |
| Social Services | 11,264.36 |
| Economic Services | 5,081.07 |
| C. Grants-in aid & Contributions | 31,861.34 |
| Total- Revenue Receipts | 2,27,075.94 |

(Refer to statement-14 Finance Accounts)

2.3 Trend of Receipts

(₹ in crore)

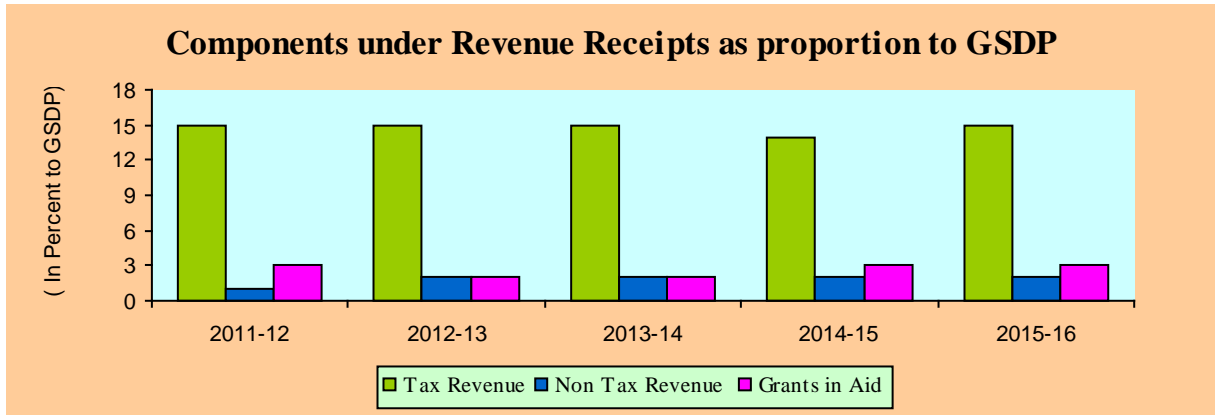
| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|-------------------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| Tax Revenues | 102,964.38 (15) | 115,596.21 (15) | 129,358.78 (15) | 1,40,795.33 (14) | 1,72,079.95 (15) |
| Non-Tax Revenues | 10,145.30 (1) | 12,969.98 (2) | 16,449.80 (2) | 19,934.80 (2) | 23,134.65 (2) |
| Grants-in-Aid | 17,760.02 (3) | 17,337.79 (2) | 22,405.17 (2) | 32,691.47 (3) | 31,861.34 (3) |
| Total Revenue Receipts | 130,869.70 (19) | 145,903.98 (19) | 168,213.75 (19) | 1,93,421.60 (20) | 2,27,075.94 (20) |
| GSDP (*) | 685,291.83 | 782,285.34 | 890,265.14 | 9,76,297.00 | 11,53,795.00 |

Note: Figures in parentheses represent percentage to GSDP

(*) GSDP (Gross State Domestic Product) is the value of final goods and services produced during the year and the figures of GSDP for 2011-12 to 2015-16 used in this publication are as depicted in the Finance Accounts of the U.P. Government.

The GSDP increased by about 18 per cent in 2015-16 in comparison to 2014-15. At the same time, growth in revenue collection was 17 per cent, tax revenues increased by 22 per cent, non-tax revenues by 16 per cent. However, there was a significant decrease in Grants-

in-Aid from Central Government (under major head 1601) by about 2.5 per cent (i.e. ₹ 830.13 crore).

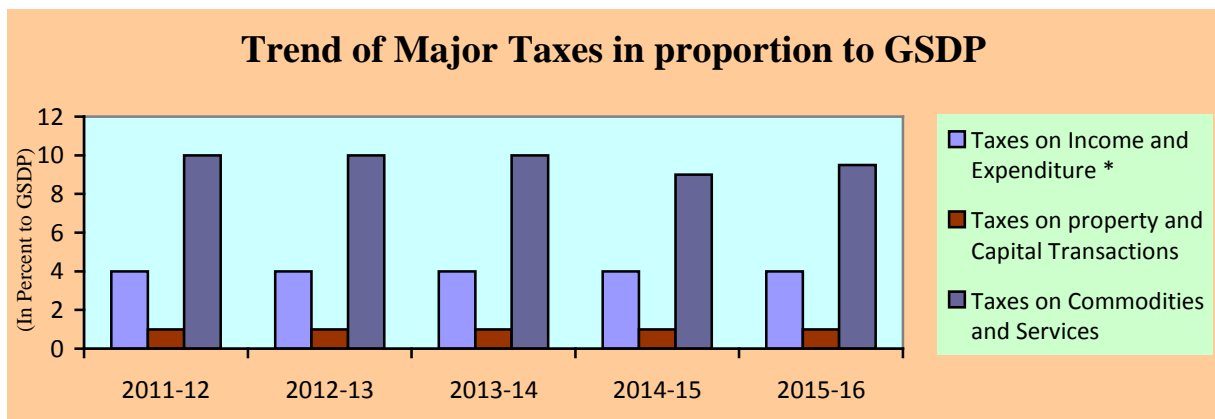


Sector-wise Tax Revenue

(₹ in crore)

| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|
| Taxes on Income and Expenditure | 29,916.21 | 33,053.72 | 35,054.15 | 39,922.48 | 48,468.96 |
| Taxes on Property and Capital Transactions | 8,261.60 | 9,581.69 | 10,350.88 | 12,393.38 | 12,916.75 |
| Taxes on Commodities and Services | 64,786.57 | 72,960.80 | 83,953.75 | 88,479.47 | 1,10,694.24 |
| Total Tax Revenues | 102,964.38 | 115,596.21 | 129,358.78 | 1,40,795.33 | 1,72,079.95 |

Substantial increasing trend in collection of Taxes on Commodities and Services during the last five years are mainly due to increase in collections under Major Head 0040- Taxes on Sales, Trade and share of net proceeds assigned to states etc.



(*) Primarily net proceeds of state share of union taxes.

2.4 Performance of State's own Tax Revenue collection

(₹ in crore)

| Year | Tax Revenue | State share of Union Taxes | State's Own Tax Revenue | |
|---------|-------------|----------------------------|-------------------------|--------------------|
| | | | Amount | Percentage to GSDP |
| (1) | (2) | (3) | (4) | (5) |
| 2011-12 | 1,02,964.38 | 50,350.95 | 52,613.43 | 8 |
| 2012-13 | 1,15,596.21 | 57,497.85 | 58,098.36 | 7 |
| 2013-14 | 1,29,358.78 | 62,776.70 | 66,582.08 | 7 |
| 2014-15 | 1,40,795.33 | 66,622.91 | 74,172.42 | 8 |
| 2015-16 | 1,72,079.95 | 90,973.69 | 81,106.26 | 7 |

The State Government has maintained increasing trend of collections of Own Tax Revenue in accordance with its share of Union Taxes during the last five years.

2.5 Efficiency of Tax Collection

A. Taxes on Property and Capital Transactions

(₹ in crore)

| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|----------|----------|-----------|-----------|-----------|
| Revenue Collection | 8,261.60 | 9,581.69 | 10,350.88 | 12,393.38 | 12,916.75 |
| Expenditure on Collection | 1,662.85 | 1,927.28 | 1,941.67 | 2,090.49 | 2,212.78 |
| Efficiency of Tax Collection (Percentage) | 20 | 20 | 19 | 17 | 17 |

B. Taxes on Commodities and Services

(₹ in crore)

| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|-----------|-----------|-----------|-----------|-----------|
| Revenue Collection | 64,786.57 | 72,960.80 | 83,953.75 | 88,479.47 | 110694.24 |
| Expenditure on Collection | 1,135.07 | 1,349.75 | 665.16 | 716.75 | 757.64 |
| Efficiency of Tax Collection (Percentage) | 2 | 2 | 1 | 1 | 1 |

Taxes on commodities and services form a major chunk of Tax Revenue. Collection efficiency of Taxes on Commodities and Services ranged from 1 to 2 per cent during the last five years. While the collection efficiency of taxes on property and capital transactions was about 19 per cent on an average.

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

(₹ in crore)

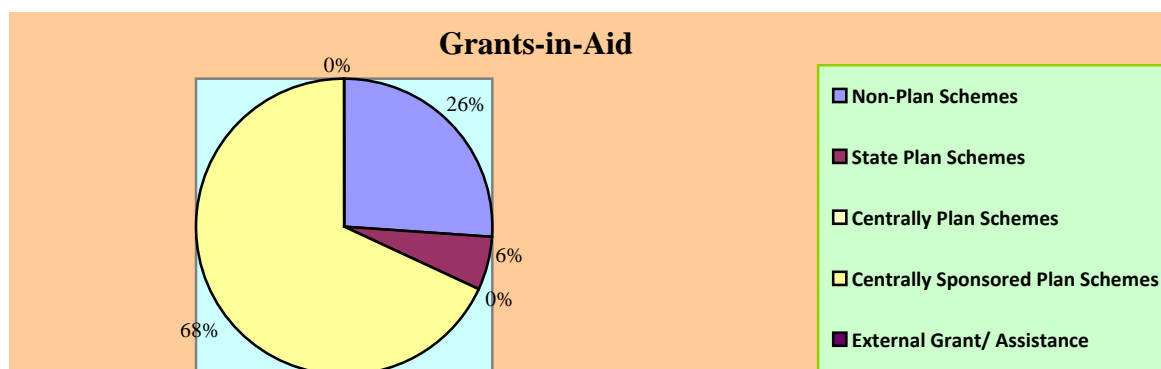
| Major Head description | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|-------------------|-------------------|-------------------|--------------------|--------------------|
| Corporation Tax | 19,818.72 | 20,653.72 | 21,112.58 | 23,265.10 | 28,603.42 |
| Taxes on Income other than Corporation Tax | 10,067.03 | 12,365.05 | 13,902.00 | 16,613.52 | 19,814.58 |
| Other Taxes on Income and Expenditure | 0.00 | 0.00 | 0.00 | 0.56 | 0.69 |
| Taxes on Wealth | 76.51 | 34.87 | 57.96 | 62.81 | 7.73 |
| Customs | 8,730.00 | 9,554.78 | 10,242.68 | 10,774.84 | 14,586.98 |
| Union Excise Duties | 5,649.14 | 6,493.46 | 7,234.15 | 6,084.21 | 12,205.56 |
| Service Tax | 6,009.58 | 8,395.97 | 10,227.31 | 9,821.89 | 15,681.47 |
| Other Taxes and Duties on Commodities and Services | (-)0.03 | 0.00 | 0.02 | (-)0.02 | 73.26 |
| State Share of Union Taxes | 50,350.95 | 57,497.85 | 62,776.70 | 66,622.91 | 90,973.69 |
| Total Tax Revenue | 102,964.38 | 115,596.21 | 129,358.78 | 1,40,795.33 | 1,72,079.95 |
| Percentage of Union Taxes to Total Tax Revenue | 49 | 50 | 49 | 47 | 53 |

(Refer to statement-3 of Finance Accounts)

2.7 Grants-in-Aid

Grants-in-Aid represent assistance from the Government of India and External Grant Assistance and comprise of Grants for State Plan Schemes, Central Plan Schemes, Centrally Sponsored Schemes approved by the Planning Commission, State Non-Plan Grants recommended by the Finance Commission and Grants from External Agencies. Total receipts during 2015-16 under Grants in Aid was ₹ 31,861.34 crore as shown below:

(₹ in crore)



(Refer to statement-14 of Finance Accounts)

Thus, the share of non-plan grants in total Grants-in-aid was 26 per cent during 2015-16, while the share of grants for plan schemes and centrally sponsored plan schemes were 06 and 68 per cent respectively. As against the budget estimate of ₹ 41,425.19 crore of central

share in State Plan Schemes, Central Plan Schemes and Centrally Sponsored Plan Schemes, the State Government has actually received ₹ 23,587.44 crore of Grants-in-Aid (56.94 per cent of B.E.).

2.8 Public Debt

Trend of Public Debt over the past five years

(₹ in crore)

| Description | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--------------------------------|-----------|--------------|--------------|-----------|-----------|
| Internal Debt (net) | 12,363.65 | 8,010.12 | 7,809.13 | 26,983.66 | 57,644.26 |
| Central Loans (net) | (-)998.96 | (-) 1,099.21 | (-) 1,075.42 | (-)874.59 | (-)803.44 |
| Total Public Debt (net) | 11,364.69 | 6,910.91 | 6,733.71 | 26,109.07 | 56,840.82 |

(Refer to statement-17 of Finance Accounts)

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

In 2015-16, nineteen loans totaling ₹ 30,000.00 crore at interest rates varying from 7.98 per cent to 8.83 per cent and redeemable in the year 2025 were raised at par. As against the total Public Debt of ₹ 74,513.58 crore raised in 2015-16 (Internal Debt of ₹ 73,919.72 crore and Central Loan component of ₹ 593.86 crore), Capital Expenditure was incurred for ₹ 64,422.72 crore (being about 86.46 per cent of the Public Debt).

EXPENDITURE

3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue Expenditure is used to meet the day-to day running of the organisation. Capital Expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified under Plan and Non-Plan.

| | |
|--------------------------|--|
| General Services | Includes Law & Justice, Police, Jail, PWD, Pension etc. |
| Social Services | Includes Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc. |
| Economic Services | Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc. |

3.2 Revenue Expenditure

Revenue Expenditure of ₹ 2,12,735.95 crore for 2015-16 fell short of budget estimates (of ₹ 2,45,126.81 crore) by ₹ 32,390.86 crore due to less disbursement of ₹ 12,412.14 crore under Plan Expenditure and ₹ 19,978.72 crore under Non-Plan Expenditure. This shortfall is to be viewed in the light of the shortfall of ₹ 22,804.29 crore (9 per cent of B.E.) in revenue receipts and the need of the State to maintain a revenue surplus in terms of the Uttar Pradesh FRBM Act, 2004.

The shortfall of expenditure against budget estimates under Revenue Section during the past five years is given below:

| | (₹ in crore) | | | | |
|----------------------------------|--------------|-------------|-------------|-------------|-------------|
| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
| Budget Estimates | 1,25,793.66 | 1,52,963.61 | 1,67,892.20 | 2,04,051.85 | 2,45,126.81 |
| Actuals | 1,23,885.17 | 1,40,723.64 | 1,58,146.87 | 1,71,027.32 | 2,12,735.95 |
| Gap | 1,908.49 | 12,239.97 | 9,745.33 | 33,024.53 | 32,390.86 |
| Percentage of Gap over BE | 2 | 8 | 6 | 16 | 13 |

Nearly 60 per cent of total Revenue Expenditure was incurred on committed Non-plan expenditure ₹ 1,27,728.12 crore (salaries, pensions, interests etc.). However, the State Government had a Revenue Surplus of ₹ 14,339.99 crore in 2015-16 in terms of the FRBM Act.

3.2.1 Sectoral Distribution of Revenue Expenditure (2015-16)

(₹ in crore)

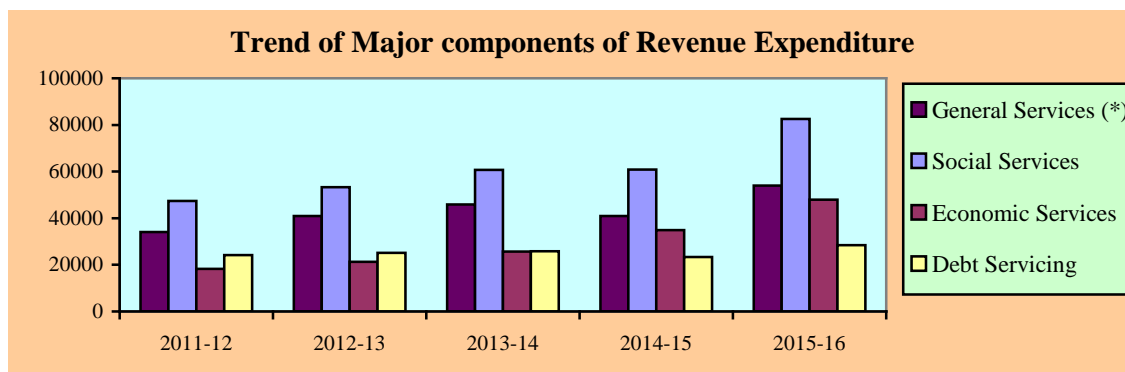
| Components | Amount | Percentage |
|--|--------------------|------------|
| A. Fiscal Services | 2,993.33 | 1 |
| (i) Collection of Taxes on Property and Capital transactions | 2,212.77 | 1 |
| (ii) Collection of Taxes on Commodities and Services | 757.64 | 0 |
| (iii) Other Fiscal Services | 22.92 | 0 |
| B. Organs of State | 1,977.87 | 1 |
| C. Interest Payments and Servicing of debt | 28,414.65 | 13 |
| D. Administrative Services | 14,657.62 | 7 |
| E. Pensions and Miscellaneous General Services | 24,184.45 | 11 |
| F. Social Services | 82,486.46 | 39 |
| G. Economic Services | 47,881.29 | 22 |
| H. Grants-in-aid and contributions | 10,140.28 | 5 |
| Total Expenditure (Revenue Account) | 2,12,735.95 | 100 |

(Refer to statement-15 of Finance Accounts)

Expenditure on Interest Payment and Servicing of Debt needs to be reduced so that the expenditure under Economic Services and Social Services may also be enhanced.

3.2.2 Major Components of Revenue Expenditure (2011-2016)

(₹ in crore)



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

The expenditure on Economic Services (which includes important sectors like Industries, Rural Development, Agriculture and Irrigation etc.) has marginal growth, as against a steady increase in General and Social services.

3.3 Capital Expenditure

Capital disbursements ₹ 73,540.63 crore (including loans and advances disbursed) for 2015-16, which was 6.37 per cent of GSDP, were less than budget estimates (₹ 83,757.95 crore) by ₹ 10,217.32 crore (less disbursement of ₹ 1,292.13 crore under Non-Plan Expenditure and ₹ 8,925.19 crore under Plan Expenditure).

3.3.1 Sectoral Distribution of Capital Expenditure

During 2015-16, the Government spent ₹ 4,341.83 crore on various Irrigation Projects (₹ 3,059.40 crore on Major Irrigation, ₹ 662.12 crore on Medium Irrigation, and ₹ 620.31 crore on Minor Irrigation). The Government spent ₹ 34,441.24 crore on Major Construction Works and invested ₹ 25,751.93 crore in various Corporations /Companies /Societies.

(₹ in crore)

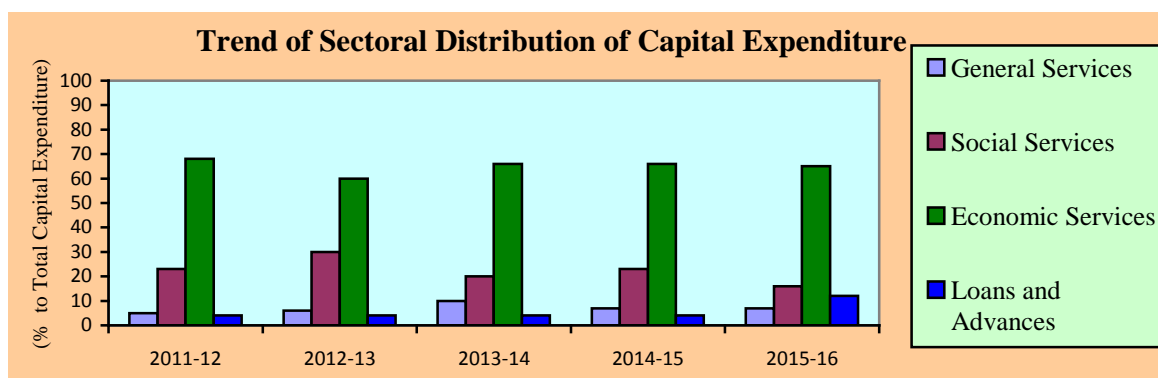
| Sl.No. | Sector | Amount | Percentage |
|--------------|---|-----------|------------|
| 1. | General Services -Police, Land Revenue etc. | 5,259.07 | 7 |
| 2. | Social Services - Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc. | 11,706.77 | 16 |
| 3. | Economic Services - Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc., | 47,456.88 | 65 |
| 4. | Loans and Advances Disbursed | 9,117.91 | 12 |
| Total | | 73,540.63 | 100 |

3.3.2 Sectoral Distribution of Capital Expenditure over the past five years

(₹ in crore)

| Sl. No. | Sector | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| 1. | General Services | 1,143.62 | 1,404.95 | 3,463.35 | 4,008.68 | 5,259.07 |
| 2. | Social Services | 5,187.14 | 7,594.51 | 6,759.50 | 12,754.72 | 11,706.77 |
| 3. | Economic Services | 15,243.20 | 14,834.83 | 22,639.80 | 36,533.88 | 47,456.88 |
| 4. | Loans and Advances | 975.57 | 1,003.24 | 1,473.34 | 1,872.64 | 9117.91 |
| Total | | 22549.53 | 24,837.53 | 34,335.99 | 55,169.92 | 73,540.63 |

(Refer to statement-5 & 7 of Finance Accounts)

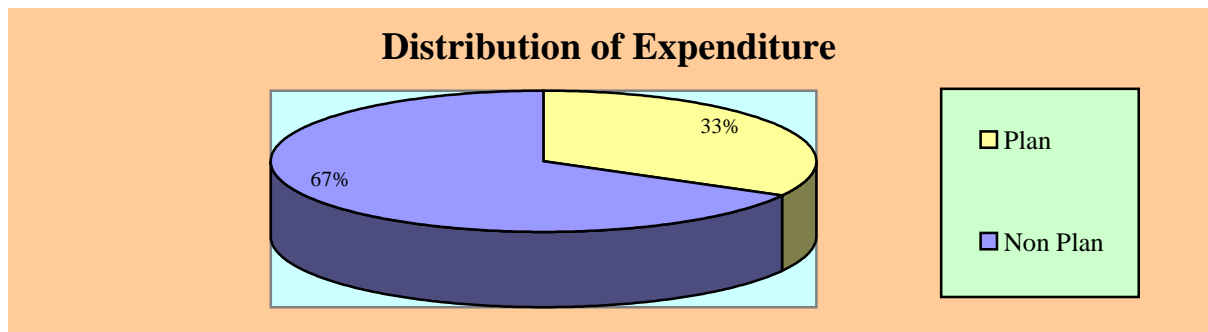


Expenditure under Social Services which is indicative of development related spending decreased by 8 per cent during 2015-16 as compared to 2014-15 and expenditure on Economic Services increased by 30 per cent.

PLAN & NON-PLAN EXPENDITURE

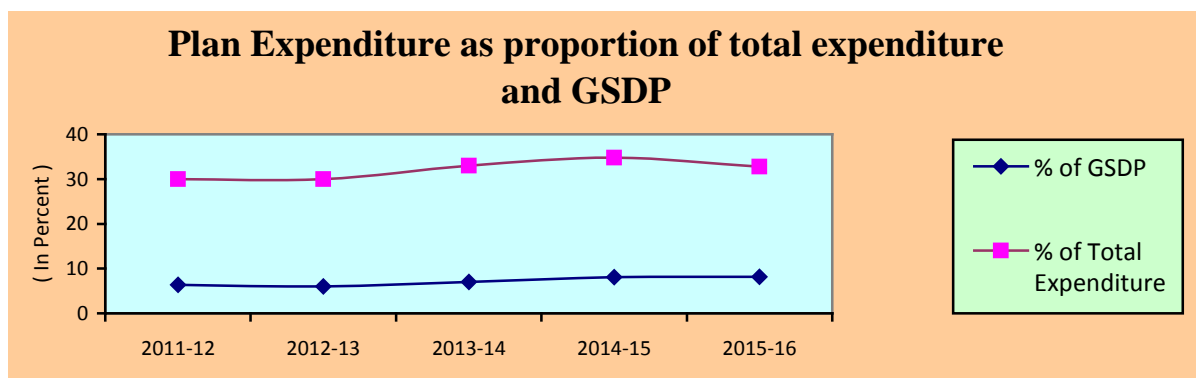
Revenue and Capital expenditure include Plan expenditure (State Plan, Central Plan and Centrally Sponsored Plan) including loans and advances, and Non-Plan Expenditure.

4.1 Distribution of expenditure (2015-16)



4.2 Plan Expenditure

During 2015-16, Plan Expenditure, representing 33 *per cent* of total disbursements, was ₹ 93,885.14 crore (₹ 59,945.99 crore under State Plan, ₹ 32,350.21 crore under Centrally Sponsored Plan Schemes and ₹ 1,588.94 crore under Loans and Advances).



4.2.1 Plan expenditure under Capital Account

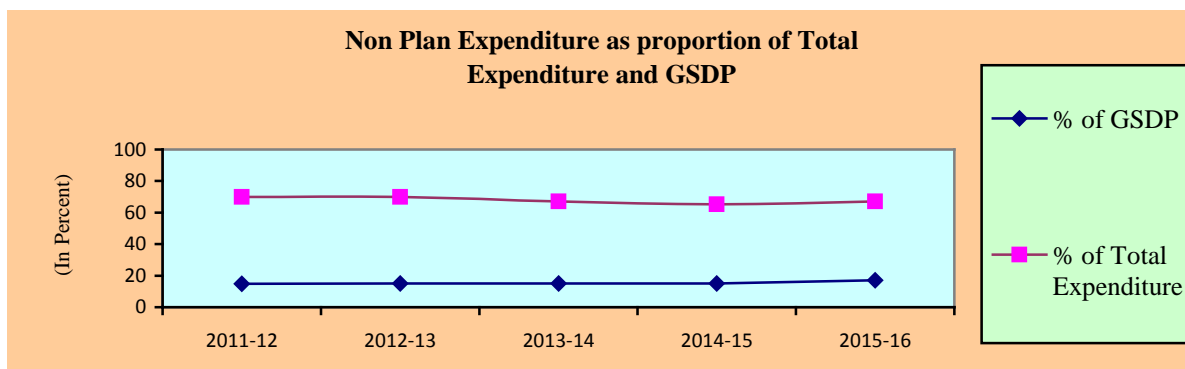
(₹ in crore)

| | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|-----------|-----------|-----------|-----------|-----------|
| Total Capital Expenditure | 22,549.53 | 24,837.53 | 34,335.99 | 55,169.92 | 73,540.63 |
| Capital Expenditure (Plan) | 21,149.58 | 22,992.25 | 31,430.84 | 45,444.98 | 50,633.83 |
| Percentage of Capital Expenditure (Plan) to total Capital Expenditure | 94 | 93 | 92 | 82 | 69 |

Thus, the percentage of Capital Expenditure on plan heads has reduced from 94 *per cent* in 2011-12 to 69 *per cent* in 2015-16.

4.3 Non-Plan Expenditure

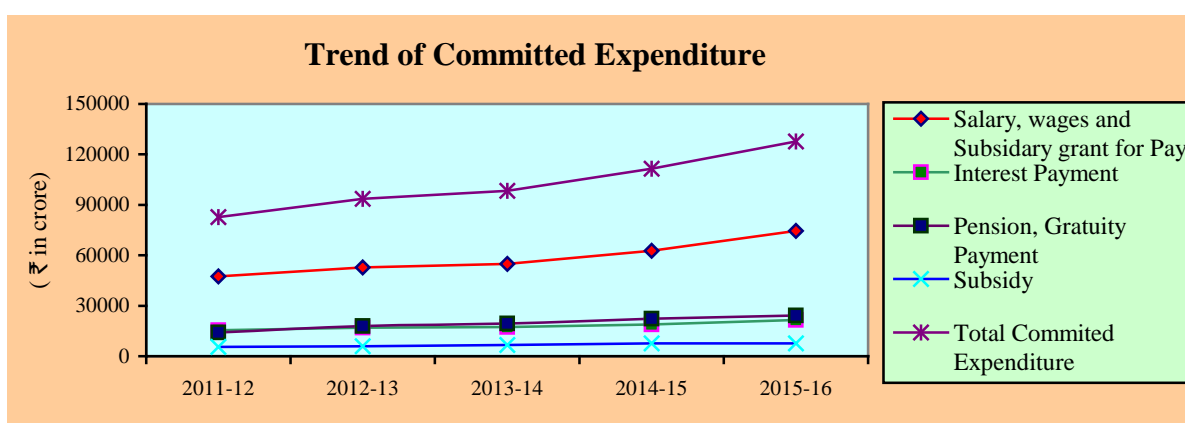
Non-Plan Expenditure during 2015-16, representing 67 per cent of total disbursements ₹ 2,86,276.58 crore, was ₹1,92,391.44 crore, (₹1,69,484.63 crore under Revenue and ₹ 22,906.81 crore under Capital).



4.4 Committed Expenditure

(₹ in crore)

| Component | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--|------------|------------|------------|-------------|-------------|
| Committed Expenditure | 82,729.90 | 93,559.62 | 98,433.66 | 1,11,566.03 | 1,27,728.12 |
| Revenue Expenditure | 123,885.17 | 140,723.64 | 158,146.87 | 1,71,027.32 | 2,12,735.95 |
| Percentage of Committed Expenditure to Revenue Receipts | 63 | 64 | 59 | 58 | 56 |
| Percentage of Committed Expenditure to Revenue Expenditure | 67 | 66 | 62 | 65 | 60 |



The upward trend on committed expenditure leaves the Government with lesser flexibility for development related spendings.

APPROPRIATION ACCOUNTS

The Appropriation Accounts presents accounts of the sums expended in the year compared with the sums specified in the Schedule appended to the Appropriation Acts passed under Articles 204 and 205 of the Constitution of India.

5.1 Summary of Appropriation Accounts for 2015-16

(₹ in crore)

| Sl. No | Nature of Expenditure | Original grant | Supplementary grant | Total | Actual Expenditure | Saving (-) Excess (+) |
|--------------|--------------------------|--------------------|---------------------|--------------------|--------------------|-----------------------|
| 1 | Revenue Voted | 1,88,270.50 | 28,822.93 | 2,17,093.43 | 1,85,502.85 | (-) 31,590.58 |
| | Charged | 29,055.55 | 547.70 | 29,603.25 | 28,777.49 | (-) 825.76 |
| 2 | Capital Voted | 74,082.85 | 10,711.05 | 84,793.90 | 77,312.14 | (-) 7,481.76 |
| | Charged | 36.17 | 11.00 | 47.17 | 29.08 | (-) 18.09 |
| 3 | Public Debt Voted | 0.05 | -- | 0.05 | -- | (-) 0.05 |
| | Charged | 20,983.83 | 402.64 | 21,386.47 | 17,672.76 | (-) 3,713.71 |
| 4 | Loans and Advances Voted | 2,792.99 | 7,088.64 | 9,881.63 | 9,117.91 | (-) 763.72 |
| Total | | 3,15,221.94 | 47,583.96 | 3,62,805.90 | 3,18,412.23 | (-) 44,393.67 |

(Refer to Appropriation Accounts which depicts the gross expenditure without recoveries)

The State Government could not utilize 12 *per cent* (₹ 44,393.67 crore) against the total appropriation (Budget) (₹ 3,62,805.90 crore) during 2015-16.

5.2 Trend of Saving/Excess during the past five years

(₹ in crore)

| Year | Saving (-) / Excess (+) | | | | Total |
|---------|-------------------------|--------------|---------------|------------------|---------------|
| | Revenue | Capital | Public Debt. | Loans & Advances | |
| 2011-12 | (-)8,304.76 | (-)5,586.52 | (-)10,110.28 | (-)504.57 | (-)24,506.13 |
| 2012-13 | (-)15,769.59 | (-)3,657.71 | (-)9,934.92 | (-)339.48 | (-)29,701.70 |
| 2013-14 | (-) 16,864.37 | (-) 7,365.10 | (-) 10,421.12 | (-) 556.36 | (-) 35,206.95 |
| 2014-15 | (-)32,485.37 | (-)9,033.93 | (-)9,972.67 | (-)551.53 | (-)52,043.50 |
| 2015-16 | (-)32,416.34 | (-)7,499.85 | (-)3,713.76 | (-)763.72 | (-)44,393.67 |

The trend of unutilized budget during the last five years indicates requirement for adequate budgeting and/or monitoring of funds by the Government Departments.

5.3 Significant Savings

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

Some grants with persistent and significant savings are given below:

(₹ in crore)

| Grant | Nomenclature | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|-------|---|--------------|--------------|--------------|--------------|-------------|
| 9 | Power Department | (-)116.48 | (-)35.95 | (-)356.44 | (-)1,616.27 | (-)3,476.07 |
| 14 | Agriculture and Other Allied Departments (Panchayati Raj) | (-)235.76 | (-)1,230.82 | (-)462.06 | (-)2,442.76 | (-)3,256.90 |
| 26 | Home Department (Police) | (-)543.49 | (-)1,156.85 | (-)1,109.94 | (-)1,105.50 | (-)1,628.93 |
| 32 | Medical Department (Allopathy) | (-)292.92 | (-)634.67 | (-)755.32 | (-)766.20 | (-)1,043.21 |
| 37 | Urban Development Department | (-)887.28 | (-)976.50 | (-)1,024.60 | (-)2,843.98 | (-)1,565.68 |
| 42 | Judicial Department | (-)330.09 | (-)282.95 | (-)623.56 | (-)527.99 | (-)589.02 |
| 48 | Minorities Welfare Department | (-)387.05 | (-)269.00 | (-)349.41 | (-)1,455.84 | (-)1,488.25 |
| 54 | Public Works Department (Establishment) | (-)238.57 | (-)681.46 | (-)1,041.30 | (-)1,265.71 | (-)1,384.05 |
| 61 | Finance Department (Debt Services and Other Expenditure) | (-)10,460.76 | (-)11,867.38 | (-)10,402.03 | (-)13,409.64 | (-)4,627.01 |
| 72 | Education Department (Secondary Education) | (-)710.76 | (-)1,276.79 | (-)1,032.08 | (-)1,144.48 | (-)1,534.74 |
| 73 | Education Department (Higher Education) | (-)765.05 | (-)939.86 | (-)533.63 | (-)492.16 | (-)593.64 |
| 83 | Social Welfare Department (Special Component Plan for Scheduled Castes) | (-)1,207.91 | (-)2,350.94 | (-)1,839.78 | (-)4,144.70 | (-)3,664.49 |

(b) During 2015-16, supplementary grants totaling ₹ 47,583.96 crore (14.94 per cent of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below:

(₹ in crore)

| Grant | Nomenclature | Section | Original | Supplementary | Actual Expenditure |
|-------|--|--|------------------------|--------------------|------------------------|
| 14 | Agriculture and Other Allied Departments (Panchayati Raj) | Revenue (Voted) | 7,052.96 | 1,103.86 | 5,039.13 |
| 26 | Home Department (Police) | Capital (Voted) | 1,206.77 | 100.00 | 1,024.33 |
| 32 | Medical Department (Allopath) | Revenue (Voted) Capital (Voted) | 4,818.67 703.38 | 38.85 19.40 | 3,918.99 618.30 |
| 37 | Urban Development Department | Revenue (Voted) Capital (Voted) | 4,631.34 1,520.00 | 642.24 21.92 | 3,882.86 1,366.96 |
| 40 | Planning Department | Revenue (Voted) Capital (Voted) | 279.11 1,882.50 | 5.00 50.00 | 199.50 1,299.80 |
| 42 | Judicial Department | Revenue (Voted) | 1,471.30 | 62.70 | 1,204.88 |
| 48 | Minorities Welfare Department | Revenue (Voted) | 1,768.24 | 53.50 | 968.93 |
| 61 | Finance Department (Debt Services and Other Expenditure) | Revenue (Charged) Capital (Charged) | 28,324.31 20,932.57 | 528.83 402.64 | 28,056.31 17,623.31 |
| 71 | Education Department (Primary Education) | Revenue (Voted) | 31,758.06 | 2,402.71 | 30,930.92 |
| 72 | Education Department (Secondary Education) | Revenue (Voted) Capital (Voted) | 8,029.13 734.78 | 5.00 45.00 | 7,115.98 163.22 |
| 80 | Social Welfare Department (Social Welfare and Welfare of Scheduled Castes) | Revenue (Voted) | 5,275.06 | 54.00 | 4,661.60 |
| 83 | Social Welfare Department (Special Component Plan for Scheduled Castes) | Revenue (Voted) Capital (Voted) | 11,612.85 7,493.56 | 1,898.89 146.04 | 11,204.96 6,281.90 |

ASSETS AND LIABILITIES

6.1 Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc., except in the year of acquisition / purchase. Similarly, while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and maturity periods of existing loans.

Total investments as share capital in Non-Financial Public Sector Undertakings (PSUs) stood at ₹ 84,356.79 crore at the end of 2015-16. However, dividends received during the year were ₹ 42.66 crore (i.e. 0.05 *per cent*) on investment. During 2015-16, investments increased by ₹ 25,750.73 crore, while dividend income increased by ₹ 34.58 crore.

Cash Balance with RBI stood at ₹ (-) 1,009.27^(*) crore on 31st March 2015 and increased to ₹ (-)1,409.33 crore at the end of March, 2016.

(Refer to statement-2 & 19 of Finance Accounts)

6.2 Debt and Liabilities

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

Details of the Public Debt and total Liabilities of the State Government during the last five years were as under:

(₹ in crore)

| Year | Public Debt | Per cent to GSDP | Public Account (a) | Percent to GSDP | Total Liabilities | Percent to GSDP |
|---------|-------------|------------------|--------------------|-----------------|-------------------|-----------------|
| 2011-12 | 1,57,899.49 | 23 | 85,329.65 | 12 | 2,43,229.14 | 35 |
| 2012-13 | 1,64,810.40 | 21 | 94,810.34 | 12 | 2,59,620.74 | 33 |
| 2013-14 | 1,71,544.11 | 19 | 1,10,164.84 | 12 | 2,81,708.95 | 32 |
| 2014-15 | 1,97,653.18 | 20 | 1,10,205.95 | 11 | 3,07,859.13 | 32 |
| 2015-16 | 2,54,494.00 | 22 | 1,12,757.80 | 10 | 3,67,251.80 | 32 |

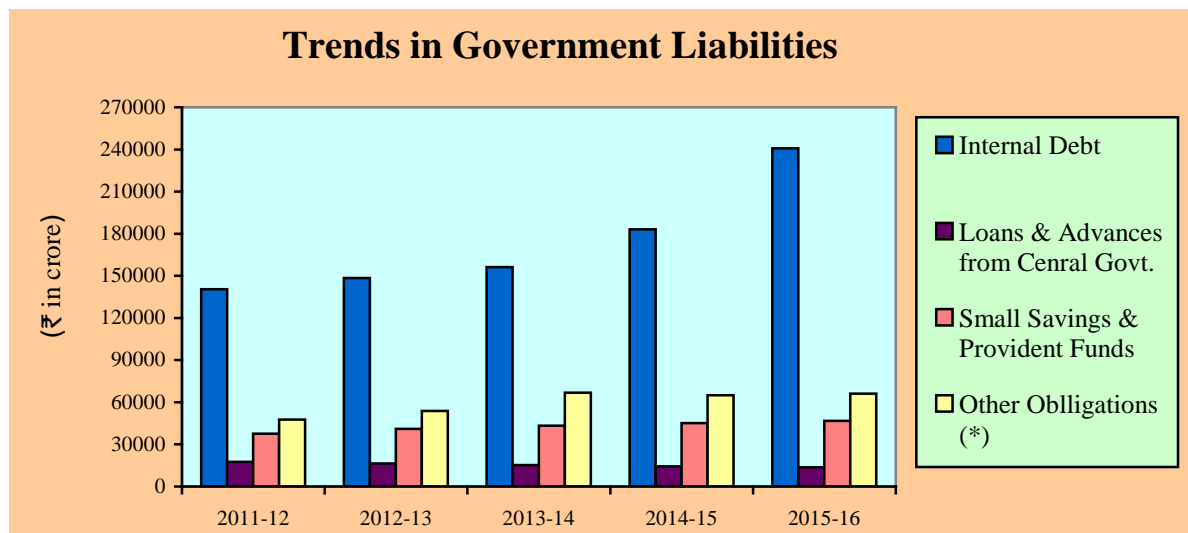
(Refer to statement-6 of Finance Accounts)

(*) Minus figure represents credit balance in favour of State Government.

(a) Excludes suspense and remittance balances.

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

There is a net increase of ₹ 59,392.67 crore (19 per cent) in Public Debt and other Liabilities in 2015-16 as compared to 2014-15.



(*) Interest not bearing obligations such as Deposits of Local Funds, other Earmarked Funds, etc.

6.3 Guarantees

The position of guarantees given by the State Government for the payment of Loans and Capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Cooperative Societies, etc., is given below:

(₹ in crore)

| At the end of the year | Maximum Amount Guaranteed (Principal only) | Amount outstanding at the end of year | |
|------------------------|--|---------------------------------------|----------|
| | | Principal | Interest |
| 2011-12 | 29,628.83 | 21,659.16 | 92.85 |
| 2012-13 | 50,459.12 | 43,336.66 | 0.00 |
| 2013-14 | 69,752.00 | 62,223.91 | 598.42 |
| 2014-15 | 78,023.21 | 70,281.15 | 458.48 |
| 2015-16 | 78,825.64 | 57,159.87 | 458.48 |

(Refer to statement-9 of Finance Accounts)

OTHER ITEMS

7.1 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2015-16 was ₹ 22,458.65 crore. Of this, Loans and Advances to Government Corporations/ Companies, non-Government Institutes and Local Bodies amounted to ₹ 22,233.08 crore. Recovery of Principal aggregating to ₹ 6,445.71 crore and Interest amounting to ₹ 1,130.08 crore was in arrears at the end of 31st March 2016.

7.2 Financial Assistance to Local Bodies and others

During the past five years, Grants in Aid to Local Bodies etc., increased from ₹ 39,214.31 crore in 2011-12 to ₹ 77,068.52 crore in 2015-16. Grants to Zila Parishads, Panchayat Samiti and Municipalities (₹ 3,668.47 crore) represented by about 4.8 per cent of total grants given during the year.

Details of Grants-in-Aid for the past 5 years were as under.

(₹ in crore)

| Year | Zilla Parishad | Municipalities | Panchayat Samiti | Others | Total |
|---------|----------------|----------------|------------------|------------|-----------|
| 2011-12 | 2,922.91 | 2,706.58 | | *33,584.82 | 39,214.31 |
| 2012-13 | 326.98 | 2,198.98 | 1,307.92 | 39,377.78 | 43,211.66 |
| 2013-14 | 725.79 | 1,863.50 | 2,915.52 | 40,071.36 | 45,576.17 |
| 2014-15 | 466.83 | 908.78 | 1,867.35 | 48,997.69 | 52,240.65 |
| 2015-16 | 97.10 | 598.84 | 2,972.53 | 73,400.05 | 77,068.52 |

(Refer to statement-10 of Finance Accounts)

(*) Represent combined figures of Panchayat Samiti and Others during 2011-12.

7.3 Cash Balance and Investment of Cash Balance

(₹ in crore)

| Component | As on 1 st April 2015 | As on 31 st March 2016 | Net increase (+) / decrease (-) |
|--|----------------------------------|-----------------------------------|---------------------------------|
| Cash Balances | (-)1,009.27 | (-) 1,409.33 | (-)400.06 |
| Investments from cash balance (GOI Try. Bills) | 595.35 | 1,196.44 | (-)601.09 |
| Investment from Earmarked Fund balances- | | | |
| (a) Depreciation Reserve Fund | 44.42 | 44.42 | 0.00 |
| (b) Famine Relief Fund | 0.78 | 0.78 | 0.00 |
| (c) Other Funds | 0.00 | 0.00 | 0.00 |
| Interest realised on Investment of Cash Balances | (-)368.72 | (-)167.69 | 201.03 |

(Refer to statement-1 & 2 of Finance Accounts)

State Government had a credit closing cash balance at the end of 2011-12 to 2015-16, despite utilising its Cash Balances and Earmarked Fund balances towards Investments.

7.4 Reconciliation of accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Accountant General (Accounts and Entitlements). This exercise is to be conducted by respective Heads of Departments. In 2015-16, total expenditure and total receipts approximate was reconciled. The status of reconciliation of accounts in respect of the Chief Controlling Officers (CCOs) of different departments is given below:

| PARTICULARS | TOTAL NO. OF CCOs | RECONCILED | NOT RECONCILED |
|--------------|-------------------|------------|----------------|
| EXPENDITURE | 169 | 168 | 01 |
| RECEIPTS | 45 | 43 | 02 |
| TOTAL | 214 | 211 | 03 |

(Refer to Para 2(iv) of Notes to Accounts of Finance Accounts)

Departments who have not reconciled their amounts are listed below.

(₹ in crore)

| Sl.No. | Name of the Department /Chief Controlling Officer | Amount |
|--------|---|--------|
| 1 | Secretary, Planning Department U.P, Lucknow | 133.21 |
| 2 | Secretary, Urban Development, Lucknow | 25.98 |
| 3 | Secretary, Board of Revenue, Land Reforms Department, Lucknow | 17.43 |

7.5 Submission of Accounts by Treasuries/Departments

The initial accounts of the treasuries were duly rendered during the year. Rendition of monthly accounts by Public Works and Forest Divisions was not satisfactory as receipt of accounts were delayed from 2 to 30 days from the scheduled date of their receipt. However, no account has been excluded at the end of the year. As such submission of accounts by these departments/divisions should improve.

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

When money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to calculate the exact amounts required, they are permitted to draw money without supporting documents through AC bills. Such AC bills are required to be settled, within a maximum of 30 days through submission of DC bills. As on 31st March 2016, 5113 DC bills amounting to ₹ 301.13 crore were outstanding.

(Refer to Para 2(ii) of Notes to Accounts of Finance Accounts)

7.7 Rush of Expenditure

The financial rules stipulate that rush of expenditure, particularly in the closing month of the financial year, shall be regarded as a breach of financial regularity and should be avoided. It is observed however, that certain departments indulged in this practice to the tune of 36 per cent to 100 per cent of total expenditure incurred in March, as follows:

(₹ in crore)

| Head of A/c | Description | 1 st Quarter | 2 nd Quarter | 3 rd Quarter | 4 th Quarter | Total Expenditure | Expenditure during March 2016 | % of Expenditure for March, 2016 to the Total Expenditure 2015-16 |
|-------------|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------|-------------------------------|---|
| 2217 | Urban Development | 596.31 | 834.26 | 184.87 | 1,427.22 | 3,042.65 | 1,254.35 | 41.23 |
| 2225 | Welfare of Schedule castes, Schedule Tribes and Other Backward Classes | 1,431.20 | 184.77 | 131.54 | 2,763.27 | 4,510.78 | 2,298.95 | 51 |
| 2407 | Plantation | 0.99 | 1.12 | 1.17 | 11.56 | 14.84 | 9.82 | 66 |
| 2501 | Special Programmes for Rural Development | 6.40 | 16.97 | 130.84 | 116.60 | 270.80 | 99.82 | 36 |
| 3054 | Roads and Bridges | 299.47 | 439.15 | 716.09 | 1,951.81 | 3,406.51 | 1,597.21 | 47 |
| 4210 | Capital Outlay on Medical and Public Health | 119.89 | 340.85 | 342.65 | 1,452.61 | 2,256.01 | 920.17 | 41 |
| 4235 | Capital Outlay on Social Security and Welfare | 11.11 | 80.28 | 82.02 | 488.76 | 662.18 | 370.62 | 56 |
| 4402 | Capital Outlay on Soil and Water Conservation | 0.00 | 0.00 | 0.00 | 1.20 | 1.20 | 1.20 | 100 |
| 4425 | Capital Outlay on co-operation | 463.79 | (-)0.29 | (-)0.08 | 812.87 | 1,276.30 | 812.97 | 64 |
| 4700 | Capital Outlay on Major Irrigation | 352.94 | 518.16 | 580.14 | 1,608.17 | 3,059.40 | 1,213.89 | 40 |
| 4711 | Capital Outlay on Flood Control Projects | 82.48 | 141.76 | 88.23 | 397.58 | 710.05 | 320.46 | 45 |
| 4801 | Capital Outlay on Power Projects | 415.74 | 7,049.84 | 1,705.78 | 9,471.37 | 1,8642.72 | 8,072.88 | 43 |

7.8 Commitments on account of Incomplete Capital Works

A total expenditure of ₹ 14,406.78 crore was incurred up to the year 2015-16 by the State Government on various incomplete projects against an estimated cost of ₹ 14,743.38 crore. During 2015-16 a total expenditure of ₹ 3,308.89 crore was incurred by the State Government on various projects taken up by Engineering departments. Payments to the tune of ₹ 5,063.53 crore was due to be paid to the end of 31-03-2016. A summarised view on commitments on account of 'Incomplete Capital Works' is furnished below:

(₹ in crore)

| Sl. No. | Category of Works | Estimated Cost of Work | Expenditure during the year | Progressive expenditure to the end of the year | Pending Payments |
|---------|--|------------------------|-----------------------------|--|------------------|
| 1. | Road Work/Bridges and Irrigation Projects etc. | 14,743.30 | 3,308.89 | 14,406.78 | 5,063.53 |

- Note: i) Detailed information towards commitments on Incomplete Capital Works is available in Appendix IX of Finance Accounts 2015-16.
ii) The figures exhibited in the above table are compiled from the data provided by various Divisions/Departments.