

सत्यमेव जयते

Accounts At A Glance 2022-2023



SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest



Government of Uttar Pradesh

ACCOUNTS AT A GLANCE

Government of Uttar Pradesh

2022-23

Preface

This is the twenty fifth issue of our annual publication, the 'Accounts at a Glance' of the Government of Uttar Pradesh. The compilation has been 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 is being placed before the Legislature in accordance with Article 151(2) of the Constitution of India.

The purpose of this publication is to provide a summarized overview and unique perspective of the financial performance of the Government of Uttar Pradesh during the year 2022-23.

The 'Accounts at a Glance' presents the information contained in the Finance and Appropriation Accounts in a simple and logical manner through graphs, tables and brief explanations. Though the analysis in the report is based on the certified Finance and Appropriation Accounts, the same should be referred to for the precise figures.

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



(Abhishek Singh)
Accountant General

Place: Prayagraj
Date: 10.11.2023

Our Vision, Mission and Core Values

The **Vision** of the institution of the Comptroller and Auditor General of India

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

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

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

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Highlights of Accounts

1. **Saving /Excess against the Budget Provisions-** The Appropriation Act 2022-23 provided for gross expenditure of ₹6,85,555.91 crore under 92 Grants. Against this, the actual gross expenditure was ₹5,19,859.58 crore, resulting in net saving (i.e. saving over excess) of ₹1,65,696.33 crore (24 *per cent* of the total grant).
2. **Fiscal Position of the State Government** - As against the norms fixed for Revenue Deficit (i.e. to be zero) by the UPFRBM Act 2004, the Revenue Surplus of the State was ₹37,263.44 crore i.e. 1.65 *per cent* of GSDP for 2022-23 and the Fiscal Deficit was ₹64,636.26 crore i.e. about 2.86 *per cent* of GSDP vis-a-vis the target for Fiscal Deficit of 3.50 *per cent* of GSDP for the year. Thus, the State Government achieved the target fixed by the Act during the year.
3. **Revenue Earning of the State Government** – During the year, the State Government earned total Revenue Receipts of ₹4,17,241.50 crore. 82 *per cent* of these receipts were from Tax Revenue, viz. Goods and Services Tax (including taxes on Sales, Trade etc.) (35 *per cent* of Revenue Receipts), Corporation and Income Tax (27 *per cent*), Excise and Customs (12 *per cent*), Stamps & Registration (6 *per cent*) etc., Non-Tax Revenue (including departmental receipts) (3 *per cent*) and Grants from Central Government (14 *per cent*).
4. **Borrowings and Expenditure met there-from by the State Government** - The State Government had borrowings of ₹66,846.93 crore from market, financial institutions and the Central Government during the year. Out of this, ₹22,690.46 crore was expended for repayment for earlier loans and remaining for incurring Capital Expenditure. Eighty nine *per cent* of the Capital Expenditure (₹93,028.39 crore) was mainly incurred under eight services viz.-Education, Sports, Art & Culture (3 *per cent*), Irrigation and Flood Control (4 *per cent*), Health and Family Welfare (5 *per cent*), Agriculture and allied Activities (5 *per cent*), Rural Development (8 *per cent*), Energy (11 *per cent*), Water Supply, Sanitation, Housing and Urban Development (26 *per cent*) and Transport (27 *per cent*).
5. **Debt and Liabilities of the State-** The total debt and liabilities as borrowings from internal and external sources, and other liabilities under the Public Account was ₹6,62,316.24 crore (i.e. 29 *per cent* of GSDP) at the end of 2022-23 with an increase of ₹49,359.91 crore (i.e. 8 *per cent*) over the previous year (2021-22).

6. **Contingent Liabilities of the State-** The State Government extended guarantees of ₹21,539.69 crore (i.e. 0.95 *per cent* of GSDP) to six PSUs/ institutions as contingent liabilities of the State during 2022-23. The FRBM Act 2003 prescribed the limit of 0.5 *per cent* of GDP for giving guarantees by the Government of India. However, the State Government has not fixed any limit for giving guarantee. The State Government has created Guarantee Redemption Fund for redemption of guarantee on 29 January, 2021, which is effective from FY 2021-22, but the Government has not contributed any amount in this fund.
7. **Lending by the Government-** The Government advanced loans and advances of ₹10,208.63 crore during 2022-23. The closing stock of loans and advances mounted to ₹36,752.10 crore (i.e. 1.63 *per cent* of GSDP) at the end of the year.
8. **Investment made by the Government-** The State Government invested ₹12,479.91 crore in Public Sector Undertakings (PSUs) and other institutions during 2022-23. The total government investment in these institutions (13583) stood at ₹1,64,000.90 crore (7.26 *per cent* of GSDP) as on 31 March, 2023 and received dividend of ₹141.32 crore during the year. Besides, the Government has also invested ₹27,188.94 crore in short and long term securities out of its total cash balance of ₹32,848.19 crore as on 31 March, 2023.
9. **Utilisation Certificates awaited-** Against the grants given by the State Government up to September 2021, Utilisation Certificates (UCs) amounting to ₹19,981.23 crore (30906 in number) were awaited as on 31 March, 2023. Of these, 86 *per cent* (₹17,156.55 crore) of wanting UCs pertained to mainly four departments of the Government of Uttar Pradesh, viz., Urban Development Department (52 *per cent*), Social Welfare Department (25 *per cent*), Education Department (Primary) (5 *per cent*), and Agriculture and other Allied Department (Rural Development) (4 *per cent*).
10. **Subsidy given by the State Government-** During 2022-23, the State Government expended on providing subsidy of ₹21,257.53 crore (i.e. about 6 *per cent* of total Revenue Expenditure) under different sectors viz. Energy (69 *per cent*), Agriculture & Allied Services (18 *per cent*) and Rural Development (7 *per cent*). It was about 6 *per cent* more than subsidy given in 2021-22. Despite of ₹21,257.53 crore, subsidy of ₹9.08 crore was also incurred as Capital Expenditure.



1

Overview

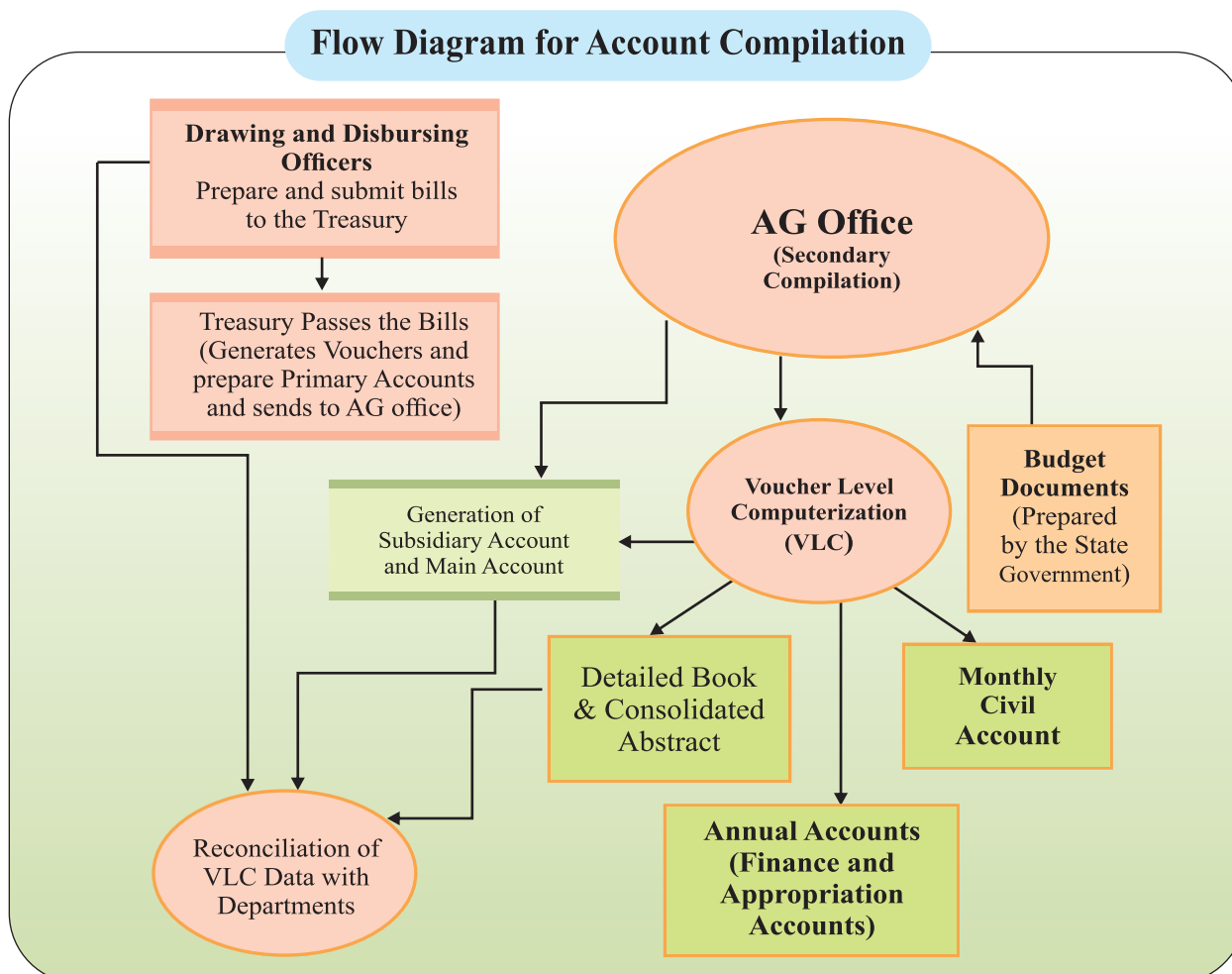
1.1 Introduction

Article 149 of the Constitution of India and Section 10 and 11 of Comptroller and Auditor General's DPC Act, 1971 mandates that the CAG is responsible for compiling the accounts of the State and preparation of their annual accounts from the accounts compiled.

Accordingly, the Accountant General (Accounts and Entitlements), Uttar Pradesh has been entrusted with the responsibility of preparation of the Annual Finance and Appropriation Accounts of the Government of Uttar Pradesh. These are prepared on the basis of monthly accounts compiled from the initial accounts rendered by the District Treasuries, Public Works and Forest Divisions, advices of the Reserve Bank of India and other additional information received from Government of India and other State Governments.

The Finance Accounts and Appropriation Accounts are placed before the State Legislature after audit by the Accountant General (Audit-II), UP and certification by the CAG of India.

1.2 Compilation of Accounts



1.3 Structure of Accounts

Government Accounts are maintained in three parts:

Part I CONSOLIDATED FUND	It includes all revenues received and debt raised by the State Government, and the repayment of loans. All expenditure and disbursement of the Government including disbursement of loans and repayment of debt are met from this Fund.
Part II CONTINGENCY FUND	The Contingency Fund is in the nature of an imprest intended to meet unforeseen expenditure pending authorization by the State Legislature. Expenditure from this Fund is recouped subsequently from the Consolidated Fund. The corpus of the State Contingency Fund is ₹1,200 crore.
Part III PUBLIC ACCOUNT	All other public moneys received by or on behalf of the Government, where it acts as a banker or trustee, are credited to the Public Account. It comprises payables like Small Savings and Provident Funds, Reserve Funds, Deposits and Advances, and Suspense and Remittance heads (as transitory heads pending final booking).

1.4 Accounts at a Glance (2022-23)

Table 1.1 – Summary of Accounts

(₹ in crore)

Sl. No.	Items	B.E 2022-23	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP
1.	Tax Revenue	3,67,153.76	3,43,832.45	93.65	15.23
2.	Non-Tax Revenue	23,406.48	13,489.46	57.63	0.60
3.	Grants-in-Aid & Contributions	1,08,652.47	59,919.59	55.15	2.65
4.	Revenue Receipts (1+2+3)	4,99,212.71	4,17,241.50	83.58	18.48
5.	Recovery of Loans and Advances	2,565.00	1,337.32	52.14	0.06
6.	Borrowings & Other Liabilities	1,14,942.17	64,636.26	56.23	2.86
7.	Capital Receipts (5+6)	1,17,507.17	65,973.58	56.14	2.92
8.	Total Receipts (4+7)	6,16,719.88	4,83,215.08	78.35	21.40
9.	Revenue Expenditure	4,69,845.90	3,79,978.06	80.87	16.83
10.	Capital Expenditure (excluding Loans & Advances)	1,35,677.20	93,028.39	68.57	4.12
11.	Total Expenditure (9+10)	6,05,523.10	4,73,006.45	78.12	20.95
12.	Loans and Advances disbursed	11,196.78	10,208.63	91.17	0.45
13.	Revenue Surplus (+)/Deficit (-) (4- 9)	29,366.81	37,263.44	126.89	1.65
14.	Fiscal Surplus (+)/Deficit (-) {(4+5)-(11+12)}	(-)1,14,942.17	(-)64,636.26	56.23	(-)2.86

1.5 Finance Accounts

The Finance Accounts present the accounts of receipts and expenditure of the Government for the year, together with the financial results disclosed by Revenue and Capital accounts, accounts of Public Debt, and assets and liabilities of the State Government.

This is presented in two volumes. **Volume I** contains the report of the Comptroller and Auditor General of India, summarized statements on overall receipts and expenditure, financial position, 'Notes to Finance Accounts' containing summary of significant accounting policies, quality of accounts and other disclosures. **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 2022-23 are given below:

Table 1.2 - Receipts and Disbursements (2022-23)

(₹ in crore)			
Receipts (Total: 4,83,215.08)	Revenue (Total: 4,17,241.50)	States' Own Tax Revenue	1,74,087.15
		States' Share of Union Taxes & Duties	1,69,745.30
		Non-Tax Revenue	13,489.46
		Grants-in-Aid and Contributions	59,919.59
	Capital (Total: 65,973.58)	Recovery of Loans and Advances	1,337.32
		Borrowings and other Liabilities	64,636.26
Disbursements (Total: 4,83,215.08)	Revenue		3,79,978.06
	Capital		93,028.39
	Loans and Advances		10,208.63

1.6 Appropriation Accounts

The Appropriation Accounts present the expenditure incurred during the year as against the sums specified in the Appropriation Acts passed by the State Legislature under Article 204 and 205 of the Constitution of India.

The Accounts depict the expenditure of the State Government against amounts 'Charged' on the Consolidated Fund of the State and 'Voted' by the State Legislature. There are 92 Grants consisting of 55 Voted Grants, 01 Charged Appropriation and 36 Grants (both Voted and Charged) in the State.

The Appropriation Act 2022-23 made the budget provision of ₹6,85,555.91 crore for gross expenditure and that of ₹36,267.39 crore for reduction of expenditure (recoveries). Against this, the actual gross expenditure was ₹5,19,859.58 crore (76 *per cent* of total grant) and reduction of expenditure was ₹13,954.03 crore (38 *per cent* of B.E.). This resulted in a net saving of ₹1,65,696.33 crore (24 *per cent* of the total grant).

1.7 Sources and Application of Funds

During the year 2022-23, the State Government had total financial resources of ₹18,49,269.75 crore. Of this, the Government mainly collected about 23 *per cent* as revenue receipts, raised 4 *per cent* as public debt from market, financial institutions and loan from the Government of India, and received 3 *per cent* as Public Account receipts (excluding suspense and remittances).

Against these resources, 26 *per cent* was utilized for revenue and capital expenditure, about 1 *per cent* for repayment of public debt, 2 *per cent* for payments from Public Account except suspense and remittance transactions. Financial position of the Government as the sources of funds and their application during 2022-23 has been described as below-

Table 1.3 – Sources and Application of Funds

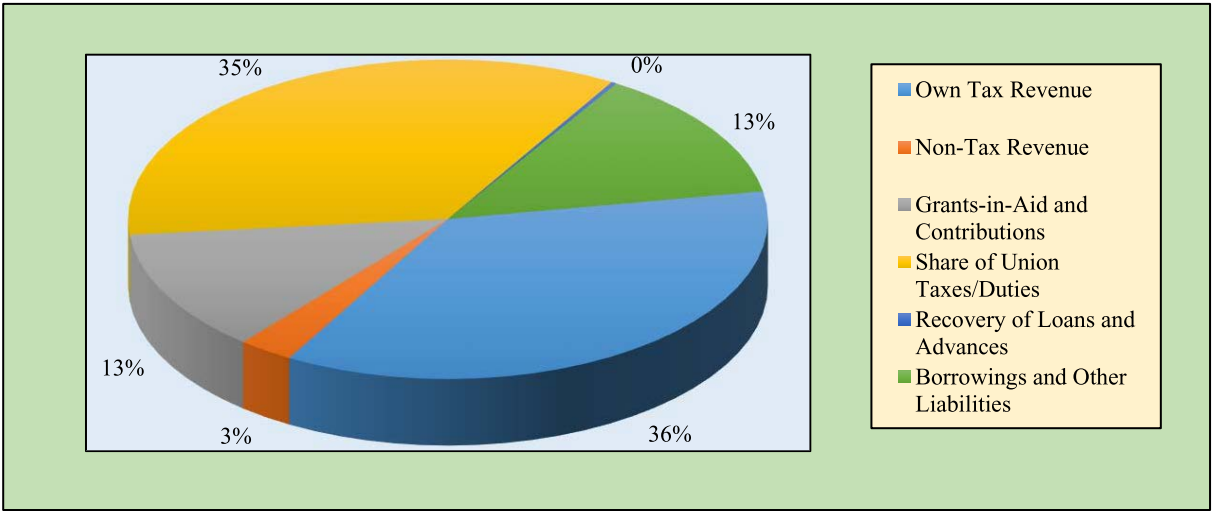
		(₹ in crore)
SOURCES	Opening Cash Balance as on 01.04.2022	(-)348.47
	Consolidated Fund	
	Revenue Receipts	4,17,241.50
	Recovery of Loans and Advances	1,337.32
	Public Debt	66,846.93
	Contingency Fund	0.00
	Public Account	
	Small Savings, Provident Fund & Others	11,991.83
	Reserves & Sinking Funds	8,674.41
	Deposits Received	29,234.22
	Civil Advances Repaid	84.85
	Suspense Account	12,97,284.09
	Remittances	16,923.07
	Total	18,49,269.75
APPLICATION	Consolidated Fund	
	Revenue Expenditure	3,79,978.06
	Capital Expenditure	93,028.39
	Loans and Advances disbursed	10,208.63
	Repayment of Public Debt	22,690.46
	Contingency Fund	0.06
	Public Account	
	Small Savings, Provident Funds and others	11,578.93
	Reserves & Sinking Funds	7,482.62
	Deposits spent	25,635.48
	Civil Advances given	84.85
	Suspense Account	12,82,613.05
	Remittances	15,866.45
	Closing Cash Balance as on 31.03.2023	102.77
	Total	18,49,269.75

1.8 Where the Rupee came from

Total receipts under the Consolidated Fund of the State Government during 2022-23 were ₹4,83,215.08 crore. Out of this, the major contributions were from own tax revenue (about 36 per cent of total receipts) and share of union taxes (35 per cent).

The component –wise break up of receipts is shown in the chart below:

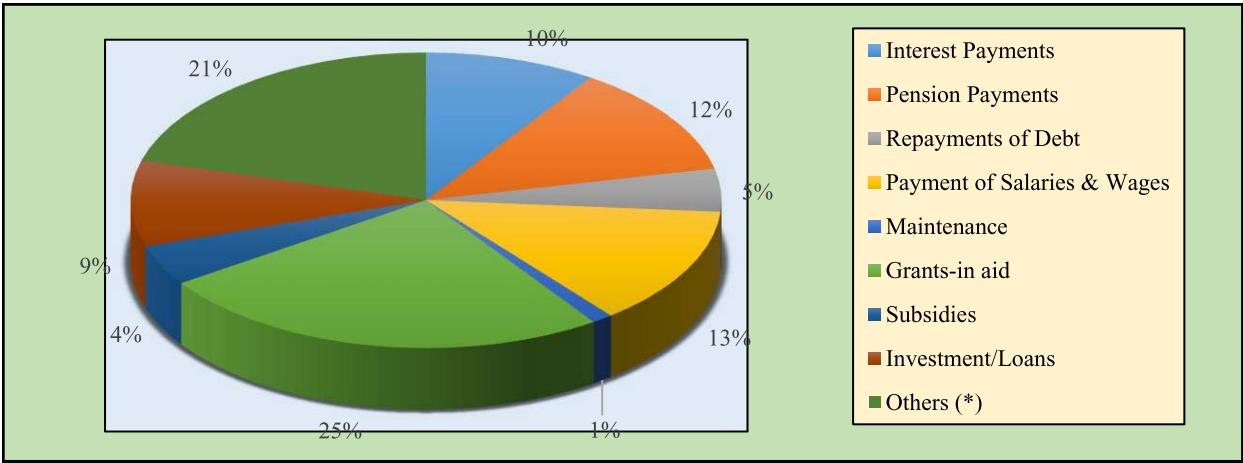
Graph 1.1 – Actual Receipts



1.9 Where the Rupee went

Total expenditure under the Consolidated Fund of the State Government during the year was ₹4,83,215.08 crore. The share of expenditure under various components viz. interest, pension, salaries, debt repayment etc. is shown below:

Graph 1.2 – Actual Expenditure



(*) Includes expenses on different allowances and other expenses under various object heads (viz- Scholarship/stipend, Electricity etc.).



2

Fiscal Position of the State

2.1 What do the Deficit and Surplus indicate?

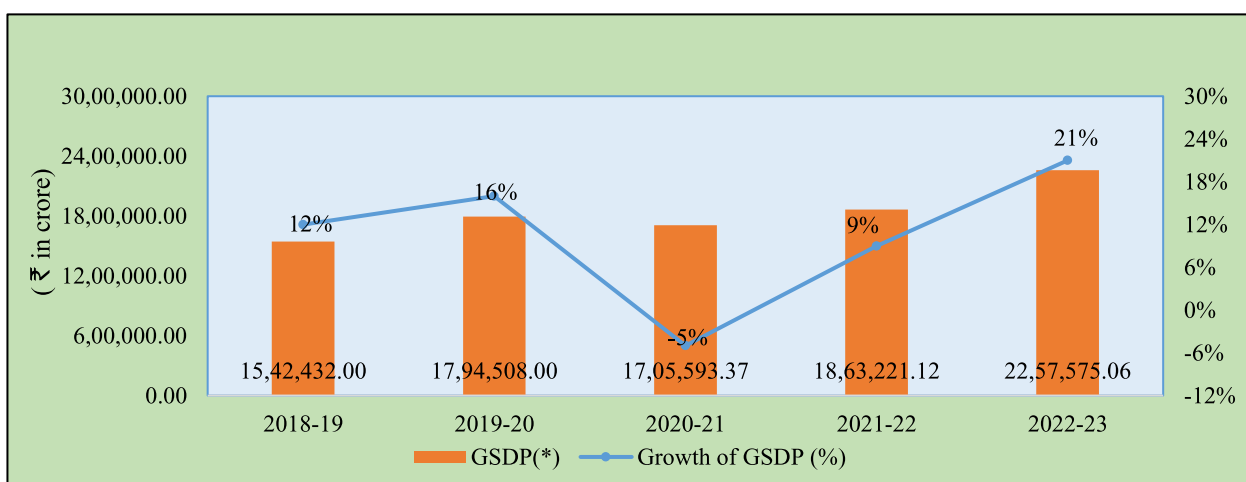
Deficit	Gap between revenue and expenditure.
Revenue Deficit/Surplus	Gap between revenue receipts and revenue expenditure. Revenue expenditure is required to maintain the existing establishment of Government and ideally should be fully met from revenue receipts.
Fiscal Deficit/Surplus	Gap between total 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.

2.2 Gross State Domestic Product and the factors affecting it

Gross State Domestic Product (GSDP) is the value of final goods and services produced within the boundaries of the State during the year. It is the measure of general activity level of an economy comprising of consumption of goods and services in the economy, investment and government spending. Therefore, growth in these activities is what affects the GSDP.

The GSDP of Uttar Pradesh for the year 2022-23 was ₹22,57,575.06 crore with an increase of 21 per cent over the year 2021-22. GSDP growth was highest at 21 per cent in 2022-23 during the last five years. The growth is presented below:

Graph 2.1 – GSDP Growth



(*) The figure of GSDP of 2022-23 used in this publication is as depicted in website of Ministry of Statistics and Program Implementation as on 01.08.2023.

2.3 Deficits

The pattern of deficits and the debt stock over the last five years from 2018-19 to 2022-23 is depicted in the table below-

Table 2.1 – Trend of Deficits (2018-19 to 2022-23)

(₹ in crore)

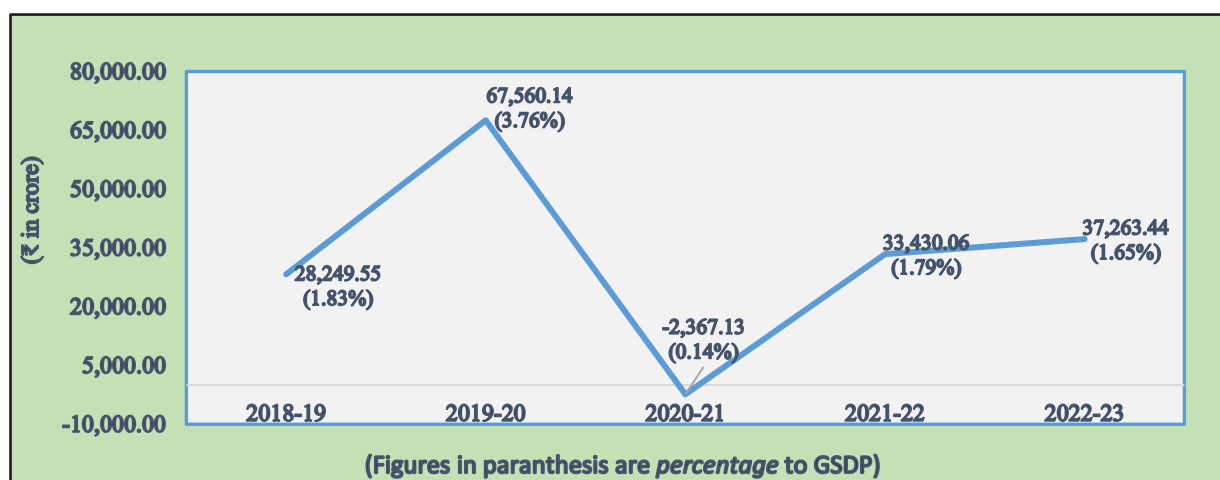
Financial Year	Fiscal Deficit (-)/Surplus(+)	Revenue Deficit (-)/Surplus(+)	GSDP
2018-19	(-)35,203.11 (2.28%)	28,249.55 (1.83%)	15,42,432.00
2019-20	11,082.69 (0.62%)	67,560.14 (3.76%)	17,94,508.00
2020-21	(-)54,622.11 (3.20%)	(-)2,367.13 (0.14%)	17,05,593.37
2021-22	(-)39,286.42 (2.11%)	33,430.06 (1.79%)	18,63,221.12
2022-23	(-)64,636.26 (2.86%)	37,263.44 (1.65%)	22,57,575.06

(Figures in parenthesis are percentage to GSDP)

2.4 Revenue Deficit/Surplus

As per the norms fixed in the Uttar Pradesh Fiscal Responsibility and Budget Management Act (UPFRBM Act), 2004 “Revenue deficit is to be maintained up to Zero”. During 2022-23, the State Government achieved the target. The position of revenue deficit/surplus of the Government during the last five years is shown below:

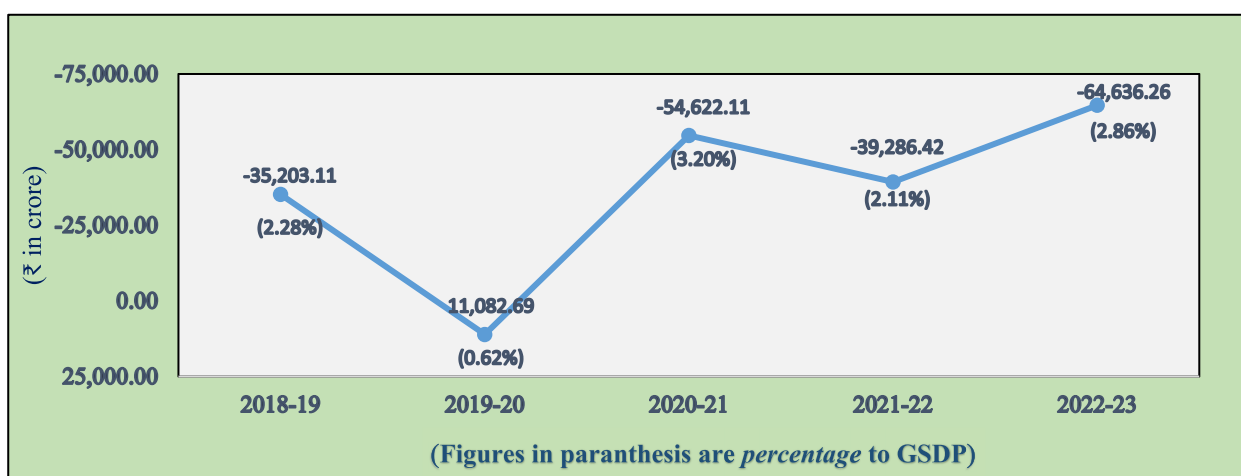
Graph 2.2 – Trend of Revenue Deficit/ Surplus



2.5 Fiscal Deficit/Surplus

The State Government achieved the norms of fiscal deficit for 2022-23 (i.e. not more than 3.50 per cent of GSDP) as fixed under the UPFRBM Act, 2004 read with its Amendment Act, 2021. Trend of fiscal deficit/surplus of the Government during the last five years is represented as under-

Graph 2.3 – Trend of Fiscal Deficit/ Surplus



2.6 Debt Stock

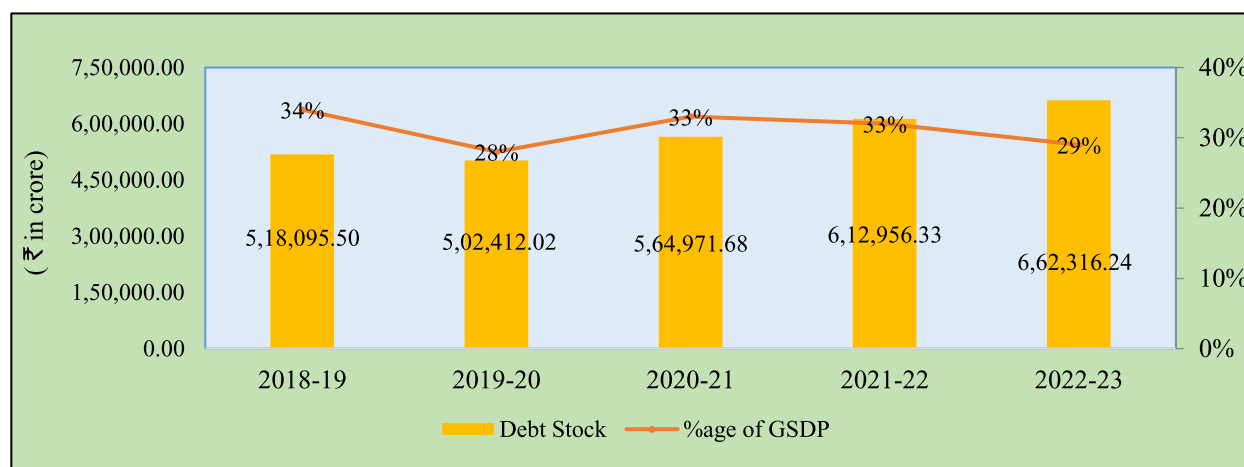
Debt stock comprises of government borrowings and other liabilities arising under Public Account viz- small savings, provident funds, reserve funds, deposits etc. Debt stock of the Government was ₹6,62,316.24 crore (29 *per cent* of GSDP) in 2022-23. The increase during 2018-19 to 2022-23 was 28 *per cent* and the augmentation was mainly due to regular increase in internal borrowings of the Government during the period. In 2022-23, it increased by 8 *per cent* over the previous year. The position of the debt stock of the government and trend in debt growth during the last five years is as under-

Table 2.2 – Position of Debt Stock (2018-19 to 2022-23)

Financial Year	Outstanding Government Borrowings (A)		Other Liabilities (B)	Debt Stock (A+B)	GSDP
	Internal debt	GoI Loans			
2018-19	3,53,189.92	11,979.59	1,52,925.99	5,18,095.50	15,42,432.00
2019-20	4,05,048.84	11,528.75	85,834.43	5,02,412.02	17,94,508.00
2020-21	4,58,552.23	18,106.74(*)	88,312.71	5,64,971.68	17,05,593.37
2021-22	4,96,422.89	27,261.33(*)	89,272.11	6,12,956.33	18,63,221.12
2022-23	5,33,476.54	34,364.15	94,475.55	6,62,316.24	22,57,575.06

(*) It includes back-to-back loans of ₹ 6,007.00 crore (2020-21) and ₹8,139.94 crore (2021-22) in lieu of shortfall in GST compensation, where there is no repayment liabilities to the State.

Graph 2.4 – Trend of Debt Growth



2.7 Financing of the Fiscal Deficit

The Fiscal deficit is financed mainly by borrowings and other liabilities. During 2022-23, the deficit of ₹ 64,636.26 crore was financed from the sources as shown in the table below-

Table 2.3 – Financing of Fiscal Deficit

	(₹ in crore)
Net of Public Debt	44,156.47
Net of Contingency Fund	(-)0.06
Net of Public Accounts	20,931.09
Net of opening and closing balances	(-)451.24
Total	64,636.26

2.8 Achievement of UPFRBM Targets against the fiscal indicators

The UPFRBM Act, 2004 provides for ensuring fiscal discipline and long term macro-economic stability. As against the targets fixed under the said Act, and its Amendment Act, 2021, achievement indicating the fiscal position of the State is depicted in the table below-

Table 2.4 – Achievement of Fiscal Targets and Fiscal Position

Area	Target	Achievement (as on 31.03.2023)
Revenue Deficit	Zero	Revenue Surplus of ₹ 37,263.44 crore (i.e. 1.65 per cent of GSDP).
Fiscal Deficit	Not more than 3.5 per cent of GSDP	Fiscal Deficit of ₹64,636.26 crore (i.e. about 2.86 per cent of GSDP).
Debt Stock	32.5 per cent of GSDP (*)	₹ 6,62,316.24 crore (i.e. 29.34 per cent of GSDP).

GSDP (Gross State Domestic Product) for 2022-23: ₹22,57,575.06 crore at current prices as on 01.08.2023. (Source: Website of Ministry of Statistics and Programme Implementation, New Delhi)

(*) As per State's Medium term Fiscal restructuring policy 2022.

Thus, the State Government achieved the target fixed by the Act during the year.



3

Receipts

3.1 Classification

Receipts of the State Government are classified into revenue receipts and capital receipts.

3.2 Revenue Receipts

The three main sources of the revenue receipts are:

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 and profits, and other departmental receipts.
Grants-in-Aid and Contributions	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.

During 2022-23, total revenue receipts were ₹4,17,241.50 crore, of which tax revenue, non-tax revenue and grants-in-aid were 82, 03 and 14 *per cent* respectively. The receipts under various components of revenue were as follows:

Table 3.1 – Components of Revenue Receipts

(₹ in crore)

Components	Actuals
A. Tax Revenue	3,43,832.45
Goods and Services Tax	1,12,277.32
Taxes on Income & Expenditure	1,12,265.51
Taxes on Property & Capital Transactions	25,128.64
Taxes on Commodities & Services	94,160.98
B. Non-Tax Revenue	13,489.46
Fiscal Services	0.27
Interest Receipts, Dividends and Profits	1,400.70
General Services	2,300.31
Social Services	2,150.55
Economic Services	7,637.63
C. Grants-in Aid & Contributions	59,919.59
Total	4,17,241.50

3.2.1 Trend of Revenue Receipts

During 2022-23, Tax revenue increased by 12 *per cent*, whereas non-tax revenue and Grants-in-Aid from Central Government increased by 17 and 16 *per cent* respectively over the previous year. Overall revenue collection was increased by 12 *per cent*. Share of sector wise revenues receipts out of total revenue receipts during the preceding five years is depicted as below:

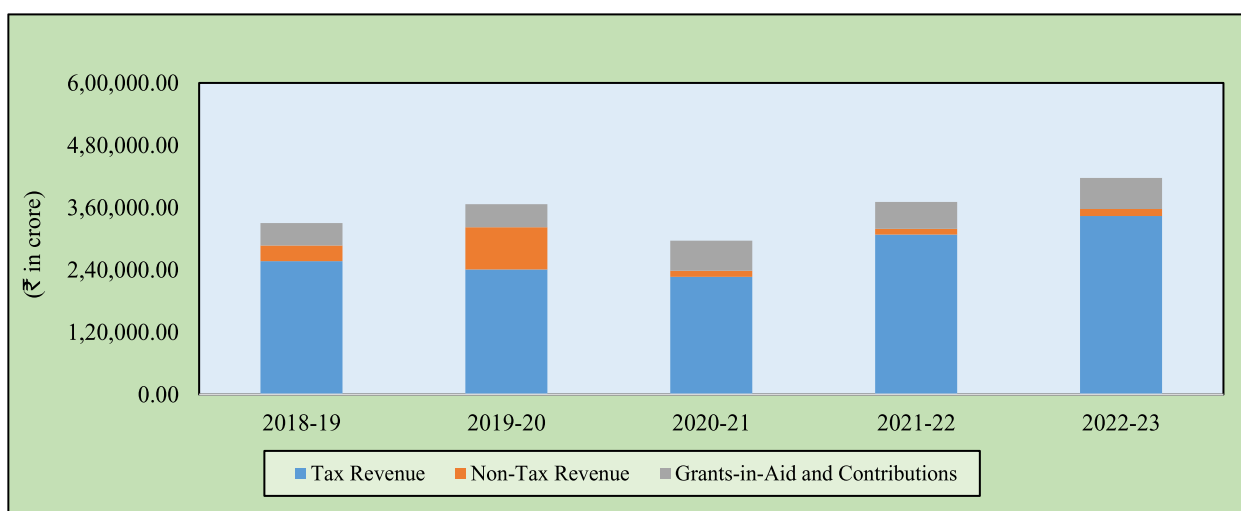
Table 3.2 Sector-wise Revenue Receipts (2018-19 to 2022-23)

(₹ in crore)

Financial Year	2018-19	2019-20	2020-21	2021-22	2022-23
Tax Revenue	2,56,888.32 (17)	2,40,644.13 (13)	2,26,584.31 (13)	3,07,725.79 (17)	3,43,832.45 (15)
Non-Tax Revenue	30,100.71 (2)	81,705.08 (5)	11,846.15 (1)	11,435.97 (1)	13,489.46 (1)
Grants-in-Aid and Contributions	42,988.49 (3)	44,043.97 (2)	57,745.87 (3)	51,849.68 (3)	59,919.59 (3)
Total Revenue Receipts	3,29,977.51 (21)	3,66,393.18 (20)	2,96,176.33 (17)	3,71,011.44 (20)	4,17,241.50 (18)
GSDP	15,42,432.00	17,94,508.00	17,05,593.37	18,63,221.12	22,57,575.06

(Figures in parenthesis are percentage to GSDP)

Graph 3.1 –Trend of Revenue Receipts



3.3 Tax Revenue

Tax revenue of the State Government during the year was ₹3,43,832.45 crore which comprises of state's own tax revenue (51 *per cent*) and state's share of union taxes (49 *per cent*). The major contributors to tax revenue were GST (33 *per cent*), Corporation Tax (16 *per cent*), Tax on Income other than Corporation Tax (16 *per cent*), State Excise (12 *per cent*) and Sales and Trade tax (9 *per cent*). The share of major contributors to the tax revenue in 2022-23 was as below-

Table 3.3 – Major Contributors to Tax Revenue (2022-23)

(₹ in crore)

Head of Account	Receipts	Per cent to GSDP*
Goods and Services Tax (including SGST& CGST)	1,12,277.32	5
Corporation Tax	56,506.76	3
Taxes on Income other than Corporation Tax	55,757.88	2
State Excise	41,252.71	2
Taxes on Sales, Trade etc	31,979.17	1
Stamps and Registration Fees	24,843.70	1
Customs	6,696.58	#
Taxes on Vehicles	9,059.49	#
Union Excise Duties	2,101.00	#

* GSDP for 2022-23: ₹ 22,57,575.06 crore {Source: Website of Ministry of Statistics and Programme Implementation.}

(# percentage in decimals)

3.3.1 Component of State's Own Tax Revenue

During 2022-23, State's own Tax Revenue (₹1,74,087.15 crore) comprised mainly of SGST (37 *per cent*), taxes on State Excise (24 *per cent*), Sales and Trades (18 *per cent*), Stamps and Registration (14 *per cent*) and Vehicles (5 *per cent*). It was 51 *per cent* of the total tax revenue of the State Government (₹3,43,832.45 crore) and 42 *per cent* of the total revenue receipts (₹4,17,241.50 crore) of the Government during the year.

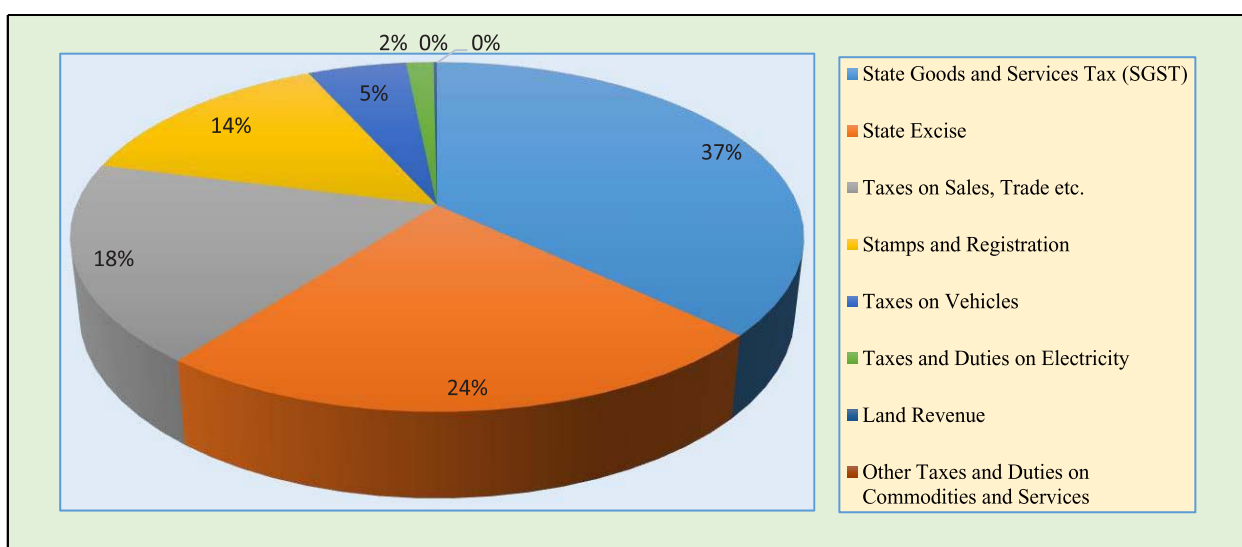
Graph 3.2 – Components of State's Own Tax Revenue during 2022-23

Table 3.4 - Trend of growth of State's Own Tax Revenue during 2018-19 to 2022-23

(₹ in crore)

Financial Year	Tax Revenue	State's Own Tax Revenue		
		Amount	%age growth	%age to Tax Revenue
2018-19	2,56,888.32	1,20,121.86	23	47
2019-20	2,40,644.13	1,22,825.83	2	51
2020-21	2,26,584.31	1,19,897.30	(-)2	53
2021-22	3,07,725.79	1,47,367.74	23	48
2022-23	3,43,832.45	1,74,087.15	18	51

Thus, there was an increasing trend in collection of own tax revenue during the period 2018-19 to 2022-23 except 2020-21. In 2022-23, it increased by 18 *per cent* over that of previous year. As regards percentage to tax revenue State's own tax revenue increased by 3 *per cent* in comparison to previous year.

3.3.2 State's Share of Union Taxes

Proceeds of the taxes levied by the Union are distributed between the States as per the recommendations of the Finance Commission under Article 238 to 273 of the Constitution of India. During 2022-23, the State Government received ₹1,69,745.30 crore as state's share of union taxes. It was 49 *per cent* of the total tax revenue of the State Government (₹3,43,832.45 crore) and 41 *per cent* of the total revenue receipts of the Government during the year. The receipts of state's shares in the foregoing years is mentioned as under-

Table 3.5 - State's Share of Union Taxes

(₹ in crore)

Major Head Description	2018-19	2019-20	2020-21	2021-22	2022-23
Goods & Services Tax (CGST & IGST)	36,450.54	33,433.58	31,611.24	45,918.82	48,136.41
Corporation Tax	47,562.73	40,171.19	32,257.82	45,807.18	56,506.76
Taxes on Income other than Corporation Tax	35,027.93	31,476.84	33,079.46	47,481.49	55,757.88
Other Taxes on Income and Expenditure	247.71	0.00	0.00	0.34	0.00
Taxes on Wealth	17.44	1.76	0.00	11.45	0.00
Customs	9,694.68	7,468.05	5,606.38	11,922.46	6,696.58
Union Excise Duties	6,442.69	5,192.26	3,576.88	6,692.67	2,101.00
Service Tax	1,252.12	0.00	475.21	2,360.37	266.30
Other Taxes and Duties on Commodities and Services	70.62	74.62	80.02	163.27	280.37
Total State Share of Union Taxes	1,36,766.46	1,17,818.30	1,06,687.01	1,60,358.05	1,69,745.30
Total Tax Revenue	2,56,888.32	2,40,644.13	2,26,584.31	3,07,725.79	3,43,832.45
Percentage of State share of Union Taxes to Total Tax Revenue	53	49	47	52	49

During the year (2022-23), there was an overall increase in receipts from share of union taxes by 5.9 *per cent* of receipts in previous year. It was mainly due to increase in receipts from GST, Corporation Tax and Income Tax.

3.3.3 Sub Sector-wise Tax Revenue

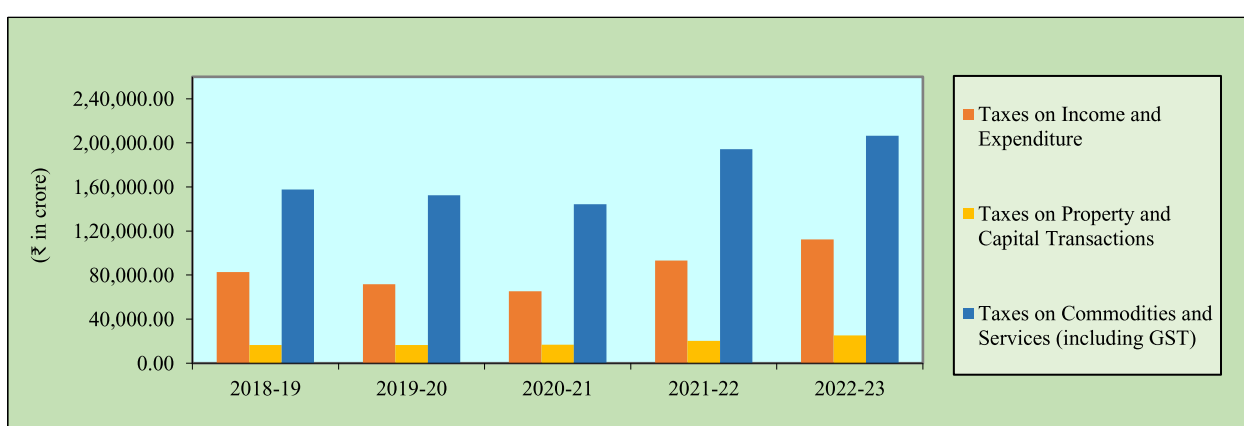
Tax revenue is further divided into sub sectors viz – taxes on Goods and Services, taxes on Income and Expenditure, Property, Capital and other Transactions, and Commodities and Services. Variance in receipts under these sectors over the previous five years is depicted as below:

Table 3.6 – Sub Sector-wise Tax Revenue

(₹ in crore)

Financial Year	2018-19	2019-20	2020-21	2021-22	2022-23
Goods and Services Tax	82,558.57	80,665.99	74,471.27	1,00,512.94	1,12,277.32
Taxes on Income and Expenditure	82,839.59	71,649.25	65,338.27	93,290.91	1,12,265.51
Taxes on Property, Capital and other Transactions	16,381.71	16,575.18	16,772.42	20,252.49	25,128.64
Taxes on Commodities and Services	75,108.45	71,753.71	70,002.35	93,669.45	94,160.98
Total Tax Revenue	2,56,888.32	2,40,644.13	2,26,584.31	3,07,725.79	3,43,832.45

Graph 3.3 - Trend of Sub Sector-wise Tax Revenue in proportion to GSDP



3.3.4 Goods and Services Tax (GST) - Sub Sector- wise

GST is an indirect tax levied on supply of goods and services and has been implemented from July 2017 in place of the indirect taxes as subsumed therein. The GST has three components – State GST (SGST), Central GST (CGST), and Integrated GST (IGST) levied on the basis of collection by the State Government and Central Government on intra and inter-state sales.

During 2022-23, component-wise GST receipts (SGST, CGST) were 57 and 43 *per cent* of total GST receipts respectively. The receipts during 2022-23 increased by about 12 *per cent* over the receipts in 2021-22. The GST receipts during the previous two years were as under-

Table 3.7 – Sub Sector-wise GST Receipts

(₹ in crore)

Financial Year	2021-22	2022-23	%age Growth
SGST	54,594.12	64,140.91	17.49
CGST	45,918.82	48,136.41	4.83
IGST	0.00	0.00	..
Total GST Receipts	1,00,512.94	1,12,277.32	11.70

The State Government has not received any share of Integrated GST during 2021-22 and 2022-23.

3.3.5 Efficiency of Tax Collection

Taxes on Commodities and Services (including GST) form a major chunk (i.e. about 60%) of tax revenue and its collection efficiency was 0.60 *per cent*, whereas collection efficiency of taxes on Property, Capital and other transactions was 13 *per cent*. It inclined in same way during the last five year, which has been depicted as below:

Table 3.8 - Taxes on Property, Capital, and other Transactions

(₹ in crore)

Financial Year	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Collection	16,381.71	16,575.18	16,772.42	20,252.49	25,128.64
Expenditure on Collection	3,206.62	3,375.31	3,029.32	3,108.19	3,222.61
Efficiency of Tax Collection (as Percentage)	20	20	18	15	13

Table 3.9- Taxes on Commodities and Services (including GST)

(₹ in crore)

Financial Year	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue Collection (including GST)	1,57,667.02	1,52,419.70	1,44,473.62	1,94,182.39	2,06,438.30
Expenditure on Collection	1,061.45	1,083.50	1,070.30	1,141.74	1,241.57
Efficiency of Tax Collection (as Percentage)	0.67	0.71	0.74	0.59	0.60

3.4 Non-Tax Revenue

Non-tax revenue mainly accrues in the form of interest receipts, dividends and the departmental receipts etc. During 2022-23, it was about 4 *per cent* of total tax revenue and 3 *per cent* of total revenue receipts. The trend of receipts is represented as below:

Table 3.10 – Share of Non-Tax Revenue to Total Tax Revenue

(₹ in crore)

Revenue Head	2018-19	2019-20	2020-21	2021-22	2022-23
Interest Receipts	1,712.44	1,469.44	1,115.55	1,249.77	1,259.39
Dividends and Profits	175.48	39.04	104.83	212.58	141.32
Other Non-Tax Receipts	28,212.79	80,196.60(*)	10,625.77	9,973.62	12,088.75
Non-Tax Revenue	30,100.71	81,705.08	11,846.15	11,435.97	13,489.46
Total Tax Revenue	2,56,888.32	2,40,644.13	2,26,584.31	3,07,725.79	3,43,832.45
Percentage of Non-Tax Revenue to Total Tax Revenue	12	34	5	4	4

(*) Includes ₹71,180.23 crore transferred from Sinking Fund.

3.5 Tax Buoyancy

Tax buoyancy is an indicator to measure efficiency and responsiveness of revenue mobilization in response to growth in the gross domestic product or national income. A tax is said to be buoyant, if the tax revenue increases more than a proportionate rise in national income or output. The responsiveness of tax revenue change to change in GSDP during the last five years is depicted as below:

Table 3.11 -Tax Buoyancy (2018-19 to 2022-23)

(₹ in crore)

Description	2018-19	2019-20	2020-21	2021-22	2022-23
Own Tax Revenue	1,20,121.86	1,22,825.83	1,19,897.30	1,47,367.74	1,74,087.15
Tax Buoyancy (i.e. % Change in tax receipts to % change in GSDP)	1.92	0.14	(-)0.48	2.48	0.86
Non- Tax Revenue	30,100.71	81,705.08	11,846.15	11,435.97	13,489.46
Tax Buoyancy	4.23	10.49	(-)17.27	(-)0.37	0.85
GSDP	15,42,432.00	17,94,508.00	17,05,593.37	18,63,221.12	22,57,575.06

3.6 Grants-in-Aid and Contributions

Grants-in-Aid and Contributions represent assistance from the Government of India and external grant assistance. It comprised of grants for Centrally Sponsored Schemes (including Central Assistance/ Schemes, Externally Aided Projects- Grants for Centrally Sponsored Scheme), Finance Commission grants and other grants to the State. During 2022-23, total receipts under Grants-in-Aid and Contributions was ₹59,919.59 crore, which was 14 *per cent* of total revenue receipts.

3.7 Fifteenth Finance Commission Targets and Recommendations

The Finance Commission is constituted every five years by the President under Article 280 of the Constitution mainly to make its recommendations for the period 2020-25 on distribution between the Union and the States of net proceeds of taxes, reviewing and commenting on fiscal principles for various grants etc. The 15th Finance Commission (FFC) was appointed on 27 November 2017 under the chairmanship of Shri N.K. Singh. The final report was submitted to the President on 30 October 2020.

For 2021-22 to 2025-26, the Commission recommended for devolution of taxes to states by 41 *per cent* of center's taxes, which is one *per cent* lower than the percentage of recommendation by 14th Finance Commission. The State Government received ₹1,69,745.30 crore as share of net proceeds of union taxes during 2022-23.

The FFC recommended grants to the states viz. (i) Revenue deficit grants, (ii) Grants to local bodies, (iii) Disaster management grants (iv) Sector-specific grants and (v) State specific grants.

Further, the Commission recommended retaining the existing cost-sharing patterns (90:10 for north-eastern and Himalayan states and 75:25 for all other states) between the Centre and States for disaster management funds. The State funds will have a corpus of ₹1.60 lakh crore (Centre's share is ₹1.20 lakh crore). In 2022-23, an amount of ₹2,030.00 crore was allocated to Uttar Pradesh for SDRF. As against this, ₹1,401.60 crore (i.e. grant for SDRF and SDMF) was received by the State Government during the year.

The Commission has also recommended that the Centre as well as States should not resort to off budget financing or any other non-transparent means of financing for any expenditure. A standardised framework for reporting of contingent liabilities should be devised.



4

Expenditure

4.1 Introduction

Government 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. During the year 2022-23, out of the total expenditure of ₹4,73,006.45 crore, revenue expenditure comprised about 80 *per cent* and capital expenditure 20 *per cent*.

Expenditure is categorised into sectors:

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, Co-operation, Energy, Industries, Transport etc.

4.2 Revenue Expenditure

During the year, the actual revenue expenditure was ₹3,79,978.06 crore as against the budget estimates of ₹4,69,845.90 crore. Thus, there was a shortfall of 19 *per cent* against the budget during the year. This gap ranged between 12 to 24 *per cent* during the last five years as shown below:

Table 4.1 - Gap between Budget and Revenue Expenditure

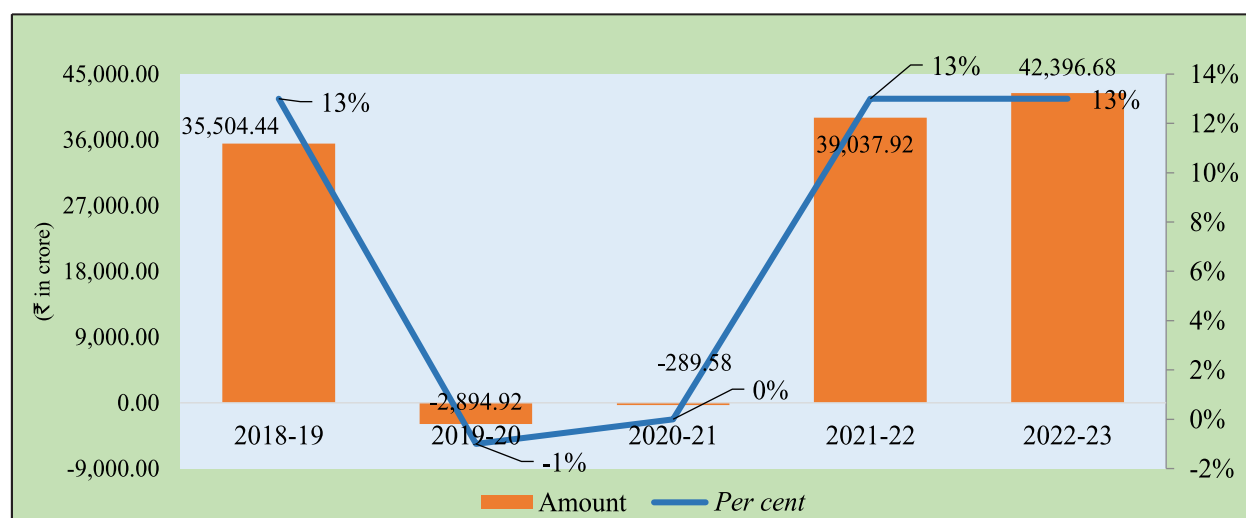
(₹ in crore)

Financial Year	2018-19	2019-20	2020-21	2021-22	2022-23
Budget Estimate	3,44,448.02	3,74,772.40	3,95,116.95	4,08,531.29	4,69,845.90
Actuals	3,01,727.96	2,98,833.04	2,98,543.46	3,37,581.38	3,79,978.06
Gap	42,720.06	75,939.36	96,573.49	70,949.91	89,867.84
Percentage of Gap over BE	12	20	24	17	19

4.2.1 Trend of Revenue Expenditure (2018-19 to 2022-23)

Revenue expenditure increased by about 13 *per cent* during the last five years except 2019-20 and 2020-21 (it declined to 1 *per cent* change in 2019-20 and next year to 0.1 *per cent*). The graph below shows the trend of variation in expenditure along with its percentage change:

Graph 4.1 - Growth in Revenue Expenditure



4.2.2 Major Component of Revenue Expenditure

Expenditure incurred on General Services (including interest payment and debt servicing), Social and Economic Services; and Grants-in-Aid Services and Contributions are major component of revenue expenditure. It was 38, 36, 21 and 5 *per cent* of the total revenue expenditure (₹3,79,978.06 crore) respectively during the year 2022-23. The sectoral distribution of revenue expenditure over the last five years has been depicted as below-

Table 4.2- Sector-wise Revenue Expenditure over the last five years

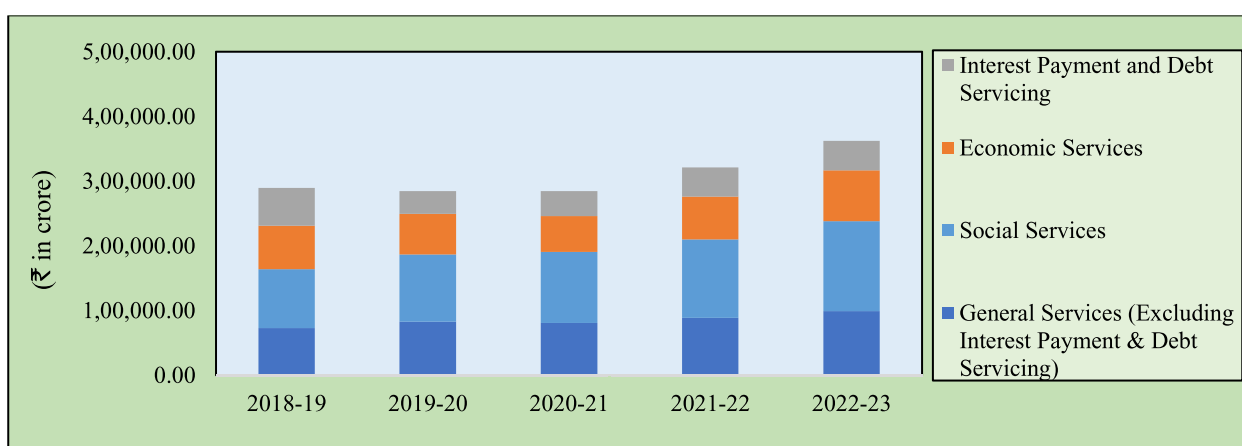
(₹ in crore)

Sl. No.	Sector	2018-19	2019-20	2020-21	2021-22	2022-23
1.	General Services	1,31,057.25 (58,446.04)	1,17,674.85 (34,813.02)	1,19,057.50 (38,428.48)	1,33,521.05 (44,875.56)	1,44,687.81 (45,507.98)
2.	Social Services	91,311.73	1,03,848.76	1,09,726.67	1,20,986.91	1,38,927.67
3.	Economic Services	67,258.59	62,809.43	55,550.91	66,573.43	78,362.57
4.	Grants-in-Aid and Contributions	12,100.39	14,500.00	14,208.38	16,499.99	18,000.01
Total		3,01,727.96	2,98,833.04	2,98,543.46	3,37,581.38	3,79,978.06

(Figures in bracket represent the expenditure under “Interest Payment and Servicing of Debt”.)

There was an increase in expenditure on General Services (by 8 *per cent*) in 2022-23 over the previous year. Increase in expenditure on interest payments was about 1 *per cent*. The expenditure under Social Services increased by 15 *per cent* during the year as compared to the forgoing year (i.e. 2021-22). It was mainly due to increase in expenditure under Education, Sports, Arts and Culture by ₹8,669.60 crore (about 15 *per cent*), Health and Family Welfare by 6,184.21 crore (i.e. 31 *per cent*) and Social welfare and Nutrition by ₹3,835.05 crore (i.e. 19 *per cent*). During the year, expenditure on activities under Economic Services increased by about 18 *per cent* over the previous year mainly due to more expenditure under Special Area Programmes (by 740.04 *per cent*), Energy sector (36 *per cent*), Agriculture and allied activities (10 *per cent*) and Transport (by 14 *per cent*). There was an overall increase of expenditure by 13 *per cent* during the year. The sector-wise trend over five years from 2018-19 to 2022-23 is shown below:

Graph 4.2 -Trend of Major Components of Revenue Expenditure



4.2.3 Sub Sector- wise Distribution of Revenue Expenditure during 2022-23

Table 4.3- Sub- Sector wise Revenue Expenditure

(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services	4,488.15	1
B. Organs of State	4,203.02	1
C. Interest Payments and Servicing of Debt	45,507.98	12
D. Administrative Services	31,758.02	8
E. Pensions and Miscellaneous General Services	58,730.64	15
F. Social Services	1,38,927.66	37
G. Economic Services *	78,362.58	21
H. Grants-in-Aid and Contributions	18,000.01	5
Total Expenditure (Revenue Account)	3,79,978.06	100

(* Includes important sectors like Industries, Rural Development, Agriculture and Irrigation etc.)

4.2.4 Financial Assistance to Local Bodies and Others

The State Government provided ₹1,21,361.99 crore (32 *per cent* of the total revenue expenditure) as grants-in-aid to Panchayati Raj Institutions (PRIs), Urban Local Bodies (ULBs) and other institutions during the last five years as depicted below-

Table 4.4- Grants-in-Aid given by the State Government during 2018-19 to 2022-23

(₹ in crore)

Financial Year	Panchayati Rai Institutions (PRIs)	Urban Local Bodies (ULBs)	Other Institutions (viz. PSUs, Autonomous Bodies, NGOs etc)	Total Grants
2018-19	16,209.80 (18)	3,081.35 (3)	72,472.98 (79)	91,764.13
2019-20	12,517.71 (13)	9,059.97 (10)	71,756.78 (77)	93,334.46
2020-21	10,412.00 (11)	11,713.15 (12)	76,763.23 (77)	98,888.38
2021-22	7,635.03 (8)	13,610.89 (13)	79,599.52 (79)	1,00,845.44
2022-23	8,109.70 (7)	9,802.01 (8)	1,03,450.28 (85)	1,21,361.99

(Source: State Accounts)

(Figures in parenthesis are percentage to total grants)

4.3 Capital Expenditure

Capital expenditure of ₹1,03,237.02 crore (including loans and advances disbursed: ₹10,208.63 crore) for 2022-23 was less than the budget estimate (₹1,46,873.98 crore) by ₹43,636.96 crore (about 30 *per cent* of the budget). The Gap between BE and AE shows the fluctuation during the last five years as below-

Table 4.5 - Gap between Budget and Capital Expenditure (2018-19 to 2022-23)

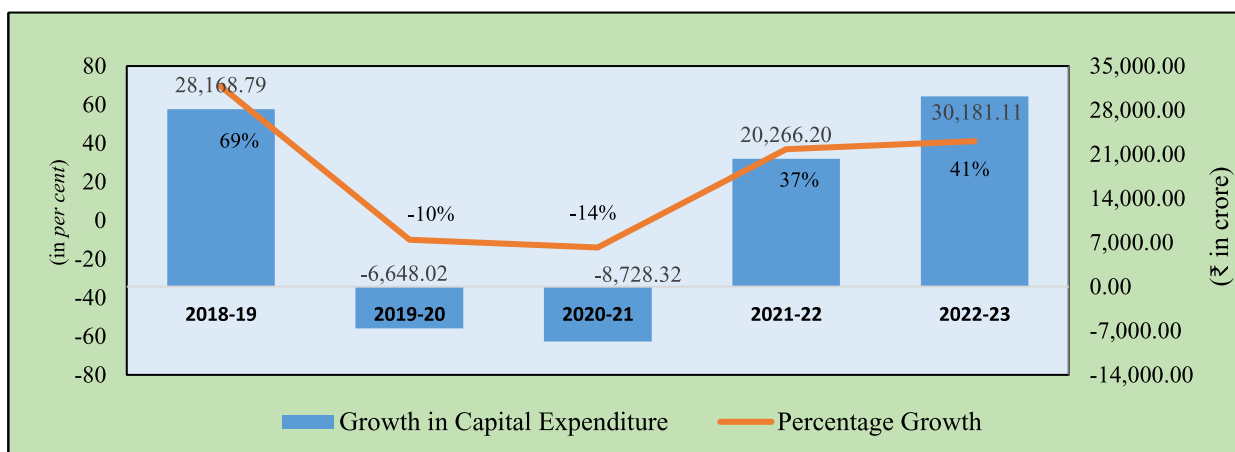
(₹ in crore)

Financial Year	2018-19	2019-20	2020-21	2021-22	2022-23
Budget Estimate (BE)	96,371.39	87,557.47	82,846.34	1,18,038.45	1,46,873.98
Actual Expenditure (AE)	68,766.05	62,118.03	53,389.71	73,055.91	1,03,237.02
Gap	27,605.34	25,439.44	29,456.63	44,982.54	43,636.96
Percentage of Gap over BE	29	29	36	38	30

There was percentage gap of 30 *per cent* in respect of capital expenditure over budget estimates during the year which was 8 *per cent* less than that in previous year. The capital expenditure, which is indicative of development related spending increased by 41 *per cent* in

2022-23 over that of the previous year. The graph below reflects the trend of increase and decrease in capital expenditure during the last five years -

Graph 4.3 - Growth in Capital Expenditure



4.3.1 Sector-wise Capital Expenditure during 2022-23

Sector -wise capital expenditure incurred by the government along with major expenditure under different functions of the State during 2022-23 has been exhibited as below-

Table 4.6– Sector-wise Capital Expenditure

(₹ in crore)

Sl. No.	Sector	Amount	Percentage
1.	General Services -Police, Land Revenue etc.	4,449.58	4
2.	Social Services - Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	35,049.02	34
	Capital Outlay on Medical and Public Health	3,789.20	4
	Capital Outlay on Water Supply and Sanitation	12,227.32	12
	Capital Outlay on Housing	8,984.05	9
3.	Economic Services -Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.,	53,529.79	52
	Capital Outlay on other Rural Development Programme	7,211.41	7
	Capital Outlay on Major Irrigation	1,290.43	1
	Capital Outlay on Food Storage and Warehousing	3,233.01	3
	Capital Outlay on Power Projects	10,220.50	10
	Capital Outlay on Roads and Bridges	22,424.78	22
4.	Loans and Advances Disbursed	10,208.63	10
	Total	1,03,237.02	100

4.3.2 Trend of Sectoral Distribution of Capital Expenditure

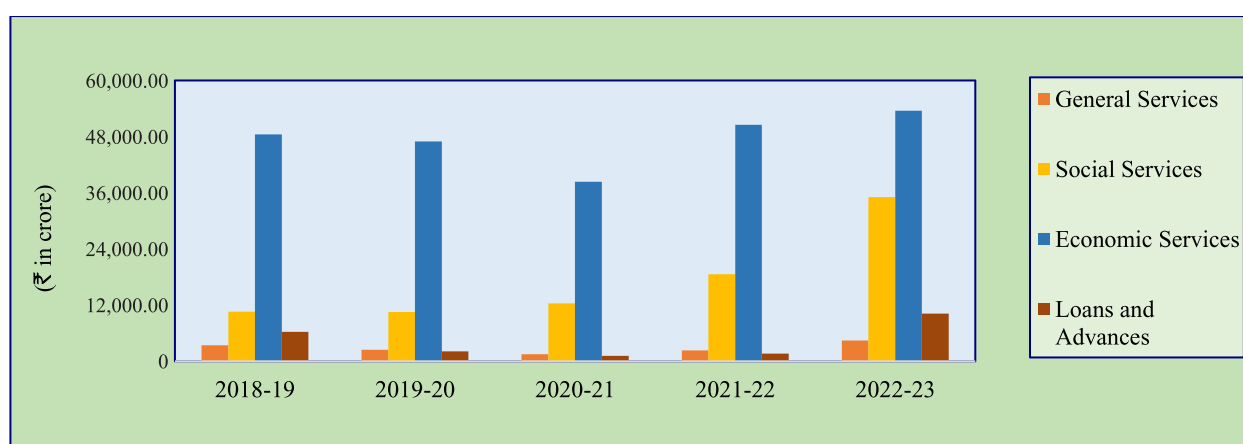
Table 4.7- Sector -wise Capital Expenditure over the last five years

(₹ in crore)

Sl. No.	Sector	2018-19	2019-20	2020-21	2021-22	2022-23
1.	General Services	3,419.43	2,495.30	1,523.10	2,357.24	4,449.58
2.	Social Services	10,589.12	10,514.70	12,386.29	18,568.80	35,049.02
3.	Economic Services	48,454.86	46,988.03	38,327.71	50,516.51	53,529.79
4.	Loans and Advances	6,302.64	2,120.00	1,152.61	1,613.36	10,208.63
Total		68,766.05	62,118.03	53,389.71	73,055.91	1,03,237.02

The trend of sectoral distribution of capital expenditure is graphically represented as below-

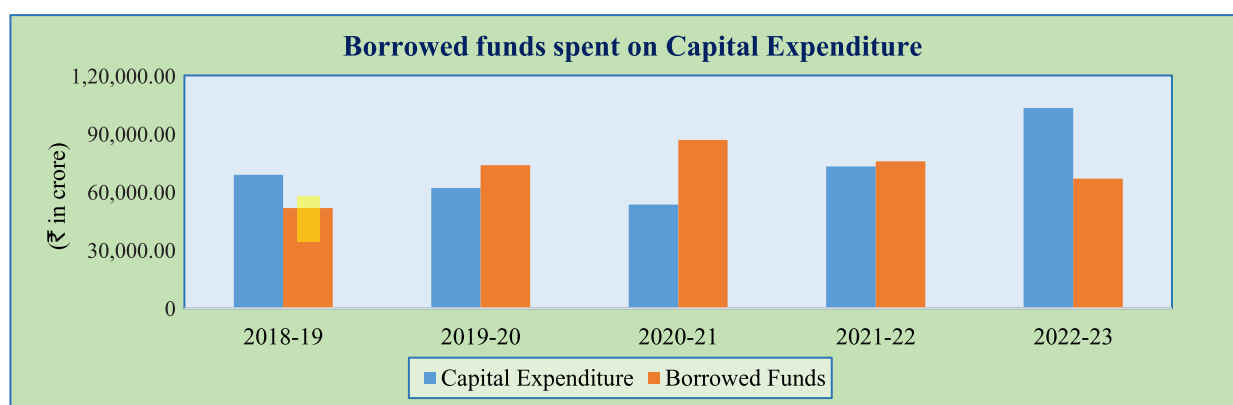
Graph 4.4 -Trend of Sectoral Distribution of Capital Expenditure



4.3.3 Proportion of Borrowed Funds spent on Capital Expenditure

Borrowed funds are meant for meeting capital expenditure for creation of capital assets. The State Government borrowed an amount of ₹66,846.93 crore from market, financial institutions, RBI and Government of India etc. during 2022-23 and utilised the borrowings for repaying the outstanding debt ₹22,690.46 crore and remaining for meeting capital expenditure (₹1,03,237.02 crore) during the year. A chart showing comparison of borrowed funds spent on capital expenditure during the last five years is as under:

Graph 4.5 - Borrowed funds spent on Capital Expenditure



4.4 Committed Expenditure

Committed expenditure is defined as the expenditure incurred on interest payment, salaries and wages, pension and subsidy. High committed expenditure leaves the Government with less flexibility for development related spending.

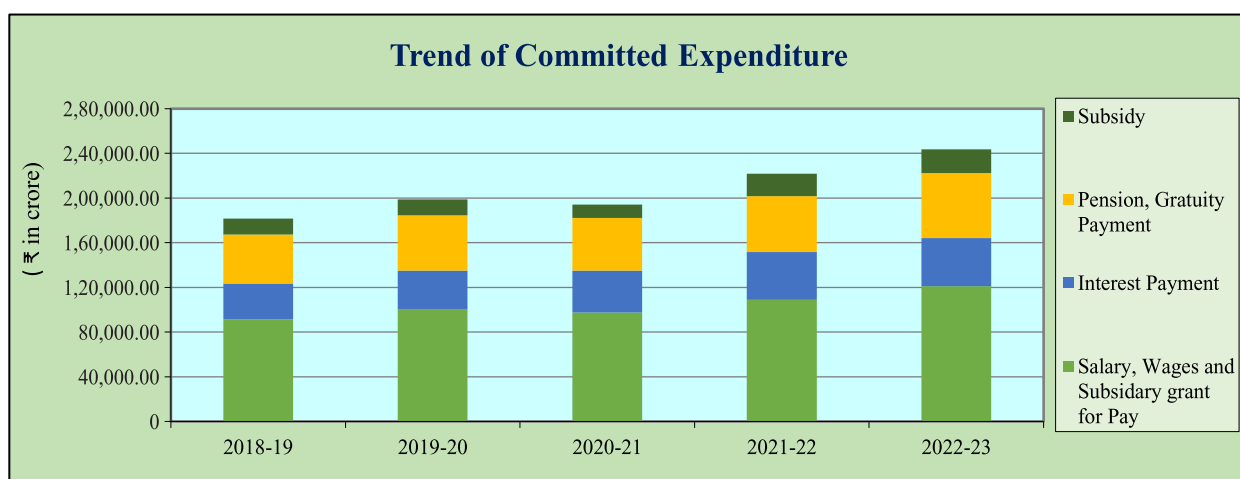
Table 4.8-Trend of Committed Expenditure (2018-19 to 2022-23)

(₹ in crore)					
Component	2018-19	2019-20	2020-21	2021-22	2022-23
Committed Expenditure (*)	1,81,531.92	1,98,734.15	1,94,015.84	2,21,755.62	2,43,550.52
Revenue Expenditure	3,01,727.96	2,98,833.04	2,98,543.46	3,37,581.38	3,79,978.06
Percentage of Committed Expenditure to Revenue Receipts	60	54	66	60	58
Percentage of Committed Expenditure to Revenue Expenditure	55	67	65	66	64

(*) It includes subsidiary assistance for salary.

The trend shows that the committed expenditure of the Government hovered around 55 to 67 *per cent* of the revenue expenditure in the last five financial years.

Graph 4.6 -Trend of Committed Expenditure



4.5 Subsidies Sector-wise

Subsidy is an assistance provided by the government to specific industries with aim of keeping the prices of product and services low for people to be able to afford them and also to encourage production and consumption. During 2022-23, the State Government has extended total subsidy of ₹21,257.53 crore (i.e. 5.59 *per cent* of total revenue expenditure) on various activities under different sectors viz. Agriculture, Rural Development, Irrigation and Flood Control, and Energy etc. The trend in expenditure on subsidy has been depicted as below-

Table 4.9-Trend of Expenditure on Subsidy (2018-19 to 2022-23)

(₹ in crore)

Sector	Sub-Sector	2018-19	2019-20	2020-21	2021-22	2022-23
Economic Services	Agriculture & Allied services	3,539.28	3,007.19	3,332.24	3,556.78	3,813.83
	Rural Development	793.63	990.61	1,477.45	2,419.00	1,407.70
	Special Area Programme	27.16	47.88	0.00	0.00	0.00
	Irrigation & Flood Control	163.64	210.59	103.80	142.21	972.61
	Energy	8,618.20	9,126.26	6,279.48	13,599.17	14,583.98
	Industry & Mineral	881.35	709.65	483.80	427.45	479.41
	Transport	29.25	0.00	0.00	0.00	0.00
	Total Economic Services	14,052.52	14,092.18	11,676.77	20,144.62	21,257.53
Total Subsidy		14,052.52	14,092.18	11,676.77	20,144.62	21,257.53
Revenue Expenditure		3,01,727.96	2,98,833.04	2,98,543.46	3,37,581.38	3,79,978.06
%age Expenditure on Subsidy over Revenue Expenditure		4.66	4.72	3.91	5.97	5.59

As evident from the above, the government has given subsidy mainly in Energy (about 69 *per cent* of total subsidy) and Agriculture sector (about 18 *per cent*) during the period. The expenditure on subsidy in 2022-23 increased by 5.52 *per cent* over the year 2021-22, especially in Energy, Irrigation & Flood Control and Agriculture and Allied Services. In the year 2022-23, subsidy of ₹ 9.08 crore was also incurred as Capital Expenditure.

4.6 Development Expenditure

Any expenditure incurred on activities directly related to economic and social development of the State is Development Expenditure. It signifies the extent to which resources has been utilized for development of the State. It includes expenditure on Social Services and Economic Services on Revenue and Capital Accounts, and Loans and Advances given by the State Government on these services; for example, expenditure incurred on Education, Health Care, Scientific Research, Infrastructure etc. During 2022-23, an amount of ₹3,16,077.68 crore (65 *per cent* of total expenditure of ₹ 4,83,215.08 crore including loans and advances) was spent on these activities.

4.7 Expenditure under Scheduled Castes Sub Plan (SCSP)/Tribal Sub Plan (TSP)

Scheduled Caste Sub Plan (SCSP) for Scheduled Castes (SC) and Tribal Sub-Plan (TSP) for Scheduled tribes (ST) are intended to channelize the flow of resources towards development of SC and ST. The allocations under these components are provided for the purpose of creating productive assets, human resource development of Scheduled Castes and Scheduled Tribes through adequate education and health services. These allocations are made under the minor head “Special Component Plan for Scheduled Castes” (code 789) and Tribal Area Sub-Plan (code 796). The position of allocations under these plans made by the State Government, expenditure incurred and the percentage gap during the last five years is depicted as under-

Table 4.10- Trend of Expenditure under SCSP and TSP during 2018-19 to 2022-23

(₹ in crore)

Year	SCSP			TSP		
	Budget	Expenditure	Percentage Gap	Budget	Expenditure	Percentage Gap
2018-19	26,893.28	18,671.03	31	977.23	684.57	30
2019-20	26,265.54	18,601.04	29	1,027.01	820.54	20
2020-21	26,160.06	19,235.38	26	1,195.97	950.04	21
2021-22	30,358.90	19,253.92	37	1,335.74	838.72	37
2022-23	30,536.11	20,610.27	33	2,284.47	1,251.64	45

It is evident from the above data that the percentage gap in expenditure with respect to the budget provisions in respect of scheduled caste programs and scheduled tribe programs ranged between 26 to 37 *per cent* and 20 to 45 *per cent* respectively during the period from 2018-19 to 2022-23.

4.8 Loans and Advances by the State Government

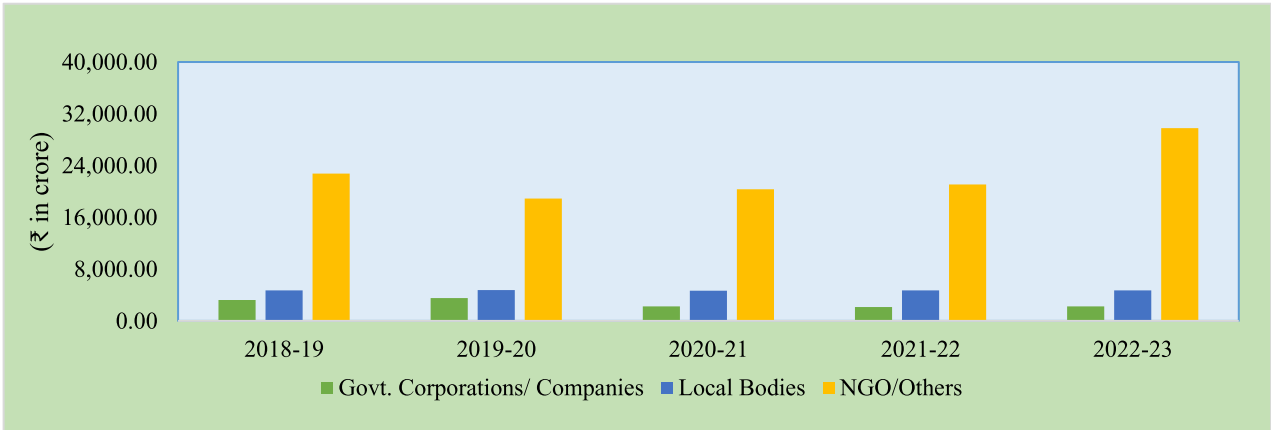
The State Government gives loans and advances to Government Corporations/ Companies, Local Bodies, Non-Government Institutions/Organisations etc. The Government advanced ₹10,208.63 crore to these institutions in 2022-23. The outstanding balance of loans and advances of these institutions was ₹36,752.10 crore as on 31 March 2023. The table below represents the institution-wise position of outstanding loans and advances given by the State Government as on 31 March of the year:

Table 4.11- Outstanding Loans and Advances by the State Government

(₹ in crore)

As on 31 March	Govt. Corporations/ Companies	Local Bodies	NGO/Others
2018-19	3,249.26	4,691.98	22,768.32
2019-20	3,543.02	4,747.65	18,898.31
2020-21	2,227.91	4,662.68	20,316.27
2021-22	2,121.07	4,702.19	21,057.53
2022-23	2,241.97	4,735.81	29,774.32

Graph 4.7- Position of Outstanding Loans and Advances



The Government was required to reconcile the loan figures depicted in the Finance Accounts with those of the concerned loanees viz. PSUs and other bodies and institutions. However, it was awaited. As a result, there are adverse balances in a few heads as depicted in the Finance Accounts (Statement-18).

5

Public Debt

5.1 Introduction

Article 293 of the Constitution of India empowers the State Government to borrow upon 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.

Borrowings are required to meet capital expenditure, repayment of debt, discharge of other liabilities that are not met from the receipts of the Government. Public debt comprises the borrowings from market, financial institutions like LIC, GIC, NABARD, NCDC, NSSF, Ways and Means Advances from RBI etc. (Internal Debt), and the loans and advances received from GoI.

There was an outstanding public debt of ₹5,67,840.69 crore as on 31 March 2023, which comprised of internal debt 94 *per cent* and GoI loans about 6 *per cent* thereof. During 2022-23, the State Government had borrowings of ₹66,846.93 crore from market/other institutions and the Government of India. Of this, ₹22,690.46 crore was expended for repayment of earlier Loans.

5.2 Public Debt

Public debt of the State Government increased from 24 *per cent* of GSDP in 2018-19 to 25 *per cent* in 2022-23 mainly due to increase in internal debt, especially increase in borrowings from market. The market borrowings constituted 67 *per cent* of the total internal debt in 2018-19, which increased to 84 *per cent* in 2022-23. Thus, increasing trend in market borrowings has led to growth in government liabilities over the years. The growth of public debt during the preceding five years is depicted as below-

Table 5.1- Growth of Public Debt

(₹ in crore)

Financial Year	Internal Debt (A) (market borrowings out of total Internal debt)	GoI loan (B)	Public Debt (A+B)	Per cent to GSDP
2018-19	3,53,189.92 (2,35,360.06)	11,979.59	3,65,169.51	24
2019-20	4,05,048.84 (2,91,185.86)	11,528.75	4,16,577.59	23
2020-21	4,58,552.23 (3,54,685.54)	18,106.74	4,76,658.97	28
2021-22	4,96,422.89 (4,01,355.54)	27,261.33	5,23,684.22	28
2022-23	5,33,476.54 (4,47,467.50)	34,364.15	5,67,840.69	25

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

5.3 Debt Service Ratio

Debt Service is the amount that is required to cover the repayment of principal and interest on a debt for a particular period.

Debt Service Ratio is defined as net income divided by total debt Service. It is a measure of the cash flow available to pay current obligations. The Debt Service Ratio helps to determine the borrower's ability to make debt service payments.

During 2022-23, total debt service was about 3 *per cent* of GSDP. The position of debt servicing during the last five years has been depicted as below: -

Table 5.2- Debt servicing as Percentage of GSDP

(₹ in crore)					
Financial Year	2018-19	2019-20	2020-21	2021-22	2022-23
Repayment of Debt	20,716.61 (1.34)	22,400.61 (1.25)	26,777.49 (1.57)	28,725.94 (1.54)	22,690.46 (1.01)
Interest Paid	28,184.96 (1.83)	30,624.25 (1.71)	37,428.40 (2.19)	42,875.56 (2.30)	43,007.98 (1.91)
Total Debt Service	48,901.57 (3.20)	52,958.65 (2.95)	64,205.97 (3.76)	71,601.50 (3.84)	65,698.44 (2.91)
GSDP	15,42,432.00	17,94,508.00	17,05,593.37	18,63,221.12	22,57,575.06

(Figures in parenthesis are percentage to GSDP)

5.4 Debt Sustainability of the State

Public debt of the State Government increased substantially by 56 *per cent* in 2022-23 over the outstanding debt in 2018-19, whereas the economy in terms of GSDP grew by 46 *per cent*. The debt to GSDP ratio arose from 24 *per cent* in 2018-19 to 25 *per cent* in 2022-23. The debt repayment was 7 *per cent* of total tax revenue and 34 *per cent* of debt receipts during 2022-23.

The increasing trend of raising debt tends to increase the debt stock entailing debt distress on the state economy. This fiscal situation may result in augmentation of debt liabilities and reduction of capital expenditure i.e. development related spending.

Table 5.3- Indicators of Debt Sustainability of the State

(₹ in crore)

Indicators of Debt Sustainability	2018-19	2019-20	2020-21	2021-22	2022-23
Outstanding Debt	3,65,169.51	4,16,577.59	4,76,658.97	5,23,684.22	5,67,840.69
Rate of growth of Outstanding Debt	9.24	14.08	14.42	9.87	8.43
GSDP	15,42,432.00	17,94,508.00	17,05,593.37	18,63,221.12	22,57,575.06
Rate of growth of GSDP	12.13	16.34	(-)4.95	9.24	21.17
Debt/GSDP ratio	0.24	0.23	0.28	0.28	0.25
Net Debt available to State (Public Debt received (-) Total Debt Service)	2,693.69	20,850.04	22,652.90	4,149.69	1,148.49

5.5 Debt-Maturity Profile

The State Government borne an outstanding debt of ₹ 5,33,476.54 crore as internal debt from market and different financial institutions, and ₹34,364.15 crore as loans from GoI (total public debt of ₹5,67,840.69 crore) as on 31 March 2023. These debt/loans are due to be repaid on their maturity up to 2078-79 as per the specified terms and conditions. The maturity profile of the government debt is broadly depicted as below-

Table 5.4- Debt-Maturity Profile

(₹ in crore)

Year	Internal debt	Loan from Government of India
2023-24	19,485.70	1,802.58
2024-25	29,007.44	704.77
2025-26	40,731.06	603.22
2026-27	50,426.52	748.60
2027-28	50,522.28	645.40
2028-29	54,321.85	626.20
2029-30	76,368.87	603.66
2030-31	81,335.73	541.77
2031-32	62,419.37	445.00
2032-33	20,877.11	384.01
2033-34 and thereafter	45,907.02 (during 2033-39)	27,258.94 (during 2033-79)
Adjustment Due	2,073.59	0.00
Total	5,33,476.54	34,364.15

6

Appropriation Accounts

6.1 Budget Provisions

During 2022-23, the State Legislature approved a total provision of ₹ 6,85,555.91 crore under 92 grants (including supplementary grants). Against which, the actual expenditure was ₹ 5,19,859.58 crore (76 per cent of the total provision). Of which, total charged expenditure was 13 per cent and voted 87 per cent. Summary of the Appropriation Accounts for the year 2022-23 is given below-

Table 6.1- Summary of Appropriation Accounts for 2022-23

(₹ in crore)

Sl. No	Nature of Expenditure	Original Grant	Supplementary Grant(*)	Total	Actual Expenditure	Saving (-) Excess (+)	% of Total Grant
1	Revenue						
	Voted	4,22,507.48	13,754.00	4,36,261.48	3,36,997.42	(-)99,264.06	22.75
	Charged	49,520.42	2.85	49,523.27	46,227.13	(-)3,296.14	6.66
2	Capital						
	Voted	1,44,198.92	11,757.35	1,55,956.27	1,03,710.37	(-)52,245.90	33.50
	Charged	49.47	0.00	49.47	25.57	(-)23.90	48.30
3	Public Debt						
	Charged	32,563.29	5.35	32,568.64	22,690.46	(-)9,878.18	30.33
4	Loans and Advances						
	Voted	2,946.78	8,250.00	11,196.78	10,208.63	(-)988.15	8.83
Total		6,51,786.36	33,769.55	6,85,555.91	5,19,859.58	(-)1,65,696.33	24.17

(*) Supplementary Grants were provided under 40 grants.

6.2 Saving/Excess during the last five years

During the year 2022-23, there was saving of ₹ 1,65,696.33 crore. Saving/Excess under Revenue and Capital Expenditure heads, Public Debt and Loans and Advances over the last five years have been depicted as follows:

Table 6.2- Saving/Excess during 2018-19 to 2022-23

(₹ in crore)

Financial Year	Saving (-) / Excess (+)				Total Saving / Excess	% of Total Grant
	Revenue	Capital	Public Debt	Loans & Advances		
2018-19	(-)52,136.54	(-)25,963.22	(-)9,830.14	(-)1,421.71	(-)89,351.61	17.90
2019-20	(-)86,752.57	(-)26,416.68	(-)12,975.33	(-)1,237.88	(-)1,27,382.46	24.18
2020-21	(-)1,06,857.49	(-)33,085.84	(-)8,119.93	(-)484.24	(-)1,48,547.50	27.28
2021-22	(-)85,219.53	(-)56,759.49	(-)10,156.15	(-)490.83	(-)1,52,626.00	25.37
2022-23	(-)1,02,560.20	(-)52,269.80	(-)9,878.18	(-)988.15	(-)1,65,696.33	24.17

Thus, saving during the last five years was about 24 *per cent* (on an average), which shows non-achievement of about one-fourth commitments of the State Government made by the State Budget or non-observance of its authorisation by the State Legislature.

6.3 Persistent Savings

Persistent savings under a Grant indicate either slow or non-implementation of certain schemes/programmes. Some of the grants under which significant savings occurred are as follows:

Table 6.3-Savings under Grants during the year 2018-19 to 2022-23

(₹ in crore)

Grant Nos.	Nomenclature	2018-19	2019-20	2020-21	2021-22	2022-23
02	Housing Department	647.52	553.39	491.62	1,392.71	3,486.47
07	Industries Department (Heavy and Medium Industries)	1,529.17	1,232.90	1,405.24	8,177.81	4,157.99
13	Agriculture and Other Allied Departments (Rural Developments)	9,853.98	10,020.28	8,284.90	6,009.17	3,098.75
26	Home Department (Police)	608.17	3,731.91	6,898.22	5,292.07	5,892.83
32	Medical Department (Allopathy)	1,487.08	2,279.91	2,782.55	3,874.38	3,194.41
35	Medical Department (Family Welfare)	719.50	988.86	599.33	2,386.30	5,928.34
37	Urban Development Department	4,457.15	9,231.61	4,159.77	7,097.03	10,130.07
42	Judicial Department	1,470.07	2,285.73	2,782.44	3,007.05	3,403.16
49	Women and Child Welfare Department	2,600.25	3,622.34	4,557.07	2,379.06	3,082.64
51	Revenue Department (Relief on Account of Natural Calamities)	1,385.36	544.51	2,325.29	268.24	2,403.52
61	Finance Department (Debt Services and Other Expenditure)	10,279.96	32,609.87	36,148.49	12,299.65	14,448.20
62	Finance Department (Superannuation Allowances and Pensions)	4,291.20	4,053.11	13,761.41	14,641.92	15,267.05
71	Education Department (Primary Education)	15,261.30	14,663.12	13,747.01	13,976.96	12,776.20
72	Education Department (Secondary Education)	651.45	1,754.32	3,177.50	3,297.14	2,262.17
83	Social Welfare Department (Special Component Plan for Scheduled Castes)	8,222.19	7,562.07	6,924.80	11,107.48	9,905.11
94	Irrigation Department (Works)	1,156.44	1,063.17	1,579.23	4,956.52	6,920.46

(Note: In Appropriation Accounts, savings have been depicted with minus sign.)

6.4 Supplementary Provision of Funds

Supplementary Grants authorized under Article 205 of the Constitution of India, of ₹33,769.55 crore (6.50 *per cent* of total expenditure) proved unfruitful during 2022-23. A few instances where there were significant savings at the end of the year even against original allocations are given below:

Table 6.4-Unutilised Supplementary Provisions

(₹ in crore)

Grant No.	Nomenclature	Section	Original B.E.	Supplementary B.E.	Actual Expenditure
07	Industries Department (Heavy and Medium Industries)	Revenue (Voted)	4,984.21	1,069.91	3,843.43
09	Power Department	Capital (Voted)	13,857.69	650.72	9,607.81
26	Home Department (Police)	Revenue (Voted)	28,537.10	200.00	24,314.17
		Capital (Voted)	4,273.27	450.00	3,253.59
31	Medical Department (Medical Education and Training)	Revenue (Voted)	4,693.80	239.01	4,583.16
		Capital (Voted)	4,519.07	7.50	2,756.92
35	Medical Department (Family Welfare)	Revenue (Voted)	14,019.15	1,692.07	11,159.72
		Capital (Voted)	1,500.05	987.51	1,111.12
37	Urban Development Department	Revenue (Voted)	22,355.10	924.00	13,613.84
40	Planning Department	Revenue (Voted)	314.01	16.19	203.18
		Capital (Voted)	2,557.15	300.00	2,345.91
42	Judicial Department	Capital (Voted)	2,389.20	400.00	492.60
58	Public Works Department (Communications-Roads)	Capital (Voted)	15,871.59	1,837.92	12,555.62
61	Finance Department (Debt Services and Other Expenditure)	Revenue (Voted)	20,159.66	251.36	18,935.35
83	Social Welfare Department (Special Component Plan for Scheduled Castes)	Revenue (Voted)	17,891.20	995.13	12,310.06
		Capital (Voted)	10,271.98	1,377.80	8,320.94

7

Assets and Liabilities

7.1 Introduction

The Assets and liabilities of the State Government (as on March 31, 2023 and March 31, 2022) as exhibited in Statement No. 1 of the Finance Accounts of the respective year is depicted below-

Table 7.1-Assets and Liabilities of the State Government

(₹ in crore)

Assets			Liabilities		
	As on March 31, 2023	As on March 31, 2022		As on March 31, 2023	As on March 31, 2022
Cash (including RBD with RBI, Investment of Cash Balance, Investment from Earmarked Funds etc.)	32,848.19	44,533.16	Internal Debt	5,33,476.54	4,96,422.89
Capital Expenditure including Investments	7,98,573.16	7,05,544.77	Loans and Advances from Central Government	34,364.15	27,261.33
Contingency Fund (un-recouped)	0.06	0.00	Contingency Fund (Corpus)	1,200.00	1,200.00
Appropriation to the Contingency Fund	0.00	600.00	Liabilities on Public Account	1,00,928.16	92,272.09
Loans & Advances	36,752.10	27,880.79		--	--
Advances with Departmental Officers	58.58	58.58		--	--
Suspense & Miscellaneous Balances	1,716.13	1,750.95		--	--
Remittances Balances	0.00	103.99		--	--
Cumulative excess of Expenditure over Receipts	--	--	Cumulative excess of Receipts over Expenditure	1,99,979.37	1,63,315.93
Total	8,69,948.22	7,80,472.24		8,69,948.22	7,80,472.24

7.2 Assets

The existing form of accounts depicts valuation of physical assets and financial assets at historical cost i.e. the value in the year of acquisition/purchase. The Government assets comprise mainly of the cash balance and investments of cash balance, progressive capital expenditure, balance of loans and advances, civil advances and balance outstanding under remittances.

7.2.1 Cash Balance and Investment of Cash Balance

The State Government had total cash balance of ₹32,848.19 crore as on 31.03.2023, which decreased by ₹11,684.97 crore as compared to 2021-22. This was mainly due to net decrease in investment of cash balance (of ₹14,636.30 crore) in government securities during the year.

Table 7.2- Position of Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 31 March, 2022	As on 31 March, 2023	Net Increase (+) / Decrease (-)
Cash Balance	(-)348.47	102.77	451.24
Investments from Cash Balance (GOI Try. Bills)	41,825.24	27,188.94	(-)14,636.30
Other Cash Balance (including cash with departmental officers and permanent cash imprest)	11.19	11.28	0.09
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) Consolidated Sinking Fund	3,000.00	5,500.00	2,500.00
Interest realised on Investment of Cash Balance	346.99 (*)	402.60 (*)	55.61

(*) It excludes interest on investment of accretions in the Consolidated Sinking Fund during the year as it didn't appear in the State Accounts.

7.2.2 Others Investment and Dividends

The Government invested ₹12,479.91 crore in equity shares of Statutory Corporations, Government Companies, Co-operative Societies and other institutions during 2022-23, which stood at total investment of ₹1,64,000.90 crore (7.26 per cent of GSDP) in these institutions (13,583) at the end of the year 2022-23. The dividends therefrom during the year were ₹141.32 crore (i.e. 0.09 per cent of total investment).

7.3 Liabilities

Government liabilities differ from the government debt to the extent that the government debt (or, public debt) comprises of Internal Debt of the State Government and Loans from GoI, whereas liabilities of the Government include Public Debt as well as other liabilities viz-Small

Savings, Reserve funds and other Deposits in the Public Accounts. These liabilities are ‘Debt Stock of the State Government which increased by ₹49,359.91 crore (8 *per cent*) in 2022-23 as against the previous year. Position of the debt stock during the last five years is as under:

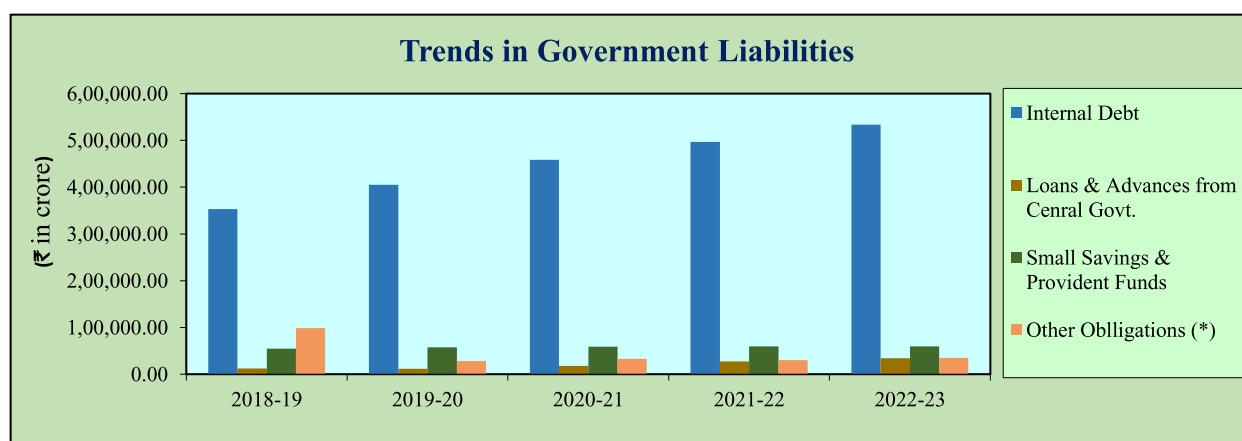
Table 7.3-Trend of State’s Liabilities during the year 2018-19 to 2022-23

(₹ in crore)

Financial Year	Public Debt	Per cent to GSDP	Total Public Account Liabilities	Per cent to GSDP	Total Debt Stock	Per cent to GSDP
2018-19	3,65,169.51	24	1,52,925.99	10	5,18,095.50	34
2019-20	4,16,577.59	23	85,834.43	5	5,02,412.02	28
2020-21	4,76,658.97	28	88,312.71	5	5,64,971.68	33
2021-22	5,23,684.22	28	89,272.11	5	6,12,956.33	33
2022-23	5,67,840.69	25	94,475.55	4	6,62,316.24	29

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

Graph 7.1-Trends in Government Liabilities



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

The increasing trend in government liabilities is mainly due to the gradual increase in internal debt of the State Government during the period 2018-19 to 2022-23. However, the debt stock (i.e. total liabilities) of the State Government remained at 29 *per cent* of GSDP at the end of the year.

7.3.1 Increasing trend of outstanding liabilities of the State Government on account of Market Borrowings

As per the procedure adopted by the State Government for amortisation of the market borrowings, the State Government makes provisions for reduction or avoidance of debt under Major Head 2048 and appropriates it to Sinking Fund under Major Head 8222 by way of book transfer. During the year 2019-20, the State Government constituted a Consolidated Sinking Fund (CSF) in March 2020 for redeeming of the outstanding liabilities of the State (Internal debt and other liabilities under Public Accounts). During 2022-23, sum of ₹2,500.00 crore was contributed to this Fund. The Government invested the said amount in government securities. The position of state’s outstanding liabilities due to market borrowings and amount appropriated to Consolidated Sinking Fund is as below:

Table 7.4- Trend of State's Outstanding Liabilities due to Market Borrowings

(₹ in crore)

Financial Year	Outstanding liabilities due to Market Borrowings	Amount appropriated to Consolidated Sinking Fund	Balance under Consolidated Sinking Fund (as on 31 March)
2018-19	2,35,360.06	-	-
2019-20	2,91,185.86	0.00	0.00
2020-21	3,54,685.54	1,000.00 (*)	1,000.00
2021-22	4,01,355.54	2,000.00 (*)	3,000.00 (**)
2022-23	4,47,467.50	2,500.00 (*)	5,500.00(**)

(*) It has been invested in government securities during the year.

(**) It excludes interest earned on investment, as it did not appear in the state accounts.

Repayments against the market loans are made by budgetary provisions. These liabilities would be redeemed from CSF from the year 2025-26 onwards.

State's liabilities on this account escalated from ₹2,35,360.06 crore in 2018-19 to ₹4,47,467.50 crore in 2022-23 (about 90 *per cent* increase during foregoing five years i.e. 18 *per cent* increase per year on average).

7.4 Guarantees-Contingent liabilities of the State

The State Government has given guarantees of ₹21,539.69 crore (0.95 *per cent* of GSDP) against repayment of loans and payment of interest thereon raised by six Statutory Corporations, Government Companies, Corporations, Authorities etc. during the year 2022-23. The position of total outstanding guarantees as on 31 March 2023 is as below-

Table 7.5- Position of Outstanding Guarantees during 2018-19 to 2022-23

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Outstanding Guarantee at the end of year (Principal)	Guarantee Commission or Fee	
			Received	Receivable
2018-19	90,662.48	1,10,032.12	0.00	10.46
2019-20	1,32,499.27	1,18,696.49	4.93	4.93
2020-21	1,75,469.24	1,50,554.00	0.00	0.00
2021-22	2,06,431.78	1,74,218.42	0.00	0.00
2022-23	1,93,244.82	1,70,780.52	0.00	4.41

The Fiscal Responsibility and Budget Management Act 2003 (FRBM Act 2003) prescribed the limit of 0.5 *per cent* of GDP for giving guarantee by GoI in a year. In spite of the fact that the volume of Guarantees given is increasing over the years, the State Government has not fixed any limit for giving the guarantee in the financial year. The Government has created Guarantee Redemption Fund for redemption of guarantees on 29 January, 2021 but the Government has not contributed any amount in the fund so far.

8

Other Accounting Issues

8.1 Compliance of Indian Government Accounting Standards formulated by GASAB:

The Government Accounting Standard Advisory Board (GASAB) has formulated three Indian Government Accounting Standards (IGASs) viz- Guarantees given by Governments: Disclosure Requirements (IGAS-I), Accounting Classification of Grants-in-Aid (IGAS-II), and Loans and Advances made by the Governments (IGAS-III). These have been notified by Ministry of Finance, Govt. of India.

In adherence with these standards, disclosures about the guarantees given by the State Government to various institutions have been exhibited in the Statement 9 and 20 of the Finance Accounts of the Government of Uttar Pradesh. Under the extant provisions of FRBM Act 2003, additional guarantee should not be given in respect of any loan on security of Consolidated Fund of India in excess of one half *per cent* of GDP in a financial year. However, the State Government has not fixed any limit for giving the guarantee in the financial year. The State Government has created the Guarantee Redemption Fund for discharging the obligations arising out of guarantees executed. The State Government executed the guarantees of ₹21,539.69 crore (i.e. 0.95 *per cent* of GSDP) to six PSUs /institutions during 2022-23.

The information relating to Grants-in-Aid paid in cash and in kind have been disclosed in the Statement 10 and Appendix III of the Finance Accounts, and the grants have been classified in the state accounts in accordance with the stipulated principles except a few cases which were referred to the State Government. As regards Loans and Advances made by the State Government, the position relating to outstanding balances of loans, arrears of principal etc. is depicted in Statements 7, 18 and Appendix VII of the aforesaid accounts.

8.2 Implementation of Integrated Financial Management System (IFMS) -Mission Mode Project:

Under the National e-Governance Plan (July 2010), the State Treasury Computerisation as a Mission Mode Project was to be implemented by the State Governments with aim to provide greater accuracy and transparency in budgeting and accounting processes. The State Accountants General (A&E), as stakeholder, were required to work in line with the State Governments in designing the computer processes relating to capture of treasury data and compilation process and implementation of the project.

In due course of implementation of IFMS in the State of Uttar Pradesh, data (of receipts & expenditure) as well as schedule of House Building Advance/ Motor Car Advance is fetched from all the eighty-two treasuries electronically (through central server of the State Government) and uploaded in VLC server in the Accountant General's office. The Monthly Civil Accounts (MCA) are generated after compilation of the said treasury data and are submitted to the State Government every month.

8.3 Submission of Accounts by Treasuries/Departments

The initial accounts of one treasury received late from 16 to 30 days. However, no account was excluded at the end of the year

8.4 Abstract Contingent (AC) Bills and Detailed Countersigned Contingent (DCC) Bills

In exceptional situations where 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 through AC bills without supporting documents. Such AC bills are required to be settled by submission of DCC bills to the Accountant General (A&E) within a month from the date of completion of the purpose for which the advance was drawn. As on 31 March 2023, 842 AC bills amounting to ₹8.52 crore were outstanding for want of DCC bills.

The major share of DCC bills (in number and percentage of total amount of the unadjusted bills) was awaited from the following Departments of the State Government:

- | | | |
|--|-----------|----------------------|
| 1. Secretariat Administration Department | 93 bills | ₹1.80 crore (21.13%) |
| 2. Medical (Family Welfare) | 3 bills | ₹1.59 crore (18.66%) |
| 3. Election Department | 55 bills | ₹1.26 crore (14.79%) |
| 4. Agriculture & other Allied Department
(Panchayati Raj) | 120 bills | ₹0.63 crore (7.39%) |

8.5 Utilisation Certificates Awaited

For grants sanctioned for specific purposes, the departmental officers concerned should obtain Utilization Certificate (UCs) from the grantee, which after verification should be forwarded to the Accountant General (A&E). Non-submission of UCs does not ensure that the funds released have been utilized for the intended purposes.

Utilisation Certificates (30,906 in number) of ₹19,981.23 crore as against the grants given upto September 2021 were awaited, as on 31 March 2023. The departments from which the major share of UCs were awaited are:

Table 8.1- Position of Major Share of UCs awaited

(₹ in crore)

Year	Urban Development Department	Social Welfare Department (SCP for SCs)	Education Department (Primary Education)	Agriculture and other Allied Departments (Rural Development)
	Amount (Percentage)	Amount (Percentage)	Amount (Percentage)	Amount (Percentage)
2022-23	10,430.88 (52.20%)	4,899.11 (24.52%)	1,040.79 (5.21%)	785.77 (3.93%)

8.6 Reconciliation of Receipts and Expenditure

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 required to be conducted by respective Chief Controlling Officers (CCOs).

In 2022-23, nearly all the expenditure and receipts figures (97.41 and 99.27 *per cent* respectively) were reconciled. The status of reconciliation of the figures at the end of March 2023 is given below:

Table 8.2- Position of Reconciliation

Particulars	Total Nos. of CCOs	Nos. of CCOs who reconciled	Nos. of CCOs who didn't reconcile
Expenditure	180	176	4
Receipts	48	43	5

8.7 Non-closure and Reconciliation of Personal Deposit (PD) Accounts

Personal Deposit (PD) accounts are opened for specific purposes in consultation with the Accountant General by transfer of funds, which is booked as expenditure against the Consolidated Fund of the State. If there is no transactions in any PD account for last three years, it is required to be closed on the advice of the Accountant General and unspent balances remitted back to Government Accounts.

As on 31 March 2023, there were 12 Administrators operating PD accounts with a balance of ₹9.58 crore. During 2022-23, an amount of ₹2.96 crore was transferred from the Consolidated Fund of the State to these PD Accounts. This includes ₹0.17 crore transferred in March 2023 from the Consolidated Fund. This is 5.74 *per cent* of the total credit to PD account during the year, of which, no amount was transferred back on the last working day of March 2023.

Nine Administrators (out of 12) of Personal Deposit Accounts reconciled and verified their balances with the treasury figures and 09 annual verification certificates were furnished by them to the Treasury officer for onward submission to Accountant General office.

8.8 General Provident Fund

The State Government has constituted a fund namely “General Provident Fund” under the Public Account for the government servants, wherein they subscribe their prescribed contributions. This Fund is regulated by the General Provident Fund (Uttar Pradesh) Rules 1985 and the amendments made thereunder. The Government pays interest on the GPF balance as may be admissible from time to time under the rules. The subscribers are entitled to receive temporary and final withdrawals. Final payment from the account is made to the subscribers in the event of superannuation, cessation of service, death etc. There was a total balance of ₹ 40,049.40 crore in the GPF accounts of the government employees in the State under the head 8009-01-101- GPF as on 31 March 2023. The accounts of other than class IV employees are maintained by the Accountant General and the accounts of class IV employees by the departmental authorities.

8.9 Defined Contribution Pension Scheme (DCPS)

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 government as well. In terms of the Scheme, the government employees contribute 10 *per cent* of basic pay and dearness allowance, which is matched by the State Government with 14 *per cent* contribution thereof (w.e.f. 1 April 2019), and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank as per the procedure prescribed by the Government of Uttar Pradesh vide G.O. No. Sa-3-379/Das-2005-301(9)-2003 dated 28 March 2005 and No.Sa-3-1067/Das-2011-301(9)-2011 dated 15 September 2011. During 2022-23, contributions to the DCPS by the State Government and its employees was as follows:

Table 8.3 - Contribution by Government and its employees

(₹ in crore)

Contribution to DCPS (under MH 8342- Other Deposit-Receipts)			Amount transferred by the State Govt. to NSDL/Fund Manager of DCPS (MH 8342- Other Deposit-Disbursement)			Amount not transferred to NSDL/Fund Manager of DCPS
Govt. Employees Contribution	Govt. Contribution for Govt. Employees	Total	Employee Contribution	Govt. Contribution	Total	Balance as on 31 st March 2023
2,713.34	3,792.31	6,505.65	2,697.04	3,769.21	6,466.25	39.40

(Source: State Government)

As regards employees of aided educational institutions and autonomous bodies, the contributions and balance has not been furnished by the State Government.

8.10 Suspense Balances

Items of receipts and payments which cannot be taken to final head of receipt or expenditure owing to lack of information as to nature or for any other reason are booked temporarily under the Major Head 8658-Suspense Accounts. These are cleared by minus debit or minus credit as the case may be on receipt of details/information. The position of balances under Suspense and Remittance Heads as on March 31, 2023 was as under-

Table 8.4-Suspense Balances

(₹ in crore)

Head	Debit	Credit
8658-Suspense Accounts-		
101- Pay and Accounts Office Suspense	395.41	269.72
Net	Dr. 125.69	
102-Suspense Accounts (Civil)	15,764.39	16,431.30
Net	Cr. 666.91	
110- Reserve Bank Suspense-Central Accounts Office	(-)94.12	(-)1,136.38
Net	Dr. 1,042.26	
8793- Inter State Suspense Account	56.76	0.01
Net	Dr. 56.75	

8.11 Commitments on account of Incomplete Capital Works

The State Government undertaken various capital works /projects (575) relating to road works/bridges and irrigation projects executed by PWD and Irrigation Departments. These were required to be completed by 2022-23 or before, but they were incomplete. A summarized view on commitments on account of 'Incomplete Capital Works' is given below:

Table 8.5-Incomplete Capital Works

(₹ 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.	3,343.23	1,097.40	2,013.70	1,028.70

- Note: i) Detailed information towards commitments on incomplete capital works is available in Appendix IX of Finance Accounts 2022-23.
- ii) The figures exhibited in the above table are compiled from the data as provided by various Divisions/Departments.

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