

सत्यमेव जयते

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

ON STATE FINANCES

FOR THE YEAR ENDED 31 MARCH 2012

GOVERNMENT OF GOA

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PREFACE

1. This Report has been prepared for submission to the Governor of Goa under Article 151 of the Constitution of India.

2. Chapters I and II of this Report respectively contain audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2012. Information has also been obtained from the Government of Goa, wherever necessary.

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

Executive Summary

Background

Goa was liberated from the Portuguese rule and incorporated with the Indian Union as a Union Territory with Legislative Assembly in 1962. It was granted Statehood on 30 May 1987. The social indicators of the State *viz.*, literacy rate, rate of infant mortality and life expectancy were better off than the all India average. During 2002-03 to 2011-12, the State has demonstrated a higher economic growth rate (16.64 *per cent*) as compared to General Category States (13.09 *per cent*). During this period the population of the State grew by 8.17 *per cent* and the density of population increased from 258 persons per sq km to 394 persons per sq km. The State had a higher per capita income on account of higher GSDP growth rate.

This Report on the Finances of the Government of Goa is being brought out with a view to objectively assess the financial performance of the State during 2011-12 and to provide the State Government and the State Legislature with timely inputs based on audit analysis of financial data. In order to give a perspective to the analysis, an effort has been made to compare the achievements with the targets envisaged by the State Government in the Fiscal Responsibility and Budget Management Act, 2006 and Rules, 2007 as well as the budget estimates of 2011-12.

The Report

Based on the audited accounts of the Government of Goa for the year ended March 2012, this Report provides an analytical review of the Annual Accounts of the State Government. This Report is structured in three Chapters.

Chapter I is based on the audit of Finance Accounts and makes an assessment of the Government's fiscal position as on 31 March 2012. It provides an insight into trends of committed expenditure and borrowing pattern, besides giving a brief account of Central funds transferred directly to the State implementing agencies through the off-budget route.

Chapter **II** is based on audit of Appropriation Accounts and gives a grant-by-grant description of appropriations and the manner in which

the allocated resources were managed by the service delivery Departments.

Chapter III is an inventory of the Government's compliance with various reporting requirements and financial rules. The report also compiles the data collected from various Government Departments/organisations in support of the findings.

Audit findings and recommendations

Chapter I

Finances of the State Government

Oversight of funds transferred from the Government of India directly to the State implementing agencies: The Government of India directly transferred ₹ 422.23 crore to State implementing agencies during the year. The direct transfer of funds, without routing them through the state budget, ran the risk of improper monitoring of the expenditure incurred by the implementing agencies.

The Government should ensure proper accounting of the funds transferred to State implementing agencies and the updated information should be validated by the Director of Accounts, Government of Goa for proper monitoring of the expenditure incurred by the implementing agencies.

Revenue receipts: The revenue receipts during 2011-12 increased by 6.22 *per cent* over the previous year, as against the increase of 32.73 *per cent* in 2010-11 over the previous year. The decrease in the growth rate of revenue receipts in 2011-12 was mainly due to decrease in Grants from GoI by 47.55 *per cent*. The total revenue receipts increase was due to the net effect of increase in tax revenue by 19.20 *per cent*, non-tax revenue by 1.98 *per cent* and the States' share of Union taxes and duties by 16.60 *per cent*.

Revenue expenditure: The revenue expenditure constituted 82.13 *per cent* of the total expenditure and increased by 14.63 *per cent* during the current year over the previous year. Non-Plan Revenue Expenditure (NPRE) increased by 13.40 *per cent* over the previous year. The committed expenditure on salary and wages, pensions and interest payments constituted 42.41 *per* cent of revenue receipts during 2011-12, an increase of 12.74 *per cent* compared to the previous year.

Capital expenditure: Capital expenditure constituted 17.73 *per cent* of the total expenditure during the current year and decreased by three *per cent* during the current year over the previous year.

Review of Government investments: The average return on Government's investments in Statutory Corporations, Government Companies, Joint Stock Companies and Co-operatives was 0.22 *per cent* in the last five years while the Government paid an average interest rate ranging from 7.46 to 7.79 *per cent* on its borrowings during this period.

The Government should take steps to ensure better value for money in investments. Otherwise, high-cost borrowed funds will continue to be invested in projects with low financial returns. Projects which are justified on account of low financial but high socio-economic returns may be identified and prioritised with full justification for channeling high-cost borrowings there.

Debt management

During 2011-12, the Government of Goa raised market loan of ₹ 550 crore, out of which only ₹ 250 crore was reflected in Finance accounts. The balance amount of ₹ 300 crore was lying in the Suspense Account. This led to (a) understatement of Public Debt and overstatement of Suspense Account; (b) understatement of liabilities; and (c) understatement of the net availability of borrowed funds by ₹ 188.82 crore.

Debt sustainability: The fiscal liabilities at the end of the current year was ₹ 9,879 crore and stood at 22.21 *per cent* of GSDP. During 2011-12, the quantum spread together with Primary Deficit was positive, indicating an improvement towards debt stabilisation.

Fiscal correction: The fiscal parameters *i.e.* revenue, fiscal and primary deficits indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period. The significant gap between the growth of revenue receipt (6.22 *per cent*) and revenue expenditure (14.63 *per cent*) over the previous year brought the revenue surplus down to ₹ 297 crore in 2011-12 from a revenue surplus of ₹ 658 crore in 2010-11.

Chapter II

Financial Management and Budgetary Control

During 2011-12, expenditure of ₹ 7,061.43 crore was incurred against total grants and appropriations of ₹ 8,649.99 crore, resulting in

savings of ₹ 1,588.56 crore. The overall savings were the net result of savings of ₹ 1,607.44 crore, offset by an excess of ₹ 18.88 crore in one appropriation under revenue section. Excess expenditure of ₹ 18.88 crore required regularisation under Article 205 of the Constitution of India. Besides, regularisation of excess expenditure of ₹ 10.36 crore was also pending from 2007-08 to 2010-11 as of March 2012. Augmentation/reduction of provisions by re-appropriation proved either in excess of requirement or insufficient as the final expenditure of the re-appropriated sub-heads resulted in savings/excesses of over ₹ 25 lakhs in 18 major heads. In four cases, ₹ 0.75 crore was surrendered in excess of actual savings. In 46 cases, surrenders of funds amounting to ₹ 1,243 crore were made in the last month of the financial year, while in 34 grants/appropriations, savings amounting to ₹ 66.41 crore were not surrendered.

Budgetary controls should be strengthened in all the Departments, especially in those where savings/excesses have been observed. All the Departments should submit realistic budget estimates, keeping in view the trends of expenditure and the actual requirement of funds in order to avoid savings/excesses.

Chapter III

Financial Reporting

The Government's compliance with various rules, procedures and directives was lacking in various Departments, which was evident from delays in furnishing of utilisation certificates against loans and grants by various grantee institutions. Delays were also noticed in submission of annual accounts by autonomous bodies and Departmentally managed commercial undertakings. There were instances of large outstanding cases of losses and misappropriations for which Departmental action was pending for long periods. A large number of abstract contingent bills were pending adjustment at the end of March 2012.

The Government should ensure timely receipt of utilisation certificates against the financial assistance provided to grantee institutions. Departmental enquiries in respect of all misappropriation cases should be expedited to bring the defaulters to book and internal controls in all organisations should be strengthened to prevent such cases in future.

Chapter I

FINANCES OF THE STATE GOVERNMENT

Profile of Goa

Goa was liberated from the Portuguese rule and incorporated with the Indian Union as a Union Territory with Legislative Assembly in 1962. It was granted Statehood on 30 May 1987. As indicated in **Appendix 1.1**, in the last 10 years, the density of population in Goa has increased from 258 persons per sq km to 394 persons per sq km.

The State has shown higher economic growth in the past decade as the Compound Annual Growth Rate of its Gross State Domestic Product (GSDP) for the period 2002-03 to 2011-12, has been 16.64 *per cent* against 13.09 *per cent* of the General Category States. During this period, the population growth rate of the State (8.17 *per cent*) was lower than that of the General Category States (13.90 *per cent*) and higher *per capita* income in the State was on account of higher GSDP growth rate.

The social indicators *viz*., literacy rate, rate of infant mortality and life expectancy were better off than the all India average **(Appendix 1.1-Part A)**.

1.1 Introduction

This chapter is based on the audit of Finance Accounts and makes an assessment of the Goa Government's fiscal position as on 31 March 2012. It provides a broad perspective of the finances of the Government of Goa during 2011-12 and analyses critical changes observed in the major fiscal aggregates in relation to the previous year, keeping in view the overall trends during the last five years. The structure and form of Government accounts is depicted in **Appendix 1.1 Part B**. The methodology adopted for assessment of the fiscal position and norms/ceilings prescribed by the Goa Fiscal Responsibility and Budgetary Management (FRBM) Act, 2006 and Rules, 2007 of the State are given in **Appendix 1.2.**

1.2 Summary of current year's fiscal transactions

A summary of the State Government's fiscal transactions during 2011-12 *vis-à-vis* the previous year is presented in **Table 1.1** below. **Appendix 1.3** provides details of receipts and disbursements as well as the overall fiscal position during the 2011-12.

Table 1.1 Summary of current year's fiscal operations

(₹ in crore)

2010-11	Receipts	2011-12	2010-11	Disbursements	2011-12		
Section-A: Revenue					Non-Plan	Plan	Total
5441.94	**Revenue receipts**	**5780.73**	**4783.78**	**Revenue expenditure**	**4373.29**	**1110.21**	**5483.50**
2139.57	Tax revenue	2551.02	1487.04	General services	1617.89	14.69	1632.58
2268.60	Non-tax revenue	2313.54	1110.82	Social services	750.42	499.46	1249.88
584.21	Share of Union taxes/duties	680.59	1414.19	Economic services	1501.11	270.42	1771.53
449.56	Grants from Government of India	235.58	771.73	Grant-in-aid and Contributions	503.87	325.64	829.51
Section –B: Capital and others							
--	Misc Capital receipts	--	1221.20	Capital Outlay	1.56	1182.21	1183.77
14.70	Recoveries of Loans and Advances	15.59	15.92	Loans and Advances disbursed	3.91	5.51	9.42
744.80	Public Debt receipts*	536.51	207.99	Repayment of Public Debt	278.29	--	278.29
2.99	Contingency Fund	--	--	Contingency Fund	--	--	--
6993.45	Public Account receipts*	7550.47	6535.32	Public Account disbursements	--	--	7057.22
713.64	Opening Cash Balance	1147.31	1147.31	Closing Cash Balance	--	--	1018.41
13911.52	**Total**	**15030.61**	**13911.52**	**Total**			**15030.61**

(Source: Finance Accounts of the State)

** During 2011-12, the Government of Goa raised market loans of ₹ 550 crore, out of which only ₹ 250 crore was reflected in Finance Accounts under 6003-Public debt, 101- market loans. The balance amount of ₹ 300 crore was lying in 8658-Suspense Accounts, 110- Reserve Bank Suspense (under Public Account receipts). The amount has been transferred to the proper head by making a transfer entry in 2012-13 (September 2012). Public debt receipts was thus, understated by ₹ 300 crore and Public account receipts overstated by ₹ 300 crore. The said amount has been reckoned for calculation of other variables such as, liabilities, Debt-GSDP ratio, net availability of borrowed funds etc.*

The following are the major changes in fiscal transactions during 2011-12 over the previous year:

- Revenue receipts grew by ₹ 339 crore (6.22 *per cent*) over the previous year, mainly due to increase in tax revenue by ₹ 411 crore (19.20 *per cent*), non-tax revenue by 45 crore (1.98 *per cent*), share of Union taxes and duties by ₹ 97 crore (16.60 *per cent*), set off by a decrease of ₹ 214 crore (47.55 *per cent*) in grants from the Government of India (GoI).
- Revenue expenditure increased by ₹ 700 crore (14.63 *per cent*) over the previous year mainly due to increase in expenditure on Energy (₹ 281 crore), Education, Sports, Art and Culture (₹ 81 crore), Agriculture and allied activities (₹ 59 crore), Interest payments (₹ 55 crore) and Health and Family Welfare (₹ 48 crore).
- Public Debt receipt decreased by 27.91 *per cent* (₹ 208 crore) and repayment of Public Debt increased by 33.65 *per cent* (₹ 70 crore) over the previous year.

- Public Account receipts and disbursements increased by 7.96 *per cent* (₹ 557 crore) and 7.98 *per cent* (₹ 522 crore) respectively over the previous year.
- Cash balances of the Government at the end of the year 2011-12 (₹ 1,018.41 crore) decreased by ₹ 129 crore (11.24 *per cent*) over the previous year. Of the above, ₹ 559 crore was invested in GoI Treasury bills.

1.3 Fiscal reforms path in Goa

The Government of Goa enacted Fiscal Responsibility and Budget Management Act (FRBM) in 2006. Enacting the FRBM Act was important, as the State was experiencing a very high level of fiscal deficit since 1999-00 and had a large stock of debt. The outstanding debt of the State relative to GSDP increased from 30.8 *per cent* in 1999-00 to 38 *per cent* in 2005-06. Further, the Twelfth Finance Commission (TFC), as part of its fiscal restructuring plan required the states to pass Fiscal Responsibility Legislation (FRL), to phase out the revenue deficits and reduce fiscal deficits to three *per cent* of GSDP by 2008-09.

The FRBM Rules enacted in 2007 required the State Government to prepare Medium Term Fiscal Plan (MTFP) indicating three years rolling targets to ensure fiscal stability and sustainability while ensuring efficient provision of public services. Accordingly, the State Government presented the MTFP for the period 2007-08 to 2010-11 which was laid in the Legislature in February 2009.

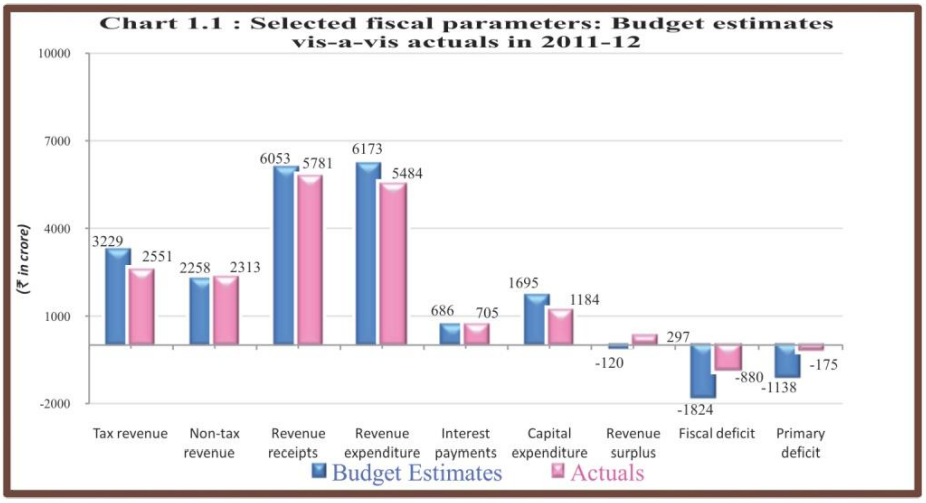
However, the rolling targets for the years 2011-12 to 2013-14 in respect of fiscal indicators specified in the FRBM rules, 2007 has not been prepared by the Finance Department (Debt Management), Government of Goa (March 2013).

1.4 Budget 2011-12

1.4.1 Actuals vis-à-vis budget estimates

Budget papers presented by the State Government provide estimation of revenue and expenditure for a particular fiscal year. The importance of accuracy in estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from budget estimates are indicative of non-attainment and non-optimisation of desired fiscal objectives.

Chart 1.1 presents the budget estimates and actuals of some important fiscal parameters for the year 2011-12.



(Source: Annual Financial Statement and Finance Accounts)

The State's revenue receipts and revenue expenditure during 2011-12 were estimated at ₹ 6,053 crore and ₹ 6,173 crore respectively. The State's revenue receipts were, however, less than the budget estimate by ₹ 272 crore (four *per cent*) due to less receipts in tax revenue as well as Grants-in-aid and contributions from GoI. The State's tax revenue (inclusive of State's share of Union taxes and duties) was less than the budget estimate by ₹ 678 crore (21 *per cent*), while the share of non-tax revenue exceeded the budget estimate by ₹ 55 crore (two *per cent*). Revenue expenditure and capital expenditure were also less than the budget estimates by ₹ 689 crore (11 *per cent*) and ₹ 511 crore (30 *per cent*) respectively. Interest payments were more than the budget estimates by ₹ 19 crore (three *per cent*). As against a projection for revenue deficit (₹ 120 crore) made in the budget estimates, a revenue surplus of (₹ 297 crore) was attained during 2011-12.

While the fiscal deficit had been contained, it was less than the budgeted level by ₹ 944 crore. The primary deficit of ₹ 175 crore was also less than the budget estimates by ₹ 963 crore.

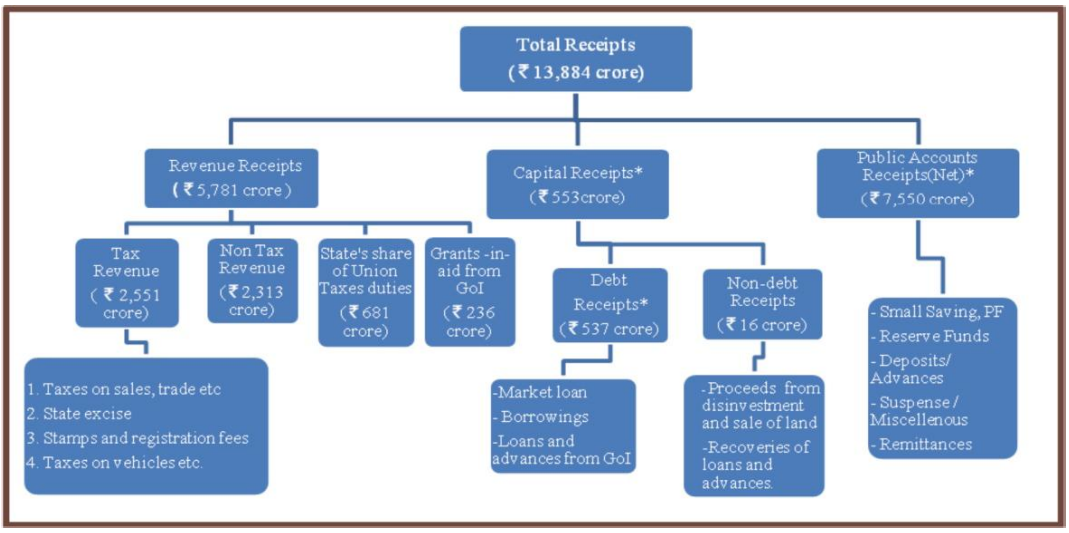
1.5 Resources of the State

1.5.1 Resources of the State as per Finance Accounts

The progress of the Government's programmes depends on its resources and the quantum of resources in any particular financial year determines the expenditure threshold of the Government.

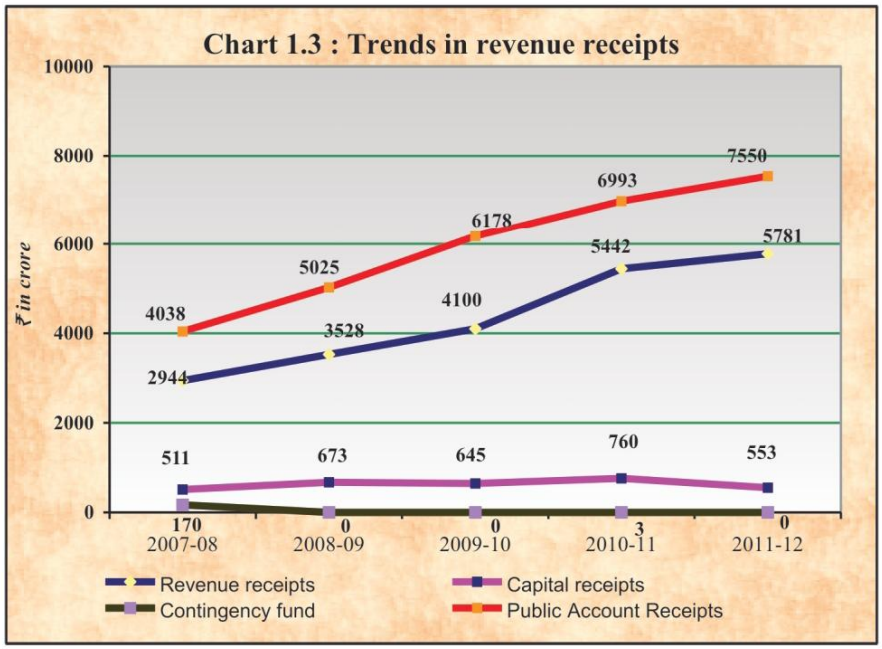
The components of the State's receipts have been categorised in **Chart 1.2**

Chart 1.2: Components and sub-components of resources

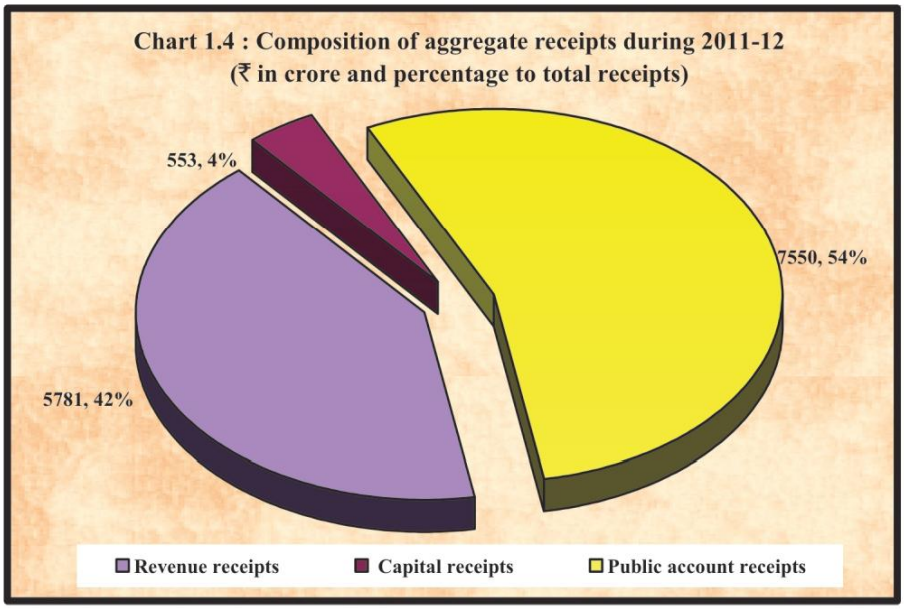


** refer note below Table 1.1*
(Source: Finance Accounts of the State)

Chart 1.3 depicts the trends in various components of receipts during 2007-12, while **Chart 1.4** depicts the composition of resources of the State during the year 2011-12.



(Source: State Finance Accounts of the respective years)



(Source: Finance Accounts of the State)

Revenue receipts formed 42 *per cent* of the total receipts during 2011-12 (details provided in **paragraph 1.6)**. While, the capital receipts and public account receipts constituted four *per cent* and 54 *per cent* of the total receipts respectively.

Market borrowing is one of the measures taken by the State Government to fulfill its development goals. The State Government raises market loans (internal debt) through Reserve Bank of India (RBI). On receipt of advice from RBI, Central Accounts Section-Nagpur, the Director of Accounts, Government of Goa clears the amount kept in Suspense head "8658-Suspense Accounts: 110 RBI Suspense-Central Accounts Section" by means of a minus credit by per contra credit to the head "6003 - Internal debt of the State: 101- Market loans".

During 2011-12, the Government of Goa raised a market loan of ₹ 550 crore[1] as State Development Loan. These loans were to be booked in the Finance Accounts under Major head 6003-Public debt. It was observed in audit that out of ₹ 550 crore, only 250 crore was shown as receipts under Public debt, while the balance of ₹ 300 crore remained in 8658-Suspense Account, 110-Reserve Bank Suspense. It was further observed that the RBI, in its quarterly statement of outstanding debt balances of the Government of Goa as on March 2012, reflected a closing balance of Market loans bearing interest as ₹ 3,061.19 crore. However, the Finance Accounts of the Government of Goa reflected an amount of ₹ 2,761.19 crore. Incidentally, the Director of Accounts confirmed (September 2012) to the RBI, the closing balance as being ₹ 3,061.19 crore, leading to a differential of ₹ 300 crore that remained unreconciled till March 2012. This also resulted in understatement of Public debt (as Capital receipts) to that extent. Further, keeping of Public debt amount in the 8658-Suspense

[1] September 2011(₹ 200 crore at 8.65 *per cent*), November 2011 (₹ 130 crore at 9.20 *per cent*), November 2011 (₹ 70 crore at 9.19 *per cent*), December 2011 (₹ 100 crore at 9.02 *per cent*) and March 2012 (₹ 50 crore at 9.23 *per cent*)

account at the end of the year resulted in understatement of the States' fiscal liabilities, as discussed under **paragraph 1.10.2.**

1.5.2 Funds transferred to State implementing agencies outside the State budget

The (GoI) has been transferring funds directly to State implementing agencies[2] for the implementation of various schemes/programmes in social and economic sectors for human and social development of the population. As these funds are not routed through the State Budget/State Treasury System, the Annual Finance Accounts do not capture the flow of these funds and to that extent, the State's receipts and expenditure as well as other fiscal variables/parameters derived from them are understated.

During the year 2011-12 the GoI directly transferred ₹ 422.23 crore to State implementing agencies. Major recipients of these funds were Goa Government (₹ 341.15 crore), State Health Society (₹ 12.43 crore), Sarva Shiksha Abhiyan Society, (₹ 10.79 crore) and State Water and Sanitation Mission (SWSM), (₹ 5.00 crore). Out of ₹ 341.15 crore transferred to the Goa Government, ₹ 263.30 crore was for the Finance Department, ₹ 28 crore for the Agriculture Department and ₹ 17.68 crore for the Directorate of Social Welfare for implementation of various schemes.

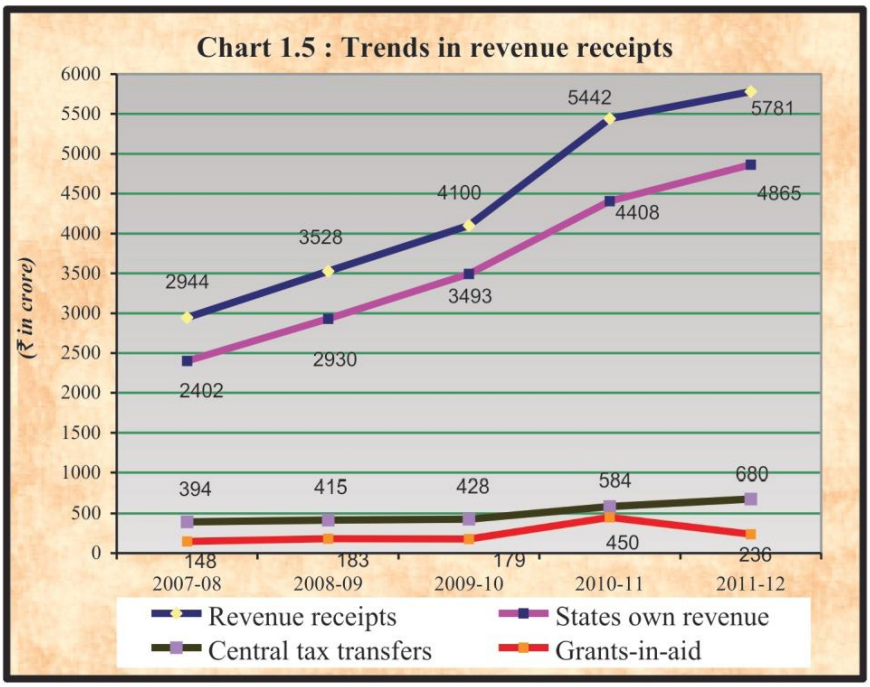
Since the funds are generally not being spent fully by the implementing agencies in the same financial year in which they are given, unspent balances remain in the bank accounts of these implementing agencies. The aggregate amount of unspent balances in the accounts of the implementing agencies, kept outside Government accounts (in bank accounts) was not readily ascertainable.

Further, direct transfers from the Union to State implementing agencies without routing them through the State budget run the risk of improper utilisation of funds by these agencies. Unless uniform accounting practices are diligently followed by all these agencies, with proper documentation and timely reporting of expenditure, it would be difficult to monitor the end use of these direct transfers.

1.6 Revenue receipts

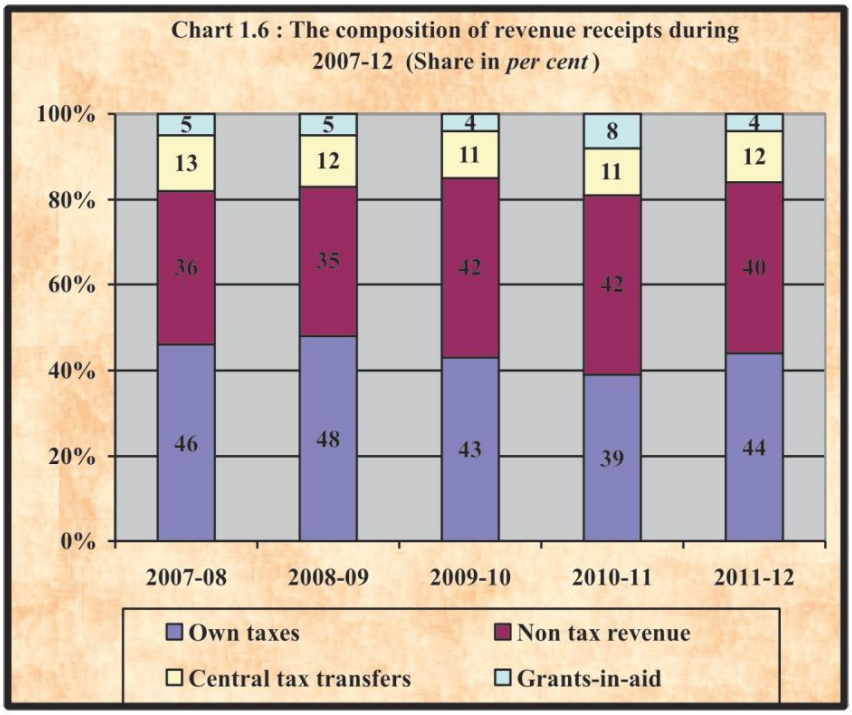
Statement 11 of the Finance Accounts details the revenue receipts of the Government. These consist of the State's own tax and non-tax revenues, Central tax transfers and grants-in-aid from GoI. The trends of revenue receipts over the period 2007-12 are presented in **Chart 1.5** and also in **Appendix 1.4**.

[2] State implementing agencies include any organisations/institutions including non-Governmental organisations which are authorized by the State Government to receive funds from the Government of India for implementing specific programmes in the State, e.g. Goa Sarva Siksha Abhiyan Society, State Health Society for NRHM *etc.*



(Source: State Finance Accounts of the respective years)

The composition of revenue receipts over the period 2007-12 are presented in **Chart 1.6.**



(Source: State Finance Accounts of the respective years)

The revenue receipts have shown a progressive increase from ₹ 2,944 crore in 2007-08 to ₹ 5,781 crore in 2011-12. On an average, 83 *per cent* of the revenue came from State's own resources during the period

2007-12. The balance was from transfers from GoI in the form of State's share of taxes and grants-in-aid and contributions.

State's own resources consist of tax revenue and non-tax revenue. The share of tax revenue in revenue receipts was between 39 and 48 *per cent* during 2007-12. Non-tax revenue as a *per cent* of revenue receipts had decreased from 36 *per cent* in 2007-08 to 35 *per cent* in 2008-09. The percentage increased to 42 in 2009-11. It further decreased to 40 *per cent* in 2011-12.

During 2002-03 to 2010-11, the State's compound growth rate of revenue receipts (14.57 *per cent*) was less than that of other General Category States (16.86 *per cent*). This growth rate for the period 2002-03 to 2011-12 further decreased to 13.61 *per cent* **(Appendix 1.1)**.

The trends in revenue receipts relative to GSDP at current prices are presented in **Table 1.2.**

Table-1.2: Trends of revenue receipts relative to GSDP

	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue Receipts (RR) *(₹in crore)*	**2944**	**3528**	**4100**	**5442**	**5781**
States' own taxes *(₹in crore)*	1359	1694	1762	2139	2551
Rate of growth of RR *(per cent)*	12.80	19.85	16.21	32.73	6.22
Rate of growth of own taxes *(per cent)*	5.18	24.65	4.01	21.39	19.26
RR/GSDP *(per cent)*	15.21	15.77	14.07	16.71	13.00
Buoyancy ratio's[3]					
Revenue Buoyancy w.r.t. GSDP	0.73	1.27	0.53	2.77	0.17
State's own taxes buoyancy w.r.t. GSDP	0.29	1.58	0.13	1.81	0.52
Gross State Domestic Product (GSDP)[¥]	**19346**	**22358**	**29126**	**32563**	**44460**
Growth rate of GSDP	17.48	15.56	30.27	11.80	36.53

(Source: Finance Accounts for the years 2007-08 to 2011-12)

[¥] *Corrected GSDP figures as intimated by Government of Goa for 2009-10 and 2010-11adopted*

The increase in revenue receipts during 2011-12 (6.22 *per cent*) as compared to previous year was due to the net effect of increase in tax revenue by 19.20 *per cent* (₹ 411 crore), non-tax revenue by 1.98 *per cent* (₹ 45 crore), the States' share of Union taxes and duties by 16.60 *per cent* (₹ 97 crore), set off by a decrease in Grants from GoI by 47.55 *per cent* (₹ 214 crore).

Revenue buoyancy, which is directly proportionate to growth of revenue receipts and GSDP, widely fluctuated during the period due to fluctuations in the growth rate of revenue receipts. During 2007-09, the higher growth rate of revenue receipts relative to GSDP increased the revenue buoyancy ratio. Revenue buoyancy ratio, which was lowest at 0.53 in 2009-10, increased to 2.77 in 2010-11 due to high increase in the growth rate of revenue receipts. During 2011-12, the revenue buoyancy

[3] Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 0.3 implies that revenue receipts tend to increase by 0.3 percentage points, if the GSDP increases by one *per cent*

ratio decreased sharply to 0.17. This was on account of decrease in growth rate of revenue receipts and increase in growth rate of GSDP from that of previous year.

The ratio of State's own tax buoyancy with reference to GSDP gradually increased from 0.29 in 2007-08 to 1.58 in 2008-09. The buoyancy of own tax ratio with respect to GSDP was lowest in 2009-10. However, it increased to 1.81 in 2010-11 but again decreased to 0.52 in 2011-12 mainly because the growth rate of tax revenue (19.26 *per cent*) was lower than the growth rate of GSDP (36.53 *per cent*).

Grants-in-aid from Government of India

The grants-in-aid from GoI decreased by 47.59 *per cent* from ₹ 449.56 crore in 2010-11 to ₹ 235.58 crore in 2011-12. The decrease was mainly under State Plan Schemes (58 *per cent*), Central Plan Schemes (31 *per cent*), Non-Plan grants (26 *per cent*) and Centrally Sponsored Plan Schemes (2 *per cent*) as shown in **(Table 1.3)**.

Table 1.3: Grants-in-aid from Government of India

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Grants for State Plan schemes	82.70	120.03	88.18	352.85	148.38
Non-Plan grants	22.15	18.02	26.60	13.66	10.05
Grants for Central Schemes	11.07	10.82	29.41	14.00	9.62
Grants for Central and Centrally Sponsored Schemes	32.53	34.25	35.12	69.05	67.53
Total	**148.45**	**183.12**	**179.31**	**449.56**	**235.58**
Percentage of increase/decrease over previous year	67.76	23.35	2.08	150.71	47.59

(Source: Finance Accounts of the State)

The decrease under grants from State Plan Schemes (₹ 204 crore) was due to decrease under (a) Block grants for State Plan Schemes (₹ 192 crore), (b) TFC grants for heritage (₹ 6 crore) and (c) Development of Western Ghats (₹ 0.95 crore). The decrease under Non-Plan Grants (₹ 3.61 crore) was reduced mainly due to decrease under modernisation of the State Police Force (₹ 2 crore).

The decreases under Centrally Sponsored Plan Schemes (₹ 1.52 crore) were mainly under (a) Career oriented programme (₹ 0.98 crore), (b) Family welfare programme (₹ 0.97 crore) set off by increase in grants under Rashtriya Krishi Vikas Yojana (₹ 17.71 crore). The decrease under Central Plan Schemes (₹ 4.38 crore) was under (a) Centre of Excellence (₹ 4.68 crore) and (b) National Service Scheme (₹ 0.12 crore) set off by an increase in grants under Integrated Development of Infrastructure for Heritage (₹ 1.62 crore).

Central tax transfers

Central tax transfers increased by 16.49 *per cent* from ₹ 584.21 crore in 2010-11 to ₹ 680.59 crore in 2011-12. The increase was mainly under Corporation Tax (₹ 39.55 crore), Customs Duty (₹ 15.86 crore), taxes on income other than Corporation Tax (₹ 15.41 crore) and Service Tax (₹ 22.94 crore).

1.6.1 State's own resources

As the State's share in Central taxes and grants-in-aid are determined on the basis of recommendations of the Finance Commission, collection of Central tax receipts, Central assistance for Plan Schemes, *etc*., the State's performance in mobilisation of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources. The gross collection in respect of major taxes and duties as well as the components of non-tax receipts and the percentage of such expenditure to the gross collection during the years from 2009-10 to 2011-12 are presented in **Appendix 1.5**.

The State's actual tax and non-tax receipts for the year 2011-12 *vis-a-vis* assessment made by XIII Finance Commission and Budget estimates are given in **Table 1.4**

Table 1.4: Revenue receipts relative to XIII FC and budget estimates

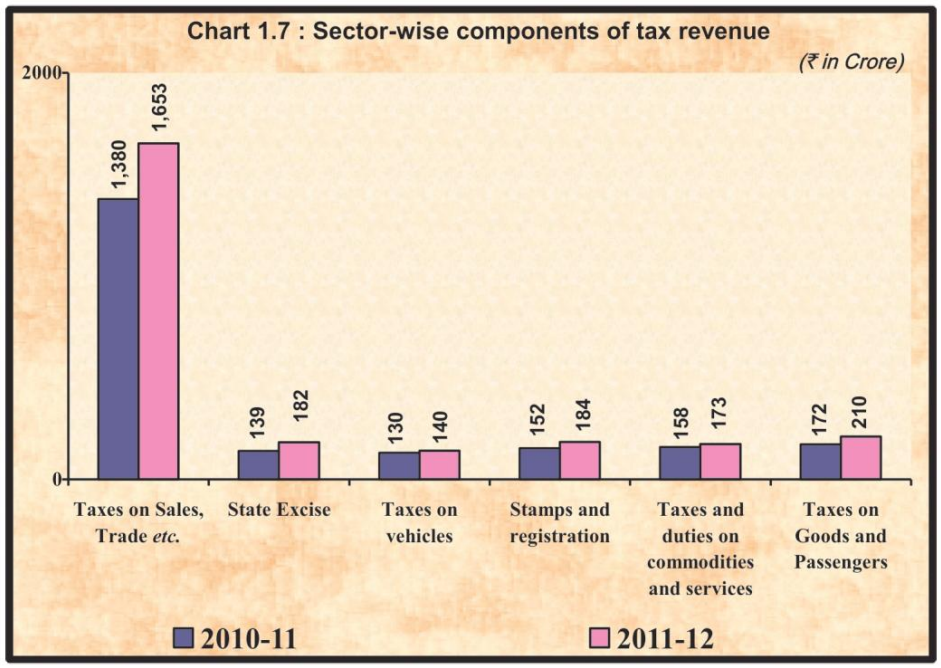
(₹ in crore)

	XIII FC projection	Budget Estimates	Actuals
Tax revenue	2516.44	3228.63	2551.02
Non-tax revenue	713.39	2258.12	2313.54

The tax revenue of the State in 2011-12 fell short of the projection made in the budget estimates by ₹ 678 crore but exceeded the XIII FC projection by ₹ 35 crore. However, non-tax revenue exceeded the budget estimates and XIII FC projection by ₹ 55 crore and ₹ 1,600 crore respectively.

Tax revenue

The tax revenue exceeded the projections made in the XIII FC projections by 1.37 *per cent*. The sector-wise components of tax revenue during the period 2010-11 to 2011-12 are shown in **Chart 1.7.**



(Source: State Finance Accounts of the respective years)

The tax revenue increased by ₹ 411 crore (19.20 *per cent)* over the previous year. The increase over the previous year was mainly under (a) taxes on Sales, Trade *etc.* by ₹ 273 crore (19.77 *per cent*) due to more tax collection under 'Value Added Tax', (b) State excise by ₹ 43 crore (30.80 *per cent*) due to receipt of more excise duty on 'Malt liquor', medicinal and toilet preparation containing alcohol, opium *etc.*, Foreign liquors, spirits *etc.,* (c) stamps and registration fees by ₹ 32 crore (21 *per cent*) due to more collection of Stamp Duty and Registration fee and (d) taxes on vehicles by ₹ 10 crore (7.69 *per cent*) due to more receipts under the 'Indian Motor Vehicles Act' and 'State Motor Vehicles Taxation Act.'

During 2002-03 to 2010-11, the compound growth rate of tax revenue (17.17 *per cent*) was more than the growth rate of other General Category States (16.74 *per cent*). This growth rate for the period 2002-03 to 2011-12 increased to 17.40 *per cent* **(Appendix 1.1)**.

The tax revenue as a percentage of GSDP (5.73 *per cent*) was much below the normative assessment of XIII FC (8.15 *per cent*).

Non-tax revenue

The non-tax revenue of the State marginally increased by 1.98 *per cent* (₹ 45 crore) from 2,268.60 crore in 2010-11 to 2,313.54 crore in 2011-12. The increase over the previous year was mainly under (a) Power (₹ 31.43 crore), (b) Water supply and sanitation (₹ 16.51 crore), and receipt of more sale proceeds of 'Lottery tickets' booked under 'Miscellaneous General Services' (₹ 7.61 crore).

During 2002-03 to 2010-11, the compound growth rate of non-tax revenue (10.26 *per cent*) was less than the growth rate of other General

Category States (12.84 *per cent*). This growth rate for the period 2002-03 to 2011-12 further decreased to 9.30 *per cent* **(Appendix 1.1)**.

The non-tax revenue as a percentage of GSDP (5.20 *per cent*) was higher the normative assessment of XIII FC (2.31 *per cent*).

1.6.2 Loss of revenue due to evasion of taxes, write off/waivers

Five hundred and nine cases of evasion of taxes/duties were detected by the Commissioner of State Excise during 2011-12 as against 219 cases detected during the previous year. Investigations/assessments of 220 cases were completed and 289 cases were pending as on 31 March 2012. During the year, losses amounting to ₹ 8.69 lakh in 58 cases were written off by competent authorities as detailed below:

Table 1.5: Cases of loss of revenue

Sl. No.	Name of Department/Office	No. of Cases	Amount (*In* ₹)
1.	Dean, Goa Dental College & Hospital	1	12032
2.	Director, Animal Husbandry & Veterinary Services	22	128400
3.	General Administration Department	1	3600
4.	Director, Health Services	26	217569
5.	Director, Agriculture	2	18257
6.	State Director of Craftsman Training	1	192748
7.	Administrative Medical Officer, E.S.I. Scheme	3	219111
8.	Additional Principal Chief Conservator of Forests	1	66692
9.	Director of Accounts	1	10350
	Total	**58**	**868759**

(Source: Information furnished by concerned Departments)

1.6.3 Revenue arrears

The arrears of revenue as on 31 March 2012 in respect of some principal heads of revenue as furnished by the Departments amounted to ₹ 728.61 crore as indicated in **Table 1.6.**

Table 1.6: Revenue arrears

(₹in crore)

Head of Revenue	Amount of arrears as on 31 March 2012	Arrears more than three years old	Cases pending in court		Revenue arrears pending recovery	Amount of arrears as on 31 March 2008
			No.	Amount		
Commercial Taxes	561.31	204.92	1247	18.27	543.04	216.56
State Excise	0.93	0.07	-	-	0.93	0.27
Taxes on vehicles	7.24	2.20	24	0.07	7.17	7.51
Chief Engineer – Water Resources Department						
i) Water Tax	1.20	0.97	147	0.03	1.17	1.00

ii) Water Charges	30.40	32.45	-	-	30.40	41.46
iii) Rent on shops	2.75	2.01	3	0.01	2.74	1.89
iv) Hire charges of machinery	0.34	0.22	-	-	0.34	0.35
Chief Engineer - Public Works Department						
i) Rent of Building/ Shops	0.42	0.20	2	-	0.42	0.42
ii) Water charges, meter rent and sewerage charges	21.82	10.19	2404	5.60	16.22	15.03
Chief Electrical Engineer[@]						
Energy charges	73.58	-	3319	18.62	54.96	168.09
Agriculture	0.20	0.20	4	-	0.20	3.15
Printing & Stationery	0.55	-	-	-	0.55	1.61
Tourism	0.30	0.18	9	0.26	0.04	0.53
Director General of Police	0.25	0.15	1	0.02	0.23	-
Collector, South Goa						
Land Tax	0.22	0.18	-	-	0.22	-
Revenue recovery cases	27.10	15.98	1466	0.09	27.01	-
Total	**728.61**	**269.92**	**8626**	**42.97**	**685.64**	**457.87**

(Source: Information furnished by concerned Departments)

The arrears of revenue increased by 59.13 *per cent* during the last five years from ₹ 457.87 crore in 2007-08 to ₹ 728.61 crore at the end of 2011-12, which accounted for 14.98 *per cent* of the State's own resources during the year. Of the total outstanding arrears in 2011-12, ₹ 269.92 crore was outstanding for more than three years and only ₹ 685.64 crore was pending recovery.

1.7 Application of resources

Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with them. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising the public expenditure financed by deficit or borrowings. It is, therefore, important to ensure that the ongoing fiscal correction and consolidation process at the State level is not at the cost of expenditure especially directed towards development and social sectors.

1.7.1 Growth and *composition of expenditure*

The total expenditure and its compositions during the years 2007-08 to 2011-12 are presented in the **Table 1.7.**

[@] Excluding information pertaining to Divisions – I (Panaji), III (Ponda), IV (Margao) and XIV (Verna)

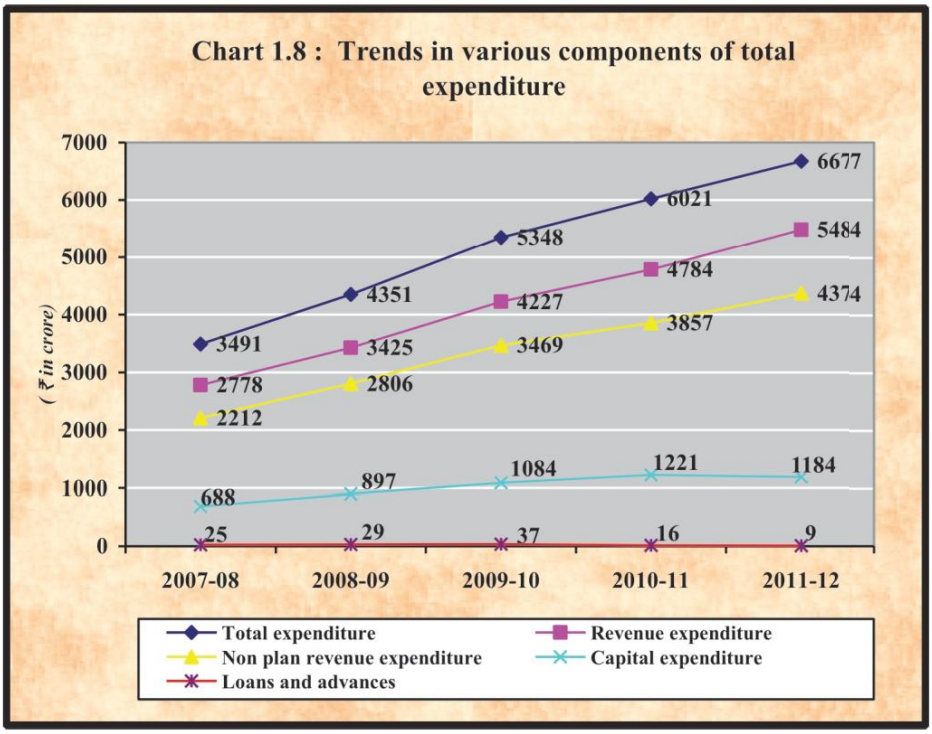
Table 1.7: Total expenditure and its composition

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Total Expenditure	**3491**	**4351**	**5348**	**6021**	**6677**
Revenue Expenditure	2778	3425	4227	4784	5484
of which, Non-Plan Revenue Expenditure	*2212*	*2806*	*3469*	*3857*	*4373*
Percentage of revenue expenditure to total expenditure	79.57	78.71	79.03	79.45	82.13
Capital Expenditure	688	897	1084	1221	1184
Percentage of capital expenditure to total expenditure	**19.70**	**20.61**	**20.26**	**20.27**	**17.73**
Loans and Advances	25	29	37	16	9

(Source : Finance Accounts of the State)

Chart 1.8 presents the trends in total expenditure over a period of last five years (2007-12) and its composition both in terms of 'economic classification' and 'expenditure by activities' are depicted in **Charts 1.9 and 1.10** respectively.



(Source: Finance Accounts of the State)

Total expenditure

The total expenditure of the State increased at an average growth rate of 22.81 *per cent* from ₹ 3,491 crore in 2007-08 to ₹ 6,677 crore in 2011-12. The total expenditure, its annual growth rate, the ratio of expenditure to the GSDP and to revenue receipts and its buoyancy with respect to GSDP and revenue receipts are indicated in **Table 1.8**.

During 2002-03 to 2010-11, the compound growth rate of total expenditure (13.30 *per cent*) was less than the growth rate of other General Category States (14.58 *per cent*). This growth rate decreased to 13.03 *per cent* for the period 2002-03 to 2011-12 **(Appendix 1.1)**.

Table 1.8: Total expenditure – basic parameters

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Total expenditure (TE)	3491	4351	5348	6021	6677
Rate of growth *(per cent)*	12.50	24.63	22.91	12.58	10.89
Revenue receipts	2944	3528	4100	5442	5781
Rate of growth RR *(per cent)*	12.79	19.83	16.21	32.73	6.22
TE/GSDP ratio *(per cent)**	18.04	19.46	18.36	18.49	15.01
RR /TE ratio *(per cent)*	84.33	81.08	76.66	90.38	86.58
Buoyancy of total expenditure with reference to :					
GSDP (ratio)*	0.715	1.582	0.756	1.066	0.298
RR (ratio)	0.977	1.241	1.413	0.384	1.749

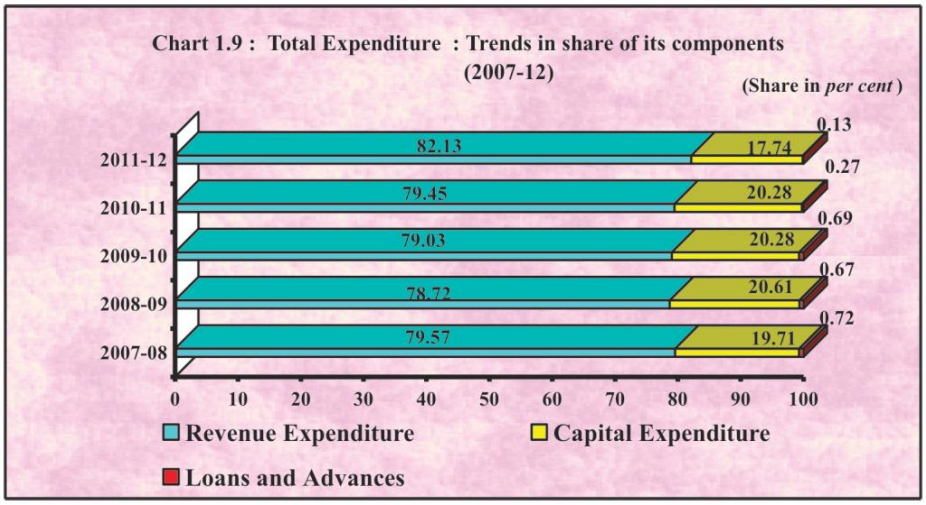
(Source: Finance Accounts of the State)

**Corrected GSDP figures as intimated by Government of Goa for 2009-10 and 2010-11adopted*

The increase of ₹ 656 crore (10.89 *per cent*) in total expenditure in 2011-12 over the previous year was mainly on account of an increase of ₹ 700 crore in revenue expenditure, set off by a decrease of ₹ 37 crore in capital expenditure and of ₹ seven crore in disbursement of loans and advances.

The ratio of total expenditure to GSDP decreased from 19.46 *per cent* in 2008-09 to 15.01 *per cent* in 2011-12, mainly due to increase in the GSDP at a faster rate as compared to total expenditure. The ratio of revenue receipts to total expenditure decreased from 84.33 *per cent* in 2007-08 to 76.66 *per cent* in 2009-10. However, it gradually increased to 90.38 *per cent* in 2010-11, but decreased to 86.58 *per cent* in 2011-12, which shows that 86.58 *per cent* of the total expenditure was met from revenue receipts.

The buoyancy of total expenditure with reference to GSDP increased from 0.715 in 2007-08 to 1.582 in 2008-09, but decreased to 1.066 in 2010-11. However, it further decreased to 0.298 in 2011-12. This indicated that for each one *per cent* increase in GSDP, total expenditure grew by 0.298 *per cent*.



(Source: Finance Accounts of the State)

Revenue expenditure

Revenue expenditure constituted 82.13 *per cent* of the total expenditure **(Chart 1.9)**. The increase in revenue expenditure was mainly on (a) Energy (₹ 281.29 crore), (b) Education, sports, arts and culture (₹ 81 crore), (c) Agriculture and allied activities (₹ 59 crore), (d) Interest Payments (₹ 55 crore), (e) Health and family welfare (₹ 48 crore), (f) Water supply and sanitation (₹ 41 crore), (g) Pension and other Retirement Benefits (₹ 41 crore), and (h) Transport (₹ 21 crore).

Capital expenditure

Capital expenditure constituted 17.73 *per cent* of the total expenditure **(Chart 1.9)**. The decrease of ₹ 37 crore (3.04 *per cent*) in capital expenditure during 2011-12 was mainly on account of decrease in expenditure on Transport (₹ 38 crore), Public works (₹ 27 crore), Power (₹ 22 crore) and Education, sports, arts and culture (₹ 17 crore).

Loans and advances

Loans and advances constituted less than one *per cent* of the total expenditure **(Chart 1.9)**. The decrease of ₹ 6.50 crore in disbursement of loans and advances during 2011-12 was mainly in loans to Government servants (₹ eight crore) set off by an increase in loans under agriculture and allied activities (₹ one crore).

The buoyancy of total expenditure with reference to revenue receipts rose to 1.41 during the period 2009-10 from 0.97 in 2007-08 indicating increase in expenditure at a pace greater than that of receipts. However, the ratio declined to 0.38 during 2010-11 but again increased to 1.74 during 2011-12.

During the period 2007-12, the buoyancy of total expenditure with reference to GSDP was less than one except during the period 2008-09 and 2010-11, when it was 1.582 and 1.066 respectively. The decrease was due to the combined effect of low rate of growth in expenditure along with a high rate of growth in GSDP during these years (except 2008-09

and 2010-11). This indicated a relative fall in the State's propensity to spend, with the increase in GSDP.

Of the total expenditure during 2011-12, Non-Plan expenditure contributed 66 *per cent* while Plan expenditure was 34 *per cent*. Of the increase of ₹ 656 crore in total expenditure in 2011-12, the Plan expenditure accounted for 23 *per cent*, while Non-Plan expenditure contributed 87 *per cent* of the same.

During 2002-03 to 2010-11, the compound growth rate of capital expenditure (24.91 *per cent*) was higher than the growth rate of other General Category States (21.25 *per cent*). This growth rate for the period 2002-03 to 2011-12, however, decreased to 21.45 *per cent* **(Appendix 1.1)**.

Trends in total expenditure in terms of activities

In terms of the activities, total expenditure could be considered as being composed of expenditure on General Services including interest payments, Social and Economic Services, grants-in-aid and loans and advances. Relative shares of these components in the total expenditure are indicated in **Table 1.9** and **Chart 1.10**.

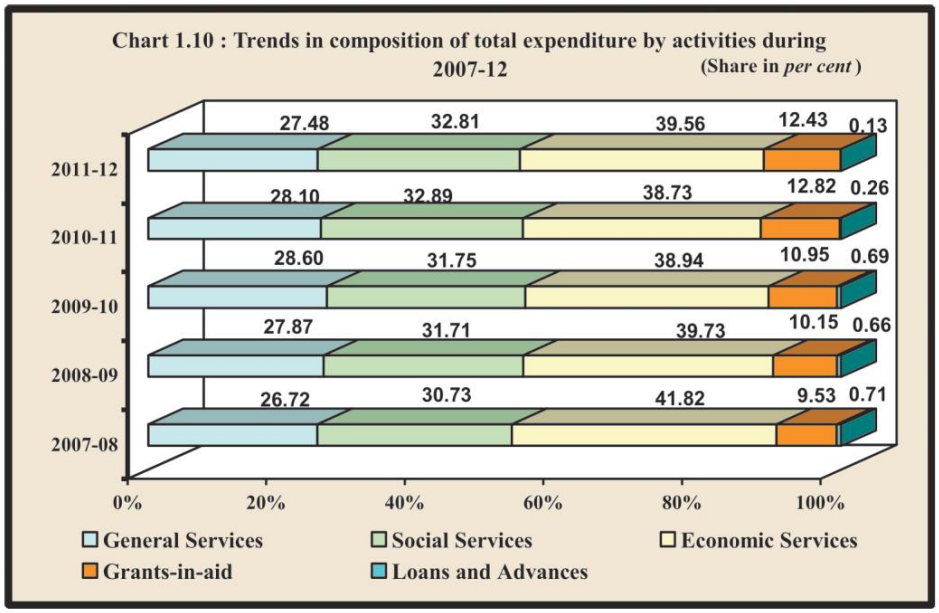
Table-1.9: Components of expenditure – relative shares

(in per cent)

	2007-08	2008-09	2009-10	2010-11	2011-12
General Services	**26.72**	**27.87**	**28.60**	**28.10**	**27.48**
of which, Interest Payments	12.80	11.69	10.90	10.79	10.55
Social Services	**30.73**	**31.71**	**31.75**	**32.89**	**32.81**
Economic Services	**41.82**	**39.73**	**38.94**	**38.73**	**39.56**
Grants-in-aid	**9.53**	**10.15**	**10.95**	**12.82**	**12.43**
Loans and Advances	**0.71**	**0.66**	**0.69**	**0.26**	**0.13**

(Source: Finance Accounts of the State)

It may be seen from **Table 1.9** that the movement of the relative shares of the above components of expenditure indicated that except for Economic Services, there was decrease in the shares of General Services, Social Services, grants-in-aid and loans and advances during 2011-12 over the previous year.



The shares of General Services in total expenditure decreased mainly due to decrease in Stamps and Registration (₹ 0.64 crore) and Jails (₹ 0.32 crore). The decrease in the share of Social Services decreased mainly due to Education, sports, arts and culture (₹ 16.55 crore), Labour and labour welfare (₹ 3.84 crore) and Information and broadcasting (₹ 2.11 crore).

The increase in the share of Economic Services during the period 2011-12 was mainly due to Energy (₹ 281.29 crore), Agriculture and allied activities (₹ 59.02 crore) and Transport (₹ 21.14 crore). The decrease in grants-in-aid was mainly due to decrease under the head 'Block grants for State Plan Schemes' (₹ 191.68 crore), set off by an increase under the head 'Grants towards contribution to State Disaster Response Fund' (₹ 2.16 crore).

The decrease in the share of Loans and advances was mainly due to less release of loans to Government servants over the previous year by ₹ eight crore.

Incidence of revenue expenditure

The bulk of total expenditure goes towards revenue expenditure. Revenue expenditure is incurred to maintain the current level of services and payment for past obligations and as such, does not result in any addition to the State's infrastructure and service network. Revenue expenditure had the predominant share of around 82.13 *per cent* in the total expenditure during 2011-12. The overall revenue expenditure, its rate of growth, the ratio of revenue expenditure to GSDP and to revenue receipts and its buoyancy are indicated in **Table 1.10.**

Table 1.10: Revenue expenditure – basic parameters

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue Expenditure (RE), *of which*	**2778**	**3425**	**4227**	**4784**	**5484**
Non-Plan Revenue Expenditure (NPRE)	2212	2806	3469	3857	4374
Plan Revenue Expenditure (PRE)	566	619	758	927	1110
Rate of Growth of					
RE (*per cent*)	12.51	23.29	23.41	13.17	14.63
NPRE (*per cent*)	11.43	26.85	23.62	11.18	13.40
PRE (*per cent*)	16.94	9.36	22.45	22.29	19.74
Revenue Expenditure as percentage to TE	79.57	78.71	79.03	79.45	82.13
NPRE/GSDP (*per cent*)*	11.43	12.55	11.91	11.84	9.83
NPRE as percentage of TE	63.36	64.49	64.86	64.05	65.50
NPRE as percentage of RR	75.13	79.53	84.60	70.87	75.66
Buoyancy of Revenue Expenditure with					
GSDP (ratio)*	0.715	1.495	0.773	1.116	0.400
Revenue Receipts (ratio)	0.977	1.174	1.444	0.402	2.348

(Source : Finance Accounts of the State)

**Corrected GSDP figures as intimated by Government of Goa for 2009-10 and 2010-11adopted*

The revenue expenditure increased by ₹ 700 crore (14.63 *per cent*) over the previous year. The buoyancy ratio of revenue expenditure with reference to both GSDP and revenue receipts fluctuated widely. The revenue expenditure was less (11.17 *per cent*) than the assessment made by the State Government in its budget estimates for the year 2011-12.

Plan Revenue Expenditure

The Plan Revenue Expenditure increased by ₹ 183 crore (19.74 *per cent*) during the year, mainly due to increase in expenditure under education, sports, arts and culture (₹ 72.21 crore), agriculture and allied activities (₹ 46.85 crore), health and family welfare (₹ 32.49 crore) and social welfare and nutrition (₹ 14.40 crore).

Non-Plan Revenue Expenditure

The Non-Plan Revenue Expenditure (NPRE) constituted a dominant share of 79.75 *per cent* in the revenue expenditure and increased by ₹ 517 crore (13.40 *per cent*) over the previous year. The variations in NPRE under the major heads indicate increase in expenditure under General Services (₹ 148.57 crore), Energy (₹ 276 crore), Water supply, Sanitation, Housing and Urban Development (₹ 38.40 crore), Health and Family Welfare (₹ 15.59 crore) set off by a decrease in expenditure under Social Welfare and Nutrition (₹ 7.47 crore).

The NPRE as percentage of revenue receipts increased from 75.13 *per cent* in 2007-08 to 84.60 *per cent* in 2009-10 but reduced to 75.66 *per cent* in 2011-12, indicating that 75.66 *per cent* of the revenue receipts were used to meet the NPRE.

The NPRE as a percentage of GSDP (9.83 *per cent*) was higher than the normative assessment of XIII FC (7.99 *per cent*).

Subsidies

Subsidies during the years 2007-08 to 2011-12 are presented in the **Table 1.11**.

Table 1.11: Subsidies

(₹ in crore)

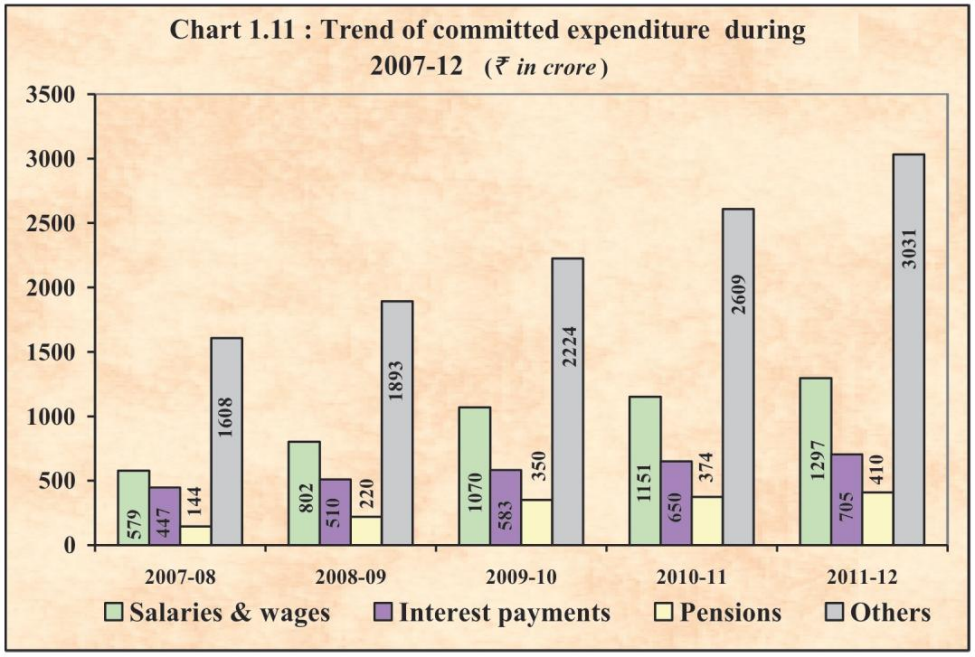
	2007-08	2008-09	2009-10	2010-11	2011-12 BE	2011-12 Actuals
Subsidies	36.27 (1)	55.16 (2)	58.12 (1)	72.02 (1)	129.74 (2)	102.59 (2)
Total Revenue Expenditure	2778	3425	4227	4784	6174	5484
Revenue Receipts	2944	3528	4100	5442	6053	5781

(Source : Finance Accounts of the State)
Figures in parentheses indicate percentage to Revenue Receipts

Table 1.11 indicates that expenditure under subsidies increased by 42 *per cent* from ₹ 72.02 crore in 2010-11 to ₹ 102.59 crore in 2011-12. The subsidies as a percentage of revenue receipts remained at one *per cent* during the period 2009-11. During the current year, subsidies constituted about two *per cent* of the total revenue expenditure. The major recipients of subsidy include Marine fisheries (₹ 13.51 crore), Dairy development (₹ 2.05 crore), and Co-operatives (₹ 1.72 crore).

1.7.2 Committed expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages and pensions. **Chart 1.11** and **Table 1.12** present the trends in the expenditure on these components during 2007-12.



(Source: Finance Accounts of the State)

Table 1.12 Components of Committed expenditure

(₹ in crore)

Components of Committed Expenditure	2007-08	2008-09	2009-10	2010-11	2011-12 BE	2011-12 Actuals
Salaries & Wages						
Non-Plan Head	*467.39*	*670.83*	*903.88*	*967.89*	*1162.52 (19.21)*	*1097.27 (18.98)*
*Plan Head***	*111.14*	*131.44*	*166.60*	*182.73*	*300.20 (4.96)*	*239.30 (4.14)*
Total	**578.53 (19.65)**	**802.27 (22.74)**	**1070.48 (26.11)**	**1150.62 (21.14)**	**1462.72 (24.16)**	**1336.57* (23.12)**
Interest Payments	447.00 (15.18)	510.00 (14.46)	583.00 (14.22)	650.36 (11.95)	686.29 (11.34)	705.17 (12.20)
Pensions	144.36 (4.90)	219.71 (6.23)	349.65 (8.53)	373.81 (6.87)	500.00 (8.26)	410.30 (7.10)
Total Committed expenditure[4]	**1169.89 (39.73)**	**1531.98 (43.42)**	**2003.13 (48.85)**	**2174.79 (39.96)**	**2649.01 (43.06)**	**2452.04 (42.41)**
Other Components	1608.11 (54.62)	1893.02 (53.66)	2224.34 (52.83)	2608.99 (47.94)	3524.60 (58.23)	3031.46 (52.44)
Total Revenue Expenditure	**2778.00**	**3425.00**	**4227.47**	**4783.78**	**6173.61**	**5483.50**
Revenue Receipts	**2944.00**	**3528.00**	**4100.27**	**5441.94**	**6053.06**	**5780.73**

(Source : Finance Accounts of the State)
Figures in parentheses indicate percentage to Revenue Receipts
** Salaries : ₹ 1318.25 crore (Finance Accounts) + Wages : ₹ 18.32 crore (Finance Accounts)*
*** Plan Head also includes the salaries and wages paid under Centrally Sponsored Schemes*

Salaries and Wages

The average annual growth in salaries and wages during 2007-12 was 32.75 *per cent*. The expenditure on salaries and wages (including grants-in-aid component) increased by ₹ 185.95 crore (16.16 *per cent*) from ₹ 1,150.62 crore in 2010-11 to ₹ 1,336.57 crore in 2011-12 which contributed 23.12 *per cent* of the total Revenue receipts.

During 2002-03 to 2010-11, the compound growth rate of salary and wages (16.77 *per cent*) was higher than the growth rate of other General Category States (13.43 *per cent*). This growth rate for the period 2002-03 to 2011-12 further increased to 16.70 *per cent* **(Appendix 1.1)**.

Pension payments

The expenditure on pension payments increased at an average annual growth of 46.05 *per cent* from ₹ 144.36 crore in 2007-08 to ₹ 410.30 crore in 2011-12.

The increase in pension payments of ₹ 36.49 crore (9.76 *per cent*) during 2011-12 over the previous year was due to more expenditure on Superannuation and retirement allowances, gratuities, family pensions and pensions to employees of State aided educational institutions. The

[4] Differs from previous year State Finance Report figures as Subsidy has been excluded from the total Committed Expenditure

pension payments during 2011-12 (₹ 410.30 crore) was less than the normative assessments made in the budget estimates by ₹ 89.70 crore.

During 2002-03 to 2010-11, the compound growth rate of pension (12.97 *per cent*) was lower than the growth rate of other General Category States (16.89 *per cent*). This growth rate for the period 2002-03 to 2011-12 further decreased to 12.59 *per cent* **(Appendix 1.1)**.

In order to limit future pension liabilities, the Government had introduced the Defined Contribution Pension Scheme for employees recruited after 05 August 2005. An amount of ₹ 73.05 crore towards employee's contribution and employer's share was deposited during 2011-12 under the head '8342-Other Deposits, 117-Defined Contribution Pension Scheme for Government employees. The State Government's liability on this account as on 31 March 2012 was ₹ 204.17 crore.

The Directorate of Accounts stated (May 2012) that 16,049 employees of the State Government of Goa are registered under New Pension Scheme and an amount of ₹ 11.42 crore has been transferred to National Securities Depository Limited (Pension Fund Manager) as on 31 March 2012. The process for transfer of balance funds to the Fund Manager was stated to be under consideration (November 2012).

Interest payments

The expenditure on interest payments increased at an average annual growth of 14.43 *per cent* from ₹ 447 crore in 2007-08 to ₹ 705.17 in 2011-12, primarily due to an increase in debt liabilities. However, relative to revenue receipts, interest payments revealed a marginal declining trend. They declined from 15.18 *per cent* in 2007-08 to 11.95 *per cent* in 2010-11, but increased during 2011-12 (12.20 *per cent*).

During 2011-12, the State Government raised open market loans of ₹ 550 crore[5] at an average interest rate of 9.05 *per cent*. The Government also borrowed ₹ 169.32 crore from the National Small Savings Fund and other institutions and ₹ 117.19 crore from GoI during the year.

The increase in interest payments by ₹ 54.81 crore over the previous year was mainly due to more interest on market loan (₹ 22 crore), interest on special securities issued to the National Small Savings Fund of the Central Government (₹ 2.26 crore), interest on State Provident Fund (₹ 14.67 crore) and interest on deposits (₹ 13.78 crore).

1.7.3 Financial assistance by State Government to local bodies and other institutions

The quantum of assistance provided by way of grants and loans to local bodies and others during 2011-12 relative to the previous years is presented below:

[5] Refer note below Table 1.1 and paragraph 1.5.1

Table 1.13: Financial assistance to local bodies and other institutions

(₹ in crore)

Sl No.	Institutions	2007-08	2008-09	2009-10	2010-11	2011-12
1	Educational Institutions (Aided Schools, Aided Colleges, Universities, *etc.*)	232.32	318.17	411.90	530.61	516.61
2	Municipal Corporations and Municipalities	43.77	50.38	63.67	78.36	71.56
3	Zilla Parishads and Other Panchayati Raj Institutions	35.68	51.17	60.85	74.22	34.80
4	Other Institutions	32.16	28.64	53.78	52.88	212.82
	Total	**343.93**	**448.36**	**590.20**	**736.07**	**835.79**
	Assistance as per percentage of RE	12.38	13.09	13.96	15.39	15.24

(Source : Finance Accounts of the State)

It would be seen from **Table 1.13** that the financial assistance to local bodies and other institutions by the Government increased from ₹ 343.93 crore in 2007-08 to ₹ 835.79 crore in 2011-12. As compared to previous year, the assistance increased by 13.54 *per cent.*

Financial assistance to local bodies and other institutions constituted 15.24 *per cent* of the revenue expenditure during 2011-12.

1.7.3.1 State Finance Commission

The Second State Finance Commission (SSFC) was set up in August 2005 to recommend devolution of powers, functions, responsibilities and resources to Urban Local Bodies (ULBs). The Commission submitted its report in December 2007 and recommended devolution of all the 11 functions to ULBs for economic development and social justice as listed in the Goa Municipalities Act, 1968. Of the 11 functions to be devolved on the ULBs, only eight functions and one activity in one function have been transferred as of March 2012.

Similarly, the SSFC recommended devolution of all the 28 functions and 74 activities to VPs and 25 functions and 47 activities to ZPs for economic development and social justice as listed in I and II schedules respectively of the Goa Panchayat Raj Act, 1994. The Government constituted a Group of Ministers to study the recommendations of the SSFC on the activity mapping. The report of the Group of Ministers was awaited (February 2013). The period covered by the SSFC ended in March 2012 but the Government did not take a decision on its implementation (February 2013).

The Third SSSFC for the five year period 2012-13 to 2016-17 had also not been constituted by the Government as of February 2013.

1.7.3.2 Audit arrangements

The audit of ULBs and VPs is carried out by the CAG under section 14 of CAG's (Duties, Powers and Conditions of Service) Act, 1971. The Government of Goa has entrusted Technical Guidance and Supervision

over accounts and audit of Local Bodies to the CAG in November 2006. The CAG is the sole auditor for ZPs. The audit is conducted under section 20 (1) of the CAG's DPC Act, 1971.

1.8 Quality of expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects *viz*., adequacy of the expenditure (*i.e.* adequate provisions for providing public services); efficiency of expenditure use and effectiveness (assessment of outlay-outcome relationships for select services).

1.8.1 Adequacy of public expenditure

The expenditure responsibilities relating to the social sector and the economic infrastructure assigned to the State Governments are largely State subjects. Enhancing human development levels requires the States to step up their expenditure on key social services like education, health *etc*. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector, if it is below the respective national average. An analysis of the fiscal priority of the State Government with regard to development expenditure, social expenditure and capital expenditure during 2008-09 and 2011-12 has been indicated in **Table 1.14**.

Table 1.14: Fiscal priority of the State in 2008-09 and 2011-12

Fiscal priority by the State	AE/ GSDP	DE#/AE	SSE/ AE	CE/ AE	Education, sports, art and culture/ AE	Health and family welfare/AE
*General Category States Average (Ratio) 2008-09	17.00	67.09	34.28	16.47	15.41	3.97
Goa's Average (Ratio) 2008-09	17.12	71.59	31.83	20.61	13.92	5.58
General Category Average (Ratio) 2011-12	16.09	66.44	36.57	13.25	17.18	4.30
Goa Average (Ratio) 2011-12	15.01	72.45	32.85	17.73	15.39	6.03

(Source: For GSDP, information collected from Ministry of Statistics and Programme Implementation)

*General Category States exclude three states i.e. Delhi, Goa and Puducherry
AE: Aggregate Expenditure; DE: Development Expenditure, SSE: Social Sector Expenditure, CE: Capital Expenditure
Development Expenditure includes Development Revenue Expenditure, Development Capital expenditure and Loans and Advances disbursed

As shown in **Table 1.15**, the comparison of fiscal priority given to different categories of expenditure of the State in 2008-09 and 2011-12 (Second year of the XIII FC award period) is given below.

- The ratios of AE to GSDP in 2008-09 in the State (17.12 *per cent*) was higher as compared to the ratio of other General Category States (17 *per cent*). While in 2011-12, it was lower (15.01 *per cent*) than the ratio of other General Category States (16.09 *per cent*). This indicated that during 2011-12, General Category States was spending more as a proportion of their GSDP when compared to Goa.
- Development expenditure[6] as a proportion of aggregate expenditure in the State was higher than the General Category State's average in 2008-09 and 2011-12. Development expenditure consists of both economic and social service sector expenditure. The social sector expenditure as a proportion of aggregate expenditure in the State remained lower than that of the General Category States in 2008-09 and 2011-12. As observed from the **Table 1.14**, adequate priority needs to be given to education sector as the ratio under this sector was below the General Category States average during 2008-09 and 2011-12.
- Priority to capital expenditure has been given by the State Government in 2008-09 and 2011-12, as the ratio of capital expenditure to aggregate expenditure has been higher than the average ratio of General Category States.
- Significant improvement was observed in the ratio of expenditure on health and family welfare to AE which increased from 5.58 *per cent* in 2008-09 to 6.03 *per cent* in 2011-12, indicating that priority given to these areas in Goa was higher than that in other General Category States.

1.8.2 Efficiency of expenditure use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the State Governments to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public[7] and merit goods[8]. Apart from improving the allocation towards development expenditure, particularly in view of the fiscal space being created on account of decline in debt servicing in recent years, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue

[6]The expenditure data is segregated into development and non development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances are categorised into Social Services, Economic Services and General Services. Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.

[7] *Core public* goods are those which all citizens enjoy in common in the sense that each individual's consumption of such goods leads to no subtractions from any other individual's consumption of those goods, e.g. enforcement of law and order, security and protection of citizen's rights; pollution free air and other environmental goods and road infrastructure *etc*.

[8] *Merit goods* are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of concept of need, rather than ability and willingness to pay the Government and therefore wishes to encourage their consumption. Examples of such goods includes the provision of free or free or subsidised food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation *etc*.

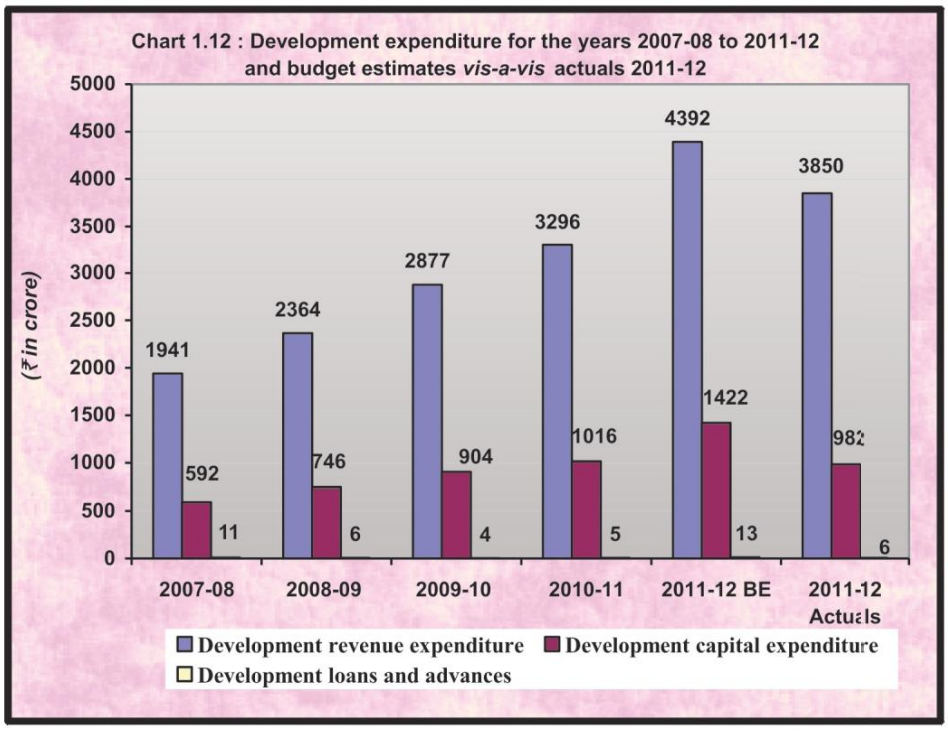
expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. **Table 1.15** and **Chart 1.12** present the trends in DE relative to the AE of the State during the current year *vis-à-vis* budget estimates of the current year and the actual expenditure during the previous years.

Table 1.15: Development expenditure

(₹ in crore)

Components of Development Expenditure	2007-08	2008-09	2009-10	2010-11	2011-12	
					BE	Actuals
Development Expenditure (a to c)	2544 (72.90)	3116 (71.60)	3785 (70.80)	4317 (71.70)	5827 (44.75)	4838 (72.45)
a. Development Revenue Expenditure	1941 (55.60)	2364 (54.30)	2877 (53.80)	3296 (54.74)	4392 (35.85)	3850 (57.66)
b. Development Capital Expenditure	592 (17.00)	746 (17.10)	904 (16.90)	1016 (16.87)	1422 (11.60)	982 (14.71)
c. Development Loans and Advances	11 (0.30)	6 (0.20)	4 (0.10)	5 (0.080)	13 (0.10)	6 (0.08)

(Source : Finance Accounts of the State)
Figures in the parentheses indicate as per cent to total expenditure



(Source: Finance Accounts of the State)

Development revenue expenditure

The development revenue expenditure increased by ₹ 554 crore from ₹ 3,296 crore in 2010-11 to ₹ 3,850 crore in 2011-12. The increase was under Social Services (₹ 177 crore) and Economic Services (₹ 377 crore).

The actual development revenue expenditure was less than the State's projection in the budget by ₹ 542 crore.

Development capital expenditure

The development capital expenditure decreased by ₹ 34 crore from ₹ 1,016 crore in 2010-11 to ₹ 982 crore in 2011-12. The decrease under Economic Services was ₹ 67 crore (mainly under transport, energy and irrigation and flood control) while the increase under Social Services was ₹ 33 crore (mainly under water supply, sanitation, housing and urban development and health and family welfare). The actual development capital expenditure was less than the State's projection in the budget by ₹ 440 crore.

Development loans and advances

Development loans and advances increased by ₹ one crore during the year 2011-12. The actual development loans and advances were less than the State's projections in the budget by ₹ seven crore.

Table 1.16 provides the details of capital expenditure and the component of revenue expenditure incurred on the maintenance of the selected social and economic services.

Table 1.16: Efficiency of expenditure use in selected Social and Economic Services

(in per cent)

Social/Economic Infrastructure	2010-11		2011-12	
	Share of CE to TE	Share of salaries in RE	Share of CE to TE	Share of salaries in RE
Social Services (SS)				
Education, sports, arts and culture	8.95	24.20	6.77	26.56
Health and Family Welfare	4.55	72.35	5.75	70.51
Water supply, sanitation and housing and urban development	24.64	9.48	28.79	9.17
Total (SS)	**10.38**	**29.66**	**11.87**	**34.24**
Economic Services (ES)				
Agriculture & Allied Activities	13.16	47.10	11.38	36.28
Irrigation and Flood Control	73.22	34.49	71.66	36.78
Power & Energy	18.02	13.98	12.88	11.80
Transport	65.66	22.75	60.51	23.18
Total (ES)	**34.74**	**20.29**	**28.12**	**18.16**
Total (SS+ES)	**23.56**	**25.33**	**21.09**	**25.93**

(Source: Finance Accounts of the State for the year 2010-11 and 2011-12)
TE: Total expenditure in the concerned sub sector; CE: Capital Expenditure; RE: Revenue Expenditure

The trends presented in **Table 1.16** reveal that development capital expenditure as a percentage to total expenditure decreased from 23.56 in

2010-11 to 21.09 in 2011-12. The percentage of capital expenditure on Social Services to the total expenditure increased from 10.38 in 2010-11 to 11.87 in 2011-12. The increase was mainly seen under water supply, sanitation, housing and urban development and health and family welfare. The percentage of capital expenditure on Economic Services to the total expenditure decreased from 34.74 in 2010-11 to 28.12 in 2011-12. The decrease was mainly seen under Transport and Power and Energy.

The share of salaries in revenue expenditure increased from 25.33 *per cent* in 2010-11 to 25.93 *per cent* in 2011-12. The share of salaries in revenue expenditure on Social services increased from 29.66 *per cent* in 2010-11 to 34.24 per *cent* in 2011-12. The increase was mainly under Education, Sports, Art and Culture. The share of salary and wages in revenue expenditure on Economic Services decreased from 20.29 *per cent* in 2010-11 to 18.16 *per cent* in 2011-12. The decrease was under Agriculture and allied activities and Power and Energy.

1.9 Analysis of Government expenditure and investments

In the post-FRBM framework, the State is expected to keep its fiscal deficit (and borrowings) not only at low levels but also meet its capital expenditure/investment (including loans and advances) requirements. In addition, in a transition to complete dependence on market-based resources, the State Government needs to initiate measures to earn adequate returns on its investments and recover its cost of borrowed funds rather than bearing the same on its budget in the form of implicit subsidy and take requisite steps to infuse transparency in financial operations. This section presents the broad financial analysis of investments and other capital expenditure undertaken by the Government during the current year *vis-à-vis* previous years.

1.9.1 Financial results of irrigation works

Irrigation works have not been declared as commercial undertakings in the State of Goa. Hence, the financial results in respect of irrigation works have not been worked out. However, the Government incurred expenditure of ₹ 33.19 crore on maintenance of irrigation projects in the State during the year, which was ₹ 6.63 crore less than the maintenance expenditure during the previous year (₹ 39.82 crore). However, there was an increase in the salary component from ₹ 12.25 crore in 2010-11 to ₹ 16.89 crore in 2011-12.

1.9.2 *Incomplete projects*

As of 31 March 2012, there were 85 incomplete projects valuing more than ₹ one crore each, on which ₹ 1,571 crore had already been expended. Department-wise information of the incomplete projects is given in **Table 1.17.**

Table 1.17: Department-wise Profile of Incomplete Projects

(₹in crore)

Department	Number of incomplete projects	Initial budgeted cost	Revised total cost of projects	Cost over run	Cumulative actual expenditure as on 31.3.2012
Public Works Department	80	204.64	Not available	Not available	109.59
Water Resources Department	4	9.60	--	--	5.96
(i) Tillari Irrigation Project	1	217.22	1612.15	1394.93	1455.73
Total	**85**	**431.46**	**1612.15**	**1394.93**	**1571.28**

(Source: Finance Accounts of the State and information received from Goa Tillari Irrigation Development Corporation)

The Tillari Irrigation project, a joint venture of the Government of Maharashtra and the Government of Goa, which commenced in 1986 remained incomplete mainly due to insufficient budgetary support and is expected to be completed in March 2014.

1.9.3 Investments and returns

As of 31 March 2012, Government had invested ₹ 401.17 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives (**Table 1.18**). The average return on this investment was 0.22 *per cent* in the last five years while the Government paid average interest rate of 7.62 *per cent* on its borrowings during 2007-12.

Table 1.18: Return on investment

Investment/Return/Cost of Borrowings	2007-08	2008-09	2009-10	2010-11	2011-12
Investment at the end of the year *(₹ in crore)*	299.17	329.66	362.75	382.16	401.17
Return *(₹ in crore)*	0.33	0.89	1.15	0.19	1.48
Return *(per cent)*	0.11	0.27	0.32	0.04	0.36
Average rate[9] of interest on Govt. borrowing *(per cent)*	7.46	7.64	7.79	7.62	7.59
Difference between interest rate and return *(per cent)*	7.35	7.37	7.47	7.58	7.23

(Source : Finance Accounts of the State)

The increase in investments of ₹ 19.01 crore during 2011-12 was mainly attributable to increased capital contributions to the Kadamba Transport Corporation (₹ seven crore), Goa State Scheduled Caste and Other Backward Classes Development Corporation (₹ 2.50 crore), Goa State Scheduled Tribe Finance and Development Corporation (₹ seven crore), Co-operative sugar mill (₹ 2.50 crore).

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

1.9.4 Departmental commercial undertakings

There are two Departmentally managed quasi-commercial undertakings *viz.*, the Electricity Department and the River Navigation Department in the State. **Table 1.19** depicts the Department-wise position of the investments made by the Government up to the year for which *proforma* accounts have been finalised, net profits/loss as well as return on capital invested in these undertakings.

Table 1.19: Summarised financial statement of Departmentally managed quasi-commercial undertakings

(₹ in crore)

Sl. No.	Name of the under-taking	Period of accounts	Amount invested by Govern-ment	Turn-over/ income	Net profit/ loss	Accumu-lated profit/ loss	Interest on capital	Total return	Percent-age of return on capital
1	Electricity Department	2006-07	639.87	737.95	152.27	584.46	--	152.27	23.80
2	River Navigation Department	2005-06	108.29	1.07	(-)10.53	106.68	0.41	(-)10.12	Nil

An amount of ₹ 748.16 crore had been invested by the State Government in the Electricity Department and the River Navigation Department at the end of the financial year up to which their accounts were finalised. As per the accounts for the year 2006-07, the Electricity Department earned a net profit amounting to ₹ 152.27 crore against a capital investment of ₹ 639.87 crore, thereby yielding a rate of return of 23.80 *per cent*.

The River Navigation Department (RND) was incurring losses every year and the accumulated loss as at the end of the year 2005-06 was ₹ 106.68 crore against the total investment of ₹ 108.29 crore. The Government needs to review the working of RND so as to wipe out its losses in the short run and to make itself sustaining in the medium to long term. Though this was reported in Audit Reports for the year 2008-09, 2009-10 and 2010-11, no Action Taken Report has been received from the State Government.

1.9.5 Loans and advances by State Government

In addition to investments in co-operative societies, corporations and companies, the Government has also been providing loans and advances to many of these institutions/organisations. **Table 1.20** presents the outstanding loans and advances as on 31 March 2012, interest receipts *vis-à-vis* interest payments during the last three years.

Table 1.20: Average interest received on loans advanced by the State Government

(₹ in crore)

Quantum of loans/interest receipts/cost of borrowings	2009-10	2010-11	2011-12
Opening Balance	90.05	114.54	115.76
Amount advanced during the year	37.22	15.92	9.42
Amount repaid during the year	12.73	14.70	15.59
Closing Balance	**114.54**	**115.76**	**109.59**
of which Outstanding balance for which terms and conditions have been settled	--	--	--
Net addition	(+) 24.49	(+)1.22	(-) 6.17
Interest Receipts	1.90	1.87	1.85
Interest receipts as percentage of outstanding Loans and advances	1.86	1.62	1.64
Interest payments as percentage of outstanding fiscal liabilities of the State Government	7.38	7.23	7.35
Difference between interest payments and interest receipts (*per cent*)	(-) 5.52	(-)5.61	(-) 5.71

(Source: Finance Accounts of the State)

As could be seen from the **Table 1.20** the total outstanding loans and advances as on 31 March 2012 was ₹ 109.59 crore. The amount of loans disbursed decreased from ₹ 15.92 crore in 2010-11 to ₹ 9.42 crore in 2011-12. Out of the total amount of loans and advances paid during the year, ₹ 2.90 crore went to Social Services and ₹ 2.61 crore to Economic Services. Under the Social services the loans were disbursed to education, sports, art and culture[10] whereas under Economic Services, the loans went to Co-operatives (₹ 2.61 crore). Recovery of loans and advances increased from ₹ 14.70 crore to ₹ 15.59 crore during the current year, mainly on account of more recoveries from Loans to Government servants (₹ 1.77 crore).

However, interest received against these loans increased from 1.62 *per cent* during 2010-11 to 1.64 *per cent* only in 2011-12. Interest spread of Government borrowings was negative during 2009-12 which meant that the State's borrowings were more expensive than the loans advanced by it.

1.9.6 Cash balances and investment of cash balances

Table 1.21 and **Chart 1.13** depict the cash balances and investments made by the State Government out of cash balances during the year.

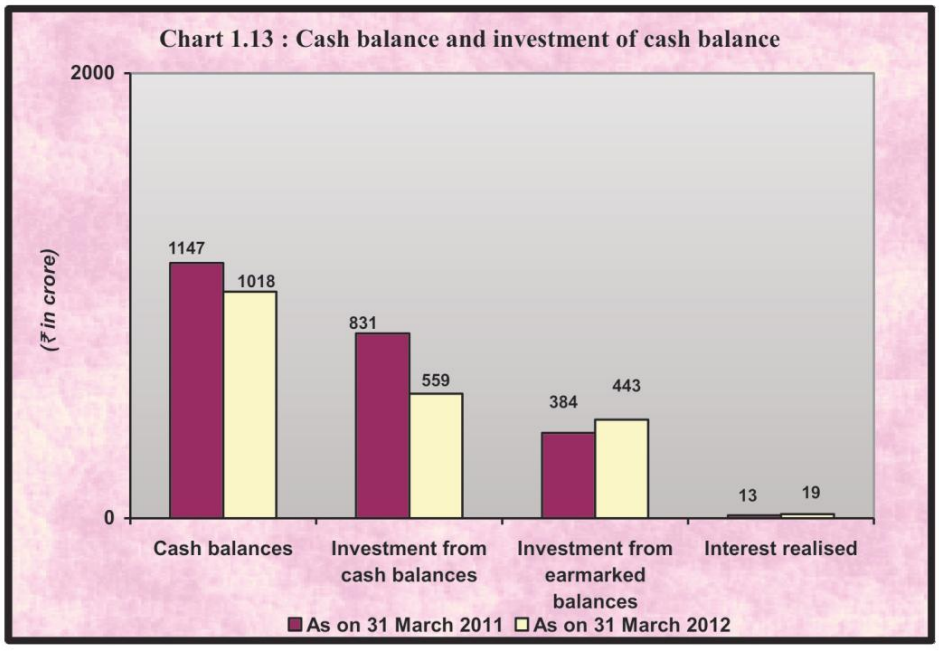
[10] University and higher education (₹ 2.90 crore)

Table 1.21: Cash balances and investment of cash balances

(₹ in crore)

Particulars	As on 31 March 2011	As on 31 March 2012	Increase (+)/ Decrease(-)
Cash in treasuries	--	--	--
Deposits with Reserve Bank	**(-) 69.20**	**14.75**	**83.95**
Remittances in transit-Local	--	--	--
Cash with the Departmental officers	**1.48**	**1.48**	--
Permanent advance for contingent expenditure with Departmental officers	**0.16**	**0.17**	**0.01**
Investments from cash balances (a to d)	**831.08**	**558.63**	**(-) 272.45**
a. GoI Treasury Bills	829.81	557.10	(-) 272.71
b. GoI Securities	--	--	--
c. Other Securities, if any specify	--	--	--
d. Other Investments	1.27	1.53	0.26
Funds-wise break-up of investment from Earmarked balances (a to c)	**383.79**	**443.38**	**59.59**
a. General and other Reserve Funds	133.20	156.98	23.78
b. Sinking Fund	250.59	286.40	35.81
c. Miscellaneous Deposits	--	--	--
Total Cash Balances	**1147.31**	**1018.41**	**(-) 128.90**
Interest Realised	*12.86*	*19.28*	*6.42*

(Source : Finance Accounts of the State)



(Source: Finance Accounts of the State)

The cost of holding surplus cash balances was high. The interest received on investment of cash balances in 'RBI Investment in Treasury Bills' was

3.45 *per cent* during 2011-12, while average interest paid by Government on its borrowings during the year was 7.59 *per cent*.

The State Government's cash balances at the close of the year 2011-12 (₹ 1,018 crore) decreased by 11.23 *per cent* over the previous year. Of the above, ₹ 559 crore was invested in GoI Treasury Bills which earned an interest of ₹ 19.28 crore during the year. Further, ₹ 443 crore was invested in earmarked funds. No ways and means advances or overdrafts were taken during the year.

1.10 Assets and Liabilities

1.10.1 Growth and composition of assets and liabilities

In the existing cash-based Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.3 Part B** gives an abstract of such liabilities and the assets as on 31 March 2012, compared with the corresponding position as on 31 March 2011. While the liabilities consist mainly of internal borrowings, loans and advances from the GoI, receipts from the Public Account and Reserve Funds, the assets mainly comprise the capital outlay and loans and advances given by the State Government and cash balances.

1.10.2 Fiscal liabilities

The composition of fiscal liabilities during the current year *vis-à-vis* the previous year is presented in **Charts 1.14** and **1.15.**

Chart 1.14 : Composition of outstanding fiscal liabilities as on 31.03.2011 (₹ in crore)

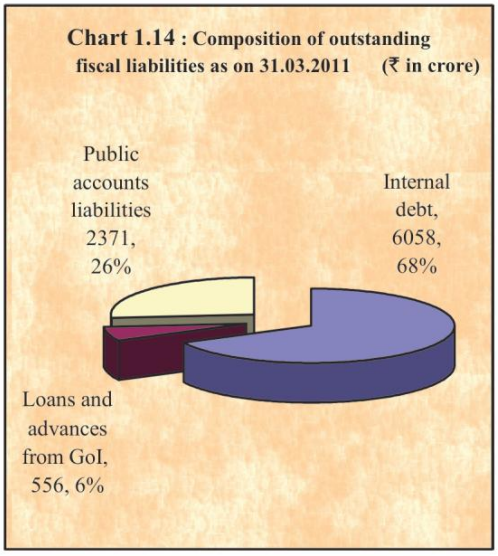
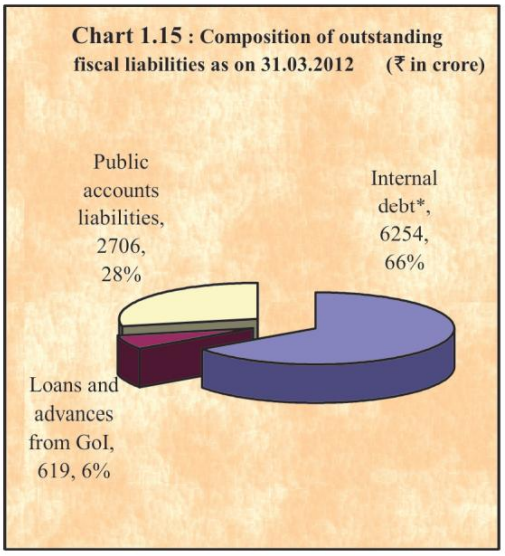


Chart 1.15 : Composition of outstanding fiscal liabilities as on 31.03.2012 (₹ in crore)



(Source: Finance Accounts)
*refer note below Table 1.1 and paragraph 1.5.1

Table 1.22 gives the fiscal liabilities of the State, their rate of growth, the ratio of these liabilities to GSDP, to revenue receipts and to the State's own resources as also the buoyancy of fiscal liabilities with reference to these parameters.

Table 1.22: Fiscal liabilities – basic parameters

	2007-08	2008-09	2009-10	2010-11	2011-12
Fiscal Liabilities (₹ *in crore*)	6289	7058	8075	8985	9579[#]
Rate of Growth (*per cent*)	10.44	12.22	14.40	11.26	6.61
Ratio of Fiscal Liabilities to					
GSDP (*per cent*)*	32.50	31.56	27.72	27.59	21.54
Revenue Receipts (*per cent*)	213.62	200.05	196.95	165.10	165.69
Own Resources (*per cent*)	462.76	416.64	458.28	419.85	375.49
Buoyancy of Fiscal Liabilities with reference to :					
GSDP (ratio)	0.597	0.785	0.476	0.954	0.180
Revenue Receipts (ratio)	0.816	0.616	0.888	0.344	1.061
Own Resources (ratio)	2.015	0.496	3.589	0.526	0.343

** Corrected GSDP figures as intimated by Government of Goa for 2009-10 and 2010-11adopted*
refer note below table 1.1 and paragraph 1.5.1

The overall fiscal liabilities of the State increased at an average annual rate of 13.07 *per cent* during the period 2007-12. With the announcement of the economic stimulus recommended by XIII FC, fiscal deficit limit was raised to 3.5 and four *per cent* of GSDP during the years 2008-09 and 2009-10 respectively. This resulted in growth of fiscal liabilities at 12.22 and 14.40 *per cent* respectively. Thereafter, the growth rate decreased from 11.26 *per cent* in 2010-11 to 6.61 *per cent* in 2011-12.

Of the total fiscal liabilities, the share of public debt was maximum (72 *per cent)*, followed by small savings, provident fund[11] *etc.* (15 *per cent)*, deposits[12] (11 *per cent)* and reserve funds (2 *per cent).* Fiscal liabilities increased by ₹ 594 crore from ₹ 8,985 crore in 2010-11 to ₹ 9,579 crore in 2011-12, mainly due to increase in Public Debt (₹ 258 crore), Small Savings and Provident Funds (₹ 171 crore), Deposits (₹ 157 crore) and Reserve Funds (₹ 7 crore). The buoyancy of fiscal liabilities with respect to GSDP during 2011-12 was 0.180, indicating that for each one *per cent* increase in GSDP, fiscal liabilities grew by 0.180 *per cent*.

It is important to note that market loan of ₹ 300 crore raised by the Government during 2011-12 was not booked to the proper head (6003-Internal debt of the State) in the Finance Accounts until 31 March 2012. The amount was lying in the 8658-Suspense account. Had the actual figure of internal debt (₹ 6,553 crore) of the State been taken in the Finance Accounts, the fiscal liabilities of the State would have been rightly depicted at ₹ 9,879 crore. Consequently, the growth rate *per cent* of fiscal liabilities during 2011-12 would have shot up to 9.94 *per cent* from 6.61 *per cent* and the debt to GSDP ratio from 21.54 *per cent* to

[11] Small Savings and Provident Fund include State Provident Fund and Pension Funds which are liable to be repaid by the Government to the subscribers and depositors

[12] Deposits include Security Deposits, Deposits from Government Companies, Corporations *etc.*, Defined Contribution Pension Scheme for Government Employees and Civil Deposits, which are liable to be repaid by the Government to the subscribers and depositors

22.21 *per cent.* However, the debt to GSDP ratio (22.21 *per cent)* was still lower than the projections made in XIII FC (31.90 *per cent*). These liabilities were around 1.7 times the revenue receipts and four times the State's own resources at the end of 2011-12.

1.10.3 Transactions under reserve fund

Reserves and reserve funds are created for specific and well defined purposes under the Sector 'J' in the accounts of the State Government (Public Account). These funds are fed by contributions or grants from the Consolidated Fund of India or State or from outside agencies. The contributions are treated as expenditure under the Consolidated Fund. These form debits to the Consolidated Fund. The expenditure relating to the fund is initially accounted under the Consolidated Fund itself for which the vote of the legislature is obtained. At the end of the year, at the time of closure of accounts, the expenditure relating to the fund is transferred to Public Account under the concept of gross budgeting through an operation of deduct entry in accounts. This forms credit to the Fund. The funds may be further classified as 'Funds carrying interest' and 'Funds not carrying interest'. There were three reserve funds earmarked for specific purposes, are shown in the **Table 1.23**.

Table 1.23: Reserve funds

(₹ in crore)

Classification	Opening balance	Receipt	Payment	Closing balance
8121- State Disaster Response fund	12.49	4.67	0.61	16.55
8222- Sinking funds	250.58	35.81	--	286.39
8235- Guarantee Redemption fund	125.90	17.63	--	143.53
Total	**388.97**	**58.11**	**0.61**	**446.47**

(Source: Finance Accounts of the State)

The total accumulated balance in these funds was ₹ 446.47 crore and the investment out of this balance was ₹ 443.38 crore (99 *per cent*) as on 31 March 2012.

1.10.4 Status of guarantees – contingent liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended.

The maximum amount for which guarantees were given by the State and outstanding guarantees for the last three years as given in the Statement 9 of the Finance Accounts (Volume II), are summarised in **Table 1.24.**

Table 1.24: Guarantees given by the Government of Goa

(₹ in crore)

Guarantees	2009-10	2010-11	2011-12
Maximum amount guaranteed	602.60	341.62	305.08
Outstanding amount of guarantees	147.84	170.02	173.19
Percentage of maximum amount guaranteed to total revenue receipt	14.70	6.27	5.27

(Source: Finance Accounts of the State)

The FRBM Act, 2006 specified that the Government should cap the total outstanding guarantees within the specified limit under the Goa State Guarantees Act, 1993. The Goa Legislature had fixed a limit of ₹ 800 crore on the outstanding guarantees in March 2005. The outstanding guarantees at ₹ 173 crore during 2011-12 were well within the ceiling limit specified by the Legislature. The outstanding guarantees during 2011-12 were 0.38 *per cent* of the GSDP.

The State has set up a Guarantee Redemption Fund during 2003-04 with the objective of meeting the payment of obligations arising out of the guarantees issued by the State Government on behalf of State level bodies The State Government has exempted the borrowing institutions from the payment of guarantee fees. The amount invested against this fund as on 31 March 2012 was ₹ 143.53 crore. No guarantee was invoked during 2011-12.

1.11 Debt sustainability

Apart from the magnitude of debt of the State Government, it is important to analyse various indicators that determine the debt sustainability of the State.

The debt sustainability is defined as the ability of the State to maintain a constant debt-GDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt, therefore, also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep a balance between costs of additional borrowings and returns from such borrowings. It means that rise in fiscal deficit should match the increase in capacity to service the debt.

This section assesses the sustainability of debt of the State Government in terms of debt stabilisation, sufficiency of non-debt receipts, net availability of borrowed funds, burden of interest payments (measured by interest payments to revenue receipts ratio) and maturity profile of State Government securities. **Table 1.25** analyses the debt sustainability of the State according to these indicators for the period of three years beginning from 2009-10.

Table 1.25: Debt sustainability: indicators and trends

Indicators of debt sustainability	2009-10	2010-11	2011-12
Debt Stabilisation *(₹ in crore)* (Quantum Spread + Primary Deficit)	(-) 213.70	715.85	2425.25
Sufficiency of non-debt receipts (Resource Gap) *(₹ in crore)*	(-) 422.00	(-) 669.00	(-) 316.00
Net Availability of Borrowed Funds *(₹ in crore)*	261.00	260.00	(-) 111.18
Burden of Interest Payments(IP/RR Ratio) (in *per cent*)	0.14	0.11	0.12

Debt stabilisation

A necessary condition for stability states that if the rate of growth of the economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided the primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate–interest rate) and quantum spread (Debt multiplied by rate spread), the debt sustainability condition states that if the quantum spread together with primary deficit is zero, the debt-GSDP ratio would be constant or debt would stabilise eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be high, indicating unsustainable levels of public debt and in case it is positive, debt-GSDP ratio would be low, indicating sustainable levels of public debt.

Table 1.25 reveals that the sum of quantum spread and primary deficit since 2010-11 was positive indicating the tendency towards debt stabilisation which would eventually improve the debt sustainability position of the State in ensuing years.

Sufficiency of non-debt receipts

Another indicator of debt sustainability is the adequacy of the incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

Negative resource gap indicates the non-sustainability of debt while the positive resource gap indicates the capacity of the State to sustain the debt. **Table 1.25** reveals that the resource gap was negative during the period 2009-12, indicating the continuing risk of non-sustainability of debt.

During the year 2011-12, despite positive indicators in terms of debt stabilisation, the negative resource gap (₹ 316 crore) was a matter of concern. This was a result of insufficiency of the incremental non-debt receipt (₹ 340 crore) to meet the incremental primary expenditure (₹ 601 crore) and incremental interest payments (₹ 55 crore). Thus, the State needs to step up its resource mobilisation as well as prune unproductive expenditure to maintain debt stability.

Net availability of borrowed funds

Net availability of borrowed funds is defined as the ratio of debt redemption (Principal+Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption.

Table 1.25 reveals that the net availability of borrowed funds decreased from ₹ 261 crore in 2009-10 to ₹ 260 crore in 2010-11, however, it showed a negative figure (₹ 111.18 crore) during 2011-12.

During 2011-12, Government raised internal debt of ₹ 323.61 crore, GoI loans of ₹ 212.90 crore and other obligations of ₹ 715.58 crore. It also repaid internal debt of ₹ 127.96 crore, GoI loans of ₹ 150.33 crore and discharged other obligations of ₹ 379.82 crore and paid interest of ₹ 705.16 crore resulting in net decrease in debt receipts by ₹ 111.18 crore during the year.

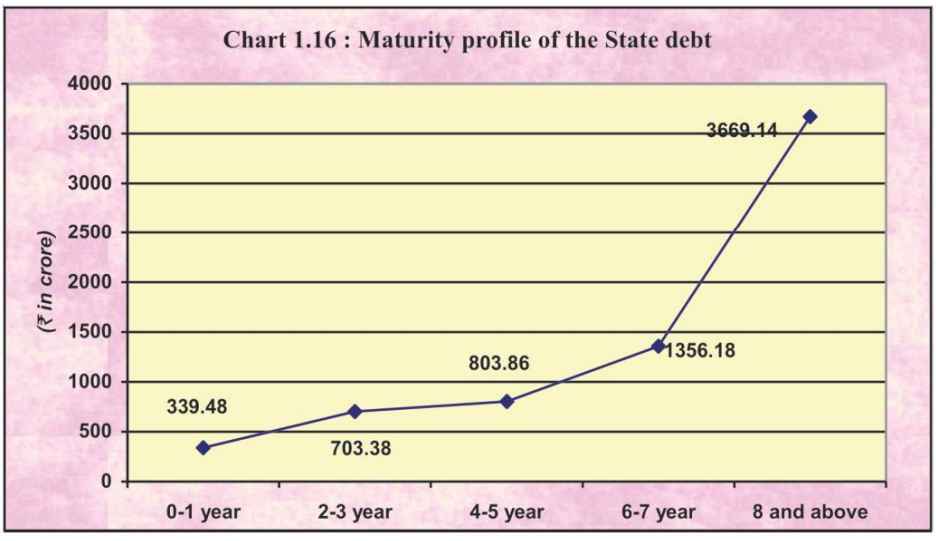
As discussed in paragraph 1.5.1, an understatement of ₹ 300 crore in Public debt receipts, if correctly depicted in the Finance Accounts, would have showed a positive figure of ₹ 188.82 crore as net availability of borrowed funds, instead of a negative figure of ₹ 111.18 crore.

Table 1.26: Maturity profile of State debt

(₹ in crore)

Maturity Profile (in years)	Amount	*Per cent*
0 – 1	339.48	4.94
2 – 3	703.38	10.23
4 – 5	803.86	11.70
6 – 7	1356.18	19.74
8 and above	3519.65	51.21
Loans pertaining to Ex-Union Territory	149.49	2.18
Total	**6872.04**	**100.00**

(Source: Finance Accounts of the State)



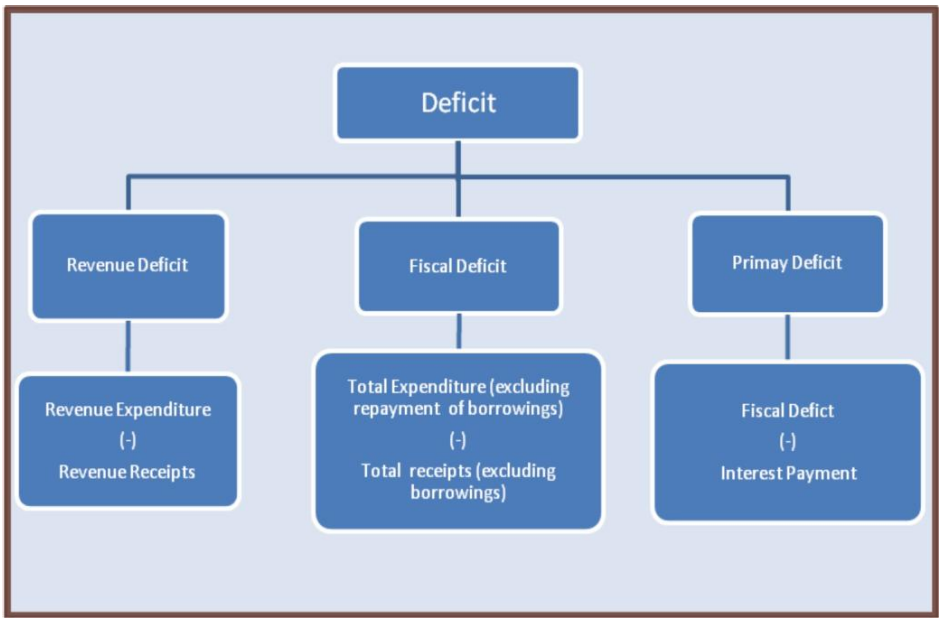
(Source : Finance Accounts of the State)

The maturity of the State debt as per **Table 1.26** and **Chart 1.16** indicates that nearly 26.87 *per cent* of the total State debt is repayable within the next five years while the remaining 73.13 *per cent* is payable in more than five years. It further indicates that the liability of the State to repay the debt would be ₹ 803.86 crore during the period 2015-17 and ₹ 1,356.18 crore during 2017-19 which would put a strain on the Government budget during that period. The State may have to borrow further to repay those loans.

1.12 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the Finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. **Chart 1.17** gives an indication of the various kinds of deficits that occur if the Government borrows excessively to balance the budget.

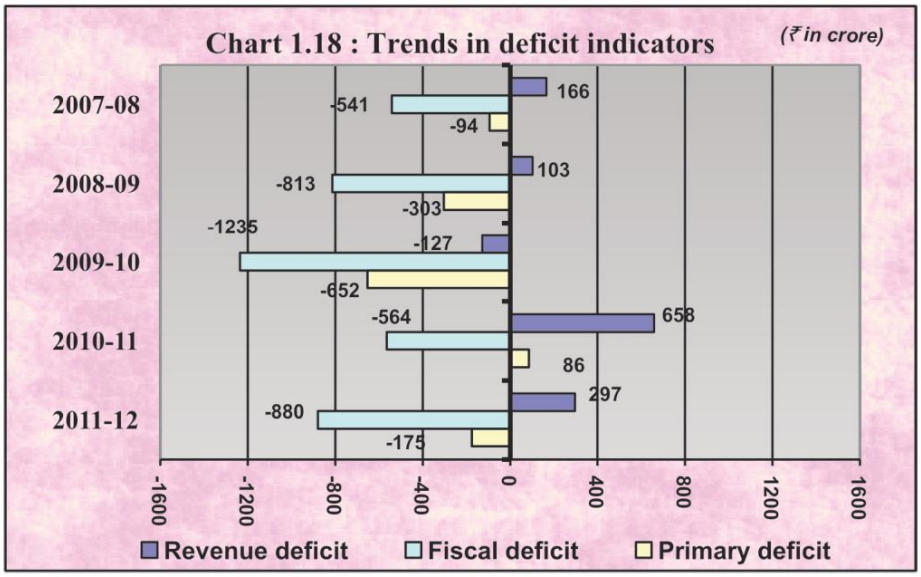
Chart 1.17: Type of deficits



The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits.

1.12.1 Trends in deficits

Charts 1.18 and 1.19 present the trends in deficit indicators over the period 2007-12.

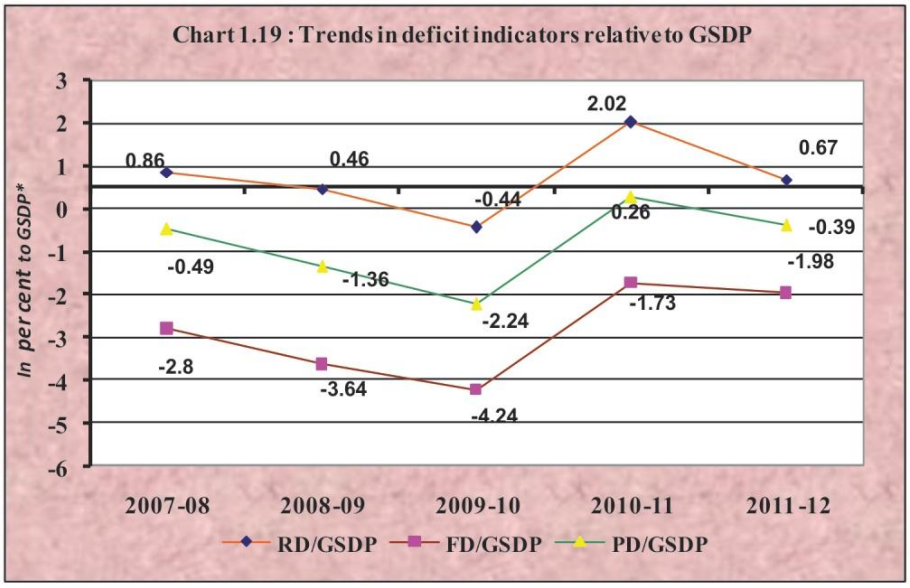


(Source: Finance Accounts of the State)

The revenue surplus of ₹ 166 crore in 2007-08 had decreased to ₹ 103 crore during 2008-09. Gradually, the revenue surplus turned into revenue deficit of ₹ 127 crore in 2009-10, mainly due to a sharp increase in revenue expenditure by 23 *per cent* as against an increase in revenue receipts of only 16 *per cent.* However, during 2010-11, the revenue deficit took a turnaround and turned into revenue surplus of ₹ 658 crore. During the 2011-12 the revenue surplus reduced to ₹ 297 crore mainly due to a sharp decrease in growth rate of revenue receipts (6.22 *per cent)* and increase in revenue expenditure (14.63 *per cent*) over the previous year.

The fiscal deficit of ₹ 564 crore during 2010-11 increased to ₹ 880 crore mainly because revenue surplus decreased by ₹ 361 crore over the previous year followed with decrease in net loans and advances disbursed (₹ 7 crore) and net capital expenditure (₹ 37 crore).

The primary deficit increased from ₹ 94 crore to ₹ 652 crore during the period 2007-10. However, it took a turnaround and resulted in a primary surplus during 2010-11. The primary surplus of ₹ 86 crore in 2010-11 turned to a primary deficit of ₹ 175 crore in 2011-12, due to increase in fiscal deficit (₹ 316 crore) and increase in interest payments (₹ 55 crore) during the year.



** figures in 2009-10 and 2010-11 changed due to corrections*

1.12.2 Decomposition and financing pattern of fiscal deficit

Fiscal deficit normally represents the net incremental liabilities of the Government or its additional borrowings. The shortfall could be met either by additional public debt (internal or external) or by the use of surplus funds from Public Account. The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in the **Table 1.27.**

Table 1.27: Components of fiscal deficit and its financing pattern

(₹ in crore)

	Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
	Decomposition of Fiscal Deficit (a)	**541**	**813**	**1235**	**564**	**880**
1	Revenue Deficit/Surplus	(+) 166	(+) 103	(-) 127	(+) 658	(+) 297
2	Net Capital Expenditure	688	897	1084	1221	1184
3	Net Loans and Advances	19	19	24	01	(-) 7
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	369	404	517	211	151[$]
2	Loans from GoI	74	5	(-) 160	1	62
3	Loans from Financial Institutions	(-) 7	87	97	325	45
4	Ways and Means	-	-	-	--	--
5	Small Savings, PF *etc.*	89	166	252	155	171
6	Deposits and Advances	69	106	137	170	157
7	Suspense and Miscellaneous	90	(-) 37	91	--	101[$]
8	Remittances	51	-	71	5	(-) 4
9	Reserve Fund	35	148	155	128	67
10	Contingency Fund	-	-	(-) 3	3	--
11	**Total (1 to 10) (b)**	**770**	**879**	**1157**	**998**	**750**
12	Increase(+)/Decrease(-) in cash balance **(a) - (b)**	(-) 229	(-) 66	(+) 78	(-) 434	(+) 130
13	**Overall Deficit**	**541**	**813**	**1235**	**564**	**880**

(Source: Finance Accounts of the State)

*All these figures are net of disbursements/outflows during the year

[$] see note below table 1.1 and para 1.5.1

The fiscal deficit increased by ₹ 316 crore during 2011-12 mainly on account of its own borrowings. The fiscal deficit (₹ 880 crore) increased as compared to the previous year and constituted 1.97 *per cent* of GSDP, which was within the limit of three *per cent* projected by the XIII FC.

The net capital expenditure as a percentage of the fiscal deficit decreased from 216 *per cent* during 2010-11 to 135 *per cent* in 2011-12.

During the year 2010-11, the fiscal deficit was mainly financed by market borrowings, deposits and advances and Loans from financial institutions whereas during 2011-12, the fiscal deficit was mainly met from small savings, market borrowings and deposits. As could be seen from **Table 1.28** during the period 2011-12, there was an overall increase in cash balance after financing the fiscal deficit.

Table 1.28: Receipts and disbursements under components financing the fiscal deficit during 2011-12

(₹ in crore)

	Particulars	Receipts	Disbursements	Net
1	Market Borrowings	250	99	151[$]
2	Loans from GoI	212	150	62
4	Loans from Financial Institutions	74	29	45
5	Small Savings, PF *etc*	320	149	171
6	Deposits and Advances	293	136	157
7	Suspense and Miscellaneous	3630	3529	101[$]
8	Remittances	3193	3197	(-) 4
9	Reserve Funds	112	45	67
10	Contingency Fund	--	--	--
11	Appropriation to/from Contingency Fund	--	--	--
12	**Total (1 to 11) (b)**	**8085**	**7334**	**750**
13	Increase(+)/Decrease (-) in Cash Balance (a)–(b)			**(+)130**
14	Overall deficit (12+13)			**880**

(Source : Finance Accounts of the State)

[$] refer note below table 1.1 and paragraph 1.5.1

1.12.3 Quality of deficit/surplus

The ratio of revenue deficit to fiscal deficit and the decomposition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the States' finances. The ratio of revenue deficit to fiscal deficit indicates the

extent to which borrowed funds were used for current consumption. Further, the persistently high ratio of revenue deficit to fiscal deficit also indicates that the asset base of the State was continuously shrinking and a part of borrowings (fiscal liabilities) were not having any asset backup. The bifurcation of the primary deficit shown in **Table 1.29** indicates the extent to which the deficit has been on account of enhancement in capital expenditure which may be desirable to improve the productive capacity of the State's economy.

Table 1.29: Primary deficit/surplus – bifurcation of factors

(₹ in crore)

Year	Non-debt receipts	Primary Revenue Expen-diture	Capital Expen-diture	Loans and Advances	Primary Expend-iture	Primary revenue deficit(-)/ surplus(+)	Primary deficit (-)/ surplus (+)
1	2	3	4	5	6(3+4+5)	7(2-3)	8(2-6)
2007-08	2950	2331	688	25	3044	619	(-) 94
2008-09	3538	2915	897	29	3841	623	(-) 303
2009-10	4113	3644	1084	37	4765	469	(-) 652
2010-11	5457	4134	1221	16	5371	1323	(+) 86
2011-12	5797	4779	1184	9	5972	1018	(-) 175

(Source: Finance Accounts of the State)

As could be seen from the table above, the primary surplus (₹ 86 crore) in 2010-11 turned to primary deficit (₹ 175 crore) during 2011-12. During the period 2007-12, non-debt receipts of the State were enough to meet the primary revenue expenditure requirements in the revenue account. However, except for the period 2010-11, non-debt receipts were not enough to meet the primary expenditure resulting in primary deficit.

The capital expenditure as a percentage to primary expenditure[13] increased from 22.60 *per cent* during 2007-08 to 23.35 *per cent* during 2008-09. However, it came down to 19.82 *per cent* during 2011-12.

1.13 Conclusion

Pattern of receipt and expenditure

The revenue receipts increased during the year by 6.22 *per cent* over the previous year due to increase in tax revenue (19.20 *per cent*), non-tax revenue (1.98 *per cent*) and Central tax transfers (16.60 *per cent*). The tax revenue of the Government as percentage of GSDP (5.73 *per cent*) was much below the normative assessment of XIII FC (8.15 *per cent*). The

[13] Primary expenditure of the State defined as the total expenditure net of the interest payments indicates the expenditure incurred on the transactions undertaken during the year

growth rate of the States' own taxes (19.26 *per cent*) was also lower than the growth rate of GSDP of the State (36.53 *per cent*) (**Paragraph 1.6**).

The revenue expenditure increased by 14.63 *per cent* over the previous year and constituted 82.13 *per cent* of the total expenditure during 2011-12. Non-Plan Revenue Expenditure (NPRE) during the year constituted 79.75 *per cent* of the revenue expenditure. The NPRE as a percentage of GSDP (9.83 *per cent*) was higher than the normative assessment of XIII FC (7.99 *per cent*). The Plan revenue expenditure and NPRE in 2011-12 increased by 19.74 *per cent* and 13.40 *per cent* respectively over the previous year (**Paragraph 1.7.1**).

Expenditure under subsidies in 2011-12 increased by 42 *per cent* over the previous year and constituted two *per cent* of revenue expenditure (**Paragraph 1.7.1**).

Capital expenditure, which constituted 17.73 *per cent* of the total expenditure, decreased during 2011-12 by 3.04 *per cent* (₹ 37 crore) over the previous year (**Para 1.7.1**).

The expenditure of ₹ 1,336.57 crore on salaries and wages (including the grants-in-aid component) contributed to 23.12 *per cent* of the total revenue receipts. The Pension payments during 2011-12 (₹ 410.30) was less than the normative assessments made in the budget estimates by ₹ 89.70 crore (**Paragraph 1.7.2**).

Financial assistance to local bodies and other institutions (₹ 835.79 crore) constituted 15.24 *per cent* of the revenue expenditure during 2011-12 (**Paragraph 1.7.3.3**).

Deficits

The significant gap between the growth rate of revenue receipts (6.22 *per cent)* and revenue expenditure (14.63 *per cent*) over the previous year brought down the revenue surplus to ₹ 297 crore during 2011-12. The fiscal deficit (₹ 880 crore) increased as compared to the previous year and constituted 1.97 *per cent* of GSDP, which was within the limit (three *per cent*) projected by the XIII FC. The primary surplus in 2010-11 turned to primary deficit in 2011-12 **(Paragraph 1.12)**.

Debt management

During 2011-12, the Government of Goa raised market loan of ₹ 550 crore, out of which only ₹ 250 crore was reflected in Finance Accounts. The balance amount of ₹ 300 crore was lying in the Suspense Account. This led to (a) understatement of Public Debt and overstatement of Suspense Account; (b) understatement of liabilities; and (c) understatement of the net availability of borrowed funds by ₹ 188.82 crore **(Paragraphs 1.5.1, 1.10.and 1.11)**.

The fiscal liabilities (₹ 9,879 crore) increased over the previous year. The fiscal liabilities to GSDP ratio at 22.21 *per cent* was lower than the norm of 31.90 *per cent* recommended by the XIII FC. These liabilities were

around 1.7 times the revenue receipts and four times the State's own resources (**Paragraph 1.10.2**).

The emergence of a positive sum of quantum spread and primary deficit since 2010-11 indicated the tendency towards debt stabilisation. However, the negative resource gap in the State during 2011-12 was a result of insufficiency of the incremental non-debt receipt to meet the incremental primary expenditure and incremental interest payments (**Paragraph 1.11**)

Review of Government investments

The average return on the State Government's investment in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives varied between 0.04 *per cent* and 0.36 *per cent* in the past five years while the Government paid an average interest of 7.46 *per cent* to 7.79 *per cent* on its borrowings **(Paragraph 1.9.3)**

Prudent cash management

Cash balances of the State at the close of the year 2011-12 (₹ 1,018 crore) decreased by 11.23 *per cent* over 2010-11.The cost of holding surplus cash balances was high. In 2011-12, the interest received on investment of cash balances in 'RBI Investment in Treasury Bills' was only 3.45 *per cent* while the Government borrowed at an average rate of 7.59 *per cent* (**Paragraph 1.9.6**).

Oversight of funds transferred directly from the GoI to the State implementing agencies

GoI directly transferred ₹ 422.23 crore to the State implementing agencies during 2011-12. As such, these funds were not reflected in the State budget, thus, ran the risk of improper utilisation by the implementing agencies **(Paragraph 1.5.2)**.

1.14 Recommendations

- Fiscal stability and sustainability while ensuring efficient provision of public services in 2011-12 and 2012-13 could not be assessed as the Government had not prepared the MTFP for the period 2011-12 to 2013-14. The Government may take immediate steps to prepare the MTFP for the year 2014-15 to 2016-17 in keeping with the FRBM Rules 2007.

- The Government should strengthen its internal control mechanism and ensure that correct accounting procedures are diligently followed.

- The Government needs to step up the recovery of the huge arrears of revenue.

- The Government should take steps to ensure better value for money in investments. Otherwise, high-cost borrowed funds will continue to

be invested in projects with low financial returns. Projects which are justified on account of low financial but high socio-economic returns may be identified and prioritised with full justification for channeling high-cost borrowings there.

- The Government should ensure proper accounting of the funds transferred directly to State implementing agencies and the updated information should be validated by the Directorate of Accounts, Government of Goa for proper monitoring of the expenditure incurred by the implementing agencies.

- A well thought out debt repayment strategy for borrowed funds will have to be worked out by the Government to ensure that its debt sustainability improves in the coming years.

CHAPTER II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2.1 Introduction

2.1.1 Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year, compared with the amounts of the voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These accounts list the original budget estimates, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-a-vis* those authorised by the Appropriation Acts in respect of both charged and voted items of the budget. The Appropriation Accounts, thus, facilitate the management of finances and monitoring of budgetary provisions and are therefore, complementary to the Finance Accounts.

2.1.2 Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Acts and whether the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with law, relevant rules and regulations and instructions.

2.1.3 The Finance Department of the State Government is responsible for preparation of the annual budget by obtaining estimates from various Departments. The Departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the heads of Departments and submitted to the Finance Department on prescribed dates. The Finance Department consolidates the estimates and prepares the Detailed Estimates called 'Demand for Grants'. In the preparation of the budget, the aim should be to achieve as close an approximation to the actuals as possible. This demands the exercise of the utmost foresight both in estimating revenue and anticipating expenditure. An avoidable extra provision in an estimate is as much a budgetary irregularity as an excess in the sanctioned expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and neither larger nor smaller. A saving in an estimate constitutes as much of a financial irregularity as an excess in it. The budget estimates of receipts should be based on the existing rates of taxes, duties, fees *etc.*

Deficiencies in financial management and budgetary control are discussed in the subsequent paragraphs.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2011-12 against 83 grants/appropriations is as given in **Table 2.1.**

Table 2.1: Summarised Position of Actual Expenditure *vis-à-vis* Original/ Supplementary Provisions

(₹in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving (-)/ Excess(+)
Voted	I. Revenue	5366.04	365.78	5731.82	4798.81	-933.01
	II. Capital	1588.69	236.57	1825.26	1228.08	-597.18
	III. Loans & Advances	0.00	0.00	0.00	9.42	9.42
Total voted		**6954.73**	**602.35**	**7557.08**	**6036.31**	**-1520.77**
Charged	I. Revenue	723.08	0.15	723.23	740.77	17.54
	II. Capital	0.00	6.10	6.10	6.06	-0.04
	III. Public Debt	363.58	0.00	363.58	278.29	-85.29
Total Charged		**1086.66**	**6.25**	**1092.91**	**1025.12**	**-67.79**
Grand Total		**8041.39**	**608.60**	**8649.99**	**7061.43**	**-1588.56**

(Source: Appropriation Accounts of the State Government)
Note: *The expenditure includes the recoveries of revenue expenditure amounting to ₹ 56.08 crore and capital expenditure amounting to ₹ 50.37 crore adjusted as reduction of expenditure*

Supplementary provisions of ₹ 608.60 crore obtained during the year constituted 7.57 *per cent* of the original provision as against 7.25 *per cent* in the previous year.

The overall savings of ₹ 1,588.56 crore were the result of savings of ₹ 1,607.44 crore in 79 grants and two appropriations under the Revenue Section and 62 grants under the Capital Section and one appropriation (Public Debt-Repayments), offset by an excess of ₹ 18.88 crore in one appropriation under the Revenue Section.

As may be seen from the above table, against the original provision of ₹ 8,041.39 crore, expenditure of only ₹ 7,061.43 crore was incurred. There was no requirement of supplementary funds. The actual savings of ₹ 1,588.56 crore, constituting 261 *per cent* of the supplementary budget of ₹ 608.59 crore, clearly indicated inaccurate estimation of funds and lack of control mechanism. Cases where supplementary provisions proved unnecessary as the expenditure did not come up to the level of the original provisions are discussed in **paragraph 2.3.5**.

2.3 Financial accountability and budget management

2.3.1 Appropriations vis-à-vis allocative priorities

Appropriation audit revealed that in 51 cases, savings exceeded ₹ two crore in each case and by more than 20 *per cent* of the total provision **(Appendix 2.1)**. A list of grants where savings exceeded ₹ 50 crore is given

in **Table 2.2**. Out of total savings of ₹ 1,588.56 crore, savings of ₹ 584.96 crore (37 *per cent*) occurred in 8 cases relating to eight grants.

Table 2.2: List of grants with savings of ₹ 50 crore and above

(₹in crore)

Sl. No.	No. and Name of grant	Original	Supplementary	Total	Actual Expenditure	Savings
	REVENUE (VOTED)					
1	8-Treasury and Account Administration(North Goa)	521.22	-	521.22	435.93	85.29
2	34-School Education	712.53	-	712.53	614.22	98.31
3	43-Art and Culture	142.48	-	142.48	92.27	50.21
4	55-Municipal Administration	126.90	-	126.90	71.12	55.78
5	57-Social Welfare	208.24		208.24	146.38	61.86
6	83-Mines	106.75	-	106.75	2.59	104.16
	CAPITAL (VOTED)					
7	13-Transport	66.08	-	66.08	7.19	58.89
8	32-Finance	205.00	20.00	225.00	154.53	70.47
	Total	**2089.20**	**20.00**	**2109.20**	**1524.24**	**584.96**

(Source: Appropriation Accounts of the State)

The reason furnished for unspent provisions under the major heads of account as reported in appropriation account are given below :

Grant number 8-Treasury and Account Administration

Savings in Major Head 2071- Pension and other retirement benefits was due to less number of claims received from employees of State aided educational Institutions.

Grant number 34 –School Education

Savings was due to curtailment of expenditure in 2202- General Education, less submission of claims received on account of assistance to Non-Government Secondary Schools.

Grant number 43 –Art and Culture

Partial implementation of the Scheme of Development of Library and Reading Culture and non-implementation of few Schemes *viz.*, setting up of State of Art, Museum at Adil Shah (Old secretariat), Pilgrimage Grants for Facilitation Centers and Establishment of Goa Centers in various places *etc.*

Grant number 55 - Municipal Administration

Non-receipt of proposal from Goa State Urban Development Agency for release of funds under Jawaharlal Nehru National Urban Renewal Mission and non-utilisation of grants received from GoI to Local Bodies under XIII FC.

Grant number 57-Social Welfare

Savings under 2235-Social Security and Welfare was mainly due to less response under Tribal Area Sub-Plan such as financial assistance to motorcycle pilots, tiny entrepreneurs *etc.*

Grant number 83-Mines

Welfare Scheme for Mining Affected People was not implemented because of non approval from the Government of Goa and non-filling of posts in non-ferrous mining and metallurgical industries.

Grant number 13-Transport

Savings was mainly due to non-utilisation of funds by Public Works Department for construction of modern bus stand at Margao, office buildings *etc.* due to election code of conduct and non-receipt of claim from Mopa Airport Cell.

Grant number 32-Finance

Non-engagement of Consultants for Public Private Partnership projects and State Viability Gap Funding. Savings was also due to non-implementation of the Scheme of Goa Infrastructure Development Project.

2.3.2 Persistent savings

In 14 cases, during the last five years, there were persistent savings of more than ₹ one crore in each case, as shown in **Table 2.3**.

Table 2.3: List of grants indicating persistent savings during 2007-12

(₹ in crore)

Sl. No.	Number and name of the grant	Amount of savings (*Per cent* to total grant)				
		2007-08	2008-09	2009-10	2010-11	2011-12
Revenue-Voted						
1	8- Treasury and Accounts Administration (North Goa)	48.45 (24.00)	57.27 (19.91)	325.50 (47.27)	126.92 (24.36)	85.28 (16.36)
2	19- Industries, Trade and Commerce	13.43 (69.70)	4.65 (20.83)	4.34 (17.05)	4.63 (15.87)	25.28 (60.43)
3	21-Public Works	6.94 (2.50)	2.96 (0.87)	5.23 (1.26)	9.06 (2.07)	28.03 (5.30)
4	31-Panchayats	6.81 (14.65)	8.28 (12.43)	13.24 (15.50)	1.49 (1.76)	15.41 (14.87)
5	34-School Education	3.20 (1.08)	51.79 (11.44)	15.55 (2.99)	20.09 (3.19)	98.30 (13.79)
6	45-Archives and Archaeology	1.38 (36.89)	2.10 (40.78)	2.79 (39.44)	3.20 (32.62)	2.48 (23.84)
7	48-Health Services	4.15 (5.51)	6.41 (5.56)	5.68 (4.32)	13.25 (7.90)	6.55 (3.37)
8	55-Municipal Administration	63.17 (59.83)	70.48 (59.15)	66.41 (51.90)	60.49 (43.85)	55.78 (43.95)
9	57-Social Welfare	6.46 (4.09)	16.61 (12.11)	11.12 (7.17)	13.73 (8.53)	61.86 (29.70)
10	65-Animal Husbandry and Veterinary Services	2.49 (13.08)	5.15 (19.00)	1.92 (6.41)	5.98 (19.38)	18.06 (37.90)
11	67-Ports Administration	1.23 (27.40)	1.58 (26.17)	1.80 (25.58)	1.08 (17.10)	1.06 (16.28)
Capital-Voted						
12	18- Jails	5.55 (74.03)	9.96 (84.67)	13.27 (76.79)	1.74 (13.91)	2.20 (12.57)

	21- Public Works	75.64 (25.45)	81.59 (23.01)	27.01 (7.11)	62.82 (14.11)	65.15 (13.23)
	45- Archives and Archaeology	5.04 (91.59)	3.99 (36.26)	1.94 (18.50)	1.29 (17.86)	10.14 (97.03)
	67- Ports Administration	2.88 (64.00)	3.41 (66.24)	3.08 (33.53)	16.42 (84.12)	2.83 (15.65)
13	74- Water Resources	6.24 (3.71)	2.84 (1.51)	6.16 (3.17)	10.14 (4.56)	75.82 (27.67)
14	78- Tourism	1.24 (13.06)	1.17 (7.84)	2.34 (8.01)	26.58 (53.22)	17.84 (41.29)

(Source: Appropriation Accounts of the State)

It was observed that persistent savings of more than ₹ 25 crore were observed in Grant no. 8 (Revenue- Voted), Grant no. 55 (Revenue- Voted) and Grant no. 21 (Capital- Voted) during the years 2007-12.

The persistent savings indicated that the budgetary controls in the Departments were not effective and previous years' trends were not taken into account while allocating funds for the year.

2.3.3 Excess over provisions relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion on the Appropriation Accounts by the Public Accounts Committee (PAC). However, excess expenditure amounting to ₹ 10.36 crore for the years 2007-08 to 2010-11 was still to be regularised. The year-wise amount of excess expenditure pending regularisation for grant/appropriations are summarised in **Table 2.4**.

Table 2.4: Excess over provisions relating to previous years requiring regularisation

(Amount in ₹)

Year	Number of		Amount of excess over provision	Status of Regularisation
	Grants	Appropriations		
2007-08	1	--	2,57,094	Yet to be discussed by the PAC
2008-09	3	--	3,01,034	
2009-10	1	1	7,57,03,905	
2010-11	1	1	2,74,15,571	
Total	**6**	**2**	**10,36,77,604**	

(Source: Appropriation Accounts of the State)

Non-regularisation of the excess over grant/appropriation over the years is a breach of legislative control over grants/appropriation.

2.3.4 Excess over provisions during 2011-12 requiring regularisation

During 2011-12, excess expenditure was incurred in one appropriation over the amount authorised by the legislature. The excess expenditure requires regularisation under Article 205 of the Constitution. The detail is given in **Table 2.5**.

Table 2.5: Excess over provisions requiring regularisation during 2011-12

(Amount in ₹)

Sl. No.	Number and title of Grant/Appropriation	Total grant / Appropriation	Expenditure	Excess
1	Appropriation-Debt Services (Revenue-Charged)	7,16,29,06,000	7,35,16,78,521	18,87,72,521

(Source: Appropriation Accounts of the State)

The excess expenditure under Appropriations-Debt Services was mainly due to the increased expenditure on interest payments towards small savings, Provident Fund, Goa University and Non-Government Employees Provident Fund, Government-aided Polytechnic, Defined Contribution Pension System *etc.*

2.3.5 Unnecessary/excessive/inadequate supplementary provision

Supplementary provisions aggregating ₹ 232.73 crore obtained in 33 cases involving ₹ 10 lakh or more in each case during the year, proved unnecessary as the expenditure did not come up to the levels of the original provisions as detailed in **Appendix 2.2**.

2.3.6 Excessive/unnecessary/insufficient re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation where savings are anticipated to another unit where additional funds are needed. Re-appropriation proved injudicious in view of the excessive surrenders or insufficient augmentation and resulted in savings/excess of over ₹ 25 lakh in 18 major heads (36 cases) as detailed in **Appendix 2.3**. Some of the cases are discussed below:

In Grant No. 2 (General Administration and Co-ordination), augmentation of funds of ₹ 1.30 crore under Major head 3451 through re-appropriation proved insufficient due to excess expenditure of ₹ 0.84 crore.

In Grant No. 76 (Electricity), withdrawal of fund (₹ 3 crore) proved unnecessary due to excess expenditure of ₹ 0.36 crore (Sl.No. 31 refers).

In Grant No.21 (Public Works), augmentation of funds through re-appropriation (₹ 2.91 crore) proved unnecessary due to savings of ₹ 6.46 crore (Sl.No.13 refers).

2.3.7 Unexplained re-appropriations

In the re-appropriation statement, the reasons for the additional expenditure and the savings should be explained and general expressions such as

"economy measures", "austerity measures" "budget inadequate" *etc.*, should be avoided. However, scrutiny of re-appropriation orders issued by various Departments revealed that in respect of 147 out of 410 items (35 *per cent*), the reasons given for additional provision/withdrawal of provision in re-appropriation orders were of general nature.

2.3.8 Substantial surrenders

Out of the total provision of ₹ 645.33 crore, substantial surrenders amounting to ₹ 497.74 crore were made from 25 grants on account of either non-implementation or slow implementation of Schemes/Programmes. The details of the cases where the surrenders were more than 50 *per cent* of the provisions are given in **Appendix 2.4**.

The Departments attributed the substantial surrenders to:

30-Small savings and Lotteries: Non-release of grants to grantee institution for Other Social Security and Welfare Programme.

32-Finance: Non-engagement of Consultant for financial and legal services and interest subsidy on loan towards Chief Ministers Rozgar Yojana Scheme not being claimed by the Educational Development Corporation.

83-Mines: Scheme for Welfare of Mining Affected People could not be implemented on account of non-receipt of approval from the Government.

02-General Administration and Co-ordination: Non-utilisation of funds for construction of Goa Bhavan in Mumbai and renovation of Goa Sadan, New Delhi. Proposal for Security Electric Fencing work not taken up due to non-receipt of approval from the Government.

10-Notary Service: Non-issue of work by Public Works Department for construction of office building.

13-Transport: Non-utilisation of funds by Public Works Department for construction of bus stand, office buildings, Drivers Training/Testing facilities *etc.,* and non-receipt of any claim from Mopa Airport Cell.

42-Sports and Youth Affairs: Non-finalisation of pattern of assistance by Government for release of grants to 36th National Games Secretariat.

2.3.9 Surrenders in excess of actual savings

In four cases, the amount surrendered (₹ 10 lakh or more in each case) was in excess of the actual savings, indicating lack of or inadequate budgetary control in these Departments. As against savings of ₹ 13.13 crore, the amount surrendered was ₹ 13.88 crore, resulting in excess surrender of ₹ 75 lakh. Details are given in **Table 2.6.**

Table: 2.6 Surrender in excess of actual savings (₹ 10 lakh or more)

(₹in crore)

Sl. No.	Number and name of the grant/appropriation	Total grant/ appropriation	Expenditure	Savings	Amount surrendered	Amount surrendered in excess
	Revenue - Voted					
1	36-Technical Education	19.31	18.59	0.72	0.98	0.26
2	45-Archives and Archaeology	10.40	7.92	2.48	2.61	0.13
3	82-Information Technology	56.28	46.85	9.43	9.65	0.22
	Capital - Voted					
4	66-Fisheries	6.63	6.13	0.50	0.64	0.14
	Total	**92.62**	**79.49**	**13.13**	**13.88**	**0.75**

(Source: Appropriation Accounts of the State)

In respect of Appropriation-Debt Services (Charged), though an excess expenditure of ₹ 18.88 crore was incurred, an amount of ₹ 31.66 crore was surrendered in March 2012, indicating non-existence of any budgetary control mechanism.

2.3.10 Anticipated savings not surrendered

Rule 56 of the General Financial Rules, 2005 provides that the spending Departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated. At the close of the year 2011-12, there were eight grants/appropriations, where no expenditure was incurred and the entire amount was surrendered in the last month of the financial year by the concerned Departments. The total amount involved in these cases was ₹ 45.59 crore *(***Appendix 2.5***)*. Further, there were two grants in which savings occurred but no part of them had been surrendered by the concerned Departments. The total amount involved in these cases was ₹ 50.98 crore as given in **Table 2.7**.

Table 2.7: Statement of grants in which savings occurred but no part of which had been surrendered

(₹in lakh)

Sl. No.	Number and Name of grants/appropriation	Savings
1	60-Employment(Revenue -Voted)	4,998.00
2	82-Information Technology(Capital - Voted)	100.00
	Total	**5,098.00**

(Source: Appropriation Accounts of the State)

Similarly, out of total savings of ₹ 740.62 crore under 34 other grants/appropriations, saving of ₹ 66.41 crore (₹ 10 lakh and above) was not surrendered. The details are given in **Appendix 2.6**. In 46 other grants, ₹ 1,242.69 crore was surrendered (in excess of ₹ five crore) in the last month of the financial year **(Appendix 2.7)** indicating inadequate financial control. Moreover, these funds could not be utilised for other development purposes.

2.3.11 Rush of expenditure

Rule 56 (3) of the General Financial Rules, 2005 provides that rush of expenditure, particularly in the closing months of the financial year shall be regarded as a breach of financial propriety and is to be avoided. **Table 2.8** presents the major heads where the expenditure exceeded ₹ four crore and also more than 50 *per cent* of the total expenditure was incurred in March 2012/last quarter of 2012.

Table 2.8: Details of expenditure exceeding ₹ four crore and also more than 50 *per cent* of total expenditure incurred in March 2012/last quarter of 2012

(₹in crore)

Sl. No.	Major head	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2011	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
1	2245	4.52	3.03	67.22	3.03	67.22
2	4210	23.16	12.53	54.08	11.63	50.20
3	4406	10.45	10.45	100.00	5.40	51.64
4	4701	118.07	87.12	73.79	65.30	55.31
5	4801	168.75	101.26	60.00	90.78	53.80
Total		**324.95**	**214.39**	**71.01**	**176.14**	**55.63**

(Source: Directorate of Accounts)

2.4 Un-reconciled expenditure

To enable Controlling Officers of Departments to exercise effective control over expenditure to keep it within the budget grants and to ensure accuracy of their accounts, Departmental officers are required to reconcile periodically and before the close of the accounts of a year, the Departmental figures of expenditure with those recorded in the books of the Director of Accounts. The Public Accounts Committee in its forty-eighth report (1992) had desired that punitive action should be taken against erring Budget Controlling Authorities (BCAs). Even though non-reconciliation of Departmental figures is pointed out regularly in Audit Reports, lapses on the part of Controlling Officers in this regard continued to persist during 2011-12 also. During 2011-12, 37 out of 85 BCAs, had not carried out reconciliations for the entire year in respect of 1,690 units under their control, involving ₹ 2,090.00 crore and four BCAs had carried out such reconciliations only for part of the year in respect of 97 units under their control, involving ₹ 30.98 crore. The unreconciled periods in case of the partially reconciled units ranged from one to eight months. The details of 24 major BCAs (out of 41) who did not reconcile the expenditure are indicated in **Table 2.9**.

Table 2.9: Major Budget Controlling Authorities who did not reconcile their figures

(₹in crore)

Sl. No.	Budget Controlling Authority who did not reconcile their figures	Amount not reconciled
1	Principal, Goa College of Engineering	20.59
2	Secretary, Legislature	13.02
3	Under Secretary, General Administration. Department	42.09
4	Principal District & Session Judge, North Goa	11.20
5	Principal District & Session Judge, South Goa	10.12
6	Chief Electoral Officer	20.39
7	Commissioner of Commercial Taxes	10.15
8	Directorate of Transport	45.81
9	Collector, North Goa	14.70
10	Collector, South Goa	29.70
11	Inspector General of Prisons	22.51
12	Principal Chief Engineer, Public Works Department	933.67
13	Director of Higher Education	131.79
14	Director of Health Services	190.55
15	Dean, Goa Dental College & Hospital	11.48
16	Director of Information & Publicity	18.50
17	State Director of Craftsmen Training	36.55
18	Under Secretary, Law	15.07
19	Director of Animal Husbandry & Veterinary Services	30.97
20	Chief Conservator of Forests	53.83
21	Chief Engineer, Water Resources Department	278.87
22	Director of Planning, Statistics & Evaluation	11.74
23	Director of Tourism	64.40
24	Director of Information and Technology	46.85
	Total	**2064.55**

(Source: Directorate of Accounts)

2.5 Outcome of review of selected grant

A review on the budgetary procedure and control over expenditure in respect of Grant No. 83 - Mines was conducted. Important points noticed during the review are detailed below:

As against a budget provision of ₹ 110 crore (₹ 106.75 crore under revenue and ₹ 3.25 crore under capital), the actual expenditure was only ₹ 2.60 crore (2.*36 per cent*) under the revenue head, resulting in a savings of ₹ 104.15 crore under revenue and ₹ 3.25 crore under capital.

As per Rule 56(2) of General Financial Rules, 2005, savings as well as provisions that cannot be profitably utilised should be surrendered to the Government immediately when they are foreseen without waiting till the end of the year. Contrary to the Rule, the entire savings of ₹ 107.40 crore was surrendered in the last month of financial year (March 2012).

2.6 Conclusion

During 2011-12, expenditure of ₹ 7,061.43 crore was incurred against the total provision of ₹ 8,649.99 crore, resulting in savings of ₹ 1,588.56 crore. The overall savings were the net result of savings of ₹ 1,607.44 crore, offset by an excess of ₹ 18.88 crore. This excess requires regularisation under Article 205 of the Constitution of India.

In most of the cases, the budget estimates were either overestimated or underestimated. At the end of the year 2011-12, there were eight grants/appropriations where no expenditure was incurred and the entire amount was surrendered in the last month of the financial year by the concerned Departments. The total amount involved in these cases was ₹ 45.59 crore.

In five major heads, more than 50 *per cent* of the expenditure was incurred either during the last quarter or during the last month of financial year, which violated financial propriety.

2.7 Recommendations

- Budgetary controls should be strengthened in all the Departments, especially in those Departments where savings/excesses have been observed. All the Departments should submit realistic budget estimates, keeping in view the trends of expenditure and the actual requirement of funds in order to avoid large savings/excesses.

- All the Departments should closely monitor the expenditure against the allocations and incurring of expenditure in excess of the grants should be strictly avoided.

- Surrender of funds should be done much before the closing of the financial year so as to enable the Government to utilise the funds on other Schemes.

- Action needs to be taken to regulate and systematise the procedure to avoid heavy expenditure during the last quarter of the financial year.

CHAPTER III

FINANCIAL REPORTING

A sound internal financial reporting and the availability of relevant and reliable information significantly contribute to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as timeliness and quality of reporting on the status of such compliance are also attributes of good governance. Reports on compliance and controls, if effective and operational, assist State Governments in meeting their basic stewardship responsibilities, including strategic planning and decision-making. This chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

3.1 Delays in furnishing Utilisation Certificates

Rule 212 of the General Financial Rules, 2005 provide that for grants provided for specific purposes, Utilisation Certificates (UCs) should be obtained by the Departmental officers from the grantees. The certificates so obtained are to be verified by the Departmental officers and forwarded to the Director of Accounts within 12 months from the dates of their sanction unless specified otherwise. However, of the 7,865 UCs due in respect of grants and loans aggregating ₹ 655.31 crore paid upto 2010-11, 6,934 UCs (88 *per cent*) for an aggregate amount of ₹ 649.24 crore (99 *per cent*) were outstanding as on June 2012. The Department-wise break-up of outstanding UCs is given in **Appendix 3.1**. The age-wise position of outstanding UCs as on 31 March 2012 is in **Table 3.1**.

Table 3.1: Age-wise position of outstanding UCs as of 31 March 2012

(₹ in crore)

Sl. No.	Range of delay in number of years	Utilisation certificates outstanding	
		Number	Amount
1	0 – 1	1308	193.64
2	1 – 3	1450	219.35
3	3 – 5	1319	114.66
4	5 – 7	731	73.88
5	7 and above	2126	47.71
	Total	**6934**	**649.24**

(Source: Information compiled by Audit from data received from Director of Accounts)

Out of 6,934 UCs amounting to ₹ 649.24 crore pending as on June 2012, 4,077 UCs (59 *per cent*) involving ₹ 527.65 crore (81 *per cent*) were pending for periods ranging from one to five years while 2,857 UCs involving ₹ 121.59 crore were pending for more than five years. Pendency of UCs mainly pertained to the Municipal Administration (₹ 266.44 crore), Directorate of Panchayats (₹ 131.58 crore), Directorate of Art and Culture (₹ 59.17 crore), Directorate of Sports and Youth Affairs (₹ 49.60

crore), Directorate of Higher Education (₹ 33.52 crore), Directorate of Education (₹ 28.32 crore) and Directorate of Small Savings and State Lotteries (₹ 27.76 crore).

Non-submission of UCs in time may result in misutilisation of the grants. The large pendency in submission of UCs indicates lack of monitoring of utilisation of grants and loans by the Departments.

3.2 Non-submission/delays in submission of accounts by Grantee institutions

In order to identify the institutions which attract audit under Sections 14 and 15 of the CAG's (DPC) Act, 1971, the Government/Heads of the Departments are required to furnish to Audit every year, detailed information about the financial assistance given to various institutions, the purposes of assistance granted and the total expenditure of these institutions. A total of 459 annual accounts of 99 bodies/authorities due up to 2010-11 had not been received by the Accountant General as of June 2012. The details of these accounts are given in **Appendix 3.2** and their age-wise pendency is presented in **Table 3.2**.

Table 3.2: Age-wise arrears of annual accounts due from Government bodies

(₹in crore)

Sl. No.	Delay in number of years	Number of bodies/ authorities	Grants received
1	0-1	-	-
2	1-3	29	6.10
3	3-6	70	39.75
	Total	**99**	**45.85**

(Source: Compiled by Audit from records receive d from various Departments)

It can be seen from the above table that in respect of 70 autonomous bodies/authorities, accounts were in arrears for more than three years. The major defaulters were educational institutions receiving Government grants for salaries, maintenance *etc.* Non- submission of annual accounts by a substantial number of autonomous bodies/authorities was in violation of the terms and conditions governing the release of grants by the Government and carried the additional risk of mis-utilisation of funds.

3.3 Delay in submission of accounts/audit reports by autonomous bodies

Several autonomous bodies have been set up by the State Government in the fields of education, irrigation, housing *etc.* Of these, audit of accounts of 11 bodies in the State has been entrusted to the CAG. These bodies are audited by the CAG by verification of their accounts, financial

transactions, operational activities, internal management and financial control system and procedures. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Reports (SARs) and their placement in the Legislature are indicated in the **Appendix 3.3**. The delay in submission of accounts to Audit and placement of SARs in the Legislature by the autonomous bodies is summarised in **Table 3.3**.

Table 3.3: Delays in submission of accounts and tabling of SARs

Delays in submission of accounts (in months)	Number of autonomous bodies	Delay in submission of SARs in the Legislature (in years)	Number of autonomous bodies
0-3	3	0-1	5
4-7	-	1-2	5
8-10	-	-	-
11-25	2	-	-
26 and above	6	5 and above	-
Total	**11**		

(Source: Compiled by Audit from records received from various autonomous bodies)

Out of the 11 autonomous bodies, the submission of account of six autonomous bodies had been delayed by more than 26 months and in respect of two cases, the delays were between 11 and 25 months. In the remaining three cases, the delays were up to three months. The reasons for delays though called for were not intimated by the respective autonomous bodies.

The inordinate delay in submission of accounts and presentation of the reports to the State Legislature resulted in delayed scrutiny of the functioning of these bodies, where Government investments are made. Further, it also delayed taking of necessary remedial action by the Government.

3.4 Departmental Commercial Undertakings

The Departmental undertakings of certain Government Departments performing activities of quasi-commercial nature are required to prepare *proforma* accounts in the prescribed format annually, showing the working results of financial operations so that the Government can assess their working. The accounts of Departmentally managed commercial and quasi-commercial undertakings reflect their overall financial health and efficiency in conducting their business. In the absence of timely finalisation of accounts, the investment of the Government remains outside the scrutiny of the Audit/State Legislature. Consequently, corrective measures, if any required, for ensuring accountability and improving efficiency cannot be taken in time. The delays also expose the system to the risk of fraud and leakage of public money.

Heads of Departments in the Government have to ensure that the undertakings prepare such accounts and submit the same to the Accountant General for audit within a specified timeframe. As of October 2012, there were two[1] such undertakings, both of which had heavy arrears in accounts. The Department-wise position of arrears in preparation of *proforma* accounts and investments made by the Government in these two undertakings are given in **Appendix 3.4.**

3.5 Misappropriations, losses and defalcations

Rule 33 of the General Financial Rules, 2005 provides that any loss or shortage of public money, revenue or receipts has to be immediately reported by the subordinate authority concerned to the next higher authority as well as to the Statutory Audit Officer and the concerned Principal Accounts Officer. The State Government reported 22 cases of misappropriations, losses and defalcations involving Government money amounting to ₹ 1.90 crore up to June 2012 on which final action was pending. The Department-wise break up of pending cases is given in **Appendix 3.5.**

The age profile of the pending cases and the number of pending misappropriation cases are summarised in **Table 3.4.**

Table 3.4: Profile of misappropriation

Age profile and nature of pending cases			
Range in years	**No. of cases**	**Amount involved (₹ in lakh)**	**Nature/characteristics of the cases**
0-5	12	44.53	Misappropriation of cash/stores
5-10	7	99.14	
10 years and above	3	45.96	
Total	**22**	**189.63**	

(Source: Information furnished by concerned Departments)

The reasons for which the cases were outstanding are classified under three categories as listed in **Table 3.5** below.

Table 3.5: Reasons for outstanding cases of misappropriations

Reasons for the delay/outstanding pending cases	No. of cases	Amount (₹ in lakh)
Departmental action started but not finalised	11	175.22
Pending in the courts of law	5	8.21
Awaiting orders for recovery/write off	6	6.20
Total	**22**	**189.63**

(Source: Information furnished by concerned Departments)

[1] River Navigation Department and Electricity Department

3.6 Pendency in submission of detailed countersigned contingent bills against abstract contingent bills

As per instructions issued by the Finance Department, Government of Goa in June 1999 and August 2001, the Abstract Contingent (AC) bills drawn by the Heads of Departments/Offices should be settled by preferring a Detailed Contingent (DC) bill within a period of one month from the date of drawal of funds on AC bill, failing which, the amount should be credited back to the Government treasury.

It was observed that 1,152 AC bills involving an amount of ₹ 202.28 crore, drawn by various Departments up to March 2012 were pending adjustment as on 30 June 2012. Year-wise details are given in **Table 3.6.**

Table 3.6: Pendency in submission of DC bills against AC bills

Year	No. of AC bills pending	Amount (₹*in crore*)
Up to 2009-2010	313	46.53
2010-11	315	76.71
2011-12	524	79.04
Total	**1,152**	**202.28**

(Source: Directorate of Accounts)

Department-wise pending DC bills of ₹ five lakh and above up to 2011-12 are indicated in **Appendix 3.6.**

3.7 Conclusion

Out of 6,934 UCs amounting to ₹ 649.24 crore pending as on June 2012, 4,077 UCs (59 *per cent*) involving ₹ 527.65 crore (81 *per cent*) were in arrears for periods ranging between one and five years. Further, 2,857 UCs involving ₹ 121.59 crore were pending for more than five years. In the absence of the requisite certificates, it could not be ascertained in Audit whether the recipients had utilised the grants for the purpose for which these were given. A total of 459 annual accounts of 99 bodies/authorities due up to 2010-11 had not been received by the Accountant General as of June 2012.

The State Government reported 22 cases of misappropriations, losses and defalcations involving Government money amounting to ₹ 1.90 crore upto June 2012 on which final action was pending. Out of 22 cases, five cases involving ₹ 8.21 lakh were pending in courts of law and in 11 cases involving ₹ 1.75 crore, though Departmental action had been initiated, these were yet to be finalised. The remaining six cases were awaiting orders for recovery/write off.

3.8 Recommendations

The Government should ensure timely receipt of utilization certificates against the financial assistance provided to grantee institutions. Departmental enquiries in respect of all misappropriation cases should be expedited to bring the defaulters to book. Internal controls in all organisations should be strengthened to prevent such cases in future.

Panaji
The 20 MAY 2013

(DEVIKA)
Accountant General, Goa

Countersigned

New Delhi
The 20 MAY 2013

(VINOD RAI)
Comptroller and Auditor General of India

APPENDIX - 1.1

(Referred to in paragraph 1.1)

PART A (State Profile)

A. General Data			
Sl. No.	**Particulars**		**Figures**
1	Area		3,702 Sq km
2	Population		
	a.	As per 2001 Census	0.13 crore
	b.	As per 2011 Census	0.15 crore
3	Density of Population (as per 2001 census). (All India Density = 325 persons per Sq. Km.)		258 persons per sq km
	Density of Population (as per 2011 census). (All India Density = 382 persons per Sq. Km.)		394 persons per sq km
4	Population Below Poverty Line (BPL) (All India Average = 27.5 *per cent*)		Two *per cent*
5	a.	Literacy (as per 2001 Census) (All India Average = 64.8 *per cent*)	82.01 *per cent*
	b.	Literacy (as per 2011 Census) (All India Average = 74.0 *per cent*)	87.40 *per cent*
6	Infant mortality *(per 1000 live births) (All India Average = 47 per 1000 live births)		10.00
7	Life Expectancy at birth **(All India Average = 63.5 year)		68.5 years
8	Gini Coefficient ***		
	a.	Rural (All India = 0.30)	0.21
	b.	Urban (All India = 0.37)	0.25
9	Gross State Domestic Product (GSDP) 2011-12 at current price		44,460 crore
10	Per capita GSDP CAGR (2002-03 to 2011-12)	Goa	16.64 *per cent*
		General Category States	13.09 *per cent*
11	GSDP CAGR (2002-03 to 2011-12)	Goa	15.52 *per cent*
		**** General Category States	14.46 *per cent*
12	Population Growth (2002-03 to 2011-12)	Goa	8.17 *per cent*
		General Category States	13.90 *per cent*

B. Financial Data#				
Particulars				
CAGR		**2002-03 to 2010-11**		**2002-03 to 2011-12**
		General Category States	**Goa**	**Goa**
		(In *per cent*)		
a.	of Revenue Receipts	16.86	14.57	13.61
b.	of Own Tax Revenue	16.74	17.17	17.40
c.	of Non Tax Revenue	12.84	10.26	9.30
d.	of Total Expenditure	14.58	13.30	13.03
e.	of Capital Expenditure	21.25	24.91	21.45
f.	of Revenue Expenditure on Education	15.41	15.43	14.71
g.	of Revenue Expenditure on Health	14.00	17.40	17.07
h.	of Salary and Wages	13.43	16.77	16.70
i.	of Pension	16.89	12.97	12.59

* Based on Registrar General, India Sample Registration System (SRS) Bulletin of December 2011

** Office of the Registrar General of India, Ministry of Home Affairs, Economic Review 2010-11

*** Gini Coefficient (Unofficial estimates of Planning Commission and NSSO data, 61st Round 2004-05 MRP): Gini co-efficient is a measure of inequality of income among the population. Value rate is from zero to one, closer to zero inequality is less, closure to one inequality is higher

**** Excluding three General Category States *i.e.* Delhi, Goa and Puducherry

\# Financial data is based on the Finance Accounts of the State Government

Part B: Structure and Form of Government Accounts

Structure of Government Accounts: The accounts of the State Government are kept in three parts; (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances *etc.*, which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State legislature.

Part C: Layout of Finance Accounts

Statement	About
1	Statement of Financial Position
2	Statement of Receipts and Disbursements
3	Statement of Receipts in Consolidated Fund
4	Statement of Expenditure in Consolidated Fund by function and nature
5	Statement of Progressive Capital Expenditure
6	Statement of Borrowings and Other Liabilities
7	Statement of Loans and Advances given by the Government
8	Statement of Grants-in-aid given by the Government
9	Statement of Guarantees given by the Government
10	Statement of Voted and Charged Expenditure
11	Detailed Statement of Revenue and Capital Receipts by minor heads
12	Detailed Statement of Revenue Expenditure by minor heads
13	Detailed Statement of Capital Expenditure
14	Detailed Statement of Investments of the Government
15	Detailed Statement of Borrowings and Other Liabilities
16	Detailed Statement on Loans and Advances given by the Government
17	Detailed Statement on Sources and Application of funds for expenditure other than on Revenue Account
18	Detailed Statement on Contingency Fund and Public Account transactions
19	Detailed Statement on Investments of earmarked funds

APPENDIX - 1.2

(Referred to in paragraph 1.1)

Part A: Methodology adopted for the assessment of Fiscal Position

The norms/ceilings prescribed by the TFC for selected fiscal variable along with its projections for a set of fiscal aggregates and the commitments/projections made by the State Governments in their Fiscal Responsibility Acts and in other Statements required to be laid in the legislature under the Act **(Part B of Appendix 1.2)** are used to make qualitative assessment of the trends and pattern of major fiscal aggregates. Assuming that GSDP is the good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the GSDP at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilization of resources, pattern of expenditure *etc.* are keeping pace with the change in the base or these fiscal aggregates are also affected by factor other than GSDP.

The trends in GSDP for the last five years are indicated below:

Trends in Gross State Domestic Product (GSDP)

	2007-08	2008-09	2009-10	2010-11	2011-12
Gross State Domestic Product *(₹ in crore)*	19346	22358	29126	32563	44460
Growth rate of GSDP *(Per cent)*	17.48	15.57	30.27	11.80	36.53
Source of GSDP : Ministry of Statistics and Programme Implementation					

The definitions of some of the selected terms used in assessing the trends and pattern of fiscal aggregates are given below:

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth
Buoyancy of a parameter (X) With respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth (RoG)	[(Current year Amount/Previous year Amount)-1]*100
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	Interest payment/[(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)2]*100
Interest spread	GSDP growth – Average Interest Rate
Quantum spread	Debt stock * Interest spread
Interest received as *per cent* to Loans Outstanding	Interest Received [(Opening balance + Closing balance of Loans and Advances)2]*100
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Balance from Current Revenue (BCR)	Revenue Receipts **minus** all Plan grants and Non-plan Revenue Expenditure excluding expenditure recorded under the major head 2048 (Appropriation for reduction of Avoidance of debt)

Part B: Fiscal Responsibility and Budgetary Management (FRBM) Act, 2006

The State Government has enacted the Goa Fiscal Responsibility and Budget Management (FRBM) Act, 2006 to ensure prudence in fiscal management and to maintain fiscal stability in the State. To improve the fiscal position and to bring fiscal stability, the Act envisages progressive elimination of revenue deficit, reduction in fiscal deficit and prudent debt management consistent with fiscal sustainability. To ensure prudence the Act also provides for greater fiscal transparency in fiscal operation of the Government and conduct of fiscal policy in a medium term frame work and matter connected therewith or there to give effect to the fiscal management principles as laid down in the Act, and/or the rules framed there under prescribed the following fiscal targets for the State Government:

a) Reduce the revenue deficit to nil by 31 March 2009, and adhere to it thereafter;

b) Reduce the ratio of revenue deficit to the total revenue receipt by 1.5 *per cent* in each of the financial year, beginning on 1st day of April 2006, in a manner consistent with the goal set out in clause (a);

c) Reduce the ratio of fiscal deficit to Gross State Domestic Product beginning from the financial year 2006-2007 with medium term goal of not being more than three *per cent* of fiscal deficit to Gross State Domestic Product to be attained by 31 March 2009, and adhere to it thereafter;

d) Reduce fiscal deficit by 0.5 *per cent* of Gross State Domestic Product in each of the financial year beginning on 1st day of April 2006, in a manner consistent with the goal set out in clause (c);

e) Cap the total outstanding guarantees within the specified limit under the Goa State Guarantees Act, 1993;

f) Ensure that by 31 March 2009, the total liabilities do not exceed 30 *per cent* of the Gross State Domestic Product and adhere to it thereafter;

g) Ensure that by 31 March 2009, the ratio of interest payment to total revenue receipt does not exceed 20 *per cent* and adhere to it thereafter; and

h) Undertake appropriate measure in cash management practices so as to avoid recourse to overdraft from the Reserve Bank of India;

As prescribed in the Act, the State Government was required to lay the following statements of Fiscal policy along with the budget before the Legislature,

a) The Medium Term Fiscal Policy Statement (MTFPS),
b) The Fiscal Policy Strategy statement.

APPENDIX 1.3

(Referred to in paragraph 1.2)

PART A : Abstract of Receipts and Disbursements for the year 2011-12

(₹ in crore)

Receipts			Disbursements				
2010-11		2011-12	2010-11	2011-12			
					Non-Plan	Plan	Total
	Section-A: Revenue						
5441.94	**1. Revenue receipts**	**5780.73**	**4783.78**	**1. Revenue expenditure**	**4373.29**	**1110.21**	**5483.50**
2139.57	Tax revenue	2551.02	**1487.56**	**General services**	**1618.39**	**14.69**	**1633.08**
			1774.30	**Social Services (inclusive of GIA and contribution)**	**1237.46**	**714.07**	**1951.53**
2268.60	Non-tax revenue	2313.54	875.60	Education, Sports, Art and Culture	701.60	254.72	956.32
			331.56	Health and Family Welfare	252.48	127.16	379.64
584.21	State's share of Union Taxes	680.59	294.89	Water Supply, Sanitation, Housing and Urban Development	226.00	109.69	335.69
			20.60	Information and Broadcasting	2.77	15.72	18.49
13.66	Non-Plan grants	10.05	22.45	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.65	20.60	21.25
352.85	Grants for State Plan Schemes	148.38	30.12	Labour and labour Welfare	19.42	14.54	33.96
			197.62	Social Welfare and Nutrition	32.92	171.63	204.55
83.05	Grants for Central and Centrally sponsored Plan Schemes	77.15	1.46	Others	1.63	0.00	1.63
			1521.92	**Economic Services- (inclusive of GIA and contribution)**	**1517.44**	**381.45**	**1898.89**
			143.21	Agriculture and Allied Activities	75.72	126.51	202.23
			84.63	Rural Development	25.62	64.15	89.77
			8.63	Special Areas Programmes	0.00	7.60	7.60
			76.51	Irrigation and Flood control	52.16	25.78	77.94
			882.91	Energy	1132.78	31.42	1164.20
			79.20	Industry and Minerals	4.78	69.00	73.78
			186.36	Transport	196.38	11.12	207.50
			3.91	Science, Technology and Environment	0.00	3.90	3.90
			56.56	General Economic Services	30.00	41.97	71.97
			4783.78	**Total**	**4373.29**	**1110.21**	**5483.50**
	II. Revenue deficit carried over to Section B		658.16	**II. Revenue deficit/Surplus carried over to Section B**			**297.23**
5441.94	**Total**	**5780.73**	**5441.94**	**Total**			**5780.73**

Receipts			Disbursements				
2010-11		2011-12	2010-11	2011-12			
					Non-Plan	Plan	Total
	Section-B : Other						
713.64	**III. Opening Cash balance including Permanent Advances and Cash Balance Investment**	**1147.31**		**III. Opening Overdraft from Reserve Bank of India**			
0.00	**IV. Miscellaneous Capital receipts**			**IV. Capital Outlay**			
			205.48	**General Services**	**0.00**	**202.11**	**202.11**
			205.54	**Social Services**	**0.00**	**238.90**	**238.90**
			86.04	Education, Sports, Art and Culture	0.00	69.49	69.49
			15.80	Health and Family Welfare	0.00	23.16	23.16
			96.44	Water Supply, Sanitation, Housing and Urban Development	0.00	135.75	135.75
			0.00	Information and Broadcasting	0.00	0.00	0.00
			4.95	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.00	9.50	9.50
			2.31	Social Welfare and Nutrition	0.00	0.96	0.96
			0.00	Other Social Services	0.00	0.04	0.04
			810.18	**Economic Services**	**1.56**	**741.20**	**742.76**
			21.71	Agriculture and Allied Activities	1.56	24.40	25.96
			0.75	Rural Development	0.00	1.98	1.98
			3.81	Special Areas Programmes	0.00	2.04	2.04
			209.18	Irrigation and Flood Control	0.00	197.05	197.05
			194.13	Energy	0.00	172.14	172.14
			0.88	Industry and Minerals	0.00	0.28	0.28
			356.36	Transport	0.00	317.95	317.95
			23.36	General Economic Services	0.00	25.36	25.36
			1221.20	**Total**	**1.56**	**1182.21**	**1183.77**
14.70	**V. Recoveries of Loans and Advances**	**15.59**	**15.92**	**V. Loans and Advances disbursed**	**3.91**	**5.51**	**9.42**
12.17	From Government Servants		11.41	To Government Servants	3.91	0.00	3.91
2.34	From Others		4.51	To Others	0.00	5.51	5.51
658.16	**VI. Revenue Surplus brought down**	**297.23**	**0.00**	**VI. Revenue Deficit brought down**			

Receipts			Disbursements				
2010-11		2011-12	2010-11	2011-12			
					Non-Plan	Plan	Total
744.80	**VII. Public debt receipts**	**536.51**	**207.99**	**VII. Repayment of Public debt-**		**278.29**	**278.29**
	External debt			External debt			
717.16	Internal debt other than Ways and Means Advances and overdrafts	323.61	181.51	Internal debt other than Ways and Means Advances and Overdrafts			127.95
	Net transactions under Ways and Means Advances		0.00	Net transactions under Ways and Means Advances			
	Net transactions under overdraft		26.48	Repayment of Loans and Advances to Central Government			150.34
27.64	Loans and Advances from Central Government	212.90					
2.99	**VIII. Appropriation to Contingency Fund**		**0.00**	**VIII. Appropriation to Contingency Fund**			
	IX. Amount transferred to Contingency Fund			**IX. Expenditure from Contingency Fund**			
6993.45	**X. Public Account receipts-**	**7550.47**	**6535.32**	**X. Public Account disbursements**			**7057.22**
293.96	Small Savings and Provident Funds	320.16	139.05	Small Savings and Provident Funds		149.01	
220.83	Reserve Funds	111.61	92.40	Reserve Funds		44.76	
3481.30	Suspense and Miscellaneous	3630.98	3481.61	Suspense and Miscellaneous		3529.34	
2711.01	Remittance	3193.93	2706.47	Remittances		3197.67	
286.35	Deposits and Advances	293.79	115.79	Deposits and Advances		136.44	
	XI. Closing Overdraft from Reserve Bank of India		**1147.31**	**XI. Cash Balance at end-**			**1018.41**
				Investment of earmarked balance		443.38	
				Deposits with Reserve Bank		14.75	
				Departmental Cash Balance including permanent Advances		1.65	
				Cash Balance Investment		558.63	
9127.74	**Total**	**15327.84**	**9127.74**	**Total**			**15327.84**

PART B: Summarised financial position of the Government of Goa as on 31 March 2012

(₹ in crore)

As on 31 March 2011		Liabilities	As on 31 March 2012	
6057.92	2398.80	**Internal Debt**		**6253.59**
	2610.06	Market Loans bearing interest	2761.19®	
		Market Loans not bearing interest	--	
	18.72	Loans from LIC	16.73	
	3429.14	Loans from other institutions	3475.67	
		Ways and Means Advances/overdraft	--	
		Overdraft from Reserve Bank of India	--	
556.22		**Loans and Advances from Central Government**		**618.78**
		Pre 1984-85 loans	--	
	85.33	Non-Plan Loans	57.99	
	461.43	Loans for State Plan Schemes	551.67	
	0.05	Loans for Central Plan Schemes	0.04	
	9.41	Loans for Centrally Sponsored Plan Schemes	9.08	
30.00		**Contingency Fund**		**30.00**
1295.40		**Small savings, Provident Fund *etc.***		**1466.56**
854.29		**Deposits**		**1011.64**
605.45		**Reserve Funds**		**672.31**
154.27		**Remittance balances**		**150.53**
114.56		**Suspense and Miscellaneous**		**216.20**
9668.11				**10419.61**
As on 31 March 2010		**Assets**	**As on 31 March 2011**	
8180.36		**Gross Capital Outlay on Fixed Assets**		**9364.13**
	382.16	Investment in shares of Companies, Corporation *etc.*	401.17	
	7798.20	Other Capital Outlay	8962.96	
115.77		**Loans and Advances**		**109.59**
		Loans for Power Projects	--	
	54.11	Other Development Loans	58.74	
	61.66	Loans to Government Servants and Miscellaneous loans	50.85	
		Reserve Fund Investments		
0.67		Advances		**0.67**
		Suspense & Miscellaneous Balances		
1147.31		**Cash**		**1018.41**
	0.00	Cash in Treasuries and Local Remittances	--	
	-69.20	Deposits with Reserve Bank	14.75	
	1.48	Departmental Cash Balances	1.48	
	0.16	Permanent Advances	0.17	
	831.08	Cash Balance Investments	558.63	
	383.79	Earmarked Fund Investment	443.38	
		Deficit on Government Accounts		
216.60	**-658.16**	**Revenue Deficit of the current year**		**-73.19**
		(i) Miscellaneous Deficit	-1.17	
	874.76	Accumulated deficit as on 31 March 2012	111.76	
		Appropriation to Contingency Fund	**-30.00**	
7.40		**Net effect of Balances taken over**		
	-431.66	Balances taken over on 30 May 1987 under capital	**-431.66**	
	424.26	Net result of allocation of Capital Expenditure	424.26	
9668.11				**10419.61**

® see note below table 1.1 and paragraph 1.5.1

APPENDIX 1.4

(Referred to in paragraph 1.6)

Time series data on the State Government finances

(₹in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Part-A. Receipts					
1. Revenue Receipts	**2944**	**3528**	**4100**	**5442**	**5781**
(i) Tax Revenue	**1359(46)**	**1694(48)**	**1762(43)**	**2139(39)**	**2551(44)**
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade etc.	879(64)	1132(67)	1142(65)	1380(65)	1653(65)
State Excise	76(6)	89(5)	104(6)	139(6)	182(7)
Taxes on Vehicles	82(6)	90(5)	105(6)	130(6)	140(5)
Stamps duty and Registration fees	118(9)	115(7)	111(6)	152(7)	184(7)
Land Revenue	7(1)	9(1)	11(1)	8	8
Taxes on goods and passenger	113(8)	157(9)	161(9)	172(8)	210(8)
Other Taxes	84(6)	102(6)	128(7)	158(7)	174(7)
(ii) Non-Tax Revenue	**1043(36)**	**1236(35)**	**1731(42)**	**2269(42)**	**2313(40)**
(iii) State's share in Union taxes and duties	**394(13)**	**415(12)**	**428(11)**	**584(11)**	**681(12)**
(iv) Grants-in-aid from Government of India	**148(5)**	**183(5)**	**179(4)**	**450(8)**	**236(4)**
2. Misc. Capital Receipts	**-**	**-**	**-**	**-**	**-**
3. Recoveries of Loans and Advances	**6**	**10**	**13**	**15**	**16**
4. Total Revenue and Non debt capital receipt (1+2+3)	**2950**	**3538**	**4113**	**5457**	**5797**
5. Public Debt Receipts	**505**	**663**	**632**	**745**	**537**
Internal Debt (excluding Ways & Means Advances and Overdrafts)	414	609	719	717	324
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	91	54	(-)87	28	213
6. Total Receipts in the Consolidated Fund (4+5)	**3455**	**4201**	**4745**	**6202**	**6334**
7. Contingency Fund Receipts	**170**	**-**	**-**	**3**	**-**
8. Public Accounts receipts	**4038**	**5025**	**6178**	**6993**	**7550**
9. Total receipts of the State (6+7+8)	**7663**	**9226**	**10923**	**13198**	**13884**
Part B. Expenditure/Disbursement	**3466**	**4322**	**5311**	**6005**	**6668**
10. Revenue Expenditure	**2778(80)**	**3425(79)**	**4227(80)**	**4784(80)**	**5484(82)**
Plan	566(20)	619(18)	758(18)	927(19)	1110(20)
Non-plan	2212(80)	2806(82)	3469(82)	3857(81)	4374(80)
General Services (including Interests payments)	837(30)	1062(31)	1351(32)	1487(31)	1633(30)
Social Services (including GIA & contributions)	931(34)	1192(35)	1487(35)	1774(37)	1952(36)
Economic Services (including GIA & contributions)	1010(36)	1171(34)	1389(33)	1522(32)	1899(35)
11. Capital Expenditure	**688(20)**	**897(21)**	**1084(20)**	**1221(20)**	**1184(22)**
Plan	683(99)	898(100)	1078(99)	1215(99)	1182(100)
Non-plan	5(1)	(-) 1(0)	6(1)	6(1)	2
General Services	96(14)	151(17)	179(17)	205(17)	202(17)
Social Services	142(21)	188(21)	211(19)	206(17)	239(20)
Economic Services	450(65)	558(62)	694(64)	810(66)	743(63)

	2007-08	2008-09	2009-10	2010-11	2011-12
Part B. Expenditure/Disbursement					
12. Disbursement of Loans and Advances	**25**	**29**	**37**	**16**	**9**
13. Total (10+11+12)	**3491**	**4351**	**5348**	**6021**	**6677**
14. Repayments of Public Debt	**68**	**166**	**178**	**208**	**278**
Internal Debt (excluding Ways and Means Advances and Overdrafts)	51	118	105	109	128
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	17	48	73	99	150
15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	**3559**	**4517**	**5526**	**6229**	**6955**
17. Contingency Fund disbursements	**170**	-	**3**	-	-
18. Public Accounts disbursements	**3704**	**4642**	**5471**	**6535**	**7057**
19. Total disbursement by the State (16+17+18)	**7433**	**9159**	**11000**	**12764**	**14012**
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+)(1-10)	**(+)166**	**(+)103**	**(-)127**	**(+)658**	**(+)297**
21. Fiscal Deficit (4-13)	**(-)541**	**(-)813**	**(-)1235**	**(-)564**	**(-)880**
22. Primary Deficit(-)/Surplus(+) (21+23)	**(-)94**	**(-)303**	**(-)652**	**(+)86**	**(-)175**
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	**447**	**510**	**583**	**650**	**705**
24. Financial Assistance to local bodies etc.	**333**	**448**	**590**	**736**	**835**
25. Ways and Means Advances (WMA)/Overdraft availed (days)	-	-	-	-	-
Ways and Means advances availed	-	-	**2.96**	-	-
Overdraft availed	-	-	-	-	-
26. Interest on WMA/Overdraft	-	-	#	-	-
27. Gross State Domestic Product (GSDP)♣	**19346**	**22358**	**25882**	**32563**	**44460**
28. Outstanding fiscal liabilities (year end)	**6289**	**7058**	**8075**	**8985**	**9579**
29. Outstanding guarantees including interest (year end)	**311**	**166**	**148**	**181**	**185**
30. Maximum amount guaranteed (year end)	**528**	**603**	**603**	**342**	**305**
31. Number of incomplete projects	**2**	**5**	**19**	**93**	**85**
32. Capital blocked in incomplete projects	**609**	**720**	**856**	**933**	**1571**
33. Grants-in-aid and contributions (included in revenue expenditure of General, Social & Economic Services)	**333**	**442**	**586**	**772**	**830**

Figures in brackets represent percentages (rounded) to total of each sub-heading
₹ 4,000 only on interest on Ways and Means Advances

♣ *Corrected GSDP figures as intimated by Government of Goa for 2009-10 and 2010-11adopted*

	2007-08	2008-09	2009-10	2010-11	2011-12
Part E. Fiscal Health Indicator (In per cent)					
I Resource Mobilization					
Own Tax revenue/GSDP	**7.02**	**7.58**	**6.05**	**6.57**	**5.74**
Own Non-Tax Revenue/GSDP	**5.39**	**5.53**	**5.94**	**6.97**	**5.20**
Central Transfer/GSDP	**2.04**	**1.86**	**1.47**	**1.79**	**1.53**
II Expenditure Management					
Total Expenditure/GSDP	**18.05**	**19.46**	**18.36**	**18.49**	**15.02**
Total Expenditure/Revenue Receipts	**118.58**	**123.33**	**130.44**	**110.64**	**115.50**
Revenue Expenditure/Total Expenditure	**79.58**	**78.72**	**79.04**	**79.46**	**82.13**
Expenditure on Social Services/Total Expenditure	**26.67**	**27.42**	**27.80**	**18.45**	**18.72**
Expenditure on Economic Services/Total Expenditure	**28.93**	**26.91**	**25.97**	**23.48**	**26.52**
Capital Expenditure/Total Expenditure	**19.71**	**20.62**	**20.27**	**20.28**	**17.73**
Capital Expenditure on Social and Economic Services/Total Expenditure	**5.27**	**5.29**	**4.73**	**4.12**	**4.21**
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	**0.86**	**0.46**	**(-)0.44**	**2.02**	**0.67**
Fiscal deficit/GSDP	**(-)2.80**	**(-)3.64**	**(-)4.24**	**(-)1.73**	**(-)1.98**
Primary Deficit (surplus)/GSDP	**(-)0.49**	**(-)1.36**	**(-)2.24**	**0.26**	**(-)0.39**
Revenue Deficit/Fiscal Deficit	**Revenue Surplus**		**(-)10.28**	**(-116.67**	**(-)33.75**
Primary Revenue Balance/GSDP	**12.05**	**13.04**	**12.51**	**12.70**	**10.75**
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	**32.51**	**31.57**	**27.72**	**27.59**	**21.55**
Fiscal Liabilities/RR	**213.62**	**200.06**	**196.95**	**165.10**	**165.70**
Primary deficit vis-a-vis quantum spread	**(-)32.76**	**(-)99.13**	**(-)148.76**	**13.65**	**(-)6.76**
Debt Redemption (Principal+Interest)/Total Debt Receipts	**101.98**	**101.96**	**120.41**	**115.17**	**183.05**
V Other Fiscal Health Indicator					
Return on Investment (in *per cent*)	**0.11**	**0.27**	**0.32**	**0.04**	**0.36**
Balance from Current Revenue (₹ in crore)	**625.34**	**586.54**	**508.64**	**688.16**	**327.23**
Financial Assets/Liabilities	**0.87**	**0.90**	**0.90**	**0.98**	**1.00**

APPENDIX 1.5

(Referred to in paragraph 1.6.1)

Comparison of main components of tax revenue during 2009-12

(₹in crore)

Heads of Revenue	Year	Revenue collected	Expenditure on collection of revenue	Percentage of expenditure on collection	All India average percentage of cost of collection
Sales tax/ VAT	2009-10	1142.13	7.15	0.63	0.88
	2010-11	1380.05	7.99	0.58	0.96
	2011-12	1652.92	9.17	0.55	0.75
State excise	2009-10	104.46	8.17	7.82	3.66
	2010-11	139.16	7.75	5.57	3.64
	2011-12	182.03	8.85	4.86	3.05
Stamp duty and registration fees	2009-10	111.25	4.45	4.00	2.77
	2010-11	151.79	5.17	3.41	2.47
	2011-12	183.79	4.53	2.46	1.60
Taxes on vehicles	2009-10	105.12	2.21	2.10	2.93
	2010-11	130.40	2.48	1.90	3.07
	2011-12	140.45	2.49	1.77	3.71

APPENDIX - 2.1

(Referred to in paragraph 2.3.1)

Statement of various grants/appropriations where savings were in excess of ₹ two crore and also by more than 20 *per cent* of the total provision

(₹in crore)

Sl. No.	Grant/Appropriation	Total provision	Actual expenditure	Savings	Percentage
Revenue (Voted)					
1	10-Notary Services	6.00	3.69	2.31	39
2	12-Commercial Taxes	13.02	10.15	2.87	22
3	13-Transport	84.77	38.60	46.17	54
4	15-Collectrate(North Goa)	26.50	14.30	12.20	46
5	16-Collectrate(South Goa)	21.25	10.91	10.34	49
6	19-Industries,Trade and Commerce	41.83	16.55	25.28	60
7	23-Home	3.80	1.71	2.09	55
8	25-Home Guard and Civil Defence	8.10	5.33	2.77	34
9	30-Small Savings and Lotteries	16.60	2.73	13.87	83
10	32-Finance	13.00	1.60	11.40	88
11	33-Revenue	7.17	4.68	2.49	35
12	43-Art and Culture	142.48	92.27	50.21	35
13	45-Archives and Archaeology	10.40	7.92	2.48	24
14	50-Goa College of Pharmacy	9.08	6.48	2.60	29
15	52-Labour	46.40	21.34	25.06	54
16	54-Town and Country Planning	10.46	7.45	3.01	29
17	55-Municipal Administration	126.90	71.12	55.78	44
18	57-Social Welfare	208.24	146.38	61.86	30
19	60-Employment	51.43	1.45	49.98	97
20	61-Craft men Training	39.92	29.74	10.18	26
21	62-Law	22.82	13.58	9.24	40
22	65-Animal Husbandry and Veterinary Services	47.64	29.58	18.06	38
23	66-Fisheries	32.64	22.47	10.17	31
24	70-Civil Supplies	25.84	19.42	6.42	25
25	71-Co-operation	14.31	10.63	3.68	26
26	72-Science Technology and Environment	7.17	4.84	2.33	32
27	75-Planning,Statistics and Evaluation	17.12	11.74	5.38	31
28	78-Tourism	52.23	39.03	13.20	25
29	81-Tribal Welfare	15.00	9.80	5.20	35
30	83-Mines	106.75	2.60	104.15	98

Sl. No.	Grant/Appropriation	Total provision	Actual expenditure	Savings	Percentage
Capital (Voted)					
1	8-Treasury and Accounts Administration	13.03	2.90	10.13	78
2	13-Transport	66.08	7.20	58.88	89
3	26-Fire and Emergency Services	9.79	6.65	3.14	32
4	31-Panchayats	5.15	1.98	3.17	62
5	32-Finance	225.00	154.53	70.47	31
6	34-School Education	26.08	18.57	7.51	29
7	36-Technical Education	8.42	2.89	5.53	66
8	43-Art and Culture	37.51	10.29	27.22	73
9	55-Archives and Archaeology	10.44	0.31	10.13	97
10	47-Goa Medical College and Hospital	23.15	15.31	7.84	34
11	48-Health Services	8.39	3.19	5.20	62
12	51-Goa Dental College	17.60	0.85	16.75	95
13	57-Social Welfare	12.02	2.50	9.52	79
14	58-Women and Child Development	3.33	0.96	2.37	71
15	61-Craftmen Training	19.32	6.80	12.52	65
16	62-Law	6.84	1.49	5.35	78
17	64-Agriculture	11.61	4.40	7.21	62
18	65-Animal Husbandry and Veterinary Services	2.85	1.39	1.46	51
19	71-Co-operation	12.13	5.79	6.34	52
20	78-Tourism	43.20	25.36	17.84	41
21	81-Tribal Welfare	10.00	7.00	3.00	30

APPENDIX - 2.2

(Referred to in paragraph 2.3.5)

Cases where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary

(₹ in crore)

Sl. No.	Number and Name of the Grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary Provision
Revenue (Voted)					
1	2-General Administration and Co-ordination	42.35	42.09	0.26	0.80
2	19-Industries,Trade and Commerce	31.63	16.55	15.08	10.20
3	23-Home	3.30	1.71	1.59	0.50
4	27-Official Language	2.12	1.92	0.20	0.25
5	31-Panchayats	99.58	88.17	11.41	4.00
6	35-Higher Education	126.75	122.59	4.16	5.70
7	42-Sports and Youth Affairs	56.93	47.70	9.23	0.50
8	45-Archives and Archaeology	10.30	7.92	2.38	0.10
9	47-Goa Medical College and Hospital	159.85	154.53	5.32	7.77
10	51-Goa Dental College	11.70	10.63	1.07	0.59
11	58-Women and Child development	56.64	52.93	3.71	1.77
12	61-Craftsmen Training	35.21	29.74	5.47	4.70
13	62-Law	17.50	13.58	3.92	5.31
14	65-Animal Husbandry and Veterinary Services	45.39	29.58	15.81	2.25
15	66-Fisheries	29.97	22.47	7.50	2.67
16	67-Port Administration	5.92	5.45	0.47	0.60
17	71-Co-operation	12.60	10.63	1.97	1.72
18	74-Water Resources	83.66	80.72	2.94	5.16
19	75-Planning,Statistics and Evaluation	16.82	11.74	5.08	0.30
20	78-Tourism	48.23	39.03	9.20	4.00
Capital (Voted)					
1	16-Collectrate(South Goa)	20.00	18.79	1.21	0.20
2	21-Public Works	442.45	427.28	15.17	50.00
3	26-Fire and Emergency Services	8.00	6.65	1.35	1.79
4	31-Panchayats	4.15	1.98	2.17	1.00
5	32-Finance	205.00	154.53	50.47	20.00
6	36-Technical Education	3.42	2.89	0.53	5.00
7	38-Government Polytechnic(Bicholim)	1.07	0.81	0.26	1.57
8	42-Sports and Youth Affairs	24.92	12.73	12.19	67.00
9	48-Health Services	7.39	3.19	4.20	1.00
10	51-Goa Dental College	8.00	0.85	7.15	9.60
11	61-Craftsmen Training	8.92	6.80	2.12	10.40
12	62-Law	2.00	1.49	0.51	4.84
13	78-Tourism	41.76	25.36	16.4	1.44
Total		**1673.53**	**1453.03**	**220.50**	**232.73**

APPENDIX - 2.3

(Referred to in paragraph 2.3.6)

Excess/unnecessary/insufficient re-appropriation of funds

(₹in lakh)

Sl. No.	Grant No.	Description	Head of Accounts	Re-appropriation	Final Excess (+) / Saving (-)
1	1	Legislature Secretariat	2011(103)(01)	(-)24.46	(-)126.51
2	2	General Administration & Co-ordination	3451(090)(07)	(+)129.59	(+)83.98
3	8	Treasury and Accounts Administration(North Goa)	2071(102)(01)	(-)500.00	(-)1416.10
4	8	Treasury and Accounts Administration(North Goa)	2071(104)(01)	(-)250.30	(-)1120.75
5	8	Treasury and Accounts Administration(North Goa)	2071(109)(02)	(-)1210.00	(-)654.30
6	8	Treasury and Account Administration(North Goa)	2071(109)(03)	(-)1340.00	(-)1052.07
7	8	Treasury and Accounts Administration(North Goa)	2071(109)(04)	(-)1005.00	(-)664.99
8	8	Treasury and Accounts Administration(North Goa)	7610(800)(02)	(-)826.23	(-)11.72
9	16	Collectorate(South Goa)	4059(01)(051)(02)	(-)150.00	(-)34.22
10	18	Jails	4059(800)(01)	(-)62.05	(-)33.49
11	21	Public works	2059(053)(01)	(+)70.43	(-)39.88
12	21	Public works	4215(101)(13)	(-)123.89	(-)144.37
13	21	Public works	5054(80)(800)(01)	(+)291.01	(-)645.84
14	21	Public works	5054(80)(800)(02)	(+)33.62	(-)74.54
15	31	Panchayats	4515(101)(04)	(-)130.77	(-)107.57
16	34	School Education	2202(02)(109)(02)	(+)214.51	(-)35.88
17	34	School Education	4202(800)(05)	(-)159.20	(-)40.80
18	34	School Education	4202(01)(201)(01)	(+)323.48	(-)211.12
19	34	School Education	4202(01)(202)(01)	(+)215.12	(-)125.39
20	37	Govt Polytechnic(Panji)	2203(105)(01)	(-)35.20	(-)39.38
21	40	Goa College Of Engineering	4202(02)(105)(01)	(+)60.91	(-)41.99
22	42	Sports and Youth Affairs	4202(03)(800)(01)	(-)288.40	(-)26.76
23	47	Goa Medical College and Hospital	4210(03)(105)(01)	(-)250.03	(-)33.31
24	48	Health Services	2210(01)(110)(05)	(-)338.44	(-)42.35
25	48	Health Services	4210(01)(110)(01)	(-)48.84	(-)33.03
26	48	Health Services	4210(80)(796)(01)	(-)145.00	(-)60.02
27	66	Fisheries	4405((101)(02)	(+)175.00	(+)27.62
28	68	Forests	2406(01)(102)(06)	(-)54.28	(-)34.41
29	68	Forests	2406(01)(800)(07)	(-)171.75	(-)289.25

Sl. No.	Grant No.	Description	Head of Accounts	Re-appropriation	Final Excess (+) / Saving (-)
30	68	Forests	2406(02)(110)(10)	(-)39.30	(-)28.79
31	76	Electricity	2801(800)(02)	(-)300.00	(+)35.55
32	76	Electricity	2801(05)(001)(01)	(+)29.51	(-)126.04
33	76	Electricity	4801(05)(800)(22)	(-)256.28	(-)34.95
34	76	Electricity	4801(05)(800)(24)	(-)192.00	(+)25.18
35	76	Electricity	4801(800)(52)	(-)3225.04	(+)43.32
36	76	Electricity	4801(05)(800)(41)	(+)35.04	(-)39.29

APPENDIX - 2.4

(Referred to in paragraph 2.3.8)

Results of review of substantial surrenders made during the year

(₹in crore)

Sl. No.	Number & title of grant	Total provision	Amount of surrender	Percentage of surrender
Revenue (Voted)				
1	13-Transport	84.77	46.12	54
2	19-Industries,Trade and Commerce	41.83	25.27	60
3	23-Home	3.80	2.10	55
4	30-Small Savings and Lotteries	16.60	13.87	84
5	32-Finance	13.00	11.40	88
6	52-Labour	46.40	25.03	54
7	83-Mines	106.75	104.15	98
Capital (Voted)				
8	1-Legislature Secretariat	1.70	1.30	76
9	2-General Administration and Co-ordination	18.20	18.13	99
10	8-Treasury and Accounts Administration	13.03	9.97	77
11	10-Notary Services	0.34	0.32	94
-	13-Transport	66.08	58.85	89
12	15-Collectorate (North Goa)	1.40	1.00	71
13	36-Technical Education	8.42	5.41	64
14	38-Government Polytechnic (Bicholim)	2.64	1.83	69
15	42-Sports and Youth Affairs	91.92	78.82	86
16	43-Art and Culture	37.51	26.75	71
17	45-Archives and Archaeology	10.45	10.14	97
18	48-Health Services	8.39	4.30	51
19	50-Goa College of Pharmacy	0.86	0.46	53
20	51-Goa Dental College	17.60	16.75	95
21	57-Social Welfare	12.02	9.51	79
22	58-Women and Child Development	3.33	2.37	71
23	61-Craftsmen Training	19.32	12.33	64
24	62-Law	6.84	5.22	76
25	71-Co-operation	12.13	6.34	52
	Total	**645.33**	**497.74**	

APPENDIX - 2.5

(Referred to in paragraph 2.3.10)

Entire savings of various grants/appropriations surrendered due to non-utilisation of funds

(₹in crore)

Sl. No.	Number and title of grant	Name of the Scheme (Head of Account)	Total provision	Amount of surrender	Percentage of surrender
	Capital -Voted				
1	2-General Administration And Co-ordination	4059-Capital outlay on Public Works	13.20	13.20	100
		4250-Capital outlay on Other Social Services	5.00	5.00	100
2	12-Commercial Taxes	4059-Capital outlay on Public Works	10.00	10.00	100
3	33-Revenue	4059-Capital outlay on Public Works	3.64	3.64	100
4	41-Goa Architecture College	4202-Capital outlay on Education, Sports Art and Culture	4.46	4.46	100
5	63-Rajya Sainik Board	4059-Capital outlay on Public works	3.04	3.04	100
6	75-Planning, Statistics and Evaluation	4059-Capital outlay on Public works	2.00	2.00	100
7	82-Information Technology	4851-Capital outlay on Village and Small Industries	1.00	1.00	100
8	83-Mines	4853-Capital outlay on Non-ferrous mining & Metallurgical Industries	3.25	3.25	100
Total			**45.59**	**45.59**	**100**

APPENDIX - 2.6

(Referred to in paragraph 2.3.10)

Details of savings of ₹ 10 lakh and above not surrendered

(₹in crore)

Sl. No.	Number and Name of grant	Total grant	Expenditure	Savings	Savings surrendered	Savings not surrendered
1	01-Legislature Secretariat (Capital Voted)	1.70	0.24	1.46	1.30	0.16
2	02-General Administration and Co-ordination(Revenue- Voted)	43.15	42.09	1.06	0.89	0.17
3	07-Settelment & Land Records (Revenue- Voted)	11.67	10.20	1.47	1.12	0.35
4	08-Treasury and Accounts Administration (North Goa) (Revenue- Voted)	521.22	435.94	85.28	45.40	39.88
-	08-Treasury and Accounts Administration (North Goa) (Capital -Voted)	13.03	2.90	10.13	9.97	0.16
5	14-Goa Sadan (Revenue- Voted)	3.65	3.06	0.59	0.42	0.17
6	15-Collectorate(North Goa) (Revenue- Voted)	26.50	14.30	12.20	12.04	0.16
7	16-Collectorate(South Goa) (Capital -Voted)	20.20	18.79	1.41	1.07	0.34
8	17-Police (Revenue- Voted)	221.20	191.40	29.80	29.06	0.74
9	18-Jails (Capital -Voted)	17.50	15.29	2.21	1.87	0.34
10	21-Public Works (Revenue-Voted)	528.43	500.39	28.04	25.28	2.76
11	26-Fire and Emergency Services (Capital- Voted)	9.79	6.65	3.14	2.33	0.81
12	31-Panchayats (Revenue -Voted)	103.58	88.17	15.41	14.38	1.03
--	31-Panchayats (Capital- Voted)	5.15	1.98	3.17	2.09	1.08
13	34-School Education (Revenue -Voted)	712.53	614.22	98.31	95.68	2.63
--	34-School Education (Capital -Voted)	26.08	18.57	7.51	3.65	3.86
14	35-Higher Education (Revenue -Voted)	132.45	122.59	9.86	9.72	0.14
15	36-Technical Education (Capital -Voted)	8.42	2.89	5.53	5.41	0.12
16	37-Government Polytechnic (Panji) (Revenue -Voted)	19.81	18.40	1.41	0.68	0.73
17	40-Goa College Of Engineering (Revenue- Voted)	21.37	17.83	3.54	3.21	0.33
--	40-Goa College of Engineering (Capital- Voted)	12.06	10.19	1.87	1.33	0.54
18	42-Sports and Youth Affairs (Capital - Voted)	91.92	12.73	79.19	78.82	0.37

	Number and Name of grant	Total grant	Expendi-ture	Savings	Savings surren-dered	Savings not surren-dered
19	43-Art and Culture(Revenue- Voted)	142.48	92.27	50.21	50.03	0.18
--	43-Art and Culture(Capital- Voted)	37.51	10.29	27.22	26.75	0.47
20	47-Goa Medical College and Hospital (Revenue - Voted)	167.62	154.54	13.08	12.52	0.56
--	47-Goa Medical College and Hospital (Capital - Voted)	23.15	15.31	7.84	7.15	0.69
21	48-Health Services (Revenue- Voted)	193.92	187.37	6.55	5.86	0.69
--	48-Health Services (Capital -Voted)	8.39	3.19	5.20	4.30	0.90
22	57-Social Welfare (Revenue -Voted)	208.24	146.38	61.86	61.68	0.18
23	61-Craftsmen Training (Capital - Voted)	19.32	6.80	12.52	12.33	0.19
24	62-Law (Capital -Voted)	6.84	1.49	5.35	5.22	0.13
25	64-Agriculture (Revenue -Voted)	90.43	85.78	4.65	4.47	0.18
26	65-Animal Husbandry and Veterinary Services (Capital- Voted)	2.85	1.39	1.46	1.20	0.26
27	66-Fisheries (Revenue -Voted)	32.64	22.47	10.17	9.95	0.22
28	68-Forests (Revenue -Voted)	50.19	43.38	6.81	4.72	2.09
29	72-Science,Technology and Environment (Revenue - Voted)	7.17	4.84	2.33	2.15	0.18
30	73-State Election Commission (Revenue -Voted)	2.48	1.78	0.70	0.53	0.17
31	74-Water Resources (Revenue -Voted)	88.82	80.71	8.11	7.93	0.18
--	74-Water Resources (Capital -Voted)	273.95	198.13	75.82	75.44	0.38
32	76-Electricity (Revenue- Voted)	1180.00	1178.08	1.92	0.65	1.27
33	78-Tourism (Revenue -Voted)	52.23	39.03	13.20	13.02	0.18
--	78-Tourism (Capital - Voted)	43.20	25.36	17.84	17.65	0.19
34	81-Tribal Welfare (Revenue Voted)	15.00	9.81	5.19	4.94	0.25
	Total	**5197.84**	**4457.22**	**740.62**	**674.21**	**66.41**

APPENDIX - 2.7

(Referred to in paragraph 2.3.10)

Surrender of funds in excess of ₹ five crore in March 2012

(₹in crore)

Sl. No.	Grant No.	Total grant	Expenditure	Savings surrendered	Percentage of total provision
1	8-Treasury and Accounts Administration (North Goa) (Revenue Voted)	521.22	435.93	45.40	9
2	8-Treasury and Accounts Administration (North Goa) (Capital Voted)	13.03	2.90	9.97	77
3	13-Transport (Revenue Voted)	84.77	38.60	46.12	54
4	13-Transport (Capital Voted)	66.08	7.20	58.85	89
5	15-Collectorate (North Goa) (Revenue Voted)	26.50	14.30	12.05	45
6	16-Collectorate (South Goa) (Revenue Voted)	21.25	10.92	10.33	49
7	17-Police (Revenue Voted)	221.20	191.40	29.05	13
8	19-Industries,Trade and Commerce (Revenue Voted)	41.83	16.55	25.28	60
9	21-Public Works (Revenue Voted)	528.43	500.40	25.29	5
10	21-Public Works (Capital Voted)	492.44	427.28	57.15	12
11	30-Smalll Savings and Lotteries (Revenue Voted)	16.60	2.73	13.87	84
12	31-Panchayats (Revenue Voted)	103.58	88.17	14.38	14
13	32-Finance (Revenue Voted)	13.00	1.60	11.40	88
14	32-Finance (Capital Voted)	225.00	154.53	70.47	31
15	34-School Education (Revenue Voted)	712.53	614.22	95.68	13
16	35-Higher Education (Revenue Voted)	132.45	122.59	9.72	7
17	36-Technical Education (Capital Voted)	8.42	2.89	5.41	64
18	42-Sports and Youth Affairs (Revenue Voted)	57.43	47.70	9.68	17
19	42-Sports and Youth Affairs(Capital Voted)	91.92	12.73	78.82	86
20	43-Art and Culture(Revenue Voted)	142.48	92.27	50.03	35
21	43-Art and Culture(Capital Voted)	37.51	10.29	26.75	71
22	45-Archives and Archaeology (Capital Voted)	10.44	0.31	10.14	97
23	47-Goa Medical College and Hospital (Revenue Voted)	167.62	154.53	12.52	7
24	47- Goa Medical College and Hospital (Capital Voted)	23.15	15.31	7.15	31
25	48-Health Services (Revenue Voted)	193.92	187.37	5.86	3
26	51-Goa Dental College (Capital Voted)	17.60	0.85	16.75	95
27	52-Labour(Revenue Voted)	46.40	21.34	25.03	54
28	55-MuncipalAdministration (Revenue Voted)	126.90	71.12	55.68	44
29	57-Social Welfare (Revenue Voted)	208.24	146.38	61.68	30
30	57-Social Welfare (Capital Voted)	12.02	2.50	9.52	79
31	58-Women & Child Development (Revenue Voted)	58.41	52.93	5.43	9
32	61-Craftsmen Training (Revenue Voted)	39.92	29.74	10.12	25

Sl. No.	Grant No.	Total grant	Expenditure	Savings surrendered	Percentage of total provision
33	61-Craftsmen Training (Capital Voted)	19.33	6.81	12.33	64
34	62-Law (Revenue Voted)	22.82	13.58	9.29	41
35	62-Law (Capital Voted)	6.84	1.49	5.22	76
36	64-Agriculture (Capital Voted)	11.61	4.40	7.14	61
37	65-Animal Husbandry and Veterinary Services (Revenue Voted)	47.64	29.58	18.16	38
38	66-Fisheries (Revenue Voted)	32.64	22.47	9.94	30
39	68-Forests (Capital Voted)	19.62	10.39	9.12	46
40	70-civil Supplies (Revenue Voted)	25.84	19.42	6.40	25
41	71-Co-operation (Capital Voted)	12.13	5.79	6.33	52
42	74-water Resources (Revenue voted)	88.82	80.71	7.92	9
43	74-water Resources (Capital voted)	273.95	198.12	75.44	27
44	75-Planning,Statiscs & Evaluation (Revenue Voted)	17.12	11.74	5.35	31
45	78-Tourism (Revenue Voted)	52.23	39,03	13.02	25
46	78-Tourism (Capital Voted)	43.20	25.36	17.65	41
47	82-Information Technology (Revenue Voted)	56.28	46.85	9.65	17
46	83-Mines (Revenue Voted)	106.75	2.59	104.15	98
	Total	**4815.40**	**3956.88**	**1242.69**	

APPENDIX – 3.1

(Referred to in paragraph 3.1)

Department-wise breakup of outstanding Utilisation Certificates as on June 2012

Sl. No.	Name of the Department	No. of utilisation certificates	Amount (₹ *in crore*)
1	Directorate of Education	288	28.32
2	Directorate of Technical Education	15	1.37
3	Directorate of Higher Education	25	33.52
4	Directorate of Sports and Youth Affairs	359	49.60
5	Town and Country Planning Department	20	7.14
6	Directorate of Municipal Administration	854	266.44
7	i) Directorate of Women and Child Welfare ii) Directorate of Social Welfare	151 88	2.27 18.11
8	Department of Science, Technology & Environment	84	9.74
9	i) Directorate of Panchayats (South) ii) Directorate of Panchayats (North)	1439 1507	21.36 110.22
10	i) General Administration Department ii) Directorate of Official Language iii) Legislature Department	5 4 7	0.13 0.24 0.24
11	Directorate of Health Services	22	7.36
12	Institute of Psychiatry and Human Behaviour	1	0.01
13	Directorate of Small Savings and Lotteries	13	27.76
14	Directorate of Art and Culture	1947	59.17
15	Directorate of Agriculture	75	0.26
16	Forests Department	7	1.88
17	Goa Sate Legal Services Authority	11	1.41
18	Under Secretary, Finance (Home)	7	0.41
19	Under Secretary, Revenue	4	2.09
20	Law Department	1	0.19
	TOTAL	**6934**	**649.24**

APPENDIX – 3.2

(Referred to in paragraph 3.2)

Statement showing names of bodies and authorities, the accounts of which had not been received

Sl. No.	Name of the institution	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)
	Directorate of Education		
1	A. J. De Almeida High School, Ponda	2005-06 to 2010-11	104.65
2	A.I.M. Salcete High School, Malbhat	2005-06 to 2010-11	31.00
3	Azmane High School, Neura	2006-07 to 2010-11	35.17
4	Blessed Joseph Vaz High School, Sancoale	2007-08 to 2010-11	29.60
5	Cuncolim United High School, Cuncolim	2005-06 to 2010-11	34.20
6	Dnyanprasarak Vidyalaya, Mapusa	2005-06 to 2010-11	49.02
7	Fatima Convent High School, Margao, Salcete	2008-09 to 2010-11	4.55
8	Guardian Angel High School, Sanvordem	2008-09 to 2010-11	1.05
9	Holy Spirit Institute, Margao	2008-09 to 2010-11	1.25
10	I.V.B.D. English School, Dhava li	2005-06 to 2010-11	35.66
11	Immaculate Conception High School, Dabal	2008-09 to 2010-11	0.47
12	Immaculate Conception High School, Avedem, Paroda	2008-09 to 2010-11	0.52
13	Immaculate Heart of Mary High School, Goa Velha	2005-06 to 2010-11	25.92
14	K.R.S.S. High School, Savoi Verem	2005-06 to 2010-11	31.80
15	Kasturaba Matoshree High School, Panaji	2005-06 to 2010-11	38.36
16	Keerti Vidyalaya Siolim, Bardez	2008-09 to 2010-11	0.86
17	L.D. Samant Memorial High School, Porvorim	2005-06 to 2010-11	47.34
18	Late V.G. Shenvi Vidyalaya, Rawanfond	2005-06 to 2010-11	40.00
19	Lokmanya Tilak Vidyalaya High School, Kavalem	2005-06 to 2010-11	30.42
20	Lokshikshan High School, Dhargal, Pernem	2005-06 to 2010-11	23.16
21	M & N English High School, Margao	2008-09 to 2010-11	2.24
22	M.I.B.K. High School, Khandepar	2005-06 to 2010-11	53.08
23	Mahalakshmi English High School, Talaulim	2008-09 to 2010-11	2.01
24	Manguirish Vidyalaya Aroba, Pernem	2005-06 to 2010-11	20.75
25	Mapusa High School, Mapusa	2005-06 to 2010-11	26.69
26	Marina English High School, Verna	2007-08 to 2010-11	27.76
27	Mata Secondary School No.1, Baina, Vasco	2005-06 to 2010-11	44.88
28	Municipal High School, Vasco, Mormugao	2007-08 to 2010-11	35.44
29	Mustifund High School, Panaji	2005-06 to 2010-11	53.36
30	Navdeep Vidyalaya, Shiroda	2005-06 to 2010-11	27.70
31	New English High School, Keri, Pernem	2005-06 to 2010-11	34.09
32	New Goa High School, Mapusa	2008-09 to 2010-11	1.55
33	New Era High School, Margao	2008-09 to 2010-11	0.58
34	Our Lady of Desterro's School, Desterro, Mormugao	2008-09 to 2010-11	0.69
35	Our Lady of Divar High School, Piedade	2006-07 to 2010-11	23.09
36	Our Lady of Succor High School, Nagoa	2006-07 to 2010-11	32.49
37	Our Lady of Carmel High School, Curtorim	2006-07 to 2010-11	0.83
38	Perpetual Succor High School, Navelim	2005-06 to 2010-11	62.64
39	Pragati Vidyalaya, Borim	2005-06 to 2010-11	28.12
40	Pope John XXIII High School, Quepem	2008-09 to 2010-11	48.49
41	Presentation Convent High School, Margao	2008-09 to 2010-11	5.66
42	Progress High School, Sanquelim, Bicholim	2005-06 to 2010-11	61.50
43	Progress High School, Panaji	2008-09 to 2010-11	72.26

Sl. No.	Name of the institution	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)
44	R.P.R.S. High School, Bandoda	2005-06 to 2010-11	27.68
45	Radhakrishna Vidyalaya, Bicholim	2008-09 to 2010-11	51.57
46	Ramakant D. Khalap High School, Mandrem-Pernem	2005-06 to 2010-11	37.72
47	Sacred Heart High School, Parra-Bardez	2005-06 to 2010-11	37.53
48	Sarvodaya High School, Usgao	2006-07 to 2010-11	24.63
49	Sarvodaya Education Society High School, Curchorem	2008-09 to 2010-11	60.37
50	Shantadurga High School, Bicholim	2008-09 to 2010-11	1.49
51	Shiksha Sadan, Priol	2005-06 to 2010-11	32.64
52	Shree Navdurga Vidyalaya, Madkai-Ponda	2007-08 to 2010-11	33.00
53	Shri Bhagwati High School, Pernem	2005-06 to 2010-11	51.69
54	Shri Durga English School, Parsem-Pernem	2005-06 to 2010-11	26.91
55	Shri Hanuman Vidyalaya, Valpoi-Sattari	2006-07 to 2010-11	35.94
56	Shri Kamakshi High School, Shiroda	2005-06 to 2010-11	47.22
57	Shri Kamleshwar High School, Pethechawada	2007-08 to 2010-11	27.44
58	Shri Katyani Baneshwer Vidyalaya, Canacona	2006-07 to 2010-11	25.35
59	Shri Shantadurga Vidyalaya, Pirna-Bardez	2007-08 to 2010-11	29.11
60	Shri Shradhanand Vidyalaya, Paiguinim	2005-06 to 2010-11	36.04
61	Shri Damodar Vidyalaya English High School, Margao	2008-09 to 2010-11	61.64
62	Smt. Chandrabhaga T. Naik High School, Curchorem	2008-09 to 2010-11	38.34
63	Smt. Hirabai Talaulikar High School, Sancordem	2005-06 to 2010-11	30.23
64	Smt. Kamalabai Hede High School, Shiroda-Ponda	2008-09 to 2010-11	1.60
65	St. Andrew's Institute, Vasco	2005-06 to 2010-11	62.33
66	St. Ann's High School, Tivim	2008-09 to 2010-11	30.72
67	St. Anthony High School, Duler-Mapusa	2008-09 to 2010-11	42.93
68	St. Anthony High School, Galgibaga	2007-08 to 2010-11	31.12
69	St. Anthony High School, Monte de Guirim	2005-06 to 2010-11	49.07
70	St. Clara High School, Assonora	2005-06 to 2010-11	39.46
71	St. Francis Xavier High School, Siolim	2005-06 to 2010-11	48.73
72	St. John of the Cross High School, Sanquelim	2006-07 to 2010-11	52.78
73	St. Joseph Convent High School, Nagoa-Verna	2005-06 to 2010-11	30.64
74	St. Joseph High School, Arpora	2006-07 to 2010-11	2.96
75	St. Joseph High School, Aquem-Alto, Margao	2006-07 to 2010-11	36.23
76	St. Mary High School, Ponda	2007-08 to 2010-11	44.42
77	St. Mary High School, Varca	2008-09 to 2010-11	38.23
78	St. Michael Convent High School, Vagator	2005-06 to 2010-11	42.21
79	St. Rita High School, Colvale	2005-06 to 2010-11	41.32
80	St. Thereza High School, Candolim	2008-09 to 2010-11	46.55
81	St. Thereza High School, Santo Estevam	2005-06 to 2010-11	26.72
82	St. Thereza Convent High School, Ganapoga-Raia	2005-06 to 2010-11	32.73
83	St. Thereza High School, Vasco	2008-09 to 2010-11	45.32
84	St. Thomas Boy's High School, Aldona-Bardez	2007-08 to 2010-11	36.95
85	St. Thomas Girl's High School, Aldona- Bardez	2005-06 to 2010-11	38.14
86	St. Xavier High School, Moira	2008-09 to 2010-11	2.24
87	Surashri Kesarbai Kerkar High School, Keri	2008-09 to 2010-11	2.22
88	T. B. Cunha New English High School, Aquem	2006-07 to 2010-11	26.09
89	Rosary High School, Miramar	2005-06 to 2010-11	30.93
90	V. D. & S. V. Wagle High School, Mangueshi	2008-09 to 2010-11	44.40
91	Vidhyaprasarak High School, Morjim-Pernem	2008-09 to 2010-11	0.34
92	Vijayanand High School, Mayem	2007-08 to 2010-11	32.01
	Directorate of Arts and Culture		
93	Goa International Centre, Donapaula	2007-08 to 2010-11	18.00

Sl. No.	Name of the institution	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)
94	Entertainment Society of Goa, Panaji	2007-08 to 2010-11	479.99
	Chief Town Planner		
95	Vasco Planning Development Authority, Vasco	2007-08 to 2010-11	N.A.
	Directorate of Agriculture		
96	Users Groups and Self Help Group users of all talukas of Goa State	2006-07 to 2010-11	28.04
	Directorate of Science, Technology & Environment		
97	Goa State Pollution Control Board, Panaji	2007-08 to 2010-11	258.44
	Directorate of Panchayats		
98	Zilla Panchayat, North Goa	2009-10 to 2010-11	522.16
99	Zilla Panchayat, South Goa	2009-10 to 2010-11	371.94
	Total		**4585.40**

N.A. - Not Available

APPENDIX – 3.3

(Referred to in paragraph 3.3)

Statement showing entrustment of audit/rendering of accounts/placement of SARs in Legislature of autonomous bodies as of September 2012

Sl. No.	Name of the body/authority	Period of entrustment of audit	Year for which accounts received	Year up to which audit report issued	Placement of reports before the Legislature
1	Goa University	1.4.2010 to 31.3.2015	2010-11	2010-11	2006-07/02.02.2011
2	Goa Housing Board	1.4.2012 to 31.3.2017	2010-11	2010-11	2008-09/05.10.2011
3	Goa Tillari Irrigation Development Corporation	1.4.2008 to 31.3.2012	2008-09	2008-09	2007-08/05.10.2011
4	Khadi and Village Industries Board	1.4.2008 to 31.3.2013	2007-08	2007-08	2006-07/31.01.2011
5	Goa State Commission for Backward Classes	1.4.2009 to 31.3.2014	2009-10	2009-10	2009-10/05.10.2011
6	Goa Secondary and Higher Secondary Board	1.4.2010 to 31.3.2015	2008-09	2008-09	Not applicable
7	South Goa Zilla Panchayat	1.4.2009 to 31.3.2014	2006-07	2006-07	Not yet placed
8	North Goa Zilla Panchayat	1.4.2009 to 31.3.2014	2006-07	2006-07	Not yet placed
9	Goa State Legal Services Authority	As per Act	2010-11	2010-11	Not yet placed
10	District Legal Service Authority, South Goa	As per Act	2008-09	2008-09	Not yet placed
11	District Legal Service Authority, North Goa	As per Act	2008-09	2008-09	Not yet placed

APPENDIX - 3.4

(Referred to in paragraph 3.4)

Position of arrears as on October 2012 in preparation of proforma accounts

Department	No. of undertakings under the Department	Accounts not finalised (name of undertaking)	Year up to which accounts finalised	Investment as per last accounts (₹ in crore)
Inland Water Transport	1	River Navigation Department	2005-06	108.29
Power	1	Electricity Department	2006-07	639.87
Total				**748.16**

APPENDIX – 3.5

(Referred to in paragraph 3.5)

Department-wise/duration-wise breakup of the cases of misappropriations, losses and defalcations where final action was pending at the end of June 2012

(₹in lakh)

Sr. No.	Name of Department	Up to 5 years	5 to 10 years	10 years and above	Total No. of cases
1	General Administration Department	1 (0.10)	-	-	1 (0.10)
2	Director of Panchayats, Panaji		2 (0.54)	-	2 (0.54)
3	Deputy Commandant General, Home Guards	-	-	1 (4.95)	1 (4.95)
4	Director General of Police	4 (28.30)	-	-	4 (28.30)
5	Director of Civil Supplies	1 (3.02)	2 (2.90)	-	3 (5.92)
6	Chief Electrical Engineer, Panaji	3 (9.66)	1 (55.25)	1 (40.24)	5 (105.15)
7	Chief Engineer, PWD, Panaji	-	1 (38.60)	-	1 (38.60)
8	Dean, Goa Medical College, Bambolim	1 (2.39)	-	-	1 (2.39)
9	Director of Education, Panaji	-	-	1 (0.77)	1 (0.77)
10	Administrative Medical Officer, E.S.I. Scheme, Panaji	-	1 (1.85)	-	1 (1.85)
11	Director of Industries, Trade and Commerce, Panaji	1 (0.01)	-	-	1 (0.01)
12	Inspector General of Prisons	1 (1.05)	-	-	1 (1.05)
	Total	**12(44.53)**	**7(99.14)**	**3(45.96)**	**22(189.63)**

(Figures in brackets indicate ₹ in lakh)

APPENDIX - 3.6

(Referred to in paragraph-3.6)

Pending DC bills up to 2011-12

(₹ in lakh)

Sr. No.	Department	Number of AC bills	Amount
1	Directorate of Fire & Emergency Service	1	332.00
2	Legislature Department	4	8.77
3	Collector, North Goa	18	209.72
4	Collector, South Goa	6	62.89
5	Water Resources Department	23	82.07
6	Directorate of Education	19	42.38
7	Directorate of Sports & Youth Affairs	61	403.70
8	Goa Medical College	20	266.70
9	Goa Dental College	6	88.12
10	Tourism Department	13	792.12
11	Information & Publicity Department	5	80.30
12	Directorate of Transport	6	8.63
13	Commissioner of Commercial Taxes	2	16.00
14	Directorate of Food and Drugs	1	29.00
15	Home Department	3	7.74
16	Directorate of Mines and Geology	2	41.90
17	Director General of Police	15	388.00
18	Directorate of Panchayat	3	59.35
19	Directorate of Social Welfare	3	912.77
20	Goa College of Art	2	5.00
21	Directorate of Higher Education	3	8.09
22	Directorate of Technical Education	3	104.67
23	Directorate of Industries, Trade & Commerce	3	98.34
24	Goa State Election Commission	6	16.50
25	Directorate of Women & Child Development	23	29.42
26	Goa Engineering College	1	11.50
	Total	**252**	**4105.68**

Cases involving ₹ five lakh and above