



सत्यमेव जयते

**REPORT OF THE
COMPTROLLER AND AUDITOR
GENERAL OF INDIA**

**ON
STATE FINANCES**

The Report has been laid on the table of the State Legislature Assembly on 23-07-2014

FOR THE YEAR ENDED 31 MARCH 2013

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 2013. 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.
4. The Report containing the findings of performance audit and audit of transactions in various Departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.

Executive Summary

Background

Goa was 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 than the all India average. The State's literacy rate increased from 82.01 *per cent* (as per 2001 census) to 87.40 *per cent* (as per 2011 census). 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. During 2012-13 the percentage of population below poverty line was two *per cent* as compared to all-India average of 21.92 *per cent*.

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 2012-13 and to provide the State Government and the State Legislature with timely inputs based on audit analysis of financial data.

The Report

Based on the audited accounts of the Government of Goa for the year ended March 2013, 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 2013. 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

Gross State Domestic Product (GSDP)

The growth of GSDP of the State is an important indicator of the State's economy as it indicates the standard of living of the State's population. The GSDP reduced from ₹ 35,932 crore in 2011-12 to ₹ 34,965 crore in 2012-13. The fall in GSDP was attributed to significant reduction in revenue from mining and quarrying activities which affected the income of the population dependent on mining. This impacted the economy of the State as a whole. Another consequence of the slowdown was that the tax and non-tax revenue realisation was lower than budgeted figures.

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 ₹ 282.49 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 2012-13 marginally increased by 1.11 *per cent* as compared to 2011-12. The increase in revenue receipts during the current year as compared to previous year was due to the net effect of increase in tax revenue by 15.24 *per cent* (₹ 389 crore), Grants from GoI by 25.42 *per cent* (₹ 60 crore) the States' share of Union taxes and duties by 14.09 *per cent* (₹ 96 crore), offset by a decrease in non-tax revenue by 20.75 *per cent* (₹ 480 crore).

Revenue Arrears: Outstanding arrears of ₹ 1,076.85 crore were pending recovery by various Departments which accounted for 22.56 *per cent* of State's own resources.

Revenue expenditure: The revenue expenditure constituted 86.50 *per cent* of the total expenditure and increased by 10.52 *per cent* during the current year over the previous year. Non-Plan Revenue Expenditure (NPRE) increased by 10.02 *per cent* over the previous year. The committed expenditure on salary and wages, pensions and interest

payments constituted 46.91 *per cent* of revenue receipts during 2012-13, an increase of 11.83 *per cent* compared to the previous year.

Capital expenditure: Capital expenditure constituted 13.44 *per cent* of the total expenditure during the current year and decreased by 20.43 *per cent* compared to 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 0.27 *per cent* in the last five years while the Government paid an average interest rate ranging from 7.59 to 7.79 *per cent* on its borrowings during the same 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 thereto.

Market loans

Improper assessment of fund requirements, large market borrowings and investment of excess funds in intermediate Treasury Bills resulted in an avoidable interest burden of ₹ 1.82 crore during the period 2008-13.

Debt sustainability: The sum of quantum spread and primary deficit during 2012-13 was negative indicating unsustainable levels of public debt. The State can stabilise debt-GSDP ratio by containing/reducing primary deficit to meet the fiscal deficit cap (normal) of three *per cent* of GSDP as laid down under Goa FRBM Act 2006, and Rules 2007.

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. During 2011-12 the revenue surplus of ₹ 297 crore turned to revenue deficit of ₹ 216 crore in 2012-13 due to sharp increase in revenue expenditure by 10.52 *per cent* against the increase of revenue receipts of only 1.11 *per cent*.

Chapter II

Financial Management and Budgetary Control

During 2012-13, expenditure of ₹ 7,487.70 crore was incurred against total grants and appropriations of ₹ 10,279.84 crore, resulting in savings of ₹ 2,792.16 crore. The overall savings were the net result of savings of ₹ 2,844.25 crore, offset by an excess of ₹ 52.09 crore in one appropriation under revenue section. Excess expenditure of ₹ 52.09 crore requires regularisation under Article 205 of the Constitution of India. Besides, regularisation of excess expenditure of ₹ 29.24 crore was also pending from 2007-08 to 2011-12 as of March 2013. 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 ₹ one crore in 14 major heads. In 11 cases, ₹ 25.54 crore was surrendered in excess of actual savings. In 36 grants, surrender of funds amounting to ₹ 2,077.01 crore were made in the last month of the financial year, while in 28 grants/appropriations, savings amounting to ₹ 91.60 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.

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 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.

As indicated in **Appendix 1.1** the State's population increased from 0.13 crore in 2001 to 0.15 crore in 2011 recording a decadal growth of 8.17 *per cent*. During 2012-13 the percentage of population below poverty line was two *per cent* as compared to all-India average of 21.92 *per cent*. The State's literacy rate increased from 82.01 *per cent* (as per 2001 census) to 87.40 *per cent* (as per 2011 census).

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

Gross State Domestic Product (GSDP)

GSDP is the market value of all officially recognised final goods and services produced within the State in a given period of time. The growth of GSDP of the State is an important indicator of the State's economy as it indicates the standard of living of the State's population. The trends in the annual growth rate of India's GDP and that of the State's GSDP at current prices are indicated below:

Annual growth rate of GDP and GSDP at current prices

Year	2008-09	2009-10	2010-11	2011-12 (AE)	2012-13 (QE)*
India's GDP (₹ in crore)	5303567	6108903	7266967	8353495	9461013
Growth rate of GDP (<i>percentage</i>)	15.75	15.18	18.96	14.95	13.26
State's GSDP (₹ in crore) ^s	25414	29126	33562	35932	34965
Growth rate of GSDP (<i>percentage</i>)	29.90	14.61	15.23	7.06	(-)2.69

*QE-Quick Estimates, AE-Advance Estimates

^s figures revised due to revision of GSDP figures

In the years 2009-10 to 2012-13, the State's GSDP growth rates at current prices were lower than that of India's GDP. The GSDP reduced from ₹ 35,932 crore in 2011-12 to ₹ 34,965 crore in 2012-13. The fall in GSDP was attributed to significant reduction in revenue from mining and quarrying activities which affected the income of the population dependent on mining. This impacted the economy of the State as a whole. Another consequence of the slowdown was that the tax and non-tax revenue realisation was lower than budgeted figures.

1.1 Introduction

This chapter is based on the audit of Finance Accounts and makes an assessment of the State's fiscal position as on 31 March 2013. It provides a broad perspective of the finances of the State during 2012-13 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**.

1.1.1 Summary of current year's fiscal operations

A summary of the State Government's fiscal transactions during 2012-13 *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 2012-13.

Table 1.1 Summary of current year's fiscal operations

(₹ in crore)

2011-12	Receipts	2012-13	2011-12	Disbursements	2012-13		
Section-A: Revenue					Non-Plan	Plan	Total
5780.73	Revenue receipts	5845.43	5483.50	Revenue expenditure	4810.98	1250.36	6061.34
2551.02	Tax revenue	2939.66	1632.58	General services	1846.74	13.23	1859.97
2313.54	Non-tax revenue	1832.90	1249.88	Social services	788.57	737.10	1525.67
680.59	Share of Union taxes/duties	777.21	1771.53	Economic services	1622.61	290.30	1912.91
235.58	Grants from Government of India	295.66	829.51	Grant-in-aid and Contributions	553.06	209.73	762.79
Section –B: Capital and others							
-	Misc Capital receipts	-	1183.77	Capital Outlay	1.39	940.88	942.27
15.59	Recoveries of Loans and Advances	14.57	9.42	Loans and Advances disbursed	2.77	1.21	3.98
536.51	Public Debt receipts*	1537.49	278.29	Repayment of Public Debt	-	339.06	339.06
-	Contingency Fund	-	-	Contingency Fund	-	-	-
7550.47	Public Account receipts	7290.32	7057.22	Public Account disbursements	-	-	7655.66
1147.31	Opening Cash Balance	1018.41	1018.41	Closing Cash Balance	-	-	703.91
15030.61	Total	15706.22	15030.61	Total			15706.22

(Source: Finance Accounts of the State)

* Includes ₹ 300 crore (market loan) raised during the year 2011-12. Thus, Public debt receipts during the year 2012-13 was ₹ 1,237.49 crore.

The following are the major changes in fiscal transactions during 2012-13 over the previous year:

- Revenue receipts grew by ₹ 64 crore (1.11 per cent) mainly due to increase in tax revenue by ₹ 389 crore (15.24 per cent), share of

Union taxes and duties by ₹ 96 crore (14.09 *per cent*) and ₹ 60 crore (25.42 *per cent*) in grants from the Government of India (GoI); offset by a decrease of non-tax revenue by ₹ 480 crore (20.75 *per cent*).

- Revenue expenditure increased by ₹ 577 crore (10.52 *per cent*) mainly due to increase in expenditure on Social welfare and Nutrition (₹ 178 crore), Interest payments (₹ 96 crore), Education, Sports, Art and Culture (₹ 92 crore), Energy (₹ 87 crore), and Pension and other benefits (₹ 79 crore).
- Public Debt receipt increased by ₹ 1,000 crore (186.21 *per cent*) and Repayment of Public Debt increased by ₹ 61 crore (21.94 *per cent*).
- Public Account receipts decreased by ₹ 260 crore (3.44 *per cent*) and Public Account disbursements increased by ₹ 599 crore (8.48 *per cent*) respectively.
- Cash balances of the Government at the end of the year 2012-13 (₹ 703.91 crore) decreased by ₹ 314 crore (30.84 *per cent*). Of the above, ₹ 194.25 crore was invested in GoI Treasury bills.

1.1.2 Fiscal reforms path in Goa

The State Government 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 30.80 *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.

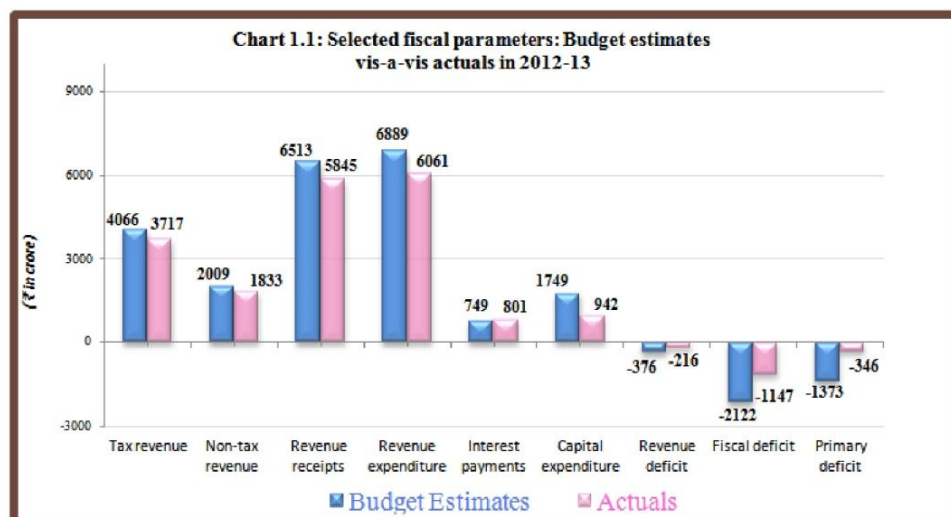
The FRBM Rules enacted in 2007 required the State Government to prepare Medium Term Fiscal Plan (MTFP) indicating three years rolling targets to ensure fiscal stability and sustainability while ensuring efficient provision of public services. Accordingly, the State Government presented the MTFP for the 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 (January 2014).

1.1.3 Budget estimates vis-à-vis actuals

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 2012-13.



(Source: Annual Financial Statement and Finance Accounts)

The State's revenue receipts and revenue expenditure during 2012-13 were estimated at ₹ 6,513 crore and ₹ 6,889 crore respectively. The State's revenue receipts were, however, less than the budget estimate by ₹ 668 crore (10.26 *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 estimates by ₹ 349 crore (8.58 *per cent*). Further, the share of non-tax revenue was less than the budget estimate by ₹ 176 crore (8.76 *per cent*). Revenue expenditure and capital expenditure were also less than the budget estimates by ₹ 828 crore (12.01 *per cent*) and ₹ 807 crore (46.14 *per cent*) respectively. Interest payments were more than the budget estimates by ₹ 52 crore (6.94 *per cent*).

While the revenue deficit (₹ 216 crore) was less than the budget estimates (₹ 376 crore) by ₹ 160 crore. The fiscal deficit (₹ 1,147 crore) and primary deficit (₹ 346 crore) were also less than budget estimates (₹ 2,122 crore) and (₹ 1,373 crore) by ₹ 975 crore (45.94 *per cent*) and ₹ 1,027 crore (74.80 *per cent*) respectively.

1.2 Resources of the State

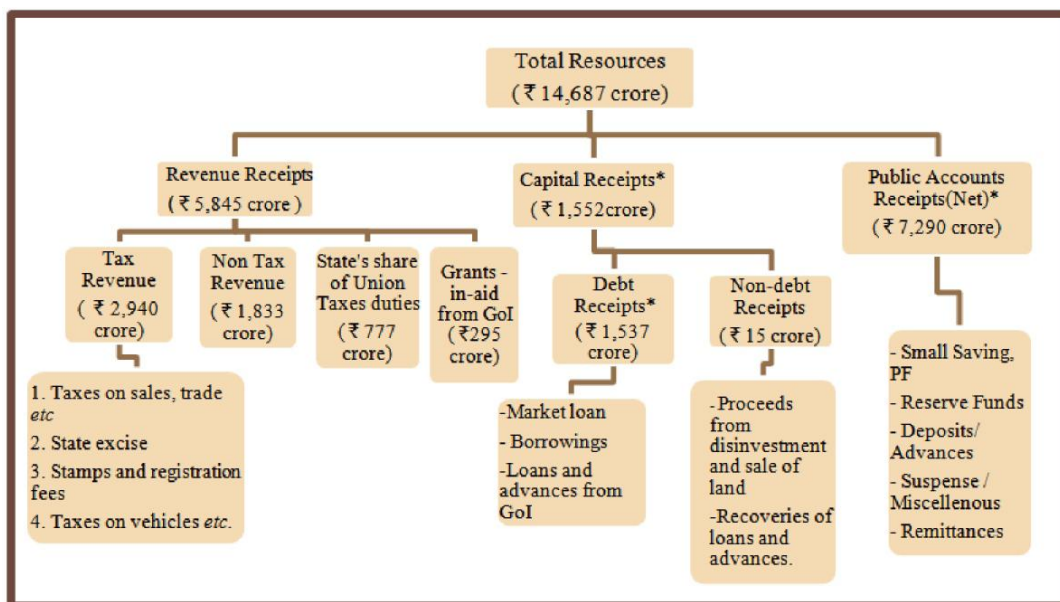
1.2.1 Resources of the State as per Finance Accounts

Revenue and Capital are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenues, non-tax revenues, State's share of union taxes and duties and grants-in-aid from the GoI. Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI. Besides the funds available in the Public accounts

after disbursement is also utilised by the Government to finance its deficit.

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

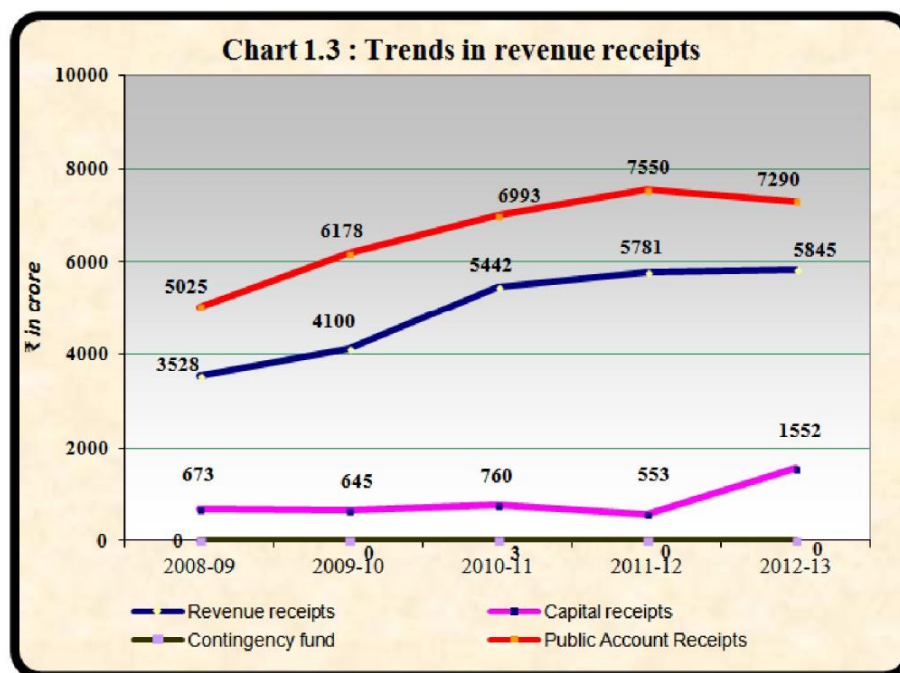
Chart 1.2: Components and sub-components of resources



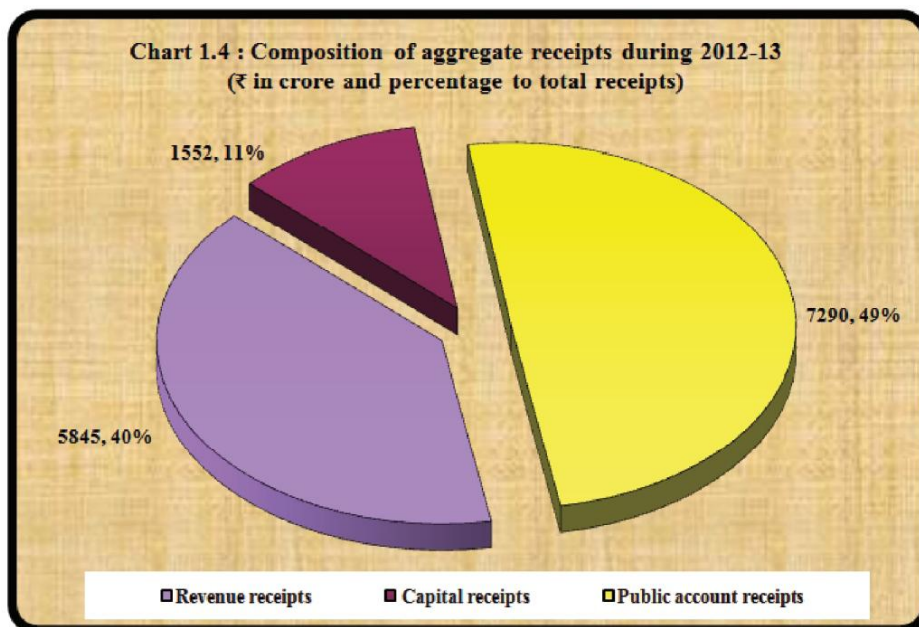
* refer note below Table 1.1

(Source: Finance Accounts of the State)

Chart 1.3 depicts the trends in various components of receipts during 2008-13, while **Chart 1.4** depicts the composition of resources of the State during the year 2012-13.



(Source: State Finance Accounts of the respective years)



(Source: Finance Accounts of the State)

Revenue receipts formed 40 *per cent* of the total receipts during 2012-13 (details provided in **paragraph 1.3**). While, the capital receipts and public account receipts constituted 11 *per cent* and 49 *per cent* of the total receipts respectively.

Capital receipts increased by 131 *per cent* from ₹ 673 crore in 2008-09 to ₹ 1,552 crore in 2012-13. During 2012-13, the capital receipts accounted for 10.56 *per cent* of the total receipts. Debt receipts, which was the main constituent of capital receipts, increased by ₹ 1,000 crore (186.21 *per cent*) from ₹ 536.51 crore in 2011-12 to ₹ 1,537.49 crore in 2012-13. The debt receipts during the current year includes ₹ 300 crore drawn as market loan during 2011-12. The amount was adjusted to the proper head 6003-Internal debt of the State by making a transfer entry in September 2012. Apart from debt receipts, capital receipts include non-debt receipts such as recovery of loans and advances and receipts through sale of land *etc.* In the year 2012-13, non-debt capital receipts showed a negative growth of 6.25 *per cent* over the previous year. Further details are provided in **Paragraph 1.4**.

On an average, Public account receipts constituted 54 *per cent* of the total receipts during 2008-2013. Net Public Account receipts which was ₹ 5,025 crore in 2008-09 increased to ₹ 7,290 crore in 2012-13. During 2012-13, the Public Account receipts reduced by 3.44 *per cent* as compared to previous year. The decrease was mainly under Suspense and Miscellaneous (10.82 *per cent*) offset by an increase in Reserve Fund (83.92 *per cent*). Analysis of Reserve Funds is provided in **Paragraph 1.9.3**.

1.2.2 Funds transferred to State implementing agencies outside the State budget

The GoI has been transferring sizeable quantum of funds directly to the State implementing agencies¹ for 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.

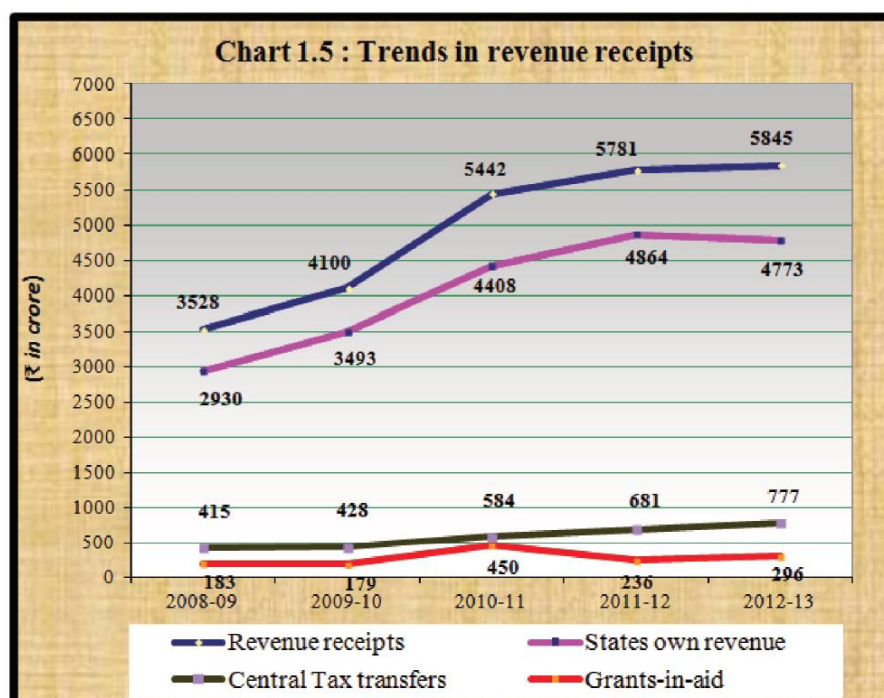
During the year 2012-13 the GoI directly transferred ₹ 282.49 crore to the State implementing agencies. Major recipients of these funds were State Health Society, Goa (₹ 12.52 crore), Goa Medical College (₹ 12.24 crore), District Rural Development Agency, North Goa (₹ 7.21 crore), Sarva Shiksha Abhiyan Society, (₹ 6.71 crore), Institute of Hotel Management, Catering Technology and Applied Nutrition, Goa (₹ 6.12 crore) and District Collector, North Goa (₹ Five crore).

Since these 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 their bank accounts. Unless uniform accounting practices are followed by all these implementing agencies and proper documentation is maintained with timely reporting of expenditure, it will be difficult to monitor the end use of these direct transfers. The State Government has to put in place an appropriate mechanism to ensure a complete picture of the resources under its control.

1.3 Revenue receipts

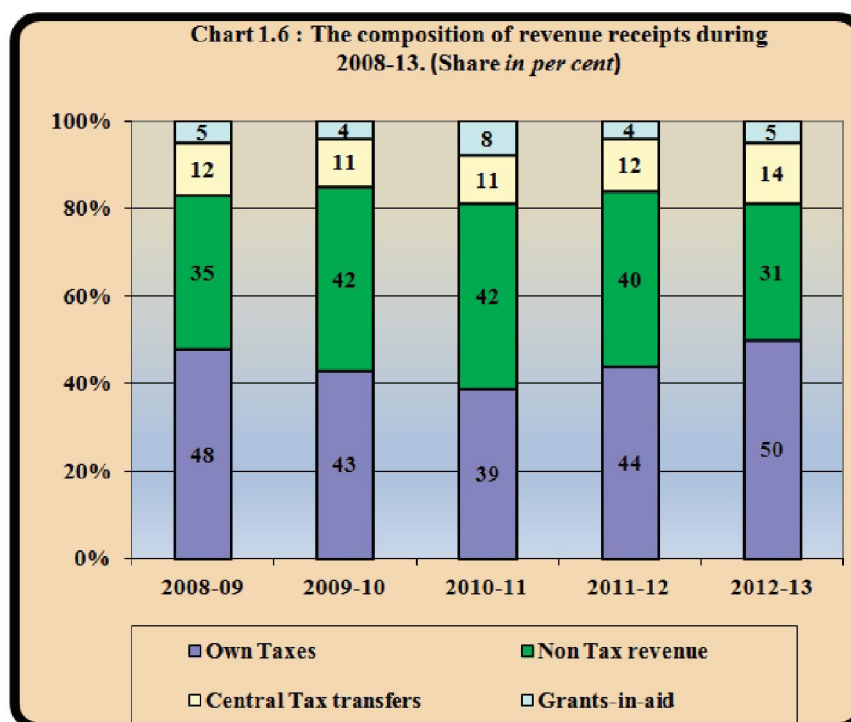
Statement 11 of the Finance Accounts details the revenue receipts of the Government. These consist of the State's own Tax and non-Tax revenues, Central Tax transfers and grants-in-aid from GoI. The trends of revenue receipts over the period 2008-13 are presented in **Chart 1.5** and also in **Appendix 1.4**.

¹ State implementing agencies include any organisations/institutions including non-Governmental organisations which are authorised by the State Government to receive funds from the Government of India for implementing specific programmes in the State.



(Source: State Finance Accounts of the respective years)

The composition of revenue receipts over the period 2008-13 are presented in **Chart 1.6**.



(Source: State Finance Accounts of the respective years)

The revenue receipts have shown a progressive increase from ₹ 3,528 crore in 2008-09 to ₹ 5,845 crore in 2012-13. On an average, 83 per cent of the revenue came from State's own resources during the period

2008-13. 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 50 *per cent* during 2008-13. Non-Tax revenue as a *per cent* of revenue receipts had increased from 35 *per cent* in 2008-09 to 42 *per cent* in 2010-11. The share of non-Tax revenue then reduced to 40 *per cent* and 31 *per cent* in 2011-12 and 2012-13 respectively.

During 2003-04 to 2011-12, the State's compound growth rate of revenue receipts (17.21 *per cent*) was less than that of other General Category States (17.48 *per cent*). This growth rate for the period 2003-04 to 2012-13 further decreased to 15.30 *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

	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Receipts (RR) (₹ in crore)	3528	4100	5442	5781	5845
State's Own Taxes (₹ in crore)	1694	1762	2139	2551	2940
Rate of growth of RR (<i>per cent</i>)	19.85	16.21	32.73	6.22	1.11
Rate of growth of own taxes(<i>per cent</i>)	24.65	4.01	21.39	19.26	15.24
RR/GSDP (<i>per cent</i>)	13.88	14.08	16.21	16.09	16.72
Buoyancy ratio's²					
Revenue Buoyancy w.r.t. GSDP	0.66	1.11	2.15	0.88	-0.41
State's own taxes buoyancy w.r.t. GSDP	0.82	0.27	1.40	2.73	-5.67
Gross State Domestic Product (GSDP)[†]	25414	29126	33562	35932	34965
Growth rate of GSDP	29.90	14.61	15.23	7.06	-2.69

(Source: Finance Accounts for the years 2008-09 to 2012-13)

[†] GSDP figures changed due to revision

The rate of growth of revenue receipts has been fluctuating during the last five years and accounted for 1.11 *per cent* growth during the current year over 2011-12. The increase in revenue receipts during 2012-13 as compared to previous year was due to the net effect of increase in State's own Tax revenue by 15.24 *per cent* (₹ 389 crore), Grants from GoI by 25.42 *per cent* (₹ 60 crore) the States' share of Union Taxes and duties by 14.09 *per cent* (₹ 96 crore), offset by a decrease in non-Tax revenue by 20.75 *per cent* (₹ 480 crore).

The reduction in growth rate of Revenue receipts in 2012-13 (1.11 *per cent*) as compared to previous year (6.22 *per cent*) was mainly due to lesser receipts under Non-ferrous mining and metallurgical industries by ₹ 614 crore (64 *per cent*), Sales Tax by ₹ 76 crore (five *per cent*) and under Goa Tax on infrastructure Act by ₹ 13 crore (34 *per cent*).

² 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 0.6 implies that revenue receipts tend to increase by 0.6 percentage points, if the GSDP increases by one *per cent*.

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 2008-11, the higher growth rate of revenue receipts relative to GSDP increased the revenue buoyancy ratio. The revenue buoyancy ratio decreased to 0.88 during 2011-12 and further to (-) 0.41 in 2012-13.

The ratio of State's own Tax buoyancy with reference to GSDP gradually increased from 0.82 in 2008-09 to 2.73 in 2011-12. The buoyancy of own Tax ratio with respect to GSDP in 2012-13 decreased sharply to (-) 5.67 mainly due to decrease in receipt of ₹ 614 crore under non-ferrous mining and metallurgical industries.

1.3.1 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 State's actual Tax and non-Tax receipts for the year 2012-13 *vis-a-vis* assessment made by Thirteenth Finance Commission (XIII FC) and Budget estimates are given in **Table 1.3**

Table 1.3: Revenue receipts relative to XIII FC and budget estimates

(₹ in crore)

	XIII FC projection	Budget Estimates	Actuals
Tax revenue	2932.12	3023.28	2939.66
Non-tax revenue	774.61	2009.22	1832.90

The tax revenue and non-tax revenue of the State in 2012-13 fell short of the projection made in the budget estimates by 2.75 *per cent* and 8.76 *per cent* respectively. However, non-tax revenue exceeded the XIII FC projection by ₹ 1,058 (136.51 *per cent*).

1.3.1.1 Tax revenue

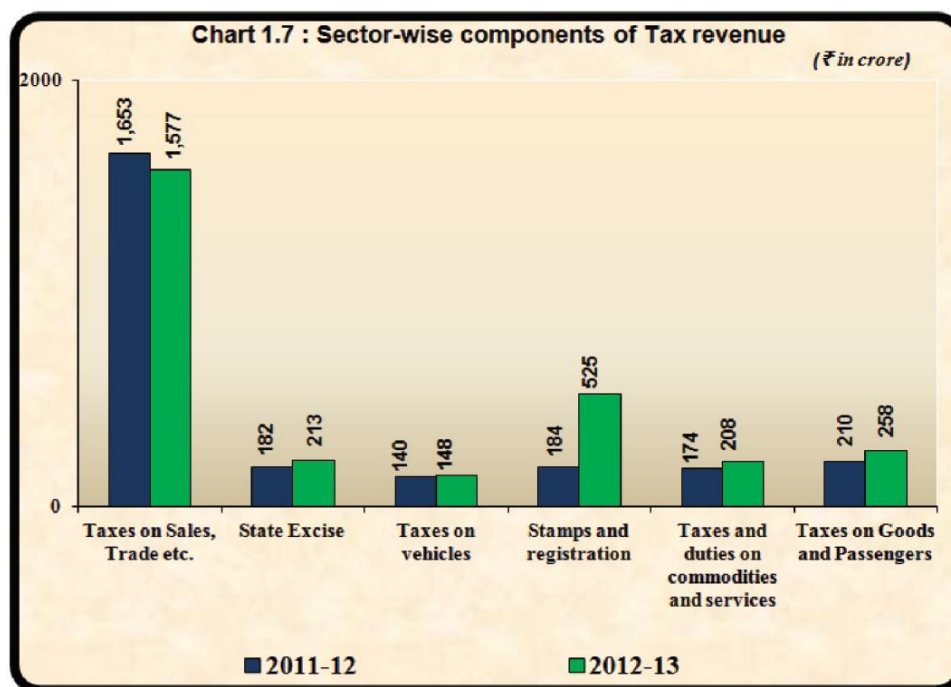
The components of State's resource mobilisation during the period 2008-13 are presented in **Table 1.4**. The sector-wise components of Tax revenue are shown in **Chart 1.7** and average percentage of State's own Tax revenue is shown in **Chart 1.8**.

Table 1.4: Components of State's resource mobilisation

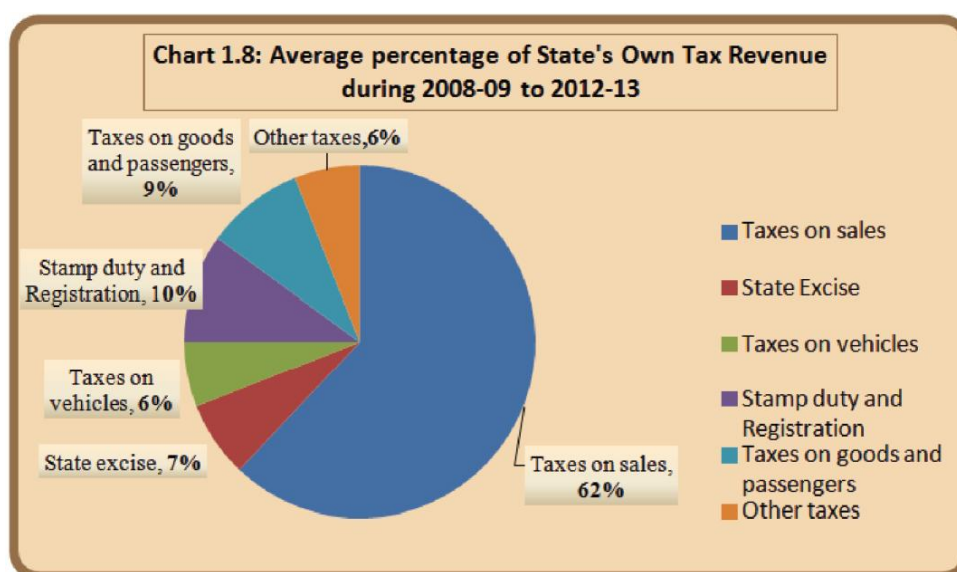
(₹ in crore)

State's Own Tax Revenue	2008-09	2009-10	2010-11	2011-12	2012-13
Taxes on sales, trades etc.	1132	1142	1380	1653	1577
State Excise	89	104	139	182	213
Taxes on vehicles	90	105	130	140	148
Stamp duty and Registration fees	115	111	152	184	525
Land revenue	9	11	8	8	11
Taxes on goods and passengers	157	161	172	210	258
Other Taxes	102	128	158	174	208
Total	1694	1762	2139	2551	2940

(Source: State Finance Accounts of the respective years)



(Source: State Finance Accounts of the respective years)



(Source: Finance Accounts of the respective years)

The Tax revenue in 2012-13 increased by ₹ 389 crore (15.24 *per cent*) over the previous year. The increase over the previous year was mainly under (a) Stamps and registration fees by ₹ 340 crore (184.78 *per cent*), (b) Taxes on goods and passengers by ₹ 47 crore (22.38 *per cent*), (c) Other Taxes and duties on commodities and services by ₹ 35 crore (20.23 *per cent*) due to more receipts under 'Entertainment Tax' and 'Luxury Tax' and (d) State Excise by ₹ 31 crore (17.03 *per cent*) due to receipt of more Excise duty on 'Malt liquor', Foreign liquors, spirits and licences *etc.* which was offset by a decrease in collection under Sales Tax by ₹ 76 crore (4.60 *per cent*) mainly due to less Tax collection under 'State Sales Tax Act' and 'Value Added Tax'.

During 2003-04 to 2011-12, the compound growth rate of Tax revenue (17.34 *per cent*) was less than the growth rate of other General Category States (17.44 *per cent*). This growth rate for the period 2003-04 to 2012-13 further decreased to 17.10 *per cent* (**Appendix 1.1**).

1.3.1.2 Non-Tax revenue

The non-Tax revenue of the State decreased sharply by 20.75 *per cent* (₹ 480 crore) from 2,313.54 crore in 2011-12 to 1,832.90 crore in 2012-13. The decrease over the previous year was mainly under (a) Non-ferrous mining and metallurgical industries (₹ 614 crore) due to less receipts from mineral concession fees and royalties, (b) Ports and light houses (₹ 26.85 crore) due to less collections in barge Tax, port dues, wharfage, tonnage, rentals *etc.*, (c) Major and medium irrigation (₹ 7.66 crore) due to less receipts under 'Salauli project' and 'Anjunem project' which was offset by increase in Power (₹ 139.47 crore) and higher collection of fees proceeds towards Casino operation under 'Other Administrative Services' (₹ 22.80 crore).

During 2003-04 to 2011-12, the compound growth rate of non-Tax revenue (15.61 *per cent*) was higher than the growth rate of other General Category States (12.64 *per cent*). This growth rate for the period 2003-04 to 2012-13 however decreased to 10.86 *per cent* (**Appendix 1.1**).

1.3.2 Grants-in-aid from Government of India

The grants-in-aid from GoI increased by 25.50 *per cent* from ₹ 235.58 crore in 2011-12 to ₹ 295.66 crore in 2012-13. The increase was mainly under Non-Plan grants (194.82 *per cent*) and Centrally Sponsored Plan Schemes (55.73 *per cent*), State Plan Schemes (4.99 *per cent*) offset by a decrease under Central Plan Schemes (47.29 *per cent*), as shown in **Table 1.5**.

Table 1.5: Grants-in-aid from Government of India

	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Grants for State Plan schemes	120.03	88.18	352.85	148.38	155.79
Non-Plan grants	18.02	26.60	13.66	10.05	29.63
Grants for Central Plan Schemes	10.82	29.41	14.00	9.62	5.07
Grants for Central and Centrally Sponsored Schemes	34.25	35.12	69.05	67.53	105.17
Total	183.12	179.31	449.56	235.58	295.66
Percentage of increase(+)/decrease (-) over previous year	23.35	-2.08	150.71	-47.59	25.50
Total grants as a percentage of Revenue Receipts	5.20	4.37	8.26	4.07	5.06

(Source: Finance Accounts of the State)

The increase under grants from State Plan Schemes (₹ 7.41 crore) was mainly under (a) JNNURM (₹ 10 crore), (b) Block grants for State Plan Schemes (₹ 6 crore) and (c) National Social Assistance (₹ two crore) offset by decrease under Basic minimum services (₹ eight crore).

The increase under Non-Plan Grants (₹ 19.58 crore) was mainly due to increase under (a) TFC grants for infant mortality (₹14.84 crore), (b) TFC grants for modernisation of building (₹10 crore) offset by a decrease under TFC grants for Panchayat Raj institutions (₹ 5.20 crore).

The decreases under Central Plan Schemes (₹ 4.55 crore) were mainly under (a) Assistance for Integrated Forest Protection in Goa (₹ 1.23 crore) and (b) Integrated Development of Infrastructure for Heritage (₹ 7.93 crore) offset by an increase in Centre of Excellence (₹ 1.26 crore).

The increase under Centrally Sponsored Plan (₹ 37.64 crore) was under (a) Rashtriya Krishi Vikas Yojana (₹ 10.49 crore), (b) creation of awareness about consumer rights (₹ 10.01 crore), (c) Integrated Child Development Scheme (₹ 5.86 crore) and (d) Mid-day meals scheme (₹ 5.40 crore).

1.3.3 Central Tax transfers

The XIII FC had recommended the State's share of Central Taxes to be increased to 32 *per cent* from 30.50 *per cent* as recommended by Twelfth Finance Commission. The State's share in the net proceeds of Central Tax (excluding Service Tax) and net proceeds of Service Tax has been fixed at 0.26 and 0.27 *per cent*, respectively. The Central Tax transfers stood at ₹ 777.21 crore in 2012-13 registering a growth of 14.20 *per cent* over the previous year (₹ 680.59 crore).

The increase was mainly under Service Tax (₹ 32.24 crore), Taxes on income other than Corporation Tax (₹ 31.07 crore), Excise duties (₹ 11.43 crore), Corporation Tax (₹ 11.30 crore) and Customs Duty (₹ 11.14 crore).

1.3.4 Loss of revenue due to evasion of Taxes, write off/waivers

Two hundred and three cases of evasion of Taxes/duties were detected by the Commissioner of State Excise during 2012-13 as against 509 cases detected during the previous year. Investigation/assessments of 159 cases were completed and 333 cases were pending as on March 2013. During the year, losses amounting to ₹ 58.60 lakh in 68 cases were written off by competent authorities as detailed below:

Table 1.6: Cases of loss of revenue

Sl. No.	Name of Department/Office	No. of Cases	Amount (In ₹)
1.	Administrative Medical Officer, E.S.I. Scheme	2	290277
2.	Principal, Government Polytechnic, Mayem-Bicholim	1	19089
3.	Director, Fisheries	31	3606000
4.	Director General of Police	3	1885000
5.	Director, Agriculture	1	19991
6.	Director, Printing & Stationary	30	39490
	Total	68	5859847

(Source: Information furnished by concerned Departments)

1.3.5 Revenue arrears

The arrears of revenue as on 31 March 2013 in respect of some principal heads of revenue as furnished by the Departments amounted to ₹ 1,076.85 crore as indicated in **Table 1.7**.

Table 1.7: Revenue arrears

(₹ in crore)

Head of Revenue	Amount of arrears as on 31 March 2013	Arrears more than three years old	Cases pending in court		Revenue arrears pending recovery	Amount of arrears as on 31 March 2009
			No.	Amount		
Commercial Taxes	641.93	330.75	1285	12.93	629.00	174.67
State Excise	1.09	0.04	-	-	1.09	0.66
Taxes on vehicles	10.77	4.09	20	0.11	10.66	7.59
Chief Engineer – Water Resources Department						
i) Water Tax	1.34	1.03	147	0.03	1.31	1.02
ii) Water Charges	25.01	34.08	-	-	25.01	38.55
iii) Rent on shops	2.90	2.48	3	0.01	2.89	2.08
iv) Hire charges of machinery	0.34	0.34	-	-	0.34	0.35
Chief Engineer - Public Works Department						

i) Rent of Building/ Shops	0.51	0.23	-	-	0.51	0.34
ii) Water charges, meter rent and sewerage charges	27.22	10.44	3232	8.85	18.37	15.68
Chief Electrical Engineer ^(a) Energy charges	335.97	208.84	7034	11.25	324.72	149.27
Agriculture	0.34	0.20	4	-	0.34	3.15
Printing & Stationery	0.90	-	-	-	0.90	1.74
Tourism	0.91	0.27	10	0.27	0.63	0.52
Director General of Police	0.19	0.09	1	0.03	0.16	-
Collector, South Goa						
Land Tax	0.16	0.13	-	-	0.16	-
Revenue recovery cases	27.21	19.53	1654	0.18	27.03	-
River Navigation Department Barge Tax	0.06	0.06	1	0.06	-	0.56
Total	1076.85	612.30	13391	33.72	1043.13	396.18

(Source: Information furnished by concerned Departments)

The arrears of revenue increased by 171.80 *per cent* during the last five years from ₹ 396.18 crore in 2008-09 to ₹ 1,076.85 crore at the end of 2012-13, which accounted for 22.56 *per cent* of the State's own resources during the year. Of the total outstanding arrears in 2012-13, ₹ 612.30 crore was outstanding for more than three years and only ₹ 1,043.13 crore was pending recovery. The Government should ensure the speedy recovery of huge arrears of revenue.

1.3.6 Optimisation of the XIII FC grants

The XIII FC was constituted by the President of India under Article 280 of the Constitution on 13 November 2007 to give recommendations on specified aspects of Centre-State fiscal relations during 2010-15 (award period). The XIII FC, as per the terms of reference, has three constitutionally mandated tasks namely, the distribution of net revenues from the divisible pool of Taxes, grants-in-aid to the needy States and measures for supplementing the States' resources for devolution to local bodies.

The various purposes and the details of grants released during the period 2010-13 are given in **Table 1.8**.

Table 1.8: The details of grants released and disbursed

(₹ in crore)

Sl. No.	Purpose for which grant is released	2010-13		
		Amount to be released by GoI as per recommendation of XIII FC	Actual Releases	Shortfall in release of grants
1	Local Bodies			
	(a) Grants to PRIs	29.59	8.83	20.76
	(b) General Performance Grant to PRIs	11.12	--	11.12
	(c) Grants to ULBs	26.71	5.48	21.23
	(d) General Performance Grant to ULBs	11.08	--	11.08

^aExcluding information pertaining to Divisions – I (Panaji),

2	Disaster Relief Fund			
	(i) Disaster Relief Fund	7.00	4.56	2.44
	(ii) Capacity Building	3.00	2.00	1.00
3	Improving outcome grants			
	(iii) Improvement in Justice Delivery	9.00	3.00	6.00
	(iv) Statistical Systems Improvement	1.20	0.40	0.80
	(v) Employee and Pension Data Base	5.00	2.50	2.50
	(vi) Incentive grant for UID	1.20	0.20	1.00
	(vii) District Innovation Fund	1.00	--	1.00
4	Environment Related Grants			
	a) Forest	18.44	11.53	6.91
	b) Water Sector Management	4.00	--	4.00
5	Elementary Education	6.00	2.00	4.00
6	Roads and Bridges	19.00	10.00	9.00
7	State Specific grants	100.00		
	Infant mortality rate (2012-13)		14.84	85.16
	Total	253.34	65.34	188.00

(Source: Information furnished by Government of Goa)

As of March 2013, the State Government received financial assistance of ₹ 65.34 crore against the recommended amount of ₹ 253.34 crore. Of the above the State could utilise only 18.23 *per cent* towards local bodies and 29.19 *per cent* of the total amount in other areas indicated above.

In the above cases where there were short releases, the first transfer/installment was to be released during 2010-11 without any condition and the subsequent installments were to be released on fulfillment of certain conditions as detailed against each in the **Table 1.9**. As the State did not fulfill the conditions stipulated by the XIII FC, subsequent installments of ₹ 188 crore were not released.

Table: 1.9 : Conditions for release of XIII FC grants

Transfer	Condition for release of subsequent installment
Grants to PRIs/ULBs	Submission of UCs of previous grants
General performance grants to PRIs/ULBs	Fulfillment of conditions stipulated by XIII FC
Improvement of Justice delivery	To be released after the State puts in place a State Litigation Policy.
Capacity building	Submission of perspective plan for handling disaster response as envisaged in Disaster management Act.
Database for Government Employees and Pensioners	Database to be completed in three years. Balance to be released after the State certifies that it has created a database.
State Specific grant	To be withheld for the period during which a State is in violation of the agreement. If a State is in violation for only the part of a year, its grants to be reduced to a proportionate extent.
Water Sector management	To be released after setting up of an independent water regulatory authority by 2011-12 by the State
District Innovation fund	To be released after the State puts in detailed guidelines and notifies the authority at the district level which would sanction the projects under the scheme

1.4 Capital receipts

The trends and composition of Capital receipts during the years 2008-13 are presented in **Table 1.10**.

Table 1.10 Trends in growth and composition of Capital receipts

(₹ in crore)					
Sources of State's Receipts	2008-09	2009-10	2010-11	2011-12	2012-13
Capital Receipts	673	645	760	553	1552
Miscellaneous Capital Receipts	0	0	0	0	0
Recovery of Loans and Advances	10	13	15	16	15
Public Debt Receipts	663	632	745	537	1537
Growth rate of debt capital receipts (per cent)	31.28	-4.67	17.87	-27.91	186.22
Non-debt capital receipts	10	13	15	16	15
Growth rate of non-debt capital receipts (per cent)	66.66	30	15.38	6.66	-6.25
Growth rate of GSDP* (per cent)	29.90	14.61	15.23	7.06	-2.69
Rate of growth of CR (per cent)	31.70	-4.16	17.82	-27	180.65

(Source : Finance Accounts of the State for the respective years)

* Figures revised due to revision of GSDP figures.

Capital receipts of the State increased by 131 *per cent* from ₹ 673 crore in 2008-09 to ₹ 1,552 crore in 2011-12. As Public debt receipts form almost 98-99 *per cent* of Capital receipts, the growth rate of Capital receipt of the State reflected a similar trend as debt Capital receipt. Debt receipts, which was the main constituent of capital receipts, increased by ₹ 1,000 crore from the previous year.

The trends in the Public debt receipts during the period 2010-13 are given in **Table 1.11**.

Table 1.11: Public Debt Receipts

(₹ in crore)			
	2010-11	2011-12	2012-13
Market borrowings	2160	2761	3756
National Small Savings Fund	3060	3033	3010
Loans from other financial institution	387	432	520
Total internal debt	6057	6226	7286
Loans and advances from GoI	556	646	784
Total Public debt receipts	6613	6872	8070

(Source : Finance Accounts of the State for the respective years)

Internal Debt and Loans and Advances from GoI are the two components of debt receipts whose share was 90 *per cent* and 10 *per cent* of the total debt receipts respectively. In 2012-13, internal debt and Loans and Advances increased by 17 *per cent* and 21 *per cent* over the previous year. The increase in Loans and advances was mainly due to loans taken for 'externally aided projects'.

Apart from debt receipts, capital receipts include non-debt receipts such as recovery of loans and advances and receipts through sale of land, *etc.*

In the year 2012-13, non-debt capital receipts showed a negative growth of 6.25 *per cent* over the previous year.

1.5 Public Account receipts

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. Here the Government acts as a banker/trustee for the public money. The balance after disbursements is the fund available with the government for use.

The trends of Public Account Receipts over the period 2008-13 are presented in **Table 1.12**.

Table 1.12: Trends in respect of Public Account Receipts

(₹ in crore)

Resources under various heads	2008-09	2009-10	2010-11	2011-12	2012-13
Public Account Receipts					
a. Small Savings, Provident Fund <i>etc.</i>	243	349	294	320	332
b. Reserve Fund	149	163	221	111	206
c. Deposits and Advances	202	252	286	294	349
d. Suspense and Miscellaneous	2100	2796	3481	3631	3238
e. Remittances	2331	2618	2711	3194	3165
Total	5025	6178	6993	7550	7290

(Source: Finance Accounts of the State for the respective years)

Public Account receipts increased by 45 *per cent* over the period 2008-13 and constituted 49.63 *per cent* of the total receipts during 2012-13. Public Account receipts which was ₹ 5,025 crore in 2008-09 increased to ₹ 7,290 crore in 2012-13. However, during 2012-13, Public Account receipts reduced by 3.44 *per cent* as compared to previous year. The decrease was mainly under Suspense and Miscellaneous (10.82 *per cent*).

1.6 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.

1.6.1 Growth and composition of expenditure

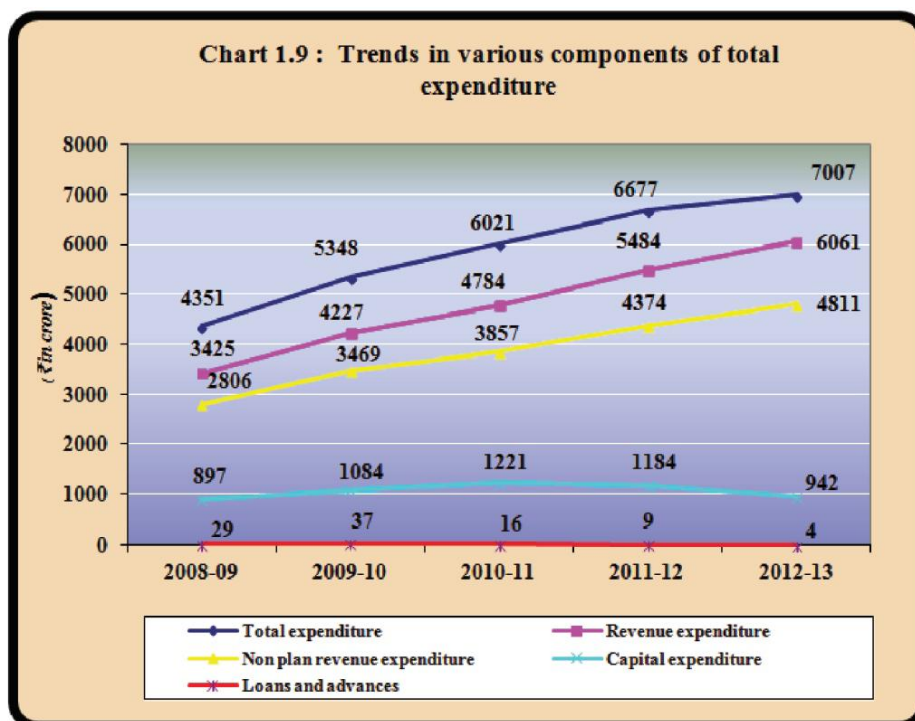
The total expenditure and its compositions during the years 2008-09 to 2012-13 are presented in the **Table 1.13**.

Table 1.13: Total expenditure and its composition(*₹ in crore*)

	2008-09	2009-10	2010-11	2011-12	2012-13
Total Expenditure	4351	5348	6021	6677	7007
Revenue Expenditure	3425	4227	4784	5484	6061
<i>of which, Non-Plan Revenue Expenditure</i>	<i>2806</i>	<i>3469</i>	<i>3857</i>	<i>4374</i>	<i>4811</i>
Percentage of revenue expenditure to total expenditure	78.71	79.03	79.45	82.13	86.50
Capital Expenditure	897	1084	1221	1184	942
Percentage of capital expenditure to total expenditure	20.61	20.26	20.27	17.73	13.44
Loans and Advances	29	37	16	9	4

(Source : Finance Accounts of the State)

Chart 1.9 presents the trends in total expenditure over a period of last five years (2008-13) and its composition both in terms of ‘economic classification’ and ‘expenditure by activities’ are depicted in **Charts 1.10 and 1.11** respectively.



(Source: Finance Accounts of the State)

Total expenditure

The total expenditure of the State increased at an average growth rate of 15.26 per cent from ₹ 4,351 crore in 2008-09 to ₹ 7,007 crore in 2012-13. 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 1.14**.

During 2003-04 to 2011-12, the compound growth rate of total expenditure (15.73 per cent) was higher than the growth rate of other

General Category States (14.15 *per cent*). This growth rate decreased to 14.48 *per cent* for the period 2003-04 to 2012-13(**Appendix 1.1**).

Table 1.14: Total expenditure – basic parameters

	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Total expenditure (TE)	4351	5348	6021	6677	7007
Rate of growth of TE(per cent)	24.63	22.91	12.58	10.89	4.94
Revenue receipts (RR)	3528	4100	5442	5781	5845
Rate of growth of RR (per cent)	19.83	16.21	32.73	6.22	1.11
TE/GSDP ratio (per cent)*	17.12	18.36	17.94	18.58	20.04
RR/TE ratio (per cent)	81.08	76.66	90.38	86.58	83.42
Buoyancy of total expenditure with reference to :					
GSDP (ratio)*	0.82	1.57	0.83	1.54	-1.84
RR (ratio)	1.24	1.41	0.38	1.75	4.46

(Source: Finance Accounts of the State)

* GSDP figures changed due to revision

The increase of ₹ 330 crore (4.94 *per cent*) in total expenditure in 2012-13 over the previous year was mainly on account of an increase of ₹ 577 crore in revenue expenditure, offset by a decrease of ₹ 242 crore in capital expenditure and of ₹ five crore in disbursement of loans and advances.

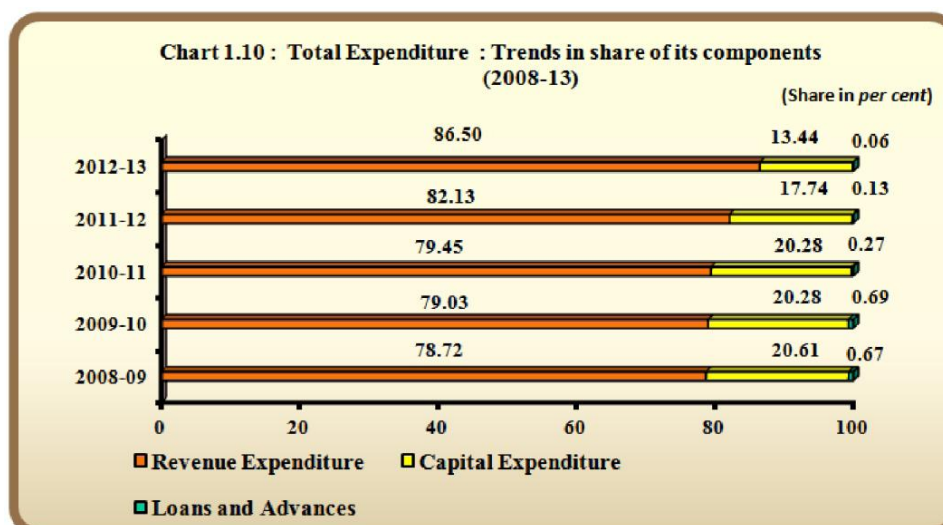
The ratio of total expenditure to GSDP increased from 17.12 *per cent* in 2008-09 to 20.04 *per cent* in 2012-13, mainly due to decrease in the growth rate of GSDP as compared to total expenditure. The ratio of revenue receipts to total expenditure increased from 81.08 *per cent* in 2008-09 to 90.38 *per cent* in 2010-11. However, it gradually decreased to 83.42 *per cent* in 2012-13, which shows that 83.42 *per cent* of the total expenditure was met from revenue receipts.

The ratio of buoyancy of total expenditure with reference to GSDP increased from 0.82 in 2008-09 to 1.54 in 2011-12, but decreased sharply to a negative figure of 1.84 in 2012-13. This indicated that the total expenditure increased by 1.84 *per cent* for each one *per cent* decline in GSDP.

The ratio of buoyancy of total expenditure with reference to revenue receipts rose to 1.41 during the period 2009-10 and declined to 0.38 during 2010-11. The buoyancy ratio then increased to 1.75 in 2011-12 and further to 4.46 in 2012-13 because growth rate of total expenditure was higher than the growth rate of revenue receipts.

Of the total expenditure during 2012-13, Non-Plan expenditure contributed 69 *per cent* while Plan expenditure was 31 *per cent*. Of the increase of ₹ 330 crore in total expenditure in 2012-13, the Non-Plan expenditure accounted for 132 *per cent*, while the contribution of Plan expenditure was less by 31 *per cent*.

During 2003-04 to 2011-12, the compound growth rate of capital expenditure (18.67 *per cent*) was higher than the growth rate of other General Category States (16.83 *per cent*). This growth rate for the period 2003-04 to 2012-13, however, decreased to 13.52 *per cent* (**Appendix 1.1**).



(Source:-Finance Accounts of the State)

Revenue expenditure

Revenue expenditure constituted 86.50 *per cent* of the total expenditure in 2012-13 (**Chart 1.10**). The increase in revenue expenditure during 2012-13 over the previous year was mainly on (a) Social Welfare and Nutrition (₹ 178 crore),(b) Interest payments (₹ 96 crore),(c) Education, Sports, Arts and Culture (₹ 92 crore),(d) Energy (₹ 87 crore),(e) Pension and other Retirement Benefits (₹ 79 crore),(f) Administrative services (₹ 51 crore) and (g) Health and Family Welfare (₹ 34 crore).

Capital expenditure

Capital expenditure constituted 13.44 *per cent* of the total expenditure in 2012-13 (**Chart 1.10**). The decrease of ₹ 242 crore (20.43 *per cent*) in capital expenditure during 2012-13 was mainly on account of decrease in expenditure on Irrigation and flood control (₹ 84 crore), Transport (₹ 81 crore), General services (₹ 68 crore), Water supply, sanitation, Housing and Urban Development (₹ 54 crore), Agriculture and Allied Activities (₹ 17 crore) and Health and Family Welfare (₹ 12 crore).

Loans and advances

Loans and advances constituted less than one *per cent* of the total expenditure in 2012-13 (**Chart 1.10**). The decrease of ₹ 5.44 crore in disbursement of loans and advances during 2012-13 was due to less disbursement of loans to Government servants (₹ one crore), Social services (₹ one crore), and Tourism (₹ one crore).

Trends in total expenditure in terms of activities

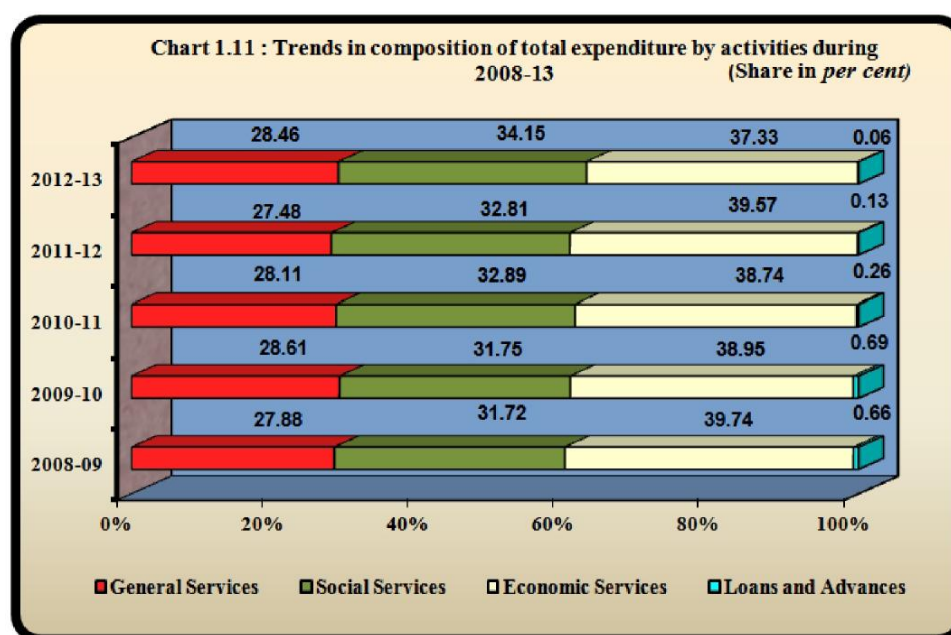
In terms of the activities, total expenditure could be considered as being composed of expenditure on General Services including interest payments, Social and Economic Services, grants-in-aid and loans and advances. Relative shares of these components in the total expenditure are indicated in **Table 1.15** and **Chart 1.11**.

Table 1.15: Components of expenditure – relative shares

	<i>(in per cent)</i>				
	2008-09	2009-10	2010-11	2011-12	2012-13
General Services	27.88	28.61	28.11	27.48	28.46
<i>of which, Interest Payments</i>	11.69	10.90	10.79	10.55	11.43
Social Services	31.72	31.75	32.89	32.81	34.15
Economic Services	39.74	38.95	38.74	39.57	37.33
Loans and Advances	0.66	0.69	0.26	0.13	0.06

(Source: Finance Accounts of the State)

It may be seen from **Table 1.15** that the movement of the relative shares of the above components of expenditure indicated that shares of General Services and Social Services, increased during the year 2012-13 over the previous year. These increases were offset by decreases in Economic Services, grants-in-aid and loans and advances.



The shares of General Services in total expenditure increased mainly on account of Interest payments (₹ 96 crore), Pension and other related benefits (₹ 79 crore), and Administrative services (₹ 51 crore), whereas the share of Social Services increased mainly due to Social Welfare and Nutrition (₹ 178 crore), Education, Sports, Arts and Culture (₹ 92 crore) and Health and Family Welfare (₹ 34 crore),

The decrease in the share of Economic Services during the period 2012-13 was mainly due to Irrigation and Flood control (₹ 84 crore), Transport (₹ 81 crore), and Agriculture and Allied Activities (₹ nine crore). The decrease in grants-in-aid was mainly due to decrease under the head 'Art and Culture' and 'Urban Development'.

The decrease in the share of Loans and advances was mainly due to less release of loans to Agriculture and Allied Activities and to Government servants over the previous year.

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 86.50 *per cent* in the total expenditure during 2012-13. 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 1.16**.

Table 1.16: Revenue expenditure – basic parameters

	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Expenditure (RE), of which	3425	4227	4784	5484	6061
Non-Plan Revenue Expenditure (NPRE)	2806	3469	3857	4373	4811
Plan Revenue Expenditure (PRE)	619	758	927	1110	1250
Rate of Growth of					
RE (<i>per cent</i>)	23.29	23.41	13.17	14.63	10.52
NPRE (<i>per cent</i>)	26.85	23.62	11.18	13.40	10.02
PRE (<i>per cent</i>)	9.36	22.45	22.29	19.74	12.61
Revenue Expenditure as percentage to TE	78.71	79.03	79.45	82.13	86.50
NPRE/GSDP (<i>per cent</i>)*	11.04	11.91	11.49	12.17	13.76
NPRE as percentage of TE	64.49	64.86	64.05	65.50	68.66
NPRE as percentage of RR	79.53	84.60	70.87	75.66	82.31
Buoyancy of Revenue Expenditure with					
GSDP (ratio)*	0.779	1.603	0.865	2.072	-3.909
Revenue Receipts (ratio)	1.174	1.444	0.402	2.348	9.503

(Source : Finance Accounts of the State)

* GSDP figures changed due to revision

The revenue expenditure in 2012-13 increased by ₹ 577 crore (10.52 *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 (12.01 *per cent*) than the assessment made by the State Government in its budget estimates for the year 2012-13.

Plan Revenue Expenditure

The Plan Revenue Expenditure increased by ₹ 140 crore (12.61 *per cent*) during 2012-13, mainly due to increase in expenditure under Social Welfare and Nutrition (₹ 174 crore), Education, Sports, Arts and Culture (₹ 34 crore), Health and Family Welfare (₹ nine crore) and Agriculture and Allied Activities (₹ seven crore).

Non-Plan Revenue Expenditure

The Non-Plan Revenue Expenditure (NPRE) in 2012-13 constituted a dominant share of 79.37 *per cent* in the revenue expenditure and increased by ₹ 438 crore (10 *per cent*) over the previous year. The variations in NPRE under the major heads indicate increase in expenditure under Interest payments (₹ 96 crore), Education, Sports, Arts and Culture (₹ 78 crore), Pension and other retirement benefits (₹ 77 crore), Police (₹ 32 crore), Health and Family Welfare (₹ 25 crore), offset

by a decrease in expenditure under Water supply, Sanitation, Housing and Urban Development (₹ 15 crore).

The NPRE as percentage of revenue receipts increased from 79.53 *per cent* in 2008-09 to 84.60 *per cent* in 2009-10 but reduced to 70.87 *per cent* in 2010-11. However, it increased from 75.66 in 2011-12 to 82.31 during 2012-13 indicating that 82.31 *per cent* of the revenue receipts were used to meet the NPRE.

The NPRE as a percentage of GSDP (13.76 *per cent*) was higher than the normative assessment of XIII FC (8.33 *per cent*).

1.6.2 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 1.12** and **Table 1.17** present the trends in the expenditure on these components during 2008-13.

Table 1.17: Components of Committed expenditure

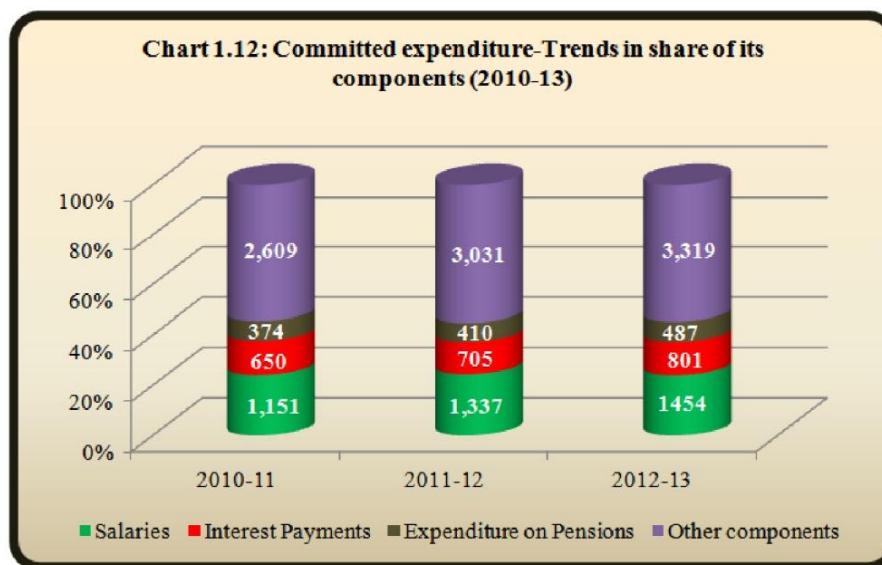
Components of Committed Expenditure	2008-09	2009-10	2010-11	2011-12	2012-13	2012-13
					BE	Actuals
Salaries & Wages of which						
Non-Plan Head	670.83	903.88	967.89	1097.27 (18.98)	1338.67 (20.55)	1196.83 (20.47)
Plan Head**	131.44	166.60	182.73	239.30 (4.14)	334.53 (5.14)	257.50 (4.41)
Total	802.27 (22.74)	1070.48 (26.11)	1150.62 (21.14)	1336.57 (23.12)	1673.20 (25.69)	1454.33* (24.88)
Interest Payments	510.00 (14.46)	583.00 (14.22)	650.36 (11.95)	705.17 (12.20)	748.62 (11.49)	800.71 (13.70)
Pensions	219.71 (6.23)	349.65 (8.53)	373.81 (6.87)	410.30 (7.10)	508.12 (7.80)	487.41 (8.34)
Total Committed expenditure	1531.98 (43.42)	2003.13 (48.85)	2174.79 (39.96)	2452.04 (42.41)	2929.94 (44.98)	2742.45 (46.91)
Other Components	1893.02 (53.66)	2224.34 (52.83)	2608.99 (47.94)	3031.46 (52.44)	3889.06 (59.71)	3318.89 (56.78)
Total Revenue Expenditure	3425.00	4227.47	4783.78	5483.50	6889	6061.34
Revenue Receipts	3528.00	4100.27	5441.94	5780.73	6513	5845.43

(Source : Finance Accounts of the State)

Figures in parentheses indicate percentage to Revenue Receipts

*Salaries : ₹ 1,436.57 crore + Wages : ₹ 17.76 crore (Finance Accounts)

** Plan Head also includes the salaries and wages paid under Centrally Sponsored Schemes



(Source: Finance Accounts of the State)

Salaries and Wages

The average annual growth in salaries and wages during 2008-13 was 20.32 *per cent*. The expenditure on salaries and wages (including grants-in-aid component) increased by ₹ 117.76 crore (8.81 *per cent*) from ₹ 1,336.57 crore in 2011-12 to ₹ 1,454.33 crore in 2012-13. Salaries and wages were 24.88 *per cent* of the revenue receipts.

During 2003-04 to 2011-12, the compound growth rate of salary and wages (16.99 *per cent*) was higher than the growth rate of other General Category States (14.18 *per cent*). This growth rate for the period 2003-04 to 2012-13 however decreased to 16.05 *per cent* (**Appendix 1.1**).

Pension payments

The expenditure on pension payments increased at an average annual growth of 30.46 *per cent* from ₹ 219.71 crore in 2008-09 to ₹ 487.41 crore in 2012-13. The increase in pension payments of ₹ 77.11 crore (18.79 *per cent*) during 2012-13 over the previous year was due to higher expenditure on Superannuation and retirement allowances, gratuity, family pensions and pensions to employees of State aided educational institutions. The pension payments during 2012-13 (₹ 487.41 crore) was less than the normative assessments made in the budget estimates by ₹ 20.71 crore.

During 2003-04 to 2011-12, the compound growth rate of pension (17.48 *per cent*) was lower than the growth rate of other General Category States (18.36 *per cent*). This growth rate for the period 2003-04 to 2012-13 however increased to 17.62 *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 ₹ 94.39 crore towards employee's contribution and employer's share was deposited during 2012-13 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 2013 was ₹ 298.56 crore.

The Directorate of Accounts stated (January 2014) that 18,804 employees of the State Government of Goa were 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 2013. The process for transfer of balance funds to the Fund Manager was stated to be under consideration.

Interest payments

The expenditure on interest payments increased at an average annual growth of 14.26 *per cent* from ₹ 510 crore in 2008-09 to ₹ 801 in 2012-13, primarily due to an increase in debt liabilities. However, relative to revenue receipts, interest payments declined from 14.46 *per cent* in 2008-09 to 11.95 *per cent* in 2010-11 and increased to 13.70 *per cent* during 2012-13.

During 2012-13, the State Government raised open market loans of ₹ 1,150 crore at an average interest rate of 8.90 *per cent*. The Government also borrowed ₹ 87.04 crore from National Small Savings fund, ₹ 133.85 crore from the National Bank for Agriculture and Rural Development and other institutions and ₹ 166.61 crore from GoI during the year.

The increase in interest payments by ₹ 95.54 crore in 2012-13 over the previous year was mainly due to more interest on market loan (₹ 46 crore), interest on special securities issued to the National Small Savings Fund of the Central Government and other debts (₹ 15 crore), interest on State Provident Fund (₹ 18 crore) and interest on deposits (₹ 16 crore).

Subsidies

Subsidies during the years 2008-09 to 2012-13 are presented in the **Table 1.18**.

Table 1.18: Subsidies

	2008-09	2009-10	2010-11	2011-12	(₹ in crore)	
					2012-13 BE	2012-13 Actuals
Subsidies	55.16 (1.56)	58.12 (1.41)	72.02 (1.32)	102.59 (1.77)	129.74 (2.14)	132.34 (2.26)
Total Revenue Expenditure	3425	4227	4784	5484	6174	6061
Revenue Receipts	3528	4100	5442	5781	6053	5845

(Source : Finance Accounts of the State)

Figures in parentheses indicate percentage to Revenue Receipts

Table 1.18 indicates that expenditure under subsidies increased by 28.99 *per cent* from ₹ 102.59 crore in 2011-12 to ₹ 132.34 crore in 2012-13. During the current year, subsidies constituted 2.26 *per cent* of Revenue receipts and about 2.18 *per cent* of the total revenue expenditure. The major recipients of subsidy include Agriculture and Allied Activities (₹ 86.79 crore) and Transport (₹ 32.57 crore).

1.6.3 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 2012-13 relative to the previous years is presented below:

Table 1.19: Financial assistance to local bodies and other institutions

(₹ in crore)						
Sl No.	Institutions	2008-09	2009-10	2010-11	2011-12	2012-13
1	Educational Institutions (Aided Schools, Aided Colleges, Universities <i>etc.</i>)	318.17	411.90	530.61	516.61	607.70
2	Municipal Corporations and Municipalities	50.38	63.67	78.36	71.56	53.97
3	Zilla Parishads and Other Panchayati Raj Institutions	51.17	60.85	74.22	34.80	72.73
4	Other Institutions	28.64	53.78	52.88	212.82	61.55
	Total	448.36	590.20	736.07	835.79	795.95
	Assistance as per percentage of RE	13.09	13.96	15.39	15.24	13.13

(Source : Finance Accounts of the State)

It would be seen from **Table 1.19** that the financial assistance by the Government increased from ₹ 448.36 crore in 2008-09 to ₹ 795.95 crore in 2012-13. As compared to previous year, the assistance in 2012-13 decreased by 4.77 *per cent*.

Financial assistance to local bodies (₹ 72.73 crore) and other institutions (₹ 723.22 crore) constituted 13.13 *per cent* of the revenue expenditure during 2012-13.

1.6.3.1 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 recommended (December 2007) 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 to the ULBs only eight functions and one activity in one function have been transferred as of September 2013. In addition to this, the function of Urban Poverty Alleviation and the activity of Solid Waste Management under Public Health and Sanitation not envisaged in the Act have also been transferred to ULBs.

Similarly, the SSFC recommended devolution of all the 28 functions and 74 activities to Village Panchayats (VPs) and 25 functions and 47 activities to Zilla Panchayats (ZPs) for economic development and social justice as listed in Schedule I and II of the Goa Panchayat Raj Act, 1994 respectively.

The Government constituted a committee of Group of Ministers (February 2013) to study/examine the recommendations of the SSFC on

activity mapping and prepare explanatory memorandum on the recommendations of the SSFC. The report of the committee is awaited (November 2013). The recommendations of the SSFC are yet to be approved though the five year period as envisaged by the Commission ended in March 2012.

The Third State Finance Commission for the period from 2012-13 to 2016-17 has not been constituted till date (January 2013).

1.6.3.2 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. By virtue of section 194 of the Goa Panchayat Raj Act, 1994, the CAG is the sole auditor for ZPs. The audit is conducted under section 20 (1) of the CAG's DPC Act, 1971.

1.7 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).

1.7.1 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 2009-10 and 2012-13 has been indicated in **Table 1.20**.

Table 1.20: Fiscal priority of the State in 2009-10 and 2012-13

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) 2009-10	17.06	66.05	35.73	14.96	16.19	4.24
Goa's Average (Ratio) 2009-10	18.36	70.77	31.80	20.26	14.56	5.53
General Category Average (Ratio) 2012-13	15.93	65.79	32.77	13.23	17.23	4.47
Goa Average (Ratio) 2012-13	20.04	71.49	34.15	13.44	16.12	6.05

(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 1.20**, the comparison of fiscal priority given to different categories of expenditure of the State in 2009-10 and 2012-13 (Third year of the XIII FC Award period) is given below.

- The ratios of AE to GSDP in 2009-10 and 2012-13 (18.36 *per cent* and 20.04 *per cent*) were higher in the State as compared to the ratio of other General Category States (17.06 *per cent* and 15.93 *per cent*). This means that General Category States were spending less as a proportion of their GSDP when compared to Goa.
- The Government has given adequate fiscal priority to Development expenditure³. Development expenditure as a proportion of aggregate expenditure in the State was higher than the General Category State's average in 2009-10 and 2012-13. 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 2009-10 but increased during 2012-13. As observed from the above table, adequate priority needs to be given to education sector as the ratio under this sector was below the General Category States average during 2009-10 and 2012-13.
- Priority to capital expenditure has been given by the State Government in 2009-10 and 2012-13, as the ratio of capital expenditure to aggregate expenditure has been higher than the average ratio of General Category States.

³The 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.

- Significant improvement was observed in the ratio of expenditure on Health and Family welfare to AE which increased from 5.53 *per cent* in 2009-10 to 6.05 *per cent* in 2012-13, indicating that priority given to these areas in Goa was higher than that in other General Category States.

1.7.2 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 public⁴ and merit goods⁵. 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 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 1.21** and **Chart 1.13** 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 1.21: Development Expenditure

(₹ in crore)

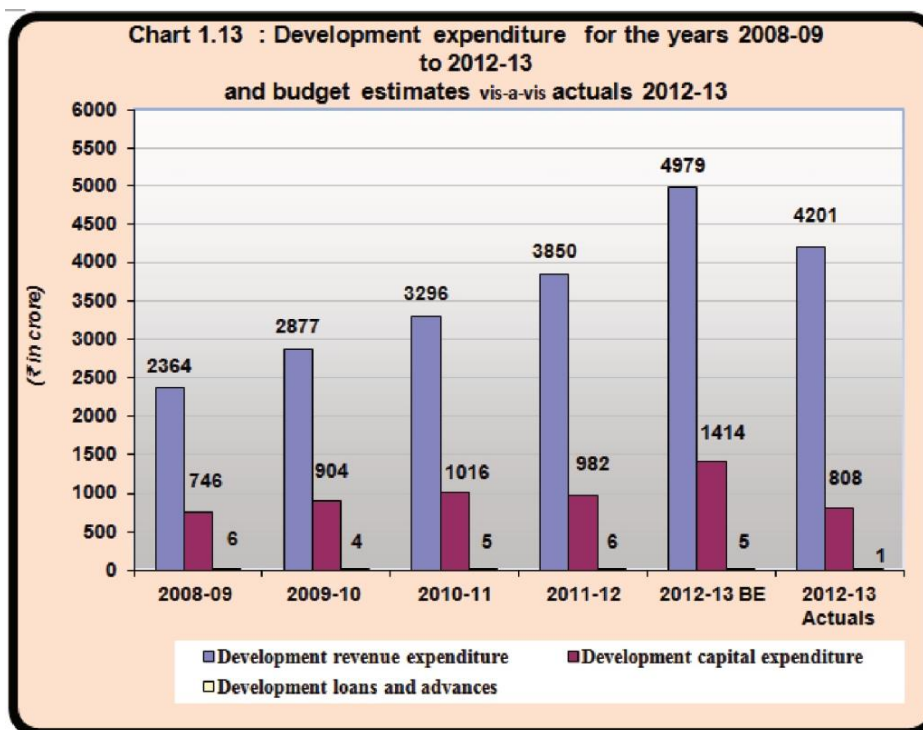
Components of Development Expenditure	2008-09	2009-10	2010-11	2011-12	2012-13	
					BE	Actuals
Development Expenditure (a to c)	3116 (71.60)	3785 (70.80)	4317 (71.70)	4838 (72.45)	6398 (73.95)	5010 (71.50)
a. Development Revenue Expenditure	2364 (54.30)	2877 (53.80)	3296 (54.74)	3850 (57.66)	4979 (57.55)	4201 (59.95)
b. Development Capital Expenditure	746 (17.10)	904 (16.90)	1016 (16.87)	982 (14.71)	1414 (16.34)	808 (11.53)
c. Development Loans and Advances	6 (0.20)	4 (0.10)	5 (0.080)	6 (0.08)	5 (0.05)	1 (0.01)

(Source : Finance Accounts of the State)

Figures in the parentheses indicate as percentage of total expenditure

⁴Core 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.

⁵Merit 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 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.



(Source: Finance Accounts of the State)

Development revenue expenditure

The development revenue expenditure increased by ₹ 351 crore (9.11 *per cent*) from ₹ 3,850 crore in 2011-12 to ₹ 4,201 crore in 2012-13. The increase was under Social Services (₹ 254 crore) and Economic Services (₹ 97 crore). The actual development revenue expenditure in 2012-13 was less than the State's projection in the budget by ₹ 778 crore.

Development capital expenditure

The development capital expenditure decreased by ₹ 174 crore (17.71 *per cent*) from ₹ 982 crore in 2011-12 to ₹ 808 crore in 2012-13. The decrease under Economic Services was ₹ 122 crore (mainly under Transport and Irrigation and flood control) and under Social Services it was ₹ 52 crore (mainly under Water Supply, Sanitation, Housing and Urban Development and Health and Family Welfare). The actual development capital expenditure was also less than the State's projection in the budget of 2012-13 by ₹ 606 crore.

Development loans and advances

Development loans and advances decreased by ₹ five crore during the year 2012-13. The actual development loans and advances were less than the State's projections in the budget of 2012-13 by ₹ four crore.

Table 1.22 provides the details of capital expenditure and the component of revenue expenditure incurred on the maintenance of the selected social and economic services.

Table 1.22: Efficiency of expenditure use in selected Social and Economic Services*(in per cent)*

Social/Economic Infrastructure	2011-12		2012-13	
	Share of CE to TE	Share of salaries in RE	Share of CE to TE	Share of salaries in RE
Social Services (SS)				
Educations, Sports, Arts and Culture	6.77	26.56	7.27	24.53
Health and Family Welfare	5.75	70.51	2.60	71.91
Water supply, Sanitation, Housing and Urban Development	28.79	9.17	22.22	12.69
Total (SS)	11.87	34.24	7.83	29.53
Economic Services (ES)				
Agriculture & Allied Activities	11.38	36.28	7.77	39.77
Irrigation and Flood Control	71.66	36.78	56.33	39.03
Power & Energy	12.88	11.80	14.10	11.84
Transport	60.51	23.18	51.03	29.37
Total (ES)	28.12	18.16	23.75	19.35
Total (SS+ES)	21.09	25.93	16.14	24.70

(Source: Finance Accounts of the State for the year 2011-12 and 2012-13)

TE: Total expenditure in the concerned sub sector; CE: Capital Expenditure; RE: Revenue Expenditure

The trends presented in **Table 1.22** reveal that development capital expenditure as a percentage to total expenditure decreased from 21.09 in 2011-12 to 16.14 in 2012-13. The percentage of capital expenditure on Social Services to the total expenditure decreased from 11.87 in 2011-12 to 7.83 in 2012-13. The decrease 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 28.12 in 2011-12 to 23.75 in 2012-13. The decrease was mainly seen under Transport and Agriculture and Allied Activities.

The share of salaries in revenue expenditure decreased from 25.93 *per cent* in 2011-12 to 24.70 *per cent* in 2012-13. The share of salaries in revenue expenditure on Social services decreased from 34.24 *per cent* in 2011-12 to 29.53 *per cent* in 2012-13. The decrease was mainly under Education, Sports, Art and Culture. The share of salaries in revenue expenditure on Economic Services increased from 18.16 *per cent* in 2011-12 to 19.35 *per cent* in 2012-13. The increase was mainly under Transport, Agriculture and allied activities.

1.8 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.

1.8.1 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 ₹ 56.09 crore on maintenance of irrigation projects in the State during 2012-13, which was ₹ 22.90 crore more than the maintenance expenditure during the previous year (₹ 33.19 crore). However, there was an increase in the salary component from ₹ 16.89 crore in 2011-12 to ₹ 25.77 crore in 2012-13.

1.8.2 Incomplete projects

As of 31 March 2013, there were 127 incomplete projects valuing more than ₹ one crore each, on which ₹ 1,721 crore had already been expended. Department-wise information of the incomplete projects is given in **Table 1.23**.

Table 1.23: 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 31.3.2013
Public Works Department	126	323.29	Not available	Not available	184.31
Water Resources Department (i) Tillari Irrigation Project	1	217.22	1612.15	1394.93	1536.75
Total	127	540.61	1612.15	1394.93	1721.06

(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.

1.8.3 Investments and returns

As of 31 March 2013, Government had invested ₹ 445.72 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives (**Table 1.24**). The average return on this investment was 0.27

per cent in the last five years while the Government paid average interest rate of 7.66 per cent on its borrowings during 2008-13.

Table 1.24: Return on investment

Investment/Return/Cost of Borrowings	2008-09	2009-10	2010-11	2011-12	2012-13
Investment at the end of the year (₹ in crore)	329.66	362.75	382.16	401.17	445.72
Return (₹ in crore)	0.89	1.15	0.19	1.48	1.73
Return (per cent)	0.27	0.32	0.04	0.36	0.39
Average rate ⁶ of interest on Govt. borrowing (per cent)	7.64	7.79	7.62	7.59	7.69
Difference between interest rate and return(per cent)	7.37	7.47	7.58	7.23	7.30

(Source : Finance Accounts of the State)

The increase in investments ₹ 44.55 crore during 2012-13 was mainly attributable to increased capital contributions to the Kadamba Transport Corporation (₹ 30 crore), Goa State Scheduled Caste and Other Backward Classes Development Corporation (₹ 1.66 crore), Goa State Scheduled Tribe Finance and Development Corporation (₹ eight crore) and Goa State Co-operative Bank and Societies (₹ 4.89 crore).

Departmental commercial undertakings

There are two Departmentally managed quasi-commercial undertakings viz., the Electricity Department and the River Navigation Department in the State. **Table 1.25** depicts the Department-wise position of the investments made by the Government up to the year for which *proforma* accounts have been audited, net profits/loss as well as return on capital invested in these undertakings.

Table 1.25: Summarised financial statement of Departmentally managed quasi-commercial undertakings

(₹ in crore)

Sl. No.	Name of the undertaking	Period of accounts audited	Amount invested by Government	Turn-over/income	Net profit/loss	Accumulated profit/loss	Interest on capital	Total return	Percentage 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.

⁶Interest payment/[(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2]*100

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 liquidate the arrears of account of these Departmental undertakings. The Government also 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 since 2008-09, no Action Taken Report has been received from the State Government.

1.8.4 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 1.26** presents the outstanding loans and advances as on 31 March 2013, interest receipts *vis-à-vis* interest payments during the last three years.

Table-1.26: Average interest received on loans advanced by the State Government

(₹ in crore)			
Quantum of loans/interest receipts/cost of borrowings	2010-11	2011-12	2012-13
Opening Balance	114.54	115.76	109.59
Amount advanced during the year	15.92	9.42	3.98
Amount repaid during the year	14.70	15.59	14.57
Closing Balance	115.76	109.59	99.00
<i>of which</i> Outstanding balance for which terms and conditions have been settled	--	--	--
Net addition	(+)1.22	(-) 6.17	(-)10.59
Interest Receipts	1.87	1.85	7.17
Interest receipts as percentage of outstanding Loans and advances	1.62	1.64	6.87
Interest payments as percentage of outstanding fiscal liabilities of the State Government.	7.23	7.35	7.13
Difference between interest payments and interest receipts (<i>per cent</i>)	(-)5.61	(-) 5.71	(-) 0.26

(Source: Finance Accounts of the State)

As could be seen from the above table, the total outstanding loans and advances as on 31 March 2013 was ₹ 99.00 crore. The amount of loans disbursed decreased from ₹ 9.42 crore in 2011-12 to ₹ 3.98 crore in 2012-13. Out of the total amount of loans and advances paid during the year, ₹ 1.20 crore went to Economic Services. Under the Economic Services, the loans went to Agriculture and Allied Activities. Recovery of loans and advances decreased from ₹ 15.59 crore in 2011-12 to ₹ 14.57 crore during the current year, mainly on account of less recoveries from loans to Government servants (₹ 1.09 crore) and loans for economic services (₹ 0.02 crore).

However, interest received against these loans increased from 1.64 *per cent* in 2011-12 to 6.87 *per cent* in 2012-13. Interest spread of Government borrowings was negative during the period 2010-13 which

indicated that the State's borrowings were more expensive than the loans advanced by it.

1.8.5 Cash balances and investment of cash balances

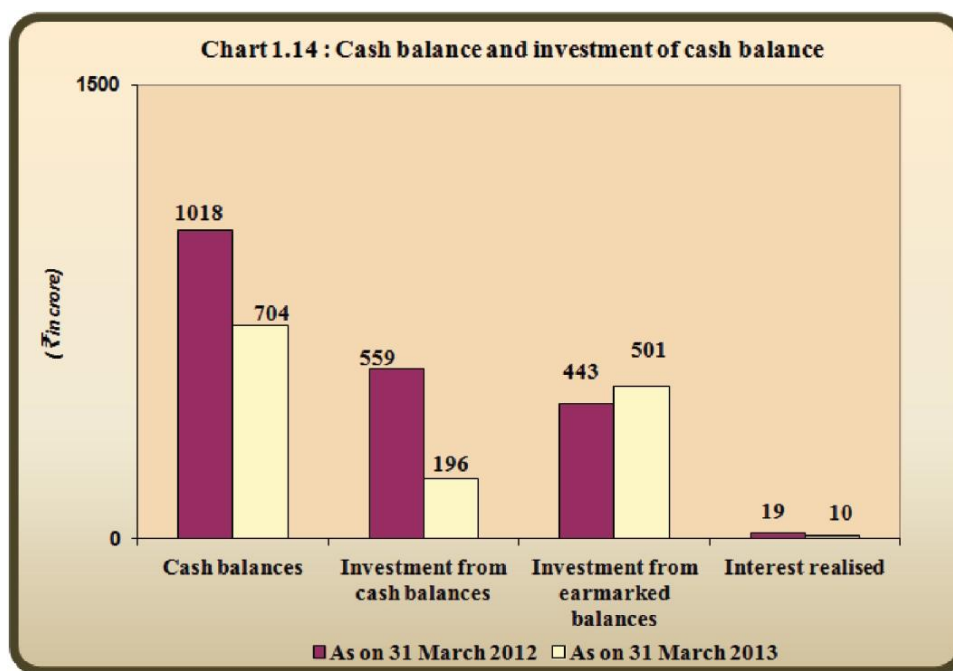
Table 1.27 and **Chart 1.14** depict the cash balances and investments made by the State Government out of cash balances during the year.

Table 1.27: Cash balances and investment of cash balances

(₹ in crore)

Particulars	As on 31 March 2012	As on 31 March 2013	Increase (+)/ Decrease(-)
Cash in treasuries	--	--	--
Deposits with Reserve Bank of India	14.75	4.52	(-)10.23
Remittances in transit-Local	--	--	--
Cash with the Departmental officers	1.48	1.48	--
Permanent advance for contingent expenditure with Departmental officers	0.17	0.21	0.04
Investments from cash balances (a to d)	558.63	196.48	(-)362.15
a. GoI Treasury Bills	557.10	194.25	(-)362.85
b. GoI Securities	--	--	--
c. Other Securities, if any specify	--	--	--
d. Other Investments	1.53	2.23	0.7
Funds-wise break-up of investment from earmarked balances (a to c)	443.38	501.22	57.84
a. General and other Reserve Funds	156.98	176.71	19.73
b. Sinking Fund	286.40	324.51	38.11
c. Miscellaneous Deposits	--	--	--
Total Cash Balances	1018.41	703.91	(-)314.50
<i>Interest Realised</i>	<i>19.28</i>	<i>10.48</i>	<i>8.80</i>

(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 5.33 *per cent* during 2012-13, while average interest paid by Government on its borrowings during the year was 7.69 *per cent*.

The State Government's cash balances at the close of the year 2012-13 (₹ 704 crore) decreased by 31 *per cent* over the previous year. Of the above, ₹ 196 crore were invested in GoI Treasury Bills which earned an interest of ₹ 10.48 crore during the year and ₹ 501 crore were invested in earmarked funds. Due to large surplus cash balance during 2012-13, the State Government did not avail of any ways and means advances or overdrafts from the RBI for maintenance of its minimum cash balance.

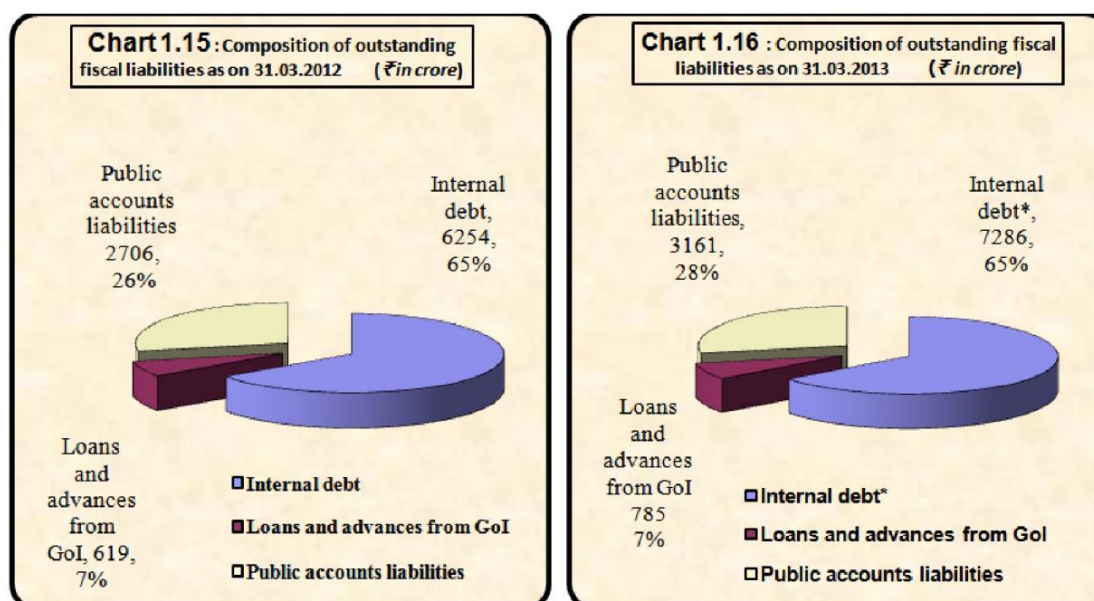
1.9 Assets and Liabilities

1.9.1 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 2013, compared with the corresponding position as on 31 March 2012. 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.

1.9.2 Fiscal liabilities

The composition of fiscal liabilities during the year 2012-13 *vis-à-vis* the previous year is presented in **Charts 1.15** and **1.16**



(Source: Finance Accounts of the State)

*refer note below table 1.1 and paragraph 1.5.1

Table 1.28 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 1.28: Fiscal liabilities – basic parameters

	2008-09	2009-10	2010-11	2011-12	2012-13
Fiscal Liabilities (₹ in crore)	7058	8075	8985	9579	11232 [#]
Rate of Growth (per cent)	12.22	14.40	11.26	6.61	17.26
Ratio of Fiscal Liabilities to					
GSDP (per cent)*	27.77	27.72	26.77	26.65	32.12
Revenue Receipts (per cent)	200.05	196.95	165.10	165.69	192.16
Own Resources (per cent)	240.88	231.17	203.83	196.93	235.32
Buoyancy of Fiscal Liabilities with reference to :					
GSDP (ratio)	0.409	0.986	0.739	0.936	-6.412
Revenue Receipts (ratio)	0.616	0.888	0.344	1.061	15.587
Own Resources (ratio)	0.050	0.062	0.055	0.033	0.073

(Source: Finance Accounts of the State)

*GSDP figures changed due to revision

[#] 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 14.78 *per cent* during the period 2008-13. 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 *per cent* and 14.40 *per cent* in 2008-09 and 2009-10 respectively. The growth rate decreased from 11.26 *per cent* in 2010-11 to 6.61 *per cent* in

2011-12 and increased to 17.26 *per cent* in 2012-13 mainly due to open market borrowings.

Of the total fiscal liabilities during 2012-13, the share of public debt was maximum (72 *per cent*), followed by small savings, provident fund⁷ *etc.* (14 *per cent*), deposits⁸ (11 *per cent*) and reserve funds (three *per cent*). Fiscal liabilities increased by ₹ 1,653 crore from ₹ 9,579 crore in 2011-12 to ₹ 11,232 crore in 2012-13, mainly due to increase in Public Debt (₹ 1,199 crore), Small Savings and Provident Funds (₹ 150 crore), Deposits (₹ 192 crore) and Reserve Funds (₹ 111 crore).

1.9.3 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'. During the year 2012-13 there were three reserve funds earmarked for specific purposes, are shown in the Table 1.29.

Table 1.29: Reserve funds

Classification	(₹ in crore)			
	Opening balance	Receipt	Payment	Closing balance
8121- State Disaster Response fund	16.55	2.69	0.71	18.53
8222- Sinking funds	286.39	38.12	--	324.51
8235- Guarantee Redemption fund	143.53	18.87	--	162.40
Total	446.47	59.68	0.71	505.44

(Source: Finance Accounts of the State)

The total accumulated balance in these funds was ₹ 505.44 crore and the investment out of this balance was ₹ 501.22 crore (99 *per cent*) as on 31 March 2013.

⁷ 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.

⁸ 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.

1.9.4 Contingent liabilities

Status of guarantees

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 1.30**.

Table 1.30: Guarantees given by the Government of Goa

(₹ in crore)			
Guarantees	2010-11	2011-12	2012-13
Maximum amount guaranteed	341.62	305.08	259.54
Outstanding amount of guarantees	170.02	173.19	122.67
Percentage of maximum amount guaranteed to total revenue receipt	6.27	5.27	4.44

(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 ₹ 122.67 crore during 2012-13 were well within the ceiling limit specified by the Legislature. The outstanding guarantee during 2012-13 was 0.35 *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 2013 was ₹ 162.40 crore. No guarantee was invoked during 2012-13.

1.10 Debt management

1.10.1 Debt sustainability

Apart from the magnitude of debt of the State Government, it is important to analyze 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 1.31** analyses the debt sustainability of the State according to these indicators for the period of three years beginning from 2010-11.

Table 1.31: Debt sustainability: indicators and trends

Indicators of debt sustainability	2010-11	2011-12	2012-13
Debt Stabilisation (<i>₹ in crore</i>)* (Quantum Spread + Primary Deficit)	700.50	(-) 175.53	(-) 1340.30
Sufficiency of non-debt receipts (Resource Gap) (<i>₹ in crore</i>)	(-) 669.00	(-) 316.00	(-) 267.00
Net Availability of Borrowed Funds (<i>₹ in crore</i>)	260.00	(-) 111.18	851.50
Burden of Interest Payments(IP/RR) (in <i>per cent</i>)	11	12	14

(Source: Finance Accounts of the State)

* figures changed due to revision in GSDP figures

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 1.31 reveals that the sum of quantum spread and primary deficit during 2010-11 was positive which indicated the tendency towards debt stabilisation. However, during 2011-12 and 2012-13 the primary deficit together with quantum spread turned negative, indicating unsustainable levels of public debt. The State can stabilise debt-GSDP ratio by containing/reducing primary deficit to meet the fiscal deficit cap (normal) of three *per cent* of GSDP as laid down under section (5) of Goa FRBM Act 2006, and Rules 2007.

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. The details for the last three years have been shown in the table indicated below:

Table 1.32: Sufficiency of incremental non-debt receipts*(₹ in crore)*

Sl. No.		2010-11	2011-12	2012-13
1	Incremental Non debt Receipts	1344	340	63
2	Incremental Interest Payments	67	55	96
3	Incremental Primary expenditure	608	601	234
Resource Gap		(-)669	(-) 316	(-)267

(Source: Finance Accounts of the State)

The above table reveals that the resource gap was negative during the period 2010-13. During the year 2012-13, negative indicator in Debt Stabilisation and the negative Resource Gap (₹ 267 crore) was a matter of concern. This was a result of insufficiency of the incremental non-debt receipt (₹ 63 crore) to meet the incremental primary expenditure (₹ 234 crore) and incremental interest payments (₹ 96 crore). This meant that the State had to depend on borrowed funds for meeting current revenue and capital expenditure indicating the continuing risk of non-sustainability of debt. The State needs to step up its resource mobilisation and prune unproductive expenditure to maintain debt stability.

Net availability of borrowed funds

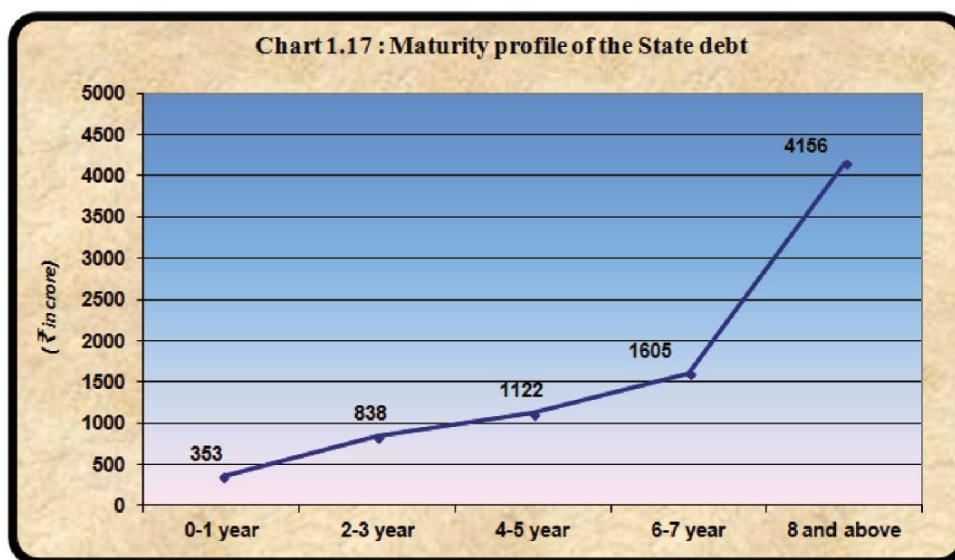
Net availability of borrowed funds is defined as the ratio of debt redemption (Principal+Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption. **Table 1.31** reveals that the net availability of borrowed funds which was negative in 2011-12, turned positive during 2012-13.

The Finance Accounts for the year 2012-13 revealed that during the year, Government raised internal debt of ₹ 1,370.89 crore, GoI loans of ₹ 166.60 crore and other obligations of ₹ 888.05 crore. It also repaid internal debt of ₹ 310.99 crore, GoI loans of ₹ 28.07 crore and discharged other obligations of ₹ 434.27 crore and paid interest of ₹ 800.71 crore resulting in net increase in debt receipts by ₹ 851.50 crore during the year.

Table 1.33: Maturity profile of State debt*(₹ in crore)*

Maturity Profile (in years)	Amount	Per cent
0 – 1	352.60	4.37
2 – 3	838.12	10.38
4 – 5	1121.95	13.89
6 – 7	1605.17	19.88
8 and above	4007.06	49.63
Loans pertaining to Ex-Union Territory	149.49	1.85
Total	8074.39	100.00

(Source: Finance Accounts of the State)



(Source Finance Accounts of the State)

The maturity of the State debt as per **Table 1.33** and **Chart 1.17** indicates that nearly 28.64 *per cent* of the total State debt is repayable within the next five years while the remaining 71.36 *per cent* is payable after five years. It further indicates that the liability of the State to repay the debt would be ₹ 2,312.67 crore during the period 2016-17 and ₹ 5,761.72 crore during 2018-20 which would put a strain on the Government budget during that period and may cause the State to borrow further to repay those loans.

1.10.2 Study on Open Market Borrowings of Government

Introduction

A study on Open Market Borrowings (OMB) for the period from 2008-09 to 2012-13 of the State was conducted to draw linkage between market borrowings and capital formation, and there from study the regular revenue generation within the State for servicing of debts and repayment of principal. Records relating to OMB of the State Government as maintained in the Finance Department were reviewed during April to July 2013. The observations from the study are detailed in the following paragraphs:

There are two types of borrowings resorted to by the State Government, viz.,

- a) Specific purpose borrowings like borrowings from National Bank for Agriculture and Rural Development (NABARD) for Rural Infrastructure Development Fund (RIDF) works and borrowings from GoI for externally aided projects, which have one to one correspondence with specific plan schemes.
- b) General purpose borrowings like market borrowings and small saving loans that do not have one to one correspondence with any particular scheme but are used to finance budget in general and annual plan in particular. Open Market borrowings are controlled by the Central Government and managed by the Reserve Bank of India.

According to Article 293 (3) of the Constitution, a State may not raise any loan without the consent of the Central Government if they are indebted to the Central Government.

Table 1.34: Details of OMB for the period from 2008-09 to 2012-13

(₹ in crore)

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
Gross borrowing ceiling limit fixed by GoI	909	999	889	981	1359
Total outstanding OMB	1881	2399	2610	2761	3756
OMB raised	500	600	300	250	1150 ⁹
Repayment of OMB made during the year	96	82	89	99	155
Net OMB raised	404	518	211	151	995
Interest paid on OMB	122	158	190	212	258
Interest payment as a percentage of OMB raised	24.40	26.33	63.33	84.80	22.43
Net availability of OMB	282	360	21	-61	737
Percentage of net availability of OMB to OMB raised	56.40	60.00	7.00	-24.40	64.08

(Source: Finance Accounts of the State)

It is seen from the above that:

- The OMB increased continuously from ₹ 500 crore in 2008-09 to ₹ 1,150 crore during 2012-13.
- The repayments of OMB increased from ₹ 96 crore in 2008-09 to ₹ 155 crore in 2012-13 except for a marginal decrease during 2009-10.
- Interest paid on market loans also increased from ₹ 122 crore in 2008-09 to ₹ 258 crore in 2012-13.
- The net availability of borrowed funds to OMB raised, has decreased from 56.40 *per cent* in 2008-09 to (-) 24.40 *per cent* in 2011-12 but increased to 64.08 *per cent* in 2012-13 due to more OMBs raised during the year.

Overall position

The Ministry of Finance, GoI fixes the annual borrowing ceilings for States as per the fiscal deficit targets recommended by the Finance Commission. Debt sustainability refers to the sufficiency of liquid assets to meet current/committed obligations. Debt sustainability indicators of the State are as shown in **Table 1.35** below:

Table-1.35: Debt sustainability indicators

(₹ in crore)

Description	2008-09	2009-10	2010-11	2011-12	2012-13
Total liabilities	7058	8075	8985	9579	11232
Total public debt	5623	6078	6614	6872	8070
Total outstanding OMB	1881	2399	2610	2761	3756

⁹ Includes ₹ 300 crore drawn during 2011-12. Thus, actual OMB during 2012-13 was ₹ 850 crore

Description	2008-09	2009-10	2010-11	2011-12	2012-13
GSDP	25414	29126	33562	35932	34965
Percentage of OMB to total liabilities	26.65	29.71	29.04	28.82	33.44
Percentage of OMB to total public debt	33.45	39.47	39.46	40.18	46.54
OMB raised as a percentage of Fiscal deficit	61.50	48.58	53.19	28.40	100.26
Weighted average interest rate on OMB-financial year wise	7.80	8.23	8.32	8.97	8.80
Interest paid on OMB ¹⁰	122	158	190	212	258
Gross interest payments on total liabilities	510	583	650	705	801
Primary surplus(+) / deficit(-)	(-) 303	(-) 652	(+) 86	(-) 175	(-) 346
Revenue surplus(+)/deficit (-)	(+) 103	(-) 127	(+) 658	(+) 297	(-) 216
Fiscal deficit ¹¹	(-)813	(-)1235	(-)564	(-)880	(-)1147
Total public debt to GSDP (in <i>per cent</i>)	22.12	20.86	19.70	19.12	23.08

(Source: Finance Accounts of the State)

During the period 2008-09 to 2012-13 the total liabilities, total public debt and total outstanding OMB of the State increased by 59.13 *per cent*, 43.52 *per cent* and 99.68 *per cent* respectively. The total outstanding OMB at the end of year increased from ₹ 1,881 crore (2008-09) to ₹ 3,756 crore (2012-13). The percentage of OMB to total liabilities increased from 26.65 to 33.44 and the percentage of OMB to total public debt also increased from 33.45 to 46.54 during the five year period ending on 31 March 2013.

The OMB raised as a percentage of fiscal deficit increased from 28.40 *per cent* in 2011-12 to 100.26 *per cent* during 2012-13.

The State incurred fiscal deficit during the entire review period *i.e.*, 2008-13. The fiscal deficit has to be maintained within three *per cent* of the GSDP according to the Goa FRBM Act 2006, and Rules 2007. The State was not able to rein in the fiscal deficit to within three *per cent* during the years 2008-09 (3.20 *per cent*), 2009-10 (4.24 *per cent*) and 2012-13 (3.28 *per cent*).

Investment in Intermediary Treasury Bills

Surplus cash balance beyond ₹ 19.00 lakh in the Consolidated Fund of the State is automatically invested in 14-day intermediate Treasury Bills (TBs) by the Reserve Bank of India in multiples of ₹ 1.00 lakh.

The interest earned on the investments in 14-days intermediate TBs (5.00 *per cent* to 8.50 *per cent*) was lower than the interest rate of market borrowings (7.24 *per cent* to 9.23 *per cent*) during the five year period.

Audit observed that there was no proper assessment of fund requirements, in the absence of which the Government invested the borrowed funds in intermediate TBs with periods ranging from 1 month to 6 months. Thus, improper assessment of fund requirements, excessive market borrowings and investment of excess funds in intermediate Treasury Bills resulted in

¹⁰ Major Head 2049-sub major head 01- minor head 101 of the Finance Account.

¹¹ The excess of total disbursements from the Consolidated Fund of the State (excluding repayment of debt) over total receipt into the Fund (excluding the debt receipts), during a financial year.

an avoidable interest burden of ₹ 1.82 crore during the period 2008-13 as detailed in **Appendix 1.5**.

Maturity Profile of Market Borrowings

The maturity profile of borrowings showed that up to 2012-13, all issues of the State Development Loans (SDL) had a maturity of 10 years. The tenure profile of market loan raised during 2008-09 to 2012-13 is given below:

Table 1.36: Amount of OMB raised during 2008-09 to 2012-13

Details	Amount of loan raised (₹ in crore)					
	2008-09	2009-10	2010-11	2011-12	2012-13	Total
< one year	Nil	Nil	Nil	Nil	Nil	Nil
1 – 3 years	Nil	Nil	Nil	Nil	Nil	Nil
5 – 7 years	Nil	Nil	Nil	Nil	Nil	Nil
> 7 years	500.00	600.00	300.00	250.00	1150.00	2800.00
Total loan raised during the year	500.00	600.00	300.00	250.00	1150.00	2800.00
Total outstanding on 31 March	1881	2399	2610	2761	3756	-
Percentage of loan raised during the year to total outstanding	26.58	25.01	11.49	9.05	30.61	-

(Source: Finance Accounts of the State)

During the period 2008-13, the State did not prefer to take short term and medium term borrowings from the market but resorted to long term borrowings (ten year tenure) from the market. These loans were borrowed for purpose of State development.

Weighted Average Maturity of Loans

The trends in the maturity profile of the stock and flow in the recent years for the State Government dated securities are shown below:

Table 1.37: Weighted average maturity of OMBs

Year	Issued During the year	Outstanding Stock ¹²
	Weighted Average Maturity (years)	
1	2	3
2008-09	9.78	6.62
2009-10	9.55	6.82
2010-11	9.07	6.42
2011-12	9.61	6.37
2012-13	9.64	6.57

(Source: Finance Accounts of the State)

The weighted average maturity (years) of loans issued was 9.78 as at the end of 2008-09 and decreased marginally to 9.64 at the end of 2012-13. The weighted average maturity (years) of outstanding stock of loans was 6.62 as at the end of 2008-09 and decreased marginally to 6.57 at the end of 2012-13.

¹² The Market Borrowings does not include matured loans of ₹ 20.15 lakh

Position of Market Borrowings

The position of the opening balances, borrowings/repayments together with closing balances, of open market loans is presented below:

Table 1.38: Trends in growth of market borrowings*(₹ in crore)*

Year	Opening Balance	Borrowings during the year	Repayments during the year	Closing Balance	Net Borrowings
2008-09	1477	500	96	1881	404
2009-10	1881	600	82	2399	518
2010-11	2399	300	89	2610	211
2011-12	2610	250	99	2761	151
2012-13	2761	1150	155	3756	995
Total		2800			

*(Source: Finance Accounts of the State)***Maturity profile of loans under OMB**

An analysis of the redemption profile during the period 2013-21 of market borrowings is given in the following table:

Table 1.39: Maturity Trend of market loans

Maturity Year	Maturity Amount (₹ in crore)	As a percentage of Outstanding Market Loans
2013-14	109	2.90
2014-15	133	3.54
2015-16	165	4.39
2016-17	149	3.96
2017-18	400	10.64
2018-19	500	13.31
2019-20	600	15.97
2020-21	300	7.98

Source: Finance Accounts of the State

As can be seen from the above, on an average, about 7.83 per cent of outstanding loans needs to be repaid every year though the pressure on repayment increases significantly during 2017-18 to 2019-20.

Interest rate profile

The interest rate profile of open market borrowings during the period 2008-13 is detailed in the **Table 1.40**.

Table 1.40: Interest rate profile

Rate of interest (per cent)	Market loans raised during the year (₹ in crore)					
	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Below 5	-	-	-	-	-	-
5 – 5.99	-	-	-	-	-	-
6 – 6.99	-	-	-	-	-	-
7 – 7.99	200	100	-	-	-	300
8 – 8.99	300	500	300	200	850	2150
9 – 9.99	-	-	-	350	-	350
10 – 10.99	-	-	-	-	-	-
Total	500	600	300	550	850	2800
Weighted average interest rate	7.80	8.23	8.32	8.97	8.80	8.48

(Source: Finance Accounts of the State)

The average interest rate on market borrowings has gradually increased from 7.80 *per cent* as of 2008-09 to 8.97 *per cent* at the end of 2011-12. The State borrowed an amount of ₹ 2,800 crore during the period 2008-13 at an average interest rate of 8.48 *per cent*.

Development Loans

The State Government raises development loans from two sources, *viz.*, under OMB and loans from financial institutions. The loans from financial institutions are project based and part of overall borrowings programme. Loans are to be raised for the purpose of formation of productive assets. The details of total developmental loans raised and application of the same to developmental capital expenditure during the period 2008-2013 is given in **Table 1.41**:

Table 1.41: Developmental expenditure incurred against total developmental loans raised

(₹ in crore)

Period	Market loans	Loans from financial institutions/ bank	Total developmental loans raised 2+3	Developmental capital expenditure	Excess/short (-) raising of development loans over developmental expenditure (4-5)
1	2	3	4	5	6
2008-09	500	109	609	746	(-)137
2009-10	600	116	716	904	(-)188
2010-11	300	114	414	1016	(-)602
2011-12	250	74	324	982	(-)658
2012-13	1150	114	1264	808	456
Total	2800	527	3327	4456	(-)1129

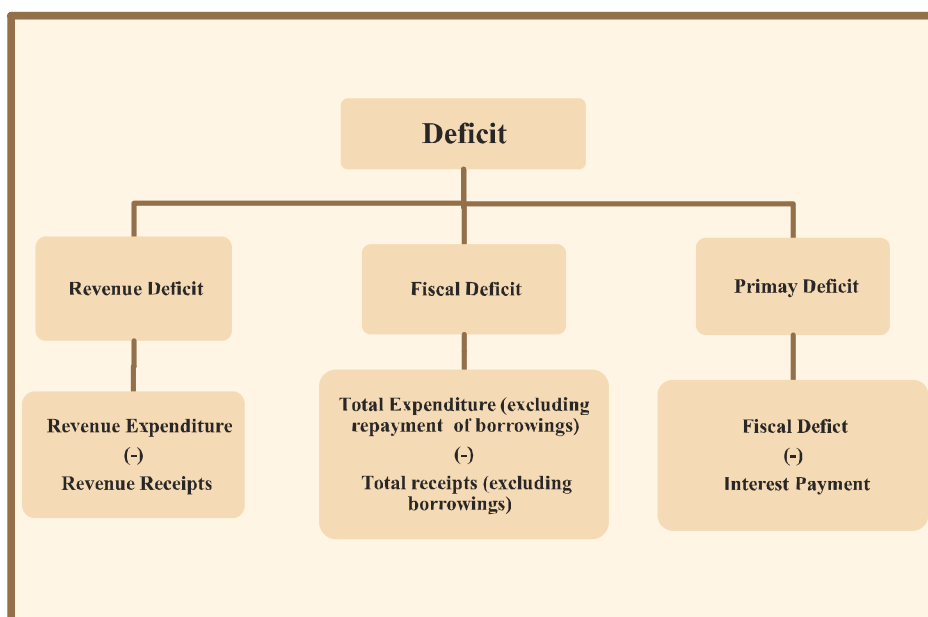
(Source: Finance Accounts of the State)

It was observed that during 2008-09 to 2012-13, 84 *per cent* of developmental loans were raised through OMB. During the years 2008-09 to 2011-12, the development capital expenditure of the State Government was ₹ 3,648 crore and the developmental loan raised was ₹ 2,063 crore (57 *per cent*) indicating that the purpose of raising the loan to finance the formation of productive assets was achieved. However, during 2012-13, though the State Government raised ₹ 1,264 crore as developmental loans but incurred development expenditure of only ₹ 808 crore.

1.11 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 1.18** gives an indication of the various kinds of deficits that occur if the Government borrows excessively to balance the budget.

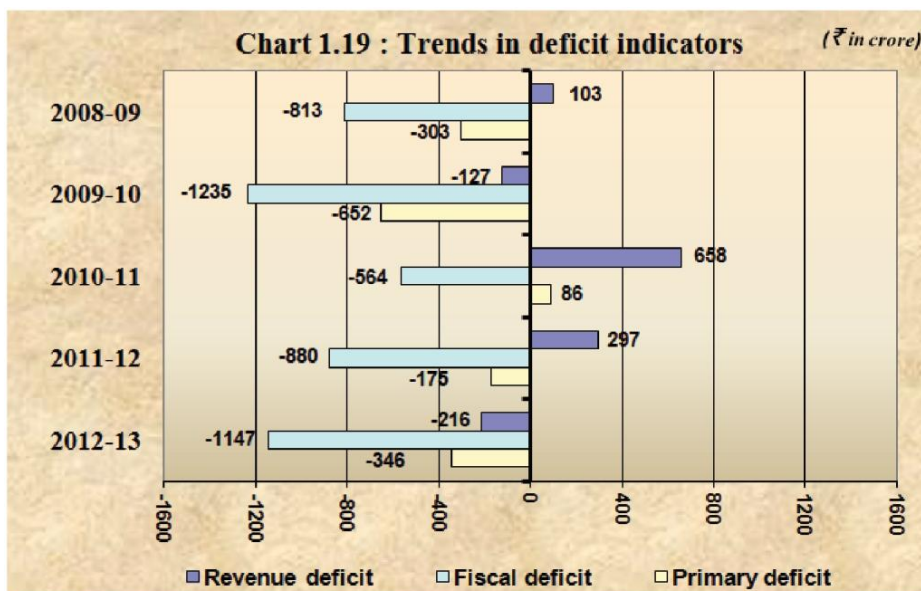
Chart 1.18: Type of deficits



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.

1.11.1 Trends in deficits

Charts 1.19 and 1.20 present the trends in deficit indicators over the period 2008-13.

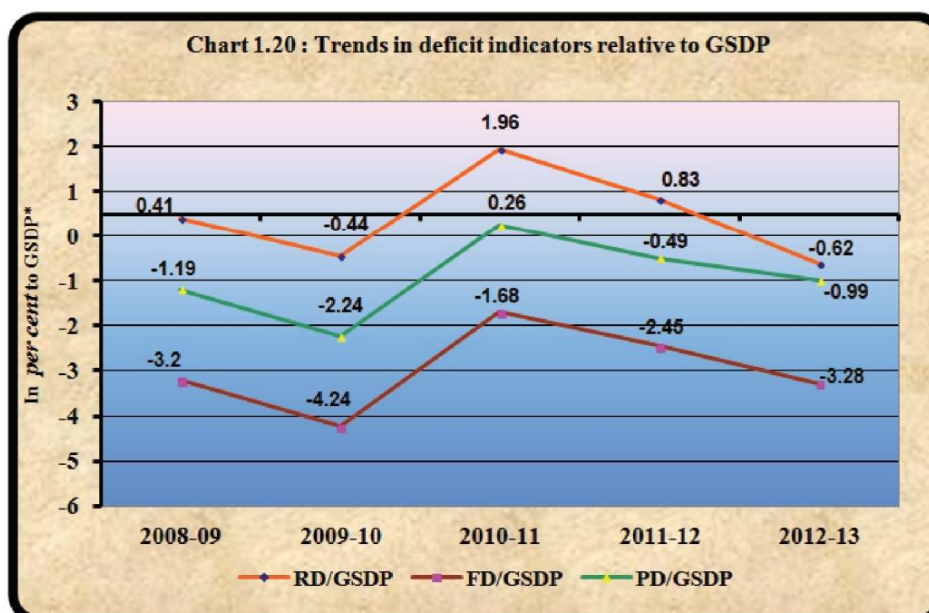


(Source: Finance Accounts of the State)

The revenue surplus of ₹ 103 crore during 2008-09 turned into revenue deficit of ₹ 127 crore during 2009-10, mainly due to sharp increase in revenue expenditure by 23 *per cent* against an increase of revenue receipts of only 16 *per cent*. The revenue surplus of ₹ 658 crore in 2010-11 had reduced to ₹ 297 crore in 2011-12 which was mainly due to a sharp decrease in growth rate of revenue receipts (6.22 *per cent*) as against the increase in revenue expenditure (14.63 *per cent*) over the previous year. During 2012-13, the revenue surplus turned into revenue deficit mainly due to sharp increase in revenue expenditure by 10.52 *per cent* against the increase of revenue receipts by only 1.11 *per cent*.

The fiscal deficit of ₹ 880 crore during 2010-11 increased to ₹ 1,147 crore in 2012-13. The revenue deficit (₹ 513 crore), decreased in capital expenditure (₹ 242 crore) and decrease in non-debt capital receipts (₹ four crore) increased the fiscal deficit by ₹ 267 crore over the previous year.

The primary deficit increased from ₹ 303 crore to ₹ 652 crore during the period 2008-10 but 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 and further increased to ₹ 346 in 2012-13, due to increase in fiscal deficit (₹ 267 crore) and increase in interest payments (₹ 96 crore) during the year.



* figures changed due to revision in GSDP figures.

1.11.2 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 patterns of the fiscal deficit during the period 2008-09 to 2012-13 are reflected in the **Table 1.42**.

Table 1.42: Components of fiscal deficit and its financing pattern*(₹ in crore)*

	Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
	Decomposition of Fiscal Deficit (a)	813	1235	564	880	1147
1	Revenue Deficit/Surplus	(+) 103	(-) 127	(+)658	(+) 297	(-) 216
2	Net Capital Expenditure	897	1084	1221	1184	942
3	Net Loans and Advances	19	24	01	(-) 7	(-) 11
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	404	517	211	151	995
2	Loans from GoI	5	(-) 160	1	62	139
3	Loans from Financial Institutions	87	97	325	45	65
4	Ways and Means	-	-	-	-	-
5	Small Savings, PF etc.	166	252	155	171	150
6	Deposits and Advances	106	137	170	157	192
7	Suspense and Miscellaneous	(-) 37	91	-	101	(-) 699
8	Remittances	-	71	5	(-) 4	(-) 178
9	Reserve Fund	148	155	128	67	169
10	Contingency Fund	-	(-) 3	3	-	-
11	Total (1 to 10) (b)	879	1157	998	750	833
12	Increase(+)/Decrease(-) in cash balance(a) - (b)	(-) 66	(+) 78	(-)434	(+) 130	(+) 314
13	Overall Deficit	813	1235	564	880	1147

(Source: Finance Accounts of the State)

The fiscal deficit of ₹ 880 crore during 2011-12 increased to ₹ 1,147 in 2012-13. This was mainly due to increase in revenue deficit by ₹ 513 crore, decrease in non-debt capital receipts (₹ four crore) and decrease in capital expenditure (₹ 242 crore).

The fiscal deficit increased by ₹ 267 crore during 2012-13 mainly on account of borrowings. The fiscal deficit (₹ 1,147 crore) in 2012-13 increased as compared to the previous year and constituted 3.28 *per cent* of GSDP, which has exceeded the three *per cent* limit projected by the XIII FC.

During the year 2011-12, the fiscal deficit was mainly financed from small savings, market borrowings and deposits whereas during 2012-13, the fiscal deficit was mainly met by market borrowings, deposits and advances and Loans from GoI and from financial institutions. As could be seen from **Table 1.43** during the period 2012-13, there was an overall increase in cash balance after financing the fiscal deficit.

Table 1.43: Receipts and disbursements under components financing the fiscal deficit during 2012-13*(₹ in crore)*

	Particulars	Receipts	Disbursements	Net
1	Market Borrowings	1150	155	995 ^a
2	Loans from GoI	167	28	139
3	Loans from Financial Institutions	220	155	65
4	Small Savings, PF etc.	332	182	150
5	Deposits and Advances	348	156	192
6	Suspense and Miscellaneous	3238	3937	-699
7	Remittances	3165	3343	-178
8	Reserve Funds	206	37	169

9	Contingency Fund	-	-	-
10	Appropriation to/ from Contingency Fund	-	-	-
11	Total (1 to 10) (b)	8826	7993	833
12	Increase(+)/Decrease (-) in Cash Balance (a)–(b)			(+)314
13	Overall deficit (11+12) (a)			1147

(Source : Finance Accounts of the State)

\$ refer note below table 1.1 and paragraph 1.5.1

1.11.3 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 1.44** 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 1.44: Primary deficit/surplus – bifurcation of factors

(₹ in crore)

Year	Non-debt receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure (3+4+5)	Primary revenue deficit(-)/surplus(+) (2-3)	Primary deficit (-)/surplus (+) (2-6)
1	2	3	4	5	6	7	8
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
2012-13	5860	5260	942	4	6206	600	(-) 346

(Source: Finance Accounts of the State)

As could be seen from the table above, the primary deficit of ₹ 175 crore in 2011-12 increased to ₹ 346 crore during 2012-13. During the period 2008-13, non-debt receipts of the State were enough to meet the primary revenue expenditure requirements in the revenue account. However, except for the year 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 expenditure¹³ decreased from 23.35 per cent during 2008-09 to 15.17 per cent during 2012-13.

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

1.12 Conclusion

Pattern of receipt and expenditure

Revenue receipts increased by 1.11 *per cent* over the previous year, mainly due to increase in Tax revenue (15.24 *per cent*), share of Union Taxes and duties (14.09 *per cent*) and 25.42 *per cent* in grants from the GoI; offset by a decrease of non-Tax revenue by 20.75 *per cent*. (Paragraph 1.3).

The revenue expenditure increased by 10.52 *per cent* over the previous year and constituted 86.50 *per cent* of the total expenditure during 2012-13. Non-Plan Revenue Expenditure (NPRE) during the year constituted 79.37 *per cent* of the revenue expenditure. The NPRE as a percentage of GSDP (13.76 *per cent*) was higher than the normative assessment of XIII FC (8.33 *per cent*). The Plan revenue expenditure and NPRE in 2012-13 increased by 12.61 *per cent* and 10.02 *per cent* respectively over the previous year (Paragraph 1.6.1).

Expenditure under subsidies in 2012-13 increased by 28.99 *per cent* over the previous year and constituted 2.18 *per cent* of revenue expenditure (Paragraph 1.6.2).

Capital expenditure, which constituted 13.44 *per cent* of the total expenditure, decreased during 2012-13 by 20.43 *per cent* (₹ 242 crore) over the previous year (Para 1.6.1).

The expenditure of ₹ 1,454.33 crore on salaries and wages (including the grants-in-aid component) contributed to 24.88 *per cent* of the total revenue receipts. The Pension payments during 2012-13 (₹ 487.41) was less than the normative assessments made in the budget estimates by ₹ 20.71 crore (Paragraph 1.6.2).

Financial assistance to local bodies and other institutions (₹ 795.95 crore) constituted 13.13 *per cent* of the revenue expenditure during 2012-13 (Paragraph 1.6.3).

Deficits

The revenue surplus (₹ 297 crore) in 2011-12 turned into revenue deficit (₹ 216 crore) during 2012-13 mainly due to sharp increase in revenue expenditure by 10.52 *per cent* against the increase of revenue receipts by only 1.11 *per cent*. The fiscal deficit (₹ 1,147 crore) increased by ₹ 267 crore as compared to previous year and constituted 3.28 *per cent* of GSDP, which has exceeded the normative assessment of three *per cent* projected by the XIII FC. The primary deficit also decreased significantly during 2012-13. (Paragraph 1.11.1, 1.11.2 and 1.11.3).

Debt management

The sum of quantum spread and primary deficit during 2012-13 was negative indicating unsustainable levels of public debt. The State can stabilise debt-GSDP ratio by containing/reducing primary deficit to meet

the fiscal deficit cap (normal) of three *per cent* of GSDP as laid down under Goa FRBM Act, 2006 and Rules 2007 (**Paragraph 1.10**).

Market loans

Improper assessment of fund requirements, excessive market borrowings and investment of excess funds in intermediate Treasury Bills resulted in an avoidable interest burden of ₹ 1.82 crore during the period 2008-13 (**Paragraph 1.10.2**).

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 0.39 *per cent* in the past five years while the Government paid an average interest of 7.59 *per cent* to 7.79 *per cent* on its borrowings (**Paragraph 1.8.3**).

Prudent cash management

Cash balances of the State at the close of the year 2012-13 (₹ 704 crore) decreased by 31 *per cent* over 2011-12. The cost of holding surplus cash balances was high. In 2012-13, the interest received on investment of cash balances in 'RBI Investment in Treasury Bills' was only 5.33 *per cent* while the Government borrowed at an average rate of 7.69 *per cent* (**Paragraph 1.8.5**).

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

GoI directly transferred ₹ 282.49 crore to the State implementing agencies during 2012-13. As such, these funds were not reflected in the State budget, thus, ran the risk of improper utilisation by the implementing agencies (**Paragraph 1.2.2**).

1.13 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 make efforts for release of subsequent installment from the XIII Finance Commission after fulfillment of specified conditions stipulated by the XIII FC.
- 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 2012-13 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	6379.62	511.78	6891.40	5311.69	(-)1579.71
	II. Capital	1997.11	215.61	2212.72	994.13	(-)1218.59
	III. Loans & Advances	0	0	0	3.98	3.98
Total voted		8376.73	727.39	9104.12	6309.80	(-)2794.32
Charged	I. Revenue	785.95	0.90	786.85	837.38	50.53
	II. Capital	0	1.89	1.89	1.44	(-)0.45
	III. Public Debt	386.98	0	386.98	339.06	(-)47.92
Total Charged		1172.93	2.79	1175.72	1177.88	2.16
Grand Total		9549.66	730.18	10279.84	7487.68	(-)2792.16

(Source: Appropriation Accounts of the State)

Note: The expenditure includes the recoveries of revenue expenditure amounting to ₹ 87.73 crore and capital expenditure amounting to ₹ 53.30 crore adjusted as reduction of expenditure

Supplementary provisions of ₹ 730.18 crore obtained during the year constituted 7.65 per cent of the original provision as against 7.57 per cent in the previous year.

The overall savings of ₹ 2,792.16 crore were the result of savings of ₹ 2,844.25 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 ₹ 52.09 crore in one appropriation under the Revenue Section.

As may be seen that, against the original provision of ₹ 9,549.66 crore, expenditure of only ₹ 7,487.68 crore was incurred. There was no requirement of supplementary funds. The actual savings of ₹ 2,792.16 crore, constituting 382 per cent of the supplementary budget of ₹ 730.18 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 63 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 ₹ 2,792.16 crore, savings of ₹ 1,624.86 crore (56 per cent) occurred in 10 cases relating to nine 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	21-Public works	513.99	53.00	566.99	489.33	77.66
2	34-School Education	820.51	3.38	823.89	701.59	122.30
3	43-Art and Culture	113.44	4.55	117.99	55.34	62.65
4	55-Municipal Administration	313.09	1.12	314.21	53.95	260.26
5	58-Women and Child Development	381.58	8.00	389.58	113.92	275.66
6	76- Electricity	1184.09	220.00	1404.09	1296.61	107.48
CAPITAL (VOTED)						
7	21-Public works	427.73	59.00	486.73	287.73	199.00
8	32-Finance	235.00	-	235.00	79.37	155.63
9	78-Tourism	211.35	100.00	311.35	47.13	264.22
10	81-Tribal welfare	108.00	-	108.00	8.00	100.00
	Total	4308.78	449.05	4757.83	3128.97	1624.86

(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 21-Public works**

The savings under Major head 2059 occurred mainly due to less expenditure on minor works and curtailment of expenditure under rent, rate and taxes, travel expenses *etc.* Savings in Major Head 2215- water supply and sanitation was due to non-filling of vacant posts and less expenses under rural and urban water supply scheme.

Under the head 4215- capital outlay on water supply and sanitation, savings occurred due to re-appropriation of grants in sub head 010(01,02,03,04,06,07), 101(01,06,09,12,13,14). The reasons attributed for the savings were mainly on account of less works executed and the schemes being in the formulation stage. Savings under 5054- Capital outlay on roads and bridges under minor head 101(01) was on account of non-execution of works/scheme.

- **Grant number 34-School Education**

Savings was due to curtailment of expenditure in 2202- General Education, under minor head 104(01) and 106(01,02,04). Savings attributed to non-implementation of Part-B scale and curtailment of expenditure. Under minor head 110(01,04) the savings was due to less submission of claims.

- **Grant number 43-Art and Culture**

Savings in 2205-Art and Culture under minor head 001(01, 02) were due to non-filling of vacant posts and savings under minor head 789(01) and 796(01) was due to less number of beneficiaries than anticipated.

- **Grant number 55-Municipal Administration**

Savings under the head 2217- urban development was due to re-appropriation of grants in sub head 191(01, 02, 04, 05, and 07). The reasons attributed were non receipt of proposals from Municipal Councils / City Corporation of Panaji for release of funds.

- **Grant number 58-Women and Child Development**

Savings under 2235-Social Security and Welfare under Minor head 102(04, 20) was mainly due to less submission of bills under Integrated Child Development Scheme/ non implementation of the scheme.

- **Grant number 76-Electricity**

2801-Power, savings under minor head 001(01,02) was due to non-filling of posts and austerity measures taken by the Government.

- **Grant number 32-Finance**

4075-Capital outlay on Miscellaneous services, savings under minor head 800(01,03,05,06) as no progress was made in construction work by Goa State Infrastructure Development Corporation Limited, non-engagement of consultant for PPP project.

- **Grant number 78-Tourism**

5452-Capital outlay on Tourism, reasons for savings under minor head 101(01, 03, 04, 05) was not intimated. Savings under minor head 101(06) was due to non-finalisation of works.

- **Grant number 81-Tribal welfare**

4225-Capital outlay on welfare of SC's, STs and OBCs (i) savings under minor head 190(02) was due to non-implementation of investment on Public sector and other undertakings and (ii) Infrastructure development in Scheduled Tribes Area.

2.3.2 Persistent savings

In 20 grants, 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 2008-13

(₹ in crore)

Sl. No.	Number and name of the grant	Amount of savings (Per cent to total grant)				
		2008-09	2009-10	2010-11	2011-12	2012-13
Revenue (Voted)						
1	8-Treasury and Accounts Administration (North Goa)	57.27 (19.91)	325.50 (47.27)	126.92 (24.36)	45.39 (8.70)	10.80 (2.04)
2	13-Transport	2.32 (10.97)	3.19 (10.06)	7.81 (18.11)	46.17 (54.46)	45.77 (49.53)
3	19-Industries, Trade and Commerce	4.65 (20.83)	4.34 (17.05)	4.63 (15.87)	25.28 (60.41)	23.32 (50.69)
4	21-Public Works	2.96 (0.87)	5.23 (1.26)	9.06 (2.07)	28.03 (5.30)	77.66 (13.69)
5	31-Panchayats	8.28 (12.43)	13.24 (15.50)	1.49 (1.76)	15.41 (14.87)	46.48 (34.19)
6	43-Art & culture	1.62 (7.16)	6.32 (22.04)	13.68 (33.75)	50.20 (35.23)	62.65 (53.09)
7	47-Goa Medical College	9.59 (9.75)	7.39 (5.80)	6.11 (4.07)	13.08 (7.80)	6.09 (3.45)
8	48-Health Services	6.41 (5.56)	5.69 (4.32)	13.25 (7.90)	6.55 (3.37)	32.26 (14.01)
9	55-Municipal Administration	70.48 (59.15)	66.41 (51.90)	60.49 (43.85)	55.78 (43.95)	260.26 (82.82)
10	57-Social Welfare	16.61 (12.11)	11.12 (7.17)	13.73 (8.53)	61.86 (29.70)	18.24 (6.75)
11	61-Craftsmen Training	3.94 (17.87)	1.60 (6.13)	5.68 (16.90)	10.17 (25.48)	7.20 (18.82)
12	64-Agriculture	5.98 (16.34)	2.09 (5.34)	1.75 (3.39)	4.65 (5.14)	41.54 (35.13)
13	65-Animal Husbandry & Veterinary Services	5.15 (19.00)	1.92 (6.41)	5.98 (19.38)	18.06 (37.90)	28.26 (39.03)
14	78-Tourism	7.85 (26.95)	6.31 (19.14)	5.51 (15.35)	13.19 (25.25)	21.43 (42.89)
15	82-Information Technology	37.49 (62.48)	30.89 (42.95)	33.92 (43.41)	9.42 (16.73)	23.91 (39.85)
Capital (Voted)						
16	1-Legislature Secretariat	1.08 (67.87)	1.18 (25.76)	1.06 (27.98)	1.46 (85.88)	1.51 (71.90)
17	18-Jails	9.96 (84.67)	13.27 (76.79)	1.74 (13.91)	2.20 (12.57)	3.37 (15.92)
	21-Public Works	81.59 (23.01)	27.01 (7.11)	62.82 (14.11)	65.13 (13.23)	199.00 (40.88)
18	45-Archives and Archaeology	3.99 (36.26)	1.94 (18.50)	1.29 (17.86)	10.14 (97.03)	13.73 (96.55)
	61-Craftsmen Training	1.63 (33.73)	10.29 (83.13)	1.12 (18.11)	12.51 (64.75)	7.80 (59.49)
19	67-Ports Administration	3.41 (66.24)	3.08 (33.53)	16.42 (84.12)	2.82 (15.59)	7.01 (45.22)
20	74-Water Resources	2.84 (1.51)	6.16 (3.17)	10.14 (4.56)	75.82 (27.67)	129.39 (53.33)
	78-Tourism	1.17 (7.84)	2.34 (8.01)	26.58 (53.22)	17.83 (41.27)	264.22 (84.86)

(Source: Appropriation Accounts of the State)

Figures in parenthesis indicate as per cent to total grants

It was observed that persistent savings of more than ₹ 25 crore were observed in Grant no. 55 (Revenue- Voted), and Grant no. 21 (Capital-Voted) during the years 2008-13.

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

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 ₹ 29.24 crore for the years 2007-08 to 2011-12 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 provision over	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	
2011-12	-	1	18,87,72,521	
Total	6	3	29,24,50,125	

(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 2012-13 requiring regularisation

During 2012-13, 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 2012-13

(Amount in ₹)

Sl. No.	Number and title of Grant/Appropriation	Total grant / Appropriation	Expenditure	Excess
1	Appropriation-Debt Services (Revenue-Charged)	7,78,62,27,000	8,30,71,43,923	52,09,16,923

(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, aided school teachers and employees Provident fund and Defined Contribution Pension System *etc.* needs to be regularised.

2.3.5 Unnecessary/excessive/inadequate supplementary provision

Supplementary provisions aggregating ₹ 335.73 crore obtained in 33 cases involving ₹ 20 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 ₹ one crore in 14 major heads (41 cases) as detailed in **Appendix 2.3**. Some of the cases are discussed below:

In Grant No. 74 (Water resources), augmentation of funds of ₹ 0.36 crore under Major head 2702 through re-appropriation proved insufficient due to excess expenditure of ₹ 6.27 crore. (Sl.No. 23 refers).

In Grant No. 34 (School education), withdrawal of fund (₹ 52.49 crore) proved unnecessary due to excess expenditure of ₹ 5.88 crore (Sl.No. 12 refers).

In Grant No.78 (Tourism), augmentation of funds through re-appropriation (₹ 2.95 crore) proved unnecessary due to savings of ₹ 5.96 crore (Sl.No.40 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 292 out of 379 items (77 *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 ₹ 1,560.73 crore, substantial surrenders amounting to ₹ 1,134.64 crore were made from 28 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:

- **27-Official language:** Non release of grants to Marathi Academy and Marathi Bhavan.
- **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.
- **43-Art and Culture:** Grants were unutilised on account of economy measures.
- **55-Municipal Administration:** Non receipt of proposals from Municipal Council/City Corporation of Panaji for release of funds.
- **83-Mines:** Non-implementation of scheme for welfare of mining affected people and non-filling of new posts.
- **20-Printing and Stationery:** Non-approval for purchase of machinery and equipment.
- **81-Tribal welfare:** Non-implementation/poor response to the welfare schemes.

2.3.9 Surrenders in excess of actual savings

In 11 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 ₹ 285.55 crore, the amount surrendered was ₹ 311.09 crore, resulting in excess surrender of ₹ 25.54 crore. Details are given in **Appendix 2.5**.

In respect of Appropriation-Debt Services (Charged), though an excess expenditure of ₹ 52.09 crore was incurred, an amount of ₹ 3.53 crore was surrendered in March 2013, indicating weak 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 2012-13, there were seven 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 ₹ 16.89 crore (**Appendix 2.6**). Further, there were 16 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 ₹ 388.95 crore as given in **Appendix 2.7**.

Similarly, out of total savings of ₹ 967.59 crore under 28 other grants/appropriations, saving of ₹ 91.60 crore (₹ 20 lakh and above) was not surrendered. The details are given in **Appendix 2.8**. In 36 grants, ₹ 2,077.01 crore was surrendered (in excess of ₹ five crore) in the last month of the financial year (**Appendix 2.9**) 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 2.6** presents the major heads where the expenditure exceeded ₹ ten crore and also more than 50 *per cent* of the total expenditure was incurred in March 2013/last quarter of 2013.

Table 2.6: Details of expenditure exceeding ₹ 10 crore and also more than 50 *per cent* of total expenditure incurred in March 2013/last quarter of 2013

(₹ in crore)

Sl. No.	Major head	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2013	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
1	2225	15.12	12.10	80.06	10.90	72.16
2	4059	32.44	20.26	62.45	19.16	59.07
3	4202	82.18	67.66	82.33	50.44	61.39
4	4801	205.15	124.37	60.62	117.92	57.48
5	5055	30.03	24.16	80.45	18.30	60.93
Total		364.92	248.55	73.18	216.72	62.20

(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 2012-13. During 2012-13, 39 out of 85 BCAs,

had not carried out any reconciliations for the entire year in respect of 2,109 units under their control, involving ₹ 2,616.72 crore and the details of 28 major BCAs (out of 47) amounting to ₹ 2,754.20 crore who did not reconcile their expenditure are indicated in **Table 2.7**. Eight BCAs had carried out reconciliations only for part of the year in respect of 425 units under their control, involving ₹ 216.09 crore. The un-reconciled periods in case of the partially reconciled units ranged from one to nine months.

Table 2.7: 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	Secretary, Legislature	19.37
2	Under Secretary, General Administration Department	41.51
3	Principal, District & Session Judge, North Goa	12.57
4	Principal, District & Session Judge, South Goa	11.00
5	Director of Transport	76.66
6	Collector, North Goa	14.74
7	Inspector General of Prisons	25.41
8	Principal Chief Engineer, Public Works Department	777.75
9	Director of Panchayats	89.70
10	Director of Education	717.44
11	Director of Higher Education	140.84
12	Director of Technical Education	14.94
13	Director of Art and Culture	86.02
14	Director of Institute of Psychiatry & Human Behaviour	13.07
15	Dean, Goa Dental College & Hospital	11.83
16	Director of Municipal Administration	54.46
17	Director of Information and Publicity	19.72
18	State Director of Craftsmen Training	36.36
19	Under Secretary, Law	14.80
20	Director of Animal Husbandry & Veterinary Services	47.94
21	Chief Conservator of Forests	38.20
22	Chief Engineer, Water Resources Department	205.38
23	Director of Tourism	75.66
24	Under Secretary, Finance	16.49
25	Director of Sports	82.99
26	Commissioner of Labour	19.69
27	Director of Civil Supplies & Consumer Affairs	57.77
28	Director of Information and Publicity	31.89
	Total	2754.20

(Source: Director 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. 78 -Tourism was conducted. Important points noticed during the review are detailed below:

As against a budget provision of ₹ 361.30 crore (₹ 49.96 crore under revenue and ₹ 311.34 crore under capital), the actual expenditure was

only ₹ 75.66 crore (20.94 *per cent*) under the grant, resulting in a savings of ₹ 21.42 crore under revenue and ₹ 264.22 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 Rules, the entire savings of ₹ 285.64 crore was not surrendered by the Department in the financial year 2012-2013.

2.6 Conclusion

The overall savings of ₹ 2,792.16 crore were the result of savings of ₹ 2,844.25 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 ₹ 52.09 crore in one appropriation under the Revenue Section.

During 2012-13, expenditure of ₹ 7,487.68 crore was incurred against the total provision of ₹ 9,549.66 crore, resulting in savings of ₹ 2,792.16 crore. The overall savings were the net result of savings of ₹ 2,844.25 crore, offset by an excess of ₹ 52.09 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 2012-13, there were seven 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 ₹ 16.89 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.
- The Government may take steps to regularise excess expenditure incurred over six grants and four appropriations amounting to ₹ 81.34 crore incurred for the years 2007-08 to 2012-13 under Article 205 of the Constitution of India.
- The reconciliation of expenditure figure by the BCAs must be strictly enforced.

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 is 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 8,248 UCs due in respect of grants and loans aggregating ₹ 877.18 crore paid up to 2011-12, 7,564 UCs (92 *per cent*) for an aggregate amount of ₹ 772.05 crore (88 *per cent*) were outstanding as on June 2013. 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 2013 is in **Table 3.1**.

Table 3.1: Age-wise position of outstanding UCs as of 31 March 2013

(₹ in crore)

Sl. No.	Range of delay in number of years	Utilisation certificates outstanding	
		Number	Amount
1	0 – 1	928	175.64
2	1 – 3	2070	288.81
3	3 – 5	1154	132.59
4	5 – 7	1007	105.11
5	7 and above	2405	69.90
	Total	7564	772.05

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

Out of 7,564 UCs amounting to ₹ 772.05 crore pending as on June 2013, 4,152 UCs (55 *per cent*) involving ₹ 597.04 crore (77 *per cent*) were pending for periods ranging from one to five years while 3,412 UCs involving ₹ 175.01 crore were pending for more than five years. Pendency of UCs mainly pertained to Directorate of Municipal Administration (₹ 295.49 crore), Directorate of Panchayats (North) (₹ 129.77 crore), Directorate of Art & Culture (₹ 128.43 crore), Directorate of Sports & Youth Affairs (₹ 51.51 crore), Directorate of

Education (₹ 37.02 crore), Directorate of Small Savings & Lotteries (₹ 27.76 crore), Directorate of Social Welfare (₹ 24.83 crore), and Directorate of Panchayats (South) (₹ 23.72 crore).

Non-submission of UCs in time may result in mis-utilisation 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/Head 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 610 annual accounts of 185 autonomous bodies/authorities due up to 2011-12 had not been received by the Accountant General as of June 2013. 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 during the previous year
1	0-2	95	134.03
2	2-5	37	20.56
3	5-7	53	20.20
	Total	185	174.79

(Source: Compiled by Audit from records received from various Departments)

It can be seen from the above table that in respect of 53 Autonomous bodies/authorities, accounts were in arrears for more than five 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	-	0-1	4
4-7	2	1-2	2
8-10	1	-	-
11-25	5	-	-
26 and above	3	5 and above	4
	11		

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

Out of the 11 autonomous bodies, the submission of account of 3 autonomous bodies had been delayed by more than 26 months and in respect of five, the delays were between 11 and 25 months. In the remaining two cases, the delays were between four to seven 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, necessary remedial action, if any, required to be taken by the Government was also delayed.

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. Besides, the delay in all likelihood may also open the system to the risk of fraud and leakage of public money.

Head of Departments in the Government have to ensure that the undertakings prepare their accounts and submit the same to the Accountant General for audit within a specified timeframe. As of October 2013, there were two¹ such undertakings with Government investments of ₹ 748.16 crore (as per last audited accounts), both of which had heavy arrears in accounts. The Department-wise positions of arrears in preparation of *proforma accounts* by 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 28 cases of misappropriation, defalcation *etc.* involving Government money amounting to ₹ 1.99 crore up to June 2013 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	17	52.82	Misappropriation of cash/stores
5-10	8	100.09	
10 years & above	3	45.96	
Total	28	198.87	

(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	17	178.50
Pending in the courts of law	5	4.35
Awaiting orders for recovery/write off	6	16.02
Total	28	198.87

(Source: Information furnished by concerned Departments)

¹ River Navigation Department and Electricity Department

3.6 Conclusion

Out of 7,564 UCs amounting to ₹ 772.05 crore pending as on June 2013, 4,152 UCs (55 *per cent*) involving ₹ 597.04 crore (77 *per cent*) were in arrears for periods ranging between one and five years. Further, 3,412 UCs involving ₹ 175.01 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 610 annual accounts of 185 bodies/authorities due up to 2011-12 had not been received by the Accountant General as of June 2013.

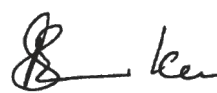
The State Government reported 28 cases of misappropriations, losses and defalcations *etc.* involving Government money amounting to ₹ 1.99 crore up to June 2013 on which final action was pending. Out of 28 cases, five cases involving ₹ 4.35 lakh were pending in courts of law and in 17 cases involving ₹ 1.79 crore. Departmental action had been initiated but yet to be finalised. The remaining six cases were awaiting orders for recovery/write off.

3.7 Recommendations

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. Internal controls in all organisations should be strengthened to prevent such cases in future.

Panaji

The 22 MAY 2014


(DEVIKA)

Accountant General, Goa

Countersigned



New Delhi

The 30 MAY 2014

(SHASHI KANT SHARMA)

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			3702 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 = 21.92 <i>per cent</i>)			Two <i>per cent</i>
5	a.	Literacy (as per 2001 Census) (All India Average = 64.8 <i>per cent</i>)		82.01 <i>per cent</i>
	b.	Literacy (as per 2011 Census) (All India Average = 74.04 <i>per cent</i>)		87.40 <i>per cent</i>
6	Infant mortality *(per 1000 live births) (All India Average = 42 per 1000 live births)			10.00
7	Life Expectancy at birth **(All India Average = 66.1 year)			68.5 years
8	Gini Coefficient ***			
	a.	Rural (All India = 0.29)		0.21
	b.	Urban (All India = 0.38)		0.25
9	Gross State Domestic Product (GSDP) 2011-12 at current price			34,965 crore
10	Per capita GSDP CAGR (2003-04 to 2012-13)		Goa	12.21 <i>per cent</i>
			General Category States	14.94 <i>per cent</i>
11	GSDP CAGR (2003-04 to 2012-13)		Goa	15.38 <i>per cent</i>
			**** General Category States	16.37 <i>per cent</i>
12	Population Growth (2003-04 to 2012-13)		Goa	8.17 <i>per cent</i>
			General Category States	13.22 <i>per cent</i>
B. Financial Data [#]				
Particulars				
CAGR		2003-04 to 2011-12		2003-04 to 2012-13
		General Category States	Goa	Goa
		(In <i>per cent</i>)		
a.	of Revenue Receipts	17.48	17.21	15.30
b.	of Own Tax Revenue	17.44	17.34	17.10
c.	of Non Tax Revenue	12.64	15.61	10.86
d.	of Total Expenditure	14.15	15.73	14.48
e.	of Capital Expenditure	16.83	18.67	13.52
f.	of Revenue Expenditure on Education	16.85	16.54	15.75
g.	of Revenue Expenditure on Health	15.35	17.87	16.81
h.	of Salary and Wages	14.18	16.99	16.05
i.	of Pension	18.36	17.48	17.62

* 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)

	2008-09	2009-10	2010-11	2011-12	2012-13
Gross State Domestic Product (₹ in crore)	25414	29126	33562	35932	34965
Growth rate of GSDP (Per cent)	29.90	14.61	15.23	7.06	(-)2.69

Source of GSDP : Figures changed due to revision

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)	$[(\text{Current year Amount}/\text{Previous year Amount})-1]*100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	$\text{Interest payment}/[(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities})/2]*100$
Interest spread	GSDP growth – Average Interest Rate
Quantum spread	Debt stock * Interest spread
Interest received as <i>per cent</i> to Loans Outstanding	$\text{Interest Received}/[(\text{Opening balance} + \text{Closing balance of Loans and Advances})/2]*100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Balance from Current Revenue (BCR)	Revenue Receipts <u>minus</u> 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 1.1.1)

PART A : Abstract of Receipts and Disbursements for the year 2012-13

(`in crore)

Receipts			Disbursements				
2011-12		2012-13	2011-12	2012-13			
					Non-Plan	Plan	Total
	Section-A: Revenue						
5780.73	I. Revenue receipts	5845.43	5483.50	I. Revenue expenditure	4810.98	1250.36	6061.34
2551.02	Tax revenue	2939.66	1633.08	General services	1847.00	13.23	1860.23
			1951.53	Social Services (inclusive of GIA and contribution)	1330.86	874.96	2205.82
2313.54	Non-tax revenue	1832.90	956.32	Education, Sports, Art and Culture	779.89	267.99	1047.88
			379.64	Health and Family Welfare	277.44	135.94	413.38
680.59	State's share of Union Taxes	777.21	335.69	Water Supply, Sanitation, Housing and Urban Development	210.84	78.51	289.35
			18.49	Information and Broadcasting	3.04	16.67	19.71
10.05	Non-Plan grants	29.63	21.25	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.41	14.70	15.11
148.38	Grants for State Plan Schemes	155.79	33.96	Labour and labour Welfare	20.54	15.71	36.25
			204.55	Social Welfare and Nutrition	36.81	345.44	382.25
77.15	Grants for Central and Centrally sponsored Plan Schemes	110.24	1.63	Others	1.89	0.00	1.89
			1898.89	Economic Services- (inclusive of GIA and contribution)	1633.12	362.17	1995.29
			202.23	Agriculture and Allied Activities	69.87	132.82	202.69
			89.77	Rural Development	35.79	57.66	93.45
			7.60	Special Areas Programmes	0.00	5.39	5.39
			77.94	Irrigation and Flood control	62.00	25.53	87.53
			1164.20	Energy	1219.91	31.49	1251.40
			73.78	Industry and Minerals	7.61	61.70	69.31
			207.50	Transport	210.56	17.06	227.62
			3.90	Science, Technology and Environment	0.00	1.82	1.82
			71.97	General Economic Services	27.38	28.70	56.08
			5483.50	Total	4810.98	1250.36	6061.34
	II. Revenue deficit carried over to Section B	215.91	297.23	II. Revenue deficit/Surplus carried over to Section B			
5780.73	Total	6061.34	5780.73	Total			6061.34

Receipts			Disbursements				
2011-12		2012-13	2011-12	2012-13			
					Non-Plan	Plan	Total
Section-B : Other							
1147.31	III. Opening Cash balance including Permanent Advances and Cash Balance Investment	1018.41		III. Opening Overdraft from Reserve Bank of India			
	IV. Miscellaneous Capital receipts			IV. Capital Outlay			
			202.11	General Services	0.00	133.69	133.69
			238.90	Social Services	0.00	187.26	187.26
			69.49	Education, Sports, Art and Culture	0.00	82.18	82.18
			23.16	Health and Family Welfare	0.00	11.03	11.03
			135.75	Water Supply, Sanitation, Housing and Urban Development	0.00	82.64	82.64
			0.00	Information and Broadcasting	0.00	0.00	0.00
			9.50	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.00	9.66	9.66
			0.96	Social Welfare and Nutrition	0.00	1.75	1.75
			0.04	Other Social Services	0.00	0.00	0.00
			742.76	Economic Services	1.39	619.93	621.32
			25.96	Agriculture and Allied Activities	1.39	15.68	17.07
			1.98	Rural Development	0.00	0.08	0.08
			2.04	Special Areas Programmes	0.00	0.44	0.44
			197.05	Irrigation and Flood Control	0.00	112.92	112.92
			172.14	Energy	0.00	205.48	205.48
			0.28	Industry and Minerals	0.00	0.44	0.44
			317.95	Transport	0.00	237.23	237.23
			25.36	General Economic Services	0.00	47.66	47.66
			1183.77	Total	1.39	940.88	942.27
15.59	V. Recoveries of Loans and Advances	14.57	9.42	V. Loans and Advances disbursed	2.77	1.21	3.98
	From Government Servants		3.91	To Government Servants	2.77	0.00	2.77
	From Others		5.51	To Others	0.00	1.21	1.21
297.23	VI. Revenue Surplus brought down			VI. Revenue Deficit brought down			215.91

Receipts			Disbursements				
2011-12		2012-13	2011-12	2012-13			
					Non-Plan	Plan	Total
536.51	VII. Public debt receipts	1537.49	278.29	VII. Repayment of Public debt-	339.06		339.06
	External debt			External debt			
323.61	Internal debt other than Ways and Means Advances and overdrafts	1370.89	127.95	Internal debt other than Ways and Means Advances and Overdrafts			310.98
	Net transactions under Ways and Means Advances			Net transactions under Ways and Means Advances			
	Net transactions under overdraft		150.34	Repayment of Loans and Advances to Central Government			28.08
212.90	Loans and Advances from Central Government	166.60					
	VIII. Appropriation to Contingency Fund			VIII. Appropriation to Contingency Fund			
	IX. Amount transferred to Contingency Fund			IX. Expenditure from Contingency Fund			
7550.47	X. Public Account receipts-	7290.32	7057.22	X. Public Account disbursements			7655.66
320.16	Small Savings and Provident Funds	332.02		Small Savings and Provident Funds		181.82	
111.61	Reserve Funds	205.68		Reserve Funds		36.72	
3630.98	Suspense and Miscellaneous	3238.37		Suspense and Miscellaneous		3937.21	
3193.93	Remittance	3165.32		Remittances		3343.45	
293.79	Deposits and Advances	348.93		Deposits and Advances		156.46	
	XI. Closing Overdraft from Reserve Bank of India			XI. Cash Balance at end-			703.91
				Investment of earmarked balance		501.22	
				Deposits with Reserve Bank		4.52	
				Departmental Cash Balance including permanent Advances		196.48	
				Cash Balance Investment		1.69	
15327.84	Total	15922.13		Total			15922.13

**PART B: Summarised financial position of the Government of Goa as on
31 March 2013**

(₹ in crore)

As on 31 March 2012		Liabilities	As on 31 March 2013	
6253.59		Internal Debt		7286.33
	2761.19	Market Loans bearing interest	3756.19 ⁸²	
		Market Loans not bearing interest		
	16.73	Loans from LIC	14.74	
	3475.67	Loans from other institutions	3515.40	
		Ways and Means Advances/overdraft		
		Overdraft from Reserve Bank of India		
618.78		Loans and Advances from Central Government		784.47
		Pre 1984-85 loans		
	57.99	Non-Plan Loans	87.83	
	551.67	Loans for State Plan Schemes	687.79	
	0.04	Loans for Central Plan Schemes	0.03	
	9.08	Loans for Centrally Sponsored Plan Schemes	8.82	
30.00		Contingency Fund		30.00
1466.56		Small savings, Provident Fund etc.		1616.77
1011.64		Deposits		1204.10
672.31		Reserve Funds		841.25
150.53		Remittance balances		-27.61
216.20		Suspense and Miscellaneous		-482.63
10419.61				11252.68
As on 31 March 2012		Assets	As on 31 March 2013	
9364.13		Gross Capital Outlay on Fixed Assets		10306.40
	401.17	Investment in shares of Companies, Corporation etc.	445.72	
	8962.96	Other Capital Outlay	9860.68	
109.59		Loans and Advances		99.00
		Loans for Power Projects		
	58.74	Other Development Loans	58.44	
	50.85	Loans to Government Servants and Miscellaneous loans	40.56	
		Reserve Fund Investments		
0.67		Advances		0.67
		Suspense & Miscellaneous Balances		
1018.41		Cash		703.91
		Cash in Treasuries and Local Remittances		
	14.75	Deposits with Reserve Bank	4.52	
	1.48	Departmental Cash Balances	1.48	
	0.17	Permanent Advances	0.21	
	558.63	Cash Balance Investments	196.48	
	443.38	Earmarked Fund Investment	501.22	
		Deficit on Government Accounts		
-73.19		Revenue Deficit of the current year		142.70
	-1.17	(i) Miscellaneous Deficit	-1.18	
	111.76	Accumulated deficit as on 31 March 2013	-104.15	
-30.00		Appropriation to Contingency Fund	-30	
		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	
10419.61				11252.68

⁸² see note below table 1.1 and paragraph 1.2.1

APPENDIX 1.4

(Referred to in paragraph 1.3)

Time series data on the State Government finances

(`in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
Part-A. Receipts					
1. Revenue Receipts	3528	4100	5442	5781	5845
(i) Tax Revenue	1694(48)	1762(43)	2139(39)	2551(44)	2940(50)
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade etc.	1132(67)	1142(65)	1380(65)	1653(65)	1577(54)
State Excise	89(5)	104(6)	139(6)	182(7)	213(7)
Taxes on Vehicles	90(5)	105(6)	130(6)	140(5)	148(5)
Stamps duty and Registration fees	115(7)	111(6)	152(7)	184(7)	525(18)
Land Revenue	9(1)	11(1)	8	8	11
Taxes on goods and passenger	157(9)	161(9)	172(8)	210(8)	258(9)
Other Taxes	102(6)	128(7)	158(7)	174(7)	208(7)
(ii) Non-Tax Revenue	1236(35)	1731(42)	2269(42)	2313(40)	1833(31)
(iii) State's share in Union taxes and duties	415(12)	428(11)	584(11)	681(12)	777(13)
(iv) Grants-in-aid from Government of India	183(5)	179(4)	450(8)	236(4)	296(5)
2. Misc. Capital Receipts	-	-	-	-	-
3. Recoveries of Loans and Advances	10	13	15	16	15
4. Total Revenue and Non debt capital receipt (1+2+3)	3538	4113	5457	5797	5860
5. Public Debt Receipts	663	632	745	537	1537
Internal Debt (excluding Ways & Means Advances and Overdrafts)	609	719	717	324	1371
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	54	(-)87	28	213	166
6. Total Receipts in the Consolidated Fund (4+5)	4201	4745	6202	6334	7397
7. Contingency Fund Receipts	-	-	3	-	-
8. Public Accounts receipts	5025	6178	6993	7550	7290
9. Total receipts of the State (6+7+8)	9226	10923	13198	13884	14687
Part B. Expenditure/Disbursement	4322	5311	6005	6668	7003
10. Revenue Expenditure	3425(79)	4227(80)	4784(80)	5484(82)	6061(87)
Plan	619(18)	758(18)	927(19)	1110(20)	1250(21)
Non-plan	2806(82)	3469(82)	3857(81)	4374(80)	4811(79)
General Services (including Interests payments)	1062(31)	1351(32)	1487(31)	1633(30)	1860(27)
Social Services (including GIA & contributions)	1192(35)	1487(35)	1774(37)	1952(36)	2206(32)
Economic Services (including GIA & contributions)	1171(34)	1389(33)	1522(32)	1899(35)	1995(21)
11. Capital Expenditure	897(21)	1084(20)	1221(20)	1184(22)	942(13)
Plan	898(100)	1078(99)	1215(99)	1182(100)	941(100)
Non-plan	(-) 1(0)	6(1)	6(1)	2	1
General Services	151(17)	179(17)	205(17)	202(17)	134(14)
Social Services	188(21)	211(19)	206(17)	239(20)	187(20)
Economic Services	558(62)	694(64)	810(66)	743(63)	621(66)

	2008-09	2009-10	2010-11	2011-12	2012-13
Part B. Expenditure/Disbursement					
12. Disbursement of Loans and Advances	29	37	16	9	4
13. Total (10+11+12)	4351	5348	6021	6677	7007
14. Repayments of Public Debt	166	178	208	278	339
Internal Debt (excluding Ways and Means Advances and Overdrafts)	118	105	182	128	311
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	48	73	26	150	28
15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	4517	5526	6229	6955	7346
17. Contingency Fund disbursements	-	3	-	-	-
18. Public Accounts disbursements	4642	5471	6535	7057	7656
19. Total disbursement by the State (16+17+18)	9159	11000	12764	14012	15002
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+)(1-10)	(+)103	(-)127	(+)658	(+)297	(-)216
21. Fiscal Deficit (4-13)	(-)813	(-)1235	(-)564	(-)880	(-)1147
22. Primary Deficit(-)/Surplus(+) (21+23)	(-)303	(-)652	(+)86	(-)175	(-)346
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	510	583	650	705	801
24. Financial Assistance to local bodies etc.	448	590	736	835	796
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)*	25414	29126	33562	35932	34965
28. Outstanding fiscal liabilities (year end)	7058	8075	8985	9579	11232
29. Outstanding guarantees including interest (year end)	166	148	181	185	123
30. Maximum amount guaranteed (year end)	603	603	342	305	260
31. Number of incomplete projects	5	19	93	85	127
32. Capital blocked in incomplete projects	720	856	933	1571	1721
33. Grants-in-aid and contributions (included in revenue expenditure of General, Social & Economic Services)	442	586	772	830	763

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

* GSDP figures changed due to revision

	2008-09	2009-10	2010-11	2011-12	2012-13
Part E. Fiscal Health Indicator (In per cent)					
I Resource Mobilisation					
Own Tax revenue/GSDP	6.67	6.05	6.37	7.10	8.41
Own Non-Tax Revenue/GSDP	4.86	5.94	6.76	6.44	5.24
Central Transfer/GSDP	1.63	1.47	1.74	1.90	2.22
II Expenditure Management					
Total Expenditure/GSDP	17.12	18.36	17.94	18.58	20.04
Total Expenditure/Revenue Receipts	123.33	130.44	110.64	115.50	119.88
Revenue Expenditure/Total Expenditure	78.72	79.04	79.46	82.13	86.50
Expenditure on Social Services/Total Expenditure	27.42	27.80	18.45	18.72	0.00
Expenditure on Economic Services/Total Expenditure	26.91	25.97	23.48	26.52	0.00
Capital Expenditure/Total Expenditure	20.62	20.27	20.28	17.73	13.44
Capital Expenditure on Social and Economic Services/Total Expenditure	5.29	4.73	4.12	4.21	3.27
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	0.41	(-)0.44	1.96	0.83	(-)0.62
Fiscal deficit/GSDP	(-)3.20	(-)4.24	(-)1.68	(-)2.45	(-)3.28
Primary Deficit (surplus)/GSDP	(-)1.19	(-)2.24	0.26	(-)0.49	(-)0.99
Revenue Deficit/Fiscal Deficit	-	(-)10.28	(-)116.67	(-)33.75	18.83
Primary Revenue Balance/GSDP	11.47	12.51	12.32	13.30	0.00
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	27.77	27.72	26.77	26.66	32.12
Fiscal Liabilities/RR	200.06	196.95	165.10	165.70	192.16
Primary deficit vis-a-vis quantum spread	(-)99.13	(-)148.76	14.00	367.49	34.80
Debt Redemption (Principal+Interest)/Total Debt Receipts	101.96	120.41	115.17	183.05	74.17
V Other Fiscal Health Indicator					
Return on Investment (in per cent)	0.27	0.32	0.04	0.36	0.39
Balance from Current Revenue (₹ in crore)	586.54	508.64	688.16	327.23	-185.91
Financial Assets/Liabilities	0.90	0.90	0.98	1.00	0.99

APPENDIX - 1.5

(Referred to in paragraph 1.10.2)

Statement showing avoidable interest burden of ₹ 1.82 crore due to improper planning and co-ordination of market borrowings with capital expenditure

Month	Closing Treasury balance at the end of month (₹ in crore)	Amount borrowed included in col. (2) (₹ in crore)	Date of borrowing	Rate of interest	Borrowed funds kept idle (No of Months)	Rate of interest received from treasury (Repo rate)	Difference in rate of interest	Loss of interest (₹ in crore)
1	2	3	4	5	6	7	8	9
Jan 2009	329.07							
Feb 2009	469.49	200.00	06.02.09	7.24	1	5.00	2.24	0.37
Mar 2009	533.19	100.00	25.03.09	8.08	1	5.00	3.08	0.26
Nov 2009	192.75						-	-
Dec 2009	220.91	100.00	23.12.09	8.40	2	4.75	3.65	0.61
Jan 2010	306.65						-	-
Feb 2010	279.93						-	-
Mar 2010	399.25	100.00	10.03.10	8.51	1	5.00	3.51	0.29
Oct 2010	203.94	200.00	05.10.10 & 27.10.10				-	-
Nov 2010	315.20						-	-
Dec 2010	267.61						-	-
Nov 2011	304.81						-	-
Dec 2011	285.55	100.00	07.12.11	9.02	1	8.50	0.52	0.04
Jan 2012	350.52						-	-
Feb 2012	529.66						-	-
Mar 2012	555.76	50.00	30.03.12	9.23	5	8.00	1.23	0.25
Apr 2012	347.13						-	-
May 2012	328.55						-	-
Total loss								1.82

(Source: Directorate of Accounts, Government of Goa)

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	4-District and session court (South Goa)	14.86	11.00	3.86	26
2	6-Election office	11.12	8.14	2.98	27
3	11-Excise	15.00	9.54	5.46	36
4	12-Commercial Taxes	17.75	12.70	5.05	28
5	13-Transport	92.40	46.63	45.77	50
6	19-Industries, Trade and Commerce	46.00	22.68	23.32	51
7	23-Home	7.06	1.99	5.07	72
8	25-Home Guard and Civil Defence	9.56	6.70	2.86	30
9	27-Official languages	4.15	1.79	2.36	57
10	30-Small Savings and Lotteries	9.37	5.32	4.05	43
11	31-Panchayats	135.91	89.43	46.48	34
12	32-Finance	13.00	1.59	11.41	88
13	33-Revenue	5.95	2.73	3.22	54
14	36-Technical Education	20.70	15.24	5.46	26
15	40-Goa College of Engineering	23.07	17.34	5.73	25
16	42-Sports and Youth Affairs	114.65	90.44	24.21	21
17	43-Art and Culture	117.99	55.34	62.65	53
18	50-Goa College of Pharmacy	7.92	5.73	2.19	28
19	52-Labour	37.94	25.46	12.48	33
20	54-Town and Country Planning	11.22	6.60	4.62	41
21	55-Municipal Administration	314.21	53.95	260.26	83
22	56-Information and Publicity	25.49	19.71	5.78	23
23	58-Women and Child Development	389.58	113.92	275.66	71
24	60-Employment	32.50	1.48	31.02	95
25	62-Law	21.98	14.18	7.80	35
26	64-Agriculture	118.24	76.70	41.54	35
27	65-Animal Husbandry and Veterinary Services	74.42	46.16	28.26	38
28	68-Forest	49.02	38.10	10.92	22
29	70-Civil Supplies	17.55	11.49	6.06	35
30	71-Co-operation	18.15	13.08	5.07	28
31	72-Science, Technology and Environment	8.36	3.58	4.78	57
32	73-State Election Commission	9.50	4.23	5.27	55
33	75-Planning, Statistics and Evaluation	19.27	9.86	9.41	49
34	78-Tourism	49.96	28.53	21.43	43

35	81-Tribal Welfare	62.50	13.26	49.24	79
36	82-Information Technology	60.00	36.09	23.91	40
37	83-Mines	48.50	2.73	45.77	94
Capital (Voted)					
1	8-Treasury and Accounts Administration	7.03	2.18	4.85	69
2	13-Transport	74.44	30.03	44.41	60
3	16-Collectorate (South Goa)	29.05	15.00	14.05	48
4	17-Police	29.20	5.45	23.75	81
5	31-Panchayats	16.27	0.08	16.19	99
6	32-Finance	235.00	79.37	155.63	66
7	34-School Education	51.60	15.85	35.75	69
8	40-Goa College of Engineering	16.48	2.95	13.53	82
9	42-Sports and Youth Affairs	28.52	16.14	12.38	43
10	45-Archives and Archeology	14.22	0.49	13.73	97
11	47-Goa Medical College and Hospital	14.65	2.22	12.43	85
12	48-Health Services	17.07	4.78	12.29	72
13	49-Institute of Psychiatry and Human behavior	3.26	0.02	3.24	99
14	51-Goa Dental College	7.75	0.85	6.90	89
15	55-Municipal Administration	3.00	0.52	2.48	83
16	57-Social Welfare	5.52	1.66	3.86	70
17	61-Craftmen Training	13.11	5.32	7.79	59
18	64-Agriculture	36.06	7.24	28.82	80
19	65-Animal Husbandry	4.35	1.78	2.57	59
20	66-Fishries	7.81	2.17	5.64	72
21	67-Port Administration	15.50	8.49	7.01	45
22	71-Co-operation	12.83	9.03	3.80	30
23	72-Science Technology and Environment	3.30	0.32	2.98	90
24	74-Water Resources	242.62	113.23	129.39	53
25	78-Tourism	311.35	47.13	264.22	85
26	81-Tribal Welfare	108.00	8.00	100.00	93
Total		3342.84	1303.74	2039.10	

APPENDIX - 2.2

(Referred to in paragraph 2.3.5)

Cases where supplementary provision (₹ 20 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	42.40	41.51	0.89	1.66
2	3-District and Sessions Court (North Goa)	13.21	12.57	0.64	0.21
3	6-Election office	9.12	8.14	0.98	2.00
4	8-Treasury and Accounts Administration	527.08	517.20	9.88	0.92
5	19-Industries, Trade and Commerce	41.87	22.68	19.19	4.13
6	21-Public Works	514.00	489.33	24.67	53.00
7	23-Home	6.86	1.99	4.87	0.20
8	25-Home Guards and Civil Defence	8.70	6.70	2.00	0.86
9	27-Official Languages	3.93	1.79	2.14	0.22
10	31-Panchayats	116.21	89.43	26.78	19.70
11	33-Revenue	4.77	2.73	2.04	1.18
12	34-School Education	820.51	701.59	118.92	3.38
13	43-Art and Culture	113.44	55.34	58.10	4.55
14	55-Municipal Administration	313.09	53.95	259.14	1.12
15	58-Women and Child Development	381.58	113.92	267.66	8.00
16	61-Craftmen Training	35.99	31.04	4.95	2.25
17	62-Law	19.98	14.18	5.80	2.00
18	64-Agriculture	101.24	76.70	24.54	17.00
19	65-Animal Husbandry and Veterinary Services	69.42	46.16	23.26	5.00
20	68-Forests	40.29	38.10	2.19	8.72
21	70-Civil Supplies	16.38	11.49	4.89	1.18
22	71-Co-operation	15.03	13.08	1.95	3.12
23	74-Water Resources	101.01	92.02	8.99	1.00
Capital (Voted)					
1	2-General Administration and Co-ordination	1.00	NIL	1.00	1.09
2	17-Police	23.20	5.45	17.75	6.00
3	21-Public Works	427.73	287.73	140.00	59.00
4	41-Goa Architecture College	0.98	-	0.98	3.48
5	43-Art and Culture	32.50	30.67	1.83	2.14
6	48-Health Services	5.69	4.78	0.91	11.38
7	49-Institute of Psychiatry and Human Behaviour	1.06	0.02	1.04	2.20
8	61-Craftmen training	6.07	5.32	0.75	7.04
9	71-Co-operation	10.83	9.03	1.80	2.00
10	78-Tourism	211.35	47.13	164.22	100.00
Total		4036.52	2831.77	1204.75	335.73

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	8	Treasury and Account Administration (North Goa)	2071(01)(109) (02)	(-) 275.00	(-) 324.57
2	17	Police	2055(109)(01)	(-)1156.08	(-)134.62
3	17	Police	4055(211)(02)	(-)55.20	(-)262.63
4	19	Industries, Trade and Commerce	2851(796)(01)	(-)60.61	(-)255.39
5	21	Public works	2059(01)(053)(01)	(-)256.68	(+)1363.56
6	21	Public works	2059(60)(053)(01)	(-)161.23	(-)423.67
7	21	Public works	2215(107)(02)	(-)510.72	(+)112.86
8	21	Public works	4215(01)(010)(03)	(-)245.65	(+)200.32
9	21	Public works	5054(80)(800)(01)	(+)360.97	(-)375.18
10	31	Panchayats	2505(01)(701)(13)	(-)334.30	(+)334.30
11	31	Panchayats	2515(796)(01)	(-)34.10	(-)121.38
12	34	School Education	2202(01)(110)(01)	(-)5249.36	(+)588.56
13	34	School Education	4202(01)(201)(01)	(-)277.90	(-)204.86
14	35	Higher Education	2202(03)(103)(03)	(-)52.59	(-)166.35
15	40	Goa College of Engineering	2203(112)(14)	(-)55.32	(-)148.34
16	40	Goa College of Engineering	4202(02)(105)(01)	(-)90.50	(-)1036.08
17	54	Town and Country Planning	2217(800)(10)	(-)7.00	(-)141.87
18	55	Municipal Administration	2217(800)(11)	(-)682.22	(+)841.10
19	55	Municipal Administration	2217(800)(12)	(-)13368.80	(-)841.10
20	74	Water Resources	2701(04)(001)(04)	(-)53.26	(-)168.06
21	74	Water Resources	2711(03)(103)(01)	(-)39.00	(-)151.83
22	74	Water Resources	2701(04)(001)(05)	(+)4.70	(-)100.77
23	74	Water Resources	2702(01)(102)(02)	(+)36.40	(+)627.41
24	74	Water Resources	4711(01)(103)(01)	(-)766.50	(-)1102.92
25	74	Water Resources	4711(02)(103)(02)	(-)1800.00	(-)741.70
26	74	Water Resources	4702(796)(01)	(+)385.00	(-)347.33
27	74	Water Resources	4702(800)(05)	(+)1800.00	(-)996.00
28	74	Water Resources	4711(02)(103)(01)	(+)50.50	(-)266.90
29	74	Water Resources	4711(03)(103)(01)	(+)716.00	(-)246.72
30	75	Planning, Statistics and Evaluation	3454(02)(111)(04)	(-)7.50	(-)242.17
31	76	Electricity	2801(05)(001)(01)	(-)4201.03	(-)113.96
32	76	Electricity	2801(800)(01)	(-)1086.36	(-)1987.93
33	76	Electricity	4801(05)(796)(01)	(-)800.00	(-)450.31
34	76	Electricity	4801(800)(33)	(-)700.00	(-)168.43
35	76	Electricity	4801(800)(51)	(-)1200.00	(-)299.83
36	76	Electricity	4801(800)(52)	(-)3548.94	(-)420.36

37	76	Electricity	4801(05)(800)(17)	(+)1764.41	(-)393.90
38	78	Tourism	3452(800)(06)	(-)5.00	(-)571.26
39	78	Tourism	3452(01)(001)(01)	(+)6.70	(-)263.59
40	78	Tourism	3452(800)(04)	(+)295.00	(-)596.03
41	78	Tourism	5452(01)(101)(06)	(-)200.00	(-)14581.97

APPENDIX - 2.4

(Referred to in paragraph 2.3.8)

Results of review of substantial surrenders made during the year 2013

(₹ in crore)

Sl. No.	Number & title of grant	Total provision	Amount of surrender	Percentage of surrender
Revenue (Voted)				
1	27-Official language	4.15	2.36	56.86
2	29-Public Grievances	0.50	0.49	98.00
3	32-Finance	13.00	11.41	87.76
4	43-Art & Culture	117.99	62.18	52.69
5	55-Municipal Administration	314.21	259.54	82.60
6	58-Women & Child Development	389.58	275.64	70.75
7	72-Science, Technology & Environment	8.36	4.69	56.10
8	73-State Election Commission	9.50	5.22	54.94
9	81-Tribal Welfare	62.50	48.79	78.00
Capital (Voted)				
10	1-Legislature Secretariat	2.10	1.45	69.00
11	8-Treasury and Accounts Administration	7.03	4.72	67.00
12	12-Commercial Taxes	2.50	1.57	62.80
13	13-Transport	74.44	44.43	59.68
14	17-Police	29.20	20.86	71.43
15	20-Printing & Stationary	2.00	1.80	90.00
	32-Finance	235.00	155.63	66.22
16	34-School Education	51.60	33.19	64.32
17	36-Technical Education	2.69	1.79	66.54
18	38-Govt Polytechnic (Bicholim)	1.72	1.07	62.20
19	41-Goa Architecture College	4.46	4.45	99.77
20	45-Archives & Archaeology	14.22	13.73	96.55
21	47-Goa Medical College and Hospital	14.65	10.34	70.58
22	48-Health Services	17.07	14.10	82.60
23	49-Institute of Psychiatry and Human Behaviour	3.26	3.22	98.77
	55-Municipal Administration	3.00	2.02	67.33
24	57-Social Welfare	5.52	3.86	69.92
25	61-Craftmen Training	13.11	7.69	58.65
26	62-Law	2.20	1.57	71.36
27	64-Agriculture	36.06	28.82	79.92
28	66-Fisheries	7.81	5.03	64.40
	72-Science, Technology & Environment	3.30	2.98	90.30
	81-Tribal Welfare	108.00	100.00	92.59
	Total	1560.73	1134.64	

APPENDIX – 2.5*(Referred to in paragraph 2.3.9)***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	01- Legislature Secretariat	19.56	18.37	1.19	1.72	0.53
2	02-General Administration and Co-ordination	44.06	41.51	2.55	3.22	0.67
3	11-Excise	15.00	9.54	5.46	5.78	0.32
4	13-Transport	92.40	46.63	45.77	46.07	0.30
5	21-Public Works	567.00	489.33	77.67	91.08	13.41
6	26-Fire and Emergency Services	19.60	16.76	2.84	3.26	0.42
7	34-School Education	823.89	701.59	122.30	128.20	5.90
8	47-Goa Medical College and Hospital	176.22	170.13	6.09	7.25	1.16
9	50-Goa College of Pharmacy	7.92	5.73	2.19	2.31	0.12
10	61-Craftsmen Training	38.24	31.04	7.20	8.10	0.90
Capital (Voted)						
11	48-Health Services	17.07	4.78	12.29	14.10	1.81
Total		1820.96	1535.41	285.55	311.09	25.54

APPENDIX - 2.6*(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	2.09	2.09	100
2	15-Collectorate (North Goa)	4059-Capital outlay on Public Works	2.00	2.00	100
3	27-Official language	4059-Capital outlay on Public Works	1.00	1.00	100
4	46-Museum	4202-Capital outlay on Education, Sports, Art and Culture	2.00	2.00	100
5	63-Rajya Sainik Board	4059-Capital outlay on Public works	3.30	3.30	100
6	82-Information Technology	4851-Capital outlay on Village and Small Industries	3.00	3.00	100
7	83-Mines	4853-Capital outlay on Non-ferrous mining & Metallurgical Industries	3.50	3.50	100
Total			16.89	16.89	

APPENDIX – 2.7
(Referred to in paragraph 2.3.10)

Statement of various Grants/Appropriation in which saving occurred but no part of which had been surrendered

(₹ in crore)

1	7-Settlement and Land Records (Revenue voted)	1.68
2	7-Settlement and Land Records (Capital voted)	0.07
3	14-Goa Sadan (Revenue voted)	0.66
4	33-Revenue (Revenue voted)	3.22
5	33-Revenue (Capital voted)	13.00
6	51-Goa Dental College (Revenue voted)	2.66
7	51-Goa Dental College (Capital voted)	6.90
8	54-/Town & Country planning (Revenue voted)	4.62
9	54-Town & Country planning (Capital voted)	0.45
10	59-Factories & Boilers (Capital voted)	0.08
11	60-Employment (Revenue voted)	31.02
12	74-Water Resources	9.99
13	75-Planning, Statistics and Evaluation	9.41
14	76-Electricity (Capital voted)	19.54
15	78-Tourism (Revenue voted)	21.43
16	78-Tourism (Capital voted)	264.22
	Total	388.95

APPENDIX - 2.8*(Referred to in paragraph 2.3.10)***Details of savings of ₹ 20 lakh and above not surrendered***(₹ in crore)*

Sl. No.	Number and Name of grant	Total grant	Expenditure	Savings	Savings surrendered	Savings not surrendered
1	6-Election office (Revenue Voted)	11.12	8.14	2.98	2.69	0.29
2	8-Treasury and Account Administration, (North Goa) (Revenue Voted)	528.00	517.20	10.80	1.19	9.61
3	17-Police (Revenue Voted)	249.21	223.32	25.89	24.29	1.60
	17-Police (Capital Voted)	29.20	5.45	23.75	20.86	2.89
4	18-Jails (Capital Voted)	21.16	17.79	3.37	2.77	0.60
5	19-Industries, Trade and Commerce (Revenue Voted)	46.00	22.68	23.32	20.20	3.12
6	21-Public Works (Capital Voted)	486.73	287.73	199.00	185.65	13.35
7	23-Home (Revenue Voted)	7.06	1.99	5.07	0.89	4.18
8	26-Fire and Emergency Services (Capital Voted)	10.69	1.53	9.16	8.88	0.28
9	30-Small Savings and Lotteries (Revenue Voted)	9.37	5.32	4.05	2.67	1.38
10	31-Panchayats (Capital Voted)	16.27	0.08	16.19	15.92	0.27
14	34-School Education (Capital Voted)	51.60	15.85	35.75	33.19	2.56
15	35-Higher Education (Revenue Voted)	145.66	131.63	14.03	10.87	3.16
16	40-Goa College of Engineering (Revenue Voted)	23.07	17.34	5.73	4.23	1.50
	40- Goa College of Engineering (Capital Voted)	16.48	2.95	13.53	1.43	12.10
17	42-Sports and Youth Affairs (Revenue Voted)	114.65	90.44	24.21	23.40	0.81
	42-Sports and Youth Affairs (Capital Voted)	28.52	16.14	12.38	10.12	2.26
18	43-Art and Culture (Revenue Voted)	117.99	55.34	62.65	62.18	0.47
19	47-Goa Medical College and Hospital (Capital Voted)	14.65	2.22	12.43	10.34	2.09
20	55-Municipal Administration (Revenue Voted)	314.21	53.95	260.26	259.54	0.72
	55-Municipal Administration (Capital Voted)	3.00	0.52	2.48	2.02	0.46
21	57-Social Welfare (Revenue Voted)	269.84	251.59	18.25	17.72	0.53
22	65-Animal Husbandry and Veterinary Services (Capital Voted)	4.35	1.78	2.57	2.06	0.51
23	66-Fisheries(Capital Voted)	7.81	2.17	5.64	5.03	0.61
24	68-Forests (Revenue Voted)	49.02	38.10	10.92	10.13	0.79

25	71-Co-operation (Revenue Voted)	18.16	13.08	5.08	4.75	0.33
26	76-Electricity (Revenue Voted)	1404.09	1296.61	107.48	82.73	24.75
27	80- Legal Metrology (Revenue Voted)	3.41	2.03	1.38	0.64	0.74
28	81- Tribal Welfare (Revenue Voted)	62.50	13.26	49.24	48.79	0.45
	Total	4063.82	3096.23	967.59	866.13	91.60

APPENDIX - 2.9*(Referred to in paragraph 2.3.10)***Surrender of funds in excess of ₹ five crore in March 2013***(₹ in crore)*

Sl. No.	Grant No.	Total grant	Expenditure	Savings surrendered	Percentage of total provision
1	11-Excise (Revenue Voted)	15.00	9.54	5.78	38.53
2	12-Commercial Taxes (Revenue Voted)	17.75	12.70	5.10	28.73
3	13-Transport (Revenue Voted)	92.40	46.63	46.07	49.85
	13-Transport (Capital Voted)	74.44	30.03	44.43	59.68
4	16-Collector, South Goa (Capital Voted)	29.05	15.00	14.05	48.36
5	17-Police (Revenue Voted)	249.21	223.32	24.29	9.74
	17-Police (Capital Voted)	29.20	5.45	20.86	71.43
6	19-Industries, Trade and Commerce (Revenue Voted)	46.00	22.68	20.20	43.91
7	21-Public Works (Revenue Voted)	566.99	489.33	91.08	16.06
	21-Public Works (Capital Voted)	486.73	287.73	185.65	38.14
8	26-Fire and Emergency Services (Capital Voted)	10.69	1.53	8.88	83.06
9	31-Panchayats (Revenue Voted)	135.91	89.43	41.86	30.79
	31-Panchayats (Capital Voted)	16.27	0.08	15.92	97.84
10	32-Finance (Revenue Voted)	13.00	1.59	11.41	87.76
	32-Finance (Capital Voted)	235.00	79.37	155.63	66.22
11	34-School Education (Capital Voted)	823.87	701.59	128.20	15.56
	34-School Education (Revenue Voted)	51.60	15.85	33.19	64.32
12	35-Higher Education (Revenue Voted)	145.66	131.63	10.87	7.46
13	36- Technical Education (Capital Voted)	20.70	15.24	5.47	26.42
14	42-Sports and Youth Affairs (Revenue Voted)	114.65	90.44	23.40	20.40
	42-Sports and Youth Affairs (Capital Voted)	28.52	16.14	10.12	35.48
15	43-Art and Culture (Revenue Voted)	117.99	55.34	62.18	52.69
16	45-Archives and Archeology (Capital Voted)	14.22	0.49	13.73	96.55
17	47-Goa Medical College and Hospital (Revenue Voted)	176.22	170.13	7.25	4.11
	47-Goa Medical College and Hospital (Capital Voted)	14.65	2.22	10.34	70.58
18	48-Health Services (Revenue Voted)	230.24	197.98	32.61	14.16
	48-Health Services (Capital Voted)	17.07	4.78	14.10	82.60
19	52-Labour (Revenue Voted)	37.94	25.46	12.42	32.73
20	55-Municipal Administration (Revenue Voted)	314.21	53.95	259.53	82.59
21	56-Information Technology (Revenue Voted)	25.49	19.71	5.80	22.75
22	57-Social Welfare (Revenue Voted)	269.84	251.59	17.72	6.56
23	58-Women and Child Development (Revenue Voted)	389.58	113.92	275.64	70.75
24	61-Craftmen Training (Revenue Voted)	38.24	31.04	8.10	21.18
	61-Craftmen Training (Capital Voted)	13.11	5.32	7.69	58.65
25	62-Law (Revenue Voted)	21.98	14.18	7.71	35.07
26	64-Agriculture (Revenue Voted)	118.24	76.70	41.55	35.14
	64-Agriculture (Capital Voted)	36.06	7.24	28.82	79.92
27	65-Animal Husbandry (Revenue Voted)	72.42	46.16	28.35	39.14
28	66-Fishries (Revenue Voted)	30.87	24.60	6.25	20.24
	66-Fishries (Capital Voted)	7.81	2.17	5.03	64.40

29	67-Ports Administration (Capital Voted)	15.50	8.49	6.96	44.90
30	68-Forests (Revenue Voted)	49.02	38.10	10.13	20.66
31	70-Civil Supplies (Revenue Voted)	17.55	11.49	6.06	34.52
32	73-Election Commission (Revenue Voted)	9.50	4.23	5.22	54.94
33	76-Electricity (Revenue Voted)	1404.09	1296.60	82.84	5.89
34	81-Tribal Welfare (Revenue Voted)	62.50	13.26	48.79	78.06
	81-Tribal Welfare (Capital Voted)	108.00	8.00	100.00	92.59
35	82-Information Technology (Revenue Voted)	60.00	36.09	23.95	39.91
36	83- Mines (Revenue Voted)	48.50	2.73	45.78	94.39
	Total	6923.48	4807.27	2077.01	

APPENDIX – 3.1

(Referred to in paragraph 3.1)

Department-wise breakup of outstanding Utilisation Certificates as on June 2013

Sl. No.	Name of the Department	No. of utilisation certificates	Amount (₹ in crore)
1	Directorate of Education	327	37.02
2	Directorate of Technical Education	15	1.34
3	Directorate of Higher Education	11	1.27
4	Directorate of Sports and Youth Affairs	387	51.51
5	Town and Country Planning Department	22	8.54
6	Directorate of Municipal Administration	849	295.49
7	i) Directorate of Women and Child Welfare	206	3.73
	ii) Directorate of Social Welfare	106	24.83
8	Department of Science, Technology and Environment	123	12.61
9	i) Directorate of Panchayats (South)	1510	23.72
	ii) Directorate of Panchayats (North)	1590	129.77
10	i) General Administration Department	5	0.13
	ii) Directorate of Official Language	2	0.18
	iii) Legislature Department	8	0.28
11	Directorate of Health Services	24	11.46
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	2248	128.43
15	Directorate of Agriculture	78	0.28
16	Forests Department	9	5.38
17	Goa Sate Legal Services Authority	11	1.41
18	Under Secretary, Finance (Home)	10	1.47
19	Under Secretary, Revenue	7	4.89
20	Law Department	2	0.54
	TOTAL	7564	772.05

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 2011-12	104.65
2	A.I.M. Salcete High School, Malbhat	2005-06 to 2011-12	31.00
3	Abhinav Vidyamandir, Mollem	2011-12	2.23
4	Adarsha V.V. High School, Margao	2011-12	72.87
5	Anjuman H.Islam High School, Baina	2011-12	81.57
6	St. Ann High School, Tivim	2011-12	68.76
7	Assagaon Union High School, Assagao	2011-12	54.38
8	Auxilum High School, Caranzalem	2011-12	1.15
9	Azmane High School, Neura	2006-07 to 2011-12	35.17
10	Bal Bharati Vidyamandir Ribandar	2011-12	17.86
11	Bethany Convent High School, Sao Jose De Areal	2011-12	70.09
12	Bhatikar Model High School, Margao	2011-12	150.50
13	Blessed Joseph Vaz High School, Sancoale	2007-08 to 2011-12	29.60
14	Cuncolim United High School, Cuncolim	2005-06 to 2011-12	34.20
15	Dayanand High School, Chorao	2011-12	54.54
16	Dnyanprasarak Vidyalaya, Mapusa	2005-06 to 2011-12	49.02
17	Don Bosco High School, Panaji	2011-12	218.66
18	Dr. Sakharam Gude High School, Shiroda	2011-12	71.72
19	Fatima Convent High School, Margao-Salcete	2008-09 to 2011-12	4.55
20	G.S. Amonkar Vidya mandir	2011-12	2.09
21	Guardian Angel High School, Sanvordem	2008-09 to 2011-12	1.05
22	Harmal Panchakrishi High School, Harmal	2011-12	65.39
23	Holy Cross High School, Bardez	2011-12	83.03
24	Holy Cross High School, Bastora	2011-12	81.65
25	Holy Cross High School, Siolim	2011-12	66.77
26	Holy Cross Institute, Quepem	2011-12	78.32
27	Holy Family High School, Porvorim	2011-12	91.74
28	Holy Rosary Convent High School, Nuvem	2011-12	73.61
29	Holy Spirit Institute, Margao	2008-09 to 2011-12	1.25
30	I.V.B.D. English School, Dhavali	2005-06 to 2011-12	35.66
31	Ideal High School, Taleigao	2011-12	1.18
32	Immaculate Conception High School, Dabal	2008-09 to 2011-12	0.47
33	Immaculate Conception High School, Avedem-Paroda	2011-12	0.62
34	Immaculate Heart of Mary High School, Goa Velha	2005-06 to 2011-12	25.92
35	Infant Jesus High School, Colva	2011-12	1.60
36	Janata High School, Mapusa	2011-12	104.33
37	K.R.S.S. High School, Savoi-Verem	2005-06 to 2011-12	31.80
38	Kasturaba Matoshree High School, Panaji	2005-06 to 2011-12	38.36
39	Keerti Vidyalaya Siolim-Bardez	2008-09 to 2011-12	0.86
40	L.D. Samant Memorial High School, Porvorim	2005-06 to 2011-12	47.34
41	Late V.G. Shenvi Vidyalaya, Rawanfond	2005-06 to 2011-12	40.00
42	Lokmanya Tilak Vidyalaya High School, Kavalem	2005-06 to 2011-12	30.42
43	Lokshikshan High School, Dhargal-Pernem	2005-06 to 2011-12	23.16
44	Lourdes Convent High School, Saligao	2011-12	85.63
45	Loyala High School, Margao	2011-12	190.84
46	M & N English High School, Margao	2008-09 to 2011-12	2.24

47	M.I.B.K. High School, Khandepar	2005-06 to 2011-12	53.08
48	M.P.T Education Society's Deepvihar High School, Headland Sada-Vasco	2011-12	152.24
49	Mahalakshmi English High School, Talaulim	2008-09 to 2011-12	2.01
50	Mahalakshmi High School, Kudne-Bicholim	2011-12	1.93
51	Mahamaya High School, Bicholim	2011-12	69.09
52	Mandre High School, Mandrem-Pernem	2011-12	111.36
53	Manguirish Vidyalaya Aroba-Pernem	2005-06 to 2011-12	20.75
54	Mapusa High School, Mapusa	2005-06 to 2011-12	26.69
55	Maria Bambina Convent High School, Cuncolim	2011-12	50.09
56	Marina English High School, Verna	2007-08 to 2011-12	27.76
57	Mary Immaculate Girls High School, Panaji	2011-12	128.58
58	Mata Secondary School No.1, Baina-Vasco	2005-06 to 2011-12	44.58
59	Mount Mary High School, Chinchinim	2011-12	1.77
60	Municipal High School, Vasco-Mormugao	2007-08 to 2011-12	35.44
61	Murgao High School, Headland-Sada	2011-12	93.42
62	Mustifund High School, Panaji	2005-06 to 2011-12	53.36
63	Navdeep Vidyalaya, Shiroda	2005-06 to 2011-12	27.70
64	New English High School, Keri-Pernem	2005-06 to 2011-12	34.09
65	New Goa High School, Mapusa	2008-09 to 2011-12	1.55
66	New Era High School, Margao	2008-09 to 2011-12	0.58
67	Our Lady of Candelaria High School, Baina-Vasco	2011-12	57.95
68	Our Lady of Desterro's School, Desterro-Mormugao	2008-09 to 2011-12	0.69
69	Our Lady of Divar High School, Piedade	2006-07 to 2011-12	23.01
70	Our Lady of Grace High School, Bicholim	2011-12	168.51
71	Our Lady of Health High School, Cuncolim	2011-12	1.36
72	Our Lady of Mercedes School, Mercedes	2011-12	70.67
73	Our Lady of Perpetual Succor High School, Cortalim	2011-12	5.52
74	Our Lady of Rosary High School, DonaPaula-Panaji	2011-12	98.61
75	Our Lady of Rosary High School, Fatorda-Margao	2007-08 to 2011-12	5.29
76	Our Lady of Snow's High School, Raia	2011-12	109.33
77	Our Lady of Succor High School, Nagoa	2006-07 to 2011-12	32.49
78	Perpetual Succor High School, Navelim	2005-06 to 2011-12	62.64
79	Pope John XXIII High School, Quepem	2011-12	105.69
80	Pragati High School, Verem-Betim	2011-12	0.59
81	Pragati Vidyalaya, Borim	2005-06 to 2011-12	28.12
82	Presentation Convent High School, Margao	2008-09 to 2011-12	5.66
83	Progress High School, Sanquelim-Bicholim	2005-06 to 2011-12	61.50
84	Progress High School, Panaji	2008-09 to 2011-12	72.26
85	R.P.R.S High School, Bandoda	2005-06 to 2011-12	27.68
86	Radhakrishna Vidyalaya, Bicholim	2005-06 to 2011-12	51.57
87	Ramakant D. Khalap High School, Mandrem-Pernem	2005-06 to 2011-12	37.72
88	Rosary High School, Navelim	2011-12	184.61
89	Sacred Heart High School, Parra-Bardez	2005-06 to 2011-12	37.53
90	Sacred Heart of Jesus High School, Anjuna	2011-12	2.75
91	Santa Cruz High School, Santa Cruz	2011-12	2.30
92	Saraswat Vidyalaya, Mapusa	2011-12	2.04
93	Sarvodaya Education Society High School, Curchorem	2011-12	123.26
94	Sarvodaya High School, Usgao	2006-07 to 2011-12	24.63
95	Shantadurga High School, Bicholim	2008-09 to 2011-12	1.49
96	Sharada English High School, Shiroda-Marcel	2011-12	196.79
97	Shiksha Sadan, Priol	2005-06 to 2011-12	32.64
98	Shree Navdurga Vidyalaya, Madkai-Ponda	2007-08 to 2011-12	33.00
99	Shri Bhagwati High School, Pernem	2005-06 to 2011-12	51.69
100	Shri Durga English School, Parsem-Pernem	2005-06 to 2011-12	26.91
101	Shri Hanuman Vidyalaya, Valpoi-Sattari	2006-07 to 2011-12	35.94
102	Shri Kamakshi High School, Shrioda	2005-06 to 2011-12	47.22
103	Shri Kamleshwar High School, Pethechawada	2007-08 to 2011-12	27.44

104	Shri Katyani Baneshwar Vidyalaya, Canacona	2006-07 to 2011-12	25.35
105	Shri Mallikarjun Vidyalaya High School, Canacona	2011-12	3.17
106	Shri Shantadurga Vidyalaya, Pirna-Bardez	2007-08 to 2011-12	29.11
107	Shri Shradhanand Vidyalaya, Paigunim	2005-06 to 2011-12	36.04
108	Shri Damodar Vidyalaya English High School, Margao	2008-09 to 2011-12	61.64
109	Shri Kamleshwar High School, Korgao	2011-12	1.35
110	Shrimati High School, Velguem-Bicholim	2008-09 to 2011-12	46.39
111	Smt Chandrabhaga T. Naik High School, Curchorem	2011-12	52.00
112	Smt Hirabai Talaulikar High School, Sancordem	2005-06 to 2011-12	30.23
113	Smt Kamalabai Hede High School, Shiroda-Ponda	2008-09 to 2011-12	1.60
114	Smt Sunandabai Bandodkar High School, Carambolim	2011-12	50.32
115	St. Andrew's Institute, Vasco	2005-06	62.33
116	St. Anthony High School, Duler-Mapusa	2008-09 to 2011-12	42.93
117	St. Anthony High School, Galgibaga	2007-08 to 2011-12	31.12
118	St. Anthony High School, Majorda	2011-12	3.74
119	St. Anthony High School, Monte de Guirim	2005-06 to 2011-12	49.07
120	St. Britto High School, Mapusa	2011-12	130.62
121	St. Clara High School, Assonora	2005-06 to 2011-12	39.46
122	St. Elizabeth High School, Pomburpa	2011-12	59.49
123	St. Francis Xavier High School, Siolim	2005-06 to 2011-12	48.73
124	St. John of the Cross High School, Sanquelim	2006-07 to 2011-12	52.78
125	St. Joseph Convent High School, Nagoa-Verna	2005-06 to 2011-12	30.64
126	St. Joseph Educational Institute, Chandor	2011-12	3.11
127	St. Joseph High School, Arpora	2006-07 to 2011-12	2.96
128	St. Joseph High School, Aquem, Alto-Margao	2006-07 to 2011-12	36.23
129	St. Joseph Institute, Vasco	2011-12	69.87
130	St. Jude High School, Betalbatim	2011-12	3.13
131	St. Mary of the Angel's Convent High School, Chinchinim	2011-12	63.32
132	St. Mary Convent High School, Mapusa	2011-12	134.49
133	St. Mary High School, Ponda	2011-12	2.34
134	St. Mary High School, Varca	2008-09 to 2011-12	38.23
135	St. Michael Convent High School, Vagator	2005-06 to 2011-12	42.21
136	St. Pius X High School, Orlim	2011-12	92.52
137	St. Rita High School, Maina-Curtorim	2011-12	117.11
138	St. Rita High School, Colvale	2005-06 to 2011-12	41.32
139	St. Rock High School, Tollecanto-Vel lim	2011-12	2.09
140	St. Thereza High School, Candolim	2008-09 to 2011-12	46.55
141	St. Thereza High School, Santo-Estevam	2005-06 to 2011-12	26.72
142	St. Thereza of Jesus High School, Canacona	2011-12	0.91
143	St. Thereza Convent High School, Ganapoga-Raia	2005-06 to 2011-12	32.73
144	St. Thereza High School, Vasco	2008-09 to 2011-12	45.32
145	St. Thomas Boy's High School, Aldona-Bardez	2007-08 to 2011-12	36.95
146	St. Thomas Girl's High School, Aldona-Bardez	2005-06 to 2011-12	38.14
147	St. Thomas High School, Cansaulim	2011-12	16.20
148	St. Xavier High School, Moira	2008-09 to 2011-12	2.24
149	St. Xavier Institute, Curtorim	2011-12	58.22
150	Surashi Kesarbai Kerkar High School, Keri	2008-09 to 2011-12	2.22
151	T.B. Chunha New English High School, Aquem	2006-07 to 2011-12	26.09
152	Rosary High School, Miramar	2005-06 to 2011-12	30.93
153	Union High School, Chimbél	2011-12	58.85
154	Union High School, Sanguem	2011-12	104.77
155	Utkarsh High School, Rivona	2011-12	3.52
156	V.D & S.V. Wagle High School, Mangueshi	2008-09 to 2011-12	44.40
157	Vidhyaprasarak High School, Morjim-Pernem	2008-09 to 2011-12	0.34
158	Vidya Mandir, Airport Road, Chicalim	2011-12	104.42
159	Vidyaniketan High School, Corlim	2011-12	1.15
160	Viscount of Pernem High School, Pernem	2011-12	44.48

	Directorate of Higher Education		
161	Dhempe College of Arts and Science, Panaji-Goa	2011-12	756.88
162	St. Xavier's College of Arts, Science and Commerce, Mapusa	2011-12	990.07
163	DMS College of Arts, S.P. Vaidya College of Science and V.N.S Bandekar College of Commerce, Mapusa	2011-12	535.99
164	Nirmala Institute of Education, Altinho, Panaji-Goa	2011-12	144.27
165	Carmel College of Arts and Science, Nuvem-Salcete	2011-12	663.51
166	G.R. Kare College of Law, Margao	2011-12	111.54
167	S.S Dempo College of Commerce and Economics	2011-12	280.04
168	M.E.S College of Arts and Commerce, Zuarinagar-Goa	2011-12	493.14
169	Smt. Parvatibai Chowgule College of Arts and Science, Margao	2011-12	964.76
170	G.V.M.G.G.G.P.R. College of Commerce and Economics, Ponda-Goa	2011-12	365.62
171	VM Salgaonkar College of Law, Panaji	2011-12	185.08
172	Shree Damodar College of Commerce and Economics, Margao	2011-12	359.79
173	Rosary College of Arts and Commerce, Navelim, Salcete-Goa	2011-12	362.45
174	P.E.S.S.R.S.N. College of Arts and Science, Farmagudi-Ponda	2011-12	821.31
175	G.V.M Dr. Dada Vaidya College of Education, Ponda - Goa	2011-12	190.27
176	Mallikarjun College of Arts and Commerce, Canacona-Goa	2011-12	217.45
177	S.V. Sridoro Caculo College of Commerce and Management Studies, Khorlim-Mapusa	2011-12	233.36
178	Fr. Agnel College of Arts and Commerce, Pilar-Goa	2011-12	278.32
179	Narayan Zantye College of Commerce and Economics, Bicholim-Goa	2011-12	200.29
180	C.E.S. College of Arts and Commerce Cuncolim, Salcete - Goa	2011-12	311.48
	Directorate of Art & Culture		
181	Entertainment Society of Goa, Panaji	2007-08 to 2011-12	479.99
	Chief Town Planner		
182	Vasco Planning Development Authority, Vasco	2007-08 to 2011-12	NA
	Directorate of Municipal Administration		
183	Goa State Urban Development Agency, Panaji	2011-12	226.00
	Directorate of Panchayats		
184	Zilla Panchayat, North Goa	2009-10 to 2011-12	522.16
185	Zilla Panchayat, South Goa	2009-10 to 2011-12	371.94
	Total		17478.92

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 2013

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	01/04/2010 to 31/03/2015	2011-12	2011-12	2010-11 dt. 26/04/2013
2	Goa Housing Board	01/04/2012 to 31/03/2017	2011-12	2011-12	2010-11 dt. 21/03/2013
3	Goa Tillari Irrigation Development Corporation	01/04/2010 to 31/03/2016	2009-10	2008-09	2007-08 dt. 05/10/2011
4	Khadi and Village Industries Board	01/04/2013 to 31/03/2018	2009-10	2009-10	2007-08 dt. 28/01/2013
5	Goa State Commission for Backward Classes	01/04/2009 to 31/03/2014	2011-12	2011-12	2009-10 dt. 05/10/2011
6	Goa Secondary and Higher Secondary Board	01/04/2010 to 31/03/2015	2010-11	2010-11	Not applicable
7	South Goa Zilla Panchayat	01/04/2009 to 31/03/2014	2006-07	2006-07	Not applicable
8	North Goa Zilla Panchayat	01/04/2009 to 31/03/2014	2006-07	2006-07	Not applicable
9	Goa State Legal Services Authority	As per Act	2011-12	2011-12	Not applicable
10	District Legal Service Authority, South Goa	As per Act	2008-09	2008-09	Not applicable
11	District Legal Service Authority, North Goa	As per Act	2008-09	2008-09	Not applicable

APPENDIX - 3.4

(Referred to in paragraph 3.4)

Position of arrears as on October 2013 in preparation of proforma accounts

Department	No. of undertakings under the Department	Accounts not finalised (name of undertaking)	Year upto 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 break-up of the cases of Misappropriation, Defalcation, etc.

(Cases where final action was pending at the end of June 2013)

Sl. No.	Name of the Department	Upto 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	2(6.96)	2(57.95)	1(40.24)	5(105.15)
7	Chief Engineer, PWD, Panaji	-	1(38.60)	-	1(38.60)
8	Dean, Goa Medical College, Bambolim	3(3.69)	-	-	3(3.69)
9	Director of Education, Panaji	1(7.00)	-	1(0.77)	2(7.77)
10	State Directorate of Craftsmen Training, Panaji	1(0.50)	-	-	1(0.50)
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)
13	Government Polytechnic, Panaji	2(0.74)	-	-	2(0.74)
14	Director of Sports and Youth Affairs, Panaji	1(1.55)	-	-	1(1.55)
	Total	17(52.82)	8(100.09)	3(45.96)	28(198.87)

(Figures in brackets indicate ₹ in lakh)