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Audit Report (State Finances) - Government of Goa - 2013-14

सत्यमेव जयते

Report of the Comptroller and Auditor General of India

on STATE FINANCES

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GOVERNMENT OF GOA
for the year ended 31 March 2014



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REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

ON STATE FINANCES

FOR THE YEAR ENDED 31 MARCH 2014

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 2014. 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 relating to financial reporting 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 88.70 *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 2013-14 the percentage of population below poverty line was five *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 2013-14 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 2014, 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 2014. 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 increased from ₹ 42,407 crore in 2012-13 to ₹ 48,897 crore in 2013-14. The State's GSDP growth rate at current prices which had witnessed a negative growth (1.96 *per cent*) in 2012-13 mainly due to recession in mining

activities had turned positive (15.30 *per cent*) during the current year. Tertiary sector and Secondary sector continued to be the dominant source of GSDP and it accounted for 46.37 *per cent* and 41.46 *per cent* of the GSDP during 2013-14. The contribution of Primary sector during the current year was 12.17 *per cent* mainly due to reduction in revenue from mining and quarrying activities.

Finances of the State Government

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 2013-14, the State achieved two of the three major parameters specified by the Thirteenth Finance Commission (ThFC) *viz.* (i) the ratio of fiscal liability to Gross State Domestic Product at 25.96 *per cent* was lower than the norms of 29.90 *per cent,* and (ii) the fiscal deficit at 2.76 *per cent* of Gross State Domestic Product was lower than the norms of three *per cent*. However, the third parameter of revenue surplus could not be achieved during the year. The revenue deficit increased by ₹ 137 crore over the previous year. This was due to increase of ₹ 742 crore (12.24 *per cent*) in revenue expenditure against the increase of only ₹ 605 crore (10.35 *per cent*) in revenue receipts over the previous year.

Revenue receipts: The rate of growth of revenue receipts increased from 1.11 *per cent* in 2012-13 to 10.35 *per cent* in 2013-14. This was due to the net effect of increase in tax revenue by ₹ 642 crore (21.83 *per cent*), share of Union taxes and duties by ₹ 72 crore (9.27 *per cent*) and ₹ 61 crore (20.61 *per cent*) in grants from the Government of India (GoI); offset by a decrease of non-tax revenue by ₹ 171 crore (9.31 *per cent*).

Interest payments: Interest payments (₹ 891 crore) which increased by 11.23 *per cent* during the year over 2012-13, were within the projection made in the ThFC (₹ 934.51 crore) but was more than the projections made in the budget (₹ 825.60 crore).

Non-Plan revenue expenditure: The revenue expenditure (₹ 6,803 crore) constituted 87.05 *per cent* of the total expenditure. Out of this 65.16 *per cent* was the Non-Plan component (₹ 5,092 crore). The Non-Plan Revenue Expenditure (NPRE) remained higher than the normative assessments of the ThFC but was less than the projections made in the budget.

Capital expenditure: Capital expenditure constituted 12.89 *per cent* of the total expenditure during the current year. The ratio of Capital expenditure to Aggregate Expenditure in 2013-14 was lower than the ratio of General Category States.

Review of Government investments: The average return on Government's investments in Statutory Corporations, Government Companies, Joint Stock Companies and Co-operatives decreased from 0.39 *per cent* in 2012-13 to 0.24 *per cent* in 2013-14. On the other hand, the Government paid an average interest rate of 7.69 *per cent* and 7.44 *per cent* in 2012-13 and 2013-14, respectively. Thus, this was an unsustainable position.

Debt Sustainability: The resource gap was negative during the period 2011-14, indicating decreasing capacity of the State to sustain the debt in the medium to long run. This was a result of insufficiency of the incremental non-debt receipt to meet the incremental primary expenditure and incremental interest payments.

Chapter II

Financial Management and Budgetary Control

The slow pace of programme implementation of various social and developmental programmes in the State left an overall savings of ₹ 2,345.22 crore. 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.

During 2013-14, expenditure of ₹ 8,303.80 crore was incurred against total grants and appropriations of ₹ 10,649.02 crore, resulting in savings of ₹ 2,345.22 crore, offset by an excess of ₹ 97.50 crore in three grants and one appropriation. Excess expenditure of ₹ 97.50 crore requires regularisation under Article 205 of the Constitution of India. Besides, regularisation of excess expenditure of ₹ 81.29 crore was also pending from 2008-09 to 2012-13 as of March 2014. In many cases, the anticipated savings were either not surrendered or surrendered in the last month of March 2014, leaving no scope for utilising these funds for other developmental purposes.

Chapter III

Financial Reporting

There were 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 may ensure timely receipt of utilisation certificates against the financial assistance provided to grantee institutions. Departmental enquiries in respect of misappropriation cases pending action may 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 2013-14 the percentage of population below poverty line was five *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 88.70 *per cent* (as per 2011 census).

The social indicators *viz*., literacy rate, rate of infant mortality and life expectancy were better 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	2009-10	2010-11	2011-12	2012-13 (AE)*	2013-14 (QE) *
India's GDP *(₹ in crore)*	6108903	7248860	8391691	9388876	10472807
Growth rate of GDP (in *per cent*)	15.18	18.66	15.77	11.88	11.54
State's GSDP *(₹ in crore)*	29126[a]	33605[a]	43255[a]	42407[a]	48897[b]
Growth rate of GSDP (in *per cent*)	14.61	15.38	28.72	(-)1.96	15.30

**QE-Quick Estimates, AE-Advance Estimates*

[a] *Based on Ministry of Statistics and Programme Implementation, GoI*

[b] *Quick estimates (2013-14) provided by Directorate of Planning, Statistics and Evaluation Department, Government of Goa*

It could be seen from the above table that the State's GSDP growth rate at current prices which had witnessed a negative growth (1.96 *per cent*) in 2012-13 mainly due to recession in mining activities had turned positive (15.30 *per cent*) during the current year. Tertiary sector and Secondary sector continued to be the dominant source of GSDP and it accounted for 46.37 *per cent* and 41.46 *per cent* of the GSDP during 2013-14. The contribution of Primary sector during the current year was 12.17 *per cent* mainly due to reduction in revenue from mining and quarrying activities. The sector wise data relating to GSDP of the State are given in **Appendix 1.2, Part A.**

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 2014. It provides a broad perspective of the finances of the State during 2013-14 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, Part B.**

1.1.1 Summary of current year's fiscal operations

A summary of the State Government's fiscal transactions during 2013-14 *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 2013-14.

Table 1.1 : Summary of current year's fiscal operations

(₹ in crore)

Receipts	2013-14	2012-13	Disbursements	2013-14			2012-13
Section-A: Revenue				Total	Non-Plan	Plan	
Revenue receipts	**6449.77**	**5845.43**	**Revenue expenditure**	**6803.28**	**5091.73**	**1711.55**	**6061.34**
Tax revenue	3582.48	2939.66	General services	2075.62	2046.54	29.08	1859.97
Non-tax revenue	1661.56	1832.90	Social services	1863.49	862.90	1000.59	1525.67
Share of Union taxes/duties	848.53	777.21	Economic services	1923.14	1528.27	394.87	1912.91
Grants from Government of India	357.20	295.66	Grant-in-aid and Contributions	941.03	654.02	287.01	762.79
Section –B: Capital and others							
Misc. Capital receipts	--	--	Capital Outlay	1008.22	10.08	998.14	942.27
Recoveries of Loans and Advances	12.57	14.57	Loans and Advances disbursed	4.25	4.09	0.16	3.98
Public Debt receipts*	1348.78	1537.49	Repayment of Public Debt**	385.06	--	--	339.06
Contingency Fund	--	--	Contingency Fund	0.01	--	--	--
Public Account receipts	8496.00	7290.32	Public Account disbursements	8026.81	--	--	7655.66
Opening Cash Balance	703.91	1018.41	Closing Cash Balance	783.40	--	--	703.91
Total	**17011.03**	**15706.22**	**Total**	**17011.03**			**15706.22**

(Source: Finance Accounts of the State)
**Including ways and means advances on three occasions for 17 days (Receipts ₹ 52.69 crore and Disbursement ₹ 52.69 crore)*
***Includes ₹ 53.63 lakh, on account of write off of Central loans received from GoI under Centrally Sponsored Schemes by ministries other than Ministry of Finance as per recommendation of ThFC*

The following are the major changes in fiscal transactions during 2013-14 over the previous year:

- Revenue receipts grew by ₹ 605 crore (10.35 *per cent*) mainly due to increase in tax revenue by ₹ 642 crore (21.83 *per cent*), share of Union taxes and duties by ₹ 72 crore (9.27 *per cent*) and ₹ 61 crore (20.61 *per cent*) in grants from the Government of India (GoI); offset by a decrease of non-tax revenue by ₹ 171 crore (9.33 *per cent).*
- Revenue expenditure increased by ₹ 742 crore (12.24 *per cent*) mainly due to increase in expenditure on Social welfare and Nutrition (₹ 149 crore), Interest payments (₹ 90 crore), Education, Sports, Art and Culture (₹ 173 crore), Agriculture and Allied activities (₹ 54 crore) and Pension and other retirement benefits (₹ 78 crore).
- Public Debt receipt decreased by ₹ 189 crore (12.28 *per cent*) and Repayment of Public Debt increased by ₹ 46 crore (13.57 *per cent*).
- Public Account receipts and disbursements increased by 16.54 *per cent* (₹ 1,206 crore) and 4.85 *per cent* (₹ 371 crore) respectively over the previous year.
- Cash balances of the Government at the end of the year 2013-14 (₹ 783.40 crore) increased by ₹ 79 crore (11.22 *per cent*) over the previous year. Of the above, ₹ 193.83 crore was invested in GoI Treasury bills. During the year, the Government obtained ₹ 52.69 crore on three occasions as Ways and Means Advances (W&M) from Reserve Bank of India (RBI) in order to maintain the minimum cash balance of ₹ 19 lakh. The Government repaid ₹ 52.72 crore to the RBI inclusive of ₹ 3.64 lakh as interest on these W&M advances during the year.

1.1.2 Fiscal reforms path in Goa

In compliance to the Twelfth Finance Commission (TwFC) recommendations, the Government of Goa enacted Fiscal Responsibility and Budget Management Act (FRBM) in 2006 with a view to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, greater transparency in fiscal operations of the Government and conduct of fiscal policy in a Medium Term Fiscal Framework.

To improve the States' Fiscal consolidation, Ministry of Finance, GoI (January 2011) directed the States to enact/amend their FRBM Acts to conform to the fiscal reform path. It was observed that there was inordinate delay in carrying out the necessary amendments in the FRBM Act by the State Government, which was passed by the State Legislature in March 2014.

In consonance with the FRBM Act 2006 and Rules 2007, the State Government was required to prepare Medium Term Fiscal Plan (MTFP) in the indicating three year rolling target for the prescribed fiscal indicators to ensure fiscal stability and sustainability while ensuring efficient provision of public services.

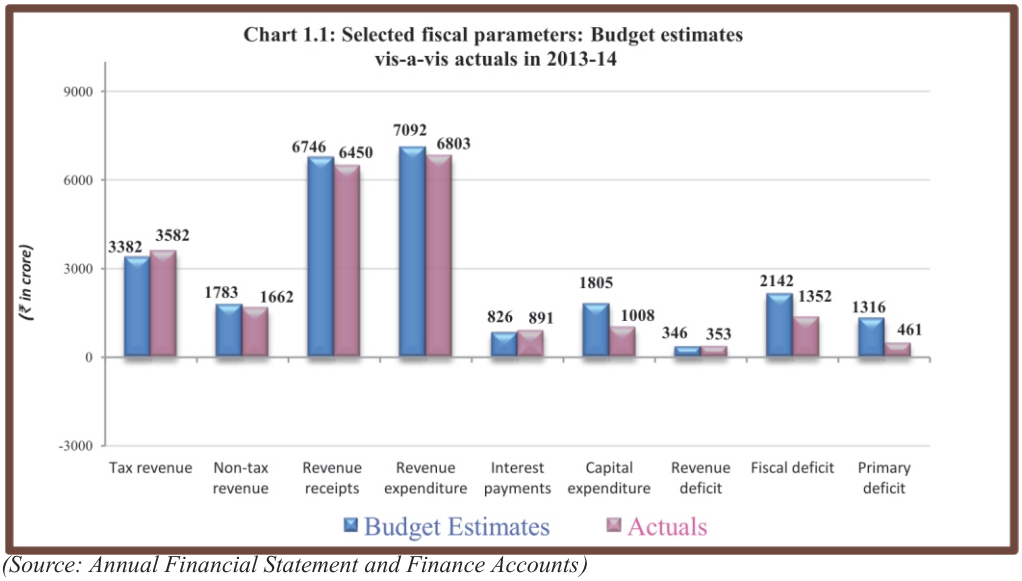
However, the rolling targets for the years 2011-12 to 2013-14 in respect of fiscal indicators specified in the FRBM Rules, 2007 had not been prepared by

the Finance Department (Debt Management), Government of Goa (December 2014).

1.1.3 Budget estimates vis-à-vis actual

The 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 actual of some important fiscal parameters for the year 2013-14.



(Source: Annual Financial Statement and Finance Accounts)

The budget estimates envisaged revenue receipts of ₹ 6,746 crore against which the actual realisation was ₹ 6,450 crore, a shortfall of ₹ 296 crore (4.39 *per cent*). The shortfall was mainly under non-tax revenue (₹ 121 crore), Grants-in-aid and contributions from GoI (₹ 75 crore) and central tax transfers (₹ 300 crore); offset by more realisation under own tax revenue (₹ 200 crore).

Revenue expenditure was projected at ₹ 7,092 crore against which the actual expenditure was ₹ 6,803 crore, a shortfall of ₹ 289 crore (4.07 *per cent*). Excess over expenditure was noticed in general services (₹ 53 crore). Shortfall in actual over the estimates were under social services (₹ 100 crore) and economic services (₹ 242 crore).

Interest payments were projected at ₹ 826 crore against which the actual payments were ₹ 891 crore recorded below major head 2049. Capital expenditure was projected at ₹ 1,805 crore against which the actual expenditure was ₹ 1,008 crore.

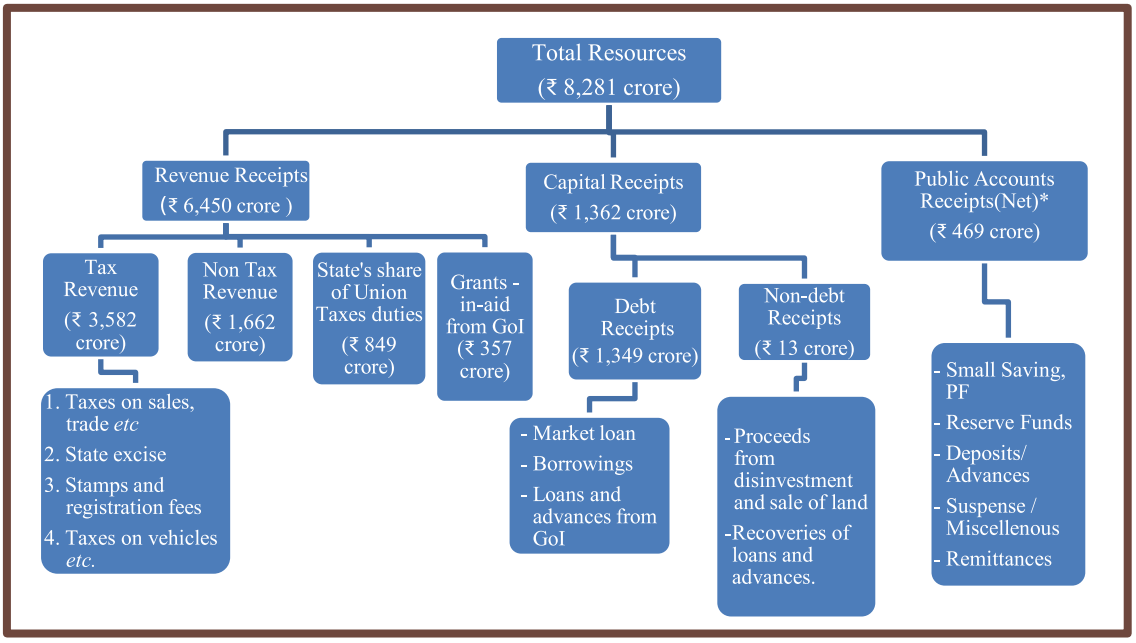
The revenue deficit at ₹ 353 crore increased by ₹ seven crore (2.02 *per cent*) whereas the fiscal deficit and primary deficit at ₹ 1,352 crore and ₹ 461 crore respectively decreased by ₹ 790 crore (36.88 *per cent*) and ₹ 855 crore (64.97 *per cent*) over the budget estimates of the current year.

1.2 Resources of the State

1.2.1 Resources of the State as per Finance Accounts

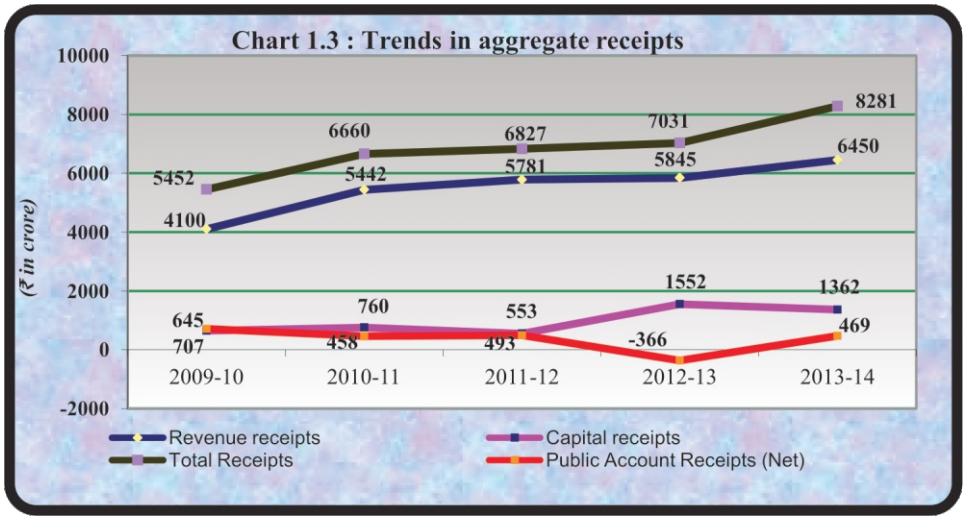
Revenue and Capital are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenues, non-tax revenues, State's share of union taxes and duties and grants-in-aid from the GoI. Capital receipts comprise miscellaneous capital receipts such 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 deficits. **Table 1.1** presents the receipts and disbursements of the State during the current year as recorded in its Finance Accounts while **Chart 1.1** depicts the actual against the budget in various components of the fiscal variables of the State during 2013-14. Further, **Chart 1.2** depicts the composition of resources of the State during the current year.

Chart 1.2: Components and sub-components of resources

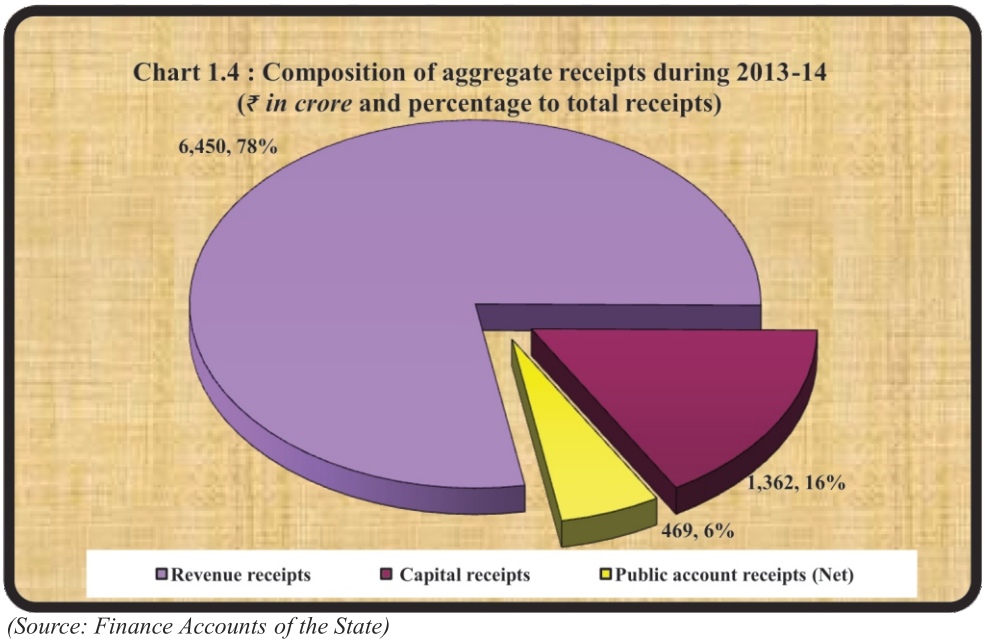


(Source: Finance Accounts of the State)
**Public Account Receipts (₹ 8,496 crore) - Public Account Disbursement (₹ 8,027 crore)*

Chart 1.3 depicts the trends in various components of receipts during 2009-14, while **Chart 1.4** depicts the composition of resources of the State during the year 2013-14.



(Source: State Finance Accounts of the respective years)



(Source: Finance Accounts of the State)

During 2009-14, total receipts[1] increased by ₹ 2,829 crore (52 *per cent*) from ₹ 5,452 crore in 2009-10 to ₹ 8,281 crore in 2013-14. The increase of ₹ 2,829 crore could be attributed to increase in Revenue receipts and capital receipts by ₹ 2,350 crore and ₹ 717 crore respectively during 2009-14 and decrease in net Public Account Receipts by ₹ 238 crore.

The total receipts of the State for the year 2013-14 was ₹ 8,281 crore of which the Revenue receipts were ₹ 6,450 crore (78 *per cent*), Capital receipts were ₹ 1,362 crore (16 *per cent*) and Public Account receipts were ₹ 469 crore (six *per cent*).

[1]During the current year the Net Public Accounts Receipts (Public Accounts Receipts *minus* Public Accounts Disbursement) are depicted in the total receipts, however, the gross Public Account Receipts were shown up to last year.

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 agencies[2] 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 2013-14, the GoI transferred ₹ 65.06 crore directly to the State implementing agencies as against ₹ 43.69 crore in 2012-13, an increase in direct transfer of fund of ₹ 21.37 crore (48.91 *per cent*) over the previous year. The status of the funds directly transferred to some of the major State implementing agencies by the GoI during 2013-14 in respect of major programmmes are presented in **Table 1.2.**

Table 1.2: Funds transferred directly to the major State implementing agencies

(₹ in crore)

Name of the programme	Name of the implementing agency	Funds released by GoI			
		2011-12	2012-13	2013-14	Increase/Decrease (-) in 2013-14 over 2012-13
National Rural Health Mission	State Health Society, Goa	12.20	12.43	13.29	0.86, (7)
MP's Local Area Development Scheme MPLADS	District Collector, North Goa	3.50	5.00	2.50	-2.5, (-50)
MP's Local Area Development Scheme MPLADS	District Collector, South Goa	8.00	4.50	8.00	3.5, (78)
National Aids Control Programme	Goa Aids Control Society	3.43	2.52	4.56	2.04, (81)
Sarva Shiksha Abhiyan	Goa Sarva Shiksha Abhiyan Society	10.79	6.71	13.33	6.62, (99)
National Horticulture Mission and Micro Irrigation	Goa State Horticulture Corporation Limited	2.25	1.25	4.17	2.92, (233)

(Source: Appendix VII of the Finance Accounts 2013-14)
Figures shown in brackets indicates change in per cent

It could be seen from the above table that there was significant increase in fund flow to Goa State Horticulture Corporation Limited under National Horticulture Mission and Micro Irrigation by ₹ 2.92 crore (233 *per cent*), and to Goa Sarva Shiksha Abhiyan Society under Sarva Shiksha Abhiyan by ₹ 6.62 crore (99 *per cent*).

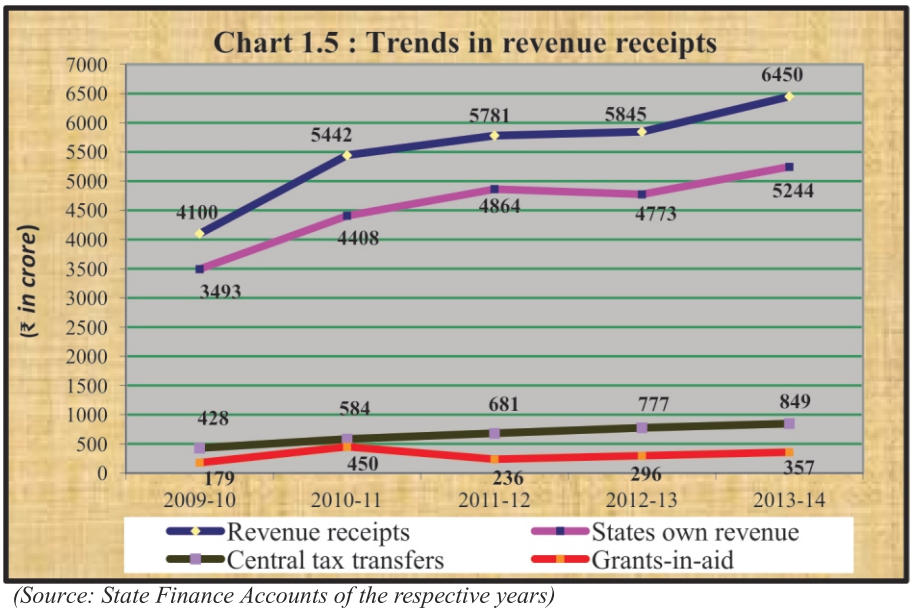
Since these funds are generally not being spent fully by the implementing agencies in the same financial year in which they are given, unspent balances remain in their bank accounts. Unless uniform accounting practices are followed by all these implementing agencies and proper documentation is

[2] 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.

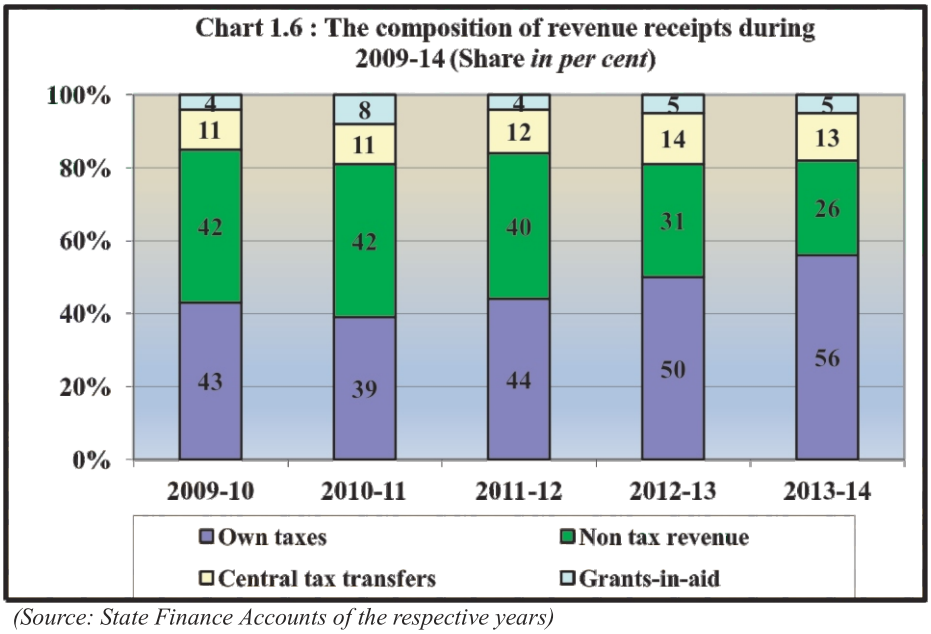
maintained with timely reporting of expenditure, it will be difficult to monitor the end use of these direct transfers. The State Government has to put in place an appropriate mechanism to ensure a complete picture of the resources under its control.

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 2009-14 are presented in **Appendix 1.4** and **Chart 1.5** and **1.6** respectively.



(Source: State Finance Accounts of the respective years)



(Source: State Finance Accounts of the respective years)

It would be seen from the charts that the revenue receipts have shown a progressive increase from ₹ 4,100 crore in 2009-10 to ₹ 6,450 crore in 2013-14 and increased by ₹ 10.35 *per cent* (₹ 605 crore) during 2013-14 over the

previous year. While 82 *per cent* of the revenue receipts during 2013-14 came from the State's own resources comprising of tax and non-tax revenue, the central tax transfers and GIA together contributed the remaining 18 *per cent.*

State's own resources consist of tax revenue and non-tax revenue. The share of tax revenue in revenue receipts was between 39 and 56 *per cent* during 2009-14. Non-tax revenue as a *per cent* of revenue receipts had decreased from 42 *per cent* in 2009-10 to 26 *per cent* in 2013-14.

During 2004-05 to 2012-13, the State's compound growth rate of revenue receipts (15.70 *per cent*) was lower than that of other General Category States (16.93 *per cent*). This growth rate for the period 2004-05 to 2013-14 further decreased to 13.84 *per cent* **(Appendix 1.1)**.

The trends in revenue receipts relative to GSDP at current prices are presented in **Table 1.3.**

Table 1.3: Trends of revenue receipts relative to GSDP

	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue Receipts (RR) *(₹ in crore)*	**4100**	**5442**	**5781**	**5845**	**6450**
States' own taxes *(₹ in crore)*	1762	2139	2551	2940	3582
Rate of growth of RR *(per cent)*	16.21	32.73	6.22	1.11	10.35
Rate of growth of own taxes *(per cent)*	4.01	21.39	19.26	15.24	21.84
RR/GSDP *(per cent)*	14.08	16.19	13.36	13.78	13.19
Buoyancy ratio's[3]					
Revenue Buoyancy w.r.t. GSDP	1.11	2.13	0.22	--*	0.68
State's own taxes buoyancy w.r.t. GSDP	0.27	1.39	0.67	--*	1.43
Gross State Domestic Product (GSDP)	**29126**	**33605**	**43255**	**42407**	**48897**
Growth rate of GSDP	14.61	15.38	28.72	-1.96	15.30

(Source: Finance Accounts for the years 2009-10 to 2013-14)
**GSDP figures in 2012-13 being negative, buoyancy cannot be calculated*

The rate of growth of revenue receipts has been fluctuating during the last five years and accounted for 10.35 *per cent* growth during the current year over 2012-13. The increase in revenue receipts during 2013-14 as compared to previous year was due to the net effect of increase in tax revenue by ₹ 642 crore (21.83 *per cent*), share of Union taxes and duties by ₹ 72 crore (9.27 *per cent*) and ₹ 61 crore (20.61 *per cent*) in grants from the Government of India (GoI); offset by a decrease of non-tax revenue by ₹ 171 crore (9.31 *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 2009-11, the higher growth rate of revenue receipts relative to GSDP increased the revenue buoyancy ratio from 1.11 in 2009-10 to 2.13 in 2010-11.The revenue buoyancy ratio in 2013-14

[3] Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 0.6 implies that revenue receipts tend to increase by 0.6 percentage points, if the GSDP increases by one *per cent*

was 0.68. The ratio of State's own tax buoyancy with reference to GSDP increased from 0.27 in 2009-10 to 1.39 in 2010-11. The buoyancy of own tax ratio in 2013-14 was 1.43.

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 2013-14 *vis-a-vis* assessment made by Thirteenth Finance Commission (ThFC) and Budget estimates of the State Government are given in **Table 1.4** and **Table 1.5**

Table 1.4: Revenue receipts relative to ThFC and budget estimates

(₹ in crore)

	ThFC projection	Budget Estimates	Actuals	Percentage variation of actual over	
				ThFC projection	Budget Estimates
Tax revenue	3415.44	3381.55	3582.48	4.89	5.94
Non-tax revenue	843.05	1782.56	1661.56	97.09	(-)6.79

(Source: Finance Accounts 2013-14, Budget books, ThFC report)

Table-1.5: Growth rate of Tax/Non-Tax revenue during the period 2009-14

	2009-10	2010-11	2011-12	2012-13	2013-14
Tax revenue *(₹ in crore)*	1762	2139	2551	2940	3582
Rate of growth *(in per cent)*	4.01	21.40	19.26	15.25	21.84
Non-Tax revenue *(₹ in crore)*	1731	2269	2314	1833	1662
Rate of growth *(in per cent)*	40.05	31.08	1.98	(-)20.79	(-)9.33

(Source: Finance Accounts of the respective years)

Table-1.4 shows that the actual realisation of tax revenue during the year was higher than the normative assessment of ThFC and budget estimates by 4.89 *per cent* and 5.94 *per cent* respectively. The Non-Tax revenue of the State fell short of budget estimates by 6.79 *per cent*. However, Non Tax revenue exceeded the ThFC projections by 97.09 *per cent*.

1.3.1.1 Tax revenue

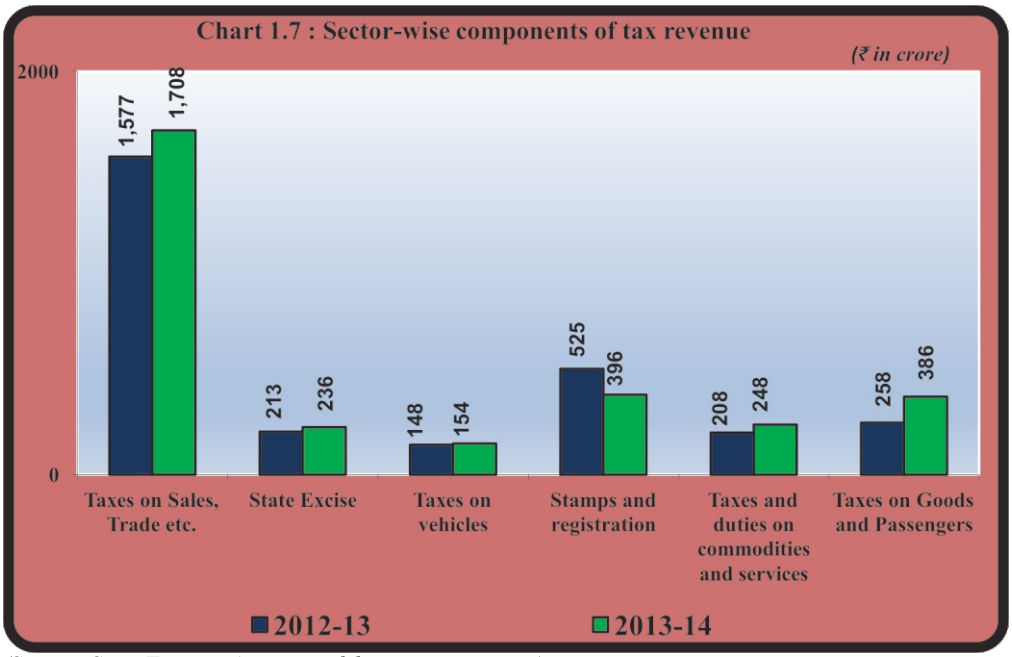
The components of State's resource mobilisation during the period 2009-14 are presented in **Table 1.6**. The sector-wise components of tax revenue are shown in **Chart 1.7**

Table 1.6: Components of State's resource mobilisation

(₹ in crore)

State's Own Tax Revenue	2009-10	2010-11	2011-12	2012-13	2013-14	Growth percentage in 2013-14 over 2012-13
Taxes on sales, trades *etc.*	1142	1380	1653	1577	1708	8.31
State excise	104	139	182	213	236	10.80
Taxes on vehicles	105	130	140	148	154	4.05
Stamp duty and Registration fees	111	152	184	525	396	(-)24.57
Land revenue	11	8	8	11	454	4027.27
Taxes on goods and passengers	161	172	210	258	386	49.61
Other taxes	128	158	174	208	248	19.23
Total	1762	2139	2551	2940	3582	21.84
Growth rate	4.01	21.40	19.26	15.25	21.84	

(Source: State Finance Accounts of the respective years)



(Source: State Finance Accounts of the respective years)

The State's own tax revenue has shown a progressive increase over the period 2009-14. The tax revenue in 2013-14 increased by ₹ 642 crore (21.84 *per cent*) over the previous year. The increase over the previous year was mainly under (a) Land revenue by ₹ 443 crore (4,027.27 *per cent)* due more receipts under 'Land revenue tax' (₹ 251 crore) and 'Survey and Settlement operation' (₹ 192 crore), (b) Sales tax by ₹ 131 crore (8.31 *per cent*) due to more receipts under 'Value Added Tax' (c) Taxes on goods and passengers by ₹ 128 crore (49.61 *per cent*), (d) Other taxes and duties on commodities and services by ₹ 40 crore (19.23 *per cent*) due to more receipts under 'Entertainment tax' and 'Luxury tax' and (e) State excise by ₹ 23 crore (10.80 *per cent*) due to receipt

of more excise duty on 'Malt liquor', Foreign liquors, spirits and licences *etc.* which was offset by decrease in collections under Stamp and Registration fees by ₹ 129 crore.

During 2004-05 to 2012-13, the compound growth rate of tax revenue (16.68 *per cent*) was higher than the growth rate of other General Category States (16.42 *per cent*). This growth rate for the period 2004-05 to 2013-14 however decreased to 14.69 *per cent* **(Appendix 1.1)**.

1.3.1.2 Non-tax revenue

Details of composition of non-tax revenue receipts are shown in **Table 1.7.**

Table 1.7: Composition of Non-Tax Revenue

(₹ in crore)

Revenue head	2009-10	2010-11	2011-12	2012-13	2013-14	Per cent increase(+) /Decrease(-) in 2013-14 over 2012-13
Interest receipts	13.64	17.88	26.36	18.37	14.12	(-) 23.13
Dividends and Profits	1.15	0.20	1.48	1.73	1.11	(-) 35.83
Other Non-Tax receipts	1716.41	2250.52	228570	1812.80	1646.33	(-) 9.18
Total Non-Tax revenue	1731.20	2268.60	2313.54	1832.90	1661.56	(-) 9.35

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

The non-tax revenue of the State decreased sharply by 9.35 *per cent* (₹ 171 crore) from ₹ 1,832.90 crore in 2012-13 to ₹ 1,661.56 crore in 2013-14. The decrease over the previous year was mainly under (a) Non-ferrous mining and metallurgical industries (₹ 293 crore) due to less receipts from mineral concession fees and royalties, (b) Ports and light houses (₹ 8.83 crore) (c) Interest receipts (₹ 4.25 crore) due to less receipts on investment of cash balances and (d) Minor irrigation (₹ 4.07 crore) due to less receipts under sale of raw water from 'Opa and Panchwadi' which was offset by higher collection of fees proceeds towards Casino operation under 'Other Administrative services' (₹ 23.12 crore).

The Non Tax revenue includes write off of central loans of ₹ 53.63 lakh on account of central loans received from GoI under Central Plan Schemes and Centrally Sponsored Schemes by ministries other than Ministry of Finance as per the recommendation of the ThFC.

During 2004-05 to 2012-13, the compound growth rate of non-tax revenue (12.22 *per cent*) was lower than the growth rate of other General Category States (12.49 *per cent*). This growth rate for the period 2004-05 to 2013-14 however decreased to 10.79 *per cent* **(Appendix 1.1)**.

1.3.2 Grants-in-aid from Government of India

Details of Grants-in-aid from GoI are shown in **Table 1.8**.

Table 1.8: Grants-in-aid from Government of India

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Grants for State Plan schemes	88.18	352.85	148.38	155.79	185.88
Non-Plan grants	26.60	13.66	10.05	29.63	95.60
Grants for Central Plan Schemes	29.41	14.00	9.62	5.07	6.28
Grants for Central and Centrally Sponsored Schemes	35.12	69.05	67.53	105.17	69.44
Total	**179.31**	**449.56**	**235.58**	**295.66**	**357.20**
Percentage of increase(+)/decrease (-) over previous year	(-) 2.08	150.71	(-) 47.59	25.50	20.81
Total grants as a percentage of Revenue Receipts	4.37	8.26	4.07	5.06	5.54

(Source: Finance Accounts of the State)

The grants-in-aid from GoI increased by 20.81 *per cent* from ₹ 295.66 crore in 2012-13 to ₹ 357.20 crore in 2013-14. The increase was mainly under Non-Plan grants (222.64 *per cent*) and Central Plan Schemes (23.86 *per cent*), State Plan Schemes (19.31 *per cent*) set off by a decrease under Central and Centrally Sponsored Plan Schemes (33.97 *per cent*).

1.3.3 Central tax transfers

The ThFC 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. During the year 2013-14, the State received ₹ 848.53 crore as the share of union taxes registering a growth of 9.17 *per cent* over the previous year (₹ 777.21 crore).

The increase was mainly under Service Tax (₹ 24.68 crore), taxes on income other than Corporation Tax (₹ 20.78 crore), Excise duties (₹ 9.99 crore), Corporation Tax (₹ 6.21 crore) and Customs Duty (₹ 9.30 crore).

1.3.4 Debt waiver under the debt consolidation and relief facilities

The ThFC had framed scheme of debt relief named the 'Debt consolidation and relief facilities' on central loans released to State Governments by the ministries other than ministry of Finance. During 2013-14 an amount of ₹ 53.63 lakh has been received by the State Government from GoI through the Ministry of Water Resources, New Delhi for write-off of outstanding loans under the centrally sponsored schemes as per the recommendation of the ThFC.

1.3.5 Revenue arrears

The arrears of revenue as on 31 March 2014 in respect of some principal heads of revenue as furnished by the Departments amounted to ₹ 1,251.07 crore as indicated in **Table 1.9**.

Table 1.9: Arrears of revenue

(₹ in crore)

Head of Revenue	Amount of arrears as on 31 March 2014	Arrears more than three years old	Cases pending in court		Revenue arrears pending recovery	Amount of arrears as on 31 March 2010
			No.	Amount		
Commercial Taxes	850.00	378.24	1273	10.65	839.35	205.57
State Excise	2.17	0.26	-	-	2.17	0.84
Taxes on vehicles	10.94	3.81	154	0.47	10.47	6.85
Chief Engineer – Water Resources Department						
i) Water Tax	4.25	2.09	-	-	4.25	1.12
ii) Water Charges	25.25	27.88	-	-	25.25	41.61
iii) Rent on shops	2.98	2.35	3	0.01	2.97	2.26
iv) Hire charges of machinery	0.34	0.34	-	-	0.34	0.35
Chief Engineer - Public Works Department						
i) Rent of Building/ Shops	0.53	0.25	-	-	0.53	0.56
ii) Water charges, meter rent and sewerage charges	33.75	12.05	3940	12.68	21.07	18.48
Chief Electrical Engineer[4] Energy charges	318.93	201.12	5893	10.24	308.69	105.99
Agriculture	0.35	0.20	-	-	0.35	3.27
Printing & Stationery[5]	-	-	-	-	-	1.42
Tourism	1.07	0.51	11	0.26	0.81	0.64
Director General of Police	0.22	0.11	1	0.03	0.19	-
Collector, South Goa						
Land Tax	0.23	0.16	-	-	0.23	-
Revenue recovery cases[6]	-	-	-	-	-	-
River Navigation Department Barge Tax	0.06	0.06	1	0.06	-	0.56
Total	**1251.07**	**629.43**	**11276**	**34.40**	**1216.67**	**389.52**

(Source: Information furnished by concerned Departments)

The arrears of revenue increased by 221.18 *per cent* during the last five years from ₹ 389.52 crore in 2009-10 to ₹ 1,251.07 crore at the end of 2013-14. This was equal to 23.86 *per cent* of the State's own resources during the year. Of the total outstanding arrears in 2013-14, ₹ 629.43 crore was outstanding for more than three years. The Government should ensure the speedy recovery of huge arrears of revenue.

1.3.6 Optimisation of the ThFC grants

The ThFC 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 ThFC, as per the terms of reference, has three constitutionally mandated tasks namely, the distribution of net revenues from the divisible pool of taxes,

[4] Excluding information pertaining to Divisions – I (Panaji), VII (Curchorem), XVI (Margao), XVII (Mapusa)
[5] Information not furnished by the Department
[6] Information not furnished by the Department

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 2013-14 are given in **Table 1.10.**

Table 1.10: Transfers recommended and actual release of Grants-in-aid

(₹ in crore)

Sl. No.	Transfers	Recommendation of FC	Actual Releases	Expenditure under relevant revenue heads of account	Unutilised amount[@]
1	**Local Bodies**				
	(a) Grants to PRIs	13.49	--	--	--
	(b) General Performance Grant to PRIs	9.24	1.66[$]	0.00	1.66
	(c) Grants to ULBs	12.21	--		
	(d) General Performance Grant to ULBs	8.36	--		
2	**Disaster Relief**				
	(i) Disaster Relief Fund	2.57	3.54[#]	1.43	2.30
	(ii) Capacity Building	1.00	--		
3	Improving outcome grants				
	(i) Improvement in Justice Delivery	3.00	--		
	(ii) Incentive for issuing UIDs	0.40	--		
	(iii) Statistical Systems Improvement	0.40	--		
	(iv) Employee and Pension Data Base	2.50	--		
	(v) District Innovation Fund	0.40	--		
	(vi) Reduction of infant mortality rate	0.00	87.11	0.00	87.11
4	Environment related grants				
	a) Forest	9.22	6.92	3.24	8.59
	b) Water Sector Management	4.00	--		
5	**Elementary Education**	**2.00**	**--**		
6	**Roads and Bridges**	**10.00**			
7	**State specific grants**	**50.00**	**--**		
	Total	**128.79**	**99.23**	**4.67**	**99.66**

(Source: Information furnished by Government of Goa)

[@]Taking in account previous years unutilised money

[$]Amount received from GoI on 31.03.2014

[#]includes ₹ 2.25 crore pertaining to 2012-13

As of March 2014, the State Government received financial assistance of ₹ 99.23 crore against the recommendation of ₹ 128.79 crore. As per Sample Registration System of Registrar General of India, Infant Mortality Rate in Goa was 10 per 1,000 births in 2011. On the basis of Sample Registration System data collected annually, the incentive grant of ₹ 87.11 crore for 2013-14 was released by GoI in September 2013. This amount was lying unutilised with the Finance Department. The State Government did not state any reasons for not releasing the amount to the Public Health Department.

1.4 Capital receipts

The Capital receipts of the State include non-debt and debt receipts. The non-debt receipts include largely the proceeds from disinvestment of equity in government companies/corporations and recoveries of loans and advances and

debt capital receipts, credited under Public debt section of the consolidated fund.

The debt receipts include Public debt which is further divided into broadly two categories (a) loans/advances from the GoI and (b) Internal debt-borrowings from banks, financial institutions through negotiated loans or open market borrowings through issue of State Development loans. The Public debt receipts during the year (₹ 1,349 crore) comprised internal debt of ₹ 1,199 crore (89 *per cent*) and Loans and advances from GoI of ₹ 150 crore (11 *per cent*). Market borrowings had a predominant share under internal debt, comprising (83 *per cent*) followed by negotiated loans (13 *per cent*) and NSSF loans (four *per cent*).

The trends and composition of Capital receipts during the years 2009-14 are presented in **Table 1.11**.

Table 1.11 : Trends in growth and composition of Capital receipts

(₹ in crore)

Sources of State's Receipts	2009-10	2010-11	2011-12	2012-13	2013-14
Capital Receipts	**645**	**760**	**553**	**1552**	**1362**
Miscellaneous Capital Receipts	0	0	0	0	0
Recovery of Loans and Advances	13	15	16	15	13
Public Debt Receipts	632	745	537	1537	1349
Internal debt	*719*	*717*	*324*	*1371*	*1199*
Growth rate (in per cent)	*18.06*	*-0.27*	*-54.81*	*323.14*	*-12.54*
Loans and Advances from GoI	*-87.18*	*28*	*213*	*167*	*150*
Growth rate (in per cent)	*-61.11*	*132.18*	*660.71*	*-21.60*	*-10.17*
Growth rate of debt capital receipts *(in per cent)*	-4.67	17.87	-27.91	186.22	-12.23
Growth rate of non-debt capital receipts *(in per cent)*	30	15.38	6.66	-6.25	-13.33
Growth rate of GSDP *(in per cent)*	14.61	15.38	28.72	-1.96	15.30
Rate of growth of CR (per cent)	***-4.16***	***17.82***	***-27.24***	***180.65***	***-12.24***

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

Capital receipts of the State increased from ₹ 645 crore in 2009-10 to ₹ 1,362 crore in 2013-14. Debt receipts had a predominant share in capital receipts and were between 97 and 99 *per cent* during the period 2009-14.

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 net transactions under Public Account covering the period 2009-14 are indicated in **Table 1.12**.

Table 1.12: Net transactions under Public Account

(₹ in crore)

Resources under various heads	2009-10	2010-11	2011-12	2012-13	2013-14
Net Public Account Receipts[7]					
a. Small Savings, Provident Fund *etc.*	252	155	171	150	115
b. Reserve Fund	155	129	67	169	112
c. Deposits and Advances	138	170	158	192	336
d. Suspense and Miscellaneous	91	-1	101	-699	-179
e. Remittances	71	5	-4	-178	85
Total	**707**	**458**	**493**	**-366**	**469**

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

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 2009-10 to 2013-14 are presented in the **Table 1.13.**

Table 1.13: Total expenditure and its composition

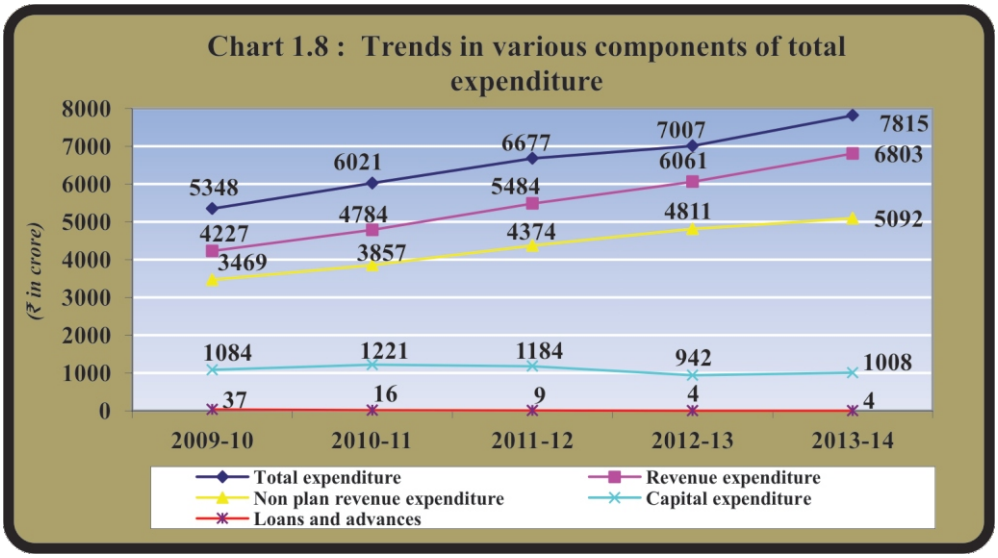
(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Total Expenditure	**5348**	**6021**	**6677**	**7007**	**7815**
Revenue Expenditure	4227 (79)	4784 (79)	5484 (82)	6061 (87)	6803 (87)
of which, Non-Plan Revenue Expenditure	*3469*	*3857*	*4374*	*4811*	*5092*
Capital Expenditure	1084 (20)	1221 (20)	1184 (18)	942 (13)	1008 (13)
Loans and Advances	37 (1)	16 (1)	9	4	4

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

Chart 1.8 presents the trends in total expenditure over a period of last five years (2009-14) and its composition in terms of 'expenditure by activities' is depicted in **Chart 1.9.**

[7]Net Public Account receipts= Public Account Receipts-Disbursement and Suspense and Miscellaneous and Reserve fund figures depicted after excluding Investment figures



(Source: Finance Accounts of the State)

Total expenditure

The total expenditure of the State increased at an average growth rate of 11.53 *per cent* from ₹ 5,348 crore in 2009-10 to ₹ 7,815 crore in 2013-14. 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 2004-05 to 2012-13, the compound growth rate of total expenditure (14.48 *per cent*) was lower than the growth rate of other General Category States (15.37 *per cent*). This growth rate decreased to 12.77 *per cent* for the period 2004-05 to 2013-14 **(Appendix 1.1)**.

Table 1.14: Total expenditure – basic parameters

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Total expenditure (TE)	5348	6021	6677	7007	7815
Rate of growth of TE *(per cent)*	22.91	12.58	10.89	4.94	11.53
Revenue receipts (RR)	4100	5442	5781	5845	6450
Rate of growth of RR *(per cent)*	16.21	32.73	6.22	1.11	10.35
TE/GSDP ratio *(per cent)*	18.36	17.92	15.44	16.52	15.98
RR /TE ratio *(per cent)*	76.66	90.38	86.58	83.42	82.53
Buoyancy of total expenditure with reference to :					
GSDP (ratio)	1.57	0.82	0.38	--*	0.75
RR (ratio)	1.41	0.38	1.75	4.46	1.11

(Source: Finance Accounts of the State)

* *GSDP figures in 2012-13 being negative, buoyancy cannot be calculated*

The increase of ₹ 808 crore (11.53 *per cent*) in total expenditure in 2013-14 over the previous year was on account of an increase of ₹ 742 crore and ₹ 66 crore in revenue and capital expenditure respectively.

The ratio of total expenditure to GSDP decreased from 18.36 *per cent* in 2009-10 to 15.98 *per cent* in 2013-14, mainly due to increase in the GSDP growth at a faster rate as compared to total expenditure. The ratio of revenue receipts to total expenditure increased from 76.66 *per cent* in 2009-10 to

90.38 *per cent* in 2010-11. However, it gradually decreased to 82.53 *per cent* in 2013-14, which shows that 82.53 *per cent* of the total expenditure was met from revenue receipts.

The ratio of buoyancy of total expenditure with reference to GSDP was 0.75 in 2013-14. This indicated that during 2013-14 for each one *per cent* increase in GSDP*;* total expenditure grew by 0.75 *per cent*.

Of the total expenditure during 2013-14, Non-Plan expenditure contributed 65 *per cent* while Plan expenditure was 35 *per cent.* Of the increase of ₹ 808 crore in total expenditure, the Non-Plan expenditure accounted for 36 *per cent*, while the contribution of Plan expenditure was 64 *per cent*.

During 2004-05 to 2012-13, the compound growth rate of capital expenditure (10.43 *per cent*) was lower than the growth rate of other General Category States (17.01 *per cent*). This growth rate for the period 2004-05 to 2013-14, further decreased to 9.22 *per cent* **(Appendix 1.1).**

Trends in total expenditure in terms of activities

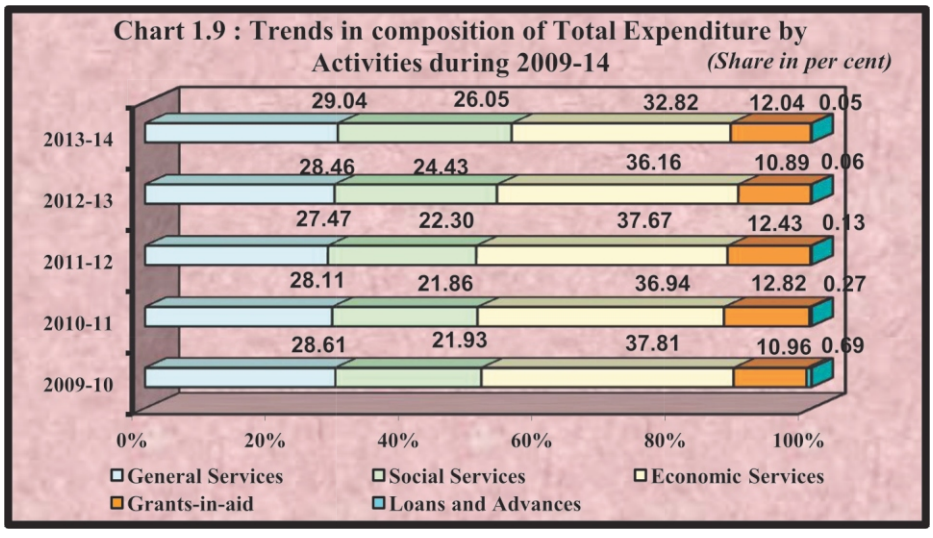
In terms of the activities, total expenditure could be considered as being composed of expenditure on General Services including interest payments, Social and Economic Services, grants-in-aid and loans and advances. Relative shares of these components in the total expenditure are indicated in **Table 1.15** and **Chart 1.9**.

Table 1.15: Components of expenditure – relative shares

(in per cent)

	2009-10	2010-11	2011-12	2012-13	2013-14
General Services	**28.61**	**28.11**	**27.47**	**28.46**	**29.04**
of which, Interest Payments	10.90	10.79	10.55	11.43	11.40
Social Services	**21.93**	**21.86**	**22.30**	**24.43**	**26.05**
Economic Services	**37.81**	**36.94**	**37.67**	**36.16**	**32.82**
Grants-in-aid	**10.96**	**12.82**	**12.43**	**10.89**	**12.04**
Loans and Advances	**0.69**	**0.27**	**0.13**	**0.06**	**0.05**

(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 2013-14 over the previous year. These increases were offset by decreases in Economic Services and loans and advances.

The share of General Services in total expenditure increased mainly on account of Interest payments (₹ 90 crore), Pension and other related benefits (₹ 78 crore), and Police (₹ 17 crore), whereas the share of Social Services increased mainly due to Social Security and Welfare (₹ 148 crore), General Education (₹ 119 crore) and Sports and Youth Services (₹ 51 crore).

The decrease in the share of Economic Services during the period 2013-14 was due to less contribution on purchase of Power (₹ 72 crore). The increase in grants-in-aid was mainly due to increase in grants to the Education institutes.

Revenue expenditure

Revenue expenditure constituted 87.05 *per cent* of the total expenditure in 2013-14. The increase in revenue expenditure during 2013-14 over the previous year was mainly on (a) Social Security and Welfare (₹ 148 crore), (b) General Education (₹ 119 crore), (c) Interest payments (₹ 90 crore), (d) Pension and other Retirement Benefits (₹ 78 crore), (e) Non ferrous mining and Metallurgical Industries (₹ 71 crore), (f) Sports and Youth Services (₹ 51 crore) and (g) Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (₹ 47 crore).

Incidence of revenue expenditure

The bulk of total expenditure goes towards revenue expenditure. Revenue expenditure is incurred to maintain the current level of services and payment for past obligations and as such, does not result in any addition to the State's infrastructure and service network. 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)

	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue Expenditure (RE), *of which*	**4227**	**4784**	**5484**	**6061**	**6803**
Non-Plan Revenue Expenditure (NPRE)	3469	3857	4373	4811	5092
Plan Revenue Expenditure (PRE)	758	927	1110	1250	1711
Rate of Growth of					
RE (*per cent*)	23.41	13.17	14.63	10.52	12.24
NPRE (*per cent*)	23.62	11.18	13.40	10.02	5.84
PRE (*per cent*)	22.45	22.29	19.74	12.61	36.88
Revenue Expenditure as percentage to TE	79.03	79.45	82.13	86.50	87.05
NPRE/GSDP (*per cent*)	11.91	11.48	10.11	11.34	10.41
NPRE as percentage of TE	64.86	64.05	65.50	68.66	65.16
NPRE as percentage of RR	84.60	70.87	75.64	82.31	78.95
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	1.60	0.86	0.51	--*	0.80
Revenue Receipts (ratio)	1.44	0.40	2.35	9.50	1.18

(Source : Finance Accounts of the State)

* *GSDP figures in 2012-13 being negative, buoyancy cannot be calculated*

The revenue expenditure in 2013-14 increased by ₹ 742 crore (12.24 *per cent*) over the previous year. The buoyancy ratio of revenue expenditure with reference to both GSDP and revenue receipts showed a fluctuated trend. The revenue expenditure was less (4.07 *per cent*) than the assessment made by the State Government in its budget estimates for the year 2013-14.

Plan Revenue Expenditure

The Plan Revenue Expenditure increased by ₹ 461 crore (36.88 *per cent*) during 2013-14, mainly due to increase in expenditure under Social Welfare and Nutrition (₹ 132 crore), Education, Sports, Arts and Culture (₹ 98 crore), Agriculture and Allied Activities (₹ 54 crore), Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (₹ 46 crore) and Health and Family Welfare (₹ nine crore).

Non-Plan Revenue Expenditure

The Non-Plan Revenue Expenditure (NPRE) in 2013-14 constituted a dominant share of 74.85 *per cent* in the revenue expenditure and increased by ₹ 281 crore (5.84 *per cent*) over the previous year. The variations in NPRE under the major heads indicate increase in expenditure under Interest payments (₹ 90 crore), Education, Sports, Art and Culture (₹ 75 crore), Pension and other retirement benefits (₹ 76 crore), Water supply, Sanitation, Housing and Urban Development (₹ 33 crore), Health and Family Welfare (₹ 23 crore).

The NPRE as percentage of revenue receipts decreased from 84.60 *per cent* in 2009-10 to 70.87 *per cent* in 2010-11 but increased to 82.31 *per cent* in 2012-13. However, it reduced to 78.95 *per cent* during 2013-14 indicating that 78.95 *per cent* of the revenue receipts were used to meet the NPRE.

Table 1.17 provides the comparative position of NPRE with reference to assessments made by ThFC and the projections of the State Government in the budget estimates.

Table 1.17: NPRE *vis-à-vis* assessment made by the ThFC, budget and actual

(₹ in crore)

Year	Assessments made by the ThFC	Projections in the budget	Actuals
2012 -13	2944.42	5212.93	4810.98
2013 -14	3173.93	5130.81	5091.74

The NPRE remained significantly higher than the normative assessments made by the ThFC but were less than the projections made in the budget during the years 2012-13 and 2013-14.

Subsidies

Subsidies during the years 2009-10 to 2013-14 are presented in the **Table 1.18**.

Table 1.18: Subsidies

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14 BE	2013-14 Actuals
Subsidies	58.12 (1.41)	72.02 (1.32)	102.59 (1.77)	132.34 (2.26)	201.31 (2.98)	160.15 (2.48)
Total Revenue Expenditure	4227	4784	5484	6061	7092	6803
Revenue Receipts	4100	5442	5781	5845	6746	6450

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

Table 1.18 indicates that expenditure under subsidies increased by 21 *per cent* from ₹ 132.34 crore in 2012-13 to ₹ 160.15 crore in 2013-14. During the current year, subsidies constituted 2.48 *per cent* of Revenue receipts and about 2.35 *per cent* of the total revenue expenditure. The major recipients of subsidy include Agriculture and Allied Activities (₹ 108.98 crore) and Transport (₹ 38.68 crore).

Capital expenditure

Capital expenditure (₹ 1,008 crore) constituted 12.89 *per cent* of the total expenditure in 2013-14. The increase of ₹ 66 crore (seven *per cent*) in capital expenditure during 2013-14 was mainly on account of increase in expenditure on Tourism (₹ 24 crore), Water supply, sanitation, Housing and Urban Development (₹ nine crore) and Industry and minerals (₹ five crore).

Loans and advances

Loans and advances (₹ four crore) constituted only 0.05 *per cent* of the total expenditure in 2013-14. The repayments were more by ₹ 8.32 crore as against loan of ₹ 4.25 crore disbursed by the State Government during the current year.

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. Inspite of the recommendations of the TwFC, the statement of committed liabilities is not included in the Finance Accounts by the State Government. **Chart 1.10** and **Table 1.19** present the trends in the expenditure on these components during 2009-14.

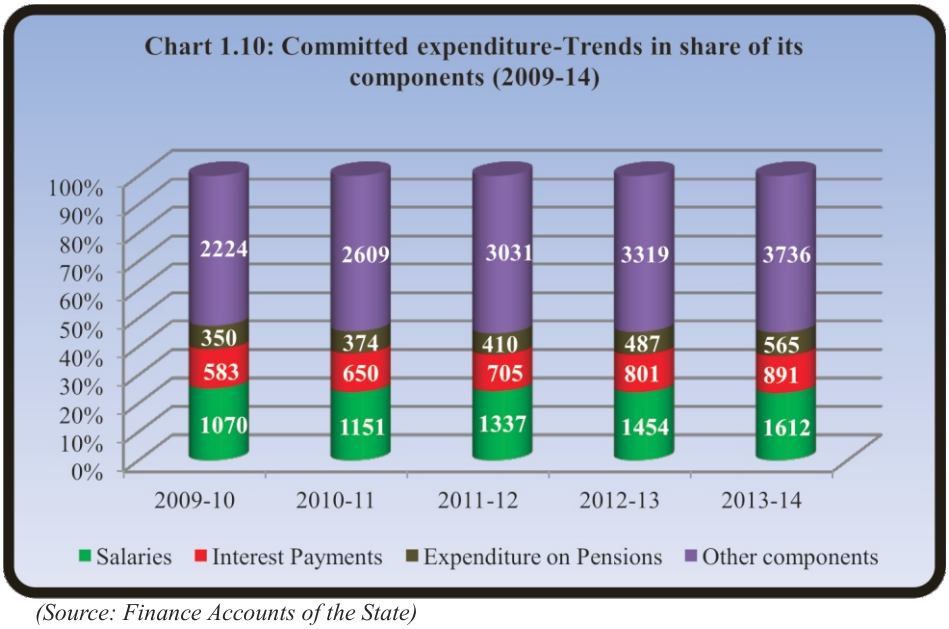
Table 1.19: Components of Committed expenditure

(₹ in crore)

Components of Committed Expenditure	2009-10	2010-11	2011-12	2012-13	2013-14 BE	2013-14 Actuals
Salaries & Wages of which						
Non-Plan Head	903.88	967.89	1097.27 *(18.98)*	1196.83 *(20.47)*	1451 *(21.51)*	1324.07 *(20.53)*
Plan Head	166.60	182.73	239.30 *(4.14)*	257.50 *(4.41)*	354 *(5.25)*	287.92 *(4.46)*
Total	1070.48 *(26.11)*	1150.62 *(21.14)*	1336.57 *(23.12)*	1454.33 *(24.88)*	1805 *(26.76)*	1611.99* *(24.99)*

Interest Payments	583.00 *(14.22)*	650.36 *(11.95)*	705.17 *(12.20)*	800.71 *(13.70)*	826 *(12.24)*	890.66 *(13.81)*
Pensions	349.65 *(8.53)*	373.81 *(6.87)*	410.30 *(7.10)*	487.41 *(8.34)*	508 *(7.53)*	564.99 *(8.76)*
Total Committed expenditure	**2003.13 *(48.85)***	**2174.79 *(39.96)***	**2452.04 *(42.41)***	**2742.45 *(46.91)***	**3139 *(46.53)***	**3067.64 *(47.56)***
Other Components	2224.34 *(52.83)*	2608.99 *(47.94)*	3031.46 *(52.44)*	3318.89 *(56.78)*	3953 *(58.60)*	3735.64 *(57.92)*
Total Revenue Expenditure	**4227.47**	**4783.78**	**5483.50**	**6061.34**	**7092**	**6803.28**
Revenue Receipts	**4100.27**	**5441.94**	**5780.73**	**5845.43**	**6746**	**6449.77**

(Source : Finance Accounts of the State)
Figures in parentheses indicate percentage to Revenue Receipts
**Salaries : ₹ 1,589.09 crore + Wages : ₹ 22.90 crore (Finance Accounts)*



(Source: Finance Accounts of the State)

Salaries and Wages

The average annual growth in salaries and wages during 2009-14 was 12.66 *per cent*. The expenditure on salaries and wages (including grants-in-aid component) increased by ₹ 157.66 crore (10.84 *per cent*) from ₹ 1,454.33 crore in 2012-13 to ₹ 1,611.99 crore in 2013-14. Salaries and wages were 24.99 *per cent* of the revenue receipts.

During 2004-05 to 2012-13, the compound growth rate of salary and wages (16.35 *per cent*) was higher than the growth rate of other General Category States (14.73 *per cent*). This growth rate for the period 2004-05 to 2013-14 however decreased to 14.41 *per cent* **(Appendix 1.1)**.

Pension payments

The expenditure on pension payments increased at an average annual growth of 15.35 *per cent*. The increase in pension payments of ₹ 77.58 crore (15.91 *per cent*) during 2013-14 over the previous year was due to higher expenditure on Superannuation and retirement allowances, pensions to employees of State aided educational institutions, gratuity and family pensions.

During 2004-05 to 2012-13, the compound growth rate of pension (16.86 *per cent*) was lower than the growth rate of other General Category States (18.34 *per cent*). This growth rate for the period 2004-05 to 2013-14 further decreased to 14.86 *per cent* **(Appendix 1.1).**

Table 1.20 below shows actual Pension and other retirement benefits with reference to assessment made by the ThFC and projections of the Government in the budget.

Table 1.20: Pension and other retirement benefits vis-à-vis ThFC assessment and State's projection

(₹ in crore)

Year	Assessments made by the ThFC	Projections in the budget	Actuals
2012 -13	234.19	508.12	487.41
2013 -14	257.61	508.19	564.99

The expenditure on Pension and Other Retirement benefits to State Government employees during the year was ₹ 564.99 crore. The pension payments during 2012-13 and 2013-14 were higher than the normative assessment made by the ThFC. The pension payments with reference to the projections made in budget was lower during 2012-13 while it was higher during 2013-14.

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 ₹ 119.86 crore towards employee's contribution and employer's share was deposited during 2013-14 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 2014 was ₹ 405.61 crore.

The Directorate of Accounts stated (May 2014) that 20,091 employees of the State Government of Goa were registered under New Pension Scheme and an amount of ₹ 24.23 crore has been transferred to National Securities Depository Limited (Pension Fund Manager) as on 31 March 2014. 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 13.19 *per cent* from ₹ 583 crore in 2009-10 to ₹ 890.66 in 2013-14, primarily due to an increase in debt liabilities. However, relative to revenue receipts, interest payments declined from 14.22 *per cent* in 2009-10 to 11.95 *per cent* in 2010-11 and increased to 13.81 *per cent* during 2013-14.

Table 1.21: Interest payments vis-à-vis ThFC assessments and State's projections in the budget

(₹ in crore)

Year	Assessments made by the ThFC	Projections in the budget	Actuals
2012 -13	843.50	748.62	800.71
2013 -14	934.51	825.60	890.66

The interest payments during 2012-13 and 2013-14 were lower than the normative assessments made by the ThFC while they were higher than the projections of the State Government.

During 2013-14, the State Government raised open market loans of ₹ 990 crore at an average interest rate of 8.90 *per cent*. The Government also borrowed ₹ 49.66 crore from National Small Savings fund, ₹ 106.60 crore from the National Bank for Agriculture and Rural Development, ₹ 52.69 crore as ways and means advances from RBI and ₹ 149.83 crore from GoI during the year.

The increase in interest payments by ₹ 89.95 crore (11.23 *per cent*) in 2013-14 over the previous year was mainly due to increase in interest paid on market loans (₹ 67 crore), interest on special securities issued to the National Small Savings Fund of the Central Government and other debts (₹ seven crore), interest on State Provident Fund (₹ 10 crore) and interest on deposits (₹ six crore).

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

Financial assistance to local bodies and other institutions constituted 13.83 *per cent* of the revenue expenditure during 2013-14.

The quantum of assistance provided by way of grants and loans to local bodies and others during 2013-14 relative to the previous years is presented below:

Table 1.22: Financial assistance to local bodies and other institutions

(₹ in crore)

Sl No.	Institutions	2009-10	2010-11	2011-12	2012-13	2013-14
1	Educational Institutions (Aided Schools, Aided Colleges, Universities *etc.*)	411.90	530.61	516.61	607.70	656.72
2	Municipal Corporations and Municipalities	63.67	78.36	71.56	53.97	51.82
3	Zilla Parishads and Other Panchayati Raj Institutions	60.85	74.22	34.80	72.73	79.31
4	Other Institutions	53.78	52.88	212.82	61.55	153.34
	Total	**590.20**	**736.07**	**835.79**	**795.95**	**941.19**
	Assistance as per percentage of RE	13.96	15.39	15.24	13.13	13.83

(Source : Finance Accounts of the State)

It would be seen from **Table 1.22** that the financial assistance by the Government increased from ₹ 590.20 crore in 2009-10 to ₹ 941.19 crore in 2013-14. As compared to previous year, the assistance in 2013-14 increased by 18.25 *per cent.*

During the year 2013-14, financial assistance given to (a) Educational institution (Aided schools, Aided colleges, Universities *etc.*) increased by ₹ 49 crore mainly due to payment of more assistance to non-government colleges and (b) Other institutions by ₹ 92 crore mainly due to increased assistance given to Tourism (₹ 33.00 crore), Road transport (₹ 26.89 crore) and Fisheries (₹ 2.30 crore).

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 seven functions and one activity in one function have been transferred as of April 2014. 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 (April 2014). 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 so far (March 2014).

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 2010-11 and 2013-14 has been indicated in **Table 1.23**.

Table 1.23: Fiscal priority of the State in 2010-11 and 2013-14

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) 2010-11	15.78	65.09	36.88	13.49	17.48	4.37
Goa's Average (Ratio) 2010-11	17.91	71.68	32.91	20.27	16.01	5.77
General Category Average (Ratio) 2013-14	15.92	66.45	37.56	13.62	17.20	4.51
Goa Average (Ratio) 2013-14	15.98	70.91	35.91	12.89	16.41	5.91

(Source: For GSDP, information collected from Ministry of Statistics and Programme Implementation) Quick estimates of 2013-14 provided by Directorate of Statistics and Planning Department, GoG

*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 1.23**, the comparison of fiscal priority given to different categories of expenditure of the State in 2010-11 and 2013-14 is given below:

- The ratios of AE to GSDP in 2010-11 and 2013-14 (17.91 *per cent* and 15.98 *per cent*) were higher in the State as compared to the ratio of other General Category States (15.78 *per cent* and 15.92 *per cent*). This meant that the State was spending more as a proportion of their GSDP when compared to General Category States.
- The Government has given adequate fiscal priority to Development expenditure[8]. Development expenditure as a proportion of aggregate expenditure in the State was higher than the General Category State's average in 2010-11 and 2013-14. 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 2010-11and 2013-14. As observed from the

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

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 2010-11 and 2013-14.

- The ratio of CE to AE in the State (20.27 *per cent*) was higher in 2010-11 as compared to the ratio (13.49 *per cent*) of General Category States whereas, in 2013-14 it was lower (12.89 *per cent)* than the ratio (13.62 *per cent)* of General Category States. Greater fiscal priority needs to be given to Capital Expenditure as increased priority to physical capital formation will increase the growth prospects of the State by creating durable assets.

- Improvement was observed in the ratio of expenditure on Health and Family welfare to AE which increased from 5.77 *per cent* in 2010-11 to 5.91 *per cent* in 2013-14, 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 public[9] and merit goods[10]. 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 1.24** and **Chart 1.11** 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.

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

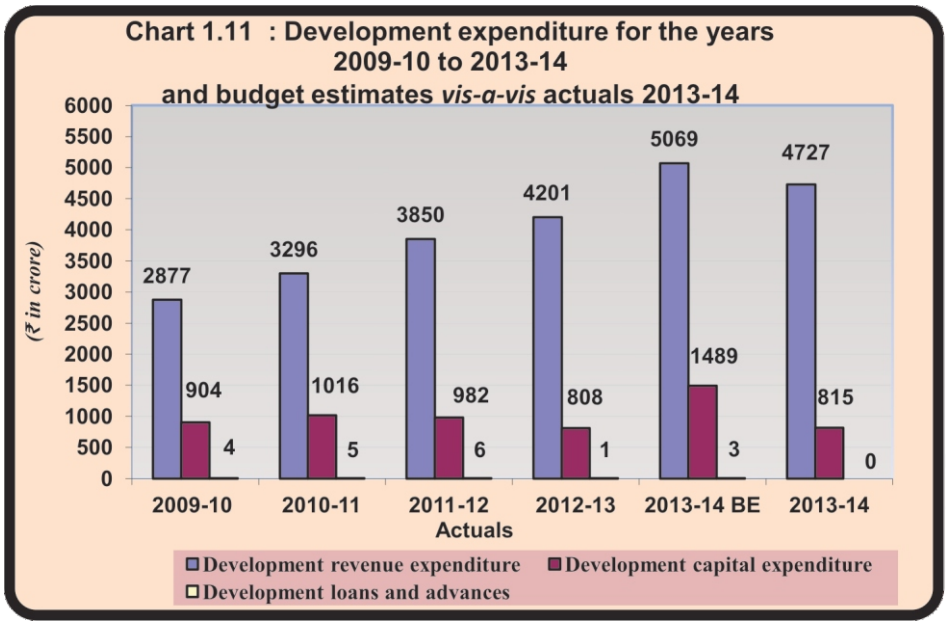
[10] *Merit goods* are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of concept of need, rather than ability and willingness to pay the Government and therefore wishes to encourage their consumption. Examples of such goods includes the provision of free or 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*.

Table 1.24: Development expenditure

(₹ in crore)

Components of Development Expenditure	2009-10	2010-11	2011-12	2012-13	2013-14	
					BE	Actuals
Development Expenditure (a to c)	3785 (70.80)	4317 (71.70)	4838 (72.45)	5010 (71.50)	6561 (73.66)	5542 (70.91)
a. Development Revenue Expenditure	2877 (53.80)	3296 (54.74)	3850 (57.66)	4201 (59.95)	5069 (56.91)	4727 (60.48)
b. Development Capital Expenditure	904 (16.90)	1016 (16.87)	982 (14.71)	808 (11.53)	1489 (16.71)	815 (10.42)
c. Development Loans and Advances	4 (0.10)	5 (0.08)	6 (0.08)	1 (0.01)	3 (0.03)	0 (0.00)

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



(Source: Finance Accounts of the State)

Development revenue expenditure

The development revenue expenditure increased by ₹ 526 crore (12.52 *per cent*) from ₹ 4,201 crore in 2012-13 to ₹ 4,727 crore in 2013-14. The increase was under Social Services (₹ 428 crore) and Economic Services (₹ 98 crore). The actual development revenue expenditure in 2013-14 was less than the State's projection in the budget by ₹ 342 crore.

Development capital expenditure

The development capital expenditure increased marginally by ₹ seven crore (0.86 *per cent*) from ₹ 808 crore in 2012-13 to ₹ 815 crore in 2013-14. The decrease under Social Services was ₹ 14 crore (mainly under Education, Sports, Art and Culture) while increase under Economic Services ₹ 21 crore (mainly under Agriculture and Allied Activities, Irrigation and Flood Control and Tourism). The actual development capital expenditure was also less than the State's projection in the budget by ₹ 674 crore.

Development loans and advances

Development Expenditure in respect of loans and advances during 2013-14 was 'Nil'. The actual development loans and advances were less than the State's projections in the budget of 2013-14 by ₹ three crore.

Table 1.25 provides the details of capital expenditure and the component of revenue expenditure incurred on the maintenance of the selected social and economic services.

Table 1.25: Efficiency of expenditure used in selected Social and Economic Services

(in per cent)

Social/Economic Infrastructure	2012-13		2013-14	
	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, Art and Culture	7.27	24.53	4.87	23.38
Health and Family Welfare	2.60	71.91	3.76	74.67
Water supply, Sanitation, Housing and Urban Development	22.22	12.69	22.48	12.03
Total (SS)	**7.83**	**29.53**	**6.15**	**27.76**
Economic Services (ES)				
Agriculture & Allied Activities	7.77	39.77	9.55	34.02
Irrigation and Flood Control	56.33	39.03	62.08	37.70
Power & Energy	14.10	11.84	10.94	13.81
Transport	51.03	29.37	48.43	28.51
Total (ES)	**23.75**	**19.35**	**23.47**	**19.56**
Total (SS+ES)	**16.14**	**24.70**	**14.70**	**24.13**

(Source: Finance Accounts of the State for the year 2012-13 and 2013-14)

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

The trends presented in **Table 1.25** reveal that development capital expenditure as a percentage to total expenditure in the sub sector decreased from 16.14 *per cent* in 2012-13 to 14.70 *per cent* in 2013-14. The percentage of capital expenditure on Social Services to the total expenditure in the sub sector decreased from 7.83 in 2012-13 to 6.15 in 2013-14. The decrease was mainly seen under Education, Sports, Art and Culture. The percentage of capital expenditure on Economic Services to the total expenditure in the sub sector decreased from 23.75 in 2012-13 to 23.47 in 2013-14. The decrease was mainly seen under Power & Energy and Transport.

The share of salaries in revenue expenditure decreased marginally from 24.70 *per cent* in 2012-13 to 24.13 *per cent* in 2013-14.The share of salaries in revenue expenditure on Social services decreased from 29.53 *per cent* in 2012-13 to 27.76 *per cent* in 2013-14. The decrease was mainly under Education, Sports, Art and Culture and Water Supply, Sanitation, Housing and Urban Development. The share of salaries in revenue expenditure on

Economic Services increased marginally from 19.35 *per cent* in 2012-13 to 19.56 *per cent* in 2013-14. The increase was mainly under Power and Energy.

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

The financial results in respect of irrigation works have not been worked out. The Government incurred expenditure of ₹ 58.39 crore on maintenance of irrigation projects in the State during 2013-14, which was ₹ 7.24 crore more than the maintenance expenditure during the previous year (₹ 51.15 crore)[11].

1.8.2 Incomplete projects

As of 31 March 2014, there were 37 incomplete projects valuing more than ₹ one crore each, on which ₹ 1,628 crore had already been expended. Department-wise information of the incomplete projects is given in **Table 1.26.**

Table 1.26: 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 31.3.2014
Public Works Department	36	95.38	Not available	Not available	46.79
Water Resources Department (i) Tillari Irrigation Project	1	217.22	1612.15	1394.93	1581.45
Total	**37**	**312.60**	**1612.15**	**1394.93**	**1628.24**

(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 delay in proceedings of land acquisition and is expected to be completed in March 2015. The Goa Tillari Irrigation project

[11] The previous year's (2012-13) figure reported by the Water Resources Department in 2013-14 was different from those furnished last year (₹ 56.09 crore). However, the reasons for difference in figures were not furnished by the Department

had since been dissolved in September 2014 as per Section 65 of the Goa Tillari Irrigation Development Corporation Act 1999 and the assets and liabilities of the Corporation had been transferred to Water Resources department.

1.8.3 Investments and returns

As of 31 March 2014, Government had invested ₹ 449.13 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives (**Table 1.27**). The average return on this investment was 0.27 *per cent* in the last five years while the Government paid average interest rate of 7.62 *per cent* on its borrowings during 2009-14.

Table 1.27: Return on investment

Investment/Return/Cost of Borrowings	2009-10	2010-11	2011-12	2012-13	2013-14
Investment at the end of the year *(₹ in crore)*	362.75	382.16	401.17	445.72	449.13
Return *(₹ in crore)*	1.15	0.19	1.48	1.73	1.10
Return *(per cent)*	0.32	0.04	0.36	0.39	0.24
Average rate[12] of interest on Govt. borrowing *(per cent)*	7.79	7.62	7.59	7.69	7.44
Difference between interest rate and return*(per cent)*	7.47	7.58	7.23	7.30	7.20

(Source : Finance Accounts of the State)

The increase in investments by ₹ 3.41 crore during 2013-14 was mainly due to increased capital contributions in State run Co-operative Banks and Societies.

Departmental commercial undertakings

There are two Departmentally managed quasi-commercial undertakings *viz.,* the Electricity Department and the River Navigation Department in the State. **Table 1.28** 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**.**

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

Table 1.28: Summarised financial statement of Departmentally managed quasi-commercial undertakings

(₹ in crore)

Sl. No.	Name of the under-taking	Period of accounts audited	Amount invested by Govern-ment	Turn-over/ income	Net profit/ loss	Accumu-lated profit/ loss	Interest on capital	Total return	Percent-age of return on capital
1	Electricity Department	2009-10	930.55	861.19	(-) 3.07	870.73	--	(-) 3.07	Nil
2	River Navigation Department	2005-06	108.29	1.07	(-) 10.53	(-) 106.68	0.41	(-)10.12	Nil

An amount of ₹ 1,038.84 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.

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 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 the Audit Reports since 2008-09, no Action Taken Report has been received from the State Government.

1.8.4 Loans and advances by the 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. **Table1.29** presents the outstanding loans and advances as on 31 March 2014, interest receipts *vis-à-vis* interest payments during the last three years**.**

Table 1.29: Average interest received on loans and advances by the State Government

(₹ in crore)

Quantum of loans/interest receipts/cost of borrowings	2011-12	2012-13	2013-14
Opening Balance	115.76	109.59	99.00
Amount advanced during the year	9.42	3.98	4.25
Amount repaid during the year	15.59	14.57	12.56
Closing Balance	**109.59**	**99.00**	**90.69**
of which Outstanding balance for which terms and conditions have been settled	--	--	--
Net addition	(-) 6.17	(-)10.59	(-) 8.31
Interest Receipts	1.85	7.17	2.16
Interest receipts as percentage of outstanding Loans and advances	1.64	6.87	2.27
Interest payments as percentage of outstanding fiscal liabilities of the State Government	7.35	7.13	7.01
Difference between interest payments and interest receipts (*per cent*)	(-) 5.71	(-) 0.26	(-) 4.74

(Source: Finance Accounts of the State)

As on 31 March 2014, the Government had outstanding loans and advances of ₹ 90.69 crore. The total amount of loans disbursed during the year increased marginally from ₹ 3.98 crore in 2012-13 to ₹ 4.25 crore in 2013-14. Of the total loans disbursed during the year ₹ 0.16 crore went to Co-operation under Economic sector.

However, interest received against these loans and advances decreased from ₹ 6.87 crore during 2012-13 to ₹ 2.27 crore in 2013-14 mainly due to less interest receipts under Agriculture and Allied activities (₹ 5.72 crore). Interest spread on Government borrowings was negative during the period 2011-14 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

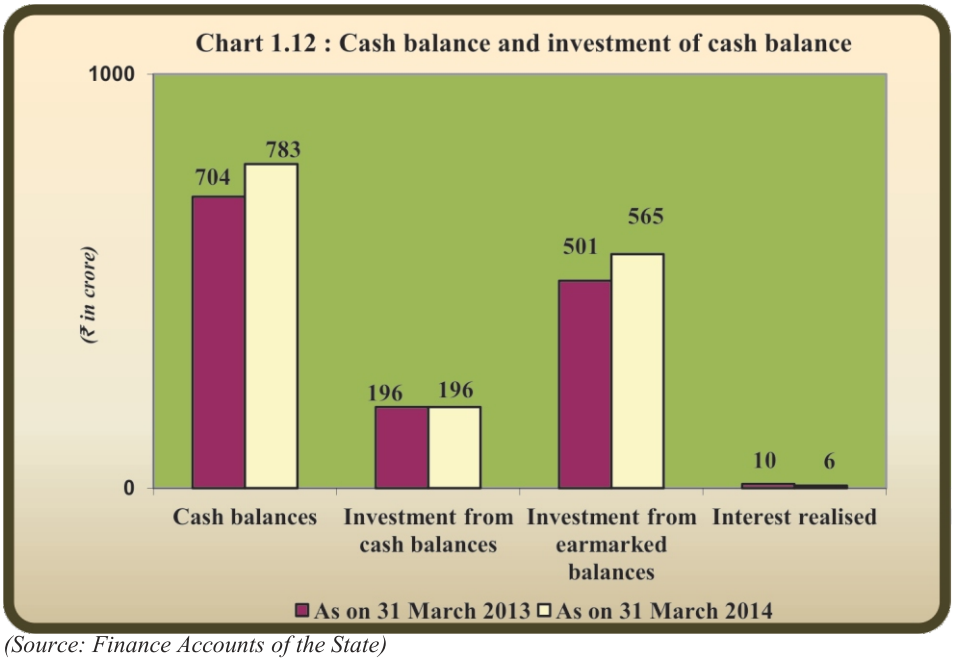
Table 1.30 and **Chart 1.12** depicts the cash balances and investments made by the State Government out of cash balances during the year.

Table 1.30: Cash balances and investment of cash balances

(₹ in crore)

Particulars	As on 31 March 2013	As on 31 March 2014	Increase (+)/ Decrease(-)
Cash in treasuries	--	--	--
Deposits with Reserve Bank	**4.52**	**20.96**	**16.44**
Remittances in transit-Local	--	--	--
Cash with the Departmental officers	**1.48**	**1.48**	--
Permanent advance for contingent expenditure with Departmental officers	**0.21**	**0.25**	**0.04**
Investments from cash balances (a to d)	**196.48**	**196.06**	**(-) 0.42**
a. GoI Treasury Bills	194.25	193.83	(-)0.42
b. GoI Securities	--	--	--
c. Other Securities, if any specify	--	--	--
d. Other Investments	2.23	2.23	--
Funds-wise break-up of investment from Earmarked balances (a to c)	**501.22**	**564.65**	**63.43**
a. General and other Reserve Funds	176.71	198.89	22.18
b. Sinking Fund	324.51	365.76	41.25
c. Miscellaneous Deposits	--	--	--
Total Cash Balances	**703.91**	**783.40**	**79.49**
Interest Realised	*10.48*	*5.69*	*(-) 4.79*

(Source : Finance Accounts of the State)



(Source: Finance Accounts of the State)

The State Government's cash balances of ₹ 783 crore at the end of the current year showed an increase of 11.22 *per cent* (₹ 704 crore) over the previous year. Of the above, ₹ 196 crore was invested in GoI Treasury Bills which earned an interest of ₹ 5.69 crore during the year. Further ₹ 565 crore was invested in earmarked funds. The State Government resorted to W&M advances on three occasions during the year as detailed in **Paragraph 1.1.1.**

The cash balances of the State Government at the end of March 2014 (₹ 783 crore) was around 10 *per cent* of the total expenditure of the State Government during the year (₹ 7,815 crore).

1.9 Assets and Liabilities

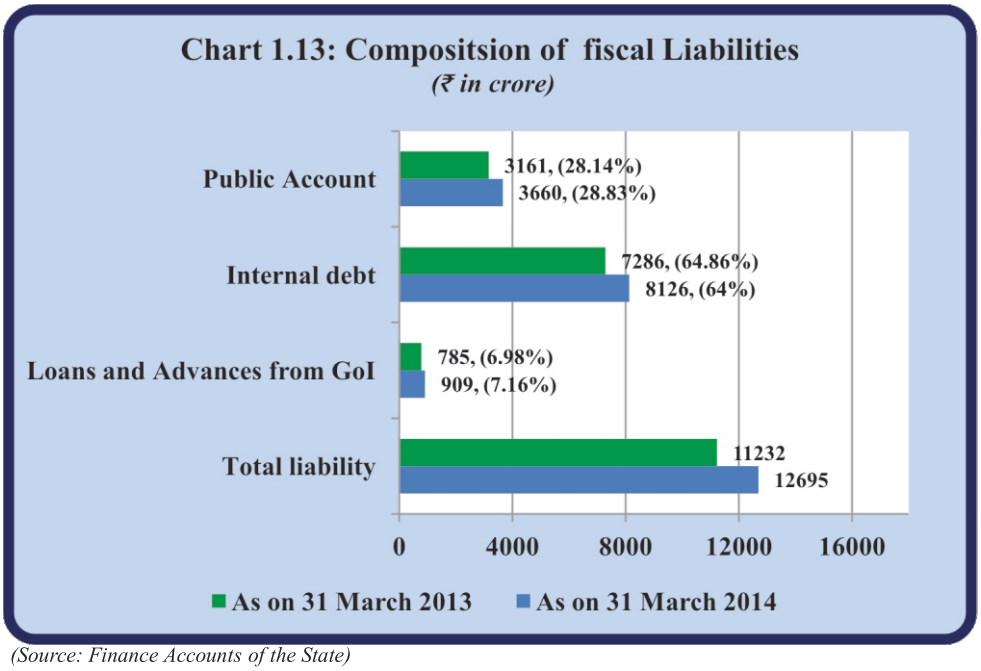
1.9.1 Growth and composition of assets and liabilities

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 fiscal liabilities[13] 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 2014, compared with the corresponding position as on 31 March 2013. 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.

[13]Internal debt (market loans, loans from NSSF and loans from other financial institutions), loans and advances from GoI, the liabilities arising from the transactions in the Public Account of the State

1.9.2 Fiscal liabilities

The composition of fiscal liabilities during the year 2013-14 *vis-à-vis* the previous year is presented in **Chart 1.13**.



(Source: Finance Accounts of the State)
Figures in parenthesis indicate percentage to total liability

While the Internal debts as percentage of fiscal liabilities marginally decreased from 64.86 *per cent* to 64 *per cent*, the Public Account liabilities increased from 28.14 *per cent* to 28.83 *per cent* over the same period. The outstanding loans and advances from GoI increased from 6.98 *per cent* in 2012-13 to 7.16 *per cent* in 2013-14.

Table 1.31 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 1.31: Fiscal liabilities – basic parameters

	2009-10	2010-11	2011-12	2012-13	2013-14
Fiscal Liabilities *(₹ in crore)*	8075	8985	9579	11232	12695
Rate of Growth (*per cent*)	14.40	11.26	6.61	17.26	13.03
Ratio of Fiscal Liabilities to					
GSDP (*per cent*)	27.72	26.74	22.15	26.49	25.96
Revenue Receipts (*per cent*)	196.95	165.10	165.69	192.16	196.82
Own Resources (*per cent*)	458.29	419.86	375.50	382.04	354.41
Buoyancy of Fiscal Liabilities with reference to:					
GSDP (ratio)	0.987	0.733	0.230	(-)8.802	0.851
Revenue Receipts (ratio)	0.888	0.344	1.061	15.587	1.258
Own Resources (ratio)	0.031	0.027	0.018	0.045	0.037

(*Source: Finance Accounts of the State*)

The overall fiscal liabilities of the State increased at an average annual rate of 14.30 *per cent* during the period 2009-14. The growth rate decreased from 17.26 *per cent* in 2012-13 to 13.03 *per cent* in 2013-14.

During 2013-14 the debt to GSDP ratio at 25.96 *per cent* was higher than the projections made in budget (20.40 *per cent*) but lower than the ThFC (29.90 *per cent*). These liabilities were around twice the Revenue receipts and 3.5 times the State's own resources at the end of 2013-14. The buoyancy of these liabilities relative to GSDP during 2013-14 was 0.851, indicating that for each one *per cent* increase in GSDP, fiscal liabilities grew by 0.851 *per cent.*

Of the total fiscal liabilities during 2013-14, the share of Public debt was maximum (71 *per cent*), followed by Small Savings, Provident fund [14] *etc.* (14 *per cent*), deposits[15] (12 *per cent*) and Reserve funds (three *per cent*). Fiscal liabilities increased by ₹ 1,463 crore from ₹ 11,232 crore in 2012-13 to ₹ 12,695 crore in 2013-14, mainly due to increase in Public Debt (₹ 964 crore), Small Savings and Provident Funds (₹ 115 crore), Deposits (₹ 336 crore) and Reserve Funds (₹ 48 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'.

As per Statement 19 of Finance Accounts, eight Reserve funds have been created and maintained in the accounts of the State Government. The total accumulated balance as on 31 March 2014 was ₹ 952.78 crore (₹ 949.62 crore active funds and ₹ 3.16 crore in inoperative funds). However, investment out of this balance was only ₹ 564.65 crore.

[14] 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.

[15] 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.

Table 1.32: Active and Inoperative Reserve Funds

(₹ in crore)

Classification	Opening balance	Receipt	Payment	Closing balance
Active Reserve Funds				
8121-122-State Disaster Response Fund	18.53	4.74	0.72	22.55
8222-101-Sinking Fund	324.51	41.25	0.00	365.76
8229-110-Electricity Development Fund	324.39	73.93	30.44	367.88
8235-117-Guarantee Redemption Fund	162.40	20.71	0.00	183.11
8235-200-Beaches Improvement Fund	8.26	2.06	0.00	10.32
Total	838.09	142.69	31.16	949.62
Inoperative Reserve Funds				
8229-123-State Consumer Welfare Funds	0.09	0.01	0	0.10
8235-119-National Calamity Relief Fund	2.99	0	0	2.99
8235-200-Special Fund for Compensatory Afforestation	0.08	0	0	0.08
Total	3.16	0.01	0	3.17

The transactions relating to certain funds are discussed in the following paragraph.

State Disaster Response fund

The State Disaster Response Fund (SDRF), constituted under Disaster Management Act, 2005 is operative from 2010-11 under Reserve Fund bearing interest. As per the SDRF guidelines the accretions to the SDRF together with the income earned on the investment of the SDRF are to be invested in one or more of instruments *viz.* Central Government dated securities, auctioned treasury bills interest earning deposits and certificates of deposits with Scheduled Commercial Banks. Further, the State Government has to pay interest to the SDRF at the rate applicable to overdrafts and credit the same on a half yearly basis. While 75 *per cent* of the contribution was to be drawn from GoI, the balance 25 *per cent* was to be provided by the State Government. An amount of ₹ 1.47 lakh as interest earned on investment was credited to the fund.

The contributions to the fund for the year 2013-14 was ₹ 3.27 crore (Central share of ₹ 2.45 crore and State's share ₹ 0.82 crore). Disbursement of ₹ 72.22 lakh was made during 2013-14 under SDRF from the fund.

Sinking fund

The Government has constituted a Sinking fund during 1999-2000 for open market loans. The fund shall be utilised as an amortisation fund for redemption of the outstanding internal debt and Public Account liabilities beginning from the year 2004-05. However, no amount has been utilised by the Government up to 2013-14. The balance in the Sinking fund (Investment account) in 2013-14 was ₹ 365.76 crore. During 2013-14, the Government contributed ₹ 20 crore against the minimum contribution of ₹ 37 crore *i.e.* one *per cent* of the outstanding liabilities (₹ 3,756 crore) at the end of 2013-14.

Guarantee redemption fund

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. During the current year, the Government contributed ₹10 crore to the Guarantee redemption fund and the amount invested in this fund was ₹ 183.11 crore at the end of 31 March 2014. No guarantee was invoked during 2013-14.

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 1.33.**

Table 1.33: Guarantees given by the Government of Goa

(₹ in crore)

Guarantees	2011-12	2012-13	2013-14
Maximum amount guaranteed	305.08	259.54	575.41
Outstanding amount of guarantees	173.19	122.67	292.74
Percentage of maximum amount guaranteed to total revenue receipt	5.27	4.44	8.92

(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 ₹ 292.74 crore during 2013-14 were well within the ceiling limit specified by the Legislature. The outstanding guarantee during 2013-14 was 0.60 *per cent* of the GSDP.

1.10 Debt management

1.10.1 Debt Profile and Debt Sustainability

(i) Debt Profile: Per Capita Debt is as given in **Table 1.34.**

Table 1.34: Time series analysis showing the per Capita Debt

(₹ in crore)

Guarantees	2009-10	2010-11	2011-12	2012-13	2013-14
Internal debt	5522	6058	6226	7286	8126
Loans and Advances from GoI	555	556	646	785	909
Total	6077	6614	6872	8071	9035
Population (as per census 2001/2011)	0.13	0.13	0.15	0.15	0.15
Per Capita Debt (in ₹)	46746.15	50876.92	45813.33	53806.66	60233.33

(Source: Finance Accounts and Central Statistical organisation data for respective years)

The per capita debt increased from ₹ 46,746.15 in 2009-10 to ₹ 60,233.33 in 2013-14.

(ii) Debt sustainability

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

The debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP 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 1.35** analyses the debt sustainability of the State according to these indicators for the period of three years beginning from 2011-12.

Table 1.35: Debt sustainability: indicators and trends

Indicators of debt sustainability	2011-12	2012-13	2013-14
Debt Stabilisation (₹ *in crore)* (Quantum Spread + Primary Deficit)	(-) 175	(-) 1340	422
Sufficiency of non-debt receipts (Resource Gap) *(₹ in crore)*	(-) 316	(-) 267	(-) 205
Net Availability of Borrowed Funds *(₹ in crore)*	(-) 111	851	572
Burden of Interest Payments (IP/RR) (in *per cent*)	12	14	13

(Source: Finance Accounts of the State)

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 1.35 reveals that the sum of quantum spread and primary deficit which was negative during 2011-12 and 2012-13 turned positive during the current year. This was due to decline in the ratio of fiscal liabilities to GSDP which came down from 26.49 *per cent* in 2012-13 to 25.96 *per cent* in 2013-14.

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.

The 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 1.36: Sufficiency of incremental non-debt receipts

(₹ in crore)

Sl. No.		2011-12	2012-13	2013-14
1	Incremental Non debt Receipts	340	63	603
2	Incremental Interest Payments	55	96	90
3	Incremental Primary expenditure	601	234	718
Resource Gap		(-) 316	(-) 267	(-) 205

(Source: Finance Accounts of the State)

The above table reveals that the resource gap was negative during the period 2011-14. During the year 2013-14, negative indicator of Resource Gap (₹ 205 crore) was due to result of insufficiency of the incremental non-debt receipt (₹ 603 crore) to meet the incremental primary expenditure (₹ 718 crore) and incremental interest payments (₹ 90 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

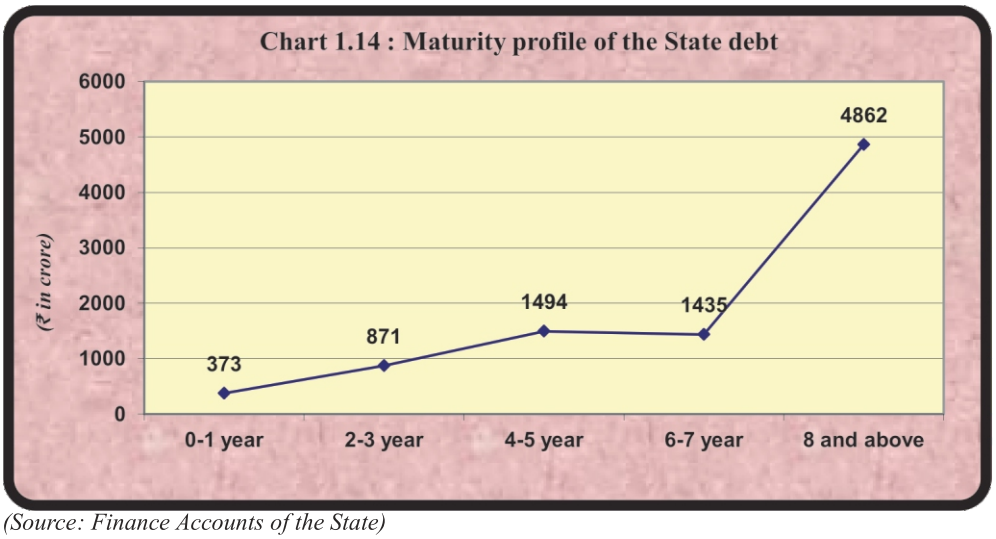
Net availability of borrowed funds is defined as the ratio of debt redemption (Principal+Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption. **Table 1.35** reveals that the net availability of borrowed funds during the year 2013-14 was ₹ 572 crore.

During 2013-14, Government raised internal debt of ₹ 1,198.95 crore, GoI loans of ₹ 149.83 crore and other obligations of ₹ 994.24 crore. It also repaid internal debt of ₹ 359.16 crore, GoI loans of ₹ 25.89 crore and discharged other obligations of ₹ 494.99 crore and paid interest of ₹ 890.66 crore resulting in net increase in debt receipts by ₹ 572.32 crore during the year.

Table 1.37: Maturity profile of State debt

Maturity Profile (in years)	Amount (₹ *in crore*)	*Per cent*
0 – 1	372.71	4.13
2 – 3	871.47	9.65
4 – 5	1493.90	16.54
6 – 7	1434.55	15.88
8 and above	4770.60	52.80
Loans pertaining to Ex-Union Territory	91.30	1.00
Total	**9034.53**	**100.00**

(Source: Finance Accounts of the State)



(Source: Finance Accounts of the State)

The maturity of the State debt as per **Table 1.37** and **Chart 1.14** indicates that nearly 30.32 *per cent* of the total State debt is repayable within the next five years while the remaining 69.68 *per cent* is payable after five years. The State may have to borrow further to repay those loans.

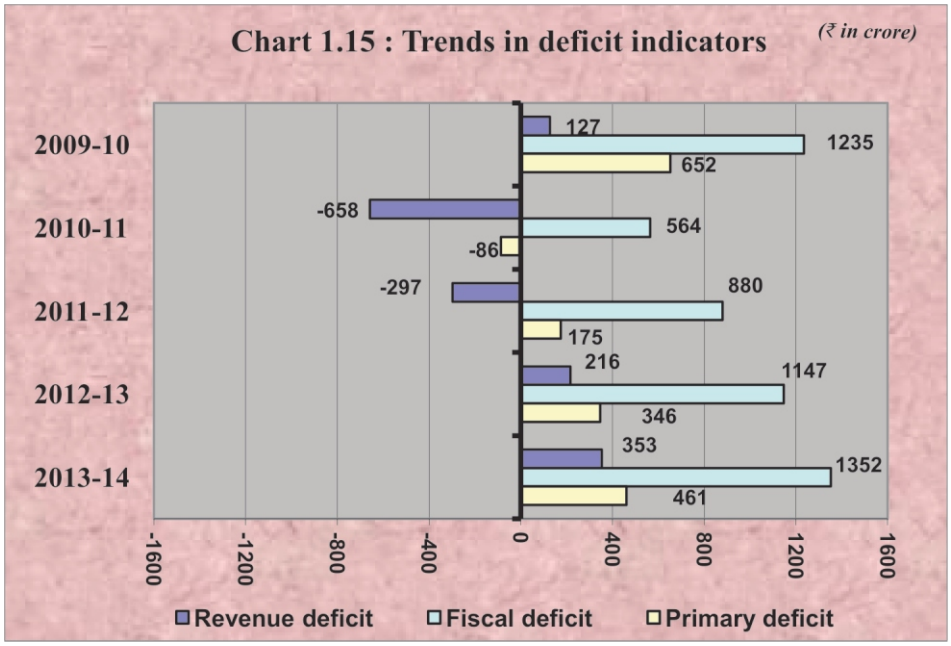
A well thought out debt repayment strategy will have to be worked out by the Government to ensure that no additional borrowings, which mature in these critical years, are made.

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. 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 1.15 and 1.16 present the trends in deficit indicators over the period 2009-14.



(Source: Finance Accounts of the State)

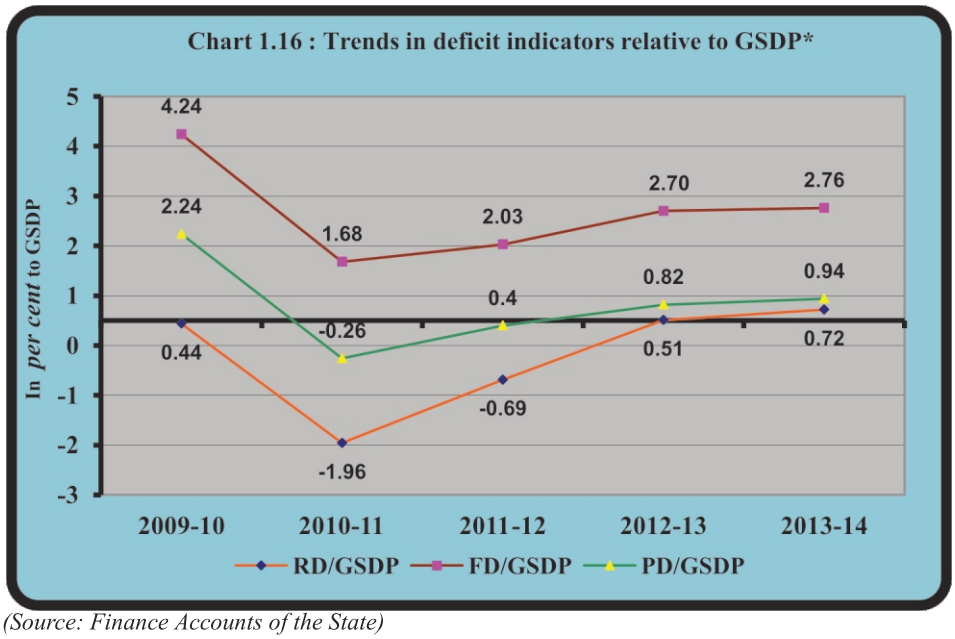
The revenue surplus of ₹ 297 crore during 2011-12 turned into revenue deficit of ₹ 216 crore during 2012-13. The deficit further increased to ₹ 353 crore in 2013-14. This increase in revenue deficit during the current year was mainly on account of an increase of ₹ 742 crore (12.24 *per cent*) in revenue expenditure as against the increase of only ₹ 605 crore (10.35 *per cent*) in revenue receipts over the previous year.

The fiscal deficit of ₹ 1,147 crore during 2012-13 increased to ₹ 1,352 crore in 2013-14 as a result of increase of revenue deficit (₹ 137crore) and net capital expenditure (₹ 66 crore) and increase in net loans and advances disbursed (₹ two crore) over the previous year.

The primary surplus of ₹ 86 crore in 2010-11 turned to a primary deficit of ₹ 175 crore in 2011-12 and further increased to ₹ 461 in 2013-14. Increase of ₹ 205 crore in fiscal deficit together with an increase of ₹ 90 crore in interest payment resulted in increase in primary deficit from ₹ 346 crore in 2012-13 to ₹ 461 crore in 2013-14.

The revenue deficit which indicates the excess of revenue expenditure over the revenue receipts rose to the level of ₹ 353 crore (0.72 *per cent* of GSDP) in 2013-14 from a deficit of ₹ 216 crore (0.51 *per cent* of GSDP) in 2012-13. It shows that the revenue receipts of the State were not enough to meet the revenue expenditure.

The revenue deficit was to be brought down to zero from 2008-09 and revenue surplus was to be generated thereafter as per the FRBM Act, 2006. The target of generating revenue surplus could not be achieved during the last five years except during the years 2010-11 and 2011-12.



(Source: Finance Accounts of the State)

1.11.2 Composition of fiscal deficit and its financing pattern

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 2009-10 to 2013-14 are reflected in the **Table 1.38.**

Table 1.38: Components of fiscal deficit and its financing pattern

(₹ in crore)

	Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
	Composition of Fiscal Deficit (a)	**1235**	**564**	**880**	**1147**	**1352**
		(4.24)	**(1.60)**	**(2.03)**	**(2.70)**	**(2.76)**
1	Revenue Deficit/Surplus	127	-658	-297	216	353
		(0.44)	(-1.96)	(-0.69)	(0.51)	(0.72)
2	Net Capital Expenditure	1084	1221	1184	942	1008
		(3.72)	(3.63)	(2.74)	(2.22)	(2.06)
3	Net Loans and Advances	24	01	- 07	- 11	- 09
		(0.00)	(0.00)	(-0.02)	(-0.03)	(-0.02)
Financing Pattern of Fiscal Deficit						
1	Market Borrowings	517	211	151	995	881
		(1.78)	(0.63)	(0.35)	(2.35)	(1.80)
2	Loans from GoI	- 160	1	62	139	124
		(-0.55)	(0.00)	(0.14)	(0.33)	(0.25)
3	Loans from Financial Institutions	97	325	45	65	-42
		(0.33)	(0.97)	(0.10)	(0.15)	(-0.09)
4	Ways and Means	--	--	--	--	--
		--	--	--	--	--
5	Small Savings, PF *etc.*	252	155	171	150	115
		(0.87)	(0.46)	(0.40)	(0.35)	(0.24)
6	Deposits and Advances	137	170	157	192	336
		(0.47)	(0.51)	(0.36)	(0.45)	(0.69)
7	Suspense and Miscellaneous	91	--	101	- 699	-179
		(0.31)	(0.00)	(0.23)	(-1.65)	(-0.37)
8	Remittances	71	05	- 04	- 178	86
		(0.24)	(0.01)	(-0.01)	(-0.42)	(0.18)
9	Reserve Fund	155	128	67	169	111
		(0.53)	(0.38)	(0.15)	(0.40)	(0.23)
10	Contingency Fund	- 03	03	--	--	-01
		(-0.01)	(0.01)	--	--	(0.00)
11	**Total (1 to 10) (b)**	**1157**	**998**	**750**	**833**	**1431**
12	Increase(+)/Decrease(-) in cash balance**(a) - (b)**	78	-434	130	314	- 79
		0.27	-1.29	0.30	0.74	-0.16

(Source: Finance Accounts of the State)
Figures in parenthesis indicate per cent to GSDP

The fiscal deficit increased from ₹ 1,147 crore in 2012-13 to ₹ 1,352 crore during 2013-14 due to increase in revenue deficit by ₹ 137 crore, non-debt capital receipts (₹ two crore) and increase in capital expenditure (₹ 66 crore). During the current year while the share of market loans for financing fiscal deficit was 65.16 *per cent*, the loans from financial institutions, GoI along with special securities issued to NSSF contributed six *per cent*. However, deposits and advances and remittances increased during the year.

The fiscal deficit (₹ 1,352 crore) in 2013-14 increased as compared to the previous year and constituted 2.76 *per cent* of GSDP, which was within the three *per cent* limit projected by the ThFC.

As could be seen from **Table 1.39** during the period 2013-14, there was decrease in cash balance after financing the fiscal deficit.

Table 1.39: Receipts and disbursements under components financing the fiscal deficit during 2013-14

(₹ in crore)

Sl. No.	Particulars	Receipts	Disbursements	Net
1	Market Borrowings	990	109	881
2	Loans from GoI	150	26	124
3	Loans from Financial Institutions	209	250	-41
4	Small Savings, PF *etc.*	347	232	115
5	Deposits and Advances	503	167	336
6	Suspense and Miscellaneous	4327	4506	-179
7	Remittances	3198	3112	86
8	Reserve Funds	142	31	111
9	Contingency Fund	00	01	-01
10	Appropriation to/ from Contingency Fund	--	--	--
11	**Total (1 to 10) (b)**	**9866**	**8434**	**1432**
12	Increase(+)/Decrease (-) in Cash Balance (a)–(b)			-79
13	**Overall deficit (12+13) (a)**			**1352**

(Source : Finance Accounts of the State)

1.11.3 Quality of deficit/surplus

The ratio of revenue deficit to fiscal deficit and the bifurcation 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.

Non-debt receipts of the State were enough to meet the primary revenue expenditure. But non-debt receipts were not enough to meet the primary expenditure resulting in Primary deficit during the last five years except during the year 2010-11.

The bifurcation of the primary deficit shown in **Table 1.40** indicates the extent to which the deficit was on account of enhancement in capital expenditure which might be desirable to improve the productive capacity of the State's economy.

Table 1.40: Primary deficit/surplus – bifurcation of factors

(₹ in crore)

Year	Non-debt receipts	Primary Revenue Expenditure	Capital Expen-diture	Loans and Advances	Primary Expend-iture	Primary revenue deficit(+)/ surplus(-)	Primary deficit (+)/ surplus (-)
1	2	3	4	5	6(3+4+5)	7(2-3)	8(6-2)
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
2013-14	6463	5912	1008	4	6924	551	461

(Source: Finance Accounts of the State)

As could be seen from the table above, the primary deficit of ₹ 346 crore in 2012-13 increased to ₹ 461 crore during 2013-14. The capital expenditure as a percentage to primary expenditure[16] decreased from 22.75 *per cent* during 2009-10 to 14.56 *per cent* during 2013-14.

1.12 Follow up

State Finance Report is being presented to the State Legislature from 2008-09 onwards. The Public Accounts Committee discussed the paragraphs on State Finance Report for the years 2008-09 and 2009-10 and recommendations of the PAC have been issued for these reports.

1.13 Conclusion and Recommendations

Fiscal Position

The State had a revenue deficit during the years 2012-13 and 2013-14 as the revenue receipts of the State were not enough to meet the revenue expenditure.

The revenue deficit of the State rose to the level of ₹ 353 crore (0.72 *per cent* of GSDP) in 2013-14 from ₹ 216 crore (0.51 *per cent* of GSDP) in 2012-13. While the debt to GSDP ratio at 25.96 *per cent* was higher than the projections made in budget (20.40 *per cent*) it remained lower than the normative assessments by the ThFC (29.90 *per cent*) during 2013-14.

The Government may make concerted efforts to reduce gap between revenue receipts and revenue expenditure.

Revenue receipts

Revenue receipts increased by 10.35 *per cent* in 2013-14 over 2012-13 mainly due to increase in tax revenue by 21.83 *per cent* and 20.61 *per cent* in grants from the GoI.

[16]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

The actual realisation of Tax revenue during the year was higher than the normative assessment of ThFC and budget estimates by 4.89 *per cent* and 5.94 *per cent* respectively. The Non -Tax revenue of the State fell short of budget estimates by 6.79 *per cent*. However, Non -Tax revenue exceeded the ThFC projections by 97.08 *per cent*.

Revenue expenditure

Revenue expenditure continued to be a dominant component (87.05 *per cent)* of the total expenditure in 2013-14. The NPRE constituted 74.85 *per cent* of the revenue expenditure. The NPRE (₹ 5,092 crore) remained significantly higher than the normative assessments of the ThFC (₹ 3,174 crore) but was less than the projections made in the budget (₹ 5,131 crore) during 2013-14. The Plan revenue expenditure and NPRE increased by 36.88 *per cent* and 5.84 *per cent* respectively.

The Government may make concerted efforts to bridge the revenue gap and reduce its non productive non-plan revenue expenditure so as to move towards revenue surplus status.

Quality of expenditure

Capital expenditure constituted 12.89 *per cent* of the total expenditure in 2013-14. The percentage of developmental expenditure to total expenditure decreased from 71.50 *per cent* in 2012-13 to 70.91 *per cent* in 2013-14. Funds aggregating ₹ 1,628 crore were locked up in 37 incomplete projects as at the end of 2013-14.

The return from investment of ₹ 449 crore as of March 2014 in companies/ corporations was negligible (₹ 1.10 crore) while the average return on this investment was 0.27 *per cent* in the last five years. On the other hand the Government paid average interest rate of 7.62 *per cent* on its borrowings during 2009-14.

The State Government may formulate guidelines for quick completion of incomplete projects and monitor reasons for time and cost overrun with a view to take corrective action. The Government may ensure proper justification for investment of high cost funds.

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

The Central Government transferred a sizeable quantum of funds (₹ 65.06 crore) during 2013-14 to State Implementing agencies for implementation of Central plan schemes. These funds were not routed through the State budget and hence do not find mention in the Finance Accounts of the State.

A system has to be put in place to ensure proper accounting of funds transferred directly by the GoI and the updated information should be validated by the State Government.

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 2013-14 against 84 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	6711.82	445.98	7157.80	5923.76	(-) 1234.04
	II. Capital	2068.41	136.53	2204.94	1061.13	(-) 1143.81
	III. Loans & Advances	19.21	0.70	19.91	4.25	(-)15.66
Total voted		**8799.44**	**583.21**	**9382.65**	**6989.14**	**(-) 2393.51**
Charged	I. Revenue	863.70	10.21	873.91	927.90	53.99
	II. Capital	0	1.68	1.68	1.70	0.02
	III. Public Debt	390.78	0	390.78	385.06	(-) 5.72
Total Charged		**1254.48**	**11.89**	**1266.37**	**1314.66**	**48.29**
Grand Total		**10053.92**	**595.10**	**10649.02**	**8303.80**	**(-) 2345.22**

(Source: Appropriation Accounts of the State Government)
***Note**: The expenditure includes the recoveries of revenue expenditure amounting to ₹ 48.38 crore and capital expenditure amounting to ₹ 54.61 crore adjusted as reduction of expenditure.*

Supplementary provisions of ₹ 595.10 crore obtained during the year constituted 5.91 *per cent* of the original provision as against 7.65 *per cent* in the previous year.

The overall savings of ₹ 2,345.22 crore were offset by an excess of ₹ 97.50 crore in three grants and one appropriation, resulting in net savings of ₹ 2,247.72 crore in 82 grants and three appropriations under the Revenue Section, 64 grants under the Capital Section and one appropriation (Public Debt-Repayments).

As may be seen from **Table 2.1**, against the original provision of ₹ 10,053.92 crore, expenditure of only ₹ 8,303.80 crore was incurred. There was no requirement of supplementary funds. The actual savings of ₹ 2,345.22 crore, constituted 100 *per cent* of the supplementary grant of ₹ 595.10 crore and 17 *per cent* of the original grant.

2.3 Financial Accountability and Budget Management

2.3.1 Appropriations vis-à-vis allocative priorities

Appropriation audit revealed that in 65 cases, savings exceeded ₹ two crore in each case and also 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 ₹ 2,345.22 crore, savings of ₹ 872.46 crore (37 *per cent*) occurred in eight cases relating to six 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	55-Municipal Administration	190.52	0.50	191.02	52.11	138.91
2	76- Electricity	1183.49	150.00	1333.49	1189.26	144.23
3	81-Tribal welfare	126.68	-	126.68	53.27	73.41
4	83-Mines	149.04	-	149.04	73.41	75.63
	CAPITAL (VOTED)					
5	32-Finance	290.00	-	290.00	150.00	140.00
6	74-Water Resources	255.18	-	255.18	149.50	105.68
7	76- Electricity	227.35	-	227.35	144.73	82.62
8	81-Tribal Welfare	143.30	-	143.30	31.32	111.98
	Total	**2565.56**	**150.50**	**2716.06**	**1843.60**	**872.46**

(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 55-Municipal Administration

As against the original provision of ₹ 190.52 crore, the expenditure incurred was only ₹ 52.11 crore (27 *per cent).* Inspite of this, a supplementary grant of ₹ 0.50 crore was also provided thereby resulting in a unspent provision of ₹ 138.91 crore. The reasons attributed for savings were non receipt of proposal for sanction of grants from Municipal Councils and City Corporation of Panaji. The savings also occurred due to non receipt of ThFC grants from GoI, which was included, in the original grant at Budget preparation stage.

Grant number 76–Electricity

The grant closed with total savings under Revenue (Voted) of ₹ 144.23 crore. The savings occurred mainly in subhead (05) (001) (01), (05) (799) (01) due to non-filling of vacancies and less number of claims by the officials. The savings under minor head (05) (800) (01) was on account of return of bill in respect of cost of bulk supply of power from National Thermal Power Corporation, Karnataka Power Transmission Corporation Limited and Reliance Salgaonkar Power Corporation Limited.

4801-Capital outlay on Power Projects, savings under minor head (800) (01) (16,22,33,34,39,52,53,54) were on account of non-submission of bills by the contractors.

Grant number 81-Tribal Welfare

The grant closed with total savings under Revenue (Voted) of ₹ 73.41 crore. The savings under Major Head 2225 occurred mainly due to no response to Ashram school in Tribal Sub Plan area, Pre-Primary school for Scheduled Tribes children in remote areas and less response to ATAL ASRA Yojna for construction of new houses and repairs, Ladli Laxmi scheme and Freedom from hunger scheme.

4225-Capital outlay on welfare of SC's, STs and OBCs, savings under minor head (02)(190)(01)(02)(04)(05)(06) was due to non-implementation of various schemes for Scheduled Tribes.

Grant number 83-Mines

The grant closed with total savings of ₹ 75.63 crore. The savings occurred in subhead (02) (001) (06), (07) due to less number of claims received than anticipated for welfare of mining affected people.

Grant number 32-Finance, Capital outlay on Miscellaneous General services

The grant closed with total savings of ₹ 140 crore. MH 4075- Capital outlay on Miscellaneous General services, savings under Minor Head (800) (01) was due to slow progress of work by the Goa State Infrastructure Development Corporation.

Grant number 74-Water Resources

The grant closed with total savings of ₹ 105.68 crore. The savings occurred mainly in sub head (04) (001) (02), (05) under major head '4701-Capital outlay on major and medium irrigation' due to less scope of work on Hydrology project (Phase II) and Salauli irrigation project. Savings under MH '4705-Capital outlay on command area development' was mainly due to less scope of work under Goa Tillari Irrigation Development Corporation.

2.3.2 Persistent savings

During the last five years, there were persistent savings of more than ₹ five crore in each case in 10 grants, as shown in **Table 2.3**.

Table 2.3: List of grants indicating persistent savings of more than five crore during 2009-14

(₹ in crore)

Sl. No.	Number and name of the grant	Amount of savings (*Per cent* to total grant)				
		2009-10	2010-11	2011-12	2012-13	2013-14
Revenue (Voted)						
1	21-Public Works	5.23 (1.26)	9.06 (2.07)	28.03 (5.30)	77.66 (13.69)	90.81 (15.38)
2	34-School Education	15.55 (2.99)	20.09 (3.19)	98.31 (13.79)	122.30 (14.84)	42.92 (5.05)
3	43-Art & culture	6.32 (22.04)	13.68 (33.75)	50.20 (35.23)	62.65 (53.09)	46.63 (46.97)
4	47-Goa Medical College	7.39 (5.80)	6.11 (4.07)	13.08 (7.80)	6.09 (3.45)	3.22 (1.80)
5	48-Health Services	5.69 (4.32)	13.25 (7.90)	6.55 (3.37)	32.26 (14.01)	35.91 (13.85)
6	55-Municipal Administration	66.41 (51.90)	60.49 (43.85)	55.78 (43.95)	260.26 (82.82)	138.90 (72.71)
7	57-Social Welfare	11.12 (7.17)	13.73 (8.53)	61.86 (29.70)	18.24 (6.75)	6.74 (2.22)
8	78-Tourism	6.31 (19.14)	5.51 (15.35)	13.19 (25.25)	21.43 (42.89)	8.93 (16.46)
9	82-Information Technology	30.89 (42.95)	33.92 (43.41)	9.42 (16.73)	23.91 (39.85)	15.09 (26.01)
Capital (Voted)						
10	21-Public Works	27.01 (7.11)	62.82 (14.11)	65.13 (13.23)	199.00 (40.88)	243.19 (45.15)
11	74-Water Resources	6.16 (3.17)	10.14 (4.56)	75.82 (27.67)	129.39 (53.33)	105.68 (41.41)

(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 2009-14.

The persistent savings indicated that the controls in the Departments relating to preparing the budget estimates and allocating funds during the years were not effective.

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 ₹ 81.30 crore for the years 2008-09 to 2012-13 was still to be regularised. The year-wise amount of excess expenditure pending regularisation for grant/appropriations are summarised in **Table 2.4**.

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

(Amount in ₹)

Year	Number of		Amount of excess over provision	Status of Regularisation
	Grants	Appropriations		
2008-09	2	--	1,78,841	Partially regularised[1]
2009-10	--	1	7,56,73,184	Partially regularised[2]
2010-11	1	1	2,74,15,571	Yet to be discussed by PAC
2011-12	--	1	18,87,72,521	Yet to be discussed by PAC
2012-13	--	1	52,09,16,923	Yet to be discussed by PAC
Total	**3**	**4**	**81,29,57,040**	

(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 2013-14 requiring regularisation

During 2013-14, excess expenditure was incurred in one appropriation and three grants over the amount authorised by the legislature. The excess expenditure requires regularisation under Article 205 of the Constitution. The details are given in **Table 2.5**.

[1] *PAC recommended (Report no.71, pertaining to Audit Report 2008-09) for regularisation of excess expenditure of ₹ 1,22,193 incurred by Art and Culture, Grant no. 43.*

[2] *PAC recommended (Report no.72, pertaining to Audit Report 2009 -10) for regularisation of excess expenditure of ₹ 30,721 incurred by District and Sessions Court, South Goa, Grant no. 4.*

Table 2.5: Excess over provisions requiring regularisation during 2013-14

(Amount in ₹)

Sl. No.	Number and title of Grant/Appropriation	Total grant / Appropriation	Expenditure	Excess
1	A-2 Appropriation-Debt Services (Revenue-Charged)	8,65,13,44,000	9,20,66,59,855	55,53,15,855
2	8-Treasury and Accounts Administration (North Goa) (Revenue-Voted)	5,55,21,53,000	5,93,89,80,474	38,68,27,474
3	21-Public Works (Capital-Charged)	1,46,27,000	1,48,44,700	2,17,700
4	70-Civil Supplies (Capital-Voted)	58,20,00,000	61,47,34,993	3,27,34,993
	Total	14,80,01,24,000	15,77,52,20,022	97,50,96,022

(Source: Appropriation Accounts of the State)

The excess expenditure under Appropriations-Debt Services was mainly due to the increased expenditure on interest payments towards special securities issued to NSSF of Central Government by State Government, small savings, Provident fund *etc*., aided school teachers and employees Provident fund and Defined Contribution Pension System *etc.* which needs to be regularised.

The reasons for excess expenditure incurred in respect of other three grants were not explained in Appropriation Accounts.

2.3.5 Substantial surrenders

While preparing the budget estimates utmost care should be taken to ensure that the budget estimates are neither inflated nor under pitched. Out of the total provision of ₹ 1,045.72 crore, substantial surrenders amounting to ₹ 716.73 crore were made from 35 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 2.2**.

Substantial savings indicated that expenditure could not be incurred as estimated and there was lack of control over budget estimates.

2.3.6 Surrenders in excess of actual savings/unnecessary surrenders

In three cases, it was seen that a total amount of ₹ 10.07 crore was surrendered though excess expenditure of ₹ 97.48 crore was incurred under these grants. Instead of surrendering, the amounts should have been re-appropriated to the heads where excess expenditure was incurred. This indicated lack of proper budgetary control. Details are given in **Table 2.6.**

Table 2.6: Surrender of grants/appropriation in cases of excess expenditure

(₹ in crore)

Number and Name of the grant/ appropriation	Total grant	Excess	Amount surrendered
A-2 Appropriation-Debt Services (Revenue-Charged)	865.13	55.53	8.73
8-Treasury and Accounts Administration (North Goa) (Revenue-Voted)	555.22	38.68	0.65
70-Civil Supplies (Capital-Voted)	58.20	3.27	0.69
Total	**1478.55**	**97.48**	**10.07**

(Source: Appropriation Accounts of the State)

2.3.7 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. Further, surrender of funds should be done as soon as these are foreseen without waiting for the end of the financial year, to enable the Finance Department to utilise the funds on other schemes.

At the close of the year 2013-14, no part of the savings, which occurred in five cases (₹ 70.72 crore), had been surrendered by the concerned Departments as detailed in **Table 2.7.**

Table 2.7: Grants/Appropriations in which saving occurred but no part of which had been surrendered

(₹ in crore)

Sl. No.	Number and name of grant	Saving
1	29-Public Grievances (Revenue Voted)	0.92
2	30-Small Savings and Lotteries (Revenue Charged)	0.14
3	60-Employment (Revenue Voted)	18.34
4	84-Mopa Airport (Revenue Voted)	1.32
5	84-Mopa Airport (Capital Voted)	50.00
	Total	**70.72**

(Source: Appropriation Accounts of the State)

Similarly, out of total savings of ₹ 1,008.93 crore under 23 other grants/appropriations, with savings of ₹ 20 lakh and above in each grant/appropriation, ₹ 841.49 crore was only surrendered, leaving balance of ₹ 167.44 crore (17 *per cent* of the total savings) which were not surrendered. The details are given in **Appendix 2.3**.

Besides in 33 grants, savings in excess of ₹ 10 crore, aggregating ₹ 1,904.66 crore **(Appendix 2.4)** was surrendered in the last month of the financial year, indicating inadequate financial control as well as non utilisation of these funds for other development purposes.

2.3.8 Rush of expenditure

Rule 56 (3) of the General Financial Rules, 2005 provides that rush of expenditure, particularly in the closing months of the financial year shall be regarded as a breach of financial propriety and is to be avoided. **Table 2.8** presents seven major heads where 56 to 100 *per cent* of expenditure was incurred in the last quarter of 2014. In all these major heads, expenditure incurred in March 2014 was also 56 to 97 *per cent.*

Table 2.8: Rush of expenditure during the last quarter and last month of 2013-14

(₹ in crore)

Sl. No.	Major head	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2014	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
1	2015	8.21	6.44	78.44	5.03	61.27
2	4055	4.30	3.76	87.44	3.27	76.04
3	4210	17.26	15.48	89.69	11.68	67.67
4	4235	0.64	0.45	70.31	0.37	57.81
5	4402	9.55	5.34	55.91	5.34	55.91
6	4515	4.02	4.02	100.00	3.90	97.01
7	5056	6.33	5.02	79.30	4.63	73.14
Total		**50.31**	**40.51**	**80.52**	**34.22**	**68.01**

(Source: Directorate of Accounts)

2.4 Advances from Contingency fund

The Contingency fund of the State has been established under the Goa Contingency fund Act, 1988, in terms of Articles 267(2) and 283(2) of the Constitution of India. Advances from the fund are to be made only for meeting expenditure of unforeseen and emergent character, postponement of which, till its authorisation by the Legislature, would be undesirable. The fund is in the nature of an imprest and its corpus is ₹ 30 crore. The un-recouped balance in the beginning of the year was 'Nil'. During 2013-14, 30 sanctions issued for ₹ 2.69 crore were drawn from the contingency fund. However, ₹ 2.68 crore withdrawn from the contingency fund have been recouped and the balance of ₹ 0.01 crore was left for recoupment as at the end of March 2014.

2.5 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 2013-14. During 2013-14, 36 out of 86 BCAs, had not carried out any reconciliations for the entire year in respect of 2,919 units under their control, involving ₹ 2,775.75 crore and 16 BCAs had carried out such reconciliations only for part of the year in respect of 826 units under their control, involving ₹1,038.99 crore. The un-reconciled periods in case of the partially reconciled units ranged from one to eight months. The details of 27 major BCAs (out of 51) amounting to ₹ 3,745.16 crore who did not reconcile their expenditure are indicated in **Table 2.9.**

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

(₹ in crore)

Sl. No.	Budget Controlling Authority who did not reconcile their figures	Amount not reconciled
1	Under Secretary, General Administration Department	24.24
2	Director of Technical Education	11.55
3	Principal, Goa Engineering College	21.29
4	Dean, Goa Medical College	21.42
5	Director of Municipal Administration	50.22
6	Director of Social Welfare	20.28
7	Chief Electrical Engineer	882.03
8	Secretary, Legislature	20.81
9	Director of Transport	74.23
10	Collector, North Goa	17.27
11	Inspector General of Prisons	26.06
12	Director of Industries, Trade and Commerce	21.17
13	Principal Chief Engineer, Public Works Department	795.70
14	Director of Panchayats	96.70
15	Director of Education	826.96
16	Director of Art and Culture	52.83
17	Director of Institute of Psychiatry & Human Behaviour	14.76
18	Dean, Goa Dental College & Hospital	13.18
19	Commissioner of Labour	24.30
20	Director of Information & Publicity	16.72
21	Director of Animal Husbandry & Veterinary Services	52.20
22	Director of Ports and Administration	17.82
23	Registrar of Co-operation	18.54
24	Chief Engineer, Water Resources	245.21
25	Director of Tourism	116.65
26	Director of Information and Technology	47.91
27	Director of Health Services	215.11
	Total	**3745.16**

(Source: Directorate of Accounts)

2.6 Outcome of review of selected grant

A review on the budgetary procedure and control over expenditure in respect of Grant No. 76–Electricity was conducted. Important points noticed during the review are detailed below:

As against the budget provision of ₹ 1,560.84 crore (₹ 1,333.49 crore under revenue head and ₹ 227.35 crore under capital head) there was an actual expenditure of ₹ 1,333.99 crore (₹ 1,189.26 crore under revenue head and ₹ 144.73 crore under capital head) resulting in the total saving of ₹ 226.85 crore (₹ 144.23 crore under revenue head and ₹ 82.62 crore under capital head). An amount of ₹ 182.72 crore (₹ 129.87 crore under revenue head and ₹ 52.85 crore under capital head) was surrendered (March 2014) against the savings of ₹ 226.85 crore. The balance of ₹ 44.13 crore was not surrendered.

As per rule 56(2) of the 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.

2.7 Conclusion and Recommendations

During 2013-14, expenditure of ₹ 8,303.80 crore was incurred against the total provision of ₹ 10,649.02 crore, resulting in savings of ₹ 2,345.22 crore. The overall savings were the net result of savings of ₹ 2,247.72 crore; offset by an excess of ₹ 97.50 crore. This excess requires regularisation under Article 205 of the Constitution of India. Further, the budget provision for revenue expenditure was ₹ 7,092 crore against budgeted revenue receipts of ₹ 6,746 crore, thereby providing for revenue deficit of ₹ 3.46 crore. There was actual revenue deficit of ₹ 353 crore.

The preparation of budget estimates of revenue expenditure should be in tune with revenue projections so as to avoid/minimise revenue deficit and to ensure efficient prioritisation of resource utilisation.

The Departments should closely monitor the expenditure against the allocations and should avoid incurring expenditure in excess of the grants.

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 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 also attribute to 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 10,297 UCs due in respect of grants and loans aggregating ₹ 1,333.33 crore paid up to 2012-13, 9,190 UCs (89 *per cent*) for an aggregate amount of ₹ 1,254.88 crore (94 *per cent*) were outstanding as on June 2014. The Department-wise break-up of outstanding UCs as on 30 June 2014 is given in **Appendix 3.1**.The age-wise position of these is in **Table 3.1**.

Table 3.1: Age-wise position of outstanding UCs as of 30 June 2014

Sl. No.	Range of delay in number of years	Utilisation certificates outstanding	
		Number	Amount *(₹ in crore)*
1	0 – 1	902	304.94
2	1 – 3	1771	404.16
3	3 – 5	2014	245.48
4	5 – 7	1133	131.42
5	7 and above	3370	168.88
	Total	**9190**	**1254.88**

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

Out of 9,190 UCs amounting to ₹ 1,254.88 crore pending as on 30 June 2014, 4,687 UCs (51 *per cent*) involving ₹ 954.58 crore (76 *per cent*) were pending for periods ranging from one to five years while 4,503 UCs involving ₹ 300.30 crore were pending for more than five years.

Major cases of non-submission of UCs mainly pertained to Directorate of Art and Culture (30 *per cent*), Directorate of Panchayats (North) (19 *per cent*), Directorate of Panchayats (South) (17 *per cent*), Directorate of Municipal Administration (11 *per cent*).

The Departments listed in **Table 3.2** had not submitted UCs for funds aggregating ₹ 244.70 crore released during the period 1991-92 to 2012-13.

Table 3.2: Department wise arrears of UCs

Sl. No.	Department	Amount *(₹ in crore)*	UCs due from
1	Directorate of Panchayat (North)	148.19	1991-92
2	Directorate of Panchayat (South)	29.61	1991-92
3	Directorate of Women & Child Welfare	4.48	1991-92
4	Directorate of Education	53.88	1994-95
5	Directorate of Town & Country Planning	8.54	2001-02
	Total	**244.70**	

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/Heads of the Departments are required to furnish to Audit every year, detailed information about the financial assistance given to various institutions, the purposes of assistance granted and the total expenditure of these institutions. A total of 329 annual accounts of 53 autonomous bodies/authorities due up to 2012-13 had not been received by the Accountant General as of June 2014. The details of these accounts are given in **Appendix 3.2** and their age-wise pendency is presented in **Table 3.3**.

Table 3.3: Age-wise arrears of annual accounts due from Government Bodies

(₹ in crore)

Sl. No.	Delay in number of years	Number of bodies/ authorities	Grants received
1	0-2	8	6.27
2	2-5	9	13.94
3	5-7	36	13.58
	Total	**53**	**33.79**

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

It can be seen from the above table that in respect of 36 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 3.4**.

Table 3.4: 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	1	0-1	6
4-7	2	2-3	2
8-11	2	3-4	-
12-25	2	-	-
26 and above	4	5 and above	3

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

Out of the 11 autonomous bodies, the submissions of accounts were delayed for a period ranging from 12 to 67 months by six autonomous bodies. 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.

Heads of Departments in the Government have to ensure that the undertakings prepare such accounts and submit the same to the Accountant General for audit within a specified timeframe. As of October 2014, there were two[1] such undertakings, both of which had heavy arrears in accounts. The department-wise positions of arrears in preparation of *proforma* accounts and investments made by the Government 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 27 cases of misappropriation, defalcation *etc.* involving Government money amounting to ₹ 1.98 crore up to June 2014 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 3.5.**

Table 3.5: 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	14	45.81	Misappropriation of cash/stores
5-10	9	104.17	
10 years & above	4	48.09	
	27	**198.07**	

(Source: Information furnished by concerned Departments)

The reasons for which the cases were outstanding are classified under three categories as listed in **Table 3.6** below.

Table 3.6: 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	19	181.37
Pending in the courts of law	5	15.25
Awaiting orders for recovery/write off	3	1.45
Total	**27**	**198.07**

(Source: Information furnished by concerned Departments)

[1] River Navigation Department, Chief Electrical Engineer

3.6 Pendency in submission of Detailed Contingent bills against Abstract Contingent bills

The Controlling and Disbursing Officers of the Department of Goa are authorised to draw sums of money by preparing Abstract Contingent (AC) bills, by debiting service heads and are required to present Detailed Contingent (DC) bills (vouchers in support of final expenditure) to the Director of Accounts (DoA), Goa within one month from the date of drawal of funds on AC bill. The Government vide circular dated 25.7.2012 relaxed the time limit for submission of DC bills to three months from the date of drawal of funds on AC bill. If previous AC bills are outstanding over one/three months for want of DC bills, the proposal for drawal of further AC bills would require the sanction of Finance Department. At the end of June 2014, 1,036 AC bills aggregating ₹178.08 crore, drawn by 72 Departments were pending due to non submission of DC bills. Year wise details of pending DC bills are given in **Table 3.7**.

Table 3.7: Year wise details of pending AC bills

(₹ in crore)

Year	Outstanding number of AC bills	Amount
Up to 2009-10	313	46.53
2010-11	315	76.71
2011-12	57	18.31
2012-13	126	10.61
2013-14	225	25.92
Total	**1036**	**178.08**

(Source: Finance Accounts of the State)

The withdrawal of money on an AC bill is accounted against the functional major head in the consolidated fund. Unless the accounts are settled by submitting the DC bills within the time allotted, there is a possibility that the expenditure stands inflated if the amount drawn on AC bills is not fully expended for the intended purpose. This impacts the fiscal indicators of the Government (Revenue surplus/fiscal deficit).

A Review of the pending AC bills drawn by the Directorate of Sports and Youth Affairs (DSYA), from the Major Head of account-2204, conducted in September-October 2014 revealed that though the DSYA submitted DC bills for all the AC bills drawn, 23 AC bills for ₹ 1.85 crore were pending for approval from DoA as at the end of June 2014, as detailed in **Table 3.8.**

Table 3.8: Pending Abstract Contingent bills

(₹ in lakh)

Year	Abstract Contingent bills drawn		Detailed Contingent bills rendered		Outstanding Abstract Contingent bills as on 30.06.2014	
	No. of Bills	Amount	No. of bills	Amount	No.of bills	Amount
Up to 2009-10	33	146.13	19	60.08	4	38.78
2010-11	42	796.17	28	151.72	1	18.50
2011-12	43	626.39	47	1155.34	4	32.61
2012-13	37	218.09	36	271.93	5	54.77
2013-14	18	64.24	35	172.43	9	41.17
2014-15 (DC bills up to June 2014)			6	38.57		
Total	**173**	**1851.02**	**171**	**1850.07**	**23**	**185.83**

(Source: Directorate of Accounts, Government of Goa)

The pendency in AC bills was mainly due to inordinate delays in submission of DC bills by the DSYA to DoA. Further, delay in submission of compliance to queries raised by the DoA also effected the timely approval of DC bills.

The AC bills were drawn mainly for sports events; land acquisition, AMC for computers, Republic day/Independence day celebrations *etc*. The Department regularly sought extension to settle all the previous AC bills. However, such exorbitant delay in submission of DC bills was unjustifiable.

Scrutiny also revealed that as of June 2014, in the case of 115 AC bills involving ₹ 718.97 lakh there were delays ranging from one to 36 months in forwarding DC bills to the Director of Accounts by DSYA during 2009-14 as detailed in **Table 3.9.**

Table 3.9: Delay in submission of DC bills

(₹ in lakh)

Delay upto	Number of AC bills	Amount
One month	11	25.14
Six months	59	322.27
One year	30	212.14
Two years	14	141.70
Three years	1	17.72
Total	**115**	**718.97**

According to existing instructions, if due to unforeseen causes, the advance drawn cannot be disbursed immediately, the amount or unspent portion of it shall be refunded to the Treasury forthwith. It was seen that there were delays in remittance of unspent balances amounting to ₹ 21.31 lakh for the periods ranging from one month to 16 months in respect of 23 pending AC bills.

3.7 Conclusion and Recommendations

Out of 9,190 UCs amounting to ₹ 1,254.88 crore pending as on June 2014, 4,687 UCs (51 *per cent*) involving ₹ 954.58 crore (76 *per cent*) were in arrears for periods ranging between one and five years, while 4,503 UCs involving ₹ 300.30 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.

The sanctioning Authorities may evolve a mechanism to ensure that utilisation certificates in respect of grants released for specific purposes are furnished by the grantee institution in time.

Out of the 11 autonomous bodies, the submission of accounts were delayed for a period ranging from 12 to 67 months by six autonomous bodies.

The controlling Departments may identify the reasons for delay in finalisation of accounts of autonomous bodies and take remedial measures to ensure that the arrears in accounts are cleared in a time bound manner.

The State Government reported 27 cases of misappropriations, losses and defalcations *etc*. involving Government money amounting to ₹ 1.98 crore up to June 2014 on which final action was pending. Out of 27 cases, Departmental action had been initiated in 19 cases and five cases were pending in courts of law. The remaining three cases were awaiting orders for recovery/write off.

Departmental enquiries in respect of all the defalcation and misappropriation cases may be expedited to bring defaulters to book. Internal controls may also be strengthened to prevent such cases in future.



Panaji
The 21 APRIL 2015

(ASHUTOSH JOSHI)
Accountant General, Goa

Countersigned



New Delhi
The 7 MAY 2015

(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 *per cent*)[1]		Five *per cent*
5	a.	Literacy (as per 2001 Census) (All India Average = 64.8 *per cent*)	82.01 *per cent*
	b.	Literacy (as per 2011 Census) (All India Average = 74.04 *per cent*)	88.70 *per cent*
6	Infant mortality[2] (per 1000 live births) (All India Average = 40 per 1000 live births)		10.00
7	Life Expectancy at birth[3] (All India Average = 65.8 years)		68.5 years
8	Gini Coefficient[4]		
	a.	Rural (All India = 0.29)	0.21
	b.	Urban (All India = 0.38)	0.25
9	Gross State Domestic Product (GSDP) 2012-13 at current price		42,407 crore
10	Per capita GSDP CAGR (2004-05 to 2013-14)	Goa	15.11 *per cent*
		General Category States	14.88 *per cent*
11	GSDP CAGR (2004-05 to 2013-14)	Goa	16.15 *per cent*
		General Category States[5]	15.49 *per cent*
12	Population Growth[6] (2004-05 to 2013-14)	Goa	8.17 *per cent*
		General Category States	12.94 *per cent*

B. Financial Data[7]

Particulars		2004-05 to 2012-13		2004-05 to 2013-14
CAGR		General Category States	Goa	Goa
		(In *per cent*)		
a.	of Revenue Receipts	16.93	15.70	13.84
b.	of Own Tax Revenue	16.42	16.68	14.69
c.	of Non Tax Revenue	12.49	12.22	10.79
d.	Of Total Expenditure	15.37	14.48	12.77
e.	of Capital Expenditure	17.01	10.43	9.22
f.	of Revenue Expenditure on Education	17.44	15.24	13.44
g.	of Revenue Expenditure on Health	16.50	17.72	15.60
h.	of Salary and Wages	14.73	16.35	14.41
i.	of Pension	18.34	16.86	14.86

[1] Press note July 2013,Planning Commission BPL 2011-12 by Tendulkar methodology
[2] SRS bulletin September 2013
[3] Economic survey indicators for 2010-11 as shown in Economic survey of 2012-13
[4] Planning Commission data for 2009-10.Gini Coefficient is a measure of inequality of income among the population. Value rate is from zero to one, closer to zero inequality is less, closer to one inequality is higher
[5] Excluding three General Category States *i.e.* Delhi, Goa and Puducherry
[6] Projected total population 2001-2016 by Census India
[7] Financial data of the State 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 on profile of Goa)

Part A: Methodology adopted for the assessment of Fiscal Position

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 mobilisation 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 sector wise details of GSDP for the last five years are indicated below:

The sector wise details of GSDP

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Primary sector	6661	8549	8647	4588	5951
Secondary sector	9697	10125	17356	18879	20272
Tertiary sector	12768	14931	17252	18940	22674
Gross State Domestic Product	29126	33605	43255	42407	48897
Growth rate of GSDP *(in per cent)*	14.61	15.38	28.72	(-)1.96	15.30

(Source of GSDP: Directorate of Planning, Statistics and Evaluation Department, Government of Goa)

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

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

Part B: Fiscal Responsibility and Budget 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 2013-14

(₹ in crore)

Receipts			Disbursements				
2012-13		2013-14	2012-13	2013-14			
					Non-Plan	Plan	Total
	Section-A: Revenue						
5845.43	**I. Revenue receipts**	**6449.77**	**6061.34**	**I. Revenue expenditure**	**5091.73**	**1711.55**	**6803.28**
2939.66	Tax revenue	3582.48	**1860.23**	**General services**	**2046.87**	**29.08**	**2075.95**
			2205.82	**Social Services (inclusive of GIA and contribution)**	**1482.18**	**1151.97**	**2634.15**
1832.90	Non-tax revenue	1661.56	1047.88	Education, Sports, Art and Culture	854.68	365.98	1220.66
			413.38	Health and Family Welfare	300.21	144.89	445.10
777.21	State's share of Union Taxes	848.53	289.35	Water Supply, Sanitation, Housing and Urban Development	244.11	72.86	316.97
			19.71	Information and Broadcasting	3.41	13.31	16.72
29.63	Non-Plan grants	95.60	15.11	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.63	61.09	61.72
155.79	Grants for State Plan Schemes	185.88	36.25	Labour and labour Welfare	23.13	16.53	39.66
			382.25	Social Welfare and Nutrition	53.99	477.31	531.30
110.24	Grants for Central and Centrally sponsored Plan Schemes	75.72	1.89	Others	2.02	0.00	2.02
			1995.29	**Economic Services- (inclusive of GIA and contribution)**	**1562.68**	**530.50**	**2093.18**
			202.69	Agriculture and Allied Activities	70.10	186.83	256.93
			93.45	Rural Development	38.93	55.41	94.34
			5.39	Special Areas Programmes	0.00	5.58	5.58
			87.53	Irrigation and Flood control	65.96	25.34	91.30
			1251.40	Energy	1144.79	33.24	1178.03
			69.31	Industry and Minerals	8.30	138.04	146.34
			227.62	Transport	213.45	38.25	251.70
			1.82	Science, Technology and Environment	-0.04	4.18	4.14
			56.08	General Economic Services	21.19	43.63	64.82
			6061.34	**Total**	**5091.73**	**1711.55**	**6803.28**
215.91	**II. Revenue deficit carried over to Section B**	**353.51**		**II. Revenue deficit/Surplus carried over to Section B**			
6061.34	**Total**	**6803.28**	**6061.34**	**Total**			**6803.28**

Receipts			Disbursements				
2012-13		2013-14	2012-13	2013-14			
					Non-Plan	Plan	Total
Section-B : Other							
1018.41	**III. Opening Cash balance including Permanent Advances and Cash Balance Investment**	**703.91**		**III. Opening Overdraft from Reserve Bank of India**	--	--	--
	IV. Miscellaneous Capital receipts	**--**		**IV. Capital Outlay**			
			133.69	**General Services**	**0.00**	**193.64**	**193.64**
			187.26	**Social Services**	**0.00**	**172.52**	**172.52**
			82.18	Education, Sports, Art and Culture	0.00	62.52	62.52
			11.03	Health and Family Welfare	0.00	17.37	17.37
			82.64	Water Supply, Sanitation, Housing and Urban Development	0.00	91.94	91.94
			0.00	Information and Broadcasting	0.00	0.00	0.00
			9.66	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.00	0.00	0.00
			1.75	Social Welfare and Nutrition	0.00	0.69	0.69
			0.00	Other Social Services	0.00	0.00	0.00
			621.32	**Economic Services**	**10.08**	**631.98**	**642.06**
			17.07	Agriculture and Allied Activities	10.08	17.04	27.12
			0.08	Rural Development	0.00	4.03	4.03
			0.44	Special Areas Programmes	0.00	0.44	0.44
			112.92	Irrigation and Flood Control	0.00	149.50	149.50
			205.48	Energy	0.00	144.73	144.73
			0.44	Industry and Minerals	0.00	5.42	5.42
			237.23	Transport	0.00	236.41	236.41
			0.00	Science, Technology and environment	0.00	3.04	3.04
			47.66	General Economic Services	0.00	71.37	71.37
			942.27	**Total**	**10.08**	**998.14**	**1008.22**
14.57	**V. Recoveries of Loans and Advances**	**12.57**	**3.98**	**V. Loans and Advances disbursed**	4.09	0.16	**4.25**
	From Government Servants	11.32	2.77	To Government Servants	4.09	0.00	4.09
	From Others	1.25	1.21	To Others	0.00	0.16	0.16
	VI. Revenue Surplus brought down		**215.91**	**VI. Revenue Deficit brought down**			**353.51**

Receipts			Disbursements				
2012-13		2013-14	2012-13	2013-14			
					Non-Plan	Plan	Total
1537.49	**VII. Public debt receipts**	**1348.78**	**339.06**	**VII. Repayment of Public debt-**			**385.06**
	External debt			External debt			
1370.89	Internal debt other than Ways and Means Advances and overdrafts	1146.26	310.98	Internal debt other than Ways and Means Advances and Overdrafts			306.48
	Net transactions under Ways and Means Advances	52.69		Net transactions under Ways and Means Advances			52.69
	Net transactions under overdraft		28.08	Repayment of Loans and Advances to Central Government			25.89
166.60	Loans and Advances from Central Government	149.83					
	VIII. Appropriation to Contingency Fund		**0.00**	**VIII. Appropriation to Contingency Fund**			**0.01**
	IX. Amount transferred to Contingency Fund			**IX. Expenditure from Contingency Fund**			
7290.32	**X. Public Account receipts-**	**8496.00**	**7655.66**	**X. Public Account disbursements**			**8026.81**
332.02	Small Savings and Provident Funds	346.74	181.82	Small Savings and Provident Funds			231.66
205.68	Reserve Funds	142.70	36.72	Reserve Funds			31.16
3238.37	Suspense and Miscellaneous	4305.47	3937.21	Suspense and Miscellaneous			4484.58
3165.32	Remittance	3198.06	3343.45	Remittances			3112.43
348.93	Deposits and Advances	503.03	156.46	Deposits and Advances			166.98
	XI. Closing Overdraft from Reserve Bank of India		**703.91**	**XI. Cash Balance at end-**			**783.40**
			501.22	Investment of earmarked balance		564.65	
			4.52	Deposits with Reserve Bank		20.96	
			1.69	Departmental Cash Balance including permanent Advances		1.73	
			196.48	Cash Balance Investment		196.06	
15922.13	**Total**	**17364.54**	**15922.13**	**Total**			**17364.54**

PART B: Summarised financial position of the Government of Goa as on 31 March 2014

(₹ in crore)

As on 31 March 2013		Liabilities	As on 31 March 2014	
7286.33		**Internal Debt**		**8126.11**
	3756.19	Market Loans bearing interest	4637.53	
	--	Market Loans not bearing interest	--	
	14.74	Loans from LIC	12.75	
	3515.40	Loans from other institutions	3475.83	
	--	Ways and Means Advances/overdraft		
	--	Overdraft from Reserve Bank of India		
784.47		**Loans and Advances from Central Government**		**908.41**
	--	Pre 1984-85 loans		
	87.83	Non-Plan Loans	86.72	
	687.79	Loans for State Plan Schemes	813.37	
	0.03	Loans for Central Plan Schemes	0.03	
	8.82	Loans for Centrally Sponsored Plan Schemes	8.29	
30.00		**Contingency Fund**		**29.99**
1616.77		**Small savings, Provident Fund *etc.***		**1731.85**
1204.10		**Deposits**		**1540.15**
841.25		**Reserve Funds**		**952.79**
-27.61		**Remittance balances**		**58.03**
-482.63		**Suspense and Miscellaneous**		**-661.74**
11252.68				**12685.59**
		Assets		
10306.40		**Gross Capital Outlay on Fixed Assets**		**11314.62**
	445.72	Investment in shares of Companies, Corporation *etc.*	449.13	
	9860.68	Other Capital Outlay	10865.49	
99.00		**Loans and Advances**		**90.69**
	--	Loans for Power Projects	--	
	58.44	Other Development Loans	57.15	
	40.56	Loans to Government Servants and Miscellaneous loans	33.54	
		Reserve Fund Investments		
0.67		**Advances**		**0.67**
		Contingency fund (un recouped)		**0.01**
703.91		**Cash**		**783.40**
	--	Cash in Treasuries and Local Remittances	--	
	4.52	Deposits with Reserve Bank	20.96	
	1.48	Departmental Cash Balances	1.48	
	0.21	Permanent Advances	0.25	
	196.48	Cash Balance Investments	196.06	
	501.22	Earmarked Fund Investment	564.65	
		Deficit on Government Accounts		
142.70		**Revenue Deficit of the current year**		**496.20**
	-1.18	(i) Miscellaneous Deficit	1.17	
	-104.15	Accumulated deficit as on 31 March 2013	457.65	
	-30	**Appropriation to Contingency Fund**	**29.98**	
		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	
11252.68				**12685.59**

APPENDIX 1.4
(Referred to in paragraph 1.3)
Time series data on the State Government finances

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Part-A. Receipts					
1. Revenue Receipts	**4100**	**5442**	**5781**	**5845**	**6450**
(i) Tax Revenue	**1762(43)**	**2139(39)**	**2551(44)**	**2940(50)**	**3582(56)**
Taxes on Agricultural Income	-	-	-	-	
Taxes on Sales, Trade *etc.*	1142(65)	1380(65)	1653(65)	1577(54)	1708(48)
State Excise	104(6)	139(6)	182(7)	213(7)	236(6)
Taxes on Vehicles	105(6)	130(6)	140(5)	148(5)	154(4)
Stamps duty and Registration fees	111(6)	152(7)	184(7)	525(18)	396(11)
Land Revenue	11(1)	8	8	11	454(13)
Taxes on goods and passenger	161(9)	172(8)	210(8)	258(9)	386(11)
Other Taxes	128(7)	158(7)	174(7)	208(7)	248(7)
(ii) Non-Tax Revenue	**1731(42)**	**2269(42)**	**2313(40)**	**1833(31)**	**1662(26)**
(iii) State's share in Union taxes and duties	**428(11)**	**584(11)**	**681(12)**	**777(13)**	**849(13)**
(iv) Grants-in-aid from Government of India	**179(4)**	**450(8)**	**236(4)**	**296(5)**	**357(5)**
2. Misc. Capital Receipts	**-**	**-**	**-**	**-**	**-**
3. Recoveries of Loans and Advances	**13**	**15**	**16**	**15**	**13**
4. Total Revenue and Non debt capital receipt (1+2+3)	**4113**	**5457**	**5797**	**5860**	**6463**
5. Public Debt Receipts	**632**	**745**	**537**	**1537**	**1349**
Internal Debt (excluding Ways & Means Advances and Overdrafts)	719	717	324	1371	1146
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	53
Loans and Advances from Government of India	(-)87	28	213	166	150
6. Total Receipts in the Consolidated Fund (4+5)	**4745**	**6202**	**6334**	**7397**	**7812**
7. Contingency Fund Receipts	**-**	**3**	**-**	**-**	**-**
8. Public Accounts receipts	**6178**	**6993**	**7550**	**7290**	**8496**
9. Total receipts of the State (6+7+8)	**10923**	**13198**	**13884**	**14687**	**16308**
Part B. Expenditure/Disbursement	**5311**	**6005**	**6668**	**7003**	**7811**
10. Revenue Expenditure	**4227(80)**	**4784(80)**	**5484(82)**	**6061(87)**	**6803(87)**
Plan	758(18)	927(19)	1110(20)	1250(21)	1711(25)
Non-plan	3469(82)	3857(81)	4374(80)	4811(79)	5092(75)
General Services (including Interests payments)	1351(32)	1487(31)	1633(30)	1860(31)	2076(30)
Social Services (including GIA & contributions)	1487(35)	1774(37)	1952(36)	2206(36)	2634(39)
Economic Services (including GIA & contributions)	1389(33)	1522(32)	1899(35)	1995(33)	2093(31)
11. Capital Expenditure	**1084(20)**	**1221(20)**	**1184(22)**	**942(13)**	**1008(13)**
Plan	1078(99)	1215(99)	1182(100)	941(100)	998(99)
Non-plan	6(1)	6(1)	2	1	10(1)
General Services	179(17)	205(17)	202(17)	134(14)	194(19)
Social Services	211(19)	206(17)	239(20)	187(20)	172(17)
Economic Services	694(64)	810(66)	743(63)	621(66)	642(64)

	2009-10	2010-11	2011-12	2012-13	2013-14
Part B. Expenditure/Disbursement					
12. Disbursement of Loans and Advances	**37**	**16**	**9**	**4**	**4**
13. Total (10+11+12)	**5348**	**6021**	**6677**	**7007**	**7815**
14. Repayments of Public Debt	**178**	**208**	**278**	**339**	**385**
Internal Debt (excluding Ways and Means Advances and Overdrafts)	105	182	128	311	306
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	53
Loans and Advances from Government of India	73	26	150	28	26
15. Appropriation to Contingency Fund	**-**	**-**	**-**	**-**	**-**
16. Total disbursement out of Consolidated Fund (13+14+15)	**5526**	**6229**	**6955**	**7346**	**8200**
17. Net Loans and Advances	**24**	**1**	**(-)7**	**(-)11**	**(-)9**
18. Contingency Fund disbursements	**3**	**-**	**-**	**-**	**-**
19. Public Accounts disbursements	**5471**	**6535**	**7057**	**7656**	**8027**
20. Total disbursement by the State (16+18+19)	**11000**	**12764**	**14012**	**15002**	**16227**
Part C. Deficits					
21. Revenue Deficit(+)/Revenue Surplus (-)(10-1)	**127**	**(-)658**	**(-)297**	**216**	**353**
22. Fiscal Deficit (21+11+17)	**1235**	**564**	**880**	**1147**	**1352**
23. Primary Deficit(+)/Surplus(-) (22-24)	**652**	**(-)86**	**175**	**346**	**461**
Part D. Other data					
24. Interest Payments (included in revenue expenditure)	**583**	**650**	**705**	**801**	**891**
24. Financial Assistance to local bodies *etc.*	**590**	**736**	**835**	**796**	**941**
25. Ways and Means Advances (WMA)/Overdraft availed (days)	**-**	**-**	**-**	**-**	**17**
Ways and Means advances availed	**2.96**	**-**	**-**	**-**	**17**
Overdraft availed	**-**	**-**	**-**	**-**	**-**
26. Interest on WMA/Overdraft	**#**	**-**	**-**	**-**	**##**
27. Gross State Domestic Product (GSDP)	**29126**	**33605**	**43255**	**42407**	**48897**
28. Outstanding fiscal liabilities (year end)	**8075**	**8985**	**9579**	**11232**	**12695**
29. Outstanding guarantees including interest (year end)	**148**	**181**	**185**	**123**	**293**
30. Maximum amount guaranteed (year end)	**603**	**342**	**305**	**260**	**575**
31. Number of incomplete projects	**19**	**93**	**85**	**127**	**37**
32. Capital blocked in incomplete projects	**856**	**933**	**1571**	**1721**	**1628**
33. Grants-in-aid and contributions (included in revenue expenditure of General, Social & Economic Services)	**586**	**772**	**830**	**763**	**941**

 # ₹ 4,000 only on interest on Ways and Means Advances

₹ 3.64 lakh as interest on Ways and Means Advances

	2009-10	2010-11	2011-12	2012-13	2013-14
Part E. Fiscal Health Indicator (In per cent)					
I Resource Mobilisation					
Own Tax revenue/GSDP	**6.05**	**6.37**	**5.90**	**6.93**	**7.33**
Own Non-Tax Revenue/GSDP	**5.94**	**6.75**	**5.35**	**4.32**	**3.40**
Central Transfer/GSDP	**1.47**	**1.74**	**1.57**	**1.83**	**1.74**
II Expenditure Management					
Total Expenditure/GSDP	**18.36**	**17.92**	**15.44**	**16.52**	**15.98**
Total Expenditure/Revenue Receipts	**130.44**	**110.64**	**115.50**	**119.88**	**121.16**
Revenue Expenditure/Total Expenditure	**79.04**	**79.46**	**82.13**	**86.50**	**87.05**
Expenditure on Social Services/Total Expenditure	**27.80**	**18.45**	**18.72**	**21.78**	**33.70**
Expenditure on Economic Services/Total Expenditure	**25.97**	**23.48**	**26.52**	**27.30**	**26.78**
Capital Expenditure/Total Expenditure	**20.27**	**20.28**	**17.73**	**13.44**	**12.90**
Capital Expenditure on Social and Economic Services/Total Expenditure	**4.73**	**4.12**	**4.21**	**3.27**	**2.74**
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	**0.44**	**(-)1.96**	**(-)0.69**	**0.51**	**0.72**
Fiscal deficit/GSDP	**4.24**	**1.68**	**2.03**	**2.70**	**2.76**
Primary Deficit (surplus)/GSDP	**2.24**	**0.26**	**0.40**	**0.82**	**0.94**
Revenue Deficit/Fiscal Deficit	**10.28**	**(-)116.67**	**(-)33.75**	**18.83**	**26.11**
Primary Revenue Balance/GSDP	**12.51**	**12.30**	**11.05**	**12.40**	**12.09**
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	**27.72**	**26.74**	**22.15**	**26.49**	**25.96**
Fiscal Liabilities/RR	**196.95**	**165.10**	**165.70**	**192.16**	**196.82**
Primary deficit vis-a-vis quantum spread	**148.76**	**13.65**	**6.76**	**(-)34.80**	**52.22**
Debt Redemption (Principal+Interest)/Total Debt Receipts	**120.41**	**115.17**	**183.05**	**74.17**	**94.59**
V Other Fiscal Health Indicator					
Return on Investment (in *per cent*)	**0.32**	**0.04**	**0.36**	**0.39**	**0.24**
Balance from Current Revenue *(₹ in crore)*	**508.64**	**688.16**	**327.23**	**-185.91**	**-323**
Financial Assets/Liabilities	**0.90**	**0.98**	**1.00**	**0.99**	**0.96**

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	6-Election Office	14.37	8.21	6.16	43
2	11-Excise	15.00	11.74	3.26	22
3	12-Commercial Taxes	24.36	13.64	10.72	44
4	13-Transport	118.57	78.93	39.64	33
5	19-Industries Trade and Commerce	69.83	21.17	48.66	70
6	20-Printing and Stationary	10.10	7.61	2.49	25
7	22-Vigilance	5.25	2.38	2.87	55
8	23-Home	6.54	2.35	4.19	64
9	25-Home Guards and Civil Defence	15.50	7.01	8.49	55
10	27-Official Language	4.81	2.19	2.62	54
11	30-Small Savings and Lotteries	10.79	8.65	2.14	20
12	32-Finance	48.50	9.04	39.46	81
13	33-Revenue	7.40	4.86	2.54	34
14	36-Technical Education	21.14	16.69	4.45	21
15	43-Art and Culture	99.26	52.63	46.63	47
16	44-Goa College of Art	5.45	2.70	2.75	50
17	45-Archives and Archaeology	8.00	4.66	3.34	42
18	50-Goa College of Pharmacy	9.24	6.12	3.12	34
19	52-Labour	37.58	24.30	13.28	35
20	54-Town and Country Planning	16.94	8.46	8.48	50
21	55-Municipal Administration	191.02	52.11	138.91	73
22	56-Information and Publicity	35.04	16.72	18.32	52
23	60-Employment	19.80	1.46	18.34	93
24	61-Craftsmen Training	45.05	33.86	11.19	25
25	62-Law	22.97	10.35	12.62	55
26	64-Agriculture	144.33	114.68	29.65	21
27	65-Animal Husbandry	96.03	51.37	44.66	46
28	66-Fishries	53.00	36.34	16.66	31
29	70-Civil Supplies	23.86	5.93	17.93	75
30	71-Co-operation	18.54	11.47	7.07	38
31	72-Science, Technology and Environment	13.04	4.19	8.85	68
32	75-Planning and Statistics	30.40	7.64	22.76	75
33	81-Tribal Welfare	126.68	53.27	73.41	58
34	82-Information Technology	58.00	42.91	15.09	26
35	83-Mines	149.04	73.41	75.63	51

Capital (Voted)					
1	2-General Administration and Co-ordination	12.75	3.05	9.70	76
2	12-Commercial Taxes	5.93	2.76	3.17	53
3	17-Police	10.00	4.56	5.44	54
4	18-Jails	24.60	17.21	7.39	30
5	26-Fire and Emergency Services	15.50	7.60	7.90	51
6	31-Panchayats	41.27	4.03	37.24	90
7	32-Finance	290.00	150.00	140.00	48
8	34-School Education	36.25	21.47	14.78	41
9	35-Higher Education	12.50	6.10	6.40	51
10	36-Techinacal Education	7.15	0.89	6.26	88
11	40-Goa College of Engineering	14.07	8.23	5.84	41
12	42-Sports and Youth Affairs	28.16	19.56	8.60	31
13	43- Art and Culture	17.50	0.20	17.30	99
14	45-Archives and Archeology	12.00	1.43	10.57	88
15	47- Goa Medical College	15.70	8.14	7.56	48
16	48- Health Services	13.73	2.46	11.27	82
17	50-Goa College of Pharmacy	3.10	0.86	2.24	72
18	51-Goa Dental College	10.26	0.09	10.17	99
19	58-Women and Child Development	2.83	0.69	2.14	76
20	61-Craftsmen Training	12.44	2.33	10.11	81
21	65-Animal Husbandry and Veterinary services	3.15	0.84	2.31	73
22	66-Fishries	8.84	1.00	7.84	89
23	67-Ports Administration	14.69	11.40	3.29	22
24	71-Co-operation	10.68	7.07	3.61	34
25	72-Science, Technology and Environment	9.23	3.04	6.19	67
26	74-Water Resources	255.18	149.50	105.68	41
27	76-Electricity	227.35	144.73	82.62	36
28	78-Tourism	109.74	71.37	38.37	35
29	81-Tribal welfare	143.30	31.32	111.98	78
30	82-Information Technology	10.00	5.00	5.00	50
	Total	**2953.33**	**1495.98**	**1457.35**	

APPENDIX - 2.2

(Referred to in paragraph 2.3.5)

Results of review of substantial surrenders made during the year 2014

(₹ in crore)

Sl. No.	Number & name of grant	Total provision	Amount of surrender	Percentage of surrender
Revenue (Voted)				
1	19-Industries Trade and Commerce	69.83	48.24	69
2	25-Home Guard and Civil Defence	15.50	8.49	55
3	32-Finance	48.50	39.46	81
4	44-Goa College of Art	5.45	2.75	50
5	55-Municipal Administration	191.02	137.51	72
6	56-Information and Publicity	35.04	18.32	52
7	70-Civil Supplies	23.86	17.93	75
8	72-Science Technology and Environment	13.04	8.80	67
9	75-Planning, Statistics and Evaluation	30.40	22.76	75
11	81-Tribal Welfare	126.68	73.29	58
12	83-Mines	149.04	75.63	51
13	84-Mopa Airport	1.34	1.32	98
Capital (Voted)				
14	10-Notary Services	0.60	0.44	73
15	12-Commercial Taxes	5.93	3.17	53
16	17-Police	10.00	5.00	50
17	31-Panchayats	41.27	36.27	88
18	35-Higher Education	12.50	6.41	51
19	36-Technical Education	7.15	6.24	87
20	39- Government Polytechnic (Curchorem)	0.75	0.62	83
21	43- Art and Culture	17.50	17.30	99
	44-Goa College of Art	1.03	0.77	75
22	45-Archives and Archaeology	12.00	10.57	88
23	46-Museum	1.35	1.34	99
24	48-Health Services	13.73	10.51	77
25	49-Institute of Psychiatry and Human Behavior	2.14	1.97	92
26	50-Goa College of Pharmacy	3.09	2.24	72
27	51-Goa Dental College	10.26	10.15	99
	55-Municipal Administration	2.00	1.45	72
28	58-Women and Child Development	2.83	2.14	76
29	59-Factories and Boilers	0.70	0.48	69
30	61-Craftsmen Training	12.44	9.76	78
31	62-Law	2.20	1.65	75
32	65-Animal Husbandry and Veterinary services	3.15	1.98	63
33	66-Fishries	8.84	7.71	87
34	68-Forests	1.03	0.79	77
	72-Science, Technology and Environment	9.23	5.26	57
	81-Tribal Welfare	143.30	112.43	78
35	82-Information Technology	10.00	5.00	50
	83-Mines	1.00	0.58	58
	Total	**1045.72**	**716.73**	

APPENDIX - 2.3

(Referred to in paragraph 2.3.7)

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	2-General Administration and Co-ordination (Revenue Voted)	46.24	41.56	4.68	2.24	2.44
2	14-Goa Sadan (Revenue Voted)	4.00	3.44	0.56	0.13	0.43
3	16-Collectorate (Revenue Voted)	16.07	15.07	1.00	0.17	0.83
4	17-Police (Capital Voted)	10.00	4.56	5.44	5.00	0.44
5	18-Jails (Capital Voted)	24.60	17.21	7.39	2.54	4.85
6	19-Industries, Trade and Communication (Revenue Voted)	69.83	21.17	48.66	48.24	0.42
7	21-Public Works (Revenue Voted)	590.10	499.29	90.81	90.29	0.52
	21-Public Works (Capital Voted)	538.60	295.41	243.19	158.14	85.05
8	26-Fire and Emergency Services (Capital Voted)	15.50	7.60	7.90	7.45	0.45
9	31-Panchayat (Revenue Voted)	114.14	92.66	21.48	20.57	0.91
	31-Panchayat (Capital Voted)	41.27	4.03	37.24	36.27	0.97
10	33-Revenue (Revenue Voted)	7.40	4.86	2.54	0.12	2.42
11	40-Goa College of Engineering (Revenue Voted)	24.52	19.88	4.64	3.63	1.01
	40-Goa College of Engineering (Capital Voted)	14.07	8.23	5.84	5.06	0.78
12	43-Art and Culture (Revenue Voted)	99.26	52.63	46.63	46.41	0.22
13	48-Health Services (Revenue Voted)	259.17	223.26	35.91	25.43	10.48
	48-Health Services (Capital Voted)	13.73	2.46	11.27	10.51	0.76
14	52-Labour (Revenue Voted)	37.58	24.30	13.28	10.59	2.69
15	54-Town and Country Planning (Revenue Voted)	16.94	8.46	8.48	7.41	1.07
16	55-Municipal Administration (Revenue Voted)	191.01	52.11	138.90	137.51	1.39
17	61-Craftsmen Training (Capital Voted)	12.44	2.33	10.11	9.76	0.35
18	62-Law (Revenue Voted)	22.97	10.35	12.62	10.99	1.63
19	65-Animal Husbandry (Capital Voted)	3.15	0.84	2.31	1.98	0.33
20	68-Forest (Revenue Voted)	52.10	46.02	6.08	5.02	1.06
21	72-Science, Technology and Environment (Capital Voted)	9.23	3.04	6.19	5.26	0.93
22	76-Electrician (Revenue Voted)	1333.49	1189.26	144.23	129.87	14.36
	76-Electrician (Capital Voted)	227.35	144.73	82.62	52.85	29.77
23	78-Tourism (Revenue Voted)	54.23	45.30	8.93	8.05	0.88
	Total	**3848.99**	**2840.06**	**1008.93**	**841.49**	**167.44**

APPENDIX - 2.4

(Referred to in paragraph 2.3.7)

Surrender of funds in excess of ₹ 10 crore in March 2014

(₹ in crore)

Sl. No.	Grant No.	Total grant	Expenditure	Savings surrendered	Percentage of total provision
1	12-Commercial Taxes (Revenue Voted)	24.36	13.64	10.77	44
2	13-Transport (Capital Voted)	86.00	0	86.00	100
3	16-collectorate, South Goa(Capital Voted)	29.00	0	29.00	100
4	17-Police(Revenue Voted)	266.37	240.52	25.50	10
5	19-Industries Trade and Commerce (Revenue Voted)	69.83	21.17	48.24	69
6	21-Public Works (Revenue Voted)	590.10	499.29	90.29	15
	21-Public Works (Capital Voted)	538.60	295.41	158.14	29
7	31-Panchayat (Revenue Voted)	114.14	92.66	20.57	18
	31-Panchayat (Capital Voted)	41.27	4.03	36.27	88
8	32-Finance (Revenue Voted)	48.50	9.04	39.46	81
	32-Finance (Capital Voted)	290.00	150.00	140.00	48
9	33-Revenue (Capital Voted)	20.00	0	20.00	100
10	34-School Education (Revenue Voted)	848.30	805.38	44.41	5
	34-School Education (Capital Voted)	36.25	21.47	14.66	40
11	35-Higher Education (Revenue Voted)	165.23	146.46	18.76	11
12	42-Sports and Youth Affairs (Revenue Voted)	172.59	141.68	31.71	18
13	43-Art and Culture (Revenue Voted)	99.26	52.63	46.41	47
	43-Art and Culture (Capital Voted)	17.50	0.19	17.30	99
14	45-Archives and Archeology (Capital Voted)	12.00	1.43	10.57	88
15	48-Health Services (Revenue Voted)	259.17	223.26	25.43	10
	48-Health Services (Capital Voted)	13.73	2.46	10.51	77
16	51-Goa Dental College (Capital Voted)	10.26	0.09	10.15	99
17	52-Labour (Revenue Voted)	37.58	24.30	10.59	28
18	55-Municipal Administration (Revenue Voted)	191.02	52.11	137.51	72
19	56-Information and Publicity (Revenue Voted)	35.04	16.72	18.32	52
20	58-Women and Child Development (Revenue Voted)	234.25	219.56	14.48	6
21	61-Craftsmen Training (Revenue Voted)	45.05	33.86	11.10	25
22	62-Law (Revenue Voted)	22.97	10.35	10.99	48
23	64-Agriculture (Revenue Voted)	144.33	114.68	30.08	21
	64-Agriculture (Capital Voted)	25.00	12.05	12.13	49
24	65-Animal Husbandry and Veterinary Services (Revenue Voted)	96.03	51.37	44.52	46
25	66-Fishries (Revenue Voted)	52.99	36.34	17.00	32
26	70-Civil Supplies (Revenue Voted)	23.86	5.93	17.93	75
27	74-Water Resources (Revenue Voted)	115.57	95.51	20.07	17
	74-Water Resources(Capital Voted)	255.18	149.50	105.67	41
28	75-Planning Statistics and Evaluation (Revenue Voted)	30.40	7.64	22.76	75
29	76-Electricity (Revenue Voted)	1333.49	1189.26	129.87	10
	76-Electricity (Capital Voted)	227.35	144.73	52.85	23
30	78-Tourism (Capital Voted)	109.74	71.37	38.18	35
31	81-Tribal Welfare (Revenue Voted)	126.68	53.27	73.29	58
	81-Tribal Welfare (Capital Voted)	143.30	31.32	112.43	78
32	82-Information Technology (Revenue Voted)	58.00	42.91	15.11	26
33	83-Mines (Revenue Voted)	149.04	73.41	75.63	51
	Total	**7209.33**	**5157.00**	**1904.66**	

APPENDIX – 3.1

(Referred to in paragraph 3.1)

Department-wise breakup of outstanding Utilisation Certificates as on June 2014

Sl. No.	Name of the Department	No. of utilisation certificates	Amount (₹ *in crore*)
1	Directorate of Education	538	88.69
2	Directorate of Technical Education	5	0.63
3	Directorate of Higher Education	59	58.37
4	Directorate of Sports and Youth Affairs	416	195.18
5	Town and Country Planning Department	24	10.59
6	Directorate of Municipal Administration	970	381.50
7	i) Directorate of Women and Child Welfare ii) Directorate of Social Welfare	313 202	6.07 24.78
8	Department of Science, Technology and Environment	206	15.52
9	i) Directorate of Panchayats (South) ii) Directorate of Panchayats (North)	1695 1734	37.41 148.18
10	i) General Administration Department ii) Directorate of Official Language iii) Legislature Department	11 19 12	0.63 1.86 0.56
11	Directorate of Health Services	37	35.58
12	Institute of Psychiatry and Human Behavior	1	0.01
13	Directorate of Small Savings and Lotteries	20	35.91
14	Directorate of Art and Culture	2747	158.41
15	Directorate of Agriculture	85	0.32
16	Forests Department	11	8.88
17	Goa Sate Legal Services Authority	15	1.81
18	Under Secretary, Finance (Home)	39	2.57
19	Under Secretary, Revenue	9	5.39
20	Law Department	9	7.28
21	Directorate of Archive and Archaeology	1	0.15
22	Directorate of Accounts	1	0*
23	Public Works Department	11	28.60
	TOTAL	**9190**	**1254.88**

*Amount below ₹ 10,000 shown as 'Nil'

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 2012-13	104.65
2	A.I.M. Salcete High School, Malbhat	2005-06 to 2012-13	31.00
3	Azmane High School, Neura	2006-07 to 2012-13	35.17
4	Cuncolim United High School, Cuncolim	2005-06 to 2012-13	34.20
5	Dayanand High School, Chorao	2011-12 to 2012-13	54.54
6	Dnyanprasarak Vidyalaya, Mapusa	2005-06 to 2012-13	49.02
7	Harmal Panchakrishi High School, Harmal	2011-12 to 2012-13	65.39
8	Holy Spirit Institute, Margao	2008-09 to 2012-13	1.25
9	K.R.S.S. High School, Savoi-verem	2005-06 to 2012-13	31.80
10	Late V.G. Shenvi Vidyalaya, Rawanfond	2005-06 to 2012-13	40.00
11	Lokmanya Tilak Vidyalaya High School, Kavalem	2005-06 to 2012-13	30.42
12	Mahila and Nutan English High School, Margao	2005-06 to 2012-13	2.24
13	M.I.B.K. High School, Khandepar	2005-06 to 2012-13	53.08
14	Marina English High School, Verna	2007-08 to 2012-13	27.76
15	Mary Immaculate Girls High School, Panaji	2011-12 to 2012-13	128.58
16	Mata Secondary School, No.1, Baina-Vasco	2005-06 to 2012-13	44.88
17	Mustifund High School, Panaji	2005-06 to 2012-13	53.36
18	New English High School, Keri-Pernem	2005-06 to 2012-13	34.09
19	Our Lady of Divar High School, Piedade	2006-07 to 2012-13	23.01
20	Our Lady of Health High School, Cuncolim	2011-12 to 2012-13	1.36
21	Our Lady of Rosary High School, Dona Paula-Panaji	2011-12 to 2012-13	98.61
22	Perpetual Succor High School, Navelim	2005-06 to 2012-13	62.64
23	Pragati Vidyalaya, Borim	2005-06 to 2012-13	28.12
24	Progress High School, Panaji	2008-09 to 2012-13	72.26
25	R.P.R.S High School, Bandoda	2005-06 to 2012-13	27.68
26	Ramakant D. Khalap High School, Mandrem-Pernem	2005-06 to 2012-13	37.72
27	Sacred Heart High School, Parra-Bardez	2005-06 to 2012-13	37.53
28	Sarvodaya Education Society High School, Curchorem	2011-12 to 2012-13	123.26
29	Sarvodaya High School, Usgao	2006-07 to 2012-13	24.63
30	Shree Navdurga Vidyalaya, Madkai-Ponda	2007-08 to 2012-13	33.00
31	Shri Hanuman Vidyalaya, Valpoi-Sattari	2006-07 to 2012-13	35.94
32	Shri Kamleshwar High School, Pethechawada	2007-08 to 2012-13	27.44
33	Shri Shradhanand Vidyalaya, Paiguinim	2005-06 to 2012-13	36.04
34	Shri Damodar Vidyalaya English High School, Margao	2008-09 to 2012-13	61.64
35	Smt Hirabai Talaulikar High School, Sancordem	2005-06 to 2012-13	30.23
36	Smt Sunandabai Bandodkar High School, Carambolim	2011-12 to 2012-13	50.32
37	St. Anthony High School, Galgibaga	2007-08 to 2012-13	31.12
38	St. Clara High School, Assonora	2005-06 to 2012-13	39.46
39	St. Francis Xavier High School, Siolim	2005-06 to 2012-13	48.73
40	St. John of the Cross High School, Sanquelim	2006-07 to 2012-13	52.78
41	St. Joseph Convent High School, Nagoa Verna	2005-06 to 2012-13	30.64
42	St. Rita High School, Colvale	2005-06 to 2012-13	41.32
43	St. Thereza Convent High School, Ganapoga-Raia	2005-06 to 2012-13	32.73
44	St. Thereza High School, Vasco	2008-09 to 2012-13	45.32
45	St. Thomas Boy's High School, Aldona-Bardez	2007-08 to 2012-13	36.95
46	St. Thomas Girl's High School, Aldona-Bardez	2005-06 to 2012-13	38.14
47	St. Xavier High School, Moira	2008-09 to 2012-13	2.24
48	Rosary High School, Miramar	2005-06 to 2012-13	30.93
49	V.D & S.V. Wagle High School, Mangueshi	2008-09 to 2012-13	44.40
50	Vidhyaprasarak High School, Morjim-Pernem	2008-09 to 2012-13	0.34
51	Vidya Mandir, Airport Road, Chicalim	2011-12 to 2012-13	104.42
	Directorate of Panchayats		
52	Zilla Panchayat, North Goa	2010-11 to 2012-13	693.82
53	Zilla Panchayat, South Goa	2010-11 to 2012-13	472.66
		Total	**3378.86**

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 2014

Sl. No.	Name of the body/authority	Period of entrustment of audit	Year for which accounts received	Delay in submission of accounts	Period of delay (in month)	Year up to which audit report issued	Placement of reports before the Legislature
1	Goa University	01.04.2010 to 31.03.2015	2012-13	July 2013 to January 2014	7	2012-13	2011-12/23.07.2014
2	Goa Housing Board	01.04.2012 to 31.03.2017	2012-13	October 2013 to November 2013	1	2012-13	2010-11/21.03.2013
3	Goa Tillari Irrigation Development Corporation	01.04.2012 to 31.03.2016	2010-11	July 2011 to February 2014	32	2009-10	2008-09/18.03.2012
4	Khadi and Village Industries Board	01.04.2013 to 31.03.2018	2009-10	August 2010 to October 2013	37	2009-10	2009-10/07.08.2014
5	Goa State Commission for Backward Classes	01.04.2014 to 31.03.2019	2011-12	July 2012 to November 2012	5	2011-12	2009-10/05.10.2011
6	Goa Secondary and Higher Secondary Board	01.04.2010 to 31.03.2015	2011-12	July 2012 to March 2014	21	2011-12	Not Applicable
7	South Goa Zilla Panchayat	01.04.2009 to 31.03.2014	2009-10	July 2010 to December 2013	43	2009-10	Not placed in legislature
8	North Goa Zilla Panchayat	01.04.2009 to 31.03.2014	2007-08	July 2008 to January 2014	67	2007-08	Not placed in legislature
9	Goa State Legal Services Authority	As per Act	2011-12	July 2012 to April 2013	10	2011-12	Not placed in legislature
10	District Legal Service Authority, South Goa	As per Act	2011-12	July 2012 to January 2014	19	2011-12	Not placed in legislature
11	District Legal Service Authority, North Goa	As per Act	2011-12	July 2012 to May 2013	11	2011-12	Not placed in legislature

APPENDIX - 3.4

(Referred to in paragraph 3.4)

Position of arrears as on 30 October 2014 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	Chief Electrical Engineer	2009-10	930.55
Total				**1038.84**

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 2014)

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	2 (28.30)	2 (*-)	-	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 (57.93)	1 (40.24)	5 (105.13)
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 (7.00)
10	State Directorate of Craftsmen Training, Panaji	1 (0.50)	-	-	1 (0.50)
11	Director of Industries, Trade and Commerce, Panaji	1 (0.00)$	-	-	1 (0.00)
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	**14 (45.81)**	**9 (104.17)**	**4 (48.09)**	**27 (198.07)**

(Figures in brackets indicate ₹ in lakh)

*Amount not assessed

$Amount less than ₹ one lakh (₹ 950)