

PREFACE

1. This Report has been prepared for submission to the Lieutenant Governor of the Union Territory of Puducherry under Section 49 of the Government of Union Territories Act, 1963.
2. Chapters I and II of this Report respectively contain audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts of the Government of Union Territory of Puducherry for the year ended 31 March 2010.
3. Chapter III on 'Financial Reporting' provides an overview and status of the Union Territory Government's compliance with various financial rules, procedures and directives during the current year.

Executive Summary

The Twelfth Finance Commission recommendations were not applicable to the Union Territory of Puducherry. Consequently, no fiscal responsibility legislation was enacted by the Union Territory Government of Puducherry and target set for containing its fiscal deficit. The Government had not announced any policy initiative on the subject in its budget.

The Report

Based on the audited accounts of the Government of Union Territory of Puducherry for the year ending March 2010, this Report provides an analytical review of the Annual Accounts of the Union Territory Government. The 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 at 31 March 2010. It provides an insight into trends in committed expenditure and borrowing pattern, besides giving a brief account of Central funds transferred directly to State implementing agencies through the off-budget route.

Chapter II is based on audit of Appropriation Accounts and gives a grant-wise 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 has additional data collated from several sources in support of the findings.

Audit findings and recommendations

1. Finances of the Union Territory Government

Fiscal position: Revenue receipts and revenue expenditure of the Union Territory Government increased by 16 *per cent* and 20 *per cent* respectively during 2009-10 over the previous year, resulting in a 118 *per cent* increase in the revenue deficit. The fiscal deficit during the year increased by 55 *per cent*. Fiscal liabilities of the Government grew by 17 *per cent* during 2009-10. The Government should make concerted efforts to contain the revenue deficit.

Need to compress Non-Plan expenditure: The revenue expenditure was 89.26 *per cent* of the total expenditure, of which 64.71 *per cent* was under Non-Plan. Non-Plan expenditure increased by 13.51 *per cent*. Moreover, the committed expenditure comprising salaries, pension, interest payments and subsidies constituted 74.83 *per cent* of Non-Plan expenditure during 2009-10. As of 31 March 2010, the Government paid two instalments (70 *per cent*) of the Pay Commission arrears to Government servants and

pensioners with a liability of payment of the third and final instalment (30 *per cent*) in 2010-11.

Review of Government investments: The return on Government's investments in Government companies and co-operatives was 0.7 *per cent* while the Government paid interest at a rate of eight *per cent* on its borrowings during 2009-10. This is obviously an unsustainable proposition. The Government should, therefore, speed up to seek better value for money on its investments. Otherwise, high-cost borrowed funds invested in projects with low financial returns will continue to strain the economy.

Increasing fiscal liabilities accompanied with negligible rates of return on Government investments and inadequate interest cost recovery of loans and advances might lead to a situation of unsustainable debt in the medium to long run unless suitable measures are initiated to compress the Non-Plan expenditure and mobilize additional tax and non-tax resources in ensuing years.

Delays in completion of projects: Inordinate delays in completion of projects of the Public Works Department resulted in blocking of capital, escalation in their costs and postponement of accrual of benefits to the society. Therefore, adequate priority should be given for the project planning and implementation mechanism so as to adequately overcome inadequacies and avoid further time and cost overruns.

2. Financial management and budgetary control

During 2009-10, expenditure of ₹ 3,628.28 crore was incurred against total grants and appropriations of ₹ 4,562.83 crore, resulting in a saving of ₹ 934.55 crore. Savings of ₹ 166.47 crore effected in seven grants were not surrendered and out of the total savings of ₹ 472.58 crore in four grants, only ₹ 390.27 crore was surrendered. In 200 cases, expenditure fell short by more than ₹ 50 lakh in each case or by more than 20 *per cent* of the total provision, resulting in savings of ₹ 1,183.31 crore. In 96 cases, the expenditure exceeded the approved provisions, resulting in excess of ₹ 265.80 crore. Supplementary provision of ₹ 2.50 crore made in one case proved unnecessary as no expenditure was incurred against the provision. In 33 cases, expenditure exceeding ₹ 10 lakh or by more than 50 *per cent* of the total expenditure for the year was incurred in March 2010, indicating rush of expenditure in the closing month of the financial year. Even though there were no immediate requirements, ₹ 8.58 crore was drawn on 31 March 2010 and kept outside the Government account in violation of the financial rules. Budgetary controls should be strengthened to avoid such deficiencies in financial management. Last minute fund releases and issuance of re-appropriation / surrender orders should be avoided.

3. Financial Reporting

The Union Territory Government's compliance with various rules, procedures and directives was not adequate, which was evident from the pendency in furnishing of utilisation certificates by various grantee institutions for grants-in-aid of ₹ 354.13 crore. The pendency ranged between one to more than nine years. Thirty one autonomous bodies/authorities had not submitted their annual accounts due for the period upto 2008-09 to the Government as well as to Audit as of September 2010. The Union Territory Government departments reported 299 cases of misappropriation, loss, defalcation, etc., involving Government money of ₹ 7.48 crore up to March 2010. Final action on these cases was pending for periods ranging from one to 20 years. Departmental enquiries in these cases should be expedited to bring the defaulters to book. Internal controls in all the organisations should be strengthened to prevent such cases in future.

CHAPTER I

FINANCES OF THE UNION TERRITORY GOVERNMENT

The Union Territory (UT) of Puducherry is administered under the provisions of the Government of Union Territories Act, 1963. The UT consists of four regions, namely, Puducherry, Karaikal, Mahe and Yanam, lying geographically separated from one another. As per the 2001 census, the UT had a population of 9.70 lakh, of which the urban population was 66.57 *per cent*. The UT had a literacy rate of 81.24 *per cent* (2001). The infant mortality rate of the UT was 25 per 1000 live births (2009). As per the estimate (2004-05) of the Central Planning Commission, 21.7 *per cent* of the UT's population was below the poverty line. (**Appendix 1.1 Part A**).

This chapter provides a broad perspective of the finances of the Government of the Union Territory (UT) of Puducherry during the current year and analyses critical changes in the major fiscal aggregates relative to the previous year, keeping in view the overall trends during the last five years. The structure of Government Accounts and the layout of the Finance Accounts are shown in **Appendix 1.1 Part B and Part C**. The methodology adopted for the assessment of the fiscal position of the UT is given in **Appendix 1.2**. A time series data on UT Government finances is given in **Appendix 1.3**.

1.1 Summary of Current Year's Fiscal Transactions

Table 1.1 presents the summary of the UT Government's fiscal transactions during the current year (2009-10) *vis-à-vis* the previous year, while **Appendix 1.4 - Part A** provides details of receipts and disbursements as well as the overall fiscal position during the current year.

Table 1.1 Summary of Current Year's Fiscal Operations

(₹ in crore)

2008-09	Receipts	2009-10	2008-09	Disbursements	2009-10		
Section-A: Revenue					Non Plan	Plan	Total
2,459	Revenue receipts	2,841	2,570	Revenue expenditure	1,995	1,088	3,083
725	Tax revenue	868	681	General services	806	65	871
629	Non-tax revenue	643	959	Social services	489	776	1,265
-	Share of Union Taxes/ Duties	-	926	Economic services	696	247	943
1,105	Grants from the Government of India	1,330	4	Grants-in-aid and Contributions	4	-	4
Section-B: Capital							
-	Miscellaneous Capital Receipts	33	261	Capital Outlay	(-) 4	373	369
5	Recoveries of Loans and Advances	5	3	Loans and Advances disbursed	*	*	2
444	Public Debt receipts	659	123	Repayment of Public Debt	*	*	131
-	Contingency Fund		-	Contingency Fund	*	*	
610	Public Account receipts	836	400	Public Account disbursements	*	*	614
862	Opening Cash Balance	1,023	1,023	Closing Cash Balance			1,198
4,380	Total	5,397	4,380	Total			5,397

(Source: Finance Accounts of the Union Territory of Puducherry for the years 2008-09 and 2009-10)

* Bifurcation of Plan and Non-Plan not available

The following are the significant changes during 2009-10 as compared to the previous year :

- Revenue receipts grew by ₹ 382 crore (16 per cent) over the previous year. The increase was mainly contributed by tax revenue (₹ 143 crore), non-tax revenue (₹ 14 crore) and grants received from the Government of India (GOI) (₹ 225 crore).
- Revenue expenditure increased by ₹ 513 crore (20 per cent) over the previous year, mainly due to increase in expenditure on General Services (₹ 190 crore), Social Services (₹ 306 crore) and Economic Services (₹ 17 crore).
- Revenue expenditure on Social Services and Economic Services increased by 32 per cent and two per cent respectively.
- Capital expenditure increased by ₹ 108 crore (41 per cent) during the year and stood at 10.68 per cent of the aggregate expenditure.
- Public Account receipts increased by ₹ 226 crore (37 per cent) and disbursements increased by ₹ 214 crore (54 per cent). Net receipts under the Public Account increased by ₹ 12 crore during the year.
- The net impact of these transactions led to a significant increase of ₹ 175 crore in the cash balance at the end of the year over the previous year.

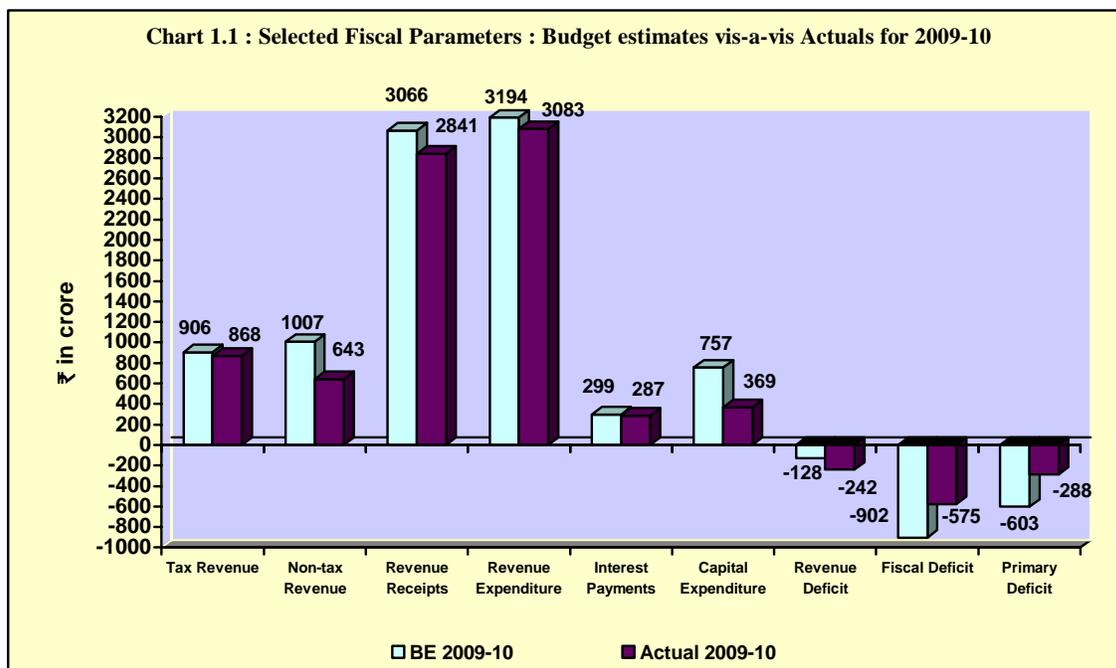
Review of the fiscal situation

The fiscal deficit of the Government during the year (₹ 575 crore) increased by ₹ 205 crore (55 per cent) over the previous year (₹ 370 crore). The fiscal deficit to GSDP increased from 3.6 per cent in 2008-09 to 5.1 per cent in 2009-10. The outstanding fiscal liabilities increased from ₹ 3,325 crore in 2008-09 to ₹ 3,887 crore (16.9 per cent) in 2009-10. As the recommendations of the Twelfth Finance Commission were not applicable to Union Territories, no fiscal responsibility legislation was enacted by the UT Government. Consequently, no target was set by the Government for containing the fiscal deficit.

Budget Analysis

Budget papers presented by a State/Union Territory Government provide a description of the projections or estimations of revenue and expenditure for a particular fiscal year. The importance of accuracy in the estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from the budget estimates are indicative of non-attainment and non-optimization of the desired fiscal objectives, due to a variety of causes, some within the control of the Government and some outside.

Chart 1.1 presents the budget estimates and actuals for some important fiscal parameters.



During 2009-10, while the actuals under tax revenue were almost in line with the budget estimates, revenue receipts were less by ₹ 225 crore than the budget

estimates mainly due to low collection of non-tax revenue by ₹ 364 crore (36 per cent).

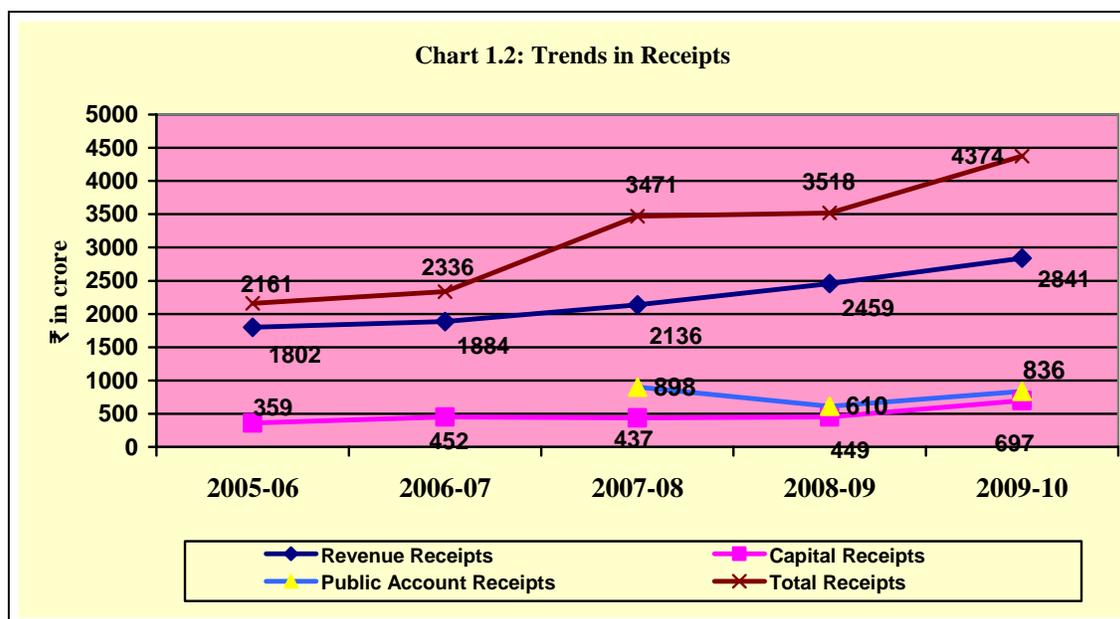
Revenue expenditure was less by ₹ 111 crore (three per cent) than the budget estimates, mainly due to less expenditure incurred under 'Relief on account of natural calamities'.

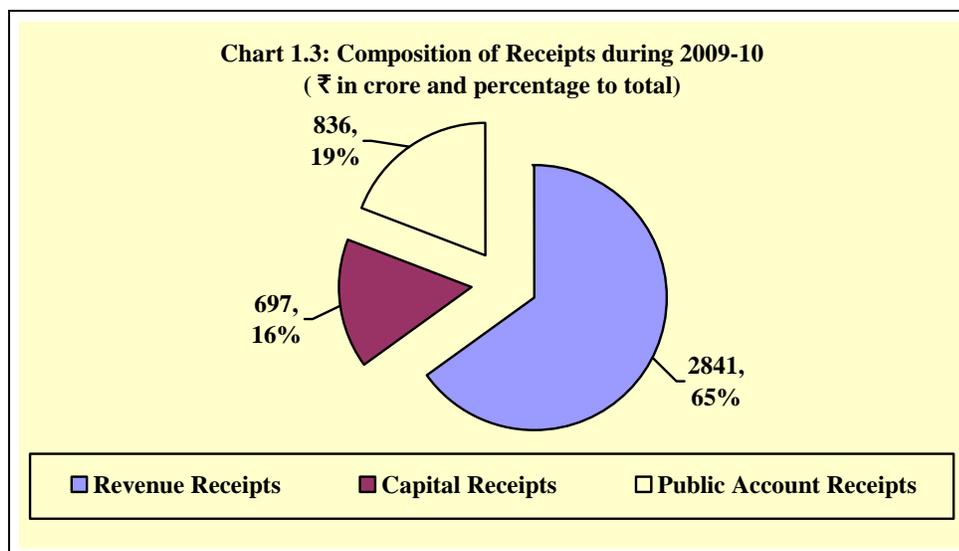
While the revenue deficit was more than the budget estimate by ₹ 114 crore, mainly due to less collection of non-tax revenue than budget estimate, the fiscal deficit and the primary deficit were less than the budget estimates, mainly due to less capital expenditure.

1.2 Resources of the Union Territory

1.2.1 Resources of the Union Territory as per Annual Finance Accounts

Revenue and capital are the two streams of receipts that constitute the resources of the Government. Revenue receipts consist of tax revenues, non-tax revenues and grants-in-aid from the Government of India (GOI). Capital receipts comprise miscellaneous capital receipts such as recoveries of loans and advances, debt receipts from internal sources (market loans), loans and advances from GOI as well as accruals from the Public Account. **Table-1.1** presents the receipts and disbursements of the UT during the current year as recorded in its Annual Finance Accounts while **Chart 1.2** depicts the trends in various components of the receipts during 2005-10. **Chart 1.3** depicts the composition of resources during the current year.





The total receipts of the UT increased by ₹ 856 crore (24 per cent) over the previous year, due to increase of ₹ 382 crore (16 per cent) in revenue receipts, ₹ 248 crore (55 per cent) in capital receipts and ₹ 226 crore (37 per cent) in the Public Account receipts.

Capital receipts of ₹ 33 crore were realised during the year due to buy back of Government shares from Pondicherry Power Corporation Limited.

The UT's tax revenue increased from ₹ 725 crore in 2008-09 to ₹ 868 crore in 2009-10 (increase of 19.7 per cent).

1.2.2 Funds transferred to UT Implementing Agencies outside the UT Budget

The Central Government has been transferring a sizeable quantum of funds directly to UT implementing agencies¹ for the implementation of various schemes/programmes in social and economic sectors recognised as critical. As these funds are not routed through the UT Budget/UT Treasury System, the Annual Finance Accounts do not capture the flow of these funds and to that extent, the UT's receipts and expenditure as well as other fiscal variables/parameters derived from them are underestimated. The funds directly transferred during 2009-10 to UT implementing agencies under the control of five departments viz., Education, Health, Information and Technology, Local Administration and Rural Development in respect of six major programmes assisted by GOI are presented in **Table 1.2**.

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

Table-1.2: Funds transferred directly to UT Implementing Agencies

(₹ in crore)

Programme/ Scheme	Implementing Agency in the UT	Funds transferred directly by GOI during 2009-10
State Services Delivery Gateway and State Portal	Puducherry e-Governance Society, Puducherry	9.38
Total Sanitation Campaign Programme	District Rural Development Agency	0.25
Member of Parliament-Local Area Development Programme	District Rural Development Agency	7.00
Sarva Shiksha Abhiyan	State Project Office	6.70
Swarna Jayanthi Shahari Rozgar Yojana	Puducherry Urban Development Agency	0.06
National Rural Health Mission (NRHM)	State Rural Health Mission	1.91
Total		25.30

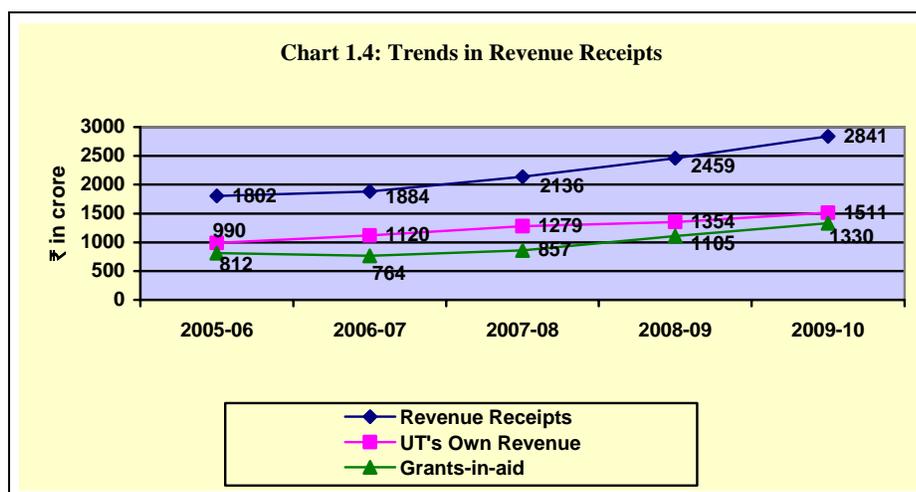
Source : Figures furnished by the five departments are given in the table and this may not reflect the entire fund transfers to State implementing agencies in the Union Territory.

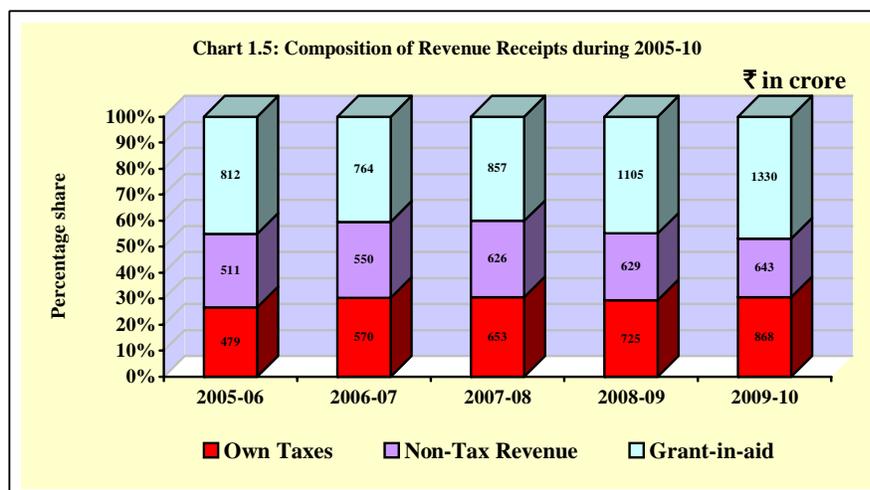
Out of ₹ 25.30 crore transferred to UT implementing agencies, a major amount of ₹ 9.38 crore (51 per cent) was transferred to the Puducherry e-Governance Society.

Direct transfers of funds from the Union to UT implementing agencies without routing them through the UT budget can be risky unless uniform accounting practices are diligently followed by all these agencies. Further, without proper documentation and timely reporting of expenditure, it would be difficult to monitor the end use of these direct transfers.

1.3 Revenue Receipts

Statement-11 of the Finance Accounts details the revenue receipts of the Government. The revenue receipts consist of the UT's own taxes and non-tax revenues and grants-in-aid from GOI. The trends and composition of revenue receipts over the period 2005-10 are presented in **Appendix 1.3** and depicted in **Charts 1.4** and **1.5** respectively.





The revenue receipts showed an increase of ₹ 382 crore over the previous year (16 *per cent*). The increase, however, could not keep pace with the increase of ₹ 513 crore in revenue expenditure (20 *per cent*).

There was a marginal increase (two *per cent*) under non-tax revenue receipts which increased by ₹ 14 crore over the previous year. Grants-in-aid from GOI increased from ₹ 1,105 crore in 2008-09 to ₹ 1,330 crore in 2009-10 (increase of 20 *per cent*), mainly due to receipt of more Non-Plan revenue deficit grant.

The buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. As the GSDP grows the UT's own tax revenue should also increase. It is seen that as against the GSDP growth rate of 9.68 *per cent* during 2009-10, the growth rate of UT's own taxes was 19.7 *per cent* over the previous year. Therefore, the revenue buoyancy was at 1.6, indicating that revenue receipts grew faster than the GSDP. The UT's own tax buoyancy ratio was at two, indicating that the rate of growth of own taxes was faster than the growth rate of GSDP.

The trends of revenue receipts relative to GSDP are presented in **Table 1.3** below:

Table 1.3: Trends in Revenue Receipts relative to GSDP

	2005-06	2006-07	2007-08	2008-09	2009-10
Revenue Receipts (RR) (in crore)	1,802	1,884	2,136	2,459	2841
Rate of growth of RR (per cent)	10.5	4.6	13.4	15.1	15.5
UT's own taxes (in crore)	479	570	653	725	868
Rate of growth of own taxes (per cent)	18.60	18.99	14.60	11.02	19.70
GSDP growth (per cent)	38.63	4.49	12.65	9.30	9.68
Buoyancy Ratios					
RR/GSDP ² (per cent)	22.6	22.6	22.8	24.0	25.2
Revenue buoyancy with reference to GSDP (ratio)	0.27	1.0	1.1	1.6	1.6
UT's own tax buoyancy with reference to GSDP (ratio)	0.48	4.2	1.2	1.2	2.0

(Source: Finance Accounts of the Union Territory of Puducherry)

² Provisional and Quick estimates of GSDP of ₹ 10,263 crore and ₹ 11,255 crore have been adopted for 2008-09 and 2009-10.

The GSDP, at the current rate, was estimated to increase from ₹ 10,263 crore in 2008-09 to ₹ 11,255 crore in 2009-10, representing an increase of 9.68 per cent.

Revenue receipts, as a percentage of GSDP, increased marginally from 24 in 2008-09 to 25.2 in 2009-10.

1.3.1 Union Territory's Own Resources

The UT's performance in the mobilisation of resources was assessed in terms of its own resources comprising revenue from its own tax and non-tax sources. The gross collection in respect of major taxes and duties as well as the components of non-tax receipts are given in **Table 1.4**.

Table 1.4 : Components of UT's Own Resources

Revenue Head	2005-06	2006-07	2007-08	2008-09	2009-10
(₹ in crore)					
Tax Revenue					
Taxes on Sales, Trades etc.	304	365	355	382	453
State excise	125	144	224	280	329
Taxes on vehicles	26	29	32	32	35
Stamp duty and Registration fees	24	31	41	31	50
Land revenue	--	1	1	--	1
Total	479	570	653	725	868
Non-Tax Revenue					
Interest receipts	2	6	18	44	51
Dividends and Profits	2	1	4	4	6
Other non-tax receipts	507	543	604	581	586
Total	511	550	626	629	643

(Source: Finance Accounts of the Union Territory of Puducherry)

The Union Territory's tax revenue increased by ₹ 143 crore (20 per cent) over the previous year. The increase was mainly contributed by State excise (₹ 49 crore) on higher production of Indian made foreign liquor (IMFL) and beer, sales tax (₹ 71 crore) on increase in number of registered dealers and strict compliance of payment and collection of tax arrears, taxes on vehicles (₹ three crore) on account of more number of registration of vehicles and stamp duty and registration fees (₹ 19 crore) due to more sale of non-judicial stamps.

Non-tax revenue receipts of ₹ 643 crore, which constituted 22.63 per cent of revenue receipts, were realised from sale of power (₹ 549 crore), interest receipts (₹ 51 crore), dividends and profits (₹ six crore) and other receipts under various administrative services/departments (₹ 37 crore) during 2009-10. Non-tax revenue increased by ₹ 14 crore during the year over the previous year.

The UT's own resources of ₹ 1,511 crore (₹ 868 crore – Tax revenue and ₹ 643 crore – Non-tax revenue) as well as recovery of loans and advances of ₹ five crore was not sufficient to meet even the Non-Plan revenue expenditure of the UT (₹ 1,995 crore).

1.3.2 Loss of Revenue due to Evasion of Taxes

Tax evasion leads to non-realisation of legally available revenue to the Government. Test check of the records of sales tax, State excise, stamp duty and registration fees and taxes on vehicles conducted during the year 2009-10 by the Principal Accountant General (Commercial and Receipt Audit) revealed under-assessment/ short levy/ loss of revenue amounting to ₹ 9.88 crore in 28 cases.

1.3.3 Revenue Arrears

Arrears of revenue pending collection increased from ₹ 261.50 crore in 2008-09 to ₹ 342.06 crore in 2009-10 (30.81 *per cent*), which constituted 9.3 *per cent* of the UT's tax revenue and more than the revenue deficit by ₹ 100 crore. These arrears were due for collection mainly by the Electricity (₹ 163.65 crore), Commercial Taxes (₹ 146.81 crore) and Public Works (₹ 16.88 crore) departments. Of the arrears pending collection by the Electricity Department, ₹ 37.28 crore was due from Government institutions and local bodies and ₹ 12.80 crore and ₹ 3.78 crore were under litigation and recoverable through the Revenue Recovery Act respectively. Of the arrears pending collection by the Commercial Taxes Department, ₹ 123.88 crore and ₹ 22.30 crore were covered by court stay orders and the Revenue Recovery Act respectively.

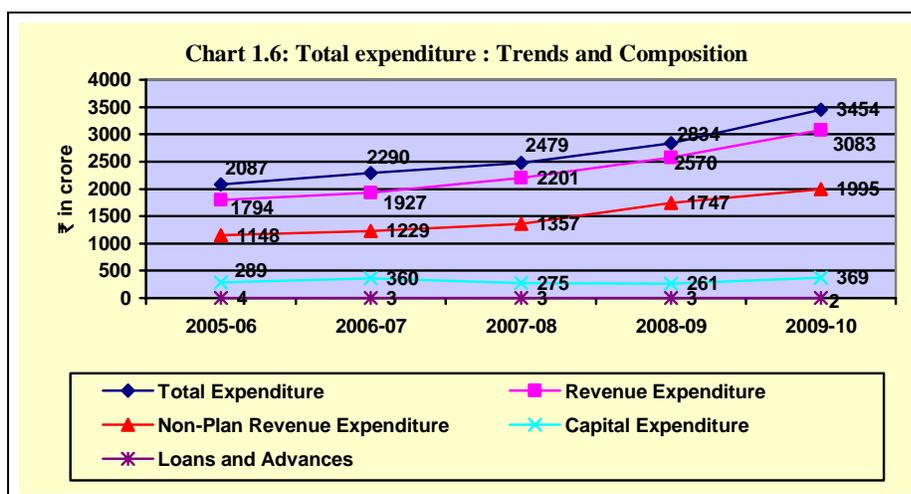
Considering the huge sums involved, the Government needs to take expeditious steps to recover the revenue arrears.

1.4 Application of Resources

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

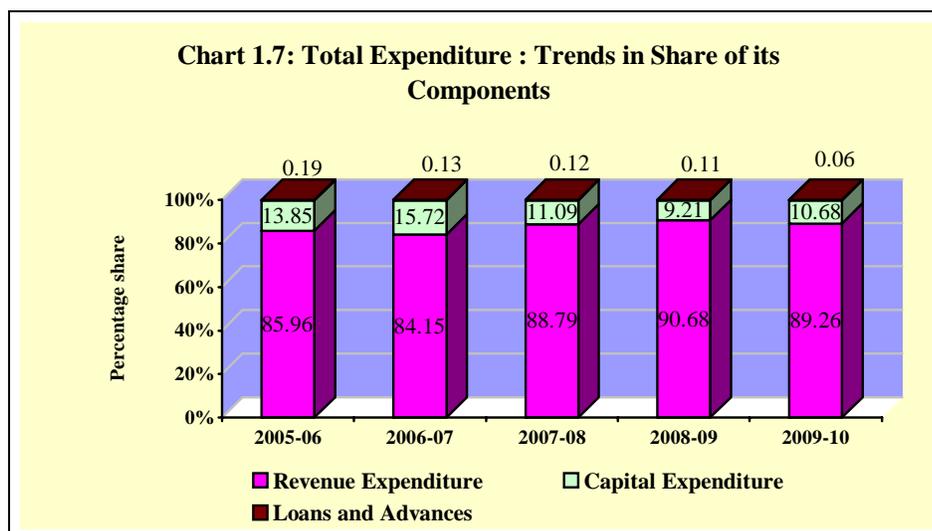
1.4.1 Growth and Composition of Expenditure

Chart 1.6 presents the trends of total expenditure over a period of five years (2005-10). Its composition in terms of 'economic classification' and 'expenditure by activities' is depicted in **Charts 1.7 and 1.8** respectively.

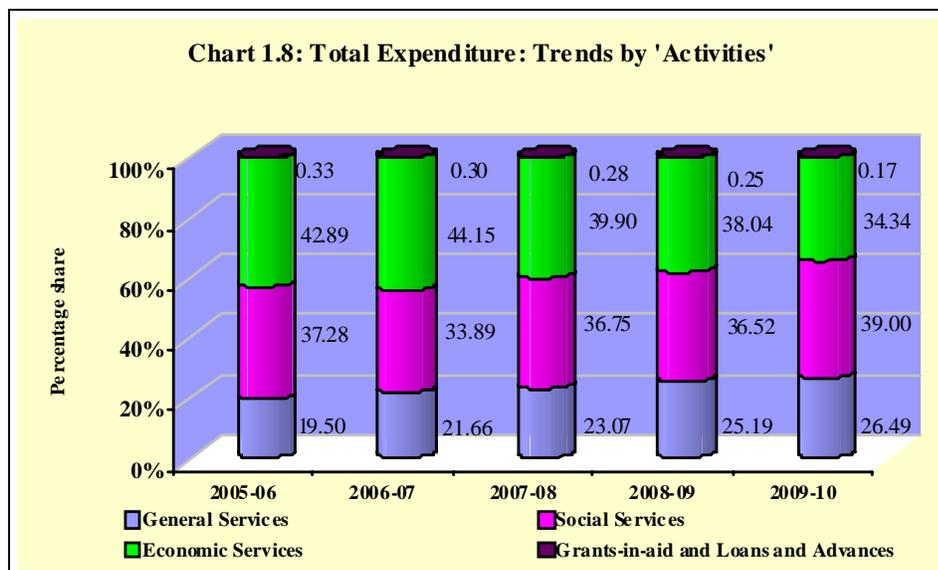


The total expenditure³ of the UT increased by 65.5 per cent from ₹ 2,087 crore in 2005-06 to ₹ 3,454 crore in 2009-10. The total expenditure during the current year increased by ₹ 620 crore (21.88 per cent) over the previous year. The revenue expenditure increased by ₹ 513 crore (19.96 per cent) and the capital expenditure increased by ₹ 108 crore (41.37 per cent) during 2009-10. The revenue expenditure was 89.26 per cent of the total expenditure, of which 64.71 per cent was the Non-Plan component.

Revenue receipts of the UT met 82 per cent of the total expenditure during 2009-10 as against 87 per cent during 2008-09.



³ Total expenditure includes revenue expenditure, capital expenditure and disbursement of loans and advances



The expenditure on General Services, Social Services and Economic Services during 2009-10 grew by 28.15 per cent, 30.14 per cent and 10.02 per cent respectively. However, the development expenditure, i.e., expenditure on Social and Economic Services together accounted for 73.34 per cent in 2009-10 as against 74.56 per cent in 2008-09.

The increase in the expenditure on Social Services (₹ 312 crore) was mainly on account of increased spending on Education, Sports, Art and Culture (₹ 111 crore), Health and Family Welfare (₹ 110 crore), Water Supply, Sanitation, Housing and Urban Development (₹ 71 crore) under the revenue account.

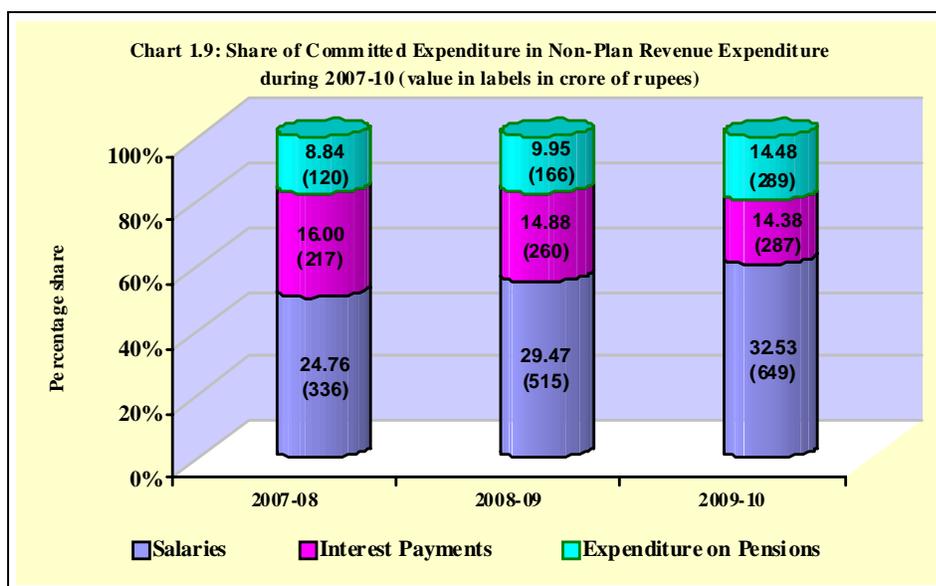
1.4.2 Committed Expenditure

The committed expenditure of the UT Government on the revenue account mainly consists of interest payments, expenditure on salaries and pensions and subsidies. **Table 1.5** presents the trends of expenditure on these components during 2005-10 and **Chart 1.9** presents the share of committed expenditure in Non-Plan revenue expenditure on salaries, interest payments and pension during 2007-10.

Table-1.5: Components of Committed Expenditure

Components of Committed Expenditure	₹ in crore)				
	2005-06	2006-07	2007-08	2008-09	2009-10
Salaries , of which	364 (20)	429 (23)	445 (21)	688 (28)	868 (31)
Non-Plan Head	287	326	336	515	649
Plan Head**	77	103	109	173	219
Interest Payments	171 (9)	187 (10)	217 (10)	260 (11)	287 (10)
Expenditure on Pension	86 (5)	104 (6)	120 (6)	166 (7)	289 (10)
Subsidies	18 (1)	17 (1)	31 (1)	31 (1)	46 (1)
Total	639 (35)	737 (39)	813 (38)	1145 (47)	1490 (52)

(Source: Finance Accounts of the Union Territory of Puducherry)
 Figures in parentheses indicate percentage of revenue receipts
 ** Plan head also includes the salaries paid under Centrally Sponsored Schemes.



Committed expenditure, which was 38 per cent of revenue receipts in 2007-08, increased gradually to 47 per cent in 2008-09 and 52 per cent in 2009-10.

Expenditure on salaries under Non-Plan and Plan during the current year was ₹ 649 crore and ₹ 219 crore respectively. It increased by 26.16 per cent over the previous year, mainly due to payment of the second instalment of arrears (30 per cent) consequent on the implementation of the Sixth Central Pay Commission's recommendations. The Government is liable to pay the third and final instalment of arrears (30 per cent) in 2010-11. The share of salaries relative to revenue receipts increased from 28 per cent in 2008-09 to 31 per cent during 2009-10.

Pension payments increased by 74 per cent from ₹ 166 crore in 2008-09 to ₹ 289 crore in 2009-10, mainly due to payment of second instalment arrears of revised pension/family pension consequent on the implementation of the Sixth Central Pay Commission's recommendations. The Government is liable to pay the third and final instalment of arrears of pensions (30 per cent) in 2010-11. The share of pension payments to revenue receipts increased from seven per cent in 2008-09 to 10 per cent in 2009-10.

Interest payments increased by ₹ 27 crore (10 per cent) over the previous year, mainly due to payment of interest for market loans (₹ 26 crore).

Subsidies (1.6 per cent of revenue receipts in 2009-10) represent the expenditure booked under the object head 'Subsidies' under rural housing, welfare of Schedule Castes, animal husbandry, fisheries, food subsidy, rural development, village and small industries and civil supplies. Major subsidies on free supply of electricity to small farmers and poor people and cash incentives and subsidies paid to agriculturists were, however, classified in the budget as well as in the accounts under 'Other Charges' or 'Grants-in-aid' to agencies implementing the schemes. Since the UT budget has a distinct head only for explicit subsidies, the implicit subsidies given on account of these facilities listed above are not accounted for, and to that extent, the subsidy given by the UT Government was understated.

1.4.3 Financial Assistance by UT Government to Local Bodies and other Institutions

The quantum of assistance provided by way of grants and loans to local bodies and others during the current year relative to the previous years is presented in **Table 1.6**.

Table 1.6: Financial Assistance to Local Bodies etc

	(₹ in crore)				
Financial Assistance to Institutions	2005-06	2006-07	2007-08	2008-09	2009-10
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	11.54	10.93	12.09	13.16	29.92
Municipalities	43.26	40.67	19.20	18.86	27.78
Panchayati Raj Institutions	31.11	19.78	10.15	28.97	18.66
Development agencies and autonomous bodies	218.44	151.50	213.93	232.75	346.41
Co-operatives	25.47	27.78	22.26	27.59	24.38
Other Institutions*	2.28	9.57	3.80	5.42	6.09
Total	332.10	260.23	281.43	326.75	453.24
Assistance as percentage of revenue expenditure	19	14	13	13	15

(Source: Director of Accounts and Treasuries, Puducherry)

* Welfare societies and Hindu religious institutions

Financial assistance extended to local bodies and other institutions increased from ₹ 326.75 crore in 2008-09 to ₹ 453.24 crore in 2009-10. The increase was mainly due to increased financial assistance to Autonomous bodies and Municipalities. The financial assistance as a percentage of revenue expenditure was 15 in 2009-10.

1.5 Quality of Expenditure

The availability of better social and physical infrastructure in the UT 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 the effectiveness (assessment of outlay-outcome relationships for select services).

1.5.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to the social sector and the economic infrastructure are largely assigned to State/UT Governments. Enhancing human development levels requires the States/UTs to step up their expenditure on key Social Services like education, health etc. **Table 1.7** analyses the fiscal priority (ratio of expenditure category to aggregate expenditure) of the UT Government with regard to development expenditure, social sector expenditure and capital expenditure during the current year and compares the fiscal priority given to different categories of expenditure of the Union Territory of Puducherry in 2005-06 and 2009-10.

Table-1.7: Fiscal Priority of the UT in 2005-06 and 2009-10

Fiscal Priority of the UT		AE/GSDP	DE/AE	SSE/AE	CE/AE
Puducherry Ratio	2005-06	26.16	80.35	37.28	13.85
	2009-10	30.69	73.34	39	10.68

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.
Source: (1) Directorate of Economics and Statistics, Puducherry and (2) Finance Accounts for expenditure figures

Public expenditure of the UT of Puducherry increased as a proportion of GSDP in 2009-10 compared to 2005-06.

Development Expenditure is a sum of Social Sector Expenditure and Economic Sector Expenditure. In 2009-10, the fiscal priority given to Social Sector Expenditure increased compared to 2005-06. However, the priority given to Development Expenditure, as a whole, was significantly lower in 2009-10 due to inadequate priority given to Economic Sector Expenditure.

The ratio of Capital Expenditure to Aggregate Expenditure declined from 13.85 in 2005-06 to 10.68 in 2009-10 indicating less priority for asset creation.

1.5.2 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 UT Government to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public and merit goods⁴. Apart from improving the allocation towards development expenditure⁵, 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 the proportion of revenue expenditure being incurred 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. While **Table 1.8** depicts the trends in development expenditure relative to the aggregate expenditure of the UT during 2005-10, **Table 1.9** provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of selected social and economic services during 2008-09 and 2009-10.

Table-1.8: Development Expenditure

(₹ in crore)					
Components of Development Expenditure	2005-06	2006-07	2007-08	2008-09	2009-10
Development Expenditure (a to c)	1,673.78 (80)	1,788.07 (78)	1,910.12 (77)	2,113.43 (75)	2,532.68 (73)
a. Development Revenue Expenditure	1410 (68)	1460 (64)	1659 (67)	1885 (66)	2207.78 (64)
b. Development Capital Expenditure	263 (13)	327 (14)	251 (10)	228 (8)	324.89 (9)
c. Development Loans and Advances	0.78 (0.04)	1.07 (0.05)	0.12 (0.01)	0.43 (0.02)	0.01 (Nil)
(Source: Finance Accounts of the Union Territory of Puducherry) Figures in parentheses indicate percentage of aggregate expenditure					

⁴ Core public goods are goods which all citizens enjoy in common in the sense that each individual's consumption of such a good leads to no subtractions from any other individual's consumption of that good, e.g. enforcement of law and order, security and protection of rights; pollution free air and other environmental goods and road infrastructure etc. Merit goods are commodities that the public sector provides free or at subsidized rates because an individual or society should have them on the basis of some concept of need, rather than the ability and willingness to pay the Government and therefore wishes to encourage their consumption. Examples of such goods include 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.

⁵ The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorized 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.

Table 1.9 –Efficiency of Expenditure Use in Selected Social and Economic Services (Percentage)

Social/Economic Infrastructure	2008-09		2009-10	
	Share of CE to TE	In RE, the share of S&W	Share of CE to TE	In RE, the share of S&W
Social Services (SS)				
General Education	5.97	70.11	2.67	76.56
Health and Family Welfare	9.74	73.38	1.50	55.71
Water Supply, Sanitation and Housing and Urban Development	22.49	9.08	23.04	6.75
Total (SS)	7.33	41.65	6.08	40.72
Economic Services (ES)				
Agriculture and Allied Activities	6.13	32.62	9.49	32.19
Irrigation and Flood Control	53.86	49.94	65.46	52.74
Power and Energy	6.61	5.78	7.39	7.22
Transport	37.34	19.85	65.68	28.58
Total (ES)	14.07	11.69	20.49	13.84
Total (SS+ES)	10.77	26.93	12.83	29.24
(Source: Finance Accounts of the Union Territory of Puducherry and figures furnished by the Director of Accounts and Treasuries for wages)				
TE: Total Expenditure on the sector/services concerned; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages.				

Development expenditure, in real terms, was increasing continuously during 2005-10. However, as a percentage of aggregate expenditure, it came down from 80 in 2005-06 to 73 in 2009-10. The development capital expenditure, as a percentage of aggregate expenditure, increased from eight in 2008-09 to nine in 2009-10.

Expenditure on Social Services

The share of capital expenditure to total expenditure on Social and Economic Services increased from 10.77 *per cent* in 2008-09 to 12.83 *per cent* in 2009-10.

The capital expenditure on Social Services as a percentage of total expenditure on Social Services decreased from 7.33 in 2008-09 to 6.08 in 2009-10.

The share of capital expenditure in the total expenditure under General Education, Health and Family Welfare decreased sharply whereas Water Supply and Sanitation, Housing and Urban Development increased marginally in 2009-10 over the previous year, indicating that the Government's spending on infrastructural requirement of General Education and Health and Family Welfare was not keeping pace with the overall development expenditure.

Expenditure on Economic Services

The capital expenditure on Economic Services, as a percentage of total expenditure on Economic Services, increased from 14.07 *per cent* in 2008-09 to 20.49 *per cent* in 2009-10.

Under Agriculture and Allied Activities, Irrigation and Flood Control, and Power and Energy, the share of capital expenditure to total expenditure marginally increased during 2009-10, whereas there was a steep increase under Transport.

The share of salaries and wages in the revenue expenditure on Economic Services increased from 11.69 *per cent* in 2008-09 to 13.84 *per cent* in 2009-10, mainly due to payment of the second instalment of the Sixth Central Pay Commission's arrears.

1.6 Financial Analysis of Government Expenditure and Investments

The UT 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 UT 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 subsidies and take requisite steps to infuse transparency in financial operations. This section presents information on incomplete projects and a broad financial analysis of investments by the Government during the current year *vis-à-vis* the previous years.

1.6.1 Incomplete projects

The information pertaining to incomplete projects in the Public Works Department as on 31 March 2010 is given in **Table 1.10**.

Table 1.10: Department-wise profile of incomplete projects

(₹ in crore)

Department	No. of Incomplete Projects*	Initial Cost	Revised Total Cost of Projects	Cost Over-runs	Cumulative expenditure as on 31.3.2010
Public Works Department	12	22.36	34.97	12.61	23.05

(Source: Finance Accounts of the Union Territory of Puducherry)

* Only those projects which were scheduled to be completed before 31 March 2010 are included

Failure to complete projects on time leads to escalation of project costs and delays the accrual of the projects' benefits to the society at large. Further, delays also result in postponement of revenue realization from projects.

The projects/works were delayed mainly due to paucity of funds on account of non-availing of negotiated loan.

1.6.2 Investment and returns

As of 31 March 2010, the Government had invested ₹ 867.50 crore, mainly in Government companies and Co-operatives (**Table 1.11**). The return on these investments was 0.7 *per cent* while the Government paid interest at an average rate of eight *per cent* on its borrowings during 2009-10.

Table-1.11: Return on Investment

Investment/Return/Cost of Borrowings	2005-06	2006-07	2007-08	2008-09	2009-10
Investment at the end of the year (₹ in crore)	606.98	712.36	760.91	817.03	867.50
Return (₹ in crore)	1.74	1.03	3.68	4.15	6.39
Return (per cent)	0.3	0.1	0.5	0.5	0.7
Average rate of interest on Government borrowings (per cent)	10.1	9.4	8.5	8.3	8.0
Difference between interest rate and return (per cent)	9.8	9.3	8.0	7.8	7.3

(Source: Finance Accounts of the Union Territory of Puducherry)

As of March 2010, the Government had invested ₹ 673.42 crore in 14 Government companies and one statutory corporation and ₹ 194.08 crore in 364 co-operative institutions. Though heavy losses were incurred by the Pondicherry Textiles Corporation Limited (₹ 47.89 crore) and the Bharathi Swadeshi Textiles Mills Limited (₹ 11.17 crore), the Government invested ₹ 49.04 crore and ₹ seven crore respectively in them during the year.

1.6.3 Loans and advances by UT Government

In addition to investments in co-operative societies and companies, the Government has also been providing loans and advances to many of these institutions/organisations. **Table 1.12** presents the outstanding loans and advances as on 31 March 2010 and interest receipts *vis-à-vis* interest payments during the last three years.

Table-1.12: Outstanding loans and interest received on loans and advances by the UT Government

Quantum of Loans/Interest Receipts/ Cost of Borrowings	(₹ in crore)		
	2007-08	2008-09	2009-10
Opening Balance	36.74	27.82	25.70*
Amount advanced during the year	2.68	2.87	2.17
Amount repaid during the year	11.60	5.00	4.76
Closing Balance	27.82	25.69	23.11
Net addition	(-) 8.92	(-) 2.13	(-) 2.59
Interest Receipts	7.94	1.98	2.53
Interest receipts as percentage of outstanding Loans and advances	24.6	7.4	10.4
Interest payments as percentage of outstanding fiscal liabilities of the UT Government.	7.4	7.8	7.3
Difference between interest payments and interest receipts (per cent)	17.2	(-) 0.4	3.1

(Source: Finance Accounts of the UT of Puducherry)

* Differs due to proforma dropping

The quantum of loan advanced decreased from ₹ 2.87 crore in 2008-09 to ₹ 2.17 crore in 2009-10 and repayments also decreased from ₹ five crore in 2008-09 to ₹ 4.76 crore in 2009-10. The total amount advanced of ₹ 2.17 crore during the year included loans and advances of ₹ 2.16 crore to Government servants.

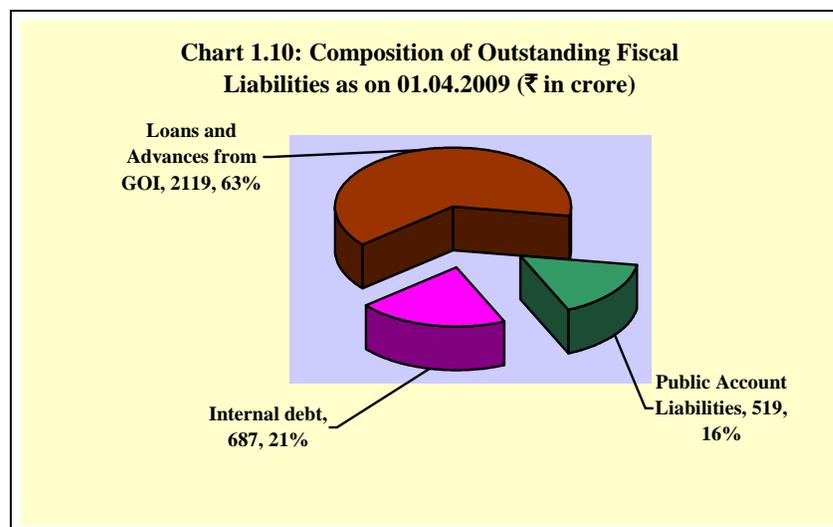
1.7 Assets and Liabilities

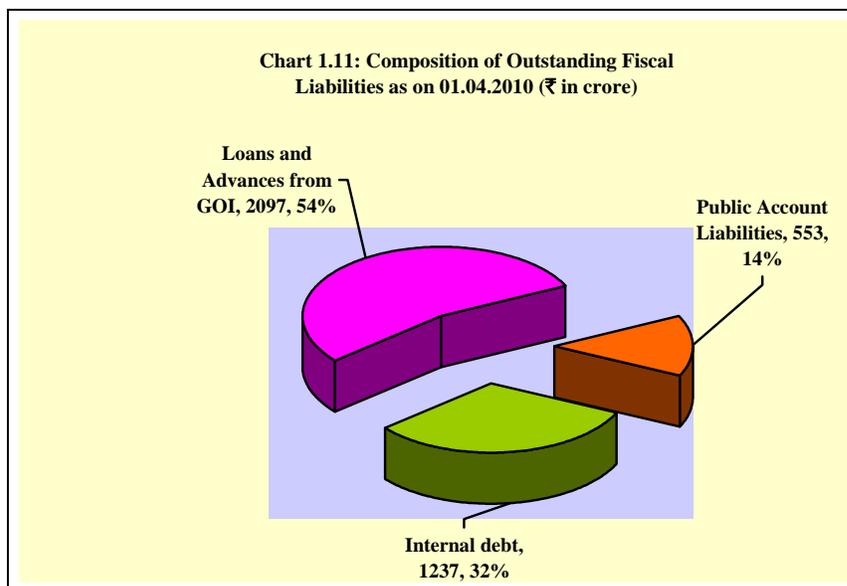
1.7.1 Growth and composition of Assets and Liabilities

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.4 – Part B** gives an abstract of such liabilities and the assets as on 31 March 2010, compared with the corresponding position on 31 March 2009. While the liabilities in this Appendix consist mainly of internal borrowings, loans and advances from the GOI, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay, loans and advances given by the UT Government and cash balances. The ratio of cumulative assets to liabilities as on 31 March 2010 was 0.97 indicating deficit on Government account in 2009-10 for the first time.

1.7.2 Fiscal Liabilities

The trends in outstanding fiscal liabilities of the UT are presented in **Appendix 1.3**. However, the composition of fiscal liabilities during the current year *vis-à-vis* the previous year is presented in **Charts 1.10** and **1.11**.





The outstanding fiscal liabilities have shown a steady increase from ₹ 1,820 crore in 2005-06 to ₹ 3,887 crore in 2009-10.

The fiscal liabilities as at the end of 2009-10 represented 137 *per cent* of revenue receipts during the year as against 101 *per cent* in 2005-06.

While internal debts which constituted 21 *per cent* of the fiscal liabilities in 2008-09 increased to 32 *per cent* in 2009-10, loans and advances from GOI decreased from 63 *per cent* to 54 *per cent* of the fiscal liabilities during the same period. The Public Account liabilities increased from ₹ 519 crore in 2008-09 to ₹ 553 crore in 2009-10.

1.7.3 Status of Guarantees – Contingent Liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the UT Government in cases of defaults by borrowers for whom the guarantees have been extended.

Guarantees for the purpose of administration of Union Territories, prior to the amendment of the Union Territories Act on 6 September 2001, were given by GOI under Article 292 of the Constitution of India. In the event of the guarantees being invoked, the payment would initially be charged to the Consolidated Fund of India and the amount subsequently recovered from the Government of the Union Territory. Consequent on the amendment of the UT Act on 6 September 2001 and issue of its notification by the Government of India on 10 May 2006, the Government of Union Territory of Puducherry was empowered to give guarantees. However, the cash balance was settled by GOI only on 17 December 2007. No guarantee was given during the year by the UT Government. Besides, no law to control the guarantees to be given was enacted by the UT Government. As per Statement-9 of the Finance Accounts, the maximum amount for which guarantees were given by GOI on behalf of the UT and outstanding guarantees for the last three years are given in **Table 1.13**.

Table-1.13: Guarantees given by the Government of India on behalf of the Union Territory of Puducherry

Guarantees	2007-08	2008-09	2009-10
Maximum amount guaranteed (₹ in crore)	20.98	20.98	20.98
Outstanding amount of guarantees (₹ in crore)	6.84	6.23	11.97
Percentage of maximum amount guaranteed to total Revenue receipts	1.00	0.9	0.7

(Source: Finance Accounts of the Union Territory of Puducherry)

As a percentage of revenue receipts, it came down from one in 2007-08 to 0.7 in 2009-10. No guarantee was invoked during any of the three years.

1.8 Debt Sustainability

Apart from the magnitude of debt of the UT Government, it is important to analyse various indicators that determine the debt sustainability of the UT. This section assesses the sustainability of debt of the UT Government in terms of debt stabilisation, sufficiency of non-debt receipts, net availability of borrowed funds⁶, burden of interest payments (measured by interest payments to revenue receipts ratio) and the maturity profile of the UT Government's debts.

Public Debt receipts increased from ₹ 444 crore in 2008-09 to ₹ 659 crore in 2009-10 (48.4 per cent). **Table 1.14** analyses the debt sustainability of the UT according to these indicators for a period of three years beginning from 2007-08.

Table 1.14: Debt Sustainability: Indicators and Trends

(₹ in crore)			
Indicators of Debt Sustainability	2007-08	2008-09	2009-10
Debt Stabilisation (Quantum Spread + Primary Deficit)	(-) 25	(-) 81	(-) 231
Sufficiency of Non-debt Receipts (Resource Gap)	(+) 67	(-) 39	(-) 205
Net Availability of Borrowed Funds	538*	142	275
Burden of Interest Payments (IP/RR Ratio)	0.1	0.1	0.1
Maturity Profile of Internal Debt and GOI Loans (in years)			
0 – 1	122 (4.9)	131 (4.7)	148 (4.4)
1 – 3	279(11.3)	304(10.8)	914 (27.4)
3 – 5	319(12.9)	334(11.9)	492 (14.8)
5 – 7	285(11.5)	276 (9.8)	591 (17.7)
7 and above	1,479(59.4)	1,761(62.8)	1189 (35.7)

Source : Finance Accounts of the Union Territory of Puducherry

Figures in parentheses represents percentage of total outstanding internal debts and GOI loans.

* Net available borrowed funds in 2007-08 included ₹ 324 crore transferred to the UT Government by the GOI, being the cash balance under the Public Account of the Union Territory as on 31 October 2007, hitherto merged in the Public Account of GOI.

Debt stabilization means that, if the primary deficit together with the quantum spread turns out to be negative, the debt – GSDP ratio would be rising. There has been an alarming warning signal in the debt stabilization indicator since

⁶ Defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption, indicating the net availability of borrowed funds.

the value moved from a sustainable position in 2007-08 to a significantly negative ₹ 231 crore in 2009-10. Unless corrective measures are taken to convert the primary deficit to surplus, debt could become unsustainable in the medium term.

The resource gap (the difference between incremental total expenditure and incremental non-debt receipts) widened during 2009-10, showing that unless concerted efforts are made to narrow this gap, by increasing the non-debt receipts in the coming years, or to contain primary expenditure, debt sustainability could become a major problem in future.

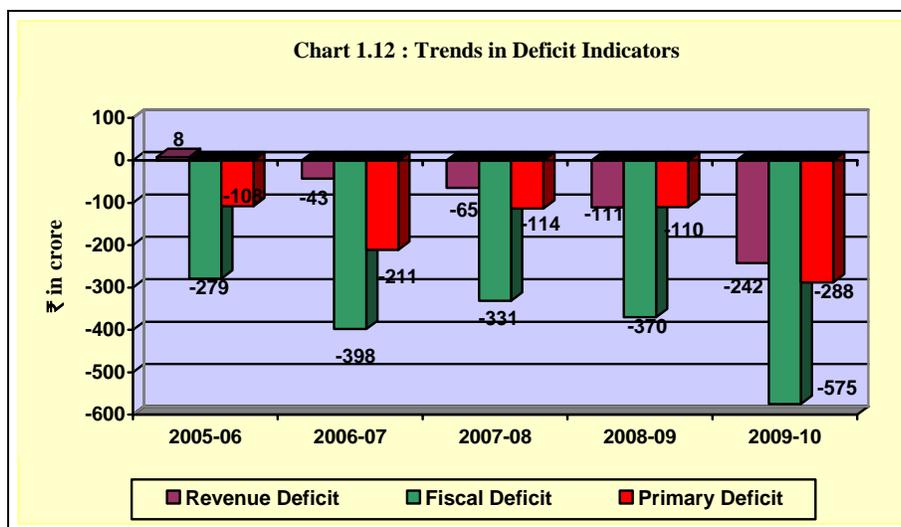
The maturity profile of the UT Government's Public Debt indicates that nearly 46.6 per cent of the total Public Debt is repayable within next five years while 53.4 per cent loans are required to be repaid after five years. Ideally, further borrowings in future should be made in such a way that there is no bunching of repayments in any particular year as it would cause undue stress on the budget.

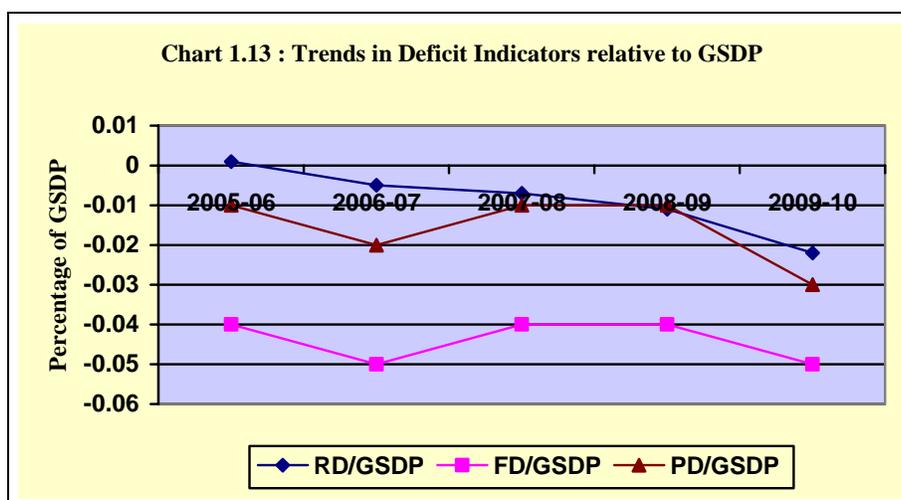
1.9 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the finances of the UT 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 the trends, nature, magnitude and manner of financing these deficits.

1.9.1 Trends in Deficits

Charts 1.12 and 1.13 presents the trends in deficit indicators over the period 2005-10.





The revenue deficit indicates the excess of revenue expenditure over revenue receipts. As exhibited in **Chart 1.12**, after experiencing revenue surplus in 2005-06, the position turned into a deficit from 2006-07. The increase of revenue deficit by ₹ 131 crore during 2009-10 was due to the increase in revenue expenditure by ₹ 513 crore against an increase in revenue receipts by ₹ 382 crore.

1.9.2 Composition of Fiscal Deficit and its Financing Pattern

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in **Table 1.15**.

Table 1.15: Components of Fiscal Deficit and its Financing Pattern

(₹ in crore)

Sl. No. (1)	Particulars (2)	2005-06 (3)	2006-07 (4)	2007-08 (5)	2008-09 (6)	2009-10 (7)
Decomposition of Fiscal Deficit		(-) 279	(-) 398	(-) 331	(-) 370	(-) 575
1	Revenue Deficit	(+) 8	(-) 43	(-) 65	(-) 111	(-) 242
2	Net Capital Expenditure	(-) 289	(-) 360	(-) 275	(-) 261	(-) 336
3	Net Loans and Advances	(+) 2	(+) 5	(+) 9	(+) 2	(+) 3
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	--	--	337	350	549
2	Loans from GOI	267	347	(-)21	(-)29	(-) 21
3	Special Securities issued to National Small Savings Fund	--	--	--	--	--
4	Loans from Financial Institutions	--	--	--	--	--
5	Small Savings, PF etc	--	--	252	41	48
6	Deposits and Advances	--	--	187	27	(-) 15
7	Suspense and miscellaneous	--	--	239	98	147
8	Remittances	--	--	6	32	41
9	Reserve Funds	--	--	--	12	1
10	Overall Surplus/Deficit (cash balance)	(-) 12	(-)51	669	161	175

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

(Source: Finance Accounts of the Union Territory of Puducherry)

The fiscal deficit increased by ₹ 205 crore during 2009-10, mainly due to increase in revenue deficit by ₹ 131 crore. The increase in fiscal deficit, along with an increase in interest payments by ₹ 27 crore, led to an increase of ₹ 178 crore in the primary deficit during the year.

Capital receipts during the year were ₹ 33.26 crore due to buy back of shares from Pondicherry Power Corporation Limited. The fiscal deficit of the year was reduced to that extent.

The UT is increasingly relying on market borrowings for financing its fiscal deficit.

1.9.3 Quality of Deficit/Surplus

The ratio of revenue deficit to fiscal deficit and the decomposition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the UT's finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. The bifurcation of the primary deficit (**Table 1.16**) would indicate the extent to which the deficit has been on account of enhancement in capital expenditure which may have been desirable to improve the productive capacity of the UT's economy.

Table 1.16: Primary Deficit/Surplus – Bifurcation of Factors

(₹ in crore)

Year	Revenue Receipts	Recovery of Loans and Advances	Non-debt receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances disbursed	Primary Expenditure	Primary Revenue Deficit (-) / Surplus (+)	Primary Deficit (-) / Surplus (+)
1	2	3	4 (2+3)	5	6	7	8 (5+6+7)	9 (2-5)	10 (4-8)
2005-06	1,802	6	1,808	1,623	289	4	1,916	179	(-) 108
2006-07	1,884	8	1,892	1,740	360	3	2,103	144	(-) 211
2007-08	2,136	12	2,148	1,984	275	3	2,262	152	(-) 114
2008-09	2,459	5	2,464	2,310	261	3	2,574	149	(-) 110
2009-10	2,841	38*	2,879	2,796	369	2	3,167	45	(-) 288

(Source: Finance Accounts of the Union Territory of Puducherry)

* Includes miscellaneous capital receipt of ₹ 33 crore

Though the non-debt receipts in the past five years were enough to cover primary revenue expenditure, the receipts were not enough to cover capital expenditure. Hence, there was primary deficit in all the years. The primary deficit, which was ₹ 108 crore in 2005-06 rose to ₹ 288 crore in 2009-10 mainly due to increase in capital expenditure during that year.

Even though the capital expenditure increased from ₹ 289 crore in 2005-06 to ₹ 369 crore in 2009-10, as a percentage of primary expenditure, it decreased from 15.08 in 2005-06 to 11.65 in 2009-10.

1.10 Conclusion and Recommendations

Arrears of revenue pending collection increased from ₹ 261.50 crore in 2008-09 to ₹ 342.06 crore in 2009-10 (30.81 *per cent*) which constituted 9.3 *per cent* of the UT's tax revenue and was more than the revenue deficit for the year by ₹ 100 crore.

The Government needs to make urgent and concerted efforts to ensure that the respective departments recover the arrears of revenue. This would help in reducing the revenue deficit.

The Non-Plan revenue expenditure increased from ₹ 1,747 crore in 2008-09 to ₹ 1,995 crore (increase of 14 *per cent*) in 2009-10.

The Government should make serious efforts to contain the Non-Plan revenue expenditure as it would be necessary to make available more funds for developmental purposes and also to contain revenue deficit.

The resource gap widened by ₹ 166 crore during 2009-10, due to which debt sustainability would become a major problem in future.

The Government needs to make concerted efforts to narrow the resource gap, by increasing non-debt receipts in the coming years, or to contain unproductive expenditure to ensure debt sustainability.

The Government's investments as of 31 March 2010 stood at ₹ 867.50 crore. The return on these investments was 0.7 *per cent* during 2009-10 while the Government paid interest at an average rate of eight *per cent* on its borrowings.

The Government needs to ensure that funds borrowed at higher rates of interest are not invested for lesser returns. Wherever there is a clear social justification, high priority non-revenue generating projects may be taken up only after a diligent socio-economic cost benefit analysis so that there is transparency in prioritization of projects.

Blocking of huge sums in incomplete projects delayed and undermined the economic benefits realisable through them.

Execution of large projects should be closely monitored to avoid blocking of funds in incomplete projects.

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-à-vis* those authorised by the Appropriation Act in respect of both charged and voted items of 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 Government of Union Territories Act, 1963 is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules and regulations and instructions.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2009-10 against 41 grants/appropriations was 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	2,892.21	406.72	3,298.93	2,808.32	-490.61
	II Capital	782.07	22.71	804.78	396.68	-408.10
	III Loans and Advances	25.97	0.00	25.97	2.17	-23.80
Total Voted		3,700.25	429.43	4,129.68	3,207.17	-922.51
Charged	IV Revenue	301.61	0.40	302.01	289.97	-12.04
	V Capital	--	--	--	--	--
	VI Public Debt-Repayment	131.14	0.00	131.14	131.14	0.00
Total Charged		432.75	0.40	433.15	421.11	-12.04
Grand Total		4,133.00	429.83	4,562.83	3,628.28	- 934.55

(Source : Appropriation Accounts and Budget documents of the Government of Union Territory of Puducherry)

The overall savings of ₹ 934.55 crore was the result of savings of ₹ 501.10 crore in 30 grants and seven appropriations under the Revenue Section and ₹ 432.64 crore in 10 grants and one appropriation under the Capital Section and ₹ 0.81 crore in one grant under the Loan Section.

2.3 Financial Accountability and Budget Management

2.3.1 Appropriations vis-à-vis Allocative Priorities

The outcome of appropriation audit revealed that savings of more than ₹ 10 crore in each case, amounting to ₹ 871.98 crore (93.30 *per cent* of total savings of ₹ 934.55 crore) occurred in 10 grants as indicated in **Table 2.2**.

Table 2.2: List of Grants with Savings of ₹ 10 crore and above

(₹ in crore)

Sl. No.	Name of the Grant	Original	Supple- mentary	Total	Actual Expenditure	Savings
Revenue-Voted						
1.	6 - Revenue and Food	167.38	--	167.38	114.31	53.07
2.	9 - Secretariat	39.76	--	39.76	24.04	15.72
3.	10 - District Administration	330.58	--	330.58	205.10	125.48
4.	19 - Information and Publicity	83.33	--	83.33	24.88	58.45
5.	21 - Social Welfare	429.62	7.79	437.41	291.18	146.23
6.	28 - Industries	69.05	--	69.05	27.11	41.94
	Total	1,119.72	7.79	1,127.51	686.62	440.89
Capital-Voted						
7.	16 - Public Works	377.36	--	377.36	186.54	190.82
8.	22 - Co-operation	56.13	--	56.13	17.13	39.00
9.	29 - Electricity	164.91	--	164.91	63.15	101.76
10.	32 - Building Programmes	158.90	--	158.90	59.39	99.51
	Total	757.30	--	757.30	326.21	431.09
	Grand Total	1,877.02	7.79	1,884.81	1,012.83	871.98

(Source : Appropriation Accounts of the Government of Union Territory of Puducherry)

It was noticed that in 200 cases, savings exceeded ₹ 50 lakh in each case or by more than 20 *per cent* of the total provision (**Appendix 2.1**). Shortfall in

availing of negotiated loans for funding Plan schemes resulted in non-implementation of schemes under various sectors.

2.3.2 Persistent savings

In 11 grants, during the last five years, there were persistent savings of more than ₹ 10 lakh as indicated in **Table 2.3**.

Table 2.3: List of Grants indicating Persistent Savings during 2005-10

(₹ in crore)

Sl. No.	Grant number and name of the Grant		Amount of Savings				
			2005-06	2006-07	2007-08	2008-09	2009-10
Revenue – Voted							
1.	6	Revenue and Food	1.05	55.53	95.04	42.28	53.07
2.	9	Secretariat	4.48	11.89	9.00	0.13	15.72
3.	10	District Administration	0.81	104.32	2.34	31.75	125.48
4.	16	Public Works	1.49	0.42	0.62	0.35	6.22
5.	17	Education	2.55	2.16	2.54	5.00	6.67
6.	18	Medical	1.48	0.86	0.67	0.20	0.44
7.	19	Information and Publicity	5.02	0.74	0.48	0.51	58.45
8.	21	Social Welfare	0.95	1.34	1.94	131.53	146.23
9.	24	Agriculture	0.32	0.20	0.42	0.20	7.86
10.	26	Fisheries	0.15	0.13	0.43	0.17	3.04
11.	32	Building Programmes	0.12	2.61	2.15	3.34	3.70
Total			18.42	180.20	115.63	215.46	426.88
Capital - Voted							
12.	16	Public Works	6.39	243.24	279.97	88.36	190.82
13.	32	Building Programmes	0.13	14.81	3.40	61.09	99.51
Total			6.52	258.05	283.37	149.45	290.33

(Source : Appropriation Accounts of the Government of Union Territory of Puducherry)

The pattern of Plan funding for the approved Plan size of ₹ 2,250 crore for the Annual Plan 2009-10 comprised negotiated loans of ₹ 321.50 crore and Central assistance of ₹ 273.59 crore. However, during 2009-10, the UT Government could avail of only ₹ 49 crore by way of negotiated loans from HUDCO and NABARD and received Central assistance of ₹ 110 crore. The shortfall in obtaining negotiated loans and short receipt of Central assistance resulted in savings under Plan schemes under the sectors - Urban Development, Community Development, Panchayati Raj Development, Water Supply and Sanitation, Roads and Bridges etc. (Grant 10). Further, it was noticed that savings occurred under the schemes - Creation of infrastructure (Grant 16), supply of free colour television (Grant 19) construction of houses in Scheduled Caste colonies (Grant 21), providing share capital contribution to Puducherry Agro Services and Industries Corporation (Grant 24), development of model fishing village in Yanam region (Grant 26), construction of buildings (Grant 32) and the schemes

were not implemented due to shortfalls in availing of negotiated loans leading to the savings.

2.3.3 Excess expenditure

In 96 sub-heads, expenditure aggregating ₹ 1,339.50 crore exceeded the approved provisions by ₹ 50 lakh or more in each case or by more than 20 per cent of the total provision. Details are given in **Appendix 2.2**.

2.3.4 Unnecessary/excessive supplementary provision

Supplementary provision of ₹ 2.5 crore, obtained in Grant-26 'Fisheries', (2405-00-800 (12) (4) – Development of Model Fishing Village) proved unnecessary as no expenditure was incurred. Supplementary provisions aggregating ₹ 32.63 crore, obtained in six cases, proved excessive as the savings in each case exceeded ₹ 50 lakh as detailed in **Appendix 2.3**.

2.3.5 Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Injudicious re-appropriations proved unnecessary or excessive in 36 sub-heads, which resulted in savings of over ₹ 45.94 crore as detailed in **Appendix 2.4**.

2.3.6 Substantial surrenders

Substantial surrenders (cases where more than 50 per cent of the total provision was surrendered) were made in 58 sub-heads on account of either non-implementation or slow implementation of schemes/programmes. Out of the total provision amounting to ₹ 721.46 crore in these 58 sub-heads, ₹ 668.36 crore (92.64 per cent) were surrendered, which included cent per cent surrender under 44 sub-heads (₹ 468.11 crore) as given in **Appendix 2.5**. Cent per cent savings occurred in these 44 sub-heads due to shortfall in obtaining negotiated loans for funding the Plan schemes.

2.3.7 Anticipated savings not surrendered

As per Rule 56 (2) of the General Financial Rules, spending departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated. At the close of the year 2009-10, there were, however, seven grants in which savings of ₹ 166.47 crore occurred, but no part of which had been surrendered by the departments concerned. The details are given in **Appendix 2.6**. Similarly, out of the total savings of ₹ 472.58 crore under four grants/appropriations (savings of ₹ one crore and above), ₹ 82.31 crore (17.42 per cent of total savings) were not surrendered, details of which are given in **Appendix 2.7**. This indicated inadequate financial control and non-utilisation of funds for other development purposes.

2.3.8 Rush of expenditure

According to Rule 56 (3) of the General Financial Rules, rush of expenditure, particularly in the closing months of the financial year, should be avoided. Contrary to this, in respect of 33 sub-heads listed in **Appendix 2.8**, expenditure exceeding ₹ 10 lakh or by more than 50 *per cent* of the total expenditure for the year was incurred in March 2010. Uniform flow of expenditure, which is a primary requirement of budgetary control mechanism, was not maintained.

Appropriate action needs to be taken to regulate and systematise the procedure to avoid heavy expenditure in the closing month of the financial year.

2.3.9 Expenditure on Centrally sponsored schemes

Out of ₹ 53.57 crore provided for implementing 69 Centrally sponsored schemes, ₹ 43.98 crore (82.10 *per cent*) was spent. The expenditure was less than 50 *per cent* of the provision in respect of five schemes and no expenditure was incurred in respect of 11 schemes (₹ 3.11 crore), due to less receipt of Central assistance.

2.3.10 Incorrect re-appropriation of funds

As per Rule 10 of the Delegation of Financial Powers Rules, 1978, re-appropriation of funds from Revenue to Capital Section or vice versa was not permissible. It was noticed that under Grant 32 – ‘Building programmes’, an amount of ₹ 1.55 crore was transferred from Revenue to Capital by way of re-appropriation, in violation of the Rules.

2.4 Non-adjustment of Temporary Advances

Drawing and Disbursing Officers (DDOs) draw temporary advances and disburse them to Government servants for the purpose of meeting contingent and miscellaneous expenditure either on the authority of standing orders or specific sanctions of the UT Government. According to Rule 292 (2) of the General Financial Rules (GFRs), adjustment bills along with balances, if any, should be submitted by the DDOs within 15 days of the drawal of advances, failing which the advances/balances would be recovered from the next salary of the Government servants.

As of 31 March 2010, advances aggregating ₹ 131.50 crore were pending adjustment by DDOs as per the records of the Director of Accounts and Treasuries, Puducherry. An age-wise analysis of pending advances is given in **Table 2.5**.

Table 2.5 Age-wise Analysis of Pending Advances

Sl. No	Pendency	Number of advances	Amount (₹ in crore)
1.	More than 10 years	21	0.52
2.	More than five years but less than 10 years	100	1.37
3.	More than one year but less than five years	559	56.78
4.	Less than one year	332	72.83
Total		1,012	131.50

(Source : Data furnished by the Director of Accounts and Treasuries)

The pendency indicated laxity on the part of the departmental officers in enforcing codal provisions regarding adjustment of the advances involving substantial amounts.

2.5 Advance drawal of funds

As per Rule 100(2) of the Receipts and Payments Rules 1983, no money should be drawn from the Government account unless it is required for immediate disbursement. Further, it is not permissible to draw money from the Government account in anticipation of demands or to prevent the lapse of budget grants. Moreover, as per Rule 56(2) of GFRs, the savings as well as provision which could not be utilised should be surrendered to the Government immediately.

Test check of records of the administrative department /controlling officers (CO)/DDOs relating to three grants (Agriculture, Medical and Transport) revealed advance drawal of funds on 31 March 2010 and parking them outside Government account violating the above mentioned rules as discussed below:

i) Grant No.8: Transport

Rupees 85 lakh provided in the budget for development of a transport complex at Karaikal was drawn (March 2010) as per the Government order and deposited with the Project Implementation Agency (PIA) of the Tsunami Rehabilitation Project for carrying out the work of filling up of a low lying area. It was noticed in audit that the tender for the work was finalised only in June 2010 and the amount remained unspent with the PIA. The Transport Commissioner stated (September 2010) that funds were provided in the budget in anticipation of transfer of land from the Government Automobile Workshop and the actual transfer took place in March 2010 only.

ii) Grant No. 18: Medical

Out of ₹ 17.50 crore provided in the budget for creation of infrastructural facilities in the tsunami affected areas, ₹ 7.28 crore remained unspent towards the end of the year. Government ordered (March 2010) drawal and parking of the unspent amount with PIA as deposit for utilizing the same in the financial year 2010-11. It was noticed in audit that out of ₹ 7.28 crore deposited with

PIA, ₹ 4.50 crore was withdrawn as per the Government order (June 2010) and remitted to Government account under 'Receipts and Recoveries on Capital Account' for incurring expenditure on the work of construction of a Women and Children Hospital at Puducherry, the PIA spent (September 2010) ₹ one crore on purchase of cloth items for the hospital and the remaining ₹ 1.78 crore was still with PIA.

iii) Grant No 24: Agriculture

Government ordered (March 2010) drawal of ₹ 45 lakh provided in the budget for extending financial assistance to agricultural technologists belonging to the general category and Scheduled Caste beneficiaries for the establishment of agricultural clinics as advance. Government also instructed the Additional Directors of Agriculture, Puducherry and Karaikal to deposit the amount with PIA, Puducherry and disburse the amount after identifying the beneficiaries as per guidelines. It was noticed in audit that the amount remained unutilized with PIA as of September 2010. The Director of Agriculture stated (September 2010) that the applications received were under process and that the amount would be disbursed to the beneficiaries.

2.6 Conclusion and Recommendations

During 2009-10, expenditure of ₹ 3,628.28 crore was incurred against total grants and appropriations of ₹ 4,562.83 crore, resulting in savings of ₹ 934.55 crore. Inaccuracies in budgeting resulted in persistent savings of more than ₹ 10 lakh in 11 grants during 2005-10. Savings of ₹ 166.47 crore in seven grants were not surrendered by the departments concerned. Similarly, out of the savings of ₹ 472.58 crore in four grants/appropriations (savings of ₹ one crore and above), ₹ 82.31 crore were not surrendered.

Budgetary controls should be strengthened in all the Government departments, especially in those departments where savings have been observed for the last five years regularly.

Even though there was no immediate requirement, ₹ 8.58 crore was drawn on 31 March 2010 for three schemes and kept outside the Government account in violation of rules.

Drawal of money from the Government account without immediate requirement and keeping it outside the Government account should be avoided.

CHAPTER III

FINANCIAL REPORTING

A sound internal financial reporting system and the availability of relevant and reliable information significantly contribute to efficient and effective governance. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance are some of the attributes of good governance. Reports on compliance and controls, if effective and operational, assist State or Union Territory Governments in meeting their basic stewardship responsibilities, including strategic planning and decision making. This chapter provides an overview and status of the Union Territory 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 stipulates that for grants released during a year for specific purposes, Utilisation Certificates (UCs) should be obtained by the departmental officers from the grantees within 12 months of the closure of the financial year. However, in respect of the grants paid up to March 2009, 1629 UCs for an aggregate amount of ₹ 354.13 crore were not furnished by the grantees as of September 2010. The department-wise break-up of outstanding UCs is given in **Appendix 3.1**. The age-wise pendency in submission of UCs is summarised in **Table 3.1**.

Table 3.1: Age-wise arrears of Utilisation Certificates

Sl. No.	Range of delay in number of years	Utilisation Certificates Outstanding	
		Number	Amount (₹ in crore)
1	0 – 1	608	166.63
2	1 – 3	510	106.70
3	3 – 5	249	49.58
4	5 – 7	129	15.32
5	7 – 9	53	13.55
6	9 and above	80	2.35
	Total	1,629	354.13

(Source: Compiled by Audit from the information furnished by the heads of departments)

Out of 1629 UCs worth ₹ 354.13 crore pending as of September 2010, 1367 UCs (84 *per cent*) involving ₹ 322.91 crore were pending for periods ranging from one to five years while 262 UCs involving ₹ 31.22 crore were pending for more than five years. Pendency of 957 UCs for an aggregate amount of ₹ 147.80 crore and 198 UCs for an aggregate amount of ₹ 33.18 crore

pertained mainly to the Director of Local Administration and the Chief Town Planner respectively.

Non-receipt of UCs for huge amounts indicated that the departmental officers failed to ensure adherence to the terms and conditions governing release of grants by the grantee institutions. Further, in the absence of the UCs, it could not be ascertained whether the recipients had utilised the grants for the purposes for which they were given.

3.2 Non-submission of Accounts

In order to identify the institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the Government/heads of the department are required to furnish to Audit every year, detailed information about the financial assistance given to various institutions, the purposes for which the assistance was required and the total expenditure of these institutions.

The annual accounts of 31 autonomous bodies/authorities due up to 2008-09 had not been submitted to the Principal Accountant General (Civil Audit) as of September 2010. The details of these accounts are given in **Appendix 3.2** and their age-wise pendency is presented in **Table 3.2**. In addition, the list of bodies/authorities, from whom the accounts were not at all received since their inception, are given in **Appendix 3.3**.

Table 3.2: Age-wise arrears of Annual Accounts due from Autonomous Bodies/Authorities

Sl. No.	Pendency in number of years	Number of the Bodies/ Authorities
1	0 – 1	14
2	1 – 3	16
3	3 – 5	Nil
4	5 – 7	1
Total		31

(Source: Compiled from the information furnished by the heads of departments)

Due to non-receipt of annual accounts from a substantial number of autonomous bodies/authorities which received Government assistances, the Government/heads of departments could not ensure that the bodies/authorities carried out the functions for which they were established and that they utilised the Government grants for the intended purposes.

3.3 Misappropriation, loss, defalcation, etc.

General Financial Rules 33 and 34 stipulate that heads of offices should report any loss or shortage of public moneys, property, etc., due to defalcation, misappropriation and theft to the next higher authority as well as to the Statutory Audit Officer.

The Union Territory Government departments reported 299 cases of misappropriation, loss, defalcation, etc., involving Government money amounting to ₹ 747.63 lakh up to the period March 2010, on which final action was pending. The department-wise break-up of the pending cases and the nature of these cases are given in **Appendix 3.4**. The age-profile of the pending cases and the number of cases pending in each category – theft and misappropriation/loss etc., are summarised in **Table 3.3**.

Table 3.3: Profile of misappropriation, loss, defalcation, etc.

Age-Profile of the Pending Cases			Nature of the Pending Cases		
Range in years	Number of cases	Amount involved (₹ in lakh)	Nature of the cases	Number of cases	Amount involved (₹ in lakh)
0 - 5	34	439.83	Theft	291	635.58
5 - 10	88	296.92			
10 - 15	111	9.17	Misappropriation / Loss of material	8	112.05
15 - 20	66	1.71			
Total	299	747.63		299	747.63

(Source: Compiled from the information furnished by the heads of departments)

Further analysis of these cases indicates the reasons for outstanding as given in **Table 3.4**.

Table 3.4: Reasons for outstanding cases of misappropriation, loss, defalcation, etc.

Reasons for the pendency		Number of cases	Amount (₹ in lakh)
i)	Awaiting departmental and criminal investigation	259	46.14
ii)	Departmental actions initiated but not finalised	13	4.64
iii)	Awaiting orders for recovery or write off	10	3.31
iv)	Pending in Courts of law	17	693.54
	Total	299	747.63

(Source: Compiled from the information furnished by the heads of departments)

3.4 Conclusion and Recommendations

Heads of department failed to ensure that the bodies/authorities carried out the functions for which they were established and that they utilised the Government grants for the intended purposes and furnished utilisation certificates and annual accounts in time.

Heads of Department should ensure prompt submission of utilisation certificates and annual accounts by the autonomous bodies/authorities.

Long pendency in settlement of cases of misappropriation, loss, etc., pointed to deficiencies in financial reporting and follow up.

Government/Heads of Department should expedite orders regarding recovery/write-off of outstanding cases of misappropriation, defalcation, theft, loss, etc., and initiate action for speedy completion of enquiries into pending cases.

Chennai
The

(REVATHI BEDI)
Principal Accountant General (Civil Audit)
Tamil Nadu and Puducherry

Countersigned

New Delhi
The

(VINOD RAI)
Comptroller and Auditor General of India

Appendix 1.1
(Reference: Page 1)

Part A: Profile of Union Territory of Puducherry

A. General Data

SL.NO.	Particulars		Figures
1	Area		480 sq km
2	Population		
	a.	As per 2001 Census	9.74 lakh
	b.	2009-10	12.99 lakh
3	Density of Population (2001) (All India Density = 325 persons per Sq.Km)		2034 persons per sq km.
4	Population below poverty line (All India Average = 27.5 per cent)		21.70 per cent
5	Literacy (2001) (All India Average = 64.8 per cent)		81.24 per cent
6	Infant mortality (per 1000 live births) (All India Average = 53 per 1000 live births)		25
7	Life Expectancy at birth (All India Average = 63.5 years)		68.35 years
8	Gross State Domestic Product (GSDP) 2009-2010 at current prices		₹ 11255 crore
9	GSDP CAGR (2000-01 to 2009-2010)		12.61 per cent
10	Per capita GSDP CAGR (2000- 01 to 2009-10)		8.98 per cent
11	GSDP CAGR (2000-01 to 2008-09)	Union Territory of Puducherry	12.99 per cent
12	Population growth (2000-01 to 2009-10)	Union Territory of Puducherry	3.12 per cent

B. Financial data			
Particulars		Figures (in per cent)	
CAGR*		2000-01 to 2008-09	2000-01 to 2009-10
		Union Territory of Puducherry	
a.	of Revenue Receipts	12.67	12.99
b.	of Own Tax Revenue	12.05	12.87
c.	of Non-Tax Revenue	11.93	10.82
d.	of Total Expenditure	13.33	14.25
e.	of Capital Expenditure	11.67	14.65
f.	of Revenue Expenditure on Education	12.81	14.82
g.	of Revenue Expenditure on Health	9.17	14.53
h.	of Salary	15.03	16.37
i.	of Pension	16.98	22.29

*Compound Annual Growth Rate

Source: Financial data is based on information furnished by the Director of Accounts and Treasuries, Puducherry. BPL (Planning Commission & NSSO data, 61st Round), Life Expectancy at birth (Office of the Registrar General of India; Ministry of Home Affairs; Economic Survey 2009-10); Infant mortality rate (SRS Bulletin October,2009), Density of population (Office of the Registrar General and Census Commissioner of India; Ministry of Home Affairs and Literacy (Office of the Registrar General of India; Ministry of Home Affairs).

Appendix 1.1
(Reference: Page 1)

Part B: Structure and Form of Government Accounts

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

Part I: Consolidated Fund: Receipts from revenues, loans and recoveries of loan and expenditure incurred with the authorisation from the Legislature shall form one consolidated fund entitled ‘the Consolidated Fund of UT’.

Part II: Contingency Fund: Contingency Fund of the UT established under section 48(1) of the Government of the Union Territories Act, 1963 is in the nature of an imprest placed at the disposal of the Lieutenant 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 relating to ‘Debt’ (other than those included in Part I), ‘Deposits’, ‘Advances’, ‘Remittances’ and ‘Suspense’ are recorded in the Public Account and are not subject to vote by the UT legislature.

Appendix 1.1
(Reference: Page 1)

Part C: Layout of Finance Accounts

Statement (1)	Title (2)	Layout (3)
Statement No.1	Statement of Financial Position	Cumulative figures of assets and liabilities of the Government, as they stand at the end of the year, are depicted in the Statement. The assets are valued at historical cost. The assets comprise Financial Assets and Physical Assets. The latter are shown against “(i) Capital Expenditure and (ii) Other Capital Expenditure” in this Statement.
Statement No.2	Statement of Receipts and Disbursements	This is a summarised Statement showing all receipts and disbursements of the Government during the year in all the three parts in which Government account is kept, namely, consolidated fund, contingency fund and public account. Further within the consolidated fund, receipts and expenditure on revenue and capital account are depicted distinctly.
Statement No.3	Statement of Receipts (Consolidated Fund)	This statement comprises revenue and capital receipts and receipts from borrowings of the Government consisting of loans from the Government of India, other institutions, market loans raised by the Government and recoveries on account of loans and advances made by the Government.
Statement No.4	Statement of Expenditure (Consolidated Fund)	This Statement not only gives expenditure by function (activity) but also summarises expenditure by nature of activity (objects of expenditure).
Statement No. 5	Statement of Progressive Capital expenditure	This Statement details progressive capital expenditure by functions, the aggregate of which is depicted in statement 1.
Statement No.6	Statement of Borrowings and other Liabilities	Borrowings of the Government comprise market loans raised by it (internal debt) and Loans and Advances received from the Government of India. Both these together form the public debt of the Union Territory Government. In addition, this summary statement depicts ‘other liabilities’ which are the balances under various sectors in the Public Account. In respect of the latter, the Government as a trustee or custodian of the funds, hence these constitute liabilities of the Government. The Statement also contains an Explanatory Note, i.e., a note on the quantum of net interest charges met from Revenue Receipts.
Statement No.7	Statement of Loans and Advances given by the Government	The loans and advances given by the Union Territory Government are depicted in Statement 1 and recoveries, disbursements feature in Statements 2, 3 and 4. Here, loans and advances are summarised sector and loanee group wise. This is followed by a note on the recoveries in arrear in respect of loans, details of which are maintained by the Union Territory departments.
Statement No.8	Statement of Grants-in-aid given by the Government	Presents grantee institutions group-wise. It includes a note on grants given in kind also.

(1)	(2)	(3)
Statement No.9	Statement of Guarantees given by the Government	Guarantees given by the Union Territory Government for repayment of loans, etc., raised by Statutory Corporations, Government Companies, Local Bodies and other institutions during the year and sums guaranteed outstanding as at the end of the year are presented in this Statement.
Statement No.10	Statement of Voted and Charged Expenditure	This Statement presents details of voted and charged expenditure of the Government.
Statement No.11	Detailed Statement of Revenue and Capital Receipts by minor heads	This Statement presents the revenue and capital receipts of the Government in detail.
Statement No.12	Detailed Statement of Revenue Expenditure by minor heads	This statement presents the details of revenue expenditure of the Government in detail. Non-Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available.
Statement No.13	Detailed Statement of Capital Expenditure	This Statement presents the details of capital expenditure of the Government in detail. Non-Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available. Cumulative capital expenditure upto the end of the year is also depicted.
Statement No.14	Detailed Statement of Investments of the Government	The position of Government Investment in the share capital of different concerns is depicted in this statement for the current and previous year. Details include type of shares held, face value, dividend received etc.
Statement No.15	Detailed Statement on Borrowings and other Liabilities	Details of borrowings (market loans raised by the Government and Loans etc., from GOI) by minor heads, the maturity and repayment profile of all loans is provided in this Statement. This is the detailed statement corresponding to statement 6.
Statement No.16	Detailed Statement on Loans and Advances made by Government	The details of loans and advances given by the Government, the changes in loan balances, loans written off, interest received on loans etc., is presented in this Statement. It also presents plan loans separately. This is the detailed Statement corresponding to Statement 7.
Statement No.17	Detailed Statement on Sources and Application of funds for expenditure other than on Revenue Account	The capital and other expenditure (other than on revenue account) and the sources of fund for the expenditure are depicted in this Statement.
Statement No.18	Detailed Statement on Contingency Fund and Public Account transactions	The Statement shows changes in Contingency Fund during the year, the appropriations to the Fund, expenditure, amount recouped etc. It also depicts the transactions in Public Account in detail.
Statement No.19	Detailed Statement on Investments of Earmarked Funds	This Statement shows the details of investment out of Reserve Funds in Public Account.

Appendix 1.2
(Reference: Page 1)

Methodology adopted for the Assessment of Fiscal Position

Assuming that GSDP is the good indicator of the performance of the Union Territory'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 Gross State Domestic Product (GSDP) at current market prices. The buoyancy co-efficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilization of resources, pattern of expenditure etc., are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP.

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

Trends in Gross State Domestic Product (GSDP)

	2005-06	2006-07	2007-08	2008-09 (P)	2009-10 (QE)
Gross State Domestic Product (₹ in crore)	7,977	8,335	9,389	10,263	11,255
Growth rate of GSDP	38.6 *	4.5	12.6	9.3	9.7
<i>Source:</i> Directorate of Economics and Statistics, Government of Puducherry					
P: Provisional; QE: Quick Estimate					
* GSDP for 2004-05 was ₹ 5,754 crore and it increased to ₹ 7,977 crore in 2005-06 (an increase of 38.6 per cent)					

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

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/ GSDP Growth
Buoyancy of a parameter (X) with respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth (ROG)	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Development Expenditure	Social Services + Economic Services
Interest spread	GSDP growth – Average Interest Rate
Interest received as per cent to Loans Outstanding	Interest Received / $[(\text{Opening balance} + \text{Closing balance of Loans and Advances}) / 2] * 100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Weighted Interest Rate (Average interest paid by the UT)	Interest payment / $[(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$

Terms	Basis of calculation
GSDP	GSDP is defined as the total income of the State or the market value of goods and services produced using labour and all other factors of production
Balance from Current Revenue (BCR)	Revenue Receipts minus all Plan grants (under Major Head 1601 – 02, 03, 04) and Non-Plan revenue expenditure excluding debit under 2048 – Appropriation for Reduction or Avoidance of Debt

Appendix 1.3
(Reference: Paragraphs 1.3 and 1.7.2; Pages 1, 6 and 19)

Time series data on the Union Territory Government finances

(₹ in crore)

	2005-2006	2006-2007	2007-2008	2008-2009	2009-10
(1)	(2)	(3)	(4)	(5)	(6)
Part A. Receipts					
1. Revenue Receipts	1,802(84)	1,884(81)	2,136 (62)	2,459 (70)	2,841(65)
(i) Tax Revenue	479(27)	570(30)	653 (31)	725 (29)	868(31)
Taxes on Agricultural Income	--	--	--	--	--
Taxes on Sales, Trade, etc	304	365	355	382	453
State Excise	125	144	224	280	329
Taxes on Vehicles	26	29	32	32	35
Stamps and Registration fees	24	31	41	31	50
Land Revenue	--	1	1	--	1
Taxes on Goods and Passengers	--	--	--	--	-
Other Taxes	--	--	--	--	-
(ii) Non-Tax Revenue	511(28)	550(29)	626 (29)	629 (26)	643(23)
(iii) State's share of Union taxes and duties	--	--	--	--	--
(iv) Grants-in-aid from Government of India	812(45)	764(41)	857 (40)	1,105 (45)	1,330(46)
2. Miscellaneous Capital Receipts	--	--	--	--	33(1)
3. Recoveries of Loans and Advances	6	8	12	5	5
4. Total Revenue and Non-debt capital receipts (1+2+3)	1,808	1,892	2,148	2464	2879
5. Public Debt Receipts	353(16)	444(19)	425 (12)	444 (13)	659(15)
Internal Debt and market loan	--	--	337	350	549
Net transactions under Ways and Means Advances and Overdrafts	--	--	--	--	--
Loans and Advances from Government of India	353	444	88	94	110
6. Total Receipts in the Consolidated Fund (4+5)	2,161	2,336	2,573	2,908	3,538
7. Contingency Fund Receipts	--	--	--	--	--
8. Public Account Receipts	--	--	898 (26)	610 (17)	836(19)
9. Total Receipts of the UT (6+7+8)	2,161	2,336	3,471	3,518	4,374
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	1,794(83)	1,927(81)	2,201 (79)	2,570 (77)	3,083(70)
(i) Plan	646(36)	698(36)	844 (38)	823 (32)	1,088 (35)
(ii) Non-Plan	1,148(64)	1,229(64)	1,357 (62)	1,747 (68)	1,995 (65)

(1)	(2)	(3)	(4)	(5)	(6)
(iii) General Services (including interest payments)	381	463	538	681	871
(iv) Social Services	684	701	851	959	1,265
(v) Economic Services	726	759	808	926	943
(vi) Grants-in-aid and contributions	3	4	4	4	4
11. Capital Expenditure	289(13)	360(15)	275 (10)	261 (8)	369(8)
(i) Plan	290	356	268 (97)	254 (97)	373
(ii) Non-Plan	(-) 1	4	7 (3)	7(3)	(-)4 ^{&}
(iii) General Services	26	33	34	33	44
(iv) Social Services	94	75	60	76	82
(v) Economic Services	169	252	181	152	243
12. Disbursement of Loans and Advances	4(0)	3(0)	3	3	2
13. Total (10+11+12)	2,087	2,290	2,479	2,834	3,454
14. Repayments of Public Debt	86(4)	97(4)	109 (4)	123 (3)	131(3)
Internal Debt (excluding Ways and Means Advances and Overdrafts)	--	--	--	--	--
Net transactions under Ways and Means Advances and Overdraft	--	--	--	--	--
Loans and Advances from Government of India	86	97	109	123	131
15. Appropriation to Contingency Fund	--	--	--	--	--
16. Total disbursement out of Consolidated Fund (13+14+15)	2,173	2,387	2,588	2,957	3,585
17. Contingency Fund disbursements	--	--	--	--	--
18. Public Account disbursements	--	--	214 (7)	400 (12)	613 (19)
19. Total disbursement by the UT (16+17+18)	2,173	2,387	2,802	3,357	4,198
<i>Part C. Deficits</i>					
20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	(+) 8	(-) 43	(-) 65	(-) 111	(-)242
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	(-) 279	(-) 398	(-) 331	(-) 370	(-)575
22. Primary Deficit (21+23)	(-) 108	(-) 211	(-) 114	(-) 110	(-)288
<i>Part D. Other data</i>					
23. Interest Payments (included in revenue expenditure)	171	187	217	260	287
24. Financial Assistance to local bodies etc.,	332	260	281	327	453

& Minus expenditure is due to value of issue of stock was more than the value of purchase

(1)	(2)	(3)	(4)	(5)	(6)
25. Ways and Means Advances/Overdraft availed (days)	--	--	--	--	--
Ways and Means Advances availed (days)	--	--	--	--	--
Overdraft availed (days)	--	--	--	--	--
26. Interest on Ways and Means Advances/Overdraft					
27. Gross State Domestic Product (GSDP)[@]	7,977	8,335	9,389	10,263	11,255
28. Outstanding Fiscal liabilities (year end)	1,820*	2,168*	2,923	3,325	3,887
29. Outstanding guarantees (year end) (including interest)	8	4	7	6	12
30. Maximum amount guaranteed (year end)	35	34	21	21	21
31. Number of incomplete projects	120	65	85	107	97
32. Capital blocked in incomplete projects	81	93	129	138	153
Part E: Fiscal Health Indicators					
I Resource Mobilization					
Own Tax revenue/GSDP	0.06	0.07	0.07	0.07	0.08
Own Non-Tax Revenue/GSDP	0.06	0.07	0.07	0.06	0.06
Central Transfers/GSDP	--	--	--	--	---
II Expenditure Management					
Total Expenditure/GSDP	0.26	0.27	0.26	0.28	0.31
Total Expenditure/Revenue Receipts	1.16	1.22	1.16	1.15	1.21
Revenue Expenditure/Total Expenditure	0.86	0.84	0.88	0.91	0.89
Expenditure on Social Services/Total Expenditure	0.37	0.33	0.37	0.37	0.39
Expenditure on Economic Services/Total Expenditure	0.43	0.44	0.40	0.38	0.34
Capital Expenditure/Total Expenditure	0.14	0.16	0.11	0.09	0.10
Capital Expenditure on Social and Economic Services/Total Expenditure.	0.12	0.14	0.10	0.08	0.09
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	0.001	(-) 0.005	(-) 0.007	(-) 0.011	(-)0.022
Fiscal deficit/GSDP	(-) 0.04	(-)0.05	(-)0.03	(-)0.04	(-)0.05
Primary Deficit (surplus) /GSDP	(-)0.01	(-)0.03	(-)0.01	(-)0.01	(-)0.03
Revenue Deficit/Fiscal Deficit	--	0.11	0.20	0.30	0.42
Primary Revenue Balance/GSDP	0.02	0.02	0.02	0.01	0.003

* Does not include Public Account liabilities as Public Accounts of Puducherry Government was opened only during 2007-08 and previously it was a part of GOI Accounts.

(1)	(2)	(3)	(4)	(5)	(6)
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	0.23	0.26	0.31	0.32	0.35
Fiscal Liabilities/RR	1.01	1.15	1.37	1.35	1.37
Primary deficit <i>vis-à-vis</i> quantum spread	(-) 0.24	2.37	(-) 1.3	(-) 3.8	(-)5.1
Debt Redemption (Principal +Interest)/ Total Debt Receipts	0.73	0.64	0.76	0.82	0.6
V Other Fiscal Health Indicators					
Return on Investment (₹ in crore)	1.74	1.03	3.68	4.15	6.39
Balance from Current Revenue (₹ in crore)	310	383	454	628	601
Financial Assets/Liabilities	1.20	1.15	1.08	1.04	0.97

Figures in brackets represent percentages (rounded) to total of each sub-heading

@ GSDP figures communicated by the Government adopted.

Appendix 1.4
(Reference: Paragraph 1.1; Page 1)

Part A: Abstract of Receipts and Disbursements for the year 2009-10

(₹ in crore)

Receipts		2009-10		2008-09		Disbursements		Non-Plan	Plan	Total	2009-10
2,458.50	I	Revenue receipts	2,841.32	2,570.48	I	Revenue expenditure-	1,994.87	1,088.58	3,083.45	3,083.45	
725.35		-Tax revenue	867.74	680.52		General services	806.11	65.09	871.20	871.20	
				959.29		Social Services-	488.11	776.57	1,264.68	1,264.68	
628.64		-Non-tax revenue	642.92			-Education, Sports, Art and Culture	276.17	179.53	455.70		
						-Health and Family Welfare	115.00	157.70	272.70		
		-State's share of Union Taxes				-Water Supply, Sanitation, Housing and Urban Development	26.54	154.08	180.62		
1,104.51		Grants-in-aid from GOI	1,330.66			-Information and Broadcasting	1.47	1.30	2.77		
921.15		-Non-Plan grants	1,072.26			-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	12.79	108.68	121.47		
156.91		-Grants for UT Plan Schemes	218.73			-Labour and labour Welfare	10.44	10.28	20.72		
						-Social Welfare and Nutrition	42.82	163.67	206.49		
26.45		-Grants for Central and Centrally sponsored Plan Schemes	39.67			-Others	2.88	1.33	4.21		
				926.34		Economic Services-	696.18	246.92	943.10	943.10	
						-Agriculture and Allied Activities	36.77	96.51	133.28		
						-Rural Development	7.34	8.30	15.64		
						-Special Areas Programmes	--	29.84	29.84		
						-Irrigation and Flood control	9.32	10.17	19.49		
						-Energy	589.38	8.20	597.58		
						-Industry and Minerals	2.56	32.11	34.67		
						-Transport	11.37	19.87	31.24		
						-Science, Technology and Environment	0.19	1.48	1.67		
						-General Economic Services	39.25	40.44	79.69		
				4.33		Grants-in-aid and Contributions-	4.47			4.47	
111.98	II	Revenue deficit carried over to Section B	242.13		II	Revenue Surplus carried over to Section B					
2,570.48		Total	3,083.45	2,570.48		Total				3,083.45	

		Receipts				Disbursements					
		Section-B : Others									
861.51	III	Opening Cash balance including Permanent Advances and Cash Balance Investment		1,022.86	..	III	Opening Overdraft from Reserve Bank of India				
	IV	Miscellaneous Capital receipts		33.26	260.86	IV	Capital Outlay-			369.04	369.04
					33.26		General Services-		44.15		44.15
					75.93		Social Services-	--	81.83		81.83
							-Education, Sports, Art and Culture	--	16.55		16.55
							-Health and Family Welfare		4.16		4.16
							-Water Supply, Sanitation, Housing and Urban Development		54.08		54.08
							-Information and Broadcasting		--		--
							-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes		4.52		4.52
							-Social Welfare and Nutrition		1.42		1.42
							-Others		1.10		1.10
							Economic Services-	(-) 4.07	247.13		243.06
							-Agriculture and Allied Activities	--	13.97		13.97
							-Rural Development	--	--		--
							-Special Areas Programmes	--	--		--
							-Irrigation and Flood Control	--	36.94		36.94
							-Energy	(-) 4.07	51.78		47.71
							-Industry and Minerals		68.87		68.87
							-Transport		59.80		59.80
							-General Economic Services		15.77		15.77
							Total				
5.00	V	Recoveries of Loans and Advances-		4.76	2.87	V	Loans and Advances disbursed-			2.17	2.17
		-From Power Projects					-For Power Projects				
		-From Government Servants	4.52				-To Government Servants	2.16			
		-From Others	0.24				-To Others	0.01			
	VI	Revenue Surplus brought down			111.98	VI	Revenue Deficit brought down				242.13

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		Receipts					Disbursements				
444.48	VII	Public debt receipts-		659.45	122.41	VII	Repayment of Public debt-				131.14
		-External debt					-External debt				
		-Internal debt	549.43				-Internal debt				
		- Net transactions under Ways and Means Advances			- Net transactions under Ways and Means Advances				
		- Net transactions under overdraft		..			-Repayment of Loans and Advances to Central Government			131.14	
		-Loans and Advances from Central Government	110.02	..							
	VIII	Appropriation to Contingency Fund		..		VIII	Appropriation to Contingency Fund				
	IX	Amount transferred to Contingency Fund		..		IX	Expenditure from Contingency Fund				
610.24	X	Public Account receipts-		835.54	400.25	X	Public Account disbursements-				613.35
169.83		-Small Savings and Provident Funds	215.33				-Small Savings and Provident Funds			167.42	
12.00		-Reserve Funds	12.96				-Reserve Funds			11.97	
102.97		-Suspense and Miscellaneous	145.39				-Suspense and Miscellaneous			(-) 2.16	
252.98		-Remittance	343.41				-Remittances			302.30	
72.46		-Deposits and Advances	118.45				-Deposits and Advances			133.82	
	XI	Closing Overdraft from Reserve Bank of India			1,022.86	XI	Cash Balance at end-				1,198.04
							-Cash in Treasuries and Local Remittances			3.02	
							-Deposits with Reserve Bank			0.16	
							-Departmental Cash Balance including permanent Advances			0.32	
							-Cash Balance Investment			1194.86	
1,921.23		Total		2,555.87	1,921.23		Total				2,555.87

Appendix 1.4
(Reference: Paragraph 1.7.1 ; Page 19)

**Part B: Summarised financial position of the Government
of Union Territory of Puducherry as on 31 March 2010**

(₹ in crore)

As on 31 March 2009	Liabilities		As on 31 March 2010
(1)	(2)		(3)
687.43	Internal Debt -		1,236.86
687.43	Market Loans bearing interest	1,187.43	
--	Market Loans not bearing interest		
--	Loans from Life Insurance Corporation of India		
--	Loans from other Institutions	49.43	
--	Ways and Means Advances		
--	Overdrafts from Reserve Bank of India		
2,118.50	Loans and Advances from Central Government -		2,097.38
--	Pre 1984-85 Loans		--
1,665.51	Non-Plan Loans	1,696.81	
451.94	Loans for State Plan Schemes	399.60	
--	Loans for Central Plan Schemes		
1.05	Loans for Centrally Sponsored Plan Schemes	0.97	
0.50	Contingency Fund		0.50
292.80	Small Savings, Provident Funds, etc.		340.72
213.85	Deposits		198.47
12.00	Reserve Funds		24.96
38.49	Remittance Balances		79.61
142.46	Surplus on Government Account -		(-) 101.63
	(i) Revenue deficit of the current year	(-) 242.12	
	(ii) Miscellaneous Deficit		
	Accumulated surplus at the beginning of the year	142.46	
	Less: Proforma dropping	(-) 1.97	
3,506.03			3,876.87
	Assets		
2,794.59	Gross Capital Outlay on Fixed Assets -		*3,128.41
817.03	Investments in shares of Companies, Corporations, etc.	867.50	
1,977.56	Other Capital Outlay	2,260.92	
25.69	Loans and Advances -		23.11
	Loans for Power Projects		

(1)	(2)	(3)
12.63	Other Development Loans	12.41
13.06	Loans to Government servants and Miscellaneous loans	10.70
	Reserve Fund Investments	11.97
	Advances	
(-) 337.11	Suspense and Miscellaneous Balances	(-) 484.66
1,022.86	Cash -	1,198.04
2.14	Cash in Treasuries	3.02
1020.72	Deposits with Reserve Bank	1,195.02
0.54	Departmental Cash Balance including	0.32
0.32	Permanent Advances	0.32
1,020.56	Cash Balance Investments	1,194.86
3,506.03		3,876.87

*** This amount was reduced by capital receipts of ₹ 33.26 crore realized through brought back of shares of Pondicherry Power Corporation**

Explanatory Notes for Appendices 1.3 and 1.4

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in **Appendix 1.4**, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the UT and other pending settlements, etc.

Appendix 2.1
(Reference: Paragraph 2.3.1; Page 28)

**Cases where expenditure fell short by more than ₹ 50 lakh or by
more than 20 per cent of total provision**

(₹ in lakh)

Sl.No.	Grant Number	Head of Account	Total provision (Original + Supplementary)	Expenditure	Savings
(1)	(2)	(3)	(4)	(5)	(6)
1.	6	2216 03 102 01 01	289.45	222.32	67.13
2.	6	2216 03 102 01 02	61.80	10.89	50.91
3.	6	2235 60 101 01 01	840.00	676.00	164.00
4.	6	2245 02 101 01 01	94.47	22.74	71.73
5.	6	2245 80 800 01 01	6,000.00	0.00	6,000.00
6.	6	3456 00 001 05 01	278.09	226.51	51.58
7.	6	3456 00 001 07 01	2,405.29	2,281.20	124.09
8.	8	3055 00 190 02 01	987.00	0.00	987.00
9.	8	3055 00 190 03 01	174.00	0.00	174.00
10.	9	3451 00 090 07 01	2,000.00	0.00	2,000.00
11.	10	2215 01 191 02 01	75.02	0.00	75.02
12.	10	2215 01 191 03 01	1,700.00	0.00	1,700.00
13.	10	2215 01 191 03 02	850.00	0.00	850.00
14.	10	2215 01 191 03 03	850.00	0.00	850.00
15.	10	2215 01 191 03 04	850.00	0.00	850.00
16.	10	2215 01 191 04 01	300.00	0.00	300.00
17.	10	2215 01 191 04 02	150.00	0.00	150.00
18.	10	2215 01 191 04 03	150.00	0.00	150.00
19.	10	2215 01 191 04 04	150.00	0.00	150.00
20.	10	2216 80 103 01 01	275.00	75.00	200.00
21.	10	2216 80 800 01 01	214.00	0.00	214.00
22.	10	2216 80 800 10 01	893.75	148.89	744.86
23.	10	2217 80 191 11 01	850.00	0.00	850.00
24.	10	2217 80 191 11 02	425.00	0.00	425.00
25.	10	2217 80 191 11 03	425.00	0.00	425.00
26.	10	2217 80 191 11 04	425.00	0.00	425.00
27.	10	2217 80 191 12 01	150.00	0.00	150.00
28.	10	2217 80 191 12 02	75.00	0.00	75.00

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(1)	(2)	(3)	(4)	(5)	(6)
29.	10	2217 80 191 12 03	75.00	0.00	75.00
30.	10	2217 80 191 12 04	75.00	0.00	75.00
31.	10	2217 80 800 04 01	3,036.00	1,890.00	1,146.00
32.	10	2515 00 101 05 01	52.25	0.00	52.25
33.	10	2515 00 101 10 01	100.00	0.00	100.00
34.	10	2515 00 101 10 02	90.01	0.00	90.01
35.	10	2515 00 101 21 01	850.00	0.00	850.00
36.	10	2515 00 101 21 02	425.00	0.00	425.00
37.	10	2515 00 101 21 03	425.00	0.00	425.00
38.	10	2515 00 101 21 04	425.00	0.00	425.00
39.	10	2515 00 101 22 01	150.00	0.00	150.00
40.	10	2515 00 101 22 02	75.00	0.00	75.00
41.	10	2515 00 101 22 03	75.00	0.00	75.00
42.	10	2515 00 101 22 04	75.00	0.00	75.00
43.	10	3054 04 337 02 01	68.94	0.00	68.94
44.	10	3054 04 337 03 01	1,700.00	0.00	1,700.00
45.	10	3054 04 337 03 02	850.00	0.00	850.00
46.	10	3054 04 337 03 03	850.00	0.00	850.00
47.	10	3054 04 337 03 04	850.00	0.00	850.00
48.	10	3054 04 337 04 01	300.00	0.00	300.00
49.	10	3054 04 337 04 02	150.00	0.00	150.00
50.	10	3054 04 337 04 03	150.00	0.00	150.00
51.	10	3054 04 337 04 04	150.00	0.00	150.00
52.	12	2055 00 115 03 01	704.00	421.69	282.31
53.	15	2071 01 105 01 07	5,000.00	4,622.95	377.05
54.	15	2071 01 117 01 07	1,350.00	1,087.42	262.58
55.	16	2059 60 051 02 01	674.89	374.59	300.30
56.	16	2059 60 051 02 02	361.11	85.50	275.61
57.	16	2217 05 001 05 01	100.00	0.00	100.00
58.	16	4059 01 051 01 01	659.04	535.92	123.12
59.	16	4059 01 051 07 01	185.56	113.51	72.05
60.	16	4059 01 051 10 01	272.52	0.00	272.52
61.	16	4059 01 800 02 01	2,550.00	0.00	2,550.00
62.	16	4059 01 800 02 02	612.00	0.00	612.00
63.	16	4059 01 800 02 03	136.00	0.00	136.00
64.	16	4059 01 800 02 04	102.00	0.00	102.00

(1)	(2)	(3)	(4)	(5)	(6)
65.	16	4059 01 800 03 01	450.00	0.00	450.00
66.	16	4059 01 800 03 02	108.00	0.00	108.00
67.	16	4215 01 800 03 01	2,550.00	902.78	1,647.22
68.	16	4215 01 800 03 02	612.00	22.57	589.43
69.	16	4215 01 800 03 03	136.00	0.00	136.00
70.	16	4215 01 800 03 04	102.00	0.00	102.00
71.	16	4215 01 800 04 01	450.00	55.85	394.15
72.	16	4215 01 800 04 02	108.00	3.98	104.02
73.	16	4217 60 051 05 01	1,526.60	0.00	1,526.60
74.	16	4217 60 051 06 01	269.40	0.00	269.40
75.	16	4702 00 800 02 01	1,593.75	0.00	1,593.75
76.	16	4702 00 800 02 02	382.50	34.00	348.50
77.	16	4702 00 800 02 03	85.00	0.00	85.00
78.	16	4702 00 800 02 04	63.75	0.00	63.75
79.	16	4702 00 800 03 01	281.25	0.00	281.25
80.	16	4702 00 800 03 02	67.50	6.00	61.50
81.	16	4711 03 800 03 02	723.00	350.00	373.00
82.	16	4711 03 800 04 01	956.25	0.00	956.25
83.	16	4711 03 800 04 02	229.50	0.00	229.50
84.	16	4711 03 800 04 03	51.00	0.00	51.00
85.	16	4711 03 800 05 01	168.75	0.00	168.75
86.	16	5054 04 800 09 01	4,552.00	120.00	4,432.00
87.	16	5054 04 800 09 02	1,802.00	0.00	1,802.00
88.	16	5054 04 800 09 03	518.50	0.00	518.50
89.	16	5054 04 800 09 04	229.50	0.00	229.50
90.	16	5054 04 800 10 01	900.00	30.00	870.00
91.	16	5054 04 800 10 02	318.00	0.00	318.00
92.	16	5054 04 800 10 03	91.50	0.00	91.50
93.	17	2202 01 101 02 02	186.30	134.67	51.63
94.	17	2202 01 789 03 01	247.02	192.60	54.42
95.	17	2202 01 800 01 03	150.30	59.05	91.25
96.	17	2202 01 800 04 01	440.45	330.82	109.63
97.	17	2202 02 109 14 01	138.10	0.00	138.10
98.	17	2202 03 103 03 01	1,266.02	1,179.56	86.46
99.	17	2202 03 103 05 01	932.84	873.25	59.59
100.	17	2202 03 103 10 01	215.70	133.30	82.40

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(1)	(2)	(3)	(4)	(5)	(6)
101.	17	2202 03 103 23 01	850.00	0.00	850.00
102.	17	2202 03 103 24 01	150.00	0.00	150.00
103.	17	2203 00 105 02 01	123.00	58.43	64.57
104.	17	2225 01 277 01 01	112.35	1.06	111.29
105.	17	2236 02 102 02 01	527.01	386.50	140.51
106.	17	2236 02 102 03 01	839.55	749.53	90.02
107.	18	2210 01 110 22 01	1,500.10	107.71	1,392.39
108.	18	2210 01 110 23 01	1,275.00	0.00	1,275.00
109.	18	2210 01 110 24 01	225.00	0.00	225.00
110.	18	2210 05 105 06 01	595.00	0.00	595.00
111.	18	2210 05 105 07 01	105.00	0.00	105.00
112.	18	2210 05 105 08 01	375.70	0.00	375.70
113.	18	2210 05 105 09 01	66.30	0.00	66.30
114.	18	2210 80 800 01 02	1,250.00	0.00	1,250.00
115.	18	2210 80 800 02 02	250.00	0.00	250.00
116.	18	2210 80 800 02 04	200.00	95.18	104.82
117.	19	2220 60 800 03 01	2,960.00	0.00	2,960.00
118.	19	2220 60 800 03 02	640.00	0.00	640.00
119.	19	2220 60 800 03 03	200.00	0.00	200.00
120.	19	2220 60 800 03 04	200.00	0.00	200.00
121.	19	3452 80 800 08 01	255.00	0.00	255.00
122.	19	3452 80 800 10 01	425.00	0.00	425.00
123.	19	3452 80 800 11 01	75.00	0.00	75.00
124.	19	3452 80 800 12 01	340.00	0.00	340.00
125.	19	3452 80 800 13 01	60.00	0.00	60.00
126.	19	3452 80 800 14 01	595.00	0.00	595.00
127.	19	3452 80 800 15 01	105.00	0.00	105.00
128.	19	3452 80 800 16 01	85.00	0.00	85.00
129.	21	2225 01 277 13 04	100.00	40.84	59.16
130.	21	2225 01 283 01 02	100.00	4.24	95.76
131.	21	2225 01 789 04 01	200.00	143.41	56.59
132.	21	2225 01 789 08 01	1,921.60	926.00	995.60
133.	21	2225 01 789 08 02	474.40	174.98	299.42
134.	21	2225 01 789 18 01	290.00	165.86	124.14
135.	21	2225 01 789 19 01	11,341.55	58.03	11,283.52
136.	21	2225 01 789 19 02	1,047.20	0.00	1,047.20

(1)	(2)	(3)	(4)	(5)	(6)
137.	21	2225 01 789 20 01	200.00	113.00	87.00
138.	21	2225 01 789 21 01	2,001.45	0.00	2,001.45
139.	21	2225 01 789 21 02	184.80	0.00	184.80
140.	21	2225 03 789 02 01	79.12	12.38	66.74
141.	21	2235 02 104 06 01	989.74	626.91	362.83
142.	22	2404 00 195 02 01	217.50	73.69	143.81
143.	22	4860 04 800 01 01	1,360.00	0.00	1,360.00
144.	22	4860 04 800 02 01	240.00	0.00	240.00
145.	22	6216 80 195 02 01	680.00	0.00	680.00
146.	22	6216 80 195 03 01	120.00	0.00	120.00
147.	22	6851 00 109 02 01	595.00	0.00	595.00
148.	22	6851 00 109 02 02	680.00	0.00	680.00
149.	22	6851 00 109 03 01	105.00	0.00	105.00
150.	22	6851 00 109 03 02	120.00	0.00	120.00
151.	24	2245 02 101 01 01	109.70	0.00	109.70
152.	24	2245 02 101 01 02	130.00	0.00	130.00
153.	24	2401 00 800 08 01	850.00	0.00	850.00
154.	24	2401 00 800 09 01	150.00	0.00	150.00
155.	25	2403 00 103 03 01	90.47	19.04	71.43
156.	25	2403 00 800 03 01	850.00	0.00	850.00
157.	25	2403 00 800 04 01	150.00	0.00	150.00
158.	26	2405 00 800 12 04	250.00	0.00	250.00
159.	27	2515 00 102 02 01	289.32	202.87	86.45
160.	28	2851 00 003 01 01	208.78	127.55	81.23
161.	28	2851 00 800 06 01	375.00	281.99	93.01
162.	28	2851 00 800 12 01	3,200.00	0.00	3,200.00
163.	28	2851 00 800 13 01	540.00	0.00	540.00
164.	28	2851 00 800 14 01	710.00	0.00	710.00
165.	28	2851 00 800 15 01	150.00	0.00	150.00
166.	28	4885 01 190 01 01	150.00	0.00	150.00
167.	29	2801 05 001 01 01	746.75	693.45	53.30
168.	29	2801 05 001 02 01	3,872.19	3,630.99	241.20
169.	29	2801 05 800 01 02	11,669.90	9,689.90	1,980.00
170.	29	2801 80 800 01 01	317.86	170.23	147.63
171.	29	4801 05 800 30 01	290.00	0.00	290.00
172.	29	4801 05 800 31 01	60.00	0.00	60.00

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(1)	(2)	(3)	(4)	(5)	(6)
173.	29	4801 05 800 32 01	6,010.00	0.00	6,010.00
174.	29	4801 05 800 33 01	1,040.00	0.00	1,040.00
175.	29	4801 05 800 34 01	1,700.00	0.00	1,700.00
176.	29	4801 05 800 35 01	300.00	0.00	300.00
177.	29	4801 05 800 36 01	500.00	0.00	500.00
178.	29	4801 05 800 37 01	100.00	0.00	100.00
179.	32	2405 00 800 03 02	765.00	439.91	325.09
180.	32	2405 00 800 04 02	135.00	77.63	57.37
181.	32	4202 01 202 01 01	160.00	85.97	74.03
182.	32	4202 01 202 02 01	175.00	53.60	121.40
183.	32	4202 01 203 02 01	150.00	70.00	80.00
184.	32	4202 01 800 02 01	6,375.00	0.00	6,375.00
185.	32	4202 01 800 02 02	1,530.00	0.00	1,530.00
186.	32	4202 01 800 02 03	255.00	0.00	255.00
187.	32	4202 01 800 02 04	340.00	0.00	340.00
188.	32	4202 01 800 03 01	1,125.00	0.00	1,125.00
189.	32	4202 01 800 03 02	270.00	0.00	270.00
190.	32	4202 01 800 03 04	60.00	0.00	60.00
191.	32	4210 01 110 01 01	212.00	157.00	55.00
192.	32	5452 01 800 06 04	240.74	121.31	119.43
193.	32	5452 01 800 07 03	350.00	260.23	89.77
194.	32	5452 01 800 08 01	400.00	285.88	114.12
195.	32	5452 01 800 09 01	213.60	58.60	155.00
196.	32	5452 01 800 10 02	234.11	152.89	81.22
197.	32	5452 01 800 11 04	182.24	39.04	143.20
198.	33	2049 01 101 01 07	6,434.03	5,764.27	669.76
199.	33	2049 02 213 01 07	66.00	0.00	66.00
200.	33	2049 04 104 01 07	17,135.94	15,920.42	1,215.52
Total			1,77,594.67	59,264.08	1,18,330.59

Appendix 2.2
(Reference: Paragraph 2.3.3; Page 30)

Cases where expenditure exceeded approved provision by more than ₹ 50 lakh or by more than 20 per cent of the total provision

(₹ in lakh)

Sl.No.	Grant No.	Head of Account	Total provision	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)	(6)
1.	6	2029 00 101 03 01	250.20	343.21	93.01
2.	6	2029 00 101 05 01	243.75	301.49	57.74
3.	6	2039 00 001 01 01	271.50	338.81	67.31
4.	6	3456 00 190 02 01	0.00	66.00	66.00
5.	6	3456 00 800 01 01	100.00	599.92	499.92
6.	6	3456 00 800 04 01	0.01	330.18	330.17
7.	6	3456 00 800 04 04	0.00	117.40	117.40
8.	8	3055 00 190 01 01	200.00	510.00	310.00
9.	9	2052 00 090 01 01	837.75	1100.46	262.71
10.	9	2202 03 103 01 01	125.75	198.49	72.74
11.	10	2216 80 800 02 02	50.00	247.91	197.91
12.	10	2216 80 800 04 01	2,145.10	4505.10	2,360.00
13.	10	2216 80 800 04 02	555.00	1,075.00	520.00
14.	10	2216 80 800 04 04	68.00	188.00	120.00
15.	10	2217 01 191 01 01	100.00	250.00	150.00
16.	10	2217 05 800 01 01	80.00	135.00	55.00
17.	10	2217 05 800 02 01	407.46	764.40	356.94
18.	10	2217 80 001 03 01	0.01	317.48	317.47
19.	10	2217 80 191 01 02	20.00	100.00	80.00
20.	10	2217 80 191 14 01	0.01	354.00	353.99
21.	10	2217 80 191 15 01	0.01	79.00	78.99
22.	10	2250 00 103 01 01	126.26	177.25	50.99

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(1)	(2)	(3)	(4)	(5)	(6)
23.	10	2515 00 101 16 02	3.59	60.00	56.41
24.	10	2515 00 101 23 01	0.00	71.00	71.00
25.	10	3054 04 337 02 02	23.88	81.22	57.34
26.	10	3475 00 108 01 01	0.01	130.01	130.00
27.	15	2071 01 101 01 07	12,277.50	12,650.89	373.39
28.	15	2071 01 102 01 07	4,200.00	4,334.92	134.92
29.	15	2071 01 115 01 07	1,891.00	1,985.70	94.70
30.	16	2217 05 001 03 01	210.53	309.00	98.47
31.	16	2702 01 103 01 01	30.00	86.40	56.40
32.	16	4059 01 001 01 01	2,193.72	2,523.17	329.45
33.	16	4059 01 001 01 02	282.02	399.91	117.89
34.	16	4215 01 101 04 01	319.60	455.12	135.52
35.	16	4215 01 800 01 02	5.00	105.00	100.00
36.	16	4215 02 001 01 01	1,946.82	2,176.83	230.01
37.	16	4215 02 106 01 01	30.00	335.00	305.00
38.	16	4216 01 106 01 01	150.00	230.00	80.00
39.	16	4702 00 101 02 01	250.00	325.00	75.00
40.	16	4711 03 800 03 01	1,301.80	1,692.30	390.50
41.	16	5054 03 337 01 01	360.00	659.65	299.65
42.	16	5054 04 800 01 01	559.56	736.49	176.93
43.	16	5054 04 800 03 01	168.04	234.56	66.52
44.	16	5054 04 800 05 02	75.00	239.52	164.52
45.	16	5054 04 800 06 01	2,312.64	2,497.76	185.12
46.	16	5054 04 800 06 02	198.00	471.00	273.00
47.	17	2202 01 800 01 01	1,843.33	1,955.74	112.41
48.	17	2202 01 800 01 02	365.63	431.65	66.02
49.	17	2202 02 109 02 01	1,552.92	1,655.44	102.52
50.	17	2202 02 109 08 01	1,329.15	1,720.33	391.18

(1)	(2)	(3)	(4)	(5)	(6)
51.	17	2202 02 109 08 02	221.73	363.02	141.29
52.	17	2202 03 103 20 01	350.00	448.70	98.70
53.	17	2202 80 001 01 01	396.86	473.26	76.40
54.	17	2203 00 112 01 01	1,724.37	1,800.00	75.63
55.	17	2205 00 105 02 01	180.90	272.25	91.35
56.	17	2236 02 102 02 02	92.04	148.21	56.17
57.	17	2236 02 102 03 02	240.00	350.00	110.00
58.	17	2236 02 102 03 04	120.00	201.94	81.94
59.	18	2210 01 001 02 01	692.30	876.52	184.22
60.	18	2210 01 110 13 01	2,271.35	2,641.40	370.05
61.	18	2210 01 110 13 02	628.70	740.48	111.78
62.	18	2210 01 110 13 03	203.40	258.36	54.96
63.	18	2210 01 110 13 04	285.41	346.66	61.25
64.	18	2210 01 110 14 01	560.80	625.89	65.09
65.	18	2210 03 110 02 02	96.20	157.93	61.73
66.	18	2210 05 105 01 01	800.00	4,046.31	3,246.31
67.	18	2210 05 105 04 01	955.00	1,125.00	170.00
68.	18	2210 80 800 01 01	500.00	1,750.00	1,250.00
69.	19	2070 00 115 01 06	100.65	155.81	55.16
70.	21	2225 01 277 13 01	268.00	469.59	201.59
71.	21	2225 01 283 01 01	600.00	670.00	70.00
72.	21	2225 01 789 02 01	500.00	566.22	66.22
73.	21	2225 01 789 07 01	1,441.00	1,536.02	95.02
74.	21	2225 01 789 16 01	1,300.00	1,354.25	54.25
75.	21	2225 03 190 02 01	81.00	206.00	125.00
76.	21	2225 03 283 01 01	840.00	1,563.57	723.57
77.	21	2225 03 283 01 02	100.00	295.05	195.05
78.	21	2225 03 283 01 04	10.00	146.50	136.50

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(1)	(2)	(3)	(4)	(5)	(6)
79.	21	2235 02 101 12 01	1,291.57	1,420.66	129.09
80.	21	2235 02 101 16 01	110.00	175.60	65.60
81.	21	2235 02 103 07 01	1,971.28	2,306.19	334.91
82.	22	2404 00 789 01 01	246.20	390.00	143.80
83.	24	2401 00 109 03 01	421.67	486.17	64.50
84.	24	2702 02 001 01 01	125.17	191.43	66.26
85.	25	2403 00 101 08 01	243.83	358.66	114.83
86.	25	2403 00 102 01 01	154.95	222.23	67.28
87.	28	2852 08 202 02 01	0.00	700.00	700.00
88.	28	4860 01 190 01 01	4,704.61	4,904.60	199.99
89.	29	2801 05 800 01 01	40,540.96	42,984.17	2,443.21
90.	29	4801 05 800 09 01	437.20	549.88	112.68
91.	29	4801 05 800 12 01	256.85	1,246.32	989.47
92.	32	4055 00 211 01 01	134.50	192.60	58.10
93.	32	4210 01 110 02 01	0.00	1,154.89	1,154.89
94.	33	2049 01 200 01 07	1.00	157.17	156.17
95.	33	2049 01 305 01 07	10.00	109.41	99.41
96.	33	2049 03 104 01 07	1,700.00	2,158.80	458.80
Total			1,07,370.05	1,33,950.43	26,580.38

Appendix 2.3
(Reference: Paragraph 2.3.4; Page 30)

**Cases where supplementary provisions made were excessive
by more than ₹ 50 lakh**

(₹ in lakh)

Sl. No.	Grant No.	Head of Account	Original	Supplementary	Total	Expenditure	Savings
1.	12	2055 00 115 03	--	704.00	704.00	421.69	282.31
2.	16	2059 60 051 02	--	361.11	361.11	85.50	275.61
3.	16	2059 60 051 02	--	674.89	674.89	374.59	300.30
4.	17	2202 01 800 04	44.35	396.10	440.45	330.82	109.63
5.	17	2202 03 103 03	587.55	678.47	1,266.02	1,179.56	86.46
6.	17	2202 03 103 05	484.77	448.07	932.84	873.25	59.59
Total			1,116.67	3,262.64	4,379.31	3,265.41	1,113.90

Appendix 2.4
(Reference: Paragraph 2.3.5; Page 30)

Excessive/unnecessary re-appropriation of funds

(₹ in lakh)

Sl. No.	Grant No.	Head of Account	Original	Supplementary	Re-appropriation	Total provision	Expenditure	Savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	06	2029 00 102 03 01	5.00	0.00	1.50	6.50	3.45	-3.05
2.	06	2029 00 103 02 01	105.06	0.00	36.85	141.91	70.90	-71.01
3.	06	2216 03 102 01 01	289.45	0.00	30.35	319.80	222.32	-97.48
4.	06	2245 80 001 01 01	50.20	0.00	2.80	53.00	42.20	-10.80
5.	06	3456 00 001 02 01	45.59	0.00	3.04	48.63	45.40	-3.23
6.	06	3456 00 001 05 02	18.10	0.00	0.40	18.50	16.86	-1.64
7.	08	2041 00 001 02 01	144.95	0.00	2.74	147.69	141.44	-6.25
8.	10	2217 80 001 01 01	68.22	0.00	5.72	73.94	65.32	-8.62
9.	10	2217 80 001 01 03	5.41	0.00	0.31	5.72	3.96	-1.76
10.	10	2515 00 003 01 01	0.01	0.00	1.56	1.57	0.00	-1.57
11.	12	2055 00 109 01 01	1,281.92	341.58	3.13	1,626.63	1,613.56	-13.07
12.	14	2058 00 103 01 01	793.75	160.70	2.26	956.71	951.19	-5.52
13.	16	2059 80 001 01 01	119.40	27.10	0.34	146.84	144.07	-2.77
14.	16	2059 80 001 02 01	848.04	90.70	0.14	938.88	934.54	-4.34
15.	16	2215 02 001 01 01	548.26	98.92	3.76	650.94	641.25	-9.69
16.	16	4702 00 800 02 01	1,593.75	0.00	2,001.78	3,595.53	0.00	-3,595.53
17.	16	4702 00 800 03 01	281.25	0.00	354.15	635.40	0.00	-635.40
18.	17	2202 02 109 04 01	2,398.22	760.98	0.45	3,159.65	3,155.95	-3.70
19.	17	2202 02 110 02 02	36.76	0.00	1.00	37.76	36.72	-1.04
20.	17	2202 03 103 11 02	110.04	0.00	8.72	118.76	98.03	-20.73
21.	17	2202 03 103 12 01	297.77	0.00	20.53	318.30	278.69	-39.61
22.	17	2204 00 101 02 02	10.67	0.00	0.71	11.38	10.17	-1.21

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
23.	17	2204 00 102 07 01	0.01	13.84	0.01	13.86	8.69	-5.17
24.	17	2205 00 105 04 02	29.65	0.00	1.25	30.90	25.24	-5.66
25.	18	2210 02 101 02 03	55.56	0.00	1.45	57.01	55.43	-1.58
26.	18	2210 03 104 02 01	85.5	26.92	0.04	112.46	110.01	-2.45
27.	18	2210 06 101 20 03	8.87	3.59	0.37	12.83	11.78	-1.05
28.	18	2211 00 101 02 03	3.32	10.66	0.03	14.01	12.76	-1.25
29.	19	3452 80 104 06 04	0.01	0.00	1.06	1.07	0.00	-1.07
30.	20	2230 03 101 10 01	48.05	16.05	0.91	65.01	62.02	-2.99
31.	20	2230 03 101 15 01	9.73	0.00	0.76	10.49	7.93	-2.56
32.	20	2230 03 101 16 01	0.01	40.58	0.07	40.66	37.53	-3.13
33.	21	2236 02 101 01 01	115.48	3.31	0.62	119.41	117.07	-2.34
34.	24	2401 00 789 01 02	35	0.00	1.00	36.00	37.99	1.99
35.	25	2403 00 101 02 01	13.96	0.00	2.05	16.01	13.80	-2.21
36.	32	5452 01 800 04 02	115.34	0.00	0.01	115.35	89.27	-26.08
Total								-4,593.57

Appendix 2.5
(Reference: Paragraph 2.3.6.; Page 30)

Cases of substantial surrenders made during 2009-10

(₹ in lakh)

Sl.No.	Grant Number	Head of Account	Total Provision	Surrenders
(1)	(2)	(3)	(4)	(5)
1.	06	2245 80 800 01 01	6,000.00	4,939.73
2.	08	3055 00 190 02 01	987.00	789.30
3.	09	3451 00 090 07 01	2,000.00	1,558.01
4.	10	2215 01 191 03 01	1,700.00	1,700.00
5.	10	2215 01 191 03 02	850.00	850.00
6.	10	2215 01 191 03 03	850.00	850.00
7.	10	2215 01 191 03 04	850.00	850.00
8.	10	2217 80 191 11 01	850.00	850.00
9.	10	2217 80 191 11 02	425.00	425.00
10.	10	2217 80 191 11 03	425.00	425.00
11.	10	2217 80 191 11 04	425.00	425.00
12.	10	2515 00 101 21 01	850.00	850.00
13.	10	2515 00 101 21 02	425.00	425.00
14.	10	2515 00 101 21 03	425.00	425.00
15.	10	2515 00 101 21 04	425.00	425.00
16.	10	3054 04 337 03 01	1,700.00	1,066.81
17.	16	4059 01 800 02 01	2,550.00	2,550.00
18.	16	4059 01 800 02 02	612.00	612.00
19.	16	4215 01 800 03 01	2,550.00	1,631.20
20.	16	4217 60 051 05 01	1,526.60	1,526.60
21.	16	4711 03 800 04 01	956.25	911.96
22.	16	5054 04 800 09 01	4,552.00	4,432.00
23.	16	5054 04 800 09 02	1,802.00	1,802.00

(1)	(2)	(3)	(4)	(5)
24.	16	5054 04 800 09 03	518.50	272.72
25.	16	5054 04 800 10 01	900.00	870.00
26.	19	2220 60 800 03 01	2,960.00	2,960.00
27.	19	2220 60 800 03 02	640.00	640.00
28.	19	2220 60 800 03 03	200.00	200.00
29.	19	2220 60 800 03 04	200.00	200.00
30.	19	3452 80 800 08 01	255.00	255.00
31.	19	3452 80 800 10 01	425.00	425.00
32.	19	3452 80 800 12 01	340.00	340.00
33.	19	3452 80 800 14 01	595.00	595.00
34.	19	3452 80 800 15 01	105.00	105.00
35.	19	3452 80 800 16 01	85.00	85.00
36.	22	4860 04 800 01 01	1,360.00	1,360.00
37.	22	4860 04 800 02 01	240.00	240.00
38.	22	6216 80 195 02 01	680.00	680.00
39.	22	6216 80 195 03 01	120.00	120.00
40.	22	6851 00 109 02 01	595.00	595.00
41.	22	6851 00 109 02 02	680.00	680.00
42.	22	6851 00 109 03 01	105.00	105.00
43.	22	6851 00 109 03 02	120.00	120.00
44.	24	2401 00 800 08 01	850.00	761.68
45.	25	2403 00 800 03 01	850.00	849.46
46.	28	2851 00 800 12 01	3,200.00	3,200.00
47.	28	2851 00 800 13 01	540.00	540.00
48.	28	2851 00 800 14 01	710.00	442.99
49.	29	4801 05 799 01 01	2,492.05	1,300.00
50.	29	4801 05 800 32 01	6,010.00	6,010.00
51.	29	4801 05 800 33 01	1,040.00	1,040.00
52.	29	4801 05 800 34 01	1,700.00	1,700.00

(1)	(2)	(3)	(4)	(5)
53.	32	4202 01 800 02 01	6,375.00	6,375.00
54.	32	4202 01 800 02 02	1,530.00	1,530.00
55.	32	4202 01 800 02 03	255.00	255.00
56.	32	4202 01 800 02 04	340.00	340.00
57.	32	4202 01 800 03 01	1,125.00	1,125.00
58.	32	4202 01 800 03 02	270.00	199.30
Total			72,146.40	66,835.76

Appendix 2.6
(Reference: Paragraph 2.3.7 ; Page 30)

List of grants in which anticipated savings were not surrendered

(₹ in crore)

Sl.No.	Grant Number	Description	Savings
Revenue			
1.	12	Police	3.69
2.	16	Public Works	6.22
3.	17	Education	6.67
4.	18	Medical	0.44
5.	20	Labour and Employment	0.18
6.	21	Social Welfare	146.23
7.	26	Fisheries	3.04
Total - Revenue			166.47

Appendix 2.7
(Reference: Paragraph 2.3.7; Page 30)

Cases where savings of more than ₹ one crore were not surrendered fully

(₹ in crore)

Sl.No.	Grant Number	Description	Savings	Amount Surrendered	Amount not surrendered
Revenue					
1.	06	Revenue and Food	53.07	49.40	3.67
2.	10	District Administration	125.48	95.67	29.81
3.	32	Building programmes	3.70	0.88	2.82
Total - Revenue			182.25	145.95	36.30
Capital					
4.	16	Public Works	190.82	146.08	44.74
5.	32	Building programmes	99.51	98.24	1.27
Total - Capital			290.33	244.32	46.01
Total (Revenue and Capital)			472.58	390.27	82.31

Appendix 2.8
(Reference: Paragraph 2.3.8; Page 31)

**Details of rush of expenditure during last quarter of the year and
during March 2010**

Sl. No.	Grant No	Major Head	Total expenditure during the year (₹)	Expenditure incurred (₹)		Percentage to total expenditure	
				during last quarter of the year	during March 2010	during last quarter of the year	during March 2010
1.	17	2204 102 (2) (1)	22,40,462	19,15,219	15,16,366	85.48	67.68
2.	17	2205 105 (3) (1)	24,65,574	15,90,409	14,17,033	64.50	57.47
3.	16	2215 102 (1) (1)	9,00,000	5,64,064	4,60,606	62.67	51.18
4.	10	2236 103 (2) (1)	84,85,292	52,67,466	55,49,500	62.08	65.40
5.	10	3425 60 800 (2) (1)	44,85,160	41,11,854	40,34,559	91.68	89.95
6.	9	3451 091 (2) (1)	4,99,84,857	4,54,31,622	4,46,60,000	90.89	89.35
7.	32	4401 800 (1) (1)	40,90,000	33,11,863	26,02,886	80.97	63.64
8.	13	2056 00 101 (2) (1)	2,76,30,675	2,03,15,968	1,98,34,557	73.53	71.78
9.	9	2202 03 103 (2) (1)	26,59,684	18,73,886	17,48,472	70.46	65.74
10.	17	2205 102 (20) (1)	89,12,950	62,54,450	57,10,450	70.17	64.07
11.	17	2202 03 103 (6) (3)	5,14,43,786	3,12,74,976	2,60,18,754	60.79	50.58
12.	17	2205 105 (4) (2)	25,24,122	21,57,138	19,87,757	85.46	78.75
13.	18	2210 01 011 (20) (1)	8,76,51,754	7,29,68,826	7,24,04,214	83.25	82.60
14.	18	2210 01 001 (5) (2)	11,02,368	7,81,381	6,96,769	70.88	63.21
15.	6	2216 03 102 (2) (1)	2,22,32,088	1,71,70,261	1,62,97,361	77.23	73.31
16.	20	2230 01 102 (2) (1)	8,87,331	5,06,180	4,91,415	57.05	55.38
17.	25	2403 102 (3) (1)	1,29,77,977	98,93,856	92,67,511	76.24	71.41
18.	25	2403 102 (3) (2)	28,62,825	21,87,184	20,80,400	76.40	72.67
19.	26	2405 109 (2) 91)	15,25,627	10,53,895	9,75,518	69.08	63.94
20.	26	2405 800 (3) (1)	27,06,419	16,96,651	15,41,607	62.69	56.96
21.	16	2702 01 103 (1) (1)	86,39,956	56,42,180	48,94,743	65.30	56.65
22.	24	2702 02 001 (1) (1)	1,91,42,548	1,66,80,376	1,64,06,109	87.14	85.70
23.	28	2851 003 (1) (1)	1,27,54,842	77,00,036	68,43,624	60.37	53.66
24.	28	2851 104 (1) (1)	88,82,396	45,65,899	44,43,736	51.40	50.03
25.	6	3456 001 (5) (3)	11,89,180	9,16,168	8,62,041	77.04	72.49
26.	16	4059 01 051 (1) (1)	5,35,92,000	3,80,73,079	3,21,66,406	71.04	60.02
27.	32	4202 01 201 (1) (1)	1,55,57,000	1,14,27,855	84,28,385	73.36	54.11
28.	16	4711 03 800 (3) (1)	16,92,29,620	13,12,53,282	11,90,91,745	77.56	70.37
29.	29	4801 05 800 (2) (2)	24,82,921	15,68,247	14,81,271	63.16	59.66
30.	29	4801 05 800 (3) (2)	60,68,961	3,90,13,09	34,39,714	64.28	56.68
31.	29	4801 05 800 (4) (2)	21,96,876	12,79,295	11,03,309	58.23	50.22
32.	29	4801 05 800 (9) (1)	5,49,88,349	2,92,03,405	2,75,21,329	53.11	50.05
33.	16	5054 04 800 (6) (1)	24,97,76,000	18,72,64,102	17,75,46,478	74.97	71.08

Appendix 3.1
(Reference: Paragraph 3.1; Page 35)

Details of outstanding utilisation certificates

Sl. No.	Department	Number of certificates outstanding	Amount (₹ in crore)
1.	Adi-dravidar Welfare	58	19.43
2.	Agriculture	41	18.50
3.	Animal Husbandry	24	14.41
4.	Art and Culture	8	0.40
5.	Civil Supplies and Consumer Affairs	21	11.66
6.	Co-operation	80	24.17
7.	Education	29	24.59
8.	Electricity	1	**
9.	Fisheries and Fishermen Welfare	51	13.62
10.	Health and Family Welfare	6	2.07
11.	Hindu Religious Institutions	86	3.81
12.	Industries and Commerce	10	6.75
13.	Information Technology	3	0.36
14.	Labour	12	2.87
15.	Local Administration	957	147.80
16.	Rural Development	8	3.08
17.	Science, Technology and Environment	4	1.31
18.	Social Welfare	17	4.55
19.	Town and Country Planning	198	33.18
20.	Women and Child Development	15	21.57
	Total	1,629	354.13

** ₹ 77,000 only

Appendix 3.2
(Reference: Paragraph 3.2; Page 36)

List of Autonomous Bodies/Authorities from whom accounts were not received

Sl. No.	Name of the Autonomous Body/Authority	Year for which accounts have not been received
(1)	(2)	(3)
1.	Bharathiyar Palkalai Koodam	2008-09
2.	District Rural Development Agency	2008-09
3.	Fish Farmers Development Agency, Karaikal	2006-07 to 2008-09
4.	Fish Farmers Development Agency, Puducherry	2003-04 to 2008-09
5.	Karaikal Market Committee	2006-07 to 2008-09
6.	Krishi Vigyan Kendra, Puducherry	2008-09
7.	Mahatma Gandhi Post Graduate Institute of Dental Sciences	2008-09
8.	Mother Teresa Institute of Health Sciences	2008-09
9.	Nedungadu Commune Panchayat	2006-07 to 2008-09
10.	Neravy Commune Panchayat	2006-07 to 2008-09
11.	Perunthalaivar Kamarajar College of Education, Karaikal	2006-07 to 2008-09
12.	Perunthalaivar Kamarajar Institute of Engineering and Technology, Karaikal	2006-07 to 2008-09
13.	Pondicherry Council for Science and Technology	2006-07 to 2008-09
14.	Pondicherry e-Governance Society	2006-07 to 2008-09
15.	Pondicherry Engineering College	2008-09
16.	Pondicherry Experimental Solar Pond Power Project	2008-09
17.	Pondicherry Institute of Linguistic and Culture	2008-09
18.	Pondicherry Khadi and Village Industries Board	2008-09
19.	Pondicherry Market Committee	2006-07 to 2008-09
20.	Pondicherry Medical Relief Society for poor	2006-07 to 2008-09
21.	Pondicherry Slum Clearance Board	2008-09
22.	Pondicherry Slum Clearance Board, Mahe	2006-07 to 2008-09
23.	Pondicherry State Sports Council	2008-09

(1)	(2)	(3)
24.	Pondicherry Seed Certification Agency	2006-07 to 2008-09
25.	Pondicherry Veterinary College Society	2006-07 to 2008-09
26.	Rajiv Gandhi School of Sports	2008-09
27.	Sarva Shiksha Abiyan	2008-09
28.	State N.S.S Cell	2006-07 to 2008-09
29.	State Social Welfare Advisory Board	2006-07 to 2008-09
30.	The Indian National Trust for Art, Culture and Heritage	2006-07 to 2008-09
31.	T.R. Pattinam Commune Panchayat	2008-09

Appendix 3.3
(Reference: Paragraph 3.2; Page 36)

**List of Autonomous Bodies /Authorities from whom accounts
were not received from their inception**

Sl. No.	Name of the Autonomous Body/Authority
1.	Art and Culture, Karaikal
2.	Board of Higher Secondary Education
3.	Community College, Karaikal
4.	Fishermen Co-operative Union
5.	Franco Indian Vocational Training Institute
6.	Mahila Mandals, Karaikal
7.	Pondicherry Building Centre
8.	Pondicherry Management and Productivity Council
9.	Thondaimandala Numismatic Society
10.	Town and Country Planning, Karaikal

Appendix 3.4
(Reference: Paragraph 3.3; Page 37)

Department/category-wise details in respect of cases of loss to Government due to theft, misappropriation/loss of Government material

Sl. No	Name of the Department	Theft and Loss cases		Misappropriation/ Loss of Government Material		Total	
		Number of Cases	Amount (₹ in lakh)	Number of Cases	Amount (₹ in lakh)	Number of Cases	Amount (₹ in lakh)
1.	Adi Dravidar Welfare	--	--	1	1.55	1	1.55
2.	Agriculture	4	0.22	1	5.15	5	5.37
3.	Animal Husbandry	2	0.01	--	--	2	0.01
4.	Art and Culture	2	0.05	--	--	2	0.05
5.	Education	24	1.02	2	21.86	26	22.88
6.	Electricity	238	621.59	2	82.35	240	703.94
7.	Health and Family Welfare	9	0.27	--	--	9	0.27
8.	Information Technology	1	1.14	--	--	1	1.14
9.	Local Administration	4	1.96	--	--	4	1.96
10.	Police	1	NA	1	0.30	2	0.30
11.	Public Works	3	5.04	--	--	3	5.04
12.	Revenue and Disaster Management	1	0.03	1	0.84	2	0.87
13.	Tourism	1	0.50	--	--	1	0.50
14.	Women and Child Development	1	3.75	--	--	1	3.75
	Total	291	635.58	8	112.05	299	747.63

NA: Not available