



सत्यमेव जयते

**State Finances Audit Report
of the
Comptroller and Auditor General of India
for the year ended 31 March 2021**



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



GOVERNMENT OF GOA
Report No. 1 of the year 2023



**STATE FINANCES AUDIT REPORT
OF THE
COMPTROLLER AND AUDITOR
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PREFACE

This Report for the year ended 31 March 2021 has been prepared for submission to the Governor of Goa under Article 151 of the Constitution of India.

This Report contains audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2021. Information has also been obtained from the Government of Goa, wherever necessary. It also provides an overview and status of the State Government's compliance with various financial rules, procedures and directives relating to financial reporting during the current year.

The Report containing the findings of performance audit and audit of transactions in various Departments, Statutory Corporations, Boards and Government Companies and Revenue sector is presented separately.

Executive Summary

Executive Summary

Background

The State Finances Audit Report of the Government of Goa seeks to assess the financial performance of the State Government during 2020-21 and to provide the State Government and State Legislature with inputs, based on analysis of the financial data. In order to give a perspective to the analysis, an effort has been made to compare various fiscal parameters with the targets envisaged in the Goa Fiscal Responsibility and Budget Management Act, 2014 and 2021 (Goa FRBM Act), Finance Commission recommendations, budget estimates of 2020-21 and other financial data obtained from various Government departments.

The Report

This report provides an analytical review of the audited annual accounts of the Government of Goa for the year ending March 2021. The Report is structured in four Chapters.

Chapter 1 contains the basis and approach to State Finances Audit Report, structure of Government Accounts, budgetary processes, trends in key fiscal parameters like revenue surplus/deficit, fiscal surplus/deficit *etc.*

Chapters 2 and 3 contain audit findings on matters arising from examination of the Finance Accounts and the Appropriation Accounts respectively, of the State Government for the year ended 31 March 2021. Information has been obtained from the Government of Goa, wherever necessary.

Chapter 4 provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during 2020-21.

The Report also has additional data collated from several other sources in support of the findings.

Contents of the Report

Chapter 1

Overview

Per capita Gross State Domestic Product

During 2020-21, per capita income of the State stood at ₹ 5,23,390 which was significantly higher than all India per capita income of ₹ 1,45,680.

(Paragraph 1.1)

Fiscal position

Goa recorded revenue surplus during 2016-17 to 2018-19 but, moved into revenue deficit of ₹ 325 crore and ₹ 1,653 crore during 2019-20 and 2020-21 respectively. The State was successful in containing the fiscal deficit below three *per cent* of GSDP during the last four years (2016-20) and below five *per cent* (4.48 *per cent*) during 2020-21.

During the last five years (2016-21), outstanding debt (excluding off-budget borrowings) of the State ranged from 26.71 *per cent* to 31.51 *per cent* of GSDP, breaching the ceiling of 25 *per cent* of GSDP set by the Goa FRBM Act.

(Paragraph 1.5.1)

The State Government collected ₹ 156.41 crore from its employees as contribution towards New Pension Scheme (NPS), contributed ₹ 156.43 crore as its share during 2020-21 and transferred ₹ 410.25 crore (including previous year balance of ₹ 150.19 crore) to the designated fund manager through NSDL. The State Government's residual liability towards NPS to NSDL as on 31 March 2021 was ₹ 52.78 crore.

(Paragraph 1.6.1)

Off-budget fiscal borrowings amounting to ₹ 789 crore during 2020-21 resulted in understating of the Government's overall debt by 0.97 *per cent* of GSDP.

(Paragraph 1.6.2)

Chapter 2

Finances of the State Government

State's own resources

During 2020-21, revenue receipts decreased by ₹ 857 crore (7.59 *per cent*), State's own tax revenue decreased by ₹ 549 crore (11.68 *per cent*) and non-tax receipts grew by ₹ 166 crore (6.07 *per cent*) over the previous year.

(Paragraphs 2.3.2.1 & 2.3.2.2)

Share of Union taxes and duties and grants-in-aid

Transfers from the Centre increased from ₹ 917 crore in 2011-12 to ₹ 3,386 crore in 2020-21. The State's share in Central taxes decreased by ₹ 184 crore and grants from the Centre decreased by ₹ 290 crore in 2020-21 over the previous year.

(Paragraph 2.3.2.3)

Revenue expenditure

Revenue expenditure constituted 86 *per cent* of the total expenditure of the State during 2020-21. The growth rate of revenue expenditure has declined consistently from 18 *per cent* in 2017-18 to four *per cent* in 2020-21.

(Paragraph 2.4.2)

Capital expenditure

Capital expenditure (excluding disbursement of loans and advances) of the State showed an increase from ₹ 1,639 crore in 2016-17 to ₹ 1,997 crore in 2020-21. During 2020-21, capital expenditure increased by 20 *per cent* over 2019-20. However, it was lower compared to that incurred during 2017-18 and 2018-19.

(Paragraph 2.4.3)

Investment and returns

As on 31 March 2021, the total Government investment in companies, corporations and other bodies was ₹ 650 crore. The return on this investment ranged from 0.15 *per cent* to 0.32 *per cent* during 2016-21, while the Government paid an average interest of up to 7.09 *per cent* on its borrowings.

(Paragraph 2.4.3.2)

Expenditure priorities

The State Government gave higher fiscal priority to health and family welfare during 2016-17 and 2020-21, as the ratio of State's expenditure to aggregate expenditure under this head was significantly higher than that of General Category States.

(Paragraph 2.4.4)

Debt profile

During 2020-21, the overall debt increased by ₹ 3,967 crore as compared to the previous year, mainly due to increase in market borrowings (₹ 3,054 crore). The overall debt-GSDP ratio sharply increased from 26.71 *per cent* in 2016-17 to 31.51 *per cent* in 2020-21.

(Paragraph 2.6.1)

Debt profile: maturity and repayment

The maturity profile of outstanding stock of public debt as on 31 March 2021 indicated that 49 *per cent* of the total public debt (₹ 10,211 crore) would be repayable within the next seven years which may put a strain on the Government budget during that period.

(Paragraph 2.6.2)

Chapter 3

Budgetary management

Supplementary provisions (₹ five crore or more in each case) aggregating ₹ 760 crore obtained in 20 cases during the year proved unnecessary, as the expenditure incurred (₹ 3,221 crore) did not reach even the original provision of ₹ 5,030 crore.

(Paragraph 3.3.2)

Of the total gross savings of ₹ 6,912 crore at the end of 2020-21, savings of ₹ 100 crore or more amounting to ₹ 3,902 crore (56 *per cent*) occurred in 11 out of 86 grants.

(Paragraph 3.3.3)

Excess expenditure of ₹ 11,990 crore pertaining to the period from 2008-09 to 2020-21 had escaped legislative oversight, as it was pending regularisation as per Article 205 of the Constitution of India.

(Paragraph 3.3.4.2)

Chapter 4

Quality of accounts and financial reporting practices

As on March 2021, 10,835 utilisation certificates aggregating ₹ 1,759 crore was outstanding against grants disbursed up to 2019-20.

(Paragraph 4.3)

As on 30 June 2021, there was pendency in submission of 423 Detailed Contingent Bills amounting to ₹ 186 crore drawn on Abstract Contingent Bills by various departmental authorities.

(Paragraph 4.4)

Finance Accounts 2020-21 of Government of Goa disclosed that expenditure aggregating ₹ 4,080 crore, constituting 29 *per cent* of the total revenue and capital expenditure of the State, was classified under Minor Head '800 – Other Expenditure' under 63 major heads in revenue and capital sections.

(Paragraph 4.6)

During 2020-21, 30 out of 89 Budget Controlling Authorities (BCAs) did not carry out reconciliation in respect of 2,111 units under their control for expenditure involving ₹ 4,942 crore. Of the 59 BCAs who carried out

reconciliations, four carried out reconciliations only for part of the year in respect of 276 units under their control involving ₹ 271 crore.

(Paragraph 4.8)

Chapter 1

Overview

Chapter 1: Overview

1.1 Profile of Goa

Goa is situated in the western coastal region of India, known as Konkan, bound by the Arabian Sea in the west, Maharashtra in the north and Karnataka on the east and south. Goa is the country's smallest State in terms of geographical area (3,702 sq. km.) and has a coastline of about 131 km. Administratively, Goa is divided into two districts namely, North Goa and South Goa, which are further divided into 12 talukas.

Goa's population increased from 0.15 crore in 2011 to 0.16 crore in 2021, recording a decadal growth of 6.66 *per cent*. The State has a population density of 394 persons per sq. km. as against the all-India average of 382. Population below poverty line was 5.09 *per cent* as compared to 21.92 *per cent* in the country. The State's Gross State Domestic Product (GSDP) in 2020-21 at current prices was ₹ 81,502 crore. During 2020-21, the per capita income of the State stood at ₹ 5,23,390 which was significantly higher than the all-India per capita income of ₹ 1,45,680. Goa performed better on social indicators *viz.*, literacy rate and infant mortality rate (except life expectancy) than the all-India average. Basic statistics pertaining to the State are given in **Appendix 1.1**.

1.2 Basis and approach to the State Finances Audit Report

In terms of Article 151 (2) of the Constitution of India, the reports of the Comptroller and Auditor General of India (CAG) relating to the accounts of a State are to be submitted to the Governor of the State, who shall cause them to be laid before the State Legislature. The State Finances Audit Report (SFAR) of Goa for the year ending 31 March 2021 is prepared and submitted to Governor of Goa under Article 151 (2) of the Constitution of India.

The Directorate of Accounts, Government of Goa prepares the Finance Accounts and Appropriation Accounts of the State annually from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices and departments responsible for keeping of such accounts functioning under the control of the State Government and the statements received from the Reserve Bank of India (RBI). These accounts are audited independently by the Accountant General, Goa and certified by the CAG.

Finance Accounts and Appropriation Accounts of the State for the year 2020-21 constitute the core data for this report. Other sources include the following:

- Budget of the State for the year 2020-21, both for assessing the fiscal parameters and allocative priorities *vis-à-vis* projections, as well as for evaluating the effectiveness of its implementation and compliance with the relevant rules and prescribed procedures;
- Results of audit carried out by the Office of the Accountant General, Goa;
- Other data with departmental authorities and treasuries;

- GSDP data and other State related statistics from the Directorate of Planning, Statistics and Evaluation, Government of Goa; and
- Various audit reports of the CAG of India prepared during 2016-20.

This analysis also takes into account the recommendations of the Fifteenth Finance Commission (FC XV), the Goa Fiscal Responsibility and Budget Management (GFRBM) Act, best practices and guidelines of the Government of India (GoI).

1.3 Report structure

The SFAR is structured as follows:

Chapter 1	Overview This chapter describes the basis and approach to the Report and the underlying data, provides an overview of the structure of Government accounts, budgetary processes, macro-fiscal analysis of key indices and the State's fiscal position.
Chapter 2	Finances of the State This chapter provides a broad perspective of the finances of the State, analyses the key changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2016-17 to 2020-21, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State.
Chapter 3	Budgetary management This chapter is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports deviations from Constitutional provisions relating to budget.
Chapter 4	Quality of accounts and financial reporting practices This chapter comments on the quality of accounts rendered by various authorities of the State Government and compliance with prescribed financial rules and regulations by various departmental officials of the State Government.

1.4 Overview of structure of Government accounts and budgetary processes

The accounts of the State Government are kept in three parts:

1. Consolidated Fund of the State (Article 266 (1) of the Constitution of India)

This fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from financial institutions, special securities issued to National Small Savings Fund, *etc.*), Ways and Means advances extended by the RBI and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. Certain categories of expenditure (*e.g.*, salaries of Constitutional authorities, loan repayments *etc.*), constitute a charge on the Consolidated Fund of the State (charged expenditure) and are not subject to vote by the Legislature. All other expenditure (voted expenditure) is voted by the Legislature.

2. Contingency Fund of the State (Article 267 (2) of the Constitution)

This fund is in the nature of an imprest established by the State Legislature by law and is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional Major Head relating to the Consolidated Fund of the State.

3. Public Account of the State (Article 266 (2) of the Constitution)

Apart from above, all other public moneys received by or on behalf of the Government, where the Government acts as a banker or trustee, are credited to the Public Account. The Public Account includes repayables like Small Savings and Provident Funds, Deposits (bearing interest and not bearing interest), Advances, Reserve Funds (bearing interest and not bearing interest), Remittances and Suspense Heads (both of which are transitory Heads, pending final booking). The net cash balance available with the Government is also included under the Public Account. The Public Account is not subject to the vote of the Legislature.

Article 202 of the Constitution requires that a statement of estimated receipts and expenditures of the Government in respect of every financial year are presented before the House or Houses of the Legislature of the State. This 'Annual Financial Statement' constitutes the main budget document. Further, the budget must distinguish expenditure on the revenue account from other expenditures.

Revenue receipts consist of tax revenue, non-tax revenue, share of Union taxes/duties and grants from GoI.

Revenue expenditure consists of all those expenditures of the Government which do not result in creation of physical or financial assets. It relates to expenses incurred on the functioning of Government departments and providing

various services, interest payments on public debt and grants given to various institutions (even though some of the grants may be meant for creation of assets).

Capital receipts consist of:

- **Debt receipts:** Market loans, bonds, loans from financial institutions, net transaction under Ways and Means Advances, loans and advances from Central Government *etc.*;
- **Non-debt receipts:** Proceeds from disinvestment, recoveries of loans and advances;

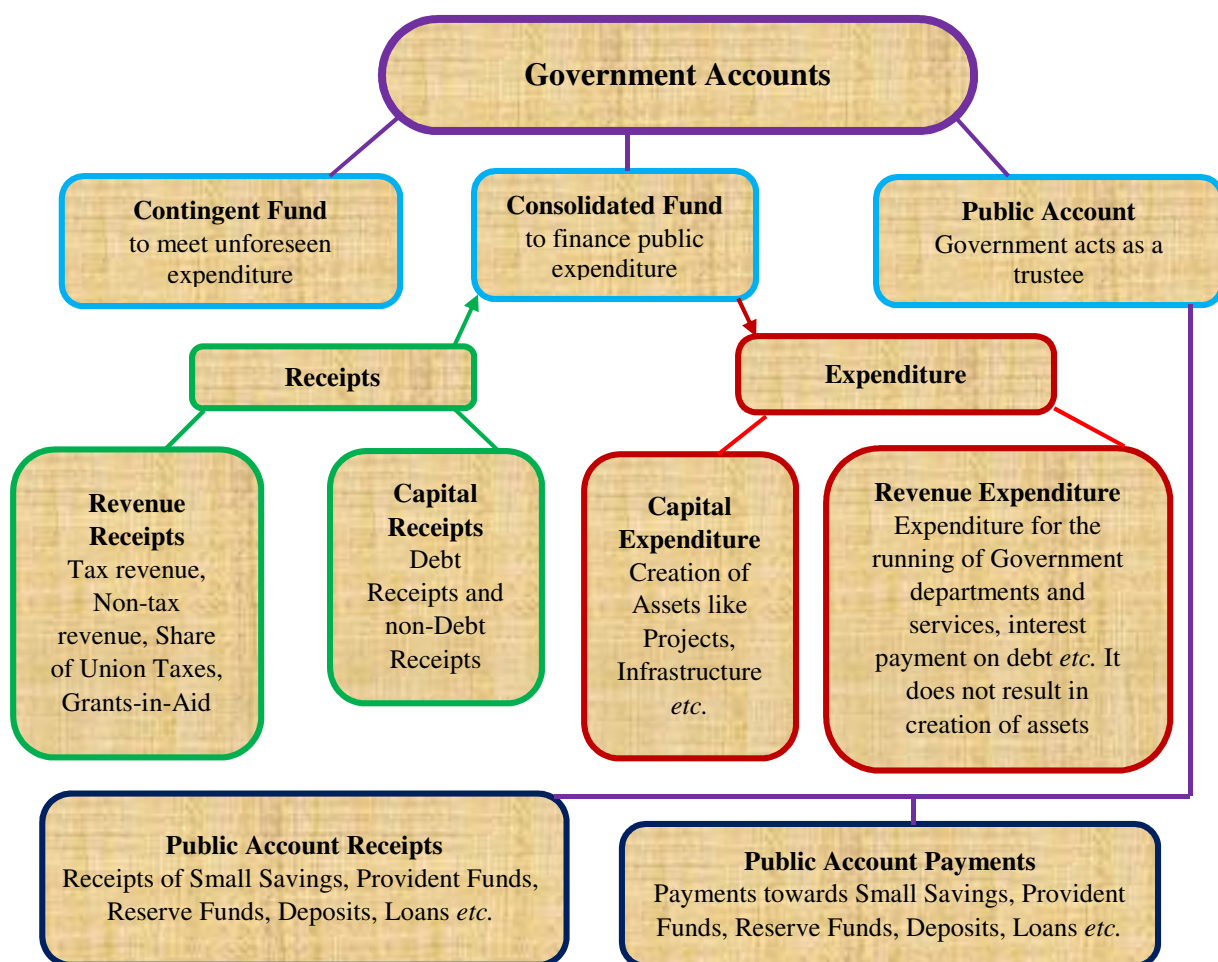
Capital expenditure includes expenditure on the acquisition of land, building, machinery, equipment, investment in shares and loans and advances by the Government to State Public Sector Enterprises (SPSEs) and other parties.

Government accounts of Goa follow a five-tier classification structure that is both functional and economic in nature.

	Attribute of transaction	Classification
Standardised in LMMH by CGA	Function: Education, Health <i>etc.</i>	Major Head under Grants (4-digit)
	Sub-Function	Sub-Major Head (2-digit)
	Programme	Minor Head (3-digit)
Flexibility left for States	Scheme	Sub-Head (2-digit)
	Purpose/object of expenditure	Detailed Head (2-digit)

The functional classification indicates the department, function, scheme or programme and object of expenditure. Economic classification helps organize receipts and payments as revenue, capital *etc.* Economic classification is achieved by the numbering logic embedded in the first digit of 4-digit Major Heads. For instance, 0 and 1 is for revenue receipts, 2 and 3 for revenue expenditure *etc.* Economic classification is also achieved by the inherent definition and distribution of some detailed heads. For instance, generally “salary” (detailed head) is revenue expenditure; “construction” (detailed head) is capital expenditure. Detailed head is the primary unit of appropriation in the budget documents.

Chart 1.1: Structure of Government Accounts



Fund-based accounting coupled with functional and economic classification of transactions facilitates in-depth analysis of Government activities/transactions and enables legislative oversight over public finances.

Budgetary processes

In terms of Article 202 of the Constitution, the Governor causes to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State for the financial year in the form of an Annual Financial Statement (referred to as the Budget).

In terms of Article 203, the above shall be submitted to the State Legislature in the form of Demand for Grants/Appropriations. After their approval, the Appropriation Bill is passed by the Legislature under Article 204 to provide for appropriation of the required money out of the Consolidated Fund.

As mentioned in **Paragraph 1.2**, Finance Accounts and Appropriation Accounts encompass the core data for preparation of the SFAR. These accounts are based on actual receipts and expenditure of the State including various inter-Governmental and other adjustments carried out by the RBI during the year. Considering that these receipts and expenditure are estimated in the budget and the expenditure has been approved by the State Legislature, it is necessary to

study the annual budget of the State and analyse the actual receipts and expenditure during the year with reference to the projections made in the budget.

The Budget orders issued by the Finance Department, Government of Goa guide the State departments in preparing their budgetary estimates. Further, the Directorate of Planning, Statistics and Evaluation, Government of Goa monitors departmental expenditure during the course of the year. Results of audit scrutiny of budget and implementation of other budgetary initiatives of the State Government are detailed in **Chapter 3** of this Report.

1.4.1 Gross State Domestic Product of Goa

GSDP is the market value of all officially recognised final goods and services produced within the State in a given period of time. GSDP growth is an important indicator of the health of a State's economy. The trends in the annual growth rate of the State's GSDP as compared to National Gross Domestic Product (GDP) at current prices are indicated in **Table 1.1**.

Table 1.1: Annual growth rate of GDP and GSDP at current prices

Year	2016-17	2017-18	2018-19	2019-20	2020-21
India's GDP (₹ in crore) ¹	15391669	17090042	18886957	20351013	19745670
Growth rate of GDP (in per cent)	11.76	11.03	10.51	7.75	(-) 2.97
State GSDP (₹ in crore) ² (base year 2011-12)	62976	69352	73170 (P)	80449 (Q)	81502 (A)
Growth rate of GSDP (in per cent)	14.39	10.12	5.51	9.95	1.31

(P) Provisional Estimates; (Q) Quick estimates; (A) Advanced Estimates

It can be seen from above that the State's GDP growth rate declined from 14.39 per cent in 2016-17 to 1.31 per cent in 2020-21. The State's current year's growth rate of 1.31 per cent was significantly lower than its growth rate of 9.95 per cent (2019-20) and FC XV estimates of 10.90 per cent (2020-21), due to Covid-19 pandemic. However, the State's growth rate during 2020-21 was higher than the national GDP (-2.97 per cent).

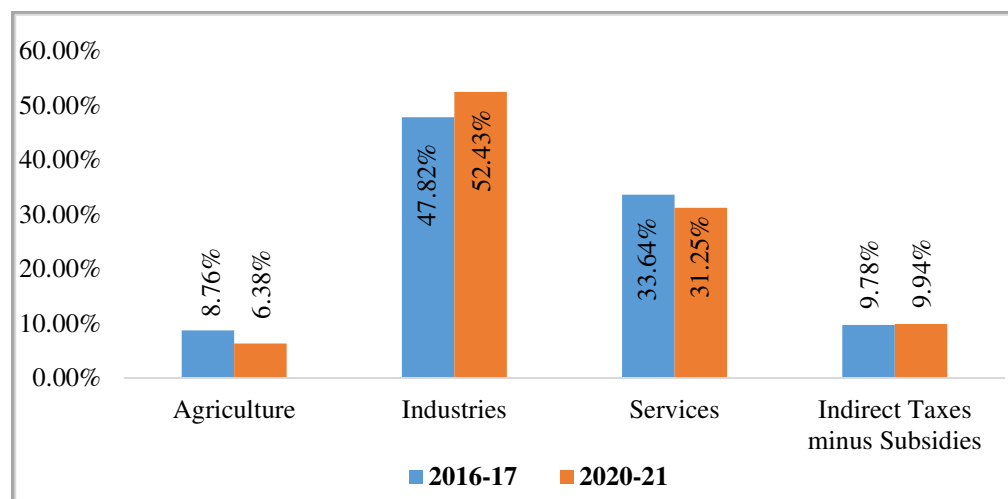
¹ Central Statistical Office (CSO), Ministry of Statistics & Programme Implementation

² Directorate of Planning, Statistics and Evaluation, Government of Goa

Change in sectoral contribution to GSDP at current prices during 2016-17 and 2020-21

The sectoral contribution to GSDP at current prices for the period 2016-17 and 2020-21 was as under:

Chart 1.2: Change in sectoral contribution to GSDP at current prices (2016-17 and 2020-21)



(Source: Directorate of Planning, Statistics and Evaluation, GoG)

Chart 1.2 reveals that the Industries sector is the primary driver of the State's economy and its contribution to GSDP has increased by more than four *per cent* in the last five years. On the other hand, the contribution of Agriculture and Services sector showed a decline during the same period by 2.38 *per cent* and 2.39 *per cent* respectively.

1.4.2 Snapshot of finances

The following table provides the details of Budget Estimates (BE) for the year 2020-21 *vis-à-vis* actuals of 2019-20 and 2020-21.

Table 1.2: Budget estimates for the year 2020-21 *vis-à-vis* actuals of 2019-20 and 2020-21
(₹ in crore)

Sr. No.	Components	2019-20 Actuals	2020-21 BE	2020-21 Actuals	Percentage of Actuals to BE	Percentage of Actuals to GSDP
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Tax Revenue	4700	5845	4151	71.02	5.09
2	Non-Tax Revenue	2737	3836	2903	75.68	3.56
3	Share of Union Taxes/duties	2480	3027	2296	75.85	2.82
4	Grants-in-aid and Contributions	1380	2373	1090	45.93	1.34
5	Revenue Receipts (1+2+3+4)	11297	15081	10440	69.23	12.81
6	Recovery of Loans and Advances	4	10	3	30.00	0.00
7	Miscellaneous Capital Receipts	-	-	-	-	-

Sr. No.	Components	2019-20 Actuals	2020-21 BE	2020-21 Actuals	Percentage of Actuals to BE	Percentage of Actuals to GSDP
(1)	(2)	(3)	(4)	(5)	(6)	(7)
8	Borrowings and other Liabilities (a)	1994	1856	2808	151.29	3.45
9	Capital Receipts (6+7+8)	1998	1866	2811	150.64	3.45
10	Total Receipts (5+9)	13295	16947	13251	78.19	16.26
11	Revenue Expenditure of which	11622	14727	12093	82.11	14.84
12	Interest payments	1465	1756	1590	90.55	1.95
13	Grants-in-Aid for creation of capital assets	0.65	-	-	-	-
14	Capital Expenditure of which (b)	1673	5012	1998	39.86	2.45
15	Capital Outlay	1660	4941	1997	40.42	2.45
16	Loan and Advances disbursed	13	71	01	1.41	0.00
17	Total Expenditure (11+14)	13295	19739	14091	71.39	17.29
18	Revenue Deficit (-)/Revenue surplus (+) (5-11)	(-)325	(+)354	(-)1653	(-)466.95	2.03
19	Effective Revenue Deficit (18-13)	(-)324	(+)354	(-)1653	(-)466.95	2.03
20	Fiscal Deficit {(5+6+7)-17}	(-)1994	(-)4648	(-)3648	78.49	4.48
21	Primary Deficit (20-12)	(-)529	(-)2892	(-)2058	71.16	2.53

(Source: Annual Financial Statements and Finance Accounts of respective years)

- (a) Borrowings and Other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts - Disbursements) of Public Account + Net of Opening and Closing Cash Balance
- (b) Expenditure on Capital Account includes Capital expenditure and Loans and Advances disbursed

1.4.3 Snapshot of assets and liabilities of the Government

Government accounts capture the financial liabilities of the Government and the assets created out of the expenditure incurred. The liabilities consist mainly of internal borrowings, loans and advances from GoI, receipts from public account and reserve funds while the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances.

Table 1.3: Summarised position of assets and liabilities

(₹ in crore)

Liabilities					Assets				
		2019-20	2020-21	Per cent increase			2019-20	2020-21	Per cent increase
Consolidated Fund									
A	Internal Debt	15745.70	18697.19	18.74	A	Gross Capital Outlay	21713.18	23709.85	9.19
B	Loans and Advances from GoI	1148.40	2032.75*	77.01	B	Loans and Advances	105.61	104.21	(-)1.33
Contingency Fund		98.11	99.92	1.84	Contingency fund		(-)1.81	(-)0.08	95.58
Public Account									
A	Small Savings, Provident Funds, etc.	2495.65	2533.93	1.53	A	Advances	0.53	0.53	-
B	Deposits	2059.19	2110.42	2.49	B	Remittance	331.17	221.72	(-)33.05
C	Reserve Funds	2136.79	2115.04	(-)1.02	C	Suspense and Miscellaneous	1134.57	1059.35	(-)6.63
D	Remittances	-	-	-	Cash balance (including investment in Earmarked Fund)		1485.12	1925.83	29.67
Total		23683.84	27589.25	16.49	Total		24768.37	27021.41	9.10
Cumulative excess of receipts over expenditure		1084.53	-	-	Deficit in Revenue Account		-	567.84	-
Total		24768.37	27589.25	11.39	Total		24768.37	27589.25	11.39

(Source: Finance Accounts of the State)

*Effective loans and advances would be ₹ 1,193 crore as the Department of Expenditure had decided that GST compensation of ₹ 840 crore given to the State as back-to-back loans under debt receipts would not be treated as debt of the State for any norms which may be prescribed by Finance Commission.

During 2020-21, the assets increased by 9.10 per cent and liabilities increased by 16.49 per cent over the previous year.

1.5 Fiscal balance: Achievement of targets for deficits and total debt

Budgetary surplus/deficit is an indicator of prudent fiscal management by the Government. Further, the ways in which deficits are financed and the application of the resources raised have important implications for the fiscal health of the State.

This section assesses the actual levels of revenue and fiscal deficits vis-à-vis targets set under the GFRBM (First Amendment) Act, 2014 and GFRBM (Second Amendment) Act, 2021 for the financial year 2020-21 and subsequently presents the trends, nature, magnitude and the manner of financing of deficits.

1.5.1 Review of fiscal situation

In pursuance of the recommendations of the Twelfth Finance Commission (FC XII), Government of Goa enacted the GFRBM Act, 2006. It came into force on 15 May 2006 to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit and greater transparency in fiscal operations of the Government in a medium-term fiscal framework. In compliance with the Act, GFRBM Rules, 2007 were made by the Government in November 2007. The Act was amended by passing the GFRBM (First Amendment) Act, 2014 and later by passing the GFRBM (Second Amendment) Act, 2021.

As per the GFRBM Act, 2006 and Rules, 2007, the State Government, in each financial year, was required to prepare and lay before the Legislative Assembly a Medium-Term Fiscal Plan (MTFP) along with the budget. The MTFP was to include three-year rolling targets in respect of the following fiscal indicators:

- Revenue deficit as a percentage of total revenue receipts;
- Fiscal deficit as a percentage of GSDP;
- Outstanding total liabilities as a percentage of GSDP; and
- Ratio of interest payment to total revenue receipts.

However, the State Government did not prepare the MTFP and set rolling targets in respect of the fiscal indicators specified above from 2011-12.

Review of fiscal situation of the State further revealed the following:

- As per provision of Section 5(a) of the GFRBM (First Amendment) Act, 2014, the State Government was to eliminate revenue deficit³ from the financial year 2014-15 and maintain that level or generate revenue surplus thereafter. The State Government achieved this target in 2014-15 and maintained a revenue surplus till 2018-19. However, the same could not be sustained and the State had a revenue deficit of ₹ 325 crore and ₹ 1,653 crore during 2019-20 and 2020-21 respectively. The Budget Estimates (BE), Revised Estimates (RE) and actual figures in respect of revenue deficit/surplus during the last three years are summarised below.

Table 1.4: Revenue deficit/surplus in last three years

(₹ in crore)

Revenue deficit(-)/surplus(+) as per	2018-19	2019-20	2020-21
Budget estimates	145	455	422
Revised estimates	145	270	(-)133
Actuals	355	(-)325	(-)1653

(Source: Finance Accounts and Budget documents of the State)

As can be seen from the above table, the actual revenue deficit/surplus of 2019-20 and 2020-21 deviated significantly from the BE and RE. The reason for the estimated budget surplus of ₹ 422 crore turning into an actual deficit of ₹ 1,653 crore was lower collection of revenue receipts

³ Revenue deficit = Revenue receipts – Revenue expenditure; (+) indicates surplus and (-) indicates deficit

vis-a-vis the BE by ₹ 4,641 crore, partially offset by reduced revenue expenditure (₹ 2,634 crore) (**Table 1.2**).

- The GFRBM (First Amendment) Act, 2014 envisaged achievement of fiscal deficit⁴ at three *per cent* of GSDP by 2013-14 and thereafter, to maintain the ratio or reduce it. The fiscal deficit to GSDP ratio was first brought below three *per cent* in 2014-15 and it remained so till 2019-20. However, the GFRBM (Second Amendment) Act, 2021 increased the target for fiscal deficit/GSDP ratio to five *per cent* effective from June 2020.

The fiscal deficit to GSDP ratio during the period 2018-19 to 2020-21 is summarised below:

Table 1.5: Fiscal deficit/GSDP

	<i>(in per cent)</i>		
	Budget estimates	Revised estimates	Actuals
2018-19	5.33	5.33	2.32
2019-20	5.79	5.21	2.47
2020-21	5.60	5.20	4.48

(Source: Finance Accounts and Budget documents of the State)

Above table shows that the ratio of fiscal deficit to GSDP during 2020-21 stood at 4.48 *per cent* which was within the target of five *per cent* prescribed under the GFRBM (Second Amendment) Act, 2021. The fiscal deficit during 2020-21 stood at ₹ 3,648 crore which was lower than the projections made in BE (₹ 4,648 crore) (**Table 1.2**).

- The provisions of section 5(d) of the GFRBM (First Amendment) Act, 2014 prescribed that total outstanding debt⁵ to GSDP be brought down to 27 *per cent* by 31 March 2015 and thereafter, maintain it below 25 *per cent*. However, the ratio of outstanding debt to GSDP registered an increase of 4.80 *per cent* during the last five years from 26.71 *per cent* in 2016-17 to 31.51⁶ *per cent* in 2020-21.
- **Table 1.6** below shows the extent of compliance by the State Government during 2016-21, against the targets set-forth in the GFRBM Act.

⁴ Fiscal deficit is the difference between the total income of Government (revenue receipts + non-debt capital receipts) and its total expenditure (revenue expenditure + capital expenditure + disbursement of loans and advances). This excludes the borrowings of the Government.

⁵ Total outstanding debt includes public debt and Public Account liabilities. Public debt includes only internal debt and loans from GoI. Public Account liabilities includes liabilities under small saving funds, GPF, reserve funds *etc.*

⁶ As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore *in-lieu* of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

Table 1.6: Compliance with provisions of GFRBM Act

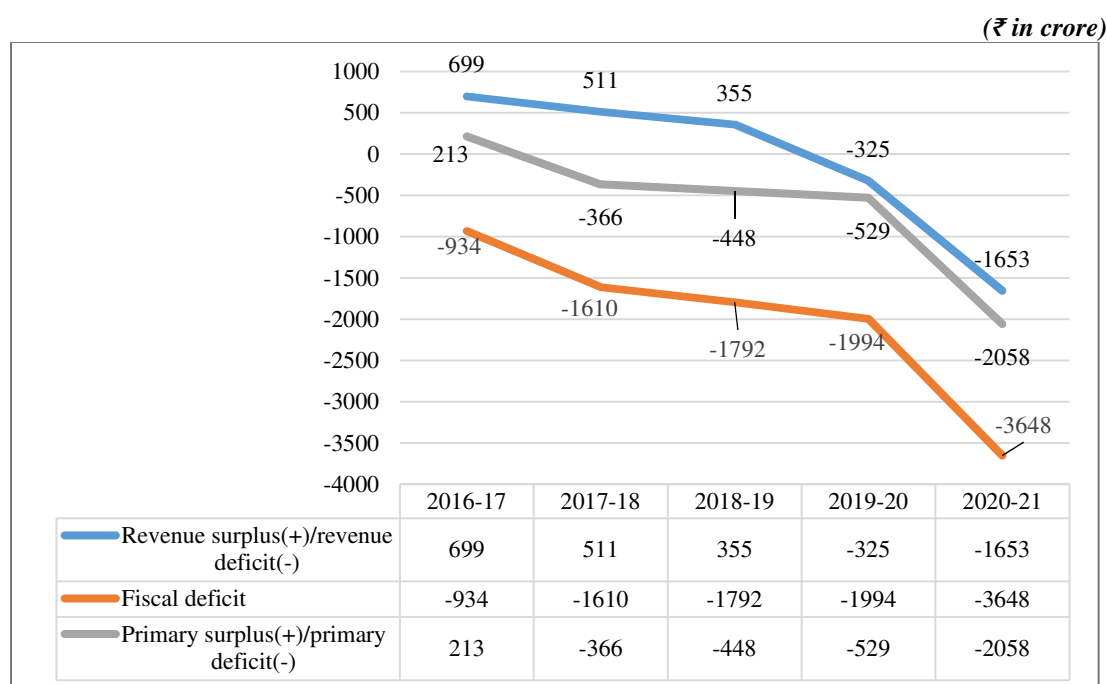
Fiscal Parameters	Fiscal targets set in the GFRBM Act	Achievement				
		2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Deficit(-)/ Surplus (+) (₹ in crore)	Revenue Surplus	699	511	355	(-)325	(-)1653
		✓	✓	✓	✗	✗
Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP)	Three per cent (up to 2019-20)	(-)934 (-1.48)	(-)1610 (-2.32)	(-)1792 (-2.44)	(-)1994 (-2.47)	(-)3648 (-4.48)
	Five per cent (for 2020-21)	✓	✓	✓	✓	✓
Ratio of total outstanding debt to GSDP (per cent)	Target	25	25	25	25	25
	Achievement	26.71	26.75	27.90	28.03	31.51 ⁷
		✗	✗	✗	✗	✗

(Source: Finance Accounts of the State)

It may be seen that the State could not achieve the targets with regard to two of the three key parameters during 2019-20 and 2020-21.

Further, revenue, fiscal and primary deficits indicate the overall health of State Government finances during a specified period. Chart 1.3 presents the trends in these three key fiscal indicators over the period 2016-21.

Chart 1.3: Trends in key fiscal indicators



(Source: Finance Accounts of the State)

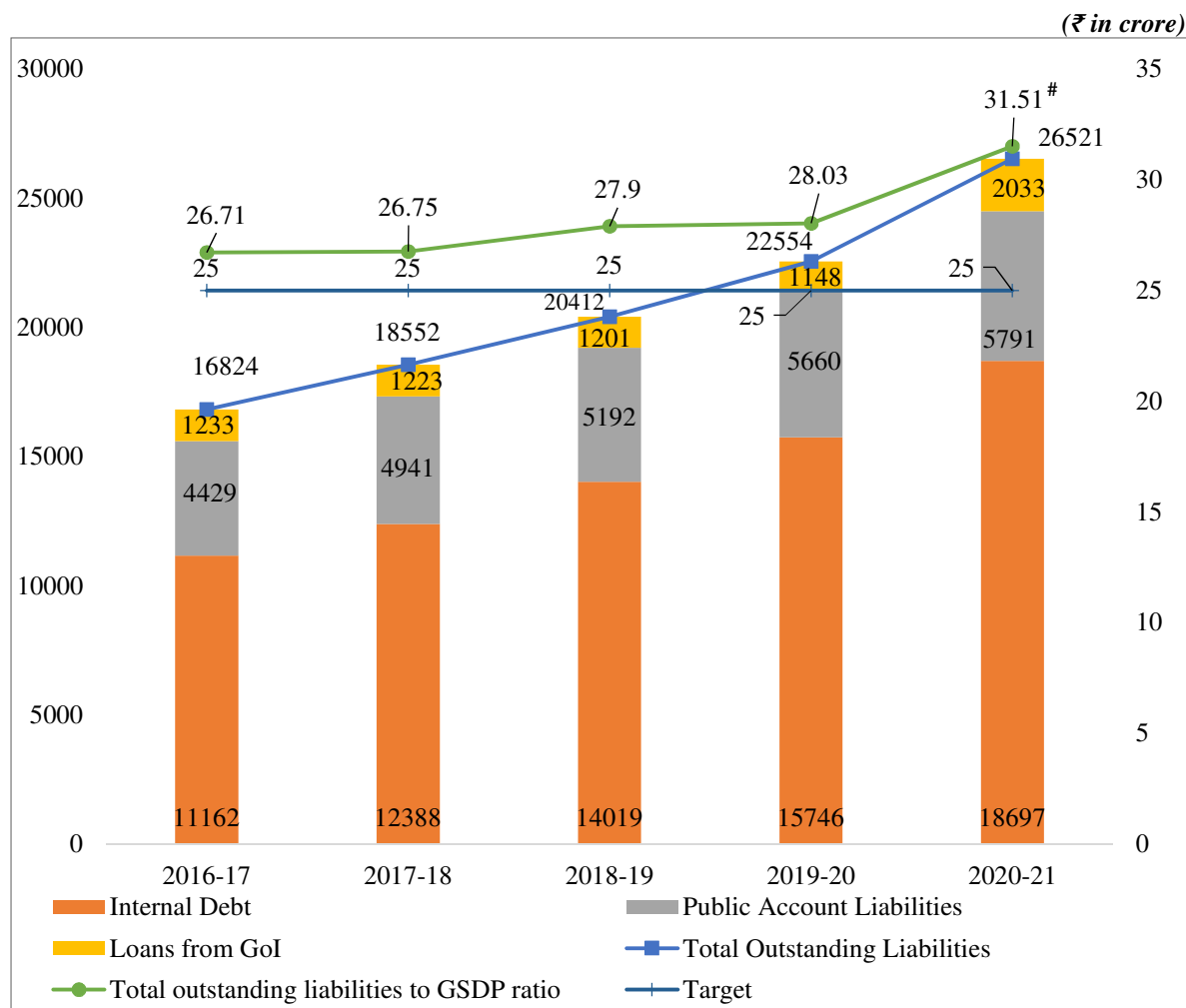
The State's revenue and fiscal deficit increased from ₹ 325 crore and ₹ 1,994 crore during 2019-20 to ₹ 1,653 crore and ₹ 3,648 crore respectively during

⁷ As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore *in-lieu* of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

2020-21. Due to increase in fiscal deficit by 83 *per cent* and interest payments by nine *per cent*, the primary deficit⁸ increased from ₹ 529 crore in 2019-20 to ₹ 2,058 crore in 2020-21.

Chart 1.4 below shows the trends in fiscal liabilities of the State Government *vis-a-vis* GSDP during the last five years (2016-21).

Chart 1.4: Trends in fiscal liabilities *vis-à-vis* GSDP



(Source: Finance Accounts of the State)

[#] As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore in-lieu of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

As may be seen from the above chart, the total outstanding debt of the State Government during 2020-21 increased by ₹ 3,967 crore (17.59 *per cent*) over the previous year, due to increase in internal debt by ₹ 2,951 crore (18.74 *per cent*), Public Account liabilities by ₹ 131 crore (2.31 *per cent*) and loans and advances from GoI by ₹ 885 crore (77.09 *per cent*).

⁸ Fiscal deficit minus interest payments

1.6 Deficits and total debt after examination in audit

Audit examined/verified the classification of receipts and expenditure as well as the accounting of material amounts relating to debt *etc.*

1.6.1 Post-audit: Deficits

Off budget fiscal operations, deferment of clear-cut liabilities, non-deposit of cess/royalty to Consolidated Fund, short contribution to New Contributory Pension Scheme (NPS), Sinking and Redemption funds, *etc.* impact the State's revenue and fiscal deficit. Scrutiny of certain major transactions during 2020-21 revealed that revenue deficit and fiscal deficit were affected by certain transactions as brought in **paragraph 2 (x), 4(i) and 4C (vii)** of *Notes to Accounts* of the Finance Accounts as detailed below.

Table 1.7: Revenue and Fiscal Deficit - post examination by Audit

(₹ in crore)

Particulars	Impact on Revenue Deficit [understated (+)/overstated (-)]	Impact on Fiscal Deficit (understated)
Short-transfer of employees and Government contribution to National Securities Depositories Limited (NSDL) under Defined Contribution Pension Scheme	52.78	52.78
State CAMPA	19.48	19.48
Cesses collected but not transferred to respective Reserve Funds.	47.15	47.15
Total	119.41	119.41

(Source: Finance Accounts and audit analysis)

It is seen that the revenue deficit and fiscal deficit were understated by ₹ 119.41 crore. The details are as under:

- The State Government collected ₹ 156.41 crore from its employees as contribution towards New Pension Scheme (NPS) and also contributed ₹ 156.43 crore as the Government's share. The State Government transferred ₹ 410.25 crore (including previous year balance of ₹ 150.19 crore) to the designated fund manager through NSDL. Thus, the State Government's liability as on 31 March 2021 was ₹ 52.78 crore (the amount due for transfer to the NSDL).
- The State Government was required to pay interest on un-invested balances lying in reserve funds and deposits bearing interest. The un-invested balances at the beginning of the year was ₹ 238.16 crore under State Compensatory Afforestation Fund (SCAF). The interest liability on SCAF was fixed at 5.10 *per cent*⁹ and the interest to be allowed on the fund for 2019-20 and 2020-21 worked out to ₹ 19.48 crore. Budget provision for crediting the interest amount was not made, resulting in understatement of revenue deficit and fiscal deficit to that extent.

⁹ Vide Finance Department, Government of Goa, U.O. No.261/F dated 21 April 2021.

- The Government collected ₹ 47.15 crore as cess (other than Labour Cess) during 2020-21. However, this amount was not transferred to the Reserve Fund by the State Government thus underestimating the revenue deficit to that extent. Details of the types of cess collected is given in **Table 1.8**.

Table 1.8: Cesses collected but not transferred to Reserve Fund

(₹ in crore)

Sl. No.	Head of Account	Description of Cess	Amount
1	00290010301	Rates and Cessess on Land	0.19
2	00390010401	Library Cess in the form of Surcharge on Excise Duty.	12.18
3	00450011202	Receipts under the Goa Rural Improvement and Welfare Cess Act, 2000 (Goa Act of 2000).	13.24
4	00706080002	Cess on Biodegradable	0.61
5	00706080003	Green Cess	20.93
Total			47.15

(Source: Finance Accounts of the State)

1.6.2 Post-audit: Total Public Debt

According to the GFRBM Act, 2006, “total liabilities” (herein termed as total outstanding debt) means the liabilities under the Consolidated Fund of the State and the Public Account of the State.

Table 1.9: Total outstanding debt: post-examination by Audit

1.		Total outstanding debt as per Finance Accounts 2020-21 (₹ 26,521.12 crore) (₹ in crore)	As percentage of GSDP (31.51 per cent) ¹⁰ (per cent)
2.	Total outstanding Debt (understated) due to: (i) Off-budget borrowings by (i) Goa State Infrastructure Development Corporation Limited (₹ 605.12 crore) and (ii) Sewerage and Infrastructural Development Corporation of Goa Limited (₹ 183.43 crore) on behalf of the State Government where the principal and/or interest were to be serviced out of the State budget.	788.55	0.97
Total of (1 + 2)		27309.67	32.48

(Source: Information provided by SPSEs)

Considering the off-budget fiscal operations amounting to ₹ 789 crore during 2020-21, the total outstanding debt of the State Government at the end of March 2021 worked out to ₹ 27,310 crore, instead of ₹ 26,521 crore depicted in the Finance Accounts. Consequently, the ratio of total outstanding debt to GSDP (31.51 per cent) at the end of the year was understated by 0.97 per cent. The post-audit total outstanding debt of the State Government at 32.48 per cent was also higher than the target of 25 per cent fixed in the GFRBM (First Amendment Act), 2014.

1.7 Summary of financial performance of State Public Sector Enterprises

There were 16¹¹ SPSEs in the State as on 31 March 2021 under various sectors other than power¹². These SPSEs were incorporated between 1965 and 2016 and include 14 Government companies and two statutory corporations. The Government companies further included one active subsidiary company (Goa Electronics Limited or GEL¹³). The State Government provides financial support to the SPSEs in the form of equity, loans and grants/subsidy from time-to-time. Of the 16 SPSEs, the State Government invested in 15 SPSEs (excluding GEL). Details of 16 SPSEs and a brief on their activities is given in **Appendix 1.2**.

¹⁰ As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore *in-lieu* of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

¹¹ Excluding Goa Auto Accessories limited (GAAL) which was under liquidation.

¹² The State Government electricity department executes the functions of power purchase, distribution, and maintenance.

¹³ A subsidiary of Economic Development Corporation (EDC) Limited

1.7.1 Contribution of SPSEs to the economy of the State

The ratio of turnover of the SPSEs to GSDP is an indicator of the contribution of the SPSEs to the State's economy. **Table 1.10** provides the details of turnover of 15 SPSEs *vis-à-vis* GSDP of Goa for the five-year period (2016-21).

Table 1.10: Turnover of SPSEs *vis-à-vis* GSDP of Goa

(₹ in crore)					
Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Turnover ¹⁴	909.08	934.44	1103.42	934.37	959.87
Percentage change in turnover as compared to turnover of preceding year	10.79	2.79	18.08	(-)15.32	2.73
GSDP of Goa (Base year 2011-12)	62976	69352	73170	80449	81502
Percentage change in GSDP as compared to GSDP of preceding year	14.39	10.12	5.51	9.95	1.31
Percentage of Turnover to GSDP	1.44	1.35	1.51	1.16	1.18

(Source: Turnover figures compiled from Accounts of SPSEs and GSDP figures provided by Directorate of Planning, Statistics and Evaluation, Government of Goa)

The turnover of 15 SPSEs recorded continuous growth from ₹ 909.08 crore in 2016-17 to ₹ 1,103.42 crore in 2018-19 but declined to ₹ 934.37 crore in 2019-20. However, it increased to ₹ 959.87 crore in 2020-21, registering a growth of 2.73 *per cent* over the previous year. The ratio of turnover of SPSEs to GSDP of the State increased marginally by 0.02 *per cent* over the previous year.

The Compound Annual Growth Rate or CAGR¹⁵ is a useful method to measure growth rate over multiple time periods. Against a CAGR of 6.66 *per cent* of GSDP, the turnover of SPSEs recorded a growth of 1.37 *per cent* during the last five years.

1.7.2 CAG's oversight – Audit of accounts and supplementary audit of State Public Sector Enterprises

Financial reporting framework

Government companies are required to prepare the financial statements in the format laid down in Schedule III to the Companies Act, 2013 and in adherence to the mandatory Accounting Standards prescribed by the Central Government,

¹⁴ Turnover (Operating Income) of 15 SPSEs as per the latest finalised accounts as on 30 September 2021, excluding one SPSE *i.e.*, Goa Information Technology Development Corporation which was yet to submit its first accounts since inception (2006-07).

¹⁵ Rate of compounded Annual Growth is calculated by using formulae = $\{(End\ Value/Start\ Value)^{1/(No.\ of\ Years)} - 1\} \times 100$

in consultation with the National Advisory Committee on Accounting Standards. Statutory Corporations are required to prepare their accounts in the format prescribed under the rules framed in consultation with the CAG and any other specific provision relating to accounts in the Act governing them.

Audit of accounts of Government companies by statutory auditors

Audit of Government companies is conducted by the CAG under the provisions of Section 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971. Under the Companies Act, 2013, the CAG appoints Chartered Accountants as statutory auditors and gives directions on the manner in which the accounts are to be audited. In addition, the CAG has a right to conduct a supplementary audit and issue comments upon or supplement the Audit Report of the statutory auditor.

Supplementary audit of accounts of Government companies

The prime responsibility for preparation of financial statements in accordance with the financial reporting framework prescribed under the Companies Act, 2013 or other relevant Act is of the management of an entity.

The statutory auditors appointed by the CAG under section 139 of the Companies Act, 2013 are responsible for expressing an opinion on the financial statements under section 143 of the Companies Act, 2013 based on an independent audit in accordance with the standard auditing practices of the Institute of Chartered Accountants of India and directions given by the CAG. The statutory auditors are required to submit the Audit Report to the CAG under Section 143 of the Companies Act, 2013.

Certified accounts of selected Government companies along with the report of the statutory auditors are reviewed by the CAG by carrying out a supplementary audit. Based on such review, the significant audit observations, if any, are reported under Section 143 (6) of the Companies Act, 2013 to be placed before the annual general meeting of the company.

Chapter 2

Finances of the State

Chapter 2: Finances of the State

Introduction

This chapter attempts to place the State finances in perspective through an analysis of the key changes in major fiscal aggregates relative to the previous year, overall trends during the five-year period from 2016-17 to 2020-21, debt sustainability of the State and key Public Account transactions, based on the Finance Accounts of the State and the information provided by the State Government.

2.1 Major changes in key fiscal aggregates

A summary of the State Government's fiscal transactions during 2020-21 *vis-à-vis* previous four years (2016-20) is presented in **Table 2.1**.

Appendix 2.1 shows the abstract of receipts and disbursements of the State Government during 2020-21 *vis-à-vis* the previous year while **Appendix 2.2** presents the time series data on the State Government finances for the five-year period from 2016-17 to 2020-21.

Table 2.1: Summary of fiscal transactions during 2016-21

(₹ in crore)

Receipts	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue receipts	9565	11054	11438	11297	10440
Tax revenue	4261	4731	4871	4700	4151
Non-tax revenue	2712	3033	2874	2737	2903
Share of Union Taxes/Duties	2299	2544	2878	2480	2296
Grants from Government of India	293	745	815	1380	1090
Capital Receipts	1528	2013	2534	2704	4590
Miscellaneous Capital Receipts	-	-	-	-	-
Recoveries of Loans and Advances	9	7	5	4	3
Public debt receipts*	1519	2006	2529	2700	4587
Appropriation to Contingency Fund	-	-	-	-	-
Public Account Receipts	11128	13377	13684	12736	12957
Opening Cash Balance					
a) Earmarked Balances	671	762	847	954	1031
b) Cash balance	96	220	149	351	454
Total	22987	27426	28652	28042	29472

*Excluding net transactions under ways and means advances and overdrafts

Disbursements	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue expenditure	8866	10543	11083	11622	12093
General services	2872	3517	3793	3942	4144
Social services	2266	2732	2646	2739	2919
Economic services	2403	2659	2869	3137	3049
Grants-in-aid and contributions	1325	1635	1775	1804	1981
Capital Outlay	1639	2094	2149	1660	1997
General services	204	409	515	300	437
Social services	432	654	763	587	603
Economic services	1003	1031	871	773	957
Loans and Advances disbursed	3	34	3	13	1
Repayment of Public Debt*	468	790	920	1025	751
Appropriation from Contingency Fund	-	-	2	(-)1	#
Public Account Disbursements	11029	12969	13189	12237	12704
Closing Cash Balance					
a) Earmarked Balances	763	848	954	1031	968
b) Cash balance	220	148	352	455	958
Total	22987	27426	28652	28042	29472

(Source: Finance Accounts of the State)

*Excluding net transactions under ways and means advances and overdrafts

#Contingency fund (un-recouped) ₹0.08 crore

Changes in key fiscal aggregates in 2020-21 compared to 2019-20

Revenue Receipts	➤ Revenue receipts decreased by 7.59 per cent. ➤ Own tax receipts decreased by 11.68 per cent. ➤ Own non-tax receipts increased by 6.07 per cent. ➤ State's share of Union taxes and duties decreased by 7.42 per cent. ➤ Grants-in-aid from Government of India decreased by 21.01 per cent.
Revenue Expenditure	➤ Revenue expenditure increased by 4.05 per cent. ➤ Revenue expenditure on General Services increased by 5.10 per cent. ➤ Revenue expenditure on Social Services increased by 4.38 per cent. ➤ Revenue expenditure on Economic Services increased by 2.36 per cent. ➤ Expenditure on grants-in-aid increased by 9.81 per cent.

Capital Expenditure	➤ Capital expenditure increased by 20.30 per cent. ➤ Capital expenditure on General Services increased by 45.67 per cent. ➤ Capital expenditure on Social Services increased by 2.73 per cent. ➤ Capital expenditure on Economic Services increased by 23.80 per cent.
Loans and Advances	➤ Disbursement of loans and advances decreased by ₹ 12 crore. ➤ Recoveries of loans and advances decreased by ₹ one crore.
Public Debt	➤ Public debt receipts increased by 69.90 per cent. ➤ Repayment of public debt decreased by 26.73 per cent.
Public Account	➤ Public account receipts increased by 1.74 per cent. ➤ Disbursement of public account increased by 3.82 per cent.
Cash Balance	➤ Cash Balance increased by ₹ 441 crore (29.70 per cent).

2.2 Sources and application of funds

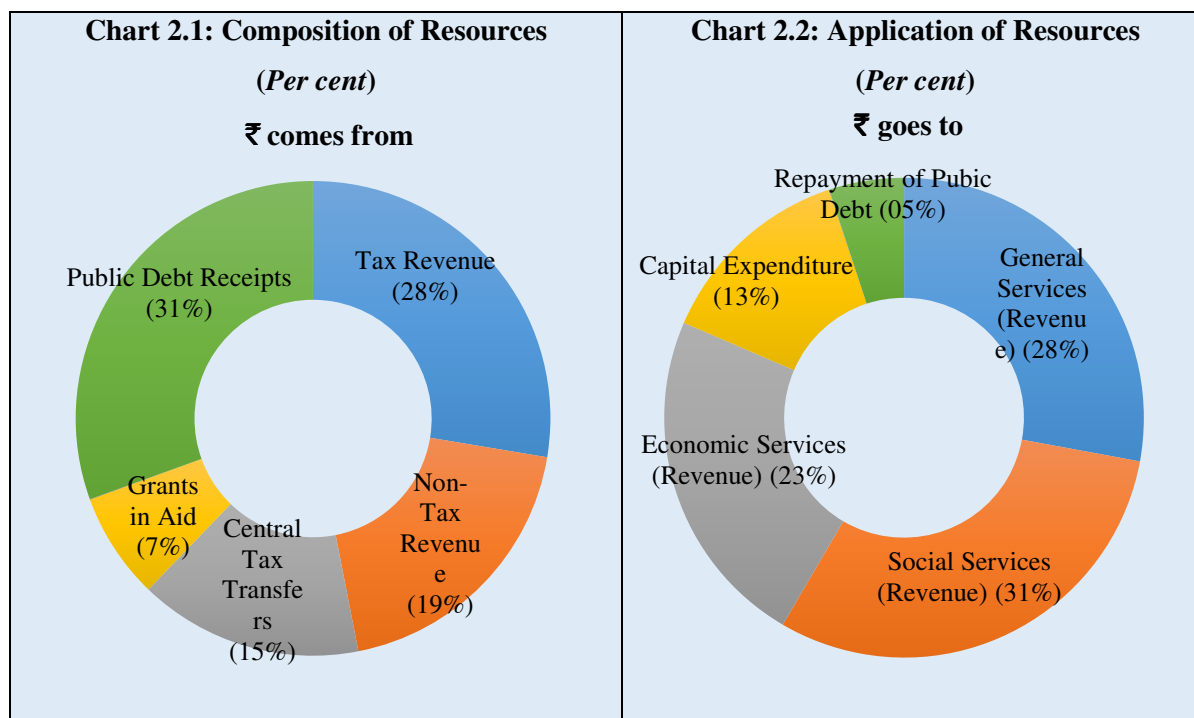
Table 2.2 compares the figures of sources and application of funds of the State during 2020-21 with 2019-20, while Charts 2.1 and 2.2 give the details of receipts into and expenditure from the Consolidated Fund during 2020-21 in percentage.

Table 2.2: Details of sources and application of funds during 2019-20 and 2020-21

(₹ in crore)

	Particulars	2019-20	2020-21	Increase(+)/ Decrease (-)
Sources	Opening Cash Balance with RBI	1305	1485	(+)180
	Revenue Receipts	11297	10440	(-)857
	Miscellaneous Capital Receipts	Nil	Nil	Nil
	Recoveries of Loans and Advances	04	03	(-)1
	Public Debt Receipts (Net)	1675	3838	(+)2163
	Public Account Receipts (Net)	499	252	(-)247
	Total	14780	16018	1238
Application	Revenue Expenditure	11622	12093	(+)471
	Capital Expenditure	1660	1997	(+)337
	Disbursement of Loans and Advances	13	01	(-)12
	Closing Cash Balance with RBI	1485	1926	(+)441
	Expenditure from contingency fund (un-recouped)	(-)1	(-)0.08	(+)01
	Total	14780	16018	1238

(Source: Finance Accounts of the State)



(Source: Finance Accounts of the State)

Chart 2.1: Percentages have been calculated on total receipts in the Consolidated Fund (₹ 15,030 crore) as shown in Appendix 2.2 (Sl. No. 6)

Chart 2.2: Percentages have been calculated on total disbursement out of Consolidated Fund (₹ 14,843 crore) as shown in Appendix 2.2 (Sl. No. 16)

2.3 Resources of the State

The State's resources comprised of the following:

1. **Revenue receipts** consist of tax revenue, non-tax revenue, State's share of Union taxes and duties and grants-in-aid (GIA) from the Government of India (GoI).
2. **Capital receipts** comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI.

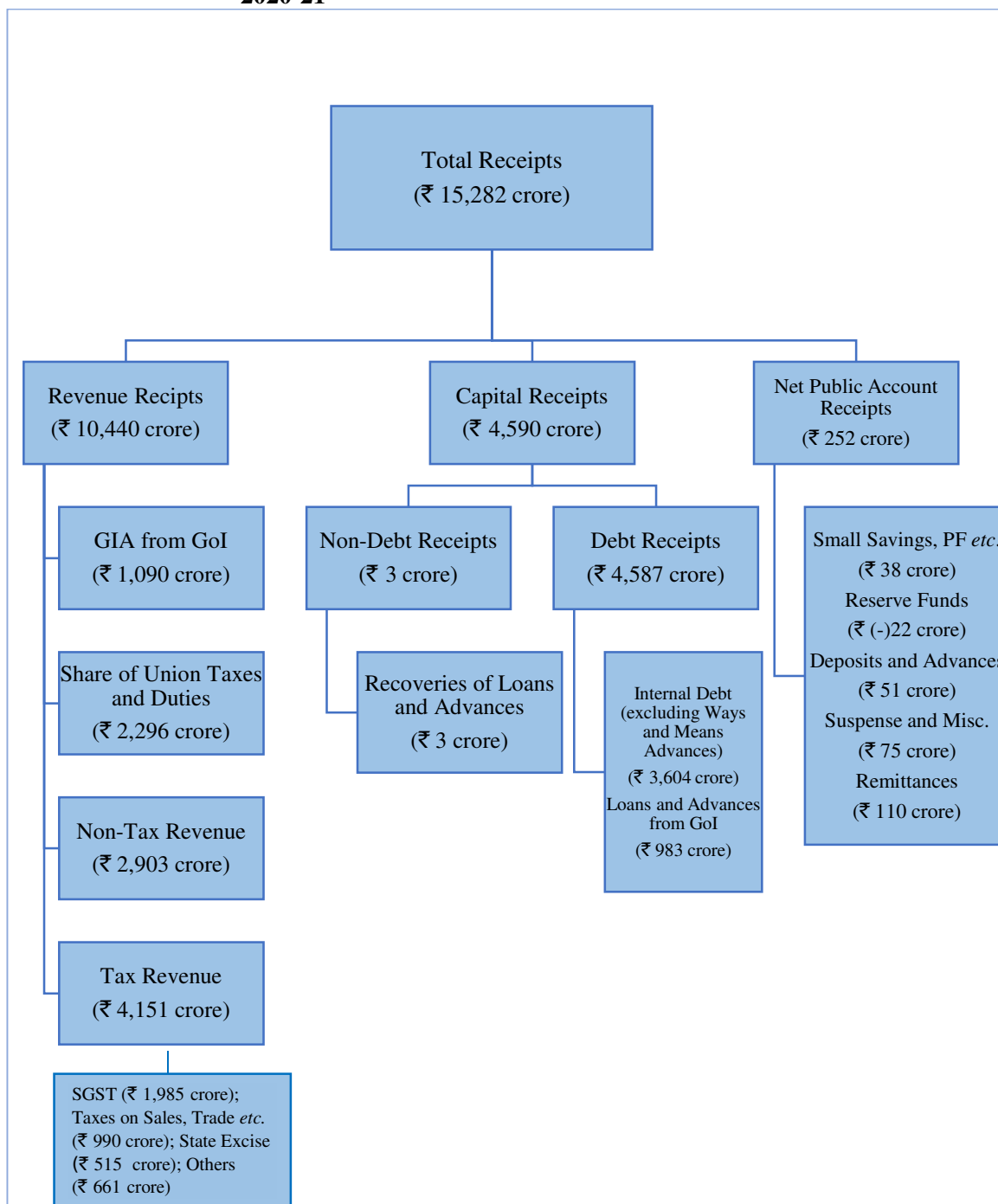
Both revenue and capital receipts form part of the Consolidated Fund of the State.

3. **Net Public Account receipts:** There are receipts and disbursements in respect of certain transactions such as, small savings, provident fund, reserve funds, deposits, suspense, remittances *etc.* which do not form part of the Consolidated Fund. These are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for use.

2.3.1 Receipts of the State

Revenue receipts and capital receipts are the two streams of receipts that constitute the resources of the State Government. Besides, the funds available in the Public Account after disbursements are also utilised by the Government to finance its deficit. Chart 2.3 shows the components and sub-components of financial resources of the State during 2020-21.

Chart 2.3: Components and sub-components of financial resources during 2020-21



(Source: Finance accounts of the State)

2.3.2 State's revenue receipts

This paragraph gives the trends in total revenue receipts and its components. It is followed by trends in the receipts bifurcated into receipts from the GoI and State's own receipts.

2.3.2.1 Trends and growth of revenue receipts

Table 2.3 provides the trends and growth of revenue receipts as well as revenue buoyancy with respect to GSDP over the five-year period (2016-21).

Table 2.3: Trends in revenue receipts

(₹ in crore)					
Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Receipts (RR)	9565	11054	11438	11297	10440
Rate of growth of RR (per cent)	11.84	15.56	3.48	(-)1.23	(-)7.59
Tax Revenue	4261	4732	4871	4700	4151
Non-Tax Revenue	2712	3033	2874	2737	2903
State's Own Resources	6973	7764	7745	7437	7054
Rate of growth of State's Own Resources (per cent)	8.83	11.34	(-)0.24	(-)3.98	(-)5.15
GSDP	62976	69352	73170	80449	81502
Rate of growth of GSDP (per cent)	14.39	10.12	5.51	9.95	1.31
RR/GSDP (per cent)	15.19	15.94	15.63	14.04	12.81
Buoyancy Ratios¹					
Revenue Buoyancy w.r.t GSDP	0.82	1.54	0.63	*	*
State's Own Resources Buoyancy w.r.t. GSDP	0.61	1.12	*	*	*

(Source: Finance Accounts of the State)

*The growth of revenue receipts/State's own resources being negative during the year, buoyancy cannot be calculated.

Table 2.3 shows the following:

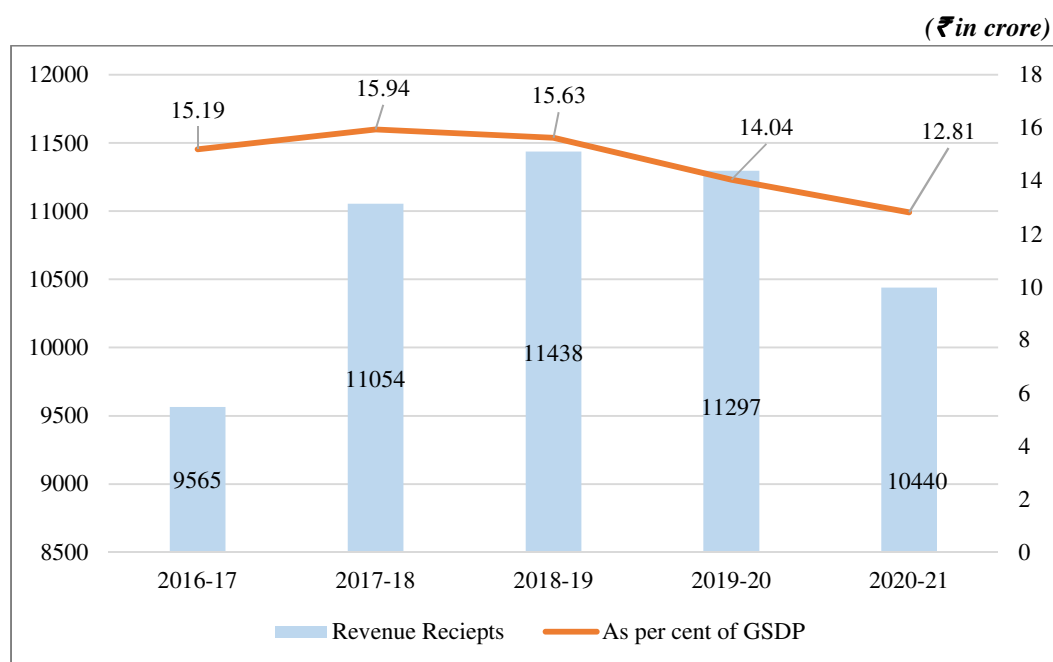
- Revenue receipts increased by 9.15 per cent from ₹ 9,565 crore in 2016-17 to ₹ 10,440 crore in 2020-21. During 2020-21, revenue receipts decreased by ₹ 857 crore (7.59 per cent) over the previous year. The decline in receipts was due to decrease in tax revenue by ₹ 549 crore (11.68 per cent), receipts under State's share of union taxes by ₹ 184 crore (7.42 per cent) and grants-in-aid from GoI by ₹ 290 crore

¹ Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy with respect to GSDP at 1.85 implies that revenue receipts tend to increase by 1.85 percentage points, if the GSDP increases by one per cent.

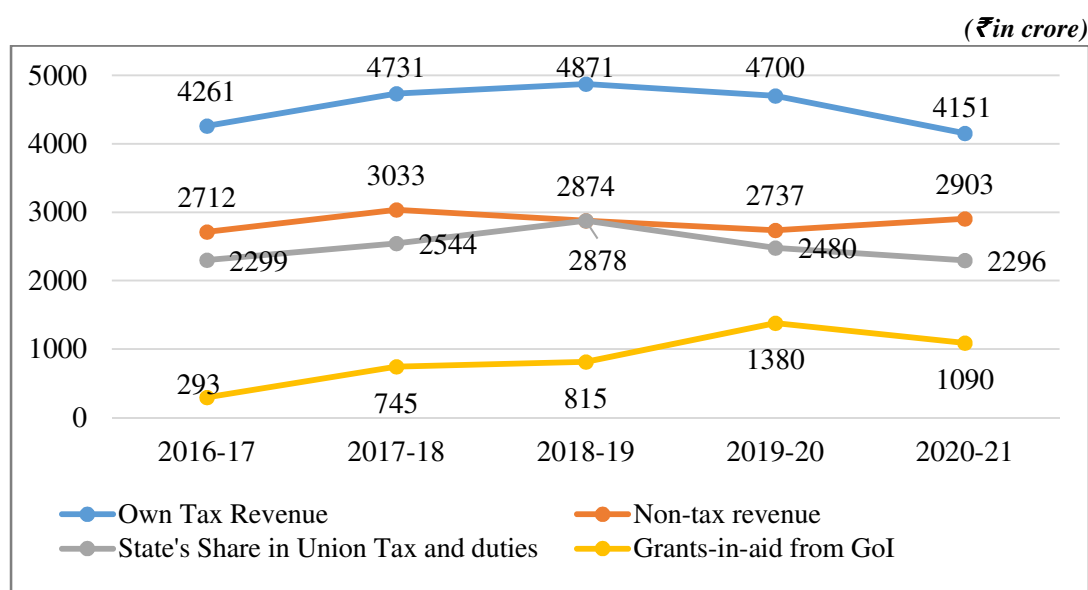
(21.01 *per cent*), partially offset by increase in non-tax revenue by ₹ 166 crore (6.07 *per cent*).

- The growth rate of State's own resources (tax and non-tax revenue) was negative during the period 2018-21. This was mainly due to a declining trend in tax collection under State Goods and Services Tax (SGST), stamp duty and registration and, land revenue. Receipts under non-tax revenue saw a declining trend in collection under 'Other Administrative Services' during 2018-21.
- During 2020-21, 68 *per cent* of revenue receipts came from the State's own resources while central tax transfers and grants-in-aid together contributed 32 *per cent*. This indicated that Government of Goa met its public expenditure largely from its own resources.
- The growth of revenue receipts and State's own resources had been negative since 2019-20 and 2018-19 respectively. The State's revenue buoyancy with respect to GSDP fluctuated between 0.63 and 1.54 during 2016-19. The State's own resources buoyancy with respect to GSDP increased from 0.61 in 2016-17 to 1.12 in 2017-18.
- The growth rate of State's revenue receipts during 2019-20 over 2018-19 was negative (-1.23 *per cent*) while it was 2.08 *per cent* in General Category States (GCS) during the same period. During 2020-21, the growth rate of revenue receipts further reduced to (-7.59 *per cent*) compared to GCS (-4.56 *per cent*) (**Appendix 1.1**).

Trends in revenue receipts relative to GSDP and composition of revenue receipts are shown in Charts 2.4 and 2.5 respectively.

Chart 2.4: Trends of revenue receipts relative to GSDP

(Source: Finance Accounts of the State)

Chart 2.5: Trends of components of revenue receipts

(Source: Finance Accounts of the State)

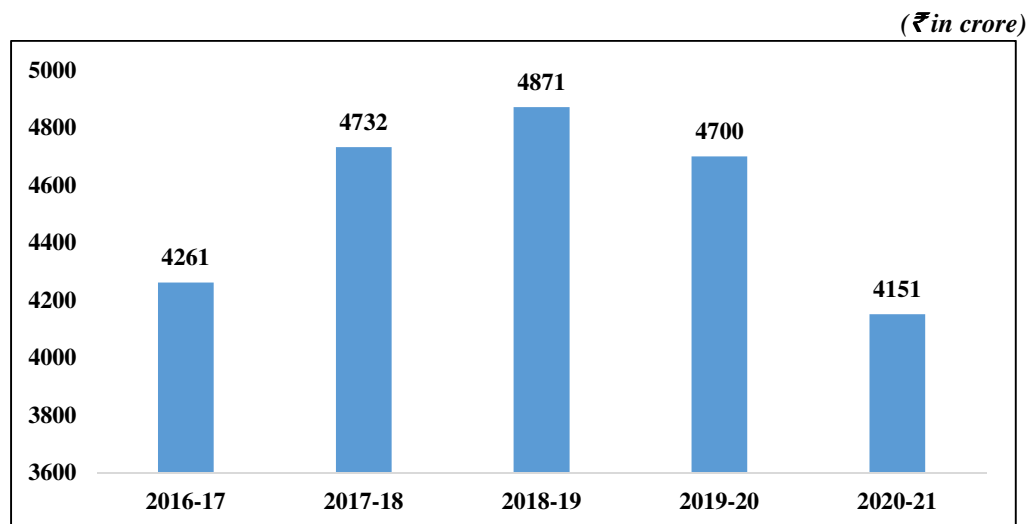
2.3.2.2 State's own resources

State's share of Central taxes is determined on the basis of recommendations of the Finance Commission. Grants-in-aid from Central Government is determined by the quantum of Central tax receipts and anticipated Central assistance for schemes. State's performance in mobilisation of additional resources should be assessed in terms of its own resources comprising revenue from its tax and non-tax sources.

Tax revenue

The own tax revenues of the State consist of taxes such as, SGST, sales tax, State excise, taxes on vehicles, stamp duty and registration fees, land revenue, taxes on goods and passengers *etc.*

Chart 2.6: Growth of own tax revenue during 2016-21



(Source: Finance Accounts of the State)

Table 2.4: Components of State's own tax revenue

(₹ in crore)

Revenue head	2016-17	2017-18	2018-19	2019-20	2020-21	Sparkline
State GST	Not applicable	1464	2529	2438	1985	
Taxes on sales, trades etc.	2438	1622	1013	1033	990	
State excise	321	410	478	492	515	
Taxes on vehicles	244	314	299	269	220	
Stamp duty and registration fee	365	529	432	393	350	
Land revenue	39	42	67	37	34	
Taxes on goods and passengers	454	210	30	32	41	
Other taxes	400	140	23	6	16	
Total	4261	4732	4871	4700	4151	

(Source: Finance Accounts of the State)

The State's tax revenue in 2020-21 decreased by ₹ 549 crore (11.68 per cent) over the previous year. The decrease was mainly due to lower collections under SGST (₹ 453 crore), stamp duty and registration (₹ 43 crore) and taxes on sales, trade *etc.* (₹ 43 crore), partially offset by an increase in collections under State excise (₹ 23 crore)

During the year 2020-21, major contributors of tax revenue were SGST (48 per cent), taxes on sales, trades *etc.* (24 per cent) and State excise (12 per cent).

The growth rate of State's own tax revenue during 2019-20 over 2018-19 was negative (-3.51 *per cent*) compared to GCS (2.12 *per cent*). During 2020-21, the rate of growth of tax revenue in the State further reduced to (-)11.68 *per cent* compared to GCS (- 4.43 *per cent*) (**Appendix 1.1**).

State Goods and Services Tax

Goa implemented GST with effect from 01 July 2017. GST is levied on *intra-State* supply of goods or services (except alcohol for human consumption and five² specified petroleum products) and its components are shared by the Centre (CGST) and the State (SGST). Further, Integrated GST (IGST) is levied and collected by the Central Government on *inter-State* supply of goods and services. The IGST so collected is apportioned between the Centre and the concerned State where the goods and services are consumed.

The GoI enacted the Goods and Services Tax (Compensation to States) Act, 2017 to compensate the states for the shortfall in revenue arising on account of implementation of GST, considering an annual growth of 14 *per cent* from the base year (2015-16) for a period of five years.

For the State of Goa, the audited base year (2015-16) revenue to be subsumed³ by the GST regime was fixed by GoI at ₹ 2,181.38 crore. Thus, the protected revenue for Goa worked out to ₹ 4,200 crore⁴ for the year 2020-21.

The components of SGST receipts during the last four years (2017-21) is shown in **Table 2.5**.

Table 2.5: Components of SGST receipts during 2017-21

SGST	2017-18 (₹ in crore)	2018-19 (₹ in crore)	2019-20 (₹ in crore)	2020-21 (₹ in crore)	Increase (+)/ decrease (-) in 2020-21 over 2019-20 (<i>per cent</i>)
Tax	918.46	1420.95	1484.48	1068.85	(-)28.00
Apportionment of IGST – transfer-in of tax component to SGST	450.29	753.65	880.41	916.07	(+)04.05
Advance apportionment from IGST	95.00	354.49	73.60	0.00	(-)100.00
SGST collection	1463.75	2529.09	2438.49	1984.92	(-)18.60

(Source: Finance Accounts of the State)

² Petroleum crude, high speed diesel, motor spirit (petrol), natural gas and aviation turbine fuel

³ Taxes that have been subsumed under GST are: value added tax, central sales tax, entertainment tax, luxury tax, entry tax, cess & surcharges, duties on excise on medicinal and toilet preparations excluding VAT and CST on alcohol for human consumption and five specified petroleum products.

⁴ Base year revenue of ₹ 2,181.38 crore escalated at compound rate of 14% annually for five years (2016-17 to 2020-21) worked out to ₹ 4,200 crore for 2020-21.

Against the protected revenue of ₹ 4,200 crore, the State Government earned a revenue of ₹ 1,985 crore during 2020-21 and was therefore, entitled to a compensation of ₹ 2,215 crore. GoI released compensation of ₹ 811 crore during 2020-21 of which, ₹ 214 crore pertained to current year while the remaining ₹ 597 crore pertained to previous year. Therefore the deficit⁵ compensation stood at ₹ 1,969 crore. Of the deficit of ₹ 1,969 crore, State Government received ₹ 910 crore from GoI till 31 March 2022, leaving a net deficit of ₹ 1,059 crore for the year 2020-21.

To bridge the shortfall in GST compensation, the GoI implemented the scheme of back-to-back loans to States in lieu of GST shortfall. Under this scheme, ₹ 840 crore was received by Government of Goa during 2020-21. The debt servicing of this loan is to be done from the collection of cess in GST Compensation Fund. Hence the repayment obligations does not rest with the State Government.

Analysis of arrears of revenue

The arrears of revenue indicate delayed realisation of revenue that is due to the Government.

The arrears of revenue as on 31 March 2021 amounted to ₹ 5,245.26 crore of which, ₹ 2,650.49 crore (51 *per cent*) was outstanding for more than three years. Further, ₹ 1,863.01 crore (out of ₹ 5,245.26 crore) was under legal adjudication, leaving arrears of ₹ 3,382.25 crore, which were yet to be recovered. The details are shown in **Table 2.6**.

⁵ ₹ 1,969 crore = ₹ 2,215 crore - ₹ 246 crore

Table 2.6: Revenue arrears as on 31 March 2021

(₹ in crore)

Head of Revenue	Amount of arrears as on 31 March 2021	Arrears more than three years old	Cases pending in Courts		Revenue arrears pending recovery as on 31 March 2021	Amount of arrears as on 31 March 2017
			No.	Amount		
Commercial Taxes	2368.53	1839.10	749	27.50	2341.03	1223.84
Chief Electrical Engineer – Energy charges	517.86	153.03	9426	40.99	476.86	268.77
Chief Engineer – Water Resources Department						
i) Water Tax	2.32	1.12	194	0.10	2.22	Nil
ii) Water Charges	2177.20	555.33	12	1733.85	443.35	94.24
iii) Rent for shops	2.71	2.59	Nil	Nil	2.71	1.49
iv) Hire charges of machinery	0.33	0.33	Nil	Nil	0.33	Nil
Principal Chief Engineer – Public Works Department	110.47	46.26	4494	17.35	93.12	28.80
State Excise	5.37	0.75	Nil	Nil	5.37	1.20
Tourism	1.55	0.58	8	Nil	1.55	0.89
Director General of Police	8.50	7.34	2	0.05	8.45	8.45
Animal Husbandry & Veterinary Services	43.19	43.19	7	43.17	0.02	Nil
Printing and Stationery	7.23	0.87	Nil	Nil	7.24	0.59
Total	5245.26	2650.49	14892	1863.01	3382.25	1628.27

(Source: Information received from departments)

As can be seen from **Table 2.6**, the arrears of revenue increased threefold in the last four years from ₹ 1,628.27 crore in 2016-17 to ₹ 5,245.26 crore in 2020-21. This accounted for 74 per cent of the State's own resources (₹ 7,054 crore) during the year.

Recommendation 1: The State Government may ensure speedy recovery of arrears of revenue. This would not only help the Government to increase its revenue receipts but also facilitate achievement of revenue deficit targets to a large extent.

Evasion of tax detected by Department

Tax evasion cases detected by the Excise Department, cases finalised and demands for additional tax raised are important indicators of revenue collection efforts of the State Government.

Information furnished by the Commissioner of Excise revealed that out of 1,636 cases of tax evasion detected by the Excise Department during 2020-21, assessment/investigation in respect of 661 cases had been completed and an additional demand of ₹ 0.76 crore with penalty had been raised. However, the number of cases awaiting disposal by the Department was still significantly high at 975 at the end of 2020-21.

No case of tax evasion was reported by the Commissioner of State Tax.

Pendency of refund cases

Promptness in disposal of refund cases is also an important indicator of performance of the Department.

Refund cases pending at the beginning of 2020-21, claims received during the year, refunds allowed during the year and the cases pending at the close of 2020-21, as reported by the Commissioner of State Tax and Excise Department, are given in **Table 2.7**.

Table 2.7: Details of refund cases*(₹ in crore)*

Sr. No.	Particulars	GST		Sales tax/VAT		State Excise	
		No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
1.	Claims outstanding at the beginning of 2020-21	129	42.83	763	132.93	06	0.03
2.	Claims received during the year	459	251.48	690	198.67	04	0.02
3.	Refunds made during the year	206	123.79	583	81.57	03	0.03
4.	Refunds rejected during the year	297	114.75	01	0.10	00	0.00
5.	Balance outstanding at the end of 2020-21	85	55.77	869	249.93	07	0.02

(Source: Information furnished by concerned departments)

Non-tax revenue

Non-tax revenue consists of interest receipts, dividends and profits, mining receipts, departmental receipts *etc.*

The main components of the State's non-tax revenue receipts during 2016-17 to 2020-21 are shown in **Table 2.8**.

Table 2.8: Components of State's non-tax revenue

(₹ in crore)

Revenue Head	2016-17	2017-18	2018-19	2019-20	2020-21	Sparkline
Interest receipts	20	27	24	63	83	
Other administrative services	152	140	451	260	191	
Water supply and sanitation	120	130	146	148	136	
Power	1766	2119	1920	1960	2051	
Non-ferrous mining and metallurgical industries	348	333	34	9	168	
Other non-tax receipts	306	284	299	297	274	
Total non-tax revenue	2712	3033	2874	2737	2903	

(Source: Finance Accounts of the State)

Non-tax revenue accounted for 24 *per cent* to 28 *per cent* of the revenue receipts of the State during the five-year period (2016-21). The non-tax revenue grew by ₹ 166 crore (6.07 *per cent*) during 2020-21 over the previous year. The increase was mainly on account of increased collections under power (₹ 91 crore) and non-ferrous mining and metallurgical industries (₹ 159 crore), partially offset by decrease in collections under other administrative services (₹ 69 crore).

The growth rate of non-tax revenue during 2019-20 over 2018-19 was negative (-4.77 *per cent*) while it was 23.38 *per cent* in GCS during the same period. However, the growth rate of non-tax revenue in the State was 6.07 *per cent* during 2020-21 which was substantially higher than GCS (-35.60 *per cent*) (**Appendix 1.1**).

2.3.2.3 Transfers from the Central Government

Transfers from the Central Government are mainly dependent on Finance Commission recommendations. The trends of Central transfers for the last 10 years covering the periods of FC XIII, FC XIV and FC XV is shown in **Table 2.9**.

Table 2.9: Transfers from Centre during the last 10 years

(₹ in crore)

Year	State's share of Central taxes	Grants-in-aid from Centre	Total transfers from Centre
1	2	3	4=(2+3)
2011-12	681	236	917
2012-13	777	296	1073
2013-14	849	357	1206
2014-15	901	566	1467
2015-16	1924	221	2145
2016-17	2299	293	2592
2017-18	2544	745	3289
2018-19	2878	815	3693
2019-20	2480	1380	3860
2020-21	2296	1090	3386
Total	17629	5999	23628

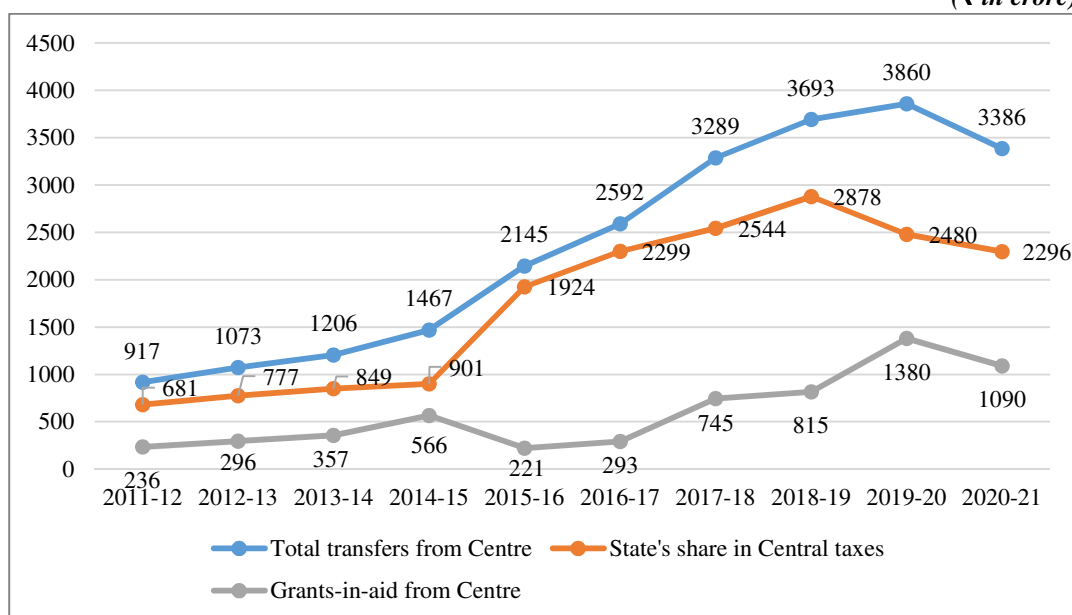
(Source: Finance Accounts of the State)

Transfers from the Centre increased from ₹ 917 crore in 2011-12 to ₹ 3,386 crore in 2020-21. The State's share of Central taxes decreased by ₹ 184 crore and grants-in-aid from the Centre decreased by ₹ 290 crore in 2020-21 over the previous year.

Chart 2.7 shows the trends in transfers from the Central Government during the last 10 years (2011-21).

Chart 2.7: Trends in transfers from Centre

(₹ in crore)



(Source: Finance Accounts of the State)

State's share of Union taxes and duties

FC XV recommended a decrease in the share of States in Central taxes from 42 *per cent* (recommended by FC XIV) to 41 *per cent*. The State's share in Union taxes and duties for 2020-21 was fixed at 0.386 *per cent* by FC XV. The different components of State's share of Union taxes and duties during 2016-21 are shown in **Table 2.10**.

Table 2.10: Transfer of different components of State's share of Union taxes and duties during 2016-21

Components	2016-17	2017-18	2018-19	2019-20	2020-21
	<i>(₹ in crore)</i>				
Central Goods and Services Tax (CGST)	Not Applicable	351	767	704	682
Integrated Goods and Services Tax (IGST)	Not Applicable	257	Nil	Nil	Nil
Corporation tax	739	780	1001	845	694
Taxes on income other than corporation tax	513	658	737	663	711
Other taxes on income and expenditure	Nil	Nil	05	Nil	Nil
Taxes on wealth	02	(-)0.02	0.37	0.04	Nil
Customs	318	188	204	157	121
Union excise duties	363	194	136	109	77
Service tax	364	116	26	Nil	10
Others taxes and duties on commodities and services	0.01	Nil	02	02	01
Total share of net proceeds of tax	2299	2544	2878	2480	2296
Percentage increase(+)/decrease(-) over previous year	(+)19.49	(+)10.66	(+)13.13	(-)13.83	(-)7.42
Central tax transfers as percentage of revenue receipts	24.03	23.02	25.16	21.95	22.00

(Source: Finance Accounts of the State)

During the period 2016-21, the State's share of Union taxes and duties to revenue receipts was highest at 25.16 *per cent* during 2018-19. However, it decreased to 22 *per cent* in 2020-21 but was marginally higher than 21.95 *per cent* registered during 2019-20.

The State's share of Union taxes and duties were lower under corporation tax (₹ 151 crore), customs (₹ 36 crore) and Union excise duties (₹ 32 crore) during 2020-21 compared to 2019-20.

Grants-in-aid from GoI

Grants-in-aid received by the State Government from GoI during 2016-21 are detailed in **Table 2.11**.

Table 2.11: Grants-in-aid from GoI

(₹ in crore)					
Head	2016-17	2017-18	2018-19	2019-20	2020-21
Grants for State plan schemes	91	20	02	Nil	Nil
Non-plan grants	17	66	68	169	74
Grants for central plan schemes	26	24	17	25	40
Grants for centrally sponsored schemes	159	277	252	367	165
Other transfers/grants to States/Union territories with Legislature ⁶	Nil	358	476	819	811
Total	293	745	815	1380	1090
Percentage increase over the previous year	32.58	154.27	9.40	69.33	(-)21.01
Percentage of grants-in-aid to revenue receipts	3.06	6.74	7.12	12.22	10.44

(Source: Finance Accounts of the State)

The grants-in-aid from GoI showed a consistent increase from ₹ 293 crore in 2016-17 to ₹ 1,380 crore in 2019-20 but decreased to ₹ 1,090 crore during 2020-21. The decrease during 2020-21 was mainly due to less receipts under centrally sponsored schemes such as, Atal Mission for Rejuvenation and Urban Transformation (₹ 58 crore), Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (₹ 43 crore) *etc.* Grants-in-aid accounted for 10 *per cent* of the total revenue receipts of the State during 2020-21.

Finance Commission grants

FC XV recommended five type of grants-in-aid to States *viz.* local Government grants, disaster management grants, post-devolution revenue deficit grants, sector-specific grants and performance-based incentives. During 2020-21, the State Government received two types of grants *viz.* grants for local Government and disaster management amounting to ₹ 85.50 crore. The details of grants awarded and received during 2019-20 and 2020-21 are shown in **Table 2.12**.

⁶ Compensation to States in lieu of loss of revenue due to implementation of GST.

Table 2.12: Details of grants awarded and received during 2019-21

(₹ in crore)

Sr. No.	Transfers	2019-20		2020-21	
		Grants awarded	Grants received	Grants awarded	Grants received
1.	Local Bodies				
	General Basic Grants to PRIs	36.12	62.85	75.00	37.50
	General Performance Grants to PRIs	4.41	3.37	Nil	Nil
	General Basic Grants to ULBs	52.76	72.28	36.00	36.00
	General Performance Grants to ULBs	14.51	9.76	Nil	Nil
2.	State Disaster Relief Fund	3.00	3.00	12.00	12.00
	Total	110.80	151.26	123.00	85.50

(Source: Finance Accounts of the State)

For the year 2020-21, FC XV recommended basic grants of ₹ 75 crore and ₹ 36 crore to *Panchayati Raj Institutions* (PRIs) and Urban Local Bodies (ULBs) respectively.

Of the total ₹ 75 crore recommended⁷ for PRIs during 2020-21, the State Government received the first instalment of tied and untied grants in June and July 2020 respectively amounting to ₹ 37.50 crore. This grant was disbursed to 191 *Gram Panchayats* (GPs) after a delay of 78 days (for tied grants) and 51 days (for untied grants), over the prescribed period of 15 days. Due to delay in disbursement of grants, the State Government had to pay an interest of ₹ 47.96 lakh to GPs. The remaining instalments for ₹ 37.50 crore pertaining to the year 2020-21 were received by the State Government in September 2021 (2021-22).

In the case of ULBs, basic grants of ₹ 36 crore was received by the State Government during 2020-21 and disbursed to ULBs within the prescribed time period.

2.3.3 Capital receipts

Capital receipts comprises miscellaneous capital receipts such as, proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI.

Table 2.13 shows the trends in growth and composition of net capital receipts.

⁷ 50 per cent grants were untied while the remaining 50 per cent was tied as grants for sanitation and water supply which were identified as national priorities.

Table 2.13: Trends in growth and composition of capital receipts

(₹ in crore)

Sources of capital receipts	2016-17	2017-18	2018-19	2019-20	2020-21
Capital receipts	1528	2013	2534	2704	4590
Non-debt capital receipts	09	07	05	04	03
Miscellaneous capital receipts	Nil	Nil	Nil	Nil	Nil
Recovery of loans and advances	09	07	05	04	03
Debt capital receipts	1519	2006	2529	2700	4587
Internal debt*	1427	1928	2459	2654	3604
Growth rate	(-)17.80	35.10	27.54	7.93	35.80
Loans and advances from GoI	92	78	70	46	983
Growth rate	(-)17.12	(-)15.22	(-)10.26	(-)34.29	2036.96
Rate of growth of debt capital receipts (<i>per cent</i>)	(-)17.76	32.06	26.09	6.76	69.89
Rate of growth of non-debt capital receipts (<i>per cent</i>)	(-)10.00	(-)22.22	(-)28.57	(-)20.00	(-)25.00
Rate of growth of GSDP (<i>per cent</i>)	14.39	10.12	5.51	9.95	1.31
Rate of growth of capital receipts (<i>per cent</i>)	(-)17.72	31.74	25.88	6.71	69.75

(Source: Finance Accounts of the State)

*Excluding ways and means advances

Capital receipts increased by 69.75 *per cent* from ₹ 2,704 crore in 2019-20 to ₹ 4,590 crore in 2020-21.

During 2020-21, market borrowings of ₹ 3,354 crore constituted 73 *per cent* of the total debt capital receipts of the State Government. This was followed by GoI loans of ₹ 983 crore (21 *per cent*) and negotiated loans under Internal Debt of ₹ 250 crore (six *per cent*).

2.3.4 State's performance in mobilisation of resources

As the State's share of Union taxes/duties and grants-in-aid is determined on the basis of recommendations of the Finance Commission, the State's performance in mobilisation of resources was assessed in terms of its own resources comprising tax and non-tax revenue.

The State's actual own tax and non-tax revenue *vis-à-vis* assessment made by FC XV and Budget Estimates (BE) are given in **Table 2.14**.

Table 2.14: Tax and non-tax revenue vis-à-vis projections

(₹ in crore)

	FC projections	XV projections	Budget estimates	Actual	Percentage variation of actual over	
					Budget estimates	FC XV projections
Tax revenue		7651	5845	4151	(-)28.98	(-)45.75
Non-tax revenue		1843	3836	2903	(-)24.32	(-)57.51

(Source: Finance Accounts of the State and FC XV report)

The State's receipts under tax and non-tax revenue were lower than the BE by ₹ 1,694 crore and ₹ 933 crore respectively. The lower collections under own tax revenue were mainly due to reduced collections under SGST by ₹ 787 crore, Stamp duty and registration by ₹ 378 crore and taxes on vehicles by ₹ 149 crore. On the other hand, lower collections under non-tax revenue were due to lower receipts under power by ₹ 413 crore, other administrative services by ₹ 104 crore and non-ferrous mining and metallurgical industries by ₹ 343 crore.

2.4 Application of resources

The State Government is vested with the responsibility of incurring expenditure within the framework of fiscal responsibility legislations, while at the same time ensuring that the fiscal consolidation process is not at the cost of expenditure directed towards development of capital infrastructure and social sector. Following is a detailed analysis of the allocative priorities of the State Government.

2.4.1 Growth and composition of expenditure

Table 2.15 presents the trends in total expenditure over a period of five years (2016-21) depicting its composition in terms of 'economic classification'.

Table 2.15: Total expenditure and its composition

(₹ in crore)

Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
Total expenditure (TE)	10508	12671	13235	13295	14091
Revenue expenditure (RE)	8866	10543	11083	11622	12093
Capital expenditure (CE)	1639	2094	2149	1660	1997
Loans and advances	03	34	03	13	01
As a percentage of GSDP					
TE/GSDP	16.69	18.27	18.09	16.53	17.29
RE/GSDP	14.08	15.20	15.15	14.45	14.84
CE/GSDP	2.60	3.02	2.94	2.06	2.45
Loans and advances/GSDP	*	*	*	*	*

(Source: Finance Accounts of the State)

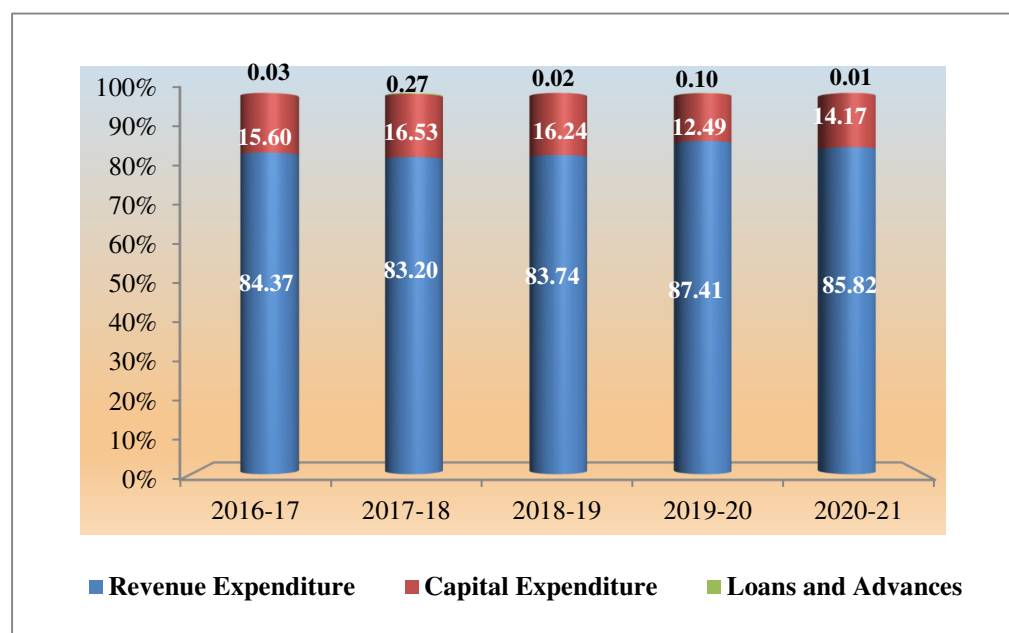
*The percentage of loans and advances to GSDP was negligible.

Total expenditure of the State increased by ₹ 796 crore (5.99 per cent) during 2020-21 over the previous year. However, it increased by ₹ 3,583 crore

(34.10 *per cent*) over the period of last five years (2016-21). As a percentage of GSDP, total expenditure remained in the range of 16.53 *per cent* to 18.27 *per cent* during 2016-21. The percentage of capital expenditure to GSDP increased from 2.06 *per cent* in 2019-20 to 2.45 *per cent* in 2020-21.

The share of revenue expenditure, capital expenditure and, loans and advances disbursed in total expenditure during 2016-21 are shown in Chart 2.8.

Chart 2.8: Total expenditure: Trends in share of its components



(Source: Finance Accounts of the State)

The share of revenue expenditure in total expenditure decreased from 87.41 *per cent* in 2019-20 to 85.82 *per cent* in 2020-21. On the other hand, the share of capital expenditure in total expenditure increased to 14.17 *per cent* in 2020-21 from 12.49 *per cent* in 2019-20.

The State's growth rate of total expenditure in 2019-20 over 2018-19 at 0.45 *per cent* was lower than GCS (4.16 *per cent*). However, the growth rate of total expenditure in the State (5.99 *per cent*) during 2020-21 was higher than GCS (4.54 *per cent*) (**Appendix 1.1**).

In terms of activities, total expenditure could be considered as being composed of expenditure on general services (including interest payments), social and economic services, grants-in-aid and, loans and advances.

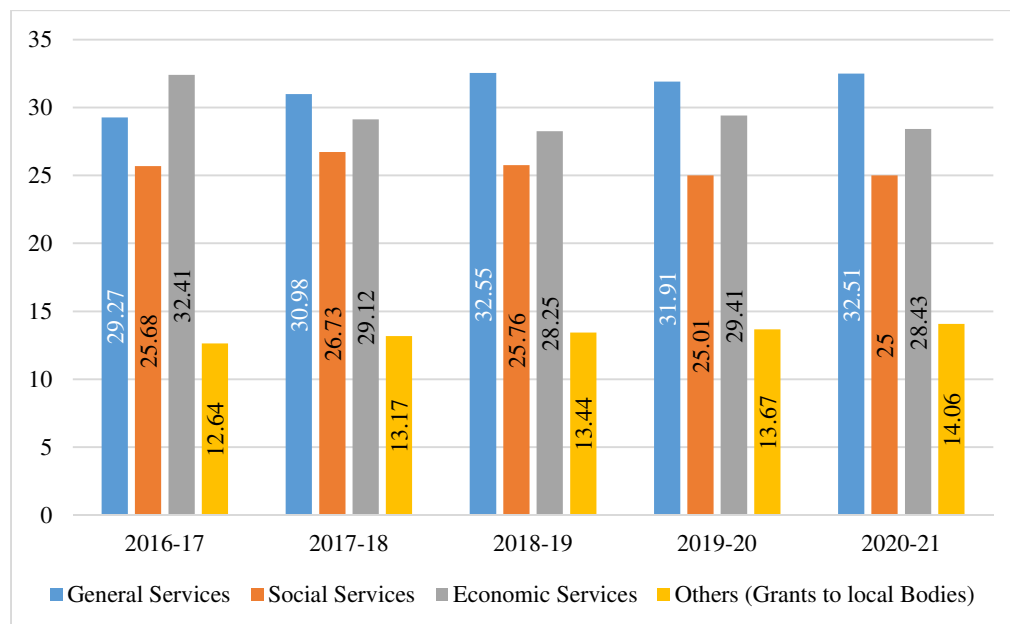
Table 2.16: Relative shares of various sectors of expenditure

Parameters	(in per cent)				
	2016-17	2017-18	2018-19	2019-20	2020-21
General services	29.27	30.98	32.55	31.91	32.51
Social services	25.68	26.73	25.76	25.01	25.00
Economic services	32.41	29.12	28.25	29.41	28.43
Others (Grants-in-aid to local bodies and loans and advances)	12.64	13.17	13.44	13.67	14.06

(Source: Finance Accounts of the State)

Chart 2.9 shows the sector-wise graphical representation of the total expenditure of the State during 2016-21.

Chart 2.9: Sector-wise total expenditure during 2016-21



(Source: Finance Accounts of the State)

Chart 2.9 above shows that the share of general services and grants-in-aid in total expenditure increased during 2020-21 compared to the previous year. Increase in the share of general services was mainly on account of increased interest payments on public debt and pension and other retirement benefits. The increase in the share of general services and grants-in-aid got adjusted by a corresponding decrease in the share of economic services during 2020-21. The decrease in share of economic services during 2020-21 was mainly due to decline in expenditure under irrigation and flood control; energy; and industry and minerals.

2.4.2 Revenue expenditure

Revenue expenditure is incurred to maintain the current level of services and payments for past obligations. As such, it does not result in any addition to the State's infrastructure and services. The overall revenue expenditure, its rate of growth and ratio to GSDP for the last five years are indicated in **Table 2.17**.

Table 2.17: Revenue expenditure – basic parameters

(₹ in crore)					
Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
Total expenditure (TE)	10508	12671	13235	13295	14091
Revenue expenditure (RE)	8866	10543	11083	11622	12093
Rate of growth of RE (per cent)	5.30	18.91	5.12	4.86	4.05
Revenue expenditure as percentage of TE	84.37	83.20	83.74	87.42	85.82
RE/GSDP (per cent)	14.08	15.20	15.15	14.45	14.84
RE/RR (per cent)	92.69	95.38	96.90	102.88	115.83
Buoyancy of revenue expenditure with					
GSDP	0.37	1.87	0.93	0.49	3.09
Revenue receipts	0.45	1.22	1.47	*	*

(Source: Finance Accounts of the State)

*Revenue receipts growth in 2019-20 & 2020-21 being negative, buoyancy cannot be calculated

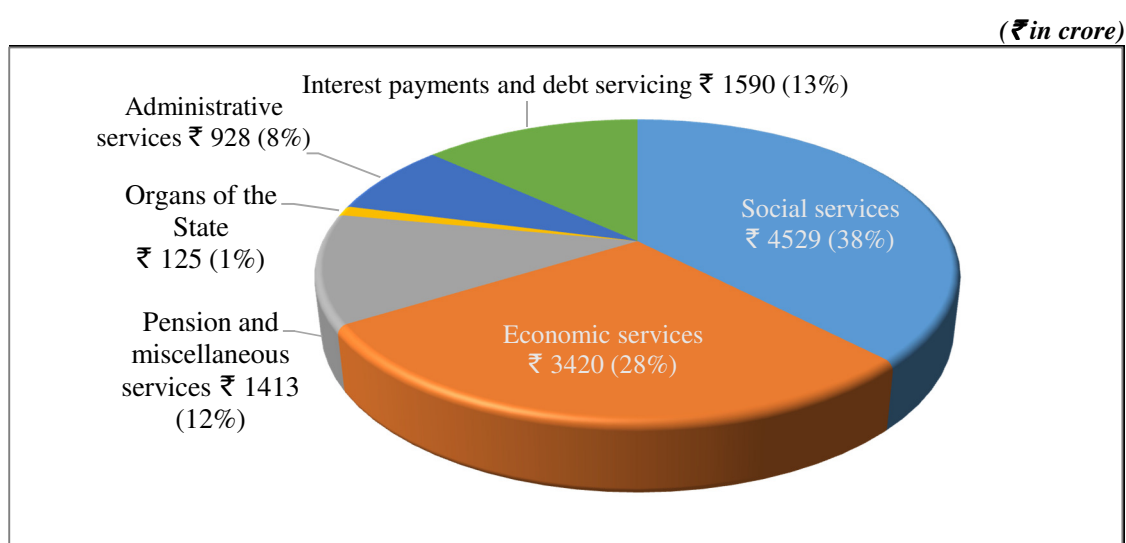
Revenue expenditure increased consistently from ₹ 8,866 crore in 2016-17 to ₹ 12,093 crore in 2020-21 and grew by ₹ 471 crore (4.05 per cent) during 2020-21 over the previous year.

Revenue expenditure constituted 86 per cent of the total expenditure during 2020-21. The growth rate of revenue expenditure declined sharply from 18.91 per cent in 2017-18 to 4.05 per cent in 2020-21. The percentage of revenue expenditure to GSDP exhibited stability during 2016-21 with marginal inter-year variations.

The growth rate of revenue expenditure of the State in 2019-20 and 2020-21 at 4.86 per cent and 4.05 per cent respectively was lower than the growth rate of GCS (5.92 per cent and 5.63 per cent) during the same period (Appendix 1.1).

Sector-wise distribution of revenue expenditure is presented in Chart 2.10.

Chart 2.10: Sector-wise distribution of revenue expenditure



(Source: Finance Accounts of the State)

2.4.2.1 Major changes in revenue expenditure

Table 2.18 shows significant variations in revenue expenditure under various Heads of Accounts during the current year *vis-a-vis* previous year.

Table 2.18: Variations in revenue expenditure during 2020-21 *vis-à-vis* 2019-20

(₹ in crore)

Major Heads of Account	2019-20	2020-21	Increase (+)/ Decrease (-)
2235 – Social Security and Welfare	614	649	(+) 35
2202 – General Education	1682	1756	(+) 74
2210 – Medical and Public Health	960	1072	(+)112
2217 – Urban Development	164	109	(-)55
2401 – Crop Husbandry	97	151	(+) 54
2801– Power	2220	2043	(-)177
3054 – Roads and Bridges	85	142	(+)57

(Source: Finance Accounts of the State)

Increase in revenue expenditure under ‘Medical and Public Health’ was on account of more expenditure under hospitals and dispensaries, prevention and control of diseases and medical stores depots. Expenditure under ‘Social Security and Welfare’ increased due to increased financial assistance under welfare of aged infirm and destitute. Decrease in expenditure incurred under ‘Urban Development’ was due to reduced disbursement of assistance to local bodies, corporations, urban development authorities, town improvement boards *etc.* Expenditure under the Head ‘Power’ also decreased due to reduced spending under transmission and distribution.

2.4.2.2 Committed expenditure

Committed expenditure of the State Government on revenue account consists of interest payments, salaries, wages and pensions. Committed expenditure has the first charge on Government resources. An upward trend in committed expenditure leaves the Government with lesser flexibility for development expenditure. **Table 2.19** presents the trends of committed expenditure in revenue receipts and revenue expenditure of the State during 2016-21.

Table 2.19: Components of committed expenditure

(₹ in crore)					
Components of committed expenditure	2016-17	2017-18	2018-19	2019-20	2020-21
Salaries & wages (₹ in crore)	2132.79	2827.20	2798.54	2935.36	2959.15*
Expenditure on pensions (₹ in crore)	844.33	1163.59	1299.13	1313.18	1412.23
Interest payments (₹ in crore)	1148.03	1244.28	1344.45	1465.09	1590.37
Total	4125.15	5235.07	5442.12	5713.63	5961.75
As percentage of revenue receipts (RR)					
Salaries & wages	22.30	25.57	24.47	25.98	28.34
Expenditure on pensions	8.83	10.53	11.36	11.62	13.53
Interest payments	12.00	11.26	11.75	12.97	15.23
Total	43.13	47.36	47.58	50.57	57.10
As a percentage of revenue expenditure (RE)					
Salaries & wages	24.06	26.82	25.25	25.26	24.47
Expenditure on pensions	9.52	11.04	11.72	11.30	11.68
Interest payments	12.95	11.80	12.13	12.61	13.15
Total	46.53	49.65	49.10	49.17	49.30

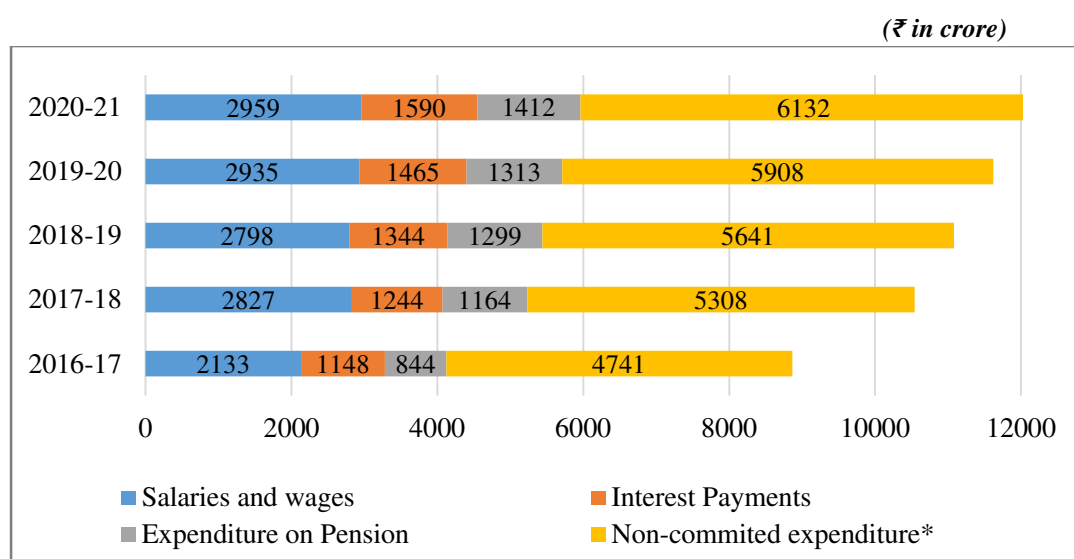
(Source: Finance Accounts of the State)

*Salaries: ₹ 2,922.41 crore and Wages: ₹ 36.74 crore

The committed expenditure showed an increasing trend during 2016-21 and constituted 57 per cent of revenue receipts and 49 per cent of the revenue expenditure during 2020-21. The share of non-committed expenditure in total revenue expenditure during 2020-21 was 51 per cent.

Chart 2.11 presents the trends of various components of committed expenditure and non-committed expenditure during 2016-21.

Chart 2.11: Trends of various components of committed expenditure and non-committed expenditure



(Source: Finance Accounts of the State)

*Non-committed expenditure = total revenue expenditure – committed expenditure. For instance, non-committed expenditure for the year 2020-21 would be ₹ 6,132 crore (₹ 12,093 crore – ₹ 5,961 crore)

Salaries and wages

During 2020-21, expenditure on salaries and wages increased by 0.82 *per cent* over the previous year. Whereas, expenditure on salary and wages during 2016-21 increased at an average annual growth rate of nine *per cent*. As a percentage of revenue receipts, expenditure on salary and wages increased from 26 *per cent* in 2019-20 to 28 *per cent* in 2020-21.

The growth rate of salary and wages during 2019-20 and 2020-21 at five *per cent* and 0.82 *per cent* respectively was significantly lower than the growth rate of GCS (9.07 *per cent* and 2.27 *per cent*) (**Appendix 1.1**).

Pension payments

The expenditure on pension payments during 2016-21 increased by 67 *per cent* from ₹ 844.33 crore in 2016-17 to ₹ 1,412.23 crore in 2020-21. There was an increase in pension payments of ₹ 99 crore (eight *per cent*) during 2020-21 over the previous year. Expenditure on pension in 2020-21 accounted for 14 *per cent* of the total revenue receipts of the State.

Actual expenditure on pension during 2020-21 *vis-à-vis* assessment made by FC XV and projections of the State Government in BE are shown in **Table 2.20**.

Table 2.20: Actual pension payments *vis-à-vis* assessment of FC XV and State's projections in BE

(₹ in crore)

Year	Assessment made by FC XV	Assessment made by State Government in BE	Actuals
2020-21	1500	1442	1421

(Source: Finance Accounts of the State, FC XV report and budget estimates of the State)

During 2020-21, expenditure on pension payments in the State grew by eight *per cent* over the previous year while it grew by 6.02 *per cent* in GCS (**Appendix 1.1**).

Interest payments

Interest payments increased at an average annual growth rate of eight *per cent* from ₹ 1,148 crore in 2016-17 to ₹ 1,590 crore in 2020-21 while the increase during 2020-21 was nine *per cent* over the previous year. Component-wise details of interest payments made by the State Government during 2016-21 are shown in **Table 2.21**.

Table 2.21: Component-wise details of interest payments made by the State Government during 2016-21

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Interest payments	1148	1244	1344	1465	1590
Of which, interest payments made on					
1. Internal debt	907	981	1080	1188	1328
i. Market loans	579	669	792	934	1096
ii. National small savings fund (NSSF)	276	265	242	221	189
iii. National bank for agriculture and rural development (NABARD)	41	39	37	25	36
Loans from other financial institutions	05	05	04	04	02
Ways and means advances & overdrafts	04	01	03	01	02
Management of debt (payable to RBI for open market borrowings)	02	02	02	03	03
2. Loans from Govt	19	18	16	19	23
3. Deposits, small savings and PF etc.	222	245	248	258	239
i. Small savings and PF	156	172	178	176	171
ii. Deposits and advances	66	73	70	82	68

(Source: Finance Accounts of the State)

The ratio of interest payments to revenue receipts determines the debt sustainability of the State. The ratio stood at 15 *per cent* during 2020-21, which was higher than the previous year (13 *per cent*).

Interest payments with reference to assessment made by FC XV and projections of the State Government in BE are shown in **Table 2.22**.

Table 2.22: Interest payments vis-à-vis assessment of FC XV and State's projections in BE

(₹ in crore)

Year	Assessment made by FC XV	Assessment made by State Government in BE	Actuals
2020-21	1664	1756	1590

(Source: Finance Accounts of the State, FC XV commission report and budget estimates of the State)

The table indicates that the actual outgo towards interest payments was less than the assessment of FC XV and State Government's own projections made in BE for 2020-21.

2.4.2.3 Undischarged liabilities in National Pension System

In order to limit future pension liabilities, the State Government introduced the Defined Contribution Pension Scheme known as the New Contributory Pension Scheme (NPS) for employees recruited after 05 August 2005. As per the scheme guidelines, it is mandatory for every employee to contribute 10 *per cent* of his/her basic pay and dearness allowance every month, which is matched by the State Government and the entire amount is transferred to the designated fund manager through National Securities Depository Limited (NSDL)/Trustee Bank. The State Government signed (January 2010) an agreement with NPS trust for fund management of the scheme and adopted the central framework for implementation of the scheme.

During the year 2020-21, the State Government collected ₹ 156.41 crore from the employees as contribution towards NPS and also contributed an amount of ₹ 156.43 crore as its share towards the scheme. Further, against the total collected funds of ₹ 463.03 crore (including previous year's balance of ₹ 150.19 crore) the State Government transferred only ₹ 410.25 crore to NSDL during the year. The balance ₹ 52.78 crore together with interest of ₹ 12.04 crore (for late transfer) totaling ₹ 64.82 crore was transferred in two installments between April 2021 and August 2021.

2.4.2.4 Subsidies

The subsidies as a percentage of revenue receipts and revenue expenditure during 2016-21 were as under:

Table 2.23: Expenditure on subsidies during 2016-21

	(₹ in crore)				
	2016-17	2017-18	2018-19	2019-20	2020-21
Subsidies	248	263	301	262	266
Subsidies as percentage of revenue expenditure	2.80 (8866)	2.49 (10543)	2.71 (11083)	2.25 (11622)	2.20 (12093)
Subsidies as percentage of revenue receipts	2.59 (9565)	2.38 (11054)	2.63 (11438)	2.32 (11297)	2.55 (10440)

(Source: Finance Accounts of the State)

Figures in parenthesis indicate revenue expenditure and revenue receipts of the State during 2016-21

During 2020-21, a significant portion of subsidy went to *Kadamba Transport Corporation Limited* (₹ 93 crore), crop husbandry (₹ 48 crore), dairy development (₹ 41 crore) and procurement of food grains (₹ 30 crore).

Expenditure on subsidies marginally increased by 1.53 per cent during 2020-21 over the previous year. During the current year, subsidies constituted 2.55 per cent of revenue receipts and also 2.20 per cent of total revenue expenditure.

2.4.2.5 Financial assistance by the State Government to local bodies and other institutions

Financial assistance to local bodies and other institutions constituted 16 per cent of the revenue expenditure during 2020-21.

The quantum of assistance provided by way of grants and loans to local bodies and other institutions during 2016-21 is presented in **Table 2.24**.

Table 2.24: Financial assistance to local bodies and other institutions*(₹ in crore)*

Sr. No.	Institutions	2016-17	2017-18	2018-19	2019-20	2020-21
1	Panchayati Raj Institutions	96.62	92.31	86.12	86.65	183.12
2	Urban Local Bodies	75.52	180.48	74.01	135.52	71.39
3	Public Sector Undertakings	73.65	60.25	41.59	26.85	24.74
4	Autonomous Bodies	862.18	990.41	1278.11	1201.26	1319.52
5	Others	219.12	315.54	300.63	358.82	388.40
	Total	1327.09	1638.99	1780.46	1809.10	1987.17
	Assistance as percentage of revenue expenditure	14.97	15.55	16.06	15.57	16.43

(Source: Finance Accounts of the State)

Financial assistance to local bodies and other institutions continuously increased at an annual average growth rate of 11 *per cent* from ₹ 1,327 crore in 2016-17 to ₹ 1,987 crore in 2020-21.

During 2020-21, financial assistance to local bodies and other institutions increased by ₹ 178 crore (10 *per cent*) compared to 2019-20. The increase was mainly due to increase in the assistance to autonomous bodies.

2.4.3 Capital expenditure

Capital expenditure is primarily an expenditure on creation of fixed infrastructure assets such as roads, buildings *etc.* The overall capital expenditure, its rate of growth and percentage to total expenditure during 2016-21 are indicated in **Table 2.25**.

Table 2.25: Capital expenditure-basic parameters*(₹ in crore)*

	2016-17	2017-18	2018-19	2019-20	2020-21
Total expenditure (TE) <i>(₹ in crore)</i>	10508	12671	13235	13295	14091
Capital expenditure (CE)* <i>(₹ in crore)</i>	1639	2094	2149	1660	1997
Rate of growth of capital expenditure <i>(per cent)</i>	1.05	27.76	2.63	(-)22.75	20.30
CE/TE <i>(per cent)</i>	15.60	16.53	16.24	12.49	14.17

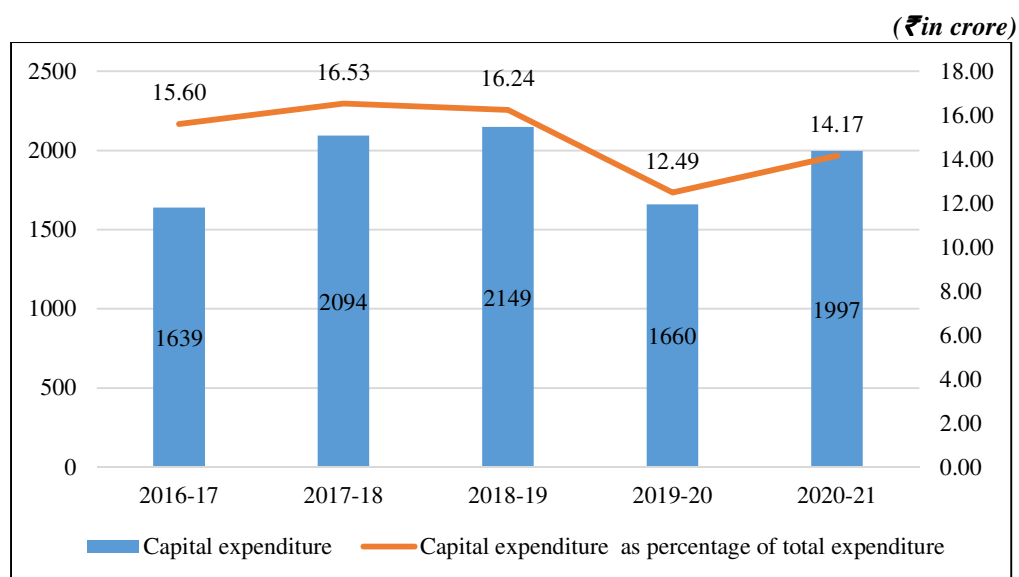
(Source: Finance Accounts of the State)

*Capital expenditure does not include disbursement of loans and advances.

Capital expenditure showed an increase from ₹ 1,639 crore in 2016-17 to ₹ 1,997 crore in 2020-21. During 2020-21, capital expenditure increased by 20 per cent over 2019-20. However, in absolute terms, it was lower compared to 2017-18 and 2018-19. Further, while the percentage of capital expenditure to total expenditure during 2020-21 improved over the previous year, it was still lower compared to the three-year period (2016-19).

Chart 2.12 shows the capital expenditure and its share in total expenditure during 2016-21.

Chart 2.12: Capital expenditure and its share in total expenditure during 2016-21



(Source: Finance Accounts of the State)

2.4.3.1 Major changes in capital expenditure

Table 2.26 highlights cases of significant increase or decrease of capital expenditure in various Heads of Accounts during 2020-21 *vis-à-vis* the previous year.

Table 2.26: Capital expenditure during 2020-21 vis-à-vis 2019-20

(₹ in crore)

Major Heads of Accounts	2019-20	2020-21	Increase (+)/ Decrease (-)
4059- Capital Outlay on Public Works	68	113	(+)45
4075- Capital Outlay on Other Miscellaneous Services	225	320	(+)95
4202- Capital Outlay on Education, Sports, Art and Culture	175	34	(-)141
4210- Capital Outlay on Medical and Public Health	152	119	(-)33
4215- Capital Outlay on Water Supply and Sanitation	206	371	(+)165
4217 – Capital Expenditure on Urban Development	28	60	(+) 32
5425- Capital Outlay on Other Scientific and Environmental Research	30	180	(+)150

(Source: Finance Accounts of the State)

Increase in capital expenditure under ‘Capital Outlay on Water Supply and Sanitation’ was largely due to more allocation to Sewerage and Infrastructural Development Corporation of Goa Limited (₹ 155 crore). The State Government also increased its allocations to ‘Management of Solid Waste and Other Wastes in Goa’ (₹ 135 crore) under ‘Capital Outlay on Other Scientific and Environmental Research’. Further, increase in ‘Capital Outlay on Public Works’ (₹ 45 crore) and ‘Urban Development’ (₹ 32 crore) were primarily on account of construction (buildings) and Smart Cities Mission respectively.

‘Capital Outlay on Education, Sports, Art and Culture’ decreased by ₹ 141 crore during the year mainly due to reduced expenditure on construction of Government colleges and infrastructure development by Sports Authority of Goa.

During 2020-21, the capital expenditure of the State grew by 20 per cent over the previous year. Whereas, expenditure for GCS was negative (-2.36 per cent) during the same period (Appendix 1.1).

2.4.3.2 Quality of capital expenditure

In the post-GFRBM framework, the Government is expected to keep its fiscal deficit (borrowing) at low levels and still meet its capital expenditure/ investment (including loans and advances) requirements. In addition, the State Government needs to initiate measures to earn adequate return on its investments rather than bearing the same in the form of subsidy at the cost of borrowed funds and take requisite steps to infuse transparency in financial operations.

This section presents a broad financial analysis of investments and other capital expenditure undertaken by the Government during 2020-21 *vis-à-vis* previous years.

Quality of investments in companies, corporations and other bodies

Return on investment in share capital invested in State Public Sector Enterprises (SPSEs) and history of repayment of loans given to various bodies are important determinants of quality of capital expenditure. Investments made and loan given to companies, corporations and co-operatives, which are loss-making and whose net worth is completely eroded, affect the quality of capital expenditure.

Statement No. 19 of Finance Accounts of the State Government contains the details of investments of the Government at the end of March 2021. As on 31 March 2021, total Government investment in companies, corporations and other bodies was ₹ 650.10 crore. The return on this investment ranged from 0.15 to 0.32 *per cent* during 2016-21 while the Government paid an average interest of up to 7.09 *per cent* on its borrowings during the same period. This indicated that the returns on investment of the State Government had been very poor.

Table 2.27 shows returns on investment of the State Government during 2016-21.

Table 2.27: Returns on investment

Investment/Returns/Cost of borrowings	2016-17	2017-18	2018-19	2019-20	2020-21
Investment at the end of the year (₹ in crore)	560.94	613.02	630.76	640.71	650.10
Return on investments (₹ in crore)	0.86	1.96	1.46	1.42	1.29
Return on investments (<i>per cent</i>)	0.15	0.32	0.23	0.22	0.20
Average rate of interest on Government borrowings (<i>per cent</i>)	7.09	7.03	6.90	6.82	6.59
Difference between average interest rate on borrowings and return on investments (<i>per cent</i>)	6.94	6.71	6.67	6.60	6.39
Difference between interest paid on Government borrowings and return on investments (₹ in crore)	925	997	1095	1206	1351

(Source: Finance Accounts of the State)

Note: There were differences in investment figures as per the records of SPSEs and those appearing in the Finance Accounts. The State Government was yet to reconcile the differences.

Table 2.27 shows that during 2020-21, the State Government's investments increased by ₹ 11⁸ crore. The Government invested ₹ 10 crore and ₹ one crore in Konkan Railway Corporation Limited and Co-operative Sugar Mill respectively during 2020-21.

Financial performance of SPSEs

Definition of Government companies/corporations

The term SPSEs encompasses State Government-owned companies set up under the Companies Act, 2013 and statutory corporations set up under the statutes enacted by the Legislature. A Government company is defined in Section 2(45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government or by any State Government or Governments or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government company.

SPSEs are those Government companies and statutory corporations, wherein more than 50 *per cent* of the share in equity is held by the State Government. The subsidiaries of these companies, if registered in India, are also categorised as SPSEs. It does not cover departmentally-run public enterprises, banking institutions and insurance companies.

Mandate of audit

Audit of Government companies is conducted by the CAG under the provisions of Section 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971 and the regulations there under. Under the Companies Act, 2013, the CAG appoints Chartered Accountants as statutory auditors for companies and gives directions on the manner in which the accounts are to be audited. In addition, CAG has a right to conduct a supplementary audit and issue comments upon or supplement the Audit Report of the statutory auditor.

There were 16 SPSEs in the State as on 31 March 2021 under various sectors other than power. These SPSEs include 14 Government companies and two statutory corporations.

Audit of Goa Industrial Development Corporation (Goa-IDC) and Goa Information Technology Development Corporation (GITDC), both statutory corporations, are taken up as per their respective governing acts.

There were no SPSEs which came under or went out from the purview of CAG's audit during 2020-21.

⁸ Actual increase in 2020-21 over 2019-20 was ₹ 9.39 crore. Hence, there was a difference of ₹ 1.61 crore (₹ 11 crore – ₹ 9.39 crore). This difference of ₹ 1.61 crore was on account of refund of share capital of previous years.

Number of SPSEs covered in the Report

Of the 16 SPSEs, financial performance of nine⁹ SPSEs has been covered in this Report. The performance of remaining seven SPSEs, whose accounts were in arrears for three years or more or non-working, has not been included in the Report. Details of these seven SPSEs are shown in **Appendix 2.3**. The coverage of nine SPSEs is indicated in **Table 2.28**.

Table 2.28: Coverage of nine SPSEs

Nature of SPSE	No. of SPSEs covered			
	Accounts received for the year			Total
	2018-19	2019-20	2020-21	
Government companies	00	06	02	08
Statutory corporations	00	01	00	01
Total	00	07	02	09

(Source: Information compiled by office of Accountant General, Goa)

Table 2.29 summarises the financial performance of the nine selected SPSEs as on 31 March 2021.

Table 2.29: Summary of financial performance of nine selected SPSEs

Summary of financial performance of SPSEs covered in this Report	
No. of SPSEs in the State	16
No. of SPSEs selected for audit	09
Paid-up capital (09 SPSEs)	₹ 357.51 crore
Long-term loans (09 SPSEs)	₹ 943.24 crore
Market capitalisation	Not applicable
Net profit (04 SPSEs)	₹ 41.96 Crore
Net loss (05 SPSEs)	₹ 54.03 Crore
Zero profit/loss	None
Dividend declared (01 SPSE) ¹⁰	₹ 1.01 Crore
Total assets (09 SPSEs)	₹ 3313.08 Crore
Value of production (09 SPSEs)	Not applicable
Net worth (09 SPSEs)	₹ 383.76 Crore

(Source: As per information furnished by nine SPSEs based on latest Accounts)

⁹ Eight Government companies viz., (i) Goa State Scheduled Tribes Finance and Development Corporation Limited (GSSTFDCL), (ii) Goa Handicrafts, Rural and Small-Scale Industries Development Corporation Limited (GHRSSIDCL), (iii) Goa State Infrastructure Development Corporation Limited (GSIDCL), (iv) Sewerage and Infrastructural Development Corporation of Goa Limited (SIDCGL), (v) Goa Tourism Development Corporation Limited (GTDCL), (vi) Kadamba Transport Corporation Limited (KTCL), (vii) Economic Development Corporation Limited (EDCL), (viii) Goa Electronics Limited (GEL), and one statutory corporation viz., (ix) Goa Industrial Development Corporation (Goa-IDC)

¹⁰ EDCL

Quantum of investments in SPSEs

The quantum of investments in equity and loans in nine SPSEs as of 31 March 2021 is given in **Table 2.30**.

Table 2.30: Equity investments and loans to nine SPSEs

(₹ in crore)

Sources of investment	As on 31 March 2020			As on 31 March 2021		
	Equity	Long-term loans	Total	Equity	Long-term loans	Total
State Government	291.12*	2.75	293.87	291.12	3.51	294.63
Central Government	49.90	425.09	474.99	49.81	-	49.81
Holding Company	1.80	-	1.80	1.80	-	1.80
Others	14.78	562.00	576.78	14.78	939.73	954.51
Total	357.60	989.84	1347.44	357.51	943.24	1300.75
Percentage of investment of State Government to total investment	81.41	0.28	21.81	81.43	0.37	22.65

(Source: As per information furnished by nine SPSEs based on latest Accounts)

*Figures of 2019-20 updated as per latest Accounts received in 2020-21.

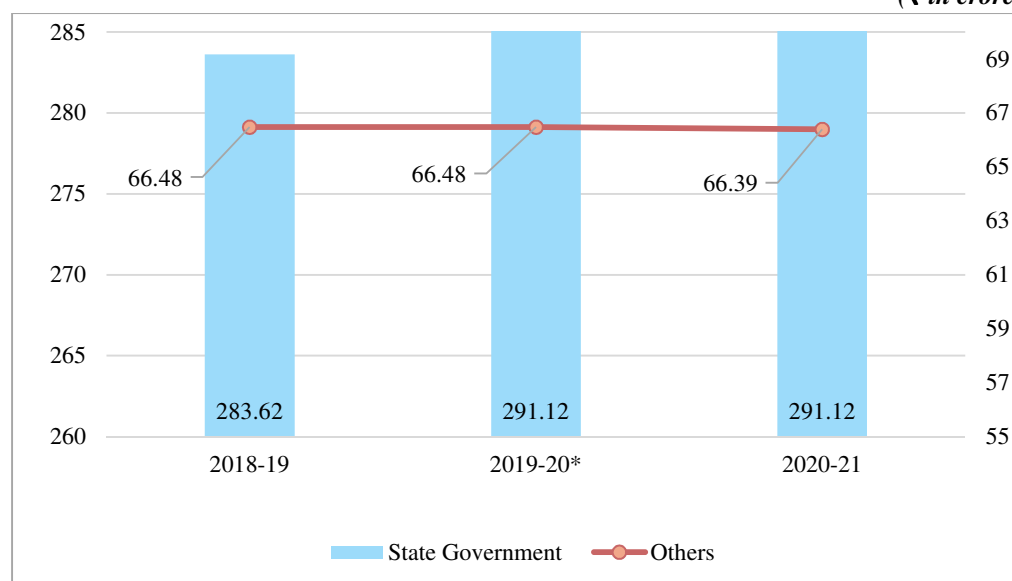
Investment in equity

During 2020-21, the total investment by State Government at face value of equity in the nine SPSEs remained the same as in the previous year (2019-20).

Equity investment by State Government and others in nine SPSEs during last three years ended 31 March 2021 is depicted in Chart 2.13.

Chart 2.13: Equity investment in nine SPSEs

(₹ in crore)



*Figures of 2019-20 updated as per latest Accounts received in 2020-21.

As per latest finalised accounts, the State Government made an investment of ₹ 7.50 crore during 2020-21 in the paid-up capital of one statutory corporation (Goa-IDC).

Budgetary support to SPSEs

Government of Goa provides financial support to SPSEs in various forms through the annual budget.

The summarised details of budgetary outgo towards equity, loans, grants/subsidies, loans written off and loans converted into equity in respect of nine SPSEs for the period 2018-21 are given in **Table 2.31**.

Table 2.31: Budgetary support to nine SPSEs during 2018-21

(₹ in crore)

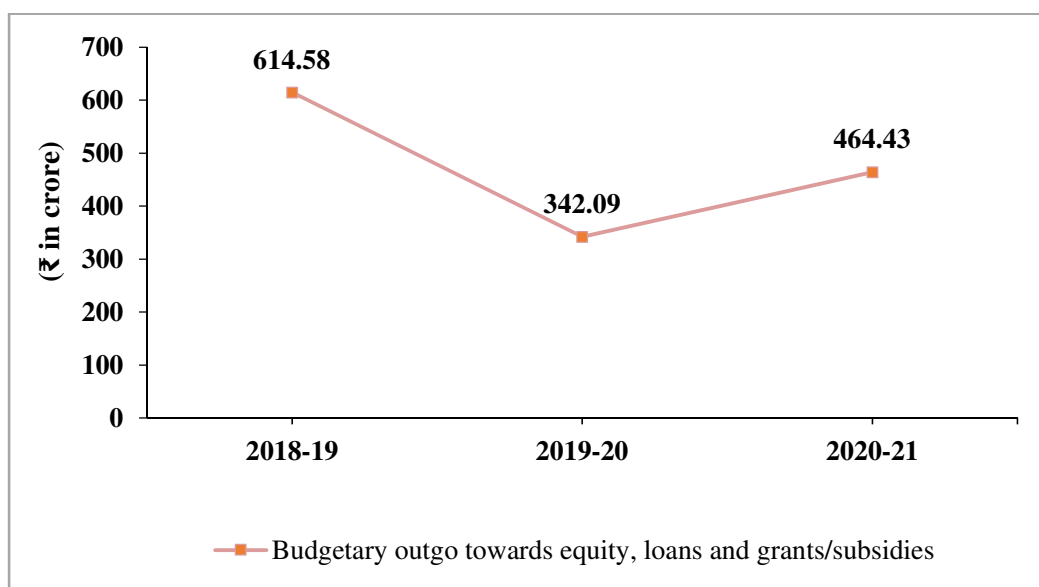
Particulars	2018-19		2019-20		2020-21	
	No. of SPSEs	Amount	No. of SPSEs	Amount	No. of SPSEs	Amount
Equity/capital outgo	01	13.81	01	7.55	Nil	Nil
Loans given	Nil	Nil	01	1.20	Nil	Nil
Grants/subsidy provided	05	600.77	05	333.34	05	464.43
Total budgetary outgo	06	614.58	07	342.09	05	464.43
Loan repayment written off	Nil	Nil	Nil	Nil	Nil	Nil
Loans converted into equity	Nil	Nil	Nil	Nil	Nil	Nil
Guarantees issued	1	30.00	1	30.00	2	312.87
Guarantee commitment outstanding at the end of the year	2	474.09	2	468.53	2	646.37

(Source: As per information furnished by nine SPSEs based on latest Accounts)

The budgetary support to nine SPSEs increased by 36 *per cent* from ₹ 342.09 crore in 2019-20 to ₹ 464.43 crore in 2020-21. Out of total grants/subsidy of ₹ 464.43 crore provided during 2020-21, ₹ 350.76 crore was allotted for capital purposes while the remaining ₹ 113.67 crore was granted to be used for revenue expenditure such as, salary, arrears, maintenance, subsidy for bus service schemes, vegetable subsidy *etc.*

The budgetary outgo towards equity, loans and grants/subsidies for the last three years ending 31 March 2021 are depicted in Chart 2.14.

Chart 2.14: Budgetary outgo towards equity, loans and grants/subsidies



(Source: As per information furnished by nine SPSEs based on latest Accounts)

Further, out of the 16 SPSEs in the State, the following two SPSEs were not functional:

- Goa Meat Complex Limited (Government company; non-functioning since 2019-20), and
- Goa Information Technology Development Corporation (Statutory Corporation; non-functioning since 2009-10)

Of these two SPSEs, Goa Meat Complex Limited received financial support of ₹ 4.50 crore from the State Government during 2020-21.

Recommendation 2: Financial support to non-functioning SPSEs places additional financial strain on the Government which is already reporting revenue deficits and a high debt-GSDP ratio. The State Government needs to expeditiously decide on the continuation/closure of non-functioning SPSEs.

Disinvestment, restructuring and privatisation of SPSEs

During 2020-21, no disinvestment, restructuring or privatisation was done by the State Government in SPSEs. In respect of one inactive SPSE¹¹, the National Company Law Tribunal appointed (20 August 2019) a liquidator for conducting liquidation process as per Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. The powers of the Board of Directors of GAAL and its key managerial personnel *etc.* ceased to exist and all the powers are now vested with the liquidator.

¹¹ Goa Auto Accessories Limited (GAAL)

Returns from SPSEs

Profits earned by SPSEs

Four¹² out of nine SPSEs registered profits of ₹ 41.96 crore during 2020-21 whereas five incurred losses during the same period. Profit earned by these four SPSEs during the year was higher than the profit earned by six SPSEs (₹ 39.40 crore) during 2019-20.

The list of SPSEs which earned profit of more than one crore during 2020-21 is shown in **Table 2.32**.

Table 2.32: List of SPSEs which earned profit of more than one crore

(₹ in crore)		
Sr. No.	Name of SPSE	Profit
1	Goa State Infrastructure Development Corporation Limited (GSIDCL)	2.10
2	Economic Development Corporation Limited (EDCL)	38.13
3	Goa Electronics Limited (GEL)	1.42
Total		41.65

(Source: As per information furnished by nine SPSEs based on latest Accounts)

The above three SPSEs contributed 99 *per cent* of the total profits earned by the four SPSEs during 2020-21.

The four SPSEs registered profits largely because they were working in a monopolistic or near monopolistic environment. For instance, EDCL, a premier financial institution, lends primarily to Government companies. Similarly, GSIDCL executes works on behalf of the State Government for which it gets development fees, in addition to total costs incurred by it for project implementation. The remaining two SPSEs (GHRSSIDCL and GEL) were mostly engaged in social sector and other activities.

Dividends paid by SPSEs

Only one out of nine SPSEs declared dividend during 2020-21, as shown in the **Table 2.33**.

¹² GSIDCL, EDCL, GEL and GHRSSIDCL

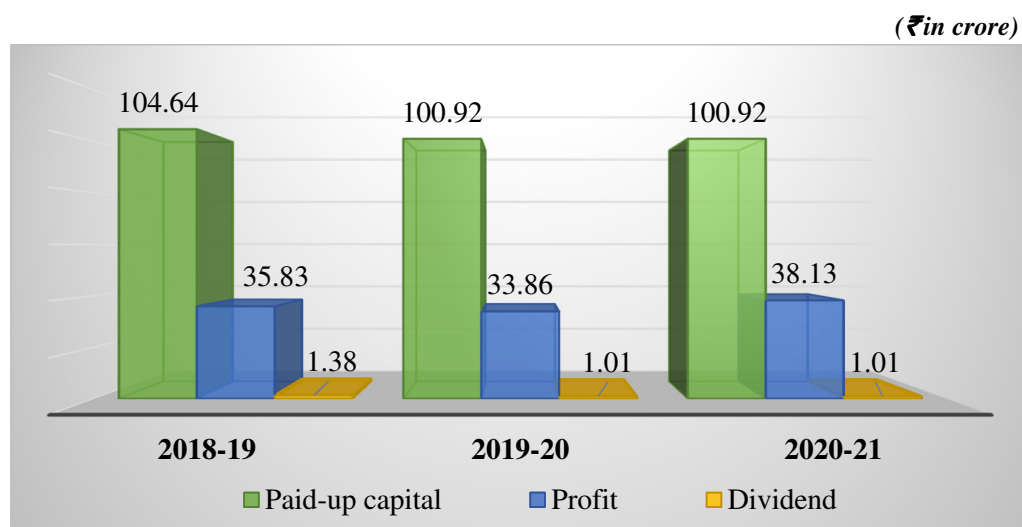
Table 2.33: Profit earned and dividend declared

Name of SPSE	Paid-up capital (₹ in crore)	Profit (₹ in crore)	Dividend declared (₹ in crore)
EDCL	100.92	38.13	1.01

(Source: As per information furnished by nine SPSEs based on latest Accounts)

Dividend declared by EDCL was 2.41 per cent of total profits earned during 2020-21 vis-à-vis 2.56 per cent in 2019-20.

Chart 2.15 depicts dividends declared vis-à-vis profits earned and paid-up capital of SPSEs during the last three years.

Chart 2.15: Dividend declared vis-à-vis profit earned and paid-up capital

(Source: As per information furnished by nine SPSEs based on latest Accounts)

During 2020-21, return on aggregate investment of ₹ 291 crore (Table 2.30) made by the State Government in equity capital of nine SPSEs was 0.35 per cent¹³.

Operating efficiency of Government companies

Rate of real return on Government investment

In view of significant investments in eight¹⁴ out of nine SPSEs where funds had been infused by the State Government, an analysis of earnings vis-à-vis investments was carried out to assess the profitability of these SPSEs.

In order to assess the rate of real return (RORR), the present value (PV) of State Government investment in eight SPSEs has been computed vis-à-vis their historical cost. In order to bring the historical cost of investments to its PV at the end of each year up to 31 March 2021, the past investments/year-wise funds infused by the State Government in the SPSEs have been compounded at the year-wise average interest rate on State Government borrowings, which is

¹³ (Dividend ₹ 1.01 crore ÷ Equity investment of ₹ 291.12 crore) × 100 = 0.35 per cent

¹⁴ GHRSSIDCL, GSSTFDCL, GSIDCL, SIDCGL, GTDCL, KTCL, EDCL and Goa-IDC

considered as the minimum cost of funds to the Government for the concerned year.

The RORR measures the profitability and efficiency with which equity and similar non-interest-bearing capital have been employed after adjusting them for their time value and assume significance when compared with the conventional rate of return (ROR), which is calculated by dividing the profit after tax (PAT) by the sum of all such investments counted on historical cost basis. The RORR is thereafter calculated by dividing PAT by the sum of the PV of the investments.

Table 2.34 shows RORR on State Government investments with reference to historical cost and PV during last five years (2016-21).

Table 2.34: RORR on State Government investments

(₹ in crore)

Year	Profits (+)/ losses (-) for the year	At historical cost		At PV	
		Investment by Govt. in form of equity, IFL and grants	Return on Govt. investment (per cent)	PV of Govt. investment at end of year	Return on PV of Govt. investment (per cent)
2016-17	47.83	829.89	5.76	1486.05	3.22
2017-18	49.52	930.17	5.32	1697.85	2.92
2018-19	53.01	1067.27	4.97	1962.47	2.70
2019-20	(-)101.51	1200.75	(-)8.45	2238.90	(-)4.53
2020-21	(-) 13.49	1315.70	(-)1.03	2509.20	(-)0.54

As could be seen from the table above, when historical cost of investment of State Government is considered, return on investment ranged between (-)8.45 per cent and 5.76 per cent during 2016-21. Whereas, when the PV of investments is considered, the RORR ranged between (-)4.53 per cent and 3.22 per cent during the same period.

Return on equity of SPSEs

Return on equity or ROE is a measure of financial performance of companies calculated by dividing net income by shareholders' equity.

The ROE of all the nine SPSEs (four profit-making and five loss-making) was (-) 25.18 per cent in 2018-19, which improved to (-) 3.15 per cent in 2020-21.

Table 2.35: ROE of nine SPSEs

Year	Net income (₹ in crore)	Shareholders' equity (₹ in crore)	Return on equity (per cent)
2018-19	(-)99.14	393.72	(-)25.18
2019-20	(-)100.34	394.40	(-)25.44
2020-21	(-)12.07	383.76	(-)3.15

(Source: As per information furnished by nine SPSEs based on latest Accounts)

The ROE of the four profit-making SPSEs was 10.12 *per cent* in 2020-21 as compared to 8.90 *per cent* in 2019-20.

The sector-wise ROE of SPSEs, where total equity of the sector was more than ₹ 20 crore during 2018-21, is depicted in **Table 2.36**.

Table 2.36: Sector-wise ROE where total equity was more than ₹ 20 crore

(per cent)

Sr. No.	Sector	ROE during 2018-19	ROE during 2019-20	ROE during 2020-21
1	Industries & Commerce	9.63	9.63	10.29
2	Health & Welfare	3.88	1.38	(-)6.31
3	PWD	5.44	5.44	5.48
4	Culture & Tourism	7.01	7.01	(-)65.27

(Source: As per information furnished by nine SPSEs based on latest Accounts)

SPSEs incurring losses

Five¹⁵ out of nine SPSEs incurred losses of ₹ 54.03 crore during 2020-21, as compared to ₹ 139.74 crore incurred during 2019-20. The details are shown in **Table 2.37**.

Table 2.37: SPSEs that incurred losses during 2018-21

Year	No. of SPSEs that incurred losses	Net loss for the year (₹ in crore)	Accumulated losses (₹ in crore)	Net worth (₹ in crore)
Statutory Corporations				
2019-20	01	115.39	70.71	(-)18.85
2020-21	01	30.72	98.89	(-)39.62
Government Companies				
2019-20	02	24.35	159.87	(-)29.26
2020-21	04	23.31	188.11	8.66
Total				
2019-20	03	139.74	230.58	(-)48.11
2020-21	05	54.03	287.00	(-)30.96

(Source: As per information furnished by nine SPSEs based on latest Accounts)

Out of total loss of ₹ 54.03 crore incurred by five SPSEs during 2020-21, loss of ₹ 30.72 crore (57 *per cent*) was incurred by one statutory corporation (Goa-IDC) which falls under industries, trade and commerce sector.

Two out of five SPSEs listed in **Table 2.38** incurred losses of more than ₹ 10 crore during 2020-21.

¹⁵ GSSTFDCL, SIDCGL, KTCL, GTDCL and Goa-IDC

Table 2.38: SPSEs that incurred losses of more than ₹ 10 crore

Sr. No.	Name of SPSE	Net loss (₹ in crore)
1	Kadamba Transport Corporation Limited	12.68
2	Goa Industrial Development Corporation Limited	30.72
Total		43.40

(Source: As per information furnished by nine SPSEs based on latest Accounts)

Losses incurred by these two SPSEs accounted for 80 *per cent* of the total losses incurred by the five SPSEs during 2020-21.

Erosion of capital in SPSEs

As could be seen from **Table 2.37** above, five out of nine SPSEs had accumulated losses of ₹ 287 crore at the end of March 2021. Due to accumulated losses, net worth of two¹⁶ out of five SPSEs had been completely eroded, as they registered a negative net worth of ₹ 104.26 crore against equity investment of ₹ 167.72 crore (**Appendix 2.4**).

During 2020-21, the State Government did not make any investments in loss-making companies or companies whose net worth was completely eroded.

Loans and advances disbursed by the State Government

In addition to investments in co-operative societies, corporations and companies, the State Government provided loans and advances to many institutions/organisations. **Table 2.39** presents the outstanding loans and advances as on 31 March 2021, interest receipts *vis-à-vis* interest payments during the last five years.

¹⁶ KTCL and Goa-IDC

Table 2.39: Status of loans and advances

(₹ in crore)

Quantum of loans/interest receipts/cost of borrowings	2016-17	2017-18	2018-19	2019-20	2020-21
Opening balance	76.14	71.03	97.81	95.77	105.61
Amount advanced during the year	3.41	33.93	3.10	13.42	1.61
Amount repaid during the year	8.52	7.15	5.14	3.58	3.01
Closing balance	71.03	97.81	95.77	105.61	104.21
Interest received (₹ in crore)	2.30	1.79	2.29	2.05	1.63
Interest receipts as <i>per cent</i> to average of outstanding loans and advances	3.12	2.12	2.37	2.04	1.55
Interest payments as <i>per cent</i> to outstanding borrowings of the Government	6.82	6.71	6.58	6.50	6.00
Difference between interest receipts and interest payments (<i>per cent</i>)	3.70	4.59	4.21	4.46	4.45

(Source: Finance Accounts of the State)

The total amount of outstanding loans and advances increased from ₹ 71 crore in 2016-17 to ₹ 104 crore in 2020-21. The disbursements during the year were only ₹ 1.61 crore compared to ₹ 13.42 crore in the previous year.

The loans were disbursed mainly to Government servants (₹ 1.28 crore) as advances for house building, purchase of motor conveyances and computers. The interest earned by the State Government on disbursed loans decreased from 2.04 *per cent* in 2019-20 to 1.55 *per cent* in 2020-21 while the State Government paid an average interest of six *per cent* to 6.82 *per cent* on its borrowings during 2016-21.

Capital locked in incomplete projects

An assessment of capital blocked in incomplete capital works is also an indicator of the quality of capital expenditure. The year-wise details and age analysis of incomplete projects (more than ₹ one crore each) as on 31 March 2021 are shown in **Table 2.40** and **Table 2.41** respectively.

Table 2.40: Year-wise details of incomplete projects as on 31 March 2021

Year of commencement	No. of incomplete projects	Estimated cost (₹ in crore)	Expenditure (as on 31 March 2021) (₹ in crore)
2009-10	03	24.49	29.86
2010-11	05	37.39	29.85
2011-12	06	44.79	44.07
2012-13	05	67.71	57.84
2013-14	14	117.49	80.67
2014-15	08	75.97	33.02
2015-16	19	82.79	73.69
2016-17	12	46.77	35.85
2017-18	14	51.60	30.67
2018-19	76	275.39	106.57
2019-20	21	49.45	17.94
2020-21	20	51.21	4.66
Total	203	925.05	544.69

(Source: Finance Accounts of the State)

Table 2.40 shows that projects which commenced as long back as 2009-10 remained incomplete as of 2020-21.

Table 2.41: Age-analysis of incomplete projects as on 31 March 2021

Sr. No.	Range of delay (in years)	Incomplete projects		
		No. of incomplete projects	Estimated cost (₹ in crore)	Expenditure (as on 31 March 21) (₹ in crore)
1.	1-3	117	376.05	129.17
2.	3-5	26	98.37	66.52
3.	5-7	27	158.76	106.71
4.	7 and above	33	291.87	242.29
	Total	203	925.05	544.69

(Source: Finance Accounts of the State)

It could be seen from **Table 2.41** that an expenditure of ₹ 242 crore had been incurred as on 31 March 2021 in respect of 33 incomplete projects which were delayed by more than seven years.

Department-wise profile of incomplete projects as on 31 March 2021 is shown in **Table 2.42**.

Table 2.42: Department-wise profile of incomplete projects as on 31 March 2021

Department	No. of incomplete projects	Estimated cost (₹ in crore)	Expenditure (as on 31 March 2021) (₹ in crore)
Roads, Bridges and Buildings	145	408.09	224.68
Irrigation, Water Supply and Sanitation	58	516.96	320.01
Total	203	925.05	544.69

(Source: Finance Accounts of the State)

As per the information furnished by the State Government, there were 203 incomplete projects (more than ₹ one crore each) as on 31 March 2021 on which ₹ 544.69 crore had been spent. Significant time and cost escalation was noticed in *Tillari* Irrigation Project (a joint venture of Government of Maharashtra and Government of Goa) which remained incomplete due to delay in land acquisition. The cost escalation, if any, in other projects was not disclosed by the State Government in the Finance Accounts.

Blocking of funds in incomplete projects/works negatively impacts the quality of expenditure and deprives the State of the intended benefits. Further, the funds borrowed for implementation of these projects during the respective years adds to the fiscal burden in terms of servicing of debt and interest liabilities.

Recommendation 3: The State Government may take effective steps to complete all the projects expeditiously so that benefits may reach the people and further cost and time overruns are avoided.

2.4.4 Expenditure priorities

Enhancing human development levels requires the States to step up their expenditure on key social services like education, health *etc.* Low fiscal priority¹⁷ is attached to a particular sector, if the allocation is below the respective national average. The higher the ratio of these components to total expenditure, the better is the quality of expenditure.

Table 2.43 shows the fiscal priority of the State with regard to total expenditure, development expenditure, social sector expenditure, economic sector expenditure and capital expenditure *vis-à-vis* GCS in 2016-17 and 2020-21.

¹⁷ Ratio of expenditure under a category to total expenditure

Table 2.43: Fiscal priority of the State in 2016-17 and 2020-21

	AE/ GSDP	CE/AE	SSE/AE	ESE/AE	DE/AE	Education /AE	Health /AE
General Category States Average (2016-17)	17.12	19.77	35.81	35.16	70.97	14.93	5.49
Goa State (2016-17)	16.28	15.60	35.94	34.74	70.69	14.96	6.38
General Category States Average (2020-21)	16.18	13.03	37.81	28.48	66.29	15.00	6.74
Goa State (2020-21)	17.29	14.17	36.42	31.07	67.48	14.80	8.56

(Source: Finance Accounts of the State and information sent by Economic Advisor)

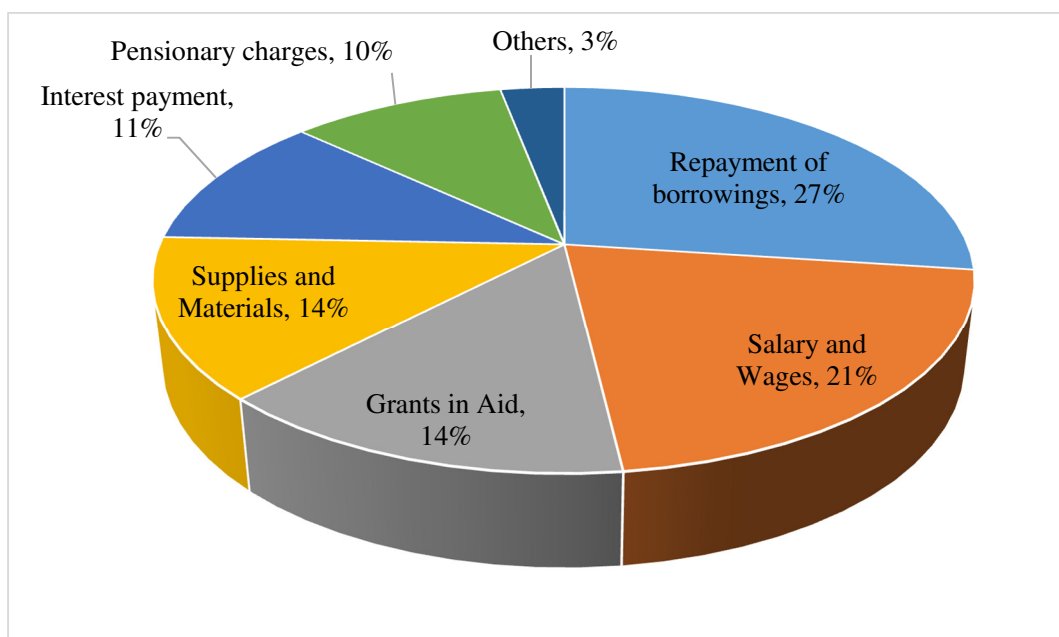
AE: Aggregate expenditure (Total expenditure); DE: Development expenditure; CE: Capital expenditure; SSE: Social sector expenditure; ESE: Economic sector expenditure

Analysis of the fiscal priorities of the State as shown in **Table 2.43**, revealed the following:

- The aggregate expenditure to GSDP in Goa during 2020-21 was higher than GCS. This meant that Goa was spending more (as a proportion of GSDP) than GCS.
- Development expenditure consists of both economic sector expenditure and social sector expenditure. While the economic sector expenditure in Goa (as a proportion of aggregate expenditure) was lower than the GCS average in 2016-17, it was higher in 2020-21. On the contrary, the social sector expenditure in Goa (as a proportion of aggregate expenditure) was higher in 2016-17 but it was lower in 2020-21, as compared to GCS average.
- Development expenditure (as a proportion of aggregate expenditure) in Goa was higher than GCS in 2020-21.
- Capital expenditure increases asset creation and generates opportunities for higher growth. In respect of capital expenditure to aggregate expenditure, Goa spent less than GCS in 2016-17 but spent more in 2020-21.
- Goa's spending on education, sports, art and culture as a proportion of aggregate expenditure was marginally higher than GCS in 2016-17 while it was marginally lower in 2020-21.
- Goa gave higher fiscal priority to health and family welfare than GCS during 2016-17 and 2020-21.

2.4.5 Object Head-wise expenditure

The Object Head-wise expenditure during 2020-21 showing information regarding specific object/purpose of the expenditure is presented in Chart 2.16.

Chart 2.16: Object Head-wise expenditure

(Source: Finance Accounts of the State)

The Chart above shows that during 2020-21, 21 *per cent* of total expenditure was spent on salary and wages. The remaining 79 *per cent* was non-salary expenditure, such as, repayment of borrowings, pension, grants-in-aid, interest payment *etc.*

2.5 Public account

Receipts and disbursements in respect of certain transactions such as, small savings, provident funds, reserve funds, deposits, suspense, remittances *etc.*, which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature. The Government acts as a banker in respect of these transactions. The balance after disbursements during the year is the fund available with the Government for its use.

2.5.1 Net public account balances

Component-wise net balances in public account during the last five years are given in **Table 2.44**.

Table 2.44: Component-wise net balances in public account as of 31 March 2021

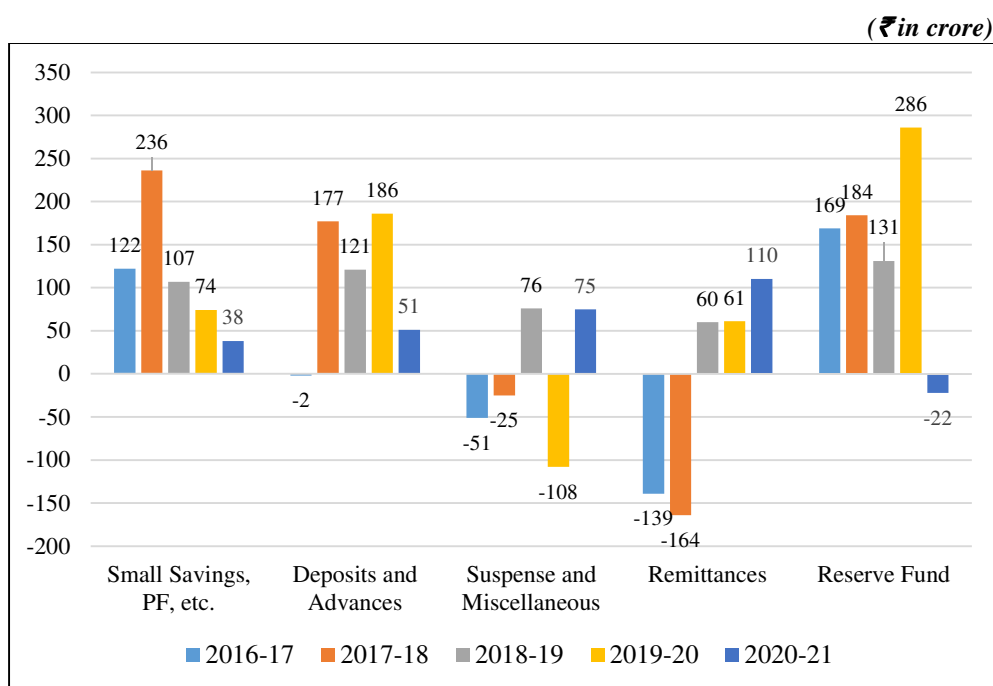
(₹ in crore)

Sector	Sub-Sector	2016-17	2017-18	2018-19	2019-20	2020-21
I. Small Savings, Provident Funds <i>etc.</i>	Small Savings, Provident Funds <i>etc.</i>	122	236	107	74	38
J. Reserve Funds	(a) Reserve Funds bearing Interest	06	06	04	249	(-)16
	(b) Reserve Funds not bearing Interest	163	178	127	37	(-)06
	Sub-total:	169	184	131	286	(-)22
K. Deposits and Advances	(a) Deposits bearing Interest	(-)52	129	111	142	(-)120
	(b) Deposits not bearing Interest	51	48	10	44	171
	(c) Advances	(-)01	-	-	-	-
	Sub-total:	(-)02	177	121	186	51
L. Suspense and Miscellaneous	(b) Suspense	(-)56	23	(-)18	12	(-)32
	(c) Other Accounts	05	(-)48	94	(-)120	107
	(d) Accounts with Governments of Foreign Countries	-	-	-	-	-
	(e) Miscellaneous	-	-	-	-	-
	Sub-total:	(-)51	(-)25	76	(-)108	75
M. Remittances	(a) Money Orders, and other Remittances	(-)139	(-)164	60	61	110
	(b) Inter- Governmental Adjustment Account	-	-	-	-	-
	Sub-total:	(-)139	(-)164	60	61	110
Total		99	408	495	499	252

(Source: Finance Accounts of the State)

The net public account receipts increased from ₹ 99 crore in 2016-17 to ₹ 499 crore in 2019-20. However, during 2020-21, it decreased by ₹ 247 crore over the previous year, mainly due to reduced receipts under reserve funds, deposits and advances, small savings, PF *etc.* The net public account balances at the end of 31 March 2021 stood at ₹ 252 crore.

The yearly changes in composition of balances in public account over the five-year period (2016-21) are given in Chart 2.17.

Chart 2.17: Yearly changes in composition of public account balances

(Source: Finance Accounts of the State)

2.5.2 Reserve funds

Reserve funds are created for specific and defined purposes under the public account of the State Government. These funds are financed from contributions or grants from the Consolidated Fund of the State.

There were nine reserve funds earmarked for specific purposes during 2020-21 of which two funds were inoperative with a balance of ₹ three crore. The total accumulated balance in these funds as on 31 March 2021 was ₹ 2,115 crore of which ₹ 968 crore (46 per cent) was invested. Transactions under reserve fund during 2020-21 are shown in **Table 2.45**. An account of these funds is included in Statement No. 21 and 22 of Finance Accounts 2020-21.

Table 2.45: Transactions under reserve funds

(₹ in crore)

Classification	Opening balance	Receipts	Payment	Closing balance
Active reserve funds				
8121-122-State Disaster Response Fund	61.01	14.17	15.34	59.84
8121-129- State Compensatory Fund	238.16	-	32.56	205.60
8222-101-Sinking Fund	651.61	-28.93 ¹⁸	-	622.68
8229-110-Electricity Development Fund	823.77	145.00	89.28	879.49
8235-117-Guarantee Redemption Fund	330.52	-16.81 ¹⁹	-	313.71
8235-200-Beaches Improvement Fund	28.43	1.99	-	30.42
8229-123-State Consumer Welfare Funds	0.22	0.00	-	0.22
Total	2133.72	115.42	137.18	2111.96
Inactive reserve funds				
8235-119-National Calamity Contingency Fund	2.99	-	-	2.99
8235-200-Special Fund for Compensatory Afforestation	0.08	-	-	0.08
Total	3.07	-	-	3.07
Grand Total	2136.79	115.42	137.18	2115.03

(Source: Finance Accounts of the State)

2.5.2.1 Consolidated sinking fund

The State Governments have set up consolidated sinking fund in line with the recommendations of FC XII for amortisation of market borrowings as well as other loans and debt obligations. The fund is managed by the RBI.

The Government of Goa constituted a consolidated sinking fund in 1999-2000 for amortisation of outstanding liabilities. The scheme for 'Constitution and Administration of the Consolidated Sinking Fund of Government of Goa' notified on 17 December 2009 provided that the State Government may contribute a minimum annual contribution of 0.5 *per cent* of the outstanding liabilities at the end of the previous financial year. During the year, the State Government contributed ₹ 44.44 crore (as interest earned on investments) to the fund, which worked out to 0.20 *per cent* of the outstanding liabilities of ₹ 22,554 crore as on 01 April 2020. Thus, there was short-contribution of ₹ 68.33 crore. There was no expenditure from the fund during the year. The fund had a closing balance of ₹ 623 crore as on 31 March 2021.

¹⁸ Interest accrued on consolidated sinking fund during 2020-21 was ₹ 44.44 crore. However, incorrect redemption of investment (₹ 73.37 crore) of previous years has been rectified during the current year. Therefore, total receipts = ₹ 73.37 crore – ₹ 44.44 crore = ₹ 28.93 crore.

¹⁹ Interest accrued on guarantee redemption fund during 2020-21 is ₹ 22.90 crore. However, incorrect redemption of investment of previous year (₹ 39.71 crore) has been rectified during current year. Therefore, total receipts = ₹ 39.71 crore – ₹ 22.90 crore = ₹ 16.81 crore.

2.5.2.2 State Disaster Response Fund

As per recommendations of FC XIII, the State Government had been operating the State Disaster Response Fund (SDRF) with effect from 2010-11. In terms of GoI guidelines (September 2010), the Central and State Governments were required to contribute to the fund in the ratio of 75:25. The contributions were to be transferred to the public account to Major Head – 8121. Expenditure during the year is incurred by operating Major Head – 2245.

As on 01 April 2020, the fund had an opening balance of ₹ 61 crore. During 2020-21, the State Government received ₹ 13.20 crore (which included ₹ 1.20 crore pertaining to 2019-20) as Central Government share. The State Government's share during the year was ₹ four crore (which included ₹ one crore pertaining to 2019-20). The State Government transferred ₹ 18.59 crore (Central share ₹ 13.20 crore, State share ₹ four crore and interest ₹ 1.39 crore) to the fund under Major Head 8121-122 SDRF.

Table 2.46: Details of expenditure charged to SDRF during 2020-21

(₹ in crore)

Major Head of account	Minor Head of account	Expenditure during 2020-21
2245- Relief on account of natural calamities 02- Floods, cyclones etc.	101-Gratuitous relief	18.93
	106-Repairs and restoration of damaged roads and bridges	Nil
	122-Repairs and restoration of damaged irrigation and flood control works	Nil
	193-Assistance to local bodies and other non-Government bodies/institutions	Nil
	911- Deduct-recoveries of overpayments	Nil
	Sub-Total	18.93
2245- Relief on Account of Natural Calamities 80- General	800-Other expenditure	2.39
	911- Deduct-recoveries of overpayments	Nil
	Sub-Total	2.39
	Grand Total	21.32
05-State Disaster Response Fund	901- Deduct - amount met from state disaster response fund	Nil

(Source: Finance Accounts of the State)

2.5.2.3 Guarantee redemption fund

The State Government set up a guarantee redemption fund during 2009-10 with the objective of meeting payment obligations arising out of guarantees issued by it in respect of bonds issued and other borrowings by the SPSEs or other bodies and invoked by the beneficiaries.

During the year, the State Government contributed ₹ 23 crore (as interest earned on investments) to the fund, which worked out to 2.60 *per cent* of the outstanding guarantees (₹ 883 crore) as on 01 April 2020. This was more than

the required minimum contribution of ₹ 4.41 crore, being 0.5 *per cent* of the outstanding guarantees (₹ 883 crore) as on 01 April 2020.

At the beginning of the year, ₹ 330 crore was available in the fund. Interest received on investment at the end of the year was ₹ 23 crore and the closing balance in the fund was ₹ 314²⁰ crore. The entire balance of ₹ 314 crore was reinvested in Government securities. During 2020-21, no amount was paid by the State Government on account of invocation of guarantees.

2.6 Debt management

Debt management is the process of establishing and executing a strategy for managing the Government's debt in order to raise the required amount of funding, achieve its risk and cost objectives and to meet any other sovereign debt management goals that the Government may have set through enactment or any other annual budget announcements.

According to the GFRBM Act, 2006, "total liabilities" (herein termed as total outstanding debt) means the liabilities under the Consolidated Fund of the State and the public account of the State. The total outstanding debt of the State Government and its rate of growth during the period 2016-21 are shown in Table 2.47.

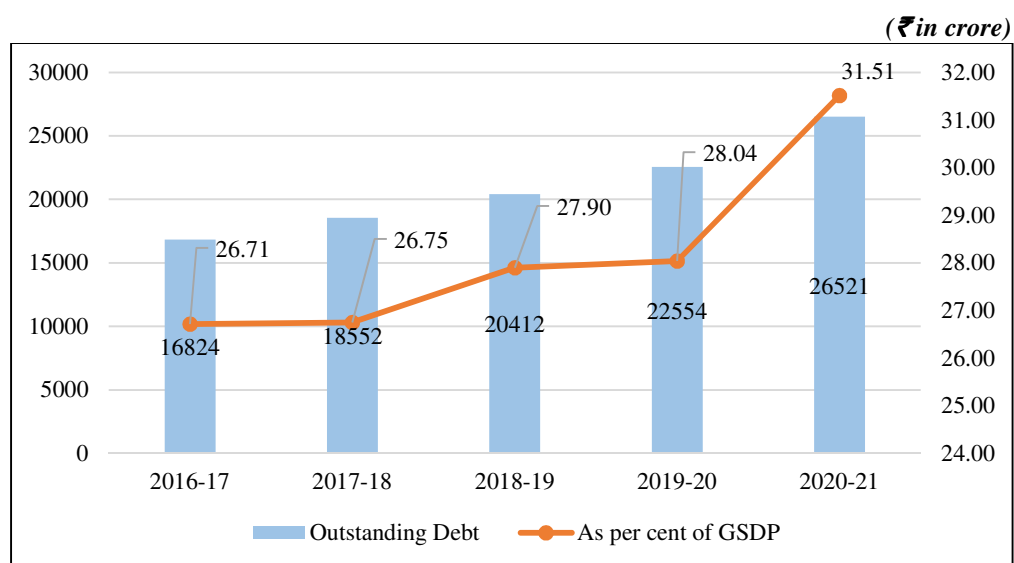
Table 2.47: Total outstanding debt during 2016-21

	2016-17	2017-18	2018-19	2019-20	2020-21
Total outstanding debt (₹ in crore)	16824	18552	20412	22554	26521
Rate of growth of outstanding debt (per cent)	8.02	10.27	10.03	10.49	17.59
GSDP (₹ in crore)	62976	69352	73170	80449	81502
Debt/GSDP (per cent)	26.71	26.75	27.90	28.03	31.51 ²¹

(Source: Finance Accounts of the State)

²⁰ Difference of ₹ 39 crore was due to incorrect redemption of investment of previous years which was rectified during 2020-21.

²¹ As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore *in-lieu* of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

Chart 2.18: Trends of outstanding debt during 2016-21

(Source: Finance Accounts of the State)

The overall debt of the State Government increased by 53 *per cent* during the last five years from ₹ 16,824 crore in 2016-17 to ₹ 26,521 crore in 2020-21. During 2020-21, it increased by 17.59 *per cent* over the previous year. The total outstanding debt was two-and-a-half times the revenue receipts (₹ 10,440 crore) and almost four times the State's own resources (₹ 7,054 crore) during 2020-21.

2.6.1 Debt profile: components

Table 2.48 presents the component-wise overall debt indicators for the period 2016-21.

Table 2.48: Component-wise debt trends

(₹ in crore)

	2016-17	2017-18	2018-19	2019-20	2020-21
Total outstanding debt	16824	18552	20412	22554	26521
Public debt					
Internal debt	11162	12388	14019	15746	18697
Loans from GoI	1233	1223	1201	1148	2033
Public account liabilities	4429	4941	5192	5660	5791
Rate of growth of outstanding debt (per cent)	8.02	10.27	10.03	10.49	17.59
GSDP	62976	69352	73170	80449	81502
Debt/GSDP (per cent)	26.71	26.75	27.90	28.04	31.51 ²²
Interest payments	1148	1244	1344	1465	1590
Burden of interest payments (IP/RR) (per cent)	12.00	11.25	11.75	12.97	15.23
Total debt receipts	4432	4616	6444	5351	8963
Total debt repayments (debt redemption)²³	4331	4132	5928	4674	6586
Total debt available	101	484	516	677	2377
Debt repayments/debt receipts (per cent)	98	90	92	87	73

(Source: Finance Accounts of the State)

The overall debt (₹ 26,521 crore) of the State Government at the end 2020-21 comprised of internal debt ₹ 18,697 crore (70 *per cent*), public account liability of ₹ 5,791 crore (22 *per cent*) and loans and advances from GoI of ₹ 2,033 crore (eight *per cent*). The internal debt comprised of market loans (₹ 16,064 crore), special securities issued to NSSF (₹ 1,922 crore), NABARD (₹ 680 crore) and loans from financial institutions (₹ 31 crore).

During 2020-21, overall debt increased by ₹ 3,967 crore over the previous year, mainly due to increase in market borrowings (₹ 3,054 crore).

The overall debt-GSDP ratio increased sharply from 26.71 *per cent* in 2016-17 to 31.51 *per cent* in 2020-21. The State, thus, could not achieve the target of 25 *per cent* fixed under GFRBM (First Amendment) Act, 2014.

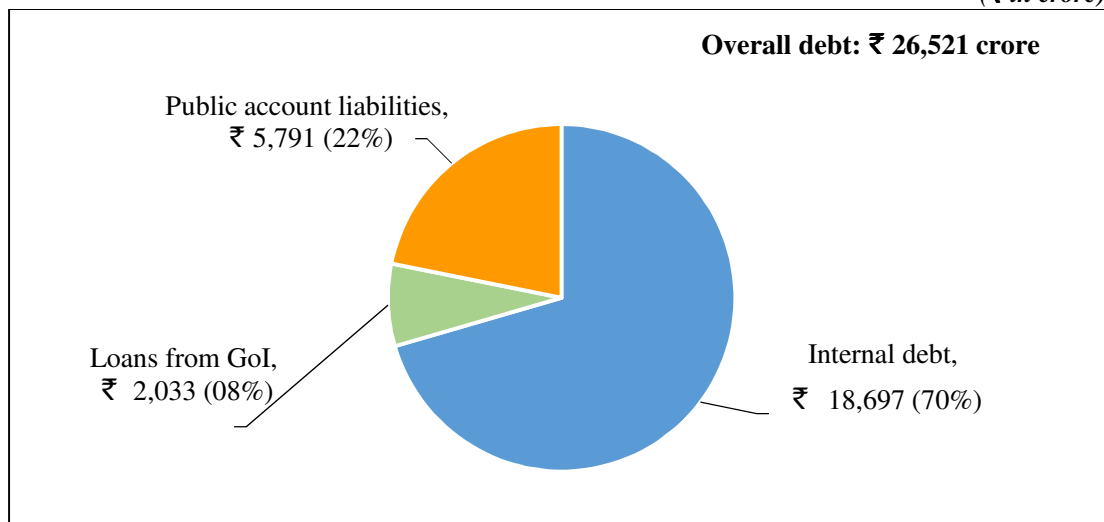
Chart 2.19 presents the break-up of total outstanding debt at the end of 31 March 2021 while the component-wise debt trends during last five years is shown in Chart 2.20.

²² As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore *in-lieu* of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

²³ Debt redemption (₹ 6,586 crore) = Total debt repayments during the year (₹ 4,996 crore) + Total interest payments during the year (₹ 1,590 crore)

Chart 2.19: Break-up of total outstanding debt at the end of March 2021

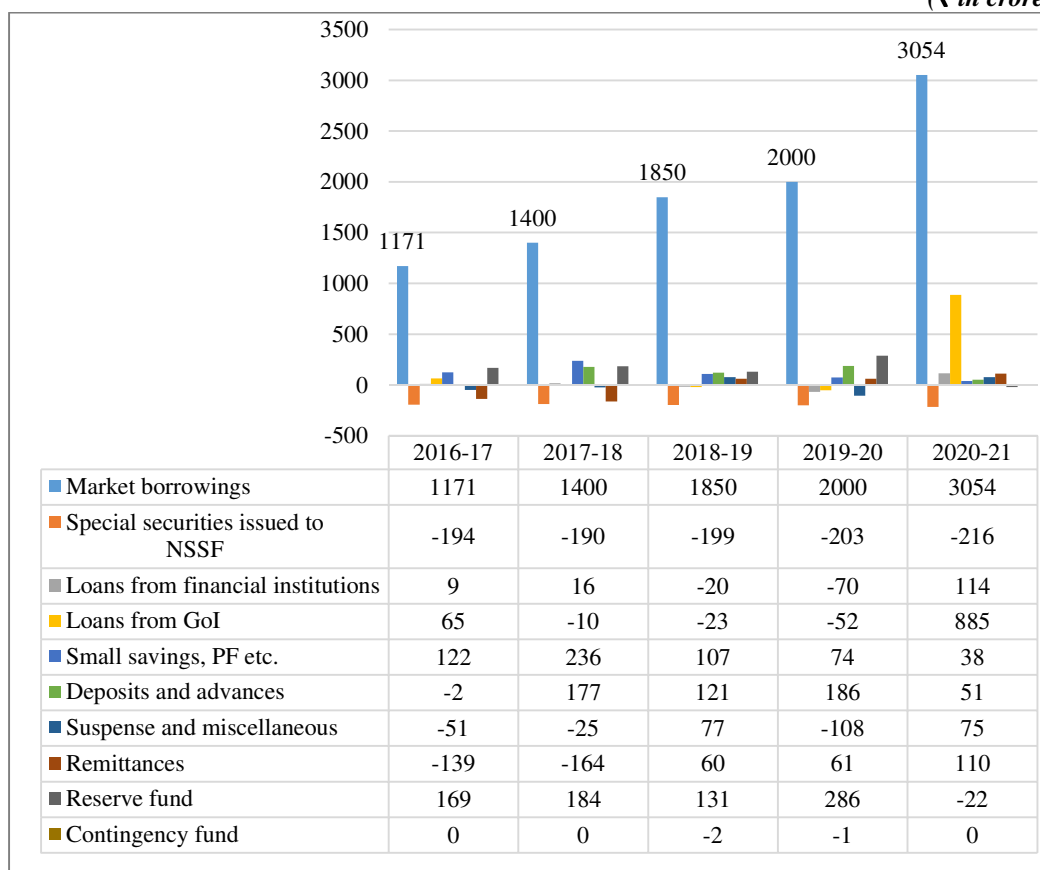
(₹ in crore)



(Source: Finance Accounts of the State)

Chart 2.20: Component-wise debt trends

(₹ in crore)

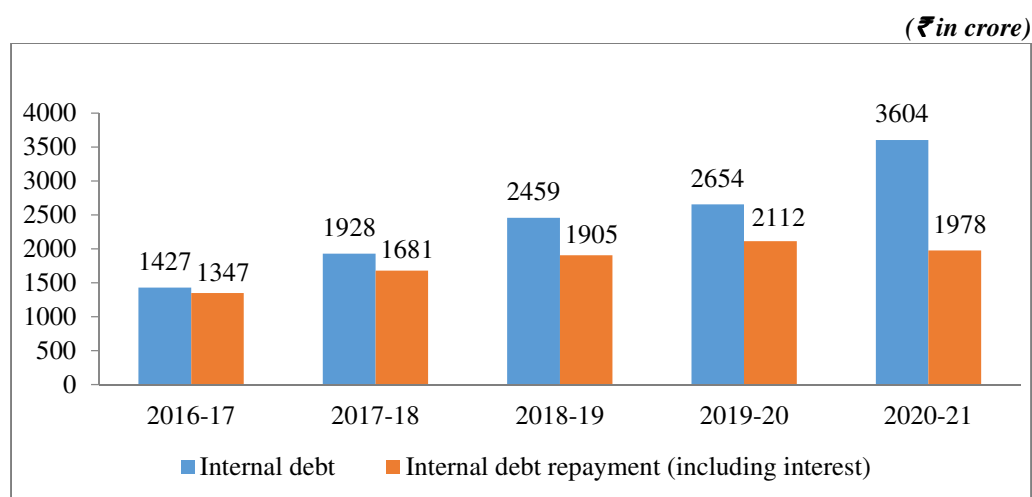


(Source: Finance Accounts of the State)

Note: Figures shown here are net of receipts and disbursements during each year.

Chart 2.21 shows the trends of internal debt and its repayment during 2016-21.

Chart 2.21: Trends of internal debt vis-à-vis repayments



(Source: Finance Accounts of the State)

Components of fiscal deficit and its financing pattern

Fiscal deficit represents the net incremental liabilities of the Government or its additional borrowings. The shortfall could be met either by additional public debt or by the use of surplus funds from the public account.

Table 2.49 shows the item-wise net disbursements/outflow and financing pattern of fiscal deficit during 2016-21.

Table 2.49: Components of fiscal deficit and its item-wise financing pattern

(₹ in crore)

Particulars		2016-17	2017-18	2018-19	2019-20	2020-21
Components of fiscal deficit		(-)934	(-)1610	(-)1792	(-)1994	(-)3648
1	Revenue deficit ²⁴	699	511	355	(-)325	(-)1652
2	Net capital expenditure ²⁵	(-)1639	(-)2094	(-)2149	(-)1660	(-)1997
3	Net loans and advances	06	(-)27	02	(-)9	01
Financing pattern of fiscal deficit (Net figures)						
1	Market borrowings	1171	1400	1850	2000	3054
2	Loans from GoI	65	(-)10	(-)23	(-)52	885
3	Special securities issued to NSSF	(-)194	(-)190	(-)199	(-)203	(-)216
4	Loans from financial institutions	09	16	(-)20	(-)70	114
5	Small savings, PF etc.	122	236	107	74	38
6	Deposits and advances	(-)2	177	121	186	51
7	Suspense and miscellaneous	(-)51	(-)25	77	(-)108	75
8	Remittances	(-)139	(-)164	60	61	110
9	Reserve fund	169	184	131	286	(-)22
10	Contingency fund	-	-	(-)02	(-)01	0
	Overall Deficit	1150	1624	2102	2173	4089
11	Increase(-)/decrease in cash balance(+)	(-)216	(-)14	(-)310	(-)179	(-)441

(Source: Finance Accounts of the State)

²⁴ Actual revenue deficit is ₹ 1,653 crore. The difference of ₹ one crore is due to rounding-off and balancing of total fiscal deficit (₹ 3,648 crore).

²⁵ Net capital expenditure is the total of miscellaneous capital receipts minus capital expenditure

Table 2.49 reveals that during the last five years, market borrowings, loans from GoI and net accretions to public account (small savings, deposits and advances, reserve fund, remittances *etc.*) had been the main sources utilised by the State Government to finance its fiscal deficit. During 2020-21, net market borrowings (₹ 3,054 crore), loans from financial institutions (₹ 114 crore), remittances (₹ 110 crore), deposits and advances (₹ 51 crore) and small savings, PF *etc.* (₹ 38 crore) were used for bridging the fiscal deficit of the State.

2.6.2 Debt profile: maturity and repayment

Debt maturity and repayment profile indicate commitment on the part of the State Government to repay the debt or service the debt.

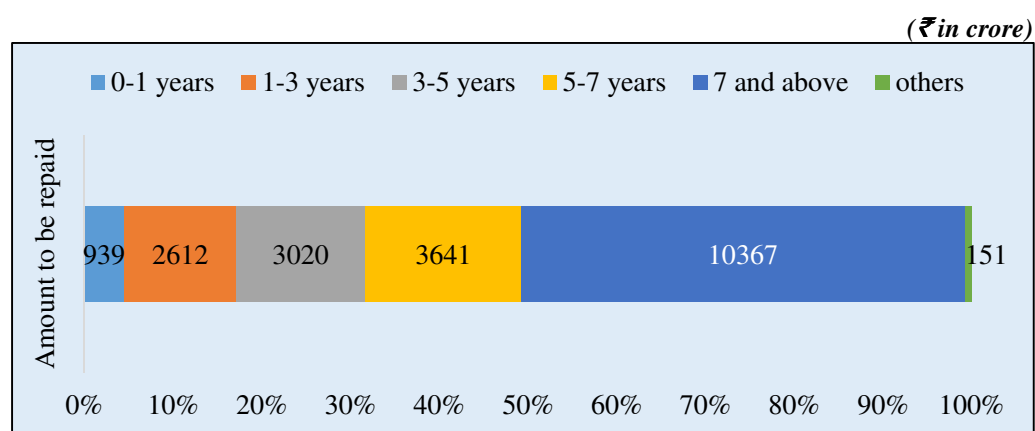
Of the total outstanding debt of ₹ 26,521 crore at the close of 2020-21, ₹ 5,791 crore pertained to 'Other liabilities' (public account liabilities). The maturity profile of the remaining public debt (₹ 20,730 crore) is shown in **Table 2.50** and Chart 2.22.

Table 2.50: Debt maturity profile of repayment of public debt

Period of repayment (Years)	Repayment schedule of total outstanding public debt (₹ in crore)	Repayments vis-à-vis total outstanding public debt (per cent)
0 – 1	939	05
1 – 3	2612	13
3 – 5	3020	15
5 – 7	3641	16
7 and above	10367	50
Loans pertaining to Union Territory	151	01
Total	20730	100

(Source: Finance Accounts of the State)

Chart 2.22: Debt maturity profile



(Source: Finance Accounts of the State)

The maturity profile of outstanding stock of public debt as on 31 March 2021 indicates that 49 *per cent* of the total public debt (₹ 10,212 crore) would be repayable within the next seven years which may put a strain on the Government budget during that period. Remaining 51 *per cent* (₹ 10,518 crore) would become due for servicing after seven years.

The State Government has repeatedly breached the target of debt-GSDP ratio of 25 *per cent*, set out in Goa FRBM (First Amendment) Act, 2014 during the last five years. In fact, the debt-GSDP²⁶ ratio increased from 26.71 *per cent* in 2016-17 to 31.51 *per cent* in 2020-21.

Recommendation 4: *Given the mounting committed expenditure over the last five years and a revenue deficit during the current year, the State Government needs to work out a well-thought out debt management strategy so as to avoid falling into a debt trap.*

Repayment schedule of market loans

Market loans continued to finance a major portion of the State's fiscal deficit. Of the total outstanding public debt of ₹ 20,730 crore, the share of market loans was ₹ 16,064 crore (77 *per cent*) at the end of 2020-21. The repayment schedule of outstanding market loans and interest payable on these loans are depicted in Table 2.51.

Table 2.51: Repayment schedule of market loans and interest on market loans

(₹ in crore)

Period of repayment (Years)	Repayment of market loans (Principal component)	Repayment of market loans (Interest component)
0 – 1	550	1250
1 – 3	1840	2327
3 – 5	2304	2006
5 – 7	3120	1593
7 -10	8250	1244
Total	16064	8420

(Source: Information furnished from Directorate of Accounts, Government of Goa)

²⁶ As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore *in-lieu* of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

As can be seen from **Table 2.51**, the State Government would have to repay market loans of ₹ 2,390 crore and pay interest of ₹ 3,577 crore in next three financial years *i.e.* up to 2023-24. In the following two years *i.e.*, up to 2025-26, principal of ₹ 2,304 crore and interest of ₹ 2,006 crore would be payable. The total principal repayment along with interest would be approximately ₹ 10,277 crore during the next five years (up to 2025-26).

During the subsequent periods between 2026-27 and 2030-31, the State Government would have to repay the principal amount of ₹ 11,370 crore together with interest of ₹ 2,837 crore. As such, the average annual outgo on account of principal and interest during the five-year period (2026-31) would be approximately ₹ 2,841 crore.

2.7 Debt sustainability analysis

Debt is considered sustainable if the borrower (State Government) is in a position to service its debt now and in the future. Debt sustainability indicators accordingly seek to assess the credit worthiness and the liquidity position of the borrower by examining the ability of the borrower to service the debt through timely interest payments and repay the debt out of current and regular sources of revenue.

This section assesses the sustainability of debt of the State Government in terms of debt-GSDP ratio, fiscal deficit, burden of interest payments (measured by ratio of interest payments to revenue receipts) and maturity profile of the State Government debts.

The trends of debt sustainability indicators for the period 2016-21 are shown in **Table 2.52**.

Table 2.52: Trends in debt sustainability indicators

Debt Sustainability Indicators	2016-17	2017-18	2018-19	2019-20	2020-21
Outstanding public debt* (₹ in crore)	12395	13611	15220	16894	20730
Rate of growth of outstanding public debt (per cent)	9.26	9.81	11.82	11.00	22.71
GSDP (₹ in crore)	62976	69352	73170	80449	81502
Rate of growth of GSDP (per cent)	14.39	10.12	5.51	9.95	1.31
Outstanding public debt/GSDP (per cent)	19.68	19.63	20.80	21.00	24.40 ²⁷
Net public debt receipts (₹ in crore)	1519	2006	2529	2700	4587
Net public debt repayments (₹ in crore)	468	790	920	1025	751
Interest paid on outstanding public debt (₹ in crore)	926	999	1096	1207	1348
Average interest rate of outstanding public debt (per cent)	7.80	7.68	7.60	7.52	7.17
Percentage of interest payment to revenue receipts	9.68	9.03	9.58	10.68	12.91
Percentage of public debt repayment to public debt receipts	30.81	39.39	36.38	37.96	16.37
Net public debt available to the State# (₹ in crore)	126	217	513	468	2488
Net public debt available as per cent to public debt receipts	8.29	10.82	20.28	17.33	54.24

(Source: Finance Accounts of the State)

*Outstanding public debt is the sum of outstanding balances under the Heads 6003-Internal Debt and 6004- Loans and Advances from the Central Government.

#Net debt available to the State Government is calculated as excess of public debt receipts over public debt repayment and interest payment on public debt.

An analysis of debt sustainability indicators revealed the following:

- A sustainable fiscal policy is one where debt-GSDP ratio is stable or declining over a period. However, the debt-GSDP ratio shows an increasing trend during the last four years (2017-21), which means higher levels of debt which in turn leads to higher deficits.
- During the past three years (2018-21), outstanding public debt grew at a faster rate than GSDP. During 2020-21, the rate of growth of outstanding public debt was 22.71 per cent as against the growth rate of GSDP at 1.31 per cent.
- Persistently higher interest payments leaves fewer funds for public expenditure. The share of interest payment in revenue receipts showed an increasing trend from 9.03 per cent in 2017-18 to 12.91 per cent in 2020-21.

²⁷ As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore in-lieu of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

Recommendation 5: The State Government may consider developing a debt sustainability framework for achieving improved long-term sustainability in fiscal deficit management and to guide the borrowing decisions of the State in a way that matches their financing needs with current and prospective repayment.

2.7.1 Utilisation of borrowed funds

Borrowed funds should ideally be used for capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not a sustainable proposition.

Table 2.53: Utilisation of borrowed funds

(₹ in crore)						
Year		2016-17	2017-18	2018-19	2019-20	2020-21
Total borrowings (public debt receipts)	2	1519	2006	2529	2700	4587
Repayment of principal on total borrowings (Per cent)	3	468 (30.81)	790 (39.38)	920 (36.38)	1025 (37.96)	751 (16.37)
Net capital expenditure on total borrowings (Per cent)	4	1639 (107.90)	2094 (104.39)	2149 (84.97)	1660 (61.48)	1997 (43.54)
Net loans and advances	5	05	(-)27	02	(-)9	01
Portion of revenue expenditure met out of net available borrowings	6=2-3-4-5	(-)593	(-)851	(-)542	24	1838

(Source: Finance Accounts of the State)

Table 2.53 shows that the surplus on revenue account provided more fiscal space to the State Government during 2016-19 to increase its capital spending. During these three years, funds to the extent of 21 *per cent* to 42 *per cent* were used from the revenue account (excluding interest paid on earlier borrowings) for capital creation. However, during the last two years (2019-21), borrowings of ₹ 24 crore (0.89 *per cent*) and ₹ 1,838 crore (40 *per cent*) was used for meeting revenue expenditure.

2.7.2 Status of guarantees – contingent liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in cases of default by borrowers for whom guarantees have been extended by the State Government. The maximum amount for which guarantees were given by the State Government and outstanding guarantees for the last five years is given in **Table 2.54**.

Table 2.54: Guarantees given by the State Government during 2016-21

(₹ in crore)

Guarantees	2016-17	2017-18	2018-19	2019-20	2020-21
Ceiling of outstanding guarantees (principal and interest)	1500	1500	1500	1500	1500
Outstanding guarantees (principal and interest)	841.91	740.94	1092.90	882.85	967.18

(Source: Finance Accounts of the State)

The Goa Legislature fixed (September 2015) a limit of ₹ 1,500 crore on outstanding guarantees. The outstanding guarantees at ₹ 967 crore during 2020-21 increased by ₹ 84 crore from the previous year and was within the ceiling limit specified by the State Legislature.

Of the total outstanding guarantees of ₹ 967 crore, ₹ 581 crore (60 per cent) pertained to Goa State Infrastructure Development Corporation Limited and ₹ 64 crore (seven per cent) pertained to Sewerage and Infrastructural Development Corporation of Goa Limited. The outstanding guarantees also included ₹ 262 crore (27 per cent) for loans sanctioned to Government servants by Bank of India for construction/purchase of houses and motor cars. The outstanding guarantees accounted for 9.26 per cent of the total revenue receipts of the State Government (₹ 10,440 crore) and 1.19 per cent of GSDP (₹ 81,502 crore). The State Government has exempted the borrowing institutions from the payment of guarantee fee.

During 2020-21, no amount was paid by the State Government on account of invocation of guarantees.

2.7.3 Cash balances

As per an agreement with the RBI, the State Government has to maintain a minimum daily cash balance of ₹ 0.19 crore with the Bank. The balance in excess of ₹ 0.19 crore is invested by the RBI in 14 days intermediate treasury bills for a minimum amount of ₹ 0.01 crore and in multiples of ₹ 0.01 crore. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary ways and means advances (WMA)/special ways and means advances (SWMA)/overdrafts (OD) from time to time. The limit for ordinary WMA to the State Government are revised by the RBI from time to time.

At any given point of time, the State Government could not avail of ordinary WMA of more than ₹ 272 crore and SWMA of ₹ 106.92 crore, with effect from 01 April 2020 to 31 March 2021.

Table 2.55 depicts the cash balances and investments made by the State Government out of cash balances during the year.

Table 2.55: Cash balances and their investment

(₹ in crore)

	Opening balance (01 April 2020)	Closing balance (31 March 2021)
A. General Cash Balance		
Cash in treasuries	Nil	Nil
Deposits with RBI	64.26	(-)5.08
Deposits with other Banks	Nil	Nil
Remittances in transit – Local	Nil	Nil
Investments held in cash balance investment account	387.64	960.89
Total (A)	451.90	955.81
B. Other Cash Balances and Investments		
Cash with departmental officers viz., Public Works Department, Forest Department, District Collectors etc.	1.52	1.48
Permanent advances for contingent expenditure with departmental officers	0.33	0.33
Investment out of earmarked funds	1031.37	968.21
Total (B)	1033.22	970.02
Total (A + B)	1485.12	1925.83
Interest realised	45.66	63.25

(Source: Finance Accounts of the State)

Cash balance of the State Government worked out by the Directorate of Accounts, Government of Goa as on 31 March 2021 was ₹ 5.08 crore (credit). The cash balance reported by RBI as on 31 March 2021 was ₹ 4.57 crore (debit). The Directorate of Accounts stated that the difference of ₹ 0.51 crore (credit) between the two figures was under reconciliation.

The State Government's cash balances of ₹ 1,926 crore at the end of the current year showed an increase of ₹ 441 crore (30 per cent) over the previous year. During the year, the State Government invested ₹ 961 crore in GoI treasury bills which earned an interest of ₹ 63 crore. Further, ₹ 968 crore was invested out of earmarked/reserve funds which earned an interest of ₹ 69 crore²⁸ during the year.

During 2020-21, the State Government obtained WMA on 167 occasions totaling ₹ 3,068 crore. The entire amount was repaid by the State Government along with an interest of ₹ 1.96 crore.

Table 2.56 shows the increase/decrease in cash balance investment account during the last five years (2016-21).

²⁸ State Disaster Response Fund: ₹ 1.39 crore; Consolidated Sinking Fund: ₹ 44.44 crore; Guarantee Redemption Fund: ₹ 22.90 crore.

Table 2.56: Cash balance investment account (Major Head-8673)

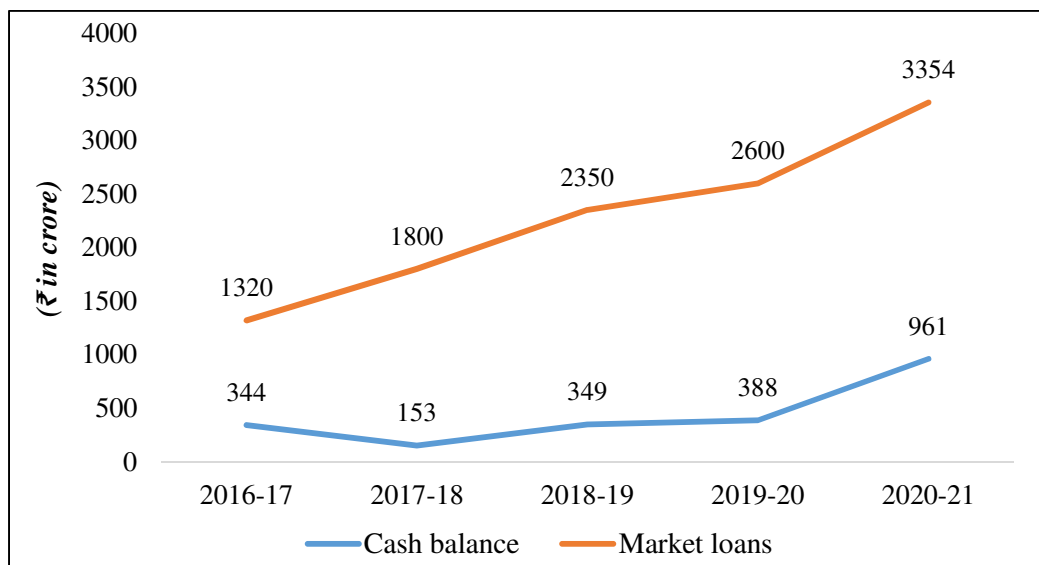
(₹ in crore)

Year	Opening balance	Closing balance	Increase (+) / decrease (-)	Interest earned
2016-17	256.67	344.25	(+)87.58	3.78
2017-18	344.25	153.16	(-)191.09	8.99
2018-19	153.16	349.14	(+)195.98	6.22
2019-20	349.14	387.64	(+)38.50	45.66
2020-21	387.64	960.89	(+)573.25	63.25

(Source: Finance Accounts of the State)

Investment of huge amount (₹ 961 crore) in cash balance investment account at the end of the current year was mainly due to receipt of funds at the fag end of the financial year for compensation of revenue losses (₹ 246 crore), auction of Goa State Development Loans (₹ 200 crore), share of net tax proceeds by Centre (₹ 118 crore) etc.

Chart 2.23 shows a comparison of market loans raised by the State Government and its surplus cash balance during the last five years (2016-21).

Chart 2.23: Market loans vis-à-vis cash balance

(Source: Finance Accounts of the State)

During 2020-21, the State Government raised ₹ 3,354 crore from the market, while at the same time, the balances available in cash balance investment account increased from ₹ 388 crore in 2019-20 to ₹ 961 crore in 2020-21, indicating that Government could have avoided borrowings to that extent.

2.8 Conclusion

- The State Government recorded revenue surplus during 2016-17 to 2018-19 but moved into revenue deficit of ₹ 325 crore and ₹ 1,653 crore during 2019-20 and 2020-21 respectively. The State Government was successful in containing fiscal deficit below three *per cent* of GSDP in

the last four years and below five *per cent* (4.48 *per cent*) during 2020-21.

- During 2016-21, the outstanding debt of the State ranged from 26.71 *per cent* to 31.51 *per cent* of GSDP, breaching the target of 25 *per cent* of GSDP set by the Goa Fiscal Responsibility and Budget Management (First Amendment) Act, 2014.
- During the past three years (2018-21), the outstanding public debt of the State grew at a faster rate than the growth rate of GSDP. Around 49 *per cent* of the total public debt is due for repayment within the next seven years.
- The State Government's expenditure was largely financed from its own resources, with 68 *per cent* of the revenue coming from its own tax and non-tax revenue. The State Government registered a decrease of 7.59 *per cent* in its revenue receipts during 2020-21 compared to the previous year. There was a decrease of 11.68 *per cent* in State's own tax revenue during 2020-21 over 2019-20.
- As on 31 March 2021, the total Government investment in companies, corporations, joint stock companies and co-operative banks/societies was ₹ 650.10 crore. The return on this investment ranged from 0.15 *per cent* to 0.32 *per cent* during 2016-21 while the Government paid an average interest of up to 7.09 *per cent* on its borrowings, indicating that the returns on investment of the State Government have consistently been poor.
- Out of 16 State Public Sector Enterprises (SPSEs), accumulated losses of four SPSEs stood at ₹ 295 crore at the end of 2020-21. Due to accumulated losses, the net worth of two SPSEs had been completely eroded. Further, nine SPSEs registered negative return on equity (-3.15 *per cent*) at the end of March 2021.

Chapter 3

Budgetary Management

Chapter 3: Budgetary Management

Introduction

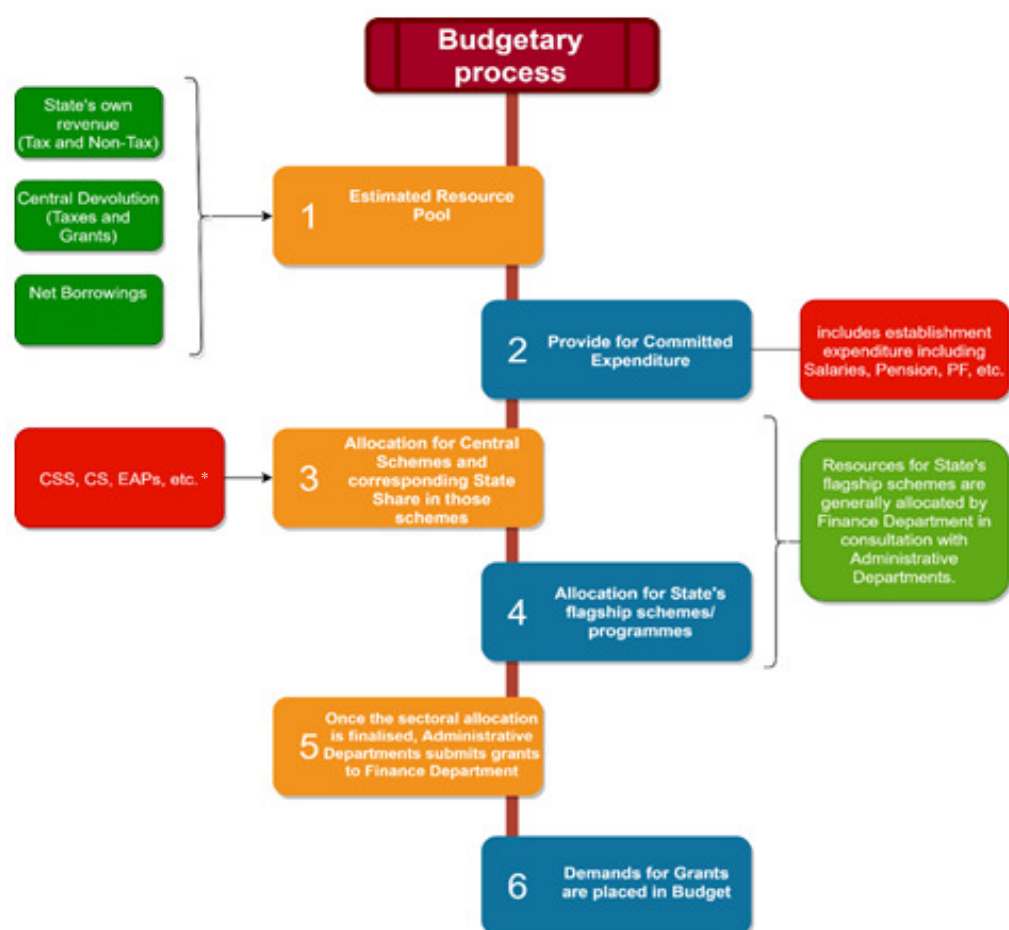
The chapter reviews the allocative priorities of State Government and comments on transparency of budget formulation and effectiveness of its implementation. Effective financial management ensures that decisions taken at the policy level are implemented successfully at the administrative level without wastage or diversion of funds.

3.1 Budget process

The annual exercise of budgeting is a means for detailing the roadmap for efficient use of public resources. In each financial year, the Finance Department (FD) is required to prepare a statement of all receipts and expenditure expected to be realised or incurred during the year. This statement is referred to as the Annual Financial Statement (popularly known as the Budget) as specified in Article 202 of the Constitution.

The budget process commences with the issue of the Budget Circular, normally in August each year, which guides the departments in framing their estimates for the next financial year. A typical budget preparation process is shown in the flow chart below.

Chart 3.1: Budget preparation process



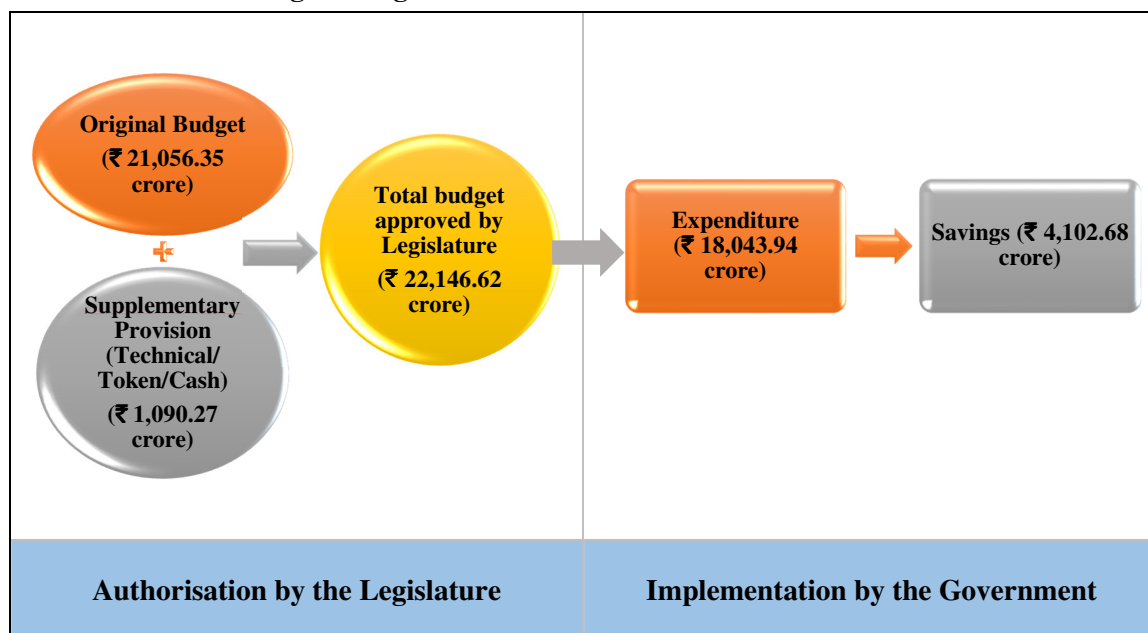
* CSS: Centrally Sponsored Schemes; CS: Central Schemes; EAP: Externally Aided Projects.

As soon as the detailed estimates and grants have been finally passed by the Legislative Assembly in accordance with the procedure laid down in Articles 202-204 of the Constitution, FD communicates to all heads of departments and other budget controlling officers in writing, the allotments placed at their disposal during the budget year. Grant allocation communicating the grants are forwarded to the concerned administrative departments. All such information and budgetary data are uploaded on the 'e-DDO online fund allocation system' by FD and access to the same is available to the concerned authorities.

FD also reviews requests made for supplementary grants and re-appropriations by departments during the course of the year. Apart from supplementary grant, re-appropriation can also be used to re-allocate funds within a grant. Re-appropriation is the transfer, by competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same section (Revenue-Voted, Revenue-Charged, Capital-Voted, Capital-Charged) of the grant or charged appropriation.

The total amounts approved by the State Legislature including the original and supplementary budget, expenditure and savings during the year 2020-21 are depicted below.

Chart 3.2: Position of original and supplementary budget, expenditure and savings during 2020-21



(Source: Appropriation Accounts of the State)

The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and it should be neither larger nor smaller. The budget estimates of receipts should be based on the existing rates of taxes, duties, fees *etc.*

3.1.1 Summary of total provisions, actual disbursements and savings during financial year

Summarised position of total budget provision, disbursement and saving/excess during 2020-21 is given in **Table 3.1**.

Table 3.1: Budget provision, disbursement and savings/excess during 2020-21

(₹ in crore)

Total budget provision		Disbursements		Saving(-)/excess(+)	
Voted	Charged	Voted	Charged	Voted	Charged
19323.36	2823.26	12620.32	5423.62	(-)6703.04	(+)2600.36

(Source: Appropriation Accounts of the State)

It could be seen from the above table that the savings of ₹ 6,703 crore occurred in the voted section while charged expenditure amounting to ₹ 2,600 crore was incurred in excess of budget provision during 2020-21.

3.1.2 Charged and voted disbursements

As per Article 112(2) of the Constitution, a distinction is made between charged and voted expenditure. Charged expenditure is an expenditure charged on the revenues of the State not subject to the vote of Legislative Assembly under the Constitution. Voted expenditure is subject to the vote of Legislative Assembly. Article 202(3) of the Constitution specifies categories of expenditure that can be charged on the Consolidated Fund of the State.

Trend analysis during the last five years (2016-21) of classification of total disbursements under charged and voted categories is given below.

Table 3.2: Voted and charged disbursements and savings during 2016-21

(₹ in crore)

Year	Disbursements		Saving(-)/excess(+)		Percentage savings under voted section (utilisation)
	Voted	Charged	Voted	Charged	
2016-17	9405.97	3442.40	(-)4668.14	1616.91	33 (67)
2017-18	11484.95	3234.28	(-)3795.26	269.83	25 (75)
2018-19	11949.05	4779.95	(-)4611.36	2315.94	28 (72)
2019-20	11906.67	3619.21	(-)6855.54	824.16	37 (63)
2020-21	12620.32	5423.62	(-)6703.04	2600.36	35 (65)

(Source: Appropriation Accounts of the State)

It may be seen from the above table that, the State Government utilised only 63 per cent to 75 per cent of the total voted provisions during 2016-21. Repeated low utilisation over the years indicated poor budgetary management by the State Government. Audit is of the view that the State Government needs to prepare its budget estimates more realistically.

3.2 Appropriation Accounts

Appropriation Accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of grants voted and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Act passed under Article 204 and 205 of the Constitution of India. Appropriation Accounts are on gross basis. These Accounts depict the original budget provision, 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. Appropriation Accounts thus, facilitate an understanding of utilisation of funds, the management of finances and monitoring of budgetary provisions and are, therefore, complementary to the Finance Accounts.

Audit of appropriations by the Comptroller and Auditor General of India (CAG) seeks to ascertain whether the expenditure actually incurred under various grants is in accordance with the authorisation as per the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure incurred is in conformity with the laws, relevant rules, regulations and instructions.

3.3 Comments on integrity of budgetary and accounting process

3.3.1 Expenditure without authority of law

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of Article 204 of the Constitution. Expenditure on a new scheme/service should not be incurred without provision of funds except after obtaining additional funds by re-appropriation, supplementary grant or appropriation or an advance from the Contingency Fund of the State.

Expenditure without budget provision

Scrutiny of detailed Appropriation Accounts for the year 2020-21 revealed that an expenditure of ₹ 26 crore was incurred without any budget provision under Appropriation A2- Debt Services (Revenue Section), as shown in **Table 3.3**.

Table 3.3: Expenditure without budget provision during 2020-21

Sr. No.	Head of Account	Expenditure without provision (in ₹ crore)
1.	2049-01-101-40- 08.40% Goa Govt. Stock 2017	3.45
2.	2049-01-101-41- 08.35% Goa Govt. Stock 2018	2.62
3.	2049-01-101-42- 08.23% Goa Govt. Stock 2018	3.47
4.	2049-01-101-43- 07.24% Goa Govt. Stock 2019	7.15
5.	2049-01-101-44- 08.08% Goa Govt. Stock 2019	5.40
6.	2049-01-101-44- 07.83% Goa Govt. Stock 2019	3.94
Total		26.03

(Source: Appropriation Accounts of the State)

The reasons for not making any budgetary provision for debt repayment under charged expenditure, though called for, was not furnished by the Directorate of Accounts (March 2022).

Recommendation 1: Expenditure without budget provision contravened the provisions of the Constitution. The State Government may ensure that this practice is discontinued immediately.

3.3.2 Unnecessary or excessive supplementary grants

During the course of the financial year, if the amount provided for a purpose is found to be inadequate or the need arises for an expenditure on some object or service for which no provision has been made, a supplementary provision can be sanctioned by the Legislature.

The State Legislature approved supplementary provision of ₹ 1,090 crore in 35 grants and one appropriation for the year 2020-21. However, supplementary provisions (₹ five crore or more in each case) aggregating ₹ 760 crore obtained in 20 cases during the year proved unnecessary. The expenditure incurred (₹ 3,221 crore) was way below the original provision of ₹ 5,030 crore which resulted in saving ranging from 5.97 per cent to 94.30 per cent during 2020-21 as detailed in **Appendix 3.1**.

In view of the underutilization of even the original provision under 81 out of 86 grants, the State Government could have reviewed the progress of expenditure and re-appropriated the excess provision for other grants.

Recommendation 2: Demands for supplementary provisions without assessing the actual requirement was indicative of imprudent budgetary management. The departments need to strengthen the estimation of fund requirements, and review the basis of supplementary provisions to avoid their unnecessary allocations.

3.3.3 Unspent amount and surrendered appropriations and/or large savings/surrenders

While preparing budget estimates, utmost care must be taken to ensure that estimates are as close as possible to the likely expenditure during the year.

During 2020-21, cases of substantial savings in budget allocation were noticed. The total gross savings under various grants/appropriations amounted to ₹ 6,912 crore, which was 31 *per cent* of the total authorisation (₹ 22,147 crore) during the year.

Of the total gross savings of ₹ 6,912 crore, savings of ₹ 100 crore or more amounting to ₹ 3,902 crore (56 *per cent*) occurred in 11 grants as detailed in Table 3.4.

Table 3.4: Details of grants where savings exceeded ₹ 100 crore

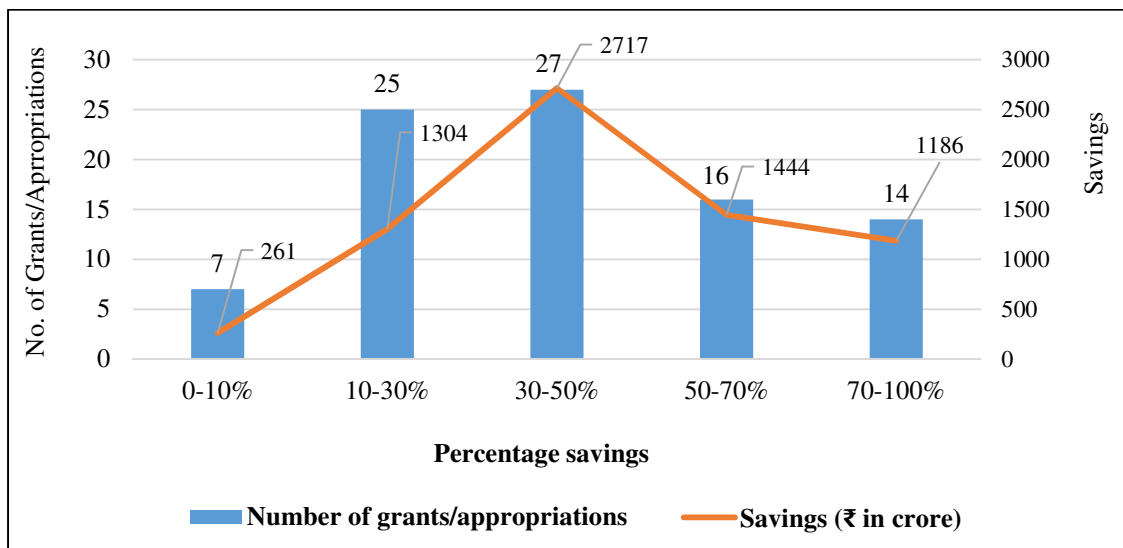
(₹ in crore)						
Sr. No.	Number and name of grant	Total provision	Actual expenditure	Savings	Surrenders	Savings after surrender
Revenue (voted)						
1.	21 Public Works	885.69	683.37	202.32	185.69	16.63
2.	31 Panchayats	326.38	217.71	108.67	108.80	(-)0.13
3.	34 School Education	1605.98	1380.29	225.69	219.40	6.29
4.	47 Goa Medical College	580.88	467.44	113.44	128.15	(-)14.71
5.	48 Health Services	748.82	539.61	209.21	209.06	0.15
6.	55 Municipal Administration	238.03	91.88	146.15	145.85	0.30
7.	58 Women and Child Development	563.52	295.31	268.21	268.91	(-)0.70
8.	76 Electricity	2209.13	2076.86	132.27	123.75	8.52
Capital (voted)						
9.	21 Public Works	1316.61	626.86	689.75	688.59	1.16
10.	31 Panchayats	133.21	18.33	114.88	114.87	0.01
11.	32 Finance	462.00	320.00	142.00	142.00	0.00
12.	34 School Education	145.85	0.18	145.67	139.73	5.94
13.	42 Sports and Youth Affairs	148.81	31.11	117.70	117.70	-
14.	47 Goa Medical College	210.60	69.38	141.22	133.22	8.00
15.	48 Health Services	202.26	47.28	154.98	153.83	1.15
16.	55 Municipal Administration	436.99	59.88	377.11	377.11	0.00
17.	74 Water Resource	463.05	171.93	291.12	292.45	(-)1.33
18.	76 Electricity	543.01	221.37	321.64	319.64	2.00
Total		11220.82	7318.79	3902.03	3868.75	33.28

(Source: Appropriation Accounts of the State)

The main reasons for substantial savings as furnished in the Appropriation Accounts were non-receipt of cash assignment by various sub-divisions of PWD, non-implementation of schemes, administrative reasons, non-clearance of bills *etc.*

Distribution of number of grants/appropriations grouped by percentage of savings along with total savings in each group totaling ₹ 6,912 crore during 2020-21 is depicted in the Chart 3.3 below.

Chart 3.3: Number of grants/appropriations with total savings



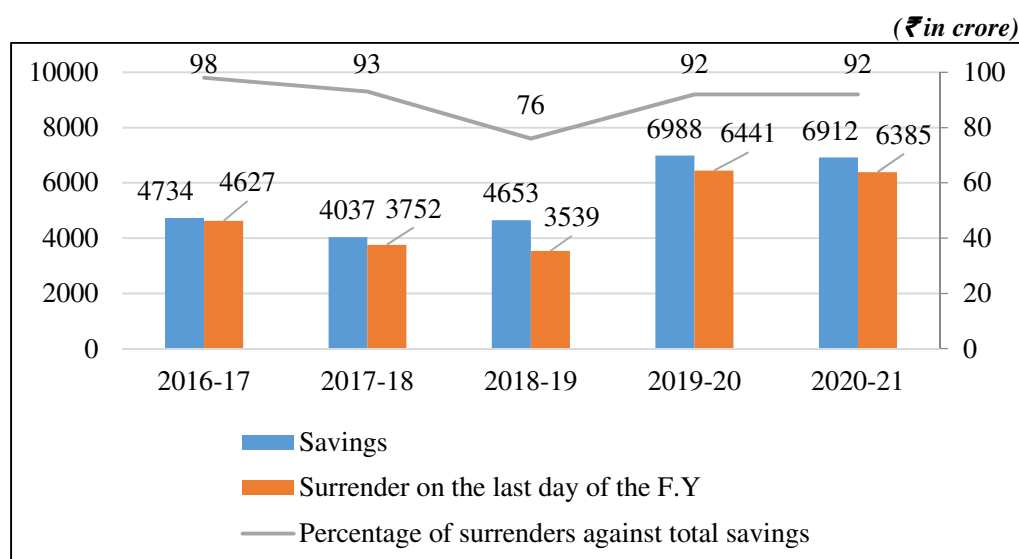
(Source: Appropriation Accounts of the State)

Substantial surrenders

It is the duty of the Budget Controlling Officers to ensure that all anticipated savings are surrendered as soon as they are estimated, without waiting till the end of the year, unless they are definitely required to meet excess requirement under some other units of the same grant. No savings can be held in reserve by them for meeting possible future excess requirements.

A trend analysis of quantum of surrenders made on the last day of the financial year *vis-à-vis* total savings for five year period is shown in Chart 3.4.

Chart 3.4: Savings and surrenders on the last day of financial year during 2016-21



(Source: Appropriation Accounts of the State)

As may be seen from the Chart 3.4, against the total savings of ₹ 6,912 crore during the year, ₹ 6,385 crore (92 *per cent*) was surrendered on the last day of the financial year (31 March 2021).

Under-utilisation of budget grants

Audit scrutiny revealed that 11 out of total 86 grants utilised less than or equal to 30 *per cent* of the budget allocation during 2020-21. Of these 11 grants, one grant (Grant No. 63) utilised less than or equal to 30 *per cent* of the total budget allocation in each year during the last five years (2016-21). This was indicative of systemic problems in addition to unnecessary over-budgeting practices resulting in savings and warrants a close review by the Government to enable corrective measures.

Utilisation of budgetary allocation in these 11 grants for the five-year period (2016-21) is shown in **Table 3.5**.

Table 3.5: Grants with budget utilisation less than or equal to 30 *per cent* in 2020-21

(₹ in crore)									
Sr. No.	Grant	2016-17	2017-18	2018-19	2019-20	2020-21	No. of years*	Budget 2020-21	Total budget (5 years)
1.	6 Election Office	88%	52%	69%	33%	22%	1	20.06	187.43
2.	19 Industries, Trade and Commerce	22%	40%	27%	29%	19%	4	123.30	541.05
3.	23 Home	30%	31%	50%	37%	17%	2	25.38	81.64
4.	36 Technical Education	48%	64%	47%	38%	26%	1	68.64	288.79
5.	54 Town and Country Planning	22%	30%	49%	31%	28%	3	62.79	275.23
6.	55 Municipal Administration	30%	68%	27%	22%	22%	4	675.02	2926.42
7.	63 <i>Rajya Sainik Board</i>	17%	25%	17%	28%	21%	5	3.91	21.36
8.	71 Cooperation	30%	75%	43%	49%	27%	3	66.05	272.19
9.	82 Information Technology	37%	48%	31%	13%	27%	2	229.97	1302.93
10.	83 Mines	66%	27%	60%	23%	12%	3	51.85	235.98
11.	84 Airport	17%	18%	52%	42%	30%	3	32.50	425.78
Total								1359.47	6558.80

* Number of years with utilisation below 30 *per cent*

(Source: Appropriation Accounts of the State)

Repeated under-utilisation of funds in these 11 grants was indicative of deficient budgeting. Reasons for repeated low utilisation in these grants need to be examined and necessary corrective action taken by the State Government.

Anticipated savings not surrendered

In 25 cases, pertaining to 17 grants with aggregate savings of ₹ 2,917 crore, an amount of ₹ 255 crore was not surrendered (₹ one crore and above in each case) as detailed in **Appendix 3.2**. Early surrender could have ensured more productive use of resources in other areas having shortfall.

Surrenders in excess of actual savings (₹ one crore and above)

In four grants, ₹ 406 crore was surrendered against savings of ₹ 395 crore, leading to excess surrender of ₹ 11 crore during 2020-21, as shown in **Table 3.6**.

Table 3.6: Surrenders in excess of savings

(₹ in crore)						
Sr. No.	Number and Name of grant	Total provision	Expenditure	Savings	Amount surrendered	Excess surrender
Revenue (voted)						
1.	02 General Administration and Coordination	106.21	80.45	25.76	26.96	1.20
2.	74 Water Resources	205.55	148.36	57.19	63.01	5.82
Capital (voted)						
3.	64 Agriculture	30.52	9.17	21.35	23.46	2.11
4.	74 Water Resources	463.05	171.93	291.12	292.45	1.33
	Total	805.33	409.91	395.42	405.88	10.46

(Source: Appropriation Accounts of the State)

Directorate of Accounts did not furnish any reasons for surrenders in excess of actual savings (March 2022).

From the foregoing, it is evident that the concerned departments did not make realistic assessment and failed to exercise necessary controls over the progress of expenditure through review of monthly expenditure statements.

Persistent savings

In nine cases involving seven grants, there were persistent savings of more than ₹ 100 crore ranging from 10 per cent to 95 per cent during the last three years as per the details given in **Table 3.7**.

Table 3.7: Persistent savings under various grants

(₹ in crore)

Sr. No.	No. and name of grant	Year	Total provision	Actual expenditure	Savings	Percentage of savings
Revenue (voted)						
1.	21 Public Works	2018-19	718.17	547.78	170.39	24
		2019-20	797.97	602.78	195.19	24
		2020-21	885.69	683.37	202.32	23
2.	34 School Education	2018-19	1594.27	1438.96	155.31	10
		2019-20	1586.69	1332.08	254.61	16
		2020-21	1605.98	1380.29	225.69	14
3.	48 Health Services	2018-19	517.51	416.78	100.73	19
		2019-20	681.78	488.91	192.87	28
		2020-21	748.82	539.61	209.21	28
4.	55 Municipal Administration	2018-19	312.07	86.00	226.07	72
		2019-20	308.76	148.06	160.70	52
		2020-21	238.03	91.88	146.16	61
5.	58 Women and Child Development	2018-19	485.70	376.10	109.60	23
		2019-20	503.54	320.24	183.30	36
		2020-21	563.52	295.31	268.21	48
Capital (voted)						
6.	21 Public Works	2018-19	1364.16	592.39	771.77	57
		2019-20	1407.40	431.20	976.20	69
		2020-21	1316.61	626.86	689.75	52
7.	32 Finance	2018-19	532.00	330.00	202.00	38
		2019-20	512.00	235.00	277.00	54
		2020-21	462.00	320.00	142.00	31
8.	55 Municipal Administration	2018-19	307.69	81.28	226.41	74
		2019-20	483.79	25.02	458.77	95
		2020-21	437.00	59.89	377.11	86
9.	76 Electricity	2018-19	456.16	177.00	279.16	61
		2019-20	600.08	176.45	423.63	71
		2020-21	543.01	221.37	321.64	59

(Source: Appropriation Accounts of the State)

As per the reasons furnished in Appropriation Accounts, persistent savings were mainly due to less/non-release of funds by the State Government and curtailment of expenditure under office expenses.

However, persistent savings indicated that controls in the concerned departments with regard to preparation of budget estimates and allocation of funds were not effective, resulting in unrealistic estimates and over-budgeting. On the other hand, several projects of the State Government could not be completed due to paucity of funds, as discussed in **paragraph 3.4.2**.

Recommendation 3: The State Government needs to be more realistic in its budget estimates and take into consideration past performance of the departments in utilisation of grants, before allocating funds in the future.

3.3.4 Excess expenditure and its regularisation

Article 205(1)(b) of the Constitution provides that if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year, the Governor shall cause to be presented to the Legislative Assembly of the State, a demand for such excess. This implies that it is mandatory for a State Government to get excesses over grants/appropriations regularised by the State Legislature for the financial year.

Although no time limit for regularisation of excess expenditure has been prescribed under the said Article, regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). Failure to do so is in contravention of Constitutional provisions and defeats the objective of ensuring accountability of the executive to the Legislature over utilisation of public money.

3.3.4.1 Excess expenditure during the financial year 2020-21

Excess expenditure over the provision for the year was not only in contravention of the provisions requiring Legislative sanction but also indicative of poor planning, which could be avoided by keeping track of expenditure progression *vis-à-vis* budgeted provision.

During 2020-21, an excess expenditure of ₹ 2,809 crore was incurred under A2-Debt Services mainly to meet excess requirements of repaying ways and means advances taken from RBI.

Table 3.8: Excess disbursements over grants/appropriations during the financial year

(₹ in crore)		
		Name of Department
		A2-Debt Services
Voted	Revenue	-
	Capital	-
Charged	Revenue	-
	Capital	2808.95
No. of Grants / Appropriations		One Appropriation
Total Excess		2808.95

(Source: Appropriation Accounts of the State)

Major Head-wise excess disbursement over authorisation during 2020-21 is shown in **Table 3.9**.

Table 3.9: Major Head-wise excess disbursement over authorisation during 2020-21*(₹ in crore)*

Sr. No.	Grant No.	Major Head	Major Head description	Total provision	Re-appropriation	Total	Expenditure	Excess (+)/ saving(-)	Reasons for excess stated by FD
1	2	3	4	5	6	7 = 5+6	8	9 = 8-7	10
1.		6003	Internal Debt of the State Government	913.49	(-) 60.68	852.81	3720.65	2867.84	Due to repayment of ways and means advances, and repayment of externally aided project loans during the year.
2.		6004	Loans and Advances from Government	158.73	(-)1.44	157.29	98.40	(-)58.89	
Total				1077.22	62.12	1010.10	3819.05	2808.95	

(Source: Appropriation Accounts of the State)

3.3.4.2 Regularisation of excess expenditure

Excess expenditure remaining unregularised for extended periods dilutes legislative control over the executive. Accordingly, all the excess expenditure relating to years 2008-09 to 2020-21 is to be regularised under Article 205 of the Constitution. The details of excess expenditure (2008-21) pending regularisation are summarised in **Table 3.10**.

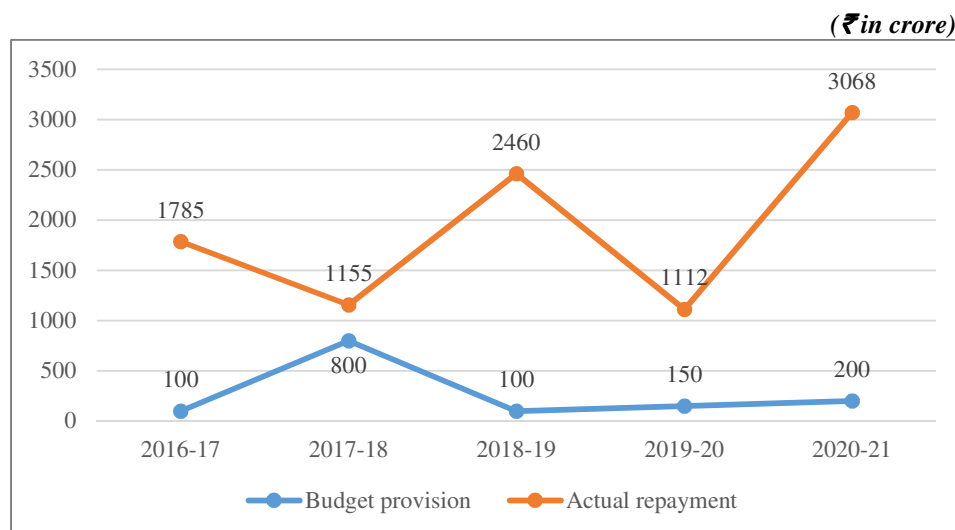
Table 3.10: Excess expenditure from 2008-21 requiring regularisation

(₹ in crore)

Year	Grant No./ Appropriation	Grant/Appropriation details	Amount of excess required to be regularised as commented in the Appropriation Accounts		Status of regularisation
			Voted	Charged	
2008-09 to 2014-15	Eight Grants and five appropriations		171.44	1168.60	Not Regularised
2015-16	08	Treasury and Accounts Administration, North Goa	51.62	-	Not Regularised
	A2	Debt Services	-	2278.83	Not Regularised
2016-17	08	Treasury and Accounts Administration, North Goa	2.71	-	Not Regularised
	16	Collectorate, North Goa	0.15	-	Not Regularised
	A2	Debt Services	-	1680.34	Not Regularised
2017-18	01	Legislature Secretariat	0.20	-	Not Regularised
	08	Treasury and Accounts Administration, North Goa	173.56	-	Not Regularised
	50	Goa College of Pharmacy	0.22	-	Not Regularised
	A2	Debt Services	-	337.98	Not Regularised
2018-19	79	Goa Gazetteer	0.01	-	Not Regularised
	A2	Debt Services	-	2358.53	Not Regularised
2019-20	A2	Debt Services	-	956.85	Not Regularised
2020-21	A2	Debt Services	-	2808.95	Not Regularised
Total			399.91	11590.08	Not Regularised
Grand total (2008-2021)			11989.99		

(Source: Appropriation Accounts of the State)

It may be seen from the table above that the State Government had incurred excess expenditure under Capital Head, A2-Debt services persistently over the last six years (2015-21). Excess expenditure, as indicated in the Appropriation Accounts of the relevant year, was primarily due to token provisions being made by the State Government for repayment of ways and means advances, which were way below the actual expenditure incurred. This is illustrated in Chart 3.5 for the five-year period (2016-21).

Chart 3.5: Budget provision and actual repayment of ways and means advances during 2016-21

(Source: Appropriation Accounts of the State)

Recommendation 4: Excess expenditure over grants needs to be avoided through more efficient budgetary management. All cases of excess expenditure need to be regularized expeditiously as required under Article 205 of the Constitution.

3.4 Comments on effectiveness of budgetary and accounting process

3.4.1 Budget projections and gap between expectations and actuals

The summarised position of actual expenditure during 2020-21 against 89 grants/appropriations is given in **Table 3.11**.

Table 3.11 : Actual expenditure vis-à-vis original/supplementary provisions

(₹ in crore)

	Nature of expenditure	Original Grant/App.	Supplementary grant/app.	Total provision	Actual expenditure*	Savings (-)/ excess (+)	Surrender during March	
							Amount	Per cent
Voted	I. Revenue	13100.65	599.94	13700.59	10593.49	(-)3107.10	2632.72	19.22
	II. Capital	5069.32	482.87	5552.19	2025.22	(-)3526.97		
	III. Loans & Advances	70.58	0.00	70.58	1.61	(-)68.97	3516.64	62.54
Total		18240.55	1082.81	19323.36	12620.32	(-)6703.04	6149.36	31.82
Charged	IV. Revenue	1805.70	0.52	1806.22	1604.50	(-)201.72	167.31	9.26
	V. Capital	0.00	6.94	6.94	0.06	(-)6.87	5.78	0.57
	VII. Public Debt	1010.10	0.00	1010.10	3819.06	(+)2808.95	62.12	6.15
Total		2815.80	7.46	2823.26	5423.62	(+)2600.36	235.21	8.33
Grand Total		21056.35	1090.27	22146.62	18043.94	(-)4102.68	6384.57	28.83

(Source: Appropriation Accounts of the State)

*The figures of actual expenditure include recoveries adjusted as reduction of expenditure (Revenue: ₹105.34 crore; Capital: ₹28.61 crore; Total: ₹133.95 crore).

The net savings of ₹ 4,103 crore was the result of gross savings of ₹ 6,912 crore in 86 grants and three appropriations under revenue section and 69 grants and one appropriation under capital section, offset by an excess of ₹ 2,809 crore in one appropriation. Supplementary provision of ₹ 1,090.27 crore was obtained during the year which constituted five *per cent* of the original provision.

There were large savings of ₹ 6,912 crore (31 *per cent*) against total budget provision of ₹ 22,147 crore, which was more than six times the supplementary provisions made during the year. This indicated that supplementary provisions were made without proper scrutiny of requirements.

The overall trend of original budget, actual expenditure and savings/excesses during 2016-21 is detailed in **Table 3.12**.

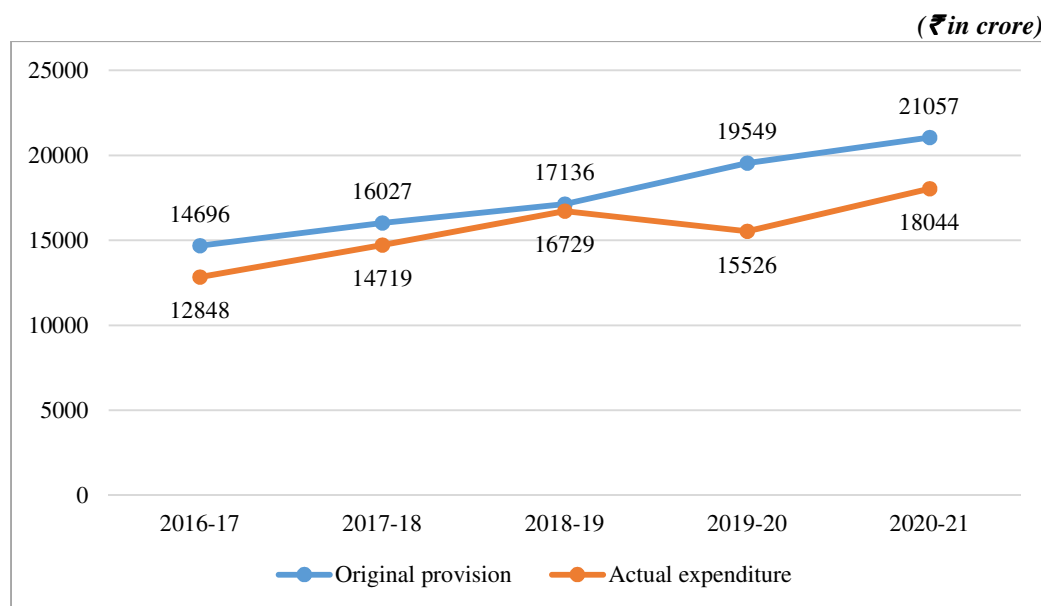
Table 3.12: Original budget, actual expenditure and saving/excesses during 2016-21

(₹ in crore)

	2016-17	2017-18	2018-19	2019-20	2020-21
Original budget	14696.29	16027.00	17135.75	19548.69	21056.35
Supplementary budget	1203.31	2217.66	1888.67	2008.57	1090.27
Total provision	15899.60	18244.66	19024.42	21557.26	22146.62
Percentage of supplementary provision to original budget	8.19	13.84	11.02	10.27	5.18
Actual expenditure	12848.37	14719.23	16729.00	15525.88	18043.94
Savings (-)/excess (+)	(-)3051.23	(-)3525.43	(-)2295.42	(-)6031.38	(-)4102.68
Percentage of savings to total provision	19.19	19.32	12.07	27.98	18.52
Budget utilisation (per cent)	80.81	80.68	87.93	72.02	81.48

(Source: Appropriation Accounts of the State)

The table shows that the percentage of supplementary provisions to original provisions ranged between five *per cent* and 14 *per cent* during 2016-21. The supplementary provisions, however, proved unnecessary, as the savings were significantly more than the supplementary provisions in all the five years. Further, against the total provisions, unutilised provisions or savings ranged between 12 *per cent* and 28 *per cent* during 2016-21.

Chart 3.6: Original Provision vis-à-vis actual expenditure during 2016-21

(Source: Appropriation Accounts of the State)

It can be seen from the chart above that the State's expenditure was below the original budget provisions during 2016-21.

3.4.2 Supplementary budget and opportunity cost

At times, while obtaining supplementary provision, the departments report to Legislature large additional requirements for different purposes under various schemes/activities; but finally, they are unable to spend not only the entire supplementary provision or parts but also the original budget provision. As a result, substantial amounts of grants are left unutilised. At the same time, some of the schemes/projects remain incomplete for want of funds and the intended benefits of such projects/schemes cannot be extended to the public at large. Further, delay in programme/project implementation has attendant risk of cost escalation. Thus, the opportunity cost of unutilised budget provision is significant.

Table 3.13 presents the details of 11 such grants where unnecessary excessive budget/supplementary provisions resulted in savings of ₹ 100 crore or more in each case during 2020-21.

Table 3.13: Unutilised grants of ₹ 100 crore or more against original/ supplementary provision*(₹ in crore)*

Sr. No.	Name of grant	Original	Supplementary	Total	Actual expenditure	Unutilised grants/savings
1.	21 Public Works (Revenue Voted)	885.69	0.00	885.69	683.37	202.32
2.	34 School Education (Revenue Voted)	1605.98	0.00	1605.98	1380.29	225.69
3.	48 Health Services (Revenue Voted)	695.69	53.13	748.82	539.61	209.21
4.	55 Municipal Administration (Revenue Voted)	226.88	11.15	238.03	91.88	146.15
5.	58 Women and Child Development (Revenue Voted)	512.42	51.10	563.52	295.31	268.21
6.	76 Electricity (Revenue Voted)	2209.13	0.00	2209.13	2076.86	132.27
7.	21 Public Works (Capital Voted)	1291.79	24.82	1316.61	626.86	689.75
8.	31 Panchayats (Capital Voted)	133.21	0.00	133.21	18.33	114.88
9.	32 Finance (Capital Voted)	462.00	0.00	462.00	320.00	142.00
10.	34 School Education (Capital Voted)	145.85	0.00	145.85	0.18	145.67
11.	42 Sports and Youth Affairs (Capital Voted)	148.81	0.00	148.81	31.11	117.70
12.	47 Goa Medical College (Capital Voted)	96.60	114.00	210.60	69.38	141.22
13.	48 Health Services (Capital Voted)	126.80	75.46	202.26	47.28	154.98
14.	55 Municipal Administration (Capital Voted)	255.90	181.09	436.99	59.88	377.11
15.	74 Water Resources (Capital Voted)	463.05	0.00	463.05	171.93	291.12
16.	76 Electricity (Capital Voted)	543.01	0.00	543.01	221.37	321.64
Total		9802.81	510.75	10313.5	6633.64	3679.92

(Source: Appropriation Accounts of the State)

As per information provided by the State Government, 203 projects valuing ₹ 544.70 crore pertaining to irrigation, water supply and sanitation (58 projects) and roads, bridges and buildings (145 projects) were incomplete as on March 2021 due to paucity of funds. The status of nine major projects with estimated cost of more than ₹ 20 crore as on 31 March 2021 is given in **Table 3.14**.

Table 3.14: Status of nine major incomplete projects as on 31 March 2021

(₹ in crore)					
Sr. No.	Name of project	Estimated cost	Scheduled date of completion	Progressive expenditure	Physical progress of work (per cent)
Irrigation, water supply and sanitation					
1.	Implementation of sewerage scheme for <i>Taleigao, Donapaula</i> and <i>Caranzalem</i> areas in the outskirts of the Panaji city- Phase III construction of wet well, gravity sewer lines, rising mains & reinstatement of roads covering zones 1,2,3,7,8 & 9.	30.86	22/02/13	28.84	98%
2.	Implementation of sewerage scheme for <i>Taleigao, Donapaula</i> and <i>Caranzalem</i> areas in the outskirt of Panaji city - Phase-IV- Construction of wet well, gravity sewer lines rising main reinstatement of roads covering zones 4, 5, 6 and 10.	29.32	29/10/13	17.60	95%
3.	Details engineering and construction of 10 MLD water treatment plant including all civil, mechanical, electrical and instrumentation work on Turnkey basis at <i>Maisal Panchawadi</i> including operation and maintenance for a period of five years.	30.88	06/06/13	34.30	99%
4.	The water supply project of the CCP under JNNURM - designing detail engineering & construction of 27 MLD WTP including all civil Mechanical Electrical & Instrumentation work on turnkey basis on <i>Khandepar</i> river at <i>Opa</i> water works including operations maintenance for a period of 5 years.	36.53	29/01/15	24.83	98%
5.	Designing, Details Engineering, Construction and Commissioning of 15 MLD Water Treatment Plant at Housing Board - <i>Porvorim</i> on turnkey Basis, including Operation & Maintenance for a period of 5 years.	24.28	16/03/20	4.36	44%
6.	Augmentation of water supply scheme at <i>Chandel</i> from 15 MLD to 30 MLD in <i>Pernem</i> Taluka - Construction of additional 15MLD WTP at <i>Chandel</i> including providing laying clear water pumping main, electrical substation, construction of MBR, providing laying 700 mm dia gravity main including designing and commissioning complete O & M for 5 years.	24.29	09/02/21	Not available	1%
7.	Augmentation of water supply scheme at <i>Chandel</i> from 15 MLD to 30 MLD in <i>Pernem</i> Taluka - Construction of service reservoirs at various location in <i>Pernem</i> Taluka including providing, laying conveying main distribution pipeline & approach road etc. Complete.	23.60	05/03/21	Not available	1%

Roads, bridges and buildings					
8.	CRF 2014-15 Improvement of junction by constructing an under passage for MDR 14 across NH-17 (New 66) at Km.12/200 (Tar Bastora junction-Mapusa) on Panaji-Panvel Section of NH-17 in the State of Goa (North Goa Parliamentary Constituency).	27.87	10/05/17	31.31	100%
9.	Four laning with two wheelers track by concentric widening and strengthening of existing two lane road from 143/500 to 153/200 on NH-4A (NH-748) (Ribander Bypass). S.H. Bridge Work.	33.48	05/05/15	4.20	17%
Total		261.11		145.44	

(Source: Finance Accounts of the State)

3.4.3 Progress of expenditure

Government funds should be evenly spent throughout the year. The rush of expenditure towards the end of the financial year is regarded as a breach of financial propriety. Instructions regarding this are available in budget manual, Finance Department OM's *etc.* Maintaining a steady pace of expenditure is a crucial component of sound public financial management, as it obviates fiscal imbalance and temporary cash crunches, due to mismatch of Government receipts and expenditure during a particular month.

In the State of Goa, the pace of expenditure was evenly spread-out during 2020-21 (except for March 2021), as shown in the **Table 3.15**

Table 3.15: Progress of expenditure during 2020-21

Sr. No.	Month	Expenditure (₹ in crore)	Monthly expenditure as percentage of total expenditure
1.	April	1106.90	7.86
2.	May	836.99	5.94
3.	June	956.09	6.79
4.	July	892.44	6.33
5.	August	1051.49	7.46
6.	September	1070.26	7.60
7.	October	945.98	6.71
8.	November	1122.59	7.97
9.	December	1278.44	9.07
10.	January	1329.52	9.44
11.	February	1397.66	9.92
12.	March	2100.97	14.91
13.	Total	14089.33*	100

(Source: Monthly Civil Accounts of the State)

* The above month-wise expenditure does not include disbursements made on account of loans and advances (₹1.61 crore).

3.5 Outcome of review of selected grants

The authority administering a grant is responsible for watching the progress of expenditure under its control and for keeping it within the sanctioned grant or appropriation. The duties and responsibilities of the authorities include preparing timely and accurate estimates and also to ensure that the grants placed at their disposal are spent only on the objects for which it has been provided and to surrender savings if no longer required.

With a view to ascertaining how far the departments were adhering to these instructions, Audit selected the following two grants:

Grant No. 13 -Transport

The Transport Department acts as the apex regulatory body that controls the entire gamut of activities that go into the operation of passenger and goods transport motor vehicles (private & commercial). It is a regulatory Department which implements Motor Vehicles' Act 1988 and Rules made thereunder regulating road transport, passenger and freight movement *etc.* This grant consists of four Major Heads namely 2041-taxes on vehicles, 2045-other taxes and duties on commodities and services, 3055-road transport and 5055-capital outlay on transport.

Grant No. 19-Industries, Trade and Commerce

The Directorate of Industries, Trade and Commerce (DITC) is concerned with the promotion, development and regulation of industries within the State of Goa. It is also responsible for implementing Government policies for development of industries in the State in coordination with Goa Investment Promotion and Facilitation Board (GIPFB), Goa Industrial Development Corporation (Goa-IDC), Goa Handicraft Rural Small Scale Industrial Development Corporation (GHRSSIDC), Khadi and Village Industries Board (KVIB), Economic Development Corporation (EDC) Limited and other departments of the Government. DITC is responsible for policy framing, planning, administrative framework, putting in place guidelines and implementation of both State and Central Sponsored Schemes. DITC also provides aid, mentoring and various support systems to entrepreneurs.

3.5.1 Budget and expenditure

The overall budget provision, actual disbursements and savings under the functional Heads of these two grants for the years 2018-19 to 2020-21 are shown in **Table 3.16**.

Table 3.16: Summary of budgetary provisions and actual expenditure under Grant No. 13 and 19

(₹ in crore)

Year	Original provision	Supplementary provision	Total	Actual expenditure	Savings	Percentage of savings
Grant No. 13: Transport (Revenue-voted)						
2018-19	144.18	30.00	174.18	163.56	10.62	6.10
2019-20	175.34	3.20	178.54	137.30	41.23	23.09
2020-21	204.25	26.22	230.47	175.92	54.54	23.66
Grant No. 13: Transport (Capital-voted)						
2018-19	35.09	5.82	40.91	26.33	14.58	35.64
2019-20	44.00	0.00	44.00	4.77	39.23	89.16
2020-21	52.00	17.40	69.40	10.26	59.15	85.23
Grant No. 19: Industries, Trade and Commerce (Revenue-voted)						
2018-19	90.33	0.00	90.33	31.13	59.20	65.54
2019-20	73.57	0.30	73.87	15.61	58.26	78.87
2020-21	82.00	0.00	82.00	14.27	67.72	82.60
Grant No. 19: Industries, Trade and Commerce (Capital-voted)						
2018-19	60.05	6.67	66.72	11.24	55.48	83.15
2019-20	43.05	1.00	44.05	19.14	24.91	56.55
2020-21	41.30	0.00	41.30	9.24	32.06	77.63

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

It may be seen from **Table 3.16** that in Grant No.13 there were persistent savings ranging from six *per cent* to 24 *per cent* (under revenue section) and 36 *per cent* to 89 *per cent* (under capital section) during 2018-21. Further, unnecessary supplementary provisions were made under this grant even though actual expenditure was below the original provisions under revenue section (2019-21) and capital section (2018-21).

In Grant No. 19, there were persistent savings ranging from 66 *per cent* to 83 *per cent* (under revenue section) and 57 *per cent* to 83 *per cent* (under capital section) during 2018-21. Also, unnecessary supplementary provisions were made under this grant even though actual expenditure was well below the original provisions under revenue section and capital section (2018-20).

3.5.2 Non-utilisation of entire provision

In six sub-heads under Grant No. 13, there were 100 *per cent* savings against the provisions made during 2018-21. The provisioned amount remained un-utilised due to non-implementation of schemes/programmes and the entire amount was surrendered at the end of March 2021.

Similarly, in 11 sub-heads under Grant No. 19, there were 100 *per cent* savings against the provisions made during 2018-21. The provisioned amount remained un-utilised due to non-implementation of Schemes/Programmes and the entire amount was surrendered at the end of March 2021. The details are shown in **Table 3.17**.

Table 3.17: Non-utilisation of entire provision

(₹ in lakh)

Sr. No.	Name of the Scheme	Budget provision			Reasons for surrender
		2018-19	2019-20	2020-21	
Grant No. 13 – Revenue (voted)					
1.	3055-00-800-08- Goa bus replacement scheme	200.00	300.00	900.00	Non-implementation of scheme (2018-19); No claims received (2019-21).
2.	3055-00-800-15- Subsidy on insurance for taxi operators	400.00	400.00	500.00	Non-implementation of scheme (2018-19); No claims received (2019-21).
Grant No. 13 – Capital (voted)					
3	5055-00-050-02- Establishment of driver training/testing facilities	100.00	80.00	80.00	Non-implementation of scheme (2018-20); administrative reasons (2020-21).
4	5055-00-050-04- Construction of ultra-modern bus stand at Margao	100.00	100.00	100.00	Non-implementation of scheme (all three years).
5	5055-00-050-07- Construction of KTCL bus stand	500.00	400.00	300.00	Non-implementation of scheme (2018-20); No proposal received (2020-21).
6	5055-00-190-01- Kadamba Transport Corporation Limited	500.00	500.00	900.00	Non-implementation of scheme (2018-20); No proposal received (2020-21).
Grant No. 19 – Revenue (voted)					
7.	2851-00-003-08- Establishment of Entrepreneurship Development Institute at Assagao, Goa	50.00	50.00	50.00	Non-implementation of scheme (all three years).
8.	2851-00-003-11- Zero defect zero effect	0.00	51.00	51.00	Non-implementation of scheme (for both years).
9	2851-00-789-01- Scheduled castes development scheme	55.00	83.00	139.28	Non-implementation of scheme (all three years).
10	2851-00-800-22- Cluster development programme	0.00	301.00	301.00	Non-implementation of scheme (for both years).
11	2851-00-800-26- Trade fair exhibition for micro, small and medium enterprises	50.00	8.00	400.00	No workshops were performed (all three years).
12	2851-00-800-42- Water harvesting of industrial estates	11.00	11.00	11.00	Non-receipt of proposals (all three years).
13	2851-00-800-44- Traditional bakers and salt producers	50.00	10.00	10.00	
14	2852-08-600-01- Food processing industries	0.00	40.00	50.00	No bills received (2019-20); initial stage of implementation of scheme (2020-21).
15	2852-08-600-03- Assistance for national mission on food processing	101.00	21.00	5.00	Scheme is delinked by GOI (2018-20); non-implementation of Scheme (2020-21).
Grant No. 19 – Capital (voted)					
16	4851-00-796-01- Scheduled tribe development scheme	200.00	10.00	5.00	No claims received (all three years)
17	4851-00-800-01- Strengthening of Directorate	10.00	10.00	300.00	No major works carried out (2018-20); Non-implementation of Scheme (2020-21).

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

3.5.3 Substantial savings under sub-heads

The budget estimates should be prepared with utmost care so that the estimates are neither inflated nor under-pitched. Scrutiny of Grant No. 19 in revenue section for the year 2020-21 showed that the budget allocations under nine schemes were surrendered in the last month of the financial year (amount exceeding ₹ five lakh in each case).

Table 3.18: Substantial savings under revenue section surrendered in the last month of the year*(₹ in lakh)*

Sr. No.	Name of the scheme	Total grant	Expenditure	Savings surrendered in March 2021	Percentage of savings surrendered
1	2851-00-001-02- Strengthening of Directorate	252.25	40.87	211.38	83.80
2	2851-00-101-01- Reimbursement of taxes of village panchayat/ municipalities	500.00	64.09	435.91	87.18
3	2851-00-101-02- Subsidy scheme for industrial/investment policy	3305.00	22.75	3282.25	99.31
4	2851-00-104-09- Contribution to handicrafts rural and small scale industries by GHRSSIDC	905.00	678.75	226.25	25.00
5	2851-00-105-01- Grants to the Goa Khadi & Village Industries Board	300.00	252.88	47.12	15.71
6	2851-00-800-01- District industries centre	184.00	116.32	67.68	36.78
7	2851-00-800-33- Entrepreneurship development programmes	5.00	0.00	5.00	100.00
8	2851-00-800-47- Goa Investment Promotion and Facilitation Board	688.00	0.00	688.00	100.00
9	2852-80-001-01- Directorate of industries	235.55	140.66	94.89	40.28

(Source: Appropriation Accounts of the State)

3.5.4 Inadequate re-appropriations

In one sub-head under Major Head-2045 (2018-19) and one sub-head under Major Head 3055 (2019-20) in Grant No. 13, funds available after re-appropriation were insufficient to meet the requirements under these two sub-heads, resulting in final expenditure exceeding the available allocations by ₹ 5.45 lakh.

Similarly, in one sub-head under Major Head-2851 (2018-21) in Grant No.19, funds available after re-appropriation were insufficient to meet the requirement under this sub-head, resulting in final expenditure exceeding the available allocation by ₹ 13.46 lakh. The details are shown in **Table 3.19**.

Table 3.19: Inadequate re-appropriations resulting in excess expenditure

(₹ in lakh)

Sr. No.	Year	Head of account	Original budget	Funds available after re-appropriation	Final expenditure	Excess expenditure
Grant No. 13 – Revenue (voted)						
1.	2018-19	2045-00-104-01-Enforcement of Goods and Passengers Tax Act	88.23	85.35	86.52	1.17
2.	2019-20	3055-00-001-04-Road Safety	758.50	278.75	283.03	4.28
Total (Grant No.13)			846.73	364.10	369.55	5.45
Grant No. 19 – Revenue (voted)						
1.	2018-19	2851-00-001-01 Strengthening of Directorate	132.59	122.66	127.61	4.95
2.	2019-20	2851-00-001-01 Strengthening of Directorate	199.60	134.18	139.32	5.14
3.	2020-21	2851-00-001-01 Strengthening of Directorate	241.60	107.92	111.29	3.37
Total (Grant No.19)			573.79	364.76	378.22	13.46

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

3.6 Conclusion

- The State Government incurred an expenditure of ₹ 26.03 crore without any budget provision under Appropriation A2 – Debt Services. This was in violation of Article 204 of the Constitution which provides that no money shall be withdrawn from the Consolidated Fund except under appropriation made by Law by the State Legislature.
- At the end of the financial year, 18.52 per cent of the total budgetary provision remained unutilised. Supplementary provisions, constituting 5.18 per cent of the original budget, made during the year proved unnecessary, as the savings were significantly more than the supplementary provisions.
- Excess expenditure amounting to ₹ 2,808.95 crore during the current year as well as ₹ 9,181.04 crore for the period from 2008-09 to 2019-20 was pending regularisation under Article 205 of the Constitution.

Chapter 4

Quality of Accounts and Financial Reporting Practices

Chapter 4: Quality of Accounts and Financial Reporting Practices

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance in any organisation. Reports on compliance and controls, if operational and effective, assist the Government in meeting its basic stewardship responsibilities, including strategic planning and decision-making.

This chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance during the year 2020-21.

4.1 Loans of State Government not credited to Consolidated Fund

4.1.1 Off-budget borrowings

State Governments can borrow money within the territory of India, upon the security of the Consolidated Fund of the State and the limits on such borrowings are regulated under Article 293(3) of the Constitution of India. In addition to such borrowings, the State Government also guarantees loans availed of by Companies/Corporations from the market/financial institutions for implementation of various State Plan programmes, which are reflected outside the State budget.

Funds for State Plan programmes are expected to be met out of resources mobilised by these Companies/Corporations outside the State budget. But in reality, the borrowings of these concerns ultimately turn out to be the liabilities of the State Government termed as 'Off-budget borrowings' and the Government has to repay the loans availed of by these Companies/Corporations including interest through regular budget provision under the capital account.

The entity-wise position of off-budget borrowings as on 31 March 2021 is shown in **Table 4.1**.

Table 4.1: Entity-wise status of off-budget borrowings as on 31 March 2021

(₹ in crore)

Name of the Company/Corporation	Outstanding off-budget borrowings	Repayment during the year	
		Principal	Interest
Goa State Infrastructure Development Corporation Limited (GSIDC)	605.12	123.26	67.29
Sewerage and Infrastructural Development Corporation of Goa Limited (SIDCGL)	183.43	29.18	22.92
Total	788.55	152.44	90.21

(Source: Information furnished by the concerned Corporations)

The State Government repaid loan instalments of ₹ 242.65 crore including interest amounting to ₹ 90.21 crore from the capital account. Thus, the capital

expenditure of the State during 2020-21 included interest expenditure of ₹ 90.21 crore on off-budget borrowings.

Further, taking into account the off-budget borrowings of the State, the total outstanding debt at the end of March 2021 worked out to ₹ 27,310 crore against ₹ 26,521 crore as per the Finance Accounts. The ratio of total outstanding debt to GSDP¹ was, thus, 32.48 *per cent* at the end of the year, which was higher than the target of 25 *per cent* fixed under Goa FRBM (First Amendment Act), 2014.

4.2 Funds transferred directly to State implementing agencies

The Central Government transfers a sizeable quantum of funds directly to the State implementing agencies² for implementation of various schemes/programmes in the social and economic sectors. As the funds are not routed through the State budget/State treasury system, the Finance Accounts of the State do not capture these funds and to that extent, the State's receipts and expenditure as well as other fiscal variables/parameters derived from them do not reflect the complete picture.

With effect from 01 April 2014, GoI decided to release all assistance for Centrally Sponsored Schemes/Additional Central Assistance directly to the State Governments and not to the State implementing agencies. In Goa, however, Central funds of ₹ 1,704.07 crore were transferred directly to the State implementing agencies during 2020-21. Major schemes receiving direct transfers of Central funds were: Integrated Development of Tourist Circuits around Specific Themes (Swadesh Darshan) (₹ 59.23 crore), Promotion of Electronics and IT Hardware Manufacturing (₹ 21.11 crore), National AIDS and STD Control Programme (₹ 8.26 crore).

4.3 Delay in submission of utilisation certificates

Rule 238 of General Financial Rules, 2017 prescribes that Utilisation Certificates (UCs) for grants provided for a specific purpose should be obtained by the departmental officers from the grantees and after verification should be forwarded to the Directorate of Accounts within one year from the date of their sanction unless specified otherwise.

At the end of 2020-21, 10,835 UCs aggregating ₹ 1,758.68 crore were outstanding against grants disbursed up to 2019-20. Department-wise break-up of outstanding UCs is given in **Appendix 4.1** while the age-wise pendency has been summarised in the **Table 4.2**.

¹ As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore *in-lieu* of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

² State implementing agencies are organisations/institutions including non-Governmental organisations and Central autonomous bodies authorised by the State Government to receive funds from the GoI for implementation of specific programmes in the State.

Table 4.2: Age-wise status of outstanding UCs as of 31 March 2021

Sr. No.	Range of delay (in years)	Utilisation certificates outstanding	
		No. of UCs	Amount (₹ in crore)
1.	1-3	3318	825.30
2.	3-5	1286	257.78
3.	5-7	1234	220.47
4.	7 and above	4997	455.13
	Total	10835	1758.68

(Source: Compiled from information furnished by Directorate of Accounts)

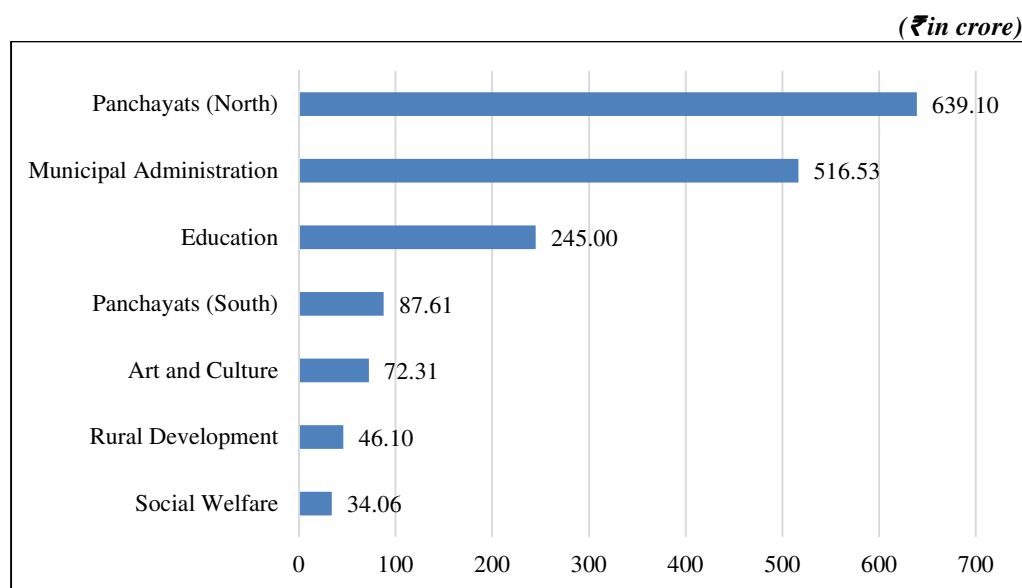
Of the total outstanding UCs, 3,318 UCs (31 per cent) amounting to ₹ 825.30 crore (47 per cent) were outstanding from one to three years while 7,517 UCs (69 per cent) involving ₹ 933.38 crore (53 per cent) were pending for more than three years.

Table 4.3: Year-wise break up of outstanding UCs

Year	Number of UCs	Amount (₹ in crore)
Up to 2012-13	4997	455.13
2013-14	651	123.84
2014-15	583	96.63
2015-16	597	100.31
2016-17	689	157.47
2017-18	943	357.36
2018-19	1224	180.79
2019-20	1151	287.13
Total	10835	1758.68

(Source: Compiled from information furnished by Directorate of Accounts)

Major cases of non-submission of UCs pertained to Directorate of Panchayats (North) (30 per cent), Directorate of Panchayats (South) (26 per cent) and Directorate of Education (11 per cent).

Chart 4.1: Departments with highest outstanding UCs in terms of money value

(Source: Compiled from information furnished by Directorate of Accounts)

UCs outstanding beyond the specified period not only weakens the financial accountability mechanism but also indicates failure of the departmental officers to comply with the rules and procedures to ensure timely utilisation of grants for the intended purpose.

Further, in the absence of UCs, there is no assurance that money disbursed had been used for the purpose for which it was given. High pendency of UCs is fraught with the risk of fraud/diversion/embezzlement of funds.

4.4 Abstract Contingent bills

The Controlling and Disbursing officers of the departments are authorised to draw sums of money by preparing Abstract Contingent (AC) Bills, by debiting service heads. They are required to present Detailed Contingent (DC) Bills (*i.e.*, vouchers in support of final expenditure) to the Director of Accounts, Government of Goa within three months from the date of drawal of funds on AC Bills. If previous AC Bills are outstanding over three months for want of DC Bills, the proposal for drawal of further AC bills would require the sanction of the Finance Department.

Details of submission of DC Bills against AC Bills drawn up to March 2021 are given in **Table 4.4**.

Table 4.4: Pendency in submission of DC Bills against AC Bills

(₹ in crore)

Year	AC Bills drawn		DC Bills received		Outstanding AC Bills	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
Up to 2018-19	10169	4109.86	9980	4070.25	189	39.61
2019-20	877	827.45	775	789.01	102	38.44
2020-21	527	782.91	395	674.92	132	107.99
Total	11573	5720.22	11150	5534.18	423	186.04

(Source: Finance accounts of the State)

As may be seen from the table above, the Departments had drawn 527 AC Bills for an amount of ₹ 782.91 crore in 2020-21 and submitted 395 DC Bills for an amount of ₹ 674.92 crore. Thus, 132 DC Bills amounting to ₹ 107.99 crore remained unadjusted as of 30 June 2021. There was, therefore, no assurance that the expenditure of ₹ 107.99 crore had actually been incurred during the financial year for the purpose for which it was sanctioned/authorized by the Legislature. This is a possible overstatement of expenditure in the year 2020-21.

In addition, 189 DC Bills amounting to ₹ 39.61 crore for the years up to 2018-19 and 102 DC Bills amounting to ₹ 38.44 crore for the year 2019-20 were yet to be submitted by the Departments. Thus, at the end of March 2021, 423 DC Bills amounting to ₹ 186.04 crore was pending settlement. Further, of the 527 AC bills amounting to ₹ 782.91 crore drawn during the year 2020-21, 59 AC bills amounting to ₹ 99.98 crore (13 per cent) were drawn in March 2021.

Age analysis of outstanding DC Bills is shown in **Table 4.5**.

Table 4.5: Age-wise status of outstanding DC Bills as of 31 March 2021

Sr. No.	Range of delay (in years)	Outstanding DC Bills	
		Number	Amount (₹ in crore)
1.	1 to 3 years	259	156.07
2.	3 to 5 years	61	19.02
3.	5 to 7 years	52	6.20
4.	7 years and above	51	4.75
	Total	423	186.04

Year-wise details of outstanding DC Bills are shown in **Table 4.6**:

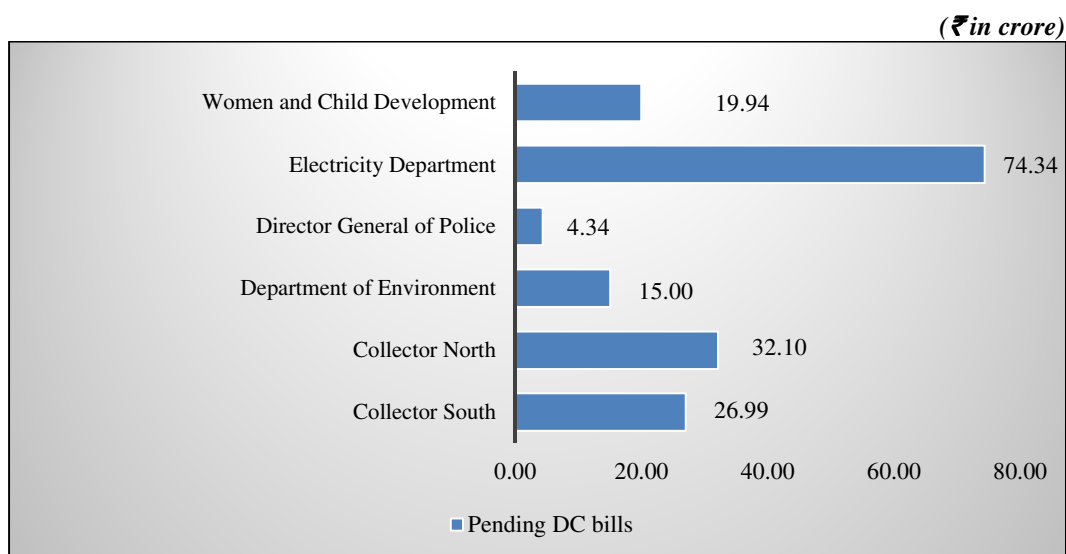
Table 4.6: Year-wise details of outstanding DC Bills

Year	Outstanding DC Bills	Amount of DC Bills (₹ in crore)
Up to March 2011	40	1.41
2011-12	11	3.34
2012-13	10	0.67
2013-14	20	0.29
2014-15	22	5.24
2015-16	18	0.34
2016-17	28	15.91
2017-18	15	2.77
2018-19	25	9.64
2019-20	102	38.44
2020-21	132	107.99
Total	423	186.04

(Source: Information furnished by Directorate of Accounts)

The oldest outstanding DC Bill for ₹ 40,000 pertained to Collectorate, North Goa for the year 1989.

Chart 4.2: Departments with highest outstanding DC Bills in terms of money value



(Source: Information furnished by Directorate of Accounts)

Major defaulting Departments that did not submit DC Bills were: Electricity Department (₹ 74.34 crore), Collector North (₹ 32.10 crore), Collector South (₹ 26.99 crore) and Women and Child Development (₹ 19.94 crore).

Advances drawn and not accounted for within the prescribed period increases the risk of wastage/misappropriation/malfeasance *etc.* The State Government may fix responsibility for non-submission of DC Bills for prolonged periods of time.

Recommendation 1: *The State Government may ensure timely submission of Utilisation Certificates by the Departments in respect of grants released for specific purposes. Further, non-adjustment of advances drawn on Abstract Contingent Bills may be closely monitored by the DDOs for ensuring timely submission of Detailed Contingent Bills.*

4.5 Personal Deposit Accounts

Personal Deposit (PD) Accounts/Personal Ledger Accounts (PLA) are deposit accounts kept in treasuries in the name of the Administrators³ of the accounts. The money is placed under 8443-Civil Deposits, 106-Personal Deposit. These Accounts can be opened with the approval of the Finance Department.

As per Rule 179 to 182 of Receipts and Payments Rules, 1997, Government of Goa, the administrators are entitled to credit receipts into and effect withdrawals directly from the treasury account for a specific purpose. The administrators thereof shall only be Government Officers acting in their official or any other capacity. Every PD/PL Account so authorised to be opened will form part of the Government Account under the Public Account.

Rule 180 of Receipts and Payments Rules, 1997 further stipulates that if a PD Account is not operated upon for a considerable period and there is reason to believe that the need for the deposit account has ceased, the same should be closed in consultation with the officer in whose favour the deposit account has been operated.

The year-wise position of PD/PL Accounts from 2018-19 to 2020-21 is given in **Table 4.7**.

Table 4.7: Year-wise details of PD/PL Accounts during 2018-21

(₹ in crore)

Year	Opening balance	Receipts	Disbursements	Closing balance
2018-19	84.69	107.55	83.47	108.77
2019-20	108.77	51.17	37.34	122.60
2020-21	122.60	52.93	56.54	118.99

(Source: Information furnished by Directorate of Accounts)

³ PD Account holders

During 2020-21, ₹ 6.32 crore was transferred to PD Accounts from the Consolidated Fund of the State, and ₹ 46.61 crore was credited through challans. Thus, additions during the year were ₹ 52.93 crore. The balances in PD Accounts (₹ 118.99 crore) have not been reconciled with the Administrators of Accounts.

Inspection of two treasuries and nine Sub treasury offices conducted by the Directorate of Accounts in respect of transactions for the year 2020-21 revealed that 26 PD Accounts of 23 Administrators with a balance ₹ 0.44 crore was lying inoperative for more than three years. If PD Accounts are inoperative for more than a year, they need to be reviewed by the Finance Department. However, existence of large number of inoperative PD Accounts for long periods indicates that the Finance Department is not reviewing them periodically.

Administrators may ensure that unspent balances lying in PD Accounts are transferred to Consolidated Fund of the State by the end of financial year, as non-transfer of such unspent balances entails the risk of locking-up of public funds, fraud and misappropriation.

Recommendation 2: The Finance Department may review all the PD Accounts to ensure that amounts unnecessarily lying in these Accounts are immediately remitted to the Consolidated Fund.

4.6 Booking under Minor Head '800- Other Expenditure'

The omnibus Minor Head 800 is intended to be operated when the appropriate minor head has not been provided in the accounts. Audit scrutiny revealed that the State Government has operated this minor head extensively under the expenditure head during the five-year period (2016-21). The amounts booked under this minor head are given in **Table 4.8**.

Table 4.8: Booking under Minor Head 800-Other Receipts/Other Expenditure during 2016-21

Year	Expenditure under Minor Head 800 (₹ in crore)	As percentage of total expenditure	Receipts under Minor Head 800 (₹ in crore)	As percentage of total receipts
2016-17	3328.20	31.67	418.45	4.37
2017-18	3820.68	30.15	352.80	3.18
2018-19	4039.50	30.52	656.62	5.73
2019-20	4117.84	30.97	386.46	3.42
2020-21	4079.61	28.96	384.91	3.69

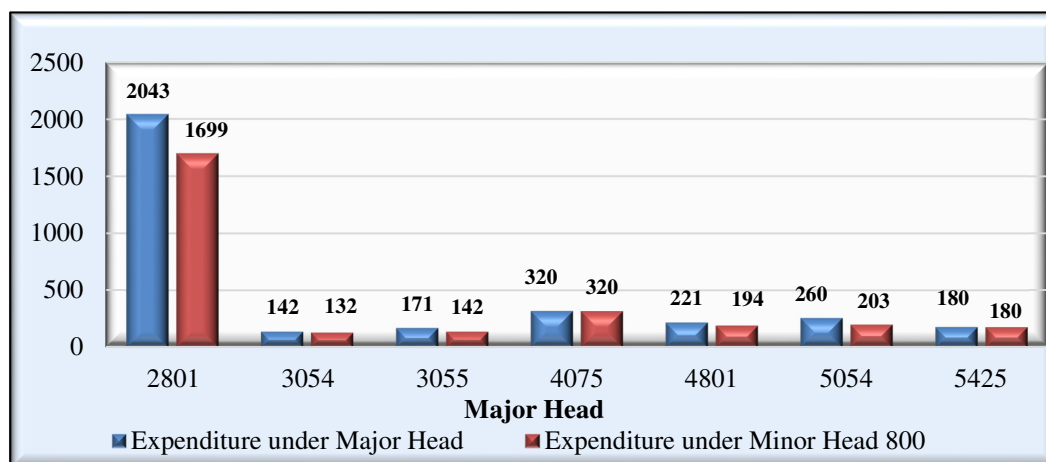
(Source: Finance Accounts of the State for the respective years)

Finance accounts 2020-21 of Government of Goa disclosed that expenditure aggregating ₹ 4,079.61 crore, constituting 28.96 per cent of the total expenditure, was classified under Minor Head '800-Other Expenditure' in 63 major heads under revenue and capital sections.

Cases where expenditure of more than ₹ 100 crore was booked under Minor Head 800 under a particular Major Head is shown in Chart 4.3.

Chart 4.3: Major heads where expenditure of more than ₹ 100 crore was booked under Minor Head 800

(₹ in crore)



(Source: Finance Accounts of the State)

As may be seen from Chart 4.3, in two Major Heads – 4075 ('Other Miscellaneous General Services') and 5425 ('Capital outlay on other Scientific and Environmental Research'), entire expenditure of ₹ 320 crore and ₹ 180 crore was booked under omnibus Minor Head 800.

Further, in case of Major Head – 4075 ('Other Miscellaneous General Services'), the State Government booked ₹ 320 crore under Minor Head 800 – 'Contribution to Goa State Infrastructure Development Corporation' (GSIDC). However, it is pertinent to mention that GSIDC is a Special Purpose Vehicle (SPV) formed by the State Government for speedy implementation of infrastructural projects, such as, roads, bridges, fly-overs, bus-stands, hospitals, tourism related projects *etc.* Therefore, contribution to GSIDC could have been booked under Minor Heads like, 051 (Construction), 201 (Land acquisition), 101 (Bridges), 337 (Road works), 106 (General Pool Accommodation) as the case may be, instead of booking the expenditure under omnibus Minor Head 800.

Similarly, revenue receipts aggregating ₹ 384.91 crore, constituting 3.69 per cent of total revenue receipts, was classified under omnibus Minor Head '800-Other Receipts' in 39 major heads under revenue section.

The only case of receipt of more than ₹ 100 crore classified under Minor Head-800 was under Major Head 0070-60 – Fees towards Casino Operations (₹ 142.40 crore).

Accounting of large amounts under the omnibus Minor Head 800 - Other Expenditure/Receipts affects transparency in financial reporting, as it fails to indicate disaggregated information on different activities of the Government separately in the accounts.

Recommendation 3: The State Government may avoid booking receipts/expenditure under Omnibus Minor Head – 800 and identify appropriate heads of account to facilitate transparency in financial reporting.

4.7 Outstanding balances under Major Suspense and Debt, Deposit and Remittances (DDR) Heads

Suspense Head is intended for temporary accommodation of transactions affecting the balances of the State, pending final adjustments on receipt of debits and credits.

Remittances embrace all adjusting heads, under which remittances of cash between treasuries, and transfers between different accounting circles are booked. The initial debits or credits to the heads in these divisions are cleared eventually by corresponding receipts or payments either within the same circle of account or in another account circle.

Finance Accounts reflect the net balances under suspense and remittance heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. Non-clearance of outstanding balances under these heads affects the accuracy of receipt/expenditure figures and balances under different heads of Accounts (which are carried forward from year to year) of the State Government

Transactions and net balances in Minor Head 101- PAO Suspense, 102-Suspense Account (Civil) and 112- Tax deducted at source, suspense under Major Head 8658-Suspense Account are detailed in **Table 4.9** below.

Table 4.9: Balances under Suspense and Remittance Heads

(₹ in crore)

Name of Minor Head	2018-19		2019-20		2020-21	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101 - Pay and Accounts office Suspense	487.21	448.17	490.66	497.56	495.79	496.04
Net	Dr. 39.04		Cr. 6.90		Cr. 0.25	
102 - Suspense Account (Civil)	43.95	43.16	44.64	44.23	44.92	45.22
Net	Dr. 0.79		Dr. 0.41		Cr. 0.30	
107 – Cash Settlement Suspense Account	479.95	288.82	492.34	289.02	524.54	289.02
Net	Dr. 191.13		Dr. 203.32		Dr. 235.52	
109 - Reserve Bank Suspense – Head Quarters	(-)7.62	(-)1.18	(-)3.42	(-)1.27	(-)4.58	(-)1.19
Net	Cr. 6.44		Cr. 2.15		Cr. 3.39	
110 - Reserve Bank Suspense – Central Accounts Office	4062.79	3272.61	4073.09	3272.69	4076.32	3273.62
Net	Dr. 790.18		Dr. 800.40		Dr. 802.70	
112 – Tax Deducted at Source	4.79	22.63	4.86	15.24	20.91	38.34
Net	Cr. 17.84		Cr. 10.38		Cr. 17.43	
129 – Material Purchase Settlement Suspense A/c	...	34.76	...	34.76	...	34.76
Net	Cr. 34.76		Cr. 34.76		Cr. 34.76	
Total Net	Dr. 962.10		Dr. 949.94		Dr. 982.09	

(Source: Finance Accounts of the State)

The gross figures under major suspense and remittance heads shows that the aggregate net balance under Major Head 8658 - Suspense Accounts was ₹ 982.09 crore (Dr.) in 2020-21, which was not booked under the relevant heads of account, thus, rendering the net expenditure figures mentioned in the Finance Accounts non-transparent to that extent.

Account Officer (PAO)-Suspense – (Minor Head 101)

This head is intended for settlement of transactions between the Director of Accounts and various Pay and Accounts Officers. Outstanding debit balance under this head would mean that payments were made by the Director of Accounts, which were yet to be recovered. Outstanding credit balance would mean that payments have been received by the Director of Accounts on behalf of a Pay and Accounts Officer, which were yet to be paid. During 2020-21, the net credit balance under this head was ₹ 0.25 crore.

Suspense Account-Civil – (Minor Head 102)

This minor head is operated by the Director of Accounts to provisionally accommodate the differences noticed in the transactions which cannot be taken to the final head of expenditure/receipt accounts for want of certain information/documents viz., challans, vouchers etc. Receipts are credited and expenditure is debited to this account and cleared on receipt of required information by minus credit and minus debit respectively. The net credit balance under this head was ₹ 0.30 crore at the end of 2020-21.

Tax Deducted at Source (TDS) Suspense – (Minor Head 112)

This minor head is intended to accommodate receipts on account of income tax deducted at source. Receipts on account of TDS are credited to Major Head 8658 - Suspense Accounts under Minor Head 112 - TDS Suspense. These credits are to be cleared by the end of each financial year and credited to the Income Tax Department. There was an outstanding credit balance ₹ 17.43 crore as on 31 March 2021 under this head which was yet to be credited to Income Tax Department.

4.8 Non-reconciliation of departmental figures

To exercise effective budgetary control over receipts/expenditure and to ensure accuracy in accounts, all controlling officers are required to reconcile every month, the receipts and expenditure recorded in their books with the figures accounted for by the Directorate of Accounts.

Non-reconciliation dilutes the assurance that all the receipts/expenditure have been taken to the correct Head of Account. Failure to exercise this check might result in misclassification and incorrect booking of receipts and expenditure in the accounts, raising concerns about accuracy of accounts. It also is a reflection of weak internal controls within the Government.

Timely reconciliation enables the controlling officers of departments to exercise effective control over expenditure, to keep it within the budget grants and to ensure accuracy of their accounts. The Public Accounts Committee in its 48th Report (1992) recommended punitive action against erring Budget Controlling Authorities (BCAs). Even though non-reconciliation of departmental

expenditure was pointed out regularly in the Audit Reports, lapses on the part of controlling officers in this regard persisted during 2020-21 as well.

During 2020-21, 30 out of 89 BCAs did not carry out any reconciliation in respect of 2,111 units under their control for expenditure involving ₹ 4,941.56 crore. Of the 59 BCAs who carried out reconciliations, four carried out reconciliations only for part of the year in respect of 276 units under their control involving ₹ 271.05 crore. Details of seven major BCAs (out of 30) who did not reconcile their expenditure (₹ 4,449.53 crore) are indicated in **Table 4.10**.

Table 4.10: Major Budget Controlling Authorities who did not reconcile their expenditure

(₹ in crore)

Sr. No.	Budget Controlling Authorities who did not reconcile their expenditure	Amount not reconciled
1.	School Education	1380.47
2.	Public Works Department	1309.03
3.	Goa Medical College	536.82
4.	Higher Education	371.43
5.	Water Resources	320.29
6.	Director of Women and Child Development	295.45
7.	Director of Panchayats	236.04
	Total	4449.53

(Source: Directorate of Accounts)

Similarly, 28 out of 89 BCAs did not carry out any reconciliation in respect of units under their control for receipts involving ₹ 5,330.27 crore. Of the 61 BCAs who carried out reconciliations, three carried out reconciliations only for part of the year in respect of units under their control involving ₹ 5.08 crore. Details of five major BCAs (out of 28) who did not reconcile their receipts (₹ 5,168.45 crore) are indicated in **Table 4.11**.

Table 4.11: Major Budget Controlling Authorities who did not reconcile their receipts

(₹ in crore)

Sr. No.	Budget Controlling Authorities who did not reconcile their receipts	Amount not reconciled
1.	Commercial Tax	4692.01
2.	Public Works Department	172.07
3.	Home	142.40
4.	Water Resources	123.29
5.	Panchayats	38.68
	Total	5168.45

(Source: Directorate of Accounts)

Recommendation 4: The Budget Controlling Authorities may regularly reconcile their receipts and expenditure with the Directorate of Accounts to maintain consistency in the figures reported in the Annual Accounts and that of the Departments.

4.9 Compliance with Accounting Standards

As per article 150 of the Constitution, the President of India may, on the advice of the CAG, prescribe the form of accounts of the Union and of the States. The CAG has set up a Government Accounting Standards Advisory Board (GASAB) in 2002 for formulating standards for Government accounting and financial reporting, in order to enhance accountability mechanisms. On the advice of the CAG, the President of India has so far notified three Indian Government Accounting Standards (IGAS). The following **Table 4.12** provides the position of compliance with these three Accounting Standards.

Table 4.12: Compliance with Accounting Standards

Sr. No.	Accounting Standards	Essence of IGAS	Compliance by State Government	Impact of deficiency
1.	IGAS-1: <i>Guarantees Given by the Government – Disclosure requirements</i>	This standard requires the Government to disclose the maximum amount of guarantees given during the year in its financial statements along with additions, deletions, invoked, discharged and outstanding guarantees at the end of the year.	Partly complied	Sector-wise and class-wise details have not been disclosed in the Finance Accounts
2.	IGAS-2: <i>Accounting and Classification of Grants-in-Aid (GIA)</i>	As per IGAS-2, expenditure relating to GIA should be classified as revenue expenditure even if it involves creation of assets, except in cases specifically authorised by the President on the advice of the CAG.	Complied	-
3.	IGAS-3: <i>Loans and Advances made by Government</i>	It is related to recognition, measurement and valuation and reporting in respect of loans and advances made by the Government in its financial statements to ensure complete, accurate and uniform accounting practices and also to ensure adequate disclosure on loans and advances made by the Government.	Complied	-

(Source: Finance accounts of the State)

4.10 Submission of Accounts/Separate Audit Reports of Autonomous Bodies

Several autonomous bodies have been set up by the State Government in the fields of education, irrigation, housing *etc.* Of these, audit of accounts of 14 bodies in the State have been entrusted to the CAG. These bodies are audited by the CAG for verification of their accounts, financial transactions, operational activities, internal management and financial control system and procedures.

The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Reports (SARs) and their placement in the Legislature is given in the **Appendix 4.2**. Delay in submission of accounts to Audit and placement of SARs in the Legislature by the autonomous bodies is summarised in **Table 4.13**.

Table 4.13: Delays in submission of accounts and tabling of SARs

Submission of accounts for audit		Presentation of Report in Legislature	
Delay (in months)	No. of autonomous bodies	Delay (in years)	Number of autonomous bodies
0-3	Nil	0-1	08
3-6	01	1-3	Nil
6-9	03	3-5	05
9-25	03	5 years and above	01
25 months and above	06	-	-

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

There were 48 accounts pertaining to various periods pending submission by 14 autonomous bodies. Submission of accounts of 14 autonomous bodies was delayed by five to 141 months while presentation of one out of 14 accounts in the State Legislature was delayed by more than five years.

Inordinate delay in submission of accounts and presentation of the reports to the State Legislature resulted in delayed scrutiny of the functioning of these bodies, where Government investments are made. Further, necessary remedial action, if any, required to be taken by the Government was also delayed.

4.11 Departmental Commercial Undertakings/Corporations/Companies

The departmental undertakings of certain Government departments performing activities of quasi-commercial nature are required to prepare *proforma* accounts in the prescribed format annually, showing the working results of financial operations so that the Government can assess their working. The accounts of departmentally managed commercial and quasi-commercial undertakings reflect their overall financial health and efficiency in conducting their business. In the absence of timely finalisation of such *proforma* accounts, the viability of these undertakings remains outside the scrutiny of the Audit/State Legislature. Consequently, corrective measures, if any required, for ensuring viability and improving the efficiency of these undertakings cannot be taken in time.

Heads of departments in the Government have to ensure that the undertakings prepare such accounts and submit the same to the Accountant General for audit within a specified timeframe. As of October 2021, there were two such undertakings⁴, one of which had heavy arrears in accounts. Department-wise position of arrears in preparation of *proforma* accounts and investments made by the Government in these two undertakings is given in **Table 4.14**.

⁴ River Navigation Department and Electricity Department

Table 4.14: Position of arrears as on 31 October 2021 in preparation of Proforma Accounts

Department	No. of undertakings under the department	Name of undertaking	Year up to which accounts finalised	Investment as per last accounts (₹ in crore)
Inland Water Transport	1	River Navigation Department	2005-06	108.29
Power	1	Electricity Department, Government of Goa	2018-19	1650.12
Total				1758.41

(Source: Information furnished by concerned departments)

Submission of Accounts by State Public Sector Enterprises

Need for timely submission

According to Section 394 of the Companies Act 2013, Annual Report on the working and affairs of a Government company is to be prepared within three months of its Annual General Meeting (AGM). Soon after such preparation, the Annual Report should be laid before the Legislative Assembly together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the CAG. Almost similar provisions exist in the respective Acts regulating statutory corporations. This mechanism provides the necessary legislative control over the utilisation of public funds invested in these companies from the Consolidated Fund of the State.

Section 96 of the Companies Act, 2013 requires every company to hold an AGM of the shareholders once in every calendar year. It is also stated that not more than 15 months shall elapse between the date of one AGM and that of the next. Further, section 129 of the Companies Act, 2013 stipulates that the audited financial statement for the financial year has to be placed in the said AGM for their consideration.

Section 129(7) of the Companies Act, 2013 also provides for levy of penalty like fine and imprisonment of persons including Directors of the company responsible for non-compliance with the provisions of Section 129 of the Companies Act, 2013.

Timeliness in preparation of accounts by Government companies

As of 31 March 2021, there were 14 Government companies under the purview of CAG's audit. Of these, accounts for the year 2020-21 were due from 12 companies. A total of 12 Government companies submitted their accounts of previous years for audit by the CAG on or before 31 October 2021. Details of arrears in submission of accounts by Government companies are shown in **Table 4.15**.

Table 4.15: Arrears in submission of accounts by Government Companies

Particulars		Government companies
Total number of companies under the purview of CAG's audit as on 31.03.2021		14
Less: Companies from which accounts for 2020-21 were not due		02
Number of companies from which accounts for 2020-21 were due		12
Number of companies which presented the accounts for CAG's audit by 31 October 2021		12 ⁵
Number of accounts in arrears		42
Break- up of arrears	(i) Under liquidation	03
	(ii) Defunct	01
	(iii) First accounts not submitted	00
	(iv) Others	38
Age-wise analysis of arrears against 'Others' category	One year (2020-21)	06
	Two years (2019-20 and 2020-21)	00
	Three years and more	32

(Source: Information compiled by the Office of the Accountant General, Goa)

The details of 11 companies whose accounts were in arrears (total 38) as on 31 March 2022 are shown in **Appendix 4.3**.

Timeliness in preparation of accounts by statutory corporations

The CAG is the sole auditor for the two statutory corporations viz., Goa Industrial Development Corporation (GIDC) and Goa Information Technology Development Corporation (GITDC). GIDC's accounts for the year 2020-21 had been audited (April 2022), while GITDC⁶ did not finalise any accounts since its inception in 2006-07.

Recommendation 5: The State Government may evolve a system to expedite the process of compilation and submission of annual accounts by autonomous bodies and Government companies/corporations, for timely assessment of their financial position.

4.12 Misappropriations, losses and defalcations

Rule 33 of the General Financial Rules, 2017 provides that any loss or shortage of public money, revenue or receipts has to be immediately reported by the subordinate authority concerned to the next higher authority as well as to the Statutory Audit Officer and the concerned Principal Accounts Officer.

The State Government reported 23 cases of misappropriation, defalcation *etc.* involving Government money totaling ₹ 31.56 lakh up to December 2021 on which final action was pending. The department-wise/age-wise break-up of pending cases is given in **Appendix 4.4**.

⁵ Accounts received for audit during period from 01 November 2020 to 31 October 2021

⁶ Though State Government issued notification (July 2017) to revive GITDC, no further action was taken and thus, the Corporation remained inactive.

Age profile of pending cases and number of pending misappropriation cases are summarised in **Table 4.16**.

Table 4.16: Profile of misappropriation

Age profile and nature of pending cases			
Range in years	No. of cases	Amount involved (₹ in lakh)	Nature/characteristics of the cases
0-5	07	8.88	Misappropriation of cash/stores
5-10	07	10.08	
10 years and above	09	12.60	
Total	23	31.56	

(Source: Information furnished by concerned departments)

Of the 23 cases, 13 cases pertained to Directorate of Panchayats, Panaji. Out of these 13 cases, two cases amounting to ₹ 3.44 lakh were pending for more than 10 years.

The reasons for pendency of 23 cases are classified under three categories, as listed in **Table 4.17**.

Table 4.17: Reasons for outstanding cases of misappropriation

Reasons for delay/outstanding pending cases	No. of cases	Amount (₹ in lakh)
Departmental action started but not completed	18	23.46
Pending in courts of law	04	04.94
Awaiting orders for recovery/write-off	01	03.16
Total	23	31.56

(Source: Information furnished by concerned departments)

4.13 Follow-up Action on State Finances Audit Report

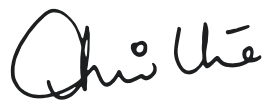
The State Finances Audit Report is being presented to the State Legislature from 2008-09 onwards. The State Public Accounts Committee discussed the State Finances Audit Report for the years 2008-09 and 2009-10 and issued its recommendations.

4.14 Conclusion

- During 2020-21, 29 *per cent* of the total expenditure of the State Government was classified under Minor Head 800 – Other Expenditure. Indiscriminate booking under omnibus Minor Head 800 – Other Expenditure not only affected transparency in financial reporting but also prevented proper analysis of allocative priorities and quality of expenditure.
- Utilisation Certificates (UCs) aggregating ₹ 1,758.68 crore were outstanding against grants disbursed up to 2019-20. Similarly, Abstract Contingent (AC) Bills amounting to ₹ 186.04 crore were also pending due to non-submission of Detailed Contingent (DC) Bills. Non-submission of UCs and DC Bills by the departments for funds drawn for specific purposes violated the prescribed financial rules and Government directives.

- Non-reconciliation of receipts and expenditure booked by the Controlling Officers of the State with the figures of the Directorate of Accounts reflected poorly on the internal control system within the Government and raised concerns about accuracy of accounts.
- Fourteen autonomous bodies, which fell within the ambit of CAG's audit, had arrears of accounts ranging from five to 141 months. At the end of March 2022, 38 accounts of 11 companies were in arrears *i.e.* these were pending submission to CAG for audit.

Panaji
The 30 December 2022


(ANITHA BALAKRISHNA)
Accountant General, Goa

Countersigned

New Delhi
The 03 January 2023


(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

Appendices

APPENDIX 1.1

(Referred to in paragraph 1.1)

A. General Data (Basic statistics of the State)		
Sr. No.	Particulars	Figures
1.	Area	3702 sq.km.
2.	Population	
a.	As per 2001 Census	0.13 crore
b.	As per 2011 Census	0.15 crore
3.	Density of Population (as per 2001 census) (All India Density = 325 persons per sq. km.)	364 persons per sq. km.
	Density of Population* (as per 2011 census) (All India Density = 382 persons per sq. km.)	394 persons per sq. km.
4.	Population below poverty line (BPL) ^{\$} (All India Average = 21.92 per cent)	5.09 per cent
5.	Literacy rate* (as per 2011 Census) (All India = 73.00 per cent)	88.70 per cent
6.	Infant mortality [^] (per 1,000 live births) (All India = 30 per 1,000 live births)	08
7.	Life Expectancy at birth [@] (All India = 69.40 years)	68.50 years
8.	Gross State Domestic Product (GSDP) 2020-21 at current price	₹ 81,502 crore
9.	Per capita GSDP CAGR (2011-2021)	Goa All India
		6.11 8.08
10.	GSDP CAGR (2011-21)	Goa All India
		6.76 9.48
11.	Decadal Population Growth [#] (2011-21)	Goa All India
		6.66 12.30

B. Financial Data									
Particulars		2011-12 to 2014-15 (CAGR)		2015-16 to 2018-19 (CAGR)		Growth rate of 2019-20 over 2018-19		Growth rate of 2020-21 over 2019-20	
		GCS	Goa	GCS	Goa	GCS	Goa	GCS	Goa
		(Per cent)							
a.	Revenue Receipts	13.49	9.97	11.85	10.18	2.08	(-)1.23	(-)4.56	(-)7.59
b.	Own Tax Revenue	11.86	15.16	11.04	7.01	2.12	(-)3.51	(-)4.43	(-)11.68
c.	Non Tax Revenue	14.75	0.19	10.88	5.72	23.38	(-)4.77	(-)35.60	6.07
d.	State's shares in Union Taxes & Duties	9.78	9.78	14.48	14.37	(-)13.86	(-)13.83	(-)8.60	(-)7.42
e.	Grants-in-Aid from Govt. of India	24.44	33.86	10.20	54.50	21.23	69.33	18.54	(-)21.01
f.	Total Receipts	14.32	9.92	11.15	10.15	7.82	0.23	7.44	(-)7.59
g.	Revenue Expenditure	15.32	10.55	12.05	9.59	5.92	4.86	5.63	4.05
h.	Capital Expenditure	13.26	1.39	3.45	9.83	(-)5.55	(-)22.75	(-)2.36	20.30
i.	Disbursement of Loans and Advances	(-)9.35	(-)30.66	(-)21.58	0.00	(-)12.69	333.33	2.31	(-)92.31
j.	Total Expenditure	14.99	9.00	10.54	9.63	4.16	0.45	4.54	5.99
k.	RE on Education	13.28	5.37	8.89	15.24	11.97	5.67	(-)1.32	3.26
l.	RE on Health & Family Welfare	19.11	8.84	14.74	15.70	8.27	34.01	14.65	11.52
m.	Salary and Wages	10.09	10.50	10.33	12.23	9.07	4.90	2.27	0.82
n.	Pension	12.99	17.20	15.32	21.91	10.46	1.08	6.02	8.23
o.	Subsidies	20.67	23.28	4.69	7.25	(-)2.13	(-)12.96	6.55	1.49

Source: *Census Info India 2011;

\$ Ministry of Statistics and Programme Implementation;

^ Sample Registration System (SRS) Bulletin 2019 (October 2021);

@ SRS based Abridged Life Tables 2014-18, Registrar General of India (September 2020)

Report of the Technical Group on Population Projections for India and States (2011-2036), Registrar General of India

APPENDIX 1.2

(Referred to in paragraph 1.7)

Details of Government companies and statutory corporations

Sr. No.	Company Name	Sector	Description
1	Goa Forest Development Corporation Limited (GFDCL)	Environment & Science Technology	Goa Forest Development Corporation Limited (GFDCL) was incorporated in April 1997 under the Companies Act 1956 with the main objectives of (i) Developing and raising forest plantations, horticultural and plantation crops; (ii) Planting, growing, cultivating, harvesting cashew nuts and apples and tapping of rubber in plantation areas. Raising plantations of all kinds and buying, selling, exporting and importing all kinds of plants and crops and (iii) Carrying on the business of planters, cultivators, sellers and dealers in timber, plywood, pulpwood etc.
2	Goa Meat Complex Limited (GMCL)	Agriculture Food & Allied Services	GMCL was incorporated in November 1982 with the main objectives of providing efficient, modern and hygienic facilities for slaughtering of animals in the towns of Goa, purchase/sale of animals, meat and by-products. Since GMCL could not profitably operate the plant, it was being leased out to private contractors since then till 2004.
3	Goa State Horticultural Corporation Ltd. (GSHCL)	Agriculture Food & Allied Services	Goa State Horticultural and Plantation Development Corporation Limited was incorporated in August 1993 with the main objective of promoting and undertaking cultivating all types of horticultural plantation crops in the State of Goa. Subsequently, the name of the Company was changed to Goa State Horticultural Development Corporation Limited (GSHCL) in the year 1996. The Government of Goa handed over (1996) a farm admeasuring 3 Hectare in Chimbel to the Company for carrying out horticultural activities. GSHCL operates four vegetables and fruits sales outlets and 14 mobile vans for Direct Sales of grocery items and subsidised vegetables. It also supplies vegetables and groceries to 998 outlets owned by farmers and individuals.
4	Goa Handicrafts, Rural & Small-Scale Industries Development Corporation Ltd. (GHRSSIDCL)	Industries & Commerce	The Goa Handicrafts Rural & Small-Scale Industries Development Corporation (GHRSSIDCL), a Government of Goa Undertaking established in 1980 was registered under the Companies Act, 1956. The main objective of GHRSSIDCL is to manufacture, sell products of rural, cottage, handicrafts, village industries, and handloom & textile goods. GHRSSIDC also works with an aim to encourage, procure and make available expert advice and guidance and to undertake and provide all sorts of marketing facilities including export market for products of handicrafts, rural, small scale, village & cottage industries. GHRSSIDC through ten emporia in various locations in Goa sells and promotes the handicrafts made by the

Sr. No.	Company Name	Sector	Description
			artisan and thus providing a source of income to the artists. Apart from the above, (GHRSSIDC) provides impetus to Small Scale Industries through its Preferential Purchase Scheme (PPS) or Rate Contract Scheme (RCS) under an annual rate contract.
5	Goa State Scheduled Caste and Other Backward Classes Finance and Development Corporation Limited (GSSCOBCFDCL)	Health & Welfare	The Company was incorporated in April 1990. The Share Capital contribution of the State and the Central Government is in the ratio of 51:49 <i>per cent</i> respectively. The main objectives were as follows: - Identifying Scheduled Castes (SC) and Other Backward Class (OBC) Community entrepreneurs and promoting and strengthening of the class. - Generating activities for socio-economic advancement of SCs and OBCs, especially those from the weaker sections of the society and - Planning, promoting and financing the activities for the benefit, welfare and upliftment of SCs and OBCs which will also enable them to improve their standards of living.
6	Goa State Scheduled Tribes Finance and Development Corp. Ltd. (GSSTFDCL)	Health & Welfare	The Goa State Scheduled Tribes Finance and Development Corporation Limited (GSSTFDCL) was incorporated (March 2004) with the main objective to identify Schedule Tribes (ST) and other backward tribes and to promote and strengthen this class and generate activities for their socio-economic advancement.
7	Goa State Infrastructure Development Corporation Limited, (GSIDCL)	PWD	Goa State Infrastructure Development Corporation Limited (GSIDCL) was incorporated in February 2001 under the Companies Act, 1956. GSIDCL has been constituted as 'Special Purpose Vehicle' of the Government of Goa to facilitate execution of infrastructure development works on its behalf. All the expenditure on project(s) undertaken by GSIDCL is reimbursed by the Department(s)/Government. In addition to the project cost, GSIDCL charges development fees from the Government to meet its administrative expenses.
8	Sewerage and Infrastructural Development Corporation of Goa Limited, (SIDCGL)	PWD	The Sewerage and Infrastructural Development Corporation of Goa limited (SIDCGL) was incorporated on 22 nd February 2001 under the companies Act 1956. The organisation became dormant in the year 2005. Later the organisation was reactivated on 14 th January 2008. The objective of the organisation was decided to develop sewerage facilities in the State of Goa as the State was lacking in sewerage facilities. The sewerage schemes are completed and are later transferred to PWD as an asset for Operation & Maintenance.

Sr. No.	Company Name	Sector	Description
9	Imagine Panaji Smart City Development Limited, (IPSCDL)	Urban Development	Imagine Panaji Smart City Development Limited (IPSCDL), Panaji was incorporated (16/08/2016) under the Companies Act, 1956 and was created to bring about smart urban infrastructural facilities/projects in Panaji and promoted Panaji city as a smart city under the Smart City Mission of the Government of India. The Special Purpose Vehicle (SPV) was formed for the purpose to plan, appraise, approve, implement, manage, operate, monitor and evaluate the Smart City projects, thereby ensuring improvement of the quality of life of the citizens.
10	Goa Tourism Development Corporation Limited, (GTDCL)	Culture & Tourism	Goa Tourism Development Corporation Limited (GTDCL) was incorporated on 30 March 1982 as a wholly owned Company of the erstwhile Union Territory of Goa, Daman and Diu. On formation of the State of Goa, GTDCL became a State Government Company in 1987. The activities of GTDCL included providing accommodation to tourists and arranging sight-seeing tours and river cruises. Restaurants and catering services and shops attached to its hotels have been leased to private entrepreneurs under Leave and License agreement. In February 2013, the Government of Goa, Department of Tourism, has designated GTDCL as a 'SPV' and authorised creation of a project cell for execution of all tourism infrastructure projects in the State of Goa and organisation of all marketing and promotional activities of Goa Tourism.
11	Kadamba Transport Corporation Limited, (KTCL)	Transport	Kadamba Transport Corporation Limited (KTCL) was incorporated on 15 October 1980 as a wholly owned Company of the erstwhile Union Territory of Goa, Daman & Diu. On attaining statehood in 1987, the Corporation became a State Government owned company. The main objective of Corporation is to provide transport services to the commuter.
12	EDC Limited, (EDCL)	Industries & Commerce	EDC Ltd., Goa (Formerly the Economic Development Corporation of Goa, Daman and Diu Ltd.) was incorporated in March 1975 as a Public Limited Company under the Companies Act, 1956 with the main objective of promoting Industrial Development in the State of Goa by providing financial assistance to small and medium entrepreneurs. EDC is the Nodal Agency for implementing Chief Minister Rojgar Yojana (CMRY) Scheme, the flagship program of Government of Goa targeting unemployment.
13	Info Tech Corporation of Goa Limited, (ITCGL)	Information Technology & Communication	Info Tech Corporation of Goa Limited (ITCGL) was incorporated on 18 th April 1990 with EDC Limited, Goa Industrial Development Corporation and Goa Handicrafts Rural and Small-Scale Industrial Development Corporation as shareholders and the commercial operations were commenced from 1996. The Government of Goa (GoG) acquired 80.47 <i>per cent</i> of shares of ITCGL in March 2006 and ITCGL became a government

Sr. No.	Company Name	Sector	Description
			company. ITCGL is under the administrative control of Department of Information Technology (DoIT), Government of Goa. The main objectives of ITG include creation of IT Infrastructure for promotion of IT Industry in the State of Goa by establishing IT/Cyber Cities, Parks, Townships <i>etc.</i> and support/assist the Government in development of e-Governance applications required to be developed to serve citizens and business.
14	Goa Electronics Limited, (GEL)	Information Technology & Communication	Goa Electronics Limited (GEL) was incorporated in the year 1976 as a wholly-owned subsidiary of Economic Development Corporation (EDC) Limited, Goa. Presently, it offers various IT-enabled and e-Governance products and services to the Government departments on payment basis. GEL has been appointed as the State Designated Agency (SDA) in Goa by the Central Government for implementation of projects such as State Service Delivery Gateway (SSDG), Capacity Building (CB), Crime and Criminal Tracking Network System (CCTNS) and State Forensic Science Laboratory (SFSL).
15	Goa Industrial Development Corporation, (Goa-IDC)	Industries & Commerce	Goa Industrial Development Corporation (Goa-IDC), formerly known as Goa, Daman and Diu Industrial Development Corporation, was established on 1 February 1966 under the Goa Daman and Diu Industrial Development Act, 1965 (rechristened the Goa Industrial Development Act, 1965). With the objective of securing and assisting rapid and orderly establishment and organisation of industries in the industrial areas of the State of Goa, Goa-IDC established 24 industrial estates ¹ (IE) in different parts of the State and allotted plots and sheds to entrepreneurs and units for setting up industries.
16	Goa Information Technology Development Corporation Ltd, (GITDC)	IT&C	Government of Goa enacted 'The Goa Information Technology Development Act, 2007' to make special provision for securing the orderly establishment of Integrated Information Technology Township/Information Technology Parks in the State of Goa

(Source: Information compiled by Office of the AG, Goa)

¹ Bethora, Bicholim, Cacora, Canacona, Colvale, Corlim, Cuncolim, Dharbandoda, Honda, Kundaim, Madkaim, Mapusa, Margao, Panchawadi, Pilerne, Pissurlem, Sancoale, Sanguem, Shiroda, Tivim, Tuem, Verna, Latambarcem and Quitol

APPENDIX 2.1
(Referred to in paragraph 2.1)
Abstract of receipts and disbursements for the year 2020-21

(₹ in crore)

Receipts			Disbursements		
2019-20		2020-21	2019-20	2020-21	
Section-A: Revenue					
11297.52	1. Revenue receipts	10440.29	11622.66	1. Revenue expenditure	12092.66
4700.56	Tax revenue	4150.68	3942.84	General services	4144.29
			4338.50	Social Services (inclusive of GIA and contribution)	4528.53
2737.54	Non-tax revenue	2902.80	1986.87	Education, Sports, Art and Culture	2051.69
			975.11	Health and Family Welfare	1087.49
2479.85	State's share of Union Taxes	2296.53	552.44	Water Supply, Sanitation, Housing and Urban Development	518.33
			28.27	Information and Broadcasting	25.32
169.33	Non-Plan grants	74.32	75.61	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	67.31
-	Grants for State Plan Schemes	-	69.06	Labour and labour Welfare	60.58
			648.30	Social Welfare and Nutrition	715.13
391.54	Grants for Central and Centrally sponsored Plan Schemes	204.49	2.84	Others	2.68
818.70	Other Transfers to States with Legislatures	811.47	3341.32	Economic Services (inclusive of GIA and contribution)	3419.84
			334.28	Agriculture and Allied Activities	403.33
			153.49	Rural Development	267.91
			8.89	Special Areas Programmes	7.77
			130.09	Irrigation and Flood control	144.29
			2220.19	Energy	2045.77
			66.70	Industry and Minerals	65.26
			267.10	Transport	369.30
			52.65	Science, Technology and Environment	17.72
			107.93	General Economic Services	98.49
			11622.66	Total	12092.66
325.14	II. Revenue deficit carried over to Section B	1652.37	-	II. Revenue deficit/surplus carried over to Section B	
11622.66	Total		11622.66	Total	

Receipts			Disbursements		
2019-20		2020-21	2019-20	2020-21	
Section-B : Other					
1305.57	III. Opening Cash balance including Permanent Advances and Cash Balance Investment	1485.12	-	III. Opening Overdraft from Reserve Bank of India	-
-	IV. Miscellaneous Capital receipts	-	1660.24	IV. Capital Outlay	1996.67
			299.77	General Services	436.62
			587.07	Social Services	602.79
			175.34	Education, Sports, Art and Culture	34.07
			152.22	Health and Family Welfare	118.75
			233.97	Water Supply, Sanitation, Housing and Urban Development	430.61
			-	Information and Broadcasting	-
			24.63	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	18.22
			0.41	Social Welfare and Nutrition	0.14
			0.50	Other Social Services	1.00
			773.40	Economic Services	957.26
			9.94	Agriculture and Allied Activities	(-)6.96
			8.70	Rural Development	18.33
			2.39	Special Areas Programmes	1.76
			210.14	Irrigation and Flood Control	170.17
			176.45	Energy	223.70
			16.74	Industry and Minerals	9.29
			253.00	Transport	288.81
			30.19	Science, Technology and Environment	179.68
			65.85	General Economic Services	72.48
			1660.24	Total	1996.67
3.58	V. Recoveries of Loans and Advances	3.01	13.42	V. Loans and Advances disbursed	1.61
3.28	From Government Servants	2.48	0.86	To Government Servants	1.28
0.30	From Others	0.53	12.56	To Others	0.33
-	VI. Revenue Surplus brought down		325.14	VI. Revenue Deficit brought down	1652.37

Receipts			Disbursements		
2019-20		2020-21	2019-20	2020-21	
2699.47	VII. Public debt receipts	4586.98	1024.93	VII. Repayment of Public debt	751.15
-	External debt	-	-	External debt	-
2653.79	Internal debt other than Ways and Means Advances and overdrafts	3604.24	926.94	Internal debt other than Ways and Means Advances and Overdrafts	652.75
-	Net transactions under Ways and Means Advances	-	-	Net transactions under Ways and Means Advances	-
-	Net transactions under overdraft	-	-	Net transactions under overdraft	-
45.68	Loans and Advances from Central Government	982.74	97.99	Repayment of Loans and Advances to Central Government	98.40
-	VIII. Appropriation to Contingency Fund	-	-	VIII. Appropriation to Contingency Fund	
-	IX. Amount transferred to Contingency Fund	-	(-) 1.81	IX. Expenditure from Contingency Fund	(-)0.08
12735.59	X. Public Account receipts	12956.76	12237.17	X. Public Account disbursements	12704.33
444.47	Small Savings and Provident Funds	429.67	370.60	Small Savings and Provident Funds	391.39
459.25	Reserve Funds	115.43	172.88	Reserve Funds	137.18
7670.98	Suspense and Miscellaneous	8571.13	7778.86	Suspense and Miscellaneous	8495.91
3551.74	Remittances	3074.67	3490.85	Remittances	2965.22
609.15	Deposits and Advances	765.86	423.98	Deposits and Advances	714.63
-	XI. Closing Overdraft from Reserve Bank of India	-	1485.12	XI. Cash Balance at end	1925.82
			1031.37	Investment of earmarked balance	968.20
			64.26	Deposits with Reserve Bank	(-)5.08
			1.85	Departmental Cash Balance including permanent Advances	1.81
			387.64	Cash Balance Investment	960.89
28366.87	Total	31124.53	28366.87	Total	31124.53

(Source: Finance Accounts of the State)

APPENDIX 2.2
(Referred to in paragraph 2.1)
Time series data on the State Government finances

(₹ in crore)

	2016-17	2017-18	2018-19	2019-20	2020-21
Part-A Receipts					
1. Revenue Receipts	9565	11054	11438	11297	10440
(i) Tax Revenue	4261(45)	4732(43)	4871(43)	4700(42)	4151(40)
State Goods and Services Tax (SGST)	-	1464(31)	2529(52)	2438(52)	1985(48)
Taxes on Sales, Trade etc.	2438(57)	1622(34)	1013(21)	1033(22)	990(24)
State Excise	321(7)	410(9)	478(10)	492(10)	515(12)
Taxes on Vehicles	244(6)	314(7)	299(6)	269(6)	220(5)
Stamp duty and Registration fee	365(9)	530(11)	432(9)	393(8)	350(9)
Land Revenue	39(1)	42(1)	67(1)	37(1)	34(1)
Taxes on goods and passengers	454(11)	210(4)	30(1)	32(1)	41(1)
Other Taxes	400(9)	140(3)	23(0)	6(0)	16(0)
(ii) Non-Tax Revenue	2712(28)	3033(27)	2874(25)	2737(24)	2903(28)
(iii) State's share in Union taxes and duties	2299(24)	2544(23)	2878(25)	2480(22)	2296(22)
(iv) Grants-in-aid from Government of India	293(3)	745(7)	815(7)	1380(12)	1090(10)
2. Misc. Capital Receipts	-	-	-	-	-
3. Recoveries of Loans and Advances	9	7	5	4	3
4. Total Revenue and Non-debt capital receipt (1+2+3)	9574	11061	11443	11301	10443
5. Public Debt Receipts	1519	2006	2529	2700	4587
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1427	1928	2459	2654	3604
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	92	78	70	46	983
6. Total Receipts in the Consolidated Fund (4+5)	11093	13067	13972	14001	15030
7. Contingency Fund Receipts	-	-	-	-	-
8. Public Accounts receipts	11128	13377	13684	12736	12957
9. Total receipts of the State (6+7+8)	22221	26444	27656	26737	27987
Part-B Expenditure/Disbursement					
10. Revenue Expenditure	8866(84)	10543(83)	11083(84)	11622(87)	12093(86)
Plan	2126(24)	-	-	-	-
Non Plan	6740(76)	-	-	-	-
General Services (including interests payments)	2873(32)	3517(34)	3793(34)	3942(34)	4144(34)
Social Services (including GIA and contributions)	3345(38)	4155(39)	4223(38)	4339(37)	4529(38)
Economic Services (including GIA and contributions)	2648(30)	2871(27)	3067(28)	3341(29)	3420(28)
11. Capital Expenditure	1639(16)	2094(17)	2149(16)	1660(12)	1997(14)
General Services	204(12)	409(20)	515(24)	300(18)	437(22)
Social Services	432(26)	654(31)	763(36)	587(35)	603(30)
Economic Services	1003(61)	1031(49)	871(41)	773(47)	957(48)

	2016-17	2017-18	2018-19	2019-20	2020-21
Part-B Expenditure/Disbursement					
12. Disbursement of Loans and Advances	03	34	03	13	01
13. Total (10+11+12)	10508	12671	13235	13295	14091
14. Repayments of Public Debt	468	790	920	1025	751
Internal Debt (excluding Ways and Means Advances and Overdrafts)	441	702	827	927	653
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	27	88	93	98	98
15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	10976	13461	14157	14321	14843
17. Net Loans and Advances	6	(-)27	2	(-)9	1
18. Contingency Fund disbursements	-	-	2	-	0
19. Public Accounts disbursements	11029	12969	13189	12237	12704
20. Total disbursement by the State (16+18+19)	22005	26430	27348	26558	27547
Part-C Deficits					
21. Revenue Deficit(-)/Revenue Surplus (+)(1-10)	699	511	355	(-)325	(-)1653
22. Fiscal Deficit (4-13)	(-)934	(-)1610	(-)1792	(-)1994	(-)3648
23. Primary Deficit(-)/Surplus(+) (22+24)	214	(-)366	(-)448	(-)529	(-)2058
Part-D Other Data					
24. Interest Payments (included in revenue expenditure)	1148	1244	1344	1465	1590
24. Financial Assistance to local bodies etc.	1325	1671	1775	1804	1981
25. Ways and Means Advances (WMA)/Overdraft availed (days)	188	88	320	96	167
Ways and Means advances availed	174	88	296	96	167
Overdraft availed	14	-	24	-	-
26. Interest on WMA/Overdraft	4	1	3	1.01	1.96
27. Gross State Domestic Product (GSDP)	62976	69352	73170	80449	81502
28. Outstanding fiscal liabilities (year-end)	16824	18552	20412	22554	26521
29. Outstanding guarantees including interest (year-end)	842	741	1093	883	967
30. Maximum amount guaranteed (year-end)	932	962	1467	1076	1355
31. Number of incomplete projects	132	153	266	207	203
32. Capital blocked in incomplete projects	1509	1204	1304	1007	545

Part-E Fiscal Health Indicators (in per cent)	2016-17	2017-18	2018-19	2019-20	2020-21
I Resource Mobilisation					
Own Tax revenue/GSDP	6.77	6.82	6.66	5.84	5.09
Own Non-Tax Revenue/GSDP	4.31	4.37	3.93	3.40	3.56
Central Transfer/GSDP	3.65	3.67	3.93	3.08	2.82
II Expenditure Management					
Total Expenditure/GSDP	16.60	18.27	18.09	16.53	17.29
Total Expenditure/Revenue Receipts	109.86	114.63	115.71	117.69	134.97
Revenue Expenditure/Total Expenditure	84.37	83.21	83.74	87.42	85.81
Expenditure on Social Services/Total Expenditure	35.94	37.95	37.67	37.04	36.42
Expenditure on Economic Services/Total Expenditure	34.74	30.79	29.77	30.94	31.06
Capital Expenditure/Total Expenditure	15.60	16.53	16.24	12.49	14.17
Capital Expenditure on Social and Economic Services/Total Expenditure	13.66	13.30	12.35	10.23	11.07
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	1.11	0.74	0.49	(-)0.41	(-)2.03
Fiscal deficit/GSDP	(-)1.48	(-)2.32	(-)2.45	(-)2.47	(-)4.48
Primary Deficit (surplus)/GSDP	0.34	(-)0.53	(-)0.61	(-)0.66	(-)2.53
Revenue Deficit/Fiscal Deficit	(-)74.79	(-)31.74	(-)19.81	16.30	45.31
Primary Revenue Balance/GSDP	2.93	2.53	2.32	1.42	(-)0.08
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP ²	26.71	26.75	27.90	28.04	31.51
Fiscal Liabilities/RR	175.89	167.84	178.46	199.65	254.03
Debt Redemption (Principal + Interest)/Total Debt Receipts	106.37	101.41	89.52	92.22	51.04

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

² As per Department of Expenditure, GoI letter dated 10 December 2021, borrowings under the special window shall not be treated as debt of the State for any norms which may be prescribed by the Finance Commission. Hence, the back-to-back loans of ₹ 840 crore *in-lieu* of shortfall in GST compensation has not been considered as public debt/total outstanding liabilities of the State Government.

APPENDIX 2.3*(Referred to in paragraph 2.4.3.2)***Details of Government companies and statutory corporations (SPSEs)
not covered in this report (either due to arrears of accounts or non-working)**

Sr. No.	Name of SPSE	Year for which accounts not received till 31 October 2021
Government companies		
1	Goa Forest Development Corporation Limited	2017-18 to 2020-21
2	Goa Meat Complex Limited [@]	Non-working
3	Goa State Horticultural Corporation Limited	2016-17 to 2020-21
4	Goa State Scheduled Caste and Other Backward Classes Finance and Development Corporation Limited	2010-11 to 2020-21
5	Imagine Panaji Smart City Development Limited	2017-18 to 2020-21
6	Info Tech Corporation of Goa Limited	2013-14 to 2020-21
Statutory corporation		
7	Goa Information Technology Development Corporation	Non-working

*(Source: Information compiled based on latest Accounts received from SPSEs)**@ Though the latest Accounts of Goa Meat Complex Limited for the year 2019-20 had been received, it was excluded from audit coverage, being a non-working company.*

APPENDIX 2.4*(Referred to in paragraph 2.4.3.2)***List of SPSEs having negative net worth as on 31 March 2021***(₹ in crore)*

Sr. No.	Name	Net profit before dividend	Net worth	Paid up capital	Equity
1	Kadamba Transport Corporation Limited	(-)12.68	(-)64.64	108.45	(-)64.64
2	Goa Industrial Development Corporation	(-)30.72	(-)39.62	59.27	(-)39.62
	Grand total	(-)43.40	(-)104.26	167.72	(-)104.26

(Source: As per information furnished by nine SPSEs based on latest Accounts)

APPENDIX 3.1

(Referred to in paragraph 3.3.2)

Unnecessary supplementary provisions of ₹ five crore or more during 2020-21

(₹ in crore)

Sr. No.	Name of the Grant	Original provision	Supplementary	Actual	Savings out of original provision	Savings (col.4) over Original provision (col.1) (in per cent) (col.4 by 1)
Revenue (voted)		(1)	(2)	(3)	(4)	(5)
1.	13 Transport	204.25	26.22	175.92	28.33	13.87
2.	17 Police	611.29	23.88	561.91	49.38	8.08
3.	33 Revenue	26.82	9.65	20.77	6.05	22.56
4.	48 Health Services	695.69	53.13	539.61	156.08	22.44
5.	55 Municipal Administration	226.88	11.15	91.88	135.00	59.50
6.	57 Social Welfare	415.52	9.99	363.43	52.09	12.54
7.	58 Women and Child Development	512.42	51.10	295.31	217.11	42.37
8.	64 Agriculture	191.13	39.53	156.05	35.08	18.35
9.	68 Forests	103.04	44.02	77.76	25.28	24.53
10.	70 Civil Supplies	49.23	16.93	46.29	2.94	5.97
Total		3036.27	285.60	2328.93	707.34	23.30
Capital (voted)						
11.	01 Legislature	2.00	5.00	0.90	1.10	55.00
12.	02 General Administration and Coordination	15.20	19.37	1.00	14.20	93.42
13.	13 Transport	52.00	17.40	10.25	41.75	80.29
14.	21 Public Works	1291.79	24.82	626.86	664.93	51.47
15.	47 Goa Medical College	96.60	114.00	69.38	27.22	28.18
16.	48 Health Services	126.80	75.46	47.28	79.52	62.71
17.	55 Municipal Administration	255.90	181.09	59.88	196.02	76.60
18.	68 Forests	10.70	12.04	0.61	10.09	94.30
19.	78 Tourism	127.76	15.00	72.48	55.28	43.27
20.	84 Airport	15.20	10.00	3.37	11.83	77.83
Total		1993.95	474.18	892.01	1101.94	55.26
Grand Total		5030.22	759.78	3220.94	1809.28	

(Source: Appropriation Accounts of the State)

APPENDIX 3.2*(Referred to in paragraph 3.3.3)***Details of savings of ₹ one crore and above not surrendered during 2020-21***(₹ in crore)*

Sr. No.	Name of grant	Savings	Amount surrendered	Amount not surrendered
Revenue (voted)				
1.	6 Election Office	14.60	11.52	3.08
2.	21 Public Works Department	202.32	185.69	16.63
3.	23 Home	13.11	7.05	6.06
4.	32 Finance	17.59	16.49	1.10
5.	34 School Education	225.69	219.40	6.29
6.	47 Goa Medical College	113.44	128.15	14.71
7.	48 Health Services	209.21	209.06	0.15
8.	52 Labour	20.56	6.02	14.54
9.	68 Forests	69.31	36.85	32.46
10.	70 Civil Supplies	19.87	17.80	2.07
11.	75 Planning, Statistics and Evaluation	10.22	7.40	2.82
12.	76 Electricity	132.27	123.75	8.52
13.	82 Information Technology	90.88	80.70	10.18
14.	86 Non-Conventional Source of Energy	84.22	0.00	84.22
Capital (voted)				
15.	21 Public Works	689.75	688.59	1.16
16.	23 Home	8.00	0.00	8.00
17.	34 School Education	145.67	139.73	5.94
18.	35 Higher Education	74.00	49.00	25.00
19.	36 Technical Education	49.53	40.03	9.50
20.	47 Goa Medical College	141.22	133.22	8.00
21.	48 Health Services	154.98	153.83	1.15
22.	52 Labour	1.60	0.10	1.50
23.	76 Electricity	321.64	319.64	2.00
24.	81 Department of Tribal Welfare	94.44	87.38	7.06
25.	86 Non-Conventional Source of Energy	12.67	0.00	12.67
Total		2916.79	2661.40	255.39

(Source: Appropriation Accounts of the State)

APPENDIX 4.1
(Referred to in paragraph 4.3)
Department-wise status of outstanding UCs

Sr. No.	Name of Department	No. of utilisation certificates	Amount (₹ in crore)
1	Directorate of Education	1143	245.00
2	Directorate of Technical Education	3	0.43
3	Directorate of Higher Education	-	0
4	Department of Tribal Welfare	220	12.08
5	Town and Country Planning Department	2	0.75
6	Directorate of Municipal Administration	678	516.53
7	i) Directorate of Women and Child Welfare ii) Directorate of Social Welfare	362 450	10.33 34.06
8	Department of Science, Technology and Environment	169	27.39
9	i) Directorate of Panchayats (South) ii) Directorate of Panchayats (North)	2813 3289	87.61 639.10
10	i) General Administration Department (GIRDA) ii) Directorate of Official Language iii) Legislature Department	20 2 16	9.16 0.01 0.80
11	Directorate of Health Services	12	14.89
12	Directorate of Small Savings and Lotteries	-	0
13	Directorate of Agriculture	85	0.32
14	Department of Forests	4	1.80
15	Goa State Legal Services Authority	-	0
16	Under Secretary, Finance (Home)	117	0.38
17	Under Secretary, Revenue	-	0
18	Under Secretary, Finance (R&C)	-	0
19	Public Health Department	24	0.17
20	Law Department	-	0
21	North Goa District Legal Authority	-	0
22	Directorate of Sports and Youth Affairs	310	10.95
23	Directorate of Art and Culture	1009	72.31
24	Directorate of Archives and Archaeology	-	0
25	Directorate of Fisheries	6	1.19
26	Animal Husbandry and Veterinary services	51	5.23
27	Directorate of Skill Development and Entrepreneurship	5	10.70
28	Department of Rural Development	37	46.10
29	Directorate of Industries, Trade & Commerce	5	2.92
30	Department of Information & Technology	2	5.85
31	Directorate of Transport	1	2.62
	Total	10835	1758.68

(Source: Information provided by Directorate of Accounts)

APPENDIX 4.2

(Referred to in paragraph 4.10)

Statement showing delay in submission of accounts and tabling of SARs of autonomous bodies in State Legislature as of March 2022

Sr. No.	Name of the body/authority	Period of entrustment of audit and Section under which audited	Year for which accounts received	Period up to which SAR issued to State Government	Whether SAR required to be placed in the Legislature / Date of issue of SAR by Audit to State Government/ Date of placement of SAR	Delay in submission of accounts to Audit up to March 2022 (months)
	1	2	3	4	5	6
1	Goa University	01.04.2015 to 31.03.2020 Section 19 (3)	2019-20	2018-19	Yes/ 30.07.21/ Not yet placed (March 2022)	2020-21 (09)
2	Goa Housing Board	01.04.2017 to 31.03.2022 Section 19 (3)	2018-19	2018-19	Yes/ 08.01.21/ 18.10.21	2019-20 (17) 2020-21 (05)
3	Goa Tillari Irrigation Development Corporation	01.04.2012 to 31.03.2016 Section 19 (3)	2011-12	2011-12	Yes/ 29.07.19/ Not yet placed (March 2022)	2012-13 (105) 2013-14 (93) 2014-15 (81) 2015-16 (69) 2016-17 (57) 2017-18 (45)
4	Khadi and Village Industries Board	01.04.2018 to 31.03.2023 Section 19 (3)	2019-20	2017-18	Yes/ 08.01.21/ Not yet placed (March 2022)	2018-19 (32) 2019-20 (20) 2020-21 (08)
5	Goa State Commission for Backward Classes	01.04.2014 to 31.03.2019 Section 19 (3)	2019-20	2019-20	Yes/ 16.04.21/ Not yet placed (March 2022)	2020-21 (09)
6	Goa Secondary and Higher Secondary Education Board	01.04.2015 to 31.03.2020 Section 20 (1)	2020-21	2020-21	No/ 04.04.22/ Not Applicable	-
7	South Goa Zilla Panchayat	01.04.2019 to 31.03.2024 Section 20 (1)	2017-18	2017-18	Yes/ 16.04.19/ Not yet placed (March 2022)	2018-19 (33) 2019-20 (21) 2020-21 (09)
8	North Goa Zilla Panchayat	01.04.2019 to 31.03.2024 Section 20 (1)	2008-09	2008-09	Yes/ 24.06.15/ Not yet placed (March 2022)	2009-10 (141) 2010-11 (129) 2011-12 (117) 2012-13 (105) 2013-14 (93) 2014-15 (81) 2015-16 (69) 2016-17 (57) 2017-18 (45) 2018-19 (33) 2019-20 (21) 2020-21 (09)

9	Goa State Legal Services Authority	As per Act Section 19 (2)	2018-19	2018-19	Yes/ 02.12.20/ Not yet placed (March 2022)	2019-20 (21) 2020-21 (09)
10	District Legal Services Authority, South Goa [£]	As per Act Section 19 (2)	2013-14	2013-14	No/ 27.04.18/ Not Applicable	2014-15 2015-16 2016-17 2017-18 2018-19 2019-20 2020-21
11	District Legal Services Authority, North Goa [£]	As per Act Section 19 (2)	2017-18	2017-18	No/ 24.08.21/ Not Applicable	2018-19 2019-20 2020-21
12	Goa State Compensatory Afforestation Fund Management and Planning Authority	01.04.2012 to 31.03.2017 Section 20 (1)	2015-16	2015-16	No/ 08.06.17/ Not Applicable	2016-17 (57) 2017-18 (45) 2018-19 (33) 2019-20 (21) 2020-21 (09)
13	Goa Sarva Shiksha Abhiyan Society	01.04.2015 to 31.03.2020 Section 20 (1)	2018-19	2018-19	Yes/ 01.01.21/ Not yet placed (March 2022)	2019-20 (21) 2020-21 (09)
14	Real Estate Regulatory Authority	As per act Section 19 (2)	2019-20	2018-19	No/ 11.08.21/ Not Applicable	2020-21 (09)

(Source: Information compiled by Office of the AG, Goa)

£: Due dates for submission of accounts to audit not mentioned in the entrustment.

APPENDIX 4.3
(Referred to in paragraph 4.11)
Details of Government Companies whose accounts were in arrears

Sr. No.	Name of Government Company	Year for which accounts not received by 31 March 2022
1.	Goa Forest Development Corporation Limited	2017-18 to 2020-21
2.	Goa State Horticultural Corporation Limited	2016-17 to 2020-21
3.	Goa Handicrafts, Rural & Small-Scale Industries Development Corporation Ltd.	2020-21
4.	Goa State Scheduled Caste and Other Backward Classes Finance and Development Corporation Limited	2010-11 to 2020-21
5.	Goa State Infrastructure Development Corporation Limited	2020-21
6.	Sewage and Infrastructural Development Corporation Limited	2020-21
7.	Imagine Panaji Smart City Development Limited	2017-18 to 2020-21
8.	Kadamba Transport Corporation Limited	2020-21
9.	EDC Limited	2020-21
10.	Goa Electronics Limited	2020-21
11.	Info Tech Corporation of Goa Limited	2013-14 to 2020-21

(Source: Information compiled on the basis of accounts received from Government Companies)

APPENDIX 4.4

(Referred to in paragraph 4.12)

Department-wise/age-wise break-up of the cases of misappropriations, defalcations, etc. (Cases where final action was pending at the end of December 2021)

(Figures in bracket indicate amount – ₹ in lakh)

Sr. No.	Name of Department	Up to 5 years	5 to 10 years	10 years and above	Total No. of cases
1	Directorate of Panchayats	06(7.86)	05(1.70)	02(3.44)	13(13.00)
2	Directorate General of Police	-	-	02(0.04)	02(0.04)
3	Directorate of Civil Supplies and Consumer Affairs	-	-	03(5.92)	03(5.92)
4	Goa Medical College	-	-	02(3.20)	02(3.20)
	Principal District and Sessions Judge, North Goa	01 (1.02)	-	-	01(1.02)
7	Directorate of Transport	-	1(8.13)	-	01(8.13)
9	Animal Husbandry & Veterinary Services	-	1(0.25)	-	01(0.25)
	Total	07 (8.88)	07(10.08)	09(12.60)	23(31.56)

(Source: Information provided by various Departments)

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