

PREFACE

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution.
2. Chapters I and II of this Report respectively contain audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2010.
3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

Executive Summary

Background

In response to the Twelfth Finance Commission's recommendations, the Goa Government enacted its Fiscal Responsibility and Budget Management Act, (FRBM), entitled the Goa Fiscal Responsibility and Budget Management Act, 2006, with a view to ensuring prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, sustainable debt management consistent with fiscal stability, greater transparency in fiscal operations of the Government and conduct of fiscal policy in a medium-term fiscal framework. The State Government's commitment to carry forward these reforms is largely reflected in the policy initiatives announced in its subsequent budgets. Though during the period 2006-09 the trend with regard to fiscal indicators showed positive towards achieving fiscal stability by reduction of deficits, but the deficit indicators turned negative during the current year.

The report

Based on the audited accounts of the Government of Goa for the year ending March 2010, this report provides an analytical review of the Annual Accounts of the State Government. The report is structured in three Chapters.

Chapter I is based on the audit of Finance Accounts and makes an assessment of the Goa Government's fiscal position as at 31 March 2010. It provides an insight into trends in committed expenditure and borrowing pattern, besides giving a brief account of Central funds transferred directly to State implementing agencies through the off-budget route.

Chapter II is based on audit of Appropriation Accounts and gives a grant-wise description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

Chapter III is an inventory of the Government's compliance with various reporting requirements and financial rules. The report also has additional data collated from several sources in support of the findings.

Audit findings and recommendations

Fiscal discipline: The target to reduce the revenue deficit to zero by 2008-09 was achieved by the Government in 2006-07. The State had a revenue surplus of ₹ 103 crore in 2008-09, which however, turned to a deficit of ₹ 127 crore in 2009-10. The Government should make concerted efforts to contain the revenue deficit.

Need to compress Non-Plan expenditure: The revenue expenditure was 79 *per cent* of the total expenditure, of which 82 *per cent* was under Non-Plan.

Review of Government investments: The average return on the Government's investments in statutory corporations, Government companies, Co-operative banks and societies varied between 0.11 and 0.32 *per cent* in the past three years, while the Government paid average interest rate on borrowings in the range of 7.46 to 7.79 *per cent*. This is obviously an unsustainable proposition. The State Government should, therefore, speed up to seek better value for money on its investments. Otherwise, high-cost borrowed funds invested in projects with low financial returns will continue to strain the economy.

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

Financial management and budgetary control: During 2009-10, there were overall savings of ₹ 945.70 crore, which were a result of the total savings of ₹ 953.27 crore, being offset by the excess of ₹ 7.57 crore. This excess requires regularization by the State Legislature under Article 205 of the Constitution of India. Cases were noticed where the amounts surrendered were in excess of the actual savings, indicating lack of budgetary control. As against savings of ₹ 40.44 crore, the amount surrendered was ₹ 41.36 crore, resulting in excess surrender of ₹ 92 lakh. There were eight grants/ appropriations in which savings of ₹ 4.08 crore occurred but no part of the amount had been surrendered by the concerned departments. Similarly, out of total savings of ₹ 580 crore under 24 other grants/appropriations, ₹ 173 crore was not surrendered. In respect of 30 major heads of account, out of an expenditure of ₹ 690.24 crore, ₹ 442.86 crore was incurred during the last quarter of the year. Budgetary controls should be strengthened to avoid such deficiencies in financial management.

Financial reporting: The State Government's compliance with various rules, procedures and directives was not adequate, which was evident from the

delays between one year and above seven years in furnishing of 5,694 utilization certificates aggregating ₹ 384 crore against the loans and grants received from various grantee institutions. As on 30 June 2010, 446 annual accounts of 193 institutions had not been received. The department reported 26 cases of misappropriations, involving Government funds amounting to ₹ 1.91 crore upto March 2010 of which final action was pending. These cases should be expedited to bring the defaulters to book. Internal controls in all the organisations should be strengthened to prevent such cases in future.

CHAPTER - I

FINANCES OF THE STATE GOVERNMENT

Goa became a State on 30 May 1987 before which it was a Union Territory having a Legislative Assembly. It has a land area of 3,702 sq. km. and a coastline of 104 km. It has two districts, 11 talukas and 359 villages, with a relatively lower population density of 258 persons compared to the all India average of 325 persons per sq.km. Goa has one of the highest literacy rates among the States of the country. Besides, the infant mortality rate and the population living below the poverty line is very low as compared to the all India average. For the period 2000-2001 to 2008-09, the Compound Annual Growth Rate (CAGR) of the Gross State Domestic Product (GSDP) of Goa was 14.35 *per cent* which was higher than the growth of GSDP of other General Category States. However, for the same time period, the population growth rate in Goa was much higher (nearly 30 *per cent*) than that of other General Category State's average of 13.42 *per cent*. Hence, the impact of high GSDP growth on per capita income would be insignificant (**Appendix 1.1 Part A**).

This chapter provides a broad perspective of the finances of the Government of Goa during the current year and analyses critical changes in the major fiscal aggregates relative to the previous year, keeping in view the overall trends during the last five years. The structure of Government Accounts and the layout of the Finance Accounts are shown in **Appendix 1.1 Part B and Part C**. The methodology adopted for the assessment of the fiscal position of the State is given in **Appendix 1.2**.

1.1 Summary of Current Year's Fiscal Transactions

Table 1.1 presents the summary of the State Government's fiscal transactions during the current year (2009-10) vis-à-vis the previous year, while **Appendix 1.3** provides details of receipts and disbursements as well as the overall fiscal position during the current year.

Table 1.1 Summary of Current Year's Fiscal Operations

(*₹ in crore*)

2008-09	Receipts	2009-10	2008-09	Disbursements	2009-10		
Section-A: Revenue							
					Non-Plan	Plan	Total
3528.27	Revenue receipts	4100.27	3425.48	Revenue expenditure	3468.92	758.55	4227.47
1693.55	Tax revenue	1762.34	1061.87	General services	1338.82	12.09	1350.91
1236.16	Non-tax revenue	1731.20	801.57	Social services	897.08	65.46	962.54
415.44	Share of Union taxes/duties	427.42	1119.88	Economic services	1079.80	248.02	1327.82
183.12	Grants from Government of India	179.31	442.16	Grant-in-aid and Contributions	153.22	432.98	586.20
Section-B: Capital and others							
--	Misc Capital receipts	--	897.07	Capital Outlay	5.70	1078.38	1084.08
9.77	Recoveries of Loans and Advances	12.74	28.67	Loans and Advances disbursed	33.23	3.99	37.22
662.83	Public Debt receipts*	631.99	166.29	Repayment of Public Debt*	♣	♣	177.69
--	Contingency Fund	0.06	0.06	Contingency Fund	♣	♣	2.99
5025.45	Public Account receipts	6177.89	4642.30	Public Account disbursements	♣	♣	5471.44
725.13	Opening Cash Balance	791.58	791.58	Closing Cash Balance	--	--	713.64
9951.45	Total	11714.53	9951.45	Total			11714.53

(Source: Finance Accounts for the years 2008-09 and 2009-10)

* Excluding net transactions under ways and means advances and overdraft.

♣ Bifurcation of Plan and Non-Plan not available.

The following are the significant changes during 2009-10 over the previous year:

- Revenue receipts grew by ₹ 572 crore (16 per cent) over the previous year. The increase was mainly contributed by tax revenue (₹ 69 crore), non-tax revenue (₹ 495 crore) and share of Union taxes and duties (₹ 13 crore), offset by a decrease of ₹ four crore in grants from the Government of India.
- Revenue expenditure increased by ₹ 802 crore over the previous year. The increase was mainly under Education, Sports, Art and Culture (₹ 160 crore), Pension and Retirement benefits (₹ 129 crore), Power (₹ 76 crore) and Health and Family Welfare (₹ 53 crore).
- Receipts under Public Debt decreased by ₹ 31 crore and repayment of Public Debt increased by ₹ 11 crore over the previous year.
- Public Account receipts and disbursements increased by ₹ 1,152 crore and ₹ 829 crore respectively over the previous year.
- The cash balance at the end of the year decreased by ₹ 78 crore.

Review of fiscal situation

As per the normative projections made by the Twelfth Finance Commission (TFC), the State's own tax revenue and own non-tax revenue would be ₹ 1,985.83 crore and ₹ 509.25 crore respectively in 2009-10 against which the Government collected tax revenue of ₹ 1,762.34 crore and non-tax

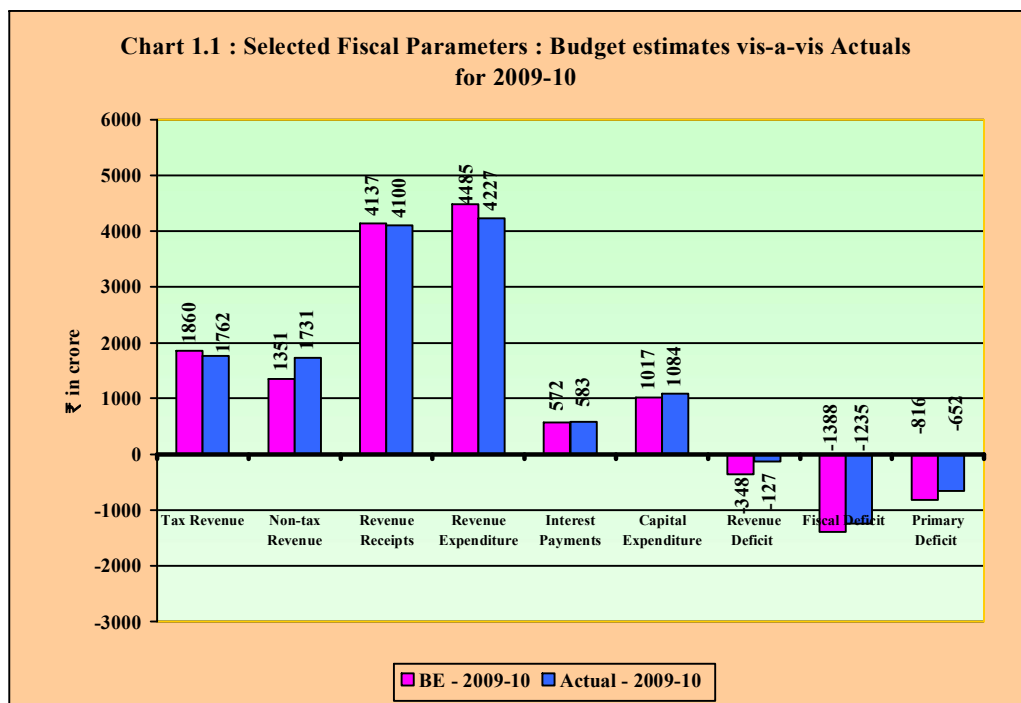
revenue of ₹ 1,731.20 crore. Similarly, against a Non-Plan revenue expenditure projection of ₹ 1,748.89 crore, the actual Non-Plan revenue expenditure incurred was ₹ 3,468.92 crore.

The overall fiscal liabilities of the State increased from ₹ 5,018 crore in 2005-06 to ₹ 7,902 crore in 2009-10. This included loans of ₹ 149.49 crore given by GOI to the erstwhile Union Territory of Goa, Daman and Diu. The growth rate of fiscal liabilities was 11.96 per cent during 2009-10 over the previous year. The ratio of fiscal liabilities to GSDP decreased from 37.58 per cent in 2005-06 to 35.10 per cent in 2009-10. This ratio is still on the higher side keeping in view the target of 30 per cent to be achieved by 31 March 2009 as laid down in the Goa Fiscal Responsibility and Budget Management Act, 2006. The fiscal deficit during 2009-10 was 5.49 per cent of GSDP.

Budget analysis

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

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



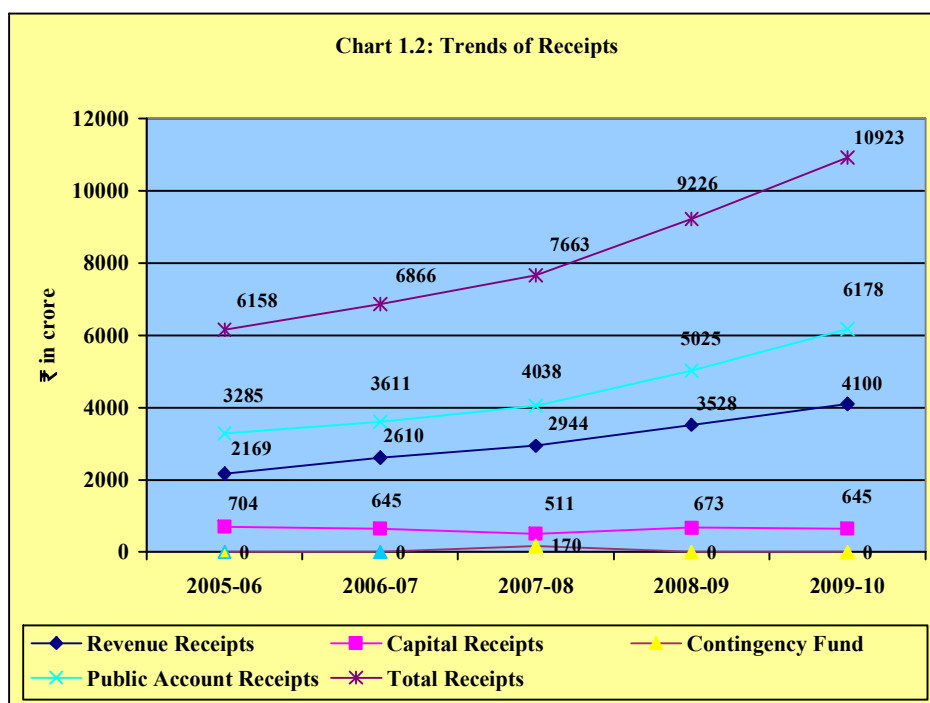
During 2009-10, compared to the budget estimates, the actual revenue receipts were less by ₹ 37 crore and the actual revenue expenditure was also less by ₹ 258 crore. Resultantly, the revenue deficit of ₹ 348 crore decreased by ₹ 221 crore, depicting an actual revenue deficit of ₹ 127 crore.

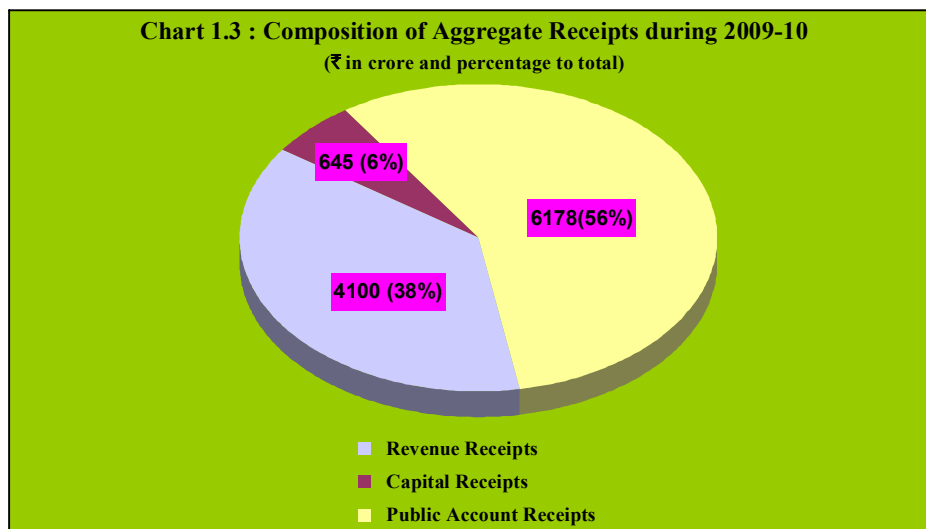
The State could nearly achieve the target of revenue receipts and it could also considerably reduce the estimated revenue expenditure, resulting in a reduction of actual revenue deficit than anticipated.

1.2 Resources of the State

1.2.1 Resources of the State as per Annual Finance Accounts

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





The revenue receipts increased from ₹ 2,169 crore in 2005-06 to ₹ 4,100 crore in 2009-10 and Public Account receipts increased from ₹ 3,285 crore in 2005-06 to ₹ 6,178 crore in 2009-10 whereas Capital Account receipts decreased from ₹ 704 crore in 2005-06 to ₹ 645 crore in 2009-10.

Chart 1.2 show that the total receipts of the State Government for the year 2009-10 were ₹ 10,923 crore. Of these, the revenue receipts were ₹ 4,100 crore, consisting 38 *per cent* of the total receipts. The balance came from capital receipts, borrowings and Public Account receipts.

Capital receipts (including Public Account receipts) constituted 62 *per cent* of the total receipts. The total receipts of the State increased by 77 *per cent* from ₹ 6,158 crore in 2005-06 to ₹ 10,923 crore in 2009-10.

1.2.2 Funds transferred to State Implementing Agencies outside the State Budget

The Central Government has been transferring a sizeable quantum of funds directly to State implementing agencies¹ for the implementation of various schemes/programmes in social and economic sectors which are recognized as critical. As these funds are not routed through the State Budget/State Treasury System, the Annual Finance Accounts do not capture the flow of these funds and to that extent, the State's receipts and expenditure as well as other fiscal variables/parameters derived from them are underestimated. The funds directly transferred to State implementing agencies during 2009-10 are presented in **Table 1.2**.

¹ State implementing agencies include any organizations/institutions including non-Governmental organizations which are authorized by the State Government to receive funds from the Government of India for implementing specific programmes in the State, e.g. State Implementation Society for SSA, State Health Mission for NRHM etc.

Table 1.2: Funds transferred by GOI directly to State implementing agencies*(₹ in crore)*

Sl. No.	Implementing agency in the State	Amount
1	District Collector North Goa	4.00
2	District Collector South Goa	2.00
3	DRDA Panjim North Goa	4.52
4	DRDA South Goa	3.01
5	National Rural Drinking Water Mission, Govt. of Goa	2.32
6	Technology Development Programme, Govt. of Goa	157.52
7	Goa Electronics Ltd	3.99
8	Goa Handicrafts Rural & Small Scale Industries Development Corporation Ltd, Goa	1.10
9	Goa Industrial Development Corporation	5.41
10	Goa Sarva Shiksha Abhiyan Society	5.51
11	Goa State Aids Control Society	4.31
12	Goa State Horticulture Corporation Ltd	1.61
13	Goa University	2.50
14	ITI Bogda, Vasco (Upgradation of ITIs)	2.50
15	State Health Society, Goa	6.73
16	State Institute of Hotel Management & Catering Technology Farmagudi, Ponda, North Goa	4.00
17	Other Agencies/Programmes	169.53
	Total	380.56

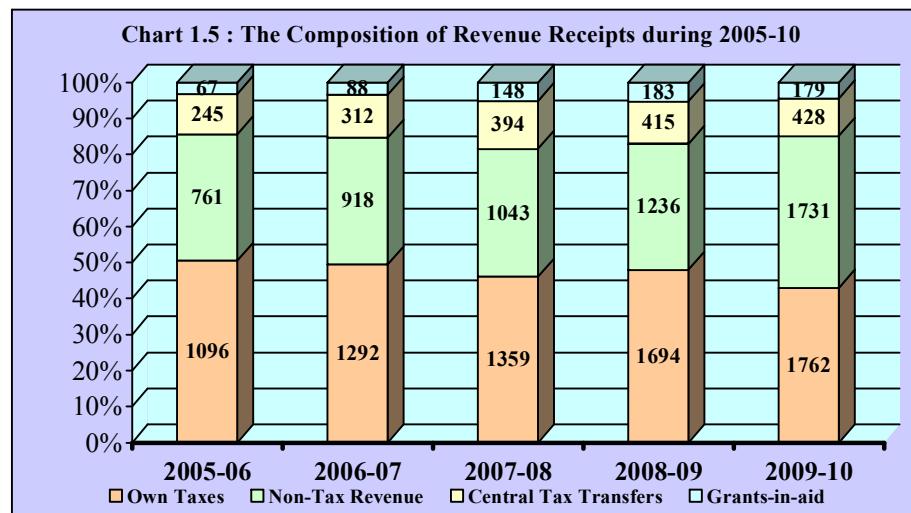
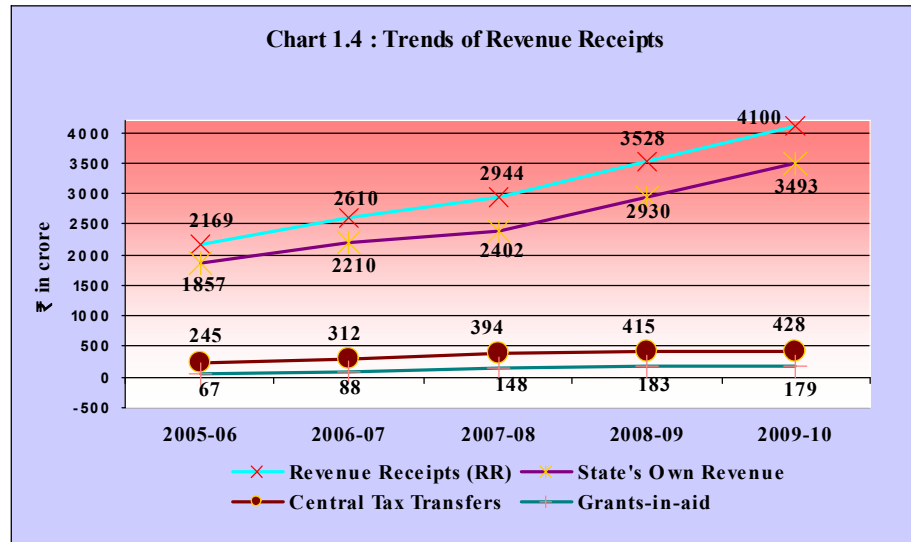
(Source: e-lekha portal of the Controller General of Accounts, Ministry of Finance, Government of India)

GOI directly transferred ₹ 380.56 crore to State implementing agencies during 2009-10. The departments/institutions which were major recipients of these funds were (i) Technology Development Programme (₹ 157.52 crore), District Rural Development Agencies (₹ 7.53 crore), State Health Society (₹ 6.73 crore), Goa Industrial Development Corporation (₹ 5.41 crore) and State Institute of Hotel Management & Catering Technology (₹ four crore).

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

1.3 Revenue Receipts

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



The revenue receipts showed a progressive increase over the period 2005-10 with only marginal changes in the share of own taxes and Central transfers.

The increase of 16.21 per cent in revenue receipts during 2009-10 was on account of increase in the State's own taxes (four per cent), non-tax revenue (40 per cent), Central tax transfers (three per cent). There was a marginal decline in receipt of grants from GOI.

The buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. As the GSDP grows, the States own tax revenue should also increase. It is seen that as against the GSDP growth rate of 14 per cent during 2009-10, the growth rate of State's own taxes was only 4.01 per cent over the previous year. However, there was considerable increase in the growth rate of the State's own taxes (24.65 per cent) during 2008-09. The trends of revenue receipts relative to GSDP are presented in **Table 1.3** below:

Table-1.3: Trends of Revenue Receipts relative to GSDP

	2005-06	2006-07	2007-08	2008-09	2009-10
Revenue Receipts (RR) (₹ in crore)	2169	2610	2944	3528	4100
State's own Taxes (₹ in crore)	1096	1292	1359	1694	1762
Rates of growth					
Revenue Receipts (per cent)	19.18	20.33	12.80	19.85	16.21
State's own Taxes (per cent)	27.89	17.88	5.18	24.65	4.01
GSDP (per cent) ‡	15.50	14.98	14.74	12.87	14.00
RR/GSDP (per cent) ‡	16.35	17.12	16.83	17.87	18.21
Buoyancy Ratios					
Revenue Receipts with GSDP ‡	1.24	1.36	0.87	1.54	1.16
State's own taxes with GSDP (ratio) ‡	1.80	1.19	0.35	1.92	0.29

(Source: Finance Accounts for the years 2005-06 to 2009-10)

‡ Percentage of last year's figure differs due to revision of GSDP figures received from the State Government

The ratio of the State's own taxes to its GSDP declined considerably during 2007-08 and 2009-10 due to a decline in tax revenue of ₹ 25 crore under "Taxes on Goods and Passengers" from ₹ 138 crore in 2006-07 to ₹ 113 crore in 2007-08 and a decline in the State's share of Customs and Union Excise duties from ₹ 148.78 crore in 2008-09 to ₹ 108.02 crore in 2009-10. In the remaining years, the growth of revenue receipts was more than the growth of GSDP.

In the year 2008-09, the State's own taxes was very buoyant compared to GSDP since there was almost two *per cent* growth in the State's own taxes for every *per cent* growth of GSDP. However, in 2009-10, the GSDP growth was as high as 14 *per cent*, but the State's own taxes grew only by four *per cent* indicating very low tax buoyancy.

Debt Waiver under Debt Consolidation and Relief Facilities (DCRF)

The Twelfth Finance Commission (TFC) framed a scheme of debt relief of Central loans named Debt Consolidation and Relief Facilities based on the fiscal performance of the State linked to the reduction of deficits of the States. Under the scheme, the repayments due on Central loans from 2005-06 to 2009-10 after their consolidation and re-schedulement would be eligible for write-off. The amount sanctioned by GOI as debt relief each year would be adjusted by showing repayments of Central loans and crediting the amounts to the head of account 0075 Miscellaneous Services-800-Other Receipts. The States would be eligible for the benefit subject to fulfilment of certain conditions viz., legislating the FRBM Act, gradual abolition of revenue deficit by 2008-09, bringing annual reduction targets for fiscal deficit, bringing out annual fiscal policy statement etc.

The FRBM Act was enacted by the Government of Goa in 2006. Subsequently, during the years 2006-07 and 2007-08, Goa received ₹ 20.21 crore and ₹ 20.20 crore respectively. As regards the years 2008-09 and 2009-10 the Government of Goa has not received any debt waiver under DCRF since necessary conditionalities were not met viz. the fiscal deficit of Goa was much higher than the ceiling of 3.5 and four *per cent* respectively.

1.3.1 State's Own Resources

As the State's share in Central taxes and grants-in-aid is determined on the basis of recommendations of the Finance Commission, collection of Central tax receipts, Central assistance for Plan Schemes etc., the State's performance in mobilization of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources. The gross collection in respect of major taxes and duties as well as the components of non-tax receipts, the expenditure incurred on their collection and percentage of such expenditure to the gross collection during the years from 2007-08 to 2009-10 along with the respective all India average are presented in **Appendix 1.5**.

While the expenditure on collection of Sales Tax/VAT and Taxes on vehicles and goods and passengers was lesser in comparison with the all-India average, the expenditure on collection of Stamp duty and registration fees and State Excise was above the all-India average.

The main components of revenue raised by the State during 2005-06 to 2009-10 are given in **Table 1.4**.

Table 1.4 Main components of revenue

Sl. No.	Head of revenue	2005-06	2006-07	2007-08	2008-09	2009-10		Percentage increase(+) or decrease(-) with reference to BE
						Budget Estimates	Actuals	
Tax Revenue								
1	Sales tax/Vat	743	845	879	1132	1257	1142	(-) 9.15
2	State excise	55	57	76	89	88	104	(+) 18.18
3	Stamp duty and Registration fees	60	116	118	115	113	111	(-) 1.77
4	Taxes on goods and passengers	131	138	113	157	112	161	(+) 43.75
5	Taxes on vehicles	64	75	82	90	103	105	(+) 1.94
6	Others	43	61	91	111	693	139	(-) 79.94
	Total	1096	1292	1359	1694	2366	1762	(-) 25.53
Non-Tax Revenue								
1	Interest Receipts	13	16	17	20	11	14	(+) 27.27
2	Non-ferrous Mining and Metallurgical Industries	27	34	36	36	130	292	(+) 124.61
3	Major and Medium Irrigation Projects	10	3	4	9	10	11	(+) 10.00
4	Medical and Public Health	13	9	8	8	7	6	(-) 14.28
5	Power	595	682	796	987	1069	941	(-) 11.97
6	Water supply and sanitation	57	58	61	66	116	70	(-) 39.66
7	Others	46	116	121	110	8	397 ^e	(+) 242
	Total	761	918	1043	1236	1351	1731	(+) 28.12
	Grand Total	1857	2210	2402	2930	3717	3493	(-) 6.03

(Source: Finance Accounts and Annual Financial Statements (Budget) of State Government)

The **Own Tax revenue** in Goa has been growing at a Compound Annual Growth Rate (CAGR) of 16.05 *per cent* which is much higher than the 13.59 *per cent* rate of other General Category States. Tax revenue increased by four *per cent* during the current year (₹ 1,762 crore) over the previous year (₹ 1,694 crore). Revenue from 'Taxes on sales' contributed the major share of tax revenue (65 *per cent*) mainly due to transition from Sales Tax to VAT.

^e Includes 259.88 crore under Miscellaneous General Services

However, the increase of ‘Taxes on sales’ over the previous year was negligible (one *per cent*). While taxes on goods and passengers were nine *per cent* of Tax Revenues, State excise, taxes on vehicles, Stamp duty and registration fees were six *per cent* each.

Though the CAGR of **Non-tax revenue** of 5.65 *per cent* is lesser than the 12.08 *per cent* rate of the other General Category States, there was a steady growth during the period from 2005-06 to 2009-10. Further, non-tax revenue increased by 40 *per cent* during the current year (₹ 1,731 crore) over the previous year (₹ 1,236 crore). Of the total non-tax revenue, 54 *per cent* was from electricity charges/fees (₹ 941 crore), 17 *per cent* from non-ferrous mining and metallurgical industry (₹ 292 crore) and Miscellaneous General Services (₹ 260 crore). The increase in revenue from non-ferrous mining and metallurgical industry was mainly due to more receipts under mineral concession fees and royalties. The steep increase in the case of other receipts was due to waiver of special term loan of ₹ 259.86 crore pertaining to the Union Territory period of Goa by the GOI.

1.3.2 Loss of Revenue due to Evasion of Taxes, Write off/Waivers

Twenty six cases of evasion of taxes/duties pending as on 31 March 2010 were reported by the Commissioner of State Excise.

During the year 2009-10, losses amounting to ₹ 12.12 crore in 281 cases were written off by competent authorities as detailed below:

Table 1.5: Cases of loss of revenue

Sl. No.	Name of Department/Office	No. of Cases	Amount (In ₹)
1	Director, Printing & Stationery	1	2357621 ²
2	Director, Animal Husbandry & Veterinary Services	41	185925
3	Director, Health Services	29	367294
4	Director, Institute of Psychiatry & Human Behaviour	1	15821
5	Principal, Goa College of Pharmacy	207	19965
6	Principal, Govt. Polytechnic Mayem, Bicholim	1	39911
7	Chief Electrical Engineer	1	118220103
	Total	281	121206640

1.3.3 Revenue Arrears

The arrears of revenue as on 31 March 2010 in respect of some principal heads of revenue amounted to ₹ 389.52 crore as indicated in **Table 1.6**.

² 6,38,173 unused copies of Official Gazettes published during the period from 1970-71 to 2008-09 have been written off vide order dated 17.07.2009.

Table 1.6: Revenue arrears

(₹ in crore)

Head of Revenue	Amount of arrears as on 31 March 2010	Arrears more than three years old	Cases pending in court		Amount involved in cases pending due to other reasons	Amount of arrears as on 31 March 2006
			No.	Amount		
Commercial Taxes	205.57	60.44	1264	17.32	188.25	206.30
State Excise	0.84	0.08	-	-	0.84	0.38
Taxes on vehicles	6.85	1.55	-	-	6.85	6.06
Chief Engineer – Water Resources Department						
i) Water Tax	1.12	0.86	147	0.03	1.09	-
ii) Water Charges	41.61	17.26	-	-	41.61	3.19
iii) Rent on shops	2.26	1.06	3	0.01	2.25	2.47
iv) Hire charges of machinery	0.35	0.35	-	-	0.35	0.34
Chief Engineer - Public Works Department						
i) Rent of Building/Shops	0.56	0.31	-	-	0.56	0.44
ii) Water charges, meter rent and sewerage charges	18.48	8.76	2097	6.97	11.51	26.17
Chief Electrical Engineer [@] Energy charges	105.99	Not available	4079	38.37	67.62	179.93
Agriculture	3.27	3.06	4	0.00*	3.27	-
River Navigation	0.56	0.50	5	0.07	0.49	-
Printing & Stationery	1.42	-	-	-	1.42	-
Tourism	0.64	0.31	11	0.28	0.36	-
Total	389.52	94.54	7610	63.05	326.47	425.28

(Source: Information furnished by concerned departments)

The arrears of revenue decreased by 8.4 per cent during the last five years from ₹ 425.28 crore in 2005-06 to ₹ 389.52 crore at the end of 2009-10, which accounted for 11.15 per cent of the State's own resources during the year. Of the total outstanding arrears in 2009-10, ₹ 94.54 crore was outstanding for more than three years and only ₹ 63.05 crore was pending in the Revenue Recovery courts. In view of the large arrears, being 11.15 per cent of the State's own resources, efforts need to be stepped up to recover the revenue arrears.

1.4 Application of Resources

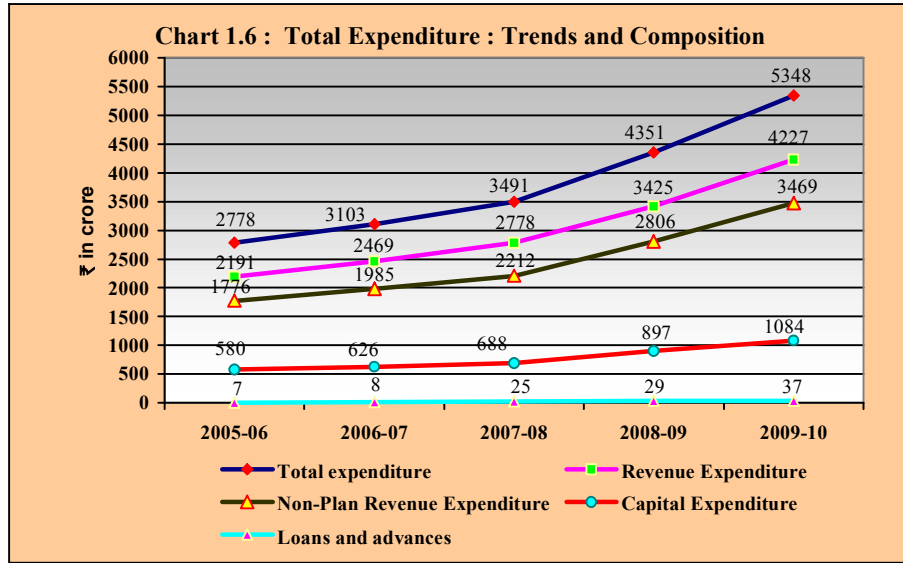
Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with them. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit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

[@] Excluding information pertaining to Divisions-I (Panaji), III (Ponda), VI (Mapusa), XI (Vasco) and XIV (Verna).

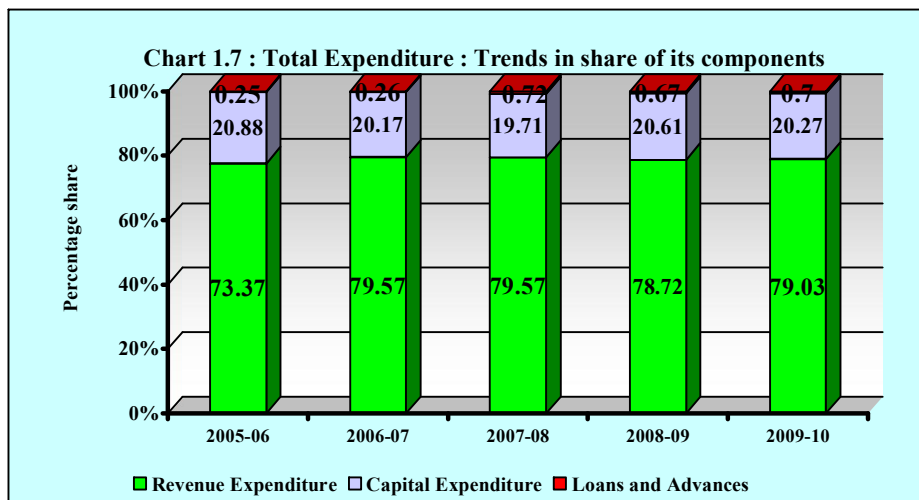
* Amount involved is only ₹ 9,160.

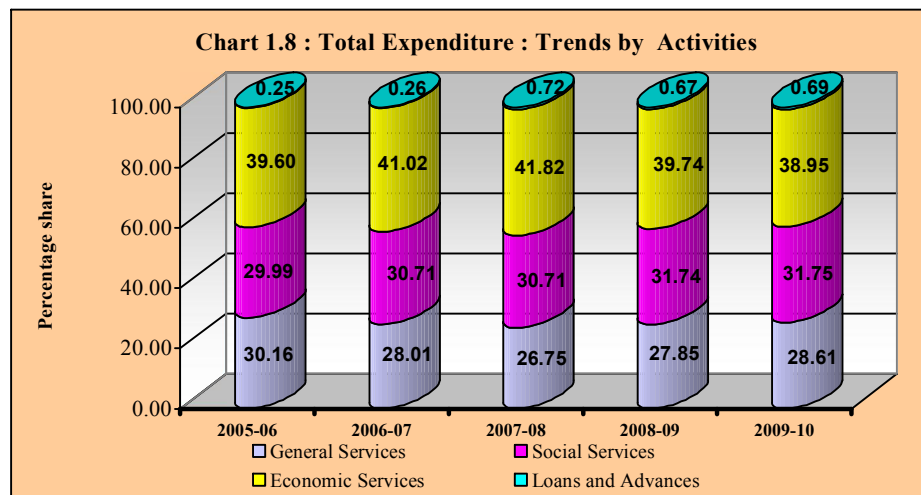
1.4.1 Growth and Composition of Expenditure

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



The total expenditure of the State increased by 93 per cent from ₹ 2,778 crore in 2005-06 to ₹ 5,348 crore in 2009-10. The total expenditure during the current year increased by ₹ 997 crore over the previous year. Of the total expenditure, revenue expenditure was ₹ 4,227 crore, capital expenditure ₹ 1,084 crore and loans and advances were ₹ 37 crore. The revenue and capital expenditure increased by 23 per cent and 21 per cent respectively over the previous year. Similarly, the Non-Plan revenue expenditure increased by 24 per cent during the year and exceeded the assessment made by the TFC by ₹ 1,720 crore.





(GLA is included in Social and Economic Services)

Developmental expenditure, i.e. expenditure on Social and Economic Services together accounted for 70.70 per cent in 2009-10 as against 71.48 per cent in 2008-09.

The revenue expenditure increased by 93 per cent from ₹ 2,191 crore in 2005-06 to ₹ 4,227.47 crore in 2009-10. The Non-Plan revenue expenditure showed consistent increase and continued to share a dominant proportion, varying in the narrow range of 80 to 82 per cent of the revenue expenditure during the period 2005-10. The Plan revenue expenditure showed a progressive increase over the period 2005-10.

The assessed Non-Plan revenue expenditure (NPRE) as per TFC projections from 2006-07 to 2009-10 was ₹ 1,321 crore, ₹ 1,483 crore, ₹ 1,610 crore and ₹ 1,749 crore respectively. However, the actual NPRE at ₹ 1,985 crore, ₹ 2,212 crore, ₹ 2,806 crore and ₹ 3,489 crore respectively during the period 2006-10, far exceeded the TFC's normative projections.

1.4.2 Committed Expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies. **Table 1.7** present the trends in the expenditure on these components during 2005-10 and **Chart 1.9** present the trends during 2005-10.

Table 1.7: Components of Committed Expenditure

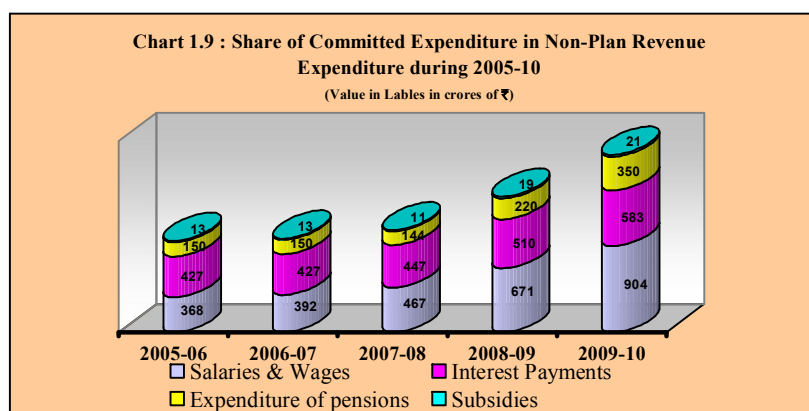
(₹ in crore)

Components of Committed Expenditure	2005-06	2006-07	2007-08	2008-09	2009-10	
					BE	Actuals
Salaries & Wages, of which	440.22 (20.30)	471.50 (18.07)	578.53 (19.65)	802.27 (22.74)	933.25 (22.76)	1070.48 (26.11)
Non-Plan Head	367.76	391.87	467.39	670.83	774.50	903.88
Plan Head	72.46	79.63	111.14	131.44	158.75	166.60
Interest Payments	400.00 (18.44)	427.00 (16.36)	447.00 (15.18)	510.00 (14.46)	572.05 (13.95)	583.00 (14.22)
Expenditure on Pension @	158.86 (7.32)	150.28 (5.76)	144.36 (4.90)	219.71 (6.23)	666.74 (16.26)	349.65 (8.53)
Subsidies	43.70 (2.01)	39.72 (1.52)	36.28 (1.23)	55.17 (1.56)	52.61 (1.28)	58.12 (1.42)
Other components	1148.22 (52.94)	1380.50 (52.89)	1571.83 (53.39)	1837.85 (52.09)	1327.24 (32.37)	2166.22 (52.83)
Total Revenue Expenditure	2191.00	2469.00	2778.00	3425.00	4485.14	4227.47
Revenue Receipts	2169.00	2610.00	2944.00	3528.00	--	4100.27

Figures in parentheses indicate percentage to Revenue Receipts.
@ Includes expenditure on pension under Social Security Schemes.

(Source: Finance Accounts for the years 2005-06 to 2009-10 and Budget Estimates for 2009-10)

As per the targets set by the TFC and the FRBM Act, the ratio of interest payments to total revenue should not exceed 15 per cent by 31 March 2009 and adhere to it thereafter. The State has been within the norms set by the TFC and there has been a gradual decrease of interest payment from 18.44 per cent of revenue receipts in 2005-06 to 14.22 per cent in 2009-10.



Expenditure on salaries under Non-Plan and Plan during the current year was ₹ 903.88 crore and ₹ 166.60 crore respectively.

During the years 2008-09 and 2009-10 the expenditure on salaries increased by ₹ 224 crore and ₹ 268 crore respectively. The increase was mainly due to payment of Sixth Pay Commission arrears to the Government employees to the extent of 40 per cent in 2008-09 and the remaining 60 per cent in 2009-10. As entire arrears have already been paid, there would not be any further liability on account of Pay Commission arrears in future years.

Pension payments during the current year increased by ₹ 129.94 crore, recording a growth rate of 59 *per cent* over the previous year. The increase in expenditure was mainly due to implementation of the Sixth Pay Commission's recommendations. The normative assessment made by the TFC was ₹ 199 crore whereas the actual expenditure stood at ₹ 350 crore. The State adopted the new Defined Pension Contribution Scheme with effect from August 2005. The major source of borrowing was market loans. ₹ 439.87 crore was incurred on payment of interest on internal debt, ₹ 83.75 crore on small savings and provident fund, ₹ 33.34 crore on loans and advances from GOI and ₹ 25.65 crore on other obligations.

In absolute terms, the **subsidy** increased from ₹ 55.17 crore in 2008-09 to ₹ 58.12 crore in 2009-10. However, as a percentage of the total revenue expenditure, subsidies remained around 1.31 to 1.99 *per cent* during the period 2005-06 to 2009-10. The areas which received the major chunk of subsidies in 2009-10 were Crop Husbandry (₹ 12.16 crore), Fisheries (₹ 11.64 crore), Food, Storage and Warehousing (₹ 5.01 crore) and Transport (₹ 13.37 crore).

1.4.3 Financial Assistance by State Government to local bodies and other institutions

The quantum of assistance provided by way of grants and loans to local bodies and others during the current year relative to the previous years is presented in **Table 1.8**.

Table 1.8: Financial Assistance

	(₹ in crore)				
Financial Assistance to Institutions	2005-06	2006-07	2007-08	2008-09	2009-10
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	196.47	206.82	232.32	318.17	411.90
Municipal Corporations and Municipalities	35.96	40.39	43.77	50.38	63.67
Zilla Parishads and Other Panchayati Raj Institutions	39.70	41.98	35.68	51.17	60.85
Other Institutions	23.99	24.81	32.16	28.64	53.78
Total	296.12	314.00	343.93	448.36	590.20
Assistance as percentage of revenue expenditure	13.52	12.72	12.38	13.09	13.96

(Source: Directorate of Accounts)

Financial assistance to educational institutions mainly consisted of salary and maintenance grants to aided schools, colleges and Goa University, financial assistance for sports and youth affairs etc. This increased by ₹ 94 crore mainly due to implementation of the Sixth Pay Commission's recommendations.

1.5 Quality of Expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects, viz., adequacy of the

expenditure (i.e. adequate provisions for providing public services); efficiency of expenditure use and its effectiveness (assessment of outlay-outcome relationships for select services).

1.5.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to the social sector and the economic infrastructure are largely assigned to the State Governments in accordance with the provisions laid down in the Constitution. Thus in order to enhance social development levels in the States, it is essential to increase expenditure on key Social Services like education, health etc. Low fiscal priority (ratio of expenditure category to aggregate expenditure) would be attached to a particular sector if it was below the national averages. **Table 1.9** analyses the fiscal priorities of the State Government with regard to development expenditure, social sector expenditure and capital expenditure during the year 2009-10.

Table 1.9: Fiscal Priority of the State in 2005-06 and 2009-10

Fiscal Priority	AE/ GSDP	DE/AE	SSE/AE	CE/AE	Education /AE	Health/ AE
Other General Category States Average* (Ratio) 2005-06	17.75	61.76	30.76	13.97	14.95	4.05
Goa's Average (Ratio) 2005-06	20.95	69.69	30.06	20.88	12.63	5.00
Other General Category States Average* (Ratio) 2009-10	18.24	66.05	35.76	14.85	16.21	4.28
Goa's Average (Ratio)* 2009-10	23.76	70.77	31.81	20.27	14.58	5.52
<p>* As per cent of GSDP AE: Aggregate Expenditure which includes DE: Development Expenditure, SSE: Social Sector Expenditure and CE: Capital Expenditure. Development expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed. Source: For GSDP, the information was collected from the State's Directorate of Planning and Statistics.</p>						

Fiscal priority refers to the priority given to a particular head of expenditure. The table above gives a comparison of fiscal priority given to different categories of expenditure of the State in 2005-06 (first year of the award period of TFC) and the current year, 2009-10 (terminal year of the award period of TFC) with that of the other General Category States.

AE as a ratio of GSDP in both 2005-06 and 2009-10 (20.95 per cent and 23.76 per cent) was higher as compared to other General Category States (17.75 per cent and 18.24 per cent) which means that Goa had a relatively higher public expenditure as a proportion to its GSDP.

As far as SSE is concerned the fiscal priority given in 2005-06 was marginally lower in the case of Goa as compared to other General Category States. In the current year, it is observed that the fiscal priority given to SSE was much lower compared to other General Category States. During both the years under Social Sector Expenditure, more priority had been given for education than for health.

Since DE is a sum of SSE and ES Expenditure, the fact that DE as a proportion of AE in Goa is higher than the General Category State's average, while SSE is lower than the General Category State's average, clearly shows that Goa is giving considerable priority to ES Expenditure.

The priority given to CE is much higher, which is likely to increase asset creation in the State provided the financial outlays actually translate into physical assets.

In both the years under consideration, the *per capita* expenditure in all categories of expenditure, be it DE, SSE or CE, was higher in the case of Goa than the All India average because of the relatively low population of the State.

1.5.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the State Governments to take appropriate expenditure rationalization measures and lay emphasis on provision of core public and merit goods³. Apart from improving the allocation towards development expenditure⁴, particularly in view of the fiscal space being created on account of the decline in debt servicing in recent years, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and the proportion of revenue expenditure being incurred on operation and maintenance of the existing social and economic services. The higher the ratio of these components to the total expenditure (and/or GSDP), the better would be the quality of expenditure. While **Table 1.10 and Chart 1.9(A)** presents the trends in development expenditure relative to the aggregate expenditure vis-à-vis budget estimates during the current year, i.e. 2009-10 and development expenditure relative to the aggregate expenditure in previous years. **Table 1.11** provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of the selected social and economic services.

³ Core public goods are goods which all citizens enjoy in common in the sense that each individual's consumption of such a good leads to no subtractions from any other individual's consumption of that good, e.g. enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods, road infrastructure etc. Merit goods are commodities that the public sector provides free or at subsidized rates because an individual or society should have them on the basis of some concept of need, rather than the ability and willingness to pay the Government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidized food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.

⁴ The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorized into Social Services, Economic Services and General Services. Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.

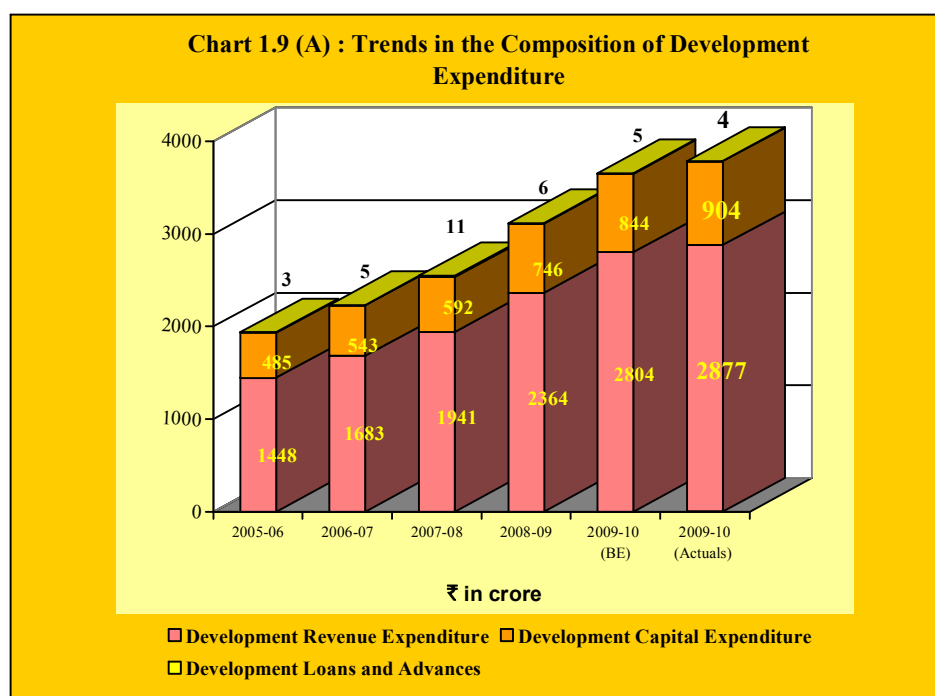
Table 1.10: Development Expenditure

(₹ in crore)

Components of Development Expenditure	2005-06	2006-07	2007-08	2008-09	2009-10	
					BE	Actuals
Development Expenditure (a to c)	1936 (69.7)	2231 (71.9)	2544 (72.9)	3116 (71.6)	3653 (68.3)	3785 (70.8)
a. Development Revenue Expenditure	1448 (52.1)	1683 (54.2)	1941 (55.6)	2364 (54.3)	2804 (52.4)	2877 (53.8)
b. Development Capital Expenditure	485 (17.5)	543 (17.5)	592 (17.0)	746 (17.1)	844 (15.8)	904 (16.9)
c. Development Loans and Advances	3 (0.1)	5 (0.2)	11 (0.3)	6 (0.2)	5 (0.1)	4 (0.1)

Figures in parentheses indicate percentage of aggregate expenditure

(Source : Finance Accounts and Annual Financial statement (Budget) of the State Government).



Development expenditure of the State comprised revenue and capital expenditure including loans and advances on socio-economic services. The development revenue and capital expenditure increased by 21.70 per cent (₹ 513 crore) and 21.18 per cent (₹ 158 crore) respectively over the previous year.

The increase in development revenue expenditure was mainly under General Education (₹ 160.42 crore), Health and Family Welfare (₹ 53.17 crore), Water Supply, Sanitation, Housing and Urban Development (₹ 37.29 crore) and Power and Energy (₹ 75.98 crore).

Table 1.11: Efficiency of Expenditure Use under Selected Social and Economic Services

Social/Economic Infrastructure	2008-09		2009-10	
	Share of CE to TE	In RE, the share of	Share of CE to TE	In RE, the share of
		Salaries		Salaries
Social Services (SS)				
General Education	8.80	26.21	8.87	27.67
Health and Family Welfare	8.54	69.27	7.00	73.95
Water supply, sanitation and housing and urban development	33.28	9.35	30.14	11.30
Total (SS)	13.63	29.64	12.42	31.83
Economic Services (ES)				
Agriculture & Allied Activities	8.74	46.70	14.01	54.74
Irrigation and Flood Control	81.68	48.24	73.33	41.25
Power & Energy	18.39	11.16	17.59	15.17
Transport	55.60	23.90	60.70	24.72
Total (ES)	32.28	18.20	33.30	21.86
Total (SS+ES)	24.00	23.97	23.92	27.01
TE: Total expenditure in the concerned sub sector; CE: Capital Expenditure; RE: Revenue Expenditure; S & W: Salaries and Wages.				

(Source: Finance Accounts for the year 2007-08 and 2008-09)

The percentage of capital expenditure to the total expenditure for Social and Economic Services decreased marginally from 24.00 in 2008-09 to 23.92 in 2009-10. This was evident in the irrigation and flood control sector. In the Social Service sector, due to lower priority to capital expenditure, there was decrease in the share of capital expenditure as a percentage of total expenditure under Health and Family Welfare and Water Supply, Sanitation and Housing and Urban Development, whereas it increased in respect of Transport and Agriculture and Allied Activities. The overall ratio of capital expenditure to total expenditure of these services decreased only by 0.33 per cent over the previous year.

Expenditure on Social Services

Capital expenditure on Social Services increased in absolute terms from ₹ 188.22 crore in 2008-09 to ₹ 210.98 crore in 2009-10 (12.09 per cent). However, there was a decrease in the share of capital expenditure to the total expenditure under Social Services from 13.63 per cent to 12.42 per cent.

It was observed that lower priority to capital expenditure was mainly under Health and Family Welfare and Water Supply, Sanitation and Housing and Urban Development where capital expenditure as a percentage of the total expenditure reduced from 8.54 and 33.28 per cent to seven and 30.14 per cent respectively.

The share of salaries in revenue expenditure under Social Services increased from 29.64 per cent in 2008-09 to 31.83 per cent in 2009-10, mainly on account of increase in the share of salaries under Health & Family Welfare from 69.27 per cent to 73.95 per cent.

Expenditure on Economic Services

Capital expenditure on Economic Services increased from ₹ 558.26 crore in 2008-09 to ₹ 693.56 crore in 2009-10, registering a positive growth of 24.24 *per cent*. The percentage of capital expenditure to total expenditure increased from 32.28 to 33.30. This was mainly due to increase in capital expenditure under Agriculture & Allied Activities from 8.74 *per cent* in 2008-09 to 14.01 *per cent* in 2009-10 and under Transport from 55.60 *per cent* in 2008-09 to 60.70 *per cent* in 2009-10.

The share of salaries in revenue expenditure under Economic Services increased from 18.20 *per cent* to 21.86 *per cent*, mainly on account of increase in the share of salaries under Agriculture & Allied Activities from 46.70 *per cent* to 54.74 *per cent*.

1.6 Financial Analysis of Government Expenditure and Investments

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

1.6.1 Financial Results of Irrigation Works

Irrigation works have not been declared as commercial undertakings in the State of Goa. Hence, the financial results in respect of irrigation works have not been worked out. However, the Government incurred expenditure of ₹ 29.51 crore on maintenance of irrigation projects in the State during the year, which was ₹ 12.31 crore more than the maintenance expenditure during the previous year (₹ 17.20 crore). The increase was mainly due to increase in the salary component, which increased from ₹ 6.99 crore in 2008-09 to ₹ 17.72 crore in 2009-10. This increase was attributed to implementation of Sixth Pay Commission scales to all work-charged staff.

1.6.2 Incomplete projects

Department-wise information pertaining to incomplete projects as on 31 March 2010, is given in **Table 1.12**.

Table 1.12: Department-wise Profile of Incomplete Projects

(₹ in crore)

Department	Number of Incomplete Projects	Initial Budgeted Cost	Revised Total Cost of Projects	Cost Over Run	Cumulative Actual Expenditure as on 31.3.2010
Public Works Department	16	45.28	Not available	N.A.	44.93
Water Resources Department					
(i) General works	2	4.22	N.A.	N.A.	2.87
(ii) Tillari Irrigation Project	1	161.18	965.00 [@]	803.82	808.43
Total	19	210.68	-	-	856.23

(Source: Information furnished by concerned departments)

As per information received from the departments as of 31 March 2010, there were 19 incomplete projects costing more than ₹ one crore each, in which ₹ 856 crore was blocked. The Tillari Irrigation project, a joint venture of the Government of Maharashtra and the Government of Goa, which commenced in 1986 was incomplete mainly due to insufficient budgetary support and was expected to be completed in 2010-11.

1.6.3 Investment and Returns

As of 31 March 2010, Government had invested ₹ 363 crore in statutory corporations, rural banks, joint stock companies and co-operatives (Table 1.13). The average return on these investments was 0.23 per cent in the last three years while the Government paid an average interest rate of 7.63 per cent on its borrowings during 2007-10. Continued use of borrowed funds to fund investments which did not have sufficient returns would lead to an unsustainable financial position. The Government may ensure proper justification for investment of higher cost funds.

Table 1.13: Return on Investment

	2005-06	2006-07	2007-08	2008-09	2009-10
Investment at the end of the year (₹ in crore)	235.84	266.06	299.17	329.66	362.75
Return (₹ in crore)	0.18	0.40	0.33	0.89	1.15
Return (per cent)	0.07	0.15	0.11	0.27	0.32
Average rate of interest on Government borrowings (per cent)	8.54	7.97	7.46	7.64	7.79
Difference between interest rate and rate of return (per cent)	8.47	7.82	7.35	7.37	7.47

(Source: Finance Accounts of the State)

Out of ₹ 362.75 crore invested, ₹ 287.84 crore was invested in 18 Government companies of which only three companies declared dividend aggregating ₹ 94.03 lakh. Further, ₹ 18.02 crore was invested in two statutory corporations of which one company declared a dividend of ₹ 3.36 lakh. The State Government also invested ₹ 3.60 lakh in 78 joint stock companies. However, no dividends were received during 2009-10 on these investments.

[@] indicates the share of the Government of Goa in the revised total cost of the project (₹ 1,390.04 crore) as revised as per 2007 price level.

Further, an investment of ₹ 56.86 crore was made in co-operative banks and societies where the dividend received during 2009-10 was ₹ 17.53 lakh only.

1.6.4 Departmentally managed quasi-commercial undertakings

There are two departmentally managed quasi-commercial undertakings viz., the Electricity Department and the River Navigation Department in the State. The department-wise position of the investments made by the Government upto the year for which *proforma* accounts have been finalised, net profits/loss as well as return on capital invested in these undertakings are given in **Appendix 1.6**. It was observed that:

An amount of ₹ 629.54 crore had been invested by the State Government in the Electricity Department and the River Navigation Department at the end of the financial year upto which their accounts were finalised. The Electricity Department earned a net profit amounting to ₹ 94.43 crore against a capital investment of ₹ 536.97 crore, thereby yielding a rate of return of 17.59 per cent.

The River Navigation Department was incurring losses every year and the accumulated deficit was ₹ 89.91 crore as against the total investment of ₹ 92.57 crore. The Government needs to review its working so as to wipe out its losses in the short run and to make itself sustaining in the medium to long term. Though this was reported in Audit Report for the year 2008-09, no Action Taken Report has been received from the State Government.

1.6.5 Loans and advances by State Government

In addition to investments in co-operative societies, corporations and companies, the Government has also been providing loans and advances to many institutions and organisations. **Table 1.14** presents the outstanding loans and advances as on 31 March 2010 and interest receipts vis-à-vis interest payments during the last three years.

Table 1.14: Average Interest Received on Loans Advanced by the State Government

(₹ in crore)

Quantum of Loans/Interest Receipts/ Cost of Borrowings	2005-06	2006-07	2007-08	2008-09	2009-10
Opening balance	49.66	50.38	52.74	71.15	90.05
Amount advanced during the year	7.05	8.14	24.59	28.67	37.22
Amount repaid during the year	6.33	5.78	6.18	9.77	12.73
Closing balance	50.38	52.74	71.15	90.05	114.54
<i>Of which</i> outstanding balance for which terms and conditions have been settled	--	--	--	--	--
Net addition	(+) 0.72	(+) 2.36	(+) 18.41	(+) 18.90	(+) 24.49
Interest receipts	2.10	2.03	2.19	2.07	1.90
Interest receipts as percentage of average outstanding loans and advances	4.20	3.94	3.54	2.57	1.86
Interest payments as percentage of outstanding fiscal liabilities of the State Government	7.97	7.50	7.11	7.23	7.38
Difference between interest payments and interest receipts (<i>per cent</i>)	(-) 4.28	(-) 4.03	(-) 3.57	(-) 4.66	(-) 5.52

(Source: Finance Accounts of the State)

The quantum of loans advanced during the year had increased from ₹ 28.67 crore in 2008-09 to ₹ 37.22 crore in 2009-10, an increase of 29.82 per cent. Repayments during the year had also increased from ₹ 9.77 crore in 2008-09 to ₹ 12.73 crore in 2009-10 an increase of 30.30 per cent. The difference between interest payments and interest receipts increased from 4.28 per cent to 5.21 per cent.

Out of loans totalling ₹ 37.22 crore, disbursed during 2009-10, the major recipients were Government servants (₹ 33.23 crore). Out of the remaining ₹ 3.99 crore, ₹ 2.50 crore was disbursed for educational, sports, art and cultural purposes and ₹ 1.16 crore to Agriculture and Allied Activities.

1.6.6 Cash Balances and Investment of Cash Balances

Table 1.15 depicts the cash balances and investments made by the State Government out of the cash balances during the year.

Table 1.15: Cash Balances and Investment of Cash Balances

(₹ in crore)			
Particulars	As on 31 March 2009	As on 31 March 2010	Increase(+)/ Decrease(-)
Cash Balances	791.58	713.64	(-) 77.94
Investments from Cash Balances (a to b)	536.06	402.12	(-) 133.94
a. GOI Treasury Bills	534.22	400.02	(-) 134.20
b. GOI Securities	1.84	2.10	(+) 0.26
Funds-wise break-up of Investment from earmarked balances (a and b)	250.84	303.49	52.65
a. Sinking Fund	162.22	198.65	36.43
b. General and other Reserve Funds	88.62	104.84	16.22
Interest realized	17.89	9.97	(-) 7.92

(Source: Finance Accounts of the State)

During 2009-10, the State Government availed of Ways and Means Advances of ₹ 2.96 crore and the entire amount was repaid along with interest of ₹ 0.04 lakh during the year itself.

As seen from the above table, the interest amount realized from investments in GOI treasury bills was lower by ₹ 7.92 crore during the year as compared to the previous year. The State Government's cash balances at the end of the current year amounted to ₹ 713.64 crore. It decreased by ₹ 77.94 crore over the previous year. It was observed that ₹ 402 crore was invested in GOI securities and ₹ 303 crore was invested in earmarked funds.

1.7 Assets and Liabilities

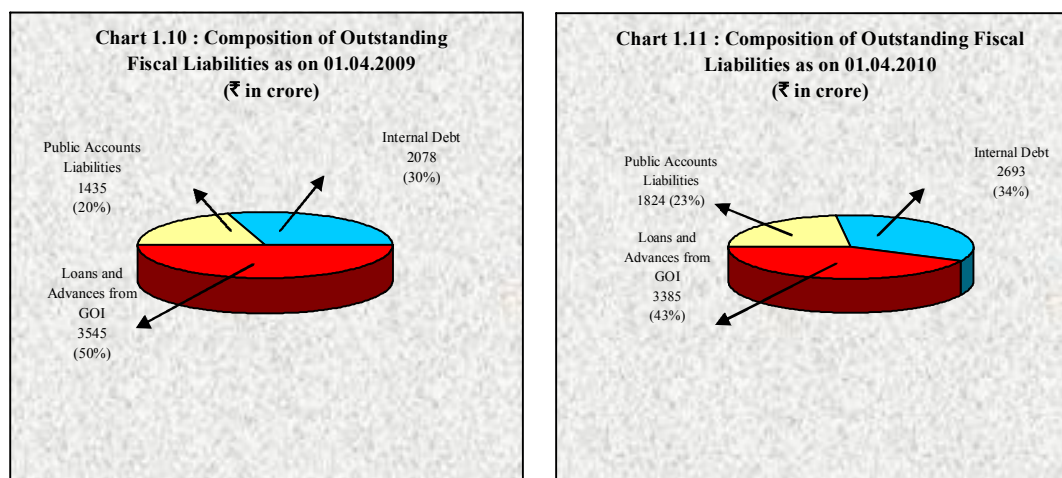
1.7.1 Growth and Composition of Assets and Liabilities

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.3** gives an abstract of such liabilities and assets as on 31 March 2010, compared with the corresponding position on 31 March 2009. While the

liabilities consist mainly of internal borrowings, loans and advances from GOI, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances.

1.7.2 Fiscal Liabilities – Public Debt and Guarantees

The trends in outstanding fiscal liabilities of the State are presented in **Appendix 1.4**. However, the composition of fiscal liabilities during the current year vis-à-vis the previous year is presented in **Charts 1.10** and **1.11**.



There are two sets of liabilities, viz., Public Debt and other liabilities. Public Debt consists of the internal debt of the State and is reported in the Annual Financial Statements under the Consolidated Fund (Capital Accounts). It includes market loans, special securities issued by RBI and loans and advances from the Central Government. The Constitution of India provides that a State may borrow, within the territory of India, upon the security of its Consolidated Fund, within such limits, as may from time to time, be fixed by the Act of its Legislature and give guarantees within such limits as may be fixed. Other liabilities, which are a part of Public Account, include deposits under the small savings scheme, provident funds and other deposits.

During 2009-10, the fiscal liabilities to GSDP ratio at 35 *per cent* was higher than the norm of 30 *per cent* recommended by the TFC.

1.7.3 Status of Guarantees – Contingent liabilities

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

As per Statement 6 of the Finance Accounts, the maximum amount for which guarantees were given by the State and the outstanding guarantees for the last three years is given in **Table 1.16**.

Table 1.16: Guarantees given by the Government of Goa*(₹ in crore)*

Guarantees	2007-08	2008-09	2009-10
Maximum amount guaranteed	527.77	602.80	602.60
Outstanding amount of guarantees	311.09	165.66	147.84
Percentage of maximum amount guaranteed to total revenue receipt	17.93	17.09	14.70

(Source : Finance Accounts of the State)

The Goa Fiscal Responsibility and Budget Management Act, 2006 specified that the Government should cap the total outstanding guarantees within the specified limit under the Goa State Guarantees Act, 1993. The Goa Legislature fixed a limit of ₹ 800 crore on the outstanding guarantees in March 2005 the outstanding guarantees at ₹ 148 crore during 2009-10 were well within the ceiling limit specified by the Legislature. The State has set up a Guarantee Redemption Fund and the amount invested against this fund as on 31 March 2010 was ₹ 96.47 crore.

1.8 Debt Sustainability

Apart from the magnitude of debt of State Government, it is important to analyze various indicators that determine the debt sustainability of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilization; sufficiency of non-debt receipts; net availability of borrowed funds; burden of interest payments (measured by interest payments to revenue receipts ratio) and maturity profile of State Government securities. **Table 1.17** analyzes the debt sustainability of the State according to these indicators for the period of three years beginning from 2007-08.

Table 1.17 Debt Sustainability: Indicators and Trends*(₹ in crore)*

Indicators of Debt Sustainability	2007-08	2008-09	2009-10
Debt Stabilization (Quantum Spread + Primary Deficit)	192.98	2.65	(-) 213.70
Sufficiency of Non-debt Receipts (Resource Gap)	(-) 54	(-) 276	(-) 422
Net Availability of Borrowed Funds	149	260	261
Burden of Interest Payments Ratio (IP/RR)	0.15	0.14	0.14
Maturity Profile of State Debt			
Year	Amount		
0-1	165.95 (3.24)	141.19 (2.51)	207.96 (3.42)
1-3	375.36 (7.32)	389.91 (6.93)	617.44 (10.16)
3-5	553.13 (10.79)	596.40 (10.61)	656.23 (10.80)
5-7	572.11 (11.16)	665.82 (11.84)	724.62 (11.92)
7 and above	3459.94 (67.49)	3420.36 (60.83)	3721.59 (61.24)
Loans pertaining to Ex-Union Territory		409.35 (7.28)	149.49 (2.46)
Total	5126.49	5623.03	6077.33

*(Source: Finance Accounts of the State)**Figures in parentheses indicate percentage of total debt*

Debt stabilization means that, if the primary deficit together with the quantum spread turns out to be negative, the debt-GSDP ratio would be rising. When we observe the various indicators of debt stabilization, we find that there has been an alarming fall and the figure has turned negative. Thus, debt stabilization has become a serious concern for the Government.

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

One indicator of debt sustainability is that a larger amount of borrowed funds is available for current operation. However, this was mainly on account of larger quantum of borrowings of ₹ 1,225 crore rather than any reduction in debt repayment of only ₹ 964 (₹ 382 being repayment of debt and an amount of ₹ 583 crore being interest).

The Twelfth Finance Commission had recommended, that interest payments should be within 15 *per cent* of revenue receipts. Goa has managed to keep this within this limit.

The maturity profile of the State Government's Public Debt indicates that nearly 24.5 *per cent* of the total Public Debt is repayable within the next five years while 73 *per cent* loans are required to be repaid after five years. The balance 2.5 *per cent* loan pertains to the erstwhile Union Territory of Goa, Daman and Diu. Ideally, further borrowings in future should be made in such a way that there is no bunching of repayments in any particular year as that will cause undue stress on the budget.

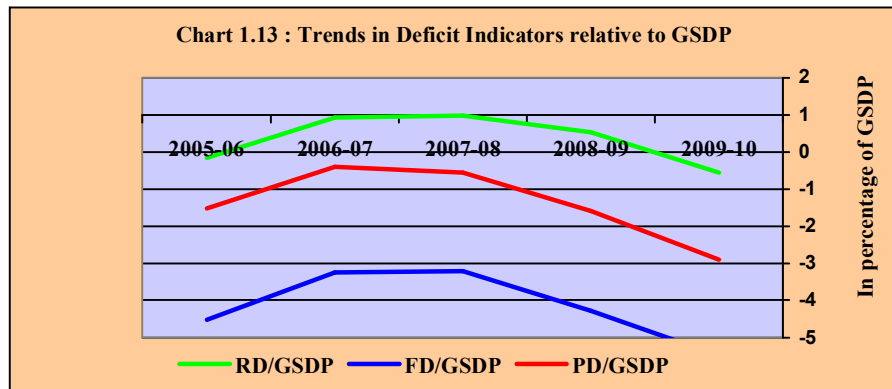
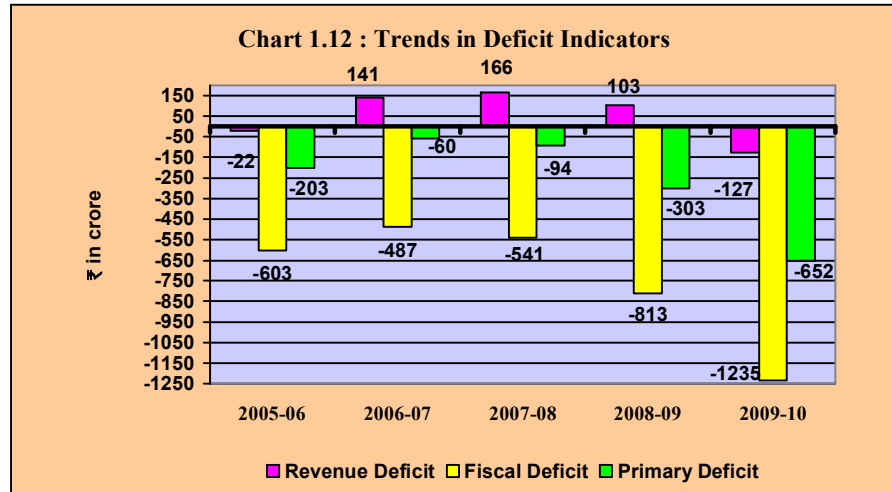
As per the Thirteenth Finance Commission recommendations the fiscal liability of the State should be brought down to 25 *per cent* of the GSDP by the year 2014-15. However, it is seen that the position has not improved as it has just reduced from 37.5 *per cent* in 2005-06 to 35 *per cent* in 2009-10.

1.9 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources are raised and applied are important pointers to its fiscal health. This section presents the trends, nature, magnitude and manner of financing these deficits and also the assessment of actual levels of revenue and fiscal deficits vis-à-vis targets set under FRBM Act/Rules for the financial year 2009-10.

1.9.1 Trends in Deficit/Surplus

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



- As per the Goa FRBM Act 2006, the Government had to reduce the revenue deficit to 'nil' by 31 March 2009 and adhere to it thereafter. The revenue deficit of ₹ 22 crore in 2005-06 was reduced to a revenue surplus of ₹ 103 crore in 2008-09. However, the State has again fallen back to revenue deficit of ₹ 127 crore in 2009-10, which indicates that no effective measures have been adopted yet to sustain the zero revenue deficit position.
- The Goa FRBM Act 2006, prescribed a road map of reducing the Fiscal Deficit (FD) by 0.5 *per cent* of GSDP in each financial year beginning from 1 April 2006. The ratio of FD to GSDP increased by 1.08 *per cent* during 2008-09 over the year 2007-08 and further increased by 1.21 *per cent* during 2009-10 over the previous year.
- The primary deficit increased from ₹ 303 crore to ₹ 652 crore during the year.

- As per the Goa FRBM Act 2006, the ratio of interest payments to total revenue should not exceed 15 *per cent* by 31 March 2009 and to adhere to it thereafter. The State has been within the norms set and there has been a gradual decrease of Interest payment from 18.44 *per cent* of revenue receipts in 2005-06 to 14.22 *per cent* in 2009-10.

1.9.2 Components of Fiscal Deficit and its Financing Pattern

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in the **Table 1.18**.

Table 1.18: Components of Fiscal Deficit and its Financing Pattern

(₹ in crore)

	Particulars	2005-06	2006-07	2007-08	2008-09	2009-10
Decomposition of Fiscal Deficit						
		603	487	541	813	1235
1	Revenue Deficit/Surplus	(-) 22	(+) 141	(+) 166	(+) 103	(-) 127
2	Net Capital Expenditure	580	626	688	897	1084
3	Net Loans and Advances	1	2	19	19	24
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	66	81	369	404	517
2	Loans from GOI	581	508	74	5	(-) 160
3	Loans from Financial Institutions	(-) 19	(-) 23	(-) 7	87	97
4	Ways and Means	-	-	-	-	-
5	Small Savings, PF etc.	47	59	89	166	252
6	Deposits and Advances	(-) 7	51	69	106	137
7	Suspense and Miscellaneous	67	(-) 49	90	(-) 37	91
8	Remittances	16	(-) 1	51	-	71
9	Reserve Fund	28	32	35	148	155
10	Contingency Fund	-	-	-	-	(-) 3
11	Increase(-)/Decrease(+) in cash balance	(-) 176	(-) 171	(-) 229	(-) 66	(+) 78
12	Overall Deficit	603	487	541	813	1235

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

(Source : Finance Accounts of the State)

During 2009-10, the fiscal deficit of ₹ 1,235 crore was mainly met out of market borrowings of ₹ 517 crore and small savings, provident funds, etc. of ₹ 252 crore. The net market borrowing and the small savings, provident fund etc. increased by 28 *per cent* and 52 *per cent* respectively over the previous year, thus increasing the interest burden in future.

1.9.3 Quality of Deficit/Surplus

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

borrowed funds were used for current consumption. Further, persistently high ratios of revenue deficit to fiscal deficit also indicate that the asset base of the State was continuously shrinking and a part of the borrowings (fiscal liabilities) did not have any asset backup. The bifurcation of the primary deficit (**Table 1.19**) would indicate the extent to which the deficit had been on account of enhancement in capital expenditure, which may have been desirable to improve the productive capacity of the State's economy.

Table 1.19: Primary Deficit/Surplus – Bifurcation of factors

(₹ in crore)

Year	Non-debt Receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Non debt Receipts vis-à-vis primary revenue expenditure	Primary deficit (-) /surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2005-06	2175	1791	580	7	2378	384	(-) 203
2006-07	2616	2042	626	8	2676	574	(-) 60
2007-08	2950	2331	688	25	3044	619	(-) 94
2008-09	3538	2915	897	29	3841	623	(-) 303
2009-10	4113	3644	1084	37	4765	469	(-) 652

(Source: Finance Accounts of the State)

The non-debt receipts were higher than the primary revenue expenditure during the last five years, resulting in a primary revenue surplus. Though the non-debt receipts in the past five years were enough to cover primary revenue expenditure, the receipts were not enough to cover capital expenditure. Hence, there was a primary deficit in all the years. In 2006-07 and 2007-08, the primary deficit fell, but in 2008-09 and 2009-10 it once again increased significantly to ₹ 303 crore and ₹ 652 crore respectively, mainly due to an increase in capital expenditure from ₹ 688 crore in 2007-08 to ₹ 897 crore in 2008-09 and to ₹ 1,084 crore in 2009-10.

1.10 Conclusion and Recommendations

- The normative assessment of the tax revenue made by the TFC for the year 2009-10 was ₹ 1,986 crore against which the tax revenue was only ₹ 1,762.34 cr. (Paragraph 1.1).

The Government needs to explore the ways to enhance the tax revenue, keeping in view the GSDP growth, the revenue deficit and TFC recommendations.

- The State lost about ₹ 40 crore on DCRF as the government did not meet the necessary conditions for receipt of the DCRF (Paragraph 1.3).

The State Government should take care to ensure that the fiscal deficit is maintained within manageable limits as prescribed by the Thirteenth Finance Commission so that the State does not lose out on the benefit of debt waivers in future.

- The arrears of revenue as on 31 March 2010 amounted to ₹ 390 crore, which equalled more than 11 per cent of the State's own resources, and more than thrice the revenue deficit for the year (Paragraph 1.3.3).

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

- Tax administration cost was higher than the all-India average in the case of Stamp duty and Registration fees and also State Excise (Paragraph 1.3.1).

Government needs to make efforts to improve the efficiency of tax collection.

- The Non-Plan Revenue Expenditure (NPRE) at ₹ 3,469 crore was more by 24 per cent over the previous year. The NPRE exceeded the normative assessment made by the TFC by ₹ 1,720 crore (Paragraph 1.1).

The Government should make serious efforts to contain the NPRE within manageable limits as it would be necessary to make available more funds for developmental purposes and also to contain revenue deficit.

- GOI directly transferred ₹ 380.56 crore to State implementing agencies during 2009-10. Transfer of funds directly from the Union to State implementing agencies without routing them through the State budget makes monitoring of its end use difficult (Paragraph 1.2.2).

Government needs to ensure proper utilization of these funds by implementing uniform accounting practices, proper documentation, timely reporting of expenditure, etc.

- The Twelfth Finance Commission set a target of the ratio of fiscal liabilities to GSDP at 30 per cent. Further, the Thirteenth Finance Commission recommended that the fiscal liability of the State should be brought down to 25 per cent of the GSDP by the year 2014-15. However, it is seen that the position has not improved as the fiscal liabilities has just reduced from 37.50 per cent in 2005-06 to 35 per cent in 2009-10 (Paragraph 1.7.2).

The Government needs to adopt a focused strategy to ensure that the fiscal liability is brought down to achieve the target set by the Thirteenth Finance Commission.

- As per the Goa FRBM Act 2006, the Government had to reduce the revenue deficit to 'nil' by 31 March 2009 and adhere to it thereafter. However, after achieving revenue surplus for three consecutive years from 2006-07 to 2008-09, it turned to a deficit in 2009-10. Thus, the State Government failed to achieve the FRBM target of reducing the revenue deficit to zero. The debt stabilization had turned negative and was a serious cause of concern (Paragraph 1.9.1).

Government needs to make concerted efforts to increase non-debt receipt or to curtail unproductive revenue expenditure to ensure that zero deficit is achieved and maintained.

- The resource gap has been widening alarmingly over the years. If the trend is not reversed, debt sustainability could become a major problem in future (Paragraph 1.8).

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

- The Government's investment as on 31 March 2010 stood at ₹ 362 crore. The average return on these investments was 0.23 per cent in the last three years while the Government paid an average interest rate of 7.63 per cent on its borrowings during 2007-10 (Paragraph 1.6.3).

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

- The Goa Fiscal Responsibility and Budget Management Act, 2006 specified that the Government should cap the total outstanding guarantees within the specified limit under the Goa State Guarantees Act, 1993. The State has set up a Guarantee Redemption Fund and the amount invested against this fund as on 31 March 2010 was ₹ 96.47 crore. The outstanding guarantees at ₹ 147.84 crore were well within the ceiling limit specified by the legislature (Paragraph 1.7.3).

CHAPTER - II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2.1 Introduction

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

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

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2009-2010 against 83 grants/appropriations was as given in **Table 2.1:**

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

(₹ in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving (-)/ Excess(+)
Voted	I. Revenue	3944.43	348.12	4292.55	3668.91	(-) 623.64
	II. Capital	1010.39	259.85	1270.24	1053.79	(-) 216.45
	III. Loans & Advances	96.91	26.57	123.48	113.60	(-) 9.88
Total voted		5051.73	634.54	5686.27	4836.30	(-) 849.97
Charged	I. Revenue	607.82	3.44	611.26	617.83	(+) 6.57
	II. Capital	0.00	1.80	1.80	1.58	(-) 0.22
	III. Public Debt	279.77	0.00	279.77	177.69	(-) 102.08
Total Charged		887.59	5.24	892.83	797.10	(-) 95.73
Grant Total		5939.32	639.78	6579.10	5633.40	(-) 945.70

(Source: Appropriation Accounts of the State Government)

Note: The expenditure includes the recoveries of revenue expenditure amounting to ₹ 59.27 crore and capital expenditure amounting to ₹ 47.67 crore adjusted as reduction of expenditure.

The overall savings of ₹ 945.70 crore were the result of savings of ₹ 953.27 crore in 79 grants and two appropriations under the Revenue Section and 59 grants under the Capital Section and one appropriation (Public Debt-Repayments), offset by excess of ₹ 7.57 crore in one grant and one appropriation under the Revenue Section.

2.3 Financial Accountability and Budget Management

2.3.1 Appropriations vis-à-vis Allocative Priorities

The outcome of appropriation audit revealed that in 10 cases, savings exceeded ₹ two crore in each case or by more than 20 *per cent* of the total provision (**Appendix 2.1**). A list of grants where savings exceeded ₹ 50 crore is given in **Table 2.2**.

Table 2.2: List of Grants with Savings of ₹ 50 crore and above

(₹ in crore)

Sl. No.	No. and Name of Grant	Original	Supplementary	Total	Actual Expenditure	Savings
REVENUE (VOTED)						
1	8-Treasury and Accounts Administration (North Goa)	686.14	2.36	688.50	363.00	325.50
2	55-Municipal Administration	117.95	10.00	127.95	61.54	66.41
CAPITAL (VOTED)						
3	32-Finance	115.00	130.00	245.00	135.00	110.00

(Source: Appropriation Accounts of the State)

The main reasons for the excessive savings were as follows:

Treasury and Accounts Administration (North Goa):- less receipt of pension cases.

Municipal Administration:- less claim of salary grants by municipal councils, non-receipt of grants from Government of India under the Twelfth Finance Commission.

Finance: savings in consultancy fees for financial services due to non appointment of consultants.

2.3.2 Persistent Savings

During the last five years, it was observed that there were persistent savings of more than ₹ five crore in Grant No. 21 Public Works (Capital – Voted). The savings were ₹ 22.81 crore, ₹ 77.94 crore, ₹ 75.64 crore, ₹ 81.59 crore and ₹ 27.01 crore respectively during 2005-06 to 2009-10 which represented 12, 28, 25, 23 and seven *per cent* of the total grant. The main reason for persistent savings was non-execution of works.

2.3.3 Excess over provisions relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularized by the State Legislature. Although no time limit for regularization of expenditure

has been prescribed under the Article, the regularization of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). However, excess expenditure amounting to ₹ 5.58 lakh for the years 2007-2008 and 2008-09 was still to be regularized. The year-wise amounts of excess expenditure pending regularization for grant/appropriations are summarised in **Table 2.3**.

Table 2.3: Excess over provisions relating to previous years requiring regularization

(Amount in ₹)

Year	Number of	Amount of excess over provision	Status of Regularization
	Grants/Appropriation		
2007-08	1	257094	Yet to be discussed by PAC
2008-09	3	301034	
Total	4	558128	

(Source: Appropriation Accounts of the State)

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

2.3.4 Excess over provisions during 2009-10 requiring regularization

Table 2.4 contains a summary of the total excesses in two grants amounting to ₹ 7.57 crore over authorization from the Consolidated Fund of the State during 2009-10, requiring regularisation under Article 205 of the Constitution.

Table 2.4: Excess over provisions requiring regularization during 2009-10

(Amount in ₹)

Sl. No.	Number and title of Grant/Appropriation	Total grant / Appropriation	Expenditure	Excess
1	4-District & Sessions Court (South Goa) Revenue-Voted	81862000	81892721	30721
2	Appropriation Debt Services Revenue-charged	6050491000	6126164184	75673184
Total		6132353000	6208056905	75703905

(Source: Appropriation Accounts of the State)

The excess expenditure under Appropriations for Debt Services was mainly due to the increased expenditure on interest on other internal debt and small savings and provident fund etc.

2.3.5 Unnecessary/Excessive/Inadequate supplementary provision

Supplementary provisions aggregating ₹ 59.04 crore obtained in 15 cases of ₹ 10 lakh or more in each case during the year, proved unnecessary as the expenditure did not come up to the levels of the original provisions as detailed in **Appendix 2.2**.

2.3.6 Excessive/unnecessary/insufficient re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation where savings are anticipated to another unit where additional funds are needed. Injudicious re-appropriation proved excessive or insufficient and resulted in savings/excess of over ₹ 10 lakh in 23 sub-heads as detailed in **Appendix 2.3**. Some of the cases are discussed below:

In grant No. 65 (Animal Husbandry and Veterinary Services), augmentation of funds through re-appropriation (₹ 9.64 lakh) proved unnecessary due to savings of ₹ 50.38 lakh.

In grant No. 66 under Capital outlay on Fisheries, Landing and Berthing facilities, withdrawal of ₹ 53.45 lakh by re-appropriation proved insufficient due to excess expenditure of ₹ 19.70 lakh.

In grant No. 76 (Electricity), augmentation of funds of ₹ 3.66 crore through re-appropriation proved insufficient due to excess expenditure of ₹ 24.16 lakh.

2.3.7 Unexplained re-appropriations

In the re-appropriation statement, the reasons for the additional expenditure and the savings should be explained and general expressions such as “due to economy measures”, “due to less expenditure than anticipated” etc., should be avoided. However, a scrutiny of re-appropriation orders issued by various departments revealed that out of 573 items, in respect of 287 (50 per cent), the reasons given for additional provision/withdrawal of provision in re-appropriation orders were of general nature.

2.3.8 Substantial surrenders

Substantial surrenders amounting to ₹ 150.38 crore were made from six grants on account of either non-implementation or slow implementation of schemes/programmes, out of the total provision of ₹ 223.30 crore. The details of the cases where the surrenders were more than 50 per cent of the provisions are given in **Appendix 2.4**.

The reasons for substantial surrenders as stated by the departments were as under:

1. 32-Finance 2075-Miscellaneous General Services:- The savings were mainly due to non-engagement of financial consultants.
2. 41-Goa Architecture College 4202-Capital Outlay on Education, Sports, Art and Culture:- Non-execution of works due to land acquisition problems at Dona Paula not being resolved.
3. 42-Sports 4202-Capital Outlay Education, Sports, Art and Culture:- The savings were mainly due to non-execution of works.
4. 55-Municipal Administration 2217-Urban Development:- Less claim of salary grants by municipal councils, non-receipt of grants from Government of India under Twelfth Finance Commission.

5. 61-Craftsmen Training 4202-Capital Outlay on Education, Sports, Art and Culture, 4851-Capital Outlay on Village and Small Industries: Non-finalisation of proposal for civil works and for purchase of buses, non-receipt of approval for purchase of machinery and non-finalisation of procurement plan by World Bank and Government of India in time.

2.3.9 Surrenders in excess of actual savings

In five cases, the amounts surrendered (₹ 10 lakh or more in each case) were in excess of the actual savings, indicating inadequate budgetary control in these departments. As against savings of ₹ 40.44 crore, the amount surrendered was ₹ 41.36 crore, resulting in excess surrender of ₹ 0.92 crore. Details are given in **Appendix 2.5**.

Further, in respect of Appropriation-Debt Services (charged), though an excess expenditure of ₹ 7.56 crore was incurred, an amount of ₹ 13.72 crore was surrendered in March 2010, indicating non-existence of any budgetary control mechanism.

2.3.10 Anticipated savings not surrendered

As per provisions contained in Rule 56 of the General Financial Rules 2005, the spending departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated. At the close of the year 2009-10, there were, however, eight grants/appropriations in which savings occurred but no part of them had been surrendered by the concerned departments. The total amount involved in these cases was ₹ 4.08 crore (**Appendix 2.6**). Similarly, out of total savings of ₹ 580.05 crore under 24 other grants/appropriations (savings of ₹ 10 lakh and above) ₹ 173.05 crore was not surrendered, details of which are given in **Appendix 2.7**. Besides, in 16 cases, (surrender of funds in excess of ₹ five crore), ₹ 677.75 crore was surrendered on the last working day of March 2010 (**Appendix 2.8**) indicating inadequate financial control and the fact that these funds could not be utilised for other development purposes.

2.3.11 Rush of expenditure

Rush of expenditure, particularly in the closing months of the financial year shall be regarded as a breach of financial propriety and should be avoided. Contrary to this, in respect of the three major heads listed in **Appendix 2.9**, expenditure exceeding ₹ five crore and also more than 50 per cent of the total expenditure was incurred in March 2010. **Table 2.5** presents the major heads where more than 50 per cent of expenditure was incurred either during the last quarter or during the last month of the financial year. Uniform flow of expenditure is a primary requirement of budgetary control which was not maintained.

Table 2.5: Cases of rush of expenditure towards the end of financial year 2009-10

(₹ in crore)

Sl. No.	Major Head	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2010	
			Amount	Percentage of Total expenditure	Amount	Percentage of Total expenditure
1	2045	2.18	1.28	58.72	1.10	50.46
2	2075	1.85	1.01	54.59	0.19	10.27
3	2217	70.30	35.54	50.55	23.44	33.34
4	2225	19.88	12.57	63.23	6.14	30.89
5	2405	18.09	11.10	61.36	8.08	44.67
6	2408	6.44	4.98	77.33	3.89	60.40
7	2515	61.28	36.21	59.09	9.96	16.25
8	2551	5.44	2.75	50.55	1.91	35.17
9	2711	10.82	6.71	62.01	4.92	45.47
10	2851	25.80	13.60	52.71	9.06	35.12
11	2885	4.16	4.16	100.00	0.79	18.99
12	3435	2.40	1.54	64.17	1.39	57.92
13	3452	26.46	16.63	62.85	9.56	36.13
14	4055	3.10	1.79	57.74	1.36	43.87
15	4202	68.97	42.29	61.32	27.76	40.25
16	4217	2.00	1.03	51.50	0.85	42.50
17	4225	6.17	3.27	53.00	3.27	53.00
18	4235	1.58	1.33	84.18	1.15	72.78
19	4401	1.20	0.81	67.50	0.53	44.17
20	4402	2.60	1.81	69.62	1.75	67.31
21	4403	1.56	1.25	80.13	0.81	51.92
22	4406	3.98	3.98	100.00	3.95	99.25
23	4515	2.81	1.88	66.90	1.17	41.64
24	4551	2.69	1.48	55.02	1.09	40.52
25	4702	35.11	20.13	57.33	17.15	48.85
26	4711	66.60	37.80	56.76	28.57	42.90
27	5056	5.69	3.41	59.93	1.90	33.39
28	4059	45.61	41.29	90.53	38.04	83.40
29	4801	174.16	119.92	68.86	105.13	60.36
30	4851	11.31	11.31	100.00	11.31	100.00
Total		690.24	442.86	64.16	326.22	47.26

(Source: Compiled by Audit from Directorate of Accounts records)

Appropriate action needs to be taken to regulate and systematize the procedure to avoid heavy expenditure during the last quarter of the financial year.

2.4 Non-adjustment of Abstract Contingent bills, non-reconciliation of departmental figures and non-adjustment of temporary advances

2.4.1 Pendency in submission of Detailed countersigned Contingent bills against Abstract Contingent bills

As per Rules 309 and 310 of Central Treasury Rules, Detailed Contingent (DC) bills are to be submitted against Abstract Contingent (AC) bills within one month from the date of drawal.

It was observed that 325 AC bills involving an amount of ₹ 29.17 crore, drawn by various departments up to March 2010, were pending adjustment as on 30 June 2010. Year-wise details are given in **Table 2.6**.

Table 2.6: Pendency in submission of Detailed Contingent bills against Abstract Contingent bills

Year	No. of AC bills Pending	Amount (₹ in crore)
Upto 2005-2006	53	0.50
2006-2007	5	0.56
2007-2008	65	4.58
2008-2009	26	1.91
2009-2010	176	21.62
Total	325	29.17

(Source: Directorate of Accounts)

Department-wise pending DC bills of above ₹ five lakh for the years up to 2009-10 are detailed in **Appendix 2.10**.

2.4.2 Unreconciled expenditure

To enable Controlling Officers of departments to exercise effective control over expenditure to keep it within the budget grants and to ensure accuracy of their accounts, departmental officers are required to reconcile periodically and before the close of the accounts of a year, the departmental figures of expenditure with those recorded in the books of the Director of Accounts. The Public Accounts Committee in its forty-eighth report (1992) had desired that punitive action should be taken against erring Budget Controlling Authorities (BCAs). Even though non-reconciliation of departmental figures is pointed out regularly in Audit Reports, lapses on the part of Controlling Officers in this regard continued to persist during 2009-10 also. During 2009-10, out of 85 BCAs, 33 had not carried out such reconciliations for the entire year in respect of 759 units under their control, involving ₹ 825.32 crore and 15 BCAs had not carried out such reconciliations for part of the year in respect of 285 units under their control, involving ₹ 140.99 crore. The unreconciled periods in case of the partially reconciled units ranged from one to 10 months. The details of the major BCAs, who did not reconcile the expenditure, are given in **Table 2.7**.

Table 2.7: Budget Controlling Authorities who did not reconcile their figures

(₹ in crore)

Sl. No.	Budget Controlling Authority who did not reconcile their figures	Amount not reconciled
1	Secretary, Legislature	15.19
2	Commissioner of Commercial Taxes	15.38
3	Director of Transport	47.60
4	Collector, South Goa	27.45
5	Director of Industries, Trade & Commerce	22.33
6	Director of Fire & Emergency Services	14.00
7	Director of Education	512.53
8	Director of Planning, Statistics & Evaluation	17.35
9	Director of Information & Technology	51.94
10	Director of Higher Education	102.09
11	Director of Information and Publicity	12.19
Total		838.05

(Source: Directorate of Accounts)

2.4.3 Non-adjustment of temporary advances

Drawing and Disbursing Officers (DDOs) draw temporary advances for the purpose of meeting contingent expenditure, travelling allowances, leave travel concessions etc. As of June 2010, advances aggregating ₹ 6.88 crore were pending adjustments by DDOs in the records of the Director of Accounts. An age-wise analysis of pending advances is given in **Table 2.8**.

Table 2.8: Age-wise Analysis of Pending Advances

(₹ in lakh)

Sl. No.	Year	No. of advances	Amount
1	Upto 2005-06	196	51.04
2	2006-07	59	29.50
3	2007-08	74	62.18
4	2008-09	93	93.17
5	2009-10	223	451.83
Total		645	687.72

(Source: Directorate of Accounts)

2.5 Advances from Contingency Fund

The Contingency Fund of the State of Goa was established under the Goa Contingency Fund Act, 1988 in terms of the provisions under Article 267 of the Constitution of India. The fund was established with the objective of meeting expenditure of an unforeseen and emergent character, the postponement of which till its authorization by the Legislature would not be desirable.

The fund was in the nature of an imprest with legislative approval, with a corpus of ₹ 30 crore. During the year, advances of ₹ 31.17 crore were drawn from the fund by issuing 55 sanctions.

The PAC in its 62nd Report (March 2008), observed that the Contingency Fund was utilised for pay and allowances, which could not be considered as

unforeseen and unanticipated and warned of the recurrence of such irregularities in future. However, during 2009-10 in 24 cases involving ₹ 16.57 crore, the departments drew advances from the Contingency Fund for payment of salary though the expenditure was foreseeable (**Appendix 2.11**).

2.6 Outcome of review of selected Grant (Grant No. 8)

A review on the budgetary procedure and control over expenditure in respect of Grant No. 8, Treasury and Accounts Administration (North Goa) was conducted. Important points noticed during the review are detailed below:-

Against a budget provision of ₹ 718.53 crore (₹ 688.50 crore under revenue and ₹ 30.03 crore under capital), the actual expenditure was ₹ 392.81 crore (₹ 363.00 crore under revenue and ₹ 29.81 crore under capital), resulting in a savings of ₹ 325.72 crore, (₹ 325.50 crore under revenue and ₹ 0.22 crore under capital). In view of the final savings of ₹ 325.72 crore, the supplementary grant of ₹ 2.35 crore during the year proved unnecessary.

As per Rule 56(2) of General Financial Rules, 2005, savings as well as provisions that cannot be profitably utilized should be surrendered to Government immediately when they are foreseen without waiting till the end of the year. Contrary to the provisions, against a savings of ₹ 325.72 crore, ₹ 268.90 crore was surrendered on 31 March 2010, and the balance of ₹ 56.82 crore was allowed to lapse.

2.7 Conclusion and Recommendations

Conclusion

During 2009-10, expenditure of ₹ 5,633.40 crore was incurred against total grants and appropriations of ₹ 6,579.10 crore, resulting in savings of ₹ 945.70 crore. The overall savings were the net result of savings of ₹ 953.27 crore, offset by excess of ₹ 7.57 crore. This excess requires regularisation under Article 205 of the Constitution of India. In 30 Major Heads, more than 50 *per cent* of the expenditure was incurred either during the last quarter or during the last month of financial year, which violated financial propriety. In 24 cases involving ₹ 16.57 crore, the department drew advances from the Contingency Fund for payment of salary though the expenditure was foreseeable. An amount of ₹ 677.75 crore was surrendered on the last working day of March 2010.

Recommendations

Budgetary controls should be strengthened in all the departments, especially in those departments where savings/excesses have been observed. Last minute fund releases and issue of re-appropriation/surrender orders at the end of the year should be avoided.

CHAPTER-III

FINANCIAL REPORTING

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

3.1 Delays in furnishing Utilization Certificates

Rule 212 of the General Financial Rules provide that for grants provided for specific purposes, Utilization Certificates (UCs) should be obtained by the departmental officers from the grantees and after verification, these should be forwarded to the Director of Accounts within 12 months from the dates of their sanction, unless specified otherwise. However, of the 5,858 UCs due in respect of grants and loans aggregating ₹ 406.97 crore paid up to 2008-09, 5,694 UCs (97 per cent) for an aggregate amount of ₹ 384.44 crore were in arrears. The department-wise break-up of outstanding UCs is given in **Appendix 3.1** and the age-wise position of delays in submission of UCs is summarized in **Table 3.1**.

Table 3.1: Age-wise arrears of Utilization Certificates

(₹ in crore)

Sl. No.	Range of Delay in Number of Years	Utilization Certificates Outstanding	
		Number	Amount
1	0 – 1	1076	120.44
2	1 – 3	1571	129.48
3	3 – 5	873	82.07
4	5 – 7	611	35.57
5	7 & Above	1563	16.88
	Total	5694	384.44

(Source: Directorate of Accounts)

Out of 5,694 UCs worth ₹ 384.44 crore pending as on March 2010, 3,520 UCs (62 per cent) involving ₹ 331.99 crore (86 per cent) were pending for periods ranging from one to five years while 2,174 UCs involving ₹ 52.45 crore were pending for more than five years. Pendency of UCs mainly pertained to the Directorate of Art & Culture (₹ 35.10 crore), Directorate of Municipal Administration (₹ 163.56 crore), Directorate of Panchayats (₹ 88.20 crore) and Directorate of Sports & Youth Affairs (₹ 30.92 crore). In the absence of the certificates, it could not be ascertained whether the

recipients had utilised the grants for the purposes for which these grants were given.

3.2 Non-submission/delays in submission of accounts

In order to identify the institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the Government/Heads of Departments are required to furnish to Audit every year, detailed information about the financial assistance given to various institutions, the purposes of assistance granted and the total expenditure of these institutions. A total of 446 annual accounts of 193 Autonomous Bodies/Authorities due up to 2008-09 had not been received as of June 2010 by the Accountant General. The details of these accounts are given in **Appendix 3.2** and their age-wise pendency is presented in **Table 3.2**.

Table 3.2: Age-wise arrears of Annual Accounts due from Government Bodies

(₹ in crore)

Sl. No.	Delay in Number of Years	Number of Bodies/Authorities	Grants Received
1	0-1	95	30.05
2	1-3	46	17.79
3	3-6	52	15.75
	Total	193	63.59

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

It can be seen from the above table that in respect of 52 Autonomous Bodies/Authorities, accounts were in arrears for more than three years. Of these, the accounts of 10 institutions were in arrears since 2003-04.

3.3 Delays in submission of Accounts/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 seven bodies in the State has been entrusted to the Comptroller and Auditor General of India. These bodies are audited by the CAG by verification of their accounts, financial transactions, operational activities, internal management and financial control system and procedures. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Reports (SARs) and their placement in the Legislature are indicated in the **Appendix 3.3**. The frequency distribution of Autonomous Bodies according to the delays in submission of accounts to Audit and placement of SARs in the Legislature after the entrustment of Audit to CAG is summarised in **Table 3.3**.

Table 3.3: Delays in submission of accounts and tabling of Separate Audit Reports

Delays in submission of Accounts (in months)	Number of Autonomous Bodies	Delays in submission of SARs in Legislature (in years)	Number of Autonomous bodies
0-1	-	0-1	3
1-6	2	1-2	1
13-17	3	-	-
18-24	-	4-5	-
24 & above	2	5 & above	-
Total	7		4

(Source: As per records maintained by Audit)

Out of the seven Autonomous Bodies, in respect of two, the submission of accounts had been delayed by more than 24 months and in respect of three cases, the delays were between 13 and 17 months. In the remaining two cases, the delays were between one and six months. The reasons for delays though called for were not intimated by the respective Autonomous Bodies.

3.4 Departmental Commercial Undertakings

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

Heads of Departments in the Government have to ensure that the undertakings prepare such accounts and submit the same to the Accountant General for audit within a specified timeframe. As of September 2010, there were two* such undertakings, both of which had not prepared their accounts up to 2009-10. The department-wise position of arrears in preparation of *pro forma* accounts and investments made by the Government are given in **Appendix 3.4**.

3.5 Misappropriations, losses, defalcations, etc.

As per Rule 33 of the General Financial Rules any loss or shortage of public money/departmental revenue should be immediately reported by the subordinate authority concerned to the next higher authority as well as to the

* River Navigation Department, Chief Electrical Engineer.

Statutory Audit officer and the concerned Principal Accounts Officer. The State Government reported 26 cases of misappropriation, defalcation, etc. involving Government money amounting to ₹ 1.91 crore upto June 2010. Analysis of the misappropriation cases revealed that these cases mainly related to improper maintenance of cash books/loss of materials, on which final action was pending. The department-wise break up of pending cases is given in **Appendix 3.5**.

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

Table 3.4: Profile of misappropriations

Age profile and Nature of the pending cases			
Range in years	Number of cases	Amount involved (₹ in lakh)	Nature/Characteristics of the cases
0-5	14	85.71	Misappropriation of cash/stores
5-10	9	59.66	
10 years & above	3	45.86	
Total	26	191.23	

(Source: Information furnished by the concerned departments)

Further analysis indicates that the reasons for which these cases were outstanding could be classified under the three categories listed in **Table 3.5**.

Table 3.5: Reasons for outstanding cases of misappropriations

Reasons for the delay/Outstanding pending cases	No. of cases	Amount (₹ in lakh)
Departmental action started but not finalised	17	171.86
Pending in the courts of law	5	8.88
Awaiting orders for recovery/write off	4	10.49
Total	26	191.23

(Source: Information furnished by the concerned departments)

3.6 Conclusion and Recommendations

Conclusion

Out of 5,694 UCs worth ₹ 384.44 crore, pending as on March 2010, 3520 UCs (62 per cent) involving ₹ 331.99 crore (86 per cent) were in arrears for periods ranging between one and five years. Further, 2,174 UCs, involving ₹ 52.45 crore were pending for more than five years. In the absence of the certificates, it could not be ascertained whether the recipients had utilised the grants for the purpose for which these were given. A total of 446 Annual Accounts of 193 institutions due up to 2008-09 had not been received as on 30 June 2010.

Analysis of the misappropriation cases revealed that these cases mainly related to improper maintenance of cash books/loss of materials. Out of 26 cases, five cases involving ₹ 8.88 lakh were pending in courts and in 17 cases,

involving ₹ 1.72 crore, departmental action had been started but had not yet been finalised. The remaining cases were awaiting orders for write off.

Recommendations

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

**Panaji
The**

**(DEVIKA)
Accountant General, Goa**

Countersigned

**New Delhi
The**

**(VINOD RAI)
Comptroller and Auditor General of India**

APPENDIX - 1.1

(Referred to in paragraph 1.1)

PART-A State Profile

A. General Data				
Sl. No.	Particulars			Figures
1	Area			3702 sq km
2	Population			
	a.	As per 2001 Census		0.13 crore
	b.	2009-2010		0.17 crore
3	Population Density (2001 census) (All India Density = 325 persons per sq km)			258 sq km
4	Population below poverty line (2001 census) (All India Average = 27.5 per cent)			13.8 per cent
5	Literacy rate (2001 census) (All India Average = 64.8 per cent)			82.01 per cent
6	Infant mortality (2001 census) (All India Average = 53 per 1000 live births)			10
7	Gross State Domestic Product (GSDP) 2009-2010 at current prices			22512 crore
8	GSDP CAGR ¹ (2000-01 to 2009-10)			14.31 per cent
9	Per capita GSDP CAGR (2000-01 to 2009-10)			11.06 per cent
10	GSDP CAGR (2000-01 to 2008-2009)		Goa	14.35 per cent
			Other 16 General Category States	12.54 per cent
11	Population Growth Rate (2000- 2001 to 2009-2010)		Goa	29.58 per cent
			Other 16 General Category States ♣	13.42 per cent
B. Financial Data				
Sr. No.	Particulars		Figures (in per cent)	
1	CAGR		2000-01 to 2008-09	2000-01 to 2009-10
			Other 16 General Category States ♣	GOA
	a.	of Revenue Receipts	14.40	11.44
	b.	of Own Tax Revenue	13.59	16.05
	c.	of Non Tax Revenue	12.08	5.65
	d.	of Total Expenditure	12.38	10.86
	e.	of Capital Expenditure	21.41	21.98
	f.	of Revenue Expenditure on Education	9.33	11.71
	g.	of Revenue Expenditure on Health	8.95	13.26
	h.	of Salary and Wages	9.37	11.57
	i.	of Pension	12.03	12.07

Source: Financial data is based on figures in Finance Accounts. BPL (Planning Commission & NSSO data, 61st Round-<http://planning.commission.nic.in/data/database/Data0910/tab%2021.pdf>), Infant mortality rate (SRS Bulletin October, 2009), Density of population (Office of the Registrar General and census commissioner of India; Ministry of Home Affairs and Literacy (Office of the Registrar General of India; Ministry of Home Affairs).

♣ Uttar Pradesh, Rajasthan, West Bengal, Gujarat, Maharashtra, Andhra Pradesh, Karnataka, Tamil Nadu, Haryana, Chhattisgarh, Kerala, Madhya Pradesh, Punjab, Bihar, Orissa, Jharkhand.

¹ GSDP= Gross State Domestic Product.
CAGR= Compound Annual Growth Rate.

Part B: Structure and Form of Government Accounts	
<p>Structure of Government Accounts: The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.</p>	
<p>Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.</p>	
<p>Part II: Contingency Fund: Contingency Fund of State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.</p>	
<p>Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc., which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State legislature.</p>	
Part C: Layout of Finance Accounts	
Statement	Layout
Statement No.1	Presents the summary of transactions of the State Government – receipts and expenditure, revenue and capital, public debt receipts and disbursements etc., in the Consolidated Fund, Contingency Fund and Public Account of the State.
Statement No.2	Contains the summarized statement of capital outlay showing progressive expenditure to the end of 2009-10.
Statement No.3	Gives financial results of irrigation works, their revenue receipts, working expenses and maintenance charges, capital outlay, net profit or loss, etc.
Statement No.4	Indicates the summary of debt position of the State which includes borrowing from internal debt, Government of India, other obligations and servicing of debt.
Statement No.5	Gives the summary of loans and advances given by the State Government during the year, repayments made, recoveries in arrears etc.
Statement No.6	Gives the summary of guarantees given by the Government for repayment of loans etc. raised by the statutory corporations, local bodies and other institutions.
Statement No.7	Gives the summary of cash balances and investments made out of such balances.
Statement No.8	Depicts the summary of balances under Consolidated Fund, Contingency Fund and Public Account as on 31 March 2010.
Statement No.9	Shows the revenue and expenditure under different heads for the year 2009-10 as a percentage of total revenue/expenditure.
Statement No.10	Indicates the distribution between the charged and the voted expenditure incurred during the year.
Statement No.11	Indicates the detailed account of revenue receipts by minor heads.
Statement No.12	Provides accounts of revenue expenditure by minor heads under non-plan and plan separately and capital expenditure by major headwise.
Statement No.13	Depicts the detailed capital expenditure incurred during and to the end of 2009-10.
Statement No.14	Shows the details of investment of the State Government in statutory corporations, Government companies, other joint stock companies, co-operative banks and societies etc., upto the end of 2009-10.
Statement No.15	Depicts the capital and other expenditure to the end of 2009-10 and the principal sources from which the funds were provided for that expenditure.
Statement No.16	Gives the detailed account of receipts, disbursements and balances under heads of account relating to Debt, Contingency Fund and Public Account.
Statement No.17	Presents detailed account of debt and other interest bearing obligations of the Government of Goa.
Statement No.18	Provides the detailed account of loans and advances given by the Government of Goa, the amount of loan repaid during the year, the balance as on 31 March 2010.
Statement No.19	Gives the details of earmarked balances of reserve funds.

APPENDIX - 1.2

(Referred to in paragraph 1.1)

Part A: Methodology adopted for the assessment of Fiscal Position

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

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

Trends in Gross State Domestic Product (GSDP)

	2005-06	2006-07	2007-08	2008-09	2009-10
Gross State Domestic Product (₹ in crore)	13262	15248	17496	19747	22512
Growth rate of GSDP (Per cent)	15.50	14.98	14.74	12.87	14.00
<i>Source of GSDP : Budget at a glance of the Government of Goa.</i>					

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

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

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

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

- a) Reduce the revenue deficit to nil by 31 March 2009, and adhere to it thereafter;
- b) Reduce the ratio of revenue deficit to the total revenue receipt by 1.5 per cent in each of the financial year, beginning on 1st day of April 2006, in a manner consistent with the goal set out in clause (a);
- c) Reduce the ratio of fiscal deficit to Gross State Domestic Product beginning from the financial year 2006-2007 with medium term goal of not being more than three per cent of fiscal deficit to Gross State Domestic Product to be attained by 31 March 2009, and adhere to it thereafter;
- d) Reduce fiscal deficit by 0.5 per cent of Gross State Domestic Product in each of the financial year beginning on 1st day of April 2006, in a manner consistent with the goal set out in clause (c);
- e) Cap the total outstanding guarantees within the specified limit under the Goa State Guarantees Act, 1993;
- f) Ensure that by 31 March 2009, the total liabilities do not exceed 30 per cent of the Gross State Domestic Product and adhere to it thereafter;
- g) Ensure that by 31 March 2009, the ratio of interest payment to total revenue receipt does not exceed 20 per cent and adhere to it thereafter;
- h) Undertake appropriate measure in cash management practices so as to avoid recourse to overdraft from the Reserve Bank of India;

The State Government has devolved Medium Term Fiscal Policy indicating the milestones of outcome indicators as detailed below: -

Fiscal indicators of medium term fiscal statement

Sl. No.	Item	Previous year	Current Year		Ensuing	Targets for next two years	
		Actual	BE	RE	Year	2009-10	2010-11
		Y-2			BE		
		2006-07	2007-08	2007-08	2008-09		
1	2	4	5	6	7	8	9
1	Revenue Deficit (-)/ Surplus (+) (₹ in crore)	-	-	(-) 0.02	(-) 1.07	(-) 0.97	(-) 0.98
2	Fiscal Deficit (-) / Surplus (+) (₹ in crore)	-	-	4.49	3.00	3.00	3.00
3	Public Debt	-	-	37.42	35.82	34.43	33.20
4	GSDP	-	-	16162	18425	21004	23945
5	Fiscal Deficit as percentage of GSDP	(-) 3.44	(-) 4.54	(-) 4.49	(-) 4.38	(-) 3.00	(-) 3.00
6	Public Debt as percentage of GSDP	37.60	37.49	37.42	37.15	34.43	33.20
7	Government guarantee outstanding (₹ in crore)	623.99	-	311.09	165.66	-	-

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

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

Appendix 1.3 (Referred to in paragraph 1.1)

(₹ in crore)

PART A : Abstract of Receipts and Disbursements for the year 2009-10							
Receipts			Disbursements				
2008-09	2009-10		2008-09	2009-10			
					Non-Plan	Plan	Total
<i>Section-A: Revenue</i>							
3528.27	1. Revenue receipts	4100.27	3425.48	1. Revenue expenditure	3468.92	758.55	4227.47
1693.55	Tax revenue	1762.34	1061.87	General services	1338.82	12.09	1350.91
			1192.56	Social Services (inclusive of GIA and contribution)	1003.13	483.95	1487.08
1236.16	Non-tax revenue	1731.20	548.07	Education, Sports, Art and Culture	596.70	111.79	708.49
			221.57	Health and Family Welfare	191.80	82.94	274.74
415.44	State's share of Union Taxes	427.42	225.87	Water Supply, Sanitation, Housing and Urban Development	160.97	102.19	263.16
			14.76	Information and Broadcasting	2.87	11.27	14.14
18.02	Non-Plan grants	26.60	2.82	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.42	19.47	19.89
120.03	Grants for State Plan Schemes	88.18	20.54	Labour and labour Welfare	17.87	9.12	26.99
			158.00	Social Welfare and Nutrition	31.08	147.17	178.25
45.07	Grants for Central and Centrally sponsored Plan Schemes	64.53	0.93	Others	1.42		1.42
			1171.05	Economic Services-(inclusive of GIA and contribution)	1126.97	262.51	1389.48
			106.48	Agriculture and Allied Activities	61.48	64.86	126.34
			58.74	Rural Development	30.00	44.86	74.86
			3.87	Special Areas Programmes		5.44	5.44
			41.00	Irrigation and Flood control	47.33	20.16	67.49
			742.68	Energy	792.16	26.50	818.66
			47.92	Industry and Minerals	11.49	62.69	74.18
			131.58	Transport	161.62	9.29	170.91
			3.61	Science, Technology and Environment		4.14	4.14
			35.17	General Economic Services	22.89	24.57	47.46
			0.00	Grants-in-aid and Contributions			
3528.27		4100.27	3425.48	Total	3468.92	758.55	4227.47
	II. Revenue deficit carried over to Section B	127.20	102.79	II. Revenue deficit/Surplus carried over to Section B			
3528.27	Total	4227.47	3528.27	Total	3468.92	758.55	4227.47

Appendices

Receipts			Disbursements				
2008-09	2009-10		2008-09	2009-10			
				Non-Plan	Plan	Total	
Section-B : Others							
725.13	III. Opening Cash balance including Permanent Advances and Cash Balance Investment	791.58		III. Opening Overdraft from Reserve Bank of India			
	IV. Miscellaneous Capital receipts	0.00		IV. Capital Outlay			
			150.59	General Services	0.00	179.54	179.54
			188.22	Social Services	0.00	210.98	210.98
			52.91	Education, Sports, Art and Culture	0.00	68.97	68.97
			20.70	Health and Family Welfare	0.00	20.68	20.68
			112.64	Water Supply, Sanitation, Housing and Urban Development	0.00	113.53	113.53
			0.00	Information and Broadcasting	0.00	0.00	0.00
			1.10	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.00	6.17	6.17
			0.87	Social Welfare and Nutrition	0.00	1.58	1.58
				Other Social Services	0.00	0.05	0.05
			558.26	Economic Services	5.70	687.86	693.56
			10.20	Agriculture and Allied Activities	5.70	14.87	20.57
			2.02	Rural Development	0.00	2.81	2.81
			2.49	Special Areas Programmes	0.00	2.69	2.69
			182.74	Irrigation and Flood Control	0.00	185.57	185.57
			167.35	Energy	0.00	174.77	174.77
			15.00	Industry and Minerals	0.00	16.31	16.31
			164.74	Transport	0.00	263.95	263.95
			13.72	General Economic Services	0.00	26.89	26.89
			897.07	Total	5.70	1078.38	1084.08
9.77	V. Recoveries of Loans and Advances	12.74	28.67	V. Loans and Advances disbursed	33.23	3.99	37.22
6.40	From Government Servants	9.97	22.47	To Government Servants	33.23		33.23
3.37	From Others	2.77	6.20	To Others	0.00	3.99	3.99
	VI. Revenue Surplus brought down	0.00		VI. Revenue Deficit brought down			127.20

Receipts			Disbursements				
2008-09	2009-10		2008-09	2009-10			Total
					Non-Plan	Plan	
662.83	VII. Public debt receipts	631.99	166.29	VII. Repayment of Public debt-	0.00	177.69	177.69
-	External debt	0.00	-	External debt		0.00	0.00
609.32	Internal debt other than Ways and Means Advances and overdrafts	719.17	118.17	Internal debt other than Ways and Means Advances and Overdrafts		104.70	104.70
-	Net transactions under Ways and Means Advances	0.00	-	Net transactions under Ways and Means Advances		0.00	0.00
	Net transactions under overdraft	0.00	48.12	Repayment of Loans and Advances to Central Government		72.99	72.99
53.51	Loans and Advances from Central Government	(-) 87.18					
-	VIII. Appropriation to Contingency Fund	0.00		VIII. Appropriation to Contingency Fund			0.00
-	IX. Amount transferred to Contingency Fund	0.06	0.06	IX. Expenditure from Contingency Fund			2.99
5025.45	X. Public Account receipts-	6177.89	4642.30	X. Public Account disbursements			5471.44
242.98	Small Savings and Provident Funds	349.06	76.53	Small Savings and Provident Funds			96.96
148.94	Reserve Funds	162.98	1.42	Reserve Funds			8.04
2100.32	Suspense and Miscellaneous	2795.62	2137.08	Suspense and Miscellaneous			2704.48
2331.43	Remittance	2617.62	2331.68	Remittances			2546.63
201.78	Deposits and Advances	252.61	95.59	Deposits and Advances			115.33
	XI. Closing Overdraft from Reserve Bank of India	0.00	791.58	XI. Cash Balance at end-			713.64
				Investment of year marked balance		303.49	
				Deposits with Reserve Bank		6.41	
				Departmental Cash Balance including permanent Advances		1.62	
				Cash Balance Investment		402.12	
6525.97	Total	7614.26	6525.97	Total			7614.26

(₹ in crore)

PART B: Summarised Financial position of the Government of Goa as on 31 March 2010				
As on 31 March 2009		Liabilities		As on 31 March 2010
2078.21		Internal Debt		2692.68
	1881.12	Market Loans bearing interest	2398.80	
	-	Market Loans not bearing interest	-	
	22.70	Loans from LIC	20.71	
	174.39	Loans from other institutions	273.17	
	-	Ways and Means Advances/overdraft		
	-	Overdraft from Reserve Bank of India		
3544.81		Loans and Advances from Central Government		3384.64
	200.77	Pre 1984-85 loans	82.17	
	2776.96	Non-Plan Loans	2898.00	
	560.72	Loans for State Plan Schemes	398.49	
	0.06	Loans for Central Plan Schemes	0.05	
	6.30	Loans for Centrally Sponsored Plan Schemes	5.93	
29.94		Contingency Fund		27.01
888.40		Small savings, Provident Fund etc.		1140.50
546.42		Deposits		683.70
322.07		Reserve Funds		477.02
78.75		Remittance balances		149.74
23.73		Suspense and Miscellaneous		114.87
7512.33				8670.16
As on 31 March 2009		Assets		As on 31 March 2010
5875.08		Gross Capital Outlay on Fixed Assets		6959.16
	329.66	Investment in shares of Companies, Corporation etc.	362.75	
	5545.42	Other Capital Outlay	6596.41	
90.06		Loans and Advances		114.55
	-	Loans for Power Projects	0.00	
	51.09	Other Development Loans	52.32	
	38.97	Loans to Government Servants and Miscellaneous loans	62.23	
		Reserve Fund Investments		
	0.65	Advances		0.65
		Suspense & Miscellaneous Balances		
791.58		Cash		713.64
	-	Cash in Treasuries and Local Remittances	0.00	
	3.06	Deposits with Reserve Bank	6.41	
	1.48	Departmental Cash Balances	1.48	
	0.14	Permanent Advances	0.14	
	536.06	Cash Balance Investments	402.12	
	250.84	Earmarked Fund Investment	303.49	
		Deficit on Government Accounts		
747.56	(-) 102.80	Revenue Deficit of the current year	127.20	874.76
	-	(i) Miscellaneous Deficit	0.00	
	850.36	Accumulated deficit as on 31 March 2009	747.56	
-		Appropriation to Contingency Fund		
7.40		Net effect of Balances taken over		7.40
	(-) 431.66	Balances taken over on 30 May 1987 under capital	(-) 431.66	
	424.26	Net result of allocation of Capital Expenditure	424.26	
7512.33				8670.16

APPENDIX 1.4

(Referred to in paragraph 1.3)

Time series data on the State Government finances

(`in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10
Part-A. Receipts					
1. Revenue Receipts	2169	2610	2944	3528	4100
(i) Tax Revenue	1096(51)	1292(50)	1359(46)	1694(48)	1762(43)
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade etc.	743(68)	845(65)	879(64)	1132(67)	1142(65)
State Excise	55(5)	57(4)	76(6)	89(5)	104(6)
Taxes on Vehicles	64(6)	75(6)	82(6)	90(5)	105(6)
Stamps duty and Registration fees	60(5)	116(9)	118(9)	115(7)	111(6)
Land Revenue	5(1)	6(1)	7(1)	9(1)	11(1)
Taxes on goods and passengers	131(12)	138(11)	113(8)	157(9)	161(9)
Other Taxes	38(3)	55(4)	84(6)	102(6)	128(7)
(ii) Non-Tax Revenue	761(35)	918(35)	1043(36)	1236(35)	1731(42)
(iii) State's share in Union taxes and duties	245(11)	312(12)	394(13)	415(12)	428(11)
(iv) Grants-in-aid from Government of India	67(3)	88(3)	148(5)	183(5)	179(4)
2. Misc. Capital Receipts	-	-	-	-	-
3. Recoveries of Loans and Advances	6	6	6	10	13
4. Total Revenue and Non debt capital receipt (1+2+3)	2175	2616	2950	3538	4113
5. Public Debt Receipts	698	639	505	663	632
Internal Debt (excluding Ways & Means Advances and Overdrafts)	186	100	414	609	719
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	512	539	91	54	(-)87
6. Total Receipts in the Consolidated Fund (4+5)	2873	3255	3455	4201	4745
7. Contingency Fund Receipts	-	-	170	-	-
8. Public Accounts receipts	3285	3611	4038	5025	6178
9. Total receipts of the State (6+7+8)	6158	6866	7663	9226	10923
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	2191(79)	2469(80)	2778(80)	3425(79)	4227(80)
Plan	415(19)	484(20)	566(20)	619(18)	758(18)
Non-plan	1776(81)	1985(80)	2212(80)	2806(82)	3469(82)
General Services (including Interests payments)	743(34)	786(32)	837(30)	1062(31)	1351(32)
Social Services (including GIA & contributions)	737(34)	831(34)	931(34)	1192(35)	1487(35)
Economic Services (including GIA & contributions)	711(32)	852(34)	1010(36)	1171(34)	1389(33)
11. Capital Expenditure	580(21)	626(20)	688(20)	897(21)	1084(20)
Plan	579(100)	622(99)	683(99)	898(100)	1078(99)
Non-plan	1	4(1)	5(1)	(-) 1(0)	6(1)
General Services	95(16)	83(13)	96(14)	151(17)	179(17)
Social Services	96(17)	122(19)	142(21)	188(21)	211(19)
Economic Services	389(68)	421(67)	450(65)	558(62)	694(64)
12. Disbursement of Loans and Advances	7	8	25	29	37
13. Total (10+11+12)	2778	3103	3491	4351	5348
14. Repayments of Public Debt	71	73	68	166	178
Internal Debt (excluding Ways and Means Advances and Overdrafts)	40	42	51	118	105
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	31	31	17	48	73
15. Appropriation to Contingency Fund	-	-	-	-	-

	2005-06	2006-07	2007-08	2008-09	2009-10
Part B. Expenditure/Disbursement					
16. Total disbursement out of Consolidated Fund (13+14+15)	2849	3176	3559	4517	5526
17. Contingency Fund disbursements	-	-	170	-	3
18. Public Accounts disbursements	3134	3519	3704	4642	5471
19. Total disbursement by the State (16+17+18)	5983	6695	7433	9159	11000
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+)(1-10)	(-22)	(+141)	(+166)	(+103)	(-127)
21. Fiscal Deficit (4-13)	603	487	541	813	(-1235)
22. Primary Deficit (21+23)	203	60	94	303	(-652)
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	400	427	447	510	583
24. Financial Assistance to local bodies etc.	297	309	333	448	590
25. Ways and Means Advances (WMA)/Overdraft availed (days)	-	-	-	-	-
Ways and Means advances availed	-	-	-	-	2.96
Overdraft availed	-	-	-	-	-
26. Interest on WMA/Overdraft	-	-	-	-	#
27. Gross State Domestic Product (GSDP)*	13262	15248	17496	19747	22512
28. Outstanding fiscal liabilities (year end)	5018	5694	6289	7058	7902
29. Outstanding guarantees including interest (year end)	631	624	311	166	148
30. Maximum amount guaranteed (year end)	709	715	528	603	603
31. Number of incomplete projects	55	11	2	5	19
32. Capital blocked in incomplete projects	532.88	568.02	609	720	856
33. Grants-in-aid and contributions (included in revenue expenditure of Social & Economic Services)	296	309	333	442	586

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

Part E. Fiscal Health Indicators (In per cent)					
I Resource Mobilization					
Own Tax revenue/GSDP	8.21	8.60	8.04	8.91	7.83
Own Non-Tax Revenue/GSDP	5.70	6.11	6.17	6.50	7.69
Central Transfers/GSDP	1.83	2.08	2.33	2.18	1.90
II Expenditure Management					
Total Expenditure/GSDP	20.80	20.65	20.66	22.88	23.76
Total Expenditure/Revenue Receipts	128.08	118.89	118.58	123.33	130.44
Revenue Expenditure/Total Expenditure	78.87	79.57	79.58	78.72	79.04
Expenditure on Social Services/Total Expenditure	26.53	26.78	26.67	27.42	27.80
Expenditure on Economic Services/Total Expenditure	25.59	27.46	28.93	26.91	25.97
Capital Expenditure/Total Expenditure	20.88	20.17	19.71	20.62	20.27
Capital Expenditure on Social and Economic Services/Total Expenditure	4.97	5.29	5.27	5.29	4.73
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	(-0.16)	0.94	0.98	0.54	(-) 0.56
Fiscal deficit/GSDP	4.52	3.24	3.20	4.28	5.49
Primary Deficit (surplus)/GSDP	(-)1.52	(-)0.40	(-)0.56	(-)1.59	(-)2.90
Revenue Deficit/Fiscal Deficit	(-)3.65	Revenue Surplus			(-)10.28
Primary Revenue Balance/GSDP	13.41	13.59	13.79	15.33	16.19

* Source of GSDP – Budget at a glance of the Government of Goa.

	2005-06	2006-07	2007-08	2008-09	2009-10
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	37.58	37.90	37.21	37.12	35.10
Fiscal Liabilities/RR	231.35	218.16	213.62	200.06	192.73
Primary deficit vis-à-vis quantum spread	(-)60.14	(-)26.40	(-)32.76	(-)99.13	(-)148.76
Debt Redemption (Principal+Interest)/Total Debt Receipts	67.48	78.25	101.98	101.96	120.41
V Other Fiscal Health Indicators					
Return on Investment	0.07	0.15	0.11	0.27	0.32
Balance from Current Revenue (₹ in crore)	353.15	576.98	625.34	586.54	508.64
Financial Assets/Liabilities	0.78	0.83	0.87	0.90	0.90

APPENDIX 1.5

(Referred to in paragraph 1.3.1)

Comparison of main components of Tax Revenue during 2007-10

(₹ in crore)

Heads of Revenue	Year	Revenue collected	Expenditure on collection of revenue	Percentage of expenditure on collection	All India average percentage of cost of collection
Sales Tax/VAT	2007-08	879	4.63	0.80	0.83
	2008-09	1132	5.82	0.51	0.88
	2009-10	1142	7.15	0.63	N.A.
Taxes on vehicles and Taxes on passengers	2007-08	90	1.30	1.44	2.58
	2008-09	100	1.75	1.75	2.93
	2009-10	115	2.21	1.92	N.A.
Stamp duty and Registration fees	2007-08	118	3.34	2.83	2.09
	2008-09	115	3.51	3.05	2.77
	2009-10	111	4.45	4.01	N.A.
State Excise	2007-08	76	3.76	4.95	3.27
	2008-09	89	5.86	6.58	3.66
	2009-10	104	8.17	7.86	N.A.

N.A= Not available

APPENDIX - 1.6

(Referred to in paragraph 1.6.4)

Summarised financial statement of departmentally managed quasi-commercial undertakings

(₹ in crore)

Sl. No.	Name of the undertaking	Period of accounts	Amount invested by Govt.	Turnover/ Income	Net profit/ loss	Accumulated profit/loss	Interest on capital	Total return	Percentage of Return on capital
1	Electricity Department	2005-06	536.97	583.64	94.43	430.07	--	94.43	17.59
2	River Navigation Department	2003-04	92.57	1.11	(-) 9.37	(-) 89.91	0.40	(-) 8.97	Nil

APPENDIX - 1.6

(Referred to in paragraph 1.6.4)

Summarised financial statement of departmentally managed quasi-commercial undertakings

(₹ in crore)

Sl. No.	Name of the undertaking	Period of accounts	Amount invested by Govt.	Turnover/ Income	Net profit/ loss	Accumulated profit/loss	Interest on capital	Total return	Percentage of Return on capital
1	Electricity Department	2005-06	536.97	583.64	94.43	430.07	--	94.43	17.59
2	River Navigation Department	2003-04	92.57	1.11	(-) 9.37	(-) 89.91	0.40	(-) 8.97	Nil

APPENDIX - 2.1

(Referred to in paragraph 2.3.1)

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

(₹ in crore)

Sl. No.	Grant/Appropriation	Total provision	Actual expenditure	Savings	Percentage
Revenue (Voted)					
1	8-Treasury and Accounts Administration (North Goa)	688.50	363.00	325.50	47
2	32-Finance	53.55	4.16	49.39	92
3	43-Arts and Culture	28.71	22.38	6.33	22
4	45-Archives and Archaeology	7.08	4.29	2.79	39
5	55-Municipal Administration	127.95	61.54	66.41	52
Capital (Voted)					
6	17-Police	6.50	3.10	3.40	52
7	32-Finance	245.00	135.00	110.00	45
8	42-Sports	26.84	3.71	23.13	86
9	61-Craftsmen Training	12.38	2.09	10.29	83
10	67-Ports Administration	9.19	6.11	3.08	34

APPENDIX - 2.2

(Referred to in paragraph 2.3.5)

Cases where Supplementary Provision (₹ 10 lakh or more in each case) proved unnecessary

(₹ in crore)

Sl. No.	Number and Name of the Grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary Provision
Revenue (Voted)					
1	8-Treasury and Accounts Administration (North Goa)	686.14	363.00	323.14	2.35
2	12-Commercial Taxes	9.35	8.89	0.46	0.40
3	18-Jails	6.63	5.82	0.81	0.33
4	19-Industries, Trade and Commerce	24.21	21.11	3.10	1.24
5	20-Printing and Stationery	7.52	7.16	0.36	0.20
6	43-Art and Culture	28.53	22.38	6.15	0.18
7	55-Municipal Administration	117.95	61.54	56.41	10.00
8	57-Social Welfare	150.73	143.77	6.96	4.16
9	62-Law	6.72	4.91	1.81	0.36
10	66-Fisheries	18.89	18.11	0.78	1.07
11	67-Ports Administration	5.68	5.23	0.45	1.35
12	71-Co-operation	9.57	9.15	0.42	0.99
13	78-Tourism	29.21	26.66	2.55	3.76
14	82-Information and Technology	46.42	41.02	5.40	25.50
Capital (Voted)					
15	61-Craftsmen Training	5.23	2.09	3.14	7.15
Total		1152.78	740.84	411.94	59.04

APPENDIX - 2.3

(Referred to in paragraph 2.3.6)

Excess/Unnecessary/Insufficient re-appropriation of funds

(₹ in lakh)

Sl. No.	Grant No.	Description	Head of Accounts	Re-appropriation	Final Excess (+) / Saving (-)
1	8	Treasury and Accounts Administration (North Goa)	2071(101)(1)	(-) 9476.50	(-) 3130.54
2	14	Goa Sadan	2052 (090)(01)	(-) 0.22	(-) 28.92
3	14	Goa Sadan	2070 (115)(01)	(-) 2.01	(+) 12.76
4	17	Police	4055 (800)(03)	(-) 100.29	(-) 57.47
5	17	Police	4055 (800)(04)	(-) 99.81	(-) 42.77
6	18	Jails	4059 (051)(02)	(-) 753.40	(-) 381.59
7	18	Jails	4059 (800)(01)	(-) 15.24	(-) 76.48
8	21	Public Works	2215 (001)(02)	(-) 16.84	(-) 57.46
9	21	Public Works	2059 (001)(01)	(+) 39.82	(-) 30.95
10	21	Public Works	3054 (337)(03)	(+) 87.45	(-) 85.78
11	21	Public Works	4215 (101)(01)	(-) 693.67	(-) 100.11
12	31	Panchayats	4515 (101)(04)	(-) 10.02	(-) 26.14
13	34	School Education	4202 (201)(01)	(+) 18.95	(-) 10.67
14	48	Health Services	2210 (110)(06)	(+) 54.30	(-) 57.77
15	58	Women and Child Development	4235 (106)(01)	(-) 43.00	(-) 11.94
16	62	Law	2014 (114)(01)	(-) 81.27	(+) 15.00
17	65	Animal Husbandry and Veterinary Services	4403 (102)(02)	(+) 9.64	(-) 50.38
18	66	Fisheries	4405 (101)(01)	(-) 53.45	(+) 19.70
19	68	Forests	2406 (001)(05)	(-) 63.81	(-) 12.24
20	72	Science, Technology and Environment	3435 (800)(01)	(+) 6.61	(-) 11.41
21	74	Water Resources	4702 (800)(01)	(+) 2.26	(+) 18.70
22	76	Electricity	2801 (001)(02)	(+) 366.35	(+) 24.16
23	82	Information and Technology	2852 (800)(05)	(-) 1600.00	(-) 176.20

APPENDIX - 2.4

(Referred to in paragraph 2.3.8)

Results of review of substantial surrenders made during the year

(₹ in lakh)

Sl. No.	Number & title of Grant	Name of the scheme (Head of Account)	Total provision	Amount of Surrender	Percentage of Surrender
1	32-Finance	2075 – Miscellaneous General Service	5355.03	4937.58	92
2	41-Goa Architecture College	4202 – Capital outlay on Education, Sports, Art and Culture	105.00	93.15	89
3	42-Sports	4202 – Capital outlay on Education, Sports, Art and Culture	2684.34	2260.00	84
4	55-Municipal Administration	2217 – Urban Development	12795.20	6641.53	52
5	61-Craftsmen Training	4202 – Capital outlay on Education, Sports, Art and Culture 4851 – Capital outlay on Village and Small Industries	1238.00	1015.81	82
6	66-Fisheries	4405 – Capital outlay on Fisheries 4415 – Capital outlay on Agricultural Research and Education	152.00	89.95	59
	Total		22329.57	15038.02	

APPENDIX - 2.5

(Referred to in paragraph 2.3.9)

Surrenders in excess of actual savings (₹ 10 lakh or more)

(₹ in lakh)

Sl. No.	Number and name of the grant/appropriation	Total grant/appropriation	Expenditure	Savings	Amount surrendered	Amount surrendered in excess
	Revenue - Voted					
1	61-Craftsmen Training	2618.48	2457.92	160.56	171.27	10.71
2	62-Law	708.31	491.00	217.31	238.96	21.65
3	76-Electricity	87234.44	83814.83	3419.61	3450.23	30.62
	Capital - Voted					
4	55-Municipal Administration	318.00	146.40	171.60	186.10	14.50
5	66-Fisheries	152.00	76.68	75.32	89.95	14.63
	Total	91031.23	86986.83	4044.40	4136.51	92.11

APPENDIX - 2.6

(Referred to in paragraph 2.3.10)

Statement of various grants/appropriations in which savings occurred but no part of which had been surrendered

(₹ in lakh)

Sl. No.	Number and Name of grants/appropriation	Savings
1	22-Vigilance (Revenue -Voted)	25.06
2	26-Fire and Emergency Services (Revenue-Charged)	1.39
3	33-Revenue (Revenue-Voted)	51.00
4	33-Revenue (Capital-Voted)	300.05
5	34-School Education (Capital-Voted)	17.64
6	36-Technical Education (Revenue-Voted)	1.30
7	39-Government Polytechnic, Curchorem (Capital-Voted)	5.01
8	43-Art and Culture (Capital-Voted)	5.57
9	82-Information Technology (Capital-Voted)	1.00
	Total	408.02

APPENDIX - 2.7

(Referred to in paragraph 2.3.10)

Details of savings of ₹ 10 lakh and above not surrendered

(₹ in crore)

Sl. No.	Number and Name of Grant	Total Grant	Expenditure	Savings	Savings surrendered	Savings remaining unsundered
1	7-Settlement and Land Records (Revenue-Voted)	9.56	9.07	0.49	0.28	0.21
2	8-Treasury and Accounts Administration (North Goa) (Revenue -Voted)	688.50	363.00	325.50	268.87	56.63
3	8-Treasury and Accounts Administration (North Goa) (Capital -Voted)	30.03	29.81	0.22	0.02	0.20
4	Appropriation Debt Services (Capital -Charged)	279.76	177.69	102.07	5.03	97.04
5	14-Goa Sadan (Revenue-Voted)	2.29	2.11	0.18	0.02	0.16
6	15-Collectorate North Goa (Revenue-Voted)	12.62	12.15	0.47	0.29	0.18
7	17-Police (Revenue-Voted)	150.87	150.51	0.36	0.05	0.31
8	17-Police (Capital-Voted)	6.50	3.10	3.40	2.57	0.83
9	21-Public Works (Revenue-Voted)	412.93	407.70	5.23	3.68	1.55
10	21-Public Works (Capital-Charged)	1.45	1.22	0.23	0.01	0.22
11	21-Public Works (Capital-Voted)	379.56	352.55	27.01	24.46	2.55
12	23-Home (Revenue-Voted)	2.33	1.71	0.62	0.34	0.28
13	31-Panchayats (Capital-voted)	3.50	2.81	0.69	0.43	0.26
14	34-School Education (Revenue-Voted)	518.75	503.20	15.55	13.77	1.78
15	40-Goa College of Engineering (Revenue-Voted)	11.69	11.30	0.39	0.28	0.11
16	42-Sports (Revenue-voted)	34.94	33.95	0.99	0.81	0.18
17	42-Sports (Capital-voted)	26.84	3.71	23.13	22.60	0.53
18	43-Art and Culture (Revenue-Voted)	28.71	22.38	6.33	6.16	0.17
19	47-Goa Medical College and Hospital (Revenue-voted)	127.38	119.98	7.40	6.75	0.65
20	47-Goa Medical College and Hospital (Capital-Voted)	14.08	13.34	0.74	0.39	0.35
21	48-Health Services (Revenue-Voted)	131.41	125.73	5.68	2.58	3.10
22	48-Health Services (Capital-Voted)	6.45	5.39	1.06	0.79	0.27
23	51-Goa Dental College (Revenue- Voted)	8.68	7.23	1.45	1.32	0.13
24	51-Goa Dental College (Capital-Voted)	2.51	1.25	1.26	0.01	1.25
25	58-Women and Child Development (Capital -Voted)	2.11	1.58	0.53	0.25	0.28
26	61-Craftsmen Training (Capital-Voted)	12.38	2.09	10.29	10.16	0.13

Sl. No.	Number and Name of Grant	Total Grant	Expenditure	Savings	Savings surrendered	Savings remaining unsurrendered
27	62-Law (Capital-Voted)	1.72	0.79	0.93	0.80	0.13
28	65-Animal Husbandry and Veterinary Services (Revenue-Voted)	29.94	28.01	1.93	1.79	0.14
29	65-Animal Husbandry and Veterinary Services (Capital-Voted)	2.36	1.56	0.80	0.27	0.53
30	67-Ports Administration (Revenue- Voted)	7.03	5.23	1.80	1.68	0.12
31	68-Forests (Revenue-Voted)	34.01	32.46	1.55	1.10	0.45
32	74-Water Resources (Revenue-Voted)	70.79	70.28	0.51	0.31	0.20
33	76-Electricity (Capital-Voted)	174.52	174.16	0.36	0.20	0.16
34	82-Information Technology (Revenue-Voted)	71.92	41.02	30.90	28.93	1.97
	Total	3298.12	2718.07	580.05	407.00	173.05

APPENDIX - 2.8

(Referred to in paragraph 2.3.10)

Surrender of funds in excess of ₹ five crore on 31 March 2010

(₹ in crore)

Sl. No.	Grant No.	Total Grant	Expenditure	Savings surrendered	Percentage of total provision
1	8-Treasury and Accounts Administration Revenue - Voted	688.50	363.00	268.87	39
2	Appropriation Debt Service Capital – Charged	279.76	177.69	5.03	2
3	21-Public Works Capital – Voted	379.56	352.55	24.46	6
4	31-Panchayats Revenue – Voted	85.41	72.17	13.38	16
5	32-Finance Revenue – Voted	53.55	4.16	49.38	92
6	32-Finance Capital – Voted	245.00	135.00	110.00	45
7	34-School Education Revenue – Voted	518.75	503.20	13.77	3
8	42-Sports Capital – Voted	26.84	3.71	22.60	84
9	43-Art and Culture Revenue – Voted	28.71	22.38	6.16	21
10	47-Goa Medical College and Hospital Revenue – Voted	127.37	119.98	6.75	5
11	55-Municipal Administration Revenue – Voted	127.95	61.54	66.42	52
12	57-Social Welfare Revenue – Voted	154.89	143.77	11.04	7
13	61-Craftsmen Training Capital – Voted	12.38	2.09	10.16	82
14	76-Electricity Revenue – Voted	872.34	838.15	34.50	4
15	78-Tourism Revenue – Voted	32.97	26.66	6.30	19
16	82- Information Technology Revenue – Voted	71.92	41.02	28.93	40
	Total	3705.90	2867.07	677.75	

APPENDIX - 2.9

(Referred to in paragraph 2.3.11)

Details of expenditure exceeding ₹ five crore and also more than 50 per cent total expenditure incurred in March 2010

(₹ in crore)

Sl. No.	Major Head	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2010	
			Amount	Percentage of Total expenditure	Amount	Percentage of Total Expenditure
1	4059	45.61	41.29	90.53	38.04	83.40
2	4801	174.16	119.92	68.86	105.13	60.36
3	4851	11.31	11.31	100.00	11.31	100.00
Total		231.08	172.52	74.66	154.58	66.89

APPENDIX - 2.10

(Referred to in paragraph 2.4.1)

Pending DC bills for the years upto 2009-10

(₹ in lakh)

Sl. No.	Department	Number of AC bills	Amount
1	General Administration Department	15	72.44
2	Collector, North Goa	20	133.29
3	Collector, South Goa	7	18.95
4	Electoral Office	90	498.01
5	Excise Department	1	27.64
6	Directorate of Education	11	58.64
7	Directorate of Sports and Youth Affairs	48	344.80
8	Directorate of Health Services	9	363.83
9	Goa Medical College	12	917.25
10	Goa Dental College	6	97.79
11	Electricity Department	12	5.86
12	Public Works Department	7	5.67
13	Tourism Department	2	174.80
14	Information and Publicity Department	11	66.63
15	Commissioner of Commercial Taxes	5	17.81
16	State Institute of Education	4	10.40
17	Directorate of Art and Culture	4	38.57
18	Directorate of Panchayats	3	15.96
19	Technical Education Department	2	13.21
20	Directorate of Mines and Geology	1	6.60
	Total	270	2888.15

APPENDIX - 2.11

(Referred to in paragraph 2.5)

Cases of drawal from Contingency Fund for salaries

(₹ in lakh)

Sl. No.	Finance Dept. sanction order No & date	Budget controlling Authority	Withdrawal for meeting the expenditure of salaries
1	10 dt. 10.07.09	Secretary (Law)	4.00
2	19 dt. 09.10.09	Commissioner, Labour and Employment, ESI Scheme	200.00
3	20 dt. 21.10.09	Commissioner, Labour and Employment, ESI Scheme	18.00
4	21 dt. 09.11.09	State Directorate of Craftsmen Training	200.00
5	23 dt. 10.11.09	Government Polytechnic, Mayem, Bicholim	40.00
6	24 dt. 11.11.09	Forests Department	130.00
7	26 dt. 02.12.09	District and Sessions Court (North Goa)	43.00
8	27 dt. 02.12.09	Goa Dental College and Hospital	23.00
9	28 dt. 04.12.09	Directorate of Food and Drugs Administration	10.00
10	29 dt. 09.12.09	Controller of Legal Metrology	6.38
11	30 dt. 21.12.09	Directorate of Fire and Emergency Services	44.00
12	31 dt. 22.12.09	Collectorate, South Goa, Margao	33.00
13	32 dt. 29.12.09	Controller, Legal Metrology, Panaji	20.00
14	35 dt. 22.01.10	Directorate of Mines and Geology	25.00
15	36 dt. 22.01.10	Collectorate, South Goa	143.00
16	37 dt. 28.01.10	Directorate of Agriculture	94.00
17	38 dt. 27.01.10	Directorate of Accounts	87.00
18	39 dt. 29.01.10	Directorate of Women and Child Development	155.00
19	40 dt. 29.01.10	Director, Institute of Psychiatry and Human Behavior, Bambolim	100.00
20	41 dt. 01.02.10	Directorate of Fire and Emergency Services	57.00
21	42 dt. 05.02.10	District and Sessions Court (South Goa)	104.76
22	43 dt. 05.02.10	District and Sessions Court (North Goa)	54.90
23	46 dt. 10.02.10	Commissioner, Labour and Employment	15.24
24	51 dt. 26.02.10	Directorate of Higher Education	50.00
		Total	1657.28

APPENDIX - 3.1

(Referred to in paragraph 3.1)

Department-wise breakup of outstanding Utilisation Certificates as on 30 June 2010.

Sl. No.	Name of the Department	No. of utilization certificates	Amount (₹ in crore)
1	Directorate of Education	342	16.79
2	Directorate of Technical Education	4	0.49
3	Directorate of Higher Education	25	14.76
4	Directorate of Sports & Youth Affairs	268	30.92
5	Town and Country Planning Department	32	11.89
6	Directorate of Municipal Administration	636	163.56
7	i) Directorate of Women and Child Welfare ii) Directorate of Social Welfare	93 65	3.43 0.83
8	Department of Science, Technology & Environment	50	6.69
9	i) Directorate of Panchayats (South) ii) Directorate of Panchayats (North)	1318 1170	15.37 72.83
10	i) General Administration Department ii) Directorate of Official Language	8 2	0.28 0.31
11	Directorate of Health Services	6	0.17
12	Directorate of Small Savings and Lotteries	8	7.56
13	Directorate of Art & Culture	1559	35.10
14	Directorate of Agriculture	94	0.25
15	Forests Department	2	0.75
16	Goa State Legal Services Authority	9	1.19
17	Under Secretary, Finance	2	0.75
18	Under Secretary, Revenue	1	0.52
	TOTAL	5694	384.44

APPENDIX - 3.2
(Referred to in paragraph 3.2)

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

Sl. No.	Name of the Institution	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)
Directorate of Education			
1	A. J. De Almeida High School, Ponda	2004-05 to 2008-09	80.95
2	A.I.M. Salcete High School, Malbhat	2004-05 to 2008-09	28.50
3	Abhinav Vidyamandir, Mollem	2003-04 to 2008-09	N.A.
4	Adarsha V.V. High School, Margao	2008-09	41.22
5	Anjuman H. Islam High School, Baina	2008-09	49.64
6	Anjuman Nurul Islam High School, Panaji	2008-09	31.23
7	Ann High School, Tivim	2004-05 to 2008-09	30.66
8	Assagao Union High School, Assagao	2008-09	1.20
9	Auxilum High School, Caranzalem	2008-09	1.12
10	Azmane High School, Neura	2006-07 to 2008-09	35.17
11	Bal Bharati Vidyamandir, Ribander	2008-09	10.22
12	Bethany Convent High School, Sao Jose De Areal	2008-09	36.98
13	Bhatikar Model High School, Margao	2008-09	67.93
14	Blessed Joseph Vaz High School, Sancoale	2007-08 to 2008-09	29.60
15	Cuncolim United High School, Cuncolim	2004-05 to 2008-09	N.A.
16	Dayanand High School, Chorao	2008-09	27.17
17	Dnyanprasarak Vidyalaya, Mapusa	2005-06 to 2008-09	49.02
18	Don Bosco High School, Panaji	2008-09	10.07
19	Dr. Sakharam Gude High School, Shiroda	2008-09	2.50
20	Fatima Convent High School, Margao, Salcete	2008-09	4.55
21	Fr. Agnel High School, Pilar	2008-09	2.50
22	Fr. Agnel Multipurpose High School, Verna	2008-09	62.89
23	G. S. Amonkar Vidya Mandir	2007-08 to 2008-09	61.95
24	Gomantak Vidyalaya, Dharbandoda	2004-05 to 2008-09	14.50
25	Guardian Agnel High School, Sanvordem	2008-09	1.05
26	Harmal Panchakrishi High School, Harmal	2008-09	37.87
27	Holy Cross High School, Bardez	2004-05 to 2008-09	28.43
28	Holy Cross High School, Bastora	2008-09	40.36
29	Holy Cross High School, Siolim	2008-09	30.58
30	Holy Cross Institute, Quepem	2008-09	38.18
31	Holy Family High School, Porvorim	2008-09	40.38
32	Holy Rosary Convent High School, Nuvem	2008-09	39.25
33	I.V.B.D. English School, Dhavali	2005-06 to 2008-09	35.66
34	Ideal High School, Taleigao	2007-08 to 2008-09	37.66
35	Immaculate Conception High School, Dabal	2008-09	0.47
36	Immaculate Conception High School, Avedem, Paroda	2008-09	0.52
37	Immaculate Heart of Mary High School, Goa Velha	2003-04 to 2008-09	N.A.
38	Infant Jesus High School, Colva	2008-09	0.64
39	Janata High School, Mapusa	2008-09	48.38
40	K.R.S.S. High School, Savoie Verem	2003-04 to 2008-09	N.A.
41	Kasturaba Matoshree High School, Panaji	2003-04 to 2008-09	N.A.
42	Keerti Vidyalaya Siolim, Bardez	2008-09	0.86
43	L.D. Samant Memorial High School, Porvorim	2003-04 to 2008-09	N.A.

Sl. No.	Name of the Institution	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)
44	Late V.G. Shenvi Vidyalaya, Rawanfond	2003-04 to 2008-09	N.A.
45	Lokmanya Tilak Vidyalaya High School, Kavalem	2003-04 to 2008-09	N.A.
46	Lokshikshan High School, Dhargal, Pernem	2008-09	23.16
47	Lourdes Convent High School, Saligao	2008-09	39.70
48	Loyala High School, Margao	2008-09	78.55
49	M & N English High School, Margao	2008-09	2.24
50	M.I.B.K. High School, Khandepar	2003-04 to 2008-09	N.A.
51	M.P.T. Education Society's Deepvihar High School, Headland Sada, Vasco	2008-09	59.58
52	Mahalakshmi English High School, Talaulim	2008-09	2.01
53	Mahalaxmi High School, Kudne, Bicholim	2008-09	0.88
54	Mahamaya High School, Bicholim	2008-09	36.36
55	Mandrem High School, Mandrem, Pernem	2008-09	50.47
56	Manguirish Vidhyalaya Aroba, Pernem	2005-06 to 2008-09	20.75
57	Mapusa High School, Mapusa	2005-06 to 2008-09	26.69
58	Maria Bambina Convent High School, Cuncolim	2008-09	27.84
59	Marina English High School, Verna	2007-08 to 2008-09	27.76
60	Mary Immaculate Girls High School, Panaji	2008-09	65.18
61	Mata Secondary School, No. 1, Baina, Vasco	2005-06 to 2008-09	44.88
62	Mount Mary's High School, Chinchinim	2008-09	1.56
63	Municipal High School, Vasco	2007-08 to 2008-09	35.44
64	Murgao High School, Headland Sada	2008-09	50.17
65	Mustifund High School, Panaji	2005-06 to 2008-09	53.36
66	Navdeep Vidyalaya, Shiroda	2005-06 to 2008-09	27.70
67	New English High School, Keri, Pernem	2005-06 to 2008-09	34.09
68	New Era High School, Margao	2008-09	0.58
69	New Goa High School, Mapusa	2008-09	1.55
70	Our Lady of Candelaria High School, Baina, Vasco	2007-08 to 2008-09	25.77
71	Our Lady of Desterro's School, Desterro	2005-06 to 2008-09	27.66
72	Our Lady of Divar High School, Piedade	2006-07 to 2008-09	23.09
73	Our Lady of Grace High School, Bicholim	2008-09	92.80
74	Our lady of Health High School, Cuncolim	2005-06 to 2008-09	38.43
75	Our Lady of Lurdes High School, Valpoi	2008-09	1.46
76	Our Lady of Mercedes School, Mercedes	2008-09	33.27
77	Our Lady of Perpetual Succor High School, Cortalim	2006-07 to 2008-09	53.84
78	Our Lady of Piety High School, Collem	2008-09	0.37
79	Our Lady of Rosary High School, DonaPaula	2008-09	42.31
80	Our Lady of Rosary High School, Fatorda, Margao	2007-08 to 2008-09	4.25
81	Our Lady of Snow's High School, Raia	2008-09	57.74
82	Our Lady of Succor High School, Nagoa	2006-07 to 2008-09	32.49
83	Perpetual Succor High School, Navelim	2005-06 to 2008-09	62.64
84	Pope John XXIII High School, Quepem	2008-09	48.48
85	Pragati High School, Verem Betim	2008-09	0.49
86	Pragati Vidyalaya, Borim	2005-06 to 2008-09	28.12
87	Presentation Con. High School, Margao	2008-09	5.66
88	Progress High School, Panaji	2008-09	72.26
89	R.P.R.S. High School, Bandoda	2005-06 to 2008-09	27.68
90	Radhakrishna Vidyalaya, Bicholim	2008-09	51.57
91	Ramakant D. Khalap High School, Mandrem, Pernem	2005-06 to 2008-09	37.72

Sl. No.	Name of the Institution	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)
92	Regina Mundi High School, Chicalim	2008-09	1.77
93	Rosary High School, Navelim	2008-09	93.73
94	Sacred Heart High School, Parra, Bardez	2006-07 to 2008-09	27.56
95	Sacred Heart of Jesus High School, Anjuna	2008-09	3.08
96	Santa Cruz High School, Santa Cruz	2008-09	54.44
97	Saraswat Vidyalaya, Mapusa	2008-09	0.79
98	Sarvodaya Education Society High School, Curchorem	2008-09	60.37
99	Sarvodaya High School, Usgao	2006-07 to 2008-09	24.63
100	Shantadurga High School, Bicholim	2008-09	1.49
101	Sharadha English High School, Shiroda Marcel	2008-09	10.04
102	Shiksha Sadan, Priol	2005-06 to 2008-09	32.64
103	Shree Navdurga Vidyalaya, Marcaim, Ponda	2007-08 to 2008-09	33.07
104	Shri Bhagwati High School, Pernem	2005-06 to 2008-09	51.69
105	Shri Durga English School, Parsem, Pernem	2005-06 to 2008-09	26.91
106	Shri Hanuman Vidyalaya, Valpoi, Sattari	2006-07 to 2008-09	35.94
107	Shri Kamakshi High School, Shiroda	2005-06 to 2008-09	47.22
108	Shri Kamleshwar High School, Pethechawada	2007-08 to 2008-09	27.44
109	Shri Katyayani Baneswher Vidhyalaya, Canacona	2006-07 to 2008-09	25.35
110	Shri Mallikarjun Vidhyalaya High School, Canacona	2008-09	1.96
111	Shri Shantadurga Vidyalaya, Pirna, Bardez	2007-08 to 2008-09	29.11
112	Shri Shradhanand Vidyalaya, Paiguinim	2005-06 to 2008-09	36.04
113	Shri Bhumika High School, Parye, Sattari	2008-09	0.86
114	Shri Damodar Vidyalaya English High School, Margao	2008-09	61.64
115	Shri Kamleshwar High School, Korgao	2007-08 to 2008-09	27.44
116	Shrimati High School, Velguem, Bicholim	2008-09	46.38
117	Smt. Chandrabhaga T. Naik High School, Curchorem	2008-09	38.34
118	Smt. Hirabai Talaulikar High School, Sancordem	2004-05 to 2008-09	30.23
119	Smt. Kamalabai Hede High School, Shiroda, Ponda	2008-09	1.60
120	Smt. Sunandabai Bandodkar High School, Carambolim	2005-06 to 2008-09	25.98
121	St. Jude Higher Secondary School, BetalBatim	2004-05 to 2008-09	18.51
122	St. Andrew's Institute, Vasco	2005-06 to 2008-09	62.33
123	St. Anne's Institute, Agonda	2008-09	0.63
124	St. Ann's High School, Tivim	2008-09	30.72
125	St. Anthony High School, Galgibaga	2007-08 to 2008-09	31.12
126	St. Anthony High School, Duler, Mapusa	2008-09	42.93
127	St. Anthony High School, Majorda	2008-09	33.94
128	St. Anthony's High School, Monte de Guirim	2005-06 to 2008-09	49.07
129	St. Britto High School, Mapusa	2008-09	64.40
130	St. Clara's High School, Assonora	2005-06 to 2008-09	39.46
131	St. Elizabeth's High School, Pomburpa	2008-09	1.66
132	St. Francis Xaviers High School, Siolim	2005-06 to 2008-09	48.73
133	St. John of the Cross High School, Sanquelim	2006-07 to 2008-09	52.78
134	St. Joseph Convent High School, Nagoa Verna	2005-06 to 2008-09	30.64
135	St. Joseph High School, Arpora	2006-07 to 2008-09	2.96
136	St. Joseph's High School, Aquem, Alto, Margao	2006-07 to 2008-09	36.23
137	St. Joseph's Institute, Vasco	2008-09	37.66
138	St. Jude's High School, Betalbatim	2008-09	23.64

Sl. No.	Name of the Institution	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)
139	St. Mary of the Angel's Convent High School, Chinchinim	2008-09	39.26
140	St. Mary's Convent High School, Mapusa	2008-09	69.60
141	St. Mary's High School, Varca	2008-09	38.23
142	St. Michael's Convent High School, Vagator	2005-06 to 2008-09	42.21
143	St. Pius X High School, Orlim	2007-08 to 2008-09	48.01
144	St. Rita's High School, Maina, Curtorim	2006-07 to 2008-09	54.27
145	St. Rita's High School, Colvale	2005-06 to 2008-09	41.32
146	St. Rock's High School, Tollecanto, Velim	2006-07 to 2008-09	36.40
147	St. Thereza High School, Candolim	2008-09	46.55
148	St. Thereza High School, Santo Estevam	2005-06 to 2008-09	26.72
149	St. Thereza of Jesus High School, Canacona	2008-09	28.21
150	St. Thereza's Convent High School, Raia	2005-06 to 2008-09	32.73
151	St. Thereza's High School, Vasco	2008-09	45.32
152	St. Thomas Boy's Aldona, Bardez	2007-08 to 2008-09	36.95
153	St. Thomas Girl's High School, Aldona	2005-06 to 2008-09	38.14
154	St. Thomas High School, Cansaulim	2007-08 to 2008-09	28.62
155	St. Xavier High School, Moira	2008-09	2.24
156	St. Xavier's Institute, Curtorim	2008-09	5.32
157	Surashri Kesarbai Kerkar High School, Keri	2008-09	2.22
158	T. B. Cunha New High School, Aquem	2006-07 to 2008-09	26.09
159	The New Education Institute, Curchorem	2008-09	95.35
160	The Rosary High School, Miramar	2005-06 to 2008-09	35.93
161	Union High School, Chimbél	2008-09	0.81
162	Union High School, Sanguem	2008-09	0.64
163	Utkarsh High School, Rivona	2008-09	1.44
164	V. D. & S. V. Wagle High School, Mangueshi	2008-09	44.40
165	Vidhyaprasarak High School, Morjim, Pernem	2008-09	0.34
166	Vidya Mandir, Airport Road, Chicalim	2007-08 to 2008-09	40.07
167	Vijayanand High School, Mayem	2007-08 to 2008-09	32.01
168	Viscount of Pernem High School, Pernem	2005-06 to 2008-09	28.91
169	Sarvodaya Education Society High School, Curchorem	2007-08 to 2008-09	28.21
170	Immaculate Conception High School, Avedem, Paroda	2003-04 to 2008-09	N.A.
171	Pope John XXIII High School, Quepem	2007-08 to 2008-09	64.16
172	Smt. Chandrabhaga T. Naik High School, Curchorem	2007-08 to 2008-09	36.55
173	Miracles High School, Sanguem	2006-07 to 2008-09	24.20
174	St. Mary's High School, Ponda	2007-08 to 2008-09	44.37
175	Sharada English High School, Ponda	2007-08 to 2008-09	98.23
176	Infant Jesus High School, Cuncolim	2006-07 to 2008-09	24.96
177	St. Xavier High School, Velim	2006-07 to 2008-09	20.96
178	Our Lady of Carmel High School, Curtorim	2006-07 to 2008-09	0.83
	Directorate of Higher Education		
179	Malikarjun College of Arts & Commerce, Canacona	2005-06 to 2008-09	58.34
180	S.V.S College of Commerce and Management Studies, Mapusa	2005-06 to 2008-09	42.37
181	G.E.S. College of Arts and Commerce, Cuncolim	2005-06 to 2008-09	54.86
182	D. M.S. College of Arts, Sou. S.P. Vaidya College of Science & V.N.S Bandekar College of Commerce	2008-09	22.50

Sl. No.	Name of the Institution	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)
Directorate of Arts & Culture			
183	Goa International Centre, Donapaula	2008-09	18.00
184	Tiatre Academy, Panaji	2008-09	165.00
Chief Town Planner			
185	Vasco Planning Development Authority, Vasco	2003-04 to 2008-09	N.A.
186	Planning Development Authority, South Goa , Margao	2008-09	166.22
Directorate of Agriculture			
187	Users groups and Self help group users of all talukas of Goa State	2006-07 to 2008-09	28.04
Directorate of Science, Technology & Environment			
188	Goa Science Centre, Miramar	2006-07 to 2008-09	33.75
189	Goa State Pollution Control Board, Panaji	2007-08 to 2008-09	258.44
190	Goa Energy Development Agency, Saligao	2008-09	99.54
Directorate of Women and Child Development			
191	Anganwadi Workers Training Centre,Alto-Betim	2006-07 to 2008-09	3.50
Directorate of Panchayats			
192	Zilla Panchayat, North Goa	2005-06 to 2008-09	49.29
193	Zilla Panchayat, South Goa	2006-07 to 2008-09	45.00
Total			6359.24

N.A. - Not Available

APPENDIX - 3.3

(Referred to in paragraph 3.3)

Statement showing performance of Autonomous Bodies as of October 2010

Sl. No.	Name of the Body/Authority	Period of entrustment of audit	Year upto which Accounts due	Year for which Accounts received	Year upto which Audit Report issued	Year upto which Audit Report laid in the legislature	Delays in submission of SARs in legislature (in month)
1	Goa Tillari Irrigation Development Corporation	1.4.2008 to 31.3.2012	2009-10	2007-08	2006-07	2006-07	-
2	Goa State Commission for Backward Classes	1.4.2009 to 31.3.2014	2009-10	2008-09	2008-09	2007-08	8
3	Goa University	1.4.2005 to 31.3.2010	2009-10	2008-09	2008-09	2006-07	7
4	Goa Khadi & Village Industries Board	1.4.2008 to 31.3.2013	2009-10	2007-08	2006-07	2005-06	17
5	Goa Housing Board	1.4.2007 to 31.3.2012	2009-10	2007-08	2007-08	2006-07	7
6	Goa Board of Secondary & Higher Secondary Education	1.4.2005 to 31.3.2010	2009-10	2005-06	2005-06	Information awaited	-
7	Goa State Legal Services Authorities	Regular Audit	2009-10	2006-07	2006-07	Information awaited	-

APPENDIX - 3.4

(Referred to in paragraph 3.4)

Position of arrears as on 30 September 2010 in preparation of Proforma Accounts

Department	No. of undertakings under the Department	Accounts not finalized (name of undertaking)	Year upto which accounts finalised	Investment as per last accounts (₹ in crore)
Inland Water Transport	1	River Navigation Department	2003-04	92.57
Power	1	Chief Electrical Engineer	2005-06	536.97
Total				629.54

APPENDIX - 3.5

(Referred to in paragraph 3.5)

Department wise/Duration wise break-up of the cases of Misappropriation, Defalcation, etc.

(Cases where final action was pending at the end of June 2010)

Sl. No.	Name of the Department	Upto 5 years	5 to 10 years	10 years and above	Total No. of cases
1	General Administration Department	1(0.10)	-	-	1(0.10)
2	Director of Panchayats, Panaji	-	2(0.54)	-	2(0.54)
3	Deputy Commandant General, Home Guards	-	-	1(4.95)	1(4.95)
4	Director General of Police	3(28.34)	2*	-	5(28.34)
5	Director of Civil Supplies	1(3.02)	2(2.90)	-	3(5.92)
6	Conservator of Forests, Panaji	-	-	1 (0.67)	1(0.67)
7	Chief Electrical Engineer, Panaji	2(10.25)	1(55.25)	1(40.24)	4(105.74)
8	Chief Engineer, PWD, Panaji	1(38.60)	1(0.20)	-	2(38.80)
9	Dean, Goa Medical College, Bambolim	1(2.39)	-	-	1(2.39)
10	Director of Education, Panaji	-	1(0.77)	-	1(0.77)
11	Administrative Medical officer, E.S.I. Scheme, Panaji	1(1.85)	-	-	1(1.85)
12	Director of Industries, Trade & Commerce, Panaji	1(0.01)	-	-	1(0.01)
13	Inspector of General of Prisons	3(1.15)	-	-	3(1.15)
	Total	14(85.71)	9(59.66)	3(45.86)	26(191.23)

(Figures in brackets indicate ₹ in lakh)

* Money value yet to be fixed