



सत्यमेव जयते

**State Finances Audit Report  
of the  
Comptroller and Auditor General of India  
for the year ended 31 March 2020**



लोकहितार्थं सत्यनिष्ठा  
Dedicated to Truth in Public Interest



**GOVERNMENT OF GOA**  
*Report No. 1 of the year 2021*





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OF THE  
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*Report No. 1 of the year 2021*

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## **PREFACE**

This Report for the year ended 31 March 2020 has been prepared for submission to the Governor of Goa under Article 151 of the Constitution of India.

This Report contains audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2020. Information has also been obtained from the Government of Goa, wherever necessary. It also provides an overview and status of the State Government's compliance with various financial rules, procedures and directives relating to financial reporting during the current year.

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



# **EXECUTIVE SUMMARY**



## Executive Summary

### Background

This State Finances Audit Report of the Government of Goa is being brought out with a view to objectively assess the financial performance of the State Government during 2019-20 and to provide the State Government and State Legislature with inputs, based on analysis of the financial data. In order to give a perspective to the analysis, an effort has been made to compare the achievements with the targets envisaged in the Goa Fiscal Responsibility and Budget Management (First Amendment) Act, 2014 (Goa FRBM Act), Finance Commission recommendations and the Budget Estimates of 2019-20 and other financial data obtained from various Government Departments.

### The Report

Based on the audited Accounts of the Government of Goa for the year ending March 2020, this Report provides an analytical review of the Annual Accounts of the State Government. The Report is structured in four Chapters.

**Chapter 1** describes the basis and approach to the Report and the underlying data provides an overview of structure of Government Accounts, budgetary processes, macro-fiscal analysis of key indices and State's fiscal position including the deficits/surplus.

**Chapter 2** provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the last five years, debt profile of the State and key Public Account transactions, based mainly on the Finance Accounts of the State.

**Chapter 3** is based on the 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 4** is an inventory of the Government's compliance with various reporting requirements and financial rules.

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

### Achievements of the State Government: A Brief Summary

During 2019-20, per capita income of the State stood at ₹ 5,20,032 which was significantly higher than the All-India per capita income of ₹ 1,51,677.

The State achieved one of the three targets of major fiscal variables set under Goa FRBM Act. The ratio of fiscal deficit to GSDP during 2019-20 stood at

2.47 per cent which was within the target of three per cent prescribed under the Goa FRBM Act.

Outstanding guarantees of the State at ₹ 882.85 crore during 2019-20 was much lower than the ceiling of ₹ 1,500 crore prescribed under the Goa State Guarantees Act, 2005.

The State has taken initiatives for better fiscal management by setting up of the Consolidated Sinking Fund to provide a cushion for repaying market loans as well as the Guarantee Redemption Fund to provide a cushion for servicing contingent liabilities.

The State Government has given higher fiscal priority to health and family welfare during 2015-16 and 2019-20, as their ratios to Aggregate Expenditure were significantly higher than that of General Category States in 2019-20.

The State Government, however, needs to improve its outstanding Debt-GSDP ratio (28.03 per cent) which was higher than the ceiling of 25 per cent prescribed under the Goa FRBM Act. Also, the State needs to become a revenue surplus State as per the target given in the Goa FRBM Act.

## Contents of the Report

### Chapter 1

#### Overview

##### *Fiscal Position*

During 2019-20, the State could not achieve two key fiscal parameters. First, the State posted a revenue deficit of ₹ 325 crore in 2019-20 against revenue surplus of ₹ 355 crore in the previous year. Second, due to increase in fiscal deficit by 11.27 per cent and interest payments by nine per cent, primary deficit increased to ₹ 529 crore in 2019-20 from ₹ 448 crore in 2018-19.

However, the State Government managed to keep its fiscal deficit relative to GSDP (2.47 per cent) within the limit of three per cent fixed by Goa FRBM Act and projection made by the Fourteenth Finance Commission (FC XIV).

The outstanding Debt-GSDP ratio increased from 26.71 per cent in 2016-17 to 28.03 per cent in 2019-20. Thus, the State could not achieve the target of 25 per cent fixed under Goa FRBM Act and 24.92 per cent set forth by FC XIV.

*(Paragraph 1.5.1)*

The State Government short-transferred ₹ 138.49 crore of employees and Government contribution to NSDL under Defined Contribution Pension Scheme during 2019-20, thus, understating the revenue deficit and fiscal deficit to that extent.

*(Paragraph 1.6.1)*

The off-budget fiscal operations amounting to ₹ 919 crore during the financial year 2019-20 resulted in understating of the overall debt by 1.14 *per cent* of GSDP. Further, taking into account the off-budget borrowings of the State, the total outstanding debt at the end of March 2020 worked out to ₹ 23,473 crore against ₹ 22,554 crore shown in the Finance accounts.

*(Paragraph 1.6.2)*

## **Chapter 2**

### **Finances of the State Government**

#### ***State's Own Resources***

During 2019-20, revenue receipts decreased by ₹ 141 crore (1.23 *per cent*) over the previous year. The State's own tax revenue decreased by ₹ 171 crore (3.51 *per cent*), non-tax revenue by ₹ 137 crore (4.77 *per cent*) and State's share of Union taxes by ₹ 398 crore (13.83 *per cent*), offset by increase in grants from GoI by ₹ 565 crore (69.33 *per cent*).

Around 66 *per cent* of the State's revenue receipts during 2019-20 came from its own resources<sup>1</sup>. GoI released a compensation of ₹ 819 crore to the State Government to compensate for loss of revenue post-GST implementation, against the entitlement of ₹ 1,246 crore during the year.

*(Paragraph 2.3.2.2)*

#### ***Share of Union Taxes and Duties and Grants-in-aid***

Over the five-year period (2015-20), central tax transfers increased by 29 *per cent* from ₹ 1,924 crore in 2015-16 to ₹ 2,480 crore in 2019-20. The State Government's share of Union taxes and duties in 2019-20 decreased by ₹ 398 crore over the previous year and constituted 22 *per cent* of revenue receipts.

The grants-in-aid from GoI increased by ₹ 565 crore (69 *per cent*) during the year compared to the previous year. Grants-in-aid constituted 12 *per cent* of revenue receipts during 2019-20.

*(Paragraphs 2.3.2.3)*

#### ***Revenue Expenditure***

During 2019-20, the revenue expenditure increased by 4.86 *per cent* (₹ 539 crore) over the previous year, and constituted 87.42 *per cent* of total expenditure. Revenue expenditure stood at 14.45 *per cent* of GSDP during 2019-20.

*(Paragraph 2.4.2)*

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<sup>1</sup> Own tax revenue and non-tax revenue

### ***Capital Expenditure***

During 2019-20, capital expenditure decreased by 23 *per cent* (₹ 489 crore) over the previous year. The share of capital expenditure in the total expenditure declined from 16.53 *per cent* in 2017-18 to 12.49 *per cent* in 2019-20. During 2019-20, capital expenditure (₹ 1,660 crore) was less than total public debt receipts (₹ 2,700 crore) by ₹ 1,040 crore.

***(Paragraph 2.4.3)***

### ***Investment and Returns***

As on 31 March 2020, total Government investment in State Public Sector Enterprises (SPSEs) and other Bodies was ₹ 640.71 crore. The average return on this investment was 0.15 to 0.32 *per cent* during 2015-20 while the Government paid an average interest of 6.82 to 7.30 *per cent* on its borrowings, indicating that the return on investment of the State Government was very low.

As on 31 March 2020, five SPSEs registered accumulated losses of ₹ 260.77 crore. Of the five SPSEs, two SPSEs incurred losses of ₹ 138.27 crore during 2019-20 while three SPSEs, though did not incur any loss in 2019-20, had accumulated losses of ₹ 30.19 crore at the end of March 2020.

The net worth of four out of five SPSEs had been completely eroded by accumulated losses and stood at (-) ₹ 88.83 crore against an equity investment of ₹ 170.11 crore as on 31 March 2020.

***(Paragraph 2.4.3.2)***

### ***Debt Profile: Components***

The overall debt (₹ 22,554 crore) of the State Government at the end of financial year 2019-20 comprised internal debt of ₹ 15,746 crore (70 *per cent*), public account liability of ₹ 5,660 crore (25 *per cent*) and loans and advances from GoI of ₹ 1,148 crore (five *per cent*). The internal debt comprised of market loans (₹ 13,010 crore), special securities issued to NSSF (₹ 2,138 crore), NABARD (₹ 546 crore) and loans from financial institutions (₹ 52 crore).

***(Paragraph 2.6.1)***

### ***Debt profile: Maturity and Repayment***

The maturity profile of the State debt indicates that the liability of the State to repay the debt during the periods 2020-21, 2021-23 and 2023-25 would be ₹ 694 crore, ₹ 2,182 crore and ₹ 2,475 crore respectively, which may put a strain on the Government budget during that period. Further, ₹ 8,667 crore *i.e.*, 51 *per cent* of the total public debt would be repayable within the next seven

years. Therefore, the State Government would have to work out a well-thought-out borrowing-repayment strategy to avoid falling into a debt trap.

*(Paragraph 2.6.2)*

## **Chapter 3**

### **Budgetary Management**

Supplementary provisions (₹ five crore or more in each case) aggregating ₹ 1,121.87 crore obtained in 28 cases during the year proved unnecessary. The expenditure incurred (₹ 6,007.82 crore) did not reach the levels of original provision of ₹ 8,632.17 crore.

*(Paragraph 3.3.2)*

In 25 cases pertaining to 20 grants with aggregate savings of ₹ 2,818.60 crore, an amount of ₹ 527.61 crore was not surrendered (₹ one crore and above in each case). Early surrender could have ensured more productive use of resources in other areas having shortfall.

*(Paragraph 3.3.3)*

Excess expenditure of ₹ 9,181.04 crore pertaining to the period from 2008-09 to 2019-20 had escaped legislative oversight, as it was pending regularisation as per Article 205 of the Constitution of India.

*(Paragraph 3.3.4.2)*

Against total budgetary provision of ₹ 21,557.26 crore during 2019-20, an expenditure of ₹ 15,525.88 crore was incurred. This resulted in net savings of ₹ 6,031.38 crore (savings of ₹ 6,988.23 crore offset by an excess of ₹ 956.85 crore).

*(Paragraph 3.4.1)*

## **Chapter 4**

### **Quality of Accounts and Financial Reporting Practices**

As on March 2020, 14,539 utilization certificates aggregating ₹ 2,882.08 crore was outstanding against grants disbursed up to 2018-19, indicating lack of proper monitoring by the Departments in utilization of grants given for specific purposes.

As on March 2020, there was pendency in submission of 482 Detailed Contingent Bills amounting to ₹ 108.36 crore drawn on Abstract Contingent Bills by various Departmental authorities.

Pendency of utilisation certificates and Detailed Contingent Bills for long periods was fraught with the risk of fraud and misappropriation.

*(Paragraphs 4.3 and 4.4)*

There were 117 Personal Deposit Accounts in operation in district treasuries with a closing balance of ₹ 122.60 crore as of 31 March 2020.

***(Paragraph 4.5)***

During 2019-20, expenditure aggregating ₹ 4,117.84 crore constituting 30.97 *per cent* of the total expenditure of the State was classified under Minor Head '800 Other Expenditure'. Similarly, revenue receipts aggregating ₹ 386.46 crore constituting 3.42 *per cent* of total revenue receipts were classified under Omnibus Minor Head '800 Other Receipts'.

Accounting of large items of expenditure and receipts under the Omnibus Minor Head - 800 affects transparency in financial reporting, as it fails to indicate disaggregated information on specific activities of the Government separately in the accounts.

***(Paragraph 4.6)***

# **CHAPTER 1**

## **OVERVIEW**



# Chapter 1: Overview

## 1.1 Profile of Goa

Goa is situated in the western coastal region known as Konkan, bounded by Arabian sea in the west, Maharashtra in the north and Karnataka to the east and south. Goa is the smallest State in terms of geographical area (3,702 sq. km.) and has a coastline of about 131 km. Goa was incorporated as a Union Territory with Legislature in 1962. It was granted Statehood on 30 May 1987. Administratively, Goa is divided into two districts: North Goa and South Goa, which are further divided into 12 talukas.

The State population increased from 0.15 crore in 2011 to 0.16 crore in 2020, recording a growth of 6.66 *per cent*. The density of population in the State was 394 persons per sq. km. as against the All-India average of 382. The population below poverty line was 9.90 *per cent* as compared to 21.90 *per cent* for the Country. The State's Gross State Domestic Product (GSDP) in 2019-20 at current prices was ₹ 80,449 crore. During 2019-20, per capita income of the State stood at ₹ 5,20,032, which was significantly higher than the All-India per capita income of ₹ 1,51,677. The social indicators *viz.*, literacy rate and rate of infant mortality (except life expectancy) were better than all-India average. The basic statistics of the State are given in **Appendix 1.1**.

## 1.2 Basis and Approach to State Finances Audit Report

In terms of Article 151 (2) of the Constitution of India, the reports of the Comptroller and Auditor General of India (CAG) relating to the accounts of a State are to be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State. The State Finances Audit Report (SFAR) of Goa for the year ending 31 March 2020 is prepared and submitted to Governor of Goa under Article 151 (2) of the Constitution of India.

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

Finance accounts and appropriation accounts of the State for the year 2019-20 constitute the core data for this report. Other sources include the following:

- Budget of the State for the year 2019-20, both for assessing the fiscal parameters and allocative priorities *vis-à-vis* projections, as well as for evaluating the effectiveness of its implementation and compliance with the relevant rules and prescribed procedures;

- Results of audit carried out by the Office of the Accountant General, Goa;
- Other data with Departmental Authorities and Treasuries;
- GSDP data and other State related statistics from the Directorate of Planning, Statistics and Evaluation, Government of Goa; and
- Various audit reports of the CAG of India prepared during 2014-19.

The analysis is also carried out in the context of recommendations of the Fourteenth Finance Commission (FC XIV), Goa Financial Responsibility and Budget Management Act, best practices and guidelines of the Government of India (GoI).

### 1.3 Report Structure

The SFAR is structured into the following four chapters:

<b>Chapter 1</b>	<b>Overview</b> This chapter describes the basis and approach to the Report and the underlying data, provides an overview of structure of Government accounts, budgetary processes, macro-fiscal analysis of key indices and State’s fiscal position including the deficits/surplus.
<b>Chapter 2</b>	<b>Finances of the State</b> This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2015-16 to 2019-20, debt profile of the State and key Public Account transactions, based on the finance accounts of the State.
<b>Chapter 3</b>	<b>Budgetary Management</b> This chapter is based on the appropriation accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.
<b>Chapter 4</b>	<b>Quality of Accounts &amp; Financial Reporting Practices</b> This chapter comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations by various departmental officials of the State Government.

### 1.4 Overview of Government Account Structure and Budgetary Processes

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

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

This fund comprises all revenues received by the State Government, all loans raised by the State Government (market loans, bonds, loans from the Central Government, loans from financial institutions, special securities issued to National Small Savings Fund, *etc.*), Ways and Means advances extended by

the RBI and all moneys received by the State Government in repayment of loans. No moneys can be appropriated from this fund except in accordance with law and for the purposes and in the manner provided by the Constitution of India. Certain categories of expenditure (*e.g.*, salaries of Constitutional authorities, loan repayments *etc.*), constitute a charge on the Consolidated Fund of the State (charged expenditure) and are not subject to vote by the Legislature. All other expenditure (voted expenditure) is voted by the Legislature.

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

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

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

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

There is a constitutional requirement in India (Article 202) to present before the House or Houses of the Legislature of the State, a statement of estimated receipts and expenditures of the government in respect of every financial year. This 'Annual Financial Statement' constitutes the main budget document. Further, the budget must distinguish expenditure on the revenue account from other expenditures.

**Revenue receipts** consist of tax revenue, non-tax revenue, share of Union Taxes/ Duties, and grants from GoI.

**Revenue expenditure** consists of all those expenditures of the Government which do not result in creation of physical or financial assets. It relates to those expenses incurred for the normal functioning of the Government departments and various services, interest payments on debt incurred by the Government, and grants given to various institutions (even though some of the grants may be meant for creation of assets).

The capital receipts consist of:

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

- **Non-debt receipts:** Proceeds from disinvestment, recoveries of loans and advances;

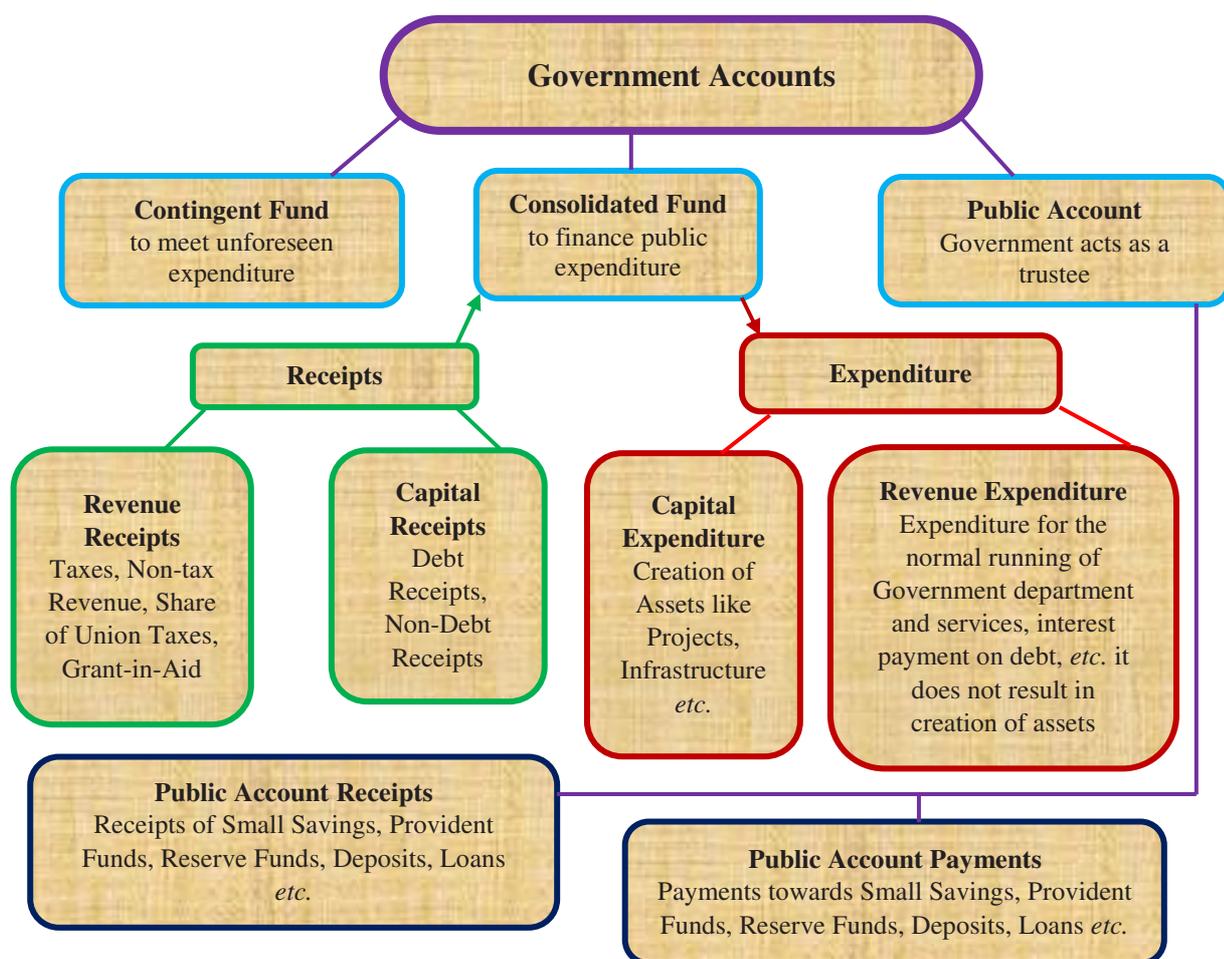
**Capital Expenditure** includes expenditure on the acquisition of land, building, machinery, equipment, investment in shares, and loans and advances by the Government to SPSEs and other parties.

At present, Government of Goa maintains a five-tier arrangement of the classification structure of Government Accounts that is both functional and economic.

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

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

Chart 1.1: Structure of Government Accounts



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

### Budgetary Processes

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

In terms of Article 203, the above shall be submitted to the State Legislature in the form of Demands for Grants and Appropriations. After approval of these, the Appropriation Bill as passed by the legislature under Article 204 to provide for appropriation of the required money out of the Consolidated Fund.

As mentioned in **Paragraph 1.2**, finance accounts and appropriation accounts encompass the core data for preparation of the SFAR. These accounts are based on actual receipts and expenditure of the State during the year 2019-20 including various inter-Governmental and other adjustments carried out by the RBI. Considering that these receipts and expenditure are estimated in the budget and the expenditure has been approved by the State Legislature, it is

important to study the budget of the State for 2019-20 closely and analyse the actual receipts and expenditure during the year with reference to the projections made in the budget.

The Budget orders issued by the Finance Department, Government of Goa guide the State Departments in preparing its budgetary estimates. Further, monitoring its expenditure activities are conducted by the Directorate of Planning, Statistics and Evaluation, Government of Goa. Results of audit scrutiny of budget and implementation of other budgetary initiatives of the State Government are detailed in **Chapter 3** of this Report.

#### 1.4.1 Gross State Domestic Product of Goa (GSDP)

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

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

Year	2015-16	2016-17	2017-18	2018-19	2019-20
India's GDP (₹ in crore) <sup>1</sup>	13771874	15391669	17098304 (R)	18971237 (R)	20339849 (P)
Growth rate of GDP (in per cent)	10.46	11.76	11.09	10.95	7.21
State GSDP (₹ in crore) <sup>2</sup> (base year 2011-12)	55054	62976	69352	73170 (P)	80449 (Q)
Growth rate of GSDP (in per cent)	15.14	14.39	10.12	5.51	9.95
State contribution to GDP	0.40	0.41	0.40	0.39	0.40

(Q) Quick estimates; (P) Provisional Estimates; (R) Revised Estimates

It could be seen from the above table that the growth rate of the State GDP has fallen in the last five years from 15.14 per cent in 2015-16 to 5.51 per cent in 2018-19. However, it increased to 9.95 per cent in 2019-20. Of the last five years, the growth rate of GSDP of the State was lower than India's GDP in 2017-18 and 2018-19, while for the remaining three years (2015-16, 2016-17 and 2019-20) it was higher than the GDP.

During 2019-20, the State's GSDP grew at the rate of 9.95 per cent which was lower than the projection made in FC XIV (14.52 per cent).

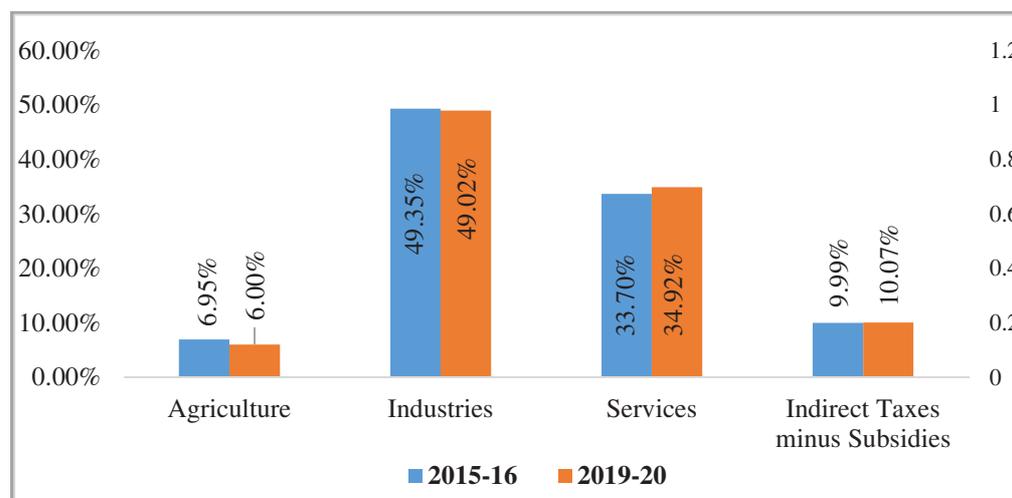
#### Change in Sectoral Contribution to GSDP at Current Prices During 2015-20

The sectoral contribution to GSDP at current prices for the period 2015-16 to 2019-20 was as under:

<sup>1</sup> Economic Survey 2020-21

<sup>2</sup> Directorate of Planning, Statistics and Evaluation, Government of Goa

**Chart 1.2: Change in sectoral contribution to GSDP at current prices (2015-16 to 2019-20)**



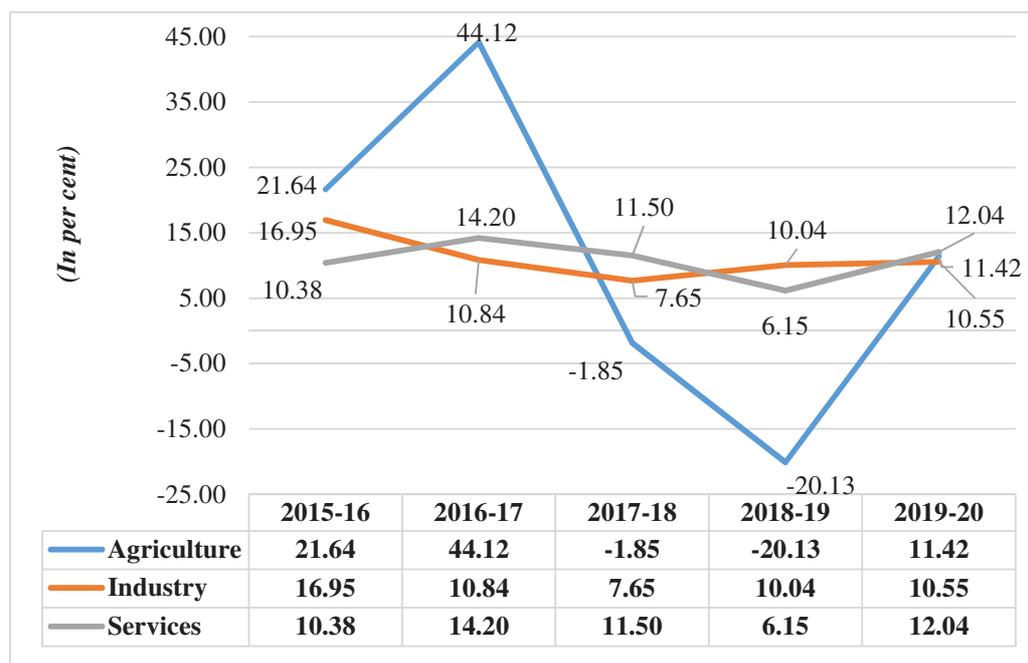
(Source: Directorate of Planning, Statistics and Evaluation, GoG)

**Chart 1.2** reveals that during the five-year period from 2015-16 to 2019-20, the relative share of services in GSDP increased from 33.70 *per cent* in 2015-16 (₹ 18,552 crore) to 34.92 *per cent* in 2019-20 (₹ 28,092 crore). However, marginal decrease was observed in the agriculture and industries sectors during the last five-year period.

#### **Sectoral Growth Rate at Current Prices during 2015-20**

The sectoral growth rate in agriculture, industries and services sectors increased during the last two years from 2018-19 to 2019-20. Further, the sectoral growth rate in Agriculture increased substantially during 2019-20, as against the negative growth rate witnessed during 2017-18 and 2018-19. The details are depicted in **Chart 1.3**.

Chart 1.3: Sectoral growth rate at current prices during 2015-20



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

## 1.4.2 Snapshot of Finances

The following table provides the details of revised estimates (RE) for the year 2019-20 *vis-à-vis* actuals of 2018-19 and 2019-20.

Table 1.2: Revised estimates for the year 2019-20 *vis-à-vis* actuals of 2018-19 and 2019-20

(₹ in crore)						
Sr. No.	Components	2018-19 Actual	2019-20 RE	2019-20 Actual	Percentage of Actuals to RE	Percentage of Actuals to GSDP
1	2	3	4	5	6	7
1	Tax Revenue	4871	5182	4700	90.69	5.84
2	Non-Tax Revenue	2874	3251	2737	84.19	3.40
3	Share of Union Taxes/ duties	2878	3147	2480	78.81	3.08
4	Grants-in-aid and Contributions	815	1936	1380	71.28	1.72
5	<b>Revenue Receipts (1+2+3+4)</b>	<b>11438</b>	<b>13516</b>	<b>11297</b>	<b>83.58</b>	<b>14.04</b>
6	Recovery of Loans and Advances	5	9	4	44.44	-
7	Miscellaneous Capital Receipts	-	-	-	-	-
8	Borrowings and other Liabilities (a)	1792	4027	1994	49.51	2.47
9	<b>Capital Receipts (6+7+8)</b>	<b>1797</b>	<b>4036</b>	<b>1998</b>	<b>49.50</b>	<b>2.48</b>
10	<b>Total Receipts (5+9)</b>	<b>13235</b>	<b>17552</b>	<b>13295</b>	<b>75.75</b>	<b>16.53</b>
11	<b>Revenue Expenditure Of which</b>	<b>11083</b>	<b>13246</b>	<b>11622</b>	<b>87.74</b>	<b>14.45</b>

Sr. No.	Components	2018-19 Actual	2019-20 RE	2019-20 Actual	Percentage of Actuals to RE	Percentage of Actuals to GSDP
1	2	3	4	5	6	7
12	Interest payments	1344	1512	1465	96.89	1.82
13	Grant in Aid for creation of capital assets	1.64	-	0.65	-	-
14	<b>Capital Expenditure Of which(b)</b>	<b>2152</b>	<b>4306</b>	<b>1673</b>	<b>38.85</b>	<b>2.08</b>
15	Capital Outlay	2149	4268	1660	38.89	2.06
16	Loan and Advances	3	38	13	34.21	0.02
17	<b>Total Expenditure (11+14)</b>	<b>13235</b>	<b>17552</b>	<b>13295</b>	<b>75.75</b>	<b>16.53</b>
18	<b>Revenue Deficit (-)/Revenue surplus (+) (5-11)</b>	<b>355</b>	<b>270</b>	<b>(-)325</b>	<b>(-)120.37</b>	<b>(-)0.40</b>
19	<b>Effective Revenue Deficit (18-13)</b>	<b>353</b>	<b>270</b>	<b>(-)324</b>	<b>(-)120.00</b>	<b>(-)0.40</b>
20	<b>Fiscal Deficit {(5+6+7)-17}</b>	<b>(-)1792</b>	<b>(-)4027</b>	<b>(-)1994</b>	<b>49.52</b>	<b>(-)2.47</b>
21	<b>Primary Deficit (20-12)</b>	<b>(-)448</b>	<b>(-)2515</b>	<b>(-)529</b>	<b>21.03</b>	<b>(-)0.66</b>

(Source: Annual Financial Statement of GoG and Finance accounts of respective years)

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

### 1.4.3 Snapshot of Assets and Liabilities of the Government

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

**Table 1.3: Summarised position of Assets and Liabilities***(₹ in crore)*

Liabilities					Assets				
		2018-19	2019-20	Per cent increase			2018-19	2019-20	Per cent increase
<b>Consolidated Fund</b>									
A	Internal Debt	14018.85	15745.70	12.32	a	Gross Capital Outlay	20052.94	21713.18	8.28
B	Loans and Advances from GoI	1200.71	1148.40	(-)4.36	b	Loans and Advances	95.77	105.61	10.27
<b>Contingency Fund</b>		<b>100.00</b>	<b>98.11</b>	<b>(-)1.89</b>	<b>Contingency fund</b>		<b>1.89</b>	<b>(-)1.81</b>	<b>(-)195.77</b>
<b>Public Account</b>									
A	Small Savings, Provident Funds, etc.	2421.77	2495.65	3.05	a	Advances	0.53	0.53	-
B	Deposits	1874.02	2059.19	9.88	b	Remittance	392.07	331.17	(-)15.53
C	Reserve Funds	1850.45	2136.79	15.50	c	Suspense and Miscellaneous	1026.70	1134.57	10.51
D	Remittances	-	-	-	<b>Cash balance (including investment in Earmarked Fund)</b>		<b>1305.57</b>	<b>1485.12</b>	<b>13.75</b>
<b>Total</b>		<b>21465.80</b>	<b>23683.84</b>	<b>10.33</b>					
<b>Cumulative excess of receipts over expenditure</b>		<b>1409.67</b>	<b>1084.53</b>	<b>(-)23.06</b>	<b>Deficit in Revenue Account</b>				
<b>Total</b>		<b>22875.47</b>	<b>24768.37</b>	<b>8.27</b>	<b>Total</b>		<b>22875.47</b>	<b>24768.37</b>	<b>8.27</b>

*(Source: Finance accounts of the State)*

During 2019-20, the assets increased by 8.27 per cent while the liabilities increased by 10.33 per cent over the previous year.

### 1.5 Fiscal Balance: Achievement of Deficit and Total Debt Targets

Deficit is an indicator of prudent fiscal management of the Government. Further, the ways in which the deficits are financed, and the application of the resources raised, are important pointers to the fiscal health of the State.

This Section presents the trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of revenue and fiscal deficits *vis-à-vis* targets set under the Goa Fiscal Responsibility and Budget Management (First Amendment) Act, 2014 for the financial year 2019-20.

### 1.5.1 Review of Fiscal Situation

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

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

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

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

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

- As per provision of Section 5(a) of the Goa FRBM (First Amendment) Act, 2014, the State Government was to eliminate revenue deficit<sup>3</sup> from the financial year 2014-15 and maintain at that level or generate revenue surplus thereafter. The State Government achieved this target in 2014-15 and has maintained revenue surplus till 2018-19. However, the State had a revenue deficit of ₹ 325 crore in 2019-20. The Budget Estimates (BE), Revised Estimates (RE) and actual figures in respect of revenue deficit/surplus during last three years are summarised below.

**Table 1.4: Revenue deficit/surplus in last three years**

	(₹ in crore)		
Revenue deficit(-)/surplus(+) as per	2017-18	2018-19	2019-20
Budget estimates	203	145	455
Revised estimates	309	145	270
Actuals	511	355	(-)325

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

It could be seen from the above table that the revenue surplus of the State stood at ₹ 511 crore and ₹ 355 crore during the period 2017-18 and 2018-19. This was higher than the projections made in BE and RE. However, during 2019-20, there was a revenue deficit of ₹ 325 crore, as the actual revenue receipts (₹ 11,297 crore) declined by ₹ 2,219 crore

<sup>3</sup> Revenue deficit = Revenue receipts – Revenue expenditure; (+) indicates surplus and (-) indicates deficit

against ₹ 13,516 crore (16.42 *per cent*) in RE. The actual revenue expenditure (₹ 11,622 crore) decreased by ₹ 1,624 crore against ₹ 13,246 crore (12.26 *per cent*) in RE.

Thus, a greater fall in revenue receipts (16.42 *per cent*) and relatively less control over expenditure (12.26 *per cent*) than RE was the reason for revenue deficit during 2019-20. The State Government needs to work-out more realistic estimates of receipts and expenditure while preparing the budget of the State.

- Section 5(b) of the Goa FRBM (First Amendment) Act, 2014 envisaged achievement of fiscal deficit<sup>4</sup> at three *per cent* of GSDP by 2013-14 and thereafter, to maintain the ratio or reduce it. The fiscal deficit to GSDP ratio was first brought below three *per cent* in 2014-15 and it remained so thereafter.

**Table 1.5: Fiscal deficit/GSDP**

	<i>(in per cent)</i>		
	Budget estimates	Revised estimates	Actuals
<b>2017-18</b>	5.73	4.81	2.29
<b>2018-19</b>	5.33	5.33	2.32
<b>2019-20</b>	5.79	5.21	2.47

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

The ratio of fiscal deficit to GSDP during 2019-20 stood at 2.47 *per cent* which was within the target of three *per cent* prescribed under the Goa FRBM Act and FC XIV recommendations. The fiscal deficit during 2019-20 stood at ₹ 1,994 crore which was lower than the projections made in BE (₹ 4,470 crore) and RE (₹ 4,027 crore).

- The provisions of Section 5(d) of the Goa FRBM (First Amendment) Act, 2014 prescribed that total outstanding debt<sup>5</sup> to GSDP be brought down to 27 *per cent* by 31 March 2015 and thereafter, maintain it below 25 *per cent*. However, the ratio of outstanding debt to GSDP registered an increase during the last three years from 26.75 *per cent* in 2017-18 to 27.90 *per cent* in 2018-19 and finally to 28.03 *per cent* in 2019-20.

**Table 1.6** below shows the extent of compliance by the State Government against the targets set forth in the Goa FRBM Act during 2015-20.

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

<sup>5</sup> Total outstanding debt includes public debt and public account liabilities. Public debt includes only internal debt and loans from GoI. Public account liability includes liabilities under small saving funds, GPF, reserve funds *etc.*

Table 1.6: Compliance with provisions of FRBM Act

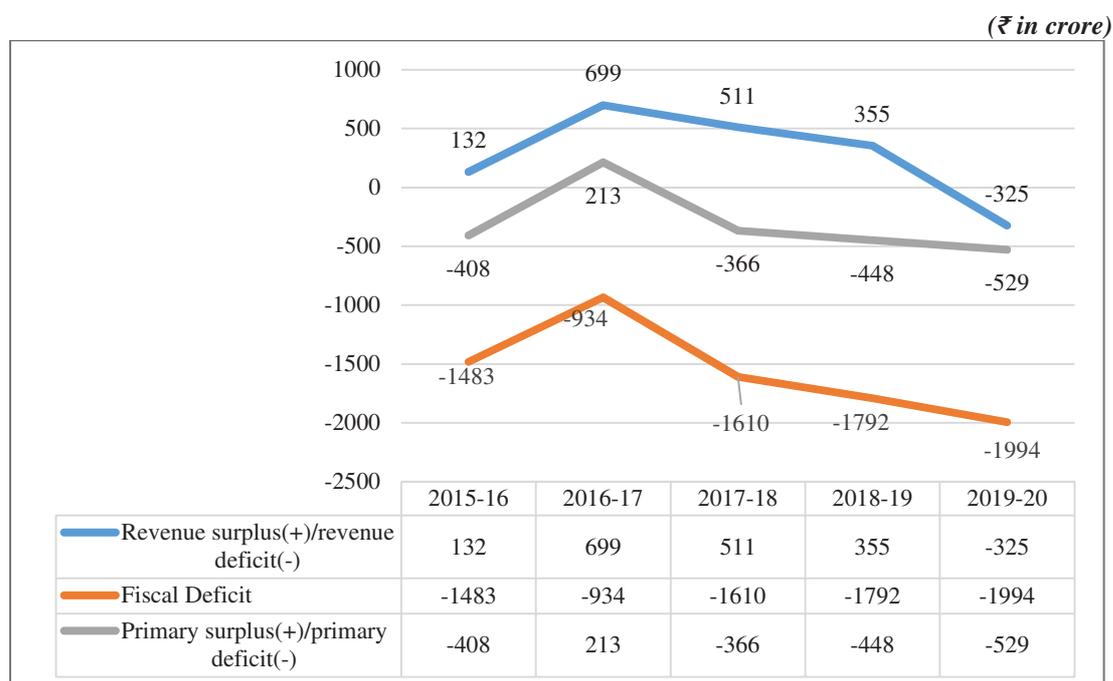
Fiscal Parameters	Fiscal targets set in the Goa FRBM Act	Achievement (₹ in crore)				
		2015-16	2016-17	2017-18	2018-19	2019-20
Revenue Deficit(-)/ Surplus (+) (₹ in crore)	Revenue Surplus	132	699	511	355	(-)325
		✓	✓	✓	✓	✗
Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP)	Three per cent	(-)1483 (-2.70)	(-)934 (-1.48)	(-)1610 (-2.32)	(-)1792 (-2.44)	(-)1994 (-2.47)
		✓	✓	✓	✓	✓
Ratio of total outstanding debt to GSDP (per cent)	Target	25	25	25	25	25
	Achievement	28.29	26.71	26.75	27.90	28.03
		✗	✗	✗	✗	✗

(Source: Finance accounts of the State)

Three key fiscal parameters viz., revenue, fiscal and primary deficits indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period.

Chart 1.4 presents the trend in deficit indicators of these three key fiscal parameters over the period 2015-20.

Chart 1.4: Trends in deficit indicators of three key fiscal parameters

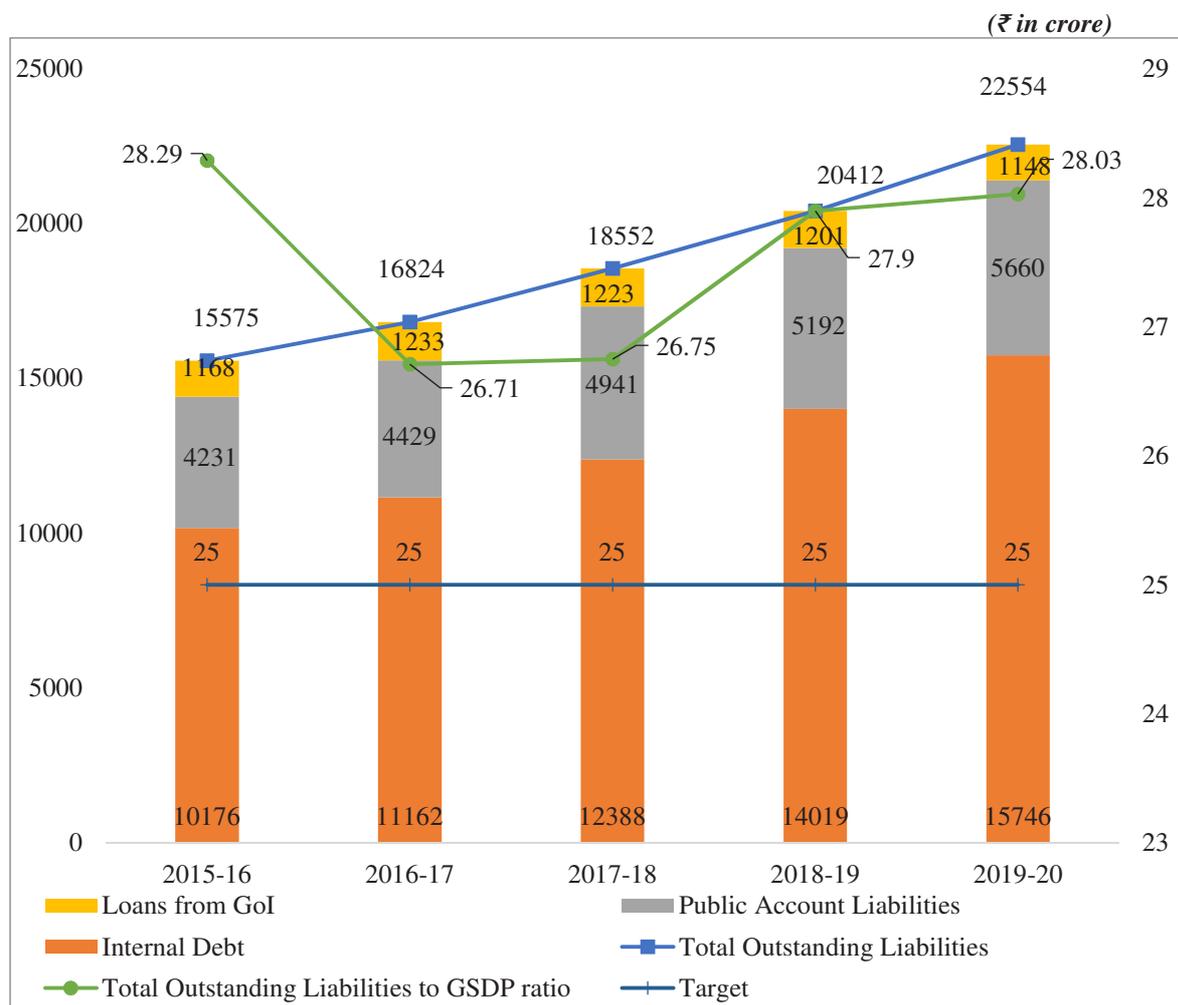


(Source: Finance accounts of the State)

As may be observed, none of the three key parameters could be achieved by the State during 2019-20. The State had a revenue deficit of ₹ 325 crore and fiscal deficit of ₹ 1,994 crore during 2019-20 vis-à-vis revenue surplus of ₹ 355 crore and fiscal deficit of ₹ 1,792 crore during 2018-19. Due to increase in fiscal deficit by 11.27 per cent and interest payment by nine per cent,

primary deficit<sup>6</sup> increased from ₹ 448 crore in 2018-19 to ₹ 529 crore in 2019-20.

**Chart 1.5: Trends in Fiscal Liabilities and GSDP**



(Source: Finance accounts of the State)

During 2019-20, fiscal liabilities (total outstanding debt) of the State Government increased by 10.49 per cent (₹ 2,142 crore) over the previous year due to increase in Internal Debt by 12.31 per cent (₹ 1,727 crore), Public Account Liabilities by 9.01 per cent (₹ 468 crore) and Loans and Advances from GoI by 4.41 per cent (₹ 53 crore).

The total outstanding debt-GSDP ratio increased from 26.71 per cent in 2016-17 to 28.03 per cent in 2019-20. Thus, the State could not achieve the target of 25 per cent fixed under Goa FRBM (First Amendment) Act, 2014 and 24.92 per cent set forth by FC XIV.

## 1.6 Deficits and Total Debt after Examination in Audit

In order to present a better picture of State finances, there is a tendency to classify revenue expenditure as capital expenditure and to conduct off-budget fiscal operations.

<sup>6</sup> Refers to fiscal deficit minus interest payments.

### 1.6.1 Post Audit - Deficits

Misclassification of revenue expenditure as capital and off budget fiscal operations impacts deficit figures. Besides, deferment of clear-cut liabilities, non-deposition of cess/royalty to Consolidated Fund, short-contribution to New Contributory Pension Scheme (NPS), sinking and redemption funds, *etc.* also impacts the revenue and fiscal deficit. In order to arrive at actual deficit figures, the impact of such irregularities needs to be reversed.

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

*(₹in crore)*

Particulars	Impact on Revenue Deficit [understated (+)/overstated (-)]	Impact on Fiscal Deficit (understated)
Short-transfer of employees and Government contribution to NSDL under Defined Contribution Pension Scheme	138.49	138.49
<b>Total</b>	<b>138.49</b>	<b>138.49</b>

*(Source: Finance accounts and audit analysis)*

The State Government, short-transferred ₹ 138.49 crore during the financial year 2019-20, thus, understating the revenue deficit and fiscal deficit to that extent.

### 1.6.2 Post Audit - Total Public Debt

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

Table 1.8: Total outstanding debt - post examination by Audit

1.		Total outstanding Debt as per Finance Accounts of 2019-20 (₹ 22,554 crore) (₹ in crore)	As percentage of GSDP (28.03 per cent) (in per cent)
2.	<b>Impact on total outstanding Debt (understated) due to:</b>		
a.	(i) Off-budget fiscal operations such as borrowings by ‘Sewerage and Infrastructural Development Corporation of Goa Limited’ and ‘Goa State Industrial Development Corporation Limited’ on behalf of the State Government where the principal and/or interest were to be serviced out of the State budgets.	919.21	1.14
b.	Deployment of own funds by the State Public Sector Companies/Corporations, SPVs etc. for the execution of Deposit work of the State Government which was to be financed by the State Government through borrowings.	-	-
c.	Non-reimbursement of the principal/interest component by the State Government to State Public Sector Companies/ Corporations, SPVs etc. of the loan taken by them on behalf of the State Government:	-	-
	i. for the year for which SFAR proposed	-	-
	ii. of the previous years	-	-
	<b>Total of 2 (a+b+c)</b>	<b>919.21</b>	<b>1.14</b>
	<b>Total of (1 + 2)</b>	<b>23473.21</b>	<b>29.17</b>

(Source: Information provided by SPSEs)

Considering the off-budget fiscal operations amounting to ₹ 919 crore during 2019-20, the total outstanding debt of the State Government at the end of March 2020 worked out to ₹ 23,473 crore instead of ₹ 22,554 crore depicted in the finance accounts. Consequently, the ratio of total outstanding debt to GSDP (28.03 per cent) at the end of the year was understated by 1.14 per cent. The post-audit total outstanding debt of the State Government at 29.17 per cent was also higher than the target of 25 per cent fixed in the Goa FRBM (First Amendment Act), 2014.

## 1.7 Summary of Financial Performance of State Public Enterprises

There were 16 State Public Sector Enterprises (SPSEs) in the State as on 31 March 2020 under various sectors other than Power<sup>7</sup>. These SPSEs were incorporated between 1965 and 2016 and included 14 Government Companies and two Statutory Corporations viz., Goa Industrial Development Corporation

<sup>7</sup> The State Government Electricity Department executes the functions of power purchase, distribution, and maintenance.

(GIDC) and Goa Information Technology Development Corporation (GITDC). The Government Companies further included one active subsidiary company (Goa Electronics Limited or GEL<sup>8</sup>). The State Government provides financial support to the SPSEs in the form of equity, loans and grants/subsidy from time to time. Of the 16 SPSEs, the State Government invested funds in 15 SPSEs (excluding GEL). Details of 16 SPSEs and introduction to their activities are given in **Appendix 1.2**.

### 1.7.1 Contribution of SPSEs to Economy of the State

The ratio of turnover of the SPSEs to GSDP shows the extent of activities of the SPSEs in the State economy. **Table 1.9** provides the details of turnover of 15 SPSEs *vis-à-vis* GSDP of Goa for five-year period (2015-20).

**Table 1.9: Turnover of SPSEs' *vis-à-vis* GSDP of Goa**

Particulars	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Turnover <sup>9</sup>	820.56	909.08	934.44	1103.42	934.37
Percentage change in turnover as compared to turnover of preceding year	1.42	10.79	2.79	18.08	(-)15.32
GSDP of Goa (Base year 2011-12)	55054	62976	69352	73170	80449
Percentage change in GSDP as compared to GSDP of preceding year	15.14	14.39	10.12	5.51	9.95
Percentage of Turnover to GSDP	1.49	1.44	1.35	1.51	1.16

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

The turnover of 15 SPSEs recorded continuous growth from ₹ 820.56 crore in 2015-16 to ₹ 1,103.42 crore in 2018-19. However, it took a turnaround and declined to ₹ 934.37 crore in 2019-20, registering a negative growth of 15.32 *per cent* over the previous year. The ratio of turnover of SPSEs to GSDP of the State also marked its lowest at 1.16 *per cent* during the last five years.

The Compound Annual Growth Rate or CAGR<sup>10</sup> is a useful method to measure growth rate over multiple time periods. Against the CAGR of

<sup>8</sup> A subsidiary of EDC Limited

<sup>9</sup> Turnover (Operating Income) of 15 SPSEs as per the latest finalised accounts as on 30 September, excluding one SPSE *i.e.*, Goa Information Technology Development Corporation which was yet to submit its first accounts since inception (2006-07).

<sup>10</sup> Rate of compounded Annual Growth is calculated by using formulae =  $\{(End\ Value/Start\ Value)^{1/No.\ of\ Years}-1\} \times 100$ .

9.95 per cent of the GSDP, the turnover of SPSEs recorded a growth of 3.30 per cent during the last five years.

### **1.7.2 CAG's oversight – Audit of Accounts and Supplementary Audit of State Public Sector Enterprises**

#### ***Financial Reporting Framework***

Government Companies are required to prepare the financial statements in the format laid down in Schedule III to the Companies Act, 2013 and in adherence to the mandatory Accounting Standards prescribed by the Central Government, in consultation with National Advisory Committee on Accounting Standards. The statutory corporations are required to prepare their accounts in the format prescribed under the rules, framed in consultation with the CAG and any other specific provision relating to accounts in the Act governing such corporations.

#### ***Audit of Accounts of Government Companies of Statutory Auditors***

The statutory auditors appointed by the CAG under Section 139 of the Companies Act 2013, conduct audit of accounts of the Government Companies and submit their report thereon in accordance with Section 143 of the Companies Act, 2013.

The CAG plays an oversight role by monitoring the performance of the statutory auditors in audit of Government Companies with the overall objective that the statutory auditors discharge the functions assigned to them properly and effectively. This function is discharged by exercising the power:

- to issue directions to the statutory auditors under Section 143 (5) of the Companies Act, 2013; and
- to supplement or comment upon the statutory auditor's report under Section 143 (6) of the Companies Act, 2013.

#### ***Supplementary Audit of Accounts of Government Companies***

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

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

The certified accounts of selected Government Companies along with the report of the statutory auditors are reviewed by CAG by carrying out a supplementary audit. Based on such review, significant audit observations, if any, are reported under Section 143 (6) of the Companies Act, 2013 to be placed before the Annual General Meeting.



**CHAPTER 2**  
**FINANCES OF THE STATE**



## Chapter 2: Finances of the State

### Introduction

This chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the five-year period from 2015-16 to 2019-20, debt sustainability of the State and key Public Account transactions, based on the finance accounts of the State and the information provided by the State Government.

### 2.1 Major Changes in Key Fiscal Aggregates

A summary of the State Government's fiscal transactions during 2019-20 *vis-à-vis* previous four years (2015-19) is presented in **Table 2.1**.

**Appendix 2.1** shows the abstract of receipts and disbursements of the State Government's during 2019-20 *vis-à-vis* the previous year while **Appendix 2.2** presents the time series data on the State Government finances for the five-year period from 2015-16 to 2019-20.

**Table 2.1: Summary of fiscal transactions during 2015-20**

Receipts	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Revenue receipts</b>	<b>8552</b>	<b>9565</b>	<b>11054</b>	<b>11438</b>	<b>11297</b>
Tax revenue	3975	4261	4731	4871	4700
Non-tax revenue	2432	2712	3033	2874	2737
Share of Union Taxes/Duties	1924	2299	2544	2878	2480
Grants from Government of India	221	293	745	815	1380
<b>Capital Receipts</b>	<b>1857</b>	<b>1528</b>	<b>2013</b>	<b>2534</b>	<b>2704</b>
Miscellaneous Capital Receipts	-	-	-	-	-
Recoveries of Loans and Advances	10	9	7	5	4
Public debt receipts*	1847	1519	2006	2529	2700
<b>Appropriation to Contingency Fund</b>	<b>130</b>	-	-	-	-
<b>Public Account Receipts</b>	<b>10941</b>	<b>11128</b>	<b>13377</b>	<b>13684</b>	<b>12736</b>
<b>Opening Cash Balance</b>					
a) Earmarked Balances	634	671	762	847	954
b) Cash balance	158	96	220	149	351
<b>Total</b>	<b>22273</b>	<b>22987</b>	<b>27426</b>	<b>28652</b>	<b>28042</b>

(₹ in crore)

Disbursements	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Revenue expenditure</b>	<b>8420</b>	<b>8866</b>	<b>10543</b>	<b>11083</b>	<b>11622</b>
General services	2560	2872	3517	3793	3942
Social services	2191	2266	2732	2646	2739
Economic services	2472	2403	2659	2869	3137
Grants-in-aid and Contributions	1197	1325	1635	1775	1804
<b>Capital Outlay</b>	<b>1622</b>	<b>1639</b>	<b>2094</b>	<b>2149</b>	<b>1660</b>
General services	271	204	409	515	300
Social services	343	432	654	763	587
Economic services	1008	1003	1031	871	773
<b>Loans and Advances disbursed</b>	<b>3</b>	<b>3</b>	<b>34</b>	<b>3</b>	<b>13</b>
<b>Repayment of Public Debt*</b>	<b>439</b>	<b>468</b>	<b>790</b>	<b>920</b>	<b>1025</b>
<b>Appropriation from Contingency Fund</b>	<b>130</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>(-)1</b>
<b>Public Account Disbursements</b>	<b>10893</b>	<b>11029</b>	<b>12969</b>	<b>13189</b>	<b>12237</b>
<b>Closing Cash Balance</b>					
a) Earmarked Balances	671	763	848	954	1031
b) Cash balance	96	220	148	352	455
<b>Total</b>	<b>22273</b>	<b>22987</b>	<b>27426</b>	<b>28652</b>	<b>28042</b>

(Source: Finance accounts of the State)

\*Excluding net transactions under ways and means advances and overdrafts

### Changes in key fiscal aggregates in 2019-20 compared to 2018-19

<b>Revenue Receipts</b>	<ul style="list-style-type: none"> <li>➤ Revenue receipts of the State decreased by 1.23 per cent.</li> <li>➤ Own tax receipts of the State decreased by 3.51 per cent.</li> <li>➤ Own non-tax receipts decreased by 4.77 per cent.</li> <li>➤ State's share of Union taxes and duties decreased by 13.83 per cent.</li> <li>➤ Grants-in-aid from Government of India increased by 69.33 per cent.</li> </ul>
<b>Revenue Expenditure</b>	<ul style="list-style-type: none"> <li>➤ Revenue expenditure increased by 4.86 per cent.</li> <li>➤ Revenue expenditure on General Services increased by 3.93 per cent.</li> <li>➤ Revenue expenditure on Social Services increased by 3.51 per cent.</li> <li>➤ Revenue expenditure on Economic Services increased by 9.34 per cent.</li> <li>➤ Expenditure on grants-in-aid increased by 1.63 per cent.</li> </ul>

<b>Capital Expenditure</b>	<ul style="list-style-type: none"> <li>➤ Capital expenditure decreased by 22.75 per cent.</li> <li>➤ Capital expenditure on General Services decreased by 41.75 per cent.</li> <li>➤ Capital expenditure on Social Services decreased by 23.07 per cent.</li> <li>➤ Capital expenditure on Economic Services decreased by 11.25 per cent.</li> </ul>
<b>Loans and Advances</b>	<ul style="list-style-type: none"> <li>➤ Disbursement of loans and advances increased by ₹ 10 crore during 2019-20 compared to previous year.</li> <li>➤ Recoveries of loans and advances decreased by 20 per cent.</li> </ul>
<b>Public Debt</b>	<ul style="list-style-type: none"> <li>➤ Public debt receipts increased by 6.76 per cent.</li> <li>➤ Repayment of public debt increased by 11.41 per cent.</li> </ul>
<b>Public Account</b>	<ul style="list-style-type: none"> <li>➤ Public account receipts decreased by 6.93 per cent.</li> <li>➤ Disbursement of public account decreased by 7.22 per cent.</li> </ul>
<b>Cash Balance</b>	<ul style="list-style-type: none"> <li>➤ Cash balance increased by ₹ 179 crore (13.71 per cent) during 2019-20 compared to previous year.</li> </ul>

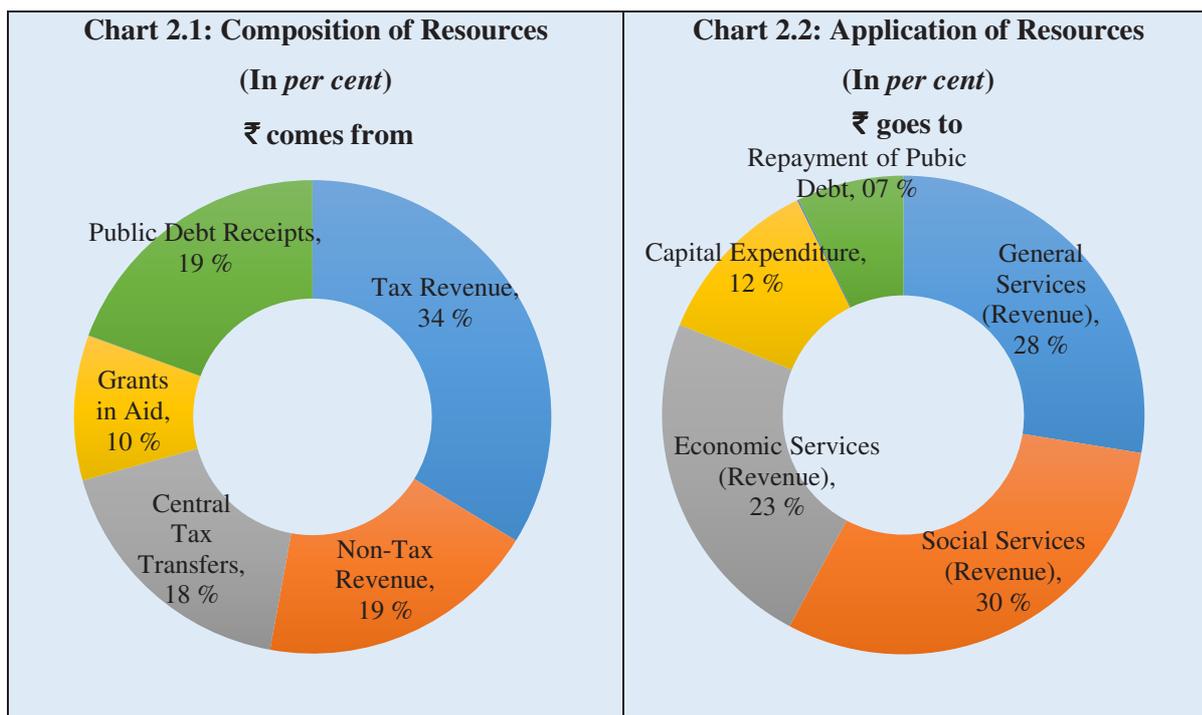
## 2.2 Sources and Application of Funds

**Table 2.2** compares the figures of sources and application of funds of the State during 2019-20 with 2018-19, while **Charts 2.1** and **2.2** give the details of receipts into and expenditure from the Consolidated Fund during 2019-20 in percentage.

**Table 2.2: Details of Sources and Application of funds during 2018-19 and 2019-20**

		(₹ in crore)		
	Particulars	2018-19	2019-20	Increase/Decrease
<b>Sources</b>	Opening Cash Balance with RBI	997	1305	308
	Revenue Receipts	11438	11297	(-)141
	Miscellaneous Capital Receipts	-	-	-
	Recoveries of Loans and Advances	05	04	(-)1
	Public Debt Receipts (Net)	1609	1675	66
	Public Account Receipts (Net)	495	499	4
	<b>Total</b>	<b>14543</b>	<b>14780</b>	<b>236</b>
<b>Application</b>	Revenue Expenditure	11083	11622	539
	Capital Expenditure	2149	1660	(-)489
	Disbursement of Loans and Advances	03	13	10
	Closing Cash Balance with RBI	1306	1485	179
	Expenditure from contingency fund (un-recouped)	2	(-)1	(-)3
	<b>Total</b>	<b>14543</b>	<b>14780</b>	<b>236</b>

(Source: Finance accounts of the State)



(Source: Finance accounts of the State)

### 2.3 Resources of the State

The resources of the State are described below:

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

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

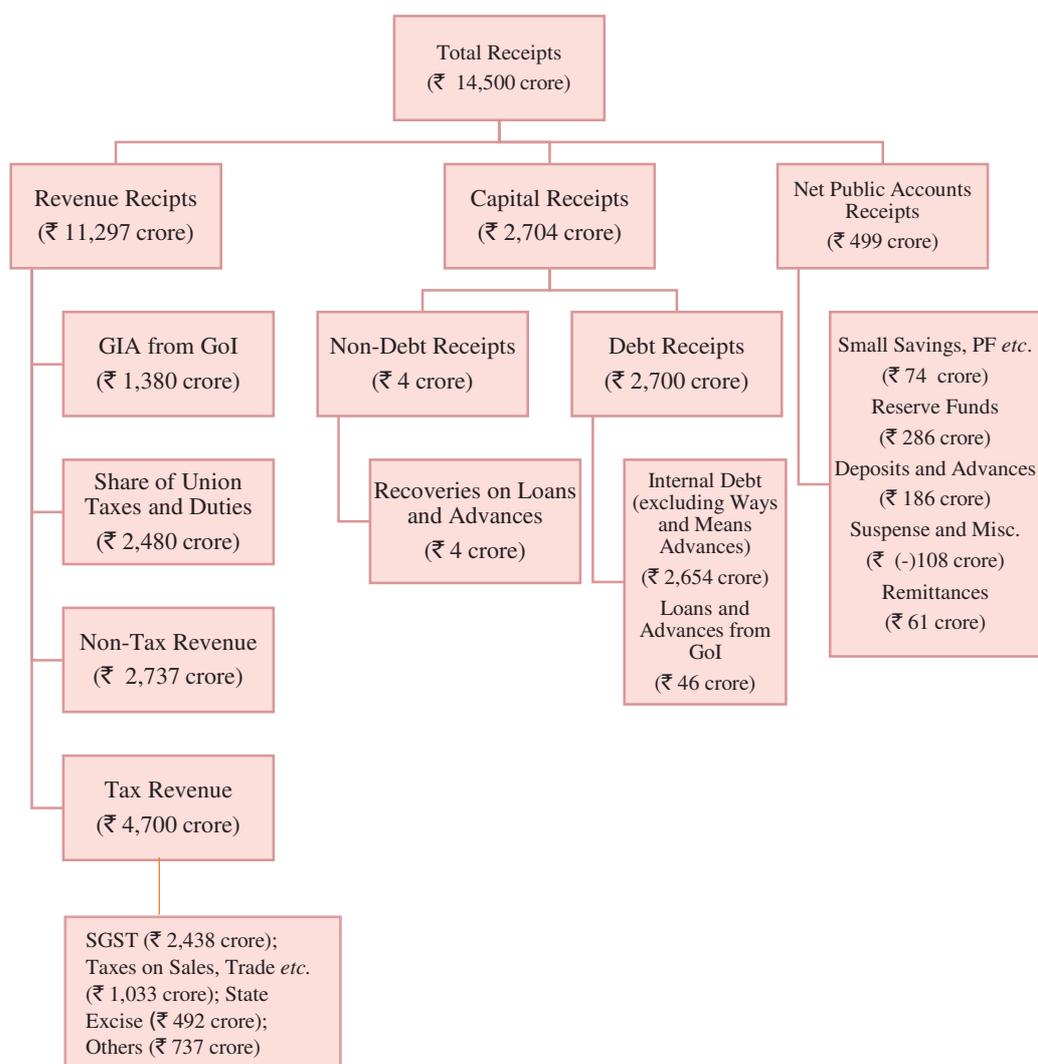
3. **Net Public Accounts receipts:** There are receipts and disbursements in respect of certain transactions such as small savings, provident fund, reserve funds, deposits, suspense, remittances, *etc.* which do not form part of the Consolidated Fund.

These are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the Government for use.

### 2.3.1 Receipts of the State

Revenue receipts and capital receipts are the two streams of receipts that constitute the resources of the State Government. Besides, the funds available in the Public Account after disbursements are also utilised by the Government to finance its deficit.

**Chart 2.3: Components and sub-components of financial resources during 2019-20**



(Source: Finance accounts of the State)

### 2.3.2 State's Revenue Receipts

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

### 2.3.2.1 Trends and growth of Revenue Receipts

**Table 2.3** provides the trends and growth of revenue receipts as well as revenue buoyancy with respect to GSDP over the five-year period 2015-20. Further, trends in revenue receipts relative to GSDP and composition of revenue receipts are given in **Charts 2.4** and **2.5** respectively.

**Table 2.3: Trend in Revenue Receipts**

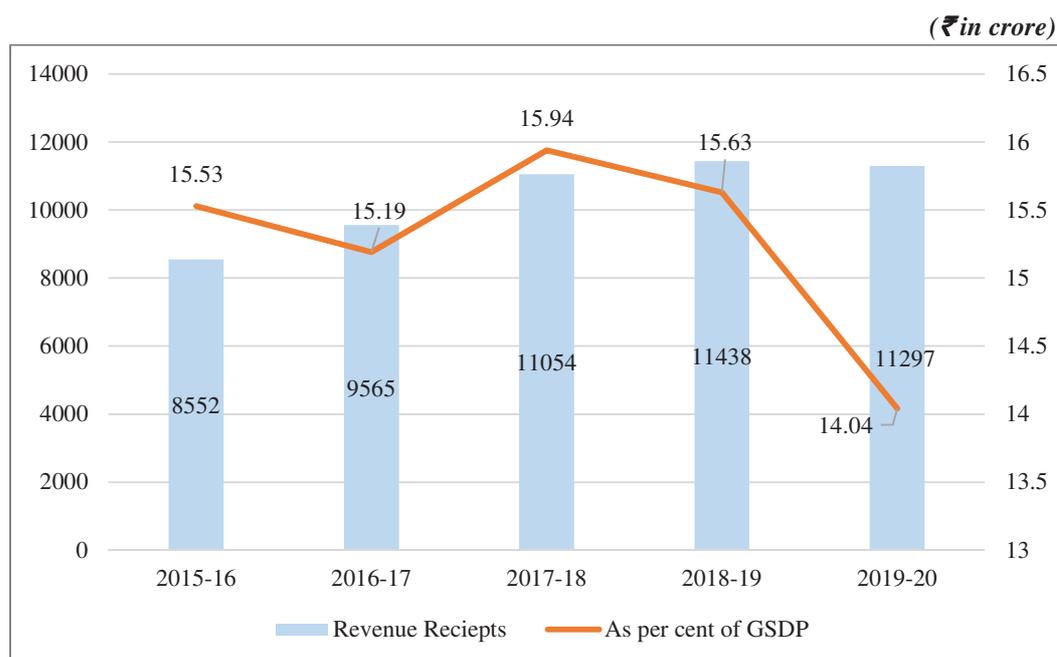
Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Revenue Receipts (RR)</b>	<b>8552</b>	<b>9565</b>	<b>11054</b>	<b>11438</b>	<b>11297</b>
Rate of growth of RR ( <i>per cent</i> )	11.22	11.84	15.56	3.48	(-)1.23
Tax Revenue	3975	4261	4731	4871	4700
Non-Tax Revenue	2432	2712	3033	2874	2737
State's Own Resources	6407	6973	7764	7745	7437
Rate of growth of State's Own Resources ( <i>per cent</i> )	2.97	8.83	11.34	(-)0.24	(-)3.98
<b>GSDP</b>	<b>55054</b>	<b>62976</b>	<b>69352</b>	<b>73170</b>	<b>80449</b>
Rate of growth of GSDP ( <i>per cent</i> )	15.14	14.39	10.12	5.51	9.95
RR/GSDP ( <i>per cent</i> )	15.53	15.19	15.94	15.63	14.04
<b>Buoyancy Ratios<sup>1</sup></b>					
Revenue Buoyancy w.r.t GSDP	0.74	0.82	1.54	0.63	(-)0.12
State's Own Resources Buoyancy w.r.t. GSDP	0.20	0.61	1.12	(-)0.04	(-)0.40

(Source: Finance accounts of the State)

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

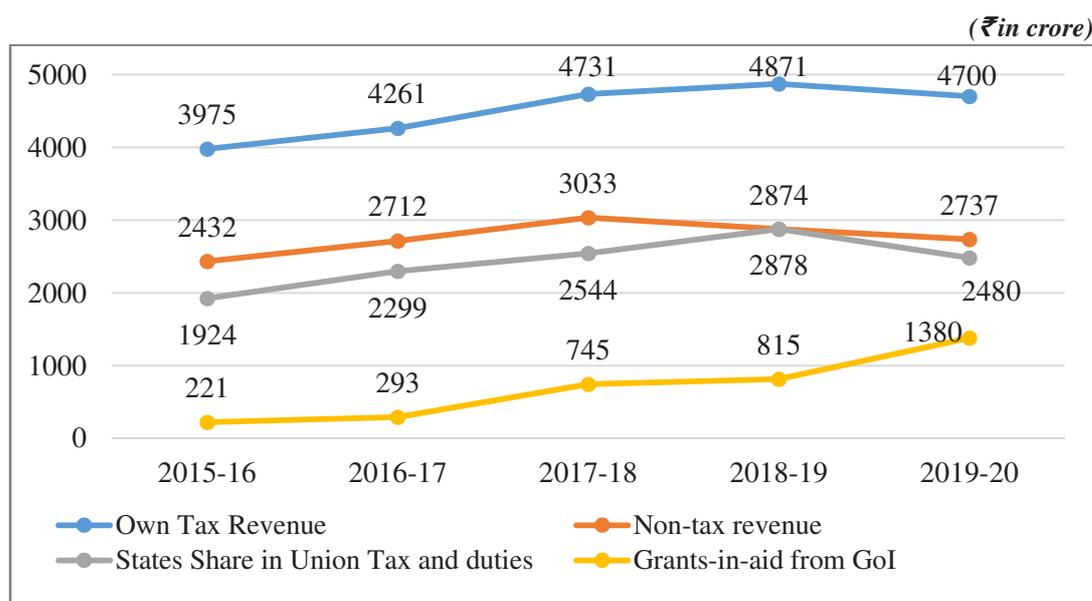
<sup>1</sup> Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy with respect to GSDP at 1.85 implies that Revenue Receipts tend to increase by 1.85 percentage points, if the GSDP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

Chart 2.4: Trend of Revenue Receipts relative to GSDP



(Source: Finance accounts of the State)

Chart 2.5: Trend of components of Revenue Receipts



(Source: Finance accounts of the State)

#### General trends of revenue receipts of the State were as follows:

- Revenue receipts increased by 32.10 per cent from ₹ 8,552 crore in 2015-16 to ₹ 11,297 crore in 2019-20. During 2019-20, revenue receipts decreased by ₹ 141 crore (1.23 per cent) over the previous year. The State's own tax revenue decreased by ₹ 171 crore (3.51 per cent), non-tax revenue by ₹ 137 crore (4.77 per cent) and State's share of union taxes by ₹ 398 crore (13.83 per cent), offset by increase in grants from GoI by ₹ 565 crore (69.33 per cent).

- The rate of growth of revenue receipts declined substantially from 15.56 *per cent* in 2017-18 to a negative of 1.23 *per cent* in 2019-20.
- The combined revenue receipts for the months of August 2019 (₹ 1,247 crore), December 2019 (₹ 1,093 crore) and March 2020 (₹ 1,105 crore) contributed 30 *per cent* of the revenue receipts of the entire year.
- During 2019-20, revenue receipts to the extent of 65.83 *per cent* came from the State's own resources<sup>2</sup> while central tax transfers and grants-in-aid together contributed 34.17 *per cent*. The State's own resources showed a negative growth during the past two years (2018-20). Decline in growth of State's own resources during 2019-20 over 2018-19 was mainly due to less collections under 'Fee towards Casino Operations' (₹ 180.06 crore), Goa Tax on Infrastructure Act, 2009 (₹ 25.20 crore) and fees, rent and royalties (₹ 20.26 crore).
- Ratio of revenue receipts to GSDP decreased from 15.63 *per cent* in 2018-19 to 14.04 *per cent* in 2019-20.
- There were wide fluctuations in the revenue buoyancy and own revenue buoyancy to GSDP. During 2019-20, buoyancy ratios of State's revenue receipts and own resources to GSDP were negative, indicating that revenue receipts grew at a much slower pace than GSDP.
- During 2010-11 to 2018-19 the CAGR of revenue receipts at 9.73 *per cent* was lower than 13.65 *per cent* registered by the General Category States (GCS). The rate of growth of revenue receipts in the State was negative (- 1.23 *per cent*) during 2019-20 compared to previous year while it was 2.08 *per cent* for GCS (**Appendix 1.1**).

### 2.3.2.2 State's Own Resources

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

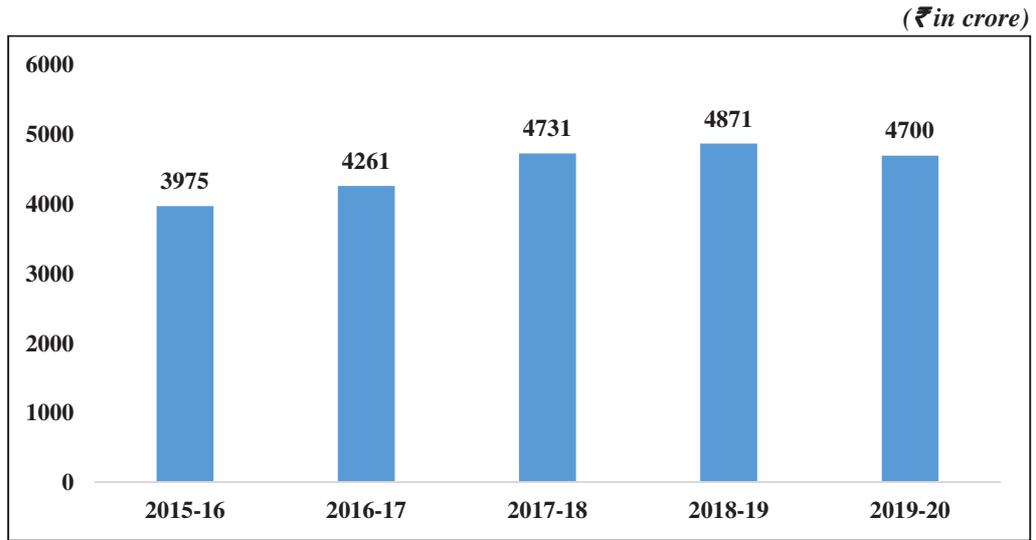
#### Own Tax Revenue

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

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<sup>2</sup> Own tax revenue and non-tax revenue

Chart 2.6: Growth of Own Tax Revenue during 2015-20



(Source: Finance accounts of the State)

Table 2.4: Components of State's own tax revenue

(₹ in crore)

Revenue head	2015-16	2016-17	2017-18	2018-19	2019-20	Sparkline
State Goods and Services Tax (SGST)	<i>Not applicable</i>		1464	2529	2438	
Taxes on sales, trades etc.	2116	2438	1622	1013	1033	
State excise	319	321	410	478	492	
Taxes on vehicles	196	244	314	299	269	
Stamp duty and Registration fees	525	365	529	432	393	
Land revenue	24	39	42	67	37	
Taxes on goods and passengers	464	454	210	30	32	
Other taxes	331	400	140	23	6	
<b>Total</b>	<b>3975</b>	<b>4261</b>	<b>4730</b>	<b>4871</b>	<b>4700</b>	

(Source: Finance accounts of the State)

The State's own tax revenue in 2019-20 decreased by ₹ 171 crore (3.51 per cent) over the previous year. The decrease was mainly due to less collections under SGST (₹ 91 crore), stamp duty and registration (₹ 39 crore) and land revenue (₹ 30 crore).

During the year 2019-20, major contributors of tax revenue were State Goods and Services Tax (51.87 per cent), taxes on sales, trades etc. (21.98 per cent) and State excise (10.47 per cent).

During 2010-11 to 2018-19, the CAGR of tax revenue (10.83 per cent) in the State was lower than the GCS (12.21 per cent). The growth rate of tax revenue in the State was negative (-3.51 per cent) during 2019-20 compared to previous year and was lower than GCS (2.12 per cent) (Appendix 1.1).

### State Goods and Services Tax (SGST)

Goa implemented GST with effect from 01 July 2017. GST is levied on *intra-State* supply of goods or services (except alcohol for human consumption and five<sup>3</sup> specified petroleum products) and its components are shared by the Centre (CGST) and the State (SGST). Further, Integrated GST (IGST) is levied and collected by the Central Government on *inter-State* supply of goods and services. The IGST so collected is apportioned between the Centre and the concerned State where the goods and services are consumed.

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

For the State of Goa, the audited base year (2015-16) revenue to be subsumed<sup>4</sup> by the GST regime was fixed by GoI at ₹ 2,181.38 crore. Thus, the protected revenue for Goa worked out to ₹ 3,684 crore<sup>5</sup> for the year 2019-20.

Against the protected revenue of ₹ 3,684 crore, the State Government earned a revenue of ₹ 2,438 crore<sup>6</sup> during 2019-20 and therefore, was entitled to a compensation of ₹ 1,246 crore. The revenue earned was inclusive of ₹ 74 crore representing advance apportionment of unsettled IGST on *ad hoc* basis, in terms of Section 11(3) of GST Settlement of Funds Rules, 2017, which was subject to adjustment in 10 instalments in the next financial year *i.e.*, 2020-21 against the amount finally apportioned. GoI released compensation of ₹ 819 crore (excluding ₹ 227 crore pertaining to previous year) to the State in the form of grants-in-aid against its entitlement of ₹ 1,246 crore during the year.

As per Section 7 of the GST (Compensation to the States) Act 2017, actual GST revenue collected by the State is to be audited/certified by Comptroller and Auditor General of India for receiving compensation from the Central Government on account of loss of revenue arising out of implementation of GST.

The GoI's decision to provide Audit access to Pan-India data at GSTN premises was conveyed on 22 June 2020. The administrative action to implement the decision in Goa was taken in January 2021. The Accounts of Government of Goa for the year 2019-20 have, therefore, been certified on the

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<sup>3</sup> Petroleum crude, High speed diesel, Motor spirit (Petrol), Natural gas and aviation turbine fuel

<sup>4</sup> Taxes that have been subsumed under GST are: Value Added Tax, Central Sales Tax, Entertainment Tax, Luxury Tax, Entry tax, Cesses & Surcharges, Duties on Excise on medicinal and toilet preparations excluding VAT and CST on alcohol for human consumption and five specified petroleum products.

<sup>5</sup> Base year revenue of ₹ 2,181.38 crore escalated at compound rate of 14% annually for three years (2016-17 to 2019-20) worked out to ₹ 3,684 crore for 2019-20.

<sup>6</sup> SGST collection by State: ₹ 1,484 crore; Provisional apportionment of IGST: ₹ 880 crore; Advance apportionment of IGST: ₹ 74 crore. Provisional apportionment and Advance apportionment of IGST are released by GoI

basis of test audit, as was being done when records were being maintained manually, pending full implementation of GoI's decision to provide Audit access to GSTN data.

### Analysis of Arrears of Revenue

The arrears of revenue indicate delayed realisation of revenue which is due to the Government. This deprives the Government of potential revenue receipts and ultimately impact the revenue deficit.

The arrears of revenue as on 31 March 2020 amounted to ₹ 3,597.76 crore of which ₹ 1,398.50 crore was outstanding for more than three years. Of the total revenue arrears of ₹ 3,597.76 crore, ₹ 1,535 crore was under legal adjudication, thus, leaving arrears of ₹ 2,062.76 crore, which were yet to be recovered. The details are shown in **Table 2.5**.

**Table 2.5: Revenue arrears as of 31 March 2020**

Head of Revenue	Amount of arrears as on 31 March 2020	Arrears more than three years old	Cases pending in Court		Revenue arrears pending recovery	Amount of arrears as on 31 March 2016
			No.	Amount		
Commercial Taxes	1882.28	1089.54	749	27.50	1854.78	1297.67
State Excise	6.37	0.56	01	0.38	5.99	2.69
Taxes on vehicles	14.55	7.12	47	0.08	14.47	13.64
Chief Engineer – Water Resources Department						
i) Water Tax	29.38	0.90	194	0.10	29.28	3.83
ii) Water Charges	1516.24	258.81	12	1492.34	23.90	45.69
iii) Rent on shops	2.71	2.55	-	-	2.71	3.01
iv) Hire charges of machinery	0.33	0.33	-	-	0.33	0.33
Principal Chief Engineer - Public Works Department	136.87	36.82	3923	14.16	122.71	64.64
Chief Electrical Engineer Energy charges*	-	-	-	-	-	297.43
Agriculture	0.26	0.22	-	-	0.26	0.81
Printing & Stationery *	-	-	-	-	-	0.62
Tourism	1.18	0.54	5	0.26	0.92	0.91
Director General of Police	7.46	1.11	02	0.05	7.41	3.63
River Navigation Department Barge Tax	0.13	-	02	0.13	-	1.14
Collector, South Goa*	-	-	-	-	-	-
Land Tax Revenue recovery cases*	-	-	-	-	-	-
<b>Total</b>	<b>3597.76</b>	<b>1398.50</b>	<b>4935</b>	<b>1535</b>	<b>2062.76</b>	<b>1736.04</b>

(Source: Information received from Departments)

\*Information not furnished by concerned Departments

The arrears of revenue increased by 107 per cent or more than twice from ₹ 1,736.04 crore in 2015-16 to ₹ 3,597.76 crore in 2019-20. This accounted

for 48.37 per cent of the State's own resources (₹ 7,437 crore) during the year. The State Government may ensure speedy recovery of huge arrears of revenue.

### ***Evasion of Tax Detected by Department and Refund Cases***

The cases of evasion of tax detected by the Excise & Taxation Department, cases finalised and the demands for additional tax raised are important indicators of revenue collection efforts of the State Government. Promptness in disposal of refund cases is also an important indicator of performance of the Department. High pendency of refund cases may indicate red tape, vested interests, prevalence of speed money, etc.

As per information furnished by the Commercial Tax Department, one case of tax evasion was detected during the year. The assessment/investigation into the case was conducted and additional demand with penalty of ₹ 10.09 crore was raised during the year. At the end of year, there was no case of evasion of tax pending with the Department.

### ***Pendency of Refund Cases***

The refund cases pending at the beginning of the year 2019-20, claims received during the year, refunds allowed during the year and the cases pending at the close of the year 2019-20, as reported by the Departments are given in **Table 2.6**.

**Table 2.6: Details of refund cases**

*(₹ in crore)*

Sr. No.	Particulars	GST		Sales tax/VAT		State Excise <sup>7</sup>	
		No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
1.	Claims outstanding at the beginning of the year	41	19.55	696	142.80	-	-
2.	Claims received during the year	581	233.34	590	80.81	-	-
3.	Refunds made during the year	356	175.57	522	90.67	-	-
4.	Refunds rejected during the year	137	34.49	01	0.01	-	-
5.	Balance outstanding at the end of year	129	42.83	763	132.93	-	-

*(Source: Information furnished by Departments)*

<sup>7</sup> Information not furnished by the Department

### Non-Tax Revenue

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

The main components of the State's non-tax revenue receipts during 2015-16 to 2019-20 are shown in **Table 2.7**.

**Table 2.7: Components of State's non-tax revenue**

						(₹ in crore)
Revenue head	2015-16	2016-17	2017-18	2018-19	2019-20	Sparkline
Interest receipts	18	20	27	24	63	
Other Administrative Services.	109	152	140	451	260	
Water Supply and sanitation	115	120	130	146	148	
Power	1709	1766	2119	1920	1960	
Non-Ferrous Mining and Metallurgical Industries	217	348	333	34	9	
Other Non-Tax receipts	264	306	284	299	297	
<b>Total Non-Tax revenue</b>	<b>2432</b>	<b>2712</b>	<b>3033</b>	<b>2874</b>	<b>2737</b>	

(Source: Finance accounts of the State)

Non-tax revenue accounted for 24 per cent to 28 per cent of the revenue receipts of the State during the five-year period (2015-20). The collections under non-tax revenue fell for the second consecutive year. During 2019-20, the non-tax revenue (₹ 2,737 crore) decreased by ₹ 137 crore (4.77 per cent), as compared to the previous year mainly due to significant decrease in collections under 'Other Administrative services' (₹ 191 crore), urban development (₹ 37 crore), 'Non-ferrous Mining and Metallurgical Industries' (₹ 26 crore) and 'Miscellaneous General Services' (₹ 12 crore). This was partially offset by increase in receipts under 'Power' (₹ 41 crore).

During 2010-11 to 2018-19, the CAGR of non-tax revenue (three per cent) in the State was lower than the GCS (11.19 per cent). The growth rate of non-tax revenue in the State was negative (-4.77 per cent) during 2019-20 compared to previous year while the growth rate in GCS was substantially higher at 23.44 per cent (**Appendix 1.1**).

#### 2.3.2.3 Transfers from the Centre

Transfers from Central Government are mainly dependent on the Finance Commission recommendation. The trend of Central transfers for 10 years covering the periods of FC XIII and FC XIV is shown in **Table 2.8**.

Table 2.8: Transfers from Centre during last 10 years

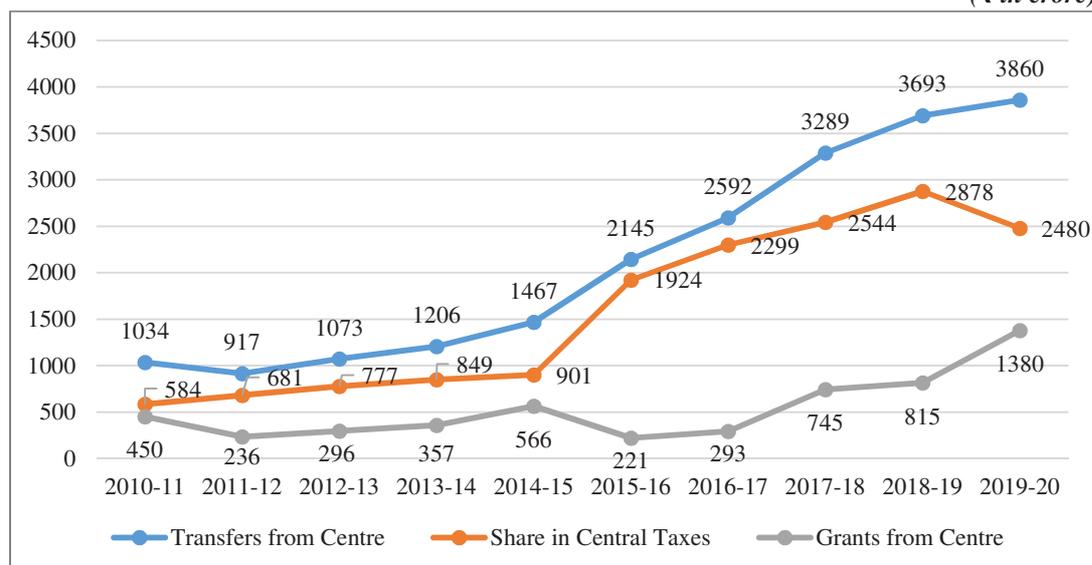
(*₹ in crore*)

Year	State's share in Central Taxes	Grant from Centre	Transfers from Centre
1	2	3	4=(2+3)
2010-11	584	450	1034
2011-12	681	236	917
2012-13	777	296	1073
2013-14	849	357	1206
2014-15	901	566	1467
2015-16	1924	221	2145
2016-17	2299	293	2592
2017-18	2544	745	3289
2018-19	2878	815	3693
2019-20	2480	1380	3860
<b>Total</b>	<b>15917</b>	<b>5359</b>	<b>21276</b>

(Source: Finance accounts of the State)

Transfers from the Centre increased from ₹ 1,034 crore in 2010-11 to ₹ 3,860 crore in 2019-20. The State's share in Central taxes decreased by ₹ 398 crore while grants from the Centre increased by ₹ 565 crore in 2019-20 over the previous year.

Chart 2.7: Trend in transfers from Centre

(*₹ in crore*)

(Source: Finance accounts of the State)

### Central Tax Transfers

FC XIV recommended an increase in the share of the States in Central taxes from 32 per cent (recommended by FC XIII) to 42 per cent. The State's share in the net proceeds of Central tax and service tax was fixed at 0.378 per cent and 0.379 per cent respectively. The components of State's share of Union taxes and duties from GoI during the period 2015-16 to 2019-20 is given in Table 2.9.

**Table 2.9: Transfer of different components of State's share of Union taxes during 2015-20**

Components	2015-16	2016-17	2017-18	2018-19	2019-20
	(₹ in crore)				
Central Goods and Services Tax (CGST)	Not Applicable		351	767	704
Integrated Goods and Services Tax (IGST)	Not Applicable		257	-	-
Corporation tax	610	739	780	1001	845
Taxes on income other than corporation tax	427	513	658	737	663
Other taxes on Income and Expenditure	-	-	-	05	-
Taxes on wealth	0.10	02	(-)0.02	0.37	0.04
Customs	307	318	188	204	157
Union Excise duties	253	363	194	136	109
Service tax	326	364	116	26	-
Others taxes and duties on commodities and services	0.98	0.01	-	02	02
<b>Total share of net proceeds of tax</b>	<b>1924</b>	<b>2299</b>	<b>2544</b>	<b>2878</b>	<b>2480</b>
Percentage increase over previous year	113.54	19.49	10.66	13.13	(-)13.83
Central tax transfers as percentage of revenue receipts	22.50	24.03	23.02	25.16	21.95

(Source: Finance accounts of the State)

Over the five-year period, Central Tax Transfers increased by 29 per cent from ₹ 1,924 crore in 2015-16 to ₹ 2,480 crore in 2019-20. In 2019-20, the State Government's share of Union taxes and duties decreased by ₹ 398 crore over the previous year and constituted 22 per cent of the State's revenue receipts.

The decreased receipts can be attributed to less allocation under corporation tax by ₹ 155 crore (16 per cent), taxes on income other than corporation tax by ₹ 75 crore (10 per cent) and customs by ₹ 47 crore (23 per cent).

### Grants-in-aid from GoI

Grants-in-aid (GIA) received by the State Government from GoI during 2015-20 are detailed in Table 2.10.

Table 2.10: Grants-in-aid from GoI

(₹ in crore)					
Head	2015-16	2016-17	2017-18	2018-19	2019-20
Grants for State Plan Schemes	45	91	20	02	-
Non-Plan Grants	21	17	66	68	169
Grants for Central Plan Schemes	28	26	24	17	25
Grants for Centrally Sponsored Schemes	127	159	277	252	367
Other transfers/Grants to States/Union Territories with Legislature	Not applicable		358	476	819
<b>Total</b>	<b>221</b>	<b>293</b>	<b>745</b>	<b>815</b>	<b>1380</b>
Percentage increase over the previous year	(-)61.02	32.58	154.27	9.40	69.33
Percentage of GIA to Revenue Receipts	2.59	3.06	6.74	7.12	12.22

(Source: Finance accounts of the State)

The GIA from GoI increased by ₹ 565 crore (69 per cent) during the year compared to the previous year. GIA constituted 12 per cent of revenue receipts during the year 2019-20. Grants to the State for centrally sponsored schemes (₹ 367 crore) constituted 27 per cent of the total grants during the year. This increase was mainly due to significant increase in assistance for Central road fund by ₹ 190 crore, FC XIV grants by ₹ 66 crore for rural local bodies and ₹ 29 crore for urban local bodies, Sarva Shiksha Abhiyan Programme by ₹ five crore and upgradation of Government Industrial Training Institutes (ITIs) into model ITIs by ₹ three crore.

During 2010-11 to 2018-19, the CAGR of GIA from GoI at 7.71 per cent in Goa was lower than the GCS (15.18 per cent). The growth rate of GIA in the State (69.33 per cent) during 2019-20 compared to previous year was significantly higher than GCS (21.24 per cent) (Appendix 1.1).

#### Fourteenth Finance Commission Grants

The FC XIV had recommended only three types of grants-in-aid to States viz. local Government grants, disaster management grants and post-devolution revenue deficit grants. During 2019-20, the State received two types of grants from GoI i.e., grants for local Government and disaster management amounting ₹ 151.26 crore<sup>8</sup>. The details of amounts awarded and received during the year 2018-19 and 2019-20 are shown in Table 2.11.

<sup>8</sup> This includes instalments of ₹ 59.38 crore pertaining to previous two years.

**Table 2.11: Details of amounts awarded and received during 2018-20**

(₹ in crore)

Sr. No.	Transfers	2018-19		2019-20	
		Amount awarded	Amount received	Amount awarded	Amount received
<b>1.</b>	<b>Local Bodies</b>				
	General Basic Grants to PRIs	26.73	-	36.12	62.85
	General Performance Grants to PRIs	3.37	-	4.41	3.37
	General Basic Grants to ULBs	39.05	19.52	52.76	72.28
	General Performance Grants to ULBs	11.08	-	14.51	9.76
<b>2.</b>	<b>State Disaster Relief Fund</b>	3.00	1.80	3.00	3.00
	<b>Total</b>	<b>83.23</b>	<b>21.32</b>	<b>110.80</b>	<b>151.26</b>

(Source: Information provided by Directorate of Municipal Administration and Directorate of Panchayats)

Two installments of general basic grants to PRIs (₹ 26.73 crore) and one installment of general basic grant to ULBs (₹ 19.52 crore) for the year 2018-19 was received by the State Government in 2019-20, due to late submission of UCs for the previous year (2017-18). Similarly, general performance grants of ₹ 9.76 crore to the ULBs for the year 2017-18 and ₹ 3.37 crore to PRIs for the year 2018-19 were received in 2019-20.

Further, Directorate of Panchayats (DoP) received (31 March 2020) basic grants amounting to ₹ 6.12 crore. However, it failed to disburse the amount to the PRIs within the stipulated time and held on to the grants for 154 days. Subsequently, the DoP released the amount (16 September 2020) and paid an interest of ₹ 66.23 lakh to the PRIs for late transfer.

### 2.3.3 Capital Receipts

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

The following table shows the trends in growth and composition of net capital receipts.

Table 2.12: Trends in growth and composition of capital receipts

(*₹ in crore*)

Sources of capital receipts	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Capital receipts</b>	<b>1857</b>	<b>1528</b>	<b>2013</b>	<b>2534</b>	<b>2704</b>
Miscellaneous capital receipts	-	-	-	-	-
Recovery of loans and advances	10	09	07	05	04
<b>Net Public Debt Receipts</b>	<b>1847</b>	<b>1519</b>	<b>2006</b>	<b>2529</b>	<b>2700</b>
Internal Debt	1736	1427	1928	2459	2654
Growth rate	63.16	(-)17.80	35.10	27.54	7.93
Loans and advances from GoI	111	92	78	70	46
Growth rate	(-)45.32	(-)17.12	(-)15.22	(-)10.26	(-)34.29
Rate of growth of debt capital receipts (per cent)	45.78	(-)17.76	32.06	26.09	6.76
Rate of growth of non-debt capital receipts (per cent)	-	(-)10.00	(-)22.22	(-)28.57	(-)20.00
Rate of growth of GSDP (per cent)	15.14	14.39	10.12	5.51	9.95
Rate of growth of capital receipts (per cent)	45.42	(-)17.72	31.74	25.88	6.71

(Source: Finance accounts of the State)

Capital receipts increased by 6.71 per cent from ₹ 2,534 crore in 2018-19 to ₹ 2,704 crore in 2019-20. The public debt receipt during the year (₹ 2,700 crore) comprised internal debt of ₹ 2,654 crore (98 per cent) and loans and advances from GoI of ₹ 46 crore (two per cent). Market borrowings (₹ 2,600 crore) had a predominant share of 96 per cent in the total borrowings (₹ 2,700 crore) while the remaining ₹ 54 crore (two per cent) and ₹ 46 crore (two per cent) comprised of negotiated loans and loans from GoI respectively.

#### 2.3.4 State's Performance in Mobilisation of Resources

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

The State's actual own tax and non-tax revenue *vis-à-vis* assessment made by FC XIV and revised estimates (RE) are given in **Table 2.13**.

**Table 2.13: Tax and non-tax receipts vis-à-vis projections***(₹ in crore)*

	FC XIV projections	Revised Estimates	Actual	Percentage variation of actual over	
				Revised Estimates	FC XIV projections
<b>Own Tax revenue</b>	9130	5182	4700	(-)9.27	(-)48.52
<b>Non-tax revenue</b>	949	3251	2737	(-)15.81	188.41

*(Source: Finance accounts of the State and Fourteenth Finance Commission report)*

The own tax revenue of the State in 2019-20 was lower than the projections made in FC XIV and RE. The actual tax revenue was lower than RE mainly due to less collection under stamps and registration fees (₹ 238 crore) and State Goods and Services Tax (₹ 55 crore). The actual non-tax revenue was less than RE by ₹ 514 crore primarily due to less collection under urban development (₹ 41 crore), power (₹ 283 crore) and non-ferrous mining and metallurgical industries (₹ 52 crore).

## 2.4 Application of Resources

The State Government is vested with the responsibility of incurring expenditure within the framework of fiscal responsibility legislations, while at the same time ensuring that the ongoing fiscal correction and consolidation process of the State is not at the cost of expenditure directed towards development of capital infrastructure and social sector. This paragraph along with sub-paragraphs gives the analysis of allocation of expenditure in the State.

### 2.4.1 Growth and Composition of Expenditure

**Table 2.14** presents the trends in total expenditure over a period of five years (2015-20) depicting its composition in terms of 'economic classification'.

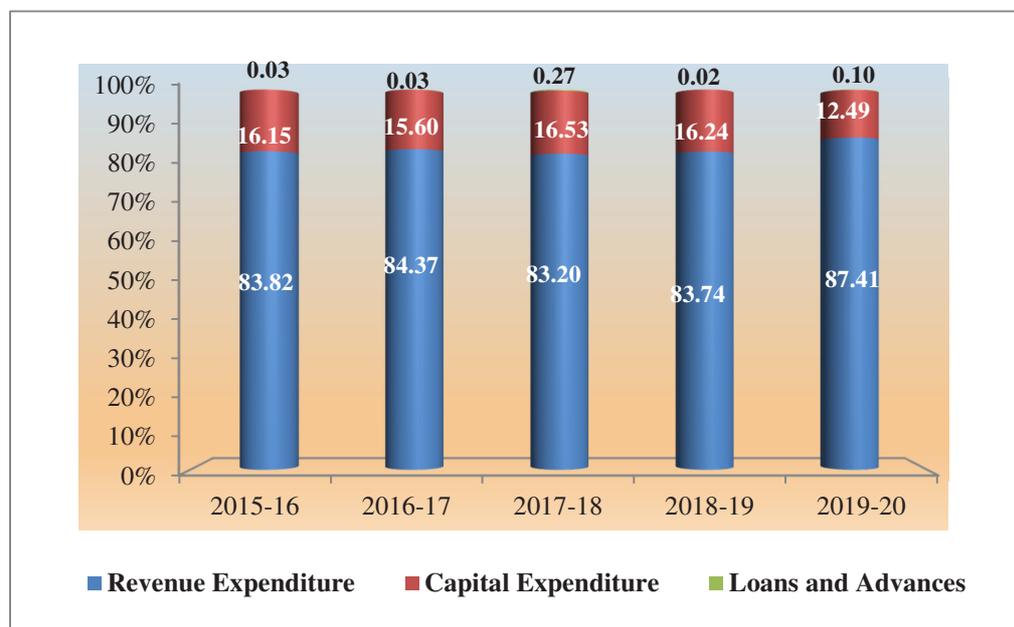
Table 2.14: Total expenditure and its composition

Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Total Expenditure (TE)	10045	10508	12671	13235	13295
Revenue Expenditure (RE)	8420	8866	10543	11083	11622
Capital Expenditure (CE)	1622	1639	2094	2149	1660
Loans and Advances	03	03	34	03	13
As a percentage of GSDP					
TE/GSDP	18.25	16.69	18.27	18.09	16.53
RE/GSDP	15.29	14.08	15.20	15.15	14.45
CE/GSDP	2.95	2.60	3.02	2.94	2.06
Loans and Advances/GSDP	-	-	-	-	-

(Source: Finance accounts of the State)

Total expenditure of the State increased at an average annual growth rate of 9.24 per cent during 2015-20. During 2019-20, it increased by ₹ 60 crore (0.45 per cent) over the previous year on account of an increase in revenue expenditure by ₹ 539 crore and disbursement of loans and advances by ₹ 10 crore, offset by a decrease in capital expenditure by ₹ 489 crore. As a percentage of GSDP, the total expenditure remained in the range of 16.53 per cent to 18.27 per cent during the period 2015-20. Ratio of capital expenditure to GSDP was in the range of 2.06 per cent to 3.02 per cent during the five-year period.

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



(Source: Finance accounts of the State)

The share of revenue expenditure in total expenditure increased from 83.20 per cent in 2017-18 to 87.41 per cent in 2019-20. On the other hand, the share of capital expenditure in total expenditure decreased from 16.53 per cent to 12.49 per cent during the last three-year period.

Capital expenditure decreased by ₹ 489 crore over the previous year mainly on account of decrease in expenditure towards education, sports, arts and culture (₹ 63 crore); water supply, sanitation, housing and urban development (₹ 165 crore) and transport (₹ 99 crore).

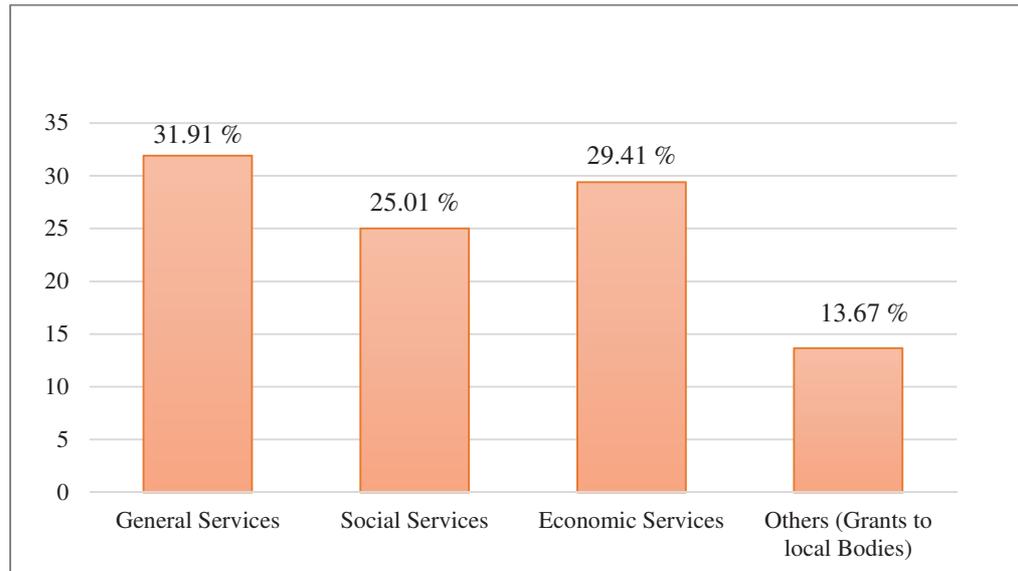
During 2010-11 to 2018-19, the CAGR of total expenditure (10.35 per cent) of the State was lower than the GCS (13.87 per cent). The growth rate of total expenditure in the State was 0.45 per cent during 2019-20 over the previous year, which was significantly lower than the growth rate of 4.09 per cent registered by GCS (Appendix 1.1).

**Table 2.15: Relative shares of various sectors of expenditure**

Parameters	(in per cent)				
	2015-16	2016-17	2017-18	2018-19	2019-20
General Services	28.17	29.27	30.98	32.55	31.91
Social Services	25.23	25.68	26.73	25.76	25.01
Economic Services	34.65	32.41	29.12	28.25	29.41
Others (Grants to Local Bodies and Loans and Advances)	11.95	12.64	13.17	13.44	13.67

(Source: Finance accounts of the State)

**Chart 2.9: Composition of expenditure during 2019-20**



(Source: Finance accounts of the State)

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

It may be seen from above that the share of economic services, grants-in-aid and loans and advances in total expenditure increased during 2019-20 compared to previous year. Whereas, there was decrease in the share of general services and social services mainly due to decline in expenditure under public works; education, sports, arts and culture; and transport.

## 2.4.2 Revenue Expenditure

Revenue expenditure is incurred to maintain the current level of services and payment for past obligations. As such, it does not result in any addition to the State's infrastructure and service network. The overall revenue expenditure, its rate of growth and ratio to GSDP for the last five years are indicated in **Table 2.16**. Sector wise distribution of revenue expenditure is presented in **Chart 2.10**.

**Table 2.16: Revenue Expenditure – Basic Parameters**

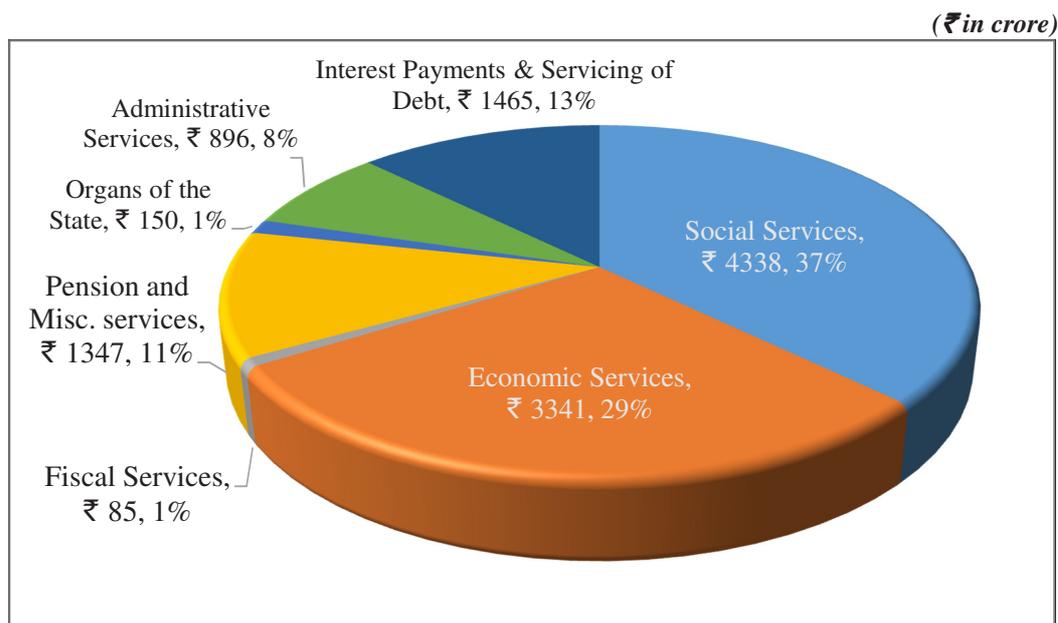
(₹ in crore)					
Parameters	2015-16	2016-17	2017-18	2018-19	2019-20
Total Expenditure (TE)	10045	10508	12671	13235	13295
Revenue Expenditure (RE)	8420	8866	10543	11083	11622
Rate of Growth of RE (per cent)	13.63	5.30	18.91	5.12	4.86
Revenue Expenditure as percentage of TE	83.82	84.37	83.20	83.74	87.42
RE/GSDP (per cent)	15.29	14.08	15.20	15.15	14.45
RE as percentage of RR	98.46	92.69	95.38	96.90	102.88
<b>Buoyancy of Revenue Expenditure with</b>					
GSDP (ratio)	0.90	0.37	1.87	0.93	0.49
Revenue Receipts (ratio)	1.21	0.45	1.22	1.47	-*

(Source: Finance accounts of the State)

\*Revenue receipts growth in 2019-20 being negative, buoyancy cannot be calculated

Revenue expenditure constituted 87.42 per cent of total expenditure during 2019-20. It increased at an average annual growth rate of 9.57 per cent from ₹ 8,420 crore in 2015-16 to ₹ 11,622 crore in 2019-20. During 2019-20, revenue expenditure increased by 4.86 per cent (₹ 539 crore) over the previous year. The growth rate of revenue expenditure fluctuated from a low of 4.86 per cent in 2019-20 to a high of 18.91 per cent in 2017-18. Revenue expenditure stood at 14.45 per cent of GSDP during 2019-20.

Buoyancy of revenue expenditure to revenue receipts was more than one during 2015-16, 2017-18 and 2018-19, indicating that growth of revenue receipts was not keeping pace with revenue expenditure. However, in 2019-20, the growth of revenue receipts was negative, hence buoyancy was not calculated.

**Chart 2.10: Sector-wise distribution of revenue expenditure**

(Source: Finance accounts of the State)

#### 2.4.2.1 Major Changes in Revenue Expenditure

**Table 2.17** shows significant variations under various heads of account with regard to revenue expenditure of the State during the current year and the previous year.

**Table 2.17: Variation in revenue expenditure during 2019-20 compared to 2018-19**

(₹ in crore)

Major Heads of Account	2018-19	2019-20	Increase (+)/ Decrease (-)
2801- Power	1894	2220	326
2210 – Medical and Public Health	827	960	133
2049 – Interest Payments	1344	1465	121
2215 – Water Supply and Sanitation	298	379	81
2202- General Education	1776	1682	(-)94
2225 – Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	150	76	(-)74
2235 – Social Security and Welfare	666	614	(-)52

(Source: Finance accounts of the State)

Revenue expenditure under 'General Education' decreased primarily due to less assistance released to non-Government Secondary Schools and non-Government colleges. Decrease in expenditure under 'Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes' and 'Social

Security and Welfare’ was due to less release of aid to voluntary organisations and receipt of less claims under *Swatantrata Sainik Samman* Scheme. Revenue Expenditure under ‘Power’ increased significantly due to increase in expenditure under transmission and distribution.

During 2010-11 to 2018-19, the CAGR of revenue expenditure (11.07 per cent) of the State was lower than the GCS (13.79 per cent). The growth rate of revenue expenditure in the State was 4.86 per cent during 2019-20 over previous year, which was lower than the growth rate of 5.71 per cent registered by GCS (**Appendix 1.1**).

#### 2.4.2.2 Committed Expenditure

The committed expenditure of the State Government on revenue account consists of interest payments, expenditure on salaries and wages and pensions. It has first charge on Government resources. An upward trend in committed expenditure leaves the Government with lesser flexibility for development sector. **Table 2.18** and **Chart 2.11** presents the trend in the expenditure on these components during 2015-20.

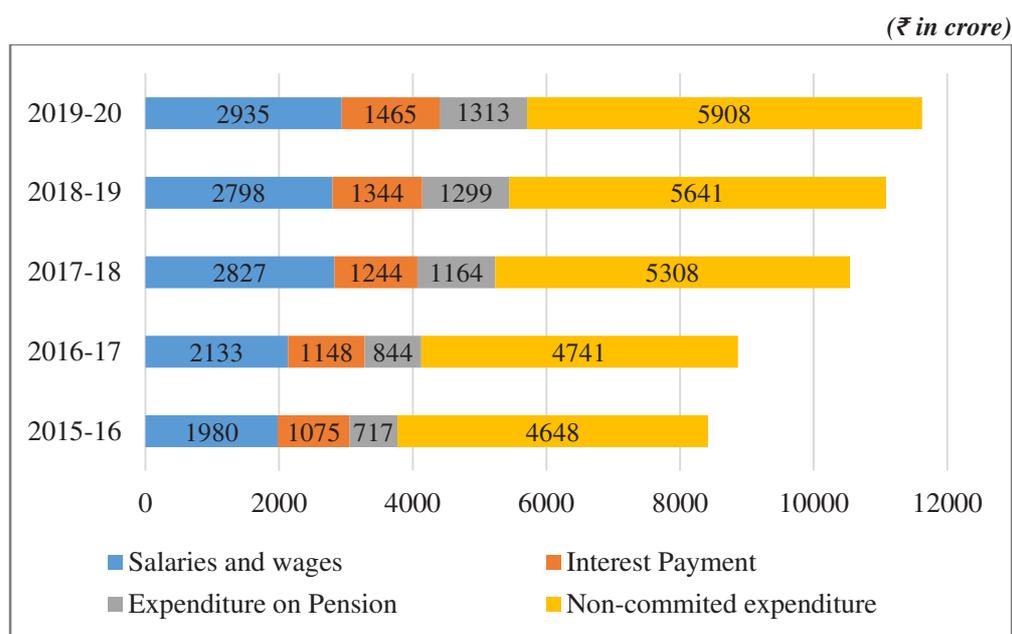
**Table 2.18: Components of committed expenditure**

(₹ in crore)

Components of Committed Expenditure	2015-16	2016-17	2017-18	2018-19	2019-20
Salaries & Wages (₹ in crore)	1979.70	2132.79	2827.20	2798.54	2935.36*
Expenditure on Pensions (₹ in crore)	716.85	844.33	1163.59	1299.13	1313.18
Interest Payments (₹ in crore)	1074.70	1148.03	1244.28	1344.45	1465.09
<b>Total</b>	<b>3771.25</b>	<b>4125.15</b>	<b>5235.07</b>	<b>5442.12</b>	<b>5713.63</b>
<b>As percentage of Revenue Receipts (RR)</b>					
Salaries & Wages	23.15	22.30	25.57	24.47	25.98
Expenditure on Pensions	8.38	8.83	10.53	11.36	11.62
Interest Payments	12.57	12.00	11.26	11.75	12.97
<b>Total</b>	<b>44.10</b>	<b>43.13</b>	<b>47.36</b>	<b>47.58</b>	<b>50.57</b>
<b>As a percentage of Revenue Expenditure (RE)</b>					
Salaries & Wages	23.51	24.06	26.82	25.25	25.26
Expenditure on Pensions	8.52	9.52	11.04	11.72	11.30
Interest Payments	12.77	12.95	11.80	12.13	12.61
<b>Total</b>	<b>44.79</b>	<b>46.53</b>	<b>49.65</b>	<b>49.10</b>	<b>49.17</b>

(Source: Finance accounts of the State)

\*Salaries: ₹ 2,893.90 crore and Wages: ₹ 41.46 crore

**Chart 2.11: Share of committed expenditure in total revenue expenditure**

(Source: Finance accounts of the State)

The committed expenditure of ₹ 5,714 crore in 2019-20 was 50.57 per cent of revenue receipts and 49.17 per cent of the revenue expenditure. The share of non-committed expenditure in total revenue expenditure during 2019-20 was 51 per cent.

### Salaries and Wages

The expenditure on salaries and wages during 2015-20 increased at an average annual growth rate of 11 per cent. During 2019-20, expenditure on salaries and wages increased by five per cent over 2018-19. Expenditure on salaries and wages (₹ 2,935 crore) in 2019-20 was lower by ₹ 291 crore against the projections made in RE (₹ 3,226 crore). As percentage of revenue receipts, expenditure on salary and wages increased from 24.47 per cent in 2018-19 to 25.98 per cent in 2019-20.

During 2010-11 to 2018-19, the CAGR of salaries and wages (11.74 per cent) in the State was higher than the GCS (10.78 per cent). The growth rate of salaries and wages in the State was 4.90 per cent in 2019-20 over previous year and lower than GCS (9.51 per cent) (**Appendix 1.1**).

### Pension Payments

The expenditure on pension payments during 2015-20 increased at an average annual growth rate of 15 per cent. There was an increase in pension payments of ₹ 14 crore (one per cent) during 2019-20 over the previous year. Expenditure on pension in 2019-20 accounted for 11.62 per cent of the total revenue receipts of the State.

Actual expenditure on pension vis-à-vis assessment made by the FC XIV and the projections of the State Government in RE is shown in **Table 2.19**.

**Table 2.19: Actual pension payments vis-à-vis assessment of the XIV FC and State's projections**

(₹ in crore)			
Year	Assessment made by FC XIV	Assessment made by State Government in RE	Actuals
2019-20	863	1376	1313

(Source: Finance accounts of the State, fourteenth finance commission report and budget estimates of the State)

During 2010-11 to 2018-19, the CAGR of pension (16.84 per cent) in the State was higher than the GCS (14.14 per cent). The growth rate of expenditure on pension in the State was 1.08 per cent in 2019-20 over the previous year, which was significantly lower than GCS (9.74 per cent) (Appendix 1.1).

### Interest Payments

Interest payments increased at an average annual growth rate of eight per cent from ₹ 1,075 crore in 2015-16 to ₹ 1,465 crore in 2019-20. Interest payments (₹ 1,465 crore) during 2019-20 increased by nine per cent over the previous year (₹ 1,344 crore). Component-wise details of interest payments made by the State Government during 2015-20 are shown in Table 2.20.

**Table 2.20: Component-wise details of interest payments made by the State Government during 2015-20**

(₹ in crore)					
Particulars	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Interest payments</b>	<b>1075</b>	<b>1148</b>	<b>1244</b>	<b>1344</b>	<b>1465</b>
Of which, interest payments made on					
<b>1. Internal debt</b>	<b>814</b>	<b>907</b>	<b>981</b>	<b>1080</b>	<b>1188</b>
i. Market loans	478	579	669	792	934
ii. National small savings fund (NSSF)	284	276	265	242	221
iii. National bank for agriculture and rural development (NABARD)	40	41	39	37	25
Loans from other financial institutions	07	05	05	04	04
Ways and means advances & overdrafts	04	04	01	03	01
Management of debt (payable to RBI for open market borrowings)	02	02	02	02	03
<b>2. Loans from GoI</b>	<b>21</b>	<b>19</b>	<b>18</b>	<b>16</b>	<b>19</b>
<b>Deposits, small savings and PF etc.</b>	<b>239</b>	<b>222</b>	<b>245</b>	<b>248</b>	<b>258</b>
i. Small savings and PF	159	156	172	178	176
ii. Deposits and Advances	80	66	73	70	82

(Source: Finance accounts of the State)

The ratio of interest payments to revenue receipts determines the debt sustainability of the State. The ratio of interest payments to revenue receipts of the State was 12.97 per cent during 2019-20, which was higher than FC XIV projection of 11.34 per cent.

Interest payments with reference to assessment made by the FC XIV and the projections of the State Government in RE are given in Table 2.21.

**Table 2.21: Interest payments vis-à-vis assessment of the FC XIV and State's projections**

			(₹ in crore)
Year	Assessment made by FC XIV	Assessment made by State Government in RE	Actuals
2019-20	1935	1512	1465

(Source: Finance accounts of the State, fourteenth finance commission report and budget estimates of the State)

The table indicates that the actual outgo towards interest payments was less than the assessment of FC XIV and State Government's own projections made in RE for 2019-20.

#### 2.4.2.3 Undischarged Liabilities in National Pension System

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

During the year 2019-20, the State Government collected ₹ 144.13 crore from the employees as contribution towards NPS and also contributed an equal amount of ₹ 144.13 crore as its share towards the Scheme. Further, against the total collected funds of ₹ 379.26 crore (including previous year's balance of ₹ 91 crore), the State Government transferred ₹ 240.77 crore to NSDL during the year. The balance ₹ 138.49 crore together with interest of ₹ 11.70 crore (for late transfer) totaling ₹ 150.19 crore was transferred in seven installments between April 2020 and November 2020.

The Directorate of Accounts, Government of Goa stated (February 2020) that the process of developing software (in consultation with NIC) for enabling transfers to NSDL on a monthly basis had been taken up.

#### 2.4.2.4 Subsidies

The subsidies as a percentage of revenue receipts and revenue expenditure during 2015-20 were as under:

**Table 2.22: Expenditure on subsidies during 2015-20**

	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Subsidies	244	248	263	301	262
Subsidies as percentage of total revenue expenditure	2.89 (8420)	2.80 (8866)	2.49 (10543)	2.71 (11083)	2.25 (11622)
Subsidies as percentage of revenue receipts	2.85 (8552)	2.59 (9565)	2.38 (11054)	2.63 (11438)	2.32 (11297)

(Source: Finance accounts of the State, fourteenth finance commission report and budget estimates of the State)

During 2019-20, a large portion of subsidy went to Kadamba Transport Corporation Limited (KTCL) (₹ 80 crore), Dairy Development (₹ 47 crore) and Crop Husbandry (₹ 41 crore).

The expenditure on subsidies decreased by 13 *per cent* from ₹ 301 crore in 2018-19 to ₹ 262 crore in 2019-20. The decrease was mainly due to decrease in disbursements of subsidy for transport (₹ 21 crore) and agriculture and allied activities (₹ 16 crore). During the current year, subsidies constituted 2.32 *per cent* of revenue receipts and about 2.25 *per cent* of the total revenue expenditure.

#### **2.4.2.5 Financial Assistance by the State Government to Local Bodies and Other Institutions**

Financial assistance to local bodies and other institutions constituted 15.57 *per cent* of the revenue expenditure during 2019-20.

The quantum of assistance provided by way of grants and loans to local bodies and other institutions during 2019-20 relative to the previous four years is presented in **Table 2.23**.

**Table 2.23: Financial assistance to local bodies and other institutions**

(₹ in crore)

Sr. No.	Institutions	2015-16	2016-17	2017-18	2018-19	2019-20
1	Panchayati Raj Institutions	81.18	96.62	92.31	86.12	86.65
2	Urban Local Bodies	59.09	75.52	180.48	74.01	135.52
3	Public Sector Undertakings	63.43	73.65	60.25	41.59	26.85
4	Autonomous Bodies	768.23	862.18	990.41	1278.11	1201.26
5	Others	227.10	219.12	315.54	300.63	358.82
	<b>Total</b>	<b>1199.03<sup>9</sup></b>	<b>1327.09<sup>10</sup></b>	<b>1638.99<sup>11</sup></b>	<b>1780.46<sup>12</sup></b>	<b>1809.10<sup>13</sup></b>
	Assistance as percentage of revenue expenditure	14.24	14.97	15.55	16.06	15.57

(Source: Finance accounts of the State)

Financial assistance to local bodies and other institutions continuously increased at an annual average growth of 12.32 *per cent* from ₹ 1,199.03 crore in 2015-16 to ₹ 1,809.10 crore in 2019-20. The assistance in 2019-20 increased marginally by two *per cent* compared to previous year. As percentage of revenue expenditure, the assistance decreased from 16.06 *per cent* in 2018-19 to 15.57 *per cent* in 2019-20.

### 2.4.3 Capital Expenditure

Capital expenditure (capex) is primarily expenditure on creation of fixed infrastructure assets such as roads, buildings *etc.* The overall capital expenditure, its rate of growth and ratio to total expenditure during 2015-20 are indicated in **Table 2.24** and **Chart 2.12**.

<sup>9</sup> Excludes ₹ 2.45 crore pertaining to refund of grants-in-aid of the previous years

<sup>10</sup> Excludes ₹ 1.79 crore pertaining to refund of grants-in-aid of the previous years

<sup>11</sup> Excludes ₹ 3.74 crore pertaining to refund of grants-in-aid of the previous years

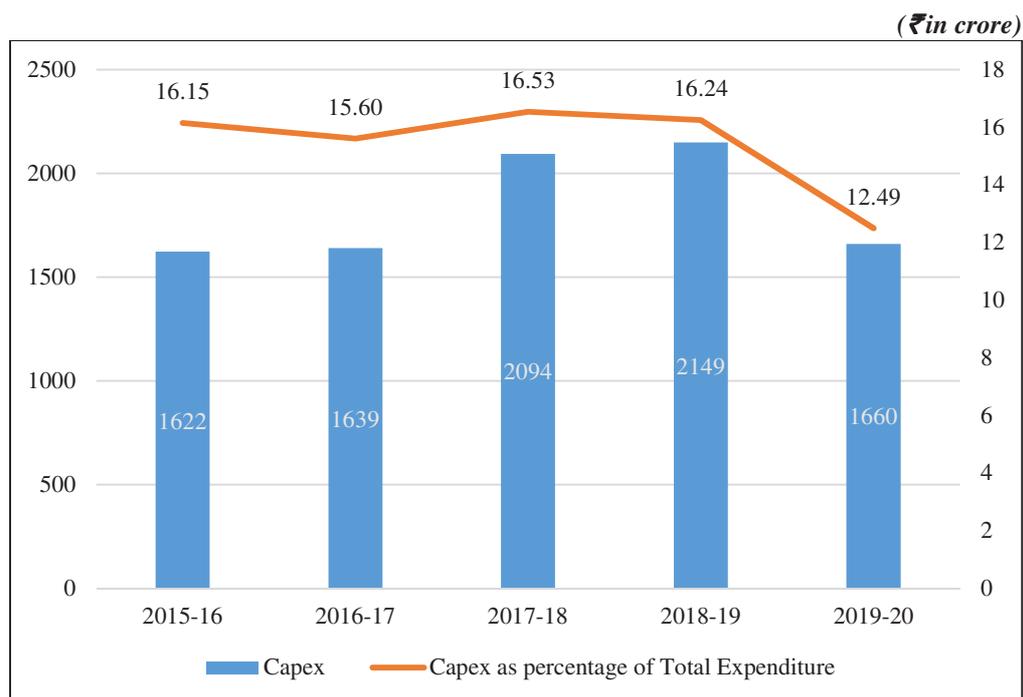
<sup>12</sup> Excludes ₹5.18 crore pertaining to refund of grants-in-aid of the previous years

<sup>13</sup> Excludes ₹5.20 crore pertaining to refund of grants-in-aid of the previous years

**Table 2.24: Capital expenditure-basic parameters**

	(₹ in crore)				
	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Total expenditure (TE)</b> (₹ in crore)	10045	10508	12671	13235	13295
<b>Capital expenditure (CE)</b> (₹ in crore)	1622	1639	2094	2149	1660
<b>Rate of growth of capital expenditure (in per cent)</b>	31.44	1.05	27.76	2.63	(-)22.75
<b>CE/TE (per cent)</b>	16.15	15.60	16.53	16.24	12.49

(Source: Finance accounts of the State)

**Chart 2.12: Capital expenditure in the State**

(Source: Finance accounts of the State)

During 2019-20, capital expenditure decreased by 23 per cent (₹ 489 crore) over the previous year. The percentage share of capital expenditure in the total expenditure has continuously declined from 16.53 per cent in 2017-18 to 12.49 per cent during 2019-20. During 2019-20, capital expenditure (₹ 1,660 crore) was less than total public debt receipts (₹ 2,700 crore) by ₹ 1,040 crore.

#### 2.4.3.1 Major Changes in Capital Expenditure

**Table 2.25** highlights cases of significant increase or decrease of capital expenditure in various heads of account during 2019-20 vis-à-vis the previous year.

**Table 2.25: Capital expenditure during 2019-20 compared to 2018-19***(₹ in crore)*

Major Heads of Accounts	2018-19	2019-20	Increase (+)/ Decrease (-)
4059- Capital Outlay on Public Works	133	68	(-)65
4070- Capital Outlay on Other Administrative Services	50	05	(-)45
4075- Capital outlay on Other Misc. Services	330	225	(-)105
4202- Capital Outlay on Education, Sports, Art and Culture	238	175	(-)63
4210- Capital Outlay on Medical and Public Health	113	152	39
4215- Capital Outlay on Water Supply and Sanitation	300	206	(-)94
4217- Capital Outlay on Urban Development	99	28	(-)71
5054- Capital Outlay on Roads & bridges	300	234	(-)66

*(Source: Finance accounts of the State)*

The decrease under capital outlay on public works (₹ 65 crore) was primarily due to less expenditure on buildings and less contribution towards Goa State Infrastructure Development Corporation under miscellaneous general services.

During 2010-11 to 2018-19 the CAGR of capital expenditure in the State at 7.32 per cent was lower than the GCS (14.64 per cent). The growth rate of capital expenditure in the State was negative (-22.75 per cent) in 2019-20 over previous year and was substantially lower than GCS (-3.86 per cent) (Appendix 1.1).

#### **2.4.3.2 Quality of Capital Expenditure**

If the State Government keeps on making investments in loss-making Government Companies whose net worth is completely eroded, the chances of earning returns on such investments are remote. Similarly, experience has shown the inevitability of write off of the loans given to loss-making corporations and other bodies such as sugar mills, financial corporations, etc. Requisite steps have to be taken to infuse transparency in such financial operations. This section presents an analysis of investments and other capital expenditure undertaken by the Government during the current year.

#### ***Quality of Investments in Companies, Corporations and Other Bodies***

Investments made and loan given to companies, corporations and co-operatives, which are loss-making and whose net worth is completely eroded, affect quality of capital expenditure. Return on investment in share

capital invested in State Public Sector Enterprises (SPSEs) and history of repayment of loans given to various bodies are important determinant of quality of capital expenditure.

Statement No. 19 of finance accounts of the State Government contains the details of investments of the Government. As per the statement, as on 31 March 2020, the total Government investment was ₹ 640.71 crore. The average return on this investment was 0.24 *per cent* during 2015-20, while the Government paid an average interest of 7.03 *per cent* on its borrowings, indicating that the returns on investment of the State Government had been very low.

**Table 2.26: Returns on investment**

(₹ in crore)

Investment/Returns/Cost of borrowings	2015-16	2016-17	2017-18	2018-19	2019-20
Investment at the end of the year (₹ in crore)	525.00	560.94	613.02	630.76	640.71
Return (₹ in crore)	1.43	0.86	1.96	1.46	1.42
Return ( <i>per cent</i> )	0.27	0.15	0.32	0.23	0.22
Average rate of interest on Government borrowings ( <i>per cent</i> )	7.30	7.09	7.03	6.90	6.82
Difference between interest rate and return ( <i>per cent</i> )	7.03	6.94	6.71	6.67	6.60
Difference between interest on Government borrowings and return on investment	834	925	997	1095	1206

(Source: Finance accounts of the State)

There were differences with regard to investment figures as per records of SPSEs and those appearing in the finance accounts. The State Government was yet to reconcile the differences.

The table shows that during 2015-20, the State Government's investments increased by ₹ 116 crore. The increase in investments by ₹ 10.04 crore<sup>14</sup> during 2019-20 over the previous year was on account of increased capital contribution in Co-operative sugar mill by ₹ 10 crore.

There were 16 SPSEs as on 31 March 2020, of which, 14 were Government Companies and two were Statutory Corporations. Of the 16 SPSEs, two SPSEs were non-working (one Government Company and one Statutory Corporation each).

The equity investments of the State Government in 14 working SPSEs at ₹ 394.71 crore was 1.82 *per cent* of the progressive capital expenditure (₹ 21,713 crore) up to 2019-20. However, the returns were a meager

<sup>14</sup> The actual increase in 2019-20 over 2018-19 was ₹ 10.04 crore. Hence, there was a difference of ₹ 0.09 crore, which was due to refund of share capital investments of previous years during 2019-20.

₹ 1.42 crore (0.36 *per cent* of the total investment) during 2019-20. Even during the last five years, the highest percentage of returns to the investments was merely 0.32 *per cent*.

As the chances of earning return on investment made in SPSEs incurring losses and where the accumulated losses have resulted in erosion of the net worth are remote, the State Government may consider making future payments to these SPSEs in the form of grants-in-aid instead of share capital, so as to reduce the disparity in investments *vis-à-vis* returns.

### **Financial Performance of State Public Sector Enterprises**

#### **Definition of Government Companies/Corporations**

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

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

#### **Mandate of Audit**

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

The acts governing Goa Industrial Development Corporation (Goa-IDC) and Goa Information Technology Development Corporation (GITDC), both Statutory Corporations, contain provisions whereby the State Government can appoint the CAG, at any time, as the auditor to examine and report upon the accounts of these institutions. No such appointment was made till 2019-20.

**Number of SPSEs Covered in the Report**

Of the 16 SPSEs, financial performance of nine<sup>15</sup> SPSEs has been covered in this Report while performance of seven SPSEs, whose accounts were in arrears for three years or more or non-working has not been covered in this report. The details of seven SPSEs are shown in **Appendix 2.3**. The coverage and nature of nine SPSEs is indicated in **Table 2.27**.

**Table 2.27: Coverage of nine SPSEs**

Nature of SPSE	Total No.	No. of SPSEs covered				Number of SPSEs not covered
		Accounts up to			Total	
		2017-18	2018-19	2019-20		
Government Companies	14	00	07	01	08	06
Statutory Corporations	2	00	01	00	01	01
<b>Total</b>	<b>16</b>	<b>00</b>	<b>08</b>	<b>01</b>	<b>09</b>	<b>07</b>

(Source: Information compiled by office of AG, Goa)

There were no SPSEs which came under or went out from the purview of CAG's audit during 2019-20.

**Table 2.28: Summary of financial performance of SPSEs**

Summary of financial performance of SPSEs covered in this Report	
No. of SPSEs	16
SPSEs covered	09
Paid-up capital (09 SPSEs)	₹ 350.10 crore
Long-term loans (09 SPSEs)	₹ 989.84 crore
Market capitalisation	Not applicable
Net profit (06 SPSEs)	₹ 39.40 Crore
Net loss (03 SPSEs)	₹ 139.74 Crore
Zero profit/loss	None
Dividend declared (01 SPSE) <sup>16</sup>	₹ 1.01 Crore
Total assets (09 SPSEs)	₹ 3413.87 Crore
Value of production (09 SPSEs)	None
Net worth (09 SPSEs)	₹ 394.40 Crore

(Source: Latest accounts of SPSEs)

<sup>15</sup> Eight Government Companies viz., (i) Goa State Scheduled Tribes Finance and Development Corporation Limited (GSSTFDCL), (ii) Goa Handicrafts, Rural & Small-Scale Industries Development Corporation Limited (GHRSSIDCL), (iii) Goa State Infrastructure Development Corporation Limited (GSIDCL), (iv) Sewage and Infrastructural Development Corporation of Goa Limited (SIDCGL), (v) Goa Tourism Development Corporation Limited (GTDCL), (vi) Kadamba Transport Corporation Limited (KTCL), (vii) EDC Limited (EDCL), (viii) Goa Electronics Limited (GEL) and one Statutory Corporation viz., (ix) Goa Industrial Development Corporation (Goa-IDC)

<sup>16</sup> EDC Limited

### Quantum of Investments in SPSEs

The quantum of investments in equity and loans in nine SPSEs as at the end of 31 March 2020 is given in **Table 2.29**.

**Table 2.29: Equity investments and loans to nine SPSEs**

Sources of investment	As on 31 March 2019			As on 31 March 2020		
	Equity	Long-term loans	Total	Equity	Long-term loans	Total
State Government	283.62	1.55	285.17	283.62	2.75	286.37
Central Government	49.90	425.09	474.99	49.90	425.09	474.99
Holding Company	1.80	-	1.80	1.80	-	1.80
Others	14.78	562.00	576.78	14.78	562.00	576.78
<b>Total</b>	<b>350.10</b>	<b>988.64</b>	<b>1338.74</b>	<b>350.10</b>	<b>989.84</b>	<b>1339.94</b>
Percentage of investment of State Government to total investment	81.01	0.16	21.30	81.01	0.28	21.37

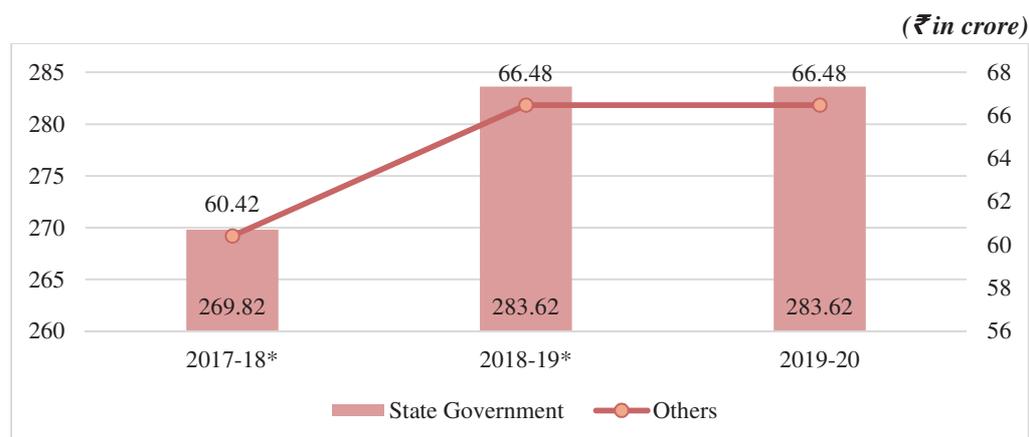
(Source: Latest accounts of SPSEs and information provided by SPSEs)

### Investment in Equity

During 2019-20, the total investment at face value of equity in the nine SPSEs did not register any net increase compared to previous year 2018-19.

Equity investment by State Government and others in nine SPSEs during last three years ended 31 March 2020 is depicted in **Chart 2.13**.

**Chart 2.13: Equity investment in nine SPSEs**



\*Figures of 2017-18 and 2018-19 updated as the latest accounts were received in 2019-20.

As per latest finalised accounts, there were no significant investments made by the State Government during 2019-20 in the paid-up capital of nine SPSEs.

**Budgetary Support to SPSEs**

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

The summarised details of budgetary outgo towards equity, loans, grants/subsidies, loans written off and loans converted into equity in respect of nine SPSEs for the period 2017-18 to 2019-20 are given in **Table 2.30**.

**Table 2.30: Budgetary support to nine SPSEs during 2017-20***(₹ in crore)*

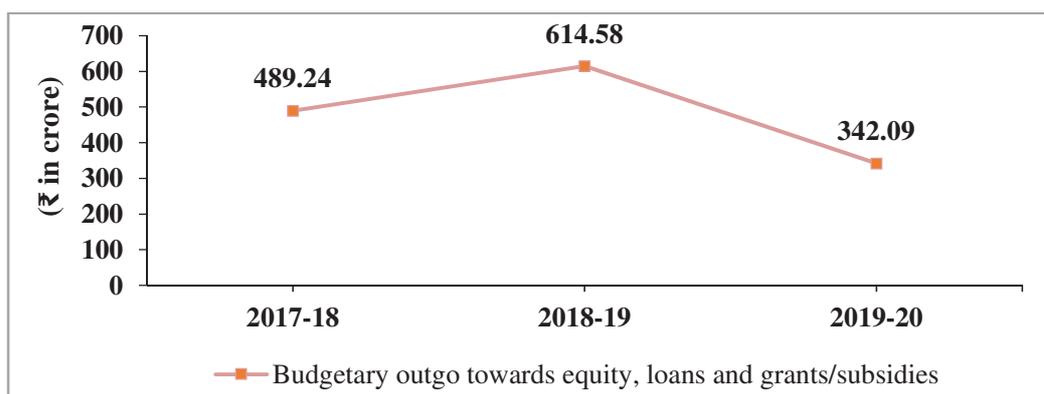
Particulars	2017-18		2018-19		2019-20	
	No. of SPSEs	Amount	No. of SPSEs	Amount	No. of SPSEs	Amount
Equity/Capital outgo	-	-	1	13.81	1	7.55
Loans given	-	-	-	-	1	1.20
Grants/Subsidy provided	5	489.24	5	600.77	5	333.34
<b>Total budgetary outgo</b>	<b>-</b>	<b>489.24</b>	<b>-</b>	<b>614.58</b>	<b>-</b>	<b>342.09</b>
Loan repayment written off	-	-	-	-	-	-
Loans converted into equity	-	-	-	-	-	-
Guarantees issued	1	25.00	1	30.00	1	30.00
Guarantee Commitment outstanding at the end of the year	2	385.33	2	474.09	2	468.53

*(Source: Compiled based on information received from nine SPSEs)*

Out of total grant/subsidy of ₹ 333 crore provided during 2019-20, ₹ 225 crore was allotted for capital purposes while remaining ₹ 108 crore was granted to be used for revenue purposes such as salary, arrears, maintenance, subsidy for bus service Schemes and vegetable subsidy, etc. The budgetary support to nine SPSEs declined by 44.33 per cent from ₹ 615 crore in 2018-19 to ₹ 342 crore in 2019-20.

The budgetary outgo towards equity, loans and grants/subsidies for the last three years ending March 2020 are depicted in **Chart 2.14**.

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



(Source: Compiled based on information received from nine SPSEs)

Further, of the 16 SPSEs in the State, two SPSEs were non-functioning as under:

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

Of these two SPSEs, only Goa Meat Complex Limited received financial support of ₹ six crore from the State Government during 2019-20. No financial support was provided to Goa Information Technology Development Corporation and it had an outstanding liability of ₹ 4.75 crore as on 31 March 2018.

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

### ***Disinvestment, Restructuring and Privatisation of SPSEs***

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

## Returns from SPSEs

### Profits Earned by SPSEs

Six<sup>17</sup> out of nine SPSEs registered profits of ₹ 39.40 crore during 2019-20. However, profits earned by these six SPSEs decreased from ₹ 40.60 crore in 2018-19 to ₹ 39.40 crore in 2019-20. The statutory corporation (Goa-IDC) did not register profits during 2019-20; instead, it incurred a loss of ₹ 115.39 crore during 2019-20.

The list of SPSEs which earned profit of more than one crore during 2019-20 is shown in **Table 2.31**.

**Table 2.31: List of SPSEs which earned profit of more than one crore**

(₹ in crore)		
Sr. No.	Name of SPSE	Profit
1	Goa State Infrastructure Development Corporation Limited	1.97
2	Goa Tourism Development Corporation Limited	1.46
3	EDC Limited	33.86
4	Goa Electronics Limited	1.17
<b>Total</b>		<b>38.46</b>

(Source: Latest accounts of SPSEs)

The above four SPSEs contributed 98 *per cent* of the total profits earned by the six SPSEs during 2019-20. These four SPSEs could register profits largely because they were working in a monopolistic or near monopolistic environment. For instance, EDCL, a premier financial institution lends primarily to the Government Companies; GTDCL works primarily in the tourism sector; and GSIDCL executes works on behalf of the State Government for which it gets development fee over and above the total cost incurred for the projects executed. The remaining two SPSEs (GHRSSIDCL and GSSTFDCL) earned marginal profits during the year and were mostly engaged in social sector and other activities.

### Dividends Paid by SPSEs

Only one out of nine SPSEs declared dividend during 2019-20, as shown in the **Table 2.32**.

<sup>17</sup> GSIDCL, GTDCL, EDCL, GEL, GHRSSIDCL and GSSTFDCL

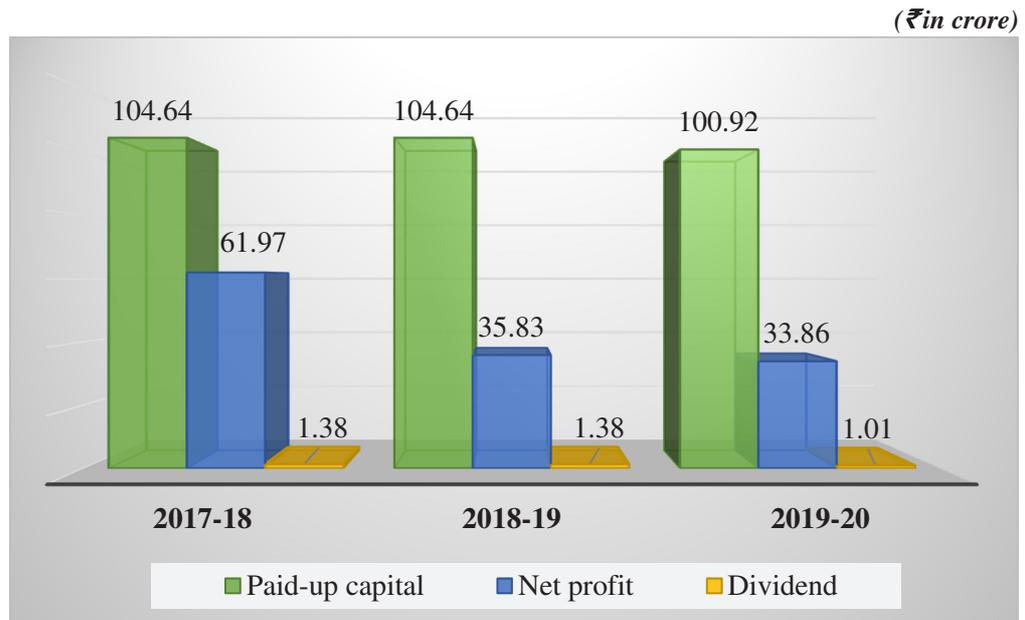
Table 2.32: Profit earned and dividend declared

SPSEs	No. of SPSE	Paid-up capital (₹ in crore)	Profit (₹ in crore)	Dividend declared (₹ in crore)
EDC Limited	1	100.92	33.86	1.01
Statutory Corporations	-	-	-	-
<b>Total</b>	<b>1</b>	<b>100.92</b>	<b>33.86</b>	<b>1.01</b>

(Source: Latest accounts of SPSEs)

Dividend declared by EDCL as percentage of total profits earned by all the six profit-earning SPSEs decreased from 3.40 per cent in 2018-19 to 2.56 per cent in 2019-20.

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

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

(Source: Latest accounts of SPSEs)

The return on aggregate investment of ₹ 284 crore made by the State Government in equity capital of nine SPSEs was 0.36 per cent.

## Operating Efficiency of Government Companies

### Rate of Real Return on Government Investment

In view of the significant investment in eight<sup>18</sup> out of nine SPSEs where funds had been infused by the State Government, return on such investment is essential from the perspective of the State Government and therefore, an analysis of the earnings *vis-à-vis* investments was carried out to assess the profitability of these SPSEs.

In order to assess the rate of real return (RORR), the present value (PV) of State Government investment in eight PSEs has been computed *vis-à-vis* their historical costs. In order to bring the historical cost of investments to its PV at the end of each year up to 31 March 2020, the past investments/year-wise funds infused by the State Government in the SPSEs have been compounded at the year-wise weighted average interest rate on State Government securities which is considered as the minimum cost of funds to the Government for the concerned year.

The PV of the State Government investment in eight SPSEs was computed on the basis of following assumptions:

- In addition to actual infusion by the State Government in the SPSEs in the form of equity, interest free loans and grants/subsidy for operational and administrative expenses given by the State Government to the SPSEs have been considered as investment infusion by the State Government.
- The weighted average interest rate<sup>19</sup> on State Government securities for the concerned financial year was adopted as compounded rate for arriving at PV since they represent the cost incurred by the Government towards investment of funds for the year and therefore, considered as the minimum expected rate of return on investments made by the Government.
- For the purpose of PV calculation of State Government investment, the period beginning 2000-01 till 2019-20 has been taken, considering the investment of State Government in eight SPSEs as on 31 March 2000 as PV of State Government investment at the beginning of 2000-01.

The details of State Government investment in eight SPSEs in the form of equity, interest free loans and grants/subsidy since 2000-01 till 2019-20 is indicated in **Appendix 2.4**. The consolidated position of the PV of such State Government investment in these SPSEs is indicated in **Table 2.33**.

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<sup>18</sup> GHRSSIDCL, GSSTFDCL, GSIDCL, SIDCGL, GTDCL, KTCL, EDC and Goa-IDC

<sup>19</sup> The weighted average interest rate on Government securities was adopted from the Reports of the C&AG of India on State Finances, Government of Goa for the concerned year, wherein the average rate of interest paid was calculated as:  $\text{Interest payment} / \{(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities})/2\} * 100$

**Table 2.33: Year-wise details of investments made by the State Government in SPSEs and their present value till 2019-20**(*₹ in crore*)

Financial Year	Present Value of total investment at the beginning of the year	Equity infused by the State Government during the year	Interest free loans granted by the State	Grant/ Subsidy by State Government	Interest free loan converted into equity	Disinvestment by the State Government	Total investment during the year	Total investment at the end of the year	Average rate of interest on Government borrowings (in per cent)	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds	Total earnings (+)/losses (-) for the year
1	2	3	4	5	6	7	8= (3+4+5-6-7)	9= (2+8)	10	11=9{1+(10/100)}	12=9*10/100	13
2000-01	-	71.41	-	8.00	-	-	79.41	79.41	9.07	86.61	7.20	(7.18)
2001-02	86.61	10.10	-	5.62	-	-	15.72	102.33	9.47	112.02	9.69	(16.10)
2002-03	112.02	4.55	-	7.56	-	-	12.11	124.13	9.25	135.61	11.48	(32.64)
2003-04	135.61	12.37	-	8.72	-	-	21.09	156.70	8.95	170.72	14.02	(40.55)
2004-05	170.72	9.53	-	11.35	-	-	20.88	191.60	7.89	206.72	15.12	(18.39)
2005-06	206.72	1.93	-	8.88	-	-	10.81	217.53	8.54	236.11	18.58	(0.92)
2006-07	236.11	31.15	1.00	12.15	-	-	44.30	280.41	7.97	302.76	22.35	54.14
2007-08	302.76	25.80	-	8.65	-	-	34.45	337.21	7.46	362.37	25.16	96.97
2008-09	362.37	20.80	6.39	1.06	-	-	28.25	390.62	7.64	420.46	29.84	24.35
2009-10	420.46	12.59	-	1.11	-	-	13.70	434.16	7.79	467.98	33.82	25.40
2010-11	467.98	12.42	(0.60)	42.32	-	-	54.14	522.12	7.62	561.91	39.79	6.18
2011-12	561.91	16.90	(1.33)	30.95	-	-	46.52	608.43	7.59	654.61	46.18	(3.19)
2012-13	654.61	36.10	-	30.82	-	-	66.92	721.53	7.69	777.02	55.49	31.92
2013-14	777.02	0.50	(0.53)	88.15	-	-	88.12	865.14	7.44	929.51	64.37	22.64
2014-15	929.51	-	(0.53)	84.67	-	-	84.14	1013.65	7.59	1090.59	76.94	7.35
2015-16	1090.59	5.50	(0.53)	106.50	-	-	111.47	1202.06	7.30	1289.81	87.75	50.98
2016-17	1289.81	-	(0.72)	98.58	-	-	97.86	1387.67	7.09	1486.06	98.39	47.83
2017-18	1486.06	-	(0.55)	100.83	-	-	100.28	1586.34	7.03	1697.86	111.52	49.52
2018-19	1697.86	11.97	(0.54)	125.67	-	-	137.10	1834.96	6.95	1962.49	127.53	53.01
2019-20	1962.49	0.01	-	133.47	-	-	133.48	2095.97	6.82	2238.92	142.95	(101.51)
<b>Total</b>		<b>283.63</b>	<b>2.06</b>	<b>915.06</b>	<b>-</b>	<b>-</b>	<b>1200.75</b>					

(Source: Compiled from the latest accounts of SPSEs and information furnished by SPSEs) (Figures in parenthesis indicate losses)

The State Government investment in these eight SPSEs in the form of equity, interest-free loans and grants/subsidies increased from ₹ 79 crore in 2000-01 to ₹ 1,201 crore in 2019-20. The State Government made further investment of ₹ 1,121 crore<sup>20</sup> in the shape of equity (₹ 212 crore), interest-free loans (₹ two crore) and grants/subsidies (₹ 907 crore) during 2001-02 to 2019-20 as detailed in **Table 2.33**.

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

<sup>20</sup> ₹ 1,200.75 crore - ₹ 79.41 crore

The investments of the Government in eight SPSEs in the form of equity, interest free loans, and grants/subsidies for operational and management expenses are indexed to their PV and summated as indicated in **Table 2.34**. The RORR is thereafter calculated by dividing PAT by the sum of the PV of the investments as shown in **Table 2.34**.

**Table 2.34: RORR on State Government investments**

(₹ in crore)

Year	Total earnings (+)/losses (-) for the year	At historical cost		At Present Value <sup>21</sup> (PV)	
		Investment by Govt. in form of equity, IFL and grants	Return on Govt. investment (per cent)	PV of Govt. investment at end of year	Return on PV of Govt. investment (per cent)
2015-16	50.98	732.03	6.96	1289.81	3.95
2016-17	47.83	829.89	5.76	1486.06	3.22
2017-18	49.52	930.17	5.32	1697.86	2.92
2018-19	53.01	1067.27	4.97	1962.49	2.70
2019-20	(-101.51)	1200.75	(-8.45)	2238.92	(-4.53)

(Figures in parenthesis indicate losses)

As could be seen from the table above, when historical cost of investment of State Government is considered, return on investment ranged from (-) 8.45 per cent to 6.96 per cent during the last five years. Whereas, when the PV of funds infused by the State Government up to 31 March 2020 is considered, the RORR ranged from (-) 4.53 per cent to 3.95 per cent during the same period.

### Return on Equity of SPSEs

Return on Equity or ROE<sup>22</sup> is a measure of financial performance of Companies calculated by dividing net income by shareholders' equity.

The ROE of all the nine SPSEs (six profit-making and three loss-making) was 13.10 per cent in 2017-18, which turned to (-) 25.44 per cent in 2019-20.

**Table 2.35: ROE of nine SPSEs**

(₹ in crore)

Year	Net Income	Shareholders' Fund	Return on Equity (in per cent)
2017-18	63.61	485.41	13.10
2018-19	(-99.14)	393.72	(-25.18)
2019-20	(-100.34)	394.40	(-25.44)

(Source: Compiled from the latest accounts of SPSEs)

<sup>21</sup> Present value has been worked out based on the extent of information pertaining to grants/ subsidies furnished by SPSEs as on 31 October 2020.

<sup>22</sup> Return on Equity is calculated by dividing net income (i.e., net profit after taxes) by equity. Equity is calculated by adding paid up capital and free reserves net of accumulated losses and deferred revenue expenditure.

The ROE of the six profit-making SPSEs was 8.90 *per cent* in 2019-20 as compared to 9.19 *per cent* in 2018-19.

The sector-wise ROE of SPSEs where total equity of the sector was more than ₹ 20 crore during 2017-20 is depicted in **Table 2.36**.

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

<i>(In percentage)</i>				
Sr. No.	Sector	ROE during 2017-18	ROE during 2018-19	ROE during 2019-20
1	Industries & Commerce	16.94	9.63	9.63
2	Health & Welfare	0.74	3.88	1.38
3	PWD	16.39	5.44	5.44
4	Culture & Tourism	6.97	7.01	7.01

(Source: Latest accounts of SPSEs)

There was no monopoly<sup>23</sup> SPSE in Goa during 2019-20.

### **SPSEs Incurring Losses**

Three<sup>24</sup> out of nine SPSEs incurred losses during 2019-20. The losses incurred by these three SPSEs increased from ₹ 11.10 crore in 2017-18 to ₹ 139.74 crore in 2019-20 as shown in **Table 2.37**.

**Table 2.37: SPSEs that incurred losses during 2017-20**

Year	No. of SPSEs that incurred losses	Net loss for the year (₹ in crore)	Accumulated losses (₹ in crore)	Net worth (₹ in crore)
<b>Statutory Corporations</b>				
2017-18 <sup>25</sup>	00	-	-	-
2018-19	01	115.39	70.71	(-)18.85
2019-20	01	115.39	70.71	(-)18.85
<b>Government Companies</b>				
2017-18	02	11.10	148.71	(-)46.07
2018-19	02	24.35	159.87	(-)29.26
2019-20	02	24.35	159.87	(-)29.26
<b>Total</b>				
2017-18	02	11.10	148.71	(-)46.07
2018-19	03	139.74	230.58	(-)48.11
2019-20	03	139.74	230.58	(-)48.11

(Source: Latest accounts of SPSEs)

<sup>23</sup> A SPSE is classified as 'Monopolist' if there is no competition in the geographical area in which it operates (For instance: Konkan Railway Corporation).

<sup>24</sup> KTCL, SIDCGL and Goa-IDC

<sup>25</sup> During 2017-18, Goa-IDC (Statutory Corporation) earned profits.

Out of total loss of ₹ 139.74 crore incurred by three SPSEs during 2019-20, loss of ₹ 115.39 crore (83 *per cent*) was incurred by one statutory corporation (Goa-IDC) which falls under industries, trade and commerce sector.

Two SPSEs listed in **Table 2.38** incurred losses of more than ₹ 10 crore during 2019-20.

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

Sr. No.	Name of SPSE	Net loss (₹ in crore)
1	Kadamba Transport Corporation Limited	22.88
2	Goa Industrial Development Corporation Limited	115.39
<b>Total</b>		<b>138.27</b>

(Source: Latest accounts of SPSEs)

Losses incurred by these two SPSEs accounted for 99 *per cent* of the total losses incurred by three SPSEs during 2019-20.

### **Erosion of Capital in SPSEs**

As on 31 March 2020, five<sup>26</sup> out of nine SPSEs registered accumulated losses of ₹ 260.77 crore. Of the five SPSEs, two<sup>27</sup> SPSEs incurred losses amounting to ₹ 138.27 crore during 2019-20 while three<sup>28</sup> SPSEs did not incur any loss during 2019-20, even though they had accumulated losses of ₹ 30.19 crore at the end of March 2020.

Due to accumulated losses, net worth of four<sup>29</sup> out of five SPSEs had been completely eroded, as they registered a negative net worth of ₹ 88.83 crore against equity investment of ₹ 170.11 crore at the end of March 2020 (**Appendix 2.5**). Out of four SPSEs, whose capital had been completely eroded, two<sup>30</sup> SPSEs had earned profits of ₹ 1.43 crore during 2019-20. One SPSE (KTCL) with negative net worth of ₹ 51.42 crore had outstanding Government loans of ₹ 22.57 crore as on 31 March 2020.

During 2019-20, the State Government did not make any investments in loss-making Companies or Companies whose net worth were completely eroded.

### **Loans and Advances by the State Government**

In addition to investments in co-operative societies, corporations and companies, the State Government has also provided loans and advances to many institutions/organisations. **Table 2.39** presents the outstanding loans and advances as on 31 March 2020, interest receipts *vis-à-vis* interest payments during the last five years.

<sup>26</sup> GHRSSIDCL, GTDCL, KTCL, GEL & Goa-IDC

<sup>27</sup> KTCL and Goa-IDC

<sup>28</sup> GHRSSIDCL, GTDCL and GEL

<sup>29</sup> GHRSSIDCL, GEL, KTCL & Goa-IDC

<sup>30</sup> GHRSSIDCL and GEL

Table 2.39: Status of loans and advances

(₹ in crore)

Quantum of loans/interest receipts/cost of borrowings	2015-16	2016-17	2017-18	2018-19	2019-20
Opening Balance	83.65	76.14	71.03	97.81	95.77
Amount advanced during the year	2.69	3.41	33.93	3.10	13.42
Amount repaid during the year	10.20	8.52	7.15	5.14	3.58
<b>Closing balance</b>	<b>76.14</b>	<b>71.03</b>	<b>97.81</b>	<b>95.77</b>	<b>105.61</b>
Interest received (₹ in crore)	2.58	2.30	1.79	2.29	2.05
Interest receipts as <i>per cent</i> to average of outstanding loans and advances	3.22	3.12	2.12	2.37	2.04
Interest payments as <i>per cent</i> to outstanding borrowings of the Government	6.90	6.82	6.71	6.58	6.50
Difference between interest receipts and interest payments ( <i>per cent</i> )	3.68	3.70	4.59	4.21	4.46

(Source: Finance accounts of the State)

The total amount of outstanding loans and advances increased from ₹ 76 crore in 2015-16 to ₹ 106 crore in 2019-20. The disbursements during the year were ₹ 13 crore compared to ₹ three crore in the previous year (2018-19).

The loans were disbursed to housing boards (₹ 10 crore), co-operatives under NCDC Programme (₹ 0.16 crore), village and small-scale industries (₹ two crore) and ₹ 0.86 crore to Government Servants for purchase of motor conveyances and computers. The interest earned by the State Government on disbursed loans decreased from 2.29 *per cent* in 2018-19 to 2.05 *per cent* during 2019-20 while the State Government paid an average interest of 6.50 *per cent* to 6.90 *per cent* on its borrowings during 2015-20.

### Capital Locked in Incomplete Projects

An assessment of trends in capital blocked in incomplete capital works would also indicate the quality of capital expenditure. The year-wise details and age analysis of incomplete projects (more than ₹ one crore each) as on 31 March 2020 are shown in **Table 2.40** and **Table 2.41** respectively.

**Table 2.40: Year-wise details of incomplete projects as on 31 March 2020**

Year of commencement	No. of incomplete projects	Estimated cost (₹ in crore)	Expenditure (as on 31 March 2020) (₹ in crore)
2009-10	03	24.49	29.86
2010-11	04	33.22	30.35
2011-12	07	50.73	45.40
2012-13	04	65.42	51.18
2013-14	13	101.73	52.97
2014-15	13	162.11	147.11
2015-16	22	101.22	89.15
2016-17	16	58.36	40.60
2017-18	18	59.22	30.20
2018-19	76	229.58	69.68
2019-20	31	121.16	18.22
<b>Total</b>	<b>207</b>	<b>1007.24</b>	<b>604.72</b>

(Source: Finance accounts of the State)

**Table 2.40** shows that projects which commenced as early as 2009-10 remained incomplete as of 2019-20.

**Table 2.41: Age-analysis of incomplete projects as on 31 March 2020**

Sr. No.	Range of delay (in years)	Incomplete projects		
		No.	Estimated cost (₹ in crore)	Expenditure (as on 31 March 20) (₹ in crore)
1.	1-3	125	409.96	118.10
2.	3-5	38	159.58	129.75
3.	5-7	26	263.84	200.08
4.	7 and above	18	173.86	156.79
	<b>Total</b>	<b>207</b>	<b>1007.24</b>	<b>604.72</b>

(Source: Finance accounts of the State)

It could be seen from **Table 2.41** that expenditure of ₹ 156.79 crore had been incurred as on March 2020 in respect of 18 incomplete projects which were delayed by more than seven years.

Department-wise profile of incomplete projects as on 31 March 2020 is shown in **Table 2.42**.

**Table 2.42: Department-wise profile of incomplete projects as on 31 March 2020**

Department	No. of incomplete projects	Estimated cost (₹ in crore)	Expenditure (as on 31 March 2020) (₹ in crore)
Roads, Bridges and Buildings	157	524.18	347.86
Irrigation, Water Supply and Sanitation	50	483.06	256.86
<b>Total</b>	<b>207</b>	<b>1007.24</b>	<b>604.72</b>

(Source: Finance accounts of the State)

As per the information furnished by the State Government, there were 207 incomplete projects (more than ₹ one crore each) as on 31 March 2020 on which ₹ 604.72 crore had been spent. Significant time and cost escalation was noticed in Tillari Irrigation Project (a joint venture of Government of Maharashtra and Government of Goa) which remained incomplete due to delay in land acquisition. The cost escalation, if any, in other projects was not disclosed by the State Government in the finance accounts.

Blocking of funds in incomplete projects/works negatively impacts the quality of expenditure and deprives the State of the intended benefits. Further, the funds borrowed for implementation of these projects during the respective years led to the additional fiscal burden in terms of servicing of debt and interest liabilities. Effective steps need to be taken to expeditiously complete all the projects so that the benefits may reach the people and further cost overruns is avoided.

#### 2.4.4 Expenditure Priorities

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

**Table 2.43** shows the fiscal priority of the State with regard to aggregate expenditure, development expenditure, social sector expenditure, economic sector expenditure and capital expenditure *vis-à-vis* GCS in 2015-16 and 2019-20.

**Table 2.43: Fiscal priority of the State in 2015-16 and 2019-20**

	(₹ in crore)						
	AE/ GSDP	CE/AE	SSE/AE	ESE/AE	DE/AE	Education/ AE	Health /AE
<b>General Category States Average (2015-16)</b>	16.97	14.81	36.09	34.19	70.29	15.68	4.79
<b>Goa State</b>	18.25	16.15	35.10	36.65	71.75	14.88	5.71
<b>General Category States Average (2019-20)</b>	15.15	12.97	36.73	28.69	65.42	15.91	5.21
<b>Goa State</b>	16.53	12.49	37.04	30.94	67.99	16.26	8.48

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

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

- The ratio of aggregate expenditure (AE) to GSDP for Goa in 2015-16 and 2019-20 was higher as compared to GCS. This meant that Goa was spending more as a proportion of its GSDP when compared to GCS.
- Development expenditure (DE) consists of both economic sector expenditure and social sector expenditure. The expenditure on

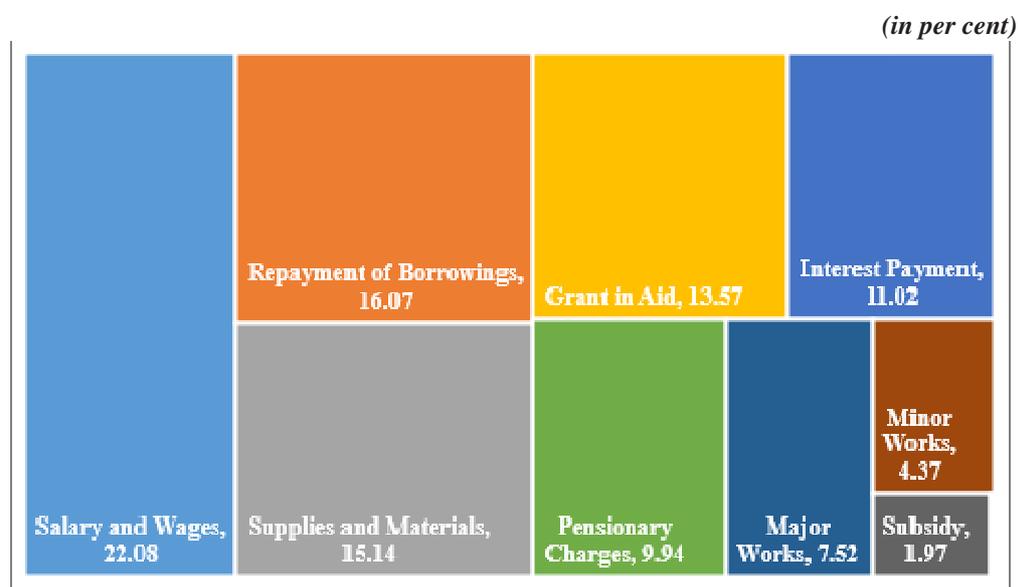
economic sector as a proportion of AE in the State was higher than the GCS average in 2015-16 and 2019-20. The ratio of social sector expenditure to AE was lower in 2015-16 and higher in 2019-20 as compared to GCS.

- DE as a proportion of AE for Goa was higher than GCS in 2015-16 and 2019-20.
- Capital expenditure (CE) increases asset creation and generates opportunities for higher growth. In respect of CE to AE, the State spent more than GCS in 2015-16 but marginally less than GCS in 2019-20.
- Goa’s spending on education, sports, art and culture as a proportion of AE was less than GCS in 2015-16 but the State spent more than GCS in 2019-20.
- The State Government has given higher fiscal priority to health and family welfare during 2015-16 and 2019-20, as their ratios to AE were significantly higher than that of GCS.

#### 2.4.5 Object Head Wise Expenditure

The object head wise expenditure during 2019-20 showing information regarding specific object/purpose of the expenditure is presented in Chart 2.16.

Chart 2.16: Object head wise expenditure



(Source: Finance accounts of the State)

During 2019-20, 56.61 per cent of total expenditure was spent on salary, pension, grants-in-aid (non-salary) and interest payments while the remaining 43.39 per cent was spent on other purposes.

## 2.5 Public Account

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

### 2.5.1 Net Public Account Balances

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

**Table 2.44: Component-wise net balances in public account as of 31 March 2020**

(₹ in crore)						
Sector	Sub-Sector	2015-16	2016-17	2017-18	2018-19	2019-20
I. Small Savings, Provident Funds, <i>etc.</i>	Small Savings, Provident Funds, <i>etc.</i>	113	122	236	107	74
J. Reserve Funds	(a) Reserve Funds bearing Interest	07	06	06	04	249
	(b) Reserve Funds not bearing Interest	279	163	178	127	37
	<b>Sub-total:</b>	<b>286</b>	<b>169</b>	<b>184</b>	<b>131</b>	<b>286</b>
K. Deposits and Advances	(a) Deposits bearing Interest	(-)44	(-)52	129	111	142
	(b) Deposits not bearing Interest	(-)28	51	48	10	44
	(c) Advances	-	(-)01	-	-	-
	<b>Sub-total:</b>	<b>(-)72</b>	<b>(-)02</b>	<b>177</b>	<b>121</b>	<b>186</b>
L. Suspense and Miscellaneous	(b) Suspense	(-)125	(-)56	23	(-)18	12
	(c) Other Accounts	(-)60	05	(-)48	94	(-)120
	(d) Accounts with Governments of Foreign Countries	-	-	-	-	-
	(e) Miscellaneous	-	-	-	-	-
	<b>Sub-total:</b>	<b>(-)185</b>	<b>(-)51</b>	<b>(-)25</b>	<b>76</b>	<b>(-)108</b>
M. Remittances	(a) Money Orders, and other Remittances	(-)94	(-)139	(-)164	60	61
	(b) Inter-Governmental Adjustment Account	-	-	-	-	-
	<b>Sub-total:</b>	<b>(-)94</b>	<b>(-)139</b>	<b>(-)164</b>	<b>60</b>	<b>61</b>
	<b>Total</b>	<b>48</b>	<b>99</b>	<b>408</b>	<b>495</b>	<b>499</b>

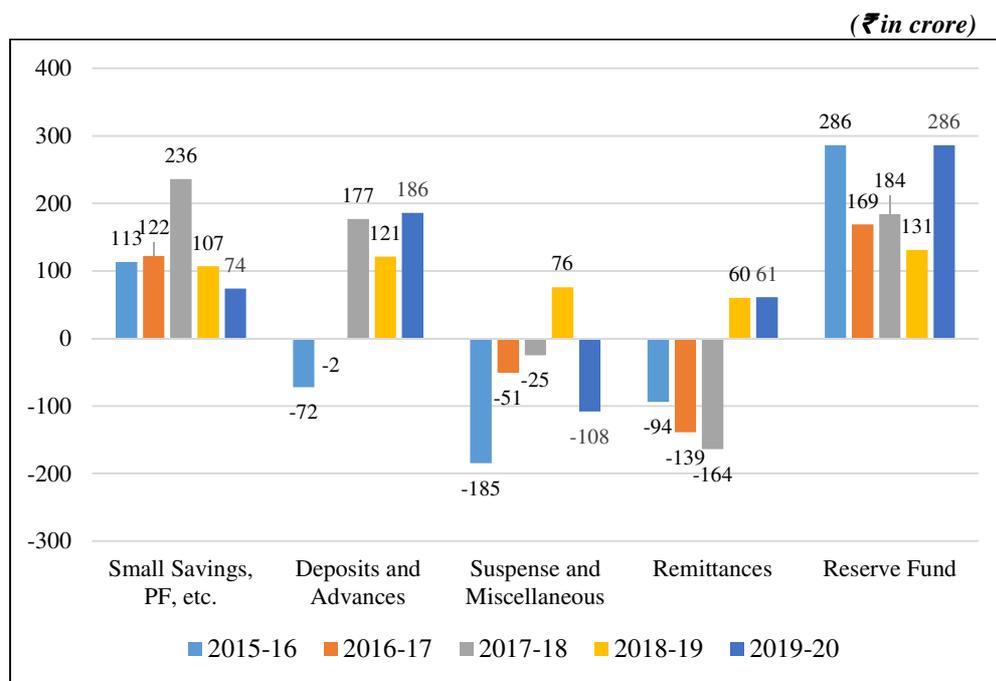
(Source: Finance accounts of the State)

The net public account receipts increased at an average annual growth rate of 84.94 per cent during 2015-20 and increased from ₹ 48 crore in 2015-16 to

₹ 499 crore in 2019-20. The net public account receipts available for use to the State Government during 2019-20 stood at ₹ 499 crore.

The yearly changes in composition of balances in public account over the five-year period (2015-20) are given in **Chart 2.17**.

**Chart 2.17: Yearly changes in composition of public account balances**



(Source: Finance accounts of the State)

## 2.5.2 Reserve Funds

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

There were nine reserve funds earmarked for specific purposes during 2019-20 of which, two funds were inoperative with a balance of ₹ three crore. The total accumulated balance in these funds as on 31 March 2020 was ₹ 2,137 crore of which, ₹ 1,031 (48 per cent) crore was invested. Transactions under reserve fund during 2019-20 are shown in **Table 2.45**. An account of these funds is included in Statement No. 21 & 22 of finance accounts 2019-20.

Table 2.45: Transactions under reserve funds

(₹ in crore)				
Classification	Opening balance	Receipts	Payment	Closing balance
<b>Active reserve funds</b>				
8121-122-State Disaster Response Fund	49.82	11.20	0.01	61.01
8121-129- State Compensatory Fund	-	238.16	-	238.16
8222-101-Sinking Fund	612.62	38.99	-	651.61
8229-110-Electricity Development Fund	851.65	145.00	172.88	823.77
8235-117-Guarantee Redemption Fund	309.24	21.28	-	330.52
8235-200-Beaches Improvement Fund	23.84	4.59	-	28.43
8229-123-State Consumer Welfare Funds	0.20	0.02	-	0.22
<b>Total</b>	<b>1847.37</b>	<b>459.24</b>	<b>172.89</b>	<b>2133.72</b>
<b>Inoperative reserve funds</b>				
8235-119-National Calamity Contingency Fund	2.99	-	-	2.99
8235-200-Special Fund for Compensatory Afforestation	0.08	-	-	0.08
<b>Total</b>	<b>3.07</b>	<b>-</b>	<b>-</b>	<b>3.07</b>
<b>Grand Total</b>	<b>1850.44</b>	<b>459.24</b>	<b>172.89</b>	<b>2136.79</b>

(Source: Finance accounts of the State)

### 2.5.2.1 Consolidated Sinking Fund

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

The Government of Goa constituted a consolidated sinking fund from 1999-2000 for amortisation of outstanding liabilities. The Scheme for 'Constitution and Administration of the Consolidated Sinking Fund of Government of Goa' notified on 17 December 2009 provided for a minimum annual contribution by the State Government at 0.5 per cent of the outstanding liabilities at the end of the previous financial year.

The fund had an opening balance of ₹ 613 crore on 01 April 2019 and interest earned on the fund during the year was ₹ 39 crore. The State Government did not make any contribution to the fund during the year. The fund had a closing balance of ₹ 652 crore as on 31 March 2020.

### 2.5.2.2 State Disaster Response Fund

As per recommendations of FC XIII, the State Government had been operating the 'State Disaster Response Fund' with effect from 2010-11. In terms of GoI guidelines (September 2010), the Central and State Governments were required to contribute to the fund in the ratio of 75:25.

The contributions were to be transferred to the Public Account to Major Head – 8121. Expenditure during the year is incurred by operating Major Head – 2245.

As on 01 April 2019, the fund had an opening balance of ₹ 50 crore. During 2019-20, the State Government transferred ₹ 11 crore<sup>31</sup> to the fund. Of the total available balance of ₹ 61.02 crore, an expenditure of ₹ 0.016 crore was incurred during the year, leaving a balance of ₹ 61 crore in the fund at the end of March 2020. Out of ₹ 61 crore, Government invested ₹ 49 crore (81 per cent) during the year and the remaining ₹ 12 crore was held in cash.

**Table 2.46: Details of expenditure charged to SDRF during 2019-20**

(₹ in crore)

Major Head of Account	Minor Head of Account	Expenditure during 2019-20
2245- Relief on Account of Natural Calamities 02- Floods, Cyclones etc.	101-Gratuitous Relief	3.71
	106-Repairs and Restoration of Damaged Roads and Bridges	-
	122-Repairs and Restoration of Damaged Irrigation and Flood Control Works	-
	193-Assistance to Local Bodies and Other Non-Government Bodies/ Institutions	-
	911- Deduct-Recoveries of Overpayments	-
	<b>Sub-Total</b>	<b>3.71</b>
2245- Relief on Account of Natural Calamities 80- General	800-Other Expenditure	0.67
	911- Deduct-Recoveries of Overpayments	-
	<b>Sub-Total</b>	<b>0.67</b>
	<b>Grand Total</b>	<b>4.38</b>
05-State Disaster Response Fund	901- Deduct - Amount met from State Disaster Response Fund	-

(Source: Finance accounts of the State)

### 2.5.2.3 Guarantee Redemption Fund

The State Government set up a Guarantee Redemption Fund (GRF) during 2003-04 with the objective of meeting payment obligations arising out of guarantees issued by it in respect of bonds issued and other borrowings by the SPSEs or other bodies. The accumulations in the fund are to be utilised only towards payment of guarantees issued by the Government and not paid by the institution on whose behalf guarantees were issued.

At the beginning of the year, ₹ 309 crore was available in the fund. Interest received on investment at the end of the year was ₹ 21 crore and the closing balance in the fund was ₹ 330 crore. There was no contribution by the State

<sup>31</sup> Central share: ₹ three crore; State share: ₹ one crore; interest earned: ₹ 2.78 crore; and maturity amount on fixed deposit made on 29 March 2019: ₹ 4.42 crore

Government towards the fund during the year. The entire balance of ₹ 330 crore was reinvested in Government securities. During 2019-20, no amount was paid by the State Government on account of invocation of guarantees.

## 2.6 Debt Management

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

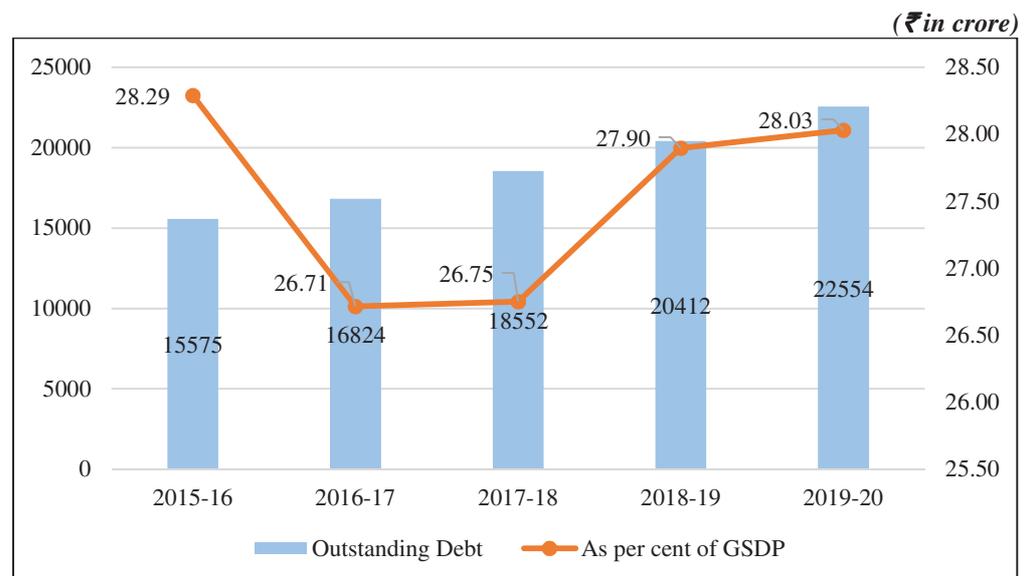
According to the Goa Fiscal Responsibility and Budget Management Act, 2006, "total liabilities" (herein termed as total outstanding debt) means the liabilities under the Consolidated Fund of the State and the public account of the State.

**Table 2.47: Total outstanding debts during 2015-20**

	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Total outstanding Debt<sup>32</sup></b>	15575	16824	18552	20412	22554
<b>Rate of growth of outstanding Overall debt (percentage)</b>	12.24	8.02	10.27	10.03	10.49
<b>Gross State Domestic Product (GSDP)</b>	55054	62976	69352	73170	80449
<b>Debt/GSDP (per cent)</b>	28.29	26.71	26.75	27.90	28.03

(Source: Finance accounts of the State)

**Chart 2.18: Trend of outstanding debts during 2015-20**



(Source: Finance accounts of the State)

<sup>32</sup> Includes liabilities under the Consolidated Fund of the State and the public account of the State

The overall debt of the State Government increased at an average annual growth rate of 10.21 *per cent* from ₹ 15,575 crore in 2015-16 to ₹ 22,554 crore in 2019-20. During 2019-20, it increased by 10.49 *per cent* over the previous year. These liabilities were nearly twice the revenue receipts (₹ 11,297 crore) and more than three times the State's own resources (₹ 7,437 crore) during 2019-20.

### 2.6.1 Debt Profile: Components

Table 2.48 presents the components-wise overall debt indicators for the period 2015-20.

Table 2.48: Component-wise debt trends

		(₹ in crore)				
		2015-16	2016-17	2017-18	2018-19	2019-20
<b>Total outstanding debt</b>		15575	16824	18552	20412	22554
<b>Public Debt</b>	<b>Internal Debt</b>	10176	11162	12388	14019	15746
	<b>Loans from GoI</b>	1168	1233	1223	1201	1148
<b>Public Account Liabilities</b>		4231	4429	4941	5192	5660
<b>Rate of growth of outstanding debt (per cent)</b>		12.24	8.02	10.27	10.03	10.49
<b>Gross State Domestic Product (GSDP)</b>		55054	62976	69352	73170	80449
<b>Debt/GSDP (per cent)</b>		28.29	26.71	26.75	27.90	28.03
<b>Interest payments</b>		1075	1148	1244	1344	1465
<b>Burden of interest payments (IP/RR)</b>		12.57	12.00	11.25	11.75	12.97
<b>Total Debt Receipts</b>		5293	4432	4616	6444	5351
<b>Total Debt Repayments (Debt redemption)</b>		4670	4331	4132	5928	4674
<b>Total Debt Available</b>		623	101	484	516	677
<b>Debt Repayments/Debt Receipts (per cent)</b>		88	98	90	92	87

(Source: Finance accounts of the State)

The overall debt (₹ 22,554 crore) of the State Government at the end of financial year 2019-20 comprised internal debt of ₹ 15,746 crore (70 *per cent*), public account liability of ₹ 5,660 crore (25 *per cent*) and loans and advances from GoI of ₹ 1,148 crore (five *per cent*). The internal debt comprised of market loans (₹ 13,010 crore), special securities issued to NSSF (₹ 2,138 crore), NABARD (₹ 546 crore) and loans from financial institutions (₹ 52 crore).

During 2019-20, the overall debt increased by ₹ 2,142 crore as compared to previous year mainly due to increase in public debt (₹ 1,674 crore), small savings and provident funds<sup>33</sup> (₹ 74 crore), reserve funds (₹ 209 crore) and deposits<sup>34</sup> (₹ 185 crore).

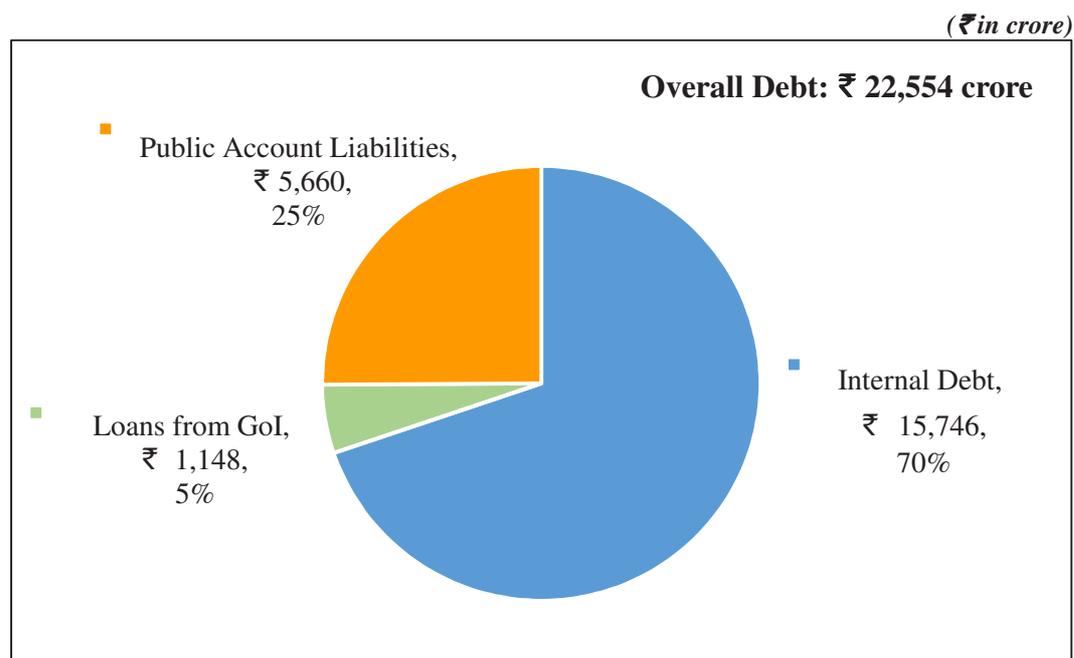
<sup>33</sup> Small Savings and Provident Fund include State Provident Fund and Pension Funds which are liable to be repaid by the Government to the subscribers and depositors.

<sup>34</sup> Deposits include Security Deposits, Deposits from Government Companies, Corporations *etc.*, Defined Contribution Pension Scheme for Government Employees and Civil Deposits, which are liable to be repaid by the Government to the subscribers and depositors.

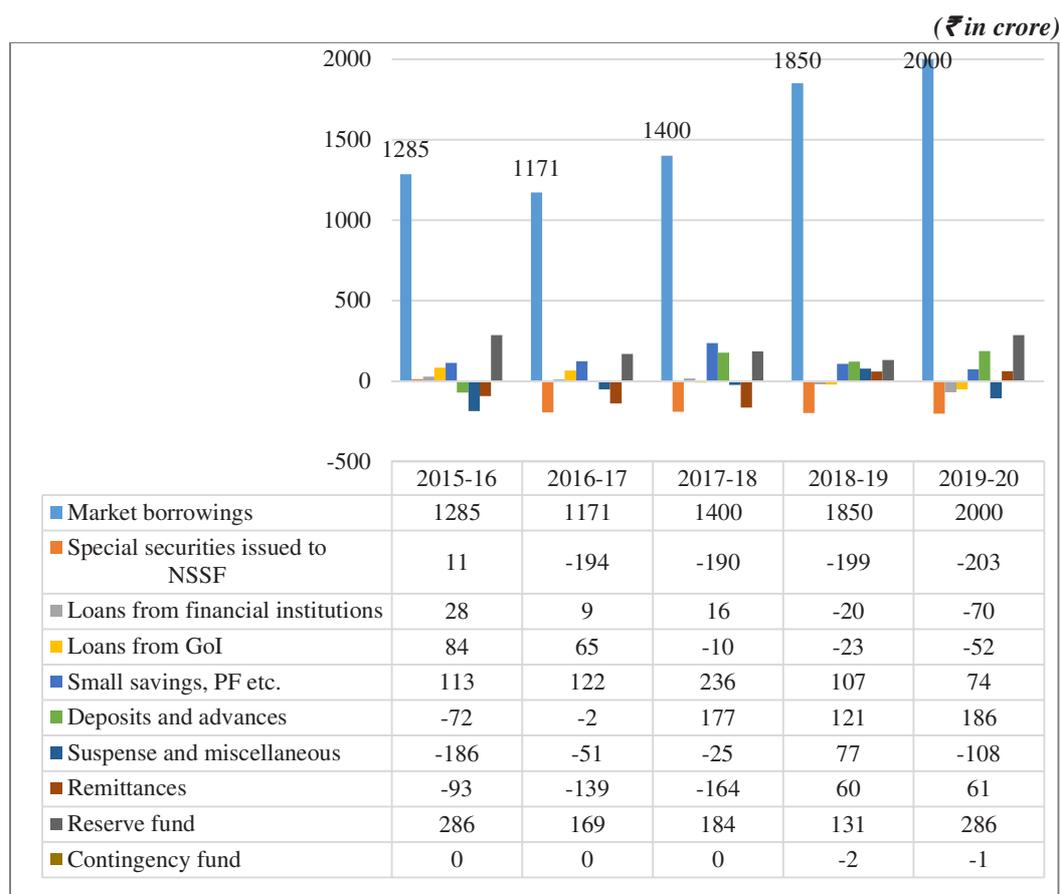
The overall debt-GSDP ratio increased from 26.71 *per cent* in 2016-17 to 28.03 *per cent* in 2019-20. The State, thus, could not achieve the target of 25 *per cent* fixed under Goa FRBM (First Amendment) Act, 2014 and 24.92 *per cent* set forth by FC XIV.

**Chart 2.19** presents the break-up of total outstanding debt at the end of March 2020 while the component-wise debt trend during last five years is shown in **Chart 2.20**.

**Chart 2.19: Break-up of total outstanding debt at the end of March 2020**

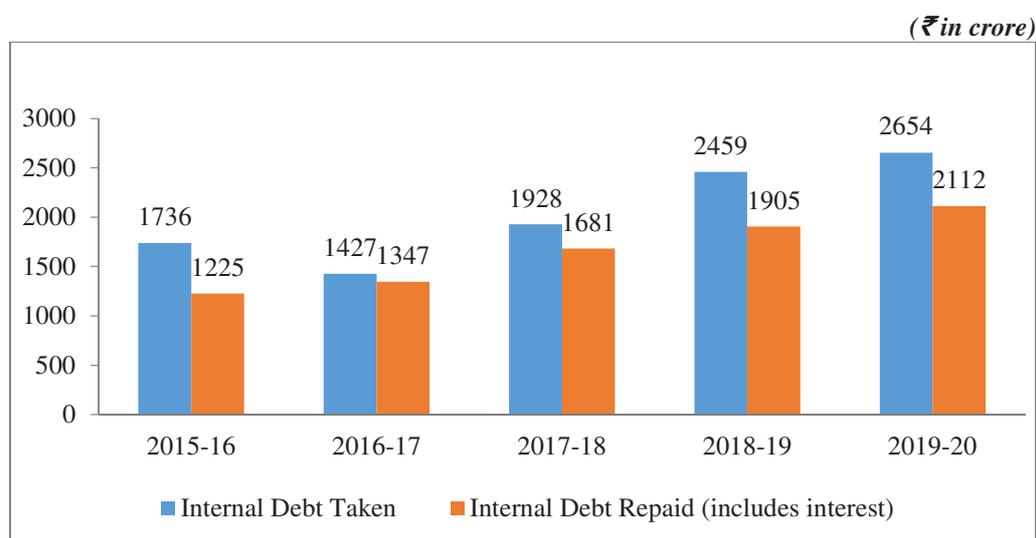


**Chart 2.20: Component-wise debt trend**



(Source: Finance accounts of the State)

**Chart 2.21: Trend of internal debt taken vis-à-vis repaid**



(Source: Finance accounts of the State)

### Components of Fiscal Deficit and its Financing Pattern

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

Table 2.49 shows the item-wise net disbursements/outflow financing pattern of fiscal deficit during 2015-20.

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

		(₹ in crore)				
Particulars	2015-16	2016-17	2017-18	2018-19	2019-20	
<b>Components of Fiscal Deficit</b>	<b>(-1483)</b>	<b>(-934)</b>	<b>(-1610)</b>	<b>(-1792)</b>	<b>(-1994)</b>	
1 Revenue Deficit	132	699	511	355	(-325)	
2 Net Capital Expenditure <sup>35</sup>	(-1622)	(-1639)	(-2094)	(-2149)	(-1660)	
3 Net Loans and Advances	07	06	(-27)	02	(-9)	
<b>Financing Pattern of Fiscal Deficit</b>						
1 Market Borrowings	1285	1171	1400	1850	2000	
2 Loans from GoI	84	65	(-10)	(-23)	(-52)	
3 Special Securities issued to NSSF	11	(-194)	(-190)	(-199)	(-203)	
4 Loans from Financial Institutions	28	09	16	(-20)	(-70)	
5 Small Savings, PF, etc.	113	122	236	107	74	
6 Deposits and Advances	(-72)	(-2)	177	121	186	
7 Suspense and Miscellaneous	(-186)	(-51)	(-25)	77	(-108)	
8 Remittances	(-93)	(-139)	(-164)	60	61	
9 Reserve Fund	286	169	184	131	286	
10 Contingency Fund	-	-	-	(-02)	(-01)	
<b>Overall Deficit</b>	<b>1456</b>	<b>1150</b>	<b>1624</b>	<b>2102</b>	<b>2173</b>	
11 Increase(-)/Decrease in cash balance(+)	27	(-216)	(-14)	(-310)	(-179)	

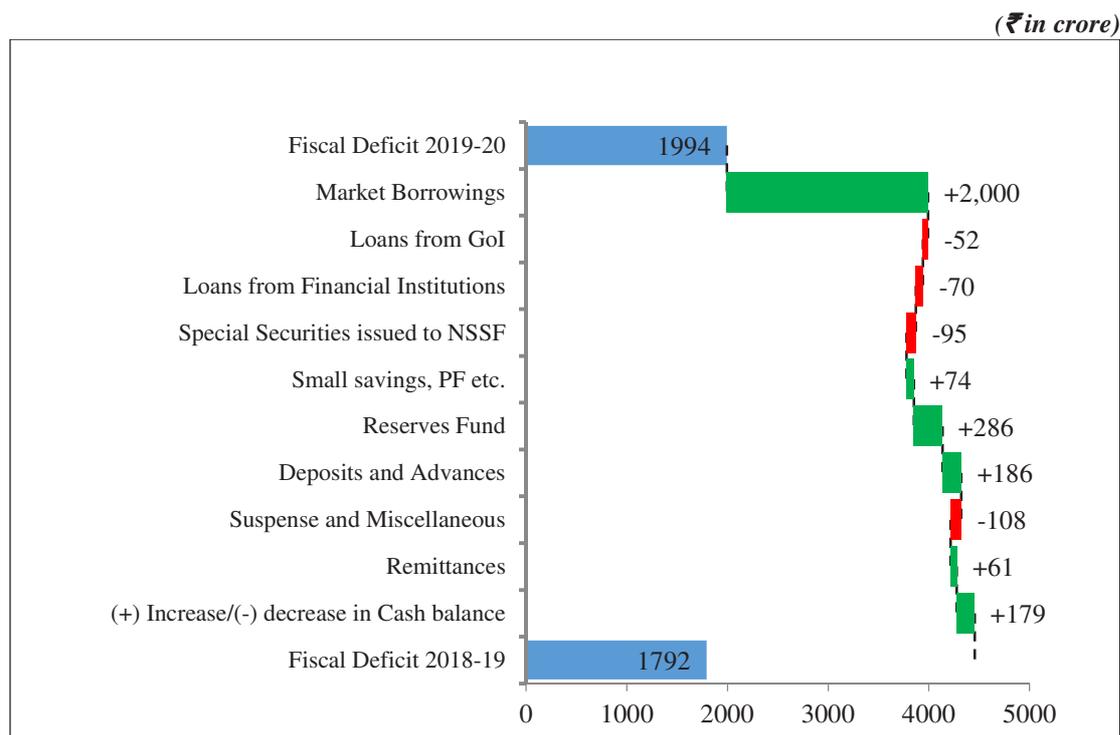
(Source: Finance accounts of the State)

Table 2.49 reveals that during the last five years, market borrowings and net accretions to public account (small savings, deposits and advances, reserve fund etc.) had been the main sources utilised by the State Government to finance its fiscal deficit. During 2019-20, net market borrowings (₹ 2,000 crore), net accretions to reserve fund (₹ 286 crore), deposits and advances (₹ 186 crore) and small savings, PF etc. (₹ 74 crore) were used for bridging the fiscal deficit of the State.

During 2019-20, the State Government raised ₹ 2,600 crore as market loans at an average interest rate of 7.27 per cent and ₹ 54 crore from NABARD. The State Government also received loans amounting to ₹ 45.68 crore from GoI at an average interest rate of 4.11 per cent for externally aided projects during the year.

Chart 2.22 shows the financing of fiscal deficit during 2019-20, expressed through a water flow chart.

<sup>35</sup> Net capital expenditure is the total of miscellaneous capital receipts minus capital expenditure

**Chart 2.22: Financing of fiscal deficit expressed through a water flow chart**

(Source: Finance accounts of the State)

### 2.6.2 Debt profile: Maturity and Repayment

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

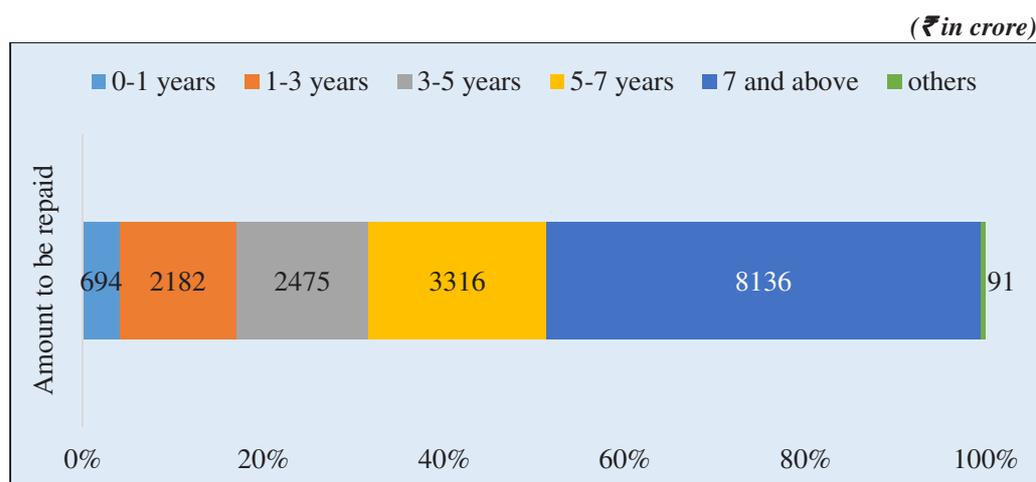
Of the total outstanding debt of ₹ 22,554 crore as at the close of 2019-20, ₹ 5,660 crore pertained to 'Other Liabilities'. The maturity profile of the remaining public debt (₹ 16,894 crore) is shown in **Table 2.50** and **Chart 2.23**.

**Table 2.50: Debt maturity profile of repayment of State debt**

Period of repayment (Years)	Amount (₹ in crore)	Percentage (w.r.t. public debt)
0 – 1	694.34	4.10
1 – 3	2182.43	12.92
3 – 5	2474.87	14.65
5 – 7	3315.66	19.63
7 and above	8135.52	48.16
Loans pertaining to Union Territory	91.30	0.54
<b>Total</b>	<b>16894.12</b>	<b>100</b>

(Source: Finance accounts of the State)

Chart 2.23: Debt maturity profile



(Source: Finance accounts of the State)

The maturity profile of outstanding stock of public debt as on 31 March 2020 indicates that 51 *per cent* of the total public debt (₹ 8,667 crore) would be repayable within the next seven years which may put a strain on the Government budget during that period. Remaining 49 *per cent* (₹ 8,227 crore) would become due for servicing after seven years.

Further, the State has repeatedly breached the target of debt-GSDP ratio of 25 *per cent* set out in Goa FRBM (First Amendment) Act, 2014 during the last five years. In fact, the debt-GSDP ratio increased from 26.75 *per cent* in 2017-18 to 28.03 *per cent* in 2019-20. Besides, mounting committed expenditure over the last five years and a revenue deficit during the current year are other compelling grounds for the State Government to work out a well-thought out debt management strategy so as to avoid falling into a debt trap.

### Repayment Schedule of Market Loans

Market borrowings continued to finance a major portion of fiscal deficit. Of the public debt of ₹ 16,894 crore, the share of market borrowings amounts to ₹ 13,010 crore (77 *per cent*). The repayment schedule of outstanding market loans and interest on these loans are depicted below in **Table 2.51** and **Chart 2.24**.

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

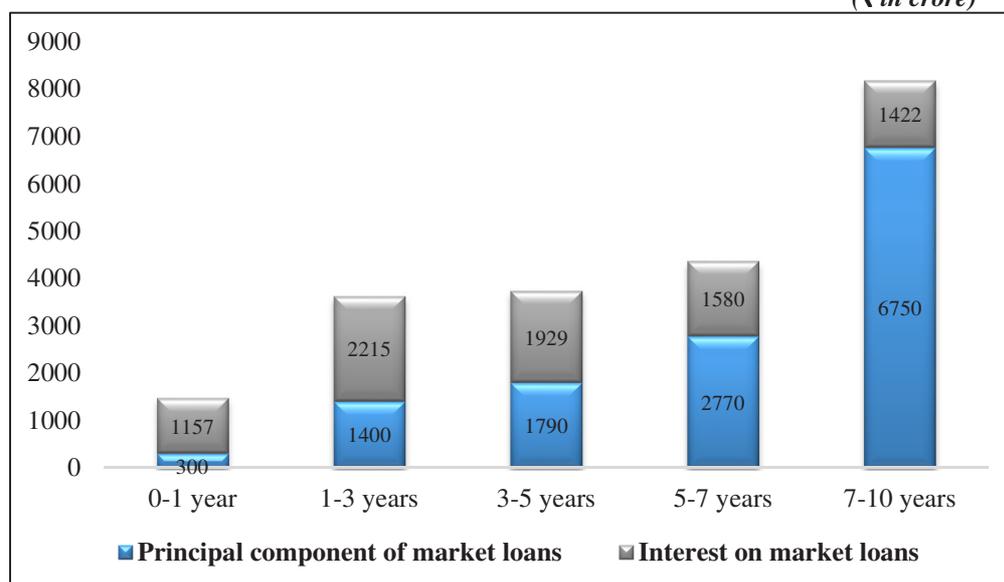
(₹ in crore)

Period of repayment (Years)	Repayment of market loans (Principal component)	Repayment of market loans (Interest component)
0 – 1	300	1156.92
1 – 3	1400	2214.61
3 – 5	1790	1929.11
5 – 7	2770	1580.17
7 -10	6750	1422.28
<b>Total</b>	<b>13010</b>	<b>8303.09</b>

(Source: Information received from Directorate of Accounts)

**Chart 2.24: Repayment schedule of market loans and interest on market loans**

(₹ in crore)



(Source: Information received from Directorate of Accounts)

The State Government would have to repay market loans of ₹ 1,700 crore and pay interest of ₹ 3,371.53 crore in next three financial years *i.e.*, up to 2022-23. In the following two years *i.e.*, up to 2024-25, principal of ₹ 1,790 crore and interest of ₹ 1,929 crore would be payable. The total principal repayment along with interest would be approximately ₹ 8,791 crore during next five years up to 2024-25.

During the subsequent periods between 2025-26 and 2029-30, the State Government would have to repay the principal amount of ₹ 9,520 crore together with interest of ₹ 3,002 crore. As such, the annual outgo on account of principal and interest during the five-year (2025-30) would be approximately ₹ 2,504 crore.

## 2.7 Debt Sustainability Analysis

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

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

**Table 2.52** analyses the debt sustainability of the State according to relevant indicators for a period of five years beginning from 2015-16.

**Table 2.52: Trends in debt sustainability indicators**

Debt Sustainability Indicators	2015-16	2016-17	2017-18	2018-19	2019-20
Outstanding public debt* (₹ in crore)	11344	12395	13611	15220	16894
Rate of growth of outstanding public debt (per cent)	14.17	9.26	9.81	11.82	11.00
GSDP (₹ in crore)	55054	62976	69352	73170	80449
Rate of growth of GSDP (per cent)	15.14	14.39	10.12	5.51	9.95
Outstanding public debt/GSDP (per cent)	20.61	19.68	19.63	20.80	21.00
Debt maturity profile of repayment of State debt – including default history, if any (₹ in crore)	11344	12395	13611	15220	16894
Public debt receipts (₹ in crore)	1847	1519	2006	2529	2700
Public debt payments (₹ in crore)	439	468	790	920	1025
Interest paid on outstanding public debt (₹ in crore)	836	926	999	1096	1207
Average interest rate of outstanding public debt (per cent)	7.85	7.80	7.68	7.60	7.52
Percentage of interest payment to revenue receipts	9.77	9.68	9.03	9.58	10.68
Percentage of public debt repayment to public debt receipts	23.77	30.81	39.39	36.38	37.96
Net debt available to the State# (₹ in crore)	572	126	217	513	468
Net debt available as per cent to public debt receipts	30.97	8.29	10.82	20.28	17.33

(Source: Finance accounts of the State)

\*Outstanding Public Debt is the sum of outstanding balances under the heads 6003-Internal Debt and 6004- Loans and Advances from the Central Government.

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

Analysis of various debt sustainability indicators as shown in **Table 2.52** revealed the following.

- During the past two years (2018-20), public debt grew at a faster rate than the rate of growth of GSDP.

- During the past three years, the debt-GSDP ratio increased from 19.63 per cent in 2017-18 to 21 per cent in 2019-20.

The burden of interest payment on public debt as percentage of revenue receipts increased from 9.58 per cent in 2018-19 to 10.68 per cent in 2019-20. The percentage of public debt repayment to public debt receipts during 2019-20 also increased over the previous year. This indicated the need to review the sustainability of debt of the State.

### 2.7.1 Utilisation of Borrowed Funds

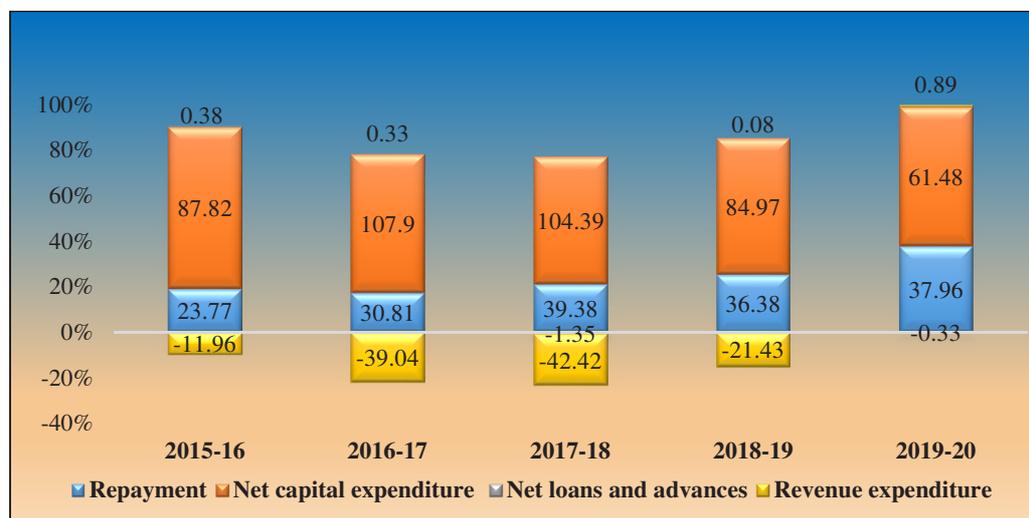
Borrowed funds should ideally be used to fund capital creation and developmental activities. Using borrowed funds for meeting current consumption and repayment of interest on outstanding loans is not sustainable.

**Table 2.53: Utilisation of borrowed funds**

(₹ in crore)						
Year		2015-16	2016-17	2017-18	2018-19	2019-20
<b>Total Borrowings</b>	<b>2</b>	1847	1519	2006	2529	2700
<b>Repayment of earlier borrowings (Principal) (percentage)</b>	<b>3</b>	439 (23.77)	468 (30.81)	790 (39.38)	920 (36.38)	1025 (37.96)
<b>Net capital expenditure (Percentage)</b>	<b>4</b>	1622 (87.82)	1639 (107.90)	2094 (104.39)	2149 (84.97)	1660 (61.48)
<b>Net loans and advances</b>	<b>5</b>	07	05	(-)27	02	(-)9
<b>Portion of Revenue expenditure met out of net available borrowings</b>	<b>6=2-3-4-5</b>	(-)221	(-)593	(-)851	(-)542	24

(Source: Finance accounts of the State)

**Chart 2.25: Trend of utilisation of borrowed funds**



(Source: Finance accounts of the State)

**Table 2.53** shows that surplus on revenue account provided more fiscal space to the State Government during 2015-16 to 2018-19 to increase its capital spending. During 2015-19, funds to the extent of 12 per cent to 42 per cent were used from the revenue account<sup>36</sup> for capital creation. However, during

<sup>36</sup> Excluding interest paid on earlier borrowings

2019-20, borrowing of ₹ 24 crore (0.89 per cent) was used for meeting the revenue expenditure.

### 2.7.2 Status of Guarantees – Contingent Liabilities

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

**Table 2.54: Guarantees given by the State Government**

(₹ in crore)

Guarantees	2015-16	2016-17	2017-18	2018-19	2019-20
Ceiling applicable to the outstanding amount of guarantees including interest (Criteria)	1500.00	1500.00	1500.00	1500.00	1500.00
Outstanding amount of guarantees including interest	622.55	841.91	740.94	1092.90	882.85

(Source: Finance accounts of the State)

The Goa Legislature fixed (September 2015) a limit of ₹ 1,500 crore on the outstanding guarantees. The outstanding guarantees at ₹ 883 crore during 2019-20 decreased by ₹ 210 crore from the previous year and was within the ceiling limit specified by the State Legislature. Of the total outstanding guarantees of ₹ 883 crore, ₹ 461 crore (52.21 per cent) pertained to Goa State Infrastructure Development Corporation and ₹ 49 crore (5.54 per cent) pertained to Sewerage and Infrastructural Development Corporation of Goa Limited. The outstanding guarantees also included ₹ 318 crore (36.01 per cent) pertaining to Bank of India for loans sanctioned to Housing Development Finance Corporation and Government servants against construction/purchase of houses and motor cars. The outstanding guarantees accounted for 7.82 per cent of the total revenue receipts of the State Government (₹ 11,297 crore). The State Government has exempted the borrowing institutions from the payment of guarantee fees.

During 2019-20, no amount was paid by the State Government on account of invocation of guarantees.

### 2.7.3 Cash Balances

As per an agreement with the RBI, State Government has to maintain a minimum daily cash balance of ₹ 0.19 crore with the Bank. The balance in excess of ₹ 0.19 crore is invested by the RBI in 14 days intermediate treasury bills for a minimum amount of ₹ 0.01 crore and in multiple of ₹ 0.01 crore. If

the balance falls below the agreed minimum on any day, the deficiency is made good by taking ordinary Ways and Means Advances (WMA)/Special Ways and Means Advances (SWMA)/Overdrafts (OD) from time to time. The limit for ordinary WMA to the State Government are revised by the RBI from time to time.

The limit for ordinary WMA to the State Government was ₹ 272 crore with effect from 01 April 2019 to 31 March 2020 while it was ₹ 274.04 crore for SWMA for the same period.

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

**Table 2.55: Cash balances and their investment**

(₹ in crore)

	Opening balance (01 April 2019)	Closing balance (31 March 2020)
<b>A. General Cash Balance</b>		
Cash in treasuries	-	-
Deposits with Reserve Bank of India	0.45	64.26
Deposits with other Banks	-	-
Remittances in transit – Local	-	-
Investments held in cash balance investment account	349.14	387.64
<b>Total (A)</b>	<b>349.59</b>	<b>451.90</b>
<b>B. Other Cash Balances and Investments</b>		
Cash with Departmental Officers <i>viz.</i> , Public Works Department, Forest Department, District Collectors <i>etc.</i>	1.48	1.52
Permanent advances for contingent expenditure with Departmental officers	0.32	0.33
Investment in earmarked funds	954.18	1031.37
<b>Total (B)</b>	<b>955.98</b>	<b>1033.22</b>
<b>Total (A + B)</b>	<b>1305.57</b>	<b>1485.12</b>
<b>Interest realised</b>	<b>6.22</b>	<b>45.66</b>

(Source: Finance accounts of the State)

Cash Balance of the State Government worked out by the office of the Director of Accounts, Government of Goa as on 31 March 2020 was ₹ 64.26 crore (Debit). The cash balance reported by RBI as on 31 March 2020 was ₹ 64.78 crore (Credit). Thus, there was a difference of ₹ 0.52 crore (Debit) between the two figures. The Directorate of Accounts stated that the difference of ₹ 0.52 crore (Debit) was under reconciliation.

The State Government's cash balances of ₹ 1,485.12 crore at the end of the current year showed an increase of ₹ 179 crore (14 per cent) over the previous year. During the year, the State Government invested ₹ 387.64 crore in GoI treasury bills which earned an interest of ₹ 45.66 crore. Further,

₹ 1,031 crore was invested in earmarked/reserve funds which earned an interest of ₹ 63.05 crore<sup>37</sup> during the year.

During 2019-20, the State Government obtained WMA on 96 occasions<sup>38</sup> totaling ₹ 1,112.12 crore. The entire amount was repaid by the State Government along with an interest of ₹ 1.01 crore.

**Table 2.56: Cash Balance Investment Account (Major Head-8673)**

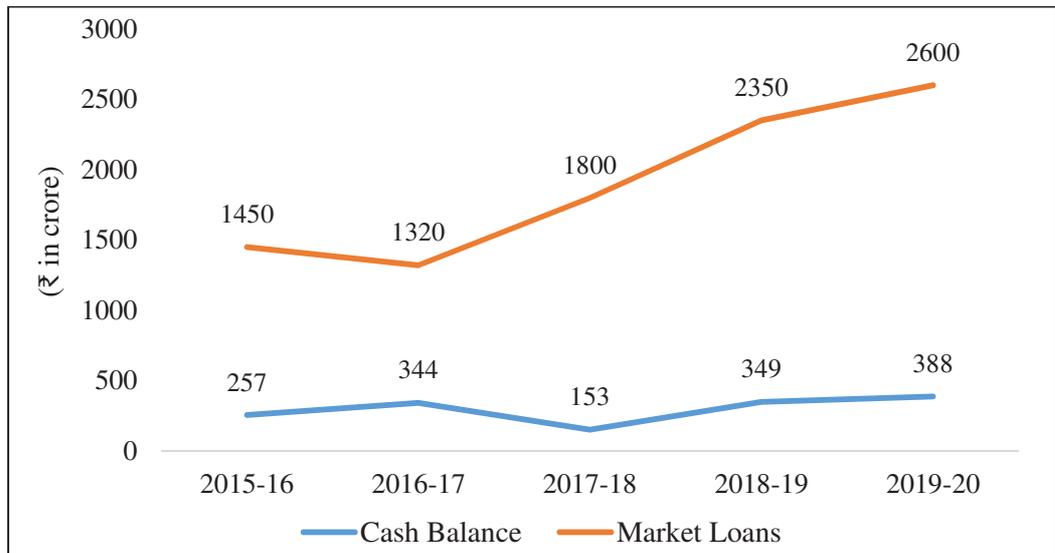
(₹ in crore)

Year	Opening balance	Closing balance	Increase (+) / decrease (-)	Interest earned
2015-16	253.90	256.67	2.77	1.09
2016-17	256.67	344.25	87.58	3.78
2017-18	344.25	153.16	(-)191.09	8.99
2018-19	153.16	349.14	195.98	6.22
2019-20	349.14	387.64	38.50	45.66

(Source: Finance accounts of the State)

The surplus cash balances of the State Government are automatically invested in 14 days treasury bills. Till the end of 2019-20, a sum of ₹ 387.64 crore was invested in GoI treasury bills/securities, which earned an interest of ₹ 45.66 crore.

**Chart 2.26: Market loans vis-à-vis cash balance**



(Source: Finance accounts of the State)

<sup>37</sup> State Disaster Response Fund: ₹ 2.78 crore; Consolidated Sinking Fund: ₹ 38.99 crore; Guarantee Redemption Fund: ₹ 21.28 crore

<sup>38</sup> Normal WMA-14 occasions and SWMA-82 occasions

## 2.8 Conclusion and recommendations

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government.

### Key parameters

Positive indicators	Parameters requiring close watch
Higher expenditure on priority sectors	Revenue expenditure as percentage of total expenditure increased by 3.68 <i>per cent</i> during 2019-20 over the previous year.
	The Government may re-evaluate the cost of all incomplete projects and evolve a mechanism for timely completion of projects.
	Increasing debt to GSDP ratio
	Revenue/fiscal/primary deficits
	Increasing committed expenditure

Improvement in the fiscal position would require efforts by the State Government towards parameters requiring close watch as indicated above.

**CHAPTER 3**  
**BUDGETARY**  
**MANAGEMENT**



## Chapter 3: Budgetary Management

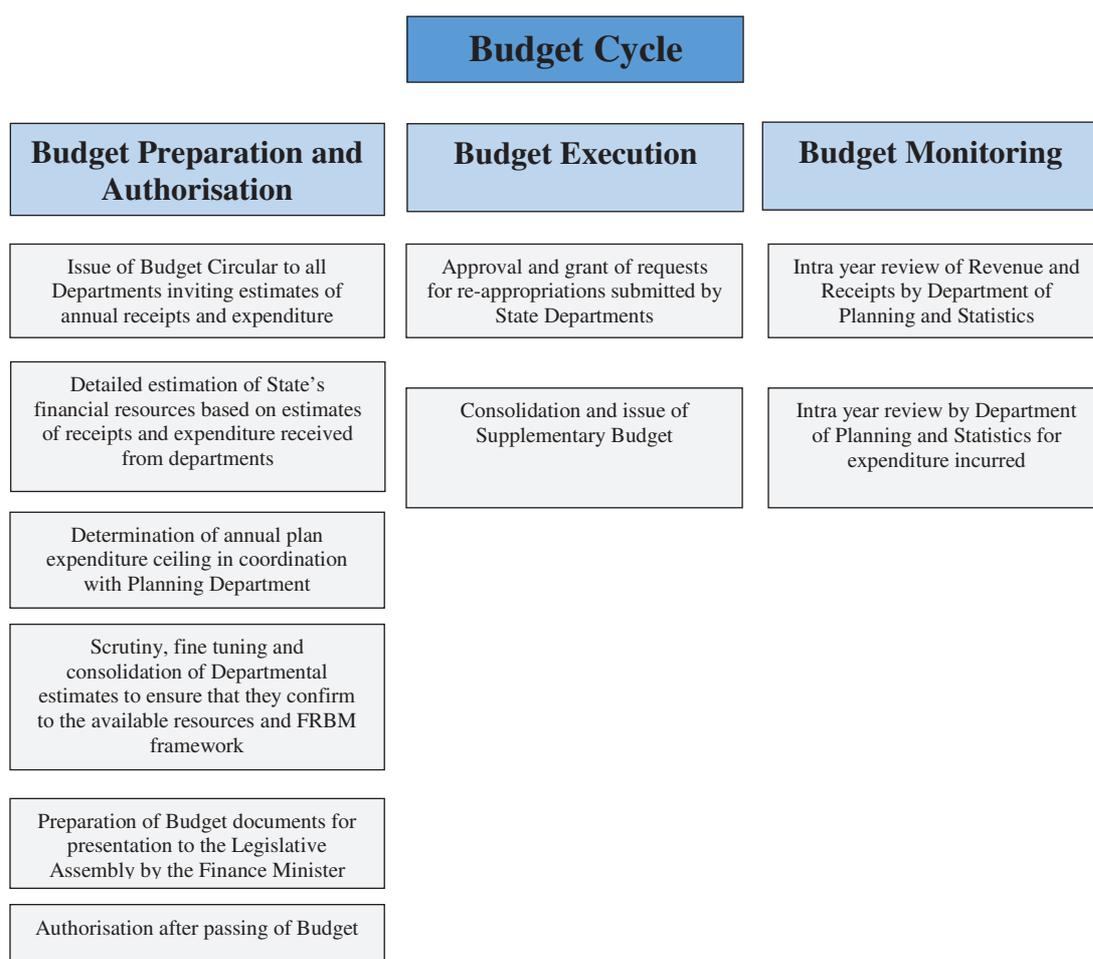
### **Introduction**

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

### **3.1 Budget Process**

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

**Chart 3.1: Budget process**



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

Chart 3.2: Budget preparation process



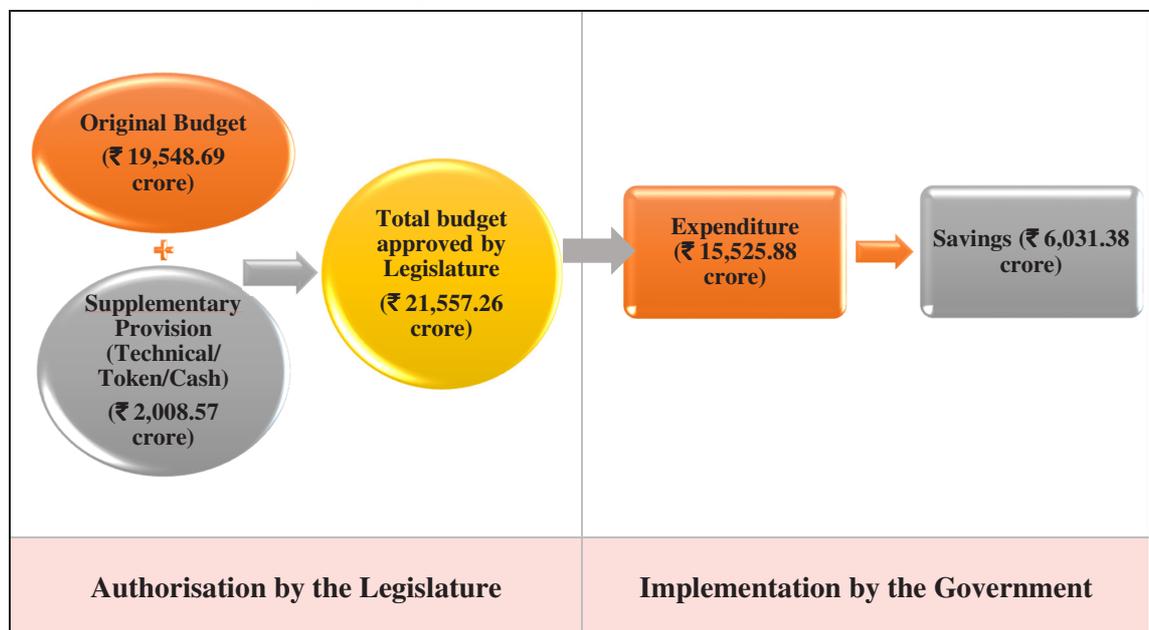
CSS: Centrally Sponsored Schemes; CS: Central Schemes.

As soon as the detailed estimates and grants have been finally passed by the Legislative Assembly in accordance with the procedure laid down in Articles 202-204 of the Constitution, FD communicates to all heads of Departments and other budget controlling officers in written form, the allotments placed at their disposal during the budget year. Copies of letters communicating the grants are forwarded to the concerned Administrative Departments. FD also

sends copies of the budget document to the Accountant General. All such information and budgetary data are uploaded on the ‘e-DDO online fund allocation system’<sup>1</sup>, by FD and access to the same is available to the concerned authorities.

FD also reviews requests made for supplementary grants and re-appropriations by Departments during the course of the year. Apart from supplementary grant, re-appropriation can also be used to re-allocate funds within a grant. Re-appropriation is the transfer, by competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same section (Revenue-Voted, Revenue-Charged, Capital-Voted, Capital-Charged) of the grant or charged appropriation. The total amounts approved by the State Legislature including the original and supplementary budget, expenditure and savings during the year 2019-20 are depicted below:

**Chart 3.3: Position of original and supplementary budget, expenditure and savings during 2019-20**



(Source: Appropriation accounts of the State)

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

### 3.1.1 Summary of Total Provisions, Actual Disbursements and Savings during Financial Year

Summarised position of total budget provision, disbursement and saving/excess during 2019-20 is given in **Table 3.1**.

<sup>1</sup> Developed by NIC

**Table 3.1: Budget provision, disbursement and savings/excess during 2019-20**

(₹ in crore)

Total Budget provision		Disbursements		Saving(-)/Excess(+)	
Voted	Charged	Voted	Charged	Voted	Charged
18762.21	2795.05	11906.67	3619.21	(-)6855.54	824.16

(Source: Appropriation accounts of the State)

It could be seen from the above table that the savings of ₹ 6,855.54 crore occurred in the voted section while charged expenditure amounting to ₹ 824.16 crore was incurred in excess of budget provision during 2019-20.

### 3.1.2 Charged and Voted Disbursements

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

Trend analysis during the last five years (2015-20) of classification of total disbursements into Charged and Voted is given below.

**Table 3.2: Voted and Charged disbursement and savings during 2015-20**

(₹ in crore)

Year	Disbursements		Saving(-)/Excess(+)		Percentage savings (utilisation) under voted section
	Voted	Charged	Voted	Charged	
2015-16	9070.44	3850.37	(-)4018.29	2243.54	31 (69)
2016-17	9405.97	3442.40	(-)4668.14	1616.91	33 (67)
2017-18	11484.95	3234.28	(-)3795.26	269.83	25 (75)
2018-19	11949.05	4779.95	(-)4611.36	2315.94	28 (72)
2019-20	11906.67	3619.21	(-)6855.54	824.16	37 (63)

(Source: Appropriation accounts of the State)

It may be seen from the table above that the State Government utilised only 63 per cent to 75 per cent of the total voted provisions during 2015-20. Repeated low utilisation over the years indicated poor budgetary management by the State Government. Audit is of the view that the State Government needs to prepare its budget estimates more realistically.

The charged disbursements decreased by 24 per cent from ₹ 4,779.95 crore in 2018-19 to ₹ 3,619.21 crore in 2019-20. Charged expenditure has been in excess of provisions during the last five years. Savings under voted expenditure increased by 49 per cent from ₹ 4,611.36 crore in 2018-19 to ₹ 6,855.54 crore in 2019-20.

### 3.2 Appropriation Accounts

Appropriation accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of grants voted and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Act passed under Article 204 and 205 of the Constitution of India. Appropriation Accounts are on gross basis. These Accounts depict the original budget provision, supplementary grants, surrenders and re-appropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act in respect of both charged and voted items of budget. Appropriation accounts thus facilitates understanding of utilisation of funds, the management of finances and monitoring of budgetary provisions and are, therefore, complementary to the Finance Accounts.

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

### 3.3 Comments on Integrity of Budgetary and Accounting Process

#### 3.3.1 Expenditure without Authority of Law

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

#### *Expenditure without Budget Provision*

In one grant, expenditure of ₹ 1.54 lakh was incurred during the year without any provision in the original estimates/supplementary demand and without any re-appropriation orders to this effect as shown in **Table 3.3**.

**Table 3.3: Expenditure without Budget provision during 2019-20**

Sl. No.	Year	Grant	Head of Account	Expenditure without provision (in ₹)
1	2019-20	62-Law	4202-00-106-01	1,54,463

(Source: Appropriation accounts of the State)

The reason for incurring expenditure without budget provision though called for was not furnished by the Directorate of Accounts (January 2021).

### 3.3.2 Unnecessary or Excessive Supplementary Grants

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

The State Legislature approved supplementary provision (August 2019) of ₹ 2,008.57 crore in 56 Grants and three Appropriations for the year 2019-20. Supplementary provisions (₹ five crore or more in each case) aggregating ₹ 1,121.87 crore obtained in 28 cases during the year proved unnecessary. The expenditure incurred (₹ 6,007.82 crore) did not reach the levels of original provision of ₹ 8,632.17 crore as detailed in **Appendix 3.1**.

Demands for supplementary provisions without assessing the actual requirements indicated lack of budgetary control and inadequate assessment. The Departments need to strengthen the estimation of requirement of funds and review the basis of supplementary provisions to avoid such instances in future.

### 3.3.3 Unspent Amount and Surrendered Appropriations and/or Large Savings/Surrenders

While preparing the budget estimates, utmost care should be taken to ensure that the estimates are as close as possible to the likely expenditure during the year. During the year 2019-20, cases of substantial savings from budget allocation were noticed.

During 2019-20, total gross savings under various grants/appropriations amounted to ₹ 6,988.23 crore, which was 32 *per cent* of the total authorisation (₹ 21,557.26 crore).

Of the total gross savings of ₹ 6,988.23 crore, savings of ₹ 100 crore or more amounting to ₹ 4,231.55 crore (61 *per cent*) occurred in 14 grants as shown in **Table 3.4**.

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

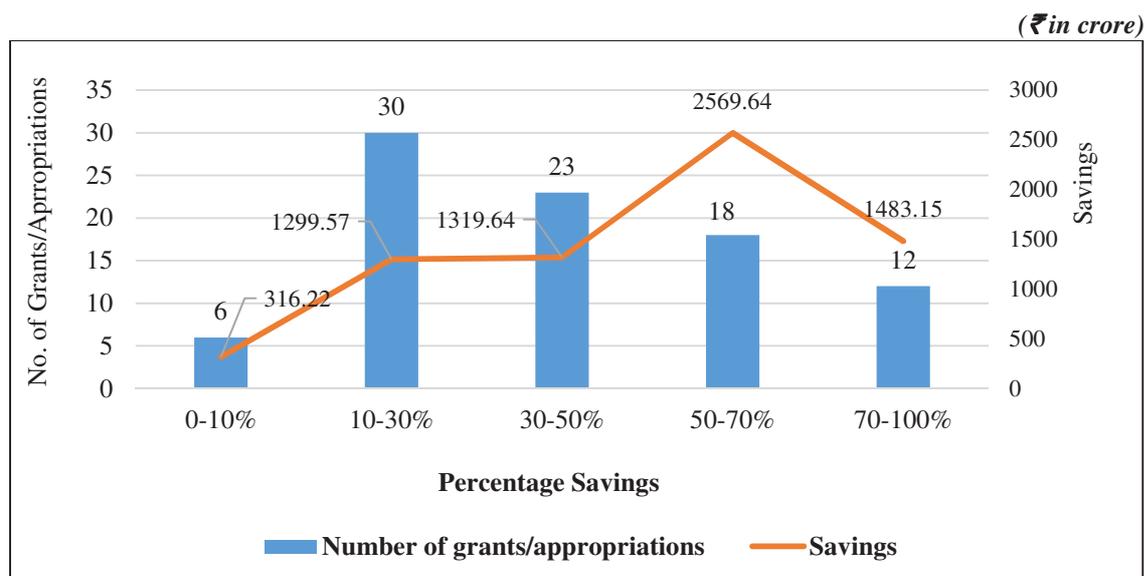
(₹ in crore)						
Sr. No.	Number and name of grant	Total	Actual	Savings	Surrenders	Savings excluding surrender
<b>Revenue Voted</b>						
1	08- Treasury & Accounts Administration, North Goa	1491.63	1377.69	113.92	2.24	111.68
2	21-Public Work	797.97	602.78	195.19	190.88	4.31
3	34-School Education	1586.69	1332.08	254.61	252.18	2.43
4	42- Sports and Youth Affairs	193.12	74.62	118.50	116.78	1.72
5	48- Health Services	681.78	488.91	192.87	193.50	(-)0.63
6	55- Municipal Administration	308.76	148.06	160.70	160.61	0.09
7	58- Woman & Child Development	503.54	320.24	183.30	186.18	(-)2.88
8	82- Information Technology	169.57	32.37	137.20	137.19	0.01
<b>Capital Voted</b>						
	21-Public Work	1407.40	431.20	976.20	974.74	1.46
9	31-Panchayats	122.45	8.70	113.75	113.75	-
10	32-Finance	512.00	235.00	277.00	-	277.00
11	47- Goa Medical College	192.16	86.59	105.57	105.57	-
	55-Municipal Administration	483.79	25.02	458.77	462.61	(-)3.84
12	72- Science, Technology & Environment	138.50	30.19	108.31	108.31	-
13	74- Water Resources	419.56	212.53	207.03	207.19	(-)0.16
14	76-Electricity	600.08	176.45	423.63	418.62	5.01
	82-Information Technology	225.00	20.00	205.00	205.00	-
<b>Total</b>		<b>9833.98</b>	<b>5602.43</b>	<b>4231.55</b>	<b>3835.37</b>	<b>396.20</b>

(Source: Appropriation accounts of the State)

The main reason for substantial savings as furnished in the Appropriation accounts was non-receipt of cash assignment from the Government. Other reasons were attributed to non/less release of share/funds by GoI/Government of Goa, non-filling of vacant posts, curtailment of expenditure, less purchase of supplies and materials, non-implementation of Schemes, non-clearance of bills, late approval from Government, non-disbursement of grants-in-aid etc.

Distribution of number of grants/appropriations grouped by percentage of savings along with total savings in each group totaling ₹ 6,988.23 crore during 2019-20 is depicted in the **Chart 3.4** below.

Chart 3.4: Number of grants/appropriations with total savings



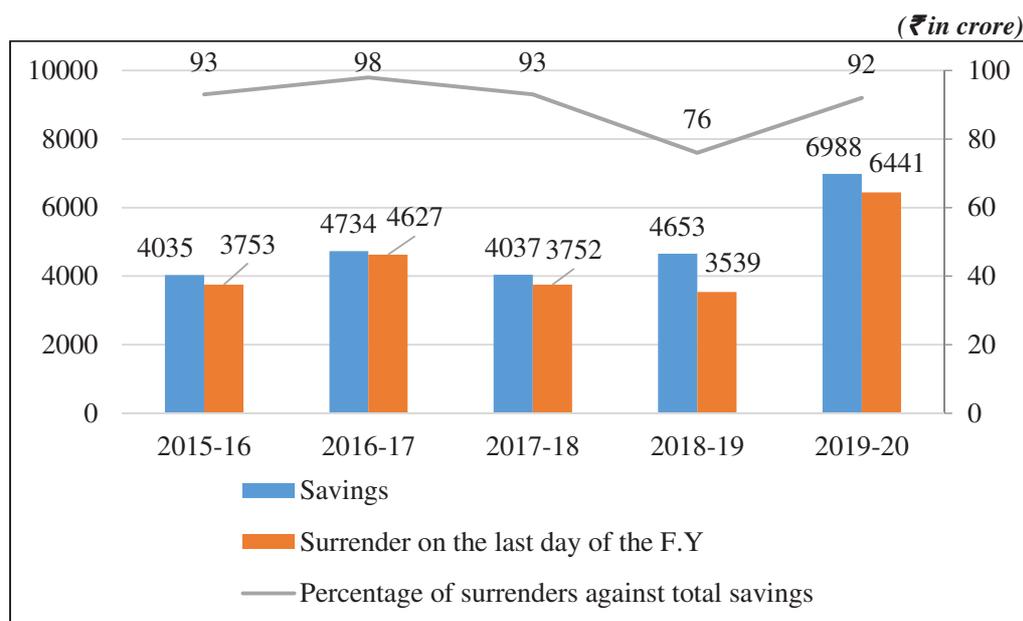
(Source: Appropriation accounts of the State)

### Substantial Surrenders

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

A trend analysis of the quantum of surrenders done on the last day of the financial year *vis-à-vis* total savings for five year period is shown in Chart 3.5.

Chart 3.5: Savings and surrenders on the last day of financial year during 2015-20



(Source: Appropriation accounts of the State)

As may be seen from the Chart above, against the total savings of ₹ 6,988 crore during the year, ₹ 6,441 crore (92 per cent) was surrendered on the last day of the financial year (31 March 2020).

### Under-utilisation of Budget Grants

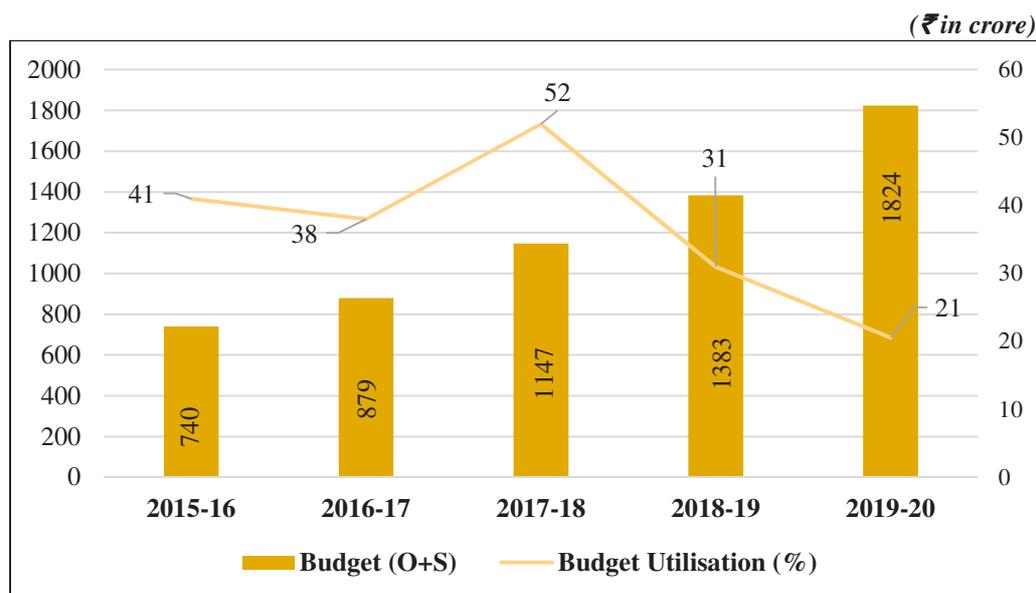
Of the 11 grants that utilised less than 30 per cent of the budget allocation during 2019-20, three grants utilised less than 30 per cent of the total budget allocation in the last five years, which was indicative of systemic issues that warrants a close review by the Government to enable initiation of corrective measures. Utilisation of budgetary allocation in these 11 grants for the five-year period (2015-20) is shown in **Table 3.5** and **Chart 3.6**.

**Table 3.5: Grants/Appropriations with budget utilisation less than 30 per cent in 2019-20**

(₹ in crore)									
Sr. No.	Grant	2015-16	2016-17	2017-18	2018-19	2019-20	No. of years*	Budget 2019-20	Total Budget (5 years)
1.	19- Industries, Trade & Commerce	17%	22%	40%	27%	29%	4	117.92	501.20
2.	33 – Revenue	18%	15%	12%	30%	12%	5	60.21	270.98
3.	46 – Museum	22%	24%	20%	23%	26%	5	8.68	48.04
4.	55 – Municipal Administration	33%	30%	68%	27%	22%	2	792.55	2465.63
5.	60 – Employment	17%	8%	40%	8%	10%	4	28.78	86.17
6.	63 – Rajya Sainik Board	18%	17%	25%	17%	28%	5	3.27	21.30
7.	66 – Fisheries	70%	49%	64%	41%	23%	1	88.25	373.95
8.	67 – Ports Administration	54%	62%	16%	60%	19%	2	72.04	184.95
9.	72 – Science, Technology and Environment	15%	73%	48%	56%	27%	2	226.38	535.59
10.	82 – Information Technology	69%	37%	48%	31%	13%	1	394.57	1168.54
11.	83 - Mines	54%	66%	27%	60%	23%	2	31.02	316.56
<b>Total</b>								<b>1823.67</b>	<b>5972.91</b>

\* Number of years with utilisation below 30 per cent  
(Source: Appropriation accounts of the State)

Chart 3.6: Budget utilisation during 2015-20



(Source: Appropriation accounts of the State)

Less utilisation of funds in these grants and instances of repeated under-utilisation indicates deficient budgeting process. The reasons for repeated low utilisation in these grants need to be examined and necessary corrective action taken by the Government.

#### *Anticipated Savings Not Surrendered*

In 25 cases, pertaining to 20 grants with aggregate savings of ₹ 2,818.60 crore, an amount of ₹ 527.61 crore was not surrendered (₹ one crore and above in each case) as detailed in **Appendix 3.2**. Early surrender could have ensured more productive use of resources in other areas having shortfall.

#### *Surrenders in Excess of Actual Savings (₹ one crore and above)*

In five grants, an amount of ₹ 766.80 crore was surrendered against the savings of ₹ 752.35 crore, which was in excess by ₹ 14.45 crore as given in **Table 3.6**.

Table 3.6: Surrenders in excess of savings

(₹ in crore)

Sr. No.	Number and Name of grant	Total provision	Expenditure	Saving (-)/ Excess (+)	Amount surrendered	Excess surrender
<b>Revenue Voted</b>						
1.	1- Legislature Secretariat	39.18	33.34	(-)5.84	9.52	3.68
2.	58-Women and Child Development	503.54	320.25	(-)183.29	186.18	2.89
3.	74-Water Resources	189.59	135.51	(-)54.08	56.12	2.04
4.	85-Department of Rural Development	76.23	25.86	(-)50.37	52.37	2.00
<b>Capital Voted</b>						
5.	55-Municipal Administration	483.79	25.02	(-)458.77	462.61	3.84
<b>Total</b>		<b>1292.33</b>	<b>539.98</b>	<b>(-)752.35</b>	<b>766.80</b>	<b>14.45</b>

(Source: Appropriation accounts of the State)

The Director of Accounts did not furnish any reasons regarding surrenders in excess of actual savings (January 2021).

This clearly indicated that the concerned Departments did not make realistic assessment of requirement of funds and failed to exercise necessary budgetary controls over the flow of expenditure through monthly expenditure statements.

#### Persistent Savings

In four grants, there were persistent savings of more than ₹ 100 crore ranging from 36.39 per cent to 72.44 per cent during the last three years as per the details given in the following Table 3.7.

Table 3.7: Persistent savings under various grants

(₹ in crore)

Sr. No.	No. and Name of Grant	Year	Total Provision	Actual expenditure	Savings	Percentage of savings
<b>Revenue Voted</b>						
1.	55-Municipal Administration	2017-18	315.44	200.64	114.80	36.39
		2018-19	312.07	86.00	226.07	72.44
		2019-20	308.76	148.06	160.70	52.05
<b>Capital Voted</b>						
2.	21 – Public Works	2017-18	1550.07	712.46	837.61	54.04
		2018-19	1364.16	592.39	771.77	56.57
		2019-20	1407.40	431.20	976.20	69.36
3.	32 – Finance	2017-18	750.00	321.45	428.55	57.14
		2018-19	532.00	330.00	202.00	37.97
		2019-20	512.00	235.00	277.00	54.10
4.	76 - Electricity	2017-18	462.41	169.03	293.38	63.45
		2018-19	456.16	177.00	279.16	61.20
		2019-20	600.08	176.45	423.63	70.60

(Source: Appropriation accounts of the State)

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

Persistent savings indicated that controls in the concerned Departments with regard to preparation of budget estimates and allocation of funds were not effective.

### 3.3.4 Excess Expenditure and its Regularisation

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

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

#### 3.3.4.1 Excess Expenditure during the Financial Year 2019-20

Excess expenditure over the provision for the year is not only in contravention of the provisions requiring Legislative sanction but also indicative of bad planning, which could be avoided by keeping track of expenditure progression with budget made for the purpose.

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

(₹ in crore)

		Name of Department
		A2- Debt Services
Voted	Revenue	-
	Capital	-
Charged	Revenue	-
	Capital	956.85
No. of Grants / Appropriations		One Appropriation
<b>Total Excess</b>		<b>956.85</b>

(Source: Appropriation accounts of the State)

**Table 3.9: Major Head-wise excess disbursement over the authorisation during the financial year**

(₹ in crore)

Sr. No.	Grant No.	Major Head	Major Head Description	Total provision	Re-appropriation	Total	Expenditure	Excess (+)/ saving(-)	Reasons for excess stated by the Department
1	2	3	4	5	6	7 = 5+6	8	9= 8-7	10
1.	A2	6003	Internal Debt of the State Government	1083.59	(-)6.37	1077.22	2039.06	961.84	Due to repayment of ways and means advances, and repayment of externally aided project loans during the year.
2.		6004	Loans and Advances from Government	104.42	(-)1.44	102.98	97.99	(-)4.99	
<b>Total</b>				<b>1188.01</b>	<b>(-)7.81</b>	<b>1180.20</b>	<b>2137.05</b>	<b>956.85</b>	

(Source: Appropriation accounts of the State)

### 3.3.4.2 Regularisation of Excess Expenditure

Excess expenditure remaining unregularised for extended periods dilutes legislative control over the executive. Accordingly, all the excess expenditure relating to years 2008-09 to 2019-20 are to be regularised under Article 205 of the Constitution of India. The details of excess expenditure (2008-20) pending regularisation for grant/appropriations are summarised in **Table 3.10**.

Table 3.10: Excess expenditure from 2008-20 requiring regularisation

(₹ in crore)

Year	Grant No. /Appropriation	Grant/Appropriation details	Amount of excess required to be regularised as commented in the Appropriation Accounts		Status of regularisation
			Voted	Charged	
2008-09 to 2014-15	8 Grants and 5 appropriations		171.44	1168.60	Not Regularised
2015-16	08	Treasury and Accounts Administration, North Goa	51.62	-	Not Regularised
	A2	Debt Services	-	2278.83	Not Regularised
2016-17	08	Treasury and Accounts Administration, North Goa	2.71	-	Not Regularised
	16	Collectorate, North Goa	0.15	-	Not Regularised
	A2	Debt Services	-	1680.34	Not Regularised
2017-18	01	Legislature Secretariat	0.20	-	Not Regularised
	08	Treasury and Accounts Administration, North Goa	173.56	-	Not Regularised
	50	Goa College of Pharmacy	0.22	-	Not Regularised
	A2	Debt Services	-	337.98	Not Regularised
2018-19	79	Goa Gazetteer	0.01	-	Not Regularised
	A2	Debt Services	-	2358.53	Not Regularised
2019-20	A2	Debt Services	-	956.85	Not Regularised
<b>Total</b>			<b>399.91</b>	<b>8781.13</b>	<b>Not Regularised</b>
<b>Grand Total (2008-2020)</b>			<b>9181.04</b>		

(Source: Appropriation accounts of the State)

### 3.4 Comments on Effectiveness of Budgetary and Accounting Process

#### 3.4.1 Budget Projection and Gap between Expectation and Actual

The summarised position of actual expenditure during 2019-20 against 89 grants/appropriations is given in **Table 3.11**.

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

(₹ in crore)

	Nature of expenditure	Original Grant/App.	Supplementary Grant/App.	Total	Actual expenditure*	Savings (-)/ Excess (+)	Surrender during March	
							Amount	Per cent
<b>Voted</b>	I. Revenue	11749.47	1227.44	12976.91	10212.48	(-)2764.44	2540.06	19.57
	II. Capital	4986.45	717.59	5704.04	1680.77	(-)4023.27	3797.68	65.64
	III. Loans & Advances	72.77	8.48	81.25	13.42	(-)67.83		
<b>Total</b>		<b>16808.69</b>	<b>1868.51</b>	<b>18762.21</b>	<b>11906.67</b>	<b>(-)6855.54</b>	<b>8056.74</b>	<b>42.94</b>
<b>Charged</b>	V. Revenue	1558.79	51.14	1609.93	1478.79	(-)131.14	94.08	5.84
	VII. Capital	1.00	3.92	4.92	3.37	(-)1.55	1.54	31.30
	VIII. Public Debt	1180.21	-	1180.21	2137.05	956.85	7.81	0.66
<b>Total</b>		<b>2740.00</b>	<b>55.06</b>	<b>2795.05</b>	<b>3619.21</b>	<b>824.16</b>	<b>103.43</b>	<b>3.70</b>
<b>Grand Total</b>		<b>19548.69</b>	<b>2008.57</b>	<b>21557.26</b>	<b>15525.88</b>	<b>(-)6031.38</b>	<b>8160.17</b>	<b>37.85</b>

(Source: Appropriation accounts of the State)

\*The figures of actual expenditure include recoveries adjusted as reduction of expenditure (Revenue: ₹68.61 crore; Capital: ₹23.90 crore; Total: ₹92.51 crore).

The net savings of ₹ 6,031.38 crore was the result of savings of ₹ 6,988.23 crore in 86 grants and three appropriations under revenue section and 66 grants and one appropriation under capital section, offset by an excess of ₹ 956.85 crore in one appropriation. Supplementary provision of ₹ 2,008.57 crore was obtained during the year which constituted 10.27 per cent of the original provision.

There were large savings of ₹ 6,988.23 crore (32.42 per cent) against total budget provision of ₹ 21,557.26 crore, with overall savings under all grants and appropriations being more than thrice the supplementary provisions made during the year. This indicated that supplementary provisions were made without proper scrutiny of requirements.

The overall trend of original budget, actual expenditure and savings/excesses during 2015-20 is detailed in **Table 3.12**:

Table 3.12: Original budget, actual expenditure and saving/excesses during 2015-20

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20
Original Budget	13404.15	14696.29	16027.00	17135.75	19548.69
Supplementary Budget	1291.41	1203.31	2217.66	1888.67	2008.57
<b>Total Provision</b>	<b>14695.56</b>	<b>15899.60</b>	<b>18244.66</b>	<b>19024.42</b>	<b>21557.26</b>
Percentage of supplementary provision to original budget	9.63	8.19	13.84	11.02	10.27
<b>Total</b>	<b>14695.56</b>	<b>15899.60</b>	<b>18244.66</b>	<b>19024.42</b>	<b>21557.26</b>
Actual Expenditure	12920.81	12848.37	14719.23	16729.00	15525.88
Savings (-)/excess (+)	(-1774.75)	(-3051.23)	(-3525.43)	(-2295.42)	(-6031.38)
Percentage of savings to total provision	12.08	19.19	19.32	12.07	27.98
<b>Budget utilisation</b>	<b>87.92</b>	<b>80.81</b>	<b>80.68</b>	<b>87.93</b>	<b>72.02</b>

(Source: Appropriation accounts of the State)

The table shows that the percentage of supplementary provisions to original provisions ranged between 8.19 *per cent* and 13.84 *per cent* during 2015-20. The supplementary provisions, however, proved unnecessary, as the savings were significantly more than the supplementary provisions in all the five years. Further, against the total provisions, unutilised provisions or savings ranged between 12.07 *per cent* and 27.98 *per cent* during 2015-20.

### 3.4.2 Supplementary Budget and Opportunity Cost

At times, while obtaining supplementary provision, the Departments report to Legislature large additional requirements for different purposes under various Schemes/activities; but finally, they are unable to spend not only the entire supplementary provision or parts but also the original budget provision. As a result, the unutilised funds could not be made use of. At the same time, some of the Schemes remained incomplete for want of funds. Thus, the intended benefits of the unfinished Schemes could not be extended to the public at large in such cases. Further, this also leads to escalation of project cost.

**Table 3.13** presents the details of 14 such grants where unnecessary excessive budget/supplementary provisions resulted in savings of ₹ 100 crore or more in each case during 2019-20.

Table 3.13: Unutilised funds of ₹ 100 crore or more against original/supplementary provision

(₹ in crore)

Sr. No.	Name of Grant	Original	Supplementary	Total	Actual expenditure	Unutilised funds/savings
1.	8 Treasury and Accounts, North Goa (Revenue Voted)	1450.05	41.56	1491.61	1377.69	113.92
2.	21 Public Works Department (Revenue Voted)	782.97	15.00	797.97	602.78	195.19
3.	34 School Education (Revenue Voted)	1477.69	109.00	1586.69	1332.08	254.61
4.	42 Sports and Youth Affairs (Revenue Voted)	172.42	20.70	193.12	74.62	118.50
5.	48 Health Services (Revenue Voted)	658.48	23.30	681.78	488.91	192.87
6.	55 Municipal Administration (Revenue Voted)	214.53	94.23	308.76	148.06	160.70
7.	58 Women and Child Development (Revenue Voted)	483.98	19.56	503.54	320.24	183.30
8.	82 Information Technology (Revenue Voted)	169.57	-	169.57	32.37	137.20
9.	21 Public Works (Capital Voted)	1322.40	85.00	1407.40	431.20	976.20
10.	31 Panchayats (Capital Voted)	12.66	109.79	122.45	8.70	113.75
11.	32 Finance (Capital Voted)	512.00	-	512.00	235.00	277.00
12.	47 Goa Medical College (Capital Voted)	92.16	100.00	192.16	86.59	105.57
13.	55 Municipal Administration (Capital Voted)	256.90	226.89	483.79	25.02	458.77
14.	72 Science, Technology and Environment (Capital Voted)	73.50	65.00	138.50	30.19	108.31
15.	74 Water Resources (Capital Voted)	418.56	1.00	419.56	212.53	207.03
16.	76 Electricity (Capital Voted)	597.83	2.25	600.08	176.45	423.63
17.	82 Information Technology (Capital Voted)	225.00	-	225.00	20.00	205.00
<b>Total</b>		<b>8920.70</b>	<b>913.28</b>	<b>9833.98</b>	<b>5602.43</b>	<b>4231.55</b>

(Source: Appropriation accounts of the State)

At the same time, information provided by the State Government revealed that 207 projects valuing ₹ 1,007.24 crore pertaining to Water Resources Department (50 projects) and Public Works Department (157 projects) were incomplete as on March 2020 due to paucity of funds. The status of nine major projects with estimated cost of more than ₹ 20 crore is given below.

Table 3.14: Status of nine major incomplete projects

(₹ in crore)					
Sr. No.	Name of project	Estimated cost	Scheduled date of completion	Progressive expenditure as of 31 March 2020	Physical Progress of work (in per cent)
<b>Water Resources Department</b>					
1.	Implementation of sewerage scheme for Taleigao, Dona paula and Caranzalem Areas in the outskirts of Panaji city- Phase III construction of wet well gravity sewer lines rising mains and reinstatement of roads covering zones 1,2,3,7,8 & 9.	30.86	22/02/13	28.84	96%
2.	Implementation of sewerage scheme for Taleigao, Dona paula and Caranzalem areas in the outskirts of Panaji city - Phase-IV-Construction of wet well, gravity sewer lines rising main reinstatement of roads covering zones 4, 5, 6 & 10.	29.32	29/10/13	16.92	85%
3.	Detailed engineering and construction of 10 MLD water treatment plant including all Civil, Mechanical, Electrical & Instrumentation works on turnkey basis at Maisal Panchawadi including operation and maintenance for a period of five years.	30.88	06/06/13	29.68	99%
4.	Water supply project of the CCP under JNNURM - designing detail engineering & construction of 27 MLD WTP including all Civil, Mechanical Electrical & Instrumentation works on turnkey basis on Khandepar river at Opa water works including operations maintenance for a period of five years.	36.53	29/01/15	20.90	98%
5.	Designing, detailed engineering, construction and commissioning of 15 MLD water treatment plant at Housing Board - Porvorim on turnkey basis, including operation & maintenance for a period of five years.	25.46	16/03/20	-	16%
6.	Augmentation of water supply scheme at Chandel from 15 MLD to 30 MLD in Pernem taluka - construction of additional 15 MLD WTP at Chandel including laying of clear water pumping mains, electrical substation, construction of MBR, laying of 700 mm dia gravity mains including designing, commissioning and operation and maintenance for five years.	24.29	09/02/20	-	1%

Public Works Department					
7.	Four laning with two-wheeler track by concentric widening & strengthening of existing two-lane road from km.143/500 to km. 153/200 on (NH-748) (Ribandar bypass) S.H. Road Work.	74.16	05/05/15	106.42	100%
8.	CRF 2014-15- Improvement of junction by constructing an under passage for MDR 14 across NH-17 (New 66) at km.12/200 (Tar Bastora junction-Mapusa) on Panaji Panvel Section of NH-17 in the State of Goa (North Goa Parliamentary Constituency).	27.87	10/05/17	31.00	100%
9.	Four laning with two-wheeler track by concentric widening & strengthening of existing two-lane road from km. 143/500 to km. 153/200 on NH-4A (NH-748) (Ribander Bypass) S.H. Bridge Work.	33.47	05/05/15	4.20	17%
<b>Total</b>		<b>336.45</b>	<b>-</b>	<b>237.96</b>	<b>-</b>

(Source: Finance accounts of the State)

The table above reveals that seven out of nine projects scheduled for completion between 2013 and 2020 remained incomplete as of March 2020. Further, two of the nine projects, though achieved 100 *per cent* physical progress, could not be handed over to the State Government due to non-release of payments to the implementing agencies. Evidently, savings from other grants could have been ploughed back into these projects to ensure their timely completion.

### 3.4.3 Rush of Expenditure

Government funds should be evenly spent throughout the year. The rush of expenditure towards the end of the financial year is regarded as a breach of financial propriety. Instructions regarding this are available in Budget Manual, Finance Department OMs, *etc.* Maintaining a steady pace of expenditure is a crucial component of sound public financial management, as it obviates fiscal imbalance and temporary cash crunches due to mismatch of revenue expenditure during a particular month arising out of unanticipated heavy expenditure in that particular month.

In the State of Goa, no rush of expenditure was observed during 2019-20 as shown in the **Table 3.15** and **Chart 3.7**.

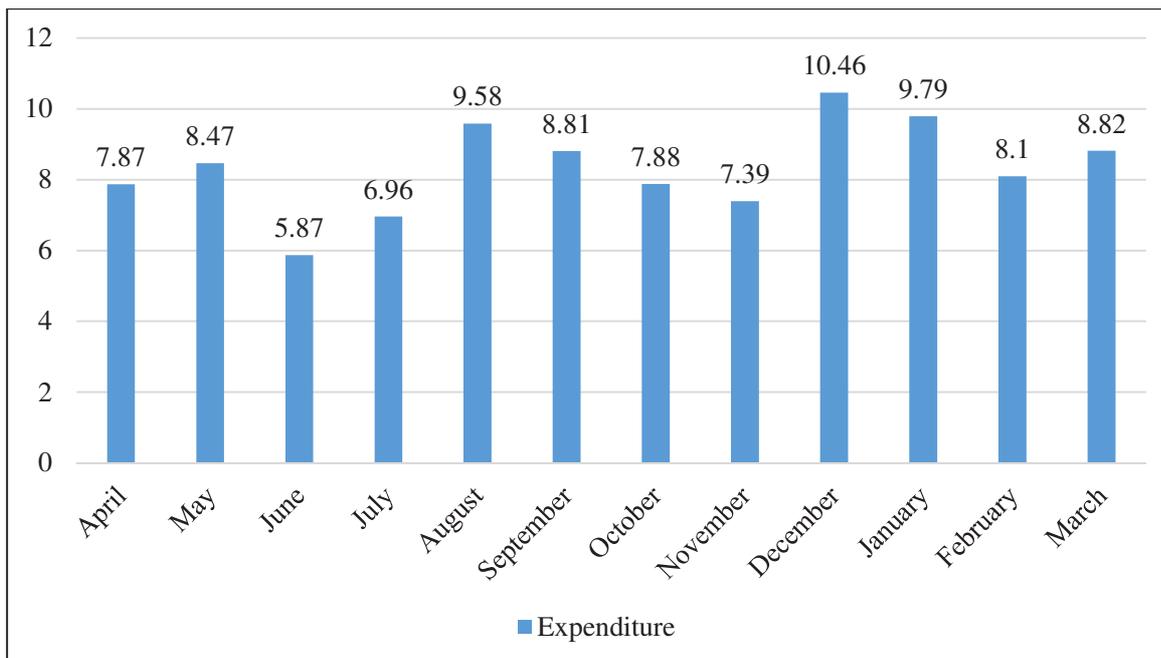
Table 3.15: Flow of expenditure during 2019-20

Sr. No.	Month	Amount (₹ in crore)	% to total
1.	April	1045.40	7.87
2.	May	1125.71	8.47
3.	June	779.60	5.87
4.	July	925.12	6.96
5.	August	1271.89	9.58
6.	September	1170.75	8.81
7.	October	1046.26	7.88
8.	November	981.69	7.39
9.	December	1389.36	10.46
10.	January	1299.75	9.79
11.	February	1075.59	8.10
12.	March	1171.76	8.82
13.	<b>Total</b>	<b>13282.88*</b>	<b>100.00</b>

(Source: Monthly Civil Accounts of the State)

\* The above month wise expenditure does not include disbursements made on account of loans and advances (₹ 13 crore).

Chart 3.7: Monthly expenditure as percentage of total expenditure



(Source: Monthly Civil Accounts of the State)

### 3.5 Outcome of Review of Selected Grants

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

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

**Grant No. 55- Municipal Administration:** The Directorate of Municipal Administration (DMA) exercises administrative control over the 13 Municipal Councils<sup>2</sup> and one Corporation (Corporation of the City of Panaji) in the State of Goa. The DMA deals with various functions as envisaged under the Goa Municipalities Act, 1968 and the City of Panaji Corporation Act, 2002 and the Rules thereunder.

Grants are provided to Municipal Councils/Corporation on two major subjects viz., solid waste management and grants for development. The grant includes two major heads namely, 2217-Urban Development and 4217-Capital Outlay on Urban Development.

**Grant No. 66- Fisheries:** The Department of Fisheries provides financial assistance to the fishermen in Goa to meet their requirements for infrastructure, registration of fishing vessels, fishing canoes/fishing crafts, fishing nets etc. It also implements various developmental and welfare schemes for the upliftment of fishermen and the fishing industry in Goa State.

This grant consists of five major heads namely, 2405-Fisheries, 2415- Agricultural Research and Education, 2551-Hill Areas, 4405-Capital Outlay on Fisheries and 4415-Capital Outlay on Agricultural Research and Education.

### 3.5.1 Budget and Expenditure

The overall budget provision, actual disbursement and savings under the functional Heads of these two grants for the years 2017-18 to 2019-20 are given in Table 3.16.

**Table 3.16: Summary of budgetary provisions and actual expenditure under Grant No. 55 and 66**

(₹ in crore)						
Year	Original provision	Supplementary provision	Total	Actual expenditure	Savings	Percentage savings
<b>Grant No. 55: Municipal Administration (Revenue-voted)</b>						
2017-18	210.44	105.00	315.44	200.64	114.80	36.39
2018-19	231.90	80.17	312.07	86.00	226.07	72.44
2019-20	214.53	94.23	308.76	148.06	160.70	52.05
<b>Grant No. 55: Municipal Administration (Capital-voted)</b>						
2017-18	141.50	40.00	181.50	135.29	46.21	25.46
2018-19	191.50	116.19	307.69	81.28	226.41	73.58
2019-20	256.90	226.89	483.79	25.02	458.77	94.83
<b>Grant No. 66: Fisheries (Revenue-voted)</b>						
2017-18	45.56	6.97	52.53	38.56	13.97	19.40
2018-19	44.47	-	44.47	27.82	16.66	37.46
2019-20	54.43	-	54.43	20.17	34.26	62.94
<b>Grant No. 66: Fisheries (Capital-voted)</b>						
2017-18	22.92	-	22.92	9.45	13.47	58.77
2018-19	24.53	-	24.53	0.26	24.27	98.94
2019-20	33.83	-	33.83	0.11	33.72	99.67

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

<sup>2</sup> Mapusa, Bicholim, Valpoi, Pernem, Sankhali, Canacona, Curchorem-Cacora, Margao, Quepem, Mormugao, Ponda, Cuncolim and Sanguem

It may be seen from **Table 3.16** that there were persistent savings ranging from 36 per cent to 72 per cent (under revenue section) and 25 per cent to 95 per cent (under capital section) during 2017-20 in Grant No. 55. Further, unnecessary supplementary provisions were made under this grant even though actual expenditure did not come up to the level of original provisions under revenue section and capital section during 2017-20.

In Grant No. 66, there were persistent savings ranging from 19 per cent to 63 per cent (under revenue section) and 59 per cent to 99 per cent (under capital section) during 2017-20. Also, unnecessary supplementary provisions were made during 2017-18 under revenue section even though actual expenditure did not come up to the level of original provisions.

### 3.5.2 Non-utilisation of Entire Provision

In 15 sub-heads under Grant No. 55, there were 100 per cent savings against the provisions made during 2017-20. The provisioned amount remained unutilised due to non-implementation of schemes/programmes and the entire amount was surrendered at the end of March 2020, as shown in **Table 3.17**.

**Table 3.17: Non-utilisation of entire provision**

(₹ in lakh)

Sr. No.	Name of Scheme	Budget provision			Reasons for surrender
		2017-18	2018-19	2019-20	
<b>Grant No. 55 (Revenue-voted)</b>					
1.	2217-00-191-21- Special Grant for Infrastructure Development at Mapusa	2000.00	2000.00	2000.00	Non-receipt of proposal (17-19). Non-implementation of Scheme (19-20).
2.	2217-00-191-22- Special Grant for Infrastructure Development at Curchorem	2000.00	2000.00	2000.00	Economy measure (17-18) Non-implementation of Scheme (18-20).
3.	2217-00-191-23- Special Grant for Infrastructure Development at Bicholim	1000.00	1000.00	-	Non-receipt of proposal (17-19).
4.	2217-00-796-01- Scheduled Tribe Development Scheme	-	50.00	-	Non-receipt of proposal (18-19).
5.	2217-00-800-21- E-Governance in all Urban Local Bodies	235.00	-	-	Non-receipt of proposal (17-18).
6.	2217-00-800-22- Real Estate Regulatory Authority and Appellate Tribunal (RERA)	-	200.00	-	Non-receipt of proposal (18-19).
7.	2217-00-800-24- Settlement of Court Decree	-	50.00	50.00	Non-receipt of proposal (18-20).
8.	2217-00-191-06-Grant to Local Bodies under 12 <sup>th</sup> Finance Commission	-	-	500.00	Non-receipt of proposal (19-20).
<b>Grant No. 55 (Capital-voted)</b>					
9.	4217-00-800-01- Desilting of Nalahs in Urban Areas	150.00	150.00	150.00	Non-receipt of proposal (17-20).
10.	4217-00-800-06- Construction of Panaji Municipal Building	1000.00	1000.00	1000.00	Non-receipt of proposal (17-20).
11.	4217-00-800-08- Construction of Panaji Municipal Market	-	2002.00	1000.00	Non-implementation of Scheme (18-20).
12.	4217-00-800-10- Construction of CADA Market	-	78.01	-	Non-implementation of Scheme (18-19).

13.	4217-00-800-03 Smart City Mission	-	-	25041.39	Non-receipt of proposal (19-20).
14.	4217-00-800-05- Atal Mission for Rejuvenation and Urban Transformation	-	-	10647.75	Non-receipt of proposal (19-20).
15.	4217-00-800-07- Construction of Panaji Municipal Market	-	-	140.00	Non-implementation of Scheme (19-20).
<b>Total</b>		<b>6385.00</b>	<b>8530.01</b>	<b>42529.14</b>	

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

Similarly, in 13 sub-heads under grant no. 66, there were 100 per cent savings against the provisions made during 2017-20. The provisioned amount remained unutilised due to non-implementation of schemes/programmes and the entire amount was surrendered at the end of March 2020, as shown in **Table 3.18**.

**Table 3.18: Non-utilisation of Entire Provision**

(₹ in lakh)

Sr. No.	Name of Scheme	Budget provision			Reasons for surrender
		2017-18	2018-19	2019-20	
<b>Grant No. 66 (Revenue-voted)</b>					
1.	2405-00-101-03- Dev. of Inland Infrastructure support from National Fisheries Development Board	8.96	-	-	Non-implementation of Scheme (17-18).
2.	2405-00-102-07- Ornamental Fish Farming	10.00	10.00	-	Non-implementation of Scheme (17-19).
3.	2405-00-102-08- Crab/Mussel/Oyster Farming	-	5.00	-	Non-implementation of Scheme (18-19).
4.	2405-00-103-10- Safety of Fishermen at Sea	10.00	-	-	Non-implementation of Scheme (17-18).
5.	2405-00-103-12- Financial assistance to Registered Fishermen Societies/Associations	5.00	-	-	Non-implementation of Scheme (17-18).
6.	2405-00-103-13- Financial assistance for purchase of Power Blocks	12.01	-	-	Non-implementation of Scheme (17-18).
7.	2405-00-800-11- General Insurance	-	5.00	5.00	Non-implementation of Scheme (18-20)
<b>Grant No. 66 (Capital-voted)</b>					
8.	4405-00-101-02- Construction of Approach Road	50.00	-	-	Non-implementation of Scheme (17-18).
9.	4405-00-101-04- Blue Revolution	-	160.00	160.00	Non- finalisation of work estimated by PWD (18-19). Non-receipt of proposal (19-20).
10.	4405-00-102-01- Estuarine Farming	200.00	200.00	500.00	Non-implementation of Scheme (17-18). Non- finalisation of work estimated by PWD (18-20).

11.	4405-00-102-02- Utilisation of Marshy/Fallow Land for Fish Culture	-	15.00	5.00	Non- finalisation of work estimated by PWD (18-20).
12.	4415-05-277-02-Aquarium cum Museum	20.00	20.00	9.00	Non-implementation of Scheme (17-20).
13.	4415-05-277-03- Fishing Berth-MPT	1000.00	1000.00	1000.00	Non-implementation of Scheme (17-20).
<b>Total</b>		<b>1315.97</b>	<b>1415.00</b>	<b>1679.00</b>	

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

### 3.5.3 Inappropriate Re-appropriations

In three sub-heads under major head-2217 and one sub-head under major head 4217 in Grant No. 55, budget allocations by re-appropriation at the end of the year was less than the final expenditure which resulted in expenditure exceeding the available allocations by ₹ 432.14 crore. The details are shown in **Table 3.19**.

Similarly, in six sub-heads under major head-2405 in Grant No. 66 (Revenue section), budget allocations by re-appropriation at the end of the year was less than the final expenditure which resulted in expenditure exceeding the available allocations by ₹ 43.50 lakh. The details are shown in **Table 3.19**.

**Table 3.19: Inappropriate re-appropriations**

(₹ in lakh)

Sr. No.	Year	Head of account	Original budget	Funds after re-appropriation	Final expenditure	Excess expenditure
<b>Grant No. 55 (Revenue-voted)</b>						
1	2017-18	2217-00-800-1-Strengthening of Directorate of Municipal Administration	29.37	34.46	35.76	1.30
2	2018-19	2217-00-800-12- Integrated Dev. Of Major Towns	3000.00	2118.15	2163.15	45.00
3	2019-20	2217-00-800-02- Directorate of Municipal Administration	175.30	165.82	167.43	1.61
<b>Grant No. 55 (Capital-voted)</b>						
4	2019-20	4217-00-800-11-Integrated Dev. Of Major Town	5400.00	2118.15	2502.38	384.23
<b>Total</b>			<b>8604.67</b>	<b>4436.58</b>	<b>4868.72</b>	<b>432.14</b>
<b>Grant No. 66 (Revenue-voted)</b>						
5	2017-18	2405-00-001-01- Administrative Staff	238.97	297.71	309.37	11.66
6	2017-18	2405-00-101-02-Strengthening of Data base Information	20.29	7.47	10.97	3.50
7	2017-18	2405-00-103-03- Deep Sea Fisheries	102.53	114.76	119.55	4.79
8	2018-19	2405-00-800-01-Other Miscellaneous Establishment	134.32	150.46	152.73	2.27
9	2019-20	2405-00-001-01- Administrative Staff	320.78	269.67	286.19	16.52
10	2019-20	2405-00-103-03- Deep Sea Fisheries	120.80	103.38	108.14	4.76
<b>Total</b>			<b>937.69</b>	<b>943.45</b>	<b>986.95</b>	<b>43.50</b>

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

### 3.6 Good Practices

The aspects of budgetary management in which the State Government made improvements are given below:

- Re-appropriation was done as per extant rules and submission of all the re-appropriation orders and surrender orders were carried out before closure of the financial year.

### 3.7 Recommendations

- All the existing cases of excess expenditure need to be regularised at the earliest and in future, the Departments may closely monitor the expenditure against the allocations and avoid incurring expenditure in excess of the grants, except in case(s) of dire and extreme emergency.
- The budgetary control mechanism, specifically the monthly expenditure control and monitoring mechanism, may be strengthened to avoid excessive savings, especially where instances of persistent savings have been observed.
- Government may ensure timely surrender of funds so that they could be utilised in other heads requiring additional funds. Late surrender affected the availability of funds in certain priority areas and the outcomes. Excessive/unnecessary/inadequate re-appropriations of funds may also be avoided.
- Budget Controlling officers need to be made aware of their responsibility to provide clear explanation of the variations in expenditure from the allocation to facilitate proper analysis of budget and accurate preparation of subsequent Appropriation accounts.



**CHAPTER 4**  
**QUALITY OF ACCOUNTS**  
**AND FINANCIAL**  
**REPORTING PRACTICES**



## Chapter 4: Quality of Accounts and Financial Reporting Practices

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

This chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance during the year 2019-20.

### 4.1 Loans of State Government Not being Credited to the Consolidated Fund

#### 4.1.1 Off-Budget Borrowings

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

Funds for these programmes were to be met out of resources mobilised by these Companies/Corporations outside the State budget but in reality, the borrowings of these concerns ultimately turn out to the liabilities of the State Government termed as 'off-budget borrowings' and the Government had been repaying the loans availed of by these Companies/Corporations including interest through regular budget provision under capital account.

The entity-wise position of off-budget borrowings were as shown in **Table 4.1**.

**Table 4.1: Entity-wise status of off-budget borrowings**

(₹ in crore)

Name of the Company/Corporation	Outstanding off-budget borrowings	Repayment during the year	
		Principal	Interest
Goa State Industrial Development Corporation Limited (GSIDCL)	728.38 <sup>1</sup>	110.90	73.78
Sewerage and Infrastructural Development Corporation of Goa Limited (SIDCGL)	190.83 <sup>2</sup>	37.09	21.84
<b>Total</b>	<b>919.21</b>	<b>147.99</b>	<b>95.62</b>

(Source: Information furnished by the concerned Corporations)

<sup>1</sup> NABARD: ₹ 378.57 crore; Economic Development Corporation: ₹ 336.90 crore; and Indian Bank: ₹ 12.92 crore

<sup>2</sup> EDC: ₹ 141.40 crore and NABARD: ₹ 49.43 crore

The State Government repaid loan instalments of ₹ 243.61 crore including interest amounting to ₹ 95.62 crore from capital account. Thus, the capital expenditure of the State during 2019-20 included interest expenditure of ₹ 95.62 crore on off-budget borrowings.

Further, taking into account the off-budget borrowings of the State, the total outstanding debt at the end of March 2020 worked out to ₹ 23,473 crore against ₹ 22,554 crore mentioned in the finance accounts. The ratio of total outstanding debt to GSDP was, thus, 29.18 *per cent* at the end of the year, which was higher than the target fixed (25 *per cent*) in the Goa FRBM (First Amendment Act), 2014.

#### 4.2 Funds Transferred Directly to State Implementing Agencies

The Central Government transfers a sizeable quantum of funds directly to the State Implementing Agencies (IAs)<sup>3</sup> for implementation of various schemes/programmes in the social and economic sectors. As the funds are not routed through the State budget/State treasury system, the finance accounts of the State do not capture these funds and to that extent, the State's receipts and expenditure as well as other fiscal variables/parameters derived from them do not represent the complete picture.

With effect from 01 April 2014, GoI decided to release all assistance for Centrally Sponsored Schemes/Additional Central Assistance directly to the State Governments and not to the State IAs. In Goa, however, Central funds of ₹ 2,007.05 crore were transferred directly to the State IAs during 2019-20. The major Schemes receiving direct transfers of Central funds were: Integrated Development of Tourist Circuits around Specific Themes (Swadeshi Darshan) (₹ 29.81 crore), National Aids and STD Control Programme (₹ 6.90 crore), Member of Parliament Local Area Development Scheme (₹ 7.50 crore), Pradhan Mantri Kisan Samman Nidhi Yojana (₹ 4.34 crore) and National Programme for Dairy Development (₹ 0.43 crore).

#### 4.3 Delay in Submission of Utilisation Certificates

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

At the end of 2019-20, 14,539 UCs aggregating ₹ 2,882.09 crore were outstanding against grants disbursed up to 2018-19. Department-wise break-up of outstanding UCs is given in **Appendix 4.1** while the age-wise pendency has been summarised in the **Table 4.2**.

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<sup>3</sup> State IAs are organisations/institutions including non-Governmental organisations and Central autonomous bodies authorised by the State Government to receive funds from the GoI for implementation of specific programmes in the State.

**Table 4.2: Age-wise status of outstanding UCs as of 31 March 2020**

Sr. No.	Range of delay (in years)	Utilisation certificates outstanding	
		No.	Amount (₹ in crore)
1.	1-3	5044	1516.94
2.	3-5	2412	342.35
3.	5-7	1456	568.68
4.	7 and above	5627	454.12
	<b>Total</b>	<b>14539</b>	<b>2882.09</b>

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

Of the total outstanding UCs, 5,044 UCs (35 per cent) amounting to ₹ 1,516.94 crore (53 per cent) were outstanding from one to three years, while 9,495 UCs (65 per cent) involving ₹ 1,365.15 crore (47 per cent) were pending for more than three years.

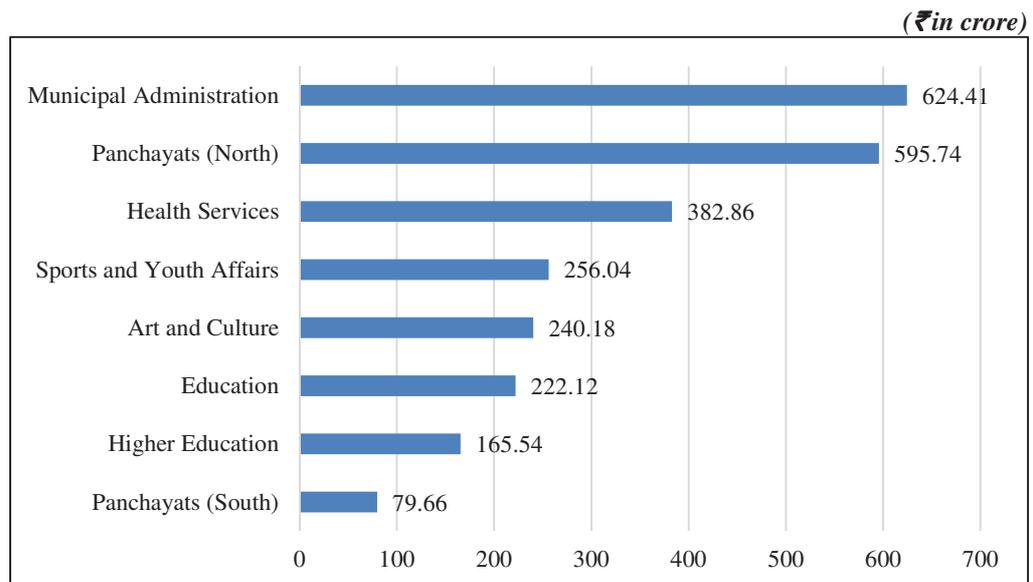
**Table 4.3: Year-wise break up of outstanding UCs**

Year	Number of UCs	(₹ in crore)
		Amount
Up to 2011-12	5627	454.12
2012-13	689	124.20
2013-14	767	444.48
2014-15	1167	143.69
2015-16	1245	198.66
2016-17	1075	348.16
2017-18	1673	671.28
2018-19	2296	497.50
<b>Total</b>	<b>14539</b>	<b>2882.09</b>

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

Major cases of non-submission of UCs pertained to Directorate of Art and Culture (27 per cent), Directorate of Panchayats (North) (22 per cent) and Directorate of Panchayats (South) (18 per cent).

**Chart 4.1: Departments showing major cases of outstanding UCs**



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

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

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

#### 4.4 Abstract Contingent Bills

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

The details of submission of DC Bills against AC Bills drawn up to March 2020 are given in **Table 4.4**.

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

(₹ in crore)

Year	AC Bills drawn		DC Bills received		Outstanding AC Bills	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
Up to 2017-18	9450	3371.63	9268	3330.92	182	40.71
2018-19	719	738.23	667	720.10	52	18.13
2019-20	877	827.45	629	777.93	248	49.52

(Source: Finance accounts of the State)

As may be seen from the table above, the Departments had drawn 877 AC Bills for an amount of ₹ 827.45 crore in 2019-20 and submitted 629 DC Bills for an amount of ₹ 777.93 crore. Thus, 248 DC Bills amounting to ₹ 49.52 crore was not submitted before close of the financial year 2019-20. There was, therefore, no assurance that the expenditure of ₹ 49.52 crore had actually been incurred during the financial year for the purpose for which it was sanctioned/authorised by the Legislature. This is a possible overstatement of expenditure in the year 2019-20.

In addition, 182 DC Bills amounting to ₹ 40.71 crore for the years up to 2017-18 and 52 DC Bills amounting to ₹ 18.13 crore for the year 2018-19 were yet to be submitted by the Departments. Thus, at the end of March 2020, 482 DC bills amounting to ₹ 108.36 crore was pending settlement. Further, of the 248 DC bills outstanding as of 2019-20, 57 bills (23 per cent) amounting to ₹ 8.10 crore were drawn in March 2020.

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

**Table 4.5: Age-wise status of outstanding DC Bills as of 31 March 2020**

Sr. No.	Range of delay (in years)	Outstanding DC Bills	
		No.	Amount (₹ in crore)
1.	1-3	322	73.49
2.	3-5	73	27.42
3.	5-7	43	5.90
4.	7 and above	44	1.55
	<b>Total</b>	<b>482</b>	<b>108.36</b>

Year-wise details of outstanding DC Bills are given in the following **Table 4.6**:

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

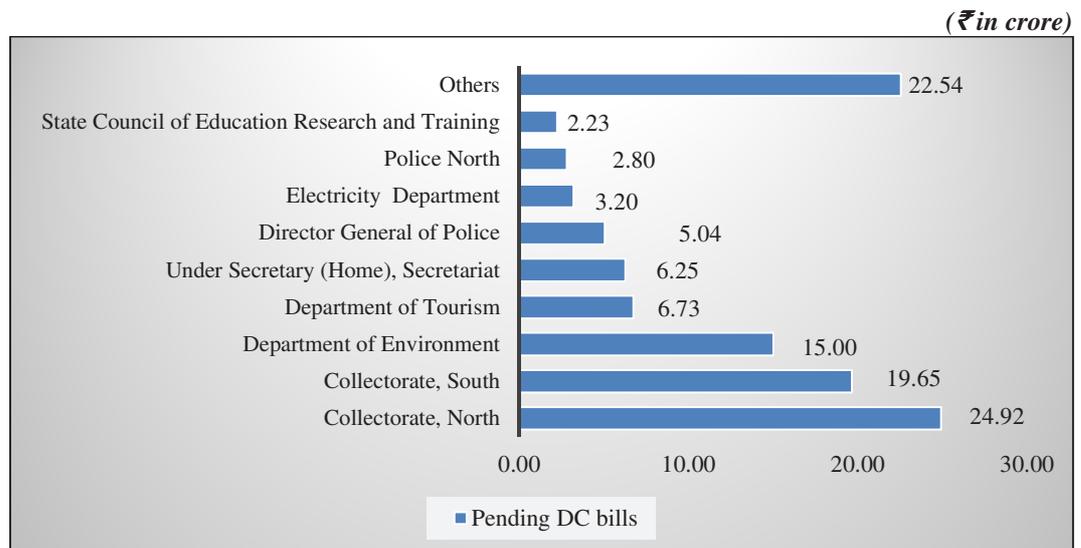
(₹ in crore)

Year	Outstanding DC Bills	Amount of DC Bills
Up to March 2011	44	1.55
2011-12	13	4.64
2012-13	10	0.66
2013-14	20	0.60
2014-15	24	11.48
2015-16	19	0.39
2016-17	30	15.55
2017-18	23	5.84
2018-19	51	18.13
2019-20	248	49.52
<b>Total</b>	<b>482</b>	<b>108.36</b>

(Source: Information furnished by Directorate of Accounts)

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

**Chart 4.2: Department-wise break-up of outstanding DC Bills**



(Source: Information furnished by Directorate of Accounts)

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

#### 4.5 Personal Deposit Accounts

The Personal Deposit (PD) Accounts/Personal Ledger Accounts (PLA) are deposit accounts kept in treasuries in the name of the administrators<sup>4</sup> of the accounts. The money is placed under 8443-Civil Deposits, 106-Personal Deposit. These Accounts can be opened with the approval of the Finance Department. As per Rule 179 to 182 of Receipts and Payments Rules, 1997, Government of Goa, the administrators are entitled to credit receipts into and effect withdrawals directly from the treasury account for a specific purpose. The administrators thereof shall only be Government Officers acting in their official or any other capacity. Every PD/PL Account so authorised to be opened will form part of the Government account under the Public account.

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

The year-wise position of PD/PL Accounts from 2017-18 to 2019-20 is given in **Table 4.7**.

**Table 4.7: Year-wise details of PD/PL Accounts during 2017-20**

(₹ in crore)				
Year	Opening balance	Receipts	Disbursements	Closing balance
2017-18	66.60	77.71	59.62	84.69
2018-19	84.69	107.55	83.47	108.77
2019-20	108.77	51.17	37.34	122.60

(Source: Information furnished by Directorate of Accounts)

As on 31 March 2020, a sum of ₹ 122.60 crore was held under 117 PD/PL Accounts by 17 Departments. These balances have not been reconciled with the Administrators of Accounts. Of the 117 Accounts, 22 Accounts held by 13 Departments having a balance of ₹ 0.43 crore were inoperative for over three years. If PD Accounts are inoperative for more than a year, they need to be reviewed by the Finance Department. However, existence of large number of inoperative PD Accounts for long periods indicates that the Finance Department is not reviewing them periodically.

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

<sup>4</sup> PD Account holders

#### 4.6 Booking under Minor Head ‘800- Other Expenditure’

The omnibus Minor Head 800 is intended to be operated when the appropriate minor head has not been provided in the accounts. Audit scrutiny revealed that the State Government has operated this minor head extensively under expenditure head during the five-year period (2015-20). The amounts booked under this minor head are given in **Table 4.8**.

**Table 4.8: Booking under Minor Head 800-Other receipts/Other expenditure during 2015-20**

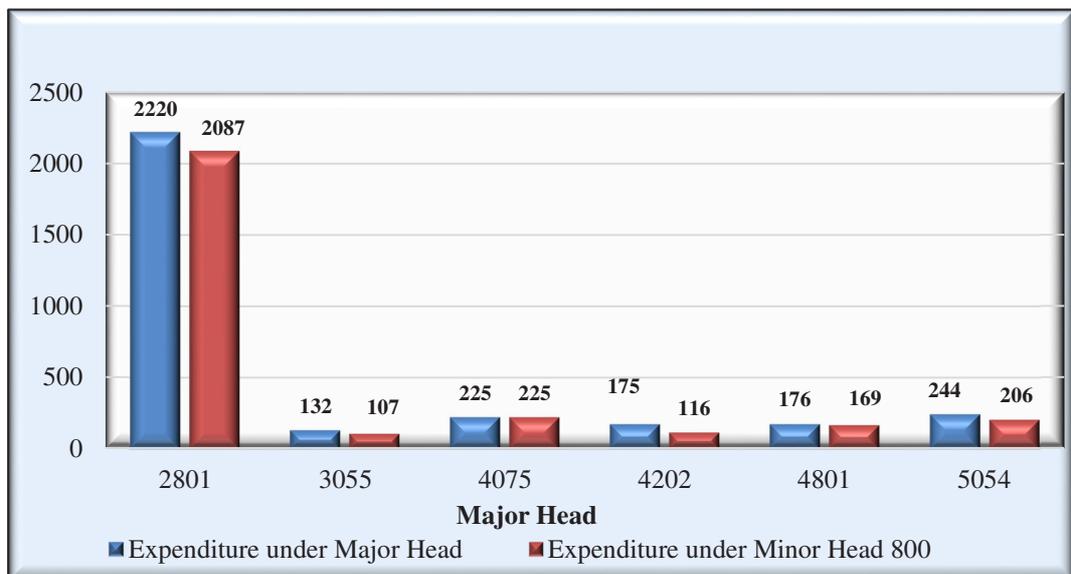
Year	Expenditure under Minor Head 800 (₹ in crore)	Percentage against total expenditure	Receipts under Minor Head 800 (₹ in crore)	Percentage against revenue receipts
2015-16	3323.89	33.09	517.15	6.04
2016-17	3328.20	31.67	418.45	4.37
2017-18	3820.68	30.15	352.80	3.18
2018-19	4039.50	30.52	656.62	5.73
2019-20	4117.84	30.97	386.46	3.42

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

Finance accounts 2019-20 of Government of Goa disclosed that expenditure aggregating ₹ 4,117.84 crore constituting 30.97 per cent of the total expenditure was classified under minor head ‘800-Other Expenditure’ under 46 major heads in revenue and capital sections. 100 per cent expenditure on capital outlay on ‘Other Miscellaneous General Services’ (major head 4075) for ₹ 225 crore, and ‘Capital outlay on other Scientific and Environmental Research’ (major head 5425) for ₹ 30.19 crore was classified under omnibus minor head 800. Cases where expenditure of more than ₹ 100 crore was booked under minor head - 800 under a particular major head is shown in **Chart 4.3**.

**Chart 4.3: Major heads where expenditure of more than ₹ 100 crore was booked under minor head 800**

(₹ in crore)



(Source: Finance accounts of the State)

Similarly, revenue receipts aggregating ₹ 386.46 crore, constituting 3.42 per cent of total revenue receipts, were classified under omnibus minor head '800-Other Receipts' in 18 major heads under revenue section.

The only case of receipt of more than ₹ 50 crore classified under minor head-800 was under MH 0070-Other Administrative Services (₹ 249 crore).

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

#### **4.7 Outstanding Balances under Major Suspense and Debt, Deposit and Remittances (DDR) Heads**

Suspense Head is intended for temporary accommodation of transactions affecting the balances of the State, pending final adjustments on receipt of debits and credits. Transactions on behalf of Central Government are also accounted for in this head.

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

The finance accounts reflect the net balances under suspense and remittance heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads.

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

**Table 4.9: Balances under Suspense and Remittance Heads**

Name of Minor Head	2017-18		2018-19		2019-20	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101 - Pay and Accounts office Suspense	436.08	414.89	487.21	448.17	490.66	497.56
Net	Dr. 21.19		Dr. 39.04		Cr. 6.90	
102 - Suspense Account (Civil)	43.38	41.94	43.95	43.16	44.64	44.26
Net	Dr. 1.44		Dr. 0.79		Dr. 0.41	
107 – Cash Settlement Suspense Account	471.16	288.78	479.95	288.82	492.34	289.02
Net	Dr. 182.38		Dr. 191.13		Dr. 203.32	
109 - Reserve Bank Suspense – Head Quarters	(-)5.25	(-)1.29	(-)7.62	(-)1.18	(-)3.42	(-)1.27
Net	Cr. 3.96		Cr. 6.44		Cr. 2.15	
110 - Reserve Bank Suspense – Central Accounts Office	3828.61	3033.91	4062.79	3272.61	4073.09	3272.69
Net	Dr. 794.70		Dr. 790.18		Dr. 800.40	
112 – Tax Deducted at Source	4.71	21.43	4.79	22.63	4.86	15.24
Net	Cr. 16.72		Cr. 17.84		Cr. 10.38	
129 – Material Purchase Settlement Suspense A/c	-	34.76	-	34.76	-	34.76
Net	Cr. 34.76		Cr. 34.76		Cr. 34.76	
<b>Total Net</b>	<b>Dr. 944.27</b>		<b>Dr. 962.10</b>		<b>Dr. 949.94</b>	

(Source: Finance accounts of the State)

The position of gross figures under major suspense and remittance heads shows that the aggregate net balance under the major head ‘8658-Suspense Accounts’ in the finance accounts decreased marginally from ₹ 962.10 crore in 2018-19 to ₹ 949.94 crore in 2019-20.

#### **Account Officer (PAO)-Suspense (Minor Head 101)**

This head is intended for settlement of transactions between the Director of Accounts and various Pay and Accounts officers. Outstanding debit balance under this head would mean that payments were made by the Director of Accounts which were yet to be recovered. Outstanding credit balance would mean that payments have been received by the Director of Accounts on behalf of a Pay and Accounts Officer, which were yet to be paid. During 2019-20, the net credit balance under this head was ₹ 6.90 crore.

#### **Suspense Account-Civil (Minor Head 102)**

This minor head is operated by the Director of Accounts to provisionally accommodate the differences noticed in the transactions which cannot be taken to the final head of expenditure/receipt accounts for want of certain information/documents viz., challans, vouchers etc. Receipts are credited and expenditure is debited to this account and cleared on receipt of required information by minus credit and minus debit respectively. The net debit balance under this head was ₹ 0.41 crore which decreased by ₹ 0.38 crore compared to previous year.

#### **Tax Deducted at Source (TDS) Suspense- (Minor Head 112)**

This minor head is intended to accommodate receipts on account of income tax deducted at source. Receipts on account of TDS are credited to major head

8658-Suspense accounts under minor head 112-TDS suspense. These credits are to be cleared by the end of each financial year and credited to the income tax Department. There was an outstanding credit balance ₹ 10.38 crore as on 31 March 2020 under this head which was yet to be credited to Income Tax Department.

#### 4.8 Non-Reconciliation of Departmental figures

To exercise effective budgetary control over revenue/expenditure and to ensure accuracy in accounts, all Controlling officers are required to reconcile every month, the receipts and expenditure recorded in their books with the figures accounted for by the Directorate of Accounts. This enables the controlling officers of Departments to exercise effective control over expenditure, to keep it within the budget grants and to ensure accuracy of their accounts. The Public Accounts Committee in its 48<sup>th</sup> Report (1992) recommended punitive action against erring Budget Controlling Authorities (BCAs). Even though non-reconciliation of Departmental expenditure was pointed out regularly in Audit Reports, lapses on the part of controlling officers in this regard continued to persist during 2019-20.

During 2019-20, 34 out of 89 BCAs did not carry out any reconciliation in respect of 2,944 units under their control for expenditure involving ₹ 7,117.02 crore. Of the 55 BCAs who carried out reconciliations, six carried out reconciliations only for part of the year in respect of 273 units under their control involving ₹ 44.75 crore. The details of 18 major BCAs (out of 34) who did not reconcile their expenditure (₹ 6,976.52 crore) are indicated in **Table 4.10**.

**Table 4.10: Major Budget Controlling Authorities Who did Not Reconcile their Expenditure**

(₹ in crore)

Sr. No.	Budget Controlling Authorities who did not reconcile their expenditure	Amount not reconciled
1.	Electricity	2409.40
2.	School Education	1392.57
3.	Chief Engineer, Public Works Department	1036.83
4.	Director of Health Services	546.72
5.	Water Resources	348.04
6.	Director of Women and Child Development	320.66
7.	Finance	238.92
8.	Transport	142.08
9.	Director of Panchayats	128.81
10.	Animal Husbandry & Veterinary	100.34
11.	Information and Technology	52.37
12.	Labour	52.13
13.	River Navigation	37.84
14.	Collector of South Goa	35.55
15.	Goa Dental College and Hospital	35.32
16.	Legislature Secretariat	34.78
17.	Commissioner of Commercial Taxes	33.21
18.	Collector of North Goa	30.95
	<b>Total</b>	<b>6976.52</b>

(Source: Directorate of Accounts)

Similarly, 33 out of 89 BCAs did not carry out any reconciliation in respect of 2,398 units under their control for receipts involving ₹ 7,656.30 crore. Of the 56 BCAs who carried out reconciliations, five carried out reconciliations only for part of the year in respect of 259 units under their control involving ₹ 8.94 crore. The details of 12 major BCAs (out of 33) who did not reconcile their receipts (₹ 7,576.91 crore) are indicated in **Table 4.11**.

**Table 4.11: Major Budget Controlling Authorities Who did Not Reconcile their Receipts**

*(₹ in crore)*

Sr. No.	Budget Controlling Authorities who did not reconcile their receipts	Amount not reconciled
1.	Commercial Tax	4287.49
2.	Electricity	1960.52
3.	Public Works	392.80
4.	Transport	299.32
5.	Home	215.49
6.	Notary Services	151.12
7.	Water Resources	75.90
8.	Panchayats	52.03
9.	Town & Country Planning	48.63
10.	Health Services	42.13
11.	School Education	28.53
12.	Collectorate, North Goa	22.95
	<b>Total</b>	<b>7576.91</b>

*(Source: Directorate of Accounts)*

#### **4.9 Compliance with Accounting Standards**

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

**Table 4.12: Compliance with Accounting Standards**

Sr. No.	Accounting Standards	Essence of IGAS	Compliance by State Government	Impact of Deficiency
1.	<b>IGAS-1:</b> <i>Guarantees Given by the Government – Disclosure requirements</i>	This standard requires the Government to disclose the maximum amount of guarantees given during the year in its financial statements along with additions, deletions, invoked, discharged and outstanding at the end of the year.	Complied	-
2.	<b>IGAS-2:</b> <i>Accounting and Classification of Grants-in-Aid (GIA)</i>	GIA are to be classified as revenue expenditure in the accounts of the grantor and as revenue receipts in the accounts of the grantee, irrespective of the end use, and GIA in kind requires adequate disclosure by the Government.	Partly complied as detailed information in respect of GIA given in kind has not been furnished by the State Government.	Lack of disclosure of GIA given in kind as required by the Accounting Standard.
3.	<b>IGAS-3:</b> <i>Loans and Advances made by Government</i>	It is related to recognition, measurement and valuation and reporting in respect of loans and advances made by the Government in its financial statements to ensure complete, accurate and uniform accounting practices and also to ensure adequate disclosure on loans and advances made by the Government.	Partly complied. As the reasons for disbursement of fresh loans and advances were not furnished by the State Government.	Disclosure requirements of loans and advances not met by the State Government.

(Source: Finance accounts of the State)

#### 4.10 Submission of Accounts/Separate Audit Reports of Autonomous Bodies

Several autonomous bodies have been set up by the State Government in the fields of education, irrigation, housing *etc.* Of these, audit of accounts of 13 bodies in the State have been entrusted to the CAG. These bodies are audited by the CAG for verification of their accounts, financial transactions, operational activities, internal management and financial control system and procedures.

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

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

Submission of Accounts for Audit		Presentation of Report in Legislature	
Delay (in months)	No. of autonomous bodies	Delay (in years)	Number of autonomous bodies
0-3	-	0-1	2
3-6	3	1-3	4
6-9	3	3-5	-
9-25	3	5 years and above	5
25 months and above	4	-	-

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

There were 42 accounts pertaining to various periods pending submission by 13 autonomous bodies. The submission of accounts of 13 autonomous bodies was delayed by four to 76 months while presentation of four out of 13 accounts in the State Legislature was delayed by more than five years. The reasons for delays though called for were not intimated by the respective autonomous bodies.

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

#### 4.11 Departmental Commercial Undertakings/Corporations/Companies

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

Heads of Departments in the Government have to ensure that the undertakings prepare such accounts and submit the same to the Accountant General for audit within a specified timeframe. As of October 2020, there were two<sup>5</sup> such undertakings, one of which had heavy arrears in accounts. The Department-wise position of arrears in preparation of *proforma* accounts and investments made by the Government in these two undertakings is given in **Table 4.14**.

<sup>5</sup> River Navigation Department and Electricity Department

**Table 4.14: Position of arrears as on 31 October 2020 in preparation of Proforma Accounts**

Department	No. of undertakings under the Department	Name of undertaking	Year up to which accounts finalised	Investment as per last accounts (₹ in crore)
Inland Water Transport	1	River Navigation Department	2005-06	108.29
Power	1	Electricity Department, Government of Goa	2016-17	1570.84
<b>Total</b>				<b>1679.13</b>

(Source: Information furnished by concerned Departments)

### **Submission of Accounts by State Public Sector Enterprises**

#### **Need for Timely Submission**

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

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

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

#### **Timeliness in Preparation of Accounts by Government Companies**

As of 31 March 2020, there were 14 Government Companies under the purview of CAG's audit. Of these, accounts for the year 2019-20 were due from 12 Government Companies. A total of nine Government Companies submitted their accounts of previous years for audit by CAG on or before 31 October 2020. Details of arrears in submission of accounts by Government Companies are given below:

**Table 4.15: Arrears in submission of accounts by Government Companies**

Particulars		Government Companies
Total number of Companies under the purview of CAG's audit as on 31.03.2020		14
Less: Companies from which accounts for 2019-20 were not due		02
Number of Companies from which accounts for 2019-20 were due		12
Number of Companies which presented the accounts for CAG's audit by 31 October 2020		09
Number of accounts in arrears		37
Break- up of Arrears	(i) Under Liquidation	00
	(ii) Defunct	00
	(iii) First Accounts not submitted	00
	(iv) Others	37
Age-wise analysis of arrears against 'Others' category	One year (2019-20)	08
	Two years (2018-19 and 2019-20)	00
	Three years and more	29

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

The name of 12 Companies whose accounts were in arrears as on 31 March 2020 are shown in **Appendix 4.3**.

#### **Timeliness in preparation of Accounts by Statutory Corporations**

The CAG is the sole auditor for the two Statutory Corporations viz., Goa Industrial Development Corporation (GIDC) and Goa Information Technology Development Corporation (GITDC). Of these two Statutory Corporations, GIDC's accounts for the year 2019-20 was awaited as on 31 October 2020 and GITDC<sup>6</sup> had not finalised any account since its inception i.e., 2006-07.

#### **4.12 Misappropriations, Losses and Defalcations**

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

The State Government reported 31 cases of misappropriation, defalcation etc., involving Government money totaling ₹ 8.74 crore up to June 2020 on which final action was pending. The Department-wise/age-wise break-up of pending cases is given in **Appendix 4.4**.

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

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

**Table 4.16: Profile of misappropriation**

Age profile and nature of pending cases			
Range in years	No. of cases	Amount involved (₹ in lakh)	Nature/characteristics of the cases
0-5	10	847.26	Misappropriation of cash/stores
5-10	11	14.51	
10 years and above	10	12.60	
<b>Total</b>	<b>31</b>	<b>874.37</b>	

(Source: Information furnished by concerned Departments)

Of the 31 cases, 12 cases pertained to Directorate of Panchayats, Panaji and seven pertained to Vigilance Department. Of these 19 cases, three cases amounting to ₹ 3.44 lakh pertaining to Directorate of Panchayats were pending for more than 10 years.

The reasons for which the cases were outstanding are classified under three categories as listed in **Table 4.17** below.

**Table 4.17: Reasons for outstanding cases of misappropriation**

Reasons for delay/outstanding pending cases	No. of cases	Amount (₹ in lakh)
Departmental action started but not finalised	27	866.27
Pending in the courts of law	2	3.24
Awaiting orders for recovery/write off	2	4.86
<b>Total</b>	<b>31</b>	<b>874.37</b>

(Source: Information furnished by concerned Departments)

#### 4.13 Follow-up Action on State Finances Audit Report

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

#### 4.14 Conclusion

Sr. No.	Positive Indicators	Negative Indicators
1.	Decreasing amount under outstanding Detailed Contingent bills.	Non-reconciliation of Departmental figures by the Budget Controlling Authorities.
2.	Decreasing amount under Suspense Head.	Increasing numbers of outstanding Utilisation Certificates.
3.	Significant decrease in booking of Receipts under 'Omnibus Minor Head – 800'.	Arrears of Annual Accounts in respect of Autonomous Bodies and State Public Sector Enterprises.

#### 4.15 Recommendations

- The Government may ensure timely submission of Utilisation Certificates by the Departments in respect of the grants released for specific purposes.
- The Finance Department may review all PD accounts to ensure that all amounts unnecessarily lying in these PD accounts are immediately remitted to the Consolidated Fund.
- Finance Department may evolve a system to expedite the process of compilation and submission of annual accounts by autonomous bodies and departmentally run undertakings in order to assess their financial position.
- The Government may consider carrying out adjustment of Abstract Contingent bills within stipulated period and regularly monitor the pending Detailed Contingent Bills.

Panaji  
The 17 September 2021

  
(ANITHA BALAKRISHNA)  
Accountant General, Goa

Countersigned

New Delhi  
The 23 September 2021

  
(GIRISH CHANDRA MURMU)  
Comptroller and Auditor General of India



# APPENDICES



**APPENDIX 1.1**  
(Referred to in paragraph 1.1)

A. General Data (Basic statistics of the State)								
Sr. No.	Particulars						Figures	
1.	Area						3702 sq.km.	
2.	Population							
	a.	As per 2001 Census					0.13 crore	
	b.	As per 2011 Census					0.15 crore	
3.	Density of Population (as per 2001 census) (All India Density = 325 persons per sq. km.)						364 persons per sq. km.	
	Density of Population* (as per 2011 census) (All India Density = 382 persons per sq. km.)						394 persons per sq. km.	
4.	Population below poverty line (BPL) <sup>§</sup> (All India Average = 21.90 per cent)						9.90 per cent	
5.	Literacy rate <sup>%</sup> (as per 2011 Census) (All India = 73.00 per cent)						88.70 per cent	
6.	Infant mortality <sup>^</sup> (per 1000 live births) (All India = 33 per 1000 live births)						Eight	
7.	Life Expectancy at birth <sup>@</sup> (All India = 69.40 years)						68.50 years	
8.	Gross State Domestic Product (GSDP) 2019-20 at current price						₹ 80,449	
9.	Per capita GSDP CAGR (2011-12 to 2019-20) (All India = 9.84 per cent)					Goa	7.61	
						General Category States (GCS)	10.53	
10.	GSDP CAGR (2011-12 to 2019-20) (All India = 11.14 per cent)					Goa	8.35	
						GCS	11.98	
11.	Population Growth (2011-20) ( All India = 11.09 per cent )					Goa	6.14	
						GCS	10.98	
B. Financial Data								
Particulars		2010-11 to 2018-19		2014-15 to 2018-19		Growth rate during 2019-20		
CAGR		GCS	Goa	GCS	Goa	GCS	Goa	
in per cent								
a.	Revenue Receipts	13.65	9.73	12.71	10.44	2.08	(-1.23	
b.	Own Tax Revenue	12.21	10.83	10.42	5.74	2.12	(-)3.51	
c.	Non Tax Revenue	11.19	3.00	9.67	5.43	23.44	(-)4.77	
d.	State's shares in Union Taxes & Duties	16.48	22.06	21.81	33.69	(-)13.86	(-)13.83	
e.	Grants-in-Aid from Govt. of India	15.18	7.71	8.10	9.54	21.24	69.33	
f.	Total Receipts	13.52	6.73	12.72	12.53	4.34	0.23	
g.	Revenue Expenditure	13.79	11.07	12.22	10.59	5.71	4.86	
h.	Capital Expenditure	14.64	7.32	12.35	14.88	(-)3.86	(-)22.75	
i.	Disbursement of Loans and Advances	11.36	(-)18.88	11.11	0.00	(-)12.50	333.33	
j.	Total Expenditure	13.87	10.35	12.22	11.23	4.09	0.45	
k.	RE on Education	11.58	11.19	9.37	13.66	11.81	5.67	
l.	RE on Health	15.43	12.32	13.23	14.46	9.48	34.01	
m.	Salary and Wages	10.78	11.74	10.35	11.60	9.51	4.90	
n.	Pension	14.14	16.84	14.27	18.44	9.74	1.08	

Source: \*Census Info India 2011;

§ Economic Survey 2019-20 (Vol II), Statistical Appendix, Page no. A 169 of Table 9.8;

% Economic Survey 2019-20 (Vol II) Statistical Appendix, Page no. A 164, Table 9.4;

^ Economic survey 2019-20 (Vol II) Statistical Appendix, Page no A 160, Table 9.1;

@ SRS based Abridged Life Tables 2014-18.

## APPENDIX 1.2

(Referred to in paragraph 1.7)

## Details of government companies and statutory corporations

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

Sl. No.	Company Name	Sector	Description
			artisan and thus providing a source of income to the artists. Apart from the above, (GHRSSIDC) provides impetus to Small Scale Industries through its Preferential Purchase Scheme (PPS) or Rate Contract Scheme (RCS) under an annual rate contract.
5	Goa State Scheduled Caste and Other Backward Classes Finance and Development Corporation Limited (GSSCOBCFDCL)	Health & Welfare	The Company was incorporated in April 1990. The Share Capital contribution of the State and the Central Government is in the ratio of 51:49 <i>per cent</i> respectively. The main objectives were as follows: <ul style="list-style-type: none"> <li>• Identifying Scheduled Castes (SC) and Other Backward Class (OBC) Community entrepreneurs and promoting and strengthening of the class.</li> <li>• Generating activities for socio-economic advancement of SCs and OBCs, especially those from the weaker sections of the society and</li> <li>• Planning, promoting and financing the activities for the benefit, welfare and upliftment of SCs and OBCs which will also enable them to improve their standards of living.</li> </ul>
6	Goa State Scheduled Tribes Finance and Development Corp. Ltd. (GSSTFDCL)	Health & Welfare	The Goa State Scheduled Tribes Finance and Development Corporation Limited (GSSTFDCL) was incorporated (March 2004) with the main objective to identify Schedule Tribes (ST) and other backward tribes and to promote and strengthen this class and generate activities for their socio-economic advancement.
7	Goa State Infrastructure Development Corporation Limited, (GSIDCL)	PWD	Goa State Infrastructure Development Corporation Limited (GSIDCL) was incorporated in February 2001 under the Companies Act, 1956. GSIDCL has been constituted as 'Special Purpose Vehicle' of the Government of Goa to facilitate execution of infrastructure development works on its behalf. All the expenditure on project(s) undertaken by GSIDCL is reimbursed by the Department(s)/Government. In addition to the project cost, GSIDCL charges development fees from the Government to meet its administrative expenses.
8	Sewerage and Infrastructural Development Corporation of Goa Limited, (SIDCGL)	PWD	The Sewerage and Infrastructural Development Corporation of Goa limited (SIDCGL) was incorporated on 22 <sup>nd</sup> February 2001 under the companies Act 1956. The organisation became dormant in the year 2005. Later the organisation was reactivated on 14 <sup>th</sup> January 2008. The objective of the organisation was decided to develop sewerage facilities in the State of Goa as the State was lacking in sewerage facilities. The sewerage schemes are completed and are later transferred to PWD as an asset for Operation & Maintenance.

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

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

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

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

**APPENDIX 2.1**  
(Referred to in paragraph 2.1)  
**Abstract of receipts and disbursements for the year 2019-20**

(₹ in crore)

Receipts			Disbursements		
2018-19		2019-20	2018-19	2019-20	
<b>Section-A: Revenue</b>					
<b>11437.98</b>	<b>1. Revenue receipts</b>	<b>11297.52</b>	<b>11082.84</b>	<b>1. Revenue expenditure</b>	<b>11622.66</b>
4871.36	Tax revenue	4700.56	<b>3793.14</b>	<b>General services</b>	<b>3942.84</b>
			<b>4223.25</b>	<b>Social Services (inclusive of GIA and contribution)</b>	<b>4338.50</b>
2873.66	Non-tax revenue	2737.54	2045.84	Education, Sports, Art and Culture	1986.87
			840.57	Health and Family Welfare	975.11
2878.36	State's share of Union Taxes	2479.85	408.72	Water Supply, Sanitation, Housing and Urban Development	552.44
			25.95	Information and Broadcasting	28.27
68.09	Non-Plan grants	169.33	150.39	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	75.61
2.09	Grants for State Plan Schemes	-	60.81	Labour and labour Welfare	69.06
			687.92	Social Welfare and Nutrition	648.30
268.42	Grants for Central and Centrally sponsored Plan Schemes	391.54	3.05	Others	2.84
476.00	Other Transfers to States with Legislatures	818.70	<b>3066.45</b>	<b>Economic Services (inclusive of GIA and contribution)</b>	<b>3341.32</b>
			330.51	Agriculture and Allied Activities	334.28
			131.20	Rural Development	153.49
			8.89	Special Areas Programmes	8.89
			149.85	Irrigation and Flood control	130.09
			1896.37	Energy	2220.19
			111.10	Industry and Minerals	66.70
			316.48	Transport	267.10
			20.79	Science, Technology and Environment	52.65
			101.26	General Economic Services	107.93
			<b>11082.84</b>	<b>Total</b>	<b>11622.66</b>
	<b>II. Revenue deficit carried over to Section B</b>	<b>325.14</b>	<b>355.14</b>	<b>II. Revenue deficit/surplus carried over to Section B</b>	<b>-</b>
<b>11437.98</b>	<b>Total</b>	<b>11622.66</b>	<b>11437.98</b>	<b>Total</b>	<b>11622.66</b>

Receipts		Disbursements			
2018-19		2019-20	2018-19	2019-20	
<b>Section-B : Other</b>					
995.77	<b>III. Opening Cash balance including Permanent Advances and Cash Balance Investment</b>	1305.57	-	<b>III. Opening Overdraft from Reserve Bank of India</b>	-
	<b>IV. Miscellaneous Capital receipts</b>	-	-	<b>IV. Capital Outlay</b>	
			<b>515.08</b>	<b>General Services</b>	<b>299.77</b>
			<b>762.97</b>	<b>Social Services</b>	<b>587.07</b>
			237.87	Education, Sports, Art and Culture	175.34
			112.81	Health and Family Welfare	152.22
			399.12	Water Supply, Sanitation, Housing and Urban Development	233.97
			-	Information and Broadcasting	-
			5.71	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	24.63
			6.38	Social Welfare and Nutrition	0.41
			1.08	Other Social Services	0.50
			<b>871.09</b>	<b>Economic Services</b>	<b>773.40</b>
			35.27	Agriculture and Allied Activities	9.94
			(-)0.03	Rural Development	8.70
			2.85	Special Areas Programmes	2.39
			169.78	Irrigation and Flood Control	210.14
			177.00	Energy	176.45
			9.74	Industry and Minerals	16.74
			352.09	Transport	253.00
			39.27	Science, Technology and Environment	30.19
			85.12	General Economic Services	65.85
			<b>2149.14</b>	<b>Total</b>	<b>1660.24</b>
5.14	<b>V. Recoveries of Loans and Advances</b>	3.58	3.10	<b>V. Loans and Advances disbursed</b>	<b>13.42</b>
4.11	From Government Servants	3.28	0.91	To Government Servants	0.86
1.03	From Others	0.30	2.19	To Others	12.56
355.14	<b>VI. Revenue Surplus brought down</b>	-	-	<b>VI. Revenue Deficit brought down</b>	<b>325.14</b>

Receipts			Disbursements		
2018-19		2019-20	2018-19	2019-20	
2528.92	<b>VII. Public debt receipts</b>	2699.47	920.46	<b>VII. Repayment of Public debt</b>	1024.93
	External debt	-	-	External debt	-
2458.49	Internal debt other than Ways and Means Advances and overdrafts	2653.79	827.66	Internal debt other than Ways and Means Advances and Overdrafts	926.94
	Net transactions under Ways and Means Advances	-	-	Net transactions under Ways and Means Advances	-
	Net transactions under overdraft	-	-	Net transactions under overdraft	-
70.43	Loans and Advances from Central Government	45.68	92.80	Repayment of Loans and Advances to Central Government	97.99
-	<b>VIII. Appropriation to Contingency Fund</b>	-	-	<b>VIII. Appropriation to Contingency Fund</b>	-
-	<b>IX. Amount transferred to Contingency Fund</b>	-	1.89	<b>IX. Expenditure from Contingency Fund</b>	(-) 1.81
13684.14	<b>X. Public Account receipts</b>	12735.59	13188.95	<b>X. Public Account disbursements</b>	12237.17
453.80	Small Savings and Provident Funds	444.47	346.96	Small Savings and Provident Funds	370.60
260.93	Reserve Funds	459.25	130.24	Reserve Funds	172.88
8115.12	Suspense and Miscellaneous	7670.98	8037.63	Suspense and Miscellaneous	7778.86
4137.58	Remittances	3551.74	4078.04	Remittances	3490.85
716.71	Deposits and Advances	609.15	596.08	Deposits and Advances	423.98
	<b>XI. Closing Overdraft from Reserve Bank of India</b>		1305.57	<b>XI. Cash Balance at end</b>	1485.12
			954.18	Investment of earmarked balance	1031.37
			0.45	Deposits with Reserve Bank	64.26
			1.80	Departmental Cash Balance including permanent Advances	1.85
			349.14	Cash Balance Investment	387.64
<b>29007.09</b>	<b>Total</b>	<b>28366.87</b>	<b>29007.09</b>	<b>Total</b>	<b>28366.87</b>

(Source: Finance account of the State)

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

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Part-A Receipts</b>					
<b>1. Revenue Receipts</b>	<b>8552</b>	<b>9565</b>	<b>11054</b>	<b>11438</b>	<b>11297</b>
<b>(i) Tax Revenue</b>	<b>3975(46)</b>	<b>4261(45)</b>	<b>4732(43)</b>	<b>4871(43)</b>	<b>4700(42)</b>
State Goods and Services Tax (SGST)	-	-	1464(31)	2529(52)	2438(52)
Taxes on Sales, Trade etc.	2116(53)	2438(57)	1622(34)	1013(21)	1033(22)
State Excise	319(8)	321(7)	410(9)	478(10)	492(10)
Taxes on Vehicles	196(5)	244(6)	314(7)	299(6)	269(6)
Stamp duty and Registration fee	525(13)	365(9)	530(11)	432(9)	393(8)
Land Revenue	24(1)	39(1)	42(1)	67(1)	37(1)
Taxes on goods and passengers	464(12)	454(11)	210(4)	30(1)	32(1)
Other Taxes	331(8)	400(9)	140(3)	23(0)	6(0)
<b>(ii) Non-Tax Revenue</b>	<b>2432(28)</b>	<b>2712(28)</b>	<b>3033(27)</b>	<b>2874(25)</b>	<b>2737(24)</b>
<b>(iii) State's share in Union taxes and duties</b>	<b>1924(22)</b>	<b>2299(24)</b>	<b>2544(23)</b>	<b>2878(25)</b>	<b>2480(22)</b>
<b>(iv) Grants-in-aid from Government of India</b>	<b>221(3)</b>	<b>293(3)</b>	<b>745(7)</b>	<b>815(7)</b>	<b>1380(12)</b>
<b>2. Misc. Capital Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3. Recoveries of Loans and Advances</b>	<b>10</b>	<b>9</b>	<b>7</b>	<b>5</b>	<b>4</b>
<b>4. Total Revenue and Non-debt capital receipt (1+2+3)</b>	<b>8562</b>	<b>9574</b>	<b>11061</b>	<b>11443</b>	<b>11301</b>
<b>5. Public Debt Receipts</b>	<b>1847</b>	<b>1519</b>	<b>2006</b>	<b>2529</b>	<b>2700</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1736	1427	1928	2459	2654
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	111	92	78	70	46
<b>6. Total Receipts in the Consolidated Fund (4+5)</b>	<b>10409</b>	<b>11093</b>	<b>13067</b>	<b>13972</b>	<b>14001</b>
<b>7. Contingency Fund Receipts</b>	<b>(-130)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>8. Public Accounts receipts</b>	<b>10941</b>	<b>11128</b>	<b>13377</b>	<b>13684</b>	<b>12736</b>
<b>9. Total receipts of the State (6+7+8)</b>	<b>21220</b>	<b>22221</b>	<b>26444</b>	<b>27656</b>	<b>26737</b>
<b>Part-B Expenditure/Disbursement</b>					
<b>10. Revenue Expenditure</b>	<b>8420(84)</b>	<b>8866(84)</b>	<b>10543(83)</b>	<b>11083(84)</b>	<b>11622(87)</b>
Plan	2099(25)	2126(24)	-	-	-
Non Plan	6321(75)	6740(76)	-	-	-
General Services (including interests payments)	2564(30)	2873(32)	3517(34)	3793(34)	3942(34)
Social Services (including GIA and contributions)	3183(38)	3345(38)	4155(39)	4223(38)	4339(37)
Economic Services (including GIA and contributions)	2673(32)	2648(30)	2871(27)	3067(28)	3341(29)
<b>11. Capital Expenditure</b>	<b>1622(16)</b>	<b>1639(16)</b>	<b>2094(17)</b>	<b>2149(16)</b>	<b>1660(12)</b>
General Services	271(17)	204(12)	409(20)	515(24)	300(18)
Social Services	343(21)	432(26)	654(31)	763(36)	587(35)
Economic Services	1008(62)	1003(61)	1031(49)	871(41)	773(47)

	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Part-B Expenditure/Disbursement</b>					
<b>12. Disbursement of Loans and Advances</b>	3	3	34	3	13
<b>13. Total (10+11+12)</b>	<b>10045</b>	<b>10508</b>	<b>12671</b>	<b>13235</b>	<b>13295</b>
<b>14. Repayments of Public Debt</b>	<b>439</b>	<b>468</b>	<b>790</b>	<b>920</b>	<b>1025</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	412	441	702	827	927
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	27	27	88	93	98
<b>15. Appropriation to Contingency Fund</b>	<b>(-130)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>16. Total disbursement out of Consolidated Fund (13+14+15)</b>	<b>10354</b>	<b>10976</b>	<b>13461</b>	<b>14157</b>	<b>14321</b>
<b>17. Net Loans and Advances</b>	<b>7</b>	<b>6</b>	<b>(-27)</b>	<b>2</b>	<b>(-9)</b>
<b>18. Contingency Fund disbursements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>
<b>19. Public Accounts disbursements</b>	<b>10893</b>	<b>11029</b>	<b>12969</b>	<b>13189</b>	<b>12237</b>
<b>20. Total disbursement by the State (16+18+19)</b>	<b>21247</b>	<b>22005</b>	<b>26430</b>	<b>27348</b>	<b>26558</b>
<b>Part-C Deficits</b>					
<b>21. Revenue Deficit(-)/Revenue Surplus (+)(1-10)</b>	<b>132</b>	<b>699</b>	<b>511</b>	<b>355</b>	<b>(-325)</b>
<b>22. Fiscal Deficit (4-13)</b>	<b>(-1483)</b>	<b>(-934)</b>	<b>(-1610)</b>	<b>(-1792)</b>	<b>(-1994)</b>
<b>23. Primary Deficit(-)/Surplus(+)(22+24)</b>	<b>(-408)</b>	<b>214</b>	<b>(-366)</b>	<b>(-448)</b>	<b>(-529)</b>
<b>Part-D Other Data</b>					
<b>24. Interest Payments (included in revenue expenditure)</b>	<b>1075</b>	<b>1148</b>	<b>1244</b>	<b>1344</b>	<b>1465</b>
<b>24. Financial Assistance to local bodies etc.</b>	<b>1197</b>	<b>1325</b>	<b>1671</b>	<b>1775</b>	<b>1804</b>
<b>25. Ways and Means Advances (WMA)/Overdraft availed (days)</b>	<b>240</b>	<b>188</b>	<b>88</b>	<b>320</b>	<b>96</b>
Ways and Means advances availed	177	174	88	296	96
Overdraft availed	63	14	-	24	-
<b>26. Interest on WMA/Overdraft</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>3</b>	<b>1.01</b>
<b>27. Gross State Domestic Product (GSDP)</b>	<b>55054</b>	<b>62976</b>	<b>69352</b>	<b>73170</b>	<b>80449</b>
<b>28. Outstanding fiscal liabilities (year-end)</b>	<b>15575</b>	<b>16824</b>	<b>18552</b>	<b>20412</b>	<b>22554</b>
<b>29. Outstanding guarantees including interest (year-end)</b>	<b>623</b>	<b>842</b>	<b>741</b>	<b>1093</b>	<b>883</b>
<b>30. Maximum amount guaranteed (year-end)</b>	<b>713</b>	<b>932</b>	<b>962</b>	<b>1467</b>	<b>1076</b>
<b>31. Number of incomplete projects</b>	<b>129</b>	<b>132</b>	<b>153</b>	<b>266</b>	<b>207</b>
<b>32. Capital blocked in incomplete projects</b>	<b>1453</b>	<b>1509</b>	<b>1204</b>	<b>1304</b>	<b>1007</b>

<i>Part-E Fiscal Health Indicators (in per cent)</i>	2015-16	2016-17	2017-18	2018-19	2019-20
<b>I Resource Mobilisation</b>					
Own Tax revenue/GSDP	7.22	6.77	6.82	6.66	5.84
Own Non-Tax Revenue/GSDP	4.42	4.31	4.37	3.93	3.40
Central Transfer/GSDP	3.49	3.65	3.67	3.93	3.08
<b>II Expenditure Management</b>					
Total Expenditure/GSDP	18.25	16.60	18.27	18.09	16.53
Total Expenditure/Revenue Receipts	117.46	109.86	114.63	115.71	117.69
Revenue Expenditure/Total Expenditure	83.82	84.37	83.21	83.74	87.42
Expenditure on Social Services/Total Expenditure	35.10	35.94	37.95	37.67	37.04
Expenditure on Economic Services/Total Expenditure	36.65	34.74	30.79	29.77	30.94
Capital Expenditure/Total Expenditure	16.15	15.60	16.53	16.24	12.49
Capital Expenditure on Social and Economic Services/Total Expenditure	13.45	13.66	13.30	12.35	10.23
<b>III Management of Fiscal Imbalances</b>					
Revenue deficit (surplus)/GSDP	0.24	1.11	0.74	0.49	(-0.41)
Fiscal deficit/GSDP	(-)2.69	(-)1.48	(-)2.32	(-)2.45	(-)2.47
Primary Deficit (surplus)/GSDP	(-)0.74	0.34	(-)0.53	(-)0.61	(-)0.66
Revenue Deficit/Fiscal Deficit	(-)8.90	(-)74.79	(-)31.74	(-)19.81	16.30
Primary Revenue Balance/GSDP	2.19	2.93	2.53	15.63	14.04
<b>IV Management of Fiscal Liabilities</b>					
Fiscal Liabilities/GSDP	28.29	26.71	26.75	27.90	28.04
Fiscal Liabilities/RR	182.12	175.89	167.84	178.46	199.65
Debt Redemption (Principal+Interest)/Total Debt Receipts	81.97	106.37	101.41	89.52	92.22

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

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

<b>Sr. No.</b>	<b>Name of SPSE</b>	<b>Year for which accounts not received by 31 October 2020</b>
<b>Government Companies</b>		
1	Goa Forest Development Corporation Limited	2016-17 to 2019-20
2	Goa Meat Complex Limited <sup>@</sup>	Non-Working
3	Goa State Horticultural Corporation Limited	2015-16 to 2019-20
4	Goa State Scheduled Caste and Other Backward Classes Finance and Development Corporation Limited	2009-10 to 2019-20
5	Imagine Panaji Smart City Development Limited	2017-18 to 2019-20
6	Info Tech Corporation of Goa Limited	2013-14 to 2019-20
<b>Statutory Corporation</b>		
7	Goa Information Technology Development Corporation	Non-Working

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

## APPENDIX 2.4

(Referred to in paragraph 2.4.3.2)

## Statement showing State Government funds infused in the selected SPSEs since 2000-01 till 2019-20

(₹ in crore)

Sr. No.	SPSE		2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	
1	Goa Handicrafts, Rural & Small Scale Industries Development Corporation Ltd.	Equity	2.33	3.33	3.33	3.33	3.33	3.33	6.33	7.33	7.33	7.83	7.83	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-	-	-
		Grants/ Subsidy	-	-	-	-	1.10	0.01	0.65	0.65	1.06	1.11	2.60	
		IFL Converted	-	-	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-	-	-
2	Kadamba Transport Corporation Limited	Equity	22.91	22.91	22.91	22.91	25.91	25.94	36.59	42.59	45.59	48.89	52.64	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-	-	-
		Grants/ Subsidy	8.00	5.62	7.56	8.72	9.25	8.87	11.50	8.00	-	-	39.72	
		IFL Converted	-	-	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-	-	-
3	Goa Industrial Development Corporation	Equity	17.73	17.73	17.78	17.90	18.02	18.02	18.02	18.02	18.02	18.02	18.02	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-	-	-
		Grants/ Subsidy	-	-	-	-	-	-	-	-	-	-	-	-
		IFL Converted	-	-	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-	-	-
4	Sewage and Infrastructural Development Corporation Limited	Equity	-	-	-	2.05	2.05	2.00	2.00	4.80	5.25	5.55	6.05	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-	-	-
		Grants/Subsidy	-	-	-	-	-	-	-	-	-	-	-	-
		IFL Converted	-	-	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	SPSE		2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	
5	Goa Tourism Development Corporation Limited	Equity	5.24	7.74	8.74	15.94	20.35	20.35	21.35	21.35	22.65	22.65	22.65	
		Interest Free Loans (IFL)	-	-	-	-	-	-	1.00	-	-	6.39	-	-0.60
		Grants/Subsidy	-	-	-	-	-	-	-	-	-	-	-	-
		IFL Converted	-	-	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-	-	-
6	Kadamba Transport Corporation Limited	Equity	22.91	22.91	22.91	22.91	25.91	25.94	36.59	42.59	45.59	48.89	52.64	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-	-	-
		Grants/Subsidy	8.00	5.62	7.56	8.72	9.25	8.87	11.50	8.00	-	-	-	39.72
		IFL Converted	-	-	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-	-	-
7	EDC Limited	Equity	23.20	26.70	30.20	33.20	34.20	35.20	51.20	66.20	81.20	86.20	86.20	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-	-	-
		Grants/Subsidy	-	-	-	-	-	-	-	-	-	-	-	-
		IFL Converted	-	-	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-	-	-
8	Goa Industrial Development Corporation	Equity	17.73	17.73	17.78	17.90	18.02	18.02	18.02	18.02	18.02	18.02	18.02	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-	-	-
		Grants/Subsidy	-	-	-	-	-	-	-	-	-	-	-	-
		IFL Converted	-	-	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-	-	-

(₹ in crore)

Sr. No.	SPSE		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	
1	Goa Handicrafts, Rural & Small Scale Industries Development Corporation	Equity	7.83	7.83	7.83	7.83	7.83	7.83	7.83	7.83	7.83	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-
		Grants/ Subsidy	4.59	1.21	0.64	5.21	2.68	2.34	2.89	8.00	2.50	
		IFL Converted	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-
2	Kadamba Transport Corporation Limited	Equity	59.64	89.64	89.64	89.64	94.64	94.64	94.64	108.45	108.45	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-
		Grants/ Subsidy	26.36	29.61	87.51	79.46	103.32	95.31	96.94	116.67	103.78	
		IFL Converted	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-
3	Goa Industrial Development Corporation	Equity	18.02	18.02	18.02	18.02	18.02	18.02	18.02	16.18	16.19	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-
		Grants/ Subsidy	-	-	-	-	-	-	-	-	-	-
		IFL Converted	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-
4	Sewage and Infrastructural Development Corporation Limited	Equity	6.55	7.05	7.55	7.55	7.55	7.55	7.55	7.55	7.55	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-
		Grants/Subsidy	-	-	-	-	-	-	-	-	-	-
		IFL Converted	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-

Sr. No.	SPSE		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	
5	Goa Tourism Development Corporation Limited	Equity	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	
		Interest Free Loans (IFL)	(-1.33)	-	(-0.53)	(-0.53)	(-0.53)	(-0.72)	(-0.55)	(-0.54)	-	
		Grants/Subsidy	-	-	-	-	-	-	-	-	-	25.14
		IFL Converted	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-
6	Kadamba Transport Corporation Limited	Equity	59.64	89.64	89.64	89.64	94.64	94.64	94.64	108.45	108.45	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-
		Grants/Subsidy	26.36	29.61	87.51	79.46	103.32	95.31	96.94	116.67	103.78	
		IFL Converted	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-
7	EDC Limited	Equity	86.20	86.20	86.20	86.20	86.20	86.20	86.20	86.20	86.20	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-
		Grants/Subsidy	-	-	-	-	-	-	-	-	-	-
		IFL Converted	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-
8	Goa Industrial Development Corporation	Equity	18.02	18.02	18.02	18.02	18.02	18.02	18.02	16.18	16.19	
		Interest Free Loans (IFL)	-	-	-	-	-	-	-	-	-	-
		Grants/Subsidy	-	-	-	-	-	-	-	-	-	-
		IFL Converted	-	-	-	-	-	-	-	-	-	-
		Disinvested	-	-	-	-	-	-	-	-	-	-

(Source: Compiled based on information provided by SPSEs)

**APPENDIX 2.5**  
(Referred to in paragraph 2.4.3.2)  
**List of SPSEs having negative net worth as on 31 March 2020**

(₹ in crore)

Sr. No.	Name	Net Profit before Dividend	Net worth	Paid up Capital	Equity
1	Goa Handicrafts, Rural & Small Scale Industries Development Corporation Ltd.	0.26	(-)0.67	8.00	(-)0.67
2	Goa Electronics Limited	1.17	(-)17.89	1.80	(-)17.89
3	Kadamba Transport Corporation Limited	(-)22.88	(-)51.42	108.45	(-)51.42
4	Goa Industrial Development Corporation	(-)115.39	(-)18.85	51.86	(-)18.85
	<b>Grand total</b>	<b>(-)136.84</b>	<b>(-)88.83</b>	<b>170.11</b>	<b>(-)88.83</b>

(Source: Information compiled based on latest accounts received from SPSEs)

**Note:** Though four SPSEs have zero or negative net worth as of March 2020, two SPSEs at Sr. No. 1 to 2 have earned profits during the year 2019-20.

## APPENDIX 3.1

(Referred to in paragraph 3.3.2)

## Unnecessary supplementary provisions of ₹ five crore or more during 2019-20

(₹ in crore)

Sr. No.	Name of the Grant	Original	Supplementary	Actual	Savings out of original
<b>Revenue (Voted)</b>					
1.	08 Treasury & Accounts, North Goa	1450.05	41.56	1377.69	72.36
2.	21 Public Works	782.97	15.15	602.78	180.19
3.	34 School Education	1477.69	109.00	1323.08	154.61
4.	35 Higher Education	353.83	33.04	353.07	0.76
5.	42 Sports and Youth Affairs	172.42	20.70	74.62	97.8
6.	48 Health Services	658.48	23.30	488.91	169.57
7.	55 Municipal Administration	214.53	94.23	148.06	66.47
8.	56 Information & Publicity	41.44	15.10	28.27	13.17
9.	57 Social Welfare	335.97	7.00	296.95	39.02
10.	58 Women & Child Development	483.98	19.56	320.25	163.73
11.	68 Forests	83.26	20.35	72.69	10.57
12.	70 Civil Supplies	44.74	23.01	42.62	2.12
13.	78 Tourism	91.19	10.00	7.55	83.64
14.	81 Tribal Welfare	122.88	5.00	69.75	53.13
<b>Total</b>		<b>6313.43</b>	<b>437.00</b>	<b>5206.29</b>	<b>1107.14</b>
<b>Capital (Voted)</b>					
15.	12 Commercial Taxes	9.00	5.00	4.06	4.94
16.	21 Public Works	1322.4	85.00	431.20	891.2
17.	31 Panchayats	12.66	109.79	8.70	3.96
18.	34 School Education	146.85	5.00	60.49	86.36
19.	45 Archives and Archaeology	25.00	5.00	6.12	18.88
20.	47 Goa Medical College	92.16	100.00	86.59	5.57
21.	48 Health Services	116.03	38.00	57.81	58.22
22.	55 Municipal Administration	256.9	226.89	25.02	231.88
23.	56 Information & Publicity	8.00	10.00	0.00	8
24.	62 Law	81.00	14.71	30.98	50.02
25.	64 Agriculture	29.04	8.00	13.94	15.1
26.	71 Co-operation	22.20	7.48	10.2	12
27.	72 Science, Technology & Environment	73.50	65.00	30.19	43.31
28.	81 Tribal Welfare	124.00	5.00	36.23	87.77
<b>Total</b>		<b>2318.74</b>	<b>684.87</b>	<b>801.53</b>	<b>1517.21</b>
<b>Grand Total</b>		<b>8632.17</b>	<b>1121.87</b>	<b>6007.82</b>	<b>2624.35</b>

(Source: Appropriation accounts of the State)

**APPENDIX 3.2**  
(Referred to in paragraph 3.3.3)  
**Details of savings of ₹ one crore and above not surrendered  
during 2019-20**

(₹ in crore)

Sr. No.	Name of Grant	Savings	Amount surrendered	Amount not surrendered
<b>Revenue Voted</b>				
1.	6 Election Office	54.86	47.80	7.06
2.	8 Treasury and Accounts Administration, North Goa	113.92	2.24	111.68
3.	17 Police	53.56	51.91	1.65
4.	23 Home	7.39	2.50	4.89
5.	31 Panchayats	86.21	70.44	15.77
6.	32 Finance	35.14	-	35.14
7.	33 Revenue	30.21	5.26	24.95
8.	34 School Education	254.60	252.18	2.43
9.	35 Higher Education	33.80	32.54	1.26
10.	42 Sports and Youth Affairs	118.50	116.78	1.72
11.	46 Museum	1.38	-	1.38
12.	64 Agriculture	60.97	55.33	5.64
13.	65 Animal Husbandry and Veterinary Services	52.97	50.42	2.55
14.	70 Civil Supplies	25.13	16.93	8.20
15.	76 Electricity	47.97	46.35	1.62
16.	77 River Navigation	10.90	8.64	2.26
17.	78 Tourism	25.64	24.56	1.08
<b>Capital Voted</b>				
18.	21 Public Works Department	976.20	974.74	1.46
19.	32 Finance	277.00	-	277.00
20.	46 Museum	5.00	-	5.00
21.	63 Rajya Sainik Board	2.00	-	2.00
22.	64 Agriculture	23.10	21.29	1.81
23.	65 Animal Husbandry and Veterinary Services	5.75	4.16	1.59
24.	76 Electricity	423.63	418.62	5.01
25.	81 Tribal Welfare	92.77	88.31	4.46
<b>Total</b>		<b>2818.60</b>	<b>2291.00</b>	<b>527.61</b>

(Source: Appropriation accounts of the State)

**Appendix 4.1**  
(Referred to in paragraph 4.3)  
**Department-wise status of outstanding UCs**

Sr. No.	Name of the Department	No. of utilisation certificates	Amount (₹ in crore)
1	Directorate of Education	1140	222.12
2	Directorate of Technical Education	3	0.43
3	Directorate of Higher Education	89	165.54
4	Department of Tribal Welfare	295	19.67
5	Town and Country Planning Department	31	14.27
6	Directorate of Municipal Administration	838	624.41
7	i) Directorate of Women and Child Welfare	418	9.83
	ii) Directorate of Social Welfare	434	32.71
8	Department of Science, Technology and Environment	276	53.68
9	i) Directorate of Panchayats (South)	2603	79.66
	ii) Directorate of Panchayats (North)	3213	595.74
10	i) General Administration Department (GIRDA)	30	26.86
	ii) Directorate of Official Language	13	0.14
	iii) Legislature Department	15	0.77
11	Directorate of Health Services	132	382.86
12	Directorate of Small Savings and Lotteries	28	23.50
13	Directorate of Agriculture	138	38.07
14	Department of Forests	33	30.49
15	Goa State Legal Services Authority	19	2.37
16	Under Secretary, Finance (Home)	149	2.60
17	Under Secretary, Revenue	11	4.94
18	Under Secretary, Finance (R&C)	10	4.65
19	Public Health Department	17	0.15
20	Law Department	1	0.15
21	North Goa District Legal Authority	2	0.13
22	Directorate of Sports and Youth Affairs	550	256.04
23	Directorate of Art and Culture	3925	240.18
24	Directorate of Archives and Archaeology	1	0.16
25	Directorate of Fisheries	18	5.22
26	Animal Husbandry and Veterinary services	82	20.77
27	Directorate of Skill Development and Entrepreneurship	1	2.14
28	Department of Rural Development	24	21.84
	<b>Total</b>	<b>14539</b>	<b>2882.09</b>

(Source: Information provided by Directorate of Accounts)

## APPENDIX 4.2

(Referred to in paragraph 4.10)

## Statement showing delay in submission of accounts of autonomous bodies and tabling of SARs in Legislature as of June 2020

Sr. No.	Name of the body/authority	Period of entrustment of audit	Year for which accounts received	No. of accounts not received	Delay in submission of accounts	Period of delay (in months)	Year up to which SARs issued	Placement of SARs before the Legislature (Year/Date)
	1	2	3	4	5	6	7	8
1	Goa University	01.04.2015 to 31.03.2020	2017-18	2	July 2018 to March 2019	9	2017-18	2015-16/ 20.02.2018
2	Goa Housing Board	01.04.2017 to 31.03.2022	2018-19	1	Nov 2019 to Feb 2020	4	2017-18	2016-17/ 31.07.2019
3	Goa Tillari Irrigation Development Corporation	01.04.2012 to 31.03.2016	2011-12	8	July 2012 to Oct 2018	76	2011-12	2010-11/ 18.08.2017
4	Khadi and Village Industries Board	01.04.2018 to 31.03.2023	2015-16	4	Aug 2015 to Feb 2019	42	2015-16	2013-14/ 09.08.2016
5	Goa State Commission for Backward Classes	01.04.2014 to 31.03.2019	2018-19	1	July 2019 to Feb 2020	8	2018-19	2015-16/ 24.07.2018
6	Goa Secondary and Higher Secondary Education Board	01.04.2015 to 31.03.2020	2015-16	3	July 2016 to Sept 2017	15	2015-16	Not applicable
7	South Goa Zilla Panchayat	01.04.2019 to 31.03.2024	2017-18	2	July 2018 to Oct 2018	4	2017-18	Accounts from 2006-07 to 2017-18 not yet placed in legislature
8	North Goa Zilla Panchayat	01.04.2019 to 31.03.2024	2008-09	11	July 2009 to March 2015	69	2008-09	2007-08/ 27.07.2015
9	Goa State Legal Services Authority	As per Act	2018-19	1	July 2019 to Feb 2020	8	2016-17	Accounts from 1997-98 to 2018-19 not yet placed in legislature
10	District Legal Services Authority, South Goa	As per Act	2013-14	6	July 2014 to Jan 2018	43	2013-14	Accounts from 2006-07 to 2013-14 not yet placed in legislature
11	District Legal Services Authority, North Goa	As per Act	2014-15	5	July 2015 to April 2016	10	2014-15	Accounts from 2006-07 to 2014-15 not yet placed in legislature
12	Goa State Compensatory Afforestation Fund Management and Planning Authority	01.04.2012 to 31.03.2017	2015-16	4	July 2016 to Oct 2016	4	2015-16	Not applicable
13	Goa Sarva Shiksha Abhiyan Society	01.04.2015 to 31.03.2020	2018-19	1	July 2019 to May 2020	11	2016-17	2015-16/ 04.08.2017

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

**APPENDIX 4.3**  
(Referred to in paragraph 4.11)  
**Details of Government Companies whose accounts were in arrears**

Sr. No.	Name of Government Company	Year for which accounts not received by 31 October 2020
1	Goa Forest Development Corporation Limited	2016-17 to 2019-20
2	Goa State Horticultural Corporation Limited	2015-16 to 2019-20
3	Goa Handicrafts, Rural & Small-Scale Industries Development Corporation Ltd.	2019-20
4	Goa State Scheduled Caste and Other Backward Classes Finance and Development Corporation Limited	2009-10 to 2019-20
5	Goa State Infrastructure Development Corporation Limited	2019-20
6	Sewage and Infrastructural Development Corporation Limited	2019-20
7	Imagine Panaji Smart City Development Limited	2017-18 to 2019-20
8	Goa Tourism Development Corporation Limited	2019-20
9	Kadamba Transport Corporation Limited	2019-20
10	EDC Limited	2019-20
11	Goa Electronics Limited	2019-20
12	Info Tech Corporation of Goa Limited	2013-14 to 2019-20

(Source: Information compiled on the basis of accounts received from Government Companies)

**APPENDIX 4.4***(Referred to in paragraph 4.12)***Department-wise/age-wise break-up of the cases of misappropriations, defalcations, etc.  
(Cases where final action was pending at the end of June 2020)***(Figures in brackets indicate ₹ in lakh)*

Sr. No.	Name of Department	Up to 5 years	5 to 10 years	10 years and above	Total No. of cases
1	Directorate of Panchayats	3(7.86)	6(1.70)	3(3.44)	12(13.00)
2	Directorate General of Police	-	-	2(0.04)	2(0.04)
3	Directorate of Civil Supplies and Consumer Affairs	-	-	3(5.92)	3(5.92)
4	Goa Medical College	-	-	2(3.20)	2(3.20)
5	Directorate of Skill Development and Entrepreneurship	-	1(0.50)	-	1(0.050)
6	Directorate of Sports and Youth Affairs	-	1(1.55)	-	1(1.55)
7	Directorate of Transport	-	1(8.13)	-	1(8.13)
8	Inspector General of Prisons	1(4.27)	-	-	1(4.27)
9	Animal Husbandry & Veterinary Services	-	1(0.25)	-	1(0.25)
10	Vigilance Department	6(835.13)	1(2.38)	-	7(837.51)
	<b>Total</b>	<b>10 (847.26)</b>	<b>11 (14.51)</b>	<b>10 (12.60)</b>	<b>31 (874.37)</b>

*(Source: Information provided by various Departments)*





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