

## TABLE OF CONTENTS

	Paragraph	Page
Preface		v
Executive Summary		vii
<b>CHAPTER I - FINANCES OF THE STATE GOVERNMENT</b>		
Profile of Tamil Nadu		1
Gross State Domestic Product		1
Introduction	1.1	2
Resources of the State	1.2	7
Revenue receipts	1.3	10
Capital receipts	1.4	17
Public account receipts	1.5	17
Application of resources	1.6	18
Quality of expenditure	1.7	25
Financial analysis of Government expenditure and investments	1.8	29
Assets and Liabilities	1.9	33
Debt management	1.10	37
Fiscal Imbalances	1.11	38
Follow-up action by State Government	1.12	42
Conclusion	1.13	42
<b>CHAPTER II - FINANCIAL MANAGEMENT AND BUDGETARY CONTROL</b>		
Introduction	2.1	45
Summary of Appropriation Accounts	2.2	45
Financial accountability and budget management	2.3	47
Review of selected grants	2.4	52
Advances from the Contingency Fund	2.5	57
Conclusion	2.6	58
Recommendation	2.7	59

	Paragraph	Page
<b>CHAPTER III - FINANCIAL REPORTING</b>		
Delay in furnishing of utilisation certificates	3.1	61
Non-reconciliation of receipts and expenditure	3.2	61
Non-submission/delay in submission of accounts	3.3	62
Non-adjustment of temporary advances	3.4	63
Operation of Personal Deposit Accounts	3.5	63
Misappropriations, losses, defalcations, etc.	3.6	64
Deficiencies noticed in the Pay and Accounts Offices	3.7	65
Amounts booked under Minor Head "800"	3.8	66
Conclusion	3.9	67
Recommendations	3.10	67

### APPENDICES

Appendix No.	Subject	Reference to Paragraph	Page
1.1	State Profile	1.3, 1.3.1.1 and 1.3.1.2	69
1.2	Structure and Form of Government Accounts	1.1	70
Part A			
Part B	Layout of Finance Accounts	1.1	70
1.3	Methodology adopted for assessment of fiscal position	1.1	72
Part A			
Part B	The Tamil Nadu Fiscal Responsibility Act, 2003	1.1	72
1.4	Time series data on the State Government finances	1.1, 1.3, 1.9.2 and 1.10	73
1.5	Abstract of Receipts and Disbursements for the year 2016-17	1.1.1, 1.9.1 and 1.9.6	75
Part A			
Part B	Summarised financial position of the Government of Tamil Nadu as on 31 March 2017	1.1.1, 1.9.1 and 1.9.6	77
1.6	Details of incomplete projects	1.8.2	78
1.7	Maturity spread of market borrowings	1.9.5	80
2.1	Statement showing cases where savings exceeded ₹ 10 crore in each case and also by 20 <i>per cent</i> or more of the total provision	2.3.1	81

Appendix No.	Subject	Reference to Paragraph	Page
2.2	List of Grants having savings of ₹ 50 crore and above	2.3.1	83
2.3	Excess over provisions relating to previous years requiring regularisation	2.3.2	85
2.4	List of Grants having Persistent Savings during 2012-17	2.3.4	86
2.5	Expenditure incurred without provision (Original/ Supplementary)	2.3.5	88
2.6	Cases where supplementary provision (₹ 50 lakh or more in each case) proved unnecessary	2.3.6	90
2.7	Excessive/insufficient re-appropriation of funds	2.3.7 (ii)	92
2.8	Injudicious re-appropriations	2.3.7 (iii)	97
2.9	Cases of withdrawal of entire provision	2.3.9	99
2.10	Grants in which surrenders were made in excess of actual savings	2.3.10	103
2.11	Cases where savings of ₹ one crore and above not surrendered	2.3.11	105
2.12	Cases of surrender of funds in excess of ₹ 10 crore on 31 March 2017	2.3.11	107
2.13	Rush of Expenditure	2.3.12	110
2.14	Details of Contingency Fund orders issued, utilisation as reported by AG (A&E) and the amount of expenditure incurred as at the end of the year	2.5	117
3.1	Utilisation Certificates outstanding as on 30 September 2017	3.1	119
3.2	Lists of CCOs who have not reconciled accounts	3.2	120
3.3	Statement showing names of bodies and authorities, the accounts of which had not been received	3.3	123
3.4	Department/category-wise details of loss to Government due to theft, misappropriation, shortage, etc.	3.6	132
3.5	Operation of Minor Head '800 - Other Expenditure' (50 per cent and above)	3.8	133
3.6	Operation of Minor Head '800 - Other Receipts' (50 per cent and above)	3.8	134
	Glossary of terms and abbreviations used in the Report	-	135