



सत्यमेव जयते

**Report of the
Comptroller and Auditor General of India
on
State Finances
for the year ended 31 March 2017**



GOVERNMENT OF GOA

Report No. 2 of the year 2018

TABLE OF CONTENTS		
	Reference to Paragraph	Page
Preface		v
Executive Summary		vii
CHAPTER I FINANCES OF THE STATE GOVERNMENT		
Introduction	1.1	2
Resources of the State	1.2	7
Revenue receipts	1.3	8
Capital receipts	1.4	16
Public Account receipts	1.5	18
Application of resources	1.6	18
Quality of expenditure	1.7	27
Analysis of Government expenditure and investments	1.8	32
Assets and Liabilities	1.9	36
Debt management	1.10	39
Fiscal Imbalances	1.11	40
Follow up	1.12	44
Conclusion and Recommendations	1.13	44
CHAPTER II FINANCIAL MANAGEMENT AND BUDGETORY CONTROL		
Introduction	2.1	47
Summary of Appropriation Accounts	2.2	47
Financial Accountability and Budget Management	2.3	48
Review of Budget Control Mechanism	2.4	55
Personal Deposit Accounts	2.5	61
Advances from Contingency Fund	2.6	62
Un-reconciled Expenditure	2.7	63
Conclusion and Recommendations	2.8	64
CHAPTER III FINANCIAL REPORTING		
Delays in furnishing Utilisation Certificates	3.1	65
Non-submission/delays in submission of accounts by Grantee institutions	3.2	66
Delay in submission of accounts/audit reports by autonomous bodies	3.3	66
Departmental Commercial Undertakings	3.4	67
Misappropriations, losses and defalcations	3.5	67
Booking under Minor Head ' 800-Other Expenditure'	3.6	68
Pendency in submission of Detailed Contingent bills against Abstract Contingent bills	3.7	69
Investment in Shares of Other Joint Stock Companies	3.8	70
Understatement of the Capital Head '4215 Capital Outlay on Water Supply and Sanitation'	3.9	71
Misclassification of expenditure between General, Social and Economic Services under relevant Capital Heads	3.10	71
Non-accounting of Expenses/Commission on Sale of Stamps in Finance Accounts	3.11	71
Conclusion and Recommendations	3.12	72

Appendix No.	Appendices	Reference to paragraph	Page
1.1 Part A	State Profile	1.1	75
Part B	Structure and Form of Government Accounts		76
Part C	Layout of Finance Accounts		76
1.2 Part A	Methodology adopted for the assessment of Fiscal Position	1.1	77
Part B	Fiscal Responsibility and Budget Management (FRBM) Act	1.1	78
1.3 Part A	Abstract of Receipts and Disbursements for the year 2016-17	1.1.1	79
Part B	Summarised financial position of the Government of Goa as on 31 March 2017	1.1.1	82
1.4	Budget Estimates, Revised Estimates and Actuals for the year 2016-17	1.1.4	83
1.5	Time series data on the State Government finances	1.3	87
1.6	Transactions under Reserve Fund	1.9.3	90
2.1	Statement of various grants/appropriations where savings were in excess of ₹ 10 crore and also by more than 50 per cent of the total provision	2.3.3	91
2.2	List of grants indicating persistent savings of more than ₹ 10 crore during 2012-17	2.3.4	93
2.3	Substantial surrenders of above ₹ 10 crore and more than 50 per cent of the provisions made during the year 2016-17	2.3.5	94
2.4	Details of savings of ₹ one crore and above not surrendered	2.3.7	95
2.5	Surrender of funds in excess of ₹ 20 crore in March 2017	2.3.7	96
2.6	Unnecessary supplementary provisions	2.3.8	98
3.1	Department-wise break up of outstanding Utilisation Certificates as on June 2017	3.1	99
3.2	Statement showing names of bodies and authorities, the accounts of which had not been received	3.2	100
3.3	Statement showing entrustment of audit/rendering of accounts/placement of SARs in Legislature of autonomous bodies as of September 2017	3.3	103
3.4	Department-wise/duration-wise breakup of the cases of misappropriation, defalcation etc.	3.5	104

PREFACE

This Report for the year ended 31 March 2017 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 respectively, of the State Government for the year ended 31 March 2017. 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 are presented separately.

EXECUTIVE SUMMARY

Executive Summary

Background

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. The decadal population growth of the State was 8.17 *per cent* (0.13 crore in 2001 to 0.15 crore in 2011). The density of population in the State increased from 258 persons per sq. km. to 394 persons per sq. km. in the last decade (2001-2011) 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 2016-17 at current prices was ₹ 64,544 crore.

This Report on the finances of the Government of Goa is being brought out with a view to objectively assess the financial performance of the State during 2016-17 and to provide the State Government and the State Legislature with timely inputs based on audit analysis of financial data. In order to give a perspective to the analysis, an effort has been made to compare the achievements with the targets envisaged by the State Government's Fiscal Responsibilities and Budget Management (first amendment) Act, 2014 and budget and revised estimates of 2016-17.

The Report

Based on the audited accounts of the Government of Goa for the year ended March 2017, this Report provides an analytical review of the Annual Accounts of the State Government. This Report is structured in three Chapters.

Chapter I is based on the audit of Finance Accounts and makes an assessment of the Government's fiscal position as on 31 March 2017. It provides an insight into trends of committed expenditure and borrowing pattern.

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

Chapter III is an inventory of the Government's compliance with various reporting requirements and financial rules. The report also compiles the data collected from various Government departments/organisations in support of the findings.

Audit findings and recommendations

Chapter I

Finances of the State Government

Fiscal correction

The growth rate of GSDP was 18.92 *per cent* against the Fourteenth Finance Commission (FC XIV) projection of 14.52 *per cent* during the year.

The State Government had achieved the target of reduction of revenue deficit to zero in 2014-15 as projected in Goa Fiscal Responsibility and Budget Management GFRBM (first amendment), Act 2014. Revenue surplus in 2016-17 stood at ₹ 699 crore and was higher than the previous year's surplus by ₹ 567 crore. This was due to higher growth rate (11.84 *per cent*) of the revenue receipts as compared to revenue expenditure (5.30 *per cent*) over the previous year.

The fiscal deficit during 2016-17 was 1.45 *per cent* of GSDP, which was within the target of three *per cent* set forth in GFRBM (first amendment) Act, 2014 and FC XIV. The State had primary surplus of ₹ 214 crore during 2016-17. During 2016-17, incremental non-debt receipts at ₹ 1,012 crore was able to cover the incremental primary expenditure of ₹ 390 crore and incremental interest burden of ₹ 73 crore; these were sufficient to meet the primary expenditure resulting in primary surplus.

Fiscal liabilities of the State increased from ₹ 11,232 crore in 2012-13 to ₹ 16,824 crore in 2016-17. The growth rate decreased from 12.24 *per cent* in 2015-16 to 8.02 *per cent* in 2016-17. However, over a period of four years, fiscal liabilities to GSDP ratio had reduced from 35.34 *per cent* in 2013-14 to 26.07 *per cent* in 2016-17. This was higher than the target fixed (25 *per cent*) in the GFRBM (first amendment) Act, 2014 and 25.55 *per cent* projected by FC XIV.

Resource mobilisation

Revenue receipts (₹ 9,565 crore) increased by ₹ 1,013 crore recording an increase of 11.84 *per cent* over the previous year. Though State's own taxes increased by ₹ 286 crore, its growth rate (7.19 *per cent*) was less than the norm of 8.26 *per cent* prescribed by the FC XIV. The share of State's own taxes comprising tax and non-tax revenue to revenue receipts was 73 *per cent* and the tax devolution from GoI including grants-in-aid contributed 27 *per cent*.

Expenditure management

Revenue expenditure increased continuously from ₹ 6,061 crore in 2012-13 to ₹ 8,866 crore in 2016-17. The year-wise growth of revenue expenditure fluctuated between 8.92 *per cent* and 13.63 *per cent* during the period 2012-13 to 2015-16. In 2016-17, the

growth rate of revenue expenditure further reduced to 5.30 *per cent*. The share of capital expenditure to total expenditure remained constant at 13 *per cent* during the period 2012-14, but it increased to 16 *per cent* during the past two years.

The overall development expenditure to total expenditure decreased from 71.75 *per cent* in 2015-16 to 70.69 *per cent* in 2016-17. During 2013-14 and 2016-17, the State's share of expenditure on health and family welfare to aggregate expenditure were better than General Category States, but the State's share in respect of education and capital expenditure to aggregate expenditure was lower as compared to General Category States.

Financial assistance to local bodies and other institutions increased from ₹ 837 crore in 2015-16 to ₹ 915 crore in 2016-17. Expenditure on Subsidies (₹ 248 crore) constituted 2.59 *per cent* of revenue receipts.

The return from investment of ₹ 561 crore as of March 2017 in Companies/Corporations was negligible (₹ 0.86 crore) while the average return on this investment was 0.28 *per cent* in the last five years. On the other hand, the Government paid an average interest rate of 7.09 *per cent* on its borrowings during 2016-17.

Chapter II

Financial Management and Budgetary Control

During 2016-17, expenditure of ₹ 12,848.37 crore was incurred against total grants and appropriations of ₹ 15,899.60 crore, resulting in saving of ₹ 3,051.23 crore. This includes an excess of ₹ 1,683.20 crore in two grants and one appropriation. Excess expenditure of ₹ 1,683.20 crore requires regularisation under Article 205 of the Constitution of India.

In 31 grants, savings in excess of ₹ 20 crore, aggregating ₹ 3,982.44 crore was surrendered in the last month of the financial year. Supplementary provisions aggregating ₹ 244.74 crore obtained in eight grants during the year proved unnecessary as the actual expenditure (₹ 75.01 crore) did not come up to the level of the original provision (₹ 237.89 crore).

Chapter III

Financial Reporting

There were delays in furnishing of utilisation certificates against grants to various grantee institutions. Delays were also noticed in submission of annual accounts by autonomous bodies and Departmentally managed commercial undertakings. There were instances of large outstanding cases of losses and misappropriations for which Departmental action was pending for long periods.

As of March 2017, 492 Abstract Contingent bills involving ₹ 95.97 crore were pending adjustment due to non-receipt of Detailed Contingent bills.

Pendency of utilisation certificates and Detailed Contingent bills was fraught with the risk of fraud and misappropriation.

During 2016-17, expenditure aggregating ₹ 3,328.20 crore constituting 31.67 *per cent* of the total expenditure was classified under Minor Head '800-other expenditure'. Similarly, revenue receipts aggregating ₹ 418.45 crore constituting 3.73 *per cent* of total receipts were classified under Minor Head '800 – Other Receipts'. Accounting of various important items of expenditure and revenue receipts under omnibus Minor Head –800 resulted in non-exhibition of diverse activities of the Government under available Minor Heads.

CHAPTER – I

FINANCES OF THE STATE GOVERNMENT

CHAPTER I

FINANCES OF THE STATE GOVERNMENT

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. The basic statistics of the State is given in **Appendix 1.1**.

The State population increased from 0.13 crore in 2001 to 0.15 crore in 2011 recording a decadal growth of 8.17 *per cent*. The density of population in the State increased from 258 persons per sq. km. to 394 persons per sq. km in the last decade from 2001 to 2011 as against the all India average of 382.

The population below the 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 2016-17 at current prices was ₹ 64,544 crore¹. The social indicators *viz.*, literacy rate, rate of infant mortality and life expectancy were better than the all India average (**Appendix 1.1, Part A**).

Gross State Domestic Product (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 State GSDP at current prices from 2012-17 are indicated below:

Table 1.1: Annual growth rate of GSDP at current prices

Year	2012-13	2013-14	2014-15	2015-16	2016-17
India's GDP (₹ in crore) (base year 2011-12)	99,44,013	1,12,33,522	1,24,45,128	1,36,82,035	1,51,83,709
Growth rate of GDP (in <i>per cent</i>)	13.82	12.97	10.79	9.94	10.98
State GSDP (₹ in crore) # ² (base year 2011-12)	38,120	35,921	47,814	54,275	64,544 (Q)
Growth rate of GSDP (in <i>per cent</i>)	-10.02	-5.77	33.11	13.51	18.92

figures changed w.r.t previous reports due to adoption of GSDP figures (base year 2011-12).

Source: Ministry of Statistics and Programme Implementation, Central Statistical Organisation and Directorate of Planning, Statistics and Evaluation, Government of Goa

(Q) Quick estimates

The GSDP figures of the State grew at the rate of 18.92 *per cent* which was higher than the projection made by the Fourteenth Finance Commission (FC XIV) (14.52 *per cent*). Comparison of Country's GDP and State's GSDP is depicted in **Chart 1.1**.

¹ Quick estimates for 2016-17 provided by Directorate of Planning, Statistics and Evaluation, Government of Goa

² Figures changed with reference to previous reports due to adoption of revised GSDP figures (base year 2011-12)

Chart 1.1: Comparison of growth rate of Country’s GDP to State’s GDP

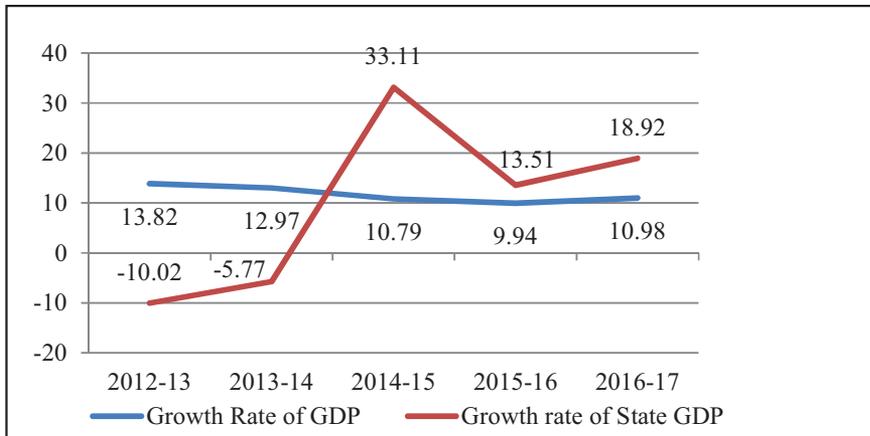
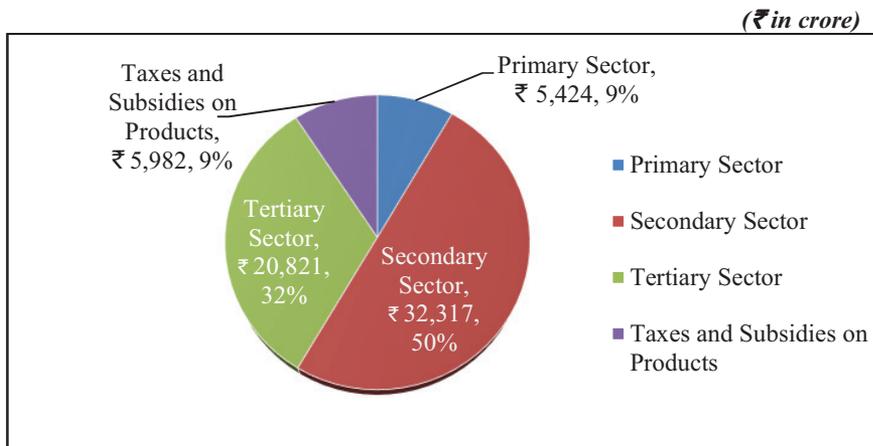


Chart 1.1 shows that though the annual growth rate of GSDP of the State during 2012-13 to 2013-14 recorded a negative growth, it showed a positive trend in the subsequent years. The GSDP of the State grew at a higher pace compared to India’s GDP during the period 2014-15 to 2016-17.

The sector-wise comparison of GSDP at market price by industry of origin of the State for the year 2016-17 is presented below.

Chart 1.2: Sector-wise composition of GSDP during 2016-17



(Source: Department of Planning, Statistics and Evaluation)

Chart 1.2 shows that the secondary sector and tertiary sector continued to be a dominant source of GSDP and it accounted for 50.07 per cent and 32.26 per cent respectively. Out of remaining 17.67 per cent, primary sector contributed 8.40 per cent and taxes and subsidies on products contributed 9.27 per cent.

1.1 Introduction

This chapter is based on the audit of Finance Accounts and makes an assessment of the State’s fiscal position as on 31 March 2017. It provides a broad perspective of the finances of the State during 2016-17. It analyses critical changes observed in the major fiscal aggregates in relation to the previous year and the trends of last five years. The structure and form of Government accounts is depicted in **Appendix 1.1, Part B** and layout of the

Finance Accounts is depicted in **Appendix 1.1, Part C**. The methodology and criteria adopted for assessment of the fiscal position are given in **Appendix 1.2**.

1.1.1 Summary of current year’s fiscal operations

A summary of the State Government’s fiscal transactions during 2016-17 *vis-à-vis* the previous year is presented in **Table 1.2** below. Details of receipts and disbursements and the overall fiscal position during 2016-17 are given in **Appendix 1.3**.

Table 1.2: Summary of current year’s fiscal operations

(₹ in crore)

Receipts	2016-17	2015-16	Disbursements	2016-17			2015-16
Section-A: Revenue				Total	Non-Plan	Plan	
Revenue receipts	9564.97	8552.24	Revenue expenditure	8865.98	6739.52	2126.47	8419.56
Tax revenue	4261.16	3975.37	General services	2872.43	2834.16	38.28	2560.08
Non-tax revenue	2712.00	2431.93	Social services	2265.44	1011.91	1253.53	2190.58
Share of Union taxes/duties	2299.20	1923.76	Economic services	2402.80	1966.07	436.73	2472.32
Grants from Government of India	292.61	221.18	Grants-in-aid and Contributions	1325.31	927.38	397.93	1196.58
Section-B: Capital and others							
Misc Capital receipts	-	-	Capital Outlay	1638.73	15.61	1623.12	1622.27
Recoveries of Loans and Advances	8.52	10.20	Loans and Advances disbursed	3.41	3.28	0.13	2.69
Public Debt receipts*	1518.98	1847.39	Repayment of Public Debt*	467.75	-	-	439.23
Contingency Fund	-	130.00	Contingency Fund	-	-	-	130.00
Public Account receipts	11127.77	10940.75	Public Account disbursements	11028.59	-	-	10892.91
Opening Cash Balance	766.42	792.50	Closing Cash Balance	982.20	-	-	766.42
Total	22986.66	22273.08	Total	22986.66	-	-	22273.08

(Source: Finance Accounts of the State)

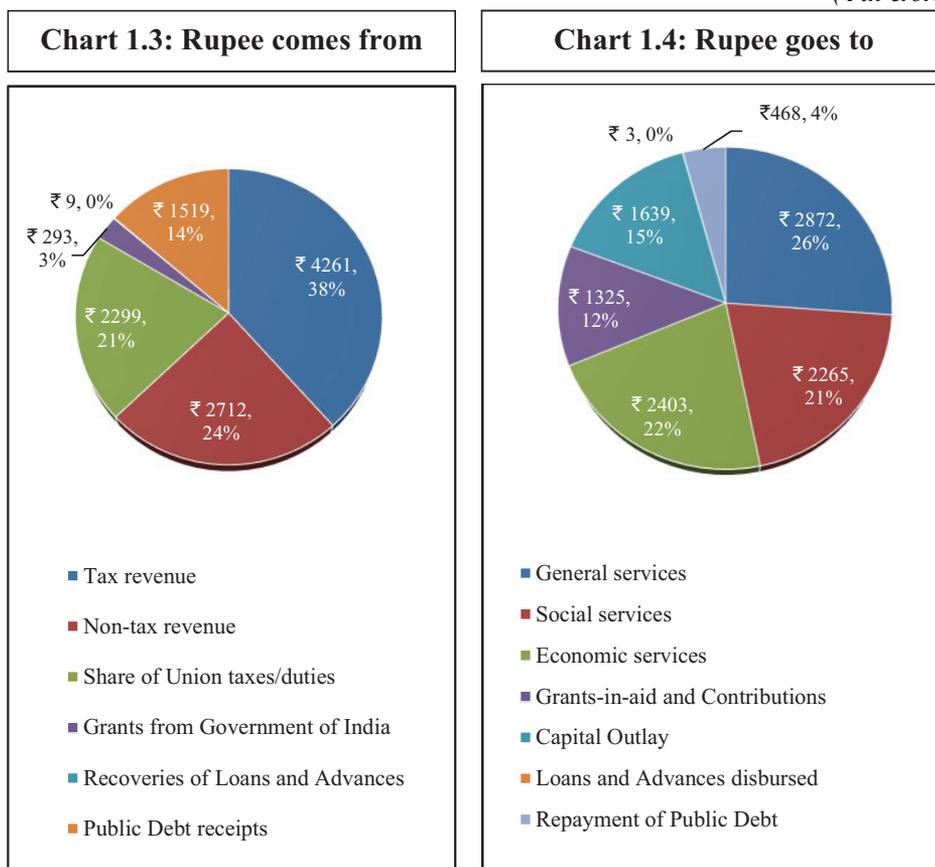
*Excluding net transactions under ways and means advances and overdrafts

Significant changes in fiscal position of the State during 2016-17 over the previous year are given below:

Revenue Receipts	<ul style="list-style-type: none"> • Increased by 11.84 per cent • Non-tax revenue increased by 11.52 per cent • Tax revenue increased by 7.19 per cent
Revenue Expenditure	<ul style="list-style-type: none"> • Increased by 5.30 per cent • Non-Plan Revenue Expenditure increased by 6.63 per cent • Plan Revenue Expenditure increased by 1.29 per cent
Capital Expenditure	<ul style="list-style-type: none"> • Increased by 1.01 per cent
Public Accounts	<ul style="list-style-type: none"> • Receipts increased by 1.71 per cent • Disbursements increased by 1.25 per cent
Public Debt	<ul style="list-style-type: none"> • Receipts decreased by 17.76 per cent • Disbursements increased by 6.61 per cent
Cash Balance	<ul style="list-style-type: none"> • Increased by 28.15 per cent

1.1.2 Composition of sources and application of funds in the consolidated fund during 2016-17

(₹ in crore)



1.1.3 Review of fiscal reforms

In pursuance of the recommendations of the Twelfth Finance Commission, Government of Goa enacted the Goa Fiscal Responsibility and Budget Management Act (FRBM) 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 was required to prepare Medium Term Fiscal Plan (MTFP) and fiscal indicators covering fiscal rolling targets for the ensuing three financial years and submit these disclosures along with the budget documents to the State legislature.

However, the Government has not prepared MTFP and set rolling targets for fiscal indicators from the year 2011-12 onwards for fiscal indicators specified in the FRBM Act (December 2017).

The FC XIV has recommended (December 2014) a revised fiscal roadmap to consolidate the finances of the State Government from the financial year

2015-16 onwards. Major fiscal variables provided in the recommendation of the FC XIV and the targets set by the State Government in the Goa FRBM (First Amendment) Act, 2014 *vis-à-vis* actuals are depicted in **Table 1.3**.

Table 1.3: Major fiscal variables

(₹ in crore)

Fiscal variables	2016-17		Actual Achievement
	FC XIV targets of the State	Targets set in the Goa FRBM Act	
Revenue Deficit (+)/Surplus (-)	0.00	0.00 ³	-699
Fiscal deficit/GSDP (in per cent)	3	3	1.45
Ratio of fiscal liabilities to GSDP (in per cent)	25.55	25	26.07
Ratio of Public debt to GSDP (in per cent)	--	--	19.20

(Source: FC XIV Report and Fiscal Responsibility and Budget Management Act (Goa State), 2014)

The State had achieved the target of reduction of revenue deficit to zero in 2014-15 as projected in Goa FRBM (first amendment) Act, 2014. The revenue surplus stood at ₹ 699 crore in 2016-17.

At the end of 2016-17, the fiscal deficit as percentage to GSDP was 1.45 per cent, which was within the limit of three per cent as recommended by FC XIV and Goa FRBM (first amendment) Act, 2014. In the fiscal consolidation roadmap, the FC XIV had recommended that percentage of outstanding liabilities⁴ to GSDP be brought to 25.55 per cent in 2016-17. Over a period of four years, fiscal liabilities to GSDP ratio had reduced from 35.34 per cent in 2013-14 to 26.07 per cent in 2016-17. This was however, higher than the target fixed (25 per cent) in the Goa FRBM (first amendment) Act, 2014.

The State had non-debt capital receipts of ₹ nine crore and revenue surplus of ₹ 699 crore available during 2016-17. During the year, the State expended ₹ 2,110 crore for capital outlay, disbursement of loans and repayment of loans and advances which necessitated the need for borrowings to meet capital expenditure.

1.1.4 Budget estimates vis-à-vis actuals

The budget papers presented by the State Government provide estimation of revenue and expenditure for a particular fiscal year. The importance of accuracy in estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from Budget Estimates (BE) are indicative of non-attainment/non-optimisation of desired fiscal objectives due to various reasons, some within the control of the Government and some beyond its

³ The Revenue Deficit was to be brought to zero by 31 March 2015 according to Goa FRBM Act 2014

⁴ Total Outstanding Liabilities include Public Debt and Public Account Liabilities. Public Debt includes only Internal Debt and Loans from Government of India. Public Account Liability includes liabilities under small saving funds, GPF, Reserve funds etc.

control. The State Government presented its Revised Estimates (RE) of financial year 2016-17 along with BE of 2017-18 on 24 March 2017.

A comparison of Actuals *vis-à-vis* BE and RE for the year 2016-17 is given in **Table 1.4** below and detailed comparison is shown in **Appendix 1.4**.

Table 1.4: Budget estimates, revised estimates and actual for the year 2016-17

(₹ in crore)

Fiscal Parameters	Budget estimates	Revised estimates	Actuals	Difference between actuals and BE	Difference between actuals and RE
Tax revenue	4916.36	4445.72	4261.16	-655.20	-184.56
Non-tax revenue	2811.49	2572.53	2712.00	-99.49	139.47
State's share of Union taxes and duties	2156.77	2247.48	2299.20	142.43	51.72
Grants-in-aid from GoI	757.34	771.67	292.61	-464.73	-479.06
Revenue receipts	10641.96	10037.40	9564.97	-1076.99	-472.43
Revenue expenditure	10483.14	9988.45	8865.98	-1617.16	-1122.47
Interest Payments	1209.54	1209.54	1148.03	-61.51	-61.51
Capital expenditure	3424.21	3032.50	1638.73	-1785.48	-1393.77
Net Loans and Advances	-5.87	-6.66	-6.00	-0.13	0.66
Revenue Deficit (+)/surplus (-)	-158.82	-48.95	-698.99	-540.17	-650.04
Fiscal Deficit (+)/surplus (-)	3259.52	2976.89	933.74	-2325.78	-2043.15
Primary Deficit (+)/surplus(-)	2049.86	1767.35	-214.29	-2264.15	-1981.64

(Source: Finance Accounts of the State and the budget publication of the State)

It could be seen from above that the RE prepared in March 2017 was less compared to BE during the year. Analysis of the important parameters is given below:

Revenue receipts

Revenue receipts were lower than the BE and RE by ₹ 1,076.99 crore (10.12 *per cent*) and ₹ 472.43 crore (4.70 *per cent*) respectively mainly due to less collections under land revenue, Stamp duty and registration fees and less receipt of grants-in-aid from GoI. However, the State was able to collect more revenue under non-tax revenue compared to RE.

Revenue expenditure

Revenue expenditure was less than BE and RE by ₹ 1,617.16 crore (15.43 *per cent*) and ₹ 1,122.47 crore (11.24 *per cent*). Revenue expenditure was less than RE mainly because of less expenditure under general services (six *per cent*), social services (13 *per cent*) and economic services (14 *per cent*).

Capital expenditure

During 2016-17, the capital expenditure was lower by ₹ 1,785.48 crore (52.14 *per cent*) and ₹ 1,393.77 crore (45.96 *per cent*) than BE and RE respectively. The shortfall in capital expenditure as compared to RE was mainly under energy (₹ 405 crore), transport (₹ 220 crore), education, sports,

art and culture (₹ 165 crore), water supply, sanitation, housing and urban development (₹ 97 crore) and health and family welfare (₹ 35 crore).

Deficit/surplus

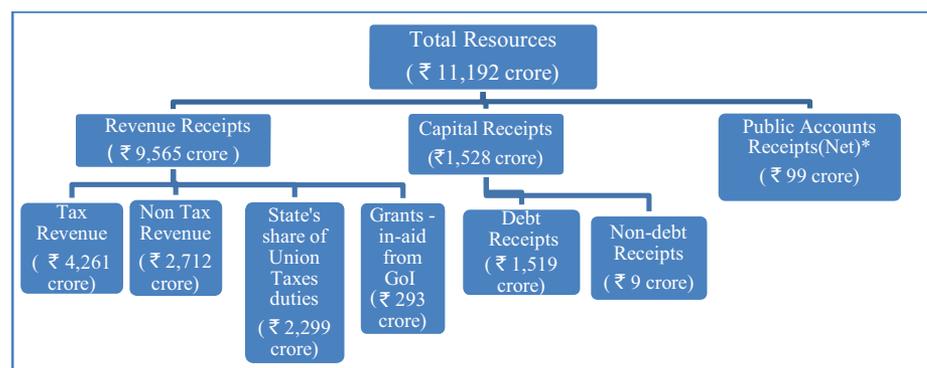
Against the projected revenue surplus of ₹ 158.82 crore and ₹ 48.95 crore as projected in BE and RE respectively, the State had actual revenue surplus of ₹ 699 crore. Against primary deficit⁵ of ₹ 2,049.86 crore and ₹ 1,767.35 crore as projected in BE and RE respectively, the State had primary surplus at ₹ 214.29 crore. In 2016-17, fiscal deficit stood at ₹ 933.74 crore (1.45 per cent of GSDP) which was lower than estimated in BE and RE by ₹ 2,326 crore and ₹ 2,043 crore respectively. Further details are provided in paragraph 1.11.

1.2 Resources of the State

1.2.1 Resources of the State as per Finance Accounts

Revenue and Capital are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenues, non-tax revenues, State's share of union taxes and duties and grants-in-aid from the Government of India (GoI). Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI. Besides, the funds available in the Public Accounts after disbursement is also utilised by the Government to finance its deficits. **Table 1.2** (at page 3) presents the receipts and disbursements of the State during the year 2016-17 as recorded in the Finance Accounts. Flow chart showing the components and sub-components of resources is given in **Chart 1.5**.

Chart 1.5: Flowchart of components and sub-components of the resources of the State



Of the total receipts⁶ of ₹ 11,192 crore of the State Government during the year 2016-17, revenue receipts were ₹ 9,565 crore constituting

* Public Account Receipts-Public Account Disbursements (₹ 11128 - ₹ 11028 = ₹ 99)

⁵ Primary Deficit = Fiscal Deficit - Interest payments

⁶ Consists of Revenue receipts, Capital receipts (including debt receipts but excluding Ways and Means advances) and Public Account receipts (net)

85.46 per cent of total resources. Capital receipts (₹ 1,528 crore) and net Public Accounts receipts (₹ 99 crore) constituted 13.65 per cent and 0.89 per cent of the total resources respectively.

Chart 1.6 depicts the trends in various components of receipts of the State during the period 2012-17.

Chart 1.6: Trends in aggregate receipts

(₹ in crore)



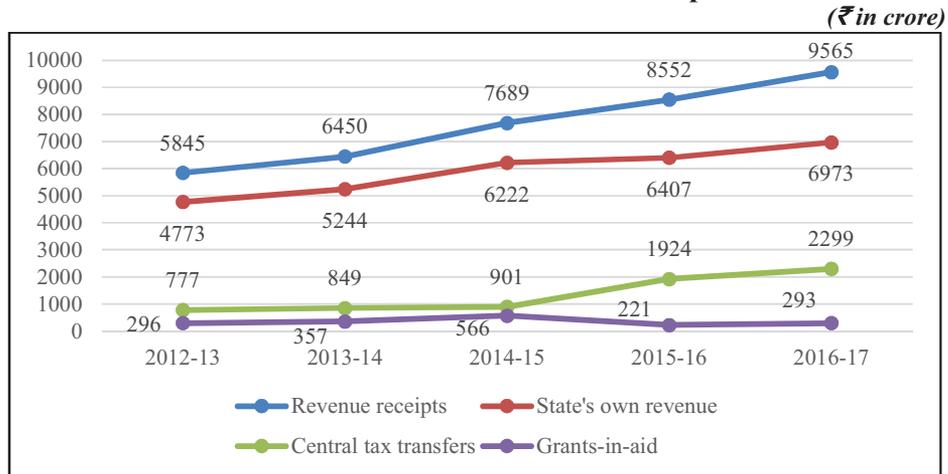
(Source: State Finance Accounts of the respective years)

The total receipts of the State increased from ₹ 7,031 crore in 2012-13 to ₹ 11,192 crore in 2016-17 showing an increase of 59.18 per cent during the last five years. Share of revenue receipts to total receipts fluctuated between 78 per cent to 85 per cent during the last five years.

1.3 Revenue receipts

Statement 14 of the Finance Accounts details the revenue receipts of the Government. These consist of the State's own tax and non-tax revenues, Central tax transfers and grants-in-aid from GoI. The trends of revenue receipts over the period 2012-17 are presented in **Chart 1.7** and also in **Appendix 1.5**.

Chart 1.7: Trends in revenue receipts

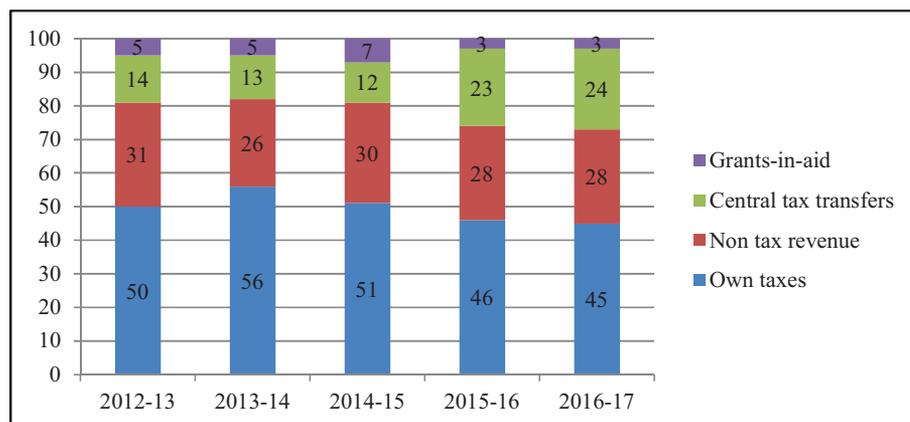


(Source: State Finance Accounts of the respective years)

Revenue receipts grew by ₹ 1,013 crore (11.84 per cent) over 2015-16. The increase in revenue receipts (₹ 1,013 crore) was the net effect of increase in non-tax revenue by ₹ 280 crore (11.52 per cent), tax revenue by ₹ 286 crore (7.19 per cent), share of Union taxes and duties by ₹ 375 crore (19.49 per cent) and in grants from the GoI by ₹ 72 crore (32.58 per cent).

The composition of revenue receipts over the period 2012-17 are presented in Chart 1.8.

Chart 1.8: Comparison of State's revenue receipts through the last five years



(Source: State Finance Accounts of the respective years)

Chart 1.8 shows that 73 per cent of the revenue came from State's own resources during 2016-17 and the balance (27 per cent) was from GoI in the form of State's share of taxes and grants-in-aid. The share of own tax revenue decreased steadily from 56 per cent in 2013-14 to 45 per cent in 2016-17.

During 2007-08 to 2015-16, the compound growth rate (CAGR) of State revenue receipts (14.26 per cent) was lower than growth rate of GCS (14.58 per cent). During 2016-17, the growth rate in the State revenue receipts at 11.84 per cent was higher than GCS (11.52 per cent) (Appendix 1.1).

The trends in revenue receipts relative to GSDP at current prices are presented in **Table 1.5**.

Table 1.5: Trends of revenue receipts relative to GSDP

	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue Receipts (RR) (₹ in crore)	5845	6450	7689	8552	9565
State's own taxes(₹ in crore)	2940	3582	3896	3975	4261
Rate of growth of RR (per cent)	1.11	10.35	19.21	11.22	11.84
Rate of growth of own taxes (per cent)	15.24	21.84	8.77	2.03	7.19
RR/GSDP (per cent)	15.33	17.96	16.08	15.76	14.82
State's own taxes/GSDP	7.71	9.97	8.15	7.32	6.60
Gross State Domestic Product (GSDP)	38120	35921	47814	54275	64544
Growth rate of GSDP	-10.02	-5.77	33.11	13.51	18.92
Buoyancy ratios					
Revenue Buoyancy w.r.t. GSDP	-*	-*	0.58	0.83	0.63
State's own taxes buoyancy w.r.t. GSDP	-*	-*	0.26	0.15	0.38

(Source: Finance Accounts for the years 2012-13 to 2016-17)

*GSDP growth rate in 2012-13 and 2013-14 being negative, buoyancy ratios cannot be calculated

The revenue receipts grew at an average growth rate of 10.75 per cent and increased from ₹ 5,845 crore in 2012-13 to ₹ 9,565 crore in 2016-17. Revenue Receipts grew by 11.84 per cent (₹ 1,013 crore) during 2016-17 over the previous year.

Buoyancy ratio indicates the elasticity or degree or responsiveness of a fiscal variable with respect to a given change in the base variable. Tax to GSDP ratio declined over the last five years. The buoyancy of revenue receipts to GSDP was less than one during the period 2014-15 to 2016-17 indicating that revenue receipts grew at a lower rate than the growth rate of GSDP. The State's own tax buoyancy with respect to GSDP stood at 0.38 in 2016-17.

1.3.1 State's own resources

The State's share in Central taxes and grants-in-aid are determined on the basis of recommendations of the Finance Commission and collection of Central tax receipts. The State's performance in mobilisation of additional resources should be assessed in terms of its own resources comprising of own tax and non-tax sources.

The State's actual tax and non-tax receipts for the year 2016-17 *vis-a-vis* assessment made by FC XIV and BE and RE of the State Government are given in **Table 1.6** and the growth rate of tax/non-tax revenue during 2012-17 is shown in **Table 1.7**.

Table 1.6: Projections and actuals of tax and non-tax revenue

(₹ in crore)

	FC XIV projection	Budget Estimates	Revised Estimates	Actual
Tax revenue	5965	4916	4446	4261
Non-tax revenue	929	2811	2573	2712

(Source: Finance Accounts 2016-17, Budget estimates, FC XIV report)

Table 1.6 shows that the actual realisation of tax revenue during the year was lower than the assessment of FC XIV by ₹ 1,704 crore. The State also could

not achieve the targets set in the BE and RE during the year. The actual non-tax revenue was more than RE which was mainly due to increase in collections under power and non-ferrous mining and metallurgical industries. However, the actual non-tax revenue was less than BE by ₹ 99 crore.

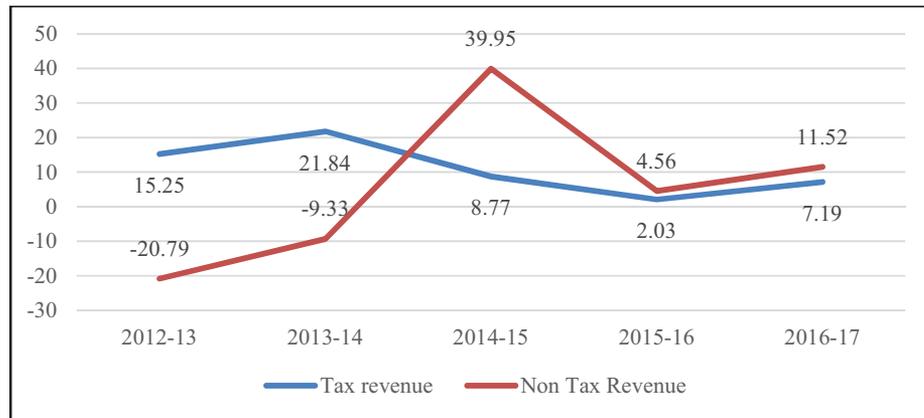
Table 1.7: Growth rate of Tax/Non-Tax revenue during the period 2012-17

	2012-13	2013-14	2014-15	2015-16	2016-17
Tax revenue (₹ in crore)	2940	3582	3896	3975	4261
Rate of growth (in per cent)	15.25	21.84	8.77	2.03	7.19
Non-Tax revenue (₹ in crore)	1833	1662	2326	2432	2712
Rate of growth (in per cent)	-20.79	-9.33	39.95	4.56	11.52

(Source: Finance Accounts of the respective years)

The rate of growth of tax and non-tax revenue during 2012-17 is shown in **Chart 1.9** below.

Chart 1.9: Growth rate of Tax/Non-Tax revenue during the period 2012-17



It could be seen from **Chart 1.9** that the rate of growth of tax and non-tax revenue during 2016-17 over previous year increased by five percentage points and seven percentage points respectively.

Tax revenue

The gross collection of major taxes and duties during the last five financial years is given in **Table 1.8**.

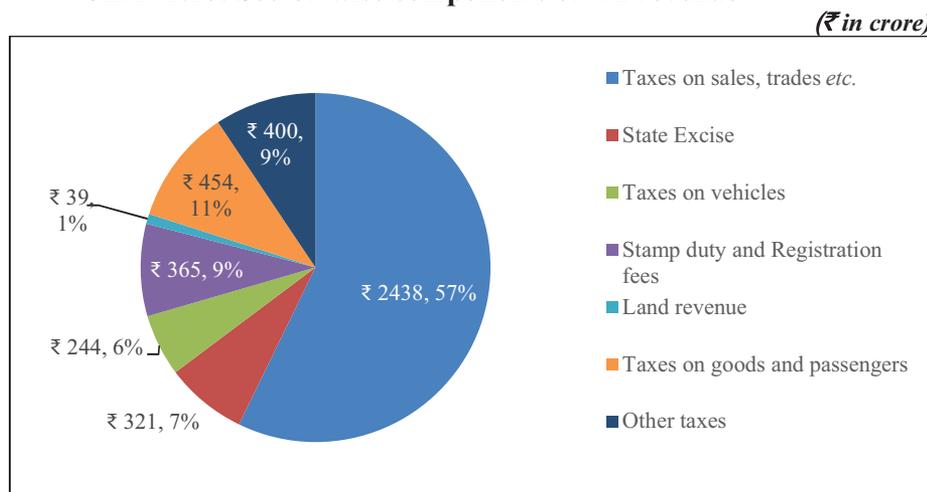
Table 1.8: Components of State's resource mobilisation

Revenue head	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage increase (+) decrease(-) during the year
	(₹ in crore)					
Taxes on sales, trades etc.	1577	1708	1860	2116	2438	15.22
State excise	213	236	268	319	321	0.63
Taxes on vehicles	148	154	181	196	244	24.49
Stamp duty and Registration fees	525	396	660	525	365	-30.48
Land revenue	11	454	25	24	39	62.50
Taxes on goods and passengers	258	386	404	464	454	-2.16
Other taxes	208	248	498	331	400	20.85
Total	2940	3582	3896	3975	4261	7.19

(Source: State Finance Accounts of the respective years)

The components of tax revenue for the year 2016-17 are presented in Chart 1.10:

Chart 1.10: Sector-wise components of tax revenue



(Source: State Finance Accounts of the respective years)

The State's tax revenue in 2016-17 increased by ₹ 286 crore (7.19 per cent) over the previous year. 'Taxes on Sales, Trade etc.', was the major source of State's own revenue during the last five years. The increase in revenue over the previous year under 'Taxes on Sales, Trade etc.', was mainly due to improved collection under Central Sales Tax Act (₹ 21 crore) and Value Added Tax (₹ 326 crore). The increase in tax receipt under 'Other taxes' (₹ 69 crore) was mainly under 'Entertainment tax' (₹ 31 crore) and 'Luxury tax' (₹ 45 crore).

The decrease in collections under Stamps and Registration fee (₹ 160 crore) was mainly due to less sale of non-judicial stamps (₹ 117 crore) and low collection in registration fee (₹ 42 crore).

During 2016-17 tax revenue as a percentage of GSDP (6.60 per cent) was less than the normative assessment of FC XIV (8.26 per cent).

During 2007-08 to 2015-16, the CAGR of tax revenue (14.36 per cent) was lower than the growth rate of GCS (14.80 per cent). The growth rate of own tax revenue in 2016-17 over 2015-16 (7.19 per cent) was lower than the growth of GCS (13.50 per cent) (Appendix 1.1).

1.3.1.2 Non-tax revenue

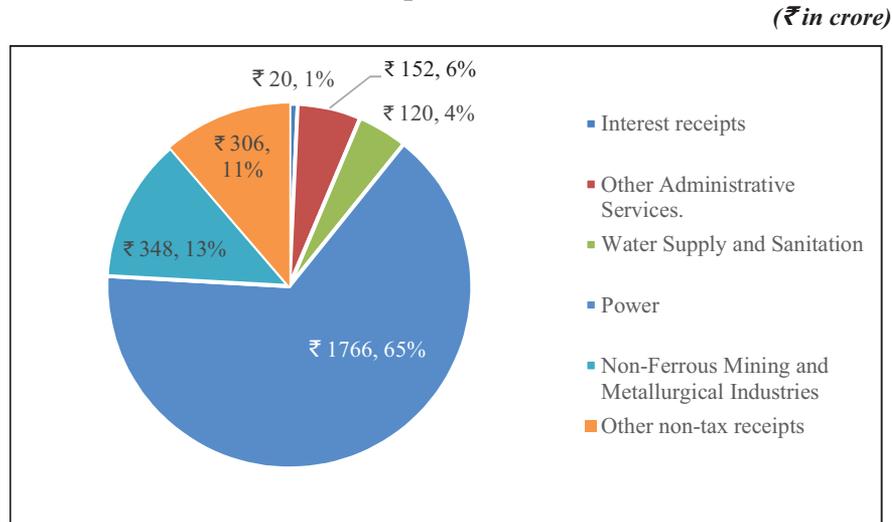
Details of components of non-tax revenue receipts are shown in Table 1.9.

Table 1.9: Components of Non-Tax Revenue

Revenue head	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage increase(+)/ decrease(-) in 2016-17 over 2015-16
	₹ in crore					
Interest receipts	18.37	14.12	17.18	17.74	20.51	15.61
Other Administrative Services	64.89	88.01	123.45	108.98	152.52	39.95
Water Supply and Sanitation	97.99	103.96	101.91	115.40	119.69	3.72
Power	1139.97	1187.95	1321.66	1708.91	1765.80	3.33
Non-Ferrous Mining and Metallurgical Industries	339.26	46.12	530.55	216.53	347.63	60.55
Other non-tax receipts	172.42	221.40	231.08	264.37	305.85	15.69
Total non-tax revenue	1832.90	1661.56	2325.63	2431.93	2712.00	11.52

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

Chart 1.11: Sector-wise components of non-tax revenue



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

Collection under non-tax revenue increased by 11.52 per cent from ₹ 2,432 crore in 2015-16 to ₹ 2,712 crore in 2016-17. Receipt under 'Power' (₹ 1,766 crore) has been the major source of non-tax revenue (65 per cent) of the State during the year. The net yield from 'Power' was

₹ 203 crore as there was equally high expenditure (₹ 1,563 crore) under revenue head by the Electricity Department. There was increase in collections under non-ferrous mining and metallurgical industries by ₹ 131 crore (61 per cent) compared to last year. Revenue from Other Administrative Services include 'fees from casino operation' (₹ 108 crore), 'Goa tax on Infrastructure Act, 2009' (₹ 66 crore), Roads and Bridges (₹ 44 crore) and Miscellaneous General Services (₹ 43 crore).

The BE and RE for interest receipts was projected at ₹ 23 crore and ₹ 17 crore respectively. Against this, the actual interest realised was ₹ 20.51 crore of which 14-day treasury bills yielded ₹ 3.78 crore. The interest realised on loans and advances given to co-operative societies was ₹ 0.05 crore and the receipts also included ₹ 12.77 crore, being the interest on deposits towards land acquisition.

During 2007-08 to 2015-16, the CAGR of non-tax revenue (11.16 per cent) was higher than the growth rate of GCS (9.45 per cent). The growth rate of non-tax revenue (11.52 per cent) in 2016-17 over 2015-16 was lower than GCS (12.10 per cent) (Appendix 1.1).

1.3.1.3 Cost of collection

The cost of collection of major tax revenue is given in Table 1.10.

Table 1.10: Cost of collection of tax revenue

Head of revenue	Year	Gross collection	Expenditure on collection	Percentage of expenditure to gross collection	All India average percentage for the year
		(₹ in crore)	(₹ in crore)		
Taxes on sales, trade etc.	2013-14	1708.05	12.69	0.74	0.88
	2014-15	1859.86	13.69	0.74	0.91
	2015-16	2115.69	16.45	0.78	0.66
	2016-17*	2438.17	20.21	0.83	--
State Excise	2013-14	235.76	11.74	4.98	1.81
	2014-15	268.00	12.80	4.77	2.09
	2015-16	319.52	13.25	4.15	3.21
	2016-17*	320.90	14.80	4.61	--
Taxes on Vehicles	2013-14	153.91	3.08	2.00	6.25
	2014-15	180.88	3.37	1.86	6.08
	2015-16	195.63	3.87	1.98	4.99
	2016-17*	244.00	5.00	2.05	--
Stamp duty and Registration fee	2013-14	396.10	7.04	1.78	3.37
	2014-15	659.84	8.07	1.22	3.59
	2015-16	524.90	8.55	1.63	2.87
	2016-17*	365.11	8.41	2.30	--

(Source: Finance Accounts of the State)

*Note: All India Averages for the year 2016-17 not yet available

The State expenditure on tax collection (2015-16) in respect of State Excise and Taxes on sales, trade etc. was higher than the all India average. It was less than the all India average in case of Taxes on Vehicles and Stamp Duty and Registration fee etc.

1.3.2 Grants-in-aid from Government of India

Details of Grants-in-aid from GoI are shown in **Table 1.11**.

Table 1.11: Grants-in-aid from Government of India

	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage of increase during the year
	(₹ in crore)					
Grants for State Plan schemes	155.79	185.88	116.55	45.21	90.95	101.17
Non-Plan grants	29.63	95.60	257.23	21.19	17.16	-19.02
Grants for Central Plan Schemes	5.07	6.28	40.30	28.22	26.03	-7.76
Grants for Centrally Sponsored Schemes	105.17	69.44	152.48	126.56	158.47	25.21
Total	295.66	357.20	566.56	221.18	292.61	32.29
Total grants as a percentage of Revenue Receipts	5.06	5.54	7.37	2.59	3.06	-

(Source: Finance Accounts of the State)

The grants-in-aid from GoI increased by 32.29 per cent from ₹ 221.18 crore in 2015-16 to ₹ 292.61 crore in 2016-17. This increase was mainly due to an increase of allocation by GoI under Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Central Road fund and grants for Infrastructure Development and minor irrigation.

1.3.3 Central tax transfers

Consequent upon acceptance of the recommendations of the FC XIV (award period 2015-16 to 2019-20) by GoI, the devolution to States with effect from 2015-16 has been increased from 32 per cent to 42 per cent. The State's share in the net proceeds of Central tax (excluding service tax) and net proceeds of Service tax has been fixed at 0.378 per cent and 0.379 per cent respectively. The devolution of different components of State's share of union taxes during the period 2012-13 to 2016-17 is given in **Table 1.12**.

Table 1.12: Components of Central tax transfers

	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage of increase during the year
	(₹ in crore)					
Corporation tax	279.21	285.42	314.46	609.34	738.76	21.24
Taxes on income other than corporation tax	167.16	187.94	224.61	426.38	513.44	20.42
Taxes on wealth	0.47	0.78	0.90	0.10	1.69	1590.00
Customs	129.16	138.46	145.69	307.39	317.78	3.38
Union Excise duties	87.79	97.78	82.23	253.10	362.89	43.38
Service tax	113.42	138.15	132.69	326.47	364.63	11.69
Others taxes and duties on commodities and services	0	0	0	0.98	0.01	-98.98
Total share of net proceeds of tax	777.21	848.53	900.58	1923.76	2299.20	19.52
Devolution as a percentage of revenue receipts	13.30	13.16	11.71	22.50	24.03	

(Source: Finance Accounts of the State)

In 2016-17, the State Government received ₹ 2,299 crore as share of Union taxes and duties which was ₹ 375 crore more than the devolution in 2015-16. However, capital expenditure incurred in 2016-17 was ₹ 1,639 crore which was ₹ 17 crore more than the previous year, while there was an increase of ₹ 446 crore revenue expenditure over the previous year. Thus, the share of capital expenditure was meagre despite increase in share of union taxes and duties during 2015-16 and 2016-17.

Grants awarded by the Fourteenth Finance Commission

The FC XIV had recommended devolution of funds under only three types of grants-in-aid to States viz. local Government, disaster management and post-devolution revenue deficit. For the period 2016-17, the State received two types of grants from GoI i.e., grants for local Government and disaster management amounting ₹ 14.24 crore. The FC XIV has not recommended the post-devolution revenue deficit grants to the State Government, being a revenue surplus State. The details of amounts awarded and received for the year 2016-17 are shown in **Table 1.13**.

Table 1.13: Details of amounts awarded and received for the award period 2016-17

(₹ in crore)			
Sl. No.	Transfers	Amount awarded	Amount received
1.	Local bodies		
	Grants to PRIs	20.00	-*
	Performance grants to PRIs	2.62	2.62
	Grants to ULBs	29.21	-*
	Performance grants to ULBs	8.62	8.62
2	State disaster relief fund	3.00	3.00
	Total	63.45	14.24

(Source: Finance Department, Government of Goa and information provided by departments)

* The Grants to PRI (₹ 20 crore) and ULB (₹ 29.21 crore) for the year 2016-17 were received in January 2018 from GoI.

1.4 Capital receipts

The Capital receipts of the State include non-debt and debt receipts, whose composition is discussed in **Paragraph 1.2**. The Public debt receipt during the year (₹ 1,519 crore) comprised internal debt of ₹ 1,427 crore (94 per cent) and loans and advances from GoI ₹ 92 crore (six per cent). Market borrowings had a predominant share under internal debt comprising 93 per cent followed by negotiated loans (seven per cent) and Loans and Advances from GoI of ₹ 91.87 crore. The trends and composition of Capital receipts and Time series data on Public Debt Receipts are shown in **Table 1.14** and **Table 1.15**.

Table 1.14 Trends in growth and composition of Capital receipts*(₹ in crore)*

Sources of Capital Receipts	2012-13	2013-14	2014-15	2015-16	2016-17
Capital Receipts	1552	1362	1277	1857	1528
Miscellaneous Capital Receipts	0	0	0	0	0
Recovery of Loans and Advances	15	13	10	10	9
Public Debt Receipts	1537	1349	1267	1847	1519
Growth rate of debt capital receipts (in percentage)	186.22	-12.23	-6.08	45.78	-17.76
Growth rate of non-debt capital receipts (in percentage)	-6.25	-13.33	-23.08	0.00	-10.00
Growth rate of GSDP (in percentage)	-10.02	-5.77	33.11	13.51	18.92
Rate of growth of CR (percentage)	180.65	-12.24	-6.24	45.42	-17.72

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

Table 1.14 shows that capital receipts decreased by ₹ 329 crore (17.72 per cent) from ₹ 1,857 crore in 2015-16 to ₹ 1,528 crore in 2016-17. Non-debt capital receipts registered a negative growth of 10 per cent from ₹ 10 crore in 2015-16 to ₹ nine crore in 2016-17.

Table 1.15: Time series data on Public Debt Receipts*(₹ in crore)*

Public debt receipts	2012-13	2013-14	2014-15	2015-16	2016-17
Open market borrowings	1150 (74.82)	990 (76.33)	800 (63.14)	1450 (78.50)	1320 (86.89)
National Small savings fund	87 (5.66)	50 (3.86)	115 (9.08)	165 (8.93)	0.00 (0.00)
Other financial institutions	133 (8.65)	107 (8.25)	149 (11.76)	121 (6.56)	107 (7.05)
Loans and Advances from GoI	167 (10.87)	150 (11.56)	203 (16.02)	111 (6.01)	92 (6.06)
Public debt Receipts	1537	1297	1267	1847	1519
Public debt Repayments	339	385	366	439	468

*(Source: Finance Accounts of the respective years)**Figures in parenthesis indicate percentages to Public Debt Receipts*

During 2016-17 the decrease in growth rate of Capital Receipt was 17.22 per cent mainly due to 17.76 per cent decrease in Public Debt over previous year. Debt receipts had a prominent share of 99 per cent in capital receipts during the period 2012-17. As per FC XIV recommendations, the involvement of the State in the National Small Savings Fund (NSSF) scheme is limited solely to discharging the debt obligations already incurred by the Government till April 2015. During 2016-17, the amount discharged towards NSSF was ₹ 193.52 crore.

During 2016-17, the public debt receipts decreased by 17.76 per cent (₹ 328 crore) and public debt repayment increased by 6.60 per cent (₹ 29 crore) resulting in net decrease of ₹ 357 crore in public debt receipts over the previous year.

Recoveries of loans and advances

During the year, the State Government had released an amount of ₹ 3.41 crore as loans and advances to various institutions. At the end of March 2017, an amount of ₹ 71.03 crore was outstanding under this head. Principal amount recovered during the year was ₹ 8.52 crore, which was 12 per cent of the outstanding balance as on 31 March 2017 under loans and advances.

1.5 Public Account receipts

Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances *etc.*, 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/trustee for public money. The balance after disbursements is the fund available with the Government for use for various activities.

The net transactions under Public Account covering the period 2012-17 are indicated in **Table 1.16**.

Table 1.16: Net transactions under Public Account

(₹ in crore)

Resources under various heads	2012-13	2013-14	2014-15	2015-16	2016-17
Net Public Account Receipts⁷					
a. Small Savings, Provident Fund <i>etc</i>	150	115	112	113	123
b. Reserve Fund	169	112	128	286	169
c. Deposits and Advances	192	336	110	-72	-2
d. Suspense and Miscellaneous	-699	-179	-180	-185	-51
e. Remittances	-178	85	-113	-94	-139
Total	-366	469	57	48	99

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

The net public account increased from ₹ 48 crore in 2015-16 to ₹ 99 crore in 2016-17. In reserve fund, the decrease was mainly on account of decrease in balances under electricity development fund. In suspense and miscellaneous, the balance decreased mainly due to increase in investment account. The State Government had transferred balances lying under New Pension scheme to the Pension fund manager during the year which had reduced the balances under Deposits and Advances.

1.6 Application of resources

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

⁷Net Public Account receipts= Public Account Receipts-Disbursement and Suspense and Miscellaneous and Reserve fund figures depicted after excluding Investment figures

1.6.1 Growth and composition of expenditure

The total expenditure of the State Government consists of revenue expenditure as well as capital expenditure which include expenditure on loans and advances. The trends in various components of total expenditure, Plan and Non-Plan revenue expenditure, committed expenditure such as salaries and wages, interest payments, pension payments and subsidies, financial assistance to local bodies, *etc.*, are discussed in succeeding paragraphs.

The total expenditure and its composition during the years 2012-13 to 2016-17 are presented in the **Table 1.17**.

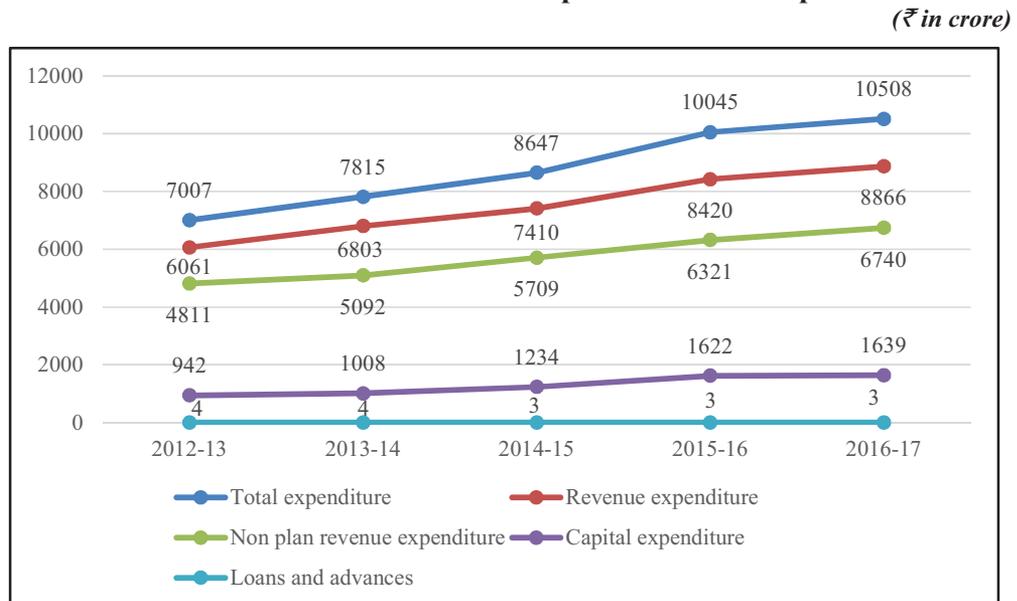
Table 1.17: Total expenditure and its composition

	(₹ in crore)				
	2012-13	2013-14	2014-15	2015-16	2016-17
Total Expenditure	7007	7815	8647	10045	10508
Revenue Expenditure	6061 (87)	6803 (87)	7410 (86)	8420 (84)	8866 (84)
<i>of which, Non-Plan Revenue Expenditure</i>	<i>4811</i>	<i>5092</i>	<i>5709</i>	<i>6321</i>	<i>6740</i>
Capital Expenditure	942 (13)	1008 (13)	1234 (14)	1622 (16)	1639 (16)
Loans and Advances	4	4	3	3	3

(Source: Finance Accounts of the State)
 Figures in parentheses indicate percentage to total expenditure

Chart 1.12 presents the trends in total expenditure over a period of last five years (2012-17) and its composition in terms of expenditure by activities is depicted in **Chart 1.13**.

Chart 1.12: Trends in various components of total expenditure



(Source: Finance Accounts of the State)

Total expenditure

The average growth rate in total expenditure of the State was 9.58 per cent during the five-year period from 2012-13 to 2016-17. However, the

percentage of capital expenditure to total expenditure increased from 13.44 *per cent* in 2012-13 to 15.60 *per cent* in 2016-17. The total expenditure, its annual growth rate, the ratio of expenditure to the GSDP and to revenue receipts and its buoyancy with respect to GSDP and revenue receipts are indicated in **Table 1.18**.

During 2007-08 to 2015-16, the CAGR of total expenditure (14.12 *per cent*) was lower than the growth rate of other GCS (15.84 *per cent*). The growth rate in the State was 4.61 *per cent* in 2016-17 over the previous year and was lower than GCS (15.31 *per cent*) (**Appendix 1.1**).

Table 1.18: Total expenditure – basic parameters

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Total expenditure (TE)	7007	7815	8647	10045	10508
Rate of growth of TE (per cent)	4.94	11.53	10.65	16.17	4.61
Revenue receipts (RR)	5845	6450	7689	8552	9565
Rate of growth of RR (per cent)	1.11	10.35	19.21	11.22	11.84
TE/GSDP ratio (per cent)	18.38	21.76	18.08	18.51	16.28
RR /TE ratio (per cent)	83.42	82.53	88.92	85.14	91.03
Buoyancy of total expenditure with reference to :					
GSDP (ratio)	--*	--*	0.32	1.20	0.24
RR (ratio)	4.46	1.11	0.55	1.44	0.39

(Source: Finance Accounts of the State)

*GSDP figures in 2012-13 and 2013-14 being negative, buoyancy ratio could not be calculated

The increase of ₹ 463 crore (4.61 *per cent*) in total expenditure during 2016-17 over the previous year was on account of an increase of ₹ 446 crore and ₹ 17 crore in revenue and capital expenditure respectively.

The ratio of total expenditure to GSDP peaked to 21.76 *per cent* during the year 2013-14 and stayed around 18 *per cent* for the remaining years up to 2015-16 but reduced to 16.28 *per cent* during 2016-17. The ratio between revenue receipts and total expenditure at 91.03 *per cent* recorded the highest during the five-year period which shows that 91.03 *per cent* of the total expenditure was met from revenue receipts.

The ratio of buoyancy of total expenditure with reference to GSDP was 0.24 in 2016-17. This indicated that during 2016-17 for each one *per cent* increase in GSDP total expenditure grew by 0.24 *per cent*.

Buoyancy of total expenditure with revenue receipt was less than one during 2016-17 indicating that the growth of revenue receipts exceeded the growth of total expenditure.

Of the total expenditure of ₹ 10,508 crore during 2016-17, Non-Plan expenditure contributed 64 *per cent* while Plan expenditure was 36 *per cent*. Of the increase of ₹ 463 crore in total expenditure, the Non-Plan expenditure accounted for 92 *per cent*, while the contribution of Plan expenditure was eight *per cent*.

During 2007-08 to 2015-16, the CAGR of capital expenditure (11.32 *per cent*) was lower than the growth rate of GCS (14.53 *per cent*). The growth rate of capital expenditure (1.01 *per cent*) during 2016-17 over 2015-16 was lower than GCS (17.91 *per cent*) (**Appendix 1.1**).

Trends in total expenditure in terms of activities

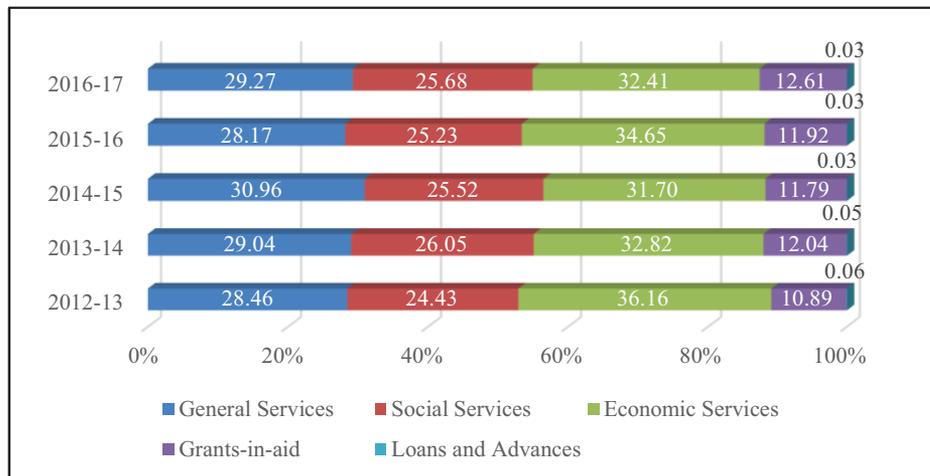
In terms of the activities, total expenditure could be considered as being composed of expenditure on General Services including interest payments, Social and Economic Services, grants-in-aid and loans and advances. Relative shares of these components in the total expenditure are indicated in **Table 1.19** and **Chart 1.13**.

Table 1.19: Components of expenditure – relative shares

	<i>(in per cent)</i>				
	2012-13	2013-14	2014-15	2015-16	2016-17
General Services	28.46	29.04	30.96	28.17	29.27
<i>of which, Interest Payments</i>	11.43	11.40	11.66	10.70	10.93
Social Services	24.43	26.05	25.52	25.23	25.68
Economic Services	36.16	32.82	31.70	34.65	32.41
Grants-in-aid	10.89	12.04	11.79	11.92	12.61
Loans and Advances	0.06	0.05	0.03	0.03	0.03

(Source: Finance Accounts of the State)

Chart 1.13: Trends in composition of Total Expenditure by Activities during 2012-17



The movement of relative share of the components of total expenditure shown in **Table 1.19** indicated that share of General Services and Social Services in the total expenditure increased during 2016-17 while there was a decrease in the share of Economic Services. The share of loans and advances in total expenditure remained constant compared to previous year.

Relative shares of three components of the total expenditure showed that during the last five years Economic Services had the largest share amongst all three services. However, there was a decrease in its share during 2016-17 compared to previous year. The decrease can be attributed to less expenditure under Energy (₹ 85.43 crore), Industry and Minerals (₹ 26.78 crore) and General Economic Services (₹ 53.55 crore).

The increase in Social Services was mainly under Education, Sports and Culture (₹ 76.68 crore), Health and Family Welfare (₹ 96.35 crore) and Water Supply, Sanitation, Housing and Urban Development (₹ 82.44 crore). Under General Services, the increase was mainly under Pension and Miscellaneous

General Services (₹ 97.90 crore) and Interest Payments and debt servicing (₹ 103.33 crore).

The share of General Services and Social Services in the total expenditure has fluctuated over the last five years. But of the two, the share of General Services has been consistently higher than that of Social Services.

Revenue expenditure

In the context of State finances, the quality of expenditure has always been an important issue. Currently, revenue expenditure accounts for around 84.37 per cent of the State's aggregate expenditure, which is in the nature of current consumption, leaving only 15.63 per cent for investment and asset creation. During the current year, revenue expenditure increased by ₹ 446 crore (5.30 per cent) over 2015-16, mainly due to increase in expenditure on General Services (₹ 309 crore), Social Services (₹ 162 crore), and decrease in Economic Services (₹ 25 crore). As compared to previous year the growth rate of general and social sector was 12.05 per cent and 5.08 per cent respectively, while there was negative growth rate under economic sector by one per cent.

The major heads that registered increases include Pension and other retirement benefits (₹ 127 crore), General Education (₹ 98 crore), Power (₹ 74 crore), Interest payments (₹ 73 crore), Medical and Public health (₹ 68 crore) and Road transport (₹ 28 crore).

Incidence of revenue expenditure

Revenue expenditure is incurred to maintain the current level of services and payment for past obligations and as such, does not result in any addition to the State infrastructure and service network. The overall revenue expenditure, its rate of growth, the ratio of non-plan revenue expenditure to GSDP and to revenue receipts and buoyancy of revenue expenditure with GSDP and revenue receipts during the last five years is indicated in **Table 1.20**.

Table 1.20: Revenue expenditure – basic parameters

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue Expenditure (RE)	6061	6803	7410	8420	8866
<i>of which</i>					
Non-Plan Revenue Expenditure (NPRE)	4811	5092	5709	6321	6740
Plan Revenue Expenditure (PRE)	1250	1711	1701	2099	2126
Rate of Growth of					
RE (per cent)	10.52	12.24	8.92	13.63	5.30
NPRE (per cent)	10.02	5.84	12.12	10.72	6.63
PRE (per cent)	12.61	36.88	-0.58	23.40	1.29
Revenue Expenditure as percentage to TE	86.50	87.05	85.69	83.82	84.37
NPRE/GSDP (per cent)	12.62	14.18	11.94	11.65	10.44
NPRE as percentage of TE	68.66	65.16	66.02	62.93	64.14
NPRE as percentage of RR	82.31	78.95	74.25	73.91	70.47
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	--*	--*	0.27	1.01	0.28
Revenue Receipts (ratio)	9.50	1.18	0.46	1.21	0.45

(Source : Finance Accounts of the State)

*GSDP growth rate in 2012-13 and 2013-14 being negative, buoyancy could not be calculated

The growth rate of revenue expenditure was generally lower than the GSDP during the period 2014-17 except for the year 2015-16. The buoyancy ratio of the growth rate of Revenue expenditure with reference to both GSDP and revenue receipts showed a fluctuating trend.

Plan Revenue Expenditure

The Plan Revenue Expenditure increased by ₹ 27 crore (1.29 per cent) during 2016-17 over the previous year mainly due to expenditure under health and family welfare (₹ 60 crore), education, sports, arts and culture (₹ 38 crore) offset by decrease in industry and minerals (₹ 31 crore) and water supply, sanitation, housing and urban development (₹ 10 crore).

Non-Plan Revenue Expenditure

The Non-Plan Revenue Expenditure (NPRE) in 2016-17 constituted a dominant share of 76 per cent in the revenue expenditure and increased by ₹ 419 crore (6.63 per cent) over the previous year. The variations in NPRE under the major heads indicate increase in expenditure under Pension and other retirement benefits and Miscellaneous General Services (₹ 138 crore), Education, Sports, Art and Culture (₹ 91 crore), Energy (₹ 75 crore), Interest payments (₹ 73 crore) and Administrative Services (₹ 29 crore).

The NPRE as percentage of revenue receipts (**Table 1.20**) showed that on an average 76 per cent of the revenue receipts were used to meet the NPRE during the period 2012-17.

Subsidies

Subsidies given during the years 2012-13 to 2016-17 are presented in **Table 1.21**.

Table 1.21: Subsidies

	(₹ in crore)				
	2012-13	2013-14	2014-15	2015-16	2016-17
Subsidies	132.34 (2.26)	160.15 (2.48)	192.55 (2.50)	244.21 (2.85)	247.90 (2.59)
Total Revenue Expenditure	6061	6803	7410	8420	8866
Revenue Receipts	5845	6450	7689	8552	9565

(Figures in parenthesis indicate percentage w.r.t to revenue receipts)

The expenditure on subsidies increased by 1.51 per cent from ₹ 244.21 crore in 2015-16 to ₹ 247.90 crore in 2016-17. The major recipients of subsidy during 2016-17 were Agriculture and Allied activities subsidies ₹ 130.80 crore and Transport ₹ 74.53 crore. During the current year, subsidies constituted 2.59 per cent of revenue receipts and about 2.80 per cent of the total revenue expenditure.

Capital expenditure

Capital expenditure (₹ 1,639 crore) constituted 15.59 per cent of the total expenditure in 2016-17. The increase of ₹ 17 crore (1.01 per cent) in capital expenditure during 2016-17 over previous year was mainly on account of increase in expenditure on capital outlay on water supply, sanitation, housing,

and urban development (₹ 118 crore), irrigation and flood control (₹ 53 crore) Health and Family Welfare (₹ 28 crore), Agriculture and Allied Activities (₹ 25 crore) offset by decrease in energy (₹ 159 crore) and expenditure in education, sports, arts and culture (₹ 53 crore).

1.6.2 Committed expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages and pensions. **Table 1.22** and **Chart 1.14** present the trends in the expenditure on these components during 2012-17.

Table 1.22: Components of Committed expenditure

(₹ in crore)

Components of Committed Expenditure	2012-13	2013-14	2014-15	2015-16	2016-17
Salaries and Wages					
Non-Plan Head	1196.83 (20.47)	1324.07 (20.53)	1447.73 (18.83)	1589.20 (18.58)	1708.00 (17.86)
Plan Head	257.50 (4.41)	287.92 (4.46)	326.52 (4.25)	390.50 (4.57)	424.79 (4.44)
Total	1454.33 (24.88)	1611.99 (24.99)	1804.25 (23.47)	1979.70 (23.15)	2132.79* (22.30)
Interest Payments	800.71 (13.70)	890.66 (13.81)	1007.53 (13.10)	1074.70 (12.57)	1148.03 (12.00)
Pensions	487.41 (8.34)	564.99 (8.76)	659.96 (8.58)	716.85 (8.38)	844.33 (8.83)
Total Committed expenditure	2742.45 (46.91)	3067.64 (47.56)	3471.74 (45.15)	3771.25 (44.10)	4125.15 (43.13)
Other Components	3318.89 (56.78)	3735.64 (57.92)	3938.51 (51.22)	4648.31 (54.35)	4740.83 (49.56)
Total Revenue Expenditure	6061.34	6803.28	7410.25	8419.56	8865.98
Revenue Receipts	5845.43	6449.77	7688.69	8552.24	9564.97
Percentage of committed expenditure to Revenue Receipts	45.24	45.09	46.85	44.79	46.53

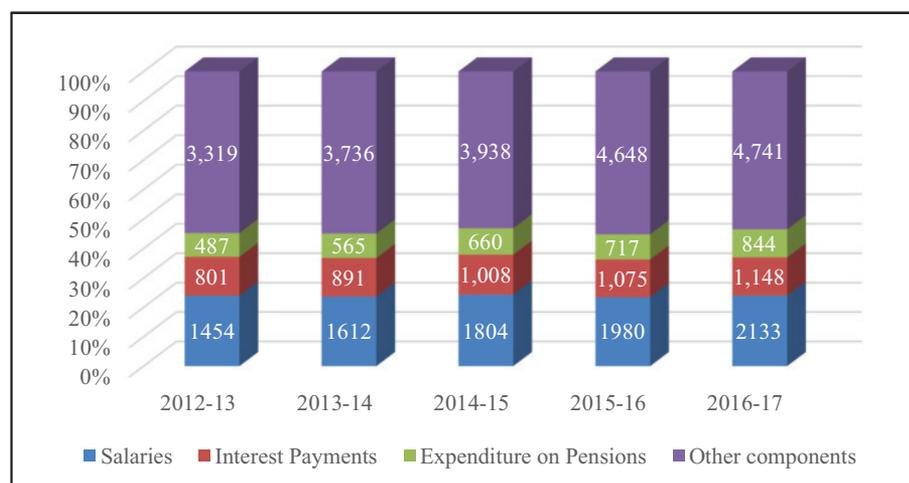
(Source: Finance Accounts of the State)

Figures in parentheses indicate percentage to Revenue Receipts

*Salaries: ₹ 2,106.81 crore + Wages: ₹ 25.98 crore (Finance Accounts)

Chart 1.14: Committed expenditure Trends in share of its components (2012-17)

(₹ in crore)



(Source: Finance Accounts of the State)

The committed expenditure amounted to ₹ 4,125.15 crore in 2016-17, which was 43.13 *per cent* and 46.53 *per cent* of the revenue receipts and revenue expenditure respectively.

Salaries and Wages

The average annual growth in salaries and wages during 2012-17 was 11.66 *per cent*. The expenditure on salaries and wages (including grants-in-aid component) increased by ₹ 153.09 crore (7.73 *per cent*) from ₹ 1,979.70 crore in 2015-16 to ₹ 2,132.79 crore in 2016-17. Salaries and wages were 22.30 *per cent* of the revenue receipts. During the year, expenditure on salary constituted 24.05 *per cent* of revenue expenditure.

During 2007-08 to 2015-16, the CAGR of salary and wages (16.61 *per cent*) was higher than growth rate of GCS (14.89 *per cent*). The growth of salary and wages in 2016-17 over 2015-16 (7.73 *per cent*) was lower than GCS (13.06 *per cent*) (**Appendix 1.1**).

Pension payments

The expenditure on pension payments increased at an average annual growth of 13.98 *per cent*. There was increase in pension payments of ₹ 127.48 crore (17.78 *per cent*) during 2016-17 over the previous year. The increase in pension payment liabilities over the previous year was mainly on account of implementation of Pay Commission.

During 2007-08 to 2015-16, the CAGR of pension (22.22 *per cent*) was higher than the growth rate of GCS (17.17 *per cent*). The growth of pension in 2016-17 over 2015-16 (17.71 *per cent*) was higher than GCS (10.63 *per cent*) (**Appendix 1.1**).

Migration to New Pension Scheme

In order to limit future pension liabilities, the Government had introduced the Defined Contribution Pension Scheme for employees recruited after 05 August 2005. During the year 2016-17, an amount of ₹ 191.20 crore (towards employees' contribution and employer's share) was deposited under the head '8342-Other Deposits, 117-Defined Contribution Pension Scheme for Government employees'. The State Government's liability on this account as on 31 March 2017 was ₹ 187.46 crore.

The Director of Accounts stated (November 2017) that 29,685 employees of the State Government were registered under New Pension Scheme and an amount of ₹ 699.53 crore has been transferred to National Securities Depository Limited as on 31 March 2017. The process for transferring the balance funds (₹ 187.46 crore) was stated to be under consideration.

Interest payments

The expenditure on interest payments increased by 43 *per cent* from ₹ 800.71 crore in 2012-13 to ₹ 1,148.03 crore in 2016-17 due to an increase in debt liabilities. The interest payments-revenue receipts ratio decreased from 13.81 *per cent* to 12 *per cent* during the period 2013-17. Component wise details of interest payments made by the State Government during 2012-17 is shown in **Table 1.23**.

Table 1.23: Component wise details of interest payments made by the State Government during 2012-17

(₹ in crore)

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Interest payments	801	891	1008	1075	1148
<i>of which, interest payments on</i>					
1. Internal debt	578	656	749	814	907
i Market loans	258	325	416	478	579
ii NSSF	289	292	288	284	276
iii NABARD	21	27	34	40	41
Loans from other financial institutions	10	11	9	7	5
Ways and Means advances	-	-	1	4	4
Management of debt (payable to RBI for open market borrowings)	-	1	1	2	2
2.Loans from GoI	28	23	23	21	19
3 Small savings PF etc.	195	212	236	239	222
i.Small savings PF	130	140	148	159	156
ii.Deposits	65	72	88	80	66

(Source: Finance Accounts of respective years)

Interest payment of ₹ 1,148 crore during 2016-17 constituted interest on internal debt (₹ 907 crore), loans and advances from Central Government (₹ 19 crore) and interest on Small Savings, PF etc. (₹ 222 crore).

The interest on internal debt increased by ₹ 93 crore (11.42 per cent) from ₹ 814 crore in 2015-16 to ₹ 907 crore in 2016-17 mainly on account of increase in payment of interest on market loans (₹ 101 crore), interest on loans from NABARD (₹ one crore) set off by decrease in payment of interest on NSSF (₹ eight crore), loans from financial institutions (₹ two crore). Loans and advances from GoI and Small savings, PF etc. also decreased by ₹ two crore (9.52 per cent) and ₹ 17 crore (7.11 per cent) respectively.

1.6.3 Financial assistance by State Government to local bodies and other institutions

Financial assistance to local bodies and other institutions constituted 14.95 per cent of the revenue expenditure during 2016-17.

The quantum of assistance provided by way of grants and loans to local bodies and others during 2016-17 relative to the previous years is presented below:

Table 1.24: Financial assistance to local bodies and other institutions

(₹ in crore)

Sl. No.	Institutions	2012-13	2013-14	2014-15	2015-16	2016-17
1	Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	607.70	656.72	752.31	836.86	915.31
2	Municipal Corporation and Municipalities	53.97	51.82	58.29	67.80	79.37
3	Zilla Panchayats and Other Panchayati Raj Institutions	72.73	79.31	51.78	110.10	119.05
4	Other Institutions	61.55	153.34	157.35	182.06	211.72
	Total	795.95	941.19	1019.73	1196.82	1325.45
	Assistance as percentage of RE	13.13	13.83	13.76	14.21	14.95

(Source : Finance Accounts of the State)

It could be seen from **Table 1.24** that the financial assistance by the Government increased from ₹ 795.95 crore in 2012-13 to ₹ 1,325.45 crore in 2016-17. The assistance in 2016-17 increased by 10.74 *per cent* compared to previous year. As a percentage of revenue expenditure, the assistance continuously increased from 13.13 *per cent* in 2012-13 to 14.95 *per cent* in 2016-17.

During the year 2016-17, financial assistance given to Educational institutions (Aided schools, Aided colleges, Universities *etc.*) increased by ₹ 78 crore mainly due to payment of more assistance to Government aided schools and colleges.

1.6.3.1 State Finance Commission

The Second State Finance Commission (SSFC) recommended (December 2007) devolution of all the 11 functions to ULBs for economic development and social justice as listed in the Goa Municipalities Act, 1968. But only seven functions and one activity in one function have been transferred as of November 2017. In addition to this, the function of Urban Poverty Alleviation and the activity of Solid Waste Management under Public Health and Sanitation not envisaged in the recommendations of the SSFC have also been transferred to ULBs.

Similarly, the SSFC recommended devolution of all the 28 functions and 74 activities to Village Panchayats (VPs) and 25 functions and 47 activities to Zilla Panchayats (ZPs) for economic development and social justice as listed in Schedule I and II of the Goa Panchayat Raj Act, 1994 respectively.

The Government constituted a committee of Group of Ministers (February 2013) to study/examine the recommendations of the SSFC on activity mapping and prepare explanatory memorandum on the recommendations of the SSFC. The report of the committee is awaited (November 2017).

The Third State Finance Commission was constituted (January 2017), it was to submit its report within one year. The report of the commission is awaited (January 2018).

1.6.3.2 Audit arrangements

The audit of ULBs and VPs is carried out by the CAG under Section 14 of CAG's (Duties, Powers and Conditions of Service) Act, 1971. The Government of Goa has entrusted Technical Guidance and Supervision over accounts and audit of Local Bodies to the CAG in November 2006. By virtue of Section 194 of the Goa Panchayat Raj Act, 1994, the CAG is the sole auditor for ZPs. The audit is conducted under Section 20 (1) of the CAG's DPC Act, 1971.

1.7 Quality of expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in quality of expenditure basically involves three aspects *viz.*, adequacy of the expenditure (*i.e.*, adequate provisions for providing public services);

efficiency of expenditure use and effectiveness (assessment of outlay-outcome relationships for select services).

1.7.1 Adequacy of public expenditure

The expenditure responsibilities relating to the social sector and the economic infrastructure assigned to the State Governments are largely State subjects. 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 it is below the respective national average. The fiscal priority given by the State Government for development expenditure, social expenditure and capital expenditure during 2013-14 and 2016-17 has been indicated in **Table 1.25**.

Table 1.25: Fiscal priority of the State in 2013-14 and 2016-17

Fiscal priority by the State	AE/ GSDP	DE [#] /AE	SSE/ AE	ESE/ AE	CE/ AE	Education, sports, art and culture/ AE	Health and family welfare/AE
General Category States Average (Ratio) 2013-14	14.80	70.00	38.20	29.80	13.70	17.70	4.60
Goa's Average (Ratio) 2013-14	21.75	70.91	35.92	35.00	12.90	16.42	5.91
General Category States Average (Ratio) 2016-17	16.70	70.90	32.20	35.10	19.70	15.20	4.80
Goa's Average (Ratio) 2016-17	16.28	70.69	35.94	34.74	15.60	14.96	6.38

(Source: GSDP of 2016-17 Provided by Directorate of Planning, Statistics and Evaluation)

AE: Aggregate Expenditure; DE: Development Expenditure, SSE: Social Sector Expenditure, ESE: Economic Sector Expenditure, CE: Capital Expenditure

Development Expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed

Analysis of the fiscal priorities of the State as shown in **Table 1.25** reveals the following:

- The ratio of Aggregate Expenditure (AE) to GSDP for Goa in 2013-14 (21.75 *per cent*) was higher than the GCS (14.80 *per cent*). During 2016-17, the State's proportion of its GSDP on AE was 16.28 *per cent* as compared to GCS (16.70 *per cent*). This meant that Goa was spending less as a proportion of its GSDP when compared to GCS.
- Development expenditure⁸ as a proportion of aggregate expenditure in the State (70.91 *per cent*) was higher than the GCS average (70 *per cent*) in 2013-14 whereas in 2016-17 the expenditure incurred by the State was marginally less (70.69 *per cent*) compared to GCS (70.90 *per cent*).
- Capital expenditure increases the asset creation which will generate opportunities for higher growth. In respect of CE to AE, the State could

⁸The expenditure data is segregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances are categorised into Social Services, Economic Services and General Services. Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.

not improve its position as compared to GCS during 2013-14 and 2016-17.

- In Goa, the ratio of SSE to AE in 2013-14 (35.92 per cent) was lower than the GCS (38.20 per cent) but improved in 2016-17 (35.94 per cent) as compared to GCS (32.20 per cent).
- The ratio of ESE to AE in 2013-14 (35 per cent) was higher in the State as compared to GCS in 2013-14 (29.80 per cent) but was less in 2016-17 (34.74 per cent) as compared to GCS (35.10 per cent).
- Less priority was given to education, sports, art and culture as the ratio of education, sports, art and culture to AE was lower in 2013-14 and 2016-17 (16.42 per cent and 14.96 per cent) as compared to GCS (17.70 per cent and 15.20 per cent).
- The State Government has given higher fiscal priority to Health and Family Welfare during 2013-14 and 2016-17, as their ratios to AE were higher than the ratios of GCS.

1.7.2 Efficiency of expenditure use

In view of the importance of public expenditure in social and economic development, it is important for the State Governments to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public⁹ and merit goods¹⁰. Apart from improving the allocation towards development expenditure, particularly in view of the fiscal space being created on account of decline in debt servicing in recent years, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. **Table 1.26** and **Chart 1.15** present the trends in DE relative to the AE of the State during the current year *vis-à-vis* budget estimates of the current year and the actual expenditure during the previous years.

⁹Core public goods are those which all citizens enjoy in common in the sense that each individual's consumption of such goods leads to no subtractions from any other individual's consumption of those goods, e.g. enforcement of law and order, security and protection of citizen's rights; pollution free air and other environmental goods and road infrastructure etc.

¹⁰Merit goods are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of concept of need, rather than ability and willingness to pay the Government and therefore wishes to encourage their consumption. Examples of such goods includes the provision of free or subsidised food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.

Table 1.26: Development expenditure

(*₹ in crore*)

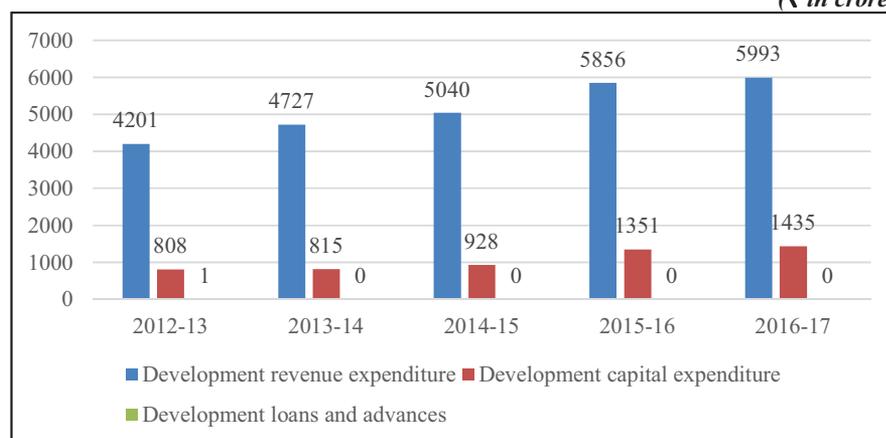
Components of Development Expenditure	2012-13	2013-14	2014-15	2015-16	2016-17
a. Development Revenue Expenditure	4201 (59.95)	4727 (60.48)	5040 (58.28)	5856 (58.30)	5993 (57.03)
b. Development Capital Expenditure	808 (11.53)	815 (10.42)	928 (10.73)	1351 (13.45)	1435 (13.66)
c. Development Loans and Advances	1 (0.01)	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)
Development Expenditure (a to c)	5010 (71.50)	5542 (70.91)	5968 (69.01)	7207 (71.75)	7428 (70.69)
Total expenditure	7007	7815	8647	10045	10508

(Source: Finance Accounts of the State)

Figures in the parentheses indicate percentage of total expenditure

During 2016-17, growth rate of total expenditure was 4.61 per cent while the growth rate of development expenditure was 3.07 per cent over the previous year. Though 70.69 per cent of the total expenditure was utilised for development expenditure, major share (57.03 per cent) was that of revenue expenditure. The share of capital expenditure in total development expenditure was 13.66 per cent which was the highest during the last five-year period.

Chart 1.15: Development expenditure for the years 2012-13 to 2016-17

(*₹ in crore*)

(Source: Finance Accounts of the State)

Development expenditure

The development expenditure increased by 48 per cent (₹ 2,418 crore) from ₹ 5,010 crore in 2012-13 to ₹ 7,428 crore in 2016-17. The share of development revenue expenditure to development expenditure was on an average 84 per cent during 2012-15, which reduced to 81 per cent in 2015-17 indicating that priority was given to capital expenditure by the State during the last two years.

Development revenue expenditure

Development revenue expenditure increased by ₹ 137 crore (2.33 per cent) from ₹ 5,856 crore in 2015-16 to ₹ 5,993 crore in 2016-17. The increase was mainly due to increase in expenditure under Social services (₹ 162 crore) offset by decrease in Economic services (₹ 25 crore). Out of ₹ 5,993 crore expenditure under social and economic services ₹ 1,452 crore (24.22 per cent) was incurred on salaries and wages.

In Social Services, the increase was mainly under sub-sectors ‘General Education’ ₹ 99 crore, ‘Art and Culture’ ₹ 130 crore, ‘Sports and Youth Affairs’ ₹ 24 crore.

Development capital expenditure

The development capital expenditure increased by ₹ 84 crore (6.21 per cent) from ₹ 1,351 crore in 2015-16 to ₹ 1,435 crore in 2016-17. The development capital expenditure was mainly seen under social sector, viz., health and family welfare (₹ 28 crore) and water supply sanitation, housing and urban development (₹ 118 crore).

Development loans and advances

Development expenditure in respect of loans and advances during 2016-17 was ‘nil’. Whereas the projection of the State in the BE and RE of 2016-17 under development loans and advances was ₹ seven crore and ₹ five crore respectively.

Efficiency of expenditure use in selected social and economic services

Table 1.27 provides the details of capital expenditure and the component of revenue expenditure incurred on the maintenance of the selected social and economic services.

Table 1.27: Efficiency of expenditure use in selected Social and Economic Services

(in per cent)

Social/Economic Infrastructure	2015-16		2016-17	
	Share of CE to TE	Share of salaries in RE	Share of CE to TE	Share of salaries in RE
Social Services (SS)				
Education, Sports, Art and Culture	10.57	24.68	6.69	25.04
Health and Family Welfare	5.42	73.24	8.84	71.37
Water supply, Sanitation, Housing and Urban Development	25.41	10.07	40.39	11.77
Total (SS)	9.74	26.89	11.43	28.03
Economic Services (ES)				
Agriculture and Allied Activities	12.63	32.54	19.07	35.28
Irrigation and Flood Control	44.85	39.48	52.72	37.16
Power and Energy	20.36	14.29	12.45	14.65
Transport	56.36	29.04	58.64	31.15
Total (ES)	27.40	19.00	27.05	20.34
Total (SS+ES)	18.76	23.29	19.32	24.63

(Source: Finance Accounts of the State for the years 2015-16 and 2016-17)

TE: Total expenditure in the concerned sub sector; CE: Capital Expenditure; RE: Revenue Expenditure

The trends presented in Table 1.27 reveal that development capital expenditure as a percentage to total expenditure in the sub-sector increased from 18.76 per cent in 2015-16 to 19.32 per cent in 2016-17. The percentage of capital expenditure on Social Services to the total expenditure in the sub-sector increased from 9.74 per cent in 2015-16 to 11.43 per cent in 2016-17. The increase was mainly seen under health and family welfare and water supply, sanitation, housing and urban development. The percentage of capital expenditure on Economic Services to the total expenditure in the sub-sector

decreased from 27.40 per cent in 2015-16 to 27.05 per cent in 2016-17. The decrease was mainly seen under Power and Energy.

The share of salaries in revenue expenditure increased from 23.29 per cent in 2015-16 to 24.63 per cent in 2016-17.

1.8 Analysis of Government expenditure and investments

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

1.8.1 Financial results of irrigation works

The financial results in respect of irrigation works have not been worked out. The Government incurred expenditure of ₹ 66.99 crore on maintenance of irrigation projects in the State during 2016-17, which was ₹ 5.87 crore more than the maintenance expenditure during the previous year (₹ 61.12 crore).

1.8.2 Incomplete projects

Department-wise information of the incomplete projects is given in Table 1.28.

Table 1.28: Department-wise profile of incomplete projects

(₹ in crore)

Department	Number of incomplete projects	Initial budgeted cost	Revised total cost of projects	Cumulative actual expenditure as on 31 March 2017
Public Works Department	104	563.96	-	131.04
Water Resources Department	28	591.91	1646.57	1377.99
Total	132	1155.87	1646.57	1509.03

(Source: Finance Accounts of the State and information received from Water Resources Department)

As of 31 March 2017, there were 132 incomplete projects valuing more than ₹ one crore each, on which ₹ 1,509.03 crore had already been expended.

The Tillari Irrigation project, a joint venture of the Government of Maharashtra and the Government of Goa, which commenced in 1986 remained incomplete mainly due to delay in land acquisition.

1.8.3 Investments and returns

Statement No. 19 of the Annual Finance Accounts of the State Government contains the details of investments made by the State in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives. As of 31 March 2017, Government had invested ₹ 561 crore in these Statutory

Corporations, Rural Banks, Joint Stock Companies and Co-operatives (Table 1.29).

The average return on this investment was 0.28 per cent on an average investment of ₹ 493.75 crore in the last five years while the Government paid average interest rate ranging from 7.09 per cent to 7.69 per cent on its borrowings during 2012-17.

Table 1.29: Return on investment

Investment/Return/Cost of Borrowings	2012-13	2013-14	2014-15	2015-16	2016-17
Investment at the end of the year (₹ in crore)	445.72	449.13	488.00	525.00	560.94
Return (₹ in crore)	1.73	1.10	1.82	1.43	0.86
Return (in percentage)	0.39	0.24	0.37	0.27	0.15
Average rate ¹¹ of interest on Govt. borrowing (in percentage)	7.69	7.44	7.59	7.30	7.09
Difference between interest rate and return (in percentage)	7.30	7.20	7.22	7.03	6.94

(Source : Finance Accounts of the State)

The increase in investments by ₹ 35.94 crore during 2016-17 over the previous year was mainly due to increased capital contributions in Information Technology Corporation of Goa (₹ 25 crore), Goa State Infrastructure Development Corporation (₹ five crore) and Goa State Scheduled Tribe Finance Development Corporation Limited (₹ 4.52 crore).

The Government had acquired shares totalling ₹ 3.60 lakh in joint stock companies during the takeover of assets of the Hospicio Trust. The acquired shares include shares of several different companies like Associated Cement Company, M/s Mahindra and Mahindra, Hindustan Unilever Limited, Forbes Gokak Limited, Bombay Dyeing, Bombay Suburban Electricity Supply Company Limited, Wimco Limited etc. The Government has not earned any return on this investments as it has failed to get the shares acquired transferred to its name¹². Further details are provided in **Paragraph 3.8**.

1.8.4 Departmental commercial undertakings

There are two departmentally managed quasi-commercial undertakings viz., the Electricity Department and the River Navigation Department in the State. **Table 1.30** depicts the Department-wise position of the investments made by the Government up to the year for which proforma accounts have been audited, net profits/loss as well as return on capital invested in these undertakings.

¹¹Interest payment/[(Amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2]*100

¹² Except for ₹ 333 and ₹ 315 received as dividend from Laxmi Mills Co. Limited and Peria Karmalai Tea and Produce Company Limited which were misclassified under the Major Head 0210-01-800 instead of MH 0050 Dividends and Profits

Table 1.30: Summarised financial Statement of departmentally managed quasi-commercial undertakings

(₹ in crore)

Sl. No.	Name of the undertaking	Period of accounts audited	Amount invested by Government	Turn-over/ income	Net profit/ loss	Accumulated profit/ loss	Interest on capital	Total return	Percentage of return on capital
1	Electricity Department	2013-14	1266.53	1088.96	(-)244.91	(-)117.27	-	(-)244.91	-19
2	River Navigation Department	2005-06	108.29	1.07	(-) 10.53	(-) 106.68	0.41	(-) 10.12	Nil

An amount of ₹ 1,374.82 crore had been invested by the State Government in the Electricity Department and the River Navigation Department at the end of the financial year up to which their accounts were finalised. As per the accounts for the year 2013-14, the Electricity Department suffered a net loss amounting to ₹ 244.91 crore against a capital investment of ₹ 1,266.53 crore, thereby yielding negative return of 19 per cent.

The River Navigation Department (RND) was incurring losses every year and the accumulated loss as at the end of the year 2005-06 was ₹ 106.68 crore against the total investment of ₹ 108.29 crore. The Government needs to review the working of RND so as to wipe out its losses in the short run and to make itself sustaining in the medium to long term.

1.8.5 Loans and advances by State Government

In addition to investments in co-operative societies, corporations and companies, the Government has also been providing loans and advances to many of these institutions/organisations. Table 1.31 presents the outstanding loans and advances as on 31 March 2017, interest receipts *vis-à-vis* interest payments during the last three years.

Table 1.31: Average interest received on loans and advances by the State Government

(₹ in crore)

Quantum of loans/interest receipts/cost of borrowings	2014-15	2015-16	2016-17
Opening Balance	90.69	83.65	76.14
Amount advanced during the year	2.92	2.69	3.41
Amount repaid during the year	9.96	10.20	8.52
Closing Balance	83.65	76.14	71.03
<i>of which</i> Outstanding balance for which terms and conditions have been settled	-	-	-
Net addition	(-)7.04	(-)7.51	(-) 5.11
Interest Receipts	2.02	2.58	2.30
Interest receipts as percentage of outstanding Loans and advances	2.31	3.22	3.12
Interest payments as percentage of outstanding fiscal liabilities of the State Government	7.26	6.90	6.82
Difference between interest payments and interest receipts (<i>per cent</i>)	(-) 4.95	(-) 3.68	(-) 3.70

(Source: Finance Accounts of the State)

The total outstanding loans and advances as on 31 March 2017 decreased by ₹ 5.11 crore as compared to previous year. The total amount of loans disbursed during the year increased from ₹ 2.69 crore in 2015-16 to ₹ 3.41 crore in 2016-17. Of the total amount loans and advances disbursed

during the year ₹ 3.27 crore was disbursed to Government servants¹³ and the balance amount of ₹ 0.14 crore went to Economic sector.

Interest received against these loans and advances decreased from ₹ 2.58 crore in 2015-16 to ₹ 2.30 crore in 2016-17. Interest spread on Government borrowings was negative during the period 2014-17 which indicated that the State borrowings were more expensive than the loans advanced by it.

1.8.6 Cash balances and investment of cash balances

Table 1.32 depicts the cash balances and investments made by the State Government out of cash balances during the year.

Table 1.32: Cash balances and investment of cash balances

Particulars	As on 31 March 2016	As on 31 March 2017	Increase (+)/ Decrease(-)
Cash in treasuries	-	-	-
Deposits with Reserve Bank	-162.74	-126.49	36.25
Remittances in transit-Local	-	-	-
Cash with the Departmental officers	1.48	1.48	-
Permanent advance for contingent expenditure with Departmental officers	0.27	0.29	0.02
Investments from cash balances (a to d)	256.67	344.25	87.58
a. GoI Treasury Bills	254.56	341.80	87.24
b. GoI Securities	-	-	-
c. Other Securities	-	-	-
d. Other Investments	2.11	2.45	0.34
Funds-wise break-up of investment from Earmarked balances (a to c)	670.74	762.67	91.93
a. General and other Reserve Funds	239.64	271.66	32.02
b. Sinking Fund	431.10	491.01	59.91
c. Miscellaneous Deposits	-	-	-
Total Cash Balances	766.42	982.20	215.78
<i>Interest Realised</i>	1.09	3.78	2.69

(Source: Finance Accounts of the State)

The State Government's cash balances of ₹ 982 crore at the end of the current year showed an increase of 28.15 *per cent* (₹ 216 crore) over the previous year. Of the above, ₹ 342 crore was invested in GoI Treasury Bills which earned an interest of ₹ 3.78 crore during the year. Further, ₹ 763 crore was invested in earmarked funds. The cash balances of the State Government at the end of March 2017 was around nine *per cent* of the total expenditure (₹ 10,508 crore) of the State Government during the year.

Under an agreement with the RBI, the State Government has to maintain a minimum cash balance of ₹ 19 lakh with the Bank on all days. The balance in excess of ₹ 19 lakh is invested by the RBI in 14 days Intermediate Treasury bills for a minimum amount of ₹ one lakh and in multiple of ₹ one lakh. Whenever the balance falls below the agreed minimum limit on any day, treasury bills are rediscounted and the balance restored. In the event of balance remaining low the deficiency is made good by taking normal/special ways and means advances/overdraft from the bank.

¹³ Purchase of computers- ₹ 1.45 crore, advances for purchase of motor conveyances ₹ 1.28 crore and advances for House Building - ₹ 0.54 crore

During the year 2016-17, the State Government had obtained ways and means advances on 174 occasions (₹ 1,738.11 crore) and overdrafts (₹ 47 crore) on 14 occasions. The Government repaid ₹ 1,785.11 crore to RBI during the year. The State also paid ₹ 4.09 crore as interest on these ways and means advances and overdrafts.

1.8.7 Outstanding balances under the head ‘Cheques and Bills’

This head is an intermediary accounting head for initial recording of transactions which are to be cleared eventually. As per accounting rules, when a cheque is issued, the functional head is debited and the Major Head-8670-Cheques and Bills is credited. On clearance of the cheque by the Bank, the minus credit is given to Major Head 8670-Cheques and Bills by crediting the Major Head 8675-Deposits with Reserve Bank and thereby reducing the cash balance of the Government. Thus, the outstanding balance under the Major head 8670-Cheques and Bills represents the amount of un-encashed cheques.

As on 31 March 2017, there was an outstanding balance (cumulative) of ₹ 39.62 crore. This represents expenditure originally booked under different major heads of consolidated fund, which has not resulted in any cash outflow till the end of March 2017.

1.9 Assets and Liabilities

1.9.1 Growth and composition of assets and liabilities

In the existing cash-based Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the fiscal liabilities¹⁴ of the Government and the assets created out of the expenditure incurred. **Appendix 1.3, Part B** gives an abstract of such liabilities and the assets as on 31 March 2017, compared with the corresponding position as on 31 March 2016. While the liabilities consist mainly of internal borrowings, loans and advances from the GoI, receipts from the Public Account and Reserve Funds, the assets mainly comprise the capital outlay and loans and advances given by the State Government and cash balances.

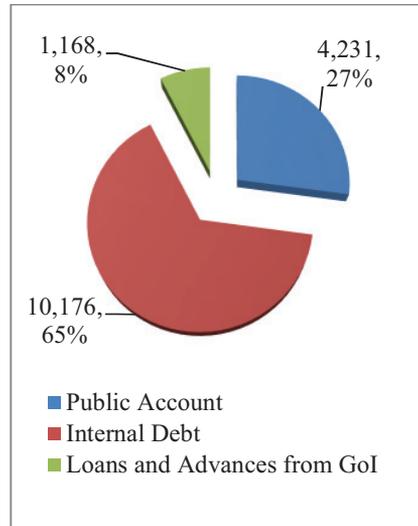
¹⁴Internal debt (market loans, loans from NSSF, ways and means advances and loans from other financial institutions), loans and advances from GoI, the liabilities arising from the transactions in the Public Account of the State

1.9.2 Fiscal liabilities

The composition of fiscal liabilities during the year 2016-17 vis-à-vis the previous year is presented in Charts 1.16 and 1.17.

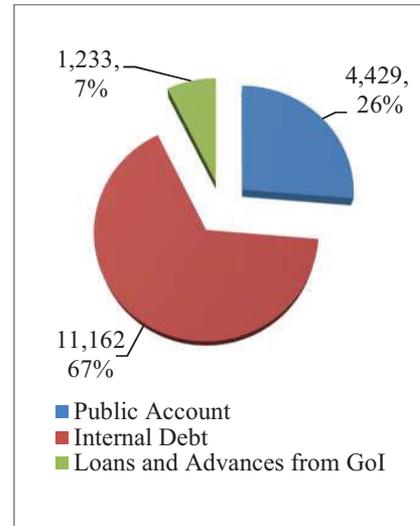
(₹ in crore)

Chart 1.16: Composition of outstanding fiscal liabilities as on 31 March 2016



(Source: Finance Accounts of the State)

Chart 1.17: Composition of outstanding fiscal liabilities as on 31 March 2017



(Source: Finance Accounts of the State)

The outstanding loans and advances from GoI as percentage of fiscal liabilities (seven per cent) decreased by one percentage from the last year, internal debt increased by two percentage points over the same period. The Public Account liabilities decreased from 27 per cent in 2015-16 to 26 per cent in 2016-17.

Table 1.33 gives the fiscal liabilities of the State, their rate of growth, the ratio of these liabilities to GSDP, to revenue receipts and to the State’s own resources as also the buoyancy of fiscal liabilities with reference to these parameters.

Table 1.33: Fiscal liabilities – basic parameters

	2012-13	2013-14	2014-15	2015-16	2016-17
Fiscal Liabilities (₹ in crore)	11232	12695	13877	15575	16824
Rate of Growth (per cent)	17.26	13.03	9.31	12.24	8.02
Ratio of fiscal liabilities to:					
GSDP (per cent)	29.46	35.34	29.02	28.70	26.07
Revenue Receipts (per cent)	192.16	196.82	180.48	182.12	175.89
Own Resources (per cent)	235.32	242.09	223.03	243.09	241.24
Buoyancy of Fiscal Liabilities with reference to:					
GSDP (ratio)	--*	--*	0.28	0.90	0.42
Revenue Receipts (ratio)	15.58	1.25	0.48	1.09	0.68
Own Resources (ratio)	-9.22	1.32	0.50	4.12	0.91

(Source: Finance Accounts of the State)

*GSDP growth rate in 2012-13 and 2013-14 being negative, buoyancy ratio could not be calculated

The overall fiscal liabilities of the State increased at an average annual rate of 11.97 per cent during the period 2012-17. The growth rate decreased continuously from 17.26 per cent in 2012-13 to 8.02 per cent in 2016-17 except during 2015-16 which was 12.24 per cent.

Over a period of four years, fiscal liabilities to GSDP ratio had reduced from 35.34 per cent in 2013-14 to 26.07 per cent in 2016-17. This was however, higher than the target fixed (25 per cent) in the GFRBM (first amendment) Act, 2014 and projections made in FC XIV (25.55 per cent). These liabilities were nearly twice the revenue receipts and more than twice the State's own resources at the end of 2016-17.

Of the total fiscal liabilities during 2016-17, the share of public debt was maximum (74 per cent), followed by Small Savings, Provident fund¹⁵ etc., (12 per cent), deposits¹⁶ (9 per cent) and Reserve funds (five per cent). Fiscal liabilities increased by ₹ 1,249 crore as compared to previous year mainly due to increase in Public Debt (₹ 1,051 crore), Small Savings and Provident Funds (₹ 122 crore) and Reserve Funds (₹ 77 crore), offset by decrease in Deposits (₹ one crore).

1.9.3 Transactions under Reserve Fund

There were eight reserve funds earmarked for specific purposes of which, four funds were active and four funds were inactive, as shown in **Appendix 1.6**. The total accumulated balance as on 31 March 2017 in these funds was ₹ 1,535.86 crore (₹ 1,513.69 crore active funds and ₹ 22.17 crore in inactive funds). However, the investment out of these balances was only ₹ 762.67 crore (49.65 per cent). An account of these funds is included in **Statement No. 22** of Finance Accounts 2016-17.

1.9.4 Contingent liabilities

Status of guarantees

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended.

The maximum amount for which guarantees were given by the State and outstanding guarantees is given in the **Statement No. 9** of the Finance Accounts (Volume I). The summarised position in respect of the last three years is shown in **Table 1.34**.

Table 1.34: Guarantees given by the Government of Goa

(₹ in crore)

Guarantees	2014-15	2015-16	2016-17
Maximum amount guaranteed	695.65	712.65	932.01
Outstanding amount of guarantees	337.06	622.55	841.91
Percentage of maximum amount guaranteed to total revenue receipt	9.04	8.33	9.74

(Source: Finance Accounts of the State)

¹⁵Small 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

¹⁶Deposits 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 Goa Legislature had fixed a limit of ₹ 1,500 crore on the outstanding guarantees in September 2015. The outstanding guarantees at ₹ 842 crore during 2016-17 were well within the ceiling limit specified by the Legislature. The outstanding guarantee during 2016-17 was 1.30 *per cent* of the GSDP.

The State has set up a Guarantee Redemption Fund during 2003-04 with the objective of meeting the payment of obligations arising out of the guarantees issued by the State Government on behalf of State level autonomous bodies. The State Government has exempted the borrowing institutions from the payment of guarantee fee. At the beginning of the year ₹ 216.15 crore was available in the fund. With contribution of ₹ 10 crore and the interest received on the investment at the end of the year (₹ 19.81 crore) the closing balance was ₹ 245.96 crore. The entire balance of ₹ 245.96 crore was reinvested in Government securities. No guarantee was invoked during 2016-17.

1.10 Debt management

Debt sustainability

Debt sustainability implies State's ability to service the debt in future. Apart from the magnitude of debt of the State Government, it is important to analyse the various indicators that determine the debt sustainability of the State. The analysis of various debt sustainability indicators of the State for the period of five years beginning from 2012-13 is presented in **Table 1.35**.

Table 1.35: Debt Sustainability: Indicators and Trends

Indicators of Debt Sustainability	2012-13	2013-14	2014-15	2015-16	2016-17
Outstanding Debt (₹ in crore)	11232	12695	13877	15575	16824
Rate of growth of outstanding Debt (in per cent)	17.26	13.03	9.31	12.24	8.02
Rate of growth of GSDP (in per cent)	-10.02	-5.77	33.11	13.51	18.92
Debt/GSDP (in per cent)	29.46	35.34	29.02	28.70	26.07
Debt/RR (in per cent)	192.16	196.82	180.48	182.12	175.89
Average interest rate of outstanding debt ¹⁷ (in per cent)	7.69	7.44	7.59	7.30	7.09
Burden of Interest payment in per cent (IP/RR)	13.70	13.81	13.11	12.58	12.00
Debt repayment/debt receipts	0.22	0.25	0.29	0.23	0.30
Public debt repayment/tax revenue (in per cent)	11.53	9.26	9.39	11.04	10.98
Net Debt available to the State (₹ in crore)	851	572	175	623	101

(Source: Finance Accounts of the State)

The **Table 1.35** reveals that while outstanding debt increased from ₹ 11,232 crore in 2012-13 to ₹ 16,824 crore in 2016-17, the debt to GSDP ratio depicted a declining trend from 35.34 *per cent* in 2013-14 to 26.07 *per cent* in 2016-17. The ratio of outstanding debt to revenue receipt fell from 196.82 *per cent* in 2013-14 to 175.89 *per cent* in 2016-17. While this is an improving trend, the State Government may continue to make efforts

¹⁷ = interest paid / ((O.B. of Public debt + C.B. of Public debt) / 2)

to bring the debt-GSDP ratio to 25 per cent as per target fixed in the GFRBM (first amendment) Act, 2014.

The ratio of interest payments relative to revenue receipts, during the year 2016-17 was 12.00 per cent. This was less than the projected ratio (12.43 per cent) prescribed by the FC XIV.

The net funds available from borrowed funds after providing interest payment and repayment declined from ₹ 851 crore in 2012-13 to ₹ 175 crore in 2014-15 and again increased to ₹ 623 crore in 2015-16. During 2016-17, Government raised internal debt of ₹ 1,427 crore, loans and advance from GoI of ₹ 92 crore and other obligations of ₹ 1,128 crore. The Government repaid internal debt of ₹ 441 crore, GoI loans of ₹ 27 crore and discharged other obligations of ₹ 930 crore and paid interest of ₹ 1,148 crore resulting in net availability of debt receipts by ₹ 101 crore.

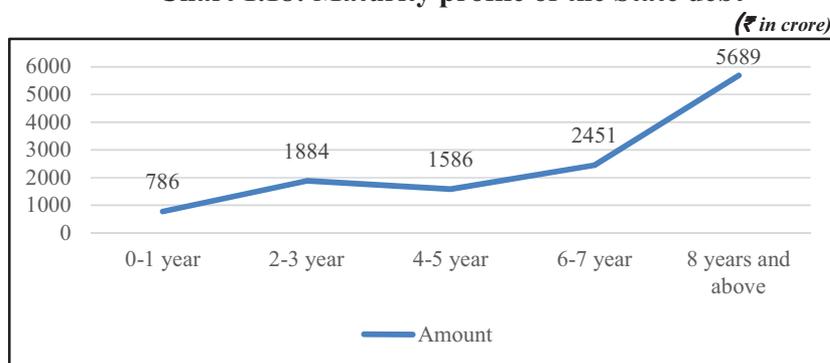
The maturity profile of the State Debt is shown in **Table 1.36** and **Chart 1.18**.

Table 1.36: Maturity profile of State debt

Maturity Profile (in years)	Amount (₹ in crore)	Per cent
0 – 1	785.60	6.34
2 – 3	1883.74	15.20
4 – 5	1585.74	12.79
6 – 7	2451.22	19.78
8 and above	5597.81	45.15
Loans pertaining to Ex-Union Territory	91.30	0.74
Total	12,395.41	100

(Source: Finance Accounts of the State)

Chart 1.18: Maturity profile of the State debt



(Source: Finance Accounts of the State)

The maturity of the State debt as per **Table 1.36** and **Chart 1.18** indicates that 54.11 per cent of the total debts is repayable within the next seven years. It further indicates that the liability of the State to repay the debt would be ₹ 1,884 crore during the period 2018-20 and ₹ 4,037 crore during 2020-25 which would put a strain on the Government budget during that period.

1.11 Fiscal Imbalances

Three key fiscal parameters 'revenue, fiscal and primary deficits' indicate the extent of overall fiscal imbalances in the finances of the State Government

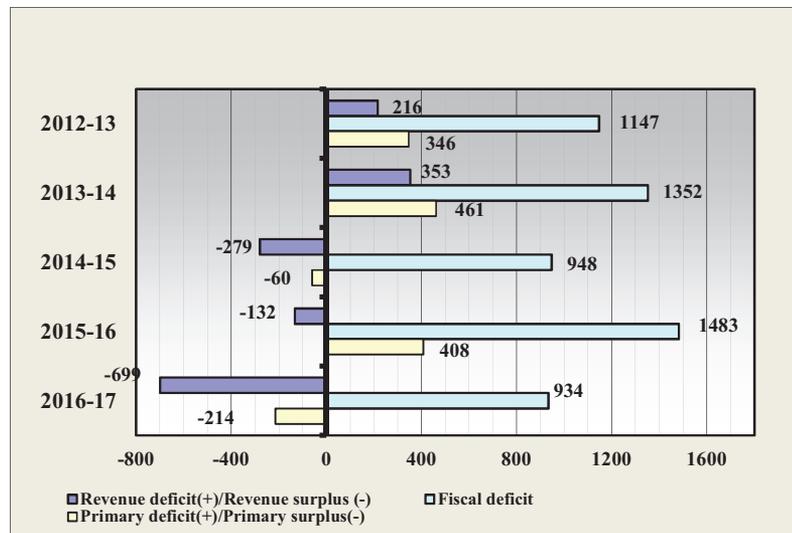
during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits *vis-à-vis* targets set under GFRBM (first amendment) Act, 2014.

1.11.1 Trends in deficits

Charts 1.19 and 1.20 present the trends in deficit indicators over the period 2012-17.

Chart 1.19: Trends in deficit indicators

(₹ in crore)



(Source: Finance Accounts of the State)

As per GFRBM (first amendment) Act, 2014, the revenue deficit was to be brought down to ‘zero’ by March 2015. The State recorded a revenue deficit during the period 2012-14 which turned into revenue surplus during the period 2014-17. Thus, the State has achieved the target as envisaged in GFRBM (first amendment) Act, 2014 in 2014-15.

The revenue surplus of the State at ₹ 699 crore during 2016-17 was due to increase of ₹ 1,013 crore (11.84 per cent) in revenue receipts as against the increase of ₹ 446 crore (5.30 per cent) in revenue expenditure over the previous year.

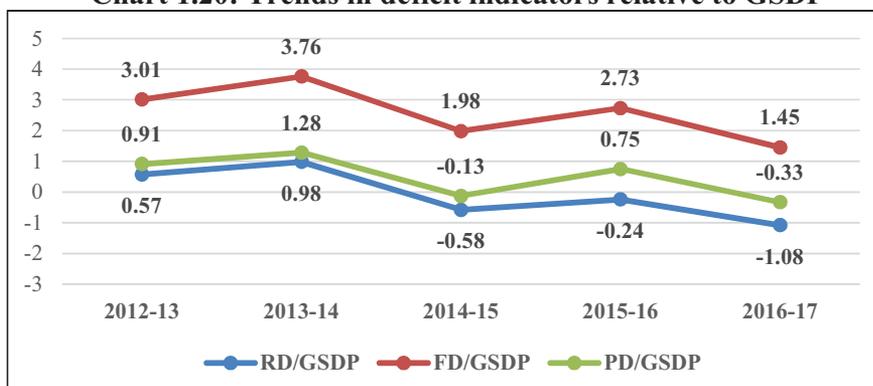
The fiscal deficit, which represents the total borrowings of the State *i.e.*, total resource gap, increased steadily during the period 2012-14. The fiscal deficit of ₹ 1,352 crore in 2013-14 decreased to ₹ 948 crore in 2014-15. Thereafter, the fiscal deficit increased to ₹ 1,483 crore in 2015-16 which decreased to ₹ 934 crore in 2016-17. The fiscal deficit of ₹ 934 crore in 2016-17 was the net result of revenue surplus (₹ 699 crore), capital expenditure (₹ 1,639 crore) and increase of net loans and advances (₹ six crore).

However, the fiscal deficit as a percentage of GSDP (1.45 per cent) in the current year was within the limit of three per cent fixed by the GFRBM

(first amendment) Act, 2014 and the FC XIV. The State achieved a primary surplus of ₹ 214 crore against a deficit of ₹ 408 crore recorded in 2015-16.

A decrease of ₹ 549 crore in fiscal deficit together with an increase in interest payment of ₹ 73 crore turned the primary deficit into primary surplus of ₹ 214 crore.

Chart 1.20: Trends in deficit indicators relative to GSDP



1.11.2 Composition 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. The financing patterns of the fiscal deficit during the period 2012-13 to 2016-17 are reflected in the **Table 1.37**.

Table 1.37: Components of fiscal deficit and its financing pattern

(₹ in crore)

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Composition of Fiscal Deficit (a)	1147	1352	948	1483	934
	(3.01)	(3.76)	(1.98)	(2.73)	(1.45)
1 Revenue Deficit/Surplus	216	353	-279	-132	-699
	(0.57)	(0.98)	(-0.58)	(-0.24)	(-1.08)
2 Capital Expenditure	942	1008	1234	1622	1639
	(2.47)	(2.81)	(2.58)	(2.99)	(2.54)
3 Net Loans and Advances	- 11	- 9	- 7	- 7	- 6
	(-0.03)	(-0.03)	(-0.01)	(-0.01)	(-0.01)
Financing Pattern of Fiscal Deficit					
1 Market Borrowings	995	881	667	1285	1171
	(2.61)	(2.45)	(1.39)	(2.37)	(1.81)
2 Loans from GoI	139	124	175	85	65
	(0.36)	(0.35)	(0.37)	(0.16)	(0.10)
3 Loans from Financial Institutions	65	-42	59	38	-185
	(0.17)	(-0.12)	(0.12)	(0.07)	(-0.29)
4 Ways and Means advances	-	-	-	-	-
	-	-	-	-	-
5 Small Savings, PF etc.	150	115	112	113	122
	(0.39)	(0.32)	(0.23)	(0.21)	(0.19)
6 Deposits and Advances	192	336	110	-72	-2
	(0.50)	(0.94)	(0.23)	(-0.13)	(0.00)

7	Suspense and Miscellaneous	- 699	-179	-180	-186	-51
		(-1.83)	(-0.50)	(-0.38)	(-0.34)	(-0.08)
8	Remittances	- 178	86	-114	-93	-139
		(-0.47)	(0.24)	(-0.24)	(-0.17)	(-0.22)
9	Reserve Fund	169	111	128	286	169
		(0.44)	(0.31)	(0.27)	(0.53)	(0.26)
10	Contingency Fund	-	-1	-	-	-
		-	(0.00)	-	-	-
11	Total (1 to 10) (b)	833	1431	957	1456	1150
12	Increase(-)/Decrease(+) in cash balance(a) - (b)	314	-79	-9	27	-216
		(0.82)	(-0.22)	(-0.02)	(0.05)	(-0.33)
13	Overall deficit (11+12)	1147	1352	948	1483	934
		(3.01)	(3.76)	(1.98)	(2.73)	(1.45)

(Source: Finance Accounts of the State)
Figures in parenthesis indicate per cent to GSDP

Table 1.37 reveals that during the last five years, market borrowings and net accretions in Public Account (small savings, reserve fund *etc.*) are the main sources utilised by the State Government to finance the fiscal deficit. During 2016-17, net market borrowings (₹ 1,171 crore) and net accretions in Small savings PF *etc.*, (₹122 crore) were used for bridging the fiscal deficit of the State.

During 2016-17, the State Government raised ₹ 1,320 crore as market loans at an average rate of 7.42 *per cent*, ₹ 107 crore from National Bank for Agriculture and Rural Development at an interest rate of 5.55 *per cent*. The Government also received loans amounting to ₹ 92 crore¹⁸ from GoI during the year for Externally Aided Projects.

Table 1.38 shows an overall deficit (increase in cash balance) after financing the fiscal deficit during the period 2016-17.

Table 1.38: Receipts and disbursements under components financing the fiscal deficit during 2016-17

		(₹ in crore)		
Particulars		Receipts	Disbursements	Net
1	Market Borrowings	1320	149	1171
2	Loans from GoI	92	27	65
3	Loans from Financial Institutions*	1892	2077	-185
4	Small Savings, PF <i>etc.</i>	392	270	122
5	Deposits and Advances	502	504	-2
6	Suspense and Miscellaneous	6065	6116	-51
7	Remittances	3950	4089	-139
8	Reserve Funds	219	50	169
9	Contingency Fund	0	0	0
10	Appropriation to/from Contingency Fund	0	0	0
11	Total (1 to 10)	14432	13281	1150
12	Increase(-)/Decrease (+) in Cash Balance			-216
13	Overall deficit (11+12)			934

(Source: Finance Accounts of the State)
* includes ways and means advances

¹⁸ ₹ 40.14 crore (Int @ 0.75 *per cent*) of Additional Central assistance for Externally aided projects under direct procedure and ACA for EAP for ₹ 51.72 crore (interest at the rate of 1.30 *per cent*) under reimbursement procedure for projects on back to back basis

1.11.3 Quality of deficit/surplus

The ratio of revenue deficit to fiscal deficit and the bifurcation of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the States' finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption.

Non-debt receipts of the State were sufficient to meet the primary expenditure requirements under revenue account. During 2012-14 and 2015-16, non-debt receipts were insufficient to meet the expenditure requirements under revenue and capital account resulting in primary deficit. However, during 2014-15 and 2016-17, incremental non-debt receipts were sufficient to meet the primary expenditure resulting in primary surplus. During 2016-17, incremental non-debt receipts (₹ 1,012 crore) was able to cover the incremental primary expenditure of ₹ 390 crore and incremental interest burden (₹ 73 crore); these were sufficient to meet the primary expenditure resulting in primary surplus. The details are indicated in **Table 1.39**.

Table 1.39: Primary deficit/surplus – bifurcation of factors

(₹ in crore)

Year	Non-debt receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Primary revenue deficit(+)/surplus(-)	Primary deficit (+)/surplus (-)
1	2	3	4	5	6(3+4+5)	7(3-2)	8(6-2)
2012-13	5860	5260	942	4	6206	(-) 600	346
2013-14	6463	5912	1008	4	6924	(-) 551	461
2014-15	7699	6402	1234	3	7639	(-) 1297	(-) 60
2015-16	8562	7345	1622	3	8970	(-) 1217	408
2016-17	9574	7718	1639	3	9360	(-) 1856	(-) 214

(Source: Finance Accounts of the State)

The capital expenditure as a percentage to primary expenditure¹⁹ increased from 15.17 *per cent* during 2012-13 to 18.08 *per cent* during 2015-16. However, it decreased to 17.51 *per cent* during 2016-17.

1.12 Follow up

State Finance Report is being presented to the State Legislature from 2008-09 onwards. The Public Accounts Committee discussed the paragraphs on State Finance Report for the years 2008-09 and 2009-10 and recommendations of the PAC have been issued for these reports.

1.13 Conclusion and Recommendations

Fiscal position

The growth of GSDP was 18.92 *per cent* which was higher than the projection made by the Fourteenth Finance Commission of 14.52 *per cent* during the year. The fiscal position of the State had shown improvement over the last year in terms of key parameters. The State continued to maintain revenue surplus

¹⁹ Primary expenditure of the State defined as the total expenditure net of the interest payments indicates the expenditure incurred on the transactions undertaken during the year

during the period 2014-17 and kept the fiscal deficit relative to GSDP within the limit laid down by the Finance Commission.

During 2016-17, revenue surplus stood at ₹ 699 crore was higher than the previous years' surplus by ₹ 567 crore. This was due to increase of ₹ 1,013 crore (11.84 per cent) in revenue receipts as against the increase of ₹ 446 crore (5.30 per cent) in revenue expenditure over the previous year. Fiscal deficit during 2016-17 was 1.45 per cent of GSDP, below the target of three per cent set forth in GFRBM (first amendment) Act, 2014 and FC XIV. The State had attained primary surplus (₹ 214 crore) during 2016-17 as compared to primary deficit of ₹ 408 crore in 2015-16. During 2016-17, significant increase in non-debt receipts (₹ 1,012 crore) was able to cover the incremental primary expenditure of ₹ 390 crore and incremental interest burden (₹ 73 crore); these were sufficient to meet the primary expenditure resulting in primary surplus.

The cash balances at the end of 2016-17 (₹ 982 crore) increased by ₹ 216 crore over the previous year.

Resource mobilisation

Revenue receipts (₹ 9,565 crore) during 2016-17 increased by ₹ 1,013 crore (11.84 per cent) as compared to previous year. Though State's own tax revenue increased by ₹ 286 crore, its growth rate (7.19 per cent) was less than the projection of 8.26 per cent prescribed by the FC XIV. Ratio of non-tax revenue to revenue receipts was 28.35 per cent. Tax devolution from GoI including Grants-in-aid contributed 27 per cent.

The Government may explore mobilising the additional resources through tax revenues by ensuring better tax compliance.

Expenditure management and fiscal priorities

Revenue expenditure (₹ 8,866 crore) continued to be a dominant component (84.37 per cent) of the State's aggregate expenditure in 2016-17. The non-plan revenue expenditure contributed 76.02 per cent of revenue expenditure and increased by ₹ 419 crore from ₹ 6,321 crore in 2015-16 to ₹ 6,740 crore in 2016-17. The expenditure on salaries accounted for 22.30 per cent of revenue receipts, while expenditure on pension payments was ₹ 844 crore in 2016-17 which constituted nine per cent of revenue receipts. The ratio of interest payments to revenue receipts was 12 per cent which was less than the FC XIV norm of 12.43 per cent. Expenditure under General and Social sector registered growth of 12 per cent and five per cent respectively, while there was negative growth rate in economic sector by one per cent over the previous year.

The Government may like to closely monitor revenue expenditure so that revenue surplus could be maintained.

Capital expenditure of the State (₹ 1,639 crore) increased by ₹ 17 crore during 2016-17 over the previous year. The overall development expenditure decreased from 71.75 per cent in 2015-16 to 70.69 per cent in 2016-17. During 2013-14 and 2016-17, the State's share of expenditure on health and family welfare to aggregate expenditure were better than General Category

States, but the State's share in respect of education and capital expenditure to aggregate expenditure was lower as compared to General Category States.

The return from investment of ₹ 561 crore as of March 2017 in companies/corporations was negligible (₹ 0.86 crore) while the average return on this investment was 0.28 *per cent* in the last five years. On the other hand, the Government paid average interest rate of 7.09 *per cent* on its borrowings during 2016-17.

The Government may take suitable measures to improve the working of the companies/corporations for ensuring reasonable returns on investment.

CHAPTER – II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

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FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2.1 Introduction

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

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

2.1.3 The Finance Department of the State Government is responsible for preparation of the annual budget by obtaining estimates from various Departments. The Departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the heads of Departments and submitted to the Finance Department on prescribed dates. The Finance Department scrutinises the estimates and prepares the Detailed Estimates called 'Demand for Grants'. In the preparation of the budget, the aim should be to achieve as close an approximation to the actuals as possible. This demands the exercise of the utmost foresight both in estimating revenue and anticipating expenditure. 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 neither larger nor smaller. The budget estimates of receipts should be based on the existing rates of taxes, duties, fees *etc.*

Deficiencies in financial management and budgetary control are discussed in the subsequent paragraphs.

2.2 Summary of Appropriation Accounts

There are 59 Departments in the State at the Secretariat level headed by the Principal Secretaries/Secretaries. Each Department is operating one or more demands and the demand for grant generally reflects the allocation

for a Department. The summarised position of actual expenditure during 2016-17 against 85 grants/appropriations is as given in **Table 2.1**.

Table 2.1: Summarised Position of Actual Expenditure vis-à-vis Original/Supplementary Provisions

(₹ in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving (-)/ Excess(+)
Voted	I. Revenue	9353.10	315.09	9668.19	7734.50	- 1933.69
	II. Capital	3515.85	886.45	4402.30	1668.06	-2734.24
	III. Loans and Advances	2.42	1.20	3.62	3.41	-0.21
Total voted		12871.37	1202.74	14074.11	9405.97	- 4668.14
Charged	I. Revenue	1251.53	0.00	1251.53	1188.23	-63.30
	II. Capital	0.87	0.57	1.44	1.31	-0.13
	III. Public Debt	572.52	0.00	572.52	2252.86	1680.34
Total Charged		1824.92	0.57	1825.49	3442.40	1616.91
Grand Total		14696.29	1203.31	15899.60	12848.37	-3051.23

(Source: Appropriation Accounts 2016-17)

Note: The expenditure includes the recovery adjusted as reduction of expenditure under revenue expenditure amounting to ₹ 56.75 crore and capital expenditure amounting to ₹ 30.64 crore as detailed in Appendix II of Appropriation Accounts

Supplementary provisions of ₹ 1,203.31 crore obtained during the year constituted 8.19 per cent of the original provision against 9.63 per cent in the previous year.

The overall savings of ₹ 3,051.23 crore were the result of savings of ₹ 4,734.43 crore in 83 grants and three appropriations under the Revenue Section and 67 grants under the Capital Section offset by an excess of ₹ 1,683.20 crore in two grants and one appropriation.

As may be seen from **Table 2.1**, against the original provision of ₹ 14,696.29 crore, the actual expenditure incurred was ₹ 12,848.37 crore (87.42 per cent).

2.3 Financial Accountability and Budget Management

2.3.1 Excess expenditure over provisions during 2016-17 requiring regularisation

During 2016-17, excess expenditure was incurred in one appropriation and two grants over the amount authorised by the legislature. The details are given in **Table 2.2**.

Table 2.2: Excess over provisions requiring regularisation during 2016-17
(₹ in crore)

Sl. No.	Number and title of grant/appropriation	Total grant / appropriation	Expenditure	Excess
1	A-2 Appropriation-Debt Services (Capital-Charged)	572.52	2252.86	1680.34
2	8 Treasury and Accounts Administration (North Goa) (Revenue-Voted)	903.63	906.34	2.71
3	16 Collectorate (South Goa) (Revenue Voted)	22.33	22.48	0.15
	Total	1498.48	3181.68	1683.20

(Source: Appropriation Accounts of the State)

The excess expenditure over budget provision (₹ 1,683.20 crore), which included ₹ 1,680.34 crore under one appropriation and ₹ 2.86 crore under two voted grants, requires regularisation under Article 205 of the Constitution of India. The excess expenditure under Appropriations-Debt Services was mainly due to repayment of ways and means advances which needs to be regularised. The reasons for excess expenditure incurred in respect of Treasury and Accounts Administration, North Goa were attributed to increased expenditure on account of superannuation and retirement allowances, family pension, pensioners' benefits to State aided education institutes and subsidy on interest on house building advances granted to Government servants *etc.* Reasons for excess expenditure incurred in Collectorate (South Goa) was not provided (February 2018).

2.3.2 Excess expenditure relating to previous years pending regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. No time limit for regularisation of expenditure has been prescribed under the Article. The regularisation of excess expenditure is done by the Public Accounts Committee (PAC) after they discuss Appropriation Accounts. Excess expenditure amounting to ₹ 3,670.49 crore for the years 2008-09 to 2015-16 in respect of six grants and eight appropriations was still to be regularised. The year-wise amount of excess expenditure pending regularisation for grant/appropriations are summarised in **Table 2.3**.

Table 2.3: Excess over provision relating to previous years requiring regularisation

(₹ in crore)

Year	No. of grant/appropriation	Amount of excess over provision	Status of Regularisation
2008-09	2	0.01	Partially regularised ¹
2009-10	1	7.57	Partially regularised ²
2010-11	2	2.74	Yet to be discussed by PAC
2011-12	1	18.88	Yet to be discussed by PAC
2012-13	1	52.10	Yet to be discussed by PAC
2013-14	4	97.51	Yet to be discussed by PAC
2014-15	3	1161.23	Yet to be discussed by PAC
2015-16	2	2330.45	Yet to be discussed by PAC
Total	16	3670.49	

(Source: Appropriation Accounts of the State)

The cases of excess expenditure over grants are in violation of the will of the Legislature and need to be viewed seriously. It is important that responsibility is fixed in this regard to discourage this practice.

2.3.3 Appropriations vis-à-vis allocative priorities

Appropriation audit revealed that in 38 cases, savings exceeded ₹ 10 crore in each case and also by more than 50 per cent of the total provision as indicated in **Table 2.4** and **Appendix 2.1**.

Table 2.4: Summarised statement showing savings exceeding ₹ 10 crore and above

(₹ in crore)

Sl. No.	Range of savings	Number of cases	Total grant	Savings	Percentage
1	Up to 20 crore	14	288.33	214.81	74.50
2	More than 20 crore and up to 50 crore	12	475.80	353.93	74.39
3	More than 50 crore and upto 100 crore	5	399.40	326.69	81.80
4	More than 100 crore	7	1991.35	1384.07	69.50
	Total	38	3154.88	2279.50	72.25

(Source: Appropriation Accounts of the State)

Out of total savings (voted) of ₹ 2,279.50 crore during 2016-17, savings of ₹ 1,384.07 crore (69.50 per cent) involving ₹ 100 crore and above occurred in seven grants as shown in **Table 2.5**.

¹Public Accounts Committee (PAC) recommended (Report No.71, pertaining to Audit Report 2008-09) for regularisation of excess expenditure of ₹ 1,22,193 incurred by Art and Culture, Grant No. 43

²PAC recommended (Report No.72, pertaining to Audit Report 2009-10) for regularisation of excess expenditure of ₹ 30,721 incurred by District and Sessions Court, South Goa, Grant No. 4

Table 2.5: Statement of various grants/appropriations where savings were in excess of ₹ 100 crore and also by more than 50 per cent of the total provision

(₹ in crore)

Sl. No.	Grant/Appropriation	Total provision	Actual expenditure	Savings	Percentage
Revenue (Voted)					
1	55 - Municipal Administration	195.65	79.90	115.75	59.16
Capital (Voted)					
2	32- Finance	505.00	150.00	355.00	70.30
3	42- Sports and Youth Affairs	180.34	76.63	103.71	57.51
4	48 - Health Services	122.31	20.98	101.33	82.85
5	55 - Municipal Administration	146.50	21.95	124.55	85.02
6	76 - Electricity	627.55	222.33	405.22	64.57
7	84 - Airport	214.00	35.49	178.51	83.42
	Total	1991.35	607.28	1384.07	69.50

(Source: Appropriation Accounts of the State)

The reason furnished for unspent provisions under the grants as reported in appropriation account are given below:

32-Finance – Savings amounting to ₹ 355 crore (70.30 per cent) was recorded in the capital head of account from a total provision of ₹ 505 crore. The reason for savings in the capital head was attributed mainly to less claims from Goa State Infrastructure Development Corporation.

42-Sports and Youth affairs–The total savings in the capital grant was ₹ 103.71 crore (57.51 per cent) against budget provision of ₹ 180.34 crore. This was due to token provision on national games village remaining unspent, economy measures, less response under schemes like construction and development of playgrounds etc.

48-Health Services – Savings recorded in the capital head was ₹ 101.33 crore (82.85 per cent). Reasons for savings under the capital head were attributed to non-receipt of approval of Government for upgradation/renovation of Primary Health Centers, Community Health Centre etc.

55-Municipal Administration – There were savings in the demand on revenue as well as capital head totalling to ₹ 115.75 crore (59.16 per cent) and ₹ 124.55 crore (85.02 per cent) respectively. Savings under the revenue head occurred mainly due to non-receipt of proposals for grants from City Corporation of Panaji and Municipal councils. The savings under the capital head occurred due to non-receipt of proposals

from Goa State Industrial Development Corporation for Smart City Mission and Atal Mission for Rejuvenation and Urban Transformation.

76 – Electricity – Savings were incurred in the capital head of the grant amounting to ₹ 405.22 crore (64.57 *per cent*) out of a total provision of ₹ 627.55 crore. A major reason for the savings was attributed to the non-submission of bills by contractors.

84-Airport – 5053-Capital Outlay on Civil Aviation – An amount of ₹ 178.51 crore (83.42 *per cent*) was saved in the head from total grant of ₹ 214 crore. The budgeted amount for construction of new approach road to Mopa airport (₹ 150 crore) was un-utilised due to administrative difficulties.

2.3.4 Persistent savings

During 2012-17, (last five years), there were persistent savings of more than ₹ 10 crore in each case in 20 grants, as shown in **Appendix 2.2**.

The persistent savings of more than ₹ 100 crore and also by more than 40 *per cent* of the total provisions was observed in grant number 55-Municipal Administration (Revenue-Voted). The reason for major savings as reported in the Appropriation Accounts is given below:

55-Municipal Administration (Revenue-Voted): Under the head 2217-01-800-12 during the period 2012-17, out of total provision of ₹ 403.14 crore allotted for Integrated Development of Major Towns scheme, ₹ 97.61 crore was spent resulting in savings of ₹ 305.53 crore (75.79 *per cent*). The savings were attributed to non-receipt of proposal from Goa State Urban Development Authority for implementation of scheme.

The persistent savings indicated that the controls in the Departments on preparation of the budget estimates and allocating funds during the years were not effective.

2.3.5 Substantial surrenders on account of inflated budget estimates of expenditure

While preparing the budget estimates utmost care should be taken to ensure that the budget estimates are neither inflated nor under-pitched. Out of the total provision of ₹ 3,585.58 crore, substantial surrenders amounting to ₹ 2,383.26 crore (66 *per cent*) were made from 30 grants on account of either non-implementation or slow implementation of Schemes/Programmes. The details of the cases where the surrenders were above ₹ 10 crore and more than 50 *per cent* of the provisions are given in **Appendix 2.3**.

2.3.6 Unnecessary surrenders

In three cases, it was seen that a total amount of ₹ 37.97 crore was surrendered though excess expenditure of ₹ 1,683.20 crore was incurred under these grant/appropriation. This indicated lack of proper budgetary control. Details are given in **Table 2.6**.

Table 2.6: Surrender of grants/appropriation in cases of excess expenditure

(₹ in crore)

Number and Name of the Grant/ Appropriation	Total grant	Excess	Amount surrendered
A-2 Appropriation-Debt Services (Capital-Charged)	572.52	1680.34	31.42
8 Treasury and Accounts Administration (North Goa) (Revenue-Voted)	903.60	2.71	5.30
16 Collectorate (South Goa) (Revenue Voted)	22.33	0.15	1.25
Total	1498.45	1683.20	37.97

(Source: Appropriation Accounts of the State)

The reason for surrender of grants inspite of excess expenditure against the provision, though called for was not furnished by the Director of Accounts (January 2018).

2.3.7 Anticipated savings not surrendered

Rule 56 of the General Financial Rules, 2005 provides that the spending Departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated. Further, surrender of funds should be done as soon as these are foreseen without waiting for the end of the financial year, to enable the Finance Department to utilise the funds on other schemes.

At the close of the year 2016-17, no part of the savings, which occurred in three cases (₹ 19.81 crore) was surrendered by the concerned Departments as detailed in Table 2.7.

Table 2.7: Grants/Appropriations in which saving occurred but no part of which had been surrendered

(₹ in crore)

Sl. No.	Number and name of grant	Saving
1	23 - Home (Capital-Voted)	3.00
2	29 – Public Grievances (Revenue-Voted)	0.39
3	60 - Employment (Revenue-Voted)	16.42
	Total	19.81

(Source: Appropriation Accounts of the State)

Similarly, out of total savings of ₹ 697.75 crore under 17 grants/appropriations only ₹ 596.06 crore was surrendered leaving an un-surrendered balance (un-surrendered savings exceeding ₹ one crore) of ₹ 101.69 crore. The details are given in Appendix 2.4.

Besides, in 31 grants, savings in excess of ₹ 20 crore, aggregating ₹ 3,982.44 crore (Appendix 2.5) was surrendered in the last month of the financial year, indicating inadequate financial control as well as non-utilisation of these funds for other development purposes.

2.3.8 Unnecessary/Excessive supplementary provisions

Supplementary provisions aggregating ₹ 244.74 crore obtained in eight grants during the year proved unnecessary as the actual expenditure (₹ 75.01 crore) did not come up to the level of the original provision (₹ 237.89 crore) as detailed in **Appendix 2.6**.

The Departments need to strengthen the estimation of requirement of funds and review the basis for supplementary provision.

2.3.9 Surrender in excess of actual savings

In five grants, against the savings of ₹ 862.67 crore, an amount of ₹ 875.91 crore was surrendered, which was in excess by ₹ 13.24 crore (amount exceeding ₹ one crore in each case) indicating that the Departments failed to exercise necessary budgetary controls of watching the flow of expenditure through the monthly expenditure statements as shown in **Table 2.8**.

Table 2.8: Details of surrender in excess of actual savings (amount exceeding ₹ one crore)

<i>(₹ in crore)</i>					
Sl.No	Grant No	Name of the Grant/Appropriation	Savings	Surrender	Amount surrendered in excess
1	12 (Capital Voted)	Commercial Taxes	26.47	28.69	2.22
2	21 (Capital Voted)	Public Works	709.88	712.16	2.28
3	47 (Revenue Voted)	Goa Medical College	3.43	5.76	2.33
4	62 (Capital Voted)	Law	29.33	30.78	1.45
5	81 (Capital Voted)	Tribal Welfare	93.56	98.52	4.96
Total			862.67	875.91	13.24

(Source: Appropriation Accounts of the State)

2.3.10 Rush of Expenditure

Maintaining uniform pace of expenditure is a crucial component of sound public financial management. Any rush of expenditure in the closing month of the financial year should be avoided.

Major Heads, where expenditure exceeding ₹ 25 crore and more than 50 *per cent* of the total expenditure, was incurred either during the last quarter or during the last month of the financial year, is shown in **Table 2.9**:

Table 2.9: Rush of expenditure during the last quarter and last month of 2016-17

(₹ in crore)

Sl.No	Major Head	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2017	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
1	2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	135.36	102.94	76.05	68.97	50.95
2	4202-Capital Outlay on Education, Sports, Art and Culture.	105.13	65.19	62.01	57.17	54.38
3	5054-Capital Outlay on Roads and Bridges.	334.59	203.40	60.79	104.82	31.33
Total		605.91	397.99	71.17	233.94	36.58

(Source: Appropriation Accounts of the State)

Thus, substantial expenditure was incurred by the Departments at the fag end of the year which is indicative of inadequate financial control over the expenditure.

2.3.11 Unexplained re-appropriations

As per para 1 (d) of Appendix III of the Comptroller & Auditor General's Manual of Standing Orders (Accounts and Entitlement), general terms of re-appropriation should not be employed. For example, it is not adequate explanation of a saving in the provision of purchases of stores to state that 'fewer stores were purchased'. The reason for the smaller purchases should be given.

During check of the re-appropriation orders it was observed that general expressions such as, "due to economic measures", "due to less expenditure than anticipated", "original provision found to be inadequate" etc., were stated in the re-appropriation orders. A scrutiny of re-appropriation orders issued by various Departments revealed that in 99 of 164 re-appropriation orders (60 per cent), the reasons given for additional provision/withdrawal of provision were general in nature.

2.4 Review of Budget Control Mechanism

A review of receipts and expenditure under grant No. 57 - Social Welfare and grant No. 81- Tribal Welfare for the period 2014-17 revealed the following:

Grant No. 57-Social Welfare Department

Department of Social Welfare is responsible for implementing various social legislations pertaining to the weaker sections of the society. Under 'Dayanand Social Security Scheme', the Department provides financial assistance for the welfare of weaker and most vulnerable sections of the society which includes single women, widows, differently-abled persons, senior citizens etc. The Department also provides scholarships to students of Scheduled Castes and Other Backward Classes.

2.4.1 Revenue Expenditure

Table 2.10 presents the summary of actuals *vis-à-vis* Original/Supplementary provisions made during the year 2014-17.

Table 2.10: Summary of actuals *vis-à-vis* Original/Supplementary provisions made during 2014-17

(₹ in crore)

Head of Account	Year	Original provision	Supplementary provision	Total	Actual expenditure	Saving	Percentage	
							Saving	Growth in Expenditure
2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 2235-Social Security and Welfare	2014-15	259.20	60.00	319.20	280.13	39.07	12.24	-
	2015-16	330.19	28.00	358.19	347.23	10.96	3.06	23.95
	2016-17	297.81	-	297.81	277.02	20.79	7.00	(-)20.22
Total		887.20	88.00	975.20	904.38	70.82		

(Source: Appropriation Accounts)

The overall revenue expenditure showed an increase of 23.95 *per cent* in 2015-16 followed by a decrease of 20.22 *per cent* in 2016-17. An analysis of the reasons for reduction in expenditure in 2016-17 over 2015-16 revealed that the State Government made a budget provision of ₹ 60 crore relating to payment of pensions to Scheduled Tribes under 'Dayanand Social Security Scheme' under grant No. 81 (Department of Tribal welfare) instead of grant No. 57 (Department of Social Welfare).

2.4.1.1 Substantial savings under sub-heads

The budget estimates should be prepared with utmost care so that the budget estimates are neither inflated nor under-pitched. Scrutiny of Accounts under grant No. 57 in revenue section showed that the budget allocations under six Schemes were either not utilized or substantial portion of savings surrendered in the last month of the year (amount exceeding more than ₹ two lakh in each case).

Table 2.11: Substantial savings under revenue section surrendered in the last month of the year

(₹ in lakh)

Sl. No.	Name of the scheme	Year	Total grant	Expenditure	Saving	Percentage in saving
1	2225-03-277-09 Pre-matric scholarship to OBC	2016-17	70.90	4.90	66.00	93.08
2	2225-80-800-15 Pre-matric scholarship to minorities	2016-17	20.61	0.00	20.61	100
3	2235-02-200-03 Rajiv Awas yojna	2016-17	7.19	2.19	5.00	69.54
4	2235-02-200-07 Financial assistance for welfare of kiosk owners Rajiv Awas yojna	2016-17	5.10	1.10	4.00	78.43
5	2235-02-200-09 Financial assistance for self help groups	2016-17	27.27	17.27	10.00	36.67
6	2235-02-796-02 Tribal area sub plan Rajiv Awas yojna	2016-17	2.50	0.00	2.50	100

(Source: Appropriation Accounts)

2.4.1.2 Surrender/Re-appropriation of anticipated savings

During 2014-17, the Director of Social Welfare had submitted proposals for re-appropriation/surrender of anticipated savings on the last day of the financial year. Consequently, the objective of allocating un-utilised funds to other needy Departments by Finance Department was defeated.

During 2016-17, an amount of ₹ 19.70 crore was surrendered on the last working day of the financial year. If the appropriation under a unit is reduced by re-appropriation or by surrender of funds, the expenditure debitable to the unit should be restricted to the reduced appropriation. During the period 2014-17, in six sub-heads, budget allocation reduced by re-appropriation at the end of the year was less than the expenditure incurred under the head as detailed in **Table 2.12**. This resulted in expenditure exceeding the available allocation under the heads by ₹ 7.65 lakh.

Table 2.12: Reduction of appropriation in excess of actual requirement

(₹ in lakh)

Sl. No.	Year	Head of account	Original Budget	Funds after Re-appropriation	Final Expenditure	Excess expenditure
1	2014-15	2225-01-800-02 Awards for inter caste marriage	16.00	10.00	11.00	1.00
2	2014-15	2235-02-200-03 Rajiv Awas Yojna	10.00	1.44	4.25	2.81
3	2015-16	2235-02-200-09 Financial assistance to self help groups	25.00	17.50	20.00	2.50
4	2016-17	2225-80-800-02 Protection of civil rights (Plan)	13.00	10.52	10.65	0.13
5	2016-17	2235-02-001-01 Directorate of social welfare (non-plan)	200	137.66	138.27	0.61
6	2016-17	2235-02-101-02 Strengthening of Department under social welfare wing (Plan)	310.00	239.38	239.98	0.60
Total			574	416.50	424.15	7.65

(Source: Appropriation Accounts)

2.4.2 Capital Expenditure

The budget estimates for capital expenditure was same (₹ 0.86 crore) over the period 2014-16. However, the actual expenditure on capital section during the last three years was 'Nil', resulting in persistent savings of 100 per cent as shown in **Table 2.13**.

Table 2.13: Summarised position of actual expenditure vis-à-vis original provision during 2014-17

(₹ in crore)

Head Account of	Year	Original provision	Supplementary provision	Total	Actual expenditure	Saving	Percentage Saving
4225-Capital Outlay on Welfare of SC, ST and OBCs	2014-15	0.86	--	0.86	0.00	0.86	100
	2015-16	0.86	--	0.86	0.00	0.86	100
	2016-17	0.86	--	0.86	0.00	0.86	100

(Source: Appropriation Accounts)

Audit scrutiny revealed that the Department of Social Welfare did not utilise the entire provision and surrendered the amount at the end of the year. Though the entire provisions remained unutilised, the Department continued to make provision of funds during subsequent years. The Department intimated that the provision of ₹ 0.50 crore under head 4225-80-190-01 and ₹ 0.36 crore under head 4225-80-190-03 was intended for investments in Goa State Commission for Backward Classes and Goa State Scheduled Caste and Other Backward Classes Finance and Development Corporation Limited respectively. The amount was surrendered at the end of the year as the requests for release of funds were not received from the Commission/Corporation during these years.

2.4.3 Revenue Receipts

The overall position of revenue receipts under '0235-Social Security and Welfare' during 2014-17 is summarised in **Table 2.14**.

Table: 2.14 Summarised position of receipts during 2014-17

(₹ in crore)

Sl. No.	Head of Account	Year	Budget Estimates	Revised Estimates	Actual Receipts	Excess(+) Shortfall (-)	Percentage variation to R.E.
1	0235-Social Security and Welfare	2014-15	10.72	10.72	0.14	(-)10.58	(-)98.70
		2015-16	8.20	8.32	0.13	(-)8.19	(-)98.43
		2016-17	12.30	12.83	0.90	(-)11.93	(-)92.99

(Source: Estimates of Receipts and Appropriation Accounts)

It could be seen from the above that the actual realisation of receipts during 2014-17 was significantly less at 93 per cent to 99 per cent compared to revised estimates.

Grant No: 81-Tribal Welfare Department

The Department of Tribal Welfare has been set up for better enforcement of constitutional rights, to give impetus to the implementation of various Schemes and programmes for the welfare and development of Scheduled Tribes in Goa.

2.4.4 Revenue Expenditure

Table 2.15 presents the summary of actuals *vis-à-vis* Original/Supplementary provisions made during 2014-17.

Table 2.15: Summary of actuals *vis-à-vis* Original/Supplementary provisions made during 2014-17

(₹ in crore)

Head of Account	Year	Original provision	Supplementary provision	Total	Actual expenditure	Savings	Percentage	
							Savings	Growth in Expenditure
2225- Welfare of SC, STs and OBCs	2014-15	119.21	2.50	121.71	100.15	21.56	17.71	-
	2015-16	119.60	-	119.60	110.46	9.14	7.64	10.29
	2016-17	148.21	10.00	158.21	127.47	30.74	19.43	15.40

(Source: Appropriation Accounts)

Scrutiny revealed that during 2014-15, supplementary provision of ₹ 2.50 crore was obtained, whereas the expenditure of ₹ 100.15 crore was

well below the original provision of ₹ 119.21 crore, thereby resulting in a net saving of ₹ 21.56 crore. Similarly, a supplementary provision of ₹ 10 crore was made during 2016-17 to Ashram Schools in Tribal Sub Plan under the head '2225-02-277-14'. The provisions for the same could have been met from the original allocation without demanding supplementary grant, as actual expenditure did not come up to the level of original provision.

2.4.4.1 Non-utilisation of entire provision

Test check of sub-heads revealed that no expenditure was incurred against the budget provision and the entire amount of ₹ 861 lakh was surrendered (10 cases) in all the years during 2014-2017. Non-utilisations of budget provision were mainly due to non-implementation of schemes as shown in Table 2.16 below.

Table 2.16: Non-utilisation of entire provision

(₹ in lakh)

Sl. No.	Name of the scheme	Budget Provision			Reasons for surrender
		2014-15	2015-16	2016-17	
1	2225-02-277-03 Upgradation of Merit of ST students	2	2	2	Non-formulation of the Scheme
2	2225-02-277-07 Financial assistance to NGOs who run normal schools having students from tribal community	40	40	20	
2	2225-02-277-08 Financial assistance for construction of hostels for ST students	40	40	60	
3	2225-02-277-17 Special coaching for ST students for competitive examination	10	10	10	Amount unutilised due to less response to the Schemes
4	2225-02-277-18 Vocational Training for ST people in rural areas	15	15	10	
5	2225-02-277-23 Financial assistance to ST trainees acquiring skill upgradation for vocational courses	20	20	10	
6	2225-02-277-30 Capacity building for the forest rights committee under forest Act	30	50	100	
7	2225-02-800-11 Financial assistance for damages to life and property due to wild attack or fire, tree uprooting	50	50	50	Amount surrendered on account of no response to the Schemes
8	2225-02-800-13 Financial assistance for purchase of dwelling house of mundkar mundkarache ghar	15	15	5	
9	2225-02-800-15 Financial assistance for IVF- Matruva yojana	6	6	10	
10	2225-02-800-16 Financial assistance to support land development minor forest produce agriculture horticulture	30	30	30	
Total		258	278	325	

(Source: Appropriation Accounts)

2.4.4.2 Surrender/Re-appropriation of anticipated savings

During 2014-17, the Director of Tribal Welfare had submitted the proposals for re-appropriation/surrender of anticipated savings on the last day of the financial year.

During 2016-17, an amount of ₹ 30.35 crore was surrendered on the last working day of the financial year. During the period 2014-16, in four sub-heads (Table 2.17), budget allocation reduced by re-appropriation at the end of the year was less than the expenditure incurred under the head. This resulted in expenditure exceeding the available allocation under the heads by ₹ 209.30 lakh.

Table 2.17 : Reduction of appropriation in excess of actual requirement

(₹ in lakh)						
Sl. No.	Year	Head of account	Original Budget	Funds after Re-appropriation	Final Expenditure	Excess expenditure
1	2014-15	2225-02-001-01 Direction and Administration	303.00	145.00	147.19	2.19
2	2014-15	2225-02-800-10 Financial assistance for construction of houses and repairs (Atal Asra Yojna)	2500.00	1718.75	1924.25	205.50
3	2014-15	2225-80-102-01 Financial assistance to organisations for seminars, conferences etc.	30.00	0.12	1.25	1.13
4	2015-16	2225-02-001-01 Direction and Administration	388.00	198.96	199.44	0.48
Total			3221.00	2062.83	2272.13	209.30

(Source: Appropriation Accounts)

2.4.5 Capital Expenditure

The actual capital expenditure during 2014-17 was significantly lower against the budget provision which shows low priority in execution of capital works, as shown in Table 2.18.

Table 2.18: Summarised position of actual expenditure vis-a-vis original/supplementary provisions during 2014-17

(₹ in crore)							
Head of Account	Year	Original provision	Supplementary provision	Total	Actual expenditure	Savings	Percentage in Savings
4215-Capital Outlay on Water Supply and Sanitation	2014-15	100.00	1.50	101.50	28.13	73.37	72.29
	2015-16	116.00	0.00	116.00	21.24	94.76	81.69
4225-Capital Outlay on Welfare of SCs, STs and OBCs	2016-17	109.00	0.00	109.00	15.44	93.56	85.83
4702-Capital Outlay on Minor Irrigation							
5054-Capital Outlay on Roads and Bridges							

(Source: Appropriation Accounts)

It is evident from the above table that during 2014-17, there were persistent savings ranging between 72 per cent and 86 per cent. During 2014-15, there was unnecessary supplementary provision of ₹ 1.50 crore as the original provision (₹ 100 crore) itself was more than actual expenditure (₹ 28.13 crore).

2.4.5.1 Surrender/re-appropriation of savings

In three sub-heads under capital section, budget allocation reduced by re-appropriation at the end of the year was less than the expenditure incurred

under the head. This resulted in expenditure exceeding the available allocation under the heads by ₹ 512.59 lakh, as shown in Table 2.19.

Table 2.19: Reduction of appropriation in excess of actual requirement

(₹ in lakh)						
Sl. No.	Year	Head of account	Original Budget	Funds after Re-appropriation	Final Expenditure	Excess Expenditure
1	2014-15	4225-02-190-02 Infrastructure development project in scheduled tribe areas	4000.00	36.36	38.36	2.00
2	2015-16	4215-01-796-01 Scheduled Tribe Development Scheme	1500.00	60.61	64.52	3.91
3	2016-17	4215-01-796-01 Scheduled Tribe Development Scheme	1500.00	143.23	169.04	25.81
4	2016-17	4225-02-190-02 Infrastructure development project in Scheduled Tribes Area	4000.00	239.01	452.57	213.56
5	2016-17	5054-04-796-01 Scheduled Tribe Development Scheme	2500.00	643.64	910.95	267.31
Total			13500.00	1122.85	1635.44	512.59

(Source: Appropriation Accounts)

2.4.6 Revenue Receipts

Overall position of revenue receipts under Major Head '0225 Welfare of SC, STs and OBCs' of grant No. 81 for the period 2014-17 is given in Table 2.20.

Table 2.20: Summarised position of revenue receipts during 2014-17

(₹ in lakh)				
Year	Budget Estimates	Revised Estimates	Actual Receipts	Excess(+)/ Shortfall(-)
2014-15	-	0.51	0.64	(+)0.13
2015-16	0.51	0.51	0.00	(-)0.51
2016-17	0.57	0.57	0.00	(-) 0.57

(Source: Estimates of Receipts and Finance Accounts)

2.5 Personal Deposit Accounts

The Personal Deposit (PD) Accounts are Deposit Accounts kept in Treasuries in the name of the Administrators³ of the Accounts. The money is placed under 8443-Civil Deposits, 106-Personal Deposit. These Accounts can be opened with the approval of the Finance Department. As per Rule 179 to 182 of Receipts and Payments Rules, 1997, Government of Goa, the State Government is authorized to open PD Account (which form part of the Public Account) wherein, funds are drawn from the Consolidated Fund (by debiting expenditure head) to be utilised for specific purposes. Unspent balances lying in PD Accounts are required to be transferred back to the Consolidated Fund before the closure of the financial year. The year wise position of PD Accounts from 2014-15 to 2016-17 is given in Table 2.21.

³ PD Account holders

Table 2.21: Year-wise details of PD Accounts from 2014-15 to 2016-17

Year	Opening balance	Receipts	Disbursements	Closing balance
2014-15	9.33	35.30	23.00	21.63
2015-16	21.63	47.28	31.85	37.06
2016-17	37.06	114.68	85.14	66.60

(₹ in crore)

(Source: Finance Accounts of respective years)

Scrutiny of information on PD Accounts furnished by Administrators of the State Government revealed that as of 31 March 2017, there were 89 active accounts having balances of ₹ 72.34 crore and 20 inactive accounts having balances of ₹ 0.17 crore. Thus, a total of 109 PD Accounts with a total balance of ₹ 72.51 crore existed at the end of 31 March 2017. The difference of ₹ 5.91 crore⁴ was due to non-reconciliation of balances between the PD Accounts maintained by the Administrators and the treasury accounts.

Non-reconciliation of PD Accounts periodically entails the risk of fraud and misappropriation.

2.6 Advances from Contingency Fund

The Contingency Fund of the State has been established under the Goa Contingency Fund Act, 1988, in terms of Articles 267(2) and 283(2) of the Constitution of India. Advances from the Fund are to be made only for meeting expenditure of unforeseen and emergent character, postponement of which, till its authorisation by the Legislature, would be undesirable. The Fund is in the nature of an imprest and its corpus is ₹ 100 crore vide Government notification dated 29 September 2015. Funds drawn from the Contingency Fund are subsequently recouped to the Fund through supplementary provisions. During 2016-17, ₹ 7.69 crore was withdrawn from Contingency Fund through 23 sanctions issued by Finance Department. The entire amount of ₹ 7.69 crore was recouped at the end of March 2017.

The PAC in its 62nd Report (March 2008), observed that the Contingency Fund were utilised for pay and allowances, purchase of machinery, equipment, computers, maintenance and repairs, house building advance to Government servants *etc.*, which could not be considered as unforeseen and unanticipated and warned of the recurrence of such irregularities in future. Despite observation by PAC, in one case⁵ ₹ 0.30 crore was withdrawn from Contingency Fund in 2016-17 for payment of house building advance to a Member of Legislative Assembly, which was a departure from the procedure laid down in the Act.

⁴ ₹ 72.51 crore - ₹ 66.60 crore

⁵ Grant No. 1, Goa Legislature, head of account 7610-201-02-55, House Building Advance given to Member of Legislative Assembly in December 2016 for an amount of ₹ 30 lakh

2.7 Un-reconciled Expenditure

Departmental officers are required to reconcile periodically and before the close of the accounts of a year, the Departmental figures of expenditure with those recorded in the books of the Director of Accounts. 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 PAC in its 48th Report (1992) had desired that punitive action should be taken 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 2016-17. During 2016-17, 26 out of 86 BCAs, had not carried out any reconciliations for the entire year in respect of 1,217 units under their control, involving ₹ 3,546.22 crore. Eleven BCAs had carried out such reconciliations only for part of the year in respect of 677 units under their control, involving ₹ 299.30 crore. The un-reconciled periods in case of the partially reconciled units ranged from one to nine months. The details of 17 major BCAs (out of 37) who did not reconcile their expenditure (₹ 3,710.67 crore) are indicated in **Table: 2.22**.

Table 2.22: Major Budget Controlling Authorities who did not reconcile their expenditure

		(₹ in crore)
Sl. No.	Budget Controlling Authorities who did not reconcile their expenditure	Amount not reconciled
1	Principal Chief Engineer, Public Works Department	1108.62
2	Director of Education	1034.02
3	Director of Women and Child Development	376.14
4	Director of Social Welfare	277.02
5	Under Secretary, Finance (Bud)	153.58
6	Director of Panchayats	147.80
7	Director of Transport	99.96
8	Director of Health Services	91.73
9	Director of Animal Husbandry and Veterinary Services	83.11
10	Director of Agriculture	61.42
11	Principal, Goa Dental College and Hospital	53.90
12	Principal Chief Conservator of Forest	51.26
13	Director of Mines and Geology	49.13
14	Director of Science, Technology and Environment	40.49
15	Commissioner of Labour and Employment (Labour)	34.47
16	Inspector General of Prisons	24.77
17	Director of Information and Publicity	23.25
	Total	3710.67

(Source: Directorate of Accounts)

2.8 Conclusion and Recommendations

During 2016-17, expenditure of ₹ 12,848.37 crore was incurred against the total grants and appropriations of ₹ 15,899.60 crore resulting in savings of ₹ 3,051.23 crore. The overall savings were the net result of savings of ₹ 4,734.43 crore, offset by an excess of ₹ 1,683.20 crore in two grants and one appropriation.

The excess expenditure of ₹ 1,683.20 crore indicated lack of budgetary control in providing for essential items, and the excess require regularisation under Article 205 of the Constitution of India.

In seven cases, there were substantial savings of more than ₹ 100 crore in each case during 2016-17 in respect of grants pertaining to Finance, Sports and Youth Affairs, Health services, Municipal Administration, Airport and Electricity Department indicating that either the provisions were excessive or the executive was not successful in implementing the legislative aspirations.

The Departments may closely monitor the expenditure against the allocations and surrender the unutilised funds well before the close of the year so as to enable their utilisation for other developmental Schemes.

CHAPTER – III

FINANCIAL REPORTING

CHAPTER III

FINANCIAL REPORTING

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

3.1 Delays in furnishing Utilisation Certificates

Rule 212 of the General Financial Rules, 2005 provide that for grants provided for specific purposes, Utilisation Certificates (UCs) should be obtained by the Departmental officers from the grantees. The certificates so obtained are to be verified by the Departmental officers and forwarded to the Director of Accounts within 12 months from the dates of their sanction unless specified otherwise. Of the 13,123 UCs due in respect of grants aggregating ₹ 2,286.88 crore paid up to 2015-16, 12,789 UCs (97 per cent) for an aggregate amount of ₹ 2,178.23 crore (95 per cent) were outstanding as on June 2017. The Department-wise break-up of outstanding UCs as on 30 June 2017 is given in **Appendix 3.1**. The age-wise position of these is in **Table 3.1**.

Table 3.1: Age-wise position of outstanding UCs as of 30 June 2017

Sl. No.	Range of delay in number of years	Utilisation certificates outstanding	
		Number	Amount (₹ in crore)
1	0-1	1518	521.41
2	1-3	2943	481.91
3	3-5	1716	635.14
4	5-7	1649	201.34
5	7 and above	4963	338.43
	Total	12789	2178.23

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

Of the above, 6,177 UCs (48 per cent) involving ₹ 1,638.46 crore (75 per cent) were pending for periods ranging from one to five years while 6,612 UCs involving ₹ 539.77 crore were pending for more than five years. Major cases of non-submission of UCs mainly pertained to Directorate of Art and Culture (35 per cent), Directorate of Panchayats (North) (22 per cent) and Directorate of Panchayats (South) (14 per cent).

High pendency of UCs was fraught with the risk of misappropriation and fraud.

3.2 Non-submission/delays in submission of accounts by grantee institutions

In order to identify the institutions which, attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (DPC) Act, 1971, the Government/Head of the Departments are required to furnish to audit every year, detailed information about the financial assistance given to various institutions, the purposes of assistance granted and the total expenditure of these institutions. A total of 334 annual accounts of 93 grantees due up to 2015-16 had not been received by the Office of the Accountant General, Goa as of June 2017. The details of these accounts are given in **Appendix 3.2** and their age-wise pendency is presented in **Table 3.2**.

Table 3.2: Age-wise arrears of annual accounts due from bodies and authorities

(₹ in crore)

Sl. No	Delay in number of years	Number of grantees	Grants received
1	0-3	72	110.33
2	4-6	1	0.50
3	7-11	20	7.60
	Total	93	118.43

(Source: Compiled from information furnished by various Departments)

It may be seen from the above table that in respect of 20 grantees, accounts were in arrears for more than six years. The major defaulters were educational institutions receiving Government grants for salaries, maintenance *etc.* Non-submission of annual accounts was in violation of the terms and conditions governing the release of grants by the Government and carried the additional risk of mis-utilisation of funds.

3.3 Delay in submission of accounts/audit reports by 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 has been entrusted to the CAG. These bodies are audited by the CAG by verification of their accounts, financial transactions, operational activities, internal management and financial control system and procedures. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Reports (SARs) and their placement in the Legislature are indicated in the **Appendix 3.3**. The delay in submission of accounts to Audit and placement of SARs in the Legislature by the autonomous bodies is summarised in **Table 3.3**.

Table 3.3: Delays in submission of accounts and tabling of SARs

Delays in submission of accounts (in months)	Number of autonomous bodies	Delay in submission of SARs in the Legislature (in years)	Number of autonomous bodies
0-3	1	0-1	1
3-6	1	1-3	2
6-9	2	3-5	1
9-25	7	5 years and above	4
25 months and above	2	-	-

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

The submissions of accounts of 13 autonomous bodies were delayed by one to 69 months. The reasons for delays though called for were not intimated by the respective autonomous bodies.

The 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.

3.4 Departmental Commercial Undertakings

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.

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 2017, there were two¹ 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 is given in **Table 3.4**.

Table 3.4: Position of arrears as on 31 October 2017 in preparation of Proforma Accounts

Department	No. of undertakings under the Department	Accounts not finalised (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	2013-14	1266.53
Total				1374.82

(Source: Information furnished by concerned Departments)

3.5 Misappropriations, losses and defalcations

Rule 33 of the General Financial Rules, 2005 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 28 cases of misappropriation, defalcation *etc.*, involving Government money totalling ₹ 2.13 crore up to June 2017 on which final action was pending. The Department-wise break up of pending cases is given in **Appendix 3.4**.

The age profile of the pending cases and the number of pending misappropriation cases are summarised in **Table 3.5**.

¹River Navigation Department and Electricity Department

Table 3.5: 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	8	47.38	Misappropriation of cash/stores
5-10	13	25.22	
10 years and above	7	140.41	
Total	28	213.01	

(Source: Information furnished by concerned Departments)

The reasons for which the cases were outstanding are classified under three categories as listed in **Table 3.6** below.

Table 3.6: Reasons for outstanding cases of misappropriation

Reasons for the delay/outstanding pending cases	No. of cases	Amount (₹ in lakh)
Departmental action started but not finalised	21	197.20
Pending in the courts of law	2	7.14
Awaiting orders for recovery/write off	5	8.67
Total	28	213.01

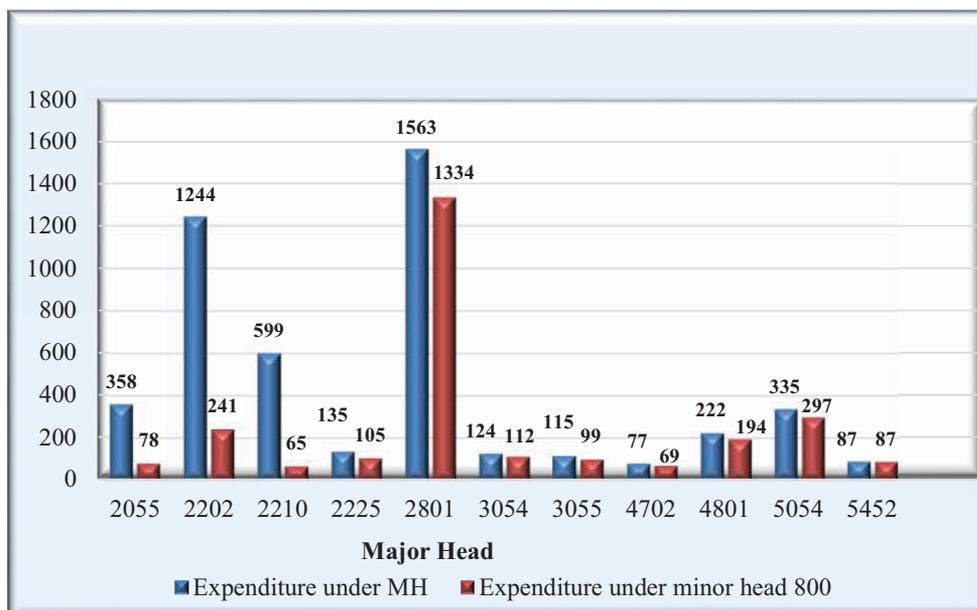
(Source: Information furnished by concerned Departments)

3.6 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. Finance Accounts 2016-17 of Government of Goa disclosed that expenditure aggregating ₹ 3,328.20 crore constituting 31.67 per cent of the total expenditure was classified under Minor Head 800-other expenditure under 39 Major Heads in revenue and capital sections. 100 per cent of the expenditure on capital outlay on other miscellaneous general services (Major Head 4075) for ₹ 150 crore, capital outlay on civil aviation (MH 5053) for ₹ 35.49 crore and capital outlay on Other scientific and Environmental research (MH 5425) for ₹ 37.87 crore were classified under omnibus Minor Head – 800. The cases where expenditure of more than ₹ 50 crore was booked under Minor Head -800 under a particular Major Head is shown in **Chart 3.1**.

Chart 3.1: Major Heads where expenditure of more than ₹ 50 crore was booked under Minor Head 800

(₹ in crore)



(Source: Finance Accounts, 2016-17)

Similarly, revenue receipts aggregating ₹ 418.45 crore, constituting 3.73 per cent of total receipts were classified under omnibus Minor Head '800-Other Receipts' in 22 Major Heads under Revenue Section. 100 per cent receipts of Roads and Bridges (Major Head 1054) for ₹ 44.04 crore was classified under omnibus Minor Head-800.

The cases of receipts of more than ₹ 50 crore classified under Minor Head - 800 were under MH 0070-Other Administrative Services (₹ 108 crore) and MH 0217- Urban Development (₹ 66 crore).

Budgeting 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.

3.7 Pendency in submission of Detailed Contingent bills against 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 (vouchers in support of final expenditure) to the Director of Accounts (DoA), Goa within three months from the date of drawal of funds on AC bill. 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.

As per the records maintained by DoA, 492 AC bills involving ₹ 95.97 crore remained unadjusted as of March 2017 due to non-receipt of DC bills. The

details of submission of DC bills against AC bills drawn up to March 2017 are given in **Table 3.7**.

Table 3.7: Pendency in submission of Detailed Contingent bills against Abstract Contingent 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 2014-15	6887	1098.50	6758	1081.90	129	16.60
2015-16	892	803.70	796	792.87	96	10.83
2016-17	802	770.51	535	701.97	267	68.54
Total					492	95.97

(Source: Finance Accounts of the State)

Non-submission of DC bills within prescribed time breaches financial discipline and entails risk of misappropriation and fraud.

3.8 Investment in Shares of Other Joint Stock Companies

The Hospicio Hospital at Margao was taken over by the State Government with effect from January 1977. Vide notification No. PHD/2(7)/73-Bills dated 24 December 1976 published in the Gazette of Government of Goa, Daman and Diu, all assets and liabilities of the said hospital became the assets/liabilities of the State. Consequently, shares of 77 Joint Stock Companies (Companies) held by the erstwhile institute were taken over by the State Government. These are shown in the Finance Accounts of the Government of Goa as investments in other joint stock companies under Statement No 19. The face value of the shares shown is ₹ 3.60 lakh (Statement No 19 and 16 and finally incorporated in Statement No 5).

Audit examined the title of the Government to these shares. The Directorate of Health Services (DHS) furnished share certificates of 63 companies valued ₹ 2.90 lakh. No proof of investment in respect of 14 companies valued ₹ 0.70 lakh could be produced by DHS.

The scrutiny revealed that none of these shares are in the name of the Government. Shares of eight companies valuing ₹ 0.24 lakh were still in the name of erstwhile Hospicio and shares of 41 companies valued at ₹ 2.29 lakh were in the name of other entities. Fourteen companies with shares valuing ₹ 0.37 lakh had been liquidated/dissolved or were out of India.

Despite passage of 40 years, the Government has not managed to get the shares transferred and registered in their name and thus, the Government's claim over these shares has not yet been established legally. This fact has not been disclosed in the Finance Accounts of the State Government.

3.9 Understatement of the Capital Head ‘4215 Capital Outlay on Water Supply and Sanitation’

In order to augment the water supply and sanitation in Goa, the State Government took a loan of 22,806 million Japanese Yen (₹ 847.50 crore as per the then prevailing exchange rate) from Japan International Cooperative Agency (JICA) in September 2007. The tripartite loan agreement between the Government of Goa, GoI and Japan Bank for International Cooperation (JBIC) was signed in September 2007.

As per Appendix IV of the Finance Accounts the amount received and expenditure incurred under the JICA project was shown as ₹ 898.39 crore up to 31 March 2017. Whereas the progressive expenditure booked under Major Head 4215 Capital Outlay on Water Supply and Sanitation in Statement No 16 of the Finance Accounts was only ₹ 94.88² crore. The difference of ₹ 803.51 crore was mainly due to non-accountal of loan amount released directly by JBIC to the contractors on execution of the project works.

Hence, the expenditure of capital nature met out for asset creation was understated.

3.10 Misclassification of expenditure between General, Social and Economic Services under relevant Capital Heads

The Goa State Infrastructure Development Corporation (GSIDC), a special purpose vehicle of the State Government carries out infrastructure development projects for the Departments of State Government/Local bodies *etc.*

During the period 2012-17, the State Government financed total amount of ₹ 775 crore³ to GSIDC for executing various infrastructure projects⁴ which were finally taken over by various Departments of the State Government. While releasing the amount the expenditure was booked under Major Head 4075-00-800-01“Capital Outlay on Other Miscellaneous General Services, contribution to GSIDC” under General sector. As the money is used for asset created for various Government Departments, the expenditure incurred should have been booked under respective capital major heads of the Departments, which was not done.

This resulted in understatement of capital expenditure under major heads under Social and Economic Services and overstatement of capital expenditure under Capital outlay on Miscellaneous General Services.

3.11 Non-accounting of Expenses/Commission on Sale of Stamps in Finance Accounts

As per Government Accounting procedure, the receipts of the State Government on account of ‘Stamp and Registration fees’ is accounted for under the Major Head 0030-01-102 Sale of Stamps – Judicial and

²MH-4215-01-101-xiii External assistance for water supply ₹ 55.37 crore and MH-4215-02-106-v External assistance for sewage and sanitation ₹ 39.51 crore

³2012-13-₹ 75 crore, 2013-14-₹ 150 crore, 2014-15-₹ 240 crore, 2015-16-₹ 160 crore, 2016-17-₹ 150 crore

⁴Office buildings, school buildings, hospitals, auditoriums, roads, bridges *etc.*

Major Head 0030-02-102 Sale of Stamps (Non-Judicial). The commissions/discounts paid for stamps sold by the vendors, Post offices *etc.* are accounted under the Major Head 2030-01-101-02-‘commission to authorised vendor’(Judicial) and under MH 2030-02-101-02-‘commission to authorised vendor’ (Non-judicial).

Audit scrutiny of the Finance Accounts revealed that the budget provision for the portion of amount debitible on account of commission/discount for stamps and registration sold by the authorised vendors, Post offices *etc.* was not provided in the budget documents of the State Government for the year 2016-17. Consequently, the DoA booked the net amount of ₹ 365.11 crore (after deducting the commission of ₹ 3.12 crore paid to the vendors) instead of gross amount in the Finance Accounts under receipts head Major Head 0030-01-102 Sale of Stamps – Judicial and under Major Head 0030-02-102 Sale of Stamps (Non-Judicial).

Non-accountal of entries of commission/discount figures in the expenditure head of Finance Accounts was violation of accounting procedure and resulted in understatement of revenue receipts and revenue expenditure by ₹ 3.12 crore under the respective heads.

3.12 Conclusion and Recommendations

Out of 12,789 Utilisation Certificates amounting to ₹ 2,178.23 crore pending as on June 2017, 6,177 UCs involving ₹1,638.46 crore were pending for periods ranging from one to five years. Remaining 6,612 UCs involving ₹ 539.77 crore were pending for more than five years. In the absence of the requisite certificates, it could not be ascertained in audit whether the recipients had utilised the grants for the purpose for which these were given.

The sanctioning authorities may evolve a mechanism to ensure that utilisation certificates in respect of grants released for specific purposes are furnished by the grantee institutions in time.

The accounts of the 13 autonomous bodies were submitted with delays ranging from one to 69 months.

The controlling Departments may identify the reasons for delay in finalisation of accounts of autonomous bodies and take remedial measures to ensure that the arrears in accounts are cleared in a time bound manner.

The final action in 28 cases of misappropriations, losses and defalcations *etc.*, involving ₹ 2.13 crore was pending as on June 2017. Out of these 28 cases, Departmental action had been initiated in 21 cases and two cases were pending in court of law. The remaining five cases were awaiting orders for recovery/write off.

Departmental enquiries in respect of all the defalcation and misappropriation cases may be expedited to bring defaulters to book. Internal controls may also be strengthened to prevent such cases in future.

As of March 2017, 492 Abstract Contingent bills involving ₹ 95.97 crore were pending adjustment due to non-receipt of Detailed Contingent bills.

Adjustment of Abstract Contingent bills within stipulated time, as required under the extant rules, may be ensured.

Panaji
The 07 May 2018



(ASHUTOSH JOSHI)
Accountant General

Countersigned

New Delhi
The 07 May 2018



(RAJIV MEHRISHI)
Comptroller and Auditor General of India

APPENDICES

APPENDIX - 1.1
(Referred to in paragraph 1.1)
PART-A (State Profile)

A. General Data					
Sl.No.	Particulars			Figures	
1	Area			3702 sq.km	
2	Population				
	a.	As per 2001 Census		0.13 crore	
	b.	As per 2011 Census		0.15 crore	
3	Density of Population (as per 2001 census) (All India Density = 325 persons per sq. km.)			258 persons per sq km	
	Density of Population ¹ (as per 2011 census) (All India Density = 382 persons per sq. km.)			394 persons per sq km	
4	Population below poverty line ² (BPL) (All India Average = 21.90 per cent)			9.90 per cent	
5	a.	Literacy (as per 2001 Census) (All India Average = 64.80 per cent)		82.01 per cent	
	b.	Literacy ³ (as per 2011 Census) (All India Average = 73.00 per cent)		88.70 per cent	
6	Infant mortality ⁴ (per 1000 live births) (All India Average = 37 per 1000 live births)			Eight	
7	Life Expectancy at birth (All India Average = 68.30 years)			68.50 years	
8	Gini Coefficient ⁵				
	a.	Rural (All India = 0.29)		0.21	
	b.	Urban (All India = 0.38)		0.41	
9	Gross State Domestic Product (GSDP) 2016-17 at current price			₹ 64,544 crore	
10	Per capita GSDP CAGR (2007-08 to 2016-17)		Goa	13.19 per cent	
			General Category States	13.20 per cent	
11	GSDP CAGR (2007-08 to 2016-17)		Goa	14.32 per cent	
			General Category States	14.60 per cent	
12	Population Growth (2007-16)		Goa	8.13 per cent	
			General Category States	11.90 per cent	
B. Financial Data ⁶					
Particulars		2007-08 to 2015-16		Growth rate during 2016-17	
CAGR		General Category States	Goa	General Category States	Goa
in per cent					
a.	of Revenue Receipts	14.58	14.26	11.52	11.84
b.	of Own Tax Revenue	14.80	14.36	13.50	7.19
c.	of Non Tax Revenue	9.45	11.16	12.10	11.52
d.	of Total Expenditure	15.84	14.12	15.31	4.61
e.	of Capital Expenditure	14.53	11.32	17.91	1.01
f.	of Revenue Expenditure on Education	16.86	16.28	9.86	9.72
g.	of Revenue Expenditure on Health	18.43	17.54	14.92	12.52
h.	of Salary and Wages	14.89	16.61	13.06	7.73
i.	of Pension	17.17	22.22	10.63	17.71

¹Census info India 2011 Final population totals

²Tendulkar Poverty Estimates source, Niti Aayog.

³Economic Survey 2016-17 (August 2017), Vol II, Page A 159

⁴SRS bulletin of September 2017, volume 51, No.1,

⁵http://planningcommission.nic.in/data/datatable/data_2312/DatabookDec2014%20106.pdf. Gini Coefficient is a measure of inequality of income among the population. Value rate is from zero to one. Value closer to zero indicates inequality is less and vice versa

⁶Financial data of the State is based on the Finance Accounts of the State Government

Part B: Structure and Form of Government Accounts

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

Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances *etc.*, which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State legislature.

Part C: Layout of Finance Accounts

Statement	About
1	Statement of Financial Position
2	Statement of Receipts and Disbursements
3	Statement of Receipts (Consolidated Fund)
4	Statement of Expenditure (Consolidated Fund)
5	Statement of Progressive Capital Expenditure
6	Statement of Borrowings and Other Liabilities
7	Statement of Loans and Advances given by the Government
8	Statement of Investments of the Government
9	Statement of Guarantees given by the Government
10	Statement of Grants-in-aid given by the Government
11	Statement of Voted and Charged Expenditure
12	Statement on Sources and Application of funds for expenditure other than on Revenue Account
13	Statement of Balances under Consolidated Fund, Contingency Fund and Public Account
14	Detailed Statement of Revenue and Capital Receipts by minor heads
15	Detailed Statement of Revenue Expenditure by minor heads
16	Detailed Statement of Capital Expenditure by minor heads and sub-heads
17	Detailed Statement of Borrowings and Other Liabilities
18	Detailed Statement on Loans and Advances given by the Government
19	Detailed Statement of Investments of the Government
20	Detailed Statement of Guarantees given by the Government
21	Detailed Statement on Contingency Fund and other Public Account transactions
22	Detailed Statement on Investments of Earmarked Balances

APPENDIX - 1.2
(Referred to in paragraph 1.1 on profile of Goa)

Part A: Methodology adopted for the assessment of Fiscal position

Assuming that GSDP is the good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the GSDP at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilisation of resources, pattern of expenditure *etc.* are keeping pace with the change in the base or these fiscal aggregates are also affected by factor other than GSDP.

As per instructions of Ministry of Statistics and Programme Implementation, GoI, GSDP estimates for the period 2011-12 to 2016-17 are prepared after changing the base year 2004-05 to 2011-12. Therefore, percentage ratio/buoyancies of various parameters w.r.t GSDP for 2012-13 to 2015-16 indicated in earlier reports have also been revised.

The trends in GSDP for last five years are indicated below.

(₹ in crore)

Sector wise details of GSDP	2012-13	2013-14	2014-15	2015-16	2016-17
Primary Sector	4373	3157	3147	4021	5424
Secondary Sector	17108	14111	23233	26448	32317
Tertiary Sector	13392	14756	16811	18539	20821
Taxes and Subsidies	3247	3897	4623	5267	5982
Total	38120	35921	47814	54275	64544
Growth Rate of GSDP (in per cent)	-10.02	-5.77	33.11	13.51	18.92

Part B: Fiscal Responsibility and Budget Management (FRBM) Act

The State Government has enacted the Goa Fiscal Responsibility and Budget Management (FRBM) Act, 2006 to ensure prudence in fiscal management and to maintain fiscal stability in the State. To improve the fiscal position and to bring fiscal stability, the Act envisages progressive elimination of revenue deficit, reduction in fiscal deficit and prudent debt management consistent with fiscal sustainability. To ensure prudence the Act also provides for greater fiscal transparency in fiscal operation of the Government and conduct of fiscal policy in a medium term frame work and matter connected therewith or there to. The Fiscal Responsibility and Budget Management (FRBM) rules were framed in November 2007. The FRBM Act, 2006 was amended in March 2014 and renamed as Goa Fiscal Responsibility and Budget Management (First amendment) Act, 2014 having major changes with reference to fiscal targets. The major fiscal targets for the State were as under:

- a) reduce the revenue deficit to nil by 31 March 2015 and adhere to it thereafter;
- b) reduce the ratio of fiscal deficit to Gross State Domestic Product beginning from the financial year 2013-14 and strive to keep/maintain within the norm of three *per cent*;
- c) cap the total outstanding guarantees within the specified limit under the Goa State Guarantees Act, 1993 (Goa Act No. 16 of 1993); and
- d) ensure that by 31 March 2015, the ratio of Debt to Gross State Domestic Product (GSDP) is brought down to 27 *per cent*, and thereafter bring it below 25 *per cent*.

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

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

APPENDIX - 1.3
(Referred to in paragraph 1.1.1)
PART A: Abstract of Receipts and Disbursements for the year 2016-17

(₹ in crore)

Receipts			Disbursements				
2015-16	Section-A: Revenue	2016-17	2015-16	2016-17			
					Non-Plan	Plan	Total
8552.24	I. Revenue receipts	9564.97	8419.56	I. Revenue expenditure	6739.52	2126.46	8865.98
3975.37	Tax revenue	4261.16	2564.09	General services	2834.41	38.27	2872.68
			3182.77	Social Services (inclusive of GIA and contribution)	1879.37	1466.06	3345.43
2431.93	Non-tax revenue	2712.00	1337.09	Education, Sports, Art and Culture	1137.39	329.34	1466.73
			543.09	Health and Family Welfare	378.79	232.48	611.27
1923.76	State's share of Union Taxes	2299.20	422.63	Water Supply, Sanitation, Housing and Urban Development	293.93	92.95	386.88
			19.86	Information and Broadcasting	4.11	19.14	23.25
21.19	Non-Plan grants	17.16	122.35	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.42	134.94	135.36
45.21	Grants for State Plan Schemes	90.95	46.36	Labour and labour Welfare	26.74	21.13	47.87
			689.14	Social Welfare and Nutrition	35.88	636.08	671.96
154.78	Grants for Central and Centrally sponsored Plan Schemes	184.50	2.25	Others	2.11	-	2.11
			2672.70	Economic Services-(inclusive of GIA and contribution)	2025.74	622.13	2647.87
			303.88	Agriculture and Allied Activities	82.38	210.69	293.07
			133.47	Rural Development	61.05	81.95	143.00
			8.37	Special Areas Programmes	-	8.26	8.26
			121.14	Irrigation and Flood control	85.34	50.78	136.12
			1489.95	Energy	1527.75	35.42	1563.17
			136.33	Industry and Minerals	7.49	96.10	103.59
			295.20	Transport	236.13	46.27	282.40
			5.76	Science, Technology and Environment	-	6.59	6.59
			178.60	General Economic Services	25.60	86.07	111.67
			8419.56	Total	6739.52	2126.46	8865.98
	II. Revenue deficit carried over to Section B		132.68	II. Revenue deficit/surplus carried over to Section B			698.99
8552.24	Total	9564.97	8552.24	Total	6739.52	2126.45	9564.97

Receipts			Disbursements				
2015-16		2016-17	2015-16	2016-17			Total
					Non-Plan	Plan	
Section-B : Other							
792.50	III. Opening Cash balance including Permanent Advances and Cash Balance Investment	766.42	--	III. Opening Overdraft from Reserve Bank of India	--	--	--
	IV. Miscellaneous Capital receipts			IV. Capital Outlay			
			270.49	General Services	-	203.57	203.57
			343.30	Social Services	-	431.80	431.80
			158.09	Education, Sports, Art and Culture	-	105.13	105.13
			31.12	Health and Family Welfare	-	59.28	59.28
			144.00	Water Supply, Sanitation, Housing and Urban Development	-	262.19	262.19
			-	Information and Broadcasting	-		
			7.76	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	-	4.53	4.53
			2.33	Social Welfare and Nutrition	-	0.17	0.17
			-	Other Social Services	-	0.50	0.50
			1008.48	Economic Services	15.61	987.75	1003.36
			43.91	Agriculture and Allied Activities	15.61	53.47	69.08
			3.80	Rural Development	-	6.69	6.69
			1.99	Special Areas Programmes	-	1.82	1.82
			98.51	Irrigation and Flood Control	-	151.81	151.81
			380.99	Energy	-	222.33	222.33
			24.02	Industry and Minerals	-	30.00	30.00
			381.32	Transport	-	400.43	400.43
			-	Science, Technology and Environment	-	33.87	33.87
			73.94	General Economic Services	-	87.33	87.33
			1622.27	Total	15.61	1623.12	1638.73
10.20	V. Recoveries of Loans and Advances	8.52	2.69	V. Loans and Advances disbursed	3.41	-	3.41
8.58	From Government Servants	7.07	0.86	To Government Servants	3.27	-	3.27
1.62	From Others	1.45	-	To Others	0.14	-	0.14
132.68	VI. Revenue Surplus brought down	698.99	-	VI. Revenue Deficit brought down			

Receipts			Disbursements				
2015-16		2016-17	2015-16	2016-17			
					Non-Plan	Plan	Total
1847.38	VII. Public debt receipts	1518.98	439.22	VII. Repayment of Public debt-			467.75
	External debt		-	External debt			
1735.82	Internal debt other than Ways and Means Advances and overdrafts	1427.11	411.70	Internal debt other than Ways and Means Advances and Overdrafts			441.10
-	Net transactions under Ways and Means Advances	-	-	Net transactions under Ways and Means Advances			-
-	Net transactions under overdraft	-	-	Net transactions under overdraft			-
111.56	Loans and Advances from Central Government	91.87	27.52	Repayment of Loans and Advances to Central Government			26.65
130.00	VIII. Appropriation to Contingency Fund	-	130.00	VIII. Appropriation to Contingency Fund			-
	IX. Amount transferred to Contingency Fund	-	-	IX. Expenditure from Contingency Fund			-
10940.75	X. Public Account receipts-	11127.77	10892.91	X. Public Account disbursements			11028.59
390.09	Small Savings and Provident Funds	391.65	277.18	Small Savings and Provident Funds			269.15
310.36	Reserve Funds	218.97	24.07	Reserve Funds			50.28
5764.72	Suspense and Miscellaneous	6064.89	5950.44	Suspense and Miscellaneous			6116.23
4055.45	Remittances	3949.91	4148.89	Remittances			4088.61
420.13	Deposits and Advances	502.35	492.33	Deposits and Advances			504.32
	XI. Closing Overdraft from Reserve Bank of India		766.42	XI. Cash Balance at end-			982.20
			670.74	Investment of earmarked balance			762.67
			-162.74	Deposits with Reserve Bank			-126.49
			1.75	Departmental Cash Balance including permanent Advances			1.77
			256.67	Cash Balance Investment			344.25
22405.75	Total	23685.65	22405.75	Total			23685.65

**PART B: Summarised financial position of the Government of Goa as on
31 March 2017**

(₹ in crore)

As on 31 March 2016		Liabilities	As on 31 March 2017	
10176.37		Internal Debt		11162.39
	6589.00	Market Loans bearing interest	7760.00	
	-	Market Loans not bearing interest	-	
	9.40	Loans from LIC	7.75	
	3577.97	Loans from other institutions	3394.64	
	-	Ways and Means Advances/overdraft	-	
	-	Overdraft from Reserve Bank of India	-	
1167.82		Loans and Advances from Central Government		1233.03
		Pre 1984-85 loans		
	84.52	Non-Plan Loans	84.34	
	1074.98	Loans for State Plan Schemes	1140.38	
	0.03	Loans for Central Plan Schemes	0.03	
	8.29	Loans for Centrally Sponsored Plan Schemes	8.28	
100.00		Contingency Fund		100.00
1956.49		Small savings, Provident Fund etc.		2078.99
1577.65		Deposits		1576.32
1367.18		Reserve Funds		1535.86
-148.72		Remittance balances		-287.42
-1028.26		Suspense and Miscellaneous		-1079.59
15168.53				16319.58
		Assets		
14171.00	525.20	Gross Capital Outlay on Fixed Assets		15809.73
	13645.80	Investment in shares of Companies, Corporation etc.	560.94	
		Other Capital Outlay	15248.79	
76.14		Loans and Advances		71.03
	54.42	Loans for Power Projects		
	21.72	Other Development Loans	53.09	
		Loans to Government Servants and Miscellaneous loans	17.93	
		Reserve Fund Investments		
(-) 0.12		Advances		0.52
0.00		Contingency fund		0.00
766.42		Cash		982.20
	-162.74	Cash in Treasuries and Local Remittances		
	1.48	Deposits with Reserve Bank	-126.49	
	0.27	Departmental Cash Balances	1.48	
	256.67	Permanent Advances	0.29	
	670.74	Cash Balance Investments	344.25	
		Earmarked Fund Investment	762.67	
		Deficit on Government Accounts		
155.09	1.16	Revenue Deficit of the current year		-543.90
	46.53	(i) Miscellaneous Deficit	1.16	
	100.00	Accumulated deficit	-652.46	
		Appropriation to Contingency Fund	100.00	
	431.66	Net effect of Balances taken over		
	-424.26	Balances taken over on 30 May 1987 under capital	431.66	
	525.20	Net result of allocation of Capital Expenditure	-424.26	
15168.53				16319.58

APPENDIX - 1.4
(Referred to in Para 1.1.4)

Budget Estimates, Revised Estimates and Actuals for the year 2016-17

Fiscal parameters	Budget estimates (₹ in crore)	Revised estimates (₹ in crore)	Actuals (₹ in crore)	Increase/ Decrease (-) (₹ in crore)		Increase/ Decrease (-) (In per cent)	
				BE to actual	RE to actual	BE to actual	RE to actual
				5 (4-2)	6 (4-3)	7	8
(1) Revenue receipts (a+b+c+d)	10642	10037	9565	-1077	-472	-10.12	-4.71
(a) Tax revenue	4916	4446	4261	-655	-185	-13.33	-4.15
Taxes on sales, trade etc.	2624	2246	2438	-186	193	-7.09	8.58
State excise	358	358	321	-37	-37	-10.33	-10.33
Taxes on vehicles	227	215	244	17	29	7.28	13.41
Stamps and registration fees	678	625	365	-313	-260	-46.19	-41.60
Land revenue	156	183	39	-117	-144	-74.94	-78.63
Taxes on goods and passengers	500	437	453	-47	16	-9.35	3.73
Other taxes and duties on commodities and services	372	382	400	28	18	7.65	4.82
(b) Non-tax revenue	2811	2573	2712	-99	139	-3.54	5.42
Interest receipts	23	17	21	-3	4	-12.65	20.58
Dividend and profit	1	1	1	0	0	-28.33	-28.33
Police	8	8	5	-3	-3	-39.59	-39.01
Stationery and Printing	3	3	5	2	2	46.73	46.73
Public works	5	2	3	-2	1	-35.07	48.80
Power	1688	1688	1766	78	78	4.62	4.62
Other administrative services	176	184	153	-24	-31	-13.57	-16.97
Miscellaneous general services	49	44	43	-7	-1	-13.74	-2.45
Education, sports, art and culture	19	26	26	7	1	34.69	2.51
Medical and public health	27	27	22	-5	-5	-18.98	-19.31
Water supply and sanitation	163	115	120	-43	5	-26.40	4.45
Urban development	57	64	80	24	17	42.03	26.23
Labour and employment	7	7	8	0	0	3.73	3.73
Fisheries	3	5	5	2	0	90.20	2.32
Forestry and wildlife	4	3	4	0	1	-1.54	21.59
Medium irrigation	6	6	23	17	17	279.08	279.08
Minor irrigation	11	11	11	0	0	3.31	3.31
Non-ferrous mining and metallurgical industries	439	259	348	-92	88	-20.86	34.04
Roads and bridges	55	42	44	-11	2	-20.38	4.86
Other non-tax revenue	66	62	27	-39	-35	-59.47	-56.38

Appendices

(c) State's share of union taxes and duties	2157	2247	2299	142	52	6.60	2.30
(d) Grants-in-aid from GoI	757	772	293	-465	-479	-61.36	-62.08
(2) Public Debt	1616	1616	1519	-98	-98	-6.03	-6.03
(3) Recoveries of loans and advances	17	16	9	-9	-8	-50.47	-47.37
(4) Total receipts (1+2+3)	12276	11670	11092	-1183	-578	-9.64	-4.95
(5) Revenue expenditure (a+b+c)	10483	9988	8866	-1617	-1122	-15.43	-11.24
(a) General services	3107	3062	2873	-234	-189	-7.53	-6.18
Administration of justice	80	79	55	-26	-24	-31.94	-30.54
Elections	15	15	31	16	16	105.53	105.53
Land revenue	14	14	10	-4	-4	-28.00	-28.00
Stamps and registration	11	10	8	-3	-2	-24.37	-15.31
State excise	22	17	15	-7	-2	-31.70	-13.90
Taxes on sales, trade <i>etc.</i>	22	20	20	-1	0	-6.56	-1.22
Interest payments	1210	1210	1148	-62	-62	-5.09	-5.09
Secretariat- general services	50	50	38	-12	-12	-24.72	-24.72
District administration	46	46	42	-4	-4	-8.38	-8.28
Treasury and accounts administration	21	21	20	-1	-1	-5.43	-5.43
Police	422	404	358	-64	-45	-15.08	-11.25
Jails	19	19	12	-7	-7	-36.52	-36.52
Public works	103	108	89	-14	-19	-13.21	-17.72
Other administrative services	86	70	66	-20	-4	-23.66	-5.20
Pension and other retirement benefits	832	832	844	12	12	1.46	1.46
Miscellaneous general services	65	63	36	-28	-27	-43.74	-42.16
Others	90	85	80	-10	-5	-10.77	-5.67
(b) Social services	4118	3848	3345	-773	-503	-18.77	-13.07
General education	1389	1363	1244	-145	-119	-10.42	-8.75
Technical education	113	108	80	-33	-28	-29.22	-26.12
Sports and youth services	102	84	52	-50	-32	-48.68	-37.93
Medical and public health	749	723	599	-151	-124	-20.10	-17.22
Family welfare	15	15	13	-2	-2	-15.81	-15.81
Water supply and sanitation	348	354	288	-60	-66	-17.26	-18.67
Housing	15	15	9	-5	-5	-37.55	-37.55
Urban development	234	153	90	-144	-63	-61.67	-41.43
Labour and employment	87	66	48	-39	-18	-44.72	-27.43
Social security and welfare	682	672	651	-30	-20	-4.44	-3.04

Welfare of scheduled castes, scheduled tribes, other backward classes and minorities	166	90	135	-30	45	-18.27	50.60
Relief on account of natural calamities	25	25	5	-20	-20	-80.71	-80.71
Others	195	180	132	-64	-49	-32.50	-26.89
(c) Economic services	3258	3078	2648	-611	-430	-18.74	-13.98
Crop husbandry	181	149	131	-50	-18	-27.70	-12.21
Animal husbandry	49	39	32	-18	-7	-35.83	-18.60
Forestry and wildlife	50	50	44	-5	-5	-10.68	-10.63
Co-operation	18	13	11	-8	-3	-42.78	-20.87
Rural employment	48	48	23	-25	-25	-51.66	-51.66
Other rural development programmes	138	128	120	-19	-8	-13.61	-6.48
Medium irrigation	74	74	66	-9	-9	-11.87	-11.87
Minor irrigation	48	50	45	-3	-5	-5.93	-10.05
Power	1588	1637	1563	-25	-74	-1.59	-4.51
Industries	87	85	30	-57	-55	-65.45	-64.46
Non-ferrous mining and metallurgical industries	75	75	49	-26	-26	-34.32	-34.32
Roads and bridges	152	144	124	-27	-20	-18.11	-14.04
Road transport	160	131	115	-45	-17	-28.28	-12.58
Secretariat- economic services	34	34	16	-18	-18	-53.31	-53.06
Census surveys and statistics	27	10	9	-18	-1	-66.03	-12.00
Civil supplies	13	13	6	-7	-7	-54.53	-53.59
Others	515	397	265	-250	-132	-48.59	-33.35
(d) Grants-in-aid and contributions	1683	1535	1325	-358	-210	-21.27	-13.69
(6) Capital expenditure	3424	3033	1639	-1785	-1394	-52.14	-45.96
Capital outlay on police	17	8.00	2	-15	-6	-89.53	-77.75
Capital outlay on public works	143	109.95	43	-99	-66	-69.58	-60.46
Capital outlay on education, sports, art and culture	306	270.44	105	-200	-165	-65.59	-61.13
Capital outlay on medical and public health	104	94.47	59	-45	-35	-42.95	-37.25
Capital outlay on water supply and sanitation	380	352.23	240	-140	-113	-36.89	-31.96
Capital outlay on urban development	147	6.21	23	-124	16	-84.66	262.64
Capital outlay on welfare of scheduled castes, scheduled tribes, other backward classes and minorities	55	3.96	5	-50	1	-91.74	14.39
Capital outlay on social welfare	5	4.98	0	-5	-5	-96.59	-96.59

Appendices

Capital outlay on crop husbandry	34	33.49	15	-19	-18	-55.13	-54.82
Capital outlay on forestry and wildlife	23	22.60	18	-5	-5	-21.11	-21.11
Capital outlay on other rural development programmes	26	10.23	7	-19	-4	-73.92	-34.60
Capital outlay on medium irrigation	27	27.08	9	-18	-18	-66.51	-66.51
Capital outlay on minor irrigation	73	73.03	77	4	4	5.70	5.70
Capital outlay on flood control projects	62	62.00	62	0	0	0.76	0.76
Capital outlay on power projects	624	623.54	222	-401	-401	-64.34	-64.34
Capital outlay on ports and light houses	8	8.00	10	2	2	25.69	26.00
Capital outlay on civil aviation	139	139.00	35	-104	-104	-74.47	-74.47
Capital outlay on roads and bridges	441	426.57	335	-107	-92	-24.17	-21.56
Capital outlay on road transport	28	28.11	8	-20	-20	-72.08	-72.04
Capital outlay on tourism	127	108.87	87	-40	-22	-31.42	-19.79
Other capital outlays	657	620	276	-381	-344	-57.98	-55.45
(7) Repayment of public debt	573	620	468	-105	-152	-18.30	-24.52
(8) Disbursement of loans and advances	11	10	3	-8	-6	-71.05	-65.58
Total expenditure (5+6+7+8)	14491	13650	10976	-3515	-2674	-24.26	-19.59
(9) Net Loans and Advances	-6	-7	-6	0	1	2.21	-9.91
(10) Revenue surplus (-)/deficits (+) (5-1)	-159	-49	-699	-540	-650	340.11	1327.97
(11) Fiscal deficits (+)/surplus (-) (10+6+9)	3260	2977	934	-2326	-2043	-71.35	-68.63
(12) Primary surplus (-)/deficits(+)(11- interest payment)	2050	1767	-214	-2264	-1982	-110.45	-112.12

APPENDIX - 1.5
(Referred to in paragraph 1.3)
Time series data on the State Government finances

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Part-A. Receipts					
1. Revenue Receipts	5845	6450	7689	8552	9565
(i) Tax Revenue	2940(50)	3582(56)	3896(51)	3975(46)	4261(45)
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade etc.	1577(54)	1708(48)	1860(48)	2116(53)	2438(57)
State Excise	213(7)	236(6)	268(7)	319(8)	321(7)
Taxes on Vehicles	148(5)	154(4)	181(5)	196(5)	244(6)
Stamp duty and Registration fee	525(18)	396(11)	660(17)	525(13)	365(9)
Land Revenue	11	454(13)	25(1)	24(1)	39(1)
Taxes on goods and passengers	258(9)	386(11)	404(10)	464(12)	454(11)
Other Taxes	208(7)	248(7)	498(13)	331(8)	400(9)
(ii) Non-Tax Revenue	1833(31)	1662(26)	2326(30)	2432(28)	2712(28)
(iii) State's share in Union taxes and duties	777(13)	849(13)	901(12)	1924(22)	2299 (24)
(iv) Grants-in-aid from Government of India	296(5)	357(5)	566(7)	221(3)	293(3)
2. Misc. Capital Receipts	-	-	-	-	-
3. Recoveries of Loans and Advances	15	13	10	10	9
4. Total Revenue and Non-debt capital receipt (1+2+3)	5860	6463	7699	8562	9574
5. Public Debt Receipts	1537	1297	1267	1847	1519
Internal Debt (excluding Ways and Means Advances and Overdrafts)	1371	1147	1064	1736	1427
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	166	150	203	111	92
6. Total Receipts in the Consolidated Fund (4+5)	7397	7812	8966	10409	11093
7. Contingency Fund Receipts	-	-	200	(-130)	-
8. Public Accounts receipts	7290	8496	9290	10941	11128
9. Total receipts of the State (6+7+8)	14687	16308	18256	21220	22221
Part B. Expenditure/Disbursement					
Expenditure/Disbursement	7003	7811	8644	10042	10505
10. Revenue Expenditure	6061(87)	6803(87)	7410(86)	8420(84)	8866(84)
Plan	1250(21)	1711(25)	1701(23)	2099(25)	2126(24)
Non-plan	4811(79)	5092(75)	5709(77)	6321(75)	6740(76)
General Services (including Interests payments)	1860(31)	2076(30)	2370(32)	2564(30)	2873(32)
Social Services (including GIA and contributions)	2206(36)	2634(39)	2815(38)	3183(38)	3345(38)
Economic Services (including GIA and contributions)	1995(33)	2093(31)	2225(30)	2673(32)	2648(30)
11. Capital Expenditure	942(13)	1008(13)	1234(14)	1622(16)	1639(16)
Plan	941(100)	998(99)	1235(100)	1611(99)	1623(99)
Non-plan	1	10(1)	-1	11(1)	16(1)
General Services	134(14)	194(19)	306(25)	271(17)	204(12)
Social Services	187(20)	172(17)	278(22)	343(21)	432(26)
Economic Services	621(66)	642(64)	650(53)	1008(62)	1003(61)

	2012-13	2013-14	2014-15	2015-16	2016-17
12. Disbursement of Loans and Advances	4	4	3	3	3
13. Total (10+11+12)	7007	7815	8647	10045	10508
14. Repayments of Public Debt	339	332	366	439	468
Internal Debt (excluding Ways and Means Advances and Overdrafts)	311	306	338	412	441
Net transactions under Ways and Means Advances and Overdraft	-	--	--	--	--
Loans and Advances from Government of India	28	26	28	27	27
15. Appropriation to Contingency Fund	-	-	200	(-130)	-
16. Total disbursement out of Consolidated Fund (13+14+15)	7346	8200	9213	10354	10976
17. Net Loans and Advances	(-11)	(-9)	(-7)	(-7)	(-6)
18. Contingency Fund disbursements	-	-	-	-	-
19. Public Accounts disbursements	7656	8027	9233	10893	11029
20. Total disbursement by the State (16+18+19)	15002	16227	18446	21247	22005
Part C. Deficits					
21. Revenue Deficit(+)/Revenue Surplus (-)(10-1)	216	353	(-279)	(-132)	(-699)
22. Fiscal Deficit (21+11+17)	1147	1352	948	1483	934
23. Primary Deficit(+)/Surplus(-) (22-24)	346	461	(-60)	408	(-214)
Part D. Other data					
24. Interest Payments (included in revenue expenditure)	801	891	1008	1075	1148
24. Financial Assistance to local bodies etc.	796	941	1020	1197	1325
25. Ways and Means Advances (WMA)/Overdraft availed (days)	-	17	121	240	188
Ways and Means advances availed	-	1	109	177	174
Overdraft availed	-	-	12	63	14
26. Interest on WMA/Overdraft	-	#	1	4	4
27. Gross State Domestic Product (GSDP)	38120	35921	47814	54275	64544
28. Outstanding fiscal liabilities (year end)	11232	12695	13877	15575	16824
29. Outstanding guarantees including interest (year end)	123	293	337	623	842
30. Maximum amount guaranteed (year end)	260	575	696	713	932
31. Number of incomplete projects	127	37	87	129	132
32. Capital blocked in incomplete projects	1721	1628	697	1453	1509
33. Grants-in-aid and contributions (included in revenue expenditure of General, Social & Economic Services)	763	941	1020	1197	1325

#₹3.64 lakh as interest on Ways and Means Advances

	2012-13	2013-14	2014-15	2015-16	2016-17
Part E. Fiscal Health Indicator (In per cent)					
I Resource Mobilisation					
Own Tax revenue/GSDP	7.71	9.97	8.15	7.32	6.60
Own Non-Tax Revenue/GSDP	4.81	4.63	4.86	4.48	4.20
Central Transfer/GSDP	2.04	2.36	1.88	3.54	3.56
II Expenditure Management					
Total Expenditure/GSDP	18.38	21.76	18.08	18.51	16.28
Total Expenditure/Revenue Receipts	119.88	121.16	112.46	117.46	109.86
Revenue Expenditure/Total Expenditure	86.50	87.05	85.69	83.82	84.37
Expenditure on Social Services/Total Expenditure	34.15	35.91	35.77	35.10	35.94
Expenditure on Economic Services/Total Expenditure	37.33	35.00	33.25	36.65	34.74
Capital Expenditure/Total Expenditure	13.44	12.90	14.27	16.15	15.60
Capital Expenditure on Social and Economic Services/Total Expenditure	11.53	10.42	10.73	13.45	13.66
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	0.57	0.98	(-)0.58	(-)0.24	(-)1.08
Fiscal deficit/GSDP	3.01	3.76	1.98	2.73	1.45
Primary Deficit (surplus)/GSDP	0.91	1.28	(-)0.13	0.75	(-)0.33
Revenue Deficit/Fiscal Deficit	18.83	26.11	(-)29.43	(-)8.90	(-)74.86
Primary Revenue Balance/GSDP	13.80	16.46	13.39	13.53	11.96
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	29.46	35.34	29.02	28.70	26.07
Fiscal Liabilities/RR	192.16	196.82	180.48	182.12	175.89
Primary deficit vis-a-vis quantum spread	(-)34.80	(-)31.06	(-)1.85	47.32	(-)11.63
Debt Redemption (Principal+Interest)/Total Debt Receipts	74.17	94.59	108.45	81.97	106.37
V Other Fiscal Health Indicator					
Return on Investment (in per cent)	0.39	0.24	0.37	0.27	0.15
Balance from Current Revenue (₹ in crore)	(-)185.91	(-)323	309	132	729
Financial Assets/Liabilities	0.99	0.96	0.96	0.99	0.97

APPENDIX - 1.6
(Referred to in para 1.9.3)

Transactions under Reserve Fund

(₹ in crore)

Classification	Opening balance	Receipt	Payment	Closing balance
Active Reserve Funds				
8121-122-State Disaster Response Fund	34.32	6.22	0.15	40.39
8222-101-Sinking Fund	431.10	59.91	0.00	491.01
8229-110-Electricity Development Fund	666.46	120.00	50.13	736.33
8235-117-Guarantee Redemption Fund	216.15	29.81	--	245.96
Total	1348.03	215.94	50.28	1513.69
Inoperative Reserve Funds				
8229-123-State Consumer Welfare Funds	0.14	0.02	--	0.16
8235-119-National Calamity Contingency Fund	2.99	0.00	--	2.99
8235-200-Beaches Improvement Fund	15.94	3.08	--	19.02
8235-200-Special Fund for Compensatory Afforestation	0.08	--	0.08	--
Total	19.15	3.10	0.08	22.17
Grand Total	1367.18	219.04	50.36	1535.86

APPENDIX - 2.1
(Referred to in paragraph 2.3.3)

**Statement of various grants/appropriations where savings were in excess of
₹ 10 crore and also by more than 50 per cent of the total provision**

(₹ in crore)

Sl. No.	Grant/Appropriation	Total provision	Actual expenditure	Savings	Percentage
Revenue (Voted)					
1	19 - Industries, Trade and Commerce	70.69	15.98	54.71	77.39
2	30 - Small Savings and Lotteries	23.67	9.86	13.81	58.34
3	32 - Finance	65.55	3.58	61.97	94.54
4	33 - Revenue	26.24	5.10	21.14	80.56
5	54 - Town and Country Planning	43.45	9.83	33.62	77.38
6	55 - Municipal Administration	195.65	79.90	115.75	59.16
7	60 - Employment	17.93	1.50	16.43	91.63
8	62 - Law	34.66	12.64	22.02	63.53
9	66 - Fisheries	47.69	18.31	29.38	61.61
10	69 - Handicraft, Textile and Coir	20.48	7.47	13.01	63.53
11	70 - Civil Supplies	19.83	9.16	10.67	53.81
12	72 - Science, Technology and Environment	19.83	6.63	13.20	66.57
13	75 - Planning, Statistics and Evaluation	27.61	8.85	18.76	67.95
14	82 - Information Technology	91.34	27.58	63.76	69.81
Capital (Voted)					
15	2-General Administration and Co-ordination	31.42	5.23	26.19	83.35
16	7 - Settlement and Land Records	20.00	0.00	20.00	100.00
17	12 - Commercial Taxes	30.85	4.38	26.47	85.80
18	13 - Transport	48.75	7.86	40.89	83.88
19	17 - Police	17.00	1.78	15.22	89.53
20	18 - Jail	26.00	12.99	13.01	50.04
21	31 - Panchayats	25.66	6.69	18.97	73.93
22	32- Finance	505.00	150.00	355.00	70.30
23	33 - Revenue	15.00	1.28	13.72	91.47
24	34 - School Education	62.82	10.13	52.69	83.87
25	40 - Goa College of Engineering	21.52	6.21	15.31	71.14
26	42- Sports and Youth Affairs	180.34	76.63	103.71	57.51
27	45- Archives and Archaeology	13.00	0.06	12.94	99.54
28	47 - Goa Medical College	43.36	3.05	40.31	92.97
29	48 - Health Services	122.31	20.98	101.33	82.85
30	55 - Municipal Administration	146.50	21.95	124.55	85.02
31	61 - Craftsmen Training	20.80	1.04	19.76	95.00
32	62 - Law	35.20	5.87	29.33	83.32
33	64 - Agriculture	43.22	17.87	25.35	58.65
34	71 - Co-operation	24.96	1.73	23.23	93.07

35	76 - Electricity	627.55	222.33	405.22	64.57
36	81 - Tribal Welfare	109.00	15.44	93.56	85.83
37	82 - Information Technology	66.00	30.00	36.00	54.55
38	84 - Airport	214.00	35.49	178.51	83.42
	Total	3154.88	875.38	2279.50	72.25

APPENDIX - 2.2

(Referred to in paragraph 2.3.4)

List of grants indicating persistent savings of more than ₹ 10 crore during 2012-17

(₹ in crore)

Sl. No.	Number and name of the grant	Amount of savings (Per cent to total grant)				
		2012-13	2013-14	2014-15	2015-16	2016-17
Revenue (Voted)						
1	13-Transport	45.77 (49.53)	39.63 (33.42)	59.02 (39.56)	77.52 (45.91)	47.25 (28.17)
2	17-Police	25.89 (10.38)	25.85 (9.70)	21.05 (7.22)	20.48 (5.65)	64.88 (15.32)
3	19 – Industries, Trade and Commerce	23.32 (10.39)	48.66 (69.68)	68.28 (86.47)	69.28 (83.13)	54.71 (77.39)
4	21-Public Works	77.66 (13.69)	90.81 (15.38)	107.69 (16.67)	153.04 (19.42)	119.04 (18.06)
5	31- Panchayats	46.48 (34.20)	21.48 (18.82)	70.92 (50.13)	50.07 (27.82)	42.97 (23.34)
6	34-School Education	122.30 (14.84)	42.92 (5.05)	94.55 (9.83)	134.75 (12.59)	165.27 (13.90)
7	35 – Higher Education	14.07 (9.63)	18.77 (11.36)	11.17 (5.90)	17.25 (7.56)	20.88 (8.61)
8	42 – Sports and Youth Affairs	24.21 (21.12)	30.91 (17.91)	32.03 (42.52)	68.51 (71.08)	49.63 (48.68)
9	43-Art and Culture	62.65 (53.09)	46.63 (46.97)	29.01 (33.47)	26.78 (26.28)	34.63 (30.85)
10	48 – Health Services	32.26 (14.01)	35.91 (13.86)	56.46 (13.86)	99.27 (27.50)	200.65 (39.66)
11	55-Municipal Administration	260.26 (82.82)	138.90 (72.71)	130.06 (69.04)	140.42 (67.60)	115.75 (59.16)
12	58 – Women and Child Development	275.66 (70.76)	14.66 (6.26)	33.71 (11.00)	17.60 (5.18)	111.96 (22.95)
13	64 – Agriculture	41.54 (35.13)	29.66 (20.55)	63.42 (40.11)	50.29 (29.11)	51.99 (27.80)
14	65-Animal Husbandry	28.26 (37.97)	44.66 (46.50)	40.82 (37.86)	41.44 (34.74)	61.61 (42.95)
15	83 – Mines	45.77 (94.37)	75.63 (50.74)	364.22 (88.36)	60.45 (45.70)	25.67 (34.32)
Capital (Voted)						
	21-Public Works	199.00 (40.88)	243.19 (45.15)	169.60 (33.91)	345.74 (41.27)	709.88 (55.56)
	31- Panchayats	16.19 (99.51)	37.24 (90.24)	30.28 (99.57)	26.76 (87.57)	18.97 (73.93)
16	32- Finance	155.63 (66.23)	140.00 (48.28)	100.00 (26.32)	520.00 (73.24)	355.00 (70.30)
17	33 – Revenue	13.00 (100.00)	20.00 (100.00)	13.00 (100.00)	15.00 (100.00)	13.72 (91.47)
18	74 – Water Resources	129.39 (53.33)	105.68 (41.41)	40.59 (22.56)	88.13 (46.79)	53.81 (25.96)
19	78- Tourism	264.22 (84.86)	38.37 (34.97)	22.14 (27.87)	38.31 (34.13)	47.00 (34.99)
20	81 – Tribal Welfare	108.00 (92.59)	111.98 (78.14)	73.37 (72.29)	94.76 (81.69)	93.56 (85.83)

APPENDIX - 2.3
(Referred to in paragraph 2.3.5)
Substantial surrenders of above ₹ 10 crore and more than 50 per cent of the provisions made during the year 2016-17

(₹ in crore)

Sl. No.	Number and title of grant	Total provision	Amount of surrender	Percentage of surrender
Revenue (Voted)				
1	19 - Industries, Trade and Commerce	70.69	54.71	77
2	30 - Small Savings and Lotteries	23.68	13.81	58
3	32 - Finance	65.55	61.96	94
4	54 - Town and Country Planning	43.45	33.72	78
5	55 - Municipal Administration	195.65	116.54	60
6	62 - Law	34.68	17.96	52
7	66 - Fisheries	47.69	29.20	61
8	69 - Handicraft, Textile and Coir	20.48	13.00	64
9	70 - Civil Supplies	19.83	10.85	55
10	72 - Science, Technology and Environment	19.83	13.13	66
11	75 - Planning, Statistics and Evaluation	27.61	18.68	68
12	82 - Information Technology	91.34	63.86	70
Capital (Voted)				
13	2 - General Administration	31.42	26.19	83
14	12 - Commercial Taxes	30.85	28.69	93
15	13 - Transport	48.75	41.30	85
16	17 - Police	17.00	15.05	88
17	21 - Public Works	1277.64	712.16	56
18	31 - Panchayats	25.66	18.97	74
	32 - Finance	505.00	355.00	70
19	33 - Revenue	15.00	13.72	91
20	34 - School Education	62.82	52.69	84
21	40 - Goa College of Engineering	21.52	15.02	70
22	42 - Sports and Youth Affairs	180.34	103.93	58
23	45 - Archives and Archaeology	13.00	12.94	99
24	47 - Goa Medical College	43.36	34.18	79
	55 - Municipal Administration	146.50	124.55	85
25	61 - Craftsmen Training	20.80	18.42	89
	62 - Law	35.20	30.78	87
26	64 - Agriculture	43.22	25.18	58
27	71 - Co-operation	24.96	23.23	93
28	76 - Electricity	627.54	405.20	65
29	81 - Tribal Welfare	109.00	98.52	90
	82 - Information Technology	66.00	36.00	54
30	84 - Airport	214.00	178.51	83
	Total	3585.58	2383.26	66

APPENDIX - 2.4

(Referred to in paragraph 2.3.7)

Details of savings of ₹ one crore and above not surrendered

(₹ in crore)

Sl. No.	Number and Name of grant	Total grant	Expenditure	Savings	Savings surrendered	Savings not surrendered
1	8 - Treasury and Accounts Administration (Loans)	8.51	1.70	6.81	1.82	4.99
2	17-Police (Revenue Voted)	423.43	358.55	64.88	61.63	3.25
3	23 -Home (Revenue Voted)	14.24	5.23	9.01	5.32	3.69
	23 -Home (Capital Voted)	3.00	0.00	3.00	0.00	3.00
4	33-Revenue (Revenue Voted)	26.24	5.10	21.14	1.20	19.94
5	40-Goa College of Engineering (Revenue Voted)	35.23	25.81	9.42	7.41	2.01
6	47 – Goa Medical College (Capital Voted)	43.36	3.05	40.31	34.18	6.13
7	48 – Health Services (Revenue Voted)	505.90	305.25	200.65	198.35	2.30
8	51 – Goa Dental College (Revenue Voted)	25.93	18.81	7.12	5.65	1.47
9	52 – Labour (Revenue Voted)	41.71	34.47	7.24	5.42	1.82
10	57- Social Welfare (Revenue Voted)	297.81	277.02	20.79	19.70	1.09
11	60 - Employment (Revenue Voted)	17.93	1.50	16.43	0.00	16.43
12	61- Craftsmen Training (Capital Voted)	20.80	1.04	19.76	18.42	1.34
13	62-Law (Revenue Voted)	34.66	12.64	22.02	17.97	4.05
14	65 – Animal Husbandry (Revenue Voted)	143.46	81.85	61.61	59.92	1.69
15	70 - Civil Supplies (Capital Voted)	80.00	45.97	34.03	13.59	20.44
16	74-Water Resources (Revenue Voted)	159.03	139.84	19.19	17.16	2.03
	74-Water Resources (Capital Voted)	207.26	153.45	53.81	49.52	4.29
17	76 – Electricity (Revenue Voted)	1653.97	1573.44	80.53	78.80	1.73
	Total	3742.47	3044.72	697.75	596.06	101.69

APPENDIX - 2.5
(Referred to in paragraph 2.3.7)
Surrender of funds in excess of ₹ 20 crore in March 2017

(₹ in crore)

Sl. No.	Grant No.	Total grant	Expenditure	Savings surrendered	Percentage of total provision
1	2-General Administration and Co-ordination (Revenue Voted)	90.32	56.74	33.60	37.20
	2-General Administration and Co-ordination (Capital Voted)	31.42	5.23	26.19	83.35
2	12- Commercial Taxes (Capital Voted)	30.85	4.38	28.69	93.00
3	13-Transport (Revenue Voted)	167.71	120.46	47.48	28.31
	13-Transport (Capital Voted)	48.75	7.86	41.30	84.72
4	17-Police (Revenue Voted)	423.43	358.55	61.63	14.55
5	19-Industries, Trade and Commerce (Revenue Voted)	70.69	15.98	54.71	77.39
6	21-Public Works (Revenue Voted)	659.09	540.05	119.62	18.15
	21-Public Works (Capital Voted)	1277.64	567.76	712.16	55.74
7	31-Panchayats (Revenue Voted)	184.08	141.11	42.63	23.16
8	32-Finance (Revenue Voted)	65.55	3.58	61.96	94.52
	32-Finance (Capital Voted)	505.00	150.00	355.00	70.30
9	34- School Education (Revenue Voted)	1189.16	1023.89	164.46	13.83
	34- School Education (Capital Voted)	62.82	10.13	52.69	83.87
10	35- Higher Education (Revenue Voted)	242.51	221.63	20.20	8.33
11	42-Sports and Youth Affairs (Revenue Voted)	101.96	52.33	49.82	48.86
	42- Sports and Youth Affairs (Capital Voted)	180.34	76.63	103.93	57.63
12	43-Art and Culture (Revenue Voted)	112.27	77.64	34.20	30.46
13	47-Goa Medical College (Capital Voted)	43.36	3.05	34.18	78.83
14	48-Health Services (Revenue Voted)	505.90	305.25	198.35	39.21
	48-Health Services (Capital Voted)	122.31	20.98	101.14	82.69
15	54-Town and Country Planning (Revenue Voted)	43.45	9.83	33.72	77.61
16	55-Municipal Administration (Revenue Voted)	195.65	79.90	116.54	59.57
17	55-Municipal Administration (Capital Voted)	146.50	21.95	124.55	85.02
18	56-Information and Publicity (Revenue Voted)	45.16	23.25	21.97	48.65
19	58-Women and Child Development (Revenue Voted)	487.93	375.97	111.85	22.92
20	62 -Law (Capital Voted)	35.20	5.87	30.78	87.44
21	64-Agriculture (Revenue Voted)	187.02	135.03	51.96	27.78
	64-Agriculture (Capital Voted)	43.22	17.87	25.17	58.24
22	65-Animal Husbandry and Veterinary Services (Revenue Voted)	143.46	81.85	59.92	41.77
23	66-Fisheries (Revenue Voted)	47.69	18.31	29.20	61.23
24	71 – Co-operation (Capital Voted)	24.96	1.73	23.23	93.07
25	74- Water Resources (Capital Voted)	207.26	153.45	49.52	23.89
26	76- Electricity (Revenue Voted)	1653.97	1573.44	78.80	4.76

	76- Electricity (Capital Voted)	627.54	222.32	405.20	64.57
27	78-Tourism (Revenue Voted)	109.90	77.71	32.18	29.28
	78-Tourism (Capital Voted)	134.34	87.34	47.00	34.99
28	81-Tribal Welfare (Revenue Voted)	158.21	127.47	30.35	19.18
	81-Tribal Welfare (Capital Voted)	109.00	15.44	98.52	90.39
29	82-Information Technology (Revenue Voted)	91.34	27.59	63.86	69.91
30	83-Mines (Revenue Voted)	74.80	49.13	25.67	34.32
31	84-Airport (Capital Voted)	214.00	35.49	178.51	83.42
	Total	10895.76	6904.17	3982.44	36.55

APPENDIX - 2.6
(Referred to in Paragraph 2.3.8)
Unnecessary supplementary provisions

(₹ in crore)

Sl.no	Grant no.	Name of grant	Original provision	Actual expenditure	Savings out of original provision	Supplementary provision
1	2	General Administration and Co-ordination (Capital Voted)	11.42	5.23	6.19	20.00
2	7	Settlement and Land records (Capital Voted)	0.10	0.00	0.10	0.10
3	10	Notary Services (capital-voted)	0.50	0.12	0.38	0.60
4	34	School Education (Capital Voted)	27.00	10.13	16.87	35.82
5	47	Goa Medical College (Capital Voted)	27.20	3.05	24.15	16.16
6	48	Health Services (Capital Voted)	29.81	20.98	8.83	92.50
7	49	Institute of Psychiatry and Human Behaviour (Capital Voted)	2.86	0.01	2.85	4.56
8	84	Airport (Capital Voted)	139.00	35.49	103.51	75.00
Total			237.89	75.01	162.88	244.74

APPENDIX – 3.1
(Referred to in paragraph 3.1)

Department-wise breakup of outstanding Utilisation Certificates as on June 2017

Sl. No.	Name of the Department	No. of utilisation certificates	Amount (₹ in crore)
1	Directorate of Education	902	153.99
2	Directorate of Technical Education	3	0.43
3	Directorate of Higher Education	41	42.62
4	Department of Tribal Welfare	238	14.59
5	Town and Country Planning Department	25	12.09
6	Directorate of Municipal Administration	528	329.03
7	i) Directorate of Women and Child Welfare ii) Directorate of Social Welfare	315 321	6.83 29.03
8	Department of Science, Technology and Environment	210	18.80
9	i) Directorate of Panchayats (South) ii) Directorate of Panchayats (North)	1848 2824	56.03 352.80
10	i) General Administration Department (GIRDA) ii) Directorate of Official Language iii) Legislature Department iv) Human Resources Development (GAD)	12 85 16 3	1.02 3.20 0.77 3.00
11	Directorate of Health Services	62	269.27
12	Institute of Psychiatry and Human Behaviour	1	0.01
13	Directorate of Small Savings and Lotteries	22	46.03
14	Directorate of Agriculture	85	0.31
15	Department of Forests	24	28.28
16	Goa State Legal Services Authority	18	2.16
17	Under Secretary, Finance (Home)	126	2.51
18	Under Secretary, Revenue	15	8.19
19	Under Secretary, Finance (R&C)	13	19.72
20	Secretariat (General Services)	7	10.15
21	Public Health Department	6	0.03
22	Law Department	9	7.42
23	Directorate of Accounts	1	-*
24	Public Works Department	78	285.86
25	North Goa District Legal Authority	1	0.05
26	Directorate of Sports and Youth Affairs	495	209.19
27	Directorate of Art and Culture	4453	260.84
28	Directorate of Archives and Archaeology	1	0.15
29	Director General of Police	1	3.83
	Total	12789	2178.23

*Amount below ₹ 1,00,000 shown as 'Nil'

APPENDIX – 3.2
(Referred to in paragraph 3.2)

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

Sl. No.	Name of Institution	Year for which accounts had not been received	Grant received during preceding year (₹ in lakh)
	Director of Education		
1	Adarsh Vidya Prasarak Mandal's Higher Secondary School, Vazangal, Shiroda, Ponda – Goa	2015-16	28.22
2	Auxilium Convent School, Benaulim-Salcete	2013-14 to 2015-16	65.47
3	Azmane High School, Neura, Ilhas-Tiswadi	2015-16	81.39
4	Cuncolim United Higher Secondary School, Cuncolim, Salcete – Goa	2013-14 to 2015-16	2.35
5	Dada Vaidya High School, Kurti-Ponda	2015-16	220.01
6	Damodar English High School, Gudi, Paroda-Salcete	2015-16	80.92
7	Dattaram Mantravadi Memorial High School, Mapusa	2013-14 to 2015-16	62.44
8	Deepvihar Higher Secondary School, Headland Sada, Mormugao – Goa	2015-16	1.48
9	Dnyanprasarak Vidyalaya, Mapusa	2005-06 to 2015-16	49.02
10	Don Bosco High School, Calangute-Bardez	2013-14 to 2015-16	45.57
11	Dona Leonar Memorial High School, Alto Betim, Bardez	2015-16	85.78
12	Ganesh Vidyalaya, Harvalem-Sanquelim	2015-16	70.61
13	Gaoncar Higher Secondary School, Raia, Salcete – Goa	2015-16	66.46
14	Honda High School, Honda- Sattari	2013-14 to 2015-16	76.91
15	Ideal English High School, Palyem-Pernem	2015-16	49.67
16	Jesus and Mary Sarvajanic High School, Carambolim-Tiswadi	2015-16	73.76
17	Kasturba Matoshri High School, Panaji	2013-14 to 2015-16	122.51
18	Late Shri Vinayak Gopal Shenvi Vidyalaya, Ravanfond, Navelim-Salcete	2014-15 to 2015-16	98.14
19	Lokshikshan High School, Dhargal, Colvale-Pernem	2014-15 to 2015-16	2.82
20	M.E.S. Higher Secondary School, Zuarinagar, Vasco-Goa	2013-14 to 2015-16	312.06
21	Mahatma Jyotirao Phule High School, Colvale-Bardez	2013-14 to 2015-16	36.93
22	Maria Bambina Higher Secondary School, Cuncolim, Salcete – Goa	2013-14 to 2015-16	50.31
23	Mata Secondary School, Baina, Vasco-da-Gama	2005-06 to 2015-16	44.88
24	Matoshri Anandibai Vaman Marathe Vidhyamandir, Tamsoda Dharbandora-Sanguem	2013-14 to 2015-16	153.92
25	Matoshri Indirabai Baburao Khandeparkar High School, Khandepar, Ponda	2005-06 to 2015-16	53.08
26	Mushtifund Higher Secondary School, Panaji – Goa	2015-16	172.41
27	New English High School, Keri-Pernem	2015-16	3.39
28	New Era High School, Margao	2013-14 to 2015-16	75.14
29	Old Goa Educational Institute, Katyebhat, Ella-Old Goa	2015-16	125.15
30	Our Lady of Divar High School, Piedade-Tiswadi	2006-07 to 2015-16	23.01
31	Our Lady of Health High School, Cuncolim-Salcete	2014-15 to 2015-16	76.92
32	Our Lady of Mercés High School, Santa Cruz-Tiswadi	2013-14 to 2015-16	82.03
33	P.E.S. New English High School, Digas, Panchawadi-Ponda	2015-16	1.75
34	Perpetual Succour Convent High School, Navelim-Salcete	2005-06 to 2015-16	62.64

35	Popular High School, Comba-Margao	2014-15 to 2015-16	56.84
36	Pradnya High School, Devsu, Korgao-Pernem	2014-15 to 2015-16	57.68
37	Pragati High School, Verem, Betim-Bardez	2013-14 to 2015-16	74.81
38	Pragati Vidyalaya, Borim-Ponda	2005-06 to 2015-16	28.12
39	Progress High School, Panaji	2008-09 to 2014-15	72.26
40	R. D. Khalap High School, Mandrem-Pernem	2005-06 to 2015-16	37.72
41	Rajmata Padmavati Raje Soundhekar High School, Ramnathi, Bandora-Ponda	2005-06 to 2015-16	27.68
42	S.E.S.'s Sarvodaya High School, Usgao-Ponda	2006-07 to 2015-16	24.63
43	Sacred Heart of Jesus High School, Anjuna-Bardez	2015-16	75.14
44	Saviour of the World High School, Loutolim-Salcete	2013-14 to 2015-16	93.59
45	Shiroda Higher Secondary School, Shiroda, Ponda – Goa	2013-14 to 2015-16	188.94
46	Shree Kamleshwar High School, Petechawada, Korgao-Pernem	2014-15 to 2015-16	67.70
47	Shree Mahamaya High School, Ardhawada, Mayem-Bicholim	2015-16	78.91
48	Shree Susenashram Vidyalaya, Mormugao-Harbour	2013-14 to 2015-16	38.86
49	Shri Damodar Vidyalaya English High School, Comba-Margao	2008-09 to 2015-16	61.64
50	Shri Kamakshi High School, Tarvale, Shiroda-Ponda	2014-15 to 2015-16	72.62
51	Shri Kamleshwar Higher Secondary School, Korgao, Deulwada, Pernem – Goa	2014-15 to 2015-16	70.73
52	Shri Navdurga Vidyalaya, Marcaim-Ponda	2007-08 to 2015-16	33.00
53	Shri Navdurga Education and Cultural Society's Smt. Anandibai M. Naik High School, Karanjai, Madkai-Ponda	2014-15 to 2015-16	62.33
54	Shrimati High School, Velguem-Bicholim	2015-16	108.46
55	Smt. Tarabai Dalvi High School, Pale Usgao-Ponda	2014-15 to 2015-16	58.02
56	Smt. Sunandabai Bhandodkar High School, Carambolim-Tiswadi	2011-12 to 2015-16	50.32
57	St. Alex Higher Secondary School, Curtorim, Salcete – Goa	2015-16	143.41
58	St. Anthony's High School, Majorda-Salcete	2015-16	64.93
59	St. Clara's High School, Assonora-Bardez	2005-06 to 2015-16	39.46
60	St. Elizabeth High School, Pomburpa-Bardez	2015-16	78.58
61	St. John of Cross High School, Sanquelim-Bicholim	2006-07 to 2015-16	52.78
62	St. Joseph High School, Karai, Shiroda-Ponda	2015-16	70.81
63	St. Mary's Convent High School, Mapusa-Bardez	2014-15 to 2015-16	128.86
64	St. Michael's Convent High School, Vagator-Bardez	2013-14 to 2015-16	105.88
65	St. Rita High School, Colvale-Bardez	2005-06 to 2015-16	41.32
66	St. Theresa's High School, Mangor Hill, Vasco-da-Gama	2015-16	1.79
67	St. Theresa's Higher Secondary School, Candolim, Bardez – Goa	2013-14 to 2015-16	67.79
68	St. Thereza High School, St. Estevam, Ilhas-Tiswadi	2013-14 to 2015-16	56.72
69	St. Thomas Boy's High School, Aldona-Bardez	2007-08 to 2015-16	36.95
70	St. Thomas Girl's High School, Aldona-Bardez	2005-06 to 2015-16	38.14
71	St. Xavier's High School, Moira-Bardez	2008-09 to 2015-16	2.24
72	The Rosary School, Miramar-Panaji	2005-06 to 2015-16	30.93
73	Tristao Braganza Cunha New High School, Aquem Alto, Margao	2015-16	75.63
74	Vidya Mandir Adarsh Nagar, Airport Road, Chicalim-Mormugao	2015-16	181.29
75	Vidyaniketan High School, Calangute-Bardez	2013-14 to 2015-16	56.82

76	Vidyaprasarak High School, Morjim-Pernem	2008-09 to 2015-16	0.34
77	Vishvanath Mahadeo Parulekar Higher Secondary School, Verem, Bardez – Goa	2013-14 to 2015-16	37.00
78	Vivekanand Vidyalaya, Shirshirem, Borim-Ponda	2015-16	68.08
Director of Higher Education			
79	Fr. Agnel College of Arts and Commerce - Pilar	2015-16	346.67
80	G.R Kare College of Law, Margao	2015-16	144.13
81	GVM's GPR College of Commerce and Economics, Ponda	2015-16	425.72
82	Mallikarjun College of Arts and Commerce, Canacona	2015-16	290.59
83	MES College of Arts and Commerce, Zuarinagar - Mormugao	2013-14 to 2015-16	337.72
84	Nirmala Institute of Education, Panaji	2015-16	146.68
85	Parvatibai Chowgule College of Arts and Science, Margao	2015-16	969.68
86	PES College of Arts and Science, Ponda	2015-16	881.26
87	Rosary College of Arts and Commerce, Navelim	2015-16	477.85
88	Shree Damodar College of Commerce and Economics, Margao	2015-16	394.86
89	S.S Dempo College of Arts and Commerce, Panaji	2015-16	399.73
90	St. Xavier's College of Arts, Science and Commerce, Mapusa	2015-16	1283.51
91	Vidya Prabodhini College of Commerce Education, Computer and Management, Alto Porvorim	2015-16	83.85
92	V.M Salgaonkar College of Law, Panaji	2015-16	200.06
Art and Culture			
93	Tiatr Academy, Campal, Panaji - Goa	2014-15 to 2015-16	84.37
Total			11843.58

APPENDIX – 3.3
(Referred to in paragraph 3.3)

**Statement showing entrustment of audit/rendering of accounts/placement of SARs
in Legislature of autonomous bodies as of September 2017**

Sl. No.	Name of the body/authority	Period of entrustment of audit	Year for which accounts received	Delay in submission of accounts	Period of delay (in month)	Year up to which audit report issued	Placement of reports before the Legislature
1	Goa University	01.04.2015 to 31.03.2020	2015-16	July 2016 to January 2017	7	2015-16	2013-14/ 11.01.2016
2	Goa Housing Board	01.04.2017 to 31.03.2022	2015-16	October 2016 to November 2016	1	2015-16	2013-14/ 25.07.2016
3	Goa Tillari Irrigation Development Corporation	01.04.2012 to 31.03.2016	2010-11	July 2011 to February 2014	32	2010-11	2008-09/ 18.03.2012
4	Khadi and Village Industries Board	01.04.2013 to 31.03.2018	2013-14	July 2014 to November 2015	17	2013-14	2013-14/ 09.08.2016
5	Goa State Commission for Backward Classes	01.04.2014 to 31.03.2019	2015-16	July 2016 to April 2017	10	2015-16	2010-11/ 23.03.2015
6	Goa Board of Secondary and Higher Secondary Education	01.04.2015 to 31.03.2020	2014-15	July 2015 to June 2016	12	2014-15	Not applicable
7	South Goa Zilla Panchayat	01.04.2014 to 31.03.2019	2015-16	July 2016 to July 2017	13	2014-15	Not placed in legislature
8	North Goa Zilla Panchayat	01.04.2014 to 31.03.2019	2008-09	July 2009 to March 2015	69	2008-09	2007-08/ 27.07.2015
9	Goa State Legal Services Authority	As per Act	2014-15	July 2015 to November 2016	17	2014-15	Not placed in legislature
10	District Legal Service Authority, South Goa	As per Act	2011-12	July 2012 to January 2014	19	2011-12	Not placed in legislature
11	District Legal Service Authority, North Goa	As per Act	2014-15	July 2015 to April 2016	10	2014-15	Not placed in legislature
12	Goa State Compensatory Afforestation Fund Management and Planning Authority	01.04.2012 to 31.03.2017	2015-16	July 2016 to October 2016	4	2015-16	Not applicable
13	Goa Sarva Shiksha Abhiyan Society	01.04.2015 to 31.03.2020	2015-16	July 2016 to February 2017	8	2015-16	Not applicable

APPENDIX –3.4
(Referred to in paragraph 3.5)

**Department-wise/duration-wise break-up of the cases of misappropriation, defalcation, etc.
(Cases where final action was pending at the end of June 2017)**

Sl. No.	Name of the Department	Up to 5 years	5 to 10 years	10 years and above	Total No. of cases
1	Director of Panchayats, Panaji	3(-*)	4(1.70)	2(3.44)	9(5.14)
2	Director General of Police	-	2(0.14)	-	2(0.14)
3	Director of Civil Supplies and Consumer Affairs	-	1(3.02)	2(2.90)	3(5.92)
4	Chief Electrical Engineer, Panaji	1(28.00)	3(9.66)	2(95.47)	6(133.13)
5	Chief Engineer, PWD, Panaji	1(13.44)	-	1(38.60)	2(52.04)
6	Dean, Goa Medical College, Bambolim	2(4.38)	1(3.20)	-	3(7.58)
7	Director of Education, Panaji	-	1(7.00)	-	1(7.00)
8	Directorate of Skill Development and Entrepreneurship	-	1(0.50)	-	1(0.50)
9	Director of Sports and Youth Affairs, Panaji	1(1.56)	-	-	1(1.56)
	Total	8(47.38)	13(25.22)	7(140.41)	28(213.01)

(Figures in brackets indicate ₹ in lakh)

*Amount not assessed

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