

Preface

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution.
2. Chapters I and II of this Report respectively contain audit observations on matters arising from examination of the Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2009.
3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

Executive Summary

Background

In response to the Twelfth Finance Commission's recommendations, the Goa Government enacted its Fiscal Responsibility and Budget Management Act, (FRBM), entitled the Goa Fiscal Responsibility and Budget Management Act, 2006, with a view to ensuring prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, sustainable debt management consistent with fiscal stability, greater transparency in fiscal operations of the Government and conduct of fiscal policy in a medium-term fiscal framework. The State Government's commitment to carry forward these reforms is largely reflected in the policy initiatives announced in its subsequent budgets. The benefits of FRBM legislation have been realized to a great extent already, in terms of reduction in major deficit indicators.

The Comptroller and Auditor General of India's Audit Reports have been commenting upon the Government's finances for over two years since the FRBM legislation. Since these comments formed part of the Audit Report, it was felt that the audit findings on State finances remained camouflaged because the majority of audit findings were on compliance and performance aspects. The obvious fallout of this all-inclusive reporting was that the audit findings on financial management did not receive proper attention. In recognition of the need to bring State finances to centre-stage, a Stand-alone report on State Government finances was considered an appropriate audit response to this challenge. Accordingly, from the report year 2009 onwards, the Comptroller and Auditor General has decided to bring out a separate volume titled 'Report on State Finances'.

The report

Based on the audited accounts of the Government of Goa for the year ending March 2009, this report provides an analytical review of the Annual Accounts of the State Government. The report is structured in three Chapters.

Chapter I is based on the audit of Finance Accounts and makes an assessment of the Goa Government's fiscal position as at 31 March 2009. It provides an insight into trends in committed expenditure and borrowing pattern, besides giving a brief account of Central funds transferred directly to State implementing agencies through the off-budget route.

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

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

Audit findings and recommendations

Fiscal discipline: The target to reduce the revenue deficit to zero by 2008-09 was achieved by the Government in 2006-07. However, during the year, the revenue surplus declined by Rs 63 crore. The Government has to make concerted efforts to contain the fiscal deficit.

Need to compress Non-Plan expenditure: The revenue expenditure was 78.72 *per cent* of the total expenditure, of which 64.49 *per cent* was under Non-Plan. Salary expenditure, pension liabilities, interest payments and subsidies constituted 44.83 *per cent* of Non-Plan revenue expenditure during 2008-09.

Review of Government investments: The average return on the Government's investments in statutory corporations, Government companies, co-operative banks and societies varied between 0.1 and 0.3 *per cent* in the past three years, while the Government paid interest on borrowings in the range of 7.5 to 8.0 *per cent*. This is obviously an unsustainable proposition. The State Government should, therefore, hasten to seek better value for money in its investments. Otherwise, high-cost borrowed funds invested in projects with low financial returns will continue to strain the economy.

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

Financial management and budgetary control: During 2008-09, there were overall savings of Rs 717.02 crore, which were a result of the total savings of Rs 717.05 crore, being offset by the excess of Rupees three lakh. This excess requires regularization under Article 205 of the Constitution of India. Cases were noticed where the amounts surrendered were in excess of the actual savings, indicating lack of or inadequate budgetary control. As against savings of Rs 104.59 crore, the amount surrendered was Rs 108.22 crore, resulting in excess surrender of Rs 3.63 crore. There were seven grants/appropriations in which savings of Rs 7.24 crore occurred but no part of the amount had been surrendered by the concerned departments. Similarly, out of total savings of Rs 304.10 crore under 24 other grants/appropriations,

Rs 176.20 crore was not surrendered. In respect of 15 major heads out of an expenditure of Rs 638.57 crore, Rs 420.23 crore was incurred during the last quarter of the year. Budgetary controls should be strengthened to avoid such deficiencies in financial management. Last minute fund releases and issuance of re-appropriation/surrender orders should be avoided.

Financial reporting: The State Government's compliance with various rules, procedures and directives was unsatisfactory, which was evident from the delays in furnishing utilization certificates against the loans and grants received from various grantee institutions. As on 30 June 2009, 282 annual accounts of 113 institutions had not been received. The Government reported 18 cases of misappropriations, involving Government funds amounting to Rs 1.53 crore upto March 2009, on which final action was pending. Final action in respect of all misappropriation cases should be expedited to bring the defaulters to book. Internal controls in all the organisations should be strengthened to prevent such cases in future.

CHAPTER - I

FINANCES OF THE STATE GOVERNMENT

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

1.1 Summary of Current Year's Fiscal Transactions

Table 1.1 presents the summary of the State Government's fiscal transactions during the current year (2008-09) vis-à-vis the previous year, while **Appendix 1.4** provides details of receipts and disbursements as well as the overall fiscal position during the current year.

Table 1.1 Summary of Current Year's Fiscal Operations

(Rupees in crore)

2007-08	Receipts	2008-09	2007-08	Disbursements	2008-09		
Section-A: Revenue							
					Non-Plan	Plan	Total
2943.90	Revenue receipts	3528.27	2777.76	Revenue expenditure	2806.63	618.85	3425.48
1358.91	Tax revenue	1693.55	837.18	General Services	1052.65	9.22	1061.87
1042.82	Non-tax revenue	1236.16	637.80	Social Services	466.72	334.85	801.57
393.72	Share of Union Taxes/Duties	415.44	970.11	Economic Services	957.00	162.88	1119.88
148.45	Grants from Government of India	183.12	332.67	Grant-in-aid and Contributions	330.26	111.90	442.16
Section-B: Capital and others							
--	Misc Capital Receipts	--	688.52	Capital Outlay	(-)0.95	898.02	897.07
6.18	Recoveries of Loans and Advances	9.77	24.59	Loans and Advances Disbursed	22.47	6.20	28.67
504.78	Public Debt Receipts*	662.83	68.30	Repayment of Public Debt*	--	--	166.29
170.00	Contingency Fund	--	170.00	Contingency Fund	--	--	0.06
4038.07	Public Account Receipts	5025.45	3704.41	Public Account Disbursements	--	--	4642.30
495.78	Opening Cash Balance	725.13	725.13	Closing Cash Balance	--	--	791.58
8158.71	Total	9951.45	8158.71	Total			9951.45

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

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

The following are the significant changes during 2008-09 over the previous year:

- ✚ Revenue receipts grew by Rs 584 crore (20 per cent) over the previous year. The increase was mainly contributed by tax revenue (Rs 335 crore), non-tax revenue (Rs 193 crore), State's share of Union taxes and duties (Rs 22 crore) and grants from Government of India (Rs 34 crore).
- ✚ Revenue expenditure increased by Rs 648 crore over the previous year. The increase was mainly under General Education (Rs 148 crore), Health and Family Welfare (Rs 73 crore), Power and Energy (Rs 109 crore), Pension and Retirement Benefits (Rs 75 crore).
- ✚ Receipts under Public Debt increased by Rs 158 crore and repayment of Public Debt increased by Rs 98 crore over the previous year. Thus, the net increase in receipts during the year was Rs 60 crore.
- ✚ Public Account receipts and disbursements increased by Rs 987 crore and Rs 938 crore respectively over the previous year. Thus, the net increase during the year was Rs 49 crore.
- ✚ The cash balance at the end of the year increased by Rs 66 crore.

As per the normative projections made by the Twelfth Finance Commission (TFC), the State's own tax revenue and own non-tax revenue would be Rs 1,693.24 crore and Rs 418.93 crore respectively in 2008-09 against which the Government collected tax revenue of Rs 1,693.55 crore and non-tax revenue of Rs 1,236.16 crore. Similarly, against a Non-Plan revenue expenditure projection of Rs 1,609.65 crore, the actual Non-Plan revenue expenditure incurred was Rs 2,806.63 crore.

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

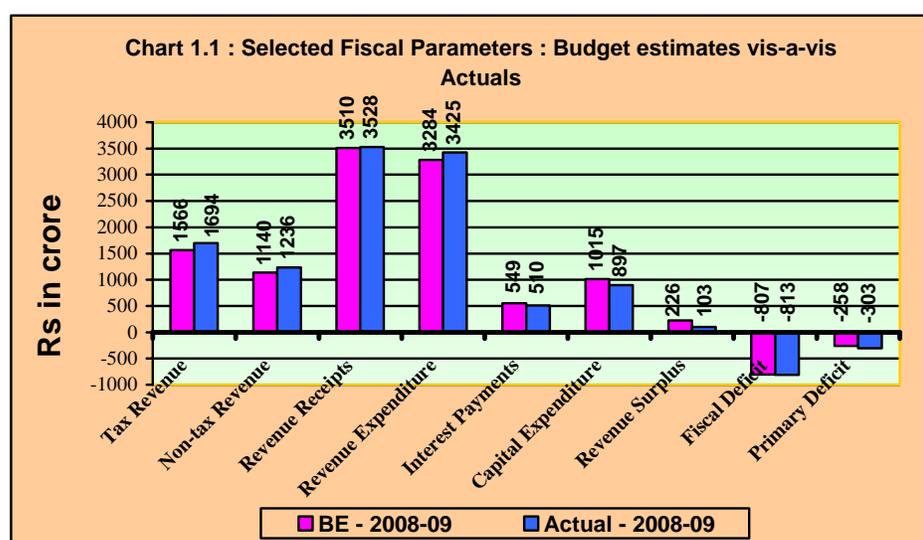


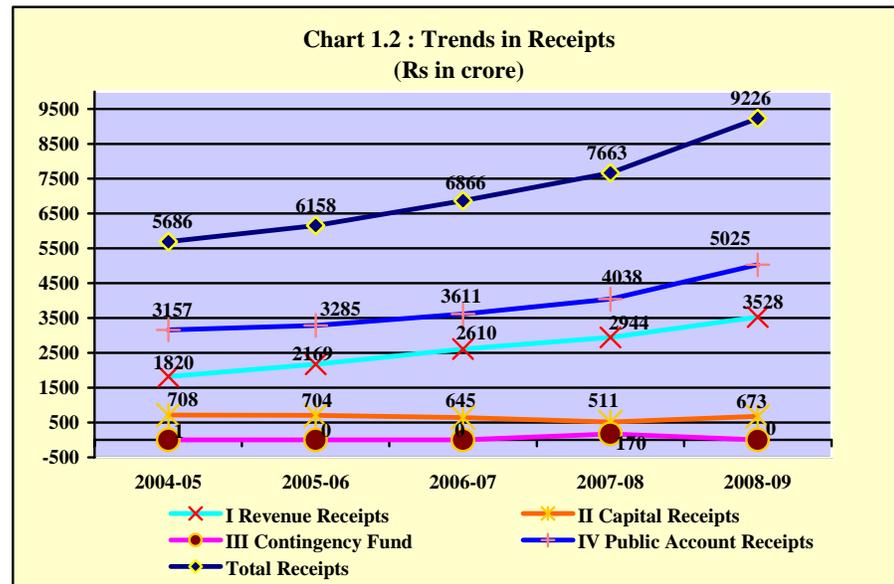
Chart 1.1 shows that compared to the budget estimates, the actual revenue receipts were more by Rs 18 crore while actual revenue expenditure was more by Rs 141 crore. Resultantly, the revenue surplus of Rs 226 crore decreased to Rs 103 crore.

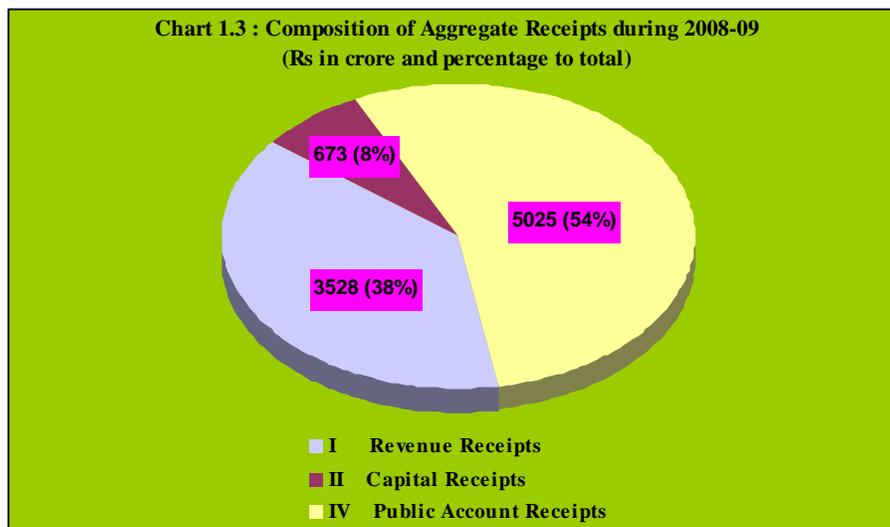
There were considerable variations between budget estimates and actual in the case of several key parameters. Despite the year being one of general slowdown, it was encouraging to note that revenue receipts actually had a marginal positive variation over the budget estimates, mainly due to better than expected performance in value added tax, entry tax and power sectors.

1.2 Resources of the State

1.2.1 Resources of the State as per Annual Finance Accounts

Revenue and capital are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenues, non-tax revenues, State's share of Union taxes and duties and grants-in-aid from the Government of India (GOI). Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GOI as well as accruals from the Public Account. **Table-1.1** presents the receipts and disbursements of the State during the current year as recorded in its Annual Finance Accounts while **Chart 1.2** depicts the trends in various components of the receipts of the State during 2004-09. **Chart 1.3** depicts the composition of resources of the State during the current year.





The revenue receipts increased from Rs 1,820 crore in 2004-05 to Rs 3,528 crore in 2008-09, Public Account receipts increased from Rs 3,157 crore in 2004-05 to Rs 5,025 crore in 2008-09 whereas capital receipts decreased from Rs 708 crore in 2004-05 to Rs 673 crore in 2008-09.

Chart 1.2 shows that the total receipts of the State Government for the year 2008-09 were Rs 9,226 crore. Of these, the revenue receipts were Rs 3,528 crore, constituting 38 *per cent* of the total receipts. The balance came from capital receipts, borrowings and Public Account receipts.

Capital receipts (including Public Account receipts) constituted 62 *per cent* of the total receipts. The total receipts of the State increased by 62 *per cent* from Rs 5,686 crore in 2004-05 to Rs 9,226 crore in 2008-09.

1.2.2 Funds transferred to State Implementing Agencies outside the State Budget

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

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

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

Sr. No.	Programme/Scheme	Implementing agency in the State	Amount
1	Sarva Shiksha Abhiyan	Goa Sarva Shiksha Abhiyan Society	8.04
2	Member of Parliament Local Area Development Scheme (MPLAD)	District Collector	6.00
3	ASIDE Assistance to States for developing export infrastructure	Goa Industrial Development Corporation	5.70
4	National Rural Health Mission (NRHM)	State Health Welfare Society	3.71
5	National Aids Control	State Health Welfare Society	2.24
6	National Horticulture Mission	Goa State Horticultural Corporation Ltd.	1.02
7	DRDA Administration Strengthening of District Planning	DRDA	1.53
8	National Rural Employment Guarantee Scheme (NREGS)	DRDA	6.18
9	Indira Awas Yojana (IAY)	DRDA	2.89
10	Swarnajayanti Gram Swarojgar Yojana (SGSY)	DRDA	1.19
11	Other programmes/schemes	NGOs and other institutions	3.41
Total			41.91

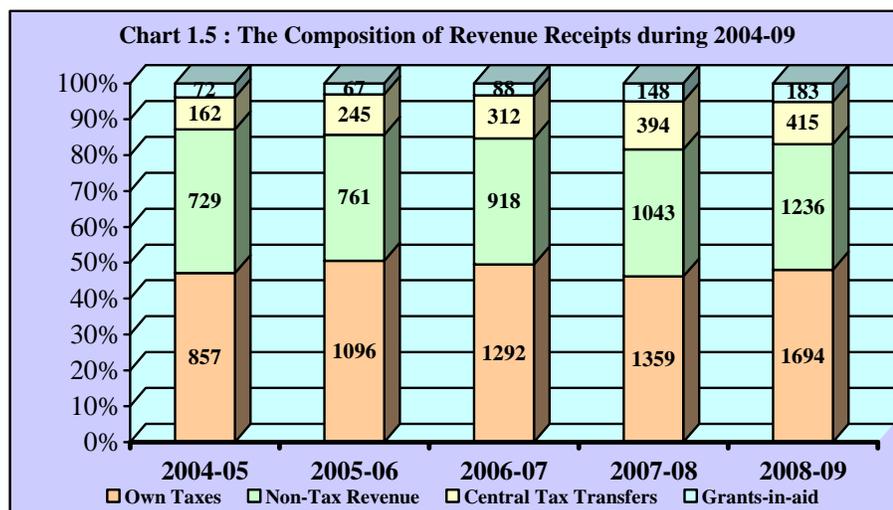
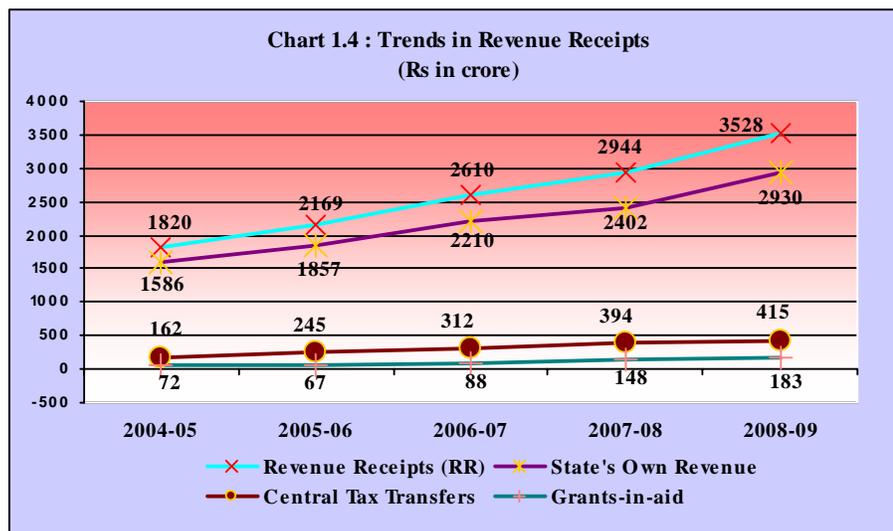
(Source: e-lekha portal of the Controller General of Accounts, Ministry of Finance, Government of India)

GOI directly transferred to State implementing agencies Rs 41.91 crore during 2008-09. Out of this, the transfer of Rs 11.79 crore (28 per cent) was to DRDAs alone. However, a confirmation in respect of the funds transferred by GOI directly to State implementing agencies is still awaited.

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

1.3 Revenue Receipts

Statement-11 of the Finance Accounts details the revenue receipts of the Government. The revenue receipts consist of the State's own tax and non-tax revenues, Central tax transfers and grants-in-aid from GOI. The trends and composition of revenue receipts over the period 2004-09 are presented in **Appendix 1.4** and also depicted in **Charts 1.4** and **1.5** respectively.



The Revenue receipts showed a progressive increase over the period 2004-09 with only marginal changes in the share of own taxes, non-tax revenue and Central transfers.

The increase of 20 per cent in revenue receipts during 2008-09 was on account of increase in the State's own taxes (25 per cent), non-tax revenue (19 per cent), Central tax transfers (six per cent) and grants from GOI (23 per cent).

The grants-in-aid from GOI increased by Rs 35 crore, from Rs 148 crore in 2007-08 to Rs 183 crore in 2008-09. The increase was mainly under grants for State Plan schemes (Rs 37 crore). However, under Non-Plan grants, there was a decrease by Rs four crore from Rs 22 crore in 2007-08 to Rs 18 crore in 2008-09.

Table-1.3: Trends in Revenue Receipts relative to GSDP

	2004-05	2005-06	2006-07	2007-08	2008-09
Revenue Receipts (RR) (Rupees in crore)	1820	2169	2610	2944	3528
State's own Taxes (Rupees in crore)	857	1096	1292	1359	1694
Rates of growth					
Revenue Receipts (per cent)	12.14	19.18	20.33	12.80	19.85
State's own Taxes (per cent)	20.70	27.89	17.88	5.18	24.65
RR/GSDP (per cent)	15.85	16.24	17.37	17.42	18.55
Buoyancy Ratios					
Revenue Receipts with GSDP	0.52	1.18	1.63	1.02	1.59
State's own taxes with GSDP (ratio)	0.88	1.71	1.43	0.41	1.97
Revenue buoyancy with reference to State's own taxes	0.59	0.69	1.14	2.47	0.81

(Source: Finance Accounts for the years 2004-05 to 2008-09)

In 2004-05, the growth of GSDP was 23.45 per cent whereas revenue receipts increased by 12.14 per cent. In remaining years, the growth of revenue receipts was more than the growth of GSDP. Further in 2007-08, the ratio of the State's own taxes to its GSDP declined considerably due to decline in tax revenue of Rs 25 crore under 'Taxes on Goods and Passengers' from Rs 138 crore in 2006-07 to Rs 113 crore in 2007-08. In the current year, there was considerable growth (39.68 per cent) in this category of taxes over the previous year.

1.3.1 State's Own Resources

The gross collection in respect of major taxes and duties during the years from 2004-05 to 2008-09 are presented in **Appendix 1.3**.

Tax revenue increased by 25 per cent during the current year (Rs 1,694 crore) over the previous year (Rs 1,359 crore). Revenue from 'Taxes on sales' not only contributed the major share of tax revenue (67 per cent) but also increased by 29 per cent over the previous year. Stamps and registration fees and taxes on goods and passengers remained other major contributors to the State's tax revenue. However, there was a marginal decline in revenue from stamps and registration fees over the previous year due to less receipt of documents for registration.

Non-tax revenue increased by 18 per cent during the current year (Rs 1,236 crore) over the previous year (Rs 1,043 crore), 80 per cent of which is from Electricity charges/fees (Rs 987 crore).

The actual receipts under State's tax and non-tax revenue vis-à-vis the assessment made by TFC are given below:

	(Rupees in crore)	
	Assessments made by TFC	Actual
States's own Tax Revenue	1693	1694
State's own Non-Tax Revenue	419	1236

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The State could achieve the targets assessed by the TFC in respect of tax and non-tax revenue.

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

Eighteen cases of evasion of taxes/duties pending as on 31 March 2009 were reported by the Commissioner of State Excise. Steps need to be taken to dispose of these cases.

During the year 2008-09, losses amounting to Rs 0.34 lakh in 116 cases were written off by the competent authorities as detailed below:

Sr. No.	Name of the Department/Office	No. of cases	Amount (In Rupees)
1	Director, Animal Husbandry & Veterinary Services	19	14430
2	Principal, Goa College of Pharmacy	97	19296
	Total	116	33726

1.3.3 Revenue Arrears

The arrears of revenue as on 31 March 2009, in respect of some principal heads of revenue amounted to Rs 396.18 crore as indicated in **Table-1.4**.

Table 1.4: Revenue arrears

(Rupees in crore)

Head of Revenue	Amount of arrears as on 31 March 2009	Arrears more than three years old	Cases pending in courts		Amount involved in cases pending due to other reasons
			No.	Amount	
Commercial Taxes	174.67	75.17	1247	16.40	158.27
State Excise	0.66	0.11	1	0.06	0.60
Taxes on vehicles	7.59	3.81	--	--	7.59
Chief Engineer – Water Resources Department					
i) Water Tax	1.02	0.74	147	0.03	0.99
ii) Water Charges	38.55	11.50	--	--	38.55
iii) Rent on shops	2.08	0.90	3	0.01	2.07
iv) Hire charges of machinery	0.35	0.35	--	--	0.35
Chief Engineer - PWD					
i) Rent of Building / Shops	0.34	0.19	--	--	0.34
ii) Water charges, meter rent and sewerage charges	15.68	6.37	1916	4.73	10.95
Chief Electrical Engineer Energy charges	149.27	Not available	5114	40.92	108.35
Agriculture	3.15	2.99	4	0.00*	3.15
River Navigation	0.56	0.50	5	0.07	0.49
Printing & Stationery	1.74	--	--	--	1.74
Tourism	0.52	0.04	10	0.30	0.22
Total	396.18	102.67	8447	62.52	333.66

(Source : Information furnished by concerned departments)

* Amount involved is only Rs 9,160

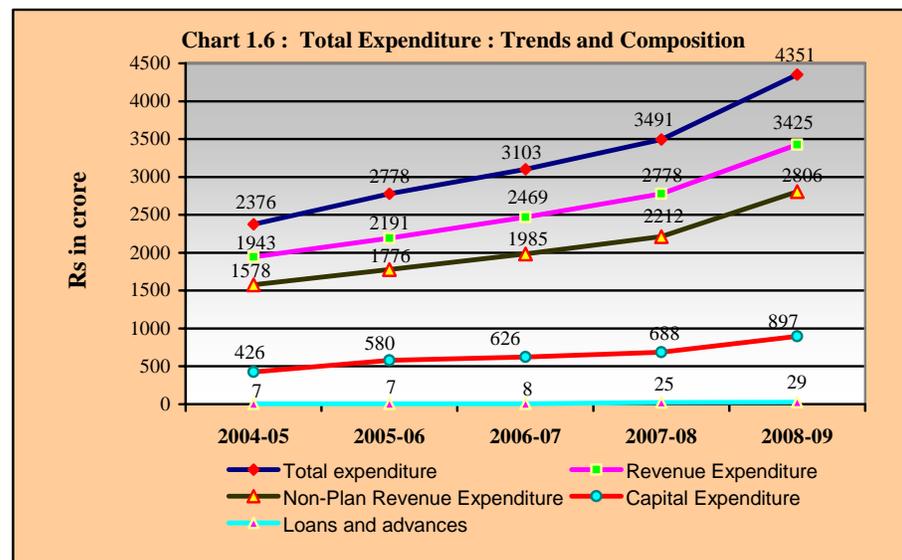
The arrears of revenue increased by 23 per cent during the last five years from Rs 322 crore in 2004-05 to Rs 396.18 crore at the end of 2008-09, which accounted for 13.5 per cent of the State's own resources during the year. The outstanding arrears, however, declined by Rs 64 crore in 2008-09 from the level of Rs 460 crore of the previous year. Of the total outstanding arrears in 2008-09, Rs 102.67 crore was outstanding for more than three years and only Rs 62.52 crore was pending in the Revenue Recovery courts. In view of the large arrears, being 13.5 per cent of the State's own resources, efforts need to be stepped up to recover the revenue arrears.

1.4 Application of Resources

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

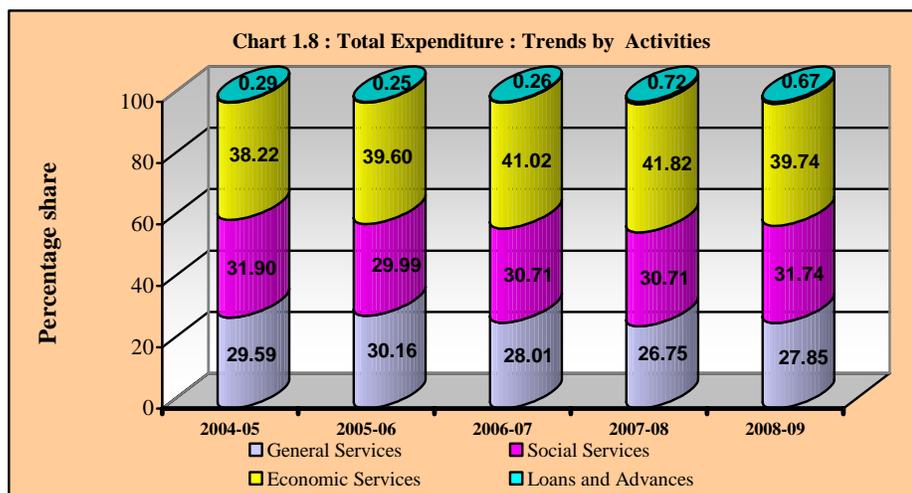
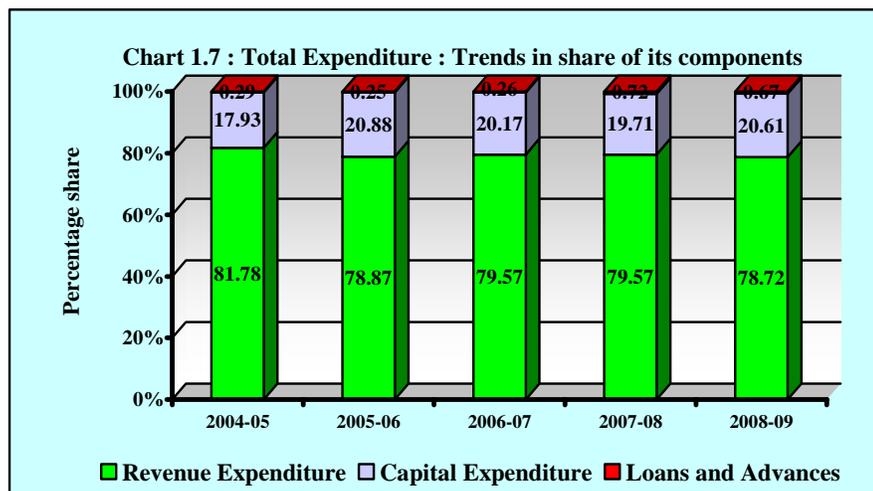
1.4.1 Growth and Composition of Expenditure

Chart 1.6 presents the trends in total expenditure over a period of five years (2004-09) and its composition both in terms of 'economic classification' and 'expenditure by activities' is depicted in Charts 1.7 and 1.8 respectively.



The total expenditure of the State increased by 83 per cent from Rs 2,376 crore in 2004-05 to Rs 4,351 crore in 2008-09. The total expenditure during the current year increased by Rs 860 crore over the previous year. Of the total expenditure, revenue expenditure shared Rs 3,425 crore, capital expenditure Rs 897 crore, loans and advances Rs 29 crore. The revenue and capital expenditure increased by 23 per cent and 30 per cent respectively over the previous year. Similarly, the Non-Plan revenue expenditure increased by

27 per cent during the year and exceeded the assessment made by the TFC by Rs 1,196 crore.



(GIA is included in Social and Economic Services)

The trend of relative shares of these components of total expenditure indicated that while the share of General Services and Social Services in the total expenditure declined from 29.59 and 31.90 per cent in 2004-05 to 27.85 and 31.74 per cent in 2008-09 respectively with slight inter-year variations, the expenditure on Economic Services ranged between 38.22 per cent and 41.82 per cent during these years.

Developmental expenditure, i.e. expenditure on Social and Economic Services together accounted for 71.5 per cent in 2008-09 as against 72.5 per cent in 2007-08.

The revenue expenditure increased by 76 per cent from Rs 1,943 crore in 2004-05 to Rs 3,425 crore in 2008-09. The Non-Plan revenue expenditure showed consistent increase and continued to share a dominant proportion, varying in the narrow range of 80 to 82 per cent of the revenue expenditure

during the period 2004-09. The Plan revenue expenditure showed a progressive increase over the period 2004-09.

The assessed Non-Plan revenue expenditure (NPRE) as per TFC projections from 2005-06 to 2008-09 was Rs 1,217 crore, Rs 1,321 crore, Rs 1,483 crore and Rs 1,610 crore respectively. However, the actual NPRE at Rs 1,776 crore, Rs 1,985 crore, Rs 2,212 crore and Rs 2,806 crore respectively during the period 2005-09, far exceeded the TFC's normative projections.

1.4.2 Committed Expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies. **Table 1.5** present the trends in the expenditure on these components during 2004-09 and **Chart 1.9** present the trends during 2006-09.

Table 1.5: Components of Committed Expenditure

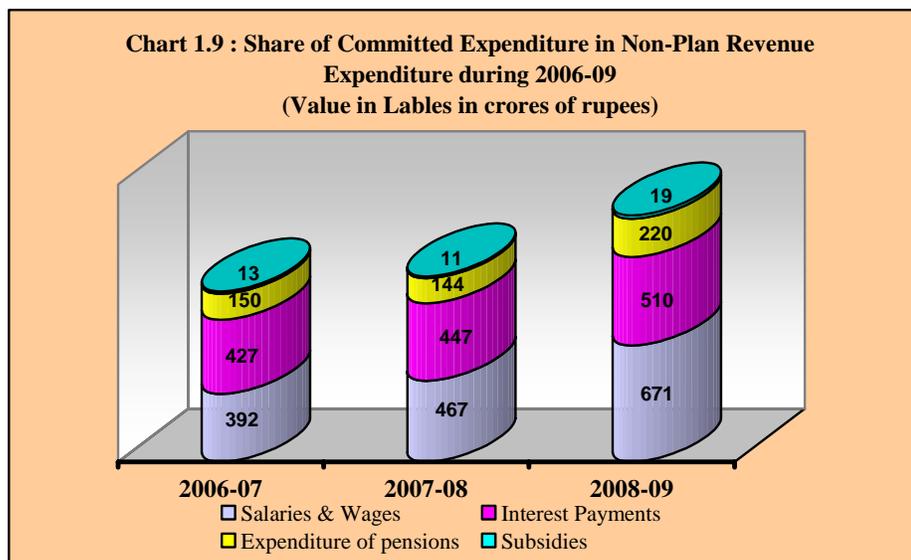
(Rupees in crore)

Components of Committed Expenditure	2004-05	2005-06	2006-07	2007-08	2008-09	
					BE	Actuals
Salaries & Wages, <i>of which</i>	422.05 (23.19)	440.22 (20.30)	471.50 (18.07)	578.53 (19.65)	631.86	802.27 (22.74)
<i>Non-Plan Head</i>	352.79	367.76	391.87	467.39	509.30	670.83
<i>Plan Head</i>	69.26	72.46	79.63	111.14	122.56	131.44
Interest Payments	323.00 (17.75)	400.00 (18.44)	427.00 (16.36)	447.00 (15.18)	549.00	510.00 (14.46)
Expenditure on Pension [@]	140.34 (7.71)	158.86 (7.32)	150.28 (5.76)	144.36 (4.90)	268.75	219.71 (6.23)
Subsidies	30.44 (1.67)	43.70 (2.01)	39.72 (1.52)	36.28 (1.23)	58.15	55.17 (1.56)
Other components	1027.17 (56.44)	1148.22 (52.94)	1380.50 (52.89)	1571.83 (53.39)	1776.24	1837.85 (52.09)
Total Revenue Expenditure	1943.00	2191.00	2469.00	2778.00	3284.00	3425.00
Revenue Receipts	1820.00	2169.00	2610.00	2944.00	--	3528.00

Figures in parentheses indicate percentage to Revenue Receipts.

[@] Includes expenditure on pension under Social Security Schemes.

(Source: Finance Accounts for the years 2004-05 to 2008-09 and Budget Estimates for 2008-09)



Expenditure on salaries under Non-Plan and Plan during the current year was Rs 671 crore and Rs 131 crore respectively. The increase in salaries by Rs 224 crore over the previous year was mainly due to implementation of the Sixth Pay Commission's recommendations. However, salary expenditure at 30 per cent of revenue expenditure net of interest and pension payments during 2008-09 was well within the norm of 35 per cent, recommended by the TFC.

Pension payments during current year increased by Rs 75 crore, recording a growth rate of 52 per cent over the previous year. The increase in expenditure was mainly due to implementation of the Sixth Pay Commission's recommendations. The normative assessment made by the TFC was Rs 181 crore whereas the actual expenditure stood at Rs 220 crore. The State adopted the new Defined Pension Contribution Scheme with effect from August 2005. The major source of borrowing was market loans. Rupees 395 crore was incurred on payment of interest on internal debt, Rs 60 crore on small savings and provident fund, Rs 35 crore on loans and advances from GOI and Rs 20 crore on other obligations.

In absolute terms, the subsidy increased from Rs 36 crore in 2007-08 to Rs 55 crore in 2008-09. However, as a percentage of the total revenue expenditure, subsidies remained around 1.5 to two per cent during the period 2004-05 to 2008-09. The areas which received the major chunk of subsidies in 2008-09 were Crop Husbandry (Rs 9.52 crore), Fisheries (Rs 11.31 crore), Food, Storage and Warehousing (Rs 8.36 crore) and Transport (Rs 9.45 crore).

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

The quantum of assistance provided by way of grants and loans to local bodies and others during the current year relative to the previous years is presented in **Table 1.6**.

Table 1.6: Financial Assistance

(Rupees in crore)

Financial Assistance to Institutions	2004-05	2005-06	2006-07	2007-08	2008-09
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	153.60	196.47	206.82	232.32	318.17
Municipal Corporations and Municipalities	16.96	35.96	40.39	43.77	50.38
Zilla Parishads and Other Panchayati Raj Institutions	32.75	39.70	41.98	35.68	51.17
Other Institutions	15.02	23.99	24.81	32.16	28.64
Total	218.53	296.12	314.00	343.93	448.36
Assistance as percentage of revenue expenditure	11.25	13.52	12.72	12.38	13.09

(Source : Directorate of Accounts)

Financial assistance to educational institutions mainly consists of salary and maintenance grants to aided schools, colleges and Goa University, financial assistance for sports and youth affairs etc. This increased by Rs 86 crore mainly due to implementation of the Sixth Pay Commission's recommendations.

1.5 Quality of Expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects, viz., adequacy of the expenditure (i.e. adequate provisions for providing public services); efficiency of expenditure use and its effectiveness (assessment of outlay-outcome relationships for select services).

1.5.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to the social sector and the economic infrastructure 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 level of spending on any sector by a particular State may be either due to low fiscal priority attached by the State Government or on account of the low fiscal capacity of the State Government or due to both working together. Low fiscal priority (ratio of expenditure category to aggregate expenditure) is attached to a particular sector if it is below the respective national averages while low fiscal capacity is reflected if the State's per capita expenditure under each category is below the national averages even after having fiscal priorities that are more than or equal to the national averages. **Table 1.7** analyses the fiscal priorities and fiscal capacities of the State Government with regard to

development expenditure, social sector expenditure and capital expenditure during the current year.

Table 1.7: Fiscal Priority and Fiscal Capacity of the State in 2005-06 and 2008-09

Fiscal Priority	AE/GSDP	DE/AE	SSE/AE	CE/AE
All States Average* (Ratio) 2005-06	19.50	61.44	30.41	14.13
Goa's Average (Ratio) 2005-06	24.71	69.83	29.99	20.88
All States Average* (Ratio) 2008-09	19.16	67.68	33.90	16.87
Goa's Average (Ratio)* 2008-09	22.88	71.62	31.73	20.62
Fiscal Capacity	DE#	SSE	CE	
All States' Average Per Capita Expenditure 2005-06	3010	1490	692	
Goa's Per Capita Expenditure (Amount in Rs) in 2005-06	12933	5553	3867	
All States' Average Per Capita Expenditure 2008-09	5030	2520	1254	
Goa's Per Capita Expenditure (Amount in Rs) in 2008-09	19475	8630	5606	
* As per cent of GSDP				
** Calculated as per the methodology explained in the Appendix 1.2				
AE: Aggregate Expenditure which includes DE- Development Expenditure, SSE:- Social Sector Expenditure and CE - Capital Expenditure.				
Population of Goa : 0.15 crore in 2005-06 and 0.16 crore in 2008-09.				
# Development expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed.				
Source : (1) For GSDP, the information was collected from the State's Directorate of Economics and Statistics (2) Population figures were taken from Projection 2001-2026 of the Registrar General & Census Commissioner India.				
(Website: http://www.censusindia.gov.in) Population = Average of Projected population for 2005 and 2006.				
Data for Arunachal Pradesh has not been included in All States average.				

In **Table 1.7**, we are comparing the fiscal priority given to different categories of expenditure and the fiscal capacity of Goa in 2005-06 (the first year of the Award Period of the TFC) and the current year 2008-09. In 2005-06, the Goa Government gave adequate fiscal priority to Aggregate Expenditure (AE), Developmental Expenditure (DE) and Capital Expenditure (CE) since AE/GSDP, DE/AE and CE/AE in the case of Goa was higher than the national average. The priority given to SSE in Goa was, however, not adequate as the SSE/AE ratio for Goa (29.99 per cent) was marginally lower than the All States Average of 30.41 per cent. In 2008-09, it was observed that the SSE/AE ratio for Goa was not only less than the national average but the deviation from the national average has increased compared to 2005-06.

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

1.5.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the

State Governments to take appropriate expenditure rationalization measures and lay emphasis on provision of core public and merit goods². Apart from improving the allocation towards development expenditure³, particularly in view of the fiscal space being created on account of the decline in debt servicing in recent years, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and the proportion of revenue expenditure being incurred on operation and maintenance of the existing social and economic services. The higher the ratio of these components to the total expenditure (and/or GSDP), the better would be the quality of expenditure. While **Table 1.8** presents the trends in development expenditure relative to the aggregate expenditure of the State during the current year vis-à-vis budgeted and the previous years, **Table 1.9** provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of the selected social and economic services.

Table 1.8: Development Expenditure

(Rupees in crore)

Components of Development Expenditure	2004-05	2005-06	2006-07	2007-08	2008-09	
					BE	Actuals
Development Expenditure (a to c)	1671 (70.3)	1936 (69.7)	2231 (71.9)	2544 (72.9)	3055	3116 (71.6)
a. Development Revenue Expenditure	1310 (55.1)	1448 (52.1)	1683 (54.2)	1941 (55.6)	2183	2364 (54.3)
b. Development Capital Expenditure	356 (15.0)	485 (17.5)	543 (17.5)	592 (17.0)	870	746 (17.1)
c. Development Loans and Advances	5 (0.2)	3 (0.1)	5 (0.2)	11 (0.3)	2	6 (0.2)
<i>Figures in parentheses indicate percentage of aggregate expenditure</i>						

(Source : Finance Accounts for the years 2004-05 to 2008-09 and Budget Estimates for 2008-09)

Non-development expenditure on General Services and Loans and Advances accounted for 28.4 per cent in 2008-09, as against 27.1 per cent in 2007-08. Development expenditure exceeded the assessment made by the State

² Core public goods are goods which all citizens enjoy in common in the sense that each individual's consumption of such a good leads to no subtractions from any other individual's consumption of that good, e.g. enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods, road infrastructure etc. Merit goods are commodities that the public sector provides free or at subsidized rates because an individual or society should have them on the basis of some concept of need, rather than the ability and willingness to pay the Government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidized food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.

³ The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorized into Social Services, Economic Services and General Services. Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.

Government in its budget estimates by Rs 61 crore. The development revenue and capital expenditure increased by 22 per cent (Rs 423 crore) and 26 per cent (Rs 154 crore) respectively over the previous year.

The increase in development revenue expenditure was mainly under General Education (Rs 148 crore), Health and Family Welfare (Rs 73 crore), Water Supply, Sanitation, Housing and Urban Development (Rs 59 crore) and Power and Energy (Rs 109 crore).

Table 1.9: Efficiency of Expenditure Use under Selected Social and Economic Services

(Percentage)

Social/Economic Infrastructure	2007-08		2008-09	
	Ratio of CE to TE	In RE, the share of S & W	Ratio of CE to TE	In RE, the share of S & W
Social Services (SS)				
General Education	8.90	30.67	8.80	26.21
Health and Family Welfare	8.62	68.95	8.54	69.27
WS, Sanitation, H&UD	34.09	8.98	33.28	9.35
Total (SS)	13.23	28.58	13.63	29.64
Economic Services (ES)				
Agri & Allied Activities	18.21	44.36	8.74	46.70
Irrigation and Flood Control	82.11	39.39	81.68	48.24
Power & Energy	15.51	9.56	18.39	11.16
Transport	52.22	17.14	55.60	23.90
Total (ES)	30.81	14.90	32.28	18.20
Total (SS+ES)	23.37	21.46	24.00	23.97
TE: Total expenditure in the concerned sub sector; CE: Capital Expenditure; RE: Revenue Expenditure; S & W: Salaries and Wages.				

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

It can be seen that during the current year, the ratio of capital expenditure to total expenditure declined in the entire Social Services Sector and Agriculture and Allied Activities and Irrigation and Flood Control in the Economic Services Sector, whereas it slightly increased in respect of Power and Energy and Transport. The overall ratio of capital expenditure to total expenditure of these services increased only by 0.63 per cent over the previous year.

The ratio of salary and wages to revenue expenditure under Social and Economic Services during the current year was 23.97 per cent, an increase of 2.51 percentage points over the previous year. The increase in salaries and wages over the previous year was mainly due to implementation of the award of the Sixth Pay Commission.

1.6 Financial Analysis of Government Expenditure and Investments

In the post-FRBM framework, the State is expected to keep its fiscal deficit (and borrowings) not only at low levels but also meet its capital expenditure/investment (including loans and advances) requirements. In addition, in a transition to complete dependence on market-based resources, the State Government needs to initiate measures to earn adequate returns on

its investments, recover its cost of borrowed funds rather than bearing the same on its budget in the form of implicit subsidies and take requisite steps to infuse transparency in financial operations. This section presents the broad financial analysis of investments and other capital expenditure undertaken by the Government during the current year vis-à-vis the previous years.

1.6.1 Financial Results of Irrigation Works

Irrigation works have not been declared as commercial undertakings in the State of Goa. Hence, the financial results in respect of irrigation works have not been worked out. However, the Government incurred expenditure of Rs 17.20 crore on maintenance of the irrigation projects in the State during the year, which was Rs 0.80 crore more than the maintenance expenditure during the previous year (Rs 16.40 crore).

1.6.2 Incomplete projects

The department-wise information pertaining to incomplete projects as on 31 March 2009, is given in **Table 1.10**.

Table 1.10: Department-wise Profile of Incomplete Projects

(Rupees in crore)

Department	Number of Incomplete Projects	Initial Budgeted Cost	Revised Total Cost of Projects	Cost Over Run	Cumulative Actual Expenditure as on 31.3.2009
Fisheries Department	1	2.05	--	--	0.75
Public Works Department	3	6.31	9.14	2.83	6.76
Water Resources Department (i) Tillari Irrigation Project	1	161.18	965.00 ⁴	803.82	712.94
Total	5	169.54	974.14	806.65	720.45

(Source: Information furnished by concerned departments)

As per information received from the departments as of 31 March 2009, there were five incomplete projects costing more than Rupees one crore each, in which Rs 720.45 crore was blocked. Tillari Irrigation project, a joint venture of Government of Maharashtra and Government of Goa, which commenced in 1986 was incomplete mainly due to insufficient budgetary support and was expected to be completed in 2010-11.

1.6.3 Investment and Returns

As of 31 March 2009, Government had invested Rs 329.66 crore in statutory corporations, rural banks, joint stock companies and co-operatives (**Table 1.11**). The average return on these investments was 0.18 per cent in

⁴ Indicates the share of the Government of Goa in the revised total cost of the project (Rs1,390.04 crore) as revised as per 2007 price level.

the last three years while the Government paid an average interest rate of 7.69 *per cent* on its borrowings during 2007-09.

Table 1.11: Return on Investment

	2004-05	2005-06	2006-07	2007-08	2008-09
Investment at the end of the year (Rupees in crore)	220.93	235.84	266.06	299.17	329.66
Return (Rupees in crore)	0.27	0.18	0.40	0.33	0.89
Return (<i>per cent</i>)	0.12	0.07	0.15	0.11	0.27
Average rate of interest on Govt. borrowings (<i>per cent</i>)	7.89	8.54	7.97	7.46	7.64
Difference between interest rate and return (<i>per cent</i>)	7.77	8.47	7.82	7.35	7.37

(Source: Finance Accounts of the State)

The investments of the State Government included Rs 259.52 crore in 18 Government companies of which only two companies declared dividend aggregating Rs 74.94 lakh. The State Government invested Rs 18.01 crore in two statutory corporations and Rs 3.60 lakh in 78 joint stock companies. However, no dividends were received during 2008-09 on these investments. Further, an investment of Rs 52.09 crore was made in co-operative banks and societies where the dividend received during 2008-09 was Rs 13.67 lakh only.

1.6.4 Departmentally managed quasi-commercial undertakings

There are two departmentally managed quasi-commercial undertakings viz., the Electricity Department and the River Navigation Department in the State. The department-wise position of the investment made by the Government upto the year for which *proforma* accounts have been finalised, net profits/loss as well as return on capital invested in these undertakings are given in **Appendix 1.5**. It was observed that:

- An amount of Rs 629.54 crore had been invested by the State Government in Electricity Department and River Navigation Department at the end of financial year upto which their accounts were finalised.
- The Electricity Department earned a net profit amounting to Rs 94.43 crore against the capital investment of Rs 536.97 crore, thereby yielding the rate of return of 17.59 *per cent*.
- The River Navigation Department was incurring losses for last years and the accumulated deficit was Rs 89.91 crore as against the total investment of Rs 92.57 crore. The Government needs to review its working so as to wipe out its losses in the short run and to make itself sustaining in the medium to long term.

1.6.5 Loans and advances by State Government

In addition to investments in co-operative societies, corporations and companies, the Government has also been providing loans and advances to many institutions and organisations. **Table 1.12** presents the outstanding

loans and advances as on 31 March 2009 and interest receipts vis-à-vis interest payments during the last three years.

Table 1.12: Average Interest Received on Loans Advanced by the State Government

(Rupees in crore)

Quantum of Loans/Interest Receipts/ Cost of Borrowings	2004-05	2005-06	2006-07	2007-08	2008-09
Opening balance	47.78	49.66	50.38	52.74	71.15
Amount advanced during the year	7.46	7.05	8.14	24.59	28.67
Amount repaid during the year	5.58	6.33	5.78	6.18	9.77
Closing balance	49.66	50.38	52.74	71.15	90.05
<i>Of which</i> outstanding balance for which terms and conditions have been settled	--	--	--	--	--
Net addition	(+) 1.88	(+) 0.72	(+) 2.36	(+) 18.41	(+) 18.90
Interest receipts	2.44	2.10	2.03	2.19	2.07
Interest receipts as percentage of average outstanding loans and advances	5.01	4.20	3.94	3.54	2.57
Interest payments as percentage of outstanding fiscal liabilities of the State Government	7.43	7.97	7.50	7.11	7.23
Difference between interest payments and interest receipts (<i>per cent</i>)	(-) 2.88	(-) 4.28	(-) 4.03	(-) 3.57	(-) 4.66

(Source: Finance Accounts of the State)

Out of loans totalling Rs 28.67 crore disbursed during 2008-09, Rs 22.47 crore was given to Government servants. Out of the remaining Rs 6.20 crore, Rs 4.50 crore was disbursed for educational, sports, art and cultural purposes and Rs 1.24 crore to co-operative institutions.

1.6.6 Cash Balances and Investment of Cash Balances

Table 1.13 depicts the cash balances and investments made by the State Government out of the cash balances during the year.

Table 1.13: Cash Balances and Investment of Cash Balances

(Rupees in crore)

Particulars	As on 1 April 2008	As on 31 March 2009	Increase(+)/ Decrease(-)
Cash Balances	725.13	791.58	(+) 66.45
Investments from Cash Balances (a to d)	655.46	536.06	(-) 119.40
a. GOI Treasury Bills	653.85	534.22	(-) 119.63
b. GOI Securities	1.61	1.84	(+) 0.23
c. Other Securities, if any	-	-	-
d. Other Investments	-	-	-
Funds-wise break-up of Investment from earmarked balances (a and b)	167.96	250.84	(+) 82.88
a. Sinking Fund	107.55	162.22	(+) 54.67
b. General and other Reserve Funds	60.41	88.62	(+) 28.21
Interest realized	14.14	17.89	(+) 3.75

(Source: Finance Accounts of the State)

The interest realized against investments on the cash balances increased from Rs 14.14 crore in 2007-08 to Rs 17.89 crore in 2008-09. The State Government's cash balances at the end of the current year amounted to Rs 792 crore. It increased by Rs 66 crore over the previous year. It was observed that Rs 536 crore invested in Government of India Securities. Besides, Rs 251 crore was invested in earmarked funds.

The efficiency of handling of cash balances by the State can be assessed by monitoring the trends of the monthly daily average of cash balances held by the State to meet its normal banking transactions. **Table 1.14** presents the trends of monthly average daily cash balances and the investments in Auction Treasury Bills for the last three years (2006-09).

Table 1.14: Trends in Monthly Average Daily Cash Balances and the Investments in Auction Treasury Bills

(Rupees in crore)

Month	Monthly Average Daily Cash Balances			Investment in 14 days Treasury Bills			Investment in Auction Treasury Bills		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
April	0.19	0.19	0.19	358.55	602.52	814.98	510.62	662.69	1101.88
May	0.19	0.19	0.19	425.99	657.08	763.13	331.74	676.77	730.53
June	0.19	0.19	0.19	543.12	726.35	829.12	494.54	641.40	803.41
July	0.19	0.19	0.19	683.08	726.48	912.46	619.94	724.29	950.28
August	0.19	0.19	0.19	547.53	644.76	626.45	646.78	720.16	750.83
September	0.19	0.19	0.19	485.19	438.77	532.67	472.64	529.72	538.53
October	0.19	0.19	0.19	411.68	297.42	435.53	423.25	352.15	523.01
November	0.19	0.19	0.19	406.03	579.64	741.97	442.77	440.26	559.58
December	0.19	0.19	0.19	600.85	579.15	739.10	564.73	564.76	788.79
January	0.19	0.19	0.19	577.48	633.61	637.89	433.58	601.62	623.68
February	0.19	0.19	0.19	805.26	596.12	981.80	762.11	611.66	842.96
March	0.19	0.19	0.19	983.74	1030.16	948.42	1043.41	700.16	886.41

(Source: Directorate of Accounts)

The State Government maintained a minimum cash balance of Rs 19 lakh as per agreement with the Reserve Bank of India during the last three years as exhibited in **Table 1.14**.

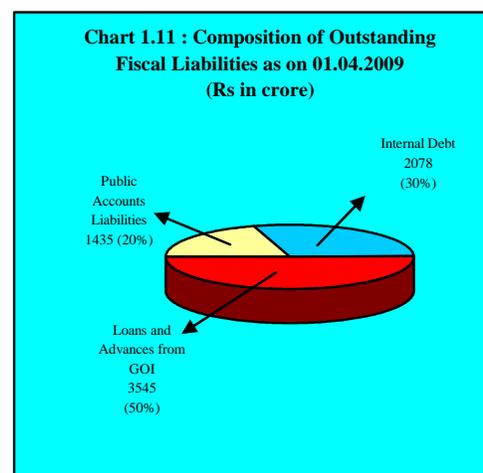
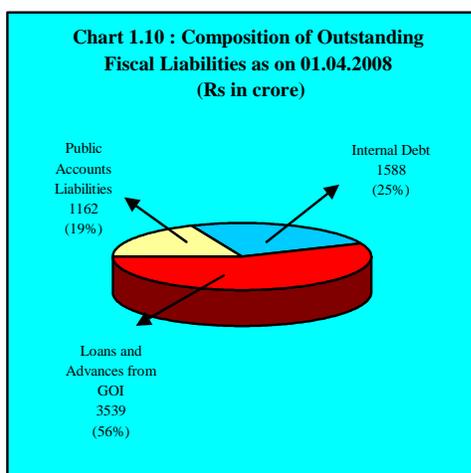
1.7 Assets and Liabilities

1.7.1 Growth and Composition of Assets and Liabilities

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.4** gives an abstract of such liabilities and assets as on 31 March 2009, compared with the corresponding position on 31 March 2008. While the liabilities consist mainly of internal borrowings, loans and advances from GOI, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances.

1.7.2 Fiscal Liabilities – Public Debt and Guarantees

The trends in outstanding fiscal liabilities of the State are presented in **Appendix 1.3**. However, the composition of fiscal liabilities during the current year vis-à-vis the previous year are presented in **Charts 1.10** and **1.11**.



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

Table 1.15 gives the fiscal liabilities of the State, its rate of growth, ratio of these liabilities to GSDP, to revenue receipts and to its own resources as also the buoyancy of fiscal liabilities with respect to these parameters.

Table 1.15: Fiscal Liabilities – Basic Parameters

	2004-05	2005-06	2006-07	2007-08	2008-09
Fiscal Liabilities (<i>Rs in crore</i>)	4350	5018	5694	6289	7058
Rate of Growth (<i>per cent</i>)	13.34	15.36	13.47	10.45	12.23
Ratio of Fiscal Liabilities to					
GSDP (<i>per cent</i>)	37.89	37.58	37.90	37.21	37.12
Revenue Receipts (<i>per cent</i>)	239.01	231.35	218.16	213.63	200.06
Own Resources (<i>per cent</i>)	274.27	270.22	257.65	261.85	240.89
Buoyancy of Fiscal Liabilities to					
GSDP (ratio)	0.57	0.94	1.08	0.84	0.98
Revenue Receipts (ratio)	1.10	0.80	0.66	0.82	0.62
Own Resources (ratio)	1.27	0.90	0.71	1.20	0.56

(Source : Finance Accounts of the State)

The overall fiscal liabilities of the State increased from Rs 4,350 crore in 2004-05 to Rs 7,058 crore in 2008-09. This included loans of Rs 409.35 crore given by GOI to the erstwhile Union Territory of Goa, Daman and Diu. The growth rate of fiscal liabilities was 12.23 per cent during 2008-09 over the previous year. The ratio of fiscal liabilities to GSDP decreased from 37.89 per cent in 2004-05 to 37.12 per cent in 2008-09. This ratio is still on the higher side keeping in view the target of 30 per cent to be achieved by 31 March 2009 as laid down in the Goa Fiscal Responsibility and Budget Management Act, 2006. The fiscal liabilities constituted market loans comprising Rs 1,881.12 crore, loans and advances from Central Government of Rs 3,544.82 crore, loans from financial institutions to the extent of Rs 197.09 crore and Public Account liabilities of Rs 1,434.82 crore.

Government constituted a sinking fund for amortization of loans raised in the open market and Rs 20 crore was contributed towards the same during 2008-09. The balance in the sinking fund as on 31 March 2009 was Rs 162.22 crore and the entire balance was invested in GOI securities.

1.7.3 Status of Guarantees – Contingent liabilities

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

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

Table 1.16: Guarantees given by the Government of Goa

(Rupees in crore)

Guarantees	2006-07	2007-08	2008-09
Maximum amount guaranteed	714.62	527.77	602.80
Outstanding amount of guarantees	623.99	311.09	165.66
Percentage of maximum amount guaranteed to total revenue receipt	27.38	17.93	17.09

(Source : Finance Accounts of the State)

The Goa Fiscal Responsibility and Budget Management Act, 2006 specified that the Government should cap the total outstanding guarantees within the specified limit under the Goa State Guarantees Act, 1993. The Goa Legislature fixed a limit of Rs 800 crore on the outstanding guarantees in March 2005. The outstanding guarantees at Rs 165.66 crore during 2008-09 were well within the ceiling limit specified by the Legislature. The State has set up a Guarantee Redemption Fund and the amount invested against this fund as on 31 March 2009 was Rs 76.96 crore.

1.8 Debt Sustainability

Apart from the magnitude of debt of the State Government, it is important to analyze the various indicators that determine the debt sustainability⁵ of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilization⁶; sufficiency of non-debt receipts⁷; net availability of borrowed funds⁸; burden of interest payments (measured by interest payments to revenue receipts ratio) and the maturity profile of State Government securities. **Table 1.17** analyzes the debt sustainability of the State according to these indicators for a period of three years beginning from 2006-07.

Table 1.17: Debt Sustainability: Indicators and Trends

(Rupees in crore)

Indicators of Debt Sustainability	2006-07	2007-08	2008-09
Debt Stabilization (Quantum Spread + Primary Deficit)	167.32	192.98	2.65
Sufficiency of Non-debt Receipts (Resource Gap)	116	(-) 54	(-) 276
Net Availability of Borrowed Funds	250	149	260
Burden of Interest Payments Ratio (IP/RR)	0.16	0.15	0.14

(Source: Finance Accounts of the State)

When we observe the various indicators of debt stabilisation, we find that although the quantum spread plus primary deficit figure is positive, which is a good sign, there has been an alarming fall in this figure. If this trend continues and the figure becomes negative, debt stabilization may become a serious concern for the Government. Similarly, the increasing resource gap is

⁵ Debt sustainability is defined as the ability of the State to maintain a constant debt-GDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt, therefore, also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep a balance between the costs of additional borrowings and the returns from such borrowings. It means that the rise in fiscal deficit should match the increase in capacity to service the debts.

⁶ A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GDP ratio is likely to be stable provided primary balances are either zero, positive or moderately negative. Given the rate spread (GSDP growth rate – interest rate) and the quantum spread (Debt x rate spread), the debt sustainability condition states that if the quantum spread together with the primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilize eventually. On the other hand, if the primary deficit together with the quantum spread turns out to be negative, the debt-GSDP ratio would be rising. In case it is positive, the debt-GSDP ratio would eventually be falling.

⁷ Adequacy of incremental non-debt receipts of the State to cover incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

⁸ Defined as the ratio of debt redemption (principal + interest payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption, indicating the net availability of borrowed funds.

also a cause for concern. Unless concerted efforts are made to increase non-debt receipts in the coming years, or to contain primary expenditure, debt repayment could become a major worry in future. At present, the IP/RR ratio seems to be manageable at 14 *per cent*.

Maturity Profile of State Debt (In Years)

(As per Finance Accounts)

(Rupees in crore)

Upto 31.3.2010	141.19
2012	389.91
2014	596.40
2016	665.82
After 31.3.2016	3829.71*
Total	5623.03

The maturity profile of the State Government's Public Debt indicates that nearly 20 *per cent* of the total Public Debt is repayable within the next five years while 73 *per cent* loans are required to be repaid after five years. The balance seven *per cent* loan pertains to the erstwhile Union Territory of Goa, Daman and Diu.

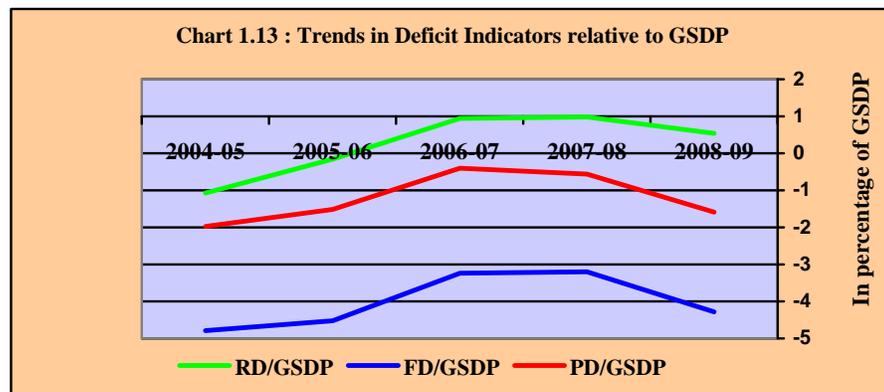
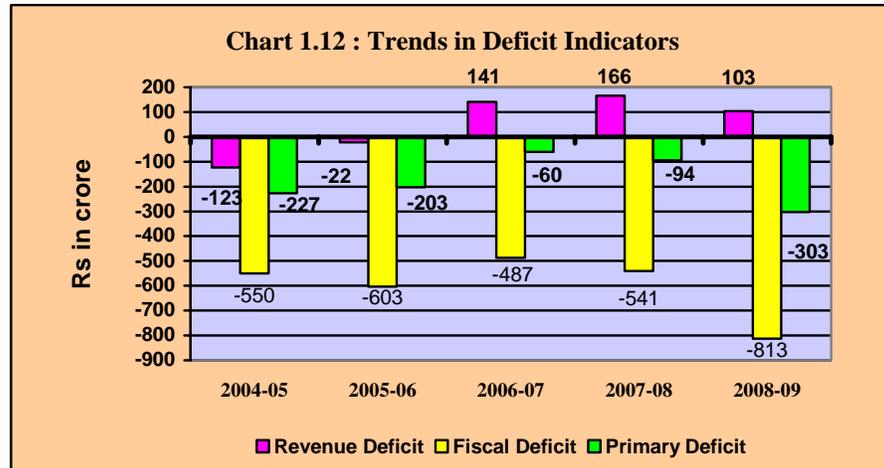
1.9 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources are raised and applied are important pointers to its fiscal health. This section presents the trends, nature, magnitude and manner of financing these deficits and also the assessment of actual levels of revenue and fiscal deficits vis-à-vis targets set under FRBM Act/Rules for the financial year 2008-09.

* including Rs 409.35 crore pertaining to Ex- Union Territory.

1.9.1 Trends in Deficit/Surplus

Charts 1.12 and 1.13 present the trends in deficit indicators over the period 2004-09.



As per the Goa FRBM Act 2006, the Government had to reduce the revenue deficit to nil by 31 March 2009 and adhere to it thereafter. The revenue deficit was reduced from Rs 123 crore in 2004-05 to a revenue surplus of Rs 103 crore in 2008-09. The Goa FRBM Act 2006 prescribed a road map of reducing the Fiscal Deficit (FD) by 0.5 per cent of GSDP in each financial year beginning from 1 April 2006. Though the ratio of FD to GSDP was reduced by 0.04 per cent during the year 2007-08 over the previous year, there was an increase of 1.08 per cent during 2008-09 over the previous year.

Further, during the year, the revenue surplus was reduced to Rs 103 crore from Rs 166 crore of the previous year. Similarly, the primary deficit increased from Rs 94 crore to Rs 303 crore during the year.

1.9.2 Components of Fiscal Deficit and its Financing Pattern

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

Table 1.18: Components of Fiscal Deficit and its Financing Pattern

(Rupees in crore)

	Particulars	2004-05	2005-06	2006-07	2007-08	2008-09
Decomposition of Fiscal Deficit						
		550	603	487	541	813
1	Revenue Deficit/Surplus	(-) 123	(-) 22	(+) 141	(+) 166	(+) 103
2	Net Capital Expenditure	426	580	626	688	897
3	Net Loans and Advances	1	1	2	19	19
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	118	66	81	369	404
2	Loans from GOI	425	581	508	74	5
3	Loans from Financial Institutions	(-) 6	(-) 19	(-) 23	(-) 7	87
4	Ways and Means	(-) 66	-	-	-	-
5	Small Savings, PF etc.	42	47	59	89	166
6	Deposits and Advances	-	(-) 7	51	69	106
7	Suspense and Miscellaneous	81	67	(-) 49	90	(-) 37
8	Remittances	36	16	(-) 1	51	-
9	Reserve Fund	27	28	32	35	148
10	Increase(-)/Decrease(+) in cash balance	(-) 107	(-) 176	(-) 171	(-) 229	(-) 66
11	Overall Deficit	550	603	487	541	813
*All these figures are net of disbursements/outflows during the year						

(Source : Finance Accounts of the State)

During 2008-09, the fiscal deficit of Rs 813 crore was mainly met out of market borrowings of Rs 404 crore and small savings, provident funds, etc. of Rs 166 crore. The net market borrowing and the small savings, provident fund etc. increased by nine *per cent* and 87 *per cent* respectively over the previous year, thus increasing the interest burden in future.

1.9.3 Quality of Deficit/Surplus

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

Table 1.19: Primary Deficit/Surplus – Bifurcation of factors*(Rupees in crore)*

Year	Non-debt Receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Non debt Receipts vis-à-vis primary revenue expenditure	Primary deficit (-) /surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2004-05	1826	1620	426	7	2053	206	(-) 227
2005-06	2175	1791	580	7	2378	384	(-) 203
2006-07	2616	2042	626	8	2676	574	(-) 60
2007-08	2950	2331	688	25	3044	619	(-) 94
2008-09	3538	2915	897	29	3841	623	(-) 303

(Source : Finance Accounts of the State)

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

1.9.4 State's Own Revenue and Deficit Correction

It is worthwhile to observe the extent to which deficit correction has been achieved by the State on account of improvement in its own resources. This is an indicator of the durability of the corrections in deficit indicators. **Table 1.20** presents the changes in revenue receipts of the State and the corrections of the deficit during the last three years.

Table 1.20: Change in Revenue Receipts and corrections of Deficit*(Per cent of GSDP)*

Parameters	2006-07	2007-08	2008-09	
			BE	Actual
Revenue Receipts (a to d)	17.38	17.42	18.46	18.55
a. State's Own Tax Revenue	8.60	8.04	8.24	8.91
b. State's Own Non- tax Revenue	6.11	6.17	6.00	6.50
c. State's Share in Central Taxes and Duties	2.08	2.33	2.44	2.18
d. Grants-in-Aid	0.59	0.88	1.78	0.96
Revenue Expenditure	16.43	16.44	17.27	18.02
Revenue Surplus	0.94	0.98	1.19	0.54
Fiscal Deficit	3.24	3.20	4.24	4.28

(Source: Finance Accounts of the State)

The ratio of revenue receipts to GSDP increased from 17.42 *per cent* in 2007-08 to 18.55 *per cent* in the current year. Correspondingly, the percentage of revenue expenditure to GSDP also increased by 1.58 percentage points from the previous year.

1.10 Conclusion

During the current year, revenue receipts and revenue expenditure increased by Rs 584 crore (20 *per cent*) and Rs 648 crore (23 *per cent*) respectively. The normative assessment of the tax revenue and non-tax revenue made by the TFC was Rs 1,693 crore and Rs 419 crore respectively. The Government could achieve both targets. The capital expenditure increased by Rs 209 crore (30 *per cent*).

The Non-Plan revenue expenditure (NPRE) increased by 27 *per cent* over the previous year. The NPRE exceeded the normative assessment made by the TFC by Rs 1,196 crore. The expenditure on salaries at 30 *per cent* of revenue expenditure net of interest and pension payment during 2008-09 was well within the norm of 35 *per cent* recommended by the TFC.

The ratio of fiscal liabilities to GSDP at 37 *per cent* was higher than the norms of 31 *per cent* as recommended by the TFC.

The average return on investment made by the State was 0.18 *per cent* in the last three years against an average interest rate of 7.69 *per cent* on its borrowings.

The outstanding guarantees at Rs 166 crore were well within the ceiling limit of Rs 800 crore specified by the Legislature.

1.11 Recommendations

- ✚ Though the State Government has achieved the FRBM target in reducing the revenue deficit to zero, the fiscal deficit still continues to be more than 3.5 *per cent* of the GSDP (4.3 *per cent*) which needs urgent attention through effective revenue collection and curtailing of unproductive expenditure.
- ✚ Government should reduce its dependence on borrowed funds to arrest the increase in fiscal liabilities.
- ✚ The performance of the public sector undertakings needs to be monitored to improve the average rate of returns on the capital invested. The functioning of the River Navigation Department needs to be reviewed so as to wipe out its losses in the short run and to make it self sustaining in the medium to long term.
- ✚ Concerted efforts should be made to recover the revenue arrears.
- ✚ Systems should be built to monitor the funds directly given by Government of India to the State implementing agencies.

CHAPTER - II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2.1 Introduction

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

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

2.2 Summary of Appropriation Accounts

The summarized position of actual expenditure during 2008-2009 against 83 grants/appropriations is given in **Table 2.1:**

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

(Rupees in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving (-)/ Excess(+)
Voted	I. Revenue	2757.07	545.92	3302.99	2925.84	(-) 377.15
	II. Capital	1049.06	80.56	1129.62	932.33	(-) 197.29
	III. Loans & Advances	30.19	0.45	30.64	28.67	(-) 1.97
Total Voted		3836.32	626.93	4463.25	3886.84	(-) 576.41
Charged	IV. Revenue	583.44	2.32	585.76	545.63	(-) 40.13
	V. Capital	0.00	1.28	1.28	1.04	(-) 0.24
	VI. Public Debt	266.53	0.00	266.53	166.29	(-) 100.24
Total Charged		849.97	3.60	853.57	712.96	(-) 140.61
Grant Total		4686.29	630.53	5316.82	4599.80	(-) 717.02

(Source: Appropriation Accounts of the State)

Note: The expenditure includes the recoveries of revenue expenditure amounting to Rs 45.99 crore and capital expenditure amounting to Rs 36.31 crore adjusted as reduction of expenditure.

The overall savings of Rs 717.02 crore were the result of savings of Rs 717.05 crore in 78 grants and one appropriation under the Revenue Section, 55 grants under the Capital Section and one appropriation (Public Debt-Repayments) under the Loan Section, offset by excess of Rupees three lakh in three grants under the Capital Section.

2.3 Financial Accountability and Budget Management

2.3.1 Appropriations vis-à-vis Allocative Priorities

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

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

(Rupees in crore)

Sr. No.	No. and Name of Grant	Original	Supplementary	Total	Actual Expenditure	Savings
REVENUE (VOTED)						
1	34 School Education	321.54	130.95	452.49	400.70	51.79
2	55 Municipal Administration	115.55	3.59	119.14	48.66	70.48
CAPITAL (VOTED)						
3	21 Public Works	329.59	25.00	354.59	272.99	81.60
CAPITAL (CHARGED)						
4	Appropriation for reduction of debts	266.53	-	266.53	166.29	100.24

(Source: Appropriation Accounts of the State)

The main reasons for the excessive savings were as follows:

34-School Education:- less expenditure on various schemes for school children like 'Mid-day meal' and 'Providing laptops to Higher Secondary School teachers'.

55-Municipal Administration:- non-receipt of proposals from Goa State Urban Development Agency (GSUDA) for release of funds under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and non-release of funds of Compensation to municipalities in lieu of octroi due to implementation of the election code of conduct etc.

21-Public Works:- non-implementation of schemes.

Appropriation for reduction of debts:- non-availing of ways and means advances from RBI.

2.3.2 *Persistent Savings*

In four cases, during the last five years, there were persistent savings of more than Rupees two crore in each case (**Table 2.3**) and also by 10 *per cent* or more of the total grant.

Table 2.3: List of grants indicating persistent savings during 2004-09

(Rupees in crore)

Sr. No.	No. and Name of grant	Amount of savings				
		2004-05	2005-06	2006-07	2007-08	2008-09
Revenue - Voted						
1	7-Settlement & Land Records	3.86	2.38	6.00	3.94	2.54
2	64-Agriculture	3.06	3.51	2.48	-	5.99
3	65-Animal Husbandry	6.31	4.28	-	2.49	5.15
Capital - Voted						
4	70-Civil Supplies	9.27	6.55	-	7.02	5.71

(Source : Appropriation Accounts of the State)

The main reasons for persistent savings were as under:-

Settlement and Land Records:- A Government decision to discontinue the scheme of strengthening the revenue administration and updating land records.

Agriculture:- Less material purchases, decrease in the support price due to increase in market price of coconuts etc.

Animal Husbandry:- Poor response from farmers to avail of benefits under various schemes.

Civil Supplies:- Non-receipt of bills for subsidy for supply of rice to APL families.

2.3.3 *Excess over provisions relating to previous years requiring regularisation*

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularized by the State Legislature. Although no time limit for regularization of expenditure has been prescribed under the Article, the regularization of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). However, excess expenditure amounting to Rs 861.24 crore for the years 2003-2008 was still to be regularized. The year-wise amounts of excess expenditure pending regularization for grant/appropriations are summarised in **Table 2.4**.

Table 2.4: Excess over provisions relating to previous years requiring regularization

(Rupees in crore)

Year	Number of		Amount of excess over provision	Status of Regularization
	Grants	Appropriation		
2003-04	1	1	549.59	PAC discussions completed. Recommendations awaited
2004-05	1	1	293.85	
2005-06	1	1	17.68	
2006-07	2	-	0.09	Yet to be discussed
2007-08	1	-	0.03	
Total	6	3	861.24	

(Source: Appropriation Accounts of the State)

2.3.4 Excess over provisions during 2008-09 requiring regularization

Table 2.5 contains a summary of the total excess in three grants amounting to Rupees three lakh over authorisation from the Consolidated Fund of the State (CFS) during 2008-09, requiring regularisation under Article 205 of the Constitution.

Table 2.5: Excess over provisions requiring regularization during 2008-09

(Amount in Rupees)

Sr. No.	Number and title of		Total grant	Expenditure	Excess
Voted Grants-					
1	26	Fire & Emergency Services	12200000	12327134	127134
2	38	Government Polytechnic Bicholim	4430000	4481707	51707
3	43	Art & Culture	100000000	100122193	122193
Total			116630000	116931034	301034

(Source: Appropriation Accounts of the State)

2.3.5 Unnecessary/Excessive/Inadequate supplementary provision

Supplementary provisions aggregating Rs 51.36 crore obtained in 23 cases of Rs 10 lakh or more in each case during the year, proved unnecessary as the expenditure did not come upto the levels of the original provisions as detailed in **Appendix 2.2**.

2.3.6 Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation where savings are anticipated to another unit where additional funds are needed. Injudicious re-appropriation proved excessive or insufficient and resulted in savings/excess of over Rs 10 lakh in 40 sub-heads as detailed in **Appendix 2.3**.

In grant No. 47 under Urban Health Services, withdrawal of Rs 7.82 lakh by re-appropriation proved unnecessary due to excess expenditure of

Rs 1.74 crore. In the same grant, under ‘Strengthening of Administration of Goa Medical College’, augmentation of funds through re-appropriation (Rs 69.79 lakh) proved unnecessary due to final savings of Rs 1.74 crore.

In grant No. 65, withdrawal of Rs 1.09 crore under ‘Sixth Pay Commission arrears lumpsum provision’ by re-appropriation proved insufficient on account of final savings of Rs 3.23 crore.

2.3.7 Unexplained re-appropriations

In the re-appropriation statement, the reasons for the additional expenditure and the savings should be explained and general expressions such as “due to economy measures”, “due to less expenditure than anticipated” etc. should be avoided. However, a scrutiny of re-appropriation orders issued by various departments revealed that in respect of 104 out of 563 items (18.5 *per cent*), the reasons given for additional provision/withdrawal of provision in re-appropriation orders were of general nature.

2.3.8 Substantial surrenders

Substantial surrenders amounting to Rs 99.31 crore were made in respect of 10 sub-heads on account of either non-implementation or slow implementation of schemes/programmes, out of the total provision of Rs 161.27 crore. The details of such cases where the surrenders were more than 50 *per cent* of the provisions are given in **Appendix 2.4**.

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

1. **1-Legislature Secretariat** - 7610 - Loans to Government Servants:- Non-claiming of house building advances and motor cycle advances by MLAs.
2. **7-Settlement & Land Records** - 4059 - Capital Outlay on Public Works:- Surrendering of token provision.
3. **17-Police** - 4055 - Capital Outlay on Police:- Non-tendering of works by PWD under Modernisation of Police Force and Coastal Security Police Force.
4. **18-Jail** - 4059 - Capital Outlay on Public Works:- Slow progress of construction of new central jail at Colvale.
5. **31-Panchayats** - 4216 - Capital Outlay on Other Rural Development Programmes:- Non-utilization of funds by PWD, Water Resources and Electricity departments.
6. **33-Revenue** - 4059 - Capital Outlay on Public works:- Non-approval of rehabilitation project to be undertaken by Goa Rehabilitation Board.
7. **36-Technical Education** - 4202 - Capital Outlay on Education and Sports:- Non-execution of developmental works.
8. **47-Goa Medical College** - 4210 – Capital Outlay on Medical and Public Health:- Less number of works undertaken and less purchase of equipment.

9. **50-Goa College of Pharmacy** - 4210 - Capital Outlay on Medical and Public Health:- Non-utilisation of funds by PWD and postponement of purchase of equipment.
10. **55-Municipal Administration** - 2217 - Urban Development:- Non-receipt of proposal from GSUDA for release of funds.

2.3.9 Surrender in excess of actual savings

In six cases, the amounts surrendered (Rs 10 lakh or more in each case) were in excess of the actual savings, indicating inadequate budgetary control in these departments. As against savings of Rs 104.59 crore, the amount surrendered was Rs 108.22 crore, resulting in excess surrender of Rs 3.63 crore. Details are given in **Appendix 2.5**.

2.3.10 Anticipated savings not surrendered

The spending departments are required to surrender the grants/appropriations or portions thereof to the Finance Department as and when savings are anticipated. At the close of the year 2008-09, there were, however, seven grants/appropriations in which savings occurred but no part of them had been surrendered by the concerned departments. The total amount involved in these cases was Rs 7.24 crore (**Appendix 2.6**). Similarly, out of total savings of Rs 304.10 crore under 24 other grants/appropriations (savings of Rs 10 lakh and above) Rs 176.20 crore was not surrendered, details of which are given in **Appendix 2.7**. Besides, in 15 cases, (surrender of funds in excess of Rupees five crore), Rs 375.83 crore was surrendered on the last working day of March 2009 (**Appendix 2.8**) indicating inadequate financial control and the fact that these funds could not be utilised for other development purposes.

2.3.11 Rush of expenditure

In order to ensure proper financial discipline, rush of expenditure in the closing months of the financial year should be avoided. Contrary to this, in respect of the five major heads listed in **Appendix 2.9**, expenditure exceeding Rupees five crore and also more than 50 per cent of the total expenditure was incurred in March 2009. **Table 2.6** presents the major heads where more than 50 per cent of expenditure was incurred either during the last quarter or during the last month of the financial year. Uniform flow of expenditure is a primary requirement of budgetary control which was not maintained.

Table 2.6: Cases of rush of expenditure towards the end of financial year 2008-09

(Rupees in crore)

Sr. No.	Major Head	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2009	
			Amount	Percentage of Total expenditure	Amount	Percentage of Total Expenditure
1	2029	6.25	3.43	54.88	2.21	35.36
2	2048	30.00	30.00	100.00	25.00	83.33
3	2401	27.92	14.74	52.79	9.85	35.28
4	2405	15.42	8.16	52.92	5.77	37.42
5	2505	8.38	4.43	52.86	1.59	18.97
6	2515	50.37	26.17	51.96	13.22	26.25
7	2852	23.24	21.81	93.85	0.89	3.83
8	4059	40.54	35.52	87.62	33.46	82.54
9	4202	52.91	30.48	57.61	16.91	31.96
10	4210	20.38	14.28	70.07	11.39	55.89
11	4701	109.71	74.80	68.18	48.28	44.01
12	4702	36.72	19.24	52.40	13.71	37.34
13	4711	35.67	26.17	73.37	17.90	50.18
14	4801	167.35	103.47	61.83	88.67	52.98
15	5452	13.71	7.53	54.92	7.18	52.37
Total		638.57	420.23	65.81	296.03	46.36

(Source: Directorate of Accounts)

2.4 Non-reconciliation of departmental figures

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

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

It was observed that 237 AC bills involving an amount of Rs 10.19 crore, drawn by various departments upto March 2009, were pending adjustment as on 30 June 2009. Year-wise details are given in **Table 2.7**.

Table 2.7: Pendency in submission of Detailed Contingent bills against Abstract Contingent bills

Year	No. of AC bills Pending	Amount (Rupees in crore)
Upto 2004-2005	27	0.35
2005-2006	29	0.71
2006-2007	16	0.80
2007-2008	89	5.00
2008-2009	76	3.33
Total	237	10.19

(Source: Directorate of Accounts)

Department-wise pending DC bills of above Rupees five lakh for the years upto 2008-09 are detailed in **Appendix 2.10**.

2.4.2 Unreconciled expenditure

To enable Controlling Officers of departments to exercise effective control over expenditure to keep it within the budget grants and to ensure accuracy of their accounts, departmental officers are required to reconcile periodically and before the close of the accounts of a year, the departmental figures of expenditure with those recorded in the books of the Director of Accounts. The Public Accounts Committee in its forty-eighth report (1992) had desired that punitive action should be taken against erring Budget Controlling Authorities (BCAs). Even though non-reconciliation of departmental figures is being pointed out regularly in Audit Reports, lapses on the part of Controlling Officers in this regard continued to persist during 2008-09 also. During 2008-09, out of 85 BCAs, 25 had not carried out such reconciliations for the entire year in respect of 323 units under their control, involving Rs 163.74 crore and 33 BCAs had not carried out such reconciliations for part of the year in respect of 1,310 units under their control, involving Rs 692.46 crore. The unreconciled periods in case of the partially reconciled units ranged from one to 11 months. The details of the major BCAs, who did not reconcile the expenditure are detailed in **Table 2.8**.

Table 2.8: Budget Controlling Authorities who did not reconcile their figures

(Rupees in crore)

Sr. No.	Budget Controlling Authority who did not reconcile their figures	Amount not reconciled
1	Collector, South Goa	17.56
2	Director of Higher Education	71.78
3	Director of Civil Supplies and Consumer Affairs	10.46
4	Director of Planning, Statistics & Evaluation	18.56
5	Director of Transport	11.19
6	Director General of Police	21.54
7	Director of Education	291.75
8	Principal, Government Polytechnic, Mayem	15.13
9	Dean, Goa Medical College & Hospital	23.77
10	Director of Social Welfare	63.04
11	Director of Women and Child Development	10.93
12	Director of Agriculture	16.26
13	Chief Engineer, Water Resources Department	135.64
14	Director of Tourism	28.90
15	Director of Information & Technology	22.26
	Total	758.77

(Source : Directorate of Accounts)

2.4.3 Non-adjustment of temporary advances

Drawing and Disbursing Officers (DDOs) draw temporary advances for the purpose of meeting contingent expenditure, travelling allowances, leave travel concessions etc. As of June 2009, advances aggregating Rs 6.58 crore were

pending adjustments by DDOs in the records of the Director of Accounts. An age-wise analysis of pending advances is given in **Table 2.9**.

Table 2.9: Age-wise Analysis of Pending Advances

(Rupees in lakh)

Sr. No.	Year	No. of advances	Amount
1	Upto 2004-05	169	41.72
2	2005-06	76	27.52
3	2006-07	62	29.28
4	2007-08	104	128.70
5	2008-09	149	430.78
	Total	560	658.00

(Source: Directorate of Accounts)

2.5 Advances from Contingency Fund

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

The fund was in the nature of an imprest with legislative approval, with a corpus of Rs 30 crore, which was temporarily raised to Rs 70 crore on 5 January 2009 by issue of an ordinance. During the year, advances of Rs 61.44 crore were drawn from the Fund by issuing 104 sanctions. During 2008-09, advances drawn but not recouped to the Fund amounted to Rs 6.20 lakh. The closing balance of the Fund as on 31 March 2009 was Rs 29.94 crore.

The PAC in its 62nd Report, observed (28 March 2008) that the Contingency Fund was utilised for pay and allowances, maintenance work etc. which could not be considered as unforeseen and unanticipated and warned of the recurrence of such irregularities in future. However, in 12 cases involving Rs 13.18 crore, the department drew advances from the Contingency Fund, though the expenditure was foreseeable (**Appendix 2.11**).

2.6 Personal Deposit Accounts

Personal Deposit (PD) Accounts are created for parking funds by debit to the Consolidated Fund of the State and are required to be closed at the end of the financial year by minus debit to the relevant service heads. There were 127 PD accounts in 11 Taluka Treasury offices in the State. A total balance of Rs 21.44 crore lying with these accounts was not transferred back to the respective service heads. Of these 127 accounts, nine accounts were not operated during 2008-09. It was also found that 27 PD accounts remained inoperative for more than 10 years.

2.7 Conclusion

During 2008-09, expenditure of Rs 4,599.80 crore was incurred against total grants and appropriations of Rs 5,316.82 crore, resulting in savings of Rs 717.02 crore. The overall savings were the net result of savings of Rs 717.05 crore, offset by excess of Rupees three lakh. This excess requires regularisation under Article 205 of the Constitution of India. In six cases, the amounts surrendered (Rs 10 lakh or more) were in excess of the actual savings, indicating inadequate budgetary control in these departments. As against savings of Rs 104.59 crore, the amount surrendered was Rs 108.22 crore. There were seven grants/appropriations in which total savings of Rs 7.24 crore were observed but the same were not surrendered by the concerned departments. Similarly, out of the total savings of Rs 304.10 crore (savings of Rs 10 lakh and above in each grant) under 24 grants/appropriations, only Rs 127.90 crore was surrendered, leaving Rs 176.20 crore as unsurrendered funds. An amount of Rs 375.83 crore was surrendered on the last working day of March 2009.

2.8 Recommendations

- ✚ Budgetary controls should be strengthened in all the Government departments. Last minute release of funds and issue of re-appropriation/surrender orders at the fag end of the year should be avoided.

CHAPTER-III

FINANCIAL REPORTING

A sound internal financial reporting system 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 are some of the attributes of good governance. Reports on compliance and controls, if effective and operational, assist State Governments in meeting their basic stewardship responsibilities, including strategic planning and decision-making. This chapter provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.

3.1 Delay in furnishing Utilization Certificates

Rule 212 of the General Financial Rules provide that for grants provided for specific purposes, Utilization Certificates (UCs) should be obtained by the departmental officers from the grantees and after verification, these are to be forwarded to the Director of Accounts within 12 months from the dates of their sanction unless specified otherwise. However, of the 5,060 UCs due in respect of grants and loans aggregating Rs 347.76 crore paid upto 2007-08, 4739 UCs (94 *per cent*) for an aggregate amount of Rs 285.44 crore were in arrears. The department-wise break-up of outstanding UCs is given in **Appendix 3.1**. The age-wise delays in submission of UCs is summarized in **Table 3.1**.

Table 3.1: Age-wise arrears of Utilization Certificates

(Rupees in crore)

Sr. No.	Range of Delay in Number of Years	Utilization Certificates Outstanding	
		Number	Amount
1	0 – 1	983	83.97
2	1 – 3	1192	120.95
3	3 – 5	751	47.05
4	5 – 7	355	21.76
5	7 & Above	1458	11.71
	Total	4739	285.44

(Source: Directorate of Accounts)

Out of 4,739 UCs worth Rs 285.44 crore pending as on March 2009, 2926 UCs (62 *per cent*) involving Rs 251.97 crore (88 *per cent*) were pending for periods ranging from one to five years while 1,813 UCs involving Rs 33.47 crore were pending for more than five years. Pendency of UCs mainly pertained to the Directorate of Art & Culture (Rs 24.41 crore), Directorate of Municipal Administration (Rs 125.94 crore) and Directorate of Panchayats (Rs 68.91 crore). In the absence of the certificates, it could not be

ascertained whether the recipients had utilised the grants for the purposes for which they were given.

3.2 Non-submission of Accounts

In order to identify the institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the Government/Heads of 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 282 annual accounts of 113 autonomous bodies/authorities due upto 2007-08 had not been received as of June 2009 by the Accountant General. The details of their accounts are given in **Appendix 3.2** and their age-wise pendency is presented in **Table 3.2**.

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

(Rupees in crore)

Sr. No.	Delay in Number of Years	Number of Bodies/Authorities	Grants Received
1	0-1	30	35.65
2	1-3	25	9.48
3	3-5	58	19.29
	Total	113	64.42

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

3.3 Delays in submission of Accounts/Audit Reports of Autonomous Bodies

Several autonomous bodies have been set up by the State Government in the fields of education, irrigation, housing etc. Of these, audit of accounts of seven bodies in the State has been entrusted to the Comptroller and Auditor General of India. These bodies are audited by the CAG with regard to 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 Report and their placement in the legislature are indicated in the **Appendix 3.3**. The frequency distribution of autonomous bodies according to the delays in submission of accounts to Audit and placement of Separate Audit Reports in the legislature after the entrustment of Audit to CAG is summarised in **Table 3.3**.

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

Delays in submission of Accounts (in months)	No. of Autonomous Bodies	Reasons for the delay	Delays in submission of SARs in Legislature (in years)	No. of Autonomous bodies	Reasons for the delay
0-1	-	-	0-1	3	Not intimated by the autonomous bodies
1-6	3	Not intimated by the autonomous bodies	1-2	-	-
18-24	3	Not intimated by the autonomous bodies	4-5	-	-
24 & above	1	Not intimated by the autonomous body	5 & above	-	-

(Source: As per records maintained by Audit)

Out of the seven autonomous bodies, in respect of one, the submission of accounts had been delayed by more than 24 months and in respect of three cases, the delays were between 18 and 24 months. In the remaining three cases, the delays were between one and six months.

3.4 Departmental Commercial Undertakings

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

Heads of Departments in the Government have to ensure that the undertakings prepare such accounts and submit the same to the Accountant General for audit within a specified timeframe. As of June 2009, there were two* such undertakings, both of which had not prepared their accounts upto 2007-08. The department-wise position of arrears in preparation of *pro forma* accounts and investments made by the Government are given in **Appendix 3.4**.

* River Navigation Department, Chief Electrical Engineer.

3.5 Misappropriations, losses, defalcations, etc.

Rule 33 of the General Financial Rules provides that any loss or shortage of public money, department 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 18 cases of misappropriation, defalcation, etc. involving Government money amounting to Rs 1.53 crore upto June 2009 on which final action was pending. The department-wise break up of pending cases is given in **Appendix 3.5**.

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

Table 3.4: Profile of misappropriation

Age profile and Nature of the pending cases			
Range in years	No. of cases	Amount involved (Rs in lakh)	Nature/Characteristics of the cases
0-5	8	46.95	Misappropriation of cash/stores
5-10	9	100.97	
10-15	1	4.95	
Total	18	152.87	

(Source: Information furnished by concerned departments)

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

Table 3.5: Reasons for outstanding cases of misappropriations

Reasons for the delay/outstanding pending cases	No. of cases	Amount (Rs in lakh)
Departmental action started but not finalised	5	44.40
Pending in the courts of law	10	107.53
Awaiting orders for recovery/write off	3	0.94
Total	18	152.87

(Source : Information furnished by concerned departments)

3.6 Conclusion

Out of 4,739 UCs worth Rs 285.44 crore, pending as on March 2009, 2926 UCs (62 *per cent*) involving Rs 251.97 crore (88 *per cent*) were pending for periods ranging between one and five years. Further, 1,813 UCs, involving Rs 33.47 crore were pending for more than five years. In the absence of the certificates, it could not be ascertained whether the recipients had utilised the grants for the purposes for which these were given. A total of 282 Annual Accounts of 113 institutions had not been received as on 30 June 2009.

Analysis of the misappropriation cases revealed that these cases mainly related to improper maintenance of cash books and theft/loss of materials. Out of 18 cases, 10 cases involving Rs 1.08 crore were pending in courts and in five cases, involving Rs 44.40 lakh, departmental action had been started but had not yet been finalised. The remaining cases were awaiting orders for write off.

3.7 Recommendations

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

**Panaji
The**

**(DEVIKA)
Accountant General, Goa**

Countersigned

**New Delhi
The**

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

APPENDIX - 1.1

(Referred to in paragraph 1.1)

PART A: 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.

APPENDIX - 1.1

(Referred to in paragraph 1.1)

PART B: LAYOUT OF FINANCE ACCOUNTS

Statement	Layout
Statement No.1	Presents the summary of transactions of the State Government – receipts and expenditure, revenue and capital, public debt receipts and disbursements etc., in the Consolidated Fund, Contingency Fund and Public Account of the State.
Statement No.2	Contains the summarized statement of capital outlay showing progressive expenditure to the end of 2008-09.
Statement No.3	Gives financial results of irrigation works, their revenue receipts, working expenses and maintenance charges, capital outlay, net profit or loss, etc.
Statement No.4	Indicates the summary of debt position of the State which includes borrowing from internal debt, Government of India, other obligations and servicing of debt.
Statement No.5	Gives the summary of loans and advances given by the State Government during the year, repayments made, recoveries in arrears etc.
Statement No.6	Gives the summary of guarantees given by the Government for repayment of loans etc. raised by the statutory corporations, local bodies and other institutions.
Statement No.7	Gives the summary of cash balances and investments made out of such balances.
Statement No.8	Depicts the summary of balances under Consolidated Fund, Contingency Fund and Public Account as on 31 March 2009.
Statement No.9	Shows the revenue and expenditure under different heads for the year 2008-09 as a percentage of total revenue/expenditure.
Statement No.10	Indicates the distribution between the charged and the voted expenditure incurred during the year.
Statement No.11	Indicates the detailed account of revenue receipts by minor heads.
Statement No.12	Provides accounts of revenue expenditure by minor heads under non-plan and plan separately and capital expenditure by major headwise.
Statement No.13	Depicts the detailed capital expenditure incurred during and to the end of 2008-09.
Statement No.14	Shows the details of investment of the State Government in statutory corporations, Government companies, other joint stock companies, co-operative banks and societies etc., upto the end of 2008-09.
Statement No.15	Depicts the capital and other expenditure to the end of 2008-09 and the principal sources from which the funds were provided for that expenditure.
Statement No.16	Gives the detailed account of receipts, disbursements and balances under heads of account relating to Debt, Contingency Fund and Public Account.
Statement No.17	Presents detailed account of debt and other interest bearing obligations of the Government of Goa.
Statement No.18	Provides the detailed account of loans and advances given by the Government of Goa, the amount of loan repaid during the year, the balance as on 31 March 2009.
Statement No.19	Gives the details of earmarked balances of reserve funds.

APPENDIX - 1.2

(Referred to in paragraph 1.1)

METHODOLOGY ADOPTED FOR THE ASSESSMENT OF FISCAL POSITION

PART - A

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

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

Trends in Gross State Domestic Product (GSDP)

	2004-05	2005-06	2006-07	2007-08	2008-09
Gross State Domestic Product (Rs in crore)	11482	13354	15023	16901	19014
Growth rate of GSDP (<i>Per cent</i>)	23.45	16.30	12.50	12.50	12.50
<i>Source of GSDP : Budget at a glance of the Government of Goa.</i>					

Methodology for Estimating the Fiscal Capacity

For working out the fiscal capacity of the State Governments, the following methodology given in Twelfth Finance Commission report has been adopted.

Step 1: Calculate the national average of AE-GSDP and CE/DE/SSE-AE.

Step 2: Based on the national average of AE-GSDP ratio, derive the aggregate expenditure so that no State is having a ratio AE-GSDP less than the national average, *i.e.*, if

$$\begin{aligned} \text{AE/GSDP} &= x \\ \text{AE} &= x * \text{GSDP} \dots\dots\dots(1) \end{aligned}$$

where x is the national average of AE-GSDP ratio.

Wherever the States are having AE-GSDP ratio higher than national average, no adjustments were made. Wherever this ratio was less than average, it was made equal to the national average.

Step 3: Based on the national average of DE-AE, SSE-AE and COAE, derive the respective DE, SSE and CO, so that no State is having these ratios less than national average, *i.e.*, if

$$\begin{aligned} \text{DE/AE} &= y \\ \text{DE} &= y * \text{AE} \dots\dots\dots(2) \end{aligned}$$

where y is the national average of DE-AE ratio

Substituting (1) in (2), we get

$$\text{DE} = y * x * \text{GSDP} \dots\dots\dots(3)$$

Wherever the States are having DE-AE, SSE-AE and CE-AE ratio higher than national average, no adjustments have been made. Wherever these ratios were less than average, it was made equal to the national average.

Step 4: Based on the derived DE, SSE and CE as per equation (3), respective per capita expenditure was calculated, *i.e.*,

$$\text{PCDE} = \text{DE/P} \dots\dots\dots (4)$$

where PCDE is the per capita development expenditure and P is the population.

Substituting (3) in (4), we get

$$\text{PDE} = (y * x * \text{GSDP})/\text{P} \dots\dots\dots (5)$$

Equation (5) provides the adjusted per capita expenditure. If the adjusted per capita expenditure is less than the national average of per capita expenditure, then the States' low level of spending is due to the low fiscal capacity. This gives a picture of actual level of expenditure when all the State Governments are attaching fiscal priority to these sectors equivalent to the national average.

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

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

APPENDIX - 1.2

(Referred to in paragraph 1.2)

FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT (FRBM) ACT, 2006

PART - B

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

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

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

Medium Term Fiscal Plan: 2006-07-2009-10

(Per cent to GSDP)

	2006-07	2007-08	2008-09	2009-10
Revenue Receipts	16.45	16.85	17.27	17.72
Own Tax Revenues	7.19	7.51	7.86	8.22
Sales Tax	5.02	5.19	5.37	5.55
State Excise Duties	0.45	0.45	0.45	0.45
Motor Vehicle Tax	0.47	0.49	0.51	0.54
Stamp Duty and Registration Fees	0.34	0.35	0.36	0.37
Other Taxes	0.92	1.03	1.17	1.32
Own Non-Tax Revenues	5.96	5.93	5.89	5.86
Central Transfers	3.30	3.41	3.52	3.64
Tax Share	1.97	2.04	2.12	2.20
Grants	1.33	1.37	1.40	1.44
Revenue Expenditure	16.68	16.85	16.87	17.02
General Services	5.55	5.34	5.14	4.94
Interest Payment	2.89	2.90	2.83	2.69
Pension	1.10	1.05	0.99	0.94
Other General Services	1.56	1.39	1.32	1.32
Social Services	5.70	6.02	6.31	6.64
Education	2.18	2.48	2.76	3.06
Medical and Public Health	0.87	1.03	1.19	1.36
Other Social Services	2.65	2.51	2.36	2.21
Economic Services	5.43	5.48	5.43	5.44
Capital Expenditure	4.87	4.05	3.40	3.70
Capital Outlay	4.87	4.05	3.40	3.70
Net Lending	-0.01	0.00	0.00	0.00
Revenue Deficit	0.23	0.00	(-) 0.40	(-) 0.70
Fiscal Deficit	5.09	4.05	3.00	3.00
Primary Deficit	2.20	1.14	0.17	0.31
Outstanding Debt	36.62	35.71	33.87	32.29

APPENDIX 1.3

(Referred to in paragraph 1.3)

TIME SERIES DATA ON THE STATE GOVERNMENT FINANCES

(Rupees in crore)

	2004-05	2005-06	2006-07	2007-08	2008-09
Part A. Receipts					
1. Revenue Receipts	1820	2169	2610	2944	3528
(i) Tax Revenue	857(47)	1096(51)	1292(50)	1359(46)	1694 (48)
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade etc.	567(66)	743(68)	845(65)	879(64)	1132(67)
State Excise	56(7)	55(5)	57(4)	76(6)	89(5)
Taxes on Vehicles	59(7)	64(6)	75(6)	82(6)	90(5)
Stamps duty and Registration fees	36(4)	60(5)	116(9)	118(9)	115(7)
Land Revenue	5(1)	5(1)	6(1)	7(1)	9(1)
Taxes on goods and passengers	103(12)	131(12)	138(11)	113(8)	157(9)
Other Taxes	31(3)	38(3)	55(4)	84(6)	102(6)
(ii) Non-Tax Revenue	729(40)	761(35)	918(35)	1043(36)	1236(35)
(iii) State's share in Union taxes and duties	162(9)	245(11)	312(12)	394(13)	415(12)
(iv) Grants-in-aid from Government of India	72(4)	67(3)	88(3)	148(5)	183(5)
2. Misc. Capital Receipts	-	-	-	-	-
3. Recoveries of Loans and Advances	6	6	6	6	10
4. Total Revenue and Non debt capital receipt (1+2+3)	1826	2175	2616	2950	3538
5. Public Debt Receipts	702	698	639	505	663
Internal Debt (excluding Ways & Means Advances and Overdrafts)	151	186	100	414	609
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	551	512	539	91	54
6. Total Receipts in the Consolidated Fund (4+5)	2528	2873	3255	3455	4201
7. Contingency Fund Receipts	1	-	-	170	-
8. Public Accounts receipts	3157	3285	3611	4038	5025
9. Total receipts of the State (6+7+8)	5686	6158	6866	7663	9226
Part B. Expenditure/Disbursement	2369	2771	3095	3466	4322
10. Revenue Expenditure	1943(82)	2191(79)	2469(80)	2778(80)	3425(79)
Plan	365(19)	415(19)	484(20)	566(20)	619(18)
Non-plan	1578(81)	1776(81)	1985(80)	2212(80)	2806(82)
General Services (including Interests payments)	633(33)	743(34)	786(32)	837(30)	1062(31)
Social Services	668(34)	737(34)	831(34)	931(34)	1192(35)
Economic Services	642(33)	711(32)	852(34)	1010(36)	1171(34)
Grants-in-aid and contributions	219	296	309	333	442
11. Capital Expenditure	426(18)	580(21)	626(20)	688(20)	897 (21)
Plan	425(100)	579(100)	622(99)	683(99)	898(100)
Non-plan	1	1	4(1)	5(1)	(-) 1(0)
General Services	70(17)	95(16)	83(13)	96(14)	151(17)
Social Services	91(21)	96(17)	122(19)	142(21)	188(21)
Economic Services	265(62)	389(68)	421(67)	450(65)	558(62)
12. Disbursement of Loans and Advances	7	7	8	25	29
13. Total (10+11+12)	2376	2778	3103	3491	4351
14. Repayments of Public Debt	230	71	73	68	166
Internal Debt (excluding Ways and Means Advances and Overdrafts)	38	40	42	51	118
Net transactions under Ways and Means Advances and Overdraft	66	-	-	-	-
Loans and Advances from Government of India	126	31	31	17	48

15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	2606	2849	3176	3559	4517
17. Contingency Fund disbursements	0.22	-	-	170	-
18. Public Accounts disbursements	2971	3134	3519	3704	4642
19. Total disbursement by the State (16+17+18)	5577	5983	6695	7433	9159
<i>Part C. Deficits</i>					
20. Revenue Deficit(-)/Revenue Surplus (+)(1-10)	(-) 123	(-) 22	(+) 141	(+) 166	(+) 103
21. Fiscal Deficit (4-13)	550	603	487	541	813
22. Primary Deficit (21-23)	227	203	60	94	303
<i>Part D. Other data</i>					
23. Interest Payments (included in revenue expenditure)	323	400	427	447	510
24. Financial Assistance to local bodies etc.	219	297	309	333	448
25. Ways and Means Advances (WMA)/Overdraft availed (days)	221/12	-	-	-	-
Ways and Means advances availed	499	-	-	-	-
Overdraft availed	37	-	-	-	-
26. Interest on WMA/Overdraft	1.13/0.05	-	-	-	-
27. Gross State Domestic Product (GSDP)*	11482	13354	15023	16901	19014
28. Outstanding fiscal liabilities (year end)	4350	5018	5694	6289	7058
29. Outstanding guarantees including interest (year end)	621	631	624	311	166
30. Maximum amount guaranteed (year end)	719	709	715	528	603
31. Number of incomplete projects	12	55	11	2	5
32. Capital blocked in incomplete projects	464.18	532.88	568.02	609	720

Figures in brackets represent percentages (rounded) to total of each sub-heading .

<i>Part E. Fiscal Health Indicators (In per cent)</i>					
I Resource Mobilization					
Own Tax revenue/GSDP	7.46	8.21	8.60	8.04	8.91
Own Non-Tax Revenue/GSDP	6.35	5.70	6.11	6.17	6.50
Central Transfers/GSDP	1.41	1.83	2.08	2.33	2.18
II Expenditure Management					
Total Expenditure/GSDP	20.69	20.80	20.65	20.66	22.88
Total Expenditure/Revenue Receipts	130.55	128.08	118.89	118.58	123.33
Revenue Expenditure/Total Expenditure	81.78	78.87	79.57	79.58	78.72
Expenditure on Social Services/Total Expenditure	28.11	26.53	26.78	26.67	27.42
Expenditure on Economic Services/Total Expenditure	27.02	25.59	27.46	28.93	26.91
Capital Expenditure/Total Expenditure	17.93	20.88	20.17	19.71	20.62
Capital Expenditure on Social and Economic Services/Total Expenditure	5.60	4.97	5.29	5.27	5.29

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

Audit Report (State Finances) for the year ended 31 March 2009

III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	(-) 1.07	(-) 0.16	0.94	0.98	0.54
Fiscal deficit/GSDP	4.79	4.52	3.24	3.20	4.28
Primary Deficit (surplus) /GSDP	(-) 1.98	(-) 1.52	(-) 0.40	(-) 0.56	(-) 1.59
Revenue Deficit/Fiscal Deficit	(-) 22.36	(-) 3.65	Revenue Surplus		
Primary Revenue Balance/GSDP	14.11	13.41	13.59	13.79	15.33
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	37.89	37.58	37.90	37.21	37.12
Fiscal Liabilities/RR	239.01	231.35	218.16	213.62	200.06
Primary deficit vis-à-vis quantum spread	(-) 38.01	(-) 60.14	(-) 26.40	(-) 32.76	(-) 99.13
Debt Redemption (Principal +Interest)/ Total Debt Receipts	78.77	67.48	78.25	101.98	101.96
V Other Fiscal Health Indicators					
Return on Investment	0.12	0.07	0.15	0.11	0.27
Balance from Current Revenue (Rs in crore)	191.33	353.15	576.98	625.34	586.54
Financial Assets/Liabilities	0.74	0.78	0.83	0.87	0.90

APPENDIX 1.4
(Referred to in paragraph 1.1)

(Rupees in crore)

Part A : Abstract of Receipts and Disbursements for the year 2008-09							
Receipts			Disbursements				
2007-08		2008-09	2007-08	2008-09			Total
					Non-Plan	Plan	
Section-A: Revenue							
2943.90	1. Revenue receipts	3528.27	2777.76	1. Revenue expenditure-	2806.63	618.85	3425.48
1358.91	Tax revenue	1693.55	837.18	General services	1052.65	9.22	1061.87
			930.42	Social Services-	783.17	409.39	1192.56
1042.82	Non-tax revenue	1236.16	400.29	Education, Sports, Art and Culture	432.55	115.52	548.07
			148.71	Health and Family Welfare	156.40	65.17	221.57
393.72	State's share of Union Taxes	415.44	166.57	Water Supply, Sanitation, Housing and Urban Development	152.65	73.22	225.87
			15.35	Information and Broadcasting	2.35	12.41	14.76
22.15	Non-Plan grants	18.02	3.00	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.22	2.60	2.82
82.70	Grants for State Plan Schemes	120.03	15.31	Labour and labour Welfare	13.48	7.06	20.54
			180.53	Social Welfare and Nutrition	24.59	133.41	158.00
43.60	Grants for Central and Centrally sponsored Plan Schemes	45.07	0.66	Others	0.93		0.93
			1010.16	Economic Services-	970.81	200.24	1171.05
			79.22	Agriculture and Allied Activities	48.24	58.24	106.48
			41.00	Rural Development	23.61	35.13	58.74
			2.96	Special Areas Programmes		3.87	3.87
			34.83	Irrigation and Flood control	28.62	12.38	41.00
			633.90	Energy	724.46	18.22	742.68
			56.82	Industry and Minerals	7.68	40.24	47.92
			123.88	Transport	122.74	8.84	131.58
			3.38	Science, Technology and Environment	-	3.61	3.61
			34.17	General Economic Services	15.46	19.71	35.17
			-	Grants-in-aid and Contributions-	-	-	-
2943.90		3528.27	2777.76	Total	2806.63	618.85	3425.48

Audit Report (State Finances) for the year ended 31 March 2009

-	II. Revenue deficit carried over to Section B	-	166.14	II. Revenue Surplus carried over to Section B	-	-	102.79
2943.90	Total	3528.27	2934.90	Total			3528.27
Section-B : Others							
495.78	III. Opening Cash balance including Permanent Advances and Cash Balance Investment	725.13		III. Opening Overdraft from Reserve Bank of India			
	IV. Miscellaneous Capital receipts			IV. Capital Outlay-			
			96.74	General Services-		150.59	150.59
			141.88	Social Services-		188.22	188.22
			39.11	Education, Sports, Art and Culture		52.91	52.91
			14.02	Health and Family Welfare		20.70	20.70
			86.17	Water Supply, Sanitation, Housing and Urban Development		112.64	112.64
				Information and Broadcasting			
			1.05	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes		1.10	1.10
			0.62	Social Welfare and Nutrition		0.87	0.87
			0.91	Others			
			449.90	Economic Services-	(-) 0.95	559.21	558.26
			17.64	Agriculture and Allied Activities	(-) 0.95	11.15	10.20
			0.52	Rural Development	-	2.02	2.02
			2.09	Special Areas Programmes	-	2.49	2.49
			159.87	Irrigation and Flood Control	-	182.74	182.74
			116.38	Energy		167.35	167.35
			16.25	Industry and Minerals		15.00	15.00
			135.39	Transport		164.74	164.74
			1.76	General Economic Services		13.72	13.72
			688.52	Total	(-) 0.95	898.02	897.07
6.18	V. Recoveries of Loans and Advances-	9.77	24.59	V. Loans and Advances disbursed-	22.47	6.20	28.67
	From Power Projects			For Power Projects	-	-	-
	From Government Servants	6.40	13.35	To Government Servants	22.47		22.47
	From Others	3.37	11.24	To Others	-	6.20	6.20

166.14	VI. Revenue Surplus brought down		102.79	VI. Revenue Deficit brought down			
504.78	VII. Public debt receipts-	662.83	68.30	VII. Repayment of Public debt-	-	166.29	166.29
-	External debt	-	-	External debt	-	-	-
413.63	Internal debt other than Ways and Means Advances and overdrafts	609.32	51.06	Internal debt other than Ways and Means Advances and Overdrafts	-	118.17	118.17
-	Net transactions under Ways and Means Advances	-	-	Net transactions under Ways and Means Advances	-	-	-
	Net transactions under overdraft		17.24	Repayment of Loans and Advances to Central Government		48.12	48.12
91.15	Loans and Advances from Central Government	53.51					
170.00	VIII. Appropriation to Contingency Fund	-	170.00	VIII. Appropriation to Contingency Fund			
	IX. Amount transferred to Contingency Fund	-	-	IX. Expenditure from Contingency Fund	-	0.06	0.06
4038.07	X. Public Account receipts-	5025.45	3704.41	X. Public Account disbursements-		4642.30	4642.30
151.62	Small Savings and Provident Funds	242.98	62.46	Small Savings and Provident Funds			76.53
38.22	Reserve Funds	148.94	3.33	Reserve Funds			1.42
1687.51	Suspense and Miscellaneous	2100.32	1597.82	Suspense and Miscellaneous			2137.08
2006.14	Remittance	2331.43	1955.21	Remittances			2331.68
154.58	Deposits and Advances	201.78	85.59	Deposits and Advances			95.59
	XI. Closing Overdraft from Reserve Bank of India		725.13	XI. Cash Balance at end-			791.58
				Investment of year marked balance		250.83	
				Deposits with Reserve Bank		3.07	
				Departmental Cash Balance including permanent Advances		1.62	
				Cash Balance Investment		536.06	
5380.95	Total	6525.97	5380.95	Total			6525.97

APPENDIX - 1.4 (CONTINUED)

(Referred to in paragraph 1.7.1)

PART B: SUMMARISED FINANCIAL POSITION OF THE GOVERNMENT OF GOA AS ON 31 MARCH 2009

(Rupees in crore)

As on 31 March 2008		Liabilities	As on 31 March 2009	
1587.06		Internal Debt		2078.21
	1477.36	Market Loans bearing interest	1881.12	
	--	Market Loans not bearing interest	--	
	24.69	Loans from LIC	22.70	
	85.01	Loans from other institutions	174.39	
	--	Ways and Means Advances /overdraft	--	
	--	Overdraft from Reserve bank of India	--	
3539.42		Loans and Advances from Central Government		3544.81
	200.83	Pre 1984-85 loans	200.77	
	2750.18	Non-Plan Loans	2776.96	
	581.74	Loans for State Plan Schemes	560.72	
	0.07	Loans for Central Plan Schemes	0.06	
	6.60	Loans for Centrally Sponsored Plan Schemes	6.30	
200.00		Contingency Fund		29.94
721.95		Small savings, Provident Fund etc.		888.40
440.28		Deposits		546.42
174.55		Reserve Funds		322.07
79.00		Remittance balances		78.75
60.50		Suspense and Miscellaneous		23.73
6802.76				7512.33
As on 31 March 2008		Assets	As on 31 March 2009	
4978.01		Gross Capital Outlay on Fixed Assets		5875.08
	299.17	Investment in shares of Companies, Corporation etc.	329.66	
	4678.84	Other Capital Outlay	5545.42	
71.16		Loans and Advances		90.06
	--	Loans for Power Projects	--	
	48.26	Other Development Loans	51.09	
	22.90	Loans to Government Servants and Miscellaneous loans	38.97	
		Reserve Fund Investments		
	0.70	Advances		0.65
		Suspense & Miscellaneous Balances		
725.13		Cash		791.58
	--	Cash in Treasuries and Local Remittances	--	
	(-) 99.86	Deposits with Reserve Bank	3.06	
	1.45	Departmental Cash Balances	1.48	
	0.12	Permanent Advances	0.14	
	655.46	Cash Balance Investments	536.06	

	167.96	Earmarked Fund Investment	250.84	
		Deficit on Government Accounts		
850.36	(-) 166.13	Revenue Deficit of the current year	(-) 102.80	747.56
	--	(i) Miscellaneous Deficit	--	
	1016.49	Accumulated deficit as on 31 March 2008	850.36	
170.00		Appropriation to Contingency Fund		--
7.40		Net effect of Balances taken over		7.40
	(-) 431.66	Balances taken over on 30 May 1987 under capital	(-) 431.66	
	424.26	Net result of allocation of Capital Expenditure	424.26	
6802.76				7512.33

Explanatory Notes for Appendices 1.3 and 1.4

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the surplus on Government account, as shown in Appendix 1.4, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc.

APPENDIX - 1.5

(Referred to in paragraph 1.6.4)

SUMMARIZED FINANCIAL STATEMENT OF DEPARTMENTALLY MANAGED QUASI-COMMERCIAL UNDERTAKINGS

(Rupees in crore)

Sr. No.	Name of the Undertaking	Period of accounts	Mean Govt. capital*	Block assets at depreciated cost	Depreciation provided during the year	Turnover/Income	Net profit/loss	Interest on capital	Total return	Percentage of Return on capital
1	Electricity Department	2005-06	486.33	172.64	12.77	583.64	94.43	--	94.43	17.59
2	River Navigation Department	2003-04	88.01	8.80	0.98	1.11	(-) 9.37	0.40	(-) 8.97	Nil

**Mean Government Capital = Average of opening and closing balances.*

APPENDIX - 2.1

(Referred to in paragraph 2.3.1)

SAVINGS IN EXCESS OF Rs TWO CRORE AND ALSO BY MORE THAN
20 PER CENT OF THE TOTAL PROVISION

(Rupees in crore)

Sr. No.	Grant/Appropriation	Total provision	Actual expenditure	Savings	Percentage
Revenue (Voted)					
1	07-Settlement & Land Records	8.79	6.25	2.54	29
2	19-Industries, Trade Commerce	22.32	17.67	4.65	21
3	45-Archives & Archaeology	5.15	3.05	2.10	41
4	49-Institute of Psychiatry & Human Behaviour	11.75	7.72	4.03	34
5	55-Municipal Administration	119.14	48.66	70.48	59
6	58-Women & Child Development	25.71	20.15	5.56	22
7	82-Information Technology	60.01	22.52	37.50	62
Capital (Voted)					
8	13-Transport	11.45	6.33	5.12	45
9	17-Police	6.68	2.27	4.41	66
10	18-Jail	11.76	1.80	9.96	85
11	21-Public Works	354.59	272.99	81.59	23
12	31-Panchayats	5.40	2.03	3.38	62
13	33-Revenue	2.87	-	2.87	100
14	40-Goa College of Engineering	11.25	6.55	4.70	42
15	42-Sports & Youth Services	9.12	6.67	2.45	27
16	45-Archives & Archaeology	11.00	7.01	3.99	36
17	47-Goa Medical College	11.83	5.10	6.73	57
18	64-Agriculture	3.23	0.95	2.28	71
19	67-Ports Administration	5.15	1.74	3.41	66
Capital (Charged)					
20	Appropriation for reduction of debts	266.53	166.29	100.24	38

APPENDIX - 2.2

(Referred to in paragraph 2.3.5)

CASES WHERE SUPPLEMENTARY PROVISION (RS 10 LAKH OR MORE IN EACH CASE) PROVED UNNECESSARY

(Rupees in crore)

Sr. No.	Number and Name of the Grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary provision
Revenue (Voted)					
1	06-Election Office	2.49	2.38	0.11	0.67
2	07-Settlement & Land Records	8.24	6.25	1.99	0.55
3	08-Treasury & Accounts Administration	286.70	230.31	56.39	0.88
4	13-Transport	19.91	18.82	1.08	1.24
5	18-Jail	5.02	4.56	0.47	1.09
6	19-Industries	21.61	17.67	3.93	0.72
7	36-Technical Education	6.62	5.72	0.90	0.23
8	40-Goa College of Engineering	9.48	8.83	0.66	0.60
9	43-Art & Culture	22.33	21.03	1.30	0.32
10	45-Archives & Archeology	4.54	3.05	1.49	0.61
11	54-Town & Country Planning	7.03	6.88	0.14	0.99
12	55-Municipal Administration	115.55	48.66	66.89	3.59
13	57-Social Welfare	136.87	120.51	16.36	0.25
14	58- Women & Child Development	21.48	20.15	1.34	4.23
15	62-Law	4.29	4.23	0.06	0.90
16	66-Fisheries	15.47	15.42	0.05	1.73
17	78-Tourism	28.64	21.29	7.35	0.50
Capital (Voted)					
18	13-Transport	8.15	6.33	1.82	3.30
19	21-Public Works	329.59	272.99	56.59	25.00
20	34-School Education	17.00	14.41	2.59	0.75
21	47-Goa Medical College & Hospital	9.33	5.10	4.23	2.50
22	64-Agriculture	3.01	0.95	2.06	0.21
23	67-Ports Administration	4.65	1.74	2.91	0.50
Total		1088.00	857.28	230.71	51.36

APPENDIX - 2.3

(Referred to in paragraph 2.3.6)

EXCESS/UNNECESSARY/INSUFFICIENT RE-APPROPRIATION
OF FUNDS

(Rupees in lakh)

Sr. No.	Grant No.	Description	Head of Accounts	Re-appropriation	Final Excess (+) Saving (-)
1	6	Elections	2015-106 (01)	(-) 22.54	(+) 14.55
2	10	Notary Services	4059 (01)	(-) 25.82	(-) 10.28
3	12	Commercial Tax	2040 (101) (01)	(-) 14.01	(-) 10.30
4	18	Jails	2056 (101) (02)	(-) 26.18	(+) 25.98
5	18	Jails	4059 (02)	(-) 936.35	(-) 11.87
6	21	Public Works	2215 (01)	(-) 0.40	(-) 17.42
7	21	Public Works	2215 (04)	(-) 8.65	(-) 11.41
8	21	Public Works	3054 (800) (03)	(-) 167.62	(-) 11.84
9	21	Public Works	2059 (799) (02)	(+) 117.98	(-) 47.14
10	21	Public Works	3054 (800) (04)	(+) 370.51	(-) 24.28
11	21	Public Works	4215 (796) (01)	(-) 162.90	(-)70.73
12	21	Public Works	4215 (04)	(+) 7.15	(+) 43.84
13	21	Public Works	5054 (337) (01)	(+) 260.00	(+) 16.09
14	26	Fire & Emergency Services	4059 (01)	(-) 11.71	(+) 21.79
15	31	Panchayats	2515 (01)	(+) 99.60	(+) 10.58
16	31	Panchayats	4515 (104) (04)	(-) 155.00	(-) 51.25
17	34	School Education	2202 (104) (01)	(+) 75.87	(-) 35.11
18	34	School Education	2206 (106) (02)	(+) 87.26	(-) 24.61
19	34	School Education	2202 (109) (01)	(+) 24.84	(-) 14.91
20	34	School Education	4202 (201) (01)	(+) 19.85	(-) 57.63
21	42	Sports	2204 (102) (09)	(-) 13.50	(-) 15.61
22	42	Sports	2204 (101) (04)	(+) 50.05	(-) 15.20
23	42	Sports	4202 (800) (01)	(-) 14.50	(-) 77.06
24	43	Art & Culture	2205 (102) (26)	(-) 104.02	(+) 24.42
25	47	Goa Medical College	2210 (110) (07)	(-) 7.82	(+) 173.80
26	47	Goa Medical College	2210 (110) (03)	(+) 69.79	(-) 173.75
27	48	Health Services	2210 (101) (08)	(-) 106.25	(-) 41.28
28	48	Health Services	2210 (110) (01)	(+) 53.30	(-) 20.29
29	48	Health Services	2210 (103) (01)	(+) 252.90	(-) 79.66
30	48	Health Services	2210 (110) (01)	(+) 23.03	(-) 19.63
31	48	Health Services	2210 (101) (02)	(+) 56.97	(-) 37.61
32	58	Women & Child Development	4235 (102) (01)	(-) 30.00	(-) 12.56
33	58	Women & Child Development	4235 (106) (01)	(-) 20.00	(-) 16.12
34	61	Craftsmen Training	4202 (105) (01)	(+) 60.00	(-) 17.22
35	62	Law	2235 (200) (01)	(-) 2.45	(-) 22.52
36	64	Agriculture	4401 (102) (01)	(-) 87.00	(-) 22.02
37	65	Animal Husbandry & Veterinary Services	2403 (800) (81)	(-) 109.35	(-) 323.22
38	70	Civil Supplies	4408(101) (01)	(-) 184.90	(-) 65.64
39	71	Co-operation	4059 (51) (01)	(-) 0.01	(+) 12.78
40	76	Electricity	2801 (01)	(+) 241.88	(+) 31.99

APPENDIX - 2.4

(Referred to in paragraph 2.3.8)

RESULTS OF REVIEW OF SUBSTANTIAL SURRENDERS MADE DURING THE YEAR

(Rupees in lakh)

Sr. No.	Number & title of Grant	Name of the scheme (Head of Account)	Total provision	Amount of Surrender (Rupees in lakh)	Percentage of Surrender
1	1-Legislature Secretariat	7610 - Loans to Government Servants	160.00	114.60	72
2	7-Settlement & Land Records	4059 - Capital Outlay on Public works	62.80	62.80	100
3	17-Police	4055 - Capital Outlay on Police	667.85	439.45	66
4	18-Jail	4059 - Capital Outlay on Public Works	1176.00	971.99	83
5	31-Panchayats	4216 - Capital Outlay on Other Rural Development Programmes	540.18	286.23	53
6	33-Revenue	4059 - Capital Outlay on Public works	287.00	287.00	100
7	36-Technical Education	4202 - Capital Outlay on Education & Sports	45.00	26.50	59
8	47-Goa Medical College	4210 - Capital Outlay on Medical & Public Health	1183.00	634.12	54
9	50-Goa College of Pharmacy	4210 - Capital Outlay on Medical & Public Health	90.75	60.68	67
10	55-Municipal Administration	2217- Urban Development	11914.02	7047.59	59
	Total		16126.60	9930.96	

APPENDIX - 2.5

*(Referred to in paragraph 2.3.9)***SURRENDERS IN EXCESS OF ACTUAL SAVINGS
(Rs 10 LAKH OR MORE)***(Rupees in crore)*

Sr. No.	Number and name of the grant/appropriation	Total grant/appropriation	Savings	Amount surrendered	Amount surrendered in excess
	Revenue - Voted				
1	18-Jails	6.12	1.56	1.77	0.21
2	76-Electricity	782.80	22.47	22.61	0.14
	Revenue - Charged				
3	Appropriation Debt services	579.00	39.20	40.47	1.27
	Capital - Voted				
4	55-Municipal Administration	3.18	0.93	1.06	0.13
5	71-Co-operation	8.79	0.49	0.62	0.13
6	76-Electricity	207.29	39.94	41.69	1.75
	Total	1587.18	104.59	108.22	3.63

APPENDIX - 2.6

(Referred to in paragraph 2.3.10)

**STATEMENT OF VARIOUS GRANTS/APPROPRIATIONS IN WHICH
SAVINGS OCCURRED BUT NO PART OF WHICH HAD BEEN
SURRENDERED**

(Rupees in crore)

Sr. No.	Number and Name of grants/appropriation	Savings
1	14-Goa Sadan (Revenue)	0.11
2	21-Public Works (Revenue)	2.96
3	22-Vigilance (Revenue)	0.33
4	29-Public Grievances (Revenue)	0.14
5	37-Government Polytechnic, Panaji (Capital)	0.10
6	42-Sports (Capital)	2.45
7	62-Law (Revenue)	0.96
8	62-Law (Capital)	0.19
	Total	7.24

APPENDIX - 2.7

(Referred to in paragraph 2.3.10)

DETAILS OF SAVINGS OF Rs 10 LAKH AND ABOVE NOT SURRENDERED

(Rupees in crore)

Sr. No.	Number and Name of Grant	Total Grant	Expenditure	Savings	Savings surrendered	Savings remaining unsundered
1	7-Settlement and Land Records (Revenue Voted)	8.79	6.25	2.54	2.43	0.11
2	8-Treasury and Accounts Administration (North Goa) (Revenue Voted)	287.58	230.31	57.27	0.30	56.97
3	Appropriation Debt Services (Capital Charged)	266.53	166.29	100.24	0.15	100.09
4	12-Commercial Taxes (Revenue Voted)	8.12	6.83	1.29	1.13	0.16
5	17-Police (Revenue Voted)	135.70	128.16	7.54	5.74	1.80
6	18- Jails (Capital Voted)	11.76	1.80	9.96	9.72	0.24
7	30-Small Savings & Lotteries (Revenue voted)	11.49	8.47	3.02	2.16	0.86
8	31-Panchayats (Capital voted)	5.40	2.02	3.38	2.86	0.52
9	34-School Education (Revenue Voted)	452.49	400.70	51.79	49.28	2.51
10	34-School Education (Capital voted)	17.75	14.41	3.34	2.80	0.54
11	42-Sports (Revenue voted)	30.81	28.27	2.54	1.87	0.67
12	47-Goa Medical College & Hospital (Capital voted)	11.83	5.10	6.73	6.34	0.39
13	48-Health Services (Revenue voted)	115.25	108.84	6.41	2.84	3.57
14	48-Health Services (Capital voted)	13.53	13.01	0.52	0.12	0.40
15	52-Labour (Revenue voted)	12.32	11.73	0.59	0.39	0.20
16	57-Social Welfare (Revenue voted)	137.12	120.51	16.61	16.50	0.11
17	58-Women & Child Development (Capital voted)	1.68	0.87	0.81	0.52	0.29
18	61-Craftsmen Training (Capital voted)	4.85	3.22	1.63	1.45	0.18
19	64-Agriculture (Revenue voted)	36.62	30.63	5.99	5.53	0.46
20	64-Agriculture (Capital voted)	3.22	0.95	2.27	2.04	0.23
21	65-Animal Husbandry and Veterinary Services (Revenue voted)	27.10	21.95	5.15	1.21	3.94
22	70-Civil Supplies (Capital voted)	40.83	35.12	5.71	5.05	0.66
23	72-Science, Technology & Environment (Revenue voted)	5.14	4.22	0.92	0.80	0.12
24	78-Tourism (Revenue voted)	29.14	21.29	7.85	6.67	1.18
	Total	1675.05	1370.95	304.10	127.90	176.20

APPENDIX - 2.8

(Referred to in paragraph 2.3.10)

**SURRENDER OF FUNDS IN EXCESS OF Rs FIVE CRORE ON
31 MARCH 2009**

(Rupees in crore)

Sr. No.	Grant No.	Amount surrendered	Percentage of total provision
1	Appropriation Debt Services (Revenue Charged)	40.47	7
2	13-Transport (Capital voted)	5.06	44
3	17-Police (Revenue voted)	5.74	4
4	18-Jails (Capital voted)	9.72	83
5	21-Public Works (Capital voted)	80.27	23
6	31-Panchayats (Revenue voted)	8.27	12
7	34-School Education (Revenue voted)	49.28	11
8	47-Goa Medical College (Revenue voted)	9.59	10
9	55-Municipal Administration (Revenue voted)	70.48	59
10	57-Social Welfare (Revenue voted)	16.50	12
11	58-Women & Child Development (Revenue voted)	5.57	22
12	64-Agriculture (Revenue voted)	5.53	15
13	70-Civil Supplies (Capital voted)	5.05	12
14	76-Electricity (Revenue voted)	22.61	3
15	76-Electricity (Capital voted)	41.69	20
	Total	375.83	

APPENDIX - 2.9

(Referred to in paragraph 2.3.11)

RUSH OF EXPENDITURE

(Rupees in crore)

Sr. No.	Major Head	Total expenditure during the year	Expenditure during last quarter of the year		Expenditure during March 2009	
			Amount	Percentage of Total expenditure	Amount	Percentage of Total Expenditure
1	2048	30.00	30.00	100.00	25.00	83.33
2	4210	20.38	14.28	70.07	11.39	55.89
3	4711	35.67	26.17	73.37	17.90	50.18
4	4801	167.35	103.47	61.83	88.67	52.98
5	5452	13.71	7.53	54.92	7.18	52.37
Total		267.11	181.45	67.93	150.14	56.21

APPENDIX - 2.10

(Referred to in paragraph 2.4.1)

PENDING DC BILLS FOR THE YEARS UPTO 2008-09

(Rupees in lakh)

Sr. No.	Department	Number of AC bills	Amount
1	General Administration Department	11	71.15
2	Legislature Department	4	9.28
3	Collector, North Goa	9	7.09
4	Collector, South Goa	5	11.10
5	Electoral Office	67	108.05
6	Directorate of Education	3	19.16
7	Directorate of Youth Services	40	226.39
8	Directorate of Health Services	10	247.87
9	Goa Medical College	3	51.74
10	Goa Dental College	3	18.58
11	Tourism Department	3	13.05
12	Information & Technology Department	5	63.82
13	Directorate of Agriculture	8	6.71
14	Commissioner of Commercial Taxes	4	54.64
15	Directorate of Archives	3	38.25
16	Directorate of Craftsman Training	5	6.28
17	State Institute of Education	4	9.86
18	Directorate of Art & Culture	3	26.53
	Total	190	989.55

APPENDIX - 2.11

(Referred to in paragraph 2.5)

CASES OF DRAWAL FROM CONTINGENCY FUND

(Rupees in lakh)

Sr. No.	Finance Dept. sanction order No & date	Budget Controlling Authority	Major Head	Purpose for which drawn	Amount
1	03 dated 13.05.2008	Director of Prosecutions	2014	For meeting office expenses	1.00
2	04 dated 26.05.2008	Under Secretary, (G.A- I)	2013	Purchase of new vehicle for Minister of Transport	8.78
3	06 dated 30.05.2008	Pr. Chief Engineer, PWD	2059	Payment of TA bills	3.30
4	13 dated 18.07.2008	Chief Conservator of Forests	2406	Tree plantation drive	10.00
5	14 dated 22.07.2008	Pr. Chief Engineer, PWD	5054	Construction of Margao Western by-pass to NH-17	0.28
6	18 dated 02.09.2008	Collector, South Goa	6075	Advance to administrative office of comunidade for salary payment	45.00
7	20 dated 25.09.2008	Under Secretary, (G.A-I)	2052	Expenditure on visit of VVIPs/State Guests	50.00
8	22 dated 03.10.2008	Under Secretary, (G.A-I)	2013	To meet contingent expenditure	25.00
9	43 dated 27.11.2008	Pr. Chief Engineer, PWD	3054	Maintenance of rural roads	500.00
10	46 dated 28.11.2008	Principal, Govt. Polytechnic Panaji	4202	Repairs/renovation of building	25.00
11	47 dated 01.12.2008	Pr. Chief Engineer, PWD	4215	To meet liabilities under Water Supply & Sanitation	500.00
12	50 dated 11.12.2008	Under Secretary, (G.A-I)	2013, 2052, 2251, 3451	To meet salaries, TA and office expenses	150.00
				Total	1318.36

APPENDIX - 3.1

(Referred to in paragraph 3.1)

DEPARTMENT-WISE BREAKUP OF OUTSTANDING UTILISATION CERTIFICATES AS ON 31 MARCH 2009

Sr. No.	Name of the Department	No. of utilization certificates	Amount (Rupees in crore)
1	Directorate of Education	315	13.72
2	Directorate of Technical Education	4	0.97
3	Directorate of Higher Education	2	1.15
4	Directorate of Sports & Youth Affairs	200	13.48
5	Town and Country Planning Department	36	15.25
6	Directorate of Municipal Administration	533	125.94
7	i) Directorate of Women and Child Welfare	73	2.67
	ii) Directorate of Social Welfare	81	1.94
8	Directorate of Science, Technology & Environment	42	5.88
9	i) Directorate of Panchayats (South)	1277	11.56
	ii) Directorate of Panchayats (North)	1040	57.35
10	i) General Administration Department	7	0.23
	ii) Directorate of Official Language	1	0.06
11	Directorate of Health Services	16	3.65
12	Directorate of Small Savings	7	5.95
13	Directorate of Art & Culture	984	24.41
14	Directorate of Agriculture	115	0.35
15	Goa State Legal Services Authority	6	0.88
	TOTAL	4739	285.44

APPENDIX - 3.2
(Referred to in paragraph 3.2)

**STATEMENT SHOWING NAMES OF BODIES AND AUTHORITIES, THE
ACCOUNTS OF WHICH HAD NOT BEEN RECEIVED**

Sr. No.	Name of the Institution	Year for which accounts had not been received	Grant received during preceding year (Rupees in lakh)
	Directorate of Education		
1	A. J. De Almeida High School, Ponda	2004-05 to 2007-08	80.95
2	A.I.M. Salcete High School, Malbhat	2004-05 to 2007-08	28.50
3	Abhinav Vidyamandir, Mollem	2003-04 to 2007-08	N.A.
4	Ann High School, Tivim	2004-05 to 2007-08	30.66
5	Azmane High School, Neura	2006-07 to 2007-08	35.17
6	Blessed Joseph Vaz High School, Sancoale	2007-08	29.60
7	Cuncochim United High School, Cuncochim	2003-04 to 2007-08	N.A.
8	Dnyanprasarak Vidyalaya, Mapusa	2005-06 to 2007-08	49.02
9	G. S. Amonkar Vidya Mandir	2007-08	61.95
10	Gomantak Vidyalaya, Dharbandoda	2004-05 to 2007-08	14.50
11	Holy Cross High School, Bardez	2004-05 to 2007-08	28.43
12	I.V.B.D. English School, Dhavali	2005-06 to 2007-08	35.66
13	Ideal High School, Taleigao	2007-08	37.66
14	Immaculate Conception High School, Avedem, Paroda	2003-04 to 2007-08	N.A.
15	Immaculate Heart of Mary High School, Goa Velha	2003-04 to 2007-08	N.A.
16	K.R.S.S. High School, Savoie Verem	2003-04 to 2007-08	N.A.
17	Kasturba Matoshree High School, Panaji	2003-04 to 2007-08	N.A.
18	L.D. Samant Memorial High School, Porvorim	2003-04 to 2007-08	N.A.
19	Late V.G. Shenvi Vidyalaya, Rawanfond	2003-04 to 2007-08	N.A.
20	Lokmanya Tilak Vidyalaya High School, Kavalem	2003-04 to 2007-08	N.A.
21	Lokshikshan High School, Dhargal, Pernem	2005-06 to 2007-08	23.16
22	Manguirish Vidhyalaya, Aroba, Pernem	2005-06 to 2007-08	20.75
23	Mapusa High School, Mapusa	2005-06 to 2007-08	26.69
24	Marina English High School, Verna	2007-08	27.76
25	Mata Secondary School, No. 1, Baina, Vasco	2005-06 to 2007-08	44.88
26	Municipal High School, Vasco	2007-08	35.44
27	Mustifund High School, Panaji	2005-06 to 2007-08	53.36
28	Navdeep Vidyalaya, Shiroda	2005-06 to 2007-08	27.70
29	New English High School, Keri, Pernem	2005-06 to 2007-08	34.09

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30	Our Lady of Candelaria High School, Baina, Vasco	2007-08	25.77
31	Our Lady of Desterro's School, Desterro	2005-06 to 2007-08	27.66
32	Our Lady of Divar High School, Piedade	2006-07 to 2007-08	23.09
33	Our lady of Health High School, Cuncolim	2005-06 to 2007-08	38.43
34	Our Lady of Perpetual Succor High School, Cortalim	2006-07 to 2007-08	53.84
35	Our Lady of Rosary High School, Fatorda, Margao	2007-08	4.25
36	Our Lady of Succor High School, Nagoa	2006-07 to 2007-08	32.49
37	Perpetual Succor High School, Navelim	2005-06 to 2007-08	62.64
38	Pragati Vidyalaya, Borim	2005-06 to 2007-08	28.12
39	Progress High School, Sancalim, Bicholim	2007-08	73.07
40	R.P.R.S. High School, Bandoda	2005-06 to 2007-08	27.68
41	Ramakant D. Khalap High School, Mandrem, Pernem	2005-06 to 2007-08	37.72
42	Sacred Heart High School, Parra, Bardez	2005-06 to 2007-08	27.56
43	Sarvodaya High School, Usgao	2006-07 to 2007-08	24.63
44	Shiksha Sadan, Priol	2005-06 to 2007-08	32.64
45	Shree Navdurga Vidyalaya, Marcaim, Ponda	2007-08	33.07
46	Shri Bhagwati High School, Pernem	2005-06 to 2007-08	51.69
47	Shri Durga English School, Parsem, Pernem	2005-06 to 2007-08	26.91
48	Shri Hanuman Vidyalaya, Valpoi, Sattari	2006-07 to 2007-08	35.94
49	Shri Kamakshi High School, Shiroda	2005-06 to 2007-08	47.22
50	Shri Kamleshwar High School, Pethechawada	2007-08	27.44
51	Shri Katyayani Banewher Vidyalaya, Canacona	2006-07 to 2007-08	25.35
52	Shri Shantadurga Vidyalaya, Pirna, Bardez	2007-08	29.11
53	Shri Shradhanand Vidyalaya, Paiguinim	2005-06 to 2007-08	36.04
54	Shri Bhumika High School, Parye, Sattari	2007-08	49.77
55	Shri Kamleshwar High School, Korgao	2007-08	27.44
56	Smt. Haribai Talaulikar High School, Sancordem	2005-06 to 2007-08	30.23
57	Smt. Sunandabai Bandodkar High School, Carambolim	2005-06 to 2007-08	25.98
58	St Jude Higher Secondary School, Betalbatim	2004-05 to 2007-08	18.51
59	St. Andrew's Institute, Vasco	2005-06 to 2007-08	62.33
60	St. Anthony High School, Duler	2006-07 to 2007-08	36.55
61	St. Anthony High School, Galgibaga	2007-08	31.12
62	St. Anthony's High School, Monte de Guirim	2005-06 to 2007-08	49.07
63	St. Clara's High School, Assonora	2005-06 to 2007-08	39.46
64	St. Francis Xaviers High School, Siolim	2005-06 to 2007-08	48.73
65	St. John of the Cross High School, Sanquelim	2006-07 to 2007-08	52.78
66	St. Joseph Convent High School, Nagoa Verna	2005-06 to 2007-08	30.64
67	St. Joseph High School, Arpora	2006-07 to 2007-08	2.96
68	St. Joseph's High School, Aquem, Alto, Margao	2006-07 to 2007-08	36.23

69	St. Mary's High School, Ponda	2007-08	44.42
70	St. Michael's Convent High School, Vagator	2005-06 to 2007-08	42.21
71	St. Pius X High School, Orlim	2006-07 to 2007-08	48.01
72	St. Rita's High School, Maina, Curtorim	2006-07 to 2007-08	54.27
73	St. Rita's High School, Colvale	2005-06 to 2007-08	41.32
74	St. Rock's High School, Tollecanto, Velim	2005-06 to 2007-08	36.40
75	St. Thereza High School, Santo Estevam	2005-06 to 2007-08	26.72
76	St. Thereza's Convent High School, Raia	2005-06 to 2007-08	32.73
77	St. Thomas Boy's High School, Aldona, Bardez	2007-08	36.95
78	St. Thomas Girl's High School, Aldona	2005-06 to 2007-08	38.14
79	St. Thomas High School, Cansaulim	2007-08	28.62
80	T. B. Cunha New High School, Aquem	2006-07 to 2007-08	26.09
81	The Rosary High School, Miramar	2005-06 to 2007-08	35.93
82	Vidya Mandir, Airport Road Chicalim	2007-08	40.07
83	Vijayanand High School, Mayem	2007-08	32.01
84	Viscount of Pernem High School, Pernem	2005-06 to 2007-08	28.91
85	Miracles High School, Sanguem	2006-07 to 2007-08	24.20
86	St. Mary's High School, Ponda	2006-07 to 2007-08	44.37
87	Sharada English High School, Ponda	2007-08	98.23
88	Infant Jesus High School, Cuncolim	2006-07 to 2007-08	24.96
89	St. Xavier High School, Velim	2006-07 to 2007-08	20.96
90	Our Lady of Carmel High School, Curtolim	2006-07 to 2007-08	0.83
Directorate of Higher Education			
91	C.R. College of Law, Margao	2006-07 to 2007-08	29.66
92	V.M. Salgoankar College of Law, Panaji	2007-08	89.74
93	P.E.S.S.R.S.N. College of Arts and Science, Farmagudi	2005-06 to 2007-08	180.04
94	Mallikarjun College of Arts & Commerce, Canacona	2005-06 to 2007-08	58.34
95	S.V.S. College of Commerce and Management Studies, Mapusa	2005-06 to 2007-08	42.37
96	Fr. Agnel College of Arts & Commerce, Pillar	2007-08	75.16
97	G.E.S. College of Arts and Commerce, Cuncolim	2005-06 to 2007-08	54.86
Directorate of Arts & Culture			
98	Goa International Centre, Donapaula	2007-08	18.00
99	Entertainment Society of Goa, Panaji	2007-08	479.99
Chief Town Planner			
100	Panaji Planning Development Authority, Panaji	2007-08	435.59
101	Vasco Planning Development Authority, Vasco	2003-04 to 2007-08	N.A.

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Directorate of Agriculture			
102	Chairman, District Nodal Agency, Panaji	2006-07 to 2007-08	230.00
103	Users groups and Self help group users of all talukas of Goa State	2006-07 to 2007-08	28.04
Directorate of Social Welfare			
104	Goa State Social Welfare Board, Panaji	2007-08	39.37
105	Institute of Public Assistance, Panaji	2007-08	500.00
Directorate of Science, Technology & Environment			
106	Goa Science Centre, Miramar	2006-07 to 2007-08	33.75
107	Goa State Pollution Control Board, Panaji	2007-08	258.44
Directorate of Women and Child Development			
108	Anganwadi Workers Training Centre, Alto-Betim	2006-07 to 2007-08	3.50
Directorate of Municipal Administration			
109	The Goa State Urban Development Agency, Panaji	2005-06 to 2007-08	31.08
Directorate of Panchayats			
110	Zilla Panchayat, North Goa	2005-06 to 2007-08	49.29
111	Zilla Panchayat, South Goa	2005-06 to 2007-08	27.92
Directorate of Sports & Youth Affairs			
112	Sports Authority of Goa, Panaji	2007-08	850.00
Directorate of Health Services			
113	State Family Welfare Bureau (DHS) State Committee of Voluntary Action (SCOVA)	2006-07 to 2007-08	20.00
Total			6441.58

N.A. - Not Available

APPENDIX - 3.3

(Referred to in paragraph 3.3)

STATEMENT SHOWING PERFORMANCE OF AUTONOMOUS BODIES AS OF NOVEMBER 2009

Sr. No.	Name of the Body/Authority	Period of Entrustment of audit	Year upto which Accounts due	Year for which Accounts received	Year upto which Audit Report issued	Year upto which Audit Report laid in the legislature	Delays in submission of SARs in legislature (in month)
1	Goa Tillari Irrigation Development Corporation	1.4.2008 to 31.3.2012	2008-09	2006-07	2005-06	2005-06	-
2	Goa State Commission for Backward Classes	1.4.2004 to 31.3.2009	2008-09	2008-09	2007-08	2006-07	6
3	Goa University	1.4.2005 to 31.3.2010	2008-09	2007-08	2006-07	2005-06	5
4	Goa Khadi & Village Industries Board	1.4.2008 to 31.3.2013	2008-09	2006-07	2006-07	2005-06	6
5	Goa Housing Board	1.4.2007 to 31.3.2012	2008-09	2007-08	2006-07	2006-07	-
6	Goa Board of Secondary & Higher Secondary Education	1.4.2005 to 31.3.2010	2008-09	2004-05	2004-05	Information awaited	-
7	Goa State Legal Services Authorities	Regular Audit	2008-09	2006-07	2006-07	Information awaited	-

APPENDIX - 3.4

(Referred to in paragraph 3.4)

**POSITION OF ARREARS AS ON 30 JUNE 2009 IN PREPARATION OF
PROFORMA ACCOUNTS**

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

APPENDIX - 3.5*(Referred to in paragraph 3.5)***DEPARTMENT WISE/DURATION WISE BREAK-UP OF THE CASES OF MISAPPROPRIATION, DEFALCATION, ETC.****(CASES WHERE FINAL ACTION WAS PENDING AT THE END OF JUNE 2009)**

Sr. No.	Name of the Department	Upto 5 years	5 to 10 years	10 to 15 years	Total No. of cases
1	Director of Panchayats, Panaji	-	2 (0.54)	-	2 (0.54)
2	Deputy Commandant General, Home Guards	-	-	1 (4.95)	1 (4.95)
3	Director General of Police	1 (0.04)	2 (1.38)	-	3 (1.42)
4	Director of Civil Supplies	2 (2.90)		-	2 (2.90)
5	Conservator of Forests, Panaji	-	1 (0.67)	-	1 (0.67)
6	Chief Electrical Engineer, Panaji	-	3 (98.18)	-	3 (98.18)
7	Chief Engineer, PWD, Panaji	1 (38.60)	1 (0.20)	-	2 (38.80)
8	Dean, Goa Medical College, Bambolim	1 (2.39)	-	-	1(2.39)
9	Director of Education, Panaji	1 (0.77)	-	-	1 (0.77)
10	Administrative Medical officer, E.S.I. Scheme, Panaji	1 (1.85)	-	-	1 (1.85)
11	Principal, Govt. Polytechnic Mayem, Bicholim	1 (0.40)	-	-	1 (0.40)
	Total	8 (46.95)	9 (100.97)	1 (4.95)	18 (152.87)

(Figures in brackets indicate rupees in lakh)