

**Union Territory Finances Audit Report
of the
Comptroller and Auditor General of India**

for the year ended March 2018



Dedicated to Truth in Public Interest

**Government of the Union Territory of Puducherry
Report No.1 of 2019**

**Report of the
Comptroller and Auditor General of India
on
Union Territory Finances**

for the year ended March 2018

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Fiscal situation of the Union Territory

Revenue receipts: Revenue receipts increased by 11.52 *per cent* in 2017-18 over the previous year. Buoyancy of revenue receipts with reference to GSDP increased from 0.59 in 2016-17 to 1.15 in 2017-18.

(Paragraph 1.3)

Revenue expenditure: During 2017-18, the revenue expenditure increased by 6.39 *per cent* over the previous year. However, as a percentage of GSDP, the revenue expenditure declined from 18.64 in 2016-17 to 18.02 in 2017-18. The buoyancy of revenue expenditure with reference to revenue receipt during 2017-18 stood at 0.55.

(Paragraphs 1.6.1 & 1.6.2)

Fiscal status: Union Territory of Puducherry had achieved revenue surplus (₹ 196 crore) during 2017-18 as against the target in the fiscal roadmap (₹ 16.78 crore) and was due to tax revenue under Goods and Services tax. The ratio of fiscal deficit to GSDP (0.61 *per cent*) is above the target of fiscal roadmap (0.64 *per cent*) and budget estimates of 2017-18 (1.34 *per cent*). UT's Debt-GSDP ratio decreased from 24.75 *per cent* in 2016-17 to 24.02 *per cent* in 2017-18.

(Paragraphs 1.1.2 & 1.10)

The primary surplus of the UT Government increased from ₹ 58 crore in 2016-17 to ₹ 489 crore during 2017-18, which indicates that the receipts were sufficient to meet the primary expenditure.

(Paragraph 1.11.1)

Resource mobilisation

Revenue receipts: Revenue receipts increased by 11.52 *per cent* over 2016-17 and stood at ₹ 6,003 crore in 2017-18, which was higher than the budget estimates (₹ 5,772 crore).

(Paragraphs 1.1.3 & 1.3)

UT's own tax revenue: The annual growth rate of own tax revenue increased from 6.24 *per cent* in 2016-17 to 16.87 *per cent* in 2017-18.

(Paragraph 1.3)

Application of resources

Total expenditure: The total expenditure of ₹ 5,905 crore during 2016-17 increased by ₹ 296 crore and stood at ₹ 6,201 crore in 2017-18. The Government spent more on General Services.

(Paragraph 1.6.1)

Capital expenditure: Capital expenditure decreased (11.85 per cent) from ₹ 447 crore in 2016-17 to ₹ 394 crore in 2017-18. The Government had provided ₹ 552 crore in the Budget of 2017-18. The proportion of capital expenditure to aggregate expenditure decreased from 7.57 per cent in 2016-17 to 6.35 per cent in 2017-18.

(Paragraphs 1.1.3 & 1.6.1)

Revenue expenditure: Revenue expenditure stood at ₹ 5,807 crore, which was higher than the budget estimates (₹ 5,654 crore), accounted for 93.65 per cent of the total expenditure. It increased by 6.39 per cent over 2016-17.

(Paragraph 1.6.2)

Committed expenditure: The committed expenditure on salaries, pension and interest payments was 56 per cent of the revenue expenditure in 2017-18 as against 53 per cent in 2016-17. The committed expenditure as a percentage of revenue receipts remained constant at 54 per cent for the years 2016-17 and 2017-18.

(Paragraph 1.6.3)

Subsidies: Subsidies consumed 2.61 per cent of State's revenue. The subsidies had increased from ₹ 134 crore in 2016-17 to ₹ 157 crore in 2017-18.

(Paragraph 1.6.3)

Quality of expenditure

Adequacy of expenditure: The ratio of aggregate expenditure as a percentage of GSDP declined from 24 per cent in 2014-15 to 19 per cent in 2017-18. However, as compared to General Category States, it had increased from 15 per cent in 2014-15 to 16 per cent in 2017-18.

(Paragraph 1.7.1)

Priority of expenditure: Development expenditure, as a percentage of aggregate expenditure, marginally decreased from 71 *per cent* in 2016-17 to 68 *per cent* in 2017-18.

(Paragraph 1.7.2)

Efficiency of expenditure: During the five year period from 2013-14 to 2017-18, the developmental revenue expenditure gradually decreased from 67 *per cent* to 63 *per cent*. However, developmental capital expenditure increased from six *per cent* in 2013-14 to 10 *per cent* in 2014-15 but then decreased to five *per cent* in 2017-18.

(Paragraph 1.7.2)

Investment and return

Investments: As on 31 March 2018, Government invested ₹ 1,028 crore in 12 Government Companies and 358 Co-operative Institutions. The Government Companies did not finalise their respective accounts ranging between one and five years as at the end of 31 March 2018.

(Paragraph 1.8.2)

Return on investments: The return on investments was 0.01 *per cent* in 2017-18 as against Nil return during 2016-17. However, the interest on UT Government's borrowings increased from 7.20 *per cent* in 2016-17 to 8.02 *per cent* in 2017-18.

(Paragraph 1.8.2)

Fiscal liabilities

Outstanding liabilities: The outstanding fiscal liabilities increased by 6.02 *per cent* of ₹ 8,299 crore in 2016-17 and ₹ 8,799 crore at the end of 2017-18. The outstanding liabilities as a percentage of GSDP represented 27 *per cent* in 2017-18. The fiscal liabilities at the end of 2017-18 represented 147 *per cent* of Revenue receipts during the year, as against 154 *per cent* during 2016-17.

(Paragraph 1.9.2)

Contingent liabilities: As a percentage of guarantees given against total revenue receipts, the contingent liabilities increased from 1.04 *per cent* in 2016-17 to 1.05 *per cent* in 2017-18. The maximum amount guaranteed by

Government of India and by UT was ₹ 63.18 crore in 2017-18 as against ₹ 20.98 crore in 2013-14.

(Paragraph 1.9.3)

Debt management

Incomplete projects: Blocking of funds on incomplete works impinges negatively on the quality of expenditure. The Public Works Department (PWD) had 12 incomplete projects with cumulative expenditure cost of ₹ 77 crore as of March 2018.

(Paragraph 1.8.1)

Interest burden: The burden of interest payments (interest payments/revenue receipts) increased from 10.74 *per cent* in 2016-17 to 11.43 *per cent* in 2017-18.

(Paragraph 1.10)

Maturity Profile: The maturity profile of UT Government's Public debt indicated that nearly 64.41 *per cent* of the total Public debt was repayable within next seven years.

(Paragraph 1.10)

Budgetary control

Summary: During 2017-18, an expenditure of ₹ 6,799.94 crore was incurred against total grants and appropriations of ₹ 7,589.01 crore, resulting in overall savings of ₹ 789.07 crore (10.40 *per cent*).

(Paragraph 2.2)

Deficient budgeting: In 189 cases, out of total provision of ₹ 1690.94 crore, where savings exceeded ₹ 50 lakh in each case and also by more than 20 *per cent* of the total provision, resulted in overall savings of ₹ 818.99 crore. Out of 189 cases, in 47 cases no expenditure was incurred against the provision of ₹ 250.35 crore. Supplementary provision of ₹ 10 lakh or more in each case aggregating ₹ 108.88 crore obtained in 12 sub heads/cases during the year 2017-18 proved unnecessary.

(Paragraphs 2.3.1 & 2.3.3)

Persistent savings: Out of 33 grants, persistent savings of more than ₹ 10 lakh were noticed in 23 grants during 2013-18.

(Paragraph 2.3.2)

Rush of expenditure: Rush of expenditure was noticed in respect of six sub heads. The total expenditure of the six sub heads for the year was ₹ 6.43 crore. Out of this, the last quarter expenditure was ₹ 5.12 crore, against which ₹ 4.45 crore was spent only in March 2018.

(Paragraph 2.3.7)

Financial Reporting

Utilisation Certificates: 1,250 UCs were pending from various grantee institutions for Grants-in-aid of ₹ 477.17 crore. In respect of 296 cases (₹ 26.75 crore), the pendency was more than nine years.

(Paragraph 3.1)

Non-submission of accounts: Forty one autonomous bodies/authorities did not submit their annual accounts due for the period upto 2016-17 to Principal Accountant General (G&SSA) as of March 2018. Fifteen autonomous bodies/authorities did not submit their accounts since 2008-09.

(Paragraph 3.2)

Temporary advance: Temporary advances aggregating to ₹ 152.83 crore were pending adjustment in respect of 1,872 cases by Drawing and Disbursing Officers. Out of the above, 248 cases (₹ 28.13 crore) were pending for more than 10 years and 914 cases (₹ 70.43 crore) were pending for the period ranging between 10 years and one year. Temporary advances in respect of 710 cases (₹ 54.27 crore) remained unadjusted within a year.

(Paragraph 3.3)

Misappropriation and losses: The UT Government reported 311 cases of misappropriation, loss, theft and defalcation upto March 2018 involving Government money of ₹ 26.92 crore in various Departments. FIRs had been lodged against all the 311 cases. Out of the above, 276 cases were awaiting departmental investigation, in three cases departmental action was initiated and final action pending. In 13 cases, departmental action was taken but recovery or write-off orders awaited and 19 cases were pending in Courts of Law.

(Paragraph 3.4)

CHAPTER I

FINANCES OF THE UNION TERRITORY GOVERNMENT

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FINANCES OF THE UNION TERRITORY GOVERNMENT

The Union Territory (UT) of Puducherry is located on the east coast of India and extends over an area of 490 sq.km. UT consists of four regions, namely, Puducherry, Karaikal, Mahe and Yanam, geographically separated from each other. UT is administered under the provisions of the Government of Union Territories Act, 1963. As per 2011 census, UT's population was 12.48 lakh, which recorded a decadal growth rate of 28.13 *per cent* as compared to 2001 census. The population projection as per National Commission on population was 17 lakh during 2017-18 in UT of Puducherry. The percentage of population below the poverty line was 7.7 *per cent*, which was lower than the all-India average of 21.9 *per cent*. UT's Gross State Domestic Product (GSDP) in 2017-18, at current price, was ₹ 32,215 crore. UT's literacy rate increased from 81.24 *per cent* (as per 2001 census) to 85.80 *per cent* (as per 2011 census). General data relating to UT is given in **Appendix 1.1**.

Gross State Domestic Product

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

Table 1.1: Trend of growth of GDP and GSDP

	2013-14	2014-15	2015-16	2016-17	2017-18
India's GDP (₹ in crore)	1,12,33,522	1,24,45,128	1,37,64,037	1,52,53,714	1,67,73,145
Growth rate of GDP (percentage)	12.97	10.79	10.60	10.82	9.96
UT's GSDP (₹ in crore)	21,870	22,574	26,643	29,279	32,215
Growth rate of GSDP (percentage)	15.87	3.22	18.03	9.89	10.03

(Source: GSDP in Puducherry-Directorate of Economics and Statistics, Puducherry; India's GDP-Information from Ministry of Statistics and Programme Implementation)

The terms and abbreviations used in this Report are listed in the Glossary at Page No.85

1.1 Introduction

This Chapter provides a broad perspective of the finances of the Government of UT of Puducherry during the current year and analyses changes in the major fiscal aggregates relative to the previous year, also keeping in view the overall trends during the last five years.

The structure of Government Accounts and the layout of the Finance Accounts are shown in **Appendix 1.1 - Part B** and **Part C**. The methodology adopted for the assessment of the fiscal position of UT is given in **Appendix 1.2**. A time series data on UT Government finances is given in **Appendix 1.3**.

1.1.1 Summary of current year's fiscal transactions

Table 1.2 presents the summary of UT Government's fiscal transactions during the current year (2017-18) *vis-à-vis* the previous year (2016-17). **Appendix 1.4 - Part A** provides details of receipts and disbursements as well as the overall fiscal position during the current year.

Table 1.2 : Summary of current year's fiscal operations

(₹ in crore)

Receipts	2016-17	2017-18	Disbursements	2016-17	2017-18		
					Non-Plan	Plan	Total
Section-A: Revenue							
Revenue receipts	5,383	6,003	Revenue expenditure	5,458	4,148	1,659	5,807
Tax Revenue	2,401	2,806	General services	1,639	1,813	61	1,874
Non-Tax Revenue	1,245	1,374	Social services	2,129	883	1,352	2,235
Share of Union Taxes/Duties	Nil	Nil	Economic services	1,684	1,448	246	1,694
Grants from the Government of India	1,737	1,823	Grants-in-aid and Contributions	6	4	Nil	4
Section-B: Capital							
Miscellaneous Capital receipts	Nil	Nil	Capital expenditure	447	6	388	394
Recoveries of Loans and Advances	2	1	Loans and Advances disbursed	-	-	-	*
Public Debt receipts	820	1,061	Repayment of Public debt	224	570	-	570
Contingency Fund	Nil	Nil	Contingency Fund	Nil	Nil	Nil	Nil
Public Account receipts	845	717	Public Account disbursements	800	-	-	269
Opening Cash balance	1,249	1,370	Closing Cash balance	1,370	-	-	2,112
Total	8,299	9,152	Total	8,299			9,152

(Source: Finance Accounts of respective years)

* ₹ 21 lakh for 2017-18

Analysis of receipt and expenditure of 2017-18, as compared to the previous year 2016-17, revealed the following:

- Increase in Tax revenue by ₹ 405 crore, Non-tax revenue by ₹ 129 crore and release of additional grants by Government of India (GOI) of ₹ 86 crore increased the Revenue receipts by ₹ 620 crore.
- Revenue expenditure increased by ₹ 349 crore due to increased expenditure on General services (₹ 235 crore), Social services (₹ 106 crore) and Economic services (₹ 10 crore). However, there was slight decrease in release of Grants-in-aid (₹ 2 crore) as compared with 2016-17.
- Capital expenditure decreased from ₹ 447 crore in 2016-17 to ₹ 394 crore in 2017-18 and as a percentage of the total expenditure it decreased from 7.57 *per cent* in 2016-17 to 6.35 *per cent* in 2017-18.
- Public Account receipts and disbursements decreased by ₹ 128 crore and ₹ 531 crore respectively during 2017-18.

1.1.2 Review of the fiscal situation

As UT of Puducherry was not covered under Finance Commission, Fiscal Responsibility and Budget Management (FRBM) Act was not enacted. However, fiscal road map based on the principles of GOI's FRBM Act was prepared (June 2012) and approved by GOI. The target prescribed in the fiscal road map and target proposed in the budget are given in **Table 1.3**.

Table 1.3: Comparison of fiscal variable with road map for 2017-18

Fiscal variables	Target proposed in the fiscal road map	Target proposed in the budget	Actuals
Revenue deficit(-)/ surplus (+) (₹ in crore)	(+) 16.78	(+) 118.20	(+) 196.01
Fiscal deficit/GSDP (<i>per cent</i>)	(-) 0.64	(-) 1.34	(-) 0.61
Ratio of total outstanding debt of the Government to GSDP (<i>per cent</i>)	25.08	Not available	27.31

(Source: Finance Accounts, fiscal road map and budget documents)

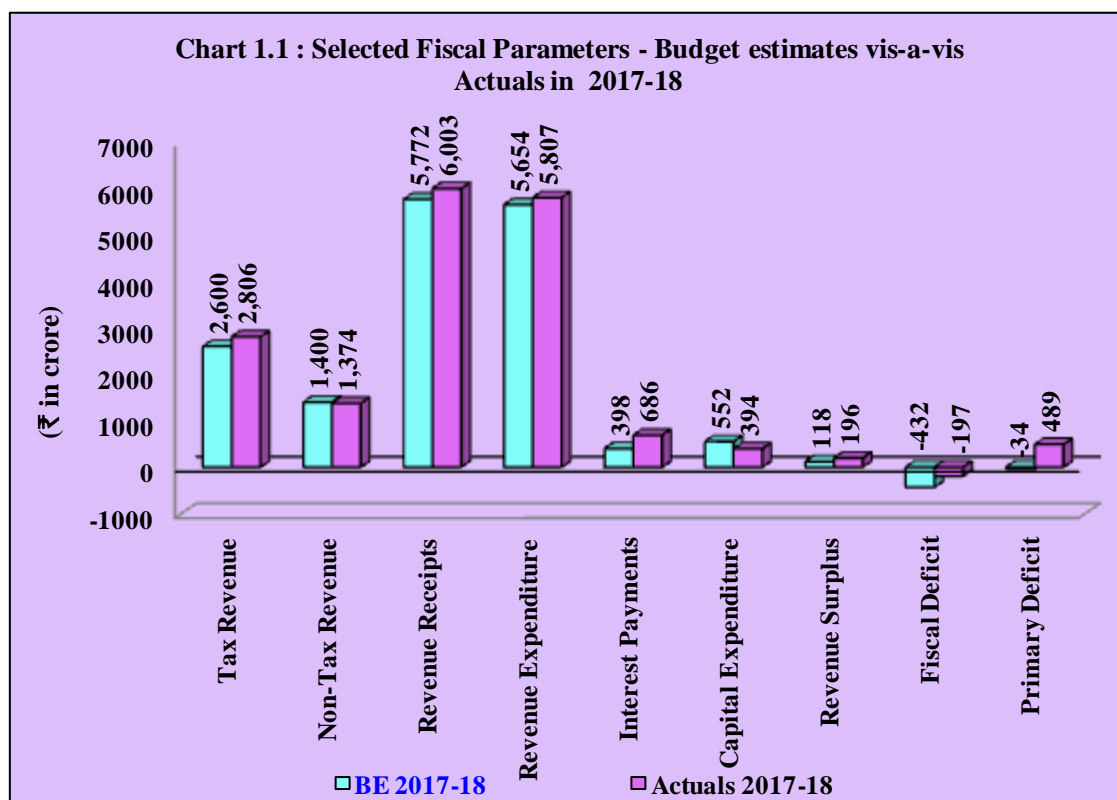
As against the target proposed in the fiscal road map for revenue surplus of ₹ 16.78 crore, UT Government's revenue surplus was ₹ 196.01 crore. The outstanding fiscal liability to GSDP was 27.31 *per cent* as against 25.08 *per cent* envisaged in the fiscal road map. The reason for increase was mainly due to increase in tax revenue under goods and services tax.

1.1.3 Budget estimates and actuals

The Budget provides description of the estimated revenue and expenditure for a particular fiscal year. The difference in actual receipts and expenditure against budget estimates either due to unforeseen events or under/over

estimation of revenue or expenditure at the stage of budget preparation, adversely impacts the desired fiscal objectives.

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



(Source: Finance Accounts and budget documents)

- An overall increase in all key fiscal parameters except non-tax revenue as compared to actual and budget estimates was noticed in 2017-18.
- Tax revenue increased by ₹ 405 crore mainly due to goods and services tax, state excise, taxes on vehicles and stamps duty and registration fees.
- Revenue expenditure under General services had increased. However, revenue expenditure under Social services and Economic services decreased.
- Capital expenditure under General Services, medical and public health, water supply and sanitation under Social services and flood control, roads and bridges under Economic services decreased.

The variation between the budget estimates and the actuals is shown in **Table 1.4**.

Table 1.4: Variation between Budget Estimates and Actuals

(₹ in crore)

Particulars	Budget Estimate	Actuals	Variation	Increase/Decrease in per cent
Revenue receipts	5,772	6,003	(+) 231	(+) 4.00
Tax revenue	2,600	2,806	(+) 206	(+) 7.92
Non-Tax revenue	1,400	1,374	(-) 26	(-) 1.86
Grants-in-aid from GOI	1,772	1,823	(+) 51	(+) 2.88
Revenue expenditure	5,654	5,807	(+)153	(+) 2.71
Capital expenditure	552	394	(-) 158	(-) 28.62

(Source: Finance Accounts and budget documents)

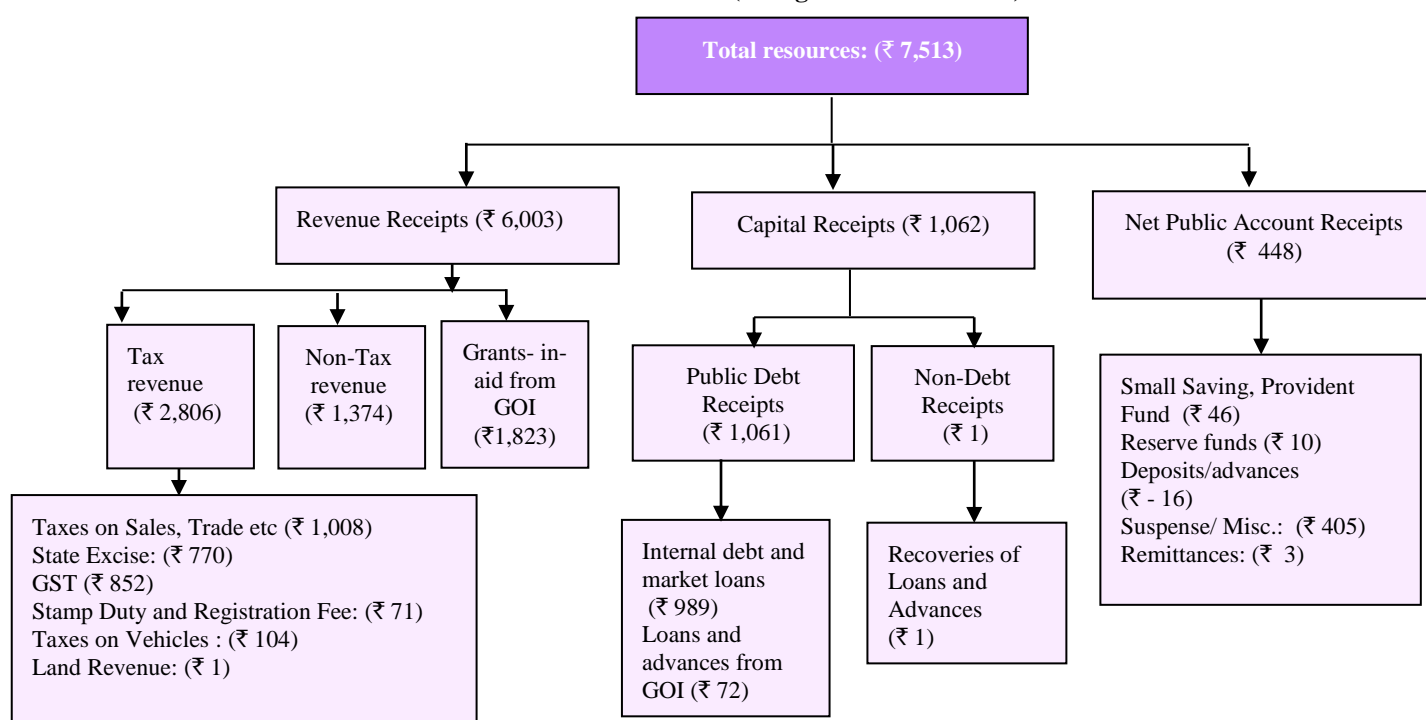
UT Government has received more than the projected Revenue receipts. However, it did not spend as projected in respect of Capital expenditure resulting in non-creation of infrastructure, in spite of increased revenue during 2017-18.

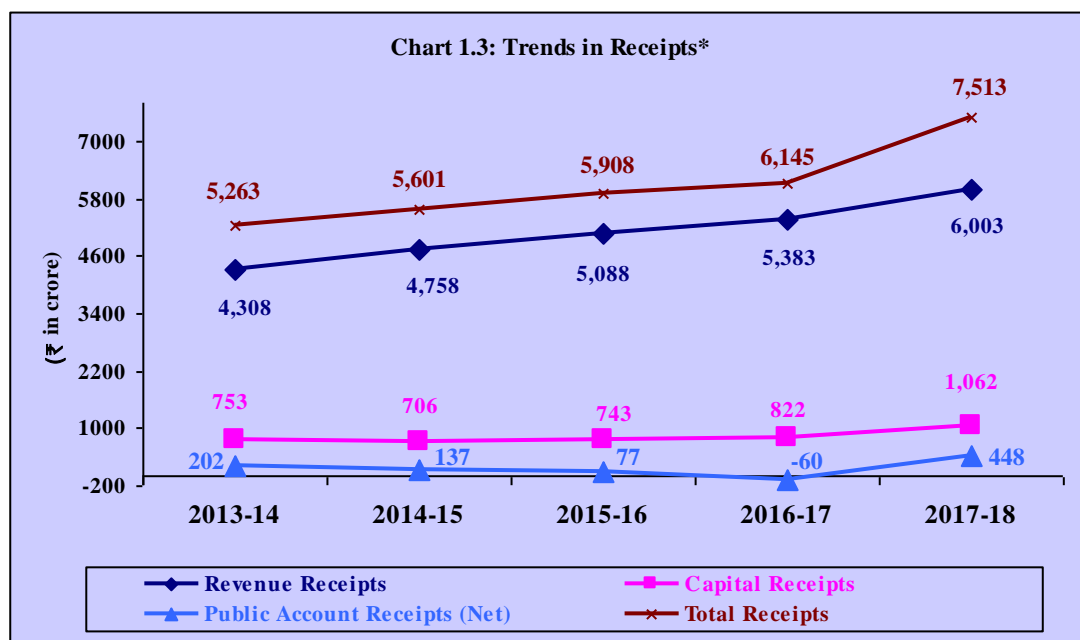
1.2 Resources of the Union Territory

Resources of the Union Territory as per Annual Finance Accounts

Revenue and Capital were the two streams of receipts that constitute resources of the Government. **Chart 1.2** presents the receipts and disbursements of UT during the current year, as recorded in its Annual Finance Accounts, while **Chart 1.3** depicts the trends in various components of the receipts during 2013-14 to 2017-18.

Chart 1.2: Components and sub-components of resources
(All figures are ₹ in crore)



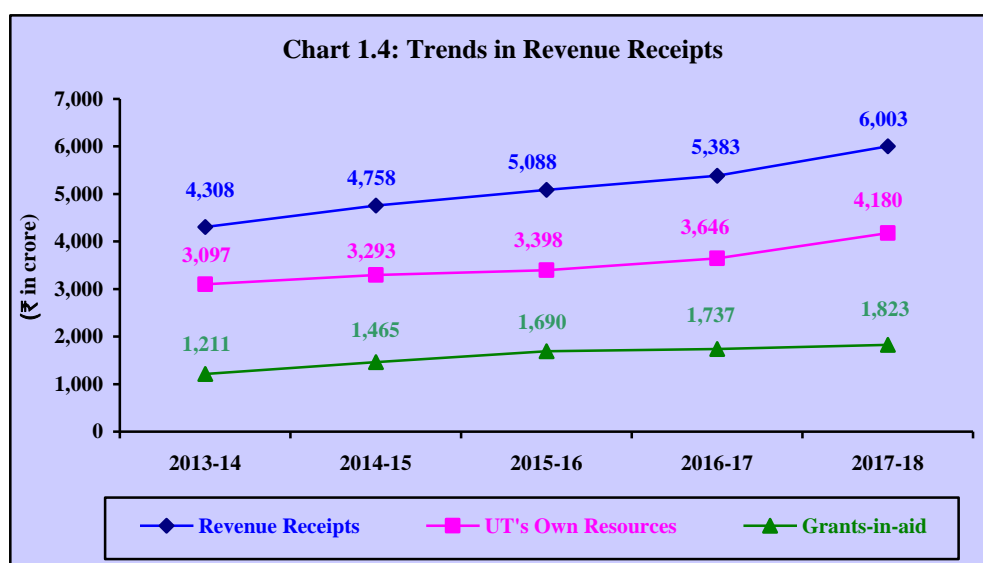


(Source: Finance Accounts of respective years)

* Total Receipts includes Net Receipts under Public Account

1.3 Revenue receipts

The revenue receipts consist of UT's own Tax and Non-tax revenues and Grants-in-Aid (GIA) from GOI. The trends of revenue receipts over the period 2013-14 to 2017-18 were presented in **Appendix 1.3** and depicted in **Chart 1.4**.



(Source: Finance Accounts of respective years)

Revenue receipts of UT increased by ₹ 620 crore (11.52 *per cent*) over the previous year. Tax revenue, Non-Tax revenue and GIA from GOI increased by ₹ 405 crore, ₹ 129 crore and ₹ 86 crore respectively.

The trends of revenue receipts relative to GSDP are presented in **Table 1.5**.

Table 1.5: Trends in Revenue receipts relative to GSDP

	2013-14	2014-15	2015-16	2016-17	2017-18
Revenue receipts (RR) (₹ in crore)	4,308	4,758	5,088	5,383	6,003
GSDP (₹ in crore)	21,870	22,574	26,643	29,279	32,215
RR/GSDP (<i>per cent</i>)	19.70	21.08	19.10	18.39	18.63
Rate of growth of RR (<i>per cent</i>)	36.94	10.44	6.94	5.80	11.52
UT's own taxes (₹ in crore)	1,904	1,993	2,260	2,401	2,806
Rate of growth of own taxes (<i>per cent</i>)	(-) 0.68	4.67	13.40	6.24	16.87
Non-Tax Revenue	1,193	1,300	1,138	1,245	1,374
UT's own taxes/Revenue expenditure (<i>per cent</i>)	42.47	41.52	42.76	43.99	48.32
UT's own taxes/GSDP	0.09	0.09	0.08	0.08	0.09
Revenue expenditure / Revenue receipts (<i>per cent</i>)	104	101	104	101	97
GSDP growth (<i>per cent</i>)	15.87	3.22	18.03	9.89	10.03
Buoyancy ratios					
Revenue buoyancy with reference to GSDP (ratio)	2.33	3.24	0.39	0.59	1.15
UT's own tax buoyancy with reference to GSDP (ratio)	(-) 0.04	1.45	0.74	0.63	1.68

(Source: Finance Accounts of respective years)

It is evident from **Table 1.5** that the Own Tax Revenue increased by 16.87 *per cent* over the previous year, which was higher than the growth rate of GSDP of 10.03 *per cent*. The Own Tax Revenue as a percentage to GSDP had increased marginally from 0.08 to 0.09, which had been largely constant during the last five years. The revenue expenditure as a percentage to revenue receipts was 97 during the current year due to which the UT Government had witnessed Revenue Surplus during 2017-18. The UT's own tax buoyancy with reference to GSDP increased to 1.68 during 2017-18 from 0.63 in 2016-17 mainly due to increase in revenue under Goods and Services tax.

1.3.1 Union Territory's own resources

UT's performance in mobilisation of resources was assessed in terms of its own resources comprising revenue from its own Tax and Non-Tax sources.

UT's actual Tax and Non-Tax revenue for the year 2017-18 *vis-à-vis* target proposed in the fiscal road map and budget estimates are given in **Table 1.6**.

Table 1.6: Tax and Non-Tax revenue *vis-à-vis* budget estimates and target proposed in the fiscal road map

(₹ in crore)

	Target proposed in the fiscal road map	Budget estimate 2017-18	Actuals
Tax revenue	2,720	2,600	2,806
Non-Tax revenue	1,419	1,400	1,374

(Source: Budget documents, Finance Accounts and details furnished by the Department)

The actual Tax revenue increased by ₹ 86 crore (3.16 *per cent*) and ₹ 206 crore (7.92 *per cent*) than target proposed in the fiscal road map and budget estimate respectively. Non-Tax revenue decreased by ₹ 45 crore (3.17 *per cent*) and by ₹ 26 crore (1.86 *per cent*) from the target proposed in fiscal road map and budget estimates respectively.

1.3.1.1 Tax revenue

The details of gross collection in respect of major taxes and duties are given in **Table 1.7**.

Table 1.7: Components of UT's Tax receipts

(₹ in crore)

Revenue Head	2013-14	2014-15	2015-16	2016-17	2017-18	Percentage of increase in 2017-18 over previous year
Taxes on Sales, Trade, etc.	1,256	1,313	1,439	1,576	1,008	(-) 36.04
Goods and Services Tax ¹	--	--	--	--	852	
State Excise	512	545	674	671	770	(+) 14.75
Taxes on Vehicles	52	59	69	87	104	(+) 19.54
Stamp Duty and Registration fees	83	75	76	66	71	(-) 7.58
Land Revenue	1	1	2	1	1	-
Total	1,904	1,993	2,260	2,401	2,806	(+) 16.87

(Source: Finance Accounts of respective years)

UT's Tax revenue increased from ₹ 2,401 crore in 2016-17 to ₹ 2,806 crore in 2017-18 by ₹ 405 crore (16.87 *per cent*) over the previous year. It was mainly due to increase in collection under Goods and Services Tax (₹ 852 crore),

¹ Includes UT GST ₹ 246 crore, IGST ₹ 273 crore and GST Compensation Cess ₹ 333 crore

State Excise (₹ 99 crore), Taxes on Vehicles (₹ 17 crore). However, Taxes on Sales, Trade etc. decreased by ₹ 568 crore (36.04 per cent) in 2017-18.

Goods and Services Tax

In pursuance of the provisions of the Constitution Amendment (One Hundred and First) Act, 2016, States/UT are entitled for compensation for the loss of revenue arising on account of implementation of the Goods and Services Tax. According to GST (Compensation to the States) Act 2017, Central Government will compensate the States for loss of revenue arising on account of implementation of GST for a period of five years. The compensation payable to the UT shall be calculated for every financial year after the receipt of final revenue figure, as audited by the CAG of India. A base year (2015-16) revenue figure of taxes subsumed under GST was finalised under GST Act. In UT of Puducherry, the revenue realised through the taxes since now subsumed into GST was ₹ 1,095.37 crore during the base year (2015-16). The revenue to be protected for any year was to be calculated by applying a growth rate of 14 per cent per annum.

The projected revenue for the year 2017-18 (1 July 2017 to 31 March 2018) in accordance with the base year figure was ₹ 1,067.67 crore. Revenue figure under GST for the year 2017-18 has been depicted in Finance Accounts as per nature of receipts i.e. State Goods and Services (SGST) Tax, Input Tax Credit cross utilisation of SGST and IGST (Integrated Goods and Services Tax), Apportionment of IGST - transfer-in of Tax component to SGST and Advance apportionment from IGST. Against the projected revenue of ₹ 1,067.67 crore, the revenue receipts of the UT Government under GST during the year 2017-18 is given in **Table 1.8**.

Table 1.8: Projected and actual receipts on implementation of GST Act

(₹ in crore)

Period	Projected revenue *	Pre-GST taxes	SGST	IGST	Total tax collected	Compensation	Total including compensation	Deficit
1	2	3	4	5	6 =(3+4+5)	7	8 =(6+7)	9 =(2-8)
July 2017 to March 2018	1,067.67	1,008.45	245.73	272.58	1,526.76	333.00**	1,859.76	Yet to be finalised

* Projected based on a growth rate of 14 per cent

**Compensation due to be received for the 2017-18 is under reconciliation.

(Figures excluding refunds, as worked out by UT Government)

As seen from **Table 1.8**, against the projected revenue of ₹ 1,067.67 crore for the year 2017-18, the receipt was ₹ 1,526.76 crore under the new tax regime, which was ₹ 459.09 crore more than the projected revenue. Further, during the current year, the UT Government had received

compensation for loss of revenue amounting to ₹ 333 crore. As the compensation figures due for 2017-18 are under reconciliation, it appears that the excess compensation amount received during the current year may get adjusted by offsetting the GOI grants-in-aid in the next financial year.

1.3.1.2 Non-Tax revenue

The components of Non-Tax revenue receipts are given in **Table 1.9**.

Table 1.9: Components of UT's Non-Tax receipts

(₹ in crore)

Revenue Head	2013-14	2014-15	2015-16	2016-17	2017-18	Variation in 2017-18 over previous year in percentage
Interest receipts	62	91	88	66	99	50
Dividends and Profits	6	2	4	--	2	--
Other Non-Tax receipts	1,125	1,207	1,046	1,179	1,273	7.97
Total	1,193	1,300	1,138	1,245	1,374	10.36

(Source: Finance Accounts of respective years)

The Non-Tax revenue receipts increased from ₹ 1,245 crore in 2016-17 to ₹ 1,374 crore in 2017-18. The increase was due to interest receipts (₹ 33 crore), dividends and profits (₹ two crore) and other Non-Tax receipts increased by ₹ 94 crore.

1.3.1.3 Grants-in-aid from GOI

The Grants-in-aid (GIA) received from GOI for the years 2013-14 to 2017-18 are given in **Table 1.10**.

Table 1.10: Grants-in-aid from GOI

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Non-Plan grants	514	513	807	747	28
Grants for UT's Plan scheme	664	804	699	795	11
Grants for Centrally Sponsored Schemes	33	148	184	195	383
Other transfers/Grants to State/Union Territories with Legislature	--	--	--	--	1,401
Total	1,211	1,465	1,690	1,737	1,823
Percentage of increase/decrease of GIA over previous year	9.00	20.97	15.36	2.78	4.95
Total grants as a percentage of revenue receipts	28.10	30.79	33.21	32.27	30.37

(Source: Finance Accounts of respective years)

Grants-in-Aid received from GOI as a percentage over previous year increased by 4.95 during 2017-18. The total grant as a percentage of revenue receipts decreased from 32.27 in 2016-17 to 30.37 in 2017-18.

The overall GIA received during 2017-18 increased by ₹ 86 crore, due to increase of ₹ 1,401 crore in other transfers/Grants to State/Union Territories with Legislature and ₹ 188 crore in grants for centrally sponsored schemes, which was offset by decrease of ₹ 719 crore under Non-Plan grants and ₹ 784 under Grants for UT's Plan scheme.

1.4 Capital receipts

Public debt receipts, recoveries of loans and advances and miscellaneous capital receipts were the capital receipts of UT Government. The trends in growth of capital receipts for the period from 2013-14 to 2017-18 are given in **Table 1.11**.

Table 1.11: Growth of capital receipts

	(₹ in crore)				
Source of receipts	2013-14	2014-15	2015-16	2016-17	2017-18
Capital receipts	753	706	743	822	1,062
Miscellaneous capital receipts	Nil	Nil	Nil	Nil	Nil
Recovery of loans and advances	3	2	2	2	1
Public debt receipts	750	704	741	820	1,061
Rate of growth of Public debt receipts (<i>per cent</i>)	41.78	(-) 6.13	5.26	10.66	29.39
Rate of growth of non-debt capital receipts (<i>per cent</i>)	Nil	(-) 33.33	Nil	Nil	(-) 50.00
Rate of growth of capital receipts (<i>per cent</i>)	41.54	(-) 6.24	5.24	10.63	29.20

(Source: Finance Accounts of respective years)

The capital receipts increased by ₹ 240 crore in 2017-18 entirely due to increase in Public Debt receipts.

1.5 Public Account receipts

Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc., which do not form part of the Consolidated Fund, were kept in the Public Account and were not subject to vote by UT Legislature. For Public Account Receipts, the Government acts as a banker. Public Account Receipts for the period from 2013-14 to 2017-18 are given in **Table 1.12**.

Table 1.12: Trends in composition of Public Account Receipts

(₹ in crore)

Resources under various heads	2013-14	2014-15	2015-16	2016-17	2017-18
Public Account receipts	910.80	981.76	1,015.31	844.70	717.32
(a) Small savings, Provident Fund, etc.	266.34	289.93	303.43	311.42	328.36
(b) Reserve Fund	50.00	95.56	1.00	1.83	10.00
(c) Deposits and advances	269.59	195.80	392.45	193.47	153.18
(d) Suspense and miscellaneous	5.43	(-) 2.49	(-) 95.96	15.23	(-) 63.59
(e) Remittance	319.44	402.96	414.39	322.75	289.37

(Source: Finance Accounts of respective years)

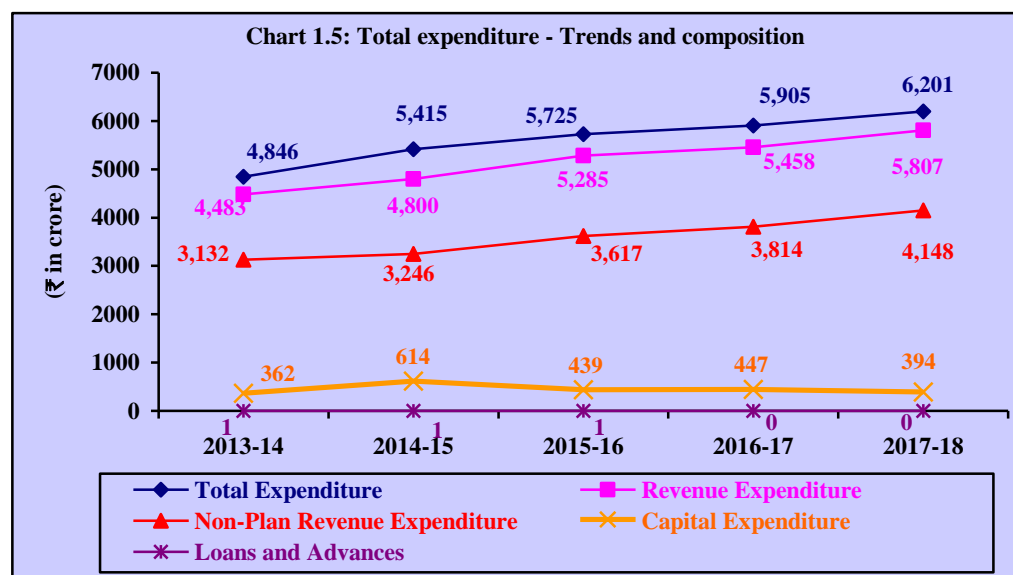
The Public Account receipts decreased from ₹ 844.70 crore in 2016-17 to ₹ 717.32 crore in 2017-18.

1.6 Application of Resources

In view of budgetary constraints in raising public expenditure, which is financed by deficit or borrowings, it is important to ensure that in the process of ongoing fiscal correction and consolidation process, development expenditure was prioritised over revenue expenditure.

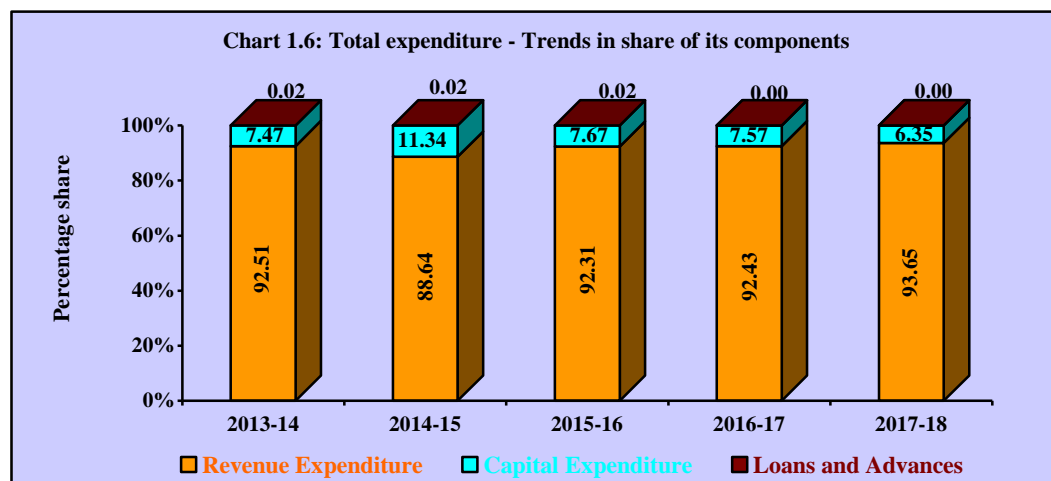
1.6.1 Growth and composition of expenditure

Chart 1.5 presents the trends and composition of total expenditure over a period of five years (2013-14 to 2017-18) and its composition in terms of 'economic classification' and 'expenditure by activities' is depicted respectively in **Charts 1.6** and **1.7**.



(Source: Finance Accounts of respective years)

Total expenditure² of UT increased by 5.01 *per cent* from ₹ 5,905 crore in 2016-17 to ₹ 6,201 crore in 2017-18. The revenue expenditure increased by ₹ 349 crore (6.39 *per cent*) and the capital expenditure decreased by ₹ 53 crore (11.86 *per cent*) during 2017-18 as compared to the previous year.



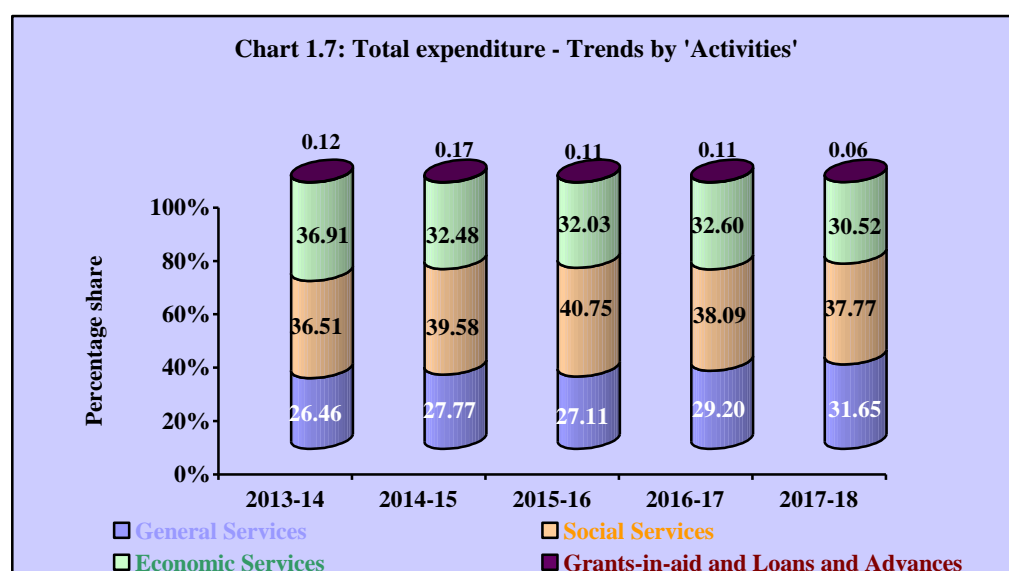
(Source: Finance Accounts of respective years)

Revenue expenditure was 93.65 *per cent* of the total expenditure, of which, 71.43 *per cent* was the Non-Plan component. The proportion of capital expenditure to aggregate expenditure decreased from 7.57 *per cent* in 2016-17 to 6.35 *per cent* in 2017-18.

² Total expenditure includes revenue expenditure, capital expenditure and disbursement of loans and advances

It may be seen from **Chart 1.6** that the revenue expenditure as a share of total expenditure was increasing consistently over a period of five years. Though the UT Government could cap the revenue expenditure to 88.64 *per cent* in 2014-15, it steadily increased during 2015-16 to 2017-18 and stood at 93.65 *per cent* in 2017-18.

During the current year, the capital expenditure decreased by 11.86 *per cent* over the previous year (₹ 53 crore) from ₹ 447 crore to ₹ 394 crore in 2017-18. The actual expenditure incurred during 2017-18 was ₹ 261 crore out of ₹ 394 crore on works such as development of tourist circuits, construction of fishing harbour, construction of Police Stations and other infrastructure facilities.



(Source: Finance Accounts of respective years)

During 2017-18, the expenditure on General Services and Social Services increased by 13.81 *per cent* and 4.12 *per cent* respectively over the previous year, while the expenditure on Economic Services decreased by 1.69 *per cent* over the previous year.

1.6.2 Revenue expenditure

Revenue expenditure of ₹ 5,807 crore during 2017-18 increased by ₹ 349 crore as compared to ₹ 5,458 crore in 2016-17. It constituted 93.65 *per cent* of total expenditure of ₹ 6,201 crore during the year. However, as a percentage of GSDP, the revenue expenditure declined from 18.64 in 2016-17 to 18.02 in 2017-18. The buoyancy of revenue expenditure with reference to revenue receipts during 2017-18 stood at 0.55. During 2017-18, the ratio of revenue surplus to GSDP increased to 0.69 from a revenue deficit to GSDP ratio of 0.27 in 2016-17.

1.6.3 Committed expenditure

The committed expenditure of UT Government on the revenue account mainly consists of interest payments, expenditure on salaries and pension and subsidies. **Table 1.13** presents the trends of expenditure on these components during 2013-14 to 2017-18.

Table 1.13: Components of committed expenditure

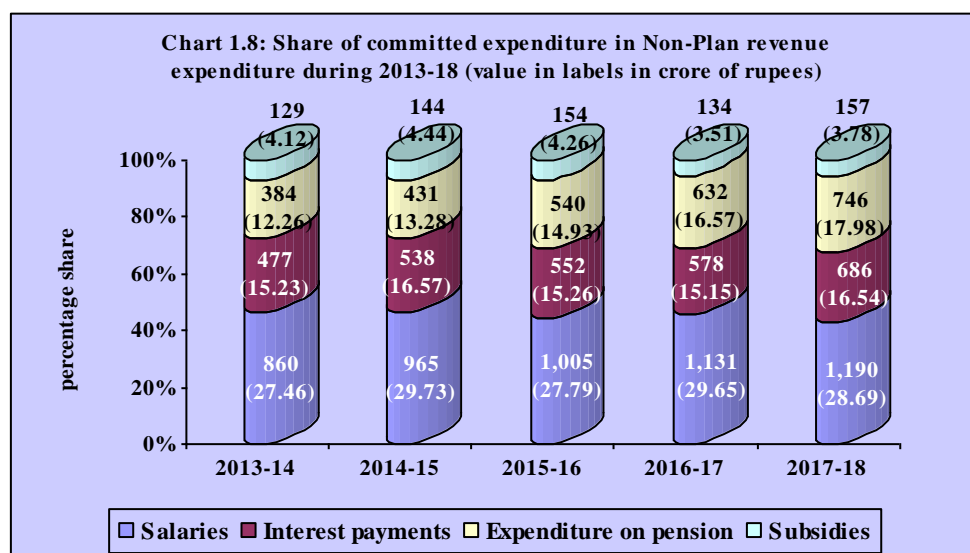
(₹ in crore)					
Components of Committed expenditure	2013-14	2014-15	2015-16	2016-17	2017-18
Salaries, of which	1,172 (27)	1,332 (28)	1,377 (27)	1,558 (29)	1,645 (27)
Non-Plan Head	860	965	1,005	1,131	1,190
Plan Head	312	367	372	427	455
Interest payments	477 (11)	538 (11)	552 (11)	578 (11)	686 (11)
Expenditure on Pension	384 (9)	431 (9)	540 (11)	632 (12)	746 (12)
Subsidies	129 (3)	144 (3)	154 (3)	134 (2)	157 (3)
Total	2,162 (50)	2,445 (51)	2,623 (52)	2,902 (54)	3,234 (54)

(Source: Finance Accounts of respective years)

Figures in bracket indicate percentage to revenue receipts

The total committed expenditure of UT Government was increasing consistently over the period of five years. It increased from ₹ 2,902 crore in 2016-17 to ₹ 3,234 crore in 2017-18 by ₹ 332 crore. However, as a percentage to revenue receipts it remained constant at 54 *per cent* in both the years.

Chart 1.8 presents the share of committed expenditure in Non-Plan revenue expenditure on salaries, interest payments and pension during 2013-14 to 2017-18. The committed expenditure as a percentage to revenue expenditure increased from 53 *per cent* in 2016-17 to 56 *per cent* in 2017-18.



(Source: Finance Accounts of respective years)

Expenditure on salaries during the current year was ₹ 1,645 crore, which increased by ₹ 87 crore (5.58 per cent) over the previous year.

Pension payments increased by 18.04 per cent from ₹ 632 crore in 2016-17 to ₹ 746 crore in 2017-18 and it stood at around 12 per cent of revenue receipts and 13 per cent of revenue expenditure respectively.

Interest payments increased by ₹ 108 crore (18.69 per cent) in 2017-18 over the previous year mainly due to increase in internal debt, which increased from ₹ 5,461 crore in 2016-17 to ₹ 6,016 crore in 2017-18 (10.16 per cent). The interest payments was 11 per cent of the total revenue receipts for the fifth consecutive year .

Subsidies at three per cent of both revenue receipts and revenue expenditure in 2017-18, represents the expenditure booked under the object head 'Subsidies' under Welfare of Scheduled Castes, Social Security and Welfare, Crop Husbandry, Animal Husbandry, Fisheries, Food Storage and Warehousing, Minor Irrigation, Village and Small Industries, Tourism and other General Economic Services.

1.6.4 Financial assistance by UT Government to Local Bodies and other Institutions

The Panchayati Raj system in Puducherry was governed by the provisions of the Pondicherry Village and Commune Panchayat Act, 1973, which has devolved several powers to Village and Commune Panchayats. The Act was further amended in 1994, so as to conform to the 73rd amendment to the Constitution. In Puducherry, there were five Municipalities, 10 Commune Panchayats and 98 Village Panchayats. The quantum of assistance provided by way of grants and loans to Local Bodies and other institutions during the current year relative to the previous years are presented in **Table 1.14**.

Table 1.14: Financial assistance to Local Bodies and other institutions

(₹ in crore)

Financial assistance to Institutions	2013-14	2014-15	2015-16	2016-17	2017-18
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	37.08	50.56	45.96	32.12	104.37
Municipalities	44.89	43.98	53.83	41.95	7.64
Panchayati Raj Institutions	18.36	12.14	1.10	3.58	0.77
Development agencies and Autonomous Bodies	348.59	459.75	433.37	504.92	381.23
Co-operatives	32.63	68.72	61.49	57.45	14.62
Other Institutions*	5.75	25.49	120.56	28.88	150.90
Total	487.30	660.64	716.31	668.90	659.53
Assistance as a percentage of revenue expenditure	11	14	14	12	11

(Source: Information furnished by the Director of Accounts and Treasuries, Puducherry)

* Welfare societies and religious institutions

Financial assistance extended to Local Bodies and other institutions decreased from ₹ 668.90 crore in 2016-17 to ₹ 659.53 crore in 2017-18.

1.7 Quality of expenditure

Quality of expenditure involves three aspects, viz., adequacy of the expenditure (*i.e.*, adequate provisions for providing public services), efficiency of utilisation of funds and its effectiveness.

1.7.1 Adequacy of Public expenditure

An analysis of fiscal priority (percentage of expenditure category to aggregate expenditure) of UT Government with regard to development expenditure, social sector expenditure and capital expenditure during the current year and comparison of fiscal priority given to different categories of expenditure of UT of Puducherry in 2014-15 and 2017-18 is given in **Table 1.15**.

Table 1.15: Fiscal priority of UT in 2014-15 and 2017-18

Fiscal priority of UT		AE/ GSDP	DE/ AE	SSE/ AE	CE/ AE	ESE/ AE	Expenditure on Education, Sports, Art and Culture/AE	Expenditure on Health and Family Welfare /AE
Puducherry (Percentage)	2014-15	24	72	40	11	32	12	8
	2017-18	19	68	38	6	31	12	8
General Category States (Percentage)	2014-15	15	67	38	14	29	17	5
	2017-18	16	68	37	14	30	16	5

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

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

(Source: Directorate of Economics and Statistics, Puducherry and Finance Accounts for Expenditure figures)

The decrease in aggregate expenditure of UT Government as a percentage to GSDP, from 24 *per cent* in 2014-15 to 19 *per cent* in 2017-18, indicated that UT Government of Puducherry spent lesser proportion of its GSDP on aggregate expenditure in 2017-18.

The percentage of development expenditure to aggregate expenditure decreased from 72 *per cent* in 2014-15 to 68 *per cent* in 2017-18, while the percentage in Education, Sports, Art and Culture and Health and Family Welfare remained constant at 12 *per cent* and 8 *per cent* in 2014-15 and 2017-18 respectively. The proportion of capital expenditure to aggregate expenditure stood at 6 *per cent* during 2017-18 which was much lesser than 11 *per cent* during 2014-15.

Table 1.16 analyses the fiscal priority set by UT Government in key areas of Education, Sports, Art and Culture and Health and Family Welfare.

Table 1.16: Fiscal priority of UT in 2014-15 and 2017-18

Fiscal priority of UT		Per capita expenditure on Education, Sports, Art and Culture (in ₹)	Per capita expenditure on Health and Family Welfare (in ₹)
Puducherry	2014-15	5,304	3,530
	2017-18	6,102	4,041

(Source: Directorate of Economics and Statistics, Puducherry and Finance Accounts for Expenditure figures)

Per capita expenditure on, Education, Sports Art and Culture increased from ₹ 5,304 in 2014-15 to ₹ 6,102 in 2017-18 and also on health and family welfare from ₹ 3,530 in 2014-15 to ₹ 4,041 in 2017-18.

1.7.2 Efficiency of utilisation of funds

UT Government should take appropriate expenditure rationalization measures and lay emphasis on provision of core public and merit goods³. Apart from improving the allocation towards development expenditure, the efficiency of utilisation of funds was reflected by the ratio of capital expenditure to total expenditure. The higher the ratio of total expenditure the better would be the quality of expenditure. **Table 1.17** depicts the trends in development expenditure relative to the aggregate expenditure of UT during 2013-14 to 2017-18.

Table 1.17: Development expenditure

Components of Development Expenditure	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Development expenditure (a to c)	3,558.19 (73)	3,902.36 (72)	4,165.91 (73)	4,174.67 (71)	4,234.64 (68)
a. Development Revenue expenditure	3,243.06 (67)	3,375.71 (62)	3,809.86 (67)	3,813.12 (65)	3,928.39 (63)
b. Development Capital expenditure	315.13 (6)	526.65 (10)	356.05 (6)	361.55 (6)	306.25 (5)
c. Development Loans and Advances	Nil	Nil	Nil	Nil	Nil

(Source: Finance Accounts of respective years)

Figures in bracket indicate percentage of aggregate expenditure

³ **Core public goods** were 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

Merit goods were commodities that the public sector provides free or at subsidised 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

Development expenditure increased by ₹ 59.97 crore from ₹ 4,174.67 crore in 2016-17 to ₹ 4,234.64 crore in 2017-18. However, the percentage of development expenditure as against aggregate expenditure decreased from 71 *per cent* in 2016-17 to 68 *per cent* in 2017-18. Further, the development capital expenditure, as a percentage of aggregate expenditure also decreased from six *per cent* in 2016-17 to five *per cent* in 2017-18.

Table 1.18 provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of selected social and economic services during 2016-17 and 2017-18.

Table 1.18: Efficiency of utilisation of funds in selected Social and Economic Services
(in percentage)

Social/Economic Infrastructure	2016-17		2017-18	
	Share of CE to TE	In RE, the share of S and W	Share of CE to TE	In RE, the share of S and W
Social Services (SS)				
General Education	1.89	74.06	1.65	80.36
Health and Family Welfare	0.89	59.56	1.61	62.67
Water Supply, Sanitation and Housing and Urban Development	37.28	35.76	23.10	24.09
Total (SS)	5.38	43.29	12.35	43.86
Economic Services (ES)				
Agriculture and Allied Activities	3.76	27.90	1.85	25.04
Irrigation and Flood Control	65.43	75.12	55.53	69.26
Power and Energy	7.18	8.62	5.64	9.19
Transport	68.27	55.32	70.52	72.21
Total (ES)	12.50	14.80	10.51	15.54
Total (SS+ES)	8.66	30.70	7.23	31.65

TE: Total Expenditure on the sector/services concerned; CE: Capital Expenditure;
RE: Revenue Expenditure; S and W: Salaries and Wages

(Source: Finance Accounts and figures furnished by the Director of Accounts and Treasuries for wages)

Expenditure on Social Services

The share of capital expenditure in the total expenditure under Health and Family Welfare increased from 0.89 *per cent* in 2016-17 to 1.61 *per cent* in 2017-18, while the share of General Education decreased from 1.89 *per cent* in 2016-17 to 1.65 *per cent* in 2017-18. In respect of Water Supply, Sanitation, Housing and Urban Development, it decreased from 37.28 *per cent* in 2016-17 to 23.10 *per cent* in 2017-18. The share of salaries and wages in the revenue expenditure on Social Services increased from 43.29 *per cent* in 2016-17 to 43.86 *per cent* in 2017-18.

Expenditure on Economic Services

The capital expenditure on Economic Services, as a percentage of total expenditure on Economic Services, decreased steeply from 12.50 in 2016-17 to 10.51 in 2017-18. The share of salaries and wages in the revenue expenditure on Economic Services increased from 14.80 *per cent* in 2016-17 to 15.54 *per cent* in 2017-18.

1.8 Financial analysis of Government expenditure and investments

The Union Territory Government should initiate measures to earn adequate returns on its investments and recover its cost of borrowed funds, rather than bearing the same on its budget in the form of implicit subsidies. This section presents information on incomplete projects and a broad financial analysis of investments by UT Government during the current year *vis-à-vis* the previous years.

1.8.1 Incomplete projects

The information pertaining to incomplete projects in the Public Works Department as on 31 March 2018 is given in **Table 1.19**.

Table 1.19: Profile of incomplete projects

(₹ in crore)

Department	No. of incomplete Projects	Expenditure during the year	Cumulative expenditure as on 31.3.2018
Public Works Department	12	0.95	76.96

(Source: Finance Accounts)

Failure to complete the projects on time, led to escalation of project costs and postponement of revenue realisation from the projects, impacting the accrual of the projects' benefits to the society at large.

1.8.2 Investment and returns

As of March 2018, Government invested ₹ 1,027.79 crore⁴ (₹ 710.92 crore in 11 Government Companies and one Statutory Corporation and ₹ 316.56 crore in 358 Co-operative Institutions) as indicated in **Table 1.20**.

⁴ There are 14 PSUs as per Finance Accounts 2017-18. Out of which, 3 PSUs viz., Tamil Nadu Industrial Investment Corporation Limited, Chennai; National Minorities Development and Finance Corporation Limited; and Cannanore Spinning and Weaving Mill, Mahe are not owned by UT of Puducherry.

Table 1.20: Return on Investment

Investment/Return/Cost of Borrowings	2013-14	2014-15	2015-16	2016-17	2017-18
Investment at the end of the year (₹ in crore)	981.85	998.93	1,018.52	1,030.67	1,027.79
Return (₹ in crore)	6.30	1.63	3.93	Nil	0.09
Return (<i>per cent</i>)	0.6	0.2	0.4	Nil	0.01
Average rate of interest on Government borrowings (<i>per cent</i>)	7.7	7.9	7.5	7.20	8.02
Difference between interest rate and return (<i>per cent</i>)	7.1	7.7	7.1	7.20	8.01

(Source: Finance Accounts of respective years)

It was seen from **Table 1.20** that though the average rate of interest on UT Government's borrowings was 8.02 *per cent*, the return on investment was 0.01 *per cent* in 2017-18 as against Nil in 2016-17.

A performance based system of accountability should be put in place in the Government Companies/Statutory Corporations so as to derive profitability and improve efficiency in the service. The Government should ensure better value for money in investments by identifying the Companies/Corporations which were endowed with low financial but high socio-economic returns and justify if high cost borrowings were worth to be channelised there.

The Government of Puducherry had made an investment of ₹ 710.92 crore in form of equity and loans in 12 PSUs (11 Government Companies and one Statutory Corporation). These companies did not finalise their respective accounts (for periods ranging between one and eight years) at the end of 31 March 2018, which is in violation of the provisions of the Companies Act, 2013. The Government of Puducherry continued to invest in these PSUs despite the low return on investment (0.01 *per cent*), indicative of poor quality of investment decisions. The Government investments are thus at an increased risk of being utilised for objectives other than the intended one. This would hamper audit in assuring the Legislature that the funds were being utilised for the purpose that they were sanctioned.

1.8.3 Loans and advances by UT Government

During 2017-18, UT Government did not provide any loans and advances to any institution/organisation. **Table 1.21** presented the outstanding loans and advances as on 31 March 2018 and interest receipts *vis-à-vis* interest payments during the last five years.

Table 1.21: Outstanding loans and interest received on loans and advances by UT Government

(₹ in crore)

Quantum of Loans/Interest Receipts/ Cost of Borrowings	2013-14	2014-15	2015-16	2016-17	2017-18
Opening balance	14.12	12.41	11.42	10.63	9.25
Amount advanced during the year	1.30	1.45	1.31	0.27	0.21
Amount repaid during the year	3.01	2.44	2.10	1.65	1.35
Closing balance	12.41	11.42	10.63	9.25	8.11
Net increase (+)/decrease (-)	(-) 1.71	(-) 0.99	(-) 0.79	(-) 1.38	(-)1.14
Interest receipts	2.46	2.48	2.23	1.88	1.55
Interest receipts as percentage of outstanding loans and advances	18.55	20.81	20.22	18.91	19.11
Interest payments as percentage of outstanding fiscal liabilities of UT Government	7.28	7.65	7.12	6.96	7.80
Difference between interest payments and interest receipts (<i>per cent</i>)	11.27	13.16	13.10	11.95	11.31

(Source: Finance Accounts of respective years)

The quantum of loan advanced decreased from ₹ 0.27 crore in 2016-17 to ₹ 0.21 crore in 2017-18 and repayment of loan by the loanees decreased from ₹ 1.65 crore in 2016-17 to ₹ 1.35 crore in 2017-18. The total amount of ₹ 0.21 crore advanced during the year was only loans and advances given to Government servants.

1.8.4 Cash balance and investment of cash balances

Table 1.22 shows the cash balance and investment of cash balances for 2016-17 and 2017-18.

Table 1.22: Cash balance and investment of cash balances

(₹ in crore)

	Opening balance as on 1 April 2017	Closing balance as on 31 March 2018
(a) General cash balance		
(i) Cash in treasuries	Nil	Nil
(ii) Deposits with RBI	0.15	0.15
(iii) Deposits with other banks	Nil	Nil
(iv) Local remittances	Nil	Nil
Total	0.15	0.15
(v) Investment held in cash balance investment account	1,082.10	1,792.64
General cash balance – Total (a)	1,082.25	1,792.79

	Opening balance as on 1 April 2017	Closing balance as on 31 March 2018
(b) Other cash balances and investments		
(vi) Departmental cash balances	0.57	0.46
(vii) Permanent Imprest	1.67	1.69
(viii) Investment out of earmarked funds	285.72	316.95
Total (b)	287.96	319.10
Grand Total (a) + (b)	1,370.21	2,111.89

(Source: Finance Accounts of respective years)

The cash balance increased from ₹ 1,370.21 crore in 2016-17 to ₹ 2,111.89 crore in 2017-18. During the year, the cash balance investment⁵ was ₹ 1,792.64 crore which increased by ₹ 710.54 crore. The surplus cash balance was mainly due to receipt of ₹ 370.63 crore GOI grants received in the months of February and March 2018. The surplus cash balance was invested in treasury bills in RBI. During the year, interest received on investment account was ₹ 47.90 crore.

During the year 2017-18, despite having a cash balance of ₹ 1,792.64 crore in ‘Investments held in cash balance investment Account’, the Government resorted to market borrowings to the tune of ₹ 988.71 crore. Audit analysis showed that the interest realised on the cash balance investment account was in an average rate of 6.01 *per cent* while the Government paid an average interest of 8.02 *per cent* on its market borrowings during the year. Hence, it would have been prudent for the UT Government to have utilised the available cash balance to minimise its borrowings.

Recommendation: The UT Government should consider restricting to need-based borrowings and utilising the existing cash balances before resorting to market borrowings at higher rates of interest.

1.9 Assets and Liabilities

1.9.1 Growth and composition of Assets and Liabilities

Comprehensive accounting of fixed assets like land and buildings owned by the Government was not done in the existing Government accounting system. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred.

⁵ Cash balance investment was the mandatory investment required to be done by each State/UT Government with RBI. This balance was the combined cash and cash equivalent balance of Consolidated Fund, Contingency Fund and Public Account

Appendix 1.4 - Part B gives an abstract of such liabilities and assets as on 31 March 2018, compared with the corresponding position on 31 March 2017. While the liabilities consist mainly of internal borrowings, loans and advances from the GOI, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay, loans and advances given by UT Government and cash balances. The ratio of cumulative assets to liabilities as on 31 March 2018 was 0.89, which indicated that assets were not sufficient to meet the liabilities.

1.9.2 Fiscal liabilities

Fiscal liabilities were internal debt, loans and advances from GOI and the Public Account liabilities comprising small savings and provident funds, reserve funds and deposits. The trends in outstanding fiscal liabilities of UT were presented in **Appendix 1.3**. The composition of fiscal liabilities for the period 2013-14 to 2017-18 was presented in **Chart 1.9** and the trends of fiscal liabilities relative to revenue receipts and GSDP are presented in **Table 1.23**.

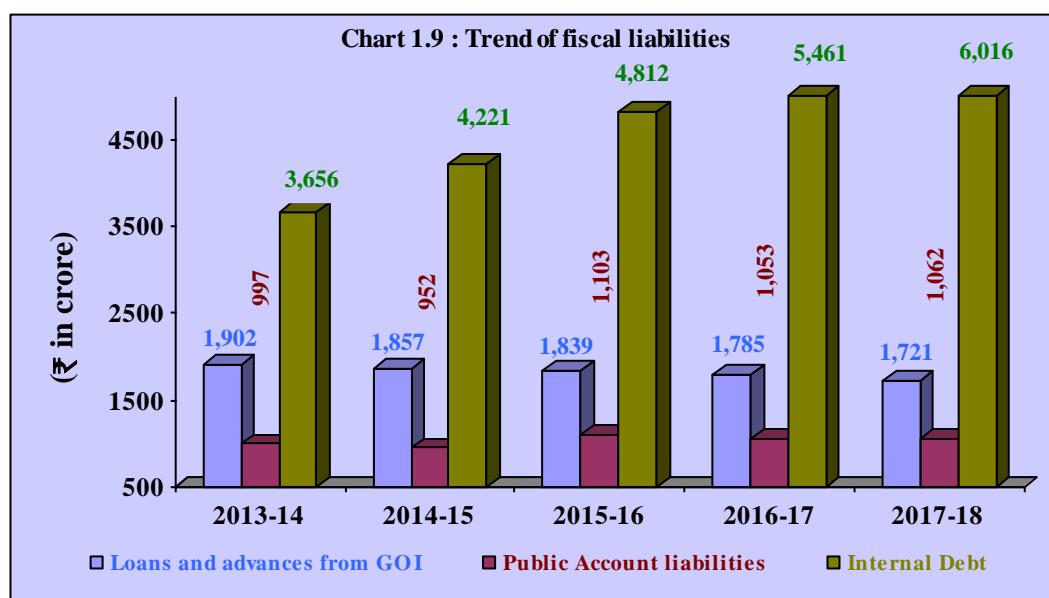
Table 1.23: Trend of fiscal liabilities

	2013-14	2014-15	2015-16	2016-17	2017-18
Fiscal liabilities (₹ in crore)	6,555	7,030	7,754	8,299	8,799
Rate of growth of fiscal liabilities (per cent)	11.48	7.25	10.30	7.03	6.02
Fiscal liabilities as percentage of revenue receipts	152	148	152	154	147
Fiscal liabilities as percentage of GSDP	30	31	29	28	27

(Source: Finance Accounts of respective years)

The outstanding fiscal liabilities showed a steady increase from ₹ 6,555 crore in 2013-14 to ₹ 8,799 crore in 2017-18. The fiscal liabilities at the end of 2017-18 represented 147 per cent of revenue receipts (₹ 6,003 crore) during the year. The fiscal liabilities as a percentage of revenue receipts which had shown a steady increase over the last three years from 2014-15 (148 per cent) to 2016-17 (154 per cent), decreased to 147 per cent in 2017-18. The fiscal liabilities represented about 27 per cent of GSDP during 2017-18, which was a marked reduction from the previous years.

It may be seen from the **Table 1.23** that the fiscal liabilities of UT Government was increasing over the period of five years and the rate of growth oscillated from 11.48 per cent in 2013-14 to 6.02 per cent in 2017-18. The fiscal liabilities as percentage to GSDP also declined from 30 in 2013-14 to 27 in 2017-18, though there was a marginal increase in 2014-15 and 2015-16. This was indicative of a good fiscal correction path adopted by UT Government.



(Source: Finance Accounts of respective years)

While internal debt, which constituted 66 *per cent* of total fiscal liabilities in 2016-17, increased to 68.37 *per cent* in 2017-18, loans and advances from GOI decreased from 22 to 20 *per cent* of the fiscal liabilities during the same period as indicated in **Chart 1.9**. The Public Account liabilities increased from ₹ 1,053 crore in 2016-17 to ₹ 1,062 crore in 2017-18.

Short contribution to Sinking Fund

The Government of Puducherry's contribution towards Reserve Fund (Sinking Fund) is required to be at least 0.5 *per cent* of outstanding liabilities at the end of 31 March 2017 i.e. ₹ 6,514 crore (Internal Debt: ₹ 5,461 crore + Public Accounts Liability: ₹ 1,053 crore), which amounts to ₹ 32.57 crore during the financial year 2017-18. The Government of Puducherry, however, contributed only ₹ 10 crore, a short contribution of 69 *per cent* of the required contribution of ₹ 32.57 crore. Thus, the Government of Puducherry was not able to discharge its liability during the current fiscal year and has deferred its liability to future years. The fiscal deficit is understated to that extent.

1.9.3 Contingent liabilities

Status of Guarantees

Guarantees for the purpose of Administration of Union Territories, prior to the amendment of the Union Territories Act on 6 September 2001, were given by GOI under Article 292 of the Constitution of India. In the event of the guarantees being invoked, the payment would initially be charged to the Consolidated Fund of India and the amount subsequently recovered from the Government of UT. Consequent to amendment of UT Act on

6 September 2001 and issue of its notification by the Government of India on 10 May 2006, the Government of UT of Puducherry was empowered to give guarantees.

The maximum amount for which guarantees were given by UT Government and GOI on behalf of UT and outstanding guarantees for the last five years is given in **Table 1.24**.

Table 1.24: Guarantees given by UT and GOI on behalf of UT of Puducherry

Guarantees	2013-14	2014-15	2015-16	2016-17	2017-18
Maximum amount guaranteed (₹ in crore)	20.98	37.50	56.18	56.18	63.18
Outstanding amount of guarantees (₹ in crore)	4.95	27.80	44.48	44.48	49.16
Percentage of maximum amount guaranteed to total Revenue receipts	0.49	0.79	1.10	1.04	1.05

(Source: Finance Accounts of respective years)

As a percentage of revenue receipts, the maximum amount guaranteed increased from 1.04 in 2016-17 to 1.05 in 2017-18. No guarantee was invoked during any of the five years.

1.10 Debt Management

Apart from the magnitude of debt of UT Government, it was important to analyse various indicators that determine the debt sustainability of UT. This section assesses the sustainability of debt of UT Government in sufficiency of non-debt receipts, net availability of borrowed funds⁶, burden of interest payments (measured by interest payments to revenue receipts ratio) and the maturity profile of UT Government's debts.

Table 1.25 indicates the debt sustainability of UT for a period of five years beginning from 2013-14.

⁶ Defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts were used in debt redemption, indicating the net availability of borrowed funds

Table 1.25: Debt Sustainability - Indicators and Trends

(₹ in crore)

Indicators of Debt Sustainability	2013-14	2014-15	2015-16	2016-17	2017-18
Outstanding debt	5,558	6,078	6,651	7,246	7,737
Rate of growth of outstanding debts* (percentage)	10.91	9.36	9.43	8.95	6.77
Debt/GSDP (percentage)	25.41	26.92	24.96	24.75	24.02
Rate of growth of GSDP	15.87	3.22	18.03	9.89	10.03
Average interest rate of outstanding debt	8.36	8.50	8.18	8.07	8.25
Burden of interest payments (IP/RR) (percentage)	11.07	11.31	10.85	10.74	11.43
Debt repayment/Debt receipts (percentage)	27.20	25.99	22.81	27.32	53.72
Net debt available to UT Government	104.84	25.45	51.60	35.93	(-) 127.47
Maturity profile of internal debt and GOI loans (in years)					
0 – 1	212.74 (3.83)	221.63 (3.65)	233.58 (3.51)	591.55 (8.16)	619.21 (8.00)
1 – 3	448.60 (8.07)	819.99 (13.49)	1,191.79 (17.92)	1,371.12 (18.92)	1,672.86 (21.62)
3 – 5	1,114.87 (20.06)	1,279.76 (21.06)	1,549.06 (23.29)	1,611.70 (22.24)	1,321.62 (17.08)
5 – 7	1,426.65 (25.67)	1,467.49 (24.14)	1,192.30 (17.93)	1,200.08 (16.56)	1,370.19 (17.71)
7 and above	2,345.40 (42.20)	2,279.63 (37.50)	2,484.28 (37.35)	2,471.83 (34.12)	2,753.10 (35.59)
	9.96* (0.17)	9.96* (0.16)	Nil	Nil	Nil
Outstanding Public debt as on 31 March 2018					7,736.98

(Source: Finance Accounts of respective years)

Figures in bracket represents percentage to total outstanding Public Debt

* Maturity profile not available due to non-receipt of terms and conditions from Ministry of Finance, New Delhi which was included in 2016-17 under 3-5 years

The rate of growth of outstanding debt, which was at 10.91 per cent in 2013-14 decreased to 6.77 per cent in 2017-18. A declining trend in Debt-GSDP ratio can be considered as leading towards stability. UT's Debt-GSDP ratio was gradually decreasing from 2013-14 and stood at 24.02 per cent during 2017-18. The burden of interest payment, which was 11.31 per cent in 2014-15 declined during 2015-16 and 2016-17, but it increased to 11.43 per cent of revenue receipts in 2017-18. The debt repayment to debt receipts which was 22.81 per cent in 2015-16 increased to 27.32 per cent in 2016-17 which steeply increased to 53.72 per cent in

2017-18. The net debt available to UT Government decreased from ₹ 104.84 crore in 2013-14 to ₹ 35.93 crore in 2016-17. The net debt available to UT Government steeply decreased to (-) ₹ 127.47 crore in 2017-18. This was mainly due to increased repayment of interest on public debt of ₹ 618 crore (58.25 *per cent*) of ₹ 1,061 crore borrowings received during the year and debt repaid ₹ 570 crore during the year. The financial outgo on account of debt services thus impacted the finances of UT by increasing revenue expenditure due to high interest payments. The developmental works were also affected due to paucity of funds as seen from the actual capital expenditure (₹ 394 crore) which was lesser than the budget estimate of ₹ 552 crore by 29 *per cent*.

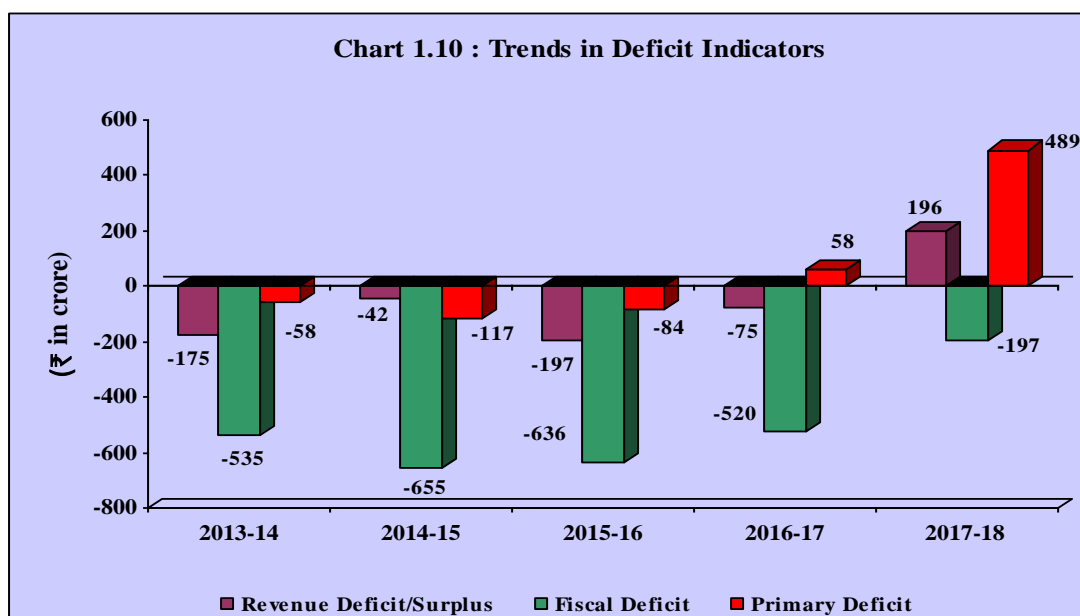
The maturity profile of UT Government's Public debt indicates that nearly 64.41 *per cent* of the total Public debt was repayable within next seven years, which indicates a year-on-year increase in its repayment burden, specifically between the 3rd and 7th year from borrowings and beyond.

1.11 Fiscal imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal soundness or imbalances in the finances of UT Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit was an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit was financed and the resources were applied, were important pointers to its fiscal health. This section presents the trends, nature, magnitude and manner of financing these deficits.

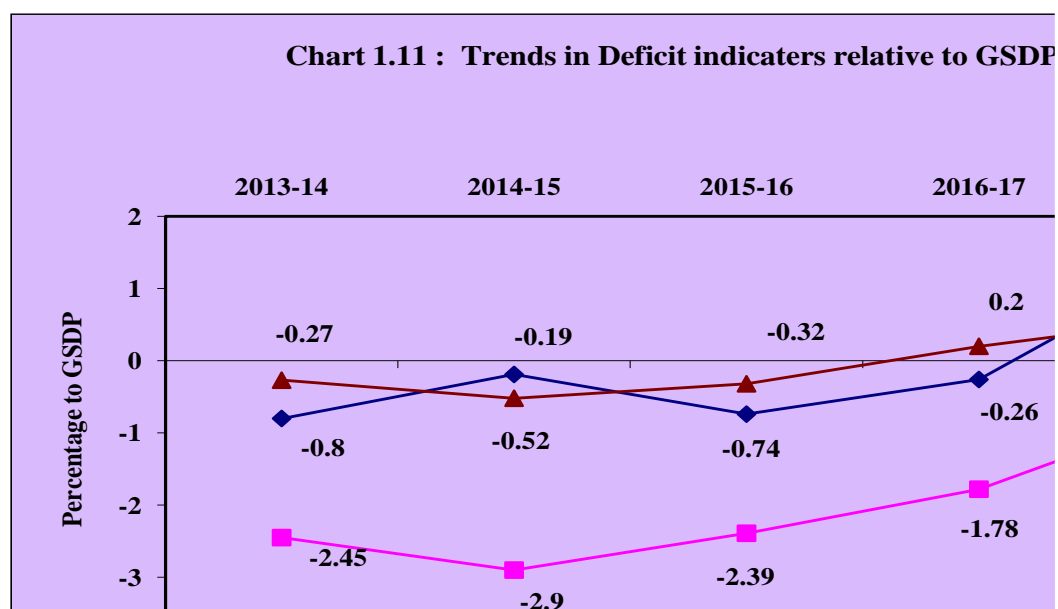
1.11.1 Trends in deficits

Charts 1.10 and **1.11** present the trends in deficit indicators over the period 2013-14 to 2017-18.



(Source: Finance Accounts of respective years)

Chart 1.11 below depicts the trends in deficit indicators relative to GSDP of UT of Puducherry for the period from 2013-14 to 2017-18.



(Source: Finance Accounts of respective years)

Revenue deficit indicates the excess of revenue expenditure over revenue receipts. The revenue deficit of ₹ 75 crore during 2016-17, significantly improved to a revenue surplus of ₹ 196 crore in 2017-18. The turnaround from a revenue deficit state to a revenue surplus state is a positive sign of improved finances. The fiscal deficit decreased from ₹ 520 crore in 2016-17 to ₹ 197 crore in 2017-18. The primary surplus of ₹ 58 crore in 2016-17 increased to ₹ 489 crore in 2017-18.

1.11.2 Composition of fiscal deficit and its financing pattern

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in **Table 1.26**.

Table 1.26: Components of fiscal deficit and its financing pattern

(₹ in crore)

Sl. No.	Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Split up of fiscal deficit		535	655	636	520	197
1	Revenue Deficit(-)/ Surplus(+)	(-) 175	(-) 42	(-) 197	(-)75	196
2	Net Capital Expenditure	362	614	439	447	394
3	Net Loans and Advances	2	1	--	2	1
Financing pattern of fiscal deficit*						
1	Market Borrowings	630	566	591	651	554
2	Loans from GOI	(-) 84	(-) 46	(-) 18	(-) 54	(-) 64
3	Small Savings, Provident Funds etc.	33	51	39	64	46
4	Deposits and Advances	80	(-) 34	129	(-) 94	(-) 16
5	Suspense and Miscellaneous	6	(-) 25	(-) 85	(-) 37	405
6	Remittances	32	50	(-) 7	5	3
7	Reserve Funds	50	96	1	2	10
	Total	747	658	650	537	938
8	Overall Surplus/Deficit (cash balance)	212	3	14	17	741

* All these figures were net of disbursements/outflows during the year
(Source: Finance Accounts of respective years)

The fiscal deficit decreased by ₹ 323 crore during 2017-18, which was due to revenue surplus of ₹ 196 crore. The decrease in fiscal deficit, along with increase in interest payments by ₹ 108 crore, led to primary surplus of ₹ 489 crore during the year. UT was increasingly relying on market borrowings for financing its fiscal deficit.

1.11.3 Quality of Deficit/Surplus

The bifurcation of the primary deficit as shown in **Table 1.27** indicated the extent to which the deficit was on account of enhancement in capital

expenditure, which was desirable to improve the productive capacity of UT's economy.

Table 1.27: Primary Deficit/Surplus - Bifurcation of Factors

(₹ in crore)

Year	Revenue Receipts	Recovery of Loans and Advances	Non-debt receipts (Revenue Receipts + Recovery of Loans and Advances)	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances disbursed	Primary Expenditure	Primary Revenue Deficit (-) / Surplus (+)	Primary Deficit (-) / Surplus (+)
(1)	(2)	(3)	(4) (2+3)	(5)	(6)	(7)	(8) (5+6+7)	(9) (2-5)	(10) (4-8)
2013-14	4,308	3	4,311	4,006	362	1	4,369	302	(-)58
2014-15	4,758	2	4,760	4,262	614	1	4,877	496	(-) 117
2015-16	5,088	2	5,090	4,734	439	1	5,174	354	(-) 84
2016-17	5,383	2	5,385	4,880	447	-	5,327	503	58
2017-18	6,003	1	6,004	5,121	394	0	5,515	882	489

(Source: Finance Accounts of respective years)

As non-debt receipts increased by ₹ 619 crore from ₹ 5,385 crore in 2016-17 to ₹ 6,004 crore in 2017-18, it was enough to meet the primary expenditure. As a result, the primary surplus of ₹ 58 crore in 2016-17 increased to ₹ 489 crore in 2017-18.

1.12 Follow up

Separate Report on UT Finances is being prepared from the year 2008-09 onwards and presented to UT legislature. The Public Accounts Committee had discussed the reports till the year 2011-12.

1.13 Conclusion

Fiscal status: Union Territory of Puducherry had achieved revenue surplus (₹ 196 crore) during 2017-18 as against the target in the fiscal roadmap (₹ 16.78 crore) was due to tax revenue under goods and service tax. The ratio of fiscal deficit to GSDP (0.61 *per cent*) is above the target of fiscal roadmap (0.64 *per cent*) and budget estimates of 2017-18 (1.34 *per cent*). UT's Debt-GSDP ratio decreased from 24.75 *per cent* in 2016-17 to 24.02 *per cent* in 2017-18.

Revenue receipts: Revenue receipts increased by 11.52 *per cent* in 2017-18 over the previous year. Buoyancy of revenue receipts with reference to GSDP increased from 0.59 in 2016-17 to 1.15 in 2017-18.

High proportion of Revenue expenditure in total expenditure: The Revenue expenditure of ₹ 5,807 crore during 2017-18 constituted 93.65 *per cent* of total expenditure. The committed expenditure such as salaries, pension and interest payments constituted 56 *per cent* of Revenue expenditure.

Enhanced development expenditure: Development expenditure increased by ₹ 60 crore from ₹ 4,175 crore in 2016-17 to ₹ 4,235 crore in 2017-18. However, Development expenditure, as a percentage of aggregate expenditure, marginally decreased from 71 *per cent* in 2016-17 to 68 *per cent* in 2017-18.

Adequacy of expenditure: The ratio of aggregate expenditure as a percentage of GSDP declined from 24 *per cent* in 2014-15 to 19 *per cent* in 2017-18. However, as compared to General Category States, it had increased from 15 *per cent* in 2014-15 to 16 *per cent* in 2017-18.

Low return on investments: As on 31 March 2018, Government invested ₹ 1,028 crore in 12 PSUs and 358 Co-operative Institutions. Though the average rate of interest on UT Government's borrowings was 8.02 *per cent*, the average rate of return on investments was 0.01 *per cent* during 2017-18. The PSUs did not finalise their accounts, which ranged between one and eight years as at the end of 31 March 2018.

High ratio of fiscal liabilities to GSDP: The outstanding fiscal liabilities increased from ₹ 6,555 crore in 2013-14 to ₹ 8,799 crore in 2017-18. The fiscal liabilities represented about 27 *per cent* of GSDP in 2017-18.

Maturity Profile: The maturity profile of UT Government's Public debt indicated that nearly 64.41 *per cent* of the total Public debt was repayable within the next seven years.

Fiscal Snapshot of the UT Government of Puducherry

During 2017-18, the internal debt receipts of the UT Government increased by 32 *per cent* over the previous year. The increased debt was utilised mainly in repayment of principal amount of maturing internal debt. The capital expenditure, which is one of the determining factors of fiscal deficit, decreased by 12 *per cent* over the previous year. The decreased capital expenditure together with Revenue Surplus had, therefore, contributed to lower fiscal deficit compared to previous year.

CHAPTER II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

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FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2.1 Introduction

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. Audit of appropriations seeks to ascertain whether the expenditure actually incurred under various grants was within the authorisation given under the Appropriation Acts and whether the expenditure required to be charged under the provisions of the Government of Union Territories Act, 1963, was so charged. It also ascertains whether the expenditure so incurred was in conformity with the law, relevant rules and regulations and instructions.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2017-18 against 49 grants/appropriations is given in **Table 2.1**.

Table 2.1: Summarised position of actual expenditure vis-à-vis Original/Supplementary provisions

(₹ in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure ¹	Saving (-)/ Excess (+)	Amount surrendered	Amount surrendered on 31 March 2018	Percentage of savings surrendered during the year
Voted	I Revenue	5,254.46	231.60	5,486.06	5,123.98	(-) 362.08	223.59	223.59	61.75
	II Capital	548.79	20.74	569.53	385.41	(-) 184.12	86.63	86.63	47.05
	III Loans and Advances	1.00	-	1.00	0.21	(-) 0.79	0.77	0.77	97.47
Total - Voted		5,804.25	252.34	6,056.59	5,509.60	(-) 546.99	310.99	310.99	56.85
Charged	IV Revenue	399.54	299.33	698.87	698.32	(-) 0.55	0.36	0.36	65.45
	V Capital	21.62	92.34	113.96	22.02	(-) 91.94	3.07	3.07	3.34
	VI Public Debt-Repayment	719.59	-	719.59	570.00	(-) 149.59	149.59	149.59	100.00
Total - Charged		1,140.75	391.67	1,532.42	1,290.34	(-) 242.08	153.02	153.02	63.21
Grand total		6,945.00	644.01	7,589.01	6,799.94	(-) 789.07	464.01	464.01	58.80

(Source: Appropriation Accounts and Budget documents for 2017-18)

¹ Excludes recoveries shown as reduction of expenditure

- The overall savings of ₹ 789.07 crore worked out to 10.40 *per cent* of total provision including supplementary provision made against the respective grants in 2017-18.
- A savings of ₹ 362.63 crore in 31 grants and 15 appropriations under Revenue section, ₹ 425.65 crore in 17 grants and 11 appropriations under Capital section, and ₹ 0.79 crore in two grants under Loan section.
- As against the original provision of ₹ 6,945 crore, an expenditure of ₹ 6,799.94 crore was incurred. In view of an overall savings of ₹ 789.07 crore, the supplementary provision of ₹ 644.01 crore proved unnecessary.

2.3 Financial accountability and budget management

2.3.1 Appropriations vis-à-vis allocative priorities

During 2017-18, savings of more than ₹ 10 crore occurred in each case (13 grants) under capital and revenue heads amounting to ₹ 465.05 crore (58.94 *per cent* of total savings of ₹ 789.07 crore). The percentage of savings ranged between 2 and 49 as indicated in **Table 2.2**.

Table 2.2: List of grants with savings of ₹ 10 crore and above

(₹ in crore)

Sl. No.	Name of the Grant	Original	Supple- mentary	Total	Expenditure	Savings	Percentage
Revenue-Voted							
1	06 - Revenue and Food	221.95	3.84	225.79	199.15	26.64	11.80
2	09 - Secretariat	48.73	0.00	48.73	35.41	13.32	27.33
3	10 - District Administration	236.74	36.72	273.46	261.79	11.67	4.27
4	12 - Police	208.85	4.90	213.75	203.50	10.25	4.80
5	17 - Education	865.68	0.00	865.68	771.83	93.85	10.84
6	18 - Medical	507.08	0.00	507.08	495.69	11.39	2.25
7	21 - Social Welfare	699.82	0.00	699.82	620.76	79.06	11.30
8	22 - Co-operative	38.82	0.00	38.82	23.02	15.80	40.70
9	24 - Agriculture	111.06	0.00	111.06	81.78	29.28	26.36
10	27 - Community Development	49.10	0.00	49.10	36.78	12.32	25.09
11	28 - Industries	48.26	0.00	48.26	35.52	12.74	26.40
Total		3,036.09	45.46	3,081.55	2,765.23	316.32	10.26

Sl. No.	Name of the Grant	Original	Supplementary	Total	Expenditure	Savings	Percentage
Capital-Voted							
12	16 - Public Works	353.60	0.00	353.60	243.97	109.63	31.00
13	32 - Building Programmes	80.97	0.00	80.97	41.87	39.10	48.83
Total		434.57	0.00	434.57	285.84	148.73	34.22
Grand total		3,470.66	45.46	3,516.12	3,051.07	465.05	13.23

(Source: Appropriation Accounts for 2017-18)

It was noticed that in 189 cases (sub heads), savings exceeded ₹ 50 lakh in each case and by more than 20 per cent of the total provision (**Appendix 2.1**), wherein out of total provision of ₹ 1,690.94 crore, ₹ 818.99 crore was the savings. Further, no expenditure was incurred in respect of 47 cases out of the 189 cases, against the provision of ₹ 250.35 crore.

2.3.2 Persistent savings

In 23 grants, during the last five years, there were persistent savings of more than ₹ 10 lakh as indicated in **Table 2.3**.

Table 2.3: List of grants having persistent savings of more than ₹ 10 lakh during 2013-18

(₹ in crore)

Sl. No.	Number and name of the Grant		Amount of savings				
			2013-14	2014-15	2015-16	2016-17	2017-18
Revenue - Voted							
1	01	Legislative Assembly	1.03	2.36	2.86	1.72	0.44
2	06	Revenue and Food	2.98	12.57	26.56	83.01	26.64
3	08	Transport	4.78	0.83	1.14	1.73	4.98
4	09	Secretariat	16.07	5.88	24.92	24.60	13.32
5	10	District Administration	61.34	202.92	98.09	52.05	11.67
6	11	Treasury and Accounts Administration	0.98	0.43	0.46	0.28	0.15
7	12	Police	15.77	8.44	15.09	13.77	10.25
8	13	Jails	0.23	0.65	4.17	0.77	0.23
9	16	Public Works	9.73	4.73	20.69	14.23	9.50
10	17	Education	32.33	12.70	140.81	90.90	93.85
11	18	Medical	1.91	2.05	74.01	23.84	11.39
12	19	Information and Publicity	5.18	4.62	7.37	9.40	8.60
13	20	Labour and Employment	1.60	2.38	4.66	1.05	3.55
14	21	Social Welfare	5.45	10.84	31.13	29.30	79.07
15	22	Co-operative	1.60	0.15	2.76	11.41	15.80

Sl. No.	Number and name of the Grant		Amount of savings				
			2013-14	2014-15	2015-16	2016-17	2017-18
16	23	Statistics	1.35	1.00	1.30	0.56	1.42
17	24	Agriculture	12.06	45.33	33.30	22.93	29.27
18	25	Animal Husbandry	2.09	2.70	8.11	5.91	3.81
19	27	Community Development	0.47	19.40	20.81	17.96	12.32
20	28	Industries	5.00	0.62	5.78	6.97	12.74
21	29	Electricity	169.96	189.98	60.76	11.07	0.80
22	32	Building Programmes	0.78	4.92	7.42	7.02	2.84
Total			352.69	535.50	592.20	430.48	352.64
Capital - Voted							
23	16	Public Works	64.10	32.77	83.94	168.32	109.63
24	29	Electricity	6.02	16.89	48.38	4.35	9.32
25	30	Ports and Pilotage	0.40	4.98	7.94	0.83	3.09
26	32	Building Programmes	38.67	31.23	53.45	59.56	39.10
Total			109.19	85.87	193.71	233.06	161.14

(Source: Appropriation Accounts of respective years)

Budgetary requirement and appropriation of funds should be based on the anticipated requirement for the year. Out of 33 grants, savings of more than ₹ 10 lakh was noticed persistently under 23 grants in the last five years. Caution is to be exercised in allocating funds available among the grants as savings/surrender in one grant would hamper provision of funds to another grant where it is needed.

2.3.3 Unnecessary Supplementary provision

Supplementary provision of ₹ 10 lakh or more in each case aggregating ₹ 108.88 crore obtained in 12 sub heads/cases during the year 2017-18 proved unnecessary as the expenditure incurred was within the original provision as detailed in **Appendix 2.2**.

2.3.4 Excessive/unnecessary re-appropriation of funds

During 2017-18, re-appropriation order was issued on 31 March 2018 for ₹ 353.49 crore which dilutes the process of budgeting and expenditure control. It indicated that re-appropriation orders were proposed *ex post facto* without necessary provision in the respective heads.

The re-appropriations made were proved unnecessary or excessive in 53 sub heads as detailed in **Appendix 2.3 - Part A**. As a result, expenditure of ₹ 16.45 crore was incurred in 24 cases without any provision as detailed in **Appendix 2.3 - Part B**. In respect of six cases, no expenditure was incurred resulting in saving of ₹ 1.92 crore.

2.3.5 Substantial surrenders

Substantial surrenders (cases where more than 50 *per cent* of the total provision was surrendered and was more than ₹ 10 lakh) were made in 107 sub heads on account of either non-implementation or slow implementation of the schemes/programmes (**Appendix 2.4**). Out of the total provision of ₹ 255.42 crore in these sub heads, ₹ 210.02 crore (82.23 *per cent*) was surrendered and in respect of 36 sub heads, entire provision (₹ 18.64 crore) was surrendered.

2.3.6 Anticipated savings not surrendered

Out of total savings of ₹ 789.07 crore, an amount of ₹ 464.01 crore was surrendered on 31 March 2018. It was noticed that in respect of 23 grants/appropriations, with saving of ₹ 634.76 crore (saving of ₹ one crore and above), ₹ 321.95 crore (40.80 *per cent* of total savings) was not surrendered, details of which are given in **Appendix 2.5**. This indicated inadequate financial control and non-utilisation of funds for other development purposes, since surrenders were made on the last day of the financial year.

2.3.7 Rush of expenditure

According to Rule 56 (3) of the General Financial Rules, rush of expenditure, particularly in the closing months of the financial year, should be avoided. Contrary to this, in respect of six sub heads listed in **Appendix 2.6**, expenditure exceeding ₹ 10 lakh and by more than 50 *per cent* of the total expenditure for the year was incurred in March 2018.

Audit observed that in respect of six sub heads, out of the total expenditure of ₹ 6.43 crore, ₹ 5.12 crore (79.67 *per cent*) was incurred during the last quarter of 2017-18. Out of the expenditure incurred in the last quarter, ₹ 4.45 crore (69.25 *per cent*) alone was spent in March 2018. Uniform flow of expenditure, which was a primary requirement of budgetary control mechanism and sound financial management, was not maintained.

2.3.8 Expenditure on Centrally Sponsored Schemes

The total provision under Centrally Sponsored Schemes after re-appropriation stood at ₹ 404.52 crore in 117 sub heads. Out of this, in respect of 81 sub heads, in which there was provision of ₹ 380.52 crore, ₹ 263.94 crore (69.36 *per cent*) only was spent. It was noticed that the expenditure was less than 50 *per cent* of the provision in respect of 20 sub heads. Despite a provision of ₹ 24 crore under 36 sub heads, no expenditure was incurred.

2.4 Comment on budgetary control

A review of the budgetary procedure and control of expenditure followed in in Grant 24 – Agriculture revealed the following:

2.4.1 Preparation of Budget

The Ministry of Finance, GOI issued (September 2016) guidelines for framing budget estimates with the objective to link outlays to outcomes. Accordingly, the distinction of plan and non-plan expenditure was to be removed as it led to fragmented view of resource allocation, which made it difficult to ascertain cost of delivering a service. On removal of this distinction, it was expected that a link between spending and outcomes would be more holistic and focused. Hence, it was directed to follow this guideline from the budget 2017-18. However, in UT of Puducherry, the budget of 2017-18 was drawn in the old format only, with distinction between plan and non-plan estimates.

To an audit query in this regard, the Finance Department replied (November 2018) that the merger of plan and non-plan expenditure involved classification of expenditure as revenue and capital and also merger of plan and non-plan posts, which required considerable amount of time. Hence, new pattern of classification could not be adopted for the year 2017-18.

GOI had issued instructions in September 2016 and this was not complied with for the regular budget for 2017-18, which was presented in May 2017.

2.4.2 Misclassification of expenditure - Agriculture

General Financial Rule 79 defines that any significant expenditure incurred with the object of acquiring tangible assets of a permanent nature and not for sale shall broadly be defined as Capital expenditure.

Under the Centrally Sponsored Scheme, “National Plan for Conservation of Aquatic Eco System”, 100 *per cent* advance payment of ₹ 43.19 lakh was released (March 2018) to Pondicherry Co-operative Building Centre for construction of an Interpretation Centre (Double Storey building) for displaying specimen of important flora and fauna and species of birds, butterflies, etc., at Oussudu Wildlife Sanctuary.

The expenditure, being capital in nature, should have been booked under capital head of account. However, Forest department booked the expenditure under Revenue Head 2406 - Forest and Wildlife - 01 Forestry - 102 Social Forestry - 06 Conservation and Management of Oussudu Sanctuary. This misclassification resulted in understatement of Capital expenditure and overstatement of Revenue expenditure by ₹ 43.19 lakh. Further, release of 100 *per cent* advance at the fag end of the year, only indicated that this transaction was mainly carried out to avoid lapse of budget grant.

2.5 Conclusion

- During 2017-18, expenditure of ₹ 6,799.94 crore was incurred against total grants and appropriations of ₹ 7,589.01 crore, resulting in overall savings of ₹ 789.07 crore (10.40 *per cent*).
- Out of total provision of ₹ 1,690.94 crore in 189 cases, savings exceeded ₹ 50 lakh in each case and also by more than 20 *per cent* of the total provision, resulting in overall savings of ₹ 818.99 crore.
- Out of 189 cases, in 47 cases against the provision of ₹ 250.35 crore, no expenditure was incurred during 2017-18.
- There were persistent savings of more than ₹ 10 lakh in 23 grants during 2013-18. Supplementary provision of ₹ 10 lakh or more in each case aggregating ₹ 108.88 crore obtained in 12 sub heads/cases proved unnecessary.

2.6 Recommendations

- Efficient budgeting would enable the Government to ensure that excessive, unnecessary supplementary provision and substantial surrender are avoided.
- Appropriate action needs to be taken to regulate and systematise the procedure to avoid heavy expenditure in the closing month of the financial year.

CHAPTER III
FINANCIAL REPORTING

CHAPTER III

FINANCIAL REPORTING

A sound internal financial reporting system and the availability of relevant and reliable information significantly contributes to efficient and effective governance. This Chapter provides an overview and status of UT Government's compliance with various financial rules, procedures and directives during the current year.

3.1 Delays in furnishing Utilisation Certificates

Rule 212 of the General Financial Rules stipulates that for grants released during a year for specific purposes, Utilisation Certificates (UCs) should be obtained by the Departmental Officers from the grantees within 12 months of the closure of the financial year. UCs amounting to ₹ 477.17 crore in respect 1,250 cases were outstanding as of March 2018. Department-wise break-up of outstanding UCs and age-wise pendency in submission of UCs are given in **Appendix 3.1** and **Table 3.1** respectively.

Table 3.1: Age-wise arrears of Utilisation Certificates

Sl. No.	Range of delay in number of years	Utilisation Certificates outstanding	
		Number	Amount (₹ in crore)
1	More than 9 years	296	26.75
2	9-7	210	17.35
3	7-5	154	29.32
4	5-3	102	40.76
5	3-1	266	170.03
6	Less than one year	222	192.96
Total		1,250	477.17

(Source: Data furnished by the Director of Accounts and Treasuries)

- Out of 1,250 UCs, 296 UCs involving ₹ 26.75 crore (5.61 per cent) were pending for more than nine years.
- 364 UCs involving ₹ 46.67 crore (9.78 per cent) were pending for more than five years.
- 368 UCs involving ₹ 210.79 crore (44.18 per cent) were pending for periods ranging from five years to one year.

Pendency of 920 UCs for an aggregate amount of ₹ 198.09 crore pertained to departments of Adi-Dravidar Welfare, Co-operative, Local Administration and Town and Country Planning.

Non-receipt of UCs indicated that the Departments failed to comply with the rules to ensure accountability of the agencies that received Government funds. The trend was fraught with high risks of misappropriations and frauds.

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 Department are required to furnish to the Principal Accountant General (General and Social Sector Audit) every year, detailed information about the financial assistance given to various institutions, the purposes for which the assistance was given and the total expenditure of these institutions.

The audit of accounts of 71 autonomous bodies are conducted under Sections 14/15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The audit of accounts of two autonomous bodies/authorities in UT of Puducherry are conducted under Section 19 (2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

The details of the accounts which were due 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 Autonomous Bodies/Authorities

Sl. No.	Pendency in number of years	Number of the Bodies/Authorities
1	More than five years	16
2	5-3	11
3	3-1	14
Total		41

(Source: Compiled from the information furnished by the Heads of Department)

Due to non-submission of annual accounts by autonomous bodies/authorities, the utilisation of Government grants for the intended purposes could not be ensured. Non-submission of accounts violates Rule 211 of General Financial Rules, 2005. The delay in finalisation and submission of accounts would hamper audit in assuring the legislature that the grants were being utilised for the intended objective.

3.3 Non-adjustment of Temporary Advances

The Drawing and Disbursing Officers (DDOs) draw temporary advances for the purpose of meeting contingent and miscellaneous expenditure either on the authority of standing orders or specific sanctions of UT Government. According to Rule 292 (2) of the General Financial Rules, 2005, adjustment bills along with balances, if any, should be submitted by the Government servants within 15 days of the drawal of advances, failing which, the advances/balances would be recovered from the next salary of the Government servants.

As of 31 March 2018, advances aggregating ₹ 152.83 crore were pending adjustment as per the records of the Director of Accounts and Treasuries, Puducherry. Age-wise analysis of the pending advances is given in **Table 3.3**.

Table 3.3: Age-wise analysis of pending advances

Sl. No	Pendency	Number of advances	Amount
			(₹ in crore)
1	More than 10 years	248	28.13
2	More than five years but less than 10 years	281	29.16
3	More than one year but less than five years	633	41.27
4	Less than one year	710	54.27
Total		1,872	152.83

(Source: Data furnished by the Director of Accounts and Treasuries)

The pendency in respect of 248 advances involving ₹ 28.13 crore for more than 10 years indicated laxity on the part of the departments in enforcing the provisions regarding adjustment of the advances. Non-adjustment of advances within prescribed time breaches financial discipline and entails risk of misappropriation of public money and unhealthy practices.

3.4 Misappropriation, loss, theft and defalcation

Rule 33 and 34 of the General Financial Rules, 2005, stipulate that Heads of offices should report any loss or shortage of public moneys and property, due to misappropriation, loss, theft and defalcation to the next higher authority as well as to the Statutory Audit Officer.

The Departments of UT Government reported 311 cases of misappropriation, loss and defalcation upto March 2018, involving Government money amounting to ₹ 26.92 crore, on which final action was pending. The Department-wise break-up of the pending cases and the nature of these cases were given in **Appendix 3.3**. The Electricity Department accounted for large number of cases (255) involving an amount of ₹ 25.74 crore. The age-profile

of the pending cases and the number of cases pending in each category – theft and misappropriation/loss are summarised in **Table 3.4**.

Table 3.4: Profile of misappropriation, loss, defalcation

Age-Profile of the pending cases			Nature of the pending cases		
Range in years	Number of cases	Amount involved (₹ in lakh)	Nature of the cases	Number of cases	Amount involved (₹ in lakh)
More than 25	29	0.92	Misappropriation	13	100.11
20-25	81	3.04			
15-20	98	27.94			
10-15	43	213.11	Theft/Loss of material	298	2,591.66
5 - 10	27	2,426.84			
0 - 5	33	19.92			
Total	311	2,691.77	Total	311	2,691.77

(Source: Compiled from the information furnished by the Heads of Department)

In respect of all the above 311 cases of misappropriation, theft/loss of materials, FIRs were lodged but results of the investigations are awaited. The reasons for outstanding cases of misappropriation, loss and defalcation are given in **Table 3.5**.

Table 3.5: Reasons for outstanding cases of misappropriation, loss, defalcation

Reasons for the pendency		Number of cases	Amount (₹ in lakh)
(i)	Awaiting departmental and criminal investigation	276	103.67
(ii)	Departmental actions initiated but not finalised	3	0.25
(iii)	Awaiting orders for recovery or write-off	13	30.15
(iv)	Pending in Courts of Law	19	2,557.70
Total		311	2,691.77

(Source: Compiled from the information furnished by the Heads of Department)

While 19 cases involving ₹ 25.58 crore were pending in Courts of Law, 292 cases involving ₹ 1.34 crore were pending finalisation in various Departments.

3.5 Conclusion

- There was pendency in furnishing of UCs by various grantee institutions in respect of Grants-in-aid of ₹ 477.17 crore. The pendency ranged from more than nine years to one year.
- As of March 2018, 41 Autonomous Bodies/Authorities did not submit their annual accounts due for the period upto 2016-17 to the Principal Accountant General (G&SSA).

- Temporary advances aggregating to ₹ 152.83 crore, were pending adjustment by Drawing and Disbursing Officers.
- The Departments of UT Government reported 311 cases of misappropriation, loss, theft and defalcation upto March 2018 involving Government money of ₹ 26.92 crore. Final action on these cases was pending for periods ranging between more than 25 years and one year.

3.6 Recommendations

- The Departments releasing grants should ensure collection of UCs for the grants released before releasing subsequent grants to the grantee institutions.
- Government should expedite completion of departmental action as warranted and exercise more checks to prevent or reduce recurrence of misappropriation, loss, theft and defalcation cases.

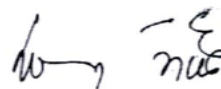
Chennai
The 5th February 2020



(DEVIKA NAYAR)
Principal Accountant General
(General and Social Sector Audit)
Tamil Nadu and Puducherry

Countersigned

New Delhi
The 7th February 2020



(RAJIV MEHRISHI)
Comptroller and Auditor General of India

APPENDICES

Appendix 1.1
(Reference: Page 1)

Part A: Profile of Union Territory of Puducherry

Sl.No.	Particulars	Figures
	A. General Data	
1	Area	490 sq.km.
	Population	
2	a. As per 2001 Census	9.74 lakh
	b. 2011 Census	12.48 lakh
3(a)	Density of Population (as per 2001 census) (All India Density = 325 persons per sq.km.)	2,034 persons per sq.km.
(b)	Density of Population (as per 2011 census) (All India Density = 382 persons per sq.km.)	2,547 persons per sq.km.
4	Population below poverty line (All India Average = 21.9 per cent)	7.70 per cent
5(a)	Literacy (as per 2001 census) (All India Average = 64.8 per cent)	81.24 per cent
(b)	Literacy (as per 2011 census) (All India Average = 73 per cent)	85.85 per cent
6	Infant mortality (per 1,000 live births) (All India Average = 34 per 1,000 live births)	10 per 1000 live births
7	Life Expectancy at birth (All India Average = 68.3 years)	68.80 years
8	Gross State Domestic Product (GSDP) 2017-18 at current prices	₹ 32,215 crore
9	Per capita GSDP CAGR (2008-09 to 2017-18)	9.4 per cent
10	Per capita GSDP CAGR (2008-09 to 2017-18) All India	11.5 per cent
11	GSDP CAGR (2008-09 to 2017-18)	11.8 per cent
12	GSDP CAGR (2008-09 to 2017-18) All India	12.5 per cent
13	Population growth (2008-17)	17.7 per cent
14	Population growth (2008-17) All India	11.9 per cent

B. Financial data					
Particulars		Figures (in per cent)			
CAGR*		2008-09 to 2016-17		2016-17 to 2017-18	
		General Category States	Union Territory of Puducherry	General Category States	Union Territory of Puducherry
a	of Revenue Receipts	15.10	10.29	11.30	11.52
b	of Tax Revenue	14.90	16.15	12.20	16.87
c	of Non-Tax Revenue	9.50	8.91	5.90	10.36
d	of Total Expenditure	15.80	9.61	4.70	5.01
e	of Capital Expenditure	14.00	6.96	1.00	(-) 11.86
f	of Revenue Expenditure on Education	14.50	10.34	6.20	(-) 1.19
g	of Revenue Expenditure on Health	16.20	14.72	10.70	2.06
h	of Salary and wages	13.40	11.00	8.90	5.99
i	of Pension	16.20	18.19	22.90	18.04

*Compound Annual Growth Rate

(Source: Financial data is based on information furnished by the Director of Accounts and Treasuries, Puducherry, BPL (Report of the Expert Group (Rangarajan) to review the methodology for measurement of poverty, Planning Commission (June 2014)), Life Expectancy at birth (Economic Survey indicators for 2010-11 as shown in Economic Survey of 2012-13), Infant mortality rate (SRS Bulletin of September 2015) and socio-economic indicators provided by Directorate of Economics and Statistics, Puducherry, Projected Population for calculation of per capita GSDP - Report of the Technical group on Population projections constituted by the National Commission on Population Table 14)

Appendix 1.1
(Reference: Paragraph 1.1; Page 2)

Part B: Structure and Form of Government Accounts

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

Part I: Consolidated Fund: Receipts from revenues, loans and recoveries of loan and expenditure incurred with the authorisation from the Legislature shall form one consolidated fund entitled ‘the Consolidated Fund of UT’.

Part II: Contingency Fund: Contingency Fund of UT established under Section 48(1) of the Government of the Union Territories Act, 1963 is in the nature of an imprest placed at the disposal of the Lieutenant 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 relating to ‘Debt’ (other than those included in Part I), ‘Deposits’, ‘Advances’, ‘Remittances’ and ‘Suspense’ are recorded in the Public Account and are not subject to vote by UT Legislature.

Appendix 1.1
(Reference: Paragraph 1.1; Page 2)

Part C: Layout of Finance Accounts

Statement	Title	Layout
Volume I		
Statement No.1	Statement of Financial Position	Cumulative figures of assets and liabilities of the Government, as they stand at the end of the year, are depicted in the Statement. The assets are valued at historical cost. The assets comprise Financial Assets and Physical Assets. The latter are shown against “(i) Capital Expenditure and (ii) Other Capital Expenditure” in this Statement.
Statement No.2	Statement of Receipts and Disbursements	This is a summarised Statement showing all receipts and disbursements of the Government during the year in all the three parts in which Government account is kept, namely, Consolidated Fund, Contingency Fund and Public Account. Further, within Consolidated Fund, receipts and expenditure on revenue and capital account are depicted distinctly.
Statement No.3	Statement of Receipts (Consolidated Fund)	This Statement comprises revenue and capital receipts and receipts from borrowings of the Government consisting of loans from the Government of India, other institutions, market loans raised by the Government and recoveries on account of loans and advances made by the Government.
Statement No.4	Statement of Expenditure (Consolidated Fund)	This Statement not only gives expenditure by function (activity) but also summarises expenditure by nature of activity (objects of expenditure).
Statement No.5	Statement of Progressive Capital expenditure	This Statement details progressive capital expenditure by functions, the aggregate of which is depicted in Statement No. 1.
Statement No.6	Statement of Borrowings and other Liabilities	Borrowings of the Government comprise market loans raised by it (internal debt) and Loans and Advances received from the Government of India. Both these together form the public debt of the Union Territory Government. In addition, this summary statement depicts ‘other liabilities’ which are the balances under various sectors in the Public Account. In respect of the latter, the Government as a trustee or custodian of the funds. Hence, these constitute liabilities of the Government. The Statement also contains an Explanatory Note, <i>i.e.</i> , a note on the quantum of net interest charges met from Revenue Receipts.
Statement No.7	Statement of Loans and Advances given by the Government	The loans and advances given by the Union Territory Government are depicted in Statement No. 1 and recoveries, disbursements feature in Statement Nos. 2, 3 and 4. Here, loans and advances are summarised sector and loanee group-wise. This is followed by a note on the recoveries in arrear in respect of loans, details of which are maintained by the Union Territory departments.

Statement	Title	Layout
Statement No.8	Statement of Investments of the Government	The summarised position of Government Investment in the share capital of different concerns is depicted in this statement for the current and previous year.
Statement No.9	Statement of Guarantees given by the Government	Sector-wise summarised statement of Guarantees given by the Union Territory Government for repayment of principal and interest on loans raised during the year and sums guaranteed outstanding as at the end of the year are presented in this statement.
Statement No.10	Statement of Grants-in-aid given by the Government	This statement has been presented grantee institutions group-wise. It includes a note on grants given in kind also.
Statement No.11	Statement of Voted and Charged Expenditure	This Statement presents details of voted and charged expenditure of the Government.
Statement No.12	Statement on Sources and Application of funds for expenditure other than on Revenue Account	The capital and other expenditure (other than on revenue account) and the sources of fund for the expenditure are depicted in this Statement.
Statement No.13	Summary of balances under Consolidated Fund, Contingency Fund and Public Account	This Statement assists in providing the accuracy of the accounts.
Volume II		
Statement No.14	Detailed Statement of Revenue and Capital Receipts by minor heads	This Statement presents the revenue and capital receipts of the Government in detail.
Statement No.15	Detailed Statement of Revenue Expenditure by minor heads	This Statement presents the details of revenue expenditure of the Government in detail. Non-Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available.
Statement No.16	Detailed Statement of Capital Expenditure	This Statement presents the details of capital expenditure of the Government in detail. Non-Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available. Cumulative capital expenditure upto the end of the year is also depicted.
Statement No.17	Detailed Statement on Borrowings and other Liabilities	Details of borrowings (market loans raised by the Government and Loans etc., from GOI) by minor heads, the maturity and repayment profile of all loans is provided in this Statement. This is the detailed Statement corresponding to Statement No. 6.
Statement No.18	Detailed Statement on Loans and Advances made by Government	The details of loans and advances given by the Government, the changes in loan balances, loans written off, interest received on loans etc., are presented in this Statement. It also presents plan loans separately. This is the detailed Statement corresponding to Statement No. 7.
Statement No.19	Detailed Statement of Investments of the Government	The position of Government Investment in the share capital of different concerns is depicted in this Statement. Details include type of shares held, face value, dividend received etc.

Statement	Title	Layout
Statement No.20	Detailed statement of Guarantees given by the Government	Guarantees given by the Union Territory Government for repayment of loans, etc., raised by Statutory Corporations, Government Companies, Local Bodies and other institutions during the year and sums guaranteed outstanding as at the end of the year are presented in this Statement.
Statement No.21	Detailed Statement on Contingency Fund and Public Account transactions	The Statement shows changes in Contingency Fund during the year, the appropriations to the Fund, expenditure, amount recouped etc. It also depicts the transactions in Public Account in detail.
Statement No.22	Detailed Statement on Investments of Earmarked Funds	This Statement shows the details of investment out of Reserve Funds in Public Account.

Appendix 1.2
(Reference: Paragraph 1.1; Page 2)

Methodology adopted for the assessment of Fiscal position

Assuming that GSDP is the good indicator of the performance of the Union Territory'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 co-efficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilisation of resources, pattern of expenditure etc., are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP.

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

Trends in Gross State Domestic Product (GSDP)

	2013-14	2014-15	2015-16	2016-17	2017-18
Gross State Domestic Product (₹ in crore)	21,870	22,574	26,643	29,279	32,215
Growth rate of GSDP (in percentage)	15.87	3.22	18.03	9.89	10.03

Source: Directorate of Economics and Statistics, Government of Puducherry

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
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
Weighted Interest Rate (Average interest paid by UT)	$\text{Interest payment} / [(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$
GSDP	GSDP is defined as the total income of the State or the market value of goods and services produced using labour and all other factors of production
Balance from Current Revenue (BCR)	Revenue Receipts minus all Plan grants (under Major Head 1601 – 02, 03, 04) and Non-Plan revenue expenditure excluding debit under 2048 – Appropriation for Reduction or Avoidance of Debt

Appendix 1.3
(Reference: Paragraphs 1.1, 1.3 and 1.9.2; Pages 2, 6 and 24)

Time series data on the Union Territory Government finances

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
(1)	(2)	(3)	(4)	(5)	(6)
<i>Part A. Receipts</i>					
1. Revenue Receipts	4,308(72)	4,758(74)	5,088(74)	5,383(76)	6,003(77)
(i) Tax Revenue	1,904(44)	1,993(42)	2,260(44)	2,401(45)	2,806(47)
Goods and Services Tax (GST)	Nil	Nil	Nil	Nil	852
Taxes on Agricultural Income	Nil	Nil	Nil	Nil	Nil
Taxes on Sales, Trade, etc.	1,256	1,313	1,439	1,576	1,008
State Excise	512	545	674	671	770
Taxes on Vehicles	52	59	69	87	104
Stamp Duty and Registration Fees	83	75	76	66	71
Land Revenue	1	1	2	1	1
Taxes on Goods and Passengers	Nil	Nil	Nil	Nil	Nil
(ii) Non-Tax Revenue	1,193(28)	1,300(27)	1,138(22)	1,245(23)	1,374 (23)
(iii) State's share of Union taxes and duties	Nil	Nil	Nil	Nil	Nil
(iv) Grants-in-aid from Government of India	1,211(28)	1,465 (31)	1,690 (33)	1,737(32)	1,823 (30)
2. Miscellaneous Capital Receipts	Nil	Nil	Nil	Nil	Nil
3. Recoveries of Loans and Advances	3	2	2	2	1
4. Total Revenue and Non-debt capital receipts (1+2+3)	4,311	4,760	5,090	5,385	6,004
5. Public Debt Receipts	750(13)	704 (11)	741 (11)	820(12)	1,061(14)
Internal Debt and Market Loan	663	614	642	748	989
Net transactions under Ways and Means Advances and Overdrafts	Nil	Nil	Nil	Nil	Nil
Loans and Advances from Government of India	87	90	99	72	72
6. Total Receipts in the Consolidated Fund (4+5)	5,061	5,464	5,831	6,205	7,065
7. Contingency Fund Receipts	Nil	Nil	Nil	Nil	Nil
8. Public Account Receipts	911(15)	982 (15)	1,015 (15)	845(12)	717(9)
9. Total Receipts of UT (6+7+8)	5,972	6,446	6,846	7,050	7,782

(1)	(2)	(3)	(4)	(5)	(6)
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	4,483(78)	4,800 (74)	5,285 (77)	5,458 (79)	5,807 (82)
(i) Plan	1,351(30)	1,554 (32)	1,668 (32)	1,644(30)	1,659(29)
(ii) Non-Plan	3,132(70)	3,246(68)	3,617(68)	3,814(70)	4,148(71)
(iii) General Services (including interest payments)	1,235	1,417	1,469	1,639	1,874
(iv) Social Services	1,661	1,831	2,199	2,129	2,235
(v) Economic Services	1,582	1,544	1,611	1,684	1,694
(vi) Grants-in-aid and Contributions	5	8	6	6	4
11. Capital Expenditure	362(6)	614 (10)	439 (6)	447 (6)	394 (6)
(i) Plan	356(98)	601(98)	444(101)	440(98)	388(98)
(ii) Non-Plan	6(2)	13(2)	(-) 5(-1) #	7 (2)	6(2)
(iii) General Services	47	87	83	85	88
(iv) Social Services	108	313	134	121	107
(v) Economic Services	207	214	223	241	199
12. Disbursement of Loans and Advances	1	1	1	Nil	Nil
13. Total (10+11+12)	4,846	5,415	5,725	5,905	6,201
14. Repayments of Public Debt	204(4)	183(3)	169 (2)	224(3)	570
Internal Debt (excluding Ways and Means Advances and Overdrafts)	33	48	52	98	434
Net transactions under Ways and Means Advances and Overdraft	Nil	Nil	Nil	Nil	Nil
Loans and Advances from Government of India	171	135	117	126	136
15. Appropriation to Contingency Fund	Nil	Nil	Nil	Nil	Nil
16. Total disbursement out of Consolidated Fund (13+14+15)	5,050	5,598	5,894	6,129	6,771
17. Contingency Fund disbursements	Nil	Nil	Nil	Nil	Nil
18. Public Account disbursements	709(12)	845(13)	938 (14)	800(12)	269(4)
19. Total disbursement by UT (16+17+18)	5,759	6,443	6,832	6,929	7,040
Part C. Deficits					
20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	(-) 175	(-) 42	(-) 197	(-) 75	196
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	(-) 535	(-) 655	(-) 635	(-) 520	(-) 197
22. Primary Deficit (21+23)	(-) 58	(-) 117	(-) 83	58	489
Part D. Other data					
23. Interest Payments (included in revenue expenditure)	477	538	552	578	686
24. Financial Assistance to local bodies etc.	487	661	716	669	660

Minus expenditure is due to value of issue of stock more than the value of purchase;

* Higher rounding is given to arrive at the correct value of total disbursement made by UT

(1)	(2)	(3)	(4)	(5)	(6)
25. Ways and Means Advances/Overdraft availed (days)	Nil	Nil	Nil	Nil	Nil
Ways and Means Advances availed (days)	Nil	Nil	Nil	Nil	Nil
Overdraft availed (days)	Nil	Nil	Nil	Nil	Nil
26. Interest on Ways and Means Advances/Overdraft	Nil	Nil	Nil	Nil	Nil
27. Gross State Domestic Product (GSDP)	21,870	22,574	26,643	29,279	32,215
28. Outstanding Fiscal liabilities (year-end)	6,555	7,030	7,754	8,299	8,799
29. Outstanding guarantees (year-end) (including interest)	5	29	45	45	51
30. Maximum amount guaranteed (year-end)	21	38	56	56	63
31. Number of incomplete projects	23	12	14	14	12
32. Capital blocked in incomplete projects	82.88	20.14	78.58	75.71	76.96
Part E: Fiscal Health Indicators					
I Resource Mobilisation					
Own Tax revenue/GSDP	0.09	0.09	0.08	0.08	0.09
Own Non-Tax Revenue/GSDP	0.05	0.06	0.04	0.04	0.04
Central Transfers/GSDP	Nil	Nil	Nil	Nil	Nil
II Expenditure Management					
Total Expenditure/GSDP	0.22	0.24	0.21	0.20	0.19
Total Expenditure/Revenue Receipts	1.12	1.14	1.13	1.10	1.03
Revenue Expenditure/Total Expenditure	0.93	0.89	0.92	0.92	0.94
Expenditure on Social Services/Total Expenditure	0.34	0.34	0.38	0.36	0.36
Expenditure on Economic Services/Total Expenditure	0.33	0.29	0.28	0.29	0.27
Capital Expenditure/Total Expenditure	0.07	0.11	0.08	0.08	0.06
Capital Expenditure on Social and Economic Services/Total Expenditure	0.07	0.10	0.06	0.06	0.05
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	(-) 0.008	(-) 0.002	(-) 0.007	(-) 0.003	0.006
Fiscal deficit/GSDP	(-) 0.024	(-) 0.029	(-) 0.024	(-) 0.018	(-) 0.006
Primary Deficit (surplus) /GSDP	(-) 0.003	(-) 0.005	(-) 0.003	0.002	0.015
Revenue Deficit/Fiscal Deficit	0.327	0.064	0.310	0.144	(-)0.995
Primary Revenue Balance/GSDP	0.014	0.022	0.013	0.017	0.027

(1)	(2)	(3)	(4)	(5)	(6)
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	0.30	0.31	0.29	0.28	0.27
Fiscal Liabilities/RR	1.52	1.48	1.52	1.54	1.47
Primary deficit <i>vis-à-vis</i> quantum spread	(-) 0.06	(-) 0.12	(-) 0.45	0.17	2.93
Debt Redemption (Principal +Interest)/ Total Debt Receipts	0.86	0.96	0.93	0.96	1.12
V Other Fiscal Health Indicators					
Return on Investment (₹ in crore)	6.30	1.63	3.93	Nil	0.09
Balance from Current Revenue (₹ in crore)	528	641	589	573	1,470
Financial Assets/Liabilities	0.86	0.86	0.85	0.85	0.89
Revenue Expenditure /Revenue Receipts	104	101	104	101	97

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

Appendix 1.4
(Reference: Paragraph 1.1.1; Page 2)

Part A: Abstract of Receipts and Disbursements for the year 2017-18

(₹ in crore)

Receipts				Disbursements							
2016-17		Section-A: Revenue	2017-18	2016-17			Non-Plan	Plan	Total	2017-18	
5,382.95	I	Revenue receipts	6,002.67	5,458.25	I	Revenue expenditure				5,806.66	
2,401.21		Tax revenue	2,805.55	1,639.23		General services	1,813.28	60.97	1,874.25		
				2,128.49		Social Services	882.87	1,351.93	2,234.80		
1,245.37		Non-tax revenue	1,373.73	757.85		Education, Sports, Art and Culture	449.93	299.46	749.39		
				486.34		Health and Family Welfare	237.68	258.47	496.15		
Nil		State's share of Union Taxes	Nil	173.27		Water Supply, Sanitation, Housing and Urban Development	56.58	223.49	280.07		
1,736.37		Grants-in-aid from GOI	1,823.39	3.77		Information and Broadcasting	1.90	2.73	4.63		
747.09		Non-Plan grants	27.70	154.02		Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	16.51	110.62	127.13		
794.79		Grants for UT Plan Schemes	11.64	28.31		Labour and Labour Welfare	18.12	12.09	30.21		
				521.37		Social Welfare and Nutrition	100.55	443.48	544.03		
194.49		Grants for Central and Centrally Sponsored Plan Schemes	383.06	3.56		Others	1.60	1.59	3.19		
				1,684.62		Economic Services-	1,448.07	245.52	1,693.59		
		Other Transfer/Grants to State/UT with Legislature	1,400.99	248.61		Agriculture and Allied Activities	171.21	117.15	288.36		
				32.16		Rural Development	9.50	33.66	43.16		
				12.84		Special Areas Programmes	0	7.30	7.30		
				21.70		Irrigation and Flood Control	16.93	7.27	24.20		
				1,224.71		Energy	1,209.79	3.97	1,213.76		
				54.89		Industry and Minerals	4.17	38.85	43.02		
				34.49		Transport	20.08	7.02	27.10		
				6.71		Science, Technology and Environment	0.36	3.13	3.49		
				48.51		General Economic Services	16.03	27.17	43.20		
				5.90		Grants-in-aid and Contributions-	4.02	Nil	4.02		
75.30	II	Revenue deficit carried over to Section B	Nil		II	Revenue Surplus carried over to Section B				196.01	
5,382.95		Total	6,002.67	5,458.25		Total				6,002.67	

Receipts					Disbursements							
		Section-B : Others										
1,249.92	III	Opening Cash balance including Permanent Advances and Cash Balance Investment		1,370.21	Nil	III	Opening Overdraft from Reserve Bank of India					Nil
Nil	IV	Miscellaneous Capital Receipts		Nil	446.64	IV	Capital Expenditure-					394.39
					85.09		General Services	Nil	88.14	88.14		
					120.97		Social Services-	Nil	107.26	107.26		
					12.66		Education, Sports, Art and Culture	Nil	12.15	12.15		
					4.03		Health and Family Welfare	Nil	8.11	8.11		
					103.01		Water Supply, Sanitation, Housing and Urban Development	Nil	84.15	84.15		
					Nil		Information and Broadcasting	Nil	Nil	Nil		
					0.49		Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	Nil	1.38	1.38		
					0.44		Social Welfare and Nutrition	Nil	1.18	1.18		
					0.34		Others	Nil	0.29	0.29		
					240.58		Economic Services-	6.41	192.58	198.99		
					9.72		Agriculture and Allied Activities	Nil	5.44	5.44		
					Nil		Rural Development	Nil	Nil	Nil		
					Nil		Special Areas Programmes	Nil	Nil	Nil		
					41.07		Irrigation and Flood Control	Nil	30.22	30.22		
					94.75		Energy	6.41	66.11	72.52		
					7.65		Industry and Minerals	Nil	2.00	2.00		
					74.20		Transport	Nil	64.83	64.83		
					13.19		General Economic Services	Nil	23.98	23.98		
1.64	V	Recoveries of Loans and Advances-		1.35	0.27	V	Loans and Advances disbursed-					0.21
Nil		From Power Projects	Nil		Nil		For Power Projects	Nil	Nil	Nil		
1.48		From Government Servants	0.21		0.27		To Government Servants	0.21	0.00	0.21		
0.16		From Others	1.14		Nil		To Others	Nil	Nil	Nil		
	VI	Revenue Surplus brought down		196.01	75.30	VI	Revenue Deficit brought down					

Audit Report (Union Territory Finances) for the year ended 31 March 2018

Receipts					Disbursements						
820.03	VII	Public debt receipts-		1,060.71	223.68	VII	Repayment of Public debt-				570.00
Nil		External debt	Nil		Nil		External debt	Nil	Nil	Nil	
748.03		Internal debt	988.71		97.52		Internal debt	433.94	Nil	433.94	
Nil		Net transactions under Ways and Means Advances	Nil		Nil		Net transactions under Ways and Means Advances	Nil	Nil	Nil	
Nil		Net transactions under Overdraft	Nil		126.16		Repayment of Loans and Advances to Central Government	136.06	Nil	136.06	
72.00		Loans and Advances from Central Government	72.00								
Nil	VIII	Appropriation to Contingency Fund	Nil		Nil	VIII	Appropriation to Contingency Fund				Nil
Nil	IX	Amount transferred to Contingency Fund	Nil		Nil	IX	Expenditure from Contingency Fund				Nil
844.70	X	Public Account receipts-		717.32	800.19	X	Public Account disbursements-				269.11
311.42		Small Savings and Provident Funds	328.36		247.11		Small Savings and Provident Funds			282.31	
1.83		Reserve Funds	10.00				Reserve Funds			Nil	
15.23		Suspense and Miscellaneous	(-) 63.59		(-) 52.27		Suspense and Miscellaneous			(-) 468.30	
322.75		Remittance	289.37		317.88		Remittance			286.28	
193.47		Deposits and Advances	153.18		287.47		Deposits and Advances			168.82	
Nil	XI	Closing Overdraft from Reserve Bank of India	Nil		1,370.21	XI	Cash Balance at end				2,111.89
					Nil		Cash in Treasuries and Local Remittances			Nil	
					0.15		Deposits with Reserve Bank			0.15	
					2.24		Departmental Cash Balance including permanent advances			2.15	
					1,367.82		Cash Balance Investment including investment of earmarked funds			2,109.59	
8,374.54		Total		9,348.27	8,374.54		Total				9,348.27

Appendix 1.4
(Reference: Paragraph 1.9.1; Page 24)

**Part B: Summarised financial position of the Government
of Union Territory of Puducherry as on 31 March 2018**

(₹ in crore)

As on 31 March 2017	Liabilities	As on 31 March 2018	
(1)	(2)	(3)	
5,461.49	Internal Debt -		6,016.27
4,567.44	Market Loans bearing interest	5,055.44	
Nil	Market Loans not bearing interest	0.00	
Nil	Loans from Life Insurance Corporation of India	0.00	
894.05	Loans from other Institutions	960.83	
Nil	Ways and Means Advances	0.00	
Nil	Overdrafts from Reserve Bank of India	0.00	
1,784.78	Loans and Advances from Central Government -		1,720.72
Nil	Pre 1984-85 Loans	0.00	
1,595.14	Non-Plan Loans	1,531.08	
189.20	Loans for UT Plan Schemes	189.20	
Nil	Loans for Central Plan Schemes	0.00	
0.44	Centrally Sponsored Schemes	0.44	
Nil	Other Transfer/Grants to State/UT with Legislature	0.00	
0.50	Contingency Fund		0.50
602.63	Small Savings, Provident Funds, etc.		648.68
513.46	Deposits		497.89
222.02	Reserve Funds		232.02
157.31	Remittance Balances		160.40
(-) 22.30	Suspense and Miscellaneous Balances		382.40
8,719.89	Total		9,658.88

Assets			
6,052.75	Gross Capital Outlay on Fixed Assets -		6,447.14
1,030.67	Investments in shares of Companies, Corporations, etc.	1,027.79	
5,022.08	Other Capital Outlay	5,419.35	
9.25	Loans and Advances -		8.11
Nil	Loans for Power Projects	0.00	
7.83	Other Development Loans	7.60	
1.42	Loans to Government servants and Miscellaneous loans	0.51	
285.72	Reserve Fund Investments		316.95
0.62	Advances		0.68
1,084.49	Cash -		0.00
Nil	Cash in Treasuries	Nil	1,794.94
0.15	Deposits with Reserve Bank	0.15	
2.24	Departmental Cash Balance including Permanent Advances	2.15	
1,082.10	Cash Balance Investments	1,792.64	
1,287.06	Deficit on Government Account -		1,091.06
75.30	(i) Revenue deficit of the current year	0.00	
Nil	(ii) Miscellaneous Deficit	0.00	
1,211.76	Accumulated deficit at the beginning of the year	1,091.06	
Nil	Less: Proforma dropping	0.00	
8,719.89	Total		9,658.88

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 deficit 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 UT and other pending settlements, etc.

Appendix 2.1
(Reference: Paragraph 2.3.1; Page 35)

Cases where savings were more than ₹ 50 lakh and 20 per cent of total provision

(₹ in lakh)

Sl.No.	Grant	Heads of Account					Provision	Expenditure	Savings
(1)	(2)	(3)					(4)	(5)	(6)
1	03	2013	00	104	01	01	317.04	157.15	159.89
2	06	2245	01	101	02	01	1,770.00	1,330.98	439.02
3	06	2245	02	101	01	01	112.53	35.78	76.75
4	06	2245	05	101	01	01	1,500.00	1,000.00	500.00
5	06	2408	01	102	05	01	300.00	0.00	300.00
6	06	3456	00	001	01	01	376.00	274.11	101.89
7	06	3456	00	001	05	01	286.68	221.70	64.98
8	06	3456	00	190	01	01	100.00	20.00	80.00
9	07	2040	00	101	05	01	200.00	70.94	129.06
10	08	3055	00	190	01	01	845.55	411.39	434.16
11	08	5055	00	800	03	01	135.00	0.00	135.00
12	09	3451	00	090	07	01	1,418.07	0.00	1,418.07
13	10	2216	80	103	01	01	336.00	95.70	240.30
14	10	2216	80	800	02	01	321.30	29.33	291.97
15	10	2216	80	800	02	02	109.00	26.67	82.33
16	10	2216	80	800	02	04	84.00	15.44	68.56
17	10	2216	80	800	04	01	1,152.02	836.43	315.59
18	10	2216	80	800	04	02	508.80	238.60	270.20
19	10	2216	80	800	04	03	65.00	8.50	56.50
20	10	2216	80	800	11	01	661.00	257.87	403.13
21	10	2216	80	800	14	01	700.00	300.00	400.00
22	10	2216	80	800	19	01	2,257.06	1,325.64	931.42
23	10	2216	80	800	19	02	462.60	355.20	107.40
24	10	2216	80	800	22	01	400.00	25.00	375.00
25	10	2217	01	191	01	01	581.50	291.34	290.16
26	10	2217	01	191	01	02	157.85	71.21	86.64
27	10	2217	05	800	03	02	500.00	390.00	110.00

Audit Report (Union Territory Finances) for the year ended 31 March 2018

Sl.No.	Grant	Heads of Account					Provision	Expenditure	Savings
(1)	(2)	(3)					(4)	(5)	(6)
28	10	2217	05	800	03	04	200.00	133.61	66.39
29	10	2217	80	001	02	01	140.50	80.48	60.02
30	10	2217	80	191	10	01	800.00	100.00	700.00
31	10	2217	80	191	10	02	150.00	0.00	150.00
32	10	2515	00	101	16	02	300.00	122.50	177.50
33	10	2515	00	789	09	01	250.00	0.00	250.00
34	10	2515	00	789	09	02	250.00	25.00	225.00
35	10	2575	60	101	01	01	1,000.00	725.00	275.00
36	10	2575	60	789	01	01	300.00	75.00	225.00
37	10	3425	60	800	02	01	290.02	138.67	151.35
38	10	3604	00	200	03	01	400.00	300.00	100.00
39	12	2055	00	001	01	01	1,276.00	1,010.84	265.16
40	12	2055	00	001	02	01	135.55	73.02	62.53
41	12	2055	00	115	03	01	422.93	146.25	276.68
42	12	2055	00	115	04	01	273.99	46.23	227.76
43	12	2055	00	115	05	01	150.08	0.00	150.08
44	12	2055	00	800	03	01	173.33	0.00	173.33
45	12	4070	00	800	03	01	200.00	0.00	200.00
46	16	2059	80	053	02	01	70.00	18.66	51.34
47	16	2215	01	101	02	01	175.00	20.70	154.30
48	16	2215	01	102	03	04	200.00	137.38	62.62
49	16	2215	01	102	11	01	75.00	17.00	58.00
50	16	2215	01	789	04	01	110.00	28.20	81.80
51	16	4059	01	051	10	01	1,385.45	507.82	877.63
52	16	4059	01	051	10	02	1,000.00	380.95	619.05
53	16	4059	01	800	02	01	1,012.50	529.60	482.90
54	16	4215	01	800	03	01	7,136.50	2,716.58	4,419.92
55	16	4702	00	800	02	02	500.00	0.00	500.00
56	16	4711	03	800	04	02	500.00	2.90	497.10
57	16	4711	03	800	04	04	1,000.00	750.00	250.00

Sl.No.	Grant	Heads of Account					Provision	Expenditure	Savings
(1)	(2)	(3)					(4)	(5)	(6)
58	16	5054	04	800	01	01	320.00	181.84	138.16
59	16	5054	04	800	01	03	170.00	0.00	170.00
60	16	5054	04	800	03	01	181.28	129.62	51.66
61	16	5054	04	800	05	02	145.00	0.00	145.00
62	16	5054	04	800	05	04	800.00	532.34	267.66
63	16	5054	04	800	09	01	2,570.00	1,978.76	591.24
64	16	5054	04	800	09	03	300.00	0.00	300.00
65	17	2202	01	108	01	02	257.99	183.30	74.69
66	17	2202	01	789	03	01	399.70	259.61	140.09
67	17	2202	01	789	04	01	200.00	84.55	115.45
68	17	2202	01	800	04	01	709.52	326.51	383.01
69	17	2202	01	800	06	01	474.07	340.03	134.04
70	17	2202	01	800	08	01	715.61	385.15	330.46
71	17	2202	02	105	01	01	281.20	99.66	181.54
72	17	2202	02	110	01	02	690.57	548.65	141.92
73	17	2202	03	103	19	02	270.00	202.41	67.59
74	17	2202	03	103	25	01	363.00	287.70	75.30
75	17	2202	03	107	04	07	4,000.00	2,432.74	1,567.26
76	17	2202	03	789	14	01	855.00	102.49	752.51
77	17	2202	03	800	02	01	2,945.00	275.51	2,669.49
78	17	2202	80	003	01	01	500.00	101.33	398.67
79	17	2202	80	800	08	01	140.34	77.57	62.77
80	17	2203	00	105	06	02	410.00	0.00	410.00
81	17	2203	00	789	02	01	180.00	0.00	180.00
82	17	2204	00	104	01	01	500.00	285.15	214.85
83	17	2205	00	107	08	01	84.00	11.00	73.00
84	17	2225	01	277	01	01	202.62	117.44	85.18
85	17	2236	02	102	03	01	673.50	498.84	174.66
86	18	2210	02	800	01	01	300.00	204.11	95.89
87	18	2210	05	105	11	03	250.00	0.00	250.00

Audit Report (Union Territory Finances) for the year ended 31 March 2018

Sl.No.	Grant	Heads of Account					Provision	Expenditure	Savings
(1)	(2)	(3)					(4)	(5)	(6)
88	18	2210	05	105	11	04	250.00	0.00	250.00
89	18	2210	80	800	05	01	460.00	156.99	303.01
90	18	2210	80	800	12	01	50.01	0.00	50.01
91	18	2211	00	001	01	01	179.00	123.30	55.70
92	18	4210	80	800	02	01	8,883.49	0.00	8,883.49
93	19	3452	80	104	06	01	459.94	72.68	387.26
94	19	3452	80	104	07	01	373.40	291.17	82.23
95	19	3452	80	104	08	01	325.00	118.63	206.37
96	19	5452	01	103	01	01	300.00	0.00	300.00
97	19	5452	01	800	03	01	463.42	0.00	463.42
98	19	5452	01	800	05	01	389.31	0.00	389.31
99	20	2230	03	800	02	01	180.66	9.98	170.68
100	21	2225	01	001	01	01	389.80	311.46	78.34
101	21	2225	01	789	01	01	147.00	85.61	61.39
102	21	2225	01	789	23	01	4,220.64	3,152.15	1,068.49
103	21	2225	01	789	27	01	1,600.00	887.10	712.90
104	21	2225	01	789	27	02	500.00	183.70	316.30
105	21	2225	01	789	28	01	2,499.30	1,946.95	552.35
106	21	2225	01	789	28	02	501.50	188.20	313.30
107	21	2225	01	789	31	01	250.00	0.00	250.00
108	21	2225	03	190	06	01	269.00	81.75	187.25
109	21	2225	03	277	08	01	87.82	9.74	78.08
110	21	2235	02	101	14	01	121.01	5.45	115.56
111	21	2235	02	102	01	01	1,027.45	508.61	518.84
112	21	2235	02	102	10	01	1,281.44	366.72	914.72
113	21	2235	02	102	10	02	320.36	104.82	215.54
114	21	2235	02	102	12	01	1,257.00	937.45	319.55
115	21	2235	02	103	24	01	205.20	0.00	205.20
116	21	2235	02	103	25	01	156.80	40.00	116.80
117	21	2235	02	104	04	01	393.22	292.41	100.82

Sl.No.	Grant	Heads of Account					Provision	Expenditure	Savings
(1)	(2)	(3)					(4)	(5)	(6)
118	21	2235	02	104	06	01	550.00	412.50	137.50
119	21	2235	02	104	07	01	62.00	0.00	62.00
120	21	2235	02	104	13	01	52.82	0.00	52.82
121	21	2236	02	101	01	01	512.27	326.48	185.79
122	21	4225	01	789	01	01	200.00	8.65	191.35
123	21	4225	01	789	29	01	200.00	0.00	200.00
124	21	4225	01	789	29	04	100.00	0.00	100.00
125	22	2216	02	104	01	01	400.00	0.00	400.00
126	22	2404	00	195	04	01	575.00	100.00	475.00
127	22	2425	00	001	02	01	139.64	66.92	72.72
128	22	2425	00	277	01	01	249.10	42.25	206.85
129	22	2851	00	103	01	01	299.00	36.76	262.24
130	22	2851	00	103	02	01	199.50	99.75	99.75
131	22	2852	08	195	01	01	334.20	256.38	77.83
132	22	2852	08	195	01	02	124.80	72.77	52.04
133	22	2852	08	201	01	01	375.00	250.00	125.00
134	22	4425	00	108	01	01	62.00	0.00	62.00
135	22	4851	00	195	02	01	290.00	50.00	240.00
136	23	3454	02	800	13	01	100.00	0.00	100.00
137	24	2401	00	102	01	01	743.80	586.48	157.32
138	24	2401	00	102	01	02	463.21	161.53	301.68
139	24	2401	00	105	04	01	85.00	1.01	83.99
140	24	2401	00	108	04	01	60.00	0.00	60.00
141	24	2401	00	109	07	01	100.00	0.00	100.00
142	24	2401	00	110	02	01	200.00	0.00	200.00
143	24	2401	00	113	01	01	225.45	132.47	92.98
144	24	2401	00	800	11	01	283.95	81.50	202.45
145	24	2401	00	800	11	02	83.25	0.00	83.25
146	24	2402	00	102	02	01	300.00	23.72	276.28
147	24	2406	01	102	06	01	100.00	44.10	55.90

Audit Report (Union Territory Finances) for the year ended 31 March 2018

Sl.No.	Grant	Heads of Account					Provision	Expenditure	Savings
(1)	(2)	(3)					(4)	(5)	(6)
148	24	2415	01	277	01	01	500.00	342.75	157.25
149	24	2415	01	277	02	02	1,460.00	1,135.49	324.51
150	24	2435	01	101	02	01	400.00	165.00	235.00
151	26	2405	00	120	03	01	120.05	64.26	55.79
152	26	2405	00	800	03	01	131.55	60.74	70.81
153	26	2405	00	800	07	01	100.20	0.00	100.20
154	27	2505	02	101	01	01	1,000.36	300.00	700.36
155	27	2505	02	101	02	01	450.00	268.50	181.50
156	27	2505	02	789	01	01	150.00	97.50	52.50
157	27	2505	02	789	02	01	210.00	0.00	210.00
158	27	2515	00	800	08	01	1,000.00	500.00	500.00
159	28	2851	00	800	04	01	135.21	59.77	75.44
160	28	2851	00	800	06	01	511.52	334.83	176.69
161	28	2852	08	202	02	01	1,675.00	1,262.13	412.87
162	28	2852	08	202	03	01	657.00	308.14	348.87
163	29	2801	05	001	01	01	1,396.76	1,108.57	288.19
164	29	2801	05	800	04	01	328.78	220.68	108.10
165	29	4801	05	800	54	01	2,500.00	661.00	1,839.00
166	29	4801	05	800	56	01	120.31	0.00	120.31
167	30	5051	02	200	06	01	650.00	345.66	304.34
168	32	4202	01	202	02	01	90.00	0.00	90.00
169	32	4202	01	202	02	01	210.00	157.03	52.97
170	32	4202	01	800	02	01	125.00	0.00	125.00
171	32	4202	03	800	01	01	100.00	34.19	65.81
172	32	4202	03	800	01	02	100.00	44.89	55.11
173	32	4210	01	110	01	01	225.00	132.00	93.00
174	32	4210	01	800	03	01	500.00	0.00	500.00
175	32	4210	01	800	03	03	150.00	0.00	150.00
176	32	4210	01	800	03	04	100.00	0.00	100.00
177	32	4405	00	104	01	03	100.00	0.00	100.00

Sl.No.	Grant	Heads of Account					Provision	Expenditure	Savings
(1)	(2)	(3)					(4)	(5)	(6)
178	32	4405	00	104	01	04	313.50	28.66	284.84
179	32	4405	00	104	02	03	480.00	298.31	181.69
180	32	5452	01	800	28	01	397.22	0.00	397.22
181	32	5452	01	800	28	03	256.50	30.82	225.68
182	32	5452	01	800	28	04	522.78	0.00	522.78
183	32	5452	01	800	29	01	67.17	0.00	67.17
184	32	5452	01	800	52	02	52.00	0.47	51.53
185	33	2048	00	200	01	07	2,810.00	1,000.00	1,810.00
186	33	2049	03	104	01	07	7,996.00	6,026.12	1,969.88
187	33	6003	00	109	03	07	714.88	357.44	357.44
188	33	6003	01	101	01	07	44,244.35	33,700.00	10,544.35
189	33	6004	02	101	01	07	5,609.28	0.00	5,609.28
Total							1,69,094.43	87,194.75	81,899.68

Appendix 2.2
(Reference: Paragraph 2.3.3; Page 36)

Unnecessary Supplementary Provision

(₹ in lakh)

Sl.No	Grant	Heads of Account					Original	Supplementary	Total	Expenditure
1	06	2408	01	102	03	01	10,876.00	384.37	11,260.37	10,791.53
2	12	4070	00	800	03	01	0.00	200.00	200.00	0.00
3	18	4210	80	800	02	01	0.00	8,883.49	8,883.49	0.00
4	19	5452	01	800	03	01	0.00	463.42	463.42	0.00
5	19	5452	01	800	05	01	0.00	389.31	389.31	0.00
6	20	2230	03	102	07	01	0.00	20.00	20.00	0.00
7	20	2230	03	789	12	01	0.00	30.00	30.00	0.00
8	20	2230	03	796	01	01	0.00	25.00	25.00	0.00
9	20	2230	03	800	02	01	0.00	180.66	180.66	9.98
10	26	2405	00	800	02	01	469.62	41.38	511.00	450.54
11	29	4801	05	800	56	01	0.00	120.31	120.31	0.00
12	30	5051	02	200	06	01	500.00	150.00	650.00	345.66
Total							11,845.62	10,887.94	22,733.56	11,597.71

Appendix 2.3
(Reference: Paragraph 2.3.4; Page 36)

Part A: Excessive/unnecessary re-appropriation of funds

(₹ in lakh)

Sl.No	Grant	Heads of Account					Provision	Re-appropriation	Total	Expenditure	Savings
(1)	(2)	(3)					(4)	(5)	(6)	(7)	(8)
1	04	2014	00	105	01	01	407.12	2.83	409.95	406.40	3.55
2	05	2015	00	108	01	01	13.80	1.20	15.00	13.50	1.50
3	06	2029	00	101	03	01	650.00	27.00	677.00	647.84	29.16
4	06	2408	01	102	03	01	11,260.37	1,769.63	13,030.00	10,791.53	2,238.47
5	06	2408	01	102	03	04	634.00	26.00	660.00	542.34	117.66
6	09	2052	00	090	02	01	161.00	3.00	164.00	159.92	4.08
7	10	2216	80	800	04	01	1,152.02	199.81	1,351.83	836.43	515.40
8	11	2054	00	095	01	01	1,199.31	1.40	1,200.71	1,194.10	6.61
9	11	2054	00	095	01	02	193.87	1.26	195.13	193.84	1.29
10	12	2055	00	003	01	01	0.01	147.99	148.00	0.00	148.00
11	13	2056	00	101	01	01	195.50	7.19	202.69	194.72	7.97
12	13	2056	00	101	02	01	158.68	5.97	164.65	158.60	6.05
13	16	2215	01	102	07	03	396.87	113.13	510.00	363.54	146.46
14	16	2702	02	001	02	01	547.94	1.14	549.08	544.98	4.10
15	16	4711	03	800	02	02	7.50	5.99	13.49	4.50	8.99
16	16	4711	03	800	04	01	1,000.00	275.00	1,275.00	813.62	461.38
17	16	5054	04	800	09	01	2,570.00	40.00	2,610.00	1,978.76	631.24
18	16	5054	04	800	09	02	1,300.00	500.00	1,800.00	1,260.27	539.73
19	17	2202	03	107	04	07	4,000.00	3.72	4,003.72	2,432.74	1,570.98
20	17	2203	00	112	01	01	4,750.00	158.48	4,908.48	4,360.93	547.55
21	17	2204	00	102	01	01	325.82	2.41	328.23	322.13	6.10
22	17	2205	00	800	05	01	157.01	1.65	158.66	153.66	5.01
23	18	2210	01	102	01	03	86.90	6.60	93.50	86.64	6.86
24	18	2210	01	102	01	04	59.60	1.97	61.57	59.55	2.02
25	18	2210	01	110	12	01	52.40	2.36	54.76	52.02	2.74
26	18	2210	01	110	13	03	543.35	7.46	550.81	537.20	13.61

Audit Report (Union Territory Finances) for the year ended 31 March 2018

Sl.No	Grant	Heads of Account					Provision	Re-appropriation	Total	Expenditure	Savings
(1)	(2)	(3)					(4)	(5)	(6)	(7)	(8)
27	18	2210	03	104	02	01	219.70	1.94	221.64	217.61	4.03
28	18	4210	80	800	02	01	8,883.49	1.02	8,884.51	0.00	8,884.51
29	19	2070	00	115	01	06	250.00	10.00	260.00	249.49	10.51
30	20	2230	03	789	12	01	30.00	8.93	38.93	0.00	38.93
31	20	2230	03	800	02	01	180.66	14.00	194.66	9.98	184.68
32	21	2225	01	277	01	01	19.81	1.34	21.15	19.63	1.52
33	21	2225	01	277	04	02	137.02	5.18	142.20	130.20	12.00
34	21	2225	01	277	17	01	62.20	195.36	257.56	57.08	200.48
35	21	2225	01	789	23	01	4,220.64	127.90	4,348.54	3,152.15	1,196.39
36	21	2225	01	789	23	02	561.02	59.53	620.55	501.79	118.76
37	21	2225	01	789	24	01	50.00	14.95	64.95	5.97	58.98
38	21	2225	01	789	26	01	689.99	45.01	735.00	670.25	64.75
39	21	2235	02	101	12	03	103.30	3.85	107.15	103.06	4.09
40	21	2235	02	101	12	04	245.06	6.22	251.28	244.66	6.62
41	21	2235	02	101	14	01	121.01	162.99	284.00	5.45	278.55
42	21	2236	02	101	01	03	8.00	1.39	9.39	6.93	2.46
43	21	2236	02	101	02	01	204.86	6.51	211.37	163.75	47.62
44	21	2236	02	101	02	02	41.72	4.24	45.96	17.16	28.80
45	21	2236	02	789	01	02	41.00	2.08	43.08	32.00	11.08
46	25	2403	00	001	03	01	66.03	2.29	68.32	61.29	7.03
47	25	2403	00	102	03	01	236.65	16.67	253.32	190.06	63.26
48	32	2401	00	800	04	01	20.00	4.00	24.00	19.81	4.19
49	32	3452	01	800	14	06	50.00	19.99	69.99	43.52	26.47
50	32	4202	01	201	01	02	28.00	2.00	30.00	27.00	3.00
51	32	4202	01	800	02	02	300.00	217.52	517.52	300.00	217.52
52	32	4202	04	105	01	01	16.00	9.00	25.00	14.54	10.46
53	32	5452	01	800	49	04	500.00	350.00	850.00	461.23	388.77
Total							49,109.23	4,607.10	53,716.33	34,814.38	18,901.95

Appendix 2.3
(Reference: Paragraph 2.3.4; Page 36)

Part B: Re-appropriation of funds without any provision

(₹ in lakh)

Sl.No	Grant	Heads of Account					Provision	Re-appropriation	Total	Expenditure	Savings
1	06	2235	03	102	01	01	0.00	43.71	43.71	43.60	0.11
2	10	3475	00	108	01	04	0.00	50.19	50.19	50.19	0.00
3	16	2059	60	051	02	01	0.00	12.55	12.55	11.30	1.25
4	16	2059	60	051	02	04	0.00	13.00	13.00	12.99	0.01
5	16	2059	80	051	01	02	0.00	3.98	3.98	3.97	0.01
6	16	2059	80	051	01	04	0.00	1.24	1.24	1.23	0.01
7	16	2059	80	051	02	01	0.00	4.87	4.87	3.85	1.02
8	16	2059	80	051	02	02	0.00	5.77	5.77	5.76	0.01
9	16	2215	01	052	01	02	0.00	1.13	1.13	1.12	0.01
10	16	2702	80	052	01	01	0.00	0.96	0.96	0.95	0.01
11	16	2702	80	052	01	02	0.00	0.38	0.38	0.38	0.00
12	16	3054	03	103	01	01	0.00	9.59	9.59	9.58	0.01
13	16	5054	03	337	01	01	0.00	9.00	9.00	8.25	0.75
14	19	5452	01	800	02	01	0.00	300.00	300.00	300.00	0.00
15	20	2230	02	101	14	01	0.00	16.21	16.21	2.00	14.21
16	20	2230	03	101	24	01	0.00	6.00	6.00	6.00	0.00
17	21	2235	02	001	01	04	0.00	0.03	0.03	0.02	0.01
18	21	2235	02	102	10	03	0.00	6.49	6.49	2.33	4.16
19	21	2235	02	102	10	04	0.00	11.74	11.74	10.56	1.18
20	21	2235	02	102	21	01	0.00	1.00	1.00	0.90	0.10
21	21	2235	02	103	16	04	0.00	0.01	0.01	0.01	0.00
22	29	4801	05	800	49	01	0.00	1,073.00	1,073.00	1,073.00	0.00
23	32	4055	00	211	01	03	0.00	0.75	0.75	0.66	0.09
24	33	2049	01	200	04	07	0.00	95.95	95.95	95.95	0.00
Total							0.00	1,667.55	1,667.55	1,644.60	22.95

Appendix 2.4
(Reference: Paragraph 2.3.5; Page 37)

Cases of substantial surrenders made during 2017-18

(₹ in lakh)

Sl.No.	Grant	Heads of Account					Provision	Surrender
1	02	2012	03	106	01	01	0.60	0.60
2	03	2013	00	104	01	01	317.04	159.89
3	07	2040	00	101	05	01	200.00	109.60
4	09	3451	00	090	07	01	1,418.07	1,235.00
5	16	2215	01	101	02	01	175.00	150.00
6	16	2215	01	789	04	01	110.00	80.00
7	16	4059	01	051	10	01	1,385.45	770.00
8	16	4059	01	051	10	02	1,000.00	600.00
9	16	4059	01	800	02	02	50.00	30.00
10	16	4711	03	800	04	02	500.00	404.31
11	16	5054	04	800	01	03	170.50	169.00
12	17	2202	02	105	01	01	281.20	180.00
13	17	2202	02	109	11	01	60.98	48.00
14	17	2202	03	789	14	01	855.00	750.00
15	17	2202	03	800	02	01	2,945.00	2,600.00
16	17	2202	80	003	01	01	500.00	390.00
17	17	2203	00	105	06	02	410.00	400.00
18	17	2204	00	102	03	01	40.00	28.00
19	18	2210	05	105	11	03	250.00	250.00
20	18	2210	05	105	11	04	250.00	151.83
21	19	3452	80	104	05	01	75.00	47.09
22	19	3452	80	104	06	01	459.94	385.00
23	19	3452	80	104	07	03	25.00	21.00
24	19	3452	80	104	08	01	325.00	181.00
25	21	2225	01	789	31	01	250.00	250.00
26	21	2225	01	789	31	02	50.00	50.00

Sl.No.	Grant	Heads of Account					Provision	Surrender
27	21	2225	03	190	06	01	269.00	162.64
28	21	2225	03	277	08	01	87.82	60.00
29	21	2235	02	103	24	01	205.20	193.00
30	21	4225	01	789	01	01	200.01	191.36
31	21	4225	01	789	29	01	200.00	200.00
32	21	4225	01	789	29	04	100.00	100.00
33	21	4235	02	190	03	01	11.00	11.00
34	22	2216	02	104	01	01	400.00	350.00
35	22	2404	00	195	04	01	575.00	475.00
36	22	2425	00	001	02	01	139.64	70.00
37	22	2425	00	108	01	01	40.00	40.00
38	22	2425	00	277	01	01	249.10	158.00
39	22	2852	08	195	01	04	55.00	50.00
40	22	4404	00	195	01	02	40.00	40.00
41	22	4425	00	107	01	01	42.00	42.00
42	22	4425	00	107	01	02	3.00	3.00
43	22	4425	00	107	03	01	20.00	20.00
44	22	4425	00	108	01	01	62.00	62.00
45	22	4425	00	108	01	02	20.00	20.00
46	22	4425	00	108	01	03	25.00	25.00
47	22	4425	00	108	01	04	15.00	15.00
48	22	4435	01	195	01	01	25.00	25.00
49	22	4435	01	195	01	02	20.00	20.00
50	22	4851	00	195	02	01	290.00	168.00
51	22	4851	00	195	02	03	10.00	7.00
52	23	3454	02	800	13	01	100.00	100.00
53	24	2401	00	102	01	02	463.21	295.00
54	24	2401	00	108	04	01	60.00	60.00
55	24	2401	00	109	07	01	100.00	100.00

Audit Report (Union Territory Finances) for the year ended 31 March 2018

Sl.No.	Grant	Heads of Account					Provision	Surrender
56	24	2401	00	109	07	02	23.12	20.00
57	24	2401	00	110	02	01	200.00	200.00
58	24	2401	00	119	04	01	15.00	15.00
59	24	2401	00	800	11	01	283.95	180.00
60	24	2401	00	800	11	02	83.25	70.00
61	24	2401	00	800	15	01	50.00	49.00
62	24	2402	00	102	02	01	300.00	276.00
63	24	2435	01	101	02	04	25.00	25.00
64	25	2403	00	001	03	03	4.51	4.50
65	25	2403	00	800	10	01	54.05	38.84
66	26	4405	00	195	01	01	0.01	0.01
67	26	4405	00	195	01	02	0.01	0.01
68	26	4405	00	195	01	03	0.01	0.01
69	26	4405	00	195	01	04	0.01	0.01
70	26	6405	00	195	01	01	0.01	0.01
71	26	6405	00	195	01	02	0.01	0.01
72	26	6405	00	195	01	03	0.01	0.01
73	26	6405	00	195	01	04	0.01	0.01
74	27	2505	02	101	01	01	1,000.36	679.60
75	28	2851	00	106	01	01	27.65	16.41
76	28	2851	00	107	01	01	10.00	10.00
77	28	2851	00	789	12	02	12.00	7.00
78	28	2851	00	800	04	01	135.21	73.00
79	31	7610	00	201	01	07	30.00	30.00
80	31	7610	00	204	01	07	70.00	47.00
81	32	2202	02	109	04	01	14.00	12.00
82	32	2202	02	109	05	01	17.00	10.00
83	32	2202	02	109	05	03	7.00	6.00
84	32	2205	00	001	02	02	20.00	18.50

Sl.No.	Grant	Heads of Account					Provision	Surrender
85	32	2205	00	105	02	02	17.98	16.50
86	32	2210	01	110	05	01	7.50	7.00
87	32	2230	03	101	04	01	5.00	4.91
88	32	2235	02	101	04	02	10.00	9.00
89	32	4202	01	800	02	01	125.00	92.00
90	32	4202	01	800	02	04	25.00	24.85
91	32	4202	03	800	01	01	100.00	62.00
92	32	4202	03	800	01	02	100.00	55.00
93	32	4202	03	800	01	03	35.00	19.00
94	32	4210	01	110	06	01	18.00	13.11
95	32	4210	01	789	03	01	45.00	27.00
96	32	4210	01	800	03	01	500.00	450.00
97	32	4210	01	800	03	02	50.00	50.00
98	32	4210	01	800	03	03	150.00	100.00
99	32	4210	01	800	03	04	100.00	100.00
100	32	4235	02	800	03	01	24.00	23.00
101	32	4250	00	201	01	03	20.00	14.00
102	32	4405	00	104	01	03	100.00	74.00
103	32	5055	00	800	04	01	35.00	25.00
104	32	5452	01	800	52	01	50.00	33.80
105	32	5452	01	800	52	02	52.00	51.50
106	32	5452	01	800	53	06	50.00	49.45
107	33	6004	02	101	01	07	5,609.28	5,409.28
Total							25,541.70	21,001.65

Appendix 2.5
(Reference: Paragraph 2.3.6; Page 37)

Cases where savings of more than ₹ one crore were not surrendered fully

(₹ in crore)

Sl.No.	Grant	Description	Savings	Amount surrendered	Amount not surrendered
Revenue					
1	03	Council of Ministers	2.66	2.46	0.20
2	06	Revenue and Food	26.65	0.00	26.65
3	07	Sales Tax	1.11	1.10	0.01
4	08	Transport	4.98	2.95	2.03
5	09	Secretariat	13.32	12.93	0.39
6	10	District Administration	11.67	0.00	11.67
7	12	Police	10.29	0.03	10.26
8	16	Public Works	9.53	2.56	6.97
9	17	Education	93.85	80.92	12.93
10	18	Medical	11.55	7.70	3.85
11	19	Information and Publicity	8.60	6.94	1.66
12	20	Labour and Employment	3.55	0.00	3.55
13	21	Social Welfare	79.08	44.89	34.19
14	22	Co-operation	15.80	14.07	1.73
15	23	Statistics	1.42	1.35	0.07
16	24	Agriculture	29.29	21.37	7.92
17	25	Animal Husbandry	3.81	3.39	0.42
18	26	Fisheries	3.64	0.00	3.64
19	27	Community Development	12.32	11.58	0.74
20	28	Industries	12.74	7.64	5.10
21	32	Building Programmes	2.84	1.23	1.61
Total - Revenue			358.70	223.11	135.59

Sl.No.	Grant	Description	Savings	Amount surrendered	Amount not surrendered
Capital					
22	08	Transport	1.35	0.00	1.35
23	12	Police	2.00	0.00	2.00
24	16	Public Works	112.72	63.71	49.01
25	18	Medical	88.85	0.00	88.85
26	19	Information and Publicity	9.14	0.00	9.14
27	21	Social Welfare	5.02	5.02	0.00
28	22	Co-operation	5.47	4.72	0.75
29	29	Electricity	9.32	0.00	9.32
30	30	Ports and Light Houses	3.09	0.00	3.09
31	32	Building Programmes	39.10	16.25	22.85
Total - Capital			276.06	89.70	186.36
Grand Total			634.76	312.81	321.95

Appendix 2.6
(Reference: Paragraph 2.3.7; Page 37)

Details of rush of expenditure during last quarter of the year and during March 2018

Sl. No.	Grant	Head of Account	Total expenditure during the year (₹)	Expenditure incurred (₹)		Percentage to total expenditure	
				During last quarter of the year	During March 2018	During last quarter of the year	During March 2018
1	18	2210 02 101 02 02	26,69,856	19,26,038	18,13,378	72.14	67.92
2	10	2217 01 191 01 01	2,91,34,429	2,26,21,109	2,11,18,357	77.64	72.49
3		2217 01 191 01 02	71,21,143	45,19,683	44,55,995	63.47	62.57
4		2217 01 191 01 04	23,65,509	21,17,733	20,71,817	89.53	87.58
5	21	2236 02 101 02 01	1,63,75,191	1,39,73,621	92,21,548	85.33	56.31
6	24	2401 00 113 03 01	66,20,411	60,59,291	58,35,327	91.52	88.14
Total			6,42,86,539	5,12,17,475	4,45,16,422		

Appendix 3.1
(Reference: Paragraph 3.1; Page 41)

Details of outstanding Utilisation Certificates

Sl. No.	Department	Number of certificates outstanding	Amount (₹ in lakh)
1	Adi-Dravidar Welfare	135	6,283.25
2	Agriculture	37	1,985.84
3	Animal Husbandry and Animal Welfare	17	833.33
4	Art and Culture	20	228.19
5	Civil Supplies and Consumer Affairs	19	1,133.95
6	Co-operative Societies	58	1,966.16
7	Economics and Statistics	2	5.46
8	Fisheries and Fishermen Welfare	32	1,378.74
9	Health and Family Welfare Services	1	245.00
10	Higher and Technical Education	35	5,809.31
11	Hindu Religious Institutions/WAKF Board	2	1.43
12	Industries and Commerce	25	1,735.68
13	Information Technology	8	1,064.49
14	Labour	1	11.25
15	Local Administration	581	8,211.07
16	Revenue and Disaster Management	4	30.00
17	Rural Development	21	3,651.40
18	School Education	27	1,170.03
19	Science, Technology and Environment	3	64.48
20	Social Welfare	22	2,068.16
21	Tourism	6	2,027.92
22	Town and Country Planning	146	3,348.06
23	Transport	8	1,333.63
24	Welfare of Backward Classes and Minorities	5	65.05
25	Women and Child Development	35	3,065.14
	Total	1,250	47,717.02

Appendix 3.2
(Reference: Paragraph 3.2; Page 42)

List of Autonomous Bodies/Authorities from whom accounts were not received

Sl. No.	Name of the Autonomous Body/Authority	Year for which accounts were due
1	Puducherry Municipality, Puducherry	2008-09 to 2016-17
2	Oulgaret Municipality, Puducherry	2008-09 to 2016-17
3	Karaikal Municipality, Karaikal	2008-09 to 2016-17
4	Ariankuppam Commune Panchayat, Puducherry	2008-09 to 2016-17
5	Villianur Commune Panchayat, Puducherry	2008-09 to 2016-17
6	Bahour Commune Panchayat, Puducherry	2008-09 to 2016-17
7	Mannadipet Commune Panchayat, Puducherry	2008-09 to 2016-17
8	Nettapakkam Commune Panchayat, Puducherry	2008-09 to 2016-17
9	Neravy Commune Panchayat, Karaikal	2008-09 to 2016-17
10	Kottucherry Commune Panchayat, Karaikal	2008-09 to 2016-17
11	Thirunallar Commune Panchayat, Karaikal	2008-09 to 2016-17
12	Nedungadu Commune Panchayat, Karaikal	2008-09 to 2016-17
13	Mahe Municipality, Mahe	2008-09 to 2016-17
14	Yanam Municipality, Yanam	2008-09 to 2016-17
15	Thirumalairayanpattinam Commune Panchayat, Karaikal	2008-09 to 2016-17
16	Pondicherry Pollution Control Committee, Puducherry	2010-11 to 2016-17
17	Pondicherry Urban Development Agency (PUDA), Puducherry	2012-13 to 2016-17
18	Kasthurba College for Women, Villianur, Puducherry	2012-13 to 2016-17
19	Women's Polytechnic College, Puducherry	2013-14 to 2016-17
20	Indira Gandhi College of Arts and Science, Kadhirkamam, Puducherry	2013-14 to 2016-17

Sl. No.	Name of the Autonomous Body/Authority	Year for which accounts were due
21	Perunthalaivar Kamarajar Arts College, Kalitheerthalkuppam, Puducherry	2013-14 to 2016-17
22	Rajiv Gandhi Arts and Science College, Thavalakuppam, Puducherry	2013-14 to 2016-17
23	Building and Other Construction Workers' Welfare Board, Puducherry	2013-14 to 2016-17
24	Perunthalaivar Kamarajar College of Education, Karaikal	2013-14 to 2016-17
25	Karaikal Polytechnic College, Karaikal	2013-14 to 2016-17
26	Dr.B.R. Ambedkar Polytechnic College, Yanam	2013-14 to 2016-17
27	Pondicherry Fishing Harbour Management Society, Puducherry	2013-14 to 2016-17
28	PONLAIT, Puducherry	2014-15 to 2016-17
29	Krishi Vigyan Kendra, Karaikal	2014-15 and 2016-17
30	Pondicherry Women's Commission, Puducherry	2014-15 and 2016-17
31	Puducherry Coastal Zone Management Authority	2014-15 and 2016-17
32	Pondicherry State Sports Council, Puducherry	2014-15 and 2016-17
33	Pondicherry State Cooperative Fishermen Federation, Puducherry	2015-16 and 2016-17
34	Pandit Jawaharlal Nehru College of Agriculture and Research Institute (PAJANCOA), Karaikal	2015-16 and 2016-17
35	District Rural Development Agency, Puducherry	2015-16 and 2016-17
36	Pondicherry Institute of Hotel Management, Puducherry	2016-17
37	Pondicherry Khadi and Village Industries Board, Puducherry	2016-17
38	SPINCO, Puducherry	2016-17
39	Puducherry Fishermen Welfare and Distress Relief Society	2016-17
40	Pondicherry Market Committee, Puducherry	2016-17
41	Pondicherry Cooperative Sugar Mills, Lingareddipalayam, Puducherry	2016-17

Appendix 3.3
(Reference: Paragraph 3.4; Page 43)

**Department/category-wise pending cases of
misappropriation, loss, theft and defalcation of Government material**

Sl. No.	Name of the Department	Theft and Loss cases		Misappropriation/ Loss of Government Material		Total	
		Number of cases	Amount	Number of cases	Amount	Number of cases	Amount
			(₹ in lakh)		(₹ in lakh)		(₹ in lakh)
1	Adi-Dravidar Welfare	3	3.25	1	0.43	4	3.68
2	Agriculture	3	1.89	2	8.15	5	10.04
3	Animal Husbandry	4	0.16	1	41.57	5	41.73
4	Art and Culture	3	0.37	Nil	0	3	0.37
5	Education	7	1.56	3	43.81	10	45.37
6	Electricity	254	2,573.60	1	0.17	255	2,573.77
7	Health and Family Welfare	10	1.36	Nil	0	10	1.36
8	Information Technology	1	1.15	Nil	0	1	1.15
9	Labour	3	1.27	Nil	0	3	1.27
10	Local Administration	5	2.04	1	0.47	6	2.51
11	Police	0	0	2	0.50	2	0.50
12	Public Works	1	0.20	2	5.01	3	5.21
13	Revenue	2	0.84	Nil	0	2	0.84
14	Tourism	1	0.22	Nil	0	1	0.22
15	Women and Child Development	1	3.75	Nil	0	1	3.75
	Total	298	2,591.66	13	100.11	311	2,691.77

Glossary of terms and abbreviations used in the Report

Terms	Description
GSDP	GSDP is defined as the total income of the Union Territory or the market value of goods and services produced using labour and all other factors of production at current prices.
Buoyancy ratio	Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 0.6 implies that revenue receipts tend to increase by 0.6 percentage points, if the GSDP increases by one <i>per cent</i> .
Core Public Goods and Merit goods	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 rights, pollution free air and other environmental goods, road infrastructure etc., Merit goods are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of some concept of need, rather than the ability and willingness to pay to the Government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidised food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.
Development expenditure	Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.
Average interest rate	Average interest rate is defined as the percentage of interest payment made to average financial liabilities of the State during the year i.e., $(\text{sum of opening and closing balances of fiscal liabilities} / 2) \times 100$

Terms	Description
Debt sustainability	Debt sustainability is defined as the ability of the Union Territory to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. It also refers to the 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.
Primary expenditure	Primary expenditure of the State, defined as the total expenditure net of the interest payments, indicates the expenditure incurred on the transactions undertaken during the year.

Abbreviations	Full form
BCR	Balance from Current Revenue
BE	Budget Estimate
BPL	Below Poverty Line
CAGR	Compound Annual Growth Rate
CSS	Centrally Sponsored Schemes
DDOs	Drawing and Disbursing Officers
FRBM Act	Fiscal Responsibility and Budget Management Act
GDP	Gross Domestic Product
GIA	Grants-in-aid
GOI	Government of India
GSDP	Gross State Domestic Product
GST	Goods and Services Tax
IGST	Integrated Goods and Services Tax
PEC	Pondicherry Engineering College
PRIs	Panchayat Raj Institutions
RBI	Reserve Bank of India
ROG	Rate of Growth
RR	Revenue Receipts
SCP	Special Component Plan
SGST	State Goods and Services Tax
UCs	Utilisation Certificates
UT	Union Territory
UTGST	Union Territory Goods and Services Tax

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