

PREFACE

1. This Report has been prepared for submission to the Lieutenant Governor under Section 49 of the Government of Union Territories Act, 1963.
2. Chapters I and II of this Report respectively contain audit observations on matters arising from examination of the Finance Accounts and the Appropriation Accounts of the Government of the Union Territory of Puducherry for the year ended 31 March 2009.
3. Chapter III on 'Financial Reporting' provides an overview and status of the Union Territory Government's compliance with various financial rules, procedures and directives during the current year.

Executive Summary

Background

The Comptroller and Auditor General's Audit Reports in the past included comments upon the Union Territory's finances. Since these comments formed part of the Audit Reports, it was felt that the audit findings on the Union Territory finances remained camouflaged and they did not receive adequate attention because the majority of the audit findings were on compliance and performance aspects. In recognition of the need to bring Union Territory finances to centre-stage, a stand-alone report on Union Territory finances was considered an appropriate audit response to this challenge. Accordingly, from the report year 2008-09 onwards, the Comptroller and Auditor General has decided to bring out a separate volume titled 'Report on Union Territory Finances'.

As the recommendations of the Twelfth Finance Commission were not applicable to the Union Territories, no fiscal responsibility legislation was enacted by the UT Government. Consequently, no target was set by the Government for containing the fiscal deficit.

The report

Based on the audited accounts of the Government of Union Territory of Puducherry for the year ended 31 March 2009, this report provides an analytical review of the Annual Accounts of the Union Territory Government. The report is structured in three Chapters.

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

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

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

Audit findings and recommendations

Fiscal discipline: Revenue deficit of the Union Territory Government deteriorated from Rs 43 crore in 2006-07 to Rs 111 crore in 2008-09. The fiscal deficit during the year increased by Rs 39 crore (11.78 *per cent*) over

the previous year. No target was set by the Government for containing the fiscal deficit during 2006-09 and the fiscal deficit during 2008-09 was 3.14 *per cent* of the Gross State Domestic Product.

Need to compress Non-Plan expenditure: Revenue expenditure was 90.69 *per cent* of the total expenditure, of which 67.98 *per cent* was under Non-Plan. Non-Plan expenditure increased by 28.59 *per cent* against the decrease of 2.49 *per cent* in Plan expenditure under Revenue heads and 5.22 *per cent* in Plan expenditure under Capital heads. Moreover, the Non-Plan committed expenditure comprising salaries, pension, interest payments and subsidies constituted 55.42 *per cent* of Non-Plan expenditure during 2008-09. The expenditure on salaries and pensions increased by 55 *per cent* and 38 *per cent* respectively over the previous year, mainly due to implementation of the Sixth Central Pay Commission's recommendations. The Government needs to arrest the increase in committed expenditure on salaries and subsidies.

Review of Government investments: The average return on the Government's investments in Government companies and co-operatives was 0.36 *per cent* in the last three years while the Government paid interest at an average rate of 8.9 *per cent* on its borrowings during 2008-09. This was obviously an unsustainable proposition. The Government should, therefore hasten to seek better value for money in its investments. Otherwise, high-cost borrowed funds invested in projects with low financial returns will continue to strain the economy.

Increasing fiscal liabilities accompanied with negligible rates of return on Government investments and inadequate interest cost recovery of loans and advances might lead to a situation of unsustainable debt in the medium to long run unless suitable measures are initiated to curtail the Non-Plan expenditure and to mobilise additional tax and non-tax resources in the ensuing years.

Delays in completion of projects: Inordinate delays in completion of projects of the Public Works Department resulted in blocking of capital, escalation in their costs and postponement of accrual of benefits to the society. Therefore, adequate priority should be given to project planning and implementation so as to overcome the inadequacies and avoid further time and cost overruns.

Need for adequate thrust to capital expenditure: The ratio of capital expenditure to the aggregate expenditure during 2008-09 at 9.20 *per cent* was far below the all States' average of 16.87 *per cent*, indicating the low priority given by Government for asset creation.

Financial management and Budgetary Control : During 2008-09, expenditure of Rs 2,998 crore was incurred against the total grants and appropriations of Rs 4,057 crore, resulting in a saving of Rs 1,059 crore. Savings of Rs 320.73 crore effected in 15 grants were not surrendered and in three grants, out of the total savings of Rs 738.04 crore, Rs 401.73 crore were not surrendered. In 90 cases, expenditure fell short by more than Rs 50 lakh in each case and also by more than 20 *per cent* of the total provision, resulting in savings of Rs 1,195.50 crore. In 55 cases, the expenditure exceeded the approved provisions, resulting in excess of Rs 137.12 crore. Supplementary provision of Rs 264.02 crore made in nine cases proved unnecessary as no expenditure was incurred against those provisions. In 34 cases, expenditure exceeding Rs 10 lakh and also more than 50 *per cent* of the total expenditure for the year was incurred in March 2009, indicating rush of expenditure in the closing month of the financial year. In nine cases, the entire expenditure was incurred in March 2009. Budgetary controls should be strengthened to avoid such deficiencies in financial management. Last minute fund releases and issuance of re-appropriation/surrender orders should be avoided.

Financial Reporting : The Union Territory Government's compliance with various rules, procedures and directives was unsatisfactory as evident from the pendency in furnishing utilisation certificates by various grantee institutions for grants-in-aid of Rs 394.12 crore and non-submission of annual accounts due for the period up to 2007-08 to Government as well as to Audit by 37 autonomous bodies/authorities. The annual accounts were pending for periods ranging from one to more than nine years. The departments reported 301 cases of misappropriation, loss, defalcation, etc. involving Government money of Rs 7.47 crore up to March 2009. Final action on those cases was pending for periods ranging from one to 20 years. Departmental enquiries in respect of those cases should be expedited to bring the defaulters to book. Internal controls in all the organisations should be strengthened to prevent such cases in future.

CHAPTER I

FINANCES OF THE UNION TERRITORY GOVERNMENT

1.1 Introduction

This chapter provides a broad perspective of the finances of the Government of the Union Territory (UT) of Puducherry during the current year and analyses critical changes in the major fiscal aggregates relative to the previous year, keeping in view the overall trends during the last five years. The structure of Government Accounts and the layout of the Finance Accounts are shown in **Appendix 1.1**. The methodology adopted for the assessment of the fiscal position of the 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 1.1 presents the summary of the UT Government's fiscal transactions during the current year (2008-09) *vis-à-vis* the previous year while **Appendix 1.4** provides details of receipts and disbursements as well as the overall fiscal position during the current year.

Table 1.1 Summary of Current Year's Fiscal Operations

(Rupees in crore)

2007-08	Receipts	2008-09	2007-08	Disbursements	2008-09		
Section-A: Revenue					Non Plan	Plan	Total
2,136	Revenue receipts	2,459	2,201	Revenue expenditure	1,747	823	2,570
653	Tax revenue	725	538	General Services	624	57	681
626	Non-tax revenue	629	851	Social Services	412	547	959
-	Share of Union Taxes/ Duties	-	808	Economic services	707	219	926
857	Grants from the Government of India	1,105	4	Grants-in-aid and Contributions	4	-	4
Section-B: Capital							
-	Miscellaneous Capital Receipts	-	275	Capital Outlay	7	254	261
12	Recoveries of Loans and Advances	5	3	Loans and Advances disbursed			3
425	Public Debt receipts	444	109	Repayment of Public Debt	*	*	123
-	Contingency Fund	-	-	Contingency Fund	*	*	-
898	Public Account receipts	610	214	Public Account disbursements	*	*	400
193	Opening Cash Balance	862	862	Closing Cash Balance			1,023
3,664	Total	4,380	3,664	Total			4,380

(Source: Finance Accounts of the Union Territory of Puducherry for the years 2007-08 and 2008-09)

* Bifurcation of Plan and Non-Plan not available

The significant changes during 2008-09 as compared to the previous year are given below:

- Revenue receipts of the UT grew by Rs 323 crore (15 *per cent*) over the previous year. The increase was mainly contributed by tax revenue (Rs 72 crore), non-tax revenue (Rupees three crore) and grants received from the Government of India (GOI) (Rs 248 crore).
- Revenue expenditure increased by Rs 369 crore (17 *per cent*) over the previous year, mainly due to increase in expenditure on General Services (Rs 143 crore), Social Services (Rs 108 crore) and Economic Services (Rs 118 crore).
- Revenue expenditure on Social Services and Economic Services increased by 13 *per cent* and 15 *per cent* respectively.
- Capital expenditure on asset creation decreased by Rs 14 crore (five *per cent*) during the year.
- In the Public Account, while receipts decreased by Rs 288 crore (32 *per cent*), disbursements increased by Rs 186 crore (87 *per cent*). Net receipts under the Public Account decreased by Rs 474 crore during the year.
- The net impact of these transactions led to a significant increase of Rs 161 crore in the cash balance at the end of the year over the previous year.

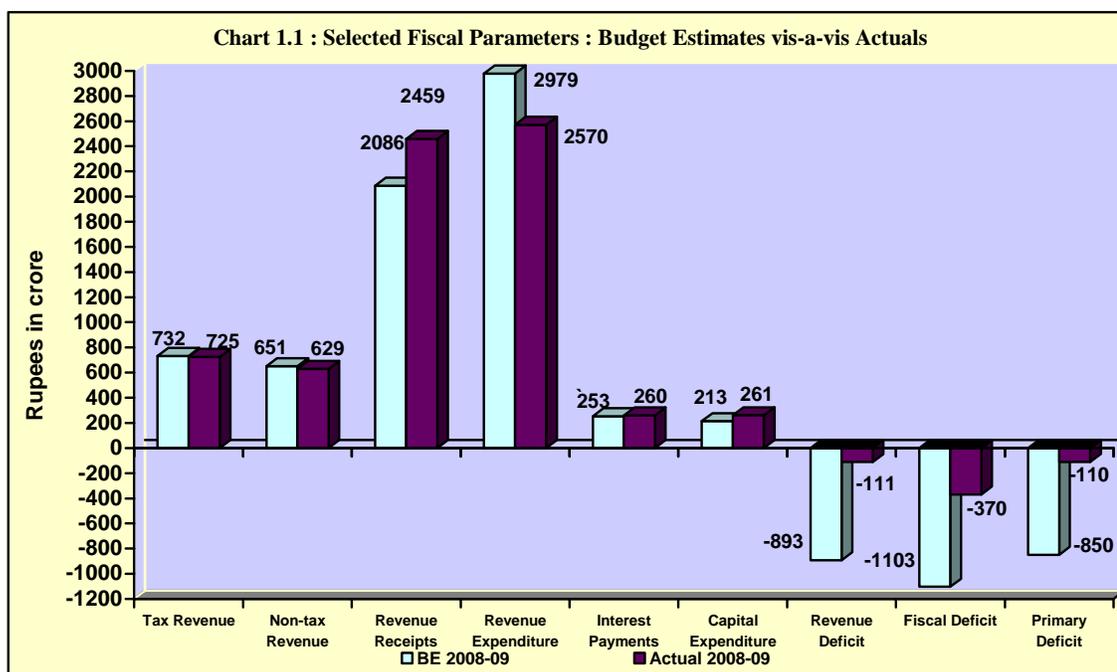
Review of the Fiscal Situation

The fiscal deficit of the Government during the year increased by Rs 39 crore (11.78 *per cent*) over the previous year and, as a percentage of the Gross State Domestic Product, it was 3.14. As the recommendations of the Twelfth Finance Commission were not applicable to Union Territories, no fiscal responsibility legislation was enacted by the UT Government. Consequently, no target was set by the Government for containing the fiscal deficit.

Budget Analysis

The budget papers presented by a State/Union Territory Government provide descriptions of projections or estimations of revenue and expenditure for a particular fiscal year. The importance of accuracy in the estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from the budget estimates are indicative of non-attainment and non-optimization of the desired fiscal objectives, due to a variety of causes, some within the control of the Government and some outside.

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



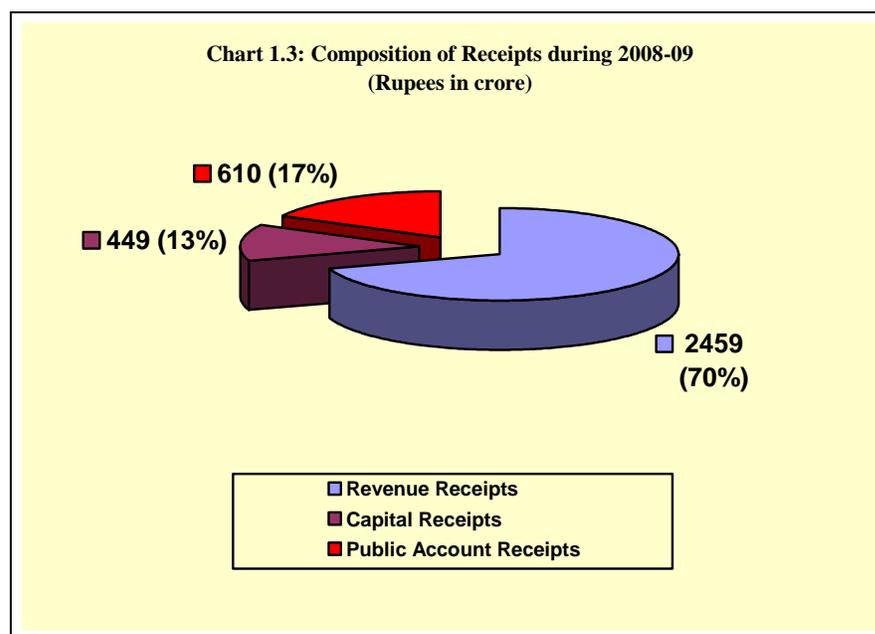
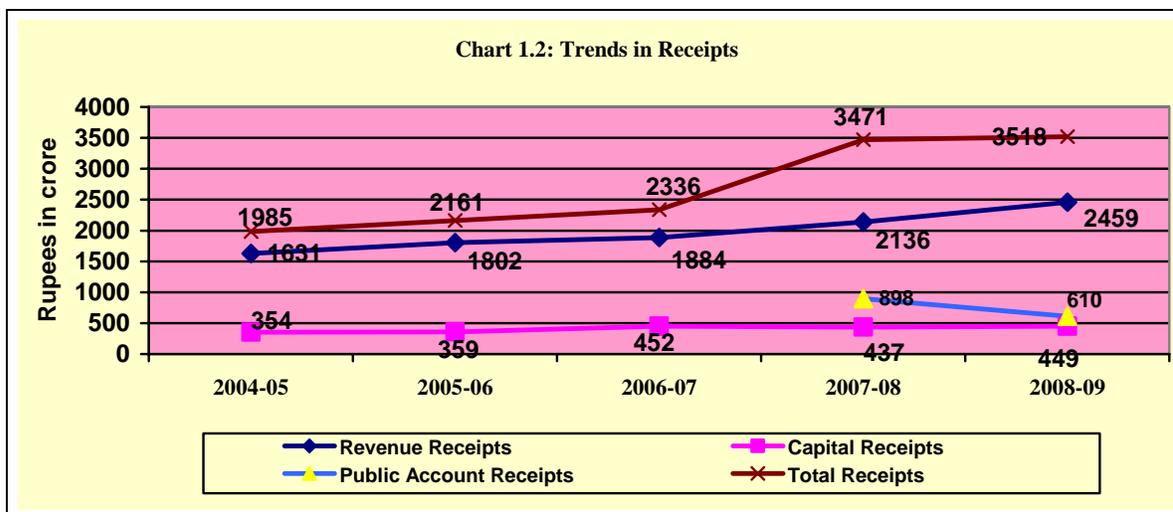
- While the actuals under tax and non-tax revenues were almost in line with the budget estimates, revenue receipts were more by Rs 373 crore (18 per cent) than the budget estimates due to more receipts of grants-in-aid from GOI.
- Revenue expenditure was less by Rs 409 crore (14 per cent) than the budget estimates due to less expenditure incurred under the grant 'Industry and Minerals' under Economic Services.
- Revenue deficit, fiscal deficit and primary deficit were less by Rs 782 crore, Rs 733 crore and Rs 740 crore respectively than the budget estimates due to more revenue receipts and less revenue expenditure than the budget estimates.

1.2 Resources of the Union Territory

1.2.1 Resources of the Union Territory as per Annual Finance Accounts

Revenue and capital are the two streams of receipts that constitute the resources of the Government. Revenue receipts consist of tax revenue, non-tax revenue and grants-in-aid from GOI. Capital receipts comprise miscellaneous capital receipts such as recoveries of loans and advances, debt receipts from internal sources (market loans) and loans and advances from GOI as well as accruals from the Public Account. **Table-1.1** presents the receipts and disbursements of the UT during the current year as recorded in its

Annual Finance Accounts while **Chart 1.2** depicts the trends in various components of the receipts of the UT during 2004-09. **Chart 1.3** depicts the composition of resources of the UT during the current year.



- Total receipts of the UT increased by Rs 47 crore (1.35 per cent) over the previous year, mainly due to increase of Rs 323 crore (15.12 per cent) in revenue receipts and Rs 12 crore (2.75 per cent) in capital receipts, which were offset by a decrease of Rs 288 crore (32.07 per cent) in the Public Account receipts.

- Public Debt receipts went up by Rs 19 crore (4.47 *per cent*), mainly due to increase in market borrowings from Rs 337 crore to Rs 350 crore (3.86 *per cent*).
- The UT's tax revenue increased from Rs 653 crore in 2007-08 to Rs 725 crore in 2008-09 (increase of 11.02 *per cent*) whereas the percentage of tax receipts to revenue receipts declined from 31 in 2007-08 to 29 in 2008-09.

1.2.2 Funds transferred to State Implementing Agencies outside the UT Budget

The Central Government has been transferring a sizeable quantum of funds directly to State implementing agencies¹ for the implementation of various schemes/programmes in Social and Economic Sectors recognised as critical. As these funds are not routed through the UT Budget/UT Treasury System, the Annual Finance Accounts do not capture the flow of these funds and to that extent, the UT's receipts and expenditure as well as other fiscal variables/parameters derived from them are underestimated. The funds directly transferred to State implementing agencies under the control of three departments viz., Education, Health and Rural Development in respect of six major programmes assisted by GOI are presented in **Table 1.2**.

Table-1.2: Funds transferred directly to State Implementing Agencies *

			(Rupees in crore)
Programme/ Scheme	Implementing Agency in the UT		Funds transferred directly by GOI during 2008-09
National Rural Employment Guarantee scheme	District Rural Development Agency (DRDA)		5.69
Sarva Shiksha Abhiyan (SSA)	Union Territory of Puducherry Mission Authority		6.39
Indira Awas Yojana	DRDA		2.40
Swarnajayanti Gram Swarozgar Yojana (SGSY)	DRDA		2.00
Member of Parliament -Local Area Development Scheme	DRDA		1.00
National Rural Health Mission (NRHM)	Puducherry State Health Mission		5.84
Total			23.32

* Figures furnished by the three departments are given in the table and this may not reflect the entire fund transfers to State implementing agencies in the Union Territory.

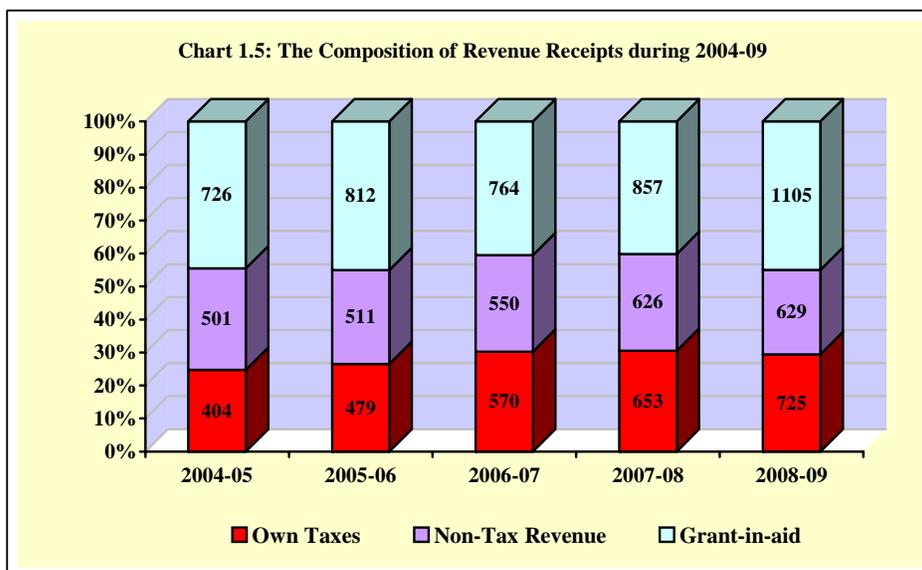
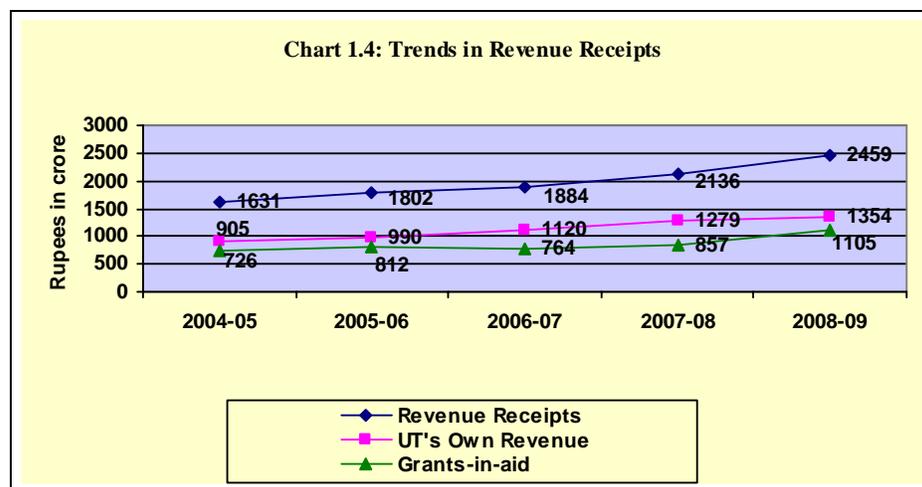
- Out of Rs 23.32 crore transferred to State implementing agencies, a major amount of Rs 11.09 crore (48 *per cent*) was transferred to the District Rural Development Agency.

¹ State implementing agencies include any organisation/institution including non-Governmental organisation which is authorised by the UT Government to receive funds from the Government of India for implementing specific programmes in the Union Territory.

- Direct transfer of funds from the Union to State implementing agencies ran the risk of improper utilisation of funds by these agencies. Unless uniform accounting policies are followed by all these agencies with proper documentation and timely reporting of expenditure, it would be difficult to monitor the end use of these direct transfers.

1.3 Revenue Receipts

Statement-10 of the Finance Accounts details the revenue receipts of the Government. The revenue receipts consist of the UT's own taxes and non-tax revenues and grants-in-aid from GOI. The trends and composition of revenue receipts over the period 2004-09 are presented in **Appendix 1.3** and depicted in **Charts 1.4** and **1.5** respectively.



- Revenue receipts of the UT increased by Rs 323 crore over the previous year (15.12 *per cent*). The increase, however, could not keep pace with the increase of Rs 369 crore in revenue expenditure (16.77 *per cent*).
- Non-tax revenue receipts increased marginally by Rupees three crore over the previous year.
- Grants-in-aid from GOI increased from Rs 857 crore in 2007-08 to Rs 1,105 crore in 2008-09 (increase of 28.94 *per cent*), mainly due to receipt of more Non-Plan revenue deficit grant.

The trends of revenue receipts relative to GSDP are presented in **Table 1.3** below:

Table 1.3: Trends in Revenue Receipts relative to GSDP

	2004-05	2005-06	2006-07	2007-08	2008-09
Revenue Receipts (RR) (Rupees in crore)	1,631	1,802	1,884	2,136	2,459
Rate of growth of RR (<i>per cent</i>)	25.2	10.5	4.6	13.4	15.1
RR/GSDP ² (<i>per cent</i>)	31	29	22	21	21
Buoyancy Ratios³					
Revenue buoyancy with reference to GSDP (ratio)	(-) 5.4	0.5	0.1	0.6	1.1
UT's own tax buoyancy with reference to GSDP (ratio)	3.0	0.9	0.5	0.7	0.8
Revenue buoyancy with reference to UT's own taxes (ratio)	1.8	0.6	0.2	0.9	1.4

(Source: Finance Accounts of the Union Territory of Puducherry)

- The GSDP, at the current rate, was estimated to increase from Rs 10,312 crore in 2007-08 to Rs 11,774 crore in 2008-09, representing an increase of 14.18 *per cent*.
- Revenue buoyancy, which was below one during 2004-08, exceeded one during 2008-09, indicating that revenue receipts grew faster than the GSDP.
- The UT's own tax buoyancy stood at 0.8, indicating that the rate of growth of GSDP was faster than the growth rate of own taxes.
- Revenue receipts, as percentage of GSDP, showed a declining trend from 2004-05 to 2007-08 and remained constant in 2008-09.

² Provisional and Quick estimates of GSDP of Rs 10,312 crore and Rs 11,774 crore have been adopted for 2007-08 and 2008-09.

³ 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 *per cent*.

1.3.1 Union Territory's Own Resources

The UT's performance in the mobilisation of resources was assessed in terms of its own resources comprising revenue from its own tax and non-tax sources. The gross collection in respect of major taxes and duties as well as the components of non-tax receipts are given in **Table 1.4**.

Table 1.4 : Components of UT's Own Resources

(Rupees in crore)

Revenue Head	2004-05	2005-06	2006-07	2007-08	2008-09
Tax Revenue					
Taxes on sales, trades etc.	246	304	365	355	382
State excise	110	125	144	224	280
Taxes on vehicles	24	26	29	32	32
Stamp duty and Registration fees	24	24	31	41	31
Land revenue	--	--	1	1	--
Total	404	479	570	653	725
Non-Tax Revenue					
Interest receipts	2	2	6	18	44
Dividends & Profits	3	2	1	4	4
Other non-tax receipts	496	507	543	604	581
Total	501	511	550	626	629

(Source: Finance Accounts of the Union Territory of Puducherry)

- The Union Territory's tax revenue increased by Rs 72 crore (11 *per cent*) over the previous year from State excise (Rs 56 crore) due to higher production of Indian made foreign liquor (IMFL) and beer and sales tax (Rs 27 crore) due to increase in value added tax (VAT) and non-VAT collections. This was counter-balanced by decreases of Rs 10 crore from stamps and registration fees due to less sale of non-judicial stamps and Rs one crore from land revenue.
- Non-tax revenue receipts of Rs 629 crore, which constituted 26 *per cent* of revenue receipts, were realised from sale of power (Rs 546 crore), interest receipts (Rs 44 crore) and other receipts under various administrative services/departments (Rs 39 crore) during 2008-09. Non-tax revenue increased marginally by Rupees three crore during the year over the previous year.

1.3.2 Loss of Revenue due to Evasion of Taxes

Tax evasion leads to non-realisation of legally available revenue to the Government. Test check of the records of sales tax, State excise, stamp duty and registration fees and taxes on vehicles conducted during the year 2008-09 by the Accountant General (Commercial and Receipts Audit) revealed under

assessment/ short levy/ loss of revenue amounting to Rs 117.43 crore through 75 audit observations.

1.3.3 Revenue Arrears

Arrears of revenue pending collection increased to Rs 261.50 crore in 2008-09 (31 per cent). These arrears were due for collection mainly by Electricity (Rs 135.24 crore), Commercial Taxes (Rs 111.85 crore) and Public Works (Rs 11.16 crore) departments. Of the arrears pending collection by the Electricity Department, Rs 26.33 crore was due from the Government institutions and local bodies and Rs 12.80 crore and Rs 3.78 crore were under litigation and recoverable through the Revenue Recovery Act respectively. Of the arrears pending collection by the Commercial Taxes Department, Rs 72.37 crore and Rs 30.67 crore were covered by court stay orders and the Revenue Recovery Act respectively.

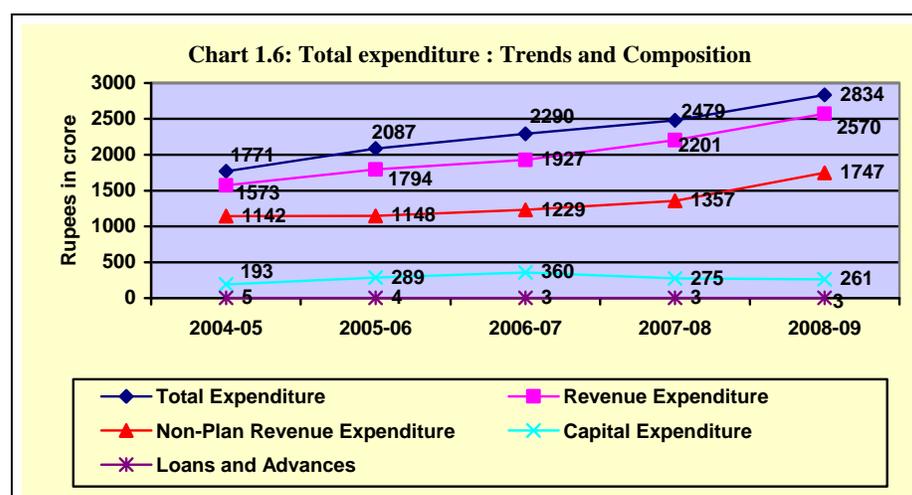
Considering the huge sums involved, the Government needs to take note of these mounting arrears.

1.4 Application of Resources

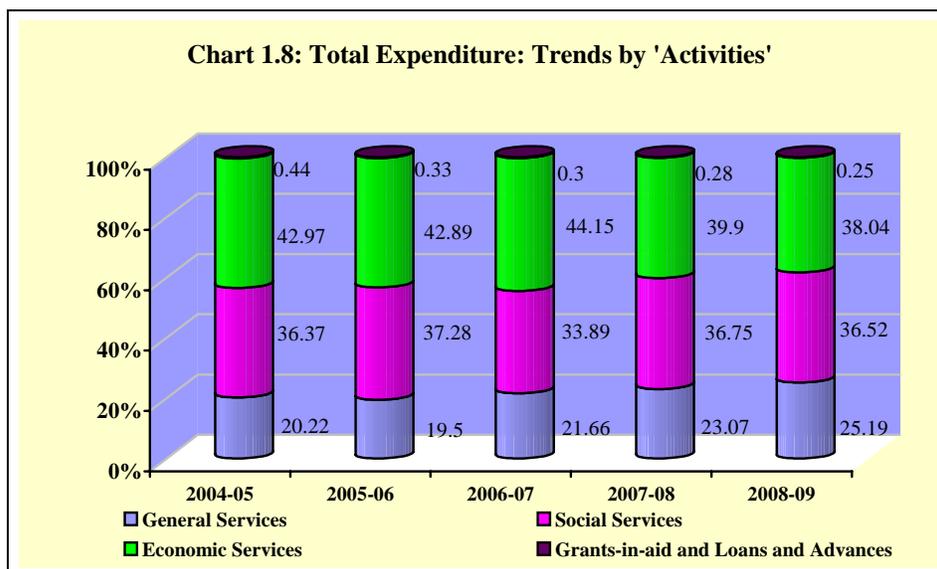
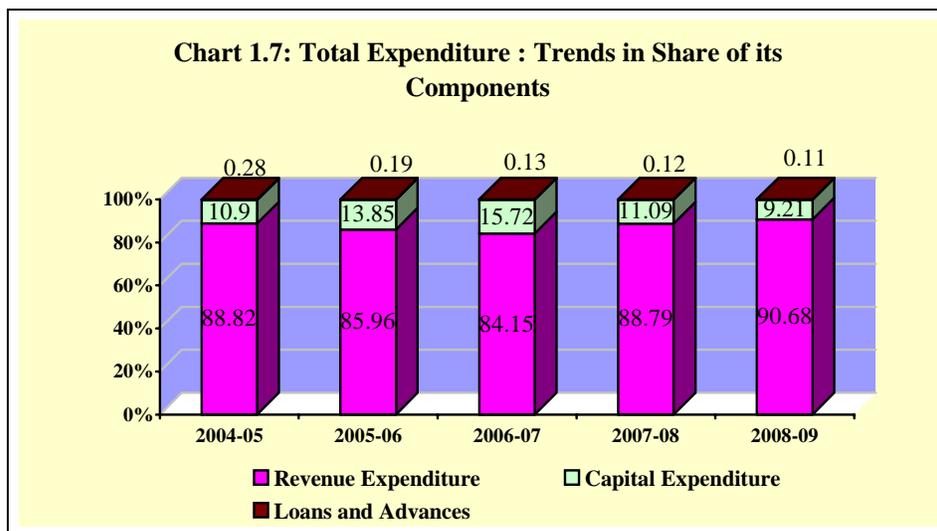
Analysis of the allocation of expenditure at the UT Government level assumes significance since major expenditure responsibilities are entrusted with them. In view of budgetary constraints in raising public expenditure financed by deficit or borrowings, it is important to ensure that the allocation of expenditure was towards the development and social sectors.

1.4.1 Growth and Composition of Expenditure

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



- The revenue expenditure was 90.69 per cent of the total expenditure, of which 67.98 per cent was the Non-Plan component.
- The total expenditure⁴ during 2008-09 increased by Rs 355 crore (14.32 per cent) over the previous year. The revenue expenditure increased by Rs 369 crore (16.77 per cent) and the capital expenditure decreased by Rs 14 crore (5.09 per cent).
- Revenue receipts of the UT met 87 per cent of the total expenditure during 2008-09 as against 86 per cent during 2007-08.



⁴ Total expenditure includes revenue expenditure, capital expenditure and disbursement of loans and advances

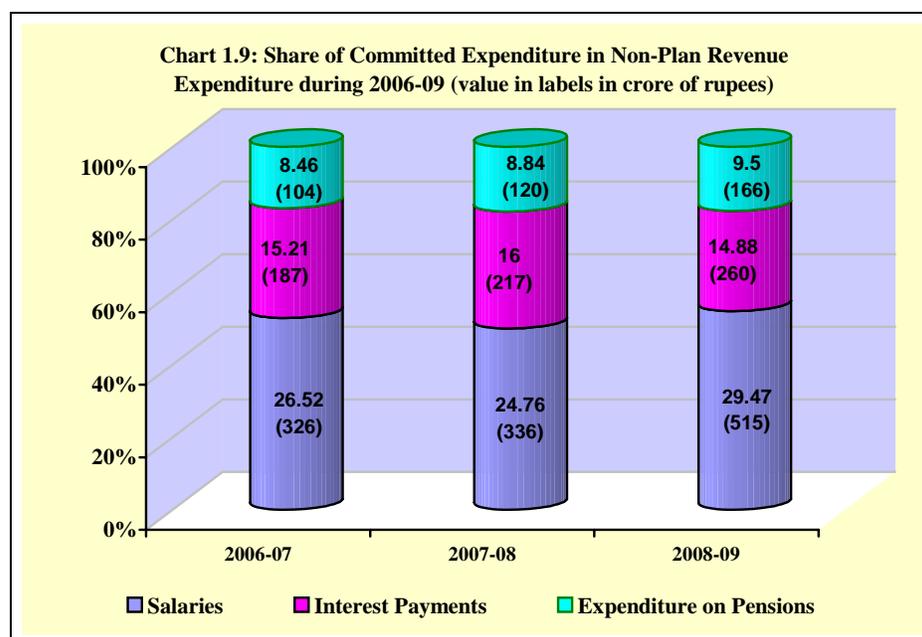
- The expenditure on General Services, Social Services and Economic Services during 2008-09 grew by 24.83 per cent, 13.61 per cent and nine per cent respectively.
- The increase in the expenditure on Social Services (Rs 124 crore) was mainly on account of increased spending on Education , Sports, Art and Culture (Rs 103.47 crore) under revenue account and on Water Supply and Sanitation, Housing and Urban Development (Rs 7.40 crore), Health and Family Welfare (Rs 3.42 crore) and Education, Sports, Art and Culture (Rs 3.28 crore) under capital account.

1.4.2 Committed Expenditure

The committed expenditure of the UT Government on revenue account mainly consists of interest payments, expenditure on salaries and pensions and subsidies. **Table 1.5** presents the trends of expenditure on these components during 2004-09 and **Chart 1.9** presents the share of committed expenditure in Non-plan revenue expenditure on salaries, interest payments and pension during 2006-09.

Table-1.5: Components of Committed Expenditure

(Rupees in crore)					
Components of Committed Expenditure	2004-05	2005-06	2006-07	2007-08	2008-09
Salaries , <i>Of which</i>	327 (20)	364 (20)	429 (23)	445 (21)	688 (28)
Non-Plan Head	268	287	326	336	515
Plan Head**	59	77	103	109	173
Interest Payments	153 (9)	171 (9)	187 (10)	217 (10)	260 (11)
Expenditure on Pension	77 (5)	86 (5)	104 (6)	120 (6)	166 (7)
Subsidies	11 (1)	18 (1)	17 (1)	31 (1)	31 (1)
Total	568 (35)	639 (35)	737 (39)	813 (38)	1145 (47)
(Source: Finance Accounts of the Union Territory of Puducherry)					
Figures in parentheses indicate percentage of revenue receipts					
** Plan head also includes the salaries paid under Centrally Sponsored Schemes.					



- Committed expenditure stood at 47 per cent of revenue receipts of the UT during 2008-09 as against 38 per cent during 2007-08.
- The expenditure on salaries increased by 55 per cent over the previous year, mainly due to payment of 40 per cent arrears consequent on the implementation of the Sixth Central Pay Commission's recommendations. The share of salaries relative to revenue receipts increased from 21 per cent in 2007-08 to 28 per cent during 2008-09.
- The expenditure on pension increased by 38 per cent from Rs 120 crore in 2007-08 to Rs 166 crore in 2008-09, mainly due to payment of arrears of revised pension/family pension consequent on implementation of the Sixth Central Pay Commission's recommendations. The share of pension payments to revenue receipts increased from six per cent in 2007-08 to seven per cent in 2008-09.
- Interest payments increased by Rs 43 crore (20 per cent) over the previous year, mainly due to payment of interest for loans received under Non-Plan schemes, National Small Savings Fund, market loans and payment of interest towards subscription of General Provident Fund and Union Territory Government Employees' Group Insurance Scheme.
- The subsidies mentioned in the table (one per cent of committed expenditure in all the years) represent the expenditure booked under the object head 'Subsidies' under rural housing, welfare of schedule castes, animal husbandry, fisheries, food subsidy, rural development, village and small industries and civil supplies. Major subsidies on free supply of electricity to small farmers and poor people and cash incentives and subsidies paid to agriculturists were, however, classified in the budget as well as in the accounts under

‘Other Charges’ or ‘Grants-in-aid’ to agencies implementing the schemes. Since the UT budget has a distinct head only for explicit subsidies, the implicit subsidies given on account of these facilities listed above are not accounted for, and to that extent, the subsidy given by the UT Government was understated.

1.4.3 Financial Assistance by UT Government to Local Bodies and other institutions

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

Table 1.6: Financial Assistance to Local Bodies etc

(Rupees in crore)

Financial Assistance to Institutions	2004-05	2005-06	2006-07	2007-08	2008-09
(1)	(2)	(3)	(4)	(5)	(6)
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	10.90	11.54	10.93	12.09	13.16
Municipalities	19.24	43.26	40.67	19.20	18.86
Panchayati Raj Institutions	8.27	31.11	19.78	10.15	28.97
Development Agencies	152.43	218.44	151.50	213.93	232.75
Co-operatives	31.71	25.47	27.78	22.26	27.59
Other Institutions*	5.59	2.28	9.57	3.80	5.42
Total	228.14	332.10	260.23	281.43	326.75
Assistance as percentage of Revenue Expenditure	14	19	14	13	13

(Source: Figures provided by the Director of Accounts and Treasuries, Puducherry)

* Welfare societies and Hindu religious institutions

- Financial assistance extended to local bodies and other institutions increased from Rs 281.43 crore in 2007-08 to Rs 326.75 crore in 2008-09. The increase was mainly due to increased financial assistance to panchayati raj institutions and various development agencies. The financial assistance as a percentage of revenue expenditure was 13 in 2008-09.

1.5 Quality of Expenditure

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

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

1.5.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to the social sector and the economic infrastructure are largely assigned to State/UT Governments. Enhancing human development levels requires the States/UTs to step up their expenditure on key Social Services like education, health etc. Low levels of spending on any sector by a particular State/UT may be either due to low fiscal priority attached by the Governments or on account of the low fiscal capacity of the Governments or due to both working together. Low fiscal priority (ratio of expenditure category to aggregate expenditure) would be attached to a particular sector if it was below the respective national average while low fiscal capacity would be reflected if the State/UT's per capita expenditure was below the national average even after having a fiscal priority that was more than or equal to the national average. **Table 1.7** analyses the fiscal priority and fiscal capacity of the UT Government with regard to development expenditure, social sector expenditure and capital expenditure during the current year.

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

Fiscal Priority of the UT	AE/GSDP	DE/AE	SSE/AE	CE/AE
All States/National Average* (Ratio) 2005-06	19.50	61.44	30.41	14.13
UT's Average (Ratio) 2005-06	29.00	80.35	37.28	13.85
All States/National Average* (Ratio) 2008-09	19.16	67.68	33.90	16.87
UT's Average (Ratio) 2008-09	24.07	74.58	36.53	9.20
Fiscal Capacity of the UT	DE#	SSE	CE	
All States Average per capita expenditure (Amount in Rupees) in 2005-06	3,010	1,490	692	
UT's per capita expenditure (Amount in Rupees) in 2005-06	15,245	7,073	2,627	
All States Average per capita expenditure (Amount in Rupees) in 2008-09	5,030	2,520	1,254	
UT's per capita expenditure (Amount in Rupees) in 2008-09	17,614	8,627	2,174	
* As per cent of GSDP AE: Aggregate Expenditure; DE: Development Expenditure; SSE: Social Sector Expenditure; CE: Capital Expenditure. Population of UT: 0.11 crore in 2005-06 and 0.12 crore in 2008-09. # Development expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed. Source: (1) Directorate of Economics and Statistics, Puducherry and (2) Finance Accounts for expenditure figures				

Table 1.7 compares the fiscal priority given to different categories of expenditure and the fiscal capacity of the Union Territory of Puducherry in 2005-06 and 2008-09.

Fiscal priority

Though the Aggregate Expenditure/GSDP ratio of the UT was higher than the all States' average in both the years under consideration (2005-06 and 2008-09), it declined from 29 *per cent* in 2005-06 to 24.07 *per cent* in 2008-09.

Although the Development Expenditure/Aggregate Expenditure and Social Sector Expenditure/Aggregate Expenditure ratios were higher than the all States' averages in both the years, they decreased marginally in 2008-09.

In comparison with the all States' averages, the Capital Expenditure/Aggregate Expenditure ratios were lower in both the years. The Capital Expenditure/Aggregate Expenditure ratio of 9.20 in 2008-09 was far below the all States' average of 16.87.

Fiscal capacity

In 2005-06, the UT's per capita Development Expenditure of Rs 15,245, Social Sector Expenditure of Rs 7,073 and Capital Expenditure of Rs 2,627 were higher than the all State's average of Rs 3,010, Rs 1,490 and Rs 692 respectively. In 2008-09 also, the UT's per capita Development Expenditure of Rs 17,614, Social Sector Expenditure of Rs 8,627 and the Capital Expenditure of Rs 2,174 were higher than the all States' average Rs 5,030, Rs 2,520 and Rs 1,254.

1.5.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the State/UT Governments to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public and merit goods⁵. Apart from improving the allocation towards development expenditure⁶, particularly in view of the fiscal space being created on account of decline in

⁵ 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 and road infrastructure etc. Merit goods are commodities that the public sector provides free or at subsidized rates because an individual or society should have them on the basis of some concept of need, rather than the ability and willingness to pay the Government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or 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.

⁶ The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorized into Social Services, Economic Services and General Services. Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.

debt servicing in recent years, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and the proportion of revenue expenditure on operation and maintenance of the existing Social and Economic Services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. While **Table 1.8** depicts the trends in development expenditure relative to the aggregate expenditure of the UT during 2004-09, **Table 1.9** provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of selected Social and Economic Services during 2007-08 and 2008-09.

Table-1.8: Development Expenditure

(Rupees in crore)

Components of Development Expenditure	2004-05	2005-06	2006-07	2007-08	2008-09
Development Expenditure (a to c)	1,405.34 (79)	1673.78 (80)	1788.07 (78)	1910.12 (77)	2113.43 (75)
a. Development Revenue Expenditure	1227 (69)	1410 (68)	1460 (64)	1659 (67)	1885 (66)
b. Development Capital Expenditure	178 (10)	263 (13)	327 (14)	251 (10)	228 (8)
c. Development Loans and Advances	0.34 (0.02)	0.78 (0.04)	1.07 (0.05)	0.12 (0.01)	0.43 (0.02)
(Source: Finance Accounts of the Union Territory of Puducherry) Figures in parentheses indicate percentage of aggregate expenditure					

Table 1.9 –Efficiency of Expenditure Use in Selected Social and Economic Services

(Percentage)

Social/Economic Infrastructure	2007-08		2008-09	
	Share of CE to TE	In RE, the share of S&W	Share of CE to TE	In RE, the share of S&W
Social Services (SS)				
General Education	7.15	65.60	5.97	70.11
Health and Family Welfare	6.88	41.37	9.74	73.38
Water Supply, Sanitation and Housing and Urban Development	12.38	3.81	22.49	9.08
Total (SS)	6.63	30.88	7.33	41.65
Economic Services (ES)				
Agriculture and Allied Activities	15.16	28.02	6.13	32.62
Irrigation and Flood Control	63.37	31.67	53.86	49.94
Power and Energy	7.51	4.35	6.61	5.78
Transport	59.46	16.60	37.34	19.85
Total (ES)	18.31	8.08	14.07	11.69
Total (SS+ES)	12.71	20.13	10.77	26.93
(Source: Finance Accounts of the Union Territory of Puducherry and figures furnished by the Director of Accounts and Treasuries for wages) TE: Total Expenditure on the sector/services concerned; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages.				

Development expenditure, in real terms, was increasing continuously during 2004-09. As a percentage of the aggregate expenditure, it was 75 in 2008-09. However, the development capital expenditure, as a percentage of aggregate expenditure, declined from 10 in 2007-08 to eight in 2008-09. As a percentage of development expenditure, it came down from 13.14 in 2007-08 to 10.79 in 2008-09.

Expenditure on Social Services

- The share of capital expenditure to total expenditure on Social and Economic Services declined from 12.71 *per cent* in 2007-08 to 10.77 *per cent* in 2008-09.
- The capital expenditure on Social Services as a percentage of total expenditure on Social Services increased marginally from 6.63 in 2007-08 to 7.33 in 2008-09.
- The share of capital expenditure in the total expenditure under Health and Family Welfare and Water Supply and Sanitation, Housing and Urban Development increased substantially in 2008-09 over the previous year. However, the share of capital expenditure to total expenditure under General Education declined from 7.15 *per cent* in 2007-08 to 5.97 *per cent* in 2008-09, indicating that the Government's spending on infrastructural requirement of General Education was not keeping pace with the overall development expenditure.
- The share of salaries and wages in the revenue expenditure on Social Services increased from 30.88 *per cent* in 2007-08 to 41.65 *per cent* in 2008-09, mainly due to implementation of the Sixth Central Pay Commission's recommendations.

Expenditure on Economic Services

- The capital expenditure on Economic Services, as a percentage of total expenditure on Economic Services, declined from 18.31 *per cent* in 2007-08 to 14.07 *per cent* in 2008-09.
- Under Agriculture and Allied Activities, Irrigation and Flood Control, Power and Energy and Transport, the share of capital expenditure to total expenditure declined during 2008-09. The decrease was steep under Agriculture and Allied Activities and Transport Sectors.
- The share of salaries and wages in the revenue expenditure on Economic Services increased from 8.08 *per cent* in 2007-08 to 11.69 *per cent* in 2008-09, mainly due to implementation of the Sixth Central Pay Commission's recommendations.

1.6 Financial Analysis of Government Expenditure and Investments

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

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

1.6.1 Incomplete projects

The information pertaining to incomplete projects in the Public Works Department as on 31 March 2009 is given in **Table 1.10**.

Table 1.10: Department-wise Profile of Incomplete Projects

(Rupees in crore)					
Department	No. of Incomplete Projects*	Initial Cost	Revised Total Cost of Projects	Cost Over-runs	Cumulative expenditure as on 31.3.2009
Public Works Department	13	62.74	90.74	28.00	60.33

(Source: Finance Accounts of the Union Territory of Puducherry)

* Only those projects which were scheduled to be completed before 31 March 2009 are included

- Failure to complete projects on time leads to escalation of project costs and delays the accrual of the projects' benefits to the society at large. Further, delays also result in postponement of revenue realization from projects.
- The projects/works were delayed mainly due to paucity of funds on account of cancellation of a sanctioned market loan of Rs 553.88 crore by HUDCO during 2008-09 in view of the Government's failure to avail of the first instalment of the loan within the prescribed period and also due to delays in getting revised technical sanctions from the Government for the projects/works.

1.6.2 Investment and returns

As of 31 March 2009, the Government had invested Rs 817.03 crore, mainly in Government companies and Co-operatives (**Table 1.11**). The average return on these investments was 0.36 *per cent* in the last three years while the Government paid interest at an average rate of 8.9 *per cent* on its borrowings during 2008-2009.

Table-1.11: Return on Investment

Investment/Return/Cost of Borrowings	2004-05	2005-06	2006-07	2007-08	2008-09
Investment at the end of the year (Rs in crore)	554.12	606.98	712.36	760.91	817.03
Return (Rs in crore)	2.79	1.74	1.03	3.68	4.15
Return (<i>per cent</i>)	0.5	0.3	0.1	0.5	0.5
Average rate of interest on Government borrowing (<i>per cent</i>)	10.7	10.2	9.4	8.5	8.9
Difference between interest rate and return (<i>per cent</i>)	10.2	9.9	9.3	8.0	8.4

(Source: Finance Accounts of the Union Territory of Puducherry)

- As of March 2009, the Government had invested Rs 640.11 crore in 15 Government companies and Rs 176.92 crore in 366 co-operative institutions. Though heavy losses were incurred by the Pondicherry Textiles Corporation Limited (Rs 44.09 crore) and the Bharathi Swadeshi Textiles Mills Limited (Rs 8.91 crore), the Government invested Rs 25 crore and Rupees seven crore respectively in them. Other major investments included Rs 3.48 crore in the Pondicherry Industrial Promotion Development and Investment Corporation Limited and Rs 3.92 crore in the Pondicherry Adi-dravidar Development Corporation Limited.

1.6.3 Loans and advances by UT Government

In addition to investments in co-operative societies and companies, the Government has also been providing loans and advances to many of these institutions/organisations. **Table 1.12** presents the outstanding loans and advances as on 31 March 2009 and interest receipts *vis-à-vis* interest payments during the last three years.

Table-1.12: Average Interest Received on Loans Advanced by the UT Government (Rupees in crore)

Quantum of Loans/Interest Receipts/ Cost of Borrowings	2006-07	2007-08	2008-09
Opening Balance	41.76	36.74	27.82
Amount advanced during the year	3.08	2.68	2.87
Amount repaid during the year	8.11	11.60	5.00
Closing Balance	36.74	27.82	25.69
Net addition	(-) 5.02	(-) 8.92	(-) 2.13
Interest Receipts	5.53	7.94	1.98
Interest receipts as percentage of outstanding Loans and advances	14.1	24.6	7.4
Interest payments as percentage of outstanding fiscal liabilities of the UT Government.	8.6	7.4	7.8
Difference between interest payments and interest receipts (<i>per cent</i>)	5.5	17.2	(-) 0.4

(Source: Finance Accounts of the UT of Puducherry)

- While the quantum of loan advanced increased marginally from Rs 2.68 crore in 2007-08 to Rs 2.87 crore in 2008-09, repayments by the companies and co-operative societies decreased from Rs 11.60 crore in 2007-08 to Rupees five crore in 2008-09. The difference between interest payments as a percentage of outstanding fiscal liabilities was more than the interest received as a percentage of outstanding loans and advances by 0.4 in 2008-09. Rupees 2.44 crore out of the loans were advanced to Government servants.

1.6.4 Cash Balances and Investment of Cash balances

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

Table-1.13: Cash Balances and Investment of Cash Balances

(Rupees in crore)

Particulars	As on 1 April 2008	As on 31 March 2009	Increase (+)/ Decrease (-)
Cash Balances	862	1023	(+) 161
Investments from Cash Balances (a to d)			
a)GOI Treasury Bills	652	1020	(+) 368
b)GOI Securities	--	--	--
c)Other Securities, if any specify	--	--	--
d) Others - (Treasury/departmental cash balance, remittance etc.)	210	3	(-)207
Funds-wise break-up of Investment from Earmarked balances (a to c)			
(a) Sinking Fund	--	--	--
(b) Famine Relief Fund	--	--	--
(c) Infrastructure Development Fund	--	--	--
Interest realised	6.76	37.45	(+) 30.69

(Source: Finance Accounts of UT of Puducherry)

- The cash balance as on 31 March 2009 increased by Rs 161 crore and the interest realised on investment of cash balances during 2008-09 increased by Rs 30.69 crore over the previous year.

The efficiency of handling of cash balances by the UT can also be assessed by monitoring the trends in the monthly daily average of cash balances held by the UT to meet its normal banking transactions. **Table 1.14** presents the trends in monthly average daily cash balances and investments of cash balances in 14 day Treasury Bills for the last two years (2007-09).

Table-1.14: Trends in Monthly Average Daily Cash Balances and Investment in 14 day Treasury Bills

(Rupees in crore)

Month	Monthly Average Daily Cash Balances		Investment in 14 day Treasury Bills	
	2007-08*	2008-09	2007-08*	2008-09
(1)	(2)	(3)	(4)	(5)
April	--	0.15	--	709.36
May	--	0.15	--	655.57
June	--	0.15	--	620.23
July	--	0.16	--	662.99
August	--	0.18	--	600.27
September	--	0.16	--	531.68
October	--	0.16	--	523.20
November	--	0.16	--	485.46
December	0.16	0.15	313.04	725.18
January	0.15	0.16	339.17	743.32
February	0.15	0.21	461.21	706.24
March	0.75	0.25	530.94	756.24

(Source: Figures provided by Directorate of Accounts and Treasuries)

* Separate Public Account for the UT Government was opened on 17 December 2007 only. Up to 16 December 2007, the cash balance of the UT had been merged with the cash balance of the Union Government.

- Governments invest their cash balances in GOI Treasury Bills. Investments in 14 day Treasury Bills exceeded Rs 500 crore in 11 months during 2008-09. Keeping huge balances in 14 day Treasury Bills points to the inadequacies in the Government fund flow management system.

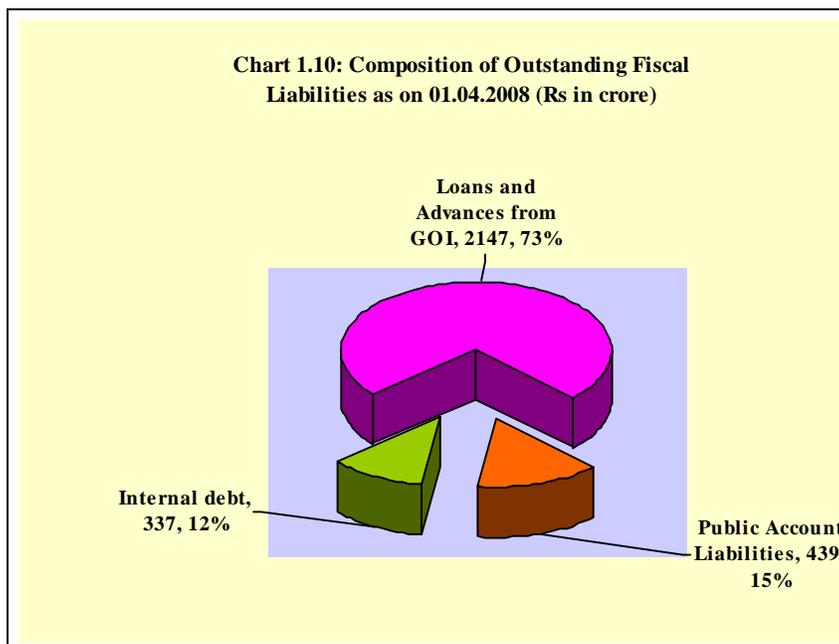
1.7 Assets and Liabilities

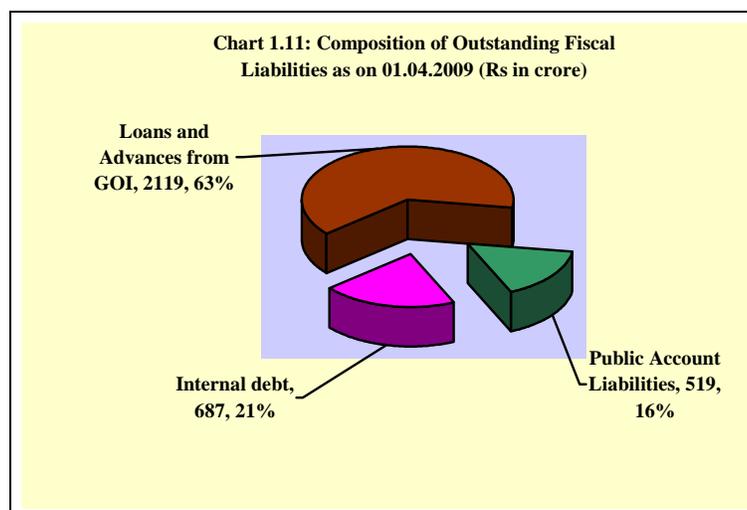
1.7.1 Growth and composition of Assets and Liabilities

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.4** gives an abstract of such liabilities and the assets as on 31 March 2009, compared with the corresponding position on 31 March 2008. While the liabilities in this Appendix 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 the UT Government and cash balances.

1.7.2 Fiscal Liabilities

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





- The outstanding fiscal liabilities have shown a steady increase from Rs 1553 crore in 2004-05 to Rs 3325 crore in 2008-09.
- The fiscal liabilities as at the end of 2008-09 represented 135 per cent of revenue receipts during the year as against 95 per cent in 2004-05.
- While internal debts which constituted 12 per cent of the fiscal liabilities in 2007-08 increased to 21 per cent in 2008-09, loans and advances from GOI decreased from 73 per cent to 63 per cent of the fiscal liabilities during the same period. The Public Account liabilities increased marginally from 15 per cent in 2007-08 to 16 per cent in 2008-09.

1.7.3 Status of Guarantees – Contingent Liabilities

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

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 the Union Territory. Consequent on the amendment of the UT Act on 6 September 2001 and issue of its notification by the Government of India on 10 May 2006, the Government of Union Territory of Puducherry was empowered to give guarantees. However, the cash balance was settled by GOI only on 17 December 2007. No guarantee was given during the year by the UT Government. Besides, no law to control the guarantees to be given was enacted by the UT Government. As per Statement 5 of the Finance Accounts, the maximum amount for which guarantees were given by GOI on behalf of the UT and outstanding guarantees for the last three years are given in **Table 1.15**.

Table-1.15: Guarantees given by the Government of India on behalf of the Union Territory of Puducherry

Guarantees	(Rupees in crore)		
	2006-07	2007-08	2008-09
Maximum amount guaranteed	33.78	20.98	20.98
Outstanding amount of guarantees	4.26	6.84	6.23
Percentage of maximum amount guaranteed to total Revenue receipts	1.8	1.0	0.9

(Source: Finance Accounts of the Union Territory of Puducherry)

- GOI gave guarantees for a maximum amount of Rs 20.98 crore, on behalf of the UT Administration, to the Pondicherry Co-operative Central Land Development Bank Limited (Rs 6.48 crore), the Pondicherry State Co-operative Housing Federation Limited (Rs 9.50 crore) and the Pondicherry Adi-Dravidar Development Corporation Limited (Rupees five crore).
- As a percentage of revenue receipts, it came down from 1.8 in 2006-07 to 0.9 in 2008-09. As a percentage of GSDP, it came down from 0.40 in 2006-07 to 0.18 in 2008-09.
- No guarantee was invoked during any of the three years.

1.8 Debt Sustainability

Apart from the magnitude of debt of the UT Government, it is important to analyse various indicators that determine the debt sustainability⁷ of the UT. This section assesses the sustainability of debt of the UT Government in terms of debt stabilisation⁸, sufficiency of non-debt receipts⁹, net availability

⁷ Debt sustainability is defined as the ability of the UT to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt, therefore, also refers to 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. It means that the rise in fiscal deficit should match the increase in the capacity to service the debts.

⁸ A necessary condition for stability states that if the rate of growth of the economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided the primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and the quantum spread (Debt x rate spread), the debt sustainability condition states that if the quantum spread together with the primary deficit is zero, the debt-GSDP ratio would be constant or the debt would stabilize eventually. On the other hand, if the primary deficit together with the quantum spread turns out to be negative, the debt-GSDP ratio would be rising and in case it is positive, the debt-GSDP ratio would eventually be falling.

⁹ Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

of borrowed funds¹⁰, burden of interest payments (measured by interest payments to revenue receipts ratio) and the maturity profile of the UT Government's debts. **Table 1.16** analyses the debt sustainability of the UT according to these indicators for a period of three years beginning from 2006-07.

Table 1.16: Debt Sustainability: Indicators and Trends

(Rupees in crore)

Indicators of Debt Sustainability	2006-07	2007-08	2008-09
Debt Stabilisation (Quantum Spread + Primary Deficit)	277	172	62
Sufficiency of Non-debt Receipts (Resource Gap)	(-) 119	(+) 67	(-) 39
Net Availability of Borrowed Funds	161	538*	142
Burden of Interest Payments (IP/RR Ratio)	0.1	0.1	0.1
Maturity Profile of Internal Debt and GOI Loans (in years)			
0 – 1		122 (4.9)	131 (4.7)
1 – 3		279(11.3)	304(10.8)
3 – 5		319(12.9)	334(11.9)
5 – 7		285(11.5)	276 (9.8)
7 and above		1,479(59.4)	1,761(62.8)

Figures in parentheses represents percentage of total outstanding internal debts and GOI loans.

* Net available borrowed funds in 2007-08 included Rs 324 crore transferred to the UT Government by the GOI, being the cash balance under the Public Account of the Union Territory as on 31 October 2007, hitherto merged in the Public Account of GOI.

- Even though the debt stabilization indicator declined from Rs 277 crore in 2006-07 to Rs 62 crore in 2008-09, it was still stable. However, it declined at the rate of 38 *per cent* in 2007-08 and 64 *per cent* in 2008-09. The possibility of the debt stabilization turning out to be negative in the ensuing years resulting in increase in the debt – GSDP ratio cannot be ruled out unless suitable measures are taken by the Government to mobilize additional tax and non-tax resources.
- The resource gap turned negative during 2008-09 due to insufficiency of non-debt receipts to meet the primary expenditure.
- The maturity profile of the UT's debt indicates a year-on-year increase in its repayment burden.

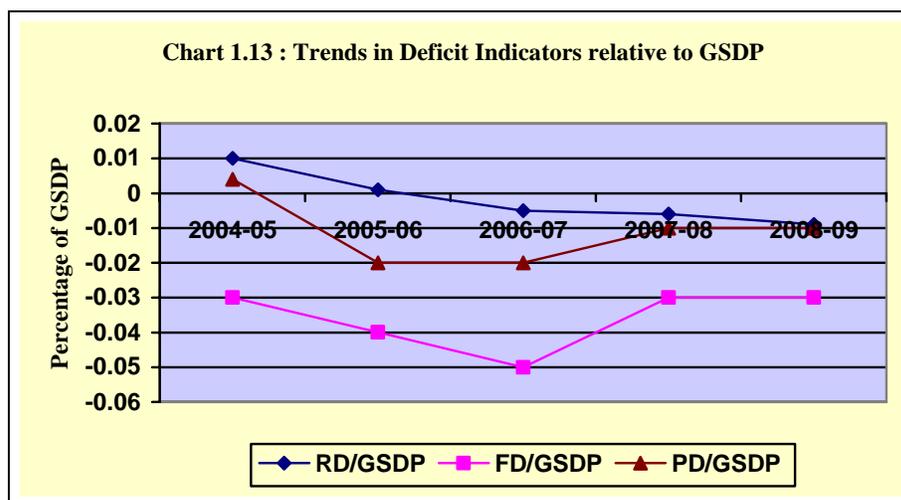
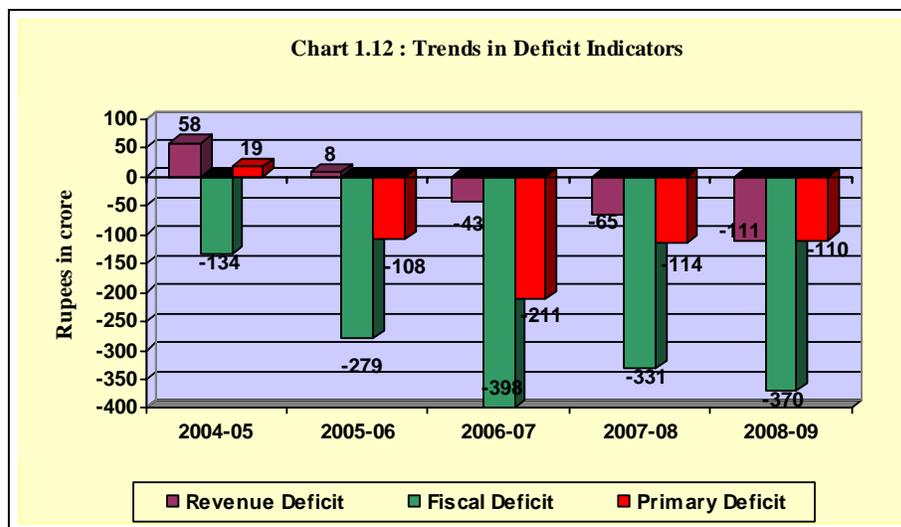
1.9 Fiscal Imbalances

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

¹⁰ Defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption, indicating the net availability of borrowed funds.

1.9.1 Trends in Deficits

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



The revenue deficit indicates the excess of revenue expenditure over revenue receipts. As exhibited in **Chart 1.12**, after experiencing revenue surplus for two years 2004-05 and 2005-06, the position turned into a deficit from 2006-07. The increase of revenue deficit by Rs 46 crore during 2008-09 was due to the increase in revenue expenditure by Rs 369 crore against an increase in revenue receipts by Rs 323 crore.

1.9.2 Composition of Fiscal Deficit and its Financing Pattern

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in **Table 1.17**.

Table 1.17: Components of Fiscal Deficit and its Financing Pattern

(Rupees in crore)

Sl. No.	Particulars	2004-05	2005-06	2006-07	2007-08	2008-09
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Decomposition of Fiscal Deficit		(-) 134	(-) 279	(-) 398	(-) 331	(-) 370
1	Revenue Deficit	(+) 58	(+) 8	(-) 43	(-) 65	(-) 111
2	Net Capital Expenditure	(-) 193	(-) 289	(-) 360	(-) 275	(-) 261
3	Net Loans and Advances	(+) 1	(+) 2	(+) 5	(+) 9	(+) 2
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	--	--	--	337	350
2	Loans from GOI	241	267	347	-21	-29
3	Special Securities issued to National Small Savings Fund	--	--	--	--	--
4	Loans from Financial Institutions	--	--	--	--	--
5	Small Savings, PF etc	--	--	--	252	41
6	Deposits and Advances	--	--	--	187	27
7	Suspense and miscellaneous	--	--	--	239	98
8	Remittances	--	--	--	6	32
9	Reserve Funds	--	--	--	--	12
10	Overall Surplus/Deficit (cash balance)	107	(-) 12	(-)51	669	161

*All these figures are net of disbursements/outflows during the year

(Source: Finance Accounts of the Union Territory of Puducherry)

- The fiscal deficit increased by Rs 39 crore during 2008-09, mainly due to increase in revenue deficit by Rs 46 crore. The increase in fiscal deficit along with an increase in interest payments by Rs 43 crore led to a decrease of Rupees four crore in the primary deficit during the year.
- The UT is increasingly banking on market borrowings for financing its fiscal deficit. The increase in the overall surplus in 2007-08 was mainly due to the creation of a separate Public Account and transfer of cash balances to the UT Public Account from GOI.

1.9.3 Quality of Deficit/Surplus

The ratio of revenue deficit to fiscal deficit and the decomposition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the UT's finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. The bifurcation of the primary deficit (**Table 1.18**) would indicate the extent to which the deficit has been on account of enhancement in capital expenditure which may have been desirable to improve the productive capacity of the UT's economy.

Table 1.18: Primary Deficit/Surplus – Bifurcation of Factors**(Rupees in crore)**

Year	Revenue Receipts	Recovery of Loans and Advances	Non-debt receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	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)
2004-05	1,631	6	1,637	1,420	193	5	1,618	211	(+) 19
2005-06	1,802	6	1,808	1,623	289	4	1,916	179	(-) 108
2006-07	1,884	8	1,892	1,740	360	3	2,103	144	(-) 211
2007-08	2,136	12	2,148	1,984	275	3	2,262	152	(-) 114
2008-09	2,459	5	2,464	2,310	261	3	2,574	149	(-) 110

(Source: Finance Accounts of the Union Territory of Puducherry)

- During 2004-05 to 2008-09, primary expenditure increased from Rs 1,618 crore to Rs 2,574 crore (59 per cent) against the increase of non-debt receipts from Rs 1,637 crore to Rs 2,464 crore (51 per cent).
- The primary deficit, which was Rs 108 crore in 2005-06 rose to Rs 211 crore in 2006-07, due to increase in capital expenditure during that year. However, in 2007-08 and 2008-09, it improved slightly to Rs 114 crore and Rs 110 crore respectively, mainly due to less capital expenditure during those years.
- Capital expenditure, as a percentage of primary expenditure, declined from 17 in 2006-07 to 10 in 2008-09 as the Government curtailed the capital expenditure due to cancellation of sanctioned market loans by HUDCO, originally sanctioned for financing projects/works under all sectors.
- The non-debt receipts were not adequate to meet expenditure requirements under the capital account including loans and advances, resulting in primary deficit from 2005-06.

1.9.4 Union Territory's Own Revenue and Deficit Correction

It is worthwhile to observe the extent to which the deficit correction is achieved by the UT on account of improvement in its own resources. This is an indicator of the durability of the corrections in deficit indicators. **Table 1.19** presents the changes in revenue receipts of the UT Government and the corrections of the deficit during the last three years.

Table-1.19: Change in Revenue Receipts and Correction of Deficit

(Rupees in crore)

Parameters	2006-07	2007-08	2008-09	
			BE	Actual
Revenue Receipts (a to c)	1884	2136	2086	2459
a. UT's Own Tax Revenue	570	653	732	725
b. UT's Own Non- tax Revenue	550	626	651	629
c. Grants-in-Aid	764	857	703	1,105
Revenue Expenditure	1,927	2,201	2,979	2,570
Revenue Deficit/Surplus	(-) 43	(-) 65	(-) 893	(-) 111
Fiscal Deficit/Surplus	(-) 398	(-) 331	(-) 1103	(-) 370

(Source: Finance Accounts of the Union Territory of Puducherry)

- The percentage of revenue deficit to GSDP which was 0.6 in 2007-08 increased to 0.9 in 2008-09.
- The fiscal deficit to GSDP decreased from five *per cent* in 2006-07 to three *per cent* in 2007-08 and remained constant in 2008-09.
- The percentage of revenue receipts to GSDP which was 31.45 in 2004-05 came down to 20.89 in 2008-09.

1.10 Conclusion

The increase in revenue deficit of Rs 46 crore was mainly due to disproportionate growth of revenue expenditure (17 *per cent*) *vis-à-vis* revenue receipts (15 *per cent*). The UT's own tax revenue is not keeping pace with its GSDP.

The revenue deficit, fiscal deficit and primary deficit were less than the budget estimates, indicating lapses in budgeting.

Mobilisation of resources by the UT comprising its tax and non-tax revenue as well as recovery of loans and advances could not meet the Non-Plan revenue expenditure and the Government was heavily dependent on grants from GOI for meeting both Non-Plan and Plan revenue expenditure requirements during the current year.

The committed expenditure consumed 47 *per cent* of the revenue receipts during 2008-09 as against 38 *per cent* during 2007-08, mainly due to increase in salaries, pension and subsidies. Capital expenditure on asset creation, as a percentage of aggregate expenditure, stood at 9.2 *per cent* as against the national average of 16.87 *per cent*.

Blocking of huge sums in incomplete projects delayed and undermined the economic benefits realisable through them. Investments in Government companies and co-operatives continued to yield meagre returns.

The increasing fiscal liabilities accompanied with negligible rates of return on Government investments and inadequate interest cost recovery of loans and advances, might lead to a situation of unsustainable debt in the medium and long run unless suitable measures are initiated to curtail the non-plan revenue expenditure or to mobilise the additional resources both through tax and non-tax sources in the ensuing years.

1.11 Recommendations

- The Government may institute a mechanism for centralised monitoring of utilisation of funds released directly to State implementing agencies by the Government of India.
- Greater fiscal priority may be given to capital expenditure.
- The Government needs to arrest the increase in committed expenditure on salaries and subsidies.
- Execution of large projects should be closely monitored to avoid blocking of funds in incomplete projects.
- Subsidies provided by the Government for implementation of various welfare schemes may be classified under the head 'Subsidies' instead of under 'Other Charges' or 'Grants-in-aid'.

CHAPTER II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2.1 Introduction

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

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

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2008-09 against 40 grants/appropriations was as given in **Table 2.1**.

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

(Rupees in crore)						
	Nature of expenditure	Original grant/ Appropriation	Supplementary grant/ Appropriation	Total	Actual expenditure	Saving (-)/ Excess (+)
<i>Voted</i>	I Revenue	2,724.25	520.59	3,244.85	2,336.49	-908.36
	II Capital	228.23	195.32	423.54	273.81	-149.73
	III Loans and Advances	3.43	0.00	3.43	2.87	-0.56
Total Voted		2,955.91	715.91	3,671.82	2,613.17	-1,058.65
Charged	IV Revenue	254.93	8.04	262.97	262.88	-0.09
	V Capital	--	--	--	--	--
	VI Public Debt-Repayment	122.40	0.00	122.40	122.40	0.00
Total Charged		377.33	8.04	385.37	385.28	-0.09
Appropriation to Contingency Fund (if any)		--	--	--	--	--
Grand Total		3,333.24	723.95	4,057.19	2,998.45	-1,058.74

(Source : Appropriation Accounts of the Government of Union Territory of Puducherry)

The overall savings of Rs 1,058.74 crore was the result of savings of Rs 908.45 crore in 30 grants and six appropriations under the Revenue Section, Rs 149.73 crore in nine grants and one appropriation under the Capital Section and Rs 0.56 crore in one grant under the Loan Section.

2.3 Financial Accountability and Budget Management

2.3.1 Appropriations vis-à-vis Allocative Priorities

The outcome of appropriation audit revealed that in 90 cases, savings exceeded Rs 50 lakh in each case and also by more than 20 per cent of the total provision (**Appendix 2.1**). Against the total savings of Rs 1,195.50 crore in the above 90 cases, savings of Rs 971.72 crore (81.28 per cent) occurred in four grants as indicated in **Table 2.2**.

**Table 2.2: List of Grants with Savings of Rs 50 lakh and above
(Rupees in crore)**

Sl. No.	Name of the Grant	Original	Supplementary	Total	Actual Expenditure	Savings
Revenue-Voted						
1.	Social Welfare	232.68	138.25	370.93	239.40	131.53
2.	Industries	709.96	0.00	709.96	19.21	690.75
	Total	942.64	138.25	1080.89	258.61	822.28
Capital-Voted						
3.	Public Works	74.79	114.34	189.13	100.77	88.36
4.	Building Programmes	50.52	63.96	114.48	53.40	61.08
	Total	125.31	178.30	303.61	154.17	149.44
	Grand Total					971.72

(Source : Appropriation Accounts of the Government of Union Territory of Puducherry)

2.3.2 Persistent savings

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

Table 2.3: List of Grants indicating Persistent Savings during 2004-09

(Rupees in lakh)

Sl. No.	Number and name of the Grant		Amount of Savings				
			2004-05	2005-06	2006-07	2007-08	2008-09
(1)	(2)		(3)	(4)	(5)	(6)	(7)
	Revenue – Voted						
1	6	Revenue and Food	292.07	104.62	5,553.32	9,504.27	4,227.96
2	9	Secretariat	112.17	447.76	1189.46	900.33	12.74
3	16	Public Works	30.60	148.50	42.12	61.66	35.15
4	17	Education	130.74	255.41	216.00	254.48	499.68
5	19	Information and Publicity	10.42	502.19	73.75	47.60	50.54
6	21	Social Welfare	44.10	94.88	133.62	193.77	13,153.49
7	26	Fisheries	13.24	14.71	12.54	42.70	17.03
8	32	Building Programmes	25.99	11.53	260.82	214.99	334.22
		Total	659.33	1,579.6	7,481.63	11,219.8	18,330.81
	Capital - Voted						
9	32	Building Programmes	98.86	13.15	1,481.17	340.45	6,108.93
		Total	98.86	13.15	1,481.17	340.45	6,108.93

(Source : Appropriation Accounts of the Government of Union Territory of Puducherry)

From the above table, it may be seen that the savings continued over the years indicating improper estimation.

2.3.3 Excess expenditure

In 55 cases, expenditure aggregating Rs 695.15 crore exceeded the approved provisions by Rs 50 lakh or more in each case or by more than 20 per cent of the total provision. Details are given in **Appendix 2.2**.

2.3.4 Unnecessary/excessive/inadequate supplementary provision

Supplementary provisions aggregating Rs 264.02 crore, obtained in nine cases, Rs 50 lakh or more in each case, proved unnecessary as no expenditure was incurred as detailed in **Appendix 2.3**. Supplementary provisions aggregating Rs 22.96 crore, obtained in six cases, proved excessive as the savings in each case exceeded Rs 50 lakh as detailed in **Appendix 2.4**.

2.3.5 Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Injudicious re-appropriations done in 23 sub-heads proved unnecessary or excessive and resulted in savings of over Rs 644.94 crore as detailed in **Appendix 2.5**.

2.3.6 Substantial surrenders

Substantial surrenders (cases where more than 50 *per cent* of the total provision was surrendered) were made in 17 sub-heads on account of either non-implementation or slow implementation of schemes/programmes. Out of the total provision amounting to Rs 360.22 crore in these 17 sub-heads, Rs 328.72 crore (91.26 *per cent*) were surrendered, which included *per cent* surrender in six schemes (Rs 325.40 crore). The details of such cases are given in **Appendix 2.6**.

2.3.7 Anticipated savings not surrendered

As per Rule 56 (2) of the General Financial Rules, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. At the close of the year 2008-09, there were, however, 15 grants/appropriations in which savings of Rs 320.73 crore occurred, but no part of which had been surrendered by the departments concerned. The details are given in **Appendix 2.7**.

Similarly, out of the total savings of Rs 738.04 crore under three other grants/appropriations (saving of Rupees one crore and above), Rs 401.73 crore (54.43 *per cent* of total saving) were not surrendered, details of which are given in **Appendix 2.8**.

2.3.8 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 the 34 sub-heads listed in **Appendix 2.9**, expenditure exceeding Rs 10 lakh and also by more than 50 *per cent* of the total expenditure for the year was incurred in March 2009.

Appropriate action needs to be taken to regulate and systematise the procedure to avoid heavy expenditure in the closing month of the financial year.

2.4 Non-adjustment of Temporary Advances

Drawing and Disbursing Officers (DDOs) draw temporary advances and disburse them to Government servants for the purpose of meeting contingent and miscellaneous expenditure either on the authority of standing orders or specific sanctions of the UT Government. According to Rule 292 (2) of the General Financial Rules, adjustment bills along with balances, if any, should be submitted by the DDOs 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 2009, advances aggregating Rs 182.86 crore were pending adjustment by DDOs as per the records of the Director of Accounts and Treasuries, Puducherry. An age-wise analysis of pending advances is given in **Table 2.5**.

Table 2.5 Age-wise Analysis of Pending Advances

Sl. No	Pendency	Number of advances	Amount (Rs in crore)
1	More than 10 years	23	0.53
2	More than five years but less than 10 years	116	2.03
3	More than one year but less than five years	721	62.60
4	Less than one year	1,029	117.70
Total		1,889	182.86

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

The pendency indicated the laxity on the part of the departmental officers in enforcing codal provisions regarding adjustment of the advances involving substantial amounts.

2.5 Conclusion

During 2008-09, expenditure of Rs 2,998.45 crore was incurred against total grants and appropriations of Rs 4,057.19 crore, resulting in savings of Rs 1,058.74 crore. Inaccuracies in budgeting resulted in persistent savings of more than Rs 10 lakh in nine grants during 2004-09. Savings of Rs 320.73 crore in 15 grants were not surrendered by the departments concerned. Similarly, out of the savings of Rs 738.04 crore in three other grants/appropriations (Savings of Rupees one crore and above), Rs 401.73 crore were not surrendered.

2.6 Recommendations

- Budgetary controls should be strengthened in all the Government departments, especially in those departments where savings have been observed for the last five years regularly.
- Rush of expenditure during the fag end of the financial year should be avoided.
- Government should initiate action to clear the pendency in adjustment of temporary advances.

CHAPTER III

FINANCIAL REPORTING

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

3.1 Pendency in submission of 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 departmental officers from the grantees within 12 months of the closure of the financial year. However, in respect of the grants paid up to March 2008, 1363 UCs for an aggregate amount of Rs 394.12 crore were not furnished by the grantees as of September 2009. The department-wise break-up of outstanding UCs is given in **Appendix 3.1**. The age-wise pendency in submission of UCs is summarised in **Table 3.1**.

Table 3.1: Age-wise arrears of Utilisation Certificates

Sl. No.	Pendency in number of years	Utilisation Certificates Outstanding	
		Number	Amount (Rs in crore)
1	0 – 1	467	131.80
2	1 – 3	488	209.91
3	3 – 5	183	25.13
4	5 – 7	94	19.66
5	7 – 9	72	5.58
6	9 and above	59	2.04
	Total	1,363	394.12

(Source: Compiled by Audit from the information furnished by the heads of departments)

Out of the above, 820 UCs for an aggregate amount of Rs 104.30 crore and 177 UCs for an aggregate amount of Rs 45.85 crore were not obtained by the Director of Local Administration and the Chief Town Planner respectively.

Non-receipt of UCs for huge amounts indicated that the departmental officers failed to ensure adherence to the terms and conditions governing release of grants by the grantee institutions.

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 Audit every year, detailed information about the financial assistance given to various institutions, the purposes for which the assistance was required and the total expenditure of these institutions.

The annual accounts of 37 autonomous bodies/authorities due up to 2007-08 had not been submitted to the Principal Accountant General (Civil Audit) as of October 2009. The list of bodies/authorities, from whom the accounts were not received, are given in **Appendix 3.2**. The list of bodies/authorities, from whom the accounts were not at all received since their inception, are given in **Appendix 3.3**. The 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	1 – 3	25
2	3 – 5	1
3	5 - 7	2
4	7 - 9	1
5	9 & above	8
Total		37

(Source: Compiled from the information furnished by the heads of departments)

Due to non-receipt of annual accounts from a substantial number of autonomous bodies/authorities which received Government assistances, the Government/heads of departments could not ensure that the bodies/authorities carried out the functions for which they were established and that they utilised the Government grants for the intended purposes.

3.3 Misappropriation, loss, defalcation, etc.

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

The Union Territory Government departments reported 301 cases of misappropriation, loss, defalcation, etc., involving Government money amounting to Rs 746.86 lakh up to the period March 2009, on which final action was pending. The department-wise break-up of the pending cases and the nature of these cases are given in **Appendix 3.4**. The age-profile of the pending cases and the number of cases pending in each category – theft and misappropriation/loss etc., are summarised in **Table 3.3**.

Table 3.3: Profile of Misappropriation, Loss, Defalcation, etc.

Age-Profile of the Pending Cases			Nature of the Pending Cases		
Range in years	Number of cases	Amount involved (Rupees in lakh)	Nature of the cases	Number of cases	Amount involved (Rupees in lakh)
0 - 5	41	441.76	Theft	290	630.91
5 - 10	84	297.97			
10 - 15	110	5.42	Misappropriation / Loss of material	11	115.95
15 - 20	66	1.71			
Total	301	746.86		301	746.86

(Source: Compiled from the information furnished by the heads of departments)

Reasons for which these cases are outstanding are given in **Table 3.4**.

Table 3.4: Reasons for Outstanding Cases of Misappropriation, Loss, Defalcation, etc.

Reasons for the pendency		Number of cases	Amount (Rupees in lakh)
i)	Awaiting departmental and criminal investigation	272	32.12
ii)	Departmental actions initiated but not finalised	4	2.75
iii)	Awaiting for orders for recovery or write off	8	18.45
iv)	Pending in Courts of law	17	693.54
	Total	301	746.86

(Source: Compiled from the information furnished by the heads of departments)

3.4 Conclusion

Heads of departments failed to ensure that the bodies/authorities carried out the functions for which they were established and that they utilised the Government grants for the intended purposes and furnished utilisation certificates and annual accounts in time.

Long pendency in settlement of cases of misappropriation, loss, etc., pointed to deficiencies in financial reporting and follow up.

3.5 Recommendations

- Heads of departments should ensure prompt submission of utilisation certificates and annual accounts by the autonomous bodies/authorities.
- Government/heads of departments should expedite orders regarding recovery/write off of outstanding cases of misappropriation, defalcation, theft, loss etc., and initiate action for speedy completion of enquiries into pending cases.

Chennai
The

(S. NAGALSAMY)
Principal Accountant General (Civil Audit)
Tamil Nadu and Puducherry

Countersigned

New Delhi
The

(VINOD RAI)
Comptroller and Auditor General of India

Appendix 1.1
(Reference: Paragraph 1.1; Page 1)

Part A: 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 the 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 the UT legislature.

Part B: Layout of Finance Accounts

Statement	1	Presents the summary of transactions in the Consolidated Fund, Contingency Fund and Public Account.
Statement	2	Contains the summarised statement of capital outlay showing progressive expenditure to the end of the financial year.
Statement	3	Contains the summarised debt position showing receipts, repayments and current balance.
Statement	4	Contains the summary of loans and advances by the Government.
Statement	5	Contains details of guarantees given by the Government of India on behalf of the Government of Puducherry.
Statement	6	Cash balance and investment of cash balances
Statement	7	Contains the summary of balances under Consolidated Fund, Contingency Fund and Public Account.
Statement	8	Contains the revenue and expenditure under different heads as a percentage of total revenue/expenditure.
Statement	9	Shows the distribution between charged and voted expenditure.
Statement	10	Contains detailed account of revenue by minor heads.
Statement	11	Contains detailed account of revenue expenditure by minor heads and capital expenditure by major head
Statement	12	Contains detailed account of capital expenditure by minor heads incurred during the year and the expenditure to the end of the year.
Statement	13	Contains details of investments made in Government companies and co-operative institutions up to the end of the year.
Statement	14	Contains capital and other expenditure and the principal sources of funds for such expenditure.
Statement	15	Contains details of receipts, disbursements and balances under debt, loans and advances, Contingency Fund and Public Account.
Statement	16	Contains detailed position of debt.
Statement	17	Contains details of loans and advances by the Government.

Appendix 1.2
(Reference: Paragraph 1.1; Page 1)

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 coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilization of resources, pattern of expenditure etc, are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP.

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

Trends in Gross State Domestic Product (GSDP)

	2004-05	2005-06	2006-07	2007-08 (P)	2008-09 (QE)
Gross State Domestic Product (Rs in crore)	5185	6219	8470	10312	11774
Growth rate of GSDP	(-) 4.7	19.9	36.2	21.7	14.2
<i>Source:</i> Directorate of Economics and Statistics, Government of Puducherry					
P: Provisional; QE: Quick Estimate					

Methodology for Estimating the Fiscal Capacity

For working out the fiscal capacity of the UT Government, the following methodology given in Twelfth Finance Commission report for States has been adopted.

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

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

$$AE/GSDP = x$$

$$AE = x * GSDP \dots\dots\dots(1)$$

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

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

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

$$DE/AE = y$$

$$DE = y * AE \dots\dots\dots(2)$$

where y is the national average of DE-AE ratio

Substituting (1) in (2), we get

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

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

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

$$PCDE = DE/P \dots\dots\dots(4)$$

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

Substituting (3) in (4), we get

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

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

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

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/ GSDP Growth
Buoyancy of a parameter (X) with respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth (ROG)	[(Current year Amount /Previous year Amount)-1]* 100
Development Expenditure	Social Services + Economic Services
Interest spread	GSDP growth – Weighted Interest Rate
Interest received as <i>per cent</i> to Loans Outstanding	Interest Received/ [(Opening balance + Closing balance of Loans and Advances) / 2]*100
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Weighted Interest Rate (Average interest paid by the UT)	Interest payment/[(Amount of previous year's Fiscal Liabilities + 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 – Application for Reduction or Avoidance of Debt

Appendix 1.3
(Reference: Paragraphs 1.1, 1.3 and 1.7.2; Pages 1, 6 and 21)

Time series data on the Union Territory Government finances

(Rupees in crore)

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
(1)	(2)	(3)	(4)	(5)	(6)
Part A. Receipts					
1. Revenue Receipts	1,631(82)	1,802(84)	1,884(81)	2,136 (62)	2459 (70)
(i) Tax Revenue	404(25)	479(27)	570(30)	653 (31)	725 (29)
Taxes on Agricultural Income	--	--	--	--	--
Taxes on Sales, Trade, etc	246	304	365	355	382
State Excise	110	125	144	224	280
Taxes on Vehicles	24	26	29	32	32
Stamps and Registration fees	24	24	31	41	31
Land Revenue	--	--	1	1	--
Taxes on Goods and Passengers	--	--	--	--	--
Other Taxes	--	--	--	--	--
(ii) Non Tax Revenue	501(31)	511(28)	550(29)	626 (29)	629 (26)
(iii) State's share of Union taxes and duties	--	--	--	--	--
(iv) Grants in aid from Government of India	726(44)	812(45)	764(41)	857 (40)	1105 (45)
2. Miscellaneous Capital Receipts	--	--	--	--	--
3. Recoveries of Loans and Advances	6	6	8	12	5
4. Total Revenue and Non debt capital receipts (1+2+3)	1,637	1,808	1,892	2,148	2464
5. Public Debt Receipts	348(18)	353(16)	444(19)	425 (12)	444 (13)
Internal Debt and market loan	--	--	--	337	350
Net transactions under Ways and Means Advances and Overdrafts	--	--	--	--	--
Loans and Advances from Government of India	348	353	444	88	94
6. Total Receipts in the Consolidated Fund (4+5)	1,985	2,161	2,336	2,573	2908
7. Contingency Fund Receipts	--	--	--	--	--
8. Public Account Receipts	--	--	--	898 (26)	610 (17)
9. Total Receipts of the UT (6+7+8)	1,985	2,161	2,336	3,471	3518
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	1,573(84)	1,794(83)	1,927(81)	2,201 (79)	2570 (77)
(i) Plan	431(27)	646(36)	698(36)	844 (38)	823 (32)
(ii) Non Plan	1,142(73)	1,148(64)	1,229(64)	1,357 (62)	1747 (68)

Report on 'Union Territory Finances' for the year ended 31 March 2009

(1)	(2)	(3)	(4)	(5)	(6)
(iii) General Services (including interest payments)	343	381	463	538	681
(iv) Social Services	579	684	701	851	959
(v) Economic Services	648	726	759	808	926
(vi) Grants-in-aid and contributions	3	3	4	4	4
11. Capital Expenditure	193(10)	289(13)	360(15)	275 (10)	261 (8)
(i) Plan	195	290	356	268 (97)	254 (97)
(ii) Non Plan	(-) 2	(-) 1	4	7 (3)	7(3)
(iii) General Services	15	26	33	34	33
(iv) Social Services	65	94	75	60	76
(v) Economic Services	113	169	252	181	152
12. Disbursement of Loans and Advances	5(0)	4(0)	3(0)	3	3
13. Total (10+11+12)	1,771	2,087	2,290	2,479	2834
14. Repayments of Public Debt	107(6)	86(4)	97(4)	109 (4)	123 (3)
Internal Debt (excluding Ways and Means Advances and Overdrafts)	--	--	--	--	--
Net transactions under Ways and Means Advances and Overdraft	--	--	--	--	--
Loans and Advances from Government of India	107	86	97	109	123
15. Appropriation to Contingency Fund	--	--	--	--	--
16. Total disbursement out of Consolidated Fund (13+14+15)	1,878	2,173	2,387	2,588	2957
17. Contingency Fund disbursements	--	--	--	--	--
18. Public Account disbursements	--	--	--	214 (7)	400 (12)
19. Total disbursement by the UT (16+17+18)	1,878	2,173	2,387	2802	3357
<i>Part C. Deficits</i>					
20. Revenue Deficit(-)/Revenue Surplus (+) (1-10)	(+) 58	(+) 8	(-) 43	(-) 65	(-) 111
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	(-) 134	(-) 279	(-) 398	(-) 331	(-) 370
22. Primary Deficit (21+23)	(+) 19	(-) 108	(-) 211	(-) 114	(-) 110
<i>Part D. Other data</i>					
23. Interest Payments (included in revenue expenditure)	153	171	187	217	260
24. Financial Assistance to local bodies etc.,	228	332	260	281	327

(1)	(2)	(3)	(4)	(5)	(6)
25. Ways and Means Advances/Overdraft availed (days)	--	--	--	--	--
Ways and Means Advances availed (days)					
Overdraft availed (days)					
26. Interest on Ways and Means Advances/Overdraft	--	--	--	--	--
27. Gross State Domestic Product (GSDP)[@]	5,185	6,219	8,470	10,312	11,774
28. Outstanding Fiscal liabilities (year end)	1,553*	1,820*	2,168*	2,923	3,325
29. Outstanding guarantees (year end) (including interest)	9	8	4	7	6
30. Maximum amount guaranteed (year end)	22	35	34	21	21
31. Number of incomplete projects	94	120	65	85	107
32. Capital blocked in incomplete projects	50	81	93	129	138
Part E: Fiscal Health Indicators					
I Resource Mobilization					
Own Tax revenue/GSDP	0.08	0.08	0.07	0.06	0.06
Own Non-Tax Revenue/GSDP	0.1	0.08	0.06	0.06	0.05
Central Transfers/GSDP	--	--	--	--	--
II Expenditure Management					
Total Expenditure/GSDP	0.34	0.34	0.27	0.24	0.24
Total Expenditure/Revenue Receipts	1.09	1.16	1.22	1.16	1.15
Revenue Expenditure/Total Expenditure	0.89	0.86	0.84	0.88	0.91
Expenditure on Social Services/Total Expenditure	0.36	0.37	0.33	0.37	0.37
Expenditure on Economic Services/Total Expenditure	0.43	0.43	0.44	0.40	0.38
Capital Expenditure/Total Expenditure	0.11	0.14	0.16	0.11	0.09
Capital Expenditure on Social and Economic Services/Total Expenditure.	0.10	0.12	0.14	0.10	0.08
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	0.01	0.001	(-) 0.005	(-) 0.006	(-) 0.009
Fiscal deficit/GSDP	(-) 0.03	(-) 0.04	(-)0.05	(-)0.03	(-)0.03
Primary Deficit (surplus) /GSDP	0.004	(-)0.02	(-)0.02	(-)0.01	(-)0.01
Revenue Deficit/Fiscal Deficit	--	--	0.11	0.20	0.30
Primary Revenue Balance/GSDP	0.04	0.03	0.02	0.01	0.01

* Does not include Public Account liabilities as Public Accounts of Puducherry Government was opened only during 2007-08 and previously it was a part of GOI Accounts.

(1)	(2)	(3)	(4)	(5)	(6)
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	0.30	0.29	0.26	0.28	0.28
Fiscal Liabilities/RR	0.95	1.01	1.15	1.37	1.35
Primary deficit <i>vis-à-vis</i> quantum spread	(-) 0.09	(-) 0.7	(-) 0.4	(-) 0.4	(-) 0.7
Debt Redemption (Principal +Interest)/ Total Debt Receipts	0.75	0.73	0.64	0.76	0.82
V Other Fiscal Health Indicators					
Return on Investment	2.79	1.74	1.03	3.68	4.15
Balance from Current Revenue (Rs in crore)	341	310	383	454	628
Financial Assets/Liabilities	1.23	1.20	1.15	1.08	1.04

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

@ GSDP figures communicated by the Government adopted.

Appendix 1.4
(Reference: Paragraph 1.1.1; Page 1)

Part A: Abstract of Receipts and Disbursements for the year 2008-09

(Rupees in crore)

2007-08		Receipts		2008-09		2007-08		Disbursements		2008-09	
								Non-Plan	Plan	Total	
		Section-A: Revenue									
2135.62	I	Revenue receipts		2458.50	2200.59	I	Revenue expenditure-	1747.48	823.00	2570.48	2570.48
652.85		-Tax revenue	725.35		537.63		General services	623.68	56.84	680.52	680.52
					850.97		Social Services-	411.97	547.32	959.29	959.29
625.82		-Non-tax revenue	628.64				-Education, Sports, Art and Culture	214.59	130.11	344.70	
							-Health and Family Welfare	76.83	85.38	162.21	
		-State's share of Union Taxes					-Water Supply, Sanitation, Housing and Urban Development	18.55	90.79	109.34	
856.95		Grants-in-aid from GOI	1104.51				-Information and Broadcasting	1.29	1.01	2.30	
531.42		-Non-Plan grants	921.15				-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	15.47	65.47	80.94	
257.49		-Grants for UT Plan Schemes	156.91				-Labour and labour Welfare	8.14	5.95	14.09	
							-Social Welfare and Nutrition	74.74	168.26	243.00	
68.04		-Grants for Central and Centrally sponsored Plan Schemes	26.45				-Others	2.36	0.35	2.71	
					807.92		Economic Services-	707.50	218.84	926.34	926.34
							-Agriculture and Allied Activities	40.85	71.07	111.92	
							-Rural Development	7.48	16.04	23.52	
							-Special Areas Programmes	--	27.39	27.39	
							-Irrigation and Flood control	8.38	7.66	16.04	
							-Energy	613.43	6.60	620.03	
							-Industry and Minerals	2.16	27.14	29.30	
							-Transport	9.74	29.40	39.14	
							-Science, Technology and Environment	0.14	1.45	1.59	
							-General Economic Services	25.32	32.09	57.41	
					4.07		Grants-in-aid and Contributions-	4.33	--	4.33	4.33
							Total				
64.97	II	Revenue deficit carried over to Section B	111.98	..		II	Revenue Surplus carried over to Section B				
2200.59		Total	2570.48		2200.59		Total				2570.48

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Receipts				Disbursements				
		Section-B : Others						
192.56	III	Opening Cash balance including Permanent Advances and Cash Balance Investment	861.51	..	III	Opening Overdraft from Reserve Bank of India		
	IV	Miscellaneous Capital receipts		275.37	IV	Capital Outlay-	7.17 253.69 260.86	
						General Services-	-- 33.26 33.26 33.26	
						Social Services-	-- 75.93 75.93 75.93	
						-Education, Sports, Art and Culture	-- 21.87 21.87	
						-Health and Family Welfare	-- 17.50 17.50	
						-Water Supply, Sanitation, Housing and Urban Development	-- 31.82 31.82	
						-Information and Broadcasting	-- -- --	
						-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	-- 3.92 3.92	
						-Social Welfare and Nutrition	-- 0.43 0.43	
						-Others	-- 0.39 0.39	
						Economic Services-	7.17 144.50 151.67	
						-Agriculture and Allied Activities	-- 7.31 7.31	
						-Rural Development	-- -- --	
						-Special Areas Programmes	-- -- --	
						-Irrigation and Flood Control	-- 18.72 18.72	
						-Energy	7.17 36.72 43.89	
						-Industry and Minerals	-- 46.33 46.33	
						-Transport	-- 23.32 23.32	
						-General Economic Services	-- 12.10 12.10	
						Total		
11.60	V	Recoveries of Loans and Advances-	..	5.00	2.68	V	Loans and Advances disbursed-	2.44 0.43 2.87
		-From Power Projects					-For Power Projects	
5.18		-From Government Servants	4.72				-To Government Servants	2.44 -- 2.44
6.42		-From Others	0.28				-To Others	
	VI	Revenue Surplus brought down			64.97	VI	Revenue Deficit brought down	
425.04	VII	Public debt receipts-	444.48	108.92	VII	Repayment of Public debt-		

		Receipts			Disbursements					
		-External debt					-External debt			
		-Internal debt	350.43				-Internal debt			
		- Net transactions under Ways and Means Advances			- Net transactions under Ways and Means Advances			
		- Net transactions under overdraft		..			-Repayment of Loans and Advances to Central Government			
		-Loans and Advances from Central Government	94.05	..						
	VIII	Appropriation to Contingency Fund		..		VIII	Appropriation to Contingency Fund			
	IX	Amount transferred to Contingency Fund		..		IX	Expenditure from Contingency Fund			
898.64	X	Public Account receipts-		610.24	214.39	X	Public Account disbursements-			400.25
294.25		-Small Savings and Provident Funds	169.83				-Small Savings and Provident Funds		129.19	
		-Reserve Funds	12.00				-Reserve Funds		--	
327.17		-Suspense and Miscellaneous	102.97				-Suspense and Miscellaneous		4.87	
74.54		-Remittance	252.98				-Remittances		220.97	
202.68		-Deposits and Advances	72.46				-Deposits and Advances		45.22	
	XI	Closing Overdraft from Reserve Bank of India			861.51	XI	Cash Balance at end-			1022.86
					1.99		-Cash in Treasuries and Local Remittances		2.14	
					207.27		-Deposits with Reserve Bank		0.16	
							-Departmental Cash Balance including permanent Advances		0.54	
					652.25		-Cash Balance Investment		1020.02	
1527.84		Total		1921.23	1527.84		Total			1921.23

Appendix 1.4
(Reference: Paragraph 1.7.1 ; Page 21)

**Part B: Summarised financial position of the Government
of Union Territory of Puducherry as on 31 March 2009**

(Rupees in crore)

As on 31.03.2008	Liabilities		As on 31.03.2009
(1)	(2)		(3)
337.00	Internal Debt -		687.43
337	Market Loans bearing interest	687.43	
--	Market Loans not bearing interest	--	
--	Loans from Life Insurance Corporation of India	--	
--	Loans from other Institutions	--	
--	Ways and Means Advances	--	
--	Overdrafts from Reserve Bank of India	--	
2146.86	Loans and Advances from Central Government -		2118.50
	Pre 1984-85 Loans		--
1642.40	Non-Plan Loans	1665.51	
503.32	Loans for State Plan Schemes	451.94	
--	Loans for Central Plan Schemes	--	
1.14	Loans for Centrally Sponsored Plan Schemes	1.05	
0.50	Contingency Fund		0.50
252.15	Small Savings, Provident Funds, etc.		292.80
186.60	Deposits		213.85
--	Reserve Funds		12.00
6.49	Remittance Balances		38.49
254.41	Surplus on Government Account -		142.46
	(i) Revenue deficit of the current year	(-) 111.98	
	(ii) Miscellaneous Deficit		
	Accumulated surplus at the beginning of the year	254.41	
	Less: Proforma dropping	(-) 0.03	
3184.01			3506.03
	Assets		
2533.70	Gross Capital Outlay on Fixed Assets -		2794.59
760.91	Investments in shares of Companies, Corporations, etc.	817.03	
1772.79	Other Capital Outlay	1977.56	
27.81	Loans and Advances -		25.69
	Loans for Power Projects		

(1)	(2)	(3)
12.48	Other Development Loans	12.63
15.33	Loans to Government servants and Miscellaneous loans	13.06
--	Reserve Fund Investments	
--	Advances	
(-) 239.01	Suspense and Miscellaneous Balances	(-) 337.11
861.51	Cash -	1022.86
1.99	Cash in Treasuries	2.14
859.52	Deposits with Reserve Bank	1020.72
0.45	Departmental Cash Balance including	0.54
0.32	Permanent Advances	0.32
652.25	Cash Balance Investments	1020.56
3184.01		3506.03

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 the UT and other pending settlements, etc.

Appendix 2.1
(Reference: Paragraph 2.3.1; Page 32)

**Cases where expenditure fell short by more than Rs 50 lakh or by
more than 20 per cent of total provisions**

(Rupees in lakh)

Serial Number	Grant No	Head of Account	Original	Supplementary	Total Provision	Expenditure	Savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	06	2245 80 800 01 01	11000.00		11000.00	--	11000.00
2.	06	3456 00 001 07 01	1927.47		1927.47	1605.25	322.22
3.	10	2216 80 789 08 01	163.20		163.20	19.20	144.00
4.	10	2216 80 800 01 01	250.00		250.00	7.25	242.75
5.	10	2216 80 800 10 01	652.80		652.80	80.25	572.55
6.	10	2217 80 789 01 01	310.00		310.00	212.50	97.50
7.	10	2217 80 800 04 01	1836.00		1836.00	1552.55	283.45
8.	10	2217 80 800 05 01	459.00		459.00	268.00	191.00
9.	10	2515 00 101 19 01	0.01	87.18	87.19	--	87.19
10.	10	2515 00 800 02 01	--	1644.77	1644.77	--	1644.77
11.	10	2575 60 789 01 01	300.00		300.00	175.00	125.00
12.	10	3054 04 789 02 01	330.00		330.00	169.97	160.03
13.	12	2070 00 107 01 01	416.40		416.40	341.82	74.58
14.	15	2071 01 117 01 07	500.00	700.00	1200.00	1121.06	78.94
15.	16	2217 05 001 03 01	292.00		292.00	161.00	131.00
16.	16	2702 01 101 03 04	150.00		150.00	50.00	100.00
17.	16	3054 04 800 03 01	200.00		200.00	147.72	52.28
18.	16	4215 01 800 03 01	--	2955.35	2955.35	--	2955.35
19.	16	4216 01 106 01 04	100.00		100.00	20.00	80.00
20.	16	4217 60 051 05 01	--	2000.00	2000.00	--	2000.00
21.	16	4702 00 789 01 01	200.00		200.00	136.00	64.00
22.	16	4702 00 800 02 01	--	431.00	431.00	--	431.00
23.	16	4711 03 800 04 01	--	382.57	382.57	--	382.57
24.	16	5054 04 800 01 04	200.00		200.00	100.00	100.00
25.	16	5054 04 800 02 01	100.00		100.00	8.00	92.00
26.	16	5054 04 800 09 01	--	2604.71	2604.71	--	2604.71

(1)	(2)	(3)					(4)	(5)	(6)	(7)	(8)
27.	17	2202	01	108	01	01	680.76		680.76	456.56	224.20
28.	17	2202	01	108	01	02	206.30		206.30	124.31	81.99
29.	17	2202	01	800	04	01	0.01	435.79	435.80	381.04	54.76
30.	17	2202	02	110	01	01	1040.00	588.94	1628.94	1053.29	575.65
31.	17	2202	02	110	01	02	240.00	159.39	399.39	258.54	140.85
32.	17	2202	80	003	01	01	0.01	236.79	236.80	5.12	231.68
33.	17	2236	02	102	01	01	177.90	4.70	182.60	41.24	141.36
34.	18	2210	01	110	13	01	2268.87		2268.87	2166.26	102.61
35.	18	2210	01	110	22	01	1500.01		1500.01	--	1500.01
36.	18	2210	80	800	02	04	200.00		200.00	95.18	104.82
37.	18	2211	00	001	01	01	161.06		161.06	107.93	53.13
38.	19	3452	80	104	06	01	265.00		265.00	162.16	102.84
39.	19	3452	80	104	07	01	500.00		500.00	324.60	175.40
40.	19	3452	80	104	07	02	85.00		85.00	10.89	74.11
41.	20	2230	03	101	07	01	62.38		62.38	--	62.38
42.	20	2230	03	101	17	02	--	61.00	61.00	--	61.00
43.	21	2225	01	277	13	01	800.00		800.00	341.76	458.24
44.	21	2225	01	277	13	04	200.00		200.00	35.00	165.00
45.	21	2225	01	283	01	02	200.00		200.00	31.50	168.50
46.	21	2225	01	789	02	02	200.00		200.00	112.16	87.84
47.	21	2225	01	789	02	04	100.00		100.00	18.27	81.73
48.	21	2225	01	789	06	01	250.00		250.00	181.80	68.20
49.	21	2225	01	789	08	01	1000.00		1000.00	522.10	477.90
50.	21	2225	01	789	08	02	300.00		300.00	140.05	159.95
51.	21	2225	01	789	08	04	100.00		100.00	2.85	97.15
52.	21	2225	01	789	09	01	400.00		400.00	179.00	221.01
53.	21	2225	01	789	09	02	150.00		150.00	44.98	105.02
54.	21	2225	01	789	18	01	--	175.00	175.00	124.70	50.30
55.	21	2225	01	789	19	01	--	12384.02	12384.02	--	12384.02
56.	21	2235	02	103	06	01	478.31		478.31	310.35	167.96
57.	21	2235	02	104	04	01	157.38		157.38	87.01	70.37
58.	21	2235	02	104	06	01	840.00		840.00	552.97	287.03

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(1)	(2)	(3)					(4)	(5)	(6)	(7)	(8)
59.	21	2235	02	789	16	01	125.22		125.22	19.01	106.21
60.	21	2236	02	101	02	01	170.99		170.99	106.40	64.59
61.	22	2401	00	195	07	01	733.90		733.90	631.18	102.72
62.	24	2401	00	102	01	01	340.00		340.00	224.41	115.59
63.	24	2401	00	119	05	01	160.00		160.00	100.00	60.00
64.	24	2702	02	001	01	01	349.00		349.00	112.99	236.01
65.	25	2403	00	103	03	01	50.69	33.00	83.69	17.15	66.54
66.	28	2851	00	789	09	01	8433.00		8433.00	--	8433.00
67.	28	2851	00	789	09	02	3000.00		3000.00	--	3000.00
68.	28	2851	00	789	09	04	1600.00		1600.00	--	1600.00
69.	28	2851	00	800	10	01	33946.00		33946.00	--	33946.00
70.	28	2851	00	800	10	02	14000.00		14000.00	--	14000.00
71.	28	2851	00	800	10	03	2000.00		2000.00	--	2000.00
72.	28	2851	00	800	10	04	6400.00		6400.00	--	6400.00
73.	29	2801	80	800	01	01	219.92		219.92	136.71	83.21
74.	29	4801	05	800	13	01	175.00		175.00	5.35	169.65
75.	32	2202	02	109	01	04	60.00		60.00	2.00	58.00
76.	32	3452	01	800	01	01	260.00		260.00	136.61	123.39
77.	32	4202	01	201	01	03	60.00		60.00	5.50	54.50
78.	32	4202	01	203	01	01	117.00		117.00	19.22	97.78
79.	32	4202	01	203	02	01	150.00		150.00	50.00	100.00
80.	32	4202	01	800	02	01	--	3912.06	3912.06	--	3912.06
81.	32	4210	01	110	01	01	300.00		300.00	223.00	77.00
82.	32	5452	01	800	04	02	225.17		225.17	134.65	90.52
83.	32	5452	01	800	05	02	332.48		332.48	49.39	283.09
84.	32	5452	01	800	06	04	371.51		371.51	130.76	240.75
85.	32	5452	01	800	07	03	400.00		400.00	50.00	350.00
86.	32	5452	01	800	08	01	400.00		400.00	--	400.00
87.	32	5452	01	800	09	01	213.60		213.60	--	213.60
88.	32	5452	01	800	10	02	276.62		276.62	42.51	234.11
89.	33	2049	02	213	01	07	60.00		60.00	--	60.00
90.	33	2049	03	117	01	07	120.00		120.00	1.72	118.28
Total							1,06,999.97	28,796.27	1,35,796.24	16,245.75	1,19,550.49

Appendix 2.2
(Reference: Paragraph 2.3.3; Page 33)

**Cases where expenditure exceeded approved provision by more than Rs 50 lakh
and also by more than 20 per cent of total provision**

(Rupees in lakh)

Serial Number	Grant Number	Head of Account					Total Provision (O+S)	Expenditure	Excess
(1)	(2)	(3)					(4)	(5)	(6)
1.	06	2029	00	101	03	01	181.00	276.44	95.44
2.	06	2029	00	101	05	01	174.50	247.39	72.89
3.	06	2029	00	102	01	01	134.36	205.53	71.17
4.	06	2029	00	800	01	01	2000.00	3440.00	1440.00
5.	06	2039	00	001	01	01	231.66	290.24	58.58
6.	06	2216	03	102	01	01	120.84	194.40	73.56
7.	06	2235	60	101	01	01	390.00	840.00	450.00
8.	06	2245	02	101	01	01	98.00	2595.20	2497.20
9.	06	2245	02	101	01	02	40.00	460.12	420.12
10.	06	2245	02	101	04	01	0.00	1300.00	1300.00
11.	06	2408	01	102	01	01	0.01	363.00	362.99
12.	06	3456	00	001	09	01	0.00	66.10	66.10
13.	10	2216	80	800	02	01	107.00	302.00	195.00
14.	10	2217	05	800	01	01	80.00	144.60	64.60
15.	10	2217	80	789	01	04	50.00	105.50	55.50
16.	10	2575	60	101	01	01	2100.00	2225.00	125.00
17.	10	3054	04	789	01	01	485.97	657.27	171.30
18.	15	2071	01	101	01	07	7500.00	7578.93	78.93
19.	16	2215	01	101	01	04	181.00	280.00	99.00
20.	16	4059	01	001	01	02	223.36	293.13	69.77
21.	16	4216	01	106	01	01	100.00	181.22	81.22
22.	17	2202	01	101	01	01	6324.54	6408.01	83.47
23.	17	2202	01	800	01	02	201.69	265.51	63.82
24.	17	2202	01	800	01	04	91.21	148.86	57.65
25.	17	2202	02	109	02	03	179.09	255.53	76.44
26.	17	2202	02	109	04	01	2598.22	3276.34	678.12
27.	17	2202	02	109	08	02	145.50	218.46	72.96
28.	18	2210	01	110	04	01	182.72	255.10	72.38
29.	18	2210	01	110	06	02	161.90	234.37	72.47
30.	18	2210	01	110	13	02	608.50	691.52	83.02
31.	18	2210	01	110	13	04	204.54	266.90	62.36

Report on 'Union Territory Finances' for the year ended 31 March 2009

(1)	(2)	(3)					(4)	(5)	(6)	
32.	18	2210	01	110	14	01	423.76	490.48	66.72	
33.	18	2210	01	110	16	01	202.00	327.35	125.35	
34.	18	2210	03	110	02	01	173.10	234.00	60.90	
35.	18	2210	05	105	04	01	600.00	855.00	255.00	
36.	18	2210	05	105	05	01	400.00	535.00	135.00	
37.	19	3452	80	104	05	01	35.00	322.07	287.07	
38.	21	2225	01	789	02	01	400.00	499.57	99.57	
39.	21	2225	01	789	07	01	400.00	1543.68	1143.68	
40.	21	2225	03	190	02	01	75.00	128.00	53.00	
41.	21	2225	03	283	01	01	150.00	503.11	353.11	
42.	21	2225	03	789	02	01	21.00	94.50	73.50	
43.	21	2235	02	103	07	01	1885.00	2358.00	473.00	
44.	21	2235	02	104	03	01	3858.98	4076.95	217.97	
45.	22	2425	00	001	01	01	227.08	292.32	65.24	
46.	24	2401	00	800	07	01	140.94	220.62	79.68	
47.	24	2401	00	800	07	02	0.50	198.45	197.95	
48.	24	2415	01	277	02	02	571.00	680.00	109.00	
49.	24	2435	01	101	02	01	185.00	285.00	100.00	
50.	28	2851	00	105	01	01	400.00	525.00	125.00	
51.	29	2801	05	001	02	02	280.88	344.81	63.93	
52.	32	4210	01	110	02	01	1244.44	1352.00	107.56	
53.	32	4405	00	104	01	02	300.00	466.29	166.29	
54.	33	2049	01	101	01	07	3100.00	3182.80	82.80	
55.	33	2049	04	104	01	07	15,833.31	15,932.93	99.62	
		Total						55,802.60	69,514.60	13,712.00

Appendix 2.3
(Reference: Paragraph 2.3.4; Page 33)

**Cases where supplementary provisions (Rs 50 lakh or more in each case)
proved wholly unnecessary**

(Rupees in lakh)

Serial Number	Grant Number	Head of Account	Original	Supple- mentary	Amount reappropriated	Final Grant	Expen- diture	Excess/ Savings
1	10	2515 00 101 19 01	0.01	87.18	0.01	87.20	0.00	-87.20
2	10	2515 00 800 02 01	0.00	1,644.77	1,355.23	3,000.00	0.00	-3,000.00
3	16	4215 01 800 03 01	0.00	2,955.35	44.65	3,000.00	0.00	-3,000.00
4	16	4217 60 051 05 01	0.00	2,000.00	0.00	2,000.00	0.00	-2,000.00
5	16	4702 00 800 02 01	0.00	431.00	69.00	500.00	0.00	-500.00
6	16	4711 03 800 04 01	0.00	382.57	117.43	500.00	0.00	-500.00
7	16	5054 04 800 09 01	0.00	2,604.71	190.29	2,795.00	0.00	-2,795.00
8	21	2225 01 789 19 01	0.00	12,384.02	615.98	13,000.00	0.00	-13,000.00
9	32	4202 01 800 02 01	0.00	3,912.06	1,087.94	5,000.00	0.00	-5,000.00
Total			0.01	26,401.66	3,480.53	29,882.20	0.00	-29,882.20

Appendix 2.4
(Reference: Paragraph 2.3.4; Page 33)

**Cases where supplementary provisions made were excessive by
more than Rs 50 lakh**

(Rupees in lakh)

Serial Number	Grant Number	Head of Account	Original	Supplementary	Total Provision	Expenditure	Savings
1	15	2071 01 117 01 07	500.00	700.00	1,200.00	1,121.06	78.94
2	17	2202 01 800 04 01	0.01	435.79	435.80	381.04	54.76
3	17	2202 02 110 01 01	1,040.00	588.94	1,628.94	1,053.29	575.65
4	17	2202 02 110 01 02	240.00	159.39	399.39	258.54	140.85
5	17	2202 80 003 01 01	0.01	236.79	236.80	5.12	231.68
6	21	2225 01 789 18 01	0.00	175.00	175.00	124.70	50.30
Total			1,780.02	2,295.91	4,075.93	2,943.75	1,132.18

Appendix 2.5
(Reference: Paragraph 2.3.5; Page 34)

Excessive/unnecessary re-appropriation of funds

(Rupees in lakh)

Serial Number	Grant Number	Head Of Account	Original	Supplementary	Re-appropriation	Total	Expenditure	Excess/Savings
1	06	3456 00 800 03 01	0.01	0.00	4.98	4.99	0.00	-4.99
2	09	3451 00 091 02 01	487.00	5.80	0.64	493.44	483.43	-10.01
3	10	2217 80 001 01 01	51.76	10.59	4.03	66.38	59.52	-6.86
4	10	2515 00 101 02 01	41.96	0.00	1.12	43.08	41.69	-1.39
5	10	2515 00 101 19 01	0.01	87.18	0.01	87.20	0.00	-87.20
6	10	2515 00 800 02 01	0.00	1,644.77	1,355.23	3,000.00	0.00	-3,000.00
7	13	2056 00 101 01 02	34.63	12.44	0.38	47.45	39.86	-7.59
8	13	2056 00 101 01 04	8.70	0.00	1.20	9.90	8.41	-1.49
9	16	4215 01 800 03 01	0.00	2,955.35	44.65	3,000.00	0.00	-3,000.00
10	16	4702 00 800 02 01	0.00	431.00	69.00	500.00	0.00	-500.00
11	16	4711 03 800 04 01	0.00	382.57	117.43	500.00	0.00	-500.00
12	16	5054 04 800 09 01	0.00	2,604.71	190.29	2,795.00	0.00	-2,795.00
13	17	2202 01 101 01 02	1,171.40	630.54	2.15	1,804.09	1801.71	-2.38
14	17	2202 03 103 05 01	390.19	0.00	3.29	393.48	386.42	-7.06
15	17	2202 03 103 10 01	115.60	0.00	2.47	118.07	113.90	-4.17
16	17	2202 04 200 03 01	23.30	14.56	0.12	37.98	36.92	-1.06
17	18	2210 01 110 15 01	75.87	0.00	0.45	76.32	75.00	-1.32
18	21	2225 01 789 19 01	0.00	12,384.02	615.98	13,000.00	0.00	-13,000.00
19	21	2235 02 102 01 01	0.01	228.70	0.26	228.97	210.81	-18.16
20	24	2401 00 800 01 01	0.01	21.26	1.03	22.30	11.83	-10.47
21	28	2851 00 800 10 01	33,946.00	0.00	2,580.00	36,526.00	0.00	-36,526.00
22	32	2403 00 101 01 01	11.00	0.00	2.62	13.62	4.75	-8.87
23	32	4202 01 800 02 01	0.00	3,912.06	1,087.94	5,000.00	0.00	-5,000.00
Total			36,357.45	25,325.55	6,085.27	67,768.27	3,274.25	-64,494.02

Appendix 2.6
(Reference: Paragraph 2.3.6; Page 34)

Substantial surrenders

(Rupees in lakh)

Serial Number	Grant Number and Description	Head Account	Final modified grant	Amt Surrendered
1	08 Transport	5055 00 190 04 02	22.35	14.55
2	28 Industries	2851 00 789 09 01	8,433.00	8,433.00
3	28 Industries	2851 00 789 09 02	3,000.00	3,000.00
4	28 Industries	2851 00 789 09 04	1,600.00	1,600.00
5	28 Industries	2851 00 800 10 02	14,000.00	14,000.00
6	28 Industries	2851 00 800 10 03	2,000.00	2,000.00
7	28 Industries	2851 00 800 10 04	6,400.00	3,506.94
8	31 Loans to Government Servants	7610 00 201 01 07	20.00	11.50
9	31 Loans to Government Servants	7610 00 202 01 07	15.00	9.60
10	31 Loans to Government Servants	7610 00 800 01 07	9.70	5.94
11	32 Building Programmes	2202 01 800 01 04	42.00	41.90
12	32 Building Programmes	2202 02 109 01 04	60.00	58.00
13	32 Building Programmes	2202 03 103 01 04	20.00	19.90
14	32 Building Programmes	2225 80 789 01 01	73.00	28.00
15	32 Building Programmes	2405 00 800 02 01	17.40	10.93
16	32 Building Programmes	2851 00 800 01 01	50.00	23.60
17	32 Building Programmes	3452 01 800 01 01	260.00	108.39
		Total	36,022.45	32,872.25

Appendix 2.7
(Reference: Paragraph 2.3.7; Page 34)

Anticipated savings not surrendered

(Rupees in lakh)			
Serial Number	Grant Number	Description	Savings
		Revenue	
1	09	Secretariat	12.74
2	10	District Administration	3,174.58
3	11	Treasury and Accounts Administration	11.58
4	13	Jails	18.93
5	16	Public Works	35.15
6	17	Education	499.68
7	18	Medical	20.44
8	20	Labour and Employment	67.01
9	21	Social Welfare	13,153.49
10	22	Co-operation	32.84
11	24	Agriculture	19.60
12	25	Animal Husbandry	64.70
13	26	Fisheries	17.03
		Total - Revenue	17,127.77
		Capital	
14	16	Public Works	8,835.98
15	32	Building Programmes	6,108.93
		Total - Capital	14,944.91
		Total (Revenue and Capital)	32,072.68

Appendix 2.8
(Reference: Paragraph 2.3.7; Page 34)

Savings of more than Rupees one crore and above were not surrendered fully

(Rupees in lakh)

Serial Number	Grant Number	Description	Savings	Amount Surrendered	Amount not surrendered
		Revenue			
1	06	Revenue and Food	4,227.95	1,090.48	3,137.47
3	17	Education	500.07	0.39	499.68
5	28	Industries	69,075.77	32,539.94	36,535.83
Total			73,803.79	33,630.81	40,172.98

Appendix 2.9
(Reference: Paragraph 2.3.8; Page 34)

**Details of Rush of Expenditure during last quarter of the year and
during March 2009**

(Amount in Rupees)

Sl. No.	Grant No	Major Head	Total expenditure during the year	Expenditure incurred		Percentage of total expenditure	
				during last quarter of the year	during March 2009	during last quarter of the year	during March 2009
1	6	2029.800 (1) (1)	34,40,00,000	33,52,50,000	33,52,50,000	97.46	97.46
2	6	3456.789(2) (1)	3,53,69,042	3,53,69,042	3,53,69,042	100.00	100.00
3	10	2216.80.800 (4) (1)	21,38,00,000	21,38,00,000	11,38,00,000	100.00	53.23
4	10	2217.80.800 (4) (1)	15,52,55,000	15,52,55,000	15,52,55,000	100.00	100.00
5	10	2217.80.800 (5) (1)	2,68,00,000	2,68,00,000	2,68,00,000	100.00	100.00
6	10	2250.103 (1) (1)	1,51,03,973	84,19,562	80,29,562	55.74	53.16
7	16	3054.04.800 (1) (4)	60,00,027	49,45,523	47,87,133	82.43	79.79
8	16	5054.04.800 (1) (3)	2,93,50,000	2,37,40,423	2,33,81,264	80.89	79.66
9	16	5054.04.800 (6) (2)	2,30,00,000	2,30,00,000	1,72,93,788	100.00	75.19
10	17	2202.01.108 (1) (3)	58,61,654	47,32,034	34,65,014	80.73	59.11
11	17	2225.01.227 (1) (1)	1,03,97,000	1,02,74,500	1,00,90,000	98.82	97.05
12	19	3452.80.104 (6) (1)	1,62,16,360	93,83,378	93,28,286	57.86	57.52
13	21	2225.01.283 (1) (1)	5,16,09,375	5,16,09,375	5,04,89,375	100.00	97.83
14	21	2225.01.789 (7) (1)	15,43,68,136	15,43,16,946	15,42,77,226	99.97	99.94
15	21	2235.02.102 (10) (1)	1,58,79,332	1,58,41,256	1,08,89,563	99.76	68.58
16	21	2235.02.104 (6) (1)	5,52,97,296	3,14,51,496	3,14,51,496	56.88	56.88
17	25	2403.789 (3) (1)	1,55,24,354	1,55,24,354	1,48,05,770	100.00	95.37
18	25	2403.789 (3) (2)	71,60,755	71,60,755	70,91,880	100.00	99.04
19	27	2216.03.800 (2) (1)	1,10,50,000	1,10,50,000	1,10,50,000	100.00	100.00
20	27	2515.800 (3) (1)	40,00,000	40,00,000	40,00,000	100.00	100.00
21	27	2515.800 (3) (2)	10,00,000	10,00,000	10,00,000	100.00	100.00
22	27	2515.800 (4) (1)	20,00,000	20,00,000	20,00,000	100.00	100.00
23	27	2515.800 (6) (2)	50,00,000	50,00,000	50,00,000	100.00	100.00
24	28	2851.003 (1) (1)	1,86,11,557	1,37,97,192	1,24,95,326	74.13	67.14
25	28	2851.003 (1) (2)	92,55,902	50,50,790	50,35,790	54.57	54.41
26	28	2851.105 (1) (1)	5,25,00,000	2,75,00,000	2,75,00,000	52.38	52.38
27	28	2851.800 (6) (1)	2,96,92,319	2,55,06,612	2,36,26,630	85.90	79.57
28	29	4801.05.800 (12) (1)	2,53,24,000	2,53,24,000	2,53,24,000	100.00	100.00
29	32	3452.01.800 (1) (1)	1,36,61,000	88,00,067	83,72,434	64.42	61.29
30	32	4202.03.800 (1) (3)	1,51,90,000	1,50,02,540	1,50,02,540	98.77	98.77
31	32	4202.03.800 (2) (2)	4,38,37,000	4,38,37,000	4,37,67,585	100.00	99.84
32	32	4210.01.110 (1) (1)	2,23,00,000	1,34,51,364	1,16,68,449	60.32	52.32
33	32	4210.01.110 (2) (1)	13,52,00,000	13,52,00,000	12,40,01,097	100.00	91.72
34	32	5452.01.800 (2) (2)	2,00,00,000	2,00,00,000	1,27,81,571	100.00	63.91

Appendix 3.1
(Reference: Paragraph 3.1;Page 37)

Utilisation certificates outstanding as on 31 March 2009

Sl. No.	Department	Number of certificates outstanding	Amount (Rupees in lakh)
1.	Adi-draavidar Welfare	38	844.16
2.	Agriculture	33	1,447.68
3.	Animal Husbandry	18	712.51
4.	Arts and Culture	6	12.94
5.	Civil Supplies and Consumer Affairs	3	74.83
6.	Co-operation	46	619.21
7.	Education	19	1,148.09
8.	Fisheries and Fishermen Welfare	53	1,611.26
9.	Health and Family Welfare	5	124.20
10.	Hindu Religious Institutions	82	320.60
11.	Industries and Commerce	7	155.02
12.	Information Technology	4	272.90
13.	Labour	11	256.94
14.	Local Administration	820	10,430.12
15.	Revenue and Disaster Management	7	15,314.17
16.	Rural Development	6	167.13
17.	Science, Technology and Environment	3	107.00
18.	Social Welfare	13	265.95
19.	Town and Country Planning	177	4,584.63
20.	Transport	1	11.35
21.	Women and Child Development	11	931.40
	Total	1,363	39,412.09

Appendix 3.2
(Reference: Paragraph 3.2; Page 38)

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

Sl. No.	Name of the Autonomous Body/Authority	Year for which accounts have not been received
(1)	(2)	(3)
1.	Ariyankuppam Commune Panchayat	2007-08
2.	Bharathiyar Palkalai Koodam	2006-07 & 2007-08
3.	District Institute of Education & Training	2003-04 to 2007-08
4.	Fish Farmers Development Agency, Karaikal	1988-89 to 2007-08
5.	Fish Farmers Development Agency, Puducherry	2003-04 to 2007-08
6.	Jayaprakash Narayan Co-operative Spinning Mills, Karaikal	2005-06 to 2007-08
7.	Karaikal Market Committee	2007-08
8.	Krishi Vigyan Kendra	2007-08
9.	Krishi Vigyan Kendra, Karaikal	2007-08
10.	Mahatma Gandhi Post Graduate Institute of Dental Sciences	2007-08
11.	Mahe Municipality	2007-08
12.	Mother Theresa Institute of Health Sciences	2006-07 & 2007-08
13.	Nedungadu Commune Panchayat	2007-08
14.	Neravy Commune Panchayat	2007-08
15.	Perunthalaivar Kamarajar College of Education, Karaikal	2007-08
16.	Perunthalaivar Kamarajar Institute of Engineering and Technology, Karaikal	2007-08
17.	Pondicherry Coastal Zone Management Authority	1998-99 to 2007-08
18.	Pondicherry Council for Science & Technology	1998-99 to 2007-08
19.	Pondicherry E-Governance Society	1986-87 to 2007-08
20.	Pondicherry Engineering College	2007-08
21.	Pondicherry Experimental Solar Pond Power Project	1990-91 to 2007-08
22.	Pondicherry Fishermen Welfare Distress Relief Society	2006-07 & 2007-08
23.	Pondicherry Institute of Hotel Management & Catering Technology	2007-08

(1)	(2)	(3)
24.	Pondicherry Institute of Linguistic & Culture	2006-07 & 2007-08
25.	Pondicherry Khadi & Village Industries Board	2007-08
26.	Pondicherry Market Committee	2007-08
27.	Pondicherry Medical Relief Society for poor	2006-07 & 2007-08
28.	Pondicherry Seed Certification Agency	2000-01 & 2007-08
29.	Pondicherry Women's Commission	2007-08
30.	Renewable Energy Agency	2007-08
31.	Sarva Shiksha Abiyan	2007-08
32.	Slum Clearance Board, Mahe	1987-88 to 2007-08
33.	State N.S.S Cell	1996-97 to 2007-08
34.	State Social Welfare Advisory Board	2006-07 & 2007-08
35.	The Indian National Trust for Art, Culture and Heritage	1984-85 to 2007-08
36.	Veterinary College Society	2006-07 & 2007-08
37.	Yanam Municipality	2007-08

Appendix 3.3
(Reference: Paragraph 3.2; Page 38)

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

Sl. No.	Name of the Autonomous Body/Authority
1.	Community College, Karaikal
2.	Confederation of Indian Industries
3.	Mahila Mandals, Mahe
4.	PAPSCO, Mahe
5.	Pondicherry Building Centre
6.	Pondicherry Management & Productivity Council
7.	Rajya Sainik Welfare Board
8.	Rural Building Centre, Karaikal
9.	Thondaimandala Numismatic Society
10.	Town & Country Planning, Karaikal

Appendix 3.4
(Reference: Paragraph 3.3; Page 39)

Department/category-wise details in respect of cases of loss to Government due to theft, misappropriation/loss 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
			(Rs. in lakh)		(Rs. in lakh)		(Rs. in lakh)
1.	Adi Dravidar Welfare	--	--	1	0.43	1	0.43
2.	Agriculture	4	0.22	1	5.15	5	5.37
3.	Animal Husbandry	2	0.01	--	--	2	0.01
4.	Art and Culture	2	0.05	--	--	2	0.05
5.	Education	24	1.02	2	21.86	26	22.88
6.	Electricity	238	624.59	2	82.35	240	706.94
7.	Health and Family Welfare	9	0.27	--	--	9	0.27
8.	Information Technology	1	1.14	--	--	1	1.14
9.	Local Administration	4	1.96	--	--	4	1.96
10.	Police	1	--*	1	0.30	2	0.30
11.	Public Works	2	0.36	2	5.02	4	5.38
12.	Revenue & Disaster Management	1	0.03	1	0.84	2	0.87
13.	Tourism	1	0.50	--	--	1	0.50
14.	Transport	--	--	1	0.01	1	0.01
15.	Women and Child Development	1	3.75	--	--	1	3.75
	Total	290	630.89	11	116.06	301	746.86

* - Amount not furnished by the department