TABLE OF CONTENTS

	Paragraph	Page	
Preface		v	
Executive Summary		vii	
CHAPTER I - FINANCES OF THE STATE GOVERNMENT			
Profile of Tamil Nadu		1	
Gross State Domestic Product		1	
Introduction	1.1	1	
Resources of the State	1.2	8	
Revenue receipts	1.3	9	
Capital receipts	1.4	16	
Public account receipts	1.5	17	
Application of resources	1.6	18	
Quality of expenditure	1.7	25	
Financial analysis of Government expenditure and investments	1.8	29	
Assets and liabilities	1.9	32	
Debt management	1.10	37	
Fiscal imbalances	1.11	40	
Follow-up action by State Government	1.12	42	
Conclusion	1.13	43	
CHAPTER II - FINANCIAL MANAGEMENT AND BUD	GETARY CO	NTROL	
Introduction	2.1	45	
Summary of Appropriation Accounts	2.2	45	
Financial accountability and budget management	2.3	47	
Review of selected grants	2.4	54	
Accounting issues	2.5	59	
Advances from the Contingency Fund	2.6	60	
Conclusion	2.7	61	
Recommendations	2.8	62	

	Paragraph	Page
CHAPTER III - FINANCIAL REPORTING		
Delay in furnishing of Utilisation Certificates	3.1	63
Non-reconciliation of receipts and expenditure	3.2	63
Non-submission/delay in submission of accounts	3.3	64
Non-adjustment of temporary advances	3.4	65
Operation of Personal Deposit Accounts	3.5	65
Misappropriations, losses, defalcations.	3.6	67
Deficiencies noticed in the Pay and Accounts Offices	3.7	68
Amounts booked under Minor Head "800"	3.8	69
Functioning of Treasuries	3.9	69
Accounting of transactions under the object head "002 - Other contingencies" under Office Expenses	3.10	70
Conclusion	3.11	70
Recommendations	3.12	71

APPENDICES

Appendix No.	Subject	Reference to Paragraph	Page
1.1	State Profile	1.3, 1.3.1.1 and 1.3.1.3	73
1.2 Part A	Structure and Form of Government Accounts	1.1	74
Part B	Layout of Finance Accounts	1.1	74
1.3 Part A	Methodology adopted for assessment of fiscal position	1.1	76
Part B	The Tamil Nadu Fiscal Responsibility Act, 2003	1.1	76
1.4	Time series data on the State Government finances	1.1, 1.3 and 1.9.3	77
1.5 Part A	Abstract of Receipts and Disbursements for the year 2018-19	1.1.1, 1.9.1 and 1.9.6	79
Part B	Summarised financial position of the Government of Tamil Nadu as on 31 March 2019	1.1.1, 1.9.1 and 1.9.6	81

Appendix No.	Subject	Reference to Paragraph	Page
2.1	Statement showing cases where savings exceeded ₹ 10 crore in each case and also by 20 per cent or more of the total provision	2.3.1	82
2.2	List of Grants having savings of ₹ 50 crore and above	2.3.1	84
2.3	Excess over provisions relating to previous years requiring regularisation	2.3.2	86
2.4	List of Grants having Persistent Savings during 2014-19	2.3.4	87
2.5	Expenditure incurred without provision (Original and Supplementary)	2.3.5	89
2.6	Expenditure incurred with Nil Final Modified Appropriation	2.3.6	90
2.7	Cases where supplementary provision (₹ 50 lakh or more in each case) proved unnecessary	2.3.7	92
2.8	Excessive/insufficient re-appropriation of funds	2.3.8 (ii)	94
2.9	Injudicious re-appropriations	2.3.8 (iii)	98
2.10	Cases of withdrawal of entire provision of above ₹ 1 crore	2.3.10	99
2.11	Grants in which surrenders were made in excess of actual savings	2.3.11	103
2.12	Cases where savings of ₹ 1 crore and above not surrendered	2.3.12	105
2.13	Cases of surrender of funds in excess of ₹ 10 crore on 31 March 2019	2.3.12	106
2.14	Rush of Expenditure	2.3.13	109
2.15	Details of Contingency Fund orders issued and utilisation as reported by AG (A&E) as at the end of the year	2.6	112
3.1	Utilisation Certificates outstanding as on 30 June 2019	3.1	114
3.2	Lists of CCOs who have not reconciled accounts	3.2	115
3.3	Statement showing names of bodies and authorities, the accounts of which had not been received	3.3	119
3.4	List of PD Accounts under '8443-800 - Other Deposits' with a closing balance of more than ₹ 10 crore as on 31 March 2019	3.5.1	126

Appendix No.	Subject	Reference to Paragraph	Page
3.5	List of PD Accounts under '8443-800 - Other Deposits' having a negative closing balance	3.5.1	130
3.6	List of PD Accounts under '8443-800 –Other Deposits' having no transactions during the year 2018-19	3.5.1	133
3.7	Department/category-wise details of loss to Government due to theft, misappropriation, shortage.	3.6	138
3.8	Operation of Minor Head '800 - Other Expenditure' (50 per cent and above)	3.8	139
3.9	Operation of Minor Head '800 - Other Receipts' (50 per cent and above)	3.8	140
3.10	Deposits not lapsed to Government Account (more than ₹ 1 crore)	3.9.2	141
3.11	List of Treasuries/Sub-treasuries of Unclaimed Deposits	3.9.2	142
	Glossary of terms and abbreviations used in the Report	-	143