

Planning Commission
(Financial Resources Division)

Brief for DCH-CM Meeting: Puducherry 2012-13 scheduled on 25.06.2012

A. Profile of Puducherry Economy

Annex I contains Tables 1 to 5. **Table 1** compares the growth performance of Puducherry with its neighbouring States and All India. **Table 2** compares the per capita NSDP of Puducherry with its neighbouring States and All India. **Table 3** gives details of sector-wise growth in Puducherry. **Tables 4 and 5** present the credit-deposit profile of Puducherry and its neighbouring States and All-India

B. Fiscal Overview of Puducherry

Annex II contains Table 6 to 11. **Table 6** presents the fiscal profile of Puducherry. **Table 7** indicates the trend in State's Own Tax Revenue and GSDP ratio of Puducherry and its neighbouring States. **Table 8** compares total expenditure and GSDP ratio of Puducherry with its neighbouring States. **Table 9** indicates the social allocation ratio in Puducherry and its neighbouring States. **Table 10** presents per capita revenue receipts, plan expenditure and total expenditure in Puducherry. **Table 11** provides financial overview of the State.

C. Performance of the UT Plan

Achievement in Plan Outlays (2007-08 to 2012-13)

(Rs.crore)

Years	GSDP	GSDP Growth Rate (%)	Approved	Actual	% achieved	% GSDP
2007-08	9251	16.5	1455	1086.73	74.7	11.7
2008-09	10050	8.6	1750	1060.76	60.6	10.6
2009-10	11344	12.9	2250	1450.00	64.4	12.8
2010-11	12929	14.0	2500	1562.50	62.5	12.1
2011-12	13724	6.1	2750	1664.00 (LE)	60.5	12.1
Total Eleventh Plan	57298	--	10705	6823.99	63.7	11.9
2012-13	15229	11.0	3025 (Proposed)	--	--	19.9

Source: GSDP- CSO 2004-05 series as on 01.03.2012, at current prices used upto 2011-12. The estimated GSDP for 2012-13 is Rs.15229 crore based on trend growth rate (10.97%) from 2007-08 to 2011-12.

D. Assumptions underlying UT Government for Annual Plan 2012-13 projections

Assumptions made by the Puducherry Government for projection of resources for the Annual Plan 2012-13 are as follows:

Indicators	Percentage growth in 2012-13 over 2011-12 LE
GSDP growth	11.0
State's Own Tax Revenue	5.1
State's Own Non-Tax Revenue	(-)10.4
Interest payments	16.1
Salaries	29.4

Source: UT Govt.-BCR Table

E. Draft Scheme of Financing

Draft Scheme of Financing for Annual Plan 2012-13 is at **Annex III**, ACA for other Programmes is given at **Annex IV** and Estimates of Balance from Current Revenues is at **Annex V**.

F. Issues pertaining to UT Finances

1. **Desired Plan Size:** The UT Government has desired Plan size of Rs. 3025 crore for 2012-13. The Aggregate Plan Resources of the UT as estimated by FR Division amounts to Rs.1936 crore excluding one-time ACA grant from Centre. The resource position of the UT indicates a shortfall of Rs.1089 crore in financing the desired plan size.

2. Borrowings for financing the Plan :

MHA has permitted the UT to borrow subject to the condition that outstanding debt stock, including outstanding borrowings, should not exceed 20% of the GSDP and 200% of the revenue receipts of the UT.

The outstanding liabilities of the UT in 2012-13 is estimated at Rs. 5048 crore, which is 33.2 % of the GSDP. The debt servicing as a component of Outstanding Liabilities for the year amounts to 3% of GSDP. The UT Govt. has proposed budgetary borrowings of Rs. 780 crore for the Annual Plan 2012-13, which is 5.1% of GSDP.

Sl. No.	Items	2010-11	2011-12 RE	2012-13 Est.
1	Budgetary Borrowings (BB) (Rs. crore)	782.03	728.23	780.00
	<i>BB/ GSDP (%)</i>	<i>6.05</i>	<i>5.31</i>	<i>5.12</i>
2	Outstanding liability at the end of the Year (OL) (Rs. crore)	4040	4712	5048
	<i>OL as % to GSDP</i>	<i>31.25</i>	<i>34.33</i>	<i>33.15</i>
3	GSDP (Rs. crore)	12929.00	13724.00	15229.00

Source: UT Government Data & GSDP- CSO 2004-05 series as on 01.03.2012, at current prices used upto 2011-12. The estimated GSDP for 2012-13 is Rs.15229 crore based on trend growth rate (10.97%) from 2007-08 to 2011-12.

3. **Salaries and Pensions:** The total salary for 2012-13 estimated at Rs.921.86 crore for the year 2012-13 indicates an increase of 29.4% over 2011-12 LE. However, the pension liabilities are met out of the Consolidated Fund of the India. Details of Salaries and Pensions and are as under:

Salaries and Pensions

(Rs.crore)

S.No.	Items	2011-12 LE	2012-13 Estimate	% increase in 2011-12 over LE
1	Pension Payments	330.36	366.00	10.79
2	Salary- Non Dev. Expenditure	175.81	212.00	20.58
3	Salary- Dev. Expenditure	536.85	709.86	32.23
	Total Salary (2+3)	712.66	921.86	29.35

Source: BCR Table of U.T. Govt.

Table-1
Growth of GSDP over previous year (at constant prices)

States	(In %)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Puducherry	8.59	8.66	8.61	8.03	10.95
Delhi	11.19	12.92	10.94	10.92	11.34
Tamil Nadu	6.13	4.89	9.43	11.74	9.39
Karnataka	12.60	7.11	5.20	8.87	6.44
All-India	9.32	6.75	8.39	8.39	6.88

Source: GSDP- CSO- at constant prices (2004-05 Series) as on 1.3.2012

Table-2
Per Capita NSDP at current prices

States	(in Rs.)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Puducherry	74201	79306	88158	98719	95759
Delhi	95241	111756	129746	150653	175812
Tamil Nadu	47606	54140	63547	72993	84058
Karnataka	42419	48084	52191	60946	69493
All-India	35825	40775	46117	53331	60972

Source: NSDP- CSO- at constant prices (2004-05 Series) as on 1.3.2012

Table 3
Sectoral Real Growth Rate of Puducherry

Sector	(in percent)						
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Agriculture and Allied	-3.40	10.05	-1.34	47.82	3.36	3.70	3.86
Industry	34.88	-6.04	6.58	5.51	9.34	10.58	11.63
Services	17.08	15.71	11.63	8.60	8.48	5.97	11.02
GSDP	24.93	3.69	8.58	8.66	8.60	8.03	10.96

Source: CSO as on 02.08.2011 at 2004-05 prices by industry of origin at constant prices

Table 4
Credit Deposit Ratio of Puducherry

Items	(Rs. crore)					
	2006	2007	2008	2009	2010	2011
Deposit	3248	3932	4722	5472	6170	6951
Credit	1454	1856	2332	2840	3512	4261
CD ratio	44.77	47.20	49.39	51.90	56.92	61.30
ROG(Deposit)	-	21.06	20.09	15.88	12.76	12.66
ROG(Credit)	-	27.65	25.65	21.78	23.66	21.33

Source- RBI Publication-Statistical Tables Relating to Banks of India

Note :Year refers to financial year ending March 31

Table-5-Credit Deposit Ratio of Puducherry including neighbouring states

States	2006	2007	2008	2009	2010	2011
Puducherry	44.77	47.20	49.39	51.90	56.92	61.30
Delhi	68.85	70.90	65.67	68.53	75.12	87.10
Tamil Nadu	105.87	112.25	113.44	108.90	112.65	114.11
Karnataka	76.80	77.47	78.02	76.63	76.93	72.53
All India	72.50	75.02	74.16	72.58	72.70	75.13

Source- RBI Publication-Statistical Tables Relating to Banks of India

Note : 1. Year refers to financial year ending March 31

Table 6
Fiscal Profile of the Union Territory - Puducherry

(as % of GSDP)

Indicator	2007-08	2008-09	2009-10	2010-11	2011-12 RE	2012-13 Estimate
States Own Tax Revenues	7.06	7.21	7.65	8.31	10.93	11.89
Fiscal Deficit	-5.17	-5.21	-6.51	-6.86	-5.94	-5.94
Revenue Deficit	-1.04	-1.41	-2.13	-2.72	-1.82	5.44
Primary Deficit	-2.82	-2.63	-3.98	-4.31	-3.10	-2.97
OL	31.60	33.08	34.26	31.25	34.33	33.15
IP/RR	10.16	10.57	10.13	10.31	12.65	9.83

OL=outstanding liabilities, IP=interest payment, RR= revenue receipts

Source: GSDP- CSO Current prices as on 01.3.2012.

Note : 1. Data as per State Govt.- Fiscal indicator Table

2. Deficit (-), Surplus (+)

Table 7
States Own Tax Revenue (SOTR) as % of GSDP

(as % of GSDP)

States/Year	2007-08	2008-09	2009-10	2010-11 (Prov Actual)	2011-12 BE	2012-13 Estimate
Puducherry	7.06	7.21	7.65	8.31	10.93	11.89
Delhi	7.46	6.43	6.01	6.23	6.41	7.02
Tamil Nadu	8.44	8.39	7.72	8.73	8.77	-
Karnataka	9.60	8.91	8.86	9.50	9.41	-

Note : 1. Year refers to financial year ending March 31 2. Data as per State Government

**GSDP- CSO Current prices as on 01.3.2012.*

Table 8
Public Expenditure Ratio

(as % GSDP)

States/Year	2007-08	2008-09	2009-10	2010-11	2011-12 LE	2012-13 Est
Puducherry	28.05	29.42	31.61	31.64	28.40	36.25
Delhi	11.50	10.74	11.14	9.65	8.85	8.32
Tamil Nadu	14.88	16.33	14.83	15.52	14.61	-
Karnataka	17.29	16.84	17.57	17.06	17.45	-

Note : 1. Year refers to financial year ending March 31 2. Data as per State Government.

3. Public expenditure ratio= the percentage of public expenditure (plan + non-plan) to GSDP.

Source: GSDP- CSO Current prices as on 01.3.2012.

Table- 9
Social Sector Expenditure to Total Expenditure

(as %)

States	2007-08	2008-09	2009-10	2010-11 (RE)	2011-12(BE)
Puducherry	35.8	35.9	38.1	40.1	48.1
Delhi	40.5	43.8	42.2	43.1	50.1
Tamil Nadu	35.9	39.7	40.3	40.6	41.2
Karnataka	36.7	37.8	39.9	40.0	38.4
All States	35.3	37.6	38.7	40.0	40.0

Source : RBI- State Finances

Note: 1. Includes expenditure on social services, rural development and food storage and warehousing under revenue expenditure, capital outlay and loans and advances by the State Governments.

Table 10
Per capita profile of Puducherry

(Rs.crore)

Items	2007-08	2008-09	2009-10	2010-11 (Actuals)	2011-12(RE)	2012-13
Per capita Total Expenditure	23542	26326	31335	35082	30887	42426
Per capita RR	19378	21892	24833	27441	24380	35425
Per capita Plan exp.	10088	9588	12810	13781	13830	23596

Table 11
Fiscal Overview: Puducherry

(Rs. crore)

Sl. No.	Item	2007-08	2008-09	2009-10	2010-11 Actuals	2011-12 R.E.	2012-13 Estimates
1.	Tax Revenue						
1a	State's Own Tax Revenue	653.00	725.00	868.00	1075.00	1500.00	1811.00
2.	Non Tax Revenue						
2a	State's Own Non-Tax Revenue	626.00	629.00	643.00	742.00	135.00	121.00
2b	Grants	857.00	1105.00	1331.00	1383.00	1441.00	2677.00
3.	Total Revenue Receipts	2136.00	2459.00	2842.00	3200.00	3076.00	4609.00
4.	Non Debt Capital Receipts	12.00	5.00	5.00	4.00	6.00	6.00
5.	Total Receipts	2148.00	2464.00	2847.00	3204.00	3082.00	4615.00
6.	Revenue Expenditure (Plan, Non-Plan & CSS)	2232.00	2601.00	3084.00	3552.00	3326.00	3780.00
	i) Subsidies	31.00	31.00	41.00	48.00	48.00	48.00
6a	Plan Expenditure (Plan & CSS Revenue)	844.00	823.00	1093.00	1232.00	1344.00	1528.00
	I) Salaries	109.00	173.00	220.00	271.00	250.00	155.00
6b	Non Plan Revenue Expenditure	1357.00	1747.00	1991.00	2320.00	1982.00	2252.00
	i) Interest Payments	217.00	260.00	288.00	330.00	389.00	453.00
	ii) Pensions	121.00	166.00	289.00	264.00	281.00	405.36
	iii) Salaries	336.00	515.00	648.00	740.00	780.00	922.00
7.	Capital Expenditure (8+9) (Plan & CSS)	394.00	387.00	502.00	539.00	571.00	1740.00
7a	Plan (8a + 9a)	268.00	254.00	373.00	375.00	401.00	1542.00
7b	Non Plan (8b + 9b)	126.00	133.00	129.00	164.00	170.00	198.00
8.	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00
9.	Loans and Advances	425.00	444.00	660.00	926.00	897.00	852.00
9a	Plan	353.00	372.00	588.00	854.00	825.00	780.00
9b	Non Plan	72.00	72.00	72.00	72.00	72.00	72.00
10.	Total Expenditure (6 + 7)	2595.00	2957.00	3586.00	4091.00	3897.00	5520.00
10a	Plan (6a + 7a)	1112.00	1077.00	1466.00	1607.00	1745.00	3070.00
10b	Non Plan (6b + 7b)	1483.00	1880.00	2120.00	2484.00	2152.00	2450.00
11.	Revenue Deficit / Surplus (slnos. 3 - 6)	-96.00	-142.00	-242.00	-352.00	-250.00	829.00
12.	Fiscal Deficit (slnos. 11 - 7 + 4)	-478.00	-524.00	-739.00	-887.00	-815.00	-905.00
13.	Primary Deficit (slnos. 12 + 6b(i))	-261.00	-264.00	-451.00	-557.00	-426.00	-452.00
14.	Total Outstanding Liabilities (end of the year)	2923.00	3325.00	3887.00	4040.00	4712.00	5048.00
15.	GSDP (at current prices)	9251.43	10262.75	11255.23	12929.00	13724.03	15229.00

NOTE: Under Item 2b in B.E. 2012-13, a sum of Rs.1100.00 crore has been included as Grants towards the THANE Cyclone relief and other infrastructure related projects.

**Annex-III
Puducherry**

Scheme of Financing for Annual Plan 2012 – 13

(Rs. Crore)

Sl. No.	Item	Annual Plan				% Variation	
		2011 -12 Approved	2011 - 12 LE	2012 - 13 State Est.	2012 - 13 FR Est.	2012-13 (FR Est) over Approved	2012-13 (FR Est) over LE
A.	State Government						
1.	State's Own Resources (a to f)	1320.23	652.49	535.72	535.72	-59.42	-17.90
a.	Balance from Current Revenues	1001.25	659.19	334.43	334.43	-66.60	-49.27
b.	MCR (excluding deductions for repayment of loans)	-80.67	-81.70	-98.71	-98.71	22.36	20.82
c.	Plan Grants from GoI (12th/13th FC)	-	-	-	-	-	-
d.	ARM	100.00	75.00	300.00	300.00	200.00	300.00
e.	Reimbursement of CST Collection	-	-	-	-	-	-
f.	Adjustment of Opening Balance	299.65	-	-	-	-	-
2.	State's Borrowings (i-ii)	1050.00	728.23	780.00	780.00	-25.71	7.11
(I)	Gross Borrowings (a to h)	1050.00	728.23	780.00	780.00	-25.71	7.11
a.	State Provident Fund (Net)	-	-	-	-	-	-
b.	Small Savings	25.00	25.23	25.00	25.00	0.00	-0.91
c.	Gross Market Borrowings	600.00	533.00	600.00	600.00	0.00	12.57
d.	Negotiated Loans (HUDCO) / NABARD	325.00	170.00	155.00	155.00	-52.31	-8.82
e.	Bonds/Debentures	-	-	-	-	-	-
f.	Loans portion of NCA	-	-	-	-	-	-
g.	Loans for EAPs (Tsunami)	100.00	-	-	-	-	-
(ii)	Repayments	-	-	-	-	-	-
3.	Central Assistance (a to c)	379.77	283.28	1709.28	620.00	63.26	118.86
a.	Normal Central Assistance	140.00	140.00	504.10	504.10	260.07	260.07
b.	ACA	-	-	-	-	-	-
c.	Other (in Annex IV)	239.77	143.28	1215.90#	115.90	45.29	252.49
Total A: State Government Resources (1+2+3)		2750.00	1664.00	3025.00	1935.72	-29.61	16.33
B.	Public Sector Enterprises (PSEs)	-	-	-	-	-	-
C.	Local Bodies	-	-	-	-	-	-
D.	Aggregate Plan Resources (A+B+C)	2750.00	1664.00	3025.00	1935.72	-29.61	16.33
E.	State Plan Outlay	2750.00	1664.00	3025.00	3025.00	10.00	81.79

An amount of Rs.1100 crore has been projected in B.E. 2012-13 for building permanent reconstruction, restoration and Mitigation measures in respect of important damaged infrastructure due to THANE Cyclone and various infra-structure related projects which the Puducherry during December 2011.

**Components of Additional Central Assistance (ACA) Of Other
Schemes for 2012-13**

(Rs. Crore)

Sl. No.	Schemes	2011 - 12			2012 - 13	
		Budget	RE	Releases as per CPSMS	UT Estimate	FR Estimate (#)
1	National Social Assistance Programme (NSAP)	6.82	8.73	6.82	8.73	8.73
2	National E-Governance Action Plan (NEGAP)	1.45	1.20	1.20	1.45	1.45
3	Rashtriya Krishi Vikas Yojana (RKVY)	31.29	11.74	23.48	0.00	0.00
4	Central Road Fund (CRF)	10.21	10.21	--	10.72	10.72
5	Accelerated Irrigation Benefit Programme (AIBP)	30.00	1.00	--	0.00	0.00
6	Jawaharlal Nehru National Urban Renewal Mission (JNNURM)	60.00	41.08	37.01	95.00	95.00
7	One Time ACA	100.00	69.32	--	1100.00	--
	Total	239.77	143.28	68.51	1215.90	115.90

Source: Expenditure Budget, Vol.-II.

Balance from Current Revenues (BCR) Estimates for the Annual Plan 2012 – 13

(Rs. crore)

Sl. No.	Item	Annual Plan				% Variation	
		2011 - 12	2011 - 12	2012-13		2012-13 (FR Est) over Approved	2012-13 (FR Est) over LE
		Approved	LE	State Est.	FR Est.		
I.	NON PLAN REVENUE RECEIPTS (1 TO 5)	2987.00	2637.31	2555.00	2555.00	-14.46	-3.12
1.	Share in Central Taxes	-	-	-	-	-	-
2.	State's Own Tax Revenue	2034.00	1685.49	1771.00	1771.00	-12.93	5.07
3.	Non Tax Revenue	130.00	135.00	121.00	121.00	-6.92	-10.37
4.	Non Plan Grants from Centre (4.1 to 4.4)						
	4.1 Revenue Deficit Grant	493.00	688.00	513.00	513.00	4.06	-25.44
	4.2 Compensation of CST	150.00	90.19	150.00	150.00	0.00	66.32
	4.3 Modernisation of Police Force	-	15.24	-	-	-	-
	4.4 Reimbursement of CST Collection	180.00	-	-	-	-	-
5.	Opening Balance	-	23.39	-	-	-	-
II.	NON PLAN REVENUE EXPENDITURE (6 TO 10)	1985.75	1978.12	2220.57	2220.57	11.83	12.26
6.	Non Developmental Expenditure (6.1 to 6.5)	957.60	1071.74	1186.35	1186.35	23.89	10.69
6.1	Interest Payments	420.68	390.14	452.83	452.83	7.64	16.07
6.2	Appropriation for reduction or avoidance of debt	12.00	12.31	40.00	40.00	233.33	224.94
6.3	Pension Payments	272.30	330.36	366.00	366.00	34.41	10.79
6.4	Salaries	115.46	175.81	212.00	212.00	83.61	20.58
6.5	Others	137.16	163.12	115.52	115.52	-15.78	-29.18
7.	Developmental Expenditure (7.1 to 7.2)	1028.15	906.38	1034.22	1034.22	0.59	14.10
7.1	Salaries	591.20	536.85	709.86	709.86	20.07	32.23
7.2	Others	436.95	369.53	324.36	324.36	-25.77	-12.22
8.	Pay and DA Revision (Not Included in 6.4 & 7.1)	-	-	-	-	-	-
9.	Additional Funds to be devolved to Local Bodies	-	-	-	-	-	-
10.	Plan Transfers to Local Bodies & PSEs (Excl. CSS)	-	-	-	-	-	-
III.	BCR (I-II)	1001.25	659.19	334.43	334.43	-66.60	-49.27