



Summary Report for the State of Goa



1. Demography

As per Census population projections for 2022-23, Goa has a population of 1.6 million and represents 0.1 per cent of India's total population.¹ The State's projected population growth rate, at 0.5 per cent, is slower than the national average of 0.9 per cent, as of 2022-23. The State's population density (394 persons per sq. km.) is lower and dependency ratio (55.6 per cent) is comparable to the respective national averages for 2021 projections. According to 2023 projections, majority of the State's population, 75.8 per cent, resides in urban areas. The sex ratio in the State, as per the National Family Health Survey (NFHS V), is lower than the national average, as of 2019-21.

As of 2022-23, both the State's annual unemployment rate, at 9.7 per cent and Female Labour Force Participation Rate, at 42.3 per cent, are higher than the respective national averages. The working population in the State is predominantly concentrated in the Services (58.8 per cent); Manufacturing (18.4 per cent); Agriculture (12.2 per cent); and Construction (8.3 per cent) sectors.²

2. Economic Structure (Growth and Sectoral Composition)

Goa's real GSDP grew at an average rate of 3.4 per cent during the period 2012-13 to 2021-22, which is much lower than the national average growth of 5.6 percent.³ The State's share in the country's nominal GDP increased marginally from 0.2 per cent in 1990-91 to 0.4 per cent in 2020-21. Its nominal per capita income is more than three times the national per capita income, as of 2021-22.

Among the major sectors, Industry has a share of 52.2 per cent in the State's GSVA, followed by Services (40.1 per cent) and Agriculture (7.7 per cent), in that order. During the period 2013-14 to 2022-23, these three sectors grew by 7.3 per cent, 4.8 per cent, and 4.2 per cent per annum, respectively.⁴

3. Socio-economic Indicators

Goa's literacy rate, at 88.7 per cent, is higher than the national average of 73 per cent as of 2011.⁵ As of 2016-17, the State had a lower school drop-out rate (16 per cent for Classes VIII-X) and a higher pass percentage for Classes X (98 per cent) and XII (92.4 per cent) as compared to the respective national benchmarks. The Gross Enrolment Ratio at the Higher Secondary level (75.8 per cent in 2015-16) and at the Higher Education level (33.8 per cent in 2021) were both higher than the respective national averages.⁶ For people aged 18 to 23 years, both the

¹ Projected data on population growth rate, dependency ratio, population density, and urban population is sourced from "Population Projections for Indian States 2011-2036" by the Technical Group on Population Projections, National Commission on Population, Ministry of Health and Family Welfare, Government of India.

² Data on unemployment, female labour force participation, and workforce distribution is from the Periodic Labour Force Survey, 2017-18 to 2023-24.

³ Data used in section 3 on economic growth is sourced from Ministry of Statistics and Programme Implementation (MoSPI), as of August 2023.

⁴ Data used is sourced from MoSPI, as of March 2024.

⁵ Literacy data is sourced from Office of the Registrar General and Census Commissioner, Ministry of Home Affairs, 2011.

⁶ Data on dropout rates, pass percentage of students and Gross Enrolment Ratio at Higher Secondary Level is taken from Unified District Information System for Education, 2015-16.

Gender Parity Index in higher education (the ratio of girls to boys enrolled in higher education institutions) and college density are higher than the respective national benchmarks, as of 2021.⁷

The Infant Mortality Rate (5 deaths per 1000 live births in 2020) and Total Fertility Rate (1.3 children per women in 2019-21) are significantly below the respective national benchmarks. The share of fully immunised children (81.9 per cent) is higher than the national average, as of 2019-21. The State has shown an improvement on “quality of life” indicators over the decades. Household access to drinking water (98.2 per cent) and sanitation facilities (87.7 per cent) are above the respective national benchmarks, as of 2021. All the households in the State had access to electricity, as of 2021.

4. State of Public Finances and Tax Devolutions

Goa’s debt-to-GSDP ratio, at 33.5 per cent in 2022-23,⁸ is higher than that of a median State. Its contingent liabilities, at 0.8 per cent of GSDP, are lower than those of a median State, as of 2021-22. Both the fiscal deficit (4.8 per cent) and primary deficit (2.7 per cent) are higher than those of a median State, as of 2022-23.⁹ The State has a revenue surplus of 0.6 per cent of GSDP in 2022-23 while a median State runs a deficit of 0.4 per cent.

The State’s total revenue receipts (Own Tax, Own Non-Tax, and shared by the Centre), at 19.9 per cent, were at par with that collected by a median State. The State’s expenditure-to-GSDP ratio, at 24.7 per cent, is higher than that of a median State.

Debt sustainability projections for the State reveal that its debt-to-GSDP ratio is likely to increase by more than 3 percentage points in the next five years starting from 2021-22 under the baseline scenario (where debt level, primary deficit, real GDP growth, and real effective interest rate remain constant at their decadal average from 2012-13 to 2021-22). Due to a high standard deviation in the real growth rate for the last ten years, the projected outcomes for debt-to-GSDP in the two optimistic scenarios of higher growth are extremely benign. The State’s contingent liabilities are nearly 1 per cent of GSDP.

The State’s share in taxes from the Centre, as per the Finance Commission (FC) recommendations, remained consistent at 0.4 per cent under the 14th and 15th FC recommendations. The State’s share in the total Grants-in-Aid remained low, but increased to 0.2 per cent of the total under the 15th FC from 0.1 per cent under 14th FC recommendations.

⁷ Gross Enrolment Ratio at Higher Education Level, Data on Gender Parity Index, and College Density are taken from the All-India Survey on Higher Education, 2020-21.

⁸ Data on fiscal variables is sourced from Reserve Bank of India, State Finances Report, as of December 2023.

⁹ For calculation of the median State, the variable as a percentage of GSDP was computed for each State, with the median across 22 major States shown (excluding all Union Territories and Northeastern States, except Assam). The Macro and Fiscal Landscape State brief includes this benchmark in the States’ Median (Large States), Column 6, Table 4A.

5. Fiscal Rules

The Goa Fiscal Responsibility and Budget Management (FRBM) Act 2007 was enacted as per recommendations of the 12th FC. It requires the State Government to present the Macroeconomic Framework Statement, Medium Term Fiscal Policy Statement, and a Fiscal Policy Strategy Statement alongside the budget every year.¹⁰ As noted by the CAG, the State Government has not prepared the required MTFP Statement since 2011-12, but assured its inclusion in the 2023-24 Budget. Since its enactment in 2007, the Act has been amended in 2014, 2021 and 2022.

Revenue Deficit: The Goa FRBM 2007 required the State to eliminate the revenue deficit by 31 March 2009 and maintain a balanced budget thereafter. It also set a target to reduce the revenue deficit ratio by 1.5 per cent annually. The 2014 amendment of the Act extended the deadline for eliminating the revenue deficit to 31 March 2015 and to adhere to it thereafter.

Fiscal Deficit: The 2007 Act mandated the State to reduce its fiscal deficit-to-GSDP ratio starting in FY 2006-07, with a medium-term goal of maintaining it below 3 per cent by 31 March 2009. The 2014 amendment reiterated this goal beginning 2013-14. The 2021 amendment allowed the State to exceed the 3 per cent limit by an additional borrowing of 2 percentage of GSDP, while the 2022 amendment permitted an extra 1 per cent fiscal space over the 3 per cent limit for FY 2022-23.

Outstanding Liabilities: Initially the State Act of 2007 mandated that total liabilities should not exceed 30 per cent of GSDP by 31 March 2009, and be maintained thereafter. The 2014 amendment required the State to reduce this ratio to 27 per cent by 31 March 2015, and to bring it below 25 per cent thereafter.

Outstanding Guarantees: As per the 2014 amendment to the Goa FRBM, the State was required to cap the total outstanding guarantees within the specified limit under the Goa State Guarantees Act, 1993. Other fiscal targets set under the Act included ensuring that the ratio of interest payments to total revenue receipts did not exceed 20 per cent by 31 March 2009, and maintaining it thereafter.

Fiscal Discipline: As per the State Finances Audit Report of the Comptroller and Auditor General of India (CAG), during the period 2017-18 to 2021-22, the State missed achieving the revenue deficit targets for only two out of five years (2019-20 and 2020-21), but was able to meet fiscal deficit targets for all the five years. However, the State failed to achieve the targeted ratios for the outstanding liabilities for all the five years.

¹⁰ Data is sourced from State Audit Report of the CAG for the respective years and the State Government Gazette.