



सत्यमेव जयते

ACCOUNTS AT A GLANCE 2018-19



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENT)
MAHARASHTRA



GOVERNMENT OF MAHARASHTRA

Preface

This is the twenty-first issue of the annual publication 'Accounts at a Glance'.

The Annual Accounts of the State Government are prepared under the directions of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State.


The Annual Accounts consist of (a) Finance Accounts and (b) Appropriation Accounts.

Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditure against provisions approved by the State Legislature/provision for charged expenditure and offer explanations for variations between the actual expenditure and the funds provided.

The Accountant General (Accounts and Entitlements)-I, Maharashtra prepares the State Finance Accounts and the Appropriation Accounts of the Government of Maharashtra.

'Accounts at a Glance' provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs.

We look forward to suggestions that would help us in improving the publication.



(ANANTA KISHORE BEHERA)
ACCOUNTANT GENERAL (A&E) - I,
MAHARASHTRA

PLACE: Mumbai

DATE: 5 March 2020

Our Vision, Mission and Core Values

The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become.

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognized for independent, credible, balanced and timely reporting on public finance and governance.

VISION

Our mission enunciates our current role and describes what we are doing today.

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders: the Legislature, the Executive and the Public that public funds are being used efficiently and for the intended purposes.

MISSION

Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.

- ❖ Independence
- ❖ Objectivity
- ❖ Integrity
- ❖ Reliability
- ❖ Professional Excellence
- ❖ Transparency
- ❖ Positive Approach

CORE VALUES

Table of Contents

Chapter I	Overview	Page
1.1	Introduction	1
1.2	Structure of Accounts	1
1.3	Finance Accounts and Appropriation Accounts	3
1.4	Sources and Application of Funds	6
1.5	Fiscal Responsibility and Budget Management (FRBM) Act. 2005	9
<hr/>		
Chapter II	Receipts	
2.1	Introduction	12
2.2	Revenue Receipt Components	12
2.3	Sector-wise Tax Revenue	14
2.4	Trend in State's share of Union Taxes over the past five years	16
2.5	Efficiency of tax collection	17
2.6	Grants-in-aid	17
2.7	Public Debt	18
<hr/>		
Chapter III	Expenditure	
3.1	Introduction	21
3.2	Revenue Expenditure	21
3.3	Sectoral Distribution of Revenue Expenditure	23
3.4	Capital Expenditure	25
3.5	Committed Expenditure	27
<hr/>		
Chapter IV	Appropriation Accounts	
4.1	Summary of Appropriation Accounts	29
4.2	Trend of Savings/Excess during the past five years	30
4.3	Significant Savings	30
<hr/>		
Chapter V	Assets and Liabilities	
5.1	Assets	36
5.2	Investments and Returns	36
5.3	Cash Balance and investments of Cash Balances	36
5.4	Debt and Liabilities	37
5.5	Guarantees (Contingent Liabilities)	38
<hr/>		
Chapter VI	Other Items	
6.1	Adverse Balance in Internal Debt	39
6.2	Loans and Advance by the State Government	39

Table of Contents

Chapter VI	Other Items	Page
6.3	Non-confirmation of balances by the State Government under Loans and Advances	39
6.4	Financial assistance to Local Bodies and other Institutions	39
6.5	Reconciliation of Accounts	40
6.6	Submission of Accounts by Accounts Rendering Units	40
6.7	Un-adjusted Abstract Contingent (AC) Bills	41
6.8	Status of Suspense Balances and Remittances Balances	42
6.9	Status of outstanding Utilisation Certificates	42
6.10	Commitments on account of Incomplete Capital works	43
6.11	Non-transfer of Funds accumulated under New Pension Schemes	44
6.12	Operation of Personal Deposit (PD) Accounts	44
6.13	Rush of Expenditure	45
6.14	Reserve Funds	45

1.1 Introduction

The monthly accounts of the Government of Maharashtra are compiled and consolidated from the accounts submitted by the District Treasuries, Pay & Accounts Office, Mumbai, Public Works and Forest Divisions, *etc.*, to the Accountant General (Accounts and Entitlement), Maharashtra. The compilation is done from the initial accounts rendered by 34 District Treasuries and one Virtual Treasury (accounting e-receipts), 338 Public Works Divisions, 172 Forest Divisions, compiled accounts of Pay and Accounts Office, Mumbai and Advices of the Reserve Bank of India. The Annual Accounts *viz.* the Finance Accounts and the Appropriation Accounts are prepared by the Accountant General (A&E) under the supervision of the Comptroller and Auditor General of India in accordance with requirements of Articles 149, 150 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

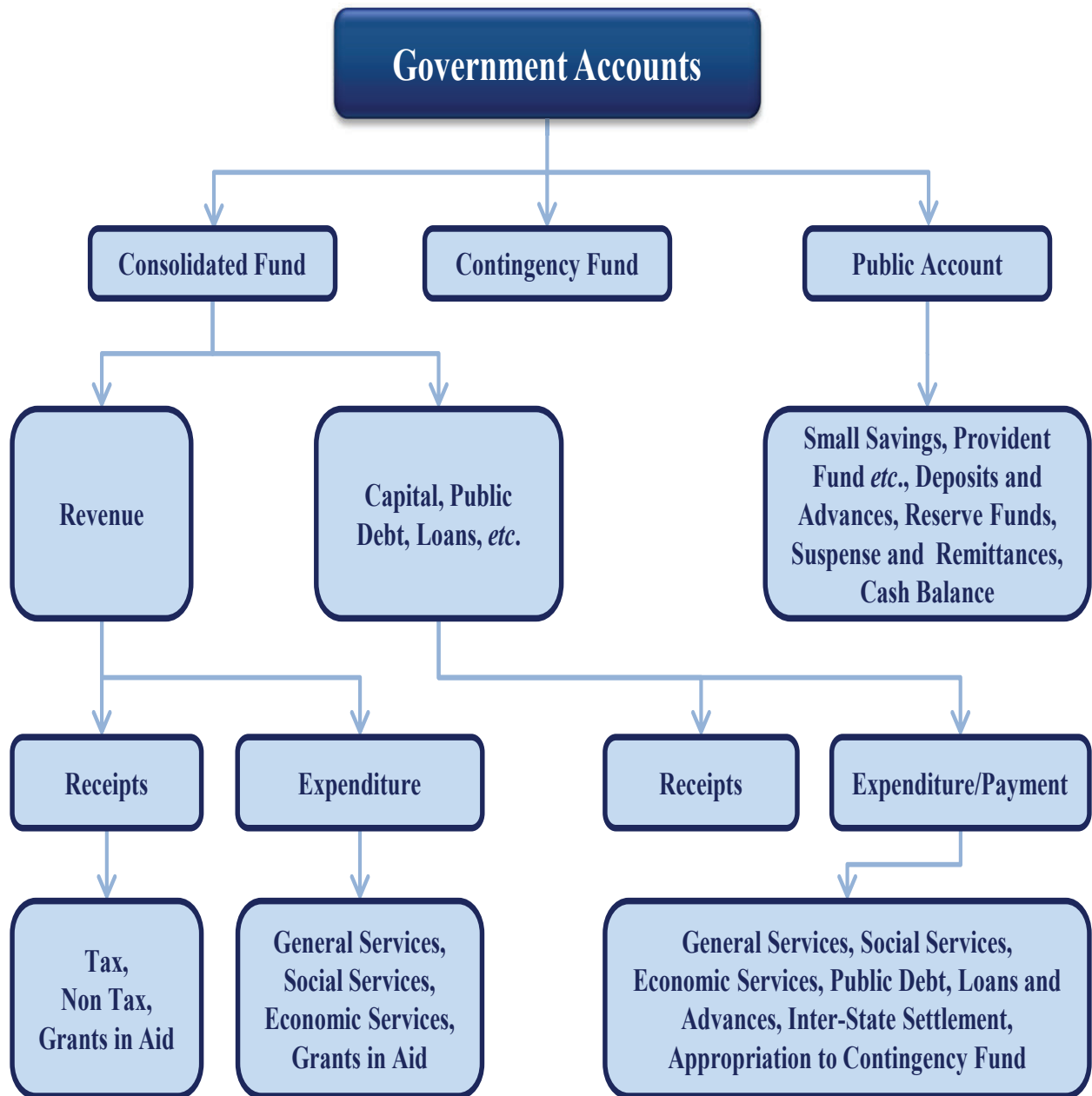
The Finance Accounts of Government of Maharashtra presents the financial position of the State along with details of receipts and disbursements of the Government for the year. The Appropriation Accounts presents the sums expended in the year against the provisions specified in the schedules appended to the Appropriation Act.

1.2 Structure of the Government Accounts

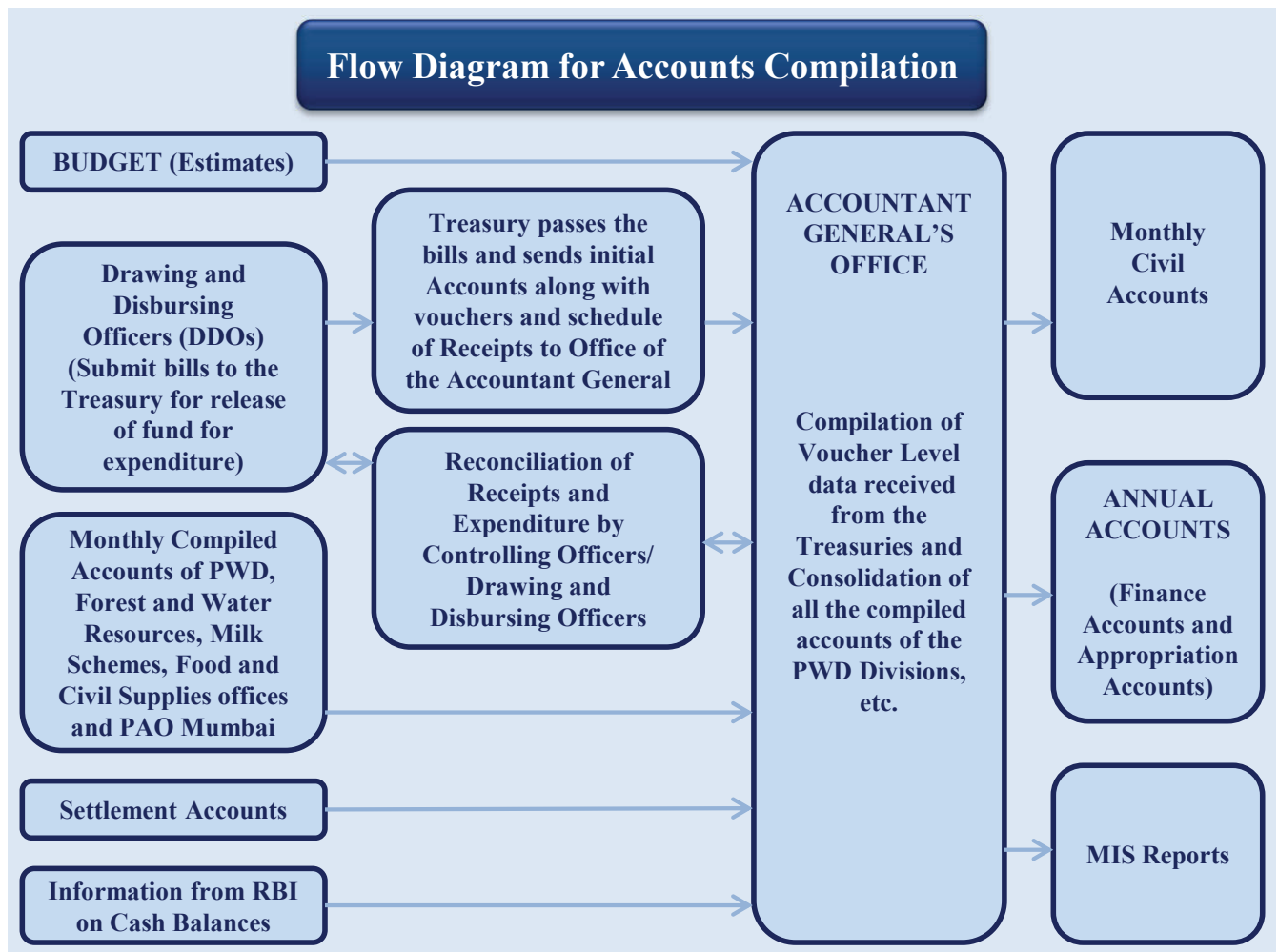
1.2.1 The Government accounts are kept in three parts:

Part I CONSOLIDATED FUND	This part comprises all Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances of the State Government.
Part II CONTINGENCY FUND	It is in the nature of an imprest to meet unforeseen expenditure not provided for in the budget. The amount drawn from this Fund is recouped subsequently from the Consolidated Fund.
Part III PUBLIC ACCOUNT	This comprises Debt (other than Public debt referred to in Part I), Small Savings, Provident funds, <i>etc.</i> , Deposits, Advances, Suspense and Remittances transactions. The role of the Government in respect of this account is only as a banker or trustee.

1.2.2 The pictorial representation of Structure of Government Accounts



1.2.3 Compilation of Accounts



1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

Finance Accounts present the accounts of receipts and outgoings of the Government for the year together with the financial results disclosed by the revenue and capital accounts, the accounts of public debts and the liabilities and assets as worked out from the balances recorded in the accounts. The Finance Accounts have been prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarised statements of receipts & disbursements (revenue expenditure, capital expenditure, loans and advances and public debt), investments, guarantees, grants-in-aid and 'Notes to Accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains detailed statements (Part-I) and appendices (Part-II).

1.3.2 Financial Highlights of year 2018-19

The following Table provides the details of actual Financial Results vis-a-vis Budget Estimates for the year 2018-19

(₹ in crore)

Sr. No.	Head	B.E. 2018-2019	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP
1	Tax Revenue	2,31,554	2,29,491	99	9
2	Non-Tax Revenue	22,785	15,844	70	1
3	Grants-in-aid & Contributions received	31,629	33,662	106	1
4	Revenue Receipts (1+2+3)	2,85,968	2,78,997	98	10
5	Recovery of Loans and Advances	2,266	1,604	71	...
6	Other Receipts	...	...	...	...
7	Borrowings & Other Liabilities	50,586	23,015 [#]	45	1
8	Capital Receipts (5+6+7)	52,852	24,619	47	1
9	Total Receipts (4+8)	3,38,820	3,03,616	90	11
10	Committed Expenditure (CE) (11+13)	1,82,913	2,00,299	110	8
11	CE on Revenue Account	1,77,804	1,96,076	110	7
12	CE on Interest Payments out of 11	31,027	34,021	110	1
13	CE on Capital Account*	5,109	4,223	83	0
14	Scheme Expenditure (SE) (15+16)	1,00,840	1,03,317	102	4
15	SE on Revenue Account	70,445	70,946	101	3
16	SE on Capital Account	30,395	32,371	107	1
17	Total Expenditure (10+14)	3,38,820	3,03,616	90	11
18	Revenue Expenditure (11+15)	3,01,343	2,67,022	89	10
19	Capital Expenditure (13+16)*	37,477	36,594	98	1
20	Revenue Surplus (18-4)	(-15,375)	11,975	-78	0
21	Fiscal Deficit 17-(4+5+6)= 7	50,586	23,015	45	1

Except where indicated otherwise, GSDP figures (₹26,60,318 crore) used in this publication are adopted from the Directorate of Economics and Statistics, Government of Maharashtra.

* Includes Loans and Advances of ₹1,545 crore disbursed

[#] This differs from Statement No.6 - Statement of Borrowing and Other Liabilities of the Finance Accounts as this is arrived at considering net of Public Debt, Appropriation to Contingency Fund, Contingency Fund, Public Account and Opening and Closing Cash Balances, etc.

Receipts and disbursements in year 2018-19



* Includes ₹ 42,054 crore on account of 'Share of Union Taxes/Duties'. (State Government own tax receipts were ₹ 1,87,437 crore which was seven per cent of GSDP)

[#] This differs from Statement No.6 - Statement of Borrowing and Other Liabilities of the Finance Accounts (2018-19) as this is arrived at considering net of Public Debt, Appropriation to Contingency Fund, Contingency Fund, Public Account and Opening and Closing Cash Balances, etc.

1.3.3 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts ‘charged’ on the Consolidated Fund or ‘voted’ by the State Legislature. There are 27 charged Appropriations, 220 Voted Grants and 48 combined (charged and voted) provisions.

1.3.4 Efficiency on Budget Preparation

The Appropriation Act, 2018-19 had provisions for gross expenditure of ₹ 4,16,791 crore and reduction of expenditure (recoveries) of ₹ 9,926 crore. Against this, the actual gross expenditure was ₹ 3,42,935 crore and reduction of expenditure was ₹ 10,675 crore, resulting in net saving of ₹ 73,856 crore under expenditure and under estimation of ₹ 749 crore on reduction of expenditure. The gross expenditure includes ₹ 862 crore drawn on Abstract Contingent (AC) Bills, out of which AC bills valuing ₹ 829 crore are outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances to enable State Governments to maintain their minimum cash balance/liquidity. When there is a shortfall in the agreed minimum cash balance (₹ 5.58 crore for Maharashtra) with RBI on any day, the deficiency is made good by special and ordinary ways and means advances from RBI. No Ways and Means advance was availed during the year 2018-19. Details of Ways and Means Advances availed during past five years are as detailed below:-

	2014-15	2015-16	2016-17	2017-18	2018-19
Number of days on which minimum balance was maintained by obtaining Ways and Means Advances	3	....	....	7	....

1.4.2 Overdraft from the Reserve Bank of India

Overdraft is obtained from Reserve Bank of India when the State is not able to maintain minimum cash balance even after obtaining Ways and Means Advances. Overdraft can be availed upto 14 consecutive working days and 36 working days in quarter. No Overdraft was availed during past five years.

1.4.3 Fund Flow Statement

The State had a Revenue Surplus of ₹ 11,975 crore and a Fiscal Deficit of ₹ 23,015 crore. The Fiscal Deficit constituted eight *per cent* of total expenditure. The deficit was met mainly from Public Debt (₹ 909 crore), increase in balances of Public Account (₹ 23,048 crore) and increase in cash balance at the end of the year (₹ 942 crore). Around 31 *per cent* of the revenue receipts (₹ 2,78,997 crore) of the State Government was spent on committed expenditure like salaries and wages (₹ 32,084 crore), interest payments (Major Head – 2049 – Interest Payments – ₹ 34,021 crore) and pensions (Major Head – 2071 – Pensions and Other Retirement Benefits – ₹ 20,490 crore).

1.4.4 Sources and Application of Funds

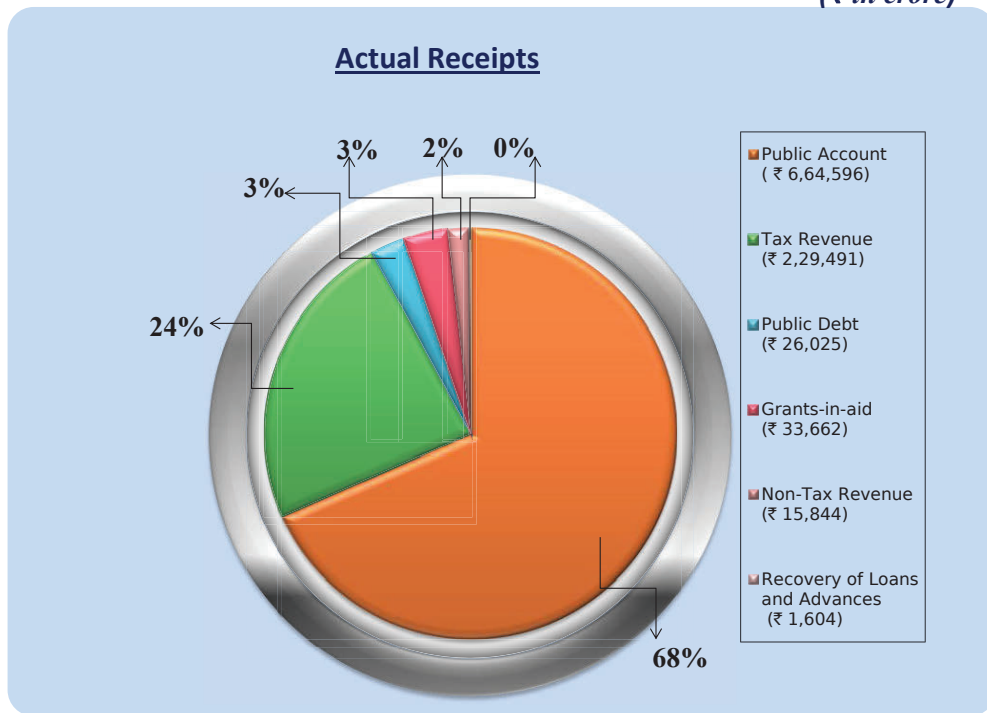
		(₹ crore)
SOURCES	Particulars	Amount
	Opening Cash Balance as on 01.04.2018	(-)3,908
	Revenue Receipts	2,78,997
	Miscellaneous Capital Receipts	....
	Recovery of Loans and Advances	1,604
	Public Debt	26,025
	Small Savings, Provident Fund & Others	4,869
	Reserves and Sinking Funds	5,067
	Deposits Received	43,545
	Civil Advances Recovered	2,187
	Suspense Accounts	5,70,723*
	Remittances	38,205
TOTAL :	9,67,314	
APPLICATION	Revenue Expenditure	2,67,022
	Capital Expenditure	35,049
	Loans Given	1,545
	Repayment of Public Debt	25,116
	Small Savings, Provident Funds & Others	4,378
	Reserves and Sinking Fund	6,422
	Deposits Refunded/Utilized	39,222
	Civil Advances Given	2,188
	Suspense Accounts	5,51,290 [#]
	Remittances	38,048
	Contingency Fund	....
	Closing Cash Balance as on 31.03.2019	(-)2,966
TOTAL :	9,67,314	

* Includes ₹ 5,73,775 crore on account of cash balance investment account

Includes ₹ 5,50,621 crore on account of cash balance investment account

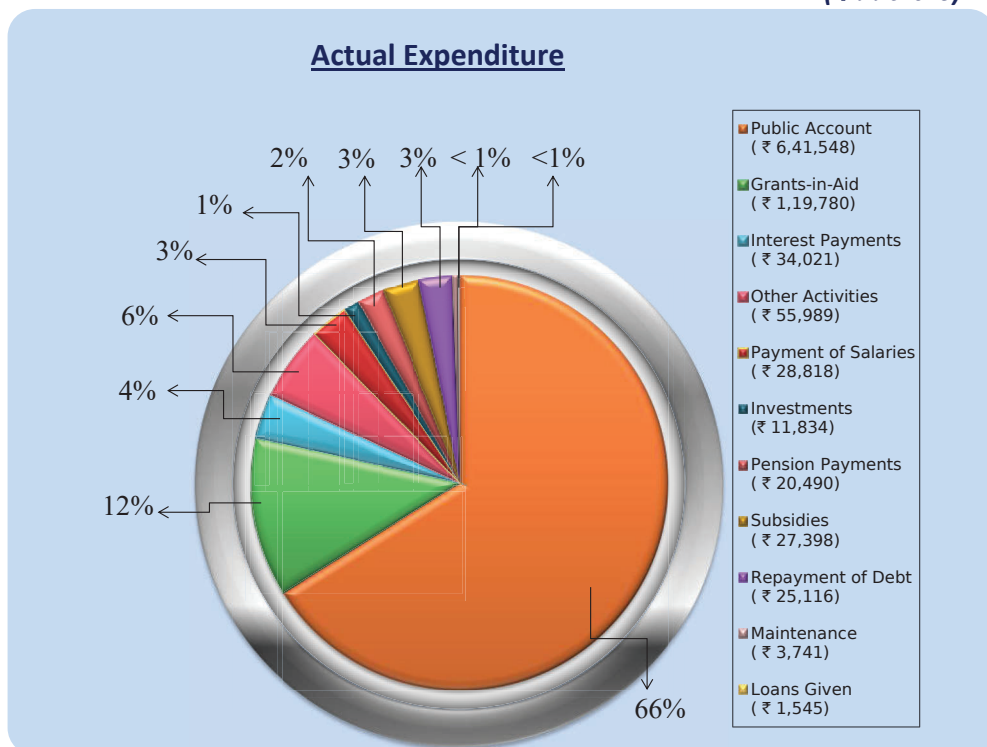
1.4.5 Where the Rupee came from*

(₹ in crore)



1.4.6 Where the Rupee went*

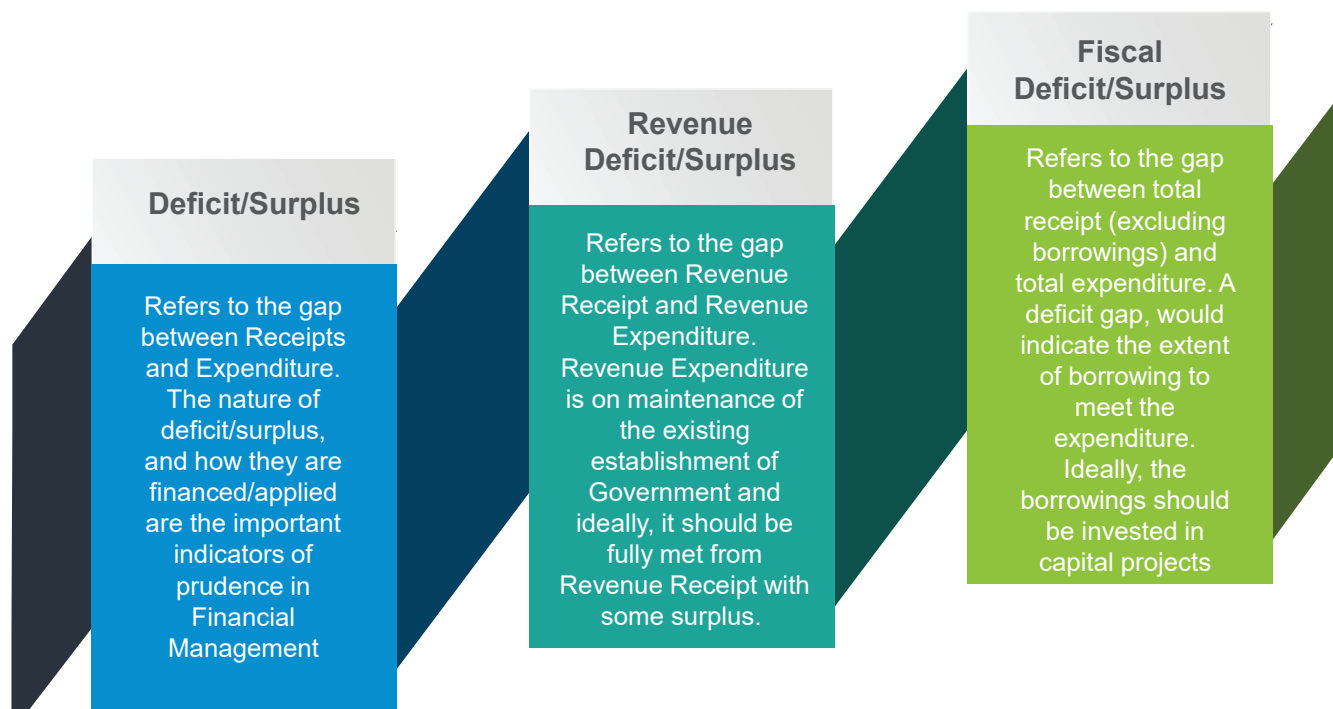
(₹ in crore)



* Excluding opening and closing cash balances.

During the year 2018-19 Revenue Surplus of ₹ 11,975 crore (₹ 2,082 crore Deficit in 2017-18) and fiscal deficit of ₹ 23,015 crore (₹ 23,961 crore deficit in 2017-18) represents 0.45 *per cent* and 0.87 *per cent* of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 7.58 *per cent* of total expenditure.

1.4.7 What do the Deficits and Surpluses indicate?



1.5 Fiscal Responsibility and Budget Management (FRBM) Act, 2005

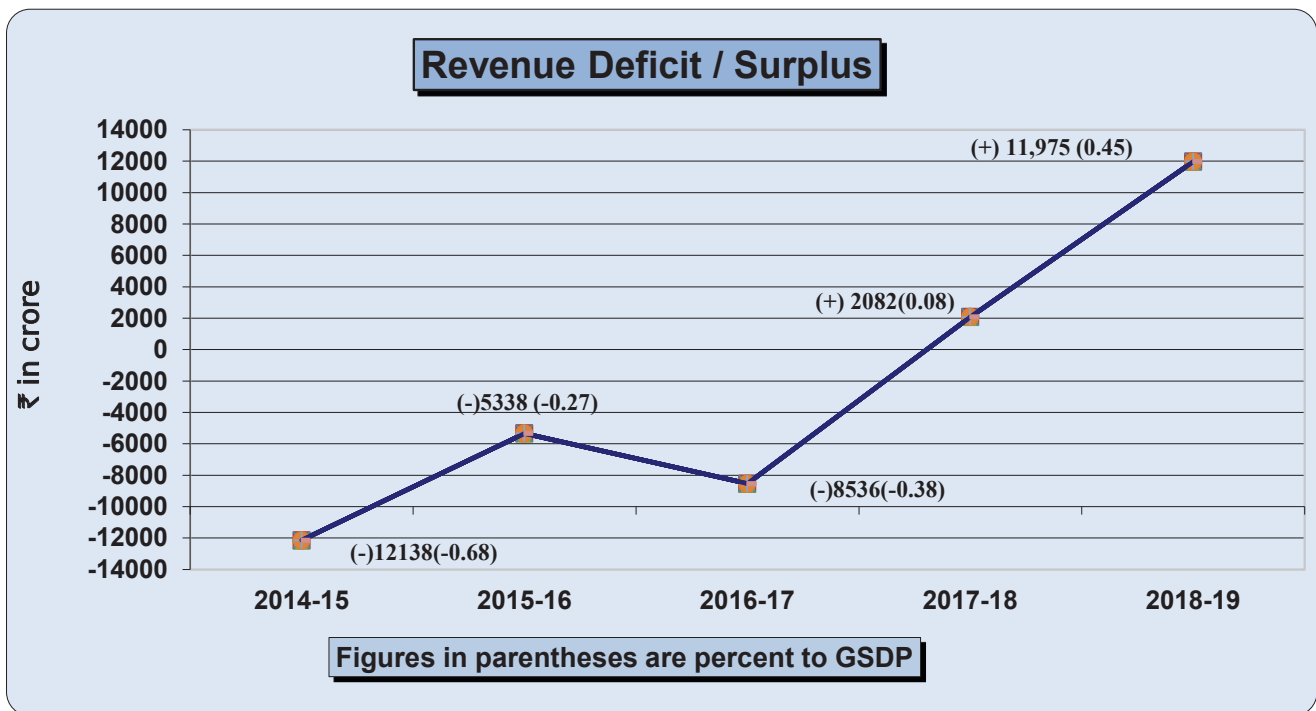
Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. Pursuant to the recommendations of XII Finance Commission, the Government of Maharashtra enacted the FRBM Act, 2005 and notified the corresponding rules in 2006. In accordance with the recommendations of the XIII Finance Commission and the provision of FRBM Act Section 5(1)(a), 5(2)(b) and Rules 3(6), the State laid down certain Fiscal targets to ensure intergenerational equity in fiscal management, fiscal stability by achieving sufficient revenue surplus and prudential debt management consistent with fiscal sustainability, greater transparency in fiscal operation of the State Government.

The Compliance of the State Government in the major areas is given below:

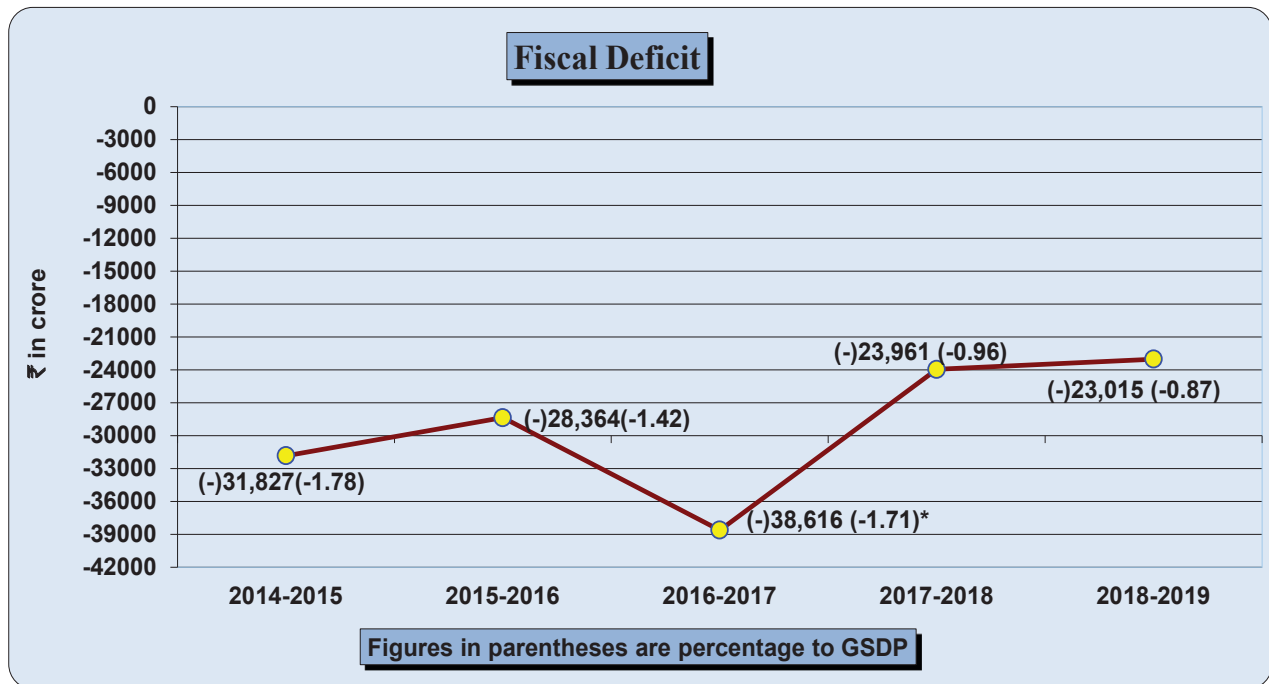
(₹ in crore)

Sr. No.	Financial Parameter	Actual	Ratio to GSDP	
			Target	Achievement
1	Revenue Surplus	11,975	To maintain Revenue Surplus every year from 2009-10 onwards	The accounts of the State recorded Revenue Surplus (Achieved)
2	Fiscal Deficit	23,015	3 per cent or less	0.88 per cent(Achieved)
3	Borrowings (Public Debt)	3,35,022	Within 25 per cent of GSDP	13 per cent(Achieved)

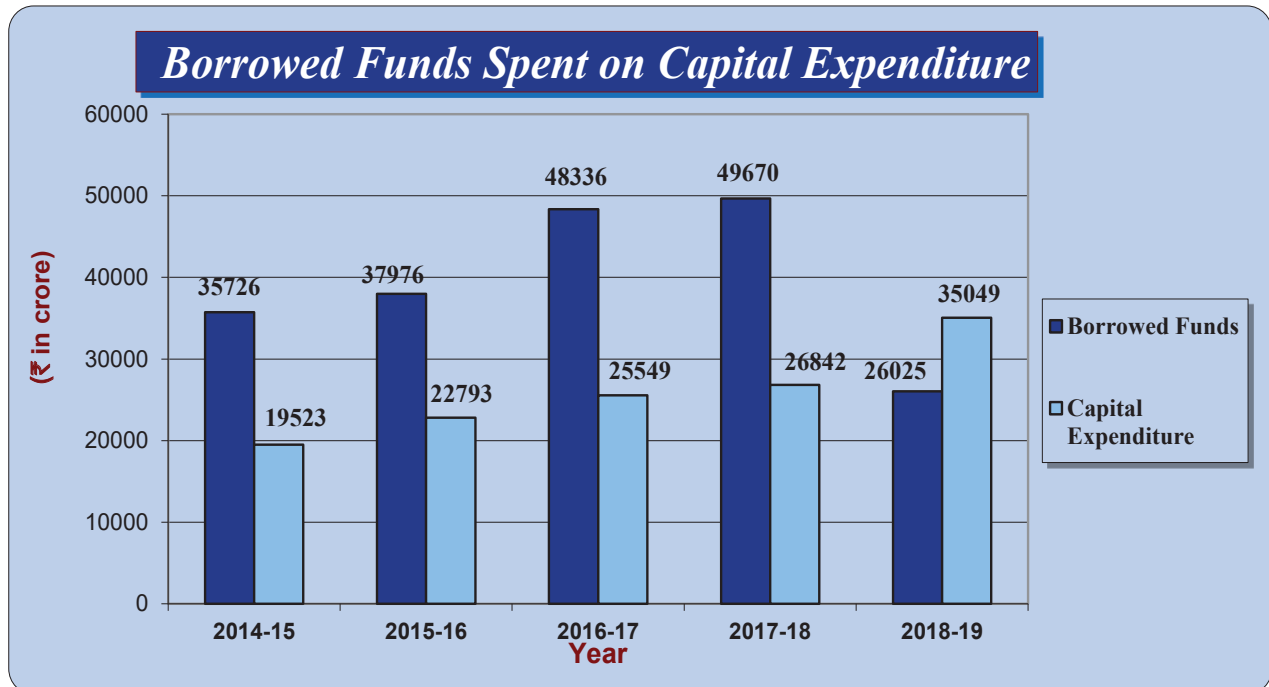
1.5.1 Trend of Revenue Deficit/Surplus over the five years



1.5.2 Trend of Fiscal Deficit



1.5.3 Proportion of borrowed funds spent on Capital Expenditure



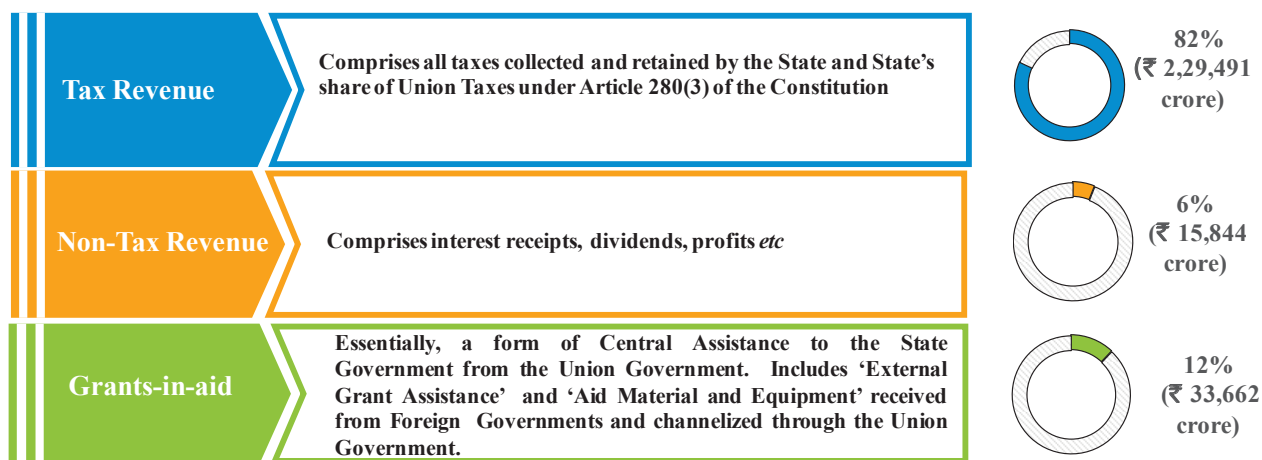
It is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest. The State Government could utilise the borrowed funds fully on capital assets in the year 2018-19.

※ ※ ※ ※ ※

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. The total Revenue Receipts for 2018-19 are ₹ 2,78,997 crore. There is no Capital Receipts during 2018-19 (under Major Head 4000 – Miscellaneous Capital Receipts).

2.1.1 Revenue Receipts (₹ 2,78,997 crore)



2.2 Revenue Receipt Components

2.2.1 Revenue Receipts:

Tax Revenue of ₹ 2,29,491 crore and Non-Tax Revenue of ₹ 15,844 crore formed nine *per cent* and one *per cent* respectively of the GSDP. Major contributor to the revenue were State Goods and Services Tax (₹ 82,352 crore), Taxes on Sales, Trade etc (₹ 35,725 crore) (ratio to GSDP were – 1:32, 1:74 respectively).

Net tax receipts (₹ 2,29,491 crore) during the year was less than the budget estimates (₹ 2,31,554 crore) by ₹ 2,063 crore, mainly on account of less receipts of net proceeds from Central Government under Integrated Goods and Service Tax (₹ 14,335 crore), less collection under State Goods and Services Tax (₹ 7,788 crore), less collection under Taxation on Goods and Passengers (₹ 1,163 crore) and less receipts from Commissioner, Konkan, Pune, Nashik and Nagpur under Land Revenue (₹ 1,112 crore).

Share of various taxes, non-tax revenue and grants-in-aid and contributions to total revenue receipts

are given below:

Revenue Receipts and Grants-in-aid and Contributions

(₹ in crore)

Components	Actuals	Percentage to total Revenue	Percentage to Sub-total
A –Tax Revenue	2,29,49	82	100
Goods and Services Tax*	93,558	33	(41)
Taxes on Income and Expenditure**	27,973	10	(12)
Taxes on Property and Capital and other Transactions	30,639	11	(13)
Taxes on Commodities and Services other than Goods and Services Tax [§]	77,321	28	(34)
B - Non-tax Revenue	15,844	6	100
Fiscal Services [#]
Interest Receipts, Dividends and Profits	4,467	2	(28)
General Services	2,271	1	(14)
Social Services	2,848	1	(18)
Economic Services	6,258	2	(40)
C – Grants-in-aid and Contributions	33,662	12	
TOTAL REVENUE RECEIPTS	2,78,99	100	

2.2.2 Trend of Revenue Receipts

(₹ in crore)

Components	2014-15	2015-16	2016-17	2017-18	2018-19
Tax Revenue	1,32,694 (8)	1,54,714 (8)	1,70,331 (7)	2,05,151 (8)	2,29,491 (9)
Non-tax Revenue	12,581 (1)	13,423 (1)	12,709 (1)	16,679 (1)	15,844 (1)
Grants-in-aid and Contributions	20,140 (1)	16,899 (1)	21,653 (1)	21,823 (1)	33,662 (1)
Total Revenue Receipts	1,65,415 (10)	1,85,036 (10)	2,04,693 (9)	2,43,653 (10)	2,78,997 (10)
GSDP/(Growth Rate of GSDP)	17,92,122 (9)	20,01,223 (12)	22,57,032 (13)	24,96,505 (11)	26,60,318* (7)

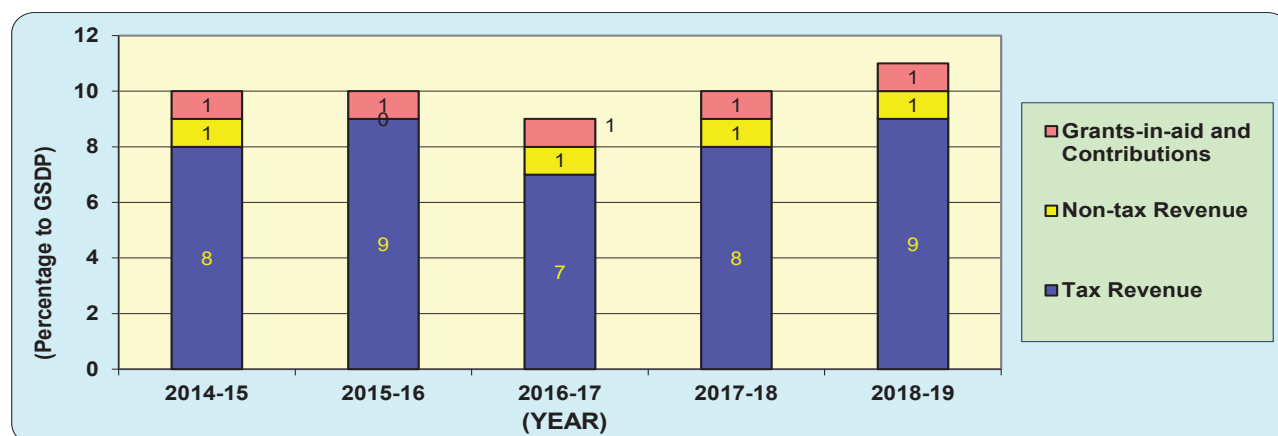
Note : Figures in parentheses represent percentage to GSDP

Less than one crore

* GSDP figures (₹ 26,60,318crore) used in this publication are adopted from the Directorate of Economics and Statistics, Government of Maharashtra.

Though the GSDP increased by seven *per cent* in 2018-19 as compared to previous year, growth in revenue receipts was 15 *per cent*. The total tax revenue (including share of Union Taxes) increased by 12 *per cent*, the non-tax revenue decreased by five *per cent* and the grants-in-aid increased by 54 *per cent* as compared to previous year.

2.2.3 Components under Revenue Receipts as proportion to GSDP



2.3 Sector-wise Tax Revenue

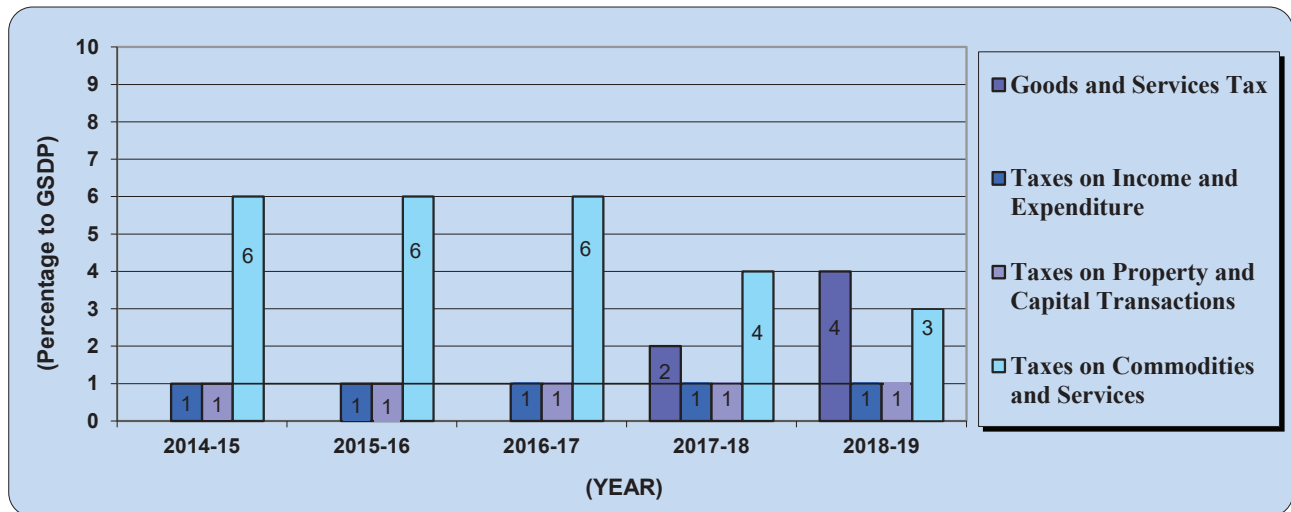
(₹ in crore)

Components	2014-15	2015-16	2016-17	2017-18	2018-19
Goods and Service Tax	...	...	....	54,340	93,558
Taxes on Income and Expenditure	12,712	17,173	20,602	23,210	27,973
Taxes on Property and Capital Transactions	21,248	23,517	22,836	28,751	30,639
Taxes on Commodities and Services	98,734	1,14,024	1,26,893	98,850	77,321
Total Tax Revenue	1,32,694	1,54,714	1,70,331	2,05,151	2,29,491

Tax Revenue of the State increased by ₹ 24,340 crore (12 *per cent*) over the previous year. The increase over previous year was mainly due to increased tax collections, Transfer in from IGST, Apportionment of Tax Component, increased fees collection and interest collection under State Goods and Services Tax (₹ 32,289 crore), increased Compensation on Account of Implementation of GST, increased grants towards contribution to State Disaster Response Fund, and more grants under Proviso to Article 275(i) of the Constitution received under Grants-in-Aid from Central Government (₹ 1,268 crore), more receipts of net proceeds from Central Government under Goods and Services Tax, Corporation Tax (₹ 9,855 crore) and (₹ 3,234 crore) respectively, more collection of taxes on consumption and sales of electricity under Taxes and Duties on Electricity (₹ 2,740 crore), more receipts from Inspector General of Registration and Superintendent of Stamps under Stamps and Registration Fees (₹ 2,103 crore), increased duty on beer manufactured in India, higher excise receipts on wines and spirits manufactured in India and classed as foreign Liquor, higher Transport fee on liquor and

increased Duty on Distillery Spirit under State Excise (₹ 1,871 crore) and more receipts of share of net proceeds from Central Government under Taxes on Income other than Corporation Tax (₹ 1,152 crore) etc.

2.3.1 Trend of Major Taxes in proportion to GSDP



2.3.2 State's own tax and States share of Union Taxes

(₹ in crore)

Year	Total Tax Revenue	States share of Union Taxes	States Own Tax Revenue	
			Amount	Percentage to GSDP
2014-15	1,32,694	17,630	1,15,064	6.4
2015-16	1,54,714	28,106	1,26,608	6.3
2016-17	1,70,331	33,715	1,36,616	6.1
2017-18	2,05,151	37,219	1,67,932	6.7
2018-19	2,29,491	42,054	1,87,437	7.0

The growth rate of Tax Revenue from 2014-15 to 2018-19 is 73 per cent. The growth rate of GSDP from 2014-15 to 2018-19 is 48 per cent.

The State's own tax buoyancy with reference to GSDP showed a decreasing trend from 6.4 per cent in 2014-15 to 6.1 per cent in 2016-17 but increased to 6.7 per cent in 2017-18 and seven per cent in 2018-19.

State's own tax revenue collection with reference to GSDP showed a decreasing trend from 6.4 per cent in 2014-15 to 6.1 per cent in 2016-17 but increased to 6.7 per cent in 2017-18 and seven per cent in 2018-19.

2.4 Trend in State's Share of Union Taxes over the past five years

(₹ in crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Central Goods and Services Tax	....	....	....	522	10,378
Integrated Goods and Services Tax	....	....	....	3,754	828
Corporation Tax	6,147	8,835	10,790	11,388	14,622
Taxes on Income other than Corporation Tax	4,389	6,145	7,499	9,616	10,768
Other Taxes on Income and Expenditure	....	....	....	....	76
Taxes on Wealth	17	2	25	....*	5
Customs	2,847	4,487	4,642	3,753	2,980
Union Excise Duties	1,608	3,730	5,300	3,923	1,981
Service Tax	2,596	4,888	5,459	4,247	390
Other Taxes and Duties on Commodities and Services	26	19	....*	16	26
State Share of Union Taxes	17,630	28,106	33,715	37,219	42,054
Total Tax Revenue	1,32,694	1,54,714	1,70,331	2,05,151	2,29,491
Percentage of Union Taxes to Total Tax Revenue	13	18	20	18	18

* Less than ₹ one crore.

Central tax transfers increased by 13 per cent from ₹ 37,219 crore in 2017-18 to ₹ 42,054 crore in 2018-19. The increase was mainly due to devolution of Taxes under Central Goods and Services Tax (₹ 9,856 crore), Corporation Tax (₹ 3,234 crore), Taxes on Income other than Corporation Tax (₹ 1,152 crore), etc.

2.5 Efficiency of tax collection

The gross collection in respect of three major heads of revenue receipt, the expenditure incurred on their collection and the percentage of such expenditure to the gross collection during past three years are given in the following table.

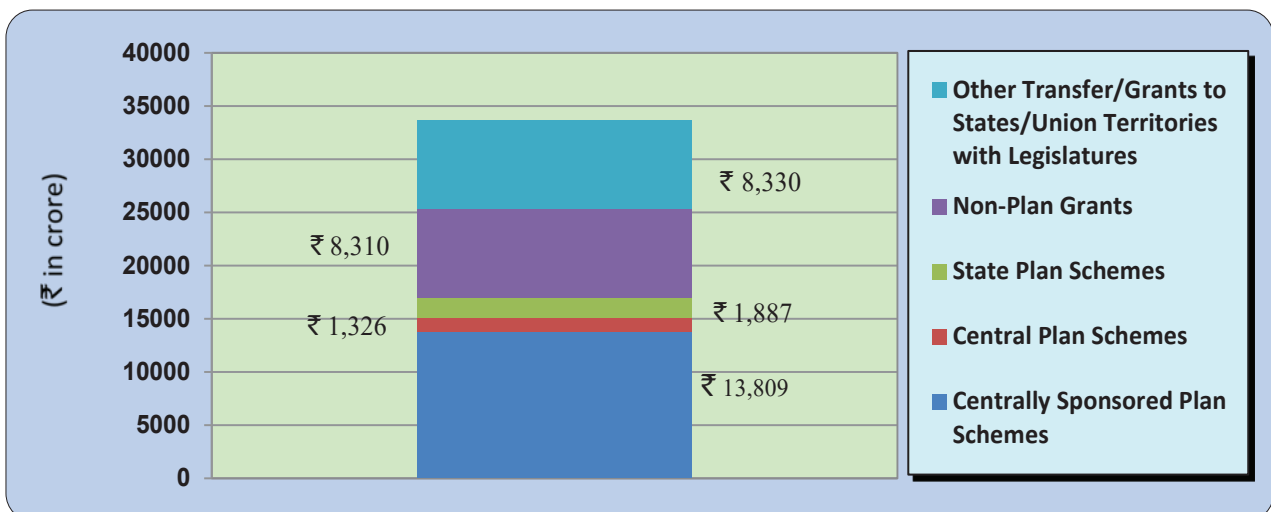
(₹ in crore)

Sr. No.	Head of Revenue	Year	Gross Collection	Expenditure on Collection	Percentage of expenditure to Gross Collection
1.	Sales Tax/VAT	2016-17	81,174	522	0.64
		2017-18	54,894	544	0.99
		2018-19	35,725	552	1.55
2.	State Excise	2016-17	12,288	111	0.90
		2017-18	13,450	115	0.86
		2018-19	15,321	122	0.80
3.	Taxes on Vehicles	2016-17	6,741	1,742	25.84
		2017-18	8,665	1,447	16.70
		2018-19	8,613	1,657	19.24

As compared to the previous year, percentage of expenditure on collection of taxes has decreased in case of State Excise and increased in respect of Taxes on Vehicles and Sales Tax/VAT.

2.6 Grants-in-aid

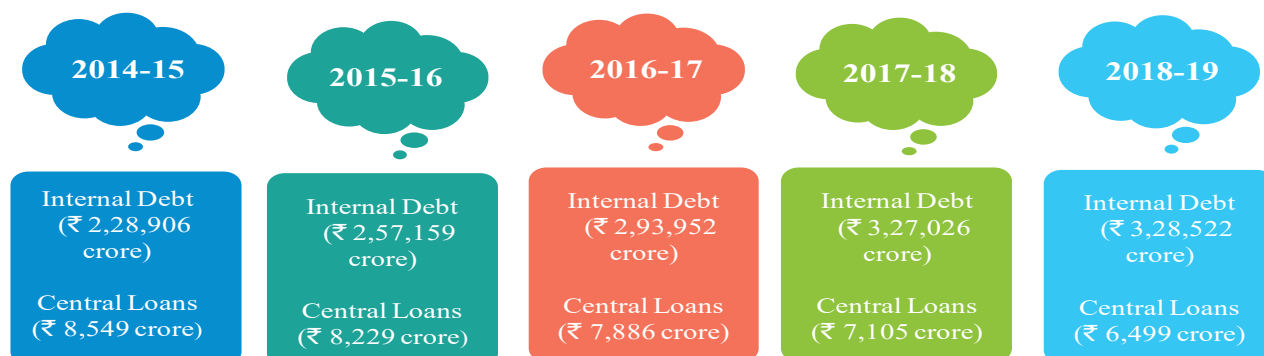
Grants-in-aid represent assistance from the Government of India and it comprises Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes and State Non-plan Grants. Total receipts during 2018-19 under Grants-in-aid were ₹ 33,662 crore as shown below:-



The State Government had received ₹ 33,662 crore (106 per cent of B.E) under Grants-in-aid and Contributions as against the Budget Estimate of ₹ 31,629 crore.

2.7 Public Debt

Trend of position of Public Debt over the past five years



2.7.1 Debts and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature. However, no limits in this regard have been laid by the State Legislature.

Liabilities of the State Government increased by ₹ 4,350 crore from ₹ 4,32,433 crore in 2017-18 to ₹ 4,36,783 crore during 2018-19. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by ₹ 890 crore *i.e.* from ₹ 3,34,131 crore in 2017-18 to ₹ 3,35,021 crore at the end of the current year. Details of the Public Debt and total liabilities of the State Government are as under:

(₹ in crore)

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Internal Debt	2,28,906	2,57,159	2,93,952	3,27,026	3,28,522
Loans and Advances from Central Government	8,549	8,229	7,886	7,105	6,499
Total Public Debt *	2,37,455(13)	2,65,388(13)	3,01,838(13)	3,34,131(13)	3,35,021(13)
Small Savings	2,495	2,758	3,069	3,335	3,612
Provident Funds	19,818	20,763	21,576	21,857	22,072
Other Obligations	59,978	62,432	69,375	73,110	76,078
Total Liabilities *	3,19,746(18)	3,51,341(18)	3,95,858(17)	4,32,433(17)	4,36,783(16)
GSDP	17,92,122	20,01,223	22,57,032 [#]	24,96,505	26,60,318 [§]

* Figures in brackets represent percentage to GSDP

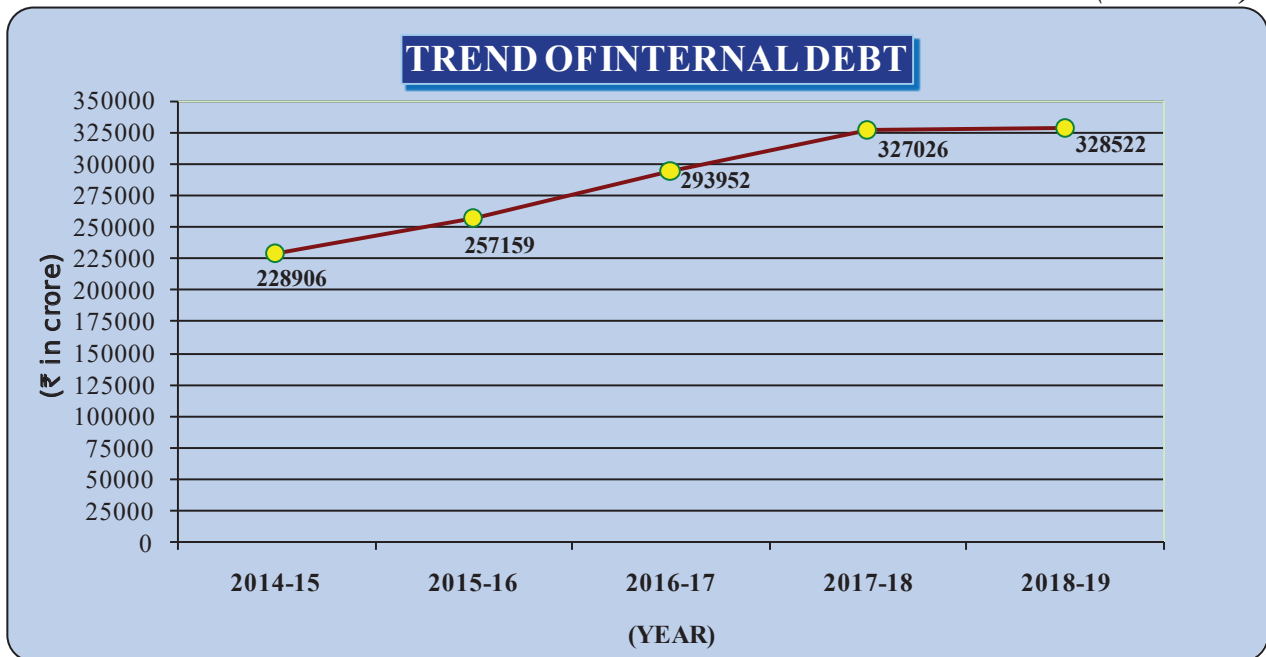
[§] Provisional (Advance Estimates)

[#] Revised GSDP

* Includes interest and non-interest bearing obligations of Reserve Funds and Deposit Accounts etc

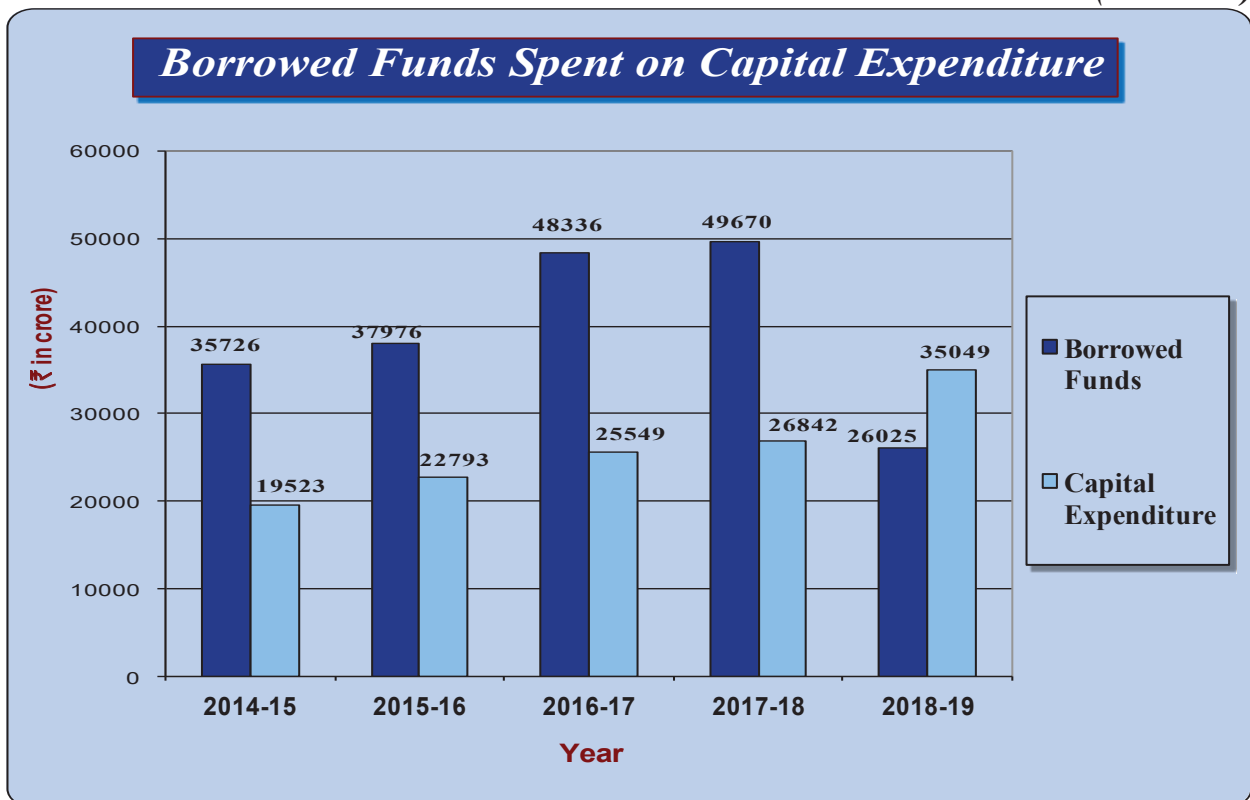
2.7.2 The trend of increase in Internal Debt of the State Government is as under:-

(₹ in crore)



2.7.3 Proportion of borrowed funds spent on Capital Expenditure

(₹ in crore)



It is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest. The State Government could utilise the borrowed funds fully on capital assets in the year 2018-19.

Further the Internal debt of ₹ 25,686 crore raised during 2018-19 was mainly used for discharge of debt obligations (₹ 24,190 crore) and payment of interest ₹ 34,021 crore) thereon.

2.7.4 Debt Servicing

(₹ in crore)

Period	Public Debt									Debt servicing			As a percentage of receipts
	Public Debt Receipts			Repayment of Principal			Interest Payment			Repayment of principal + interest payment			
	Internal debt	Loans from GoI	Total	Internal debt	Loans from GoI	Total	Internal debt	Loans from GoI	Total	Internal debt	Loans from GoI	Total	
2014-15	35184	542	35726	14294	886	15180	18970	529	19499	33264	1415	34679	97
2015-16	37392	584	37976	9138	905	10043	20780	490	21270	29918	1395	31313	82
2016-17	47709	627	48336	10917	970	11887	23553	469	24022	34470	1439	35909	74
2017-18	49502	168	49670	16427	949	17376	27827	433	28260	44254	1382	45636	92
2018-19	25686	339	26025	24190	926	25116	28404	416	28820	52594	1342	53936	207

Servicing of debt showed a decreasing trend from 2014-15 to 2016-17 and in 2018-19 the entire public debt receipts were utilized for Debt servicing.

※ ※ ※ ※ ※

3.1 Introduction

Expenditure is classified into two main Divisions namely, Revenue Expenditure and Capital Expenditure. Revenue Expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified as Scheme and Committed within each Division mentioned above. The transactions are grouped into following sectors:

General Services	Includes Justice, Police, Jail, Interest, Pension, <i>etc.</i>
Social Services	Includes Education, Health and Family Welfare, Water Supply, Welfare of Scheduled Caste/Tribes, <i>etc.</i>
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport, <i>etc.</i>

3.2 Revenue expenditure

3.2.1 Gross Revenue Expenditure against Budget Provision:

Gross Revenue Expenditure of ₹ 2,74,543 crore for 2018-19 fell short of budget estimates by ₹ 59,574 crore due to less disbursement of ₹33,073 crore under Scheme Expenditure and ₹ 26,501 crore under Committed Expenditure.

The shortfall of expenditure against budget estimates under Revenue section during the past five years is given below:

(₹ in crore)

Component	2014-15	2015-16	2016-17	2017-18	2018-19
Budget Estimates (BE)	2,11,488	2,34,661	2,57,738	3,12,496	3,34,117
Expenditure	1,82,707	1,97,564	2,19,416	2,48,310	2,74,543
Gap	28,781	37,097	38,322	64,186	59,574
Percentage of gap over BE	14	16	15	21	18

Note: Differs from the figure exhibited in para 1.3.2 at Sr. 18 due to exclusion of Recoveries (BE - ₹ 3,01,343 crore and Actual ₹ 2,67,022 crore) in para 1.3.2 Figures shown in para 1.3.2 are net expenditure. Gross Expenditure figures are shown in para 4.1.

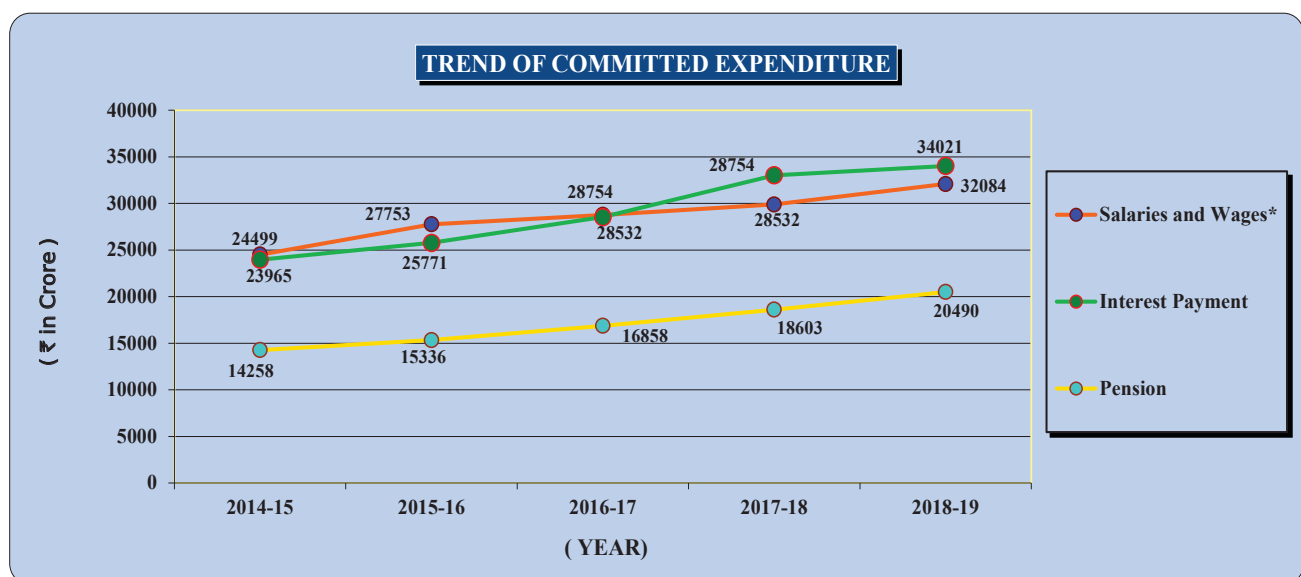
3.2.3 Trend in Committed Expenditure

The Position of Committed and Uncommitted Revenue Expenditure over the last five years is given below:

(₹ in crore)

Component	2014-15	2015-16	2016-17	2017-18	2018-19
Committed Expenditure	62,722	68,860	74,144	81,501	86,595
Revenue Expenditure	1,77,553	1,90,374	2,13,229	2,41,571	2,67,022
Percentage of Committed expenditure to Revenue Expenditure	35	36	35	34	32
Revenue Receipt	1,65,415	1,85,036	2,04,693	2,43,653	2,78,997
Percentage of Committed expenditure to Revenue Receipt	38	37	36	33	31
Uncommitted revenue expenditure	1,14,831	1,21,514	1,39,085	1,60,070	1,80,427

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased by ₹ 65,596 crore/57 per cent from ₹ 1,14,831 crore in 2014-15 to ₹ 1,80,427 crore in 2018-19. The total revenue expenditure increased by 50 per cent from ₹ 1,77,553 crore in 2014-15 to ₹ 2,67,022 crore in 2018-19 and committed revenue expenditure increased by 38 per cent over the same period.



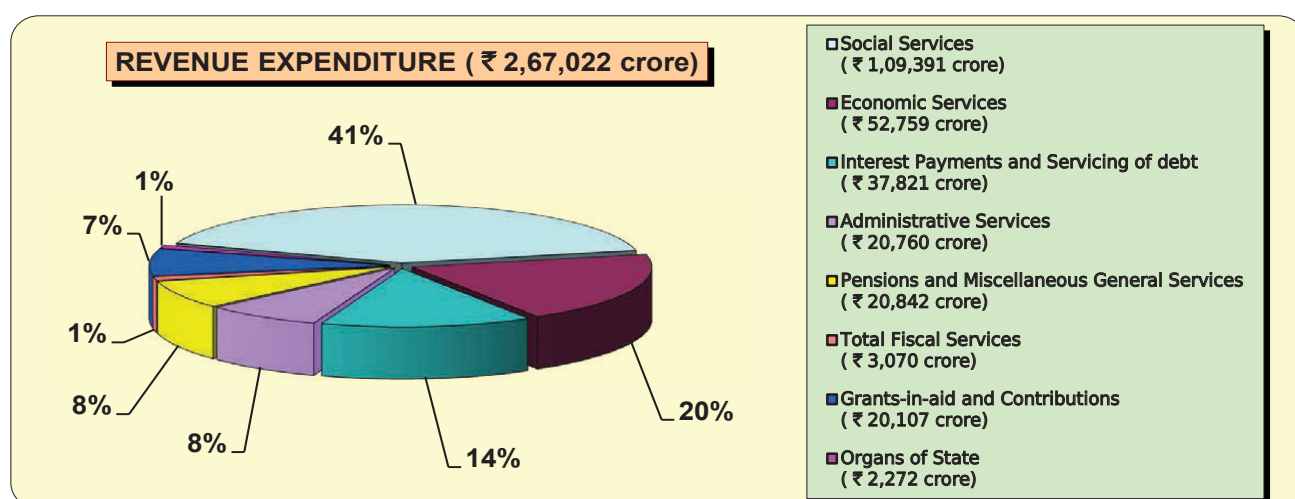
* Does not include Grants-in-aid towards Salary.

3.3 Sectoral Distribution of Revenue Expenditure*

(₹ in crore)

Components	Amount	Percentage to the Total Revenue Expenditure	Percentage to Total Fiscal Services
A. Fiscal Services			
(i) Collection of Taxes on Income and Expenditure	21	....	1
(ii) Collection of Taxes on Property and Capital Transactions	601	....	19
(iii) Collection of Taxes on Commodities and Services	2,448	1	80
(iv) Other Fiscal Services	....	....	....
Total- Fiscal Services	3,070	1	100
B. Organs of State	2,272	1	
C. Interest payments and servicing of debt	37,821	14	
D. Administrative Services	20,760	8	
E. Pensions and Miscellaneous General Services	20,842	8	
F. Social Services	1,09,391	41	
G. Economic Services	52,759	20	
H. Grants-in-aid and Contributions	20,107	7	
Total Expenditure (Revenue Account)	2,67,022	100	

* Figures shown are net expenditure

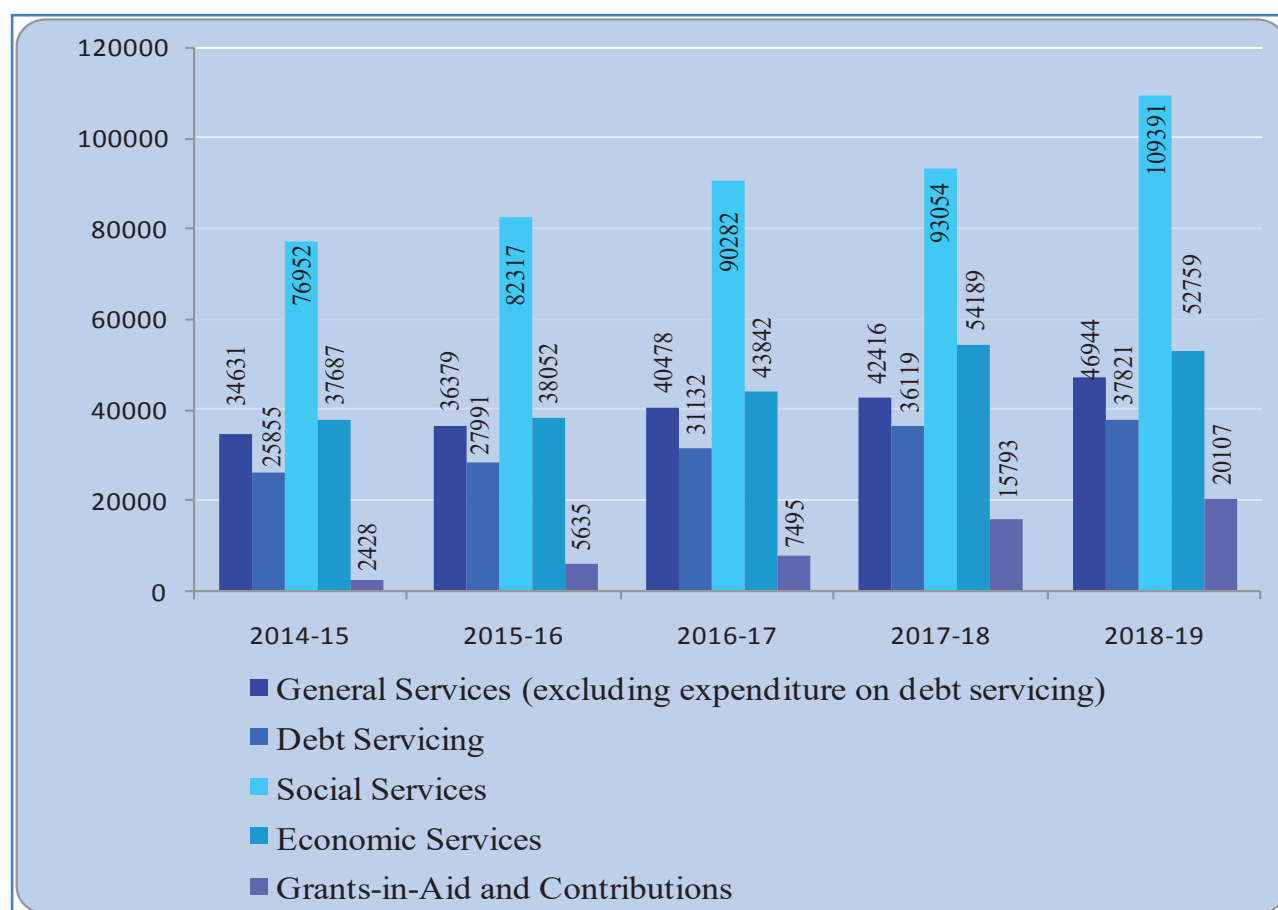


3.3.1 Major Components of Revenue Expenditure

Revenue expenditure (₹ 2,67,022 crore) constituted 88 per cent of the total expenditure as against 90 per cent during the previous year.

Components	2014-15	2015-16	2016-17	2017-18	2018-19
Social Services	76,952	82,317	90,282	93,054	1,09,391
Economic Services	37,687	38,052	43,842	54,189	52,759
Debt Servicing	25,855	27,991	31,132	36,119	37,821
General Services (excluding expenditure on debt servicing)	34,631	36,379	40,478	42,416	46,944
Grants-in-Aid and Contributions	2,428	5,635	7,495	15,793	20,107
Total	1,77,553	1,90,374	2,13,229	2,41,571	2,67,022

Trend of Major Components of Revenue Expenditure



3.4 Capital Expenditure

3.4.1 Gross capital expenditure against Budget Provision

The Gross Capital expenditure during the year fell short of Budget Provision by ₹ 14,282 crore. The less disbursement was mainly under capital outlay (₹ 10,663 crore).

Note: Differs from the figure exhibited in para 1.3.2 at Sr. 19 due to exclusion of Recoveries (BE - ₹ 37,477 crore and Actual ₹ 36,594 crore) in para 1.3.2 Figures shown in para 1.3.2 are net expenditure. Gross Expenditure figures are shown in para 4.1.

3.4.2 Sectoral distribution of Capital Expenditure*

During 2018-19, 80 per cent of the Net Capital Expenditure (₹ 36,594 crore) was made on Economic Services (₹ 29,175 crore) of which ₹11,912 crore was made on Irrigation and Flood Control, ₹ 10,057 crore on Transport, ₹ 5,094 crore on Agriculture and Allied Activities, ₹ 1,336 crore on Rural Development and ₹ 521 crore on energy as given below:

(₹ in crore)

Sr. No.	Sector	Amount*	Percentage to total capital expenditure
1.	Economic Services- Agriculture, Rural Development Irrigation, Co-operation, Energy, Industries, Transport, etc.	29,175	80
2.	Social Services- Education, Health & Family Welfare Water Supply, Welfare of SC/ST, etc.	4,341	12
3.	General Services- Police, Stationery and Printing, Public Works etc.	1,533	4
4.	Loans and Advances disbursed (Loans to Government servants)	1,545	4
Total		36,594	100

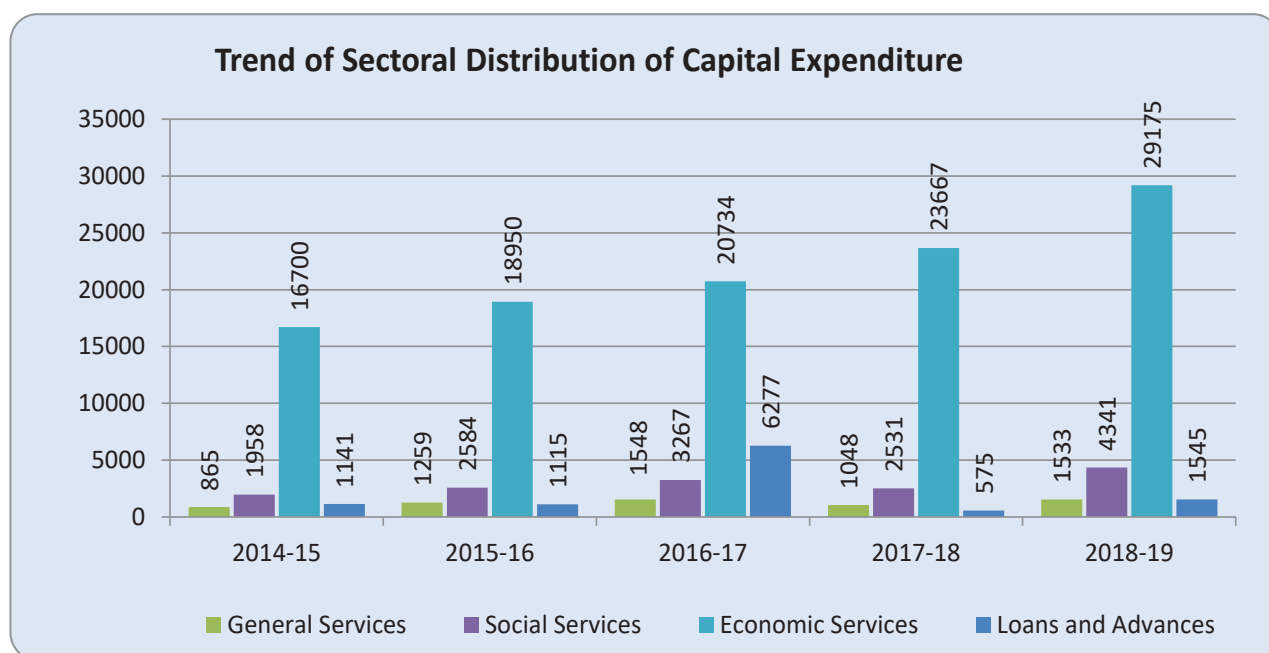
* Figures shown are net expenditure

3.4.3 Trend of Sectoral Capital Expenditure over the past five years*

(₹ in crore)

Sr. No.	Sector	2014-15	2015-16	2016-17	2017-18	2018-19
1.	General Services	865	1,259	1,548	1,048	1,533
2.	Social Services	1,958	2,584	3,267	2,531	4,341
3.	Economic Services	16,700	18,950	20,734	23,667	29,175
4.	Loans and Advances	1,141	1,115	6,277	575	1,545
Total		20,664	23,908	31,826	27,821	36,594

* Figures shown are net expenditure



3.4.4 Sectoral distribution Capital and Revenue Expenditure

(₹ in crore)

Sector	Type of Expenditure	2014-15	2015-16	2016-17	2017-18	2018-19
General Services	Capital	865	1,259	1,548	1,048	1,533
	Revenue	60,486	64,370	71,610	78,535	84,765
Social Services	Capital	1,958	2,584	3,267	2,531	4,341
	Revenue	76,952	82,317	90,282	93,054	1,09,391
Economic Services	Capital	16,700	18,950	20,734	23,667	29,175
	Revenue	37,687	38,052	43,842	54,189	52,759
Grants-in-Aid and Contributions	Capital	NA*	NA*	NA*	NA*	NA*
	Revenue	2,428	5,635	7,495	15,793	20,107
Loans and Advances	Capital	1,141	1,115	6,277	575	1,545
	Revenue	NA*	NA*	NA*	NA*	NA*

NA* Not Applicable

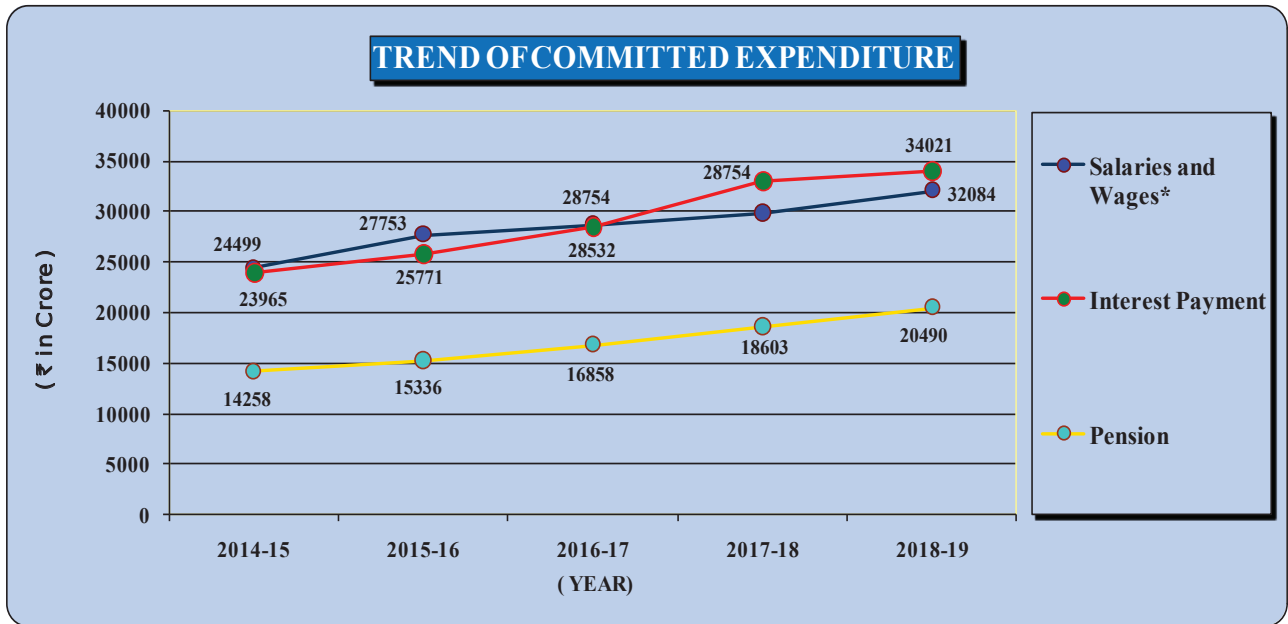
3.5 Committed Expenditure

3.5.1 Trend in Committed Expenditure

Expenditure on Salaries and Wages, Pension and Interest Payments showed increase in 2018-19 over the previous years.

(₹ in crore)

Component	2014-15	2015-16	2016-17	2017-18	2018-19
Committed Expenditure	62,722	68,860	74,144	81,501	86,595
Revenue Expenditure	1,77,553	1,90,374	2,13,229	2,41,571	2,67,022
Percentage of Committed expenditure to Revenue expenditure	35	36	35	34	32
Revenue Receipt	1,65,415	1,85,036	2,04,693	2,43,653	2,78,997
Percentage of Committed expenditure to Revenue Receipt	38	37	36	33	31



* Does not include Grants-in-aid towards Salary.

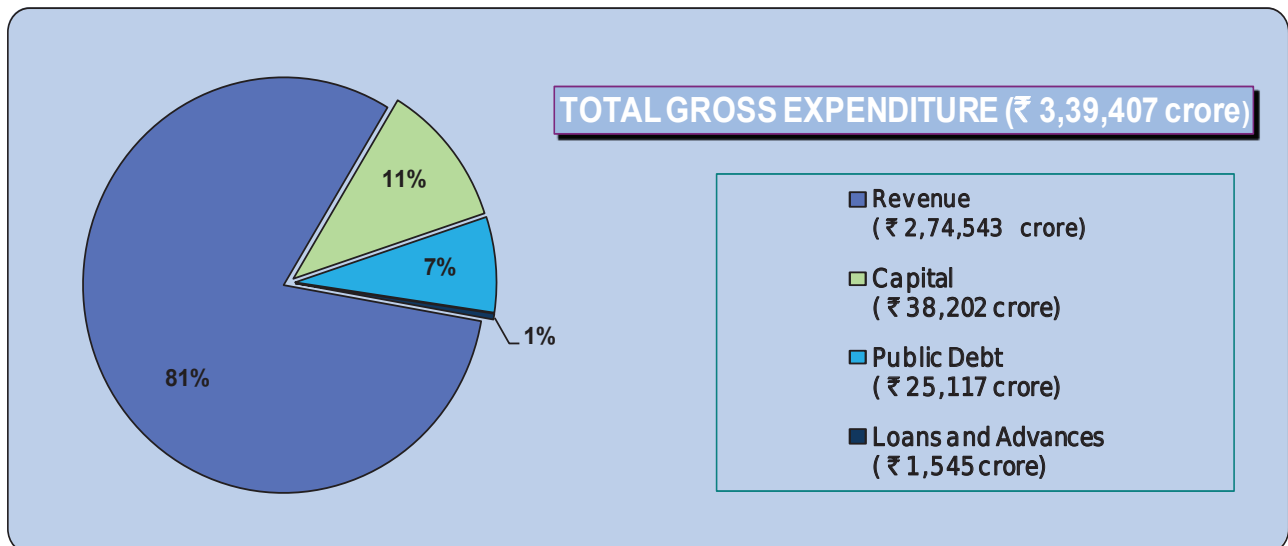
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4.1 Summary of Appropriation Accounts

The Appropriation Accounts of the Government of Maharashtra for the year 2018-19 present the accounts of sums expended in the year ended 31 March 2019, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Articles 204 and 205 of the Constitution of India.

The actual gross expenditure during the year is ₹ 3,39,407 crore, comprising ₹ 2,74,543 crore of Revenue Expenditure, ₹ 38,202 crore of Capital Expenditure, ₹ 25,117 crore of Repayment of Public Debt and ₹ 1,545 crore of Loans and Advances by the State Government. There were saving/excess under Revenue/Capital/Public Debt/Loans and Advances with reference to total grants allocated by the State Legislature as shown below:-

(₹ in crore)



4.2 Trend of Savings/Excess during the past five years

(₹ in crore)

Year	Savings (-) / Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2014-15	-28,780	-14,062	+3,279	+115	-39,448
2015-16	-37,097	-12,747	-2,921	-229	-52,994
2016-17	-38,322	-8,477	-1,885	-389	-49,073
2017-18	-64,186	-12,427	-235	-998	-77,846
2018-19	-59,574	-10,663	-3345	-275	-73,857

4.3 Significant Savings

4.3.1 Persistent Savings

Grants with persistent and significant savings during the last five years are given below:

(₹ in crore)

Grants which closed with savings of more than ₹ 100 crore persistently during 2014-15 to 2018-19

Sr. No.	Number and Name of the grant	Voted/ Charged (V/C)	Amount of savings (percent to total grants)				
			2014-15	2015-16	2016-17	2017-18	2018-19
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Revenue Voted							
1	B01-Police Administration	V	1250.17 (12.28)	1715.89 (14.59)	842.90 (6.89)	940.89 (19.84)	1426.59 (10.43)
2	C01-Revenue and District Administration	V	304.46 (19.15)	317.86 (17.79)	311.80 (16.42)	515.56 (24.10)	638.25 (27.77)

(₹ in crore)

Sr. No.	Number and Name of the grant	Voted/ Charged (V/C)	Amount of savings (per cent to total grants)				
			2014-15	2015-16	2016-17	2017-18	2018-19
(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
Revenue Voted							
3	C07-Forest	V	224.57	281.87	331.09	566.13	481.30
			(15.61)	(13.78)	(15.10)	(21.41)	(17.06)
4	D03-Agriculture Services	V	839.80	723.07	1024.24	1562.01	1790.18
			(17.04)	(13.65)	(11.59)	(22.56)	(23.46)
5	E02-General Education	V	1639.51	3317.57	4502.23	6680.38	7318.33
			(4.67)	(8.48)	(10.78)	(14.31)	(14.81)
6	F02-Urban Development and Other Advance Services	V	1592.83	1151.96	1554.65	4228.31	4016.56
			(26.08)	(15.35)	(13.43)	(34.60)	(31.05)
7	G01-Sales Tax Administration	V	122.34	206.77	198.82	242.52	202.18
			(20.26)	(29.49)	(26.65)	(29.81)	(25.90)
8	G02-Other Fiscal and Miscellaneous Services	V	153.76	3491.79	2191.39	1114.16	9802.70
			(52.41)	(96.68)	(94.50)	(91.85)	(96.69)
9	G06-Pensions and Other Retirement Benefits	V	201.21	1139.03	2194.71	1219.62	278.12
			(1.39)	(6.92)	(11.53)	(6.16)	(1.34)
10	H06-Public Works and Administrative and Functional Buildings.	V	479.34	525.37	526.59	608.48	696.87
			(19.06)	(20.06)	(20.06)	(22.97)	(25.83)
11	I03-Irrigation,Power and Other Economic Services	V	340.75	316.90	473.49	322.92	430.43
			(14.94)	(13.21)	(19.84)	(16.79)	(21.40)
12	J01-Administration of Justice	V	536.97	236.17	249.06	377.90	348.81
			(34.42)	(17.43)	(17.14)	(22.09)	(19.42)
13	L02-District Administration	V	220.30	135.60	309.92	255.88	592.72
			(7.20)	(4.15)	(8.22)	(6.67)	(13.16)
14	L03-Rural Development Programmes	V	1844.17	1308.33	1199.04	1684.76	1807.25
			(26.63)	(23.44)	(15.99)	(24.39)	(22.20)

(₹ in crore)

Sr. No.	Number and Name of the grant	Voted/ Charged (V/C)	Amount of savings (per cent to total grants)				
			2014-15	2015-16	2016-17	2017-18	2018-19
(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
Revenue Voted							
15	O03-Rural Employment	V	844.82 (36.47)	476.98 (17.56)	1592.76 (46.11)	3468.90 (67.50)	3960.53 (76.99)
16	Q03-Housing	V	979.95 (67.35)	335.44 (61.63)	1662.53 (79.84)	1548.93 (90.76)	706.71 (51.29)
17	R01-Medical and Public Health	V	2552.99 (29.50)	1407.53 (17.27)	1434.53 (16.47)	1956.59 (18.35)	2181.51 (20.18)
18	S01-Medical and Public Health	V	139.84 (7.03)	209.93 (9.34)	236.03 (9.29)	267.17 (10.15)	467.12 (14.17)
19	T05-Revenue Expenditure on Tribal Areas Development Sub-Plan	V	1114.16 (23.83)	1374.04 (25.7)	1022.55 (18.86)	3258.17 (50.05)	3148.46 (44.69)
20	W03-Technical Education	V	261.21 (13.91)	223.94 (11.65)	215.03 (11.54)	186.90 (13.39)	155.72 (9.41)
21	X01-Social Security and Nutrition	V	516.86 (15.35)	552.26 (15.31)	535.27 (17.95)	395.97 (12.53)	670.22 (14.64)
22	Y02-Water Supply and Sanitation	V	866.08 (42.25)	1445.30 (48.91)	2021.40 (51.54)	2059.43 (50.05)	2436.60 (48.11)

The persistent saving indicates deficiency in preparation of Budget estimates or budgetary control in the departments.

4.3.2 Unnecessary Supplementary Grants

During 2018-19 Supplementary grants totalling ₹ 7,592.18crore proved to be unnecessary in view of significant savings at the end of the year even against original allocations. The cases of

supplementary provision of ₹ 10crore or more proved unnecessary are given below:

(₹ in crore)

Statement showing cases where Supplementary provisions proved unnecessary (₹ 10 crore or more in each case)						
Sr. No.	Grant Number	Name of the Appropriation	Original	Actual expenditure	Savings out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Revenue Voted						
1	A06	Information and Publicity	158.55	135.93	22.62	29.00
2	B01	Police Administration	13652.73	12257.64	1395.09	31.50
3	B03	Transport Administration	1819.43	1755.80	63.63	269.40
4	C01	Revenue and District Administration	2244.26	1660.34	583.92	54.33
5	C07	Forest	2353.06	2340.67	12.39	468.91
6	D03	Agriculture Services	7211.19	5841.32	1369.87	420.32
7	D04	Animal Husbandry	1002.28	929.87	72.41	89.10
8	E03	Secretariat and Other Social Services	337.48	301.94	35.54	75.41
9	F02	Urban Development and Other Advance Services	12434.10	8920.30	3513.80	502.76
10	F04	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	19139.45	18780.19	359.26	186.63
11	G06	Pensions and Other Retirement Benefits	20698.66	20445.54	253.12	25.00
12	G07	Social Security and Welfare	151.71	149.34	2.38	16.30
13	H03	Housing	296.03	289.04	6.99	75.00
14	J01	Administration of Justice	1772.62	1447.13	325.49	23.32
15	L02	District Administration	4455.73	3911.69	544.04	48.68

**Statement showing cases where Supplementary provisions proved unnecessary
(₹ 10 crore or more in each case)**

(₹ in crore)

Sr. No.	Grant Number	Name of the Appropriation	Original	Actual expenditure	Savings out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Revenue Voted						
16	L03	Rural Development Programmes	6792.63	6332.66	459.97	1347.29
17	M02	Food Storage and Warehousing	2367.79	2196.64	171.15	37.46
18	N03	Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	7263.24	6461.37	801.87	1657.30
19	O01	District Administration	304.00	279.76	24.24	50.00
20	O03	Rural Employment	5064.25	1183.73	3880.53	80.00
21	R01	Medical and Public Health	8708.12	8631.07	77.05	2104.47
22	S01	Medical and Public Health	2931.99	2829.50	102.49	364.63
23	T05	Revenue Expenditure on Tribal Areas Development Sub-Plan	6627.47	3896.44	2731.03	417.43
24	U04	Ecology and Environment	89.55	66.96	22.59	12.41
25	V02	Co-operation	10149.30	6760.54	3388.75	2134.91
26	W02	General Education	6188.42	5560.82	627.60	454.95
27	Y02	Water Supply and Sanitation	4650.26	2628.46	2021.80	414.80
28	ZA02	Social Security and Welfare	1949.25	1456.73	492.52	65.18
29	ZC01	Parliament / State/Union Territory Legislatures	202.70	169.53	33.17	37.86
30	ZD02	Art and Culture	169.02	155.66	13.35	10.65

Statement showing cases where Supplementary provisions proved unnecessary (₹ 10 crore or more in each case)						
(₹ in crore)						
Sr. No.	Grant Number	Name of the Appropriation	Original	Actual expenditure	Savings out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Revenue Charged						
31	J01	Administration of Justice	310.56	285.24	25.32	24.37
Capital Voted						
32	B10	Capital Expenditure on Economic Services	1545.87	1388.36	157.51	438.32
33	D09	Capital Expenditure on Animal Husbandry	88.49	27.55	60.94	55.75
34	H08	Capital Expenditure On Public Works Administrative and Functional Buildings	1599.28	1112.93	486.35	294.59
35	K11	Capital Expenditure on Energy	614.72	523.52	91.20	69.00
36	O10	Capital Outlay on Other Rural Development Programmes	4216.70	871.77	3344.93	310.25
37	S04	Capital outlay on Medical and Public Health	525.17	285.58	239.59	222.10
38	ZH05	Capital Outlay on Soil and Water Conservation	2634.90	2181.66	453.24	71.31
Total			162720.96	134453.22	27814.74	12990.69

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5.1 *Assets*

The existing form of accounts does not depict value of Government assets like land, buildings, *etc.*, except in the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

5.2 *Investments and Returns*

Total investments as share capital in Public Sector Undertakings (PSUs) stood at ₹ 1,53,322 crore at the end of 2018-19. Dividends received during the year were ₹ 275 crore (i.e. 0.18 *per cent* of the investment).

Investments in PSUs increased by ₹ 13,118 crore and income from dividend decreased by ₹ 227 crore.

The increase in investments of ₹ 13,118 crore during 2018-19 was mainly in capital contributions to Vidarbha Irrigation Development Corporation (₹ 3,835 crore), Godavari Marathwada Irrigation Development Corporation (₹ 3,136 crore), Maharashtra Krishna Valley Development Corporation (₹ 2,369 crore), Tapi Irrigation Development Corporation (₹ 1,077 crore), Konkan Irrigation Development Corporation (₹ 961 crore), Maharashtra State Road Transport Corporation (₹ 500 crore), Pune Metro Railway Project (₹ 413 crore), Nagpur Metro Railway Project (₹ 350 crore), Maharashtra Water Conservation Development Corporation (₹ 172 crore).

5.3 *Cash balance and investment of Cash Balances*

(₹ in crore)

Particulars	As on 31 March 2018	As on 31 March 2019	Increase (+)/ Decrease(-)
General Cash Balance	(-) 3,908	(-) 2,966	942
Cash with the departmental officers	7	237	230
Investments from cash balances	58,374	35,219	(-)23,155
Investment from Earmarked balances-	33,996	34,779	(+)783
a. General and other Reserve Funds	10	10	--
b. Sinking Fund	33,972	34,488	(+)516
c. Funds for Development of Milk supply	1	1	--
d. Other Development and Welfare Funds	13	13	--
e. Guarantee Redemption Fund	...	267	(+)267
Total Cash Balances	88,469	67,269	(-)21,200
<i>Interest realized</i>	6,156	6,021	(-)135

- The interest received on investment of cash balances was 17.10 *per cent* during 2018-19 while interest paid by Government on its borrowings during the year was 7.79 *per cent*.
- The State Government's cash balances of ₹ 67,269 crore at the end of current year showed decrease by 24*per cent* (₹ 21,200 crore) over the previous year.
- No Ways and Means advance was availed during 2018-19.
- Investments held in the Cash Balance Investment Account as on 31 March 2019 were ₹ 35,219 crore. The details are as under:-
 - (i) *Government of India Treasury Bills* ₹ 35,218 crore
 - (ii) *Other State Government Securities* nil
 - (iii) *Other Investments* ₹ 1 crore

5.4 Debts and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature. However, no limits in this regard have been laid by the State Legislature.

Liabilities of the State Government increased by ₹ 4,350 crore from ₹ 4,32,433 crore in 2017-18 to ₹ 4,36,783 crore during 2018-19. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by ₹ 891 crore *i.e.* from ₹ 3,34,131 crore in 2017-18 to ₹ 3,35,022 crore at the end of the current year. Details of the Public Debt and total liabilities of the State Government are as under:-

(₹ in crore)					
Year	2014-15	2015-16	2016-17	2017-18	2018-19
Internal Debt	2,28,906	2,57,159	2,93,952	3,27,026	3,28,522
Loans and Advances from Central Government	8,549	8,229	7,886	7,105	6,500
Total Public Debt	2,37,455(13)	2,65,388(13)	3,01,838(13)	3,34,131(13)	3,35,022(13)
Small Savings	2,495	2,758	3,069	3,335	3,612
Provident Funds	19,818	20,763	21,576	21,857	22,072
Other Obligations *	59,978	62,432	69,375	73,110	76,077
Total Liabilities	3,19,746(18)	3,51,341(18)	3,95,858(18)	4,32,433(17)	4,36,783(16)
GSDP	17,92,122	20,01,223	22,57,032	24,96,505	26,60,318[§]

* Figures in brackets represent percentage to GSDP

[§] Provisional (Advance Estimates)

5.5 Guarantees (Contingent Liabilities)

The position of guarantees given by the State Government for the repayment of loans raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc., with interest thereon is given below:

(₹in crore)

Year	Amount Guaranteed (Principal only at the end of the year)	Amount Outstanding	
		Principal	Interest
2014-15	22,286	5,882	2,118
2015-16	19,818	5,356	2,451
2016-17	15,865	4,969	2,337
2017-18	32,946	24,348	2,310
2018-19	33,931	22,904	2,230

Note: Details are available at Statement No. 20 of Finance Accounts and these are based on information received from the State Government and where available, from the respective institutions.

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6.1 Adverse Balances in Internal Debt

As on 31 March 2019, there is one adverse balance pertaining to debt repayments of ₹ 0.76 crore to the General Insurance Corporation of India. The cause of the adverse balances is due to wrong booking of repayments of debt to other institutions instead of to the actual lender.

6.2 Loans and Advances by the State Government

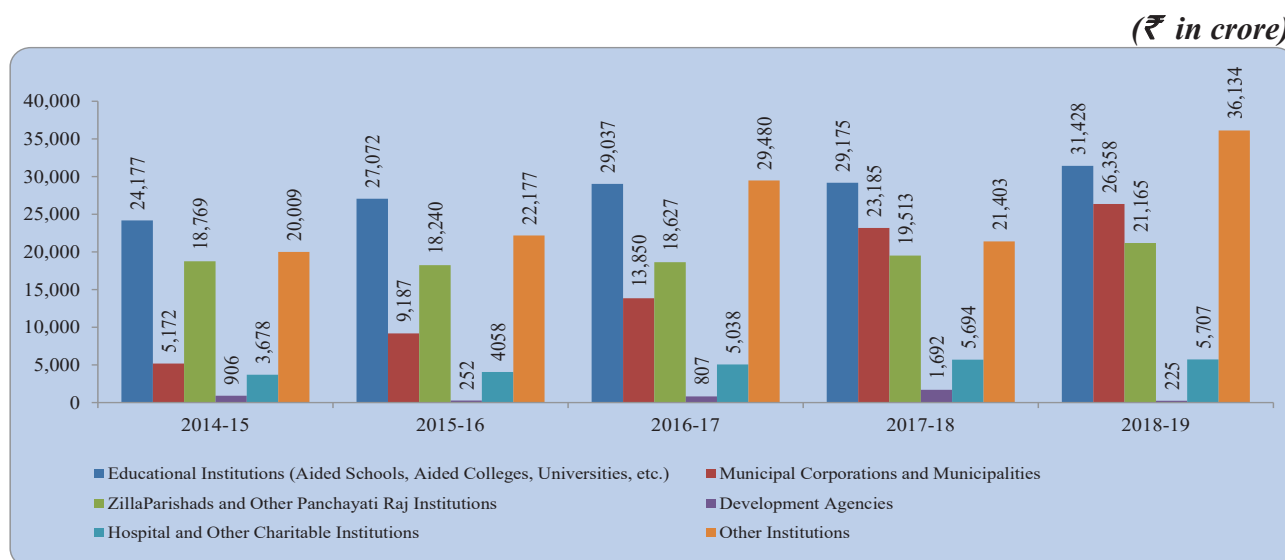
The total loans and advances made by the State Government during 2018-19 were ₹1,545 crore. The outstanding total loans and advances to be recovered from Government Corporations/Companies, non-Government Institutes, Local bodies, etc. at the end of 2018-19 were ₹ 25,746 crore. Information as regards recoveries in arrears in respect of principal and interest to be furnished by 15 July 2019 by the Government Department have not been received from all 30 Departments.

6.3 Non-confirmation of balances by the State Government under Loans and Advances

The detailed accounts of Loans and Advances maintained by the State Government departments with the balances are to be confirmed by them. As on 31 March 2019, Loans and Advances given by the State Government amounted to ₹ 25,746 crore, confirmation for which is awaited from Departments of State Government.

6.4 Financial assistance to Local Bodies and other institutions

During past five years, Grants-in-aid to local bodies, educational institution, etc., has increased from ₹ 72,711 crore in 2014-15 to ₹ 1,21,017 crore in 2018-19. Details of Grants-in-aid for the past five years are as under:-



(₹ in crore)

Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	24,177	27,072	29,037	29,175	31,428
Municipal Corporations and Municipalities	5,172	9,187	13,850	23,185	26,358
Zilla Parishads and Other Panchayati Raj Institutions	18,769	18,240	18,627	19,513	21,165
Development Agencies	906	252	807	1,692	225
Hospital and Other Charitable Institutions	3,678	4,058	5,038	5,694	5,707
Other Institutions	20,009	22,177	29,480	21,403 ^(A)	36,134 ^(B)
Total	72,711	80,986	96,839	1,00,663	1,21,017
Assistance as per percentage of Net Revenue Expenditure	41	43	45	42	45

(A) Includes Welfare of SC,ST and OBC : ₹ 4,641crore, Administrative Services : ₹144crore and Housing : ₹329crore, Agriculture and Allied Activities : ₹ 707crore, etc.

(B) Includes Welfare of SC,ST and OBC : ₹5,587crore, Administrative Services : ₹977crore and Housing : ₹1,470crore, Agriculture and Allied Activities : ₹ 9,248 crore, etc.

6.5 Reconciliation of Accounts

All Controlling Officers (COs) of the Administrative Departments concerned are required to reconcile all the Receipts and Expenditure of the Government with the figures of the Offices of Accountants General, or the Pay and Accounts Office, Mumbai, as the case may be. Such reconciliation has been completed for an expenditure of ₹ 1,65,613 crore (68 per cent) against the total expenditure of ₹ 2,43,734crore excluding the expenditure adjusted through Transfer Entry and Periodical Adjustment and for receipts of ₹ 1,67,637 crore (94 per cent) against the total receipts of ₹ 1,79,006 crore excluding the receipts adjusted through Transfer Entry and Periodical Adjustment. Major defaulting departments are Parliamentary Affairs; Urban Development; Maharashtra Legislature Secretariat; General Administration; Public Health; Industries, Energy and Labour; Finance; Water Supply and Sanitation; Housing etc. Incomplete reconciliation affects the correctness and completeness of accounts.

6.6 Submission of Accounts by Treasuries

The rendition of initial accounts by the Treasuries along with vouchers and receipt schedules are satisfactory. Owing to the implementation of Integrated Financial Management System (IFMS) and computerization of Public Works Divisions and Divisions of Forest and Water Resources Departments in stages over the years in the State has resulted in significant improvement in Budgetary control, timely rendition and accuracy of Treasury Accounts and compilation of Monthly/Annual Accounts without any exclusion.

6.7 Abstract Contingent (AC) Bills

As per the provisions of Maharashtra Treasury Rules, 1968, when money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to arrive at the exact expenditure, DDOs are authorised to draw money through Abstract Contingent (AC) bills by booking the expenditure under service heads concerned. The Detailed Contingent (DC) bills containing vouchers in support of final expenditure towards the amount so drawn are to be submitted within 30 days to the Offices of the Accountant General (A&E)-Mumbai/ Nagpur or Pay and Accounts Office, Mumbai, as the case may be.

Of ₹ 861.82 crore drawn through AC bills during 2018-19, ₹ 210.88 crore (24 per cent) was drawn on the last day of the financial year. Significant drawal through AC bills on the last day indicates that the drawal was primarily to exhaust the budget provision and reveals inadequate budgetary control.

As on 31 March 2019, DC bills in respect of 2,612 AC bills amounting to ₹ 1,964.37 crore were not received as given below:

(₹ in crore)

Year	Number of pending DC bills	Amount
Upto 2016-17	1,109	728.60
2017-18	449	406.50*
2018-19	1,054	829.27
Total	2,612	1,964.37

* Pending DC Bills for the year 2017-18 is more than the previous years pending DC Bills, due to rectification of error during previous year

An amount of ₹ 861.82 crore drawn in 2018-19 includes irregular drawal of AC Bills amounting ₹ 758.44 crore by 74 number of DDO's under the jurisdiction of Accountant General (A&E)-I, Mumbai (₹ 88.90 crore by 26 DDO's), Pay and Accounts Office, Mumbai (₹ 411.22 crore by 7 DDO's) and Accountant General (A&E)-II, Nagpur (₹ 258.32 crore by 41 DDO's) for purchase and distribution of medicines, related to consumable articles and Medical Equipment through Haffkine Bio-Pharmaceutical Corporation Limited.

Prolonged non-submission of supporting DC bills render the expenditure through AC bills opaque and the expenditure shown in the Finance Accounts cannot be vouched as correct or final to that extent. Major defaulting departments which have not submitted DC bills are Home (₹ 795 crore - 40 per cent); Public Health (₹ 427 crore - 22 per cent); Medical Education and Drugs (₹ 329 crore - 17 per cent); Law & Judiciary (₹ 152 crore - eight per cent); General Administration (₹ 131 crore - seven per cent); Planning (₹ 60 crore - three per cent); Tourism and Cultural Affairs (₹ 18 crore - one per cent).

6.8 Status of Suspense Balances

Details of outstanding Balances under Major Head 8658 - Suspense Account is as under:

(₹ in crore)

Name of the Minor Head	2016-17		2017-18		2018-19	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101-Pay and Accounts Office Suspense	135.60	(-)37.02	210.03	19.53	179.04	38.16
Net	(Dr.) 172.62		(Dr.) 190.50		(Dr.) 140.88	
102- Suspense Accounts (Civil)	7.94	6.07	5.32	2.56	6.25	3.95
Net	(Dr.) 1.8787		(Dr.) 2.76		(Dr.) 2.30	
107- Cash Settlement Suspense Account	18.30	...	18.30	0.49	18.30	0.49
Net	(Dr.) 18.30		(Dr.) 17.81		(Dr.) 17.81	
109-Reserve Bank suspense	(-)6.16	0.89	(-)5.08	1.10	(-)8.44	(-)0.54
Net	(Cr.) 7.05		(Cr.) 6.18		(Dr.) 7.90	
110-Reserve Bank Suspense-Central Accounts Office	(-)2.59	8.53	(-)1.14	3.69	3.03	2.85
Net	(Cr.) 11.12		(Cr.) 4.83		(Dr.) 0.18	
111-Departmental Adjusting Accounts Suspense	(-)3.73	(-)15.45	(-)3.31	(-)13.68	(-)3.48	(-)15.60
Net	(Dr.) 11.72		(Dr.) 10.37		(Dr.) 12.12	
112-Tax Deducted at source (TDS) Suspense	0.09	131.63	0.09	106.51	0.09	111.28
Net	(Cr.) 131.54		(Cr.) 106.42		(Cr.) 111.19	

6.9 Utilisation Certificates for Grants-in-aid given by the Government

As per the Bombay Financial Rules, 1959, the departmental officers should obtain the Utilisation Certificates (UCs) from the grantee institutions and after verification, the UCs should be forwarded to the offices of the Accountants General/Pay and Accounts Office, Mumbai, within 12 months or the period specified in the sanction order.

The position of pending UCs as on 31 March 2019 was as under:

(₹ in crore)

Year	Number of UCs awaited	Amount involved
Up to 2016-17	10,196	26,714
2017-18	2,352	10,225
2018-19	5,859	10,544
Total	18,407	47,483

Major defaulting departments who have not submitted UCs are Urban Development (₹ 27,845 crore); School Education and Sports (₹ 4,338 crore); Planning (₹ 3,404 crore); Industries, Energy and Labour (₹ 3,021 crore); Tribal Development (₹ 2,239 crore); Rural Development and Water Conservation (₹ 1,555 crore); Social Justice and Special Assistance (₹ 1,085 crore); Public Health (₹ 955 crore).

6.10 Commitments on account of Incomplete Capital works

There were 42 projects pertaining to Water Resource Department (38 projects) and the Public Works Department (4 projects) which had remained incomplete for over five years. The progressive expenditure on these projects till the end of financial year 2018-19 was ₹ 9,342.17 crore.

Out of 38 projects of Water Resource Department, information regarding revised cost is available in only 26 projects, the cost of which has escalated to the tune of ₹ 11,263.91 crore.

Similarly, out of four projects of Public Works Department, information regarding revised cost is available in only one project of cost escalation to the tune of ₹ 5.39 crore.

Details of Incomplete Capital Projects aged five year and more:				
(₹ in crore)				
Water Resources Department				
Sr. No.	Name of Project/Works	Original Estimated Cost	Revised cost	Cost Escalation
1	Bhokarbari	2.42	4.35	1.93
2	Bhatsa Project	13.68	1,550.00	1,536.32
3	Bhandardara H.E.P.	33.37	48.86	15.49
4	Ghatghar Pump storage at Ghatghar Tal.Akole	179.61	1,578.90	1,399.29
5	Hatiz Hingani	3.82	19.24	15.42
6	Jam Nalla	6.68	39.44	32.76
7	Khari	5.63	8.25	2.62
8	Lower Godawari	32.24	233.79	201.55
9	Mandwa Project	0.55	0.86	0.31
10	Masrul	0.37	35.47	35.10
11	Pothara Nalla Project	41.00	110.10	69.10
12	Surya	145.90	226.24	80.34
13	Sangameshwar	6.45	44.05	37.60
14	Surya HEP	4.20	9.28	5.08
15	Surya Canal Drop HEP	1.40	3.82	2.42
16	Susari	2.58	33.79	31.21
17	Tillari Project	45.20	488.33	443.13
18	Waghodi Project	1.77	53.22	51.45
19	Utawali River Project	15.63	109.64	94.01
20	Chandrabhaga	24.79	222.48	197.69
21	Koyana HEP St.IV	49.24	2,457.15	2,407.91
22	Karanjwan HEP	3.60	106.44	102.84
23	Upper Wardha Project	0.13	1,376.64	1,376.51
24	Bhima Project	42.58	2,622.20	2,579.62
25	Kumbhe H E P	97.24	258.38	161.14
26	Kal Hydro-Electric Project	99.00	482.07	383.07
Total		859.08	12,122.99	11,263.91
Public Works Department				
1	Construction of By-pass road for Taranumba & Minthumbai on Revas Reddi road MSH-4 Tal. Devgad Dist. Sindhudurg	1.00	6.39	5.39
Total		1.00	6.39	5.39

6.11 Non – transfer of Funds accumulated under New Pension Scheme

State Government Employees recruited on or after 1 November, 2005 are eligible for the New Pension Scheme. The employee and employer contribution of Government employees are to be transferred to the designated pension fund.

During the year, the State Government has transferred ₹ 3,757.12 crore to the Pension Fund leaving a balance of ₹ 7,082.67 crore as on 31 March 2019 including the untransferred balances of earlier years. Untransferred amounts with accrued interest represent outstanding liabilities of the Government.

6.12 Operation of Personal Deposit (PD) Accounts

The purpose of PD Accounts is to enable the Departmental officers to incur expenditure on a particular scheme or for specific purpose(s), for which funds are placed at their disposal, by transfer from the Consolidated Fund of the State.

As provided in Rule 495 of Maharashtra Treasury Rules, these PD Accounts are required to be closed at the end of the financial year and the unspent balances remitted back to the Government Account by minus debit of the balance to the relevant service head in the Consolidated Fund. The balance thus lapsing should be reported by the Treasuries to the Accountants General (A&E) I and II, Maharashtra immediately after 31 March. However, no such report in respect of closure of PD Accounts where funds were transferred from the Consolidated Fund, has been received by the office of the Accountant General (A&E) I and II, Maharashtra. Further, as 'Nil Payment bill' procedure was not followed for transfer of funds from Consolidated Funds to PD accounts except in Pune Treasury, the unutilized amount lying in such PD accounts could not be ascertained. In Pune Treasury, where 'Nil Payment bill' procedure is followed for transfer from Consolidated Fund to PD accounts, ₹ 52.75 crore was transferred on 31 March 2019, indicating transfer of Funds at the fag end of the year to avoid lapse of budget.

As per Rule 495 of Maharashtra Treasury Rules and Maharashtra Treasury Manual, PD Accounts which are inoperative for more than one year should be closed and the balances in such accounts should be credited to the Consolidated Fund of the State. However, as on March, 2019, there were 175 accounts, inoperative for one or more than one year having a balance of ₹ 75.02 crore.

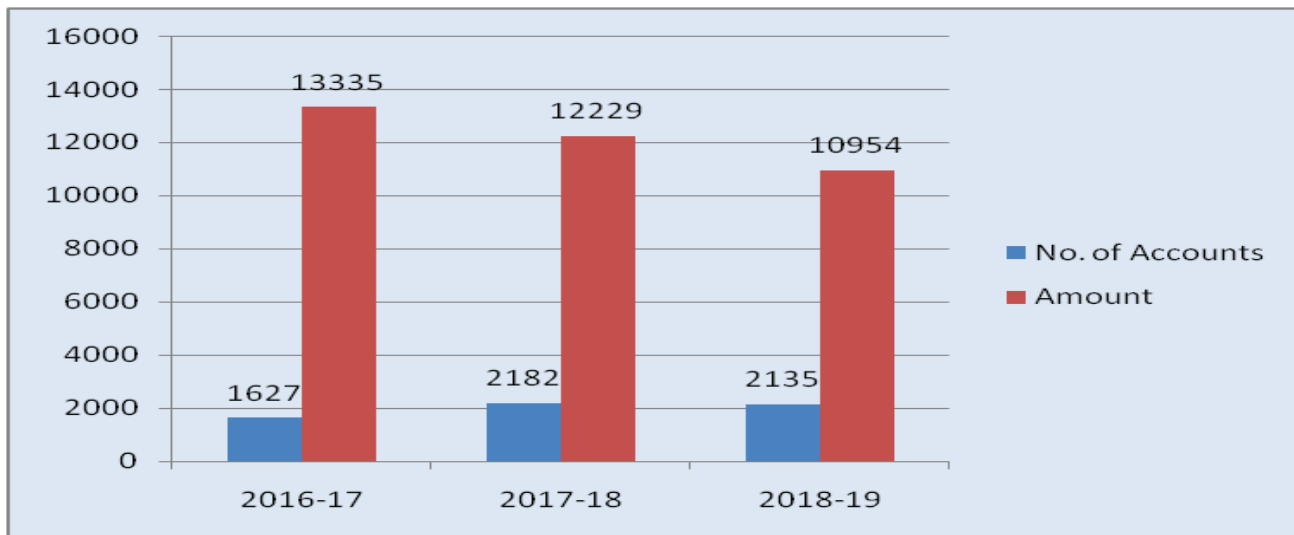
The status of PD Accounts during 2018-19 is as under:

(₹ in crore)

Opening Balance		Addition during the year		Closed during the year		Closing Balance	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
2182*	12,229.30	10	22,108.58	57	23,384.35	2135	10,953.53

*Differs from previous years due to rectification of error during the year

The trend analysis of balances under PD Accounts for last three years is as shown below-



It is seen from the above table that though there is a decreasing trend in the number of PD Accounts and the balances lying in these accounts. The decreasing trend in the number of PD Accounts was mainly due to closure of inoperative accounts and also discouraging unnecessary opening of new PD Accounts.

As per para 589 of the Maharashtra Treasury Manual, the Administrators of PD accounts have to reconcile the balances in their accounts with that of Treasury accounts. Of 2,135 PD accounts, only 1,258 accounts were reconciled during the year.

6.13 Rush of Expenditure

According to Bombay Financial Rules, 1959, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, expenditure in respect of four departments exceeding ₹ 100 crore and constituting more than 25 per cent of the total expenditure was incurred during March 2019. Major departments resorting to rush of expenditure are Planning (42 per cent); Soil and Water Conservation (36 per cent); Tourism and Cultural Affairs (36 per cent); Social Justice and Special Assistance (35 per cent), etc.

6.14 Reserve Funds:

Reserve Funds are the liability of the Government which is created by debit to the Consolidated Fund and treated as non-lapsable funds till the purpose of creation of fund is accomplished. It is controlled by the administrative departments without any accountability to the Legislature, as these funds are maintained outside the Consolidated Fund. It is categorised into Reserve Fund Bearing Interest and Reserve Funds not bearing interest. Details of some of the major Reserve Funds are

given below:

(i) State Disaster Response Fund (SDRF) :

The State Disaster Response Fund has constituted in 2010-11 for meeting the expenditure for providing immediate relief to the victims of cyclone, drought, earthquake, fire, flood, tsunami, hailstorm, landslide, avalanche, cloud burst, pest attack and frost and cold wave under the provision of Disaster Management Act, 2005 and as per recommendations of the Thirteenth Finance Commission, the Government of India under section 48(1)(a) of the Disaster Management Act, 2005. The corpus of the State Disaster Response Fund of Maharashtra for the year 2018-19 was ₹ 1,717 crore. As per the recommendations of the Fourteenth Finance Commission, the annual contribution to the State Disaster Response Fund is in the ratio of 75:25 between Government of India and Government of Maharashtra. The details of the fund are given below:-

(₹ in crore)

Opening balance as on 1.4.2018	Central share received during the year	State Share received during the year	Assistance recd. from NDRF received during the year	Total fund transferred to SDRF during the year	Disbursement from the fund received during the year	Balance in the fund as on 31.03.2019
302.80	1287.75	448.75	2,088.59	3,825.09	4,127.89	Nil

(a) Consolidated Sinking Fund (CSF) :

The Consolidated Sinking Fund was initially created by Government of Maharashtra in 1999-2000 on the recommendations of the Tenth Finance Commission for the amortization of all loans to be administered by the Reserve Bank of India and then revised on 1st July 2017 effective from the year 2017-18 with the objective of utilisation of Consolidated Sinking Fund for redemption of the outstanding liabilities of the Government commencing from the financial year 2022-23. In terms of the revised guidelines of the Reserve Bank of India, States are required to contribute a minimum fund equivalent to 0.5 per cent of their outstanding liabilities (Internal Debt + Public Account liabilities) at the end of the previous year.

(₹ in crore)

Opening Balance	Fund transferred during the year	Percentage of total outstanding open market loan	Percentage of total outstanding liability	Balance as on 31 st March 2019
33,971.80	3,800	1.50 per cent (₹2,53,339.57)	0.88 percent (₹ 4,32,414.91)	34,488.13

(b) Guarantee Redemption Fund (GRF) :

In terms of the twelfth Finance Commission, Government of Maharashtra vide notification dated 20 December 2018 created Guarantee Redemption Fund in 2018-19 to meet contingent liabilities arising from the Guarantees given by the State Government in respect of bonds issued and other borrowings by the State Level Undertakings or other bodies and invoked by the 'beneficiaries'. The Fund shall be administered by Central Accounts Section of the Reserve Bank of India and shall be kept outside the General Revenues of the Government. The accretions to the Fund shall be invested in the Government of India Securities, Treasury Bills, Special Securities of Government of India and State Development Loans of other States of such maturities as the Bank may determine from time to time in consultation with the Government of Maharashtra. As per the constitution of the Fund, the State Government is to contribute minimum one per cent of outstanding guarantees at the end of the previous year from 2018-19 initially. Thereafter 0.5 per cent of such outstanding amount shall be deposited in the fund every year to achieve the level of five per cent of total outstanding by 2027-28.

During the year, the State Government has transferred ₹ 266.57 crore (one per cent of Total outstanding Guarantees of ₹ 26,657.72 crore as on 31 March 2018) to the Fund and the entire fund amount has been invested by the Reserve Bank of India during the year leaving the nil balance as on 31 March 2019.

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