



सत्यमेव जयते

GOVERNMENT OF MAHARASHTRA

ACCOUNTS AT A GLANCE

2011 - 2012



PR. ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENTS)

MAHARASHTRA

P R E F A C E

This is the fourteenth issue of the annual publication 'Accounts at a Glance'.

The Annual Accounts of the State Government are prepared and examined 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 and offer explanations for variations between the actual expenditure and the funds provided.

The Principal Accountant General (Accounts and Entitlements)-I prepares the State Finance Accounts and the Appropriation Accounts.

'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.



(MEENAKSHI MISHRA)

PRINCIPAL ACCOUNTANT GENERAL (A&E) - I,
MAHARASHTRA

PLACE : Mumbai

DATE : 30.11.2012

Over 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 recognised for independent, credible, balanced and timely reporting on public finance and governance.

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.

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

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CHAPTER – I

OVERVIEW

1.1. Introduction

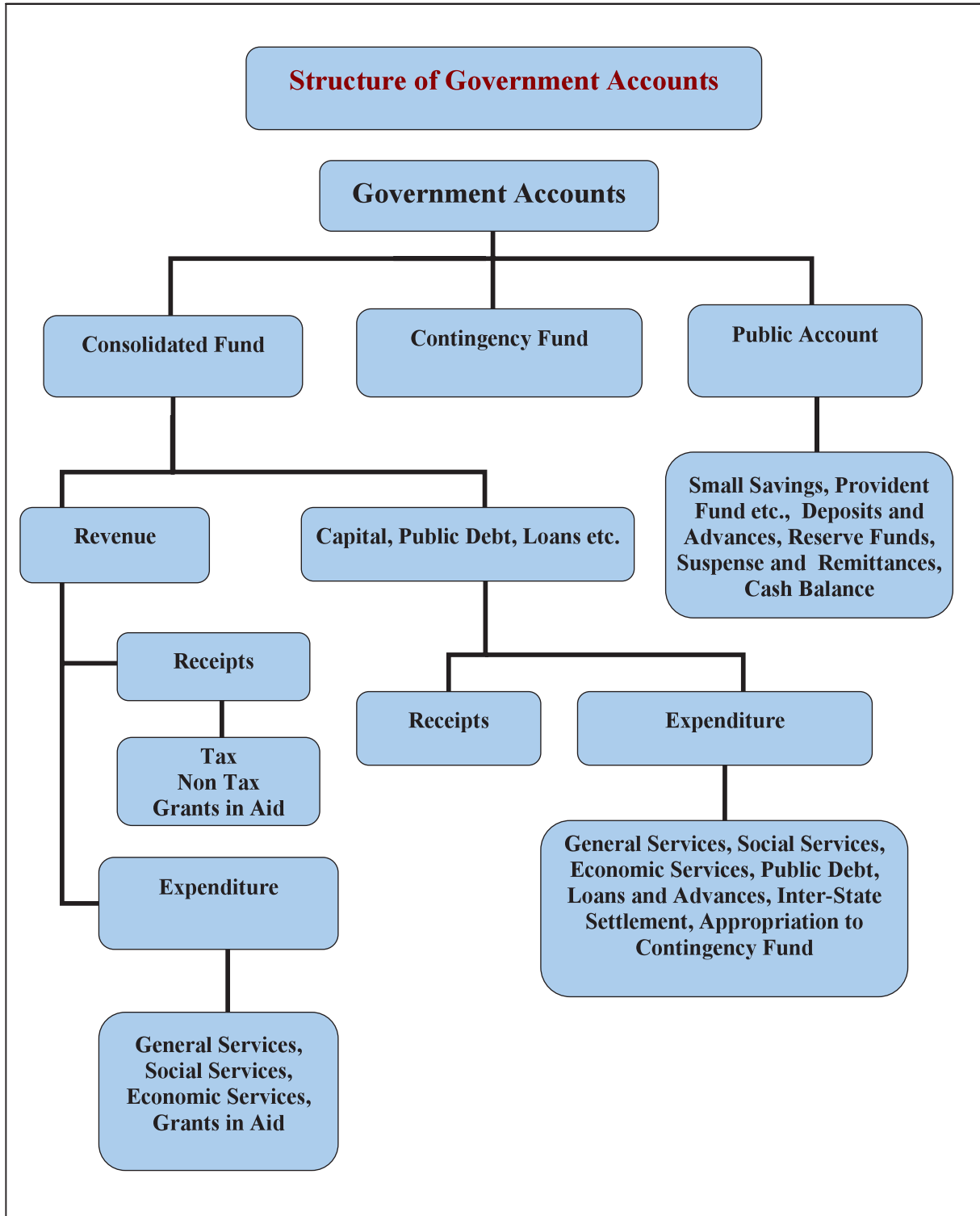
The monthly accounts of the State Government are compiled and consolidated from the accounts submitted by the District Treasuries, Pay & Accounts Office, Mumbai, Public Works and Forest Divisions etc. to the Principal Accountant General/Accountant General (Accounts and Entitlements). Besides, the Finance Accounts and the Appropriation Accounts are prepared annually by the Principal Accountant General under the directions of the Comptroller and Auditor General of India in accordance with requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

1.2. Structure of Accounts

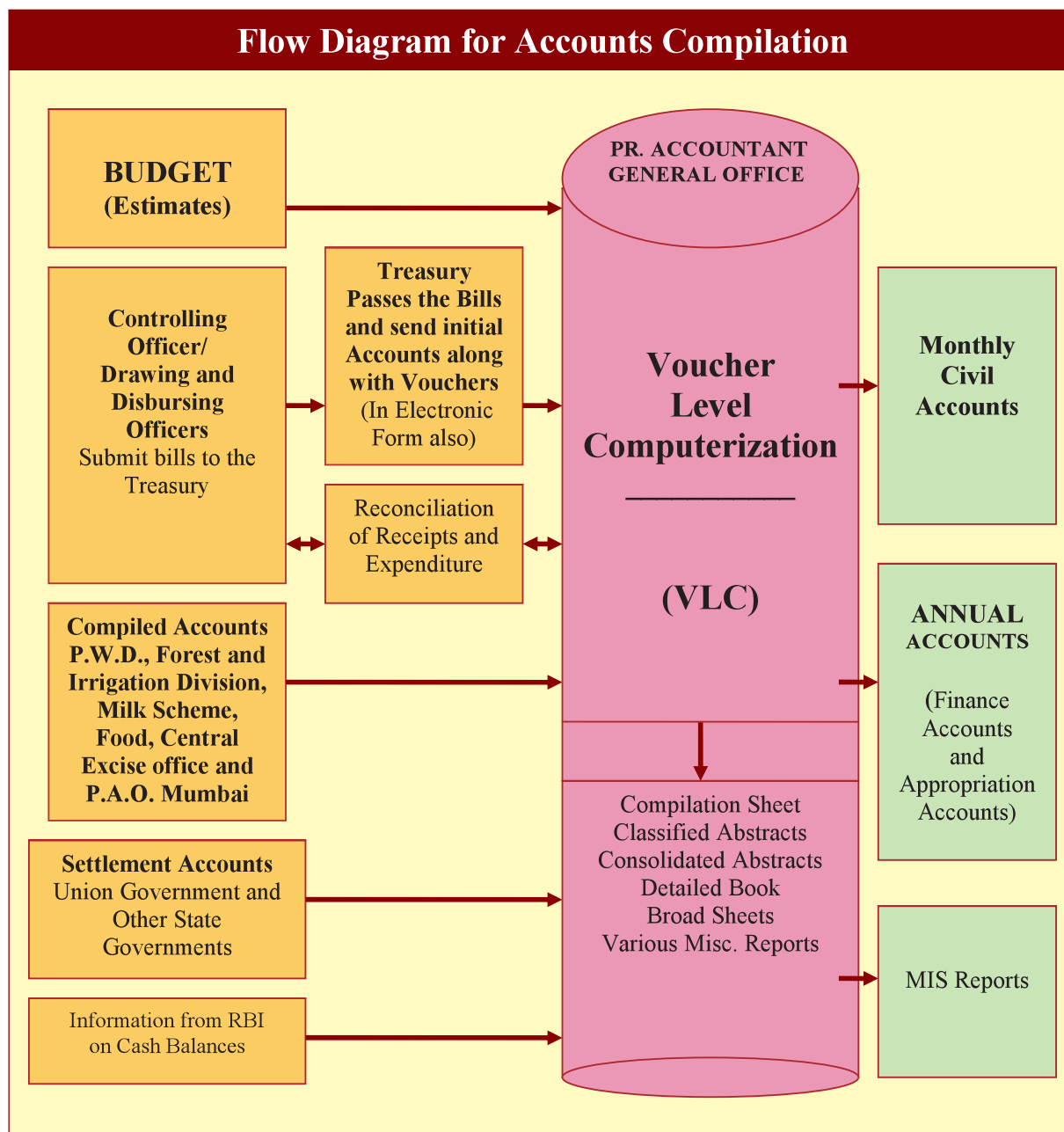
1.2.1. The Government accounts are kept in three parts:

Part I CONSOLIDATED FUND	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
Part II CONTINGENCY FUND	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
Part III PUBLIC ACCOUNTS	Comprises of Debt, Deposits, Advances, Suspense and Remittances transactions. Debt and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Suspense and Remittances transactions are adjusting entries that are to be cleared eventually by booking to the final heads of accounts.

1.2.2. Structure of Government Accounts



1.2.3. Compilation of Accounts



1.2.4. Annual Accounts of the Government of Maharashtra for the year 2011-12 are being presented to the State Legislature. Audit Report of the Comptroller and Auditor General of India for the year 2011-12 is being presented separately.

1.3. 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.

1.3.1. Receipts and disbursements of the Government of Maharashtra as depicted in the Finance Accounts 2011-12 are given below:-

(₹ in Crore)

Receipts (Total : 1,42,270)	Revenue (Total :1,21,286)	Tax Revenue	1,00,952 *
		Non Tax Revenue	8,168 **
		Grant-in-Aid	12,166
	Capital (Total : 20,984)	Recovery of Loans and Advances	559
		Borrowings and other Liabilities	19,969
		Other Capital Receipts	456
Disbursements (Total :1,42,270)	Revenue		1,23,554
	Capital		17,880
	Loans and Advances		836

* Includes ₹ 13,343 Crore on account of 'Share of Union Taxes/Duties'.

** Includes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.

The Union Government transfers substantial funds directly to State Implementing Agencies/ NGOs for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 7,144 Crore (₹ 5,645 Crore last year). Since these funds are not routed through State Budget, they are not reflected in the accounts of the State Government.

1.4. Appropriation Accounts

Appropriation Accounts bring out the expenditure of the State Government against amounts voted and charged by the State Legislature and supplement the Finance Accounts. These comprise accounts of 27 Charged Appropriations, 169 Voted Grants and 51 combined (charged and voted) provisions.

1.4.1. The Appropriation Acts, for the year 2011-2012 had projected a gross expenditure of ₹ 1,76,185 Crore, including the Supplementary Grants totalling ₹ 14,349 Crore, voted by State Legislature during the year. An amount of ₹ 7,713 Crore was projected as recoveries in reduction of expenditure.

1.4.2. Appropriation Accounts 2011-2012 show disbursements aggregating ₹ 1,55,029 Crore against the aggregate budget provision of ₹ 1,76,185 Crore, resulting in saving of ₹ 21,156 Crore against Grants and Appropriations. This does not include the amount of ₹ 500 Crore appropriated to the Contingency Fund by way of Ordinance. The corpus of the Contingency Fund was temporarily increased twice during 2011-2012 under Maharashtra Contingency Fund (Amendment) Ordinance. The ordinance ceased to operate on expiry of six weeks from the re-assembling of the Legislature.

1.4.3. Recoveries in reduction of expenditure amounted to ₹ 6,301 Crore reflecting a decrease of ₹ 1,412 Crore vis-a-vis budget estimates.

1.4.4. The gross expenditure of ₹ 1,55,029 Crore includes ₹ 256 Crore drawn on Abstract Contingent (AC) Bills and ₹ 39,450 Crore as Grants-in-aid Bills, out of which, large number of bills are outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills and Utilisation Certificates respectively from the concerned Drawing & Disbursing Officers.

1.4.5. During 2011-12, ₹ 15,432 Crore was transferred from the Consolidated Fund to Personal Deposit (PD) Accounts under the Public Accounts, which are maintained by designated Administrators for specific purposes. Normally, unspent balances under PD Accounts are to be transferred back to the Consolidated Fund at the end of the financial year. However, details of such transfers, if any, are not readily ascertainable, as these funds also include receipts from source other than the Consolidated Fund of the State.

1.5. Sources and Application of Funds

1.5.1. Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA)/ Overdraft to enable State Governments to maintain their liquidity. When there is a shortfall in the agreed minimum cash balance (₹ 5.58 Crore) with the RBI on any day, the deficiency is made good by taking ordinary and special ways and means advances/overdrafts from time to time. During 2011-12, the Government of Maharashtra has maintained a minimum cash balance and no ways and means advances or overdraft was taken.

The position of Ways and Means Advances of the Government for last 5 years is as follows:-

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
i) Number of days on which minimum balance was maintained					
(a) Without obtaining any advance	341	344	365	365	366
(b) By obtaining Ways and Means Advances	25	21	....	....	....
(ii) Number of days on which overdraft was taken	....	....	....	....	....

1.5.2. Fund flow Statement

The State had a Revenue Deficit of ₹ 2,268* Crore and a Fiscal Deficit of ₹ 19,969* Crore. The Fiscal Deficit constituted 14% of total expenditure. The deficit was met from Public Debt (₹ 17,994 Crore), increase in Public Account (₹ 2,858 Crore), net un-recouped contribution from the Contingency Fund (₹ 11 Crore), and net of opening and closing cash balance (₹ -894 Crore).

Around 48% of the revenue receipts (₹ 1,21,286 Crore) of the State Government was spent on committed expenditure like Salaries & Wages (₹ 18,595 Crore), Interest Payments (₹ 17,938 Crore), Subsidies (₹ 9,833 Crore) and Pensions (₹ 11,683 Crore).

* Includes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.

1.5.3. Sources and Application of Funds

(₹ in Crore)

	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01.04.2011	-1,229
	Revenue Receipts	1,21,286 *
	Miscellaneous Capital Receipts	456
	Recovery of Loans and Advances	559
	Public Debt	24,453 **
SOURCES	Small Savings, Provident Fund & Others	4,449
	Reserves and Sinking Funds	3,053
	Deposits Received	25,194
	Civil Advances Repaid	350
	Suspense Account	3,19,560
	Remittances	21,835
	TOTAL :	5,19,966

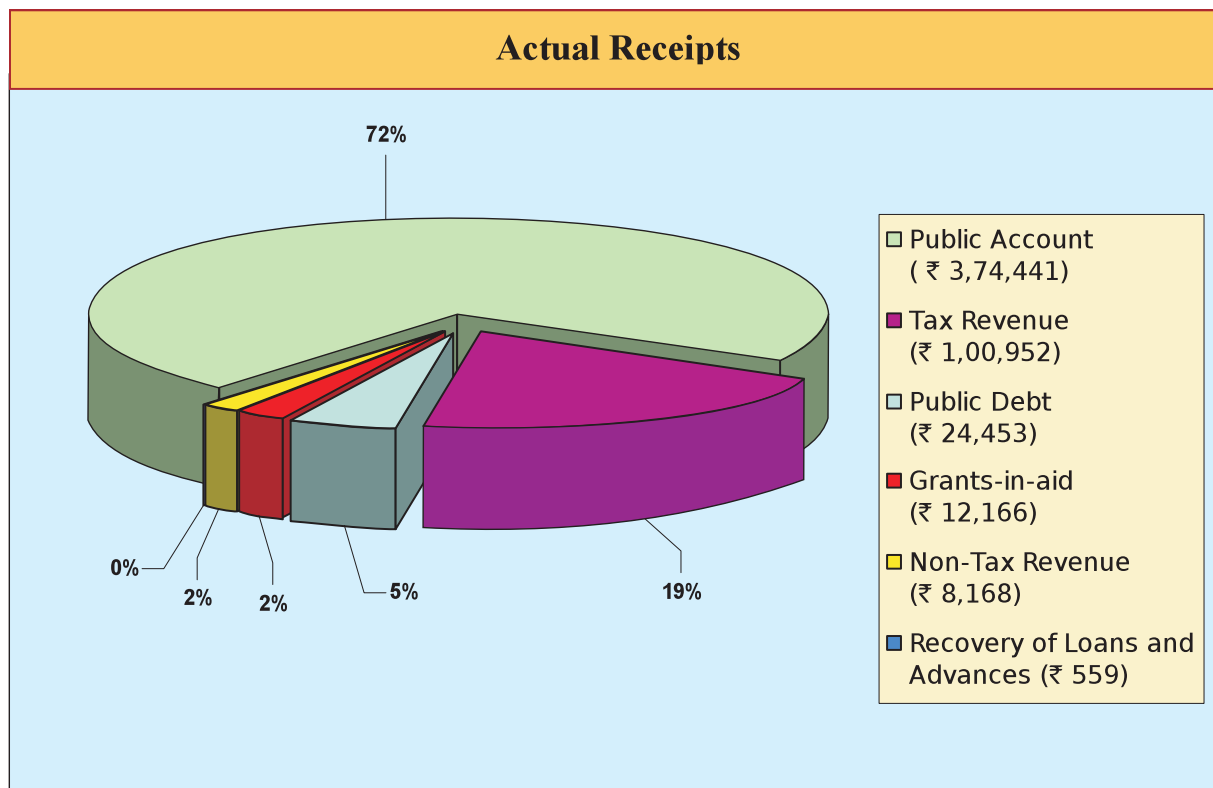
	Revenue Expenditure	1,23,554
	Capital Expenditure	17,880
	Loans Given	836
	Repayment of Public Debt	6,458
	Small Savings, Provident Funds & Others	2,189
	Reserves and Sinking Fund	3,452
APPLICATION	Deposits Spent	20,662
	Civil Advances given	351
	Suspense Account	3,22,839
	Remittances	22,091
	Contingency Fund	-11
	Closing Cash Balance as on 31.03.2012	-335
	TOTAL :	5,19,966

* Includes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.

** Excludes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.

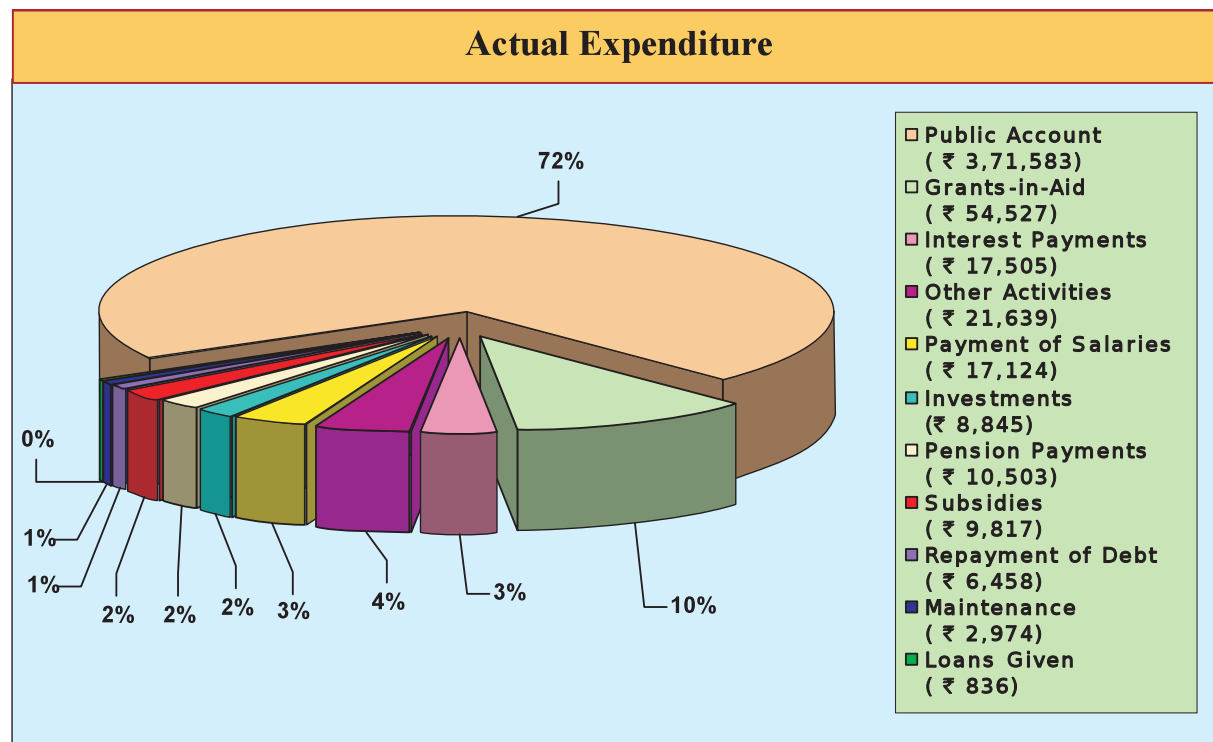
1.5.4. Where the Rupee came from

(₹ in Crore)



1.5.5. Where the Rupee went

(₹ in Crore)



1.6. Highlights of Accounts

(₹ in Crore)

Sr. No.	Head	B.E. 2011-2012	Actuals	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP**
1.	Tax Revenue	97,404	1,00,952	104	8
2.	Non-Tax Revenue***	9,731	8,168	84	1
3.	Grants-in-aid and Contributions	14,369	12,166	85	1
4.	Revenue Receipts (1+2+3)	1,21,504	1,21,286	100	10
5.	Recovery of Loans and Advances	475	559	118	....
6.	Other Receipts	....	456	....	....
7.	Borrowings and Other Liabilities****	22,805	19,969	88	2
8.	Capital Receipts (5+6+7)	23,280	20,984	90	2
9.	Total Receipts (4+8)	1,44,784	1,42,270	98	11
10.	Non-Plan Expenditure (NPE) (11+13)	99,435	1,05,204	106	8
11.	NPE on Revenue Account	95,542	1,01,519	106	8
12.	NPE on Interest Payments out of 11	17,540	17,505	100	1
13.	NPE on Capital Account	3,893	3,685	95	....
14.	Plan Expenditure (PE)(15+16)	45,349	37,066	82	3
15.	PE on Revenue Account	25,904	22,035	85	2
16.	PE on Capital Account	19,445	15,031	77	1
17.	Total Expenditure (10+14)	1,44,784	1,42,270	98	11
18.	Revenue Expenditure (11+15)	1,21,446	1,23,554	102	10
19.	Capital Expenditure (13+16)*	23,338	18,716	80	1
20.	Revenue Deficit (18-4)***	-58	2,268	3	....
21.	Fiscal Deficit 17-(4+5+6)=7	22,805	19,969	88	2

* Expenditure on Capital Account includes Capital Expenditure (₹ 17,880 Crore) and Loans and Advances Disbursed (₹ 836 Crore).

** Gross State Domestic Product (GSDP) is defined as the total income of the State or the Market Value of goods and services produced using labour and all other factors of production.

The final figures are not available in respect of GSDP for 2011-2012. Hence the figures have been compared with the advance estimates of GSDP of ₹ 12,48,453 Crore, as furnished by the Directorate of Economics and Statistics, Government of Maharashtra.

*** Includes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.

**** Excludes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.

1.6.1. Receipts and Disbursements :

The following table summarizes the Receipts and Disbursements Accounts for 2011-2012:-

(₹ in Crore)

Total Receipts		1,42,270	Total Disbursements		1,42,270
Revenue Receipts	1,21,286 *	85.25% **	Revenue Disbursements	1,23,554	86.84%
Capital Receipts	20,984	14.75%	Capital Disbursements	18,716	13.16%

* Includes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.

** The revised percentage works out to 85.13 after reckoning actual receipt of ₹ 1,21,116 crore.

1.7. What do the Deficits and Surpluses indicate?

Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit/Surplus	Refers to the gap between Revenue Receipt and Revenue Expenditure. Revenue expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit/Surplus	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the Borrowings should be invested in capital projects.

The nature of deficit is an indicator of the prudence of fiscal management of the Government.

1.7.1. In response to the Twelfth Finance Commission (TFC) recommendations, the Government of Maharashtra has enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2005 to ensure prudence in fiscal management and to maintain fiscal stability in the state. The Fiscal Responsibility and Budgetary Management Rules were, however, framed in February 2006.

1.7.2. The major fiscal targets for the state are as under -

- **Revenue Deficit -**

Reduce the revenue deficit by one *per cent* or more of the GSDP in the first year, 1.5 *per cent* or more in the first two years, two *per cent* or more in the first three years, beginning from the financial year 2005-06 and the entire deficit by 2008-09.

- **Fiscal Deficit -**

Reduce the fiscal deficit by an amount equivalent to 0.3 *per cent* or more of the GSDP at the end of each financial year beginning with the financial year 2005-06 until the fiscal deficit is brought down to not more than three *per cent* of the GSDP. The fiscal deficit in 2008-09 and thereafter should not exceed three *per cent* of GSDP.

1.7.3. Achievements of Targets -

- **Revenue Deficit-**

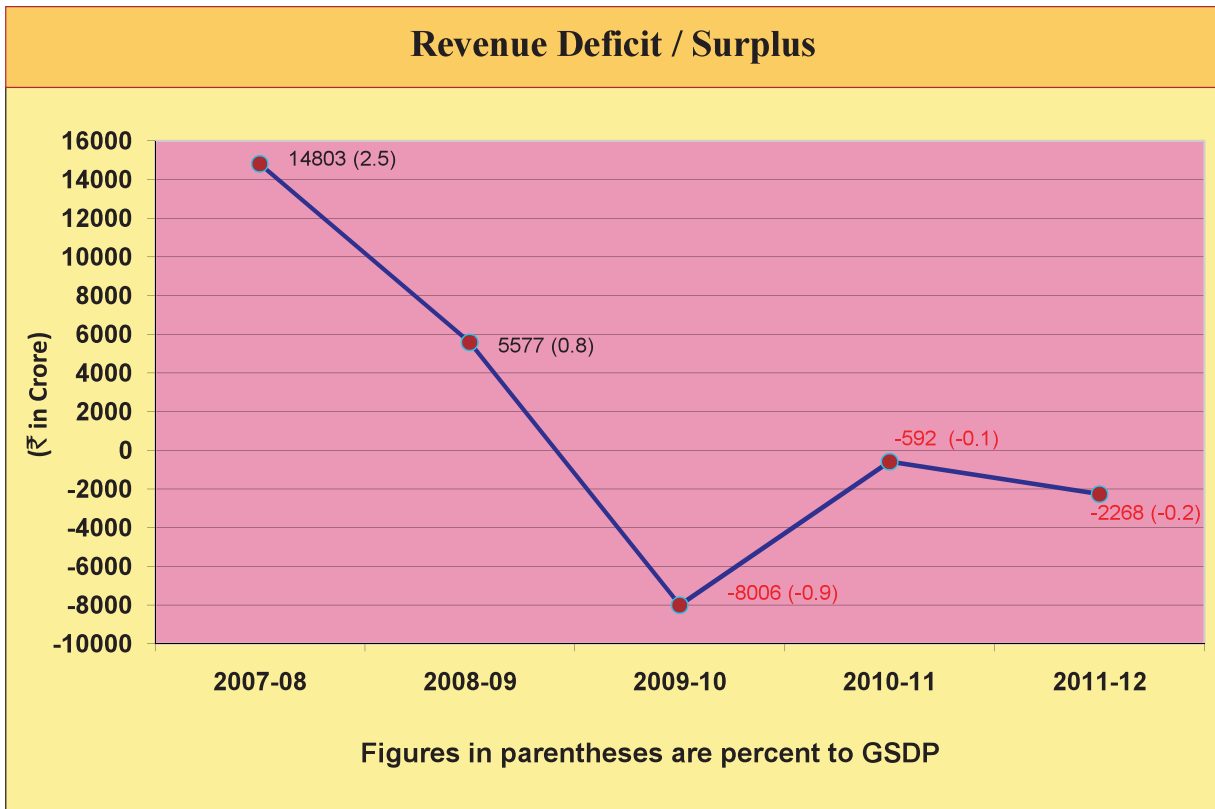
The State has almost achieved the target of eliminating the Revenue Deficit which was just 0.18 *per cent* of GSDP.

During 2011-12, 'Grants-in-aid' of ₹ 711.59 Crore in 15 cases and 'Subsidies' of ₹ 0.04 Crore in one case, released by the State Government had been classified/booked under Capital expenditure heads. These should be booked under revenue expenditure heads of accounts. This has resulted in understatement of Revenue Expenditure as well as Revenue Deficit to the extent of ₹ 711.63 Crore.

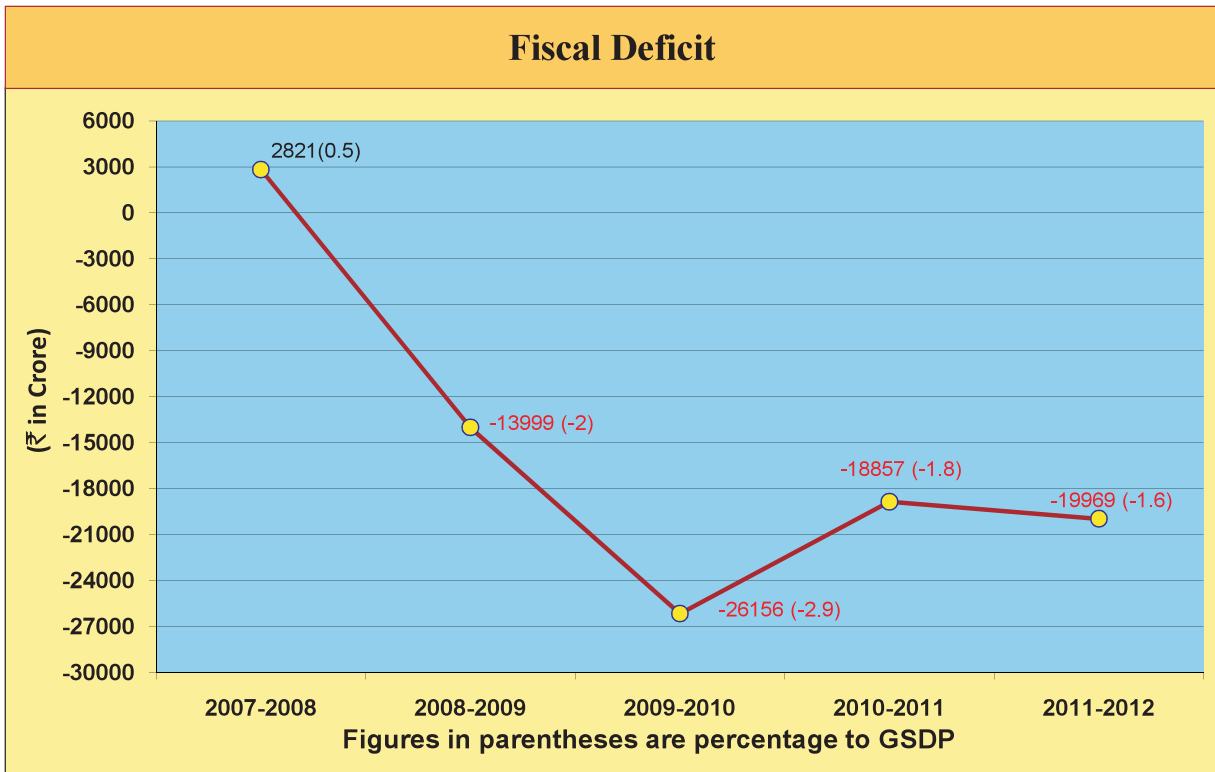
- **Fiscal Deficit-**

The State could reduce the fiscal deficit, and constituted 1.59 *per cent* of GSDP in 2011-12 which was within the limit (3 *per cent*) fixed as laid down under the MFRBM Act/Rules and 13th Finance Commission.

1.7.4. Trend of Revenue Deficit/Surplus



1.7.5. Trend of Fiscal Deficit



CHAPTER – II

RECEIPTS

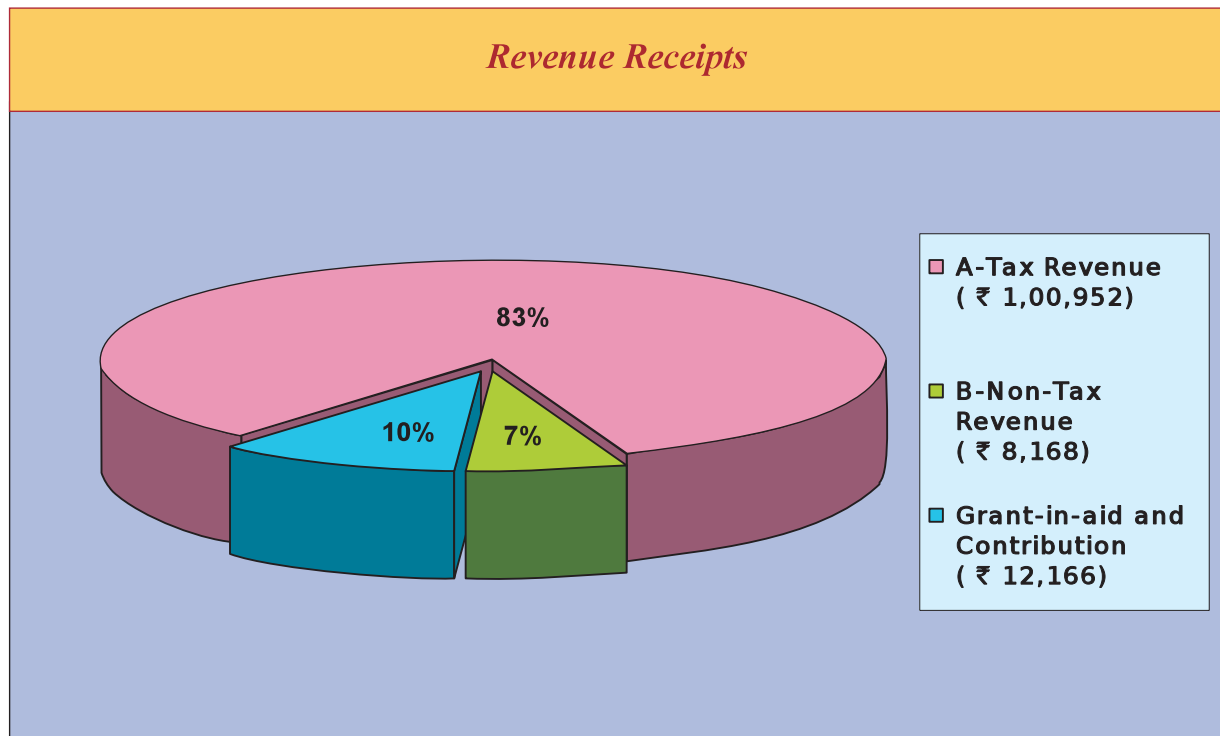
2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue Receipts for 2011-12 were ₹ 1,21,286 Crore.

2.1.1. Revenue Receipts

Tax Revenue	Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividends, profits etc.
Grants-in-Aid	Essentially, a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Material & Equipment' received from foreign Government and channelized through the Union Government. In turn, the State Governments also give Grants-in-aid to institutions like Panchayat Raj Institutions, Autonomous bodies etc.

(₹ in Crore)



2.2. Revenue Receipt Components (2011-12)

2.2.1. Revenue Receipts:

Tax Revenue of ₹ 1,00,952 Crore and Non-Tax Revenue of ₹ 8,168*** Crore formed 8 per cent and 1 percent respectively of the GSDP. Major contributor to revenue was ₹ 50,596 Crore under Taxes on Sales, Trades etc. (ratio to GSDP – 1:25).

Net tax receipts (₹ 1,00,952 Crore) during the year were more than the budget estimates (₹ 97,404 Crore) by ₹ 3,548 Crore, mainly on account of more collection under Taxes on Sales, Trades etc. (₹ 4,596 Crore).

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

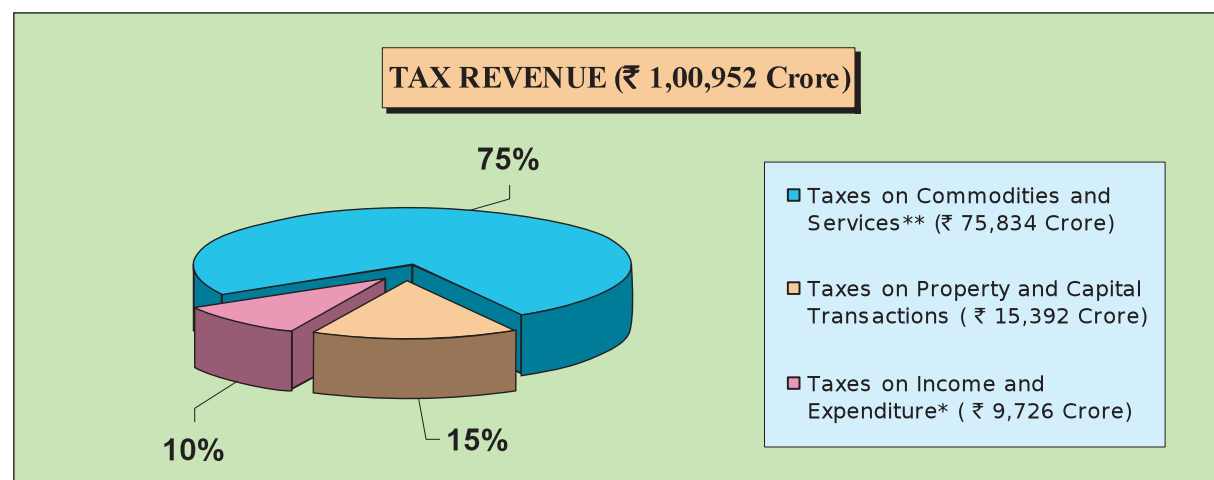
Revenue Receipts and Grants in Aid and Contributions:

(₹ in Crore)

Components	Actuals	Percentage to total Revenue Receipts	
A –Tax Revenue			
Taxes on Income and Expenditure*	9,726	8	(10) #
Taxes on Property and Capital Transactions	15,392	13	(15) #
Taxes on Commodities and Services**	75,834	62	(75) #
Total, Tax Revenue	1,00,952	83	
B-Non-tax Revenue			
Fiscal Services	....	....	....
Interest Receipts, Dividends and Profits	1,389	1	(17) \$
General Services	1,265	1	(15) \$
Social Services	1,211	1	(15) \$
Economic Services	4,303	4	(53) \$
Total, Non-Tax Revenue	8,168	7	
C – Grant-in-aid and Contributions	12,166	10	
TOTAL REVENUE RECEIPTS	1,21,286	100.00	

The figures in bracket represent percentage to Total Tax Revenue.

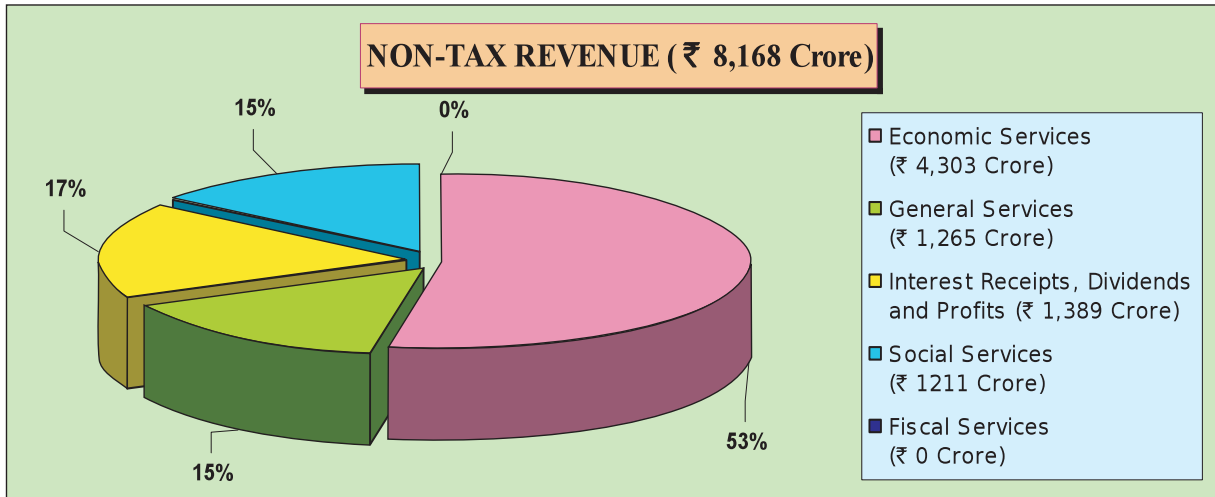
\$ The figures in bracket represent percentage to Total Non-Tax Revenue.



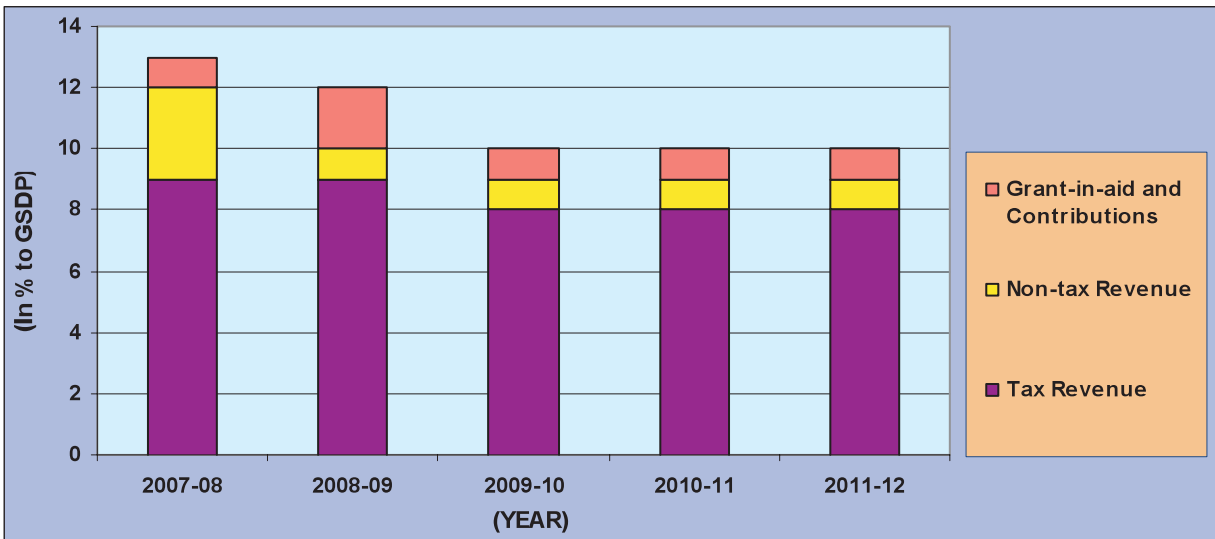
* Share of Income Tax received from Union Government ₹ 7,896 Crore.

** Receipts on account of Taxes on Sales, Trades etc. were ₹ 50,596 Crore.

*** Includes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.



2.3 Components under Revenue Receipts as proportion to GSDP



2.4. Sector-wise Tax Revenue

(₹ in Crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Taxes on Income and Expenditure	5,518	5,841	6,898	8,508	9,726
Taxes on Property and Capital Transactions	9,064	8,836	11,495	14,620	15,392
Taxes on Commodities and Services	40,544	45,371	48,961	63,319	75,834
Total Tax Revenue	55,126	60,048	67,354	86,447	1,00,952

Tax Revenue of the State increased by ₹ 14,505 Crore (17 per cent) over the previous year. The increase over previous year was mainly under- 'Taxes on Commodities and Services' due to more tax collection under 'Value Added Tax' (₹ 8,114 Crore), More collection of tax under State Motor Vehicles Taxation (₹ 605 Crore) and more collection of excise duty on wines and spirit (₹ 2,644 Crore).

2.5. Performance of State's own tax revenue collection

(₹ in Crore)

Year	Tax Revenue	State Share of Union Taxes	State's Own Tax Revenue	
			Rupees	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2007-08	55,126	7,597	47,529	8.0%
2008-09	60,048	8,018	52,030	7.5%
2009-10	67,354	8,248	59,106	6.6%
2010-11	86,447	11,420	75,027	7.0%
2011-12	1,00,952	13,343	87,609	7.0%

State's own tax revenue collection with reference to GSDP decreased from 8 per cent in 2007-08 to 7.5 per cent in 2008-09 and 6.6 per cent in 2009-10. However, increased to 7 per cent in 2010-11 and maintained the same per cent in 2011-12.

2.6. Trend of Revenue Receipts

(₹ in Crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Tax Revenue	55,126 (9)	60,048 (9)	67,354 (8)	86,447 (8)	1,00,952 (8)
Non-tax Revenue	16,948 (3)	9,790 (1)	8,353 (1)	8,225 (1)	8,168** (1)
Grant-in-aid and Contributions	7,509 (1)	11,433 (2)	11,203 (1)	11,196 (1)	12,166 (1)
Total Revenue Receipts	79,583 (13)	81,271 (12)	86,910 (10)	1,05,868 (10)	1,21,286** (10)
GSDP	5,90,995	6,92,749	9,01,330	10,68,327	12,48,453*

Note : Figures in parentheses represent percentage to GSDP.

* Provisional (Advance Estimates).

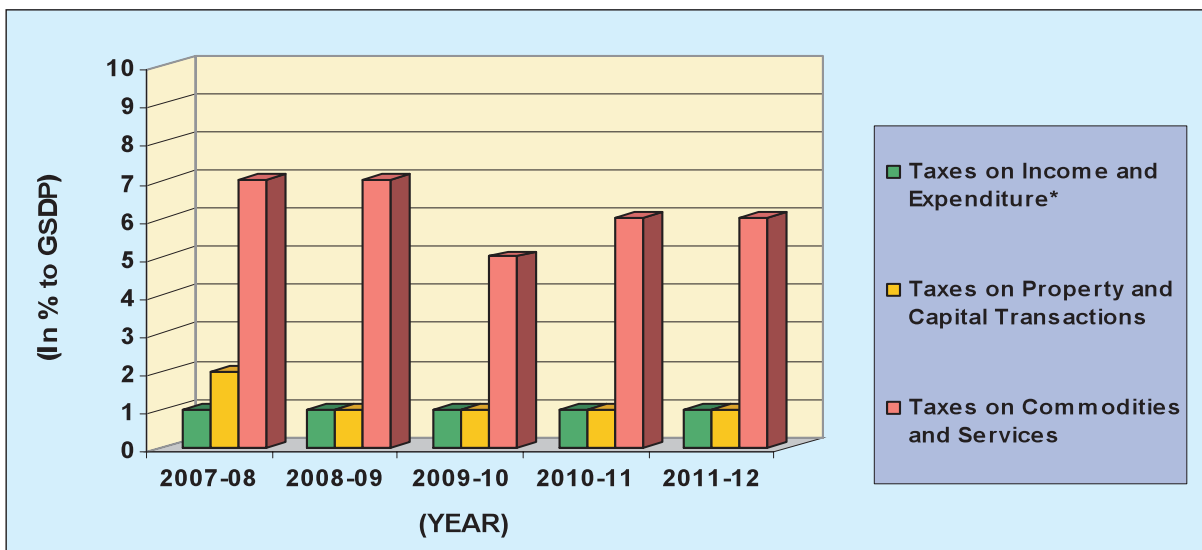
** Includes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.

2.6.1. Revenue receipts grew by 15 per cent in 2011-12 over the previous year. The increase was the net effect of increase in Tax Revenue by 17 per cent and State's share of Union Taxes and Duties by 17 per cent set off by a decrease in Non-tax Revenue by 1 per cent.

2.6.2. The decrease in Non-tax Revenue by 1 per cent in 2011-12 over 2010-11 was mainly under 'Miscellaneous General Services' due to less receipts on account of Guarantee Fees.

2.6.3. The Grants-in-aid from Government of India increased marginally by 9 *per cent* from ₹ 11,196 Crore in 2010-11 to ₹ 12,166 crore in 2011-12. The increase was mainly under grants under Centrally Sponsored Plan Scheme. (proviso to Article 275 (i) of the Constitution).

2.7. Trend of Major Taxes in Proportion to GSDP



* Primarily net proceeds of Central Share to the State.

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

(₹ in Crore)

Major Head description	2007-08	2008-09	2009-10	2010-11	2011-12
Corporation Tax	2,411	2,629	3,394	4,463	5,236
Taxes on Income other than Corporation Tax	1,618	1,651	1,891	2,359	2,660
Taxes on Wealth	2	2	8	9	20
Customs	1,436	1,533	1,154	1,997	2,307
Union Excise Duties	1,371	1,337	930	1,453	1,493
Service Tax	759	866	871	1,139	1,588
Other Taxes and Duties on Commodities and Services	....	....	....	....	39
State Share of Union Taxes	7,597	8,018	8,248	11,420	13,343
Total Tax Revenue	55,126	60,048	67,354	86,447	1,00,952
% of Union Taxes to Total Tax Revenue	14	13	12	13	13

Central tax transfers increased by 17 *per cent* from ₹ 11,420 Crore in 2010-11 to ₹ 13,343 Crore in 2011-12. The increase was mainly under customs (₹ 310 Crore), union excise duties (₹ 40 Crore), corporation tax (₹ 773 Crore), taxes on income other than corporation tax (₹ 301 Crore) and service tax (₹ 449 Crore).

2.9. 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 3 years are given in the following table.

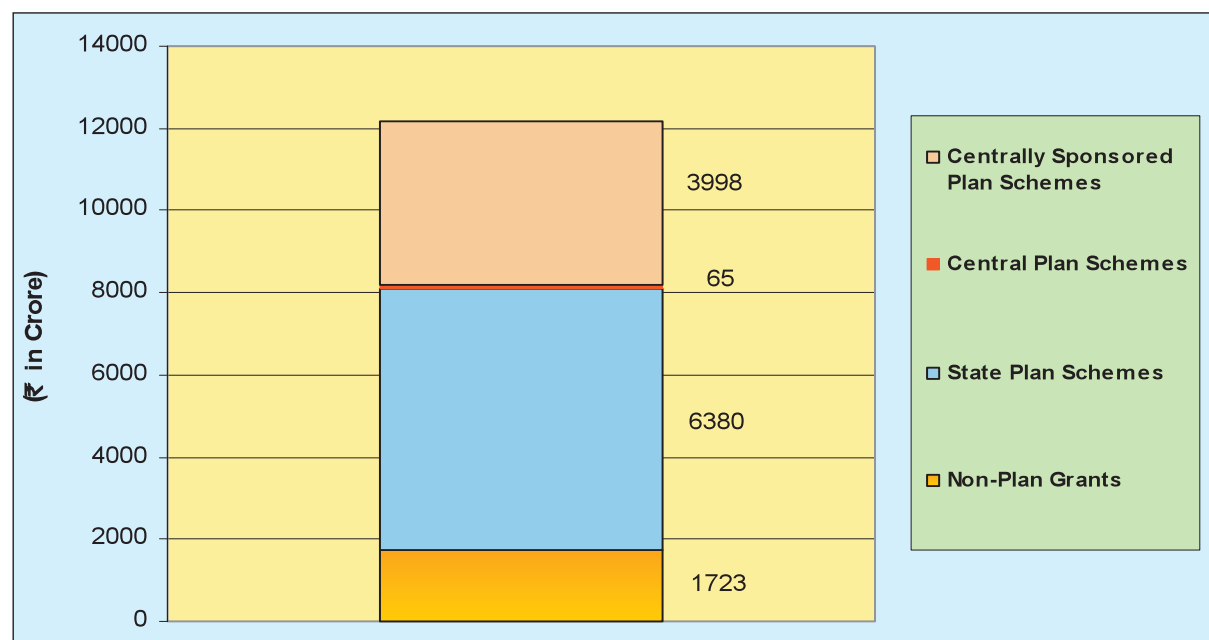
(₹ in Crore)

Sr. No.	Head of Revenue	Year	Gross Collection	Expenditure On Collection	Percentage of expenditure to Gross Collection
1.	Sales Tax/VAT	2009-10	32,676	284	0.87
		2010-11	42,483	298	0.70
		2011-12	50,596	346	0.68
2.	State Excise	2009-10	5,057	63	1.24
		2010-11	5,962	63	1.06
		2011-12	8,605	137	1.59
3.	Taxes on Vehicles	2009-10	2,682	77	2.87
		2010-11	3,533	91	2.58
		2011-12	4,137	702	16.94

As compared to the previous year, percentage of expenditure on collection of taxes increased gradually in all heads of revenue for the period from 2009-10 to 2011-12. However, in respect of Taxes on vehicles there has been steep increase in collection over previous years.

2.10. Grants-in-aid

Grants-in-aid represent assistance from the Government of India, and comprise, Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2011-12 under Grants-in-aid were ₹ 12,166 Crore as shown below:



The State Government has actually received ₹ 12,166 Crores (85% of B.E.) under Grant-in-aid and Contributions as against the Budget Estimate (B.E.) of ₹ 14,369 Crore.

2.11. Capital Receipts:

Compared to the revised estimates (₹ 21,225 Crore), there was an overall increase of ₹ 1,547 Crore in Capital Receipts (₹ 22,772 Crore). This was mainly under Public Debt (₹ 1,654 Crore) and Public Account (₹ 1,927 Crore).



CHAPTER – III

EXPENDITURE

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. Within each of the Divisions mentioned above, the transactions are grouped into following sectors. Expenditure is further classified under Plan and Non-Plan.

General Services	Includes Justice, Police, Jail, Pension etc.
Social Services	Includes Education, Health and Family Welfare, Water Supply, Welfare of SC-ST etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.

3.2. Revenue Expenditure

3.2.1. Gross Revenue Expenditure of ₹ 1,26,586 Crore for 2011-12 fell short of budget estimates by ₹ 11,119 Crore due to less disbursement of ₹ 6,809 Crore under Plan Expenditure and ₹ 4,310 Crore under Non-plan Expenditure.

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

(₹ in Crore)

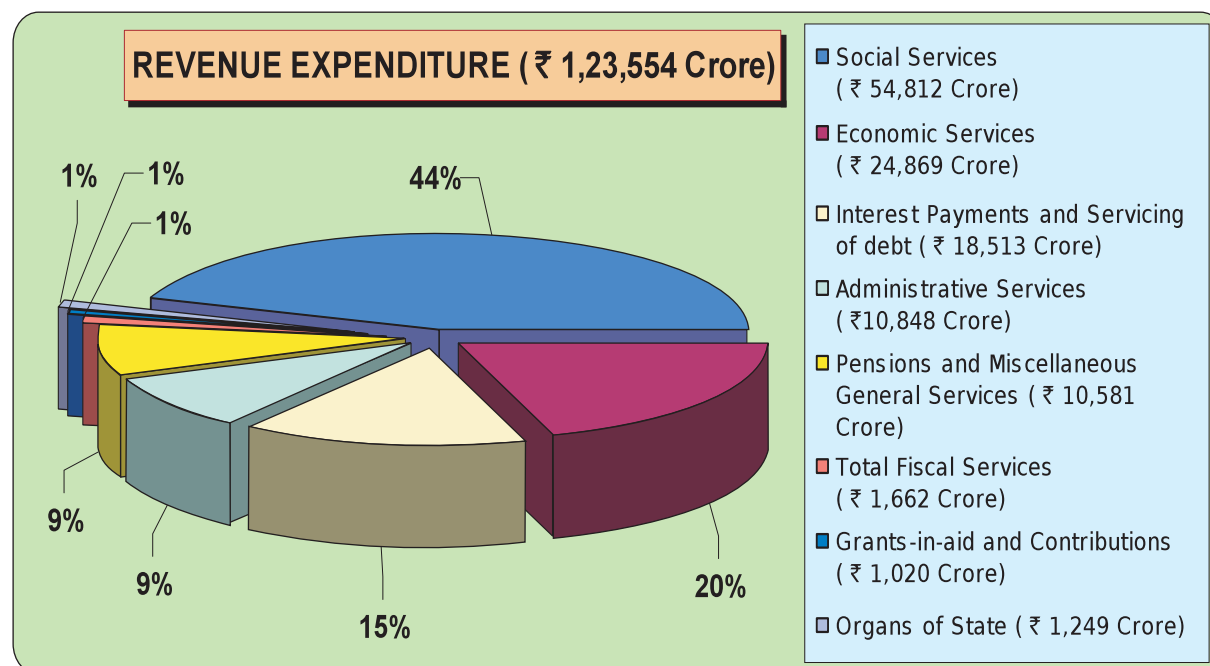
	2007-08	2008-09	2009-10	2010-11	2011-12
Budget Estimates (BE)	79,813	94,640	1,27,443	1,24,129	1,37,705
Actuals	67,035	77,859	98,220	1,09,646	1,26,586
Gap	12,778	16,781	29,223	14,483	11,119
% of gap over BE	16	18	23	12	8

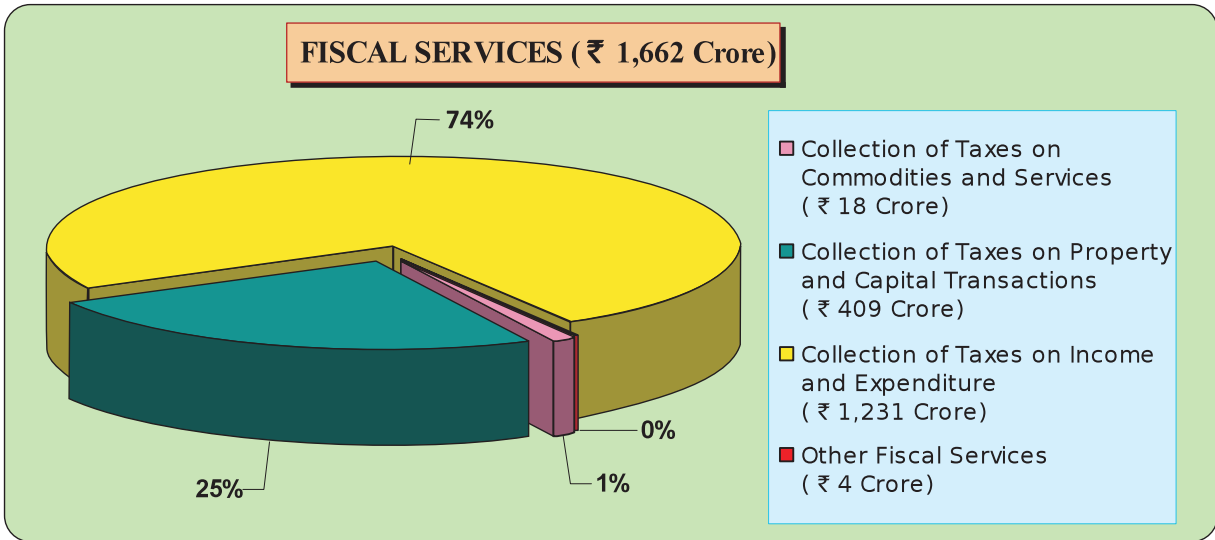
3.2.2. Sectoral Distribution Of Expenditure And Its Percentage To Total Revenue Expenditure (2011-12)

(₹ in Crore)

Components	Amount	Percentage to the Total Revenue Expenditure	
A. Fiscal Services			
(i) Collection of Taxes on Income and Expenditure	18	....	(1)*
(ii) Collection of Taxes on Property and Capital Transactions	409	....	(25)*
(iii) Collection of Taxes on Commodities and Services	1,231	1	(74)*
(iv) Other Fiscal Services	4	....	(....)*
Total- Fiscal Services	1,662	1	
B. Organs of State	1,249	1	
C. Interest Payments and Servicing of debt	18,513	15	
D. Administrative Services	10,848	9	
E. Pensions and Miscellaneous General Services	10,581	9	
F. Social Services	54,812	44	
G. Economic Services	24,869	20	
H. Grants-in-aid and Contributions	1,020	1	
Total Expenditure (Revenue Account)	1,23,554	100	

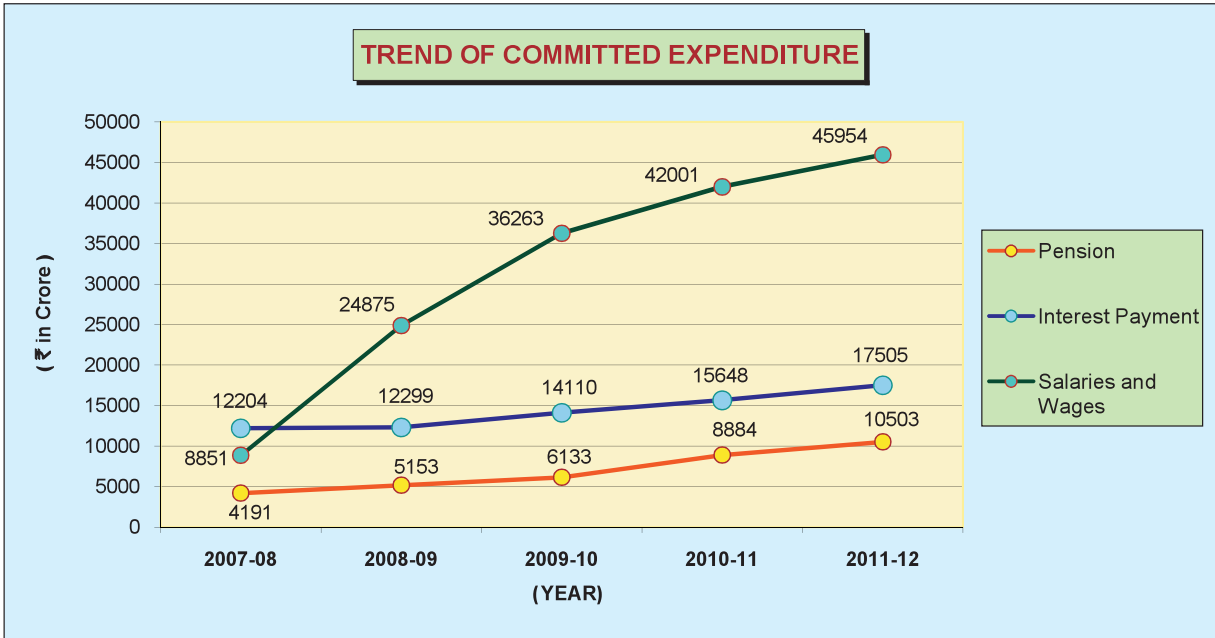
* The figures in bracket represent percentage to total fiscal services.





Revenue expenditure constituted 87 per cent of the total expenditure. The increase in the revenue expenditure was mainly on (a) General Education, (b) Interest Payments, (c) Power, (d) Industries, (e) Pension and Other Retirement Benefits, (f) Relief on account of Natural Calamities, (g) District Administration and (h) Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes.

3.2.3. Committed Expenditure



* Does not include salaries paid out of grant-in-aid as information is not available.

(₹ in Crore)

Component	2007-08	2008-09	2009-10	2010-11	2011-12
Committed Expenditure *	25,246	42,327	56,506	66,533	73,961
Revenue Expenditure	64,780	75,694	94,916	1,06,459	1,23,554
% of Committed Expenditure to Revenue Expenditure	39	56	59	62	60
Revenue Receipt	79,583	81,271	86,910	1,05,868	1,21,286 **
% of Committed Expenditure to Revenue Receipt	32	52	65	63	61

* Differs from previous years as subsidy has been excluded from the total Committed Expenditure.

** Includes ₹ 170.23 crore on account of write off of consolidated Central Government Loans.

The steep upward trend of committed expenditure leaves the Government with lesser flexibility for development spending.

3.2.4. Trend in Revenue Expenditure

Trends in Government Revenue Expenditure from 2007-2008 to 2011-12 (5 years period) is given below:-

(₹ in Crore)

Year	Revenue Expenditure (Actuals)	Total Expenditure	GSDP	Percentage increase over previous years 2007-2008 to 2011-2012			Percentage of Government Expenditure To GSDP
				Revenue Expenditure	Total Expenditure	GSDP	
2007-2008	64,780	77,495	5,90,995	6	5	16	13
2008-2009	75,694	95,848	6,92,749	17	24	17	14
2009-2010	94,916	1,13,606	9,01,330	25	19	30	13
2010-2011	1,06,459	1,25,382	10,68,327	12	10	19	12
2011-2012	1,23,554	1,42,270	12,48,453 *	16	13	17	11

* Advance Estimates.

The over all increase in Government's total expenditure during 2011-12 compared to 2007-08 (5 years) was ₹ 64,775 Crore.

Growth in major areas of Revenue Expenditure is shown in the following table-

(₹ in Crore)

Areas of Expenditure	2007-2008	2008-2009	2009-2010	2010-2011	2011-12	Percentage increase (+) /decrease(-) In 2011-2012 over Previous year 2010-2011
Interest Payments and Servicing of Debt	12,765	12,898	14,941	16,549	18,513	+12
Pension and Miscellaneous General Services	4,215	5,199	6,229	8,957	10,581	+18
Administrative Services	5,504	6,560	8,173	10,340	10,848	+5
Agriculture and Allied Activities	3,469	6,403	6,460	7,383	6,145	-17
Energy	3,411	2,808	4,138	5,749	5,527	-4

3.3. Capital Disbursements:

Capital Disbursements were 1.50 *per cent* of the GSDP. It was more than budget estimates by ₹ 4,622 Crore due to more disbursement under Capital Outlay (₹ 4,559 Crore) and more disbursement under Loans and Advances (₹ 63 Crore).

3.3.1. Sectoral distribution of Capital Expenditure

During 2011-12, 80% of the Capital Expenditure was made on Economic Services ₹ 8,031 Crore on Irrigation and Flood Control, ₹ 2,813 Crore on Transport, ₹ 1,862 Crore on energy and ₹ 1,236 Crore on Agriculture and Allied Activities.

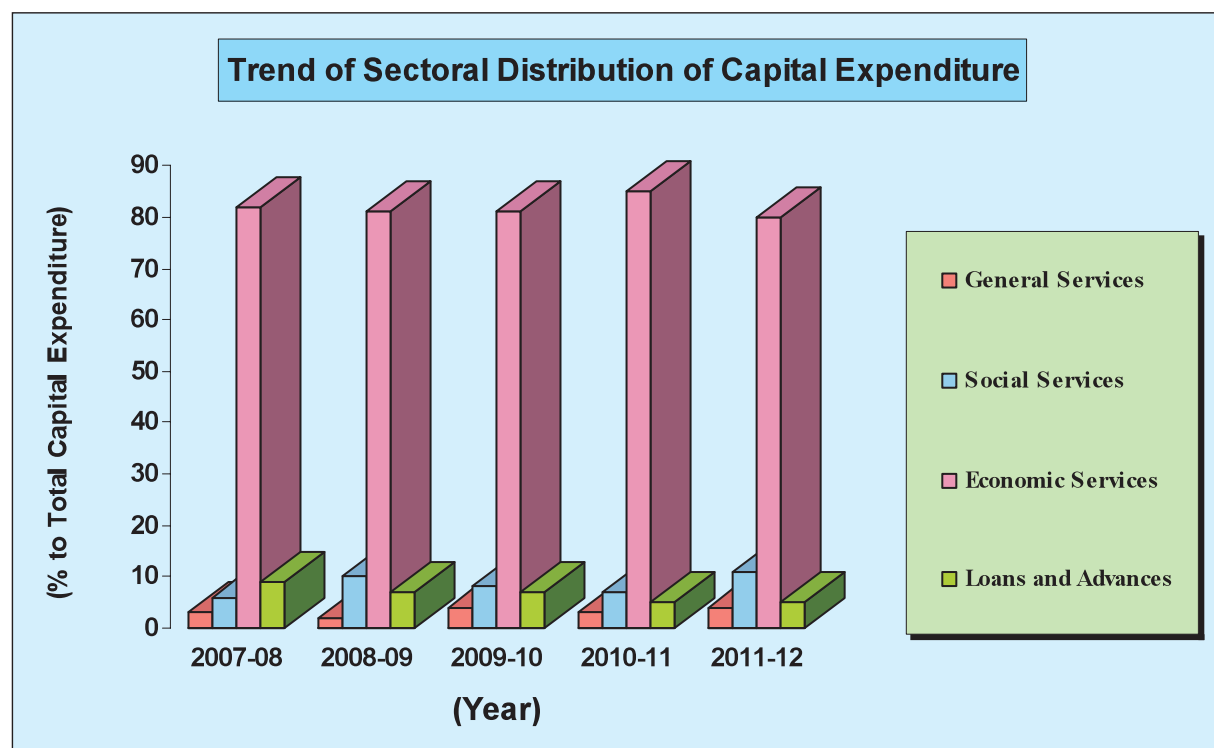
(₹ in Crore)

Sr.No.	Sector	Amount	Percentage
1.	General Services - Police, Public Works etc.	796	4
2.	Social Services - Education, Health & Family Welfare Water Supply, Welfare of SC/ST etc.	2,097	11
3.	Economic Services - Agriculture, Rural Development Irrigation, Co-operation, Energy, Industries, Transport etc.	14,987	80
4.	Loans and Advances Disbursed	836	5
Total		18,716	100

3.3.2. Trend of Sectoral Capital Expenditure over the past 5 years

(₹ in Crore)

Sr.No.	Sector	2007-08	2008-09	2009-10	2010-11	2011-12
1.	General Services	342	459	712	541	796
2.	Social Services	743	2,065	1,479	1,241	2,097
3.	Economic Services	10,405	16,349	15,238	16,181	14,987
4.	Loans and Advances	1,225	1,281	1,261	959	836
Total		12,715	20,154	18,690	18,922	18,716



3.4. Trend of expenditure (Revenue and Capital) in important sectors with reference to Budget Estimates

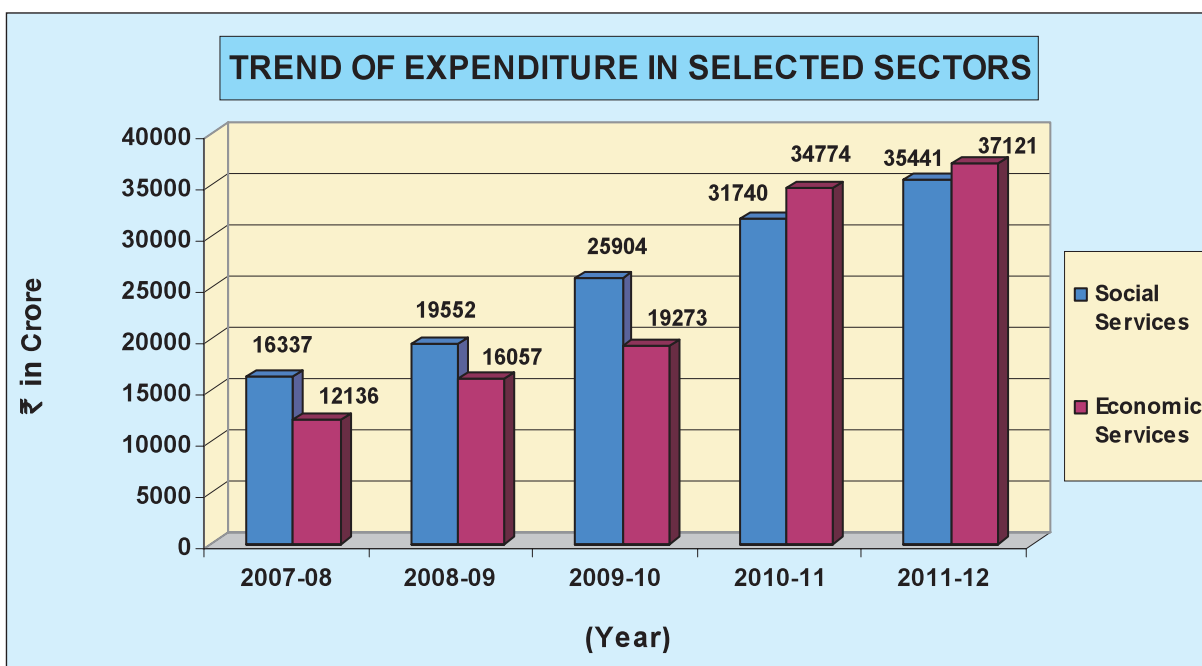
Trend of expenditure (Revenue and Capital) in some important sectors between 2007-2008 and 2011-2012 (5 years) is brought out below:

(₹ in Crore)

Sector	2007-2008	% to B.E.	2008-2009	% to B.E.	2009-2010	% to B.E.	2010-2011	% to B.E.	2011-2012	% to B.E.	% to R.E.*
A. Social Services -											
i) Education	13,642	111	16,447	111	22,208	115	27,083	102	30,034	97	99
ii) Health and Family Welfare	2,695	101	3,105	108	3,696	117	4,657	110	5,407	111	102
Social Services, Total	16,337		19,552		25,904		31,740		35,441		
B. Economic Services-											
i) Agriculture	3,469	114	6,403	187	6,460	106	7,383	156	7,381	126	112
ii) Rural Development	1,061	29	1,980	65	2,493	15	3,019	76	3,395	121	123
iii) Irrigation & Flood Control	1,648	96	1,939	113	2,340	132	11,654	515	10,732	419	382
iv) Energy	3,411	145	2,808	117	4,138	173	5,749	216	7,389	217	132
v) Transport	2,254	322	2,691	129	3,227	151	5,927	222	7,012	208	170
vi) General Economic Services	293	89	236	104	615	130	1,042	83	1,212	93	100
Economic Services, Total	12,136		16,057		19,273		34,774		37,121		

Note: Expenditure figures from the year 2007-08 to 2009-10 represent only revenue expenditure. Expenditure for the year 2010-11 onwards includes revenue and capital.

* Percentage to revised estimates has been given only for 2011-12.

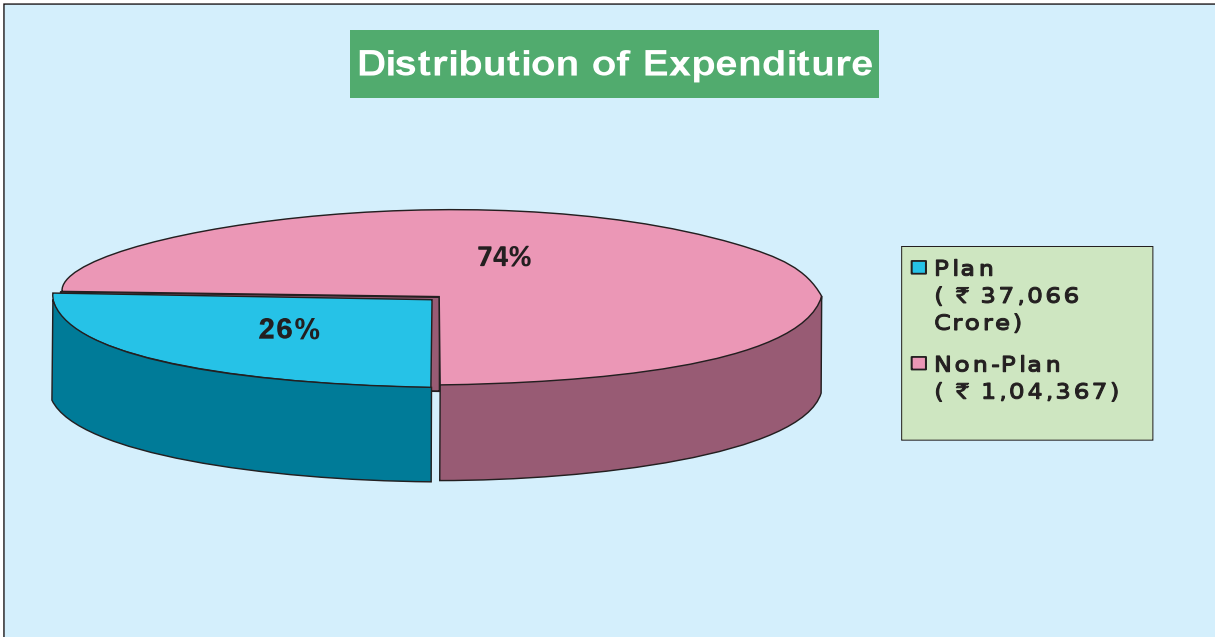


CHAPTER – IV

PLAN & NON PLAN EXPENDITURE

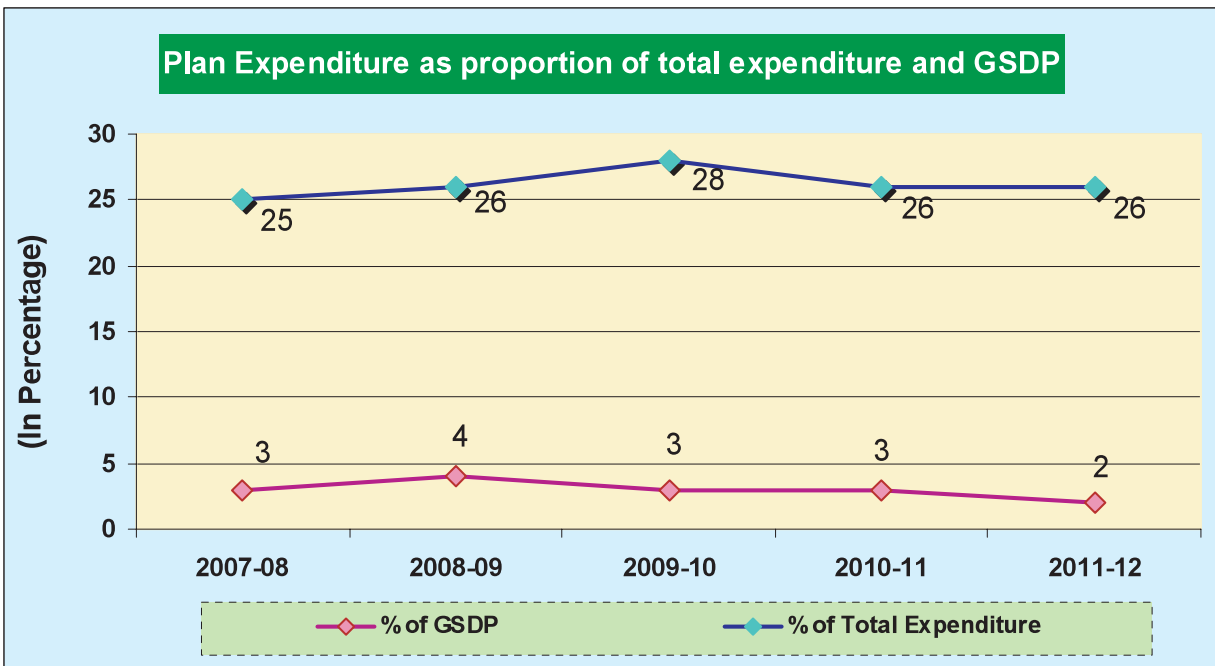
4.1. Distribution of expenditure (2011-12)

(₹ in Crore)



4.2. Plan Expenditure

During 2011-12, Plan Expenditure, representing 26 per cent of total disbursements, was ₹ 37,066 Crore (₹ 29,240 Crore under State Plan and ₹ 7,826 Crore under Centrally Sponsored Plan Schemes).



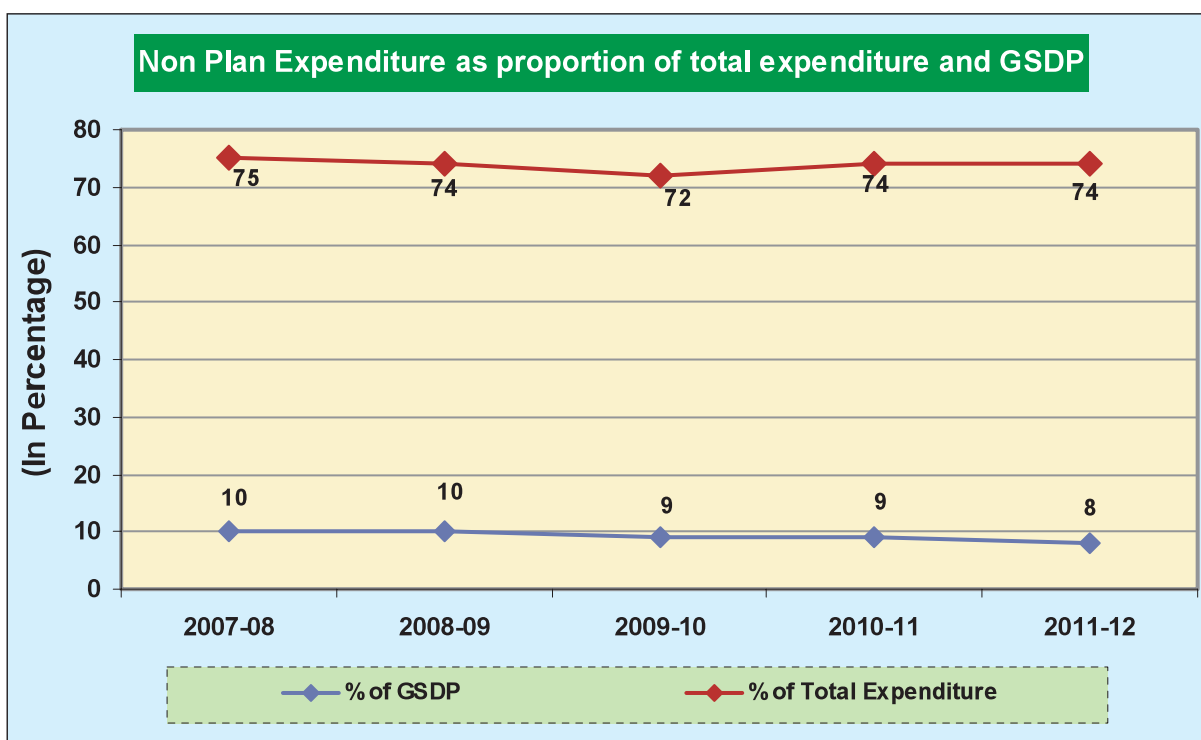
4.2.1. Plan expenditure under Capital Account

(₹ in Crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Total Capital Expenditure	12,715	20,154	18,690	18,922	18,716
Capital Expenditure (Plan)	9,464	12,776	14,668	15,654	15,031
% of Capital Expenditure (Plan) to Total Capital Expenditure	74	63	78	83	80

4.3. Non-Plan Expenditure

Non-Plan Expenditure during 2011-12, representing 74 per cent of total disbursements, was ₹ 1,05,204 Crore (₹ 1,01,519 Crore under Revenue and ₹ 3,685 Crore under Capital).



CHAPTER – V

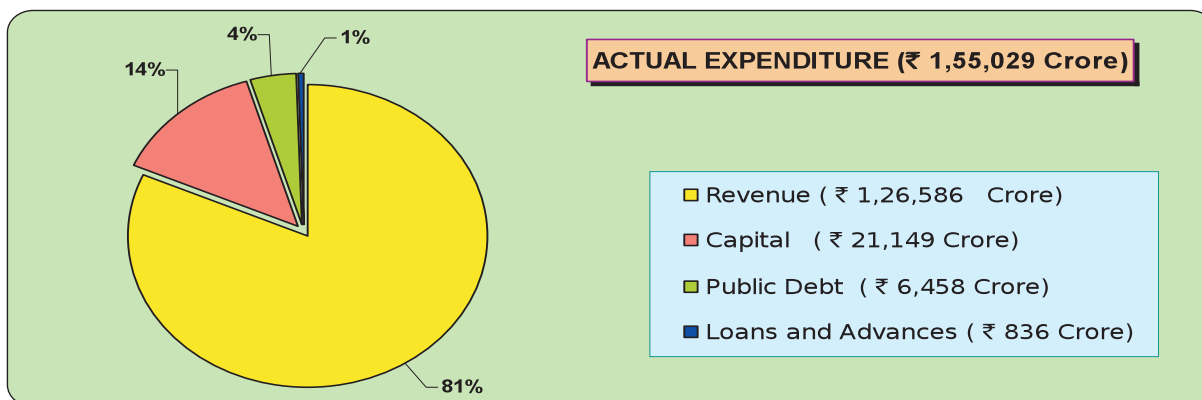
APPROPRIATION ACCOUNTS

5.1. Summary of Appropriation Accounts for 2011-12

The Appropriation Accounts of the Government of Maharashtra for the year 2011-2012 present the accounts of sums expended in the year ended 31st March 2012, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Article '204' and '205' of the Constitution of India.

The Appropriation Accounts show that in the year 2011-2012, there was actual gross expenditure of ₹ 1,55,029 Crore, comprising ₹ 1,26,586 Crore Revenue Expenditure, ₹ 21,149 Crore Capital Expenditure, ₹ 6,458 Crore Repayment of Public Debt and ₹ 836 Crore 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)							
Sr. No.	Nature of expenditure	Original grant	Supplementary grant	Reappropriation	Total	Actual expenditure	Saving (-) Excess (+)
1.	Revenue						
	Voted	105,517	12,379	....	117,896	106,953	-10,943
	Charged	19,500	309	....	19,809	19,633	-176
	Total, Revenue	125,017	12,688	....	137,705	126,586	-11,119
2.	Capital						
	Voted	26,574	1,411	....	27,985	21,145	-6,840
	Charged	5	....	....	5	4	-1
	Total, Capital	26,579	1,411	....	27,990	21,149	-6,841
3.	Public Debt						
	Charged	9,341	14	....	9,355	6,458	-2,897
	Total, Public Debt	9,341	14	....	9,355	6,458	-2,897
4.	Loans and Advances						
	Voted	899	236	....	1,135	836	-299
	Charged	....	....	....	....	....	....
	Total, Loans and Advances	899	236	....	1,135	836	-299
	Total	161,836	14,349	....	176,185	155,029	-21,156



5.2. Trend of Savings/Excess during the past five years

(₹ in Crore)

Year	Savings (-) / Excess (+)				Total
	Revenue	Capital	Public Debt.	Loans & Advances	
2007-08	-12,778	-1,737	-941	-1,263	-16,719
2008-09	-16,781	+20	-2,021	-1,294	-20,076
2009-10	-29,223	-14,030	-3,006	-414	-46,673
2010-11	-14,482	-4,134	-3,034	-279	-21,929
2011-12	-11,119	-6,841	-2,897	-298	-21,155

5.3. Significant Savings

5.3.1. Some grants with persistent and significant savings are given below:-

(₹ in crore)

Sr. No.	No. and Name of the grant	Amount of saving (Per cent to total grant)				
		2007-08	2008-09	2009-10	2010-11	2011-12
Revenue-Voted						
1	A-5 Social Services	15.80 (14.29)	39.97 (28.58)	35.63 (25.76)	22.00 (17.23)	33.67 (20.59)
2	B-3 Transport Administration	21.74 (5.64)	10.40 (1.34)	36.03 (3.87)	17.35 (3.13)	23.06 (3.16)
3	C-1 Revenue and District Administration	50.24 (9.13)	48.31 (7.62)	116.16 (12.88)	173.43 (16.22)	147.45 (12.97)
4	D-3 Agriculture Services	126.84 (19.74)	284.77 (17.09)	215.96 (10.03)	388.56 (14.66)	199.42 (7.05)
5	D-4 Animal Husbandry	77.73 (7.22)	10.12 (2.98)	18.82 (4.27)	29.10 (5.49)	113.98 (16.97)
6	D-6 Fisheries	291.45 (32.76)	34.62 (19.41)	60.60 (35.74)	35.40 (25.80)	18.65 (15.65)
7	G-1 Sales Tax Administration	54.83 (24.30)	59.14 (20.50)	29.34 (8.87)	29.91 (8.64)	25.51 (6.52)
8	G-2 Other Fiscal and Miscellaneous Services	3039.87 (99.22)	10436.74 (98.34)	4640.25 (98.00)	1624.95 (95.98)	2305.18 (96.93)
9	H-6 Public Works and Administrative and Functional Buildings	56.45 (5.43)	51.16 (4.13)	228.15 (13.95)	133.57 (7.74)	116.42 (6.93)
10	I-3 Irrigation, Power and Other Economic Services	408.12 (22.81)	14.26 (0.83)	180.55 (8.45)	239.37 (10.68)	262.48 (10.76)
11	J-1 Administration of Justice	26.39 (7.83)	10.90 (2.82)	52.78 (9.36)	172.89 (19.94)	128.01 (13.36)

Sr. No.	No. and Name of the grant	Amount of saving (Per cent to total grant)				
		2007-08	2008-09	2009-10	2010-11	2011-12
12	L-3 Rural Development Programme	329.95 (18.94)	379.93 (22.03)	457.94 (20.40)	20.05 (1.19)	392.15 (16.63)
13	O-3 Rural Employment	99.67 (9.99)	221.79 (28.00)	180.70 (19.04)	66.99 (10.25)	32.72 (3.68)
Revenue-Voted						
14	Q-3 Housing	162.67 (16.06)	1228.61 (66.27)	1564.67 (61.52)	1039.17 (56.49)	882.50 (47.65)
15	T-5 Revenue Expenditure on Tribal Areas Development Sub-plan	184.38 (14.48)	188.26 (13.24)	200.34 (12.50)	860.32 (32.39)	693.72 (24.15)
16	W-2 General Education	71.84 (5.06)	28.05 (1.76)	110.97 (6.14)	59.97 (2.16)	13.96 (0.51)
17	W-4 Art and Culture	19.74 (4.88)	12.48 (3.20)	85.36 (14.87)	17.51 (3.13)	46.96 (8.00)
18	X-1 Social Security and Nutrition	92.75 (9.16)	150.60 (0.14)	410.00 (23.35)	338.43 (17.19)	143.92 (5.96)
19	Y-2 Water Supply and Sanitation	170.30 (9.25)	67.01 (11.47)	151.08 (21.12)	19.75 (3.30)	38.25 (5.03)
20	ZD-2 Art and Culture	14.90 (20.05)	11.29 (16.66)	20.03 (19.03)	35.30 (25.29)	58.27 (40.33)
Capital-Voted						
21	C-12 Loans to Government Servants, etc.	32.10 (58.65)	12.49 (20.68)	23.32 (34.16)	32.67 (43.20)	58.77 (68.23)
22	H-7 Capital Expenditure on Social Services and Economic Services	19.97 (2.11)	16.26 (1.26)	375.79 (13.70)	70.83 (3.92)	245.36 (11.75)
23	H-9 Capital outlay on Removal of Regional Imbalance	64.14 (14.93)	33.82 (16.28)	19.91 (24.25)	28.74 (25.80)	60.55 (31.51)
24	I-5 Capital Expenditure on Irrigation	49.97 (0.70)	16.45 (0.14)	1,032.96 (11.13)	331.91 (3.47)	813.03 (8.98)
25	I-7 Loans to Government Servants etc.	21.21 (39.55)	13.27 (22.74)	33.42 (50.16)	31.54 (46.36)	41.86 (55.94)
26	K-11 Capital Expenditure on Power Project	644.40 (71.28)	454.16 (32.05)	563.46 (29.31)	238.86 (12.06)	626.97 (28.44)
27	L-7 Capital Expenditure on Rural Development	29.17 (6.31)	36.42 (10.56)	470.84 (61.91)	204.96 (33.08)	91.04 (14.97)
28	O-10 Capital Outlay on Other Rural Development Programmes*	760.87 (62.45)	987.61 (68.26)	11590.54 (96.13)	1769.54 (71.86)	2643.39 (77.43)

* This Grant was O-9 till 2010-11 and renumbered as O-10 during 2011-12.

Sr. No.	No. and Name of the grant	Amount of saving (Per cent to total grant)				
		2007-08	2008-09	2009-10	2010-11	2011-12
29	T – 6 Capital Expenditure on Tribal Areas Development Sub-Plan	78.17 (12.41)	156.04 (15.94)	97.35 (10.73)	339.30 (37.05)	474.41 (33.95)
30	V-3 Capital Expenditure on Social Services	160.88 (58.41)	32.42 (12.32)	59.27 (26.35)	49.23 (31.72)	62.77 (34.96)
31	V-5 Capital Expenditure on Economic Services	163.33 (26.04)	36.16 (10.83)	30.60 (7.68)	87.69 (18.16)	44.74 (18.07)
Capital - Charged						
32	G-8 Public Debt and Inter State Settlement	1000.40 (20.13)	2098.77 (38.38)	3004.59 (49.63)	3014.75 (42.92)	2895.60 (33.79)

The persistent saving indicates that the budgetary control in the departments was either not effective or not observed properly.

5.3.2. During 2011-12, Supplementary grants totalling ₹ 3,414 Crore (2% of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. Few instances where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary are given below-

Statement of cases where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary						
(₹ in lakh)						
Sr. No.	Appropriation No.	Name of the Appropriation	Original Provision	Actual Expenditure	Saving out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
A - Revenue – Voted						
1	A-4	Secretariat and Miscellaneous General Services	31251.84	20166	11085.84	1297.23
2	A-5	Social Services	14655.32	12987.40	1667.92	1699
3	A-6	Information and Publicity	4808.33	4656.74	151.59	115.01
4	B-1	Police Administration	652463.38	618204.35	34259.03	13440.44
5	B-4	Secretariat and Other General Services	2945.26	2552.19	393.07	19.02
6	B-5	Jails	16701.26	15005.09	1696.17	571.43
7	C-1	Revenue and District Administration	109660.06	98917.14	10742.92	4002.33
8	C-4	Secretariat and Other General Services	13230.65	3610.40	9620.25	230.39
9	C-7	Forest	89392.69	86507.11	2885.58	796.82
10	D-4	Animal Husbandry	60106.54	55764.60	4341.94	7056.02
11	D-5	Dairy Development	70262.82	53343.29	16919.53	500.00

Sr. No.	Appropriation No.	Name of the Appropriation	Original Provision	Actual Expenditure	Saving out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
12	D-7	Secretariat and Other Economic Services	1147.38	992.02	155.36	10.00
13	E-2	General Education	2666549.79	2544867.20	121682.59	12415.65
14	E-3	Secretariat and Other Social Services	29887.63	24759.82	5127.81	1540.60
15	F-2	Urban Development and Other Advance Services	530153.01	436594.04	93558.97	11501.02
16	G-1	Sales Tax Administration	36799.05	36577.97	221.08	2330.05
17	G-2	Other Fiscal and Miscellaneous Services	237795.18	7302.00	230493.18	25.00
18	G-4	Secretariat - General Services	2054.65	1770.00	284.65	10.00
19	G-7	Social Security and Welfare	3803.66	3296.34	507.32	35.94
20	H-4	Secretariat and Other Economic Services	3856.92	2956.24	900.68	130.18
21	H-6	Public Works and Administrative and Functional Buildings	157353.60	156411.28	942.32	10700.01
22	I-4	Secretariat-Economic Services	1873.57	1397.79	475.78	10.00
23	J-1	Administration of Justice	86045.63	82996.45	3049.18	9751.95
24	J-2	Secretariat and Other Social and Economic Services	4822.60	4005.89	816.71	14.50
25	K-3	Stationery and Printing	11679.52	11626.00	53.52	521.26
26	L-3	Rural Development Programmes	217875.61	196537.95	21337.66	17876.90
27	L-4	Secretariat-Economic Services	1571.91	1539.89	32.02	10.00
28	L-5	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	27718.12	26784.39	933.73	1207.06
29	N-2	Secretariat and Other Social Services	88290.07	74327.87	13962.20	10.00
30	N-3	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	475551.45	464173.60	11377.85	58054.77
31	O-1	District Administration	37510.00	32419.54	5090.46	13250.02
32	O-7	Secretariat - Economic Services	11358.28	7881.36	3476.92	122.97
33	O-8	Tourism	16900.00	14495.71	2404.29	1289.87
34	Q-3	Housing	185178.03	96937.72	88240.31	10.01
35	Q-4	Secretariat - Economic Services	485.13	439.11	46.02	10.00

Sr. No.	Appropriation No.	Name of the Appropriation	Original Provision	Actual Expenditure	Saving out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
36	S-3	Secretariat-Social Services	562.30	464.89	97.41	10.00
37	T-5	Revenue Expenditure on Tribal Areas Development Sub-Plan	265375.70	217856.28	47519.42	21853.05
38	U-3	Secretariat - Social Services	225.72	207.00	18.72	10.00
39	U-4	Ecology and Environment	1211.00	916.40	294.60	394.00
40	W-6	Secretariat - Social Services	1775.93	1633.07	142.86	426.80
41	X-1	Social Security and Nutrition	237468.00	226935.08	10532.92	3859.00
42	ZA-1	Secretariat and Other Social Services	3480.97	2998.61	482.36	10.01
43	ZC-1	Parliament / State/ Union Territory Legislatures	12544.40	11402.92	1141.48	695.45
44	ZD-1	Secretariat and Other Social Services	455.12	352.21	102.91	10.00
45	ZD-2	Art and Culture	11436.95	8619.63	2817.32	3010.01
46	ZD-4	Tourism	21503.80	20178.37	1325.43	982.27
47	ZE-1	Social Security and Welfare	24936.55	21446.01	3490.54	3269.28
48	ZF-1	Secretariat General Services	547.49	474.76	72.73	10.00
Revenue – Charged						
49	A-1	Governor and council of Ministers	1008.51	896.84	111.67	51.28
50	E-1	Interest Payments	81939.01	39310.80	42628.21	1266.27
51	N-1	Interest Payments	1165.85	51.35	1114.50	16.36
52	Q-1	Interest Payments	3655.55	3623.83	31.72	81.04
53	U-1	Interest Payments	294.97	287.51	7.46	43.66
B – Capital-						
54	B-10	Capital Expenditure on Economic Services	67886.75	39629.10	28257.65	1822.68
55	H-7	Capital Expenditure on Social Services and Economic Services	203979.06	184297.31	19681.75	4854.34
56	H-8	Capital Expenditure on Public Works Administrative and Functional Buildings	89534.14	74117.74	15416.40	17080.49

Sr. No.	Appropriation No.	Name of the Appropriation	Original Provision	Actual Expenditure	Saving out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
57	H-9	Capital Outlay on Removal of Regional Imbalance	15951.00	13164.47	2786.53	3268.05
58	I-5	Capital Expenditure on Irrigation	893773.71	823619.01	70154.70	11147.82
59	K-11	Capital Expenditure on Power Projects	199473.24	157776.25	41696.99	21000.02
60	L-7	Capital Expenditure on Rural Development	60590.00	51726.76	8863.24	240.39
61	M-5	Capital Outlay on Other General Economics Services	312.00	255.43	56.57	549.61
62	N-4	Capital Expenditure on Social Services	98580.00	61298.11	37281.89	30230.00
63	O-10	Capital Outlay on Other Rural Development Programmes	317982.66	77048.66	240934.00	23405.13
64	S-4	Capital Outlay on Medical and Public Health	5310.00	2928.79	2381.21	815.00
65	T-6	Capital Expenditure on Tribal Areas Development Sub-Plan	122673.11	92292.17	30380.94	17059.86
66	V-3	Capital Expenditure on Social Services	15124.62	11675.68	3448.94	2828.00
67	X-3	Capital Expenditure on Social Services	7510.00	6592.60	917.40	347.47
68	Y-6	Capital Expenditure on Economic and Social Services	38504.88	38250.88	254.00	168.32



CHAPTER – VI

ASSETS AND LIABILITIES

6.1. Assets

The existing form of accounts do not easily depict valuation 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.

6.1.1. Investments and Returns-

Total investments as share capital in non-financial Public Sector Undertakings (PSUs) stood at ₹ 83,016 Crore at the end of 2011-2012 . Dividends received during the year were ₹ 30 Crore (i.e. 0.04%).

Investments in PSUs increased by ₹ 8,625 Crore and there was a decrease in dividend income of ₹ 15 Crore.

The increase in investments of ₹ 8,625 Crore during 2011-12 was mainly attributable to increased capital contributions to Godavari Marathwada Irrigation Development Corporation (₹ 1,469 Crore), Konkan Irrigation Development Corporation (₹ 633 Crore), Maharashtra Krishna Valley Development Corporation (₹ 1,947 Crore), Tapi Irrigation Development Corporation (₹ 619 Crore), Vidarbha Irrigation Development Corporation (₹ 2,879 Crore), Maharashtra Irrigation Finance Company (₹ 83 Crore) Maharashtra State Road Development Corporation (₹ 49 Crore) and Maharashtra Water Conservation Development Corporation (₹ 223 Crore) as compared to the previous year.

6.1.2. Cash balance and investment of Cash Balances

(₹ in crore)

Particulars	As on 31 st March 2011	As on 31 st March 2012	Increase (+)/ Decrease(-)
General Cash Balance	(-) 1,229	(-) 335	894
Cash with the departmental officers	132	4	(-) 128
Investments from cash balances	23,987	25,885	1,898
Investment from Earmarked balances-	8,619	10,418	1,799
a. General and other Reserve Funds	11	11	-
b. Sinking Fund	8,594	10,393	1,799
c. Funds for Development of Milk supply	1	1	-
d. Other Development and Welfare Funds	13	13	-
Total Cash Balances	31,509	35,972	4,463
<i>Interest Realized</i>	<i>2,022</i>	<i>1316</i>	<i>706</i>

The interest received on investment of cash balances was 2.03 *per cent* during 2011-12 while interest paid by Government on its borrowings during the year was 7.13 *per cent*.

The State Government's cash balances of ₹ 35,972 Crore at the end of current year showed an increase by 14 *per cent* (₹ 4,463 Crore) over the previous year.

The State Government maintained the minimum cash balance of ₹ 5.58 Crore with the Reserve Bank during 2011-12 under an agreement with the Reserve Bank of India. No ways and means advances and overdraft was taken during the year.

The closing cash balance according to the Reserve Bank of India was ₹ 369.44 Crore (debit) against the general cash balance of ₹ 368.47 Crore (credit) reflected in State Government Accounts. The difference of ₹ 0.97 Crore (debit) is under reconciliation.

Investments held in the Cash Balance Investment Account as on 31st March 2012 were ₹ 25,884.61 Crore. The details are as under:-

(i)	<i>Government of India Treasury Bills</i>	₹ 2,58,83.92 Crore
(ii)	<i>Other State Government Securities</i>	₹ ... (less than 1 Crore)
(iii)	<i>Other Investments</i>	₹ 0.69 Crore

6.1.3. Loans And Advances by the State Government

Total loans and advances made by the State Government during 2011-2012 were ₹ 836 Crore. Total loans and advances to be recovered from Government Corporations/Companies, non-Government Institutes, Local bodies, etc. at the end of 2011-2012 were ₹ 20,187 Crore.

Information as regards recoveries in arrears in respect of principal and interest was to be received by 15th July 2012. Information is awaited from all 30 Government Departments.

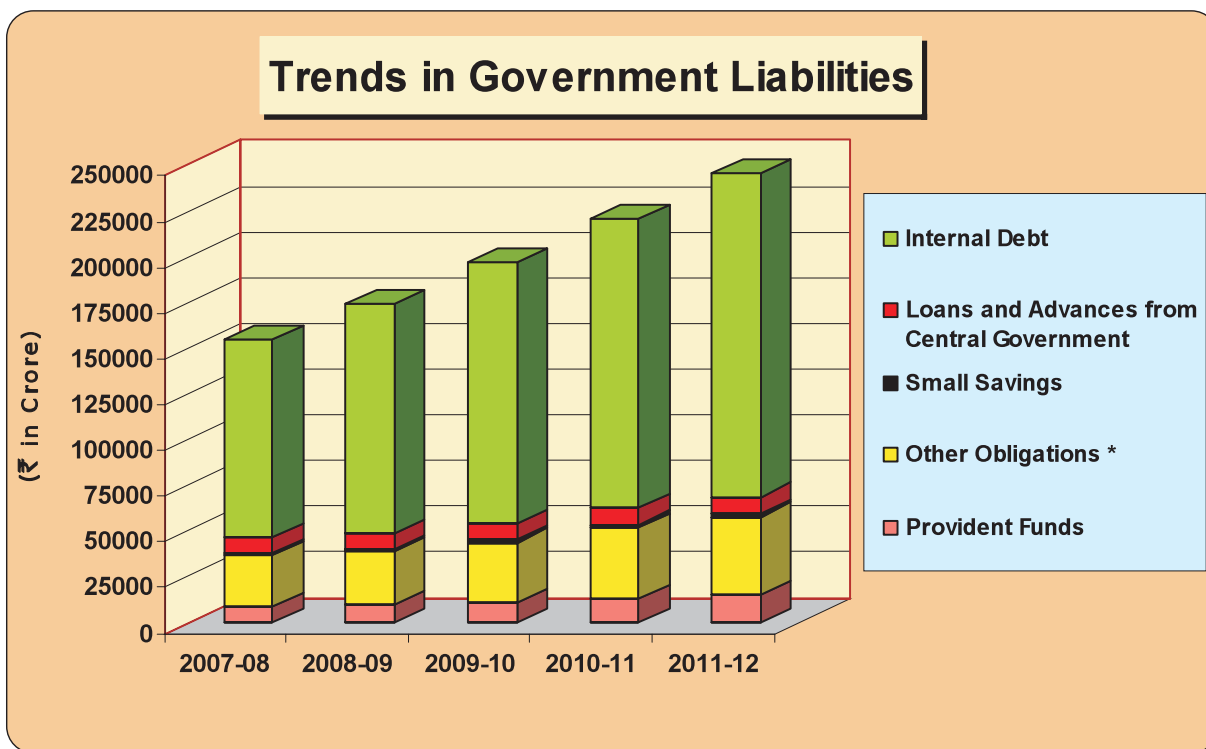
6.2. Debts and Liabilities

Liabilities of the State Government increased by ₹ 24,388 Crore from ₹ 2,20,950 Crore in 2010-2011 to ₹ 2,45,338 Crore during 2011-2012. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by ₹ 17,995 Crore from ₹ 1,67,399 Crore in 2010-2011 to ₹ 1,85,394 Crore at the end of the current year. 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 law under Article 293 of the Constitution has been passed by the Legislature laying down the limits within which Government may borrow on the security of the Consolidated Fund of the State. Details of the Public Debt and total liabilities of the State Government are as under:-

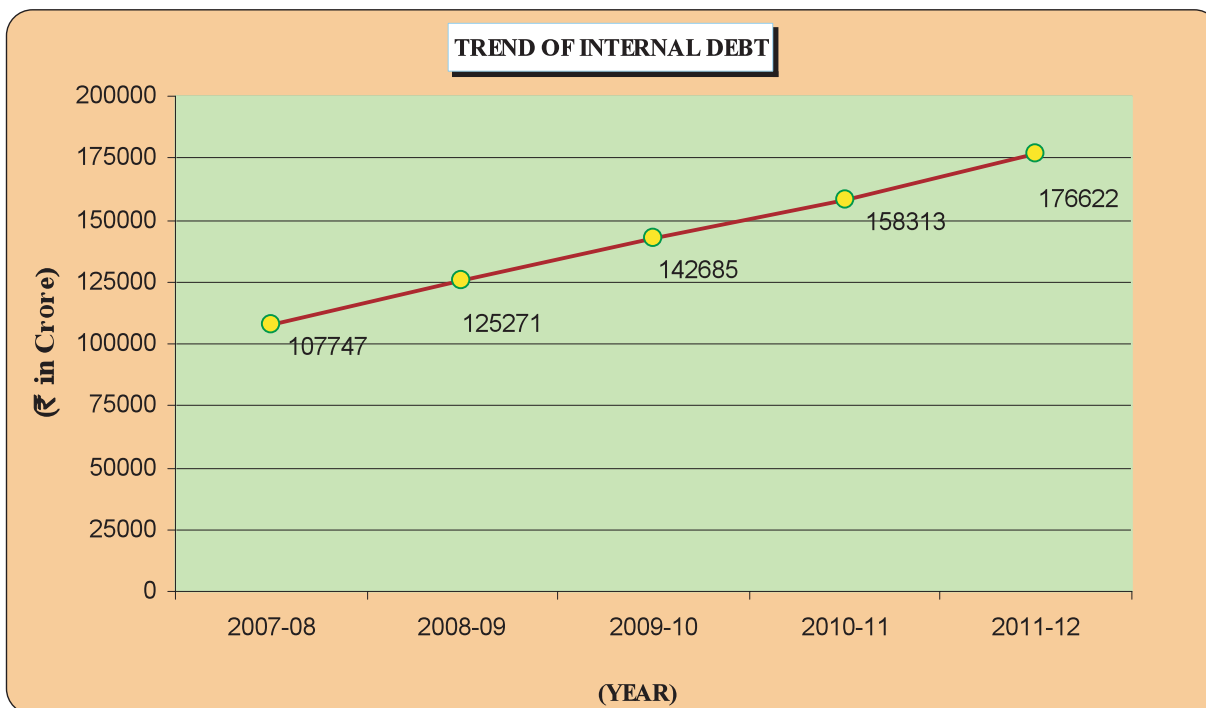
(₹ in crore)					
Year	2007-08	2008-09	2009-10	2010-11	2011-12
Internal Debt	1,07,747	1,25,271	1,42,685	1,58,313	1,76,622
Loans and Advances from Central Government	8,459	8,424	8,749	9,086	8,772
Total Public Debt *	1,16,206(20)	1,33,695(19)	1,51,434(17)	1,67,399(16)	1,85,394(15)
Small Savings	1,302	1,433	1,551	1,741	1,952
Provident Funds	8,794	9,466	11,138	12,971	15,020
Other Obligations	28,126	29,554	32,703	38,839	42,972
Total Liabilities *	1,54,428(26)	1,74,148(25)	1,96,826(22)	2,20,950(21)	2,45,338(20)
GSDP	5,90,995	6,92,749	9,01,330	10,68,327	12,48,453

* Figures in brackets represent percentage to GSDP.

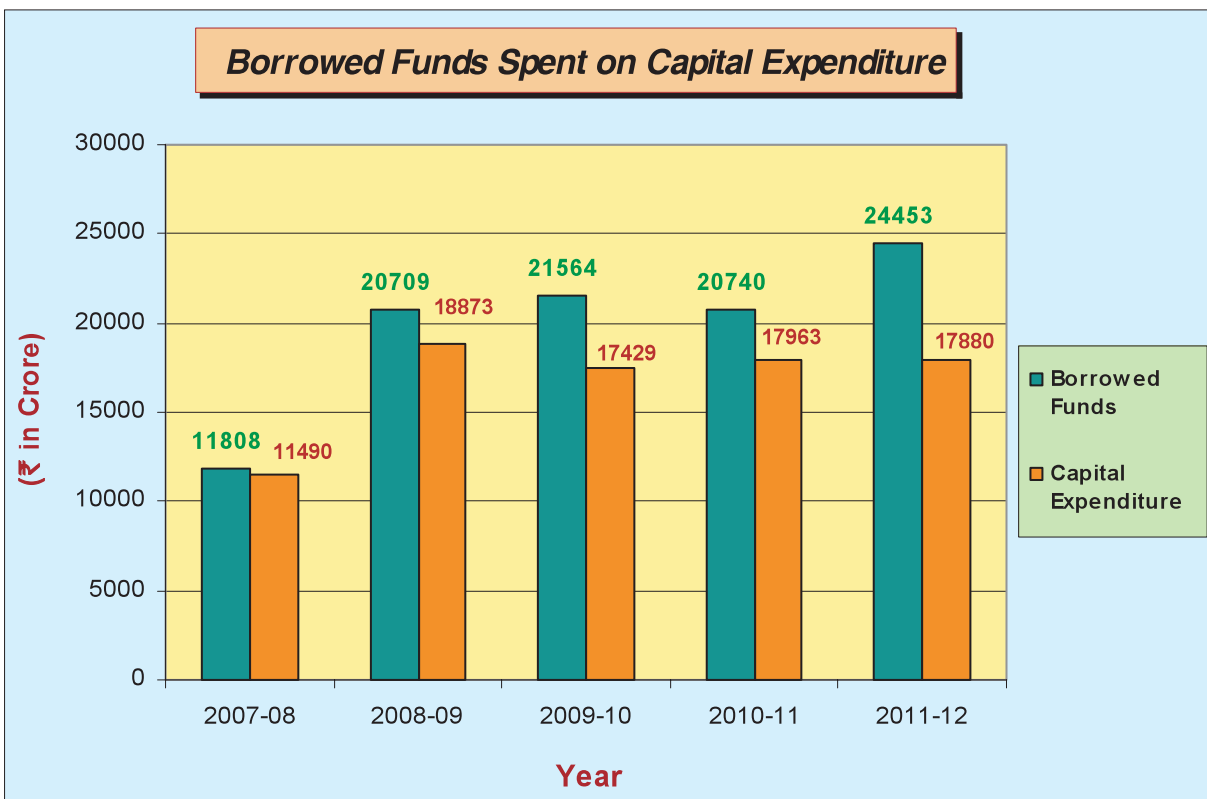
The trend of increase in Internal Debt of the State Government is as under:-



* Includes interest and non-interest bearing obligations such as local funds, other earmarked funds etc.



6.3. 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, however, did not utilize the borrowings fully for capital expenditure. The less spending was in the range of 3% to 21% during last 5 years

Further 86% of the Internal debt of ₹ 24,146 Crore raised during 2011-2012 was mainly used for discharge of debt obligations (₹ 5,838 Crore) and payment of interest (₹ 14,220 Crore) thereon.

6.4. Guarantees (Contingent Liabilities)

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

(₹ in Crore)

At the end of the year	Amount Guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
2007-2008	53,357	42,699	15,576
2008-2009	56,908	38,547	12,924
2009-2010	47,422	31,870	10,813
2010-2011	27,069	11,586	3,455
2011-2012*	28,139	11,586	3,455

Information about outstanding guarantee was awaited from the institutions. Year-wise information awaited is as follows:-

2006-2007 - 57 institutions.

2007-2008 - 35 institutions.

2008-2009 - 45 institutions.

2009-2010 - 33 institutions.

2010-2011 - 01 institution.

2011-2012 – All institutions.

(*) The amount outstanding for 2010-11 and 2011-12 is same as information from State Government is awaited.



CHAPTER – VII

OTHER ITEMS

7.1. Contingency Fund

Contingency Fund of the State is designed to meet contingencies. The following details indicate the extent of use of this Fund during last 5 years:-

Component	2007-08	2008-09	2009-10	2010-11	2011-12
Number of sanctions from Contingency Fund	102	90	59	62	43
Total amount withdrawn from Contingency Fund	502	879	143	187	531
Withdrawals from Contingency Fund as a percentage to Total Budget Provision	0%	1%	0%	0%	0%

7.2. Financial assistance to Local Bodies and others

During past five years, Grants-in-Aid to local bodies etc., increased from ₹ 28,290 crore in 2007-08 to ₹ 55,363 crore in 2011-12. Details of Grants-in-aid for the past 5 years are as under:-

(₹ in Crore)

Institutions	2007-08	2008-09	2009-10	2010-11	2011-12
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	6,860	8,215	11,638	11,482	13,845
Municipal Corporations and Municipalities	1,351	1,652	1,709	4,350	4,871
Zilla Parishads and Other Panchayati Raj Institutions	8,007	10,502	11,727	13,261	14,295
Development Agencies	1,148	1,915	299	187	277
Hospital and Other Charitable Institutions	81	674	1,065	1,085	1,313
Other Institutions	10,843	12,711	18,151	17,281 (A)	20,762 (B)
Total	28,290	35,669	44,589	47,646	55,363
Assistance as per percentage of Net Revenue Expenditure	44	47	47	45	45

(A) Includes Education, Sports, Art and Culture : ₹ 4,616 crore, Agriculture and Allied Activities : ₹ 1,943 crore, Social Welfare and Nutrition : ₹ 1,822 crore, Welfare of SC,ST and OBC : ₹ 1,336 crore, Special Programme for Rural Development : ₹ 1,302 crore and General Services : ₹ 931 crore.

(B) Includes Education, Sports, Art and Culture: ₹ 5,136 crore, Social Welfare and Nutrition : ₹ 2,888 crore, Agriculture and Allied Activities : ₹ 2,300 crore, Welfare of SC,ST and OBC : ₹ 1,596 crore, Administrative Services : ₹ 1,159 crore and Housing : ₹ 1,020 crore.

7.3. Rush of Expenditure

The Financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain selected Heads of Accounts during March 2012 ranged between 53% and 100% of the total expenditure during the year indicating a tendency to utilize the budget at the close of the financial year. The flow of expenditure during the four quarters of 2011-12 in the above mentioned heads was as below :

(₹ in Crore)

Head of Account	Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total	During March	Percentage of 3/2012 w.r.t. total expenditure of 2011-12
3452	Tourism	....	12	73	333	418	315	75
4217	Capital Outlay on Urban Development	....	....	....	40	40	40	100
4225	Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes	....	16	133	728	877	584	67
4236	Capital Outlay on Nutrition	....	....	....	66	66	66	100
4402	Capital Outlay on Soil and Water Conservation	54	10	128	433	625	333	53
4404	Capital Outlay on Dairy Development	....	....	....	4	4	4	100
5475	Capital Outlay on Other General Economic Services	....	....	....	4	4	4	100
6216	Loans for Housing	....	....	....	1	1	1	100

7.4. Reconciliation of Accounts

Unless there is one Controlling Officer for one grant, the scientific reconciliation between the figures of Expenditure/Receipts booked in the Accountant General Offices and Departmental records is impossible. The following 3 Departments have not sent the list of Controlling Officers responsible for reconciliation for the year 2011-12.

1. Parliamentary Affairs Department
2. Housing Department
3. Environment Department

The Expenditure to the extent of ₹ 46,947.36 Crore (30.28%) remained un-reconciled till August 2012. Also there was delay in the reconciliation of the account by the Departmental Authorities.

No Administrative Department of the Government has reconciled the receipts booked in the Service heads as well as Loan heads of accounts except the Major Heads 0029 - Land Revenue, 0030 - Stamps and Registration Fees, 0035 – Taxes on Immovable Property other than Agricultural Land, 0041 – Taxes on Vehicles, 0049 – Interest Receipts, 0070 – Other Administrative Services, 0075 – Miscellaneous General Services, 0210 – Medical and Public Health, 0215 – Water Supply and Sanitation, 0220 – Information and Publicity, 0404 – Dairy Development, 0406 – Forestry and Wild Life, 0408 – Food, Storage and Warehousing, 0551 – Hill Areas, 0702 – Minor Irrigation, 0853 – Non-ferrous Mining and Metallurgical Industries, 1053 - Civil Aviation, 77.24% of the receipts had remained un-reconciled till August 2012.

7.5. Rendition of Accounts by Treasuries

Treasuries, Public Works Divisions, Forest Divisions, Dairy Development Officers, District Supply Officers (Food) and Commissioner, State Excise, Mumbai render initial accounts to the offices of the Pr. Accountant General/Accountant General (Accounts & Entitlements). The general Monthly Civil Accounts of State Government is prepared on the basis of the transactions recorded in the initial accounts alongwith inter Government transactions taking place in other State Governments in India and also outside India.

During the year 2011-12, 2 Accounts of Public Work Divisions could not be accounted in the concerned Monthly Civil Accounts, due to delay in receipt. However they were included in the subsequent month's Civil Account.

Similarly, 76 Accounts of Dairy Development Department, 13 Accounts of the State Excise Department and 755 compiled Accounts of District Supply Officers (Food) were incorporated in the subsequent months due to late receipt thereof. The delay in receipt ranged from 1 month to 3 months. However, all the unreceived Monthly Accounts upto the month of March 2012 were cleared in March 2012 (SY) Account.

7.6. Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills

When money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to calculate the exact amounts required, they are permitted to draw money with supporting

documents like proforma invoices, vouchers etc, through AC Bills. As per the Maharashtra Treasury Rules, 1968, these DDOs are required to submit DC Bills (Vouchers in support of final expenditure) within 30 days to the Office of the Accountant General and Pay & Accounts Officer, Mumbai.

The fact that to the end of 31st March 2012, 20624 bills amounting to ₹ 1,076 Crore were outstanding indicates that these instructions have not been followed scrupulously.

7.7. Utilisation Certificates in respect of Grants-in-aid given by the Government-

The Bombay Financial Rules, 1959 provide that for the grants provided for specific purposes, utilization certificates (UCs) should be obtained by the departmental officers from the grantee institutions and after verification, the UCs should be forwarded to the offices of the Accountant General and Pay & Accounts Office, Mumbai, within 12 months from the dates of their sanction.

The position of outstanding UCs as on 31.03.2012 was as under-

Year	Number of UCs awaited	Amount involved (₹ in Crore)
Upto 2009-10	135550	45,998
2010-11	27127	16,567
2011-12	33041	25,677
Total	195718	88,242

7.8. Commitments on account of incomplete Capital Works

During the year 2011-2012 Capital Expenditure of ₹ 298.14 Crore was incurred on various projects taken up by the Engineering Departments. The information in respect of abandoned projects is awaited.

