

This Report is Presented to
the State Legislature on.

18 APR 2013

Report of the Comptroller and Auditor General of India

On

State Finances

for the year ended 31 March 2012

Government of Maharashtra

This Report is Presented to
the State Legislature on
16 Aug 1911

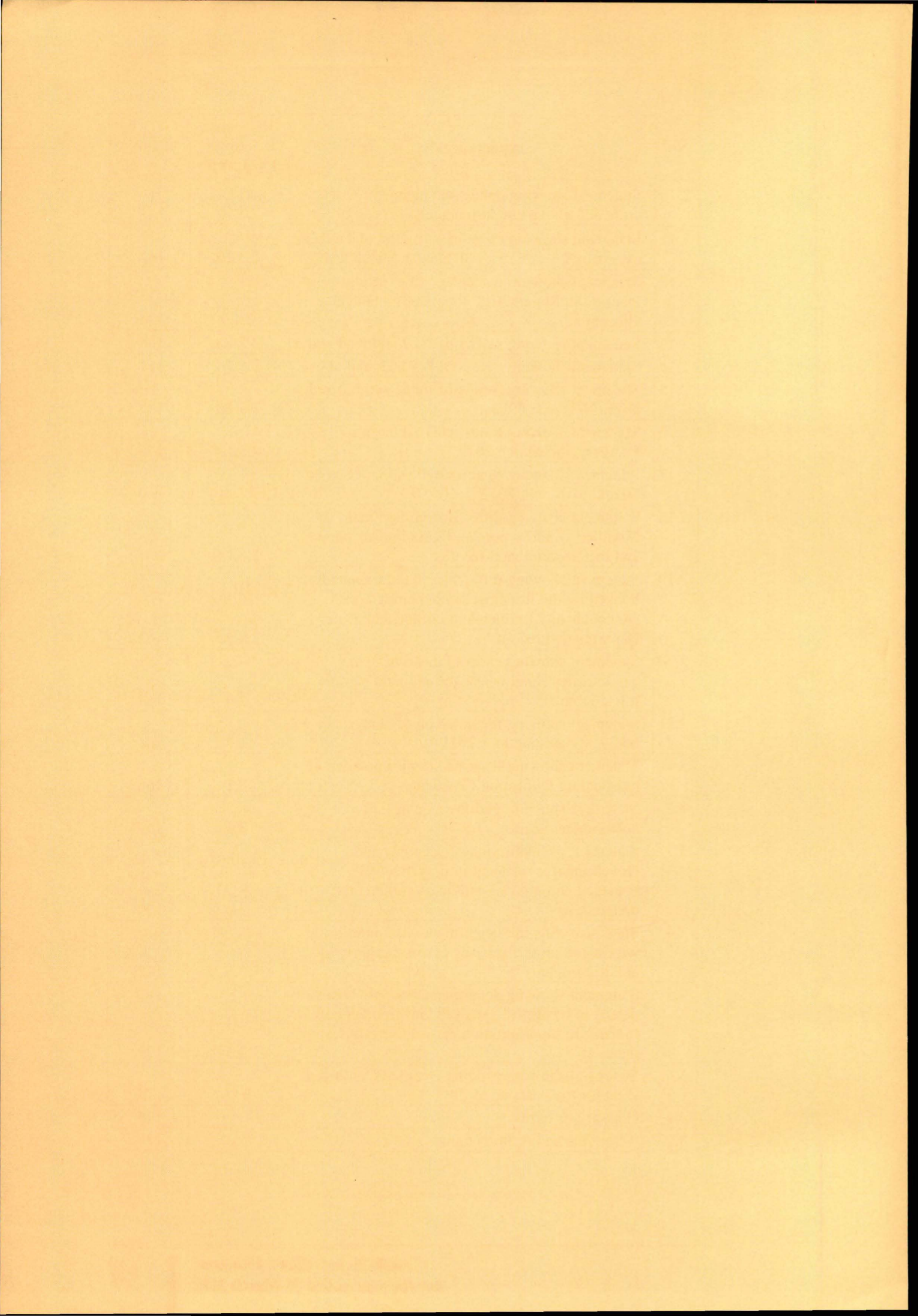
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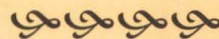
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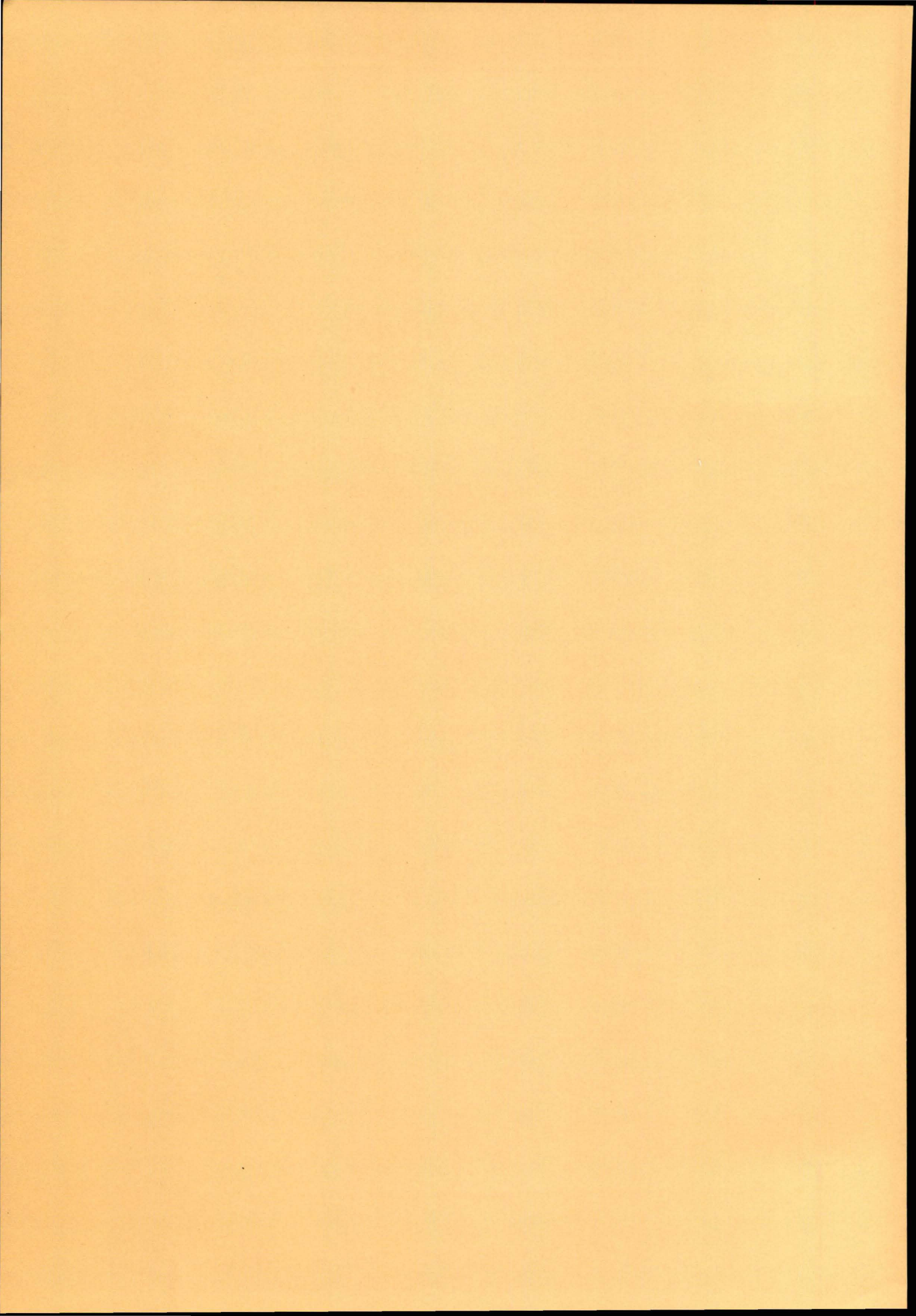
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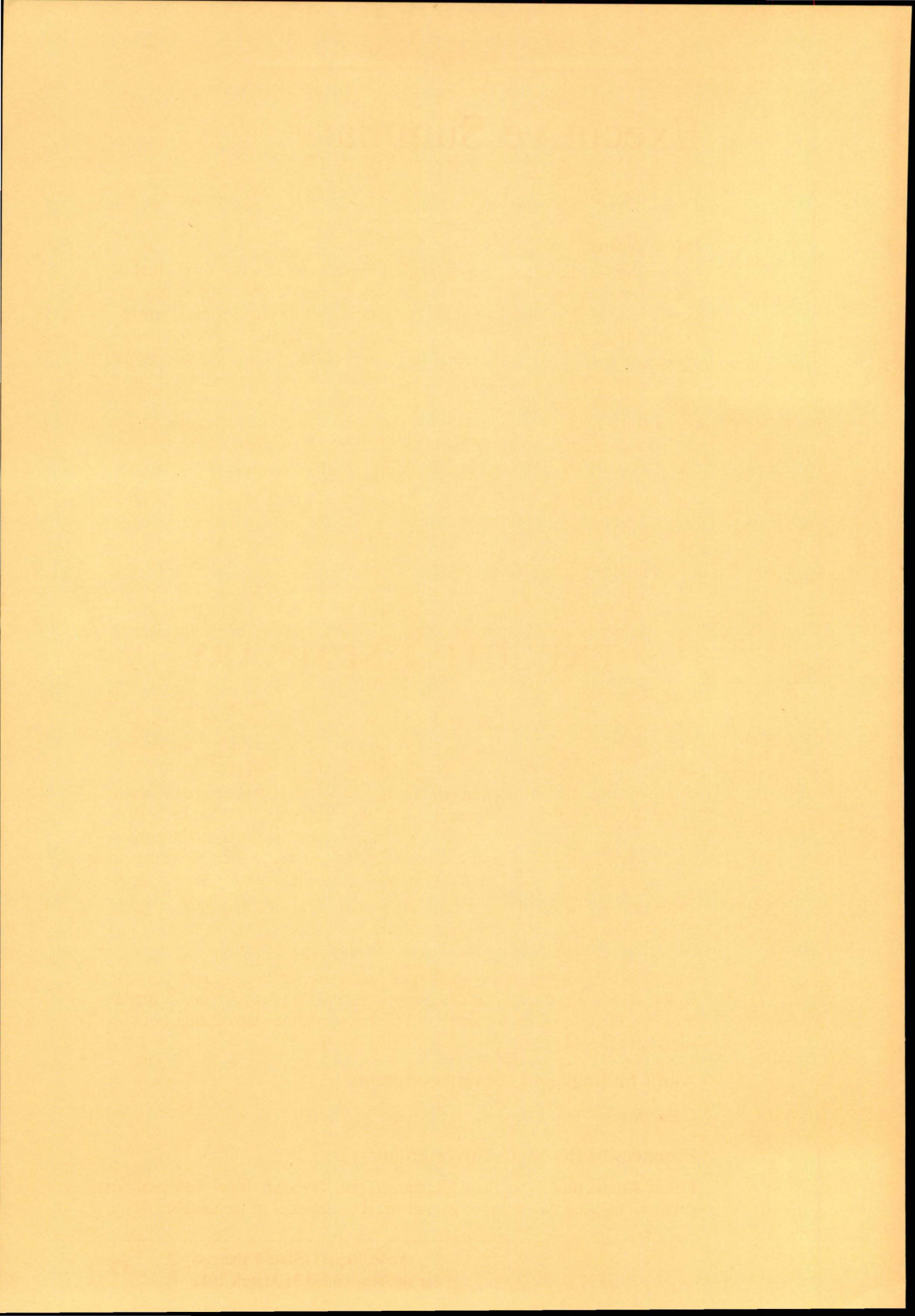
Preface

1. This Report has been prepared for submission to the Governor of Maharashtra under Article 151 of the Constitution of India.
2. Chapters I and II of this Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2012. Information has also been obtained from the Government of Maharashtra, wherever necessary.
3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.





EXECUTIVE SUMMARY



Executive Summary

Background

Maharashtra is the second largest State in India, both in terms of population and geographical area. The State has shown higher economic growth in the past decade as the compound annual growth rate of its Gross State Domestic Product for the period 2002-03 to 2011-12 has been 17.17 *per cent* as compared to 14.46 *per cent* in General Category States. The population below the poverty line in Maharashtra is lower than the average of General Category States. During the above mentioned period, its population grew by 17.23 *per cent* against 13.90 *per cent* in General Category States. The per capita income compound annual growth rate in Maharashtra (15.12 *per cent*) has been higher than that of the General Category States (13.09 *per cent*) in the current decade.

This Report on the Finances of the Government of Maharashtra is being brought out with a view to objectively assess the financial performance of the State during 2011-12 and to provide the State Government and State Legislature with timely inputs based on audit analysis of financial data. In order to give a perspective to the analysis, an effort has been made to compare the achievements with the targets envisaged by the State Government Fiscal Responsibilities and Budgetary Management Act, 2005 and in the Budget Estimates of 2011-12.

The Report

Based on the audited accounts of the Government of Maharashtra for the year ended March 2012, this Report provides an analytical review of the Annual Accounts of the Government. The Report is structured in three Chapters.

Chapter I is based on the audit of Finance Accounts and makes an assessment of the Maharashtra Government's fiscal position as on 31 March 2012. It provides an insight into trends of committed expenditure and the borrowing pattern, besides giving a brief account of Central funds transferred directly to the State implementing agencies, without routing it through the State budget.

Chapter II is based on audit of Appropriation Accounts and gives a grant-by-grant description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

Chapter III is an inventory of the Maharashtra Government's compliance with various reporting requirements and financial rules. The report also compiles the data collated from various Government departments/ organisations in support of the findings.

Audit findings and recommendations

Chapter I

Finances of the State Government

Fiscal Correction: The fiscal parameters i.e. revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the finances of the

State Government during a specified period. The significant gap between the growth rates of the revenue receipts (15 *per cent*) and revenue expenditure (16 *per cent*) over the previous year increased the revenue deficit during 2011-12 as compared to 2010-11.

As per the recommendations of the Thirteenth Finance Commission, the revenue deficit was required to be brought down to zero for 2011-12. However, during 2011-12, this target of generating revenue surplus could not be achieved.

Interest payments: Interest payments (₹ 17,505 crore), which increased by 12 *per cent* during the year over 2010-11, were within the projection made in the Thirteenth Finance Commission (₹ 18,343 crore), the Medium Term Fiscal Policy Statement (₹ 18,049 crore) and Fiscal Correction Path (₹ 17,540 crore).

Non-Plan revenue expenditure: The revenue expenditure (₹ 1,23,554 crore) constituted 87 *per cent* of the total expenditure (₹ 1,42,270 crore), of which, 82 *per cent* was the Non-Plan component (₹ 1,01,519 crore). The Non-Plan Revenue Expenditure remained higher than the normative assessments made by the Thirteenth Finance Commission (₹ 73,742 crore) and the State Government's projections (Medium Term Fiscal Policy Statement/Budget) (₹ 95,542 crore) and projected in the Fiscal Correction Path (₹ 95,542 crore).

Incomplete Projects: In respect of 426 incomplete irrigation projects, time overrun was upto 40 years out of which significant cost overrun in respect of 242 irrigation projects resulted due to increase in the initial budgeted costs. In respect of 188 incomplete projects relating to Public Works and Roads and Bridges, there was a time overrun of four to five years.

Review of Government investments: The average return on the State Government's investment in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives varied between 0.04 to 0.13 *per cent* in the past three years while the Government paid an average interest of 7.21 to 7.38 *per cent* on this investment. Thus, this is an unsustainable proposition.

The Government should take steps to ensure better value for money in investments. Otherwise, high-cost borrowed funds will continue to be invested in projects with low financial returns. Projects which are justified on account of low financial but high socio-economic returns may be identified and prioritized with full justification for channelling high-cost borrowings there. The working of State Public Sector Undertakings which are incurring huge losses should be reviewed and a strategy should be worked out for those undertakings which can be made viable.

Debt sustainability: During 2011-12, the fiscal liabilities (₹ 2,55,756 crore) of the State increased over the previous year by 11 *per cent*. The fiscal liabilities to Gross State Domestic Product ratio at 20.5 *per cent* was lower than the norm of 26.10 *per cent* recommended by the Thirteenth Finance Commission and Maharashtra Fiscal Responsibility and Budgetary Management Rules of 2011. The revenue deficit indicates that some portion of the high-cost borrowings is being used by the Government for meeting its current expenditure.

Borrowed funds should be, as far as possible, utilised only for infrastructure development, whereas revenue expenditure should be met fully from the revenue receipts. Steps should be taken to achieve zero revenue deficit as soon as possible.

Oversight of funds transferred directly from Government of India to the State implementing agencies: The Government of India directly transferred ₹ 7,144 crore to State implementing agencies during 2011-12 which was an increase of ₹ 1,498 crore (27 per cent) over the previous year. Funds transferred directly from Government of India to State implementing agencies result in non-monitoring of the expenditure incurred by them on various schemes as these funds are not reflected in the State budget.

There is a need for uniform accounting practices to be followed by all the implementing agencies in receipt of direct funds from Government of India and a system of timely reporting of the expenditure incurred, to the State Government for proper monitoring.

Chapter II

Financial Management and Budgetary Control

The slow pace of programme implementation of various social and developmental programmes in the State left an overall saving of ₹ 21,155.62 crore, set off by an excess of ₹ 1,272.28 crore. The excess requires regularisation under Article 205 of the Constitution of India. There were instances of inadequate provision of funds and unnecessary/excessive reappropriations. Rush of expenditure at the end of the financial year was another chronic feature noticed in the State. In many cases, the anticipated savings were either not surrendered or surrendered on the last two days of March 2012, leaving no scope for utilizing these funds for other developmental purposes.

All departments should closely monitor the expenditure against the allocations and incurring of excess expenditure over the grants should be strictly avoided. Surrender of funds should be done much before the close of the year so as to enable the Government to utilize the funds on other schemes. Release of funds at the end of the year should be avoided.

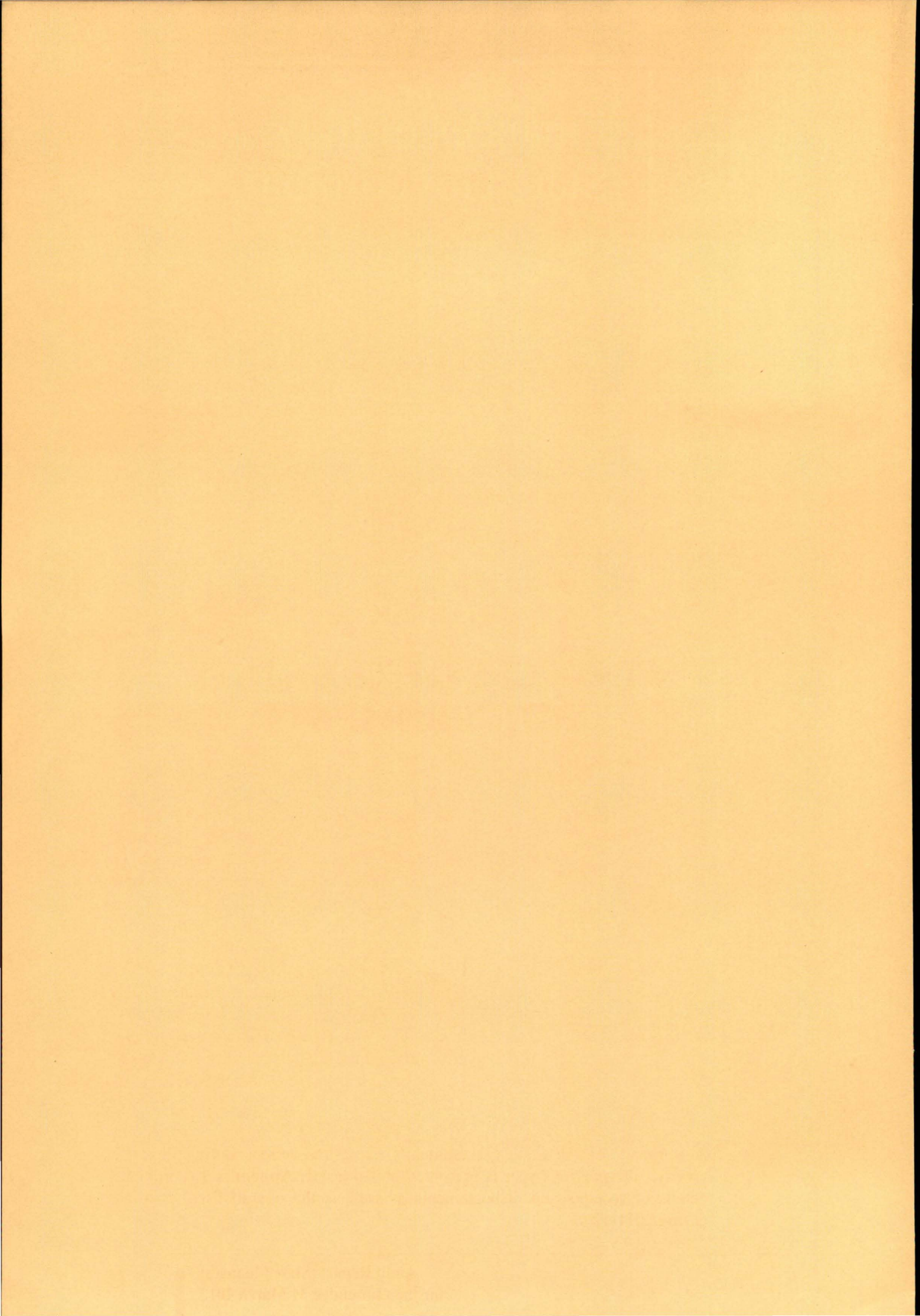
Chapter III

Financial Reporting

The Government's compliance with various rules, procedures and directives was lacking in various departments, which was evident from delays in furnishing of utilization certificates against loans and grants by various grantee institutions. Delays were also experienced in submission of annual accounts by autonomous bodies and departmentally managed commercial undertakings. There were instances of large outstanding cases of losses and misappropriations for which departmental action was pending since long. There were delays in submission of Detailed Contingent bills drawn against Abstract Contingent bills. Significant amounts of expenditure and receipts under Central and State schemes, booked under the Minor head '800-Other expenditure' and '800-Other receipts' were not distinctly depicted in the State Finance Accounts of 2011-12.

The departments should ensure timely submission of utilisation certificates in respect of the grants released for specific purposes to the grantee institutions and the annual accounts in respect of the autonomous bodies to the Principal Accountant General (Audit) I, Maharashtra, Mumbai and Accountant General (Audit) II, Maharashtra, Nagpur. Departmental enquiries in respect of all fraud and misappropriation cases should be expedited to bring the defaulters to book. Internal controls in all the organisations should be strengthened to prevent such cases. A rigorous monitoring mechanism should be put in place in the departments to adjust the advances drawn on Abstract Contingent bills within the stipulated period, as required under the extant rules.

CHAPTER - I
FINANCES OF THE STATE
GOVERNMENT



Profile of Maharashtra

Maharashtra occupies the western and central part of the country and has a long coastline along the Arabian Sea. It is the second largest State in India both in terms of population (11.36 crore as per 2011 census) and geographical area (3.08 lakh sq km). As indicated in **Appendix 1.1**, in the last 10 years, the density of population of Maharashtra has increased from 315 persons per sq km to 365 persons per sq km. Still Maharashtra has a lower density of population as compared to the all-India average of 382. The State has shown a higher economic growth in the past decade as the compound annual growth rate of its Gross State Domestic Product (GSDP) for the period 2002-03 to 2011-12 has been 17.17 *per cent* as compared to 14.46 *per cent* in General Category States. The population below the poverty line in Maharashtra is lower than the average of General Category States. During the above mentioned period, its population grew by 17.23 *per cent* against 13.90 *per cent* in General Category States. The per capita income compound annual growth rate in Maharashtra (15.12 *per cent*) has been higher than that of the General Category States (13.09 *per cent*) in the current decade.

1.1 Introduction

This chapter is based on the audit of the Finance Accounts and makes an assessment of the State's fiscal position as on 31 March 2012. It provides a broad perspective of the finances of the State during 2011-12 and analyses critical changes observed in the major fiscal aggregates in relation to the previous year, keeping in view the overall trends during the last five years. The structure and form of Government accounts have been explained in **Appendix 1.2 Part A** and the layout of the Finance Accounts is depicted in **Appendix 1.2 Part B**. The methodology adopted for assessment of the fiscal position and norms/ceilings prescribed by the Fiscal Responsibility and Budgetary Management (MFRBM) Act, 2005; MFRBM (Amendment) Act, 2006; MFRBM Rules, 2006; MFRBM (Amendment) Rules, 2008; MFRBM (Second Amendment) Rules, 2011 and MFRBM (Amendment) Rules, 2012 of the State are given in **Appendix 1.3**. According to the Act, Government developed its own Fiscal Correction Path (FCP) given in **Appendix 1.4**. As prescribed in the Act, Government laid its Medium Term Fiscal Policy Statement (MTFPS) for 2011-12 in the State legislature in March 2011.

1.1.1 Summary of Current Year's Fiscal Transactions

A summary of the State Government's fiscal transactions during 2011-12 *vis-à-vis* the previous year is presented in **Table 1.1**. **Appendix 1.6** provides details of receipts and disbursements as well as the overall fiscal position during 2011-12.

Table 1.1 : Summary of current year's fiscal operations

(₹ in crore)

2010-11	Receipts	2011-12	2010-11	Disbursements	2011-12		
Section-A: Revenue							
				Non Plan.	Plan	Total	
105867.82	Revenue Receipts	121286.14**	106459.38	Revenue Expenditure	101519.15	22035.04	123554.19
75027.10	Tax revenue	87608.46	37704.23	General services	42352.03	500.85	42852.88
8225.04	Non-tax revenue	8167.70**	48282.06	Social services	40525.19	14287.02	54812.21
11419.78	Share of Union Taxes/ Duties	13343.34	19285.36	Economic services	17743.52	7125.23	24868.75
11195.90	Grants from Government of India	12166.64	1187.73	Grants-in-aid and Contributions	898.41	121.94	1020.35
Section B : Capital							
17.28	Miscellaneous Capital Receipts	455.83	17963.37	Capital Outlay	2848.16	15031.38	17879.54
640.09	Recoveries of Loans and Advances	558.74	959.08	Loans and Advances disbursed			836.28
20739.78	Public debt receipts*	24452.56	4773.61	Repayment of Public Debt*			6458.35
0.00	Appropriation from Contingency fund	1000.00	850.00	Appropriation to Contingency fund			500.00
853.00	Contingency Fund	511.20	11.20	Contingency Fund			1000.00
48406.32	Public Account Receipts	53389.38	39557.62	Public Account Disbursements			46962.93
25559.36	Opening Cash Balance	31509.39	31509.39	Closing Cash Balance			35971.95
202083.65	Total	233163.24	202083.65	Total			233163.24

(Source : State Finance Accounts of the respective years.)

* Excluding ways and means advances and overdraft (Receipt : nil and Disbursement : nil)

** Includes ₹ 170.23 crore, the outstanding central loans under Central Plan Schemes and Centrally Sponsored Schemes advanced to State Governments by the Ministries other than Ministry of Finance written off as per the recommendation of the Thirteenth Finance Commission (ThFC).

The following are the major changes in fiscal transactions during 2011-12 over the previous year:

- Revenue receipts (RR) grew by ₹ 15,418 crore (15 per cent) over the previous year. The increase was the net effect of increase in tax revenue by ₹ 12,581 crore (17 per cent), State's share of Union Taxes and Duties by ₹ 1,923 crore (17 per cent) and Grants from Government of India (GoI) by ₹ 971 crore (nine per cent), set off by a decrease in non-tax revenue by ₹ 57 crore (0.7 per cent). The revenue receipts at ₹ 1,21,286 crore were 99.8 per cent of the assessments made by the State Government in its FCP and the MTFPS (₹ 1,21,504 crore) for the year 2011-12.
- The decrease in non-tax revenue receipts by ₹ 57 crore (0.7 per cent) over 2010-11 was mainly under 'Miscellaneous General Services' due to less receipts on account of Guarantee Fees. The non-tax revenue receipts (₹ 8,168 crore) of the Government was also lower than the projections made in the FCP and the MTFPS/Budget (₹ 9,731 crore) of the Government by 16 per cent and the Thirteenth Finance Commission (ThFC) (₹ 12,168 crore) by 33 per cent.
- Revenue expenditure increased by ₹ 17,095 crore (16 per cent) over the previous year, mainly due to increase in expenditure on general services (₹ 5,149 crore), social services (₹ 6,530 crore) and economic

services (₹ 5,584 crore), set-off by decrease in grants-in-aid and contributions (₹ 168 crore). While 30 *per cent* of the increase was under Plan head the remaining 70 *per cent* was under Non-Plan head. The major heads that registered increases include General Education, Interest Payment, Power, Industries, Pension and other Retirement Benefits, relief on account of Natural Calamities, District Administration, Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes, Urban Development, Medical and Public Health and Social Security. The revenue expenditure (₹ 1,23,554 crore) was, however, more than the assessment made by the State Government in its FCP and MTFPS/Budget by 1.74 *per cent*. The Non-Plan Revenue Expenditure (₹ 1,01,519 crore) exceeded the normative assessments made by ThFC (₹ 73,742 crore) and the State Government's projections (MTFPS/Budget/FCP) (₹ 95,542 crore) (**Table 1.11**).

- Capital expenditure (₹ 17,880 crore) decreased marginally by 0.47 *per cent* over the previous year. The decrease was mainly due to less contribution of Government's share capital to Vidarbha Irrigation Development Corporation, as discussed in **Para 1.4.1**. The capital expenditure was lower than the assessment made by the State Government in its FCP and Budget by 20.32 *per cent* (₹ 22,439 crore) and the projections made in MTFPS by 23.38 *per cent* (₹ 23,337 crore) for the year 2011-12. The major areas of decrease are commented in Chapter II under **Para 2.7**.
- Recoveries of loans and advances decreased by 12.66 *per cent* (₹ 81 crore) and its disbursements also decreased by 12.83 *per cent* (₹ 123 crore).
- Public debt receipts increased by 17.90 *per cent* (₹ 3,713 crore) and public debt disbursement also increased by 35.30 *per cent* (₹ 1,685 crore) resulting in net increase of ₹ 2,028 crore in public debt receipts.
- Increase of 10.29 *per cent* (₹ 4,983 crore) in Public Account receipts over the previous year was on account of increase of receipts under Deposits and Advances by 16.55 *per cent* (₹ 3,627 crore), Small Savings, Provident Fund *etc.* by 14.60 *per cent* (₹ 567 crore) and Remittances by 7.81 *per cent* (₹ 1,582 crore), set off by decrease under Suspense and Miscellaneous by 50.24 *per cent* (₹ 499 crore) and Reserve Funds by 8.77 *per cent* (₹ 294 crore).
- Public Account disbursements increased by 18.72 *per cent* (₹ 7,405 crore) mainly due to increase under Reserve Funds by 38.57 *per cent* (₹ 460 crore), Deposit and Advances by 34.20 *per cent* (₹ 5,354 crore), Small Savings, Provident Fund *etc.* by 17.67 *per cent* (₹ 329 crore) and Remittances by 6.54 *per cent* (₹ 1,355 crore), set off by decrease under Suspense and Miscellaneous by 83.87 *per cent* (₹ 93 crore).
- Appropriation from the Contingency Fund increased by ₹ 1000 crore in 2011-12 from 'nil' in 2010-11 while appropriation to the

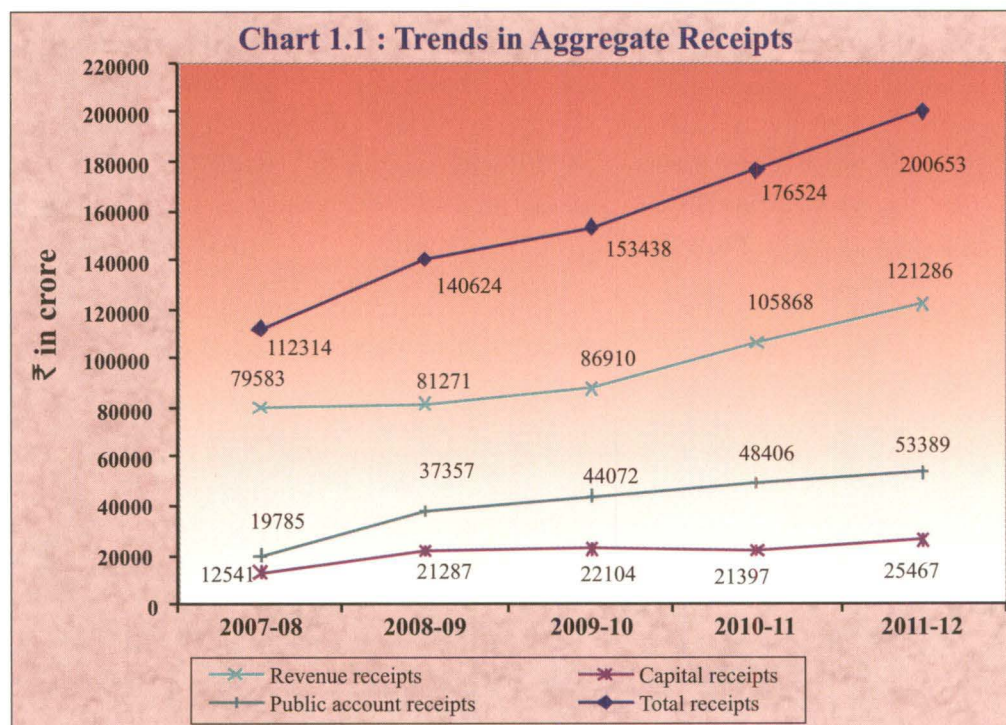
Contingency Fund decreased by ₹ 350 crore from ₹ 850 crore in 2010-11 to ₹ 500 crore in 2011-12, as discussed in **Para 2.6**.

- Cash balances of the Government at the close of the year 2011-12 (₹ 35,972 crore) increased by ₹ 4,463 crore (14 per cent) over the previous year. Of the above, ₹ 25,884 crore was invested in GoI Treasury Bills, as also discussed in **Para 1.6.6**.

1.2 Resources of the State

1.2.1 Resources of the State as per Finance Accounts

Revenue¹ and capital² are the two streams of receipts that constitute the resources of the State Government. **Table 1.1** presents the receipts and disbursements of the State during 2011-12, as recorded in its Finance Accounts 2011-12 while **Chart 1.1** and **Table 1.2** depicts the trends in various components of the aggregate receipts of the Government during 2007-12.



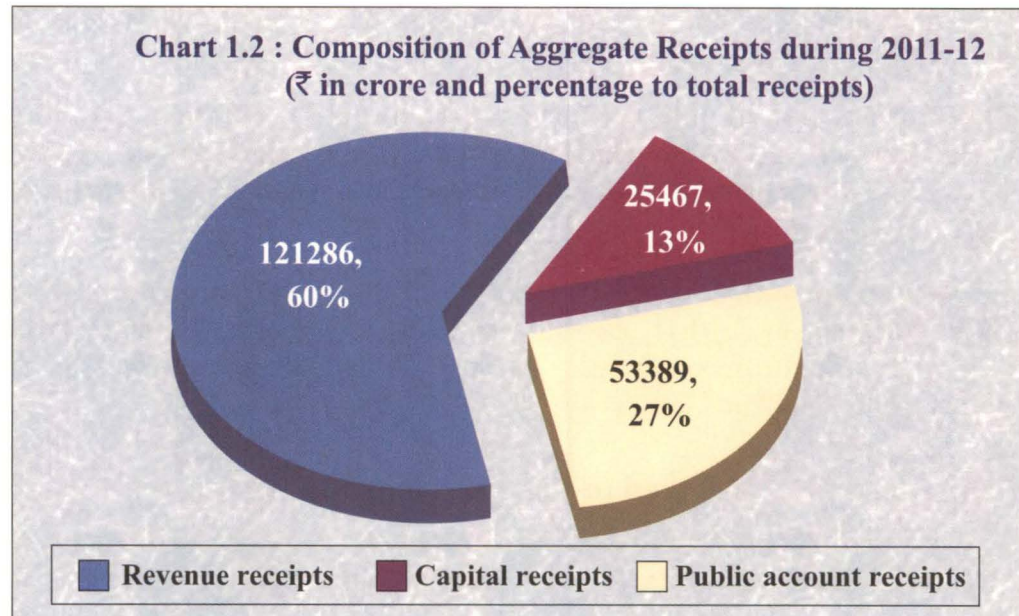
Note: Total receipts include Contingency Fund receipts of ₹ 511 crore (0.25 per cent of total receipt) during 2011-12.

(Source: State Finance Accounts of the respective years).

Chart 1.2 depicts the composition of resources of the Government during 2011-12.

¹ Revenue receipts consist of tax revenues, non-tax revenues, State's share of Union taxes and duties and grants-in-aid from GoI.

² Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestment, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI as well as accruals from the Public Account.



(Source: State Finance Accounts).

Table 1.2: Trends in growth and composition of aggregate receipts

Sources of State's Receipts		(₹ in crore)				
		2007-08	2008-09	2009-10	2010-11	2011-12
I	Revenue Receipts	79,583	81,271	86,910	1,05,868	1,21,286
II	Capital Receipts (CR)	12,541	21,287	22,104	21,397	25,467
	Miscellaneous Capital Receipts	–	18	25	17	456
	Recovery of Loans and Advances	733	560	515	640	559
	Public Debt Receipts	11,808	20,709	21,564	20,740	24,452
	Growth rate of debt capital receipts	(-)0.71	75.38	4.13	(-)3.82	17.90
	Growth rate of non-debt capital receipts	1,337.25	(-)21.15	(-)6.57	21.67	54.49
	Growth rate of GSDP	16.03	17.22	30.11	18.53	16.86
	Rate of growth of CR (per cent)	5.01	69.74	3.84	(-)3.20	19.02
III	Contingency Fund	405	709	352	853	511
IV	Public Account Receipts	19,785	37,357	44,072	48,406	53,389
	a. Small Savings, Provident Fund etc.	2,060	2,220	3,309	3,882	4,449
	b. Reserve Fund	(-)9,196	2,428	2,559	3,346	3,052
	c. Deposits and Advances	10,847	11,438	14,150	21,918	25,544
	d. Suspense and Miscellaneous	325	3,132	4,166	(-)993	(-)1,491 ³
	e. Remittances	15,749	18,139	19,888	20,253	21,835
V	Total Receipts	1,12,314	1,40,624	1,53,438	1,76,524	2,00,653

(Source : Finance Accounts).

The total receipts of the State increased by ₹ 88,339 crore (78.65 per cent) from ₹ 1,12,314 crore in 2007-08 to ₹ 2,00,653 crore in 2011-12. Though the amount of revenue receipts increased in absolute terms, the share of revenue receipts in total receipts of the State decreased from 71 per cent in 2007-08 to 60 per cent in 2011-12, while the share of public account receipts in total

³ Minus credit is due to realization of cheques being more than the cheques issued during the year owing to clearance of last years cheques.

receipts of the State increased from 18 *per cent* in 2007-08 to 27 *per cent* in 2011-12.

Table 1.2 shows that the capital debt receipts registered a positive growth of 17.90 *per cent* in 2011-12 as compared to the negative growth of 3.82 *per cent* in 2010-11. The growth of non-debt capital receipts increased from 21.67 *per cent* in 2010-11 to 54.49 *per cent* in 2011-12.

Public Account receipts increased by 169.85 *per cent* over the period 2007-12. As compared to 2010-11, the increase during 2011-12 was 10.29 *per cent*, which was mainly under Deposits and Advances, Remittances and Small Savings, Provident Fund, *etc.*

1.2.2 Funds transferred to State Implementing Agencies outside the State Budgets

The GoI has been transferring a sizeable quantum of funds directly to State implementing agencies⁴ for implementation of various schemes/ programmes in social and economic sectors for human and social development of the population. As these funds are not routed through the State Budget/ State Treasury System, the Annual Finance Accounts do not capture their flow and to that extent the State's receipts and expenditure as well as other fiscal variables/ parameters derived from them are understated. To present a holistic picture on the availability of aggregate resources, funds directly transferred to State implementing agencies during 2011-12 are presented in **Appendix 1.8**. As could be seen, GoI directly transferred ₹ 7,144 crore to State implementing agencies during 2011-12. The major transfers were to:

- a) the District Rural Development Agencies (DRDAs) (₹ 2,341.24 crore *i.e* 33 *per cent*) for Indira Awas Yojana, Swarnajayanti Gram Swarajgar Yojana, the Integrated Watershed Management Programme, DRDA administration and the National Rural Employment Guarantee Scheme,
- b) the Maharashtra Prathamik Shikshan Parishad (₹ 1,179.63 crore *i.e.* 17 *per cent*) for Sarva Shiksha Abhiyan,
- c) the National Rural Health Mission (₹ 1,152.65 crore *i.e* 16 *per cent*), and
- d) Pradhan Mantri Gram Sadak Yojana (₹ 796.01 crore *i.e* 11 *per cent*).

Since the funds are generally not being spent fully by the implementing agencies in the same financial year in which they are given, there remain unspent balances in the bank accounts of these implementing agencies. The aggregate amount of the unspent balances in the accounts of the implementing agencies, kept outside Government accounts, in bank accounts, is not ascertainable.

As compared to the previous year, the increase in transfer of funds ₹ 1,498.28 crore was mainly under a) the National Rural Health Mission

⁴ State implementing agencies include any organisation/institutions including non-governmental organisations which are authorized by the State Government to receive funds from the GoI for implementing specific programmes in the State, *e.g.* Sarva Shiksha Abhiyan, National Rural Health Mission *etc.*

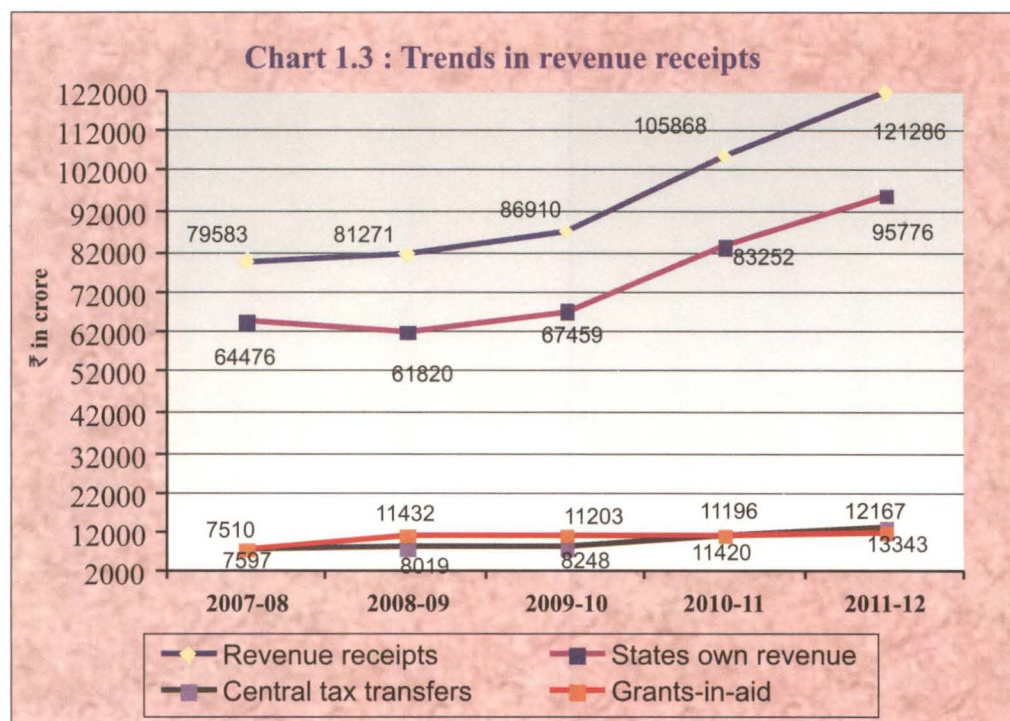
(₹ 477.36 crore i.e 71 per cent), b) the Maharashtra Prathamik Shikshan Parishad (₹ 324.26 crore i.e. 38 per cent) as well as for Sarva Shiksha Abhiyan and c) DRDAs (₹ 878.52 crore i.e 60 per cent) for the Integrated Watershed Management Programme, DRDA administration and the National Rural Employment Guarantee Scheme. In respect of the State Water and Sanitation Mission for the Accelerated Rural Water Supply Scheme, no funds were provided during 2010-11, however, during 2011-12 ₹ 718.36 crore were provided.

The transfer of funds decreased mainly under the Pradhan Mantri Gram Sadak Yojana (₹ 446.54 crore i.e 36 per cent). In respect of Agriculture Technology Management Agency for micro-irrigation no funds were provided during the year resulting in decrease of ₹ 222.37 crore as compared to previous year.

Direct transfer of funds from the GoI to State implementing agencies ran the risk of improper utilisation of funds by these agencies. Unless uniform accounting practices are followed by all these agencies, with proper documentation and timely reporting of expenditure, it would be difficult to monitor the end use of these direct transfers.

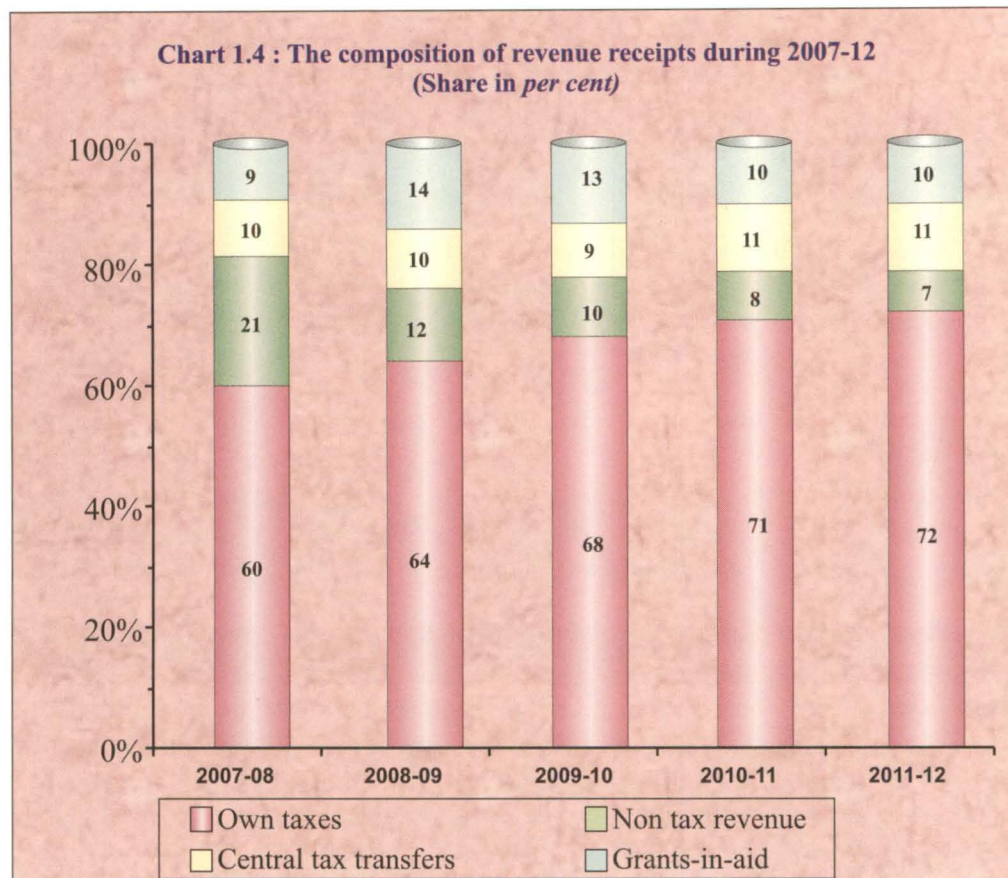
1.3 Revenue receipts

Statement 11 of the Finance Accounts details the revenue receipts of the Government. These consist of the State's own tax and non-tax revenues, Central tax transfers and grants-in-aid from GoI. The trends of revenue receipts over the period 2007-12 are presented in **Chart 1.3** and also in **Appendix 1.5**.



(Source: State Finance Accounts of the respective years)

The composition of revenue receipts over the period 2007-12 are presented in **Chart 1.4**



(Source: State Finance Accounts of the respective years)

The revenue receipts have shown a progressive increase over the period 2007-12. As shown in **Chart 1.4**, there was an increasing trend in the share of the State’s own taxes during the period 2007-12. The shares of non-tax revenue showed a declining trend during 2007-12 while the share of Central transfers was relatively stable during 2007-12. The share of grants-in-aid increased during 2007-09 however, it decreased in 2009-11, but remained stable during 2011-12.

During 2002-03 to 2010-11, the compound growth rate of revenue receipts (16.55 per cent) was less than the growth rate of other General Category States (16.86 per cent). This growth rate for the period 2002-03 to 2011-12 decreased to 16.32 per cent (**Appendix 1.1**).

Revenue receipts at ₹ 1,21,286 crore were 99.8 per cent of the assessments made by the State Government in its FCP and the MTFPS for the year 2011-12.

The trends in revenue receipts relative to GSDP at current prices are presented in **Table 1.3** :

Table 1.3 : Trends in revenue receipts relative to GSDP

	2007-08	2008-09	2009-10	2010-11	2011-12
I Revenue Receipts (₹ in crore)	79,583	81,271	86,910	1,05,868	1,21,286
Rate of growth ⁵ of RR (<i>per cent</i>)	28	2.1	6.9	21.8	14.56
RR/GSDP (<i>per cent</i>)	13.5	11.7	9.6	9.9	9.71
Buoyancy Ratios⁶					
Revenue Receipts Buoyancy w.r.t. GSDP	1.747	0.122	0.229	1.176	0.864
State's own taxes Buoyancy w.r.t. GSDP	1.156	0.550	0.452	1.454	0.995
Gross State Domestic Product (₹ in crore)	5,90,995	6,92,749	9,01,330	10,68,327	12,48,453[#]
Growth rate of GSDP	16.03	17.22	30.11	18.53	16.86

(Source: Finance Accounts and Economic Survey of Maharashtra [Preliminary Estimates]).

[#] Advance estimates furnished by Directorate of Economics & Statistics, Government of Maharashtra.

The increase in revenue receipts during 2011-12 (14.56 *per cent*) as compared to previous year was due to the net effect of increase in tax revenue by 17 *per cent* (₹ 12,581 crore), the State's share of Union taxes and duties by 17 *per cent* (₹ 1,923 crore) and Grants from GoI by nine *per cent* (₹ 971 crore), set off by a decrease in non-tax revenue by 0.7 *per cent* (₹ 57 crore).

The ratio of State's own tax buoyancy with reference to GSDP gradually decreased from 1.156 in 2007-08 to 0.452 in 2009-10, however, it increased to 1.454 in 2010-11 but again decreased to 0.995 in 2011-12 mainly because the growth rate of tax revenue (16.77 *per cent*) was almost equal to the growth rate of GSDP (16.86 *per cent*).

Grants-in-aid from Government of India

The grants-in-aid from GoI increased by nine *per cent* from ₹ 11,196 crore in 2010-11 to ₹ 12,167 crore in 2011-12. The increase was mainly under Centrally Sponsored Plan Schemes (41 *per cent*) and State Plan Schemes (10 *per cent*), while the grants under Central Plan Schemes and Non-Plan grants decreased by 73 *per cent* and 25 *per cent* respectively in 2011-12 (Table 1.4).

⁵ see Glossary at page 175.

⁶ Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 0.9 implies that revenue receipts tend to increase by 0.9 percentage points, if the GSDP increases by one *per cent* (also see Glossary at page 175).

Table 1.4: Grants-in-aid from Government of India

	(₹ in crore)				
	2007-08	2008-09	2009-10	2010-11	2011-12
Grants for State Plan schemes	3,780	6,683	5,396	5,805	6,380
Non-Plan grants	2,106	2,832	3,707	2,304	1,723
Grants for Central Plan Schemes	63	139	87	245	65
Grants for Centrally Sponsored Plan Schemes	1,561	1,778	2,013	2,842	3,999
Total	7,510	11,432	11,203	11,196	12,167
Percentage of increase/decrease over previous year	(-)12.2	52.22	(-)2.0	(-)0.06	8.67

(Source : Finance Accounts).

The increase under grants from Centrally Sponsored Plan Schemes (₹ 1,157 crore) was due to increase under (a) Social Securities and Welfare (₹ 394 crore), (b) Nutrition (₹ 458 crore) and (c) Family Welfare (₹ 246 crore). The increase under grants from the State Plan Schemes (₹ 575 crore) was due to increase under grants under proviso to Article 275(1) of the Constitution (₹ 666 crore).

The decreases under Central Plan Schemes (₹ 180 crore) were mainly under (a) Village and Small Industries (₹ 83 crore), (b) Technical Education (₹ 47 crore) and (c) Sports and Youth Services (₹ 43 crore). The decrease under Non-Plan grants (₹ 581 crore) was under (a) Central Road Fund (₹ 257 crore) and (b) Grants towards contribution to the State Disaster Response Fund (₹ 171 crore).

Central tax transfers

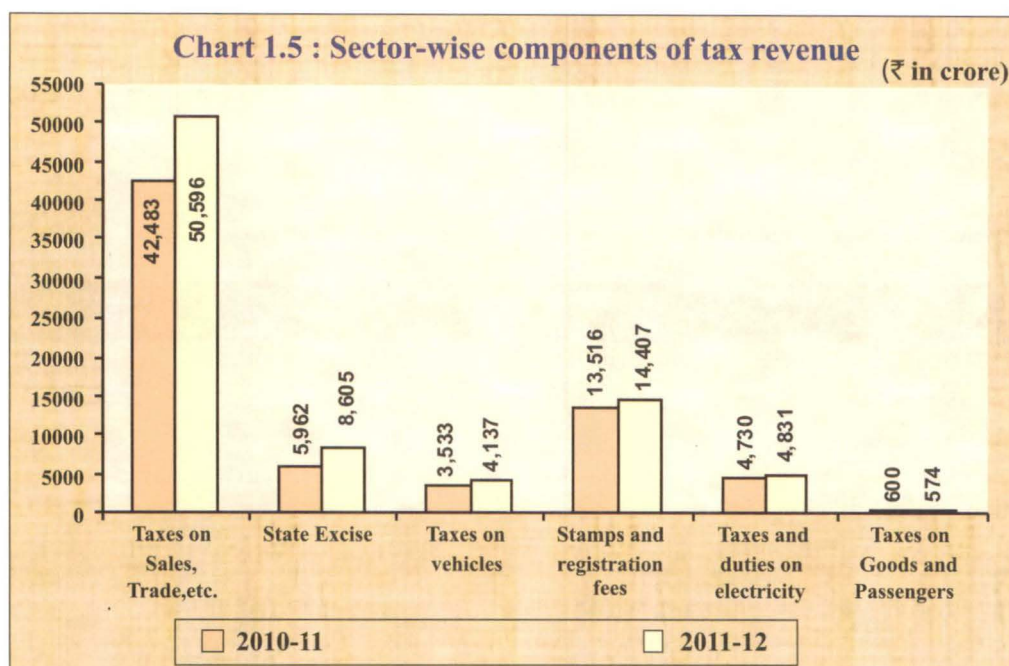
Central tax transfers increased by 17 per cent from ₹ 11,420 crore in 2010-11 to ₹ 13,343 crore in 2011-12. The increase was mainly under corporation tax (₹ 773 crore), service tax (₹ 449 crore), customs duty (₹ 310 crore) and taxes on income other than corporation tax (₹ 301 crore).

1.3.1 State's Own Resources

As the State's share in Central taxes and grants-in-aid is determined on the basis of recommendations of the Finance Commission, collection of Central tax receipts, Central assistance for Plan Schemes, etc., the State's performance in mobilization of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources. The gross collection in respect of major taxes and duties as well as the components of non-tax receipts and the percentage of such expenditure to the gross collection during the years from 2007-08 to 2011-12 are presented in **Appendix 1.5**.

Tax Revenue

The tax revenues exceeded the projections made in the FCP by 4.69 per cent, however, it was less than the projections made in MTFPS by 10.06 per cent. The sector-wise components of tax revenue during the period 2010-11 to 2011-12 are shown in **Chart 1.5**.



(Source: State Finance Accounts of the respective years)

The tax revenue increased by ₹ 12,581 crore (17 per cent) over the previous year. The increase over the previous year was mainly under (a) taxes on Sales, Trades, etc. by ₹ 8,113 crore (19 per cent) due to more tax collection under 'Value Added Tax', (b) state excise by ₹ 2,643 crore (44 per cent) due to receipt of more excise duty on wines and spirits, (c) stamps and registration fees by ₹ 891 crore (seven per cent) due to increase in sale of stamps and (d) taxes on vehicles by ₹ 604 crore (17 per cent) due to more tax collection under 'State Motor Vehicles Taxation Act'.

During 2002-03 to 2010-11, the compound growth rate of tax revenue (16.05 per cent) was less than the growth rate of other General Category States (16.74 per cent). This growth rate for the period 2002-03 to 2011-12 increased to 16.13 per cent (**Appendix 1.1**).

The tax revenue as a percentage of GSDP (7.02 per cent) was less than the normative assessment of ThFC (8.52 per cent), MTFPS (8.23 per cent) and marginally lower than the FCP (7.07 per cent).

Non-tax revenue

The non-tax revenue of the State marginally decreased by 0.7 per cent (₹ 57 crore) from ₹ 8,225 crore in 2010-11 to ₹ 8,168 crore in 2011-12, mainly due to less receipts on account of Guarantee Fees (₹ 422 crore) booked under the Major Head 'Miscellaneous General Services', set off by increase under Power (₹ 240 crore) due to more collection of lease money from Maharashtra State Electricity Board and under Medical and Public Health (₹ 102 crore) due to more receipts from Scheme under Drugs and Cosmetics Rules and receipts from Employees State Insurance Corporation.

The non-tax revenue includes write off of central loans of ₹ 170.23 crore as per the recommendation of the ThFC on account of central loans received from GoI under Central Plan Schemes and Centrally Sponsored Schemes.

During 2002-03 to 2010-11, the compound growth rate of non-tax revenue (7.78 per cent) was less than the growth rate of other General Category States (12.84 per cent). This growth rate for the period 2002-03 to 2011-12 further decreased to 6.80 per cent (Appendix 1.1).

Table 1.5: Revenue receipts relative to ThFC and State's projections

(₹ in crore)

	Assessments made by ThFC	Projections in FCP	Projections in MTFPS / Budget	Actuals
Tax revenue	80,721	83,686	97,404	87,608
Non-tax revenue	12,168	9,731	9,731	8,168
GSDP	9,47,978	11,84,064	11,84,064	12,48,453

(Source: Finance Accounts, Budget Documents, Report of ThFC and Economic Survey of Maharashtra).

Table 1.5 shows that the actual realisation of tax revenue during the year was higher than the normative assessment of ThFC as well as the projections made in the FCP but less than the projections in MTFPS. The non-tax revenue of the Government was lower for both the FCP and MTFPS projections (16 per cent) as well as the ThFC (33 per cent).

1.3.2 Cost of collection

The gross collection in respect of three major heads of revenue receipts, the expenditure incurred on their collection and the percentage of such expenditure to the gross collection during the years 2009-10, 2010-11 and 2011-12, along with the relevant all-India average percentage of expenditure on gross collection for the year 2010-11 are given in the **Table 1.6** :

Table 1.6 : The expenditure incurred on collection of taxes

Sl. No.	Head of revenue	Year	Gross collection ⁷ (₹ in crore)	Expenditure on collection (₹ in crore)	Percentage of expenditure to gross collection	All India average percentage for the year 2010-11
1.	Sales tax/ VAT	2009-10	32,676.02	283.65	0.87	0.75
		2010-11	42,482.72	298.08	0.70	
		2011-12	50,596.36	346.02	0.68	
2.	State excise	2009-10	5,056.63	62.68	1.24	3.05
		2010-11	5,961.85	62.68	1.05	
		2011-12	8,605.47	61.58	0.72	
3.	Taxes on vehicles	2009-10	2,682.29	76.96	2.86	3.71
		2010-11	3,532.90	90.62	2.57	
		2011-12	4,137.42	92.22	2.28	

(Source: Finance Accounts and Information received from departments concerned)

As compared to the previous year, the percentage of expenditure on collection of taxes decreased in all heads of revenue for the period 2009-12. It would be seen that the cost of collection of revenue in the State is less than the all-India average in all the three important heads of revenue. However, it would be prudent to improve the tax administration in order to increase the revenue and thereby, reduce the cost of collection.

⁷ Figures as per the Finance Accounts.

1.4 Application of resources

Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with them. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising the public expenditure financed by deficit or borrowings. It is, therefore, important to ensure that the ongoing fiscal correction and consolidation process at the State level is not at the cost of expenditure especially directed towards development and social sectors.

1.4.1 Growth and composition of expenditure

The total expenditure and its compositions during the years 2007-08 to 2011-12 are presented in the **Table 1.7**.

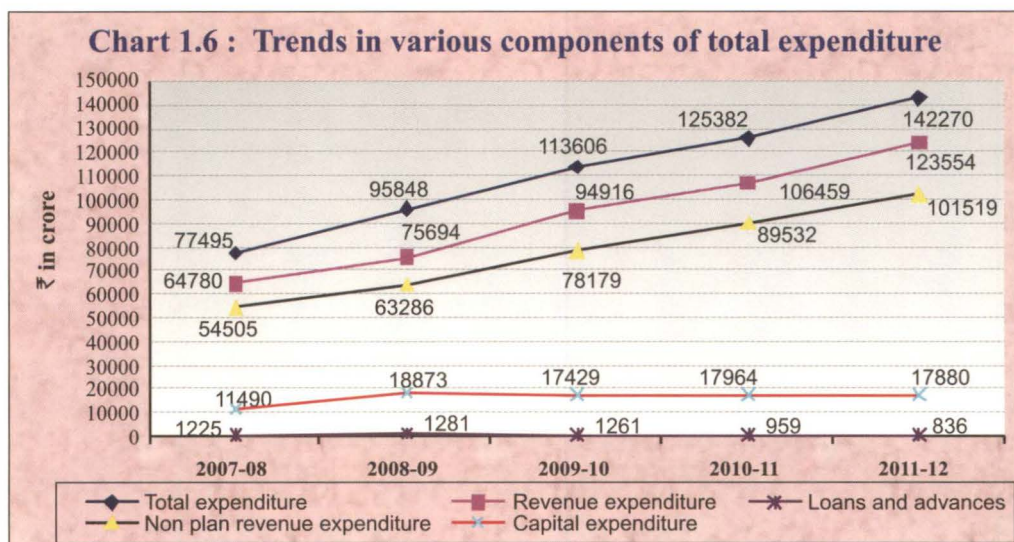
Table 1.7 : Total expenditure and its composition

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
Total Expenditure	77,495	95,848	1,13,606	1,25,382	1,42,270
Revenue Expenditure	64,780	75,694	94,916	1,06,459	1,23,554
<i>of which, Non-Plan Revenue Expenditure</i>	<i>54,505</i>	<i>63,286</i>	<i>78,179</i>	<i>89,532</i>	<i>1,01,519</i>
Percentage of revenue expenditure to total expenditure	84	79	84	85	87
Capital Expenditure	11,490	18,873	17,429	17,964	17,880
Percentage of capital expenditure to total expenditure	21	30	22	20	18
Loans and Advances	1,225	1,281	1,261	959	836

(Source: Finance Accounts).

Chart 1.6 presents the trends in total expenditure over a period of the last five years (2007-12) and its composition both in terms of ‘economic classification’ and ‘expenditure by activities’ depicted in **Charts 1.7 and 1.8** respectively.



(Source : Finance Accounts of respective years).

Total expenditure

The total expenditure of the State increased at an average growth rate of 21 per cent from ₹ 77,495 crore in 2007-08 to ₹ 1,42,270 crore in 2011-12. The

total expenditure, its annual growth rate, the ratio of expenditure to the State GSDP and to revenue receipts and its buoyancy with respect to GSDP and revenue receipts are indicated in **Table 1.8**. During 2002-03 to 2010-11, the compound growth rate of total expenditure (13.40 *per cent*) was less than the growth rate of other General Category States (14.58 *per cent*). This growth rate remained unchanged at 13.40 *per cent* for the period 2002-03 to 2011-12 (**Appendix 1.1**).

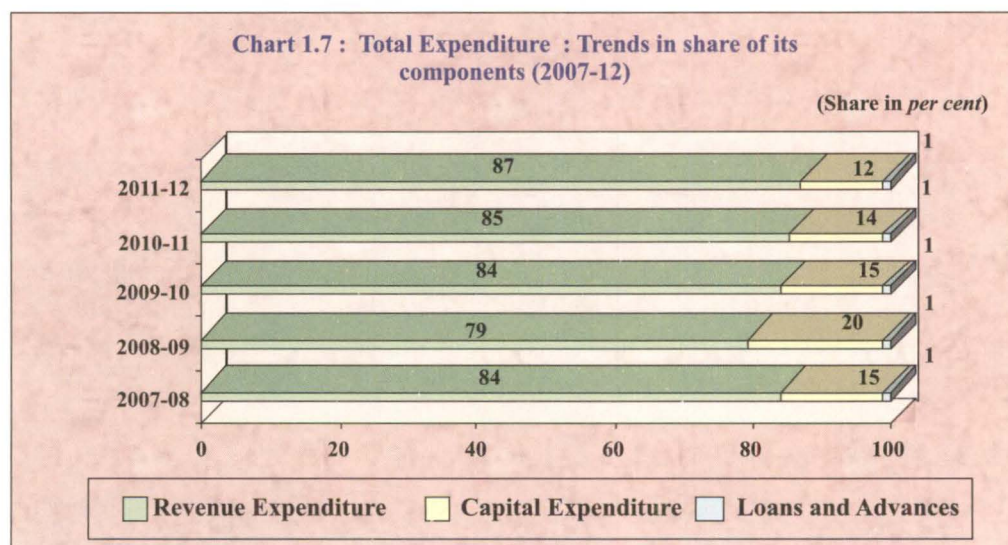
Table 1.8 : Total expenditure – basic parameters

	2007-08	2008-09	2009-10	2010-11	2011-12
Total expenditure (TE) (₹ in crore)	77,495	95,848	1,13,606	1,25,382	1,42,270
Rate of growth (<i>per cent</i>)	5	23.7	18.53	10.37	13.47
TE/GSDP ratio (<i>per cent</i>)	13.1	13.8	12.60	11.7	11.4
RR /TE ratio (<i>per cent</i>)	102.7	84.8	76.5	84.4	85.25
Buoyancy of Total Expenditure with reference to:					
GSDP (ratio)	0.312	1.376	0.615	0.560	0.799
RR (ratio)	0.179	11.286	2.681	0.476	0.925

The increase of ₹ 16,888 crore (13.47 *per cent*) in total expenditure in 2011-12 over the previous year was mainly on account of an increase of ₹ 17,095 crore in revenue expenditure, set off by a decrease of ₹ 84 crore in capital expenditure and of ₹ 123 crore in disbursement of loans and advances.

The ratio of total expenditure to GSDP decreased from 13.1 *per cent* in 2007-08 to 11.4 *per cent* in 2011-12, mainly due to increase in the GSDP at a faster rate as compared to total expenditure. The ratio of revenue receipts to total expenditure decreased from 102.7 *per cent* in 2007-08 to 85.25 *per cent* in 2011-12 which shows that 85 *per cent* of the total expenditure was met from revenue receipts.

The ratio of total expenditure buoyancy with reference to GSDP increased from 0.312 in 2007-08 to 1.376 in 2008-09, but decreased to 0.615 in 2009-10. However, it gradually increased to 0.799 in 2011-12. This indicated that for each one *per cent* increase in GSDP, total expenditure grew by 0.799 *per cent*.



Revenue expenditure

Revenue expenditure constituted 87 *per cent* of the total expenditure (**Chart 1.7**). The increase in revenue expenditure was mainly on (a) General Education (₹ 2,681 crore), (b) Interest Payments (₹ 1,857 crore), (c) Power (₹ 1,854 crore), (d) Industries (₹ 1,679 crore), (e) Pension and other Retirement Benefits (₹ 1,619 crore), (f) Relief on account of Natural Calamities (₹ 1,008 crore), (g) District Administration (₹ 718 crore) and (h) Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes (₹ 599 crore).

Capital expenditure

Capital expenditure constituted 12 *per cent* of the total expenditure (**Chart 1.7**). The decrease of ₹ 84 crore (0.47 *per cent*) in capital expenditure during 2011-12 was mainly on account of decrease in the Government's share capital contribution to the Vidharbha Irrigation Development Corporation (₹ 1,375 crore), set off by increases in the share capital contribution to the Krishna Valley Development Corporation (₹ 499 crore), the Tapi Irrigation Development Corporation (₹ 87 crore), Transport (₹ 304 crore) and Welfare of Scheduled Castes/Tribes Other Backward Classes (₹ 400 crore).

Loans and advances

Loans and advances constituted one *per cent* of the total expenditure (**Chart 1.7**). The decrease of ₹ 123 crore in disbursement of loans and advances during 2011-12 was mainly in loans for co-operation (₹ 115 crore).

The buoyancy ratio of total expenditure with reference to revenue receipts rose to 11.286 during the period 2008-09 from 0.179 in 2007-08 indicating increase in expenditure at a pace greater than that of receipts. However, the ratio declined to 0.476 during 2010-11 but again increased to 0.925 during 2011-12. This was due to increase in the rate of growth of total expenditure as compared to previous year, whereas the rate of growth revenue receipts decreased as compared to the previous year.

The buoyancy ratio of total expenditure with reference to GSDP was less than one during the period 2007-08 to 2011-12 except during 2008-09, when it was 1.376. The decrease was due to the combined effect of low rate of growth in expenditure along with a high rate of growth in GSDP during these years (except 2008-09). This indicated a relative fall in the State's propensity to spend, with the increase in GSDP.

Of the total expenditure during 2011-12, Non-Plan expenditure contributed 74 *per cent* while Plan expenditure was 26 *per cent*. Of the increase of ₹ 16,888 crore in total expenditure, the share of Plan expenditure was 27 *per cent*, while Non-Plan expenditure contributed 73 *per cent*.

During 2002-03 to 2010-11, the compound growth rate of capital expenditure (21.90 *per cent*) was higher than the growth rate of other General Category States (21.25 *per cent*). This growth rate for the period 2002-03 to 2011-12, however, decreased to 19.19 *per cent* (**Appendix 1.1**).

Trends in total expenditure in terms of activities

In terms of the activities, total expenditure could be considered as being composed of expenditure on General Services including interest payments,

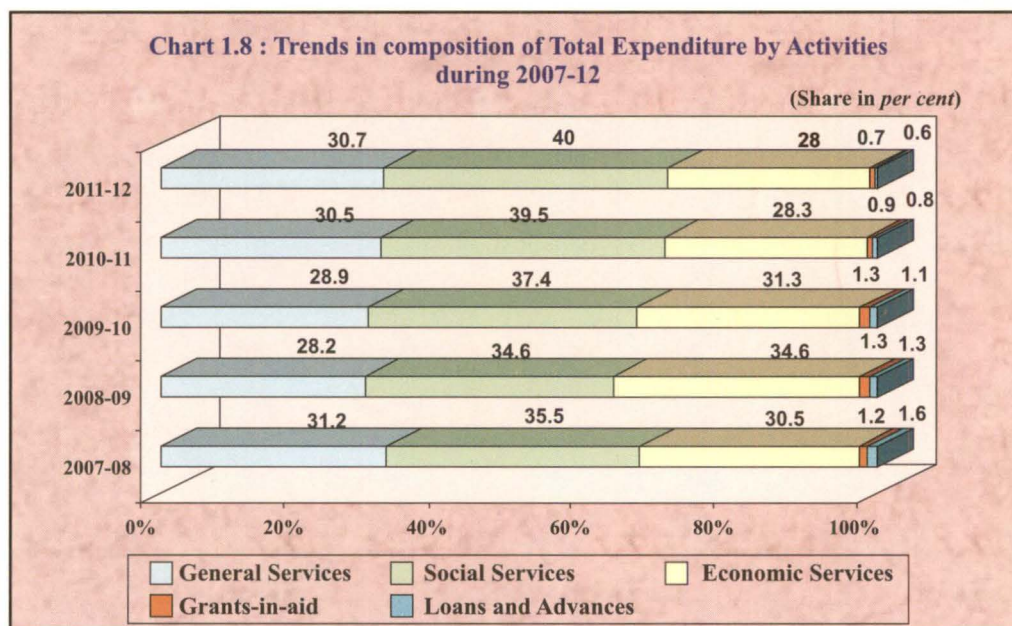
Social and Economic Services, grants-in-aid and loans and advances. Relative shares of these components in the total expenditure are indicated in **Table 1.9** and **Chart 1.8**.

Table 1.9: Components of expenditure – relative shares

	2007-08	2008-09	2009-10	2010-11	2011-12
General Services	31.2	28.2	28.9	30.5	30.7
<i>of which, Interest Payments</i>	15.7	12.8	12.4	12.5	12.3
Social Services	35.5	34.6	37.4	39.5	40.0
Economic Services	30.5	34.6	31.3	28.3	28.0
Grants-in-aid	1.2	1.3	1.1	0.9	0.7
Loans and Advances	1.6	1.3	1.3	0.8	0.6

(in per cent)

The movement of the relative shares of the above components of expenditure indicated that the shares of General Services and Social Services in the total expenditure increased during 2011-12 over the previous year. These increases were set off by decreases in the respective shares of Economic Services, grants-in-aid and loans and advances.



The shares of General Services in total expenditure increased mainly on account of increase in Interest Payments (₹ 1,857 crore), Pension and other Retirement Benefits (₹ 1,619 crore), District Administration (₹ 718 crore), Police (₹ 334 crore), Taxes on Vehicles (₹ 165 crore) and Administration and Justice (₹ 158 crore), whereas the share of Social Services increased mainly due to General Education (₹ 2,681 crore), Social Welfare and Nutrition (₹ 1,465 crore), Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (₹ 599 crore) and Health and Family Welfare (₹ 528 crore).

The decrease in the share of Economic Services was mainly due to decrease in Government's share capital contribution to the Vidarbha Irrigation Development Corporation (₹ 1,375 crore) and Agriculture and Allied Activities (₹ 172 crore).

The decrease in grants-in-aid was mainly due to decrease under the head 'Aid Material and Equipment' (₹ 319 crore) and set off by increase under the head

‘Compensation and Assignment to Local Bodies and Panchayati Raj Institutions’ (₹ 152 crore).

Though the share of Economic Services in total expenditure decreased, there was increase in expenditure on Economic Services (₹ 4,390 crore), mainly on Industries and Minerals (₹ 1,677 crore), Energy (₹ 1,664 crore) and Transport (₹ 1086 crore).

In 10⁸ major schemes (as listed in Annexure to Statement No.12 of the Finance Accounts 2011-12), of ₹ 1,207 crore released by the GoI, the State Government released only ₹ 921 crore for the schemes and the balance amount of ₹ 286 crore was lying in the cash balance of the State Government and to that extent though the money was available, the intended beneficiaries were deprived of its benefit.

Incidence of revenue expenditure

Revenue expenditure is incurred to maintain the current level of services and payment for past obligations and as such, does not result in any addition to the State’s infrastructure and service network. Revenue expenditure had the predominant share of around 87 per cent in the total expenditure during 2011-12. The overall revenue expenditure, its rate of growth, the ratio of revenue expenditure to GSDP and to revenue receipts and its buoyancy are indicated in **Table 1.10**.

Table 1.10 : Revenue expenditure – basic parameters

	2007-08	2008-09	2009-10	2010-11	2011-12
Revenue Expenditure (RE), of which	64,780	75,694	94,916	1,06,459	1,23,554
Non-Plan Revenue Expenditure (NPRE)	54,505	63,286	78,179	89,532	1,01,519
Plan Revenue Expenditure (PRE)	10,275	12,408	16,737	16,927	22,035
Rate of Growth of					
RE (per cent)	5.5	16.8	25.4	12.2	16.1
NPRE (per cent)	2.5	16.1	23.5	14.5	13.4
PRE (per cent)	24.8	20.8	34.9	1.1	30.2
Revenue Expenditure as percentage to TE	83.6	79.0	83.5	84.9	86.84
NPRE/GSDP (per cent)	9.2	9.1	8.7	8.4	8.1
NPRE as percentage of TE	70.3	66.0	68.8	71.4	71.4
NPRE as percentage of RR	68.5	77.9	90	84.6	83.7
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	0.343	0.976	0.844	0.658	0.955
Revenue Receipts (ratio)	0.196	8	3.681	0.560	1.106

(Source : Finance Accounts).

The revenue expenditure increased by ₹ 17,095 crore (16.1 per cent) over the previous year. The buoyancy ratio of revenue expenditure with reference to both GSDP and revenue receipts fluctuated widely. The revenue expenditure was more (1.7 per cent) than the assessment made by the State Government in its FCP and Budget for the year 2011-12.

⁸ Suvarna Jayanthi Shahari Rojgar Yojana, Financial Assistance under Rashtriya Krishi Vikas Yojana, Subsidy for Central Annapurna Scheme, Macro Management of Agriculture (MMA) Scheme-Rajiv Gandhi Scheme for Empowerment of Adolescent Girls, Promotion for Agriculture Mechanisation, Jawaharlal Nehru National Urban Renewal Mission-Integrated Housing and Slum Development Programme, Indira Gandhi Matritva Sahyog Yojana, Strengthening of Vocational Training, World Bank Project, Integrated Handloom Development Scheme, National Service Scheme.

Plan Revenue Expenditure

The Plan Revenue Expenditure increased by ₹ 5,108 crore (30 per cent) during the year, mainly due to increase in expenditure under Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (₹ 807 crore), Social Welfare and Nutrition (₹ 785 crore), Water Supply, Sanitation, Housing and Urban Development (₹ 701 crore), Agriculture and Allied Activities (₹ 696 crore), Transport (₹ 639 crore), Education, Sports, Art and Culture (₹ 439 crore) and Health and Family Welfare (₹ 266 crore).

Non-Plan Revenue Expenditure

The Non-Plan Revenue Expenditure (NPRE) constituted a dominant share of 82 per cent in the revenue expenditure and increased by ₹ 11,987 crore (13 per cent) over the previous year. The variations in NPRE under the major heads indicate increase in expenditure under General Services (₹ 4,795 crore), Education, Sports, Art and Culture (₹ 2,496 crore), Energy (₹ 1,799 crore), Industries and Minerals (₹ 1,682 crore) and Social Welfare and Nutrition (₹ 680 crore).

The NPRE as percentage of revenue receipts increased from 68.5 per cent in 2007-08 to 90 per cent in 2009-10 but reduced to 83.7 per cent in 2011-12, indicating that 83.7 per cent of the revenue receipts were used to meet the NPRE.

Table 1.11 provides the comparative position of NPRE with reference to assessments made by ThFC and the projections of the State Government.

Table 1.11 : NPRE vis-à-vis assessment made by ThFC, FCP and MTFPS

(₹ in crore)				
Year	Assessments made by ThFC	Projection in FCP	Projection in MTFPS / Budget	Actuals
2010-11	67,884	91,682	82,706	89,532
2011-12	73,742	95,542	95,542	1,01,519

(Source: Finance Accounts, Budget Documents and Report of ThFC).

The NPRE during 2010-11 remained significantly higher than the normative assessments of the ThFC and MTFPS but was less than the FCP. However, during 2011-12, it was higher than the ThFC as well as FCP and MTFPS/Budget projections.

Subsidies

Subsidies during the years 2007-08 to 2011-12 are presented in the **Table 1.12**.

Table 1.12: Subsidies

(₹ in crore)						
	2007-08	2008-09	2009-10	2010-11	2011-12 BE	2011-12 Actuals
Subsidies	4,935 (6)	4,308 (5)	8,041 (9)	5,485 (5)	7,100 (6)	9,833 (8)
Total Revenue Expenditure	64,780	75,694	94,916	1,06,459	1,21,446	1,23,554
Revenue Receipts	79,583	81,271	86,910	1,05,868	1,21,504	1,21,286

Figures in parentheses indicate percentage to Revenue Receipts.

(Source : Finance Accounts).

Table 1.12 indicates that expenditure under subsidies increased by 79 per cent from ₹ 5,485 crore in 2010-11 to ₹ 9,833 crore in 2011-12. The subsidies as a percentage of revenue receipts decreased in alternative years during 2007-11 and further increased during 2011-12. During the current year, subsidies constituted about seven per cent of the total expenditure; the major areas which received subsidy include distribution / transmission licences for reduction in Agriculture and Powerloom tariff (53 per cent), medium and large industries under the graded Package Scheme of Incentives (24 per cent), covering the deficit in foodgrain transactions (one per cent) and transport (six per cent).

The subsidies projected by the Government in the FCP and the actual expenditure during 2010-11 and 2011-12 are presented in **Table 1.13**.

Table 1.13: Subsidies vis-à-vis FCP

(₹ in crore)

	2010-11		2011-12	
	Projections in FCP	Actuals	Projections in FCP	Actuals
Power (Subsidy for reduction in Agriculture and Powerloom tariff)	3,131	3,131	3,000	5,163
General/Others	4,818	2,354	4,100	4,670
Total	7,949	5,485	7,100	9,833

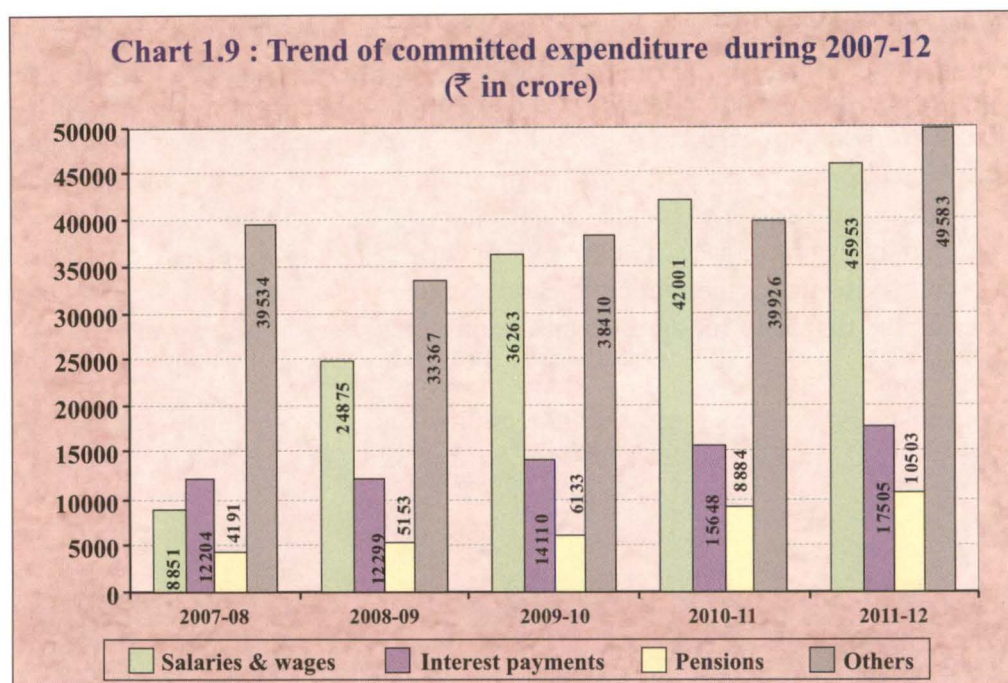
(Source: Finance Accounts and Budget Documents).

The subsidies to 'Power' (Subsidy for reduction in Agriculture and Powerloom tariff) and for other schemes with reference to the projections in the FCP of the State Government as shown in **Table 1.13** above indicate that expenditure on subsidies to Power and on other schemes increased during 2011-12.

The State Government provided food subsidy of ₹ 247 crore in the State budget 2011-12 but the actual expenditure was ₹ 326 crore (against ₹ 605 crore in 2010-11). Similarly, for the schemes 'Subsidy to Distribution / Transmission licences for reduction in Agriculture and Powerloom Tariff', Government provided ₹ 3,000 crore in the FCP during 2011-12, however, actual expenditure incurred was ₹ 5,163 crore (as against ₹ 3,131 crore in 2010-11). For the schemes 'Subsidy to medium and large industries under graded Package Scheme of Incentives' Government provided ₹ 400 crore in the State budget during 2011-12, however, the actual expenditure incurred was ₹ 2,366 crore (as against ₹ 700 crore in 2010-11).

1.4.2 Committed expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages and pensions. In spite of the recommendation from the Twelfth Finance Commission, the statement of committed liabilities is not included in the Finance Accounts due to non-receipt of the complete information from the Government. **Chart 1.9** and **Table 1.14** present the trends in the expenditure on these components during 2007-12.


Table 1.14: Components of committed expenditure

(₹ in crore)

Components of Committed Expenditure	2007-08 [#]	2008-09 [*]	2009-10 [*]	2010-11 [*]	2011-12	
					BE [*]	Actuals [*]
Salaries & Wages , of which	8,851 (11)	24,875 (31)	36,263 (42)	42,001 (40)	48,761 (40)	45,953 ^s (38)
Non-Plan Head	8,015 (10)	23,627 (29)	34,574 (40)	40,917 (39)	–	42,955 (35)
Plan Head**	836 (01)	1,248 (02)	1,689 (02)	1,084 (01)	–	2,998 (03)
Interest Payments	12,204 (15)	12,299 (15)	14,110 (16)	15,648 (15)	17,540 (14)	17,505 (14)
Pensions	4,191 (05)	5,153 (06)	6,133 (07)	8,884 (08)	9,156 (08)	10,503 (09)
Total Committed expenditure⁹	25,246 (32)	42,327 (52)	56,506 (65)	66,533 (63)	75,457 (62)	73,961 (61)
Other Components ¹⁰	39,534 (50)	33,367 (41)	38,410 (44)	39,926 (38)	45,989 (38)	49,583 (41)
Total Revenue Expenditure	64,780	75,694	94,916	1,06,459	1,21,446	1,23,554
Revenue Receipts	79,583	81,271	86,910	1,05,868	1,21,504	1,21,286

Figures in parentheses indicate percentage to Revenue Receipts.

* includes the salaries paid out of grants-in-aid.

does not include salaries paid out of grants-in-aid as information is not available for the period 2007-08.

^sSalaries : ₹ 44,483 crore (Finance Accounts) + Wages : ₹ 1,470 crore (Finance Accounts).

** Plan Head also includes the salaries and wages paid under Centrally Sponsored Schemes.

(Source : Finance Accounts).

Note : Expenditure on Salaries and Wages included grants-in-aid component during 2008-09 (₹ 14,405 crore), 2009-10 (₹ 22,666 crore), 2010-11 (₹ 25,937 crore) and 2011-12 (₹ 27,358 crore).

⁹ Differs from previous year State Finance Report figures as Subsidy has been excluded from the total Committed Expenditure.

¹⁰ Revenue expenditure under General Services, Social Services, Economic Services and Grant-in-aid (excluding salary and wages, interest payments and pension payments).

Salaries and Wages

The average annual growth in salaries and wages excluding the grant-in-aid component during 2007-12 was 27.52 per cent. The expenditure on salaries and wages (including grant-in-aid component) increased by ₹ 3,952 crore (nine per cent) from ₹ 42,001 crore in 2010-11 to ₹ 45,953 crore in 2011-12. The expenditure of ₹ 45,953 crore on salaries (including grant-in-aid component) was lower than the State's own FCP and the projections made in MTFPS of the Government (₹ 48,761 crore).

During 2002-03 to 2010-11, the compound growth rate of salary and wages (14.36 per cent) was higher than the growth rate of other General Category States (13.43 per cent). This growth rate for the period 2002-03 to 2011-12 further increased to 14.52 per cent (Appendix 1.1).

Pension payments

The expenditure on pension payments had increased at an average annual growth of 38 per cent from ₹ 4,191 crore in 2007-08 to ₹ 10,503 crore in 2011-12.

The increase in pension payments of ₹ 1,619 crore (18 per cent) during 2011-12 over the previous year was mainly due to revision of pension consequent to the award of the Sixth Pay Commission.

During 2002-03 to 2010-11, the compound growth rate of pension (17.02 per cent) was higher than the growth rate of other General Category States (16.89 per cent). This growth rate for the period 2002-03 to 2011-12 further increased to 17.15 per cent (Appendix 1.1).

The Table 1.15 below shows actual pension payments with reference to assessment made by ThFC and projections of the State Government.

Table 1.15: Pension payments vis-à-vis ThFC assessment and State's projections

(₹ in crore)				
Year	Projection in MTFPS	Assessment made by ThFC	Projection in FCP	Actuals
2010-11	8,889	6,071	11,384	8,884
2011-12	11,431	6,678	11,431	10,503

(Source: Finance Accounts, Budget Documents and Report of ThFC).

The pension payments during 2010-11 and 2011-12 were higher than the normative assessments made by ThFC while they were lower than the projections of the State Government under MTFPS. As compared to the projections made in the FCP, it was lower during 2010-11 and 2011-12. In order to limit future pension liabilities, the Government had introduced the Defined Contribution Pension Scheme for employees recruited after 1 November 2005.

The expenditure on Pension and Other Retirement Benefits to State Government Employees during the year was ₹ 10,503 crore. An amount of ₹ 748.41 crore towards employee's contribution and employer's share was deposited during 2011-12 under the head '8342-Other Deposits - 117 - Defined Contribution Pension Scheme for Government Employees.' The State Government's liability on this account as on 31 March 2012 was

₹ 1,682.32 crore. Out of these deposits, no investments were made by the State Government till 31 March 2012. Therefore, the main objective of introducing the Defined Contribution Pension Scheme to limit future pension liabilities was defeated. This aspect was stated in the State Finance Report 2010-11 also.

Interest payments

Interest payments increased by 43 per cent from ₹ 12,204 crore in 2007-08 to ₹ 17,505 in 2011-12, primarily due to increase in debt liabilities. However, relative to revenue receipts, interest payments revealed a marginal declining trend. They declined from 15 per cent in 2007-08 to 14 per cent in 2011-12, except during 2009-10, when it was 16 per cent.

Table 1.16: Interest payments vis-à-vis ThFC assessments and State's projections

(₹ in crore)				
Year	Projection in MTFPS	Assessment made by ThFC	Projection in FCP	Actuals
2010-11	16,294	16,213	15,566	15,648
2011-12	18,049	18,343	17,540	17,505

(Source: Finance Accounts, Budget Documents and Report of ThFC).

The interest payments, with reference to the assessments made by ThFC and the projection in the MTFPS of the State Government (**Table 1.16**) indicate that the interest payments were lower than the assessments made during 2010-11 and 2011-12. As compared to the projections made in the FCP, it was more or less the same during both the years.

During 2011-12, the State Government raised open market loans of ₹ 21,000 crore at an average interest rate of 8.77 per cent. The Government also borrowed ₹ 3,146 crore from the National Small Savings Fund and other institutions and ₹ 306 crore from GoI during the year.

The increase in interest payments was ₹ 1,857 crore over the previous year and was mainly due to more interest on market loan (₹ 963 crore), interest on special securities issued to the National Small Savings Fund of the Central Government (₹ 478 crore), interest on State Provident Fund (₹ 365 crore) and interest on deposits (₹ 43 crore).

1.4.3 Financial assistance by State Government to local bodies and other institutions

Introduction

Local bodies in Maharashtra consist of Panchayat Raj Institutions (PRIs) and Urban Local Bodies (ULBs). In conformity with the provisions of the 73rd and 74th Constitutional Amendment, the State Government established a three tier system of PRIs comprising Zilla Parishads (ZPs) at the district level, Panchayat Samitis (PS) at block level and Village Panchayats (VPs) at village level. There are Municipal Corporations (MC), Municipal Councils and Nagar Panchayats (NP) for urban area population in the State. Though the second State Finance Commission (SFC) recommended (March 2002) allocation of 40 per cent of State revenues to Local Bodies (LBs), it was not accepted by the State Government. The report of the third SFC submitted in June 2006 is

yet to be placed in the Legislature even after a period of six years (October 2012).

1.4.3.1 Accounts and Finances of Panchayati Raj Institutions

ZPs are required to prepare the budget for the planned development of the District and utilization of the resources. Government of India schemes, funded through the District Rural Development Agency (DRDA) and State Government schemes are also implemented by ZPs. The District Fund consist of money received from the Central Government for centrally sponsored schemes, through State budget funds for plan and non-plan State schemes, assigned tax and non-tax revenue, receipts of ZPs, interest on investment, etc (Table 1.17; Sr No. 3). ZPs are empowered to impose water tax, pilgrim tax and special tax on land and buildings. The intermediate tier PSs at the block level in the State do not have their own source of revenue and are totally dependent on the Block Grants received from ZPs. PSs undertake development works at the block level. VP is the body consisting of persons registered in the electoral rolls of the village within a VP. VPs are empowered to levy tax on buildings, betterment charges, pilgrim tax, taxes on fairs/festivals/entertainment, taxes on bicycles, vehicles, shops, hotels, etc.

Accounting arrangements

Under the provisions of Section 136(2) of ZP Act, the Block Development Officer (BDO) forward the accounts approved by the PSs to the ZPs and these form part of the ZPs account. Under provision of Section 62(4) of the VP Act, the Secretaries of the VPs are required to prepare annual accounts of VPs. Chief Executive Officer (CEO) of ZPs are required to prepare every year, statements of account of revenue and expenditure of the ZPs for placement before the Finance Committee. The accounts are finally placed before the ZPs for approval along with the Finance Committee reports.

Audit Arrangements

The Audit of PRIs is conducted by the Chief Auditor, Local Fund Account (CALFA) in accordance with provisions of the Bombay Local Fund Act, 1930 and who prepares an Annual Audit Review Report on the financial working of PRIs for placement before the State legislature.

Transfer of functions and functionaries

The 73rd Constitutional Amendment envisaged that all 29 functions along with funds and functionaries mentioned in the XI Schedule of the Constitution of India would be eventually transferred to the PRIs through suitable legislation of the State Governments.

As on 31 March 2012, the State Government has transferred 11 functions and 15,480 functionaries to PRIs. Non-transfer of functions and functionaries has been commented in earlier two Local Bodies Audit Reports (2007-08 and 2009-10).

1.4.3.2 Accounts and Finances of Urban Local Bodies

In accordance with the 74th Constitutional Amendment, the Government of Maharashtra (GoM) amended (December 1994) the existing Mumbai Municipal Corporation (MMC) Act, 1888, The Bombay Provincial Municipal

Corporation (BPMC) Act, 1949, The Nagpur City Municipal Corporation (NCMC) Act, 1948 and The Maharashtra Municipal Councils Act, 1965. All the Municipal Corporations (MC) except Municipal Corporation of Greater Mumbai (MCGM) and NCMC which had their own Acts are governed by the provisions of amended BPMC Act. There are 26 MCs which have been created for urban agglomerations having a population of more than three lakh. These MCs have been classified into four categories i.e. A, B, C and D based on the criteria of population, per capita income and per capita area. Similarly, 226 Municipal Councils including eight NPs have been created for smaller urban areas and categorized based on their population.

Financial profile

Municipals Funds are constituted under the provisions contained in the Acts. All the money received by or on behalf of the MCs under the provisions of the respective Acts, all money raised by way of taxes, fees, fines and penalties, all moneys received by or on behalf of MC from the Government, public or private bodies, from private individuals by way of grants or gifts or deposits and all interests and profits are credited to the Municipal Funds. The State Government and Central Government release grants to the MCs for implementation of schemes of the State sector and for centrally sponsored schemes respectively. In addition, grants under the State Finance Commission and the Central Finance Commission recommendations are released for developmental works (**Table 1.17; Sr No.2**).

Under the Acts, MCs are required to constitute special purpose funds e.g. Water and Sewerage Fund, Depreciation Fund, Sinking Fund, *etc.* The capital works of water supply schemes and sewerage projects are to be executed out of the Water and Sewerage Fund. The Depreciation fund is to be created for replacement of capital assets. The Sinking Fund is to be created for redemption of long term loans.

Accounting arrangements

Section 93 of the BPMC Act and Section 123 of MMC Act provide that the accounts of the MCs should be maintained in the formats prescribed by the Standing Committee.

Audit Arrangements

Municipal Chief Auditor (MCA) is appointed by the respective Corporation under the Acts except NCMC where audit is entrusted to CALFA. MCA should audit the Municipal accounts and submit a report thereon to the Standing Committee. The Comptroller and Auditor General (CAG) of India conducts audit of MCs under Section 14(2) of the CAG's (DPC) Act, 1971. The audit of Municipal Councils and NPs has been entrusted (March 2011) by GoM to the Comptroller and Auditor General of India under Technical Guidance and Supervision.

1.4.3.3 Quantum of assistance

The quantum of assistance provided by way of grants and loans to local bodies and others during 2011-12 relative to the previous years is presented below:

Table 1.17 : Financial assistance to local bodies and other institutions

		(₹ in crore)				
Sr No	Institutions	2007-08	2008-09	2009-10	2010-11	2011-12
1	Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	6,859.58	8,214.83	11,638.18	11,482.61	13,844.84
2	Municipal Corporations and Municipalities	1,351.25	1,651.47	1,708.89	4,350.04 ¹¹	4,871.33
3	Zilla Parishads and Other Panchayati Raj Institutions	8,007.34	10,501.98	11,726.62	13,260.93	14,294.73
4	Development Agencies	1,148.03	1,914.93	299.45	187.26	276.83
5	Hospital and Other Charitable Institutions	80.57	674.43	1,065.48	1,084.74	1,313.33
6	Other Institutions	10,842.90	12,711.32	18,150.70	17,280.87 ¹²	20,761.95 ¹³
	Total	28,289.67	35,668.96	44,589.32	47,646.45	55,363.01
	Assistance as per percentage of RE	44	47	47	45	45

(Source : Finance Accounts and vouchers compiled by Principal Accountant General (Accounts and Entitlements)).

It would be seen from **Table 1.17** that the financial assistance to local bodies and other institutions by the Government increased from ₹ 28,290 crore in 2007-08 to ₹ 55,363 crore in 2011-12. As compared to previous year, the assistance increased by 16 per cent. During 2011-12, more financial assistance was given to (a) Educational Institutions (Aided Schools, Aided Colleges, Universities etc; ₹ 2,362 crore) mainly due to payment of more assistance to non-Government colleges and (b) Zilla Parishads and other Panchayati Raj Institutions (₹ 1,034 crore) due to payment of more educational grant under Section 182 of the Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961.

1.5 Quality of Expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects *viz.*, adequacy of the expenditure (*i.e.* adequate provisions for providing public services); efficiency of expenditure use and effectiveness (assessment of outlay-outcome relationships for select services).

1.5.1 Adequacy of public expenditure

The expenditure responsibilities relating to the social sector and the economic infrastructure assigned to the State Governments are largely State subjects. Enhancing human development levels requires the States to step up their expenditure on key social services like education, health *etc.* Low fiscal

¹¹ Huge variation due to misclassification in the previous year.

¹² Includes Education, Sports, Art and Culture : ₹ 4,616.36 crore; Agriculture and Allied Activities : ₹ 1,943.47 crore, Social Welfare and Nutrition : ₹ 1822.49 crore, Welfare of SC,ST and OBC : ₹ 1,335.60 crore, Special programme for Rural Development : ₹ 1,301.70 crore and General Services : ₹ 930.92 crore.

¹³ Includes Education, Sports, Art and Culture : ₹ 5,136.34 crore Social Welfare and Nutrition : ₹ 2,888.36 crore; Agriculture and Allied Activities: ₹ 2,300.01 crore; Welfare of SC, ST and OBC : ₹ 1,596.41 crore, Administrative Services : ₹ 1,159.23 crore and Housing : ₹ 1,020.31 crore.

priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector, if it is below the respective national average. An analysis of the fiscal priority of the State Government with regard to development expenditure, social expenditure and capital expenditure during 2008-09 and 2011-12 has been indicated in **Table 1.18**.

Table 1.18 : Fiscal Priority of the State in 2008-09 and 2011-12

Fiscal Priority by the State	AE / GSDP	DE [#] / AE	SSE / AE	CE / AE	Education, Sports, Art and Culture / AE	Health and Family Welfare / AE
General Category States Average (Ratio) 2008-09	17.00	67.09	34.28	16.47	15.41	3.97
Maharashtra's Average (Ratio) 2008-09	13.84	70.49	34.74	19.21	17.56	3.59
General Category Average (Ratio) 2011-12	16.09	66.44	36.57	13.25	17.18	4.30
Maharashtra Average (Ratio) 2011-12	11.40	68.60	40.10	12.57	21.11	3.80

AE: Aggregate Expenditure; DE: Development Expenditure

SSE: Social Sector Expenditure CE: Capital Expenditure

Development Expenditure includes Development Revenue Expenditure, Development Capital expenditure and Loans and Advances disbursed.

As shown in **Table 1.18**, the comparison of fiscal priority given to different categories of expenditure of the State in 2008-09 and 2011-12 is given below:

- The ratios of AE to GSDP in 2008-09 and 2011-12 (13.84 *per cent* and 11.40 *per cent*) were lower in the State as compared to other General Category States (17 *per cent* and 16.09 *per cent*). This means that other General Category States are spending more as a proportion of their GSDP when compared to Maharashtra.
- Government has given adequate fiscal priority to Development Expenditure and Social Sector Expenditure respectively in 2008-09 and 2011-12, as their ratios to AE were higher than the average ratio of other General Category States.
- The ratio of CE to AE in 2008-09 as compared to the ratio (16.47 *per cent*) of other General Category States was higher in the State (19.21 *per cent*) whereas in 2011-12 it was lower (12.57 *per cent*) than the ratio (13.25 *per cent*) of other General Category States. Greater fiscal priority needs to be given to this area as increased priority to physical capital formation will increase the growth prospects of the State by creating durable assets.
- Significant improvement was observed in the ratio of expenditure on education, sports, art and culture to AE which increased from 17.56 *per cent* in 2008-09 to 21.11 *per cent* in 2011-12. The priority given to

these areas in Maharashtra was higher than that in other General Category States.

- The priority given to health and family welfare in Maharashtra was less than in other General Category States in 2008-09 and 2011-12. Greater fiscal priority needs to be given to the area of health by the Government.

1.5.2 Efficiency of expenditure use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the State Governments to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public and merit goods¹⁴. Apart from improving the allocation towards development expenditure¹⁵, particularly in view of the fiscal space being created on account of decline in debt servicing in recent years, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. **Table 1.19** and **Chart 1.10** present the trends in DE relative to the AE of the State during the current year *vis-à-vis* budget estimates of the current year and the actual expenditure during the previous years.

Table 1.19 : Development expenditure

(₹ in crore)

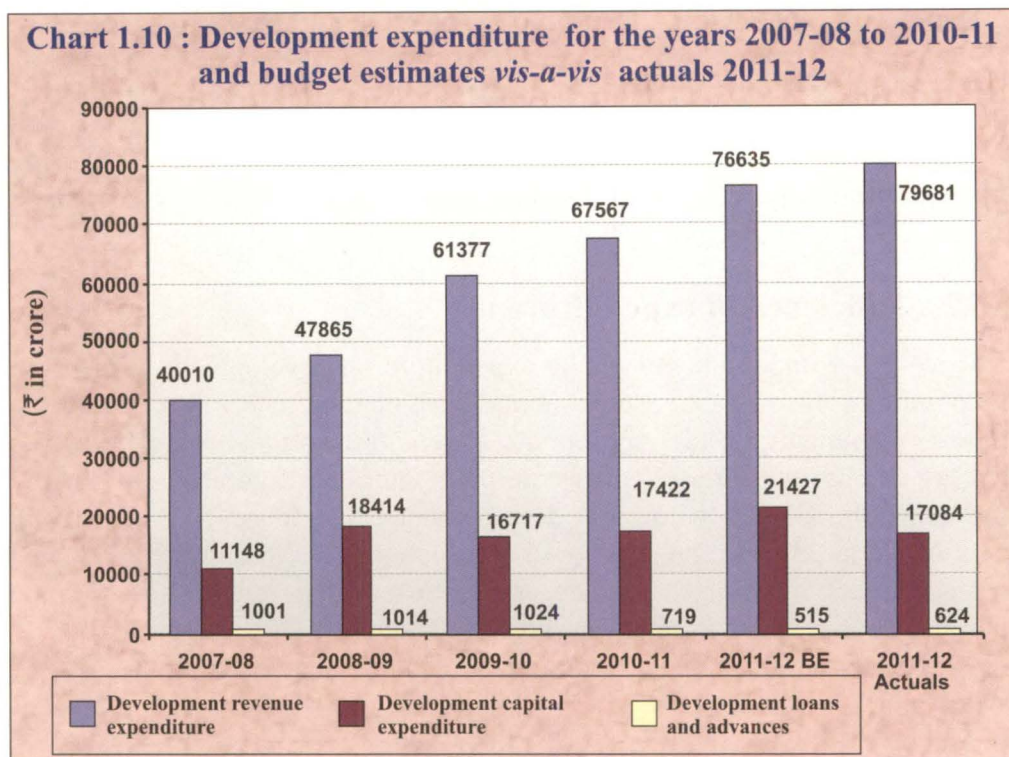
Components of Development Expenditure	2007-08	2008-09	2009-10	2010-11	2011-12	
					BE	Actuals
Development Expenditure (a to c)	52,159 (67.3)	67,293 (70.2)	79,118 (69.6)	85,708 (68.4)	98,577 (68.1)	97,389 (68.4)
a. Development Revenue Expenditure	40,010 (51.6)	47,865 (49.9)	61,377 (54.0)	67,567 (53.9)	76,635 (52.9)	79,681 (56)
b. Development Capital Expenditure	11,148 (14.4)	18,414 (19.2)	16,717 (14.7)	17,422 (13.9)	21,427 (14.8)	17,084 (12)
c. Development Loans and Advances	1,001 (1.3)	1,014 (1.0)	1,024 (1.0)	719 (0.6)	515 (0.4)	624 (0.4)

(Source : Finance Accounts).

Figures in the parentheses indicate as *per cent* to total expenditure.

¹⁴ See the Glossary at page 175.

¹⁵ The analysis of the expenditure data is segregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances are categorized into Social Services, Economic Services and General Services. Broadly, the Social and Economic Services constitute development expenditure, while expenditure on General Services is treated as non-development expenditure.



(Source: Finance Accounts).

Development revenue expenditure

The development revenue expenditure increased by ₹ 12,114 crore from ₹ 67,567 crore in 2010-11 to ₹ 79,681 crore in 2011-12. The increase was under Social Services (₹ 6,530 crore) and Economic Services (₹ 5,584 crore). The actual development revenue expenditure was more than the State's projection in the budget by ₹ 3,046 crore.

Development capital expenditure

The development capital expenditure decreased by ₹ 338 crore from ₹ 17,422 crore in 2010-11 to ₹ 17,084 crore in 2011-12. The decrease under Economic Services was ₹ 1,194 crore (mainly under Irrigation and Flood Control) while the increase under Social Services was ₹ 856 crore (mainly under Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes, Health and Family Welfare and Water Supply, Sanitation, Housing and Urban Development). The actual development capital expenditure was less than the State's projection in the budget by ₹ 4,343 crore.

Development loans and advances

Development loans and advances decreased by ₹ 95 crore from ₹ 719 crore in 2010-11 to ₹ 624 in 2011-12. The actual development loans and advances were more than the State's projections in the budget by ₹ 109 crore.

Table 1.20 provides the details of capital expenditure and the component of revenue expenditure incurred on the maintenance of the selected social and economic services.

Table 1.20 – Efficiency of expenditure use in selected Social and Economic Services

(in per cent)

Social / Economic Infrastructure	2010-11			2011-12		
	Ratio of CE to TE	In RE, the share of		Ratio of CE to TE	In RE, the share of	
		S & W	O & M		S & W	O & M
Social Services (SS)						
Education, Sports, Art & Culture	0.52	83.01	0.06	0.52	78.22	0.05
Health and Family Welfare	3.93	73.36	0.99 ¹⁶	7.49	71.39	1.07
Housing & Urban Development and Water Supply, Sanitation	4.83	2.72	4.53	5.70	2.54	0.41
Total (SS)	2.51	58.31	0.76	3.68	49.50	0.18
Economic Services (ES)						
Agriculture & Allied Activities	19.98	48.44	0.16	16.74	49.30	9.15
Irrigation and Flood Control	78.36	36.44	20.70	74.84	36.72	29.50
Power & Energy	36.77	0.54	0.00	25.20	0.38	0.00
Transport	42.33	1.69	3.91	40.11	1.23	30.08
Total (ES)	45.62	21.53	3.45	37.60	16.46	10.54
Total (SS+ES)	20.50	47.81	1.53	17.65	39.19	3.41

TE: Total Expenditure; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages; O&M: Operations & Maintenance.

The trends presented in **Table 1.20** reveal that development capital expenditure as a percentage to total expenditure decreased from 20.50 in 2010-11 to 17.65 in 2011-12. The percentage of capital expenditure on Social Services to the total expenditure increased from 2.51 in 2010-11 to 3.68 in 2011-12. The increase was mainly seen under Health and Family Welfare. The percentage of capital expenditure on Economic Services to the total expenditure decreased from 45.62 in 2010-11 to 37.60 in 2011-12. The decrease was mainly seen under Power and Energy.

The share of salary and wages in revenue expenditure decreased from 47.81 *per cent* in 2010-11 to 39.19 *per cent* in 2011-12. The share of salary and wages in revenue expenditure on Social Services decreased from 58.31 *per cent* in 2010-11 to 49.50 *per cent* in 2011-12. The decrease was mainly under Education, Sports, Art and Culture. The share of salary and wages in revenue expenditure on Economic Services decreased from 21.53 *per cent* in 2010-11 to 16.46 *per cent* in 2011-12. The decrease was under Power and Energy and Transport.

The share of operations and maintenance in revenue expenditure increased from 1.53 *per cent* in 2010-11 to 3.41 *per cent* in 2011-12. The share of operations and maintenance in revenue expenditure on Social Services decreased from 0.76 in 2010-11 to 0.18 in 2011-12. The decrease was mainly seen under Housing and Urban Development and Water Supply, Sanitation under Social Services. While the share of operations and maintenance in revenue expenditure on Economic Services increased from 3.45 *per cent* in 2010-11 to 10.54 *per cent* in 2011-12. The increase was mainly seen under Agriculture and Allied Activities, Irrigation and Flood Control and Transport.

¹⁶ Figure differs from last years' report due to correction.

1.6 Analysis of Government Expenditure and Investments

In the post-MFRBM framework, the State is expected to keep its fiscal deficit (and borrowings) not only at low levels but also meet its capital expenditure/ investment (including loans and advances) requirements. In addition, in a transition to complete dependence on market-based resources, the State Government needs to initiate measures to earn adequate returns on its investments and recover its cost of borrowed funds rather than bearing the same on its budget in the form of implicit subsidy and take requisite steps to infuse transparency in financial operations. This section presents the broad financial analysis of investments and other capital expenditure undertaken by the Government during the current year *vis-à-vis* previous years.

1.6.1 Financial results of irrigation works

The financial results of six major irrigation projects¹⁷ of the Government which are considered as commercial projects having a capital outlay of ₹ 700.14 crore at the end of March 2012, showed that revenue realised from these projects during 2011-12 (₹ 80.68 crore) was 11.52 *per cent* of the capital outlay. After considering the working and maintenance expenses (₹ 20.37 crore) and interest charges (₹ 70.88 crore), the schemes incurred a net loss of ₹ 10.57 crore during 2011-12.

1.6.2 Incomplete projects

1.6.2.1 Public Works Department

As on 31 March 2012, in respect of 188 incomplete projects (expenditure incurred: ₹ 411.42 crore) pertaining to Public Works Department (**Appendix 1.9**), there was time overrun up to four years in respect of 62 projects of buildings and housings (expenditure incurred : ₹ 180.73 crore) and up to five years in respect of 126 projects of roads and bridges (expenditure incurred : ₹ 230.69 crore).

1.6.2.2 Water Resources Department

As on 31 March 2012, in respect of 426 incomplete projects (expenditure incurred: ₹ 43,270.01 crore) pertaining to Water Resources Department and five¹⁸ Irrigation Development Corporations (**Appendix 1.9**), the time overruns were up to 40 years. In respect of 242 out of 426 incomplete irrigation projects, the initial budgeted cost increased from ₹ 7,215.03 crore to ₹ 33,832.29 crore, resulting in significant cost overrun totaling ₹ 26,617.26 crore.

The major cost overrun (above ₹ 800 crore) was seen under the projects as shown in the **Table 1.21**.

¹⁷ Bagh River Project; Bhatsa Project; Itiadoh Project; Kal River Project; Pench Project; and Surya Project (Appendix IX (i) of Finance Accounts).

¹⁸ Maharashtra Krishna Valley Development Corporation; Konkan Irrigation Development Corporation; and Vidarbha Irrigation Development Corporation, Tapi Irrigation Development Corporation and Godavari Marathawada Irrigation Development Corporation.

Table 1.21: Table showing details of Major cost overruns

(₹ in crore)					
Corporation	Name of the Project	Year of Commencement	Initial Budgeted cost	Revised total Cost	Cost Overrun*
Maharashtra Krishna Valley Development Corporation (MKVDC)	Kukadi	1967	31.18	2,184.16	2,152.98
Godavari Marathwada Irrigation Development Corporation (GMIDC)	Krishna Marathwada Irrigation Project	2007	2,382.50	4,845.05	2,462.55
	Lower Dudhna Project	1979	28.41	1,025.78	997.37
	Nandur Madhmeshwar Project	1979	48.70	866.30	817.60
Tapi Irrigation Development Corporation (TIDC)	Waghur Project	1976	12.28	1,183.55	1,171.27
	Lower Tapi Project	1997	142.64	1,127.74	985.10
	Shelgaon Barrage Medium Project	1999	198.05	1,068.07	870.02
	Bodwad Parisar Sinchan Yojna	1999	689.14	1,508.23	819.09
Others	Koyana HEP St IV	1992	49.24	1,140.51	1,091.27

* Cost overrun = Revised Total Cost – Initial Budgeted Cost.

(Source: Finance Accounts and information received from MKVDC, GMIDC and TIDC).

Though these irrigation projects commenced five to 45 years ago, they are not yet complete. The oldest being Kukadi project, in respect of which the year of commencement was 1967 with a target date of completion of five years (1972). In respect of 98, 27 and three projects under Vidarbha Irrigation Development Corporation, TIDC and GMIDC respectively, no cost revision had been reported by the Corporation, though these projects were commenced three to 37 years ago.

1.6.3 Investments and returns

As of 31 March 2012, Government had invested ₹ 83,016 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives (Table 1.22). The average return on this investment was 0.13 per cent in the last five years while the Government paid average interest rate of 7.37 per cent on its borrowings during 2007-12.

Table 1.22: Return on investment

Investment/Return/Cost of Borrowings	2007-08	2008-09	2009-10	2010-11	2011-12
Investment at the end of the year (₹ in crore)	44,256.26	56,386.38	64,192.68	74,391.39	83,016.00
Return (₹ in crore)	122.00	71.16	80.88	44.82	30.20
Return (per cent)	0.28	0.13	0.13	0.06	0.04
Average rate ¹⁹ of interest on Govt borrowing (per cent)	7.74	7.29	7.38	7.23	7.21
Difference between interest rate and return (per cent)	7.46	7.16	7.25	7.17	7.17

(Source : Finance Accounts).

The increase in investments of ₹ 8,625 crore during 2011-12 was mainly attributable to increased capital contributions to the Godavari Marathwada

¹⁹ See Glossary at page 175 for method of calculation.

Irrigation Development Corporation (₹ 1,469 crore), the Konkan Irrigation Development Corporation (₹ 633 crore), the Maharashtra Krishna Valley Development Corporation (₹ 1,947 crore), the Tapi Irrigation Development Corporation (₹ 619 crore), the Vidarbha Irrigation Development Corporation (₹ 2,879 crore), Maharashtra Water Conservation Development Corporation (₹ 223 crore), Mahatma Phule Backward Class Development Corporation Ltd. (₹ 136 crore) and the Maharashtra Irrigation Finance Company Ltd. (₹ 83 crore) as compared to the previous year.

As on 31 March 2012, 27 companies (**Appendix 1.14**) in which Government had invested ₹ 17,954.12 crore (share capital: ₹ 13,691.38 crore, loan: ₹ 4,262.74 crore) were incurring losses and their accumulated losses amounted to ₹ 13,166.98 crore (net).

According to the information furnished by the Commissioner for Co-operation and Registrar of Co-operative Societies, as on 31 March 2012, 3817 societies with an aggregate investment of ₹ 189.02 crore (equity: ₹ 131.08 crore and loan : ₹ 57.94 crore) had incurred losses and their accumulated losses (₹ 212 crore) were 112 *per cent* of the initial investments made in these societies.

Lokshahir Annabhau Sathe Development Corporation Limited, Mumbai had incurred loss of ₹ 1.09 crore as per the accounts of 2003-04. The GoM has given ₹ 195.11 crore towards equity and ₹ 19.39 crore towards grants/subsidy for the period from 2004-05 to 2011-12 for which accounts are in arrears.

1.6.4 Departmental commercial undertakings

Activities of quasi-commercial nature are also performed by departmental undertakings of certain Government departments. The position of department-wise investments by the Government up to the year for which *proforma* accounts have been finalised, net profits/loss as well as return on capital invested in these undertakings are given in **Appendix 1.10**. It was observed that:

- An amount of ₹ 2,015.53 crore had been invested by the State Government in four²⁰ undertakings at the end of the financial year up to which their accounts were finalised (**Appendix 3.3**).
- Of the four undertakings having 49 units, six²¹ units (12.24 *per cent*) could earn net profit amounting to ₹ 20.46 crore against capital investment of ₹ 668.30 crore, thereby yielding a rate of return of 8.32 *per cent*. The major profit-making units were 'Procurement and Distribution and Price Control Scheme in Mumbai and Thane Rationing Area' (₹ 10.36 crore); 'Allappalli and Pendigundam Forest Ranges of Forest divisions²² including Saw Mills & Timber Depot' (₹ 3.83 crore); 'Unit Scheme, Mumbai' (₹ 4.72 crore) and 'Water

²⁰ Agriculture, Animal Husbandry, Dairy Development and Fisheries; Food, Civil Supplies and Consumer Protection; Land Development Bulldozer Scheme; and Revenue and Forest.

²¹ Unit Scheme, Mumbai; Water Supply Scheme, Mumbai; Cattle Feed Scheme, Mumbai; Land Development by Bulldozer Scheme, Nagpur, Allappalli and Pendigundam Forest divisions including Saw Mills & Timber Depot and Procurement and Distribution and Price Control Scheme in Mumbai and Thane Rationing Area.

²² As per accounts of 1985-86.

Supply Scheme, Mumbai' (₹ 1.17 crore) as per the last accounts finalised.

- Of the loss-making units, 25²³ units had been incurring losses continuously since the last five years.
- As per the accounting system being followed by the departmental commercial undertakings of 'Government Milk Schemes', 'Procurement, Distribution and Price Control Scheme in Mumbai and Thane Rationing Area and in Mofussil Area', the net loss/profit for the year is deducted/added directly from/to the Capital Account in the Balance Sheet. Therefore, the figures of accumulated loss cannot be ascertained from the *proforma* accounts of the departmental undertakings.

In view of the heavy losses of some of the undertakings, Government should review their working to make them self-sustaining in the medium to long term.

1.6.5 Loans and advances by State Government

In addition to investments in co-operative societies, corporations and companies, the Government has also been providing loans and advances²⁴ to many of these institutions/ organizations. **Table 1.23** presents the outstanding loans and advances as on 31 March 2012, interest receipts *vis-à-vis* interest payments during the last three years.

Table 1.23 : Average interest received on loans advanced by the State Government

	(₹ in crore)		
Quantum of loans/interest receipts/cost of borrowings	2009-10	2010-11	2011-12
Opening Balance	18,844	19,590	19,909
Amount advanced during the year	1,261	959	837
Amount repaid during the year	515	640	559
Closing Balance	19,590	19,909	20,187
<i>of which</i> Outstanding balance for which terms and conditions have been settled	NA	NA	NA
Net addition	746	319	278
Interest Receipts	691	89	228
Interest receipts as <i>per cent</i> to outstanding Loans and advances	3.60	0.45	1.15
Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government.	7.38	7.23	7.21
Difference between interest payments and interest receipts (<i>per cent</i>)	(-3.78)	(-6.78)	(-6.06)

(Source: Finance Accounts).

As could be seen from the **Table 1.23**, the total outstanding loans and advances as on 31 March 2012 was ₹ 20,187 crore. The amount of loans disbursed during the year decreased from ₹ 959 crore in 2010-11 to

²³ Greater Mumbai Milk Scheme, Worli; Electrical Scheme, Mumbai; Dairy Project, Dapchari; Government Milk Chilling Centre, Saralgaon (Dist.: Thane); Government Milk Schemes in Mahad, Ratnagiri, Kankavli, Nashik, Wani, Ahmednagar, Chalisgaon, Dhule, Aurangabad, Udgir, Beed, Nanded, Bhoom, Amravati, Akola, Yavatmal, Nandura, Nagpur, Wardha and Gondia; and Procurement and Distribution and Price Control Scheme in Mofussil Area.

²⁴ Loan balances and complete information in respect of recoveries in arrears could not be confirmed for want of information from Government.

₹ 837 crore in 2011-12. Out of the total amount of loans and advances paid during the year, ₹ 143 crore went to Social Services and ₹ 481 crore to Economic Services. Under the Economic Services, the major portion of loans went to Co-operatives²⁵ (41 per cent) followed by Power (39 per cent) and Other Loans to Industries and Minerals (seven per cent). Recovery of loans and advances decreased from ₹ 640 crore to ₹ 559 crore during the current year, mainly on account of less recoveries from Loans for Co-operatives (₹ 95 crore).

However, interest received against these loans increased from 0.45 per cent during 2010-11 to 1.15 per cent in 2011-12, mainly due to more interest receipts from Power Projects (₹ 118 crore).

1.6.5.1 Non-recovery of dues from Power Loom Co-operative Societies

The GoM in the Department of Co-operation and Textile had resolved (October 1996) to obtain the financial assistance from National Co-operative Development Corporation (NCDC) to boost the Power Loom Co-operative Societies (PLCSs) in the State.

All the terms and conditions as stipulated by NCDC and the State Government were obligatory to those PLCSs who have availed financial assistance from Government. The terms and conditions of recoveries of the financial aid were to be decided by the State Government in terms of share capital and loan along with interest chargeable. The Department of Co-operation and Textile of the State Government and the Director of Textiles, Nagpur were to monitor the transactions of Government dues and overall functioning of the Textile industries.

Scrutiny of the records in respect of registered PLCSs revealed that, since 1996 to 2012, total 425 PLCSs were registered to whom NCDC and the State Government had extended financial assistance to the extent of 90 per cent (10 per cent membership, 20 per cent share capital and 70 per cent loan). As per the terms and conditions, each PLCS was required to repay the share capital and loan with interest as determined by the department to the consolidated fund of the State as a revenue receipt within the span of 10 years in equal installments from the year of allotment of financial assistance. It was, however, seen in respect of 425 PLCSs [major 20 shown in **Appendix 1.13; (A)**] that the department failed to make the recovery as per terms and conditions and had effected recoveries of only ₹ 21.65 crore (5.26 per cent) out of ₹ 411.36 crore due, leaving outstanding dues of ₹ 389.71 crore recoverable up to June-2012 as shown in **Table 1.24**.

Table 1.24: Total outstanding Government dues

Sr. No.	Particulars	Amount recoverable	Amount recovered	Amount outstanding	Percentage of recovery
		(₹ in crore)			
1	Share capital	55.37	2.05	53.32	3.70
2	Loan	125.29	8.55	116.74	6.82
3	Interest	223.46	11.05	212.41	4.94
4	Penalties	7.24	0.00	7.24	0.0
	Total	411.36	21.65	389.71	5.26

(Source: Information received from Directorate of Textiles, Nagpur).

²⁵ Co-operative Spinning Mills (₹ 191 crore).

Further scrutiny of the above PLCSs revealed the following :

PLCSs which failed to repay the Government dues

- i) Seventy six PLCSs [major 20 shown in **Appendix 1.13; (B)**] had received 100 *per cent* financial assistance prior to the year 2001 from NCDC and State Government and had already completed their stipulated period of 10 years even after grant of moratorium period of one year for repayment of Government dues in March 2012. Out of the recoverable dues of ₹ 130.98 crore an amount of ₹ 3.84 crore (2.93 *per cent*) only could be recovered, leaving an outstanding balance of ₹ 127.14 crore even after the lapse of the conditional period of 10 years. Out of these, 25 PLCSs [**Appendix 1.13; (C)**] with outstanding dues of ₹ 45.34 crore were closed, six²⁶ PLCSs with outstanding dues of ₹ 3.66 crore were cancelled²⁷ and six²⁸ PLCSs with outstanding dues of ₹ 12.02 crore were liquidated.
- (ii) Further, 36 PLCSs [major 20 shown in **Appendix 1.13; (D)**] had received 100 *per cent* financial assistance during the year 2002 from the State Government and have completed nine years even after grant of moratorium period of one year for repayment of Government dues. Out of the recoverable dues of ₹ 113.80 crore, only an amount of ₹ 5.75 crore (5.05 *per cent*) could be recovered, leaving an outstanding balance of ₹ 108.05 crore. Out of these, three²⁹ PLCSs with outstanding dues of ₹ 2.86 crore were closed, one³⁰ PLCS with outstanding dues of ₹ 50 lakh was cancelled and one³¹ PLCS with outstanding dues of ₹ 1.12 crore was liquidated.
- (iii) Apart from the above closed PLCSs, 25 other PLCSs [major 20 shown in **Appendix 1.13; (E)**] were also declared as closed upto March 2012, as these were under liquidation. Out of the Government dues of ₹ 17.30 crore, recovery of ₹ 0.40 crore (2.31 *per cent*) could only be effected, leaving recoverable amount of ₹ 16.90 crore as of March 2012.

The Assistant Director of Textiles, GoM stated (July 2012) that i) the Director of Textiles issues instructions to the Regional Offices of Textile to recover the amount from the PLCSs as per guidelines, ii) owing to meagre profit from the business, the PLCSs were not in a position to repay the Government dues, iii) the 53 closed societies were under process of liquidation and their assets would be sold and iv) the valuation of assets of seven liquidated societies was under process by the Government valuer and after final valuation of the assets, the societies would be sold out so as to recover the Government dues.

²⁶ Gireshwar YSS, Mumbai; Nagpur Yarn Processors Lt Nagpur, Vidarbha; Parvati Anusuchit Jati, Solapur; Sant Kabir YSS Lt Pargaon, Marathwada; Shrinath YSS Lt Vita, Solapur; and Vivek Chhaya YSS Pargaon, Marathwada.

²⁷ Once the powerloom project is cancelled then it is referred for liquidation to the Registrar of the Co-operative societies for recovery process.

²⁸ Ashwamegh Y.A.Co-operative.S.kalmeshwar, Vidarbha; Jaishree Magasvargiya Y.A. Co-operative. S. Lt Solapur; New Anand Y A Co-operative S, Solapur; Saibaba Y.A. Co-operative. S. Javrabodi Bhiwapur, Vidarbha; Sana Y.A.Co-operative.S, Vidarbha; and Shri. Hanuman YSS Lt Shipur, Solapur.

²⁹ Prabhakar Y.A.Co-operative.S, Mumbai; Shri Sai YSS Lt Pimpri Khurd, Mumbai; and Vidarbha Y.A. Co-operative.S. Khamgaon, Vidarbha.

³⁰ Bhairavnath YVSS Lt Vita, Solapur.

³¹ Shashikamal Y A Co-operative S, Solapur.

The reply of the department is not acceptable as the action taken for recovery was not adequate as borne out by the fact that the department had fixed the target of recovery as ₹ 60 crore only for the year 2011-12 against the recoverable dues of ₹ 389.71 crore but the achievement was of ₹ 7.67 crore only. This consequently led to shortfall in recovery of Government dues and non-realization of the revenue receipts of ₹ 389.71 crore from the PLCs. Further a lower target of recovery of ₹ 10 crore was set for the year 2012-13. On the other hand, the repayment of loan to NCDC is prompt as budget provision under Grant Numbers V-4 (Internal Debt of the State Government) and V-1 (Interest Payments) was being made every year for the same.

The matter was referred to the Government (July 2012). Reply is still awaited (September 2012).

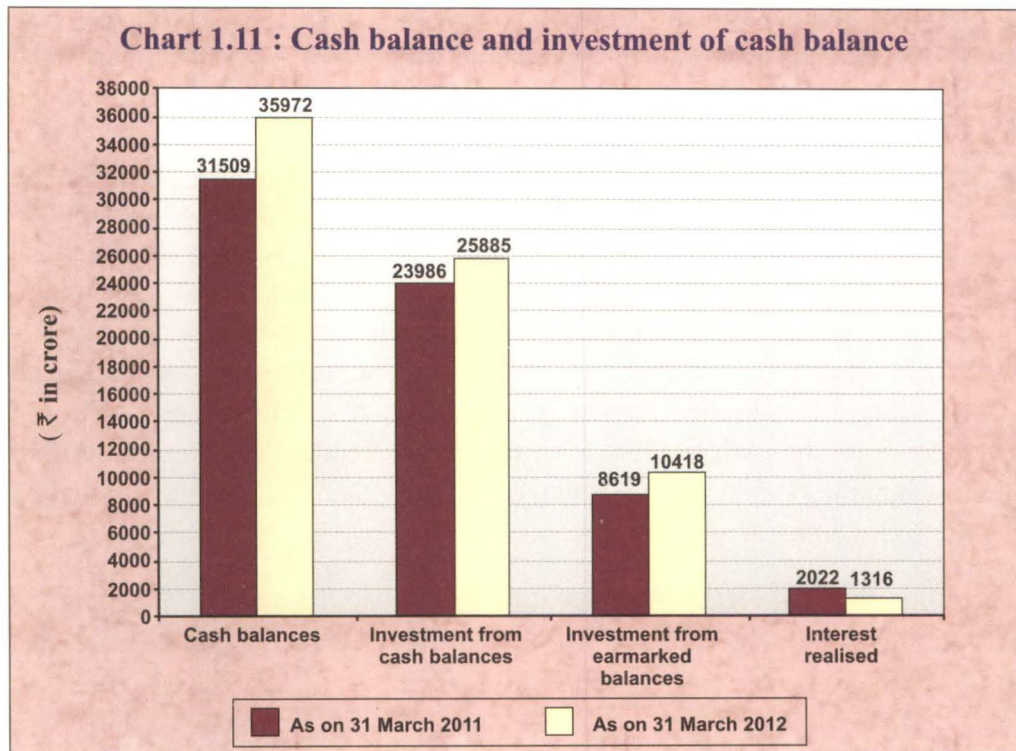
1.6.6 Cash balances and investment of cash balances

Table 1.25 and Chart 1.11 depict the cash balances and investments made by the State Government out of cash balances during the year.

Table 1.25: Cash balances and investment of cash balances

(₹ in crore)			
Particulars	As on 31 st March 2011	As on 31 st March 2012	Increase (+)/ Decrease(-)
Cash in treasuries	0.17	0.14	(-)0.03
Deposits with Reserve Bank	(-)1,276.75	(-)368.47	908.28
Remittances in transit-Local	47.64	33.55	(-)14.09
Cash with the departmental officers	132.45	3.89	(-)128.56
Permanent advance for contingent expenditure with departmental officers	0.46	0.47	0.01
Investments from cash balances (a to d)	23,986.65	25,884.62	1,897.97
a. GoI Treasury Bills	23,985.95	25,883.92	1,897.97
b. GoI Securities	--	--	--
c. Other Securities, if any specify	--	--	--
d. Other Investments	0.70	0.70	0.00
Funds-wise break-up of investment from Earmarked balances (a to e)	8,618.77	10,417.75	1,798.98
a. General and other Reserve Funds	10.63	10.82	0.19
b. Sinking Fund	8,593.64	10,392.43	1,798.79
c. Funds for Development of Milk supply	1.00	1.00	--
d. Other Development and Welfare Funds	13.42	13.42	--
e. Miscellaneous Deposits	0.08	0.08	--
Total Cash Balances	31,509.39	35,971.95	4,462.56
Interest Realized	2,021.73	1,316.09	(-)705.64

(Source : Finance Accounts).



(Source: Finance Accounts).

The cost of holding surplus cash balances was high. The interest received on investment of cash balances in ‘RBI Investment in Treasury Bills’ was 2.03 per cent during 2011-12, while average interest paid by Government on its borrowings during the year was 7.21 per cent.

The State Government’s cash balances of ₹ 35,972 crore at the end of the current year showed an increase by 14 per cent (₹ 4,463 crore) over the previous year. Of the above, ₹ 25,884 crore was invested in GoI Treasury Bills which earned an interest of ₹ 525 crore during the year. Further, ₹ 10,418 crore was invested in earmarked funds. No ways and means advances or overdrafts were taken during the year.

1.6.6.1 Outstanding balances under the head ‘Cheques and Bills’

This head is an intermediary accounting head for initial record of transactions which are eventually to be cleared. When the cheque is issued, the functional head is debited and the Major Head-8670-Cheques and Bills is credited. On clearance of the cheque by the bank, the minus credit is given to Major Head 8670-Cheques and Bills by crediting the Major Head- 8675-Deposits with Reserve Bank and thereby reducing the cash balance of the Government. Thus, the outstanding balance under the Major Head 8670-Cheques and Bills represents the amount of un-encashed cheques.

As on 31 March 2012, there was an outstanding balance (cumulative) of ₹ 9,961.05 crore and to this extent the Government Cash Balance of ₹ (-) 368.47 crore (Deposits with the Reserve Bank of India) stands overstated.

1.7 Assets and Liabilities

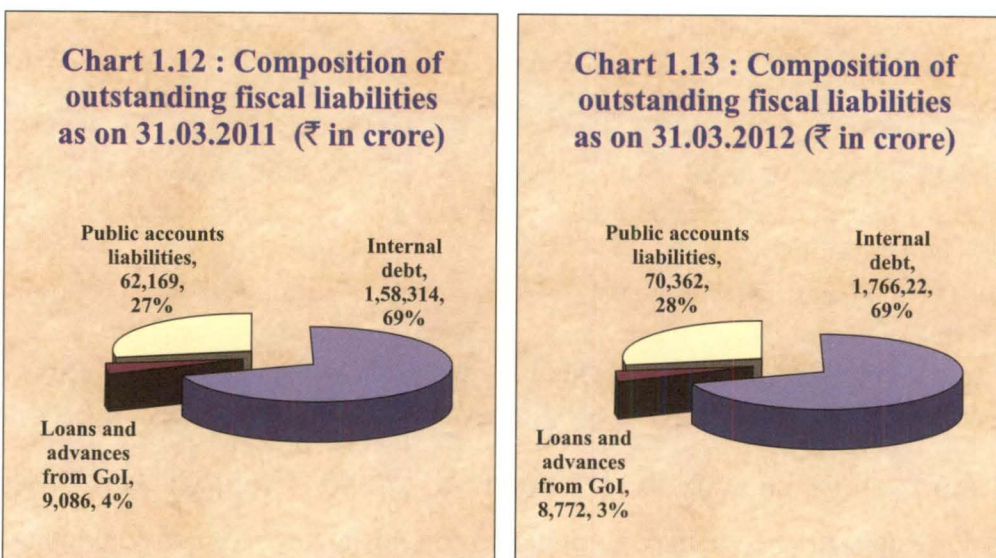
1.7.1 Growth and composition of assets and liabilities

In the existing cash-based Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.7** gives an abstract of such liabilities and the assets as on 31 March 2012, compared with the corresponding position on 31 March 2011. While the liabilities consist mainly of internal borrowings, loans and advances from the GoI, receipts from the Public Account and Reserve Funds, the assets mainly comprise the capital outlay and loans and advances given by the State Government and cash balances.

According to the MFRBM Act, 2005, the “total liabilities of the State” means the liabilities under the Consolidated Fund of the State and the Public Account of the State.

1.7.2 Fiscal liabilities

The composition of fiscal liabilities during the current year *vis-à-vis* the previous year is presented in **Charts 1.12** and **1.13**.



(Source: Finance Accounts).

Table 1.26 gives the fiscal liabilities of the State, their rate of growth, the ratio of these liabilities to GSDP, to revenue receipts and to the State’s own resources as also the buoyancy of fiscal liabilities with reference to these parameters.

Table 1.26: Fiscal liabilities – basic parameters

	2007-08	2008-09	2009-10	2010-11	2011-12
Fiscal Liabilities (₹ in crore)	1,58,114	1,79,262	2,03,165	2,29,569	2,55,756
Rate of Growth (per cent)	0.68	13.38	13.33	13.00	11.41
Ratio of Fiscal Liabilities to					
GSDP (per cent)	26.8	25.9	22.5	21.5	20.5
Revenue Receipts (per cent)	198.7	220.6	233.8	216.8	210.9
Own Resources (per cent)	332.7	344.5	343.7	306.0	291.9
Buoyancy of Fiscal Liabilities with reference to :					
GSDP (ratio)	0.042	0.777	0.443	0.702	0.677
Revenue Receipts (ratio)	0.024	6.371	1.932	0.596	0.784
Own Resources (ratio)	0.037	1.408	0.980	0.483	0.680

The overall fiscal liabilities of the State increased at an average annual rate of 15.44 per cent during the period 2007-12. The growth rate decreased from 13 per cent in 2010-11 to 11.41 per cent in 2011-12. During 2011-12, the debt to GSDP ratio at 20.5 per cent was higher than the projections made in MTFPS (19.17 per cent) and FCP (19.17 per cent) but lower than ThFC and MFRBM Rules, 2011 (26.10 per cent). These liabilities were around twice the revenue receipts and thrice the State's own resources at the end of 2011-12. The buoyancy of these liabilities with respect to GSDP during 2011-12 was 0.677, indicating that for each one per cent increase in GSDP, fiscal liabilities grew by 0.677 per cent.

Of the total fiscal liabilities, the share of public debt was maximum (72 per cent), followed by deposits³² (13 per cent); reserve funds (8 per cent) and small savings, provident fund³³ etc (7 per cent). Fiscal liabilities increased by ₹ 26,187 crore from ₹ 2,29,569 crore in 2010-11 to ₹ 2,55,756 crore in 2011-12, mainly due to increase in Public Debt (₹ 17,994 crore), Reserve Fund (₹ 1,399 crore), Deposits (₹ 4,533 crore) and Small Savings and Provident Funds (₹ 2,261 crore).

The State Government set up a Consolidated Sinking Fund during the financial year 1999-2000 for amortization of open market loans. As on 31 March 2012, the outstanding balance in the Sinking Fund was ₹ 10,392.43 crore, including ₹ 1,798.79 crore for 2011-12 and the entire amount was invested.

There were 18 Reserve Funds earmarked for specific purposes, out of which 9 funds were active as shown in the **Appendix 1.11**. The total accumulated balance as on 31 March 2012 in these funds was ₹ 20,892.02 crore (₹ 20,863.01 crore in active funds and ₹ 29.01 crore in inoperative funds). However, the investment out of this balance was only ₹ 10,417.67 crore (50 per cent).

³² Deposits include Security Deposits, Deposits from Government Companies, Corporations etc., Defined Contribution Pension Scheme for Government Employees and Civil Deposits, which are liable to be repaid by the Government to the subscribers and depositors.

³³ Small Savings and Provident Fund include State Provident Fund and Insurance and Pension Funds which are liable to be repaid by the Government to the subscribers and depositors.

It was further noticed that out of nine inoperative reserve funds amounting to ₹ 29.01 crore, five³⁴ reserve funds amounting to ₹ 1.62 crore are inoperative for more than 10 years. Hence, Government may review the balances in these funds and consider their utilization for the intended purpose / closure as per prescribed rules / procedure.

1.7.2.1 Unreconciled differences between closing balances in the account and subsidiary records

As per the Finance Accounts for the year 2011-12, there was an unreconciled balance of ₹ 1731.52 crore under Civil Deposits and Other Civil Deposits, pertaining to the period 1960-61 to 2011-12 as shown in **Table 1.27**.

Table 1.27: Unreconciled balances

(₹ in crore)

Description	Unreconciled Amount
Civil Deposits (bearing interest)	
Provident Fund Accounts maintained by departmental officers (Extent of difference)	1,721.92
Civil Deposits (not bearing interest)	
AIS – Provident Fund	0.19
Other than Class IV Provident Fund	7.88
Educational Deposits	0
Public Works Deposits	1.46
Suspense Account	0.07
Transfer between Public Works Department	–
Total	1,731.52

(Source : Appendix VIII, Finance Accounts).

The amounts shown under Public Works Deposits pertained to the period 1960-61 to 2006-07. Further, the major unreconciled balances related to Provident Fund Accounts maintained by departmental officers pertained to period 1960-61 to 2011-12.

1.7.3 Status of guarantees – contingent liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended.

The maximum amount for which guarantees were given by the State and outstanding guarantees for the last three years as given in the Statement 9 of the Finance Accounts (Vol.II), are summarised in **Table 1.28**.

Table 1.28: Guarantees given by the Government of Maharashtra

(₹ in crore)

Guarantees	2009-10	2010-11	2011-12
Maximum amount guaranteed	73,958	44,414	45,515
Outstanding amount of guarantees	42,683	15,041	15,041 ³⁵
Percentage of maximum amount guaranteed to total revenue receipt	85	42	38

(Source: Finance Accounts).

³⁴ Transport Department Betterment Fund; Development Funds for Medical and Public Health; Development Funds for Animal Husbandry Purposes; Funds for Development of Milk Supply; and State Transport Road Development Fund.

³⁵ Position as on 31 March 2011, as the information is awaited from the concerned Institutions/GoM (August 2012).

During 2011-12, guarantees of ₹ 1,101.55 crore were given by the State Government to Maharashtra State Co-operative Marketing Federation (₹ 337.15 crore), Maharashtra Agricultural Industries Development Corporation (₹ 335 crore), Co-operative sugar factories (₹ 209.40 crore), Vidharbha Co-operative Marketing Federation Ltd., Nagpur (₹ 190 crore) and Moulana Azad Minority Economic Development Corporation (₹ 30 crore). Outstanding guarantees (₹ 15,041 crore) during 2011-12 accounted for 12 *per cent* of the revenue receipts (₹ 1,21,286 crore). The outstanding guarantees during 2011-12 were 1.20 *per cent* of the GSDP.

The State Government charged guarantee fees for guarantees given to institutions and the same was booked under 'Miscellaneous General Services'. Receipts under guarantee fees decreased to ₹ 128.85 crore (receivable: ₹ 60.03 crore) during 2011-12, as against ₹ 551.18 crore received during 2010-11.

Sums paid by the Government in the event of invocation of guarantees are charged to the Consolidated Fund of the State under the concerned loan head and irrecoverable sums are adjusted by debit to 'Irrecoverable loan written off' under the function for which loan has been guaranteed or where the purpose cannot be identified, by debit to 'Miscellaneous General Services', where the Guarantee Reserve Funds do not exist and under the Guarantee Reserve Fund where it exists. A Guarantee Reserve Fund created in 1963-64 to meet the liabilities which may arise as a result of the invocation of guarantees given by the Government was closed with effect from 1st April 1990. In the MTFPS for the year 2009-10, laid before the Maharashtra State Legislature, it was stated that the State was also in the process of setting up a Guarantee Redemption Fund to meet the contingent liabilities arising from the guarantees given by the Government. However, the GoM has since taken a decision not to create the Guarantee Redemption Fund.

An amount of ₹ 154.36 crore was recoverable as loan from Co-operative Sugar Mills at the end of 2010-11. An amount of ₹ 2.02 crore was recovered from the parties during the year towards the charges on account of invocation of guarantee initially met by the Government and therefore a balance of ₹ 152.34 crore is yet to be recovered as at the end of the year 2011-12. No amount was paid by the Government on account of invocation of guarantee during the year 2011-12.

1.7.3.1 Release of ad-hoc grants against pending claims of invocation of guarantee

The Maharashtra State Co-operative Bank (MSCB) has invoked the guarantees given for ₹ 1,831.22 crore in respect of loans given (11 December 1975 to 31 March 2005) to 88 co-operative units (mainly sugar factories, spinning mills, *etc*) during the period from December 2000 to March 2010. National Bank for Agriculture and Rural Development's inspection report in March 2011 indicated the precarious financial position of the bank and the necessity to maintain the minimum reserves to continue its operation as a bank. In order to enable the bank to maintain the minimum reserves, the State Government released ₹ 270³⁶ crore and ₹ 50 crore in March 2011 and March

³⁶ ₹ 100 crore as share capital contribution and ₹ 170 crore as ad-hoc grant

2012 respectively. This was to be adjusted against the invocation amount. The following conditions were stipulated by the department in August 2011 *i.e.* after four months of the initial release of grant :

- The grant was to be adjusted against invoked guarantee of those sugar co-operative units, whose assets have already been disposed under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 by the bank.
- It had to be adjusted only against those sugar units against which the Government had executed agreement.

An expenditure of ₹ 220 crore (₹ 170 crore of March 2011 and ₹ 50 crore of March 2012) was booked as other expenditure instead of treating it as loan³⁷ on account of invocation of guarantee. The remaining ₹ 100 crore provided as share capital contribution by Government was actually adjusted against the pending invocation claim by MSCB. Hence, the said expenditure of ₹ 100 crore should also be treated as loan³⁷. Out of the 88 defaulting units to which guarantees were given by the Government, 33 units were not functioning. The scope of further increase in the invocation amount on this account due to interest till the date of payment cannot be ruled out.

1.7.4 Off-budget borrowings

The borrowings of a State are governed under Article 293 of the Constitution of India. In addition to the contingent liabilities shown in **Table 1.28**, the State also guaranteed loans availed of by the Government companies and corporations. These companies and corporations borrowed funds from the market and financial institutions for implementation of various State Plan programmes projected outside the State budget. Although the State Government projects that funds for these programmes would be met out of the resources mobilized by these companies and corporations outside the State budget, in reality, the borrowings of many of these concerns ultimately turn out to be the liabilities of the State Government termed as 'off-budget borrowings'. Off-budget borrowings are not permissible under Article 293 (3) of the Constitution of India. As per the MTFPS Statement 2008-09, the State Government had completely stopped off-budget borrowings from the year 2005-06. There were no off-budget borrowings during the years 2006-07 to 2011-12. However, at the close of 2011-12, ₹ 2,079 crore was outstanding on account of off-budget borrowings made prior to 2005-06.

1.7.5 Adverse Balances appearing in the Finance Accounts

Adverse balances (Minus balances) appearing in the statements of the Finance Accounts show the distorted position of account balances. Adverse balance under the Loan head shows that the repayment was more than the loans advanced by the Government. The adverse balances appearing under the Loan account were mainly due to misclassification of the transactions while compiling the accounts.

During 2011-12, adverse balances that appeared in the Finance Accounts due to misclassification are shown in **Appendix 1.12**.

³⁷ As per Indian Government Accounting Standards (IGAS) Notification 1 "When Guarantees are invoked and payments made, the payment is treated as loan to the beneficiary on whose behalf the Guarantees were given and recoveries there-against are monitored."

The administrative departments concerned have to take initiative to clear the above-mentioned adverse balances.

1.8 Debt Sustainability

Apart from the magnitude of debt of the State Government, it is important to analyse various indicators that determine the debt sustainability³⁸ of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilization³⁸, sufficiency of non-debt receipts³⁸, net availability of borrowed funds³⁸, burden of interest payments (measured by interest payments to revenue receipts ratio) and maturity profile of State Government securities. **Table 1.29** analyses the debt sustainability of the State according to these indicators for the period of three years beginning from 2009-10.

Table 1.29: Debt sustainability: indicators and trends

Indicators of debt sustainability	2009-10	2010-11	2011-12
Debt Stabilization (₹ in crore) (Quantum Spread + Primary Deficit) ³⁸	28,701	11,013	19,689
Sufficiency of non-debt receipts (Resource Gap) (₹ in crore)	(-)12,157	7,299	(-)1,112
Net Availability of Borrowed Funds (₹ in crore)	9,794	10,756 ³⁹	8,682
Burden of Interest Payments(IP/RR Ratio) (in per cent)	16	15	14

Debt Stabilisation

A necessary condition for stability states that if the rate of growth of the economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided the primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and quantum spread (Debt multiplied by rate spread), the debt sustainability condition states that if the quantum spread together with primary deficit is zero, the debt-GSDP ratio would be constant or debt would stabilize eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.

Table 1.29 reveals that the emergence of positive sum of quantum spread and primary deficit since 2009-10 indicates the tendency towards the debt stabilization which would eventually improve the debt sustainability position of the State in ensuing years.

Sufficiency of Non-Debt Receipts

For debt stability and its sustainability, the incremental non-debt receipts of the State should be adequate to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

³⁸ see Glossary at page 175.

³⁹ Figure differs from last year due to corrections.

The negative resource gap indicates the non-sustainability of debt while the positive resource gap strengthens the capacity of the State to sustain the debt. **Table 1.29** reveals that during the year 2009-10 the resource gap was negative which turned to positive during 2010-11, indicating increasing capacity of the State to sustain the debt in the medium to long run. However, during the current year, the resource gap turned into negative, indicating the beginning of risk of non-sustainability of debt.

Despite positive indicators in terms of debt stabilisation, the negative resource gap (₹ 1,112 crore) was a matter of concern. This was a result of insufficiency of the incremental non-debt receipt (₹ 15,777 crore) to meet the incremental primary expenditure (₹ 15,032 crore) and incremental interest payments (₹ 1,857 crore). Thus, the State needs to step up its resource mobilisation as well as prune unproductive expenditure to maintain debt stability.

Net availability of borrowed funds

Net availability of borrowed funds is defined as the ratio of debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption.

Table 1.29 reveals that the net availability of borrowed funds increased from ₹ 9,794 crore in 2009-10 to ₹ 10,756 crore in 2010-11, however, it decreased to ₹ 8,682 crore during 2011-12. The decrease was mainly due to increase in Interest Payments (₹ 1,857 crore).

During 2011-12, Government raised internal debt of ₹ 24,146 crore, GoI loans of ₹ 306⁴⁰ crore and other obligations of ₹ 32,697 crore. Government repaid internal debt of ₹ 5,838 crore, GoI loans of ₹ 620 crore and discharged other obligations of ₹ 24,504 crore and paid interest of ₹ 17,505 crore resulting in net increase in debt receipts by ₹ 8,682 crore during the year.

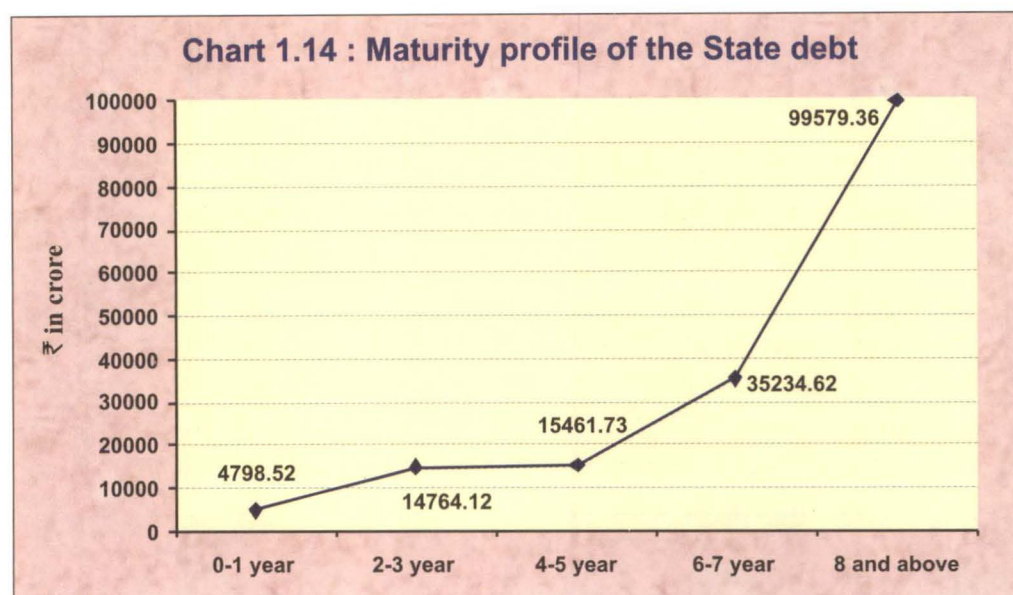
Interest as a percentage of revenue receipts was almost constant (15 per cent) during 2007-12 which was as per the target of 15 per cent envisaged in the Twelfth Finance Commission.

Table 1.30 : Maturity profile of State debt

(₹ in crore)		
Maturity Profile	Amount	Per cent
0 – 1	4,798.52	2.72
2 – 3	14,764.12	8.36
4 – 5	15,461.73	8.75
6 – 7	35,234.62	19.95
8 and above	99,579.36	56.38
Information not furnished by the State Government	6,783.65	3.84
Total	1,76,622.00	100.00

(Source : Finance Accounts).

⁴⁰ Excludes central loans of ₹ 170 crore written-off as per recommendation of the ThFC, received from GoI under Central Plan Schemes and Centrally Sponsored Schemes.



(Source : Finance Accounts).

The maturity of the State Debt as per **Table 1.30** and **Chart 1.14** indicates that nearly 19.83 per cent of the total State debt is repayable within the next five years while the remaining 80.17 per cent is payable in more than five years. It further indicates that the liability of the State to repay the debt would be ₹ 15,461.73 crore during the period 2015-17 and ₹ 35,234.62 crore during 2017-19 which would put a strain on the Government budget during that period.

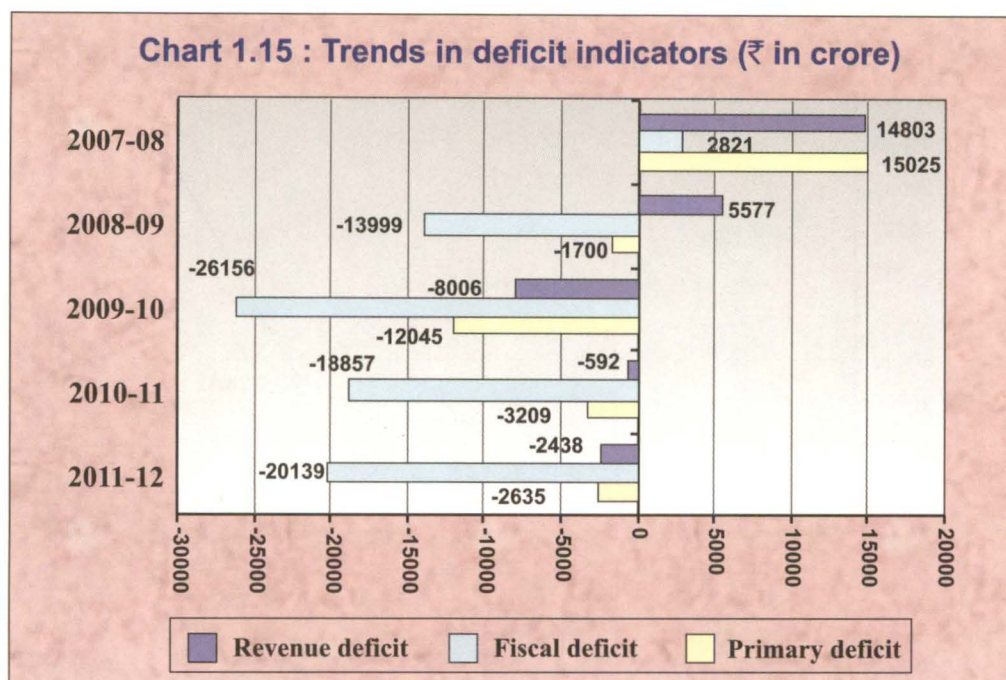
A well thought out debt repayment strategy will have to be worked out by the Government to ensure that no additional borrowings, which mature in these critical years, are made.

1.9 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the Finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of revenue and fiscal deficits *vis-à-vis* targets set under MFRBM Act/ Rules for the financial year 2011-12.

1.9.1 Trends in deficits

Charts 1.15 and 1.16 present the trends in deficit indicators over the period 2007-12:



The revenue surplus of ₹ 14,803 crore during 2007-08 due to augmentation of non-tax receipts by way of transfer of ₹ 10,868 crore lying in various inoperative Reserve Funds in the Public Account by the State Government to its Consolidated Fund. Gradually the revenue surplus turned into revenue deficit of ₹ 8,006 crore in 2009-10, mainly due to a sharp increase in revenue expenditure by 25 per cent as against an increase in revenue receipts of only seven per cent. However, during 2010-11, the revenue deficit reduced to ₹ 592 crore mainly due to a sharp increase in revenue receipts by 22 per cent as against increase in revenue expenditure by 12 per cent. During the year 2011-12, the revenue deficit increased to ₹ 2,268 crore mainly due to an increase in revenue receipts by 15 per cent as against increase in revenue expenditure by 16 per cent.

The revenue deficit was to be brought down to zero by 2011-12 and revenue surplus is to be generated thereafter, as per the MFRBM Rules (Second Amendment), 2011. However during 2011-12, the target of generating revenue surplus could not be achieved.

The fiscal deficit of ₹ 18,857 crore during 2010-11 increased to ₹ 19,969 crore, which was the result of increase in revenue deficit (₹ 1,676 crore) and decrease in net loans and advances disbursed (₹ 42 crore) and net capital expenditure (₹ 522 crore) over the previous year.

The primary deficit⁴¹ took a turnaround and resulted in a primary surplus during 2007-08. However, it again turned to primary deficit during 2008-12. During 2011-12, the primary deficit reduced by ₹ 745 crore from ₹ 3,209 crore in 2010-11 to ₹ 2,464 crore in 2011-12, due to a sharp increase in interest payments (₹ 1,857 crore) as compared to increase in fiscal deficit (₹ 1,112 crore).

⁴¹ see the Glossary at page 175.

It is observed that on account of write off of central loans (March 2012) of ₹ 170 crore received from GoI, the RR of the State were raised in Finance Accounts. After considering this write off, the revenue deficit further increased to ₹ 2,438 crore, fiscal deficit to ₹ 20,139 crore and primary deficit to ₹ 2,635 crore as indicated in **Chart 1.15**.

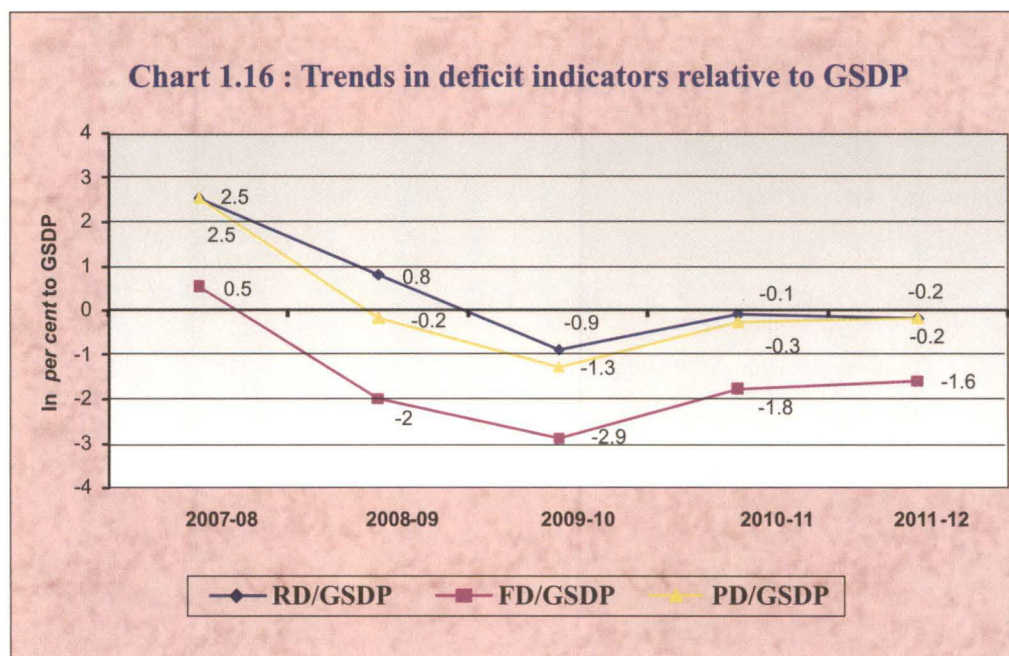


Table 1.31 : Trends in major fiscal parameters / variables vis-à-vis projections for 2011-12

Fiscal variables	2011-12			
	ThFC (2011-12)	MTFPS	FCP	Actuals
Revenue deficit as percentage of GSDP	0.00	0.00	0.00	0.20
Fiscal Deficit as percentage of GSDP	3.00	1.93	1.93	1.61

Table 1.31 reveals that the State could not achieve the above fiscal target in respect of revenue deficit as percentage of GSDP, with the current year ending in a revenue deficit of ₹ 2,438 crore, which was 0.20 per cent of GSDP. However, in respect of fiscal deficit as percentage of GSDP, the State has achieved the above fiscal targets, with the current year ending in a fiscal deficit of ₹ 20,139 crore, which was 1.61 per cent of the GSDP.

It was noticed that during 2011-12, out of a total of 16 cases (as per Finance Accounts – Volume I), ‘Grants-in-aid’ of ₹ 711.59 crore in 15 cases and ‘Subsidies’ of ₹ four lakh in one case, released by the State Government had been classified and booked under capital expenditure heads. These should have been booked under revenue expenditure heads of accounts, thus resulting in understatement of the revenue deficit to that extent.

1.9.2 Decomposition and financing pattern of fiscal deficit

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in the **Table 1.32**.

Table 1.32 : Components of fiscal deficit and its financing pattern

(₹ in crore)

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12
Decomposition of Fiscal Deficit(-) / Surplus (+) (1+2+3) (a)	2,821 (0.48)	(-13,999 (-2.01)	(-26,156 (-2.90)	(-18,857 (-1.83)	(-) 20,139 (-1.61)
1 Revenue Deficit(-)/ Surplus (+)	14,803 (2.5)	5,577 (0.8)	(-8,006 (-0.89)	(-)592 (-0.06)	(-)2,438 (-0.20)
2 Net Capital Expenditure *	11,490 (1.94)	18,855 (2.7)	17,404 (1.93)	17,946 (1.74)	17,424 (1.4)
3 Net Loans and Advances	492 (0.08)	721 (0.1)	746 (0.08)	319 (0.03)	277 (0.02)
Financing Pattern of Fiscal Deficit#					
1 Market Borrowings	7,641 (1.29)	16,866 (2.42)	14,509 (1.61)	10,484 (1.02)	19,420 (1.56)
2 Loans from Gol	(-)84 (-0.01)	(-)35 (-0.01)	325 (0.04)	337 (0.03)	(-)144 (-0.01)
3 Special Securities Issued to NSSF*	1,475 (0.25)	428 (0.06)	2,751 (0.31)	5,155 (0.50)	(-)1,172 (-0.09)
4 Loans from Financial Institutions and other Loans	30 (0.01)	229 (0.03)	154 (0.02)	(-)9 (0.00)	60 (0.00)
5 Small Savings, PF etc	685 (0.12)	803 (0.12)	1,790 (0.20)	2,022 (0.20)	2,260 (0.18)
6 Deposits and Advances	1,876 (0.32)	1,240 (0.18)	3,502 (0.39)	6,259 (0.61)	4,532 (0.36)
7 Suspense and Miscellaneous	225 (0.04)	3,148 (0.45)	4,020 (0.45)	(-)1104 (-0.11)	(-)1,509 (-0.12)
8 Remittances	(-)72 (-0.01)	42 (0.01)	2,163 (0.24)	(-)482 (-0.05)	(-)256 (-0.02)
9 Reserve Funds	(-)10,547 (-1.78)	1,617 (0.23)	875 (0.10)	2,153 (0.21)	1,400 (0.11)
10 Contingency Fund	(-)4 (0.00)	307 (0.04)	(-)251 (-0.03)	842 (0.08)	(-)489 (-0.04)
11 Appropriation to/ from Contingency fund	-	(-)250 (-0.04)	250 (0.03)	(-)850 (-0.08)	500 (0.04)
12 Total (1 to 11) (b)	1,225	24,395	30,088	24,807	24,602
13 Increase(-)/ Decrease (+) in Cash Balance (a) – (b)	(-)4,046 (-0.68)	(-)10,396 (-1.49)	(-)3,932 (-0.44)	(-)5,950 (-0.58)	(-)4,463 (-0.36)
14 Overall deficit (12+13)	(-)2,821 (-0.48)	13,999 (2.01)	26,156 (2.90)	18,857 (1.83)	(-) 20,139 (-1.61)

Figures in brackets indicate the *per cent* to GSDP.

All figures are net of disbursements/outflows during the year.

* National Small Savings Fund.

(Source: Finance Accounts).

The fiscal deficit increased by ₹ 1,282 crore during 2011-12 due to the increase in revenue deficit. The net capital expenditure as a percentage of the fiscal deficit decreased from 95 *per cent* during 2010-11 to 87 *per cent* in 2011-12.

During the year 2010-11, the fiscal deficit was mainly financed by market borrowings, deposits and advances and special securities issued to NSSF whereas during 2011-12, the fiscal deficit was mainly financed by market borrowings and deposits.

As can be seen from **Table 1.33** during the period 2011-12, there was an overall surplus (increase in cash balance) after financing the fiscal deficit.

Table 1.33 : Receipts and disbursements under components financing the fiscal deficit during 2011-12

(₹ in crore)

	Particulars	Receipts	Disbursements	Net
1	Market Borrowings	21,000	1,580	19,420
2	Loans from GoI	476*	620	(-)144
3	Special Securities Issued to NSSF	1,965	3,137	(-)1,172
4	Loans from Financial Institutions and other Loans	1,181	1,121	60
5	Small Savings, PF etc	4,449	2,189	2,260
6	Deposits and Advances	25,544	21,012	4,532
7	Suspense and Miscellaneous	(-)1,491	18	(-)1,509
8	Remittances	21,835	22,091	(-)256
9	Reserve Funds	3,053	1,653	1,400
10	Contingency Fund	511	1,000	(-)489
11	Appropriation to/ from Contingency Fund	1,000	500	500
12	Total (1 to 11) (b)	79,523	54,921	24,602
13	Increase(-)/ Decrease (+) in Cash Balance (a) – (b)			(-)4,463
14	Overall deficit (12+13)			20,139

* Includes central loans of ₹ 170 crore written-off as per recommendation of the ThFC.

(Source : Finance Accounts).

Cost of borrowings

During the year 2011-12, the State Government raised market loans of ₹ 21,000 crore under internal debt. The cost of raising of this internal debt being ₹ 15.55 crore was 0.07 *per cent* of the market loan taken by the State Government.

1.9.3 Quality of deficit/surplus

The ratio of revenue deficit to fiscal deficit and the decomposition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the States' finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Further, the persistently high ratio

of revenue deficit to fiscal deficit also indicates that the asset base of the State was continuously shrinking and a part of borrowings (fiscal liabilities) were not having any asset backup. The bifurcation of the primary deficit shown in **Table 1.34** indicates the extent to which the deficit has been on account of enhancement in capital expenditure which may be desirable to improve the productive capacity of the State's economy.

Table 1.34 : Primary deficit/surplus – bifurcation of factors

(₹ in crore)

Year	Non-debt receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Primary revenue deficit(-) / surplus(+)	Primary deficit (-) / surplus (+)
1	2	3	4	5	6 (3 + 4 + 5)	7 (2 - 3)	8 (2 - 6)
2007-08	80,316	52,576	11,490	1,225	65,291	27,740	15,025
2008-09	81,849	63,395	18,873	1,281	83,549	18,454	(-)1,700
2009-10	87,450	80,806	17,429	1,261	99,496	6,644	(-)12,046
2010-11	1,06,525	90,812	17,963	959	1,09,734	15,713	(-)3,209
2011-12	1,22,131	1,06,050	17,880	836	1,24,766	16,081	(-)2,635

(Source: Finance Accounts).

During the period 2007-12, non-debt receipts of the State were enough to meet the primary revenue expenditure requirements in the revenue account. However, except for the period 2007-08, non-debt receipts were not enough to meet the primary expenditure resulting in primary deficit. This indicates the extent to which the primary deficit in the current year has been on account of capital expenditure which may be desirable to improve the productive capacity of the State's economy.

The capital expenditure as a percentage to primary expenditure⁴² increased from 17.60 *per cent* during 2007-08 to 22.59 *per cent* during 2008-09. However, it came down to 14.33 *per cent* during 2011-12.

1.10 Conclusion

Pattern of Revenue and Expenditure

The revenue receipts increased during the year by 15 *per cent* over the previous year due to increase in tax revenue (17 *per cent*), Central tax transfers (17 *per cent*) and Grants from GoI (nine *per cent*). The revenue receipts were 99.8 *per cent* of the assessments made by the State Government in its FCP and MTFPS for the year 2011-12. The non-tax revenue of the Government was also lower than the projections made in FCP and MTFPS/Budget by 16 *per*

⁴² Primary expenditure of the State defined as the total expenditure net of the interest payments indicates the expenditure incurred on the transactions undertaken during the year.

cent, the ThFC by 33 per cent. The growth rate of the State's own taxes was almost equal to that of the GSDP of the State (**Para 1.3**).

The revenue expenditure increased by 16 per cent over the previous year and constituted 87 per cent of the total expenditure during 2011-12. Non-Plan revenue expenditure (NPRE) constituted 82 per cent of the revenue expenditure. The NPRE (₹ 1,01,519 crore) remained higher than the normative assessments made by the ThFC (₹ 73,742 crore) and the State Government's projections (MTFPS/Budget/FCP) (₹ 95,542 crore). The Plan revenue expenditure and NPRE increased by 30 per cent and 13 per cent respectively over the previous year (**Para 1.4.1**).

Expenditure under subsidies increased by 79 per cent over the previous year and constituted eight per cent of revenue expenditure (**Para 1.4.1**).

Capital expenditure, which constituted 12 per cent of the total expenditure, decreased during 2011-12 by 0.47 per cent (₹ 84 crore) over the previous year (**Para 1.4.1**).

The expenditure of ₹ 45,953 crore on salaries and wages (including the grant-in-aid component) was lower than the State's own FCP and the projections made in the MTFPS of the Government (₹ 48,761 crore) (**Para 1.4.2**).

Financial assistance to local bodies and other institutions (₹ 55,363 crore), which constituted 45 per cent of the revenue expenditure during 2011-12 increased by 16 per cent over 2010-11 (**Para 1.4.3**).

Deficits

The significant gap between the growth rates of the revenue receipts (15 per cent) and revenue expenditure (16 per cent) over the previous year increased the revenue deficit to ₹ 2,438 crore during 2011-12 from a revenue deficit of ₹ 592 crore during 2010-11. The targets set for the revenue deficit as a percentage of GSDP under the MTFPS and FCP were not achieved. The fiscal deficit (₹ 20,139 crore) increased as compared to the previous year and constituted 1.61 per cent of GSDP, which was within the limit (three per cent). The primary deficit also decreased significantly during 2011-12 (**Para 1.9.1**).

Debt Management

During 2011-12, the fiscal liabilities (₹ 2,55,756 crore) increased over the previous year. The fiscal liabilities to GSDP ratio at 20.5 per cent was lower than the norm of 26.10 per cent recommended by the ThFC and the MFRBM Rules of 2011. These liabilities were around twice the revenue receipts (**Para 1.7.2**).

The emergence of a positive sum of quantum spread and primary deficit since 2009-10 indicates the tendency towards debt stabilization, however the negative resource gap in the State during 2011-12 was a matter of concern. This was a result of insufficiency of the incremental non-debt receipt to meet the incremental primary expenditure and incremental interest payments. (**Para 1.8**)

Review of Government investments

The average return on the State Government's investment in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives varied between 0.04 and 0.13 *per cent* in the past three years while the Government paid an average interest of 7.21 to 7.38 *per cent* on its borrowings. (Para 1.6.3)

Prudent cash management

Cash balances of the State at the close of the year 2011-12 (₹ 35,972 crore) increased by 14 *per cent* over 2010-11. The cost of holding surplus cash balances was high. In 2011-12, the interest received on investment of cash balances in RBI Investment in Treasury Bills was only 2.03 *per cent* while the Government borrowed on an average at 7.21 *per cent* (Para 1.6.6).

Incomplete Projects

In respect of 426 incomplete irrigation projects (Appendix 1.9), time overrun was upto 40 years out of which significant cost overrun in respect of 242 irrigation projects resulted due to increase in the initial budgeted costs. In respect of 188 incomplete projects relating to Public Works and Roads and Bridges, there was a time overrun of four to five years. (Para 1.6.2).

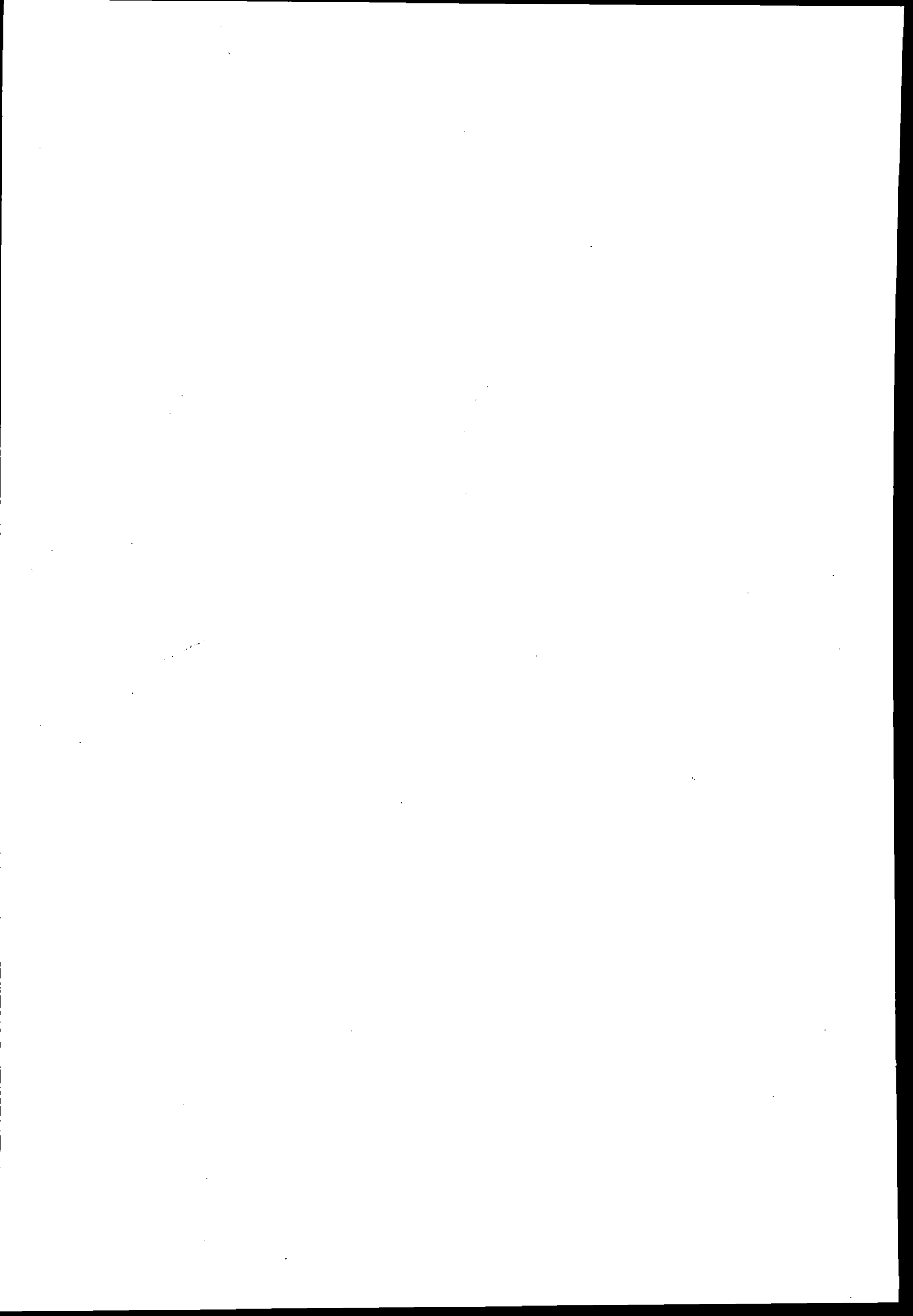
Oversight of funds transferred directly from the GoI to the State implementing agencies

GoI directly transferred ₹ 7,144 crore to the State implementing agencies during 2011-12. Funds transferred directly from the GoI to State implementing agencies result in non-monitoring of the expenditure incurred by them on various schemes as these funds are not reflected in the State budget (Para 1.2.2).

1.11 Recommendations

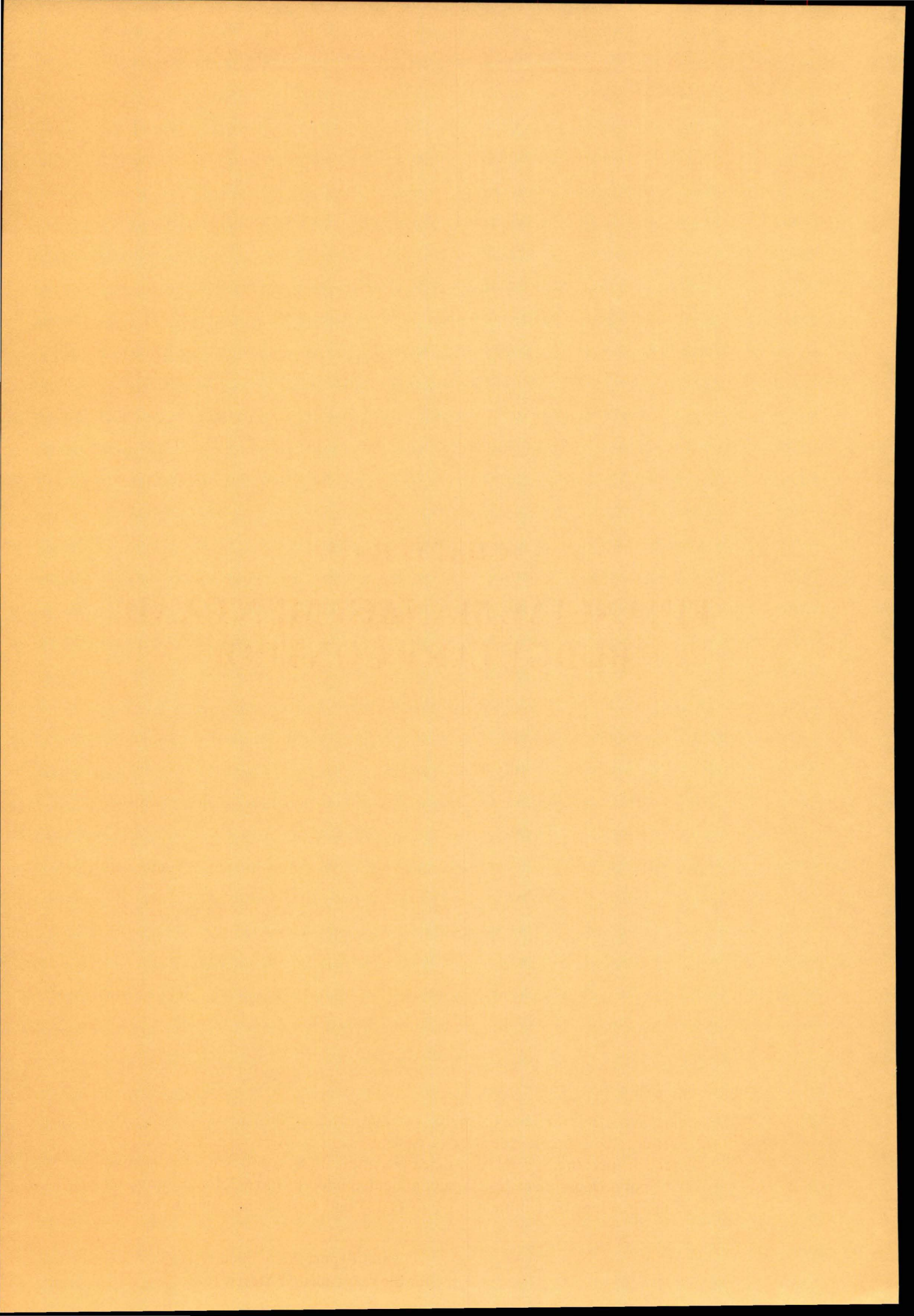
- As per the recommendations of the ThFC, the State Government is required to maintain a revenue surplus in 2011-12 and thereafter. To achieve revenue surplus, efforts have to be made to increase tax compliance, reduce administration costs, collect revenue arrears and prune unproductive expenditure.
- Borrowed funds should be, as far as possible, utilised only for infrastructure development, whereas revenue expenditure should be met fully from the revenue receipts. Steps should be taken to achieve zero revenue deficit as soon as possible.
- The Government should take steps to ensure better value for money in investments. Otherwise, high-cost borrowed funds will continue to be invested in projects with low financial returns. Projects which are justified on account of low financial but high socio-economic returns may be identified and prioritized with full justification for channeling high-cost borrowings there.

- There is a need for uniform accounting practices to be followed by all the implementing agencies in receipt of direct funds from GoI and a system of timely reporting of the expenditure incurred, to the State Government for proper monitoring.
- The Government must prepare itself better to face future liabilities/ commitments by taking steps like proper investment of the amounts relating to contributory pension scheme and specific-purpose Reserve funds.



CHAPTER - II

**FINANCIAL MANAGEMENT AND
BUDGETARY CONTROL**



Financial Management and Budgetary Control

2.1 Introduction

2.1.1 Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year compared with the amounts of the voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These Accounts list the original budget estimates, supplementary grants, surrenders and reappropriations distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act in respect of both charged and voted items of the budget. Appropriation Accounts thus facilitate management of finances and monitoring of budgetary provisions and are complementary to the Finance Accounts.

2.1.2 Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

2.1.3 As per the Maharashtra Budget Manual (Budget Manual), (chapter IX), the Finance Department (FD) is responsible for preparation of the annual budget by obtaining estimates from various departments. The departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the heads of departments and submitted to the FD on prescribed dates. The FD consolidates the estimates and prepares the Detailed Estimates called 'Demand for Grants'. In the preparation of the budget, the aim should be to achieve as close an approximation to the actuals as possible. This demands the exercise of the utmost foresight both in estimating revenue and anticipating expenditure. An avoidable extra provision in an estimate is as much a budgetary irregularity as an excess in the sanctioned expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and neither larger nor smaller. A saving in an estimate constitutes as much of a financial irregularity as an excess in it. The budget estimates of receipts should be based on the existing rates of taxes, duties, fees *etc.*

Deficiencies in management of budget and expenditure and violation of the Budget Manual noticed in audit have been discussed in the subsequent paragraphs.

2.1.4 The grant level deficiencies of all the Departments are commented upon in the **Para 2.3**. Apart from the grant level deficiencies, sub head level deficiencies of grants in respect of Water Resources Department (I-3 and I-5), Social Justice and Special Assistance Department (N-3) and School Education and Sports Department (E-2) are commented upon in **Para 2.4** and in respect of the Planning Department (O-1 to O-13) and District Planning Offices of

Mumbai Suburban (O-15), Thane (O-16), Pune (O-20) and Nashik (O-25) are commented upon in **Para 2.5**.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2011-12 against 248 grants/ appropriations is as given in **Table 2.1**:

Table 2.1: Summarised Position of Actual Expenditure vis-à-vis Original / Supplementary Provisions

(₹ in crore)						
	Nature of expenditure	Original grant/ Appropriation	Supplementary grants / appropriation	Total	Actual expenditure	Saving (-)/ Excess (+)
Voted	I Revenue	105516.69	12379.39	117896.08	106952.42	(-)10943.66
	II Capital	26573.74	1411.50	27985.24	21144.95	(-)6840.29
	III Loans and Advances	898.72	235.94	1134.66	836.32	(-)298.34
Total Voted		132989.15	14026.83	147015.98	128933.69	(-)18082.29
Charged	IV Revenue	19500.18	308.65	19808.83	19633.12	(-)175.71
	V Capital	4.60	0.07	4.67	3.84	(-)0.83
	VI Public Debt-Repayment	9341.53	13.61	9355.14	6458.35	(-)2896.79
Total Charged		28846.31	322.33	29168.64	26095.31	(-)3073.33
Appropriation to Contingency Fund		500.00	...	500.00	500.00	...
Grand Total		162335.46	14349.16	176684.62	155529.00	(-)21155.62

Note: The expenditure excludes the recoveries adjusted as reduction of expenditure under revenue expenditure ₹ 3,031.34 crore and capital expenditure ₹ 3,269.29 crore.

(Source: Appropriation Accounts).

Supplementary provisions of ₹ 14,349.16 crore obtained during the year constituted 8.84 per cent of the original provision as against 17 per cent in the previous year.

The overall savings of ₹ 21,155.62 crore was the result of savings of ₹ 22,427.90 crore in 133 grants and 57 appropriations under the Revenue Section, 92 grants and 12 appropriations under the Capital Section, offset by excess of ₹ 1,272.28 crore in 28 grants and three appropriations.

As may be seen from **Table 2.1**, against the original provision of ₹ 1,62,335.46 crore, expenditure of only ₹ 1,55,529.00 crore was incurred, thereby requiring no supplementary funds. The actual savings of ₹ 21,155.62 crore constituting 100 per cent of the supplementary budget of ₹ 14,349.16 crore and four per cent of the original provision, clearly indicates inaccurate estimation of funds and lack of control mechanism. Cases where supplementary provisions proved unnecessary as the expenditure did not come up to the level of the original provisions are discussed in **Para 2.3.6**.

The savings and excesses were intimated by the offices of the Accountants General (Accounts and Entitlements)⁴³ regularly to the Controlling Officers through monthly reports on expenditure. They also took up the matter after closure of the preliminary and final accounts in May and June 2012, requesting the Controlling Officers to explain the reasons for the significant variations, but no explanation was received (August 2012). Planning, Public

⁴³ Pr Accountant General (Accounts and Entitlements), Mumbai and Accountant General (Accounts and Entitlements), Nagpur.

Works, Industry, Energy and Labour, Finance, Rural Development and Water Conservation Departments had substantial savings/ excesses.

2.3 Financial Accountability and Budget management

2.3.1 Appropriation *vis-à-vis* allocative priorities

Appropriation audit revealed that savings in 36 cases exceeded ₹ 10 crore in each case and were more than 20 per cent of the respective budget provisions (Appendix 2.1). Out of the total savings of ₹ 21,155.62 crore, savings of ₹ 20,273.77 crore (96 per cent) occurred in 35 cases relating to 32 grants and three appropriations. The savings in these cases exceeded ₹ 100 crore in each case as detailed in Table 2.2.

Table 2.2 : List of grants with savings of ₹ 100 crore and above

(₹ in crore)

Sr. No.	Number and name of the grant	Original provision	Supplementary provision	Total	Actual expenditure	Savings
Revenue - Voted						
1	A-4 Secretariat and Miscellaneous General Services	312.52	12.97	325.49	201.66	123.83
2	B-1 Police Administration	6524.63	134.40	6659.03	6182.04	476.99
3	C-1 Revenue and District Administration	1096.60	40.02	1136.62	989.17	147.45
4	D-3 Agriculture Services	2451.26	378.27	2829.53	2630.11	199.42
5	D-4 Animal Husbandry	601.07	70.56	671.63	557.65	113.98
6	D-5 Dairy Development	702.63	5.00	707.63	533.43	174.20
7	E-2 General Education	26665.50	124.15	26789.65	25448.67	1340.98
8	F-2 Urban Development and Other Advance Services	5301.53	115.01	5416.54	4365.94	1050.60
9	G-2 Other Fiscal and Miscellaneous Services	2377.95	0.25	2378.20	73.02	2305.18
10	H-5 Roads and Bridges	2795.58	616.01	3411.59	3037.13	374.46
11	H-6 Public Works and Administrative and Functional Buildings	1573.54	107.00	1680.54	1564.11	116.42
12	I-3 Irrigation, Power and Other Economic Services	2147.32	292.23	2439.55	2177.07	262.48
13	J-1 Administration of Justice	860.45	97.52	957.97	829.96	128.01
14	K-7 Industries	643.00	1898.42	2541.42	2419.49	121.93
15	L-3 Rural Development Programmes	2178.76	178.77	2357.52	1965.38	392.14
16	N-2 Secretariat and Other Social Services	882.90	0.10	883.00	743.28	139.72
17	N-3 Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes	4755.51	580.55	5336.06	4641.74	694.33
18	O-1 District Administration	375.10	132.50	507.60	324.20	183.40
19	Q-3 Housing	1851.78	0.10	1851.88	969.38	882.50
20	R-1 Medical and Public Health	3324.89	302.82	3627.71	3474.46	153.25
21	S-1 Medical and Public Health	1241.16	143.07	1384.23	1249.41	134.82
22	T-5 Revenue Expenditure on Tribal Areas Development Sub-plan	2653.76	218.53	2872.28	2178.56	693.72
23	X-1 Social Security and Nutrition	2374.68	38.59	2413.27	2269.35	143.92
Capital-Voted						
24	B-10 Capital Expenditure on Economic Services	678.86	18.23	697.09	396.29	300.80
25	H-7 Capital Expenditure on Social Services and Economic Services	2039.79	48.54	2088.33	1842.97	245.36
26	H-8 Capital Expenditure on Public Works, Administrative and Functional Buildings	895.35	170.80	1066.15	741.18	324.97
27	I-5 Capital Expenditure on Irrigation	8937.74	111.48	9049.22	8236.19	813.03
28	K-11 Capital Expenditure on Power Project	1994.73	210.00	2204.73	1577.76	626.97

(₹ in crore)

Sr. No.	Number and name of the grant	Original provision	Supplementary provision	Total	Actual expenditure	Savings
29	M-4 Capital Expenditure on Food, Storage and Warehousing	3910.81	—	3910.81	3529.37	381.44
30	N-4 Capital Expenditure on Social Services	985.80	302.30	1288.10	612.98	675.12
31	O-10 Capital Outlay on Other Rural Development Programmes	3179.83	234.05	3413.88	770.49	2643.39
32	T-6 Capital Expenditure on Tribal Areas Development Sub-Plan	1226.73	170.60	1397.33	922.92	474.41
Capital-Charged						
33	G-8 Public Debt and Inter State Settlement	8569.10	—	8569.10	5673.50	2895.60
Revenue – Charged						
34	E-1 Interest Payments	819.39	12.66	832.05	393.11	438.94
35	W-1 Interest Payments	106.71	—	106.71	6.70	100.01
	Total					20273.77

(Source: Appropriation Accounts).

(i) Grant Number “F-2 Urban Development Other Advance Services”

The grant closed with a saving of ₹ 1,050.60 crore. The savings mainly occurred due to surrender/ reappropriation of grants in sub head 192(00) (71,76 and 77) under the major head 2217. The reasons attributed for the savings were receipt of incomplete proposals under a scheme⁴⁴ and non release of funds by the Central Government respectively.

(ii) Grant Number “G-2 Other Fiscal and Miscellaneous Services”

The grant closed with total savings of ₹ 2,305.18 crore. Under the head 2075-103-(00)-(01), an amount of ₹ 72.98 crore was surrendered. Less sale of lottery tickets of Bumper Draw, saving on claim due to leave without pay and less expenditure on printing were the reasons attributed for the surrender of the amount. Though the closure of Two Digit Lottery has come into effect from January 2007, reasons for making budget estimates and surrendering the amounts at the end of the financial year continuously for the last five years from 2007-08 to 2011-12 had not been intimated (August 2012).

Further, the entire budget provision of ₹ 700 crore provided under the head “2075 – Miscellaneous General Services, 800 Other Expenditure” was surrendered in March 2012 as the decision for grants payable to Local Bodies was not taken by the Government. This was the 14th successive year in which the entire budget provision was surrendered. Reasons for making such huge budget provision continuously for the last 14 years had not been intimated (August 2012). The same has been commented upon in the Report on State Finances since 2008-09, but the irregularity still persists.

(iii) Grant Number “I-3 Irrigation, Power and Other Economic Services”

Against the total provision of ₹ 2,439.55 crore, the grant closed with a saving of ₹ 262.48 crore. The savings of ₹ 156.93 crore under the head 2701-80-800-

⁴⁴ Dr. Babasaheb Ambedkar Shram Safalya Awaj Yojana.

(11)-(01) 'World Bank assisted, Maharashtra Water Sector Improvement Project' was due to non implementation of the Project work on account of various reasons viz., non availability of sand for construction work, delay in installing of Server Data etc. and saving of ₹ 7.13 crore under the head 2702-01-800-(19)-(01) 'Minor Irrigation Projects' was due to availability of the funds in the last phase of the financial year, which could not be utilized.

(iv) Grant Number "O-10 Capital Outlay on Other Rural Development Programmes"

Against the total provision of ₹ 3,413.88 crore, expenditure (₹ 770.49 crore) under the grant was well within the original provision of ₹ 3,179.83 crore. Thus, the supplementary provision (₹ 234.05 crore) proved unnecessary since the expenditure did not even come up to the original provision.

(v) Grant Number "T-6 Capital Expenditure on Tribal Areas Development Sub-Plan"

Against the total provision of ₹ 1,397.33 crore, the expenditure was ₹ 922.92 crore, resulting in savings of ₹ 474.41 crore. Thus, augmentation of funds through supplementary grants (₹ 170.60 crore) proved unnecessary as the total expenditure (₹ 922.92 crore) was less than even the original estimates (₹ 1,226.73 crore). Reasons for the savings have not been intimated though called for (August 2012).

2.3.2 Persistent savings

In 32 cases, during the last five years, there were persistent savings of more than ₹ 10 crore in each case, as shown in **Table 2.3**.

Table 2.3: List of grants indicating persistent savings during 2007-12

Sr. No.	Number and name of the grant	Amount of savings (Per cent to total grant)				
		2007-08	2008-09	2009-10	2010-11	2011-12
(₹ in crore)						
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)

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(₹ in crore)

Sr. No.	Number and name of the grant	Amount of savings (Per cent to total grant)				
		2007-08	2008-09	2009-10	2010-11	2011-12
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)
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)
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)
Capital-Voted						
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 ⁴⁵	760.87 (62.45)	987.61 (68.26)	11590.54 (96.13)	1769.54 (71.86)	2643.39 (77.43)
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)

(Source: Appropriation Accounts).

The persistent savings indicated that the budgetary controls in the departments were not effective and previous years' trends were not taken into account

⁴⁵ This Grant was O-9 till 2010-11 and renumbered as O-10 during 2011-12.

while allocating funds for the year. A detailed analysis of this aspect in the selected grants is included in **Para 2.4.2**.

2.3.3 Excess expenditure

During 2011-12, excess expenditure was incurred in 31 grants/appropriations aggregating ₹ 1,272.28 crore over the grants/appropriations authorized by the legislature. The excess expenditure requires regularisation under Article 205 of the Constitution. The details are given in **Appendix 2.2**. A detailed analysis of this aspect in the selected grants is included in **Para 2.4.3**

2.3.4 Excess over provisions relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. Although, no time limit for regularisation of expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussions on the Appropriation Accounts by the Public Accounts Committee. However, the excess expenditure amounting to ₹ 6,117.57 crore in respect of 142 grants and 46 appropriations for the period from 2006-07 to 2010-11 was yet to be regularised as detailed in **Appendix 2.3**. The year-wise excess expenditure pending regularisation is summarised in **Table 2.4**:

Table 2.4 : Excess over provisions relating to previous years requiring regularisation

(₹ in crore)

Year	Number of		Amount of excess over provision
	Grants	Appropriations	
2006-07	16	13	956.30
2007-08	11	11	587.41
2008-09	38	9	2,389.37
2009-10	42	6	1,717.58
2010-11	35	7	466.91
Total	142	46	6,117.57

(Source: Appropriation Accounts).

2.3.5 Expenditure without provisions

As per the Budget Manual, no expenditure is to be incurred on a scheme/service without provision of funds. It was, however, noticed that expenditure of ₹ 151.15 crore was incurred in 33 cases as detailed in **Appendix 2.4** without any provision in the original estimates/supplementary demand and without any reappropriation orders to this effect. The reasons for incurring expenditure without budget provision had not been intimated by the various administrative departments (August 2012).

In 17 cases⁴⁶ out of the 33 cases, it was observed that the entire provision of ₹ 44.07 crore was reduced to 'Nil' through reappropriation. The decision proved injudicious in view of excess expenditure of ₹ 13.98 crore under various heads. A detailed analysis of this aspect in the selected grants is included in **Para 2.4.4**.

⁴⁶ Sr.Nos. 2,3,6, 7, 11 to 13,17,21 to 24,26,29,31 to 33 of Appendix 2.4.

2.3.6 Unnecessary/excessive/inadequate supplementary provisions

A supplementary grant or appropriation is an addition to the original authorized grant or appropriation. Para 170 of the Budget Manual specifies that great care should be taken in submitting proposals for supplementary appropriations, as the procedure for obtaining them involves considerable labour. After the close of the financial year, the supplementary appropriations found to be unnecessary or excessive will be commented as an irregularity in the Appropriation Accounts. Supplementary provisions aggregating ₹ 3,413.81 crore obtained in 68 cases involving ₹ 10 lakh or more in each case during the year proved unnecessary as the expenditure did not come up to the level of the original provision as detailed in **Appendix 2.5**.

In 12 cases, supplementary provision totaling ₹ 895.19 crore proved insufficient by more than ₹ one crore in each case, leaving an aggregate uncovered excess expenditure of ₹ 1,158.71 crore (**Appendix 2.6**). A detailed analysis of this aspect in the selected grants is included in **Para 2.4.6** and **Para 2.5.1.5**.

2.3.7 Excessive/unnecessary reappropriation of funds

Reappropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Reappropriation proved injudicious in view of excessive surrenders or insufficient augmentation and resulted in savings/excesses of ₹ one crore and above in 55 sub-heads as detailed in **Appendix 2.7**. In 13⁴⁷ cases, reduction of provisions through reappropriation proved injudicious as the excess expenditure was more than the provisions reduced through reappropriation. Similarly, in six⁴⁸ cases, the reappropriation of funds proved excessive as the savings were more than the funds provided through reappropriation. A detailed analysis of this aspect in the selected grants is included in **Para 2.4.5** and **Para 2.5.1.7**.

2.3.8 Unexplained reappropriations

According to Paragraph 165 of the Budget Manual, the orders sanctioning reappropriation of funds of ₹ 500 and above and those which involve some novel or special feature should briefly specify reasons for the additions to and deductions from the sub-heads affected by them. However, during scrutiny of reappropriation orders issued by the administrative departments, it was revealed that the reasons given for additional provision/withdrawal of provision in reappropriation in respect of 228 (8.55 per cent) out of 2,666 items commented in the Appropriation Accounts were of general nature such as 'actual requirement', 'revised estimates, release of 90 per cent grants by the FD' etc. Besides, in 105 items (4 per cent), no specific reasons for additional provision/withdrawal of provision were furnished. This also goes against the principle of transparency stipulated in Section 6 of the Fiscal Responsibility and Budgetary Management Act.

⁴⁷ Sr.Nos. 9,14,25,26,27,34,35,36,39,41,42,45 and 46 of Appendix 2.7

⁴⁸ Sr.Nos. 7,15,20,23,30 and 32 of Appendix 2.7

2.3.9 Surrender in excess of actual savings/unnecessary surrenders

In 33 cases, the amounts surrendered (₹ 50 lakh or more in each case) were in excess of the actual savings, indicating lack of or inadequate budgetary control in these departments. As against savings of ₹ 6,954.77 crore, the amount surrendered was ₹ 7,621.30 crore, resulting in excess surrender of ₹ 666.53 crore. Details are given in **Appendix 2.8**.

In 22 cases, it was noticed that a total amount of ₹ 395.13 crore was surrendered though excess expenditure of ₹ 538.70 crore was incurred under these grants. Instead of surrendering, the amounts should have been reappropriated to the heads where excess expenditure was incurred. This indicated lack of proper budgetary control. Details are given in **Table 2.5**.

Table 2.5: Surrender of grants in cases of excess expenditure

(₹ in crore)

Grant number	Name of the grant / appropriation	Total grant	Excess	Amount surrendered
C-11	Internal Debt of the State Government	0.05	0.02	0.04
G-3	Interest Payments and Debt Servicing	16,729.15	80.38	386.95
H-3	Housing	272.41	40.73	0.10
K-5	Social Security and Welfare	0.15	0.02	0.0014
K-8	Secretariat-Economic Services	9.78	0.04	0.02
L-1	Interest Payments	425.24	360.44	1.66
O-19	District Plan – Sindhudurg (Revenue Section)	62.28	0.71	0.08
O-20	District Plan – Pune (Revenue Section)	180.27	3.85	1.44
O-22	District Plan – Sangli (Capital Section)	32.60	5.66	0.0008
O-26	District Plan – Dhule (Revenue Section)	62.71	1.00	0.14
O-27	District Plan – Jalgaon (Revenue Section)	120.69	7.30	0.65
O-29	District Plan – Nandurbar (Capital Section)	12.99	0.09	0.10
O-30	District Plan – Aurangabad (Revenue Section)	118.80	1.28	0.16
O-31	District Plan – Jalna (Capital Section)	25.99	1.70	0.87
O-35	District Plan – Latur (Capital Section)	23.09	2.95	0.11
O-36	District Plan – Osmanabad (Revenue Section)	69.96	1.50	0.45
O-38	District Plan – Nagpur (Revenue Section)	110.90	11.07	0.25
O-39	District Plan – Wardha (Revenue Section)	50.17	0.77	0.48
O-41	District Plan – Chandrapur (Revenue Section)	76.90	0.51	0.25
O-45	District Plan – Akola (Revenue Section)	52.50	2.79	0.22
O-46	District Plan – Yavatmal (Revenue Section)	105.67	14.31	0.11
O-47	District Plan – Buldhana (Revenue Section)	80.41	1.58	1.05
	Total	18,622.70	538.70	395.13

(Source: Appropriation Accounts).

A detailed analysis of this aspect in the selected grants is included in **Para 2.4.7**.

2.3.10 Anticipated savings not surrendered

As per Para 173 of the Budget Manual, spending departments are required to surrender grants/appropriations or portions thereof to the FD as and when savings are anticipated. Further, surrender of funds should be done as soon as these are foreseen without waiting for the end of the financial year, to enable

the FD to utilise the funds on other schemes.

At the close of the year 2011-12 no part of the savings, which occurred in 31 cases (₹ 732.50 crore), had been surrendered by the departments concerned (**Appendix 2.9**). Similarly, out of total savings of ₹ 10,035.19 crore under 44 other grants/appropriations, with savings of ₹ one crore and above in each grant/appropriation, ₹ 8,792.06 crore only were surrendered, leaving a balance of ₹ 1,243.13 crore (12 *per cent* of total savings) which were not surrendered at all (**Appendix 2.10**).

Besides, in 79 cases, savings in excess of ₹ 10 crore, aggregating ₹ 21,220.01 crore (**Appendix 2.11**) were surrendered on the last two working days of March 2012, indicating inadequate financial control as well as non-utilisation of these funds for other development purposes.

A detailed analysis of this aspect in the Planning Department is indicated in **Para 2.5.1.2**.

2.3.11 Rush of expenditure

According to the Bombay Financial Rules, 1959, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, in respect of 175 sub-heads, expenditure exceeding ₹ 10 crore and also more than 50 *per cent* of the total expenditure for the year was incurred in March 2012. **Table 2.6** presents eight Major Heads where 52 to 100 *per cent* expenditure was incurred during the last quarter. In all these Major Heads, expenditure incurred in March 2012 was also to the extent of 52 to 100 *per cent*.

Table 2.6 : Rush of expenditure during the last quarter and last month of 2011-12

(₹ in crore)

Sr. No.	Major Head	Total expenditure during the year	Expenditure during the last quarter of the year		Expenditure during March 2012	
			Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
1	3452 Tourism	418.52	257.20	61.45	242.02	57.83
2	4217 Capital Outlay on Urban Development	40.04	25.00	62.44	25.00	62.44
3	4225 Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	877.75	652.02	74.28	527.49	60.10
4	4402 Capital Outlay on Soil and Water Conservation	624.99	427.86	68.46	331.04	52.97
5	4404 Capital Outlay on Dairy Development	0.04	0.04	100.00	0.04	100.00
6	4236 Capital Outlay on Nutrition	65.86	65.86	100.00	65.86	100.00
7	5475 Capital Outlay on Other General Economic Services	4.07	2.13	52.33	2.13	52.33
8	6216 Loans for Housing	0.56	0.41	73.21	0.41	73.21

(Source: Appropriation Accounts, Monthly Civil Accounts for March 2012 and Information from Accountant General (Accounts & Entitlements)).

Uniform flow of expenditure is the primary requirement of proper budgetary control which is lacking in the major heads as above, indicating deficient financial management. A detailed analysis of this aspect in the selected grants

is included in **Para 2.4.9**.

2.3.12 Other observations

2.3.12.1 Absence of Budget provisions for aid material

During 2011-12, there were debit items amounting to ₹ 128.42 crore which represent the Central Assistance in the form of grant or loan of Aid Materials for Externally Aided Project and which are directly paid to the Implementing Agencies. Such expenditure/debit is passed by Reserve Bank of India, CAS Nagpur by way of back to back loans or Additional Central Assistance, for accounting to the final Head of the Project or Scheme. These amounts were kept under Major Head 8658-110 Reserve Bank Suspense-Central Accounts Office for final adjustment in the accounts of GoM.

Though the State Planning Department/FD was asked (September 2011) by Principal Accountant General (Accounts and Entitlement)-I, Maharashtra, Mumbai, to make budget provisions under the Scheme or Project and to intimate the final head of accounts for booking the expenditure to which the debit is required to be passed on for final accounting, it was not done till September 2012.

As these amounts cannot be kept under suspense, the amounts have been temporarily transferred to minor head 502 – Expenditure Awaiting Transfer under four service revenue heads.

Thus, the absence of budget provisions for Central assistance in the form of grant or loan of aid material for externally aided project, which is a routine feature of budget, resulted in booking expenditure in transitory head without booking it specifically against the projects.

2.3.12.2 Negative Budget Provision

In two instances, unexplained negative budgeting and final excess expenditure of ₹ 38.47 crore were noticed as given in **Table 2.7** below

Table 2.7: Instances of unexplained negative budget provisions

(₹ in crore)				
Grant No	Sub-head	Total Grant	Actual Expend-iture	Excess (4)-(3)
(1)	(2)	(3)	(4)	(5)
H3	2216-80-052-(00)-(01) Machinery and Equipment (Inter Account Transfers prorata from 2059)	(-) 6.35	3.13	(+) 9.48
H5	3054-80-052(00)(01) Machinery and Equipment (Inter Account Transfers prorata from 2059)	(-) 23.84	5.14	(+) 28.99

(Source: Appropriation Accounts).

2.3.12.3 Double provision

It was noticed from the surrender order of Higher and Technical Education Department that ₹ 0.80 crore was provided under 2203-800-Other

expenditure- Buildings (00) (01) under Grant H6 Public Works and Administrative and Functional Buildings and also under Grant W-3 Technical Education respectively. Due to this double provision, the amount under one grant had to be surrendered. However, Technical Education Department surrendered the provision on the last day of the financial year only.

2.4 Outcome of Review of selected Grants

Audit conducted (August 2012) a review of budgetary procedure and control over expenditure of four grants i.e. I-3 "Irrigation, Power and other Economic Services", I-5 "Capital Expenditure on Irrigation", N-3 "Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes" and "E-2 General Education". Important points noticed during the audit are detailed in the following paragraphs:

2.4.1 Budget speech analysis

2.4.1.1 Grant Number N-3 "Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes"

In the budget speech for the year 2011-12, Government announced the "Yashwantrao Chavan Mukta Vasahat Yojana" for upliftment of Vimukta Jati and Nomadic Tribes. The scheme aimed to provide stability, raise their living standards and to bring them in the main stream of society. An outlay of ₹ 20 crore was also proposed during 2011-12. However, it was noticed in audit that no provision was made for the scheme in the year 2011-12. The Social Justice and Special Assistance Department could finalize the details of the scheme only by the end of December 2011 and a new budget head could be opened only in May 2012 i.e. in the next financial year. Further, the provision for the subsequent year 2012-13 was made under Grant N-3 for ₹ 10 crore only as against the budget speech proposal of ₹ 20 crore.

2.4.1.2 Grant Number E-2 "General Education"

(i) *Sports and Youth Policy of the State*

In the budget speech for the year 2011-12, it was declared that the State's policies regarding sports and youth was in the final stage and would be finalized after taking into account the suggestions of the public through the website. The fund proposed for the said purpose was ₹ 25 crore. However, it was noticed that the policy could be finalized only in June 2012 i.e. after the financial year and further progress of drafting of the scheme was in progress (September 2012).

(ii) *Increase in the wrestlers' monthly honorarium and to build a monument in memory of Hindkesari late Maruti Mane*

It was announced in the budget speech for the year 2011-12 that provision would be made in 2011-12, for the increase in monthly honorarium to wrestlers who have obtained "Hind Kesari" and "Maharashtra Kesari" awards and for the erection of a monument in memory of late Hindkesari Maruti Mane. However, it was noticed that the proposals are still under process and no provision had been made in the budget of 2011-12.

2.4.2 Persistent Saving

2.4.2.1 Grant Number I-3 “Irrigation, Power and other Economic Services”

Under the Grant No.I-3, total grant of ₹ 2,439.56 crore was allotted for Irrigation, Power and other Economic Services whereas the total expenditure incurred was only of for ₹ 2,177.07 crore. This resulted in a saving of ₹ 262.48 crore. Further it was noticed that, there was a constant trend of saving during the previous years i.e. 2009-10 and 2010-11 amounting to ₹ 180.55 crore against the total grant of ₹ 2,135.55 crore and ₹ 239.37 crore against total grant of ₹ 2,241.39 crore respectively.

Two sub-head/units where persistent saving occurred are given in **Table 2.8**.

Table 2.8 - Persistent saving in the sub-heads

(₹ in crore)					
Sr.No.	Description of the Head of Account	Year	Final grant	Actual expenditure	Saving
1	2701.80.001. (02)(06) Major and Medium Irrigation, General, Direction and Administration, Technical Control and Supervision, Secretary Irrigation Department, Mantralaya	2010-11	8.28	3.15	5.13
		2011-12	10.20	8.88	1.32
2	2701.80.800. (11)(01) Major and Medium Irrigation, General, Other Expenditure, Maharashtra Water Sector Improvement Project (Plan) Residential Buildings, World Bank assisted, Maharashtra Water sector Improvement Project	2009-10	320.44	319.98	0.46
		2010-11	293.95	289.09	4.86
		2011-12	315.36	313.39	1.97

(Source: Appropriation Accounts and detailed accounts⁴⁹).

2.4.3 Excess expenditure

2.4.3.1 Grant Number I-3 “Irrigation, Power and other Economic Services”

The Grant I-3 ‘Irrigation, Power and Other Economic Services’ showed an excess expenditure of ₹ 68.83 crore in 139 sub-heads though it closed with an overall saving of ₹ 262.48 crore during the year 2011-12. Some sub-heads under which major excesses occurred are detailed in **Table 2.9**:

⁴⁹ Detailed accounts are the detailed compilation of vouchers indicating gross expenditure against budget provision. This forms the basis of Appropriation Accounts.

Table 2.9 – Details of major excesses during 2011-12

(₹ in crore)

Sr. No.	Description of the Head of Account	Total Grant	Actual Expenditure	Excess
1	2701.80.001(04)(03) – Major and Medium Irrigation, General, Direction and Administration, Maintenance Establishment, Superintending Engineer, Chandrapur Irrigation Project Circle, Chandrapur	12.56	13.05	0.49
2	2701.03.02(02)(10) – Major and Medium Irrigation, Medium Irrigation - Commercial, Expenditure transferred from Converted Regular/Temporary Permanent Establishment by way of book adjustment, Superintending Engineer, Nanded Irrigation Circle, Nanded	0.58	1.75	1.17
3	2701.80.001(04)(15) – Major and Medium Irrigation, General, Direction and Administration, Maintenance Establishment, Superintending Engineer and Administrator, CADA, Nasik	82.13	84.30	2.17
4	2701.80.001(01)(04) – Major and Medium Irrigation, General, Direction and Administration, Technical Control and Supervision, Secretary, Irrigation Department, Mantralaya	0.80	2.06	1.26
5	2701.08.001(04)(01) – Major and Medium Irrigation, General, Direction and Administration, Maintenance Establishment, Superintending Engineer, Akola Irrigation Circle, Akola	26.00	26.59	0.59

(Source: Appropriation Accounts).

2.4.3.2 Grant Number I-5 “Capital Expenditure on Irrigation”

The Grant I-5 ‘Capital Expenditure of Irrigation’ showed an excess expenditure of ₹ 20.87 crore in 54 sub-heads though it closed with an overall saving of ₹ 813.03 crore during the year 2011-12. Some of the sub-heads where excess expenditure occurred are detailed in **Table 2.10**:

Table 2.10 – Excess expenditure during 2011-12

(₹ in crore)

Sr. No.	Description of the Head of Account	Total Grant	Actual Expenditure	Excess
1	4701.80.001(03)(01) Capital Outlay on Major and Medium Irrigation, General, Direction and Administration, Charges transferred from Other heads, Establishment Share	0.27	3.24	2.97
2	4701.80.001.(03)(02) Capital Outlay on Major and Medium Irrigation, General, Direction and Administration, Charges transferred from other heads, Pensionary Charges	0.16	3.53	3.37
3	4701.01.439.(02)(23) Capital Outlay on Major and Medium Irrigation, Major Irrigation – Commercial Nandur Madhmeshwar (State Share)	6.26	6.78	0.52
4	4801.01.813(30)(05) Capital Outlay on Power Projects, Hydel Generation, Ghatghar pump storage scheme, S E Koyana Construction Circle, Satara	16.98	19.32	2.34
	Total	23.67	32.87	9.20

(Source: Appropriation Accounts and detailed accounts).

2.4.3.3 Grant Number N-3 “Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes”

The Grant Number N-3 “Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes” showed an excess expenditure of ₹ 21.90 crore in 35 sub heads though it closed with an overall saving of ₹ 694.33⁵⁰ crore during 2011-12. Sub heads under which major excesses occurred are detailed in Table 2.11 below

Table: 2.11 Details of major excesses during 2011-12

(₹ in crore)				
Sr. No.	Description of the Head of Account	Total Grant	Expenditure	Excess
1	2225-01-102(01)(01) Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes, Welfare of Scheduled Castes, Direction and Administration, Training in Motor Car Driving	0.0069	8.51	8.50
2	2235-02-101(08)(05) Social Security and Welfare, Social Welfare, Welfare of handicapped, Assistance to Non Government Institutes for Mentally Deficient	64.51	66.72	2.21
3	2235-02-104(08)(07) Social Security and Welfare, Social Welfare, Welfare of Aged, Infirm and Destitute, Shravan Bal Seva Rajya Nivruti Vetan Yojana	561.76	567.87	6.11
4	2235-60-110(00)(01) Social Security and Welfare, Other Social Security and Welfare Programmes, Other Insurance Schemes, Aam Adami Vima Yojana	11.00	13.50	2.50

(Source: Appropriation Accounts).

Timely review and proper planning in the above three mentioned grants could have avoided these excesses through reappropriation.

2.4.4 Expenditure without provision

2.4.4.1 Grant Number I-3 “Irrigation, Power and other Economic Services”

As per the Budget Manual, no expenditure is to be incurred on a scheme/ service without provision of funds. It was, however, noticed that during 2011-12 in respect of Grant No. I-3, under the head 2701-80-799(01) (03) ‘Major and Medium Irrigation, General, Suspense (Debits), Common and Maintenance Establishment, Superintending Engineer, Konkan Irrigation Circle, Ratnagiri’, an expenditure of ₹ 6.91 lakh was incurred, though no provision was made.

2.4.4.2 Grant Number I-5 “Capital Expenditure on Irrigation”

It was noticed that during the year 2011-12 in respect of Grant Number I-5,

⁵⁰ Savings were mainly in (i) ₹ 208.71 crore on ‘Lump-sum Provision for Unbudgeted Revenue Outlay, (ii) ₹ 29.75 crore on ‘Post Matric Scholarship to other Backward Classes Student’ and (iii) ₹ 9.99 crore on Indira Gandhi National Old Age Pension Scheme.

the Department had incurred the expenditure without budget provision in the following sub heads as detailed in **Table 2.12**.

Table 2.12 Expenditure without provision

(₹ in crore)			
Sr. No.	Description of the Head of Account	Total Grant	Expenditure
1	4701.80.799(4)(D) Capital Outlay on Major and Medium Irrigation, General, Suspense, Workshop Suspense/S.E, Mechanical Circle (Gates), Pune	0	3.28
2	4701.80.799(07)(03) Capital Outlay on Major and Medium Irrigation, General, Suspense, Workshop Suspense/S.E, Mechanical Circle, (CP), Nanded	0	0.31
3	4701.80.799(6)(D) Capital Outlay on Major and Medium Irrigation, General, Workshop Suspense/ SE, Mechanical Circle (CP), Kolhapur	0	4.98

(Source: Detailed accounts).

2.4.4.3 Grant Number N-3 “Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes”

It was noticed that during 2011-12 in respect of Social Justice and Special Assistance Department (Demand No. N-3), under the head 2235-02-104(08) (01)-Grants of old age pension to destitute and old people, an expenditure of ₹ 2.49 lakh was incurred, though no provision was made.

The reasons for incurring expenditure without budget provision in all the above three cases had not been intimated by the Department (September 2012).

2.4.5 Excessive/Unnecessary reappropriation of funds

2.4.5.1 Grant Number I-3 “Irrigation, Power and other Economic Services”

Scrutiny of reappropriation orders issued by the Water Resource Department (WRD) under I-3 grant during the year 2011-12, revealed that the WRD issued reappropriation order for ₹ 451.14 crore under sub heads where excess expenditure was incurred. Cases where substantial excesses were noticed are given in **Table 2.13**.

Table 2.13 Irregular reappropriation where excess expenditure was incurred

(₹ in crore)					
Sr. No	Description of the Head of Account	Grant before reappropriation	Amount Reappropriated	Actual expenditure	Excess expenditure
1	2701.01.874. Major and Medium Irrigation, Major Irrigation - Commercial, Pench Project, M & R, Administration, CADA, Nagpur	4.39	(-) 0.63	4.05	0.29
2	2701.03.800(01)(14) Major and Medium Irrigation, Medium Irrigation - Commercial, Other Expenditure, SE Administration, CADA, Jalgaon	5.46	(-) 0.44	5.44	0.42

(₹ in crore)

Sr. No	Description of the Head of Account	Grant before reappropriation	Amount Reappropriated	Actual expenditure	Excess expenditure
3	2701.80.001(01)(04) Major and Medium Irrigation, General, Direction and Administration, Technical Control and Supervision, Secretary, Irrigation Department, Mantralaya	1.42	(-) 0.62	2.06	1.26
4	2701.80.001(03)(09) Major and Medium Irrigation, General, Direction and Administration SE, Administration, CADA, Solapur	12.22	(-) 1.56	10.95	0.29
5	2701.80.001(3)(3) Major and Medium Irrigation, General, Direction and Administration SE, Chandrapur Irrigation Project Circle, Chandrapur	20.30	(-) 7.74	13.05	0.49

(Source: Detailed accounts).

This led to substantial altering of the initial authorization made by the Legislature.

2.4.6 Unnecessary/excessive/inadequate Supplementary Grants

2.4.6.1 Grant Number I-3 “Irrigation, Power and other Economic Services”

It was noticed that under 2701-08-001(03) (01) ‘Major and Medium Irrigation, General, Direction and Administration, Common Establishment, Superintending Engineer, Akola Irrigation Circle, Akola’ WRD obtained a supplementary provision of ₹ 0.10 crore which proved unnecessary, as the expenditure of ₹ 1.44 crore did not come up even to the original provision of ₹ 1.69 crore.

2.4.6.2 Grant Number N-3 “Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes”

It was noticed that department obtained a supplementary provision of ₹ 580.55⁵¹ crore which proved unnecessary, as the expenditure of ₹ 4,641.74 crore did not come up even to the original provision of ₹ 4,755.51 crore.

During scrutiny of Grant Number N-3, it was observed that the expenditure did not come up even to the original provision in one sub-head as given in **Table 2.14**.

⁵¹ Supplementary provisions were taken in order to provide additional funds for 13 schemes under Supplementary -I, two schemes under Supplementary -II and six schemes under Supplementary -III for the welfare of SC/ST and backward classes.

Table 2.14: Statement showing supplementary grant proved unnecessary

(₹ in crore)

Description of the Head of Account	Original Provision (O)/ Supplementary Provision (S)/ Reappropriation (R)	Expenditure	Excess (+)/ Saving (-)
2235-02-101(01)(02) Social Security and Welfare, Social Welfare, Welfare of handicapped, Assistance to Non- Government Institutions for Blind	O 5.04 S 1.33 R (-) 0.25	4.79	(-)1.33

(Source: Appropriation Accounts).

2.4.6.3 Grant Number E-2 “General Education”

During scrutiny of Grant Number E-2, it was noticed that the department obtained a supplementary provision of ₹ 124.16⁵² crore which proved unnecessary, in view of the expenditure of ₹ 25,448.67 crore which did not come up even to the original provision of ₹ 26,665.50 crore. During the previous year i.e. 2010-11 also the supplementary provision of ₹ 1,299.55 crore proved unnecessary.

Further, it was also seen that the expenditure in the sub-heads mentioned in **Table 2.15**, did not come up even to the original provision.

Table 2.15: Statement showing supplementary grant proved unnecessary

(₹ In crore)

Sr. No.	Description of the Head of Account	Original Provision (O)/ Supplementary Provision (S)/ Reappropriation (R) (-)	Expenditure	Excess (+)/ Saving
1	2202-01-103-(01)(15) General Education, Elementary Education, Assistance to Local Bodies for Primary Education School Nutrition Programme other than Mumbai Mahanagar Palika (Central Share).	O 1015.31 S 82.61 R (-)148.62	943.13	(-) 6.16
2	2202-01-103-(01)(16) General Education, Elementary Education, Assistance to Local Bodies for Primary Education School Nutrition Programme other than Mumbai Mahanagar Palika (State Share).	O 288.90 S 28.53 R (-)50.08	265.42	(-) 1.93
3	2202-80-003-(01)(03) General Education, General, Training, Training of Teachers (Centrally Sponsored Scheme)	O 26.50 S 1.66 R (-)7.52	20.54	(-) 0.10

(Source: Appropriation Accounts).

Thus, there is a need for scrupulous adherence to the Budget Manual while raising supplementary demands in all such cases.

⁵² Supplementary provisions were taken in order to provide additional funds for two schemes under Supplementary -I, six schemes under Supplementary -II and one scheme under Supplementary -III for the schemes related to primary education.

2.4.7 Surrender in excess of actual savings/unnecessary surrenders

2.4.7.1 Grant Number I-3 “Irrigation, Power and other Economic Services”

Scrutiny of records for the year 2011-12 revealed that under I-3 grant, out of the total grant of ₹ 2,439.56 crore, there was saving of ₹ 262.48 crore. However, an amount of ₹ 281.16 crore was surrendered which was more than the saving.

It was further noticed that in two sub heads, the surrender of funds had resulted in excess expenditure, which made the surrender unnecessary. The details are given in **Table 2.16**:

Table 2.16 –Sub heads where amount surrendered in spite of excess expenditure

(₹ in crore)

Sr. No.	Description of the Head of Account	Total Grant	Amount surrendered	Expenditure Booked	Excess Expend-iture
1	2701.01.800.(02)(10) Major and Medium Irrigation, Major Irrigation-Commercial Other Expenditure, Expenditure transferred from converted Regular/Temporary /Permanent Establishment by way of book adjustment, Superintending Engineer, Nanded Irrigation Circle, Nanded	1.00	0.67	0.52	0.18
2	2701.03.800.(02)(10) Major and Medium Irrigation, Medium Irrigation-Commercial Other Expenditure, Expenditure transferred from converted Regular/Temporary /Permanent Establishment by way of book adjustment, Superintending Engineer, Nanded Irrigation Circle, Nanded	1.75	1.17	1.75	1.17

(Source: Detailed accounts).

2.4.8 Non-utilization and reappropriation of entire budget provision

2.4.8.1 I-3 “Irrigation, Power and other Economic Services”

Scrutiny of records revealed that under Grant I-3, in four sub heads involving amount of ₹ 1.43 crore, the entire budget provision was reappropriated as detailed in **Table 2.17**.

Table 2.17: Details of non-utilisation of entire budget provision and funds surrendered through reappropriation

(₹ in crore)

Sr. No.	Major head / Sub heads	Original Provision (O)/ Reappropriation (R)	
1	2701.80.003(06)(03) Major and Medium Irrigation, General, Training, Grant-in-aid to Walmi Superintending Engineer and Director Irrigation Research and Development Pune (CSS)	O 0.50 R (-)0.50	
2	2701.80.800(12)(01) Major and Medium Irrigation, General, Other Expenditure, Grant-in-aid to Maharashtra Water Resources Regularity Authority	O 0.05 R (-)0.05	
3	2702.01.800(08)(10) Minor Irrigation, Surface Water, Other Expenditure, Expenditure transferred from converted Regular/Temporary /Permanent Establishment by way of book adjustment, Superintending Engineer, Sangli Irrigation Circle, Sangli	O 0.80 R (-)0.80	
4	2705.800(07)(05) Command Area Development, Other Expenditure, Superintending Engineer and Administrator, CADA, Solapur, Irrigation Extension Units Establishment	O 0.08 R (-)0.08	
TOTAL		O 1.43 R (-)1.43	

(Source: Appropriation Accounts).

2.4.8.2 I-5 “Capital Expenditure on Irrigation”

Scrutiny of records revealed that under Grant I-5, in ten cases of sub heads involving an amount of ₹ 116.73 crore, the entire budget provision was reappropriated as detailed in **Table 2.18**.

Table 2.18: Details of non-utilisation of entire budget provision and funds surrendered through reappropriation

(₹ in crore)

Sr. No.	Major head / Sub heads	Original Provision (O)/ Reappropriation (R)	
1	4701.01.02.(02)(22) Capital Outlay on Major and Medium Irrigation, Major Irrigation-Commercial, Major Project under Command Area Development (CSS) - Upper Penganga	O 3.10 R (-)3.10	
2	4701.01.02(02)(19) Capital Outlay on Major and Medium Irrigation, Major Irrigation-Commercial, Major Project under Command Area Development (CSS)- Chaskman	O 1.75 R (-)1.75	
3	4701.01.03(01)(10) Capital Outlay on Major and Medium Irrigation, Medium Irrigation-Commercial, Medium Irrigation Commercial Secretary Water Resources	O 23.39 R (-)23.39	
4	4701.80.800(01)(01) Capital Outlay on Major and Medium Irrigation, General, Other Expenditure, Extension and Improvement, Secretary, CADA, Water Resources Department	O 2.10 R (-)2.10	
5	4702.80.190.(00)(06) Capital Outlay on Minor Irrigation, General, Investment in Public Sector and other Undertaking, Share Capital Contribution to Maharashtra Krishna Valley Development Corporation	O 10.01 R (-)10.01	

(₹ in crore)

Sr. No.	Major head / Sub heads	Original Provision (O)/ Reappropriation (R)
6	4701.80.190.(00)(07) Capital Outlay on Minor Irrigation, General, Investment in Public Sector and other Undertaking, Share Capital Contribution to Godavari Marathwada Irrigation Development Corporation	O 25.00 R (-)25.00
7	4702.80.190.(00)(08) Capital Outlay on Minor Irrigation, General, Investment in Public Sector and other Undertaking, Share Capital Contribution to Maharashtra Krishna Valley Development Corporation	O 20.00 R (-)20.00
8	4702.80.190.(00)(09) Capital Outlay on Minor Irrigation, General, Investment in Public Sector and other Undertaking, Share Capital Contribution to Konkan Irrigation Development Corporation	O 2.17 R (-)2.17
9	4702.80.190.(00)(10) Capital Outlay on Minor Irrigation, General, Investment in Public Sector and other Undertaking, Share Capital Contribution to Tapi Irrigation Development Corporation	O 12.80 R (-)12.80
10	4702.80.190.(00)(12) Capital Outlay on Minor Irrigation, General, Investment in Public Sector and other Undertaking, Share Capital Contribution to Vidarbha Irrigation Development Corporation	O 16.41 R (-)16.41
	TOTAL	O 116.73 R (-)116.73

(Source: Appropriation Accounts).

2.4.8.3 N-3 “Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes”

Scrutiny of records revealed that under Grant N-3, in case of six sub heads involving ₹ 45.96 crore, the entire budget provision was reappropriated as detailed in **Table 2.19**. This led to defeating the original purpose/activity for which the approvals were obtained.

Table 2.19: Details of non-utilization of entire budget provision and funds surrendered through reappropriation

(₹ in crore)

Sr. No.	Major Head / Sub Head	Original Provision (O)/ Reappropriation (R)
1.	2225-01-102(03)(03) Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes, Welfare of Scheduled Castes, Economic Development, Grant-in-aid to Maharashtra State Commission for Safai Karmacharies (SCP)	O 0.10 R (-)0.10
2.	2225-01-102(03)(09) Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes, Welfare of Scheduled Castes, Economic Development, Financial Assistance to Provide Power Tiller on 100 per cent grant basis to backward class farmers below poverty line.	O 30.00 R (-)30.00
3.	2225-01-277(01)(15) Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes, Welfare of Scheduled Castes, Education, Grant-in-aid to Zilla Parishad under Section 187 of the Maharashtra Zilla Parishad and Panchayat Samitis Act, 1961 for construction of Backward class Boys and Girls aided hostels (CSP 50 per cent)	O 0.11 R (-)0.11

(₹ in crore)

Sr. No.	Major Head / Sub Head	Original Provision (O)/ Reappropriation (R)
4.	2225-03-102(01)(03) Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes, Welfare of Backward Classes, Economic Development, Vasantrao Naik Sabalikaran and Swabhiman Yojana	O 14.20 R (-)14.20
5.	2225-80-800(01)(07) Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes, General, Other Expenditure, Shahu, Phule, Ambedkar Award (SCP)	O 1.05 R (-) 1.05
6.	2235-02-101(05)(17) Social Security and Welfare, Social Welfare, Welfare and handicapped, Organisation of Sports Competition for Physically Handicapped	O 0.50 R (-) 0.50
	Total	O 45.96 R. (-)45.96

(Source: Appropriation Accounts).

It was observed in audit that in case of Grant-in-aid to Maharashtra State Commission for Safai Karmacharis, the budget provision made continuously for four years from 2008-09 to 2011-12 remained unutilized. The Social Justice and Special Assistance Department (September 2012) attributed the non-utilisation to non-appointment of officials of the commission. Similarly, a budget provision of ₹ 24 crore under the sub-head Financial Assistance to Provide Power Tiller on 100 *per cent* grant basis to backward class farmers below poverty line, was fully reappropriated during the previous year i.e. 2010-11 also (refer **Sr No. 2 of Table 2.19**). While accepting the facts, Social Justice and Special Assistance Department stated that (September 2012) as the scheme could not be implemented successfully, it was modified and converted into another scheme.

This indicates improper planning and budgeting that defeated the original purpose/activity for which the approvals were obtained in all above three cases.

2.4.8.4 E-2 “General Education”

Scrutiny of records revealed that under Grant E-2 General Education, 01- Elementary Education, 103 – “Assistance to Local Bodies for Primary Education, 103(01)(13) Arrears to Zilla Parishad according to Assessment” involving ₹ 1.90 crore, the entire budget provision was reappropriated. This led to defeating the original purpose for which the approvals were obtained.

Incidentally, it was observed that budget provision of ₹ 1.90 crore under the same sub head was fully re appropriated during the previous year also i.e. 2010-11.

2.4.9 Rush of expenditure

Contrary to the provisions of Bombay Financial Rules, 1959, it was noticed that significant expenditure was incurred in the last month of the financial year in all the four grants reviewed as given in **Table 2.20**. The sub head wise details under each grant are indicated in **Appendix 2.12**.

Table 2.20: Per cent of expenditure in March 2012

Sr. No.	Details of Grant	Expenditure incurred in March 2012 in range of percent of total provision	Number of sub heads in which entire provision was spent in March 2012
1	I-3 "Irrigation, Power and other Economic Services"	60 to 100	3
2	I-5 "Capital Expenditure on Irrigation"	60 to 100	Nil
3	N-3 "Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes"	59 to 100	9
4	E-2 "General Education"	61 to 100	6

(Source: Appropriation Accounts, Monthly Civil Accounts for March 2012 and Information from Accountant General (Accounts and Entitlements)).

2.4.10 Other Observations

2.4.10.1 Unrealistic Budget Provisions – I-3 Grant

Scrutiny of the Appropriation Accounts revealed that in respect of Grant No. I-3, under the head 2801.80.004.005(01)(03) Superintending Engineer, Hydro Circle Kalwa, Thane, the provision of ₹ 104.27 lakh was made and no expenditure was incurred. An amount of ₹ 18.19 lakh was surrendered and balance amount of ₹ 86.08 lakh remained unutilized till the end of the financial year.

This shows incorrect estimation of budget under the sub head.

2.4.10.2 Reconciliation of expenditure N-3 Grant

According to the provisions (Para 157) of the Budget Manual, the consolidated accounts of the controlling officer have to be reconciled Monthly/ Quarterly with the accounts of the Accountant General. The object of this procedure is to ensure the accuracy of departmental accounts and such accuracy is necessary in order to make departmental control really effective and to prevent misclassification and other errors in accounts. It was observed that due to misclassification at taluka level, an expenditure of ₹ 45.28 lakh was booked under 2225-03-277(01)(02) resulting in depiction of excess expenditure. While accepting the remark, the department (September 2012) stated that the district administration will be directed to reconcile the expenditure with Principal Accountant General (Accounts and Entitlements) I, Maharashtra, Mumbai and Accountant General (Accounts and Entitlements) II, Maharashtra, Nagpur and propose Note of Error for the same.

2.5 Audit of Budgetary Process- Planning Department

The main functions of the Planning Department (Department) are (i) Co-ordinating with the Planning Commission, and (ii) Preparation of the annual and five year Plan as well as perspective plans for the State and Districts,

keeping watch on the implementation of these plans and review thereof from time to time. These functions are carried out through the respective Heads of Departments/Heads of offices under this department. The planned programmes are implemented on the basis of the policy decisions taken at the Government level.

Government of Maharashtra (GoM), Planning Department, introduced (vide Resolution of 16 February 2008) the system of District Plan, under which provisions approved by the District Planning Committee (DPC) for District Schemes would be budgeted in the Budget Publication of Planning Department with District-wise demand and submitted to the Legislature. A certain part of the funds earmarked for Plan Schemes would be set aside for district schemes. Separate Grant Number is allotted to each District, comprising different Major/Minor Head-wise details of provisions made. On approval of the Draft Plan by the Government, grants are placed under direct control of the District Collector. District Planning Officer (DPO) is functioning under the control of District Collector and is responsible for preparing draft for District Plan, budgeting funds, reappropriations, revised estimates and surrender of funds and also for distribution of grants to the Drawing and Disbursing Officers (DDOs) concerned.

2.5.1 Review of grants

Audit was conducted for the year 2011-12 by test check of records of Principal Secretary to the GoM, Planning Department, Mantralaya, Mumbai (Grant Numbers O01 to O13) and four DPOs, Mumbai Suburban, Thane, Pune and Nashik (Grant Numbers O15, O16, O20 and O25 respectively) with reference to budget allocation, expenditure, surrenders, savings/excesses and reappropriations thereof. Deficiencies noticed have been discussed in the subsequent paragraphs.

2.5.1.1 Unrealistic budgetary assumptions

Scrutiny of records and Appropriation Accounts for the year 2011-12 in respect of the Department and the four DPOs revealed that under 49 heads, savings of ₹ 10 lakh and above from the final modified grant (FMG)⁵³ remained unutilized (**Appendix 2.13**) and under 38 heads (**Appendix 2.14**), expenditure incurred were in excess of ₹ five lakh and above. Further, the savings were either not surrendered or surrendered/reappropriated to other heads to meet the excess expenditure, defeating the purpose for which the budget provisions were passed by the Legislature.

Thus, savings or excesses under so many heads indicate unrealistic budgeting.

2.5.1.2 Surrender of savings on the last working day of the financial year

On scrutiny of records of the Department and the DPOs, it was noticed that the department had surrendered savings of ₹ 386.11 crore (**Appendix 2.15**) under 88 heads on the last working day of the financial year, in contravention of the provisions of the Budget Manual.

⁵³ This is the net of Original and Supplementary provisions after the surrender and reappropriations.

The reasons given by the Department (refer **Appendix 2.15**) are not acceptable as many of the reasons given could have been foreseen and surrenders made in time.

The matter was reported (October 2012) to the Principal Secretary, GoM Planning Department. In reply, the Department stated (November 2012) that all the officials would be instructed to surrender the funds as and when the funds were not required instead of at the end of the year.

2.5.1.3 Funds not released by the Government

Scrutiny of records of DPO, Thane revealed that 15 *per cent* (₹ 4.71 crore) of the total grants (₹ 31.85 crore) had not been released by the Department till the end of 2011-12. Details are given in **Table 2.21**:

Table 2.21 : Details of funds not released by the Government

(₹ in lakh)

Sr. No.	Head	FMG as per Appropriation Accounts	Amount not released by the Government
1	2215-02-107(33)(02)	46.87	3.12
2	2236-02-196(33)(01)	562.50	37.50
3	2406-02-110(33)(01)	60.00	40.00
4	2425-00-107(33)(02)	16.00	4.00
5	2515-00-198(33)(01)	212.50	137.50
6	2515-00-800(33)(01)	55.63	5.03
7	2702-80-196(33)(01)	492.19	32.81
8	2702-80-196(33)(02)	445.31	29.69
9	3054-04-800(33)(02)	918.75	131.25
10	3452-01-101(33)(02)	187.50	37.50
11	3604-00-200(33)(01)	187.50	12.50
	Total	3,184.75	470.90 (14.79%)

(Source: Detailed accounts and information furnished by department).

About 65 *per cent* of the total grants of ₹ 60 lakh were not released under the heads 2406 – Forestry and Wild Life, 02 – Environmental Forestry and Wild Life, 110 – Wild Life Preservation, (33)(01) – Construction of protection wall in Sanjay Gandhi National Park (Refer **Sr No. 3 of Table 2.21**); and 2515 – Other Rural Development Programmes, 198 – Assistance to Gram Panchayats, (33)(01) – Grants to Village Panchayats for providing civic facilities (Refer **Sr No.5 of Table 2.21**).

The matter was referred (August 2012) to the Government, their reply was awaited (September 2012).

2.5.1.4 Rush of Disbursement

During the scrutiny of records of four DPOs test checked, it was noticed that funds ranging between 15 and 55 *per cent* of FMG were disbursed by the DPOs to the DDOs during the month of February and March 2012 (**Appendix 2.16**). District-wise details of funds released in February and March 2012 are given in **Table 2.22**:

Table 2.22: Disbursement of funds during February and March 2012

(₹ in lakh)

Grant No.	District Plan	FMG as per Appropriation Accounts	Funds disbursed during February and March 2012	Percentage of funds disbursed
O15	Mumbai Suburban	13,144.00	3,301.18	25
O16	Thane	7,322.92	1,096.57	15
O20	Pune	18,884.83	10,381.35	55
O25	Nashik	2,417.69	882.30	36
	Total	41,769.44	15,661.40	37

(Source: Detailed accounts and information furnished by department).

It was further noticed that fund release orders for distribution of funds to DDOs during February/March 2012 were not released by the DPO, Mumbai Suburban and Thane.

On this being pointed out in audit, the DPO, Mumbai Suburban replied (August 2012) that it was not possible to release the funds available through reappropriation, unless entire grants were made available especially for purchase of machinery and equipments. Hence, funds were released during February/March 2012. He also stated that fund release orders would be issued in future. The DPO, Thane replied (July 2012) that funds were released during February and March 2012 to the DDOs, due to cut imposed by the Government and release of these funds by the Government in the month of February/March 2012. The DPO, Pune replied (July 2012) that the funds were released to the DDOs as per cash flow available with them. However, due to delay in finalisation of tender procedure, works were mostly completed in February and March and accordingly funds were released. The DPO, Nashik stated (July 2012) that funds were released during February/March, after giving administrative approval and as per demand raised by the DDOs.

The replies were not tenable since the funds were released to the various DDOs at the end of the year and it was not possible to ascertain whether these funds were constructively spent and applied for the purpose for which they were authorised. Release of funds at the very end of the financial year was indicative of deficient financial management.

The Department stated (September 2012) that all the DPOs would be instructed to release the funds on time. Further, all the DDOs would also be instructed to submit their proposals for administrative approval to DPCs within time.

2.5.1.5 Unnecessary supplementary provisions

Mention of Grant wise position of the unnecessary/excessive/inadequate supplementary provisions is made in **Para 2.3.6** of this report. The details of the same in the Department are given below:

On scrutiny of records of the Department, it was noticed that supplementary provision of ₹ 122.51 crore (**Table 2.23**) proved to be unnecessary as the entire or the large part of the provision was surrendered under 10 heads.

Table 2.23 : Statement showing cases where supplementary provision proved unnecessary

(₹ in crore)

Grant No.	Head	Supplementary provision	Surrender
O-1	2053-00-800(01)(01)	50.00	12.50
O-7	3451-00-101(00)(01)	0.97	0.93
O-7	3451-00-090(01)(10)	0.10	0.10
O-7	3451-00-101(02)(00)	0.16	0.12
O-8	3452-01-101(00)(04)	2.90	1.81
O-10	4515-00-102(01)(41)	5.00	2.75
O-10	4515-00-102(00)(01)	222.05	69.48
O-11	4551-60-800(00)(01)	18.10	17.82
O-8	3452-01-101(00)(06)	10.00	10.00
O-10	4515-00-102(00)(41)	7.00	7.00
	Total	316.28	122.51

(Source: Detailed accounts and information furnished by Department).

On this being pointed out in audit, the Department replied (September 2012) that due to (i) increase in the funds made available to each MLA under Local Area Development programme in May 2011, supplementary provision was made under 4515-00-102(00)(01), (ii) Though funds of ₹ 10 lakh were provided under the head 3451-00-090(01)(10) by the General Administration Department, instructions for utilisation thereof were not given and finally the grant was surrendered and (iii) as the grants provided under the head 2053-00-800(01)(01) were released in October 2011 and also due to election code of conduct, entire funds could not be expended.

The reply of the Department is not acceptable as unnecessary or excessive supplementary provisions indicated lack of due diligence in submitting the proposals for supplementary provisions.

The matter was reported (October 2012) to the Principal Secretary, GoM Planning Department. In reply, the Department stated (November 2012) that all the officials would be instructed to obtain the supplementary provision only when original budget provision were fully expended.

2.5.1.6 Irregularities in reappropriation orders

(i) Reappropriations not explained

Scrutiny of records in respect of reappropriations made by the DPO, Mumbai Suburban (Grant Number O-15) revealed that though reappropriation of ₹ 4.86 crore in 24 heads was made during the year 2011-12 in February and March 2012 from one head to another head, the DPO had not specified the reasons for additions and deductions from the sub-heads affected.

On this being pointed out in audit, the DPO furnished (August 2012) the reasons for reappropriation to audit which, however, as per the Budget Manual, should have been incorporated in the reappropriation order passed by the DPO.

(ii) Reappropriation order not issued

Para 188 of the Budget Manual specifies that the revised estimates do not constitute any authority for expenditure and they do not supersede the budget estimates as the basis for regulation of the expenditure. Revised estimates only serve as a guide for further action and the responsibility of the departments and their officers does not end with the submission of revised estimates to the Government. Steps to obtain supplementary grants or appropriations or to reappropriate or surrender savings indicated in the revised estimates should be taken promptly. Further, as per Para 186 of the Budget Manual, explanations of all important variations in the revised estimates as compared with the budget estimates should be given.

On scrutiny of records of DPO, Thane, it was noticed that DPO had revised the estimates and issued the reappropriation orders on 20 March 2012. The estimates were further revised by the DPO on 31 March 2012, (as detailed in **Appendix 2.17**) but did not issue any reappropriation order. As the revised estimates do not supersede the budget estimates, reappropriation order was required to be issued. Hence, it was not possible to conclude whether these reappropriations were made with the approval of competent authority. Further, DPO had not given explanations of all important variations in the revised estimates.

On this being pointed out in audit, DPO, Thane replied (July 2012) that revised estimates of 31 March 2012 were prepared in the form prescribed by the Government.

Reply of the DPO is not acceptable in view of provisions specified in Para 188 of the Budget Manual.

2.5.1.7 Excessive/unnecessary reappropriation of funds

Excessive/unnecessary reappropriation of funds is contrary to Para 170 of the Budget Manual. Instances noticed during the test check of selected grants of the Department are discussed below.

(i) Non-utilisation of entire funds provided through reappropriation

Scrutiny of records of DPO, Pune revealed that under the head 2403 – Animal Husbandry, 102 – Cattle and Buffalo Development, (37)(03) – Kamdhenu Dattak Gram Yojana, no budget provision was made. However, funds of ₹ 45.50 lakh were provided through reappropriation which were not utilized at all and reappropriated again to another head.

The reasons for non-utilisation of reappropriated funds were, however, not furnished to audit by DPO, Pune.

Augmentation of funds through reappropriation under this head proved injudicious in view of further reappropriation of funds to another head.

(ii) Reappropriation of entire budget provision

(a) Scrutiny of records of DPO, Pune revealed that under the head 4059 – Capital Outlay on Public Works, 01 – Office Buildings, 051 – Construction, (37)(04) – Taluka Level Office Building Complex, though budget provision of ₹ 705 lakh was available, the funds were not utilized at all and reappropriated to other head.

The DPO stated (July 2012) that as the scheme was closed, funds of ₹ 705 lakh were reappropriated. In contrast, the Department stated that the scheme was not closed, but the expenditure was incurred by transferring the funds to the head “Government office buildings”.

Reply of the department is not acceptable as the head “Government office building” was not provided under District Plan, Pune during 2011-12.

(b) Scrutiny of records of the DPO, Thane and Appropriation Accounts revealed that under the head 2505 – Rural Employment, 60 – Other Programmes, 001 Employment Guarantee Scheme, 001(33)(03) – Construction of Farm Ponds, entire budget provision of ₹ 760 lakh and ₹ 200 lakh was reappropriated during the year 2010-11 and 2011-12 to other head of appropriation.

The DPO stated (July 2012) that as per Planning Department’s instructions (January 2011), entire funds were reappropriated for Accelerated Watershed Development works under the head 4402 – Soil and Water Conservation.

The reply of the DPO is not acceptable as the Planning Department had permitted (January 2011) to reappropriate the grants for the year 2010-11 only. On reporting the matter to the Planning Department (August 2012), no specific comments were furnished as regards reappropriation made during 2011-12.

(iii) Reappropriation of major portion of budget provision

Scrutiny of records of DPO, Mumbai Suburban revealed that more than 90 per cent of the grants were reappropriated under two heads as detailed in Table 2.24:

Table 2.24 : Details of cases of reappropriation of more than 90 per cent grants

(₹ in lakh)

Sr. No.	Head of Account	Total Provision	Reappropriated	
			Amount	Percentage of total provision
1	4250 Capital Outlay on Other Social Services, 201 Labour, (32)(03) Tools and Plant charges	100.00	94.50	95
2	3451 Secretariat – Economic Services, 101 Planning Commission/Planning Board, (32)(02) Evaluation, Monitoring and Data Entry of Schemes	66.50	59.85	90

(Source: Detailed accounts and information furnished by department).

The DPO stated (August 2012) that funds could not be spent under Sr.No. 1 above due to change in the DDO carrying out the work of residential building at Malvani Hospital, Malad. For Sr.No. 2, it was stated that since the Government did not issue any guidelines for incurring expenditure, the funds were reappropriated.

The reply is not acceptable as reappropriating major portion of grants indicated defective planning.

2.5.1.8 Non-reconciliation of Final Modified Grant and expenditure

As per Para 157 of the Budget Manual, the consolidated accounts of the Controlling Officer have to be reconciled monthly/quarterly with the accounts of the Accountant General (Accounts and Entitlements). This would ensure

the accuracy of departmental accounts and prevent misclassification and other errors in the Accounts. Timely reconciliation is also necessary for purposes of Annual Appropriation Accounts and Audit Report thereon. Instances noticed during the test check of selected grants of Planning Department are discussed below:

Cross-verification of records maintained by the four test-checked DPOs with the Appropriation Accounts 2011-12 revealed that in 35 heads (**Appendix 2.18**), there was difference between the figures of FMG as shown in the Appropriation Accounts and the departmental records in respect of two DPOs. Further, in 48 heads (**Appendix 2.19**), there was difference in the expenditure booked by the Accountant General (Accounts and Entitlements) offices and the departmental records.

The DPOs stated (July/August 2012) that all the DDOs would be instructed to reconcile the expenditure with the Accountant General (Accounts and Entitlements) offices.

2.5.2 Other Audit Observations

Instances of mismanagement/non-adherence to provisions/unrealistic budget are discussed in the succeeding paragraphs:

2.5.2.1 Delay in utilisation of Central Assistance

Scrutiny of records of the Department revealed that GoI, Planning Commission (Commission) had released (March 2010) grant of ₹ 82.50 crore as One Time Additional Central Assistance (OTACA) for construction of anganwadi buildings under Maharashtra Human Development Mission (Grant Number O01, 2053-093(04)(01) and 800(01)(01)). Due to release of funds at the end of the financial year, the expenditure could not be incurred during the year 2009-10. As per request (June 2010) of the Department, the Commission permitted (July 2010) to utilise these funds during 2010-11. Accordingly, the Department requested (January 2011) the FD to release the funds. While the FD sought to know (January 2011) the procedure for distribution of these funds under District Plan, it, however, forwarded the file to the Department only in June 2011. As a result, funds could not be expended even during 2010-11 also and the Department again requested (July/September 2011) the Commission for revalidation of OTACA, which was accepted by the Commission in September 2011. However, of the total release (₹ 82.50 crore), funds amounting to ₹ 69.63 crore were only made available to the Women and Child Development Department (W&CDD) on Budget Distribution System till March 2012.

Thus, there was delay of two years in utilization of assistance received from the Central Government. It was observed that after receipt of Central assistance, W&CDD in March 2012 sanctioned construction of 1,833 anganwadi buildings. Apparently, timely release of Central assistance would have ensured construction of a large number of anganwadi buildings in 2009-10 itself.

The matter was referred to the Planning Department (May and September 2012) and Finance Department (August 2012). The Planning Department did not furnish any specific reply and reply of Finance Department was awaited (October 2012).

2.5.2.2 Annual Assessment of Human Development Index – Delay in surrender of funds

On scrutiny of records of the Department, Appropriation Accounts and surrender orders, it was noticed that under Grant Number O08/O09, 3454 – Census, Surveys and Statistics, 02 – Surveys and Statistics, 112 – Economic Advice and Statistics, 112(03)(16) – Scheme for Annual Assessment of Human Development Index, budget/supplementary provision was made during 2009-10 to 2011-12 as given in **Table 2.25** below.

Table 2.25: Provision made during 2009-10 to 2011-12

(₹ in lakh)				
Year	Provision	Supplementary provision	Total provision	Surrender
2009-10	0.01	500.00	500.01	500.01
2010-11	500.00	0.01	500.01	500.01
2011-12	50.00	—	50.00	50.00
Total	550.01	500.01	1,050.02	1,050.02

(Source: Detailed accounts and information furnished by Department).

It could be seen that funds of ₹ 10.50 crore provided during the years 2009-10 to 2011-12 were surrendered in March every year, as the procedure for establishment of Human Development and Social Justice Cell under the Planning Department was not finalised.

It was also noticed that the proposal for establishment of Social Justice Cell under the Planning Department was withdrawn in the Cabinet meeting of August 2010. The Department should have surrendered the grants of ₹ five crore in view of the Cabinet decision of August 2010 immediately and no provision should have been made during 2011-12.

The matter was reported (October 2012) to the Principal Secretary, GoM Planning Department. In reply, the Department stated (November 2012) that due care would be taken in future to surrender the funds before year end.

2.5.2.3 Evaluation of schemes – Non-implementation of the project

While augmenting the pace of development of the State, the Government considered it paramount to evaluate the schemes being implemented by it for the benefit of general public in order to ensure that the benefits were in fact reaching the targeted groups. For this purpose, GoM decided (March 2010) to start a new project to evaluate all the schemes and a provision of ₹ 26 crore and ₹ two crore was made during the years 2010-11 and 2011-12 (Grant Number O09, 3454-02-112(03)(18)). To change the methodology of Monitoring and Evaluation (M&E) of the Government schemes, NABARD Consultancy Services Private Limited, Mumbai (NABCONS) was appointed (June 2010), with the total payment of ₹ 58.38 lakh to be made in next three years equally. Accordingly, an agreement was signed (January 2011) with NABCONS and a total expenditure of ₹ 15 lakh and ₹ eight lakh was incurred during 2010-11 and 2011-12 respectively. However, it was observed that an amount of ₹ 25.85 crore and ₹ 1.92 crore was surrendered during 2010-11 and 2011-12 respectively.

The Department stated (September 2012) that NABCONS could not submit its report within time frame. It was further stated that supplementary provisions

of ₹ 26 crore was made as per budget speech of 2010-11 and ₹ two crore was made in anticipation of completion of work in 2012, as specified in the agreement.

The reply of the Department is not acceptable as even after lapse of two years and despite an expenditure of ₹ 23 lakh and availability of funds for implementation of the project, Government could not take concrete steps for evaluation of the schemes. Thus, the objective of evaluation of schemes was not achieved due to the delay in completion of the reports.

2.5.2.4 Non-release of financial assistance to Remote Sensing Application Centre

Scrutiny of departmental records, Appropriation Accounts 2011-12, surrender orders revealed that under the head Grant Number O-6 – Other Scientific Research, 3425 – Other Scientific Research, 60 – Others, 200 – Assistance to Other Scientific bodies, 200(00)(01) – Financial Assistance to Remote Sensing Application Centre at Nagpur, of the total budget provision of ₹ 500 lakh made during the year 2011-12, funds of ₹ 395.50 lakh were released to the Remote Sensing Application Centre, Nagpur (₹ 194 lakh on 20 September 2011 and ₹ 201.50 lakh on 14 February 2012). The Department submitted (March 2012) the demand for release of the balance fund of ₹ 104.50 lakh to FD. However, the balance fund was not released by the FD as the plan for utilisation of the amount was not provided by the Department resulting in the grant finally being surrendered on 31 March 2012.

Thus, the failure on the part of the Department to provide detailed plan to the FD for utilisation of funds resulted in non-use of budget provision and its surrender. The Department also did not furnish any specific reply to audit in this regard.

2.5.2.5 Strengthening of Training Branch of Directorate of Economics and Statistics – Non-implementation of the Programme

In order to increase the capability of the employees and to bring uniformity in training imparted by various administrative departments, scheme for strengthening of training branch of the Directorate of Economics and Statistics was introduced during 2010 by GoM. Accordingly, supplementary provision of ₹ 107.79 lakh and original provision ₹ 50 lakh were made during 2010-11 and 2011-12 respectively under grant Number O08/O09, 3454-02-112(01)(03).

Scrutiny of surrender orders revealed that ₹ 107.79 lakh and ₹ 47.39 lakh was surrendered in March 2011 and 2012 respectively, as no expenditure was incurred on salaries and travel expenses due to non-creation of posts and non-conducting of training of officers/employees. In fact, no proposal for creation of posts for the purpose was routed through the Directorate of Economics and Statistics and the Department. It was further noticed that Yashwantrao Chavan Academy of Development Administration (YASHADA) was appointed only in September 2011 as nodal Agency for the planning and evaluation of the training programme.

Making budget provision for posts without completing the procedure for their creation was injudicious. Further, the Department could have surrendered the

funds of ₹ 47.39 lakh in September 2011 itself on appointment of YASHADA. This resulted in unnecessary provisions and delayed surrenders.

2.5.2.6 Personal Ledger Account

According to Rule 494 of Maharashtra Treasury Rules, 1968 (MTR) and Rule 12 of Bombay Financial Rules 1959, Personal Deposit Account / Personal Ledger Account (PLA) can be opened with Treasury Officer for specified purpose on the basis of approval of Government in consultation with Accountant General of the State.

During the scrutiny of the records, it was noticed that the Department accorded administrative approval (June 2009) of ₹ 434.73 crore for undertaking various development works for the benefit of pilgrims at five⁵⁴ talukas in Pune district. The development works were to be completed within a period of three years (2009-10 to 2011-12). The provision was further revised (June 2011) to ₹ 756.31 crore.

The Government approved (March 2010) a proposal to park these funds in PLA in the name of Divisional Commissioner, Pune as a special case for a period of three years in order to avoid lapse of yearly grant. The Principal Accountant General (Accounts and Entitlements)-I, Mumbai, also accorded consent (April 2010) with a condition for closure of the PLA each year along with regularization to the carry forward the previous year's balance. During the period 2009-10 to 2011-12, grant of ₹ 352⁵⁵ crore was disbursed for the development works and credited to PLA by debit to Consolidated fund.

Audit observed that the PLA in this regard was not closed annually and the stipulated regularization to carry forward the unutilized balance of the previous year was not taken from Principal Accountant General (Accounts and Entitlements)-I, Mumbai. Further, out of ₹ 352 crore, expenditure of only ₹ 18 crore was incurred till June 2012. The works which were scheduled for completion in three years were not yet completed (June 2012) and funds of ₹ 334 crore were lying unspent in PLA.

According to Rule 282 (2) of MTR, no money shall be drawn from the treasury unless it is required for immediate disbursement. As only ₹ 18 crore was spent during April 2011 to June 2012 and no expenditure was incurred during 2009-10 and 2010-11, it showed that the funds were not required for immediate disbursement, and therefore, the money drawn was against the provisions of MTR.

GoM granted (May 2012) extension of two years (2012-13 and 2013-14) for completing the works. It also accorded sanction (June 2012) for operating PLA upto 31 March 2013 without consulting Principal Accountant General (Accounts and Entitlements)-I, Mumbai in violation of Rule 494(c) of MTR.

The utilization certificate for the amount spent was also not available with the Department.

Department stated (September 2012) that Principal Accountant General (Accounts and Entitlements)-I, Mumbai had called (July 2012) for documents

⁵⁴ Alandi, Bhandaradongar, Dehu, Palkhi and Pandharpur.

⁵⁵ 2009-10 – ₹ 140 crore, 2010-11 – ₹ 140 crore, 2011-12 – ₹ 72 crore.

relating to extension of PLA by GoM, which would be sent shortly and that utilisation certificates had been called for from the Collector, Pune.

The PLA needs to be monitored closely at Government level to ensure timely completion of the programme. Further continuation of PLA beyond the stipulated period may be granted only after assessing the satisfactory progress of the programme and in consultation with Principal Accountant General (Accounts and Entitlements)-I, Mumbai.

2.6 Advances from Contingency Fund

The Contingency Fund of the State has been established under the Bombay Contingency Fund Act, 1956, in terms of provisions of Article 267 (2) and 283 (2) of the Constitution of India. Advances from the Fund are to be made only for meeting expenditure of an unforeseen and emergent character, postponement of which, till its authorisation by the Legislature, would be undesirable. The Fund is in the nature of an imprest and its corpus is ₹ 150 crore, which was temporarily raised to ₹ 300 crore with effect from 14 November 2011 vide Ordinance No. XXI of 2011 and again raised to ₹ 500 crore with effect from 1 February 2012 vide Ordinance No II of 2012. The balance at the beginning of the year (2011-12) was ₹ 988.80 crore with an unrecouped balance of ₹ 11.20 crore. During the year 2011-12, advances drawn from contingency fund have been recouped fully. The closing balance of the fund as on 31 March 2012 was ₹ 500 crore.

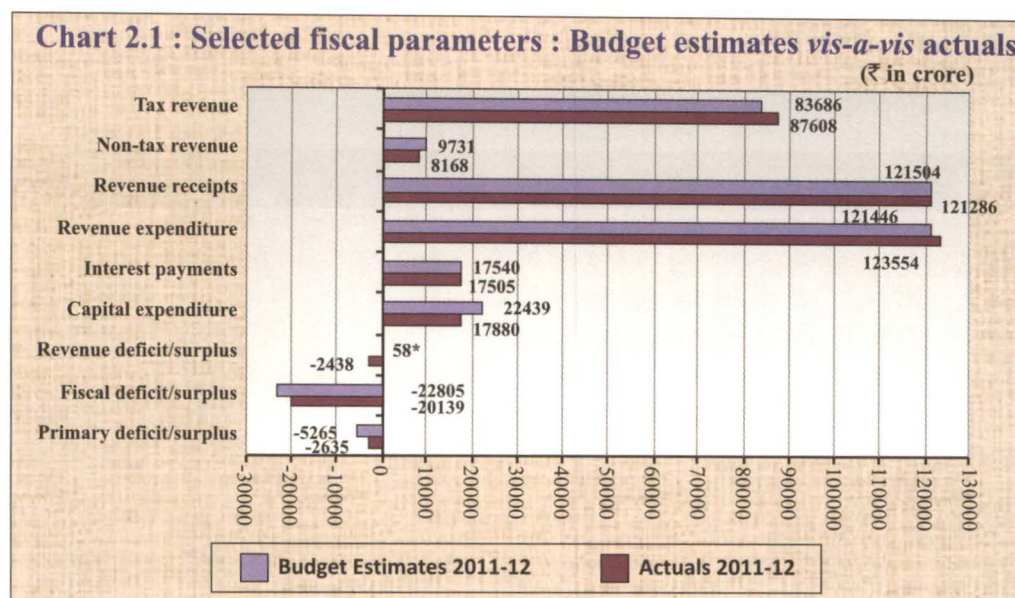
During 2011-12, 43 sanctions were issued for withdrawal of ₹ 731.41 crore from the Contingency Fund. A few illustrative cases listed in **Appendix 2.20** show that the character of expenditure for which the department obtained advances from Contingency Fund was foreseeable. Therefore, the drawal of funds from the Contingency Fund was irregular. A case scrutinized in detail is given below.

An advance of ₹ 18.34 crore was sanctioned in August 2011 from the Contingency Fund towards sanction of loan to the Maharashtra State Farming Corporation Limited, Pune on the basis of an interim order of the Hon. Supreme Court. There was an existing budget provision of ₹ 10 crore in budget 2011-12 under Grant No. C 10 (Revenue and Forest Department) for this purpose. This provision was not taken into consideration while sanctioning the advance of ₹ 18.34 crore from the Contingency Fund on the ground that the same would be required to meet the expenditure for the rest of the year. However, it was observed that the original provision of ₹ 10 crore was surrendered on 31 March 2012 without assigning any reason. Hence, the department could have limited the usage of contingency fund to ₹ 8.34 crore. However, entire requirement as per the court order of ₹ 18.34 was withdrawn from contingency fund in October 2011 resulting in excess drawal from the fund.

2.7 Outcome of Analysis of Budgetary Assumptions

During 2011-12, the actual revenue receipts being less than the budget estimates by 0.18 *per cent*, while revenue expenditure being more than the budget estimates by 1.74 *per cent*, converted the forecasted revenue surplus into an actual revenue deficit. The capital expenditure decreased by 20.32 *per cent* and interest payments decreased by 0.2 *per cent* over the budget

estimates. The budgeted and actual figures under revenue receipts and expenditure are given in **Chart 2.1** and **Appendix 2.21**.



*As per Budget estimates revenue surplus was ₹ 58 crore

(Source: Finance Accounts and Budget documents)

As may be observed from **Chart 2.1** (also see **Appendix 2.21**), there was considerable variation between budget estimates and actuals in the case of several key parameters. Revenue receipts had a negative variation (₹ 218 crore: -0.18 *per cent*) over budget estimates and almost all categories of revenue receipts (with the exception of Miscellaneous General Services, Interest Receipts, Taxes and Duties on Electricity, Taxes on Vehicles, State Excise and Taxes on Sale, Trade, *etc*) were lower than the budget estimates. Revenue expenditure however showed a positive variation of 1.74 *per cent* over the budget estimates, mainly because of more expenditure under General Services, Social Welfare and Nutrition, Industry and Minerals, Power and Transport and Communication.

The decrease in revenue receipts was the net result of decrease in non-tax revenue by 16 *per cent*, share in Central taxes by three *per cent* and grants-in-aid from Government of India by 15 *per cent*, set off by an increase in tax revenue by five *per cent*.

The actual capital expenditure was less by ₹ 4,559 crore (20 *per cent*) compared to the original budget estimates during 2011-12. The decrease was mainly under Rural development (₹ 2,451 crore), Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (₹ 719 crore), Power (₹ 461 crore), Irrigation and Flood Control (₹ 235 crore) and Transport and Communication (₹ 144 crore).

The actual revenue deficit was more than the budget estimates by ₹ 2,496 crore[#], mainly because of increase in revenue expenditure by 1.74 *per*

[#] Excludes write-off of central loans (₹ 170.23 crore) from the Revenue Receipts.

cent and decrease in revenue receipts by 0.18 per cent over the budget estimates.

Actual fiscal deficit⁵⁶ was less than the assessment made in the budget estimates by 12 per cent (₹ 2,666 crore), mainly due to decrease in capital expenditure.

2.8 Conclusion

(a) The overall savings of ₹ 21,155.62 crore were the net result of savings of ₹ 22,427.90 crore, set off by excess of ₹ 1,272.28 crore. This excess expenditure requires regularisation by the State Legislature. Anticipated savings of ₹ 25,198.82 crore were surrendered on the last two working days of the financial year. In 33 cases, ₹ 7,621.30 crore was surrendered against the actual savings of ₹ 6,954.77 crore, which resulted in excess surrender of ₹ 666.53 crore. There was rush of expenditure (52 to 100 per cent) under eight major heads. Persistent excess expenditure, erroneous budgeting, injudicious reappropriations and delay in surrender of savings were noticed in the Planning Department.

(b) Audit of budgetary Process – Planning Department

Supplementary provision of ₹ 122.51 crore proved to be unnecessary as the entire/large part of the provision was surrendered. District Planning Officers (DPO) released only 37 per cent of the funds to the DDOs during February and March 2012. There was difference in the Final Modified Grant (35 cases) and the expenditure figures (48 cases) as per Appropriation Accounts and the departmental records, which requires reconciliation with Principal Accountant General (Accounts and Entitlements)-I, Mumbai office. Instances of delay in utilisation of Central Assistance, delay in surrender of funds and unnecessary budget provision were also noticed. Extension granted by the Government for operating Personal Ledger Account maintained for the specific purpose without consulting Principal Accountant General (Accounts and Entitlements), Mumbai was irregular.

2.9 Recommendations

- All departments should closely monitor the expenditure against the allocations and incurring of excess expenditure over the grants should be strictly avoided.
- Surrender of funds should be done much before close of the year so as to enable the Government to utilize the funds on other schemes.
- Release of funds at the end of the year should be avoided.
- Due care should be taken in submitting proposals for supplementary appropriations.

⁵⁶ see glossary at page 175.

CHAPTER - III
FINANCIAL REPORTING

A sound internal financial reporting with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliances is thus one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the State Government in meeting its basic stewardship responsibilities, including strategic planning and decision-making. This Chapter provides an overview and status of the State Government's compliance/ non-compliance with various financial rules, procedures and directives during the current year.

3.1 Delay in furnishing Utilisation Certificates

The Bombay Financial Rules, 1959 provide that for the grants provided for specific purposes, utilisation certificates (UCs) should be obtained by the departmental officers from the grantee institutions and after verification, the UCs should be forwarded to the Principal Accountant General (Accounts and Entitlements), Maharashtra, within 12 months from the dates of their sanction. The department-wise position of outstanding UCs is given in **Appendix 3.1**. The year-wise position of total outstanding UCs in the State as on 31 March 2012 is given in **Table 3.1**.

Table 3.1: Year-wise position of outstanding UCs as of 31 March 2012

Year	Number of UCs awaited	Amount involved (₹ in crore)
Upto 2009-10	135550	45996.56
2010-11	27127	16567.32
2011-12	33041	25676.51
Total	195718	88240.39⁵⁷

(Source: Finance Accounts).

Non-submission of UCs in time may result in mis-utilisation of the grants. The major departments with large pendency were School Education and Sports, Urban Development, Higher and Technical Education, Rural Development and Water Conservation, Planning, Co-operation, Marketing and Textiles and Social Justice and Special Assistance. The large pendency in submission of UCs indicates lack of monitoring of utilisation of grants and loans by the departments.

3.2 Non-submission/delay in submission of Accounts by Grantee institutions

In order to identify the institutions which attract audit under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the Government/heads of departments are required to furnish to Audit every year, detailed information about the financial assistance given to

⁵⁷ Differs from Notes to Accounts figures due to updation of figures by the Pay and Accounts Office.

various institutions, the purpose of assistance granted and the total expenditure of the institutions. The details of such assistance released to the institutions during the year were awaited from Government departments (September 2012).

According to the accounts received for the year 2011-12, 365 institutions attracted audit by the Comptroller and Auditor General of India during 2011-12. Of these, 83 institutions were audited during 2011-12.

Table 3.2 shows age-wise arrears of annual accounts due up to 2011-12 in respect of 11,237 annual accounts as of June 2012.

Table 3.2: Age-wise arrears of Annual Accounts due from Institutions

Delay in number of years	Number of accounts
0-1	2,615
1-3	2,248
3-5	2,146
5-7	865
7-9	620
9 and above	2,743
Total	11,237

Due to non-submission of information regarding grants and loans paid to various institutions and non-furnishing of accounts by them, the risk of misutilisation of the funds cannot be ruled out.

3.3 Delay in submission of Accounts/Audit Reports of Autonomous Bodies

Several autonomous bodies have been set up by the State Government in the fields of Environment, Housing, Industries, Irrigation, Urban Development and Water Supply and Sanitation. The audit of accounts of 16 bodies in the State has been entrusted to the Comptroller and Auditor General of India. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Reports and their placement in the Legislature by the autonomous bodies are indicated in **Appendix 3.2**.

Delays in submission of annual accounts ranging between one and 21 months were noticed in the case of 16 autonomous bodies. The accounts of the Vidarbha Irrigation Development Corporation (VIDC), Nagpur for the year 2009-10 and Maharashtra State Commission for Women (MSCW), Mumbai for the year 2008-09 were furnished to audit only in February 2012 and December 2010 respectively, with delay ranging from 18 to 19 months. The accounts of Maharashtra Pollution Control Board (MPCB), Mumbai for the year 2008-09 and 2009-10 were furnished to audit only in March 2011 and March 2012 respectively, with delay ranging from 18 to 21 months. Further, the accounts of Maharashtra State Legal Services Authority (MSLSA), Mumbai for the year 2008-09 were still to be presented in the Legislature. The delays were mainly due to delays in approval of the accounts by the respective Governing Bodies. Accounts of one body from 2009-10 onwards and eight bodies from 2010-11 onwards are yet to be received.

The inordinate delays in submission of accounts and presentation of the reports to the State Legislature resulted in delayed scrutiny of the functioning

of these bodies, where Government investments are made. Further, it also delays the taking of necessary remedial action.

3.4 Delay in finalisation of Proforma Accounts by Departmentally managed Commercial Undertakings

The departmental undertakings of certain Government departments, performing activities of quasi-commercial nature, are required to prepare *proforma* accounts in the prescribed format annually showing the working results of financial operations so that the Government can assess their performance. The finalised accounts of the departmentally managed commercial and quasi-commercial undertakings reflect their overall financial health and efficiency in conducting their business.

Heads of Government departments have to ensure that the undertakings prepare such accounts and submit the same to the Accountant General (Audit), III, Maharashtra, Mumbai, for audit within a specified time frame. As of March 2012, there were 49 such undertakings, out of which 42 had prepared accounts up to 2010-11. In respect of five⁵⁸ undertakings, there was large pendency in finalisation of *proforma* accounts ranging from 12 to 25 years as these were sick units and not operational and had stopped preparing accounts. In respect of two⁵⁹ Milk Schemes, the pendency in finalisation of *proforma* accounts ranged from one to four years. Milk Transport Scheme, Worli has been finally closed from 2007-08 onwards. The department-wise position of arrears in preparation of *proforma* accounts and investment made by the Government are given in **Appendix 3.3**.

3.5 Misappropriations, losses, defalcations, etc.

The Bombay Financial Rules, 1959 provide that misappropriation, fraudulent drawal/payment or otherwise discovered in a treasury or any other office/department should be reported immediately by the office concerned to the next higher authority as well as to the Principal Accountant General (Audit), I, Maharashtra, Mumbai and Accountant General (Audit), II, Nagpur.

The State Government reported 234 cases of misappropriation, defalcation, etc., involving ₹ 42.03 crore up to March 2012 on which final action was pending. The department-wise break up of pending cases and age-wise analysis is given in **Appendix 3.4**. The nature of these cases is given in **Appendix 3.5**. The age-profile of the pending cases and the number of cases pending in each category as emerged from these appendices are summarised in **Table 3.3**.

⁵⁸ Allapali and Pendigundam Forest ranges of Forest Divisions including Saw mills and Timber Depot; Land Development by Bulldozer Scheme, Amravati; Aurangabad; Nagpur and Pune.

⁵⁹ Government Milk Scheme, Nadura and Milk Transport Scheme, Worli.

Table 3.3: Profile of misappropriations, losses, defalcations, etc.

Age-Profile of the pending cases			Nature of the pending cases		
Range in Years	Number of cases	Amount involved (₹ in lakh)	Nature / characteristic of the cases	Number of cases	Amount involved (₹ in lakh)
0-5	18	1,682.18	Theft	22	30.25
5 - 10	26	1,378.40	Misappropriation / Loss of material	212	4,172.61
10 - 15	23	288.92			
15 - 20	44	687.02			
20 - 25	46	127.83			
25 & above	77	38.51	Cases of losses written off during the year	0	0
Total	234	4,202.86	Total pending cases	234	4,202.86

The reasons for which the cases were outstanding have been broadly categorised in **Table 3.4**.

Table 3.4: Reasons for the delay/pendency of cases

Reasons for the delay / outstanding pending cases	Number of Cases	Amount (₹ in lakh)
Departmental and criminal investigation awaited	47	425.51
Departmental action initiated but not finalised	40	2,603.01
Criminal proceedings finalised but execution of recovery of the amount was pending	23	10.36
Orders for recovery or write-off awaited	36	734.68
Pending in the courts of law	88	429.30
Total	234	4,202.86

It is seen from the above, that out of 234 cases involving ₹ 42.03 crore, 190 cases (81 *per cent*) involving ₹ 11.42 crore (27 *per cent*) were pending for more than 10 years. Further, while 40 cases involving ₹ 26.03 crore were pending for final departmental action, 36 cases involving ₹ 7.35 crore were pending for recovery or write-off orders.

3.6 Transfer of funds to Personal Deposit Accounts

As per Rule 494 and 495(b) of the Maharashtra Treasury Rules, 1968, (MTR) the Government is authorized to open Personal Deposit (PD) Accounts in order to deposit money by transferring funds from the Consolidated Fund for specific purposes. Generally, administrators⁶⁰ are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Government accounts (Consolidated Fund). However, as on 31 March 2012, 6,650 PD Accounts showed a total balance of ₹ 6,533.47 crore, which was not transferred back to the Consolidated Fund as can be seen from **Table 3.5**.

⁶⁰ Personal Deposit/Personal Ledger Account holders.

Table 3.5: Status of the PD Accounts as on 31 March 2012

Sr.No	Particulars	Nos.	Amount involved (₹ in crore)
1.	PD Accounts existing at the beginning of the year 2011-12	6,731	6,626.45
2.	PD Accounts opened during the year 2011-12	214	104.15
3.	PD Accounts closed at the end of the year 2011-12	295	1.81
4.	PD Accounts existing at the close of the year 2011-12	6,650	6,533.47

(Source: Finance Accounts).

Apart from the opening of new PD Accounts (credit - ₹ 104.15 crore) and closing of non-operative PD Accounts (debit - ₹ 1.81 crore), receipts (including receipts from sources other than Consolidated Fund of the State) of ₹ 15,327.91 crore and payments of ₹ 15,523.23 crore, had also taken place in PD Accounts during 2011-12. Out of ₹ 15,432.06 crore transferred to PD Accounts (Major Head 8443-106- Personal Deposits) during the year, ₹ 1,740.67 crore (11 *per cent*) were transferred in March 2012 alone.

The aggregate amount of the unspent balances in the accounts of the administrators was not readily ascertainable as such funds also included receipts from sources other than the Consolidated Fund of the State.

Out of 6,650 PD Accounts existing at the close of 2011-12, 2,237 PD Accounts were reconciled by departmental officers with the Treasury offices/Accounting offices. Only 34 *per cent* of the PD Accounts were reconciled during the year 2011-12 showing that the internal control of the State was weak in respect of management of PD Accounts.

3.6.1 Non-reconciliation of Personal Deposit Accounts

As per Para 589 of Maharashtra Treasury Manual, Treasury Officers are required to obtain certificates of balances at the end of each year from the administrators of PD Accounts. After obtaining such certificates, differences, if any, are required to be reconciled with the treasury figures and certificates are to be forwarded to the Offices of the Principal Accountant General (Accounts and Entitlements) I, Maharashtra, Mumbai, Accountant General (Accounts and Entitlements) II, Maharashtra, Nagpur and the Pay and Accounts Office, Mumbai for confirmation of the balances.

However, differences were noticed between the balances of administrators and those of treasuries in 243 cases, between the balances of treasuries and sub-treasuries in 361 cases and between the balances of sub-treasuries and administrators in 291 cases.

Besides, annual certificates of balances as on 31 March 2011 had not been submitted by 513 administrators out of 3268 administrators.

3.6.2 Retention of Government funds in Personal Deposit Accounts

As per Article 266 and 284 of the Constitution, revenue receipt of the Government shall form part of the Consolidated Fund. In terms of Rule 488 of MTR, revenue receipt of the Government cannot be credited to Deposit head when receipt head of account is known. Rule 50 of Accounting Rules for Treasuries, 1992 is in consonance with the above provisions.

Scrutiny of PD Accounts of some of the administrators revealed that an amount of ₹ 21.55 lakh received on account of the revenue receipts⁶¹ was credited to the PD Accounts of the administrators⁶² concerned.

It is in violation of above Rules as the same should have been credited to revenue receipt head (i.e. 0210-Medical and Public Health or 0202-Education, 0230-Labour and Employment, 0425-Co-operative, 0070- Other Administrative Services, *etc.*) instead of deposit head.

3.6.3 Credit of Government receipt of Rural Hospital in saving bank account

As per Rule 8 of MTR, all moneys received on account of the revenue shall without undue delay be paid in full to relevant Major Head under Government account and shall be included in the Treasury accounts. Moneys received as aforesaid shall not be used to meet departmental expenditure.

Scrutiny of challans (July 2011) for the year 2010-11 revealed that total amount of ₹ 93.77 lakh on account of Government revenue (*viz.*, X-ray fees, OPD fees, Lab fees, *etc.*) were deposited to saving bank account in the State Bank of India, Central Bank of India, Bank of Baroda and Indian Overseas Bank by the Civil Surgeon General Hospital, Ahmednagar and Medical Superintendent, Rural Hospitals in Ahmednagar District instead of crediting under the head 0210 – Medical and Public Health which was in violation of above Rule.

3.6.4 Non-closure of Personal Deposit Accounts

As per Rule 495(b) of MTR, when the PD Account is credited by debit to the Consolidated Fund, the same should be closed at the end of the financial year by minus debit of the balance to the relevant service heads in the Consolidated Fund. The balance thus lapsing should be reported by the Treasury Officer to the Accountant General (Accounts and Establishments), immediately after 31st March in the manner laid down in the Account Code Volume II.

(a) As per information received from 11⁶³ treasuries out of 19 treasuries, an amount of ₹ 357.86 crore in respect of 316 units/departments was outstanding in PD account at the end of March 2012.

The maximum number of outstanding cases (involving 303 units/departments amounting to ₹ 356.56 crore) was noticed in Aurangabad, Gadchiroli, Chandrapur and Latur treasuries.

Further, year wise scrutiny of outstanding PD account in respect of Latur treasury revealed that in 34 cases an amount of ₹ 51.64 crore was outstanding since 1983 to 2011.

⁶¹ OPD/IPD fees and training fees of nurses, Sonography fees, Centre Registration Fees, sale of admission forms, Hostel Room Rent, Hostel Gymkhana fees, Rent for Hall, ground, Enquiry fees, Arbitration fees *etc.*

⁶² Administrative Officer, Civil Surgeon, General Hospital, Medical Superintendent, Rural Hospital and other Headmaster, Technical High School, Principal, Government Polytechnic, Judge, Co-operative Court, Thane, *etc.*

⁶³ Aurangabad, Chandrapur, Gadchiroli, Latur, Amravati, Akola, Nagpur, Buldhana, Wardha, Osmanabad and Jalna.

The Department attributed the cause for non-closure of account to non-withdrawal of money by farmers, amounts not claimed by claimants/litigants, students deposit amount and undelivered license amount *etc.*

The reply of the department is not acceptable as the very objective of opening and closing of PD account as per Rule 495 of MTR was violated.

(b) A Personal Ledger Account (PLA) was authorised in the name of Commissioner of Fisheries, Maharashtra State, Mumbai to account the funds sanctioned for the Marathawada Development Package to be implemented during the years 2008-09 and 2009-10.

It was noticed that above rule was not followed by the Commissionerate and there was a balance of ₹ 1.75 crore in the PLA as on April 2012 which was unauthorisedly retained without closure of PLA.

No explanation was furnished by the Commissioner of Fisheries though sought for (September 2012).

3.7 Functioning of Treasuries

The major irregularities noticed during inspection of 33 district treasuries including all sub-treasuries in Maharashtra and the Pay and Accounts Office, Mumbai by the Principal Accountant General (Accounts and Entitlements), I, Maharashtra, Mumbai and the Accountant General (Accounts and Entitlements), II, Maharashtra, Nagpur during 2011-12 are brought out in the following paragraphs:

3.7.1 Overpayment of pension

Overpayment of pensionary benefits of ₹ 3.25 crore was made during 2011-12 on account of incorrect calculation of dearness relief, non-adjustment of provisional Death-cum-Retirement Gratuity, non-reduction of pension due to payment of commuted value of pension, non-reduction of family pension from the specific dates mentioned in the pension payment orders *etc.* Of this, ₹ 32.84 lakh has been recovered upto July 2012. Thus, a balance of ₹ 2.92 crore was still outstanding.

3.7.2 Non-closure of inoperative Personal Deposit Accounts

As per Rule 495 of the MTR and Para 585 (2) of the Maharashtra Treasury Manual, PD Accounts of the various designated administrators which are not operated for more than three continuous accounting years are to be closed and the balances in such PD accounts are to be credited to Government accounts. It was, however, noticed that in 84 cases, PD Accounts which were not operated for more than three years had not been closed and a total balance of ₹ 31.13 lakh lying in such PD Accounts, was not credited to the Government account.

3.8 Opaqueness in Government Accounts

There is a global trend towards greater openness in Government finances. This is based on a belief that transparent budgetary and accounting practices can ensure that funds raised by the Government for public purposes will be spent as promised by the Government, while maximizing the benefits derived from spending. One crucial component of a transparent system of accounting is that the forms of accounts in which the receipts and expenditure of the Government are reported to the legislature, are constantly reviewed and

updated so that they truly reflect receipts and expenditure in respect of all major activities of the Government in a transparent manner.

During 2011-12, ₹ 1,076.43 crore under 51 revenue receipt major heads and ₹ 11,833.28 crore under 98 revenue and capital outlay expenditure major heads of accounts (representing functions of the Government) were classified under the Minor Head '800- Other Receipts/Expenditure' in the accounts. These constitute more than 0.89 *percent* of the total revenue receipts and 9.57 *per cent* of total revenue and capital outlay expenditure recorded during 2011-12. Receipt heads such as 'Receipts from Maharashtra State Electricity Development Corporation', 'Receipts realised by the Settlement Commissioner and Director of Land Records', 'Unclaimed Loans written off Revenue', etc. with substantial revenue receipts and expenditure heads such as 'Subsidy to the Distribution/Transmission Licencee for reduction in Agriculture and Powerloom Tariff', 'Sarva Shiksha Abhiyan Scheme', 'Financial Assistance to Rashtriya Krishi Vikas Yojana', 'Gaothan Feeder Separation Scheme and Infrastructure Development', 'World Bank assisted Maharashtra Water Sector Improvement Project', 'Grant-in-aid to Municipal Councils/Corporations etc. for Improvement of Road – Normal Road Grants', 'Gharkul Yojana for Scheduled Castes and Nav Boudh People (Urban-SCP)', etc., with substantial revenue and capital outlay expenditure were classified as 'Other Expenditure'.

Scrutiny of Finance Accounts further revealed that a total of ₹ 8,390.15 crore under nine Major Heads of accounts was classified under Minor Head '800-Other expenditure' in the accounts constituting more than 50 *per cent* of the total expenditure recorded under the respective Major Heads as shown in **Table 3.6**.

Table 3.6 : Minor Head '800- Other expenditure' constituting more than 50 *per cent* of the total expenditure recorded under the respective Major Heads

Sr. No.	Major Head	Total Expenditure under the Major Head (₹ in crore)	Expenditure under Minor Head 800- Other Expenditure (₹ in crore)	Percentage of 'Other Expenditure' to 'Total Expenditure'
1	2039 – State Excise	137.49	70.01	50.92
2	2701 – Major and Medium Irrigation	1,927.68	1,089.19	56.50
3	2801 – Power	5,420.21	5,324.49	98.23
4	3001 – Indian Railways – Policy Formulation, Direction, Research and Other Miscellaneous Organisations	42.57	42.50	99.84
5	3055 – Road Transport	4.25	4.25	100
6	4070 – Capital outlay on other Administrative Services	268.40	268.40	100
7	4236 – Capital outlay on Nutrition	65.86	65.86	100
8	4551 – Capital Outlay on Hill areas	72.96	72.96	100
9	4801 - Capital Outlay on Power Projects	1,861.98	1,452.49	78.01
	Total	9,801.40	8,390.15	

(Source: Finance Accounts).

This indicates a high degree of opaqueness in the accounts. Large amounts booked under the minor head '800' affects the transparency and correctness in financial accounting.

3.9 Reconciliation of Receipts and Expenditure

All Controlling Officers are required to reconcile the receipts and expenditure of the Government with the figures accounted for by the offices of the Principal Accountant General (Accounts and Entitlements), I, Maharashtra, Mumbai and Accountant General (Accounts and Entitlements), II, Nagpur and the Pay & Accounts Office, Mumbai. Such reconciliation had been completed for a value of ₹ 1,08,081.62 crore (69.72 per cent) of expenditure against the total expenditure of the Government, amounting to ₹ 1,55,028.98 crore and for ₹ 33,395.35 crore (22.76 per cent) of receipts against the total receipts of the Government amounting to ₹ 1,46,748.77 crore (August 2012).

3.10 Pendency in submission of Detailed Contingent bills against Abstract Contingent bills

As per the MTR, Drawing and Disbursing Officers (DDOs) are required to submit Detailed Contingent (DC) bills (vouchers in support of final expenditure) against Abstract Contingent (AC) bills drawn, within 30 days to the offices of the Principal Accountant General (Accounts and Entitlements) I, Maharashtra, Mumbai, the Accountant General (Accounts and Entitlements) II, Maharashtra, Nagpur and the Pay and Accounts Office, Mumbai.

As on 31 March 2012, 20,624 DC bills amounting to ₹ 1,076.39 crore were not received in the offices of the Principal Accountant General (Accounts and Entitlements) I, Maharashtra, Mumbai, Accountant General (Accounts and Entitlements) II, Maharashtra, Nagpur and the Pay and Accounts, Mumbai. Year-wise details and the department-wise position are given in **Table 3.7** and **Appendix 3.6** respectively.

Table 3.7 : Pendency in submission of DC bills against AC bills

Year	AC Bills drawn		DC Bills received		Outstanding DC Bills	
	Number	Amount	Number	Amount	Number	Amount
Upto 2009-10	96,845	2,994.62	78,927	2,447.11	17,918	547.51
2010-11	3,218	396.55	2,541	83.46	677	313.09
2011-12	3,500	256.42	1,471	40.63	2,029	215.79
Total	1,03,563	3,647.59	82,939	2,571.20	20,624	1,076.39

(Source: Finance Accounts).

3.10.1 Irregular drawal of Abstract Contingent Bills

In accordance with provisions contained in Rule 302 of MTR, bills for countersigned contingencies can only be drawn on AC Bill in form MTR 29. The countersigned contingencies are listed in Statement-II of Appendix I of

Maharashtra Contingent Expenditure Rules, 1965. Treasury Officers should pass AC bills presented by the DDOs with respect to the items listed in the above Appendix. However, it was noticed that the Treasury Officers had passed the AC bills amounting to ₹ 32.62 lakh, for Office Expenses (which is not listed in Statement-II of Appendix I) prepared and presented for payment by the 11⁶⁴ DDOs, resulting in irregular drawal of AC Bills.

3.11 Conclusion

Non-submission of utilisation certificates for ₹ 88,240 crore indicated lack of proper monitoring by the departments of utilisation of grants and loans. Non-submission of the annual accounts for audit by the grantee institutions was fraught with the risk of misutilisation of funds. Due to delays in finalisation of accounts by autonomous bodies/commercial undertakings, the Government's investments in these organisations could not be scrutinised by audit. The large number of the outstanding cases of misappropriations, losses, *etc.* and non-recovery of amounts indicated lack of efforts by the departments to make good the losses and fix responsibility.

Expenditure and receipts to the tune of ₹ 46,947.36 crore and ₹ 1,13,353.42 crore respectively were not reconciled with the figures of Offices of the Principal Accountant General (Accounts and Entitlements) I, Mumbai, Accountant General (Accounts and Entitlements) II, Maharashtra, Nagpur and the Pay and Accounts office, Maharashtra, Mumbai.

The Controlling Officers did not submit Detailed Contingent bills in respect of ₹ 1,076 crore drawn on Abstract Contingent bills upto 31 March 2012. Significant amounts of expenditure and receipts under Central and State schemes, booked under the Minor head '800-Other expenditure' and '800-Other receipts' were not distinctly depicted in the State Finance Accounts of 2011-12, affecting the openness in financial reporting.

3.12 Recommendations

- The departments should ensure timely submission of utilisation certificates in respect of the grants released for specific purposes to the grantee institutions.
- The annual accounts in respect of the autonomous bodies should be submitted in time to the Principal Accountant General (Audit) I, Maharashtra, Mumbai and Accountant General (Audit) II, Maharashtra, Nagpur.
- Departmental enquiries in respect of all fraud and misappropriation cases should be expedited to bring the defaulters to book. Internal controls in all the organisations should be strengthened to prevent such cases.

⁶⁴ Sub Divisional Engineer, Koyna Project, Pune; Regional Transport Office, Pune; Deputy District Election Officer, Pune; Head Clerk to Collector in Raigad, Jalgaon, Sindhudurg; Head Clerk to Commissioner, Konkan Bhavan, Navi Mumbai; Sub Divisional Officer, Ratnagiri; and Tahsildar in Lanja, Guhagar and Ratnagiri.

- A rigorous monitoring mechanism should be put in place in the departments to adjust the advances drawn on Abstract Contingent bills within the stipulated period, as required under the extant rules.

Mumbai,
The 7 February, 2013



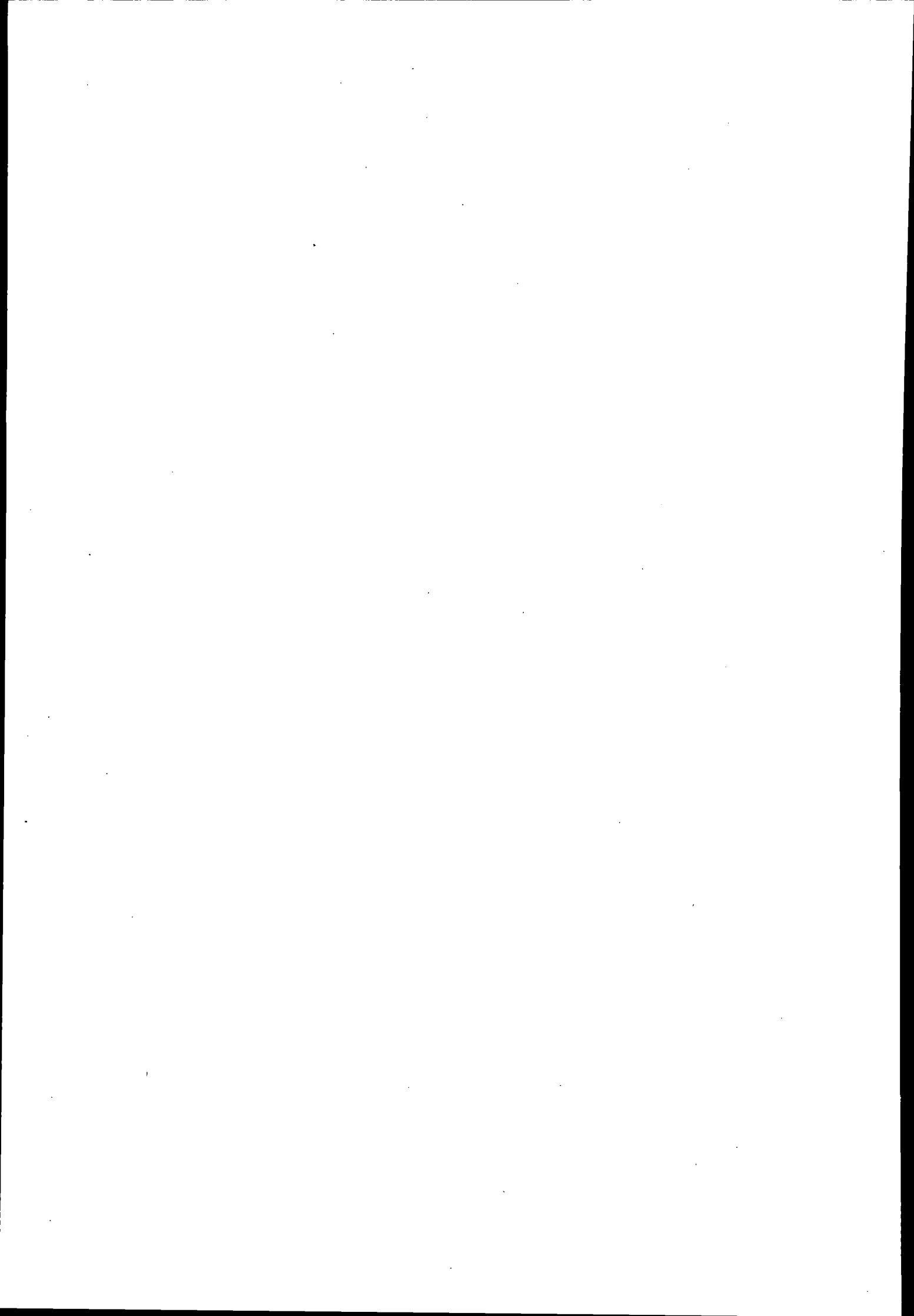
(MALA SINHA)
Principal Accountant General (Audit)-I,
Maharashtra

Countersigned

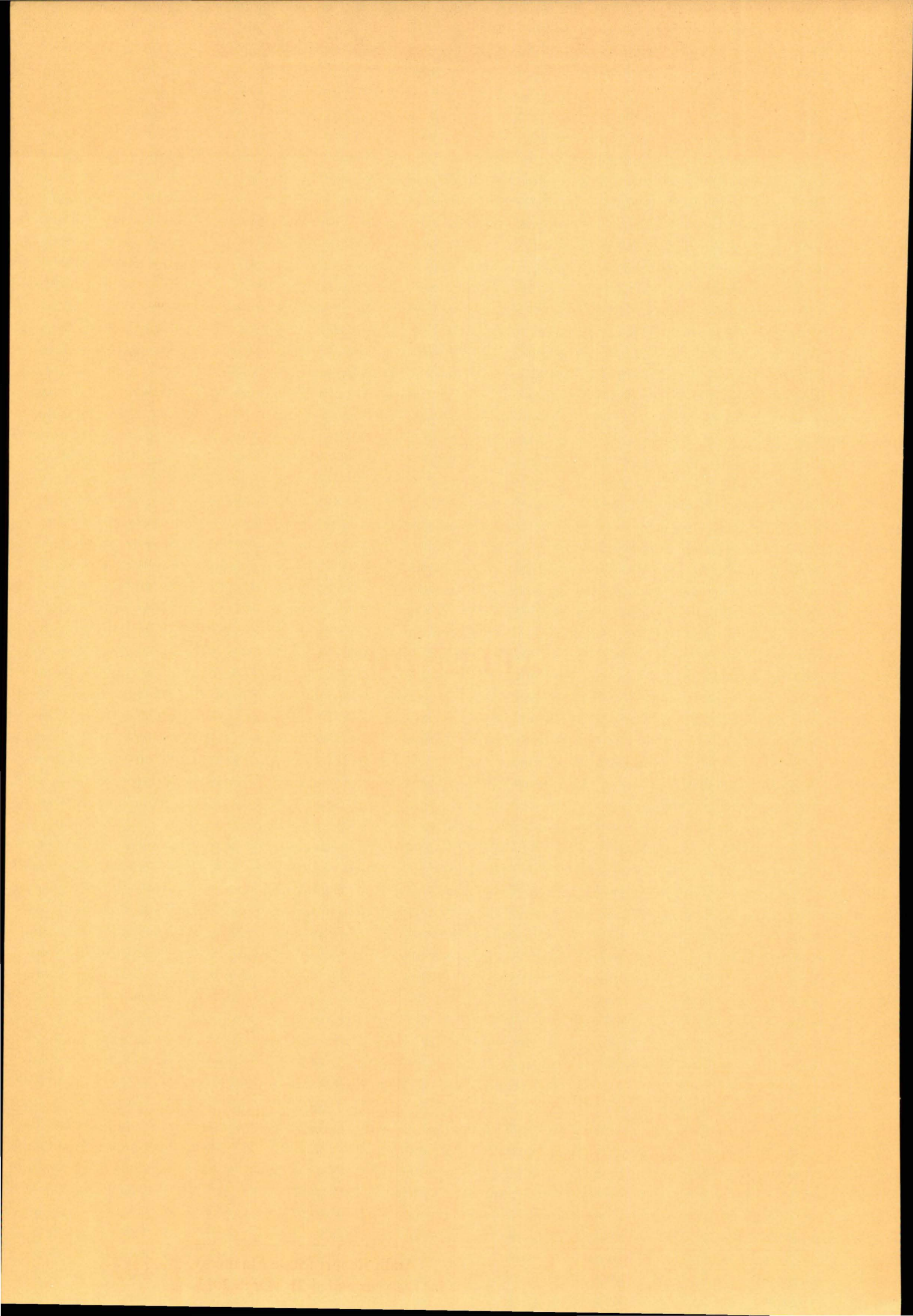
New Delhi,
The 11 February, 2013



(VINOD RAI)
Comptroller and Auditor General of India



APPENDICES



State Profile

(Refer Profile of Maharashtra; Page 1)

A GENERAL DATA*		
Sr.No.	Particulars	Figures
1	Area	3.08 lakh Sq. km.
2	Population	
a.	As per 2001 Census	9.69 crore
b.	2011-12	11.36 crore
3	a. Density of Population (as per 2001 census) (All India Density = 325 persons per Sq. Km.)	315 persons per Sq. km.
	b. Density of Population (as per 2011 census) (All India Density = 382 persons per Sq. Km.)	365 persons per Sq. km.
4	Population Below Poverty Line (BPL) (All India Average = 27.5 per cent)	24.5 per cent
5	a. Literacy (2001) (All India Average = 64.8 per cent)	76.88 per cent
	b. Literacy (2011) (All India Average = 74.0 per cent)	82.90 per cent
6	Infant mortality **(per 1000 live births) (All India Average = 50 per 1000 live births)	28
7	Life Expectancy at birth *** (All India Average = 63.5 years)	67.2 years
8	Gini Coefficient ****	
a.	Rural (All India = 0.30)	0.31
b.	Urban (All India = 0.37)	0.37
9	Gross State Domestic Product (GSDP) 2011-12 at current price	1248453 crore
10	Per capita GSDP CAGR (2002-03 to 2011-12)	
	Maharashtra	15.12 per cent
	General Category States	13.09 per cent
11	GSDP CAGR (2002-03 to 2011-12)	
	Maharashtra	17.17 per cent
	General Category States	14.46 per cent
12	Population growth (2002-03 to 2011-12)	
	Maharashtra	17.23 per cent
	General Category States	13.90 per cent

B FINANCIAL DATA#			
Particulars	2002-03 to 2010-11		2002-03 to 2011-12
	General Category States	Maharashtra	Maharashtra
CAGR	(In per cent)		
a. of Revenue Receipts	16.86	16.55	16.32
b. of Own Tax Revenue	16.74	16.05	16.13
c. of Non Tax Revenue	12.84	7.78	6.80
d. of Total Expenditure	14.58	13.40	13.40
e. of Capital Expenditure	21.25	21.90	19.19
f. of Revenue Expenditure on Education	15.41	14.79	14.35
g. of Revenue Expenditure on Health	14.00	13.23	13.07
h. of Salary and Wages	13.43	14.36	14.52
i. of Pension	16.89	17.02	17.15

* Source of General data: BPL (Planning Commission and NSSO data, 61 Round), **Infant Mortality rate (SRS Bulletin January 2011), ***Life Expectancy of birth (Office of the Registrar General of India, Ministry of Home Affairs) Economic Review 2010-11, ****Gini Coefficient (Unofficial estimates of Planning Commission and NSSO data, 61 Round 2004-05 MRP). Gini co-efficient is a measure of inequality of income among the population. Value rate is from zero to one, closer to zero inequality is less; closer to one inequality is higher.

Financial data is based on the Finance Accounts of the State Government.

PART-A: STRUCTURE OF GOVERNMENT ACCOUNTS :

The accounts of the State Government are kept in three parts: (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266 (1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of the State established under Article 267 (2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account: Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances etc which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature.

Appendix 1.2		PART-B: LAYOUT OF FINANCE ACCOUNTS	
Statement No.		About	
1		Statement of Financial Position	
2		Statement of Receipts and Disbursements	
3		Statement of Receipts in Consolidated Fund	
4		Statement of Expenditure in Consolidated Fund By function and nature	
5		Statement of Progressive Capital expenditure	
6		Statement of Borrowings and Other Liabilities	
7		Statement of Loans and Advances given by the Government	
8		Statement of Grants-in-aid given by the Government	
9		Statement of Guarantees given by the Government	
10		Statement of Voted and Charged Expenditure	
11		Detailed Statement of Revenue and Capital Receipts by minor heads	
12		Detailed Statement of Revenue Expenditure by minor heads	
13		Detailed Statement of Capital Expenditure	
14		Detailed Statement of Investments of the Government	
15		Detailed Statement of Borrowings and Other Liabilities	
16		Detailed Statement on Loans and Advances given by the Government	
17		Detailed Statement on Sources and Application of funds for expenditure other than on revenue account	
18		Detailed Statement on Contingency Fund and Public Account transactions	
19		Detailed Statement on Investments of earmarked funds	

Fiscal Responsibility and Budgetary Management Act and Rules

(Refer Paragraph 1.1; Page 1)

MAHARASHTRA FISCAL RESPONSIBILITY AND BUDGETARY MANAGEMENT (MFRBM) ACT, 2005

The State Government 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. To improve the fiscal position and to bring fiscal stability, the Act envisages progressive elimination of revenue deficit, reduction in fiscal deficit and prudent debt management consistent with fiscal sustainability. To ensure fiscal prudence the Act also provides for greater transparency in fiscal operations of the Government and conduct of fiscal policy in a medium term framework and matters connected therewith or thereto. The Fiscal Responsibility and Budgetary Management Rules (MFRBMR) were framed in February 2006. The major fiscal targets for the State are as under:

- 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.
- 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.

The FRBM Act, 2005, was amended in December 2006 and renamed as Fiscal Responsibility and Budgetary Management (Amendment) Act, 2006.

The Fiscal Responsibility and Budgetary Management Rules (MFRBMR) were amended in February 2008 and renamed as Fiscal Responsibility and Budgetary Management (Amendment) Rules, 2008, having no major changes with respect to fiscal targets. It was further amended in July 2011 and renamed as Fiscal Responsibility and Budgetary Management (Second Amendment) Rules, 2011. The major fiscal targets for the State were amended as under:

- The State Government shall maintain a revenue surplus in 2011-12 and thereafter.
- The fiscal deficit of the State Government shall not exceed 3 *per cent* of GSDP in 2010-11 and thereafter.
- The State Government shall maintain the outstanding debt to GSDP upto 26.3 *per cent* in 2010-11, 26.1 *per cent* in 2011-12, 25.8 *per cent* in 2012-13, 25.5 *per cent* in 2013-14 and 25.3 *per cent* in 2014-15.

The Fiscal Responsibility and Budgetary Management Rules (MFRBMR) were further amended in March 2012 and was renamed as Fiscal Responsibility and Budgetary Management (Amendment) Rules, 2012. However, there were no changes in the targets fixed earlier.

Medium Term Fiscal Policy Statement

- As prescribed in the Act, the State Government laid a Medium Term Fiscal Policy Statement (MTFPS) and a Fiscal Policy Strategy Statement along with the budget before the Legislature in March 2011. MTFPS presents three years rolling targets, assumptions underlying the fiscal indicators and assessment of sustainability relating mainly to (i) balance between revenue receipts and revenue expenditure and (ii) the use of capital receipts for generating productive assets.
- The revenue balance continues to be adverse due to the upward revision of salaries on the basis of the Sixth Pay Commission. Fiscal deficit will be maintained at 3 *per cent* of GSDP so as to avoid a disruptive squeeze on plan expenditure. The medium term objective would be to consolidate economic growth with consequent high growth in revenues and channelise public expenditure for human resource development and infrastructure development. At the same time, it has been ensured that public investment in Agriculture, Human Development and Infrastructure is not squeezed and the State GSDP would grow around 9 *per cent* in real terms over the next three years.
- The State Government has developed its own Fiscal Correction Path (FCP) indicating the milestones of outcome indicators with target dates of implementation during the period from 2007-08 to 2013-14 keeping in view the fiscal targets laid down in the FRBM Act and/or the rules made thereunder.

Outcome indicators of the State's own Fiscal Correction Path

(Reference: Paragraph 1.1 ; Page 1)

(₹ in crore)

Item	2009-10 Actuals	2010-11 RE	2011-12 BE	2012-13 Projections	2013-14 Projections	2014-15 Projections
A. STATE REVENUE ACCOUNT						
1. States Own Tax Revenue	59106.30	73495.65	83686.07	93945.98	105412.63	119554.95
2. States own Non-Tax Revenue	8352.61	8993.45	9730.83	10314.68	10933.56	11589.57
3. SOTR + NONTR (1+2)	67458.91	82489.10	93416.90	104260.66	116346.19	131144.52
4. Share in Central Taxes	8248.16	11419.24	13718.05	15089.86	16598.84	18424.71
5. Plan Grants	7496.25	10573.60	11232.74	12131.36	13101.87	14150.02
6. Non plan Grants	3706.97	2677.29	3136.23	3387.13	3658.10	3950.75
7. Total Central Transfer (4 to 6)	19451.38	24670.13	28087.02	30608.34	33358.81	36525.48
8. Total Revenue Receipts (3+7)	86910.29	107159.23	121503.92	134869.00	149705.00	167670.00
9. Plan Revenue Expenditure	16723.58	21164.60	25904.01	25000.00	27750.00	30802.50
10. Non-Plan Revenue Expenditure	78192.59	91682.27	95541.70	109832.00	121699.00	135130.00
11. Salary Expenditure	35173.00	43391.00	48761.00	55805.00	60665.00	63545.00
12. Pension	6946.12	11384.00	11431.00	12802.72	14339.05	16059.73
13. Interest Payments (Govt Debt)	14110.50	15565.55	17540.13	21117.00	23647.00	26491.00
Subsidies - Total (14+15)	9346.96	7949.10	7099.63	7667.60	8281.01	8943.49
14. Subsidies - General	5992.67	4817.66	4099.63	4427.60	4781.81	5164.35
15. Subsidies - Power	3354.29	3131.44	3000.00	3240.00	3499.20	3779.14
16. Total Revenue Expdr (9+10)	94916.17	112846.87	121445.71	134832.00	149449.00	165932.50
17. Salaries+Pension+Interest (11+12+13)	56229.62	70340.55	77732.13	89724.72	98651.05	106095.73
18. as % of Revenue Receipts (17/8)	64.70%	65.64%	63.97%	66.53%	65.90%	63.28%
19. Revenue Surplus/ Deficit (8-16)	(-) 8005.88	(-) 5687.64	58.21	37.00	256.00	1737.50
B. CONSOLIDATED REVENUE ACCOUNT						
1. Interest payments(Off-Budget Debt)	727.50	536.45	508.87	500.00	500.00	490.00
2. Consolidated Revenue Deficit (19-B 1)	(-) 8733.38	(-) 6224.09	(-) 450.66	(-) 463.00	(-) 244.00	1247.50
C. CONSOLIDATED DEBT						
1. Outstanding debt & liability incl off budget	181447.00	205689.00	226926.00	253449.48	283154.48	316424.08
2. Total Outstanding guarantees of which guarantee on account of borrowings & SPV borrowings	17319.55	15040.87	14992.00	14678.00	14222.00	13982.00
D. CAPITAL ACCOUNT						
1. Capital Outlay	17428.66	18823.27	22438.91	26099.06	29473.42	34491.99
2. Disbursement of Loans & Adv	1261.06	1108.59	898.72	982.94	1061.58	1148.51
3. Recoveries of Loans & Adv	514.84	577.82	474.58	522.00	574.00	631.40
4. Other Capital Receipts	25.07	0.00	0.00	0.00	0.00	0.00
E1. Fiscal Deficit (19+D1+D2-D3-D4)	26155.69	25041.68	22804.84	26523.00	29705.00	33269.60
E2. Gross Fiscal Deficit (E1+B1)	26883.19	25578.13	23313.71	27023.00	30205.00	33759.60
GSDP at current prices	901330	1029621	1184064	1326152	1485290	1663525

(Source: Information received from Government).

Time series data on
State Government Finances

(Reference: Paragraph 1.3; Page 7)

(₹ in crore)

	2007-08	2008-09	2009-10	2010-11	2011-12
(1)	(2)	(3)	(4)	(5)	(6)
Part A: Receipts					
1. Revenue Receipts	79583.15	81270.68	86910.29	105867.82	121286.14**
(i) Tax Revenue	47528.45(60)	52029.94(64)	59106.34(68)	75027.10(71)	87608.46(72)
Taxes on Agricultural Income	0.05(0)	0	0	0	0(0)
Taxes on Sales, Trade, etc.	26752.80(54)	30680.53(59)	32676.02(55)	42482.72(57)	50596.36(58)
State Excise	3963.05(8)	4433.76(8)	5056.63(9)	5961.85(8)	8605.47(10)
Taxes on Vehicles	2143.10(4)	2220.22(4)	2682.30(5)	3532.90(5)	4137.42(5)
Stamps and Registration fees	8549.57(17)	8287.63(16)	10773.65(18)	13515.99(18)	14407.49(16)
Land Revenue	512.22(01)	546.22(1)	714.04(1)	1094.98(1)	963.81(1)
Taxes on Goods and Passengers	388.27(1)	891.95(2)	976.60(2)	599.88(1)	574.25(1)
Other Taxes	5219.39(11)	4969.63(10)	6227.10(10)	7838.78(10)	8323.66(9)
(ii) Non-tax Revenue	16947.97(21)	9789.94(12)	8352.61(10)	8225.04(8)	8167.70**(7)
(iii) State's share of Union taxes and duties	7597.18(10)	8018.41(10)	8248.11(9)	11419.78(11)	13343.34(11)
(iv) Grants-in-aid from GOI	7509.55(9)	11432.39(14)	11203.23(13)	11195.90(10)	12166.64(10)
2. Miscellaneous Capital Receipts	0.00	18.01	25.07	17.28	455.83(72)
3. Recoveries of Loans and Advances	732.59	560.21	514.84	640.09	558.74
4. Total revenue and Non-debt capital receipts (1 + 2 + 3)	80315.74	81848.90	87450.20	106525.19	122300.71
5. Public Debt Receipts	11807.66	20709.02	21564.42	20739.78	24452.56
Internal Debt (excluding Ways and Means Advances and Overdrafts)	11478.45	20323.44	20812.20	19919.86	24146.19
Net transactions under Ways and Means Advances and Overdraft	0.00	0.00	0.00	0.00	0.00
Loans and Advances from Government of India ⁵	329.21	385.58	752.22	819.92	306.37
6. Appropriation from Contingency Fund	350.00	400.00	600.00	0.00	1000.00
7. Inter State settlement	0.00	0.00	0.00	0.00	0.00
8. Total receipts in the Consolidated Fund (4+5+6+7)	92473.40	102957.92	109614.62	127264.97	147753.27
9. Contingency Fund Receipts	405.36	708.94	351.93	853.00	511.20
10. Public Accounts receipts	19785.69	37356.22	44071.51	48406.32	53389.38
11. Total receipts of the State (8+9+10)	112664.45	141023.08	154038.06	176524.29	201653.85
Part B: Expenditure					
12. Revenue expenditure (Per cent of 15)	64780.05(84)	75693.92(79)	94915.97(84)	106459.38(85)	123554.19(87)
Plan	10275.43(16)	12408.31(16)	16736.93(18)	16927.59(16)	22035.04(18)
Non-Plan	54504.62(84)	63285.61(84)	78179.04(82)	89531.79(84)	101519.15(82)
General Services (incl. Interests payments)	23846.42(37)	26584.71(35)	32070.96(34)	37704.23(36)	42852.88(35)
Social Services	26773.05(41)	31052.20(41)	41004.66(43)	48282.06(45)	54812.21(44)
Economic Services	13236.89(20)	16813.24(22)	20371.94(21)	19285.36(18)	24868.75(20)
Grants-in-aid and Contribution	923.69(02)	1243.77(2)	1468.41(2)	1187.73(1)	1020.35(1)
13. Capital Expenditure (Per cent of 15)	11489.61(15)	18873.21(20)	17428.66(15)	17963.37(14)	17879.54(12)
Plan	9466.93(82)	12775.78(68)	14668.30(84)	15654.05(87)	15031.38(84)
Non-Plan	2022.68(18)	6097.43(32)	2760.36(16)	2309.32(13)	2848.16(16)
General Services	341.62(03)	459.26(2)	712.01(4)	541.49(3)	795.91(4)
Social Services	742.54(06)	2064.67(11)	1478.86(9)	1240.71(7)	2096.95(12)
Economic Services	10405.45(91)	16349.28(87)	15237.79(87)	16181.17(90)	14986.68(84)

Figures in brackets represent percentages (rounded) to total of each sub-heading

⁵ Includes Ways and Means Advances from GOI.

** Includes ₹ 170.23 crore, the outstanding central loans under Central Plan Schemes and Centrally Sponsored Schemes advanced to State Governments by the Ministries other than Ministry of Finance written off as per the recommendation of the Thirteenth Finance Commission (ThFC).

Appendix - 1.5 (contd.)

(₹ in crore)					
(1)	(2)	(3)	(4)	(5)	(6)
14. Disbursement of Loans and Advances (Per cent of 15)	1225.16(1)	1280.59(1)	1261.08(1)	959.08(1)	836.28(1)
15. Total (12+13+14)	77494.82	95847.72	113605.71	125381.83	142270.01
16. Repayments of Public Debt	2745.48	3220.77	3825.39	4773.61	6458.35
Internal Debt (excluding Ways and Means Advances and Overdrafts)	2332.80	2800.24	3398.45	4290.63	5837.92
Net transactions under Ways and Means Advances and Overdrafts	0.00	0.00	0.00	0	0.00
Loans and Advances from Government of India ⁵	412.68	420.53	426.94	482.98	620.43
17. Appropriation to Contingency Fund	350.00	650.00	350.00	850.00	500.00
18. Total disbursement out of Consolidated Fund (15+16+17)	80590.30	99718.49	117781.10	131005.44	149228.36
19. Contingency Fund disbursements	408.94	401.93	603.00	11.20	1000.00
20. Public Account disbursements	27618.79	30506.56	31721.02	39557.62	46962.93
21. Total disbursement by the State (18+19+20)	108618.03	130626.98	150105.12	170574.26	197191.29
Part C: Deficits					
22. Revenue Deficit(-)/Surplus (+) (1-12)	14803.10	5576.76	(-)8005.68	(-)591.56	(-)2438.28 [@]
23. Fiscal Deficit (-)/Surplus (+) (4-15)	2820.92	(-)13998.82	(-)26155.51	(-)18856.64	(-)20139.53 [@]
24. Primary Deficit (-)/Surplus (+) (23-25)	15024.93	(-)1699.51	(-)12045.01	(-)3208.67	(-)2634.90 [@]
Part D: Other Data					
25. Interest Payments (included in revenue expenditure)	12204.01	12299.31	14110.50	15647.97	17504.63
26. Financial Assistance to local bodies etc.	28289.67	35668.96	44,589.32	47,646.45	55,363.01
27. Ways and Means Advances/Overdraft availed (days)					
Ways and Means availed (days)	25	21	nil	nil	nil
Overdraft availed (days)	nil	nil	nil	nil	nil
28. Interest on WMA/Overdraft	3.18	0.67	0.00	0.00	0.00
29. Gross State Domestic Product (GSDP)	590995 ^C	692749 ^C	901330 ^C	1068327 ^C	1248453 ^D
30. Outstanding Fiscal liabilities (year end)	158114	179262	203165	229569	255756
31. Outstanding guarantees (year end)^A (including interest)	58275.62	51470.55	42683.10	15040.87	15040.87 [*]
32. Maximum amount guaranteed (year end)	84163.83	88371.06	73958.00	44413.93	28139.20
33. Number of incomplete projects	122	144	209	233	614
34. Capital blocked in incomplete projects	5560.27	5341.74	5632.95	5699.76	43681.43 ^{&}

(Source: Finance Accounts of respective years).

⁵ Includes Ways and Means Advances from GOI.

^D Advance estimates as furnished by Directorate of Economics and Statistics, Government of Maharashtra.

^C Based on Economic Survey of Maharashtra.

^{*} Position as on 31 March 2011, as the information is awaited from the concerned Institution/Government of Maharashtra (August 2012)

[@] Excludes write-off of central loans (₹ 170.23 crore) from the Revenue Receipts.

[&] Includes incomplete projects if Maharashtra Krishna Valley Development Corporation, Konkan Irrigation Development Corporation, Vidarbha Irrigation Development Corporation (Also refer Appendix 1.9).

Appendix - 1.5 (concl.)

(₹ in crore)

(1)	(2)	(3)	(4)	(5)	(6)
Part E: Fiscal Health Indicators (all figures in percent)					
I. Resource Mobilization					
Own Tax revenue/GSDP	8.04	7.51	6.56	7.29	7.02
Own Non-Tax Revenue/GSDP	2.87	1.41	0.93	0.80	0.65
Central Transfers/GSDP	1.29	1.16	0.92	1.11	1.07
II. Expenditure Management					
Total Expenditure/GSDP	13.1	13.8	12.6	12.2	11.40
Total Expenditure/Revenue Receipts	97.4	117.9	130.7	118.4	117.30
Revenue Expenditure/Total Expenditure	83.6	79.0	83.5	84.9	86.84
Expenditure on Social Services/ Total Expenditure	35.5	34.6	37.4	39.5	40.00
Expenditure on Economic Services/ Total Expenditure	30.5	34.6	31.3	28.3	28.01
Capital Expenditure/Total Expenditure	14.8	19.7	15.3	14.3	12.57
Capital Expenditure on Social and Economic Services/Total Expenditure.	14.4	19.2	14.7	13.9	12.01
III. Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	2.5	0.8	(-0.9)	(-0.1)	(-0.2)
Fiscal deficit/GSDP	0.5	(-2)	(-2.9)	(-1.8)	(-1.6)
Primary Deficit (surplus) /GSDP	2.5	(-0.2)	(-1.3)	(-0.3)	(-0.2)
Revenue Deficit/Fiscal Deficit	0	0	30.6	3.1	12.1
Primary Revenue Deficit/GSDP	4.7	2.7	0.7	1.5	1.3
IV. Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	26.8	25.9	22.5	22.3	20.5
Fiscal Liabilities/RR	198.7	220.6	233.8	216.8	210.9
Primary deficit vis-à-vis quantum spread (%) [#]	115.41	(-10.82)	(-29.56)	(-13.98)	(-11.89)
Debt Redemption (Principal +Interest)/ Total Debt Receipts	173.0	75.8	74.08 [#]	87.71	87.19
V. Other Fiscal Health Indicators					
Return on Investment	0.28	0.13	0.13	0.06	0.04
Balance from Current Revenue (₹ in crore)	20238	9984	9562	8345	10331
Financial Assets/Liabilities (in ratio)	0.7	0.8	0.8	0.8	0.8

¹ There was revenue surplus and fiscal surplus.

² There was revenue surplus and fiscal deficit.

[#] Figures differs from previous year due to correction.

Abstract of Receipts and Disbursements
for the year 2011-12

(Reference: Paragraph 1.1.1 Page 1)

(₹ in crore)

Receipts				Disbursements					
2010-11			2011-12	2010-11		Non-Plan	Plan	Total	2011-12
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
SECTION-A : REVENUE									
105867.82	I. Revenue receipts		121286.14	106459.38	I. Revenue expenditure	101519.15	22035.04	123554.19	123554.19
75027.10	Tax revenue	87608.46		37704.23	General services	42352.03*	500.85	42852.88	
				48282.06	Social services	40525.19*	14287.02	54812.21	
8225.04	Non-tax revenue	8167.70		26943.47	Education, Sports, Art and Culture	27979.45	1899.36	29878.81	
				4474.41	Health and Family Welfare	3635.69	1365.94	5001.63	
11419.78	State's share of Union Taxes	13343.34		6509.40	Water Supply, Sanitation, Housing and Urban Development	2196.77	5241.03	7437.80*	
				46.74	Information and Broadcasting	42.20	5.30#	47.50	
2303.78	Non-Plan grants	1723.10		4517.92	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2158.24	2958.39	5116.63	
				646.08*	Labour and Labour Welfare	498.57	222.10	720.67	
5805.14	Grants for State Plan Scheme	6380.06		5076.17	Social Welfare and Nutrition	3957.27	2583.80	6541.07	
				67.87	Others	57.00	11.10	68.10	
3086.98	Grants for Central and Centrally sponsored Plan Schemes	4063.48		19285.36	Economic Services	17743.52*	7125.23	24868.75	
				5636.44	Agriculture and Allied Activities	3848.79	2296.42	6145.21	
				2243.04	Rural Development	1135.52	1388.97	2524.49	
				58.69	Special Areas Programmes	0.46	43.40	43.86	
				2522.45	Irrigation and Flood Control	1987.84*	712.68	2700.52	
				3619.03	Energy	5269.94	256.78#	5526.72	
				870.49*	Industry and Minerals	2506.58	39.24	2545.82	
				3418.02	Transport	2731.53	1467.71	4199.24	
				60.95	Science, Technology and Environment	0.04	67.27	67.31	
				856.25	General Economic Services	262.82	852.76	1115.58	
				1187.73	Grants-in-aid and Contributions	898.41	121.94	1020.35	
591.56	II. Revenue deficit carried over to Section B		2268.05	0.00	II. Revenue Surplus carried over to Section B				0.00

* Higher rounding. # Lower rounding

Note: Revenue receipts of 2011-12 include ₹ 170.23 crore, the outstanding central loans under Central Plan Schemes and Centrally Sponsored Schemes advanced to State Governments by the Ministries other than Ministry of Finance written off as per the recommendation of the Thirteenth Finance Commission (ThFC).

Appendix - 1.6 (contd.)

(₹ in crore)

Receipts				Disbursements					
2010-11			2011-12	2010-11		Non-Plan	Plan	Total	2011-12
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
SECTION B									
25559.36	III. Opening Cash balance including Permanent Advances and Cash Balance Investment		31509.39	0	III. Opening Overdraft from RBI				0
17.28	IV. Miscellaneous Capital receipts		455.83	17963.37	IV. Capital Outlay	2848.16	15031.38	17879.54	17879.54
				541.49	General Services	55.80*	740.11	795.91	
				1240.71	Social Services	351.92	1745.03	2096.95	
				139.90	Education, Sports, Art and Culture	0.00	154.82	154.82	
				182.55	Health and Family Welfare	0.00	405.06	405.06	
				329.85	Water Supply, Sanitation, Housing and Urban Development	361.86	87.33	449.19	
				477.44	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0.00	877.75	877.75	
				21.22	Social Welfare and Nutrition	(-)9.94*	90.96	81.02	
				89.75	Others	0.00	129.11	129.11	
				16181.17	Economic Services	2440.44	12546.24	14986.68	
				1407.26	Agriculture and Allied Activities	359.03	876.53*	1235.56	
				776.25	Rural Development	0.00	870.62	870.62	
				63.13	Special Area Programme	0.00	72.96	72.96	
				9131.49	Irrigation and Flood Control	1948.70#	6082.44	8031.14	
				2105.40	Energy	0.00	1861.98	1861.98	
				2.91	Industry and Minerals	0.00	4.85	4.85	
				2508.56	Transport	49.34	2763.54*	2812.88	
				186.17*	General Economic Services	83.37	13.32	96.69	
				0	Science Technology and Environment	0.00	0.00	0.00	
640.09	V. Recoveries of Loans and Advances		558.74	959.08	V. Loans and Advances disbursed				836.28
99.64	From Power Projects		183.20	24.35	For Power Projects			187.62	
209.38	From Government Servants		213.26	239.88	To Government Servants			212.17	
331.07	From others		162.28	694.85	To Others			436.49	
0	VI. Revenue surplus brought down		0.00	591.56	VI. Revenue deficit brought down				2268.05

* Higher rounding.

Appendix - 1.6 (concl.)

(₹ in crore)

Receipts				Disbursements					
2010-11			2011-12	2010-11		Non-Plan	Plan	Total	2011-12
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
20739.78	VII. Public Debt receipts		24452.56	4773.61	VII. Repayment of Public Debt				6458.35
	External debt	0.00			External debt			0.00	
19919.86	Internal debt other than Ways and Means Advances and Overdraft	24146.19		4290.63	Internal debt other than Ways and Means Advances and Overdraft			5837.92	
	^A Net transactions under Ways and Means Advances including Overdraft	0.00		^A	Net transactions under Ways and Means Advances including Overdraft			0.00	
819.92	Loans and Advances from Central Government	306.37		482.98	Repayment of Loans and Advances to Central Government			620.43	
0	VIII. Appropriation from Contingency Fund		1000	850.00	VIII. Appropriation to Contingency Fund				500.00
853.00	IX. Contingency Fund		511.20	11.20	IX. Contingency Fund				1000.00
48406.32	X. Public Account receipts		53389.38	39557.62	X. Public Account disbursements				46962.93
3882.03	Small Savings and Provident Funds	4449.03		1859.95	Small Savings and Provident Funds			2188.66	
3346.12	Reserve Funds	3052.51		1192.91	Reserve Funds			1653.02	
(-)992.59	Suspense and Miscellaneous	(-)1491.27		111.38	Suspense and Miscellaneous			17.97	
20253.24	Remittances	21834.84		20735.14	Remittances			22090.59	
21917.52	Deposits and Advances	25544.27		15658.24	Deposits and Advances			21012.69	
	XI. Closing Overdraft from Reserve Bank of India			31509.39	XI. Cash Balance at end				35971.95
				0.17	- Cash in Treasuries			0.14	
	XII. Inter State Settlement		0	(-)1276.75	- Deposits with Reserve Bank			(-)368.47	
				47.64	- Local Remittances			33.55	
				132.45	- Departmental Cash Balance			3.89	
				0.46	- Permanent Advances			0.47	
				23986.65	- Cash Balance Investment			25884.62	
				8618.77	- Investment of earmarked balances			10417.75	
96215.83	Total		111877.10	96215.83	Total				111877.10

(Source: Finance Accounts).

^A Represents nil receipt and disbursement.

Summarised financial position of the Government of Maharashtra as on 31 March 2012

(Reference: Paragraphs 1.7.1; Page 38)

		(₹ in crore)	
As on 31.03.2011	LIABILITIES	As on 31.03.2012	
158313.73	Internal Debt		176622.00
70384.71	Market Loans bearing interest	89804.12	
21.65	Market Loans not bearing interest	21.74	
1637.89	Loans from LIC	1386.52	
86269.48	Loans from other institutions	85409.62	
--	Ways and Means Advances/Overdrafts from Reserve Bank of India	--	
9086.10	Loans and Advances from Central Government		8772.04
6.73	Pre 1984-85 Loans	6.73	
88.34	Non-Plan Loans	82.18	
8804.65	Loans for State Plan Schemes	8682.93	
5.10	Loans for Central Plan Schemes	0.17*	
181.28	Loans for Centrally Sponsored Plan Schemes	0.03	
0	Ways and Means Advances	0	
988.80	Contingency Fund		500.00
14711.47	Small Savings, Provident funds etc.		16971.84
27965.24	Deposits		32497.71
19492.53	Reserve Funds		20892.02
9844.05	Suspense and Miscellaneous Balances		8334.80
1696.95	Remittances		1441.20
242098.87	TOTAL		266031.61
As on 31.03.2011	ASSETS	As on 31.03.2012	
138056.81	Gross Capital Outlay on Fixed Assets		155936.62
74391.39	Investments in shares of Companies, Corporations etc.	83016.00	
63665.42	Other Capital Outlay	72920.62	
19909.08	Loans and Advances		20186.63
5380.01	Loans for Power Projects	5384.43	
13478.87	Other Development Loans	13753.09	
1050.20	Loans to Government servants	1049.11	
11.43	Advances		12.32
31509.39	Cash		35971.95
0.17	Cash in Treasuries	0.14	
(-)1276.75	Deposits with Reserve Bank	(-)368.47	
47.64	Local remittances	33.55	
132.45	Departmental Cash Balance	3.89	
0.46	Permanent Advances	0.47	
23986.65	Cash Balance Investments	25884.62	
8618.77	Investment of earmarked balances	10417.75	
52672.62	Deficit on Government Accounts		54440.66
591.56	(i) Revenue Deficit of the Current Year	2268.05	
34.87*	(ii) Pro forma correction	0.00	
849.95	(iii) Amount closed to Government Accounts	(-)500.01	
51265.98	Accumulated deficit upto 31 March 2008	52672.62	
(-)60.46	Capital Receipts		(-)516.57
(-)43.18	Upto previous year	(-)60.74 [§]	
(-)17.28	During the year	(-)455.83	
242098.87	TOTAL		266031.61

(Source: Finance Accounts).

Explanatory Notes for Appendices 1.5, 1.6 and 1.7

The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts. Government accounts being mainly on cash basis, the deficit on Government account, as shown in Appendix 1.7, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures, etc., do not figure in the accounts. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlements, etc. There was a difference of ₹ 0.97 crore (debit) between the figures reflected in the Accounts and that intimated by the Reserve Bank of India under "Deposits with Reserve Bank". The difference is mainly due to "Treasury/Bank of ₹ 0.97 crore.

* Higher rounding

§ differs by ₹ 0.28 crore due to proforma correction.

Statement of Funds transferred by Government of India directly to State implementing agencies

(Refer paragraph 1.2.2; Page 6)

(₹ in crore)

GOI Scheme	Implementing Agency	Funds released by Government of India		
		2010-11	2011-12	Increase(+)/ Decrease (-)
(1)	(2)	(3)	(4)	(5)
DRDA- Administration (75:25)	District Rural Development Agency	20.88	32.93	12.05
Indira Awas Yojana(75:25)		547.33	533.71	(-)13.62
Swaranajayanti Gram Swarojgar Yojana(75:25)		342.86	315.38	(-)27.48
National Rural Employment Guarantee Scheme(100:00)		224.31	1040.44	816.13
Integrated Watershed Management Programme (92:08)		327.34	418.78	91.44
Sarva Shiksha Abhiyan(60:40)	Maharashtra Prathamik Shikshan Parishad	855.37	1179.63	324.26
Micro Irrigation (80:20)	Agriculture Technology Management Agency	222.37	....	(-)222.37
Swaranajayanti Shahari Rojgar Yojana(75:25)	State Urban Development Agency	105.64	54.06	(-)51.58
Pradhan Mantri Gram Sadak Yojana (100:00)	Maharashtra Rural Roads Development Agency	1242.55	796.01	(-)446.54
Accelerated Rural Water Supply Scheme(100:00)	State Water and Sanitation Mission.	0.00	718.36	718.36
Central Rural Sanitation Scheme(100:00)		129.12	58.00	(-)71.12
National Rural Health Mission (85:15)		675.29	1152.65	477.36
National Rural Health Mission (NRHM) Central Sector (100:00)	State Health Society Maharashtra	3.04	1.19	(-)1.85
National Rural Health Mission (NRHM) Central Sector (100:00)	International Institute for Population Sciences	12.35	28.50	16.15
Hospitals and Dispensaries (Under NRHM) (100:00)	State Health Society Maharashtra	0.06	8.80	8.74
National Programme for Prevention and Control of Fluorosis (100:00)		1.26	5.86	4.60
Development and Upgradation of Ayush Institutes/ Colleges.(100:00)		3.68	1.00	(-)2.68
National AIDS Control Programme including STD Control (100:00)	Maharashtra State AIDS Control Society Mumbai Districts AIDS Control Society	69.20 19.70	47.22 15.81	(-)21.98 (-)3.89
Tobacco Control (100:00)	International Institute for Population Sciences.	1.49	....	(-)1.49
MPs Local Area Development Scheme (100:00)	District Collector, Maharashtra.	153.00	191.50	38.50
Medicinal Plants.(100:00)	Maharashtra State Horticulture and Medicinal Plants Board.	0.97	3.27	2.30
Poultry Venture Capital Fund(100:00)	National Bank for Agriculture and Rural Development	25.69	8.56	(-)17.13
Crime and Criminal Tracking Network and System. (100:00)	Maharashtra State Police Housing Welfare Corporation Ltd.	58.26	13.18	(-)45.08
National Project for Cattle and Buffalo Breeding. (100:00)	Maharashtra Livestock Development Board	11.40	10.00	(-)1.40
Special Package for 31 Suicide Prone Districts (100:00)	Maharashtra Livestock Development Board	....	....	....
Adult Education and Skill Development Scheme (100:00)	State Literacy Mission Authority, Maharashtra	5.42	0.09	(-)5.33

Appendix - 1.8 (concl.)

(₹ in crore)

GOI Scheme	Implementing Agency	Funds released by Government of India		
		2010-11	2011-12	Increase(+)/ Decrease (-)
(1)	(2)	(3)	(4)	(5)
Assistance to State for Developing Export Infrastructure and Allied Activities (ASIDE).(100:00)	Maharashtra Industrial Development Corporation Ltd	7.93	....	(-)7.93
National Afforestation and Eco Development Board. (100:00)	Agriculture Finance Corporation Ltd.	0.66	4.76	4.10
Grid Interactive Renewable Power MNRE (100.00).	The Maharashtra State Co-operative Bank Limited	33.36	26.13	(-)7.23
Handlooms (100:00)	Maharashtra State Handloom Corporation Ltd.	0.74	....	(-)0.74
National Horticulture Mission (85:15)	Maharashtra State Horticulture and Medicinal Plants Board	126.14	93.99	(-)32.15
	National Horticulture Research and Development Foundation	13.68	9.76	(-)3.92
	National Research Centre for Citrus	4.00	4.20	0.20
Development of Market Infrastructure Grading and Standardisation (100:00)	National Bank for Agriculture and Rural Development	101.47	219.64	118.17
Gramin Bhandar Yojana (100:00)		96.03	....	(-)96.03
Dairy Venture Capital Fund (100:00)		32.40	....	(-)32.40
Integrated Development of Small Ruminant and Rabbits. (100:00)		2.00	4.00	2.00
Establishment of Poultry States.(100:00)		2.70	0.08	(-)2.62
National Bamboo Mission (100:00)	Director of Social Forestry Maharashtra State.	3.00	....	(-)3.00
Pollution Abatement (100:00)	Maharashtra Pollution Control Board	1.80	1.91	0.11
Development and Strengthening of infrastructure facilities for production and distribution of quality Seeds. (100:00)	Maharashtra State Seeds Corporation Ltd.	9.10	2.50	(-)6.60
National Food Security Mission(100:00)	Maharashtra State Seeds Corporation Ltd.	4.64	4.88	0.24
	Maharashtra Small Farmers Agri. Business Consortium	147.12	136.85	(-)10.27
	Total	5645.35	7143.63	1498.28

(Source: Finance Accounts and CPSMS portal of the Ministry of Finance).

Department-wise profile of incomplete projects

(Refer paragraph 1.6.2; Page 30)

(₹ in crore)

Department	No. of incomplete projects	Initial Budgeted cost	Revised total Cost	Cost overrun ^s	Cumulative actual expenditure as on 31.3.2012		
Public Works	Buildings	42	202.89	NA-1(B)/NA-2C	0.00	89.55	
		8	39.58	0	0.00	40.60	
		1	0	0	0.00	1.40	
		7	19.13	0	0.00	43.16	
	Housing	4	7.62	0	NA	6.02	
	Roads	55	238.53	NA-1(B)/NA-2(C)	0.00	107.57	
		6	15.97	0	0	11.13	
		2	0	0	0	5.51	
		21	28.05	0	0	35.15	
		Bridges	24	58.15	NA-1(B)/NA-2(C)	0.00	33.99
			1	0	0	0	6.25
			4	9.37	0	0.00	4.79
		13	13.46	0	0.00	26.30	
	Total	188	632.75	0	0	411.42	
Water Resources	MKVDC	1*	11.62	108.58	96.96	375.95	
		5	273.58	3337.29	3063.71	2773.65	
	KIDC	6	24.93	430.52	405.59	399.35	
		VIDC	40#	697.40	697.40	0.00	1002.37
	54*		949.20	0.00	0.00	425.89	
	58#		1700.22	0.00	0.00	14759.98	
	42		261.97	1040.92	778.95	1133.29	
	GMIDC	1#	73.76	73.76	0.00	23.92	
		2#	25.52	0.00	0.00	18.49	
		63	4100.49	15515.10	11414.61	12158.41	
	TIDC	27#	1983.18	1983.18	0.00	486.04	
		102	1921.80	9932.16	8010.36	4297.44	
	Others	22	614.19	3423.67	2809.48	5361.94	
		1	2.18	0.00	0.00	19.74	
		1	6.45	44.05	37.60	32.46	
		1	15.63	0.00	0.00	1.09	
Total	426	12662.12	36586.63	26617.26	43270.01		

Source: Appendix X of Finance Accounts 2011-12 and information received from Maharashtra Krishna Valley Development Corporation; Konkan Irrigation Development Corporation; Vidarbha Irrigation Development Corporation; Tapi Irrigation Development Corporation and Godavari Marathwada Irrigation Development Corporation.

NA-1(B) – Revised cost not applicable as they are within estimation.

NA-2(C) – Revised cost not applicable as difference between actual cost and estimated cost is less than 10 per cent.

NA – Information awaited from department.

* Target year of completion not provided.

no cost revision had been reported by the Corporation (these projects were commenced three to 37 years ago).

\$ Cost Overrun = Revised total cost – Initial Budgeted Cost.

Summarised Financial Statement of Departmentally managed Commercial/Quasi-commercial Undertakings

(Reference paragraph 1.6.4; Page 32)

Amount (₹ in Lakh)											(in %)
Sr. No.	Name of the Undertaking	Year of commencement	Period of accounts	Mean Government Capital	Block Assets at depreciated cost	Depreciation provided during the year	Turnover	Net Profit (+)/ Loss (-)	Interest on Capital	Total Return (9+10)	% age return on capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
AGRICULTURE, ANIMAL HUSBANDRY, DAIRY DEVELOPMENT AND FISHERIES DEPARTMENT											
Mumbai Region											
1	Greater Mumbai Milk Scheme, Worli	1947	2010-11	3,060.13	1,910.18	65.15	7,047.71	(3,858.77)	321.31	(3,537.45)	(115.60)
2	Milk Transport Scheme, Worli	1951	2006-07	261.62	65.00	6.27	872.07	0.00	27.47	27.47	10.50
3	Mother Dairy, Kurla	1975	2010-11	2,030.44	1,477.54	53.01	4,204.32	(1,818.19)	213.20	(1,605.00)	(79.05)
4	Central Dairy, Goregaon	1951	2010-11	7002.80	783.69	34.11	2207.10	(7805.14)	735.29	(7,069.85)	(100.96)
5	Unit Scheme, Mumbai	1950	2010-11	1,835.56	1,418.97	47.49	0.00	472.34	192.73	665.08	36.23
6	Agricultural Scheme, Mumbai	1950	2010-11	886.28	493.98	9.96	0.00	(133.04)	93.06	(39.98)	(4.51)
7	Electrical Scheme, Mumbai	1950	2010-11	317.35	12.96	0.83	0.00	(82.45)	33.32	(49.13)	(15.48)
8	Water Supply Scheme, Mumbai	1950	2010-11	1,023.87	620.39	13.21	0.00	116.54	107.51	224.04	21.88
9	Cattle Feed Scheme, Mumbai	1950	2010-11	48.29	20.26	0.61	0.00	37.36	5.07	42.43	87.87
10	Cattle Breeding and Rearing Farm, Palghar	1979	2010-11	244.39	57.21	1.28	39.97	(101.51)	25.66	(75.85)	(31.04)
11	Dairy Project, Dapchari	1960	2010-11	1,014.07	472.06	24.43	19.92	(720.31)	106.48	(613.84)	(60.53)
12	Government Milk Scheme., Govt.Bhiwandi	1987	2010-11	72.08	29.61	2.06	120.73	(55.52)	7.57	(47.95)	(66.52)
13	Government Milk Chilling Centre, Saralgaon (Dist.: Thane)	1978	2010-11	62.75	13.19	1.42	0.00	(33.39)	6.59	(26.80)	(42.71)
14	Government Milk Scheme., Khopoli	1966	2010-11	145.54	151.17	10.15	940.66	(30.60)	15.28	(15.32)	(10.53)
15	Government Milk Scheme., Mahad	1966	2010-11	113.75	82.75	1.84	0.00	(54.80)	11.94	(42.85)	(37.67)
16	Government Milk Scheme., Chiplun	1966	2010-11	198.48	76.84	7.66	360.75	(190.95)	20.84	(170.11)	(85.70)
17	Government Milk Scheme., Ratnagiri	1965	2010-11	287.40	115.08	4.54	213.68	(1,315.21)	30.18	(1,285.04)	(447.12)
18	Government Milk Scheme., Kankavali	1966	2010-11	263.20	173.33	15.07	248.48	(95.01)	27.64	(67.38)	(25.60)
TOTAL				18,868.00	7,974.21	299.09	16,275.39	(15,668.65)	1,981.14	(13,687.53)	(72.54)
Pune Region											
19	Government Milk Scheme., Pune	1950	2010-11	966.90	434.05	16.77	1,017.40	(999.47)	101.52	(897.94)	(92.87)
20	Government Milk Scheme., Mahabaleshwar	1966	2010-11	169.84	45.98	2.30	204.42	(87.23)	17.83	(69.39)	(40.86)
21	Government Milk Scheme., Satara	1979	2010-11	1,217.71	305.72	9.86	442.67	(431.85)	127.86	(303.99)	(24.96)
22	Government Milk Scheme., Miraj	1961	2010-11	2,741.23	542.85	26.81	475.51	(1,472.87)	287.83	(1,185.05)	(43.23)
23	Government Milk Scheme., Solapur	1960	2010-11	217.24	38.53	2.02	43.55	(287.93)	22.81	(265.12)	(122.04)
TOTAL				5,312.92	1,367.13	57.76	2,183.55	(3,279.35)	557.85	(2,721.49)	(51.22)
Nashik Region											
24	Government Milk Scheme., Nashik	1960	2010-11	239.00	91.61	4.91	173.36	(421.15)	25.10	(396.06)	(165.71)
25	Government Milk Scheme, Wani (Dist.: Nashik)	1978	2010-11	47.54	12.82	0.29	0.00	(69.54)	4.99	(64.55)	(135.79)
26	Government Milk Scheme., Ahmednagar	1969	2010-11	726.13	150.68	9.69	1,420.81	(615.10)	76.24	(538.86)	(74.21)
27	Government Milk Scheme., Chalisgaon	1969	2010-11	169.90	19.52	0.20	0.00	(85.04)	17.84	(67.20)	(39.55)
28	Government Milk Scheme., Dhule	1961	2010-11	922.95	249.39	12.30	392.95	(424.09)	96.91	(327.18)	(35.45)
TOTAL				2,105.52	524.02	27.39	1,987.12	(1,614.92)	221.08	(1,393.85)	(66.20)

Appendix - 1.10 (concl.)

Sr. No.	Name of the Undertaking	Year of commencement	Period of accounts	Amount (₹ in Lakh)							(in %)	
				Mean Government Capital	Block Assets at depreciated cost	Depreciation provided during the year	Turnover	Net Profit (+)/ Loss (-)	Interest on Capital	Total Return (9+10)	% age return on capital	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Aurangabad Region												
29	Government Milk Scheme., Aurangabad	1962	2010-11	690.71	259.27	8.14	1,161.31	(790.14)	72.52	(717.62)	(103.90)	
30	Government Milk Scheme., Udgir	1971	2010-11	1,185.01	608.55	29.39	91.44	(1,112.16)	124.43	(987.73)	(83.35)	
31	Government Milk Scheme., Beed	1976	2010-11	8,801.44	560.79	585.17	2,583.80	(8,300.43)	924.15	(7,376.28)	(83.81)	
32	Government Milk Scheme., Nanded	1977	2010-11	702.53	111.63	5.89	326.53	(163.32)	73.77	(89.55)	(12.75)	
33	Government Milk Scheme., Bhoom	1978	2010-11	2,078.48	155.30	6.31	1,192.46	(1,957.30)	218.24	(1,739.06)	(83.67)	
34	Government Milk Scheme., Parbhani	1979	2010-11	408.75	70.75	3.71	400.70	(422.46)	42.92	(379.54)	(92.85)	
	TOTAL			13,866.92	1,766.29	638.61	5,756.24	(12,745.81)	1,456.03	(11,289.78)	(81.42)	
Amravati Region												
35	Government Milk Scheme., Amravati	1962	2010-11	311.03	158.81	6.28	304.24	(271.36)	32.66	(238.71)	(76.75)	
36	Government Milk Scheme., Akola	1962	2010-11	1,570.66	487.16	0.00	97.76	(692.09)	164.92	(527.17)	(33.56)	
37	Government Milk Scheme., Yavatmal	2000	2010-11	301.23	208.87	6.50	128.19	(148.44)	31.63	(116.81)	(38.78)	
38	Government Milk Scheme., Nandura	1979	2010-11	242.88	64.84	1.83	188.62	(197.24)	25.50	(171.74)	(70.71)	
	TOTAL			2,425.80	919.68	14.61	718.81	(1,309.13)	254.71	(1,054.43)	(219.80)	
Nagpur Region												
39	Government Milk Scheme., Nagpur	1958	2010-11	654.94	107.16	3.47	1,903.43	(743.60)	68.77	(674.83)	(103.04)	
40	Government Milk Scheme., Wardha	1976	2010-11	734.28	32.58	1.01	337.14	(231.71)	77.10	(154.61)	(21.06)	
41	Government Milk Scheme., Chandrapur	1979	2010-11	0.00	96.70	4.40	1,318.18	(62.94)	0.00	(62.94)	0.00	
42	Government Milk Scheme., Gondia	1979	2010-11	690.60	111.66	1.99	929.52	(326.11)	72.51	(253.60)	(36.72)	
	TOTAL			2,079.82	348.10	10.87	4,488.27	(1,364.36)	218.38	(1,145.98)	(55.10)	
Land Development Bulldozer Scheme												
43	Land Development by Bulldozer Scheme, Pune	1944	1994-95	144.26	77.47	4.52	46.75	(72.83)	18.75	(54.08)	(37.49)	
44	Land Development by Bulldozer Scheme, Aurangabad	1960	1998-99	32.99	1.05	0.00	2.02	(23.42)	4.78	(18.64)	(56.50)	
45	Land Development by Bulldozer Scheme, Amravati	1965	1995-96	2.82	0.41	0.00	1.80	(4.46)	0.40	(4.06)	(143.97)	
46	Land Development by Bulldozer Scheme, Nagpur	1996	1996-97	2.17	0.23	0.00	1.81	0.21	0.32	0.53	24.42	
	TOTAL			182.24	79.16	4.52	52.38	(100.50)	24.25	(76.25)	(41.84)	
Revenue and Forest Department												
47	Allapalli and Pengidundam Forest Ranges of Forest Divisions including Saw mills & Timber Depot	1926	1985-86	1,857.85	15.27	9.27	826.24	383.32	170.74	554.06	29.82	
	TOTAL			1,857.85	15.27	9.27	826.24	383.32	170.74	554.06	29.82	
Food, Civil Supplies and Consumer Protection Department												
48	Procurement and Distribution and Price Control Scheme in Mumbai and Thane Rationing Area	1959	2010-11	63,789.49	142.96	15.70	54,886.17	1,036.29	3,181.78	4,218.07	6.61	
49	Procurement and Distribution and Price Control Scheme in Mofussil Area	1957	2010-11	82,846.29	390.30	35.41	198,330.56	-13,071.45	8,285.79	4,785.66	(5.78)	
	TOTAL			146,635.78	533.26	51.11	253,216.73	(12,035.16)	11,467.57	9,003.73	0.83	

Active and Inoperative Reserve Funds

(Refer paragraph 1.7.2; Page 39)

(₹ in crore)				
Classification	Opening balance	Receipt	Payment	Closing Balance Balance (₹ in crore)
Inoperative Reserve Funds				
8115-103 - Depreciation Reserve Fund Road Transport Department Betterment Fund	0.08	0	0	0.08
8121-101 - General and Other Reserve Funds of Government Commercial Departments/ Undertakings	0.06	0	0	0.06
8229-102 - Development Funds for Medical and Public Health	0.08	0	0	0.08
8229-104 - Development Funds for Animal Husbandry Purposes	0.12	0	0	0.12
8229-107 - Funds for Development of Milk Supply	1.1	0	0	1.1
8229-200 - Other Development and Welfare Fund - Guarantee reserve Fund	23.36	0	0	23.36
8229-200 - Other Development and Welfare Fund - State Transport Road Development Fund	0.24	0	0	0.24
8235-101-Calamity Relief Fund	0.33	0	0	0.33
8235-200 - Other funds - Foodgrains Reserve Funds	3.64	0	0	3.64
Total	29.01	0	0	29.01
Active Reserve Funds				
8115-103 - Depreciation Reserve Fund - Road Transport Department Depreciation Fund	0.34	0.33	0.00	0.67
8121-109 - General Insurance Fund	289.63	148.52	34.72	403.43
8222 - Sinking Funds	8593.64	1798.79	0.00	10392.43
8229-101-Dev. Fund for Edu.- Library fund	43.27	37.44	37.44	43.27
8229-119 - Employment Guarantee Fund	10190.36	357.00	866.03	9681.33
Fund for Development schemes-Cotton price Fluctuation Fund	8.94*	0.00	0.00	8.94
Consumer Protection Fund	10.05*	0.45	0.55	9.95
Maharashtra Mining Development Fund	288.96	91.74	91.74	288.96
8235-200 - Other funds - Special fund for compensatory Afforestation	38.34	0.00	0.00	38.34
Total	19463.53	2434.27	1030.48	20867.32[#]

(Source : Notes to Accounts, Finance Accounts)

* Differs from previous year due to typographical error.

The figure differs by ₹ 4.31 crore from the Finance Account 2011-12.

Adverse balances

(Refer paragraph 1.7.5; Page 42)

(₹ in crore)

Head	Head of Accounts	Minus Balances	Present status
6003(104)	Loans from GIC of India	(-)0.12	It is under reconciliation with the Urban Development Department, Housing Department and Pay & Accounts office, Mumbai
6217(191) (iii)	Loans to CIDCO for implementation of Development Plan	(-)1.51	It is under reconciliation with Pay & Accounts office, Mumbai
6217(191) (iv)	Loans to Nagpur Improvement Trust	(-)0.15	It is under reconciliation with Pay & Accounts office, Mumbai
6217(800) (i)	Loans to Municipal Corporations/ Councils for development of Fire Services (C.S.S)	(-)1.41	It is under reconciliation with Pay & Accounts office, Mumbai
6416(190)	Loans to Public Sector and Other undertakings	(-)0.76	The adverse balance is appearing in Finance Accounts from 1978-79 onwards. The matter is under correspondence with Water Resources Department and Pay & Accounts Office, Mumbai
6515(103)	Loans for Other Rural Development Programmes –Rural Works Programme	(-)0.81	Minus balance is due to misclassification. It is under reconciliation with Executive Engineer, Works Division, Wardha
6851(102) (iii)	Loans to Zilla Parishads by Industries Department	(-)0.35	It is under reconciliation with Pay & Accounts office, Mumbai
7610(203)	Loans to Government Servants-Advance for purchase of Other Conveyance	(-)0.67	Minus balance is due to misclassification. It is under reconciliation with various controlling officers of Nagpur Accounting Circle.

(Source : Notes to Accounts, Finance Accounts).

Statement showing outstanding dues from major Power Loom Co-operative Societies as on March 2012

(Reference: Paragraph 1.6.5.1; Page 34)

(₹ in lakh)

Sr. No.	Name of PLCs	Place	Status (Closed/ Cancelled/ Liquidated)	Outstanding Dues
(1)	(2)	(3)	(4)	(5)
[A] Major PLCs who failed to repay the share capital and loan with interest				
1	Pant Processor Y.A.Coop.S.	Kolhapur	Closed	1006.39
2	Deccan Tex Coop.S.Ichalkaranji	Kolhapur		929.77
3	Ichalkaranji Processor Y.A.C.S.	Kolhapur		899.90
4	Shri.Sharadrao Pawar VSS Lt Vita	Sangli		773.70
5	Yashwant Processor	Kolhapur		759.92
6	Chhaya Y.A.Coop.S.	Kolhapur		711.28
7	Vivekanand Tex Processor Y.A.Coop.S.	Kolhapur		692.29
8	Global Y.A.Coop.S.	Kolhapur		644.60
9	Jayant Y.A.C.S.Lt Islampur	Sangli		643.17
10	Mahalaxmi Processor Y.A.Coop.S.	Kolhapur		622.32
11	The Laxmi Processor	Kolhapur		606.84
12	Navrang Processor Y.A.Coop.S.	Kolhapur	Closed	507.75
13	Vima Mahila Y.A.Coop.S. Lt Nandgaon	Satara		504.95
14	Maruti Y.A.Coop.S.	Kolhapur		462.32
15	Varadvinayak Y.A.Coop.S.	Kolhapur		399.87
16	Indraprastha knitting Y.A.Coop.S.Lt Islampur	Sangli		398.86
17	New Anand Y.A.Coop. S.	Solapur		379.09
18	Suyasha Y.A.Coop.S.	Kolhapur		376.40
19	Navtarang Co-op Tex Ind Lt Bagni	Sangli	Closed	349.70
20	Chanakya Y.A.Coop.S.	Kolhapur		311.53
[B] Major PLCs who had completed stipulated period of 10 years				
1	Pant Processor Y.A.Coop.S.	Kolhapur	Closed	1006.39
2	Shri.Sharadrao Pawar VSS Lt Vita	Sangli		773.70
3	Navrang Processor Y.A.Coop.S.	Kolhapur	Closed	507.75
4	New Anand Y.A.Coop. S.	Solapur		379.09
5	Navtarang Co-op Tex Ind Lt Bagni	Sangli	Closed	349.70
6	Sana Y.A.Coop.S.	Amravati		290.04
7	Godawari Hat.Vin Sah S. It Vasrani	Nanded	Closed	256.49
8	Shri.Balaji Y.A.Coop.S.	Kolhapur		254.29
9	Anilrao Babar Magas YSS Lt Dhanvad	Sangli		248.83
10	Lokmitra Yarn Processor	Kolhapur		219.02
11	Manganga Y& VSS Lt Atpadi	Sangli		208.26
12	Chaitanya Processor Lt Dhanvad	Sangli		185.98
13	Esteem Knitwear C tex Ichlkararaji	Kolhapur		180.17
14	Shri. Shankar Y.A. Lt Yavli	Solapur	Closed	157.65
15	Yashwantrao Chavhan VSS Lt Dhawalepur	Sangli	Closed	155.46
16	Vasant Dada Patil Y.A.Coop.S.	Sangli	Closed	155.36
17	Pranali Magas Lt Madha	Solapur		154.35

Appendix - 1.13 (contd.)

(₹ in lakh)

Sr. No.	Name of PLCs	Place	Status (Closed/ Cancelled/ Liquidated)	Oustanding Dues
(1)	(2)	(3)	(4)	(5)
18	Shrikrishna Y.A.Coop.S.	Kolhapur	Closed	153.25
19	Suyog Magas Mahila Lt Save	Solapur	Closed	151.86
20	Shri.Pant Y.A.Coop.S.	Kolhapur		150.31
[C] PLCs who had completed stipulated period of ten years and were closed				
1	Pant Processor Y.A.Coop.S.	Kolhapur	Closed	1006.39
2	Navrang Processor Y.A.Coop.S.	Kolhapur	Closed	507.75
3	Navtarang Co-op Tex Ind Lt Bagni	Sangli	Closed	349.70
4	Godawari Hat.Vin Sah S. Lt Vasrani	Nanded	Closed	256.49
5	Shri. Shankar Y.A. Lt Yavli	Solapur	Closed	157.65
6	Yashwantrao Chavhan VSS Lt Dhawalepur	Sangli	Closed	155.46
7	Vasant Dada Patil Y.A.Coop.S.	Sangli	Closed	155.36
8	Shrikrishna Y.A.Coop.S.	Kolhapur	Closed	153.25
9	Suyog Magas Mahila Lt Save	Solapur	Closed	151.86
10	Karamvir Venkatrao YSS Lt BoradiMamba Rancher Y.A.Coop.S.	Dhule	Closed	149.53
11	Ramdasji Athawale Magas YSS Lt Kuchi	Sangli	Closed	147.53
12	Vijay YVSS Lt Vita	Sangli	Closed	144.57
13	Shanti Sagar YVinSS Lt Kasbe Digras	Sangli	Closed	144.29
14	Payoneer Y.A.Coop.S.	Kolhapur	Closed	144.14
15	Nagpur Yarn Processors Lt Nagpur	Nagpur	Closed	140.99
16	Shital YVSS Lt Vita	Sangli	Closed	130.19
17	Rajamata Y.A.Coop.S.	Kolhapur	Closed	116.90
18	Tuljabhawani Anusu Jati	Solapur	Closed	109.52
19	Indira Anusuchit Jati Y.A.Coop.S.	Solapur	Closed	109.52
20	Siddharth Anusuchit Jati Yantramag Dharak Lt Madha	Solapur	Closed	109.52
21	Parvati Anusuchit Jati	Solapur	Closed	51.15
22	Vivek Chhaya YSS Pargaon	Osmanabad	Closed	42.00
23	Sant Kabir YSS Lt Pargaon	Osmanabad	Closed	42.00
24	Gireswar YSS	Sindhudurg	Closed	38.50
25	Vidarbh Magasvargiya Lt Nagpur	Nagpur	Closed	19.54
[D] Major PLCs who had completed stipulated period of nine years				
1	Deccan Tex Coop.S.Ichalkaranji	Kolhapur		929.77
2	Ichalkarang Processor Y.A.C.S.	Kolhapur		899.90
3	Yashwant Processor	Kolhapur		759.92
4	Chhaya Y.A.Coop.S.	Kolhapur		711.28
5	Vivekanand Tex Processor Y.A.Coop.S.	Kolhapur		692.29
6	Global Y.A.Coop.S.	Kolhapur		644.60
7	Jayant Y.A.C.S.Lt Islampur	Sangli		643.17
8	The Laxmi Processor	Kolhapur		606.84
9	Maruti Y.A.Coop.S.	Kolhapur		462.32
10	Varadvinayak Y.A.Coop.S.	Kolhapur		399.87
11	Indraprastha knitting Y.A.Coop.S.Lt Islampur	Sangli		398.86
12	Suyasha Y.A.Coop.S.	Kolhapur		376.40
13	Chanakya Y.A.Coop.S.	Kolhapur		311.53
14	Deccan Tex Coop.S.Ichalkaranji	Kolhapur		304.34

Appendix - 1.13 (concl.)

(₹ in lakh)

Sr. No.	Name of PLCs	Place	Status (Closed/ Cancelled/ Liquidated)	Oustanding Dues
(1)	(2)	(3)	(4)	(5)
15	Amit Knitting Y.A.Coop.S.	Kolhapur		247.84
16	Slik Y.A.Coop.S.	Kolhapur		225.63
17	Maruti Y.A.Coop.S.	Kolhapur		184.23
18	Gitangali YSS Lt Valkhad Ta Khanapur	Sangli		130.30
19	Prabhakar Y.A.Coop.S.	Raigad	Closed	125.35
20	Samrat Y.A.Coop.S.	Kolhapur		929.77
[E] PLCs declared as closed as on March 2012				
1	Narsingh Adiwasi Y.A.Coop.S.lt khapa	Nagpur	Closed	179.68
2	Chhtrapati Tararani Mahila Y.A.Coop.S.lt Ajra Dt. Kolhapur	Kolhapur	Closed	99.65
3	Vaibhavlaxmi Y.A.Coop.S.Lt Khede	Kolhapur	Closed	96.79
4	Annabhau Sathe Y.A.Coop.S.Lt Solapur	Solapur	Closed	93.49
5	Sawe Y.A.Coop.S.	Solapur	Closed	93.10
6	Prabhakar Maharaj Y.A.Coop.S.Lt Solapur	Solapur	Closed	91.84
7	Saishraddha Y.A.Coop.S. It Lonara	Nagpur	Closed	90.94
8	S.R.Deshmukh Hingangaon Khurd	Sangli	Closed	85.50
9	Shiva Y.A.Coop.S.Lt Kovade	Kolhapur	Closed	84.81
10	Mahatma Fule YSS	Nandurbar	Closed	84.81
11	Rajore Yan.Audhyo.Ltd.Rajore	Jalgaon	Closed	81.84
12	Ambika Y.A.Coop.S.	A,nagar	Closed	75.78
13	Partibha Tex.	Sangli	Closed	72.44
14	Sant Janabai Y.A.Coop.S.Lt Gortha	Nanded	Closed	68.99
15	Saikrupa Mahila Y.A.Coop.S.Lt Bhoom	Osmanabad	Closed	63.61
16	Din Dayal Y.A.Coop.S.Lt Bhoom	Osmanabad	Closed	63.46
17	Gramin vikas Y.A.Coop.S. Lt Jaitapur	Beed	Closed	63.11
18	Dewang vishesh Magasvargiya Y.A.Coop.S.lt Vadvani	Beed	Closed	45.93
19	Padmawati Y.A.Coop.S.	Sangli	Closed	44.41
20	Veer Savarkar Lt Gosarvad ta Shiroh	Kolhapur	Closed	39.80

(Source: Information received from Directorate of Textiles, Nagpur).

Statement showing information regarding Accumulated Losses and Government Investment for the year 2011-2012 (as on 31.07.2012)

(Reference: Paragraph 1.6.3; Page 32)

(₹ in crore)

Sr. No.	Sector & Name of the Company	Period of Accounts	Equity	Loans outstanding	Net Profit/ Loss	Loss making Companies having Accumulated Loss
			State Government	State Government		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
A. Working Government Companies						
AGRICULTURE & ALLIED						
1	Maharashtra State Farming Corporation Limited.	2009-10	2.75	105.92	(-)14.20	(-)159.00
2	The Maharashtra Fisheries Development Corporation Limited	2006-07	4.04	1.10	(-)0.31	(-)5.70
Sector wise total			6.79	107.02	(-)14.51	(-)164.70
FINANCE						
3	Maharashtra State Handlooms Corporation Limited	2009-10	81.75	20.08	(-)1.42	(-)101.46
Sector wise total			81.75	20.08	(-)1.42	(-)101.46
INFRASTRUCTURE						
4	Development Corporation of Konkan Limited	2002-03	8.81	6.45	(-)1.53	(-)10.68
5	Maharashtra State Road Development Corporation Limited	2009-10	773.56	0.00	(-)129.51	(-)2839.52
6	Western Maharashtra Development Corporation Limited	2010-11	3.06	26.51	(-)0.50	(-)18.36
Sector wise total			785.43	32.96	(-)131.54	(-)2868.56
MANUFACTURING						
7	Mahaguj Collieries Limited	2010-11	0.00	0.00	(-)1.08	(-)23.94
Sector wise total			0.00	0.00	(-)1.08	(-)23.94
POWER						
8	MSEB Holding Company Limited	2010-11	12,312.78	3,276.12	(-)248.23	(-)3441.06
9	Dhule Thermal Power Company Limited	2010-11	0.00	0.00	(-)0.10	(-)0.10
10	Mahagenco Power Generation Consultancy Services Limited	2008-09	0.00	0.00	(-)0.0009	(-)0.004
11	Maharashtra Power Development Corporation Limited	2010-11	0.00	0.00	(-)0.16	(-)1012.19
12	Maharashtra State Electricity Distribution Company Limited	2010-11	207.85	498.30	(-)923.93	(-)3793.22
Sector wise total			12520.63	3774.42	(-)1172.42	(-)8246.57
SERVICES						
13	Mahatourism Corporation Limited	2010-11	0.05	0.00	(-)0.03	(-)0.04
14	Mumbai Metro Rail Corporation Limited	2009-10	0.00	0.00	(-)0.001	(-)0.003
Sector wise total			0.05	0.00	(-)0.03	(-)0.04
Total A			13394.65	3934.48	(-)1321.00	(-)11405.28

Appendix - 1.14 (concl'd.)

(₹ in crore)

Sr. No.	Sector & Name of the Company	Period of Accounts	Equity		Loans outstanding	Net Profit/Loss	Loss making Companies having Accumulated Loss
			State Government	State Government			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(7)
B. Working corporation							
15	Maharashtra State Financial Corporation	2010-11	34.28	0.00	0.00	(-)25.09	(-)610.89
Sector wise total			34.28	0.00	0.00	(-)25.09	(-)610.89
Total B			34.28	0.00	0.00	(-)25.09	(-)610.89
A+B			13428.93	3934.48	0.00	(-)1346.09	(-)12016.17
C. Non working companies							
AGRICULTURE & ALLIED							
16	Dairy Development Corporation of Marathwada Limited	2010-11	0.20	0.00	0.00	(-)0.0007	(-)3.08
17	Ellora Milk Products Limited	2010-11	0.00	0.00	0.00	(-)0.0005	(-)1.52
18	Vidarbha Quality Seeds Limited	2011-12	0.00	0.00	0.00	(-)0.001	(-)0.39
Sector wise total			0.20	0.00	0.00	(-)0.002	(-)4.99
FINANCE							
19	Kolhapur Chitranagri Mahamandal Limited	1997-98	3.24	0.13	0.13	(-)0.17	(-)1.47
Sector wise total			3.24	0.13	0.13	(-)0.17	(-)1.47
INFRASTRUCTURE							
20	Maharashtra Land Development Corporation Limited	2010-11	3.00	48.21	48.21	(-)0.0002	(-)20.01
21	Marathwada Development Corporation Limited	2010-11	10.17	48.29	48.29	(-)0.17	(-)12.79
Sector wise total			13.17	96.50	96.50	(-)0.17	(-)32.80
MANUFACTURING							
22	Maharashtra Electronics Corporation Limited	2010-11	9.69	57.72	57.72	(-)17.84	(-)244.45
23	Maharashtra State Textile Corporation Limited	2011-12	236.15	173.91	173.91	(-)37.40	(-)847.88
24	Marathwada Ceramic Complex Limited	2010-11	0.00	0.00	0.00	(-)0.01	(-)7.45
25	Sahyadri Glass Works Limited	1993-94	0.00	0.00	0.00	(-)0.41	(-)9.22
26	The Gondwana Paints and Minerals Limited	2010-11	0.00	0.00	0.00	(-)0.0007	(-)1.34
Sector wise total			245.84	231.63	231.63	(-)55.66	(-)1110.34
MISCELLANEOUS							
27	Vidarbha Tanneries Limited	2011-12	0.00	0.00	0.00	(-)0.001	(-)1.21
Sector wise total			0.00	0.00	0.00	(-)0.001	(-)1.21
Total C			262.45	328.26	328.26	(-)56.00	(-)1150.81
Grand Total (A + B + C)			13691.38	4262.74	4262.74	(-)1402.10	(-)13166.98

(Source: Information received from Accountant General III, Mumbai).

Statement of various grants/appropriations where savings were more than ₹ 10 crore each and more than 20 per cent of the total provisions
(Reference Paragraph 2.3.1 ; Page 57)

(₹ in crore)

Sr. No.	Grant Number	Name of the grant/appropriation	Total grants/ appropriations	Savings	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
1	A-4	Secretariat and miscellaneous General Services (Revenue-Voted)	325.49	123.83	38.04
2	A-5	Social Services (Revenue-Voted)	163.54	33.67	20.59
3	A-8	Census Survey and Statistics (Revenue-Voted)	162.00	65.36	40.35
4	B-10	Capital Expenditure on Economic Services (Capital-Voted)	697.09	300.80	43.15
5	C-4	Secretariat and Other General Services (Revenue-Voted)	134.61	98.51	73.18
6	C-12	Loan to Government Servants etc. (Loans and Advances-Voted)	86.14	58.78	68.24
7	D-5	Dairy Development (Revenue- Voted)	707.63	174.20	24.62
8	D-9	Capital Expenditure on Animal Husbandry (Capital -Voted)	21.51	20.25	94.14
9	D-10	Capital Expenditure on Fisheries (Capital- Voted)	54.83	12.76	23.27
10	E-1	Interest Payments (Revenue- Charged)	832.05	438.94	52.75
11	E-3	Secretariat and Other Social Services (Revenue-Voted)	314.28	66.68	21.22
12	G-2	Other Fiscal and Miscellaneous Services (Revenue-Voted)	2,378.20	2,305.18	96.93
13	G-8	Public Debt and Inter State Settlement (Loans and Advances -Charged)	8,569.10	2,895.61	33.79
14	H-4	Secretariat and Other Economic Services (Revenue-Voted)	39.87	10.31	25.86
15	H-8	Capital Expenditure on Public Works Administrative and Functional Buildings (Capital-Voted)	1,066.15	324.97	30.48
16	H-9	Capital Outlay on Removal of Regional Imbalance (Capital-Voted)	192.19	60.55	31.51
17	I-7	Loans to Government Servants etc. (Loans and Advances-Voted)	74.83	41.86	55.94
18	K-2	Interest Payments (Revenue-Charged)	65.00	19.55	30.08
19	K-11	Capital Expenditure on Power Project (Capital-Voted)	2,204.73	626.97	28.44
20	N-1	Interest Payments (Revenue-Charged)	11.82	11.31	95.69
21	N-4	Capital Expenditure on Social Services (Capital-Voted)	1,288.10	675.12	52.41
22	O-1	District Administration (Revenue-Voted)	507.60	183.40	36.13
23	O-7	Secretariat Economic Services (Revenue-Voted)	114.81	36.00	31.36
24	O-8	Tourism (Revenue-Voted)	181.90	36.94	20.31
25	O-9	Census Survey and Statistics (Revenue-Voted)	38.68	14.22	36.76
26	O-10	Capital Outlay on Other Rural Development Programmes (Capital-Voted)	3,413.88	2,643.39	77.43
27	O-38	District Plan-Nagpur (Capital-Voted)	49.10	10.02	20.41
28	O-46	District Plan- Yavatmal (Capital-Voted)	44.33	14.86	33.52
29	Q-3	Housing (Revenue-Voted)	1,851.88	882.50	47.65
30	S-4	Capital Outlay on Medical and Public Health (Capital- Voted)	61.25	31.96	52.18
31	T-5	Revenue Expenditure on Tribal Areas Development Sub-Plan (Revenue-Voted)	2,872.29	693.72	24.15
32	T-6	Capital Expenditure on Tribal Areas Development Sub-Plan (Capital-Voted)	1,397.33	474.41	33.95
33	V-3	Capital Expenditure on Social Services (Capital-Voted)	179.53	62.77	34.96
34	W-1	Interest Payments (Revenue-Charged)	106.71	100.02	93.73
35	ZD-2	Art and Culture (Revenue-Voted)	144.47	58.27	40.33
36	ZE-1	Social Security and Welfare (Revenue-Voted)	282.06	67.60	23.97

(Source: Appropriation Accounts).

Statement showing excess over provisions during 2011-12 requiring regularisation

(Reference Paragraph 2.3.3; Page 61)

(₹ in crore)

Sr. No.	Number and title of the Voted grant/ Charged appropriations	Total grant	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)
Voted Grants				
1	C-2 Stamps and Registration	169.05	191.45	22.40
2	G-6 Pension and Other Retirement Benefits	9,805.77	10,497.24	691.47
3	H-3 Housing	272.41	313.15	40.74
4	K-5 Social Security and Welfare	0.15	0.17	0.02
5	K-8 Secretariat Economic Services	9.78	9.82	0.04
6	O-14 District Plan-Mumbai City (Revenue Section)	40.08	43.10	3.02
7	O-19 District Plan- Sindhudurg (Revenue Section)	62.28	62.99	0.71
8	O-20 District Plan-Pune (Revenue Section)	180.27	184.12	3.85
9	O-21 District Plan-Satara (Capital Section)	54.48	54.75	0.27
10	O-22 District Plan-Sangli (Capital Section)	32.60	38.26	5.66
11	O-24 District Plan-Kolhapur (Capital Section)	52.37	57.61	5.24
12	O-26 District Plan-Dhule (Revenue Section)	62.70	63.70	1.00
13	O-27 District Plan-Jalgaon (Revenue Section)	120.69	127.99	7.30
14	O-29 District Plan-Nandurbar (Capital Section)	12.99	13.08	0.09
15	O-30 District Plan-Aurangabad (Revenue Section)	118.80	120.08	1.28
16	O-31 District Plan-Jalna (Capital Section)	25.99	27.68	1.69
17	O-35 District Plan-Latur (Capital Section)	23.09	26.04	2.95
18	O-36 District Plan-Osmanabad (Revenue Section)	69.96	71.46	1.50
19	O-38 District Plan-Nagpur (Revenue Section)	110.89	121.96	11.07
20	O-39 District Plan-Wardha (Revenue Section)	50.17	50.94	0.77
21	O-41 District Plan-Chandrapur (Revenue Section)	76.90	77.41	0.51
22	O-42 District Plan-Gadchiroli (Capital Section)	22.98	32.12	9.14
23	O-43 District Plan-Gondia (Capital Section)	13.94	14.02	0.08
24	O-45 District Plan-Akola (Revenue Section)	52.50	55.29	2.79
25	O-46 District Plan-Yavatmal (Revenue Section)	105.67	119.98	14.31
26	O-47 District Plan-Buldhana (Revenue Section)	80.41	81.99	1.58
27	W-7 Revenue Expenditure on Removal of Regional Imbalance	3.00	4.95	1.95
28	X-2 Secretariat Social Service	2.49	2.50	0.01
Charged Appropriation				
29	C-11 Internal Debt	0.05	0.07	0.02
30	G-3 Interest Payments and Debt Servicing	16,729.15	16,809.53	80.38
31	L-1 Interest Payments	425.24	785.68	360.44
TOTAL		28,786.85	30,059.13	1,272.28

(Source: Appropriation Accounts).

Statement showing excess over provisions of previous years requiring regularisation

(Reference Paragraph 2.3.4; Page 61)

Years	Number of grants	Grant number	Amount of Excess (₹)	Number of appropriations	Appropriation number	Amount of excess
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2006-07	16	C-5	46596360	13	B-5	108756
		C-6	2515203526		C-3	255329
		D-2A	449949040		C-7	836804
		F-3	9361552		D-1	17824876
		G-7	1620980		H-1	374
		H-5	738273424		H-6	135818
		K-6	2839351966		L-1	274409535
		T-2	35211855		N-3	28023
		T-3	28411		Q-1	76780199
		ZA-2	59242		T-1	1327548
		B-10	14297771		U-1	5324459
		D-14	110000		C-10	75000
		H-7	524720439		Y-7	432974
		L-8	1565326			
		M-4	2008837000			
		T-8	243642			
2007-08	11	C-5	62079297	11	C-3	126535
		C-6	445611160		C-5	491078
		D-2	673401		C-7	80386
		F-2	2104594132		D-4	86659
		H-3	458440547		H-6	39153821
		Q-4	136195		L-1	443750922
		T-2	20774356		L-5	378158
		U-3	37507		Q-1	80752194
		Y-4	4406253		U-1	5850836
		H-11	7686		ZC-1	5654417
		M-4	1182395857		K-Nil	1018594000
2008-09	38	B-5	14187647	9	C-1	623063
		B-7	607		D-1	9390504
		C-2	72163408		G-3	343882038
		E-2	1829578086		H-6	12536412
		G-6	1380562696		L-1	54124670
		H-3	458133965		L-5	591
		H-5	439774327		S-1	163771
		J-3	42647		U-1	5638640
		M-3	3982209		K-Nil	1018594000
		O-13	530766			
		O-14	20546552			
		O-45	11750460			
		S-1	46554919			

Appendix - 2.3 (contd.)

Years	Number of grants	Grant number	Amount of Excess (₹)	Number of appropriations	Appropriation number	Amount of excess
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		V-2	170517885			
		X-2	380480			
		F-7	4133100			
		M-4	17598850677			
		O-17	3471801			
		O-18	28230152			
		O-19	55559836			
		O-20	38705381			
		O-21	56593321			
		O-23	14951912			
		O-25	12844989			
		O-26	2207194			
		O-27	233252			
		O-30	7492261			
		O-31	55668412			
		O-33	6805131			
		O-34	10345469			
		O-35	17934817			
		O-36	11700694			
		O-37	24221725			
		O-39	14788507			
		O-41	4507239			
		O-42	3276120			
		O-44	5243494			
		O-47	22346527			
2009-10	42	B-1	773079344	6	C-6	1817764613
		C-2	106978277		H-6	12090324
		C-5	13145395		K-11A	1018593000
		D-8	18260		L-1	363971984
		H-3	682289280		O-3	314370
		I-4	4529426		U-1	8318471
		K-5	2893578			
		K-6	1002341708			
		M-4	10686706443			
		O-13	4821452			
		O-14	32607773			
		O-15	5273962			
		O-16	12518079			
		O-17	424045			
		O-18	17528337			

Appendix - 2.3 (contd.)

Years	Number of grants	Grant number	Amount of Excess (₹)	Number of appropriations	Appropriation number	Amount of excess
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		O-19	41370619			
		O-21	17600934			
		O-22	63250960			
		O-23	3948371			
		O-24	35188277			
		O-25	15595973			
		O-26	21039948			
		O-28	815787			
		O-29	15037152			
		O-30	20466915			
		O-31	26391205			
		O-32	67583281			
		O-33	87493392			
		O-34	15721332			
		O-35	61533727			
		O-36	8127983			
		O-38	8771516			
		O-39	1534489			
		O-40	12666990			
		O-41	1220991			
		O-42	22434692			
		O-43	6301457			
		O-44	28099741			
		O-45	2933103			
		O-46	8359585			
		O-47	11821216			
		ZC-2	4293995			
2010-11	35	C-2	130351868	7	A-3	3739356
		C-5	6752247		C-1	283964
		F-5	45792900		C-11	180273
		H-3	1000108104		E-1	125436169
		K-6	2079161277		F-6	24531
		O-13	57536324		U-1	10000
		O-14	32996697			
		O-15	9761248			
		O-18	4884232			
		O-19	75807957			
		O-20	52531505			
		O-21	68672575			
		O-22	58361197			

Appendix - 2.3 (concl.)

Years	Number of grants	Grant number	Amount of Excess (₹)	Number of appropriations	Appropriation number	Amount of excess
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		O-23	90158515			
		O-24	30146291			
		O-25	38418429			
		O-26	27600545			
		O-28	33319208			
		O-29	24735438			
		O-30	79164291			
		O-31	93181078			
		O-32	67158567			
		O-33	67219089			
		O-34	62647849			
		O-35	38890113			
		O-37	68913900			
		O-38	24162002			
		O-39	14834322			
		O-41	18316750			
		O-44	15486804			
		O-45	446714			
		O-46	19708514			
		O-47	17063299			
		W-3	85039799			
		ZA-2	120000			
		Total (Grants)	54407614228		Total (Appropriations)	6768139445
		Grand Total (Grants + Appropriations)			61175753673 (i.e. ₹ 6117.57 crore)	

(Source: Appropriation Accounts).

Statement showing expenditure incurred
without provisions during 2011-12

(Reference Paragraph 2.3.5 ; Page 61)

(₹ in crore)

Sr. No.	Grant/Appropriation number	Head of Account	Amount of expenditure without budget provision
Revenue and Forests Department			
1	C-1	2045-200(03)(03)	0.003
Agriculture, Animal Husbandry, Dairy Development and Fisheries Department			
2	D-3	2401-102(00)(09)	0.0015
3	D-3	2401-109(01)(44)	0.01
4	D-3	2401-119(46) (02)	0.10
5	D-3	2401-796 (01) (01)	0.01
6	D-3	2401-114(00)(12)	0.001
7	D-4	2403-102(07)(04)	0.07
Urban Development Department			
8	F-2	2217-80-502	107.86
Public Works Department			
9	H-7	4055-800 (01) (03)	2.69
10	H-7	4055-800(01)(02)	16.05
11	H08	4210-03-101-(00)-(02)	0.31
Water Resources Department			
12	I03	2701-80-799(01)(03)	0.07
13	I04	3451-090(01)(03)	0.08
14	I05	4711-01-103(01)(01)	0.33
15	I05	4711-01-103(01)(04)	0.1
Rural Development and Water Conservation Department			
16	L-3	2702-80-502	8.74
Social Justice and Special Assistance Department			
17	N-3	2225-03-277 (01) (02)	0.45
18	N-3	2235-02-104 (08) (01)	0.02
Planning Department			
19	O-14	2230-03-003(31)(06)	0.19
20	O-22	2401-112(39)(01)	0.1
21	O-35	5054-04-800(52)(05)	1.72
22	O39	4702-101(56)(01)	1.2
23	O39	5054-04-337(56)(01)	9.02
24	O-39	4515-00-800(56)(01)	0.59
25	O-41	4702-80-800	0.03

Appendix - 2.4 (concl.)

(₹ in crore)

Sr. No.	Grant/Appropriation number	Head of Account	Amount of expenditure without budget provision
Co-operation, Marketing and Textiles Department			
26	V-5	6216-80-800(01)(01)	0.001
Higher and Technical Education Department			
27	W-4	2230-01-800 (00) (01)	0.06
28	W-4	2230-03-003 (02) (05)	0.07
29	W-4	2230-03-003(02)(02)	0.15
Women and Child Development Department			
30	X-1	2236-02-101(04)(05)	0.82
Tourism and Cultural Affairs Department			
31	ZD-1	2202-03-102(01)(01)	0.0009
32	ZD-2	2205-102(03)(05)	0.001
33	ZD-2	2205-00-102(07)(02)	0.30
Total			151.1484
			i.e 151.15 crore

(Source: Appropriation Accounts).

Statement of cases where supplementary provisions
(₹ 10 lakh or more in each case) proved unnecessary
(Reference Paragraph 2.3.6; Page 62)

(₹ in lakh)

Sr. No.	Appropriation Number	Name of the appropriation	Original Provision	Actual Expenditure	Savings 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	20166.00	11085.84	1297.23
2	A-5	Social Services	14655.32	12987.40	1667.92	1699.00
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
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 Panchyati 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
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

Appendix - 2.5 (concl'd.)

(₹ in lakh)

Sr. No.	Appropriation Number	Name of the appropriation	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
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 (Voted)						
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
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 Project	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 Economic 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
TOTAL						341381.11
						i.e 3413.81 Crore

(Source : Appropriation Accounts).

Statement of various grants/appropriation where supplementary provisions proved insufficient by more than ₹ one crore each

(Reference Paragraph 2.3.6; Page 62)

(₹ in crore)

Sr. No	Grant Number	Name of the grant	Original Provision	Supplementary	Total	Expenditure	Excess
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	C-2	Stamps and Registration	114.15	54.90	169.05	191.45	22.40
2	G-6	Pension and Other Retirement Benefits	9,125.20	680.57	9,805.77	10,497.24	691.47
3	H-3	Housing	172.41	100.00	272.41	313.14	40.73
4	L-1	Interest Payments	365.52	59.72	425.24	785.68	360.44
5	O-20	District Plan-Pune (Revenue Section)	180.27	0.0002	180.27	184.12	3.85
6	O-27	District Plan-Jalgaon (Revenue Section)	120.69	0.0002	120.69	127.99	7.30
7	O-30	District Plan-Aurangabad (Revenue Section)	118.80	0.0003	118.80	120.08	1.28
8	O-36	District Plan- Osmanabad (Revenue Section)	69.96	0.0002	69.96	71.46	1.50
9	O-38	District Plan- Nagpur (Revenue Section)	110.90	0.0002	110.90	121.96	11.06
10	O-45	District Plan- Akola (Revenue Section)	52.50	0.0002	52.50	55.29	2.79
11	O-46	District Plan- Yavatmal (Revenue Section)	105.67	0.0002	105.67	119.98	14.31
12	O-47	District Plan- Buldhana (Revenue Section)	80.41	0.0002	80.41	81.99	1.58
		Total	10616.48	895.19	11511.67	12670.38	1158.71

(Source: Appropriation Accounts).

Statement showing excess/unnecessary/insufficient reappropriation of funds

(Reference Paragraph 2.3.7; Page 62)

(₹ in crore)

Sl. No.	Grant/Appropriation No.	Grant/Appropriation Description	Head of Account	Re-appropriation	Final Excess (+)/ Saving (-)
(1)	(2)	(3)	(4)	(5)	(6)
1	A-4	Secretariat and miscellaneous General Services	2052-090 (00) (16)	(-) 16.00	(+) 1.10
2	A-5	Social Services	2235-60-102 (00) (01)	(-) 47.69	(+)19.63
3	B-1	Police Administration	2055-109 (00) (09)	(-) 70.64	(+) 9.45
4	B-1	Police Administration	2055-111 (00) (03)	(-) 11.71	(+) 11.49
5	C-1	Revenue and District Administration	2029-001 (01) (02) & (02) (02)	(-) 3.60	(+) 1.41
6	C-1	Revenue and District Administration	2029-103(02) (01)	(-)113.49	(+) 109.11
7	C-1	Revenue and District Administration	2053-094(02)(03)	(+)3.62	(-)3.71
8	C-1	Revenue and District Administration	2053-094(02)(05)	(+)2.51	(-)1.31
9	C-2	Stamps and Registration	2030-102(00)(01)	(-)0.41	(+) 16.27
10	C-12	Loans to Government Servants etc.	7610-201(00)(01)	(-) 58.62	(+) 1.51
11	D-4	Animal Husbandry	2403-001(01)(03)	(+) 3.30	(-) 1.57
12	D-4	Animal Husbandry	2403-101(06)(01)	(+) 8.11	(-)4.99
13	D-5	Dairy Development	2404-201(00)(03)	(+) 1.74	(-) 2.08
14	E-1	Interest Payment	2049-03-104(02)(03)	(-)3.61	(+) 13.64
15	E-1	Interest Payment	2049-03-104(02)(01)	(+) 3.61	(-) 425.31
16	E-2	General Education	2202-01-103(01)(01)	(+) 517.30	(-) 6.98
17	F-2	Urban Development and other Advance Services	2217-05-192(00)(60)	(-) 41.77	(+) 18.20
18	F-2	Urban Development and other Advance Services	2217-80-191(00)(14)	(-) 46.16	(+) 3.00
19	G-3	Interest Payments and Debt Servicing	2049-04-101	(-) 18.08	(+) 17.99
20	G-3	Interest Payments and Debt Servicing	2049-03-104	(+) 36.84	(-) 66.57
21	G-6	Pensions and other Retirement Benefits	2071-01-102(00)(01)	(+) 109.21	(-) 7.22
22	G-6	Pensions and other Retirement Benefits	2071-01-115(00)(01)	(+) 37.55	(-) 3.00
23	G-6	Pensions and other Retirement Benefits	2071-109(00)(01)	(+) 13.63	(-) 122.21
24	G-8	Public Debt and Inter State Settlement	6004-02-101	(-) 16.32	(+) 1.23
25	H-6	Public Works and Administrative and Functional buildings	2059-80-001(53)(01)	(-) 0.41	(+) 2.58
26	I-3	Irrigation, Power and Other Economic Services	2701-03(02)(10)	(-) 1.17	(+) 1.17
27	I-3	Irrigation, Power and Other Economic Services	2701-80-001(01)(04)	(-) 0.62	(+) 1.26
28	I-3	Irrigation, Power and Other Economic Services	2701-80-001(04)(10)	(+) 12.52	(-) 2.96
29	L-3	Rural Development Programmes	2515-198(00)(03)	(-) 65.51	(+) 2.06
30	L-3	Rural Development Programmes	2515-101(01)(05)	(+) 10.00	(-) 18.00
31	M-4	Capital Outlay on Food, Storage and Warehousing	4408-01-101(02)(02)	(-) 690.74	(+) 7.00
32	N-3	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2235-02-101(04)(01)	(+) 0.66	(-) 1.96
33	N-3	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2225-03-277(02)(20)	(+) 71.87	(-) 29.75
34	N-3	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2235-02-101(08)(05)	(-) 0.36	(+) 2.21
35	N-3	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	2235-02-104(08)(07)	(-)0.72	(+) 6.11
36	N-4	Capital Expenditure on Social Services	4225-01-277(01)(03)	(-)21.47	(+) 31.71
37	O-10	Capital Outlay on Other Rural Development Programmes	4515-102(00)(01)	(-) 76.68	(+) 1.89

Appendix - 2.7 (concl'd.)

(₹ in crore)

Sl. No.	Grant/Appropriation No.	Grant/Appropriation Description	Head of Account	Re-appropriation	Final Excess (+)/ Saving (-)
(1)	(2)	(3)	(4)	(5)	(6)
38	O-10	Capital Expenditure on Other Rural Development Programmes	4515-102(00)(38)	(+) 20.00	(-) 1.07
39	O-16	District Plan-Thane	3451-101(33)(02)	(-) 1.21	(+) 1.47
40	O-35	District Plan-Latur	5054-800(52)(05)	(-) 1.75	(+) 1.72
41	O-39	District Plan-Wardha	3451-101(56)(04)	(-) 0.54	(+) 8.35
42	O-39	District Plan-Wardha	4702-101(56)(01)	(-) 0.70	(+) 1.20
43	O-46	District Plan-Yavatmal	5054-04-800(63)(04)	(-) 7.87	(+) 1.18
44	T-5	Revenue Expenditure on Tribal Areas Development Sub-Plan	2236-02-796(01)(01)	(-) 11.28	(+) 2.96
45	T-5	Revenue Expenditure on Tribal Areas Development Sub-Plan	2225-02-796(02)(09)	(-) 0.03	(+) 1.08
46	T-5	Revenue Expenditure on Tribal Areas Development Sub-Plan	2702-01-796(01)(02)	(-) 3.13	(+) 6.46
47	T-6	Capital Expenditure on Tribal Areas Development Sub-Plan	5054-04-796(01)(04)	(-) 9.27	(+) 3.71
48	X-1	Social Security and Nutrition	2236-02-101(03)(01)	(-) 33.32	(+) 10.77
49	X-1	Social Security and Nutrition	2236-02-101-(05)(02)	(-) 44.23	(+) 8.76
50	X-1	Social Security and Nutrition	2236-02-101(04)(01)	(-) 24.49	(+) 1.69
51	X-1	Social Security and Nutrition	2235-02-103(03)(02)& (03)(03)	(-) 0.09	(+) 1.88
52	X-1	Social Security and Nutrition	2236-02-101(05)(04)	(+) 133.42	(-) 24.93
53	Y-2	Water Supply and Sanitation	2215-01-102(02)(13)	(+) 6.79	(-) 2.77
54	ZD-2	Art and Culture	2205-102(02)(01)& (02)(02)	(-) 2.05	(+) 1.99
55	ZE-1	Social Security and Welfare	2235-02-200(00)(16)	(-) 8.99	(+) 3.73

(Source: Appropriation Accounts).

Statement showing surrender of funds in excess of actual savings (₹ 50 lakh or more)

(Reference Paragraph 2.3.9; Page 63)

(₹ in crore)

Sr. No.	Grant Number	Name of the Grant/ Appropriation	Total grant	Savings	Amount surrendered	Amount surrendered in excess
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	A-4	Secretariat and Miscellaneous General Services	325.49	123.83	125.41	1.58
2	A-5	Social Services	163.54	33.67	53.19	19.52
3	B-1	Police Administration	6659.04	476.99	492.99	16.00
4	B-3	Transport Administration	729.28	23.06	25.21	2.15
5	C-1	Revenue and District Administration	1136.62	147.45	253.77	106.32
6	C-5	Other Social Services	28.07	1.49	2.86	1.37
7	C-7	Forest	901.90	36.82	46.96	10.14
8	C-12	Loans to Government Servants, etc.	86.14	58.78	60.20	1.42
9	F-3	Secretariat And Other Social Services	100.88	0.79	1.32	0.53
10	G-8	Public Debt and Inter State Settlement	8569.10	2895.61	3017.19	121.58
11	H-7	Capital Expenditure on Social Services and Economic Services	2088.33	245.36	264.24	18.88
12	I-3	Irrigation, Power and Other Economic Services	2439.56	262.48	281.16	18.68
13	K-6	Energy	5424.30	40.40	52.22	11.82
14	L-7	Capital Expenditure on Rural Development	608.30	91.04	95.30	4.26
15	M-2	Food, Storage and Warehousing	453.05	135.37	226.52	91.15
16	M-4	Capital Expenditure on Food, Storage and Warehousing	3910.81	381.44	511.27	129.83
17	N-2	Secretariat And Other Social Services	883.00	139.72	141.16	1.44
18	O-3	Rural Employment	888.87	32.72	40.34	7.62
19	O-17	District Plan - Raigad (Revenue Section)	67.95	1.74	4.65	2.91
20	O-18	District Plan - Ratnagiri (Revenue Section)	78.45	0.62	1.49	0.87
21	O-25	District Plan - Nasik (Revenue Section)	149.43	0.37	3.14	2.77
22	O-28	District Plan - Ahmednagar (Revenue Section)	174.08	7.25	9.10	1.85
23	O-34	District Plan - Beed (Capital Section)	38.75	2.32	4.23	1.91
24	Q-3	Housing	1851.88	882.50	885.58	3.08
25	T-1	Interest Payments	14.75	1.60	2.43	0.83
26	T-2	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	919.56	27.53	38.92	11.39
27	T-5	Revenue Expenditure on Tribal Areas Development Sub-Plan	2872.29	693.72	740.65	46.93
28	W-3	Technical Education	1184.59	9.97	29.22	19.25
29	W-4	Art and Culture	587.17	46.96	48.74	1.78
30	Y-6	Capital Expenditure on Economic and Social Services	386.73	4.22	5.08	0.86
31	ZD-2	Art and Culture	144.47	58.27	59.99	1.72
32	ZD-4	Tourism	224.86	23.08	25.00	1.92
33	ZE-1	Social Security and Welfare	282.06	67.60	71.77	4.17
		TOTAL	44373.30	6954.77	7621.30	666.53

(Source: Appropriation Accounts).

Statement showing various grants/appropriations
in which savings occurred but no part of
which had been surrendered
(Reference Paragraph 2.3.10; Page 64)

(₹ in crore)			
Sr. No.	Grant Number	Name of Grant	Saving
1	D-1	Interest Payment (Charged)	0.13
2	D-4	Animal Husbandry (Charged)	0.01
3	E-1	Interest Payment (Charged)	438.94
4	J-1	Administration of justice (Voted)	128.01
5	J-1	Administration of justice (Charged)	14.80
6	J-2	Secretariat and Other Social and Economic Services (Voted)	8.31
7	J-2	Secretariat and Other Social and Economic Services (Charged)	0.01
8	J-3	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions(Voted)	0.0009
9	J-4	Capital Outlay on Public Works (Voted)	97.03
10	J-5	Loans to government Servants (Voted)	6.26
11	L-5	Compensation and Assignments (Charged)	0.0002
12	N-3	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (Charged)	0.05
13	O-5	Hill Areas (Voted)	0.29
14	O-14	District Plan-Mumbai City (Capital Section)	1.23
15	O-15	District Plan-Mumbai Suburban (Revenue Section)	3.73
16	O-15	District Plan-Mumbai Suburban (Capital Section)	1.18
17	O-19	District Plan-Sindhudurg (Capital Section)	0.72
18	O-23	District Plan-Solapur (Revenue Section)	2.15
19	O-23	District Plan-Solapur (Capital Section)	0.08
20	O-32	District Plan-Parbhani (Revenue Section)	1.21
21	O-33	District Plan-Nanded (Capital Section)	1.24
22	O-36	District Plan-Osmanabad (Capital Section)	1.93
23	O-40	District Plan-Bhandara (Revenue Section)	0.24
24	O-40	District Plan-Bhandara (Capital Section)	3.80
25	O-41	District Plan-Chandrapur (Capital Section)	1.68
26	O-42	District Plan-Gadchiroli (Revenue Section)	9.25
27	O-44	District Plan-Amravati (Revenue Section)	5.31
28	O-44	District Plan-Amravati (Capital Section)	1.57
29	O-45	District Plan-Akola (Capital Section)	3.21
30	W-4	Art and Culture (Charged)	0.02
31	ZC-1	Parliament/State/Union Territory Legislatures (Charged)	0.11
Total			732.50

(Source: Appropriation Accounts).

Appendix 2.10

Statement showing details of savings of ₹ one crore and above not surrendered (Reference Paragraph 2.3.10; Page 64)

(₹ in crore)					
Sr. No.	Grant Number	Name of Grant / Appropriation	Savings	Surrender	Savings which remained to be surrendered
(1)	(2)	(3)	(4)	(5)	(6)
1	A-8	Census, Surveys and Statistics (Voted)	65.36	40.19	25.17
2	B-10	Capital Expenditure on Economic Services (Voted)	300.80	298.50	2.30
3	C-6	Relief on Account of Natural Calamities (Voted)	84.79	58.58	26.21
4	D-3	Agriculture Services (Voted)	199.42	191.11	8.31
5	D-4	Animal Husbandry(Voted)	113.98	90.17	23.81
6	D-5	Dairy Development (Voted)	174.20	171.93	2.27
7	E-2	General Education (voted)	1,340.98	1,318.94	22.04
8	F-2	Urban Development and Other Advance Services (Voted)	1,050.60	1,028.04	22.56
9	G-1	Sales Tax Administration (Voted)	25.51	19.92	5.59
10	G-6	Pensions and Other Retirement Benefits (Charged)	20.11	14.88	5.23
11	G-7	Social Security and Welfare (Voted)	5.43	3.69	1.74
12	H-5	Roads and Bridges (Voted)	374.46	211.19	163.27
13	H-8	Capital expenditure on Public Works Administrative and functional Buildings (Voted)	324.97	284.81	40.16
14	K-3	Stationery and Printing (Voted)	5.75	4.73	1.02
15	K-7	Industries (Voted)	121.93	26.76	95.17
16	L-2	District Administration (Voted)	65.03	4.96	60.07
17	L-3	Rural Development Programmes (Voted)	392.15	358.15	34.00
18	L-5	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions (Voted)	21.41	18.74	2.67
19	N-3	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward classes (Voted)	694.33	436.61	257.72
20	N-4	Capital Expenditure on Social Services(Voted)	675.12	476.32	198.80
21	O-1	District Administration (Voted)	183.40	170.47	12.93
22	O-10	Capital Outlay on Other Rural Development programmes (Voted)	2,643.39	2,627.18	16.21
23	O-17	District plan-Raigad (Capital Section)	5.53	2.68	2.85
24	O-20	District Plan-Pune (Capital Section)	5.47	0.0014	5.4686
25	O-22	District Plan-Sangli (Revenue Section)	5.94	0.04	5.90
26	O-24	District Plan- Kolhapur (Revenue Section)	5.36	0.0027	5.3573
27	O-25	District Plan-Nasik (Capital Section)	2.81	0.0002	2.81
28	O-26	District Plan-Dhule (Capital Section)	1.12	0.0010	1.12
29	O-27	District Plan-Jalgaon (Capital Section)	7.42	0.71	6.71
30	O-28	District Plan-Ahmednagar (Capital Section)	2.16	0.07	2.09
31	O-31	District Plan-Jalna (Revenue Section)	3.40	0.80	2.60
32	O-34	District Plan-Beed (Revenue Section)	4.16	0.84	3.32
33	O-35	District Plan-Latur (Revenue Section)	5.13	0.70	4.43
34	O-38	District Plan-Nagpur (Capital Section)	10.02	0.18	9.84
35	O-46	District Plan-Yavatmal (Capital Section)	14.86	0.59	14.27
36	O-47	District Plan-Buldhana (Capital Section)	2.99	0.53	2.46
37	R-1	Medical and Public Health (Voted)	153.25	149.33	3.92
38	S-1	Medical and Public Health (Voted)	134.83	120.08	14.75
39	T-6	Capital Expenditure on Tribal Areas Development Sub-Plan (Voted)	474.41	465.89	8.52
40	W-1	Interest Payments (Charged)	100.02	17.64	82.38
41	X-1	Social Security and Nutrition (Voted)	143.92	134.74	9.18
42	X-3	Capital Expenditure on Social Services(Voted)	12.65	0.03	12.62
43	Y-2	Water Supply and Sanitation (Voted)	38.25	32.33	5.92
44	ZC-1	Parliament/State/Union Territory Legislatures (Voted)	18.37	9.00	9.37
TOTAL			10,035.19	8,792.06	1,243.13

(Source: Appropriation Accounts).

Statement showing cases of surrender of funds in excess of ₹ 10 crore on 30 and 31 March 2012

(Reference Paragraph 2.3.10; Page 64)

(₹ in crore)

Sr. No.	Grant Number	Major Head	Amount of Surrender
(1)	(2)	(3)	(4)
1	A-2	Elections (Voted)	21.95
2	A-4	Secretariat and Miscellaneous General Services (Voted)	125.41
3	A-5	Social Services (Voted)	53.19
4	A-7	Civil Aviation (Voted)	65.54
5	A-8	Census, Survey and Statistics (Voted)	40.19
6	B-1	Police Administration (Voted)	492.99
7	B-2	State Excise (Voted)	18.28
8	B-3	Transport Administration	25.21
9	B-5	Jails (Voted)	22.69
10	B-7	Economic Services(Voted)	23.63
11	B-10	Capital Expenditure on Economic Services (Voted)	298.50
12	C-1	Revenue and District Administration (Voted)	253.77
13	C-4	Secretariat and Other General Services (Voted)	97.80
14	C-6	Relief on Account of Natural Calamities (Voted)	58.58
15	C-7	Forest (Voted)	46.96
16	C-10	Capital Expenditure on Economic Services (Voted)	14.66
17	C-12	Loans to Government Servants (Voted)	60.20
18	D-3	Agriculture Services (Voted)	191.11
19	D-4	Animal Husbandry	90.17
20	D-5	Dairy Development (Voted)	171.93
21	D-6	Fisheries (Voted)	18.52
22	D-9	Capital Expenditure on Animal Husbandry (Voted)	20.24
23	D-10	Capital Expenditure on Fisheries (Voted)	12.53
24	E-2	General Education (Voted)	1,318.94
25	E-3	Secretariat and Other Social Services (Voted)	66.90
26	F-2	Urban Development and Other Advance Services (Voted)	1,028.04
27	F-7	Loans for Urban Development (Voted)	10.08
28	G-1	Sales Tax Administration (Voted)	19.92
29	G-2	Other Fiscal and Miscellaneous Services (Voted)	2,305.21
30	G-3	Interest Payments and Debt servicing (Charged)	386.95
31	G-6	Pensions and Other Retirement Benefits (Charged)	14.88
32	G-8	Public Debt and Inter State Settlement (Charged)	3,017.19
33	H-4	Secretariat and Other Economic Services (Voted)	10.19
34	H-5	Roads and Bridges (Voted)	211.19
35	H-6	Public Works and Administrative and Functional Buildings(Voted)	107.57
36	H-7	Capital Expenditure on Social Services and Economic Services (Voted)	264.24
37	H-8	Capital Expenditure on Public Works Administrative and Functional Buildings (Voted)	284.81
38	H-9	Capital Outlay on removal of regional imbalance(Voted)	60.38
39	I-3	Irrigation, Power and other Economic Services(Voted)	281.16
40	I-5	Capital Expenditure on Irrigation (Voted)	812.50
41	I-7	Loans to Government Servants Etc (Voted)	42.06
42	K-2	Interest Payment (Charged)	19.55

Appendix - 2.11 (concl.)

(₹ in crore)

Sr. No.	Grant Number	Major Head	Amount of Surrender
(1)	(2)	(3)	(4)
43	K-6	Energy (Voted)	52.22
44	K-7	Industries (Voted)	26.76
45	K-11	Capital Expenditure on Power Project (Voted)	626.97
46	L-3	Rural Development Programmes (Voted)	358.15
47	L-5	Compensation and Assignment to Local Bodies and Panchayat Raj Institutions (Voted)	18.74
48	L-7	Capital Expenditure on Rural Development (Voted)	95.30
49	M-4	Capital Expenditure on Food, Storage and Warehousing (Voted)	511.27
50	N-1	Interest Payments (Charged)	10.39
51	N-2	Secretariat and Other Social Services (Voted)	141.16
52	N-3	Welfare of Scheduled Castes, Scheduled Tribes, And Other Backward Classes (Voted)	436.61
53	N-4	Capital Expenditure on Social Services (Voted)	476.32
54	O-1	District Administration (Voted)	170.47
55	O-3	Rural Employment (Voted)	40.34
56	O-7	Secretariat and Other Economic Services (Voted)	36.13
57	O-8	Tourism (Voted)	37.03
58	O-9	Census, Survey and Statistics (Voted)	14.21
59	O-10	Capital Outlay On Other Rural Development Programmes (Voted)	2,627.18
60	O-11	Capital Outlay On Hill Areas (Voted)	17.82
61	Q-3	Housing (Voted)	885.58
62	R-1	Medical and Public Health (Voted)	149.33
63	S-1	Medical and Public Health (Voted)	120.08
64	S-4	Capital Outlay on Medical and Public Health (Voted)	31.84
65	T-2	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (Voted)	38.92
66	T-5	Revenue Expenditure on Tribal Areas Development Sub-Plan (Voted)	740.65
67	T-6	Capital Expenditure on Tribal Areas Development Sub-Plan (Voted)	465.89
68	V-2	Co-operation (Voted)	63.97
69	V-3	Capital Expenditure on Social Services (Voted)	62.34
70	V-5	Capital Expenditure on Economic Services (Voted)	44.74
71	W-1	Interest Payments (Charged)	17.64
72	W-2	General Education (Voted)	14.36
73	W-3	Technical Education (Voted)	29.22
74	W-4	Art and Culture (Voted)	48.74
75	X-1	Social Security And Nutrition (Voted)	134.74
76	Y-2	Water Supply And Sanitation (Voted)	32.33
77	ZD-2	Art and Culture (Voted)	59.99
78	ZD-4	Tourism (Voted)	25.00
79	ZE-1	Social Security And Welfare (Voted)	71.77
Total			21,220.01

Appendix 2.12

Statement showing percentage expenditure incurred in March 2012 compared to budget allocation

(Reference Paragraph : 2.4.9, Page 76)

(₹ in crore)

Sr. No.	Major head / sub-head	Total grant	Total Expenditure	Expenditure incurred in March	Percentage ((5)/(4) *100)	Reply furnished by the Department
(1)	(2)	(3)	(4)	(5)	(6)	(7)
I-3 "Irrigation, Power and other Economic Services"						
1.	2701.01.861(01)(38) Neera Left Bank (Bhatghar), Superintending Engineer, Pune Irrigation Circle, Pune	10.08	10.08	7.47	74	No Reply was given
2.	2701.01.891(01)(29) Upper Penganga Project, Superintending Engineer, Nanded Irrigation Circle, Nanded	2.83	2.83	2.02	71	No Reply was given
3.	2701.80.800(iv)(4) Superintending Engineer, Nagpur Irrigation Circle, Nagpur	0.46	0.46	0.35	76	No Reply was given
4.	2702.01.800(06)(13) Superintending Engineer, Nanded Irrigation Circle, Nanded	1.35	1.35	1.24	92	No Reply was given
5.	2711.03.103(i) Director, Irrigation Research & Development, Pune	3.14	3.14	2.50	80	No Reply was given
6.	2701.80.001(4)(i) Direction and Administration, Establishment Share	28.07	28.22	28.22	100	No Reply was given
7.	2701.80.800(02)(09) Superintending Engineer & Admn., CADA, Aurangabad	16.02	16.02	13.89	87	No Reply was given
8.	2702.01.800(07)(08) Superintending Engineer & Admn, CADA, Pune	3.23	3.23	2.40	74	No Reply was given
9.	2702.01.800(08)(14) Superintending Engineer, Washim Irrigation Circle, Washim	2.00	2.00	1.81	91	No Reply was given
10.	2701.01.881(01)(46) Kukadi Project, Superintending Engineer, Admn, CADA, Pune	14.32	14.32	8.59	60	No Reply was given
11.	2701.03.800(01)(17) Superintending Engineer, Nanded Irrigation Circle, Nanded	1.24	1.18	1.13	96	No Reply was given
12.	2701.80.800(02)(07) Superintending Engineer, Pune Irrigation Circle, Pune	16.48	16.48	10.23	62	No Reply was given
13.	2702.01.800(10)(01) Establishment Charges	2.43	2.44	2.44	100	No Reply was given
14.	2701.80.800(02)(13) Superintending Engineer, CADA, Pune	1.21	1.21	1.19	98	No Reply was given
15.	2701.01.883 Maintenance & Repairs, Superintending Engineer, Thane Irrigation Circle, Thane	7.83	7.83	7.56	97	No Reply was given
16.	2701.80.800(16)(01) Maintenance & Receipt, Works under XIIIth Finance Commission Grants	75.60	75.60	75.60	100	No Reply was given
17.	2702.01.800(09)(04) Tools and Plant Share	1.86	1.87	1.87	100	No Reply was given

Appendix - 2.12 (contd.)

(₹ in crore)

Sr. No.	Major head / sub-head	Total grant	Total Expenditure	Expenditure incurred in March	Percentage ((5)/(4) *100)	Reply furnished by the Department
(1)	(2)	(3)	(4)	(5)	(6)	(7)
I-5 "Capital Expenditure on Irrigation"						
1.	4701.80.190(06)(02) Share Capital Contribution to VIDC	1312.46	1312.46	690.57	52	No Reply was given
2.	4701.80.190(06)(05) Share Capital Contribution to GMIDC	353.28	353.28	188.46	53	No Reply was given
3.	4801.01.829(10)(02) SE, Koyna Construction Circle, Satara	9.35	9.35	5.22	56	No Reply was given
4.	4801.01.856(45)(01) SE, Kokan Irrigation Circle, Ratnagiri	2.22	2.22	2.11	95	No Reply was given
5.	4701.80.190(06)(04) Share Capital Contribution to TIDC	142.17	142.17	95.30	67	No Reply was given
N-3 "Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes"						
1.	2225-01-001(03)(05) Wide publicity of schemes for Scheduled Caste and NavBudhas through Director, Social Welfare (SCP)	20.00	18.25	15.05	82	No Reply was given
2.	2225-01-102(03)(02) Schemes to provide Tin stall to the GataiKamgar	12.00	10.20	10.20	100	No Reply was given
3.	2225-01-102(03)(07) Training in Motor Car Driving (SCP)	0.69	0.51	0.51	100	No Reply was given
4.	2225-01-102(03)(08) Business Oriented Skill Development Training to the Backward class Educated Unemployed Youth (SCP)	0.40	0.34	0.34	100	No Reply was given
5.	2225-01-102(01)(01) Training in Motor Car Driving	0.0077	8.51	8.51	100	No Reply was given
6.	2225-01-277(01)(13) Opening and maintenance of Government hostels for scheduled caste boys and girls New hostel	120.00	73.60	61.87	84	No Reply was given
7.	2225-01-277(00)(01) Opening of Government Residential school for S.C boys and girls	13.14	4.29	2.99	70	No Reply was given
8.	2225-01-277(09)(01) Book banks for medical and Engineering, Agricultural, Veterinary and Polytechnic students (SCP)(State share 50%)	2.35	1.77	1.38	78	No Reply was given
9.	2225-01-277(09)(02) Book banks for medical and Engineering, Agricultural, Veterinary and Polytechnic students Central share 50 per cent	2.35	1.88	1.28	68	No Reply was given
10.	2225-01-793(01)(04) Sant Rohidas Leather and Charmakar Dev. Corporation Ltd., Mumbai	15.00	3.00	3.00	100	No Reply was given
11.	2225-01-800(02)(02) Computerisation of Statistical Data (SCP)	3.00	3.73	3.13	84	No Reply was given
12.	2225-01-800(07)(05) Shahu, Phule, Ambedkar Dalit Basti improvement and cleanliness Abhiyan (SCP)	6.00	5.33	3.17	59	No Reply was given

Appendix - 2.12 (contd.)

(₹ in crore)

Sr. No.	Major head / sub-head	Total grant	Total Expenditure	Expenditure incurred in March	Percentage ((5)/(4) *100)	Reply furnished by the Department
(1)	(2)	(3)	(4)	(5)	(6)	(7)
13	2225-01-800(07)(06) Financial Assistance to newly married couples under the scheme KanyadanYojana (SCP)	5.00	3.00	2.08	69	No Reply was given
14.	2225-01-800(01)(01) Maintenance and Management of Dr. Babasaheb Ambedkar Rashtriya Smarak, Mahad	10.00	8.73	8.73	100	No Reply was given
15.	2225-01-800(01)(02) Workshop and Training programme by Dr.Bahasaheb Ambedkar Research and Training Institute, Pune (SCP)	10.00	8.50	8.50	100	No Reply was given
16.	2225-03-800(04)(01) Grants to voluntary agencies	0.55	0.55	0.55	100	No Reply was given
17.	2225-03-800(02)(04) Financial assistance to newly married couples under KanyadaanYojana	4.00	0.53	0.53	100	No Reply was given
E-2 "General Education"						
1.	2202-01-103(01)(14) Maintenance Grants to Non-Government Aided Primary Schools	6.00	0.24	0.24	100	Demand under this sub-head was made by Gondia District only in March .
2.	2202-01-103(03)(01) Mumbai Municipal Corporation	60.12	52.67	52.67	100	Administrative approval was received only in March 2012.
3.	2202-02-110(00)(02) Other charges (Agency charges to Zilla Parishads)	2.15	0.37	0.37	100	Pending Government decision regarding payment of non-salary grant to non-government schools after 2003-04, the expenditure could not be made on regular basis.
4.	2202-02-110(00)(13) Book Bank in Secondary Schools	0.30	0.27	0.27	100	Delayed receipt of bills for the Books supplied to schools in June/July 2011 from the district authorities.
5.	2202-02-800(00)(06) Information and Communication Technology in Schools (State Share)	15.00	3.78	3.78	100	Administrative approval was received only in March 2012.
6.	2202-80-800(02)(51) E-Governance Programmes	6.00	3.32	3.32	100	-do-

Appendix - 2.12 (concl.)

(₹ in crore)

Sr. No.	Major head / sub-head	Total grant	Total Expenditure	Expenditure incurred in March	Percentage ((5)/(4) *100)	Reply furnished by the Department
(1)	(2)	(3)	(4)	(5)	(6)	(7)
7.	2202-80-800(02)(06) Free education to children of Primary Teachers	1.17	0.83	0.66	80	The claims under this sub-head could be submitted by schools only after December as it require certificates regarding fulfillment of minimum 75 per cent attendance of the student. Finalisation of proposals took time resulting in rush of bills in March.
8.	2202-80-800(02)(17) Free education to Girls upto Standard XIIIth	2.84	2.20	1.38	63	-do-
9.	2202-80-800(02)(44) Free Education to the students studying Xth Standard	4.68	4.93	3.01	61	-do-
10.	2202-80-800(02)(15) Educational concession to Children of Ex-Servicemen	0.10	0.10	0.06	62	-do-

(Source: Appropriation Accounts, Monthly Civil Accounts for March 2012 and Information from Accountant General (Accounts & Entitlements)).

Appendix 2.13

Statement showing saving of ₹ 10 lakh and above (Reference Paragraph : 2.5.1.1, Page 78)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Expenditure	Savings	Percentage	Reasons for saving as intimated by the Department
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Grant No. 001 District Administration						
1.	2053-00-093(04)(02)	8250.00	6963.25	1286.75	16	Reasons would be obtained from Women and Child Development Department.
Grant No. 003 Rural Employment						
2.	2505-60-001(01)(01) (Charged)	1015.32	988.84	26.48	3	Not furnished.
Grant No. 005 Hill Areas						
3.	2551-01-002(00)(17)	3931.90	3901.16	30.74	1	Non-completion of works within time
Grant No. 007 Secretariat Economic Services						
4.	3451-00-090(03)(01) (Charged)	294.77	267.50	27.27	9	Due to vacant posts
Grant No. 010 Capital Outlay on Other Rural Development Programmes						
5.	4515-00-102(00)(38)	2000.01	1893.43	106.58	5	Delay in completion of tender and land acquisition procedure, proposals for works were received late.
6.	4515-00-102(00)(02)	3000.00	1272.04	1727.96	58	Not furnished as records were destroyed in the fire accident occurred at Mantralaya.
Grant No. 015 Mumbai Suburban						
7.	2225-03-277(32)(03)	320.00	305.31	14.69	5	Not specified.
8.	2225-03-277(32)(06)	640.00	550.49	89.51	14	Saving was negligible as per expenditure booked on BDS. However, expenditure would be reconciled with A.G.(A&E) Office.
9.	2230-03-003(32)(02)	33.00	22.37	10.63	32	--do--
10.	2236-02-101(32)(01)	304.00	235.41	68.59	23	--do--
11.	2404-00-102(32)(01)	65.62	52.44	13.18	20	--do--
12.	4059-01-051(32)(02)	44.98	33.80	11.18	25	--do--
13.	4250-00-201(32)(01)	425.00	340.50	84.50	20	As the funds were received from the Government very late, expenditure could not be incurred.
14.	4250-00-201(32)(02)	69.50	39.09	30.41	44	--do--
Grant No. 016 Thane						
15.	2210-06-800(33)(06)	125.04	50.00	75.04	60	Not specified. However, saving was re-appropriated to other head.
16.	2215-01-102(33)(01)	1502.95	1466.05	36.90	3	--do--
17.	2230-03-003(33)(08)	75.03	22.35	52.68	70	--do--
18.	2515-00-198(33)(01)	212.50	100.00	112.50	53	As per departmental records, there was no saving. DPO stated that expenditure would be reconciled with A.G.(A&E) Office.
19.	2515-00-800(33)(01)	55.63	34.62	21.01	38	Not specified. However, saving was re-appropriated to other head.

Appendix - 2.13 (contd.)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Expenditure	Savings	Percentage	Reasons for saving as intimated by the Department
(1)	(2)	(3)	(4)	(5)	(6)	(7)
20.	3051-80-190(33)(01)	402.22	345.49	56.73	14	Saving of ₹ 34.03 lakh surrendered and ₹ 22.70 lakh was re-appropriated to other head.
21.	3451-00-101(33)(03)	4200.75	4179.72	21.03	1	Not specified. However, saving was re-appropriated to other head.
22.	3452-01-101(33)(02)	187.50	162.16	25.34	14	--do--
23.	4250-00-201(33)(01)	128.01	84.65	43.36	34	--do--
24.	5054-04-800(33)(05)	1232.97	948.93	284.04	23	Not specified. However, saving was re-appropriated to other head.
25.	5054-04-800(33)(06)	185.42	131.90	53.52	29	Not specified. However, saving was re-appropriated to other head.
Grant No. O20 Pune						
26.	4402-00-102(37)(02)	942.70	901.35	41.35	4	Implementing agency would be instructed to reconcile the expenditure with the A.G.(A&E) Office.
Grant No. O25 Nashik						
27.	2202-01-196(42)(01)	40.60	--	40.60	100	Due to non-implementation of works, savings re-appropriated to other head.
28.	2203-103(42)(02)	50.00	15.92	34.08	68	Due to non-receipt of supply orders from the Government, saving re-appropriated to other head.
29.	2215-01-102(42)(01)	1661.93	662.93	999.00	60	Saving occurred due to huge unspent grants pertaining to the previous year.
30.	2215-02-107(42)(05)	50.00	---	50.00	100	Due to non-receipt of Central Share, saving re-appropriated to other head.
31.	2217-80-192(42)(01)	100.00	42.60	57.40	57	Due to non-receipt of proposals from Municipal Corporations/Councils, saving re-appropriated to other head.
32.	2217-80-192(42)(04)	20.00	--	20.00	100	Due to non-receipt of guidelines for implementing schemes, saving re-appropriated to other head.
33.	2230-03-003(42)(04)	98.67	65.63	33.04	33	Due to non-receipt of supply orders from the Government, saving re-appropriated to other head.
34.	2235-02-200(42)(01)	300.00	278.21	21.79	7	Funds provided as per proposals received and saving re-appropriated to other head.
35.	2236-02-196(42)(01)	1000.00	937.50	62.50	6	As expected expenditure was not incurred, saving re-appropriated to other head.
36.	2403-101(42)(09)	105.00	79.00	26.00	25	Due to non-receipt of proposals, saving re-appropriated to other head.
37.	2406-01-101(42)(07)	150.28	43.14	107.14	71	Saving re-appropriated to other head as the works could not be completed at the end of March 2012.
38.	2851-110(42)(03)	27.31	4.50	22.81	84	Due to non-achievement of target for silk development, saving re-appropriated to other head.

Appendix - 2.13 (concl.)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Expenditure	Savings	Percentage	Reasons for saving as intimated by the Department
(1)	(2)	(3)	(4)	(5)	(6)	(7)
39.	3451-101(42)(03)	88.84	37.17	51.67	58	On the basis of actual expenditure incurred, saving was re-appropriated to other head.
40.	3452-01-101(42)(02)	1199.67	57.04	1142.63	95	Due to non-receipt of proposal, saving re-appropriated to other head.
41.	4216-01-106(42)(01)	122.91	105.53	17.38	14	On the basis of actual expenditure incurred, saving was re-appropriated to other head.
42.	4250-201(42)(01)	391.00	226.66	164.34	42	--do--
43.	4250-201(42)(02)	69.00	34.00	35.00	51	--do--
44.	4250-201(42)(03)	340.00	214.50	125.50	37	--do--
45.	4250-201(42)(04)	60.00	32.17	27.83	46	--do--
46.	4403-101(42)(01)	310.00	184.99	125.01	40	Due to non-completion of tender procedure, saving re-appropriated to other head.
47.	4515-800(42)(01)	404.00	--	404.00	100	Budget provision made for schemes not expended, re-appropriated to other head.
48.	5054-80-800(42)(05)	357.00	344.81	12.19	3	On the basis of actual expenditure incurred, saving was re-appropriated to other head.
49.	6217-60-192(42)(01)	61.00	--	61.00	100	Due to non-receipt of proposals from Municipal Corporations/Councils, saving re-appropriated to other head.

(Source: Detailed accounts and information furnished by department).

Appendix 2.14

Statement showing excess of ₹ 5 lakh and above (Reference Paragraph 2.5.1.1; Page 78)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Expenditure	Excess	Reasons for excess as intimated by the Department
(1)	(2)	(3)	(4)	(5)	(6)
Grant No. O03 Rural Employment					
1.	2505-60-001(01)(01) (Voted)	62124.21	62906.27	782.06	Not furnished.
Grant No. O10 Capital Outlay on Other Rural Development Programmes					
2.	4515-00-102(00)(39)	527.59	542.05	14.46	Not furnished.
3.	4515-00-102(00)(40)	92.70	102.74	10.04	Not furnished.
4.	4515-00-102(00)(01)	72824.30	73013.41	189.11	Figures would be reconciled with Accountant General (A&E) in consultation with the District Planning Officers.
Grant No. O11 Capital Outlay on Hill Areas					
5.	4551-60-800(00)(01)	7268.47	7295.51	27.04	Not furnished.
Grant No. O16 Thane					
6.	2210-06-800(33)(03)	123.74	137.74	14.00	Not specified. However, saving under another head re-appropriated to this head to meet excess expenditure.
7.	2215-01-102(33)(08)	164.21	173.65	9.44	--do--
8.	2225-03-277(33)(18)	999.98	1691.98	692.00	There was misclassification, so excess shown. Note of Error proposal would be submitted to the Pr. A.G.(A&E) Office.
9.	3451-00-101(36)(04)	14.21	42.16	27.95	Not specified. However, saving under another head re-appropriated to this head to meet excess expenditure.
10.	3451-00-101(33)(02)	686.52	833.27	146.75	Excess expenditure would be reconciled.
11.	4250-00-201(33)(02)	175.99	195.49	19.50	Not specified. However, saving under another head re-appropriated to this head to meet excess expenditure.
12.	4515-00-800(33)(01)	783.40	1078.22	294.82	--do--
13.	5054-04-800(33)(04)	369.39	498.67	129.28	--do--
Grant No. O20 Pune					
14.	2401-00-113(37)(01)	345.06	372.56	27.50	Implementing agency would be instructed to reconcile the expenditure with the A.G.(A&E) Office.
Grant No. O25 Nashik					
15.	2204-103(42)(02)	2.00	10.00	8.00	According to the demand raised by the implementing agency, saving under another head re-appropriated to this head to meet excess expenditure.
16.	2204-104(42)(02)	126.96	132.96	6.00	--do--
17.	2204-104(42)(07)	70.00	100.00	30.00	--do--
18.	2205-105(42)(03)	30.00	36.00	6.00	--do--
19.	2210-06-800(42)(04)	325.04	355.04	30.00	--do--
20.	2235-02-103(42)(01)	0.01	31.44	31.43	--do--
21.	2401-001(42)(01)	15.00	24.00	9.00	According to the demand raised by the implementing agency, saving under another head re-appropriated to this head to meet excess expenditure.

Appendix - 2.14 (concl'd.)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Expenditure	Excess	Reasons for excess as intimated by the Department
(1)	(2)	(3)	(4)	(5)	(6)
22.	2401-102(42)(03)	8.64	26.60	17.96	--do--
23.	2401-109(42)(01)	10.60	19.57	8.97	--do--
24.	2401-114(42)(01)	22.81	42.19	19.38	--do--
25.	2403-101(42)(08)	40.00	60.00	20.00	--do--
26.	2406-01-101(42)(01)	100.00	114.94	14.94	--do--
27.	2406-01-800(42)(01)	221.49	249.86	28.37	--do--
28.	2515-104-198(42)(01)	320.00	473.56	153.56	--do--
29.	2702-01-800(42)(01)	14.75	30.19	15.44	--do--
30.	2702-80-196(42)(02)	300.00	495.89	195.89	--do--
31.	2810-60-800(42)(01)	79.00	95.94	16.94	--do--
32.	3054-04-800(42)(02)	565.10	1690.10	1125.00	--do--
33.	3451-101(42)(04)	827.66	1678.66	851.00	--do--
34.	3604-200(42)(01)	500.00	850.00	350.00	--do--
35.	4059-01-051(42)(01)	211.50	218.67	7.17	--do--
36.	4402-102(42)(02)	149.98	244.31	94.33	--do--
37.	4406-01-101(42)(02)	242.62	556.17	313.55	--do--
38.	5054-80-800(42)(04)	2185.00	2480.62	295.62	--do--

(Source: Detailed accounts and information furnished by department).

Appendix 2.15

Statement showing details of funds surrendered as on 31 March 2012

(Reference Paragraph : 2.5.1.2, Page 78)

(₹ in lakh)

Sr. No.	Grant No.	Head	Amount surrendered as on 31 March	Reasons for surrender of funds furnished by Planning department
(1)	(2)	(3)	(4)	(5)
1.	O-1	2053-00-093(03)(03)	2.56	Due to closure of the scheme and abolition of the post of Special Executive Officer.
2.	O-1	2053-00-093(04)(01)	15794.41	Receipt of funds in September 2011 instead of April 2011 and election code of conduct
3.	O-1	2053-00-800(01)(01)	1250.00	--do--
4.	O-3	2505-60-001(01)(05)	318.30	Expenditure incurred within the grants made available on Budget Distribution System
5.	O-3	2505-60-001(01)(06)	288.10	--do--
6.	O-3	2505-60-001(01)(07)	1432.00	--do--
7.	O-3	2505-60-001(02)(02)	5.00	No expenditure incurred.
8.	O-4	2515-00-102(00)(03)	5.64	Due to availability of funds from other heads.
9.	O-6	3425-60-200(00)(01)	104.50	Finance Department did not release the funds as the plan for utilisation of funds not submitted.
10.	O-7	3451-00-090(03)(01)	15.23	Less expenditure on tours due to completion of term by Chairman and economy measures
11.	O-7	3451-00-090(04)(01)	1193.07	Non-receipt of proposals from the Collectorates.
12.	O-7	3451-00-090(01)(06)	53.88	Less expenditure incurred on the scheme.
13.	O-7	3451-00-090(04)(02)	2000.00	Non-receipt of fund release of orders from the Central Government in time.
14.	O-7	3451-00-090(01)(10)	10.00	Instructions not received in respect of purpose for which expenditure to be incurred from Director of Information Technology and non-finalisation of procedure for purchase of computers.
15.	O-7	3451-00-101(00)(01)	92.93	Non-payment of arrears of sixth pay commission under Defined Contribution Pension Scheme and vacant posts.
16.	O-7	3451-00-101(03)(01)	42.69	Non-filling up of Vacant posts.
17.	O-7	3451-00-090(01)(03)	28.83	Non-completion of procedure for purchase of computers
18.	O-7	3451-00-090(01)(08)	100.00	Transaction Advisors not appointed, due to non-receipt of proposal from the administrative department.
19.	O-7	3451-00-101(02)(00)	12.26	Non-filling up of Vacant posts.
20.	O-8	3452-01-101(00)(01)	1272.60	Incurring of expenditure as per grants made available on Budget Distribution System.
21.	O-8	3452-01-101(00)(02)	374.25	--do--
22.	O-8	3452-01-101(00)(03)	825.41	--do--
23.	O-8	3452-01-101(00)(05)	50.00	--do--
24.	O-8	3452-01-101(00)(04)	180.53	Incurring of expenditure as per grants made available on Budget Distribution System and agitation by local people.
25.	O-8	3452-01-101(00)(06)	1000.00	Administrative approval could not be given due to non-receipt of plans and estimates from Collector, Kolhapur.
26.	O-9	3454-02-112(03)(16)	50.00	Non-establishment of Human Development and Social Justice Cell
27.	O09	3454-02-112(03)(17)	20.00	Non-approval of the proposal for increasing the number of posts and centres by the Central Government.
28.	O09	3454-02-112(01)(03)	47.39	Non-creation of posts and not conducting training of employees.

Appendix - 2.15 (contd.)

(₹ in lakh)

Sr. No.	Grant No.	Head	Amount surrendered as on 31 March	Reasons for surrender of funds furnished by Planning department
(1)	(2)	(3)	(4)	(5)
29.	O09	3454-02-112(03)(18)	191.81	Requirement of changes in system of evaluation of schemes.
30.	O09	3454-02-112(03)(19)	700.00	Funds could not be expended due to release of funds by the Finance Department in the last week of month of March.
31.	O09	3454-02-112(01)(01)	28.58	Less expenditure on salaries and travel expenses on account of vacant posts.
32.	O09	3454-02-112(05)(01)	26.93	--do--
33.	O09	3454-02-112(03)(04) & (05)	73.93	No expenditure incurred on development of software.
34.	O09	3454-02-112(03)(01) & (02)	98.33	Non-filling up of vacant posts etc.
35.	O09	3454-02-112(03)(11)	87.62	No expenditure on renovation work.
36.	O09	3454-02-112(03)(13)	60.78	Non-filling up of vacant posts and non-approval of proposal for creation of new statistics offices.
37.	O09	3454-02-112(03)(15)	49.34	Non-commencement of work of Advisory Committee for preparation of structural layout.
38.	O09	3454-02-112(04)(01)	33.05	Non-filling up of vacant posts etc.
39.	O10	4515-00-102(01)(41)	275.01	Due to non-availability of land for 5 works, works could not be started.
40.	O10	4515-00-102(00)(41)	700.00	Non-issuance of the guidelines for implementation of the scheme.
41.	O10	4515-00-102(00)(01)	6948.34	As the works are suggested by the MLA till end of the year, it was not possible to surrender the grants before 31st March.
42.	O11	4551-60-800(00)(01)	1781.53	Delay in receipt of administrative approval, also in some cases, unspent grants were not intimated by implementing agencies on time.
Total			37624.83	
43.	O16	2202-01-103(33)(06)	0.41	Release of funds by the Government as on 31st March 2012.
44.	O16	2202-01-196(33)(01)	0.82	--do--
45.	O16	2203-00-103(33)(04)	0.21	--do--
46.	O16	2205-00-105(33)(02)	2.25	--do--
47.	O16	2205-00-105(33)(03)	3.98	--do--
48.	O16	2210-02-800(33)(11)	5.12	--do--
49.	O16	2210-02-800(33)(12)	2.46	--do--
50.	O16	2210-02-800(33)(13)	2.95	--do--
51.	O16	2210-06-800(33)(03)	14.24	--do--
52.	O16	2210-06-800(33)(06)	25.01	--do--
53.	O16	2215-01-102(33)(01)	118.45	--do--
54.	O16	2215-01-102(33)(05)	1.35	--do--
55.	O16	2215-01-102(33)(08)	9.44	--do--
56.	O16	2225-03-277(33)(13)	1.50	--do--
57.	O16	2230-03-003(33)(08)	3.49	--do--
58.	O16	2236-02-196(33)(01)	37.50	--do--
59.	O16	2403-00-001(33)(08)	11.25	--do--
60.	O16	2403-00-001(33)(09)	3.14	--do--

Appendix - 2.15 (concl.)

(₹ in lakh)

Sr. No.	Grant No.	Head	Amount surrendered as on 31 March	Reasons for surrender of funds furnished by Planning department
(1)	(2)	(3)	(4)	(5)
61.	O16	2403-00-102(33)(02)	0.25	--do--
62.	O16	2403-00-103(33)(01)	2.99	--do--
63.	O16	2405-00-120(33)(03)	5.01	--do--
64.	O16	3051-80-190(33)(01)	34.03	--do--
65.	O16	3451-00-101(33)(04)	25.55	--do--
66.	O16	3451-00-101(33)(02)	13.00	--do--
67.	O16	3451-00-101(33)(03)	24.61	--do--
68.	O16	4250-00-201(33)(01)	11.64	--do--
69.	O16	4405-00-101(33)(01)	101.90	--do--
70.	O16	5054-04-800(33)(04)	65.61	--do--
		Total	528.16	--do--
71.	O20	2202-01-103(37)(04)	0.97	Though funds were made available to the implementing agencies through re-appropriation, agencies could not withdraw the funds on BDS.
72.	O20	2401-00-108(37)(02)	4.36	--do--
73.	O20	2401-00-114(37)(01)	1.68	--do--
74.	O20	2515-00-800(37)(01)	8.62	--do--
75.	O20	3451-00-101(37)(03)	128.82	--do--
76.	O20	4402-00-102(37)(02)	0.14	--do--
		Total	144.59	
77.	O25	2204-104(42)(02)	0.04	Due to savings in the bills for the schemes.
78.	O25	2210-06-800(42)(04)	0.50	--do--
79.	O25	2215-01-102(42)(01)	217.17	Due to some omissions in preparation of bills, it was not passed by the treasury.
80.	O25	2230-03-003(42)(04)	16.83	Non-receipt of supply orders from the Government.
81.	O25	2401-102(42)(03)	0.82	Due to savings in the bills for the schemes.
82.	O25	2401-114(42)(01)	1.56	--do--
83.	O25	3054-04-800(42)(02)	34.90	₹ 800 lakh reappropriated on the last day of the financial year could not be made available through Budget Distribution System (BDS)
84.	O25	3451-101(42)(02)	34.73	Non-receipt of proposals from the implementing agencies.
85.	O25	3451-101(42)(03)	0.11	--do--
86.	O25	3451-101(42)(04)	6.86	--do--
87.	O25	3452-01-101(42)(02)	0.33	Due to savings in the bills for the schemes.
88.	O25	4402-102(42)(02)	0.02	--do--
		Total	313.87	
		GRAND TOTAL	38611.45	

(Source: Detailed accounts and information furnished by department).

Appendix 2.16

Statement showing funds released during February and March 2012

(Reference Paragraph : 2.5.1.4, Page 79)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Funds released during February and March 2012	Percentage
(1)	(2)	(3)	(4)	(5)
Grant No. O15 Mumbai Suburban				
1.	2202-03-103(32)(01)	40.37	12.50	31
2.	2202-80-800(32)(01)	0.32	0.08	25
3.	2203-00-103(32)(02)	20.28	12.50	62
4.	2203-00-103(32)(04)	15.01	12.50	83
5.	2204-00-103(32)(01)	1.00	1.25	100
6.	2204-00-104(32)(02)	1.04	0.50	48
7.	2204-00-104(32)(03)	5.00	3.75	75
8.	2204-00-104(32)(07)	44.96	7.50	17
9.	2205-00-105(32)(03)	1.60	0.50	31
10.	2216-02-800(32)(01)	3366.18	800.00	24
11.	2225-03-277(32)(03)	320.00	80.00	25
12.	2225-03-277(32)(06)	640.00	160.00	25
13.	2225-03-277(32)(13)	32.00	8.00	25
14.	2230-03-003(32)(02)	33.00	17.25	52
15.	2235-02-103(32)(07)	6.20	1.55	25
16.	2236-02-101(32)(01)	304.00	76.00	25
17.	2404-00-102(32)(01)	65.62	18.75	29
18.	2405-00-101(32)(01)	1.50	0.37	25
19.	2405-00-120(32)(03)	15.00	5.20	35
20.	2406-01-102(32)(02)	20.00	5.00	25
21.	2406-02-110(32)(02)	30.00	7.50	25
22.	2851-00-102(32)(02)	18.00	4.50	25
23.	3056-00-190(32)(01)	80.00	20.00	25
24.	3435-04-103(32)(02)	5322.93	1330.73	25
25.	3451-00-101(32)(02)	6.65	23.50	100
26.	3451-00-101(32)(01)	598.50	149.63	25
27.	3452-01-101(32)(01)	600.00	150.00	25
28.	4059-01-051(32)(01)	289.25	65.63	23
29.	4059-01-051(32)(02)	44.98	9.00	20
30.	4216-01-106(32)(01)	3.67	21.25	100
31.	4216-01-106(32)(02)	0.55	3.75	100
32.	4250-00-201(32)(01)	425.00	75.00	18
33.	4250-00-201(32)(02)	69.50	25.00	36
34.	4250-00-201(32)(03)	5.50	25.00	100

Appendix - 2.16 (contd.)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Funds released during February and March 2012	Percentage
(1)	(2)	(3)	(4)	(5)
35.	4403-00-101(32)(01)	5.95	2.50	42
36.	4405-00-101(32)(01)	8.50	2.12	25
37.	4405-00-101(32)(02)	1.50	0.37	25
38.	4405-00-195(32)(02)	40.36	25.00	62
39.	4405-00-103(32)(01)	310.08	50.00	16
40.	4406-01-070(32)(01)	350.00	87.50	25
TOTAL		13144.00	3301.18	25
Grant No. O16 Thane				
41.	2202-02-196(33)(07)	300.00	37.50	12
42.	2210-06-800(33)(03)	123.74	39.98	32
43.	2210-06-800(33)(06)	125.04	25.01	20
44.	2215-01-102(33)(05)	0.81	1.35	100
45.	2215-01-102(33)(08)	164.21	32.09	20
46.	2225-03-277(33)(13)	13.50	2.50	19
47.	2225-03-277(33)(18)	999.98	201.00	20
48.	2403-00-001(33)(08)	108.65	85.47	78
49.	2403-00-107(33)(01)	0.94	0.25	27
50.	2403-00-103(33)(01)	44.78	11.95	27
51.	2403-00-102(33)(02)	1.75	1.00	57
52.	3451-00-101(36)(04)	14.21	5.55	39
53.	3451-00-101(33)(02)	686.52	103.00	15
54.	3451-00-101(33)(03)	4200.75	475.67	11
55.	4250-00-201(33)(02)	175.99	27.50	16
56.	4406-01-101(33)(03)	212.05	28.01	13
57.	4406-01-800(33)(01)	150.00	18.74	12
TOTAL		7322.92	1096.57	15
Grant No. O20 Pune				
58.	2202-01-103(37)(04)	19.03	5.02	26
59.	2202-01-103(37)(06)	7.84	1.96	25
60.	2202-01-196(37)(01)	275.00	275.00	100
61.	2202-80-800(37)(01)	0.13	0.13	100
62.	2204-103(37)(02)	10.00	10.00	100
63.	2204-104(37)(03)	41.00	23.00	56
64.	2204-104(37)(07)	74.00	61.18	83
65.	2205-105(37)(02)	15.00	3.75	25

Appendix - 2.16 (contd.)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Funds released during February and March 2012	Percentage
(1)	(2)	(3)	(4)	(5)
66.	2205-105(37)(03)	70.80	17.70	25
67.	2210-06-800(37)(03)	132.18	97.19	74
68.	2210-06-800(37)(04)	363.20	169.58	47
69.	2210-06-800(37)(05)	470.00	117.50	25
70.	2210-06-800(37)(08)	10.00	2.50	25
71.	2210-06-800(37)(02)	67.58	16.90	25
72.	2215-01-102(37)(05)	1.62	0.41	25
73.	2217-80-192(37)(02)	754.24	496.91	66
74.	2220-60-109(37)(01)	10.00	2.50	25
75.	2225-03-277(37)(14)	18.00	6.76	38
76.	2235-02-103(37)(07)	0.16	0.06	37
77.	2236-02-196(37)(01)	900.00	225.00	25
78.	2401-00-102(37)(03)	3.24	2.54	78
79.	2401-00-108(37)(02)	45.26	53.06	100
80.	2401-00-109(37)(01)	36.00	36.88	100
81.	2401-00-113(37)(01)	345.06	204.41	59
82.	2401-00-114(37)(01)	37.14	13.20	36
83.	2401-00-119(37)(02)	41.24	8.27	20
84.	2406-01-101(37)(01)	312.65	207.92	66
85.	2406-01-101(37)(06)	30.00	7.50	25
86.	2406-01-800(37)(02)	471.00	156.75	33
87.	2501-05-101(37)(01)	2.51	2.51	100
88.	2501-02-101(37)(01)	172.54	123.93	72
89.	2505-60-702(37)(01)	1535.61	1072.63	70
90.	2515-00-800(37)(01)	26.43	13.00	49
91.	2515-198(37)(01)	1270.00	437.50	34
92.	2702-80-196(37)(01)	1075.00	913.52	85
93.	2702-80-196(37)(02)	670.00	500.43	75
94.	2851-102(37)(01)	46.97	47.00	100
95.	3451-101(37)(01)	1367.98	529.03	39
96.	3451-101(37)(03)	932.27	633.84	68
97.	3604-200(37)(01)	500.00	359.39	72
98.	4210-01-110(37)(01)	70.13	53.40	76
99.	4402-00-102(37)(02)	942.70	573.51	61
100.	4406-01-101(37)(02)	522.38	279.09	53

Appendix - 2.16 (concl.)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Funds released during February and March 2012	Percentage
(1)	(2)	(3)	(4)	(5)
101.	4406-01-070(37)(01)	170.14	123.14	72
102.	4702-00-800(37)(03)	69.69	32.19	46
103.	5054-04-800(37)(04)	975.94	289.04	30
104.	5054-04-800(37)(06)	3973.17	2174.62	55
TOTAL		18884.83	10381.35	55
Grant No. O25 Nashik				
105.	2203-103(42)(02)	50.00	12.50	25
106.	2203-103(42)(04)	7.80	1.95	25
107.	2204-103(42)(02)	2.00	8.50	100
108.	2225-03-277(42)(04)	10.00	2.44	24
109.	2225-03-277(42)(06)	32.00	8.11	25
110.	2230-03-003(42)(04)	98.67	28.88	29
111.	2235-02-200(42)(01)	300.00	66.41	22
112.	2236-02-196(42)(01)	1000.00	235.00	24
113.	2404-102(42)(01)	101.00	17.21	17
114.	2406-01-101(42)(07)	150.28	15.18	10
115.	3451-101(42)(03)	88.84	11.43	13
116.	4059-01-051(42)(02)	34.75	14.44	42
117.	4250-201(42)(02)	69.00	47.83	69
118.	4250-201(42)(04)	60.00	7.17	12
119.	4851-109(42)(02)	28.35	7.09	25
120.	5054-80-800(42)(05)	357.00	349.57	98
121.	5054-80-800(42)(06)	28.00	48.59	100
TOTAL		2417.69	882.30	36

(Source: Detailed accounts and information furnished by department).

Statement showing revised estimates as on
20 and 31 March 2012

(Reference Paragraph : 2.5.1.6 (ii), Page 82)

(₹ in lakh)

Sr. No.	Head	Budget Estimates	Estimates Revised as on 20 March 2012	Estimates Revised as on 31 March 2012
1.	2203-00-103(33)(04)	5.50	5.50	2.45
2.	2203-00-103(33)(06)	8.00	8.00	1.00
3.	2204-00-104(33)(07)	34.00	34.00	32.00
4.	2205-00-105(33)(03)	11.60	14.68	11.60
5.	2210-02-101(33)(01)	1.00	1.00	0
6.	2210-06-800(33)(03)	112.00	137.98	137.74
7.	2210-06-800(33)(06)	150.05	150.05	50.00
8.	2215-01-102(33)(01)	1895.20	1621.40	1466.05
9.	2215-01-102(33)(05)	1.08	2.16	1.62
10.	2230-03-003(33)(08)	216.15	78.52	22.52
11.	2401-102(33)(02)	12.52	9.91	9.92
12.	2401-112(33)(01)	0.01	0.09	0
13.	2401-113(33)(01)	14.60	14.60	13.70
14.	2401-114(33)(01)	2.18	0.71	0.69
15.	2401-119(33)(02)	25.00	25.00	18.75
16.	2403-00-001(33)(08)	120.91	111.00	100.37
17.	2403-00-001(33)(09)	35.20	46.00	45.06
18.	2501-05-101(33)(01)	27.08	29.00	23.15
19.	2515-00-198(33)(01)	1650.00	350.00	306.25
20.	2515-00-800(33)(01)	80.46	60.66	34.62
21.	2851-00-102(33)(01)	11.00	11.00	10.98
22.	3051-80-190(33)(01)	350.00	436.25	345.49
23.	3451-00-101(33)(04)	17.95	40.93	42.16
24.	3451-00-101(33)(02)	807.75	799.55	853.30
25.	3451-00-101(33)(03)	1396.20	4224.48	4181.60
26.	3452-01-101(33)(02)	225.00	225.00	162.16
27.	4250-00-201(33)(01)	186.20	139.65	84.65
28.	4250-00-201(33)(02)	440.00	203.49	195.49
29.	4402-00-102(33)(02)	153.86	794.03	794.00
30.	4405-00-101(33)(01)	450.00	450.00	304.35
31.	4515-00-800(33)(01)	1099.71	1275.27	960.85
32.	5054-04-800(33)(04)	435.00	435.00	469.40
33.	5054-04-800(33)(05)	1334.71	1334.71	947.39
34.	5054-04-800(33)(06)	185.42	185.42	131.68
35.	5054-04-800(33)(07)	14.67	14.67	10.40

(Source: Detailed accounts and information furnished by department).

Statement showing difference in the Final Modified Grant as per Appropriation Accounts and the Departmental records

(Reference Paragraph: 2.5.1.8, Page 84)

(₹ in lakh)

Sr. No.	Head	Final Modified Grant as per Appropriation Accounts	Final Modified Grant as per departmental records	Difference Short (-)/ Excess (+)
Grant No. O-15 Mumbai Suburban				
1.	2202-03-103(32)(01)	40.37	23.37	(-)17.00
2.	4059-01-51(32)(02)	44.98	26.23	(-)18.75
Grant No. O-16 Thane				
3.	2202-01-196(33)(01)	169.18	170.00	(+) 0.82
4.	2202-01-103(33)(06)	5.25	5.66	(+) 0.41
5.	2203-00-103(33)(04)	5.29	2.44	(-) 2.85
6.	2203-00-103(33)(06)	7.93	1.00	(-)6.93
7.	2204-00-104(33)(07)	34.00	32.00	(-)2.00
8.	2205-00-105(33)(03)	10.70	11.60	(+)0.90
9.	2210-02-101(33)(01)	0.94	0	(-)0.94
10.	2210-06-800(33)(03)	123.74	137.74	(+) 14.00
11.	2210-06-800(33)(06)	125.04	50.00	(-) 75.04
12.	2215-01-102(33)(01)	1502.95	1466.05	(-) 36.90
13.	2215-01-102(33)(05)	0.81	1.62	(+) 0.81
14.	2215-01-102(33)(08)	164.21	173.65	(+)9.44
15.	2230-03-003(33)(08)	75.03	22.52	(-) 52.51
16.	2235-02-103(33)(12)	3.00	0	(-)3.00
17.	2401-00-119(33)(02)	24.99	18.75	(-)6.24
18.	2403-00-001(33)(08)	108.65	100.37	(-)8.28
19.	2403-00-001(33)(09)	42.86	45.06	(+)2.20
20.	2501-05-101(33)(01)	29.00	23.15	(-)5.85
21.	2515-00-198(33)(01)	212.50	306.25	(+) 93.75
22.	2515-00-800(33)(01)	55.63	34.62	(-) 21.01
23.	3051-80-190(33)(01)	402.22	345.49	(-) 56.73
24.	3451-00-101(36)(04)	14.21	42.16	(+) 27.95
25.	3451-00-101(33)(02)	686.52	853.30	(+) 166.78
26.	3451-00-101(33)(03)	4200.75	4181.60	(-)19.15
27.	3452-01-101(33)(02)	187.50	162.16	(-)25.34
28.	4250-00-201(33)(01)	128.01	84.65	(-)43.36
29.	4250-00-201(33)(02)	175.99	195.49	(+)19.50
30.	4405-00-101(33)(01)	348.10	304.35	(-)43.75
31.	4515-00-800(33)(01)	783.40	960.85	(+) 177.45
32.	5054-04-800(33)(04)	369.39	469.40	(+) 100.01
33.	5054-04-800(33)(05)	1232.97	947.39	(-) 285.58
34.	5054-04-800(33)(06)	185.42	131.68	(-) 53.74
35.	5054-04-800(33)(07)	14.67	10.40	(-)4.27

(Source: Detailed accounts and information furnished by department).

Appendix 2.19

Statement showing difference in the expenditure booked by the Principal Accountant General (Accounts and Entitlements) office and as per departmental records
(Reference Paragraph : 2.5.1.8, Page 84)

(₹ in lakh)

Sr. No.	Head	Expenditure booked as per Appropriation Accounts	Expenditure as per departmental records	Difference
Grant No. O15 Mumbai Suburban				
1.	2203-00-103(32)(02)	19.49	20.28	0.79
2.	2225-03-277(32)(06)	550.49	633.21	82.72
3.	2225-03-277(32)(13)	28.27	32.00	3.73
4.	2230-03-003(32)(02)	22.37	31.04	8.67
5.	2235-02-103(32)(07)	5.85	6.00	0.15
6.	2236-02-101(32)(01)	235.41	303.99	68.58
7.	2404-00-102(32)(01)	52.44	65.62	13.18
8.	2851-00-102(32)(02)	17.13	17.98	0.85
9.	3452-01-101(32)(01)	450.00	600.00	150.00
10.	4059-01-051(32)(02)	33.80	46.41	12.61
11.	4405-00-101(32)(01)	8.40	8.50	0.10
12.	4405-00-101(32)(02)	1.59	1.50	0.09
13.	4405-00-103(32)(01)	310.08	300.38	9.70
Grant No. O16 Thane				
14.	2225-03-277(33)(13)	12.54	12.50	0.04
15.	2225-03-277(33)(18)	1691.99	999.98	692.01
16.	2230-03-003(33)(08)	22.35	22.44	0.09
17.	2401-00-102(33)(02)	10.10	9.92	0.18
18.	2406-01-101(33)(01)	171.73	171.76	0.03
19.	2406-02-110(33)(01)	60.70	60.00	0.70
20.	2515-00-198(33)(01)	100.00	306.25	206.25
21.	3451-00-101(33)(02)	833.27	853.27	20.00
22.	3451-00-101(33)(03)	4179.72	4181.57	1.85
23.	4250-00-201(33)(01)	84.65	76.83	7.82
24.	4405-00-101(33)(01)	339.50	304.35	35.15
25.	4406-01-101(33)(04)	8.73	7.00	1.73
26.	4515-00-800(33)(01)	1078.22	960.52	117.70
27.	5054-04-800(33)(04)	498.67	469.40	29.27
28.	5054-04-800(33)(06)	131.90	7.65	124.25
29.	5054-04-800(33)(07)	10.44	1.00	9.44
30.	6250-60-800(33)(01)	23.09	21.94	1.15
Grant No. O20 Pune				
31.	2203-00-103(37)(04)	9.96	10.75	0.79
32.	2230-03-003(37)(04)	98.26	97.71	0.55
33.	2401-00-102(37)(03)	2.00	3.24	1.24

Appendix - 2.19 (concl.)

(₹ in lakh)

Sr. No.	Head	Expenditure booked as per Appropriation Accounts	Expenditure as per departmental records	Difference
34.	2401-00-108(37)(02)	44.56	45.26	0.70
35.	2401-00-113(37)(01)	372.56	345.06	27.50
36.	2401-00-114(37)(01)	38.17	38.82	0.65
37.	2401-00-119(37)(02)	41.16	41.24	0.08
38.	2403-00-109(37)(26)	9.64	10.00	0.36
39.	4216-01-106(37)(02)	72.37	72.51	0.14
40.	4402-00-102(37)(02)	901.35	942.54	41.19
41.	4403-00-101(37)(01)	631.75	609.48	22.27
42.	5054-04-800(37)(06)	3973.20	3973.17	0.03
43.	5054-04-800(37)(08)	38.37	38.39	0.02
Grant No. O-25 Nashik				
44.	2230-03-003(42)(04)	65.63	66.29	0.66
45.	2401-00-108(42)(02)	19.38	19.55	0.17
46.	3451-101(42)(04)	1678.66	1675.24	3.42
47.	3452-01-101(42)(02)	57.04	56.70	0.34
48.	4851-109(42)(02))	21.26	28.35	7.09

(Source: Detailed accounts and information furnished by department).

Appendix 2.20

Statement showing cases of drawals from Contingency Fund where the expenditure was foreseeable

(Reference Paragraph 2.6; Page 88)

(₹ in crore)

Sr. No.	Sanction number & date	Department/Grant number/Major Head	Purpose for which drawn	Amount sanctioned
(1)	(2)	(3)	(4)	(5)
1.	CNF 20.11/1 BUD-15 Dt.27.04.11	Agriculture, Animal Husbandry, Dairy Development and Fisheries D-5/2404	Provision for repair works of staff quarters Aarey Milk Colony, Worli Dairy such as Road Water Supply pipelines & Buildings.	5.00
2.	CNF 20.11/2 BUD-11 Dt.28.04.11	Tourism and Cultural Affairs ZD-2/2205	Provision for celebration of farewell ceremony of Golden Jubilee year of Maharashtra.	5.00
3.	CNF 20.11/3 BUD-12 Dt.28.04.11	Public Works H-7/5053	Provision for payment of compensation for land acquired for Chikhalthana Airport at Aurangabad.	4.27
4.	CNF 20.11/7 BUD-14 Dt.20.06.11	Industries, Energy and Labour K-7/2851	Provision for census-cum-sample Survey of Small Scale units scheme – Salary and allowances to employees	0.40
5.	CNF 20.11/9 BUD-16 Dt.24.06.11	Urban Development F-7/6217	Loan to Akola Municipal Corporation for the payment of arrears of salary to employees.	16.00
6.	CNF 20.11/12 BUD-17 Dt.07.07.11	Rural Development and Water Conservation L-3/2515	Provision for conducting Census of persons below Poverty Line	10.05
7.	CNF 20.11/13 BUD-8 Dt.11.07.11	School Education & Sports E-3/2204	Provision to cover the expenses for awarding cash prizes to players of Maharashtra who won medals in the 34th National Games organised at Ranchi.	9.81
8.	CNF 20.11/16 BUD-10 Dt.26.08.11	Water Resources I-5/4701	Provision for Kikavi Drinking Water Project (Taluka Trimbakeshwar, District Nasik)	0.10
9.	CNF 20.11/21 BUD-17 Dt.24.10.11	Rural Development and Water Conservation L-3/2702	Provision for Repairs and Maintenance of Minor Irrigation schemes in Aurangabad, Sangli, Dhule, Ahmednagar, Jalgaon, Nasik and Raigad Districts having Irrigation potential for 0 to 100 hectares.	15.00
10.	CNF 20.11/22 BUD-13 Dt.02.11.11	Co-operation, Marketing and Textiles V-5/6425	Funds for giving loans to Co-operative Spinning Mills for expansion/modernization.	27.00
11.	CNF 20.11/23 BUD-14 Dt.22.11.11	General Administration A-3/2051	Provision for conducting examination by Maharashtra Public Service Commission in November and December 2011.	2.83
12.	CNF 20.11/25 BUD-7 Dt.24.11.11	Social Justice and Special Assistance N-4/4225	Provision for additional share capital contribution to the Vasantao Naik Vimukt Jati/ Nomadic Tribes Development Corporation	2.93
13.	CNF 20.11/26 BUD-7 Dt.24.11.11	Social Justice and Special Assistance N-4/4225	Provision for additional share capital contribution to Maharashtra State Other Backward Class Finance and Development Corporation	29.37
14.	CNF 20.11/27 BUD-14 Dt.28.11.11	Marathi Language ZF-02/2205	Provision to organize 'Grantotsav' in all districts of Maharashtra in December 2011 for promotion and propagation of Marathi literature and language.	0.35
15.	CNF 20.11/28 BUD-13 Dt.02.12.11	Co-operation, Marketing and Textiles V-5/6425	Provision for loans to Co-operative Spinning Mills	106.66

Appendix - 2.20 (concl.)

(₹ in crore)

Sr. No.	Sanction number & date	Department/Grant number/Major Head	Purpose for which drawn	Amount sanctioned
(1)	(2)	(3)	(4)	(5)
16	CNF 20.11/29 BUD-14 Dt.07.12.11	General Administration A-4/2070	Provision for Repairs and Maintenance of Government Aeroplane/ Helicopters and Payment of pending bills	2.88
17	CNF 11.12/30 BUD-6 Dt.11.01.12	Revenue and Forests C-7/2406	Funds required to rehabilitate 129 PAP families at Tadoba Andhari-Tiger project, Ramdegi (Navegaon)	2.89
18	CNF 20.11/33 BUD-17 Dt.03.02.12	Rural Development and Water Conservation L-2/2053	Expenses of Elections of Zilla Parishads and Panchayat Samitis.	32.00
19	CNF 20.11/35 BUD-6 Dt.13.02.12	Revenue and Forests C-7/2406	Funds required to rehabilitate 129 PAP families at Tadoba Andhari-Tiger project and Melghat Tiger Project, Amravati	29.03

(Source: Information received from State Government).

Statement showing the outcome of analysis
of budgetary assumptions 2011-12

(Reference Paragraph 2.7; Page 89)

(₹ in crore)

	Budget estimates	Actuals	Increase (+) / Decrease (-)	Increase (+) / Decrease (-) (In per cent)
1	2	3	4 (3-2)	5
Revenue Receipts				
<i>of which</i>	121504	121286	(-218)	(-0.18)
Tax Revenue	83686	87608	3922	4.69
<i>Taxes on Sales, Trade etc.</i>	46000	50596	4596	9.99
<i>State excise</i>	8500	8605	105	1.24
<i>Taxes on vehicles</i>	4000	4137	137	3.43
<i>Stamps and Registration fees</i>	15677	14407	(-1270)	(-8.1)
<i>Taxes on Goods and Passenger</i>	812	574	(-238)	(-29.31)
<i>Land Revenue</i>	1497	964	(-533)	(-35.60)
<i>Taxes and duties on electricity</i>	4400	4831	431	9.8
<i>Other taxes</i>	2800	3494	614	24.79
Non Tax Revenue	9731	8168	(-1563)	(-16.06)
<i>Interest Receipts</i>	1156	1359	203	17.56
<i>Miscellaneous General Services</i>	317	574	257	81.07
<i>Non-ferrous Mining and Metallurgical Industries</i>	2282	2045	(-237)	(-10.39)
<i>Other Non Tax Revenue</i>	5976	4190	1786	(-29.89)
Share of Union Taxes and Duties	13718	13343	(-375)	(-2.73)
Grants-in-aid from GOI	14369	12167	(-2202)	(-15.32)
Revenue Expenditure				
<i>of which</i>	121446	123554	2108	1.74
General Services	43958	42853	(-1105)	(-2.51)
<i>Administrative services</i>	12561	10848	(-1713)	(-13.64)
<i>Pension and Miscellaneous General Services</i>	10007	10581	574	5.74
<i>Appropriation for reduction or avoidance of debt/transfer to RF</i>	1008	1008	0	0
<i>Interest Payments</i>	17540	17505	(-35)	(-0.2)
<i>Fiscal Services</i>	1574	1662	88	5.59
<i>Organs of State</i>	1268	1249	(-19)	(-1.5)
Social Services	56552	54812	(-1740)	(-3.08)
<i>Education, Sports, Art and Culture</i>	30940	29879	(-1061)	(-3.43)
<i>Social Welfare and Nutrition</i>	5130	6541	1411	27.50
<i>Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes</i>	5547	5117	(-430)	(-7.75)
<i>Health and Family Welfare</i>	4864	5002	138	2.83
<i>Water Supply, Sanitation, Housing and Urban Development</i>	9224	7438	(-1786)	(-19.36)
<i>Information and Broadcasting</i>	49	48	(-1)	(-2.04)
<i>Labour and Labour Welfare</i>	718	721	3	0.42
<i>Others</i>	80	66	(-14)	(-17.50)
Economic Services	20083	24869	4786	23.83
<i>Agriculture and Allied Services</i>	5853	6145	292	4.99
<i>Rural Development</i>	2799	2524	(-275)	(-9.82)
<i>Special Area Programme</i>	40	44	4	10.00

Appendix - 2.21 (concl.)

(₹ in crore)

	Budget estimates	Actuals	Increase (+) / Decrease (-)	Increase (+) / Decrease (-) (In per cent)
1	2	3	4 (3-2)	5
<i>Irrigation & Flood Control</i>	2562	2701	139	5.43
<i>Power</i>	3407	5527	2120	62.22
<i>Industry & Minerals</i>	684	2546	1862	272.2
<i>Transport and Communication</i>	3364	4199	835	24.82
<i>Science, Technology and Environment</i>	74	67	(-7)	(-9.46)
General Economic Services	1300	1116	(-184)	(-14.15)
Grants-in-aid and Contributions	853	1020	167	19.58
<i>Capital expenditure</i>	22439	17880	(-4559)	(-20.32)
<i>Irrigation & Flood Control</i>	8266	8031	(-235)	(-2.84)
<i>Transport and Communication</i>	2957	2813	(-144)	(-4.87)
<i>Power</i>	2323	1862	(-461)	(-19.85)
<i>Health and Family Welfare</i>	481	405	(-76)	(-15.80)
<i>Education, Sports, Art and Culture</i>	208	155	(-53)	(-25.48)
<i>Water Supply, Sanitation, Housing and Urban Development</i>	425	449	24	5.65
<i>Rural Development</i>	3322	871	(-2451)	(-73.78)
<i>Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes</i>	1597	878	(-719)	(-45.02)
<i>Others</i>	2860	2416	(-444)	(-15.52)
Revenue surplus (+)/ deficits (-)	58	(-2438)	(-2496)	(-4298.27)
Fiscal Deficits (-)	(-22805)	(-20139)	2666	(-11.69)
Primary surplus (+)/ deficits (-)	(-5265)	(-2635)	2630	(-49.95)

(Source : Finance Accounts and Budget documents).

Statement showing department-wise breakup of outstanding utilisation certificates

(Reference Paragraph 3.1; Page 91)

Sr. No.	Department	Number of certificates	Amount (₹ in crore)
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	23685	3143.33
2	Co-operation, Marketing and Textiles	1983	5710.37
3	Employment and Self-Employment	24	42.45
4	Environment	24	96.95
5	Finance	30	14.18
6	Food, Civil Supplies and Consumer Protection	62	4.51
7	General Administration	347	306.29
8	Higher and Technical Education	2127	8281.05
9	Home	1313	1537.61
10	Housing	118	861.52
11	Industries, Energy and Labour	1866	330.37
12	Law and Judiciary	1741	16.45
13	Maharashtra Legislature Secretariat	159	18.15
14	Medical Education and Drugs	478	46.54
15	Minority Development	675	281.29
16	Planning	21936	5904
17	Public Health	5615	1266.22
18	Public Works	1144	779.77
19	Revenue and Forests	16043	2180.34
20	Rural Development and Water Conservation	14463	7026.23
21	School Education and Sports	17346	25737.73
22	Social Justice and Special Assistance	39705	5708.68
23	Tourism and Cultural Affairs	306	228.46
24	Tribal Development	13860	4536.39
25	Urban Development	3676	11835.51
26	Water Resources	696	26.4
27	Water Supply and Sanitation	3918	1016.93
28	Women and Child Development	22378	1302.67
	Total	195718	88240.39¹

(Source : Information provided by all three accounting centers namely; Principal Accountant General (Accounts and Entitlements) I Maharashtra, Mumbai; Accountant General (Accounts and Entitlements) II Maharashtra, Nagpur; Pay and Accounts Office, Mumbai).

¹ Differs from Finance Accounts (Volume I) figures due to rounding.

Statement showing performance of the autonomous bodies

(Reference Paragraph 3.3; Page 92)

Sr. No.	Name of the Body	Period of entrustment	Year up to which accounts were rendered	Delay in submission of accounts (Accounts received on)	Period of delay (in months)	Period up to which SAR is issued	Placement of SAR in the legislature
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Maharashtra Housing and Area Development Authority (MHADA), Mumbai.	01.04.08 to 31.03.13	2008-09 2009-10 2010-11	20.03.10 to 31.05.10 05.04.11 to 10.06.11 03.08.11 to 17.08.11	8 to 11 9 to 11 1 to 2	2010-11	2009-10 16.04.2012
2.	Mumbai Metropolitan Region Development Authority (MMRDA), Mumbai.	01.04.09 to 31.03.14	2010-11	27.10.11	4	2010-11	No provision for placement in MMRDA Act.
3.	Maharashtra Jeevan Pradhikaran (MJP), Mumbai.	01.04.07 to 31.03.12 01.04.12 to 31.03.17	2009-10 2010-11	05.01.11 07.05.12	6 10	2009-10	2007-08 15.01.2011
4.	Maharashtra Krishna Valley Development Corporation (MKVDC), Pune.	01.04.06 to 31.03.11 01.04.11 to 31.03.16	2009-10	04.01.11	6	2009-10	2009-10 22.12.2011
5.	Konkan Irrigation Development Corporation (KIDC), Thane.	01.04.08 to 31.03.13	2009-10	19.05.11	11	2009-10	2008-09 13.12.2010
6	Maharashtra Maritime Board (MMB), Mumbai.	01.04.06 to 31.03.11 01.04.11 to 31.03.16	2009-10	19.09.11	15	2009-10	2004-05 17.12.2006
7.	Maharashtra State Commission for Women (MSCW), Mumbai.	01.04.08 to 31.03.13	2008-09 2009-10 2010-11	30.12.10 30.12.10 26.12.11	18 6 6	2010-11	2007-08 21.04.2011
8.	Maharashtra Pollution Control Board (MPCB), Mumbai.	01.04.08 to 31.03.13	2008-09 2009-10	03.03.2011 20.03.2012	18 21	2008-09 2009-10	2004-05 April 2008
9.	Slum Rehabilitation Authority (SRA), Mumbai.	01.04.06 to 31.03.11	2009-10	21.07.11	13	2009-10	2007-08 & 2008-09 21.04.2011
10.	Maharashtra Water Resources Regulatory authority (MWRAA), Mumbai	01.04.05 to 31.03.10 01.04.10 to 31.03.15	2009-10	09.12.10	5	2010-11	2009-10 04.08.2011
11	Rajiv Gandhi Science and Technology Commission, Mumbai.	01.04.10 onwards till its existence	2010-11	14.11.11	4	2010-11	2005-06 to 2010-11 21.04.2012
12	Maharashtra Khadi and Village Industries Board (MSKVIB), Mumbai	01.04.07 to 31.03.12	2009-10	20.09.10	3	2009-10	2008-09 15.12.10
13	Maharashtra State Legal Services Authority (MSLSA), Mumbai	Section 19(2) of the CAG's (DPC) Act.	2008-09	28.04.10	10	2008-09	Yet to be presented to the Legislature
14	Tapi Irrigation Development Corporation (TIDC), Jalgaon	01.04.08 to 31.03.13 01.04.13 to 31.03.17	2010-11	04.04.12	9	2010-11	2008-09 24.12.2010
15	Vidharba Irrigation Development Corporation (VIDC), Nagpur	01.04.07 to 31.03.12 01.04.12 to 31.03.17	2009-10	02.02.12	19	2009-10	2008-09 01.04.2011
16.	Godawari Marathwada Irrigation Development Corporation (GMIDC), Aurangabad	01.04.09 to 31.03.14 01.04.14 to 31.03.17	2010-11	25.04.12	10	2009-10	2009-10 12.07.2012

Statement of finalisation of accounts and Government investments in departmentally managed commercial and quasi-commercial undertakings

(Reference Paragraph 3.4; Page 93)

Sr. No.	Name of undertaking	Accounts Finalised up to	Investment as per the last accounts (₹ in crore)	Remarks/Reasons for delay in preparation of accounts
(1)	(2)	(3)	(4)	(5)
Agriculture, Animal Husbandry, Dairy Development and Fisheries				
Mumbai Region				
1	Greater Mumbai Milk Scheme., Worli	2010-11	43.54	
2	Milk Transport Scheme, Worli	2006-07	2.34	*
3	Mother Dairy, Kurla	2010-11	29.79	
4	Central Dairy, Goregaon	2010-11	78.61	
5	Unit Scheme, Mumbai	2010-11	17.71	
6	Agricultural Scheme, Mumbai	2010-11	5.75	
7	Electrical Scheme, Mumbai	2010-11	4.32	
8	Water Supply Scheme, Mumbai	2010-11	10.24	
9	Cattle Feed Scheme, Mumbai	2010-11	0.28	
10	Cattle Breeding and Rearing Farm, Palghar	2010-11	1.89	
11	Dairy Project, Dapchari	2010-11	13.66	
12	Government Milk Scheme, Bhiwandi	2010-11	0.81	
13	Government Milk Chilling Centre, Saralgaon, Thane	2010-11	0.49	
14	Government Milk Scheme, Khopoli	2010-11	1.65	
15	Government Milk Scheme, Mahad	2010-11	1.34	
16	Government Milk Scheme, Chiplun	2010-11	2.73	
17	Government Milk Scheme, Ratnagiri	2010-11	14.38	
18	Government Milk Scheme, Kankavali	2010-11	1.85	
Pune Region				
19	Government Milk Scheme., Pune	2010-11	15.46	
20	Government Milk Scheme, Mahabaleshwar	2010-11	1.31	
21	Government Milk Scheme., Satara	2010-11	11.37	
22	Government Milk Scheme., Miraj	2010-11	20.07	
23	Government Milk Scheme, Solapur	2010-11	0.34	
Nagpur Region				
24	Government Milk Scheme, Nagpur	2010-11	10.07	
25	Government Milk Scheme, Wardha	2010-11	7.77	
26	Government Milk Scheme, Chandrapur	2010-11	0.82	
27	Government Milk Scheme, Gondia	2010-11	8.04	

* MTS, Worli has been closed vide Government order dated 17/07/2008

Appendix - 3.3 (concl.)

Sr. No.	Name of undertaking	Accounts Finalised up to	Investment as per the last accounts (₹ in crore)	Remarks/Reasons for delay in preparation of accounts
(1)	(2)	(3)	(4)	(5)
Aurangabad Region				
28	Government Milk Scheme, Aurangabad	2010-11	10.00	
29	Government Milk Scheme, Udgir	2010-11	23.70	
30	Government Milk Scheme, Beed	2010-11	90.20	
31	Government Milk Scheme, Nanded	2010-11	7.60	
32	Government Milk Scheme, Bhoom	2010-11	20.98	
33	Government Milk Scheme, Parbhani	2010-11	8.17	
Nashik Region				
34	Government Milk Scheme, Nashik	2010-11	4.78	
35	Government Milk Scheme, Dhule	2010-11	0.79	
36	Government Milk Scheme, Chalisgaon	2010-11	9.56	
37	Government Milk Scheme, Ahmednagar	2010-11	2.11	
38	Government Milk Scheme, Wani	2010-11	9.49	
Amravati Region				
39	Government Milk Scheme, Amravati	2010-11	4.01	
40	Government Milk Scheme, Akola	2010-11	16.11	
41	Government Milk Scheme, Yavatmal	2010-11	3.68	
42	Government Milk Scheme, Nandura	2009-10	3.25	#
Agriculture Animal Husbandry, Dairy Development and Fisheries Department				
43	Land Development by Bulldozer Scheme, Pune	1994-95	4.00	^
44	Land Development by Bulldozer Scheme, Aurangabad	1998-99	21.93	^
45	Land Development by Bulldozer Scheme, Amravati	1995-96	0.01	^
46	Land Development by Bulldozer Scheme, Nagpur	1996-97	2.18	^
Revenue and Forests Department				
47	Allapalli and Pendigundam Forest Ranges of Forest Divisions including Saw mills & Timber Depot	1985-86	0.00	^
Food, Civil Supplies and Consumer Protection Department				
48	Procurement, Distribution and Price Control Scheme in Mumbai and Thane Rationing Area	2010-11	637.89	
49	Procurement, Distribution and Price Control Scheme in Mofussil Area	2010-11	828.46	
TOTAL			2015.53	

GMS, Nandura Accounts were not received for 2010-11.

^ These are sick units with no operations. Hence they have stopped preparing Accounts.

(Source: Proforma Accounts).

Statement showing department-wise/
duration-wise break-up of cases of
misappropriation, defalcation etc.

(Reference Paragraph 3.5; Page 93)

(₹ in lakh)

Name of the Department	Upto 5 years	5-10 years	10-15 years	15-20 years	20-25 years	25 years and more	TOTAL
Agriculture, Animal Husbandry, Dairy Development and Fisheries	1 (0.8)	1 (0.2)	4 (4.08)	5 (6.82)	21 (29.71)	31 (2.97)	63 (44.58)
Co-operation Marketing and Textile	0 (0)	1 (10.83)	0 (0)	0 (0)	0 (0)	0 (0)	1 (10.83)
Finance	0 (0)	2 (44.19)	2 (92.55)	18 (291.98)	2 (1.28)	2 (1.88)	26 (431.88)
Food, Civil Supplies and Consumer Protection	0 (0)	1 (3.05)	2 (14.69)	3 (9.94)	0 (0)	2 (2.09)	8 (29.77)
General Administration	0 (0)	0 (0)	0 (0)	1 (1.29)	0 (0)	0 (0)	1 (1.29)
Higher and Technical Education	0 (0)	0 (0)	2 (30.35)	2 (290.84)	0 (0)	0 (0)	4 (321.19)
Home	2 (423.91)	2 (11.84)	1 (0.2)	5 (8.99)	2 (0.29)	4 (1.33)	16 (446.56)
Housing	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (0.08)	1 (0.08)
Industries, Energy and Labour	1 (0.94)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (0.94)
Law and Judiciary	3 (0.81)	2 (0.25)	0 (0)	0 (0)	0 (0)	0 (0)	5 (1.06)
Medical Education and Drugs	0 (0)	0 (0)	0 (0)	0 (0)	1 (0.15)	2 (7.02)	3 (7.17)
Planning	3 (0.42)	4 (0.2)	0 (0)	0 (0)	0 (0)	0 (0)	7 (0.62)
Public Health	2 (1251.45)	3 (1301.88)	5 (15.7)	0 (0)	2 (2.29)	5 (2.86)	17 (2574.18)
Public Works	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	3 (5.54)	3 (5.54)
Revenue and Forests	1 (0)	0 (0)	4 (4.75)	2 (1.6)	12 (12.15)	13 (6.05)	32 (24.55)
Rural Development and Water Conservation	0 (0)	4 (2.92)	2 (126.26)	3 (66.68)	2 (1.84)	11 (5.61)	22 (203.31)
School Education and Sports	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (2.02)	1 (2.02)
Social Justice and Special Assistance	0 (0)	0 (0)	0 (0)	4 (6.54)	3 (77.75)	1 (0.36)	8 (84.65)
Water Resources	5 (3.85)	6 (3.04)	1 (0.34)	1 (2.34)	1 (2.37)	1 (0.7)	15 (12.64)
TOTAL	18 (1682.18)	26 (1378.4)	23 (288.92)	44 (687.02)	46 (127.83)	77 (38.51)	234 (4202.86)

Statement showing department / category-wise details in respect of losses to Government due to theft, misappropriation / loss of Government material
(Reference Paragraph 3.5; Page 93)

(₹ in lakh)

Name of the Department	Theft cases		Misappropriation/Loss of Government Material		Total	
	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
Agriculture, Animal Husbandry, Dairy Development and Fisheries	4	4.76	59	39.82	63	44.58
Co-operation, Marketing and Textiles	0	0	1	10.83	1	10.83
Finance	1	13.89	25	417.99	26	431.88
Food, Civil Supplies and Consumer Protection	0	0	8	29.77	8	29.77
General Administration	0	0	1	1.29	1	1.29
Industries, Energy and Labour	0	0	1	0.94	1	0.94
Higher and Technical Education	1	0.7	3	320.49	4	321.19
Home	1	4.24	15	442.32	16	446.56
Housing	0	0	1	0.08	1	0.08
Law and Judiciary	2	0.25	3	0.81	5	1.06
Medical Education and Drugs	0	0	3	7.17	3	7.17
Planning	7	0.62	0	0	7	0.62
Public Health	0	0	17	2574.18	17	2574.18
Public Works	0	0	3	5.54	3	5.54
Revenue and Forests	2	3.44	30	21.11	32	24.55
Rural Development and Water Conservation	0	0	22	203.31	22	203.31
School Education and Sports	0	0	1	2.02	1	2.02
Social Justice and Special Assistance	0	0	8	84.65	8	84.65
Water Resource	4	2.35	11	10.29	15	12.64
TOTAL	22	30.25	212	4172.61	234	4202.86

Statement showing pending Detailed Contingent Bills for the years up to 2011-12

(Reference Paragraph 3.10; Page 99)

Sr. No.	Department	No. of AC Bills	Amount (₹ in crore)
1.	Agriculture, Animal Husbandry, Dairy Development and Fisheries	3598	55.24
2.	Co-operation, Marketing and Textiles	162	0.42
3.	Employment and Self Employment	4	0
4.	Environment	4	0.01
5.	Finance	193	9.13
6.	Food, Civil Supplies and Consumer Protection	36	0.37
7.	General Administration	1255	43.18
8.	Higher and Technical Education	178	4.76
9.	Home	3661	654.78
10.	Housing	88	0.19
11.	Industries, Energy and Labour	340	5.26
12.	Law and Judiciary	1418	5.88
13.	Maharashtra Legislature Secretariat	1	0
14.	Medical Education and Drugs	2561	25.81
15.	Minorities Development	7	0.19
16.	Parliamentary Affairs	7	4.81
17.	Planning	738	28.63
18.	Public Health	409	78.88
19.	Public Works	23	0.34
20.	Revenue and Forests	1837	37.38
21.	Rural Development and Water Conservation	1936	29.49
22.	School Education and Sports	444	5.21
23.	Social Justice and Special Assistance	546	16.04
24.	Tourism and Cultural Affairs	109	14.85
25.	Trade, Commerce and Mining	2	0.004
26.	Tribal Development	113	1.71
27.	Urban Development	16	49.31
28.	Water Resources	321	0.54
29.	Water Supply and Sanitation	552	3.46
30.	Women and Child Development	65	0.52
TOTAL		20624	1076.39

(Source : Information provided by all three accounting centers namely; Principal Accountant General (Accounts and Entitlements) I Maharashtra, Mumbai; Accountant General (Accounts and Entitlements) II Maharashtra, Nagpur; Pay and Accounts Office, Mumbai)

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth Rate
Buoyancy of a parameter (X) With respect to another parameter (Y)	Rate of Growth of parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth (ROG)	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	$\text{Interest payment} / [(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$
Interest spread	GSDP growth rate – Average Interest Rate
Quantum spread	Debt stock * Interest spread
Interest received <i>as per cent</i> to Loans Outstanding	$\text{Interest Received} [(\text{Opening balance} + \text{Closing balance of Loans and Advances}) / 2] * 100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Primary deficit defined as the fiscal deficit net of interest payments indicates the extent of deficit which is an outcome of the fiscal transactions of the States during the course of the year (Fiscal Deficit – Interest payments)
Balance from Current Revenue (BCR)	Revenue Receipts minus all Plan Grants and Non-Plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt.
Terms	Description
Debt sustainability	The Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.
Debt stabilization	A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and quantum spread (Debt*rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilize eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.
Sufficiency of non-debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.
Net availability of borrowed funds	Defined as the ratio of the debt redemption (Principal + Interest Payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.
Appropriation Accounts	Appropriation Accounts present the total amount of funds (Original and Supplementary) authorised by the Legislative Assembly in the budget grants under each voted grants and charged appropriation vis-à-vis the actual expenditure incurred against each and the unspent provisions or excess under each grant or appropriation. Any expenditure in excess of the grants requires regularisation by the Legislature.

Appendix - 4.1 (contd.)

Terms	Description
Autonomous bodies	Autonomous Bodies (usually registered Societies or Statutory Corporations) are set up whenever it is felt that certain functions need to be discharged outside the governmental set up with some amount of independence and flexibility without day-to-day interference of the Governmental machinery.
Committed expenditure	The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies on which the present executive has limited control.
State implementing schemes	State Implementing Agency includes any Organisation/Institution including Non-Governmental Organisation which is authorised by the State Government to receive the funds from the Government of India for implementing specific programmes in the State, e.g. State Implementation Society for Sarva Siksha Abhiyan and State Health Mission for National Rural Health Mission, etc.
Contingency Fund	Legislature Assembly has by law established a Contingency Fund in the nature of an imprest into which is paid from time to time such sums as may be determined by such law, and the said fund is placed at the disposal of the Governor to enable advances to be made by him out of it for the purpose of meeting unforeseen expenditure pending authorisation of such expenditure by Legislature Assembly by law under Article 205 or Article 206 of the Constitution.
Consolidated fund of the State	The fund constituted under Article 266 (1) of the Constitution of India into which all receipts, revenues and loans flow. All expenditure from the CFS is by appropriation: voted or charged. It consists of two main divisions namely Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Public Debt and Loans, etc.).
Contingent liability	Contingent liabilities may or may not be incurred by an entity depending on the outcome of a future event such as a court case.
Sinking Fund	A Fund into which the government sets aside money over time, in order to retire its debt.
Guarantee Redemption Fund	Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee has been extended. As per the terms of the Guarantee Redemption Fund, the State Government was required to contribute an amount equal to atleast 1/5th of the outstanding invoked guarantees plus an amount likely to be invoked as a result of the incremental guarantees during the year
Internal Debt	Internal Debt comprises regular loans from the public in India, also termed 'Debt raised in India'. It is confined to loans credited to the Consolidated Fund.
Primary revenue expenditure	Primary revenue expenditure means revenue expenditure excluding interest payments.
Re-appropriation	Means the transfer of funds from one Primary unit of appropriation to another such unit.
Surrenders of unspent provision	Departments of the State Government are to surrender to the Finance, before the close of the financial year, all the anticipated unspent provisions noticed in the grants or appropriations controlled by them. The Finance is to communicate the acceptance of such surrenders, as are accepted by them to the Audit Officer and/or the Accounts Officer, as the case may be, before the close of the financial year.
Supplementary grants	If the amount authorised by any law made in accordance with the provisions of Article 114 of the Constitution to be expended for a particular service for the current financial year is found to be insufficient for the purpose of that year or when a need has arisen during the current financial year for the supplementary or additional expenditure upon some 'new service' not contemplated in the original budget for that year, Government is to obtain supplementary grants or appropriations in accordance with the provision of Article 115 (1) of the Constitution.
Suspense and Miscellaneous	Items of receipts and payments which cannot at once be taken to a final head of receipt or charge owing to lack of information as to their nature or for any other reasons, may be held temporarily under the major head "8658-Suspense Account" in the sector "L. Suspense and Miscellaneous" of the Accounts, (Footnotes under the major head in the list of major/minor heads of account may be referred to for

Appendix - 4.1 (concl.)

Terms	Description
	<p>further guidance). A service receipt of which full particulars are not given must not be taken to the head "Suspense Account" but should be credited to the minor head "Other Receipt" under the revenue major head to which it appears to belong pending eventual transfer to the credit of the correct head on receipt of detailed particulars.</p>
Public Accounts committee	<p>A Committee constituted by the Legislative Assembly for the examination of the reports of the Comptroller and Auditor General of India relating to the appropriation accounts of the State, the annual financial accounts of the State or such other accounts or financial matters as are laid before it or which the Committee deems necessary to scrutinize.</p>
Block Grant	<p>A block grant is a lump sum grant provided by the Government of India to the State Government, which are given considerable discretion in how the money is spent (with only general provisions as to the way it is to be spent)</p>
Core public goods	<p>Core public goods are which all citizens enjoy in common in the sense that each individual's consumption of such a good leads to no subtractions from any other individual's consumption of that good, e.g. enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods and road infrastructure etc.</p>
Merit goods	<p>Merit goods are commodities that the public sector provides free or at subsidized rates because an individual or society should have them on the basis of some concept of need, rather than ability and willingness to pay the government and therefore wishes to encourage their consumption. The examples of such goods include the provision of free or subsidized food for the poor to support nutrition, the delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation etc.</p>
Absorptive capacity	<p>Absorptive capacity in this case refers to the ability of a State to implement a developmental scheme in such a way that with given resources, there is maximum benefit to the people. This is usually achieved when the design of schemes are well planned with careful risk mitigation strategy in place, administrative costs are low, operation, maintenance, monitoring and control mechanisms are in place etc so that the state is able to effectively achieve targeted outcomes.</p>

Acronyms	Full Form
AC Bill	Abstract Contingency Bill
AE	Aggregate Expenditure
BE	Budget Estimates
CAG	Comptroller and Auditor General of India
CE	Capital Expenditure
DC Bill	Detailed Contingency Bill
DCRF	Debt Consolidation and Relief Facility
DE	Development Expenditure
FCP	Fiscal Correction Path
GoI	Government of India
GSDP	Gross State Domestic Product
FRBM	Fiscal Responsibility and Budget Management Act, 2005
IP	Interest Payment
MTFPS	Medium Term Fiscal Policy Statement
O&M	Operation and Maintenance
PAC	Public Accounts Committee
RE	Revenue Expenditure
RR	Revenue Receipts
S&W	Salaries and Wages
SAR	Separate Audit Report
SSE	Social Sector Expenditure
TE	Total Expenditure
TFC	Twelfth Finance Commission
ThFC	Thirteenth Finance Commission
UC	Utilisation Certificate
VAT	Value Added Tax