



सत्यमेव जयते

**Report of the  
Comptroller and Auditor General of India  
on  
State Finances  
for the year ended March 2013**

The Report has been laid on the table of the State Legislature Assembly on 14-06-2014.



**Government of Maharashtra**

**Report of the Comptroller and  
Auditor General of India**

**On  
State Finances**

**for the year ended 31 March 2013**

**Government of Maharashtra**

# Table of Contents

Table of Contents	Paragraph	Page
Preface		vii
Executive Summary		ix
<b>CHAPTER I - FINANCES OF THE STATE GOVERNMENT</b>		
Introduction	1.1	1
Resources of the State	1.2	6
Revenue Receipts	1.3	9
Capital Receipts	1.4	18
Public Accounts Receipts	1.5	19
Application of resources	1.6	20
Quality of Expenditure	1.7	32
Financial Analysis of Government Expenditure and Investments	1.8	36
Assets and Liabilities	1.9	42
Debt Management	1.10	53
Fiscal Imbalances	1.11	64
Follow up	1.12	68
Conclusion and recommendation	1.13	68
<b>CHAPTER II - FINANCIAL MANAGEMENT AND BUDGETARY CONTROL</b>		
Introduction	2.1	73
Summary of Appropriation Accounts	2.2	73
Financial Accountability and Budget management	2.3	75
Outcome of Review of selected Grants	2.4	80
Other Observations	2.5	87
Advances from Contingency Fund	2.6	88
Misclassification of expenditure especially from the grants in aid	2.7	88
Outcome of Inspection of Treasuries	2.8	89
Conclusion	2.9	92
Recommendation	2.10	92
<b>CHAPTER III - FINANCIAL REPORTING</b>		
Delay in furnishing Utilisation Certificates	3.1	93
Non-submission/delay in submission of accounts by Grantee institutions	3.2	93
Delay in submission of Accounts/Audit Reports of Autonomous Bodies	3.3	94
Delay in finalisation of Proforma Accounts by Departmentally managed Commercial Undertakings	3.4	95
Misappropriations, losses, defalcations etc.	3.5	95
Opaqueness in Government Accounts	3.6	96
Reconciliation of Receipts and Expenditure	3.7	96
Pendency in submission of Detailed Contingent bills against Abstract Contingent bills	3.8	97
Conclusion	3.9	98
Recommendation	3.10	99

## Table of Contents

No.	Appendices	Reference to Paragraph	Pages
1.1	State Profile		101
1.2	<b>Part-A</b> : Structure of Government Accounts	1.1	102
	<b>Part-B</b> : Layout of Finance Accounts		102
1.3	Fiscal Responsibility and Budget Management (FRBM) Act and Rules	1.1	103
1.4	Outcome indicators of State's Own Fiscal Correction Path	1.1	104
1.5	Time Series data on State Government Finances	1.3	105
1.6	Abstract of Receipts and Disbursements for the year 2012-13	1.1.1	108
1.7	Summarised financial position of Government of Maharashtra as on 31 March 2013	1.9.1	111
1.8	Statement of funds transferred by Government of India directly to State implementing agencies	1.2.2	112
1.9	Department-wise profile of ongoing projects	1.8.1.2	114
1.10	Summarized Financial Statement of Departmentally Managed Commercial/Quasi-commercial Undertakings	1.8.2.1	115
1.11	Active and Inoperative Reserve Funds	1.9.3	117
1.12	Statement showing details of Government investments and accumulated losses in Government Companies as of September 2013	1.8.2	118
1.13	Statement showing the outcome of analysis of budgetary assumptions 2012-13	1.1.3	120
1.14	Details of grant released, disbursed and utilized	1.3.5	122
1.15	Details of grant received less than that recommended till 2013	1.3.5	123
1.16	Details of releases made by DMA from the retained amount	1.3.5.2	124
1.17	Rate of guarantee fees applicable to Co-operative institution	1.9.4.2	125
1.18	Difference in the balances of Government guarantees given to Cooperative Sugar Factories carried forward to the next year	1.9.4.2	126
1.19	Details of difference in the amount of guarantee	1.9.4.2	127
1.20	Details of guarantee given by Social Justice and Special Assistance Department	1.9.4.2	128
1.21	Guarantee fees and penal interest recoverable from institutions	1.9.4.2	129
1.22	Statement showing Government guarantee given to Cooperative Sugar Factories as on 31 March 2013 even though the factories defaulted in repayment of loans in preceding years.	1.9.4.2	132
1.23	Statement showing details of adjustment of ad-hoc grants against invocation claims	1.9.4.2	134
1.24	Statement showing the details of 34 CSFs gone under liquidation up to the end of March 2013	1.9.4.2	135
1.25	Conversion of guarantee fee to interest free loan	1.9.4.2	136
1.26	Statement showing the position of Accounting framework and Auditing arrangements in PPP works agreement	1.8.2	137
2.1	Statement of various grants/appropriations where savings were more than ₹ 10 crore each and more than 20 <i>per cent</i> of the total provision	2.3.1	138

## Table of Contents

No.	Appendices	Reference to Paragraph	Pages
2.2	List of grants with savings of ₹ 100 crore and above	2.3.1	139
2.3	List of grants indicating persistent savings of more than ₹ 100 crore during 2008-13	2.3.2	140
2.4	Statement showing excess over provisions during 2012-13 requiring regularisation	2.3.3	141
2.5	Statement showing excess over provisions of previous years requiring regularisation	2.3.4	142
2.6	Statement showing expenditure incurred without provisions during 2012-13	2.3.5	143
2.7	Statement of cases where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary	2.3.6	144
2.8	Statement of various grants/appropriation where supplementary provision proved insufficient by more than ₹ one crore each	2.3.6	146
2.9	Statement showing excess/unnecessary/insufficient re-appropriation of funds	2.3.7	147
2.10	Statement showing surrender of funds in excess of actual savings (₹ 50 lakh or more)	2.3.9	150
2.11	Statement showing various grants/appropriations in which savings occurred but no part of which had been surrendered	2.3.10	151
2.12	Statement showing details of savings of ₹ one crore and above not surrendered	2.3.10	152
2.13	Statement showing cases of surrender of funds in excess of ₹ 10 crore on 30 and 31 March 2013	2.3.10	153
2.14	Statement showing Cases of drawal from Contingency Fund where the expenditure was foreseeable	2.6	155
3.1	Statement showing department-wise breakup of outstanding Utilisation Certificates	3.1	156
3.2	Statement showing performance of the autonomous bodies	3.3	157
3.3	Statement of finalisation of accounts and Government investment in departmentally managed commercial and quasi-commercial undertakings	3.4	159
3.4	Statement showing department wise/duration wise break up of cases of misappropriation, defalcation, etc.	3.5	161
3.5	Statement showing department/category wise details in respect of losses to Government due to theft, misappropriation/loss of Government material	3.5	162
3.6	Statement showing pending Detailed Contingent Bills for the years up to 2012-13	3.8	163
3.7	Details of Sub head (Schemes) booked under 800 for the year 2012-13	3.6	164
4.1	Glossary of terms		166
4.2	Acronyms and abbreviations		170